

Florida Economic Update



Tom Cunningham
Federal Reserve Bank of Atlanta
December 2013

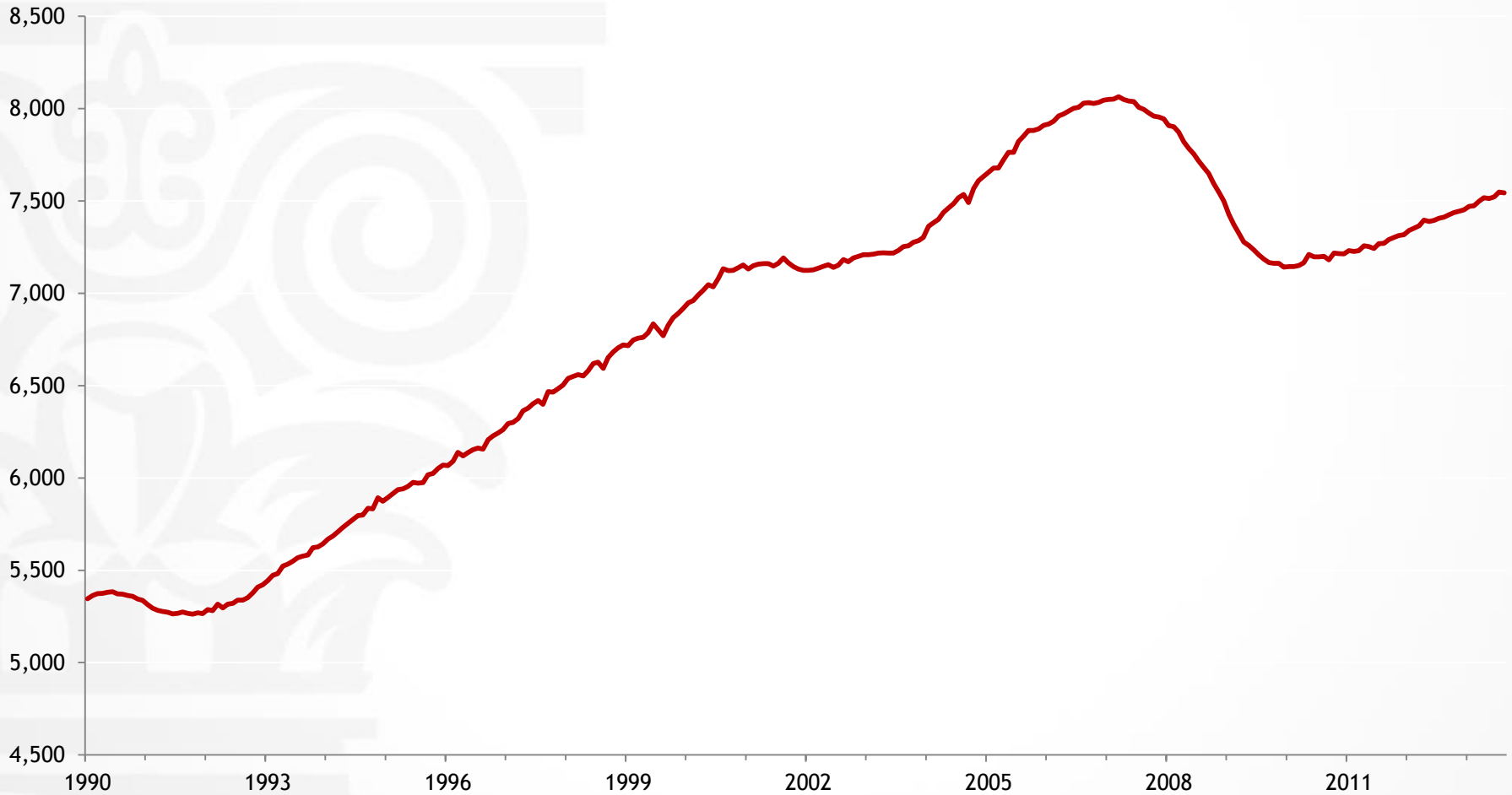
Our narrative for the macro economy . . .

- **The economy is growing slowly—averaging around 2 percent.**
- **Consumer activity is expanding modestly . . . Consumers remains cautious.**
- **Manufacturing activity is continuing to gain strength, but not by leaps and bounds.**
- **Business investment is restrained.**
- **Businesses do not appear to be placing big bets on the future—they seem to be expecting more of the same in terms of demand.**

Florida's total employment is far from recovered.

Florida Payroll Employment
August 2013

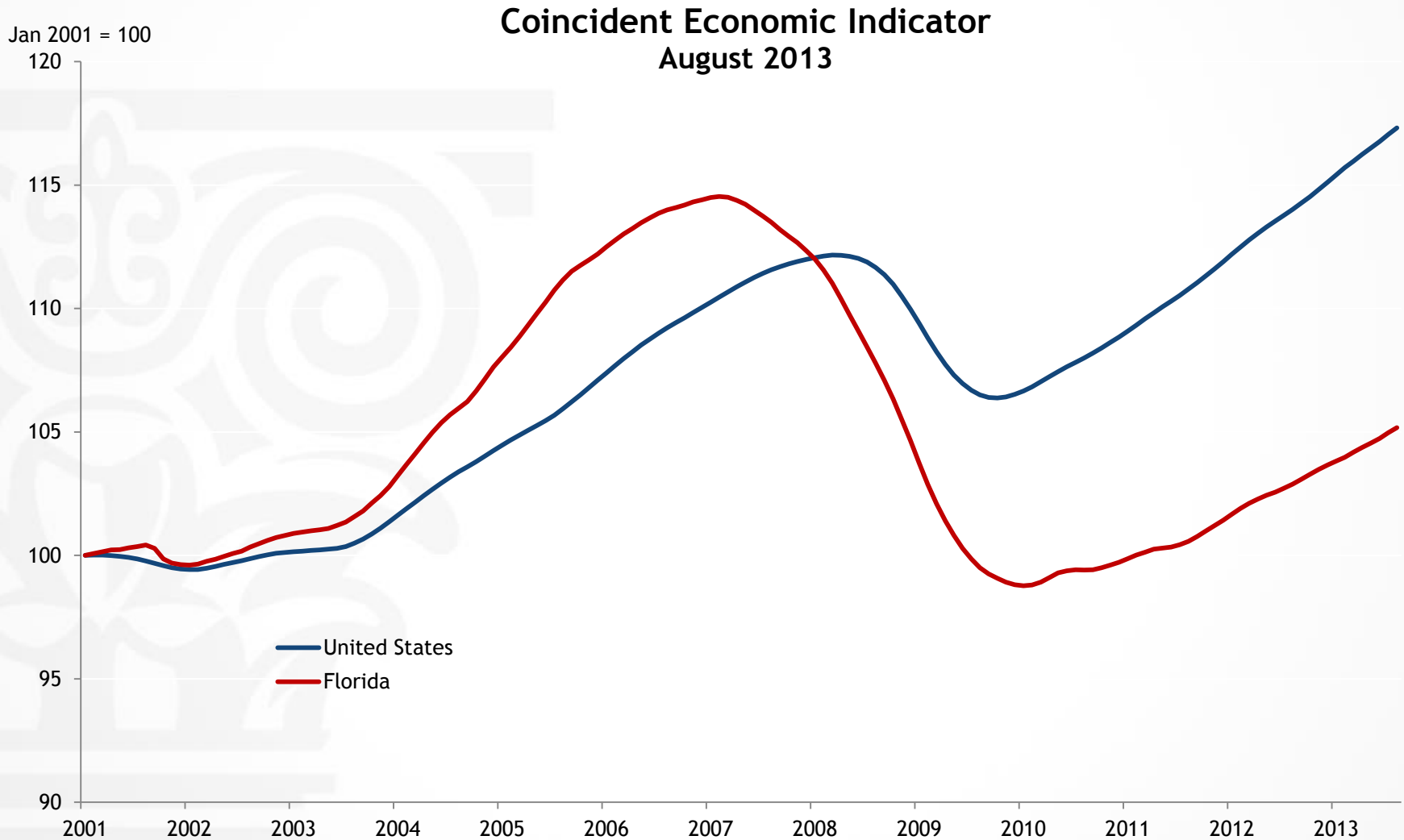
Thousands,
seasonally adjusted



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

The overall economic performance for Florida and the United States has been improving since the end of 2010. However, the nation has been improving at a faster clip than Florida.

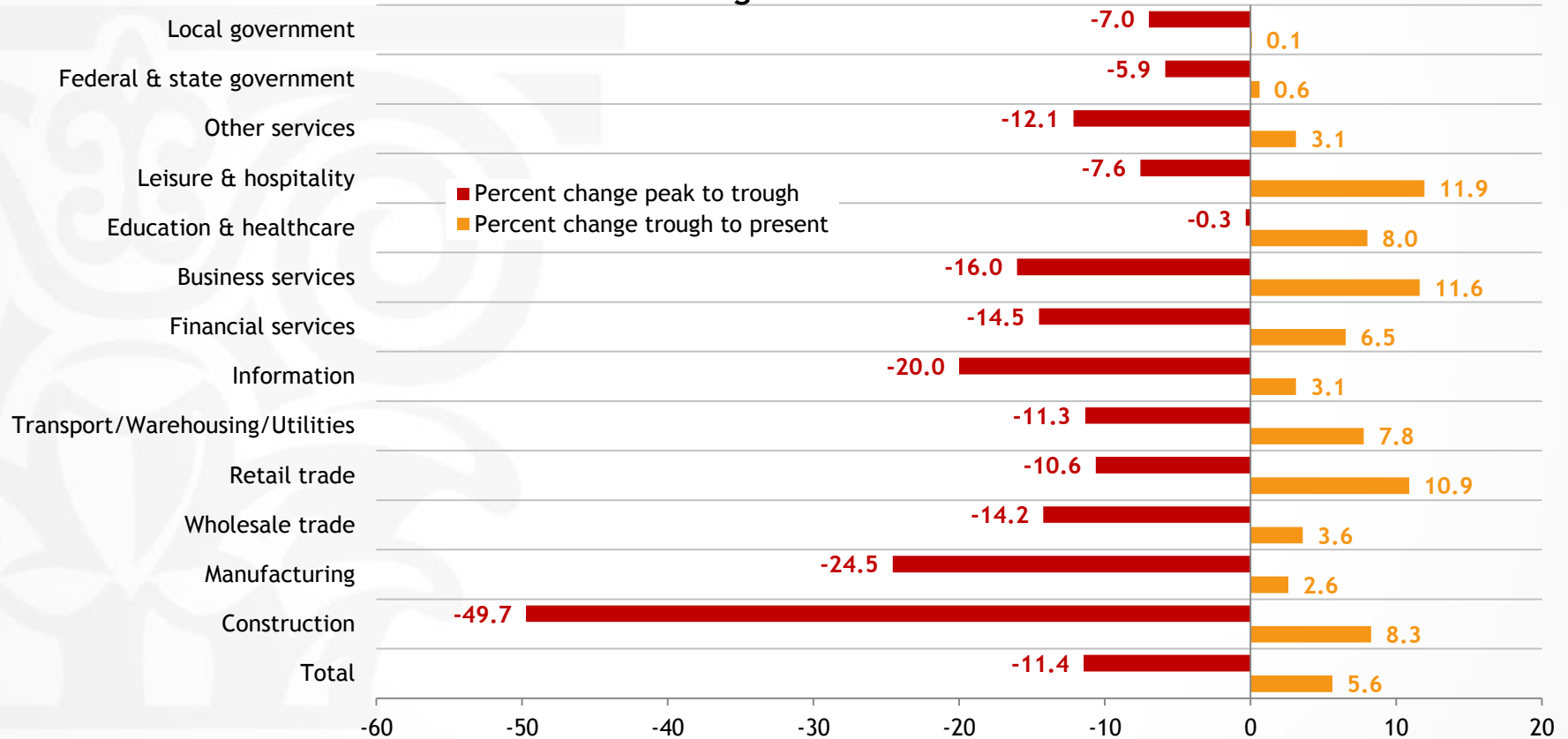
[About the Coincident Economic Indicator](#)



Source: Federal Reserve Bank of Philadelphia

Overall, the state has added back half of the jobs lost during the downturn.

Employment Loss and Gain by Industry: Florida August 2013



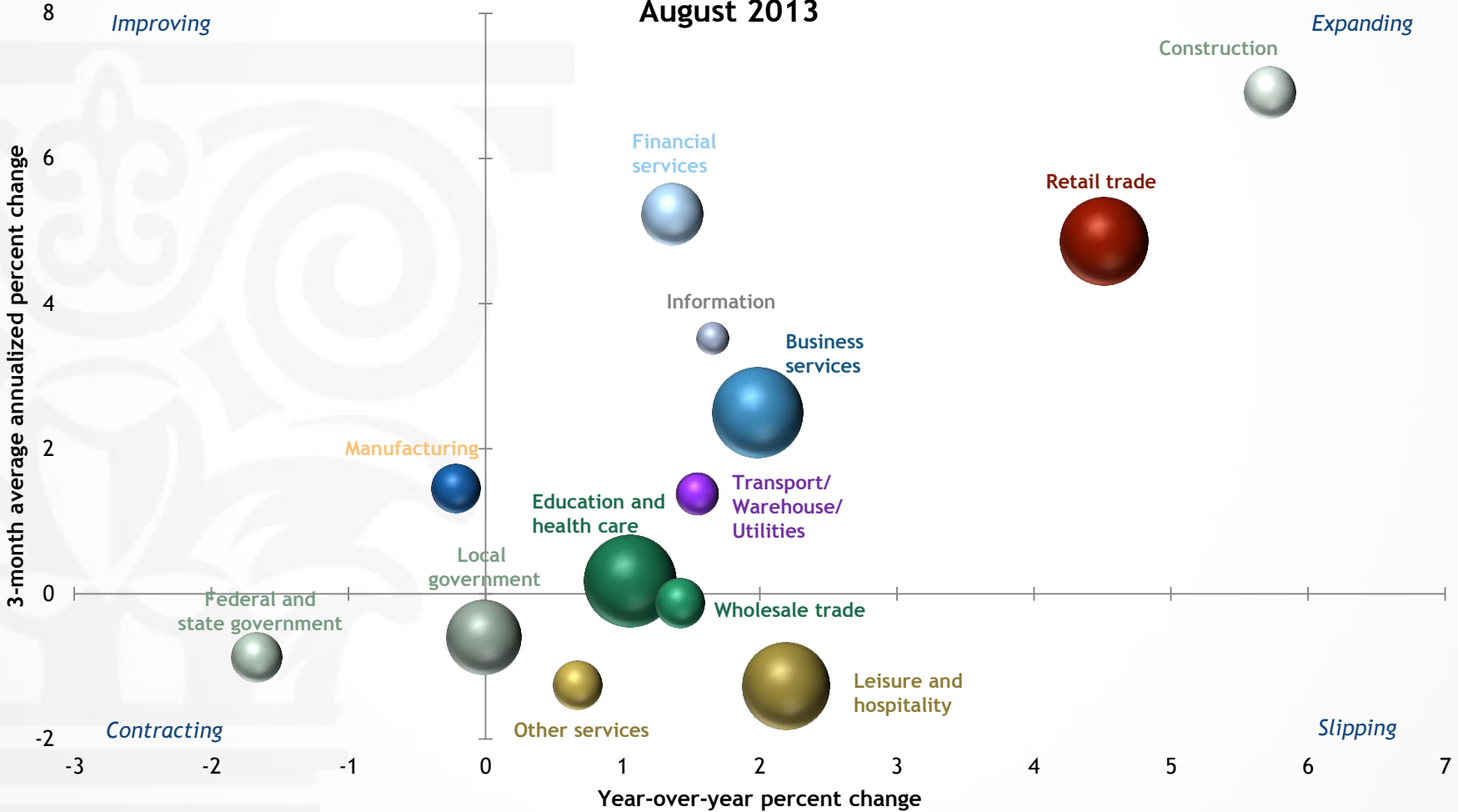
Note: A reading of 0.0 in the “trough to present” measure indicates that employment continues to decline in these industries. Likewise, a reading of 0.0 in the “peak to trough” measure indicates that employment continues to increase in these industries; in this instance “trough to present” is the percent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

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

Employment momentum for all of the large sectors in Florida's economy pulled back some in August.

[About Employment Momentum](#)

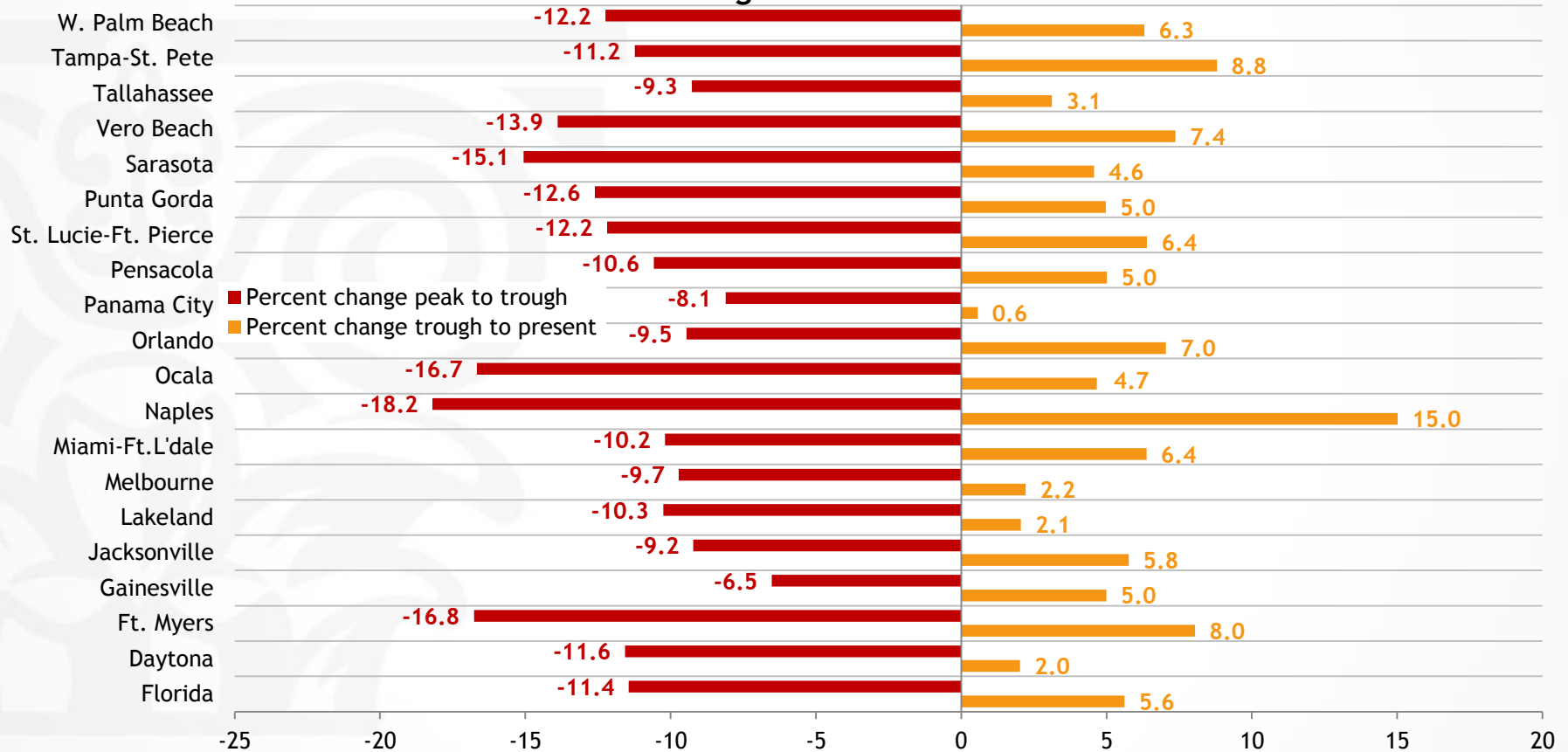
Employment Momentum by Industry: Florida August 2013



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

Job losses in all of the state's metro areas were significant during the economic downturn, but all have shown gains since their trough.

Employment Loss and Gain by Metro Area: Florida August 2013

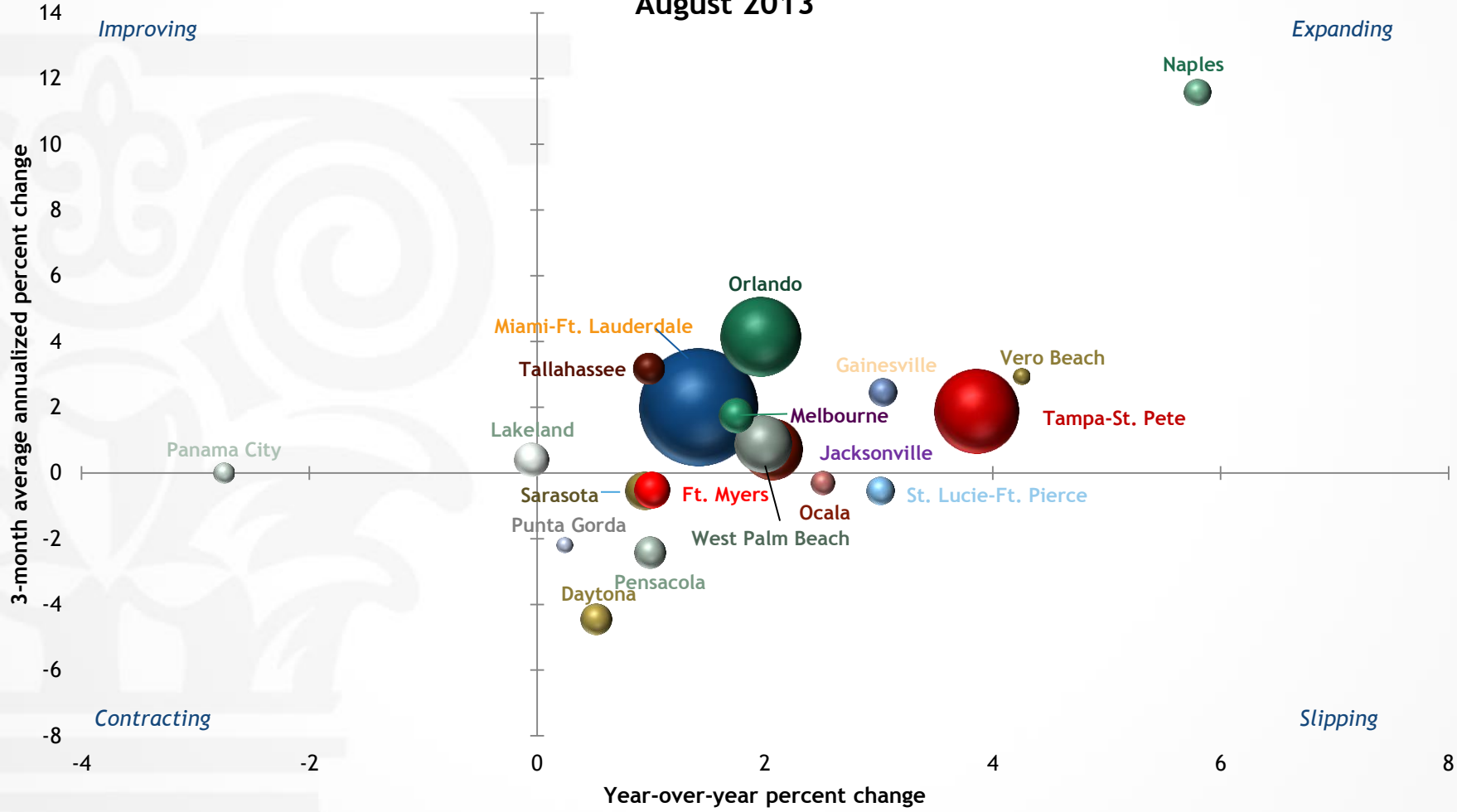


Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

Employment momentum for most of the large metro areas in Florida remained largely unchanged from July. Momentum softened for several of the smaller metro areas.

[About Employment Momentum](#)

Employment Momentum by Metro Area: Florida August 2013

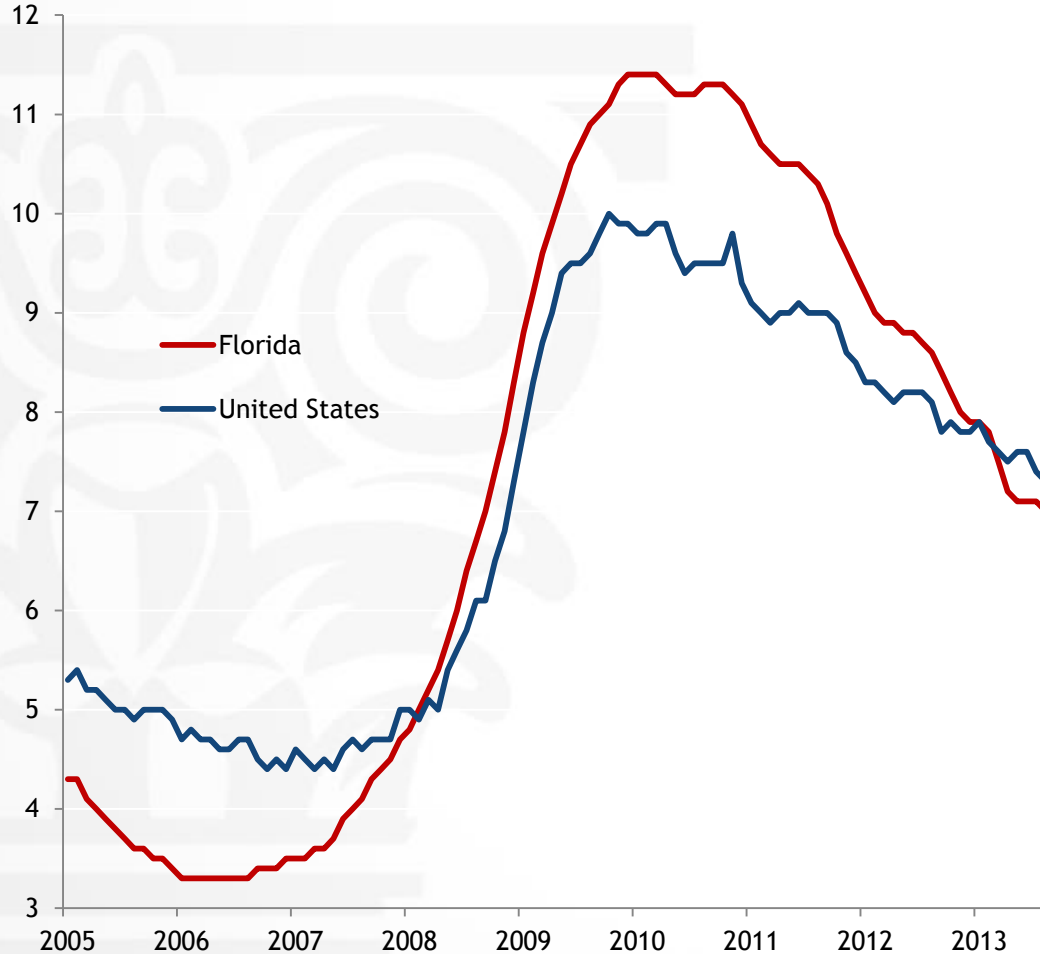


Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

Florida's unemployment rate fell to 7 from 7.1 in July while the nation's rate dropped to 7.3 from 7.4. Florida's rate and all metro area rates are lower than they were a year ago.

Unemployment Rates August 2013

Percent of labor force



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

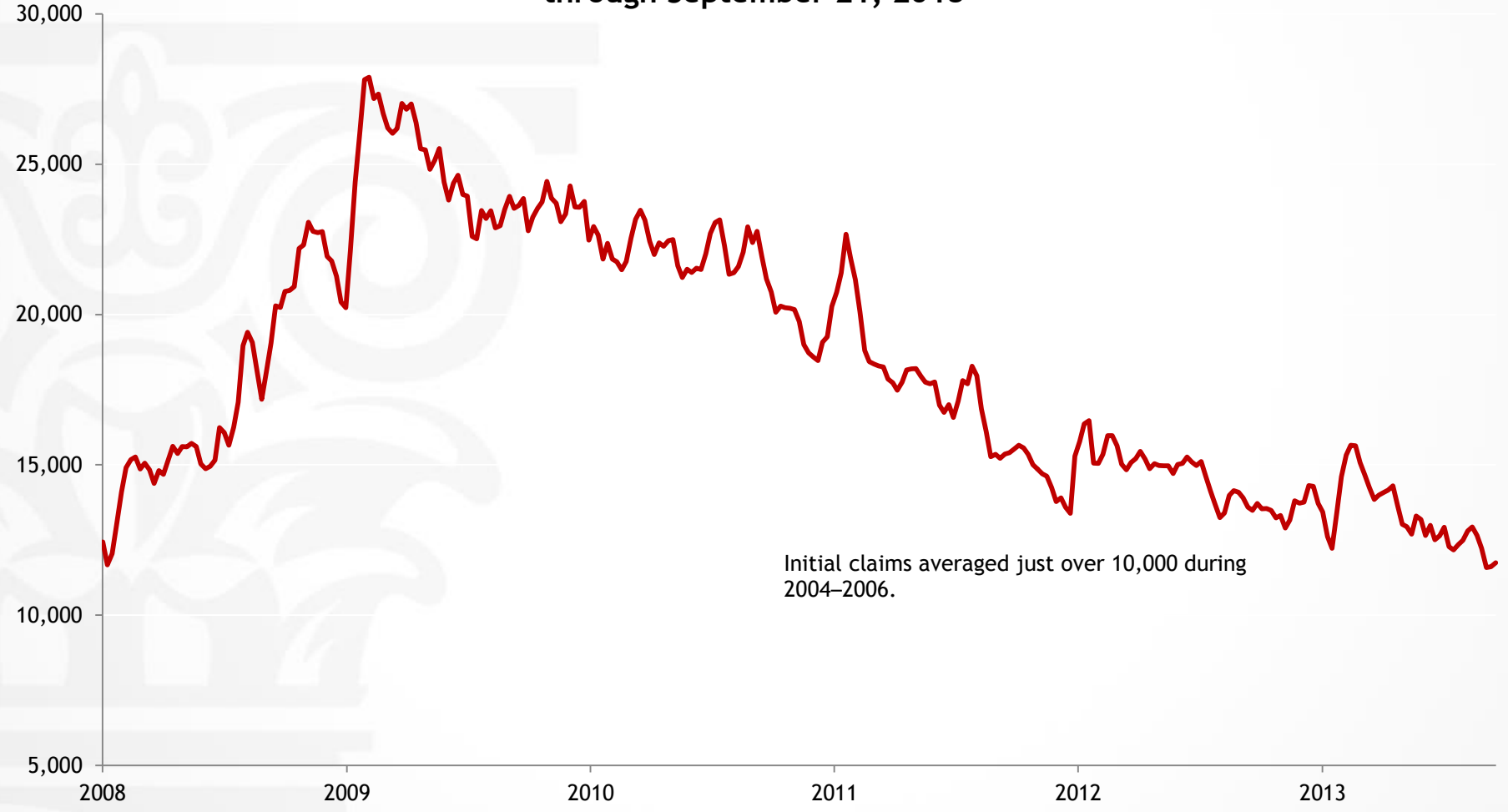
Unemployment Rates			
	Current	Year Ago	Jan 2007
United States	7.3	8.1	4.6
Florida	7.0	8.6	3.5
Ft. Myers	7.6	9.4	3.4
Daytona	7.3	9.1	3.8
Gainesville	6.0	6.9	2.8
Jacksonville	7.0	8.6	3.6
Lakeland	8.7	10.4	3.9
Miami-Ft. Lauderdale	7.5	8.9	3.5
Naples	7.5	9.8	3.1
Ocala	8.3	10.1	4.0
Orlando	6.9	8.6	3.4
Melbourne	7.8	9.4	3.9
Panama City	6.5	7.8	4.0
Pensacola	7.0	8.2	3.5
Punta Gorda	7.4	9.2	3.9
Sarasota	7.4	9.0	3.6
Vero Beach	9.7	12.1	4.5
Tallahassee	6.7	7.7	3.0
Tampa-St. Pete	7.3	9.1	3.8

The MSA numbers are not available for August 2013; the numbers listed are for July 2013.

Initial claims for unemployment insurance have been steadily trending downward since their peak in early 2009.

Initial Unemployment Insurance Claims: Florida through September 21, 2013

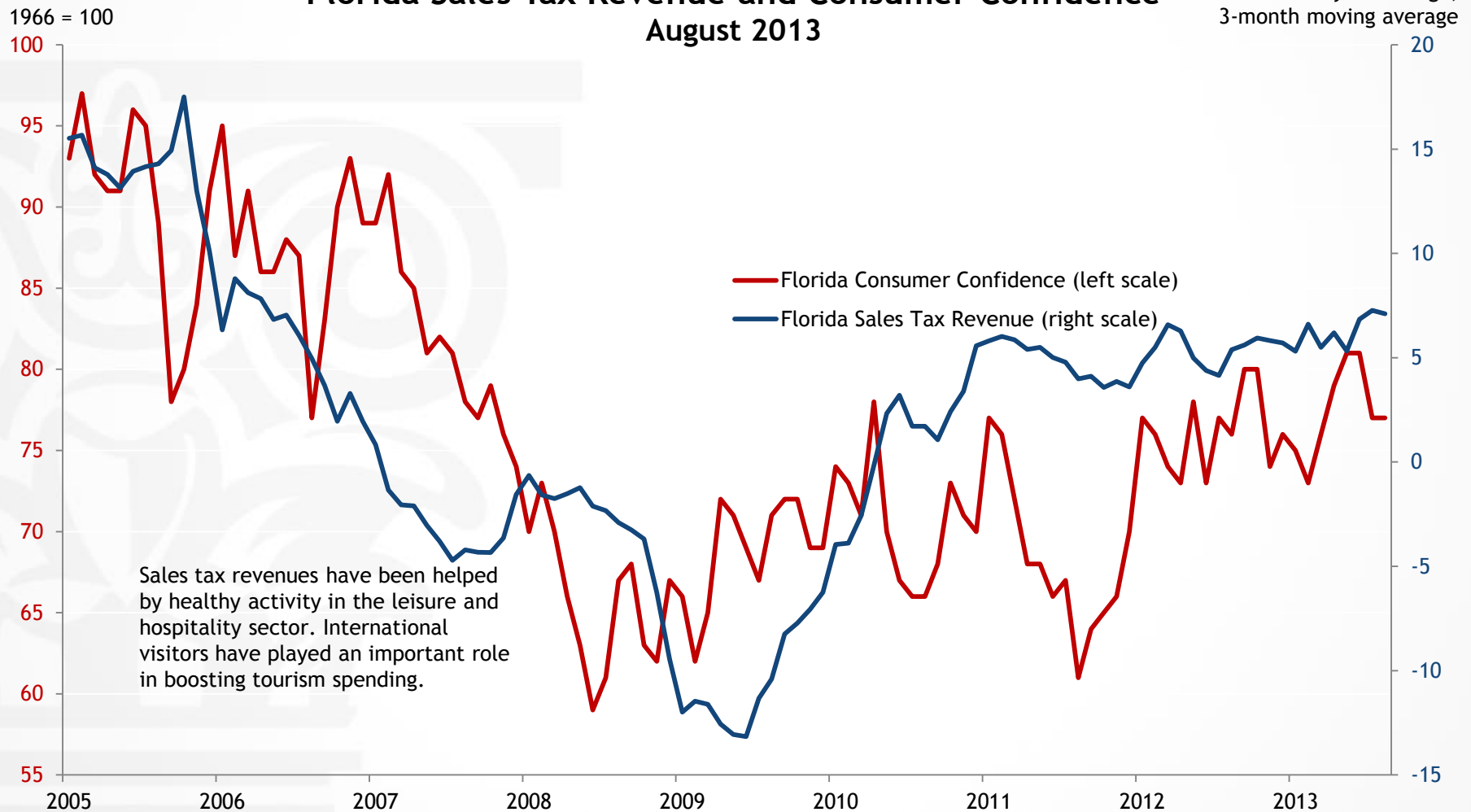
Percent of labor force
4-week moving average
30,000



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

Sales tax revenue in Florida decreased in August and consumer confidence remained flat.

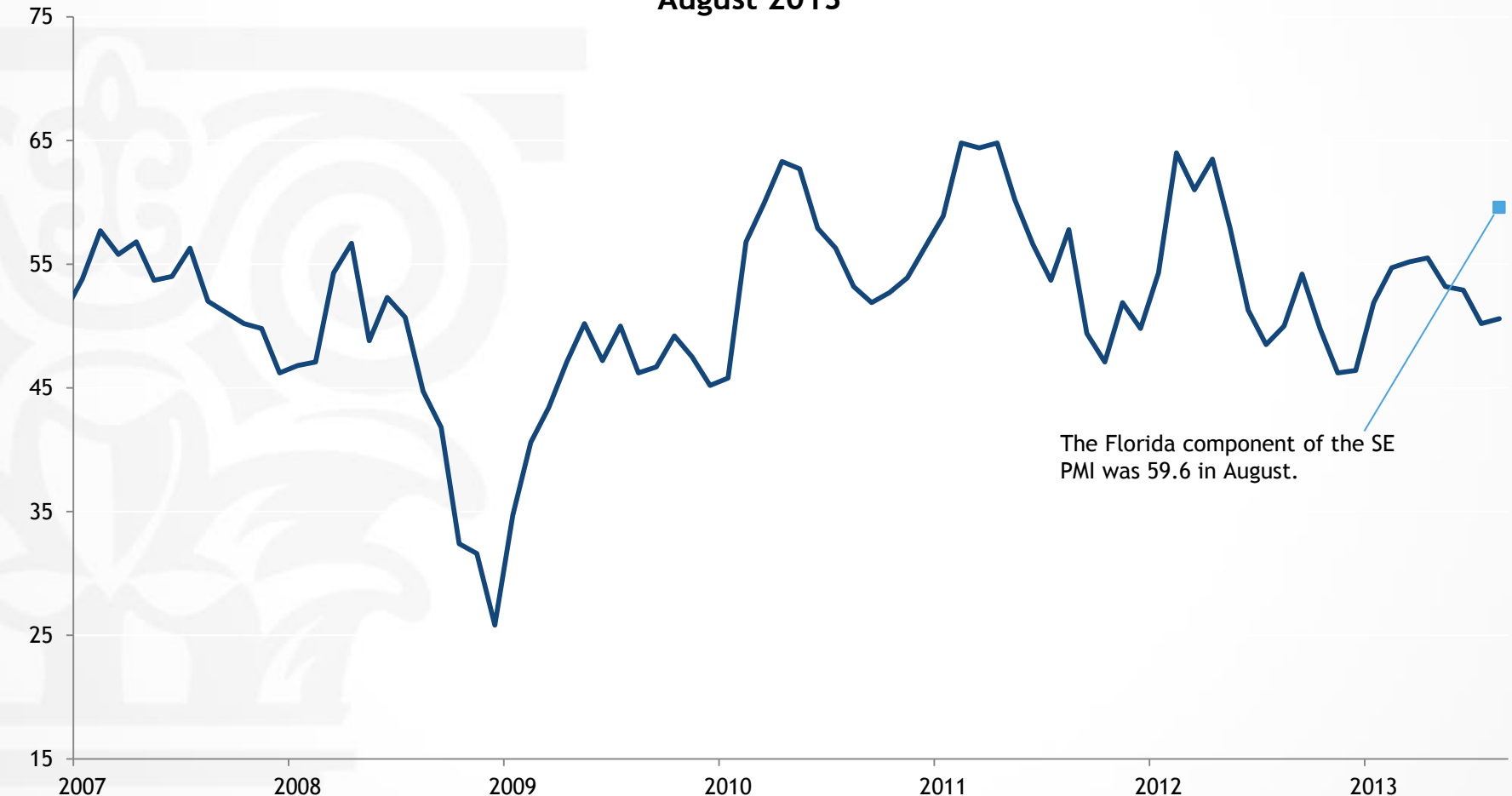
Florida Sales Tax Revenue and Consumer Confidence August 2013



Source: Florida Department of Revenue, University of Florida Bureau of Economic and Business Research Center, Federal Reserve Bank of Atlanta

The Southeast Purchasing Managers Index, which measures regional manufacturing activity, expanded to 50.6 in August. However, Florida's component contracted to 59.6 from 64 in July.

Southeast Purchasing Managers Index August 2013



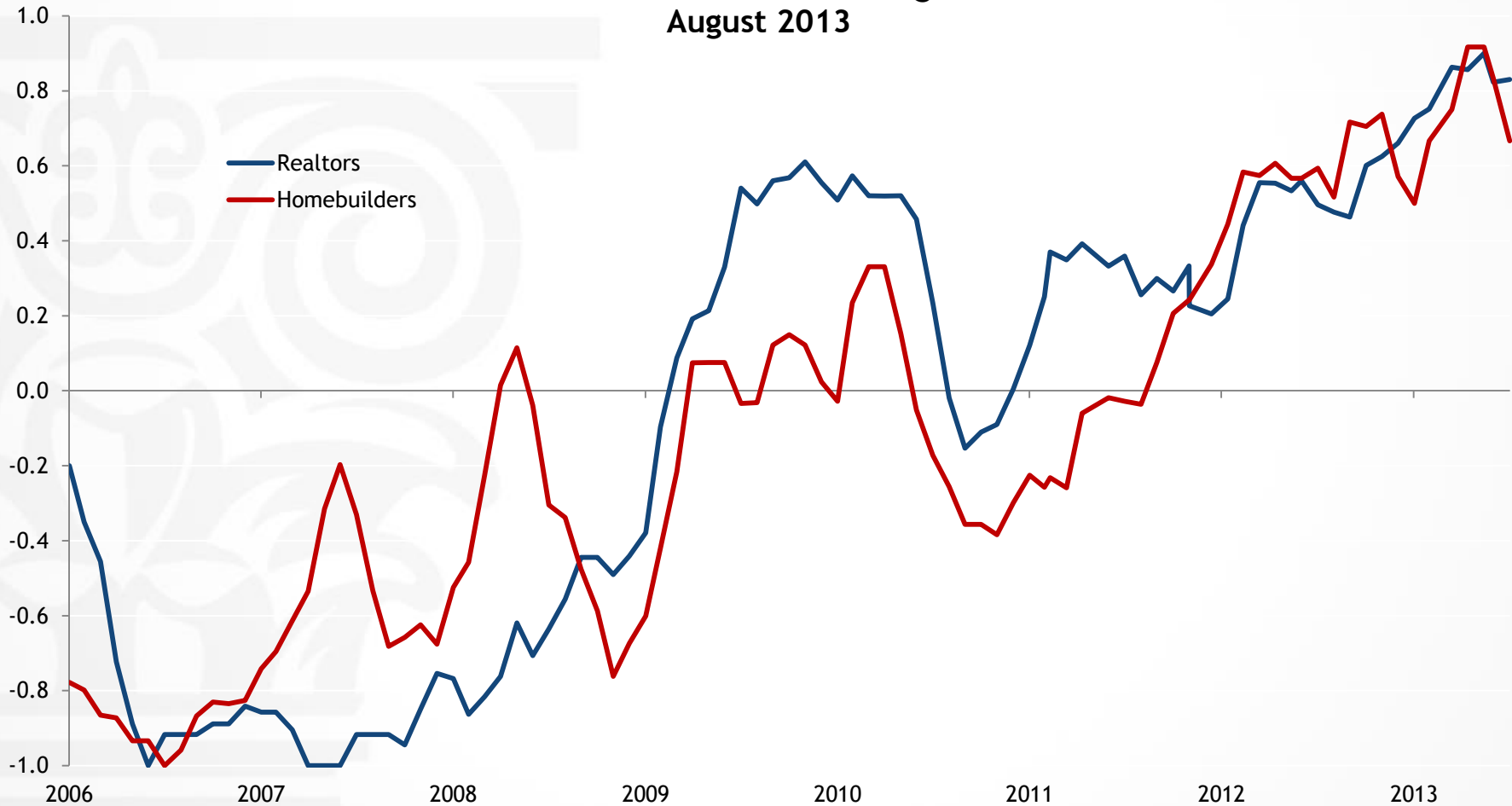
Note: 50+ = Expansion

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

Sales growth in August for Florida homebuilders declined significantly from a year ago, and increased slightly for Florida Realtors, according to the latest Atlanta Fed Real Estate Poll.

[About the Real Estate Contact Poll](#)

FRB Atlanta Real Estate Contact Poll: Florida Current Home Sales vs. Year-ago Levels August 2013

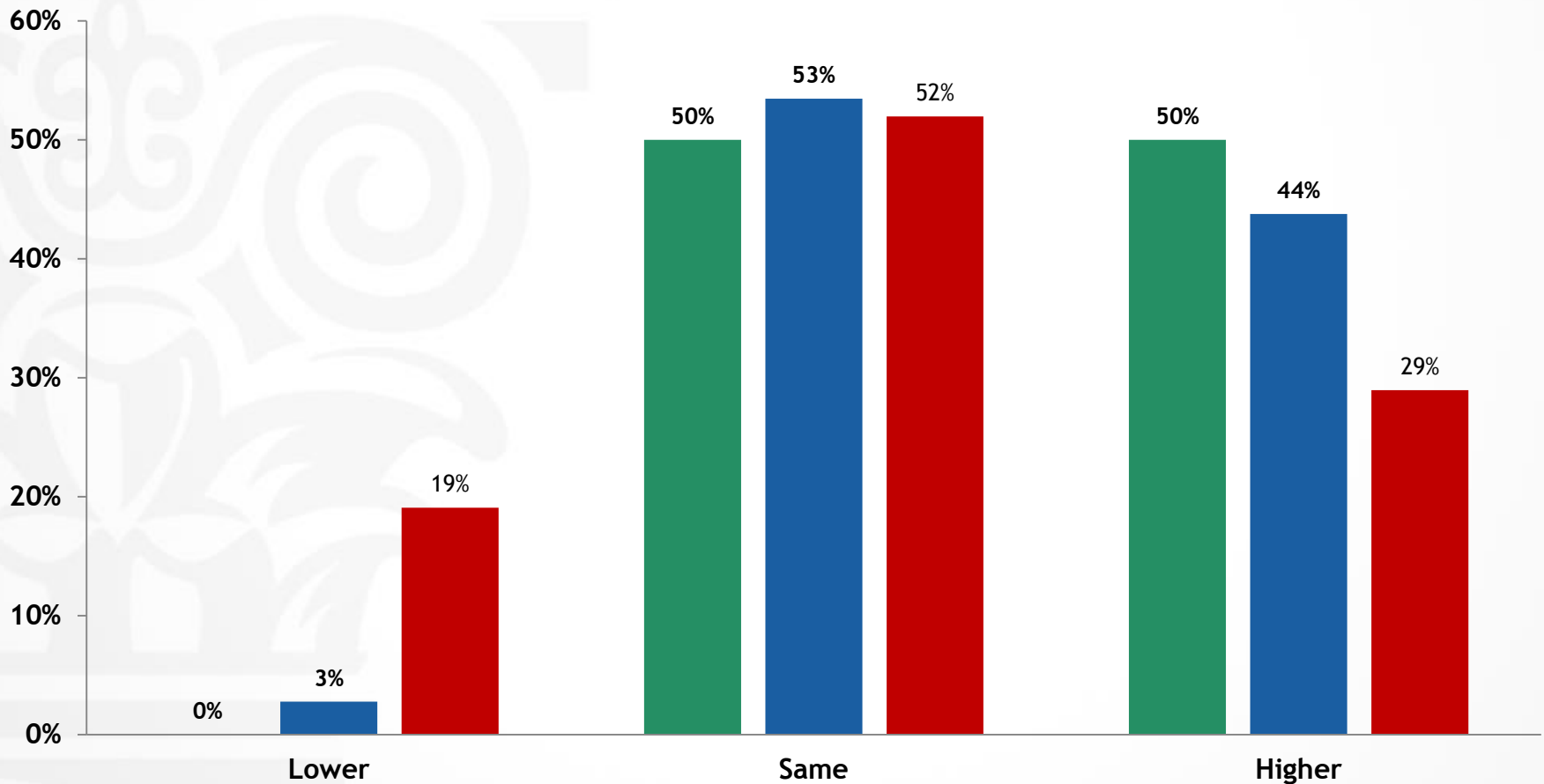


Source: Federal Reserve Bank of Atlanta

About half of our business contacts expect growth to be sustained at current levels over the next three to six months, while 29 percent expect higher growth.

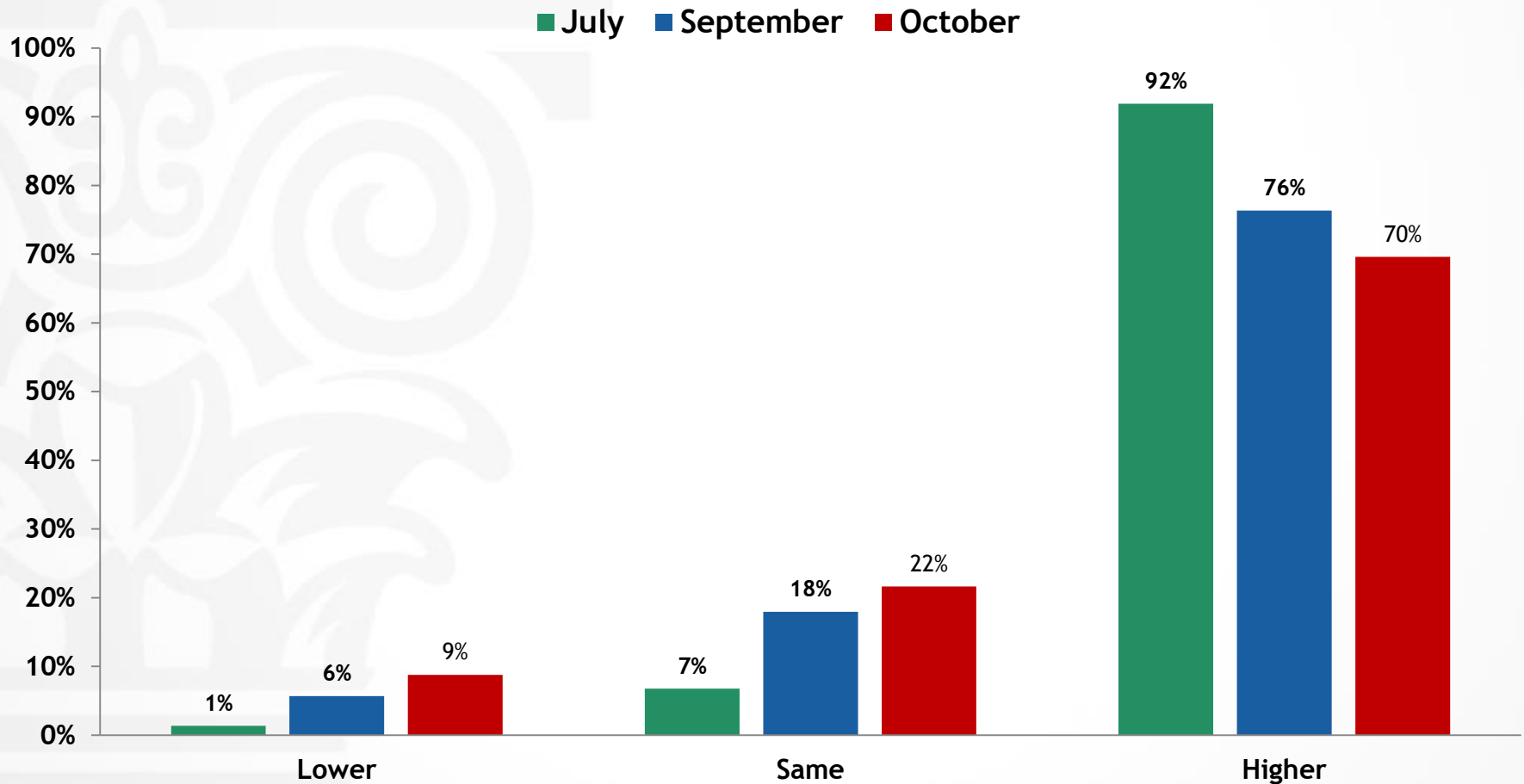
What is your outlook for the rate of growth in your business over the next 3 to 6 months compared to current rates?

■ July ■ September ■ October



As contacts make projections over the medium term, their optimism increases significantly.

What is your medium-term outlook (over the next two to three years) for the rate of growth in your business compared to current rates?



Source: FRBA Director Poll

Note: percentages may not sum to 100 due to rounding

Florida Economic Update

For additional sources of information, see our Local Economic Analysis Research Network membership at www.frbatlanta.org/rein/learn/map/learn_members.cfm



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