

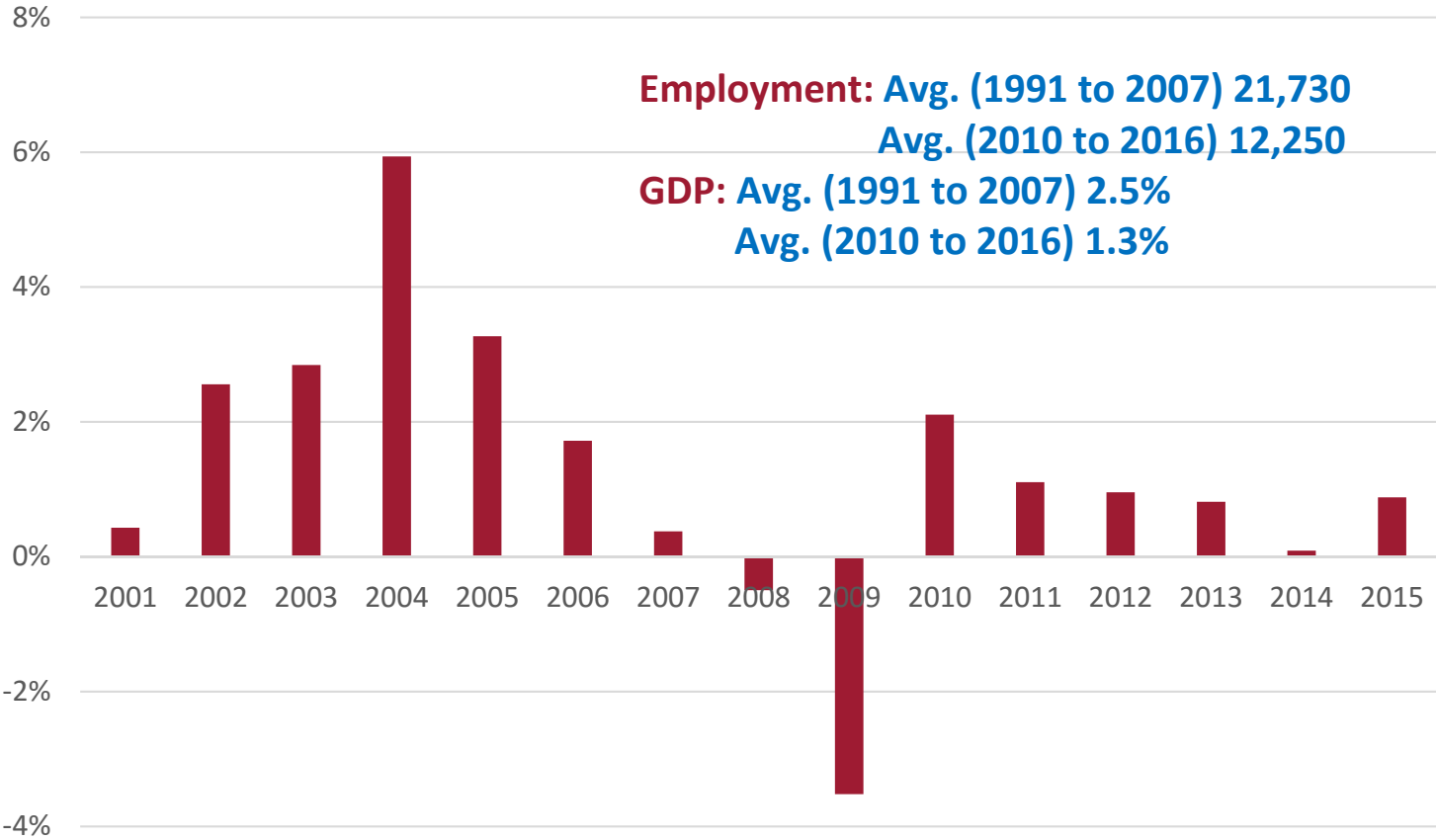
2017 ALABAMA ECONOMIC OUTLOOK

Ahmad Ijaz
Center for Business & Economic Research
Culverhouse College of Commerce
The University of Alabama
29th Annual Economic Outlook Conference, January 12, 2017

THE UNIVERSITY OF
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Percent Change in Alabama Real GDP



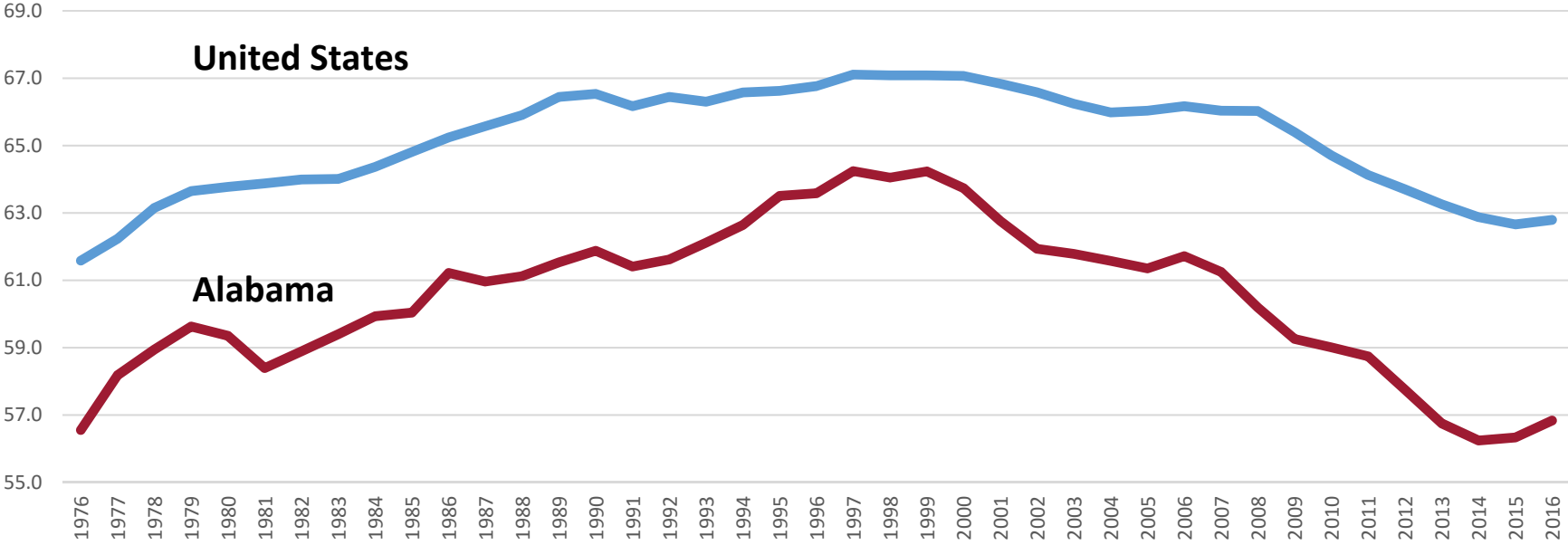
Employment: Avg. (1991 to 2007) 21,730
Avg. (2010 to 2016) 12,250
GDP: Avg. (1991 to 2007) 2.5%
Avg. (2010 to 2016) 1.3%



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Labor Force Participation Rate (Annual)

Labor Force Participation Rate (Annual)



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Source: Bureau of Labor Statist

Alabama Jobs Scorecard

	January 2011	November 2016	Change
Total Nonagricultural	1,839,400	1,990,200	150,800
Mining and Logging	12,100	10,500	-1,600
Construction	77,200	78,100	900
Manufacturing	233,200	265,000	31,800
Durable Goods Manufacturing	143,500	171,500	28,000
Nondurable Goods Manufacturing	89,700	93,500	3,800
Trade, Transportation and Utilities	358,800	391,300	32,500
Wholesale Trade	70,900	71,700	800
Retail Trade	221,500	244,600	23,100
Transportation, Warehousing and Utilities	66,400	75,000	8,600
Information	23,500	21,300	-2,200
Financial Activities	91,100	100,400	9,300
Professional and Business Services	208,200	233,500	25,300
Educational and Health Services	213,200	234,400	21,200
Leisure and Hospitality	159,500	189,800	30,300
Other Services	78,400	81,500	3,100
Government	384,200	384,400	200
Federal Government	57,200	53,800	-3,400
State Government	110,400	115,000	4,600
Local Government	216,600	215,600	-1,000



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Source: Alabama Department of Labor, Labor Market Information Division.

Alabama Nonagricultural Employment

Change in Number of Jobs

	November 2014 to November 2015	November 2015 to November 2016
Total Nonagricultural	27,500	19,000
Mining and Logging	-800	-300
Construction	500	-3,500
Manufacturing	2,500	6,800
Durable Goods Manufacturing	200	3,200
Nondurable Goods Manufacturing	2,300	3,600
Trade, Transportation and Utilities	6,400	2,800
Wholesale Trade	600	-2,800
Retail Trade	5,200	4,100
Transportation, Warehousing and Utilities	600	1,500
Information	-600	0
Financial Activities	1,100	4,500
Professional and Business Services	5,500	600
Educational and Health Services	6,600	2,000
Leisure and Hospitality	8,000	-500
Other Services	1,000	1,100
Government	-2,700	5,500
Federal Government	-400	800
State Government	-100	2,600
Local Government	-2,200	2,100

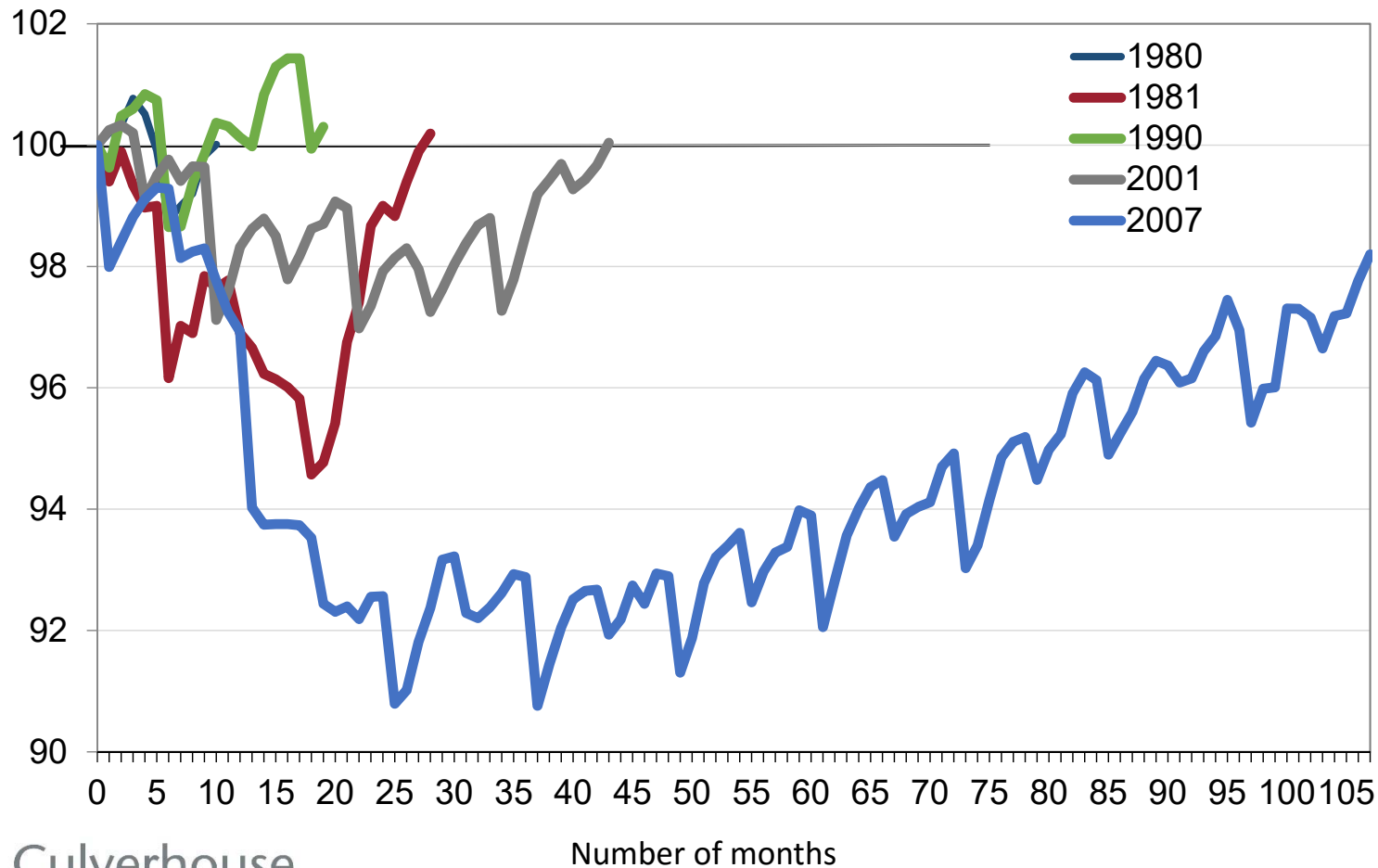


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Source: Alabama Department of Labor, Labor Market Information Division.

Change in Alabama Employment From the Beginning of the Recession



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Tax Revenues (FY2017, Year to Date December 2016)

Tax	Total Collection	Percent Change From Year Ago	Change in Revenue from Year Ago Level
Total	\$2,518,612,171	5.7%	\$134,878,530
Income (Individual)	\$927,352,416	3.3%	\$29,869,620
Sales	\$571,109,718	3.0%	\$16,593,479



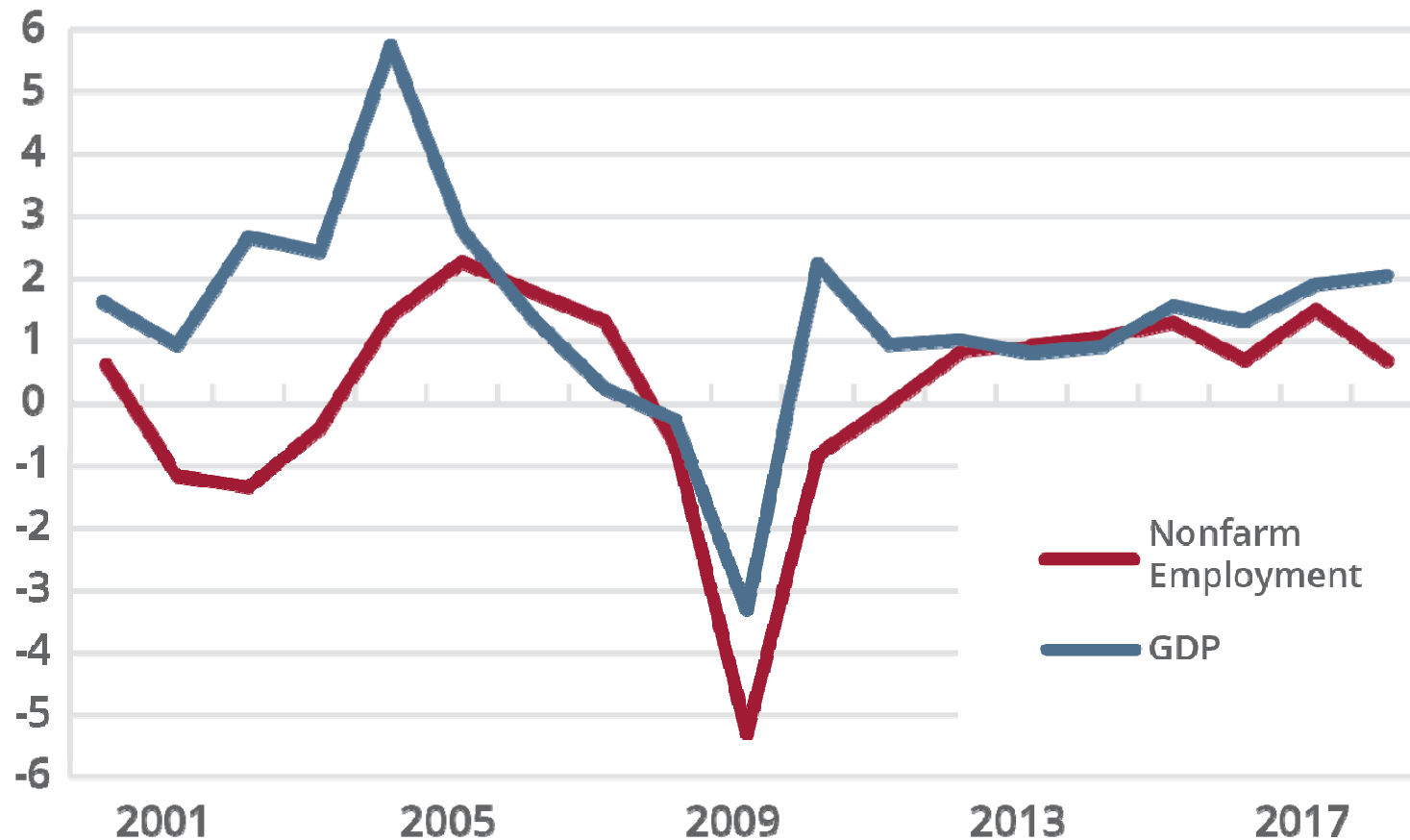
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Source: Alabama Department of Revenue

Alabama GDP and Nonfarm Employment

(Annual Percent Change)

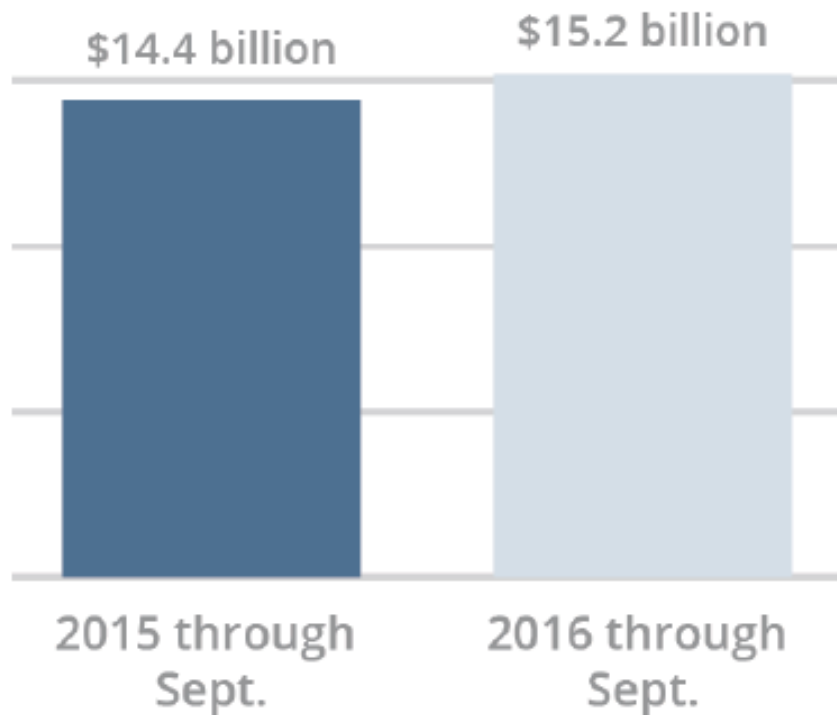


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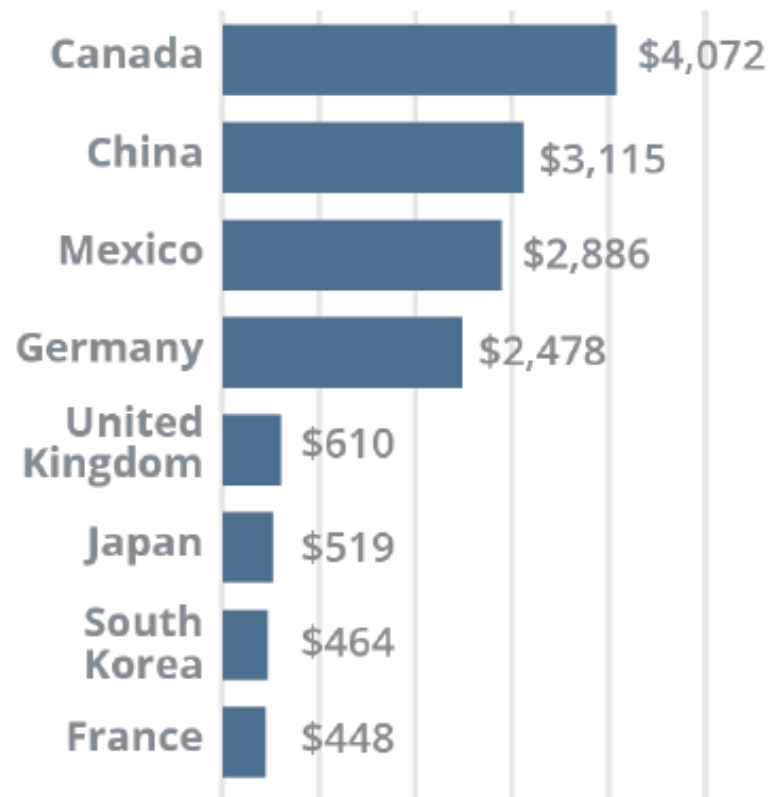
Source: U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics and Center for Business and Economic Research, The University of Alabama.

Alabama Goods Exports: Up 5.7% from 2015 to 2016



Source: U.S. Census Bureau, USA Trade Online.

Alabama's Top Goods Export Markets, 2015 (Millions \$)



Source: U.S. Census Bureau, USA Trade Online.

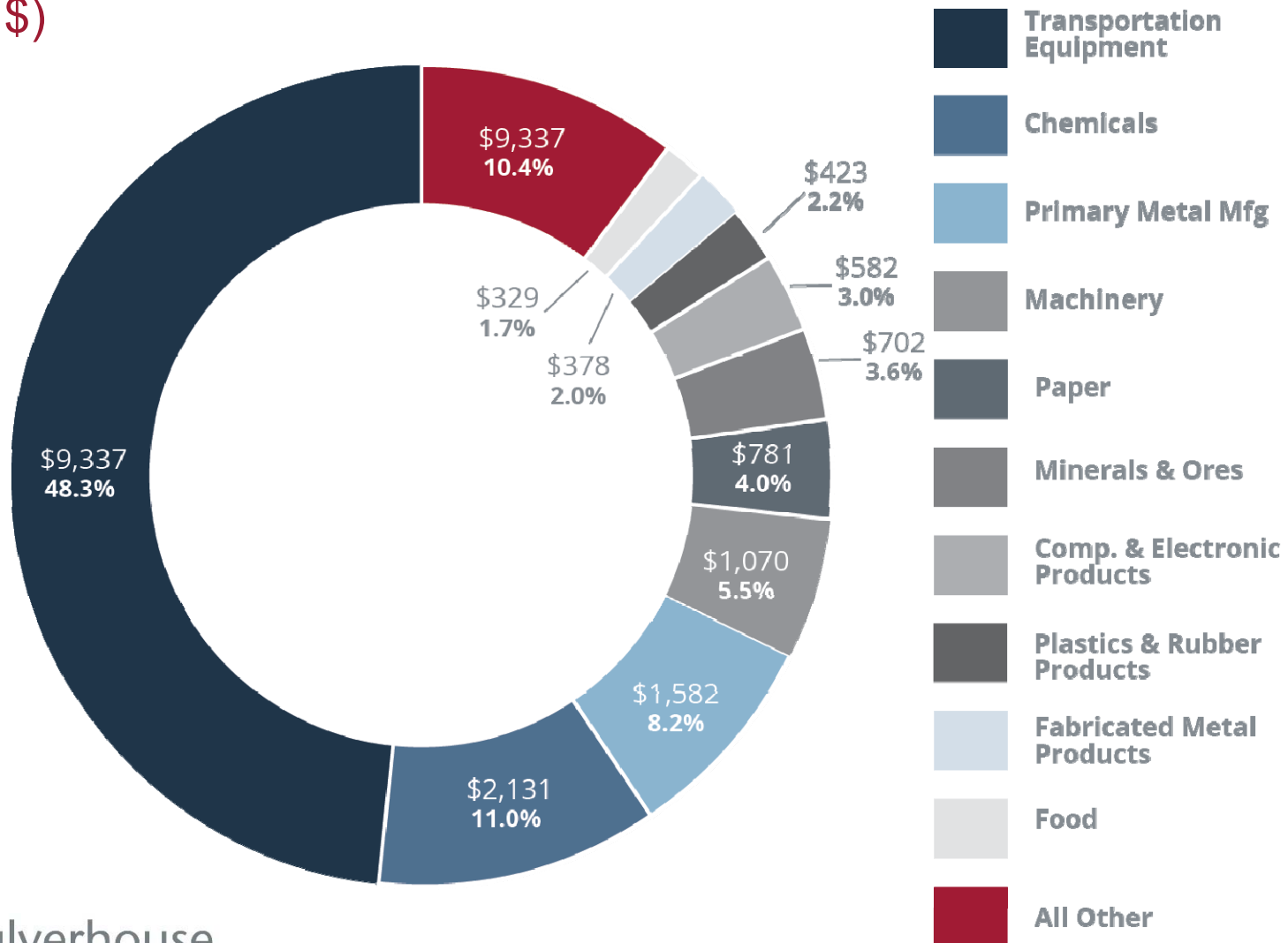


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Alabama's Goods Export Industries, 2015

(Millions \$)

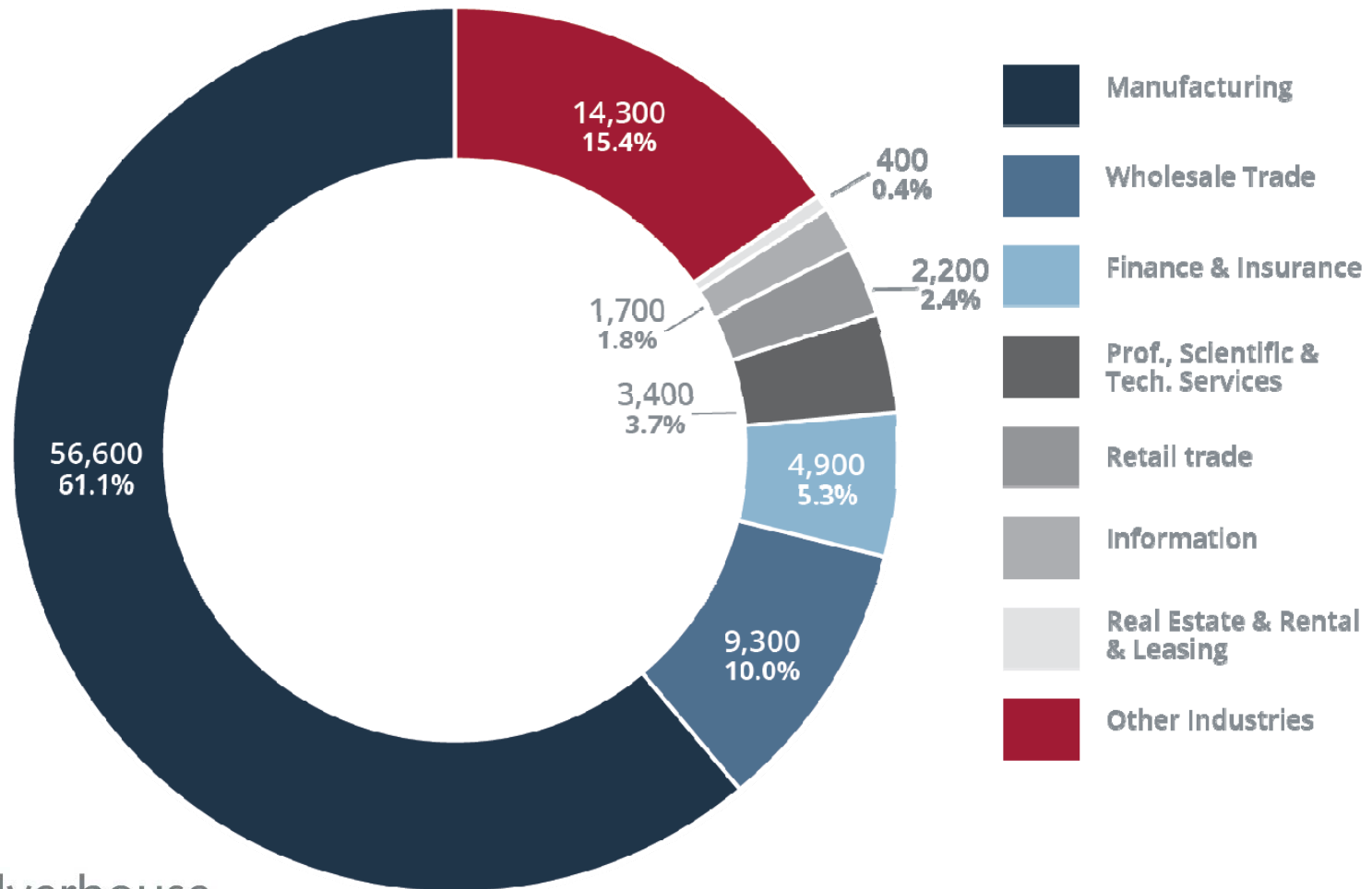


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Source: U.S. Census Bureau, USA Trade Online and Center for Business and Economic Research, The University of Alabama.

Alabama Employment in Foreign-Owned Firms by Industry (2014, Total: 92,800)

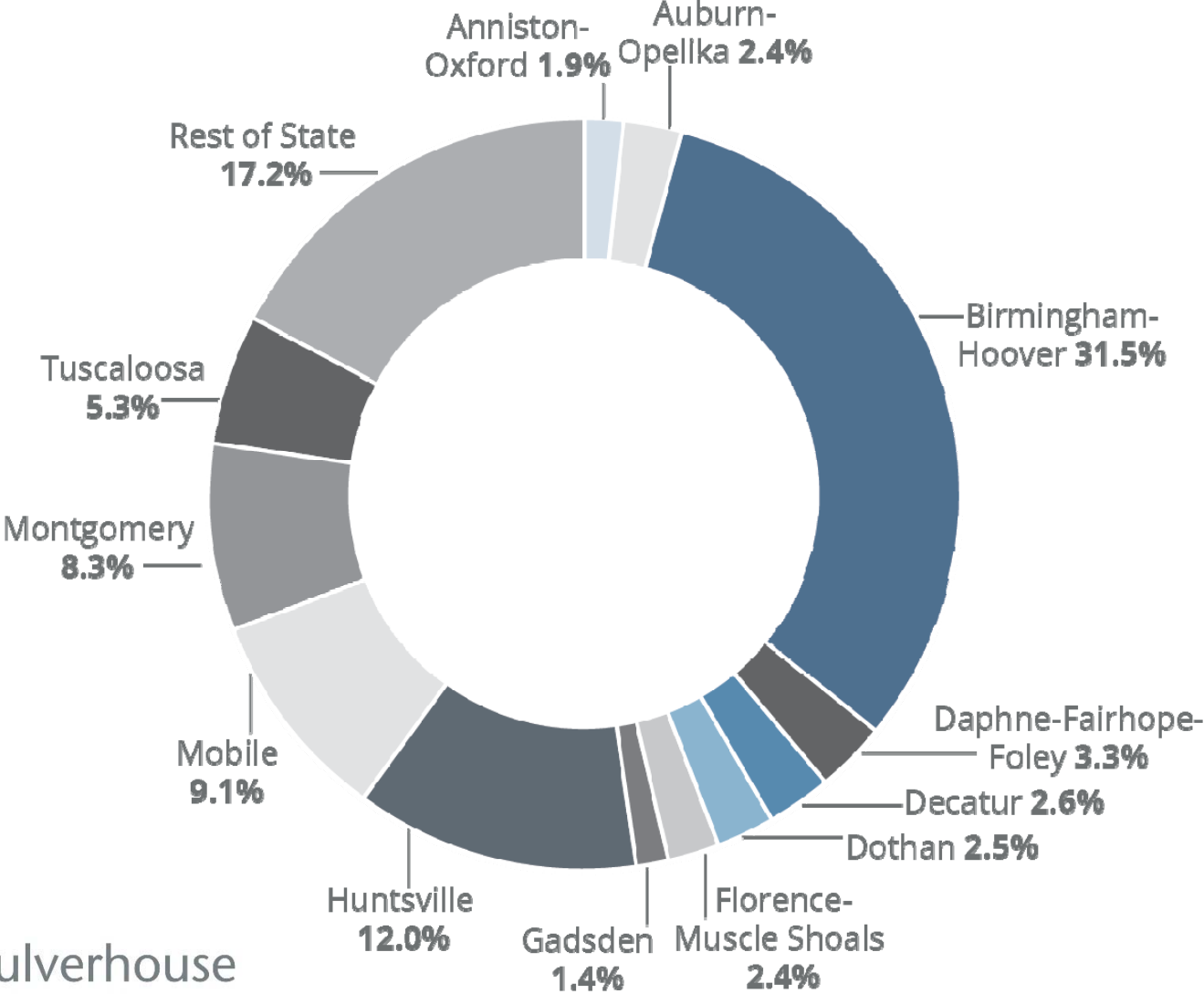


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Source: U.S. Bureau of Economic Analysis and Center for Business and Economic Research, The University of Alabama.

Metro Share of State GDP, 2015



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Source: U.S. Bureau of Economic Analysis, Center for Business and Economic Research, The University of Alabama

Metro Share of State Exports (Percent)

	2015	2014
Alabama	100.0	100.0
Anniston-Oxford-Jacksonville	1.5	1.4
Auburn-Opelika	2.3	2.2
Birmingham-Hoover	9.3	9.3
Daphne-Fairhope-Foley	4.6	2.7
Decatur	2.9	3.5
Dothan	1.1	1.7
Florence-Muscle Shoals	2.0	1.2
Gadsden	0.3	0.4
Huntsville	7.0	7.4
Mobile	9.5	10.2
Montgomery	7.2	8.9
Tuscaloosa	NA	NA



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Source: U.S. Department of Commerce, International Trade Administration

Metro Exports, 2015

	Total Merchandise Exports	Percent Change from 2014
Alabama	\$19.3 billion	-0.6
Anniston-Oxford-Jacksonville	\$281.1 million	1.3
Auburn-Opelika	\$438.4 million	4.7
Birmingham-Hoover	\$1.8 billion	-0.7
Daphne-Fairhope-Foley	\$880.2 million	65.6
Decatur	\$563.4 million	-17.7
Dothan	\$221.4 million	-33.7
Florence-Muscle Shoals	\$393.7 million	74.4
Gadsden	\$56.6 million	-22.9
Huntsville	\$1.3 billion	-6.6
Mobile	\$1.8 billion	-7.8
Montgomery	\$1.4 billion	-19.6
Tuscaloosa	NA	NA

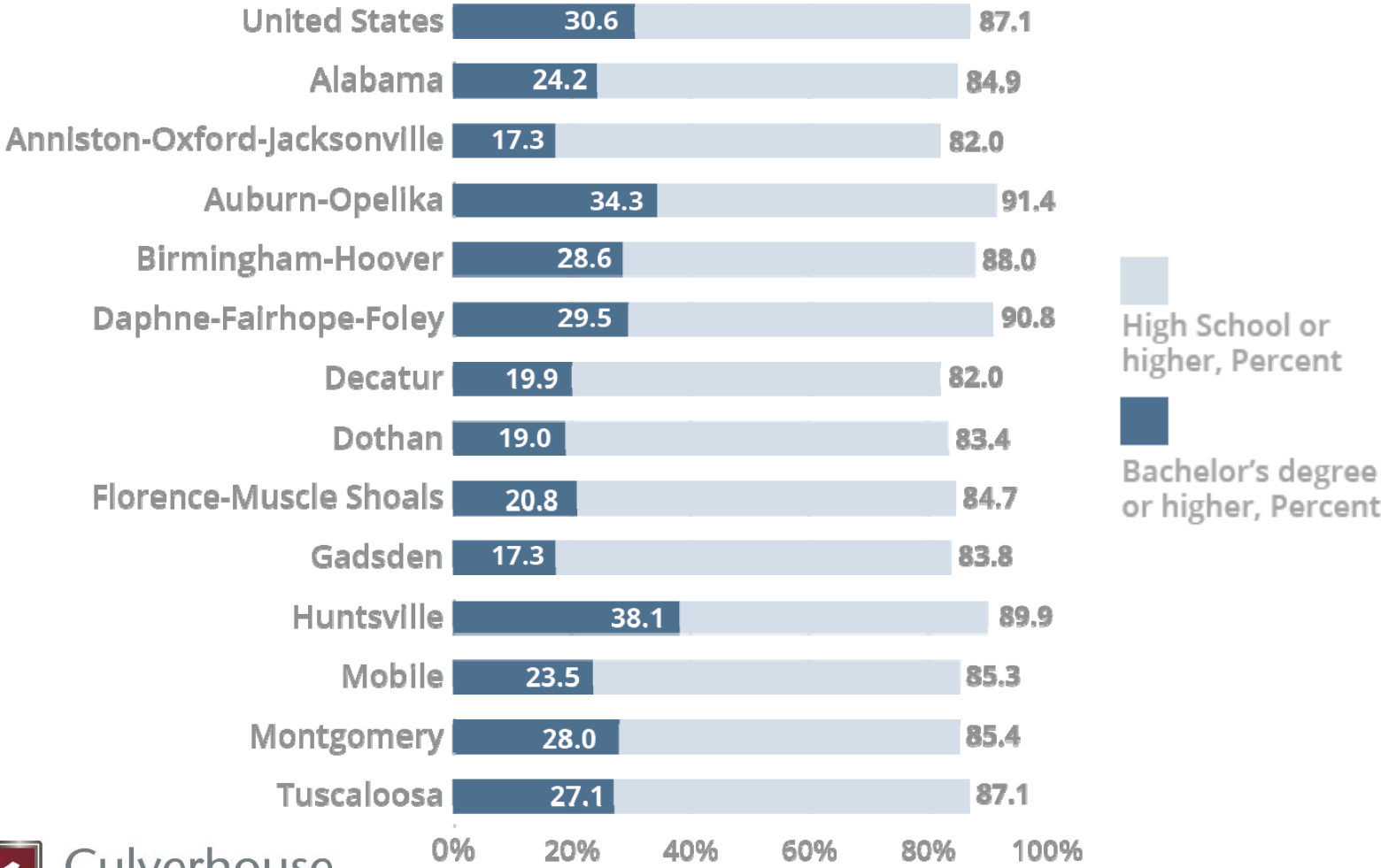


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Source: U.S. Department of Commerce, International Trade Administration.

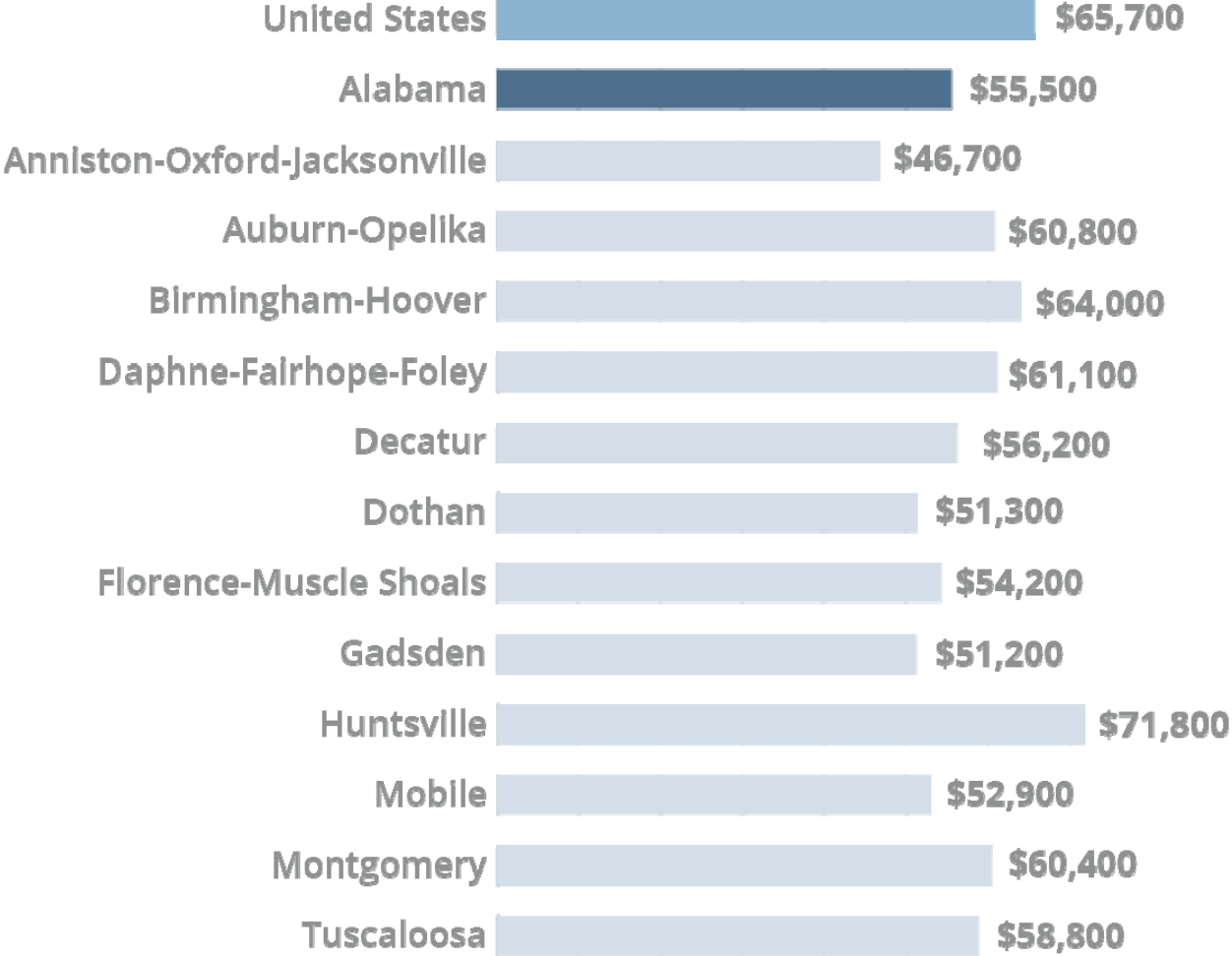
Educational Attainment, 2015



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Note: Percent of population 25 years and over.
 Source: U.S. Census Bureau, 2015 American Community Survey 1-year estimates

Median Family Income, FY2016



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Source: U.S. Department of Housing and Urban Development, Office of Economic Affairs, Economic and Market Analysis Division.

Total Homes Sold

	2016	Percent Change from 2015
Alabama	41,643	6.5%
Anniston-Oxford-Jacksonville	1,171	10.4%
Auburn-Opelika	1,479	11.2%
Birmingham-Hoover	12,027	9.3%
Daphne-Fairhope-Foley	4,214	2.7%
Decatur	1,154	6.3%
Dothan	1,036	8.8%
Florence-Muscle Shoals	1,183	-5.7%
Gadsden	747	17.3%
Huntsville	5,872	11.1%
Mobile	3,514	5.8%
Montgomery	3,307	-1.7%
Tuscaloosa	1,924	16.7%



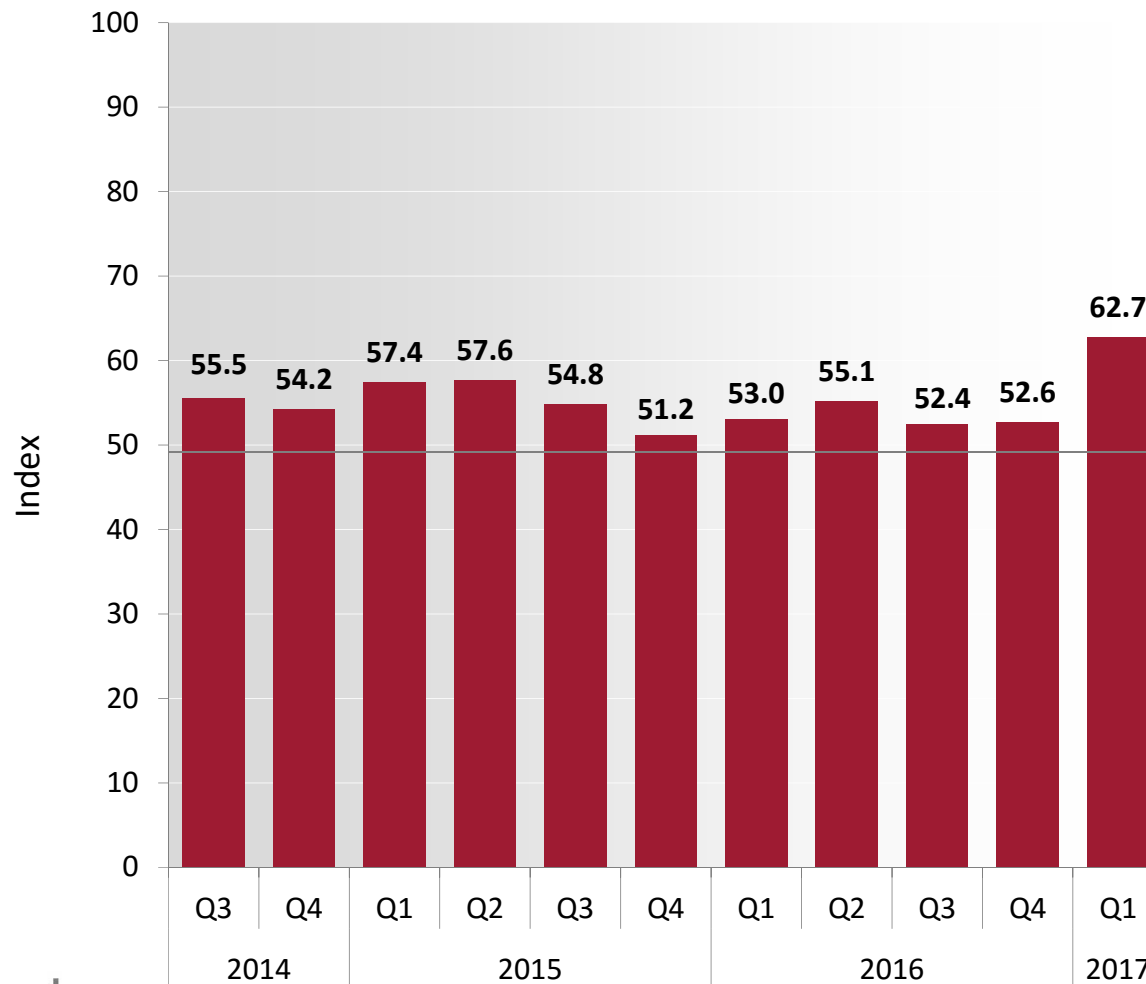
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*Note: Data for both 2016 and 2015 cover the period January through September.
Source: Alabama Center for Real Estate, The University of Alabama.*

ABCI

Expectations from Previous Quarters

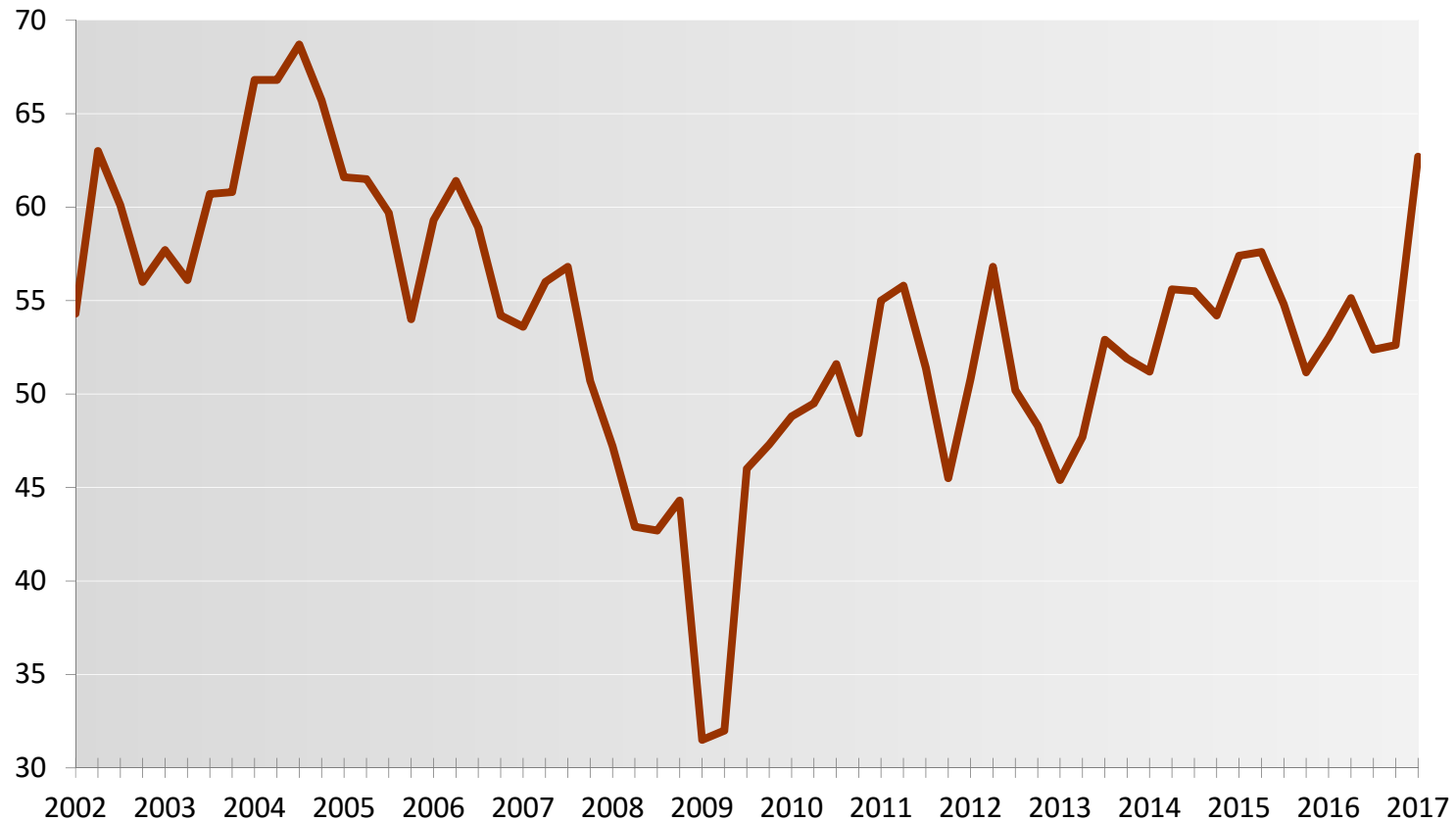


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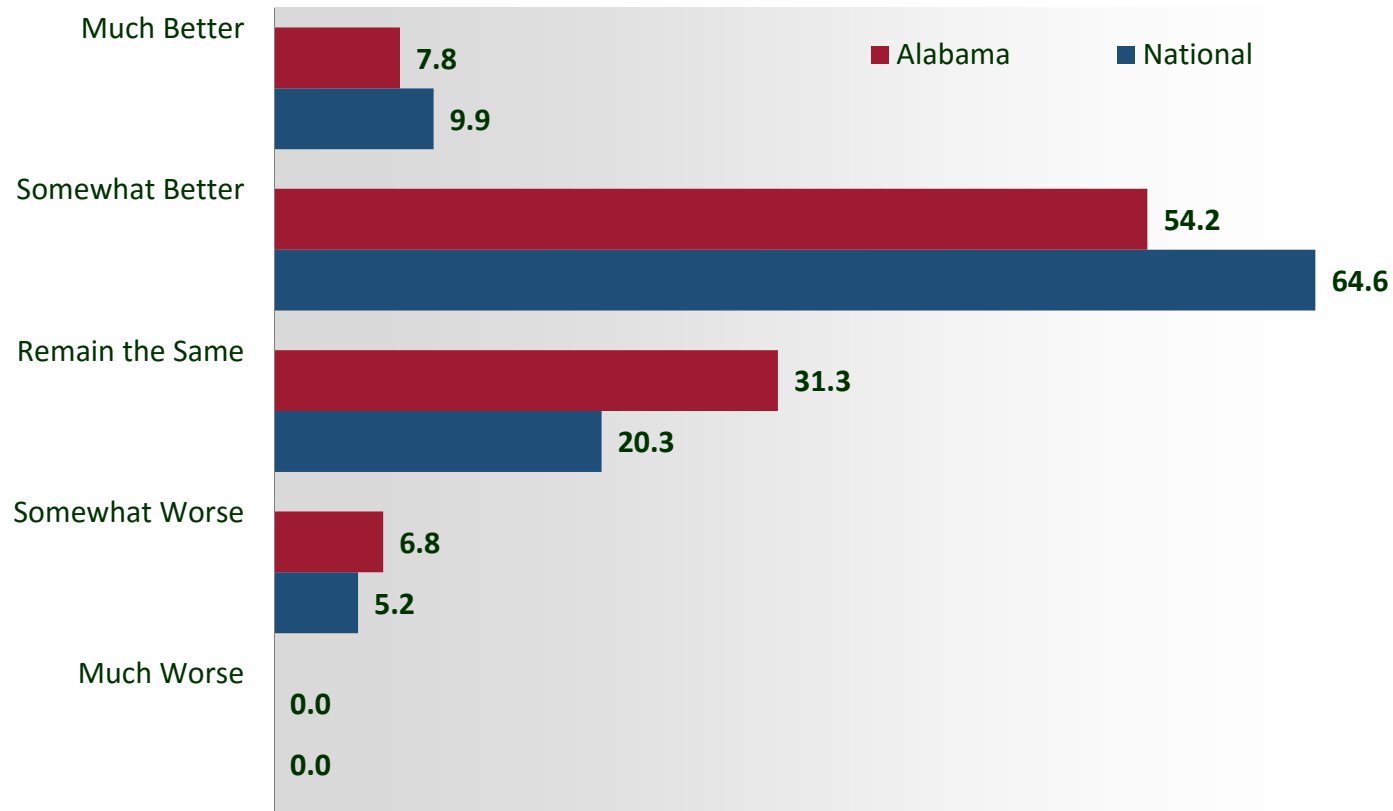
Source: Center for Business and Economic Research, The University of Alabama.

ABCI History



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Alabama and National Economic Outlook

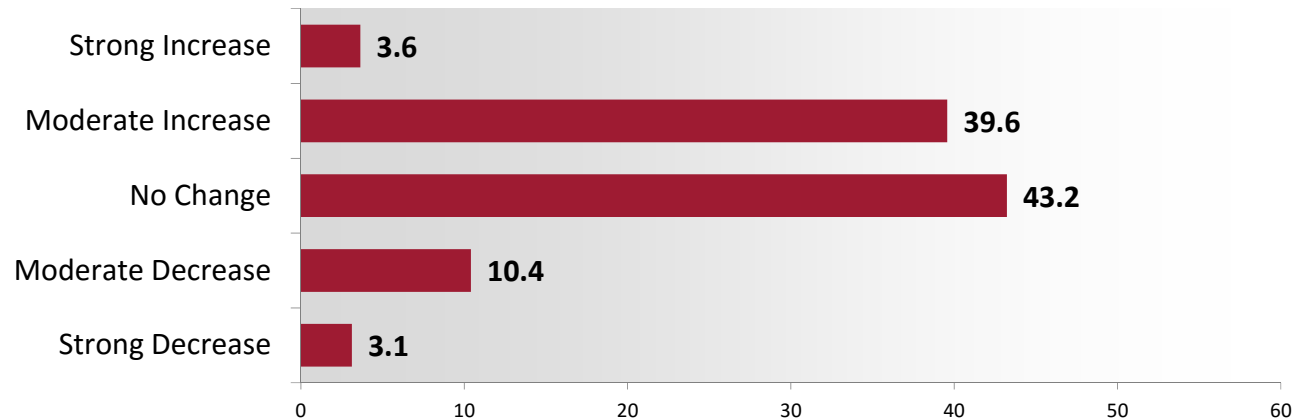


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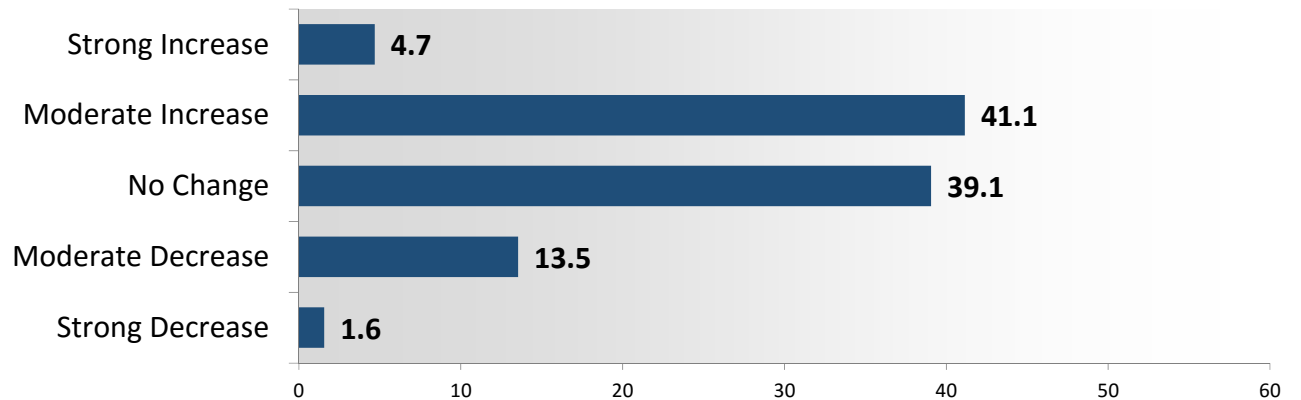
Industry Performance Expectations

Q1 2017 compared to Q4 2016

Hiring Plans



Capital Expenditures

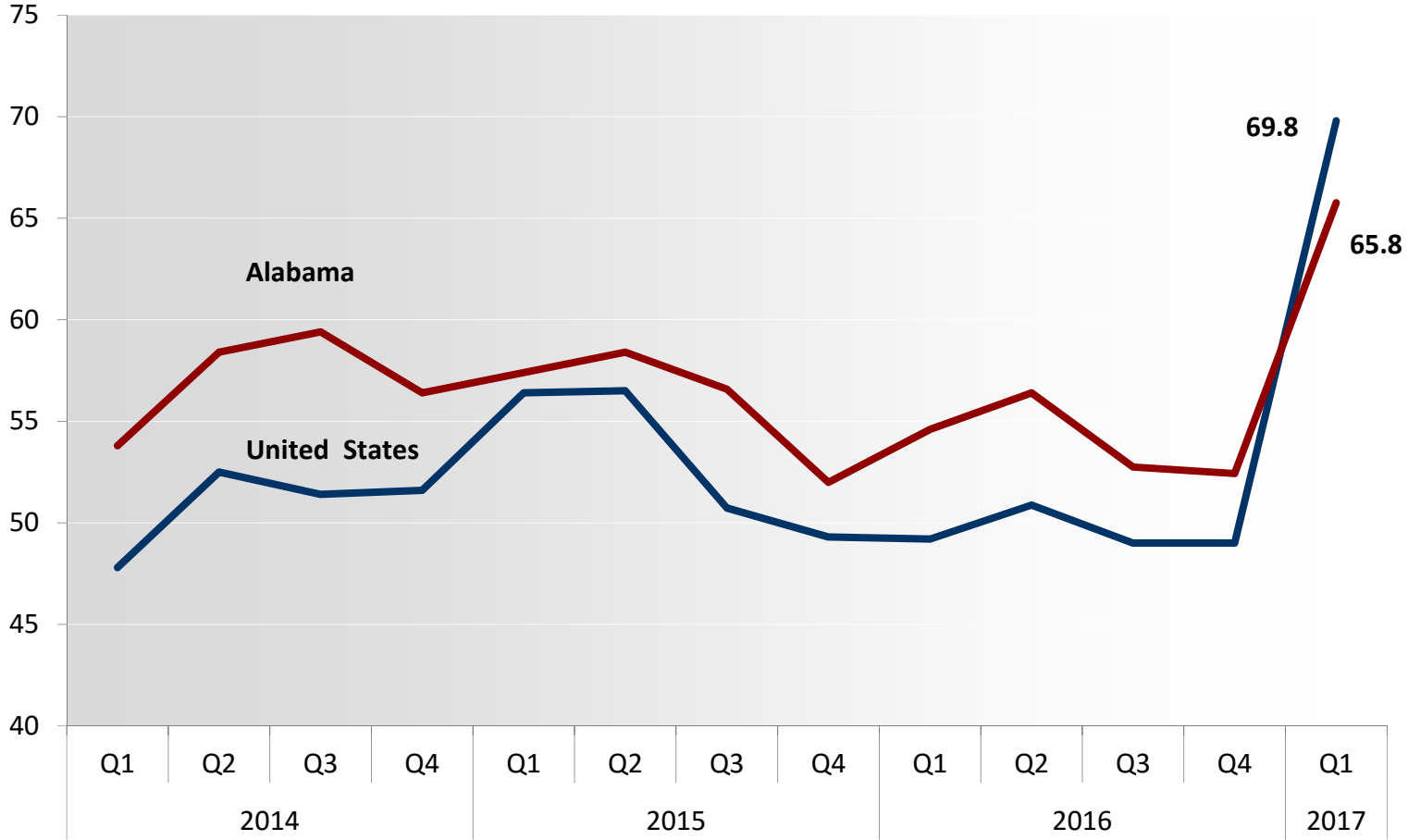


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U.S. and Alabama Economies

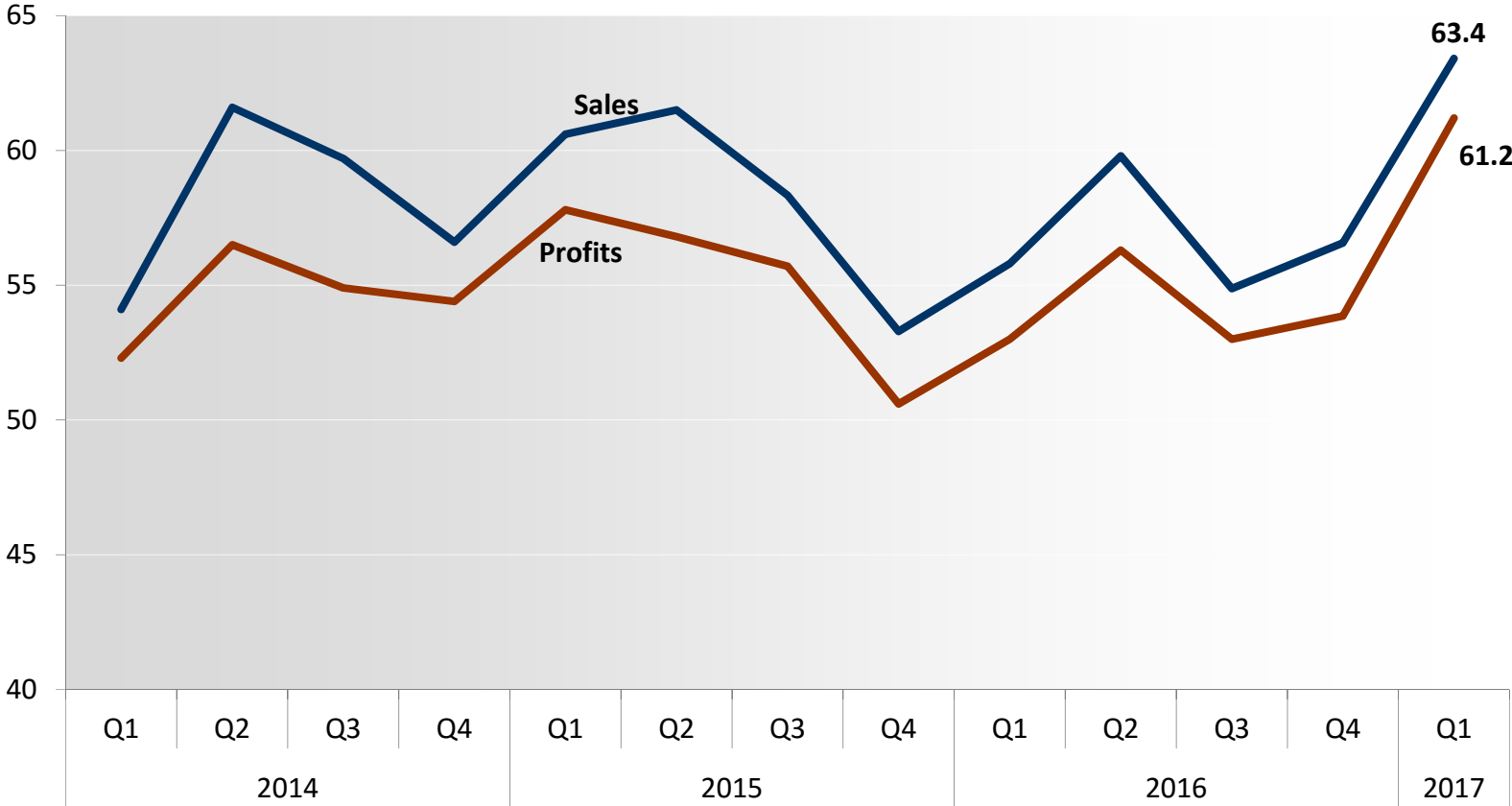
Expectations versus Prior Quarter



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Sales and Profits

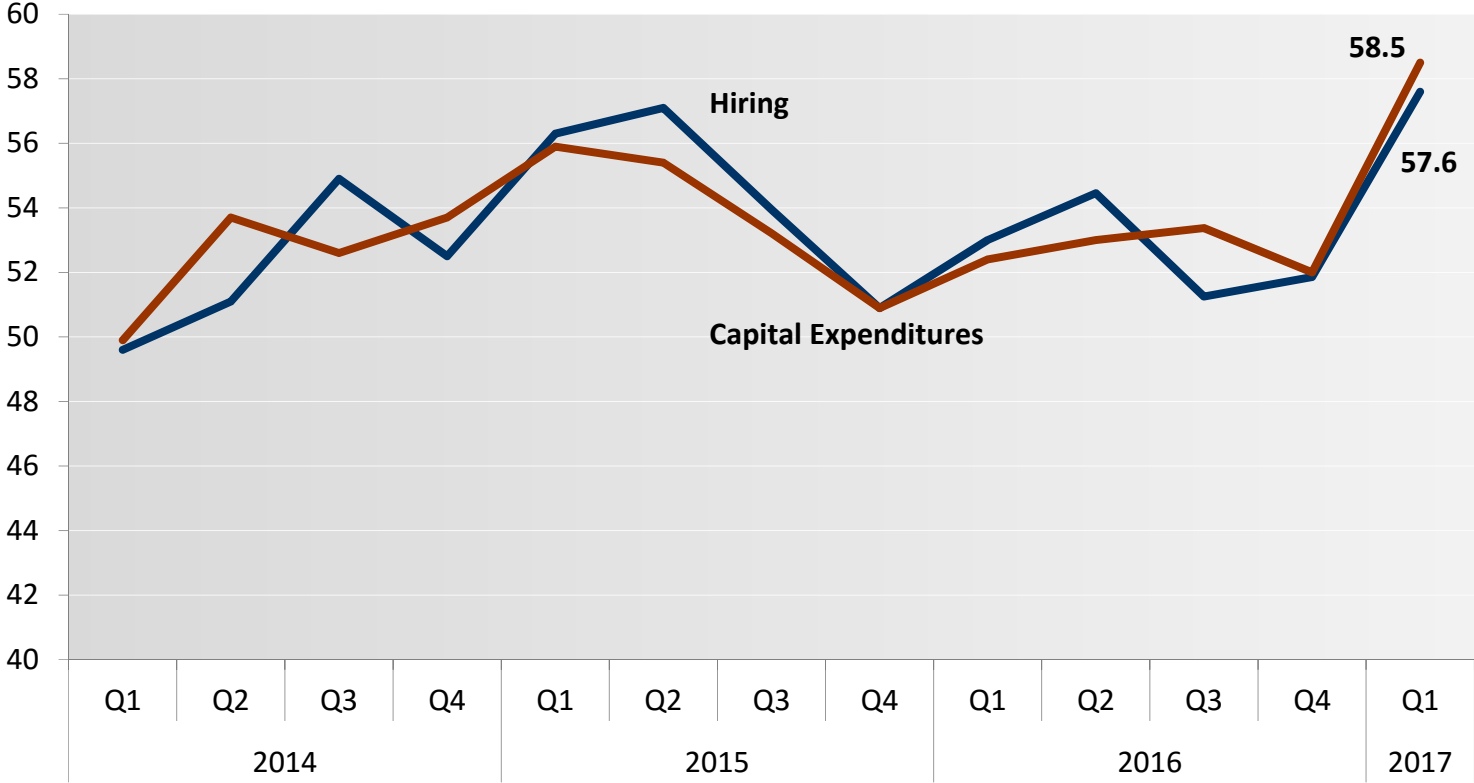
Expectations versus Prior Quarter



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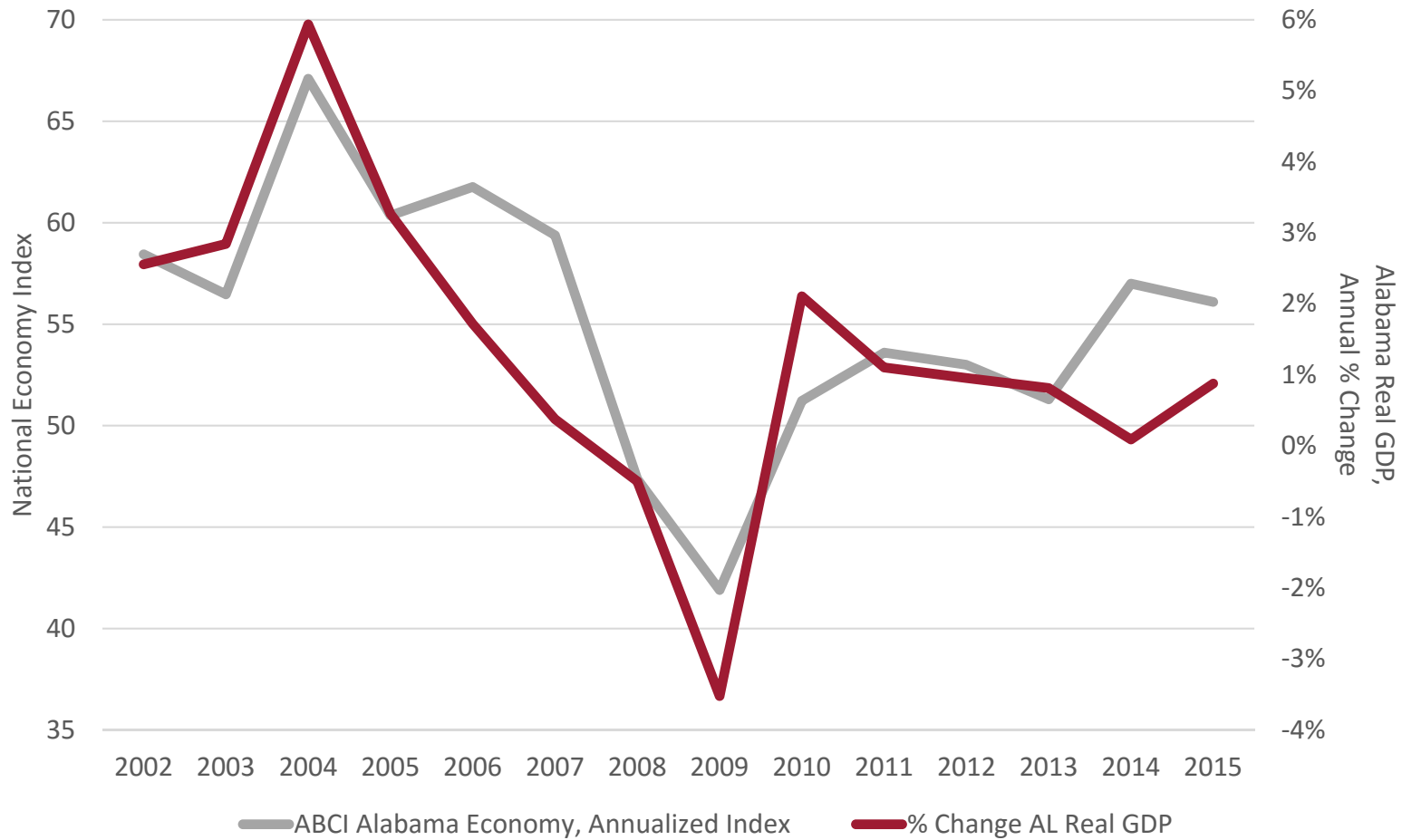
Hiring and Capital Expenditures

Expectations versus Prior Quarter



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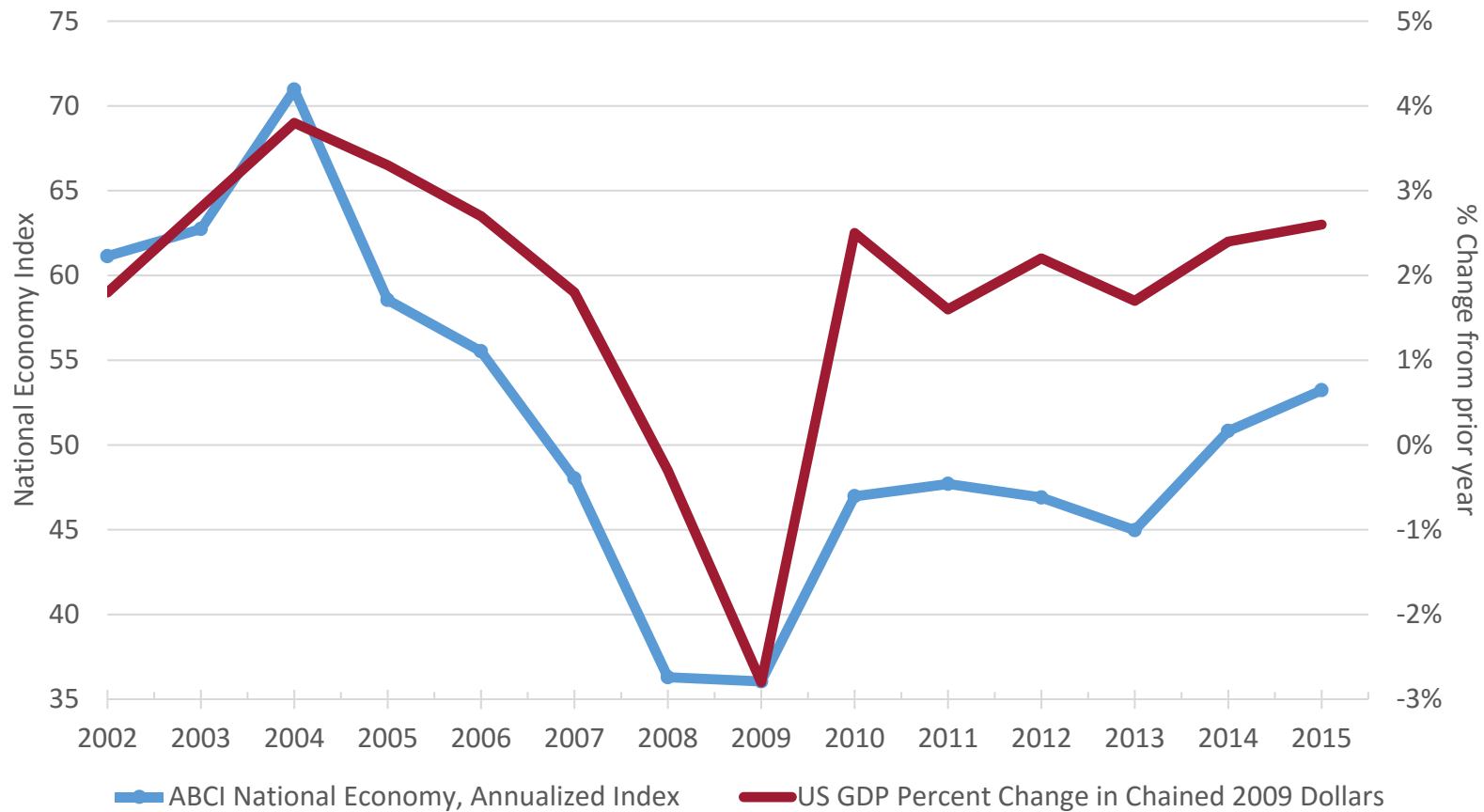
ABCI Alabama Index vs. Alabama GDP



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Source: U.S. Bureau of Economic Analysis, IHS Global Insight, and Center for Business and Economic Research, The University of Alabama

ABCI U.S. Index vs. U.S. GDP



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Source: U.S. Bureau of Economic Analysis and Center for Business and Economic Research, The University of Alabama.

ABCI and Real GDP



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Source: U.S. Bureau of Economic Analysis and Center for Business and Economic Research,
The University of Alabama

Alabama Forecast Summary

- This Alabama GDP and employment forecast summary is the CBER December 2016 forecast
- Preliminary 2017 forecast also included below

Probability: Forecast (60 Percent) and Range (90 percent)

(Percent change)	2014	2015	2016	2017
Real GDP	0.9	1.6	1.3	1.9
range		1.8 to 2.5	0.5 to 3.0	1.0 to 3.5
Employment	1.1	1.5	0.8	1.0
range		1.0 to 1.4	0.8 to 1.5	0.5 to 1.5
Total Tax Receipts, FY	1.3	4.0	1.2	2.0
range				1.0 to 3.5



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