

# MISSISSIPPI'S BUSINESS

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## ECONOMY AT A GLANCE

Figure 1 below indicates the value of the Mississippi Leading Index (MLI) fell 1.4 percent in September. Compared to one year earlier the value of the MLI for the month was up 1.0 percent.

As seen in Figure 2 the value of the Mississippi Coincident Index (MCI) decreased 0.1 percent in September. The value for the month was 1.8 percent higher compared to one year ago.

In its initial estimate the U.S. Bureau of Economic Analysis (BEA) reported real U.S. gross domestic product (GDP) increased at a seasonally adjusted, annualized rate of 2.8 per-

cent in the third quarter of 2024. BEA reported the increase resulted primarily from increases in consumer spending, exports, and federal government spending. These increases were partly offset by decreases in private inventory investment, residential fixed investment, and net exports. The change in real U.S. GDP in the second quarter remained an increase at a seasonally adjusted, annualized rate of 3.0 percent.

September was a repeat of the previous month in that most components of the MLI decreased. Weakness in the Manufacturing sector was

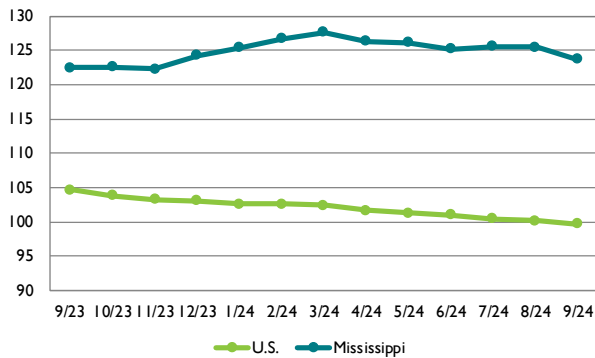
once again the primary culprit as the Mississippi Manufacturing Employment Intensity Index decreased for the fifth time in the last six months and the value of the ISM Manufacturing Index saw its largest decrease since June. Positively, both retail sales and consumer expectations increased for the third consecutive month. Despite a labor market that has been relatively flat for most of the year, initial and continued unemployment claims in the state remain at relatively low levels. While both the state and national economies are slowing, recession does not appear on the horizon.

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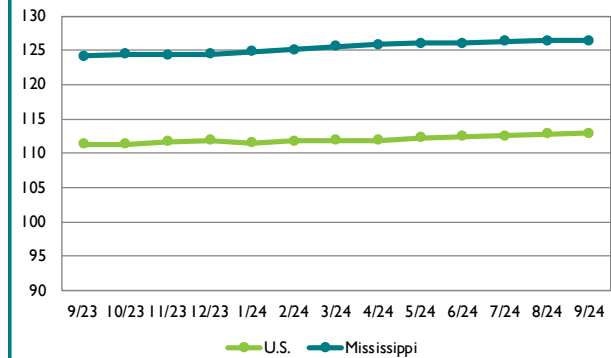
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Figure 1. Leading indices



Sources: University Research Center and The Conference Board

Figure 2. Coincident indices



Sources: Federal Reserve Bank of Philadelphia and The Conference Board

**Notes:** The Mississippi Coincident Index is constructed by the Federal Reserve Bank of Philadelphia and re-indexed to 2012. The Index is based on changes in nonfarm employment, the unemployment rate, average manufacturing workweek length, and wage and salary disbursements. The Mississippi Leading Index is constructed by the Mississippi University Research Center. The U.S. Indices are from The Conference Board. All series are indexed to a base year of 2012.

## MISSISSIPPI LEADING INDEX, SEPTEMBER 2024

As seen in Figure 3, the value of the **Mississippi Leading Index of Economic Indicators (MLI)** fell 1.4 percent in September, the fifth monthly decrease in the last six months. Compared to one year earlier the value for September was up 1.0 percent. The value of the MLI decreased 6.2 percent over the last six months.

Weakness was broad in September as once again only two of the seven components of the MLI increased in value. As in August, consumer expectations made the largest positive contribution and the Mississippi Manufacturing Employment Intensity Index made the largest negative contribution. Each component is discussed below in order of smallest to largest contribution.

The value of **Mississippi income tax withholdings** (three-month moving average) fell 2.6 percent in September, the fourth consecutive monthly decline. As seen in Figure 4, compared to one year earlier the value of withholdings for the month was down 0.2 percent. Over the last six months the value of income tax withholdings in Mississippi decreased 2.8 percent.

Figure 5 indicates the value of the **Mississippi Manufacturing Employment Intensity Index** sank 3.1 percent in September, its fifth decrease in the last six months. The value for the month was down 6.5 percent compared to one year earlier. Both the average weekly hours of production employees in the state and Manufacturing employment fell in September.

As seen in Figure 6, in September the number of seasonally-adjusted **initial unemployment claims** in Mississippi climbed 11.9 percent. The value

for the month was 1.1 percent lower compared to one year earlier. Similarly, the number of seasonally-adjusted continued unemployment claims in Mississippi surged 23.0 percent in September as seen in Figure 16 on page 6. Compared to one year earlier the number of continued unemployment claims in the state for the month was 15.8 percent higher. In September the unemployment rate in Mississippi was 2.8 percent, up 0.1 percentage point from August. The rate in September was 0.4 percentage point lower compared to one year earlier as seen in Figure 17 on page 6.

Figure 7 indicates the value of the **ISM Index of U.S. Manufacturing Activity** fell 1.5 percent in October. The value for the month was down 0.9 percent compared to one year earlier. The New Orders component had the largest increase among all components; Employment was the only other component to increase in October. The Production component had the largest decrease for the month. As in September, Supplier Deliveries was the only component in expansion territory in October. The prices paid index gave back more than the decrease of the previous month. Commodities reported with higher prices in October included aluminum, copper, crude oil, natural gas, and paper. Commodities reported with lower prices in October included polypropylene and steel.

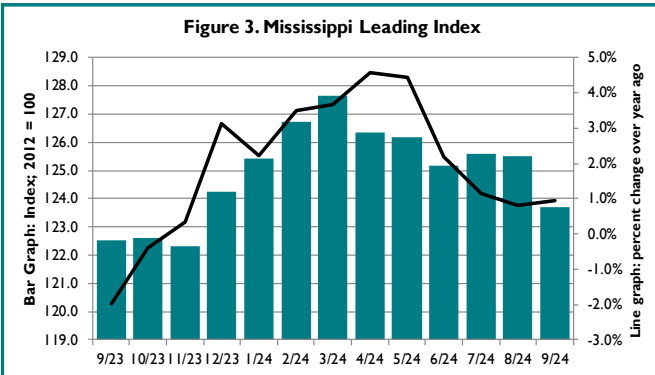
The value of **Mississippi residential building permits** (three-month moving average) fell 1.6 percent in September as seen in Figure 8. Compared to one year earlier the value for the month was up 3.5 percent. The number of units in the state decreased 2.3 percent in September. The number of units in the state for the month was 1.0 percent higher

compared to one year earlier. The number of privately-owned housing units authorized by building permits in the U.S. fell 2.9 percent in September from the revised August rate. The number of units in the U.S. in September was down 5.7 percent compared to one year earlier.

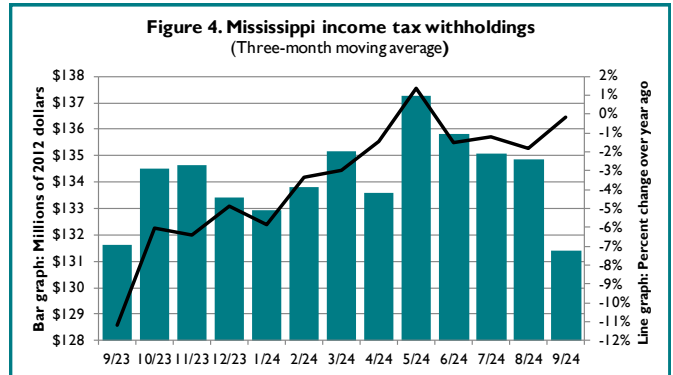
In September the value of **U.S. retail sales** rose 0.4 percent as seen in Figure 9, the third consecutive monthly increase. Compared to one year earlier the value of retail sales in September was 1.7 percent higher. Sales excluding automobiles and gasoline were 0.7 percent higher for the month. Most segments saw increases in sales in September. Clothing and Accessories had the largest increase among all segments. The largest decrease in sales for the month occurred in Electronics and Appliances.

For the third consecutive month the value of the **University of Michigan Index of Consumer Expectations** (three-month moving average) increased in September. As seen in Figure 10, the value increased 2.5 percent for the month. The value in September was 15.8 percent higher compared to one year earlier, the largest year-over-year increase since May. Another month of falling gasoline prices and record highs for stock prices were likely responsible for most of the increase in expectations. As in the previous month, inflation expectations were little changed in the most recent survey. Short-term (one-year) inflation expectations were unchanged while long-term (five-year) expectations gave back the slight increase from the previous month.

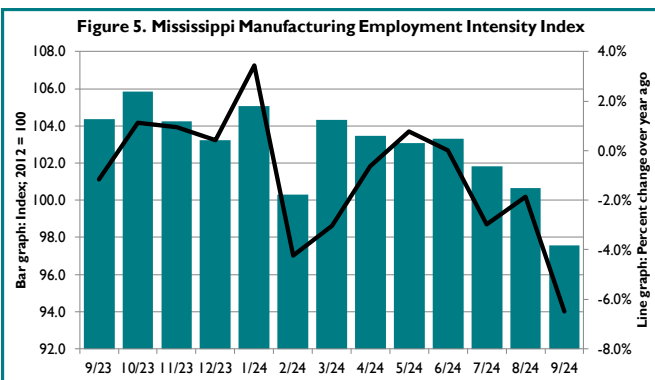
# MISSISSIPPI LEADING INDEX AND COMPONENTS, IN FIGURES



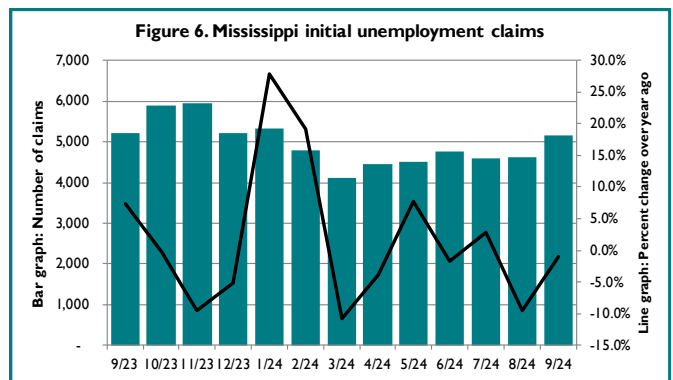
Source: University Research Center



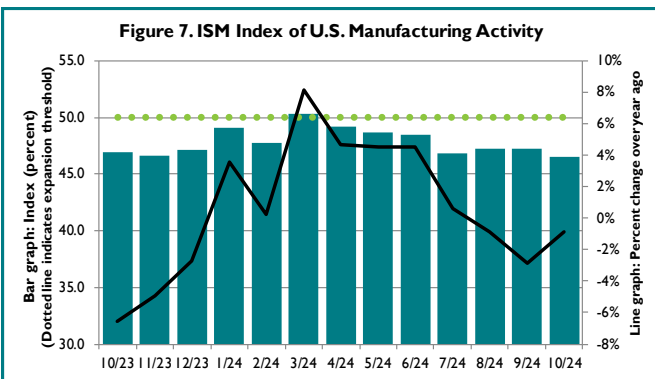
Source: Mississippi Department of Revenue; seasonally adjusted



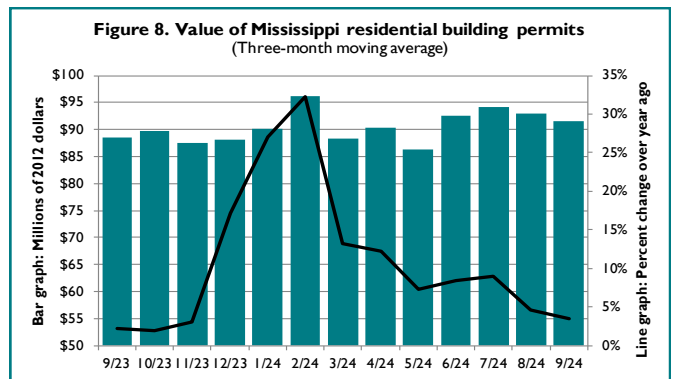
Source: URC using data from U.S. Bureau of Labor Statistics



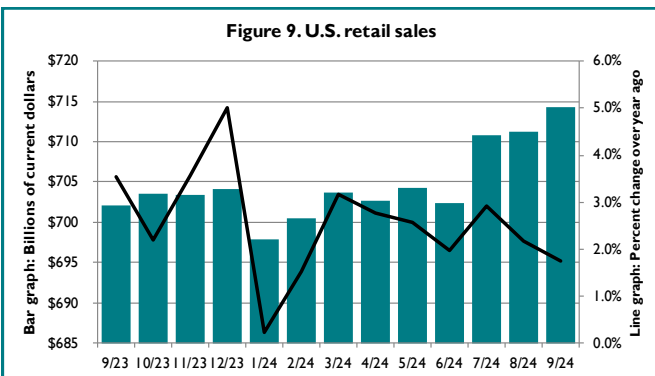
Source: U.S. Department of Labor; seasonally adjusted



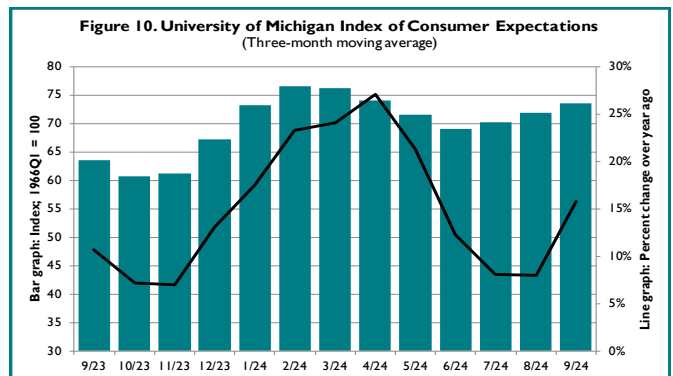
Source: Institute for Supply Management



Source: URC using data from U.S. Bureau of Labor Statistics



Source: U.S. Bureau of the Census; seasonally adjusted



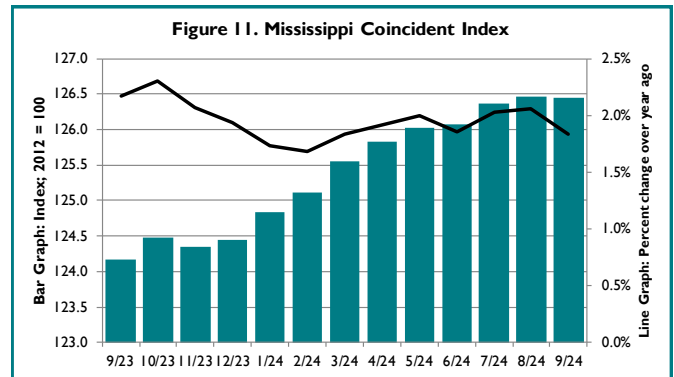
Source: Thomson Reuters/University of Michigan Surveys of Consumers

## MISSISSIPPI COINCIDENT INDEX, SEPTEMBER 2024

The value of the **Mississippi Coincident Index of Economic Indicators (MCI)** rose 0.1 percent in September according to the Federal Reserve Bank of Philadelphia. Compared to one year earlier the value of the MCI for the month was 1.4 percent higher as seen in Figure 11.

Figure 12 indicates the values of the coincident indices increased in thirty-seven states in September compared to June according to the Federal Reserve Bank of Philadelphia. The largest increase among all states in the value of a coincident index occurred in Connecticut where, it rose almost 2.0 percent over the last three months. New

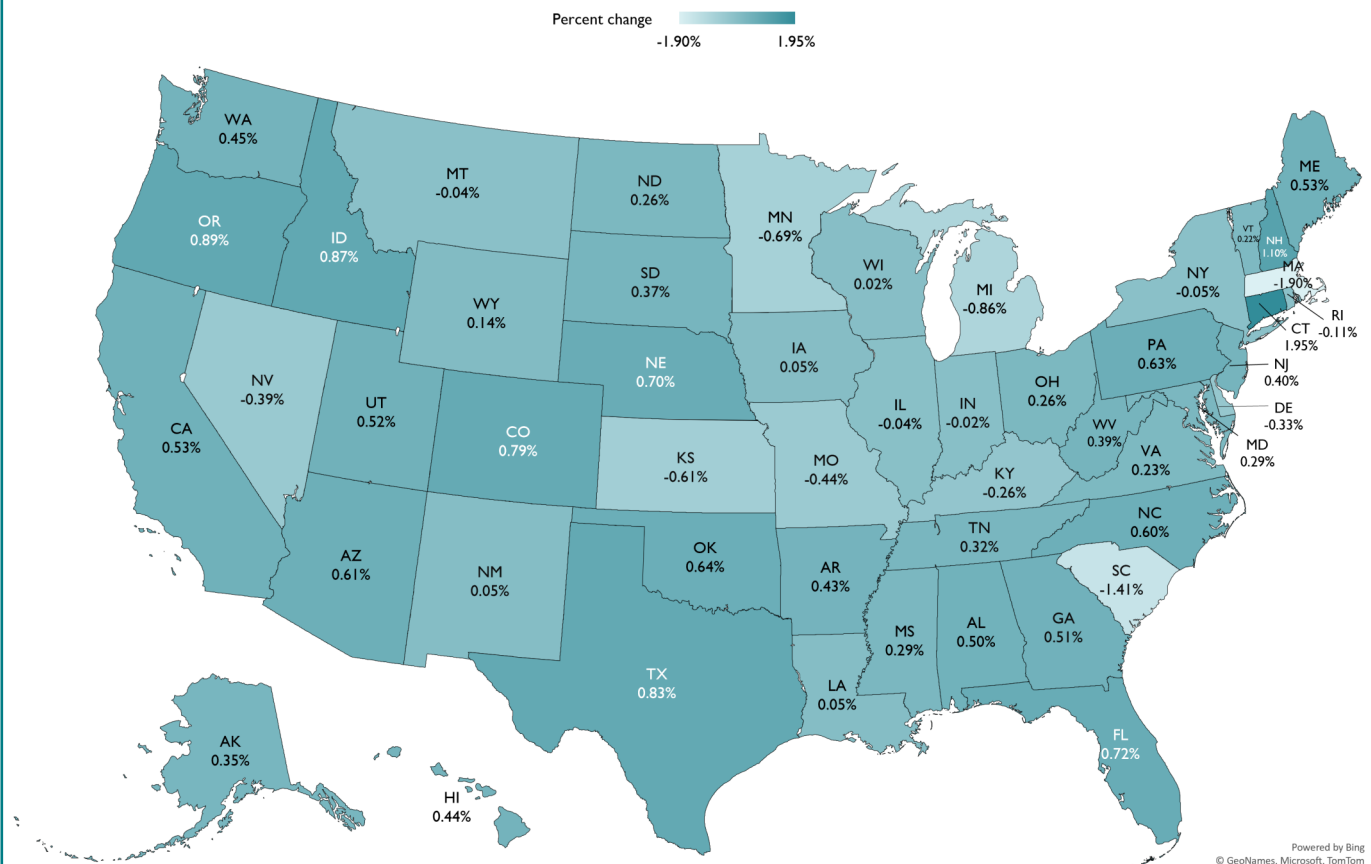
Hampshire was the only other state where the value of a coincident index rose more than 1.0 percent in September compared to June. The values of coincident indices increased from 0.5 percent to less than 1.0 percent over the last three months in fifteen states. In nineteen states including Mississippi values of the coincident indices increased less than 0.5 percent over the last three months. The values of coincident indices decreased in September



Source: Federal Reserve Bank of Philadelphia

compared to June in fourteen states. The value of the coincident index in Massachusetts fell almost 2.0 percent over the last three months, the largest decrease among all states.

Figure 12. Three-month growth in the coincident index of economic indicators, September 2024



Source: Federal Reserve Bank of Philadelphia

## NATIONAL TRENDS

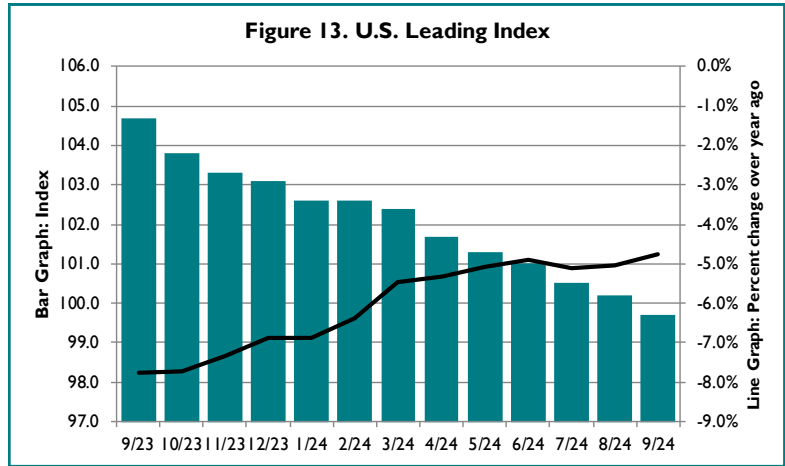
The value of the U.S. Leading Economic Index (LEI) sank 0.5 percent in September according to The Conference Board as seen in Figure 13. The value for the month was down 4.8 percent compared to one year ago. Five of the ten components of the LEI made positive contributions in September. The S&P 500® Stock Index made the largest positive contribution while the ISM New Orders Index made the largest negative contribution. Over the last six months the value of the LEI decreased 2.6 percent.

The Conference Board reported the value of the U.S. Coincident Economic Index (CEI) edged up 0.1 percent in September as seen in Figure 14. The value of the CEI was up 1.4 percent compared to one year earlier. Three of the four components of the CEI made positive contributions in September and personal income less transfers made the largest positive contribution. Industrial production made the only negative contribution. The value of the CEI increased 0.9 percent over the last six months.

In September, the value of the National Federation of Independent Businesses (NFIB) Small Business Optimism Index rose 0.3 percent, its fifth increase in the last six months. The value of the Index for the month was 0.8 percent higher compared to one year earlier as seen in Figure 15. Five of the ten components of the Index increased for the month and two were unchanged. The “expect real sales higher” component had the largest increase among all components.

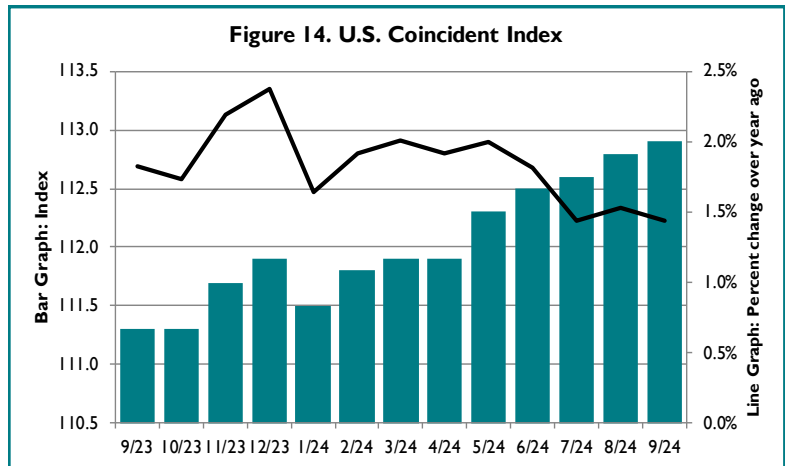
The Federal Open Market Committee (FOMC) reduced the benchmark federal funds rate target by 25 basis points at its meeting this month. This reduction followed September’s 50 basis point cut. Going forward, however, the FOMC’s next move is unclear. Most analysts believe the odds of another 25 basis point reduction at the FOMC’s final meeting of 2024 in December exceed 50 percent, but a third cut is by no means a certainty. While more reductions in 2025 are assumed, the size and timing of those cuts is likely to depend on economic data. Stronger economic data may slow the frequency of cuts as the FOMC remains wary of a resurgence of inflation.

Figure 13. U.S. Leading Index



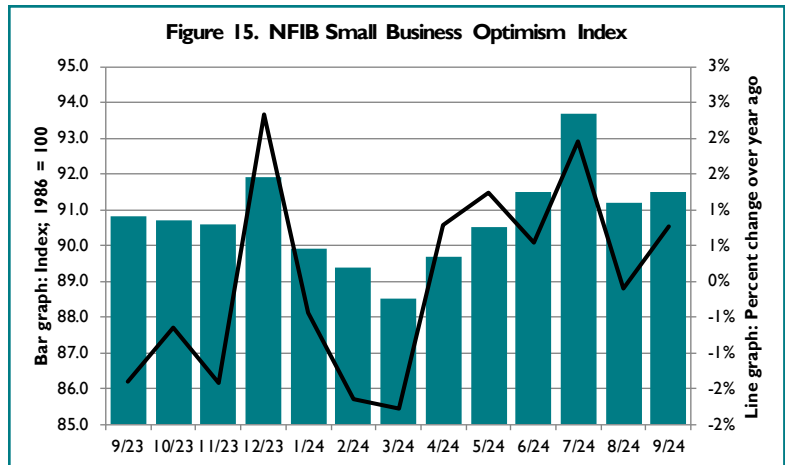
Source: The Conference Board

Figure 14. U.S. Coincident Index



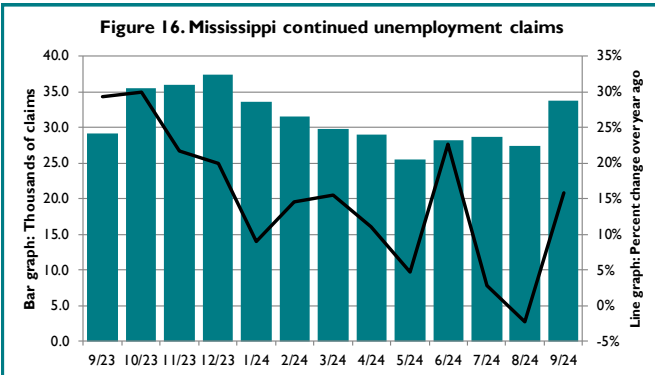
Source: The Conference Board

Figure 15. NFIB Small Business Optimism Index

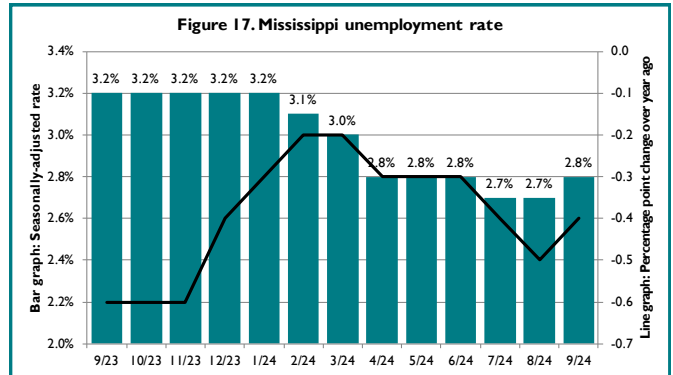


Source: National Federation of Independent Businesses

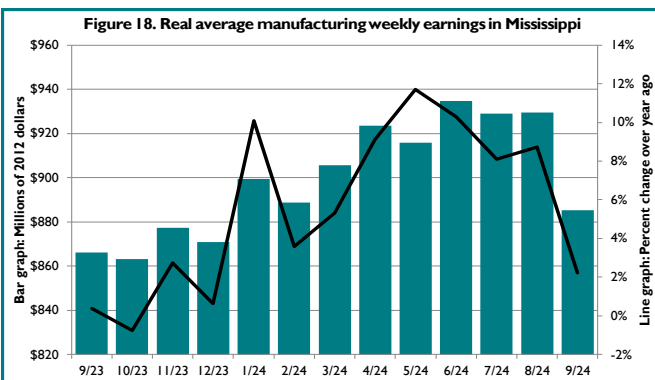
# MISCELLANEOUS ECONOMIC INDICATORS, IN FIGURES



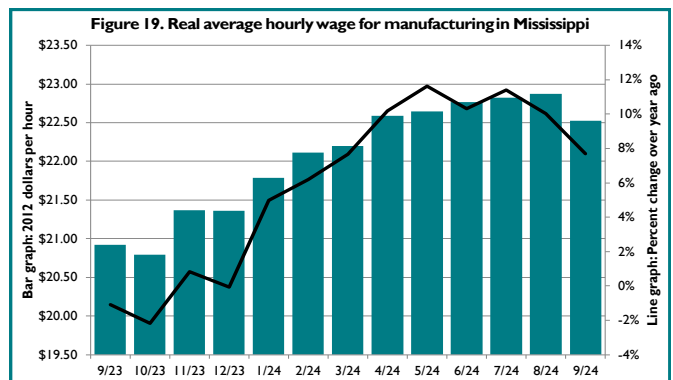
Sources: U.S. Department of Labor, URC (seasonal adjustment)



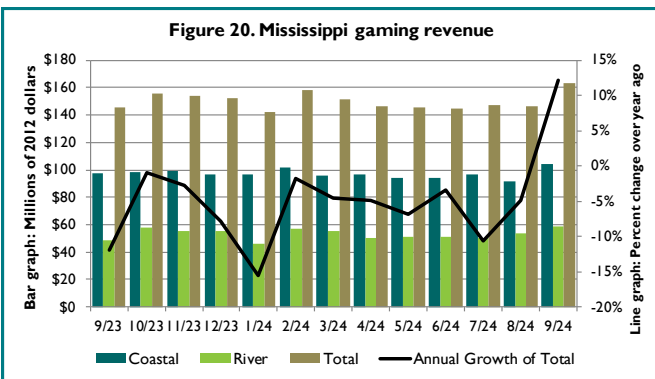
Source: U.S. Bureau of Labor Statistics



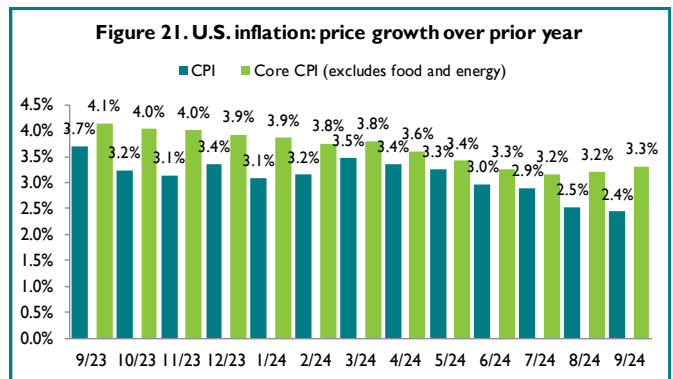
Sources: U.S. Bureau of Labor Statistics, URC (seasonal adjustment)



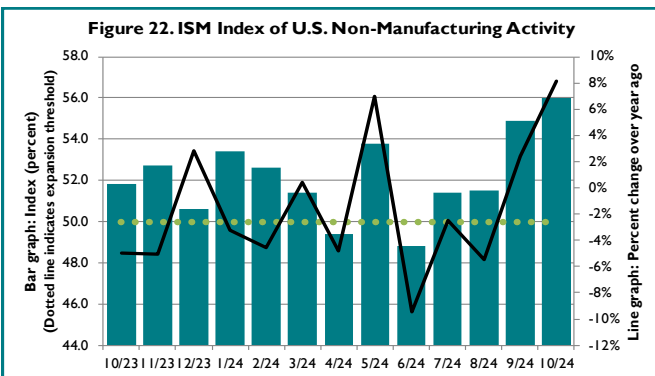
Sources: U.S. Bureau of Labor Statistics, URC (seasonal adjustment)



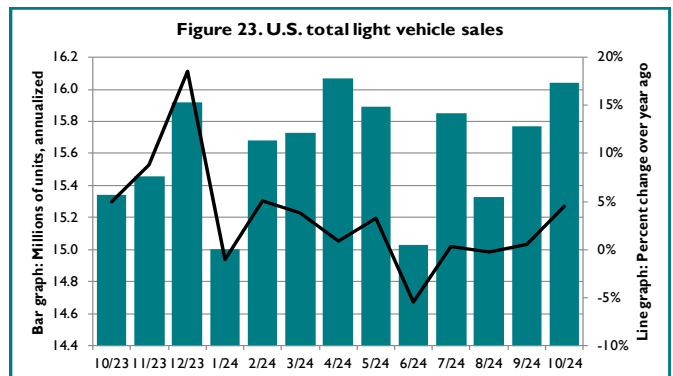
Source: Mississippi Department of Revenue, URC (seasonal adjustment)



Source: U.S. Bureau of Labor Statistics



Source: Institute for Supply Management



Source: U.S. Bureau of Economic Analysis

**TABLE I. SELECTED ECONOMIC INDICATORS**

Indicator	September	August	September	Percent change from	
	2024	2024	2023	August 2024	September 2023
<b>U.S. Leading Economic Index</b> 2012 = 100. Source: The Conference Board	99.7	100.2	104.7	▼0.5%	▼4.8%
<b>U.S. Coincident Economic Index</b> 2012 = 100. Source: The Conference Board	112.9	112.8	111.3	▼0.1%	▲1.4%
<b>Mississippi Leading Index</b> 2012 = 100. Source: University Research Center	123.7	125.5	122.5	▼1.4%	▲1.0%
<b>Mississippi Coincident Index</b> 2012 = 100. Source: Federal Reserve Bank of Philadelphia	126.4	126.5	124.2	▼0.1%	▲1.8%
<b>Mississippi initial unemployment claims</b> Seasonally adjusted. Source: U.S. Department of Labor	5,159	4,610	5,216	▲11.9%	▼1.1%
<b>Value of Mississippi residential building permits</b> Three-month moving average; seasonally adjusted; millions of 2007 dollars. Source: Bureau of the Census	91.6	93.1	88.5	▼1.6%	▲3.5%
<b>Mississippi income tax withholdings</b> Three-month moving average; seasonally adjusted; millions of 2007 dollars. Source: Mississippi Department of Revenue	131.4	134.9	131.6	▼2.6%	▼0.2%
<b>Mississippi Manufacturing Employment Intensity Index</b> 2012 = 100. Source: URC using data from U.S. Bureau of Labor Statistics	97.6	100.7	104.4	▼3.1%	▼6.5%
<b>University of Michigan Index of Consumer Expectations</b> Three-month moving average; index 1966Q1 = 100. Source: Thomson Reuters/University of Michigan Surveys of Consumers	73.5	71.8	63.5	▲2.5%	▲15.8%
<b>ISM Index of U.S. Manufacturing Activity</b> Advanced one month. Source: Institute for Supply Management	46.5	47.2	46.9	▼1.5%	▼0.9%
<b>U.S. retail sales</b> Current dollars, in billions. Source: Bureau of the Census	714.4	711.3	702.2	▲0.4%	▲1.7%
<b>U.S. Consumer Price Index (CPI)</b>	315.3	314.8	307.8	▲0.2%	▲2.4%
<b>U.S. Core CPI (excludes food and energy)</b> 1982-84 = 100. Source: URC using data from Bureau of Labor Statistics	321.1	320.0	310.8	▲0.3%	▲3.3%
<b>Mississippi unemployment rate</b> Percentage point change. Seasonally-adjusted. Source: U.S. Bureau of Labor Statistics	2.8%	2.7%	3.2%	▲0.1	▼0.4
<b>Mississippi continued unemployment claims</b> Seasonally adjusted. Source: U.S. Department of Labor	33,719	27,411	29,108	▲23.0%	▲15.8%
<b>ISM Index of U.S. Non-Manufacturing Activity</b> Advanced one month. Source: Institute for Supply Management	56.0	54.9	51.8	▲2.0%	▲8.1%
<b>U.S. mortgage rates</b> Percentage point change. Seasonally adjusted; 30-year conventional. Source: Federal Home Loan Mortgage Corporation	6.12%	6.55%	7.15%	▼0.42	▼1.02
<b>Mississippi average hourly wage for manufacturing</b> Seasonally adjusted; 2012 dollars. Source: U.S. Bureau of Labor Statistics	22.53	22.87	20.92	▼1.5%	▲7.7%
<b>Mississippi average weekly earnings for manufacturing</b> Seasonally adjusted; 2012 dollars. Source: U.S. Bureau of Labor Statistics	885.31	929.47	866.19	▼4.8%	▲2.2%
<b>NFIB Small Business Optimism Index</b> 1986 = 100. Source: National Federation of Independent Businesses	91.5	91.2	90.8	▲0.3%	▲0.8%
<b>U.S. total light vehicle sales</b> Millions of units seasonally adjusted at annual rates. Source: U.S. Bureau of Economic Analysis	16.04	15.77	15.34	▲1.7%	▲4.5%
<b>Gaming revenue</b>	163.45	146.10	145.7	▲11.9%	▲12.2%
<b>Coastal counties</b>	104.48	91.99	97.2	▲13.6%	▲7.5%
<b>River counties</b> Seasonally adjusted; millions of 2012 dollars. Source: Mississippi Department of Revenue	58.97	54.11	48.4	▲9.0%	▲21.8%

Economic Indices

Components of the Mississippi Leading Index

Miscellaneous Indicators

## MISSISSIPPI EMPLOYMENT TRENDS

In September, the U.S. Bureau of Labor Statistics (BLS) reported total nonfarm employment in Mississippi rose by 900 jobs, a gain of 0.1 percent as seen in Table 2. Total employment in the state was higher by 9,800 jobs compared to one year ago, an increase of 0.8 percent.

According to BLS nonfarm employment increased in five states and the District of Columbia in September and was essentially unchanged in forty-five states. New Jersey added 19,200 jobs, the most among all states, followed by Colorado, which added 12,700 jobs, and Arizona, which added 11,200 jobs. The largest percentage increase in employment was the 0.7 percent increase in Idaho, followed by the 0.6 percent increases in the District of Columbia and Rhode Island.

BLS reported thirty states added jobs over the last twelve months as

of September and employment was essentially unchanged in twenty states and the District of Columbia. Texas added 327,400 jobs, the most among all states, followed by California, which added 265,300 jobs, and Florida, which added 204,700 jobs. Over the last twelve months as of September employment rose 3.4 percent in Idaho and Montana, the largest percentage increases among all states.

The changes in employment across sectors in Mississippi were mixed in September. The Accommodation and Food Services sector added 700 jobs for the month, the most among all sectors and a 0.6 percent increase. The largest percentage increase in employment in the state in September was the 1.0 percent increase in Other Services, a gain of 400 jobs. The Manufacturing sector lost 400 jobs for the month, the largest decrease in employment among all sectors in the state. Em-

ployment in the Information sector fell 1.1 percent in September, the largest percentage decrease among all sectors and a loss of 100 jobs.

The largest increase in employment among all sectors in the state over the past twelve months as of September occurred in Health Care and Social Assistance, which added 7,400 jobs. Employment in the Arts and Entertainment sector rose 10.4 percent over the last twelve months, the largest percentage increase in employment among all sectors and a gain of 1,000 jobs. The largest decrease in employment among all sectors in the state over the past twelve months as of September occurred in Manufacturing, which lost 2,100 jobs. Employment in the Information sector fell 7.2 percent over the last twelve months, the largest percentage decrease in employment among all sectors and a loss of 700 jobs.

**Table 2. Change in Mississippi employment by industry, September 2024**

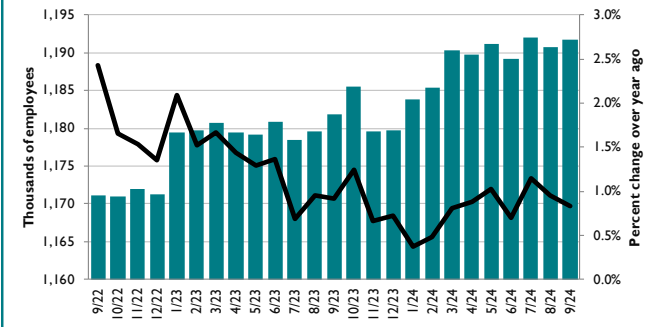
	Relative share of total <sup>a</sup>	September 2024	August 2024	September 2023	Change from August 2024		Change from September 2023	
					Level	Percent	Level	Percent
Total Nonfarm	100.0%	1,191,700	1,190,800	1,181,900	▲900	▲0.1%	▲9,800	▲0.8%
Mining and Logging	0.5%	6,400	6,400	6,100	◀▶0	◀▶0.0%	▲300	▲4.9%
Construction	4.1%	50,000	49,700	49,200	▲300	▲0.6%	▲800	▲1.6%
Manufacturing	12.2%	141,200	141,600	143,300	▼400	▼0.3%	▼2,100	▼1.5%
Trade, Transportation & Utilities	20.8%	248,500	248,600	248,100	▼100	◀▶0.0%	▲400	▲0.2%
Retail Trade	11.8%	141,600	141,600	139,400	◀▶0	◀▶0.0%	▲2,200	▲1.6%
Information	0.8%	9,000	9,100	9,700	▼100	▼1.1%	▼700	▼7.2%
Financial Activities	3.8%	45,200	45,500	45,500	▼300	▼0.7%	▼300	▼0.7%
Services	37.6%	451,200	449,700	443,000	▲1,500	▲0.3%	▲8,200	▲1.9%
Professional & Business Services	9.8%	117,900	117,800	117,500	▲100	▲0.1%	▲400	▲0.3%
Educational Services	1.1%	12,700	12,600	13,700	▲100	▲0.8%	▼1,000	▼7.3%
Health Care and Social Assistance	12.0%	145,600	145,200	138,200	▲400	▲0.3%	▲7,400	▲5.4%
Arts and Entertainment	0.9%	10,600	10,800	9,600	▼200	▼1.9%	▲1,000	▲10.4%
Accommodation and Food Services	10.5%	124,500	123,800	124,200	▲700	▲0.6%	▲300	▲0.2%
Other Services	3.3%	39,900	39,500	39,800	▲400	▲1.0%	▲100	▲0.3%
Government	20.1%	240,200	240,200	237,000	◀▶0	◀▶0.0%	▲3,200	▲1.4%

<sup>a</sup>Relative shares are for the most recent twelve-month average. Source: U.S. Bureau of Labor Statistics, Current Employment Statistics

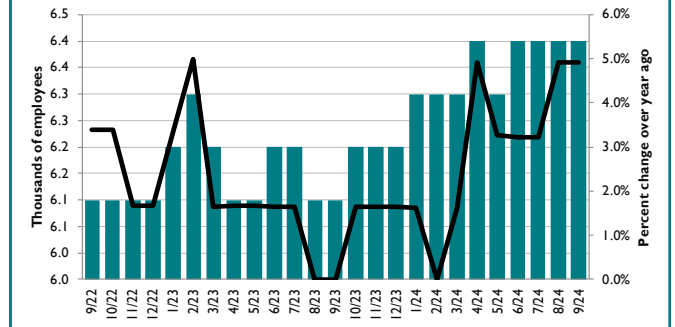


# MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES

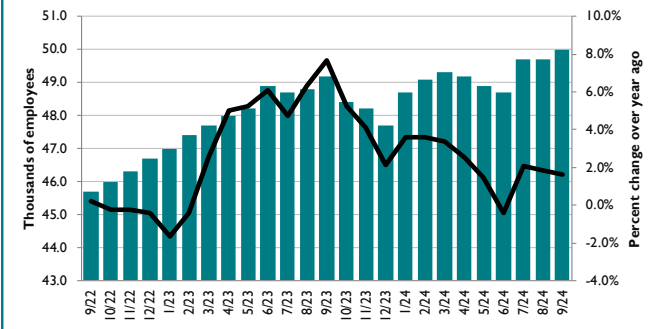
**Figure 24a. Nonfarm employment**



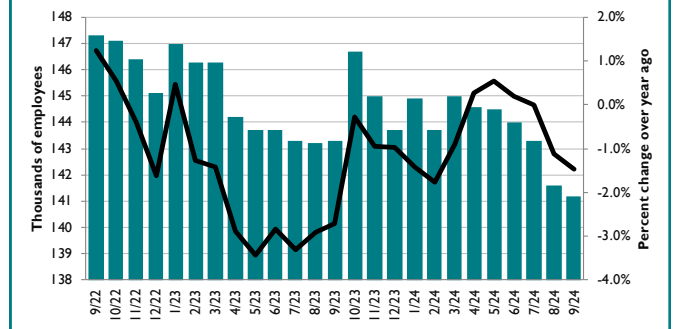
**Figure 24b. Mining and Logging**



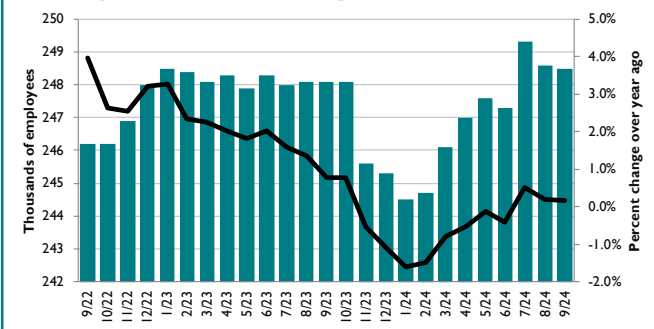
**Figure 24c. Construction**



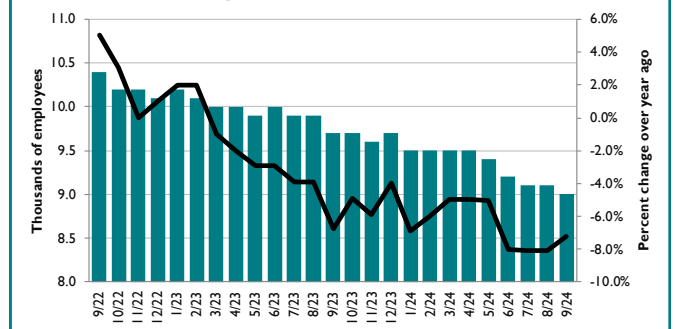
**Figure 24d. Manufacturing**



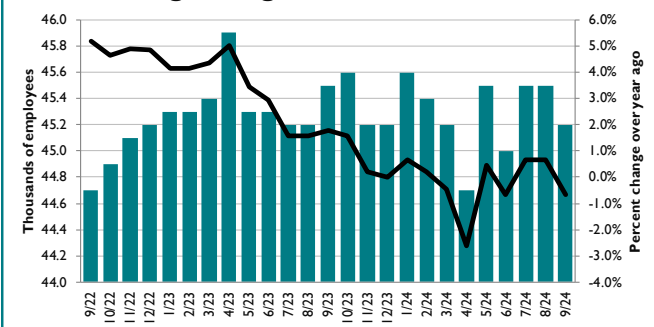
**Figure 24e. Trade, transportation, and utilities**



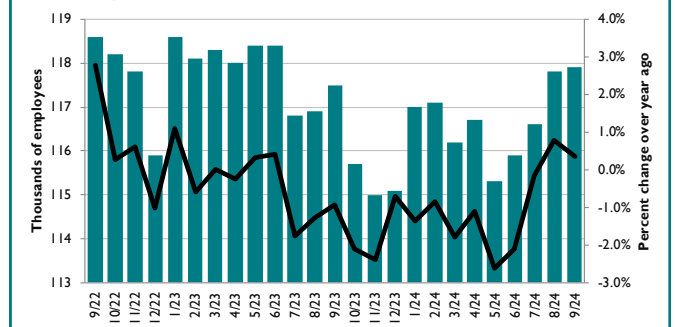
**Figure 24f. Information**



**Figure 24g. Financial activities**

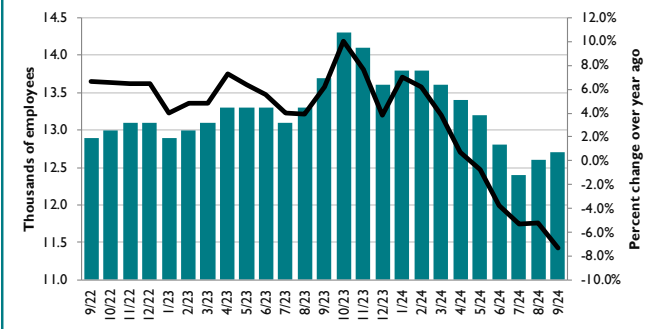


**Figure 24h. Professional and business services**

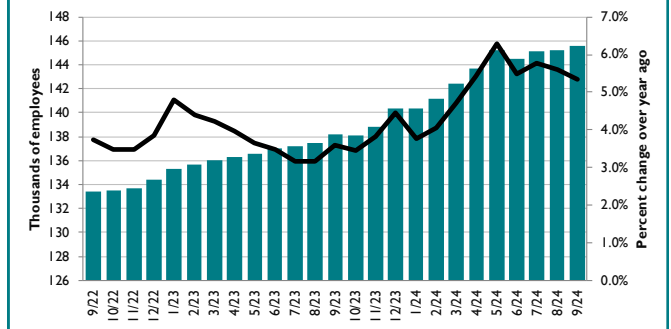


## MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES (CONTINUED)

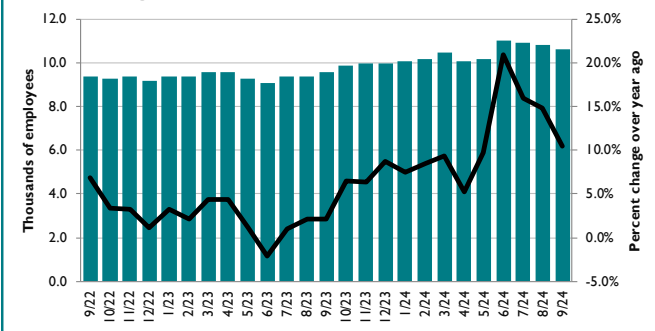
**Figure 24i. Educational services**



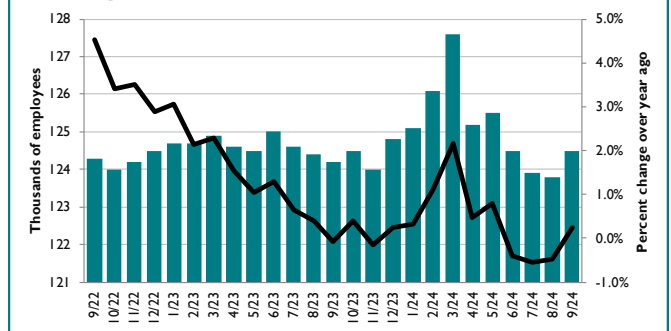
**Figure 24j. Health care and social assistance**



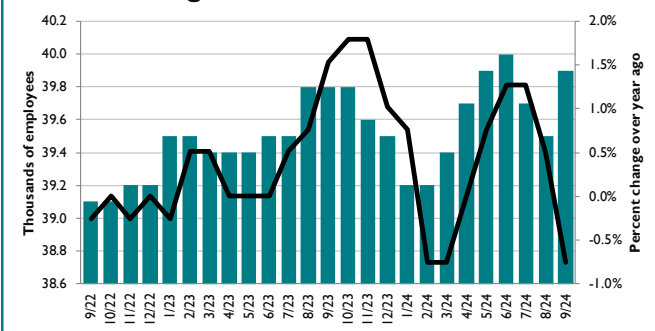
**Figure 24k. Arts and entertainment**



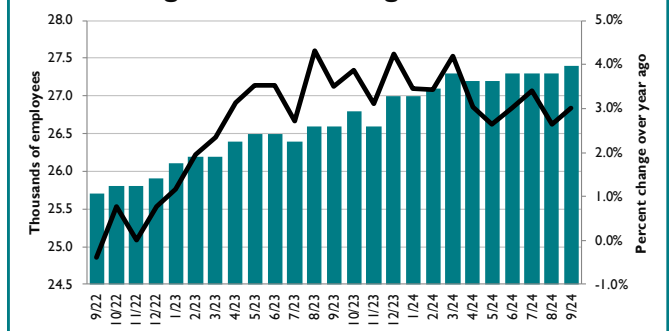
**Figure 24l. Accommodation and food services**



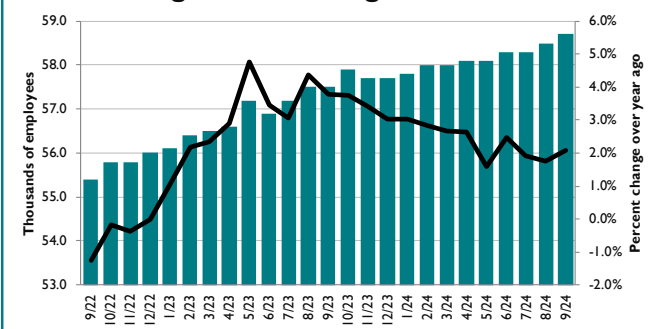
**Figure 24m. Other services**



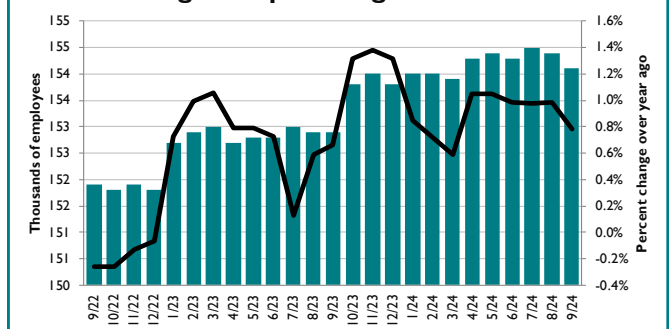
**Figure 24n. Federal government**



**Figure 24o. State government**



**Figure 24p. Local government**



Source: U.S. Bureau of Labor Statistics (all figures); seasonally adjusted

## REVISIONS TO PERSONAL INCOME BY STATE IN 2023

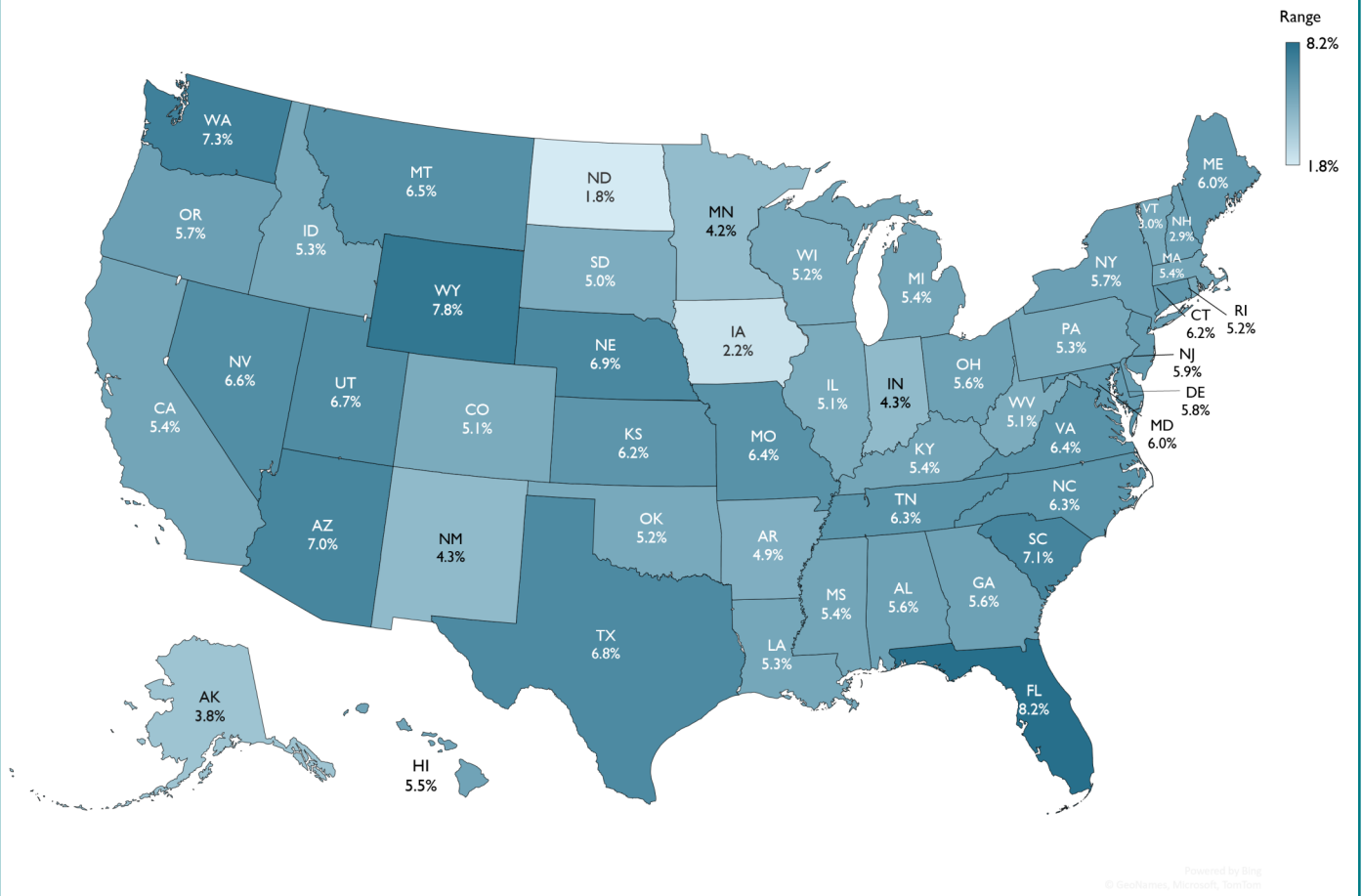
Recently the U.S. Bureau of Economic Analysis (BEA) released revisions to the annual estimates of personal income by state for 2023. The agency also revised estimates for previous years. These revisions incorporate more complete and detailed data than were available to BEA when the initial estimates were released in March, as well as updated seasonal factors and the results of the September update to the National Income and Product Accounts. The initial estimates of personal income by state

for 2023 were reported in the May 2024 issue of *Mississippi's Business*. These revised estimates, like the initial estimates, have not been adjusted for inflation and therefore are different from the estimates of the change in real income that BEA will release in December.

BEA reported personal income in Mississippi increased 5.4 percent in 2023, an increase of 1.7 percentage points from the initial estimate in March. This change ranked thirty-second among all states and the District of Columbia. The change

ranked ninth among states in the Southeast,\* ahead of Arkansas and Louisiana, but behind Alabama and Tennessee. BEA revised the change in personal income in 2023 up in forty-two states. The change in personal income for the U.S. in 2022 was revised up slightly from an increase of 5.2 percent to an increase of 5.3 percent. Following revisions the largest increase in personal income among all states in 2023 was the 8.2 percent increase in Florida, as seen in Figure 25 below. The second largest increase was the 7.8

**Figure 25. Percent change in personal income by state, 2023, revised**



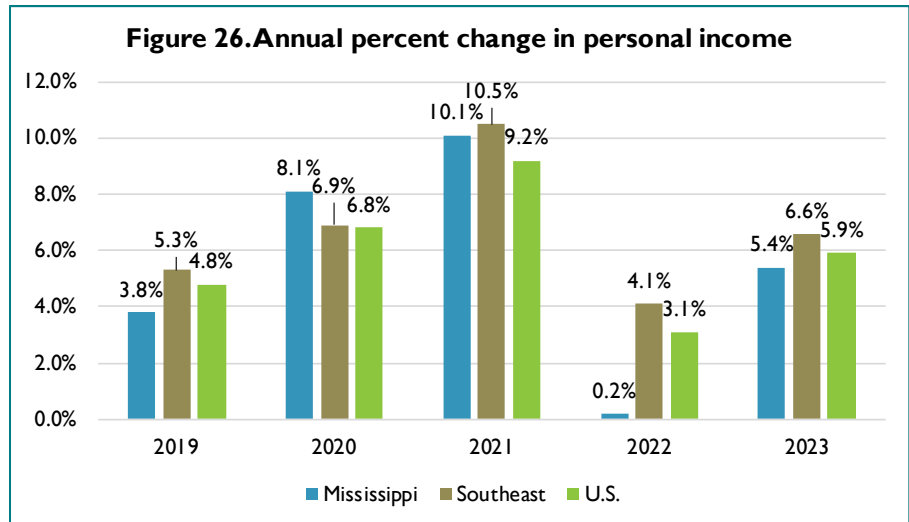
Source: U.S. Bureau of Economic Analysis.

## REVISIONS TO PERSONAL INCOME BY STATE IN 2023, (CONTINUED)

percent gain in Wyoming. Personal income increased in all fifty states in 2023 according to the revised data. The smallest increase in personal income occurred in North Dakota, where income grew 1.8 percent. Increases in personal income were from 5.0 percent to less than 6.0 percent in twenty-five states. In thirteen states the increases ranged from 6.0 percent to 6.9 percent, and in five states the increases were 7.0 percent and above. The largest increase in personal income among Southeastern states was the 8.2 percent increase in Florida, followed by the 7.1 percent increase in South Carolina.

The annual changes in personal income in each of the last five years for Mississippi, the Southeast, and the U.S. are depicted in Figure 26. The change in personal income in Mississippi was less than in the Southeast and the U.S. in 2023. The increases in personal income in the state, region, and nation were somewhat higher than in 2019, the last year prior to the pandemic. While transfer payments were not as large a factor in 2023, wage growth was somewhat higher compared to 2019.

BEA reported in its revised data that per capita personal income for Mississippi in 2022 equaled \$49,652, which represents an upward revision of 3.2 percent from the March release. Per capita income in Mississippi ranked fiftieth among all states



Source: U.S. Bureau of Economic Analysis.

in 2023 after the revisions, the same as in the initial estimate. West Virginia had the second-smallest per capita personal income among all states in 2022 of \$52,826, just over \$3,174 or 6.4 percent more than in Mississippi.

BEA also reported personal income in Mississippi increased at an annualized rate of 6.1 percent in the second quarter of 2024, which ranked eighth among all states. This growth followed an increase in the first quarter of this year of 6.3 percent, which ranked forty-second among all states.

\* BEA defines "Southeast" as the states of Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia.