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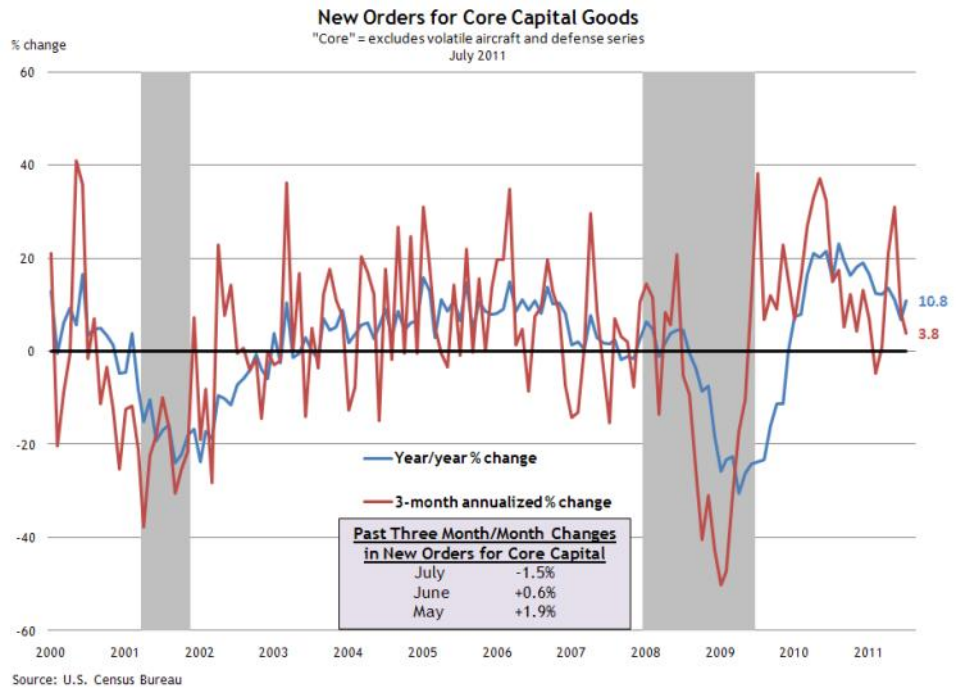
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Manufacturing

Summary

The U.S. Census Bureau reported that new orders for core capital goods dropped 1.5 percent in July. The headline new orders number for all durable goods showed a 4 percent gain but was supported mostly by large upward swings in orders for commercial aircraft and parts.



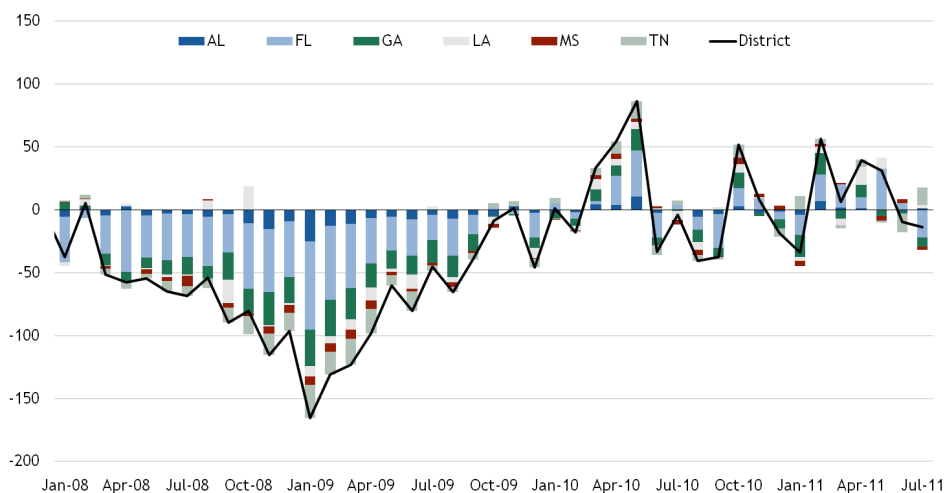
- The U.S. Census Bureau's advance report on its M3 survey showed a **1.5 percent drop in new orders for core capital goods in July**. The core capital goods series excludes data for the volatile aircraft and defense series. Including these series, new orders for all durable goods rose 4 percent in July, largely a result of a 43.4 percent monthly spike in new orders for commercial aircraft.
- Large declines in new orders for communications equipment (down 24.8%) balanced out sizeable gains in transportation equipment (up 14.6 percent) in July.
- Shipments of core capital goods remained positive but rose just 0.2 percent, July/June. This increase follows an increase in shipments of 1.9 percent in June and 1.7 percent in May.

Employment

Summary

The July payroll report indicated that the district lost 14,000 jobs over the month, with Florida accounting for most of the decrease.

Payroll Employment Growth by State
monthly change, thousands
July 2011



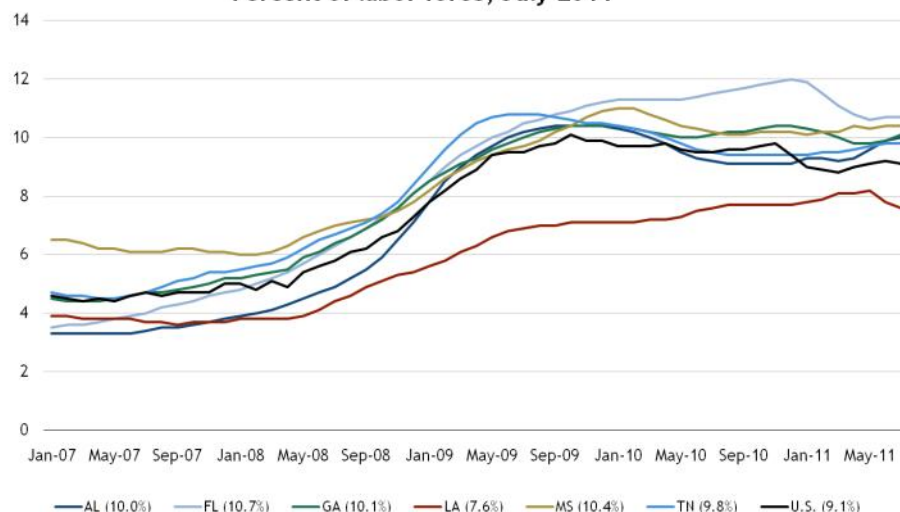
Source: U.S. Bureau of Labor Statistics

- The district shed 14,000 nonfarm jobs in July, marking the second consecutive month with job losses.
- Alabama, Louisiana, and Tennessee recorded payroll increases in July, while Florida, Georgia, and Mississippi cut payrolls over the month.
- Florida decreased payrolls by 22,100 in July, driving the decrease for the district. Of those job losses, 11,200 were government jobs.
- Tennessee recovered some of the jobs it lost in June, experiencing a payroll increase of 14,300 over the month.

The district's unemployment rate increased to 10.1 percent in July.

Most states within the district have an unemployment rate higher than the national unemployment rate.

District Unemployment Rates
Percent of labor force, July 2011

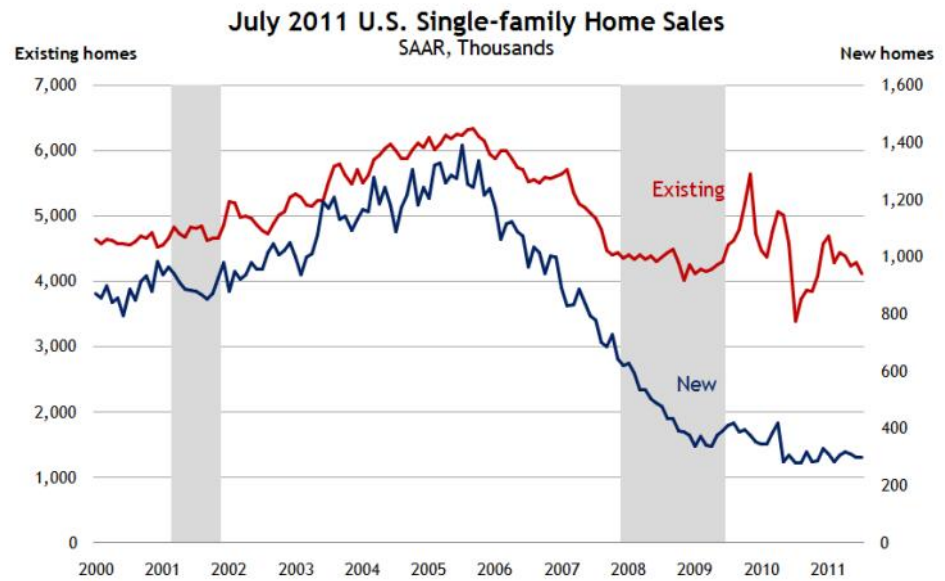


Source: U.S. Bureau of Labor Statistics

- The district unemployment rate inched up by 0.1 percentage point, to 10.1 percent, in July. Nationwide, only nine states posted unemployment rate decreases, 28 posted unemployment rate increases, while 13 states experienced no change.
- The unemployment rate decreased in Louisiana, increased in Alabama and Georgia, and remained unchanged in Florida, Mississippi, and Tennessee. Louisiana remains the only state in the district with an unemployment rate below the national unemployment rate.

Summary

The U.S. Census Bureau and the National Association of Realtors reported that new and existing home sales softened somewhat from June to July, while sales were above weak levels a year earlier.

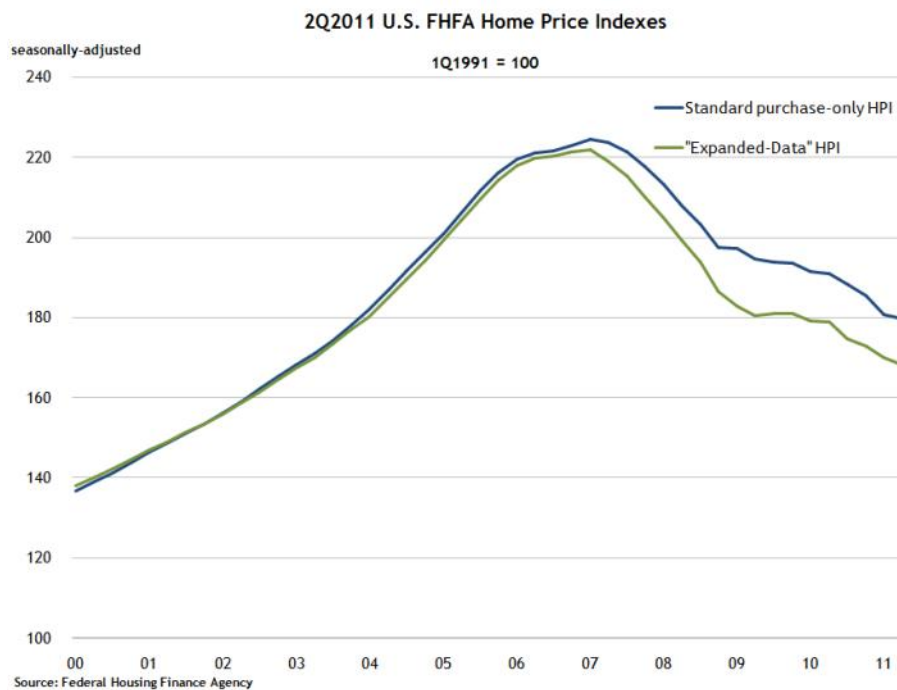


July 2011 Home Sales

	thousands, SAAR	yr/yr change	mo/mo change
Existing Total:	4,670	21.0%	-3.5%
Single-Family:	4,120	21.5%	-4.0%
Multifamily:	550	17.3%	0.0%
New Single-Family:	298	6.8%	-0.7%

Summary

The Federal Housing Finance Agency reported that the U.S. purchase-only home price index (HPI) declined 1 percent from the first quarter of 2011 to the second quarter of 2011 and was down 6 percent from a year earlier. The same was true for the “expanded-data” HPI.

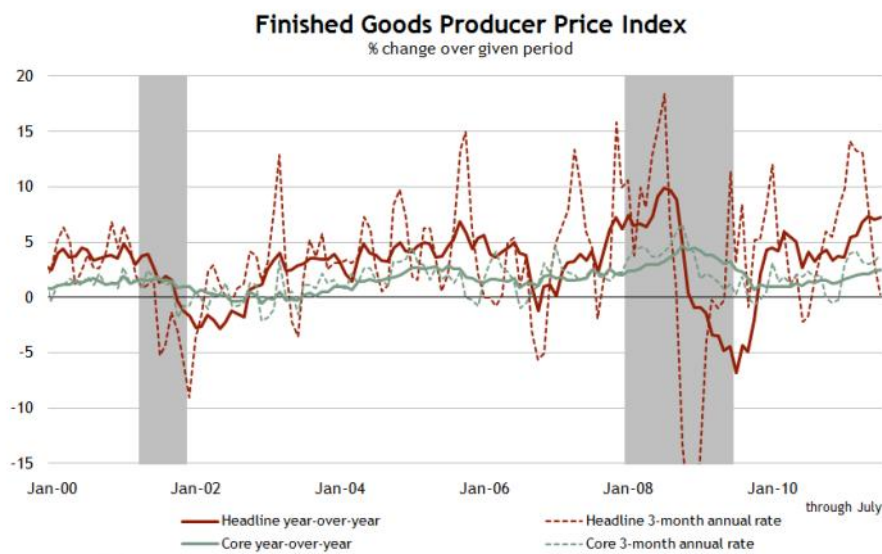


Note: The FHFA introduced a new set of house price indexes referred to as the “expanded-data” HPI. The indexes make use of additional sales price information from external data from mortgages endorsed by the Federal Housing Administration and real property county recorder information licensed from DataQuick Information Systems.

	Change From Year Earlier:		Change Since Peak:	
	Standard purchase-only HPI	Expanded-Data HPI	Standard purchase-only HPI	Expanded-Data HPI
U.S.	-5.9%	-6.1%	-20.0%	-24.2%
AL	-7.0%	-7.6%	-14.4%	-15.9%
FL	-8.1%	-6.8%	-45.6%	-48.8%
GA	-13.6%	-10.3%	-27.0%	-29.3%
LA	-1.9%	-3.7%	-3.9%	-5.3%
MS	-2.6%	-2.4%	-12.3%	-15.1%
TN	-5.9%	-5.1%	-12.5%	-14.1%

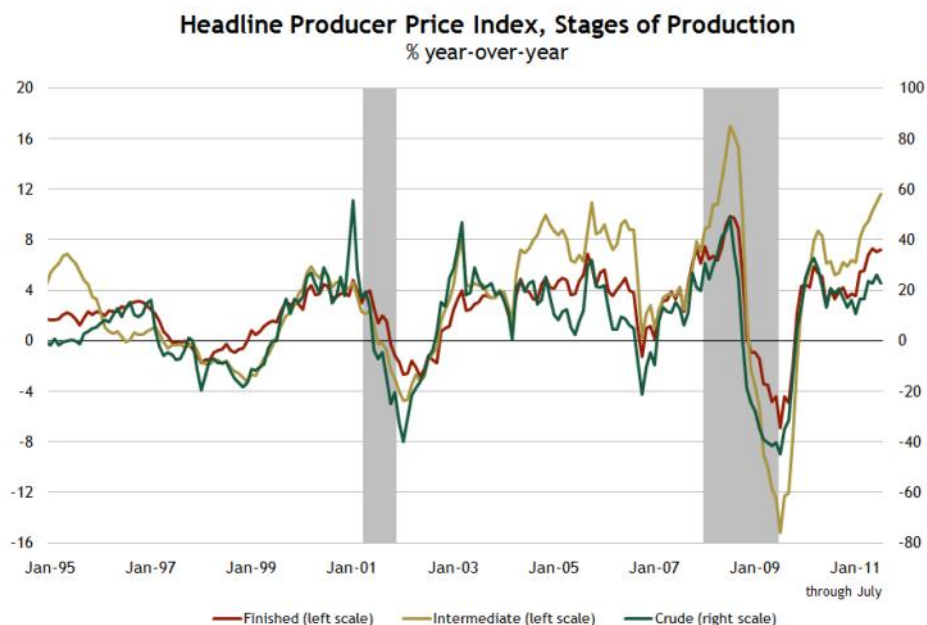
Summary

In July, core PPI accelerated at a finished goods level but decelerated at earlier stages of production.



Source: Bureau of Labor Statistics

- The July headline producer price index (PPI) for finished goods rose 2.5 percent (annual rate), following an energy-related 4.3 percent decline in June. The index for finished energy goods declined for the second consecutive month in June (down 7.2 percent), while finished consumer foods prices advanced 7.1 percent (annual rate). Excluding food and energy, PPI rose 5.5 percent in July, after rising at an annualized 4.1 percent in June. The core index for finished goods was supported by increases in the indexes for tobacco products, light motor trucks and pharmaceutical preparations. The 12-month core PPI, which has been trending higher since early 2010, was 2.5 percent in July. The finished headline index was up 7.2 percent on a year-over-year basis.
- Looking at earlier stages of production, intermediate PPI posted a broad-based 3 percent gain in July. The core intermediate index rose just 0.2 percent, the smallest one-month increase since September 2010. Headline PPI at the crude level declined 13.1 percent (annual rate) in July, marking the third consecutive monthly decline relating to falling prices for food and energy goods. Excluding food and energy, crude PPI rose 8.2 percent, the first single-digit one-month increase since February 2010. Crude PPI remains 22.6 percent above year-ago levels.



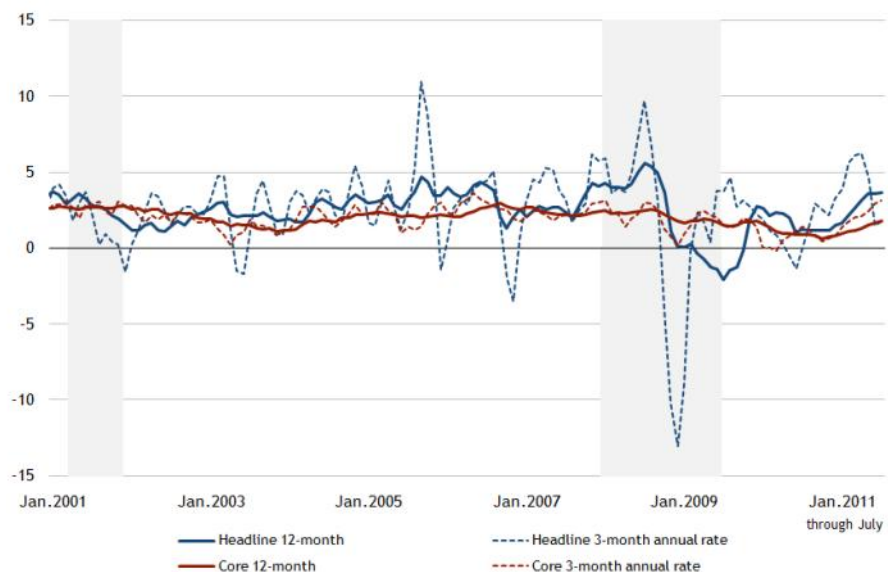
Source: Bureau of Labor Statistics

Summary

CPI rose in July, supported by higher gasoline prices.

Consumer Price Index

percent change over given period



Source: Bureau of Labor Statistics

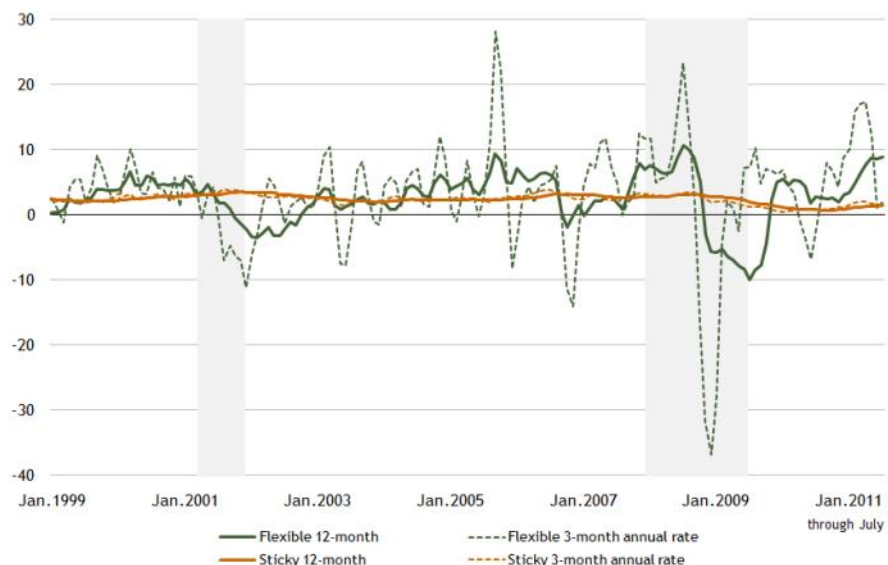
- The headline consumer price index (CPI) increased at a 6.2 percent annual rate in July, following an energy-related 2.6 percent decline in June. About half of the increase in the headline index can be traced to a large 72.5 percent annualized jump in the gasoline index.
- Excluding food and energy, the CPI rose 2.7 percent (annual rate) in July, following a 3.1 percent increase in June. The index for shelter increased 3.3 percent in July, marking the largest one-month increase since November 2007. The apparel index continued to post oversized price gains, increasing 16.1 percent in July. New vehicle CPI, which had grown at an average 10.3 percent annualized pace over the previous five months, decelerated to 0.4 percent in July.
- On a year-over-year basis, headline CPI in July was up 3.6 percent for the third consecutive month, and core CPI was up 1.8 percent, the largest 12-month change since December 2009.

Summary

Atlanta Fed's sticky price CPI accelerated to 2.1 percent in July

Sticky and Flexible CPI

percent change over given period



Source: Bureau of Labor Statistics, Atlanta Fed

- The Atlanta Fed's sticky price CPI measure—the weighted basket of goods consumers purchase that change prices relatively infrequently—rose 2.1 percent (annualized) in July, following an average 1.5 percent growth pace over the previous four months. The 12-month index rose 1.5 percent.
- The sticky price index increased 2.2 percent (annualized) on a core basis (excluding food and energy) in July, and the 12-month index rose 1.4 percent, accelerating since mid-year 2010.
- The flexible cut of the CPI—a weighted basket of goods that change price relatively frequently—increased at a 16.6 percent annual rate in July and was up 8.8 percent from year-earlier levels.