



# Data Digest: Alabama

---

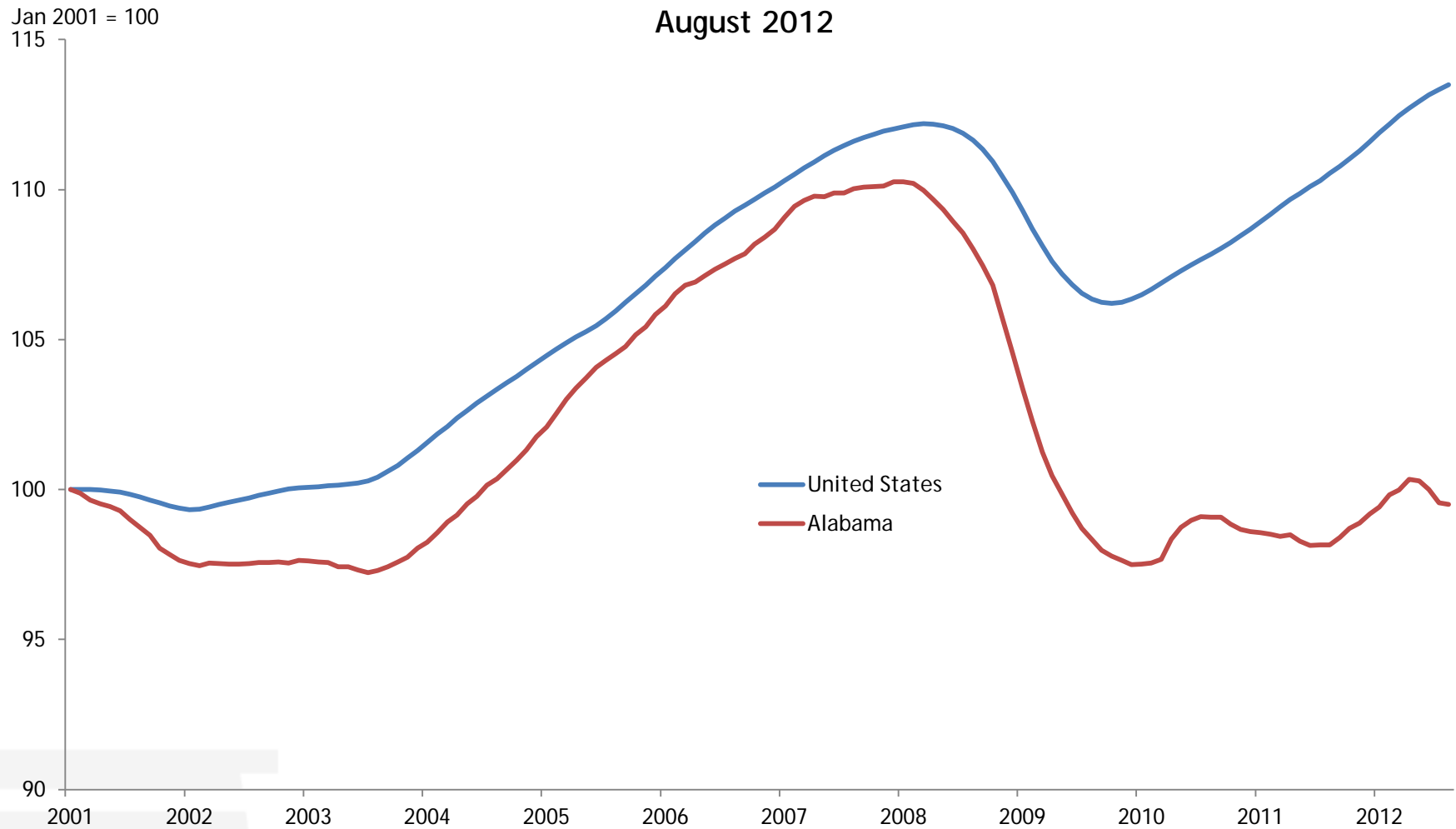
October 2012



Broad indicators of economic activity for Alabama declined further in August, even as they continued to show steady improvement for the United States.

[About the Coincident Economic Indicator](#)

### Coincident Economic Indicator August 2012

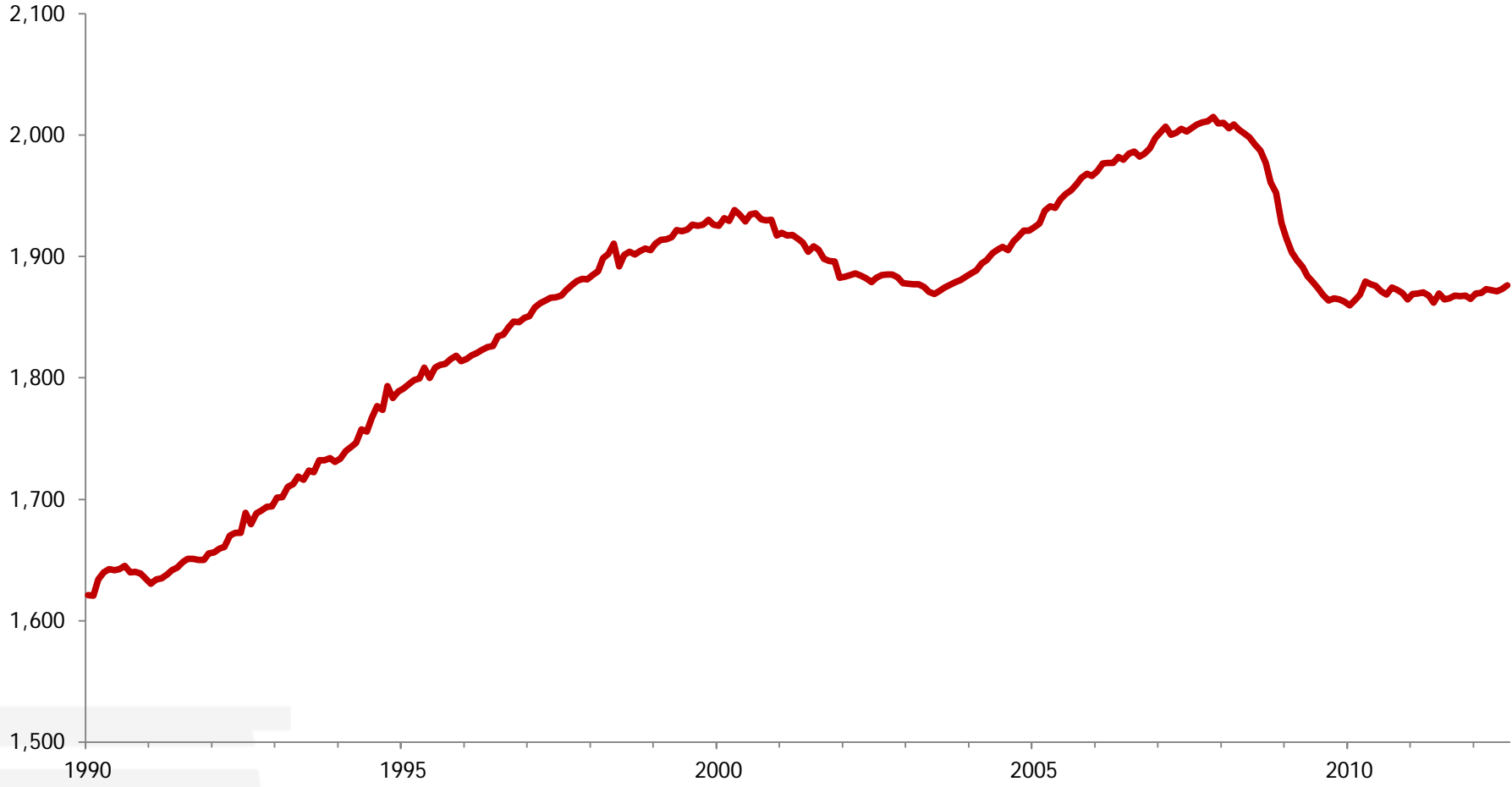


Source: Federal Reserve Bank of Philadelphia

Total employment in Alabama has stabilized near recession lows. Job gains have been minimal during the recovery.

### Alabama Payroll Employment August 2012

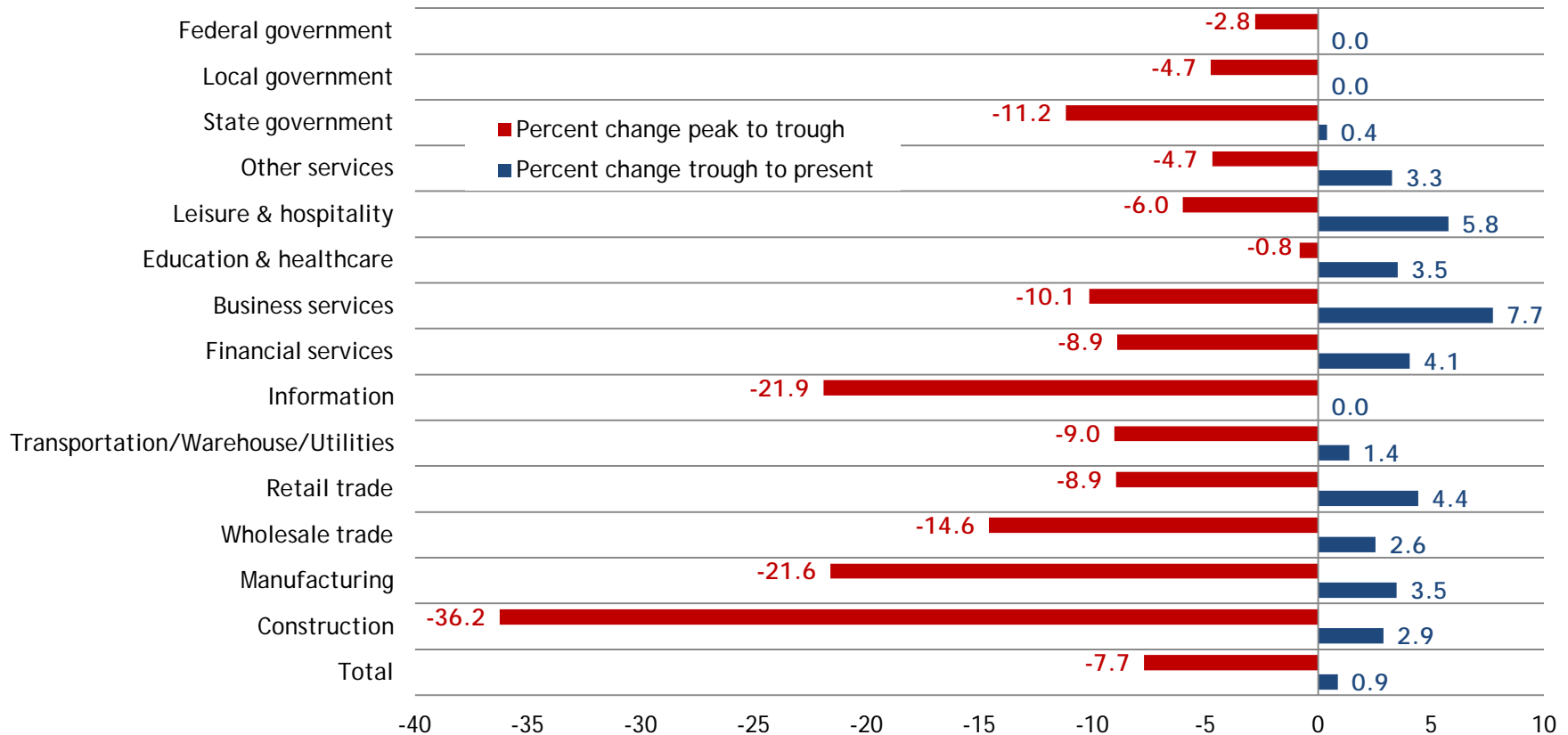
Thousands,  
seasonally adjusted



Source: U.S. Bureau of Labor Statistics, Haver Analytics

All industries lost jobs during the downturn. The construction industry was the hardest hit, losing more than 36 percent. Many sectors have seen job gains since their troughs, with business services experiencing the largest increase. The information and federal and local government sectors continue to lose jobs.

## Employment Loss and Gain by Industry: Alabama August 2012



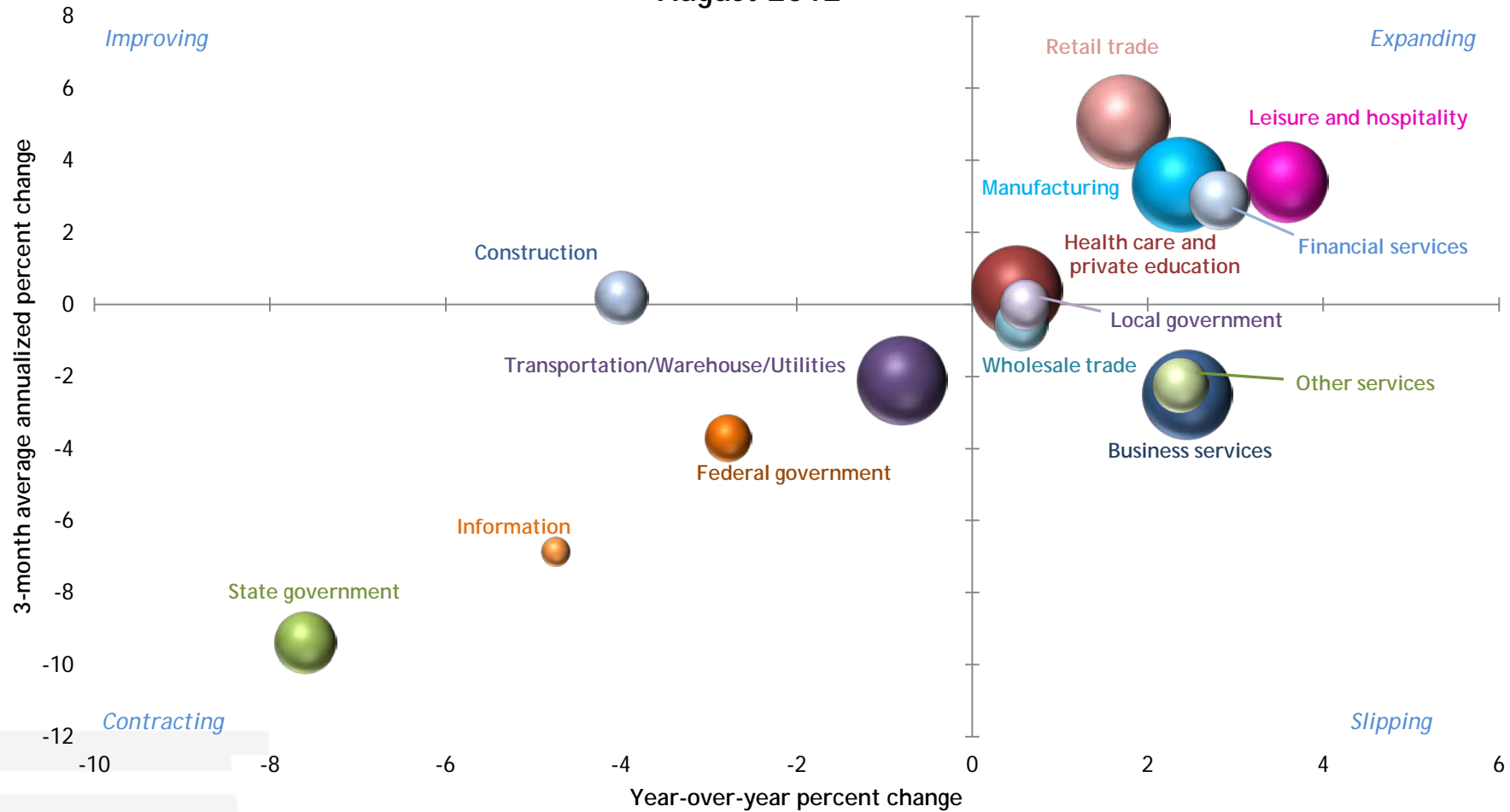
Note: A reading of 0.0 in the "trough to present" measure indicates that employment continues to decline in these industries. Likewise, a reading of 0.0 in the "peak to trough" measure indicates that employment continues to increase in these industries; in this instance "trough to present" is the percent change from January 2007 to present.

Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

Employment momentum in leisure and hospitality, financial services, retail trade, manufacturing, and health care and private education expanded in August. State government, information, federal government, and transportation/warehouse/utilities contracted.

[About Employment Momentum](#)

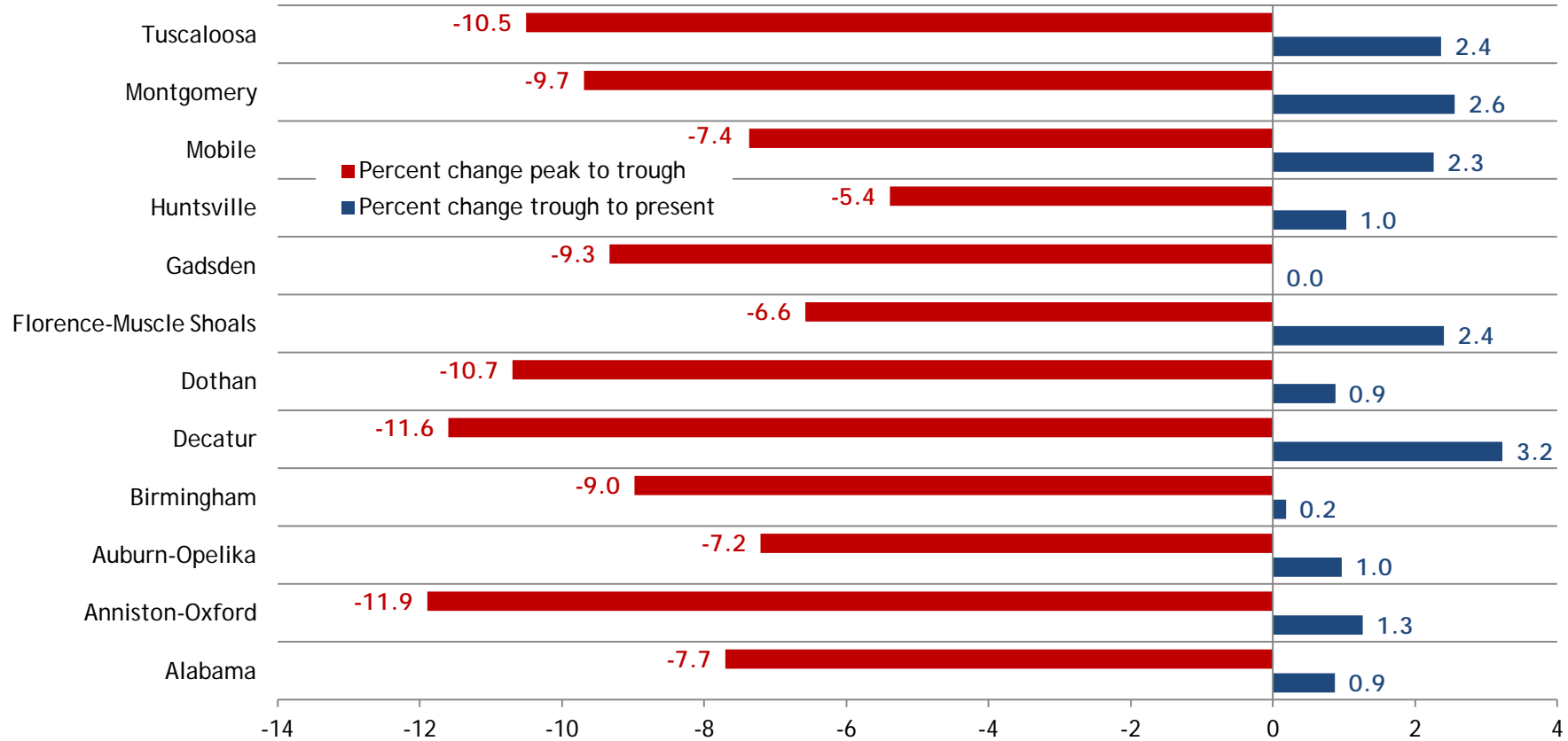
### Employment Momentum by Industry: Alabama August 2012



Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

Job losses occurred throughout the state during the downturn, and most areas have slowly begun to rebound. Gadsden continued to shed jobs through August.

### Employment Loss and Gain by Metro Area: Alabama August 2012



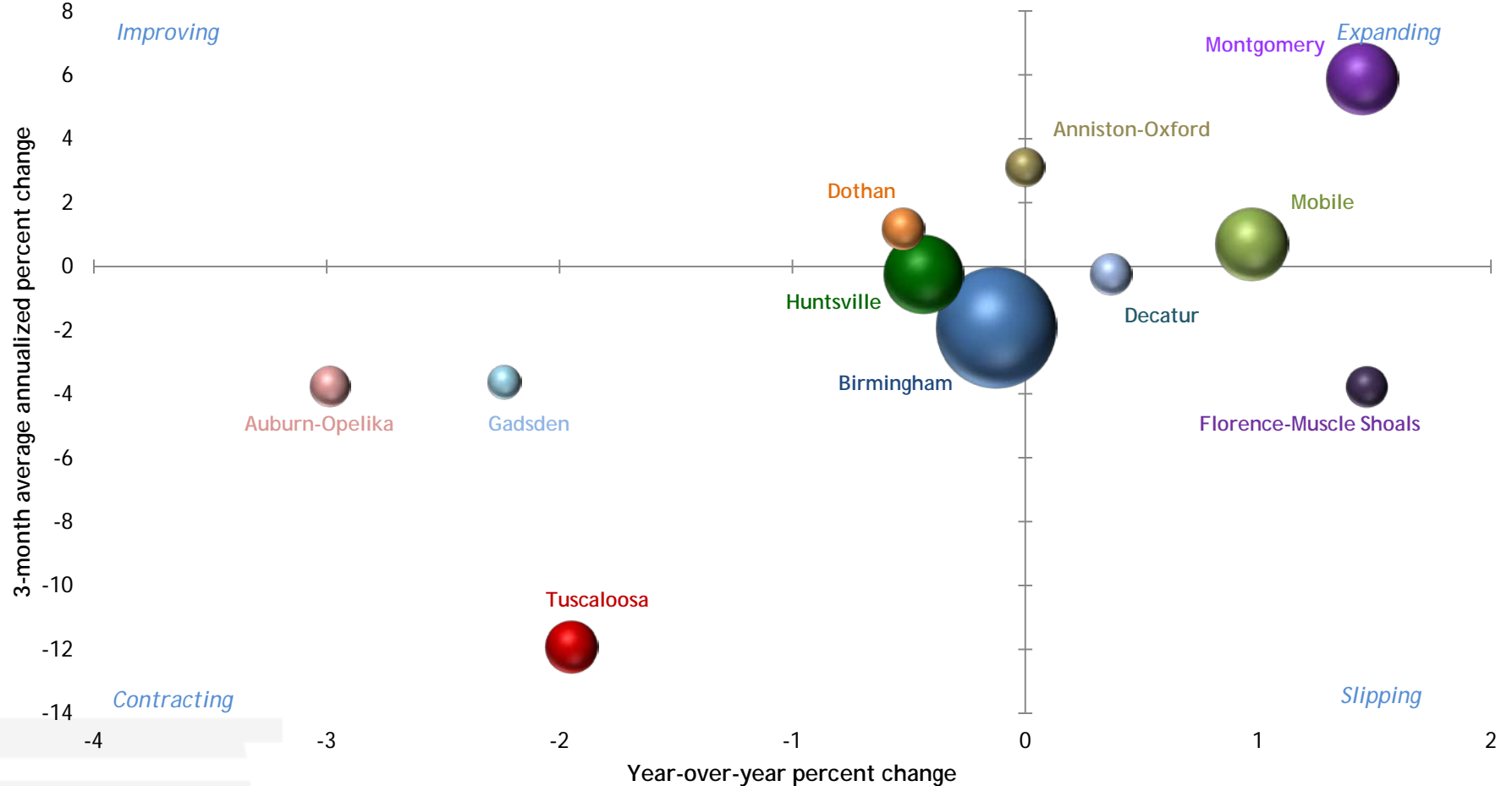
Note: A reading of 0.0 in the “trough to present” measure indicates that employment continues to decline in these metro areas. Likewise, a reading of 0.0 in the “peak to trough” measure indicates that employment continues to increase in these metro areas; in this instance “trough to present” is the percent change from January 2007 to present.

Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

Employment momentum in Montgomery and Mobile expanded in August; Dothan and Anniston experienced improving momentum. Momentum in Birmingham, Tuscaloosa, Huntsville, Gadsden, and Auburn-Opelika contracted.

[About Employment Momentum](#)

### Employment Momentum by Metro Area: Alabama August 2012

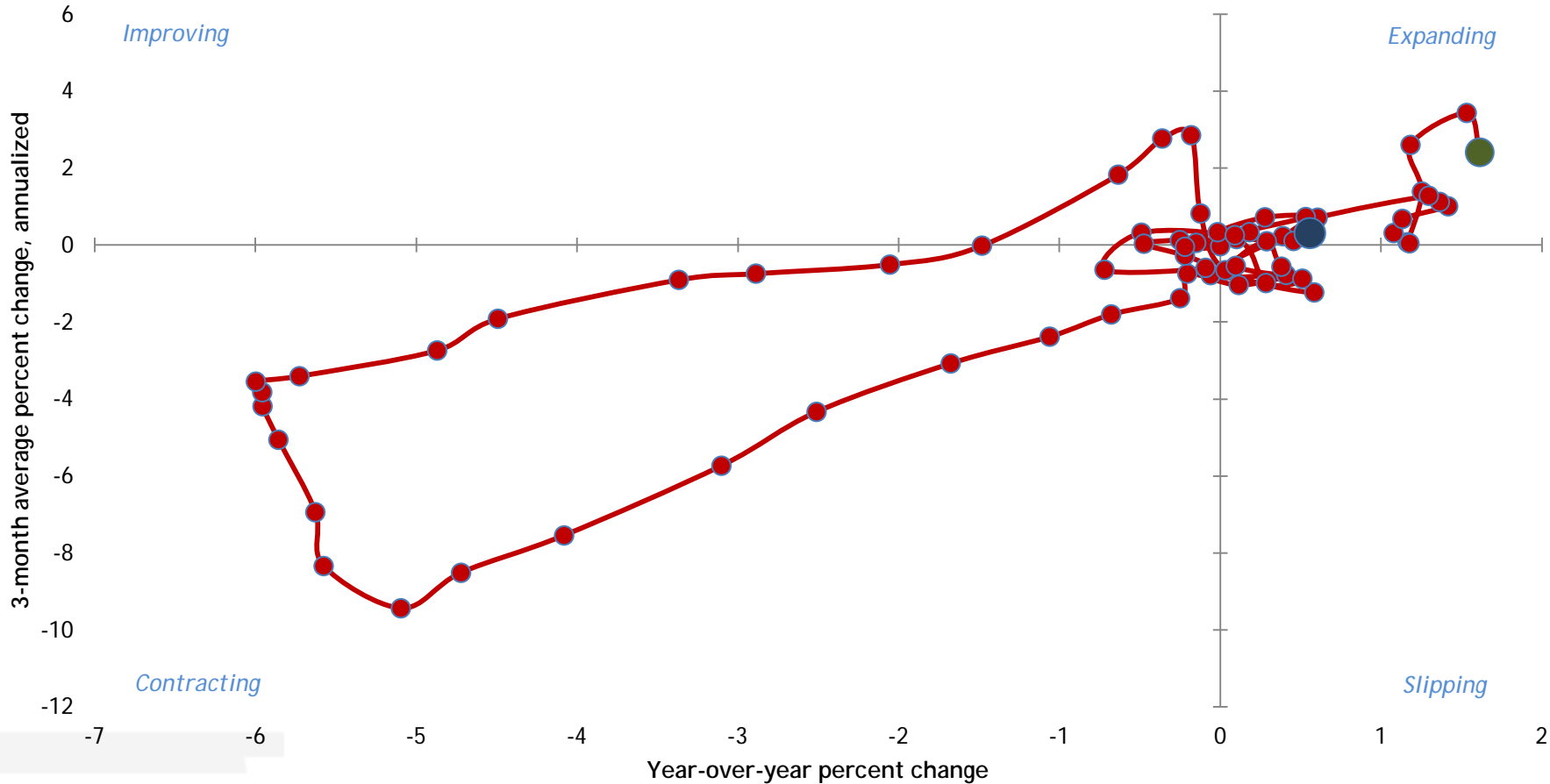


Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

The state's employment momentum track has varied extensively during the past year. Alabama's employment momentum contracted in January, expanded in February, improved in March, and has been just barely in the "expanding" quadrant since April.

[About Employment Momentum Track](#)

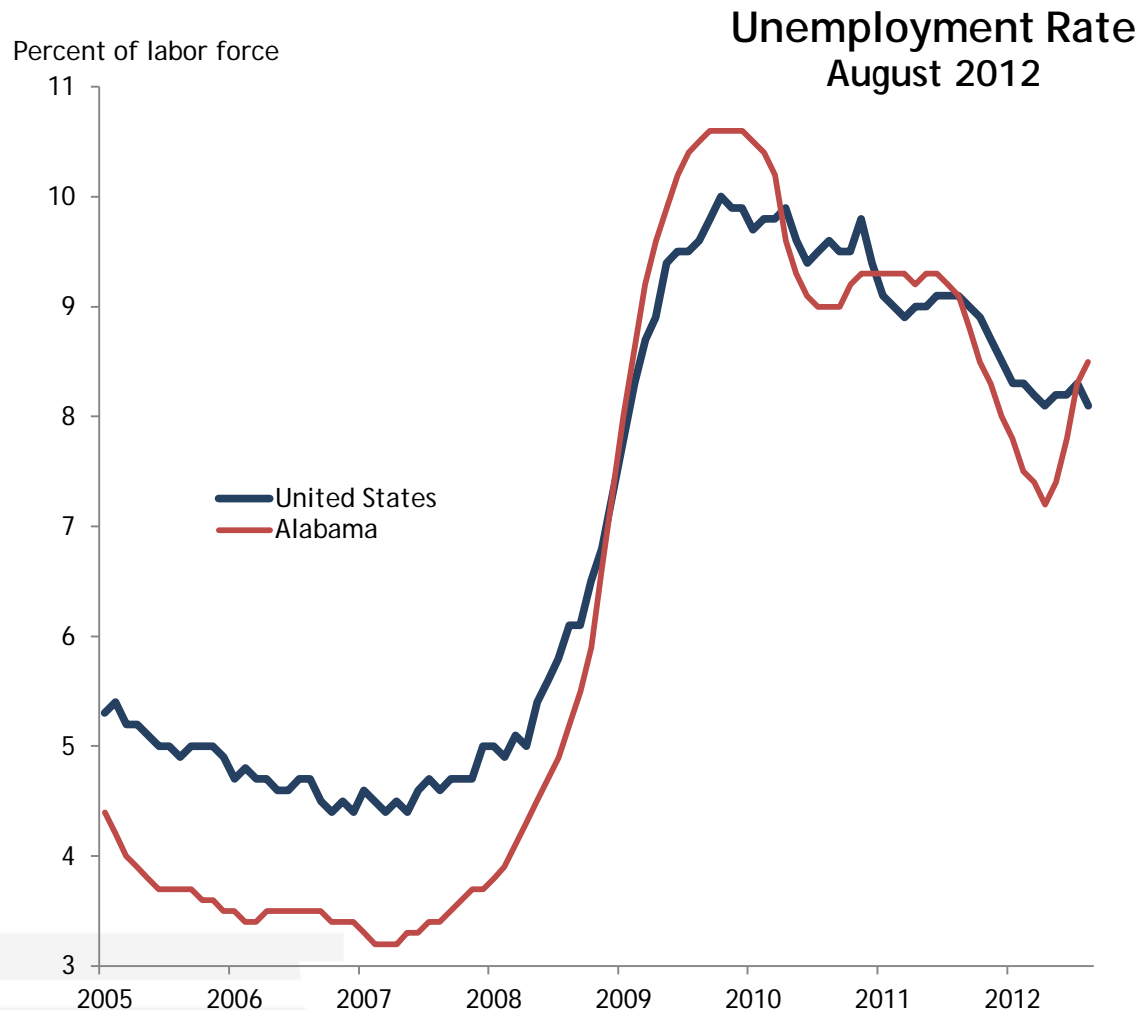
### Employment Momentum Track January 2007-August 2012



Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta



Until the recession, Alabama's unemployment rate was well below the overall U.S. rate. Alabama's rate fell during the last half of 2011 but has increased since April and is now higher than the U.S. rate. Each of the state's metro areas experienced month-to-month declines, and the state's unemployment rate increased from July to August.



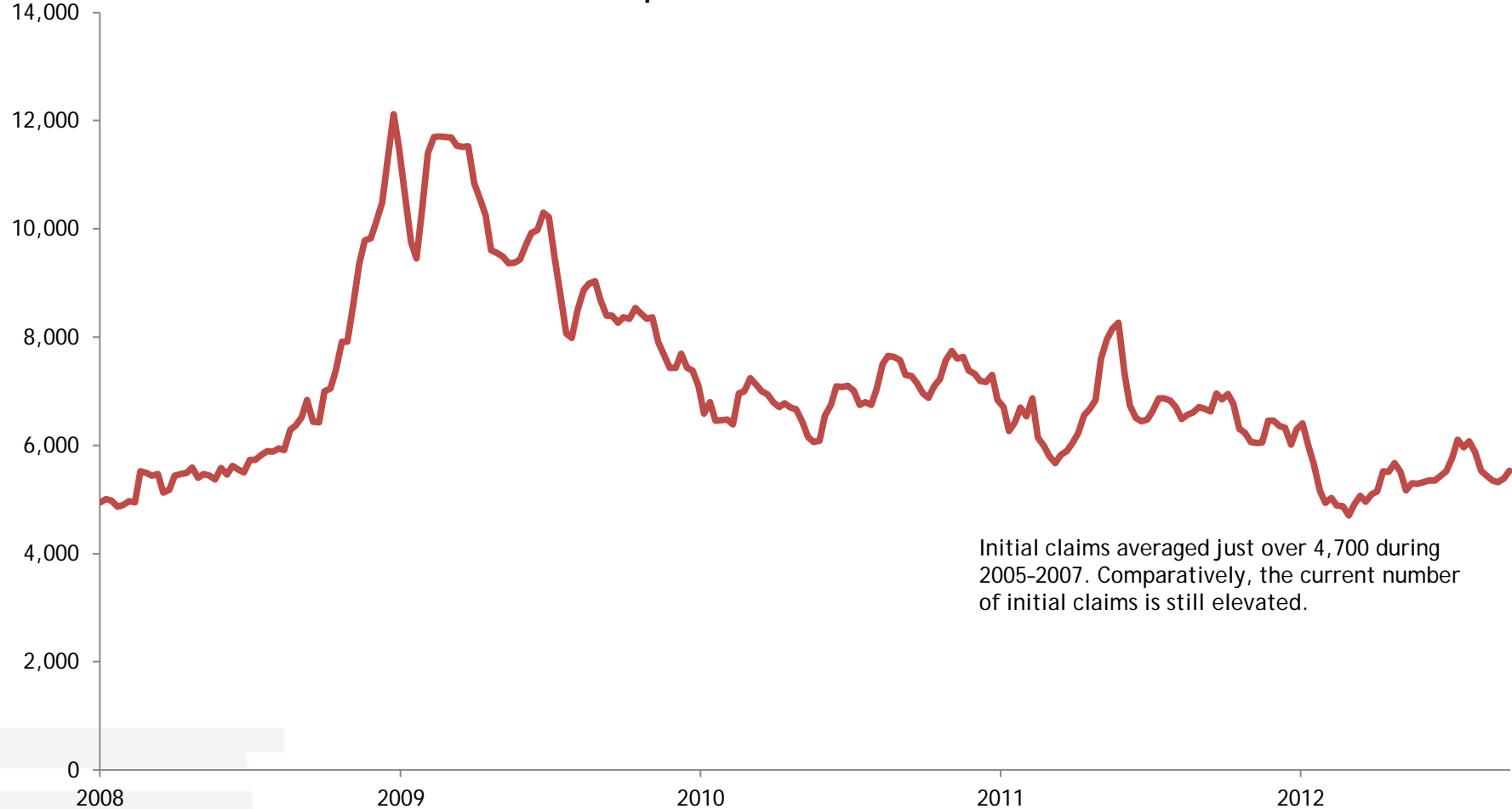
Unemployment Rates			
	Current	Year Ago	Jan 2007
United States	8.1	9.1	4.6
Alabama	8.5	9.1	3.3
Anniston	8.9	9.6	3.4
Auburn-Opelika	7.4	7.9	3.4
Birmingham	7.6	8.6	3.2
Decatur	8.2	9.2	3.5
Dothan	8.2	8.5	3.2
Florence	8.2	8.9	4.1
Gadsden	8.7	9.5	4.0
Huntsville	7.2	7.9	2.9
Mobile	9.6	10.6	3.5
Montgomery	8.6	9.5	3.6
Tuscaloosa	8.4	9.0	3.2

Source: U.S. Bureau of Labor Statistics, Haver Analytics

The number of individuals filing initial claims for unemployment insurance has increased marginally over the last month.

### Initial Unemployment Insurance Claims: Alabama September 15, 2012

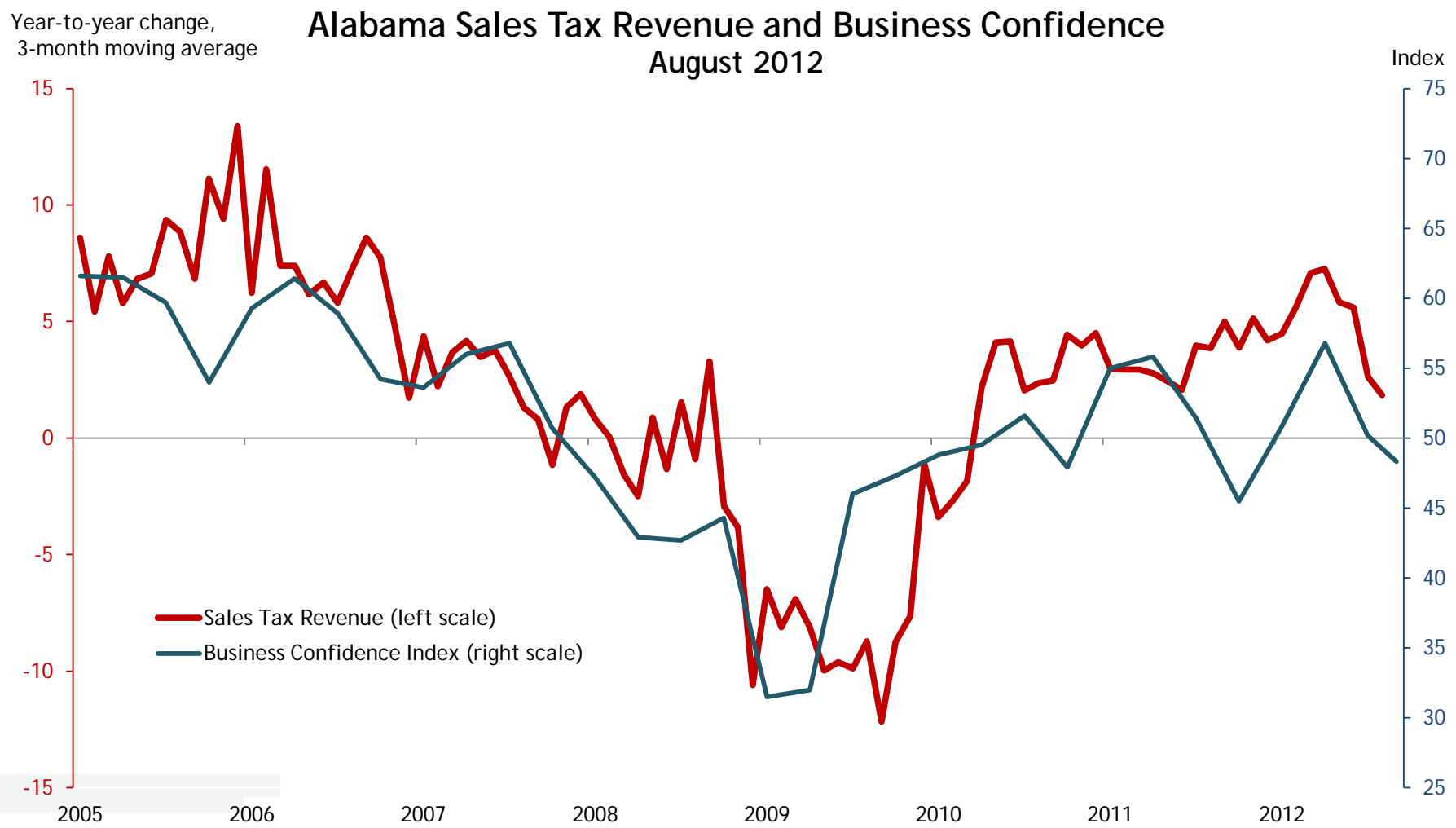
4-week moving average



Initial claims averaged just over 4,700 during 2005-2007. Comparatively, the current number of initial claims is still elevated.

Source: U.S Department of Labor-Employment and Training Administration, Haver Analytics

Business sentiment, as measured by the University of Alabama's fourth quarter 2012 survey, fell into negative territory. Sales tax revenue continues to experience positive year-over-year growth, although it has decelerated recently.



Note: Sales tax data are through August 2012; Business Confidence Index as of fourth quarter 2012.  
 Source: Alabama Department of Revenue, University of Alabama Center for Business and Economic Research, Federal Reserve Bank of Atlanta

Regional manufacturing activity accelerated in August, according to the Southeast Purchasing Managers Index (PMI) produced by Kennesaw State University. With a reading of 58 for August, Alabama's component increased from July and is well above the overall regional reading of 50.

### Southeast Purchasing Managers Index August 2012



The Alabama component of the SE PMI was 58 in August 2012.

2007

2008

2009

2010

2011

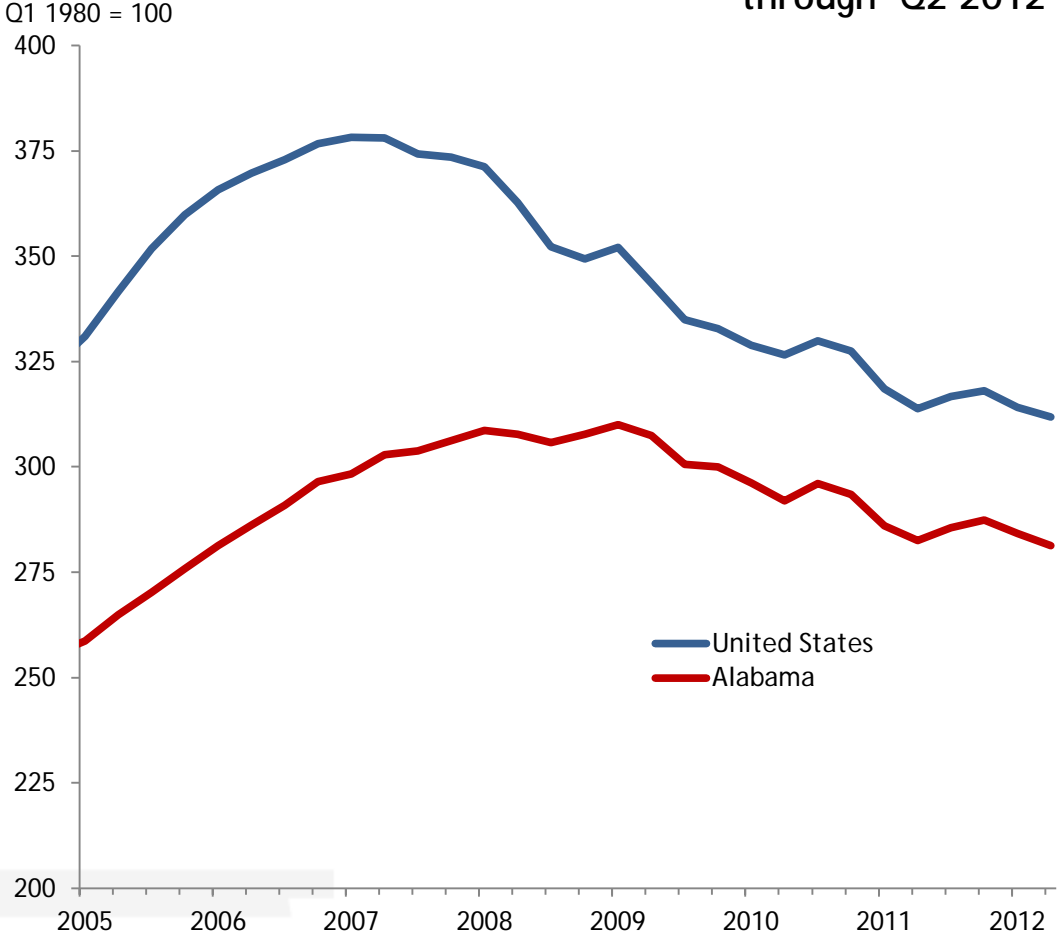
2012

Note: 50+ = Expansion

Source: Kennesaw State University, Coles College of Business Econometric Center

Home prices declined for both Alabama and the United States in the first and second quarters of 2012 after improving during the last two quarters of 2011.

### Federal Housing Finance Agency Home Price Index through Q2 2012



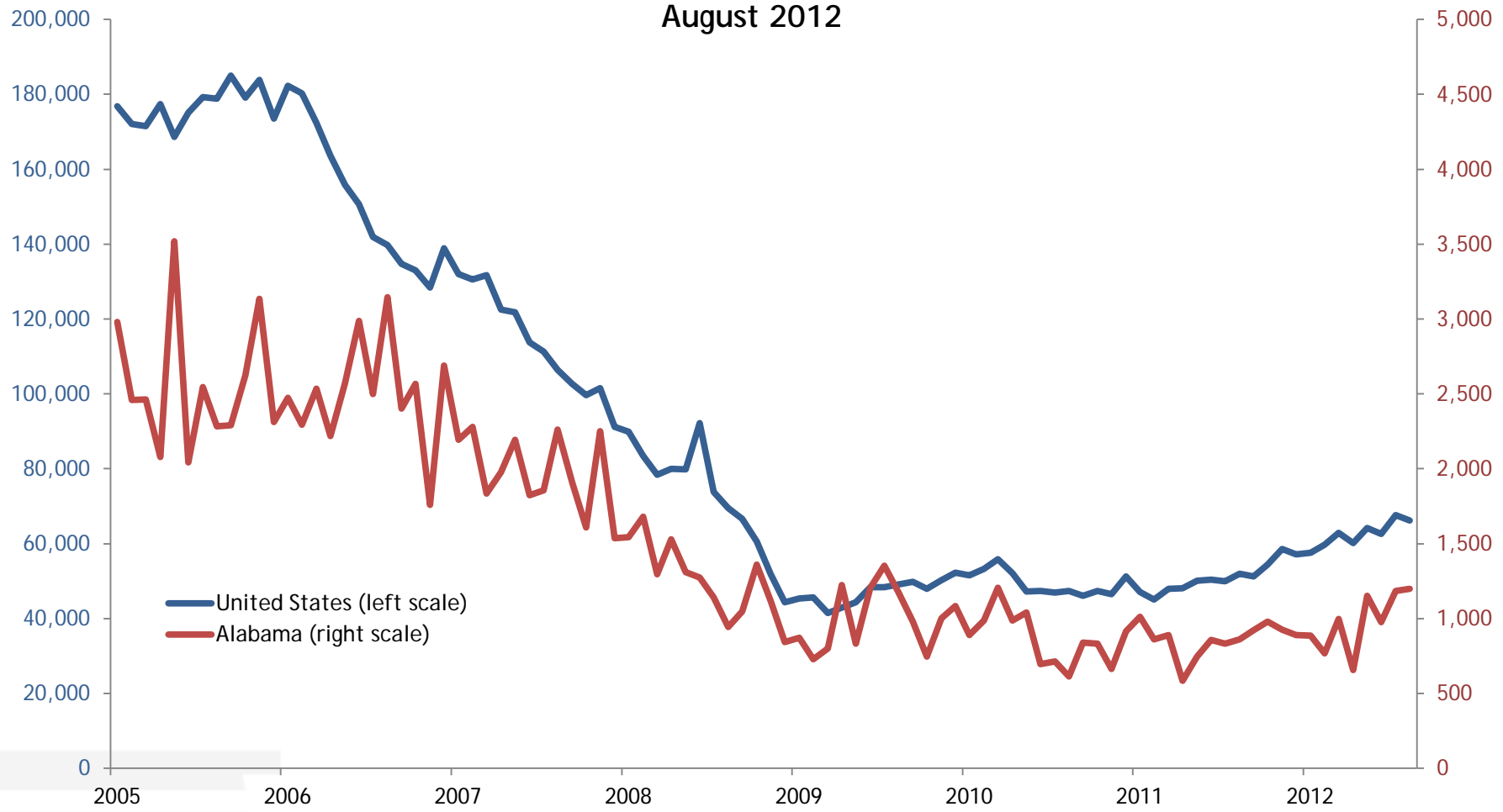
FHFA House Price Index: Q2 2012	1-yr % change	5-yr % change	10-yr % change
USA	-0.6	-17.5	17.5
Alabama	-0.4	-7.1	22.6
Anniston-Oxford	-4.2	-10.7	17.4
Auburn-Opelika	-0.6	-11.5	22.8
Birmingham	0.3	-9.5	17.3
Decatur	-1.6	0.2	20.2
Dothan	0.7	-8.8	23.4
Florence-Muscle Shoals	-1.6	5.2	30.9
Gadsden	1.9	1.0	27.9
Huntsville	0.1	0.5	30.3
Mobile	-5.3	-15.9	19.0
Montgomery	-1.7	-11.3	15.4
Tuscaloosa	1.8	-1.4	25.3

Source: Federal Housing Finance Agency, Haver Analytics

Source: Federal Housing Finance Agency, Haver Analytics, Federal Reserve Bank of Atlanta

New home construction has improved marginally from very low levels of activity.

### New Residential Home Construction Permits August 2012



Source: U.S. Bureau of the Census, Haver Analytics

---

For additional sources of information, see our Local Economic Analysis Research Network membership at [www.frbatlanta.org/rein/learn/map/learn\\_members.cfm](http://www.frbatlanta.org/rein/learn/map/learn_members.cfm).