

# 2008

## MISSOURI ECONOMIC REPORT

June 2008



MISSOURI ECONOMIC RESEARCH & INFORMATION CENTER

# Introduction

Missouri workers and our state's businesses are facing a challenging environment. Not just other states in the U.S., but nations around the world are competing with us for customers, capital, resources, and jobs. The United States is in the middle of an economic slowdown or even a recession. Struggles in the housing sector have spilled over into other industries, and high energy prices are impacting both businesses and consumers.

Missouri's economy is diversified and often follows trends similar to that of the U.S. Just a year ago, when the 2007 Missouri Economic Report was produced, the economy was growing, although that growth had slowed somewhat from the more rapid rates of preceding years. So, how is Missouri faring through this economic slowdown? This report helps to answer that question by providing the latest economic indicators for Missouri. A variety of measures have been chosen to track the state's progress. Each has a specific purpose, and when considered together, they paint a more complete picture of how Missouri is doing.

## ***Highlights from this report:***

- *Nationally, economic growth has been slowing. Missouri's economic growth generally follows U.S. trends.*
- *Employment in Missouri began to slow in 2007, then decline somewhat in early 2008. By May 2008, Missouri employment had decreased by 0.3 percent over the year, compared to the 0.2 percent national growth.*
- *Unemployment in Missouri has averaged a little higher than the U.S. rate.*
- *The services sector is the fastest growing portion of the state's economy, led by growth in education and health services. However, there have been declines across several industries in Missouri in the past year.*
- *Manufacturing employment has been declining in Missouri and across the U.S.*
- *Missouri exports totaled \$13.4 billion in sales in 2007.*
- *Personal income growth in Missouri has trended just above the national rate in two of the last three quarters.*
- *Consumer spending across the U.S. economy has been slowing, and Missouri taxable sales have followed a similar trend.*

Overall, these indicators show that Missouri's economy was growing in 2007, though in many cases, slightly slower than the U.S. average. The end of 2007 and first five months of 2008 have seen an economic slowdown in both the U.S. and Missouri. The remainder of this report details the growth trends, takes a closer look at the housing market in Missouri and analyzes Missouri's regional economies.

## ***Table of Contents***

Gross Domestic Product	1
Unemployment Rate	3
Employment	4
Special Focus on Housing	7
Personal Income	10
Manufacturing and Industrial Vitality	11
Global Business: Exports	14
Retail Trade and Taxable Sales	15
Missouri's Regional Economies	17
Conclusion	19
Data Sources	20

# Gross Domestic Product

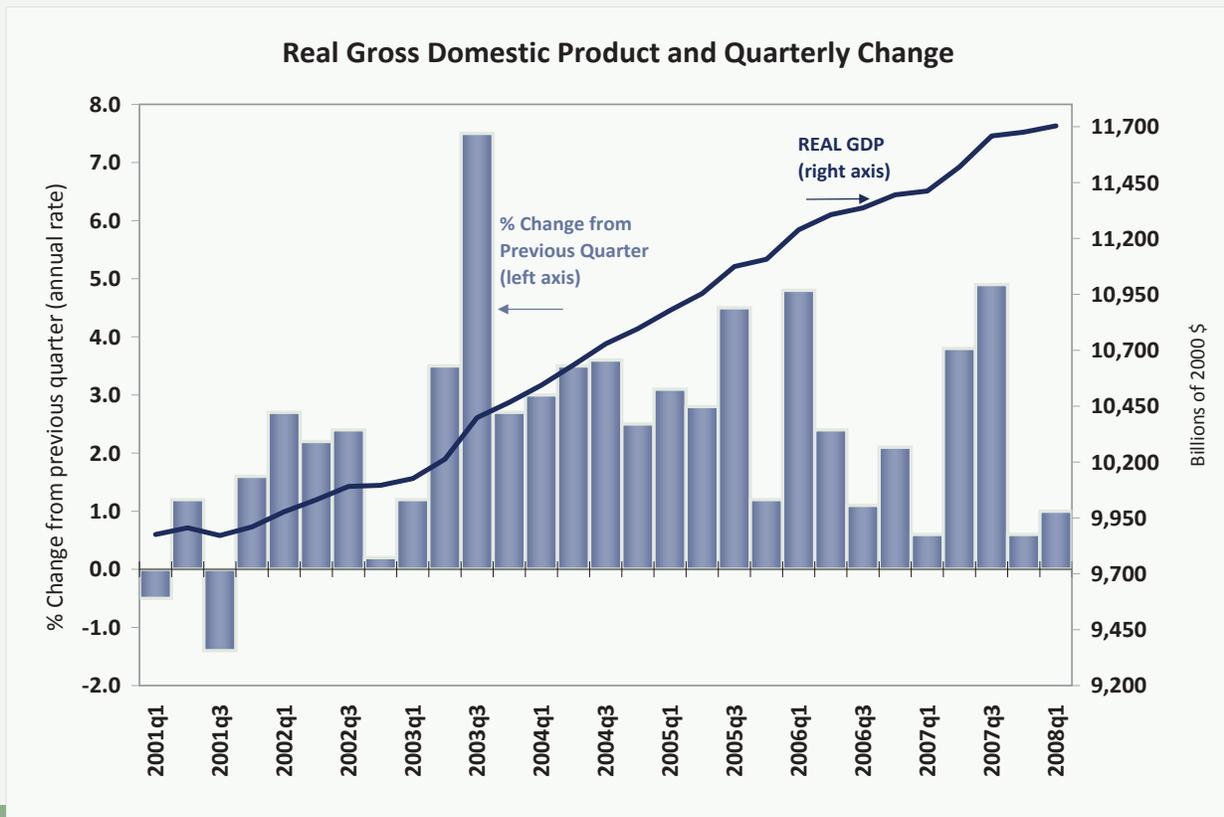
*Gross Domestic Product (GDP) is the broadest measure of economic conditions.*

## National

Gross Domestic Product (GDP) is the broadest measure of economic activity. It is also the measure that is most indicative of whether the economy is in recession. In the post-World War II period, there has been no recession in which GDP did not decrease in at least two quarters. (There were recessions, however, in which these quarters were not consecutive: 1960-61 and 2001.)

Economic output in the United States has been expanding each quarter since the 4th quarter of 2001. Beginning in the 2nd quarter of 2003, the national economy grew fairly consistently at an annual rate of around 3 to 4 percent, in real terms, with occasional quarters of slower growth through late 2006 and early 2007. The middle of 2007 found revived growth followed by much slower growth of 1.0 percent or less in the 4th quarter of 2007 and 1st quarter 2008. Despite some economists' estimates of the national economy being near or in recession, GDP has not yet decreased. Many analysts expect that the 2nd quarter data will show a decline. It should also be remembered that these data are subject to revision; it is conceivable that growth estimates could be revised downward, even to negative levels, for some quarters.

Overall for 2007, real national GDP grew by 2.2 percent from 2006. Going forward, GDP growth in 2008 is forecasted to be slower than in 2007, with average annual real growth in 2008 of around 1.6 percent.



## Missouri

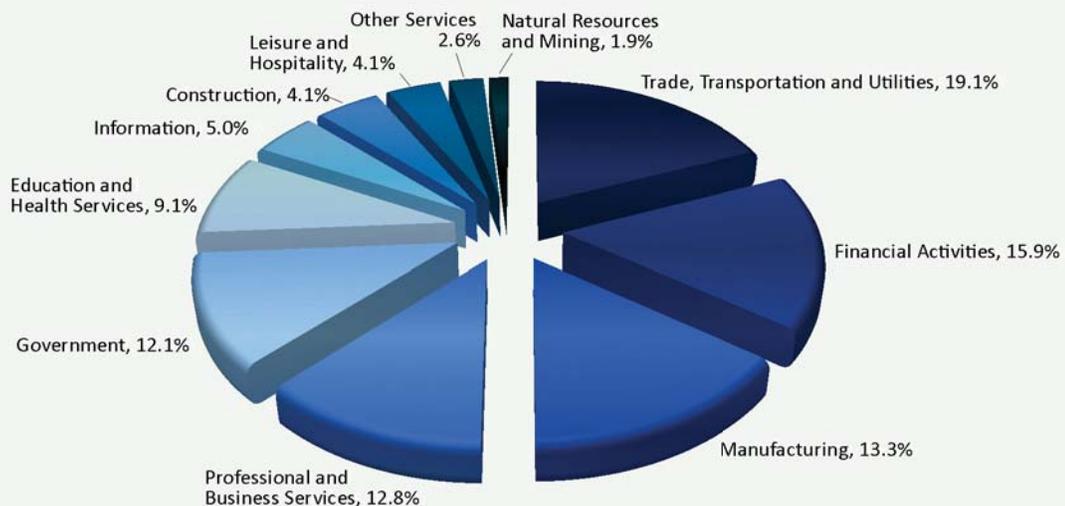
Missouri's economy is diversified and similar to that of the U.S. This is indicative of a robust economy capable of supporting a variety of industries. State GDP data lags behind national data and is only available annually. As a result, it is not a good indicator of current economic conditions. However, it is still valuable to understand the state's growth trend compared to the nation and what industries are the largest contributors to Missouri's economy.

Missouri's GDP totaled over \$229 billion in 2007 according to advance estimates, an increase in real dollars of 1.3 percent from 2006. The U.S. growth rate for the same period was 2.2 percent. Missouri's GDP growth generally falls below the national average.

The Trade, Transportation and Utilities sector makes up the largest portion of Missouri's economic output, followed by Financial Activities, Manufacturing, and Professional and Business Services.

Since 2002, Professional and Business Services, Natural Resources and Mining, and Educational and Health Services have had the largest gain in share of the state's economic makeup, while Manufacturing and Construction have had the largest declines in share.

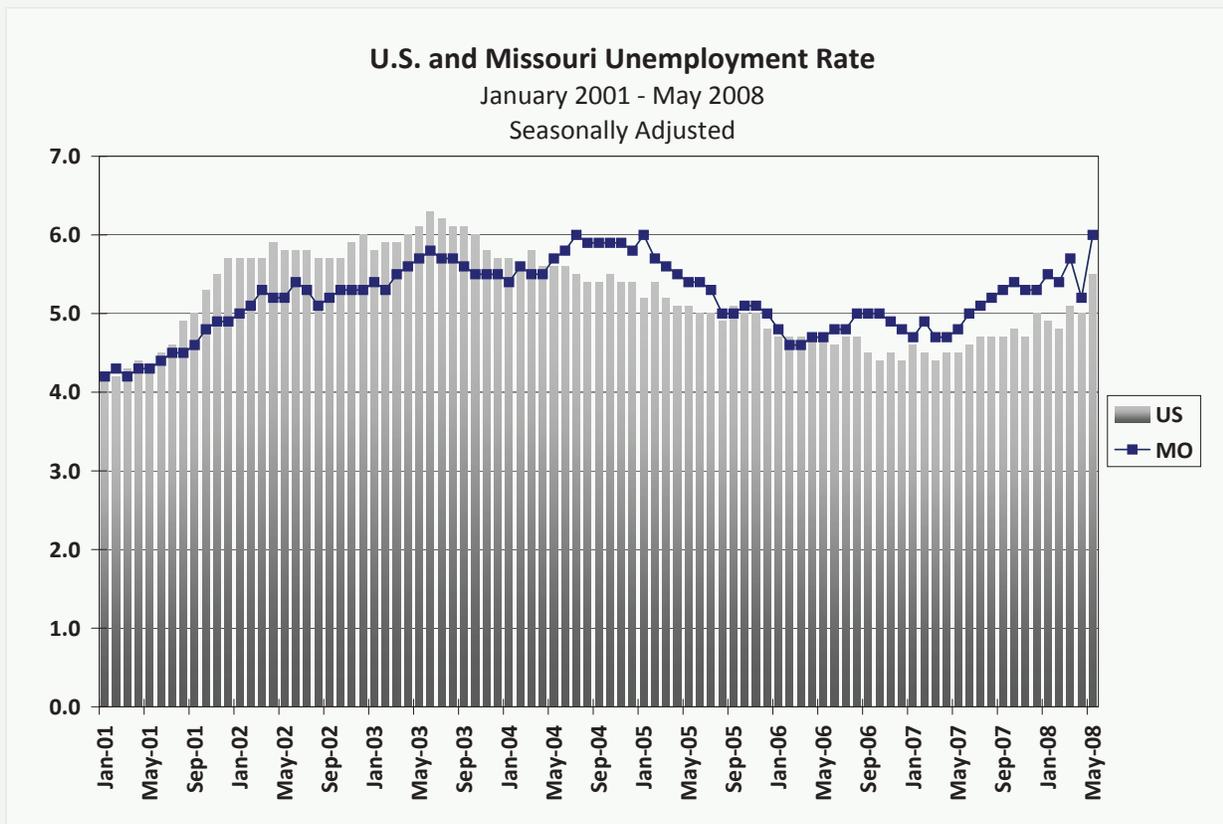
**Industry Share of Missouri's Economy**  
(by percentage of Gross Domestic Product)



# Unemployment Rate

***The unemployment rate measures the percentage of people in the state who are without work.***

Historically, Missouri's unemployment rate had been lower than national unemployment, but since about 2004, Missouri's rate has averaged a little higher than the U.S. rate. Unemployment in the U.S. and Missouri has been trending upward for about a year, as employment growth first slowed, then turned negative. Recent rates have been quite volatile, especially in Missouri. Monthly data can display irregular movements, particularly at this time of year when seasonal variations, largely associated with students seeking summer jobs, can overwhelm underlying trend movements. The current national rate is not as high as it was during the recession of 2001 and the prolonged period of higher unemployment that followed the 9/11 terrorist attacks. Missouri's rate had been lower than recent peaks reached in 2004 and early 2005, but the May 2008 rate does tie those peaks.



## Understanding Unemployment Rates

The unemployment rate is calculated by dividing the estimated number of unemployed people in the state by the civilian labor force. The result expresses unemployment as a percentage of the labor force. Labor force and unemployment estimates for states come from a cooperative statistical program between the U.S. Department of Labor's Bureau of Labor Statistics (BLS) and the various states. (MERIC is the BLS affiliate in Missouri.) State data are developed using statistical models. The inputs to these models include monthly state-specific data from the Current Population Survey (CPS – a nationwide survey of households), Current Employment Statistics program (CES – survey of employers), and claims data from the unemployment insurance system.

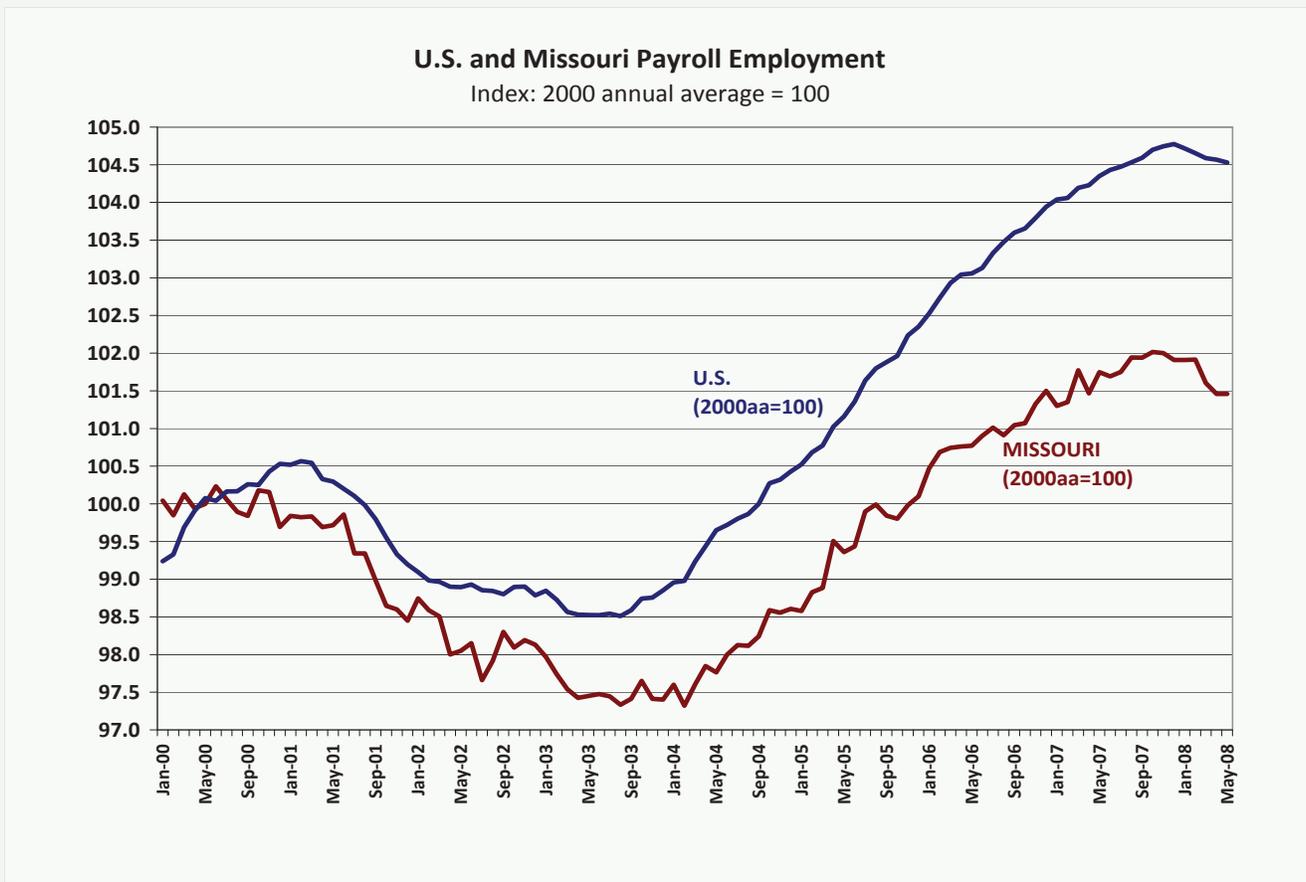
# Employment

*Employment measures the number of jobs in the state. The number of jobs and the industries that create those jobs are important indicators of a state's economic health.*

Since bottoming out in 2003, U.S. payroll employment has increased by nearly 8 million jobs (6.1 percent), while Missouri employment grew by 113,700 (4.3 percent). Annual rates of growth for the U.S. in the last two years were 1.1 percent in 2007 and 1.8 percent in 2006. Missouri's annual growth rates were slightly slower, at 0.8 percent and 1.4 percent, respectively.

Despite averaging slightly slower than the U.S., Missouri sustained steady employment growth throughout 2005 and 2006. The rate of Missouri's employment growth began to slow in 2007.

U.S. payroll employment began to decrease after December 2007, while Missouri employment had peaked slightly earlier, in October. Since peaking, U.S. employment has averaged decreases of about 65,000 jobs a month, while Missouri's average decline has been about 2,200 a month. By comparison, during the 2001 recession U.S. employment losses averaged 200,000 a month, while Missouri employment decreased by 4,200 a month. As of May 2008, Missouri employment over the year declined by 7,900, seasonally adjusted – a decrease of 0.3 percent over the year. By comparison, employment in the U.S. as a whole increased 0.2 percent over the period.

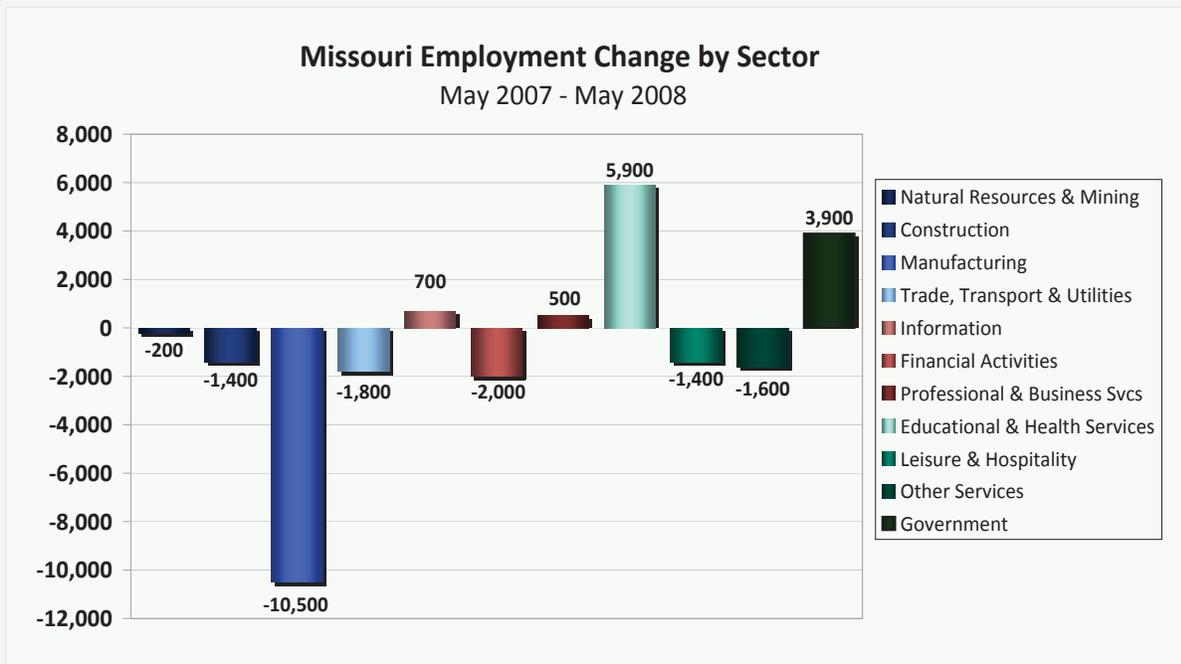


## Employment Change by Industry

Employment growth by industry identifies the types of jobs being created in the state. On the other side of the ledger, industries with decreasing trend employment indicate those which are becoming less important in the state's economy. There may also be industries which behave more cyclically, growing during expansion and decreasing in times of economic slowdown or contraction. Overall employment change is in effect an aggregation of these changes. If most industries are growing, this growth more than offsets decreases in other industries. When growth begins to slow in the expanding industries, unemployment may stop falling or even increase. Eventually, the decreasing industries start to outweigh the gaining industries, and overall employment decreases result.

Comparing May 2008 to May 2007, several sectors have had employment declines in Missouri. Manufacturing employment declined by 10,500 from May 2007 to May 2008. Financial activities, which has been affected by the ailing housing market, declined by 2,000 over the period.

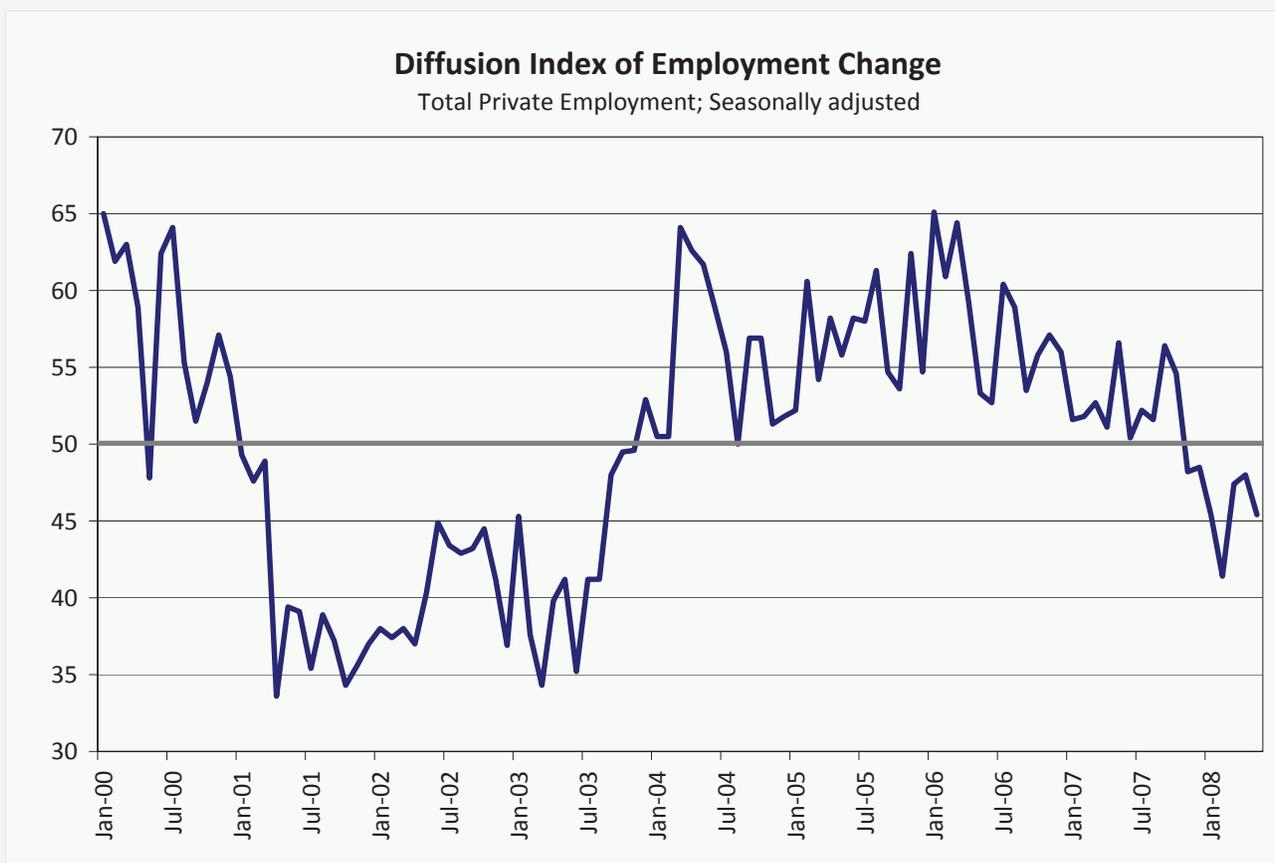
The education and health services industry had the largest growth over the year with employment increasing by 5,900. The health care and social assistance subsector makes up more than 80 percent of this industry. The government sector has also increased in employment over the year.



These employment changes reflect what has been going on in the economy. Manufacturing employment has been trending downward for a long time, but growth in the service-producing sectors has been sufficient to lead to good overall job growth. As the subprime mortgage situation began to spread, housing related industries started to lose jobs. These include construction and financial activities. As the slowdown started to spread further through the economy, growth started to slow in other industries, eventually turning negative in some.

A lesser known employment measure helps illuminate this situation at the national level. The diffusion index essentially measures the percentage of industries that are experiencing increasing employment. At 50 percent, the index would indicate that as many industries were growing as decreasing. A larger number indicates that growth is spread through a relatively large share of industries, while numbers significantly less than 50 indicate that most industries are losing jobs. The one-month diffusion index for private employers in the U.S. is shown below.

Although the diffusion index was not as high during the latter half of 2006 and 2007 as it was in the couple of years preceding that time period, the index was well over 50 percent, indicating that more industries were adding jobs than were losing them. It was not until late 2007 that the index started falling off. By November 2007, more industries were losing jobs than were adding them. So far, the index remains well above the levels seen during the last recession and its aftermath. Although the index has turned up recently, it is too soon to know whether this improvement will be sustained.



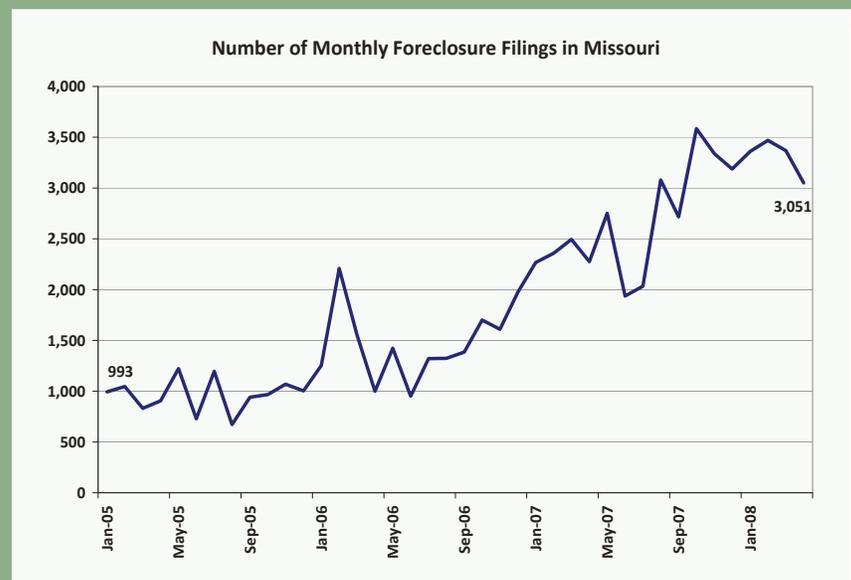
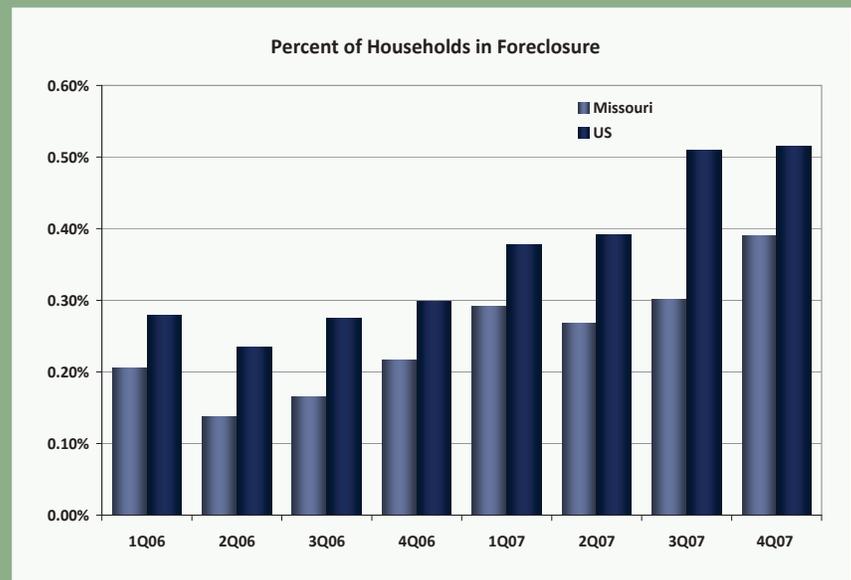
## Special Focus on Housing

Missouri's economy is similar to the economy of the U.S. and is greatly affected by national trends. Nationally the economy is facing the challenges of a still-struggling housing market, record energy prices, and a weakening job market. The issues in the housing market have affected many sectors of the economy: the construction sector as new building has slowed; financial services as loan defaults and foreclosures grow; and services sectors as the availability of new loans and overall spending are restricted.

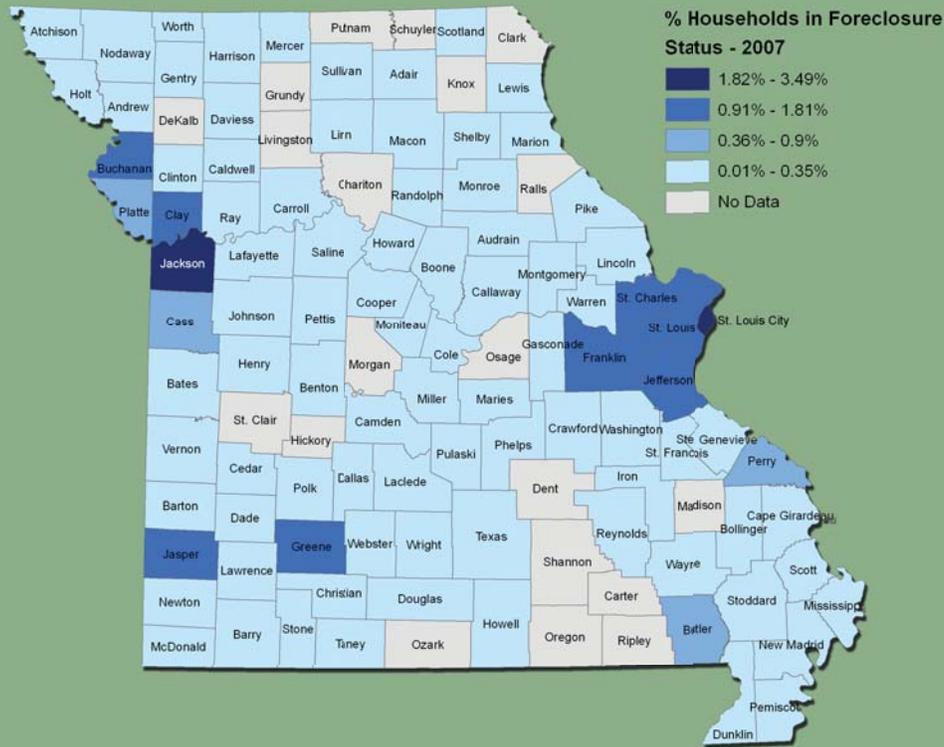
Missouri's housing market has not been quite as drastically affected as the areas that experienced rapid new construction and soaring home prices during the preceding housing boom. Indicators such as foreclosures, existing home sales, and employment in construction and financial activities provide a measure of how Missouri is faring compared to the U.S.

### Foreclosures

Foreclosure rates in Missouri have been rising similarly to the national rate throughout the housing crisis but remain lower than the U.S. average. In Missouri, there were 32,022 foreclosure filings in 2007, or about one of every 81 households in the state, according to data collected by RealtyTrac. On average in the U.S., one of every 57 households was in foreclosure last year. Only 1.5 percent of the nation's foreclosures over the year were in Missouri. Through May 2008, foreclosure filings in Missouri have begun to slow and have declined for the last two months, while nationally the number of filings continues to rise.



Within Missouri, some areas have been more affected by foreclosures than others. Counties with a higher average of households filing for foreclosure than the state average were St. Charles, Jasper, Jefferson, St. Louis County, Clay, St. Louis City, and Jackson.



### Existing Home Sales

Financial markets have tightened and mortgages have become more difficult to get, even for qualified buyers, resulting in slowing sales of existing homes. In the U.S., existing home sales in the 1st quarter of 2008 were down 22.2 percent compared to the same quarter in 2007, according to the National Association of Realtors. In Missouri, existing home sales have only declined by 8.0 percent over the same period. In states hardest hit by troubles in the housing sector, like California and Arizona, existing home sales fell by 30 percent or more in the last year.

Along with the increase in foreclosures and the decline in existing home sales, demand in the new home market has also declined. New residential building permits have been declining in the U.S. and Missouri for about a year and are down by approximately 30 percent from April 2007 to April 2008. New residential building permits do not necessarily equal new residential construction, as the buildings for which some permits were obtained are not started or completed. Nonetheless, the number of new residential building permits does provide a measure of the trend in the new home building market.

As demand in the housing sector has declined, construction employment has been decreasing in many markets as well.

## Construction Employment

U.S. construction employment grew rapidly from a low in March 2003 to a peak in September 2006, increasing by over 16 percent, or 1 million jobs. Employment remained fairly steady until January 2007, when the rapid decline in U.S. construction employment began. In the last year, U.S. construction employment declined by 386,000, or 5.1 percent. Construction employment in Missouri similarly had a rapid gain from mid-2003 to early 2006. However, other than in some months with relatively large seasonal variation, Missouri construction employment has remained fairly steady compared to the rapid U.S. decline. From May 2007 to May 2008, construction employment in Missouri declined by 1,400, or 0.9 percent.



## Financial Activities Employment

Issues in the sub-prime mortgage market marked the beginning of the trouble in the housing sector. Higher-risk borrowers were unable to make payments once interest rates began to rise and promotional rates ended. This placed pressure on mortgage lenders and has had a ripple effect throughout the financial industry, making new loans difficult to get while other loans were in default. National employment in the financial activities sector began to decline at the beginning of 2007 and has been declining since. Since May 2007, U.S. financial activities employment has declined by 91,000, or 1.1 percent. In Missouri, financial activities employment started declining later than in the U.S., but at a more rapid pace once the decline started. In the last year, financial activities employment in Missouri has fallen by 2,000, or 1.2 percent.



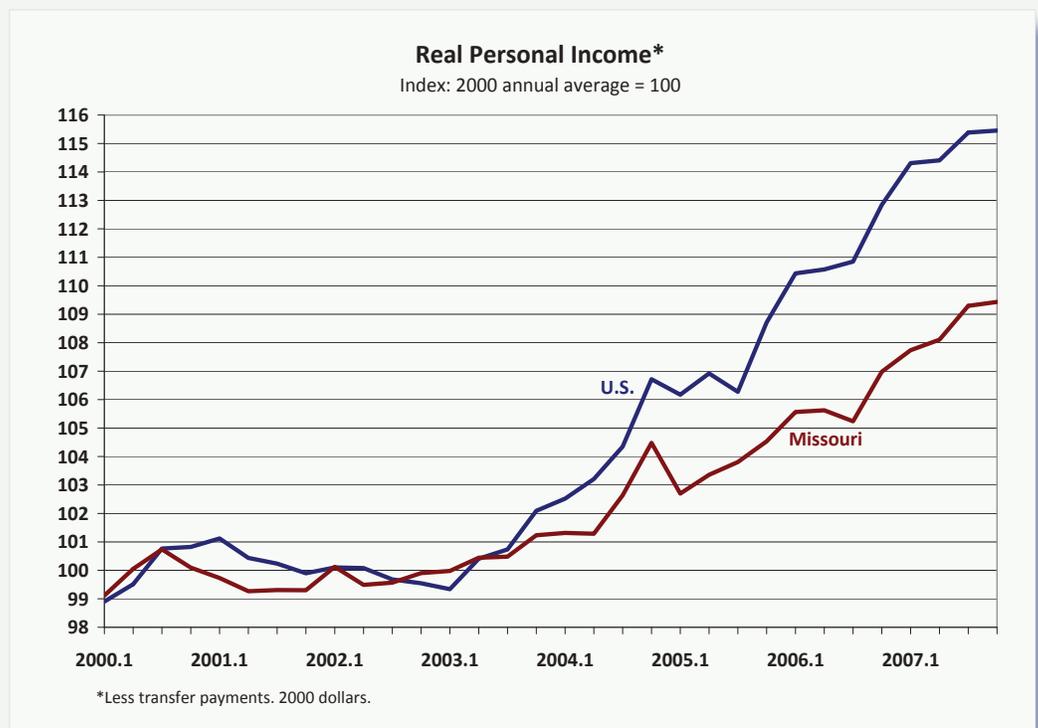
## Personal Income

***Beyond employment and unemployment, income is another important measure of economic success.***

Personal income is a broad measure of economic activity and one for which relatively current data are available. Personal income includes earnings; property income such as dividends, interest, and rent; and transfer payments, such as retirement, unemployment insurance, and various other benefit payments. It is a measure of income that is available for spending and is seen as an indicator of the economic well-being of the residents of a state. Earnings and wages make up the largest portion of personal income.

To show the vastly different levels of total personal income for the U.S. and Missouri on the same chart, these data have been converted to index numbers. This chart shows a comparison of Missouri and U.S. growth in real personal income, excluding transfer payments, with the year 2000 as the base year. In Missouri, real personal income decreased at the end of 2000 for about a year before increasing. Nationally, the decline in personal income came a few quarters later and did not show a strong recovery until 2003.

In recent years, Missouri's overall trend in personal income growth has been somewhat slower than that of the national rate. However, in the 2nd and 3rd quarters of 2007, Missouri's real personal income increased at just above the national rate. Income growth was flat for both the U.S. and Missouri in the 4th quarter of 2007.



Per capita incomes have grown more rapidly than inflation. Missouri's per capita personal income in 2007 was \$34,389 according to preliminary estimates, compared to the national average of \$38,611. Real per capita personal income growth in Missouri was 2.3 percent from 2006 to 2007, faster than the 1.5 percent growth rate the previous year. However, Missouri's growth was slightly slower than the national real growth rate of 2.6 percent.

## Manufacturing and Industrial Vitality

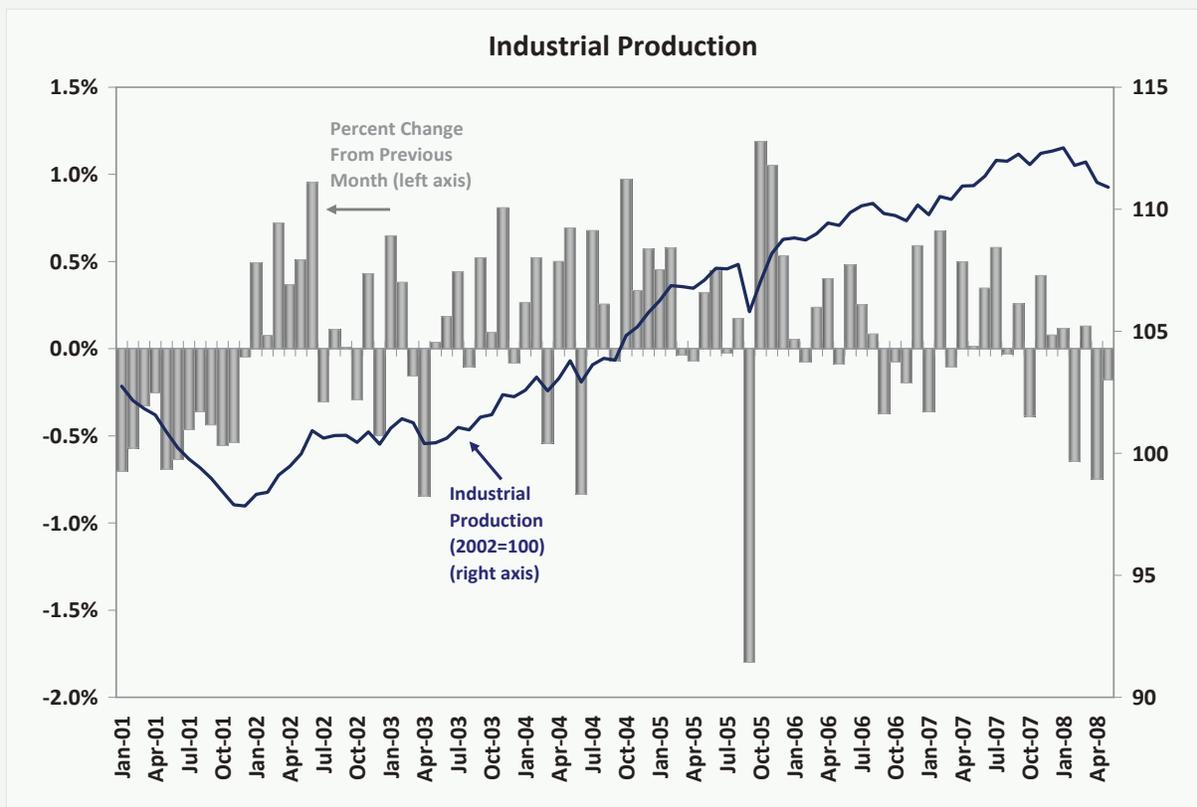
*Manufacturing and production are important parts of both the U.S. and Missouri economies.*

At one time, manufacturing made up 38 percent of the nation's employment. However, manufacturing employment in the United States has been declining since 1979, as productivity, technology gains, and offshoring have reduced the demand for traditional manufacturing employment.

Industrial production in the U.S. is a measure closely linked to the strength of the manufacturing sector. Industrial production began to drop after September 2000 and fell continuously for more than a year before bottoming out in December 2001.

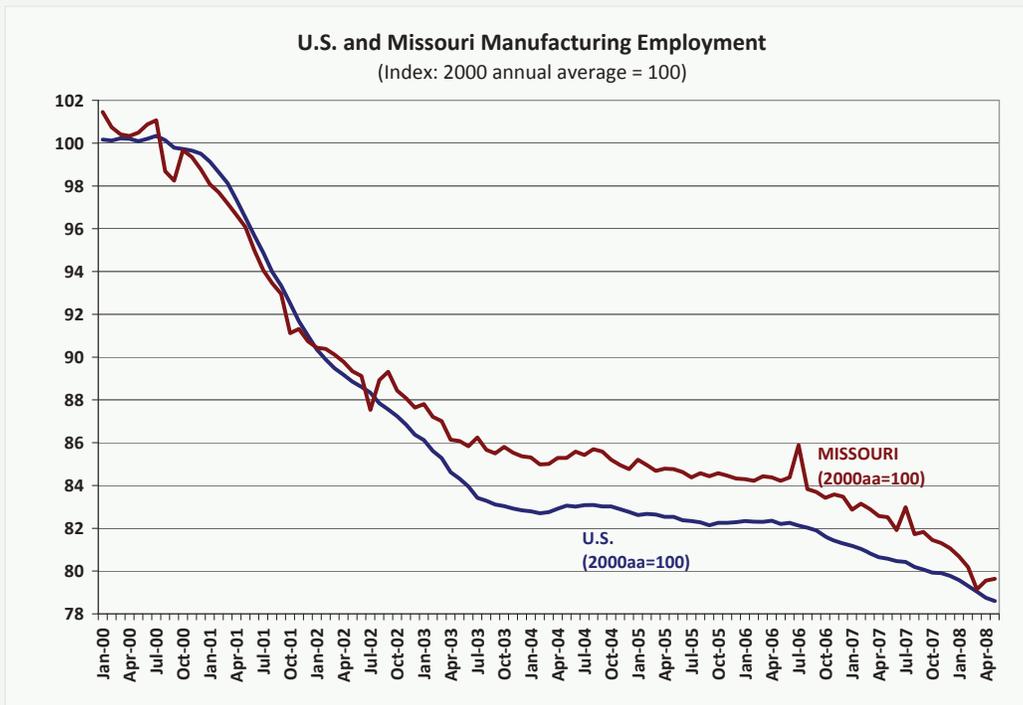
Gains occurred during the first half of 2002, as the economy seemed to be resuming growth. This situation did not last, however, as production went flat to slightly declining for about a year. As a whole, industrial production was growing from April 2003 to mid-2007. Industrial production was flat through the end of 2007, and has declined in three of the first five months of 2008.

Manufacturing employment should move somewhat consistently with industrial production, but there are some inconsistencies between increased production and rising employment. In particular, productivity gains have made it possible for manufacturers to increase output while holding employment constant or even shedding jobs.



The behavior of manufacturing employment over the past decade or so can be grouped into three time periods. Employment had its most recent peak in mid-1998, nearly three years before the beginning of recession. This was a troublesome sign for the economy, leading to slower economic and employment growth, which gradually affected other sectors. Employment then edged down until early 2001, which characterized the first period. The second period was marked by sharply falling employment and lasted from early 2001 through mid-2003. This was the period of the recession and its aftermath. Plummeting manufacturing employment contributed to the recession and held down growth following the official end of the recession.

In mid-2003, the manufacturing sector began to stabilize. Employment decreases began to slow at the national level, with some growth resuming in early 2004. This was relatively short-lived as manufacturing employment in the U.S. began to edge back down, declining again in mid-2005. From there, manufacturing employment was fairly flat through mid-2006, but has been steadily declining since then. U.S. manufacturing employment has declined by 341,000 jobs in the last year, a decrease of 2.5 percent. Since January 2000, manufacturing employment in the U.S. has dropped by 21.5 percent, a change of over 3.7 million.



Missouri manufacturing has faced similar declines. The rate of decrease in manufacturing employment in the state also eased in early 2003. Since then the industry has declined at a growing rate. In May 2008, there were 290,600 manufacturing jobs in the state, a decrease of 3.5 percent from a year ago. Declines have been spread across manufacturing sectors, but the greatest numeric drop has been in transportation equipment manufacturing, which includes motor vehicles. High gas prices are taking a toll on the automobile industry.

Since 2000, Missouri manufacturing employment has declined by 21.5 percent, the same as the U.S. rate.

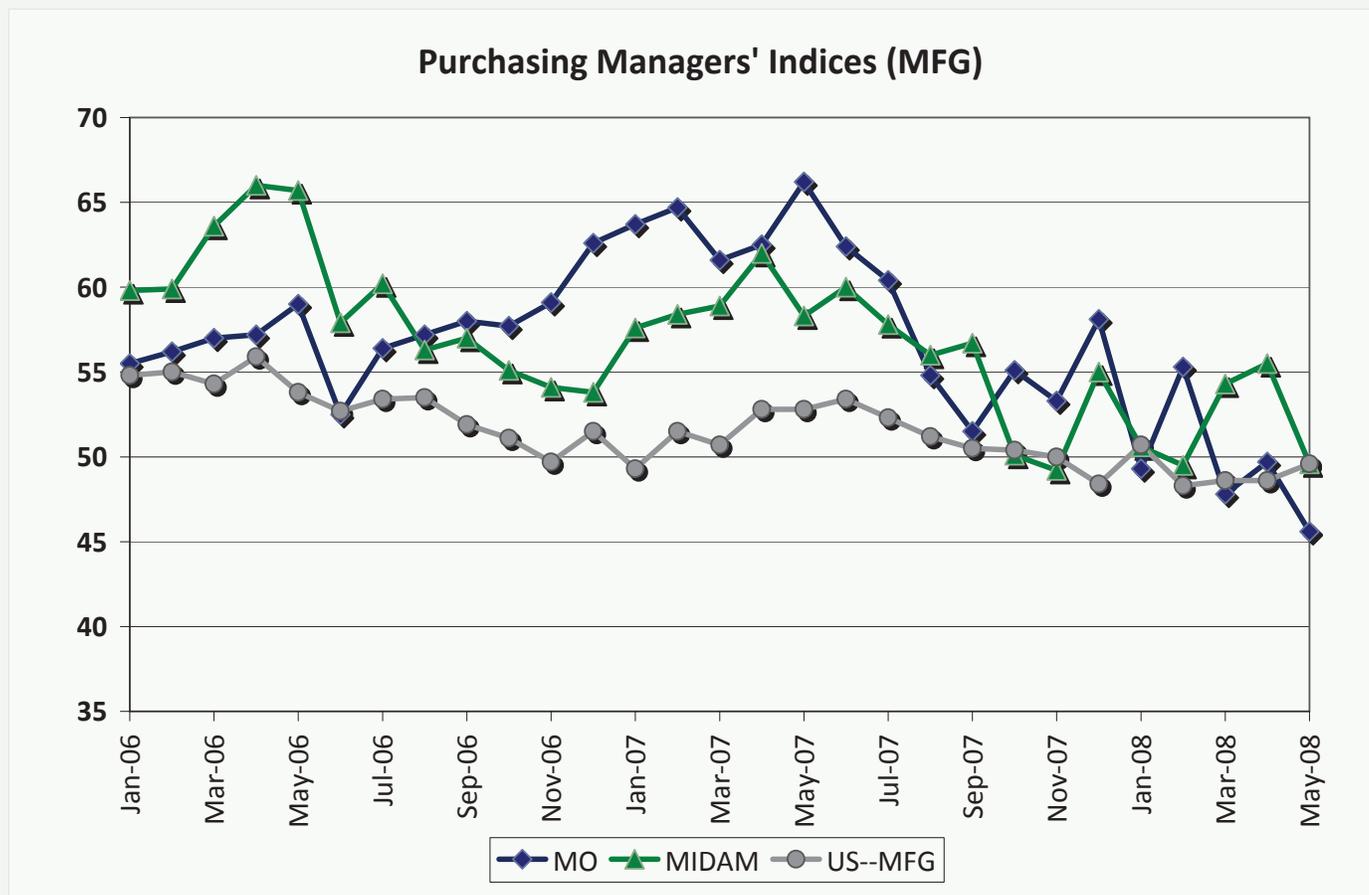
## Purchasing Managers' Index

Economists consider the Purchasing Managers' Index, which measures such factors as new orders, production, supplier delivery times, backlogs, inventories, prices, employment, import orders and exports, a key economic indicator. Typically, a score greater than 50 indicates an expansionary economy, while a score below 50 forecasts a sluggish economy for the next three to six months.

The national PMI for manufacturing industries increased slightly to 49.6 in May from 48.6 in the month prior, bringing the index closer to the expansion level. Production and new orders increased nationally, while inventories declined.

Missouri's Purchasing Managers' Index (PMI) decreased by 4.1 points in May, according to the monthly Mid-American Business Conditions Survey, conducted by Creighton University, Omaha, NE. The state's PMI score decreased to 45.6 from 49.7 in April, with lower scores in production (43.2), new orders (45.4), and employment (44.1).

Overall, the average for the Mid-America Region decreased in May to 49.6 from 55.5 in April.



## Global Business: Exports

Our state's businesses and workers compete in a global marketplace, where products can be made and purchased from around the world. Export figures demonstrate that Missouri's economy is truly diverse, global, and competitive.

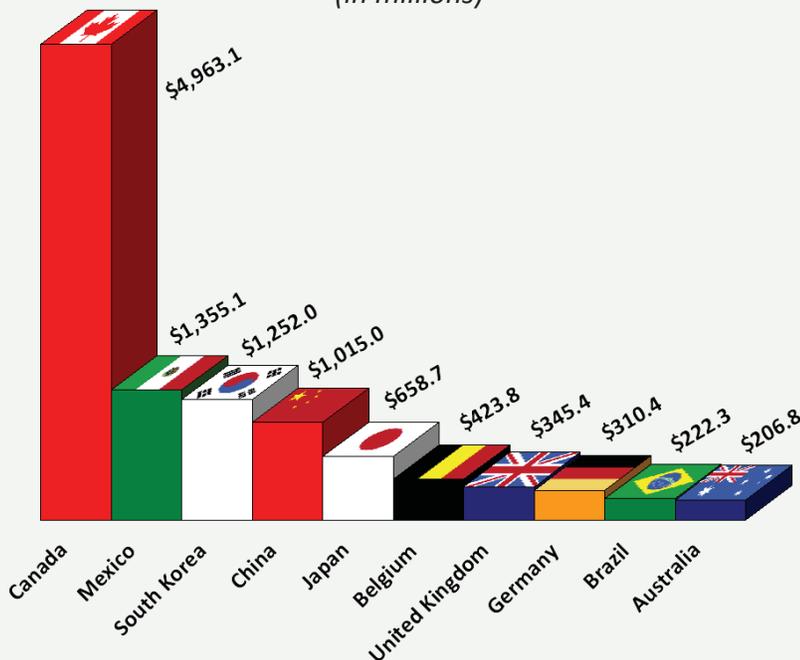
Missouri exports set a record in 2007 with \$13.4 billion in sales to 194 countries around the world.

International sales by Missouri companies increased 5 percent in 2007 compared 2006.

Fifteen Missouri product categories each topped \$100 million in export sales through the end of 2007 and thirteen of those top export product categories increased global sales over the year.



**Missouri's Top Ten Export Partners 2007**  
(in millions)



Canada imported nearly \$5 billion worth of Missouri goods in 2007, an increase of three percent from 2006, while Mexico's \$1.36 billion is a 9.3 percent gain. Exports to Brazil increased by 61.6 percent from 2006, moving Brazil among the top ten countries receiving Missouri exports. Missouri's top ten export partners accounted for 80 percent of the state's export revenues.

Overall, Missouri ranked 15th among the states in total exports to Canada and 18th in exports to Mexico in 2007.

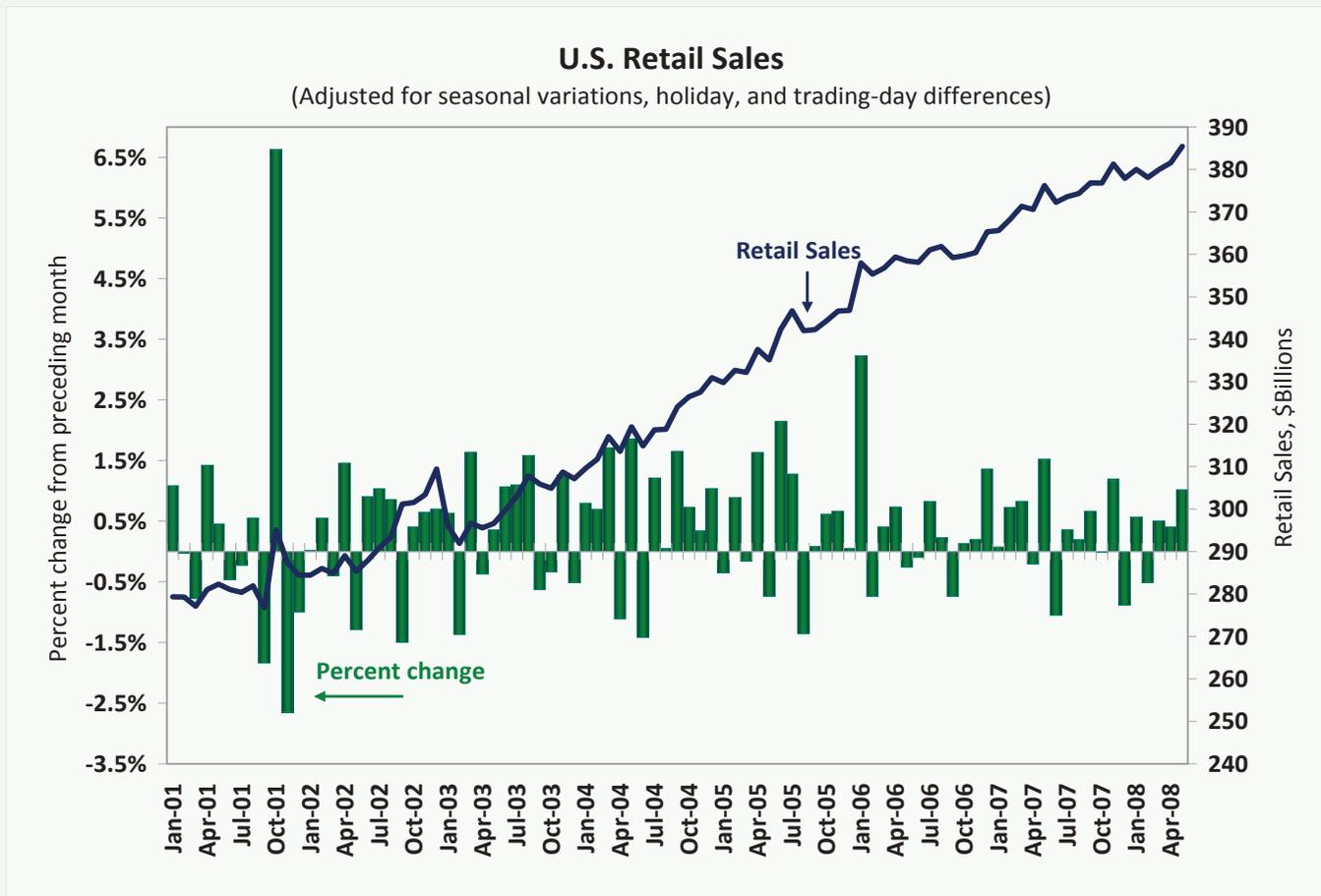
## Retail Trade and Taxable Sales

*Consumer spending accounts for two-thirds of the U.S. economy, and is likewise, essential to Missouri's economy.*

Retail sales account for around one-half of consumer spending.

National retail sales data are prone to fluctuations, but provide an important view on changes in consumer spending. There have been considerable swings in retail trade since the end of 2001, with weather, varying automobile sales and fluctuating gasoline prices contributing to these swings. Beginning in early 2003 through the end of 2005, retail sales moved consistently upward. Through 2006 and 2007, monthly retail sales continued to grow, but at a slower rate.

Continued weakness in the housing market, combined with high energy and food prices have also been a drag on retail sales. So far in 2008, retail sales have been flat to moderate in strength; however, a 1.0 percent increase in May indicates the federal economic stimulus may be having some impact on consumer spending. While data shows consumers are spending across retail segments, much of the economic stimulus may be going to groceries and gas, with four of the top five retailing segments over the year being sellers of food or energy.



Although no specific retail sales data are readily available for Missouri, total taxable sales as measured by the Missouri Department of Revenue (DOR) can serve as a proxy measure. Retail sales account for approximately 65 percent of taxable sales in Missouri, with an additional 10 percent from wholesale trade, 10 percent from service industries such as hotels and amusement parks, 10 percent from communications industries, and 5 percent from other industries.

The Missouri Department of Revenue recently released preliminary taxable sales estimates for the 1st quarter of 2008. Over this period, \$17.8 billion in taxable sales occurred in the state, a decrease of 1.97 percent in actual dollars from the same quarter of 2007.

Analysis shows, however, that if seasonal and inflationary effects are removed from the data, real year-to-year taxable sales declined by 5.83 percent during the 1st quarter of 2008. The decline in the 1st quarter marks four consecutive quarters of decline in Missouri taxable sales.

**Year-to-Year Percentage Change in Taxable Sales**  
(Inflation and Seasonally Adjusted)

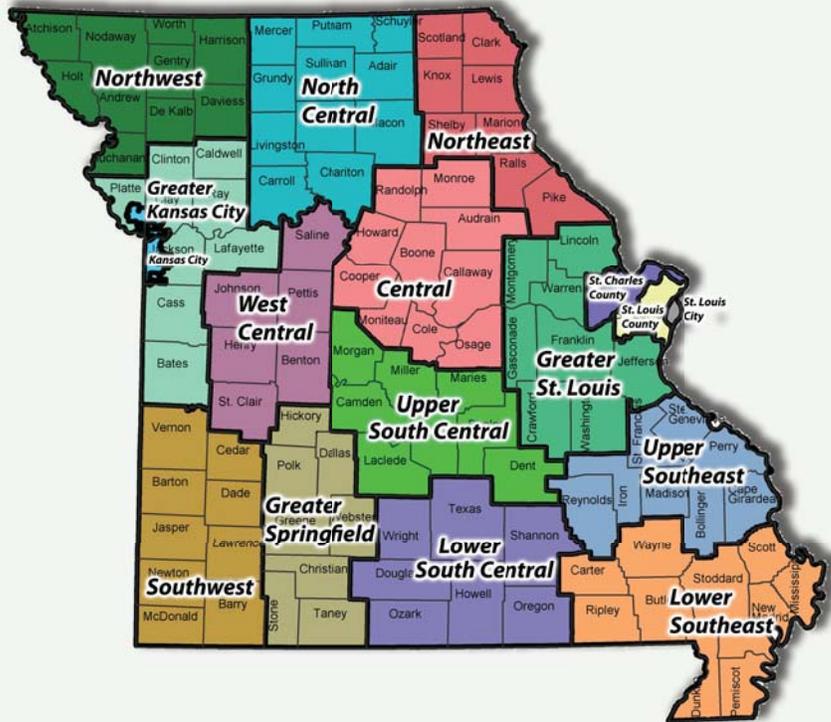


## Missouri's Regional Economies

Missouri's economy is complicated and diverse. The state itself is home to many other smaller, but fairly distinct economies. It is useful to analyze these regional economies to determine the different strengths and advantages each bring to the state.

The state is broken into 14 multi-county regions, St. Charles and St. Louis counties and the City of St. Louis.

Understandably, Missouri's metropolitan areas make up the largest portions of the state's economy. St. Louis County and Jackson County combine for nearly one-third of the state's economy in terms of employment, personal income and population.



<b>Share of Missouri's Economy by Region</b>	
Central	6.5%
Greater Kansas City	8.6%
Greater Springfield	8.2%
Greater St. Louis	7.7%
Kansas City (Jackson County)	11.5%
Lower South Central	1.8%
Lower Southeast	3.4%
North Central	1.8%
Northeast	1.4%
Northwest	2.8%
Southwest	5.0%
St. Charles County	6.1%
St. Louis City	5.4%
St. Louis County	20.1%
Upper South Central	3.7%
Upper Southeast	3.4%
West Central	2.6%

Despite their size, all of the regions have a role in the state's economic make-up. For example, some of Missouri's rural areas are especially important to tourism and agriculture in the state.

In the past ten years, these regions have had varying levels of economic growth. In terms of wage and employment growth, the North Central region has averaged the fastest level of wage growth in the state, but a decline in employment. The Greater Kansas City Region, on the other hand, has had above average wage and employment growth and is the only region to have surpassed the national growth rate in both employment and average annual wages.



## Conclusion

The end of 2007 and beginning of 2008 have been a difficult time for both the U.S. and Missouri economies. The housing market has not yet stabilized, creating problems across a wide array of industries. Rising energy prices are weighing on consumers and businesses alike. Consumer budgets are feeling the additional strain of rising food prices. Labor markets are weak, with employment decreasing in the majority of industries and unemployment rising.

U.S. and Missouri employment measures continued to grow through most of 2007 but have been trending downward for the past several months. Construction and financial activities employment have decreased as a result of the housing situation, and manufacturing employment declines continue. However, Missouri's housing market has not been quite as hard hit as the U.S. on average, and exports boosted by the low value of the dollar are one bright spot for manufacturing.

Missouri's unemployment rate has been just above the national rate and trended upward in the last year, similar to the trend of the U.S.

Likewise, personal income in Missouri has trended similarly to the national average, with flat growth in both the U.S. and Missouri in the most recent quarter. The most recent monthly data (May 2008), only available at the national level, show a sharp upward spike as a result of tax rebate checks from the national Economic Stimulus program.

The U.S. economy is in a slowdown, and some economists even consider the economy to be in recession. Still, most of the national aggregate data, though suggestive of a slowdown with little or no growth, have not yet shown downturns of the magnitude normally seen in recessions. Levels of consumer confidence are very low. In fact, they are considerably lower than usually seen with GDP and other aggregate data at current levels. Expectations, particularly those relating to the effects of high energy prices, probably play a role in these low consumer confidence levels. The full brunt of high energy prices (and other rising prices) may be yet to come.

Future national economic policy and consumers' adjustments to current trends will help determine the economic outlook for the rest of this year and next. Monetary policy has been expansionary, but further easing is not likely given current inflation worries. The Economic Stimulus program has injected a boost to household incomes, but much of this will probably be consumed by higher fuel costs. National trends weigh heavily on Missouri's economy and any future difficulty nationwide will likely be felt here as well. Barring any additional shocks to the economy, economic growth may be relatively flat for the rest of 2008 – possibly even negative in the current quarter.

## **Data Sources** (Analysis by MERIC)

### ***Gross Domestic Product (pages 1 and 2)***

Real Gross Domestic Product and Quarterly Change – U.S. Bureau of Economic Analysis  
Industry Share of Missouri’s Economy – U.S. Bureau of Economic Analysis

### ***Unemployment Rate (page 3)***

U.S. and Missouri Unemployment Rate – MERIC in cooperation with the U.S. Bureau of Labor Statistics

### ***Employment (pages 4 through 6)***

U.S. and Missouri Payroll Employment – MERIC in cooperation with the U.S. Bureau of Labor Statistics  
Missouri Employment Change by Sector – MERIC in cooperation with the U.S. Bureau of Labor Statistics  
U.S. Diffusion Index of Employment Change – U.S. Bureau of Labor Statistics

### ***Special Focus on Housing (pages 7 through 9)***

U.S., Missouri, and Missouri County Foreclosures – RealtyTrac  
U.S. and Missouri Existing Home Sales – National Association of Realtors  
U.S. and Missouri New Residential Building Permit - U.S. Census Bureau  
U.S. and Missouri Construction and Financial Activities Employment – MERIC in cooperation with the U.S. Bureau of Labor Statistics

### ***Personal Income (page 10)***

Real Personal Income – U.S. Bureau of Economic Analysis

### ***Manufacturing and Industrial Vitality (pages 11 through 13)***

Industrial Production – Federal Reserve Board  
U.S. and Missouri Manufacturing Employment – MERIC in cooperation with the U.S. Bureau of Labor Statistics  
Purchasing Managers’ Indices (MFG) – Institute for Supply Management and Creighton University

### ***Global Business: Exports (page 14)***

World Institute for Strategic Economic Research (WISER)

### ***Retail Trade and Taxable Sales (pages 15 and 16)***

U.S. Retail Sales – U.S. Census Bureau  
Year-to-Year Percentage Change in Taxable Sales – Missouri Department of Revenue

### ***Missouri’s Regional Economies (pages 17 and 18)***

Share of Missouri’s Economy by Region – MERIC  
Comparative Performance of Economic Areas in Missouri – MERIC in cooperation with the U.S. Bureau of Labor Statistics

## Credits

This report was prepared by the staff of the Missouri Economic Research and Information Center (MERIC) to fulfill program plan requirements from the U.S. Department of Labor, Employment and Training Administration.

Primary authors:

Veronica Gielazauskas  
Bill Niblack

All data in this report was current at the time of publication and is subject to revision.

## About the Missouri Economic Research and Information Center

The Missouri Economic Research and Information Center (MERIC) provides comprehensive analysis of Missouri's socioeconomic environment at the local, regional and state levels. To achieve this, MERIC employs a wide array of tools, which include econometric models, geographic information systems and advanced statistical methods. On-going projects at MERIC include targeted development, economic and social impact assessments, industry and occupational analyses, career seeker products and information on Missouri's demographic and economic trends.

Coupled with its analysis capability, MERIC maintains a comprehensive labor market database produced in cooperation with the U.S. Department of Labor. Data on employment/unemployment, wages, layoffs, labor availability and a variety of other information designed to help understand the state's labor market conditions are regularly reported.

Ultimately, MERIC's mission is to provide accurate, relevant and timely information to decision makers and the public in order to facilitate a better understanding of Missouri's socioeconomic environment.

For more information, visit the MERIC website at [www.MissouriEconomy.org](http://www.MissouriEconomy.org).





MISSOURI ECONOMIC RESEARCH & INFORMATION CENTER

**Missouri Economic Research and Information Center**

P.O. Box 3150

Jefferson City, MO 65102-3150

[www.MissouriEconomy.org](http://www.MissouriEconomy.org)