



Legislative Economic Briefing

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Mississippi University Research Center

Mississippi Institutions of Higher Learning

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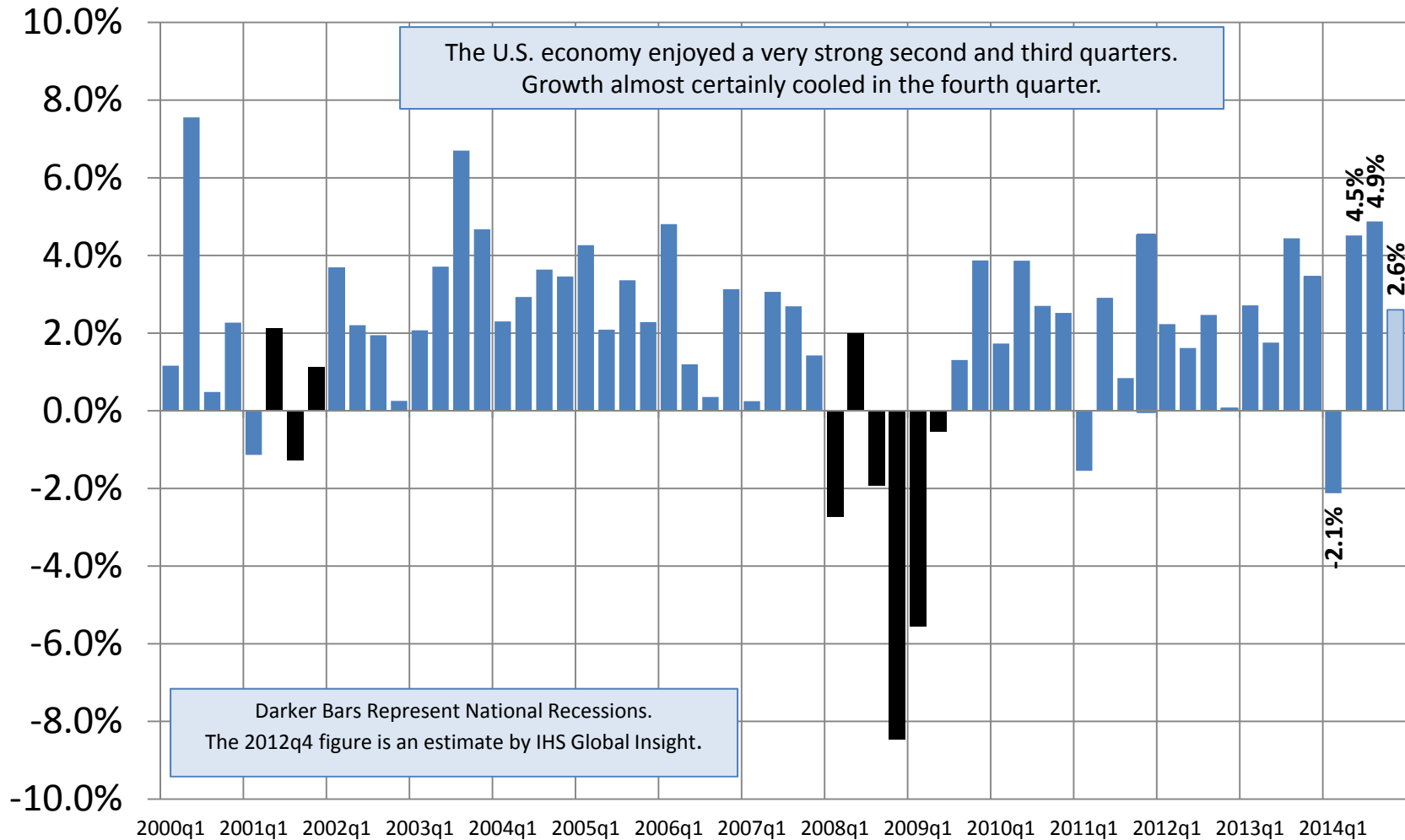
Visit our website for this presentation as well as state and county level economic data.
www.mississippi.edu/urc

Overview

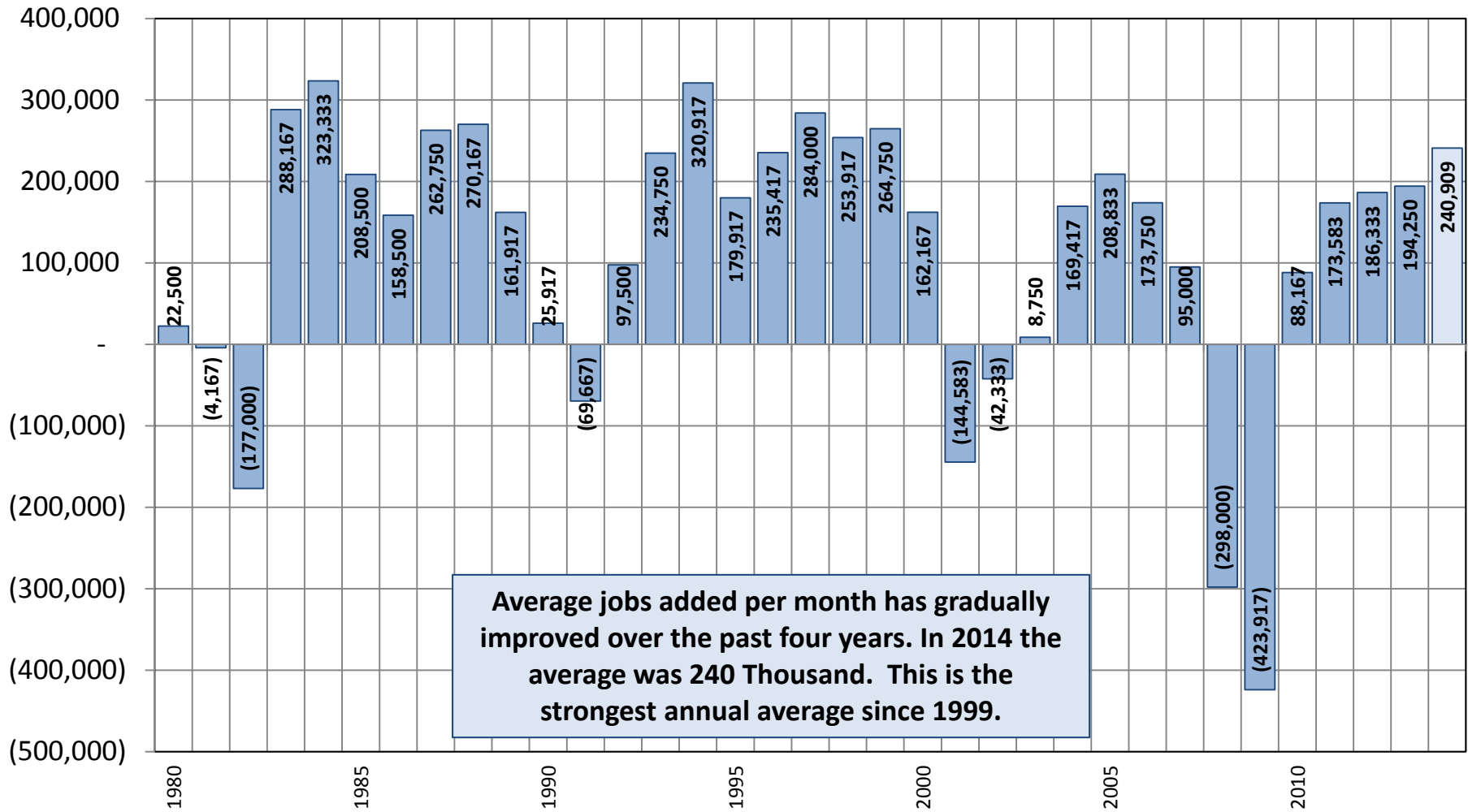
- US economy is gaining momentum
 - Lower gas prices is supporting stronger consumer spending
 - Income growth is beginning to improve and consumers & businesses are relatively upbeat
 - Investment growth remains strong
 - Moderated somewhat by lower investment in oil and gas equipment and structures
 - We face a sluggish global economy and exports are likely to moderate. The housing sector still lacks momentum. Nevertheless we expect growth to improve in 2015 over 2014
- MS economy is growing but underperforming Nation & Region
- FY 2015 General Fund is out-performing the economy; we expect to make both the FY 2015 and FY 2016 estimates

NATIONAL TRENDS

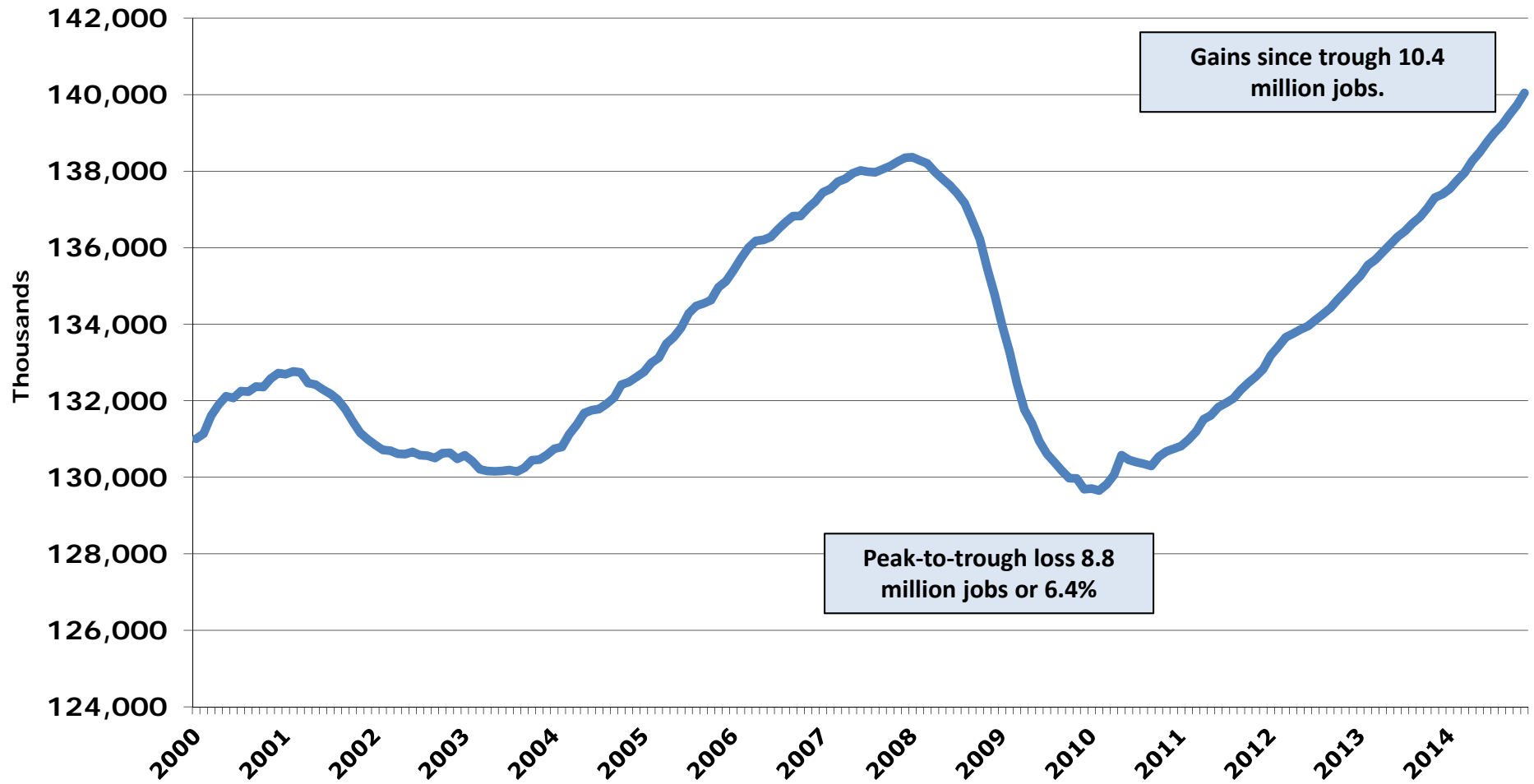
Annualized Quarterly Growth in Real GDP



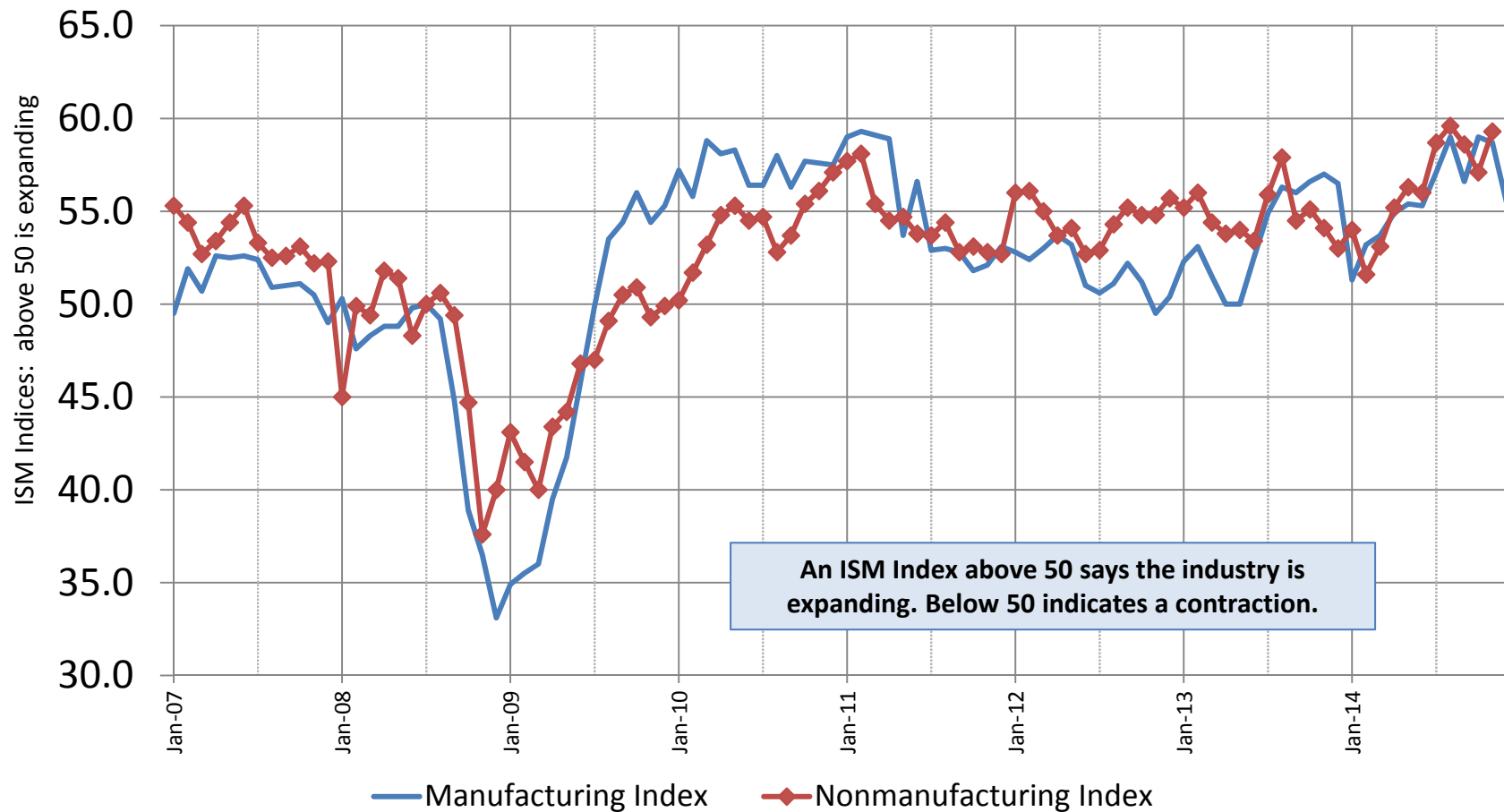
Average US Jobs Added By Month By Year



US Nonfarm Employment

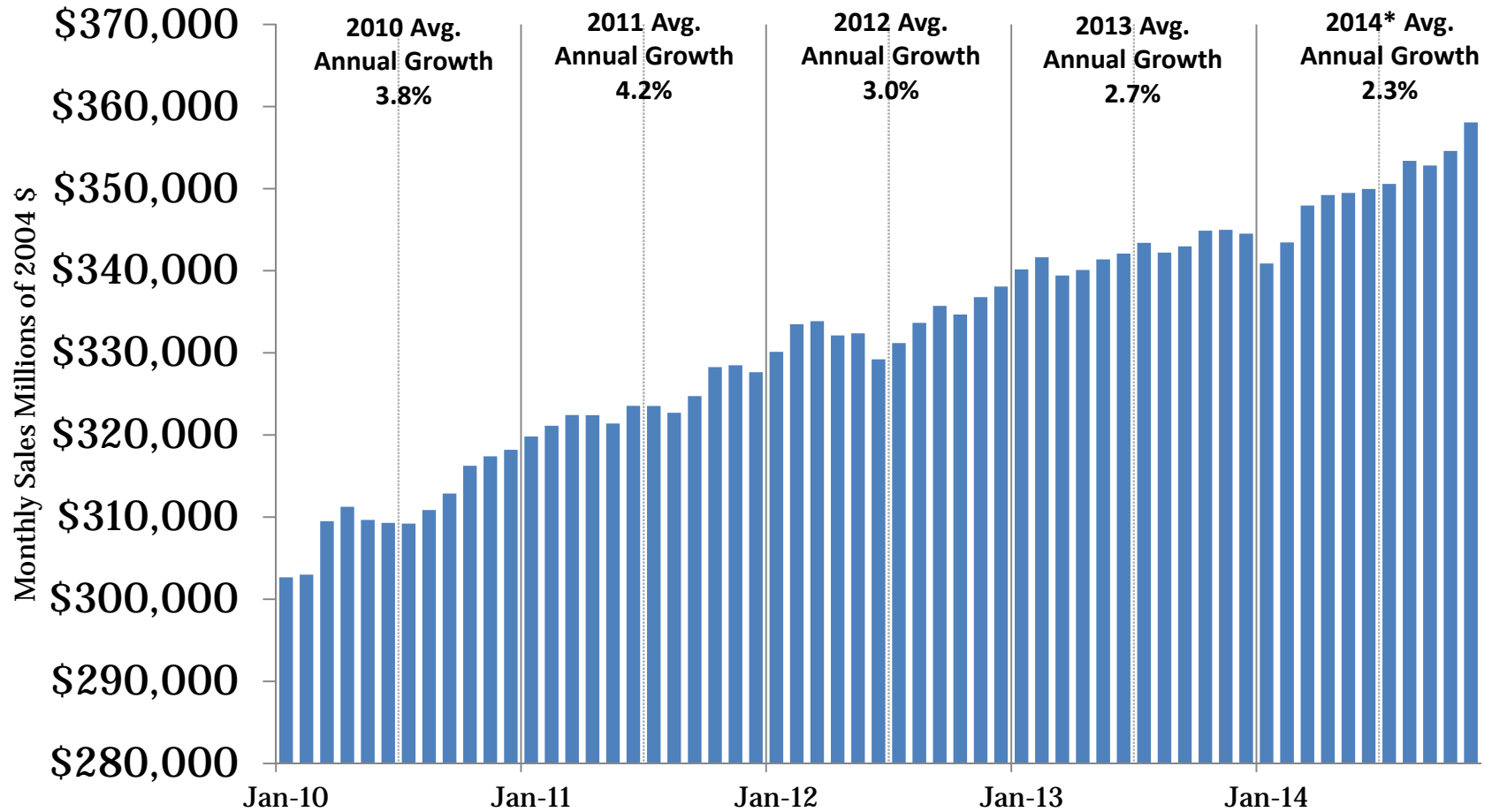


Institute For Supply Management Indices



Real US Retail Sales

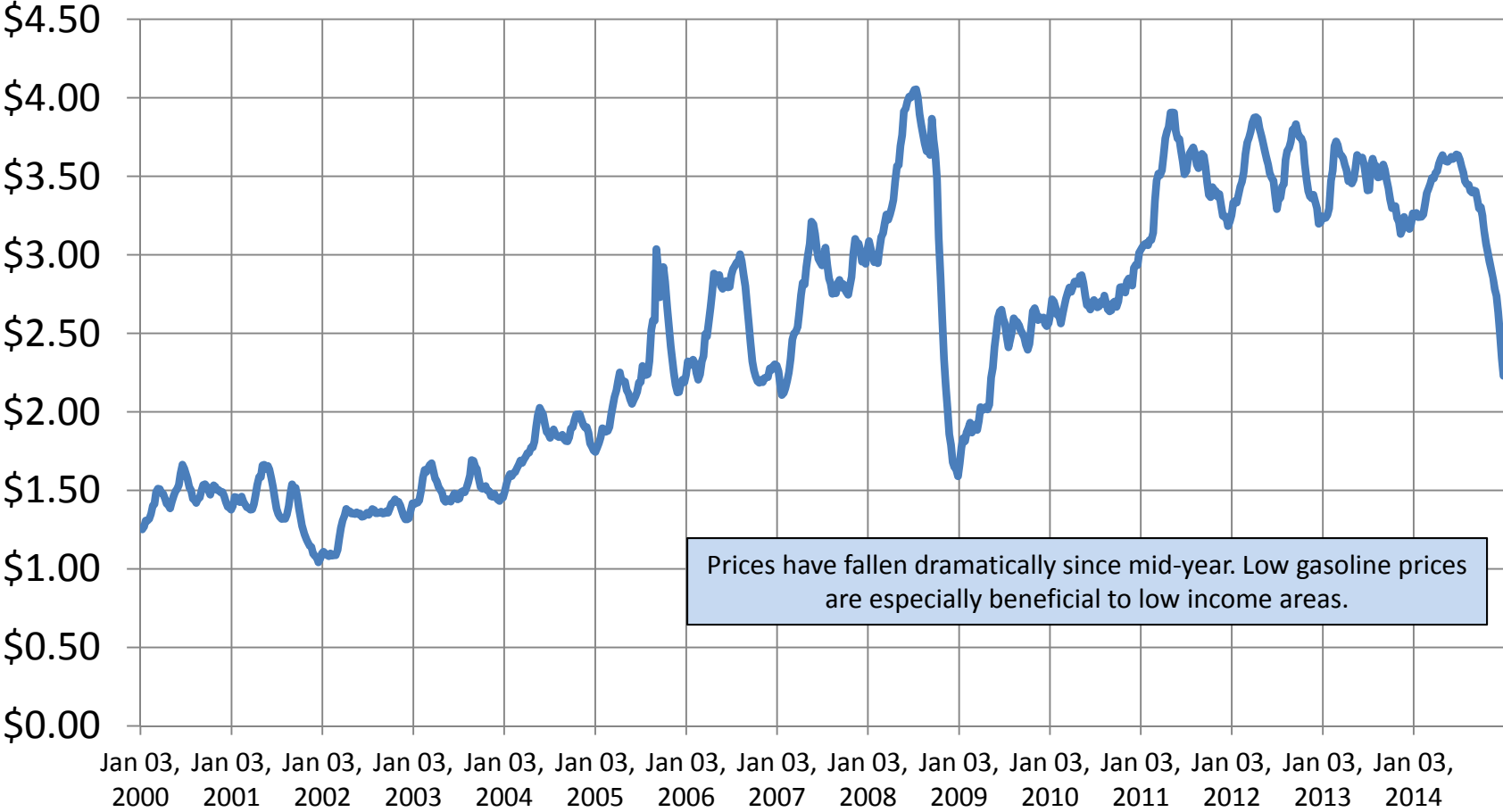
Adjusted for Inflation



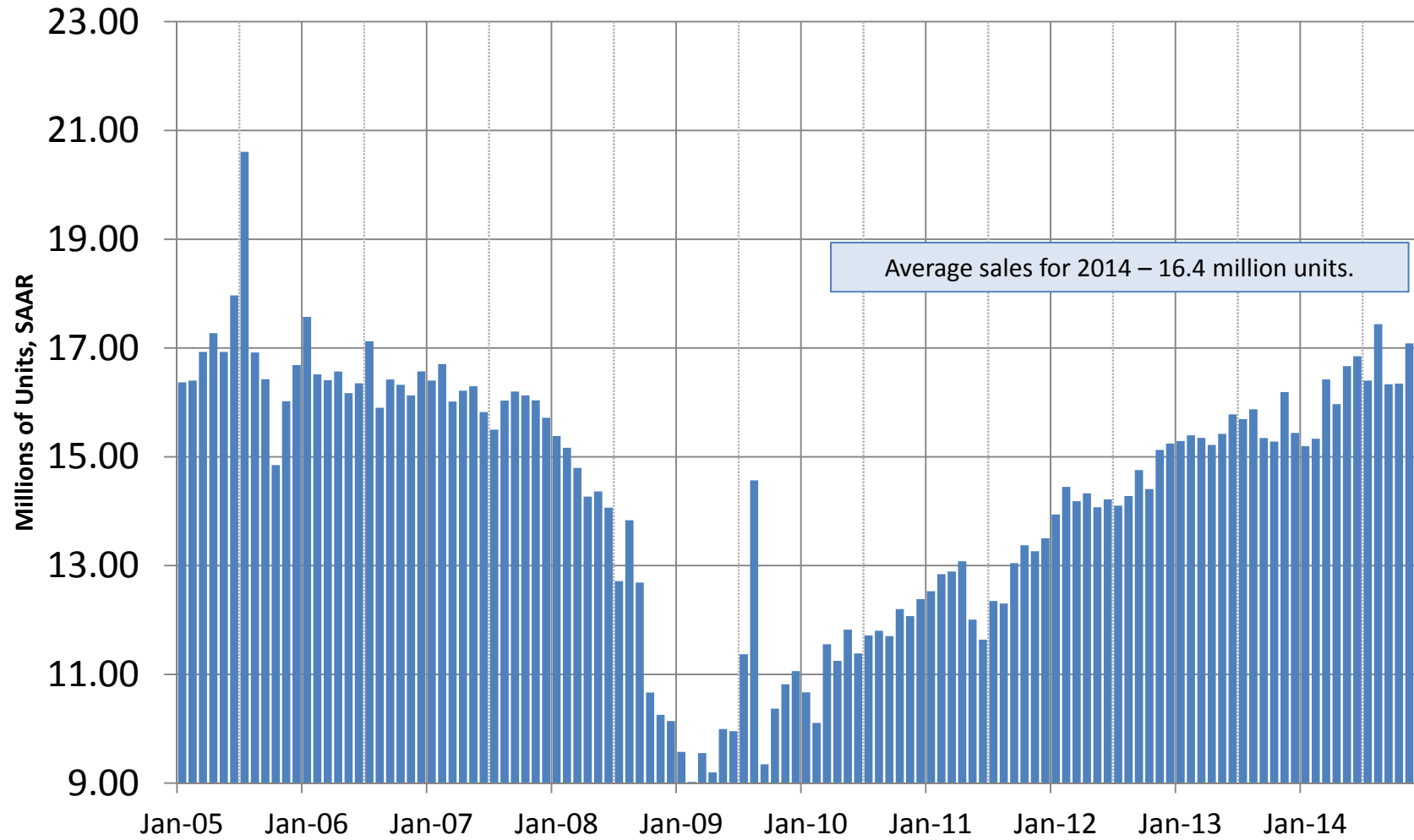
2014 Avg. Growth reflects Jan-August

Weekly U.S. Regular Retail Gasoline Prices

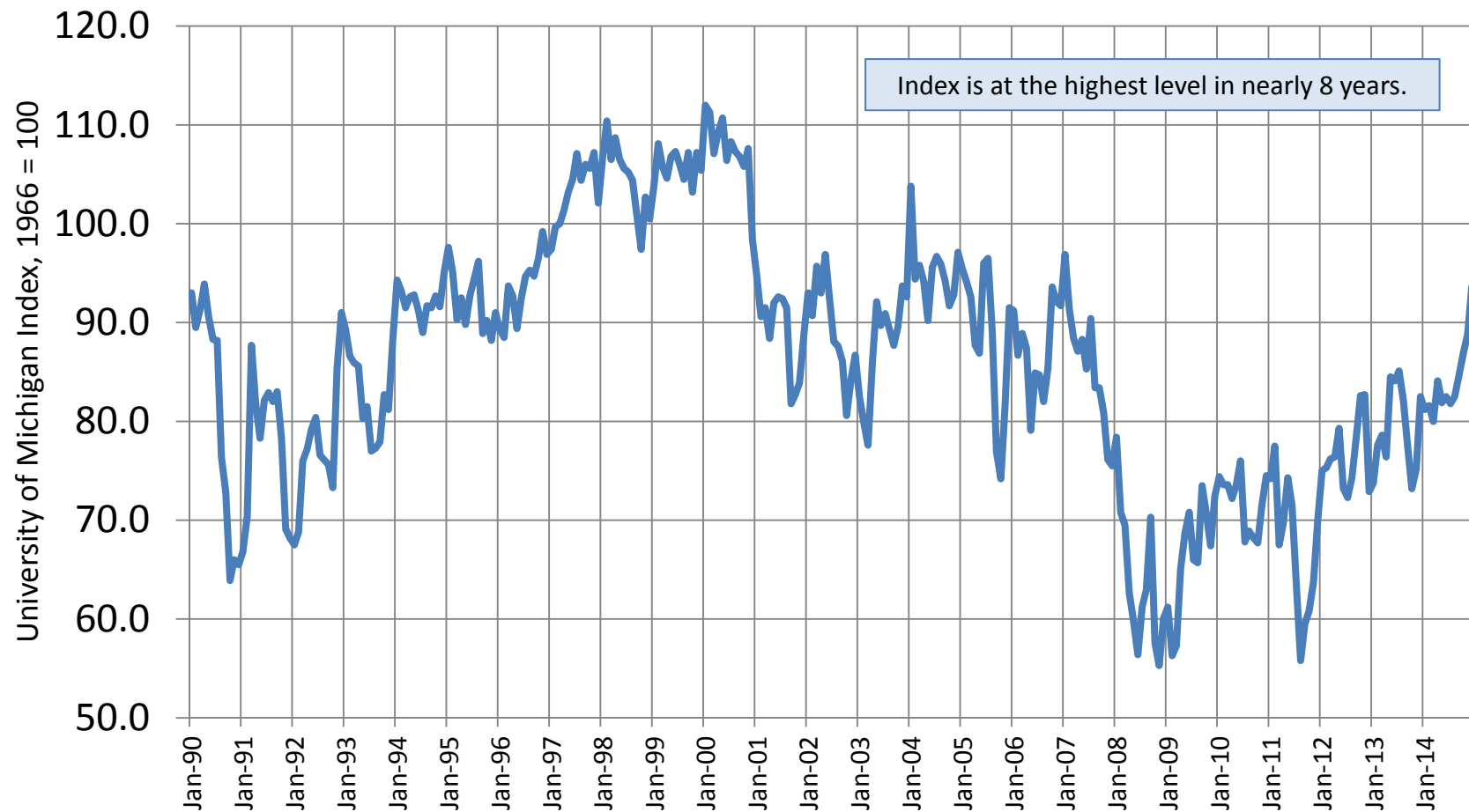
Dollars Per Gallon



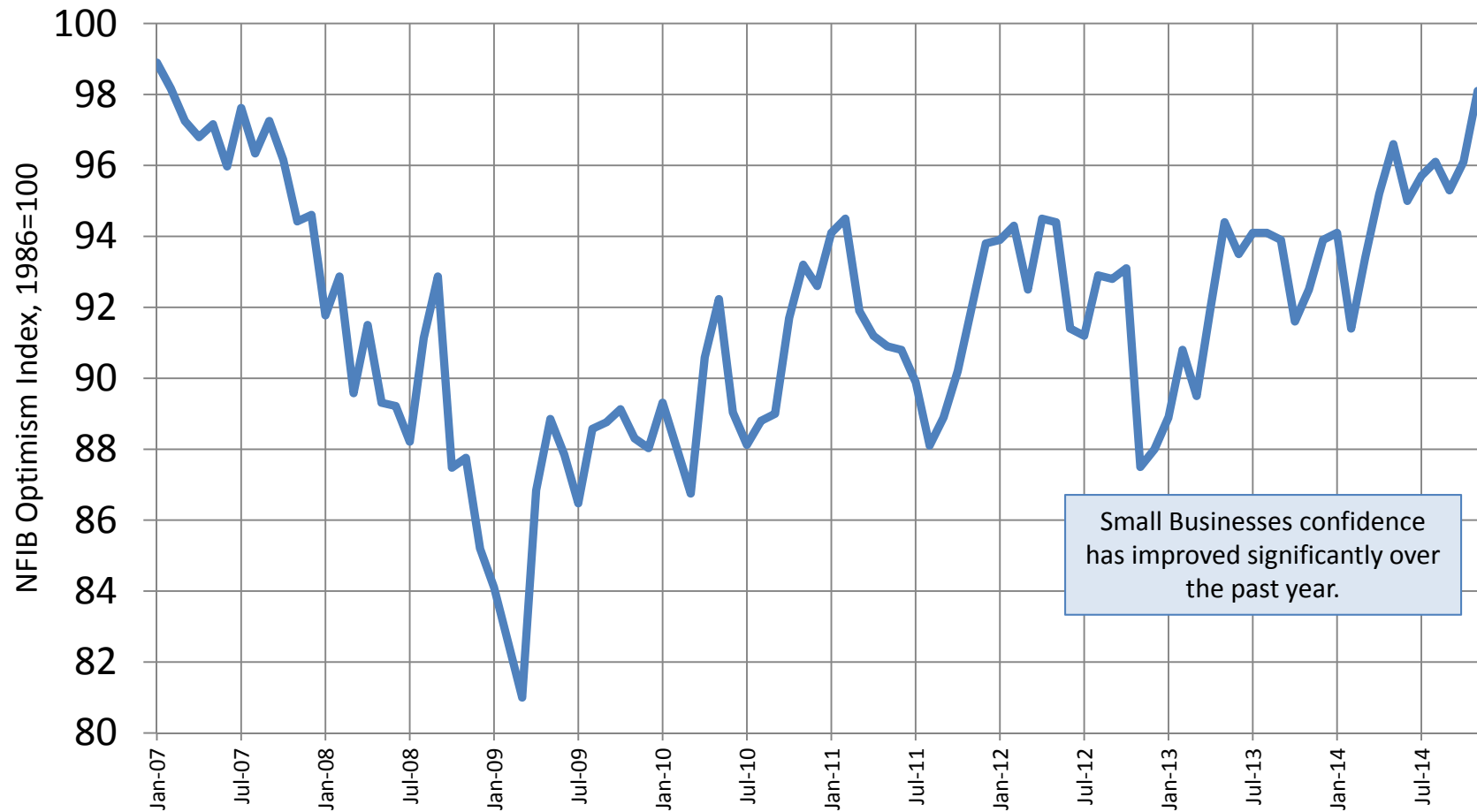
US Light Vehicle Sales



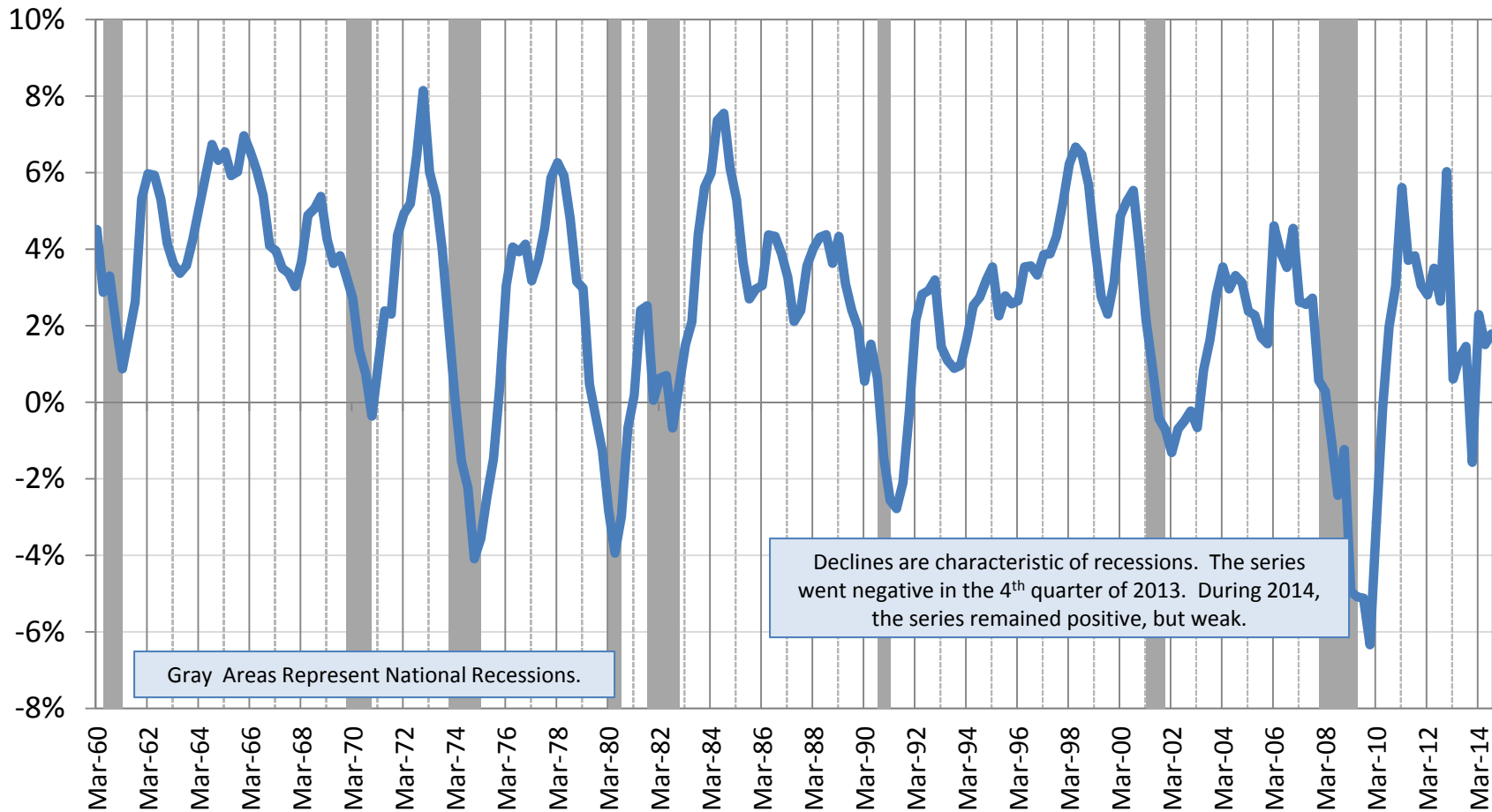
US Consumer Sentiment



National Federation of Independent Businesses Optimism Index

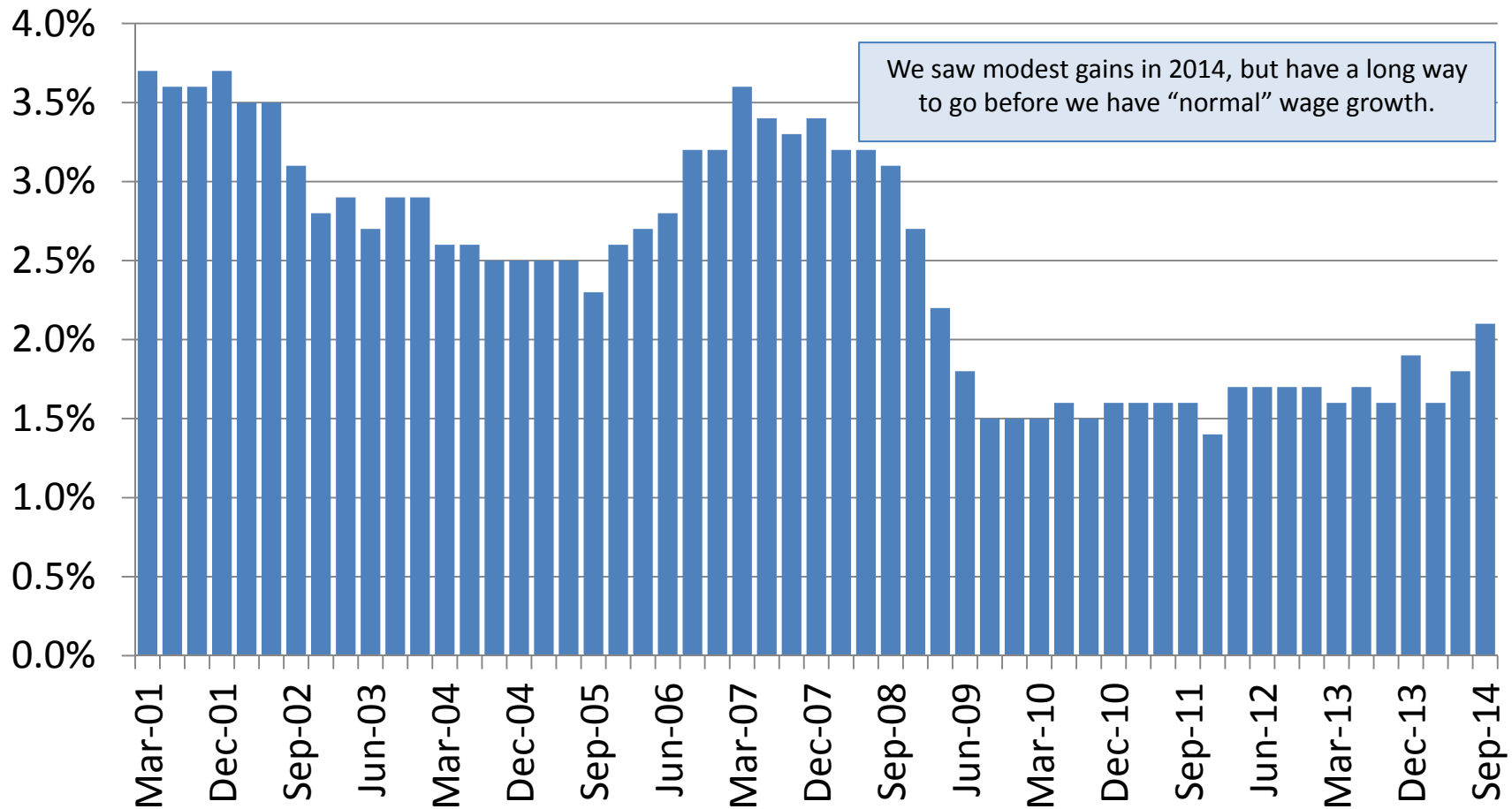


Year-Over-Year Growth in Real Personal Income Less Transfer Payments by Quarter



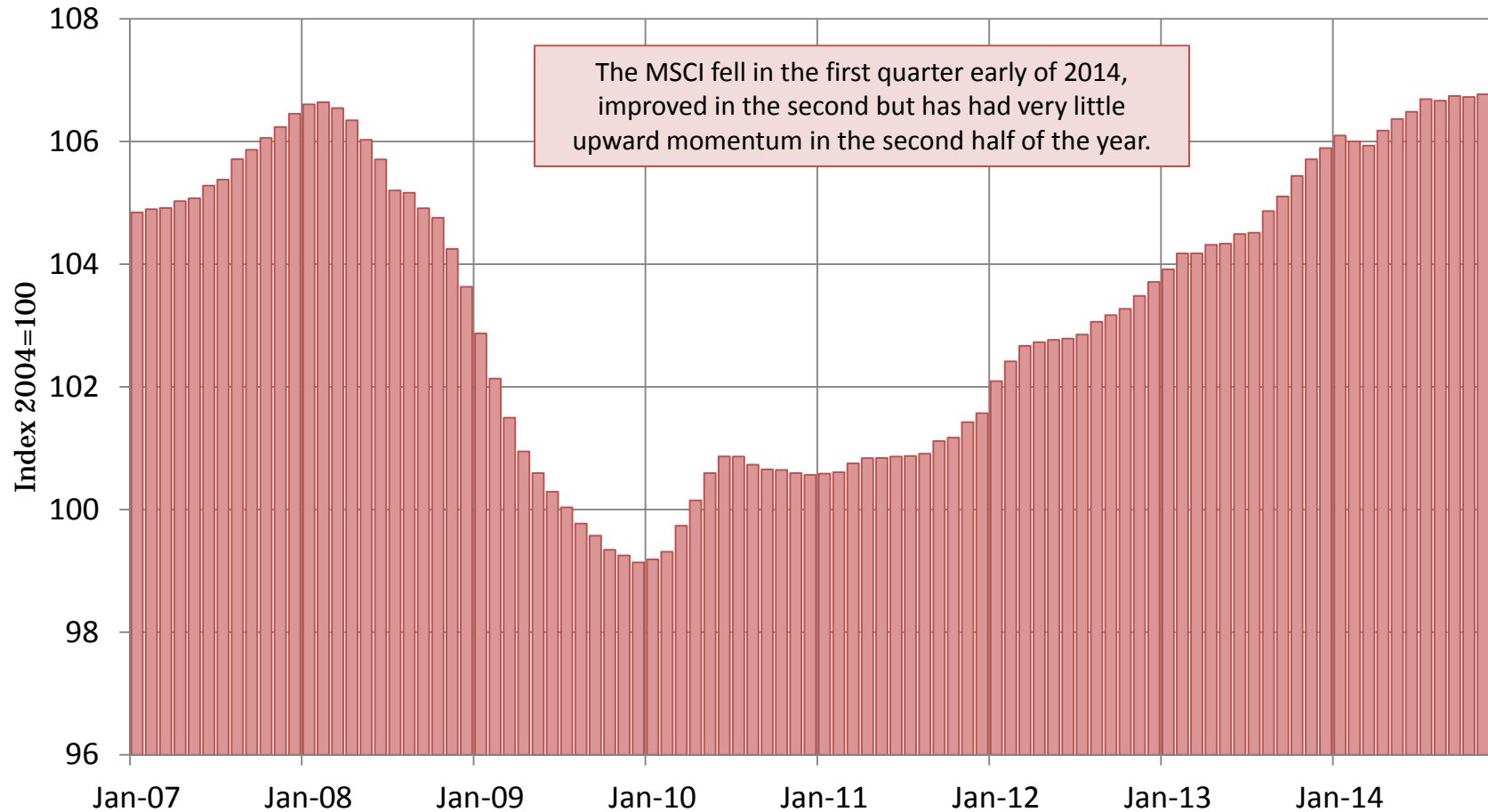
U.S. Employment Cost Index

Wage and Salaries for All Civilian Workers
Growth Over The Prior Year by Quarter



STATE TRENDS

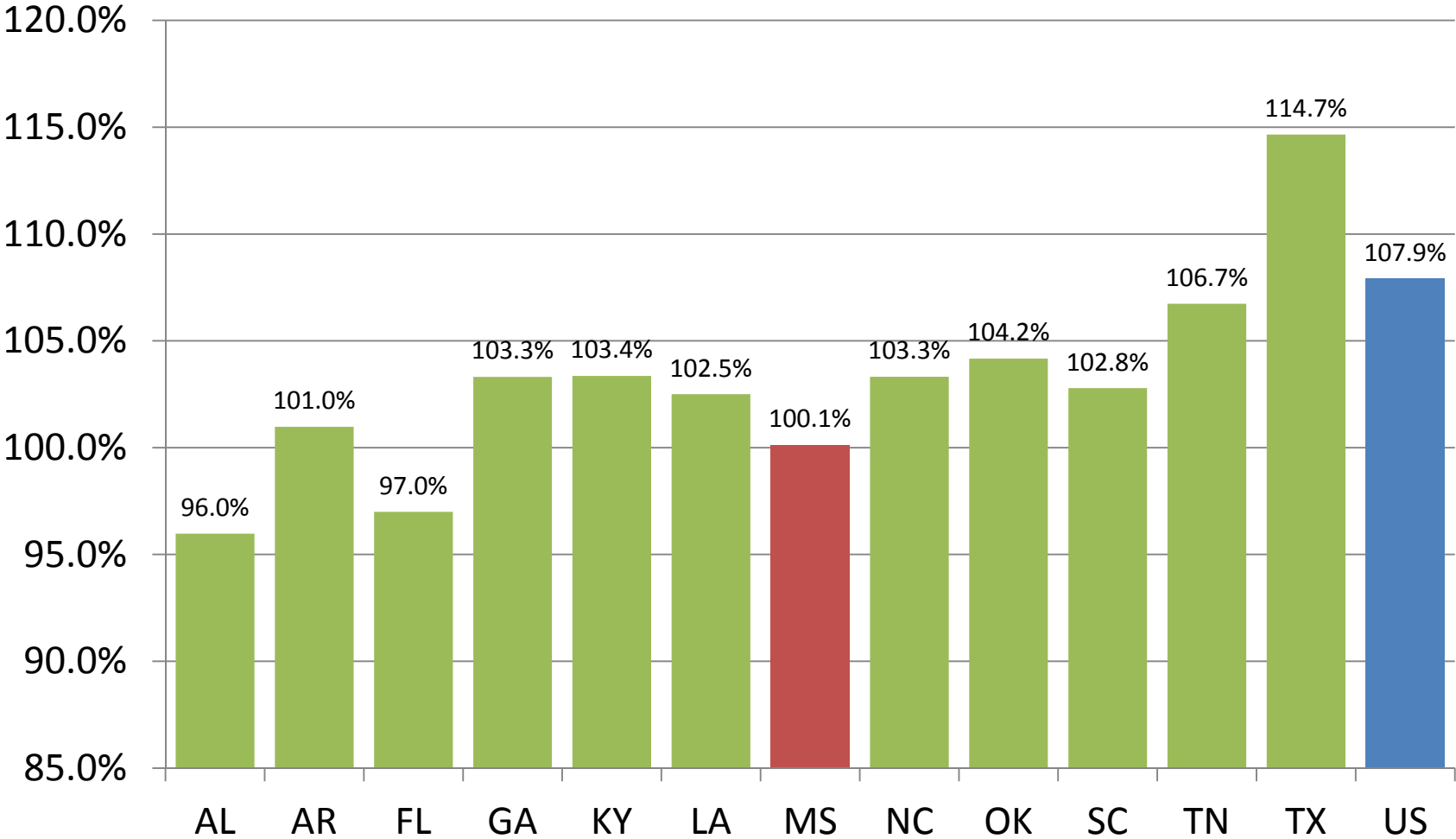
MS Index of Coincident Indicators



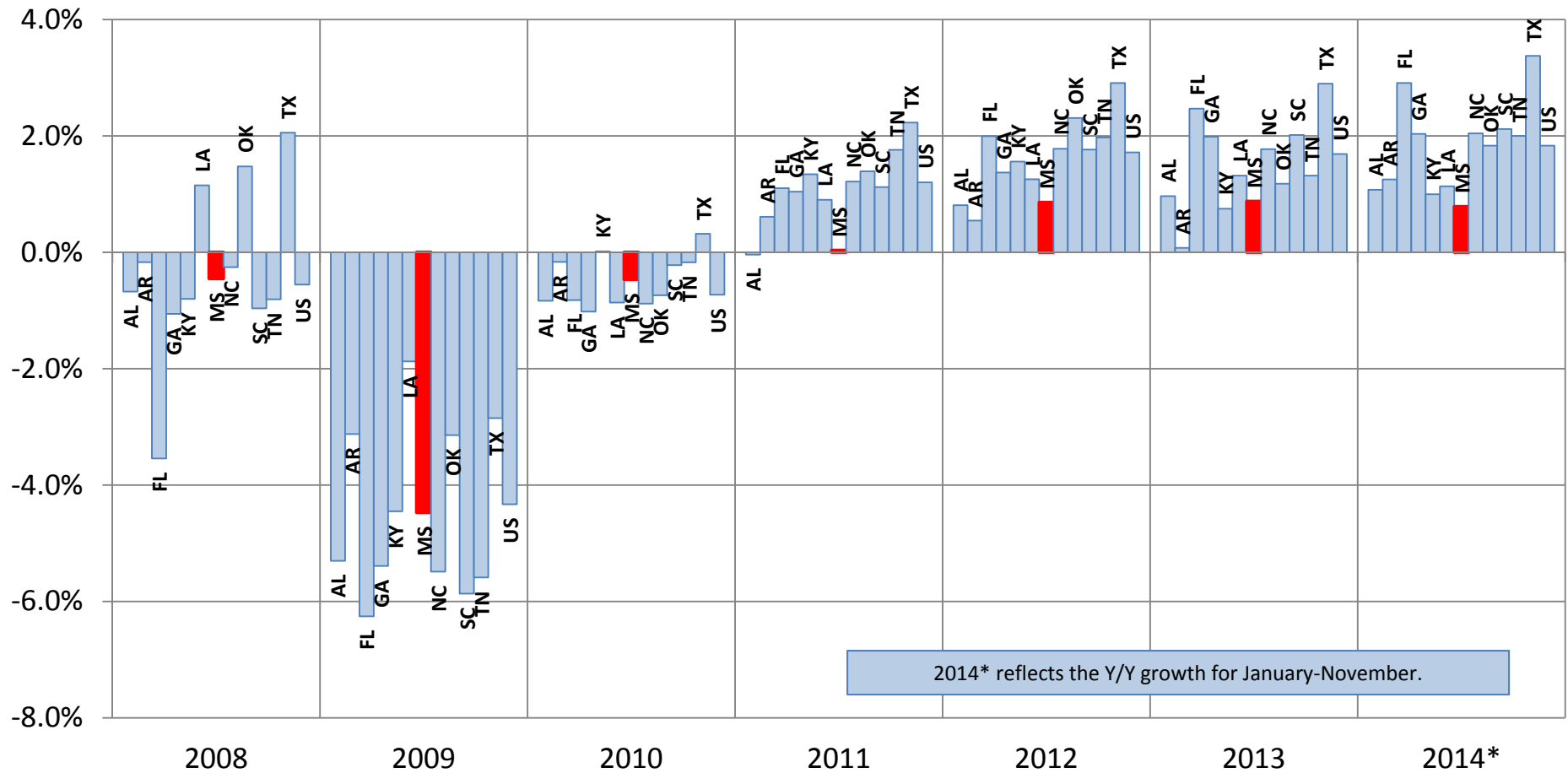
The Mississippi Index of Coincident Indicators reflects economic conditions existing in a given month. The index is constructed by the Federal Reserve Bank of Philadelphia and re-indexed to 2004. The Index is based on changes in nonfarm employment, the unemployment rate, average manufacturing workweek length and wage and salary disbursements.

Regional Comparison

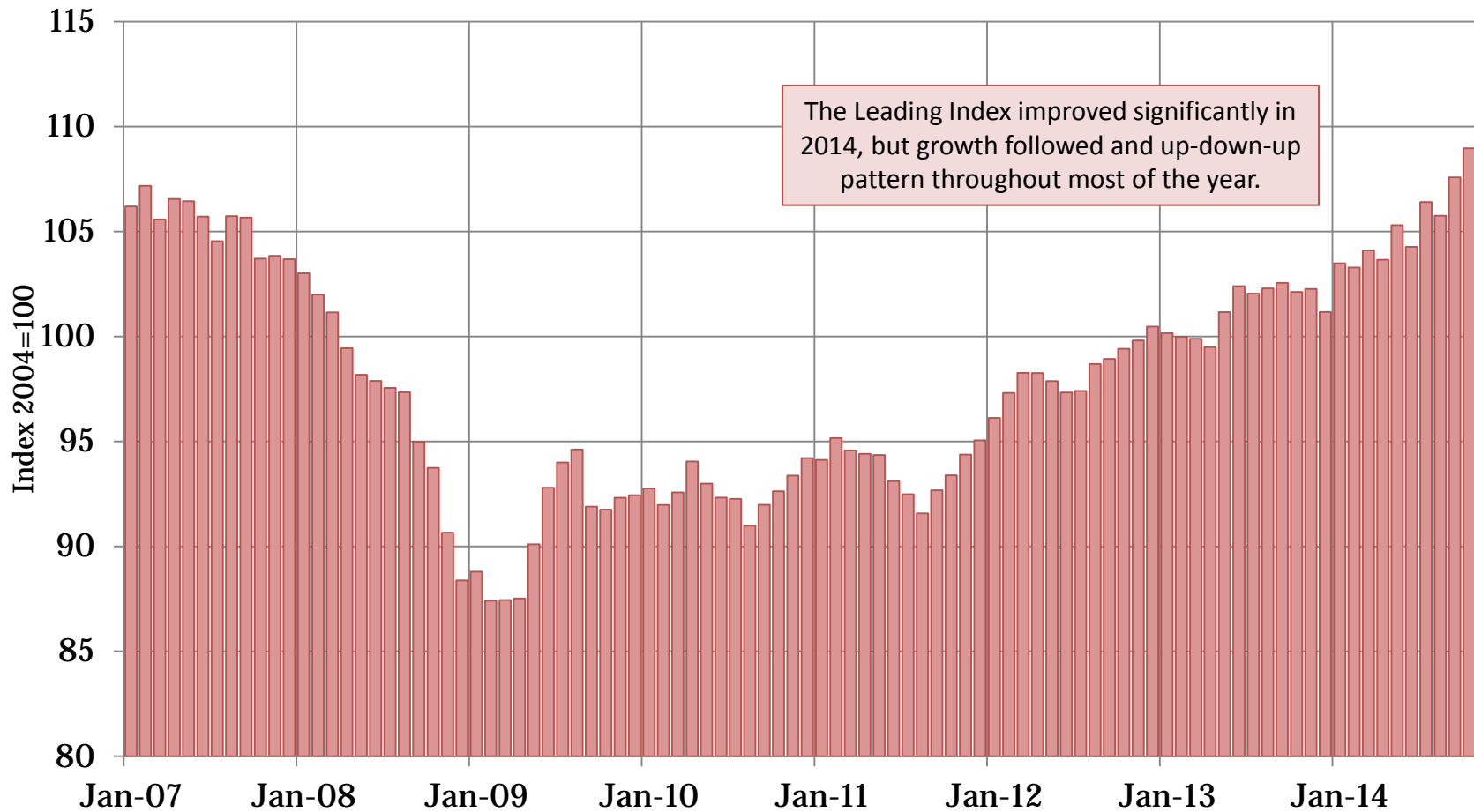
November Coincident Index as Percentage of Pre-recession Peak



Average Annual Growth in Employment

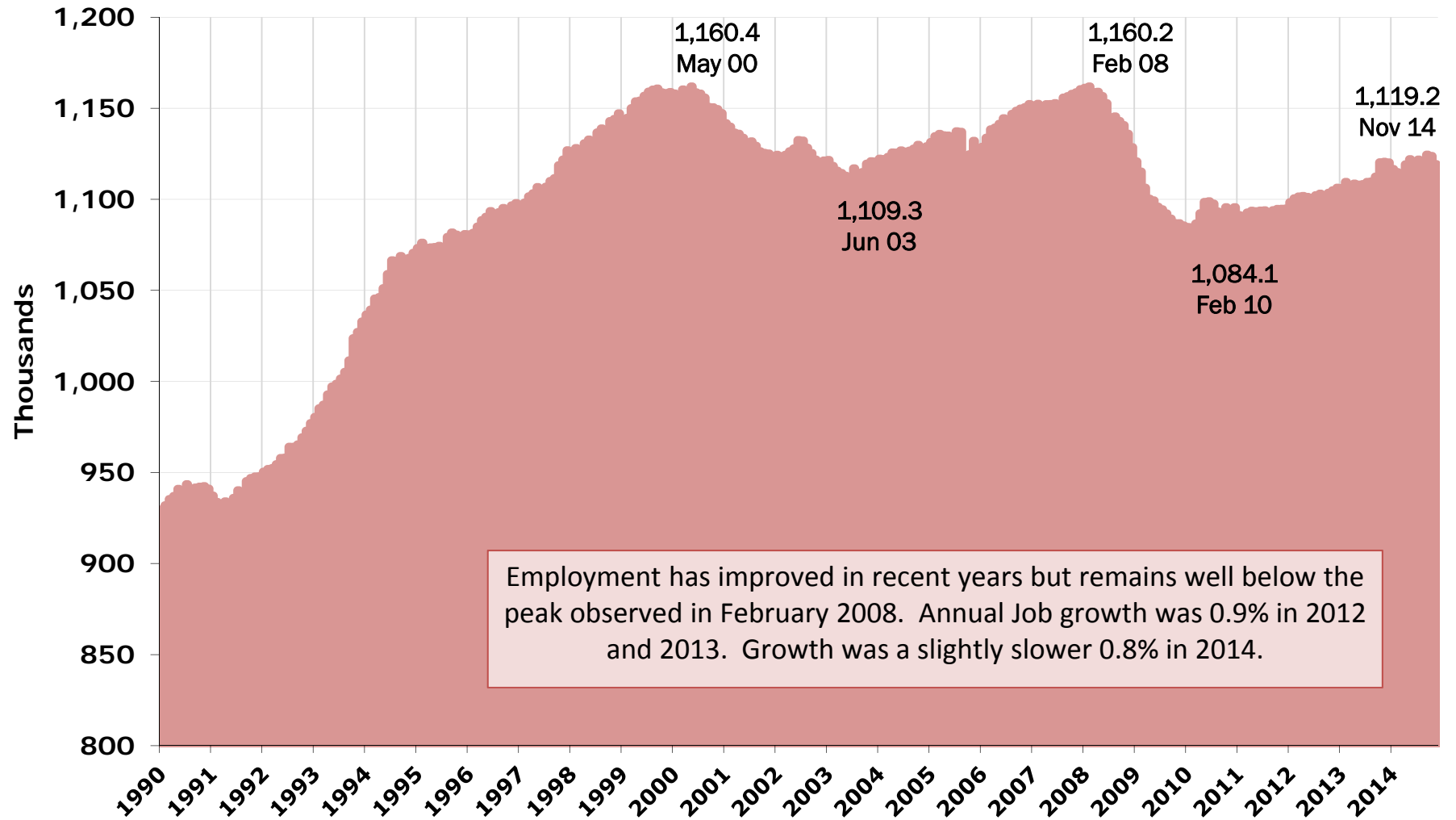


MS Index of Leading Indicators

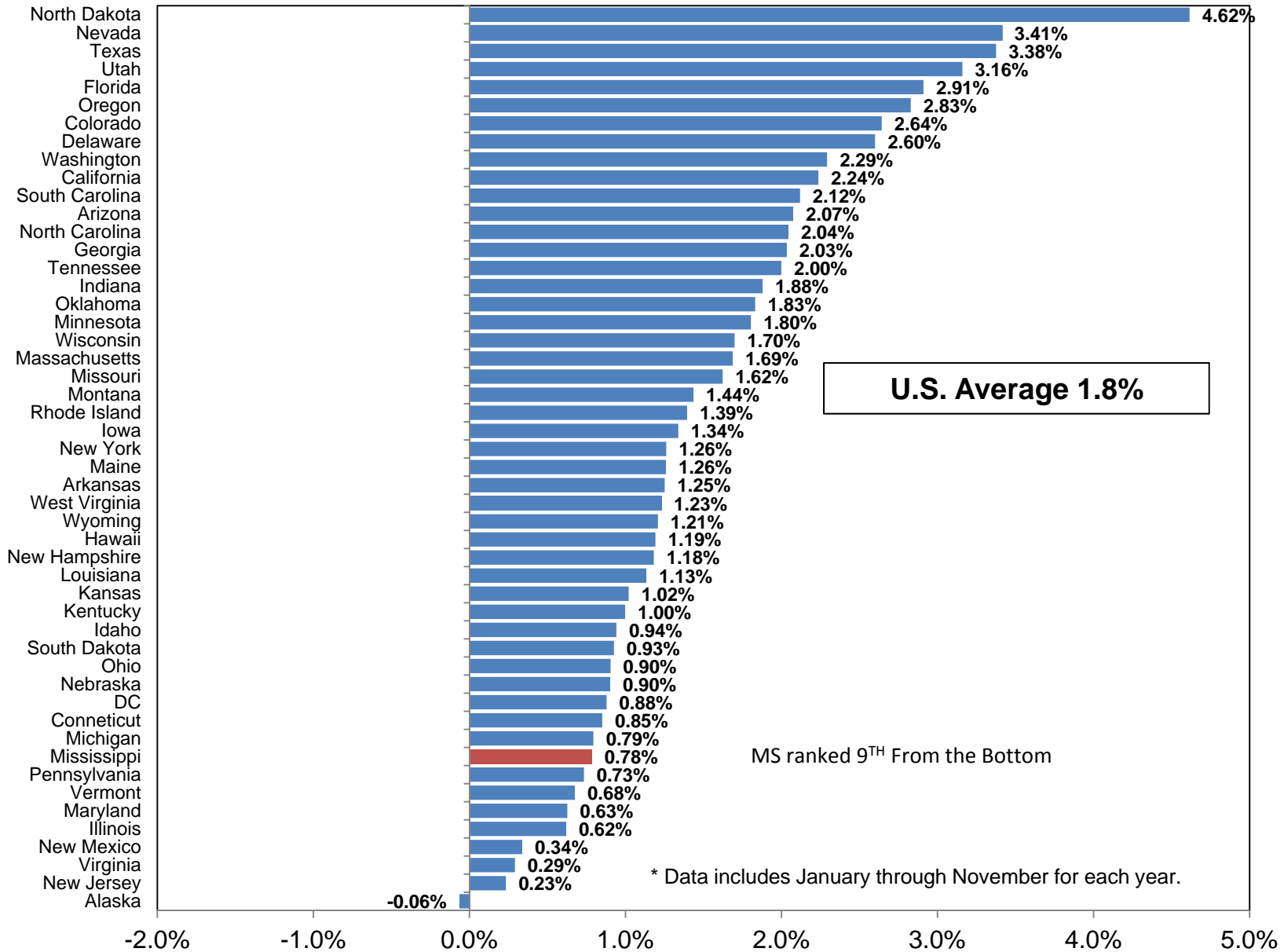


The Mississippi Index of Leading Indicators reflects economic conditions expected for the coming months. The index is constructed by the University Research Center and indexed to 2004. There are 7 components of the Index: MS Initial Unemployment Claims; MS Income Tax Withholdings; MS Value of Residential Building Permits; MS MFG Employment Intensity Index; ISM Index of US MFG Activity; US Consumer Expectations Index and US Retail Sales.

MS Nonfarm Employment

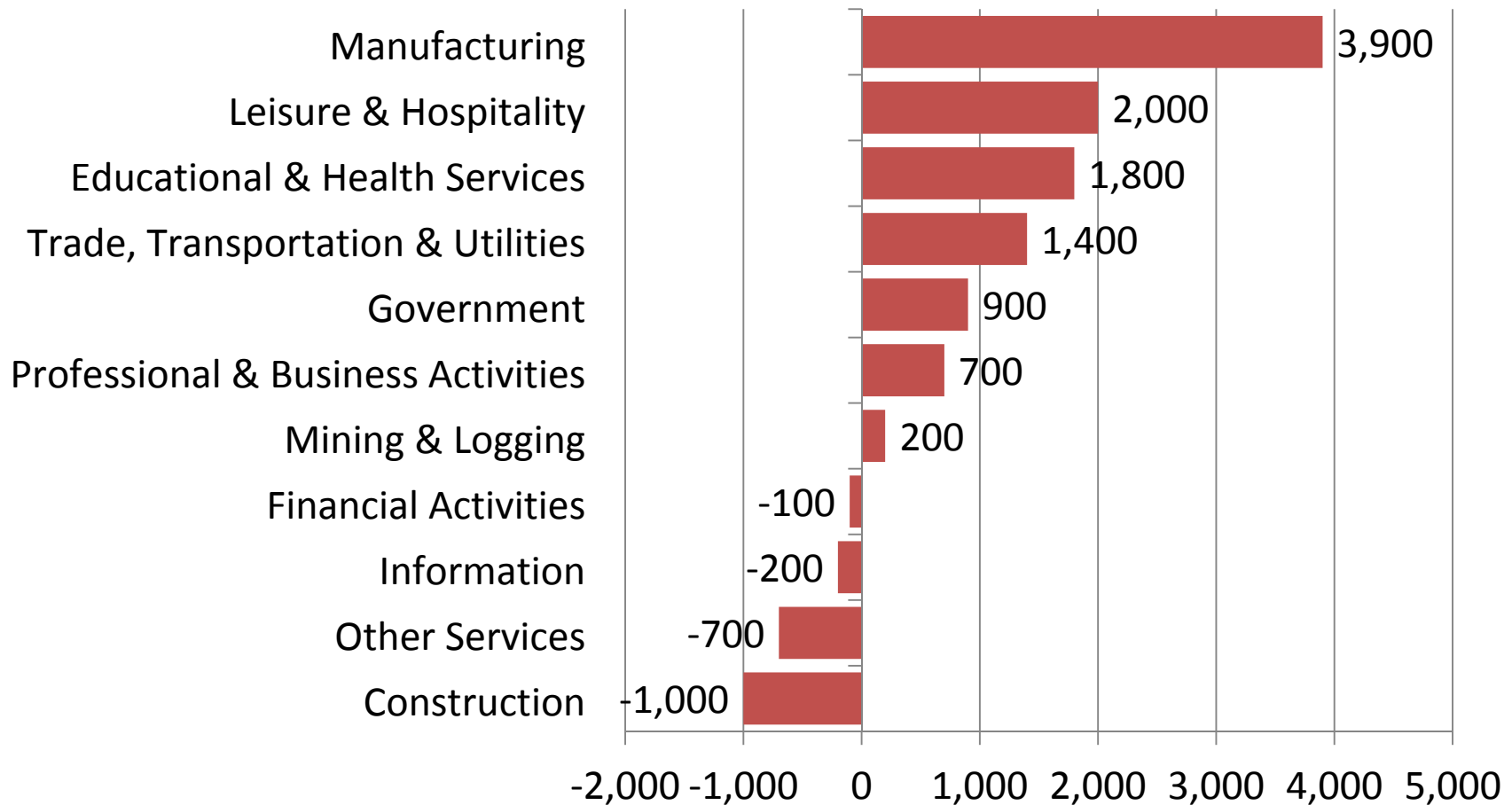


Percentage Change in Nonfarm Employment By State, 2013-2014*



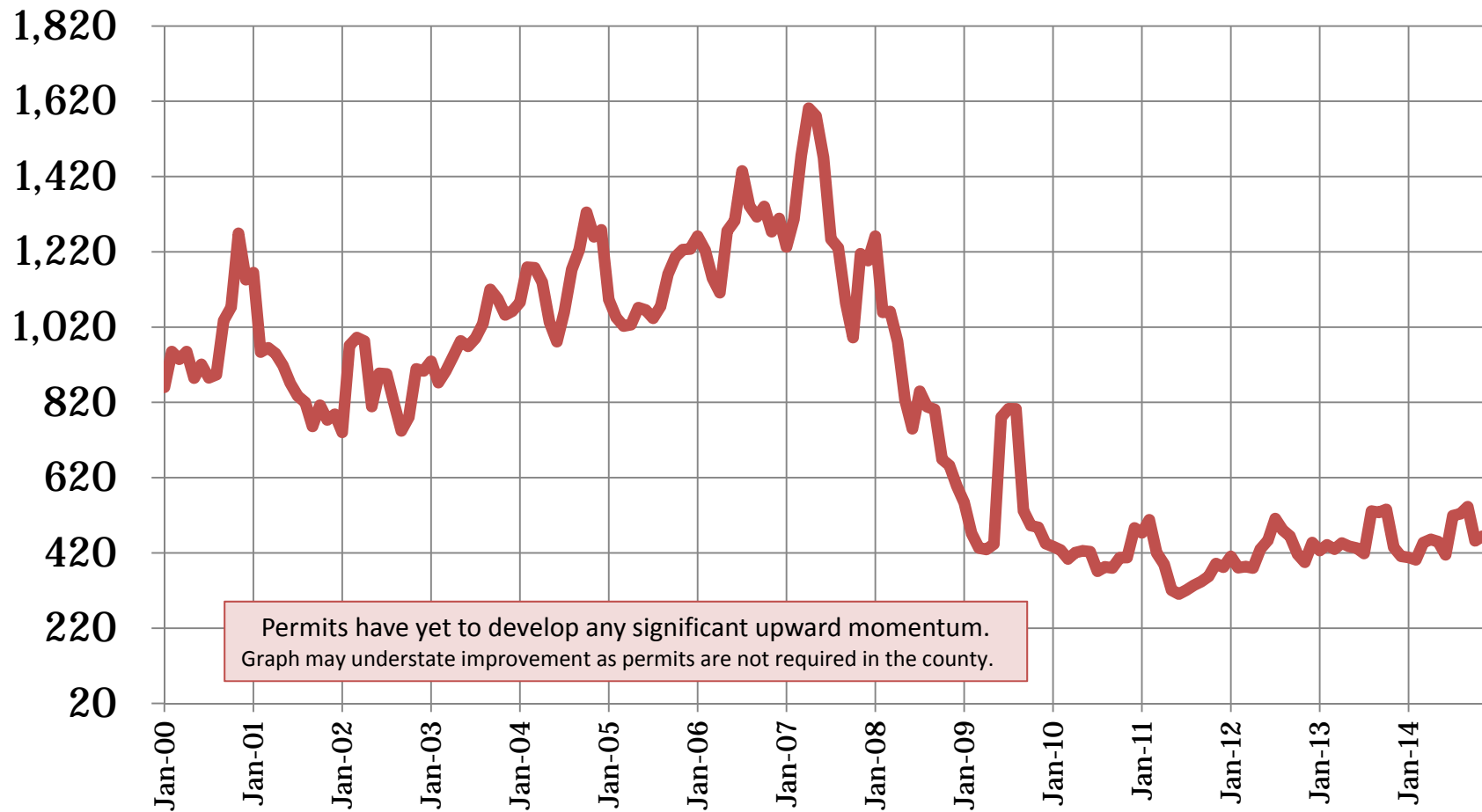
Where are the Jobs?

Mississippi added an average 8,800 jobs in 2014 over 2013

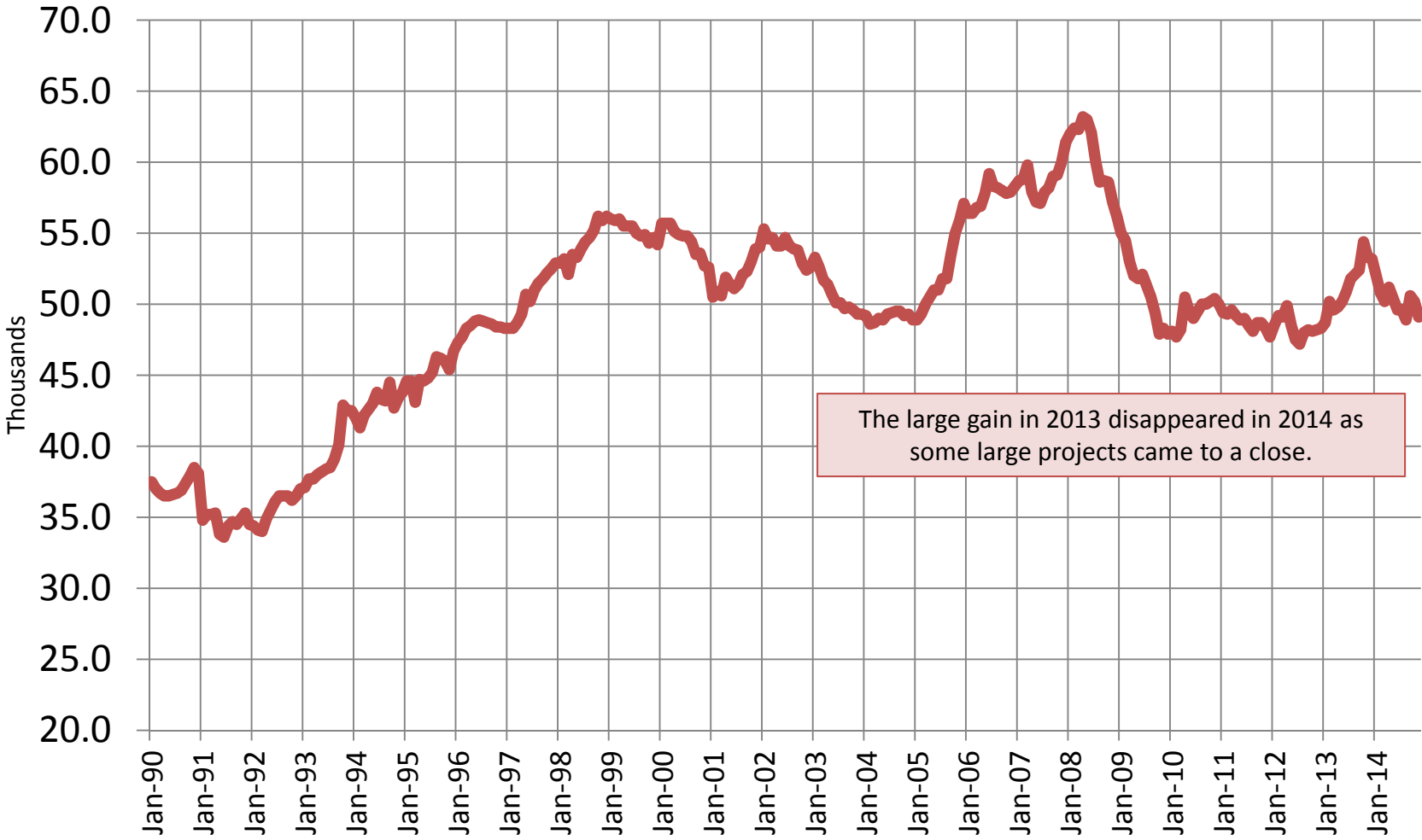


MS Residential Building Permits

Three Month Moving Average Number of Units

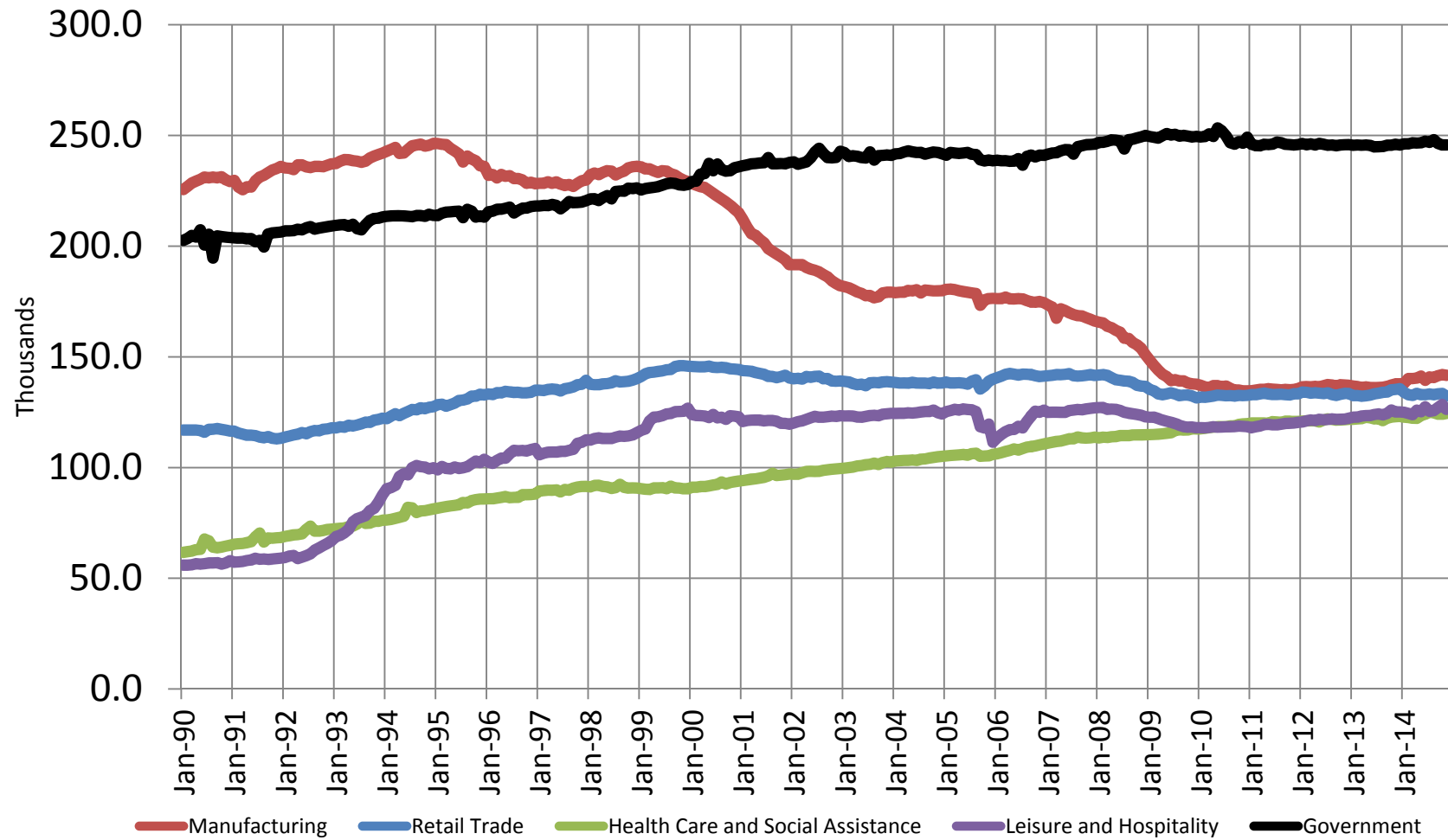


MS Construction Employment



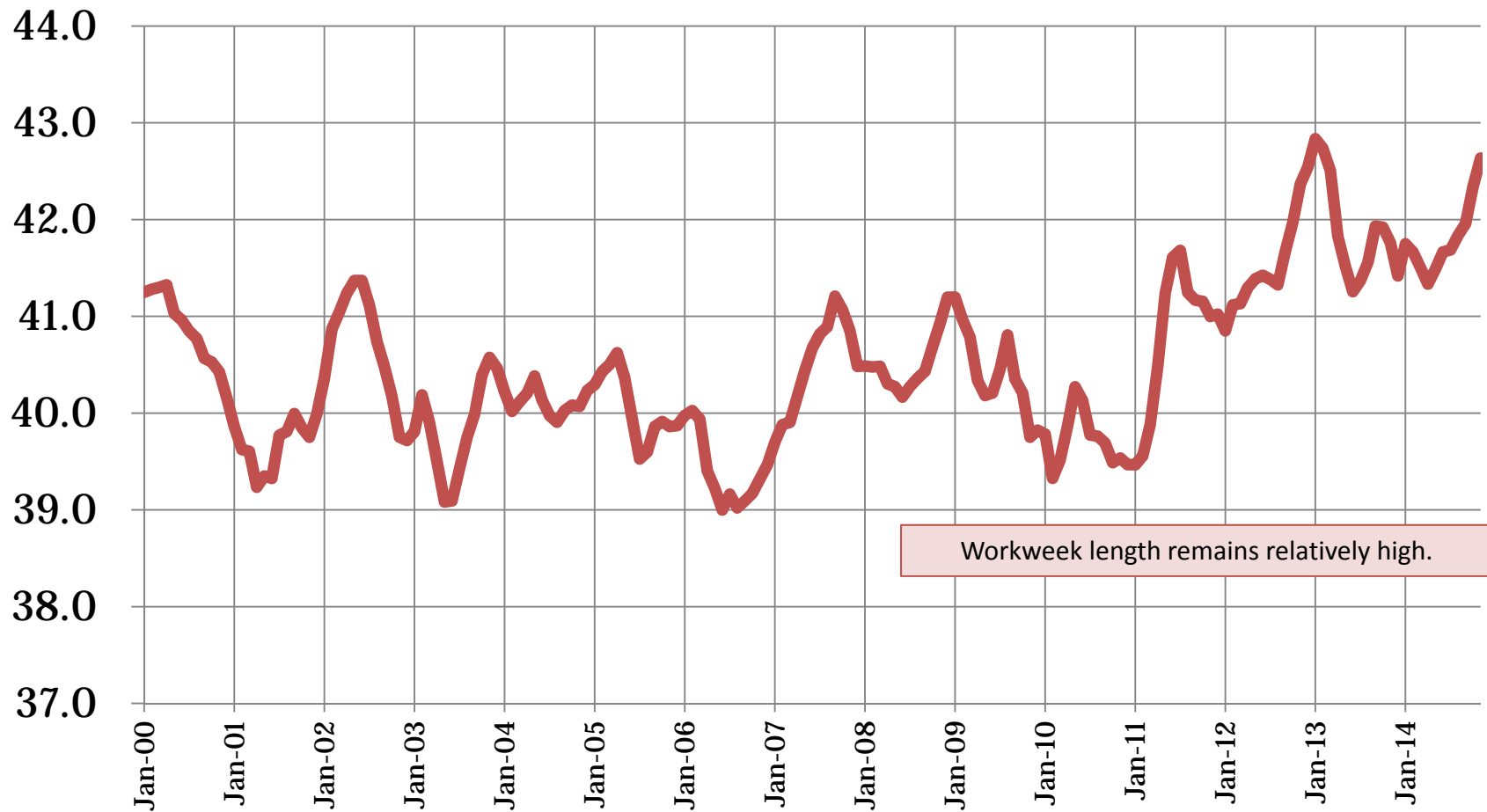
The large gain in 2013 disappeared in 2014 as some large projects came to a close.

MS Employment For Select Industries



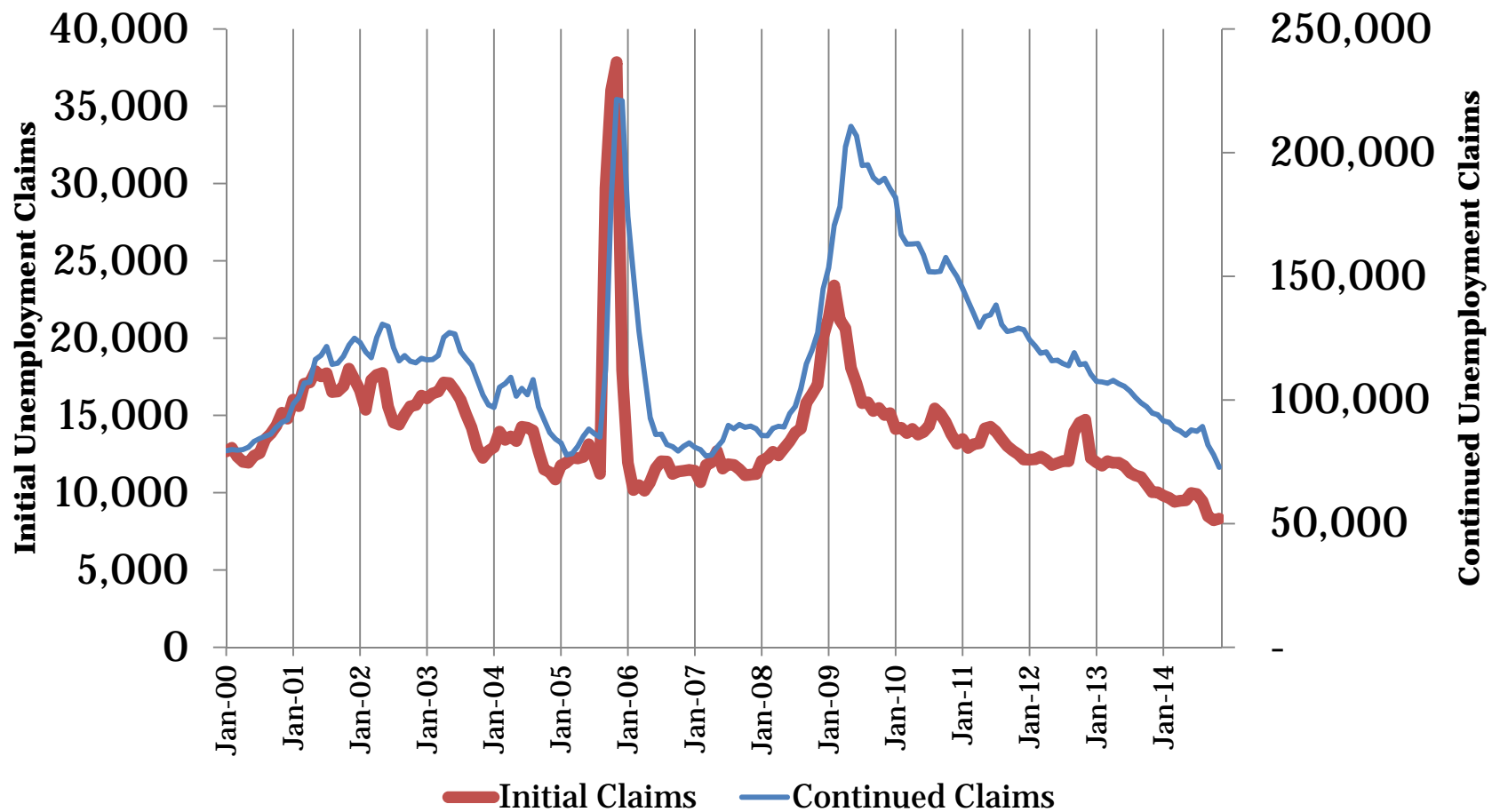
MS Manufacturing Workweek Length

Three Month Moving Average



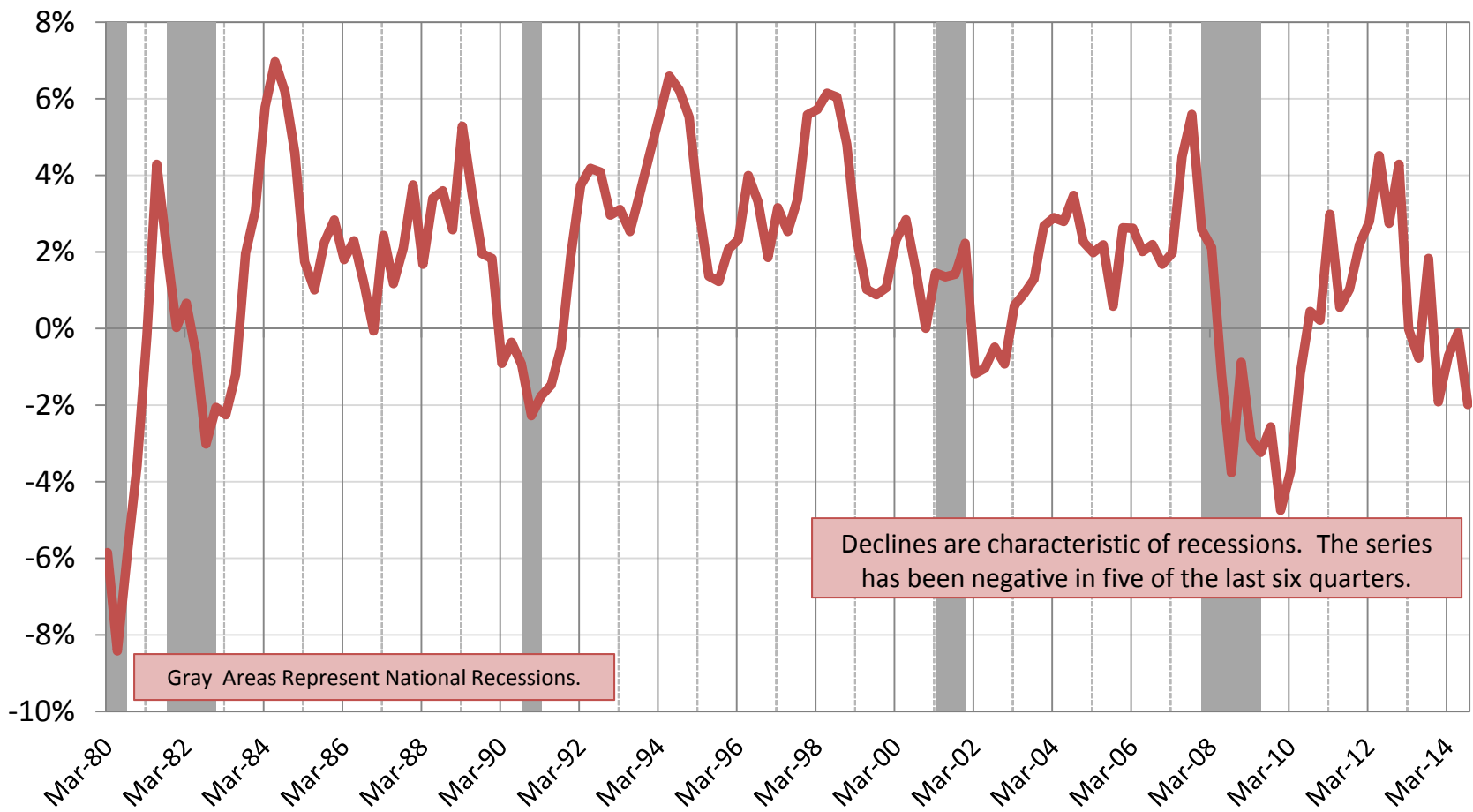
Unemployment Claims

Three Month Moving Average



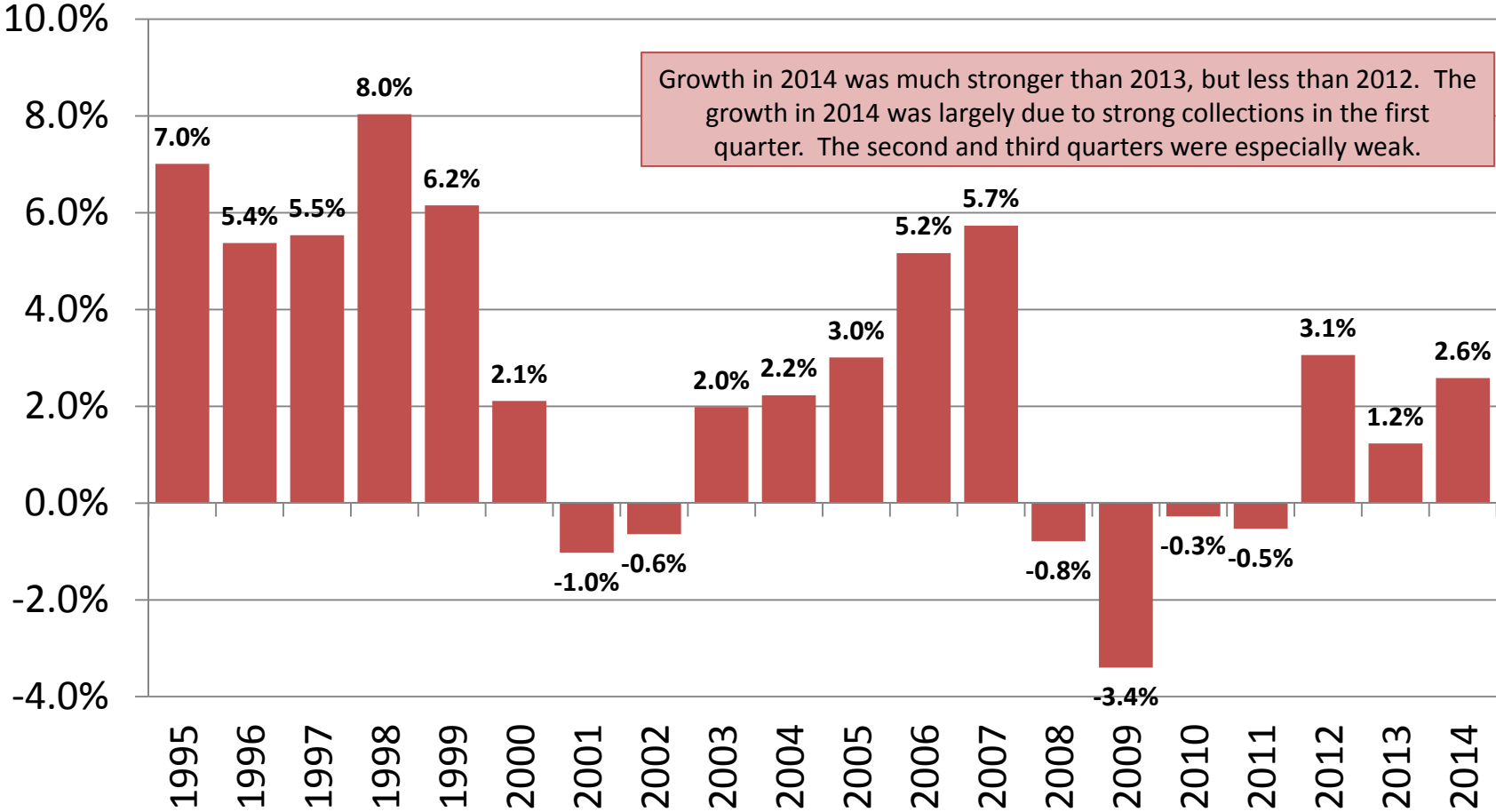
Year-Over-Year Growth in Real Personal Income Less Transfer Payments: Mississippi

by Quarter

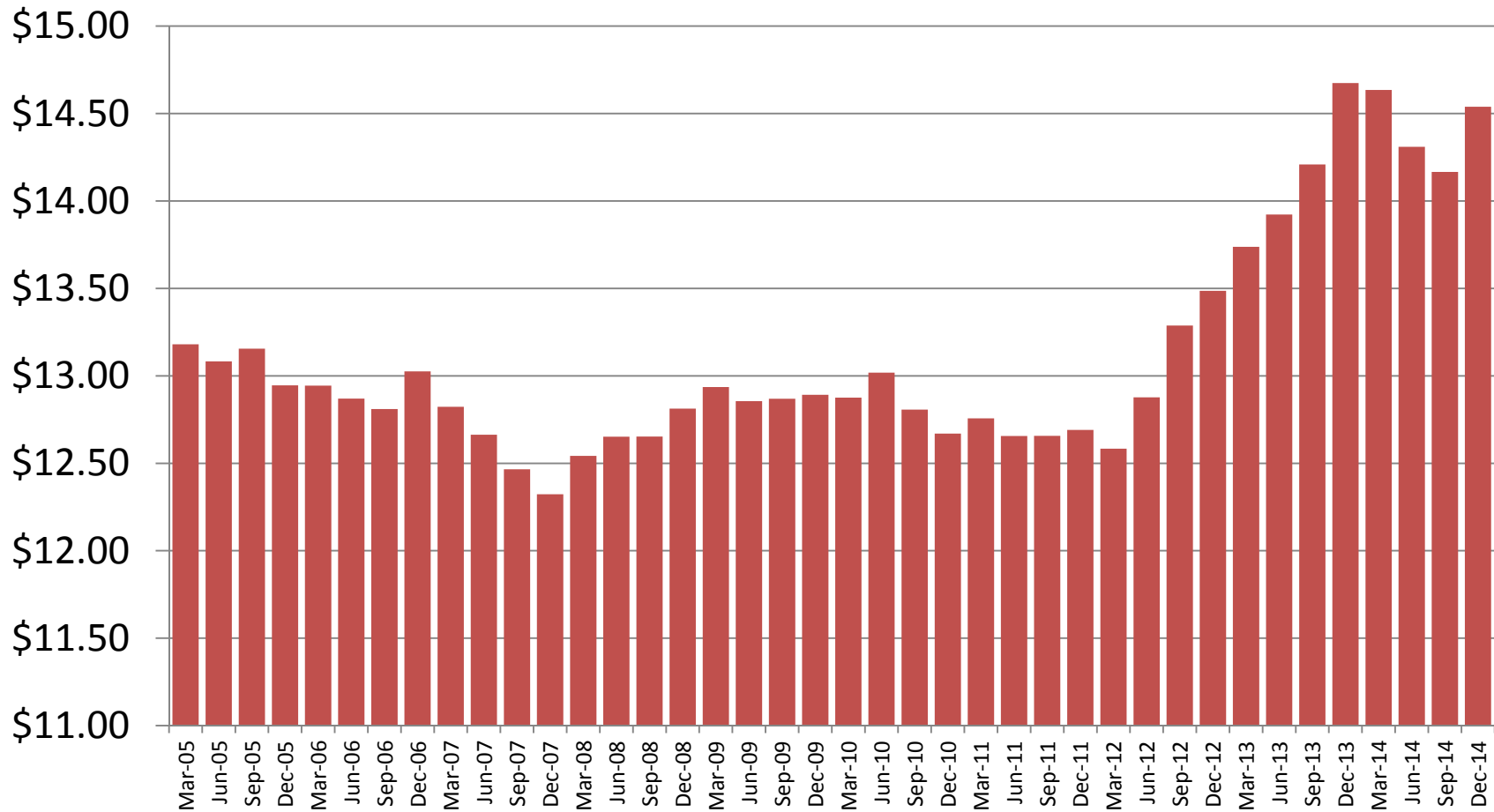


Mississippi Income Tax Withholdings

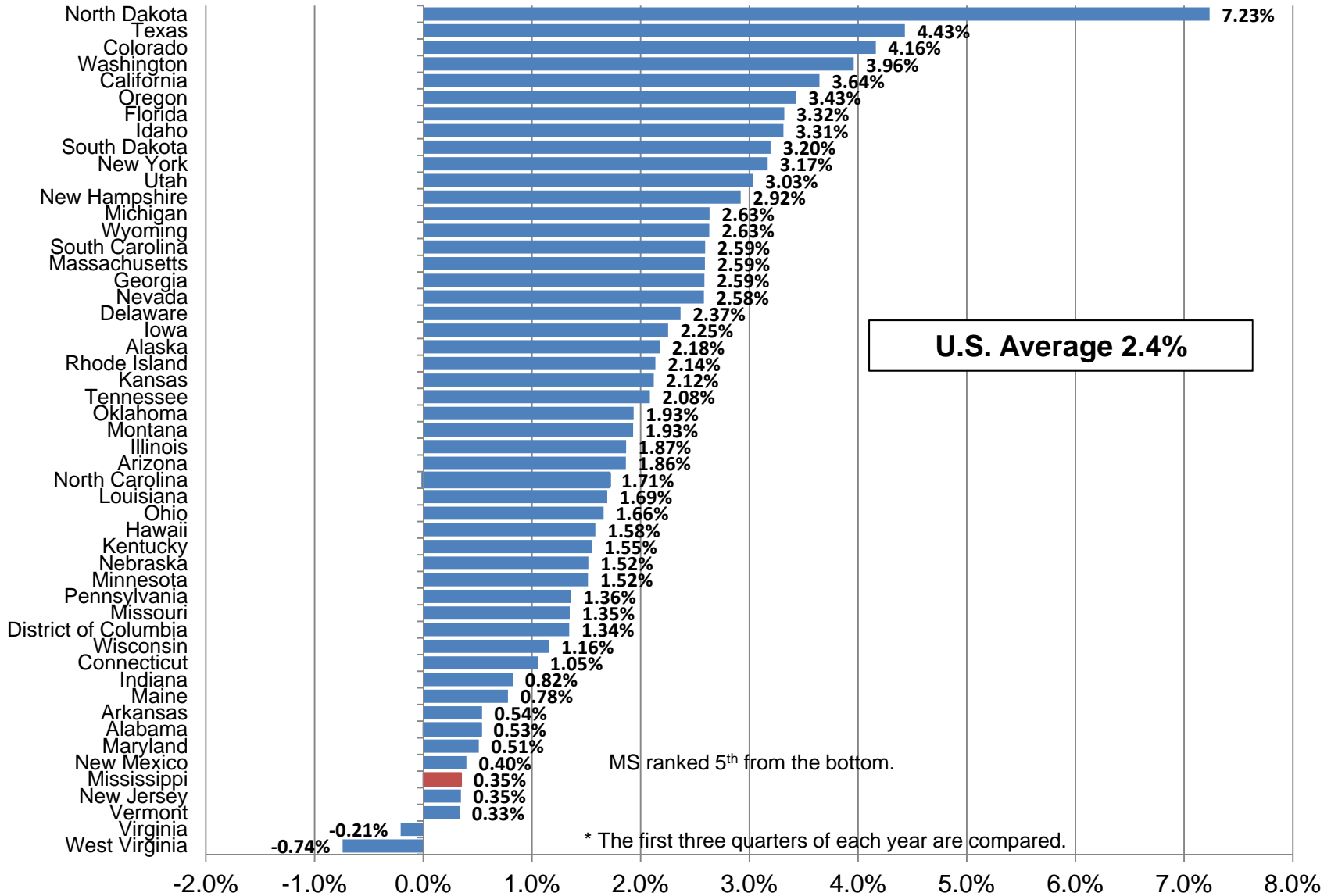
Growth Over Prior Year, Inflation Adjusted



Inflation Adjusted Average Hourly Manufacturing Earnings in Mississippi

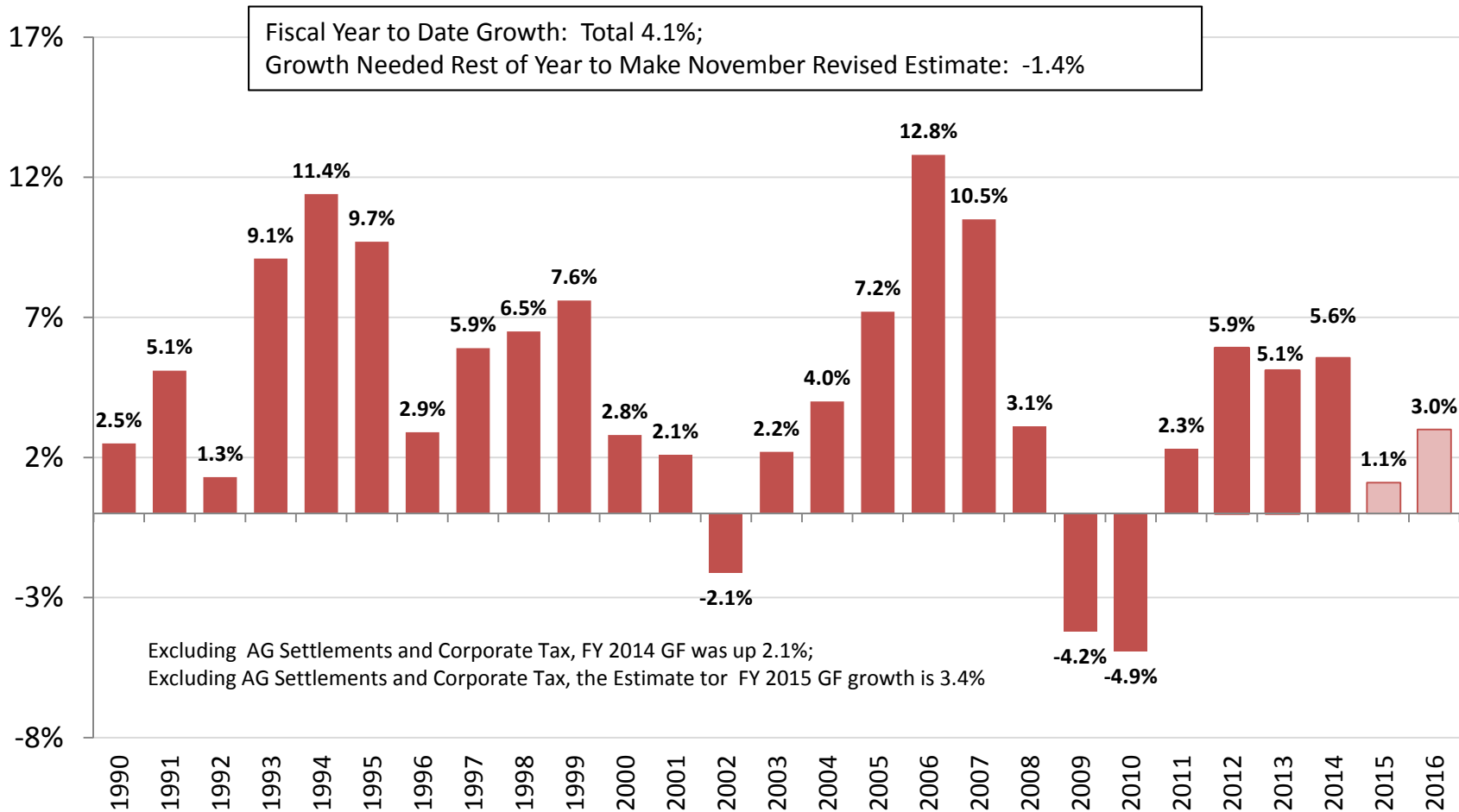


Growth in Wage And Salary Disbursements, By State, 2013-2014*



MS General Fund

Growth Over Prior Year

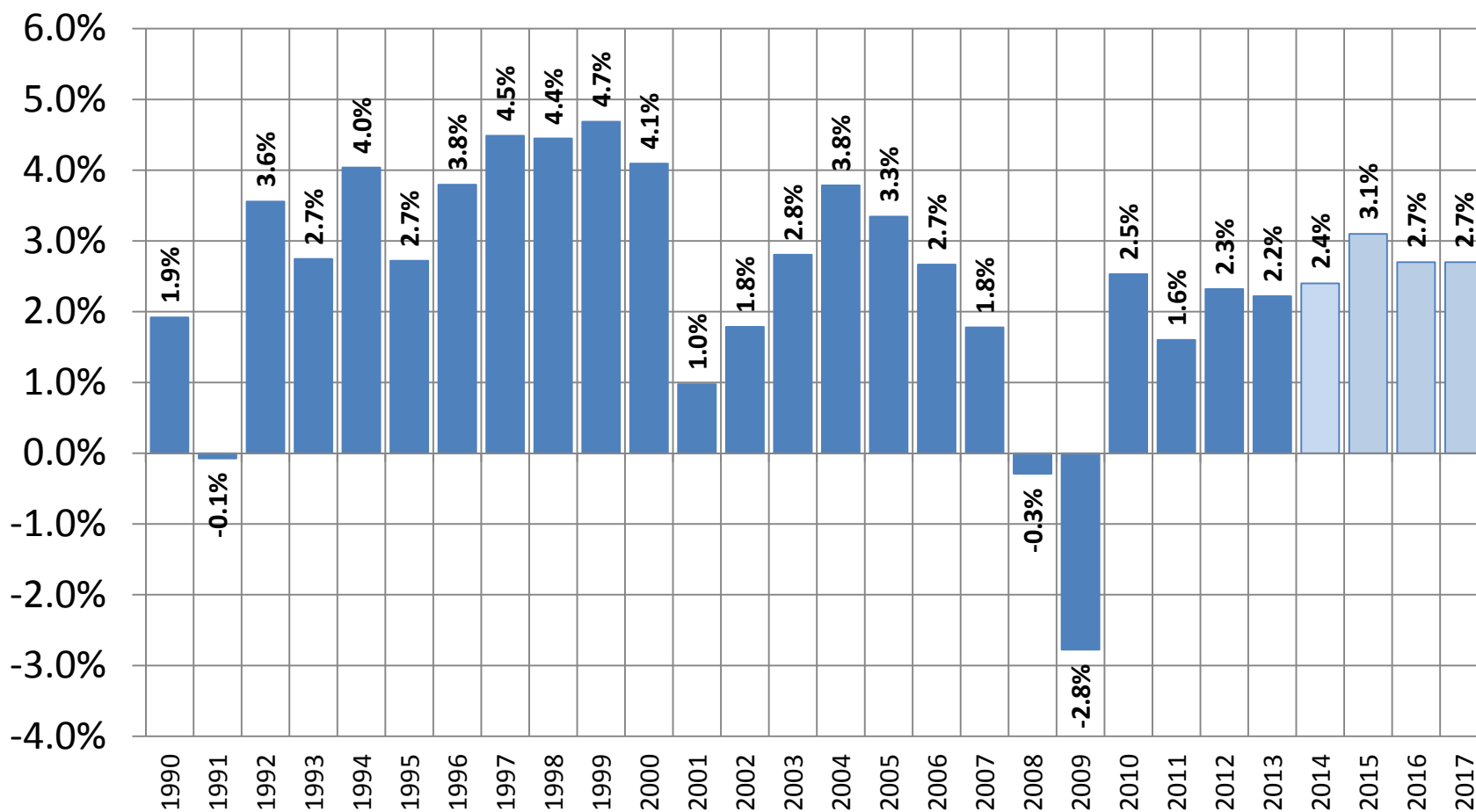


* FY 2014 and FY 2015 reflect November Revised Estimate.

OUTLOOK

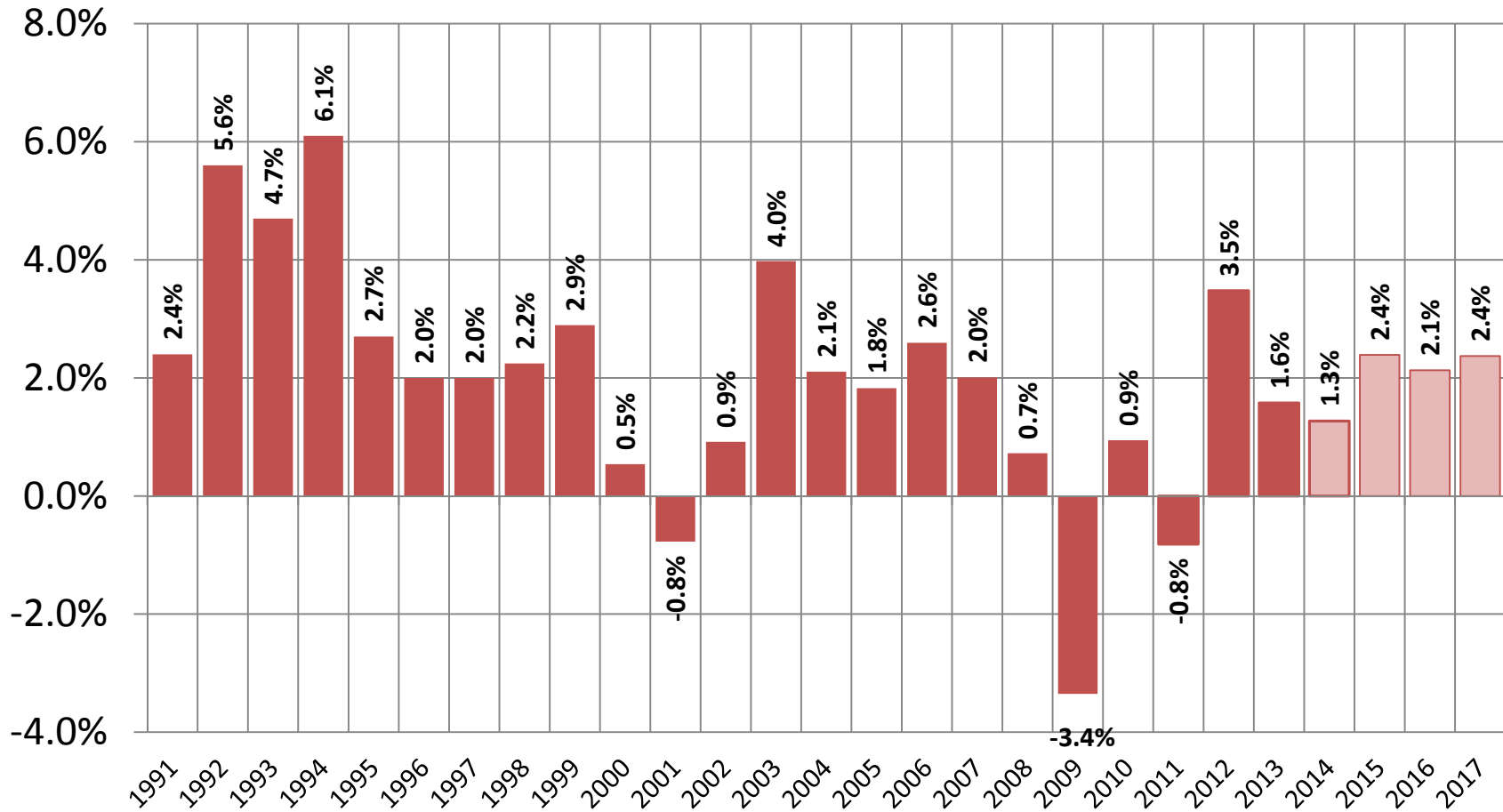
Growth In Real US GDP

Historical and IHS Global Insight Baseline Projections



Growth In Real MS GDP

Historical and **University Research Center** Projections



Economic Outlook of Key Indicators

Indicator	2014	2015	2016
MS Real GDP	1.3%	2.4%	2.1%
US Real GDP	2.4%	3.1%	2.7%
MS Employment (Est. Based)	0.8%	1.5%	1.5%
US Employment (Est. Based)	1.9%	2.0%	1.8%
MS Real Total Personal Income	0.7%	3.9%	2.9%
US Real Total Personal Income	2.5%	3.9%	3.1%
US Inflation as measured by CPI	1.6%	0.1%	2.3%
Excluding Food & Energy	1.8%	2.0%	2.1%