Information provided by
Jacksonville State University
Center for Economic Development and
College of Commerce and Business Administration
CEAZ Members:
Calhoun
CEAZ Members:
Cleburne
CEAZ Members:
Talladega
Cheaha Economic Activity Zone: Overview

- Big Picture Overview
- Outlook Surveys
  - Nation
  - State
  - Region
  - Audience
- Population
- Income
- Labor Force
- Employment
- Unemployment
- Sales Tax
Big Picture

- Equity Markets
- GDP
- Industrial Production
- Purchasing Managers Index
- Consumer Sentiment
- Retail Sales
- Housing
Dow Jones Industrial Average (DJIA) April 2010–April 2013

Source: NY Stock Exchange

+12.15% 12 Months
S & P 500
April 2010–April 2013

+(14.00%) 12 Months

Source: Yahoo Finance Historical Prices
U.S. GDP % Change from Preceding Period
1st Qtr 2009 – 1st Qtr 2013

Source: U.S. Bureau of Economic Analysis
U.S. Industrial Production March 2010 - March 2013

Source: Board of Governors of Federal Reserve System. FRED
ISM Manufacturing: Purchasing Managers Index
March 2010 - March 2013

Source: Institute of Supply Management
Monthly Sales for Retail & Food Services in U.S.
Mar 2010-Mar 2013 in $ Bill

Source: U.S. Census Bureau
Case Shiller 20-City Home Price Index
Feb 2011 - Feb 2013

+14.71% 12 Months

Source: Standard and Poor’s
• State Survey – 2nd Quarter 2013
• Approximately 282 respondents
• Operated by University of Alabama Center for Business and Economic Research
• cber.cba.ua.edu
Economic Outlook for AL Q1 13 compared to Q2 13

Source: Alabama Business Leaders Confidence Index
Economic Outlook Index for Alabama Q3 11 – Q2 13

Source: Alabama Business Leaders Confidence Index
Alabama Hiring Outlook
Q1 13 vs Q2 13

% of Respondents

<table>
<thead>
<tr>
<th>Strong Decrease</th>
<th>Moderate Decrease</th>
<th>No Change</th>
<th>Moderate Increase</th>
<th>Strong Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.8%</td>
<td>20.6%</td>
<td>50.4%</td>
<td>19.2%</td>
<td>2.1%</td>
</tr>
</tbody>
</table>

Source: Alabama Business Leaders Confidence Index
Alabama Hiring Outlook
Q2 11 – Q1 13

% “Reporting Increase”

Source: Alabama Business Leaders Confidence Index
Employment in Alabama in Millions Mar 2012- Mar 2013

Source: U.S. Bureau of Labor Statistics

+1.25% (+24,859) Jobs
Sales Tax and Individual Income Tax Monthly % Change
March 2012 vs March 2013

% Change
35%
25%
15%
5%
-5%
-15%
-25%

+2.35% Sales
+8.19% Incomes

Mar Apr May June July Aug Sep Oct Nov Dec Jan Feb Mar

Source: Alabama Department of Revenue
Sales Tax Monthly % Change
AL 12 Month Comparison
March 2012- March 2013

% Change

Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar

7.6% 5.8% 6.9% 1.7% 2.7% 4.1% 2.4% 3.0% -2.8% 0.8% -3.3% -2.3%

Source: Alabama Department of Revenue
Calhoun County Membership Survey 2013
Q#1: Your Comparison of this Year’s Economic Outlook to Last Year

- This year worse: 10%
- About same: 48%
- This year better: 42%

Source: 2012 Calhoun County Chamber of Commerce Membership Survey

This Year: Jan 2013
Avg - 2.32
Down 8.3%
Q#1: Your Comparison of this Year's Economic Outlook to Last 2003-2013

Source: 2003-2012 Calhoun County Chamber of Commerce Membership Survey
Q#2: Your Employment Outlook for Coming Year

- Expand # emp 24%
- Cutback # emp 9%
- Remain same 67%

Source: 2012 Calhoun County Chamber of Commerce Membership Survey
Q#2: Your Employment Outlook for Coming Year
2003-2013

Index Value

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
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<tr>
<td>2003</td>
<td>1.70</td>
</tr>
<tr>
<td>2004</td>
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<td>2005</td>
<td>2.33</td>
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<td>2008</td>
<td>2.39</td>
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<td>2011</td>
<td>1.94</td>
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<tr>
<td>2012</td>
<td>2.22</td>
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<tr>
<td>2013</td>
<td>2.15</td>
</tr>
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</table>

11 Yr Avg - 2.16

Source: 2003-2012 Calhoun County Chamber of Commerce Membership Survey
Anniston Army Workload
FY 03-FY14

FY08 Peak 6.89 Mill DLH/$1.2 Bill

FY12 3.7 Mill DLH/$787 Mill
FY13 3.7 Mill DLH/$862 Mill
FY14 2.8 Mill DLH/$821 Mill

*Minimum Core Workload for Sustainment 3,395,572
Audience Survey

Source: U.S. Census Bureau
Average Wage Per Job
CEAZ 2005-2011

Average Wage Per Job as % of State Avg  CEAZ vs AL 2001-2011

Labor Force CEAZ
March 2012 - March 2013

Employment CEAZ
March 2012 - March 2013

Unemployment Rate CEAZ
Jan 2003 - Mar 2013

<table>
<thead>
<tr>
<th>Month</th>
<th>Unemployment Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mar 12</td>
<td>7.84%</td>
</tr>
<tr>
<td>Jun</td>
<td>8.07%</td>
</tr>
<tr>
<td>Sep</td>
<td>9.91%</td>
</tr>
<tr>
<td>Dec</td>
<td>8.33%</td>
</tr>
<tr>
<td>Mar 13</td>
<td>8.08%</td>
</tr>
</tbody>
</table>

-6.89% 12 Months

Alabama Unemployment Rates
March 2013
Preliminary State Rate (Not Seasonally Adjusted)
State Ave – 6.9%
Unemployment Rate
7.7% and Below
7.8% - 9.6%
9.7% and Above
Employment Peak to Trough % Change CEAZ vs AL MSAs Jan 07- Jan 10

-14,848 Jobs. -14.48%

Employment Peak to Trough % Change CEAZ vs AL MSAs Jan 07- Jan 10

Employment Trough to Now  
CEAZ Jan 07- Mar 13

Employment Trough to Now
% Change CEAZ vs AL
MSAs Jan 10- Mar 13

Employment Peak to Now
CEAZ Jan 07- Mar 13

Employment Peak to Now

% Change CEAZ vs AL

MSAs Dec 07- Mar 13

State Sales Tax Collections from CEAZ
FY 04-05 – FY 11-12 in $ Millions

Source: AL Dept of Revenue
CEAZ: Labor Market Summary

- Labor Force
  - Down from historic highs
  - Up recently

- Employment
  - Down from historic highs
  - Up recently

- Unemployment
  - Down from recent highs
  - Trending lower

- Economy in Region has recovered to some extent
  - State and local business leaders remain cautious
  - Other areas of state have seen more significant recovery
Employment for Alabama
2004-Mar 2013 in Millions

Seasonally Adjusted

2.01 2.04 2.09 2.10 2.05

In Millions

Source: Alabama Dept of Industrial Relations, BLS
Unemployment Rate for Alabama 2004 - Mar/2013

Source: U.S. Bureau of Labor Statistics
Unemployment Rate for Alabama vs United States Jan 2012 – Mar 2013

Source: Bureau of Labor Statistics, Alabama Dept. of Industrial Relations
Revised Unemployment Rates Southeastern United States March 2013

Unemployment Rate
Percent - Mar 2013
Regional Comparison

*Top Business States

US: 7.6
AL: 7.2
AR: 7.2
FL: 7.5
GA: 8.4
LA: 6.2
MS: 9.4
NC: 9.2
SC: 8.4
TN: 7.9
TX: 6.4

Source: Bureau of Labor Statistics BLS, Chief Executive Magazine
Unemployment Rate
National Lowest and Highest States - Dec 2012

Source: Bureau of Labor Statistics, Chief Executive Magazine
U.S. Average Weeks Unemployed
1982 – Mar 2013

Number of Weeks

Source: Bureau of Labor Statistics
Atlas Van Lines
Moving Trends Map 2012

Source: Atlas Van Lines Moving Trends Map
Total U.S. Non-Farm Employment
1946 – Mar 2013 in Millions

Source: BLS
U.S. All Goods Producing Employment as Percent of All Non-Farm Employment 1981-Mar 2013

Source: BLS

Source: Bureau of Labor Statistics
U.S. Labor Participation Rate
Percent 1946 – Mar 2013

Participation Rate %

Disabled Workers
Ratio to Civilian labor force
1968 1.3 mil - 1/79
1997 4.4 mil - 1/31
2012 8.8 mil - 1/18

Source: BLS, Social Security Admin.
Alabama Employment by Sector 1990-Mar 2013

Source: BLS, Alabama Dept. of Industrial Relations
Alabama


% of Population Employed


Source: Alabama Dept. of Industrial Relations, U.S. Bureau of Labor Statistics

Source: Bureau of Economic Analysis
Alabama – Components of GDP
$Billions of Current Dollars
1997 - 2011

Source: U.S. Bureau of Economic Analysis (BEA)
Alabama vs. U.S. Value
Added Activities
Share of GDP

Source: U.S. Dept. of Commerce, Alabama Economic Outlook
Per Capita Income
Alabama vs. U.S. 1990 - 2012

Source: U.S. Bureau of Economic Analysis
Economic Strategic Drivers
Alabama, Regional and National

Construction and Housing
## Housing Statistics for Alabama

### Feb 2012 vs Feb 2013

<table>
<thead>
<tr>
<th></th>
<th>Feb 2012</th>
<th>Feb 2013</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Homes Sold</strong></td>
<td>2611</td>
<td>2941</td>
<td>12.64%</td>
</tr>
<tr>
<td><strong>Avg. Selling Price</strong></td>
<td>$130,638</td>
<td>$140,024</td>
<td>7.18%</td>
</tr>
<tr>
<td><strong>Days on Market</strong></td>
<td>173</td>
<td>163</td>
<td>-5.78%</td>
</tr>
<tr>
<td><strong>Units Listed</strong></td>
<td>32,512</td>
<td>31,546</td>
<td>-2.97%</td>
</tr>
</tbody>
</table>

**Source:** Alabama Center for Real Estate
Number of Home Sales Per Month Alabama 2001 - 2012

Source: Alabama Center for Real Estate
Homes Avg Days on Market
Alabama 2001 - 2012

Ave Days on Market

Source: Alabama Center for Real Estate
GDP and Building Permits
U.S. and Ala 1980-2012

Source: Bureau of Economic Analysis (BEA), U.S. Census Bureau
U.S. Building Permits
Privately-Owned Housing Units 2003-2012

- Total Units: 2,155,300
- Single Unit: 1,682,000
- Multi Units 5+: 389,000

Source: Bureau of Economic Analysis (BEA), U.S. Census Bureau
AL Building Permits for Privately-Owned Housing Units 2003-2012

Total Units 32,034

Single Unit

Multi Units 5+

Source: Bureau of Economic Analysis (BEA), U.S. Census Bureau
Growth of Housing Vacancies
U.S. 1990 - 2012

Total # of Units Vacant (millions)

Units Vacant (Percent)

Source: U.S. Census Bureau
U.S. Construction Employment
1982 – Mar 2013 in Millions

Employment in Millions

Source: Bureau of Economic Analysis (BEA), BLS
Alabama Construction Employment
1990 – Mar 2013

Employment in Thousands

Source: Bureau of Labor Statistics
Energy
Role of Electricity
Energy - Electricity
Retail Price*  Feb. 2013
Alabama vs. U.S. by Sector

<table>
<thead>
<tr>
<th>Sector</th>
<th>Alabama</th>
<th>U.S.</th>
<th>AL Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>10.92</td>
<td>11.61</td>
<td>24</td>
</tr>
<tr>
<td>Commercial</td>
<td>10.46</td>
<td>10.04</td>
<td>37</td>
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<tr>
<td>Industrial</td>
<td>5.66</td>
<td>6.60</td>
<td>11</td>
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<tr>
<td>All Sectors</td>
<td>8.79</td>
<td>9.77</td>
<td>29</td>
</tr>
</tbody>
</table>

*Cents per Kilowatt-hour

Source: Energy Information Administration (EIA)
## 2013 Electricity Price* and Congressional Apportionment

<table>
<thead>
<tr>
<th>States</th>
<th>Seats Lost</th>
<th>Price*</th>
<th>States</th>
<th>Seats Gained</th>
<th>Price*</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; NY</td>
<td>-2</td>
<td>15.88</td>
<td>TX</td>
<td>+4</td>
<td>8.51</td>
</tr>
<tr>
<td>&lt; MA</td>
<td>-1</td>
<td>14.49</td>
<td>GA</td>
<td>+1</td>
<td>9.09</td>
</tr>
<tr>
<td>&lt; NJ</td>
<td>-1</td>
<td>12.98</td>
<td>SC</td>
<td>+1</td>
<td>8.96</td>
</tr>
<tr>
<td>&lt; MI</td>
<td>-1</td>
<td>10.84</td>
<td>FL</td>
<td>+2</td>
<td>10.38</td>
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<tr>
<td>&lt; PA</td>
<td>-1</td>
<td>9.80</td>
<td>AZ</td>
<td>+1</td>
<td>9.30</td>
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<tr>
<td>OH</td>
<td>-2</td>
<td>8.85</td>
<td>NV</td>
<td>+1</td>
<td>8.17</td>
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<tr>
<td>MO</td>
<td>-1</td>
<td>8.10</td>
<td>UT</td>
<td>+1</td>
<td>7.64</td>
</tr>
<tr>
<td>&lt; IL</td>
<td>-1</td>
<td>8.05</td>
<td>WA</td>
<td>+1</td>
<td>7.20</td>
</tr>
<tr>
<td>LA</td>
<td>-1</td>
<td>7.76</td>
<td></td>
<td></td>
<td>Avg. 8.66</td>
</tr>
<tr>
<td>IA</td>
<td>-1</td>
<td>7.76</td>
<td></td>
<td></td>
<td>*Cents/Kwhour</td>
</tr>
</tbody>
</table>

Source: EIA  
Avg. 10.45
Energy

Natural Gas – Strategic Change Agent?

– Heavy Duty Trucks
– Railroads
– Utilities
U.S. Dry Natural Gas Production Trillions of Cubic Feet

Source: U.S. Energy Information Administration, Annual Energy Outlook 2013 Early Release
U.S. Gas Production in Conventional Fields, Lower 48
Alabama Shale-Gas Development

- Neal (Floyd) Shale (Mississippian)
- Devonian Shale
- Conasauga Shale (Cambrian)
Economic Strategic Drivers

Gas /Fuel - Breaking Point?
Heavy Duty Trucks and Nat Gas
Clean-Air Regulations (Class 8 trucks)
Additional Regulations 2014 & 2017
Price Stability? U.S. 8,000 Trillion Cubic Ft.
Early Adopters – Bus Fleets, Trash Trucks

Dr. Richard Cobb, College of Commerce & Business Administration
U. S. Sales of Heavy Trucks
1967 – Qt1-2013
Thousands/Quarter

Source: BEA
Economic Strategic Drivers

Heavy-Truck Manufacturing

Vertical Integration Strategy

Change Opportunity

- Equipment Options

- Manufacturing Site Location
Southeast Auto Industry

Assembles Dodge Sprinter vans

Heavy Truck

Auto and Light Truck

Source: Economic Development Partnership of Alabama
Economic Strategic Drivers

Automotive Manufacturing

Mature Market Demand?

Energy Issue (Ethanol Blending Wall)
U.S. Light Vehicle Sales
1980-2012 in Millions

(2013) 241 Million Autos in U.S.

Source: U.S. Dept. of Commerce, BEA
U.S. Motor Vehicle Production 2000 - 2012

Source: International Organization of Motor Vehicle Manufacturers (OICA)

Source: U.S. BLS, BEA,
U.S. Motor Vehicle Production in Millions
1986 - 2011

Total for All Auto Manufacturers (millions)

Total Foreign-Affiliated Mfg. (millions)

U.S. Majority-Owned Foreign Affiliates Operations Including Automobiles

Source: Bureau of Economic Analysis (BEA)
U.S. Vehicle-Miles Traveled vs. Year-over-Year Percent Changes 1970-2011

Source: U.S. DOT, FHWA
Southeast Auto Industry

Source: Economic Development Partnership of Alabama
Automotive Industry Clusters in Alabama

More than 383 Automotive Companies and Suppliers in Alabama

Concentration of Automotive Suppliers by Zip Codes

- 1
- 2
- 3
- 4 - 6
- 7 - 11

Source: 2007 EDPA Automotive Database
Alabama Motor Vehicle and Parts Employment 1990 - 2012

Employment in 1000s

Employment – Parts Manuf (000)

Employment – Vehicle Manuf (000)

Source: U. S. BEA, BLS
Alabama Motor Vehicle Production 2004 - 2013

Source: Econ. Development Partnership of Alabama (EDPA), Ala. Automotive Manufacturers Association (AAMA)
U.S. Gasoline Consumption
Billions of Gallons
1977 - 2012 - Projected

CAFÉ 1985 – 27.5 mpg
2016 – 35.5 mpg
2025 – 54.5 mpg

By 2022
Ethanol Use Req (EISA)
36 Billion Gallons
Total, Corn <= 15 Bil
Cellulosic 16 Billion,
Biodiesel 5 Bil

Source: EIA
Motor Vehicle Ethanol Blending Requirements 2002-2012-2022

- Ethanol Billions of Gallons
- Ethanol Percent Blended

Blend Wall 10%

EISA Required By 2022
- 16 Bil gal Cellulosic
- 5 Bil Gal Biodiesel
- Corn <=15 Bil gal

36 Billion gal

Source: U.S. EIA
Alabama Aerospace

Airbus A320     Delta        Atlas V

Source: nasa.gov, airbus.com
Anniston Regional Airport
Terminal Area Improvements
Near Term

Source: Garver Engineering
State of Alabama Summary

- Population Census - Up
- Regional Pop Growth - Low
- Employment Improving
- Unemployment Rate - Improved
- Education - Regional Avg
- Income - Regional Avg
- Workforce Participation
- Workforce Population Ratio Trend
State of Alabama Summary

- Housing Stable
- Auto Base Growing
- Auto Fuel Uncertainty
- Industry Growth Opportunities
- Heavy Truck Production Changes
- Natural Gas Infrastructure
- Aerospace Manufacturing
Per Capita Income
Alabama as Percent of U.S. 1990 - 2012

Source: BEA
Workforce Dynamics
Population for Alabama
2002-2012 in Millions

<table>
<thead>
<tr>
<th>Year</th>
<th>Population (in Millions)</th>
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<tr>
<td>02</td>
<td>4.37</td>
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<tr>
<td>03</td>
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<tr>
<td>11</td>
<td>4.82</td>
</tr>
<tr>
<td>12</td>
<td>4.78</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau
Percent Population Change
Regional Comparison
2000-2010

Southeast up 14.3%

Source: U.S. Census Bureau
Civilian Labor Force for Alabama 2004-Mar 2013
in Millions

Seasonally Adjusted

In Millions

2.11 2.12 2.17 2.18 2.16 2.11 2.10 2.17 2.16 2.16

Source: Alabama Dept of Industrial Relations, BLS
U.S. Employment 2001-Mar 2013

Source: Bureau of labor Statistics
Alabama Non-Farm Employment 1990 – 2012

Employment in Millions


Source: BLS, Alabama Dept. of Industrial Relations
Per Capita Income 2010
Regional Comparison in $Thousands

Per Capital Income in Thousands

US $42  AL $35  AR $34  FL $40  GA $36  LA $39  MS $32  NC $36  SC $33  TN $37  TX $40

Source: U.S. Census Bureau
Education High School or Higher Regional Comparison

Source: U.S. Census Bureau
Education High School or Higher
Regional Comparison

% HS or Better

US  AL  AR  FL  GA  LA  MS  NC  SC  TN  TX

84.6  80.8  81.3  84.9  82.9  80.5  78.9  83  82.2  81.8  79.3

Source: U.S. Census Bureau