AN ECONOMIC REPORT TO THE GOVERNOR OF THE STATE OF TENNESSEE

THE STATE'S ECONOMIC OUTLOOK

JANUARY 2015

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Center for Business and Economic Research

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PREFACE

This 2015 volume of An Economic Report to the Governor of the State of Tennessee is the thirty-ninth in a series of annual reports compiled in response to requests by state government officials for assistance in achieving greater interdepartmental consistency in planning and budgeting efforts sensitive to the overall economic environment. Both short-term, or business cycle-sensitive forecasts, and longer-term, or trend forecasts, are provided in this report.

The quarterly state forecast through the first quarter of 2017 and annual forecast through 2024 represent the collective judgment of the staff of the University of Tennessee's Center for Business and Economic Research in conjunction with the Quarterly and Annual Tennessee Econometric Models. The national forecasts were prepared by IHS Global Insight, Inc. Tennessee forecasts, current as of January 2015, are based on an array of assumptions, particularly at the national level, which are described in Chapter One. Chapter Two details evaluations for major sectors of the Tennessee economy, with an agriculture section provided by the University of Tennessee Agricultural Policy Analysis Center. Chapter Three discusses Tennessee's role in the international economy and presents the long-run outlook and forecast for the state. Chapter Four presents Tennessee's labor market before and after the Great Recession.

The primary purpose of this annual volume—published, distributed, and financed through the Tennessee Department of Finance and Administration, Tennessee Department of Economic and Community Development, the Tennessee Department of Revenue, the Tennessee Department of Labor and Workforce Development, and the Appalachian Regional Commission—is to provide wide public dissemination of the most-current possible economic analysis to planners and decision-makers in the public and private sectors.

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EXECUTIVE SUMMARY

The U.S. Economy

The U.S. economy is situated to have sustained growth through 2015 and 2016. Early estimates are that GDP grew 2.4 percent in 2014, compared to 2.2 percent in 2013 and 2.3 percent in 2012. Last year started off slow, with GDP falling 2.1 percent in the first quarter of 2014 but rebounding in the subsequent quarters. In fact, in the third quarter of 2014 GDP increased by 5.0 percent (on a seasonally-adjusted basis), the highest growth since the recession began. This makes 2014 the fifth year of consecutive economic growth, and economic indicators point to that growth continuing. This strong recovery makes the U.S. an outlier globally; many other nations are experiencing much slower recoveries.

One of the most important milestones of 2014 was U.S. total nonfarm payrolls finally reaching and surpassing their prerecession level. It is estimated that 2.5 million jobs were created in 2014 for a total of 138.9 million jobs in the economy. As the job market improved, unemployment continued dropping, down to 5.8 percent in the fourth quarter of 2014. This is the lowest that the unemployment has been since the third quarter of 2008. Along with the positive news from the labor market, consumer confidence was up. Falling gas prices in the third and fourth quarter led to increases in consumers' real disposable income. Consumption and nonresidential fixed investment both experienced strong growth, up 2.5 percent and 6.3 percent respectively. This makes 2014 the year with the highest consumption growth rate postrecession. In addition, while the U.S. federal debt continued to rise, the government deficit was $483.3 billion, small when compared to the deficits run during the Great Recession. One negative indicator in 2014 was that the housing market did not experience the double-digit growth that was experienced in 2013 and 2012. Residential fixed investment grew by a disappointing 1.6 percent, and housing starts increased by only 994 thousand units.

Despite the sluggish housing market, the Federal Reserve views the overall state of the economy as positive. The Fed ended its large asset-purchasing program ("quantitative easing") in October 2014. Expectations are that the Fed will begin raising interest rates in mid-2015. By the end of 2014, the federal funds rate had been kept very low (below 0.25 percent) for twenty-four consecutive quarters. There is some worry that rising interest rates combined with lower gasoline prices will cause inflation to be lower than its targeted 2 percent.

While there are reasons to be cautious about the next year in the U.S. recovery, there are more reasons to be optimistic. The economy did well overall last year and is expected to continue to grow in 2015. GDP is expected to increase by 3.1 percent, and the unemployment rate is predicted to fall to 5.5 percent. The year is expected to have solid gains each quarter, with GDP increases of 3.1 percent, 2.5 percent, 2.6 percent, and 2.3 percent in the first, second, third, and fourth quarters respectively. Expectations are that 2016 and 2017 will both register solid economic growth, 2.7 percent in both 2016 and 2017.

While there is reason to be cautious about the global recovery, most indicators point to the U.S. expansion continuing in earnest. The economy sustained solid growth in 2014, and expectations are that this growth will only continue.

The Tennessee Economy

The Short-Term Economic Outlook

Tennessee's economy continued to grow in 2014 as the economic recovery persists. Nonfarm employment increased by 1.9 percent in 2014, representing job gains of more than 51,000. The state unemployment rate saw a huge drop between 2013 and 2014, falling from 8.2 percent to 6.9 percent. However, Tennessee's unemployment rate still rests above the national rate.

Nominal personal income grew by 3.7 percent in 2014. This was slightly slower than national income growth of 3.9 percent but much faster than the 2.1 percent growth rate that the state registered in 2013. Nominal taxable sales increased by 4.3 percent in 2014, outpacing the previous year's growth rate of 3.0 percent.

Tennessee's short-term forecast is a mixed bag, as employment, taxable sales, and inflation-adjusted GDP are all expected to grow at a slightly slower rate in 2015 and 2016 as compared to 2014. Personal income growth will accelerate over the next two years and the unemployment rate will continue to trend downwards.

Nonfarm employment will grow by 1.8 percent in 2015 and 1.5 percent in 2016. Professional and business services, natural resources, mining, and construction, and leisure and hospitality services will enjoy the largest employment gains in 2015 and 2016. Conversely, the government sector will continue to see job losses over the next two years. Manufacturing employment will continue to grow, but at a slower rate of 1.3 percent in 2015 and 0.9 percent in 2016. Much of this slowdown can be attributed to job losses in nondurable goods manufacturing, which will largely offset job gains in the durable goods manufacturing sector.

The state unemployment rate will fall to 6.5 percent in 2015 and 6.2 percent in 2016. The number of unemployed people is projected to decline by 5.1 percent in 2015 and 3.9 percent in 2016. The number of employed people will see small gains of 0.4 percent in 2015 and 1.4 percent in 2016.

Nominal personal income is projected to increase by 4.4 percent this year, followed by a 5.0 percent increase in 2016. On a fiscal year basis, nominal personal income will grow by 4.0 percent in FY 2015 and 4.4 percent in FY 2016. Nominal taxable sales are projected to increases by 3.9 percent this year and 3.4 percent the following year. On a fiscal year basis, nominal taxable sales will expand by 5.3 percent in FY 2015 and 3.0 percent in FY 2016.

The Long-Term Economic Outlook

Tennessee's long-term outlook is a trend forecast, which focuses on the influence of factors such as population and labor force growth. The forecast pays particular attention to Tennessee's growth from 2004 to the present, as well as the state's outlook extending out to 2024.

Between 2004 and 2014, nonfarm employment in Tennessee grew by less than 0.4 percent (compound annual growth rate, CAGR), compared to 0.5 percent (CAGR) growth for the nation as a whole. Employment growth during this ten year historical window was greatly influenced by the Great Recession which began in the fourth quarter of 2007 and lasted until the second quarter of 2009. In Tennessee, nonfarm employment contracted in three consecutive years: 2008, 2009, and 2010. Following these years of employment contraction, the state economy has seen slow but steady gains in employment. Overall nonfarm employment in Tennessee is forecasted to grow by 1.2 percent (CAGR) from 2014 to 2024. By comparison, the U.S. will see nonfarm job growth of 1.1 percent (CAGR).

The state's employment mix is subject to ongoing transformation as the manufacturing sector continues to become a smaller portion of the Tennessee economy. In 2004 manufacturing accounted for 15.2 percent of all nonfarm jobs in Tennessee, but by 2024 the manufacturing share will fall below 10 percent. In the near-term, the manufacturing sector will enjoy some job growth as the economy continues its rebound from the recession. However, these gains will not erase the job losses felt during the Great Recession, and manufacturing employment will return to trend contraction in 2018. Despite shrinking employment levels, manufacturing output is still expected to grow by 2.4 percent (CAGR) over the next 10 years. Conversely, professional and business

services, education and health services, and leisure and hospitality services have all become a bigger part of the Tennessee economy since 2004, and will continue to enjoy employment growth in the next decade.

The state unemployment rate will continue to trend downwards and should reach 5.5 percent in 2020. This can be attributed to modest employment growth, population growth, and a decrease in the number of unemployed persons. Over the next 10 years, population growth for the state will stand at 1.0 percent (CAGR), which is slightly faster than the 0.8 percent (CAGR) growth for the nation, Despite the declining unemployment rate, the labor force participation rate, which is already at its lowest in recent years, will continue to drift down.

An important ingredient to long-term economic growth is the quality of the labor force (i.e. education, skill level, and health). In some respects economic growth in Tennessee has lagged behind national growth, and consistent with this story, education and health data show that Tennessean's are below the national average. In 2013, the percentage of Tennessean's with a high school degree or higher was 85.6 percent, but 86.6 percent for the nation. More importantly, the percentage of Tennessean's with a Bachelor's degree or higher was only 24.8 percent, compared to a national average of 29.6 percent. Furthermore, according to the 2014 edition of Americas Health Rankings, Tennessee currently ranks 45th out of all U.S. states in overall health status, largely because of a high prevalence of obesity, diabetes, physical inactivity, smoking, and a high violent crime rate. If Tennessee cannot produce a high quality workforce, businesses that need to compete in a global economy will seek other opportunities.

Tennessee's Labor Market – Before and After the Great Recession

This chapter challenges the notion that Tennessee's labor market has fully "recovered" from the Great Recession. Inflation-adjusted incomes have fallen for the vast majority of the state, the rate of labor force participation is still three percentage points lower than 2004, and the recovery in the unemployment rate is incomplete. The post-recession period (2009-2013) can better be described as a continuation of ongoing structural change rather than recovery. The industrial and occupational sectors that were most affected during the recession (production, construction, metal fabrication and plastics & rubber manufacturing) have not rebounded. Manufacturing has contracted from the 2nd largest sector of employment in Tennessee to the 4th. Not only has manufacturing contracted, but so have all industries where manufacturing human capital is transferrable. The health care and education sector, which saw growth in jobs and inflation-adjusted incomes during the recession, still exhibits growth in jobs but sharp decreases in incomes. Seven of Tennessee's ten largest occupational sectors of employment in Tennessee are service-driven occupations. From a policy perspective, it is important to remember that these trends are not unique to Tennessee.

Three particularly troubling trends result from these structural changes. First, post-recession job growth has been concentrated in low-paying industries and occupations. Second, income disparity by industry and occupation is getting increasingly pronounced. Inflation-adjusted incomes in the low-paying sectors that employ large numbers of Tennesseans are falling, while inflation-adjusted incomes in high paying jobs that employ relatively few people are rising. The majority of the jobs near the median in 2004 were in construction, manufacturing, and production. Those jobs are vanishing. Third, the income and post-recession period was hardest on young workers (aged 18-35). The median inflation-adjusted income fell by 19 percent for young workers from 2004-2013, and the jobless rate is still 15% (4 percentage points) higher than in 2004. When young workers exhibit greater joblessness and declining wages, there is a strong compounding effect: not only are adverse effects felt today, but a young worker's trajectory of income growth over their working life may be

stunted. Many young workers today may bear these costs over their entire lifetime and never fully recoup the opportunities that were lost over the Great Recession.

Faced with the reality of the changing industrial composition of the U.S., layered with at least some Skill Biased Technical Change, the state of Tennessee has some alternatives to address falling average incomes and declining labor force participation. Tennessee could take aggressive steps to bring jobs to the state that fit the skills of its workers. As many other states may be competing for a shrinking set of jobs, this may prove very costly in terms of targeted economic development incentives. Alternatively, Tennessee could put measures in place to develop the skills of its workers to match the demands of the changing economy. This is not to suggest that blue-collar jobs and manufacturing should be abandoned, but to emphasize that the skills and quantities of workers in production are different than in years past. In practice, a combination of these strategies will be needed that can both attract jobs to the state and make Tennesseans more productive in the workplace. Programs like TN Promise and the "Drive to 55" can help transition workers in Tennessee into high-skilled occupations in sectors that are growing, rather than contracting. There is still considerable work to be done to determine what majors/fields of study students might be best steered towards, let alone how to incentivize students to focus in these targeted areas. However, policies like TN Promise are a crucial step in preparing Tennessee to attract high-paying jobs in high-growth sectors rather than competing for jobs in sectors that will inevitably continue to contract.

CHAPTER 1: THE U.S. ECONOMY

In this chapter—

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1.2. The U.S. Economy: Year in Review
Components of GDP

1.3. The U.S. Forecast
Consumption
The Labor Market
Investment
Interest Rates and Prices
Federal Budget
International Trade

1.4 Alternative Scenarios

1.5 Forecast Summary and Conclusion

1.1. Introduction

Six years after the end of the Great Recession, the U.S. economic recovery is on solid footing. While much of the world economy is struggling to maintain positive economic growth, U.S. inflation-adjusted gross domestic product (GDP) grew by an estimated 2.4 percent in 2014. In the third quarter of 2014, U.S. GDP grew 5.0 percent, its strongest rate of growth since the recession. For comparison, the GDP of the Eurozone is estimated is to have grown by only 0.9 percent and the GDP of Japan is estimated to have grown by only 0.2 percent in 2014.

Perhaps the most important economic development in 2014 was the improving labor market. The economy added 2.5 million nonfarm jobs in 2014, bringing total payrolls up to 138.9 million. This makes 2014 the first year that nonfarm payrolls reached, and exceeded, their prerecession level of 137.9 million in 2007. This strong job growth reflects the fact that all major industries, except for the federal government and the information sector, added jobs in 2014. In addition to strong job growth, inflation-adjusted disposable income rose in 2014 by 2.4 percent, compared to its 2013 drop of 0.2 percent, with the 2014 increase driven by lower energy prices. The unemployment rate continued its decline to 6.2 percent for the year and 5.6 percent in the month of December. Because of these positive economic indicators, the Federal Reserve ended its quantitative easing program (QEIII) in October 2014 and expectations are that it will begin to raise the federal funds rate in mid-2015.

Although most economic indicators are positive, there are some causes for caution. The housing market did not continue to grow at the rate it had for the past two years, causing housing starts to be considerably lower than expected in 2014.

1.1. Introduction, continued

Also, while the labor market is strengthening, the labor force participation rate continued falling in 2014. Overall, however, 2014 was a year of overwhelmingly positive economic news and a signal that the recovery continues unabated.

The forecast for 2015 is a continuation of the growth in 2014. U.S. inflation-adjusted GDP is expected to grow by 3.1 percent in 2015, the economy is expected to create 2.8 million jobs, and inflation-adjusted disposable income is expected to continue to rise partially because of low energy prices. This drop in energy prices is spurred by an unexpected decline in oil prices after the October OPEC meeting and reflects a glut of production and a global slowdown in demand. While this drop in oil prices is expected to help the global economy as well as the U.S., many other countries in the world are expected to have low growth during 2015 while they continue slower recoveries. Moreover, domestic oil producers will be hit hard by the slowdown, especially in places where the fracking boom has taken place.

1.2. The U.S. Economy: Year in Review

Last year began with a drop in GDP: in the first quarter, GDP fell by 2.1 percent on a seasonally-adjusted basis. The economy bounced back in the second and third quarters of 2014, growing by 4.6 and 5.0 percent respectively. These two quarters represent some of the strongest growth seen since the recession ended. This strong growth was caused by ongoing business hiring, low energy prices, and strong inventory growth in the second quarter. The economy grew at a slower but still solid pace of 2.6 percent in the fourth quarter.

Economic indicators for the U.S. point to strong growth and a high likelihood of a continuation of growth through 2016. The consumer sentiment index hit 89.8 in the fourth quarter, the highest it has been since the recession began. The unemployment rate fell to 5.8 percent in the fourth quarter, and the economy finally reached the level of payrolls it had prerecession. The U.S. economy is arguably one of the strongest economies in the global economy today.

Components of GDP

GDP is composed of personal consumption expenditures, investment, government purchases, and the balance of international trade (exports minus imports). In this section, we analyze how each of these helped or slowed GDP growth last year.

Consumption

Personal consumption expenditures are by far the largest component of U.S. GDP. In 2014, they accounted for 68 percent of GDP. Overall, inflation-adjusted consumer spending grew by 2.5 percent in 2014, compared to 2.4 percent in 2013 and 1.8 percent in 2012. Increases in consumer spending accounted for 1.7 percentage points of the 2.4 percent GDP growth in 2014. The strongest consumption growth was recorded in the fourth quarter, up 4.1 percent annualized compared to 3.2 percent and 2.5 percent growth for the preceding two quarters and 3.7 percent growth for the fourth quarter of 2013.

The factors that typically help explain consumer spending include disposable income growth, consumer confidence, and the unemployment rate. Inflation-adjusted disposable income grew by 2.4 percent in 2014, compared to a 0.2 percent drop in 2013. (Disposable personal income fell in 2013 largely because of the termination of the federal payroll tax holiday which meant higher Social Security payments.) This growth in disposable income is largely due to falling energy prices, especially the falling cost of gasoline. Oil fell from $109 per barrel in the fourth quarter of 2013 to $78 in the fourth quarter of 2014; consumers benefited from this fall in oil prices through lower prices at the pump. The unemployment rate

1.2. The U.S. Economy: Year in Review, continued

continued to fall from 7.4 percent in 2013 to 6.2 percent in 2014. The consumer sentiment index also moved in a favorable direction. Inflation-adjusted household net worth grew by 4.4 percent in 2014, compared to 12.3 percent in 2013.

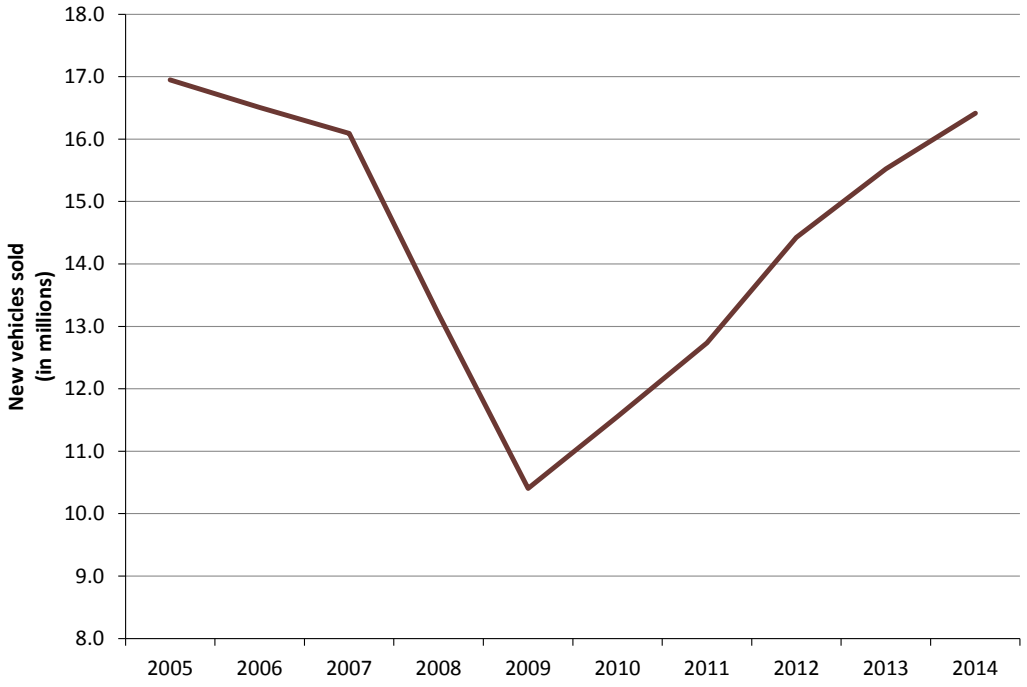
Personal consumption has three components: services, nondurable goods and durable goods. Spending on services accounts for approximately two-thirds of total consumption spending and is the least volatile of the three components. Service spending grew by 2.0 percent in 2014. Healthcare spending grew by 2.5 percent, compared to 0.9 for housing services.

With a share of 22 percent, nondurable goods are the second largest source of consumption. Nondurable goods include food, beverages, clothing, medical products, gas and other similar short-lived products. Spending on nondurable goods increased by 1.8 percent in 2014, compared to 1.9 percent in 2013. The sub-category that contributed the most to this increase is pharmaceuticals and other medical products; spending in this sub-category alone increased by 6.6 percent, compared to 4.7 percent and 1.3 percent in 2013 and 2012 respectively.

Personal spending on durable goods includes motor vehicles, furnishings, recreational goods, computers and other household equipment. Durable goods made up 13 percent of total consumption in 2014 and are by far the most volatile of all three consumption categories because purchases can often be delayed as household finances weaken. Spending on durable goods typically sinks during recessions and increases more than any other category during periods of recovery or expansion. In 2014, durable goods spending increased for the fifth consecutive year, by 7.1 percent, after 6.7 percent and 7.3 percent increases in 2013 and 2012 respectively. This is compared to an increase of 1.8 percent in nondurable goods and an increase of 2.0 percent in services spending in 2014.

Similar to the past five years, spending on recreational goods and equipment (computers

Figure 1.1: Vehicle Sales Continue to Grow but Are Below Prerecession Levels



Source: Bureau of Economic Analysis.

1.2. The U.S. Economy: Year in Review, continued

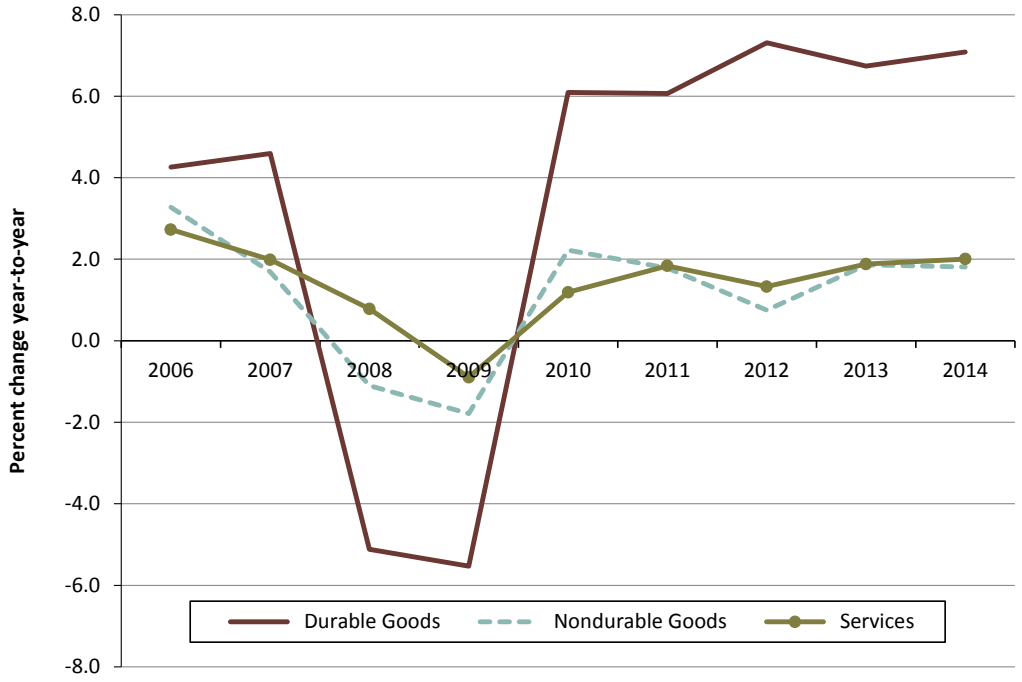
and other information processing equipment) and spending on used vehicles increased the most within the durable goods category, with 13.3 percent and 17.5 percent growth respectively. Consumer spending on new motor vehicles increased by 5.2 percent, compared to 4.3 percent in 2013 and 12.2 percent in 2012. The number of new vehicles purchased increased by 5.7 percent in 2014 compared, to 7.6 percent in 2013. This makes 2014 the fifth year of growth in number of new vehicles sold but new vehicle sales remain below their prerecession level. The number of total vehicles sold masks the disparity between sales of new light trucks and sales of new cars, however: the number of new cars sold rose by 1.1 percent while the number of new light trucks sold rose by 10.2 percent. Spending on new light trucks and new cars was similarly uneven: spending on light trucks grew by 9.9 percent while spending on cars declined by 2.4 percent.

Investment

Investment made up about 17 percent of U.S. inflation-adjusted GDP and contributed 0.9 percentage points of the total 2.4 percent GDP growth in 2014. Investment includes three subcomponents: nonresidential fixed investment, residential fixed investment (new housing) and the change in business inventories. All three contributed positively to GDP growth in 2014. Note that investment, as included in GDP, does not include financial instruments like stocks and bonds.

With a share of roughly 78 percent, nonresidential fixed investment is by far the largest sub-component of investment. It includes equipment purchases by firms, non-tangible products such as software and licenses and commercial structures. In 2014, growth in nonresidential fixed investment increased by 6.3 percent compared to 3.0 percent in 2013 and 7.2 percent in 2012. While computers and related

Figure 1.2: Durable Goods are the Most Volatile Category of Consumption



Source: Bureau of Economic Analysis.

1.2. The U.S. Economy: Year in Review, continued

products purchases fell by 0.5 percent, industrial equipment and transportation equipment rose by 13.9 and 11.5 percent respectively. Purchases of intellectual property products increased by 4.6 percent, the largest increase since 2007.

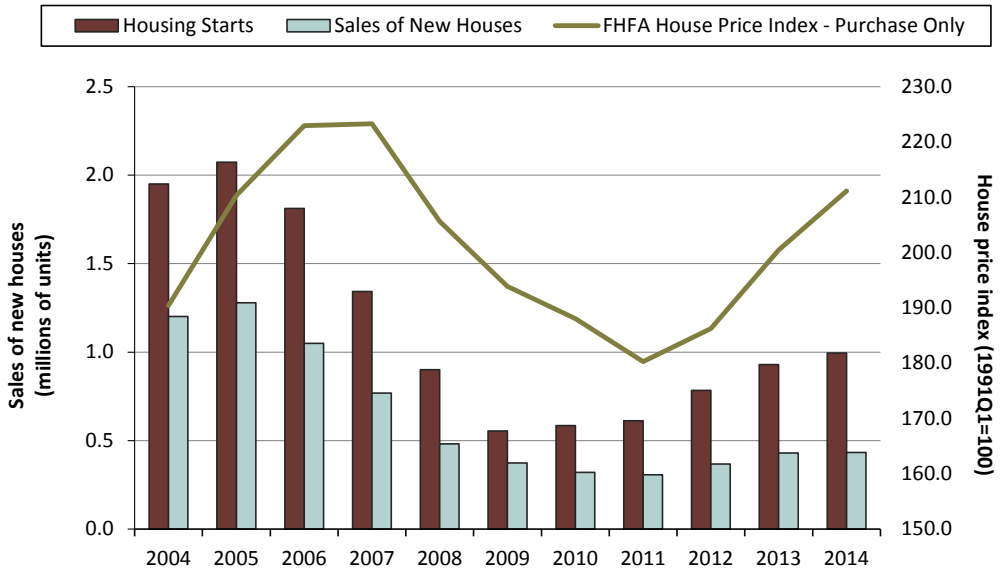
The second largest sub-component of investment is residential fixed investment, which refers to households' spending on new housing. It accounts for approximately 18 percent of investment and grew by only 1.6 percent in 2014, compared to 11.9 and 13.5 percent in 2013 and 2012 respectively. Although this ends the double-digit growth of the housing sector, this marks its fourth year of positive growth. Despite this continued growth, inflation-adjusted residential investment remains significantly below its prerecession levels. In 2014, it increased to $496 billion in inflation-adjusted terms, reaching roughly 57 percent of peak prerecession levels in 2005. A major reason for this lower-than-expected growth in the housing sector is the weakness in household formation. Household formation is expected to bounce back in 2015, leading to another year of double-digit growth in the housing sector.

The number of housing starts increased by 6.9 percent to reach 994 thousand units in 2014, a modest increase from 930 thousand units in 2013. It is rather remarkable that in 2006 the number of housing starts was 1.8 million, which means the housing sector still has a long way to full recovery. Sales of existing houses fell by 3.0 percent, while sales of new houses rose by 0.7 percent.

House prices continued their upward trend that began in 2012. Average and median prices of existing homes increased to reach $253 thousand and $206 thousand respectively in 2014. The average price of a new home increased to reach $340 thousand and the median price of a new home was $282 thousand. The Federal Housing Finance Administration (FHFA) Housing Price Index increased for the second year in a row and the Purchase-Only Index increased for the third year in a row.

As is the case for investment in general, interest rates are one of the key determinants of growth in the housing sector. The multiple rounds of quantitative easing – asset-purchase programs – conducted by the Federal Reserve have helped

Figure 1.3: The Housing Sector Continued to Rebound in 2014, but Not as Strongly as Hoped



Source: U.S. Census Bureau, Federal Housing Finance Agency (FHFA), and IHS Global Insight, Inc.

1.2. The U.S. Economy: Year in Review, continued

keep interest rates low. The Fed ended its final quantitative easing program in October 2014. In another show of belief in the strength of the economic recovery, it is expected that beginning in mid-2015, the Fed will begin raising the federal funds rate. Other short-term rates will follow suit. In 2014, both long-term and short-term rates remained significantly below their historical averages. The 30-Year Fixed Mortgage Rate dropped from 4.36 in the first quarter to 3.97 in the fourth quarter. The annual average rate in 2014 was 4.2, compared to 4.0 in 2013 and 3.7 in 2012. The average rate before the recession was above 6.0 percent.

Changes in inventory, the highly cyclical component of investment, contributed strongly to GDP growth in the second quarter of 2014, but had negative impacts in the first quarter and negligible impacts in the third and fourth. The overall effect was a slightly positive 0.1 percentage point contribution to the 2.4 percent GDP growth in 2014. Typically, the change in inventories only accounts for less than 3 percent of total investment, yet it can have a strong contribution to overall GDP growth in some quarters due to its cyclical nature. The change in inventories increased by 16.9 percent in 2014, driven by changes in manufacturing inventories and wholesale inventories, which increased by 145.7 percent and 30.3 percent respectively. Farm inventories, which had more than doubled in 2013, fell by 27 percent in 2014.

Government Purchases

Government purchases, including both federal as well as state and local spending, made up about 18 percent of GDP in 2014. Government purchases continued to fall at the federal level, but there was a small uptick at the state/local level. Federal purchases fell in inflation-adjusted terms for the fourth consecutive year, down to $1.12 trillion from $1.27 trillion in 2010. This helps alleviate concerns that fiscal drag will slow economic growth. Defense purchases fell by 2.2 percent, compared to falling 6.6 percent in 2013 and 3.3 percent in 2012. Nondefense purchases fell by 1.6 percent in 2014, compared to falling 4.1 percent in 2013. At the state and local level, the increase of $15 billion (a 0.9 percent gain) in inflation-adjusted spending arose largely from increases in wages and salaries, which rose by $7.1 billion (an increase of 0.6 percent).

The federal government's deficit remains high at $483 billion in nominal dollars, but is small when compared to the deficits run during the recession. In 2009, the deficit reached a peak of $1.42 trillion. This makes 2014 the third consecutive year that the deficit has fallen. The federal debt increased to $18.22 trillion at the end of 2014, the third consecutive year that the federal debt has topped 100 percent of GDP.

An omnibus spending bill was passed at the last moment in 2014. The $1.1 trillion bill will continue to fund the government until October 2015. The passage of the bill ensured that there will not be another government shutdown in the near future.

Trade

In 2014, the U.S. recorded a trade deficit of $449 billion in inflation-adjusted terms, 3 percent of GDP. Prior to the recession, the trade deficit made up 10 percent of GDP in 2006. Typically, purchases of foreign goods and services by U.S. consumers (imports) exceed sales of goods and services produced in the U.S. and sold to other countries (exports). Last year ended the three consecutive years that exports grew faster than imports. In 2014, exports grew by 3.2 percent while imports grew by 3.8 percent, compared to exports growing by 3.0 percent and imports growing by 1.1 percent in 2013. The trade deficit in inflation-adjusted terms rose from $421 billion in 2013 to $449 billion in 2014, though it still remains much smaller than its prerecession deficit of $794 billion in 2006. Exports growing the most include vehicles and parts, industrial supplies and materials, and consumer goods. Imports growing the most include aircraft, vehicles and parts, as well as food, feeds, and beverages.

The strong U.S. recovery is beneficial for the developing world because of the size of U.S. imports. As the U.S. economy strengthens,

1.2. The U.S. Economy: Year in Review, continued

American consumers import more, benefiting both developed and emerging economies.

Inflation, Prices and Interest Rates

The most popular measure of the aggregate level of prices in the economy is the Consumer Price Index or the CPI. As measured by the CPI, overall prices rose by only 1.6 percent in 2014, compared to 1.5 percent in 2013 and 2.1 in 2012.

Low energy and commodity prices continue to put downward pressure on overall inflation. Core-CPI, which excludes prices of energy and food, increased by 1.8 percent last year. Food prices rose by 2.4 percent while energy prices fell by 0.6 percent. Producer prices (finished goods) rose by 1.9 percent in 2014, compared to 1.2 percent in 2013.

Both long-term and short-term rates dropped during 2014. The 10-Year Treasury note yield dropped from 2.76 percent in the first quarter of 2014 to 2.28 percent in the fourth quarter of 2014. Rates have fallen further since then. Short-term rates inched even closer to zero: the 3-Month Treasury bill rate dropped from 0.05 in the first

Long-Term Unemployment

The media and policymakers have referenced long-term unemployment on many occasions since the end of the Great Recession as displaced workers in the U.S. and Tennessee have struggled to find employment. Long-term unemployment refers to durations of unemployment that last longer than 26 weeks. This definition is based on the traditional length of time that a person can receive unemployment insurance. On average, long-term unemployment makes up 15 percent of all unemployment when the economy is not in recession. The average length of unemployment is 14 weeks, a little more than half of the typical duration of unemployment insurance, when the economy is not in a recession. During a recession, as the number of people losing jobs increases and the number of job openings decreases, both the unemployment rate increases and the portion of total unemployment that is long-term increases.

One distinguishing feature of the latest recession is a much higher long-term unemployment rate than during previous recessions. The total U.S. unemployment rate peaked in the fourth quarter of 2009 at 9.9 percent. A year later, the portion of the unemployed who were long-term unemployed rose to 45 percent. This was a steep increase from prerecession levels and a cause for concern. In 2011, the nation's long-term unemployed had a 10 percent chance of becoming employed the next month; the short-term unemployed had a 31 percent chance of finding employment the next month. This relationship between length of time unemployed and in the likelihood of finding a job is referred to as "negative duration dependence": the longer a person is unemployed, the less likely it is they will find a job. There are different explanations as to why this phenomenon exists. It may be because as people remain unemployed for longer periods of time, they lose job skills and are not able to keep up with contemporary job demands, thus their human capital degrades and they are less likely to be hired. It is also possible that people's networks that might help them gain employment deteriorate the longer a person is unemployed. Last, it may be that businesses believe that long-term unemployment is a signal that a worker is of lower quality.

As the recovery continues, the unemployment rate has fallen and long-term unemployment has fallen as well. From November 2013 to November 2014, the percent of the nation's unemployed that are long-term unemployed has fallen by 6.7 percentage points, from 38.8 percent to 32.1 percent. In fact, the falling rate of long-term unemployment is the cause of two-thirds of the decline in the overall unemployment rate since the peak of the recession. There are recent other causes for optimism concerning long-term unemployment. A recent study showed that the long-term unemployed were only slightly less likely than the short-term unemployed to be employed a year later: there is a 38 percent probability that someone who was long-term unemployed a year previously is employed a year later, compared to a 50 percent probability if that person was short-term unemployed. Further, it does not appear that the long-term unemployed have a different attachment to the labor force than the short-term unemployed, and as the ability of the short-term unemployed to find stable employment has risen, so has the ability of the long-term unemployed.

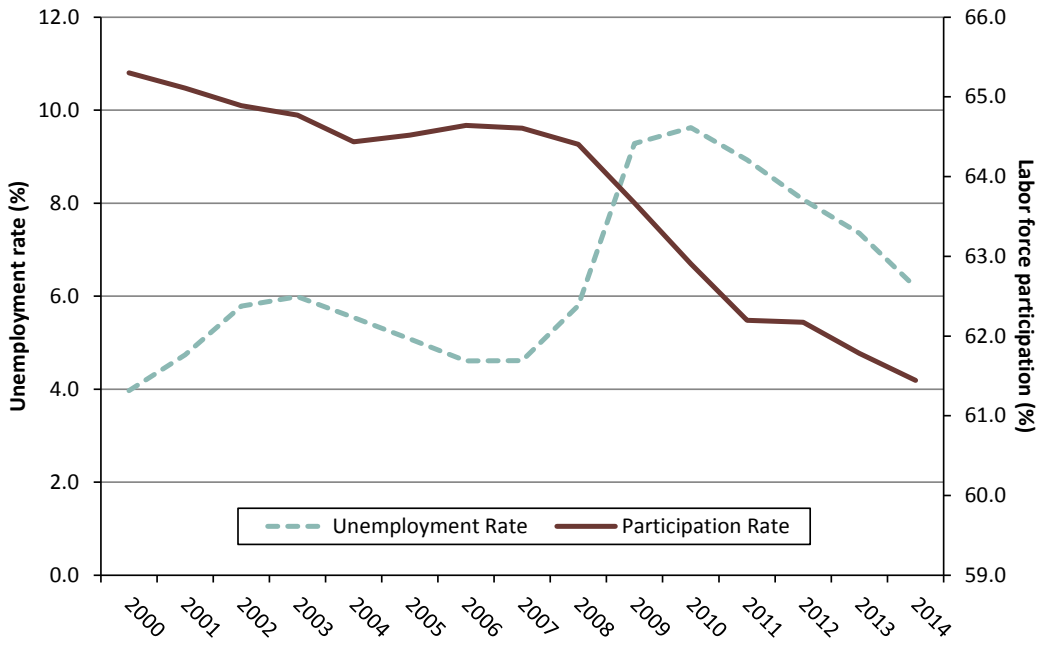
1.2. The U.S. Economy: Year in Review, continued

quarter of 2014 to 0.02 in the fourth quarter of 2014. The Fed maintained low interest rates while the labor market was underperforming during the recession and the early. Rates have continued to fall because investors see U.S. Treasuries as a safe haven.

The Federal Reserve has kept the federal funds rate low (below 0.25 percent) for twenty-four consecutive quarters. The Fed maintained that interest rates would stay low until the unemployment rate was below 6.5 percent and labor market indicators improved. The unemployment rate finally dipped below 6.5 percent in the second quarter of 2014 and continued dropping until it reached 5.8 percent in the fourth quarter of 2014. After their December meeting, the Fed announced that they would begin raising interest rates in mid-2015. The unemployment rate had finally reached a level where the Fed can focus on their other mandated goal: price stability.

Although inflation is not an imminent concern for the U.S. economy, there is some concern that the extremely low inflation the U.S. is experiencing could lead to deflation, i.e. a drop in overall level of prices. (The Eurozone is dealing with declining rates of inflation and growing concerns over deflation.) Most economists agree that deflation can be much more harmful to the economy than stable and moderate inflation (like the Fed's target rate of 2 percent). When everyone expects prices and wages to be lower in the future, consumers slow spending and firms slow hiring and investment. The unexpectedly low gas prices ended up creating deflation in the fourth quarter of 2014: inflation dropped by 1.2 percent. This deflation, caused by the low energy prices, is expected to last into the first quarter of 2015. After this first quarter, prices are expected to remain low but further falls in prices are not anticipated.

Figure 1.4: The Unemployment Rate is Recovering from the Recession, While the Labor Force Participation Falls



Source: Bureau of Labor Statistics and IHS Global Insight, Inc.

1.2. The U.S. Economy: Year in Review, continued

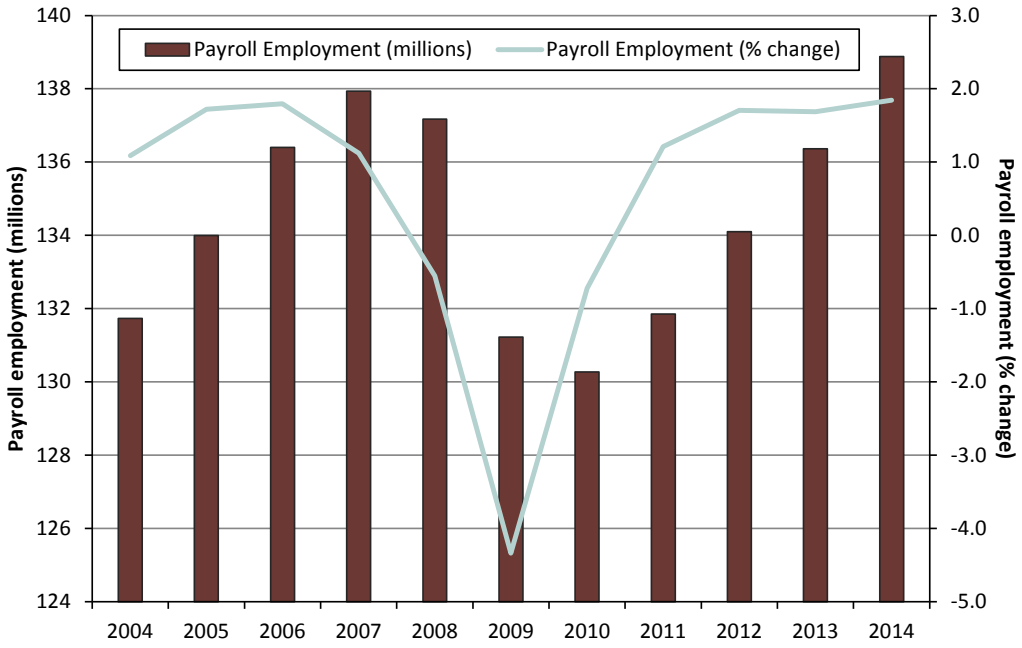
The Labor Market

The national unemployment rate continued falling for the fourth year, falling to 6.2 percent in 2014 and reaching 5.6 percent in December. The 6.2 percent annual rate is the lowest that the unemployment rate has been since 2008. Throughout 2014, the unemployment rate decline has been slow but steady. However, the falling labor force participation remains a cause for concern. It implies that part of the reason the unemployment rate is falling may have to do with discouraged unemployed workers who stop looking for work and are no longer considered unemployed. In 2014, the labor force participation rate fell to 61.4 percent. In 1995, the labor force participation rate stood at 65.0 percent.

More encouragingly, the economy continued to create jobs in 2014. Overall, more than 2.5 million nonfarm payroll jobs were added in 2014, causing nonfarm payroll jobs to reach 138.9 million. This makes 2014 the first year that payroll jobs reached their prerecession 2007 peak of 137.9 million jobs. The private sector continued to drive job creation across the board. The public sector (federal and state combined) increased payroll size by 37 thousand jobs in 2014. However, the federal government eliminated 50 thousand jobs while state and local governments added 87 thousand. Other than the federal government, the only other major industry that lost jobs was the information sector, which shed 10 thousand jobs from 2013 to 2014.

The trade, transportation, and utilities sector alone added 538 thousand jobs to the economy. The construction sector continued to come in strong, adding 202 thousand jobs in 2014, compared to 184 thousand in 2013, making 2014 the fourth consecutive year of net gains in construction payrolls. The manufacturing sector sustained some of its momentum, adding 135 thousand jobs in 2014, compared to 78 thousand in 2013 and 201 thousand in 2012. Education and health services continued to foster job creation with 382 thousand net jobs created in 2014, compared to 404 thousand in 2013 and 465 thousand in 2012.

Figure 1.5: Total Payrolls Reached their Prerecession Level in 2014



Source: Bureau of Labor Statistics and IHS Global Insight, Inc.

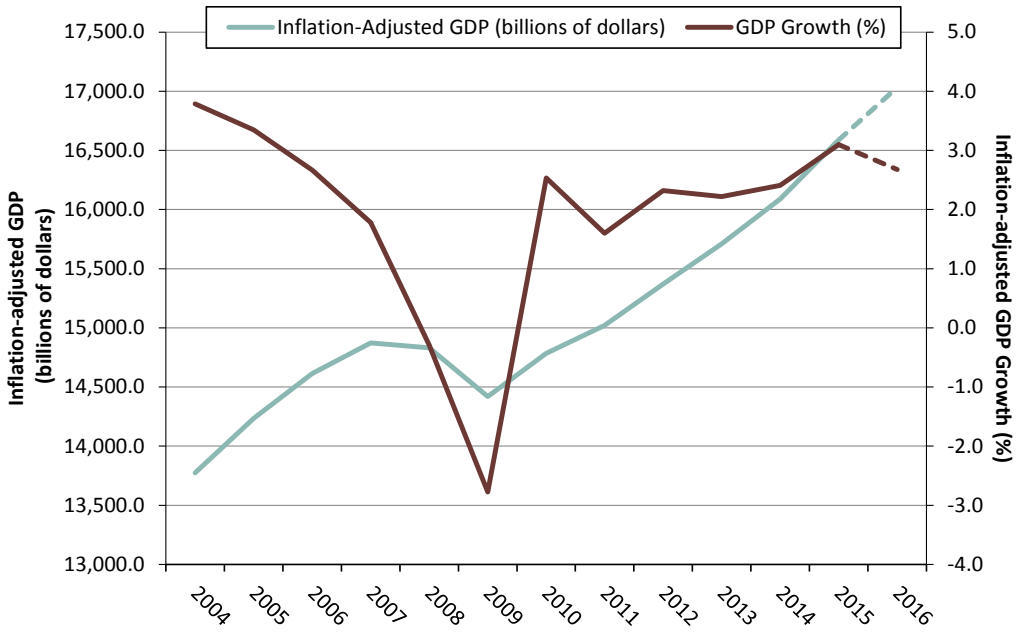
1.3. U.S. Forecast

In 2014, the U.S. economy continued its recovery from the trough of the recession in the summer of 2009. The economy's growth is expected to be sustained this year and next year. Inflation-adjusted GDP grew at a 2.4 percent rate in 2014, coming in at 5.0 percent annualized growth in the third quarter due to rising consumer optimism, increased industrial production, and high job growth. Inflation-adjusted annual GDP in 2015 is expected to see solid growth of 3.1 percent. Calendar year 2015 is expected to start with strong 3.1 percent growth in the first quarter, followed by 2.5 percent growth in the second quarter. Growth in the third and fourth quarter is expected to continue with gains of 2.6 and 2.4 percent.

While the rest of the world is experiencing a slowdown, the U.S. economy is expected to continue with its healthy growth for several reasons. One primary reason is that the U.S. economy is driven by domestic demand, with consumer demand making up approximately 70 percent of GDP. This domestic demand is not expected to drop off in 2015, especially considering that in 2014 the economy regained the number of payroll jobs that it had prerecession. Further, capital spending is expected to remain strong, and residential investment is expected to grow by 11.1 percent, compared to a disappointing 1.6 percent in 2014. Finally, falling gas prices have impacted many different aspects of the economy, but in particular they have freed up household's disposable income. The fall in gasoline prices is expected to be sustained through 2015. There will be cutbacks in the oil and drilling sector of the economy, but lower gasoline prices represent a net gain to short-term economic growth.

The Fed is expected to begin raising the federal funds rate by mid-2015. Other interest rates, both short- and long-term, are expected to follow. This combination of rising interest rates and strong domestic economic growth is predicted to lead to the U.S. dollar to continue to appreciate relative to other currencies.

Figure 1.6: The Economy is Expected to Have Strong Growth Throughout 2015



Source: Bureau of Economic Analysis and IHS Global Insight, Inc.

1.3. The U.S. Forecast, continued

Consumption

Consumer spending remained strong in 2014 and is expected to accelerate in 2015 and grow by 3.4 percent. This acceleration is primarily the result of a stronger labor market. In addition, wage growth is expected to outpace inflation in 2015. These factors are expected to lead to a healthy increase in inflation-adjusted disposable income in 2015. Consumers' real net worth is also expected to increase by 4.0 percent in 2015.

Spending on durables is expected to remain strong, and spending on nondurables and services is expected to accelerate. Consumer spending on nondurables is expected to grow by 3.0 percent in 2015, compared to 1.8 percent in 2014. Consumer spending on services is expected to grow by 3.0 percent in 2015, compared to 2.0 percent in 2014. Consumer spending on durables is expected to increase by 7.1 percent in 2015, the same growth seen in 2014. Light vehicle sales are expected to grow by 5.9 percent compared to 5.2 percent in 2014. However, spending on cars and light trucks are expected to be more balanced than was the case in 2014, with expected growth of 6.7 percent and 5.5 percent respectively.

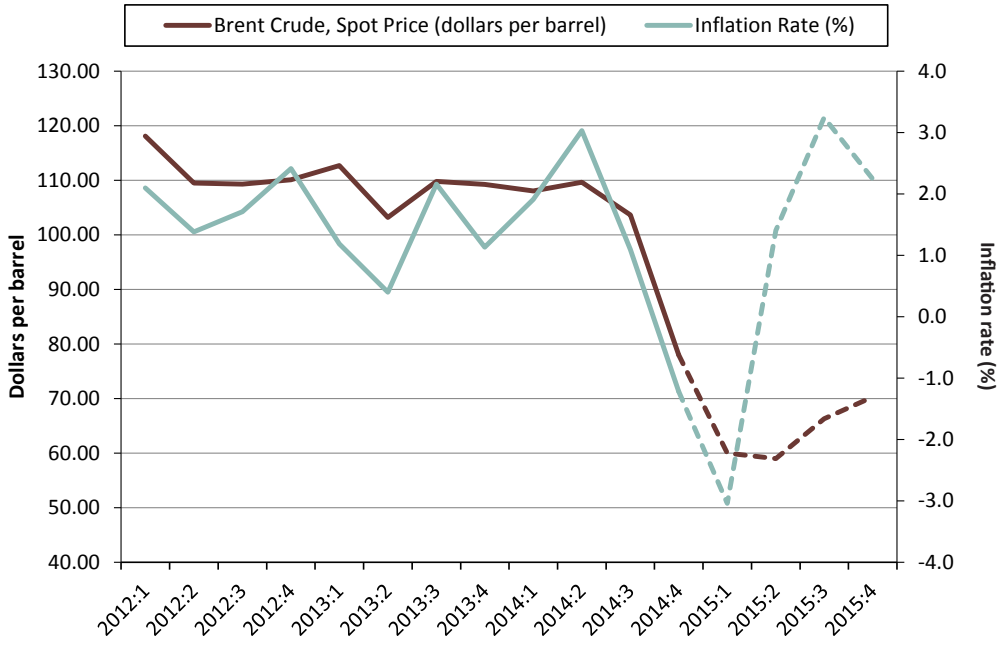
The Labor Market

The U.S. economy is expected to add 2.8 million nonfarm jobs in 2015. The largest sectors for job creation will be professional and business services, education and health services, as well as trade, transportation, and utilities. Together, these sectors will add 1.9 million jobs to the economy. The sectors expected to have the highest growth rate in 2015 are professional and business services as well as construction, with expected increases of 4.9 percent and 4.3 percent respectively.

Investment

Nonresidential fixed investment is expected to grow by 4.8 percent in 2015. Investment in transportation equipment, which experienced strong growth in 2014, is expected to experience slower growth in 2015. However, investment in information processing systems, specifically

Figure 1.7: The Unexpected Drop in Energy Prices Led to Deflation at the End of 2014



Note: Dollars per barrel is not seasonally adjusted.
Source: Commodity Research Bureau, Bureau of Labor Statistics, and IHS Global Insight, Inc.

1.3. The U.S. Forecast, continued

in computers and peripherals as well as communications equipment, is expected to rebound. Investment in computers and peripherals is expected to grow by 13.0 percent, up from a drop of 0.5 percent in 2014. Investment in communications equipment is expected to grow by 8.7 percent, up from a drop of 3.0 percent in 2014. Spending on structures is expected to decline by 1.9 percent in 2015. This decline reflects uneven growth between the different sectors. Commercial and healthcare structures as well as manufacturing structures are expected to experience significant increases, growing by 10.9 percent and 9.7 percent respectively. On the other hand, power and communication structures and mining and petroleum structures are predicted to experience significant declines, with real spending falling by 8.9 and 15.2 percent respectively. The decline in mining and petroleum structures is a consequence of lower gasoline prices.

While residential fixed investment was significantly lower in 2014 than was projected, it is expected to rebound in 2015. Residential fixed investment is projected to grow by 11.1 percent in 2015, comparable to the double-digit increases seen in 2012 and 2013. The first and second quarters are expected to be especially strong times of growth, with annualized growth rates of 16.1 and 18.0 percent respectively. The housing market is expected to continue to improve, with 1.163 million housing starts expected in 2015 compared with 994 thousand in 2014. Sales of existing homes is expected to reach 5.4 million, the highest since the recession but still below 2006 levels. Sales of new homes are expected to reach 481 thousand, making 2015 the fourth year of consecutive growth in new home sales. However, like the sales of existing homes, this level remains significantly lower than prerecession levels.

House prices for existing houses will continue to rise, with a 4.2 percent expected increase in the average price of existing homes in 2015. The average price for new homes is expected to increase by 4.5 percent. The FHFA Housing Price Index and the FHFA Purchase-Only Index are expected to rise by 7.1 percent and 4.1 percent respectively.

Interest Rates and Prices

The Federal Reserve is expected to begin raising interest rates during mid-2015. Though the positive labor market conditions indicate that the Fed will begin raising interest rates, the pace of these interest rate hikes is still uncertain. The federal funds rate is expected to rise to 0.44 percent from 0.09 percent in 2014. The 10-Year Treasury note yield is expected to rise slightly to 2.68 percent from 2.54 percent in 2014, and the 3-Month Treasury bill rate is expected to rise to 0.39 percent from 0.03 percent in 2014. The 30-Year Fixed Mortgage Rate is expected to continue to rise, up from 4.17 percent in 2014 to an expected 4.35 percent in 2015. By 2016, expectations are that the federal funds rate will rise to 1.56 percent, the 3-Month Treasury bill rate will be at 1.58 percent, and 10-Year Treasury note yield will be at 3.59 percent. The 30-Year Fixed Mortgage Rate is predicted to rise to 5.43 percent in 2015, the highest it has been since 2008.

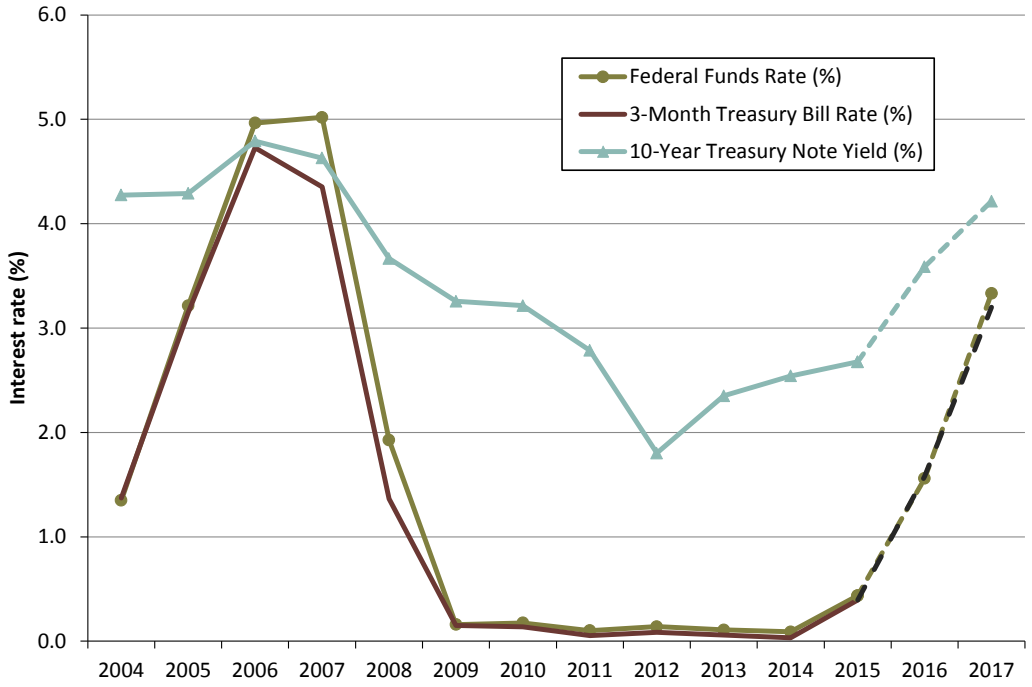
As measured by the CPI, inflation is expected to rise by 0.1 percent in 2015. This low rate of inflation is driven by lower energy prices, particularly lower gasoline prices. These lower gasoline prices are expected to save the average household $750 over the course of 2015. Consumer energy prices are expected to fall by 18.1 percent in 2015. Core-CPI, which excludes food and energy prices, is expected to rise by 2.0 percent in 2015. In 2016, inflation is expected to increase slightly with the CPI and the Core-CPI growing 2.3 percent and 2.1 percent.

Federal Budget

The federal deficit was cut by 28.9 percent in 2014, but in 2015 the federal deficit is expected to increase by 2.8 percent to $497 billion. By 2016, the federal deficit is predicted to fall by 21.5 percent to $390 billion. Federal receipts are expected to increase by 8.9 percent in 2015, compared to an 8.1 percent increase in outlays. The federal debt is expected to grow to $19.0 trillion in 2015, exceeding 100 percent of GDP for the fourth consecutive year.

1.3. The U.S. Forecast, continued

Figure 1.8: Expectations are that the Fed Will Begin Raising Interest Rates in 2015



Source: Federal Reserve Bank and IHS Global Insight, Inc.

In inflation-adjusted terms, government purchases at the federal level will continue to decline by 0.3 percent in 2015, compared to a 2.0 percent decrease in 2014. Inflation-adjusted defense spending is expected to decrease by 0.2 and 0.3 percent in 2015 and 2016, respectively. These reductions are much lower than the 2.2 and 6.6 percent cuts in 2014 and 2013. This predicted change is caused by an expectation of increased spending to combat Islamic State militants in Iraq and elsewhere. Inflation-adjusted nondefense spending is predicted to fall by 0.5 percent, compared to a 1.6 percent cut in 2014.

International Trade

The outlook for the U.S. economy is positive, but the outlook for the global economy is less positive. As a result, it is expected that the foreign sector will be a drag on GDP growth in 2015. Exports are expected to grow by 3.9 percent, while imports are expected to grow a stronger rate of 5.3 percent. Imports of services are expected to grow by 6.0 percent, the highest rate of increase since 2007. Imports of petroleum and related products are expected to grow by 0.1 percent, the first year of increase since 2010. Imports of computers and related goods are expected to grow by 7.9 percent. Aircraft imports are expected to fall by 9.7 percent, the first year of decline since 2010. Exports of computers and related goods are expected to fall by 7.3 percent, while aircraft exports are expected to rise by 1.8 percent. The dollar's appreciation will contribute to the strong growth in imports and modest sales of export products.

1.3. The U.S. Forecast, continued

Emergence of Millennials

Like any generation, Millennials (the generation born between 1982 and 2006) have come of age during a unique time. Most importantly in an economist's view, Millennials are coming into the labor market during the Great Recession and its aftermath. When the Great Recession began in December 2007, the oldest Millennials were twenty-five years old and had been engaged in the economy for a short period of time. These younger workers were and are experiencing higher rates of unemployment, lower rates of labor force participation, and lower rates of wage growth than previous generations. Some of these changes are continuations of long-term trends but doubtless they are exacerbated by the Great Recession.

In 2013, U.S. workers between the ages of 34 and 16 represented 34 percent of the employed but 57 percent of the short-term unemployed (those who had been unemployed for less than 14 weeks) and 42 percent of the long-term unemployed (those who had been unemployed for more than 26 weeks). In addition to being overrepresented in short-term and long-term unemployment, Millennials have lower rates of labor force participation than other age groups. From 2002 to 2012, overall labor force participation fell by 2.9 percentage points but it is Millennials pulling this average down. From 2002 to 2012, participation rates for 16-19 year-olds fell by 13.1 percentage points, participation rates for 20-24 year-olds fell by 5.5 percentage points, and participation rates for 25-34 year-olds fell by 2 percentage points. Only 45-54 year-olds experienced a similar decline (1.9 percentage points). In fact, workers 55 years old and older experienced increased labor force participation in the decade from 2002 to 2012. This decline is even sharper when looking at male Millennials: participation rates fell 13.5 percentage points for male 16-19 year-olds, 6.2 percentage points for male 20-24 year-olds, and 2.9 percent for male 25-34 year-olds.

Not only do younger workers have higher rates of unemployment and lower rates of labor force participation, it is taking them longer than previous generations to begin making the median wage. In 1980, the average worker achieved the median wage by age 26; in 2012, the average worker achieved the median wage at age 30. This is because younger workers now experience slower rates of wage growth: from ages 23 to 28, a college graduate in the '90s could expect their wages to increase by 50 percent. For the same age range, a college graduate in 2008 could expect their wages to increase by only 25 percent. Some of this low wage growth is caused by the rigidity remaining in the labor market. During a recession, employers hire fewer workers, giving workers fewer opportunities to change jobs. Millennials stay at the same job longer than the two previous generations at the same age. While remaining at the same job may allow Millennials to gain more experience, it also curtails their ability to move from one job to another with an increased salary.

What is the economic future like for this generation, and how will the background of the Great Recession continue to impact them? Even in more social terms, the generation is already very different from previous ones. In 2014, only 35 percent of people under age 35 own a home; in 2007, 42 percent did. Millennials are also getting married at much lower rates than previous generations: 30 percent of those 34-20 years-old were married in 2013. For comparison, in 2014, 31 percent of 34-18 year-olds lived with their parents. There are certain to be economic differences, as well. Because they entered the economy during a recession, older Millennials will probably have diminished earning capacity. One possible reason for this phenomenon is that because labor market conditions are so poor during a recession, new workers take jobs that are not as good a fit for them. If Millennials respond to the Great Recession as economists predict, they will save more and be more cautious investors throughout their lifetime. They did, after all, come of age seeing previous generations lose considerable ground.

1.4. Alternative Scenarios

The 2015 forecast rests on several key assumptions. The first is that there will be no government shutdown in 2015. Also, the Federal Reserve will begin raising interest rates in the second quarter of 2015. Major currency partners will have GDP growth of only 2.0 percent. The value of the dollar will continue rising which will increase imports and dampen exports. Finally, the price of oil will continue dropping into the second quarter of 2015.

In the pessimistic scenario (15 percent probability), household formation drops due to continued poor wage growth, low immigration, and low marriage rates, among other factors. This drop in household formation, rising construction costs, and scarcity of developed lots leads to a lower level of housing starts than predicted in the baseline scenario. The stock market declines, causing both consumption and nonresidential fixed investment to grow at slower rates. The global economy also grows slower than predicted, and because of this the level of exports is lower than at the baseline. This lower level of exports and slower growth of nonresidential fixed investment weaken businesses. A weakened business environment leads to slow wage and job growth, as well as a rising unemployment rate.

In the optimistic scenario (15 percent probability), OPEC cuts oil prices, leading to gas prices falling more than predicted. These lower-than-predicted gas prices cause consumer spending to rise above the baseline scenario. The Eurozone recovery strengthens, the GDP of major trading partners grows by 2.7 percent, and emerging market GDP growth is higher than expected. The combination of an increase in consumption and an improving world economy leads to increased production. In turn, increased production leads to increasing wages and job growth.

1.5. Forecast Summary and Conclusions

- U.S. inflation-adjusted GDP will grow by a solid 3.1 percent in 2015.
- The unemployment rate will continue to fall and reach 5.5 percent from 6.2 percent in 2014.
- The labor force participation rate will continue to rest at a low level of 61.6 percent.
- Consumer spending will grow by 3.4 percent.
- Oil prices will continue to fall, bottoming out at $59 per barrel in the second quarter.
- The housing market recovery will strengthen, with residential fixed investment growing by 11.1 percent, compared to 1.6 percent in 2014.
- The Fed will begin raising interest rates during the second quarter, and by the fourth quarter the federal funds rate will reach 0.79 percent, compared to 0.10 in the fourth quarter of 2014.
- The global economy will continue to recover but this recovery will be slow. Major trading partners' GDP is expected to grow by only 2.0 percent.

CHAPTER 2: THE TENNESSEE ECONOMY: SHORT-TERM OUTLOOK

In this chapter—

2.1. Introduction

2.2. The Current Economic Environment

2.3. Fiscal Update
National Perspective
Tennessee and Southeastern States

2.4. Short-Term Outlook
Tennessee Forecast at a Glance

2.5. Situation and Outlook for Tennessee Agriculture
Overview of Agriculture in Tennessee
Agricultural Sector Outlook
Ag Sector Issues

2.1. Introduction

Tennessee has now enjoyed more than five years of growth since the end of the Great Recession in 2009. Aside from a lackluster weather-related performance during the first quarter of 2014, the state and national economies have both performed well through the course of the year. The economic recovery continues to be in full swing and healthy economic growth is expected for the upcoming year.

As of December, there were 2.95 million jobs created in the U.S. in 2014, marking the largest annual job gain since 1999. National job growth has been strong in the last few months, but especially so in November when 353,000 new jobs were added to the economy. An improving labor market can also be seen in Tennessee where nonfarm employment grew by 1.9 percent in 2014, representing an addition of more than 51,000 new jobs. Manufacturing employment in Tennessee also expanded by 1.3 percent in 2014. The state unemployment rate has been trending downwards over the last two years, but did hit a snag during the third quarter. After falling to 6.4 percent in the second quarter of 2014, Tennessee's unemployment rate bounced back up to 7.3 percent in the third quarter. However, preliminary data has the unemployment rate dropping down to 6.6 percent in December. The state unemployment rate, which is based on a survey with a very small sample size, provides a pessimistic and contradictory story as compared to the rest of the labor force data. Therefore it should be viewed with some degree of skepticism.

After adjusting for inflation, personal income grew by 2.3 percent over its 2013 value in Tennessee and 2.5 percent in the nation. In Tennessee, nominal taxable sales increased by 4.3 percent in 2014, which compares favorably to the 3.0 percent growth rate registered the year prior. For nonfarm employees, the average annual wage was $45,714 in 2014, representing a 2.2 percent increase over last year's wage rate, and a welcoming sign compared to the paltry 0.4 percent growth rate recorded in 2013. In inflation-adjusted terms,

2.1. Introduction, continued

the annual wage rate grew by 0.8 percent in 2014, whereas it contracted by 0.8 percent in 2013.

The forecast presented here assumes a similar pattern of economic growth for Tennessee in 2015. Nonfarm employment is expected to grow by 1.8 percent and manufacturing employment will increase by 0.9 percent. Both of these rates of growth are similar, but slightly slower than their respective growth rates in 2014. The unemployment rate is expected to drop from 6.9 percent in 2014 to an annual average of 6.5 percent in 2015. Inflation-adjusted personal income should see a robust 3.6 percent growth rate in 2015.

Economic Growth in Tennessee Closely Resembles the National Average

A composite measure of the state's most recent economic performance is reported in Table 2.1. The index of state economic momentum ranks states based on income, population, and employment growth. Measures of these three components are averaged, and the national average is set to zero. The index ranked Tennessee as 19th, lagging the national average by only 0.02 percent. North Dakota had the top spot, outperforming the nation by 1.7 percent, while Mississippi ranked last, lagging behind by almost 2.0 percent. The state economic momentum index provides some evidence to indicate that economic growth in Tennessee is right in line with the national average. A similar pattern can be observed in the state's short-term forecast, which relies heavily on patterns of national economic growth.

Table 2.1: Index of State Economic Momentum, December 2014

1	North Dakota	1.70	26	Michigan	-0.31
2	Texas	1.56	27	Alaska	-0.32
3	Washington	0.89	28	New Hampshire	-0.33
4	Utah	0.89	29	Vermont	-0.35
5	Colorado	0.88	30	Indiana	-0.38
6	Florida	0.82	31	Ohio	-0.42
7	Oregon	0.75	32	Minnesota	-0.47
8	Idaho	0.61	33	Louisiana	-0.49
9	Delaware	0.60	34	Connecticut	-0.49
10	South Carolina	0.57	35	New York	-0.51
11	Arizona	0.52	36	Maryland	-0.55
12	Nevada	0.48	37	Alabama	-0.57
13	Georgia	0.45	38	Missouri	-0.58
14	California	0.32	39	Arkansas	-0.60
15	North Carolina	0.26	40	Maine	-0.66
16	Oklahoma	0.03	41	Pennsylvania	-0.79
17	Kentucky	0.01	42	Virginia	-0.81
18	Montana	-0.01	43	West Virginia	-0.88
19	**Tennessee**	**-0.02**	44	Kansas	-0.90
20	Hawaii	-0.04	45	New Jersey	-0.94
21	New Mexico	-0.09	46	South Dakota	-1.02
22	Massachusetts	-0.13	47	Iowa	-1.11
23	Wyoming	-0.24	48	Illinois	-1.12
24	Rhode Island	-0.27	49	Nebraska	-1.55
25	Wisconsin	-0.29	50	Mississippi	-1.96

Source: Federal Funds Information for States (2014). Index of State Economic Momentum, 32(23-24).

2.2. The Current Economic Environment

Nonfarm job growth in Tennessee reached 1.9 percent in 2014. This was faster than the 1.4 percent pace of job creation in 2013 and right in line with national job growth in 2014. Job growth in Tennessee started off slowly in 2014, growing by only 1.4 percent in the first quarter, but then accelerated to 2.6 percent during the second quarter and 1.9 and 1.8 percent in the third and fourth quarters respectively. For the year as a whole, nonfarm employment totaled 2,802,700, marking the first time that nonfarm employment surpassed its pre-recession peak of 2,797,800 in 2007.

Statewide employment growth in 2014 was led by professional and business services (up 5.2 percent), natural resources, mining and construction (4.4 percent), and leisure and hospitality services (4.2 percent). Four broad sectors experienced employment contraction during 2014 including: information, nondurable goods manufacturing, state and local government, and federal government. Based on preliminary data available through November 2014, Tennessee's year-over-year nonfarm job growth outpaced six other states in the southeast and lagged behind five states in the region.

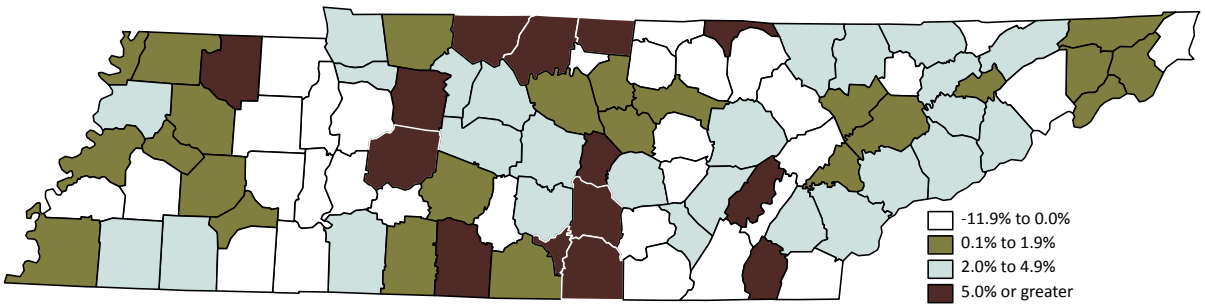
The most recent county employment growth data are presented in Figure 2.1. Statewide, employment grew by 1.9 percent from June 2013 to June 2014. During this time 29 counties experienced contractions in nonfarm employment, 64 counties enjoyed growth, and two counties saw no change. Franklin County realized the largest gains at 18.3 percent, followed by Moore County (8.7 percent), Hickman County (7.1 percent), and Cannon County (6.6 percent). Conversely, Morgan County (-11.9 percent) was the only county to suffer job losses in excess of 10.0 percent, and Union County saw an 8.7 percent contraction.

The civilian labor force in Tennessee, which includes unemployed people who are actively seeking work and employed individuals, fell by 1.5 percent in 2014. This was due entirely to a 17.6 percent contraction in the number of unemployed people while the number of employed persons remained flat between 2013 and 2014. A contraction in the civilian labor force coupled with no change in the number employed and a large contraction in the number unemployed indicates that more individuals exited the labor force, likely discouraged from a failed job search. As a result the labor force participation rate, the share of the adult population in the labor force, fell to 57.7 percent in 2014, the lowest in recent history.

The state unemployment rate averaged 6.9 percent in 2014 compared to 6.2 percent for the

Figure 2.1: Two-Thirds of Tennessee Counties Have Experienced Job Growth
(Year-Over-Year Growth in Total Covered Employment, June 2013–June 2014)

Tennessee: 1.9%
United States: 1.8%



Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW).

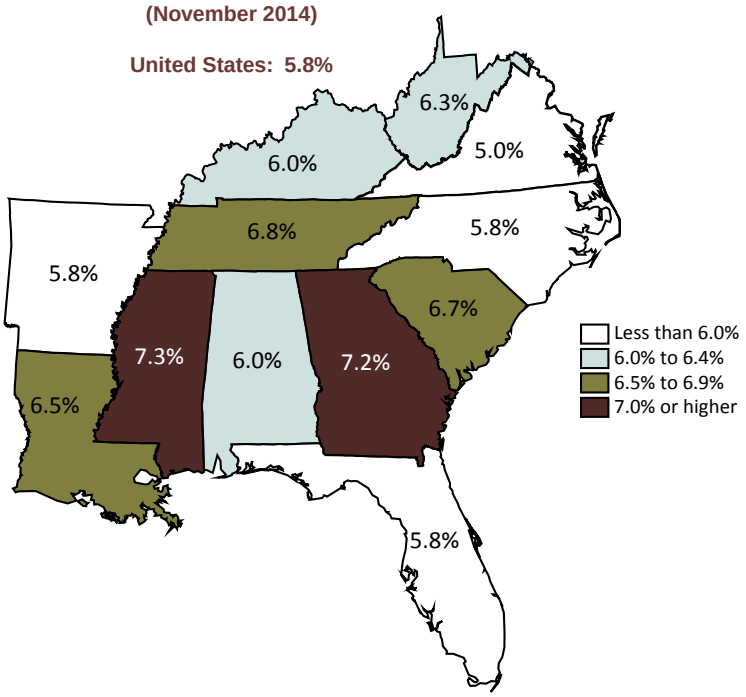
2.2. The Current Economic Environment, continued

nation. From 2013 to 2014, both the state and national unemployment rates fell significantly, with Tennessee's rate falling by 1.3 percentage points and the national rate dropping 1.2 percentage points. Based on data from the month of November, Tennessee's 6.8 percent unemployment rate was the third highest among southeast states, and a full percentage point higher than the national unemployment rate (see Figure 2.2). The unemployment rate seems to be relatively high given relatively strong employment growth. The highest unemployment rate in the region was in Mississippi (7.3 percent), followed by Georgia (7.2 percent), and the lowest was in Virginia (5.0 percent).

Figure 2.3 shows non-seasonally adjusted county unemployment rates for November 2014, the most recent month for which data are available. Only three counties had non-seasonally adjusted unemployment rates above 10 percent for the month, the highest of which being 12.5 percent in Scott County. The lowest unemployment rates in the state were in Lincoln County (4.3 percent), Williamson County (4.6 percent), and Wilson County (4.7 percent), all of which were below the national average non-seasonally adjusted unemployment rate of 5.5 percent. In total 80 Tennessee counties had an unemployment rate above the national average while 14 enjoyed a lower unemployment rate.

In 2014 nominal personal income in Tennessee increased by 3.7 percent, which was slightly slower than the 3.9 percent increase for the nation. In Tennessee, wages and salaries grew by 4.1 percent over the year, proprietors' income expanded by 4.2 percent, and transfer payments were up 3.8 percent. After growing by a meager 0.9 percent in 2013, inflation-adjusted personal income bounced back in 2014, expanding by 2.3 percent. Inflation-adjusted personal income per capita reached $37,133 in 2014, representing a 1.2 percent increase over 2013.

Figure 2.2: Tennessee's Monthly Unemployment Rate is Third Highest among Southeast States, which is Inconsistent with the Strong Employment Growth Currently Observed in the State
(November 2014)

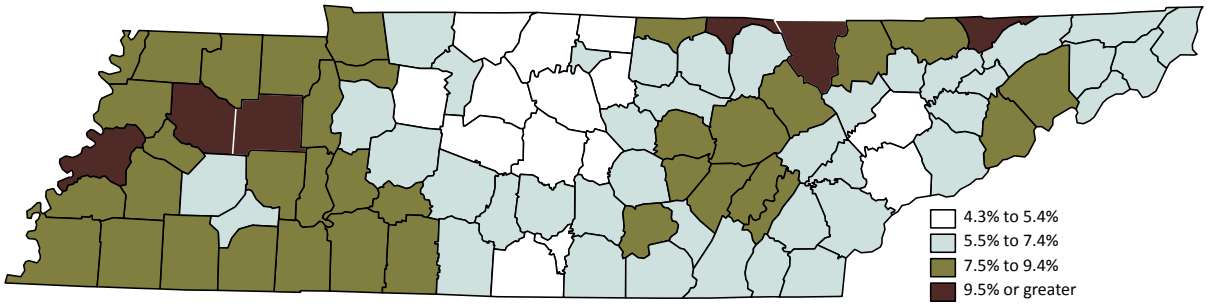


Note: Seasonally adjusted.
Source: Bureau of Labor Statistics.

2.2. The Current Economic Environment, continued

Figure 2.3: The Unemployment Rate in Most Tennessee Counties is Higher Than the National Average
(November 2014)

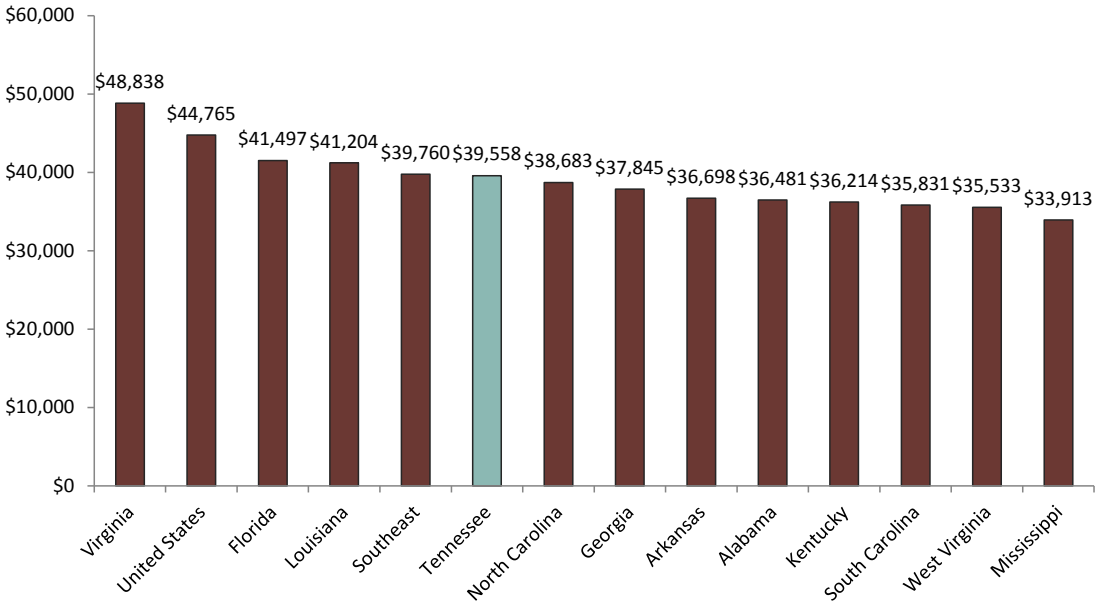
Tennessee: 6.4%
United States: 5.5%



Note: Not seasonally adjusted.
Source: Bureau of Labor Statistics.

Figure 2.4 presents per-capita personal income in current dollars across the southeast states for 2013, the most recent year for which data are available. At $39,558, Tennessee ranked fourth among the twelve states in the southeast region, but was slightly below the southeast average of $39,760. Among the southeast states, only Virginia ($48,838), Florida ($41,497), and Louisiana ($41,204) were ahead of Tennessee, while Mississippi had the lowest per capita personal income at $33,913.

Figure 2.4: Per Capita Personal Income in Tennessee is Slightly Below the Southeast Average but still Fourth Highest in the Region, 2013



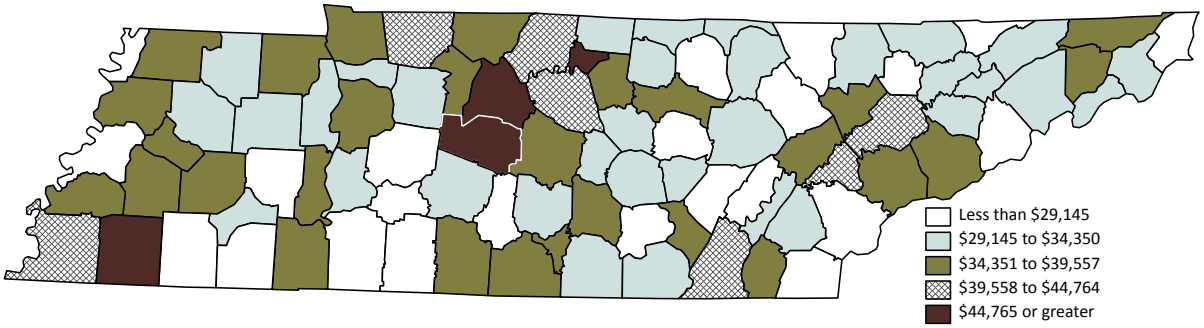
Source: Bureau of Economic Analysis.

2.2. The Current Economic Environment, continued

Figure 2.5 shows county-level per capita personal income data in Tennessee for 2013. Statewide, per capita personal income was more than $5,000 below the national average. In Tennessee, Williamson County continues to have the highest per capita income at $69,439. In 2013 there were only four counties with per capita income above the national average – Williamson, Davidson, Fayette, and Trousdale. Per capita income continues to be lowest in Hancock County at $21,970, which is less than 50 percent of the national average.

Figure 2.5: Per Capita Income is Lower than the U.S. Average in Most Counties
(2013 Per Capita Personal Income in Current Dollars)

Tennessee: $39,558
United States: $44,765



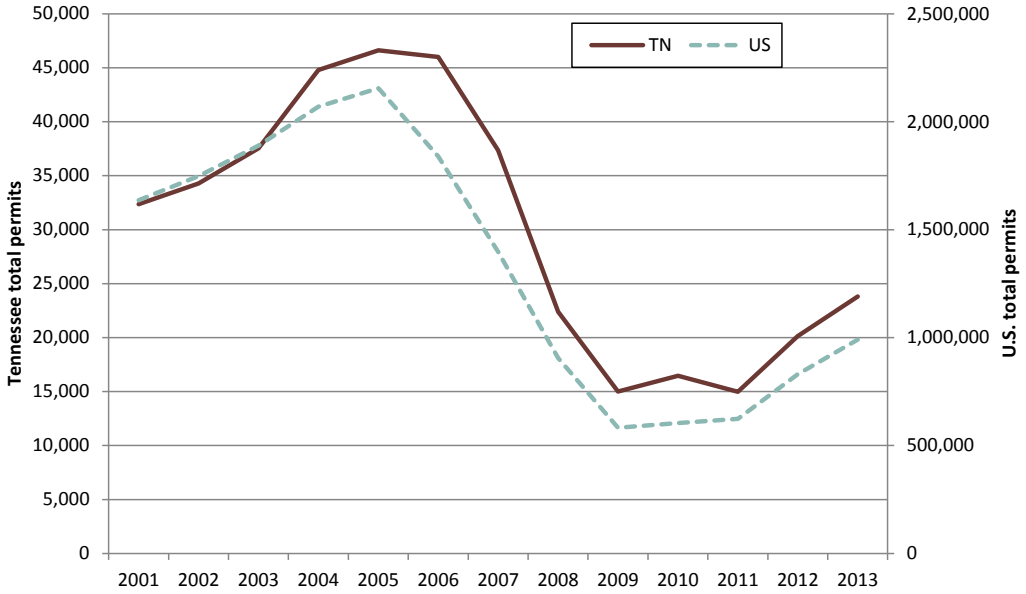
Source: Bureau of Economic Analysis.

Taxable sales rebounded in 2014. After growing by only 3.0 percent in 2013, sales growth accelerated to 4.3 percent in 2014. Hotels and motels led the way in 2014 with increased sales of 14.0 percent. Automobile dealers also experienced healthy sales growth of 6.5 percent in 2014. On a year-over-year basis, only transportation and communication sales were down in 2014. This was due entirely to a contraction in the second quarter.

In the U.S. and in Tennessee, building permits are showing sustained growth, but are below the expectations that were set a year ago. In the U.S., building permits have grown for four years in a row (2010 through 2013), while Tennessee has now enjoyed two years of positive growth (2012 and 2013). Despite these gains, the levels of permitting activity remain well below the pre-recession peak of 2005 (see Figure 2.6).

2.2. The Current Economic Environment, continued

Figure 2.6: Building Permits in Tennessee and the U.S. are Growing but Remain Below the Pre-Recession peaks of 2005.



Source: Census Bureau Building Permits Survey Data, US Census Bureau.

2.3. Fiscal Update

After four consecutive years of tax revenue growth, state governments finally faced a contraction in overall state tax collections during the second quarter of 2014. These declines do not signal another economic slowdown; rather they are likely just temporary effects of the federal fiscal cliff.

National Perspective

In fiscal year (FY) 2014, states collected a total of $863.8 billion in tax revenues. This was up 1.8 percent over FY 2013. Aggregate sales tax revenues increased by 4.2 percent compared to last fiscal year and corporate income tax collections grew 1.7 percent. Personal income tax revenues contracted by 1.3 percent.[1]

Total state tax collections were up 4.0 percent in the third quarter of 2014 over the same quarter of the previous year.[2] Sales tax collections grew by 5.9 percent during the third quarter, making this the 19th consecutive quarter of sales tax revenue growth. Following a second quarter contraction, corporate income tax revenues resumed growth in the third quarter, expanding by 8.9 percent over the same quarter last year. After shrinking in two consecutive quarters, personal income tax revenues finally enjoyed some growth in 2014, expanding by 5.9 percent in the third quarter. These declines in personal income tax revenues during the first half of 2014 were mostly anticipated as a result of changes in federal income tax rates and the federal

[1]Dadayan, Lucy and Donald J. Boyd. (November 2014). "Personal Income Tax Revenues Decline for the Second consecutive Quarter." The Nelson A. Rockefeller Institute of Government. Retrieved from http://www.rockinst.org/pdf/government_finance/state_revenue_report/2014-11-05-SRR_97.pdf.

[2]Dadayan, Lucy and Donald J. Boyd. (December 12, 2014). "Sunshine After the Rain: Revenue Collections Resume Growth After Declines in the First Half of 2014." The Nelson A. Rockefeller Institute of Government. Retrieved from http://www.rockinst.org/newsroom/data_alerts/2014/2014-12-12_Data_Alert-REVISED.pdf.

2.3. Fiscal Update, continued

fiscal cliff. These effects have mostly disappeared and positive personal income tax growth is expected for the remainder of FY 2015.

Tennessee and Southeastern States

For the fiscal year, total tax revenues in the Southeast region (Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia) grew by 2.3 percent over FY 2012. This was slightly faster than the 1.8 percent rate of growth experienced by the nation as a whole.[3] With growth of 3.1 percent, sales and use tax revenues grew more slowly in the southeast region than in the nation which enjoyed 4.2 percent growth. Conversely, corporate income tax revenue growth in the region was above the national average, while both the southeast region and nation experienced a similar contraction in personal income tax revenues.

In FY 2014, revenue growth in Tennessee was slightly slower than both the national and regional average. However, preliminary data show Tennessee performing better than both during the third quarter of 2014.[4] The fiscal year data show Tennessee's total tax collections grew by only 1.0 percent over FY 2013, and sales and use tax revenues increased by 3.6 percent.[5] Tennessee also experienced a large contraction in corporate income receipts last fiscal year, as revenues fell by 8.7 percent. This was the second lowest in the region only behind West Virginia, and was largely driven by strategic business decisions that can likely be viewed as one-time events. Third quarter 2014 data provide a more optimistic picture. Total tax revenues grew by 4.2 percent, tying Alabama for the fifth highest in the region. Sales tax revenues increased by 5.0 percent, which was slightly below the national average. Finally, corporate income tax revenues expanded by 12.3 percent, outpacing both the national average (8.9 percent) and regional average (3.9 percent).

In Tennessee, December collections totaled $1,017.3 million, representing a 5.3 percent expansion compared to December 2013. Sales and use tax collections grew by 5.9 percent, and franchise and excise tax collections increased by 9.9 percent compared to the depressed December collections of 2013. Fiscal year-to-date (FYTD) (August 2014 – December 2014) collections are up 5.2 percent compared to last FYTD, and are 2.7 percent above expectations.

[3]Dadayan, Lucy and Donald J. Boyd. (November 2014). "Personal Income Tax Revenues Decline for the Second consecutive Quarter." The Nelson A. Rockefeller Institute of Government. Retrieved from http://www.rockinst.org/pdf/government_finance/state_revenue_report/2014-11-05-SRR_97.pdf.

[4]Dadayan, Lucy and Donald J. Boyd. (December 12, 2014). "Sunshine After the Rain: Revenue Collections Resume Growth After Declines in the First Half of 2014." The Nelson A. Rockefeller Institute of Government. Retrieved from http://www.rockinst.org/newsroom/data_alerts/2014/2014-12-12_Data_Alert-REVISED.pdf.

[5]Dadayan, Lucy and Donald J. Boyd. (November 2014). "Personal Income Tax Revenues Decline for the Second consecutive Quarter." The Nelson A. Rockefeller Institute of Government. Retrieved from http://www.rockinst.org/pdf/government_finance/state_revenue_report/2014-11-05-SRR_97.pdf.

2.4. Short-Term Outlook

The economic performance of Tennessee relies heavily on the national economy, and as a result the state's short-term economic outlook largely resembles that of the nation's. Output and personal income should continue to grow at a healthy rate through the near-term forecast horizon. Nonfarm employment will also expand over the next three years, but will see a slight deceleration of growth in each year. Manufacturing employment, which is still well below pre-recession levels, will see only modest growth. However, manufacturing production will continue to surge. The state unemployment rate will maintain its downward trend but stay well above the national unemployment rate during the short-term forecast period.

Table 2.2 provides a summary of the projected economic outlook for Tennessee and the nation. Nominal personal income is expected to rise by 4.2 percent in 2015 and 4.4 percent in 2016.

2.3. Short-Term Outlook, continued

Table 2.2: Selected U.S. and Tennessee Economic Indicators, Seasonally Adjusted

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
US GDP (Bil2009$) SAAR	16010.4	16205.6	16308.2	16433.1	16536.7	16643.1	16737.0	16839.3	16959.1	17095.1	17231.2	17337.3	15710.3	16089.0	16587.5	17031.2
% Chg Prev Qtr SAAR	4.59	4.97	2.56	3.10	2.54	2.60	2.28	2.47	2.88	3.25	3.22	2.49	2.22	2.41	3.10	2.68
% Chg Same Qtr Last Yr	2.59	2.70	2.46	3.80	3.29	2.70	2.63	2.47	2.55	2.72	2.95	2.96	2.22	2.41	3.10	2.68
US GDP (Bil$) SAAR	17328.2	17599.8	17793.2	17992.1	18198.6	18417.2	18597.8	18803.6	19023.1	19261.6	19508.3	19726.2	16768.1	17441.3	18301.4	19149.2
% Chg Prev Qtr SAAR	6.84	6.42	4.47	4.55	4.67	4.89	3.98	4.50	4.75	5.11	5.22	4.54	3.74	4.02	4.93	4.63
% Chg Same Qtr Last Yr	4.27	4.31	4.19	5.56	5.02	4.64	4.52	4.51	4.53	4.58	4.90	4.91	3.74	4.02	4.93	4.63
TN PERSONAL INCOME (MIL2009$) SAAR	243989	245163	247822	250962	253178	254654	256503	257985	259738	261514	262982	264699	239408	244938	253824	260555
% Chg Prev Qtr SAAR	2.01	1.94	4.41	5.17	3.58	2.35	2.94	2.33	2.75	2.76	2.26	2.64	0.87	2.31	3.63	2.65
% Chg Same Qtr Last Yr	2.04	2.17	2.90	3.37	3.77	3.87	3.50	2.80	2.59	2.69	2.53	2.60	0.87	2.31	3.63	2.65
US PERSONAL INCOME (BIL2009$) SAAR	13477	13556	13691	13929	14022	14082	14179	14317	14427	14548	14669	14822	13199	13529	14053	14490
% Chg Prev Qtr SAAR	2.55	2.38	4.02	7.16	2.70	1.72	2.78	3.95	3.11	3.39	3.39	4.21	0.81	2.50	3.87	3.11
% Chg Same Qtr Last Yr	2.12	2.30	3.11	4.01	4.05	3.88	3.57	2.78	2.89	3.31	3.46	3.52	0.81	2.50	3.87	3.11
TN PERSONAL INCOME (MIL$) SAAR	265417	267532	270343	273248	276230	279249	282292	285217	288357	291516	294581	297629	256969	266467	277754	289918
% Chg Prev Qtr SAAR	4.40	3.23	4.27	4.37	4.44	4.44	4.43	4.21	4.48	4.45	4.27	4.20	2.07	3.70	4.24	4.38
% Chg Same Qtr Last Yr	3.67	3.69	4.14	4.06	4.07	4.38	4.42	4.38	4.39	4.39	4.35	4.35	2.07	3.70	4.24	4.38
US PERSONAL INCOME (BIL$) SAAR	14661	14792	14924	15126	15272	15425	15600	15824	16017	16221	16441	16695	14167	14715	15356	16126
% Chg Prev Qtr SAAR	4.94	3.64	3.61	5.53	3.91	4.08	4.60	5.87	4.97	5.20	5.54	6.33	2.01	3.87	4.35	5.01
% Chg Same Qtr Last Yr	3.74	3.82	4.28	4.43	4.17	4.28	4.53	4.61	4.88	5.16	5.39	5.51	2.01	3.87	4.35	5.01
TN NONFARM JOBS (THOUS)	2797.5	2810.6	2822.9	2834.4	2846.2	2857.8	2867.8	2878.0	2888.7	2900.0	2910.9	2922.1	2750.9	2802.7	2851.6	2894.4
% Chg Prev Qtr SAAR	2.59	1.89	1.76	1.64	1.67	1.65	1.40	1.43	1.49	1.57	1.51	1.55	1.35	1.88	1.75	1.50
% Chg Same Qtr Last Yr	1.97	2.14	1.90	1.97	1.74	1.68	1.59	1.54	1.49	1.47	1.50	1.53	1.35	1.88	1.75	1.50
US NONFARM JOBS (MIL)	138.5	139.2	140.0	140.7	141.4	142.1	142.7	143.3	143.9	144.5	145.1	145.5	136.4	138.9	141.7	144.2
% Chg Prev Qtr SAAR	2.21	2.10	2.28	1.86	2.14	1.89	1.71	1.71	1.74	1.69	1.66	1.12	1.69	1.85	2.04	1.76
% Chg Same Qtr Last Yr	1.78	1.91	2.02	2.11	2.10	2.04	1.90	1.86	1.76	1.71	1.70	1.55	1.69	1.85	2.04	1.76
TN MFG JOBS (THOUS)	322.4	324.4	325.1	325.5	325.9	326.3	326.6	327.0	327.2	327.5	327.9	328.1	318.8	323.1	326.1	327.4
% Chg Prev Qtr SAAR	2.65	2.50	0.83	0.56	0.49	0.42	0.46	0.42	0.27	0.40	0.39	0.31	1.74	1.33	0.94	0.40
% Chg Same Qtr Last Yr	1.31	1.88	1.28	1.63	1.09	0.57	0.48	0.45	0.39	0.39	0.37	0.34	1.74	1.33	0.94	0.40
US MFG JOBS (MIL)	12.1	12.2	12.2	12.2	12.2	12.2	12.3	12.4	12.4	12.4	12.4	12.4	12.0	12.1	12.3	12.4
% Chg Prev Qtr SAAR	1.18	1.63	1.67	0.81	0.08	0.28	1.80	2.47	0.30	0.68	0.56	0.78	0.65	1.12	0.95	1.17
% Chg Same Qtr Last Yr	0.96	1.43	1.44	1.32	1.04	0.71	0.74	1.15	1.21	1.31	1.00	0.58	0.65	1.12	0.95	1.17
TN UNEMPLOYMENT RATE (%)	6.4	7.3	6.8	6.7	6.6	6.5	6.4	6.3	6.2	6.2	6.1	6.0	8.2	6.9	6.5	6.2
US UNEMPLOYMENT RATE (%)	6.2	6.1	5.8	5.7	5.6	5.5	5.4	5.4	5.3	5.3	5.2	5.2	7.4	6.2	5.5	5.3
CHAINED PRICE INDEX, GDP (2009=100.0)	108.3	108.6	109.1	109.5	110.1	110.7	111.1	111.7	112.2	112.7	113.2	113.8	106.7	108.4	110.3	112.4
% Chg Prev Qtr SAAR	2.12	1.42	1.72	1.40	2.07	2.23	1.66	1.98	1.82	1.81	1.94	2.01	1.49	1.58	1.75	1.91
% Chg Same Qtr Last Yr	1.66	1.59	1.64	1.66	1.65	1.86	1.84	1.99	1.93	1.82	1.89	1.89	1.49	1.58	1.75	1.91
US PERS CONSUMP DEFL (2009=100.0)	108.8	109.1	109.0	108.6	108.9	109.5	110.0	110.5	111.0	111.5	112.1	112.6	107.3	108.8	109.3	111.3
% Chg Prev Qtr SAAR	2.34	1.23	-0.39	-1.52	1.18	2.32	1.78	1.84	1.80	1.75	2.08	2.03	1.20	1.33	0.46	1.84
% Chg Same Qtr Last Yr	1.60	1.48	1.13	0.40	0.12	0.39	0.93	1.78	1.94	1.79	1.87	1.92	1.20	1.33	0.46	1.84
CONSUMER PRICE INDEX, ALL-URBAN (82-84=1.000)	2.370	2.377	2.369	2.351	2.359	2.378	2.391	2.405	2.419	2.431	2.447	2.462	2.330	2.367	2.370	2.426
% Chg Prev Qtr SAAR	3.03	1.10	-1.22	-3.04	1.40	3.25	2.25	2.35	2.22	2.14	2.63	2.47	1.46	1.61	0.12	2.35
% Chg Same Qtr Last Yr	2.06	1.79	1.19	-0.06	-0.46	0.07	0.94	2.31	2.51	2.24	2.34	2.37	1.46	1.61	0.12	2.35
BANK PRIME INTEREST RATE (%)	3.3	3.3	3.3	3.3	3.3	3.5	3.8	4.0	4.3	4.7	5.2	5.7	3.3	3.3	3.5	4.6
FEDERAL FUNDS RATE (% per annum)	0.093	0.090	0.101	0.143	0.277	0.537	0.787	1.033	1.283	1.707	2.210	2.707	0.108	0.089	0.436	1.558
30-YEAR FIXED MORTGAGE RATE (%)	4.2	4.1	4.0	4.0	4.2	4.5	4.7	5.0	5.4	5.6	5.7	5.9	4.0	4.2	4.4	5.4
TN TAXABLE SALES (MIL2009$)	23848	24566	24601	24823	24973	25034	25148	25250	25356	25470	25566	25680	94059	96799	99978	101643
% Chg Prev Qtr SAAR	1.09	12.60	0.56	3.67	2.43	0.99	1.82	1.63	1.70	1.81	1.52	1.78	1.74	2.91	3.28	1.67
% Chg Same Qtr Last Yr	1.52	4.76	3.52	4.37	4.72	1.90	2.22	1.72	1.54	1.74	1.67	1.70	1.74	2.91	3.28	1.67
TN TAXABLE SALES (MIL$)	25943	26808	26836	27028	27247	27452	27676	27915	28150	28392	28638	28875	100959	105310	109402	113096
% Chg Prev Qtr SAAR	3.45	14.03	0.42	2.88	3.28	3.05	3.30	3.50	3.42	3.49	3.51	3.34	2.96	4.31	3.89	3.38
% Chg Same Qtr Last Yr	3.14	6.33	4.77	5.07	5.03	2.40	3.13	3.28	3.32	3.42	3.48	3.44	2.96	4.31	3.89	3.38
TN AVG ANNUAL WAGE, NONFARM (2009$)	41881	41906	42234	42565	42739	42791	42902	42962	43042	43120	43165	43252	41681	42021	42749	43072
% Chg Prev Qtr SAAR	-1.72	0.24	3.17	3.17	1.65	0.49	1.03	0.57	0.74	0.73	0.41	0.81	-0.80	0.81	1.73	0.76
% Chg Same Qtr Last Yr	0.34	0.75	1.58	1.19	2.05	2.11	1.58	0.93	0.71	0.77	0.61	0.67	-0.80	0.81	1.73	0.76
TN AVG ANNUAL WAGE, NONFARM ($)	45559	45730	46072	46344	46631	46924	47215	47497	47784	48067	48351	48633	44738	45714	46779	47925
% Chg Prev Qtr SAAR	0.57	1.51	3.03	2.38	2.49	2.54	2.50	2.41	2.44	2.39	2.38	2.35	0.39	2.18	2.33	2.45
% Chg Same Qtr Last Yr	1.94	2.25	2.81	1.87	2.35	2.61	2.48	2.49	2.47	2.44	2.41	2.39	0.39	2.18	2.33	2.45

Center for Business and Economic Research, University of Tennessee **Tennessee Econometric Model**

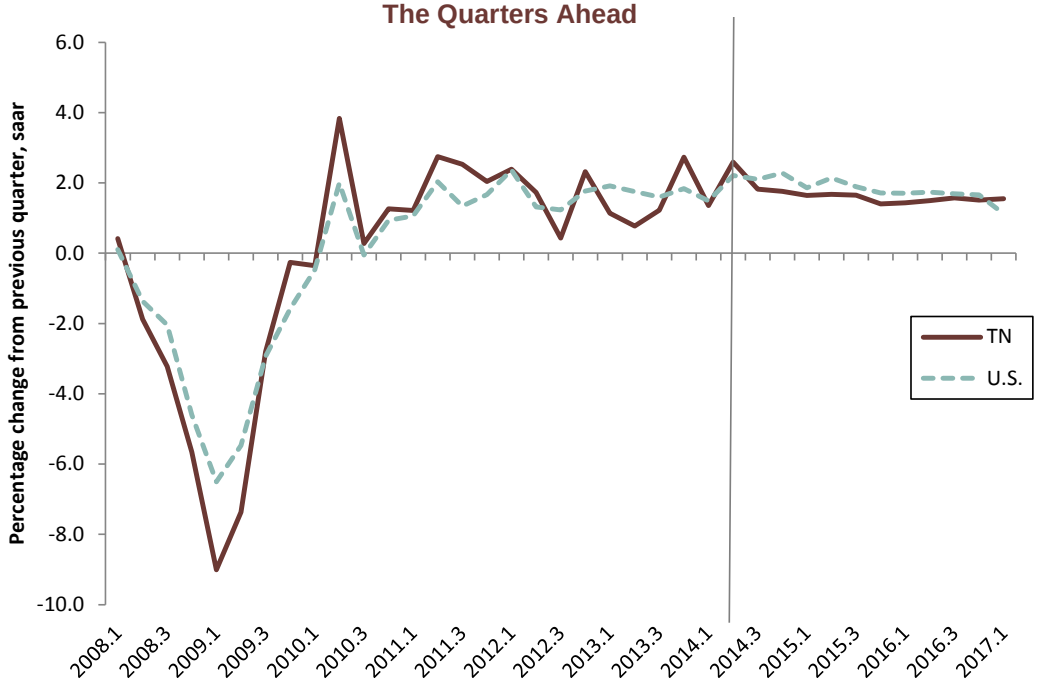
2.3. Short-Term Outlook, continued

Personal income growth will be driven by growth in proprietors' income, which will increase by 5.4 percent in 2015 and 6.0 percent in 2016. Wages and salaries, which have been slow to rebound from the recession, will experience healthy growth of 4.1 percent in 2015 and 4.0 percent in 2016. Personal income growth will be slightly faster for the national economy, which is expected to see 4.4 percent growth in 2015 and 5.0 percent growth in 2016. Per capita personal income growth will come in at 3.2 percent in 2015 and 3.3 percent 2016. This is slightly slower than the expected growth rates for the national economy of 3.5 percent in 2015 and 4.2 percent in 2016. In Tennessee, per capita personal income will be $41,669 in 2015, which is only 87.3 percent of the national average. On a fiscal year basis, nominal personal income will see growth of 4.0 percent in FY 2015 and 4.4 percent in FY 2016.

The employment outlook for Tennessee and the nation is presented in Figure 2.7. Seasonally-adjusted nonfarm job growth in Tennessee will remain relatively constant in the quarters ahead, registering 1.6-1.7 percent growth in the first three quarters of 2015 before yielding a slightly slower trend of 1.4-1.5 percent growth thereafter. In the U.S. nonfarm employment will grow at a similar, albeit slightly faster pace.

The employment outlook for broad sectors of the economy is presented in Figure 2.8. Most sectors of the economy will enjoy growth in 2015 but will see slightly slower growth in 2016. Nonfarm job growth will be driven largely by gains in professional and business services as well as employment growth in natural resources, mining, and construction. Strong employment gains in the natural resources, mining, and construction sector are expected throughout the short-term forecast as the construction industry continues its rebound from the recession. The information sector will continue to perform poorly with 0.1 percent job growth expected in 2015 and 2016. The government sector will continue to see job losses, due to a 1.7 percent contraction in federal government jobs in 2015, followed by an additional 1.8 percent contraction in 2016.

Figure 2.7: Tennessee Will See Stable But Slightly Slower Quarterly Nonfarm Job Growth in The Quarters Ahead



Source: Bureau of Labor Statistics; IHS Global Insights Inc.; CBER-UT.

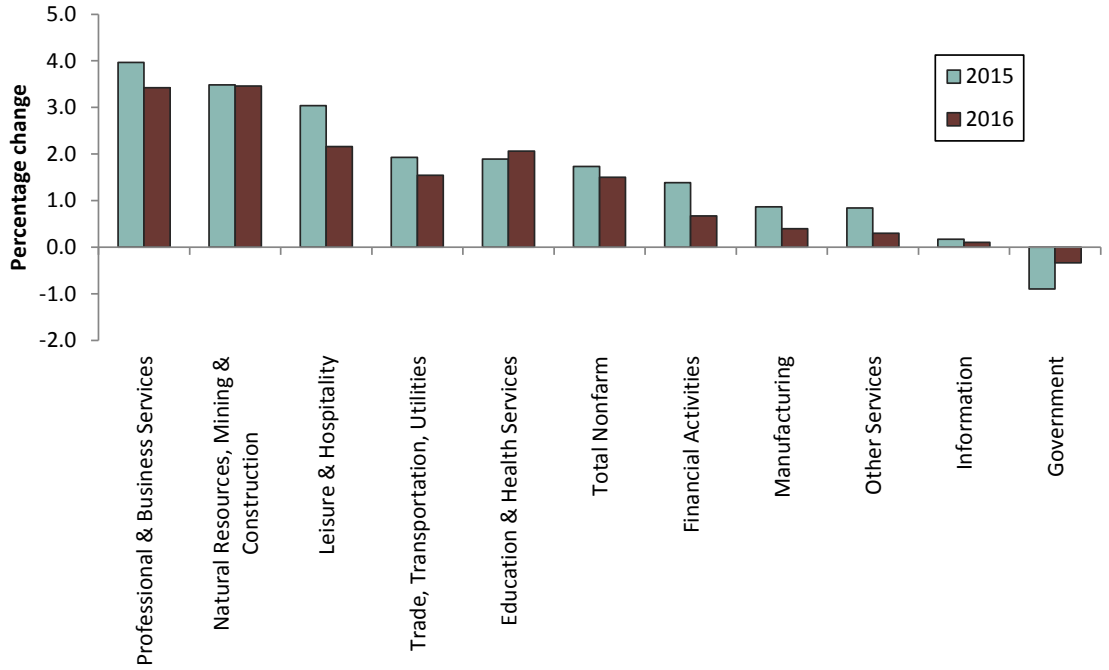
2.4. Short-Term Outlook, continued

Job growth in Tennessee's manufacturing sector will continue to taper off throughout the short-term forecast horizon. After exhibiting 1.3 percent growth in 2014, manufacturing employment in Tennessee will grow by 0.9 percent in 2015 and a meager 0.4 percent in 2016. Much of this slowdown can be attributed to job losses in nondurable goods manufacturing, which will contract by 0.6 percent in 2015 and 1.0 percent in 2016. Durable goods manufacturing, on the other hand, is expected to advance by 1.8 percent in 2015 and 1.2 percent in 2016. Within the durable goods manufacturing sector, nonmetallic minerals, primary metals, fabricated metals, machinery, transportation equipment, miscellaneous durables, and electrical equipment, appliances, and components will all see growth in 2015 and 2016. The transportation equipment sector will see the largest gains as light vehicle sales continue to grow. Conversely, computers and electronics will experience job losses of 2.4 percent in 2015 and 4.6 percent in 2016, due in large part, to falling electronic prices and productivity gains. (Output will see strong growth.) Within the nondurable goods sector, only the food, plastics and rubber, and miscellaneous nondurable sectors will experience positive, although very small, job growth.

In Tennessee, the unemployment rate will drift down in 2015 and 2016. However, Tennessee will face a higher unemployment rate than the nation, averaging a 6.5 percent unemployment rate in 2015 and a 6.2 percent rate in 2016. While unemployment rates in the state and nation continue to improve, they are still slightly above the pre-recession levels that prevailed in 2007 (see Figure 2.9).

Tennessee's labor force will shrink in 2015, though by less than 0.1 percent. Still this marks the fourth consecutive year of labor force contraction. The number of employed people will increase slightly while the number of unemployed people will fall by 5.1 percent. Some improvement is expected in 2016, with the civilian labor force

Figure 2.8: Most Broad Sectors of the Tennessee Economy are Projected to Enjoy Job Gains in the Near Term



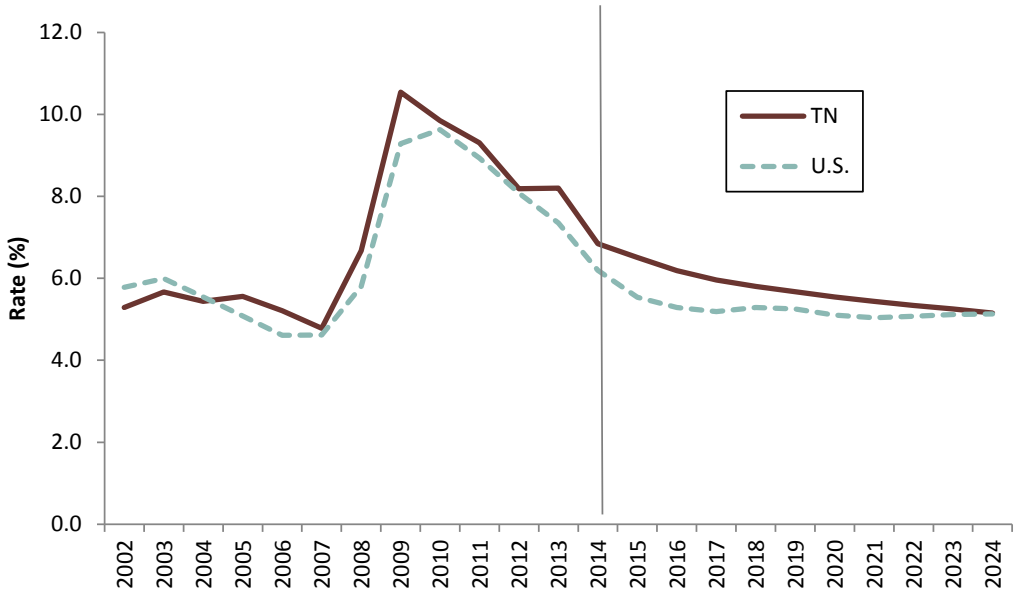
Source: CBER-UT.

2.4. Short-Term Outlook, continued

increasing by 1.0 percent, the number employed growing by 1.4 percent, and the number unemployed falling by 3.9 percent. The labor force participation rate continues to fall, dropping from 57.7 percent in 2014 to 57.0 percent in 2015 and 2016.

Nominal taxable sales are projected to grow by 3.9 percent in 2015. All categories of taxable sales are expected to see growth in 2015. Hotels and motels and automobile sales will lead the way with expected growth of 6.3 percent and 6.1 percent respectively. Similarly, in 2016 all sales categories

Figure 2.9: Tennessee's Unemployment Rate Drifts Downwards but Remains above the National Rate



Source: Bureau of Labor Statistics; IHS Global Insights Inc.; CBER-UT.

New Manufacturing Innovation Hub to be Located in Tennessee

Recently, it was announced that the University of Tennessee will lead the Institute for Advanced Composites Manufacturing Innovation (IACMI), a consortium of 122 companies, nonprofits, and universities in partnership with the Department of Energy (DOE) aimed at connecting the world's leading manufacturers and developing a robust supply chain for advanced composite materials. The IACMI will concentrate on advanced composites of a fiber-polymer blend that are lighter and stronger than steel and are used in automobiles, wind turbines, and compressed gas storage tanks. The institute represents a $259 million investment into Tennessee's manufacturing sector, with $70 million coming from the DOE and a $189 million commitment from non-federal partners. The IACMI will make Tennessee a regional hub for advanced manufacturing as well as a training center for students and workers at all levels. The institute will also fast-track the development of an advanced manufacturing system in Tennessee, and should help provide a much needed influx of well-paying jobs into the state's manufacturing sector.

2.4. Short-Term Outlook, continued

will expand, resulting in total taxable sales growth of 3.4 percent. On a fiscal year basis, nominal taxable sales will increase by 5.3 percent in FY 2015 and 3.0 percent in FY 2016.

Tennessee Forecast at a Glance

- The state unemployment rate will average 6.5 percent in 2015, and then fall to 6.2 percent in 2016.
- Nonfarm employment should grow by 1.8 percent in 2015 and 1.5 percent in 2016.
- Manufacturing employment will increase by 0.9 percent in 2015 and 0.4 percent in 2016.
- Nominal personal income is projected to rise by 4.2 percent in 2015 and 4.4 percent in 2016.
- Nominal taxable sales will expand by 3.9 percent in 2015 and 3.4 percent in 2016.
- On a fiscal year basis, nominal personal income will see growth of 4.0 percent in FY 2015 and 4.4 percent in FY 2016. Nominal taxable sales will grow 5.3 percent in FY 2015 and 3.0 percent in FY 2016.

2.5. Situation and Outlook for Tennessee Agriculture

Overview of Agriculture in Tennessee

2014 Year in Review

April 2014 began with topsoil moisture in 94 percent of Tennessee's fields rated as adequate or surplus; subsoil moisture levels were rated 1 percent better. The winter wheat crop was off to a late start due to the late row crop harvest the previous autumn. Wet weather during the second week of April followed by a cold snap in the third week damaged fruit crops and further slowed the progress of the winter wheat crop and corn planting. Warmer weather at the end of the month and more days suitable for field work allowed farmers to begin to catch up on their corn planting and begin to plant their cotton. During the month farmers had 18 days suitable for field work.

The warmer than normal weather for most of May allowed farmers to complete corn planting—94 percent of corn had emerged by the end of the month—and to bring the acres planted to cotton to 91 percent compared to the historic average of 82 percent. Soybean planting was ahead of average with 54 percent of soybean fields planted by June 1. The warm weather also was beneficial for the winter wheat crop with 98 percent headed by the end of May. Rainfall for the year-to-date for most areas of the state was behind normal. Farmers had 21.7 days suitable for field work during the month. Topsoil moisture levels at the end of the month had declined to 83 percent adequate or surplus with subsoil moisture levels at 87 percent adequate or surplus.

Warm, dry weather over much of the state during the last two weeks of June resulted in good crop progress with all crop-planting completed. There were 17.2 days suitable for field work during the month. Over 90 percent of the crops were in fair to excellent condition at the end of June with 57 percent of the wheat in the bin. Tobacco farmers had transplanted 87 percent of their acreage compared to the historic level of 96 percent. Hay cutting (87 percent) was slightly behind a more normal 97 percent. Month-ending topsoil moisture levels were adequate or surplus in 85 percent of the state's fields. Rainfall in West Tennessee was above historic year-to-date levels by

2.5. Situation and Outlook for Tennessee Agriculture, continued

June 29 while Middle and East Tennessee were still showing a slight deficit.

July was cooler than normal across the state, resulting in slower crop development. There were 25 days suitable for field work. The cooler days at the end of the month were ideal for corn silking but cotton needed more heat units for full development. Tobacco development was close to normal with 32 percent of the crop topped by July 27, compared to a normal 34 percent. Topsoil moisture levels were short or very short in 25 percent of the state's fields by July 27. Subsoil measures were short or very short in 22 percent of the state. The wheat harvest stood at 94 percent complete compared to the five year average of 100 percent.

It took until the middle of August for the wheat harvest to be completed in the state. There were 25.0 days suitable for field work during August. The first half of August was cooler than normal while the temperatures during the last half were above normal. The cooler temperatures during the first half of the month were positive for good crop development for both corn and soybeans. The warm weather and additional heat units at the end of the month were favorable for the final development and maturation of all crops with 2 percent of the corn crop harvested. Topsoil moisture levels were 27 percent short or very short by the 31st, with subsoil moisture levels 29 percent short or very short. At this point in the year, soil moisture levels are more important for pastures than for row crops.

Below average temperatures across the state for the month of September slowed crop development and dry down. At the end of the month, the corn harvest stood at 56 percent compared to the five-year average of 65 percent. The cotton harvest was only 2 percent complete compared to the average of 12 percent. The soybean harvest was close to normal with 11 percent complete compared to 13 percent. There were 23 days suitable for field work during the month. Short and very short topsoil (27 percent) and subsoil (28 percent) moisture levels resulted in stressed pastures across most of the state. Winter wheat planting stood at 6 percent on September 28 compared to an average of 4 percent.

Above normal temperatures during the early weeks of October allowed corn farmers to harvest 96 percent of the crop, slightly above the five-year average of 94 percent. The soybean harvest stood at 62 percent, four percentage points below normal. The cotton harvest was 52 percent complete by November 2 compared to the average of 59 percent. Farmers had planted 60 percent of their winter wheat fields by the end of the month, ahead of the average of 53 percent. Rainfall during the middle of October brought the topsoil moisture up to 91 percent adequate or surplus. For subsoil moisture the number was 88 percent. Farmers had 16.2 days suitable for field work during October.

By the week before Thanksgiving, 100 percent of the corn crop, 87 percent of the cotton crop, and 91 percent of the soybean crop were harvested. The winter wheat crop planting was just 7 percent short of being complete by that time. As a result of November's rains, only 5 percent of the state's fields were short or very short of topsoil moisture and 11 percent were short or very short of subsoil moisture.

2014 Tennessee corn production was 141.2 million bushels on a yield of 168 bushels per acre, setting a new record for the second year in a row. The harvested area was 820 thousand acres, the same as a year earlier. The season average price is projected to be $3.65/bu., $0.81/bu. lower than it was a year earlier and $3.24 below the 2012 price. The size of the 2015 national corn harvest will determine whether or not corn prices continue their downward trend. For some farmers the projected season average price of $3.65/bu. is below the full cost of production

Farmers in Tennessee harvested 1.58 million acres of soybeans (30 thousand more acres than in 2013), bringing in 74.1 million bushels, 2 million bushels more than a year earlier on a yield of 46 bushel per acre, 0.5 bushels per acre less than in 2013. In January 2014, the USDA projects the season average price for soybeans to be $10.20/bu., $2.80 lower than it was a year earlier.

2.5. Situation and Outlook for Tennessee Agriculture, continued

In 2014, the cotton yield was 875 pounds per acre, compared to 853 pounds per acre in 2013. With 2014 cotton acreage higher at 265 thousand acres, when compared to 2013 cotton acres of 233 thousand, Tennessee cotton production was 492 thousand bales in 2014 well above 2013's production of 414 thousand bales. The cotton price is projected to be over 16¢ per pound below the price a year earlier.

Last year saw the completion of the harvest of 475 thousand acres of wheat, 100 thousand fewer acres than a year earlier. Abandoned winter wheat acreage was 55 thousand acres. In 2013, the abandoned acreage totaled 65 thousand acres out of 640 thousand acres planted. The 2014 yield was 66 bushels per acre for a total of 31.35 million bushels. The 2014/15 national season average price for wheat is projected to be $6.15/bu.

Tobacco production in 2014 was 48.16 million pounds, 3.69 million pounds more than the 2013 production of 53 million pounds. Both higher acreage and yields contributes to the larger 2014 crop.

With topsoil and subsoil moisture remaining in the adequate to surplus range for most fields for most of the year, Tennessee farmers harvested 4.26 million tons of hay in 2014, marginally lower than the harvest a year earlier.

Tennessee Agriculture – 2013

In 2013, the number of farms in Tennessee was 68,000, while the land in farms increased slightly to 10.9 million acres. The average farm size in Tennessee was 160 acres. Tennessee has seen a long-term trend of farm consolidation. Over 41 percent of Tennessee's land base is in farmland, 55 percent of which is cropland.

In 2013, Tennessee ranked 30th among the states in the value of agricultural production at $5.1 billion. The value of 2013 crop production in Tennessee was $2.7 billion, ranking it 26th among the states. Tennessee's value of livestock and products was $1.4 billion, placing it in 34th place. Tennessee was ranked 23rd in revenue from services and forestry at $1.0 billion. Tennessee received $147.9 million in direct government payments placing it 24th among the states.

State-level net farm income numbers for 2014 individual states have yet to be released. Nationally, net farm income for 2014 is projected to be down by 24.6 percent to $97.3 billion.

Agriculture in Tennessee is quite varied. The state's top 13 agricultural commodities, in terms of 2013 value of receipts include soybeans, cattle and calve, corn, broilers, cotton, wheat, dairy products, hay, tobacco, vegetables and melons, eggs, hogs, and fruits and nuts.

Figure 2.10 shows the relative share of 2013 cash receipts by commodity. In 2013, farm cash receipts increased by $265 billion to $4.1 billion. Cash receipts from livestock and products remained virtually the same as it was in 2012 with cattle and calves cash receipts declining by $115 million, while poultry and eggs increased by $114 million. Cash receipts for crops increased by $256 million. Soybean cash receipts increased by $236 million, wheat increased by $122 million, cotton decreased by $164 million, and tobacco decreased by $14 million.

Agricultural Sector Outlook

U.S. Crops Outlook

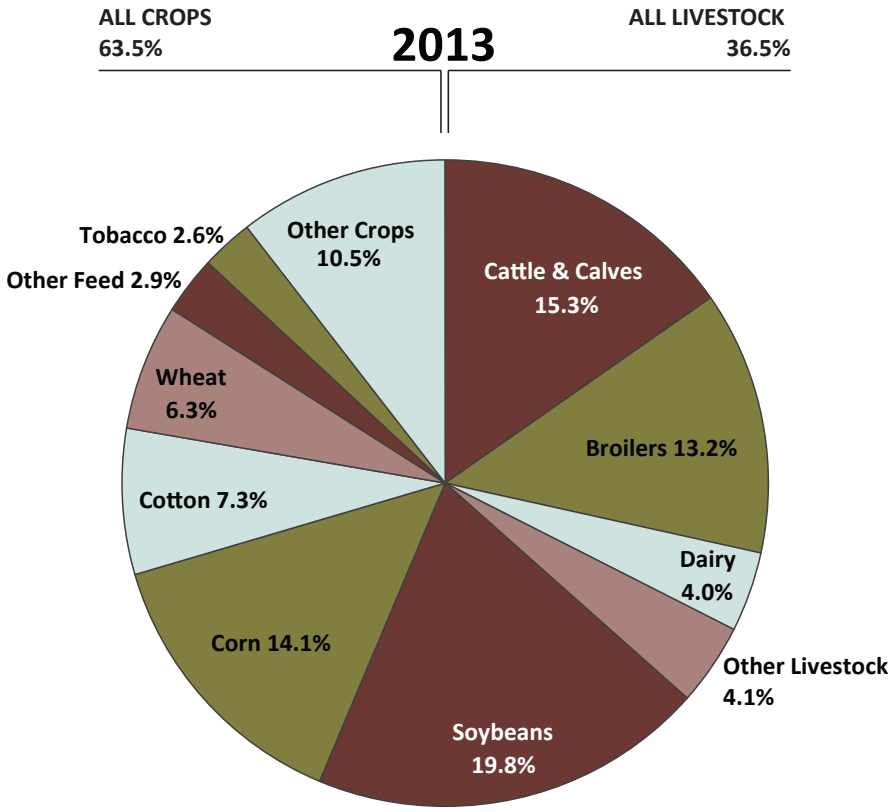
Corn—With a 4 million-acre decrease in harvested acres offset by a 15.3 bushels per acre increase in yield, 2014 corn production in the U.S. posted an increase from the record setting 2013 production level. Good weather through the critical pollination period was followed by a cool damp harvest that slowed maturation and harvest of the corn crop. Despite this, 400 thousand fewer acres were abandoned compared to a year earlier. The result was a 14.216 billion bushel corn harvest that increased the projected 2014/2015 crop year ending stocks by 655 million bushels to 1.877 billion bushels. This is the largest projected carryover since the 2005/2006 crop year where the ending stocks were 1.967 billion bushels. The 50 percent increase in ending corn stocks put downward pressure on corn prices. The projected season average price paid to farmers for corn for the 2014/2015 crop year is $3.65, $0.81 per bushel lower than the $4.46 farmers received in the 2013/2014 crop year. Ethanol demand for corn, which had driven corn prices for most of the

2.5. Situation and Outlook for Tennessee Agriculture, continued

last decade, is projected to increase by a mere 41 million bushels. Exports are expected to increase by 645 million bushels while feed and residual is expected to increase by 239 million bushels. Ending stocks for the world supply of coarse grains—corn and its feed substitutes: sorghum, barley, oats, rye, millet and mixed grains—is 0.8 percent smaller than a year earlier. The projected 2014 crop-year-ending stocks-to-use ratio for coarse grains is 18.3 percent. Adequate world supplies of coarse grains may keep downward pressure on corn prices. Attention will be paid to U.S. planted corn acreage this spring. Reduced acreage and poor planting and growing conditions will put upward pressure on corn prices for the remainder of the crop year. If the reduction in planted acreage is smaller than expected and growing conditions are average or better, prices may fall through the remainder of the 2014/2015 crop marketing year.

Soybeans—U.S. soybean production in 2014 was 611 million bushels higher than a year earlier as the result of a 3.8 bushel/acre increase in yield and a 6.8 million acre increase in planted acres. For the 2014 crop year, U.S. soybean crush is projected to increase by 46 million bushels and exports are projected to increase by 123 million bushels. The 2014 crop-year-ending stocks-to-use ratio for soybeans is projected to be 11.2 percent, a relatively normal level for soybeans. The midrange of the projected 2014 crop year farmgate price for U.S. soybeans is $10.20, $0.80 lower than last year.

Figure 2.10: Leading Tennessee Commodities for Cash Receipts, 2013



Source: United States Department of Agriculture and Economic Research Service.

2.5. Situation and Outlook for Tennessee Agriculture, continued

Typically soybean prices are 2.5 times the price of corn while the USDA projected price for the 2014 soybean crop is 2.79 times the projected price of corn. That price ratio would suggest that soybeans may gain some 2015 acreage from corn, both nationally and in Tennessee. U.S. soybean exports, however, will continue to struggle as long as foreign soybean production continues to increase. In 1987, U.S. and foreign soybean production were virtually equal at 1.9 billion bushels. For 2014 U.S. soybean production is projected to be 3.97 billion bushels while foreign production is projected to be 7.51 billion bushels. World ending stocks of all oilseeds are expected to increase by 30 percent between the 2013 and 2014 crop marketing years.

Wheat—U.S. wheat harvested acreage for the 2014 crop year was 1.1 million acres larger than the previous year and the yield was down by 3.4 bushels/acre, resulting in total production of all classes of wheat of 2.026 billion bushels. This is 109 million bushels lower than a year earlier. The domestic use of wheat is projected to decrease by 71 million bushels due to a decline in the use of wheat for animal feed as the result of a higher corn production level. Exports are projected to increase by 251 million bushels (21.4 percent). The 2014 U.S. domestic use of wheat is projected to consume 56.1 percent of the crop, while the export share is 43.9 percent. The year-ending stocks-to-use ratio is projected at 32.6 percent, an increase of 7.3 percentage points from a year earlier. The 2014 projected stocks-to-use ratio is well within the historical range. The season average U.S. farmgate price for wheat in the 2014 crop year is projected to be $6.10, 77 cents lower than in 2013. World wheat production in the 2014 crop year is projected to be 8.4 million metric tons higher than in 2013, while ending stocks are expected to increase by 10.2 million metric tons. Higher world and U.S. supplies of wheat will keep downward pressure on prices.

Cotton—U.S. cotton producers increased their 2014 harvested acres by 2.17 million acres. The U.S. cotton yield decreased by 26 pounds per acre. The result was a 3.17 million bale (480 pounds per bale) increase in production from the previous year. U.S. ending stocks are expected to increase from 2.45 million bales in 2013 to 4.70 million bales at the end of the 2014 marketing year. With exports accounting for 72 percent of U.S. cotton sales, international demand is essential to maintaining a profitable price in the U.S. USDA projects that the 2014 season average farmgate price for cotton will be 61.5 cents per pound, down 16.4 cents from a year earlier. With lower prices, expected cotton acreage in 2015 is projected to decline.

Livestock Outlook

Beef—The USDA projects 2015 U.S. beef production at 23.8 billion pounds, 419 million pounds below 2014 production. U.S. per capita consumption of beef for 2015 is projected to fall to 52.7 pounds, 1.6 pounds less than 2014. Beef imports in 2015 are projected to decline by 158 million pounds. Exports are projected to fall by 59 million pounds. Average beef prices are expected to increase by 10 cents per pound in 2015.

Pork—Pork production is expected to increase in 2015 by 263 million pounds to 23.908 billion pounds. USDA projects imports to decrease by 98 million pounds in 2015. Exports are projected to increase by 409 million pounds. The U.S. per capita consumption of pork is projected to increase to 47.1 pounds. The annual average price of pork is expected to drop by 13.5 cents per pound in 2015.

Broilers—Broiler production in 2014 is expected to increase by 1.03 billion pounds to 39.2 billion pounds as the result of increased U.S. per capita consumption of chicken to 83.4 pounds per capita. Broiler imports are relatively small and an increase of 2 million pounds brings broiler imports to 116 million pounds. Exports in 2015 are expected to increase by 41 million pounds to 7.36 billion pounds. U.S. consumption of broilers is projected to increase to 85.6 pounds per capita. Broiler prices in 2015 are projected to decline by 1.9 cents per pound from the price a year earlier.

Milk—Milk prices are projected to be in the $17.75-$18.55 per cwt. range in 2015. The January estimate for 2014 milk price is $23.97 per cwt. Lower feed prices will help moderate the impact of the decline in the price farmers receive for their milk.

2.5. Situation and Outlook for Tennessee Agriculture, continued

Ag Sector Issues

Choosing a Farm Safety Net Approach to Participate In

Farming is a risky business. When farmers put the seed into the ground they never know what they will harvest. They face uncertainty with regard to the amount and timing of both rainfall and temperature as well as plant and insect diseases. They also do not know how much farmers everywhere else in the world will produce in a given season and year. They start planning a crop as much as 24 months before they will sell the last bushel, hundredweight, or bale. And at planting time, they don't know the price they will receive when the crop is harvested because the factors that create the price have yet to occur.

Farmers do not have to buy a lottery ticket or go to Las Vegas or any other casino to gamble; they do it every year when they put their seed into the ground.

In the midst of economic uncertainty, what farmers need most is a set of policies that provide them with some stability so they can plan ahead and make long-term investments in their operations with the expectation that they can enjoy the benefits of these outlays.

With that criterion in mind, we want to share a specific low-price case scenario for the key commodity policies contained in the 2014 Farm Bill: Price Loss Coverage (PLC) and Agricultural Risk Coverage using county level revenue (ARC-C). We also discuss the basic condition under which a farmer may want to consider participating in Agricultural Risk Coverage using individual farm level revenue (ARC-I). Our analysis does not include any crop insurance payments paid on the crop. Neither does it take into account any Supplemental Coverage Option (SCO) payments, which are only available for PLC beginning with the 2015 crop years.

PLC provides payments equal to the reference price (called target price in previous legislation) less the effective price (the higher of the national season average price paid to farmers or the loan rate) times the farm's program payment yield per planted acre times 85 percent of the base acres. Using corn as an example the reference price is $3.70 per bushel. If the effective price is $3.70 or higher then no payment would be made under PLC.

Now let's look at a scenario where the effective corn price is $3.00 for a farm with a program payment yield of 200 bushels per base acre. In that case, under PLC, the farmer would receive $.70 ($3.70 - $3.00) times 200 bushels per acre for a total of $140 per acre for 85 percent of the corn base acreage or $119 per base acre.

For ARC, payments are issued when the actual county crop revenue of a covered commodity is less than the commodity's ARC county guarantee. The ARC county guarantee equals 86 percent of the ARC county benchmark revenue, which is computed by multiplying the previous five-year average national farm price, excluding the years with the highest and lowest price (the ARC guarantee price), times the five-year average county yield per planted acre, excluding the years with the highest and lowest yield (the ARC county guarantee yield). The payment per base acre is equal to 85 percent times the difference between the ARC county guarantee and the actual county crop revenue for the covered commodity. Payments may not exceed 10 percent of the ARC county benchmark revenue.

The current estimate of the previous 5-year Olympic average price is $5.28. For comparison with the PLC example, let's assume that the county yield is 200 bushels of corn per planted acre. In that case the ARC county benchmark revenue is $1,056 per acre, the ARC county guarantee is 86 percent of that ($908.16) and the payment limit is $105.60.

Looking at the same $3.00 per bushel we examined for the PLC, the revenue per acre for a 200 bushel per base acre county yield would be $600. Subtracting the $600 actual county revenue from the ARC guarantee of $908.16 leaves $308.16 which is then multiplied by 85 percent of base acres to yield a potential payment of $261.93 per base acre. But because of the payment limit, the farmer receives $105.60 per base acre under ARC compared to $119 under PLC.

2.5. Situation and Outlook for Tennessee Agriculture, continued

One of the mechanisms put into the ARC calculation is that when the price drops below the reference price, the reference price is plugged in in place of the actual price for that year. If the price stays at or below the $3.70 level for four years then the price standard used to calculate benefits are the same for ARC and PLC ($3.70).

So how does the ARC compare to the PLC in the fifth year of $3 corn? In that case the ARC county benchmark revenue is $3.70 times 200 or $740 and the payment limit is $74. The ARC guarantee is 86 percent of the $740 or $636.40. The per-acre payment equals the ARC guarantee of $636.40 minus the actual county revenue for corn of $600 or $36.40 which is then multiplied times 85 percent of the base acres for an effective payment of $30.94 per base acre. In that fifth year the farmer who elected to take the PLC is still receiving $119 per acre.

Farmers with other yields will want to make the calculations for their own farm.

With regard to the ARC-I program, a farmer whose crop yields exceed 130 percent of the county yields may want to consider signing up for the individual ARC. It must be noted that the farm for individual ARC purposes is the sum of the producer's interest in ALL (emphasis added) ARC farms in the state. Clearly the number of farmers for whom the ARC-I will work out to be better than the ARC-C/PLC is limited.

Now, in choosing between PLC and ARC-C, it is a matter of whether the farmer is seeking to maximize potential revenue or minimize potential risk. That calculation has changed radically over the last several months as prices have fallen significantly. Ironically, forcing farmers to choose between PLC and ARC for a period of five years adds an element of risk in the situation in which what farmers need is to reduce their risk.

By March 31, 2015, all of the producers and owners with a share of production on a farm must make a one-time, unanimous and irrevocable election of the following coverage that remains in effect from 2014–2018:

1. PLC or ARC County on a covered commodity-by-commodity basis; or
2. ARC Individual for all covered commodities on the farm.

Producers enrolling in PLC and who also participate in the federal crop insurance program may, beginning with the 2015 crop, make the annual choice as to whether to purchase additional crop insurance coverage called the Supplemental Coverage Option (SCO), if available. After making their program election, they must enroll in their safety-net approach by signing a contract with the Farm Service Agency.

CHAPTER 3: THE TENNESSEE ECONOMY: LONG-TERM OUTLOOK

In this chapter—

3.1. Introduction

3.2. Job Growth

3.3. Unemployment and Population

3.4. Income, Earnings, and Output

3.5. Workforce Quality – Education and Health Status

3.1. Introduction

Previous chapters have focused on the short-term outlook for the national and state economies. The short-term outlook presented in Chapters 1 and 2 of this report is based on a *cyclical* forecast which focuses on the economic performance during the ups and downs of a business cycle, including recessions and expansions. This chapter provides a longer-term view of economic growth. The long-term outlook presented below is based on a *trend* forecast, which emphasizes the influence of major trends such as population and labor force growth. The forecast pays particular attention to Tennessee's growth from 2004 to the present, as well as the state's outlook extending out to 2024. Recessions are not built into the long-term outlook as they are inherently unpredictable. However, it is certainly possible that a recession will occur at some point during the long-term outlook horizon.

Between 2004 and 2014, inflation adjusted personal income in Tennessee grew at a 1.9 percent compound annual growth rate (CAGR), keeping pace with national income growth. Looking forward, personal income in Tennessee is expected to grow by 2.6 percent between 2014 and 2024, while U.S. personal income will increase by a faster rate of 3.0 percent. As a result, Tennessee's per capita nominal personal income of $40,396 in 2014 will fall from 87.6 percent of the national average in 2014 to only 82.7 percent of the national average by 2024. Between 2004 and 2014, national employment growth outpaced job growth in Tennessee. A similar pattern is expected over the course of the next ten years. Despite positive gains in total nonfarm employment, both Tennessee and the U.S. faced job losses in the manufacturing sector between 2004 and 2014. These losses were much more severe in Tennessee where manufacturing employment fell by 2.4 percent (CAGR) versus a 1.6 percent (CAGR) contraction for the nation. The long-term forecast calls for another drop in manufacturing employment for Tennessee between 2014 and 2024, though this drop will be far less pronounced at -0.3 percent (CAGR). In the near-term, manufacturing employment will see a slight uptick as the economy continues its rebound from the recession. However, these gains will be very minor compared to the job losses felt during the Great Recession. Manufacturing employment will return to trend contraction in 2018.

3.2. Job Growth

Between 2004 and 2014, the state economy experienced nonfarm employment growth of 3.6 percent. This translates into a compound annual growth rate below 0.4 percent. By comparison, the U.S. saw nonfarm job growth of 5.4 percent and a compound annual growth rate of 0.5 percent. Job growth during this particular time period was greatly influenced by the Great Recession, which began in the fourth quarter of 2007 and continued up until the second quarter of 2009. During this historical retrospective nonfarm employment peaked in 2007 before experiencing job losses in 2008, 2009, and 2010. Following these years of employment contraction, the state economy has seen slow but steady gains in employment.

Table 3.1 presents the levels and compound annual growth rates for broad sectors of nonfarm employment in Tennessee. Between 2004 and 2014, manufacturing employment suffered the largest losses, contracting by 2.4 percent (CAGR). Both durable and nondurable goods manufacturing performed poorly during this 10-year period, with durable goods employment falling by 2.1 percent and nondurable goods employment shrinking 2.9 percent. Conversely, education and health services, which were largely unharmed by the Great Recession, saw growth of 2.2 percent (CAGR) between 2004 and 2014. Leisure and hospitality services also enjoyed employment gains of 1.7 percent (CAGR).

Overall nonfarm employment in Tennessee is forecasted to grow by 1.2 percent (CAGR) from 2014 to 2024. Sectors which are expected to grow the fastest are professional and business services (3.1 percent, CAGR), natural resources, mining, and construction (2.0 percent, CAGR), and education and health services (1.8 percent, CAGR). Conversely, the manufacturing sector will continue to face employment losses, contracting by 0.3 percent (CAGR) between 2014 and 2024.

Figure 3.1 depicts Tennessee's trend pattern of employment growth compared to the national

Table 3.1: Tennessee Nonfarm Employment by Sector

	Level			Growth Rate (%)	
	2004	2014	2024	2004 to 2014	2014 to 2024
Total Nonfarm	2,705.6	2802.4	3146.8	0.35	1.17
Natural Resources, Mining & Construction	121.3	112.9	137.3	-0.71	1.98
Manufacturing	411.8	322.8	312.8	-2.41	-0.31
Durable Goods	254.0	205.5	208.6	-2.10	0.15
Nondurable Goods	157.8	117.3	104.2	-2.92	-1.18
Trade, Transportation, Utilities	587.8	593.1	639.0	0.09	0.75
Wholesale Trade	128.0	125.9	136.0	-0.16	0.78
Retail Trade	319.6	319.6	336.3	0.00	0.51
Transportation & Utilities	140.3	147.5	166.7	0.50	1.23
Information	49.5	43.2	45.2	-1.36	0.47
Financial Activities	141.9	139.4	142.7	-0.17	0.23
Professional & Business Services	302.3	369.4	500.6	2.02	3.09
Education & Health Services	320.7	399.9	479.6	2.23	1.83
Leisure & Hospitality	253.6	298.8	344.7	1.65	1.44
Other Services	101.7	106.9	108.6	0.51	0.16
Government	415.0	415.9	436.2	0.02	0.48
Federal, Civilian	50.1	48.3	42.8	-0.35	-1.20
State & Local	364.9	367.6	393.4	0.07	0.68

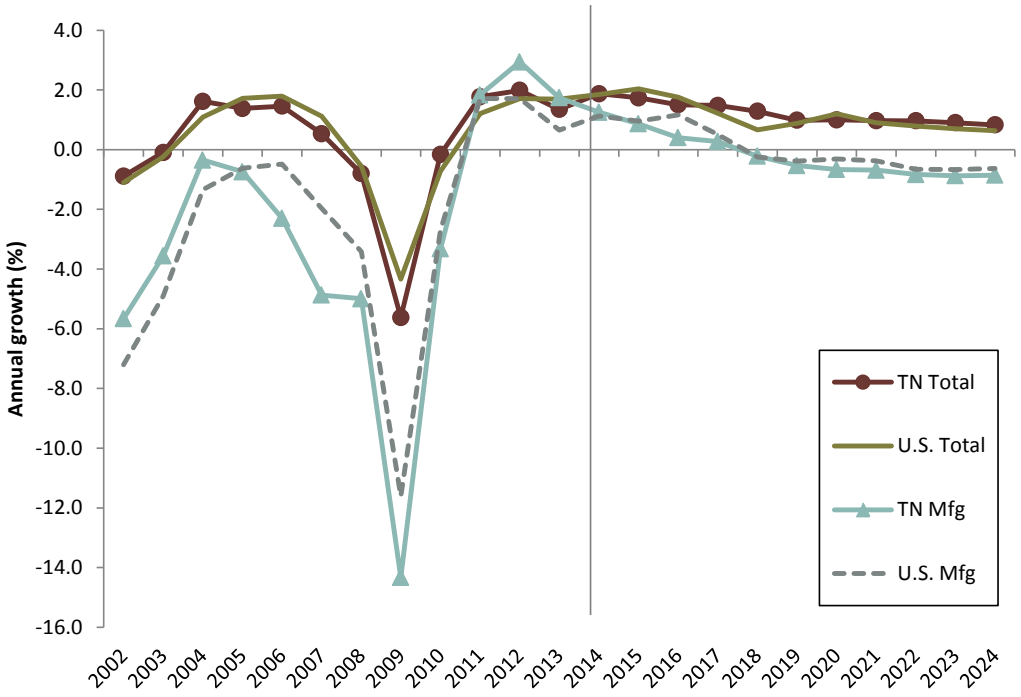
Note: Employment Level Data are in Thousands.
*compound annual growth rate (CAGR).
Source: Bureau of Labor Statistics and UT-CBER.

3.2. Job Growth, continued

economy. As is evident in the figure, both total nonfarm employment and manufacturing employment growth are expected to mirror the trends of the national economy. Nonfarm employment growth should remain positive throughout the forecast horizon, but employment gains will not be as prominent in the years to come. This of course assumes that no recessions will transpire over the next ten years, but recessions do occur and are generally unpredictable. Conversely, manufacturing employment, which is expected to see some positive growth in the near-term will revert back to trend contraction in 2018.

The dynamic structure of the state's employment mix is depicted in Figure 3.2, showing how Tennessee industries have changed from 2004 to 2014, and how they are projected to change by 2024. The education and health services sector has become a bigger part of the Tennessee economy, and will continue to grow into the long-term horizon. Starting at 11.9 percent of nonfarm jobs in 2004, the education and health services sector increased to 14.3 percent in 2014 and is expected to reach 15.2 percent by 2024. Leisure and hospitality services have also seen a small but steady increase in their share of the employment distribution. The most significant trend shown in Figure 3.2 is the shrinking manufacturing sector. In 2004 manufacturing accounted for 15.2 percent of nonfarm jobs, but will fall below 10 percent by 2024. A similar, albeit less severe, downward trend has occurred nationwide, as the U.S. manufacturing sector accounted for 11.7 percent of all nonfarm jobs in 2004 but only 8.7 percent in 2014. In the near-term manufacturing employment will see modest improvements as some firms are moving jobs from abroad and back to the U.S. and Tennessee. However, manufacturing employment will start to contract again starting in 2018. Despite shrinking employment levels and a reduction in the mix of state jobs, manufacturing output is still expected to see healthy growth between 2014 and 2024.

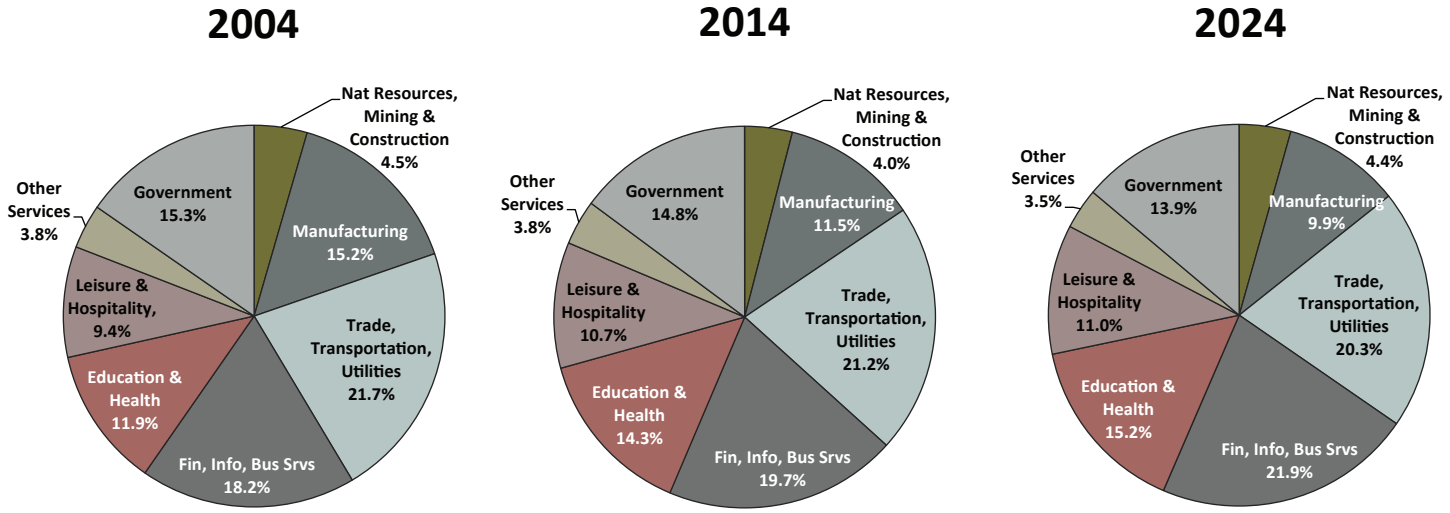
Figure 3.1: Nonfarm Job Growth will Persist while Manufacturing Employment will Shrink During the Long Term Forecast Horizon



Source: Bureau of Labor Statistics; IHS Global Insight, Inc.; and UT-CBER.

3.2. Job Growth, continued

Figure 3.2: Nonfarm Employment in Tennessee Continues to Evolve



Source: Bureau of Labor Statistics and UT-CBER.

3.3. Unemployment and Population

The Great Recession led to deep cuts in employment and, as a result, a strong uptick in the unemployment rate. At its peak, Tennessee's annual unemployment rate reached 10.5 percent in 2009 and the U.S. annual rate hit 9.6 percent in 2010.

Rising unemployment was felt across the state and all Tennessee counties were hit hard during the Great Recession. As the economy continues to pull itself out of the recession unemployment rates are continuing to fall across the state, but Tennessee and the nation are both a long way from pre-recession levels of unemployment. Figure 3.3 shows unemployment rates across Tennessee counties for 2004 and 2013. The year 2004 was chosen as a benchmark because it was three years after the 2001 recession and represents a year of healthy economic performance. In 2004, the unemployment rate in Tennessee was 5.4 percent and 54 counties had an unemployment rate below 5.5 percent (which was the national unemployment rate). Furthermore, in 2004 only two counties had an unemployment rate above 9.0 percent. Conversely, in 2013, roughly four years after the Great Recession, Tennessee's unemployment rate was still elevated at 8.2 percent, and the national unemployment rate was 7.4 percent. In 2013 there were no Tennessee counties with an unemployment rate below 5.5 percent, and 53 counties reported an unemployment rate in excess of 9 percent. It is important to note that the counties with the lower unemployment rates were all in close proximity to one of Tennessee's larger metropolitan areas (Nashville, Knoxville, Memphis, and Chattanooga), while the counties with higher unemployment rates were smaller, more rural counties. Observing metropolitan areas performing better than their rural counterparts has been an ongoing pattern in Tennessee, and one that will likely persist. There are many factors explaining this pattern, from the scope of infrastructure to the educational attainment of the population.

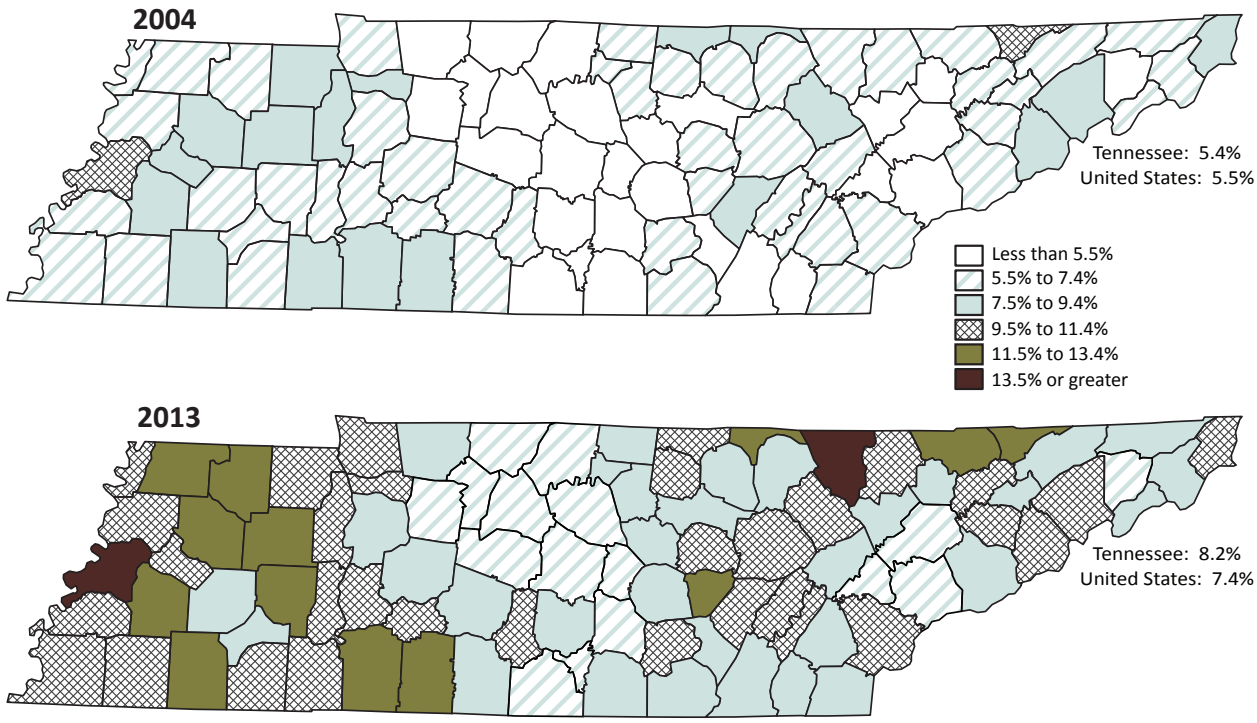
The long-term forecast calls for the state unemployment rate to continue its downward trend and reach 5.5 percent by 2020. This can

3.2. Unemployment and Population, continued

be attributed to both increases in the number of employed persons as well as decreases in the number of unemployed persons. However, the unemployment rate will not reach 5.2 percent, which was Tennessee's pre-recession unemployment rate in 2006, until 2023 (see Figure 3.4). Despite this movement in the unemployment rate, the labor force participation rate, which is already at its lowest in recent years, is expected to continue its downward trend. This will be due, in part, to slower population growth but also because more people will be leaving the labor force entirely (discouraged workers and baby-boomers retiring).

In the short-run, employment and unemployment patterns are driven by fluctuations in business cycles. Over the longer term, population changes will have a more significant effect on the overall level of employment and economic activity. From 2010-2014, Tennessee's population grew by 4.9 percent, or 1.2 percent on a compound annual basis. By comparison, the U.S. grew at a slower rate of 3.1 percent, equating to a 0.8 percent compound annual growth rate. Between 2014 and 2024, population growth for the state is expected to slow to 1.0 percent (CAGR), but remain constant at 0.8 percent (CAGR) for the nation. As a result, Tennessee's labor force will continue to grow, but at a slower rate than in previous years.

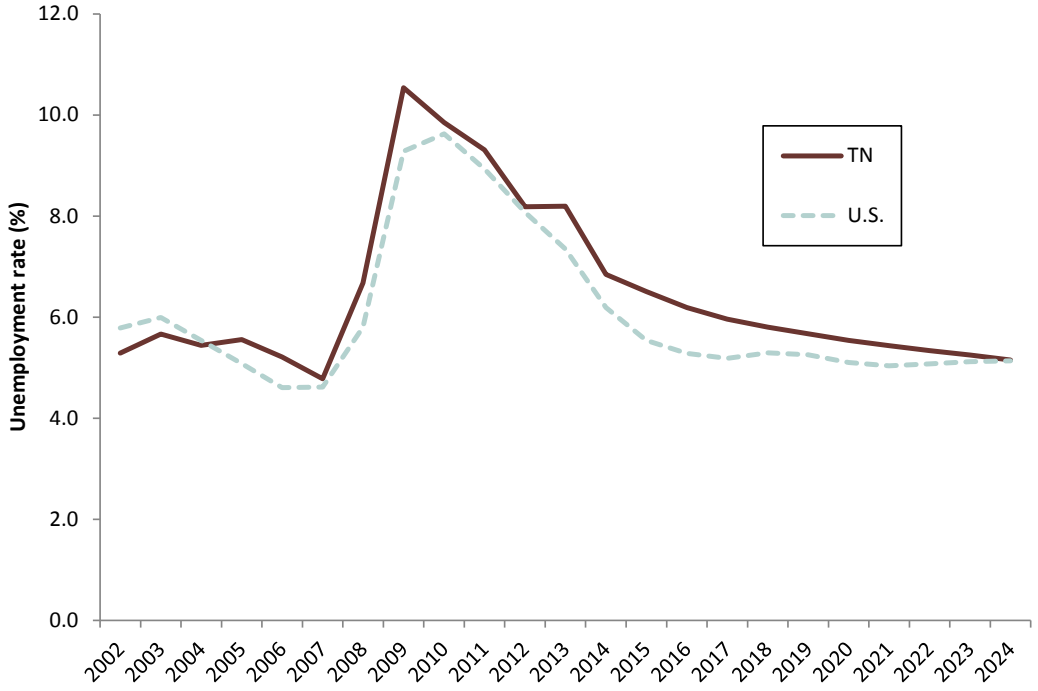
Figure 3.3: Unemployment Rates in Tennessee Remain Elevated in Certain Areas



Source: Bureau of Labor Statistics.

3.3. Unemployment and Population, continued

Figure 3.4: Tennessee's Unemployment Rate is Falling But Will Not Reach Pre-Recession Levels Until 2023



Source: Bureau of Labor Statistics and UT-CBER.

3.4. Income, Earnings, and Output

Personal income will continue to improve as the economic recovery persists. Between 2014 and 2024, nominal personal income is expected to grow 4.5 percent (CAGR). This compares favorably to the 3.8 percent growth rate (CAGR) between 2004 and 2014. Income growth for the nation was slightly faster than income growth in Tennessee, a pattern that will repeat itself between 2014 and 2024.

In Tennessee, the strongest component of personal income growth between 2014 and 2024 will be proprietors' income, with a compound annual growth rate of 5.5 percent. Rent, interest, and dividend income will expand by 4.7 percent (CAGR), and wages and salaries (i.e. total wage and salary income) will see 3.5 percent growth (CAGR).

Per capita income in Tennessee was only 87.6 percent of the national average in 2014. However, between 2004 and 2014 per capita income growth lagged behind national growth. In 2004, the state's per capita income was 90.8 percent of the national average, but fell to 87.6 in 2014. This gap between per capita income in the U.S. and per capita income in Tennessee is expected to expand further by 2024. Tennessee must see per capita income grow faster than the nation if the state is to close the gap on income disparities.

The average wage in Tennessee will see slightly slower growth over the next ten years (out to 2024) than compared to the previous ten years (since 2004). The inflation-adjusted average wage will only grow by 0.5 percent (CAGR) between 2014 and 2024, versus an expected 0.6 percent (CAGR) growth rate from 2004 to 2014.

3.4. Income, Earnings, and Output, continued

Between 2004 and 2014, inflation-adjusted state gross domestic product (GDP) only grew by 1.1 percent (CAGR), compared to 1.6 percent for the national economy. Output growth in the state manufacturing sector grew by less than 1 percent (CAGR) over the last ten years, and manufacturing output is still slightly below its pre-recession peaks from 2006. Over the last ten years, Tennessee's construction sector was hit the hardest, with inflation-adjusted output contracting by 1.8 percent (CAGR). Conversely, natural resources and mining, information, financial activities, professional and business services, and education and health services all enjoyed growth in excess of 2.0 percent (CAGR) since 2004. Looking ahead ten years, inflation-adjusted state GDP growth should keep pace with national growth, as both are projected to expand by 2.6 percent (CAGR) between 2014 and 2024. The state manufacturing sector should see growth of 2.4 percent (CAGR) despite future employment losses. Output in the durable goods sector will advance 2.9 percent (CAGR), and nondurable goods production will increase 1.6 percent (CAGR).

3.5. Workforce Quality – Education and Health Status

Within a region long-term economic growth depends on the ability to produce goods and services and export these outputs to consumers in other markets. Inputs into the production process include the size of the labor force, the quality of the labor force (i.e. education, skill level, and health), private capital investment, and public infrastructure. Economic growth in Tennessee has lagged behind that of the nation on many occasions, suggesting that at least one of the components of growth is below the national average in Tennessee. A chief suspect is workforce quality, as education and health data show that Tennessean's are well below the national average.

In recent years Tennessee has made important strides to improve its education status. For example, the *Drive to 55* initiative aims at increasing the educational attainment level so that 55 percent of the Tennessee population has a college degree or certificate by the year 2025. Moreover, the recently announced *Tennessee Promise* initiative offers two years of tuition-free community college or technical college to Tennessee high school graduates. A big part of the latter program, which was an expansion of the *Knox Achieves* and *TnAchieves* initiatives, is that every participating student receives a mentor to help them through the college admissions process and facilitate post-secondary success. Programs such as these are big steps in the right direction, but they will need to be sustained and supported in the long-term in order to be impactful.

Figure 3.5 presents educational attainment levels for the U.S. and Tennessee from 2006 to 2013. The first panel shows the percentage of the population with at least a high school diploma. Both Tennessee and the nation have shown gains from 2006 to 2013 and the percentage of Tennesseans with a high school degree or higher is starting to catch-up to the national average. The second panel reports the percentage of the population with a bachelor's degree or greater. Similarly, the U.S. and state both saw improvement from 2006 to 2013. However, Tennessee's college graduation rate still lags the nation's and is not catching-up as is the case at the high-school level. Based on high school performance, Tennessee's status relative to the nation is improving. This may translate into a stronger higher education pipeline in future years. The improvement in high school performance also makes the state more attractive as a place to create jobs. However, in order to attract the more high paying jobs, Tennessee will need to engineer further improvements in college graduation rates and workforce readiness.

Figure 3.6 shows educational attainment levels by Tennessee county for 2013 (the most recent year of data available). With regards to the

3.5. Workforce Quality – Education and Health Status , continued

percentage of adults with a high school degree or higher, only seven counties had an attainment rate higher than the national average of 86.6 percent. Williamson County led this category with a 94.6 percent attainment rate, while Campbell County, at 70.4 percent, was at the bottom. Regarding college graduation rates (Bachelor's degree or higher), only three Tennessee counties had an attainment rate higher than the national average of 29.6 percent. Again Williamson County led the way with 52.8 percent of their adult population holding a Bachelor's degree or higher, followed by Davidson County (35.9 percent), and Knox County (34.3 percent). Conversely, 14 Tennessee counties had a college attainment rate below 10 percent. Lake County was at the bottom at 7.0 percent, followed by Morgan County (7.4 percent), and Wayne County (7.9 percent).

Another component of workforce quality is overall health status, as a healthier worker is also a more productive worker. This means that, on average, a healthier worker earns more income and employers of healthy workers enjoy greater levels of workplace productivity. However, Tennesseans tend to have a poorer health status and engage in more unhealthy behaviors than the average American.

According to the 2014 edition of America's Health Rankings, a yardstick measure of the relative health of each state, Tennessee currently ranks 45th in overall health status. Only Mississippi, Arkansas, Louisiana, Kentucky, and Oklahoma ranked more poorly.[1] These health rankings are based on four subcategories: healthy behaviors, community and environment, health policy, and clinical care. According to the 2014 report, Tennessee ranked poorly in large part because of a high prevalence of obesity, diabetes, physical inactivity, smoking, and a high violent crime rate.

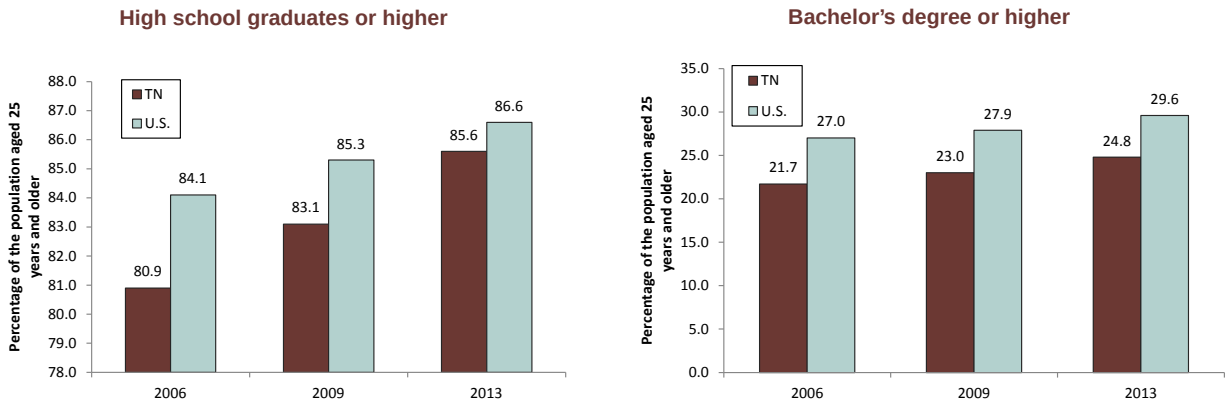
As of 2013, Tennessee had the fifth highest adult smoking rate at 24.3 percent. Conversely, the adult smoking rate was only 19.0 percent for the nation. Figure 3.7 presents the adult smoking rates for the five highest and five lowest states in the country. The highest adult smoking rate can be found in West Virginia, at 27.3 percent, and the worst five smoking rates are all located in the southeast region. The lowest adult smoking rate is enjoyed by Utah, at only 10.3 percent. Figure 3.8 presents trend data on adult smoking rates in Tennessee and in the nation from 2011 to 2013.[2] Since 2011 the national smoking rate has trended downwards, whereas in Tennessee tobacco use has increased.

continued on page 46

[1]Retrieved at http://www.americashealthrankings.org/states.

[2]The most recent tobacco use data (2011-2013) from the Behavioral Risk Factor Surveillance System (BRFSS) is not directly comparable to BRFSS data from previous years because of changes in weighting and sampling methodology. As a result, we are unable to analyze more long term trends in adult tobacco use.

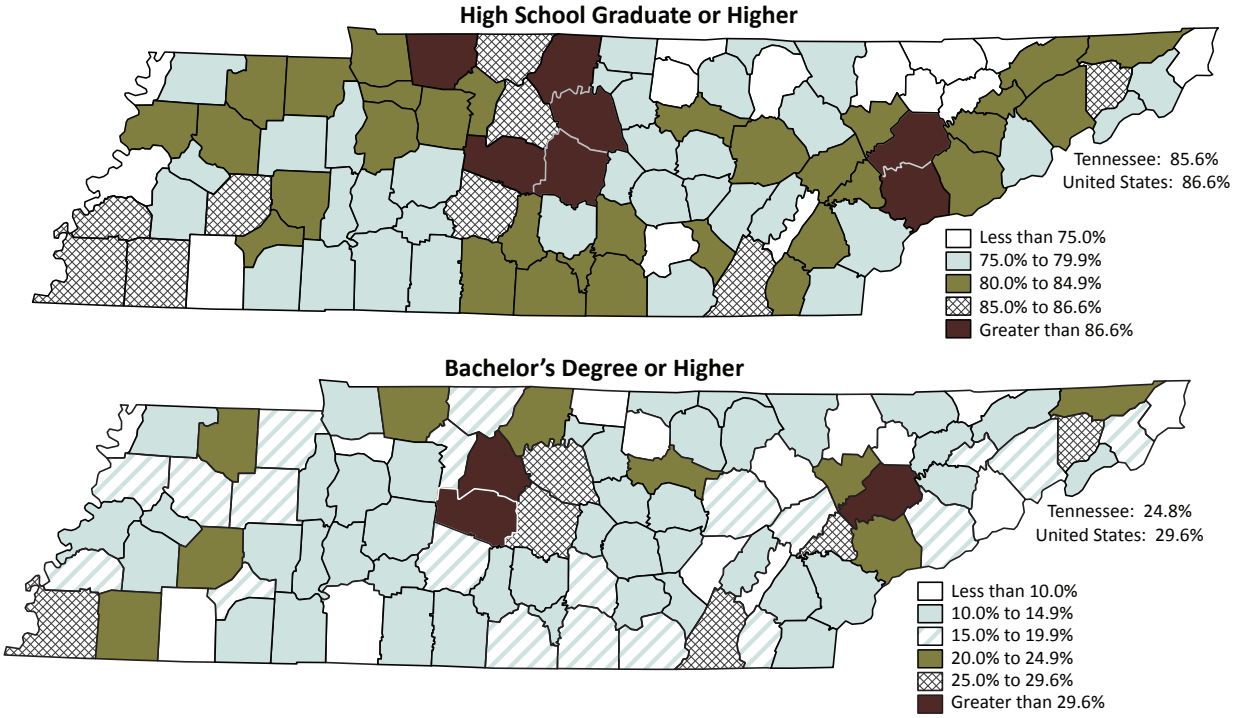
Figure 3.5: Educational Attainment in Tennessee Still Lags Behind the Nation



Source: U.S. Census Bureau.

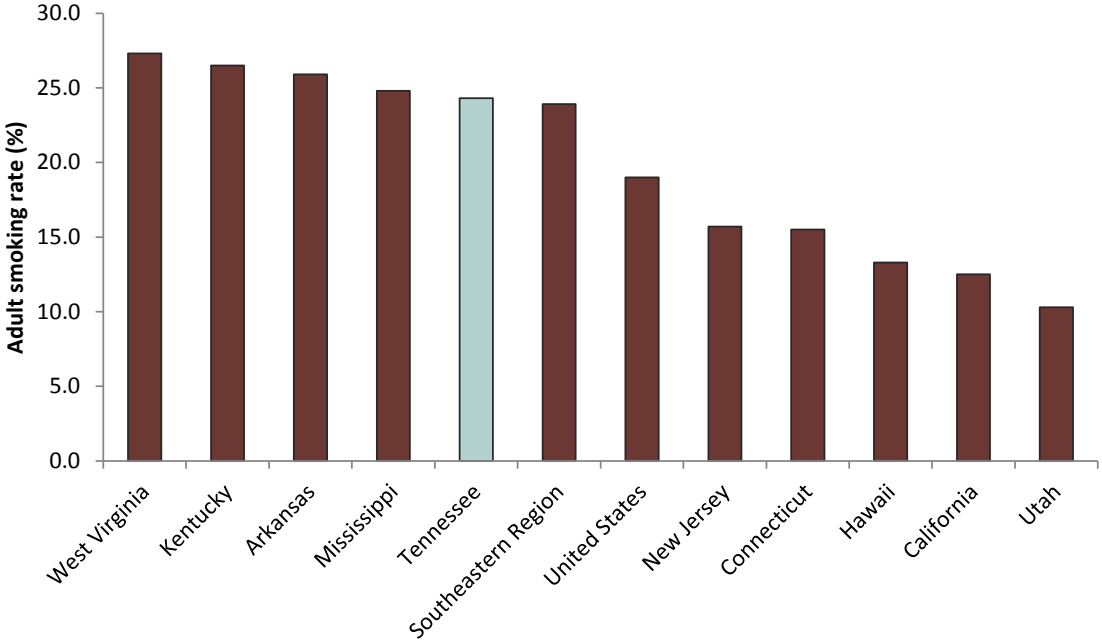
3.5. Workforce Quality – Education and Health Status, continued

Figure 3.6: Educational Attainment Rates are Below the National Average in Most Tennessee Counties. Percentage of the Population Aged 25 Years or Older



Source: U.S. Census Bureau. American Community Survey (5-year estimates: 2009-2013).

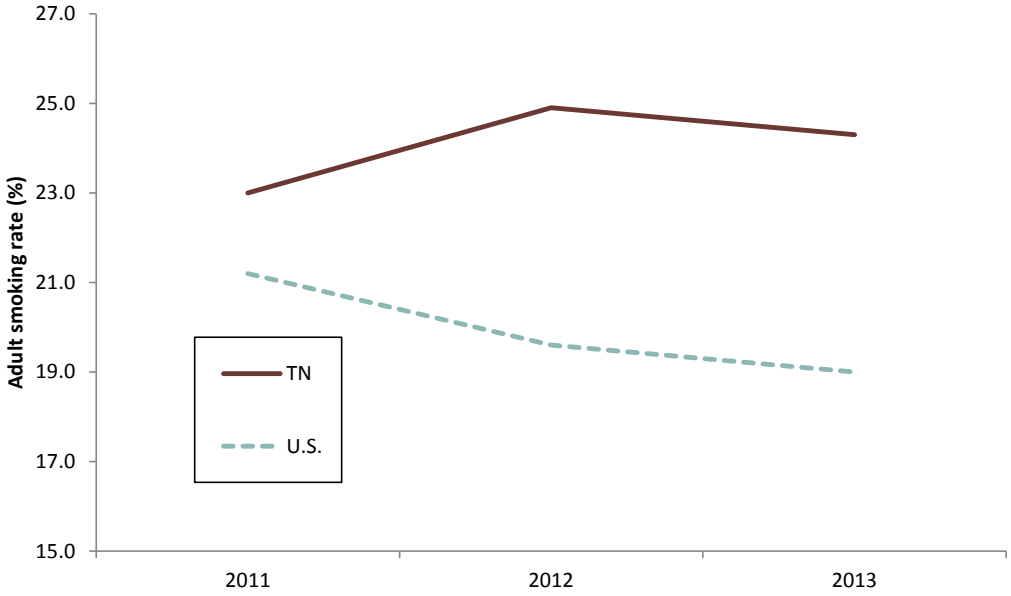
Figure 3.7: Tennessee has the Fifth Highest Adult Smoking Rate in the Nation, 2013



Source: Centers for Disease Control and Prevention, Behavior Risk Factor Surveillance System.

3.5. Workforce Quality – Education and Health Status, continued

Figure 3.8: The U.S. Adult Smoking Rate has Dropped Steadily Since 2011, while Tennessee's Rate has Increased. Adult Smoking Rates 2011–2013



Source: Centers for Disease Control and Prevention, Behavior Risk Factor Surveillance System.

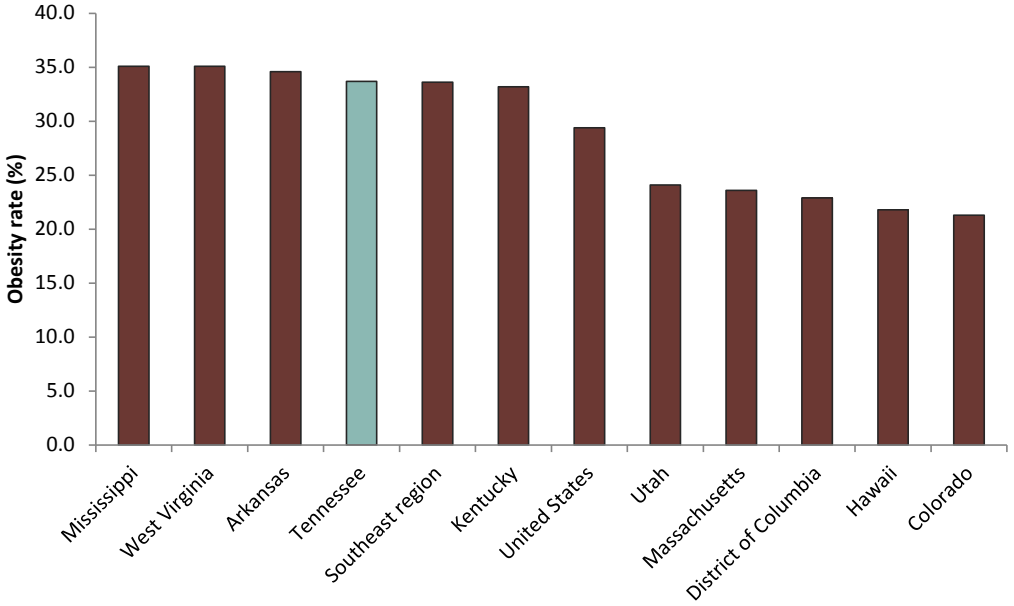
Obesity rates, as measured by a body mass index (BMI) above 30.0, are also higher in Tennessee than they are in the nation. In 2013, Tennessee's obesity rate was 33.7 percent, whereas the U.S. rate was 29.4 percent (see Figure 3.9). Since 2011, state and national obesity rates have both been on an upward trend. However, Tennessee's rate has risen at a rate that is more than 2.5 times faster than the national average (see Figure 3.10). In 2013 Tennessee had the fourth highest obesity rate in the country, only behind Mississippi (35.1 percent), West Virginia (35.1 percent), and Arkansas (34.6 percent). Kentucky rounded out the worst five with a 33.2 percent rate. By comparison, the lowest obesity rate was in Colorado at 21.3 percent.

Based on tobacco use and obesity rates, the southeast region as a whole does not fare very well. The same five states, all of which are located in the southeastern region, made up the worst five with regards to adult smoking rates and obesity rates (West Virginia, Kentucky, Arkansas, Mississippi, and Tennessee). Thus, patterns of unhealthy behavior appear to not only be a Tennessee problem but rather a problem for the southeast region in general.

In addition to unhealthy behaviors, the data also show that more Tennesseans suffer from serious health issues compared to the average U.S. citizen. Figure 3.11 reports prevalence data for Tennessee and the nation for various health issues. Aside from kidney disease, the prevalence of all serious health conditions is higher in Tennessee than the nation. For example, 6.9 percent of Tennesseans reportedly were told by a doctor that they had suffered a heart attack in the past and 12.2 percent were diagnosed with diabetes. Conversely, in the U.S. only 4.3 percent have ever been told they had a heart attack and 9.7 percent were diagnosed with diabetes.

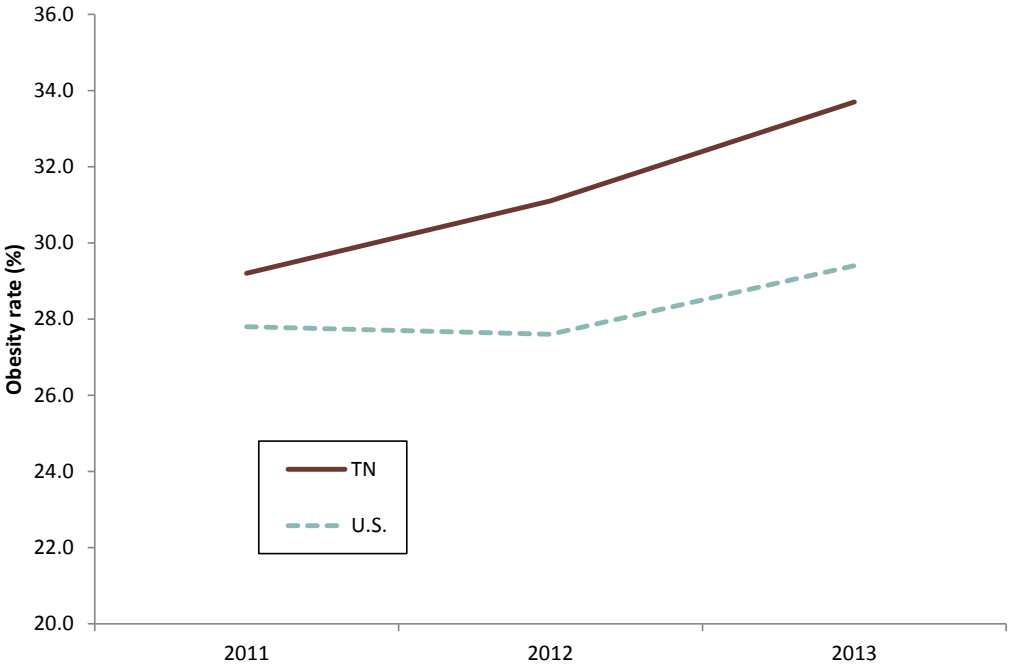
3.5. Workforce Quality – Education and Health Status, continued

Figure 3.9: Tennessee has the Fourth Highest Obesity Rate in the Nation, 2013



Source: Centers for Disease Control and Prevention, Behavior Risk Factor Surveillance System.

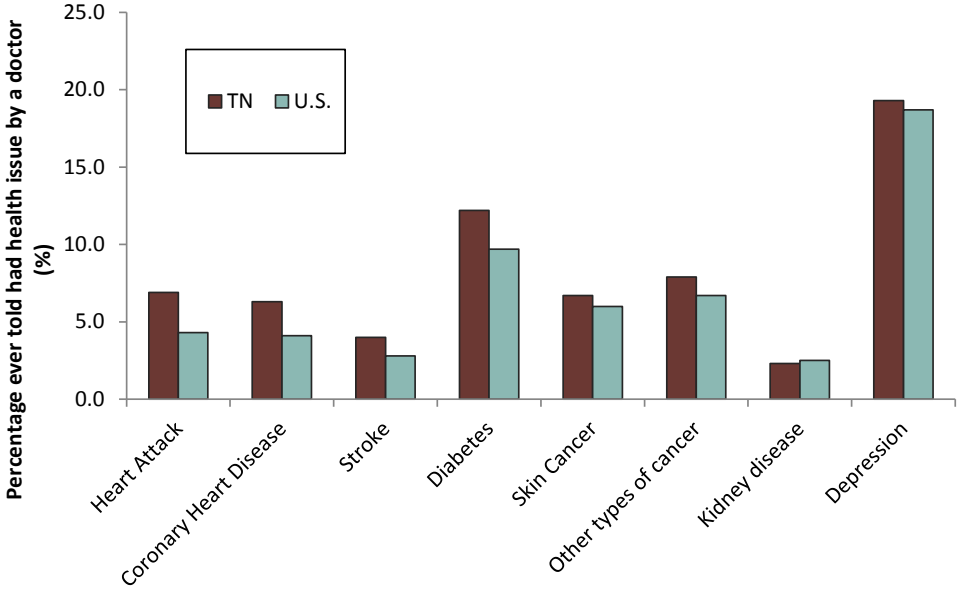
Figure 3.10: Obesity Rates in Tennessee have Increased at a Faster Rate than the National Average



Source: Centers for Disease Control and Prevention, Behavior Risk Factor Surveillance System.

3.5. Workforce Quality – Education and Health Status, continued

Figure 3.11: More Tennesseans Report Serious Health Issues than do their National Counterparts



Source: Centers for Disease Control and Prevention, Behavior Risk Factor Surveillance System.

CHAPTER 4: TENNESSEE'S LABOR MARKET – BEFORE AND AFTER THE GREAT RECESSION

In this chapter—

4.1. Introduction

4.2. Labor Market Outcomes by Select Demographic Group
- Labor Market Outcomes by Age
- Labor Market Outcomes by Education
- Labor Market Outcomes by Race and Gender

4.3. Changes in Industrial Composition
- Supersectors
- One Level Down – "Three-Digit Industries"
- Recovery or Continuation?

4.4. Occupation Data
- Growth and Contraction in Major Occupations
- Detailed Occupational Categories

4.5. Underlying Patterns
- Policy Implications

4.6. Data Appendix

4.1. Introduction and Overview

At first glance, the labor market in Tennessee appears to have recovered from the Great Recession. In May of 2014, the unemployment rate in Tennessee was half the rate that prevailed in 2009 and within one percentage point of its May 2004 value. There were a 100,000 more individuals in the labor force in 2014 than 2004, and median nominal incomes have increased 15 percent over the last decade.

While all progress from 2009 should be viewed as positive, it is incorrect to say Tennessee's labor market has recovered; recovery implies that things are now as they were before the Great Recession. Labor force participation is still down more than three percentage points from 2007. Tennesseans work in different occupations than before the Great Recession. The number of Tennesseans employed in production occupations (e.g., fabricators, bakers, quality control inspectors) fell by 24 percent from 2004-2013, while the personal care and service occupations (e.g., hairdressers, pet groomers and personal trainers) grew by 47 percent. The industrial concentration of employment in Tennessee differs substantially from 2004. Manufacturing fell from the 2nd to the 4th largest sector of employment. Conversely,

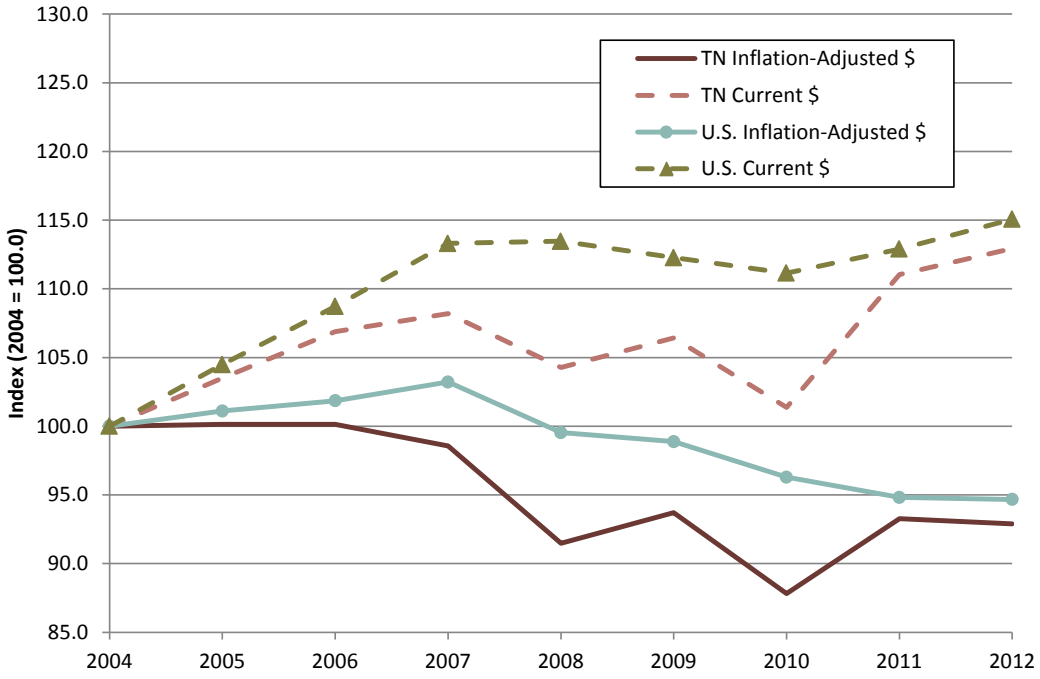
4.1. Introduction and Overview, continued

the number of establishments existing to provide education and health services grew by 21 percent. These changes have differential impacts across different regions of the state, including rural and metropolitan areas.

Not all workers have been affected equally. Some of the observed effects on participation and incomes for different demographic groups are attributable to changes in the industrial and occupational composition of Tennessee's labor market. As our economy continued to transition from a production and shipping economy to a service based economy, women fared better than men both in income growth and unemployment. The post-recession period from 2009-2013 was favorable for highly-educated, highly-skilled workers in professional or technical jobs, but not many other subsets of the labor market. Even workers with a Bachelor's degree experienced a significant drop in mean inflation-adjusted incomes from 2004-2013 (-11.8 percent). Most troubling, the past decade has been hardest on young workers (ages 18-35). These workers still exhibit the largest losses in terms of lower labor force participation, higher unemployment rates, and the worst trajectory in incomes of any age group since 2004. Overall, while nominal median incomes have risen in the U.S. and Tennessee since 2004, incomes adjusted for price inflation have fallen, as the following figures show.

All of these changes (labor force demographics, industrial composition, and occupational composition) are interrelated. While many of these patterns are reflective of nation-wide trends, some changes have been specific to Tennessee. This chapter provides an overview of how the labor market in Tennessee has changed during and post-Great Recession. To that end, we compare snapshots of the labor market from three years: 2004 (pre-recession), 2009 (trough of recession), and 2013 (most recent annual data). We examine the labor market in each of these three periods along three dimensions: labor force participation, unemployment and mean/median incomes of key

Figure 4.1: Median Household Income Index, Tennessee and the U.S.



Source: U.S. Bureau of the Census.

4.1. Introduction and Overview, continued

demographics of workers; the industries in which Tennesseans are employed; and the occupations that Tennesseans hold. Where instructive, we include equivalent U.S. data as a reference point. Finally, we discuss the policy implications of these structural changes, such as how TN Promise and the 'Drive to 55' can yield the most success for our state.

4.2. Labor Market Outcomes by Select Demographic Group

The Great Recession and the post-recession period affected some workers more severely than others. In this section, we examine labor force participation rates, unemployment rates, and average incomes for various demographic groups. Incomes for some higher earnings groups are top-coded so that high earners don't overly skew the distribution. Specifically, we examine these outcomes by age, education level, sex, and race. We then examine how the industrial and occupational composition of the state has changed to better understand the variation in the effects of the recession on groups of workers.

Labor Market Outcomes by Age

Both nationally and in Tennessee, young workers (aged 18-35) fared poorly over the last decade. Labor force participation decreased and unemployment increased. Median nominal incomes did not increase, meaning that young workers earning median incomes bore all cost of living increases out of pocket. In Tennessee, labor force participation among young workers fell by 2.4 percentage points from 2004 to 2009, while unemployment rose nearly 4 percentage points to 11.1 percent. During the post-recession period from 2009-2013, there was a partial correction in unemployment, but labor force participation continued to fall. In 2004, the jobless rate (including non-participants of the labor force and the unemployed) in the U.S. and Tennessee among young workers was approximately 26 percent. At the trough of the recession, this same jobless rate among young workers in Tennessee was 31.4 percent, compared to a 30.4 percent national jobless rate. At the time of the most recent American Community Survey, the jobless rate is still 30.4 percent among workers in Tennessee aged 18-35. The national jobless rate among workers aged 18-35 is also 30.4 percent, implying these persistent effects are not specific to Tennessee. Average inflation-adjusted income fell by 14.3 percent for young workers from 2004-2013, and the post-recession decline was as large as the pre-recession decline.

Mid-career workers (aged 36-50) in Tennessee exhibited greater-than-national-average decreases in labor force participation. Nationally, labor force participation among mid-career workers increased slightly during the recession, returning to pre-recession levels by 2013. Labor force participation among mid-career workers in Tennessee fell 2 percentage points from 2004-2013. Like the young workers, mid-career workers both nationally and in Tennessee experienced significant increases in unemployment rates during the recession. Unlike the young workers, the mid-career workers have largely recovered. Unemployment rates in 2013 were within 1 percentage point of their 2004 levels. Mid-career workers saw inflation-adjusted incomes fall by 3.3 percent during the recession and have experienced no gains after 2009.

Older workers (aged 50-65) were the least affected of any age group. They had the smallest increase in unemployment during the recession, the most complete rebound from 2009-2013 and virtually no change in labor force participation. Inflation-adjusted incomes fell 3 percent during the recession and an additional 3 percent after the 2009 trough of the Great Recession. In fact, the only age group to experience gains in the real median income was the group of workers typically ascribed to 'retirement age' – those aged 65 years and older.

Labor Market Outcomes by Education

Both nationally and in Tennessee, less educated workers experienced the most severe lasting effects

4.2. Labor Market Outcomes by Select Demographic Group, continued

from the Great Recession. Among workers with only a high school degree, labor force participation fell six percentage points from 2004-2013 (three percentage points during the recession, and another three post-recession). As of 2013, unemployment is still nearly two percentage points higher (6.6 percent vs. 4.9 percent) than in 2004. Individuals with Associate's Degrees exhibited similar patterns. Labor force participation fell five percentage points, with nearly all of that occurring post-recession. Unemployment rose among this group by 2.1 percentage points during the recession, but now has returned to within 0.5 percentage points of 2004 levels. In both education groups, 2004 labor force participation was 1.5 percentage points greater than the national average, a difference that no longer exists in 2013.

Individuals with Bachelor's and Master's degrees did not experience the same absolute changes as workers with at most a high school degree or Associate's degree, but did experience more severe effects relative to the national average. Labor force participation fell by 3 percentage points among individuals with Bachelor's or Master's degrees after the recession. Those with professional degrees (MBA, JD) were affected the least. Unemployment rates for this group are below 2004 levels and labor force participation fell less than 2 percentage points from 2004.

Individuals with professional degrees were the only group to experience income growth from 2004-2013, adjusting for inflation. The median (mean) annual income for Tennesseans with professional degrees grew by 8 percent (9 percent) from 2004-2013. All other groups (high school dropouts, high school graduates, Associate's Degrees, Bachelor's Degrees, Master's Degrees) experienced some growth in nominal income at the mean or median, but those gains were swamped by increases in the cost of living. Those with high school degrees and Bachelor's degrees experienced the most severe inflation-adjusted income contraction – a decrease of approximately 15 percent from 2004-2013 at the median. While the real income losses for high school graduates were commensurate with the national average, Tennesseans with Bachelor's degrees fared far worse than the national average median decline in real incomes of 4 percent.

Labor Market Outcomes by Race and Gender

The recession and the post-recession period had more severe adverse effects for men than women. Labor force participation fell 6 percentage points for men from 2004-2013 (and almost as much after as during the recession). Labor force participation among women fell only 2 percentage points. Men also experienced worse unemployment than women. During the Great Recession unemployment among men in Tennessee rose 3 percentage points, from 4.7 percent to 7.9 percent, and is still near 6 percent. Women experienced a 1.5 percentage point increase. Among *married* women, labor force participation in the recession *increased*, though less in Tennessee than the national average. Median income decreased by 8 percent for men compared to 4 percent for women. While mean incomes for males fell by 9 percent from 2004-2013, mean income for women increased very slightly over the same period. These effects are consistent with national trends.

Whites and blacks were similarly affected during and after the recession, with labor force participation declining by 4 percentage points from 2004-2013. However, labor force participation fell most sharply for blacks during the recession and most sharply for whites after the recession. Whites and blacks exhibited similar changes in unemployment rates during and after the recession. Blacks and whites experienced similar declines in median incomes from 2004-2009 (11.5 percent vs. 9.8 percent) but again, blacks experienced the sharpest declines during the recession, whites after the recession. Mean incomes, by contrast, fell by only 4.6 percent for whites compared to 10.1 percent for blacks. The past decade has been primarily favorable to highly educated, high income workers, who are disproportionately white. From an income standpoint, whites in Tennessee experienced larger income decreases than the national average, but black income decreases were fairly representative.

4.3. Changes in Industrial Composition

Neither the observed changes in labor force participation and income, nor the variation in these outcomes occurs in a vacuum. Individuals make employment decisions based on their skills, knowledge, expected incomes, and the set of available jobs. As the set of available jobs changes, some individuals will be unable to find work, others will only find work earning a much lower income. Others still may benefit greatly. To better understand why we saw the recession and post-recession period affect some groups of workers more than others, we examine how the industrial composition of Tennessee's employment sector has changed over the last two years. We first consider North American Industrial Classification (NAICs) Supersectors, the broadest category of industry, to understand the high level shifts that have occurred over the last decade. To better understand how the specific industries most vital to Tennessee have changed, we then drill down a level to the 20 most important 'three digit industries' in Tennessee in terms of number employed.

Supersectors

In this section, we examine how large industrial groups in Tennessee grew or contracted during and post-recession, compared to national trends. Tables 4.1-4.3 contain information on U.S. and Tennessee Supersectors the broadest industrial classification published by the BLS. In both the U.S. and in Tennessee, the construction, manufacturing, and information services industries experienced the most severe contractions over the last decade. Nearly all the growth in the last 10 years has been in the services sectors – education & health, business-to-business services, and leisure & hospitality. While natural resources & mining has undergone strong growth in Tennessee, only 11,000 Tennesseans (approx.) were employed in this sector in 2004.

Dividing the period into two sections, recession (2004-2009) and post-recession, we see that the Great Recession brought very similar structural changes to the industrial composition of Tennessee and the U.S. Employment contracted most sharply in the manufacturing sector in Tennessee (-24.7%) and the U.S. (-17.9%), followed by construction, and trade & transportation (Tennessee). During 2004-2009, the U.S. and Tennessee both saw growth primarily from sectors that were at least partially publicly funded: education & health and public administration were in the top four Supersectors. Leisure & hospitality and extraction & mining both grew from 2004-2009 as well.

Service industries grew post-recession in Tennessee, with professional & business services growing by nearly 20 percent, and education & health services and leisure & hospitality continuing to experience strong growth. These trends are broadly reflective of nationwide patterns. Employment in construction continued to decline, information services contracted most strongly, and manufacturing exhibited growth well-below average (0.75 percent/year) after the sharp decline from 2004-2009.

The relationship between post-recession income and employment growth is a point of concern. From 2009-2013, job growth was concentrated in low paying industries. Two of the fastest growing industries on the basis of employment, natural resources & mining and leisure & hospitality, are also the two lowest paying sectors. The other two fast growing sectors in employment, education & health and professional & business services, experienced the strongest contractions in real income of any Supersectors (-10.8 percent and -7.7 percent, respectively). By industry, the number of employed and income are strongly negatively correlated, as is employment and income growth. Increasing numbers of Tennesseans are being employed in low paying sectors, and real incomes in these sectors continue to fall. From an economic perspective, if demand for a type of worker increases, we expect to see increases in income and number of workers employed. Most of the patterns in employment and incomes are consistent with supply shifts – displaced workers from contracting industries are transitioning to industries that are hiring.

One Level Down – "Three-Digit Industries"

4.3. Changes in Industrial Composition, continued

Table 4.1: Fastest Growing/Contracting Industry Supersectors, U.S. and Tennessee, 2004–2013

TENNESSEE		UNITED STATES	
Industry Supersector	**Growth**	**Industry Supersector**	**Growth**
Education and Health Services	25.2%	Education and Health Services	25.6%
Professional and Business Services	16.3%	Natural Resources and Mining	20.8%
Leisure and Hospitality Services	12.9%	Professional and Business Services	14.0%
Natural Resources and Mining	11.6%	Leisure and Hospitality Services	13.9%
Information	-10.9%	Information	-12.8%
Construction	-11.3%	Manufacturing	-15.9%
Manufacturing	-22.5%	Construction	-15.9%

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW).

Table 4.2: Fastest Growing/Contracting Industry Supersectors, U.S. and Tennessee, 2004–2009 (Recession Period)

TENNESSEE		UNITED STATES	
Industry Supersector	**Growth**	**Industry Supersector**	**Growth**
Education and Health Services	15.3%	Education and Health Services	13.9%
Natural Resources and Mining	6.4%	Natural Resources and Mining	6.5%
Leisure and Hospitality Services	3.9%	Public Administration	4.5%
Public Administration	3.2%	Leisure and Hospitality Services	4.3%
Trade, Transportation, Utilities	-4.9%	Information	-9.4%
Construction	-9.5%	Construction	-13.9%
Manufacturing	-24.7%	Manufacturing	-17.9%

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW).

Table 4.3: Fastest Growing/Contracting Industry Supersectors, U.S. and Tennessee, 2009–2013 (Post-Recession Period)

TENNESSEE		UNITED STATES	
Industry Supersector	**Growth**	**Industry Supersector**	**Growth**
Professional and Business Services	19.9%	Natural Resources and Mining	13.5%
Education and Health Services	8.5%	Professional and Business Services	12.1%
Leisure and Hospitality Services	8.5%	Education and Health Services	10.3%
Natural Resources and Mining	4.9%	Leisure and Hospitality Services	9.2%
Construction	-2.0%	Construction	-2.2%
Financial Activities	-3.3%	Public Administration	-3.6%
Information	-7.1%	Information	-3.7%

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW).

4.3. Changes in Industrial Composition, continued

In addition to employment growth in Supersectors, we also consider which specific industries have grown or contracted during and after the recession. The Supersectors are very broad, and by looking a level down we can examine the specific industries that are the foundations of the labor market in Tennessee. Table 4.4 describes the five fastest growing and contracting industries in Tennessee, including growth in employment from 2004-2013 and national employment growth in each industry. Consistent with the previous section, we see the strongest growth in healthcare industries, the social assistance sector, and in restaurants. The strongest contractions have occurred in manufacturing, construction and clothing retail.

Not only does employment change as industries grow and contract, but so does the percentage of total non-farm earnings attributable to each industry. Table 4.4 also contains data on how each industry's share of total earnings has changed from 2004-2013. While the two statistics are not directly comparable, it is generally true that if the share of total payroll is growing (contracting) faster than employment, then average real incomes are growing (shrinking) in that industry. We unfortunately observe that in four of the five fastest growing industries, income share has grown slower than employment. In the five contracting industries, two experienced smaller income contractions than employment contractions, indicating rising incomes, but still with falling employment. The fourth and fifth columns in Table 4.4 serve to demonstrate that these phenomena are not specific to Tennessee, but generally reflect nationwide trends.

Recovery or Continuation?

Tables 4.5 and 4.6 take our analysis in Table 4.4 a step further by separately analyzing the fastest-growing industries in 2004-2009 and 2009-2013. If industry employment contracted during the recession, did it rebound post-recession? Of the five industries that experienced the greatest contraction during the recessionary period, only one, transportation equipment manufacturing, truly rebounded. While employment in transportation equipment manufacturing is still down five percent from 2004, employment in transportation equipment manufacturing grew 47 percent from 2009-2013 after contracting 35 percent during the recession. The other four industries that experience

Table 4.4: Top Five Growing/Contracting Industries in Tennessee's Top 30 Industries, 2004–2013

	TENNESSEE			UNITED STATES	
	Employment	Growth, 2004 to 2013		Growth, 2004 to 2013	
Industry	Level, 2004	Employ-ment	Income Share	Employ-ment	Income Share
Social Assistance	31,915	38.6%	31.2%	56.6%	26.7%
Ambulatory Health Care Services	101,945	32.6%	21.5%	30.9%	21.0%
Nursing and Residential Care Facilities	49,977	20.3%	15.5%	14.6%	4.8%
Hospitals	87,075	18.6%	26.3%	11.8%	14.2%
Food Service and Drinking Places	191,317	16.1%	10.3%	16.8%	11.8%
Clothing and Accessories Stores	29,949	-15.2%	-35.0%	-1.5%	-17.2%
Construction of Buildings	28,546	-18.4%	-14.6%	-20.8%	-23.1%
Fabricated Metal Products Manufacturing	41,669	-18.9%	-13.9%	-4.5%	-8.6%
Machinery Manufacturing	34,214	-24.5%	-23.1%	-2.9%	-5.9%
Plastics and Rubber Products	28,561	-29.0%	-36.3%	-18.3%	-23.6%

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW).

4.3. Changes in Industrial Composition, continued

Table 4.5: Top Five Growing/Contracting Industries in Tennessee's Top 30 Industries During 2004–2009 (Recession Period)

	TENNESSEE				
	Employment	Growth, 2004 to 2009		Growth, 2009 to 2013	
Industry	Level, 2004	Employ-ment	Income Share	Employ-ment	Income Share
Ambulatory Health Care Services	101,945	19.7%	20.4%	10.8%	0.8%
Social Assistance	31,915	18.6%	22.2%	16.8%	7.4%
Hospitals	87,078	17.3%	30.3%	1.0%	-3.1%
Nursing and Residential Care Facilities	49,977	11.2%	20.0%	8.3%	-3.7%
Insurance Carriers and Related Activities	37,310	8.2%	17.6%	-4.6%	-4.9%
Construction of Buildings	28,546	-15.8%	-9.9%	-3.1%	-5.3%
Fabricated Metal Products Manufacturing	41,669	-19.3%	-13.7%	-0.5%	-0.3%
Machinery Manufacturing	34,214	-23.9%	-20.5%	-0.8%	-3.3%
Plastics and Rubber Products	28,561	-28.8%	-28.4%	-0.8%	-11.2%
Transportation Equipment	62,582	-35.5%	-35.5%	47.3%	32.1%

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW).

Table 4.6: Top Five Growing/Contracting Industries in Tennessee's Top 30 Industries During 2009–2013 (Post-Recession Period)

	TENNESSEE		
	Employment	Growth, 2009 to 2013	
Industry	Level, 2009	Employment	Income Share
Transportation Equipment	40,335	47.3%	32.1%
Administrative and Support Services	153,283	27.8%	20.8%
Social Assistance	37,861	16.8%	7.4%
Ambulatory Health Care Services	121,979	10.8%	0.8%
Food Service and Drinking Places	201,152	10.4%	2.7%
Construction of Buildings	24,030	-3.1%	-5.3%
Clothing and Accessories Stores	25,819	-3.3%	-17.7%
Chemical Manufacturing	25,789	-3.4%	1.5%
Merchant Wholesalers, Nondurables	43,495	-4.5%	-11.0%
Insurance Carriers and Related Activities	40,365	-4.6%	-4.9%

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW).

4.3. Changes in Industrial Composition, continued

the greatest contractions have not experienced any real rebound. Recall that when percentage growth in income share is less than percent growth in employment this means that average incomes are falling. By that definition, all five of the industries that experienced the strongest growth during the recessionary period also exhibited flat or growing incomes during that period. After the recession, all five industries that were "ports in a storm" in the recession experienced declines in average incomes. Individuals seeking work shifted into these industries, presumably from contracting industries, driving down real incomes during the post-recession period.

During the post-recession period, two of the five biggest gainers during the recession (ambulatory health care and social assistance) were again in the top 5 growth industries. Transportation equipment manufacturing rebounded as previously discussed. Additionally, the typically low-paying sectors of food services & drinking places and administrative & support services also experienced strong growth. Construction of buildings, chemical manufacturing, and wholesalers of non-durables exhibited contracting employment during the post-recession period. Clothing retail experienced both a contraction in employment and drastic losses in income share. The losses in incomes are strong enough to suggest structural changes in employment patterns within the clothing retail industry– but whether that is due to migration (and differences in pay scales) from boutiques to big-boxes, or from commissioned sales people to cashiers is undetermined. In summary, the post-recession period looks less like recovery than a continuation of an on-going process of structural change.

Two other observations regarding changing industrial composition help explain both falling mean/median inflation-adjusted incomes in Tennessee (and the U.S.) and increasing income inequality. First, employment is growing faster in industries which are relatively low-paying (see Figure 4.6). Using the ratio of income share to employment share as a measure of relative per-capita income, we see that aside from two industries (professional & technical services and ambulatory health care) there is a strong negative relationship between employment growth and relative income. It should be noted that although aggregate incomes are falling, some industries are doing relatively well compared to others. Figure 4.5 depicts the relationship between 2004 relative incomes and growth in relative incomes from 2004-2013. We see that the industries that paid relatively well in 2004 saw additional gains in the ratio of income share to employment share. Conversely, the low paying industries saw continued shrinking of their payroll share per worker from 2004-2013. For example, in 2004, professional & technical services had an income-share-to-employment-share ratio of 1.5, meaning an average worker in that industry made roughly 1.5 times the state average. From 2004-2013, that ratio grew by 15 percent. In 2004, the average worker in general retail earned an income approximately 50 percent of the state average. That ratio shrank by nearly an additional 10 percent from 2004-2013.

The two patterns of concern are: 1.) relatively high employment growth in low paying industries and 2.) shrinking incomes in those low paying industries relative to the shrinking state average. These patterns are still present when we examine employment by occupation rather than industry.

4.4. Occupation Data

In the previous section, we examined how the industrial composition of Tennessee, relative to the U.S., has changed during the recession and post-recession period. While that is informative about the composition of companies that are hiring in the state, additional insight can be gained from analyzing employment and incomes on an occupational as well as an industrial basis. For example, firms in manufacturing industries and professional services hire blue-collar workers and white-collar workers. If economic forces cause manufacturing industries to contract, that has different implications for workers of different education levels if they reduce employment on the shop floor, the front office, or the management suites. In this section, we analyze how the great recession affected the number of jobs and incomes for each major occupational category (22 of them). There is considerable variation in the number of Tennesseans employed in each major category. We therefore also examine the set of detailed occupations which employed more than 25,000 Tennesseans in 2004.

Growth and Contraction in Major Occupations

In both the U.S. and in Tennessee, incomes were slow to adjust during the Great Recession. Total employment contracted from 2004-2009, but median and mean incomes fell more sharply *post-recession* than during. Total employment contracted by 1.5 percent from 2004-2009, but grew by 2.8 percent from 2009-2013. Overall, Tennessee's inflation-adjusted median income from employment fell by 0.9 percent from 2004-2009, but fell 3.3 percent post-recession. As was the case with industries, some occupations fared better than others during and after the recession.

Table 4.7 contains data on the five major occupational categories that grew (contracted) the most in terms of number employed from 2004-2013.

Several data points in Table 4.7 offer evidence on falling inflation-adjusted incomes and increasing disparities in income. The fast growing occupations are those typically associated with services industries. This is not surprising, given the data on change in industrial composition. Three of the fastest growing occupational categories are relatively high paying: business & financial, healthcare practitioners and computer & mathematical occupations. Tennessee's median annual income in 2004 was $26,180. The median income in computer & mathematical and business & financial occupations is nearly twice that figure. The other two high-growth occupations, personal care and healthcare support, are quite low paying. It should be noted that even within the healthcare practitioners, there is evidence of increasing

Table 4.7: Top 5 Growing/Contracting Major Occupations in Tennessee, 2004–2013

	TENNESSEE			
	Employment		Median Annual Income	
Major Occupation Category	2004 Level	Growth 2004-13	2004 Level	Growth 2004-13
Personal Care and Services	44,530	48.0%	$19,140	-7.3%
Business and Financial Operations	77,810	27.3%	$51,960	-4.1%
Healthcare Practitioners and Technicians	149,670	24.1%	$41,410	0.3%
Healthcare Support	61,840	23.8%	$20,223	-5.8%
Computer and Mathematical	38,200	20.7%	$53,550	-0.1%
Management	153,460	-3.1%	$58,310	5.4%
Transportation and Material Moving	262,020	-3.1%	$24,380	-7.9%
Installation, Maintenance and Repair	117,450	-3.2%	$32,440	-4.3%
Construction and Extraction	105,420	-18.4%	$28,730	-3.4%
Production	321,480	-24.1%	$25,420	-3.8%

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW).

4.4. Occupation Data, continued

disparities in incomes. While the median income in this occupation has exhibited virtually no growth, the mean income has grown by 6 percent from 2004-2013. Much of this is growth in average inflation-adjusted income is captured by physicians. From 2004-2013, miscellaneous specialty physicians increased in number from 1,380 to 6,680 (1/4 of the absolute change in the number of employed health care practitioners), and their real mean annual income increased from $116,800 to over $180,000.

Along with growth in low- and high-income occupations, Table 4.7 also presents key evidence on losses in employment in occupations with near-median incomes. In 2004, more Tennesseans were employed in production occupations than any other major category except office & administrative support. As 2014 data are finalized, production is expected to be the 5th largest major occupational category in terms of employment. Except for management occupations, the sharpest contracting occupational categories share two very important common features:

- They have incomes near the median (these are the middle class); and
- They are all jobs where individuals work with their hands

Historically, four of the five fastest-shrinking occupational categories have represented good jobs for men with education levels less than Associate's degrees. The fact that they are simultaneously contracting is especially problematic and may explain some of the declining labor force participation among males. When an individual loses a job, the first question is: "What are my transferrable skills? What else can I do?" Among the major occupations, the categories with the most transferability to production are: construction & extraction, installation, maintenance, & repair; and transportation & freight. All of these are contracting. These patterns are not unique to Tennessee. In fact, the economic shifts in Tennessee are quite representative of the overall trends in the U.S. economy, with one exception. Unlike the balance of the U.S., the very small occupational category of Farming and Fishing grew by 17.7 percent. Some of this is surely attributable to people needing to make a living despite the decline in construction and production occupations and a lack of other skills.

The overall patterns in occupational changes are summed up in Figures 4.7-4.10. In Figure 4.7, we see sharp contractions during the recession. Some of the sharpest contractions are in the middle class, "blue collar" jobs, and some are in high-skilled "white collar jobs" (e.g., management, legal, architecture & engineering). We also see employment growth in services occupations, both low paying (personal care, healthcare support) and high paying. Post-recession (Figure 4.8), we see very strong rebound growth in employment in the professional, white collar jobs that were affected during the recession. The middle class, blue-collar jobs do not come back. In some cases (construction, production), employment continues to contract. The sum of these two periods generates Figure 4.9, employment growth for major occupation categories from 2004-2013. Here, we see strong employment growth in: 1.) low paying service occupations where many people are employed and 2.) high paying professional occupations where fewer people are employed. These two facts combined with the stagnation or contraction in middle class blue-collar jobs explains some of the total decline in mean and median incomes since 2004. The rest can be seen in Figure 4.10, which plots 2004-2013 growth in real income on 2004 median income. With the exception of a few outliers, the income gains were greater (or at least less negative) in the high-paying occupations than the low-paying occupations.

Detailed Occupational Categories

Similar to the analysis of industries, this report also examines which detailed-level occupations exhibited the strongest growth/contraction from 2004-2009. Table 4.8 contains information analogous to Table 4.7, at the detailed occupation level.

4.4. Occupation Data, continued

Beyond reinforcing the evidence in the previous section, three additional observations are worth mentioning. First, there has been considerable substitution within the office and administrative support occupations. Higher paying executive secretaries are being replaced by non-executive secretaries. Second, all five of the fastest growing occupations in Tennessee are below median income. Four of the five most sharply contracting occupations are above the median real income. Third, while wholesaling and production declined, the occupation of stock clerks and order fillers grew. This is largely due to the "general merchandise stores" classification, which encompasses most big-box retailers and wholesale clubs (e.g., Costco). These stores have done well over the last 10 years and have increased employment.

Figure 4.11 contains a picture analogous to Figure 4.9 for the top 20 detailed occupations in Tennessee, as defined by number of people employed. Focusing on the key specific occupations of the state, we observe a pattern of high employment growth in low paying jobs and strong employment contraction in middle-income jobs. Unlike Figure 4.9, there are no high paying jobs that exhibit employment growth. The high paying major occupational categories employ insufficient numbers of people to warrant inclusion in the top 20 detailed occupations on the basis of employment.

Table 4.8: Top 5 Growing/Contracting Detailed Occupations in Tennessee, 2004–2013

	TENNESSEE			
	Employment		Income	
Detailed Occupation	Level 2004	Growth 2004-13	Level 2004	Growth 2004-13
Secretaries and Admin Assistants (excluding legal, medical, and executive)	31,910	28.7%	$22,670	0.2%
Combined Food Preparation and Serving Workers (including fast food)	43,760	27.9%	$13,640	5.7%
Stock Clerks and Order Fillers	37,100	23.8%	$19,340	-7.2%
Laborers and Freight, Stock, & Material Movers, Hand	68,740	15.8%	$20,650	-4.2%
Waiters and Waitresses	47,300	11.0%	$13,320	8.7%
Bookkeeping, Accounting, and Auditing Clerks	34,170	-14.8%	$26,230	1.5%
General and Operations Managers	49,570	-16.1%	$62,720	3.1%
Heavy and Tractor-Trailer Truck Drivers	63,170	-22.4%	$32,890	-6.1%
Team Assemblers (manufacturing line)	65,710	-27.7%	$24,710	-0.5%
Executive Secretaries and Administrative Assistants	27,380	-46.2%	$30,270	6.1%

Note: Minimum 25,000 workers in 2004.
Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW).

4.5. Underlying Patterns

While we have introduced these topics separately; the variation in labor force participation and unemployment by various demographic groups, the growth and contraction of specific industries, and the changing occupation and income landscape are clearly inseparable. For example, labor force participation decreased and unemployment increased for males during the recession; labor force participation among males continued to fall post-recession. Labor force participation for females was relatively flat over the last decade, and increased slightly during the recession. Whereas manufacturing and construction are industries typically populated by males, education, health care, and other services have historically employed more females. The observed demographic changes in Tennessee's workforce from 2004-2013 are not just functions of changing cultural norms, but the relative performance of the industries in which men and women work. Additionally, as displaced males from construction and production transition to other occupations, they are likely transitioning to lower paying occupations (the high-paying growth sectors present significant entry costs for those without a college degree or relevant experience). This movement of male workers then places downward pressure on earnings in the sectors they migrate to. It is therefore unsurprising that working males saw a larger decrease in incomes over the sample period than working females.

Why were young and mid-career workers affected during and post-recession more than older workers? The answer has a lot to do with education and changes in the industrial and occupational composition of the state's labor market (as well as worker seniority). Tennessee is below the national average in educational attainment. Twenty-three percent of its citizens over age 25 have a college degree compared to 28.8 percent of Americans in the same age group. Tennessee ranks near 40th in high school completion rates and the proportion of the population with Bachelor's or advanced degrees. The labor force in Tennessee is therefore more reliant on production, maintenance, and transportation jobs than the national workforce. Tennessee also had a higher concentration of manufacturing and production in 2004 than the U.S. and experienced a larger decrease in the number of manufacturing establishments from 2004-2013 (a 15 percent decrease compared to a national average decrease of 10 percent). If older workers had started in production occupations, by the time they are older than 50, many have moved into management or office work. Even if such a worker possesses domain knowledge about a particular industry, their experience in functional roles in management/office settings makes them more viable in other industries than their younger shop floor or shipping line colleagues.

The reduced labor force participation, higher unemployment and lower incomes for young workers are particularly concerning. As individual workers progress through the life cycle, they accrue life and on-the-job experience, become more valuable, and earn gradually higher incomes. When young workers exhibit greater joblessness and declining wages, there is a strong compounding effect: not only are adverse effects felt today, but a young worker's trajectory of income growth over their working life may be stunted. Many young workers today may bear these costs over their entire lifetime and never fully recoup the opportunities that were lost over the Great Recession.

We also noted in the demographic section that workers with Bachelor's and Master's degrees were not as adversely affected in absolute terms as their counterparts who only completed high school. Additionally, we saw that whereas the recessionary effects on high school educated workers in Tennessee were representative of the national average, Tennesseans with Bachelor's and Master's degrees did less well that the national average. Two key industries for highly-educated workers are professional and technical services and management of companies. While these industries grew in Tennessee over the relevant period (13 percent average) they grew considerably slower than the national average (combined 21 percent).

The change in the industrial and occupational composition of Tennessee's labor market may

4.5. Underlying Patterns, continued

Table 4.9: Cognitive and Manual Tasks

Manual Non-Routine Tasks *Janitor* *Painter* *Orderly*	**Cognitive Non-Routine Tasks** *Engineer* *Strategic Sales* *Detective*
Manual Routine Tasks *Assembly Line Worker* *Construction Laborer* *Tool Setter*	**Cognitive Routine Tasks** *File Clerk* *Bookkeeper*

also be informative about changing returns to varying levels of education. The recession was very good for those with Associate's degrees. As the economy experienced losses in manufacturing but gains in services, Associate's degrees were more valuable compared to high school degrees. In 2004, an individual with an Associate's degree made 26 percent more at the median than individual with at most a high school degree. By 2013, the returns to an Associate's degree over a high school degree had risen to 42 percent at the median. Returns to education did not increase across the board. Returns to a Bachelor's degree over an Associate's fell from 38 percent to 24 percent at the median, indicating employers were substituting those with Associate's degrees for Bachelor's degrees. Returns to Master's degrees over Bachelor's degrees increased from 12 percent to 24 percent at the median. This is unsurprising as employment and incomes grew most in industries and occupations that value highly-educated workers: business & financial operations, engineering, professional & technical services.

Why then, are inflation-adjusted incomes in the services sector falling? There are two candidate explanations. First, basic economic analysis holds that workers should be paid based on their productivity and contribution to their employer's revenue generation. If workers in the service sectors are becoming less productive, incomes will fall. Data from the U.S. Bureau of Economic Analysis do not support this hypothesis. Output has grown by 50 percent in most service industries from 2004-2013. No Super Sector or 3-digit NAICs sector has exhibited that rate of employment growth in Tennessee, and yet incomes are falling. The second candidate explanation involves the migration of workers from other industries into the 'port-in-a-storm' service industries in the wake of the Great Recession. From a basic economic perspective, if supply increases, we expect prices to fall. In this case, if more people select into service occupations because the construction and production jobs are disappearing, incomes in the service sectors will fall. We do not observe broad-based evidence that consumer prices of services have services have fallen. This leaves the 'crowding-in' story as the most likely explanation – more workers queuing for jobs in the service sector has placed downward pressure on earnings.

From a policy perspective, it is important to remember that these trends are not unique to Tennessee. Tennessee's experiences are in most ways typical of the overarching trends in the U.S., and part of an ongoing trend during the past 30 years. The economic term for the underlying trend is "Skill-Biased Technical Change" or SBTC (Autor et al., 2004). SBTC has been advanced as an explanation for burgeoning income inequality, and the simultaneous rise in output/decline in employment in manufacturing and some services sectors. The notion behind SBTC is that jobs can be divided into one of four categories, as shown in Table 4.9.

Historically, Cognitive Non-Routine tasks have paid very well; and Manual Non-Routine Tasks have not. Occupations that are intensive in manual

4.5. Underlying Patterns, continued

and cognitive routine tasks have historically been middle class jobs.

Computers (personal or industrial) are good substitutes for routine tasks, both cognitive and manual. Several bookkeepers can be replaced with a good database software package and a self-auditing algorithm. Several spot welders can be replaced with a robotic welder. Technology has a complementary effect on the "cognitive non-routine tasks" category. Technology makes workers in this category more productive. An engineer with a state-of-the-art computer assisted design (CAD) package is more productive than one with a slide rule, etc. As technology develops, workers in routine tasks become replaceable, and experience declining incomes and employment opportunities. Workers in the "high-skilled" cognitive jobs earn greater incomes and benefit from employment opportunities. Workers in the Manual Non-Routine category will likely face lower incomes (but a resulting increase in the number employed) as displaced workers from the routine sectors will seek other employment.

Policy Implications

Faced with the reality of the changing industrial composition of the U.S., layered with at least some Skill Biased Technical Change, the state of Tennessee has some alternatives to address falling average incomes and declining labor force participation. These alternatives include both the ongoing recruitment and retention of industries and firms that employ Tennesseans and the continued development of human capital in Tennessee's workforce. The policy question most salient for improving the labor market is: "Is it more cost effective to train our people for the jobs that are in demand, or to recruit industries that have jobs for which our people are currently suited?"

Tennessee could take aggressive steps to bring jobs to the state that fit the skills of its workers. As many other states may be competing for a shrinking set of jobs, this may prove very costly in terms of targeted economic development incentives. If manufacturing jobs are successfully wooed to Tennessee, there is no guarantee that employment in those industries/occupations will not continue to shrink. In fact, long-term trends point to declining employment in manufacturing and smaller manufacturing establishments. (The state once attracted a large textiles and apparel cluster that is now vanishing. Will the state's transportation equipment sector ultimately face the same fate?) As technology continues to progress at an increasing rate, traditional manufacturing comprised of assembly lines that employ massive numbers of workers will increasingly become a thing of the past. Industry profiles of modern American manufacturing demonstrate that modern manufacturing is great at producing high levels of output with large amounts of physical capital and relatively small numbers of people. The productivity gains in Tennessee's manufacturing sector offer testimony to this statement. Industry recruitment alone may therefore do more for Tennessee's Gross Domestic Product than labor market indicators. Nonetheless, those individuals who gain employment in manufacturing may be paid well especially in light of productivity trends.

Alternatively, Tennessee could put measures in place to develop the skills of its workers to match the demands of the changing economy. This is not to suggest that blue-collar jobs and manufacturing should be abandoned, but to emphasize that the skills and quantities of workers in production are different than in years past. Today's production worker may be a member of a small team who are certified as welders/mechanics/machinists, (so they know a little about what they are working on) and have Associate's degrees in Computer Science. They are skilled technicians on large industrial equipment rather than substitutable human cogs in an assembly process. Semiconductor and other research-driven manufacturing in places like North Carolina (CREE) and Texas (Philips) are examples of growing manufacturing enterprises where employment is driven, rather than threatened, by technological progress.

In practice, a combination of these strategies will be needed that can both attract jobs to the state and make Tennesseans more productive in

4.5. Underlying Patterns, continued

the workplace. Programs like TN Promise and the "Drive to 55" can help transition workers in Tennessee into high-skilled occupations in sectors that are growing, rather than contracting. However, if young Tennesseans are trained or educated in ways that misalign them with growing industries and occupations, these policies will be less effective. We examined the occupational placement of young people (younger than 26, out of school for less than 5 years) with Bachelor's and Associate's degrees. From 2000-2013, the proportion of individuals with Associate's degrees working in food service more than doubled, while the number working in architecture, engineering, and health care techs fell by 50 percent. There is still considerable work to be done to determine what majors/fields of study students might be best steered towards, let alone how to incentivize students to focus in these targeted areas. However, policies like TN Promise are a crucial step in preparing Tennessee to attract high-paying jobs in high-growth sectors rather than competing for jobs in sectors that will inevitably continue to contract.

4.6. Data Appendix

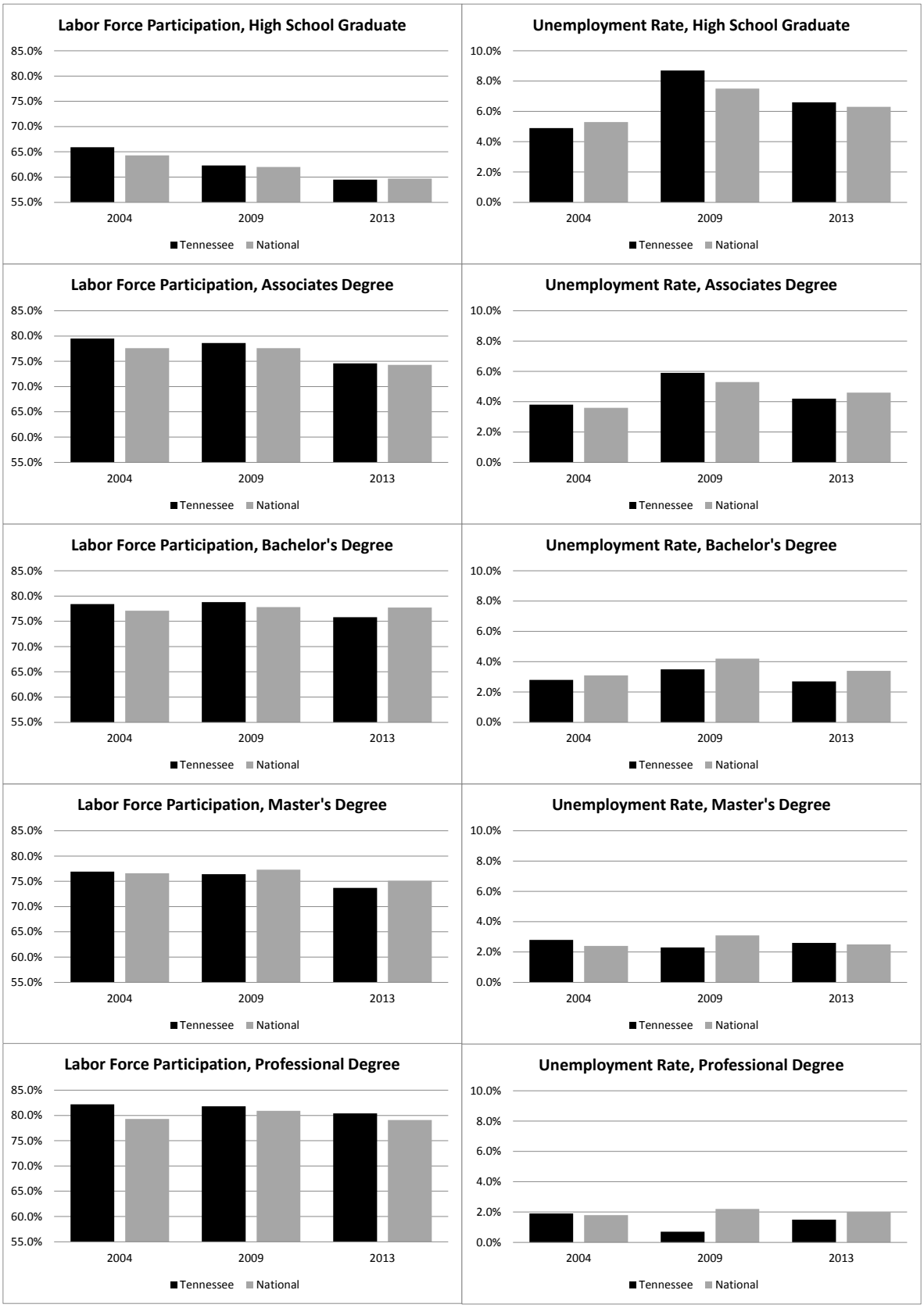
The data on labor force participation and unemployment are taken from the American Community Survey. Data on employment and incomes by industry are taken from the Quarterly Employment Census of Workers from the Bureau of Labor Statistics. Data on employment and income by occupation are taken from Annual Occupational Employment Statistics, also from the Bureau of Labor Statistics (BLS). Because the data are all sample data from separate parts of the BLS, the aggregate averages exhibit slight differences.

Whether inflation-adjusted income is rising or falling depends on who you ask. Average income has risen, over the sample period, according to the Bureau of Economic Analysis. However, nearly all of the increases in income from 2009–present have been gone to the very highest earners in the population. We are interested in what the recession and post-recession period has meant to the labor market outcomes and earnings incomes of the "typical Tennessean." Often, we refer to median incomes in this paper to avoid the impact of a very few high earners n the "average." In order to calculate a relevant and useful mean, personal earnings were top-coded at $300,000 – i.e. we do not use actual income levels for high income earners. We kept high earners in the data, but the small numbers individuals who earned $350,000 or $3,500,000 were all treated as earning $300,000 per year.

Real incomes were calculated by using the CPI to convert 2013 and 2009 incomes to 2004 dollars. Using the Bureau of Economic Analysis' GDP deflator as an alternative measure reduces the impact of inflation on incomes by approximately 10 percent. Using the GDP deflator to convert nominal incomes to real incomes has virtually no impact on the fundamental implications of the study.

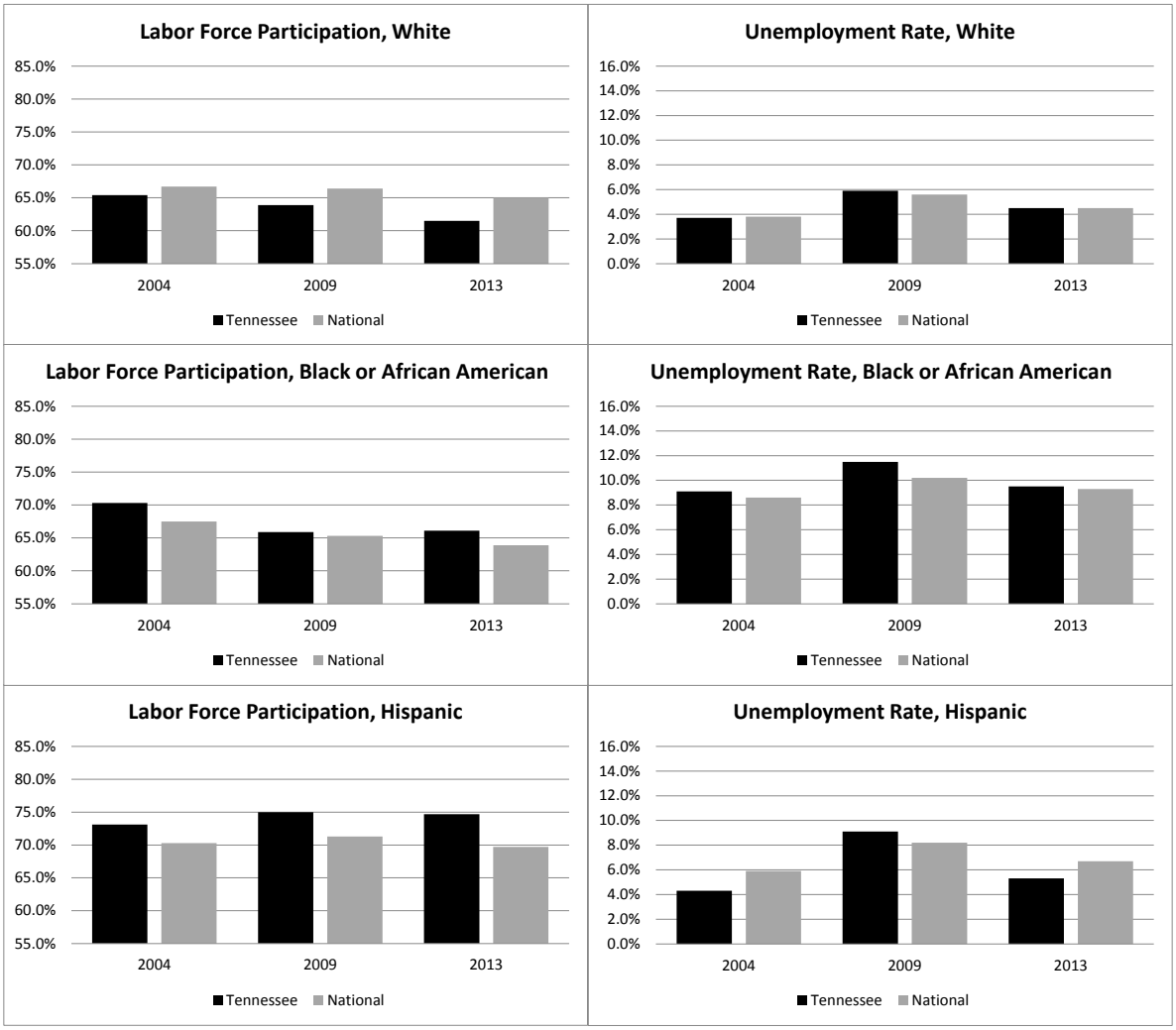
4.6. Data Appendix, continued

Figure 4.2: Labor Force Participation and Unemployment by Education, 2004–2013



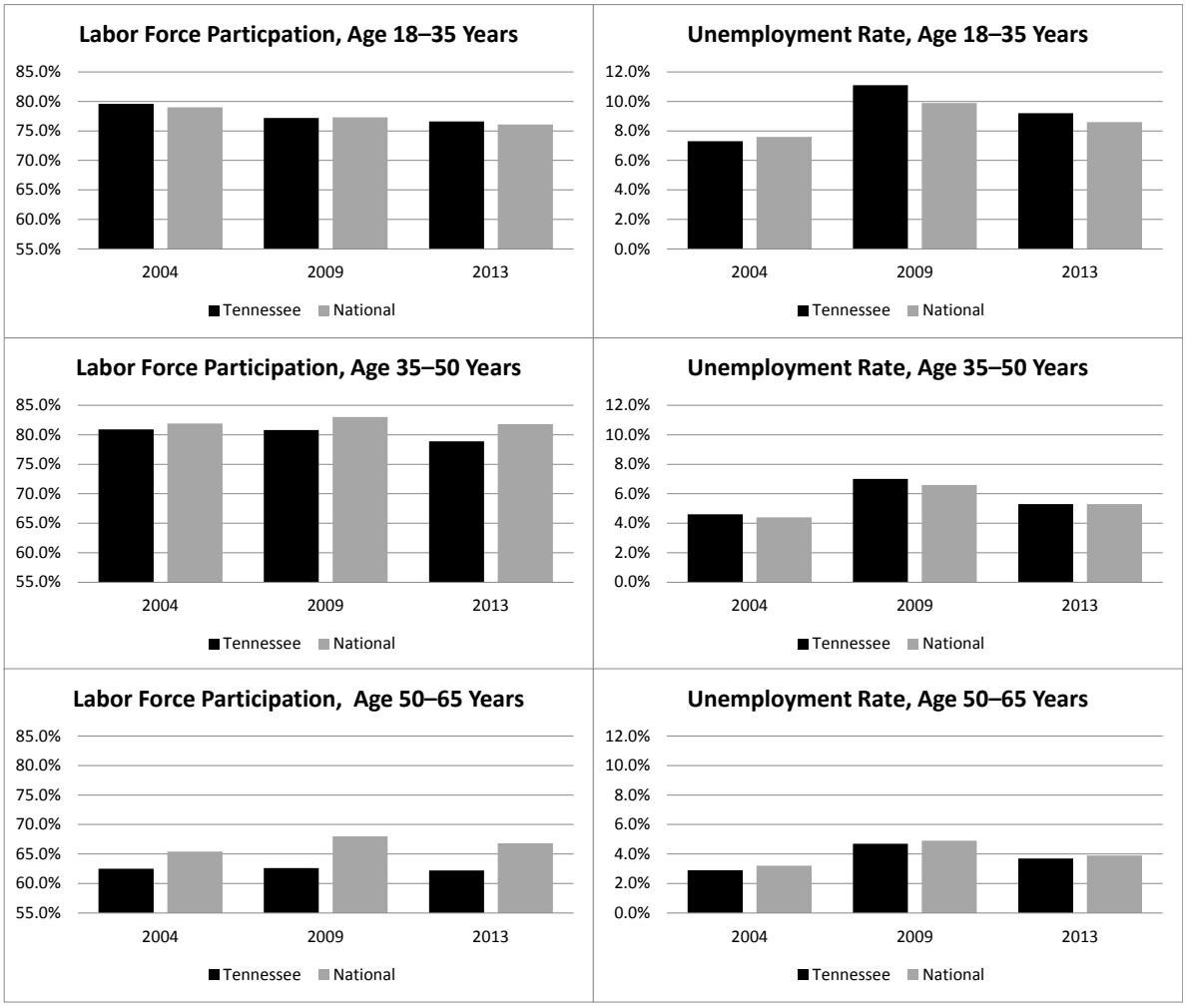
4.6. Data Appendix, continued

Figure 4.3: Labor Force Participation and Unemployment by Race, 2004–2013



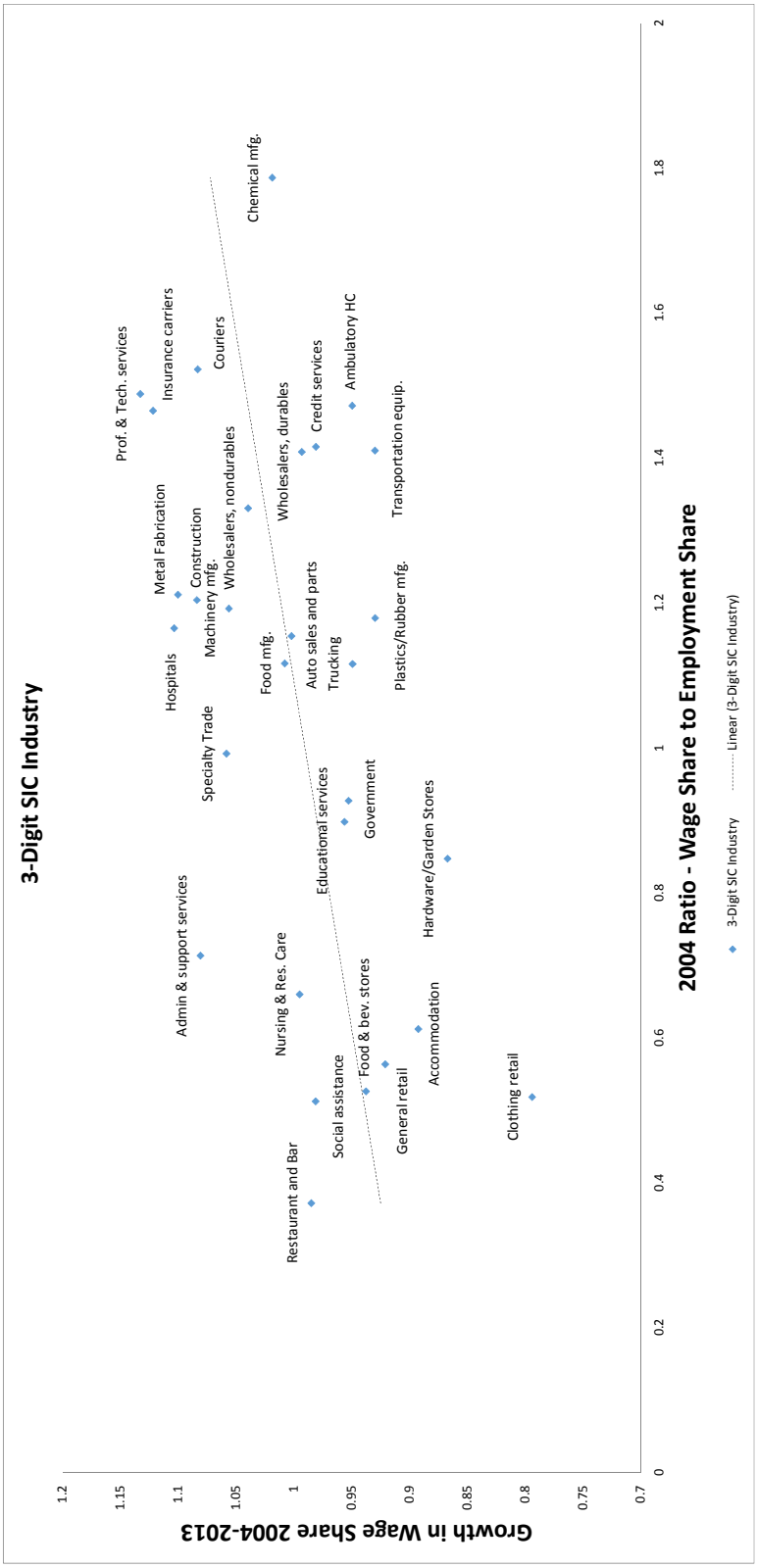
4.6. Data Appendix, continued

Figure 4.4: Labor Force Participation and Unemployment by Age, 2004–2013



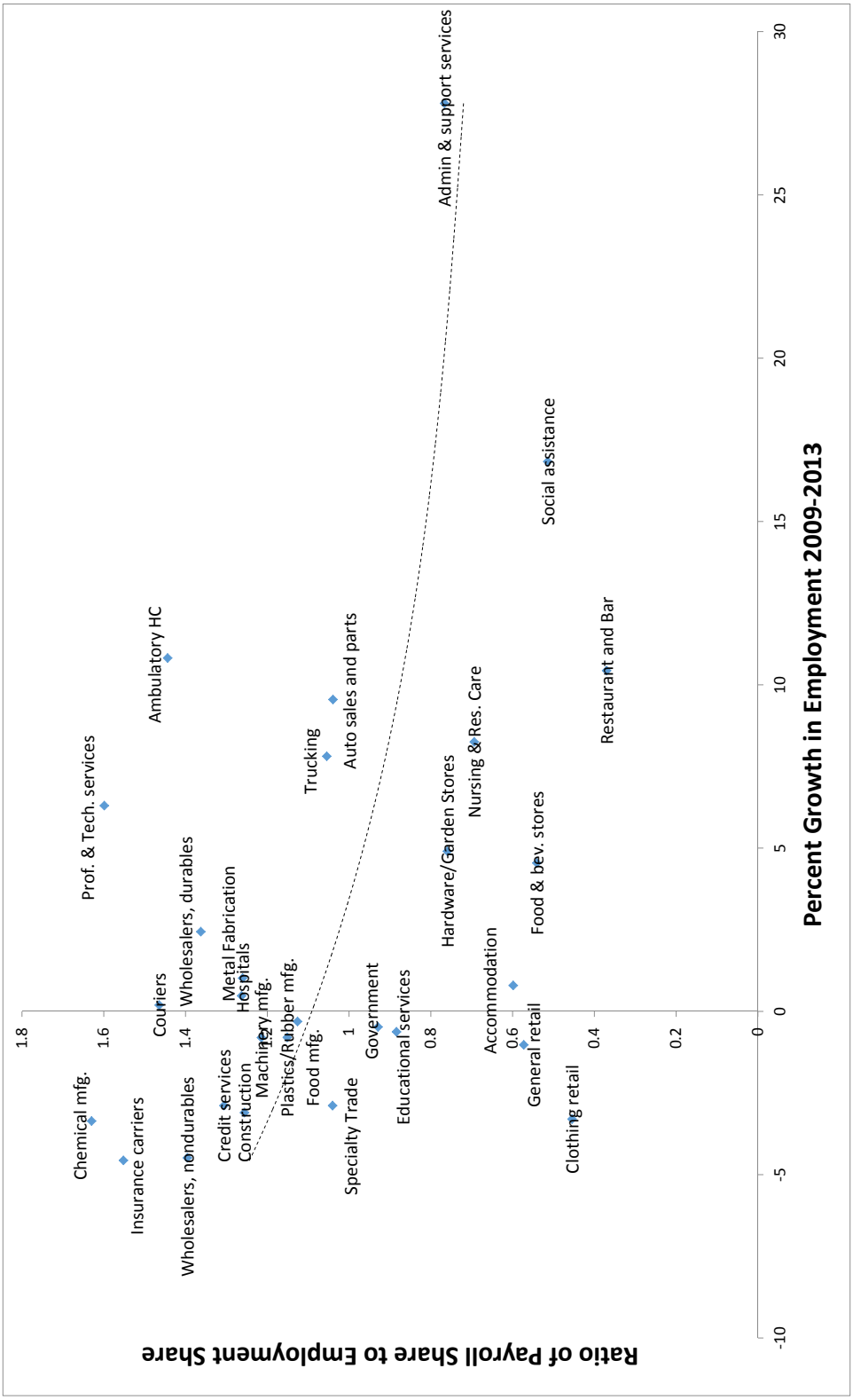
4.6. Data Appendix, continued

Figure 4.5: Growth in Relative Income Shares from 2004–2013



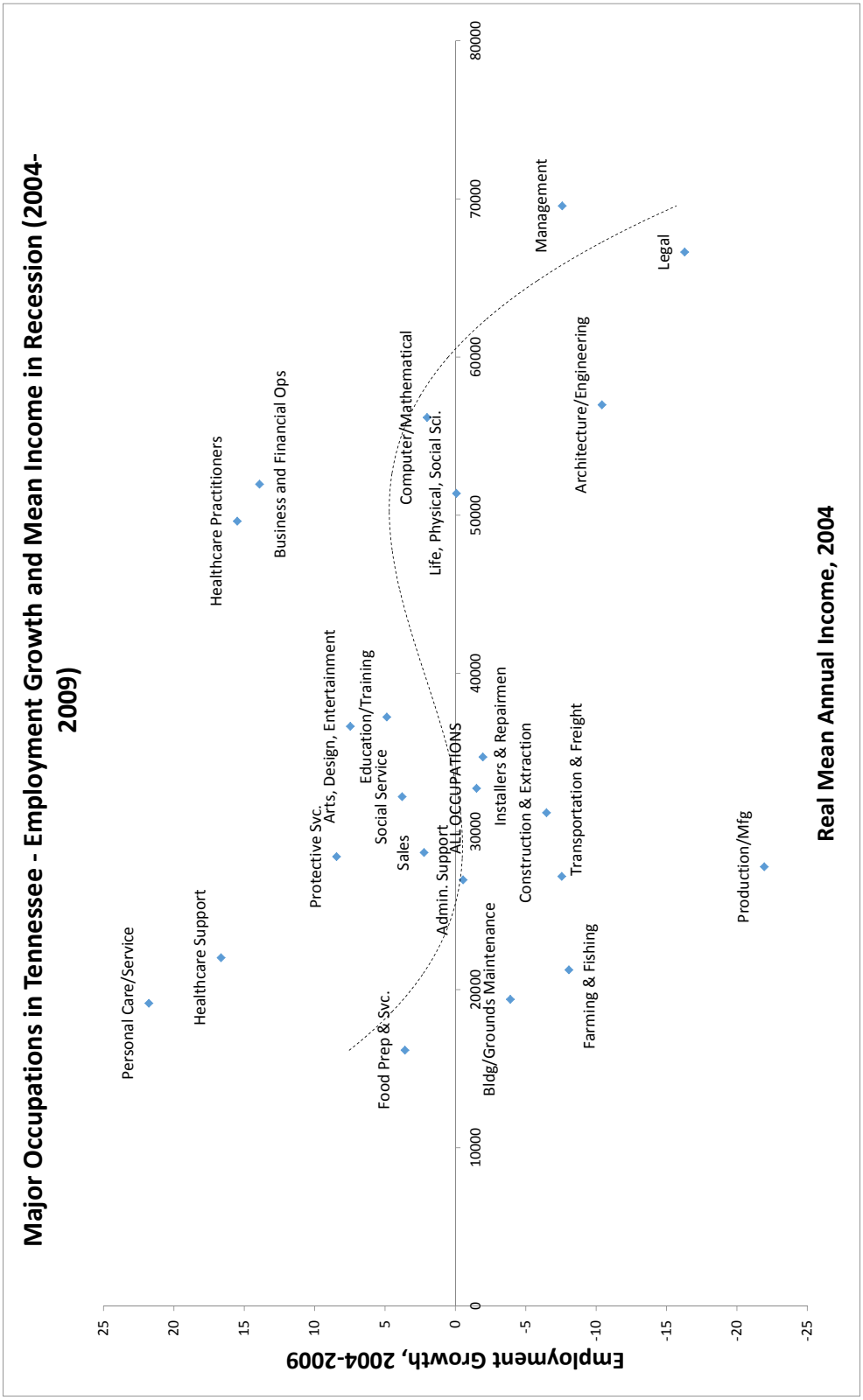
4.6. Data Appendix, continued

Figure 4.6: Employment Growth and Relative Income by Industry



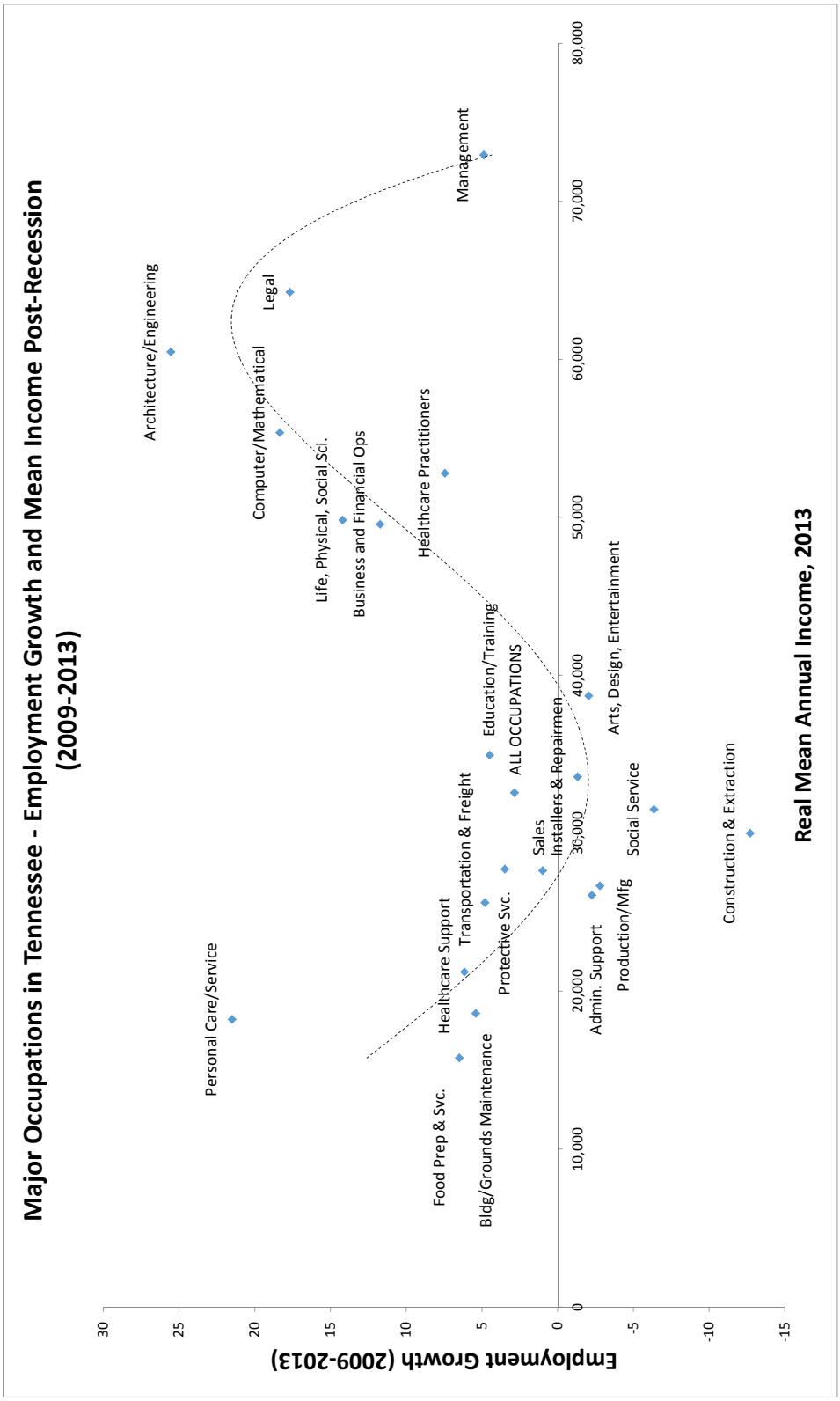
4.6. Data Appendix continued

Figure 4.7: Employment Growth/Contraction by Major Occupation and Income (2004–2009)



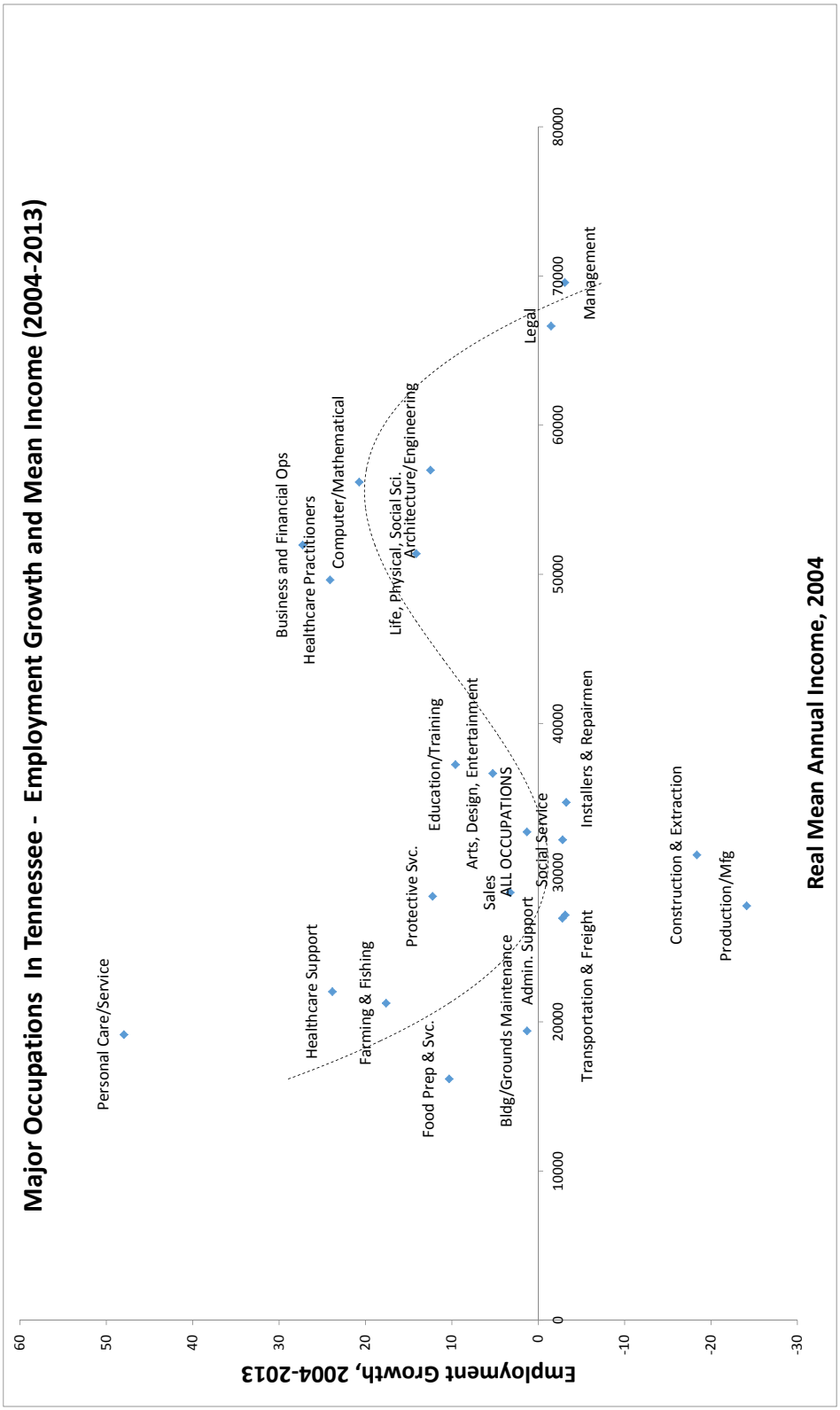
4.6. Data Appendix, continued

Figure 4.8: Employment Growth/Contraction by Major Occupation and Income (2009–2013)



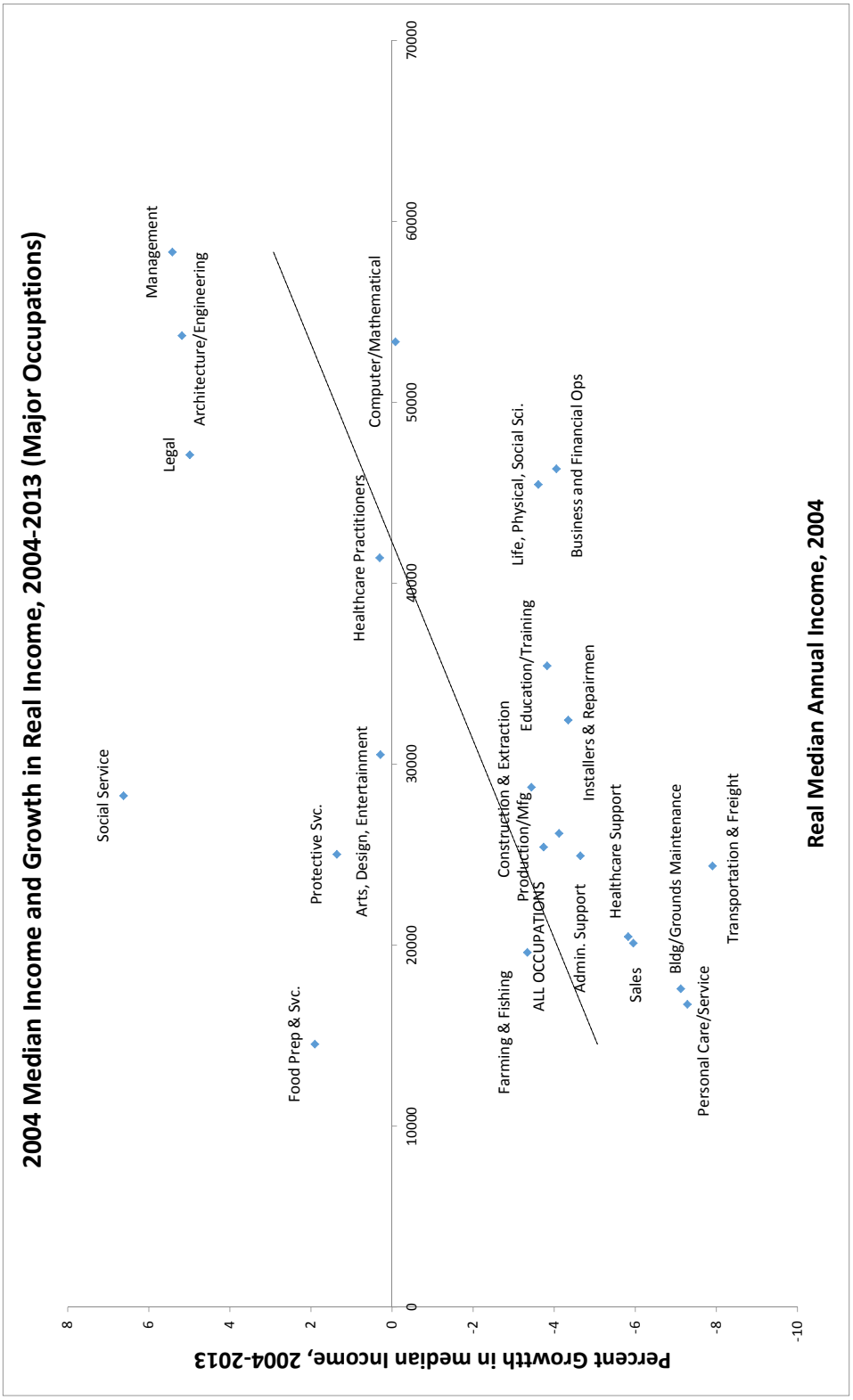
4.6. Data Appendix, continued

Figure 4.9: Employment Growth/Contraction by Major Occupation and Income (2004–2013)



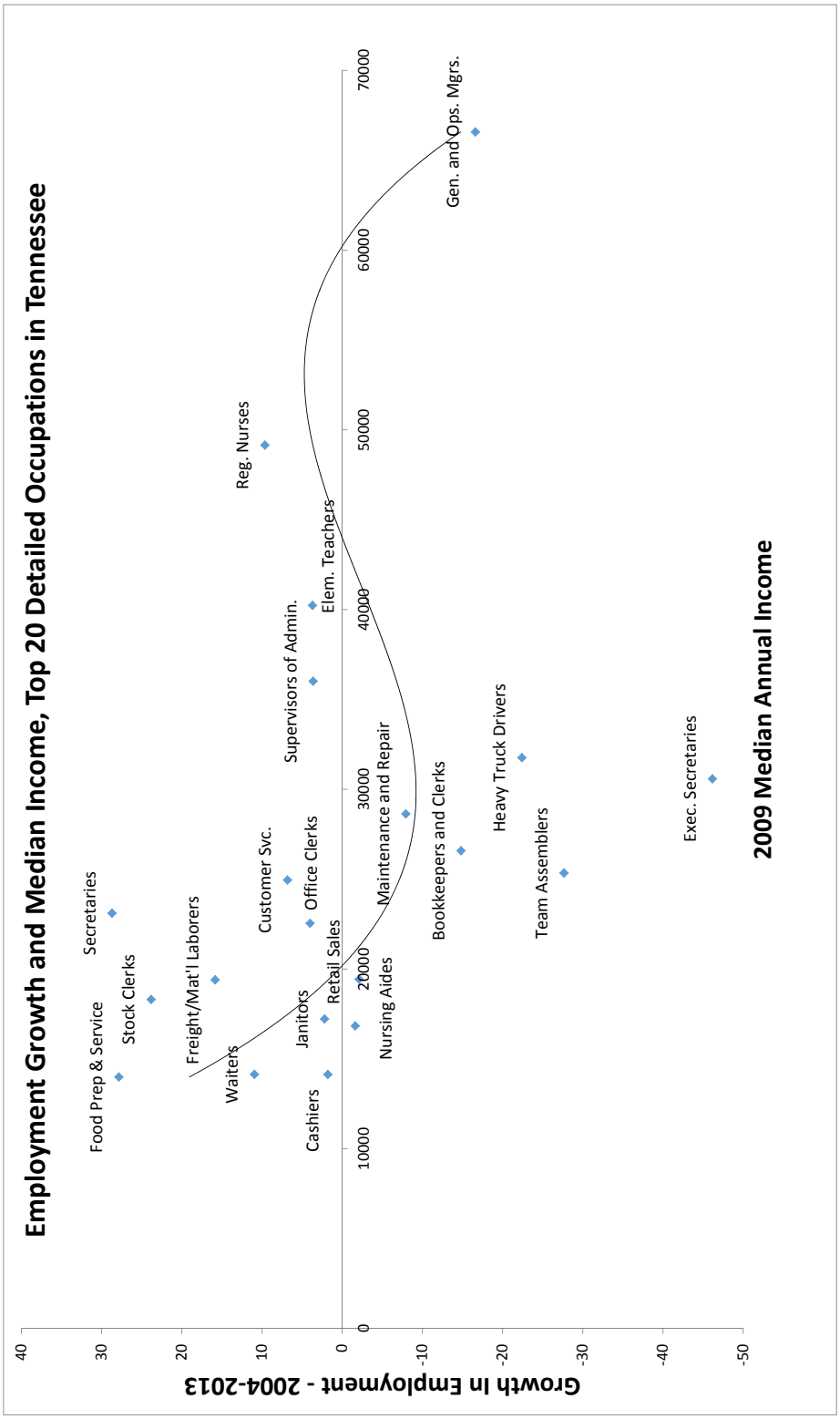
4.6. Data Appendix, continued

Figure 4.10: 2004 Median Income and Growth in Real Income from 2004–2013 – Major Occupations in Tennessee



4.6. Data Appendix, continued

Figure 4.11: Employment Growth and Median Income, Top 20 Detailed Occupations in Tennessee



APPENDIX A: FORECAST DATA

In this section—

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Table 1: Selected U.S. and Tennessee Economic Indicators, Seasonally Adjusted **January 2015**

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
US GDP (Bil2009$) SAAR	16010.4	16205.6	16308.2	16433.1	16536.7	16643.1	16737.0	16839.3	16959.1	17095.1	17231.2	17337.3	15710.3	16089.0	16587.5	17031.2
% Chg Prev Qtr SAAR	4.59	4.97	2.56	3.10	2.54	2.60	2.28	2.47	2.88	3.25	3.22	2.49	2.22	2.41	3.10	2.68
% Chg Same Qtr Last Yr	2.59	2.70	2.46	3.80	3.29	2.70	2.63	2.47	2.55	2.72	2.95	2.96	2.22	2.41	3.10	2.68
US GDP (Bil$) SAAR	17328.2	17599.8	17793.2	17992.1	18198.6	18417.2	18597.8	18803.6	19023.1	19261.6	19508.3	19726.2	16768.1	17441.3	18301.4	19149.2
% Chg Prev Qtr SAAR	6.84	6.42	4.47	4.55	4.67	4.89	3.98	4.50	4.75	5.11	5.22	4.54	3.74	4.02	4.93	4.63
% Chg Same Qtr Last Yr	4.27	4.31	4.19	5.56	5.02	4.64	4.52	4.51	4.53	4.58	4.90	4.91	3.74	4.02	4.93	4.63
TN PERSONAL INCOME (MIL2009$) SAAR	243989	245163	247822	250962	253178	254654	256503	257985	259738	261514	262982	264699	239408	244938	253824	260555
% Chg Prev Qtr SAAR	2.01	1.94	4.41	5.17	3.58	2.35	2.94	2.33	2.75	2.76	2.26	2.64	0.87	2.31	3.63	2.65
% Chg Same Qtr Last Yr	2.04	2.17	2.90	3.37	3.77	3.87	3.50	2.80	2.59	2.69	2.53	2.60	0.87	2.31	3.63	2.65
US PERSONAL INCOME (BIL2005$) SAAR	13477	13556	13691	13929	14022	14082	14179	14317	14427	14548	14669	14822	13199	13529	14053	14490
% Chg Prev Qtr SAAR	2.55	2.38	4.02	7.16	2.70	1.72	2.78	3.95	3.11	3.39	3.39	4.21	0.81	2.50	3.87	3.11
% Chg Same Qtr Last Yr	2.12	2.30	3.11	4.01	4.05	3.88	3.57	2.78	2.89	3.31	3.46	3.52	0.81	2.50	3.87	3.11
TN PERSONAL INCOME (MIL$) SAAR	265417	267532	270343	273248	276230	279249	282292	285217	288357	291516	294581	297629	256969	266467	277754	289918
% Chg Prev Qtr SAAR	4.40	3.23	4.27	4.37	4.44	4.44	4.43	4.21	4.48	4.45	4.27	4.20	2.07	3.70	4.24	4.38
% Chg Same Qtr Last Yr	3.67	3.69	4.14	4.06	4.07	4.38	4.42	4.38	4.39	4.39	4.35	4.35	2.07	3.70	4.24	4.38
US PERSONAL INCOME (BIL$) SAAR	14661	14792	14924	15126	15272	15425	15600	15824	16017	16221	16441	16695	14167	14715	15356	16126
% Chg Prev Qtr SAAR	4.94	3.64	3.61	5.53	3.91	4.08	4.60	5.87	4.97	5.20	5.54	6.33	2.01	3.87	4.35	5.01
% Chg Same Qtr Last Yr	3.74	3.82	4.28	4.43	4.17	4.28	4.53	4.61	4.88	5.16	5.39	5.51	2.01	3.87	4.35	5.01
TN NONFARM JOBS (THOUS)	2797.5	2810.6	2822.9	2834.4	2846.2	2857.8	2867.8	2878.0	2888.7	2900.0	2910.9	2922.1	2750.9	2802.7	2851.6	2894.4
% Chg Prev Qtr SAAR	2.59	1.89	1.76	1.64	1.67	1.65	1.40	1.43	1.49	1.57	1.51	1.55	1.35	1.88	1.75	1.50
% Chg Same Qtr Last Yr	1.97	2.14	1.90	1.97	1.74	1.68	1.59	1.54	1.49	1.47	1.50	1.53	1.35	1.88	1.75	1.50
US NONFARM JOBS (MIL)	138.5	139.2	140.0	140.7	141.4	142.1	142.7	143.3	143.9	144.5	145.1	145.5	136.4	138.9	141.7	144.2
% Chg Prev Qtr SAAR	2.21	2.10	2.28	1.86	2.14	1.89	1.71	1.71	1.74	1.69	1.66	1.12	1.69	1.85	2.04	1.76
% Chg Same Qtr Last Yr	1.78	1.91	2.02	2.11	2.10	2.04	1.90	1.86	1.76	1.71	1.70	1.55	1.69	1.85	2.04	1.76
TN MFG JOBS (THOUS)	322.4	324.4	325.1	325.5	325.9	326.3	326.6	327.0	327.2	327.5	327.9	328.1	318.8	323.1	326.1	327.4
% Chg Prev Qtr SAAR	2.65	2.50	0.83	0.56	0.49	0.42	0.46	0.42	0.27	0.40	0.39	0.31	1.74	1.33	0.94	0.40
% Chg Same Qtr Last Yr	1.31	1.88	1.28	1.63	1.09	0.57	0.48	0.45	0.39	0.39	0.37	0.34	1.74	1.33	0.94	0.40
US MFG JOBS (MIL)	12.1	12.2	12.2	12.2	12.2	12.2	12.3	12.4	12.4	12.4	12.4	12.4	12.0	12.1	12.3	12.4
% Chg Prev Qtr SAAR	1.18	1.63	1.67	0.81	0.08	0.28	1.80	2.47	0.30	0.68	0.56	0.78	0.65	1.12	0.95	1.17
% Chg Same Qtr Last Yr	0.96	1.43	1.44	1.32	1.04	0.71	0.74	1.15	1.21	1.31	1.00	0.58	0.65	1.12	0.95	1.17
TN UNEMPLOYMENT RATE (%)	6.4	7.3	6.8	6.7	6.6	6.5	6.4	6.3	6.2	6.2	6.1	6.0	8.2	6.9	6.5	6.2
US UNEMPLOYMENT RATE (%)	6.2	6.1	5.8	5.7	5.6	5.5	5.4	5.4	5.3	5.3	5.2	5.2	7.4	6.2	5.5	5.3

(CONTINUED ON NEXT PAGE)

Table 1: Selected U.S. and Tennessee Economic Indicators, Seasonally Adjusted **January 2015**

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
CHAINED PRICE INDEX, GDP																
(2005=100.0)……	108.3	108.6	109.1	109.5	110.1	110.7	111.1	111.7	112.2	112.7	113.2	113.8	106.7	108.4	110.3	112.4
% Chg Prev Qtr SAAR……	2.12	1.42	1.72	1.40	2.07	2.23	1.66	1.98	1.82	1.81	1.94	2.01	1.49	1.58	1.75	1.91
% Chg Same Qtr Last Yr……	1.66	1.59	1.64	1.66	1.65	1.86	1.84	1.99	1.93	1.82	1.89	1.89	1.49	1.58	1.75	1.91
US PERS CONSUMP DEFL (2009=100.0)……	108.8	109.1	109.0	108.6	108.9	109.5	110.0	110.5	111.0	111.5	112.1	112.6	107.3	108.8	109.3	111.3
% Chg Prev Qtr SAAR……	2.34	1.23	-0.39	-1.52	1.18	2.32	1.78	1.84	1.80	1.75	2.08	2.03	1.20	1.33	0.46	1.84
% Chg Same Qtr Last Yr……	1.60	1.48	1.13	0.40	0.12	0.39	0.93	1.78	1.94	1.79	1.87	1.92	1.20	1.33	0.46	1.84
CONSUMER PRICE INDEX,																
ALL-URBAN (82-84=1.000)……	2.370	2.377	2.369	2.351	2.359	2.378	2.391	2.405	2.419	2.431	2.447	2.462	2.330	2.367	2.370	2.426
% Chg Prev Qtr SAAR……	3.03	1.10	-1.22	-3.04	1.40	3.25	2.25	2.35	2.22	2.14	2.63	2.47	1.46	1.61	0.12	2.35
% Chg Same Qtr Last Yr……	2.06	1.79	1.19	-0.06	-0.46	0.07	0.94	2.31	2.51	2.24	2.34	2.37	1.46	1.61	0.12	2.35
BANK PRIME INTEREST RATE (%)……	3.3	3.3	3.3	3.3	3.3	3.5	3.8	4.0	4.3	4.7	5.2	5.7	3.3	3.3	3.5	4.6
FEDERAL FUNDS RATE (% per annum)……	0.093	0.090	0.101	0.143	0.277	0.537	0.787	1.033	1.283	1.707	2.210	2.707	0.108	0.089	0.436	1.558
30-YEAR FIXED MORTGAGE RATE (%)……	4.2	4.1	4.0	4.0	4.2	4.5	4.7	5.0	5.4	5.6	5.7	5.9	4.0	4.2	4.4	5.4
TN TAXABLE SALES (MIL2009$)……	23848	24566	24601	24823	24973	25034	25148	25250	25356	25470	25566	25680	94059	96799	99978	101643
% Chg Prev Qtr SAAR……	1.09	12.60	0.56	3.67	2.43	0.99	1.82	1.63	1.70	1.81	1.52	1.78	1.74	2.91	3.28	1.67
% Chg Same Qtr Last Yr……	1.52	4.76	3.52	4.37	4.72	1.90	2.22	1.72	1.54	1.74	1.67	1.70	1.74	2.91	3.28	1.67
TN TAXABLE SALES (MIL$)……	25943	26808	26836	27028	27247	27452	27676	27915	28150	28392	28638	28875	100959	105310	109402	113096
% Chg Prev Qtr SAAR……	3.45	14.03	0.42	2.88	3.28	3.05	3.30	3.50	3.42	3.49	3.51	3.34	2.96	4.31	3.89	3.38
% Chg Same Qtr Last Yr……	3.14	6.33	4.77	5.07	5.03	2.40	3.13	3.28	3.32	3.42	3.48	3.44	2.96	4.31	3.89	3.38
TN AVG ANNUAL WAGE, NONFARM																
(2005$)……	41881	41906	42234	42565	42739	42791	42902	42962	43042	43120	43165	43252	41681	42021	42749	43072
% Chg Prev Qtr SAAR……	-1.72	0.24	3.17	3.17	1.65	0.49	1.03	0.57	0.74	0.73	0.41	0.81	-0.80	0.81	1.73	0.76
% Chg Same Qtr Last Yr……	0.34	0.75	1.58	1.19	2.05	2.11	1.58	0.93	0.71	0.77	0.61	0.67	-0.80	0.81	1.73	0.76
TN AVG ANNUAL WAGE, NONFARM ($)……	45559	45730	46072	46344	46631	46924	47215	47497	47784	48067	48351	48633	44738	45714	46779	47925
% Chg Prev Qtr SAAR……	0.57	1.51	3.03	2.38	2.49	2.54	2.50	2.41	2.44	2.39	2.38	2.35	0.39	2.18	2.33	2.45
% Chg Same Qtr Last Yr……	1.94	2.25	2.81	1.87	2.35	2.61	2.48	2.49	2.47	2.44	2.41	2.39	0.39	2.18	2.33	2.45

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Table 2: Selected Per Capita U.S. and Tennessee Economic Indicators, Seasonally Adjusted **January 2015**

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
US GDP (2005$) SAAR	50235	50744	50960	51246	51463	51689	51875	52086	52350	52663	52975	53194	49599	50429	51569	52519
% Chg Prev Qtr SAAR	3.79	4.11	1.72	2.26	1.71	1.76	1.45	1.64	2.04	2.41	2.39	1.66	1.50	1.67	2.26	1.84
% Chg Same Qtr Last Yr	1.86	1.96	1.69	2.96	2.44	1.86	1.80	1.64	1.72	1.88	2.12	2.13	1.50	1.67	2.26	1.84
US GDP ($) SAAR	54370	55109	55601	56107	56636	57199	57642	58162	58722	59337	59976	60523	52939	54667	56897	59051
% Chg Prev Qtr SAAR	6.02	5.55	3.62	3.70	3.82	4.04	3.14	3.65	3.91	4.26	4.37	3.70	3.01	3.27	4.08	3.78
% Chg Same Qtr Last Yr	3.52	3.57	3.40	4.71	4.17	3.79	3.67	3.66	3.68	3.74	4.05	4.06	3.01	3.27	4.08	3.78
TN PERSONAL INCOME (2009$) SAAR	37038	37119	37423	37798	38033	38155	38333	38455	38617	38781	38899	39054	36679	37133	38080	38688
% Chg Prev Qtr SAAR	0.95	0.87	3.32	4.07	2.50	1.29	1.87	1.28	1.69	1.71	1.22	1.60	-0.20	1.24	2.55	1.60
% Chg Same Qtr Last Yr	0.97	1.10	1.82	2.29	2.69	2.79	2.43	1.74	1.54	1.64	1.48	1.56	-0.20	1.24	2.55	1.60
US PERSONAL INCOME (2009$) SAAR	42286	42448	42781	43438	43639	43736	43947	44284	44534	44816	45099	45475	41670	42405	43690	44684
% Chg Prev Qtr SAAR	1.76	1.54	3.17	6.28	1.86	0.89	1.94	3.11	2.28	2.55	2.56	3.37	0.10	1.76	3.03	2.28
% Chg Same Qtr Last Yr	1.39	1.57	2.33	3.17	3.20	3.03	2.72	1.95	2.05	2.47	2.62	2.69	0.10	1.76	3.03	2.28
TN PERSONAL INCOME ($) SAAR	40291	40505	40824	41155	41496	41840	42187	42514	42872	43230	43573	43912	39369	40396	41669	43047
% Chg Prev Qtr SAAR	3.30	2.15	3.18	3.28	3.35	3.36	3.35	3.14	3.41	3.39	3.21	3.15	1.00	2.61	3.15	3.31
% Chg Same Qtr Last Yr	2.58	2.61	3.05	2.98	2.99	3.30	3.34	3.30	3.32	3.32	3.29	3.29	1.00	2.61	3.15	3.31
US PERSONAL INCOME ($) SAAR	46000	46318	46635	47170	47527	47906	48350	48944	49441	49970	50546	51224	44726	46123	47739	49727
% Chg Prev Qtr SAAR	4.14	2.79	2.77	4.67	3.06	3.23	3.75	5.01	4.12	4.35	4.69	5.47	1.29	3.12	3.50	4.16
% Chg Same Qtr Last Yr	3.00	3.08	3.49	3.59	3.32	3.43	3.68	3.76	4.03	4.31	4.54	4.66	1.29	3.12	3.50	4.16
TN TAXABLE SALES (2009$)	3620	3719	3715	3739	3751	3751	3758	3764	3770	3777	3782	3789	14411	14674	14999	15092
% Chg Prev Qtr SAAR	0.04	11.43	-0.49	2.59	1.37	-0.06	0.77	0.59	0.66	0.77	0.49	0.76	0.66	1.83	2.21	0.62
% Chg Same Qtr Last Yr	0.46	3.67	2.44	3.28	3.63	0.85	1.16	0.67	0.49	0.70	0.63	0.67	0.66	1.83	2.21	0.62
TN TAXABLE SALES ($)	3938	4059	4052	4071	4093	4113	4136	4161	4185	4210	4236	4260	15468	15965	16413	16793
% Chg Prev Qtr SAAR	2.37	12.83	-0.62	1.81	2.21	1.99	2.24	2.43	2.36	2.43	2.46	2.29	1.87	3.21	2.81	2.31
% Chg Same Qtr Last Yr	2.06	5.21	3.68	3.97	3.93	1.34	2.06	2.22	2.25	2.36	2.42	2.38	1.87	3.21	2.81	2.31

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Table 3: Tennessee Personal Income Components, Seasonally Adjusted Annual Rates (millions of 2009 dollars) **January 2015**

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
TN PERSONAL INCOME	243989	245163	247822	250962	253178	254654	256503	257985	259738	261514	262982	264699	239408	244938	253824	260555
% Chg Prev Qtr SAAR	2.01	1.94	4.41	5.17	3.58	2.35	2.94	2.33	2.75	2.76	2.26	2.64	0.87	2.31	3.63	2.65
% Chg Same Qtr Last Yr	2.04	2.17	2.90	3.37	3.77	3.87	3.50	2.80	2.59	2.69	2.53	2.60	0.87	2.31	3.63	2.65
WAGES AND SALARIES	118050	118671	120106	121531	122526	123167	123905	124513	125197	125907	126500	127236	115544	118659	122782	125529
% Chg Prev Qtr SAAR	0.82	2.12	4.93	4.83	3.31	2.11	2.42	1.98	2.22	2.29	1.90	2.35	0.53	2.70	3.48	2.24
% Chg Same Qtr Last Yr	2.31	2.88	3.48	3.16	3.79	3.79	3.16	2.45	2.18	2.22	2.09	2.19	0.53	2.70	3.48	2.24
OTHER LABOR INCOME	28287	28394	28749	29060	29242	29347	29465	29582	29727	29890	30034	30235	28020	28431	29278	29808
% Chg Prev Qtr SAAR	-0.09	1.53	5.09	4.39	2.53	1.45	1.62	1.59	1.98	2.21	1.95	2.69	1.31	1.47	2.98	1.81
% Chg Same Qtr Last Yr	1.13	1.45	2.33	2.71	3.38	3.35	2.49	1.80	1.66	1.85	1.93	2.21	1.31	1.47	2.98	1.81
PROPRIETORS INCOME	32811	32822	33088	33735	34178	34502	34922	35285	35682	36007	36201	36484	31865	32771	34334	35794
% Chg Prev Qtr SAAR	5.68	0.14	3.28	8.06	5.35	3.85	4.96	4.23	4.58	3.69	2.18	3.16	6.71	2.84	4.77	4.25
% Chg Same Qtr Last Yr	3.30	2.16	3.31	4.25	4.17	5.12	5.54	4.59	4.40	4.36	3.66	3.40	6.71	2.84	4.77	4.25
RENT, INTEREST, DIVIDENDS	34792	34986	35249	35622	35919	36150	36487	36748	37017	37324	37641	37968	34201	34869	36045	37183
% Chg Prev Qtr SAAR	4.05	2.24	3.04	4.31	3.37	2.59	3.78	2.89	2.96	3.37	3.44	3.52	1.36	1.95	3.37	3.16
% Chg Same Qtr Last Yr	1.64	1.30	2.31	3.41	3.24	3.33	3.51	3.16	3.05	3.25	3.16	3.32	1.36	1.95	3.37	3.16
TRANSFER PAYMENTS	50601	51001	51466	52079	52432	52599	52871	53146	53411	53695	53922	54263	49642	50861	52495	53543
% Chg Prev Qtr SAAR	1.80	3.20	3.70	4.85	2.74	1.28	2.09	2.10	2.01	2.14	1.70	2.56	2.03	2.46	3.21	2.00
% Chg Same Qtr Last Yr	2.10	2.39	2.50	3.38	3.62	3.13	2.73	2.05	1.87	2.08	1.99	2.10	2.03	2.46	3.21	2.00
LESS: PERS CONT FOR SOC INS	19022	19105	19222	19442	19491	19484	19519	19662	19669	19681	19691	19860	18474	19088	19484	19676
% Chg Prev Qtr SAAR	0.42	1.74	2.49	4.64	1.02	-0.14	0.72	2.95	0.15	0.25	0.19	3.49	13.98	3.32	2.08	0.98
% Chg Same Qtr Last Yr	3.14	3.55	3.51	2.31	2.46	1.99	1.54	1.13	0.91	1.01	0.88	1.01	13.98	3.32	2.08	0.98
RESIDENCE ADJUSTMENT	-1529	-1606	-1614	-1624	-1627	-1626	-1627	-1627	-1627	-1627	-1626	-1627	-1390	-1564	-1626	-1627
% Chg Prev Qtr SAAR	5.76	21.85	1.86	2.50	0.88	-0.32	0.26	-0.12	0.02	0.05	-0.26	0.16	7.33	12.55	3.96	0.03
% Chg Same Qtr Last Yr	12.39	14.54	12.26	7.70	6.44	1.22	0.82	0.17	-0.04	0.05	-0.08	0.00	7.33	12.55	3.96	0.03
PER CAPITA PERSONAL INCOME ($)	37038	37119	37423	37798	38033	38155	38333	38455	38617	38781	38899	39054	36679	37133	38080	38688
% Chg Prev Qtr SAAR	0.95	0.87	3.32	4.07	2.50	1.29	1.87	1.28	1.69	1.71	1.22	1.60	-0.20	1.24	2.55	1.60
% Chg Same Qtr Last Yr	0.97	1.10	1.82	2.29	2.69	2.79	2.43	1.74	1.54	1.64	1.48	1.56	-0.20	1.24	2.55	1.60

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Table 4: Tennessee Personal Income Components, Seasonally Adjusted Annual Rates (millions of current dollars) **January 2015**

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
TN PERSONAL INCOME	265417	267532	270343	273248	276230	279249	282292	285217	288357	291516	294581	297629	256969	266467	277754	289918
% Chg Prev Qtr SAAR	4.40	3.23	4.27	4.37	4.44	4.44	4.43	4.21	4.48	4.45	4.27	4.20	2.07	3.70	4.24	4.38
% Chg Same Qtr Last Yr	3.67	3.69	4.14	4.06	4.07	4.38	4.42	4.38	4.39	4.39	4.35	4.35	2.07	3.70	4.24	4.38
WAGES AND SALARIES	128417	129498	131021	132324	133682	135063	136362	137656	138991	140351	141700	143065	124018	129088	134358	139674
% Chg Prev Qtr SAAR	3.18	3.41	4.79	4.04	4.17	4.20	3.90	3.85	3.94	3.97	3.90	3.91	1.73	4.09	4.08	3.96
% Chg Same Qtr Last Yr	3.94	4.42	4.73	3.85	4.10	4.30	4.08	4.03	3.97	3.91	3.91	3.93	1.73	4.09	4.08	3.96
OTHER LABOR INCOME	30771	30985	31362	31640	31904	32181	32427	32704	33003	33319	33643	33996	30075	30930	32038	33167
% Chg Prev Qtr SAAR	2.25	2.81	4.95	3.60	3.38	3.52	3.09	3.46	3.70	3.89	3.95	4.26	2.52	2.84	3.58	3.52
% Chg Same Qtr Last Yr	2.75	2.96	3.56	3.40	3.68	3.86	3.40	3.36	3.44	3.53	3.75	3.95	2.52	2.84	3.58	3.52
PROPRIETORS INCOME	35692	35817	36095	36731	37289	37834	38433	39010	39614	40138	40551	41023	34202	35651	37572	39828
% Chg Prev Qtr SAAR	8.14	1.40	3.14	7.24	6.22	5.97	6.48	6.14	6.34	5.40	4.18	4.74	7.98	4.24	5.39	6.01
% Chg Same Qtr Last Yr	4.95	3.68	4.56	4.94	4.47	5.63	6.48	6.20	6.23	6.09	5.51	5.16	7.98	4.24	5.39	6.01
RENT, INTEREST, DIVIDENDS	37848	38178	38452	38786	39190	39641	40155	40627	41095	41606	42164	42692	36710	37934	39443	41373
% Chg Prev Qtr SAAR	6.48	3.54	2.90	3.52	4.23	4.69	5.29	4.78	4.69	5.07	5.47	5.10	2.57	3.33	3.98	4.89
% Chg Same Qtr Last Yr	3.26	2.81	3.54	4.10	3.55	3.83	4.43	4.75	4.86	4.96	5.00	5.08	2.57	3.33	3.98	4.89
TRANSFER PAYMENTS	55045	55655	56143	56703	57206	57679	58187	58756	59296	59855	60401	61014	53284	55332	57444	59577
% Chg Prev Qtr SAAR	4.18	4.51	3.56	4.05	3.59	3.35	3.57	3.97	3.73	3.82	3.70	4.12	3.25	3.84	3.82	3.71
% Chg Same Qtr Last Yr	3.73	3.91	3.73	4.07	3.93	3.64	3.64	3.62	3.65	3.77	3.80	3.84	3.25	3.84	3.82	3.71
LESS: PERS CONT FOR SOC INS	20693	20848	20969	21168	21266	21366	21482	21737	21836	21939	22057	22331	19829	20765	21320	21892
% Chg Prev Qtr SAAR	2.77	3.03	2.35	3.85	1.86	1.90	2.18	4.84	1.84	1.90	2.16	5.07	15.35	4.72	2.67	2.68
% Chg Same Qtr Last Yr	4.78	5.10	4.75	3.00	2.77	2.49	2.44	2.69	2.68	2.68	2.68	2.73	15.35	4.72	2.67	2.68
RESIDENCE ADJUSTMENT	-1663	-1753	-1761	-1768	-1776	-1783	-1791	-1798	-1806	-1814	-1821	-1829	-1492	-1702	-1779	-1810
% Chg Prev Qtr SAAR	8.23	23.39	1.72	1.72	1.72	1.72	1.71	1.71	1.71	1.70	1.70	1.69	8.60	14.08	4.55	1.71
% Chg Same Qtr Last Yr	14.18	16.25	13.61	8.42	6.75	1.72	1.72	1.72	1.71	1.71	1.70	1.70	8.60	14.08	4.55	1.71
PER CAPITA PERSONAL INCOME ($)	40291	40505	40824	41155	41496	41840	42187	42514	42872	43230	43573	43912	39369	40396	41669	43047
% Chg Prev Qtr SAAR	3.30	2.15	3.18	3.28	3.35	3.36	3.35	3.14	3.41	3.39	3.21	3.15	1.00	2.61	3.15	3.31
% Chg Same Qtr Last Yr	2.58	2.61	3.05	2.98	2.99	3.30	3.34	3.30	3.32	3.32	3.29	3.29	1.00	2.61	3.15	3.31

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Table 5: Tennessee Nonfarm Employment by Sector, Not Seasonally Adjusted (thousands of jobs) **January 2015**

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
TOTAL NONFARM	2803.9	2807.4	2848.3	2807.9	2852.9	2855.0	2893.6	2850.7	2895.5	2897.3	2937.0	2894.1	2749.7	2803.4	2852.3	2895.1
% Chg Same Qtr Last Yr	2.07	2.19	1.89	1.95	1.75	1.69	1.59	1.53	1.50	1.48	1.50	1.52	1.32	1.95	1.74	1.50
NATURAL RESOURCES, MINING & CONSTRUCTION	113.8	117.2	116.0	111.6	116.7	120.4	119.5	115.2	120.7	124.6	123.8	119.3	108.1	113.1	117.0	121.1
% Chg Same Qtr Last Yr	5.11	5.97	5.49	5.77	2.48	2.76	3.02	3.29	3.46	3.48	3.61	3.57	-0.71	4.64	3.46	3.46
MANUFACTURING	323.0	325.3	325.6	323.6	326.5	327.2	327.1	325.0	327.8	328.5	328.4	326.1	318.8	323.1	326.1	327.4
% Chg Same Qtr Last Yr	1.33	1.87	1.28	1.63	1.09	0.57	0.48	0.45	0.39	0.38	0.37	0.35	1.74	1.33	0.94	0.40
DURABLE GOODS	205.4	207.8	208.2	207.4	209.5	210.3	210.7	209.8	212.0	212.8	213.1	212.2	199.3	205.7	209.5	211.9
% Chg Same Qtr Last Yr	3.15	4.18	2.96	2.89	2.03	1.21	1.18	1.20	1.18	1.18	1.16	1.11	2.79	3.21	1.82	1.18
NONDURABLE GOODS	117.6	117.6	117.3	116.2	116.9	116.9	116.4	115.2	115.8	115.7	115.2	114.0	119.5	117.3	116.6	115.5
% Chg Same Qtr Last Yr	-1.70	-1.97	-1.56	-0.54	-0.56	-0.55	-0.76	-0.90	-1.02	-1.05	-1.05	-1.04	0.03	-1.80	-0.60	-1.00
TRADE, TRANSPORTATION, UTILITIES	590.5	594.6	606.0	593.4	603.5	605.9	616.5	603.1	612.8	614.7	625.9	612.5	582.3	593.4	604.8	614.1
% Chg Same Qtr Last Yr	1.85	2.06	2.00	1.90	2.20	1.89	1.74	1.65	1.53	1.46	1.53	1.55	1.25	1.90	1.93	1.54
WHOLESALE TRADE	125.9	126.5	126.6	125.3	127.4	128.8	129.1	127.8	129.8	130.8	131.2	129.9	122.4	125.9	127.7	129.9
% Chg Same Qtr Last Yr	2.97	2.82	2.33	0.50	1.19	1.81	1.96	2.00	1.84	1.61	1.60	1.60	1.57	2.90	1.37	1.76
RETAIL TRADE	318.6	319.9	328.0	319.6	325.3	324.4	331.8	322.8	328.1	327.2	335.0	326.2	314.8	319.8	325.3	328.3
% Chg Same Qtr Last Yr	1.83	1.64	1.51	2.22	2.11	1.40	1.16	1.00	0.88	0.88	0.98	1.06	0.64	1.57	1.71	0.93
TRANSPORTATION & UTILITIES	146.0	148.3	151.3	148.4	150.8	152.7	155.6	152.5	154.8	156.7	159.7	156.4	145.1	147.6	151.9	155.9
% Chg Same Qtr Last Yr	0.92	2.32	2.81	2.42	3.24	3.01	2.83	2.74	2.68	2.58	2.64	2.55	2.35	1.76	2.88	2.66
INFORMATION	43.4	42.8	43.1	43.2	43.2	43.2	43.3	43.3	43.3	43.2	43.4	43.5	43.9	43.2	43.2	43.3
% Chg Same Qtr Last Yr	-2.03	-2.36	-1.55	-0.21	-0.54	0.95	0.50	0.19	0.15	-0.02	0.11	0.40	1.70	-1.73	0.17	0.11
FINANCIAL ACTIVITIES	138.5	140.6	141.0	140.2	141.4	141.8	141.9	141.1	142.3	142.8	142.9	142.0	137.5	139.4	141.3	142.3
% Chg Same Qtr Last Yr	1.05	1.56	1.97	1.99	2.10	0.86	0.60	0.63	0.68	0.69	0.69	0.69	0.26	1.41	1.38	0.67
PROFESSIONAL & BUSINESS SERVICES	367.6	371.0	381.3	373.9	381.9	385.7	396.1	387.8	395.0	398.3	409.2	401.1	350.8	369.7	384.4	397.6
% Chg Same Qtr Last Yr	5.94	5.81	4.54	4.15	3.88	3.96	3.88	3.72	3.43	3.25	3.30	3.42	3.64	5.40	3.96	3.42
EDUCATION & HEALTH SERVICES	399.1	397.7	405.4	404.3	406.2	406.3	413.7	412.3	414.4	415.0	422.4	421.1	396.4	400.0	407.6	416.0
% Chg Same Qtr Last Yr	0.94	1.02	0.98	1.58	1.78	2.16	2.05	1.97	2.02	2.15	2.10	2.14	0.93	0.92	1.90	2.06
LEISURE & HOSPITALITY	305.7	307.8	300.4	293.7	315.2	316.0	307.4	300.1	322.0	322.8	313.9	306.3	286.7	299.0	308.1	314.7
% Chg Same Qtr Last Yr	4.60	4.33	4.01	4.10	3.09	2.68	2.31	2.19	2.16	2.15	2.13	2.06	3.57	4.29	3.03	2.16
OTHER SERVICES	107.9	107.5	107.3	106.8	108.3	108.2	107.9	107.2	108.6	108.5	108.2	107.5	105.3	106.9	107.8	108.1
% Chg Same Qtr Last Yr	1.54	1.19	2.11	1.79	0.42	0.63	0.54	0.36	0.30	0.26	0.28	0.25	1.06	1.49	0.84	0.30
GOVERNMENT	414.4	402.8	422.2	417.2	410.1	400.2	420.1	415.5	408.7	398.9	419.0	414.6	419.9	415.6	411.9	410.5
% Chg Same Qtr Last Yr	-0.86	-0.96	-1.30	-1.40	-1.03	-0.66	-0.48	-0.40	-0.34	-0.32	-0.28	-0.22	-0.98	-1.01	-0.89	-0.34
FEDERAL, CIVILIAN	48.7	48.5	47.0	46.9	48.7	47.7	46.3	46.2	47.8	46.9	45.4	45.4	49.4	48.2	47.4	46.6
% Chg Same Qtr Last Yr	-1.81	-1.62	-4.35	-3.53	-0.02	-1.49	-1.56	-1.57	-1.77	-1.84	-1.83	-1.76	-1.45	-2.45	-1.65	-1.75
STATE & LOCAL	365.7	354.4	375.3	370.3	361.5	352.4	374.0	369.4	360.9	352.0	373.7	369.3	370.5	367.5	364.5	364.0
% Chg Same Qtr Last Yr	-0.73	-0.87	-0.88	-1.11	-1.16	-0.55	-0.34	-0.25	-0.15	-0.12	-0.08	-0.02	-0.92	-0.81	-0.79	-0.15

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Table 6: Tennessee Durable Goods Manufacturing Employment, Not Seasonally Adjusted (thousands of jobs) **January 2015**

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
TOTAL DURABLE GOODS	205.4	207.8	208.2	207.4	209.5	210.3	210.7	209.8	212.0	212.8	213.1	212.2	199.3	205.7	209.5	211.9
% Chg Same Qtr Last Yr	3.15	4.18	2.96	2.89	2.03	1.21	1.18	1.20	1.18	1.18	1.16	1.11	2.79	3.21	1.82	1.18
WOOD PRODUCTS	10.9	11.1	11.0	10.7	11.0	11.1	11.0	10.7	11.0	11.1	11.0	10.7	10.8	10.9	10.9	10.9
% Chg Same Qtr Last Yr	-0.31	1.83	1.34	0.94	0.83	-0.11	-0.09	-0.03	-0.03	-0.03	0.00	-0.07	-1.81	0.49	0.39	-0.02
NONMETALLIC MINERAL PRODUCTS	12.0	12.3	12.1	12.0	12.2	12.3	12.2	12.0	12.2	12.4	12.3	12.1	12.3	12.0	12.2	12.2
% Chg Same Qtr Last Yr	-2.44	0.00	0.96	2.35	1.50	0.38	0.42	0.44	0.43	0.41	0.44	0.41	-1.80	-1.81	1.15	0.43
PRIMARY METALS	10.2	10.1	10.2	10.2	10.3	10.3	10.4	10.4	10.5	10.5	10.6	10.5	10.0	10.1	10.3	10.5
% Chg Same Qtr Last Yr	2.69	1.33	1.60	1.55	1.15	1.84	1.81	1.98	1.90	1.85	1.77	1.69	3.11	1.66	1.59	1.87
FABRICATED METAL PRODUCTS	34.5	34.7	34.6	34.4	34.6	34.7	34.6	34.5	34.8	34.9	34.8	34.6	33.8	34.2	34.6	34.7
% Chg Same Qtr Last Yr	1.77	2.56	2.70	3.64	0.44	0.03	0.10	0.25	0.43	0.44	0.46	0.43	-1.98	1.31	1.02	0.40
MACHINERY	27.3	27.0	26.9	27.5	28.0	27.5	27.4	27.9	28.3	27.8	27.7	28.3	25.9	27.0	27.6	27.9
% Chg Same Qtr Last Yr	4.74	4.66	3.06	3.26	2.70	1.86	1.62	1.38	1.14	1.37	1.38	1.65	1.44	4.02	2.36	1.32
COMPUTER & ELECTRONIC PRODUCTS	5.2	5.3	5.3	5.2	5.1	5.1	5.0	4.9	4.9	4.8	4.8	4.7	5.3	5.2	5.1	4.9
% Chg Same Qtr Last Yr	-1.89	0.63	0.45	1.22	-1.23	-4.69	-4.76	-4.86	-4.68	-4.32	-4.47	-4.91	-6.36	-1.00	-2.39	-4.59
ELECTRICAL EQUIPMENT, APPLIANCES & COMPONENTS	19.4	19.9	20.0	19.9	20.0	20.3	20.4	20.2	20.4	20.6	20.7	20.5	18.3	19.6	20.1	20.5
% Chg Same Qtr Last Yr	7.58	7.19	5.82	4.28	3.06	1.95	1.80	1.82	1.79	1.57	1.51	1.35	2.14	6.87	2.75	1.67
TRANSPORTATION EQUIPMENT	62.8	64.2	65.0	64.5	65.1	65.7	66.6	66.1	66.7	67.3	68.2	67.5	59.9	63.6	65.5	67.1
% Chg Same Qtr Last Yr	5.54	7.36	4.25	3.46	3.54	2.43	2.42	2.47	2.45	2.41	2.34	2.17	11.67	6.20	2.96	2.42
FURNITURE	8.8	8.8	8.6	8.7	8.8	8.8	8.7	8.7	8.8	8.8	8.7	8.7	8.7	8.7	8.7	8.7
% Chg Same Qtr Last Yr	-0.38	0.77	-0.59	-0.35	0.48	0.12	0.18	0.08	-0.02	0.07	-0.05	-0.04	0.38	0.24	0.11	0.02
MISCELLANEOUS DURABLE GOODS	14.4	14.5	14.5	14.4	14.5	14.5	14.5	14.4	14.5	14.6	14.6	14.5	14.4	14.4	14.5	14.5
% Chg Same Qtr Last Yr	-0.23	0.70	0.94	1.45	0.70	0.49	0.46	0.46	0.31	0.21	0.23	0.23	-3.14	-0.23	0.77	0.30

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Table 7: Tennessee Nondurable Goods Manufacturing Employment, Not Seasonally Adjusted (thousands of jobs) **January 2015**

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
TOTAL NONDURABLE GOODS	117.6	117.6	117.3	116.2	116.9	116.9	116.4	115.2	115.8	115.7	115.2	114.0	119.5	117.3	116.6	115.5
% Chg Same Qtr Last Yr	-1.70	-1.97	-1.56	-0.54	-0.56	-0.55	-0.76	-0.90	-1.02	-1.05	-1.05	-1.04	0.03	-1.80	-0.60	-1.00
FOOD	31.8	31.9	32.0	31.7	31.8	32.0	32.1	31.8	31.8	32.0	32.1	31.8	32.3	31.9	31.9	31.9
% Chg Same Qtr Last Yr	-1.14	-1.34	-1.02	-0.27	-0.13	0.23	0.21	0.17	0.14	0.11	0.09	0.07	-2.30	-1.13	0.01	0.13
BEVERAGE & TOBACCO	5.2	5.0	5.0	5.0	5.0	4.9	4.9	4.9	4.9	4.9	4.9	4.8	5.3	5.1	4.9	4.9
% Chg Same Qtr Last Yr	-2.52	-5.06	-4.02	-4.74	-3.98	-1.38	-1.56	-1.55	-1.44	-1.33	-1.18	-1.20	1.61	-3.21	-2.94	-1.38
TEXTILE MILLS, TEXTILE MILL PRODUCTS & APPAREL	10.0	10.1	10.0	9.8	10.0	10.0	9.8	9.6	9.6	9.6	9.5	9.2	10.5	10.1	9.9	9.6
% Chg Same Qtr Last Yr	-3.83	-4.11	-3.64	-2.53	-0.74	-1.03	-1.82	-2.57	-3.45	-3.64	-3.70	-3.67	-2.11	-3.70	-1.53	-3.34
PAPER	14.3	14.4	14.2	13.9	14.1	14.2	13.9	13.6	13.8	13.8	13.5	13.2	14.7	14.3	14.0	13.7
% Chg Same Qtr Last Yr	-3.15	-2.48	-1.90	-1.89	-1.59	-1.92	-2.22	-2.21	-2.33	-2.36	-2.38	-2.40	-0.23	-2.79	-1.90	-2.32
PRINTING & RELATED SUPPORT	9.3	9.1	9.1	8.9	8.9	8.8	8.8	8.6	8.6	8.5	8.5	8.3	9.6	9.2	8.9	8.6
% Chg Same Qtr Last Yr	-4.14	-5.19	-4.84	-4.05	-3.44	-3.11	-3.05	-3.31	-3.41	-3.41	-3.49	-3.63	0.00	-4.32	-3.42	-3.40
CHEMICALS	24.9	25.0	25.0	24.9	24.9	24.9	24.8	24.6	24.7	24.7	24.6	24.4	24.9	25.0	24.9	24.7
% Chg Same Qtr Last Yr	0.54	-0.40	-0.34	-0.15	-0.19	-0.19	-0.68	-0.90	-0.91	-0.89	-0.87	-0.78	2.05	0.25	-0.30	-0.89
PLASTICS & RUBBER	20.2	20.2	20.3	20.3	20.5	20.3	20.3	20.4	20.6	20.3	20.3	20.4	20.3	20.2	20.4	20.4
% Chg Same Qtr Last Yr	-1.14	0.50	0.60	0.68	1.77	0.26	0.33	0.29	0.22	0.11	0.09	0.11	1.50	-0.30	0.76	0.18
MISCELLANEOUS NONDURABLE GOODS	1.9	1.8	1.8	1.7	1.8	1.8	1.8	1.7	1.8	1.8	1.8	1.7	2.1	1.7	1.8	1.8
% Chg Same Qtr Last Yr	-8.20	-16.92	-12.19	41.88	-5.10	0.13	0.04	0.01	-0.01	-0.05	0.03	0.02	8.81	-19.56	6.20	0.00

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Table 8: Tennessee Nonfarm Employment by Sector, Seasonally Adjusted (thousands of jobs) **January 2015**

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
TOTAL NONFARM	2797.5	2810.6	2822.4	2833.9	2845.7	2857.4	2867.3	2877.5	2888.2	2899.5	2910.4	2921.6	2750.9	2802.4	2851.1	2893.9
% Chg Prev Qtr SAAR	2.59	1.89	1.76	1.65	1.67	1.65	1.40	1.43	1.49		1.51	1.55	1.35	1.87	1.74	1.50
% Chg Same Qtr Last Yr	1.97	2.14	1.88	1.95	1.72	1.68	1.59	1.54	1.49	1.47	1.50	1.53	1.35	1.87	1.74	1.50
NATURAL RESOURCES, MINING AND CONSTRUCTION	113.5	114.3	114.8	115.4	116.3	117.4	118.3	119.2	120.3	121.5	122.6	123.4	108.1	112.9	116.9	120.9
% Chg Prev Qtr SAAR	17.13	2.73	2.04	1.93	3.23	3.87	3.04	3.01	3.92	3.96	3.54	2.87	-0.70	4.44	3.48	3.46
% Chg Same Qtr Last Yr	5.19	6.20	5.49	5.77	2.48	2.76	3.02	3.29	3.46	3.48	3.61	3.57	-0.70	4.44	3.48	3.46
MANUFACTURING	322.4	324.4	325.1	325.5	325.9	326.3	326.6	327.0	327.2	327.5	327.9	328.1	318.8	323.1	326.1	327.4
% Chg Prev Qtr SAAR	2.65	2.50	0.83	0.56	0.49	0.42	0.46	0.42	0.27	0.40	0.39	0.31	1.74	1.33	0.94	0.40
% Chg Same Qtr Last Yr	1.31	1.88	1.28	1.63	1.09	0.57	0.48	0.45	0.39	0.39	0.37	0.34	1.74	1.33	0.94	0.40
DURABLE GOODS	205.0	207.2	208.0	208.6	209.1	209.7	210.4	211.1	211.6	212.2	212.9	213.4	199.3	205.7	209.5	211.9
% Chg Prev Qtr SAAR	4.52	4.49	1.45	1.13	1.11	1.16	1.32	1.22	1.02	1.18	1.21	1.00	2.79	3.20	1.82	1.18
% Chg Same Qtr Last Yr	3.12	4.20	2.96	2.88	2.03	1.21	1.18	1.20	1.18	1.19	1.16	1.10	2.79	3.20	1.82	1.18
NONDURABLE GOODS	117.4	117.2	117.1	117.0	116.8	116.5	116.2	115.9	115.6	115.3	115.0	114.7	119.5	117.3	116.6	115.5
% Chg Prev Qtr SAAR	-0.51	-0.92	-0.26	-0.44	-0.61	-0.90	-1.07	-1.01	-1.08	-1.03	-1.10	-0.97	0.02	-1.80	-0.60	-1.00
% Chg Same Qtr Last Yr	-1.70	-1.96	-1.56	-0.53	-0.56	-0.55	-0.76	-0.90	-1.02	-1.05	-1.05	-1.05	0.02	-1.80	-0.60	-1.00
TRADE, TRANSPORTATION, UTILITIES	590.5	595.0	597.6	600.3	603.5	606.3	608.0	610.2	612.8	615.1	617.3	619.6	582.6	593.1	604.5	613.8
% Chg Prev Qtr SAAR	0.98	3.08	1.77	1.79	2.15	1.85	1.18	1.41	1.70	1.56	1.45	1.50	1.30	1.80	1.93	1.54
% Chg Same Qtr Last Yr	1.61	2.05	2.00	1.90	2.20	1.89	1.74	1.65	1.53	1.46	1.53	1.55	1.30	1.80	1.93	1.54
WHOLESALE TRADE	125.8	125.8	126.1	126.5	127.3	128.1	128.6	129.1	129.7	130.2	130.7	131.1	122.3	125.9	127.6	129.9
% Chg Prev Qtr SAAR	-0.21	0.00	0.99	1.21	2.56	2.50	1.55	1.40	1.92	1.56	1.54	1.36	1.50	2.94	1.36	1.76
% Chg Same Qtr Last Yr	3.20	2.50	2.33	0.50	1.19	1.81	1.96	2.00	1.84	1.61	1.60	1.60	1.50	2.94	1.36	1.76
RETAIL TRADE	318.2	321.3	322.5	323.7	324.9	325.8	326.2	326.9	327.7	328.6	329.4	330.4	315.4	319.6	325.1	328.2
% Chg Prev Qtr SAAR	1.95	3.95	1.50	1.48	1.53	1.09	0.53	0.85	1.05	1.09	0.92	1.19	0.82	1.35	1.72	0.93
% Chg Same Qtr Last Yr	1.25	1.67	1.51	2.22	2.11	1.40	1.16	1.00	0.88	0.88	0.98	1.06	0.82	1.35	1.72	0.93
TRANSPORTATION & UTILITIES	146.5	147.9	149.0	150.1	151.3	152.4	153.2	154.2	155.3	156.3	157.3	158.2	144.9	147.5	151.8	155.8
% Chg Prev Qtr SAAR	-0.09	3.88	3.01	2.94	3.16	2.94	2.27	2.61	2.90	2.56	2.48	2.25	2.18	1.83	2.88	2.66
% Chg Same Qtr Last Yr	1.06	2.49	2.81	2.42	3.24	3.01	2.83	2.74	2.68	2.58	2.64	2.55	2.18	1.83	2.88	2.66
INFORMATION	43.4	42.9	43.1	43.1	43.2	43.3	43.3	43.2	43.3	43.3	43.4	43.4	44.0	43.2	43.2	43.3
% Chg Prev Qtr SAAR	1.86	-4.82	1.77	0.48	0.53	1.04	-0.06	-0.75	0.36	0.38	0.45	0.41	1.75	-1.84	0.17	0.11
% Chg Same Qtr Last Yr	-1.88	-2.43	-1.55	-0.21	-0.54	0.95	0.50	0.19	0.15	-0.02	0.11	0.40	1.75	-1.84	0.17	0.11
FINANCIAL ACTIVITIES	138.4	140.3	140.8	141.1	141.3	141.5	141.7	141.9	142.2	142.4	142.6	142.9	137.6	139.4	141.4	142.3
% Chg Prev Qtr SAAR	0.19	5.61	1.60	0.66	0.63	0.56	0.57	0.77	0.81	0.61	0.56	0.80	0.33	1.36	1.38	0.67
% Chg Same Qtr Last Yr	0.90	1.59	1.97	1.99	2.10	0.86	0.60	0.63	0.68	0.69	0.69	0.69	0.33	1.36	1.38	0.67

(CONTINUED ON NEXT PAGE)

Table 8: Tennessee Nonfarm Employment by Sector, Seasonally Adjusted (thousands of jobs) **January 2015**

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
PROFESSIONAL & BUSINESS SERVICES…	368.0	371.3	374.9	378.4	382.2	386.0	389.4	392.5	395.4	398.6	402.3	405.9	351.1	369.4	384.0	397.2
% Chg Prev Qtr SAAR……	5.20	3.71	3.89	3.80	4.11	4.03	3.59	3.14	2.98	3.30	3.78	3.61	3.64	5.22	3.97	3.42
% Chg Same Qtr Last Yr……	5.89	5.43	4.54	4.15	3.88	3.96	3.88	3.72	3.43	3.25	3.30	3.42	3.64	5.22	3.97	3.42
EDUCATION & HEALTH SERVICES……	399.6	399.8	402.2	404.5	406.7	408.4	410.5	412.5	414.9	417.2	419.1	421.4	396.3	399.9	407.5	415.9
% Chg Prev Qtr SAAR……	1.35	0.23	2.42	2.34	2.14	1.75	1.98	2.02	2.33	2.28	1.79	2.18	0.88	0.93	1.90	2.06
% Chg Same Qtr Last Yr……	0.95	1.25	0.98	1.58	1.78	2.16	2.05	1.97	2.02	2.15	2.10	2.14	0.88	0.93	1.90	2.06
LEISURE & HOSPITALITY……	297.9	300.7	303.3	305.4	307.1	308.8	310.4	312.1	313.7	315.4	317.0	318.6	286.7	298.8	307.9	314.6
% Chg Prev Qtr SAAR……	6.23	3.86	3.56	2.77	2.20	2.21	2.07	2.30	2.05	2.17	2.01	2.01	3.58	4.24	3.04	2.16
% Chg Same Qtr Last Yr……	4.54	4.55	4.01	4.10	3.09	2.68	2.31	2.19	2.16	2.15	2.13	2.06	3.58	4.24	3.04	2.16
OTHER SERVICES……	107.2	107.2	107.4	107.8	107.7	107.9	108.0	108.1	108.0	108.2	108.3	108.4	105.2	106.9	107.8	108.2
% Chg Prev Qtr SAAR……	5.26	-0.12	0.82	1.29	-0.30	0.71	0.46	0.56	-0.53	0.54	0.54	0.46	0.90	1.60	0.84	0.30
% Chg Same Qtr Last Yr……	1.80	1.42	2.11	1.79	0.42	0.63	0.54	0.36	0.30	0.26	0.28	0.25	0.90	1.60	0.84	0.30
GOVERNMENT……	416.6	414.7	413.6	412.9	412.3	412.0	411.6	411.2	410.9	410.7	410.4	410.3	420.6	415.9	412.2	410.8
% Chg Prev Qtr SAAR……	-2.05	-1.81	-1.08	-0.64	-0.58	-0.31	-0.40	-0.33	-0.31	-0.24	-0.24	-0.08	-0.81	-1.11	-0.89	-0.34
% Chg Same Qtr Last Yr……	-1.07	-1.31	-1.30	-1.40	-1.03	-0.66	-0.48	-0.40	-0.34	-0.32	-0.28	-0.22	-0.81	-1.11	-0.89	-0.34
FEDERAL, CIVILIAN……	47.6	48.2	48.0	47.8	47.6	47.4	47.2	47.0	46.8	46.6	46.4	46.2	49.9	48.3	47.5	46.7
% Chg Prev Qtr SAAR……	-14.48	4.55	-1.49	-1.66	-1.35	-1.46	-1.77	-1.70	-2.17	-1.70	-1.77	-1.40	-0.53	-3.07	-1.67	-1.75
% Chg Same Qtr Last Yr……	-4.54	-2.23	-4.35	-3.53	-0.02	-1.49	-1.56	-1.57	-1.77	-1.84	-1.83	-1.76	-0.53	-3.07	-1.67	-1.75
STATE & LOCAL……	369.0	366.5	365.6	365.1	364.7	364.5	364.3	364.2	364.1	364.1	364.1	364.1	370.7	367.6	364.7	364.1
% Chg Prev Qtr SAAR……	-0.29	-2.61	-1.03	-0.51	-0.48	-0.16	-0.22	-0.15	-0.07	-0.05	-0.04	0.09	-0.84	-0.84	-0.79	-0.15
% Chg Same Qtr Last Yr……	-0.60	-1.19	-0.88	-1.11	-1.16	-0.55	-0.34	-0.25	-0.15	-0.12	-0.08	-0.02	-0.84	-0.84	-0.79	-0.15
STATISTICAL DISCREPANCY (%)……	0.01	0.01	–	–	–	–	–	–	–	–	–	–	-0.01	–	–	–

Center for Business and Economic Research, University of Tennessee **Tennessee Econometric Model**

Table 9: Tennessee Durable Goods Manufacturing Employment, Seasonally Adjusted (thousands of jobs) **January 2015**

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
TOTAL DURABLE GOODS	205.0	207.2	208.0	208.6	209.1	209.7	210.4	211.1	211.6	212.2	212.9	213.4	199.3	205.7	209.5	211.9
% Chg Prev Qtr SAAR	4.52	4.49	1.45	1.13	1.11	1.16	1.32	1.22	1.02	1.18	1.21	1.00	2.79	3.20	1.82	1.18
% Chg Same Qtr Last Yr	3.12	4.20	2.96	2.88	2.03	1.21	1.18	1.20	1.18	1.19	1.16	1.10	2.79	3.20	1.82	1.18
WOOD PRODUCTS	10.8	10.9	10.9	10.9	10.9	10.9	10.9	10.9	10.9	10.9	10.9	10.9	10.8	10.9	10.9	10.9
% Chg Prev Qtr SAAR	0.26	3.76	-0.13	-0.08	-0.17	-0.05	-0.07	0.18	-0.16	-0.05	0.02	-0.11	-1.82	0.47	0.39	-0.02
% Chg Same Qtr Last Yr	-0.33	1.85	1.34	0.94	0.83	-0.11	-0.09	-0.03	-0.03	-0.02	0.00	-0.08	-1.82	0.47	0.39	-0.02
NONMETALLIC MINERALS	12.0	12.1	12.1	12.1	12.2	12.2	12.2	12.2	12.2	12.2	12.2	12.3	12.3	12.0	12.2	12.2
% Chg Prev Qtr SAAR	3.77	4.97	0.27	0.47	0.36	0.41	0.43	0.54	0.32	0.35	0.55	0.44	-1.79	-1.82	1.15	0.43
% Chg Same Qtr Last Yr	-2.39	0.01	0.96	2.35	1.50	0.38	0.42	0.43	0.42	0.41	0.44	0.42	-1.79	-1.82	1.15	0.43
PRIMARY METALS	10.1	10.1	10.2	10.2	10.3	10.3	10.4	10.4	10.5	10.5	10.5	10.6	10.0	10.1	10.3	10.5
% Chg Prev Qtr SAAR	3.52	-0.95	1.96	1.73	1.89	1.78	1.83	2.43	1.54	1.60	1.52	2.10	3.10	1.65	1.59	1.87
% Chg Same Qtr Last Yr	2.65	1.33	1.60	1.55	1.15	1.84	1.81	1.98	1.90	1.85	1.77	1.69	3.10	1.65	1.59	1.87
FABRICATED METALS	34.4	34.6	34.6	34.6	34.6	34.6	34.6	34.7	34.7	34.7	34.8	34.8	33.8	34.2	34.6	34.7
% Chg Prev Qtr SAAR	13.09	2.11	0.11	-0.18	-0.28	0.46	0.41	0.43	0.42	0.49	0.51	0.28	-1.99	1.31	1.03	0.40
% Chg Same Qtr Last Yr	1.73	2.52	2.70	3.64	0.44	0.03	0.10	0.25	0.43	0.44	0.46	0.43	-1.99	1.31	1.03	0.40
MACHINERY	26.8	27.1	27.3	27.4	27.5	27.6	27.8	27.8	27.9	28.0	28.1	28.3	25.9	27.0	27.6	28.0
% Chg Prev Qtr SAAR	3.88	4.46	3.00	1.72	1.65	1.07	2.02	0.79	0.68	2.00	2.05	1.86	1.45	4.02	2.35	1.32
% Chg Same Qtr Last Yr	4.67	4.72	3.06	3.26	2.70	1.86	1.62	1.38	1.14	1.37	1.38	1.65	1.45	4.02	2.35	1.32
COMPUTERS & ELECTRONICS	5.2	5.3	5.3	5.2	5.1	5.1	5.0	5.0	4.9	4.8	4.8	4.7	5.3	5.2	5.1	4.9
% Chg Prev Qtr SAAR	3.64	8.56	-3.44	-3.37	-6.03	-5.89	-3.72	-3.78	-5.32	-4.44	-4.32	-5.56	-6.35	-0.99	-2.39	-4.59
% Chg Same Qtr Last Yr	-1.91	0.58	0.45	1.22	-1.23	-4.69	-4.76	-4.86	-4.68	-4.32	-4.47	-4.91	-6.35	-0.99	-2.39	-4.59
ELECTRICAL EQUIPMENT, APPLIANCES & COMPONENTS	19.5	19.8	19.9	20.0	20.1	20.2	20.3	20.4	20.4	20.5	20.6	20.6	18.3	19.6	20.1	20.5
% Chg Prev Qtr SAAR	6.61	6.55	2.18	1.87	1.70	2.07	1.55	1.95	1.58	1.20	1.32	1.29	2.13	6.87	2.76	1.67
% Chg Same Qtr Last Yr	7.56	7.24	5.82	4.28	3.06	1.95	1.80	1.82	1.79	1.57	1.51	1.35	2.13	6.87	2.76	1.67
TRANSPORTATION EQUIP	63.0	64.1	64.5	64.9	65.3	65.7	66.1	66.5	66.9	67.2	67.6	67.9	59.9	63.6	65.5	67.1
% Chg Prev Qtr SAAR	2.25	6.90	2.52	2.25	2.56	2.39	2.49	2.46	2.47	2.23	2.19	1.81	11.69	6.21	2.96	2.42
% Chg Same Qtr Last Yr	5.52	7.38	4.25	3.46	3.54	2.43	2.42	2.47	2.45	2.41	2.34	2.17	11.69	6.21	2.96	2.42
FURNITURE	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7
% Chg Prev Qtr SAAR	-3.05	1.26	0.22	0.20	0.25	-0.20	0.49	-0.22	-0.15	0.16	0.01	-0.16	0.38	0.23	0.11	0.02
% Chg Same Qtr Last Yr	-0.49	0.84	-0.59	-0.35	0.48	0.12	0.18	0.08	-0.02	0.07	-0.05	-0.04	0.38	0.23	0.11	0.02
MISCELLANEOUS DURABLES	14.4	14.4	14.4	14.5	14.5	14.5	14.5	14.5	14.5	14.5	14.5	14.6	14.4	14.4	14.5	14.5
% Chg Prev Qtr SAAR	3.34	1.66	0.44	0.39	0.34	0.78	0.34	0.38	-0.25	0.36	0.43	0.40	-3.14	-0.23	0.77	0.30
% Chg Same Qtr Last Yr	-0.22	0.69	0.94	1.45	0.70	0.49	0.46	0.46	0.31	0.21	0.23	0.23	-3.14	-0.23	0.77	0.30

Table 10: Tennessee Nondurable Goods Manufacturing Employment, Seasonally Adjusted (thousands of jobs) **January 2015**

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
TOTAL NONDURABLE GOODS	117.4	117.2	117.1	117.0	116.8	116.5	116.2	115.9	115.6	115.3	115.0	114.7	119.5	117.3	116.6	115.5
% Chg Prev Qtr SAAR	-0.51	-0.92	-0.26	-0.44	-0.61	-0.90	-1.07	-1.01	-1.08	-1.03	-1.10	-0.97	0.02	-1.80	-0.60	-1.00
% Chg Same Qtr Last Yr	-1.70	-1.96	-1.56	-0.53	-0.56	-0.55	-0.76	-0.90	-1.02	-1.05	-1.05	-1.05	0.02	-1.80	-0.60	-1.00
FOOD	31.9	31.8	31.9	31.9	31.9	31.9	31.9	31.9	31.9	31.9	32.0	32.0	32.3	31.9	31.9	31.9
% Chg Prev Qtr SAAR	-0.30	-1.23	0.21	0.26	0.24	0.21	0.14	0.10	0.11	0.09	0.05	0.02	-2.30	-1.14	0.01	0.13
% Chg Same Qtr Last Yr	-1.15	-1.35	-1.02	-0.27	-0.13	0.23	0.21	0.17	0.14	0.11	0.09	0.07	-2.30	-1.14	0.01	0.13
BEVERAGE & TOBACCO	5.2	5.0	5.0	5.0	5.0	4.9	4.9	4.9	4.9	4.9	4.9	4.8	5.3	5.1	4.9	4.9
% Chg Prev Qtr SAAR	-4.79	-11.60	-1.03	-1.17	-1.69	-1.63	-1.75	-1.12	-1.26	-1.19	-1.17	-1.19	1.61	-3.20	-2.94	-1.38
% Chg Same Qtr Last Yr	-2.55	-5.00	-4.02	-4.74	-3.98	-1.38	-1.56	-1.55	-1.44	-1.33	-1.18	-1.20	1.61	-3.20	-2.94	-1.38
TEXTILE MILLS, TEXTILE MILL PRODUCTS & APPAREL	10.0	10.0	10.0	10.0	10.0	9.9	9.8	9.7	9.6	9.5	9.4	9.4	10.5	10.1	9.9	9.6
% Chg Prev Qtr SAAR	-7.36	-1.79	-0.35	-0.43	-0.39	-2.91	-3.52	-3.43	-3.92	-3.68	-3.79	-3.29	-2.11	-3.69	-1.53	-3.34
% Chg Same Qtr Last Yr	-3.79	-4.13	-3.64	-2.53	-0.74	-1.03	-1.82	-2.57	-3.45	-3.64	-3.71	-3.67	-2.11	-3.69	-1.53	-3.34
PAPER	14.3	14.2	14.2	14.1	14.0	14.0	13.9	13.8	13.7	13.6	13.6	13.5	14.7	14.3	14.0	13.7
% Chg Prev Qtr SAAR	-2.99	-0.95	-1.18	-2.44	-1.80	-2.25	-2.38	-2.39	-2.31	-2.35	-2.48	-2.47	-0.22	-2.81	-1.90	-2.32
% Chg Same Qtr Last Yr	-3.20	-2.45	-1.90	-1.89	-1.59	-1.92	-2.22	-2.21	-2.33	-2.36	-2.38	-2.40	-0.22	-2.81	-1.90	-2.32
PRINTING & RELATED SUPPORT	9.2	9.1	9.0	9.0	8.9	8.8	8.8	8.7	8.6	8.5	8.5	8.4	9.6	9.2	8.9	8.6
% Chg Prev Qtr SAAR	-5.49	-4.96	-3.62	-2.12	-3.04	-3.64	-3.41	-3.16	-3.42	-3.62	-3.75	-3.74	0.00	-4.32	-3.42	-3.40
% Chg Same Qtr Last Yr	-4.10	-5.22	-4.84	-4.05	-3.44	-3.11	-3.05	-3.31	-3.41	-3.41	-3.49	-3.63	0.00	-4.32	-3.42	-3.40
CHEMICALS	25.0	24.9	25.0	25.0	24.9	24.9	24.8	24.7	24.7	24.6	24.6	24.5	24.9	25.0	24.9	24.7
% Chg Prev Qtr SAAR	-0.59	-0.84	0.92	-0.06	-0.76	-0.84	-1.06	-0.93	-0.82	-0.75	-0.97	-0.58	2.05	0.25	-0.30	-0.89
% Chg Same Qtr Last Yr	0.54	-0.41	-0.34	-0.15	-0.19	-0.19	-0.68	-0.90	-0.91	-0.89	-0.87	-0.78	2.05	0.25	-0.30	-0.89
PLASTICS & RUBBER	20.0	20.3	20.3	20.3	20.3	20.4	20.4	20.4	20.4	20.4	20.4	20.4	20.3	20.2	20.4	20.4
% Chg Prev Qtr SAAR	-3.98	6.74	-0.04	0.31	0.24	0.52	0.24	0.17	-0.06	0.08	0.19	0.22	1.48	-0.31	0.76	0.18
% Chg Same Qtr Last Yr	-1.17	0.54	0.60	0.68	1.77	0.26	0.33	0.29	0.22	0.11	0.09	0.11	1.48	-0.31	0.76	0.18
MISCELLANEOUS NONDURABLE GOODS	1.9	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	2.1	1.7	1.8	1.8
% Chg Prev Qtr SAAR	399.43	-19.17	0.23	0.13	-0.01	0.18	-0.13	0.00	-0.08	0.02	0.18	-0.05	8.88	-19.77	6.47	0.00
% Chg Same Qtr Last Yr	-8.03	-17.28	-12.19	41.88	-5.10	0.13	0.04	0.01	-0.01	-0.05	0.03	0.02	8.88	-19.77	6.47	0.00

Center for Business and Economic Research, University of Tennessee **Tennessee Econometric Model**

Table 11: Tennessee Average Annual Wage and Salary Rate by Sector, Not Seasonally Adjusted (2009 dollars) **January 2015**

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
TOTAL NONFARM	41785	41954	41858	42968	42639	42835	42519	43373	42940	43160	42780	43670	41702	42012	42740	43063
% Chg Same Qtr Last Yr	0.25	0.70	1.59	1.21	2.05	2.10	1.58	0.94	0.71	0.76	0.61	0.68	-0.77	0.74	1.73	0.76
NATURAL RESOURCES, MINING AND CONSTRUCTION	46699	45989	47244	49797	48092	47073	47911	50129	48398	47404	48176	50433	46008	47222	48218	48527
% Chg Same Qtr Last Yr	2.03	3.31	2.74	1.72	2.98	2.36	1.41	0.67	0.64	0.70	0.55	0.61	-0.35	2.64	2.11	0.64
MANUFACTURING	51391	51136	51547	52260	52003	51946	52103	52539	52199	52214	52315	52803	50953	51538	52078	52317
% Chg Same Qtr Last Yr	1.88	0.91	0.82	0.35	1.19	1.58	1.08	0.53	0.38	0.52	0.41	0.50	-1.47	1.15	1.05	0.46
DURABLE GOODS	50173	49786	50213	50969	50740	50747	50918	51330	51008	51050	51149	51598	49512	50121	50843	51134
% Chg Same Qtr Last Yr	1.92	1.58	1.18	1.31	1.13	1.93	1.40	0.71	0.53	0.60	0.45	0.52	-3.50	1.23	1.44	0.57
NONDURABLE GOODS	53518	53523	53915	54564	54268	54103	54246	54741	54380	54355	54470	55048	53359	54019	54295	54486
% Chg Same Qtr Last Yr	2.00	0.15	0.46	-1.01	1.40	1.08	0.61	0.32	0.21	0.47	0.41	0.56	1.88	1.24	0.51	0.35
TRADE, TRANSPORTATION, UTILITIES	38038	37831	37639	38952	38727	38843	38422	39503	39150	39271	38765	39857	38382	38140	38736	39172
% Chg Same Qtr Last Yr	-1.40	-1.00	-0.54	-0.25	1.81	2.67	2.08	1.42	1.09	1.10	0.89	0.90	-1.16	-0.63	1.56	1.13
WHOLESALE TRADE	56510	56198	56910	58242	58036	57963	58295	59267	58855	58802	59015	60007	57601	56887	58134	58985
% Chg Same Qtr Last Yr	-2.14	-1.81	-0.52	0.54	2.70	3.14	2.43	1.76	1.41	1.45	1.24	1.25	-2.14	-1.24	2.19	1.46
RETAIL TRADE	26181	26104	25767	26722	26461	26616	26106	26915	26576	26755	26200	27025	26252	26257	26476	26611
% Chg Same Qtr Last Yr	-0.23	-0.51	-0.18	-0.94	1.07	1.96	1.31	0.72	0.44	0.52	0.36	0.41	-1.97	0.02	0.83	0.51
TRANSPORTATION & UTILITIES	47975	47466	47250	48998	48872	48688	48200	49580	49288	49096	48500	49890	48491	47886	48689	49116
% Chg Same Qtr Last Yr	-2.20	-1.29	-1.50	0.30	1.87	2.57	2.01	1.19	0.85	0.84	0.62	0.62	0.15	-1.25	1.68	0.88
INFORMATION	56859	58583	59840	60009	59952	60285	60151	60028	60266	60478	60314	60332	54413	58416	60099	60271
% Chg Same Qtr Last Yr	3.58	5.72	14.23	2.79	5.44	2.90	0.52	0.03	0.52	0.32	0.27	0.51	-1.36	7.36	2.88	0.29
FINANCIAL ACTIVITIES	63389	62584	62901	63819	63609	63568	63830	64465	64180	64233	64429	65121	62121	63363	63706	64327
% Chg Same Qtr Last Yr	2.18	1.99	1.23	-1.18	0.35	1.57	1.48	1.01	0.90	1.05	0.94	1.02	-2.03	2.00	0.54	0.97
PROFESSIONAL & BUSINESS SERVICES	48784	48846	48375	50272	50003	50117	49426	51020	50626	50779	50003	51642	48883	48681	49954	50607
% Chg Same Qtr Last Yr	-1.00	0.12	2.29	3.19	2.50	2.60	2.17	1.49	1.25	1.32	1.17	1.22	0.39	-0.41	2.62	1.31
EDUCATION & HEALTH SERVICES	43203	43648	43422	44128	44355	44589	44119	44555	44668	44938	44394	44857	42840	43430	44298	44639
% Chg Same Qtr Last Yr	0.58	0.89	2.99	1.57	2.67	2.15	1.61	0.97	0.70	0.78	0.62	0.68	-0.37	1.38	2.00	0.77
LEISURE & HOSPITALITY	19424	19561	20534	21454	20269	20403	21175	21865	20536	20636	21348	22029	19542	19927	20825	21097
% Chg Same Qtr Last Yr	1.26	2.48	3.77	6.27	4.35	4.30	3.12	1.92	1.32	1.14	0.82	0.75	-2.88	1.97	4.51	1.30
OTHER SERVICES	37570	37886	38103	38540	37967	37957	38058	38276	37653	37705	37778	38044	36957	38170	38131	37853
% Chg Same Qtr Last Yr	3.46	2.69	1.18	-1.48	1.06	0.19	-0.12	-0.69	-0.83	-0.67	-0.73	-0.61	-1.09	3.28	-0.10	-0.73
GOVERNMENT	39506	40653	38834	39483	40209	41155	39195	39594	40229	41206	39183	39603	39447	39467	40010	40053
% Chg Same Qtr Last Yr	-0.62	0.41	0.84	1.56	1.78	1.24	0.93	0.28	0.05	0.12	-0.03	0.02	0.78	0.05	1.38	0.11
FEDERAL, CIVILIAN	66445	66512	68209	68419	65856	66894	68790	68614	65944	67019	68778	68602	66056	66961	67490	67589
% Chg Same Qtr Last Yr	-0.10	2.51	3.16	2.61	-0.89	0.57	0.85	0.28	0.13	0.19	-0.02	-0.02	-1.50	1.37	0.79	0.15
STATE & LOCAL	35918	37116	35147	35813	36752	37670	35523	35960	36821	37775	35573	36032	35900	35861	36440	36532
% Chg Same Qtr Last Yr	-0.64	-0.02	0.63	1.56	2.32	1.49	1.07	0.41	0.19	0.28	0.14	0.20	1.41	-0.11	1.61	0.25

Center for Business and Economic Research, University of Tennessee **Tennessee Econometric Model**

Table 12: Tennessee Average Annual Wage and Salary Rate by Sector, Seasonally Adjusted (2009 dollars) **January 2015**

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
TOTAL NONFARM	41881	41906	42234	42565	42739	42791	42902	42962	43042	43120	43165	43252	41681	42021	42749	43072
% Chg Prev Qtr SAAR	-1.72	0.24	3.17	3.17	1.65	0.49	1.03	0.57	0.74	0.73	0.41	0.81	-0.80	0.81	1.73	0.76
% Chg Same Qtr Last Yr	0.34	0.75	1.58	1.19	2.05	2.11	1.58	0.93	0.71	0.77	0.61	0.67	-0.80	0.81	1.73	0.76
NATURAL RESOURCES, MINING AND CONSTRUCTION	46836	47170	47722	48139	48233	48281	48395	48459	48540	48621	48662	48754	45972	47263	48262	48571
% Chg Prev Qtr SAAR	-4.07	2.88	4.76	3.55	0.79	0.40	0.95	0.53	0.66	0.67	0.34	0.75	-0.34	2.81	2.11	0.64
% Chg Same Qtr Last Yr	1.95	3.09	2.74	1.72	2.98	2.36	1.41	0.67	0.64	0.70	0.55	0.61	-0.34	2.81	2.11	0.64
MANUFACTURING	51479	51283	51624	51943	52092	52093	52181	52221	52288	52360	52394	52486	50951	51536	52077	52316
% Chg Prev Qtr SAAR	-2.15	-1.52	2.69	2.49	1.15	0.01	0.68	0.31	0.51	0.56	0.26	0.70	-1.47	1.15	1.05	0.46
% Chg Same Qtr Last Yr	1.89	0.90	0.83	0.35	1.19	1.58	1.08	0.54	0.38	0.51	0.41	0.51	-1.47	1.15	1.05	0.46
DURABLE GOODS	50272	49915	50274	50674	50838	50877	50981	51034	51106	51181	51214	51301	49510	50120	50843	51134
% Chg Prev Qtr SAAR	2.04	-2.81	2.91	3.22	1.30	0.31	0.82	0.42	0.57	0.58	0.26	0.68	-3.51	1.23	1.44	0.57
% Chg Same Qtr Last Yr	1.94	1.57	1.19	1.31	1.13	1.93	1.41	0.71	0.53	0.60	0.46	0.52	-3.51	1.23	1.44	0.57
NONDURABLE GOODS	53586	53701	54022	54205	54338	54281	54355	54383	54451	54531	54579	54691	53357	54018	54295	54486
% Chg Prev Qtr SAAR	-8.31	0.86	2.42	1.36	0.98	-0.42	0.54	0.21	0.50	0.59	0.35	0.82	1.88	1.24	0.51	0.35
% Chg Same Qtr Last Yr	2.00	0.15	0.45	-1.02	1.40	1.08	0.61	0.33	0.21	0.46	0.41	0.57	1.88	1.24	0.51	0.35
TRADE, TRANSPORTATION, UTILITIES	38038	37805	38164	38502	38727	38816	38958	39047	39150	39244	39306	39397	38359	38152	38751	39187
% Chg Prev Qtr SAAR	-5.69	-2.43	3.85	3.59	2.35	0.93	1.46	0.92	1.06	0.97	0.63	0.93	-1.20	-0.54	1.57	1.13
% Chg Same Qtr Last Yr	-1.17	-0.99	-0.54	-0.25	1.81	2.67	2.08	1.42	1.09	1.10	0.89	0.90	-1.20	-0.54	1.57	1.13
WHOLESALE TRADE	56555	56480	57126	57687	58082	58255	58515	58702	58902	59097	59238	59435	57622	56885	58135	58985
% Chg Prev Qtr SAAR	-5.61	-0.53	4.65	3.99	2.77	1.19	1.80	1.28	1.37	1.33	0.96	1.33	-2.08	-1.28	2.20	1.46
% Chg Same Qtr Last Yr	-2.36	-1.50	-0.52	0.54	2.70	3.14	2.43	1.76	1.41	1.45	1.24	1.25	-2.08	-1.28	2.20	1.46
RETAIL TRADE	26214	25993	26211	26387	26494	26503	26555	26578	26609	26641	26651	26687	26202	26264	26485	26620
% Chg Prev Qtr SAAR	-6.22	-3.33	3.40	2.72	1.63	0.13	0.80	0.34	0.48	0.48	0.14	0.55	-2.13	0.24	0.84	0.51
% Chg Same Qtr Last Yr	0.35	-0.53	-0.18	-0.94	1.07	1.96	1.31	0.72	0.44	0.52	0.36	0.41	-2.13	0.24	0.84	0.51
TRANSPORTATION & UTILITIES	47811	47573	47978	48452	48705	48797	48942	49028	49120	49207	49247	49334	48560	47918	48724	49150
% Chg Prev Qtr SAAR	-4.05	-1.98	3.45	4.01	2.10	0.76	1.19	0.70	0.75	0.71	0.33	0.70	0.32	-1.32	1.68	0.87
% Chg Same Qtr Last Yr	-2.33	-1.45	-1.50	0.30	1.87	2.57	2.01	1.19	0.85	0.84	0.62	0.62	0.32	-1.32	1.68	0.87
INFORMATION	56859	58447	59886	60148	59952	60144	60197	60167	60266	60337	60360	60471	54359	58427	60110	60282
% Chg Prev Qtr SAAR	-10.85	11.65	10.22	1.76	-1.30	1.29	0.35	-0.20	0.66	0.47	0.15	0.74	-1.42	7.48	2.88	0.29
% Chg Same Qtr Last Yr	3.42	5.79	14.23	2.79	5.44	2.90	0.52	0.03	0.52	0.32	0.27	0.51	-1.42	7.48	2.88	0.29
FINANCIAL ACTIVITIES	63435	62748	62992	63419	63655	63734	63923	64061	64227	64400	64523	64713	62069	63337	63683	64303
% Chg Prev Qtr SAAR	-4.54	-4.26	1.57	2.74	1.50	0.50	1.19	0.87	1.04	1.09	0.76	1.19	-2.11	2.04	0.55	0.97
% Chg Same Qtr Last Yr	2.33	1.97	1.23	-1.18	0.35	1.57	1.48	1.01	0.90	1.05	0.94	1.02	-2.11	2.04	0.55	0.97

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Table 12: Tennessee Average Annual Wage and Salary Rate by Sector, Seasonally Adjusted (2009 dollars) **January 2015**

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
PROFESSIONAL & BUSINESS SERVICES	48736	48806	49203	49677	49953	50077	50272	50416	50576	50738	50858	51031	48826	48721	49994	50647
% Chg Prev Qtr SAAR	5.04	0.58	3.29	3.91	2.24	1.00	1.57	1.15	1.27	1.29	0.95	1.36	0.37	-0.21	2.61	1.31
% Chg Same Qtr Last Yr	-0.95	0.48	2.29	3.19	2.50	2.60	2.17	1.49	1.25	1.32	1.17	1.22	0.37	-0.21	2.61	1.31
EDUCATION & HEALTH SERVICES	43152	43415	43764	44106	44304	44351	44466	44533	44615	44698	44743	44834	42852	43439	44307	44647
% Chg Prev Qtr SAAR	-2.47	2.46	3.25	3.16	1.81	0.43	1.04	0.60	0.74	0.74	0.41	0.81	-0.32	1.37	2.00	0.77
% Chg Same Qtr Last Yr	0.57	0.66	2.99	1.57	2.67	2.15	1.61	0.97	0.70	0.78	0.62	0.68	-0.32	1.37	2.00	0.77
LEISURE & HOSPITALITY	19935	20021	20337	20630	20802	20882	20972	21026	21076	21121	21143	21183	19531	19926	20821	21092
% Chg Prev Qtr SAAR	11.19	1.74	6.46	5.89	3.37	1.55	1.72	1.03	0.97	0.85	0.42	0.76	-2.87	2.02	4.49	1.30
% Chg Same Qtr Last Yr	1.31	2.26	3.77	6.27	4.35	4.30	3.12	1.92	1.32	1.14	0.82	0.75	-2.87	2.02	4.49	1.30
OTHER SERVICES	37792	38003	38067	38201	38191	38075	38022	37939	37876	37822	37742	37708	36990	38159	38122	37845
% Chg Prev Qtr SAAR	-9.77	2.26	0.67	1.41	-0.10	-1.21	-0.56	-0.87	-0.66	-0.57	-0.84	-0.36	-0.95	3.16	-0.10	-0.73
% Chg Same Qtr Last Yr	3.19	2.46	1.18	-1.48	1.06	0.19	-0.12	-0.69	-0.83	-0.67	-0.73	-0.61	-0.95	3.16	-0.10	-0.73
GOVERNMENT	39297	39489	39643	39894	39997	39977	40012	40007	40016	40027	40000	40016	39368	39428	39970	40012
% Chg Prev Qtr SAAR	0.17	1.97	1.57	2.56	1.03	-0.19	0.35	-0.05	0.09	0.11	-0.27	0.17	0.62	0.15	1.38	0.11
% Chg Same Qtr Last Yr	-0.42	0.77	0.84	1.56	1.78	1.24	0.93	0.28	0.05	0.12	-0.03	0.02	0.62	0.15	1.38	0.11
FEDERAL, CIVILIAN	67933	66926	66804	67176	67331	67310	67373	67367	67421	67437	67361	67355	65460	66783	67298	67397
% Chg Prev Qtr SAAR	15.94	-5.80	-0.73	2.25	0.92	-0.12	0.37	-0.04	0.32	0.09	-0.45	-0.04	-2.40	2.02	0.77	0.15
% Chg Same Qtr Last Yr	2.75	3.15	3.16	2.61	-0.89	0.57	0.85	0.28	0.13	0.19	-0.02	-0.02	-2.40	2.02	0.77	0.15
STATE & LOCAL	35600	35884	36078	36324	36427	36420	36464	36474	36496	36520	36514	36547	35859	35832	36409	36501
% Chg Prev Qtr SAAR	-1.86	3.23	2.19	2.75	1.14	-0.08	0.49	0.10	0.24	0.27	-0.06	0.36	1.36	-0.07	1.61	0.25
% Chg Same Qtr Last Yr	-0.78	0.31	0.63	1.56	2.32	1.49	1.07	0.41	0.19	0.28	0.14	0.20	1.36	-0.07	1.61	0.25

Center for Business and Economic Research, University of Tennessee **Tennessee Econometric Model**

Table 13: Tennessee Average Annual Wage and Salary Rate by Sector, Not Seasonally Adjusted (current dollars) **January 2015**

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
TOTAL NONFARM	45454	45781	45662	46783	46522	46972	46794	47952	47671	48111	47920	49103	44760	45703	46768	47914
% Chg Same Qtr Last Yr	1.85	2.20	2.81	1.89	2.35	2.60	2.48	2.50	2.47	2.43	2.41	2.40	0.42	2.11	2.33	2.45
NATURAL RESOURCES, MINING AND CONSTRUCTION	50800	50186	51538	54220	52471	51619	52728	55420	53730	52843	53964	56707	49379	51368	52759	53989
% Chg Same Qtr Last Yr	3.66	4.85	3.97	2.40	3.29	2.86	2.31	2.21	2.40	2.37	2.35	2.32	0.85	4.03	2.71	2.33
MANUFACTURING	55904	55802	56232	56901	56738	56963	57341	58084	57951	58204	58601	59372	54690	56065	56986	58210
% Chg Same Qtr Last Yr	3.50	2.42	2.04	1.03	1.49	2.08	1.97	2.08	2.14	2.18	2.20	2.22	-0.29	2.51	1.64	2.15
DURABLE GOODS	54579	54328	54776	55495	55359	55648	56037	56748	56629	56907	57295	58017	53142	54524	55635	56895
% Chg Same Qtr Last Yr	3.54	3.10	2.40	1.99	1.43	2.43	2.30	2.26	2.29	2.26	2.24	2.24	-2.34	2.60	2.04	2.26
NONDURABLE GOODS	58217	58407	58814	59409	59209	59329	59700	60519	60372	60591	61015	61896	57273	58764	59412	60624
% Chg Same Qtr Last Yr	3.63	1.65	1.67	-0.35	1.70	1.58	1.51	1.87	1.96	2.13	2.20	2.27	3.10	2.60	1.10	2.04
TRADE, TRANSPORTATION, UTILITIES	41379	41282	41060	42411	42253	42594	42285	43673	43464	43776	43423	44816	41196	41489	42386	43584
% Chg Same Qtr Last Yr	0.17	0.47	0.66	0.42	2.11	3.18	2.98	2.98	2.87	2.78	2.69	2.62	0.03	0.71	2.16	2.83
WHOLESALE TRADE	61473	61325	62082	63414	63320	63561	64156	65523	65340	65547	66106	67472	61824	61884	63613	65629
% Chg Same Qtr Last Yr	-0.58	-0.35	0.68	1.21	3.01	3.65	3.34	3.32	3.19	3.12	3.04	2.98	-0.98	0.10	2.79	3.17
RETAIL TRADE	28480	28485	28109	29095	28870	29187	28731	29756	29504	29824	29348	30388	28176	28563	28971	29608
% Chg Same Qtr Last Yr	1.37	0.97	1.02	-0.28	1.37	2.46	2.21	2.27	2.20	2.19	2.15	2.12	-0.79	1.37	1.43	2.20
TRANSPORTATION & UTILITIES	52188	51797	51544	53349	53322	53390	53045	54814	54719	54729	54328	56096	52045	52092	53277	54647
% Chg Same Qtr Last Yr	-0.63	0.19	-0.31	0.97	2.17	3.07	2.91	2.74	2.62	2.51	2.42	2.34	1.35	0.09	2.27	2.57
INFORMATION	61852	63929	65278	65338	65410	66107	66199	66364	66907	67416	67561	67837	58400	63550	65763	67062
% Chg Same Qtr Last Yr	5.23	7.29	15.61	3.48	5.75	3.41	1.41	1.57	2.29	1.98	2.06	2.22	-0.18	8.82	3.48	1.97
FINANCIAL ACTIVITIES	68956	68294	68617	69486	69401	69707	70248	71270	71252	71601	72171	73223	66675	68928	69710	71573
% Chg Same Qtr Last Yr	3.81	3.52	2.45	-0.52	0.65	2.07	2.38	2.57	2.67	2.72	2.74	2.74	-0.86	3.38	1.13	2.67
PROFESSIONAL & BUSINESS SERVICES	53069	53303	52771	54736	54555	54958	54396	56405	56204	56605	56011	58066	52464	52958	54661	56306
% Chg Same Qtr Last Yr	0.58	1.61	3.52	3.88	2.80	3.11	3.08	3.05	3.02	3.00	2.97	2.94	1.59	0.94	3.22	3.01
EDUCATION & HEALTH SERVICES	46997	47631	47368	48046	48394	48895	48555	49258	49589	50093	49729	50437	45981	47246	48473	49667
% Chg Same Qtr Last Yr	2.19	2.39	4.23	2.25	2.97	2.65	2.50	2.52	2.47	2.45	2.42	2.39	0.82	2.75	2.60	2.46
LEISURE & HOSPITALITY	21130	21346	22400	23359	22114	22373	23304	24173	22799	23004	23913	24770	20975	21678	22788	23472
% Chg Same Qtr Last Yr	2.87	4.01	5.02	6.98	4.66	4.81	4.04	3.49	3.10	2.82	2.61	2.47	-1.71	3.35	5.12	3.00
OTHER SERVICES	40869	41342	41566	41963	41424	41623	41884	42316	41802	42030	42318	42777	39669	41522	41724	42117
% Chg Same Qtr Last Yr	5.12	4.22	2.40	-0.82	1.36	0.68	0.77	0.84	0.91	0.98	1.03	1.09	0.10	4.67	0.49	0.94
GOVERNMENT	42975	44362	42363	42989	43870	45130	43136	43774	44661	45933	43891	44530	42339	42936	43781	44565
% Chg Same Qtr Last Yr	0.96	1.91	2.06	2.24	2.08	1.73	1.82	1.83	1.80	1.78	1.75	1.73	1.98	1.41	1.97	1.79
FEDERAL, CIVILIAN	72280	72581	74408	74495	71852	73355	75706	75856	73210	74708	77042	77136	70899	72846	73852	75204
% Chg Same Qtr Last Yr	1.49	4.04	4.41	3.30	-0.59	1.07	1.74	1.83	1.89	1.84	1.76	1.69	-0.31	2.75	1.38	1.83
STATE & LOCAL	39072	40502	38341	38993	40099	41309	39095	39756	40879	42108	39847	40515	38533	39014	39874	40648
% Chg Same Qtr Last Yr	0.94	1.47	1.84	2.24	2.63	1.99	1.97	1.96	1.94	1.94	1.92	1.91	2.62	1.25	2.20	1.94

Center for Business and Economic Research, University of Tennessee **Tennessee Econometric Model**

Table 14: Tennessee Average Annual Wage and Salary Rate by Sector, Seasonally Adjusted (current dollars) **January 2015**

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
TOTAL NONFARM	45559	45730	46072	46344	46631	46924	47215	47497	47784	48067	48351	48633	44738	45714	46779	47925
% Chg Prev Qtr SAAR	0.57	1.51	3.03	2.38	2.49	2.54	2.50	2.41	2.44	2.39	2.38	2.35	0.39	2.18	2.33	2.45
% Chg Same Qtr Last Yr	1.94	2.25	2.81	1.87	2.35	2.61	2.48	2.49	2.47	2.44	2.41	2.39	0.39	2.18	2.33	2.45
NATURAL RESOURCES, MINING & CONSTRUCTION	50949	51474	52058	52414	52625	52944	53260	53575	53888	54199	54509	54819	49344	51417	52811	54043
% Chg Prev Qtr SAAR	-1.83	4.18	4.62	2.76	1.62	2.45	2.41	2.38	2.36	2.33	2.31	2.29	0.86	4.20	2.71	2.33
% Chg Same Qtr Last Yr	3.58	4.63	3.97	2.40	3.29	2.86	2.31	2.21	2.40	2.37	2.34	2.32	0.86	4.20	2.71	2.33
MANUFACTURING	56000	55962	56316	56556	56835	57124	57428	57734	58049	58367	58690	59016	54688	56065	56986	58210
% Chg Prev Qtr SAAR	0.13	-0.28	2.56	1.71	1.99	2.05	2.14	2.15	2.20	2.21	2.23	2.24	-0.29	2.52	1.64	2.15
% Chg Same Qtr Last Yr	3.52	2.40	2.04	1.03	1.49	2.08	1.97	2.08	2.14	2.18	2.20	2.22	-0.29	2.52	1.64	2.15
DURABLE GOODS	54687	54469	54843	55174	55467	55791	56107	56421	56737	57052	57368	57683	53141	54524	55635	56894
% Chg Prev Qtr SAAR	4.42	-1.58	2.77	2.44	2.14	2.36	2.28	2.26	2.26	2.24	2.23	2.22	-2.35	2.60	2.04	2.26
% Chg Same Qtr Last Yr	3.57	3.08	2.41	1.99	1.43	2.43	2.30	2.26	2.29	2.26	2.25	2.24	-2.35	2.60	2.04	2.26
NONDURABLE GOODS	58292	58601	58932	59019	59285	59524	59819	60124	60450	60787	61137	61494	57271	58763	59412	60625
% Chg Prev Qtr SAAR	-6.17	2.13	2.28	0.59	1.82	1.62	2.00	2.05	2.19	2.25	2.32	2.36	3.10	2.61	1.10	2.04
% Chg Same Qtr Last Yr	3.63	1.64	1.66	-0.35	1.70	1.58	1.51	1.87	1.96	2.12	2.20	2.28	3.10	2.61	1.10	2.04
TRADE, TRANSPORTATION, UTILITIES	41379	41255	41632	41921	42253	42565	42874	43169	43464	43747	44029	44298	41172	41503	42403	43602
% Chg Prev Qtr SAAR	-3.48	-1.19	3.71	2.80	3.20	3.00	2.93	2.78	2.76	2.63	2.60	2.47	-0.02	0.80	2.17	2.83
% Chg Same Qtr Last Yr	0.40	0.49	0.66	0.42	2.11	3.18	2.98	2.98	2.87	2.78	2.69	2.62	-0.02	0.80	2.17	2.83
WHOLESALE TRADE	61521	61634	62317	62810	63371	63881	64399	64898	65392	65877	66356	66829	61847	61882	63615	65631
% Chg Prev Qtr SAAR	-3.41	0.73	4.51	3.20	3.62	3.26	3.28	3.14	3.08	3.00	2.94	2.88	-0.91	0.06	2.80	3.17
% Chg Same Qtr Last Yr	-0.80	-0.03	0.68	1.21	3.01	3.65	3.34	3.32	3.19	3.12	3.04	2.97	-0.91	0.06	2.80	3.17
RETAIL TRADE	28516	28364	28593	28730	28906	29062	29225	29383	29541	29697	29853	30007	28123	28571	28981	29619
% Chg Prev Qtr SAAR	-4.03	-2.11	3.26	1.94	2.47	2.18	2.26	2.18	2.17	2.13	2.11	2.08	-0.95	1.59	1.44	2.20
% Chg Same Qtr Last Yr	1.95	0.95	1.02	-0.28	1.37	2.46	2.21	2.27	2.20	2.18	2.15	2.12	-0.95	1.59	1.44	2.20
TRANSPORTATION & UTILITIES	52010	51914	52338	52755	53140	53510	53863	54203	54532	54852	55165	55471	52121	52128	53317	54688
% Chg Prev Qtr SAAR	-1.81	-0.74	3.31	3.22	2.95	2.82	2.66	2.55	2.45	2.37	2.30	2.24	1.52	0.01	2.28	2.57
% Chg Same Qtr Last Yr	-0.77	0.02	-0.31	0.97	2.17	3.07	2.91	2.74	2.62	2.51	2.42	2.34	1.52	0.01	2.28	2.57
INFORMATION	61852	63780	65328	65489	65410	65953	66249	66518	66907	67259	67612	67994	58343	63562	65775	67074
% Chg Prev Qtr SAAR	-8.77	13.06	10.07	0.99	-0.48	3.36	1.81	1.63	2.36	2.12	2.12	2.28	-0.24	8.94	3.48	1.97
% Chg Same Qtr Last Yr	5.07	7.37	15.61	3.48	5.75	3.41	1.41	1.57	2.29	1.98	2.06	2.22	-0.24	8.94	3.48	1.97
FINANCIAL ACTIVITIES	69006	68473	68716	69050	69451	69889	70350	70823	71303	71789	72275	72764	66620	68901	69685	71548
% Chg Prev Qtr SAAR	-2.31	-3.05	1.43	1.96	2.34	2.55	2.66	2.72	2.74	2.75	2.74	2.73	-0.94	3.42	1.14	2.67
% Chg Same Qtr Last Yr	3.96	3.49	2.45	-0.52	0.65	2.07	2.38	2.57	2.67	2.72	2.74	2.74	-0.94	3.42	1.14	2.67

(CONTINUED ON NEXT PAGE)

Table 14: Tennessee Average Annual Wage and Salary Rate by Sector, Seasonally Adjusted (current dollars) **January 2015**

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
PROFESSIONAL & BUSINESS SERVICES	53016	53259	53674	54088	54501	54913	55326	55738	56148	56559	56969	57379	52405	53004	54707	56354
% Chg Prev Qtr SAAR	7.49	1.85	3.15	3.12	3.09	3.06	3.04	3.01	2.98	2.96	2.93	2.91	1.56	1.14	3.21	3.01
% Chg Same Qtr Last Yr	0.63	1.98	3.52	3.88	2.80	3.10	3.08	3.05	3.02	3.00	2.97	2.94	1.56	1.14	3.21	3.01
EDUCATION & HEALTH SERVICES	46942	47377	47741	48022	48337	48634	48937	49234	49531	49826	50120	50412	45994	47256	48483	49678
% Chg Prev Qtr SAAR	-0.19	3.75	3.11	2.38	2.65	2.48	2.51	2.45	2.44	2.40	2.38	2.35	0.87	2.74	2.60	2.46
% Chg Same Qtr Last Yr	2.17	2.16	4.23	2.25	2.97	2.65	2.50	2.52	2.47	2.45	2.42	2.39	0.87	2.74	2.60	2.46
LEISURE & HOSPITALITY	21686	21848	22185	22462	22696	22899	23080	23245	23399	23544	23684	23819	20964	21679	22784	23468
% Chg Prev Qtr SAAR	13.79	3.02	6.32	5.09	4.23	3.63	3.20	2.89	2.67	2.51	2.39	2.30	-1.70	3.41	5.10	3.00
% Chg Same Qtr Last Yr	2.93	3.78	5.02	6.98	4.66	4.81	4.04	3.49	3.10	2.82	2.61	2.47	-1.70	3.41	5.10	3.00
OTHER SERVICES	41110	41471	41527	41593	41669	41753	41844	41943	42049	42161	42277	42400	39704	41511	41715	42108
% Chg Prev Qtr SAAR	-7.66	3.55	0.54	0.64	0.73	0.81	0.88	0.95	1.01	1.07	1.11	1.16	0.24	4.55	0.49	0.94
% Chg Same Qtr Last Yr	4.84	3.99	2.40	-0.82	1.36	0.68	0.76	0.84	0.91	0.98	1.03	1.09	0.24	4.55	0.49	0.94
GOVERNMENT	42748	43092	43246	43437	43638	43838	44035	44230	44425	44619	44806	44995	42255	42893	43737	44520
% Chg Prev Qtr SAAR	2.51	3.26	1.43	1.78	1.87	1.85	1.80	1.79	1.78	1.75	1.69	1.70	1.83	1.51	1.97	1.79
% Chg Same Qtr Last Yr	1.17	2.27	2.06	2.24	2.08	1.73	1.82	1.83	1.80	1.78	1.75	1.73	1.83	1.51	1.97	1.79
FEDERAL, CIVILIAN	73899	73033	72875	73142	73461	73811	74147	74478	74850	75173	75455	75735	70259	72653	73640	74989
% Chg Prev Qtr SAAR	18.65	-4.61	-0.86	1.47	1.76	1.92	1.83	1.80	2.01	1.74	1.51	1.49	-1.23	3.41	1.36	1.83
% Chg Same Qtr Last Yr	4.39	4.69	4.41	3.30	-0.59	1.07	1.74	1.83	1.89	1.84	1.76	1.69	-1.23	3.41	1.36	1.83
STATE & LOCAL	38726	39158	39357	39549	39744	39937	40130	40324	40517	40710	40902	41094	38488	38982	39840	40613
% Chg Prev Qtr SAAR	0.43	4.53	2.05	1.97	1.98	1.96	1.95	1.94	1.93	1.92	1.90	1.89	2.57	1.28	2.20	1.94
% Chg Same Qtr Last Yr	0.81	1.80	1.84	2.24	2.63	1.99	1.96	1.96	1.94	1.93	1.92	1.91	2.57	1.28	2.20	1.94

Center for Business and Economic Research, University of Tennessee **Tennessee Econometric Model**

Table 15: Tennessee Civilian Labor Force and Unemployment Rate, Not Seasonally Adjusted **January 2015**

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
CIVILIAN LABOR FORCE (THOUS).....	3041	3027	3006	2995	3017	3036	3040	3028	3049	3067	3070	3056	3070	3024	3022	3053
% Chg Same Qtr Last Yr.....	-1.58	-1.68	-1.09	-0.90	-0.77	0.32	1.13	1.09	1.05	1.01	1.02	0.95	-0.95	-1.52	-0.06	1.04
EMPLOYED PERSONS (THOUS).....	2842	2807	2814	2788	2816	2840	2854	2830	2856	2878	2891	2865	2818	2817	2825	2864
% Chg Same Qtr Last Yr.....	0.36	-0.61	0.18	-0.59	-0.91	1.19	1.45	1.50	1.42	1.33	1.28	1.21	-0.99	-0.05	0.28	1.38
UNEMPLOYED PERSONS (THOUS).....	198	220	192	207	201	196	185	197	193	189	179	192	252	207	197	189
% Chg Same Qtr Last Yr.....	-22.88	-13.61	-16.69	-4.90	1.28	-10.86	-3.49	-4.51	-4.10	-3.70	-3.14	-2.87	-0.56	-17.92	-4.67	-3.88
PARTICIPATION RATE (PERCENT).....	58.1	57.6	57.0	56.7	56.9	57.1	57.0	56.6	56.9	57.0	56.9	56.5	59.2	57.6	56.9	56.9
% Chg Same Qtr Last Yr.....	-2.74	-2.84	-2.27	-2.07	-1.95	-0.87	-0.06	-0.10	-0.13	-0.16	-0.14	-0.19	-2.11	-2.68	-1.24	-0.13
UNEMPLOYMENT RATE (PERCENT).....	6.5	7.3	6.4	6.9	6.7	6.5	6.1	6.5	6.3	6.2	5.8	6.3	8.2	6.8	6.5	6.2

Center for Business and Economic Research, University of Tennessee **Tennessee Econometric Model**

Table 16: Tennessee Civilian Labor Force and Unemployment Rate, Seasonally Adjusted **January 2015**

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
CIVILIAN LABOR FORCE (THOUS).....	3044	3019	2999	3011	3020	3028	3036	3045	3052	3059	3066	3074	3070	3025	3024	3055
% Chg Prev Qtr SAAR.....	0.70	-3.25	-2.63	1.73	1.17	1.07	1.00	1.17	0.97	0.88	0.99	0.99	-0.95	-1.49	-0.03	1.04
% Chg Same Qtr Last Yr.....	-1.33	-1.35	-1.27	-0.88	-0.77	0.32	1.24	1.10	1.05	1.01	1.00	0.96	-0.95	-1.49	-0.03	1.04
EMPLOYED PERSONS (THOUS).....	2848	2799	2794	2811	2822	2833	2843	2853	2862	2870	2879	2888	2819	2817	2827	2866
% Chg Prev Qtr SAAR.....	2.92	-6.67	-0.71	2.42	1.57	1.52	1.43	1.49	1.22	1.19	1.24	1.21	-0.97	-0.05	0.35	1.38
% Chg Same Qtr Last Yr.....	0.75	-0.19	-0.10	-0.59	-0.91	1.19	1.73	1.50	1.42	1.33	1.28	1.21	-0.97	-0.05	0.35	1.38
UNEMPLOYED PERSONS (THOUS).....	196	219	204	200	198	195	193	191	190	188	187	186	252	207	197	189
% Chg Prev Qtr SAAR.....	-25.67	57.99	-24.99	-7.14	-4.37	-5.21	-5.01	-3.44	-2.73	-3.62	-2.75	-2.39	-0.77	-17.59	-5.15	-3.87
% Chg Same Qtr Last Yr.....	-24.16	-14.02	-14.98	-4.90	1.28	-10.86	-5.44	-4.51	-4.10	-3.70	-3.14	-2.87	-0.77	-17.59	-5.15	-3.87
PARTICIPATION RATE (PERCENT).....	58.1	57.5	56.9	57.0	57.0	57.0	56.9	56.9	56.9	56.9	56.9	56.8	59.2	57.7	57.0	56.9
% Chg Prev Qtr SAAR.....	-0.49	-4.39	-3.80	0.53	-0.03	-0.13	-0.19	0.01	-0.19	-0.27	-0.16	-0.12	-2.11	-2.65	-1.22	-0.13
% Chg Same Qtr Last Yr.....	-2.49	-2.51	-2.44	-2.06	-1.95	-0.87	0.05	-0.08	-0.12	-0.16	-0.15	-0.18	-2.11	-2.65	-1.22	-0.13
UNEMPLOYMENT RATE (PERCENT).....	6.4	7.3	6.8	6.7	6.6	6.5	6.4	6.3	6.2	6.2	6.1	6.0	8.2	6.9	6.5	6.2

Center for Business and Economic Research, University of Tennessee **Tennessee Econometric Model**

Table 17: Tennessee Taxable Sales, Not Seasonally Adjusted (millions of 2009 dollars) **January 2015**

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
TOTAL TAXABLE SALES	24265	24253	25918	23365	25411	24719	26487	23766	25805	25155	26918	24174	94063	96829	99982	101644
% Chg Same Qtr Last Yr	1.51	4.75	3.48	4.34	4.73	1.92	2.20	1.72	1.55	1.76	1.63	1.71	1.81	2.94	3.26	1.66
AUTO DEALERS	2433	2550	2297	2525	2589	2651	2393	2623	2685	2758	2488	2728	9164	9628	10157	10554
% Chg Same Qtr Last Yr	5.16	5.44	5.05	7.50	6.39	3.98	4.17	3.88	3.73	4.04	3.96	4.02	4.73	5.07	5.49	3.91
PURCHASES FROM MANUFACTURERS	1010	1039	1131	878	1075	1069	1158	894	1093	1087	1179	911	3898	4001	4180	4253
% Chg Same Qtr Last Yr	1.90	7.07	0.17	6.92	6.40	2.87	2.43	1.86	1.65	1.75	1.80	1.83	1.83	2.64	4.47	1.76
MISC DURABLE GOODS	4257	4132	4191	3731	4441	4170	4289	3800	4516	4245	4366	3863	15667	16100	16630	16928
% Chg Same Qtr Last Yr	1.62	4.85	3.77	5.99	4.32	0.92	2.33	1.84	1.70	1.81	1.81	1.66	1.65	2.77	3.30	1.79
EATING AND DRINKING PLACES	2615	2623	2584	2560	2744	2696	2652	2616	2803	2761	2714	2681	9855	10257	10653	10894
% Chg Same Qtr Last Yr	2.27	5.56	5.25	5.17	4.95	2.79	2.62	2.19	2.14	2.39	2.34	2.46	2.49	4.09	3.86	2.26
FOOD STORES	2336	2373	2592	2302	2429	2427	2650	2339	2461	2460	2683	2369	9390	9520	9809	9943
% Chg Same Qtr Last Yr	0.26	3.49	3.19	3.79	3.97	2.27	2.26	1.58	1.33	1.36	1.23	1.27	2.78	1.38	3.04	1.37
LIQUOR STORES	194	195	242	196	204	200	248	200	208	205	254	205	780	818	848	867
% Chg Same Qtr Last Yr	5.44	4.12	5.00	4.84	5.26	2.59	2.43	2.05	2.06	2.36	2.38	2.56	4.27	4.84	3.69	2.22
HOTELS AND MOTELS	715	732	684	592	760	755	705	608	779	773	720	621	2363	2666	2812	2879
% Chg Same Qtr Last Yr	13.31	16.81	13.60	10.45	6.38	3.08	3.11	2.72	2.37	2.40	2.09	2.20	0.81	12.85	5.45	2.38
OTHER RETAIL AND SERVICE	7354	7157	8345	7126	7587	7297	8503	7213	7668	7384	8595	7296	28883	29794	30513	30860
% Chg Same Qtr Last Yr	2.30	3.88	3.19	2.72	3.17	1.95	1.89	1.22	1.06	1.19	1.08	1.15	1.60	3.16	2.41	1.14
MISC NONDURABLE GOODS	2051	1989	2367	1973	2109	2011	2411	2009	2136	2048	2451	2043	8100	8303	8504	8644
% Chg Same Qtr Last Yr	2.65	3.94	3.31	4.09	2.81	1.10	1.86	1.83	1.30	1.80	1.66	1.70	2.03	2.51	2.42	1.64
TRANSPORTATION, COMMUNICATION	1299	1462	1486	1482	1473	1443	1479	1465	1455	1434	1470	1458	5965	5742	5876	5823
% Chg Same Qtr Last Yr	-14.64	2.46	-1.89	-0.87	13.35	-1.33	-0.48	-1.15	-1.20	-0.63	-0.64	-0.48	-3.69	-3.73	2.33	-0.91
PER CAPITA ($)	3683	3672	3914	3519	3817	3704	3958	3543	3837	3730	3982	3567	14410	14678	14998	15091
% Chg Same Qtr Last Yr	0.44	3.66	2.40	3.25	3.64	0.86	1.14	0.67	0.50	0.72	0.59	0.68	0.73	1.86	2.19	0.62

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Table 18: Tennessee Taxable Sales, Seasonally Adjusted (millions of 2009 dollars) **January 2015**

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
TOTAL TAXABLE SALES	23848	24566	24601	24823	24973	25034	25148	25250	25356	25470	25566	25680	94059	96799	99978	101643
% Chg Prev Qtr SAAR	1.09	12.60	0.56	3.67	2.43	0.99	1.82	1.63	1.70	1.81	1.52	1.78	1.74	2.91	3.28	1.67
% Chg Same Qtr Last Yr	1.52	4.76	3.52	4.37	4.72	1.90	2.22	1.72	1.54	1.74	1.67	1.70	1.74	2.91	3.28	1.67
AUTO DEALERS	2378	2451	2473	2506	2530	2549	2576	2603	2624	2652	2679	2707	9167	9633	10160	10557
% Chg Prev Qtr SAAR	8.28	12.93	3.68	5.32	3.90	3.05	4.43	4.16	3.30	4.29	4.11	4.38	4.76	5.08	5.48	3.91
% Chg Same Qtr Last Yr	5.50	5.34	5.05	7.50	6.39	3.98	4.17	3.88	3.73	4.04	3.96	4.02	4.76	5.08	5.48	3.91
PURCHASES FROM MANUFACTURERS	980	1018	1027	1037	1043	1047	1052	1056	1060	1065	1071	1075	3889	3994	4179	4252
% Chg Prev Qtr SAAR	4.59	16.19	3.56	3.84	2.58	1.52	1.79	1.53	1.77	1.91	1.99	1.64	1.83	2.71	4.61	1.76
% Chg Same Qtr Last Yr	1.95	7.12	0.17	6.92	6.40	2.87	2.43	1.86	1.65	1.75	1.80	1.83	1.83	2.71	4.61	1.76
MISC DURABLE GOODS	3982	4128	4087	4128	4154	4166	4183	4204	4225	4241	4259	4274	15663	16092	16631	16929
% Chg Prev Qtr SAAR	9.30	15.41	-3.84	4.05	2.56	1.09	1.65	2.09	1.97	1.52	1.67	1.46	1.43	2.74	3.35	1.79
% Chg Same Qtr Last Yr	1.67	4.98	3.77	5.99	4.32	0.92	2.33	1.84	1.70	1.81	1.81	1.66	1.43	2.74	3.35	1.79
EATING AND DRINKING PLACES	2533	2597	2616	2641	2659	2669	2685	2699	2716	2733	2748	2765	9854	10258	10654	10895
% Chg Prev Qtr SAAR	3.58	10.45	3.03	3.77	2.73	1.62	2.37	2.05	2.54	2.59	2.19	2.51	2.46	4.10	3.86	2.26
% Chg Same Qtr Last Yr	2.28	5.61	5.25	5.17	4.95	2.79	2.62	2.19	2.14	2.39	2.34	2.46	2.46	4.10	3.86	2.26
FOOD STORES	2356	2402	2412	2436	2449	2457	2466	2475	2482	2490	2497	2506	9394	9517	9808	9943
% Chg Prev Qtr SAAR	1.46	8.11	1.66	4.06	2.19	1.20	1.61	1.32	1.20	1.32	1.09	1.47	2.82	1.31	3.06	1.38
% Chg Same Qtr Last Yr	0.28	3.58	3.19	3.79	3.97	2.27	2.26	1.58	1.33	1.36	1.23	1.27	2.82	1.31	3.06	1.38
LIQUOR STORES	201	207	208	210	211	212	213	214	216	217	219	220	779	817	847	866
% Chg Prev Qtr SAAR	0.94	12.42	2.86	3.50	2.55	1.45	2.24	1.96	2.58	2.68	2.31	2.66	4.23	4.81	3.76	2.21
% Chg Same Qtr Last Yr	5.50	4.09	5.00	4.84	5.26	2.59	2.43	2.05	2.06	2.36	2.38	2.56	4.23	4.81	3.76	2.21
HOTELS AND MOTELS	659	685	688	696	701	706	710	715	717	723	725	730	2366	2661	2812	2879
% Chg Prev Qtr SAAR	19.63	16.63	2.21	4.34	2.95	2.82	2.35	2.77	1.55	2.96	1.08	3.21	0.81	12.50	5.65	2.39
% Chg Same Qtr Last Yr	13.36	17.03	13.60	10.45	6.38	3.08	3.11	2.72	2.37	2.40	2.09	2.20	0.81	12.50	5.65	2.39
OTHER RETAIL AND SERVICE	7388	7491	7520	7587	7623	7637	7662	7680	7704	7728	7745	7768	28885	29786	30509	30856
% Chg Prev Qtr SAAR	0.11	5.66	1.56	3.62	1.90	0.74	1.32	0.93	1.26	1.27	0.87	1.21	1.48	3.12	2.43	1.14
% Chg Same Qtr Last Yr	2.29	3.95	3.19	2.72	3.17	1.95	1.89	1.22	1.06	1.19	1.08	1.15	1.48	3.12	2.43	1.14
MISC NONDURABLE GOODS	2070	2104	2099	2108	2128	2127	2138	2146	2156	2166	2173	2182	8100	8298	8501	8641
% Chg Prev Qtr SAAR	9.26	6.75	-1.02	1.68	3.98	-0.16	1.98	1.54	1.86	1.84	1.40	1.70	1.96	2.44	2.45	1.65
% Chg Same Qtr Last Yr	2.63	3.92	3.31	4.09	2.81	1.10	1.86	1.83	1.30	1.80	1.66	1.70	1.96	2.44	2.45	1.65
TRANSPORTATION, COMMUNICATION	1301	1485	1469	1476	1474	1465	1462	1459	1457	1456	1453	1452	5962	5743	5878	5824
% Chg Prev Qtr SAAR	-41.70	69.64	-3.99	1.71	-0.34	-2.59	-0.66	-1.00	-0.55	-0.31	-0.71	-0.34	-3.66	-3.67	2.33	-0.91
% Chg Same Qtr Last Yr	-14.48	2.51	-1.89	-0.87	13.35	-1.33	-0.48	-1.15	-1.20	-0.63	-0.64	-0.48	-3.66	-3.67	2.33	-0.91
PER CAPITA ($)	3620	3719	3715	3739	3751	3751	3758	3764	3770	3777	3782	3789	14411	14674	14999	15092
% Chg Prev Qtr SAAR	0.04	11.43	-0.49	2.59	1.37	-0.06	0.77	0.59	0.66	0.77	0.49	0.76	0.66	1.83	2.21	0.62
% Chg Same Qtr Last Yr	0.46	3.67	2.44	3.28	3.63	0.85	1.16	0.67	0.49	0.70	0.63	0.67	0.66	1.83	2.21	0.62

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Table 19: Tennessee Taxable Sales, Not Seasonally Adjusted (millions of current dollars) **January 2015**

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
TOTAL TAXABLE SALES	26396	26466	28274	25440	27725	27106	29150	26275	28648	28041	30153	27181	100972	105355	109421	113116
% Chg Same Qtr Last Yr	3.12	6.32	4.73	5.04	5.04	2.42	3.10	3.28	3.33	3.45	3.44	3.45	3.03	4.34	3.86	3.38
AUTO DEALERS	2647	2782	2506	2749	2824	2907	2633	2900	2981	3075	2787	3068	9836	10475	11114	11742
% Chg Same Qtr Last Yr	6.84	7.01	6.31	8.22	6.71	4.49	5.09	5.48	5.55	5.77	5.82	5.79	5.99	6.50	6.10	5.65
PURCHASES FROM MANUFACTURERS	1099	1134	1234	956	1173	1172	1275	989	1213	1212	1321	1024	4185	4354	4575	4735
% Chg Same Qtr Last Yr	3.53	8.66	1.38	7.64	6.72	3.37	3.34	3.42	3.43	3.43	3.61	3.56	3.04	4.04	5.08	3.48
MISC DURABLE GOODS	4631	4509	4572	4062	4845	4573	4720	4201	5014	4732	4891	4343	16817	17519	18200	18838
% Chg Same Qtr Last Yr	3.25	6.42	5.02	6.70	4.63	1.42	3.24	3.41	3.48	3.49	3.63	3.39	2.87	4.17	3.89	3.51
EATING AND DRINKING PLACES	2845	2863	2819	2788	2994	2957	2919	2893	3112	3077	3040	3014	10577	11160	11658	12122
% Chg Same Qtr Last Yr	3.90	7.14	6.52	5.87	5.26	3.29	3.53	3.76	3.93	4.08	4.16	4.20	3.72	5.51	4.46	3.99
FOOD STORES	2541	2590	2827	2507	2650	2662	2917	2586	2733	2743	3005	2663	10080	10358	10736	11066
% Chg Same Qtr Last Yr	1.86	5.04	4.44	4.48	4.28	2.77	3.16	3.14	3.11	3.04	3.04	3.00	4.01	2.76	3.65	3.08
LIQUOR STORES	211	213	264	213	223	220	273	221	231	228	284	230	837	890	928	965
% Chg Same Qtr Last Yr	7.12	5.67	6.26	5.54	5.57	3.09	3.34	3.62	3.85	4.06	4.21	4.31	5.51	6.25	4.31	3.95
HOTELS AND MOTELS	778	799	746	644	830	828	776	672	864	862	806	699	2537	2902	3077	3204
% Chg Same Qtr Last Yr	15.11	18.55	14.97	11.18	6.69	3.58	4.02	4.30	4.17	4.10	3.91	3.94	2.01	14.40	6.05	4.11
OTHER RETAIL AND SERVICE	8000	7811	9103	7759	8278	8002	9358	7974	8513	8231	9627	8204	31006	32417	33396	34346
% Chg Same Qtr Last Yr	3.93	5.42	4.43	3.40	3.48	2.45	2.79	2.78	2.83	2.87	2.88	2.87	2.81	4.55	3.02	2.84
MISC NONDURABLE GOODS	2231	2171	2582	2148	2301	2206	2653	2221	2371	2282	2745	2298	8695	9034	9308	9620
% Chg Same Qtr Last Yr	4.29	5.49	4.56	4.79	3.11	1.60	2.76	3.39	3.08	3.49	3.47	3.43	3.24	3.90	3.03	3.36
TRANSPORTATION, COMMUNICATION	1413	1596	1621	1613	1607	1582	1628	1619	1615	1598	1646	1639	6402	6247	6430	6479
% Chg Same Qtr Last Yr	-13.28	3.99	-0.71	-0.20	13.69	-0.84	0.40	0.37	0.53	1.01	1.13	1.22	-2.54	-2.43	2.93	0.76
PER CAPITA ($)	4007	4007	4270	3832	4165	4061	4356	3917	4259	4158	4460	4010	15468	15970	16414	16794
% Chg Same Qtr Last Yr	2.04	5.20	3.63	3.94	3.94	1.36	2.03	2.22	2.27	2.39	2.38	2.39	1.93	3.24	2.78	2.31

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Table 20: Tennessee Taxable Sales, Seasonally Adjusted (millions of current dollars) **January 2015**

	History		Forecast Data										Annual			
	2014:2	2014:3	2014:4	2015:1	2015:2	2015:3	2015:4	2016:1	2016:2	2016:3	2016:4	2017:1	2013	2014	2015	2016
TOTAL TAXABLE SALES	25943	26808	26836	27028	27247	27452	27676	27915	28150	28392	28638	28875	100959	105310	109402	113096
% Chg Prev Qtr SAAR	3.45	14.03	0.42	2.88	3.28	3.05	3.30	3.50	3.42	3.49	3.51	3.34	2.96	4.31	3.89	3.38
% Chg Same Qtr Last Yr	3.14	6.33	4.77	5.07	5.03	2.40	3.13	3.28	3.32	3.42	3.48	3.44	2.96	4.31	3.89	3.38
AUTO DEALERS	2586	2675	2698	2728	2760	2795	2835	2878	2913	2956	3000	3044	9840	10480	11118	11747
% Chg Prev Qtr SAAR	10.81	14.36	3.54	4.52	4.76	5.15	5.95	6.07	5.04	6.01	6.16	5.97	6.02	6.50	6.09	5.66
% Chg Same Qtr Last Yr	7.19	6.91	6.31	8.22	6.71	4.49	5.09	5.48	5.55	5.77	5.82	5.79	6.02	6.50	6.09	5.66
PURCHASES FROM MANUFACTURERS	1066	1111	1120	1129	1138	1148	1157	1167	1177	1188	1199	1209	4175	4346	4572	4731
% Chg Prev Qtr SAAR	7.04	17.66	3.42	3.05	3.43	3.60	3.27	3.39	3.48	3.59	3.99	3.19	3.05	4.10	5.21	3.48
% Chg Same Qtr Last Yr	3.57	8.72	1.38	7.64	6.72	3.37	3.34	3.42	3.43	3.43	3.61	3.56	3.05	4.10	5.21	3.48
MISC DURABLE GOODS	4332	4504	4459	4495	4533	4568	4603	4648	4690	4727	4770	4806	16812	17508	18199	18836
% Chg Prev Qtr SAAR	11.85	16.87	-3.96	3.26	3.41	3.16	3.12	3.96	3.69	3.19	3.67	3.01	2.66	4.14	3.95	3.50
% Chg Same Qtr Last Yr	3.30	6.55	5.02	6.70	4.63	1.42	3.24	3.41	3.48	3.49	3.63	3.39	2.66	4.14	3.95	3.50
EATING AND DRINKING PLACES	2756	2834	2854	2875	2901	2927	2955	2983	3015	3046	3078	3109	10577	11160	11658	12123
% Chg Prev Qtr SAAR	6.00	11.84	2.90	2.99	3.58	3.70	3.85	3.92	4.27	4.28	4.19	4.08	3.69	5.51	4.47	3.99
% Chg Same Qtr Last Yr	3.91	7.18	6.52	5.87	5.26	3.29	3.53	3.76	3.93	4.08	4.16	4.20	3.69	5.51	4.47	3.99
FOOD STORES	2563	2621	2631	2652	2672	2694	2714	2736	2755	2776	2797	2818	10083	10354	10733	11064
% Chg Prev Qtr SAAR	3.83	9.48	1.52	3.27	3.04	3.27	3.08	3.18	2.90	2.99	3.08	3.02	4.05	2.69	3.67	3.08
% Chg Same Qtr Last Yr	1.88	5.12	4.44	4.48	4.28	2.77	3.16	3.14	3.11	3.04	3.04	3.00	4.05	2.69	3.67	3.08
LIQUOR STORES	219	226	227	229	231	233	235	237	240	242	245	247	836	888	927	964
% Chg Prev Qtr SAAR	3.29	13.84	2.73	2.72	3.40	3.52	3.72	3.83	4.31	4.37	4.32	4.23	5.48	6.23	4.36	3.93
% Chg Same Qtr Last Yr	7.18	5.64	6.26	5.54	5.57	3.09	3.34	3.62	3.85	4.06	4.21	4.31	5.48	6.23	4.36	3.93
HOTELS AND MOTELS	717	747	751	757	765	774	781	790	796	805	812	821	2539	2896	3077	3203
% Chg Prev Qtr SAAR	22.42	18.11	2.07	3.55	3.80	4.92	3.83	4.66	3.26	4.65	3.07	4.79	2.02	14.04	6.25	4.12
% Chg Same Qtr Last Yr	15.17	18.78	14.97	11.18	6.69	3.58	4.02	4.30	4.17	4.10	3.91	3.94	2.02	14.04	6.25	4.12
OTHER RETAIL AND SERVICE	8037	8174	8203	8261	8317	8374	8432	8490	8553	8615	8675	8734	31004	32404	33385	34333
% Chg Prev Qtr SAAR	2.44	6.99	1.43	2.84	2.74	2.79	2.79	2.78	2.96	2.93	2.85	2.75	2.70	4.52	3.03	2.84
% Chg Same Qtr Last Yr	3.92	5.50	4.43	3.40	3.48	2.45	2.79	2.78	2.83	2.87	2.88	2.87	2.70	4.52	3.03	2.84
MISC NONDURABLE GOODS	2252	2296	2289	2295	2322	2333	2353	2373	2393	2414	2434	2454	8694	9027	9302	9614
% Chg Prev Qtr SAAR	11.81	8.10	-1.15	0.90	4.84	1.88	3.46	3.41	3.58	3.51	3.39	3.26	3.19	3.83	3.04	3.36
% Chg Same Qtr Last Yr	4.27	5.47	4.56	4.79	3.11	1.60	2.76	3.39	3.08	3.49	3.47	3.43	3.19	3.83	3.04	3.36
TRANSPORTATION, COMMUNICATION	1415	1620	1603	1607	1609	1606	1609	1613	1617	1623	1628	1632	6399	6248	6431	6480
% Chg Prev Qtr SAAR	-40.34	71.78	-4.12	0.94	0.49	-0.60	0.78	0.82	1.12	1.33	1.24	1.18	-2.50	-2.36	2.93	0.76
% Chg Same Qtr Last Yr	-13.12	4.04	-0.71	-0.20	13.69	-0.84	0.40	0.37	0.53	1.01	1.13	1.22	-2.50	-2.36	2.93	0.76
PER CAPITA ($)	3938	4059	4052	4071	4093	4113	4136	4161	4185	4210	4236	4260	15468	15965	16413	16793
% Chg Prev Qtr SAAR	2.37	12.83	-0.62	1.81	2.21	1.99	2.24	2.43	2.36	2.43	2.46	2.29	1.87	3.21	2.81	2.31
% Chg Same Qtr Last Yr	2.06	5.21	3.68	3.97	3.93	1.34	2.06	2.22	2.25	2.36	2.42	2.38	1.87	3.21	2.81	2.31

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Table 1: Selected U.S. and Tennessee Economic Indicators, Seasonally Adjusted **January 2015**

	Forecast Data										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
US GDP (Bil2009$) SAAR	16089.0	16587.5	17031.2	17486.1	17899.5	18402.4	18924.9	19410.7	19882.7	20368.9	20855.6
Percentage change	2.41	3.10	2.68	2.67	2.36	2.81	2.84	2.57	2.43	2.45	2.39
US GDP (Bil$) SAAR	17441.3	18301.4	19149.2	20037.1	20927.4	21955.0	23043.5	24110.3	25175.2	26291.5	27437.2
Percentage change	4.02	4.93	4.63	4.64	4.44	4.91	4.96	4.63	4.42	4.43	4.36
TN PERSONAL INCOME (MIL2009$) SAAR	244938	253824	260555	267301	273597	280624	287843	294694	302221	309782	317480
Percentage change	2.31	3.63	2.65	2.59	2.36	2.57	2.57	2.38	2.55	2.50	2.48
US PERSONAL INCOME (BIL2009$) SAAR	13529	14053	14490	14998	15411	15861	16341	16779	17213	17662	18127
Percentage change	2.50	3.87	3.11	3.50	2.75	2.92	3.03	2.68	2.59	2.61	2.64
TN PERSONAL INCOME (MIL$) SAAR	266467	277754	289918	302468	315532	330317	345789	361495	377963	395128	413127
Percentage change	3.70	4.24	4.38	4.33	4.32	4.69	4.68	4.54	4.56	4.54	4.56
US PERSONAL INCOME (BIL$) SAAR	14715	15356	16126	17016	17847	18748	19724	20669	21616	22620	23678
Percentage change	3.87	4.35	5.01	5.52	4.88	5.05	5.20	4.79	4.59	4.64	4.67
TN NONFARM JOBS (THOUS)	2802.7	2851.6	2894.4	2937.3	2975.0	3004.3	3034.4	3063.8	3093.4	3121.3	3147.2
Percentage change	1.88	1.75	1.50	1.48	1.29	0.99	1.00	0.97	0.97	0.90	0.83
US NONFARM JOBS (MIL)	138.9	141.7	144.2	146.0	146.9	148.2	150.0	151.4	152.6	153.6	154.6
Percentage change	1.85	2.04	1.76	1.22	0.66	0.88	1.20	0.90	0.79	0.70	0.64
TN MFG JOBS (THOUS)	323.1	326.1	327.4	328.3	327.6	325.8	323.6	321.4	318.7	315.9	313.2
Percentage change	1.33	0.94	0.40	0.27	-0.22	-0.53	-0.67	-0.69	-0.83	-0.88	-0.86
US MFG JOBS (MIL)	12.1	12.3	12.4	12.5	12.4	12.4	12.3	12.3	12.2	12.1	12.1
Percentage change	1.12	0.95	1.17	0.51	-0.25	-0.38	-0.31	-0.37	-0.66	-0.67	-0.63
TN UNEMPLOYMENT RATE (%)	6.9	6.5	6.2	6.0	5.8	5.7	5.5	5.4	5.3	5.2	5.2
US UNEMPLOYMENT RATE (%)	6.2	5.5	5.3	5.2	5.3	5.3	5.1	5.0	5.1	5.1	5.1
CHAINED PRICE INDEX, GDP (2009=100.0)	108.4	110.3	112.4	114.6	116.9	119.3	121.8	124.2	126.6	129.1	131.6
Percentage change	1.58	1.75	1.91	1.92	2.03	2.04	2.06	2.01	1.94	1.94	1.92
US PERS CONSUMP DEFL (2009=100.0)	108.8	109.3	111.3	113.5	115.8	118.2	120.7	123.2	125.6	128.1	130.6
Percentage change	1.33	0.46	1.84	1.95	2.07	2.07	2.11	2.06	1.95	1.98	1.99
CONSUMER PRICE INDEX, ALL-URBAN (82-84=1.000)	2.367	2.370	2.426	2.484	2.546	2.607	2.673	2.737	2.797	2.860	2.924
Percentage change	1.61	0.12	2.35	2.39	2.50	2.43	2.50	2.39	2.19	2.26	2.24
BANK PRIME INTEREST RATE (%)	3.3	3.5	4.6	6.3	6.8	6.8	6.8	6.8	6.8	6.8	6.8
FEDERAL FUNDS RATE (% per annum)	0.089	0.436	1.558	3.333	3.750	3.750	3.750	3.750	3.750	3.750	3.750
30-YEAR FIXED MORTGAGE RATE (%)	4.2	4.4	5.4	6.1	6.2	6.2	6.2	6.2	6.2	6.2	6.2
TN TAXABLE SALES (MIL2009$)	96799	99978	101643	103382	105021	106866	108791	110627	112676	114689	116745
Percentage change	2.91	3.28	1.67	1.71	1.59	1.76	1.80	1.69	1.85	1.79	1.79
TN TAXABLE SALES (MIL$)	105310	109402	113096	116982	121117	125788	130691	135702	140913	146284	151915
Percentage change	4.31	3.89	3.38	3.44	3.53	3.86	3.90	3.83	3.84	3.81	3.85
TN AVG ANNUAL WAGE, NONFARM (2009$)	42021	42749	43072	43352	43507	43583	43666	43736	43854	43962	44044
Percentage change	0.81	1.73	0.76	0.65	0.36	0.17	0.19	0.16	0.27	0.25	0.19
TN AVG ANNUAL WAGE, NONFARM ($)	45714	46779	47925	49054	50174	51299	52454	53648	54843	56072	57311
Percentage change	2.18	2.33	2.45	2.36	2.28	2.24	2.25	2.27	2.23	2.24	2.21

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Table 2: Selected Per Capita U.S. and Tennessee Economic Indicators **January 2015**

	Forecast Data										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
US GDP (2009$) SAAR……	50429	51569	52519	53489	54316	55400	56528	57532	58482	59464	60435
Percentage change.....	1.67	2.26	1.84	1.85	1.55	2.00	2.04	1.78	1.65	1.68	1.63
US GDP ($) SAAR……	54667	56897	59051	61292	63504	66096	68830	71461	74049	76753	79508
Percentage change.....	3.27	4.08	3.78	3.80	3.61	4.08	4.14	3.82	3.62	3.65	3.59
TN PERSONAL INCOME (2009$) SAAR……	37133	38080	38688	39288	39812	40432	41069	41644	42304	42959	43622
Percentage change.....	1.24	2.55	1.60	1.55	1.33	1.56	1.58	1.40	1.58	1.55	1.55
US PERSONAL INCOME (2009$) SAAR……	42405	43690	44684	45877	46764	47749	48810	49731	50629	51560	52529
Percentage change.....	1.76	3.03	2.28	2.67	1.93	2.11	2.22	1.89	1.81	1.84	1.88
TN PERSONAL INCOME ($) SAAR……	40396	41669	43047	44456	45913	47591	49336	51083	52905	54793	56764
Percentage change.....	2.61	3.15	3.31	3.27	3.28	3.65	3.67	3.54	3.57	3.57	3.60
US PERSONAL INCOME ($) SAAR……	46123	47739	49727	52050	54156	56441	58914	61260	63582	66036	68613
Percentage change.....	3.12	3.50	4.16	4.67	4.05	4.22	4.38	3.98	3.79	3.86	3.90
TN TAXABLE SALES (2009$)……	14674	14999	15092	15195	15282	15397	15522	15633	15772	15904	16041
Percentage change.....	1.83	2.21	0.62	0.68	0.57	0.75	0.81	0.71	0.89	0.84	0.86
TN TAXABLE SALES ($)……	15965	16413	16793	17194	17624	18123	18647	19176	19724	20286	20873
Percentage change.....	3.21	2.81	2.31	2.39	2.50	2.83	2.89	2.84	2.86	2.84	2.90

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Table 3: Tennessee Personal Income Components (millions of 2009 dollars) **January 2015**

	Forecast Data										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TN PERSONAL INCOME	244938	253824	260555	267301	273597	280624	287843	294694	302221	309782	317480
Percentage change	2.31	3.63	2.65	2.59	2.36	2.57	2.57	2.38	2.55	2.50	2.48
WAGES AND SALARIES	118659	122782	125529	128182	130266	131755	133302	134788	136440	137993	139379
Percentage change	2.70	3.48	2.24	2.11	1.63	1.14	1.17	1.11	1.23	1.14	1.00
OTHER LABOR INCOME	28431	29278	29808	30504	31127	31681	32290	32900	33548	34176	34786
Percentage change	1.47	2.98	1.81	2.34	2.04	1.78	1.92	1.89	1.97	1.87	1.78
PROPRIETORS INCOME	32771	34334	35794	36858	37789	39176	40488	41883	43463	45082	46767
Percentage change	2.84	4.77	4.25	2.97	2.52	3.67	3.35	3.45	3.77	3.72	3.74
RENT, INTEREST, DIVIDENDS	34869	36045	37183	38526	39634	41015	42270	43110	43993	45015	46048
Percentage change	1.95	3.37	3.16	3.61	2.88	3.48	3.06	1.99	2.05	2.32	2.29
TRANSFER PAYMENTS	50861	52495	53543	54728	56344	58593	61080	63561	66304	68995	71909
Percentage change	2.46	3.21	2.00	2.21	2.95	3.99	4.24	4.06	4.31	4.06	4.22
LESS: PERS CONT FOR SOC INS	19088	19484	19676	19870	19940	19981	19977	19945	19929	19888	19826
Percentage change	3.32	2.08	0.98	0.99	0.35	0.20	-0.02	-0.16	-0.08	-0.21	-0.31
RESIDENCE ADJUSTMENT	-1564	-1626	-1627	-1627	-1623	-1617	-1610	-1602	-1597	-1591	-1584
Percentage change	12.55	3.96	0.03	0.01	-0.23	-0.40	-0.40	-0.47	-0.34	-0.39	-0.43
PER CAPITA PERSONAL INCOME ($)	37133	38080	38688	39288	39812	40432	41069	41644	42304	42959	43622
Percentage change	1.24	2.55	1.60	1.55	1.33	1.56	1.58	1.40	1.58	1.55	1.55

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Table 4: Tennessee Personal Income Components (millions of current dollars) **January 2015**

	Forecast Data										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TN PERSONAL INCOME	266467	277754	289918	302468	315532	330317	345789	361495	377963	395128	413127
Percentage change	3.70	4.24	4.38	4.33	4.32	4.69	4.68	4.54	4.56	4.54	4.56
WAGES AND SALARIES	129088	134358	139674	145044	150229	155082	160134	165338	170631	176007	181366
Percentage change	4.09	4.08	3.96	3.84	3.58	3.23	3.26	3.25	3.20	3.15	3.04
OTHER LABOR INCOME	30930	32038	33167	34517	35898	37291	38790	40357	41955	43592	45265
Percentage change	2.84	3.58	3.52	4.07	4.00	3.88	4.02	4.04	3.96	3.90	3.84
PROPRIETORS INCOME	35651	37572	39828	41707	43581	46114	48640	51378	54357	57503	60858
Percentage change	4.24	5.39	6.01	4.72	4.49	5.81	5.48	5.63	5.80	5.79	5.84
RENT, INTEREST, DIVIDENDS	37934	39443	41373	43595	45710	48279	50780	52882	55018	57417	59920
Percentage change	3.33	3.98	4.89	5.37	4.85	5.62	5.18	4.14	4.04	4.36	4.36
TRANSFER PAYMENTS	55332	57444	59577	61928	64981	68971	73378	77971	82922	88006	93576
Percentage change	3.84	3.82	3.71	3.95	4.93	6.14	6.39	6.26	6.35	6.13	6.33
LESS: PERS CONT FOR SOC INS	20765	21320	21892	22483	22996	23518	23998	24466	24923	25367	25798
Percentage change	4.72	2.67	2.68	2.70	2.28	2.27	2.04	1.95	1.87	1.78	1.70
RESIDENCE ADJUSTMENT	-1702	-1779	-1810	-1841	-1872	-1903	-1934	-1966	-1997	-2029	-2061
Percentage change	14.08	4.55	1.71	1.70	1.68	1.66	1.65	1.63	1.61	1.59	1.58
PER CAPITA PERSONAL INCOME ($)	40396	41669	43047	44456	45913	47591	49336	51083	52905	54793	56764
Percentage change	2.61	3.15	3.31	3.27	3.28	3.65	3.67	3.54	3.57	3.57	3.60

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Table 5: Tennessee Nonfarm Employment by Sector, Seasonally Adjusted (thousands of jobs) **January 2015**

	Forecast Data										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL NONFARM	2802.4	2851.1	2893.9	2936.8	2974.6	3003.9	3033.9	3063.3	3092.9	3120.9	3146.8
Percentage change	1.87	1.74	1.50	1.48	1.29	0.99	1.00	0.97	0.97	0.90	0.83
NATURAL RESOURCES, MINING & CONSTRUCTION	112.9	116.9	120.9	124.7	127.5	130.0	132.4	134.4	135.4	136.4	137.3
Percentage change	4.44	3.48	3.46	3.13	2.25	1.97	1.82	1.49	0.81	0.73	0.66
MANUFACTURING	323.1	326.1	327.4	328.3	327.6	325.8	323.6	321.4	318.7	315.9	313.2
Percentage change	1.33	0.94	0.40	0.27	-0.22	-0.53	-0.67	-0.69	-0.83	-0.88	-0.86
DURABLE GOODS	205.7	209.5	211.9	214.0	214.6	214.2	213.5	212.7	211.5	210.2	209.0
Percentage change	3.20	1.82	1.18	0.99	0.27	-0.21	-0.33	-0.35	-0.56	-0.61	-0.60
NONDURABLE GOODS	117.3	116.6	115.5	114.2	112.9	111.6	110.2	108.7	107.2	105.7	104.3
Percentage change	-1.80	-0.60	-1.00	-1.05	-1.14	-1.16	-1.30	-1.34	-1.38	-1.39	-1.36
TRADE, TRANSPORTATION, UTILITIES	593.1	604.5	613.8	622.4	628.7	632.1	634.2	636.4	637.9	638.7	639.0
Percentage change	1.80	1.93	1.54	1.39	1.01	0.55	0.32	0.34	0.24	0.13	0.05
WHOLESALE TRADE	125.9	127.6	129.9	131.7	133.2	134.2	134.9	135.5	135.9	136.1	136.0
Percentage change	2.94	1.36	1.76	1.40	1.16	0.69	0.55	0.46	0.30	0.14	-0.06
RETAIL TRADE	319.6	325.1	328.2	331.4	333.1	334.1	334.4	335.1	335.7	336.0	336.3
Percentage change	1.35	1.72	0.93	0.99	0.52	0.31	0.07	0.21	0.18	0.08	0.11
TRANSPORTATION & UTILITIES	147.5	151.8	155.8	159.3	162.3	163.8	164.9	165.8	166.3	166.6	166.7
Percentage change	1.83	2.88	2.66	2.23	1.92	0.93	0.65	0.52	0.32	0.21	0.02
INFORMATION	43.2	43.2	43.3	43.4	43.4	43.6	44.0	44.4	44.8	45.0	45.2
Percentage change	-1.84	0.17	0.11	0.33	-0.13	0.45	1.05	0.86	0.91	0.41	0.55
FINANCIAL ACTIVITIES	139.4	141.4	142.3	143.2	143.1	142.5	142.6	142.7	142.7	142.7	142.7
Percentage change	1.36	1.38	0.67	0.63	-0.08	-0.42	0.06	0.07	0.04	0.01	-0.04
PROFESSIONAL & BUSINESS SERVICES	369.4	384.0	397.2	410.9	424.8	437.3	451.4	464.7	476.5	489.0	500.6
Percentage change	5.22	3.97	3.42	3.47	3.37	2.93	3.24	2.95	2.54	2.61	2.37
EDUCATION & HEALTH SERVICES	399.9	407.5	415.9	424.6	432.9	439.9	446.5	453.6	462.7	471.2	479.6
Percentage change	0.93	1.90	2.06	2.09	1.94	1.61	1.51	1.58	2.01	1.85	1.77
LEISURE & HOSPITALITY	298.8	307.9	314.6	321.0	326.9	329.7	332.7	335.2	339.3	342.1	344.7
Percentage change	4.24	3.04	2.16	2.07	1.83	0.84	0.93	0.76	1.22	0.81	0.77
OTHER SERVICES	106.9	107.8	108.2	108.4	108.2	107.6	107.5	107.8	108.1	108.5	108.6
Percentage change	1.60	0.84	0.30	0.24	-0.17	-0.54	-0.12	0.27	0.28	0.37	0.13
GOVERNMENT	415.9	412.2	410.8	410.2	412.0	415.9	419.4	423.2	427.1	431.7	436.2
Percentage change	-1.11	-0.89	-0.34	-0.14	0.43	0.94	0.84	0.90	0.92	1.08	1.04
FEDERAL, CIVILIAN	48.3	47.5	46.7	46.0	45.2	44.6	44.1	43.7	43.3	43.1	42.8
Percentage change	-3.07	-1.67	-1.75	-1.58	-1.62	-1.37	-1.06	-0.93	-0.86	-0.59	-0.59
STATE & LOCAL	367.6	364.7	364.1	364.3	366.8	371.3	375.3	379.5	383.8	388.7	393.4
Percentage change	-0.84	-0.79	-0.15	0.05	0.69	1.23	1.07	1.12	1.13	1.27	1.22

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Table 6: Tennessee Durable Goods Manufacturing Employment (thousands of jobs) **January 2015**

						Forecast Data					
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL DURABLE GOODS	205.7	209.5	211.9	214.0	214.6	214.2	213.5	212.7	211.5	210.2	209.0
Percentage change	3.20	1.82	1.18	0.99	0.27	-0.21	-0.33	-0.35	-0.56	-0.61	-0.60
WOOD PRODUCTS	10.9	10.9	10.9	10.9	10.9	10.9	10.9	10.9	10.9	10.9	10.8
Percentage change	0.47	0.39	-0.02	-0.14	-0.10	-0.15	0.23	0.21	-0.24	-0.24	-0.39
NONMETALLIC MINERALS	12.0	12.2	12.2	12.3	12.3	12.3	12.2	12.1	12.1	12.0	12.0
Percentage change	-1.82	1.15	0.43	0.39	0.39	-0.05	-0.86	-0.47	-0.55	-0.42	-0.48
PRIMARY METALS	10.1	10.3	10.5	10.7	10.7	10.6	10.5	10.4	10.3	10.2	10.2
Percentage change	1.65	1.59	1.87	1.72	0.17	-0.57	-1.05	-0.90	-0.77	-0.84	-0.85
FABRICATED METALS	34.2	34.6	34.7	34.9	34.8	34.6	34.4	34.2	34.0	33.9	33.7
Percentage change	1.31	1.03	0.40	0.36	-0.16	-0.55	-0.54	-0.56	-0.57	-0.43	-0.52
MACHINERY	27.0	27.6	28.0	28.4	28.8	29.1	29.3	29.3	29.3	29.2	29.1
Percentage change	4.02	2.35	1.32	1.72	1.40	0.93	0.57	0.22	-0.18	-0.24	-0.31
COMPUTERS & ELECTRONICS	5.2	5.1	4.9	4.6	4.5	4.3	4.2	4.0	3.9	3.7	3.6
Percentage change	-0.99	-2.39	-4.59	-4.78	-3.29	-3.28	-3.86	-3.48	-3.59	-3.58	-3.52
ELECTRICAL EQUIPMENT, APPLIANCES & COMPONENTS	19.6	20.1	20.5	20.7	20.7	20.7	20.7	20.7	20.7	20.6	20.6
Percentage change	6.87	2.76	1.67	1.27	-0.04	-0.21	0.10	0.19	-0.16	-0.31	-0.33
TRANSPORTATION EQUIPMENT	63.6	65.5	67.1	68.3	68.9	68.9	68.8	68.8	68.4	68.0	67.6
Percentage change	6.21	2.96	2.42	1.86	0.83	0.07	-0.11	-0.12	-0.45	-0.67	-0.52
FURNITURE	8.7	8.7	8.7	8.7	8.7	8.5	8.3	8.1	8.0	7.8	7.7
Percentage change	0.23	0.11	0.02	-0.07	-0.90	-2.10	-1.99	-2.06	-2.06	-1.95	-1.97
MISCELLANEOUS DURABLES	14.4	14.5	14.5	14.5	14.4	14.3	14.2	14.0	13.9	13.8	13.7
Percentage change	-0.23	0.77	0.30	0.08	-0.97	-0.80	-0.78	-0.90	-0.77	-0.74	-0.77

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Table 7: Tennessee Nondurable Goods Manufacturing Employment (thousands of jobs) **January 2015**

	Forecast Data										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL NONDURABLE GOODS	117.3	116.6	115.5	114.2	112.9	111.6	110.2	108.7	107.2	105.7	104.3
Percentage change	-1.80	-0.60	-1.00	-1.05	-1.14	-1.16	-1.30	-1.34	-1.38	-1.39	-1.36
FOOD	31.9	31.9	31.9	31.9	31.8	31.6	31.4	31.3	31.1	31.0	30.8
Percentage change	-1.14	0.01	0.13	-0.07	-0.43	-0.59	-0.52	-0.47	-0.59	-0.47	-0.60
BEVERAGE & TOBACCO	5.1	4.9	4.9	4.8	4.8	4.7	4.6	4.6	4.5	4.5	4.4
Percentage change	-3.20	-2.94	-1.38	-1.22	-1.25	-1.22	-1.20	-1.17	-1.16	-1.10	-1.06
TEXTILE MILLS, TEXTILE MILL PRODUCTS & APPAREL	10.1	9.9	9.6	9.2	8.9	8.6	8.4	8.1	7.8	7.6	7.3
Percentage change	-3.69	-1.53	-3.34	-3.55	-3.17	-3.40	-3.34	-3.23	-3.20	-3.15	-3.12
PAPER	14.3	14.0	13.7	13.3	13.0	12.8	12.5	12.3	12.2	12.2	12.1
Percentage change	-2.81	-1.90	-2.32	-2.41	-2.55	-1.88	-1.67	-1.66	-0.94	-0.54	-0.50
PRINTING & RELATED SUPPORT	9.2	8.9	8.6	8.3	8.0	7.8	7.6	7.4	7.3	7.0	6.9
Percentage change	-4.32	-3.42	-3.40	-3.72	-3.32	-2.50	-2.36	-2.53	-2.12	-2.87	-2.69
CHEMICALS	25.0	24.9	24.7	24.5	24.2	23.9	23.5	23.1	22.6	22.2	21.8
Percentage change	0.25	-0.30	-0.89	-0.73	-1.16	-1.11	-1.73	-1.87	-1.91	-1.95	-1.78
PLASTICS & RUBBER	20.2	20.4	20.4	20.4	20.5	20.5	20.5	20.3	20.1	19.8	19.5
Percentage change	-0.31	0.76	0.18	0.19	0.49	0.03	-0.40	-0.58	-1.20	-1.45	-1.44
MISCELLANEOUS NONDURABLE GOODS	1.7	1.8	1.8	1.8	1.7	1.7	1.6	1.6	1.5	1.5	1.5
Percentage change	-19.77	6.47	0.00	0.09	-0.88	-2.97	-3.03	-3.09	-2.91	-2.87	-2.81

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Table 8: Tennessee Average Annual Wage and Salary Rate by Sector (2009 dollars) **January 2015**

	Forecast Data										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL NONFARM	42021	42749	43072	43352	43507	43583	43666	43736	43854	43962	44044
Percentage change	0.81	1.73	0.76	0.65	0.36	0.17	0.19	0.16	0.27	0.25	0.19
NATURAL RESOURCES, MINING AND CONSTRUCTION	47263	48262	48571	48855	49004	49060	49094	49247	49488	49731	49916
Percentage change	2.81	2.11	0.64	0.59	0.31	0.11	0.07	0.31	0.49	0.49	0.37
MANUFACTURING	51536	52077	52316	52593	52766	52846	53052	53209	53502	53743	53976
Percentage change	1.15	1.05	0.46	0.53	0.33	0.15	0.39	0.30	0.55	0.45	0.43
DURABLE GOODS	50120	50843	51134	51396	51528	51561	51794	51981	52291	52548	52815
Percentage change	1.23	1.44	0.57	0.51	0.26	0.06	0.45	0.36	0.60	0.49	0.51
NONDURABLE GOODS	54018	54295	54486	54837	55117	55310	55489	55613	55890	56121	56302
Percentage change	1.24	0.51	0.35	0.64	0.51	0.35	0.32	0.22	0.50	0.41	0.32
TRADE, TRANSPORTATION, UTILITIES	38152	38751	39187	39505	39695	39759	39797	39777	39789	39767	39700
Percentage change	-0.54	1.57	1.13	0.81	0.48	0.16	0.10	-0.05	0.03	-0.05	-0.17
WHOLESALE TRADE	56885	58135	58985	59680	60132	60419	60645	60792	60994	61138	61227
Percentage change	-1.28	2.20	1.46	1.18	0.76	0.48	0.37	0.24	0.33	0.24	0.15
RETAIL TRADE	26264	26485	26620	26720	26741	26706	26657	26583	26538	26476	26396
Percentage change	0.24	0.84	0.51	0.38	0.08	-0.13	-0.19	-0.28	-0.17	-0.23	-0.30
TRANSPORTATION & UTILITIES	47918	48724	49150	49422	49500	49460	49388	49266	49202	49106	48976
Percentage change	-1.32	1.68	0.87	0.55	0.16	-0.08	-0.15	-0.25	-0.13	-0.20	-0.26
INFORMATION	58427	60110	60282	60596	60823	60982	61132	61233	61412	61538	61623
Percentage change	7.48	2.88	0.29	0.52	0.37	0.26	0.25	0.17	0.29	0.21	0.14
FINANCIAL ACTIVITIES	63337	63683	64303	64954	65434	65777	66081	66313	66611	66853	67036
Percentage change	2.04	0.55	0.97	1.01	0.74	0.53	0.46	0.35	0.45	0.36	0.27
PROFESSIONAL & BUSINESS SERVICES	48721	49994	50647	51252	51706	52043	52350	52590	52929	53303	53669
Percentage change	-0.21	2.61	1.31	1.19	0.88	0.65	0.59	0.46	0.65	0.71	0.69
EDUCATION & HEALTH SERVICES	43439	44307	44647	44937	45093	45148	45180	45351	45586	45788	45958
Percentage change	1.37	2.00	0.77	0.65	0.35	0.12	0.07	0.38	0.52	0.44	0.37
LEISURE & HOSPITALITY	19926	20821	21092	21223	21267	21262	21248	21214	21206	21183	21146
Percentage change	2.02	4.49	1.30	0.62	0.21	-0.02	-0.07	-0.16	-0.04	-0.11	-0.18
OTHER SERVICES	38159	38122	37845	37643	37411	37157	36924	36681	36500	36307	36101
Percentage change	3.16	-0.10	-0.73	-0.53	-0.62	-0.68	-0.63	-0.66	-0.49	-0.53	-0.57
GOVERNMENT	39428	39970	40012	40025	39952	39806	39660	39479	39347	39188	39007
Percentage change	0.15	1.38	0.11	0.03	-0.18	-0.37	-0.37	-0.46	-0.34	-0.40	-0.46
FEDERAL, CIVILIAN	66783	67298	67397	67406	67585	67709	67796	67808	67893	67920	67900
Percentage change	2.02	0.77	0.15	0.01	0.27	0.18	0.13	0.02	0.13	0.04	-0.03
STATE & LOCAL	35832	36409	36501	36571	36547	36456	36352	36217	36124	36003	35862
Percentage change	-0.07	1.61	0.25	0.19	-0.07	-0.25	-0.28	-0.37	-0.26	-0.33	-0.39

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Table 9: Tennessee Average Annual Wage and Salary Rate by Sector (current dollars) **January 2015**

						Forecast Data					
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL NONFARM	45714	46779	47925	49054	50174	51299	52454	53648	54843	56072	57311
Percentage change	2.18	2.33	2.45	2.36	2.28	2.24	2.25	2.27	2.23	2.24	2.21
NATURAL RESOURCES, MINING & CONSTRUCTION	51417	52811	54043	55281	56513	57745	58975	60409	61889	63430	64952
Percentage change	4.20	2.71	2.33	2.29	2.23	2.18	2.13	2.43	2.45	2.49	2.40
MANUFACTURING	56065	56986	58210	59511	60851	62201	63730	65269	66908	68547	70235
Percentage change	2.52	1.64	2.15	2.24	2.25	2.22	2.46	2.41	2.51	2.45	2.46
DURABLE GOODS	54524	55635	56894	58156	59424	60690	62219	63762	65394	67023	68725
Percentage change	2.60	2.04	2.26	2.22	2.18	2.13	2.52	2.48	2.56	2.49	2.54
NONDURABLE GOODS	58763	59412	60625	62049	63563	65102	66657	68217	69895	71580	73262
Percentage change	2.61	1.10	2.04	2.35	2.44	2.42	2.39	2.34	2.46	2.41	2.35
TRADE, TRANSPORTATION, UTILITIES	41503	42403	43602	44701	45777	46797	47807	48792	49759	50721	51659
Percentage change	0.80	2.17	2.83	2.52	2.41	2.23	2.16	2.06	1.98	1.93	1.85
WHOLESALE TRADE	61882	63615	65631	67530	69347	71115	72851	74570	76277	77978	79671
Percentage change	0.06	2.80	3.17	2.89	2.69	2.55	2.44	2.36	2.29	2.23	2.17
RETAIL TRADE	28571	28981	29619	30234	30839	31434	32022	32608	33188	33769	34346
Percentage change	1.59	1.44	2.20	2.08	2.00	1.93	1.87	1.83	1.78	1.75	1.71
TRANSPORTATION & UTILITIES	52128	53317	54688	55922	57085	58216	59327	60431	61531	62632	63728
Percentage change	0.01	2.28	2.57	2.26	2.08	1.98	1.91	1.86	1.82	1.79	1.75
INFORMATION	63562	65775	67074	68566	70143	71778	73436	75110	76800	78490	80185
Percentage change	8.94	3.48	1.97	2.23	2.30	2.33	2.31	2.28	2.25	2.20	2.16
FINANCIAL ACTIVITIES	68901	69685	71548	73498	75461	77423	79381	81342	83302	85268	87229
Percentage change	3.42	1.14	2.67	2.73	2.67	2.60	2.53	2.47	2.41	2.36	2.30
PROFESSIONAL & BUSINESS SERVICES	53004	54707	56354	57994	59629	61257	62886	64509	66192	67986	69835
Percentage change	1.14	3.21	3.01	2.91	2.82	2.73	2.66	2.58	2.61	2.71	2.72
EDUCATION & HEALTH SERVICES	47256	48483	49678	50848	52002	53141	54273	55630	57009	58400	59802
Percentage change	2.74	2.60	2.46	2.36	2.27	2.19	2.13	2.50	2.48	2.44	2.40
LEISURE & HOSPITALITY	21679	22784	23468	24015	24526	25026	25524	26022	26519	27018	27515
Percentage change	3.41	5.10	3.00	2.33	2.13	2.04	1.99	1.95	1.91	1.88	1.84
OTHER SERVICES	41511	41715	42108	42593	43143	43734	44355	44994	45646	46308	46975
Percentage change	4.55	0.49	0.94	1.15	1.29	1.37	1.42	1.44	1.45	1.45	1.44
GOVERNMENT	42893	43737	44520	45289	46074	46853	47642	48426	49205	49982	50757
Percentage change	1.51	1.97	1.79	1.73	1.73	1.69	1.68	1.65	1.61	1.58	1.55
FEDERAL, CIVILIAN	72653	73640	74989	76271	77942	79695	81441	83175	84905	86629	88353
Percentage change	3.41	1.36	1.83	1.71	2.19	2.25	2.19	2.13	2.08	2.03	1.99
STATE & LOCAL	38982	39840	40613	41381	42146	42909	43669	44424	45175	45920	46664
Percentage change	1.28	2.20	1.94	1.89	1.85	1.81	1.77	1.73	1.69	1.65	1.62

Table 10: Tennessee Civilian Labor Force and Unemployment Rate **January 2015**

	Forecast Data										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
CIVILIAN LABOR FORCE (THOUS)……	3025	3024	3055	3084	3109	3136	3163	3187	3210	3232	3258
Percentage change……	-1.49	-0.03	1.04	0.95	0.80	0.87	0.85	0.77	0.73	0.67	0.81
EMPLOYED PERSONS (THOUS)……	2817	2827	2866	2900	2929	2958	2987	3014	3039	3062	3090
Percentage change……	-0.05	0.35	1.38	1.19	0.97	1.01	0.99	0.88	0.84	0.76	0.91
UNEMPLOYED PERSONS (THOUS)……	207	197	189	184	180	178	175	173	171	170	168
Percentage change……	-17.59	-5.15	-3.87	-2.77	-1.87	-1.47	-1.42	-1.12	-1.15	-0.98	-1.06
PARTICIPATION RATE (PERCENT)……	57.7	57.0	56.9	56.8	56.6	56.5	56.4	56.3	56.1	55.9	55.8
Percentage change……	-2.65	-1.22	-0.13	-0.17	-0.28	-0.21	-0.20	-0.27	-0.29	-0.34	-0.15
UNEMPLOYMENT RATE (PERCENT)……	6.9	6.5	6.2	6.0	5.8	5.7	5.5	5.4	5.3	5.2	5.2

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Table 11: Tennessee Taxable Sales (millions of 2009 dollars) **January 2015**

						Forecast Data					
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL TAXABLE SALES	96799	99978	101643	103382	105021	106866	108791	110627	112676	114689	116745
Percentage change	2.91	3.28	1.67	1.71	1.59	1.76	1.80	1.69	1.85	1.79	1.79
AUTO DEALERS	9633	10160	10557	11001	11166	11235	11335	11418	11558	11651	11730
Percentage change	5.08	5.48	3.91	4.21	1.50	0.62	0.90	0.73	1.23	0.80	0.68
PURCHASES FROM MANUFACTURERS	3994	4179	4252	4329	4396	4448	4518	4573	4642	4713	4774
Percentage change	2.71	4.61	1.76	1.80	1.55	1.19	1.56	1.23	1.50	1.53	1.29
MISC DURABLE GOODS	16092	16631	16929	17192	17477	17875	18286	18671	19100	19532	19972
Percentage change	2.74	3.35	1.79	1.56	1.66	2.28	2.30	2.11	2.30	2.26	2.25
EATING AND DRINKING PLACES	10258	10654	10895	11165	11440	11763	12097	12414	12765	13120	13484
Percentage change	4.10	3.86	2.26	2.48	2.45	2.83	2.84	2.63	2.82	2.78	2.78
FOOD STORES	9517	9808	9943	10077	10210	10329	10455	10574	10731	10866	11021
Percentage change	1.31	3.06	1.38	1.35	1.31	1.17	1.22	1.13	1.49	1.26	1.43
LIQUOR STORES	817	847	866	889	915	949	985	1021	1062	1104	1148
Percentage change	4.81	3.76	2.21	2.68	2.93	3.65	3.82	3.68	3.97	3.98	4.02
HOTELS AND MOTELS	2661	2812	2879	2941	2998	3059	3120	3182	3247	3311	3376
Percentage change	12.50	5.65	2.39	2.15	1.93	2.04	2.00	2.00	2.02	1.97	1.99
OTHER RETAIL AND SERVICE	29786	30509	30856	31208	31734	32339	32982	33596	34221	34869	35515
Percentage change	3.12	2.43	1.14	1.14	1.68	1.91	1.99	1.86	1.86	1.89	1.85
MISC NONDURABLE GOODS	8298	8501	8641	8784	8911	9058	9206	9340	9493	9645	9798
Percentage change	2.44	2.45	1.65	1.65	1.45	1.65	1.64	1.46	1.64	1.60	1.58
TRANSPORTATION, COMMUNICATION	5743	5878	5824	5795	5775	5811	5807	5837	5857	5879	5926
Percentage change	-3.67	2.33	-0.91	-0.50	-0.34	0.61	-0.06	0.52	0.34	0.36	0.81
PER CAPITA ($)	14674	14999	15092	15195	15282	15397	15522	15633	15772	15904	16041
Percentage change	1.83	2.21	0.62	0.68	0.57	0.75	0.81	0.71	0.89	0.84	0.86

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Table 12: Tennessee Taxable Sales (millions of current dollars) **January 2015**

	Forecast Data										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL TAXABLE SALES	105310	109402	113096	116982	121117	125788	130691	135702	140913	146284	151915
Percentage change	4.31	3.89	3.38	3.44	3.53	3.86	3.90	3.83	3.84	3.81	3.85
AUTO DEALERS	10480	11118	11747	12449	12877	13224	13617	14006	14454	14860	15263
Percentage change	6.50	6.09	5.66	5.97	3.44	2.69	2.98	2.86	3.20	2.81	2.71
PURCHASES FROM MANUFACTURERS	4346	4572	4731	4898	5070	5236	5427	5610	5805	6011	6212
Percentage change	4.10	5.21	3.48	3.53	3.50	3.28	3.65	3.37	3.48	3.55	3.34
MISC DURABLE GOODS	17508	18199	18836	19454	20156	21040	21967	22903	23887	24913	25989
Percentage change	4.14	3.95	3.50	3.28	3.61	4.39	4.40	4.26	4.30	4.30	4.32
EATING AND DRINKING PLACES	11160	11658	12123	12634	13193	13846	14532	15228	15964	16735	17547
Percentage change	5.51	4.47	3.99	4.22	4.42	4.95	4.95	4.79	4.83	4.83	4.85
FOOD STORES	10354	10733	11064	11403	11774	12158	12559	12970	13420	13859	14341
Percentage change	2.69	3.67	3.08	3.07	3.26	3.26	3.30	3.27	3.47	3.27	3.48
LIQUOR STORES	888	927	964	1006	1056	1117	1183	1253	1328	1408	1495
Percentage change	6.23	4.36	3.93	4.42	4.91	5.79	5.96	5.87	6.00	6.05	6.12
HOTELS AND MOTELS	2896	3077	3203	3328	3457	3601	3748	3904	4060	4223	4394
Percentage change	14.04	6.25	4.12	3.88	3.89	4.15	4.10	4.15	4.01	4.00	4.05
OTHER RETAIL AND SERVICE	32404	33385	34333	35313	36597	38065	39622	41211	42797	44475	46214
Percentage change	4.52	3.03	2.84	2.86	3.64	4.01	4.09	4.01	3.85	3.92	3.91
MISC NONDURABLE GOODS	9027	9302	9614	9939	10277	10662	11059	11457	11872	12302	12749
Percentage change	3.83	3.04	3.36	3.38	3.40	3.75	3.73	3.60	3.62	3.62	3.64
TRANSPORTATION, COMMUNICATION	6248	6431	6480	6557	6660	6840	6976	7160	7325	7498	7712
Percentage change	-2.36	2.93	0.76	1.19	1.57	2.69	2.00	2.64	2.30	2.36	2.85
PER CAPITA ($)	15965	16413	16793	17194	17624	18123	18647	19176	19724	20286	20873
Percentage change	3.21	2.81	2.31	2.39	2.50	2.83	2.89	2.84	2.86	2.84	2.90

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Table 13: Tennessee Gross Domestic Product by Sector (millions of 2009 dollars) **January 2015**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
GROSS DOMESTIC PRODUCT	277,763	285,240	292,640	300,412	308,210	315,827	324,066	332,346	340,934	349,768	358,627
Percentage change	2.89	2.69	2.59	2.66	2.60	2.47	2.61	2.56	2.58	2.59	2.53
NATURAL RESOURCES & MINING	3,094	3,190	3,286	3,392	3,495	3,569	3,647	3,724	3,806	3,891	3,977
Percentage change	4.02	3.11	3.03	3.20	3.04	2.12	2.19	2.12	2.20	2.24	2.20
CONSTRUCTION	9,487	9,758	10,007	10,255	10,502	10,737	10,990	11,241	11,496	11,773	12,045
Percentage change	3.39	2.86	2.55	2.48	2.40	2.24	2.36	2.28	2.27	2.41	2.31
MANUFACTURING	45,453	46,714	47,869	49,033	50,179	51,280	52,463	53,639	54,836	56,131	57,404
Percentage change	3.06	2.77	2.47	2.43	2.34	2.19	2.31	2.24	2.23	2.36	2.27
DURABLE GOODS	26,314	27,296	28,140	28,976	29,845	30,624	31,491	32,330	33,185	34,125	35,069
Percentage change	4.57	3.73	3.09	2.97	3.00	2.61	2.83	2.66	2.65	2.83	2.77
NONDURABLE GOODS	19,139	19,418	19,729	20,057	20,333	20,656	20,972	21,309	21,650	22,007	22,336
Percentage change	1.05	1.46	1.60	1.66	1.38	1.58	1.53	1.61	1.60	1.65	1.50
TRADE, TRANSPORATION, UTILITIES	52,511	53,745	55,005	56,326	57,706	59,138	60,490	61,797	63,209	64,590	65,973
Percentage change	3.81	3.65	3.43	3.20	2.86	2.34	2.13	2.11	2.00	1.87	1.76
WHOLESALE TRADE	18,067	18,670	19,281	19,915	20,584	21,304	22,018	22,734	23,438	24,125	24,781
Percentage change	2.92	3.34	3.27	3.29	3.36	3.50	3.35	3.25	3.10	2.93	2.72
RETAIL TRADE	19,477	19,841	20,238	20,644	21,084	21,535	21,955	22,348	22,809	23,256	23,718
Percentage change	0.80	1.87	2.00	2.01	2.13	2.14	1.95	1.79	2.06	1.96	1.99
TRANSPORTATION & UTILITIES	14,967	15,234	15,487	15,767	16,038	16,298	16,516	16,715	16,962	17,210	17,473
Percentage change	2.46	1.78	1.66	1.81	1.72	1.62	1.34	1.20	1.48	1.46	1.53
INFORMATION	8,981	9,503	10,050	10,651	11,236	11,923	12,727	13,560	14,455	15,333	16,286
Percentage change	4.11	5.82	5.75	5.98	5.50	6.11	6.74	6.55	6.60	6.07	6.22
FINANCIAL ACTIVITIES	45,143	46,484	47,664	48,951	50,190	51,289	52,664	54,080	55,519	56,979	58,449
Percentage change	2.60	2.97	2.54	2.70	2.53	2.19	2.68	2.69	2.66	2.63	2.58
PROFESSIONAL & BUSINESS SERVICES	33,057	34,657	36,462	38,377	40,357	42,258	44,379	46,478	48,481	50,605	52,700
Percentage change	7.23	4.84	5.21	5.25	5.16	4.71	5.02	4.73	4.31	4.38	4.14
EDUCATION & HEALTH SERVICES	30,163	30,842	31,589	32,359	33,104	33,756	34,384	35,047	35,874	36,664	37,441
Percentage change	2.94	2.25	2.42	2.44	2.30	1.97	1.86	1.93	2.36	2.20	2.12
LEISURE & HOSPITALITY	11,670	12,020	12,276	12,524	12,764	13,011	13,283	13,549	13,819	14,087	14,379
Percentage change	3.08	3.00	2.13	2.02	1.92	1.93	2.09	2.01	1.99	1.94	2.07
OTHER SERVICES	6,675	6,638	6,567	6,492	6,436	6,384	6,325	6,254	6,185	6,123	6,046
Percentage change	0.09	-0.55	-1.08	-1.14	-0.86	-0.81	-0.92	-1.12	-1.10	-1.01	-1.25
GOVERNMENT	31,530	31,689	31,865	32,052	32,242	32,484	32,715	32,977	33,253	33,592	33,927
Percentage change	0.16	0.51	0.55	0.59	0.59	0.75	0.71	0.80	0.84	1.02	1.00
FEDERAL	7,547	7,347	7,145	6,961	6,780	6,620	6,484	6,360	6,243	6,144	6,047
Percentage change	-3.44	-2.65	-2.75	-2.57	-2.61	-2.36	-2.05	-1.92	-1.84	-1.58	-1.57
STATE & LOCAL	23,983	24,342	24,720	25,090	25,462	25,864	26,231	26,617	27,011	27,448	27,879
Percentage change	1.35	1.50	1.55	1.50	1.48	1.58	1.42	1.47	1.48	1.62	1.57

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Table 14: Tennessee Durable Goods Manufacturing Gross Domestic Product (millions of 2009 dollars) **January 2015**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
DURABLE GOODS	26,314	27,296	28,140	28,976	29,845	30,624	31,491	32,330	33,185	34,125	35,069
Percentage change	4.57	3.73	3.09	2.97	3.00	2.61	2.83	2.66	2.65	2.83	2.77
WOOD PRODUCTS	719	748	765	779	797	813	828	847	866	884	899
Percentage change	3.36	4.09	2.21	1.91	2.31	1.95	1.90	2.31	2.27	1.97	1.78
NONMETALLIC MINERAL PRODUCTS	1,188	1,214	1,231	1,248	1,265	1,276	1,293	1,312	1,331	1,346	1,360
Percentage change	3.08	2.13	1.41	1.37	1.37	0.93	1.30	1.45	1.47	1.11	1.03
PRIMARY METALS	1,334	1,389	1,442	1,501	1,550	1,598	1,625	1,648	1,680	1,712	1,740
Percentage change	3.99	4.11	3.85	4.07	3.22	3.14	1.69	1.38	1.97	1.89	1.66
FABRICATED METAL PRODUCTS	3,546	3,603	3,637	3,671	3,686	3,710	3,730	3,755	3,779	3,809	3,839
Percentage change	1.21	1.59	0.96	0.93	0.40	0.67	0.52	0.67	0.66	0.79	0.77
MACHINERY	2,834	2,915	2,983	3,051	3,139	3,211	3,302	3,382	3,474	3,567	3,659
Percentage change	2.46	2.84	2.35	2.28	2.88	2.30	2.82	2.44	2.72	2.66	2.59
COMPUTER & ELECTRONIC PRODUCTS	1,461	1,552	1,654	1,763	1,886	2,003	2,140	2,279	2,427	2,591	2,747
Percentage change	7.00	6.21	6.56	6.59	7.00	6.17	6.85	6.48	6.49	6.76	6.05
ELECTRICAL EQUIPMENT, APPLIANCES & COMPONENTS	3,428	3,564	3,674	3,774	3,889	4,009	4,118	4,242	4,369	4,498	4,637
Percentage change	4.07	3.98	3.07	2.74	3.03	3.10	2.71	3.02	2.98	2.96	3.08
MOTOR VEHICLES, BODIES & TRAILERS, & PARTS	8,466	8,907	9,269	9,633	10,017	10,323	10,715	11,061	11,405	11,796	12,192
Percentage change	8.09	5.21	4.07	3.92	3.99	3.06	3.79	3.23	3.11	3.43	3.36
OTHER TRANSPORTATION EQUIPMENT	623	664	705	745	778	807	835	865	892	919	947
Percentage change	7.02	6.71	6.15	5.57	4.50	3.71	3.53	3.52	3.18	2.95	3.10
FURNITURE	397	391	386	381	377	371	366	360	354	349	344
Percentage change	-1.75	-1.47	-1.45	-1.18	-1.00	-1.61	-1.50	-1.57	-1.57	-1.46	-1.48
MISCELLANEOUS DURABLE GOODS	2,318	2,349	2,394	2,430	2,461	2,501	2,539	2,580	2,607	2,655	2,704
Percentage change	1.47	1.35	1.91	1.52	1.29	1.62	1.52	1.59	1.06	1.83	1.86

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Table 15: Tennessee Nondurable Goods Manufacturing Gross Domestic Product (millions of 2009 dollars) **January 2014**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
NONDURABLE GOODS	19,139	19,418	19,729	20,057	20,333	20,656	20,972	21,309	21,650	22,007	22,336
Percentage change	1.05	1.46	1.60	1.66	1.38	1.58	1.53	1.61	1.60	1.65	1.50
FOOD AND BEVERAGE & TOBACCO	7,277	7,436	7,622	7,802	7,960	8,112	8,271	8,438	8,599	8,773	8,940
Percentage change	1.13	2.18	2.51	2.36	2.03	1.90	1.97	2.01	1.91	2.02	1.91
TEXTILE MILLS & TEXTILE PRODUCT MILLS	321	325	322	318	315	310	306	301	297	293	290
Percentage change	-4.57	1.41	-1.03	-1.18	-1.00	-1.54	-1.49	-1.41	-1.35	-1.31	-1.27
APPAREL & LEATHER PRODUCTS	220	210	200	192	184	177	170	164	159	154	149
Percentage change	-2.99	-4.82	-4.34	-4.23	-4.06	-3.93	-3.82	-3.55	-3.20	-3.15	-3.13
PAPER	2,629	2,678	2,716	2,752	2,785	2,837	2,897	2,958	3,042	3,111	3,183
Percentage change	0.93	1.86	1.43	1.33	1.19	1.88	2.10	2.11	2.86	2.27	2.31
PRINTING & RELATED SUPPORT	1,040	1,036	1,032	1,029	1,027	1,025	1,025	1,025	1,028	1,032	1,037
Percentage change	-0.50	-0.40	-0.35	-0.25	-0.25	-0.19	0.02	0.03	0.28	0.38	0.44
CHEMICALS	5,728	5,795	5,879	5,988	6,065	6,181	6,280	6,394	6,504	6,633	6,736
Percentage change	1.96	1.18	1.45	1.85	1.29	1.91	1.60	1.82	1.71	1.99	1.55
PLASTICS & RUBBER	1,622	1,630	1,642	1,655	1,673	1,683	1,686	1,686	1,676	1,661	1,647
Percentage change	0.28	0.48	0.77	0.78	1.07	0.62	0.18	0.00	-0.62	-0.87	-0.87
MISCELLANEOUS NONDURABLE GOODS	304	310	315	320	324	331	337	342	346	349	355
Percentage change	1.87	1.93	1.90	1.59	1.25	1.96	1.86	1.54	1.05	1.04	1.51

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APPENDIX B: HISTORICAL DATA

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Appendix B: Historical Data

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Table 1: Selected U.S. and Tennessee Economic Indicators, Seasonally Adjusted **January 2015**

	Historical Data														Annual		
	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1	2014:2	2014:3	2011	2012	2013
US GDP (Bil2009$) SAAR	14989.6	15021.1	15190.3	15275.0	15336.7	15431.3	15433.7	15538.4	15606.6	15779.9	15916.2	15831.7	16010.4	16205.6	15020.6	15369.2	15710.3
% Chg Prev Qtr SAAR	2.94	0.84	4.58	2.25	1.63	2.49	0.06	2.74	1.77	4.52	3.50	-2.11	4.59	4.97	1.60	2.32	2.22
% Chg Same Qtr Last Yr	1.65	1.18	1.68	2.65	2.32	2.73	1.60	1.72	1.76	2.26	3.13	1.89	2.59	2.70	1.60	2.32	2.22
US GDP (Bil$) SAAR	15460.9	15587.1	15785.3	15956.5	16094.7	16268.9	16332.5	16502.4	16619.2	16872.3	17078.3	17044.0	17328.2	17599.8	15517.9	16163.2	16768.1
% Chg Prev Qtr SAAR	5.97	3.31	5.18	4.41	3.51	4.40	1.57	4.23	2.86	6.23	4.97	-0.80	6.84	6.42	3.70	4.16	3.74
% Chg Same Qtr Last Yr	3.84	3.52	3.64	4.71	4.10	4.37	3.47	3.42	3.26	3.71	4.57	3.28	4.27	4.31	3.70	4.16	3.74
TN PERSONAL INCOME (MIL2009$) SAAR	227399	228805	229217	234437	236603	236864	241507	237727	239104	239958	240843	242776	243989	245163	228229	237353	239408
% Chg Prev Qtr SAAR	-0.17	2.50	0.72	9.42	3.75	0.44	8.07	-6.12	2.34	1.44	1.48	3.25	2.01	1.94	3.03	4.00	0.87
% Chg Same Qtr Last Yr	2.88	2.70	2.26	3.05	4.05	3.52	5.36	1.40	1.06	1.31	-0.28	2.12	2.04	2.17	3.03	4.00	0.87
US PERSONAL INCOME (BIL2009$) SAAR	12632	12711	12716	12938	13014	13021	13401	13069	13198	13251	13278	13392	13477	13556	12676	13093	13199
% Chg Prev Qtr SAAR	-0.44	2.53	0.15	7.18	2.36	0.23	12.18	-9.54	4.00	1.62	0.80	3.51	2.55	2.38	3.67	3.29	0.81
% Chg Same Qtr Last Yr	3.58	3.44	2.62	2.31	3.02	2.44	5.39	1.01	1.42	1.77	-0.92	2.48	2.12	2.30	3.67	3.29	0.81
TN PERSONAL INCOME (MIL$) SAAR	236592	239318	240577	247354	250468	251559	257628	254251	256019	258003	259602	262577	265417	267532	237703	251752	256969
% Chg Prev Qtr SAAR	3.93	4.69	2.12	11.75	5.13	1.75	10.00	-5.14	2.81	3.14	2.50	4.66	4.40	3.23	5.56	5.91	2.07
% Chg Same Qtr Last Yr	5.57	5.63	4.98	5.56	5.86	5.12	7.09	2.79	2.22	2.56	0.77	3.27	3.67	3.69	5.56	5.91	2.07
US PERSONAL INCOME (BIL$) SAAR	13142	13295	13346	13651	13776	13829	14295	13977	14131	14247	14312	14485	14661	14792	13202	13888	14167
% Chg Prev Qtr SAAR	3.64	4.73	1.54	9.46	3.73	1.54	14.18	-8.60	4.48	3.33	1.82	4.92	4.94	3.64	6.22	5.19	2.01
% Chg Same Qtr Last Yr	6.28	6.39	5.35	4.80	4.82	4.02	7.11	2.39	2.58	3.03	0.12	3.63	3.74	3.82	6.22	5.19	2.01
TN NONFARM JOBS (THOUS)	2654.2	2670.8	2684.4	2700.3	2711.9	2714.8	2730.4	2738.1	2743.4	2751.7	2770.3	2779.6	2797.5	2810.6	2661.4	2714.3	2750.9
% Chg Prev Qtr SAAR	2.75	2.53	2.04	2.39	1.73	0.43	2.32	1.14	0.77	1.22	2.73	1.35	2.59	1.89	1.77	1.99	1.35
% Chg Same Qtr Last Yr	1.37	1.94	2.13	2.43	2.17	1.64	1.71	1.40	1.16	1.36	1.46	1.52	1.97	2.14	1.77	1.99	1.35
US NONFARM JOBS (MIL)	131.7	132.1	132.6	133.4	133.9	134.3	134.9	135.5	136.1	136.6	137.2	137.8	138.5	139.2	131.8	134.1	136.4
% Chg Prev Qtr SAAR	2.03	1.34	1.66	2.36	1.31	1.23	1.77	1.91	1.75	1.59	1.84	1.49	2.21	2.10	1.21	1.71	1.69
% Chg Same Qtr Last Yr	0.99	1.34	1.52	1.85	1.67	1.64	1.67	1.56	1.67	1.76	1.78	1.67	1.78	1.91	1.21	1.71	1.69
TN MFG JOBS (THOUS)	303.8	304.6	306.9	309.3	313.5	314.6	316.1	317.7	318.2	318.4	321.0	320.3	322.4	324.4	304.4	313.4	318.8
% Chg Prev Qtr SAAR	1.79	1.10	3.08	3.13	5.50	1.49	1.87	2.01	0.73	0.21	3.25	-0.81	2.65	2.50	1.84	2.94	1.74
% Chg Same Qtr Last Yr	1.49	1.66	2.45	2.27	3.19	3.29	2.99	2.71	1.52	1.20	1.54	0.83	1.31	1.88	1.84	2.94	1.74
US MFG JOBS (MIL)	11.7	11.8	11.8	11.9	11.9	12.0	12.0	12.0	12.0	12.0	12.0	12.1	12.1	12.2	11.7	11.9	12.0
% Chg Prev Qtr SAAR	2.19	1.67	0.66	2.92	2.11	1.05	-0.16	1.46	-0.08	-0.23	1.62	1.30	1.18	1.63	1.71	1.71	0.65
% Chg Same Qtr Last Yr	1.66	1.75	1.76	1.86	1.84	1.68	1.47	1.11	0.57	0.25	0.69	0.65	0.96	1.43	1.71	1.71	0.65
TN UNEMPLOYMENT RATE (%)	9.5	9.4	8.7	8.2	8.2	8.3	8.1	8.2	8.4	8.3	7.9	6.9	6.4	7.3	9.3	8.2	8.2
US UNEMPLOYMENT RATE (%)	9.1	9.0	8.6	8.2	8.2	8.0	7.8	7.7	7.5	7.2	7.0	6.7	6.2	6.1	8.9	8.1	7.4

(CONTINUED ON NEXT PAGE)

Table 1: Selected U.S. and Tennessee Economic Indicators, Seasonally Adjusted **January 2015**

	Historical Data														Annual		
	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1	2014:2	2014:3	2011	2012	2013
CHAINED PRICE INDEX, GDP																	
(2009=100.0).....	103.2	103.8	103.9	104.5	104.9	105.5	105.8	106.2	106.5	106.9	107.3	107.7	108.3	108.6	103.3	105.2	106.7
% Chg Prev Qtr SAAR.....	3.01	2.35	0.55	2.13	1.84	2.07	1.32	1.33	1.22	1.69	1.52	1.30	2.12	1.42	2.06	1.80	1.49
% Chg Same Qtr Last Yr.....	2.17	2.29	1.91	2.00	1.71	1.64	1.84	1.64	1.48	1.39	1.44	1.43	1.66	1.59	2.06	1.80	1.49
US PERS CONSUMP DEFL (2009=100.0)...	104.0	104.6	105.0	105.5	105.9	106.2	106.7	107.0	107.1	107.5	107.8	108.2	108.8	109.1	104.1	106.1	107.3
% Chg Prev Qtr SAAR.....	4.10	2.14	1.39	2.13	1.33	1.31	1.79	1.04	0.46	1.68	1.00	1.37	2.34	1.23	2.46	1.84	1.20
% Chg Same Qtr Last Yr.....	2.61	2.85	2.66	2.43	1.75	1.54	1.64	1.37	1.15	1.24	1.04	1.13	1.60	1.48	2.46	1.84	1.20
CONSUMER PRICE INDEX,																	
ALL-URBAN (82-84=1.000).....	2.247	2.261	2.270	2.282	2.290	2.299	2.313	2.320	2.322	2.335	2.341	2.352	2.370	2.377	2.249	2.296	2.330
% Chg Prev Qtr SAAR.....	4.96	2.64	1.55	2.10	1.38	1.71	2.41	1.19	0.40	2.16	1.14	1.91	3.03	1.10	3.14	2.07	1.46
% Chg Same Qtr Last Yr.....	3.38	3.73	3.34	2.81	1.92	1.69	1.90	1.67	1.43	1.54	1.22	1.40	2.06	1.79	3.14	2.07	1.46
BANK PRIME INTEREST RATE (%).....	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3
FEDERAL FUNDS RATE (% per annum).....	0.093	0.083	0.073	0.103	0.153	0.143	0.160	0.143	0.117	0.083	0.087	0.073	0.093	0.090	0.102	0.140	0.108
30-YEAR FIXED MORTGAGE RATE (%).....	4.7	4.3	4.0	3.9	3.8	3.6	3.4	3.5	3.7	4.4	4.3	4.4	4.2	4.1	4.5	3.7	4.0
TN TAXABLE SALES (MIL2009$).....	22368	22662	22809	23501	22973	22890	23091	23356	23490	23450	23763	23783	23848	24566	89915	92455	94059
% Chg Prev Qtr SAAR.....	5.39	5.37	2.61	12.71	-8.69	-1.45	3.56	4.68	2.32	-0.69	5.45	0.34	1.09	12.60	3.40	2.82	1.74
% Chg Same Qtr Last Yr.....	2.57	3.80	3.94	6.46	2.71	1.00	1.24	-0.62	2.25	2.45	2.91	1.83	1.52	4.76	3.40	2.82	1.74
TN TAXABLE SALES (MIL$).....	23272	23704	23939	24796	24320	24310	24632	24980	25152	25213	25614	25723	25943	26808	93654	98057	100959
% Chg Prev Qtr SAAR.....	9.72	7.62	4.03	15.11	-7.47	-0.16	5.41	5.77	2.79	0.97	6.51	1.72	3.45	14.03	5.94	4.70	2.96
% Chg Same Qtr Last Yr.....	5.25	6.76	6.70	9.05	4.50	2.56	2.89	0.74	3.42	3.72	3.99	2.98	3.14	6.33	5.94	4.70	2.96
TN AVG ANNUAL WAGE, NONFARM																	
(2009$).....	41297	41514	40806	41940	42034	41782	42313	41818	41738	41594	41576	42063	41881	41906	41318	42017	41681
% Chg Prev Qtr SAAR.....	-3.40	2.12	-6.65	11.59	0.90	-2.38	5.18	-4.60	-0.76	-1.37	-0.17	4.77	-1.72	0.24	-0.31	1.69	-0.80
% Chg Same Qtr Last Yr.....	-0.26	-0.11	-2.04	0.68	1.78	0.64	3.69	-0.29	-0.70	-0.45	-1.74	0.59	0.34	0.75	-0.31	1.69	-0.80
TN AVG ANNUAL WAGE, NONFARM ($)....	42966	43422	42828	44251	44497	44374	45137	44725	44690	44722	44815	45494	45559	45730	43031	44565	44738
% Chg Prev Qtr SAAR.....	0.57	4.31	-5.36	13.97	2.24	-1.10	7.06	-3.61	-0.31	0.28	0.83	6.20	0.57	1.51	2.13	3.57	0.39
% Chg Same Qtr Last Yr.....	2.35	2.73	0.57	3.13	3.56	2.19	5.39	1.07	0.43	0.78	-0.72	1.72	1.94	2.25	2.13	3.57	0.39

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Table 2: Selected Per Capita U.S. and Tennessee Economic Indicators, Seasonally Adjusted **January 2015**

	Historical Data														Annual		
	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1	2014:2	2014:3	2011	2012	2013
US GDP (2009$) SAAR	48044	48044	48505	48701	48810	49011	48937	49192	49320	49766	50114	49771	50235	50744	48094	48865	49599
% Chg Prev Qtr SAAR	2.21	0.01	3.89	1.62	0.90	1.65	-0.60	2.10	1.04	3.67	2.82	-2.71	3.79	4.11	0.87	1.60	1.50
% Chg Same Qtr Last Yr	0.92	0.45	0.96	1.92	1.60	2.01	0.89	1.01	1.05	1.54	2.40	1.18	1.86	1.96	0.87	1.60	1.50
US GDP ($) SAAR	49554	49855	50405	50874	51223	51671	51787	52244	52520	53212	53773	53582	54370	55109	49687	51389	52939
% Chg Prev Qtr SAAR	5.21	2.45	4.49	3.77	2.77	3.55	0.90	3.58	2.13	5.37	4.29	-1.41	6.02	5.55	2.95	3.43	3.01
% Chg Same Qtr Last Yr	3.10	2.77	2.91	3.97	3.37	3.64	2.74	2.69	2.53	2.98	3.83	2.56	3.52	3.57	2.95	3.43	3.01
TN PERSONAL INCOME (2009$) SAAR	35639	35762	35731	36447	36685	36628	37247	36567	36681	36715	36753	36951	37038	37119	35721	36752	36679
% Chg Prev Qtr SAAR	-1.24	1.39	-0.36	8.26	2.65	-0.62	6.93	-7.11	1.26	0.37	0.42	2.17	0.95	0.87	2.09	2.89	-0.20
% Chg Same Qtr Last Yr	2.00	1.71	1.16	1.95	2.94	2.42	4.24	0.33	-0.01	0.24	-1.33	1.05	0.97	1.10	2.09	2.89	-0.20
US PERSONAL INCOME (2009$) SAAR	40486	40655	40603	41249	41417	41356	42490	41374	41708	41791	41806	42102	42286	42448	40587	41629	41670
% Chg Prev Qtr SAAR	-1.15	1.68	-0.51	6.52	1.63	-0.59	11.44	-10.10	3.27	0.80	0.14	2.87	1.76	1.54	2.93	2.57	0.10
% Chg Same Qtr Last Yr	2.83	2.70	1.89	1.59	2.30	1.72	4.65	0.30	0.70	1.05	-1.61	1.76	1.39	1.57	2.93	2.57	0.10
TN PERSONAL INCOME ($) SAAR	37080	37406	37501	38455	38835	38901	39734	39109	39276	39476	39616	39965	40291	40505	37203	38981	39369
% Chg Prev Qtr SAAR	2.81	3.56	1.03	10.56	4.02	0.68	8.84	-6.14	1.73	2.05	1.43	3.57	3.30	2.15	4.59	4.78	1.00
% Chg Same Qtr Last Yr	4.66	4.61	3.85	4.43	4.73	4.00	5.95	1.70	1.14	1.48	-0.30	2.19	2.58	2.61	4.59	4.78	1.00
US PERSONAL INCOME ($) SAAR	42122	42523	42615	43522	43844	43921	45327	44250	44658	44933	45062	45536	46000	46318	42271	44155	44726
% Chg Prev Qtr SAAR	2.90	3.86	0.87	8.79	2.99	0.71	13.43	-9.17	3.74	2.49	1.15	4.28	4.14	2.79	5.45	4.46	1.29
% Chg Same Qtr Last Yr	5.51	5.63	4.60	4.06	4.09	3.29	6.36	1.67	1.86	2.30	-0.58	2.91	3.00	3.08	5.45	4.46	1.29
TN TAXABLE SALES (2009$)	3506	3542	3555	3654	3562	3540	3561	3593	3604	3588	3626	3620	3620	3719	14072	14316	14411
% Chg Prev Qtr SAAR	4.26	4.23	1.51	11.51	-9.66	-2.49	2.46	3.57	1.24	-1.74	4.35	-0.71	0.04	11.43	2.45	1.73	0.66
% Chg Same Qtr Last Yr	1.70	2.80	2.82	5.31	1.61	-0.07	0.16	-1.67	1.17	1.37	1.83	0.76	0.46	3.67	2.45	1.73	0.66
TN TAXABLE SALES ($)	3647	3705	3732	3855	3771	3759	3799	3842	3859	3858	3909	3915	3938	4059	14657	15184	15468
% Chg Prev Qtr SAAR	8.54	6.46	2.92	13.88	-8.45	-1.22	4.29	4.65	1.71	-0.09	5.40	0.65	2.37	12.83	4.97	3.59	1.87
% Chg Same Qtr Last Yr	4.35	5.73	5.55	7.88	3.38	1.47	1.80	-0.33	2.33	2.62	2.89	1.89	2.06	5.21	4.97	3.59	1.87

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Table 3: Tennessee Personal Income Components, Seasonally Adjusted Annual Rates (millions of 2009 dollars) **January 2015**

	Historical Data														Annual		
	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1	2014:2	2014:3	2011	2012	2013
TN PERSONAL INCOME	227399	228805	229217	234437	236603	236864	241507	237727	239104	239958	240843	242776	243989	245163	228229	237353	239408
% Chg Prev Qtr SAAR	-0.17	2.50	0.72	9.42	3.75	0.44	8.07	-6.12	2.34	1.44	1.48	3.25	2.01	1.94	3.03	4.00	0.87
% Chg Same Qtr Last Yr	2.88	2.70	2.26	3.05	4.05	3.52	5.36	1.40	1.06	1.31	-0.28	2.12	2.04	2.17	3.03	4.00	0.87
WAGES AND SALARIES	110506	111750	110409	114138	114881	114315	116425	115384	115387	115344	116062	117808	118050	118671	110852	114940	115544
% Chg Prev Qtr SAAR	-0.84	4.58	-4.72	14.21	2.63	-1.96	7.59	-3.53	0.01	-0.15	2.52	6.15	0.82	2.12	1.33	3.69	0.53
% Chg Same Qtr Last Yr	1.00	1.68	-0.05	3.07	3.96	2.29	5.45	1.09	0.44	0.90	-0.31	2.10	2.31	2.88	1.33	3.69	0.53
OTHER LABOR INCOME	25680	26056	26309	27088	27621	27850	28069	28027	27970	27989	28096	28293	28287	28394	25914	27657	28020
% Chg Prev Qtr SAAR	1.07	5.98	3.93	12.38	8.10	3.36	3.19	-0.60	-0.81	0.26	1.54	2.84	-0.09	1.53	2.12	6.72	1.31
% Chg Same Qtr Last Yr	1.11	2.93	3.83	5.76	7.55	6.88	6.69	3.47	1.27	0.50	0.09	0.95	1.13	1.45	2.12	6.72	1.31
PROPRIETORS INCOME	27593	28070	28446	29374	29713	29901	30463	31543	31762	32128	32026	32361	32811	32822	27815	29863	31865
% Chg Prev Qtr SAAR	6.65	7.08	5.47	13.70	4.70	2.56	7.72	14.96	2.80	4.70	-1.26	4.25	5.68	0.14	6.83	7.36	6.71
% Chg Same Qtr Last Yr	5.51	8.60	9.35	8.18	7.68	6.53	7.09	7.38	6.90	7.45	5.13	2.59	3.30	2.16	6.83	7.36	6.71
RENT, INTEREST, DIVIDENDS	31837	32081	32596	32769	33250	33300	35647	33580	34232	34537	34454	34449	34792	34986	32047	33742	34201
% Chg Prev Qtr SAAR	2.10	3.09	6.58	2.15	6.00	0.60	31.31	-21.25	8.01	3.61	-0.96	-0.07	4.05	2.24	4.90	5.29	1.36
% Chg Same Qtr Last Yr	4.85	4.44	4.19	3.46	4.44	3.80	9.36	2.47	2.95	3.72	-3.35	2.59	1.64	1.30	4.90	5.29	1.36
TRANSFER PAYMENTS	48710	47949	48319	48465	48647	48865	48646	48985	49558	49813	50213	50375	50601	51001	48572	48655	49642
% Chg Prev Qtr SAAR	-4.77	-6.10	3.12	1.22	1.51	1.80	-1.78	2.82	4.76	2.07	3.25	1.30	1.80	3.20	-0.28	0.17	2.03
% Chg Same Qtr Last Yr	0.91	-3.19	-2.67	-1.71	-0.13	1.91	0.68	1.07	1.87	1.94	3.22	2.84	2.10	2.39	-0.28	0.17	2.03
LESS: PERS CONT FOR SOC INS	16043	16151	15874	16231	16232	16067	16304	18433	18444	18450	18571	19002	19022	19105	16040	16208	18474
% Chg Prev Qtr SAAR	-1.23	2.73	-6.70	9.30	0.02	-4.00	6.05	63.36	0.24	0.12	2.66	9.61	0.42	1.74	-9.34	1.05	13.98
% Chg Same Qtr Last Yr	-9.48	-8.63	-10.37	0.86	1.18	-0.52	2.71	13.57	13.63	14.83	13.90	3.09	3.14	3.55	-9.34	1.05	13.98
RESIDENCE ADJUSTMENT	-886	-950	-987	-1166	-1277	-1300	-1437	-1359	-1360	-1403	-1438	-1508	-1529	-1606	-931	-1295	-1390
% Chg Prev Qtr SAAR	-6.34	32.16	16.40	95.31	43.50	7.43	49.51	-20.07	0.48	12.94	10.39	21.00	5.76	21.85	9.02	39.13	7.33
% Chg Same Qtr Last Yr	4.37	12.28	12.94	29.52	44.10	36.82	45.66	16.50	6.57	7.92	0.03	10.96	12.39	14.54	9.02	39.13	7.33
PER CAPITA PERSONAL INCOME ($)	35639	35762	35731	36447	36685	36628	37247	36567	36681	36715	36753	36951	37038	37119	35721	36752	36679
% Chg Prev Qtr SAAR	-1.24	1.39	-0.36	8.26	2.65	-0.62	6.93	-7.11	1.26	0.37	0.42	2.17	0.95	0.87	2.09	2.89	-0.20
% Chg Same Qtr Last Yr	2.00	1.71	1.16	1.95	2.94	2.42	4.24	0.33	-0.01	0.24	-1.33	1.05	0.97	1.10	2.09	2.89	-0.20

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Table 4: Tennessee Personal Income Components, Seasonally Adjusted Annual Rates (millions of current dollars) **January 2015**

	Historical Data														Annual		
	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1	2014:2	2014:3	2011	2012	2013
TN PERSONAL INCOME	236592	239318	240577	247354	250468	251559	257628	254251	256019	258003	259602	262577	265417	267532	237703	251752	256969
% Chg Prev Qtr SAAR	3.93	4.69	2.12	11.75	5.13	1.75	10.00	-5.14	2.81	3.14	2.50	4.66	4.40	3.23	5.56	5.91	2.07
% Chg Same Qtr Last Yr	5.57	5.63	4.98	5.56	5.86	5.12	7.09	2.79	2.22	2.56	0.77	3.27	3.67	3.69	5.56	5.91	2.07
WAGES AND SALARIES	114974	116885	115880	120427	121613	121407	124196	123404	123549	124017	125102	127417	128417	129498	115451	121911	124018
% Chg Prev Qtr SAAR	3.23	6.82	-3.39	16.64	4.00	-0.67	9.51	-2.53	0.47	1.52	3.55	7.61	3.18	3.41	3.81	5.60	1.73
% Chg Same Qtr Last Yr	3.63	4.58	2.61	5.58	5.77	3.87	7.18	2.47	1.59	2.15	0.73	3.25	3.94	4.42	3.81	5.60	1.73
OTHER LABOR INCOME	26719	27253	27612	28580	29239	29578	29943	29975	29949	30093	30284	30601	30771	30985	26991	29335	30075
% Chg Prev Qtr SAAR	5.21	8.25	5.38	14.77	9.54	4.71	5.03	0.43	-0.35	1.94	2.56	4.25	2.25	2.81	4.64	8.68	2.52
% Chg Same Qtr Last Yr	3.75	5.86	6.60	8.33	9.43	8.53	8.44	4.88	2.43	1.74	1.14	2.09	2.75	2.96	4.64	8.68	2.52
PROPRIETORS INCOME	28709	29359	29856	30992	31454	31756	32496	33735	34009	34544	34521	35001	35692	35817	28973	31675	34202
% Chg Prev Qtr SAAR	11.03	9.37	6.94	16.12	6.09	3.90	9.65	16.15	3.28	6.45	-0.27	5.67	8.14	1.40	9.47	9.32	7.98
% Chg Same Qtr Last Yr	8.26	11.70	12.26	10.81	9.56	8.16	8.84	8.85	8.12	8.78	6.23	3.75	4.95	3.68	9.47	9.32	7.98
RENT, INTEREST, DIVIDENDS	33125	33555	34211	34575	35199	35366	38026	35914	36654	37134	37138	37258	37848	38178	33378	35791	36710
% Chg Prev Qtr SAAR	6.29	5.30	8.05	4.32	7.41	1.91	33.66	-20.44	8.50	5.35	0.04	1.30	6.48	3.54	7.48	7.23	2.57
% Chg Same Qtr Last Yr	7.59	7.42	6.96	5.98	6.26	5.40	11.15	3.87	4.13	5.00	-2.34	3.74	3.26	2.81	7.48	7.23	2.57
TRANSFER PAYMENTS	50679	50152	50713	51135	51498	51896	51893	52390	53064	53558	54124	54484	55045	55655	50583	51605	53284
% Chg Prev Qtr SAAR	-0.87	-4.09	4.55	3.37	2.87	3.13	-0.03	3.89	5.24	3.78	4.29	2.69	4.18	4.51	2.16	2.02	3.25
% Chg Same Qtr Last Yr	3.55	-0.43	-0.08	0.68	1.62	3.48	2.33	2.45	3.04	3.20	4.30	4.00	3.73	3.91	2.16	2.02	3.25
LESS: PERS CONT FOR SOC INS	16691	16893	16661	17125	17183	17063	17393	19714	19749	19837	20018	20552	20693	20848	16705	17191	19829
% Chg Prev Qtr SAAR	2.83	4.93	-5.40	11.63	1.35	-2.75	7.95	65.05	0.71	1.80	3.70	11.11	2.77	3.03	-7.11	2.91	15.35
% Chg Same Qtr Last Yr	-7.12	-6.03	-7.99	3.32	2.94	1.01	4.39	15.12	14.93	16.25	15.09	4.25	4.78	5.10	-7.11	2.91	15.35
RESIDENCE ADJUSTMENT	-922	-994	-1036	-1231	-1351	-1380	-1533	-1453	-1457	-1508	-1550	-1631	-1663	-1753	-970	-1374	-1492
% Chg Prev Qtr SAAR	-2.50	34.99	18.01	99.47	45.42	8.83	52.18	-19.24	0.95	14.84	11.49	22.65	8.23	23.39	11.71	41.69	8.60
% Chg Same Qtr Last Yr	7.09	15.48	15.94	32.67	46.61	38.93	48.05	18.10	7.80	9.25	1.08	12.21	14.18	16.25	11.71	41.69	8.60
PER CAPITA PERSONAL INCOME ($)	37080	37406	37501	38455	38835	38901	39734	39109	39276	39476	39616	39965	40291	40505	37203	38981	39369
% Chg Prev Qtr SAAR	2.81	3.56	1.03	10.56	4.02	0.68	8.84	-6.14	1.73	2.05	1.43	3.57	3.30	2.15	4.59	4.78	1.00
% Chg Same Qtr Last Yr	4.66	4.61	3.85	4.43	4.73	4.00	5.95	1.70	1.14	1.48	-0.30	2.19	2.58	2.61	4.59	4.78	1.00

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Table 5: Tennessee Nonfarm Employment by Sector, Not Seasonally Adjusted (thousands of jobs) **January 2015**

	Historical Data														Annual		
	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1	2014:2	2014:3	2011	2012	2013
TOTAL NONFARM	2658.7	2667.3	2709.9	2671.8	2714.8	2710.8	2758.4	2709.2	2747.1	2747.2	2795.4	2754.2	2803.9	2807.4	2661.4	2714.0	2749.7
% Chg Same Qtr Last Yr	1.40	1.87	2.15	2.38	2.11	1.63	1.79	1.40	1.19	1.34	1.34	1.66	2.07	2.19	1.76	1.98	1.32
NATURAL RESOURCES, MINING & CONSTRUCTION	108.9	113.2	112.4	105.6	109.3	111.3	109.2	103.6	108.3	110.6	110.0	105.5	113.8	117.2	108.7	108.9	108.1
% Chg Same Qtr Last Yr	2.51	4.08	4.72	5.39	0.43	-1.62	-2.85	-1.96	-0.95	-0.66	0.67	1.83	5.11	5.97	3.39	0.19	-0.71
MANUFACTURING	304.0	305.6	307.5	307.5	313.8	315.6	316.6	315.7	318.7	319.4	321.4	318.4	323.0	325.3	304.4	313.4	318.8
% Chg Same Qtr Last Yr	1.56	1.66	2.40	2.26	3.25	3.28	2.96	2.69	1.56	1.19	1.53	0.83	1.33	1.87	1.84	2.94	1.74
DURABLE GOODS	182.7	185.1	187.1	188.8	194.0	196.1	196.8	196.6	199.1	199.4	202.2	201.5	205.4	207.8	183.7	193.9	199.3
% Chg Same Qtr Last Yr	3.75	4.05	4.82	4.89	6.20	5.96	5.17	4.10	2.63	1.70	2.78	2.53	3.15	4.18	4.21	5.56	2.79
NONDURABLE GOODS	121.3	120.5	120.4	118.6	119.8	119.5	119.8	119.2	119.6	119.9	119.2	116.8	117.6	117.6	120.7	119.5	119.5
% Chg Same Qtr Last Yr	-1.57	-1.79	-1.15	-1.66	-1.21	-0.83	-0.47	0.45	-0.17	0.36	-0.53	-1.96	-1.70	-1.97	-1.57	-1.04	0.03
TRADE, TRANSPORTATION, UTILITIES	561.7	563.7	577.3	564.8	572.6	574.2	588.8	572.7	579.8	582.6	594.1	582.3	590.5	594.6	563.5	575.1	582.3
% Chg Same Qtr Last Yr	1.68	1.55	1.84	2.41	1.94	1.86	2.00	1.40	1.27	1.47	0.89	1.68	1.85	2.06	1.53	2.05	1.25
WHOLESALE TRADE	118.0	118.5	119.0	118.9	120.7	120.9	121.5	120.5	122.3	123.0	123.7	124.7	125.9	126.5	117.9	120.5	122.4
% Chg Same Qtr Last Yr	0.65	1.57	2.20	2.50	2.26	2.05	2.07	1.37	1.35	1.71	1.84	3.49	2.97	2.82	0.93	2.22	1.57
RETAIL TRADE	308.2	308.4	316.8	307.3	311.8	311.1	321.1	308.7	312.8	314.7	323.1	312.7	318.6	319.9	309.2	312.8	314.8
% Chg Same Qtr Last Yr	0.76	0.92	0.84	1.33	1.17	0.88	1.36	0.43	0.33	1.17	0.62	1.30	1.83	1.64	0.80	1.18	0.64
TRANSPORTATION & UTILITIES	135.5	136.8	141.4	138.6	140.1	142.1	146.2	143.5	144.7	144.9	147.2	144.9	146.0	148.3	136.5	141.8	145.1
% Chg Same Qtr Last Yr	4.80	2.99	3.84	4.81	3.42	3.90	3.39	3.56	3.28	1.95	0.68	0.98	0.92	2.32	3.75	3.87	2.35
INFORMATION	44.0	43.6	43.2	42.9	43.7	42.7	43.5	43.8	44.3	43.8	43.8	43.3	43.4	42.8	43.8	43.2	43.9
% Chg Same Qtr Last Yr	-1.64	-1.80	-4.29	-2.79	-0.83	-2.22	0.85	1.94	1.53	2.73	0.61	-0.99	-2.03	-2.36	-2.80	-1.26	1.70
FINANCIAL ACTIVITIES	136.6	137.3	137.5	136.8	137.3	137.2	137.1	136.0	137.0	138.5	138.3	137.4	138.5	140.6	136.5	137.1	137.5
% Chg Same Qtr Last Yr	-1.23	0.32	1.35	1.51	0.51	-0.10	-0.24	-0.54	-0.22	0.92	0.85	1.03	1.05	1.56	-0.42	0.42	0.26
PROFESSIONAL & BUSINESS SERVICES	319.8	324.9	335.6	327.4	337.8	339.3	349.3	340.7	347.0	350.7	364.7	359.0	367.6	371.0	322.8	338.5	350.8
% Chg Same Qtr Last Yr	4.96	6.72	7.08	5.33	5.63	4.41	4.10	4.06	2.73	3.36	4.41	5.37	5.94	5.81	6.13	4.85	3.64
EDUCATION & HEALTH SERVICES	383.0	384.5	390.6	390.4	391.3	391.8	397.5	395.1	395.4	393.7	401.4	398.0	399.1	397.7	384.3	392.7	396.4
% Chg Same Qtr Last Yr	2.94	2.74	2.51	3.04	2.16	1.89	1.76	1.21	1.05	0.48	0.99	0.74	0.94	1.02	2.77	2.21	0.93
LEISURE & HOSPITALITY	273.3	275.9	268.1	262.6	283.2	283.9	277.5	270.8	292.3	295.0	288.8	282.1	305.7	307.8	267.6	276.8	286.7
% Chg Same Qtr Last Yr	1.78	2.55	2.86	3.74	3.63	2.92	3.51	3.10	3.19	3.90	4.07	4.20	4.60	4.33	2.15	3.44	3.57
OTHER SERVICES	102.6	103.0	102.2	102.8	105.1	105.0	104.0	103.8	106.2	106.3	105.1	104.9	107.9	107.5	102.1	104.2	105.3
% Chg Same Qtr Last Yr	1.52	0.85	-0.33	2.32	2.50	1.97	1.79	0.97	1.05	1.17	1.03	1.12	1.54	1.19	0.84	2.15	1.06
GOVERNMENT	424.8	415.6	435.5	431.0	420.7	409.8	434.7	427.0	418.0	406.7	427.7	423.1	414.4	402.8	427.8	424.0	419.9
% Chg Same Qtr Last Yr	-2.28	-1.71	-1.01	-0.95	-0.98	-1.39	-0.18	-0.91	-0.63	-0.75	-1.60	-0.91	-0.86	-0.96	-1.19	-0.87	-0.98
FEDERAL, CIVILIAN	50.6	50.5	50.6	50.1	50.1	50.1	50.2	49.6	49.6	49.3	49.1	48.6	48.7	48.5	50.5	50.1	49.4
% Chg Same Qtr Last Yr	-10.92	-3.01	0.07	-0.73	-0.92	-0.86	-0.72	-0.93	-1.06	-1.60	-2.19	-2.01	-1.81	-1.62	-3.49	-0.81	-1.45
STATE & LOCAL	374.2	365.1	384.9	380.9	370.5	359.7	384.5	377.4	368.4	357.5	378.6	374.5	365.7	354.4	377.2	373.9	370.5
% Chg Same Qtr Last Yr	-0.98	-1.53	-1.15	-0.98	-0.99	-1.46	-0.11	-0.91	-0.58	-0.63	-1.53	-0.77	-0.73	-0.87	-0.87	-0.88	-0.92

Center for Business and Economic Research, University of Tennessee **Tennessee Econometric Model**

Table 6: Tennessee Durable Goods Manufacturing Employment, Not Seasonally Adjusted (thousands of jobs) **January 2015**

	Historical Data														Annual		
	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1	2014:2	2014:3	2011	2012	2013
TOTAL DURABLE GOODS	182.7	185.1	187.1	188.8	194.0	196.1	196.8	196.6	199.1	199.4	202.2	201.5	205.4	207.8	183.7	193.9	199.3
% Chg Same Qtr Last Yr	3.75	4.05	4.82	4.89	6.20	5.96	5.17	4.10	2.63	1.70	2.78	2.53	3.15	4.18	4.21	5.56	2.79
WOOD PRODUCTS	10.8	11.0	10.9	10.8	11.1	11.3	11.0	10.7	10.9	10.9	10.8	10.6	10.9	11.1	10.8	11.0	10.8
% Chg Same Qtr Last Yr	-0.91	-0.90	0.31	3.19	2.15	2.74	0.91	-0.62	-1.51	-3.25	-1.81	-0.93	-0.31	1.83	-1.07	2.24	-1.81
NONMETALLIC MINERAL PRODUCTS	11.8	12.0	12.1	12.1	12.5	12.7	12.6	12.4	12.3	12.3	12.0	11.7	12.0	12.3	11.8	12.5	12.3
% Chg Same Qtr Last Yr	2.32	4.05	5.85	6.76	5.95	5.83	4.70	2.48	-1.34	-3.41	-4.75	-5.65	-2.44	0.00	4.20	5.80	-1.80
PRIMARY METALS	9.2	9.2	9.4	9.4	9.7	9.8	9.8	9.9	9.9	10.0	10.0	10.0	10.2	10.1	9.2	9.7	10.0
% Chg Same Qtr Last Yr	4.96	3.37	4.44	3.31	5.82	6.52	3.90	5.69	2.06	2.04	2.73	1.01	2.69	1.33	4.64	4.89	3.11
FABRICATED METAL PRODUCTS	33.4	33.7	34.0	34.4	34.7	34.6	34.3	33.8	33.9	33.9	33.7	33.2	34.5	34.7	33.6	34.5	33.8
% Chg Same Qtr Last Yr	1.11	2.02	2.31	3.41	4.00	2.57	0.78	-1.65	-2.40	-2.12	-1.75	-1.78	1.77	2.56	1.92	2.68	-1.98
MACHINERY	25.5	25.1	24.6	25.4	26.1	25.5	25.2	25.7	26.0	25.8	26.1	26.6	27.3	27.0	25.1	25.5	25.9
% Chg Same Qtr Last Yr	2.27	0.94	-0.54	0.66	2.22	1.46	2.30	1.18	-0.26	1.18	3.70	3.63	4.74	4.66	1.48	1.66	1.44
COMPUTER & ELECTRONIC PRODUCTS	5.5	5.7	5.9	5.8	5.9	5.5	5.3	5.3	5.3	5.3	5.2	5.1	5.2	5.3	5.6	5.6	5.3
% Chg Same Qtr Last Yr	-2.96	3.66	9.26	8.07	7.32	-2.35	-9.60	-8.62	-9.66	-4.82	-1.87	-3.14	-1.89	0.63	0.45	0.60	-6.36
ELECTRICAL EQUIPMENT, APPLIANCES & COMPONENTS	17.5	17.8	17.8	17.8	17.9	18.0	18.1	17.8	18.0	18.5	18.9	19.1	19.4	19.9	17.7	17.9	18.3
% Chg Same Qtr Last Yr	4.99	3.49	2.89	1.72	2.09	0.94	1.87	0.38	0.74	3.15	4.23	6.92	7.58	7.19	4.49	1.65	2.14
TRANSPORTATION EQUIPMENT	44.7	46.5	48.5	49.7	52.4	55.1	57.2	57.8	59.5	59.8	62.4	62.3	62.8	64.2	45.8	53.6	59.9
% Chg Same Qtr Last Yr	12.12	13.51	15.28	14.17	17.30	18.49	17.93	16.36	13.54	8.47	8.97	7.78	5.54	7.36	13.20	17.02	11.67
FURNITURE	9.0	8.8	8.7	8.6	8.9	8.8	8.4	8.6	8.8	8.7	8.7	8.7	8.8	8.8	8.9	8.7	8.7
% Chg Same Qtr Last Yr	-8.81	-9.25	-6.81	-7.19	-1.12	-0.38	-2.69	0.00	-0.38	-1.14	3.16	1.16	-0.38	0.77	-7.75	-2.89	0.38
MISCELLANEOUS DURABLE GOODS	15.3	15.3	15.2	15.0	14.9	14.9	14.7	14.5	14.4	14.4	14.3	14.2	14.4	14.5	15.2	14.9	14.4
% Chg Same Qtr Last Yr	2.91	1.33	0.44	-0.88	-2.83	-2.62	-2.86	-3.12	-3.36	-3.36	-2.71	-2.30	-0.23	0.70	1.84	-2.30	-3.14

Center for Business and Economic Research, University of Tennessee **Tennessee Econometric Model**

Table 7: Tennessee Nondurable Goods Manufacturing Employment, Not Seasonally Adjusted (thousands of jobs) **January 2015**

	Historical Data														Annual		
	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1	2014:2	2014:3	2011	2012	2013
TOTAL NONDURABLE GOODS	121.3	120.5	120.4	118.6	119.8	119.5	119.8	119.2	119.6	119.9	119.2	116.8	117.6	117.6	120.7	119.5	119.5
% Chg Same Qtr Last Yr	-1.57	-1.79	-1.15	-1.66	-1.21	-0.83	-0.47	0.45	-0.17	0.36	-0.53	-1.96	-1.70	-1.97	-1.57	-1.04	0.03
FOOD	32.8	33.2	33.5	33.3	33.1	33.0	32.7	32.1	32.2	32.4	32.4	31.8	31.8	31.9	33.1	33.0	32.3
% Chg Same Qtr Last Yr	1.34	1.84	0.90	1.22	0.91	-0.80	-2.29	-3.50	-2.82	-1.82	-1.02	-1.04	-1.14	-1.34	1.61	-0.25	-2.30
BEVERAGE & TOBACCO	4.9	5.1	5.1	5.1	5.2	5.2	5.3	5.3	5.3	5.3	5.2	5.2	5.2	5.0	5.0	5.2	5.3
% Chg Same Qtr Last Yr	-1.33	1.33	2.68	4.08	4.73	1.97	3.27	3.27	2.58	1.94	-1.27	-1.27	-2.52	-5.06	0.17	3.50	1.61
TEXTILE MILLS, TEXTILE MILL PRODUCTS & APPAREL	10.7	10.8	10.7	10.6	10.7	10.7	10.7	10.4	10.4	10.5	10.4	10.1	10.0	10.1	10.7	10.7	10.5
% Chg Same Qtr Last Yr	-10.34	-3.85	-1.83	0.96	0.31	-0.92	-0.62	-1.26	-2.80	-1.86	-2.50	-3.19	-3.83	-4.11	-7.17	-0.08	-2.11
PAPER	15.4	15.5	15.0	14.5	14.8	14.9	14.7	14.7	14.8	14.8	14.5	14.1	14.3	14.4	15.3	14.7	14.7
% Chg Same Qtr Last Yr	-1.28	-2.73	-5.07	-5.23	-3.89	-3.88	-2.00	1.15	-0.22	-0.45	-1.36	-3.64	-3.15	-2.48	-2.55	-3.76	-0.23
PRINTING & RELATED SUPPORT	10.0	9.8	9.8	9.6	9.6	9.6	9.6	9.6	9.7	9.6	9.5	9.3	9.3	9.1	9.9	9.6	9.6
% Chg Same Qtr Last Yr	-15.21	-14.04	-6.96	-5.90	-3.99	-2.04	-1.70	0.35	0.35	0.35	-1.04	-3.12	-4.14	-5.19	-12.91	-3.43	0.00
CHEMICALS	24.6	24.7	24.6	24.3	24.3	24.4	24.5	24.6	24.8	25.1	25.1	24.9	24.9	25.0	24.6	24.4	24.9
% Chg Same Qtr Last Yr	-2.12	-1.20	0.27	-0.55	-0.95	-1.08	-0.14	1.23	1.92	2.73	2.31	1.22	0.54	-0.40	-1.64	-0.68	2.05
PLASTICS & RUBBER	21.1	19.8	20.1	19.6	20.1	19.9	20.3	20.4	20.4	20.1	20.1	20.2	20.2	20.2	20.5	20.0	20.3
% Chg Same Qtr Last Yr	7.29	-1.17	-1.95	-6.38	-4.58	0.67	0.83	4.43	1.32	1.01	-0.66	-1.14	-1.14	0.50	2.89	-2.44	1.50
MISCELLANEOUS NONDURABLE GOODS	1.7	1.7	1.7	1.7	1.9	1.9	2.1	2.0	2.0	2.2	2.0	1.2	1.9	1.8	1.7	1.9	2.1
% Chg Same Qtr Last Yr	2.00	8.70	16.28	10.64	9.80	12.00	26.00	17.31	8.93	16.07	-4.76	-40.98	-8.20	-16.92	4.76	14.65	8.81

Center for Business and Economic Research, University of Tennessee **Tennessee Econometric Model**

Table 8: Tennessee Nonfarm Employment by Sector, Seasonally Adjusted (thousands of jobs) **January 2015**

	Historical Data														Annual		
	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1	2014:2	2014:3	2011	2012	2013
TOTAL NONFARM	2654.2	2670.8	2684.4	2700.3	2711.9	2714.8	2730.4	2738.1	2743.4	2751.7	2770.3	2779.6	2797.5	2810.6	2661.4	2714.3	2750.9
% Chg Prev Qtr SAAR	2.75	2.53	2.04	2.39	1.73	0.43	2.32	1.14	0.77	1.22	2.73	1.35	2.59	1.89	1.77	1.99	1.35
% Chg Same Qtr Last Yr	1.37	1.94	2.13	2.43	2.17	1.64	1.71	1.40	1.16	1.36	1.46	1.52	1.97	2.14	1.77	1.99	1.35
NATURAL RESOURCES, MINING AND CONSTRUCTION	108.57	110.20	111.07	110.37	109.13	108.27	107.80	108.13	107.90	107.60	108.87	109.1	113.5	114.27	108.66	108.89	108.13
% Chg Prev Qtr SAAR	15.17	6.15	3.18	-2.50	-4.40	-3.14	-1.71	1.24	-0.86	-1.11	4.79	0.86	17.13	2.73	3.39	0.21	-0.70
% Chg Same Qtr Last Yr	2.39	4.19	4.81	5.31	0.52	-1.75	-2.94	-2.02	-1.13	-0.62	0.99	0.89	5.19	6.20	3.39	0.21	-0.70
MANUFACTURING	303.8	304.6	306.9	309.3	313.5	314.6	316.1	317.7	318.2	318.4	321.0	320.3	322.4	323.9	304.4	313.4	318.8
% Chg Prev Qtr SAAR	1.79	1.10	3.08	3.13	5.50	1.49	1.87	2.01	0.73	0.21	3.25	-0.81	2.65	1.88	1.84	2.94	1.74
% Chg Same Qtr Last Yr	1.49	1.66	2.45	2.27	3.19	3.29	2.99	2.71	1.52	1.20	1.54	0.83	1.31	1.73	1.84	2.94	1.74
DURABLE GOODS	182.6	184.5	186.8	189.8	193.8	195.5	196.5	197.7	198.8	198.9	202.0	202.7	205.0	206.8	183.7	193.9	199.3
% Chg Prev Qtr SAAR	3.69	4.32	5.15	6.58	8.50	3.73	2.03	2.40	2.18	0.24	6.42	1.41	4.52	3.60	4.21	5.55	2.79
% Chg Same Qtr Last Yr	3.66	4.04	4.87	4.93	6.12	5.97	5.18	4.13	2.58	1.71	2.79	2.54	3.12	3.98	4.21	5.55	2.79
NONDURABLE GOODS	121.2	120.1	120.1	119.5	119.7	119.1	119.6	120.0	119.5	119.5	119.0	117.6	117.4	117.1	120.7	119.5	119.5
% Chg Prev Qtr SAAR	-0.99	-3.60	-0.04	-2.06	0.86	-2.05	1.62	1.36	-1.64	0.14	-1.88	-4.50	-0.51	-1.07	-1.57	-1.04	0.02
% Chg Same Qtr Last Yr	-1.61	-1.78	-1.11	-1.68	-1.23	-0.83	-0.42	0.44	-0.19	0.36	-0.51	-1.98	-1.70	-2.00	-1.57	-1.04	0.02
TRADE, TRANSPORTATION, UTILITIES	562.8	564.6	568.8	572.2	574.0	574.5	579.9	580.2	581.2	583.1	585.9	589.1	590.5	595.0	563.6	575.1	582.6
% Chg Prev Qtr SAAR	3.29	1.26	3.03	2.41	1.24	0.37	3.79	0.21	0.69	1.34	1.93	2.20	0.98	3.08	1.56	2.04	1.30
% Chg Same Qtr Last Yr	1.70	1.55	1.84	2.50	1.98	1.76	1.95	1.39	1.25	1.50	1.04	1.54	1.61	2.05	1.56	2.04	1.30
WHOLESALE TRADE	117.8	118.2	118.8	119.7	120.4	120.7	121.3	121.4	121.9	122.8	123.3	125.9	125.8	125.8	117.9	120.5	122.3
% Chg Prev Qtr SAAR	3.12	1.59	1.82	3.30	2.25	1.00	1.89	0.33	1.88	2.76	1.64	8.82	-0.212	0	0.97	2.22	1.50
% Chg Same Qtr Last Yr	0.71	1.60	2.21	2.45	2.24	2.09	2.10	1.36	1.27	1.71	1.65	3.74	3.1985	2.498	0.97	2.22	1.50
RETAIL TRADE	309.3	309.7	310.2	312.3	313.0	312.2	313.8	313.6	314.2	316.0	317.7	316.6	318.2	321.3	309.2	312.8	315.4
% Chg Prev Qtr SAAR	2.14	0.60	0.65	2.69	0.90	-0.98	2.02	-0.21	0.77	2.27	2.13	-1.29	1.95	3.95	0.82	1.17	0.82
% Chg Same Qtr Last Yr	0.72	0.86	0.82	1.52	1.21	0.81	1.15	0.43	0.39	1.21	1.23	0.96	1.25	1.67	0.82	1.17	0.82
TRANSPORTATION & UTILITIES	135.8	136.6	139.8	140.2	140.6	141.6	144.8	145.2	145.0	144.3	145.0	146.6	146.5	147.9	136.5	141.8	144.9
% Chg Prev Qtr SAAR	6.12	2.48	9.70	1.05	1.15	2.88	9.45	1.02	-0.46	-1.83	1.77	4.49	-0.09	3.88	3.84	3.88	2.18
% Chg Same Qtr Last Yr	4.92	3.09	3.86	4.78	3.54	3.64	3.58	3.57	3.15	1.95	0.12	0.96	1.06	2.49	3.84	3.88	2.18
INFORMATION	43.9	43.7	43.1	43.1	43.6	42.8	43.4	43.9	44.3	44.0	43.8	43.2	43.4	42.9	43.8	43.2	44.0
% Chg Prev Qtr SAAR	-3.27	-2.11	-5.09	-0.62	5.05	-7.43	6.38	4.37	3.38	-2.68	-1.81	-4.79	1.86	-4.82	-2.65	-1.26	1.75
% Chg Same Qtr Last Yr	-1.49	-1.58	-4.29	-2.78	-0.76	-2.14	0.70	1.93	1.53	2.81	0.77	-1.52	-1.88	-2.43	-2.65	-1.26	1.75
FINANCIAL ACTIVITIES	136.3	136.9	137.2	137.7	137.2	136.8	136.8	137.0	137.1	138.1	138.1	138.3	138.4	140.3	136.5	137.1	137.6
% Chg Prev Qtr SAAR	1.98	1.97	0.78	1.37	-1.44	-1.06	0.10	0.39	0.49	2.75	0.10	0.58	0.19	5.61	-0.43	0.45	0.33
% Chg Same Qtr Last Yr	-1.30	0.32	1.30	1.52	0.66	-0.10	-0.27	-0.51	-0.02	0.93	0.93	0.97	0.90	1.59	-0.43	0.45	0.33

(CONTINUED ON NEXT PAGE)

Table 8: Tennessee Nonfarm Employment by Sector, Seasonally Adjusted (thousands of jobs) **January 2015**

	Historical Data														Annual		
	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1	2014:2	2014:3	2011	2012	2013
PROFESSIONAL & BUSINESS SERVICES…	320.3	326.3	329.7	332.5	338.7	340.8	342.9	345.9	347.5	352.2	358.6	363.3	368.0	371.3	322.9	338.7	351.1
% Chg Prev Qtr SAAR……	6.59	7.75	4.28	3.36	7.71	2.54	2.41	3.63	1.82	5.52	7.47	5.39	5.20	3.71	6.21	4.91	3.64
% Chg Same Qtr Last Yr……	5.07	6.87	7.08	5.48	5.76	4.45	3.98	4.05	2.60	3.33	4.59	5.03	5.89	5.43	6.21	4.91	3.64
EDUCATION & HEALTH SERVICES……	383.3	386.0	388.3	391.5	392.0	392.8	394.9	396.1	395.8	394.9	398.3	398.2	399.6	399.8	384.4	392.8	396.3
% Chg Prev Qtr SAAR……	3.48	2.81	2.41	3.34	0.55	0.85	2.16	1.19	-0.30	-0.94	3.52	-0.07	1.35	0.23	2.81	2.19	0.88
% Chg Same Qtr Last Yr……	2.95	2.92	2.51	3.01	2.27	1.78	1.72	1.18	0.97	0.52	0.85	0.54	0.95	1.25	2.81	2.19	0.88
LEISURE & HOSPITALITY……	266.0	268.8	271.0	274.3	276.1	276.6	280.1	282.6	284.9	287.6	291.6	293.4	297.9	300.7	267.5	276.8	286.7
% Chg Prev Qtr SAAR……	2.55	4.33	3.31	4.91	2.75	0.68	5.16	3.57	3.39	3.80	5.73	2.45	6.23	3.86	2.13	3.46	3.58
% Chg Same Qtr Last Yr……	1.72	2.60	2.82	3.77	3.82	2.90	3.36	3.03	3.19	3.98	4.12	3.83	4.54	4.55	2.13	3.46	3.58
OTHER SERVICES……	101.7	102.4	102.6	103.7	104.4	104.5	104.6	104.7	105.3	105.7	105.2	105.9	107.2	107.2	102.0	104.3	105.2
% Chg Prev Qtr SAAR……	1.19	2.65	0.78	4.63	2.46	0.51	0.38	0.51	2.31	1.40	-1.88	2.56	5.26	-0.12	0.82	2.25	0.90
% Chg Same Qtr Last Yr……	1.43	0.92	-0.29	2.30	2.62	2.08	1.98	0.96	0.93	1.15	0.57	1.08	1.80	1.42	0.82	2.25	0.90
GOVERNMENT……	427.7	427.4	425.7	425.7	423.3	423.0	423.8	421.9	421.1	420.2	419.0	418.8	416.6	414.7	427.7	424.0	420.6
% Chg Prev Qtr SAAR……	-2.15	-0.25	-1.61	0.06	-2.24	-0.28	0.76	-1.78	-0.79	-0.85	-1.14	-0.22	-2.05	-1.81	-1.26	-0.87	-0.81
% Chg Same Qtr Last Yr……	-2.38	-1.54	-1.16	-0.99	-1.01	-1.02	-0.43	-0.89	-0.53	-0.67	-1.14	-0.75	-1.07	-1.31	-1.26	-0.87	-0.81
FEDERAL, CIVILIAN……	50.6	50.6	50.3	50.1	50.3	50.2	49.8	50.1	49.9	49.3	50.2	49.5	47.6	48.2	50.4	50.1	49.9
% Chg Prev Qtr SAAR……	2.41	0.53	-2.61	-1.32	1.61	-0.79	-3.41	2.43	-1.59	-4.98	7.51	-4.96	-14.48	4.55	-3.68	-0.63	-0.53
% Chg Same Qtr Last Yr……	-10.97	-3.19	-0.26	-0.27	-0.46	-0.79	-0.99	-0.07	-0.86	-1.92	0.74	-1.13	-4.54	-2.23	-3.68	-0.63	-0.53
STATE & LOCAL……	377.1	376.8	375.4	375.6	373.0	372.8	374.0	371.8	371.2	370.9	368.8	369.2	369.0	366.5	377.2	373.9	370.7
% Chg Prev Qtr SAAR……	-2.75	-0.35	-1.48	0.25	-2.74	-0.21	1.33	-2.33	-0.68	-0.29	-2.25	0.43	-0.29	-2.61	-0.93	-0.90	-0.84
% Chg Same Qtr Last Yr……	-1.10	-1.31	-1.28	-1.09	-1.09	-1.05	-0.36	-1.00	-0.48	-0.50	-1.39	-0.70	-0.60	-1.19	-0.93	-0.90	-0.84
STATISTICAL DISCREPANCY (%)……	-0.01	-0.01	-0.01	0.00	0.00	-0.01	0.00	0.00	0.01	-0.01	-0.02	0.00	0.01	0.01	-0.01	0.00	-0.01

Center for Business and Economic Research, University of Tennessee **Tennessee Econometric Model**

Table 9: Tennessee Durable Goods Manufacturing Employment, Seasonally Adjusted (thousands of jobs) **January 2015**

	Historical Data														Annual		
	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1	2014:2	2014:3	2011	2012	2013
TOTAL DURABLE GOODS	182.6	184.5	186.8	189.8	193.8	195.5	196.5	197.7	198.8	198.9	202.0	202.7	205.0	207.2	183.7	193.9	199.3
% Chg Prev Qtr SAAR	3.69	4.32	5.15	6.58	8.50	3.73	2.03	2.40	2.18	0.24	6.42	1.41	4.52	4.49	4.21	5.55	2.79
% Chg Same Qtr Last Yr	3.66	4.04	4.87	4.93	6.12	5.97	5.18	4.13	2.58	1.71	2.79	2.54	3.12	4.20	4.21	5.55	2.79
WOOD PRODUCTS	10.8	10.8	10.9	11.0	11.0	11.1	11.0	10.9	10.9	10.7	10.8	10.8	10.8	10.9	10.8	11.0	10.8
% Chg Prev Qtr SAAR	6.61	-1.62	2.70	5.42	1.37	1.74	-4.07	-1.66	-2.29	-4.82	1.87	1.53	0.26	3.76	-1.08	2.25	-1.82
% Chg Same Qtr Last Yr	-1.10	-0.91	0.47	3.23	1.94	2.80	1.06	-0.68	-1.59	-3.22	-1.75	-0.97	-0.33	1.85	-1.08	2.25	-1.82
NONMETALLIC MINERALS	11.7	11.9	12.1	12.3	12.4	12.6	12.6	12.6	12.3	12.1	12.0	11.9	12.0	12.1	11.8	12.5	12.3
% Chg Prev Qtr SAAR	8.09	4.04	6.94	7.87	5.02	3.64	2.35	-1.18	-9.52	-4.75	-3.46	-4.89	3.77	4.97	4.20	5.80	-1.79
% Chg Same Qtr Last Yr	2.32	4.01	5.90	6.72	5.96	5.86	4.70	2.43	-1.31	-3.38	-4.78	-5.68	-2.39	0.01	4.20	5.80	-1.79
PRIMARY METALS	9.2	9.2	9.4	9.4	9.7	9.8	9.7	10.0	9.9	10.0	10.0	10.1	10.1	10.1	9.2	9.7	10.0
% Chg Prev Qtr SAAR	2.96	0.78	7.02	2.72	12.40	3.99	-2.28	9.40	-2.91	4.31	0.89	1.90	3.52	-0.95	4.66	4.88	3.10
% Chg Same Qtr Last Yr	4.74	3.27	4.68	3.35	5.64	6.47	4.08	5.73	1.93	2.01	2.83	1.02	2.65	1.33	4.66	4.88	3.10
FABRICATED METALS	33.4	33.7	34.0	34.5	34.7	34.5	34.3	33.9	33.8	33.7	33.7	33.4	34.4	34.6	33.6	34.5	33.8
% Chg Prev Qtr SAAR	0.04	3.45	3.64	6.52	1.94	-1.95	-2.60	-3.73	-1.47	-0.99	-0.61	-3.75	13.09	2.11	1.91	2.66	-1.99
% Chg Same Qtr Last Yr	1.02	1.96	2.54	3.39	3.88	2.49	0.91	-1.61	-2.44	-2.20	-1.71	-1.71	1.73	2.52	1.91	2.66	-1.99
MACHINERY	25.2	25.2	25.0	25.3	25.7	25.6	25.5	25.6	25.6	25.9	26.5	26.6	26.8	27.1	25.1	25.5	25.9
% Chg Prev Qtr SAAR	1.30	-0.65	-3.49	6.00	6.56	-2.48	-0.33	1.34	-0.17	4.28	9.77	0.95	3.88	4.46	1.48	1.66	1.45
% Chg Same Qtr Last Yr	2.06	1.01	-0.48	0.73	2.02	1.54	2.36	1.22	-0.42	1.26	3.74	3.64	4.67	4.72	1.48	1.66	1.45
COMPUTERS & ELECTRONICS	5.5	5.7	5.9	5.8	5.9	5.5	5.3	5.3	5.3	5.3	5.2	5.1	5.2	5.3	5.6	5.6	5.3
% Chg Prev Qtr SAAR	8.09	16.28	17.21	-6.87	4.35	-20.29	-14.11	-1.76	-1.15	-1.80	-2.91	-6.30	3.64	8.56	0.43	0.59	-6.35
% Chg Same Qtr Last Yr	-3.02	3.70	9.16	8.23	7.28	-2.38	-9.68	-8.47	-9.70	-4.87	-1.91	-3.06	-1.91	0.58	0.43	0.59	-6.35
ELECTRICAL EQUIPMENT, APPLIANCES & COMPONENTS	17.6	17.7	17.7	17.9	18.0	17.9	18.0	17.9	18.1	18.5	18.8	19.2	19.5	19.8	17.7	17.9	18.3
% Chg Prev Qtr SAAR	1.85	2.03	-0.50	3.63	2.95	-2.22	3.33	-2.26	4.02	7.84	7.75	8.05	6.61	6.55	4.50	1.65	2.13
% Chg Same Qtr Last Yr	4.90	3.45	2.97	1.74	2.02	0.94	1.90	0.42	0.68	3.17	4.26	6.90	7.56	7.24	4.50	1.65	2.13
TRANSPORTATION EQUIPMENT	44.9	46.4	48.2	49.9	52.6	55.0	56.8	58.1	59.7	59.7	61.9	62.7	63.0	64.1	45.8	53.6	59.9
% Chg Prev Qtr SAAR	11.24	14.71	15.81	15.40	23.45	19.51	13.34	9.95	11.45	-0.33	15.39	5.41	2.25	6.90	13.20	17.03	11.69
% Chg Same Qtr Last Yr	12.11	13.45	15.20	14.27	17.29	18.50	17.86	16.44	13.50	8.47	8.96	7.82	5.52	7.38	13.20	17.03	11.69
FURNITURE	8.9	8.8	8.7	8.7	8.8	8.7	8.5	8.7	8.7	8.7	8.8	8.8	8.7	8.7	8.9	8.7	8.7
% Chg Prev Qtr SAAR	-16.17	-6.96	-1.48	-3.35	6.44	-2.20	-10.48	7.52	3.68	-3.97	6.09	-0.73	-3.05	1.26	-7.73	-2.92	0.38
% Chg Same Qtr Last Yr	-9.14	-9.20	-6.57	-7.17	-1.46	-0.22	-2.58	0.05	-0.61	-1.06	3.23	1.19	-0.49	0.84	-7.73	-2.92	0.38
MISCELLANEOUS DURABLES	15.3	15.2	15.1	15.1	14.9	14.8	14.7	14.6	14.4	14.3	14.3	14.2	14.4	14.4	15.2	14.9	14.4
% Chg Prev Qtr SAAR	3.57	-2.56	-2.36	-2.17	-4.16	-1.82	-3.23	-3.27	-5.02	-1.98	-0.55	-1.60	3.34	1.66	1.84	-2.30	-3.14
% Chg Same Qtr Last Yr	2.92	1.33	0.46	-0.91	-2.81	-2.63	-2.85	-3.12	-3.34	-3.38	-2.72	-2.30	-0.22	0.69	1.84	-2.30	-3.14

Table 10: Tennessee Nondurable Goods Manufacturing Employment, Seasonally Adjusted (thousands of jobs) **January 2015**

	Historical Data														Annual		
	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1	2014:2	2014:3	2011	2012	2013
TOTAL NONDURABLE GOODS	121.2	120.1	120.1	119.5	119.7	119.1	119.6	120.0	119.5	119.5	119.0	117.6	117.4	117.1	120.7	119.5	119.5
% Chg Prev Qtr SAAR	-0.99	-3.60	-0.04	-2.06	0.86	-2.05	1.62	1.36	-1.64	0.14	-1.88	-4.50	-0.51	-1.07	-1.57	-1.04	0.02
% Chg Same Qtr Last Yr	-1.61	-1.78	-1.11	-1.68	-1.23	-0.83	-0.42	0.44	-0.19	0.36	-0.51	-1.98	-1.70	-2.00	-1.57	-1.04	0.02
FOOD	33.0	33.2	33.3	33.5	33.3	32.9	32.5	32.3	32.3	32.3	32.2	32.0	31.9	31.9	33.1	33.0	32.3
% Chg Prev Qtr SAAR	-1.05	2.27	1.33	2.45	-2.41	-4.54	-4.35	-2.63	0.19	-0.44	-1.11	-2.73	-0.30	0.09	1.62	-0.24	-2.30
% Chg Same Qtr Last Yr	1.29	1.82	0.93	1.24	0.89	-0.83	-2.25	-3.49	-2.85	-1.82	-1.00	-1.03	-1.15	-1.02	1.62	-0.24	-2.30
BEVERAGE & TOBACCO	4.9	5.0	5.1	5.1	5.2	5.2	5.3	5.3	5.3	5.3	5.2	5.2	5.2	5.1	5.0	5.2	5.3
% Chg Prev Qtr SAAR	0.55	9.89	4.53	1.43	3.20	-0.58	8.93	1.66	0.26	-2.12	-4.99	1.87	-4.79	-2.44	0.17	3.51	1.61
% Chg Same Qtr Last Yr	-1.34	1.51	2.56	4.04	4.72	2.13	3.19	3.24	2.50	2.10	-1.33	-1.28	-2.55	-2.63	0.17	3.51	1.61
TEXTILE MILLS, TEXTILE MILL PRODUCTS & APPAREL	10.7	10.7	10.7	10.7	10.7	10.6	10.6	10.6	10.4	10.4	10.4	10.2	10.0	10.1	10.7	10.7	10.5
% Chg Prev Qtr SAAR	2.21	1.74	-1.38	0.97	0.34	-3.74	0.12	-2.00	-5.18	-0.41	-2.35	-4.90	-7.36	0.69	-7.20	-0.07	-2.11
% Chg Same Qtr Last Yr	-10.27	-3.90	-1.79	0.88	0.41	-0.97	-0.60	-1.33	-2.72	-1.89	-2.50	-3.23	-3.79	-3.53	-7.20	-0.07	-2.11
PAPER	15.4	15.3	14.9	14.8	14.8	14.7	14.7	14.9	14.7	14.6	14.5	14.4	14.3	14.2	15.3	14.7	14.7
% Chg Prev Qtr SAAR	-4.07	-4.02	-7.67	-5.03	0.99	-3.60	0.13	7.37	-4.75	-3.98	-3.38	-2.46	-2.99	-2.52	-2.53	-3.76	-0.22
% Chg Same Qtr Last Yr	-1.40	-2.70	-5.02	-5.21	-3.98	-3.88	-1.91	1.15	-0.32	-0.42	-1.31	-3.64	-3.20	-2.84	-2.53	-3.76	-0.22
PRINTING & RELATED SUPPORT	10.0	9.8	9.8	9.6	9.6	9.6	9.6	9.7	9.6	9.6	9.5	9.4	9.2	9.1	10.0	9.6	9.6
% Chg Prev Qtr SAAR	-9.76	-7.56	-1.50	-4.77	-1.90	-0.09	0.17	3.19	-1.65	-0.40	-5.12	-5.29	-5.49	-4.54	-12.93	-3.45	0.00
% Chg Same Qtr Last Yr	-15.27	-13.99	-6.92	-5.95	-3.96	-2.08	-1.67	0.32	0.39	0.31	-1.04	-3.14	-4.10	-5.11	-12.93	-3.45	0.00
CHEMICALS	24.6	24.6	24.5	24.4	24.4	24.3	24.5	24.7	24.8	25.0	25.0	25.0	25.0	25.0	24.6	24.4	24.9
% Chg Prev Qtr SAAR	1.39	0.53	-1.73	-2.20	-0.35	-0.17	2.20	3.46	2.19	2.98	0.65	-0.84	-0.59	0.61	-1.63	-0.68	2.05
% Chg Same Qtr Last Yr	-2.10	-1.25	0.27	-0.51	-0.94	-1.12	-0.14	1.27	1.91	2.71	2.31	1.23	0.54	-0.05	-1.63	-0.68	2.05
PLASTICS & RUBBER	21.0	19.8	20.1	19.6	20.0	20.0	20.3	20.4	20.2	20.2	20.2	20.2	20.0	20.1	20.5	20.0	20.3
% Chg Prev Qtr SAAR	-0.55	-19.75	6.15	-10.09	7.72	0.54	6.69	2.22	-3.99	-0.34	-0.28	-0.03	-3.98	2.67	2.89	-2.45	1.48
% Chg Same Qtr Last Yr	7.19	-0.99	-1.79	-6.58	-4.69	0.83	0.96	4.25	1.29	1.07	-0.62	-1.17	-1.17	-0.44	2.89	-2.45	1.48
MISCELLANEOUS NONDURABLE GOODS	1.7	1.7	1.7	1.8	1.8	1.8	2.1	2.1	2.0	2.1	2.0	1.2	1.9	1.6	1.6	1.9	2.1
% Chg Prev Qtr SAAR	23.17	-3.53	1.30	28.01	17.67	-1.08	69.48	-1.33	-14.37	23.49	-21.08	-85.30	399.43	-48.34	4.73	14.65	8.88
% Chg Same Qtr Last Yr	1.90	8.01	16.18	11.41	10.15	10.84	26.06	18.12	9.09	15.32	-4.74	-40.82	-8.03	-26.04	4.73	14.65	8.88

Center for Business and Economic Research, University of Tennessee **Tennessee Econometric Model**

Table 11: Tennessee Average Annual Wage and Salary Rate by Sector, Not Seasonally Adjusted (2009 dollars) **January 2015**

	Historical Data														Annual		
	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1	2014:2	2014:3	2011	2012	2013
TOTAL NONFARM	41228	41570	40422	42387	41988	41843	41882	42264	41681	41662	41203	42452	41785	41954	41325	42025	41702
% Chg Same Qtr Last Yr	-0.28	-0.05	-2.06	0.73	1.84	0.66	3.61	-0.29	-0.73	-0.43	-1.62	0.45	0.25	0.70	-0.30	1.69	-0.77
NATURAL RESOURCES, MINING AND CONSTRUCTION	46131	44627	43201	49110	45726	44255	45590	47762	45769	44515	45986	48956	46699	45989	45510	46170	46008
% Chg Same Qtr Last Yr	0.70	-0.25	-1.05	2.14	-0.88	-0.83	5.53	-2.75	0.09	0.59	0.87	2.50	2.03	3.31	0.06	1.45	-0.35
MANUFACTURING	50167	51069	49600	51631	53304	50125	51792	51570	50444	50673	51125	52076	51391	51136	50745	51713	50953
% Chg Same Qtr Last Yr	-1.74	-0.09	-4.00	-0.99	6.25	-1.85	4.42	-0.12	-5.36	1.09	-1.29	0.98	1.88	0.91	-0.90	1.91	-1.47
DURABLE GOODS	48850	49823	49007	51197	53935	49134	50969	50184	49228	49009	49625	50311	50173	49786	49673	51309	49512
% Chg Same Qtr Last Yr	-3.76	-1.24	-1.77	0.37	10.41	-1.38	4.00	-1.98	-8.73	-0.26	-2.64	0.25	1.92	1.58	-1.32	3.29	-3.50
NONDURABLE GOODS	52148	52982	50521	52322	52283	51751	53143	53857	52468	53441	53670	55120	53518	53523	52373	52375	53359
% Chg Same Qtr Last Yr	1.32	1.72	-6.90	-2.82	0.26	-2.32	5.19	2.93	0.35	3.26	0.99	2.35	2.00	0.15	-0.16	0.00	1.88
TRADE, TRANSPORTATION, UTILITIES	38544	38699	37668	39460	38935	38401	38535	38893	38579	38214	37842	39050	38038	37831	38527	38833	38382
% Chg Same Qtr Last Yr	-0.39	-0.01	-0.20	0.67	1.01	-0.77	2.30	-1.44	-0.91	-0.48	-1.80	0.40	-1.40	-1.00	0.67	0.79	-1.16
WHOLESALE TRADE	57359	57192	56659	59144	58248	56843	61215	58214	57748	57234	57208	57929	56510	56198	57375	58862	57601
% Chg Same Qtr Last Yr	1.59	-1.54	-0.46	1.47	1.55	-0.61	8.04	-1.57	-0.86	0.69	-6.55	-0.49	-2.14	-1.81	0.83	2.59	-2.14
RETAIL TRADE	26624	27390	26449	27479	27107	26585	25947	26718	26240	26237	25813	26976	26181	26104	26930	26779	26252
% Chg Same Qtr Last Yr	-4.05	1.69	0.44	0.81	1.81	-2.94	-1.90	-2.77	-3.20	-1.31	-0.51	0.97	-0.23	-0.51	0.33	-0.56	-1.97
TRANSPORTATION & UTILITIES	49276	48174	46820	49143	48626	48572	47339	48856	49052	48085	47970	48853	47975	47466	48527	48420	48491
% Chg Same Qtr Last Yr	1.63	-1.20	-1.78	-1.39	-1.32	0.83	1.11	-0.59	0.88	-1.00	1.33	-0.01	-2.20	-1.29	0.32	-0.22	0.15
INFORMATION	54227	53856	53969	55631	54735	55200	55084	54956	54895	55415	52384	58380	56859	58583	54172	55162	54413
% Chg Same Qtr Last Yr	3.93	1.54	6.47	1.82	0.94	2.49	2.07	-1.21	0.29	0.39	-4.90	6.23	3.58	5.72	3.41	1.83	-1.36
FINANCIAL ACTIVITIES	58483	60876	60210	61945	64983	62730	63964	62951	62035	61361	62136	64580	63389	62584	60269	63406	62121
% Chg Same Qtr Last Yr	-1.03	-0.96	-5.80	0.71	11.11	3.05	6.24	1.62	-4.54	-2.18	-2.86	2.59	2.18	1.99	-0.12	5.20	-2.03
PROFESSIONAL & BUSINESS SERVICES	46495	46130	44204	49586	47351	48793	49041	50174	49276	48787	47294	48717	48784	48846	46138	48693	48883
% Chg Same Qtr Last Yr	-0.46	-1.48	-3.54	3.90	1.84	5.77	10.94	1.19	4.07	-0.01	-3.56	-2.90	-1.00	0.12	-1.63	5.54	0.39
EDUCATION & HEALTH SERVICES	43367	43287	42171	43022	42713	43217	43045	42980	42953	43264	42163	43445	43203	43648	42895	42999	42840
% Chg Same Qtr Last Yr	-0.08	0.04	-3.41	0.62	-1.51	-0.16	2.07	-0.10	0.56	0.11	-2.05	1.08	0.58	0.89	-1.47	0.24	-0.37
LEISURE & HOSPITALITY	19315	19997	19809	21219	19666	19515	20091	20112	19183	19088	19787	20188	19424	19561	19999	20123	19542
% Chg Same Qtr Last Yr	-1.30	2.64	-3.61	1.65	1.81	-2.41	1.43	-5.22	-2.46	-2.19	-1.51	0.38	1.26	2.48	-0.48	0.62	-2.88
OTHER SERVICES	36421	36817	37108	37387	37911	36920	37246	36966	36312	36894	37658	39120	37570	37886	37198	37366	36957
% Chg Same Qtr Last Yr	-0.94	-2.23	1.86	-2.75	4.09	0.28	0.37	-1.12	-4.22	-0.07	1.11	5.83	3.46	2.69	0.54	0.45	-1.09
GOVERNMENT	39591	40319	38270	38505	38968	40914	38185	39039	39754	40485	38510	38875	39506	40653	39210	39143	39447
% Chg Same Qtr Last Yr	1.09	1.02	-0.02	-0.40	-1.57	1.48	-0.22	1.39	2.02	-1.05	0.85	-0.42	-0.62	0.41	0.41	-0.17	0.78
FEDERAL, CIVILIAN	67788	67564	67778	67977	67300	66759	66202	66714	66512	64881	66118	66679	66445	66512	67939	67059	66056
% Chg Same Qtr Last Yr	10.32	1.55	-1.30	-0.94	-0.72	-1.19	-2.33	-1.86	-1.17	-2.81	-0.13	-0.05	-0.10	2.51	3.24	-1.29	-1.50
STATE & LOCAL	35779	36550	34391	34628	35135	37317	34525	35399	36151	37122	34928	35265	35918	37116	35362	35401	35900
% Chg Same Qtr Last Yr	-0.10	1.04	0.18	-0.29	-1.80	2.10	0.39	2.23	2.89	-0.52	1.17	-0.38	-0.64	-0.02	-0.08	0.11	1.41

Table 12: Tennessee Average Annual Wage and Salary Rate by Sector, Seasonally Adjusted (2009 dollars) **January 2015**

	Historical Data														Annual		
	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1	2014:2	2014:3	2011	2012	2013
TOTAL NONFARM	41297	41514	40806	41940	42034	41782	42313	41818	41738	41594	41576	42063	41881	41906	41318	42017	41681
% Chg Prev Qtr SAAR	-3.40	2.12	-6.65	11.59	0.90	-2.38	5.18	-4.60	-0.76	-1.37	-0.17	4.77	-1.72	0.24	-0.31	1.69	-0.80
% Chg Same Qtr Last Yr	-0.26	-0.11	-2.04	0.68	1.78	0.64	3.69	-0.29	-0.70	-0.45	-1.74	0.59	0.34	0.75	-0.31	1.69	-0.80
NATURAL RESOURCES, MINING AND CONSTRUCTION	46259	45828	43732	47004	45810	45508	46196	45745	45939	45756	46450	47325	46836	47170	45451	46130	45972
% Chg Prev Qtr SAAR	2.39	-3.67	-17.08	33.45	-9.78	-2.61	6.19	-3.85	1.71	-1.58	6.21	7.75	-4.07	2.88	0.03	1.49	-0.34
% Chg Same Qtr Last Yr	0.82	-0.36	-1.14	2.21	-0.97	-0.70	5.63	-2.68	0.28	0.54	0.55	3.46	1.95	3.09	0.03	1.49	-0.34
MANUFACTURING	50198	51229	49693	51325	53366	50280	51875	51256	50522	50826	51201	51760	51479	51283	50741	51711	50951
% Chg Prev Qtr SAAR	-12.09	8.47	-11.47	13.80	16.88	-21.20	13.30	-4.68	-5.61	2.43	2.98	4.44	-2.15	-1.52	-0.90	1.91	-1.47
% Chg Same Qtr Last Yr	-1.67	-0.09	-4.04	-1.00	6.31	-1.85	4.39	-0.13	-5.33	1.09	-1.30	0.98	1.89	0.90	-0.90	1.91	-1.47
DURABLE GOODS	48875	49972	49074	50924	54003	49276	51032	49899	49313	49145	49683	50019	50272	49915	49670	51309	49510
% Chg Prev Qtr SAAR	-14.03	9.28	-6.99	15.95	26.47	-30.68	15.04	-8.59	-4.62	-1.35	4.45	2.73	2.04	-2.81	-1.33	3.30	-3.51
% Chg Same Qtr Last Yr	-3.68	-1.23	-1.82	0.33	10.49	-1.39	3.99	-2.01	-8.68	-0.27	-2.64	0.24	1.94	1.57	-1.33	3.30	-3.51
NONDURABLE GOODS	52192	53162	50656	51962	52336	51927	53259	53493	52534	53623	53778	54761	53586	53701	52367	52371	53357
% Chg Prev Qtr SAAR	-9.13	7.64	-17.56	10.72	2.91	-3.08	10.66	1.77	-6.98	8.56	1.16	7.51	-8.31	0.86	-0.17	0.01	1.88
% Chg Same Qtr Last Yr	1.36	1.70	-6.94	-2.80	0.28	-2.32	5.14	2.95	0.38	3.27	0.98	2.37	2.00	0.15	-0.17	0.01	1.88
TRADE, TRANSPORTATION, UTILITIES	38467	38639	38229	38949	38840	38378	39131	38393	38490	38184	38370	38599	38038	37805	38514	38825	38359
% Chg Prev Qtr SAAR	-2.61	1.81	-4.19	7.76	-1.12	-4.67	8.08	-7.34	1.02	-3.15	1.96	2.41	-5.69	-2.43	0.63	0.81	-1.20
% Chg Same Qtr Last Yr	-0.40	-0.01	-0.20	0.59	0.97	-0.68	2.36	-1.43	-0.90	-0.51	-1.95	0.54	-1.17	-0.99	0.63	0.81	-1.20
WHOLESALE TRADE	57472	57321	56786	58716	58377	56953	61332	57799	57922	57343	57424	57377	56555	56480	57355	58845	57622
% Chg Prev Qtr SAAR	-2.52	-1.05	-3.68	14.30	-2.29	-9.41	34.49	-21.13	0.86	-3.94	0.57	-0.33	-5.61	-0.53	0.78	2.60	-2.08
% Chg Same Qtr Last Yr	1.53	-1.58	-0.47	1.51	1.57	-0.64	8.01	-1.56	-0.78	0.69	-6.37	-0.73	-2.36	-1.50	0.78	2.60	-2.08
RETAIL TRADE	26532	27272	27011	27042	27003	26488	26553	26295	26123	26132	26258	26638	26214	25993	26922	26771	26202
% Chg Prev Qtr SAAR	-4.98	11.63	-3.77	0.45	-0.58	-7.41	0.99	-3.84	-2.58	0.14	1.93	5.92	-6.22	-3.33	0.31	-0.56	-2.13
% Chg Same Qtr Last Yr	-4.00	1.75	0.45	0.63	1.77	-2.88	-1.70	-2.76	-3.26	-1.34	-1.11	1.31	0.35	-0.53	0.31	-0.56	-2.13
TRANSPORTATION & UTILITIES	49167	48245	47355	48594	48465	48766	47796	48306	48950	48273	48709	48308	47811	47573	48508	48405	48560
% Chg Prev Qtr SAAR	-0.80	-7.29	-7.17	10.88	-1.06	2.51	-7.72	4.33	5.44	-5.42	3.66	-3.25	-4.05	-1.98	0.22	-0.21	0.32
% Chg Same Qtr Last Yr	1.51	-1.30	-1.79	-1.36	-1.43	1.08	0.93	-0.59	1.00	-1.01	1.91	0.01	-2.33	-1.45	0.22	-0.21	0.32
INFORMATION	54350	53774	54011	55458	54819	55071	55211	54789	54978	55247	52424	58515	56859	58447	54152	55140	54359
% Chg Prev Qtr SAAR	-0.90	-4.17	1.77	11.16	-4.53	1.85	1.03	-3.03	1.39	1.98	-18.93	55.23	-10.85	11.65	3.25	1.82	-1.42
% Chg Same Qtr Last Yr	3.78	1.31	6.47	1.81	0.86	2.41	2.22	-1.21	0.29	0.32	-5.05	6.80	3.42	5.79	3.25	1.82	-1.42
FINANCIAL ACTIVITIES	58641	61054	60327	61540	65062	62914	64105	62522	61990	61538	62226	64175	63435	62748	60284	63405	62069
% Chg Prev Qtr SAAR	-15.23	17.51	-4.68	8.29	24.93	-12.57	7.79	-9.52	-3.36	-2.88	4.55	13.13	-4.54	-4.26	-0.13	5.18	-2.11
% Chg Same Qtr Last Yr	-0.96	-0.96	-5.76	0.70	10.95	3.05	6.26	1.60	-4.72	-2.19	-2.93	2.64	2.33	1.97	-0.13	5.18	-2.11

(CONTINUED ON NEXT PAGE)

Table 12: Tennessee Average Annual Wage and Salary Rate by Sector, Seasonally Adjusted (2009 dollars) **January 2015**

	Historical Data														Annual		
	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1	2014:2	2014:3	2011	2012	2013
PROFESSIONAL & BUSINESS SERVICES	46423	45937	44986	48835	47220	48569	49966	49420	49205	48575	48103	48141	48736	48806	46103	48647	48826
% Chg Prev Qtr SAAR	-5.37	-4.12	-8.02	38.87	-12.59	11.92	12.01	-4.29	-1.73	-5.03	-3.83	0.32	5.04	0.58	-1.73	5.52	0.37
% Chg Same Qtr Last Yr	-0.57	-1.61	-3.53	3.76	1.72	5.73	11.07	1.20	4.20	0.01	-3.73	-2.59	-0.95	0.48	-1.73	5.52	0.37
EDUCATION & HEALTH SERVICES	43337	43126	42428	42901	42637	43104	43324	42871	42910	43133	42494	43423	43152	43415	42879	42992	42852
% Chg Prev Qtr SAAR	6.85	-1.93	-6.32	4.54	-2.44	4.45	2.06	-4.12	0.36	2.10	-5.79	9.04	-2.47	2.46	-1.51	0.26	-0.32
% Chg Same Qtr Last Yr	-0.10	-0.13	-3.41	0.65	-1.62	-0.05	2.11	-0.07	0.64	0.07	-1.92	1.29	0.57	0.66	-1.51	0.26	-0.32
LEISURE & HOSPITALITY	19848	20523	19599	20319	20171	20032	19907	19272	19676	19579	19597	19413	19935	20021	19992	20108	19531
% Chg Prev Qtr SAAR	-2.94	14.31	-16.82	15.53	-2.88	-2.73	-2.47	-12.17	8.66	-1.96	0.37	-3.70	11.19	1.74	-0.45	0.58	-2.87
% Chg Same Qtr Last Yr	-1.24	2.60	-3.57	1.62	1.63	-2.39	1.57	-5.16	-2.46	-2.26	-1.56	0.73	1.31	2.26	-0.45	0.58	-2.87
OTHER SERVICES	36731	37045	36976	37038	38189	37108	37044	36625	36622	37092	37622	38775	37792	38003	37208	37345	36990
% Chg Prev Qtr SAAR	-13.42	3.47	-0.75	0.68	13.02	-10.85	-0.69	-4.45	-0.03	5.23	5.85	12.84	-9.77	2.26	0.54	0.37	-0.95
% Chg Same Qtr Last Yr	-0.85	-2.30	1.82	-2.73	3.97	0.17	0.18	-1.12	-4.10	-0.04	1.56	5.87	3.19	2.46	0.54	0.37	-0.95
GOVERNMENT	39329	39203	39154	38978	38722	39634	39164	39511	39461	39187	39313	39281	39297	39489	39201	39125	39368
% Chg Prev Qtr SAAR	2.16	-1.28	-0.49	-1.79	-2.60	9.76	-4.66	3.59	-0.50	-2.75	1.29	-0.33	0.17	1.97	0.46	-0.20	0.62
% Chg Same Qtr Last Yr	1.20	0.84	0.14	-0.36	-1.54	1.10	0.03	1.37	1.91	-1.13	0.38	-0.58	-0.42	0.77	0.46	-0.20	0.62
FEDERAL, CIVILIAN	67833	67387	68182	67932	67032	66537	66778	66092	66112	64881	64756	65467	67933	66926	68075	67070	65460
% Chg Prev Qtr SAAR	-6.04	-2.61	4.81	-1.46	-5.19	-2.92	1.45	-4.04	0.12	-7.24	-0.77	4.46	15.94	-5.80	3.44	-1.48	-2.40
% Chg Same Qtr Last Yr	10.39	1.73	-0.98	-1.40	-1.18	-1.26	-2.06	-2.71	-1.37	-2.49	-3.03	-0.95	2.75	3.15	3.44	-1.48	-2.40
STATE & LOCAL	35507	35415	35265	35113	34902	36009	35488	35929	35878	35775	35852	35768	35600	35884	35341	35378	35859
% Chg Prev Qtr SAAR	3.80	-1.03	-1.69	-1.70	-2.38	13.30	-5.67	5.07	-0.57	-1.15	0.87	-0.94	-1.86	3.23	-0.04	0.11	1.36
% Chg Same Qtr Last Yr	0.02	0.81	0.32	-0.18	-1.70	1.68	0.63	2.32	2.80	-0.65	1.03	-0.45	-0.78	0.31	-0.04	0.11	1.36

Center for Business and Economic Research, University of Tennessee **Tennessee Econometric Model**

Table 13: Tennessee Average Annual Wage and Salary Rate by Sector, Not Seasonally Adjusted (current dollars) **January 2015**

	Historical Data														Annual		
	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1	2014:2	2014:3	2011	2012	2013
TOTAL NONFARM	42895	43480	42425	44723	44449	44439	44678	45202	44629	44795	44413	45915	45454	45781	43036	44572	44760
% Chg Same Qtr Last Yr	2.32	2.80	0.55	3.18	3.62	2.21	5.31	1.07	0.41	0.80	-0.59	1.58	1.85	2.20	2.14	3.57	0.42
NATURAL RESOURCES, MINING AND CONSTRUCTION	47996	46677	45342	51816	48406	47000	48633	51082	49007	47862	49567	52948	50800	50186	47385	48964	49379
% Chg Same Qtr Last Yr	3.32	2.59	1.58	4.63	0.85	0.69	7.26	-1.42	1.24	1.83	1.92	3.65	3.66	4.85	2.50	3.33	0.85
MANUFACTURING	52195	53415	52058	54476	56428	53235	55249	55155	54013	54484	55108	56323	55904	55802	52845	54847	54690
% Chg Same Qtr Last Yr	0.83	2.75	-1.44	1.42	8.11	-0.34	6.13	1.25	-4.28	2.35	-0.26	2.12	3.50	2.42	1.52	3.79	-0.29
DURABLE GOODS	50825	52112	51436	54018	57095	52183	54371	53672	52711	52694	53491	54414	54579	54328	51729	54417	53142
% Chg Same Qtr Last Yr	-1.25	1.58	0.84	2.81	12.34	0.14	5.71	-0.64	-7.68	0.98	-1.62	1.38	3.54	3.10	1.09	5.20	-2.34
NONDURABLE GOODS	54257	55417	53025	55205	55347	54962	56690	57600	56179	57460	57851	59615	58217	58407	54539	55551	57273
% Chg Same Qtr Last Yr	3.96	4.62	-4.42	-0.45	2.01	-0.82	6.91	4.34	1.50	4.54	2.05	3.50	3.63	1.65	2.27	1.86	3.10
TRADE, TRANSPORTATION, UTILITIES	40103	40477	39535	41634	41217	40783	41108	41597	41308	41088	40790	42235	41379	41282	40122	41185	41196
% Chg Same Qtr Last Yr	2.21	2.84	2.45	3.12	2.78	0.76	3.98	-0.09	0.22	0.75	-0.77	1.53	0.17	0.47	3.14	2.65	0.03
WHOLESALE TRADE	59678	59820	59467	62403	61661	60369	65301	62261	61834	61538	61664	62654	61473	61325	59751	62434	61824
% Chg Same Qtr Last Yr	4.24	1.26	2.18	3.94	3.32	0.92	9.81	-0.23	0.28	1.94	-5.57	0.63	-0.58	-0.35	3.29	4.49	-0.98
RETAIL TRADE	27700	28649	27759	28993	28695	28234	27679	28575	28097	28210	27824	29176	28480	28485	28046	28400	28176
% Chg Same Qtr Last Yr	-1.54	4.59	3.11	3.27	3.59	-1.45	-0.29	-1.44	-2.09	-0.08	0.52	2.10	1.37	0.97	2.79	1.26	-0.79
TRANSPORTATION & UTILITIES	51268	50388	49140	51851	51476	51585	50499	52252	52522	51700	51707	52837	52188	51797	50532	51353	52045
% Chg Same Qtr Last Yr	4.28	1.62	0.84	1.01	0.40	2.38	2.76	0.77	2.03	0.22	2.39	1.12	-0.63	0.19	2.77	1.62	1.35
INFORMATION	56419	56331	56644	58696	57942	58624	58761	58776	58778	59583	56464	63142	61852	63929	56418	58506	58400
% Chg Same Qtr Last Yr	6.65	4.44	9.30	4.30	2.70	4.07	3.74	0.14	1.44	1.63	-3.91	7.43	5.23	7.29	5.95	3.70	-0.18
FINANCIAL ACTIVITIES	60848	63673	63194	65358	68791	66622	68234	67327	66423	65975	66976	69847	68956	68294	62767	67251	66675
% Chg Same Qtr Last Yr	1.55	1.86	-3.30	3.16	13.05	4.63	7.98	3.01	-3.44	-0.97	-1.84	3.74	3.81	3.52	2.31	7.14	-0.86
PROFESSIONAL & BUSINESS SERVICES	48375	48250	46395	52318	50125	51820	52314	53662	52762	52456	50978	52691	53069	53303	48044	51644	52464
% Chg Same Qtr Last Yr	2.14	1.33	-0.97	6.43	3.62	7.40	12.76	2.57	5.26	1.23	-2.55	-1.81	0.58	1.61	0.77	7.49	1.59
EDUCATION & HEALTH SERVICES	45121	45276	44261	45393	45216	45899	45918	45968	45992	46518	45447	46989	46997	47631	44674	45606	45981
% Chg Same Qtr Last Yr	2.52	2.89	-0.84	3.07	0.21	1.38	3.74	1.27	1.72	1.35	-1.03	2.22	2.19	2.39	0.95	2.09	0.82
LEISURE & HOSPITALITY	20096	20916	20791	22389	20818	20725	21432	21510	20539	20524	21328	21835	21130	21346	20826	21341	20975
% Chg Same Qtr Last Yr	1.28	5.57	-1.05	4.12	3.59	-0.91	3.09	-3.93	-1.34	-0.97	-0.49	1.51	2.87	4.01	1.94	2.47	-1.71
OTHER SERVICES	37893	38509	38948	39447	40133	39210	39732	39536	38880	39668	40591	42311	40869	41342	38737	39630	39669
% Chg Same Qtr Last Yr	1.65	0.56	4.56	-0.39	5.91	1.82	2.01	0.23	-3.12	1.17	2.16	7.02	5.12	4.22	3.00	2.31	0.10
GOVERNMENT	41192	42172	40167	40626	41251	43452	40734	41753	42566	43529	41510	42046	42975	44362	40838	41516	42339
% Chg Same Qtr Last Yr	3.73	3.90	2.64	2.02	0.14	3.04	1.41	2.77	3.19	0.18	1.90	0.70	0.96	1.91	2.88	1.66	1.98
FEDERAL, CIVILIAN	70529	70669	71137	71723	71243	70901	70621	71351	71217	69760	71268	72117	72280	72581	70755	71122	70899
% Chg Same Qtr Last Yr	13.20	4.44	1.32	1.47	1.01	0.33	-0.73	-0.52	-0.04	-1.61	0.92	1.07	1.49	4.04	5.76	0.52	-0.31
STATE & LOCAL	37225	38230	36096	36536	37194	39632	36829	37860	38708	39914	37648	38141	39072	40502	36831	37548	38533
% Chg Same Qtr Last Yr	2.51	3.92	2.85	2.14	-0.09	3.67	2.03	3.62	4.07	0.71	2.22	0.74	0.94	1.47	2.38	1.95	2.62

Center for Business and Economic Research, University of Tennessee **Tennessee Econometric Model**

Table 14: Tennessee Average Annual Wage and Salary Rate by Sector, Seasonally Adjusted (current dollars) **January 2015**

	Historical Data														Annual		
	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1	2014:2	2014:3	2011	2012	2013
TOTAL NONFARM	42966	43422	42828	44251	44497	44374	45137	44725	44690	44722	44815	45494	45559	45730	43031	44565	44738
% Chg Prev Qtr SAAR	0.57	4.31	-5.36	13.97	2.24	-1.10	7.06	-3.61	-0.31	0.28	0.83	6.20	0.57	1.51	2.13	3.57	0.39
% Chg Same Qtr Last Yr	2.35	2.73	0.57	3.13	3.56	2.19	5.39	1.07	0.43	0.78	-0.72	1.72	1.94	2.25	2.13	3.57	0.39
NATURAL RESOURCES, MINING & CONSTRUCTION	48129	47934	45900	49594	48494	48331	49280	48924	49188	49197	50068	51185	50949	51474	47332	48925	49344
% Chg Prev Qtr SAAR	6.59	-1.61	-15.92	36.29	-8.58	-1.34	8.08	-2.85	2.18	0.07	7.28	9.23	-1.83	4.18	2.48	3.36	0.86
% Chg Same Qtr Last Yr	3.45	2.48	1.49	4.70	0.76	0.83	7.36	-1.35	1.43	1.79	1.60	4.62	3.58	4.63	2.48	3.36	0.86
MANUFACTURING	52228	53583	52156	54153	56493	53399	55337	54819	54096	54648	55189	55982	56000	55962	52841	54846	54688
% Chg Prev Qtr SAAR	-8.48	10.79	-10.24	16.22	18.44	-20.17	15.33	-3.69	-5.17	4.15	4.02	5.87	0.13	-0.28	1.52	3.79	-0.29
% Chg Same Qtr Last Yr	0.90	2.75	-1.49	1.41	8.17	-0.34	6.10	1.23	-4.24	2.34	-0.27	2.12	3.52	2.40	1.52	3.79	-0.29
DURABLE GOODS	50851	52268	51506	53730	57167	52333	54439	53367	52801	52841	53553	54099	54687	54469	51727	54417	53141
% Chg Prev Qtr SAAR	-10.50	11.62	-5.70	18.42	28.15	-29.77	17.09	-7.64	-4.18	0.30	5.50	4.14	4.42	-1.58	1.09	5.20	-2.35
% Chg Same Qtr Last Yr	-1.16	1.59	0.79	2.77	12.42	0.13	5.69	-0.67	-7.64	0.97	-1.63	1.37	3.57	3.08	1.09	5.20	-2.35
NONDURABLE GOODS	54302	55605	53167	54825	55403	55149	56814	57211	56250	57655	57967	59227	58292	58601	54534	55548	57271
% Chg Prev Qtr SAAR	-5.40	9.95	-16.42	13.07	4.28	-1.82	12.63	2.83	-6.55	10.38	2.18	8.98	-6.17	2.13	2.27	1.86	3.10
% Chg Same Qtr Last Yr	4.00	4.60	-4.46	-0.43	2.03	-0.82	6.86	4.35	1.53	4.54	2.03	3.52	3.63	1.64	2.27	1.86	3.10
TRADE, TRANSPORTATION, UTILITIES	40022	40415	40123	41095	41116	40759	41743	41061	41213	41055	41359	41747	41379	41255	40111	41178	41172
% Chg Prev Qtr SAAR	1.39	3.99	-2.86	10.05	0.20	-3.43	10.01	-6.38	1.49	-1.52	2.99	3.81	-3.48	-1.19	3.09	2.66	-0.02
% Chg Same Qtr Last Yr	2.20	2.84	2.45	3.04	2.73	0.85	4.04	-0.08	0.24	0.73	-0.92	1.67	0.40	0.49	3.09	2.66	-0.02
WHOLESALE TRADE	59796	59955	59601	61952	61798	60486	65426	61816	62019	61655	61897	62057	61521	61634	59732	62415	61847
% Chg Prev Qtr SAAR	1.48	1.06	-2.34	16.73	-0.99	-8.22	36.89	-20.31	1.32	-2.33	1.58	1.04	-3.41	0.73	3.25	4.49	-0.91
% Chg Same Qtr Last Yr	4.18	1.23	2.18	3.99	3.35	0.89	9.77	-0.22	0.36	1.93	-5.39	0.39	-0.80	-0.03	3.25	4.49	-0.91
RETAIL TRADE	27605	28525	28350	28532	28585	28131	28326	28122	27971	28097	28303	28811	28516	28364	28040	28394	28123
% Chg Prev Qtr SAAR	-1.08	14.02	-2.44	2.59	0.75	-6.20	2.79	-2.84	-2.13	1.81	2.96	7.37	-4.03	-2.11	2.77	1.26	-0.95
% Chg Same Qtr Last Yr	-1.50	4.65	3.12	3.08	3.55	-1.38	-0.09	-1.44	-2.15	-0.12	-0.08	2.45	1.95	0.95	2.77	1.26	-0.95
TRANSPORTATION & UTILITIES	51155	50462	49702	51271	51305	51792	50987	51664	52413	51903	52503	52248	52010	51914	50516	51339	52121
% Chg Prev Qtr SAAR	3.27	-5.31	-5.88	13.24	0.26	3.85	-6.07	5.42	5.93	-3.83	4.70	-1.93	-1.81	-0.74	2.67	1.63	1.52
% Chg Same Qtr Last Yr	4.16	1.51	0.82	1.04	0.29	2.64	2.58	0.76	2.16	0.22	2.97	1.13	-0.77	0.02	2.67	1.63	1.52
INFORMATION	56547	56245	56687	58514	58031	58487	58897	58597	58867	59402	56507	63288	61852	63780	56397	58482	58343
% Chg Prev Qtr SAAR	3.17	-2.12	3.18	13.53	-3.26	3.18	2.83	-2.02	1.85	3.69	-18.11	57.35	-8.77	13.06	5.79	3.70	-0.24
% Chg Same Qtr Last Yr	6.49	4.20	9.31	4.29	2.62	3.99	3.90	0.14	1.44	1.56	-4.06	8.01	5.07	7.37	5.79	3.70	-0.24
FINANCIAL ACTIVITIES	61011	63859	63316	64931	68875	66817	68384	66868	66375	66166	67073	69409	69006	68473	62784	67252	66620
% Chg Prev Qtr SAAR	-11.76	20.02	-3.36	10.60	26.60	-11.43	9.71	-8.58	-2.92	-1.25	5.60	14.68	-2.31	-3.05	2.31	7.12	-0.94
% Chg Same Qtr Last Yr	1.63	1.86	-3.25	3.15	12.89	4.63	8.00	2.98	-3.63	-0.97	-1.92	3.80	3.96	3.49	2.31	7.12	-0.94

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Table 14: Tennessee Average Annual Wage and Salary Rate by Sector, Seasonally Adjusted (current dollars) **January 2015**

	Historical Data														Annual		
	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1	2014:2	2014:3	2011	2012	2013
PROFESSIONAL & BUSINESS SERVICES	48300	48048	47216	51526	49987	51582	53301	52855	52686	52228	51849	52067	53016	53259	48011	51599	52405
% Chg Prev Qtr SAAR	-1.48	-2.07	-6.75	41.83	-11.42	13.38	14.01	-3.30	-1.28	-3.43	-2.87	1.689	7.49	1.85	0.68	7.47	1.56
% Chg Same Qtr Last Yr	2.03	1.20	-0.97	6.28	3.49	7.36	12.89	2.58	5.40	1.25	-2.72	-1.49	0.626	1.98	0.68	7.47	1.56
EDUCATION & HEALTH SERVICES	45089	45108	44531	45265	45135	45778	46216	45851	45945	46376	45804	46965	46942	47377	44658	45599	45994
% Chg Prev Qtr SAAR	11.24	0.16	-5.02	6.76	-1.14	5.82	3.89	-3.12	0.82	3.81	-4.84	10.53	-0.19	3.75	0.91	2.11	0.87
% Chg Same Qtr Last Yr	2.51	2.72	-0.84	3.10	0.10	1.49	3.79	1.30	1.79	1.31	-0.89	2.43	2.17	2.16	0.91	2.11	0.87
LEISURE & HOSPITALITY	20650	21466	20571	21439	21353	21275	21236	20611	21068	21052	21124	20997	21686	21848	20821	21326	20964
% Chg Prev Qtr SAAR	1.05	16.76	-15.67	17.98	-1.59	-1.46	-0.73	-11.26	9.16	-0.31	1.38	-2.38	13.79	3.02	1.99	2.43	-1.70
% Chg Same Qtr Last Yr	1.34	5.52	-1.01	4.09	3.41	-0.89	3.23	-3.86	-1.34	-1.05	-0.53	1.87	2.93	3.78	1.99	2.43	-1.70
OTHER SERVICES	38216	38747	38808	39079	40427	39410	39517	39171	39213	39881	40553	41938	41110	41471	38748	39608	39704
% Chg Prev Qtr SAAR	-9.87	5.68	0.63	2.82	14.53	-9.69	1.08	-3.45	0.43	6.99	6.91	14.38	-7.66	3.55	3.00	2.22	0.24
% Chg Same Qtr Last Yr	1.74	0.48	4.53	-0.36	5.79	1.71	1.83	0.23	-3.00	1.19	2.62	7.06	4.84	3.99	3.00	2.22	0.24
GOVERNMENT	40919	41004	41095	41126	40992	42093	41779	42257	42253	42134	42375	42484	42748	43092	40828	41497	42255
% Chg Prev Qtr SAAR	6.35	0.83	0.89	0.30	-1.30	11.19	-2.96	4.66	-0.04	-1.12	2.31	1.03	2.51	3.26	2.93	1.64	1.83
% Chg Same Qtr Last Yr	3.84	3.71	2.80	2.06	0.18	2.66	1.66	2.75	3.08	0.10	1.43	0.54	1.17	2.27	2.93	1.64	1.83
FEDERAL, CIVILIAN	70575	70483	71562	71675	70960	70665	71235	70686	70789	69760	69800	70807	73899	73033	70897	71134	70259
% Chg Prev Qtr SAAR	-2.19	-0.52	6.26	0.64	-3.93	-1.65	3.26	-3.05	0.58	-5.69	0.23	5.89	18.65	-4.61	5.97	0.34	-1.23
% Chg Same Qtr Last Yr	13.27	4.63	1.66	1.00	0.55	0.26	-0.46	-1.38	-0.24	-1.28	-2.01	0.17	4.39	4.69	5.97	0.34	-1.23
STATE & LOCAL	36942	37042	37012	37048	36948	38243	37857	38427	38416	38465	38645	38685	38726	39158	36808	37524	38488
% Chg Prev Qtr SAAR	8.06	1.09	-0.32	0.39	-1.08	14.78	-3.98	6.16	-0.11	0.50	1.89	0.41	0.43	4.53	2.42	1.95	2.57
% Chg Same Qtr Last Yr	2.63	3.69	2.98	2.25	0.01	3.24	2.28	3.72	3.98	0.58	2.08	0.67	0.81	1.80	2.42	1.95	2.57

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Table 15: Tennessee Civilian Labor Force and Unemployment Rate, Not Seasonally Adjusted **January 2015**

	Historical Data														Annual		
	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1	2014:2	2014:3	2011	2012	2013
CIVILIAN LABOR FORCE (THOUS)……	3125	3135	3115	3082	3106	3107	3105	3075	3089	3078	3039	3022	3041	3027	3119	3100	3070
% Chg Same Qtr Last Yr……	0.44	0.62	0.26	-0.58	-0.63	-0.89	-0.33	-0.24	-0.52	-0.91	-2.13	-1.71	-1.58	-1.68	1.17	-0.61	-0.95
EMPLOYED PERSONS (THOUS)……	2829	2841	2854	2818	2852	2850	2865	2809	2832	2824	2808	2805	2842	2807	2828	2846	2818
% Chg Same Qtr Last Yr……	0.60	0.71	1.36	1.03	0.81	0.33	0.39	-0.32	-0.71	-0.92	-1.98	-0.14	0.36	-0.61	1.78	0.64	-0.99
UNEMPLOYED PERSONS (THOUS)……	296	294	261	264	253	256	239	266	257	254	230	217	198	220	290	253	252
% Chg Same Qtr Last Yr……	-1.11	-0.19	-10.34	-15.04	-14.42	-12.70	-8.26	0.61	1.60	-0.83	-3.83	-18.30	-22.88	-13.61	-4.40	-12.77	-0.56
PARTICIPATION RATE (PERCENT)……	61.8	61.8	61.3	60.4	60.7	60.6	60.3	59.6	59.7	59.3	58.4	57.9	58.1	57.6	61.6	60.5	59.2
% Chg Same Qtr Last Yr……	-0.55	-0.48	-0.96	-1.78	-1.82	-2.07	-1.51	-1.41	-1.69	-2.07	-3.27	-2.86	-2.74	-2.84	0.12	-1.79	-2.11
UNEMPLOYMENT RATE (PERCENT)……	9.5	9.4	8.4	8.6	8.2	8.3	7.7	8.6	8.3	8.3	7.6	7.2	6.5	7.3	9.3	8.2	8.2

Center for Business and Economic Research, University of Tennessee **Tennessee Econometric Model**

Table 16: Tennessee Civilian Labor Force and Unemployment Rate, Seasonally Adjusted **January 2015**

	Historical Data														Annual		
	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1	2014:2	2014:3	2011	2012	2013
CIVILIAN LABOR FORCE (THOUS).....	3122	3114	3112	3108	3101	3092	3099	3100	3085	3060	3037	3038	3044	3019	3118	3100	3070
% Chg Prev Qtr SAAR.....	-0.18	-1.00	-0.27	-0.62	-0.81	-1.21	0.93	0.17	-2.01	-3.19	-2.94	0.17	0.70	-3.25	1.15	-0.59	-0.95
% Chg Same Qtr Last Yr.....	0.70	0.54	0.21	-0.52	-0.67	-0.73	-0.43	-0.23	-0.53	-1.04	-2.00	-2.00	-1.33	-1.35	1.15	-0.59	-0.95
EMPLOYED PERSONS (THOUS).....	2825	2822	2841	2854	2845	2837	2849	2847	2827	2805	2797	2828	2848	2799	2828	2846	2819
% Chg Prev Qtr SAAR.....	0.16	-0.32	2.62	1.87	-1.18	-1.25	1.78	-0.34	-2.76	-3.08	-1.10	4.45	2.92	-6.67	1.75	0.65	-0.97
% Chg Same Qtr Last Yr.....	0.95	0.69	1.23	1.07	0.73	0.50	0.29	-0.26	-0.66	-1.12	-1.83	-0.67	0.75	-0.19	1.75	0.65	-0.97
UNEMPLOYED PERSONS (THOUS).....	298	292	272	254	256	255	250	254	258	255	240	211	196	219	290	254	252
% Chg Prev Qtr SAAR.....	-3.36	-7.21	-25.15	-24.03	3.52	-0.69	-8.12	6.22	6.71	-4.36	-21.57	-40.67	-25.67	57.99	-4.34	-12.62	-0.77
% Chg Same Qtr Last Yr.....	-1.68	-0.92	-9.40	-15.49	-14.03	-12.56	-7.96	0.08	0.84	-0.10	-3.98	-16.99	-24.16	-14.02	-4.34	-12.62	-0.77
PARTICIPATION RATE (PERCENT).....	61.8	61.4	61.2	60.9	60.6	60.3	60.2	60.1	59.6	58.9	58.3	58.2	58.1	57.5	61.6	60.5	59.2
% Chg Prev Qtr SAAR.....	-1.39	-2.19	-1.47	-1.80	-1.98	-2.37	-0.25	-1.00	-3.16	-4.32	-4.07	-1.03	-0.49	-4.39	0.10	-1.77	-2.11
% Chg Same Qtr Last Yr.....	-0.29	-0.56	-1.01	-1.72	-1.86	-1.91	-1.60	-1.40	-1.70	-2.20	-3.15	-3.15	-2.49	-2.51	0.10	-1.77	-2.11
UNEMPLOYMENT RATE (PERCENT).....	9.5	9.4	8.7	8.2	8.2	8.3	8.1	8.2	8.4	8.3	7.9	6.9	6.4	7.3	9.3	8.2	8.2

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Table 17: Tennessee Taxable Sales, Not Seasonally Adjusted (millions of 2009 dollars) **January 2015**

	Historical Data														Annual		
	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1	2014:2	2014:3	2011	2012	2013
TOTAL TAXABLE SALES	22752	22460	24036	22043	23381	22628	24342	21959	23905	23153	25046	22393	24265	24253	89915	92394	94063
% Chg Same Qtr Last Yr	2.70	3.56	3.83	6.66	2.77	0.75	1.27	-0.38	2.24	2.32	2.89	1.98	1.51	4.75	3.38	2.76	1.81
AUTO DEALERS	2072	2076	1973	2218	2222	2270	2040	2245	2314	2418	2187	2349	2433	2550	8085	8750	9164
% Chg Same Qtr Last Yr	5.13	4.01	9.61	12.90	7.28	9.33	3.37	1.23	4.11	6.53	7.20	4.60	5.16	5.44	7.23	8.22	4.73
PURCHASES FROM MANUFACTURERS	994	1007	1038	803	974	930	1121	808	991	970	1129	821	1010	1039	3856	3828	3898
% Chg Same Qtr Last Yr	5.97	9.58	4.55	-1.54	-1.98	-7.71	7.90	0.54	1.74	4.35	0.74	1.69	1.90	7.07	6.95	-0.72	1.83
MISC DURABLE GOODS	3978	3854	3872	3692	4079	3742	3900	3498	4189	3941	4039	3520	4257	4132	14975	15413	15667
% Chg Same Qtr Last Yr	2.27	5.34	6.01	12.89	2.55	-2.92	0.71	-5.26	2.69	5.32	3.57	0.63	1.62	4.85	4.85	2.92	1.65
EATING AND DRINKING PLACES	2331	2340	2299	2344	2461	2423	2388	2357	2557	2485	2456	2435	2615	2623	9129	9615	9855
% Chg Same Qtr Last Yr	2.20	2.14	4.51	8.58	5.54	3.55	3.86	0.56	3.92	2.57	2.82	3.29	2.27	5.56	2.44	5.32	2.49
FOOD STORES	2188	2198	2418	2142	2253	2278	2462	2255	2330	2293	2511	2218	2336	2373	8852	9136	9390
% Chg Same Qtr Last Yr	1.25	0.46	3.00	4.59	3.00	3.66	1.80	5.27	3.42	0.65	2.02	-1.63	0.26	3.49	1.28	3.20	2.78
LIQUOR STORES	167	166	210	172	183	174	219	178	184	187	230	187	194	195	700	748	780
% Chg Same Qtr Last Yr	2.22	4.09	5.46	9.17	9.59	5.02	4.36	3.68	0.75	7.46	5.13	4.78	5.44	4.12	3.84	6.84	4.27
HOTELS AND MOTELS	608	626	565	496	638	627	583	503	631	627	602	536	715	732	2243	2344	2363
% Chg Same Qtr Last Yr	12.51	12.85	11.01	12.07	4.89	0.11	3.02	1.45	-1.11	-0.05	3.29	6.43	13.31	16.81	10.48	4.50	0.81
OTHER RETAIL AND SERVICE	6806	6668	7794	6696	7073	6792	7866	6716	7189	6890	8087	6938	7354	7157	27593	28428	28883
% Chg Same Qtr Last Yr	2.98	3.19	2.03	5.85	3.92	1.86	0.94	0.30	1.64	1.45	2.81	3.30	2.30	3.88	2.73	3.02	1.60
MISC NONDURABLE GOODS	1893	1835	2180	1882	1961	1873	2223	1897	1998	1914	2291	1896	2051	1989	7669	7939	8100
% Chg Same Qtr Last Yr	1.65	3.79	2.24	6.85	3.60	2.03	2.00	0.77	1.89	2.21	3.04	-0.06	2.65	3.94	2.02	3.52	2.03
TRANSPORTATION, COMMUNICATION	1716	1689	1685	1597	1537	1519	1540	1501	1522	1427	1515	1495	1299	1462	6812	6193	5965
% Chg Same Qtr Last Yr	-1.30	-0.17	0.57	-7.26	-10.44	-10.05	-8.61	-6.00	-0.97	-6.08	-1.66	-0.41	-14.64	2.46	-0.07	-9.08	-3.69
PER CAPITA ($)	3566	3511	3747	3427	3625	3499	3754	3378	3667	3543	3822	3408	3683	3672	14071	14305	14410
% Chg Same Qtr Last Yr	1.82	2.56	2.71	5.51	1.67	-0.33	0.20	-1.44	1.16	1.24	1.81	0.91	0.44	3.66	2.43	1.67	0.73

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Table 18: Tennessee Taxable Sales, Seasonally Adjusted (millions of 2009 dollars) **January 2015**

	Historical Data														Annual		
	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1	2014:2	2014:3	2011	2012	2013
TOTAL TAXABLE SALES	22368	22662	22809	23501	22973	22890	23091	23356	23490	23450	23763	23783	23848	24566	89915	92455	94059
% Chg Prev Qtr SAAR	5.39	5.37	2.61	12.71	-8.69	-1.45	3.56	4.68	2.32	-0.69	5.45	0.34	1.09	12.60	3.40	2.82	1.74
% Chg Same Qtr Last Yr	2.57	3.80	3.94	6.46	2.71	1.00	1.24	-0.62	2.25	2.45	2.91	1.83	1.52	4.76	3.40	2.82	1.74
AUTO DEALERS	1998	1987	2144	2212	2154	2181	2203	2232	2254	2327	2354	2331	2378	2451	8096	8751	9167
% Chg Prev Qtr SAAR	6.27	-2.19	35.58	13.40	-10.12	5.13	4.05	5.46	3.84	13.65	4.84	-3.96	8.28	12.93	7.28	8.09	4.76
% Chg Same Qtr Last Yr	5.62	4.61	8.85	12.44	7.83	9.79	2.76	0.91	4.62	6.67	6.88	4.41	5.50	5.34	7.28	8.09	4.76
PURCHASES FROM MANUFACTURERS	965	982	950	945	945	909	1020	952	962	950	1025	969	980	1018	3852	3819	3889
% Chg Prev Qtr SAAR	4.63	7.21	-12.58	-2.19	0.35	-14.65	59.06	-24.19	4.03	-4.67	35.42	-20.00	4.59	16.19	7.12	-0.85	1.83
% Chg Same Qtr Last Yr	5.66	9.85	4.00	-1.04	-2.07	-7.49	7.44	0.81	1.72	4.57	0.45	1.81	1.95	7.12	7.12	-0.85	1.83
MISC DURABLE GOODS	3725	3818	3790	4096	3815	3723	3808	3876	3917	3932	3939	3895	3982	4128	14963	15442	15663
% Chg Prev Qtr SAAR	10.77	10.40	-2.86	36.37	-24.75	-9.30	9.47	7.28	4.32	1.54	0.75	-4.43	9.30	15.41	4.94	3.20	1.43
% Chg Same Qtr Last Yr	2.00	5.85	5.74	12.82	2.42	-2.49	0.47	-5.38	2.67	5.61	3.44	0.50	1.67	4.98	4.94	3.20	1.43
EATING AND DRINKING PLACES	2264	2305	2331	2419	2386	2392	2420	2432	2477	2459	2486	2511	2533	2597	9129	9617	9854
% Chg Prev Qtr SAAR	6.54	7.37	4.70	15.92	-5.36	1.06	4.65	2.03	7.58	-2.82	4.45	4.10	3.58	10.45	2.46	5.35	2.46
% Chg Same Qtr Last Yr	1.93	2.41	4.45	8.55	5.38	3.80	3.79	0.53	3.80	2.79	2.74	3.25	2.28	5.61	2.46	5.35	2.46
FOOD STORES	2207	2210	2255	2272	2271	2300	2292	2388	2349	2319	2337	2347	2356	2402	8849	9136	9394
% Chg Prev Qtr SAAR	5.46	0.61	8.32	3.20	-0.17	5.12	-1.35	17.86	-6.40	-5.02	3.18	1.69	1.46	8.11	1.24	3.25	2.82
% Chg Same Qtr Last Yr	1.23	0.94	2.81	4.36	2.94	4.07	1.66	5.10	3.42	0.83	1.97	-1.72	0.28	3.58	1.24	3.25	2.82
LIQUOR STORES	172	176	180	185	189	185	189	192	190	199	198	200	201	207	699	748	779
% Chg Prev Qtr SAAR	6.51	10.02	9.37	10.45	8.75	-7.85	7.77	6.36	-2.20	18.62	-0.64	4.12	0.94	12.42	3.76	6.98	4.23
% Chg Same Qtr Last Yr	2.22	3.97	5.60	9.08	9.65	4.90	4.51	3.53	0.82	7.39	5.23	4.67	5.50	4.09	3.76	6.98	4.23
HOTELS AND MOTELS	563	578	568	589	588	582	587	594	581	585	606	630	659	685	2239	2347	2366
% Chg Prev Qtr SAAR	28.21	11.22	-6.65	15.07	-0.24	-4.01	3.10	4.72	-8.23	2.66	15.12	16.79	19.63	16.63	10.13	4.79	0.81
% Chg Same Qtr Last Yr	11.71	13.42	11.67	11.25	4.49	0.71	3.24	0.84	-1.25	0.43	3.23	6.09	13.36	17.03	10.13	4.79	0.81
OTHER RETAIL AND SERVICE	6862	6954	6978	7180	7115	7094	7074	7168	7223	7206	7288	7387	7388	7491	27610	28462	28885
% Chg Prev Qtr SAAR	2.68	5.46	1.39	12.08	-3.55	-1.19	-1.09	5.42	3.09	-0.93	4.59	5.54	0.11	5.66	2.75	3.09	1.48
% Chg Same Qtr Last Yr	2.76	3.31	2.55	5.32	3.69	2.01	1.38	-0.16	1.52	1.59	3.01	3.04	2.29	3.95	2.75	3.09	1.48
MISC NONDURABLE GOODS	1918	1939	1928	2012	1981	1981	1970	2027	2017	2025	2032	2025	2070	2104	7671	7944	8100
% Chg Prev Qtr SAAR	7.25	4.54	-2.32	18.66	-6.01	-0.14	-2.22	12.13	-1.96	1.56	1.35	-1.33	9.26	6.75	1.98	3.57	1.96
% Chg Same Qtr Last Yr	1.15	3.90	2.56	6.77	3.30	2.13	2.16	0.72	1.79	2.22	3.14	-0.11	2.63	3.92	1.98	3.57	1.96
TRANSPORTATION, COMMUNICATION	1694	1712	1684	1591	1528	1542	1528	1495	1521	1448	1498	1489	1301	1485	6807	6189	5962
% Chg Prev Qtr SAAR	-5.26	4.45	-6.54	-20.27	-14.99	3.94	-3.79	-8.21	7.06	-17.84	14.44	-2.42	-41.70	69.64	-0.06	-9.08	-3.66
% Chg Same Qtr Last Yr	-0.49	-0.09	-0.21	-7.34	-9.81	-9.92	-9.27	-6.01	-0.43	-6.12	-1.96	-0.45	-14.48	2.51	-0.06	-9.08	-3.66
PER CAPITA ($)	3506	3542	3555	3654	3562	3540	3561	3593	3604	3588	3626	3620	3620	3719	14072	14316	14411
% Chg Prev Qtr SAAR	4.26	4.23	1.51	11.51	-9.66	-2.49	2.46	3.57	1.24	-1.74	4.35	-0.71	0.04	11.43	2.45	1.73	0.66
% Chg Same Qtr Last Yr	1.70	2.80	2.82	5.31	1.61	-0.07	0.16	-1.67	1.17	1.37	1.83	0.76	0.46	3.67	2.45	1.73	0.66

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Table 19: Tennessee Taxable Sales, Not Seasonally Adjusted (millions of current dollars) **January 2015**

	Historical Data														Annual		
	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1	2014:2	2014:3	2011	2012	2013
TOTAL TAXABLE SALES	23672	23493	25227	23258	24751	24032	25967	23485	25596	24894	26997	24220	26396	26466	93679	98007	100972
% Chg Same Qtr Last Yr	5.38	6.51	6.59	9.25	4.56	2.30	2.93	0.98	3.41	3.59	3.97	3.13	3.12	6.32	5.93	4.62	3.03
AUTO DEALERS	2155	2171	2071	2340	2353	2411	2176	2401	2477	2600	2357	2540	2647	2782	8421	9279	9836
% Chg Same Qtr Last Yr	7.87	6.98	12.52	15.65	9.16	11.02	5.07	2.62	5.30	7.85	8.32	5.78	6.84	7.01	9.87	10.19	5.99
PURCHASES FROM MANUFACTURERS	1034	1054	1090	848	1031	987	1195	864	1061	1043	1217	888	1099	1134	4018	4062	4185
% Chg Same Qtr Last Yr	8.73	12.71	7.33	0.86	-0.27	-6.29	9.67	1.92	2.91	5.65	1.79	2.83	3.53	8.66	9.62	1.08	3.04
MISC DURABLE GOODS	4139	4031	4064	3896	4318	3974	4160	3741	4485	4237	4353	3807	4631	4509	15603	16348	16817
% Chg Same Qtr Last Yr	4.94	8.35	8.83	15.64	4.34	-1.43	2.36	-3.97	3.87	6.62	4.65	1.76	3.25	6.42	7.46	4.77	2.87
EATING AND DRINKING PLACES	2426	2447	2413	2473	2605	2573	2548	2521	2738	2672	2647	2633	2845	2863	9510	10198	10577
% Chg Same Qtr Last Yr	4.87	5.05	7.29	11.23	7.38	5.14	5.56	1.93	5.11	3.84	3.90	4.46	3.90	7.14	4.98	7.24	3.72
FOOD STORES	2276	2299	2538	2260	2385	2420	2626	2412	2495	2466	2707	2399	2541	2590	9223	9692	10080
% Chg Same Qtr Last Yr	3.89	3.33	5.74	7.14	4.80	5.25	3.47	6.71	4.60	1.90	3.08	-0.53	1.86	5.04	3.79	5.08	4.01
LIQUOR STORES	173	174	220	181	193	185	234	190	197	202	248	202	211	213	729	793	837
% Chg Same Qtr Last Yr	4.89	7.05	8.27	11.83	11.50	6.64	6.07	5.09	1.90	8.80	6.22	5.96	7.12	5.67	6.42	8.77	5.51
HOTELS AND MOTELS	633	655	593	524	675	666	621	538	676	674	649	580	778	799	2338	2486	2537
% Chg Same Qtr Last Yr	15.45	16.07	13.96	14.80	6.73	1.65	4.70	2.84	0.02	1.19	4.37	7.63	15.11	18.55	13.26	6.36	2.01
OTHER RETAIL AND SERVICE	7081	6974	8180	7065	7488	7214	8392	7183	7697	7409	8717	7503	8000	7811	28751	30158	31006
% Chg Same Qtr Last Yr	5.67	6.13	4.74	8.43	5.74	3.43	2.59	1.67	2.80	2.70	3.88	4.46	3.93	5.42	5.27	4.89	2.81
MISC NONDURABLE GOODS	1969	1920	2288	1986	2076	1989	2372	2029	2139	2058	2469	2050	2231	2171	7991	8422	8695
% Chg Same Qtr Last Yr	4.30	6.75	4.96	9.45	5.41	3.60	3.68	2.15	3.06	3.48	4.12	1.06	4.29	5.49	4.55	5.40	3.24
TRANSPORTATION, COMMUNICATION	1785	1767	1769	1685	1627	1614	1643	1605	1630	1534	1633	1617	1413	1596	7095	6569	6402
% Chg Same Qtr Last Yr	1.28	2.68	3.25	-5.00	-8.87	-8.66	-7.11	-4.72	0.17	-4.92	-0.64	0.71	-13.28	3.99	2.38	-7.41	-2.54
PER CAPITA ($)	3710	3672	3932	3616	3838	3716	4005	3612	3927	3809	4120	3686	4007	4007	14660	15174	15468
% Chg Same Qtr Last Yr	4.48	5.48	5.44	8.08	3.44	1.21	1.84	-0.09	2.32	2.49	2.87	2.04	2.04	5.20	4.96	3.51	1.93

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Table 20: Tennessee Taxable Sales, Seasonally Adjusted (millions of current dollars) **January 2015**

	Historical Data														Annual		
	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1	2014:2	2014:3	2011	2012	2013
TOTAL TAXABLE SALES	23272	23704	23939	24796	24320	24310	24632	24980	25152	25213	25614	25723	25943	26808	93654	98057	100959
% Chg Prev Qtr SAAR	9.72	7.62	4.03	15.11	-7.47	-0.16	5.41	5.77	2.79	0.97	6.51	1.72	3.45	14.03	5.94	4.70	2.96
% Chg Same Qtr Last Yr	5.25	6.76	6.70	9.05	4.50	2.56	2.89	0.74	3.42	3.72	3.99	2.98	3.14	6.33	5.94	4.70	2.96
AUTO DEALERS	2079	2078	2250	2334	2280	2317	2350	2388	2413	2502	2538	2521	2586	2675	8433	9281	9840
% Chg Prev Qtr SAAR	10.64	-0.09	37.46	15.81	-8.92	6.51	5.91	6.55	4.32	15.55	5.89	-2.65	10.81	14.36	9.92	10.05	6.02
% Chg Same Qtr Last Yr	8.38	7.60	11.75	15.18	9.71	11.48	4.44	2.29	5.82	8.00	7.99	5.58	7.19	6.91	9.92	10.05	6.02
PURCHASES FROM MANUFACTURERS	1004	1027	997	997	1001	965	1089	1018	1030	1022	1105	1049	1066	1111	4012	4051	4175
% Chg Prev Qtr SAAR	8.93	9.50	-11.37	-0.11	1.69	-13.53	61.90	-23.40	4.51	-3.07	36.78	-18.90	7.04	17.66	9.74	0.98	3.05
% Chg Same Qtr Last Yr	8.41	12.98	6.77	1.37	-0.36	-6.07	9.20	2.19	2.89	5.87	1.50	2.96	3.57	8.72	9.74	0.98	3.05
MISC DURABLE GOODS	3875	3993	3978	4322	4038	3954	4062	4145	4194	4227	4246	4212	4332	4504	15586	16376	16812
% Chg Prev Qtr SAAR	15.32	12.76	-1.51	39.27	-23.74	-8.12	11.42	8.40	4.80	3.24	1.76	-3.12	11.85	16.87	7.53	5.07	2.66
% Chg Same Qtr Last Yr	4.66	8.87	8.55	15.57	4.21	-0.99	2.11	-4.09	3.85	6.92	4.52	1.63	3.30	6.55	7.53	5.07	2.66
EATING AND DRINKING PLACES	2356	2411	2447	2552	2526	2541	2581	2601	2652	2644	2680	2716	2756	2834	9509	10200	10577
% Chg Prev Qtr SAAR	10.91	9.66	6.16	18.39	-4.10	2.38	6.52	3.09	8.07	-1.19	5.50	5.52	6.00	11.84	4.98	7.27	3.69
% Chg Same Qtr Last Yr	4.59	5.33	7.23	11.19	7.22	5.40	5.49	1.90	4.99	4.06	3.81	4.42	3.91	7.18	4.98	7.27	3.69
FOOD STORES	2296	2312	2366	2398	2405	2443	2445	2554	2515	2493	2519	2539	2563	2621	9217	9690	10083
% Chg Prev Qtr SAAR	9.79	2.77	9.82	5.39	1.16	6.49	0.41	19.09	-5.97	-3.43	4.21	3.09	3.83	9.48	3.73	5.14	4.05
% Chg Same Qtr Last Yr	3.88	3.81	5.55	6.90	4.73	5.67	3.33	6.53	4.61	2.08	3.03	-0.62	1.88	5.12	3.73	5.14	4.05
LIQUOR STORES	179	185	189	195	200	197	201	205	204	214	214	217	219	226	728	793	836
% Chg Prev Qtr SAAR	10.88	12.37	10.89	12.81	10.20	-6.64	9.69	7.47	-1.75	20.61	0.36	5.55	3.29	13.84	6.32	8.93	5.48
% Chg Same Qtr Last Yr	4.88	6.93	8.41	11.73	11.56	6.51	6.22	4.94	1.97	8.72	6.33	5.85	7.18	5.64	6.32	8.93	5.48
HOTELS AND MOTELS	586	605	597	621	623	619	626	635	622	629	653	681	717	747	2333	2489	2539
% Chg Prev Qtr SAAR	33.47	13.60	-5.35	17.52	1.09	-2.76	4.94	5.81	-7.80	4.38	16.27	18.39	22.42	18.11	12.86	6.69	2.02
% Chg Same Qtr Last Yr	14.63	16.65	14.64	13.96	6.31	2.26	4.93	2.21	-0.11	1.67	4.31	7.28	15.17	18.78	12.86	6.69	2.02
OTHER RETAIL AND SERVICE	7139	7273	7324	7575	7532	7534	7546	7667	7734	7748	7855	7989	8037	8174	28758	30187	31004
% Chg Prev Qtr SAAR	6.90	7.71	2.79	14.47	-2.27	0.10	0.67	6.52	3.56	0.73	5.64	6.99	2.44	6.99	5.28	4.97	2.70
% Chg Same Qtr Last Yr	5.44	6.25	5.27	7.89	5.50	3.58	3.04	1.21	2.68	2.84	4.09	4.21	3.92	5.50	5.28	4.97	2.70
MISC NONDURABLE GOODS	1996	2029	2024	2123	2098	2104	2101	2168	2160	2177	2190	2190	2252	2296	7989	8426	8694
% Chg Prev Qtr SAAR	11.65	6.78	-0.96	21.18	-4.75	1.17	-0.47	13.29	-1.50	3.26	2.37	0.02	11.81	8.10	4.49	5.46	3.19
% Chg Same Qtr Last Yr	3.79	6.86	5.29	9.37	5.11	3.70	3.83	2.10	2.96	3.48	4.21	1.02	4.27	5.47	4.49	5.46	3.19
TRANSPORTATION, COMMUNICATION	1762	1791	1767	1679	1617	1638	1630	1599	1629	1557	1614	1610	1415	1620	7089	6564	6399
% Chg Prev Qtr SAAR	-1.37	6.68	-5.24	-18.58	-13.86	5.30	-2.07	-7.25	7.56	-16.47	15.59	-1.08	-40.34	71.78	2.39	-7.41	-2.50
% Chg Same Qtr Last Yr	2.11	2.76	2.45	-5.08	-8.24	-8.54	-7.78	-4.73	0.71	-4.95	-0.93	0.68	-13.12	4.04	2.39	-7.41	-2.50
PER CAPITA ($)	3647	3705	3732	3855	3771	3759	3799	3842	3859	3858	3909	3915	3938	4059	14657	15184	15468
% Chg Prev Qtr SAAR	8.54	6.46	2.92	13.88	-8.45	-1.22	4.29	4.65	1.71	-0.09	5.40	0.65	2.37	12.83	4.97	3.59	1.87
% Chg Same Qtr Last Yr	4.35	5.73	5.55	7.88	3.38	1.47	1.80	-0.33	2.33	2.62	2.89	1.89	2.06	5.21	4.97	3.59	1.87

Center for Business and Economic Research, University of Tennessee **Tennessee Econometric Model**

Table 1: Selected U.S. and Tennessee Economic Indicators, Seasonally Adjusted **January 2015**

	Historical Data											
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
US GDP (Bil2009$) SAAR	12908.8	13271.1	13773.5	14234.3	14613.8	14873.8	14830.4	14418.8	14783.8	15020.6	15369.2	15710.3
Percentage change	1.79	2.81	3.79	3.35	2.67	1.78	-0.29	-2.78	2.53	1.60	2.32	2.22
US GDP (Bil$) SAAR	10977.5	11510.7	12274.9	13093.7	13855.9	14477.6	14718.6	14418.7	14964.4	15517.9	16163.2	16768.1
Percentage change	3.35	4.86	6.64	6.67	5.82	4.49	1.66	-2.04	3.78	3.70	4.16	3.74
TN PERSONAL INCOME (MIL2009$) SAAR	193371	197154	203817	206071	212906	217383	219026	217180	221522	228229	237353	239408
Percentage change	1.30	1.96	3.38	1.11	3.32	2.10	0.76	-0.84	2.00	3.03	4.00	0.87
US PERSONAL INCOME (BIL2009$) SAAR	10655	10832	11201	11498	12022	12353	12422	12088	12227	12676	13093	13199
Percentage change	0.46	1.67	3.40	2.66	4.56	2.75	0.56	-2.69	1.15	3.67	3.29	0.81
TN PERSONAL INCOME (MIL$) SAAR	166056	172660	182840	190133	201690	211093	219160	217175	225191	237703	251752	256969
Percentage change	2.66	3.98	5.90	3.99	6.08	4.66	3.82	-0.91	3.69	5.56	5.91	2.07
US PERSONAL INCOME (BIL$) SAAR	9150	9487	10048	10609	11389	11995	12430	12087	12429	13202	13888	14167
Percentage change	1.81	3.68	5.92	5.58	7.35	5.32	3.62	-2.75	2.83	6.22	5.19	2.01
TN NONFARM JOBS (THOUS)	2665.1	2662.6	2705.6	2743.0	2782.9	2797.8	2775.4	2619.3	2615.2	2661.4	2714.3	2750.9
Percentage change	-0.89	-0.10	1.62	1.38	1.46	0.53	-0.80	-5.62	-0.16	1.77	1.99	1.35
US NONFARM JOBS (MIL)	130.6	130.3	131.7	134.0	136.4	137.9	137.2	131.2	130.3	131.8	134.1	136.4
Percentage change	-1.10	-0.24	1.09	1.72	1.80	1.12	-0.55	-4.34	-0.72	1.21	1.71	1.69
TN MFG JOBS (THOUS)	428.5	413.3	411.8	408.8	399.4	379.9	360.9	309.2	298.9	304.4	313.4	318.8
Percentage change	-5.66	-3.56	-0.35	-0.74	-2.30	-4.87	-4.99	-14.33	-3.32	1.84	2.94	1.74
US MFG JOBS (MIL)	15.3	14.5	14.3	14.2	14.2	13.9	13.4	11.8	11.5	11.7	11.9	12.0
Percentage change	-7.20	-4.90	-1.34	-0.62	-0.49	-1.97	-3.41	-11.61	-2.69	1.71	1.71	0.65
TN UNEMPLOYMENT RATE (%)	5.3	5.7	5.4	5.6	5.2	4.8	6.7	10.5	9.8	9.3	8.2	8.2
US UNEMPLOYMENT RATE (%)	5.8	6.0	5.5	5.1	4.6	4.6	5.8	9.3	9.6	8.9	8.1	7.4
CHAINED PRICE INDEX, GDP (2009=100.0)	85.0	86.7	89.1	92.0	94.8	97.3	99.2	100.0	101.2	103.3	105.2	106.7
Percentage change	1.54	1.99	2.75	3.22	3.07	2.67	1.93	0.79	1.23	2.06	1.80	1.49
US PERS CONSUMP DEFL (2009=100.0)	85.9	87.6	89.7	92.3	94.7	97.1	100.1	100.0	101.7	104.1	106.1	107.3
Percentage change	1.34	1.98	2.43	2.85	2.68	2.50	3.05	-0.06	1.65	2.46	1.84	1.20
CONSUMER PRICE INDEX, ALL-URBAN (82-84=1.000)	1.799	1.840	1.889	1.953	2.016	2.073	2.153	2.146	2.181	2.249	2.296	2.330
Percentage change	1.60	2.30	2.67	3.37	3.22	2.87	3.81	-0.32	1.64	3.14	2.07	1.46
BANK PRIME INTEREST RATE (%)	4.7	4.1	4.3	6.2	8.0	8.1	5.1	3.3	3.3	3.3	3.3	3.3
FEDERAL FUNDS RATE (% per annum)	1.667	1.128	1.349	3.213	4.964	5.019	1.928	0.160	0.175	0.102	0.140	0.108
30-YEAR FIXED MORTGAGE RATE (%)	6.5	5.8	5.8	5.9	6.4	6.3	6.0	5.0	4.7	4.5	3.7	4.0
TN TAXABLE SALES (MIL2009$)	87882	89918	92218	95680	97861	98872	93182	86224	86961	89915	92455	94059
Percentage change	-0.08	2.32	2.56	3.75	2.28	1.03	-5.76	-7.47	0.86	3.40	2.82	1.74
TN TAXABLE SALES (MIL$)	75467	78749	82725	88284	92706	95999	93236	86220	88401	93654	98057	100959
Percentage change	1.27	4.35	5.05	6.72	5.01	3.55	-2.88	-7.52	2.53	5.94	4.70	2.96
TN AVG ANNUAL WAGE, NONFARM (2009$)	38302	38815	39485	39441	40242	40847	40545	40821	41448	41318	42017	41681
Percentage change	1.98	1.34	1.73	-0.11	2.03	1.50	-0.74	0.68	1.54	-0.31	1.69	-0.80
TN AVG ANNUAL WAGE, NONFARM ($)	32891	33993	35421	36388	38122	39664	40570	40822	42134	43031	44565	44738
Percentage change	3.35	3.35	4.20	2.73	4.77	4.04	2.28	0.62	3.21	2.13	3.57	0.39

Center for Business and Economic Research, University of Tennessee **Tennessee Econometric Model**

Table 2: Selected Per Capita U.S. and Tennessee Economic Indicators **January 2015**

	Historical Data											
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
US GDP (2009$) SAAR……	44754	45587	46887	48014	48830	49214	48633	46878	47679	48094	48865	49599
Percentage change.....	0.81	1.86	2.85	2.40	1.70	0.79	-1.18	-3.61	1.71	0.87	1.60	1.50
US GDP ($) SAAR……	38059	39540	41786	44167	46297	47903	48266	46878	48261	49687	51389	52939
Percentage change.....	2.36	3.89	5.68	5.70	4.82	3.47	0.76	-2.88	2.95	2.95	3.43	3.01
TN PERSONAL INCOME (2009$) SAAR……	33461	33826	34620	34570	35178	35386	35211	34561	34989	35721	36752	36679
Percentage change.....	0.41	1.09	2.35	-0.15	1.76	0.59	-0.50	-1.85	1.24	2.09	2.89	-0.20
US PERSONAL INCOME (2009$) SAAR……	36939	37210	38129	38785	40171	40872	40735	39300	39432	40587	41629	41670
Percentage change.....	-0.50	0.73	2.47	1.72	3.57	1.75	-0.34	-3.52	0.34	2.93	2.57	0.10
TN PERSONAL INCOME ($) SAAR……	28734	29623	31056	31895	33324	34361	35232	34560	35568	37203	38981	39369
Percentage change.....	1.75	3.09	4.84	2.70	4.48	3.11	2.54	-1.91	2.92	4.59	4.78	1.00
US PERSONAL INCOME ($) SAAR……	31721	32587	34206	35787	38054	39688	40760	39299	40086	42271	44155	44726
Percentage change.....	0.84	2.73	4.97	4.62	6.34	4.29	2.70	-3.59	2.00	5.45	4.46	1.29
TN TAXABLE SALES (2009$)……	15207	15427	15664	16051	16169	16096	14981	13721	13735	14072	14316	14411
Percentage change.....	-0.96	1.45	1.54	2.47	0.74	-0.46	-6.92	-8.41	0.10	2.45	1.73	0.66
TN TAXABLE SALES ($)……	13059	13511	14051	14809	15317	15627	14990	13721	13963	14657	15184	15468
Percentage change.....	0.37	3.46	4.00	5.40	3.43	2.02	-4.08	-8.47	1.76	4.97	3.59	1.87

Center for Business and Economic Research, University of Tennessee **Tennessee Econometric Model**

Table 3: Tennessee Personal Income Components (millions of 2009 dollars) **January 2015**

	Historical Data											
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
TN PERSONAL INCOME	193371	197154	203817	206071	212906	217383	219026	217180	221522	228229	237353	239408
Percentage change	1.30	1.96	3.38	1.11	3.32	2.10	0.76	-0.84	2.00	3.03	4.00	0.87
WAGES AND SALARIES	102875	104284	107774	109129	112922	115251	113521	107966	109399	110852	114940	115544
Percentage change	1.19	1.37	3.35	1.26	3.48	2.06	-1.50	-4.89	1.33	1.33	3.69	0.53
OTHER LABOR INCOME	23442	24968	26158	26715	25965	26618	26803	25817	25376	25914	27657	28020
Percentage change	3.35	6.51	4.77	2.13	-2.81	2.51	0.70	-3.68	-1.71	2.12	6.72	1.31
PROPRIETORS INCOME	27040	26618	27967	26282	27188	24205	24005	26021	26037	27815	29863	31865
Percentage change	3.92	-1.56	5.07	-6.02	3.44	-10.97	-0.82	8.40	0.06	6.83	7.36	6.71
RENT, INTEREST, DIVIDENDS	26624	26775	26683	27255	29479	31779	32605	30057	30549	32047	33742	34201
Percentage change	-6.50	0.57	-0.34	2.14	8.16	7.80	2.60	-7.82	1.64	4.90	5.29	1.36
TRANSFER PAYMENTS	31449	32754	34014	35408	36431	39048	41345	45916	48707	48572	48655	49642
Percentage change	5.84	4.15	3.85	4.10	2.89	7.18	5.88	11.06	6.08	-0.28	0.17	2.03
LESS: PERS CONT FOR SOC INS	16245	16506	16998	17219	17684	18051	17978	17644	17692	16040	16208	18474
Percentage change	3.21	1.61	2.98	1.30	2.70	2.07	-0.40	-1.86	0.27	-9.34	1.05	13.98
RESIDENCE ADJUSTMENT	-1813	-1738	-1781	-1499	-1394	-1466	-1276	-953	-854	-931	-1295	-1390
Percentage change	-6.41	-4.17	2.51	-15.86	-6.97	5.13	-12.99	-25.26	-10.45	9.02	39.13	7.33
PER CAPITA PERSONAL INCOME ($)	33461	33826	34620	34570	35178	35386	35211	34561	34989	35721	36752	36679
Percentage change	0.41	1.09	2.35	-0.15	1.76	0.59	-0.50	-1.85	1.24	2.09	2.89	-0.20

Center for Business and Economic Research, University of Tennessee **Tennessee Econometric Model**

Table 4: Tennessee Personal Income Components (millions of current dollars) **January 2015**

	Historical Data											
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
TN PERSONAL INCOME	166056	172660	182840	190133	201690	211093	219160	217175	225191	237703	251752	256969
Percentage change	2.66	3.98	5.90	3.99	6.08	4.66	3.82	-0.91	3.69	5.56	5.91	2.07
WAGES AND SALARIES	88342	91328	96683	100686	106974	111913	113588	107963	111210	115451	121911	124018
Percentage change	2.54	3.38	5.86	4.14	6.24	4.62	1.50	-4.95	3.01	3.81	5.60	1.73
OTHER LABOR INCOME	20131	21866	23467	24646	24597	25849	26819	25814	25795	26991	29335	30075
Percentage change	4.74	8.62	7.32	5.02	-0.20	5.09	3.75	-3.75	-0.07	4.64	8.68	2.52
PROPRIETORS INCOME	23220	23310	25087	24254	25754	23500	24021	26026	26467	28973	31675	34202
Percentage change	5.31	0.39	7.62	-3.32	6.18	-8.75	2.22	8.35	1.70	9.47	9.32	7.98
RENT, INTEREST, DIVIDENDS	22862	23448	23937	25150	27928	30863	32626	30052	31055	33378	35791	36710
Percentage change	-5.25	2.56	2.09	5.06	11.05	10.51	5.71	-7.89	3.34	7.48	7.23	2.57
TRANSFER PAYMENTS	27007	28685	30512	32667	34512	37920	41371	45918	49515	50583	51605	53284
Percentage change	7.27	6.21	6.37	7.06	5.65	9.88	9.10	10.99	7.83	2.16	2.02	3.25
LESS: PERS CONT FOR SOC INS	13950	14455	15248	15886	16752	17528	17989	17644	17984	16705	17191	19829
Percentage change	4.60	3.62	5.48	4.19	5.45	4.63	2.63	-1.92	1.93	-7.11	2.91	15.35
RESIDENCE ADJUSTMENT	-1557	-1522	-1598	-1383	-1321	-1424	-1276	-953	-868	-970	-1374	-1492
Percentage change	-5.15	-2.27	5.01	-13.47	-4.46	7.77	-10.37	-25.30	-8.95	11.71	41.69	8.60
PER CAPITA PERSONAL INCOME ($)	28734	29623	31056	31895	33324	34361	35232	34560	35568	37203	38981	39369
Percentage change	1.75	3.09	4.84	2.70	4.48	3.11	2.54	-1.91	2.92	4.59	4.78	1.00

Center for Business and Economic Research, University of Tennessee **Tennessee Econometric Model**

Table 5: Tennessee Nonfarm Employment by Sector, Seasonally Adjusted (thousands of jobs) **January 2015**

	Historical Data											
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
TOTAL NONFARM	2665.1	2662.6	2705.6	2743.0	2782.9	2797.8	2775.4	2619.3	2615.2	2661.4	2714.3	2750.9
Percentage change	-0.89	-0.10	1.62	1.38	1.46	0.53	-0.80	-5.62	-0.16	1.77	1.99	1.35
NATURAL RESOURCES, MINING AND CONSTRUCTION	119.5	119.6	121.3	125.3	134.3	137.8	132.4	109.9	105.1	108.7	108.9	108.1
Percentage change	-4.64	0.08	1.41	3.28	7.23	2.56	-3.90	-16.97	-4.39	3.39	0.21	-0.70
MANUFACTURING	428.5	413.3	411.8	408.8	399.4	379.9	360.9	309.2	298.9	304.4	313.4	318.8
Percentage change	-5.66	-3.56	-0.35	-0.74	-2.30	-4.87	-4.99	-14.33	-3.32	1.84	2.94	1.74
DURABLE GOODS	259.1	250.9	254.0	254.6	251.8	237.1	220.8	181.8	176.3	183.7	193.9	199.3
Percentage change	-6.54	-3.15	1.25	0.22	-1.11	-5.83	-6.85	-17.66	-3.04	4.21	5.55	2.79
NONDURABLE GOODS	169.5	162.4	157.8	154.2	147.6	142.8	140.1	127.4	122.6	120.7	119.5	119.5
Percentage change	-4.29	-4.19	-2.82	-2.28	-4.25	-3.24	-1.91	-9.08	-3.72	-1.57	-1.04	0.02
TRADE, TRANSPORTATION, UTILITIES	577.0	578.7	587.8	598.0	607.4	610.7	600.3	559.3	554.9	563.6	575.1	582.6
Percentage change	-2.26	0.30	1.58	1.73	1.56	0.54	-1.70	-6.82	-0.78	1.56	2.04	1.30
WHOLESALE TRADE	126.5	126.5	128.0	130.3	132.1	133.0	131.7	120.7	116.8	117.9	120.5	122.3
Percentage change	-0.82	0.00	1.14	1.82	1.36	0.70	-1.00	-8.31	-3.28	0.97	2.22	1.50
RETAIL TRADE	312.3	313.2	319.6	324.3	328.3	330.6	325.5	306.9	306.7	309.2	312.8	315.4
Percentage change	-2.17	0.27	2.05	1.49	1.22	0.70	-1.55	-5.71	-0.05	0.82	1.17	0.82
TRANSPORTATION & UTILITIES	138.1	139.0	140.3	143.4	147.0	147.1	143.1	131.7	131.4	136.5	141.8	144.9
Percentage change	-3.73	0.64	0.91	2.22	2.52	0.04	-2.70	-8.00	-0.17	3.84	3.88	2.18
INFORMATION	53.4	51.2	49.5	49.4	49.6	50.3	50.5	46.9	45.0	43.8	43.2	44.0
Percentage change	-3.76	-4.08	-3.31	-0.20	0.37	1.41	0.51	-7.27	-4.05	-2.65	-1.26	1.75
FINANCIAL ACTIVITIES	138.2	139.8	141.9	143.3	143.6	144.8	145.1	140.5	137.1	136.5	137.1	137.6
Percentage change	-0.21	1.15	1.46	0.99	0.20	0.89	0.18	-3.15	-2.45	-0.43	0.45	0.33
PROFESSIONAL & BUSINESS SERVICES	296.7	287.3	302.3	312.5	319.2	322.8	321.4	293.6	304.0	322.9	338.7	351.1
Percentage change	-0.90	-3.15	5.21	3.38	2.13	1.14	-0.43	-8.64	3.54	6.21	4.91	3.64
EDUCATION & HEALTH SERVICES	300.1	312.7	320.7	330.3	340.8	349.9	358.7	365.7	373.9	384.4	392.8	396.3
Percentage change	5.00	4.20	2.57	3.00	3.16	2.68	2.50	1.96	2.23	2.81	2.19	0.88
LEISURE & HOSPITALITY	239.9	246.7	253.6	262.1	270.1	276.2	273.7	263.5	262.0	267.5	276.8	286.7
Percentage change	1.84	2.81	2.82	3.34	3.07	2.23	-0.88	-3.73	-0.60	2.13	3.46	3.58
OTHER SERVICES	101.6	102.3	101.7	100.7	101.7	104.0	104.5	102.0	101.2	102.0	104.3	105.2
Percentage change	0.53	0.62	-0.57	-0.99	0.99	2.33	0.42	-2.36	-0.82	0.82	2.25	0.90
GOVERNMENT	410.2	411.1	415.0	412.7	417.0	421.4	427.8	428.6	433.1	427.7	424.0	420.6
Percentage change	1.71	0.20	0.96	-0.56	1.05	1.07	1.52	0.18	1.06	-1.26	-0.87	-0.81
FEDERAL, CIVILIAN	51.8	51.2	50.1	49.2	48.9	48.8	49.5	50.1	52.4	50.4	50.1	49.9
Percentage change	0.58	-1.21	-2.23	-1.65	-0.64	-0.27	1.35	1.21	4.63	-3.68	-0.63	-0.53
STATE & LOCAL	358.4	359.9	364.9	363.4	368.1	372.6	378.4	378.6	380.8	377.2	373.9	370.7
Percentage change	1.87	0.41	1.41	-0.42	1.27	1.24	1.55	0.04	0.59	-0.93	-0.90	-0.84
STATISTICAL DISCREPANCY (%)	0.00	0.00	0.00	0.00	-0.01	0.00	0.00	0.01	0.00	-0.01	0.00	-0.01

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Table 6: Tennessee Durable Goods Manufacturing Employment (thousands of jobs) **January 2015**

	Historical Data											
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
TOTAL DURABLE GOODS	259.1	250.9	254.0	254.6	251.8	237.1	220.8	181.8	176.3	183.7	193.9	199.3
Percentage change	-6.54	-3.15	1.25	0.22	-1.11	-5.83	-6.85	-17.66	-3.04	4.21	5.55	2.79
WOOD PRODUCTS	17.6	16.7	17.4	17.7	17.9	16.1	14.3	11.3	10.9	10.8	11.0	10.8
Percentage change	-1.58	-4.74	4.07	1.91	0.95	-10.14	-11.24	-20.84	-3.55	-1.08	2.25	-1.82
NONMETALLIC MINERALS	15.1	15.6	15.7	15.9	16.1	15.5	14.2	11.6	11.3	11.8	12.5	12.3
Percentage change	-3.41	2.94	0.64	1.73	1.05	-3.52	-8.38	-18.89	-2.06	4.20	5.80	-1.79
PRIMARY METALS	12.6	11.8	12.1	12.0	11.8	11.7	11.1	9.0	8.8	9.2	9.7	10.0
Percentage change	-17.38	-6.74	2.90	-0.98	-1.55	-0.85	-4.97	-18.83	-2.68	4.66	4.88	3.10
FABRICATED METALS	41.4	41.4	41.7	42.6	43.4	41.5	39.7	33.6	33.0	33.6	34.5	33.8
Percentage change	-4.12	-0.05	0.68	2.23	1.92	-4.46	-4.30	-15.37	-1.95	1.91	2.66	-1.99
MACHINERY	35.9	33.2	34.3	33.9	33.2	32.0	31.2	26.0	24.8	25.1	25.5	25.9
Percentage change	-9.86	-7.52	3.21	-1.16	-1.97	-3.69	-2.50	-16.63	-4.80	1.48	1.66	1.45
COMPUTERS & ELECTRONICS	12.9	11.7	11.3	10.4	9.3	8.1	7.4	6.2	5.6	5.6	5.6	5.3
Percentage change	-15.65	-9.59	-3.39	-7.48	-11.27	-12.55	-8.27	-16.07	-10.59	0.43	0.59	-6.35
ELECTRICAL EQUIPMENT, APPLIANCES & COMPONENTS	25.05	23.63	23.11	23.49	23.17	22.09	20.56	17.78	16.89	17.65	17.94	18.32
Percentage change	-4.9	-5.7	-2.2	1.7	-1.4	-4.7	-6.9	-13.5	-5.0	4.5	1.6	2.1
TRANSPORTATION EQUIPMENT	60.02	60.18	62.91	63.91	63.73	58.64	52.51	40.45	40.46	45.80	53.60	59.87
Percentage change	-3.7	0.3	4.5	1.6	-0.3	-8.0	-10.5	-23.0	0.0	13.2	17.0	11.7
FURNITURE	21.29	19.89	19.63	19.23	17.74	16.02	14.24	10.79	9.69	8.94	8.68	8.71
Percentage change	-9.9	-6.6	-1.3	-2.0	-7.7	-9.7	-11.1	-24.3	-10.2	-7.7	-2.9	0.4
MISCELLANEOUS DURABLES	17.09	16.79	15.91	15.31	15.33	15.36	15.51	15.05	14.94	15.22	14.87	14.40
Percentage change	-3.4	-1.8	-5.2	-3.8	0.2	0.2	1.0	-3.0	-0.7	1.8	-2.3	-3.1

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Table 7: Tennessee Nondurable Goods Manufacturing Employment (thousands of jobs) **January 2015**

	Historical Data											
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
TOTAL NONDURABLE GOODS	169.5	162.4	157.8	154.2	147.6	142.8	140.1	127.4	122.6	120.7	119.5	119.5
Percentage change	-4.29	-4.19	-2.82	-2.28	-4.25	-3.24	-1.91	-9.08	-3.72	-1.57	-1.04	0.02
FOOD	36.0	35.9	34.8	34.3	34.0	32.7	32.5	32.3	32.6	33.1	33.0	32.3
Percentage change	0.61	-0.43	-3.04	-1.38	-0.97	-3.84	-0.62	-0.46	0.80	1.62	-0.24	-2.30
BEVERAGE & TOBACCO	6.4	6.1	5.8	5.4	5.2	5.1	5.1	5.1	5.0	5.0	5.2	5.3
Percentage change	-2.03	-3.77	-6.12	-5.79	-4.31	-2.56	0.14	0.16	-1.64	0.17	3.51	1.61
TEXTILE MILLS, TEXTILE MILL PRODUCTS & APPAREL	24.5	21.3	19.4	18.0	16.1	15.1	14.8	12.6	11.5	10.7	10.7	10.5
Percentage change	-14.55	-12.94	-8.85	-7.37	-10.55	-6.37	-2.09	-14.93	-8.35	-7.20	-0.07	-2.11
PAPER	20.4	19.6	18.8	18.9	18.3	17.4	17.2	16.2	15.7	15.3	14.7	14.7
Percentage change	-3.29	-4.02	-3.92	0.72	-3.23	-5.06	-1.02	-6.13	-2.94	-2.53	-3.76	-0.22
PRINTING & RELATED SUPPORT	20.5	19.9	19.6	18.8	17.8	17.0	15.7	13.3	11.4	10.0	9.6	9.6
Percentage change	-7.78	-3.16	-1.20	-4.32	-5.40	-4.51	-7.53	-15.27	-13.96	-12.93	-3.45	0.00
CHEMICALS	28.5	28.6	27.6	27.2	26.3	26.9	27.5	25.8	25.0	24.6	24.4	24.9
Percentage change	-1.95	0.36	-3.30	-1.76	-3.14	2.34	2.20	-6.17	-3.26	-1.63	-0.68	2.05
PLASTICS & RUBBER	30.0	28.2	28.9	29.3	27.6	26.6	25.4	20.4	19.9	20.5	20.0	20.3
Percentage change	-1.02	-6.14	2.59	1.46	-5.76	-3.64	-4.39	-19.80	-2.49	2.89	-2.45	1.48
MISCELLANEOUS NONDURABLE GOODS	3.2	2.8	2.8	2.3	2.3	2.1	2.0	1.8	1.6	1.6	1.9	2.1
Percentage change	-6.39	-10.49	0.06	-20.22	3.32	-8.56	-9.00	-9.45	-10.90	4.73	14.65	8.88

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Table 8: Tennessee Average Annual Wage and Salary Rate by Sector (2009 dollars) **January 2015**

	Historical Data											
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
TOTAL NONFARM	38302	38815	39485	39441	40242	40847	40545	40821	41448	41318	42017	41681
Percentage change	1.98	1.34	1.73	-0.11	2.03	1.50	-0.74	0.68	1.54	-0.31	1.69	-0.80
NATURAL RESOURCES, MINING AND CONSTRUCTION	41348	41700	41541	42264	44071	45329	45128	44526	45438	45451	46130	45972
Percentage change	-0.81	0.85	-0.38	1.74	4.27	2.86	-0.44	-1.33	2.05	0.03	1.49	-0.34
MANUFACTURING	45120	45856	46892	46605	47371	48007	48163	48924	51202	50741	51711	50951
Percentage change	3.60	1.63	2.26	-0.61	1.64	1.34	0.33	1.58	4.66	-0.90	1.91	-1.47
DURABLE GOODS	44875	45284	46069	45774	46585	47071	47380	48243	50338	49670	51309	49510
Percentage change	4.08	0.91	1.73	-0.64	1.77	1.04	0.66	1.82	4.34	-1.33	3.30	-3.51
NONDURABLE GOODS	45495	46742	48219	47976	48721	49551	49402	49884	52454	52367	52371	53357
Percentage change	2.83	2.74	3.16	-0.50	1.55	1.70	-0.30	0.98	5.15	-0.17	0.01	1.88
TRADE, TRANSPORTATION, UTILITIES	36637	36969	37525	37797	38337	38926	38008	37815	38275	38514	38825	38359
Percentage change	2.14	0.91	1.50	0.72	1.43	1.54	-2.36	-0.51	1.21	0.63	0.81	-1.20
WHOLESALE TRADE	50660	51712	53743	54161	56196	57141	56361	55941	56912	57355	58845	57622
Percentage change	1.75	2.08	3.93	0.78	3.76	1.68	-1.37	-0.74	1.74	0.78	2.60	-2.08
RETAIL TRADE	26575	26656	26489	26583	26659	27206	26281	26401	26840	26922	26771	26202
Percentage change	1.92	0.30	-0.63	0.36	0.29	2.05	-3.40	0.46	1.66	0.31	-0.56	-2.13
TRANSPORTATION & UTILITIES	46543	46786	47872	48297	48367	48796	47789	47801	48403	48508	48405	48560
Percentage change	2.79	0.52	2.32	0.89	0.15	0.89	-2.06	0.02	1.26	0.22	-0.21	0.32
INFORMATION	46019	46609	48212	48521	52767	52342	51111	51533	52446	54152	55140	54359
Percentage change	0.70	1.28	3.44	0.64	8.75	-0.81	-2.35	0.83	1.77	3.25	1.82	-1.42
FINANCIAL ACTIVITIES	51866	54730	56157	54620	57508	58928	57322	57385	60362	60284	63405	62069
Percentage change	1.02	5.52	2.61	-2.74	5.29	2.47	-2.73	0.11	5.19	-0.13	5.18	-2.11
PROFESSIONAL & BUSINESS SERVICES	39468	39828	40484	40405	41932	43665	44569	46282	46914	46103	48647	48826
Percentage change	2.28	0.91	1.65	-0.20	3.78	4.13	2.07	3.84	1.37	-1.73	5.52	0.37
EDUCATION & HEALTH SERVICES	39898	40127	41473	42147	42295	42744	42642	43665	43537	42879	42992	42852
Percentage change	1.63	0.57	3.35	1.62	0.35	1.06	-0.24	2.40	-0.29	-1.51	0.26	-0.32
LEISURE & HOSPITALITY	19390	19556	19545	19397	19858	20195	19686	19666	20082	19992	20108	19531
Percentage change	2.12	0.85	-0.05	-0.76	2.38	1.69	-2.52	-0.10	2.11	-0.45	0.58	-2.87
OTHER SERVICES	35146	35909	37014	36314	37234	36543	36437	37018	37008	37208	37345	36990
Percentage change	5.55	2.17	3.08	-1.89	2.53	-1.85	-0.29	1.60	-0.03	0.54	0.37	-0.95
GOVERNMENT	36894	37683	38100	38110	38495	38989	38902	39122	39022	39201	39125	39368
Percentage change	2.21	2.14	1.11	0.03	1.01	1.28	-0.22	0.57	-0.25	0.46	-0.20	0.62
FEDERAL, CIVILIAN	58170	60785	63097	63215	63610	64920	63166	64208	65811	68075	67070	65460
Percentage change	2.68	4.50	3.80	0.19	0.62	2.06	-2.70	1.65	2.50	3.44	-1.48	-2.40
STATE & LOCAL	33817	34395	34671	34709	35156	35593	35731	35805	35355	35341	35378	35859
Percentage change	2.21	1.71	0.80	0.11	1.29	1.24	0.39	0.21	-1.26	-0.04	0.11	1.36

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Table 9: Tennessee Average Annual Wage and Salary Rate by Sector (current dollars) **January 2015**

	Historical Data											
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
TOTAL NONFARM	32891	33993	35421	36388	38122	39664	40570	40822	42134	43031	44565	44738
Percentage change	3.35	3.35	4.20	2.73	4.77	4.04	2.28	0.62	3.21	2.13	3.57	0.39
NATURAL RESOURCES, MINING & CONSTRUCTION	35503	36519	37263	38995	41749	44020	45155	44523	46186	47332	48925	49344
Percentage change	0.51	2.86	2.04	4.65	7.06	5.44	2.58	-1.40	3.74	2.48	3.36	0.86
MANUFACTURING	38746	40160	42067	42999	44875	46616	48192	48934	52050	52841	54846	54688
Percentage change	4.99	3.65	4.75	2.22	4.36	3.88	3.38	1.54	6.37	1.52	3.79	-0.29
DURABLE GOODS	38535	39659	41328	42231	44129	45705	47412	48253	51169	51727	54417	53141
Percentage change	5.48	2.92	4.21	2.19	4.49	3.57	3.74	1.77	6.04	1.09	5.20	-2.35
NONDURABLE GOODS	39069	40936	43260	44266	46156	48119	49426	49896	53325	54534	55548	57271
Percentage change	4.22	4.78	5.68	2.33	4.27	4.25	2.72	0.95	6.87	2.27	1.86	3.10
TRADE, TRANSPORTATION, UTILITIES	31460	32376	33663	34872	36317	37796	38030	37816	38908	40111	41178	41172
Percentage change	3.51	2.91	3.97	3.59	4.14	4.07	0.62	-0.56	2.89	3.09	2.66	-0.02
WHOLESALE TRADE	43501	45288	48212	49972	53236	55483	56395	55941	57854	59732	62415	61847
Percentage change	3.11	4.11	6.46	3.65	6.53	4.22	1.64	-0.81	3.42	3.25	4.49	-0.91
RETAIL TRADE	22820	23344	23762	24525	25255	26417	26298	26402	27284	28040	28394	28123
Percentage change	3.28	2.30	1.79	3.21	2.98	4.60	-0.45	0.40	3.34	2.77	1.26	-0.95
TRANSPORTATION & UTILITIES	39969	40974	42943	44556	45819	47379	47815	47802	49203	50516	51339	52121
Percentage change	4.17	2.51	4.81	3.75	2.84	3.40	0.92	-0.03	2.93	2.67	1.63	1.52
INFORMATION	39521	40816	43247	44752	49988	50817	51141	51535	53309	56397	58482	58343
Percentage change	2.06	3.28	5.96	3.48	11.70	1.66	0.64	0.77	3.44	5.79	3.70	-0.24
FINANCIAL ACTIVITIES	44540	47931	50379	50399	54482	57219	57358	57388	61369	62784	67252	66620
Percentage change	2.37	7.61	5.11	0.04	8.10	5.02	0.24	0.05	6.94	2.31	7.12	-0.94
PROFESSIONAL & BUSINESS SERVICES	33893	34880	36314	37273	39723	42403	44594	46283	47689	48011	51599	52405
Percentage change	3.65	2.91	4.11	2.64	6.57	6.75	5.17	3.79	3.04	0.68	7.47	1.56
EDUCATION & HEALTH SERVICES	34261	35143	37206	38886	40065	41506	42670	43666	44257	44658	45599	45994
Percentage change	2.99	2.57	5.87	4.52	3.03	3.60	2.80	2.33	1.35	0.91	2.11	0.87
LEISURE & HOSPITALITY	16651	17126	17532	17896	18812	19610	19698	19666	20414	20821	21326	20964
Percentage change	3.49	2.85	2.37	2.07	5.12	4.24	0.45	-0.17	3.81	1.99	2.43	-1.70
OTHER SERVICES	30185	31446	33199	33504	35272	35482	36458	37021	37618	38748	39608	39704
Percentage change	6.97	4.18	5.57	0.92	5.27	0.60	2.75	1.54	1.61	3.00	2.22	0.24
GOVERNMENT	31681	33000	34178	35159	36467	37858	38925	39120	39667	40828	41497	42255
Percentage change	3.58	4.16	3.57	2.87	3.72	3.82	2.82	0.50	1.40	2.93	1.64	1.83
FEDERAL, CIVILIAN	49947	53231	56597	58318	60258	63034	63202	64209	66905	70897	71134	70259
Percentage change	4.05	6.58	6.32	3.04	3.33	4.61	0.27	1.59	4.20	5.97	0.34	-1.23
STATE & LOCAL	29040	30121	31103	32021	33304	34562	35753	35803	35939	36808	37524	38488
Percentage change	3.58	3.72	3.26	2.95	4.01	3.78	3.45	0.14	0.38	2.42	1.95	2.57

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Table 10: Tennessee Civilian Labor Force and Unemployment Rate **January 2015**

	Historical Data											
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
CIVILIAN LABOR FORCE (THOUS)……	2878	2899	2909	2943	3009	3048	3057	3035	3083	3118	3100	3070
Percentage change……	0.29	0.72	0.36	1.15	2.26	1.29	0.32	-0.72	1.56	1.15	-0.59	-0.95
EMPLOYED PERSONS (THOUS)……	2726	2734	2751	2779	2852	2902	2853	2715	2779	2828	2846	2819
Percentage change……	-0.31	0.32	0.60	1.03	2.63	1.75	-1.68	-4.83	2.35	1.75	0.65	-0.97
UNEMPLOYED PERSONS (THOUS)……	152	164	158	163	157	146	204	320	303	290	254	252
Percentage change……	12.40	7.98	-3.64	3.28	-4.08	-7.12	40.14	56.75	-5.14	-4.34	-12.62	-0.77
PARTICIPATION RATE (PERCENT)……	63.6	63.5	63.0	62.9	63.2	63.0	62.3	61.1	61.5	61.6	60.5	59.2
Percentage change……	-0.70	-0.20	-0.73	-0.24	0.56	-0.39	-1.05	-1.88	0.65	0.10	-1.77	-2.11
UNEMPLOYMENT RATE (PERCENT)……	5.3	5.7	5.4	5.6	5.2	4.8	6.7	10.5	9.8	9.3	8.2	8.2

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Table 11: Tennessee Taxable Sales (millions of 2009 dollars) **January 2015**

	Historical Data											
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
TOTAL TAXABLE SALES	87882	89918	92218	95680	97861	98872	93182	86224	86961	89915	92455	94059
Percentage change	-0.08	2.32	2.56	3.75	2.28	1.03	-5.76	-7.47	0.86	3.40	2.82	1.74
AUTO DEALERS	10288	10769	10529	10224	9911	9788	7935	6724	7546	8096	8751	9167
Percentage change	0.86	4.67	-2.23	-2.90	-3.06	-1.24	-18.93	-15.26	12.23	7.28	8.09	4.76
PURCHASES FROM MANUFACTURERS	4253	4490	4626	5205	4940	4888	4495	3492	3596	3852	3819	3889
Percentage change	-8.92	5.59	3.02	12.52	-5.10	-1.06	-8.04	-22.31	2.98	7.12	-0.85	1.83
MISC DURABLE GOODS	14290	14719	15810	17170	18166	17964	16339	13747	14259	14963	15442	15663
Percentage change	-2.05	3.00	7.41	8.60	5.80	-1.11	-9.05	-15.86	3.72	4.94	3.20	1.43
EATING AND DRINKING PLACES	7645	7896	8309	8627	8935	9144	8968	8841	8910	9129	9617	9854
Percentage change	0.51	3.28	5.24	3.83	3.56	2.35	-1.92	-1.42	0.78	2.46	5.35	2.46
FOOD STORES	9297	8966	8849	8884	8887	8992	8592	8822	8740	8849	9136	9394
Percentage change	-2.69	-3.55	-1.31	0.40	0.04	1.17	-4.44	2.68	-0.93	1.24	3.25	2.82
LIQUOR STORES	475	495	510	536	578	612	636	657	673	699	748	779
Percentage change	1.40	4.10	3.20	5.09	7.76	5.86	3.89	3.38	2.48	3.76	6.98	4.23
HOTELS AND MOTELS	2069	2079	2096	2215	2342	2425	2312	2038	2033	2239	2347	2366
Percentage change	-1.81	0.51	0.81	5.66	5.73	3.56	-4.66	-11.84	-0.25	10.13	4.79	0.81
OTHER RETAIL AND SERVICE	25653	26505	27074	27970	28642	29151	28219	26805	26870	27610	28462	28885
Percentage change	1.47	3.32	2.15	3.31	2.40	1.77	-3.19	-5.01	0.24	2.75	3.09	1.48
MISC NONDURABLE GOODS	7250	7128	7269	7613	7698	7990	7780	7364	7521	7671	7944	8100
Percentage change	-2.23	-1.69	1.98	4.72	1.12	3.79	-2.63	-5.34	2.13	1.98	3.57	1.96
TRANSPORTATION, COMMUNICATION	6663	6870	7146	7237	7763	7919	7905	7732	6811	6807	6189	5962
Percentage change	10.01	3.10	4.02	1.27	7.27	2.01	-0.17	-2.20	-11.91	-0.06	-9.08	-3.66
PER CAPITA ($)	15207	15427	15664	16051	16169	16096	14981	13721	13735	14072	14316	14411
Percentage change	-0.96	1.45	1.54	2.47	0.74	-0.46	-6.92	-8.41	0.10	2.45	1.73	0.66

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Table 12: Tennessee Taxable Sales (millions of current dollars) **January 2015**

	Historical Data											
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
TOTAL TAXABLE SALES	75467	78749	82725	88284	92706	95999	93236	86220	88401	93654	98057	100959
Percentage change	1.27	4.35	5.05	6.72	5.01	3.55	-2.88	-7.52	2.53	5.94	4.70	2.96
AUTO DEALERS	8835	9431	9444	9430	9389	9503	7938	6726	7672	8433	9281	9840
Percentage change	2.21	6.74	0.14	-0.16	-0.43	1.21	-16.47	-15.27	14.07	9.92	10.05	6.02
PURCHASES FROM MANUFACTURERS	3652	3933	4150	4803	4679	4745	4497	3492	3656	4012	4051	4175
Percentage change	-7.69	7.69	5.52	15.73	-2.58	1.41	-5.22	-22.35	4.70	9.74	0.98	3.05
MISC DURABLE GOODS	12271	12892	14183	15845	17208	17441	16347	13747	14495	15586	16376	16812
Percentage change	-0.74	5.06	10.02	11.72	8.60	1.35	-6.27	-15.91	5.44	7.53	5.07	2.66
EATING AND DRINKING PLACES	6564	6915	7454	7960	8464	8880	8974	8841	9058	9509	10200	10577
Percentage change	1.85	5.34	7.80	6.79	6.34	4.91	1.06	-1.48	2.45	4.98	7.27	3.69
FOOD STORES	7983	7852	7937	8196	8419	8731	8601	8822	8885	9217	9690	10083
Percentage change	-1.39	-1.64	1.09	3.26	2.72	3.70	-1.49	2.57	0.72	3.73	5.14	4.05
LIQUOR STORES	408	433	458	495	548	594	636	657	685	728	793	836
Percentage change	2.76	6.17	5.71	8.10	10.63	8.51	7.05	3.32	4.18	6.32	8.93	5.48
HOTELS AND MOTELS	1777	1821	1881	2044	2218	2355	2313	2038	2067	2333	2489	2539
Percentage change	-0.49	2.50	3.27	8.67	8.55	6.15	-1.78	-11.87	1.40	12.86	6.69	2.02
OTHER RETAIL AND SERVICE	22029	23213	24286	25806	27134	28303	28237	26804	27315	28758	30187	31004
Percentage change	2.83	5.37	4.62	6.26	5.15	4.31	-0.24	-5.07	1.91	5.28	4.97	2.70
MISC NONDURABLE GOODS	6226	6243	6521	7024	7293	7758	7784	7364	7646	7989	8426	8694
Percentage change	-0.91	0.27	4.45	7.72	3.82	6.38	0.34	-5.39	3.82	4.49	5.46	3.19
TRANSPORTATION, COMMUNICATION	5721	6016	6410	6682	7353	7690	7910	7729	6923	7089	6564	6399
Percentage change	11.47	5.15	6.55	4.23	10.05	4.57	2.87	-2.29	-10.43	2.39	-7.41	-2.50
PER CAPITA ($)	13059	13511	14051	14809	15317	15627	14990	13721	13963	14657	15184	15468
Percentage change	0.37	3.46	4.00	5.40	3.43	2.02	-4.08	-8.47	1.76	4.97	3.59	1.87

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Table 13: Tennessee Gross Domestic Product by Sector (millions of 2009 dollars) **January 2015**

	Historical Data										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
GROSS DOMESTIC PRODUCT	240,932	249,845	253,327	258,839	256,332	256,790	247,464	252,156	259,317	267,918	269,962
Percentage change	2.49	3.70	1.39	2.18	-0.97	0.18	-3.63	1.90	2.84	3.32	0.76
NATURAL RESOURCES & MINING	2,496	2,529	2,642	2,788	2,101	2,317	2,559	2,488	2,489	2,677	2,974
Percentage change	8.90	1.32	4.47	5.53	-24.64	10.28	10.44	-2.77	0.04	7.55	11.09
CONSTRUCTION	11,464	11,413	11,307	11,397	11,108	10,185	9,072	8,964	9,154	9,501	9,176
Percentage change	-1.50	-0.44	-0.93	0.80	-2.54	-8.31	-10.93	-1.19	2.12	3.79	-3.42
MANUFACTURING	40,109	44,717	44,307	46,201	44,207	42,405	38,463	40,101	42,086	43,879	44,104
Percentage change	4.15	11.49	-0.92	4.27	-4.32	-4.08	-9.30	4.26	4.95	4.26	0.51
DURABLE GOODS	22,866	25,089	26,161	27,103	24,246	24,455	20,409	20,618	23,452	25,516	25,163
Percentage change	11.60	9.72	4.27	3.60	-10.54	0.86	-16.54	1.02	13.75	8.80	-1.38
NONDURABLE GOODS	17,243	19,628	18,146	19,098	19,961	17,950	18,054	19,483	18,634	18,363	18,941
Percentage change	-4.32	13.83	-7.55	5.25	4.52	-10.07	0.58	7.92	-4.36	-1.45	3.15
Percentage change	7.45	-41.63	20.53	-5.38	-11.16	-33.18	12.23	-30.49	-2.95	-2.11	-22.25
TRADE, TRANSPORATION, UTILITIES	48,365	50,657	52,783	54,040	53,671	52,318	47,504	49,154	49,958	51,078	51,484
Percentage change	6.06	4.74	4.20	2.38	-0.68	-2.52	-9.20	3.47	1.64	2.24	0.79
WHOLESALE TRADE	16,631	17,733	18,393	18,997	19,489	19,362	16,434	16,720	16,804	17,534	17,554
Percentage change	7.28	6.63	3.72	3.28	2.59	-0.65	-15.12	1.74	0.50	4.34	0.11
RETAIL TRADE	18,927	19,301	20,135	20,159	19,929	18,897	18,257	18,797	19,009	19,247	19,322
Percentage change	7.41	1.98	4.32	0.12	-1.14	-5.18	-3.39	2.96	1.13	1.25	0.39
TRANSPORTATION & UTILITIES	12,807	13,623	14,255	14,884	14,253	14,059	12,813	13,637	14,145	14,297	14,608
Percentage change	2.65	6.37	4.64	4.41	-4.24	-1.36	-8.86	6.43	3.73	1.07	2.18
INFORMATION	6,376	6,912	7,290	7,787	8,170	8,368	7,900	8,169	8,183	8,500	8,626
Percentage change	4.78	8.41	5.47	6.82	4.92	2.42	-5.59	3.41	0.17	3.87	1.48
FINANCIAL ACTIVITIES	37,138	35,561	35,449	36,118	37,555	38,535	39,924	41,875	42,824	43,562	43,999
Percentage change	0.39	-4.25	-0.31	1.89	3.98	2.61	3.60	4.89	2.27	1.72	1.00
PROFESSIONAL & BUSINESS SERVICES	24,434	25,486	25,383	25,426	25,626	27,096	25,587	26,525	27,717	30,040	30,828
Percentage change	3.73	4.31	-0.40	0.17	0.79	5.74	-5.57	3.67	4.49	8.38	2.62
EDUCATION & HEALTH SERVICES	21,520	22,972	23,024	23,652	23,828	25,503	26,582	26,689	27,495	28,716	29,302
Percentage change	3.35	6.75	0.23	2.73	0.74	7.03	4.23	0.40	3.02	4.44	2.04
LEISURE & HOSPITALITY	11,036	11,325	11,316	11,597	11,592	11,009	10,288	10,541	10,998	11,327	11,321
Percentage change	3.81	2.62	-0.08	2.48	-0.04	-5.03	-6.55	2.46	4.34	2.99	-0.05
OTHER SERVICES	7,441	7,626	7,595	7,644	7,321	6,988	6,682	6,635	6,661	6,839	6,669
Percentage change	-2.94	2.49	-0.41	0.65	-4.23	-4.55	-4.38	-0.70	0.39	2.67	-2.49
GOVERNMENT	30,553	30,647	32,231	32,189	31,153	32,066	32,903	31,015	31,752	31,799	31,479
Percentage change	-2.34	0.31	5.17	-0.13	-3.22	2.93	2.61	-5.74	2.38	0.15	-1.01
FEDERAL	9,191	9,087	8,874	8,860	8,686	8,123	8,730	8,314	8,010	7,816	7,816
Percentage change	-0.16	-1.13	-2.34	-0.16	-1.96	-6.48	7.47	-4.77	-3.66	-2.42	0.00
STATE & LOCAL	21,362	21,560	23,357	23,329	22,467	23,943	24,173	22,701	23,742	23,983	23,663
Percentage change	-3.25	0.93	8.33	-0.12	-3.69	6.57	0.96	-6.09	4.59	1.02	-1.33

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*2013 data are advanced statistics from the Bureau of Economic Analysis which are based on source data that are incomplete or subject to revision

Table 14: Tennessee Durable Goods Manufacturing Gross Domestic Product (millions of 2009 dollars) **January 2015**

	Historical Data										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
DURABLE GOODS	22,866	25,089	26,161	27,103	24,246	24,455	20,409	20,618	23,452	25,516	25,163
Percentage change	11.60	9.72	4.27	3.60	-10.54	0.86	-16.54	1.02	13.75	8.80	-1.38
WOOD PRODUCTS	617	648	699	725	812	810	604	612	659	705	695
Percentage change	-11.22	5.02	7.87	3.72	12.00	-0.25	-25.43	1.32	7.68	6.98	-1.38
NONMETALLIC MINERAL PRODUCTS	1,545	1,672	1,496	1,335	1,331	1,112	874	961	1,082	1,169	1,153
Percentage change	14.19	8.22	-10.53	-10.76	-0.30	-16.45	-21.40	9.95	12.59	8.04	-1.38
PRIMARY METALS	990	1,134	1,122	1,079	855	854	769	894	1,031	1,301	1,283
Percentage change	-19.71	14.55	-1.06	-3.83	-20.76	-0.12	-9.95	16.25	15.32	26.19	-1.38
FABRICATED METAL PRODUCTS	3,966	4,476	4,295	4,604	4,484	3,902	3,529	3,763	3,580	3,553	3,504
Percentage change	7.42	12.86	-4.04	7.19	-2.61	-12.98	-9.56	6.63	-4.86	-0.75	-1.38
MACHINERY	3,466	3,296	3,796	3,534	3,064	3,604	2,750	2,590	2,796	2,805	2,766
Percentage change	6.06	-4.90	15.17	-6.90	-13.30	17.62	-23.70	-5.82	7.95	0.32	-1.38
COMPUTER & ELECTRONIC PRODUCTS	2,248	2,866	2,558	2,303	2,759	3,867	4,049	1,213	1,324	1,385	1,366
Percentage change	95.14	27.49	-10.75	-9.97	19.80	40.16	4.71	-70.04	9.15	4.61	-1.38
ELECTRICAL EQUIPMENT, APPLIANCES & COMPONENTS	2,587	2,581	2,827	3,092	2,489	3,083	2,900	2,551	2,843	3,340	3,294
Percentage change	8.83	-0.23	9.53	9.37	-19.50	23.87	-5.94	-12.03	11.45	17.48	-1.38
MOTOR VEHICLES, BODIES & TRAILERS, & PARTS	4,319	5,052	5,927	7,095	5,078	4,012	1,803	4,836	6,895	7,942	7,832
Percentage change	23.58	16.97	17.32	19.71	-28.43	-20.99	-55.06	168.22	42.58	15.18	-1.38
OTHER TRANSPORTATION EQUIPMENT	659	867	933	796	743	616	421	476	506	590	582
Percentage change	-7.31	31.56	7.61	-14.68	-6.66	-17.09	-31.66	13.06	6.30	16.60	-1.38
FURNITURE	1,025	986	902	847	825	651	471	424	410	410	404
Percentage change	-7.82	-3.80	-8.52	-6.10	-2.60	-21.09	-27.65	-9.98	-3.30	0.00	-1.38
MISCELLANEOUS DURABLE GOODS	1,444	1,511	1,606	1,693	1,806	1,944	2,239	2,298	2,326	2,316	2,284
Percentage change	3.07	4.64	6.29	5.42	6.67	7.64	15.17	2.64	1.22	-0.43	-1.38

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Table 15: Tennessee Nondurable Goods Manufacturing Gross Domestic Product (millions of 2009 dollars) **January 2015**

	Historical Data										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
NONDURABLE GOODS	17,243	19,628	18,146	19,098	19,961	17,950	18,054	19,483	18,634	18,363	18,941
Percentage change	-4.32	13.83	-7.55	5.25	4.52	-10.07	0.58	7.92	-4.36	-1.45	3.15
FOOD AND BEVERAGE & TOBACCO	5,672	6,082	6,217	7,020	7,899	6,793	6,986	7,661	7,030	6,976	7,196
Percentage change	-3.09	7.23	2.22	12.92	12.52	-14.00	2.84	9.66	-8.24	-0.77	3.15
TEXTILE MILLS & TEXTILE PRODUCT MILLS	693	714	634	674	603	612	421	373	302	326	336
Percentage change	-6.98	3.03	-11.20	6.31	-10.53	1.49	-31.21	-11.40	-19.03	7.95	3.15
APPAREL & LEATHER PRODUCTS	380	346	305	292	296	301	253	240	211	220	227
Percentage change	-17.57	-8.95	-11.85	-4.26	1.37	1.69	-15.95	-5.14	-12.08	4.27	3.15
PAPER	2,279	2,394	2,456	2,740	2,342	2,383	2,591	2,701	2,485	2,525	2,604
Percentage change	1.88	5.05	2.59	11.56	-14.53	1.75	8.73	4.25	-8.00	1.61	3.15
PRINTING & RELATED SUPPORT	1,212	1,234	1,257	1,306	1,277	1,239	1,093	1,065	1,078	1,013	1,045
Percentage change	6.97	1.82	1.86	3.90	-2.22	-2.98	-11.78	-2.56	1.22	-6.03	3.15
CHEMICALS	3,545	5,510	4,235	4,633	4,832	4,279	4,482	5,145	5,447	5,446	5,617
Percentage change	-17.62	55.43	-23.14	9.40	4.30	-11.44	4.74	14.79	5.87	-0.02	3.15
PLASTICS & RUBBER	2,446	2,503	2,276	1,930	2,120	1,917	1,756	1,905	1,792	1,568	1,617
Percentage change	1.54	2.33	-9.07	-15.20	9.84	-9.58	-8.40	8.49	-5.93	-12.50	3.15
MISCELLANEOUS NONDURABLE GOODS	1,016	845	766	503	592	426	472	393	289	289	298
Percentage change	15.45	-16.83	-9.35	-34.33	17.69	-28.04	10.80	-16.74	-26.46	0.00	3.15

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