

### Decreased Mobile Still Confident in First Quarter of 2019

Moving into the first quarter of 2019, business confidence in Mobile decreased 6.5 points but remained moderately confident at 57.5. The metro's business leaders continue to forecast economic growth: though all of the component indexes decreased compared to Q4 2018's levels, they were all above 51, indicating positive expectations.

The sales index decreased 3.9 points to register at a very confident 60.5 for Q1 2019. At 47.4-percent, just under half of all Mobile business leaders anticipate an increase in sales; 10.5 percent of panelists indicated expectations for slower sales; and 42.1 percent forecast no change compared to their fourth quarter sales.

Mobile businesses expect profits to increase with milder confidence, as shown by the index reading of 55.3 after a 9.2 decrease from Q4 2018. About 42.1 percent of local business leaders expect an increase in profits, 31.6 percent anticipate a continuation of Q3's levels, and 26.3 percent forecast a decrease in profits in Q1 2019.

Hiring in Mobile is expected to increase in the coming quarter with a very confident index reading of 60.5, after a 4.9-point decrease. Panelists fell into the same groupings as the sales index: 47.4 percent of Mobile executives plan to increase hiring in the coming quarter, 42.1 percent expect to continue hiring at the same pace as Q4 2018, and 10.5 percent of area panelists anticipate slowing their hiring this quarter.

Metro panelists are confidently anticipating an increase in capital investment with an index of 61.8 after a 0.7-point decrease, making it the highest component index this quarter. No Mobile panelists anticipate a decrease in capital spending compared to their fourth quarter 2018 levels. A 57.9-percent majority forecast no change, and 42.1 percent expect to increase their spending levels.

### First Quarter 2019 Outlook

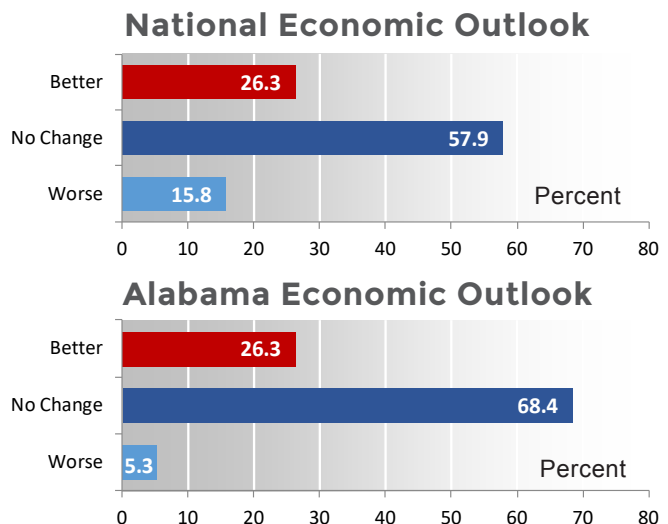
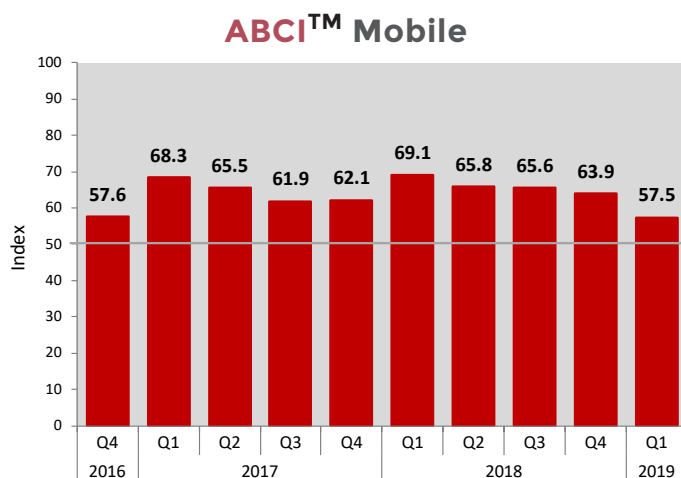
|                      | Mobile | Alabama |
|----------------------|--------|---------|
| ABCI                 | 57.5   | 56.4    |
| National Economy     | 51.3   | 53.3    |
| Alabama Economy      | 55.3   | 59.2    |
| Industry Sales       | 60.5   | 56.1    |
| Industry Profits     | 55.3   | 53.9    |
| Industry Hiring      | 60.5   | 59.2    |
| Capital Expenditures | 61.8   | 57.0    |

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 Q1 2019 compared to Q4 2018

Though the national index decreased 10.2 points in the Q1 2019 survey, expectations for the national economy remain mildly positive at 51.3. A 57.9 percent of majority of Mobile business leaders anticipate no change in economic conditions in the coming quarter, and 26.3 percent expect a stronger national outlook. The remaining 15.8 percent of panelists forecast worse U.S. conditions compared to Q4 2018.

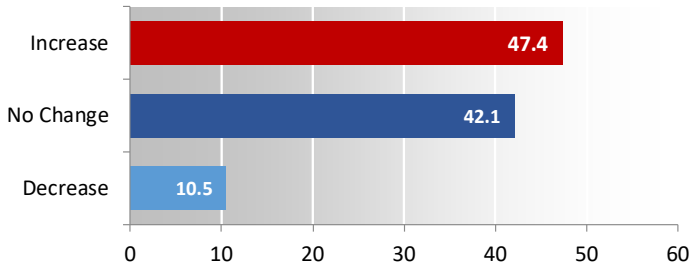
Expectations for the Alabama economic outlook were more optimistic with an index of 55.3 after decreasing 10.1 points in the Q1 2019 survey. At 68.4 percent, most Mobile business leaders anticipate a continuation of the previous quarter's conditions. Only 5.3 percent of area panelists expressed expectations for a worse statewide economy while 26.3 percent expect a stronger economy throughout Alabama.



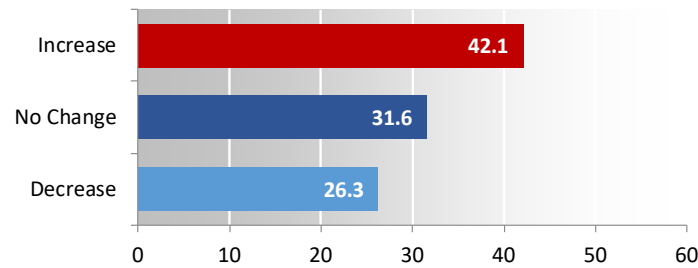
# ALABAMA BUSINESS CONFIDENCE INDEX Mobile Metro Area

## Mobile Metro Area: Industry Performance Expectations Q1 2019 compared to Q4 2018

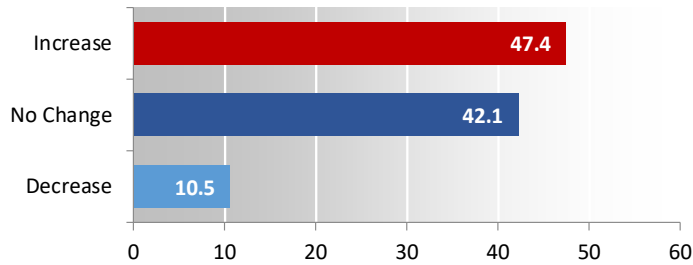
### Sales



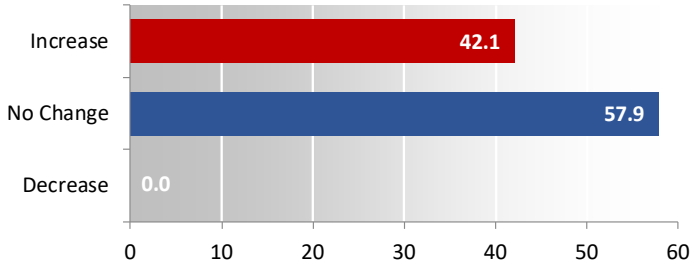
### Profits



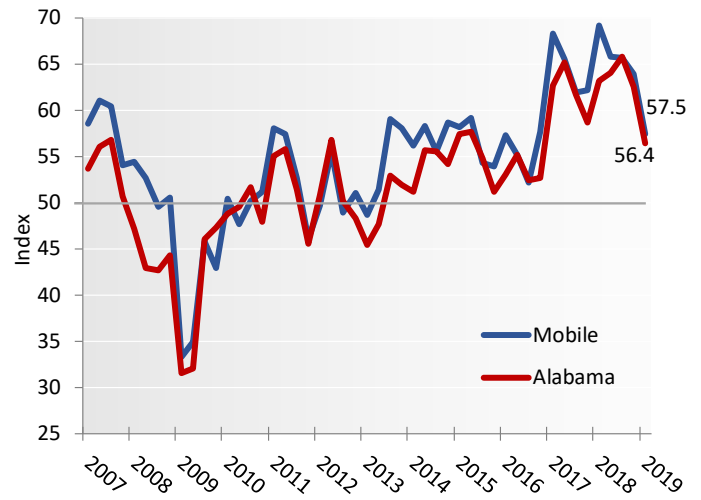
### Hiring



### Capital Expenditures



## Historical ABCI Q1 2007 through Q1 2019

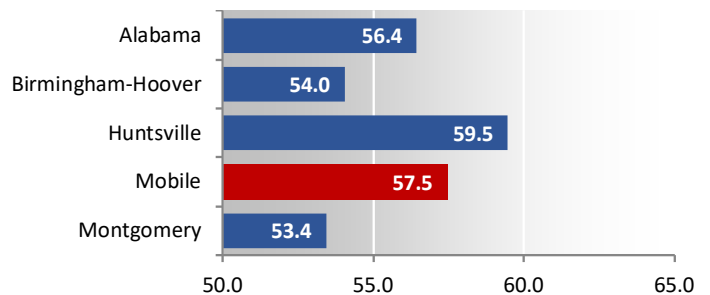


## ABCI Mobile in Context

Mobile business leaders remained moderately confident after the index decreased 6.5 points to register at 57.5 in the Q1 2019 survey. The metro's ABCI is slightly higher than the statewide index this quarter, though both decreased from Q4 2018. This is the 24th consecutive quarter that the ABCI Mobile forecasted growth, signifying Mobile business leaders' prolonged expectations for growth.

Although all the metro area ABCIs decreased this quarter, each continues to anticipate growth in the coming quarter. Huntsville is expecting growth with the most confidence with an area index of 59.5. Mobile followed with an ABCI of 57.5, still communicating moderate confidence in increased growth compared to Q4 2018. Birmingham-Hoover and Montgomery's forecasts are less confident with ABCIs of 54.0 and 53.4, respectively, communicating mild confidence in improving economic conditions.

## ABCI by Metro Area Q1 2019



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