

MISSISSIPPI'S BUSINESS

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ECONOMY AT A GLANCE

The value of the Mississippi Leading Index (MLI) rose 1.7 percent in October as seen in Figure 1 below. Compared to one year earlier the value of the MLI for the month was 2.7 percent higher.

The value of the Mississippi Coincident Index (MCI) rose 0.2 percent in October as seen in Figure 2. Compared to one year ago the value for the month was 1.1 percent higher.

The U.S. Bureau of Economic Analysis (BEA) reported in its second estimate of the change in real U.S. gross domestic product (GDP) in the third quarter of 2024 an increase of 2.8 percent at a seasonally

adjusted, annualized rate. This estimate was unchanged from the agency's initial estimate. In the second estimate private inventory investment, nonresidential fixed investment, state and local government spending, and residential fixed investment were revised up. These upward revisions were offset by downward revisions to net exports, consumer spending, and federal government spending.

The value of the MLI posted its largest gain since January 2023 in October as strength was widespread. Unlike in previous months the manufacturing sector was the primary

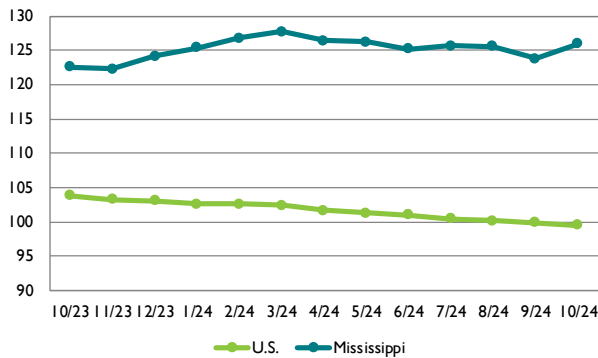
driver of growth as both the ISM Manufacturing Index and the Mississippi Manufacturing Employment Intensity Index saw relatively large gains. Income tax withholdings made a positive contribution for the first time since May, despite ongoing income tax cuts. Employment growth was solid in October as well, and although initial unemployment claims increased for the third month in a row, this indicator remains at a relatively low level. While much uncertainty about policy changes remains following last month's elections, for now the outlook for the U.S. and Mississippi economies remains positive.

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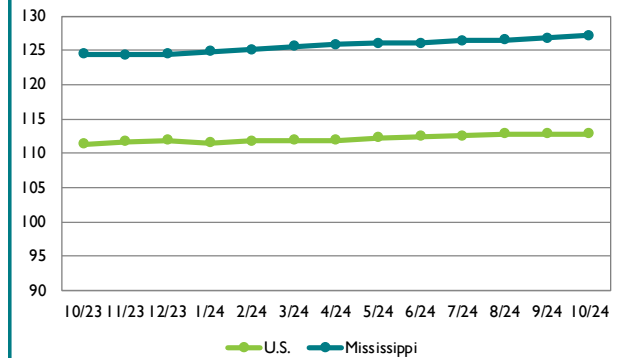
Corey Miller, State Economist
 3825 Ridgewood Road
 Jackson, MS 39211
cmiller@mississippi.edu
www.mississippi.edu/urc

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, OCTOBER 2024

In October the value of the **Mississippi Leading Index of Economic Indicators (MLI)** rose 1.7 percent as seen in Figure 3, the first increase since July. The value for October was 2.7 percent higher compared to one year earlier. Over the last six months the value of the MLI decreased 0.4 percent.

In October gains in the MLI were widespread as five of the seven components increased in value. The Mississippi Manufacturing Employment Intensity Index made the largest positive contribution for the month while building permits made the largest negative contribution. Each component is discussed below in order of largest to smallest contribution.

The value of the **Mississippi Manufacturing Employment Intensity Index** rose 3.7 percent in October as seen in Figure 4, its first increase since June. Compared to one year earlier the value for the month was 4.3 percent lower. In October the average weekly hours of production employees in Mississippi and Manufacturing employment in the state both increased.

For the first time since August, the value of the **ISM Index of U.S. Manufacturing Activity** increased in November. As seen in Figure 5, the value for the month rose 4.1 percent. Compared to one year earlier, the value in November was 3.9 percent higher. The largest increase among all components occurred in the Employment component. The Supplier Deliveries component was the only component to decrease for the month. New Orders was the only component in expansion territory in November. The prices paid index more than gave back the increase of the previous month. Commodities re-

ported with higher prices in November included aluminum, copper, and natural gas. Crude oil and diesel fuel were among the commodities reported with lower prices in November.

As seen in Figure 6, the value of **Mississippi income tax withholdings** (three-month moving average) rose 1.3 percent in October, its first increase since May. The value of withholdings for the month was 0.9 percent lower compared to one year earlier. Over the last six months the value of income tax withholdings in Mississippi decreased 0.4 percent.

In October the value of the **University of Michigan Index of Consumer Expectations** (three-month moving average) increased for the fourth consecutive month. The value rose 2.2 percent for the month as seen in Figure 7. Compared to one year earlier the value in October was up 23.9 percent, the largest year-over-year increase since April. As in September, lower gasoline prices and higher stock prices were likely responsible for most of the increase in expectations. The conclusion of the election appeared to have little impact on expectations. Short-term (one-year) inflation expectations edged down in the most recent survey while long-term (five-year) expectations rose slightly to their highest level in a year.

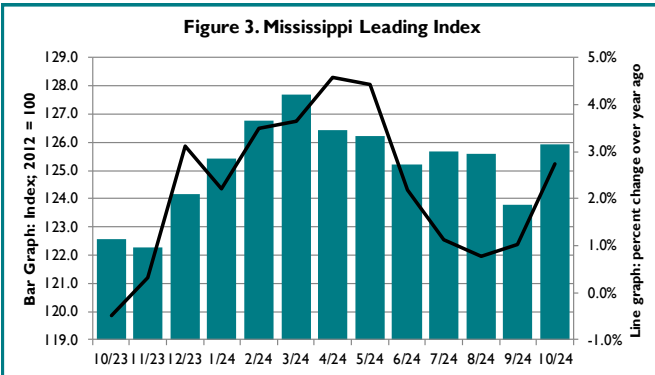
The value of **U.S. retail sales** rose 0.4 percent in October as seen in Figure 8. The change in the value of sales in September was revised up from an increase of 0.3 percent to an increase of 0.8 percent. The value of retail sales in October was 2.8 percent higher compared to one year earlier. Sales excluding automobiles and gasoline were up 0.1 percent for the month. Sales of Motor Vehicles

and Parts had the largest increase among all segments as sales of most segments rose in October. The largest decrease in sales for the month occurred in Furniture and Home Furnishings.

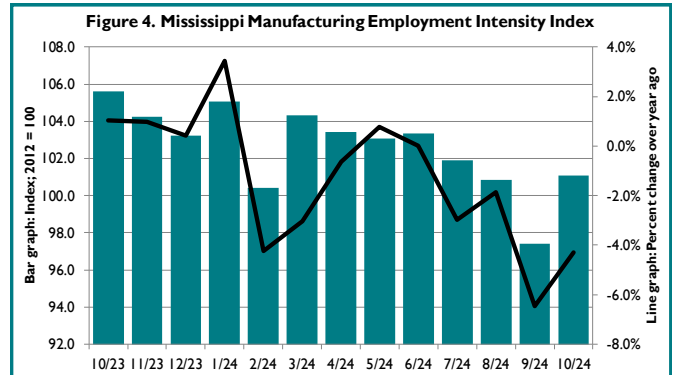
In October the number of seasonally-adjusted **initial unemployment claims** in Mississippi rose 4.7 percent as seen in Figure 9, the third consecutive monthly increase. Nevertheless, compared to one year earlier the value for the month was down 0.2 percent. The number of seasonally-adjusted continued unemployment claims in Mississippi fell 9.8 percent in October as seen in Figure 16 on page 6. The number of continued unemployment claims in the state for the month was down 13.1 percent compared to one year earlier. The unemployment rate in Mississippi was 2.9 percent in October, up 0.1 percentage point from September. As seen in Figure 17 on page 6, the rate in October was down 0.3 percentage point compared to one year earlier.

For the third consecutive month the value of **Mississippi residential building permits** (three-month moving average) decreased in October. As seen in Figure 10 the value fell 2.1 percent. The value for the month was 0.7 percent higher compared to one year ago. The number of units in the state decreased 0.3 percent in October. Compared to one year earlier the number of units in the state for the month was up 1.0 percent. The number of privately-owned housing units authorized by building permits in the U.S. fell 0.6 percent in October from the revised September rate. Compared to one year earlier the number of units in the U.S. in October was 7.7 percent lower.

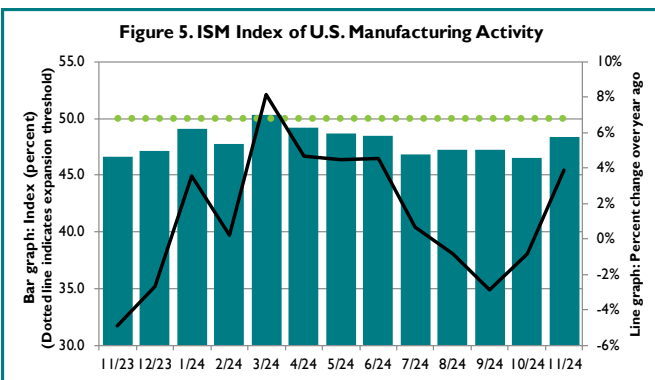
MISSISSIPPI LEADING INDEX AND COMPONENTS, IN FIGURES



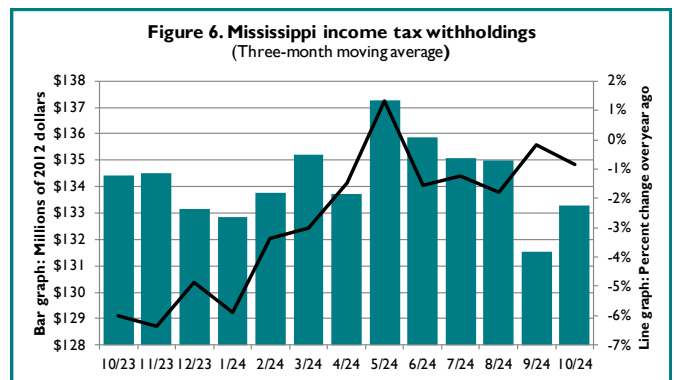
Source: University Research Center



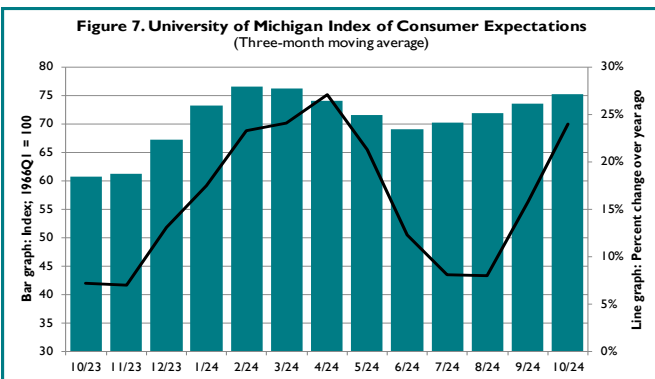
Source: URC using data from U.S. Bureau of Labor Statistics



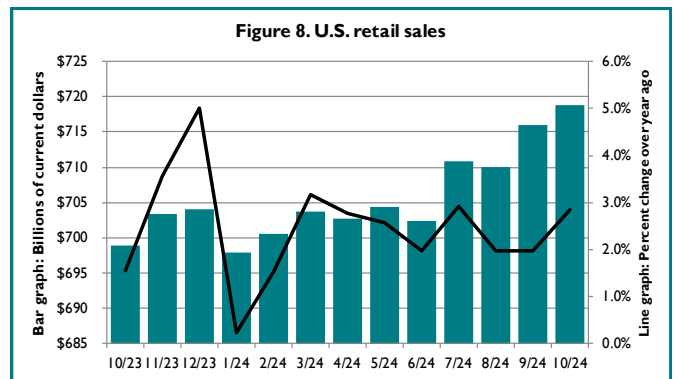
Source: Institute for Supply Management



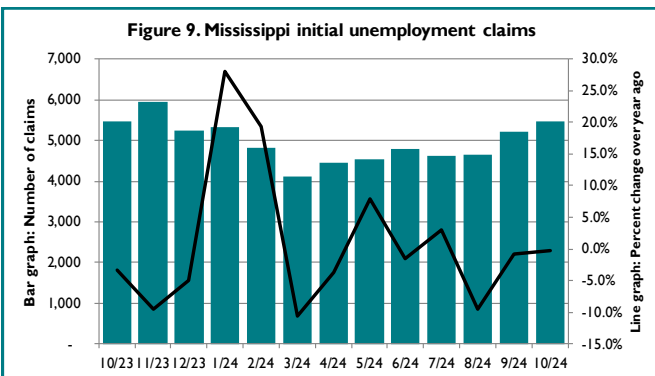
Source: Mississippi Department of Revenue; seasonally adjusted



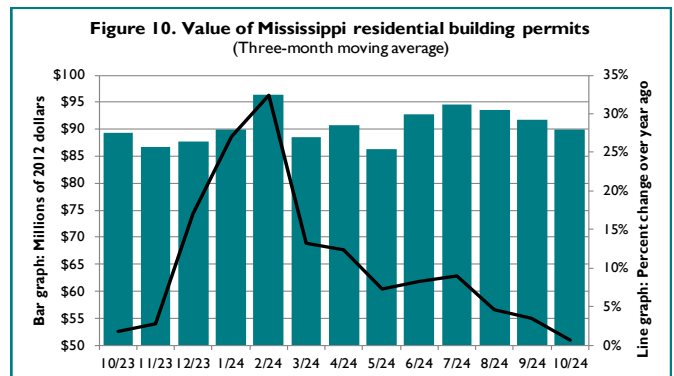
Source: Thomson Reuters/University of Michigan Surveys of Consumers



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



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



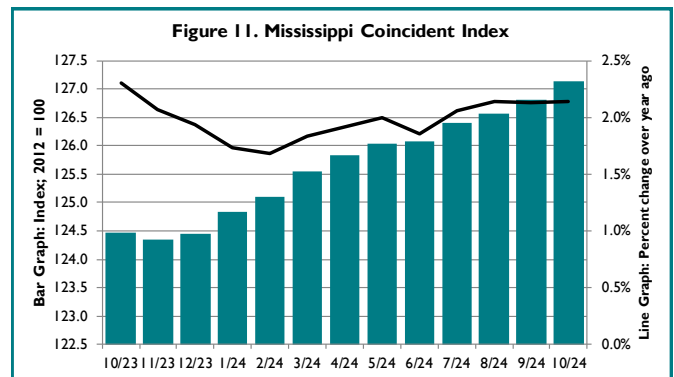
Source: URC using data from U.S. Bureau of Labor Statistics

MISSISSIPPI COINCIDENT INDEX, OCTOBER 2024

The Federal Reserve Bank of Philadelphia reported the value of the **Mississippi Coincident Index of Economic Indicators (MCI)** increased 0.2 percent in October as seen in Figure 11. The value of the MCI for the month was up 2.1 percent compared to one year earlier.

The values of the coincident indices increased in thirty-eight states in October compared to July according to the Federal Reserve Bank of Philadelphia as seen in Figure 12. The value of the coincident index in Connecticut rose almost 1.7 percent over the last three months, the largest increase among all states. South Dakota was the only other

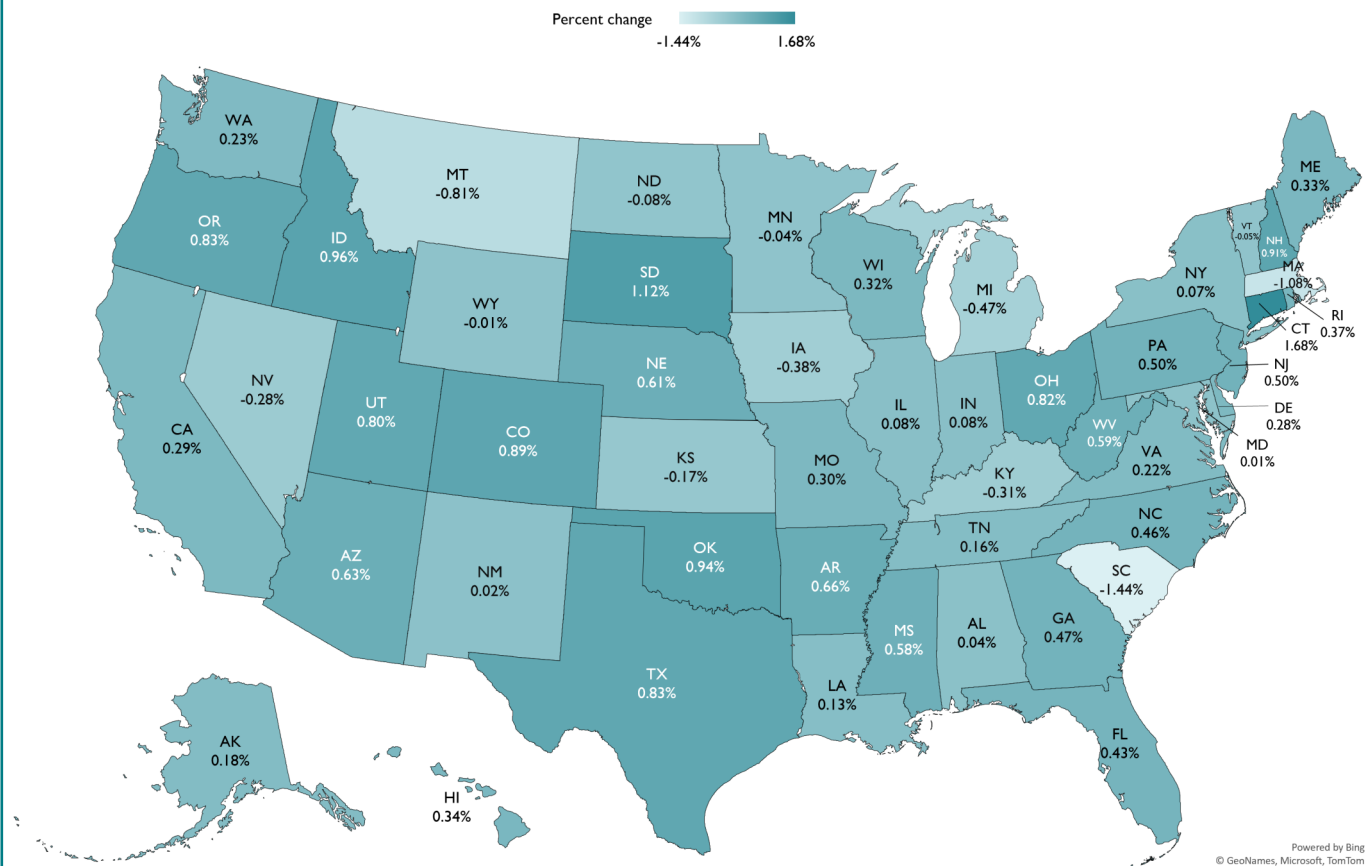
state where the value of a coincident index rose more than 1.0 percent in October compared to July. Mississippi was one of fifteen states where the values of coincident indices increased from 0.5 percent to less than 1.0 percent over the last three months. In twenty-one states the values of coincident indices increased less than 0.5 percent over the last three months. The values of coincident indices decreased in Oc-



Source: Federal Reserve Bank of Philadelphia

tober compared to July in twelve states. The value of the coincident index in South Carolina fell more than 1.4 percent over the last three months, the largest decrease among all states.

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



Source: Federal Reserve Bank of Philadelphia

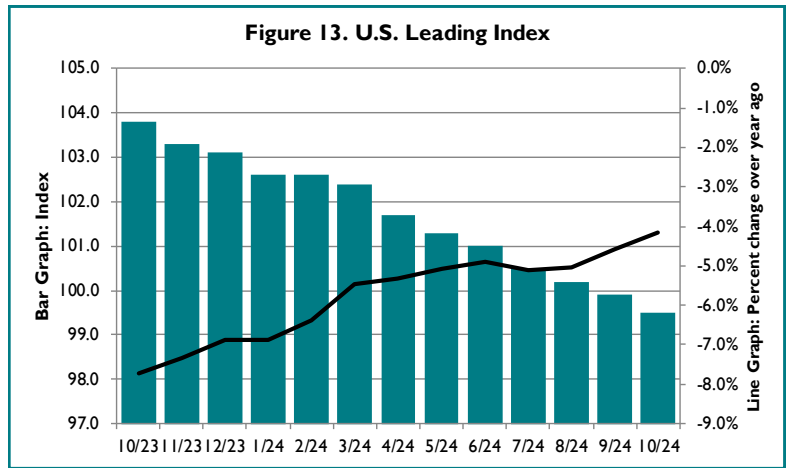
NATIONAL TRENDS

As seen in Figure 13 The Conference Board reported the value of the U.S. Leading Economic Index (LEI) fell 0.4 percent in October. Compared to one year ago the value for the month was 4.1 percent lower. Four of the ten components of the LEI made positive contributions in October. As in the previous month, the largest positive contribution came from the S&P 500® Stock Index and the largest negative contribution was made by the ISM New Orders Index. The value of the LEI fell 2.2 percent over the last six months.

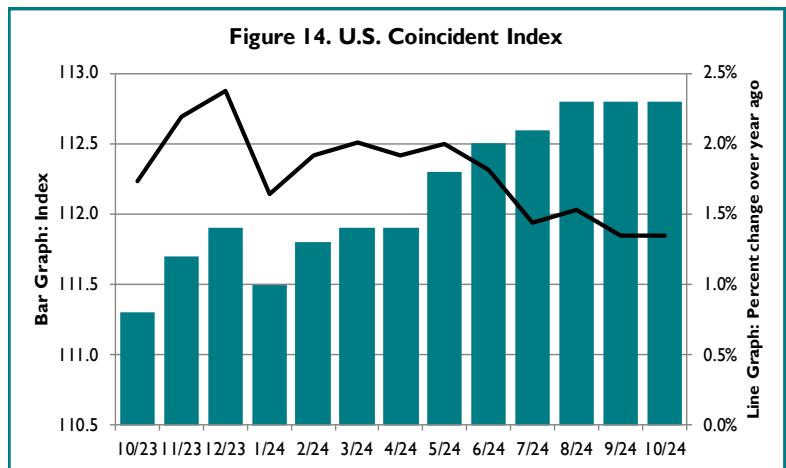
The value of the U.S. Coincident Economic Index (CEI) was unchanged in October according to The Conference Board as seen in Figure 14. Compared to one year earlier the value of the CEI was 1.3 percent higher. Two of the four components of the CEI made positive contributions in October. Personal income less transfers made the largest positive contribution while industrial production made the only negative contribution. Over the last six months the value of the CEI rose 0.8 percent.

The value of the National Federation of Independent Businesses (NFIB) Small Business Optimism Index increased 2.4 percent in October, equaling its highest level in the last twelve months. Compared to one year earlier the value of the Index was 3.3 percent higher for the month as seen in Figure 15. Nine of the ten components of the Index increased for the month and one was unchanged. The largest increase among all components occurred in the “expect economy to improve” component.

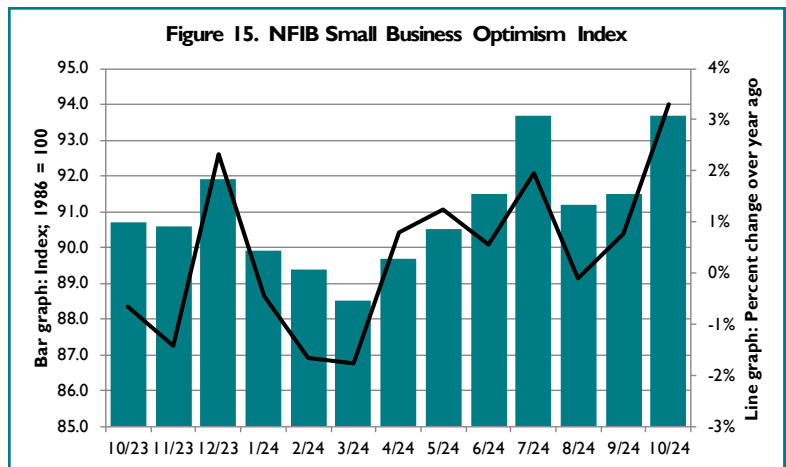
According to many analysts, when the members of the Federal Open Market Committee (FOMC) meet later this month, they are likely to reduce the benchmark federal funds rate target by another 25 basis points. These analysts have broadly interpreted the minutes of the November meeting of the FOMC to indicate members believe the current level of interest rates is still acting to slow the U.S. economy. Therefore, their view is another rate reduction is needed, barring an unexpected turn in data before the meeting. However, looking to 2025, fewer rate cuts may occur if changes to fiscal policy stimulate the U.S. economy.



Source: The Conference Board

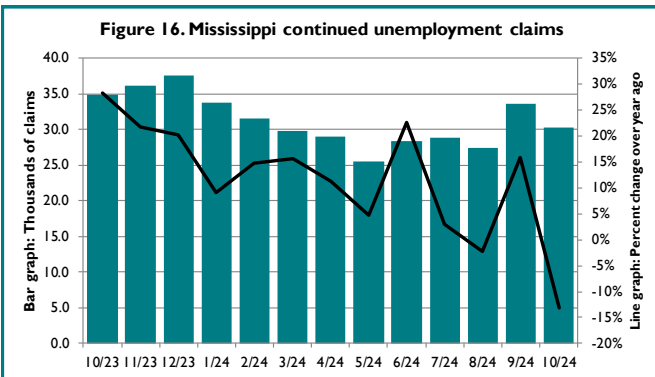


Source: The Conference Board

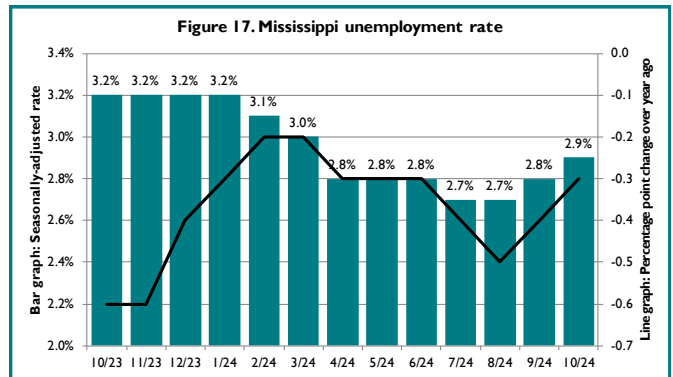


Source: National Federation of Independent Businesses

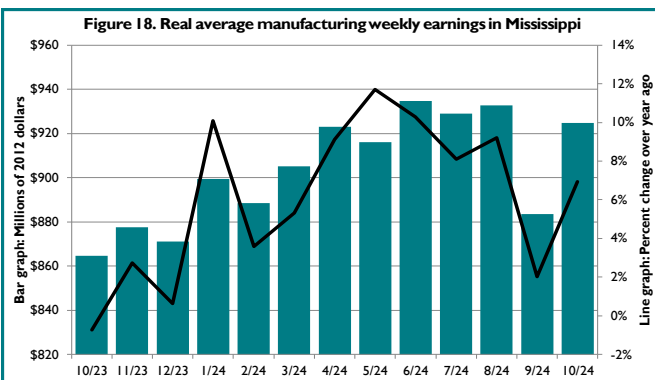
MISCELLANEOUS ECONOMIC INDICATORS, IN FIGURES



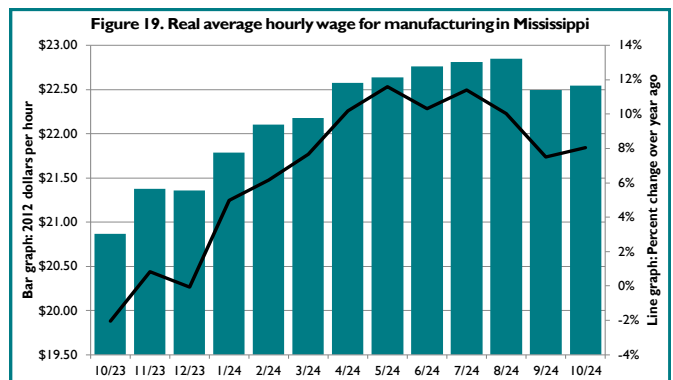
Sources: U.S. Department of Labor, URC (seasonal adjustment)



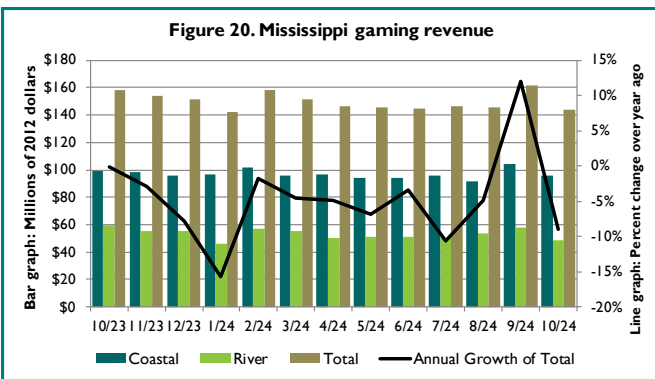
Source: U.S. Bureau of Labor Statistics



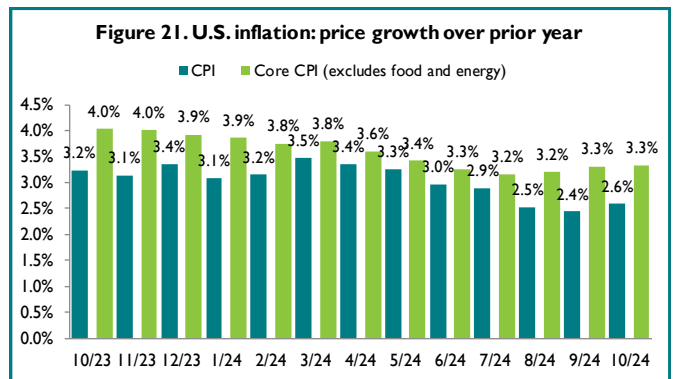
Sources: U.S. Bureau of Labor Statistics, URC (seasonal adjustment)



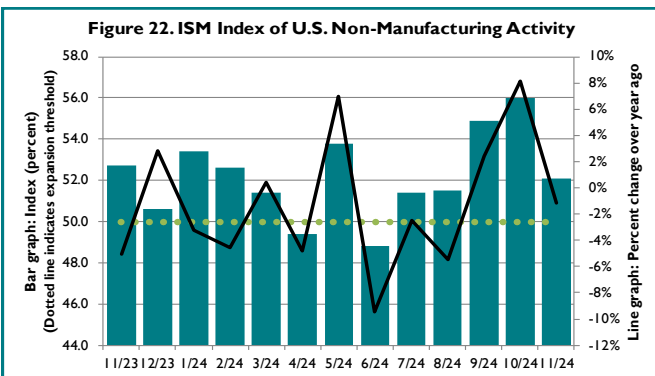
Sources: U.S. Bureau of Labor Statistics, URC (seasonal adjustment)



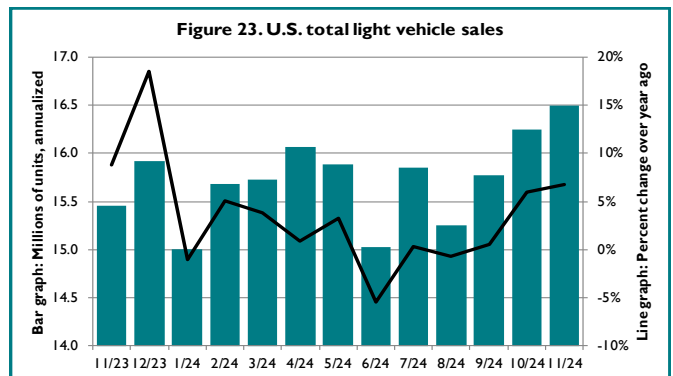
Source: Mississippi Department of Revenue, URC (seasonal adjustment)



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	October	September	October	Percent change from	
	2024	2024	2023	September 2024	October 2023
U.S. Leading Economic Index 2012 = 100. Source: The Conference Board	99.5	99.9	103.8	▼0.4%	▼4.1%
U.S. Coincident Economic Index 2012 = 100. Source: The Conference Board	112.8	112.8	111.3	◀▶0.0%	▲1.3%
Mississippi Leading Index 2012 = 100. Source: University Research Center	125.9	123.8	122.6	▲1.7%	▲2.7%
Mississippi Coincident Index 2012 = 100. Source: Federal Reserve Bank of Philadelphia	127.1	126.8	124.5	▲0.2%	▲2.1%
Mississippi initial unemployment claims Seasonally adjusted. Source: U.S. Department of Labor	5,469	5,223	5,481	▲4.7%	▼0.2%
Value of Mississippi residential building permits Three-month moving average; seasonally adjusted; millions of 2007 dollars. Source: Bureau of the Census	89.9	91.8	89.3	▼2.1%	▲0.7%
Mississippi income tax withholdings Three-month moving average; seasonally adjusted; millions of 2007 dollars. Source: Mississippi Department of Revenue	133.3	131.5	134.4	▲1.3%	▼0.9%
Mississippi Manufacturing Employment Intensity Index 2012 = 100. Source: URC using data from U.S. Bureau of Labor Statistics	101.1	97.4	105.6	▲3.7%	▼4.3%
University of Michigan Index of Consumer Expectations Three-month moving average; index 1966Q1 = 100. Source: Thomson Reuters/University of Michigan Surveys of Consumers	75.1	73.5	60.6	▲2.2%	▲23.9%
ISM Index of U.S. Manufacturing Activity Advanced one month. Source: Institute for Supply Management	48.4	46.5	46.6	▲4.1%	▲3.9%
U.S. retail sales Current dollars, in billions. Source: Bureau of the Census	718.9	716.0	699.0	▲0.4%	▲2.8%
U.S. Consumer Price Index (CPI)	315.7	315.3	307.7	▲0.1%	▲2.6%
U.S. Core CPI (excludes food and energy) 1982-84 = 100. Source: URC using data from Bureau of Labor Statistics	321.8	321.1	311.4	▲0.2%	▲3.3%
Mississippi unemployment rate Percentage point change. Seasonally-adjusted. Source: U.S. Bureau of Labor Statistics	2.9%	2.8%	3.2%	▲0.1	▼0.3
Mississippi continued unemployment claims Seasonally adjusted. Source: U.S. Department of Labor	30,330	33,637	34,892	▼9.8%	▼13.1%
ISM Index of U.S. Non-Manufacturing Activity Advanced one month. Source: Institute for Supply Management	52.1	56.0	52.7	▼7.0%	▼1.1%
U.S. mortgage rates Percentage point change. Seasonally adjusted; 30-year conventional. Source: Federal Home Loan Mortgage Corporation	6.09%	6.16%	7.25%	▼0.07	▼1.16
Mississippi average hourly wage for manufacturing Seasonally adjusted; 2012 dollars. Source: U.S. Bureau of Labor Statistics	22.55	22.49	20.86	▲0.2%	▲8.1%
Mississippi average weekly earnings for manufacturing Seasonally adjusted; 2012 dollars. Source: U.S. Bureau of Labor Statistics	924.66	883.55	864.63	▲4.7%	▲6.9%
NFIB Small Business Optimism Index 1986 = 100. Source: National Federation of Independent Businesses	93.7	91.5	90.7	▲2.4%	▲3.3%
U.S. total light vehicle sales Millions of units seasonally adjusted at annual rates. Source: U.S. Bureau of Economic Analysis	16.50	16.25	15.46	▲1.5%	▲6.7%
Gaming revenue	144.26	161.82	158.6	▼10.9%	▼9.1%
Coastal counties	95.99	103.96	99.3	▼7.7%	▼3.4%
River counties	48.27	57.86	59.3	▼16.6%	▼18.6%
Seasonally adjusted; millions of 2012 dollars. Source: Mississippi Department of Revenue					

Economic Indices

Components of the Mississippi Leading Index

Miscellaneous Indicators

MISSISSIPPI EMPLOYMENT TRENDS

Total nonfarm employment in Mississippi rose by 4,700 jobs in October according to the U.S. Bureau of Labor Statistics (BLS), a gain of 0.4 percent. As seen in Table 2, total employment in the state was higher by 13,000 jobs compared to one year ago, a 1.1 percent increase. BLS revised the change in September employment in the state up to a gain of 3,000 jobs.

BLS reported nonfarm employment decreased in two states and was essentially unchanged in forty-eight states and the District of Columbia in October. Florida lost 38,000 jobs for the month, a 0.4 percent decrease, and Washington lost 35,900 jobs, a 1.0 percent decline. Employment in these two states in October was impacted by hurricanes and a labor strike, respectively.

Twenty-seven states added jobs over the last twelve months as of

October according to BLS and employment was essentially unchanged in twenty-three states and the District of Columbia. Texas added 274,600 jobs, the most among all states, followed by California, which added 212,100 jobs, and New York, which added 133,600 jobs. Employment rose 3.1 percent in Idaho over the last twelve months as of October, the largest percentage increase among all states.

Nearly every sector in Mississippi added jobs in October. The Professional and Business Services sector added 2,400 jobs for the month, the most among all sectors and an increase of 2.0 percent. The sector also had largest percentage increase in employment in the state in October. The Other Services sector lost 500 jobs for the month, the most among all sectors in the state. The only other sector in the state to lose jobs in October was Educational Services, which fell by 100

jobs. The largest percentage decrease in employment among all sectors was the 1.3 percent decrease in Other Services.

Over the past twelve months as of October the largest increase in employment among all sectors in the state occurred in Health Care and Social Assistance, which added 8,100 jobs. The largest percentage increase in employment among all sectors over the last twelve months occurred in the Arts and Entertainment sector, where employment rose 8.1 percent, a gain of 800 jobs. The Manufacturing sector in Mississippi lost 4,900 jobs over the past twelve months as of October, the largest decrease in employment among all sectors in the state. Employment in the Educational Services sector sank 11.9 percent over the last twelve months, the largest percentage decrease in employment among all sectors and a loss of 1,700 jobs.

Table 2. Change in Mississippi employment by industry, October 2024

	Relative share of total ^a	October 2024	September 2024	October 2023	Change from September 2024		Change from October 2023	
					Level	Percent	Level	Percent
Total Nonfarm	100.0%	1,198,500	1,193,800	1,185,500	▲4,700	▲0.4%	▲13,000	▲1.1%
Mining and Logging	0.5%	6,500	6,400	6,200	▲100	▲1.6%	▲300	▲4.8%
Construction	4.1%	50,900	50,300	48,400	▲600	▲1.2%	▲2,500	▲5.2%
Manufacturing	12.2%	141,800	141,300	146,700	▲500	▲0.4%	▼4,900	▼3.3%
Trade, Transportation & Utilities	20.8%	249,000	248,700	248,100	▲300	▲0.1%	▲900	▲0.4%
Retail Trade	11.8%	141,100	141,700	139,400	▼600	▼0.4%	▲1,700	▲1.2%
Information	0.8%	9,000	9,000	9,700	◀0	◀0.0%	▼700	▼7.2%
Financial Activities	3.8%	45,500	45,300	45,600	▲200	▲0.4%	▼100	▼0.2%
Services	37.6%	455,300	452,500	442,300	▲2,800	▲0.6%	▲13,000	▲2.9%
Professional & Business Services	9.8%	121,100	118,700	115,700	▲2,400	▲2.0%	▲5,400	▲4.7%
Educational Services	1.1%	12,600	12,700	14,300	▼100	▼0.8%	▼1,700	▼11.9%
Health Care and Social Assistance	12.0%	146,200	145,800	138,100	▲400	▲0.3%	▲8,100	▲5.9%
Arts and Entertainment	0.9%	10,700	10,600	9,900	▲100	▲0.9%	▲800	▲8.1%
Accommodation and Food Services	10.5%	125,200	124,700	124,500	▲500	▲0.4%	▲700	▲0.6%
Other Services	3.3%	39,500	40,000	39,800	▼500	▼1.3%	▼300	▼0.8%
Government	20.1%	240,500	240,300	238,500	▲200	▲0.1%	▲2,000	▲0.8%

^aRelative 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

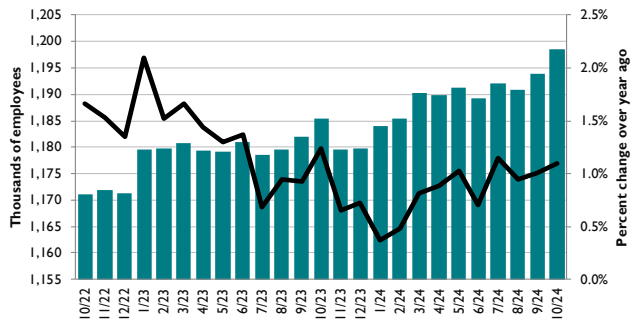


Figure 24b. Mining and Logging

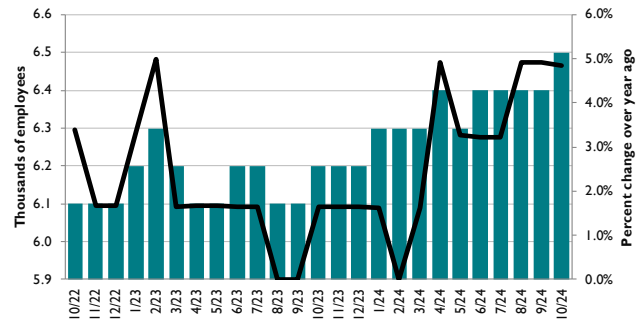


Figure 24c. Construction

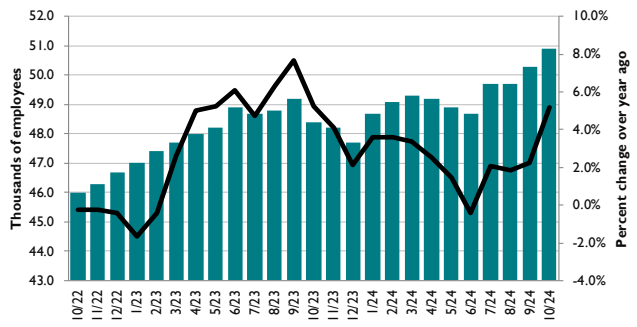


Figure 24d. Manufacturing

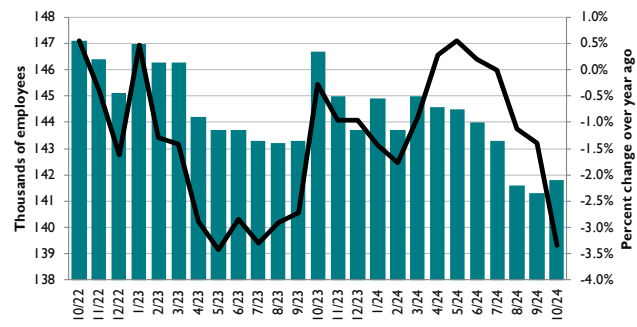


Figure 24e. Trade, transportation, and utilities

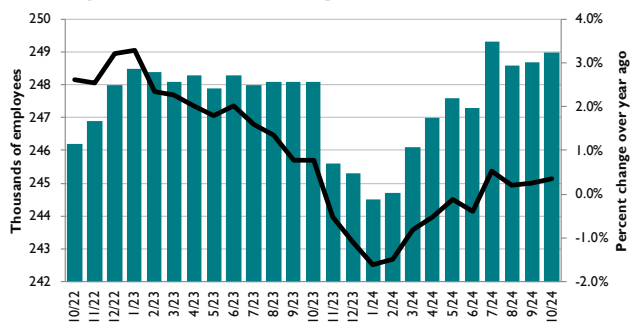


Figure 24f. Information

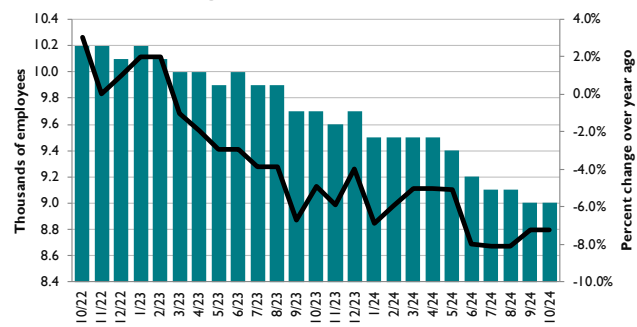


Figure 24g. Financial activities

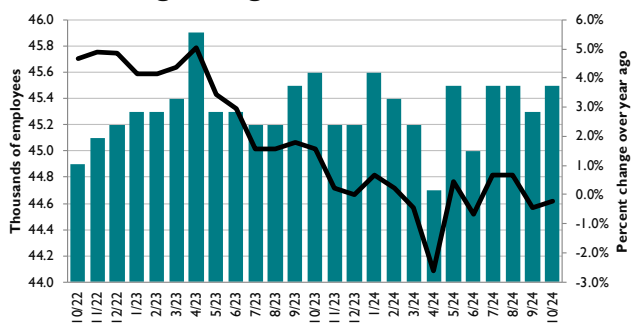
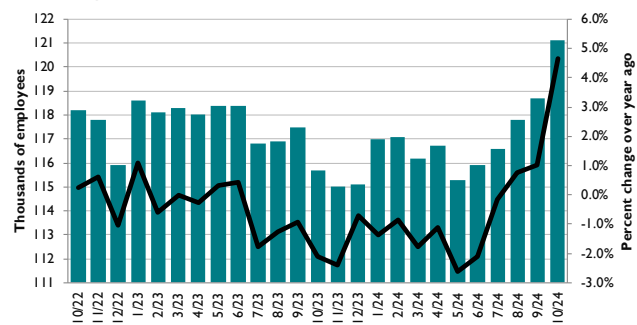


Figure 24h. Professional and business services



MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES (CONTINUED)

Figure 24i. Educational services

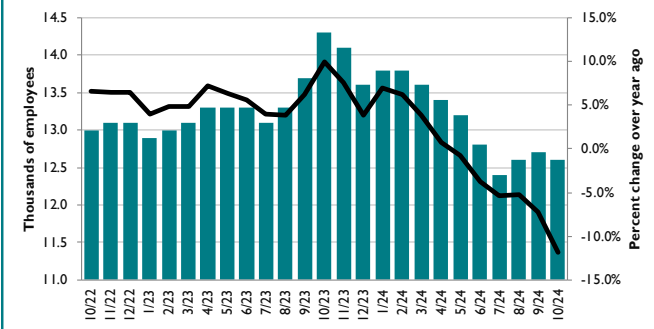


Figure 24j. Health care and social assistance

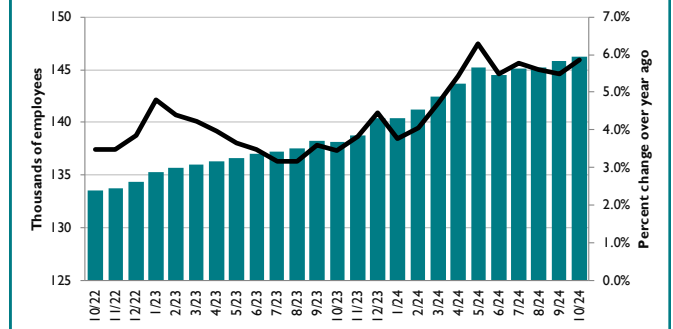


Figure 24k. Arts and entertainment

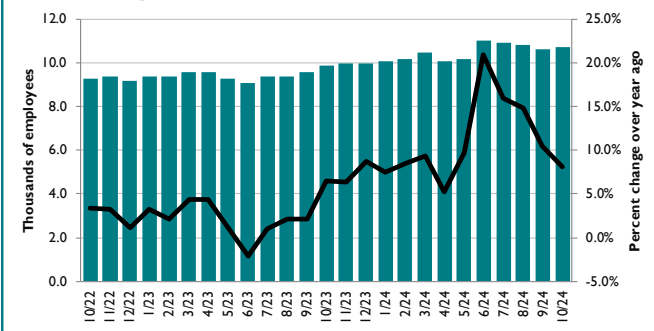


Figure 24l. Accommodation and food services

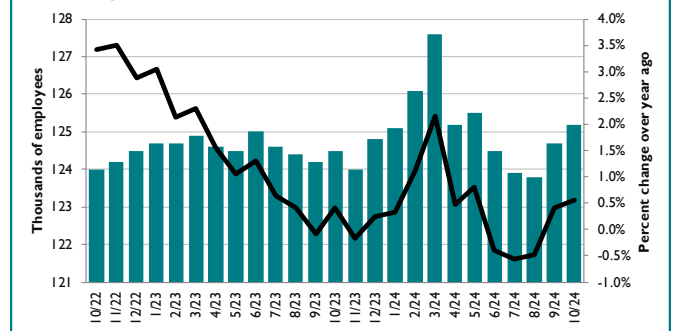


Figure 24m. Other services

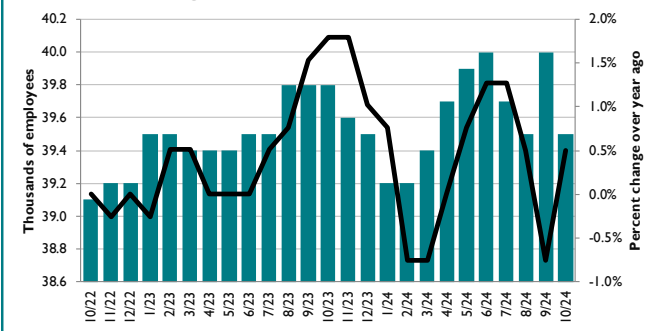


Figure 24n. Federal government

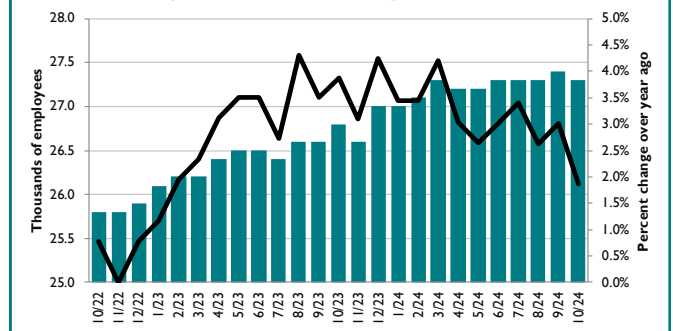


Figure 24o. State government

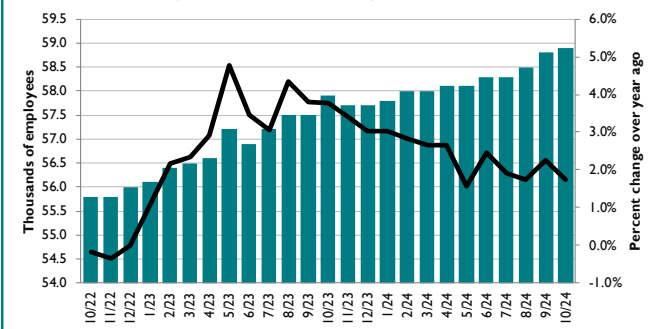
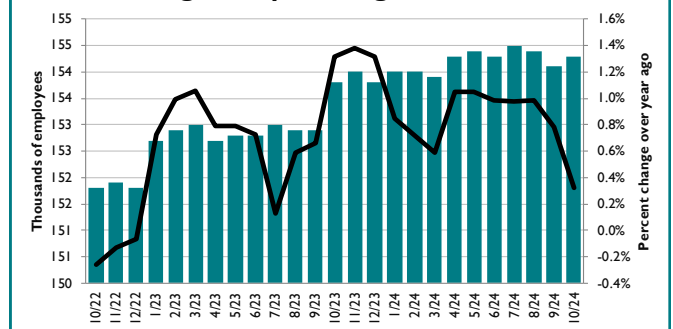


Figure 24p. Local government



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

CHANGE IN PERSONAL CONSUMPTION EXPENDITURES BY STATE IN 2023

Personal consumption expenditures increased in all fifty states and the District of Columbia in 2023 according to data recently released by the U.S. Bureau of Economic Analysis (BEA). The agency also revised estimates for previous years. BEA defines personal consumption expenditures as “the goods and services purchased by, or on behalf of, people living in each state and the District of Columbia.” U.S. personal consumption expenditures increased 6.4 percent in 2023, a smaller gain than in the previous year. The largest contributors to the increase in spending were health care, housing and utilities, and food services and accommoda-

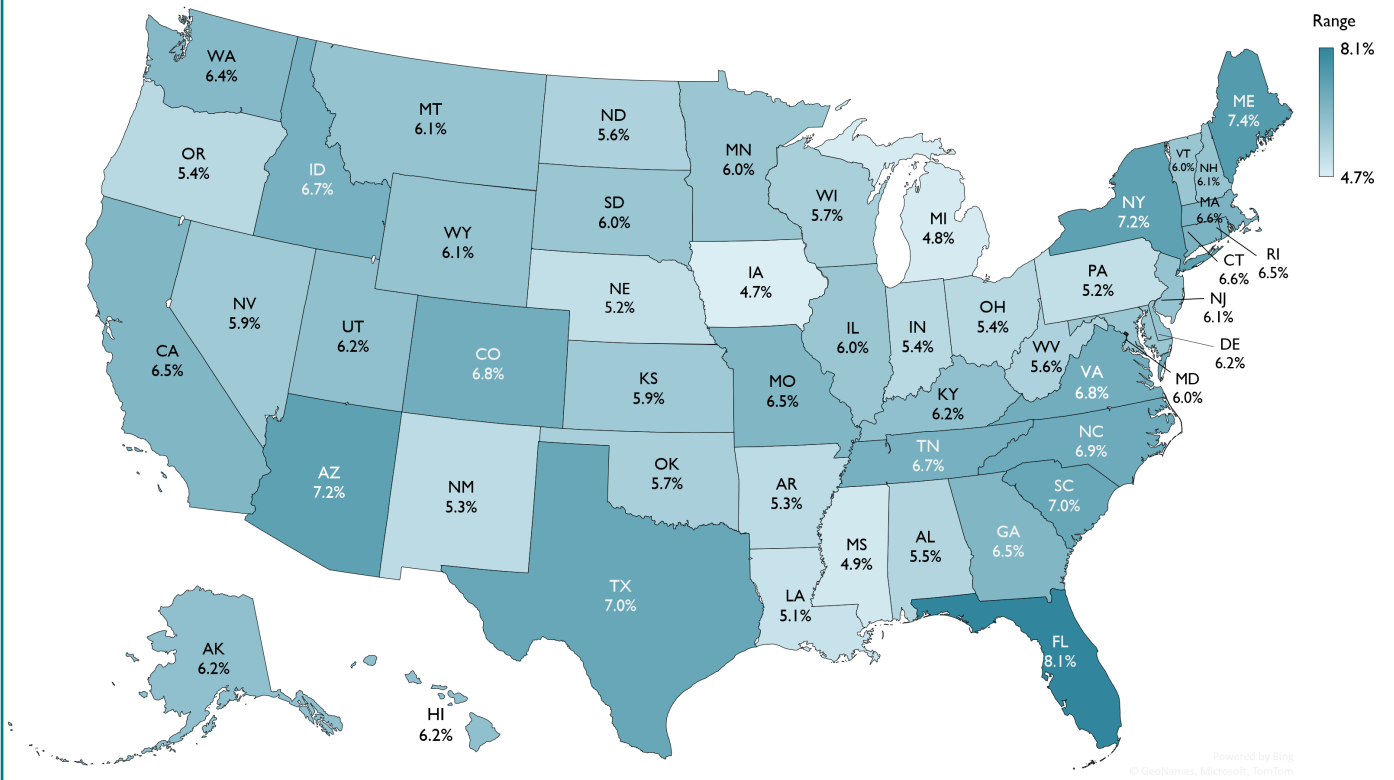
tions. Health care spending increased 8.6 percent in 2023 and was the largest contributor in 33 states. Spending on housing and utilities rose 7.5 percent and was the largest contributor in 16 states. Although spending on food services and accommodations increased 10.4 percent, it was not the largest contributor to the increase in personal consumption expenditures in any state or the District of Columbia.

The change in personal consumption expenditures by state is depicted in Figure 25 below. Personal consumption expenditures increased in all fifty states in 2023. In Mississippi, personal expenditures

increased 4.9 percent in 2023, which ranked forty-eighth among all states. The largest increase occurred in Florida, where expenditures rose 8.1 percent. Iowa had the smallest increase in personal expenditures among all states of 4.7 percent, only 0.2 percentage point less than in Mississippi.

On a per capita basis, personal consumption expenditures in 2023 were the largest among all states in Massachusetts at \$69,101. Per capita personal consumption expenditures were \$92,037 in the District of Columbia. Mississippi had the smallest amount of per capita personal consumption expenditures at

Figure 25. Percent change in personal consumption expenditures by state, 2023.



Source: U.S. Bureau of Economic Analysis.

CHANGE IN PERSONAL CONSUMPTION EXPENDITURES BY STATE IN 2023, (CONTINUED)

\$42,131. All other states had per capita expenditures of more than \$44,000 in 2023. Per capita personal consumption expenditures for the U.S. in 2023 were \$56,202.

The percentage point contributions to the increase in personal consumption expenditures in Mississippi in 2023 are listed in Table 3.

Housing and utilities was the largest contributor to the increase in consumer spending in Mississippi in 2023, accounting for 1.11 percentage points of the 4.9 percent growth. The next largest contribution was the 0.95 percentage point increase in health care spending. Food services and accommodations added 0.76 percentage point to the growth in expenditures, the next largest increase. Together, these three categories accounted for almost three-fifths of the increase in consumer expenditures in Mississippi in 2023. The fourth largest contribution to growth in consumer expenditures in the state was the 0.57 percentage point increase in other durable goods. Rounding out the top five contributors in 2023 was financial services and insurance, which increased expenditures by 0.48 percentage points. Notably, for the first time since 2020, gasoline and other energy goods made a negative contribution to the change in expenditures. This negative contribution means consumer expenditures on gasoline and other energy goods decreased in 2023, which

Table 3. Contributions to percent change in Mississippi personal consumption expenditures, 2023

Sector	Percentage points
Housing and utilities	1.11
Health care	0.95
Food services and accommodations	0.76
Other nondurable goods	0.57
Financial services and insurance	0.48
Other services	0.33
Food and beverages for off-premises consumption	0.29
Motor vehicles and parts	0.18
Transportation services	0.15
Final consumption expenditures of NPISHs	0.13
Recreation services	0.13
Clothing and footwear	0.10
Recreational goods and vehicles	0.06
Other durable goods	0.04
Furnishings and durable household equipment	0.03
Gasoline and other energy goods	-0.40
Total	4.9%

Source: U.S. Bureau of Economic Analysis.

reduced overall expenditures in the state. BEA reported gasoline and other energy goods made a negative contribution to the change in consumer expenditures in 49 states and the District of Columbia in 2023.

The increase in personal consumption expenditures in Mississippi in 2023 was smaller than the increase in 2022, which BEA reported was 8.7 percent following revisions. In fact, the 4.9 percent increase in expenditures was the smallest annual growth since 2020. However, this rate is roughly double the annual increases in consumer expenditures

in the state prior to the pandemic, which were typically in the range of 2.0 to 2.5 percent. However, inflation was elevated for much of 2023 and wage growth remained relatively strong. As inflation continues to ease and the labor market loosens, the increases in personal consumption expenditures will likely continue to slow and approach more historically typical rates.