

### Mobile Business Leaders Confidently Move into Fourth Quarter

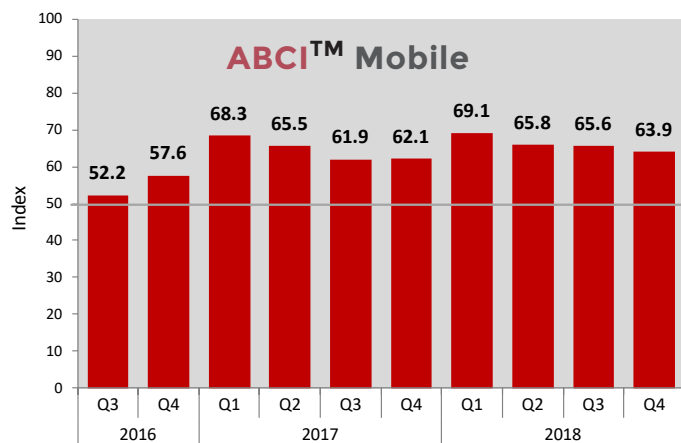
Heading into the fourth quarter of 2018, Mobile business leaders anticipate another quarter of economic growth. After just a 1.7-point decrease to register at 63.9, overall confidence in the metro area is the highest in the state. The industry hiring and statewide economic outlook registered as very confident, both reaching 65.4 this quarter. The metro communicated strong expectations for growth in the industry components of the survey, with all registering at or above 61.5.

A 53.8-percent majority of Mobile businesses feel that sales in the upcoming quarter will grow compared to Q3 2018's levels, causing the sales index increase 0.9 points to reach a very confident 64.4. Only 3.8 percent forecast a decrease in sales in the fourth quarter, while 42.3 percent expect a continuation of the previous quarter's sales.

The Q4 2018 index for profits also grew in confidence, registering at 64.4 after a 3.0-point gain this quarter. Again, 53.8 percent of area panelists expect to increase their profits in the coming quarter, while 38.5 percent forecast steady profits. The remaining 7.7 percent of Mobile's respondents anticipate a decrease compared to profits earned in Q3 2018.

Confidence in increased hiring is high in the current quarter with an index of 65.4, after increasing 3.9 points from its Q3 2018 levels. Exactly half of of Mobile businesses foresee an increase in hiring, while the other half expect to hire at the same pace. No Mobile panelists expect hiring to slow in the fourth quarter.

The capital expenditures index decreased 1.0 points to a confident 62.5 in the fourth quarter of 2018. Only 3.8 percent of panelists forecast slower capital expenditures in the coming quarter, while 53.8 percent anticipate an increase, and 42.3 percent expect to continue at the previous quarter's level of spending.



### Fourth Quarter 2018 Outlook

	Mobile	Alabama
ABCI	63.9	62.5
National Economy	61.5	62.8
Alabama Economy	65.4	65.9
Industry Sales	64.4	61.7
Industry Profits	64.4	60.3
Industry Hiring	65.4	61.8
Capital Expenditures	62.5	62.5

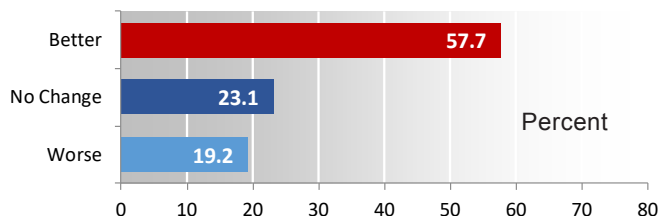
Index above 50 indicates positive outlook as compared to last quarter. Index below 50 indicates negative outlook as compared to last quarter. Gray increase from previous quarter. Red decrease from previous quarter. Blue no change.

### Mobile Metro Area: Business Environment Expectations Q4 2018 compared to Q3 2018

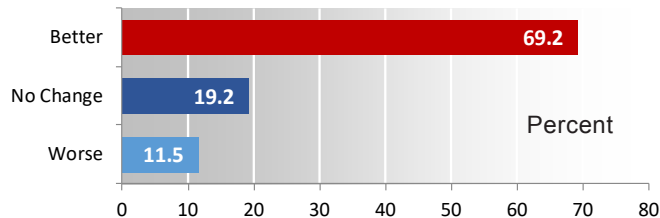
The area's national economic outlook is also optimistic at 61.5 even after a 10.3-point decrease from the record high previous quarter. With 57.7 percent, most area panelists are forecasting better national economic conditions in Q4 2018. A group of 23.1 percent of area business leaders anticipate no change, and 19.2 percent expect worse national economic conditions compared to Q3 2018.

Mobile business executives are still feeling confident about improved statewide business conditions this quarter despite a 6.5-point decrease to reach 65.4. A 69.2-percent majority of area business leaders anticipate better statewide economic conditions, while 19.2 percent expect no change from last quarter, and 11.5 percent of Mobile panelists forecast a worse Alabama economic outlook compared to Q3 2018.

### National Economic Outlook



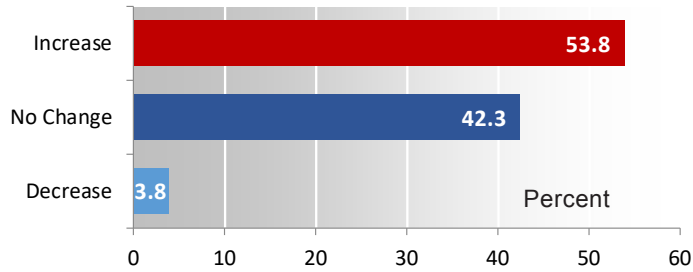
### Alabama Economic Outlook



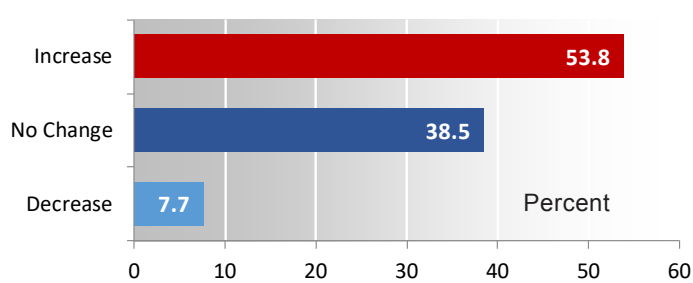
# ALABAMA BUSINESS CONFIDENCE INDEX Mobile Metro Area

## Mobile Metro Area: Industry Performance Expectations Q4 2018 compared to Q3 2018

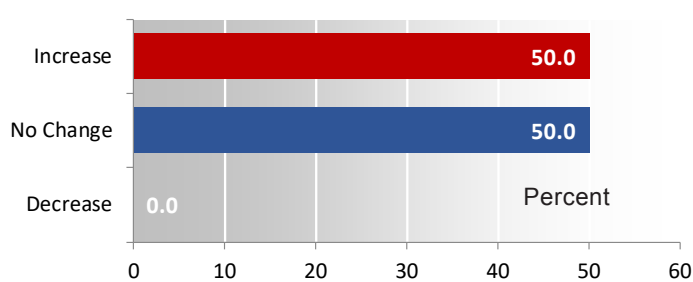
### Sales



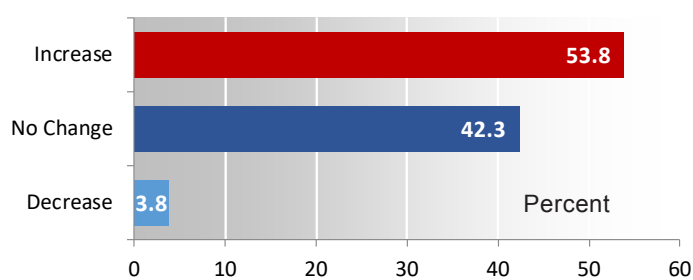
### Profits



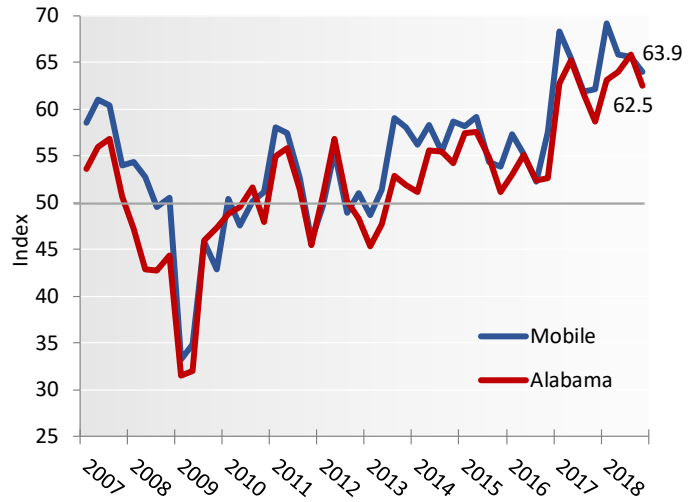
### Hiring



### Capital Expenditures



## Historical ABCI Q1 2007 through Q4 2018

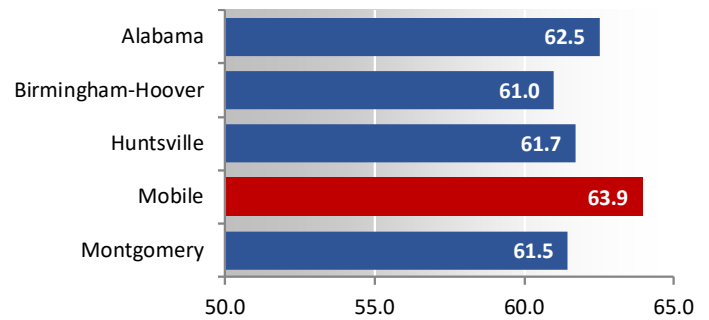


### ABCI Mobile in Context

Business confidence Mobile decreased but remained high moving into Q4 2018, dropping 1.7 points to register at 63.9. The Mobile ABCI has been positive for 23 consecutive quarters and especially confident since Q1 2017, with an average index of 65.3. This indicates business leaders' sustained expectations for economic growth in the Mobile metro area.

Despite decreases in the indexes, business sentiment in Alabama's four largest metro areas continued to register as very positive in the fourth quarter of 2018 with all ABCIs registering at or above 61. Mobile is forecasting growth with the most confidence with an area index of 63.9. Huntsville and Montgomery followed with ABCIs of 61.7 and 61.5, respectively. With an ABCI of 62.8, Birmingham-Hoover business confidence is the lowest, but area businesses are still anticipating growth in the coming quarter with strong confidence.

### ABCI by Metro Area Q4 2018



The Center for Business and Economic Research would like to thank all Mobile metro area business executives who completed the fourth quarter 2018 ABCI survey. We look forward to a continuing partnership with the Mobile Area Chamber of Commerce and encourage you to return for the first quarter 2019 survey December 1-15.

For more details on the Alabama Business Confidence Index™, visit [cber.cba.ua.edu/ABCI](http://cber.cba.ua.edu/ABCI).  
Analysis provided by Susannah Robichaux, Socioeconomic Analyst.