

Where's Waldo? Finding the Recession in the Lexington Market



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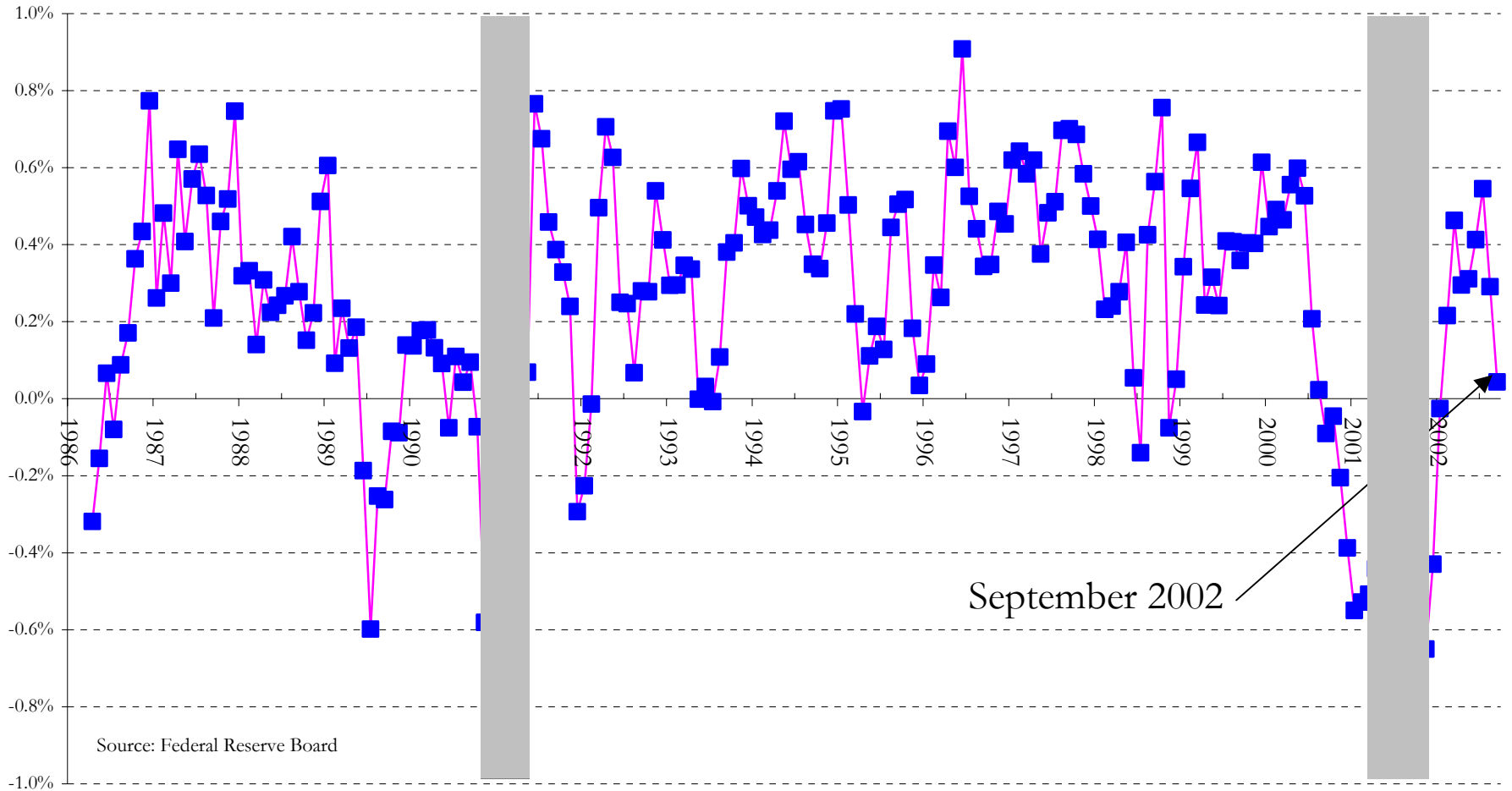
Marriott Griffin Gate - Lexington
November 6, 2002

Topics Today

- National recession – industrial production, labor market
- Recession in Lexington – jobs
- Worker shortage myth
- A more reliable tracking system
- Housing still strong

Growth in Industrial Production, US

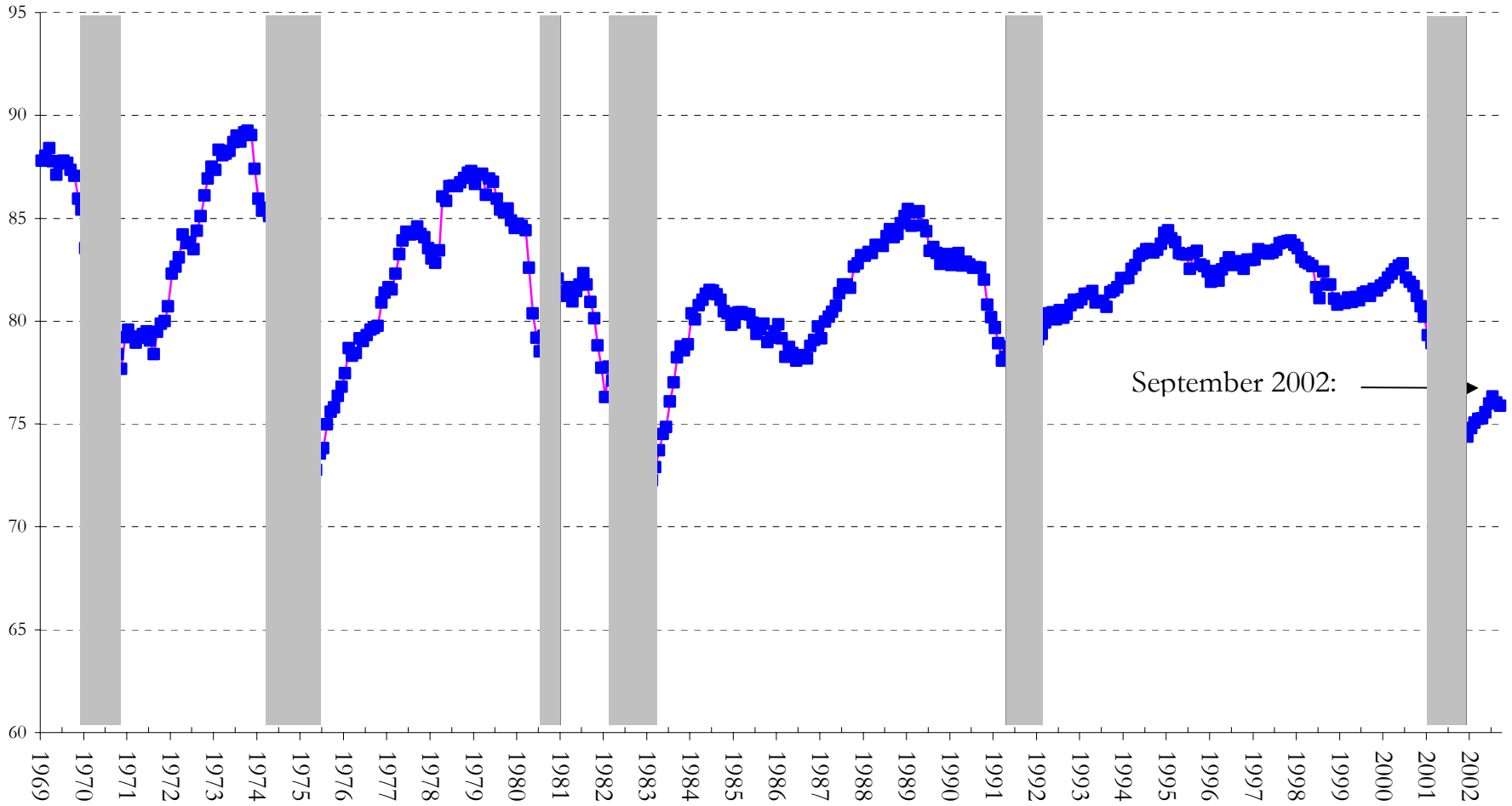
monthly % change, 3-month moving average



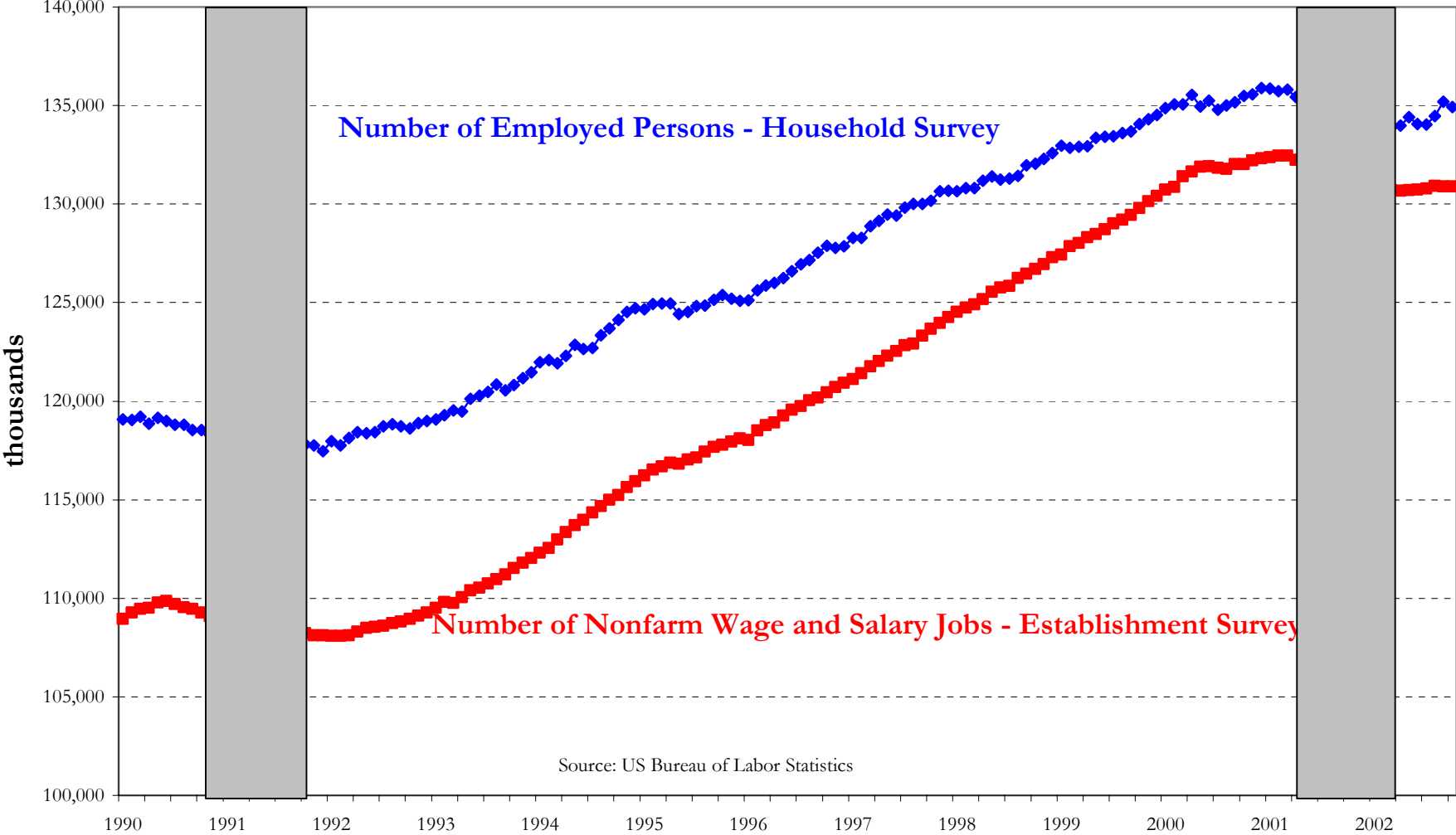
Source: Federal Reserve Board

Capacity Utilization, US Industry

% of capacity in use: Manufacturing, Mining, Utilities

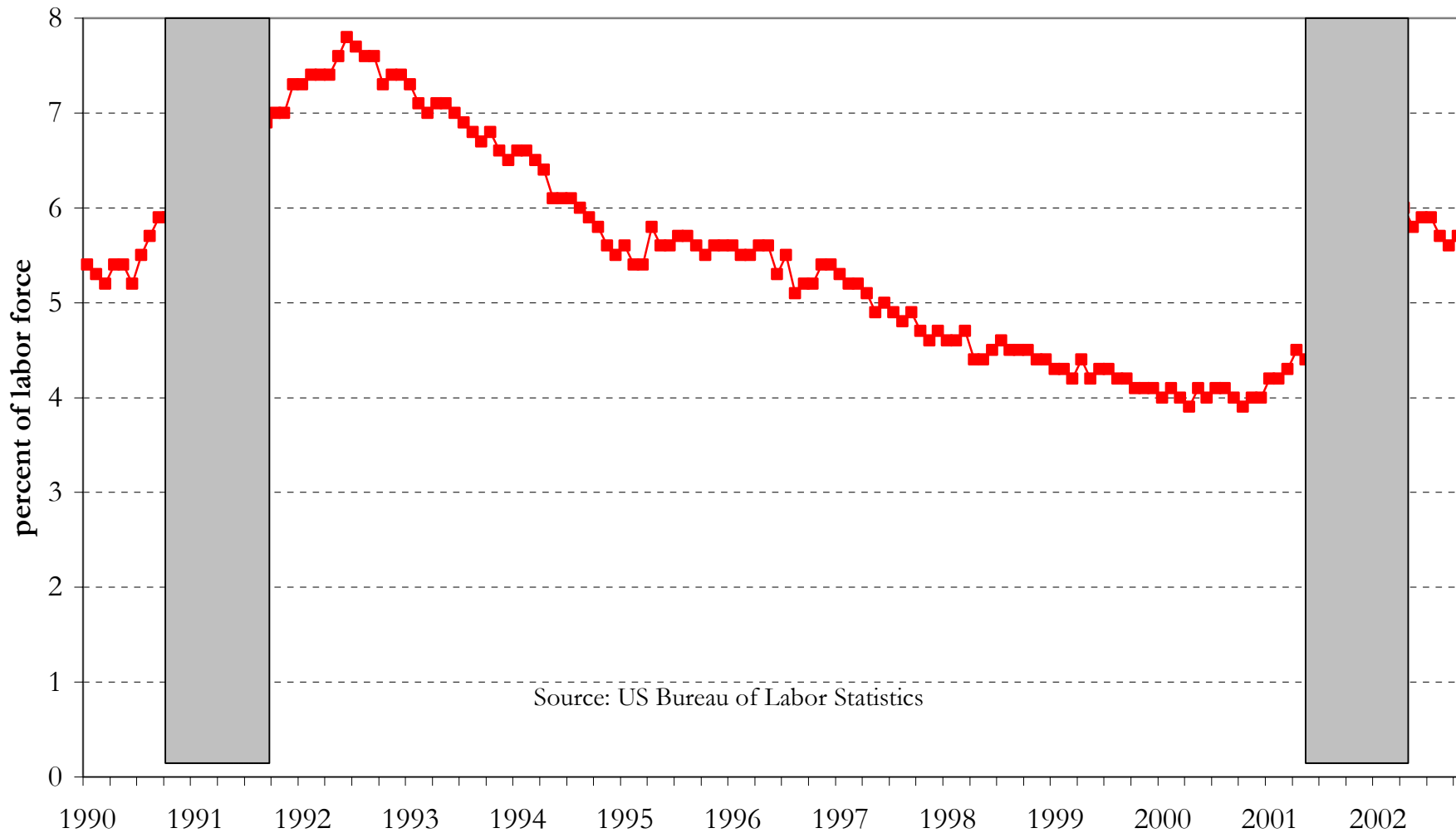


Employment in United States 1990 to present



Source: US Bureau of Labor Statistics

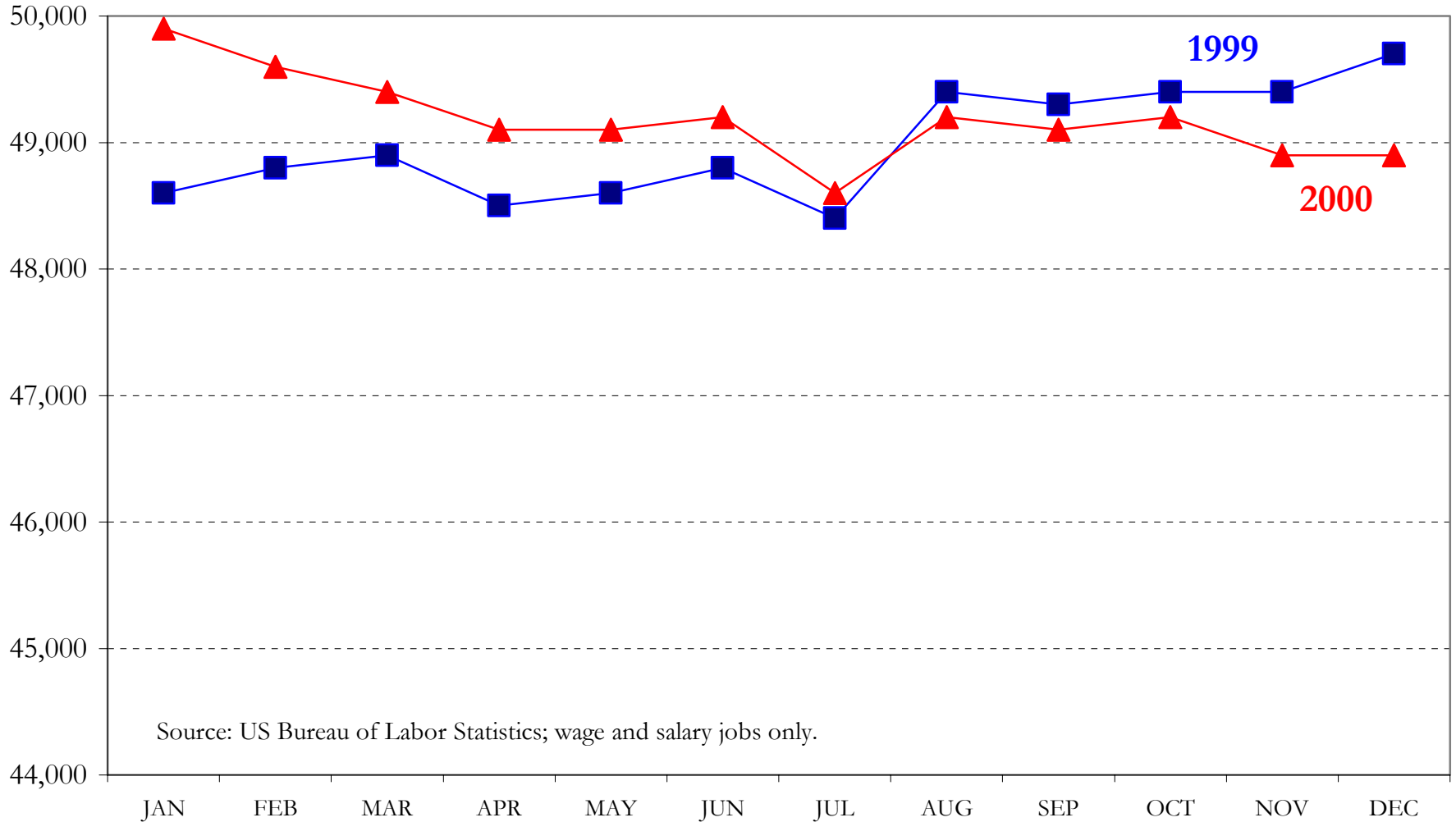
Unemployment Rate, United States 1990 to present



Manufacturing Employment by Month Lexington MSA

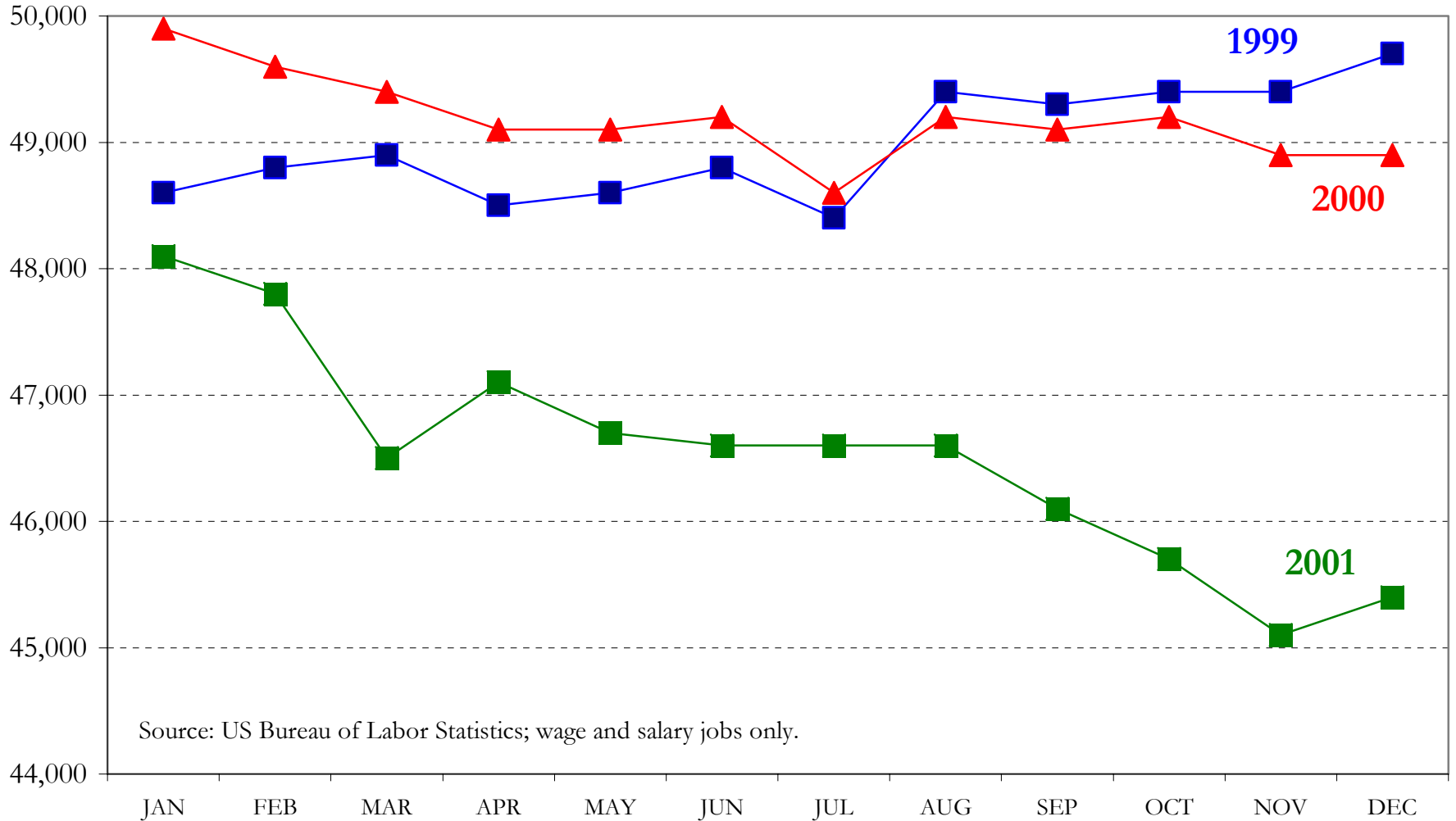


Manufacturing Employment by Month Lexington MSA

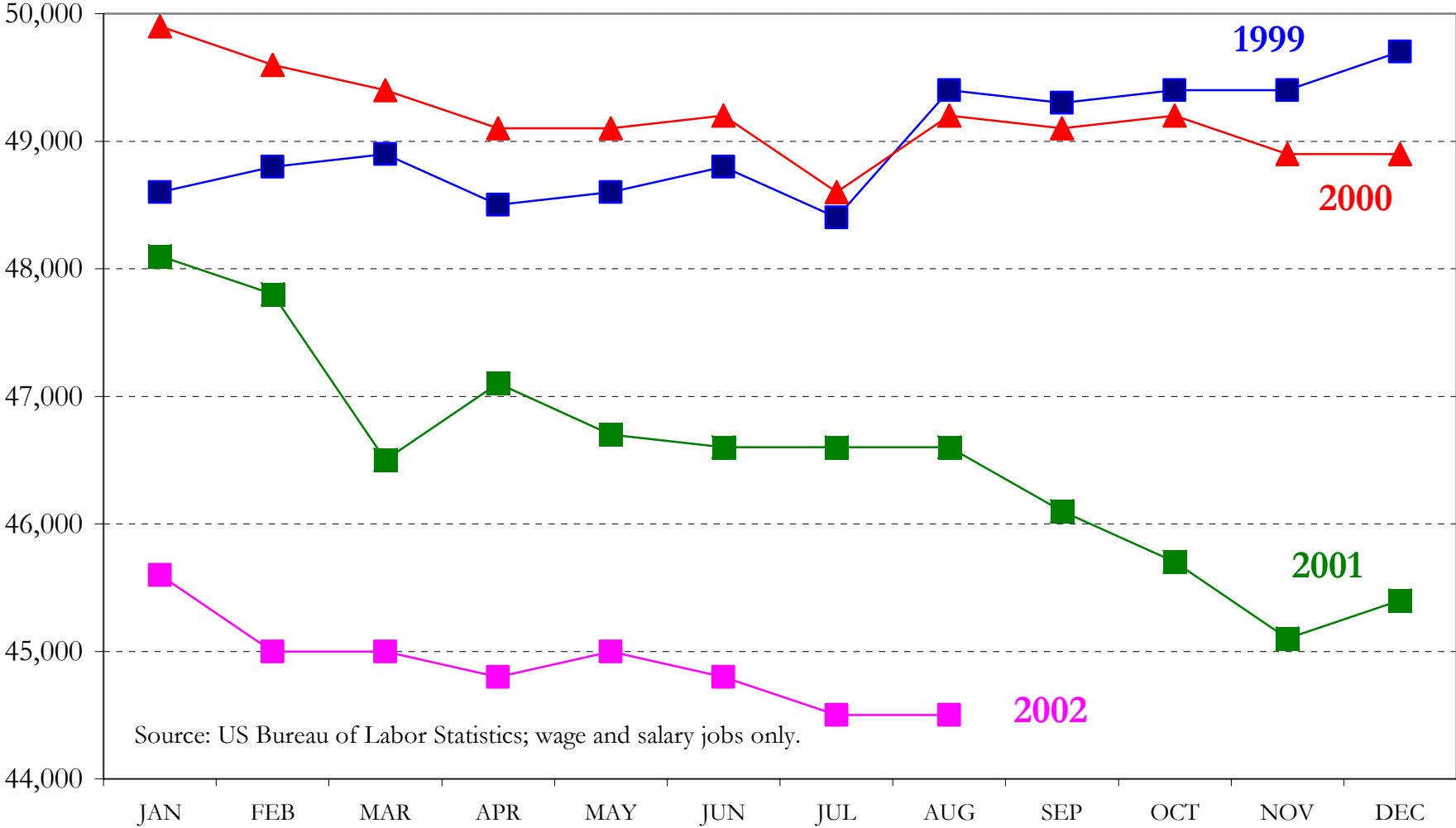


Source: US Bureau of Labor Statistics; wage and salary jobs only.

Manufacturing Employment by Month Lexington MSA

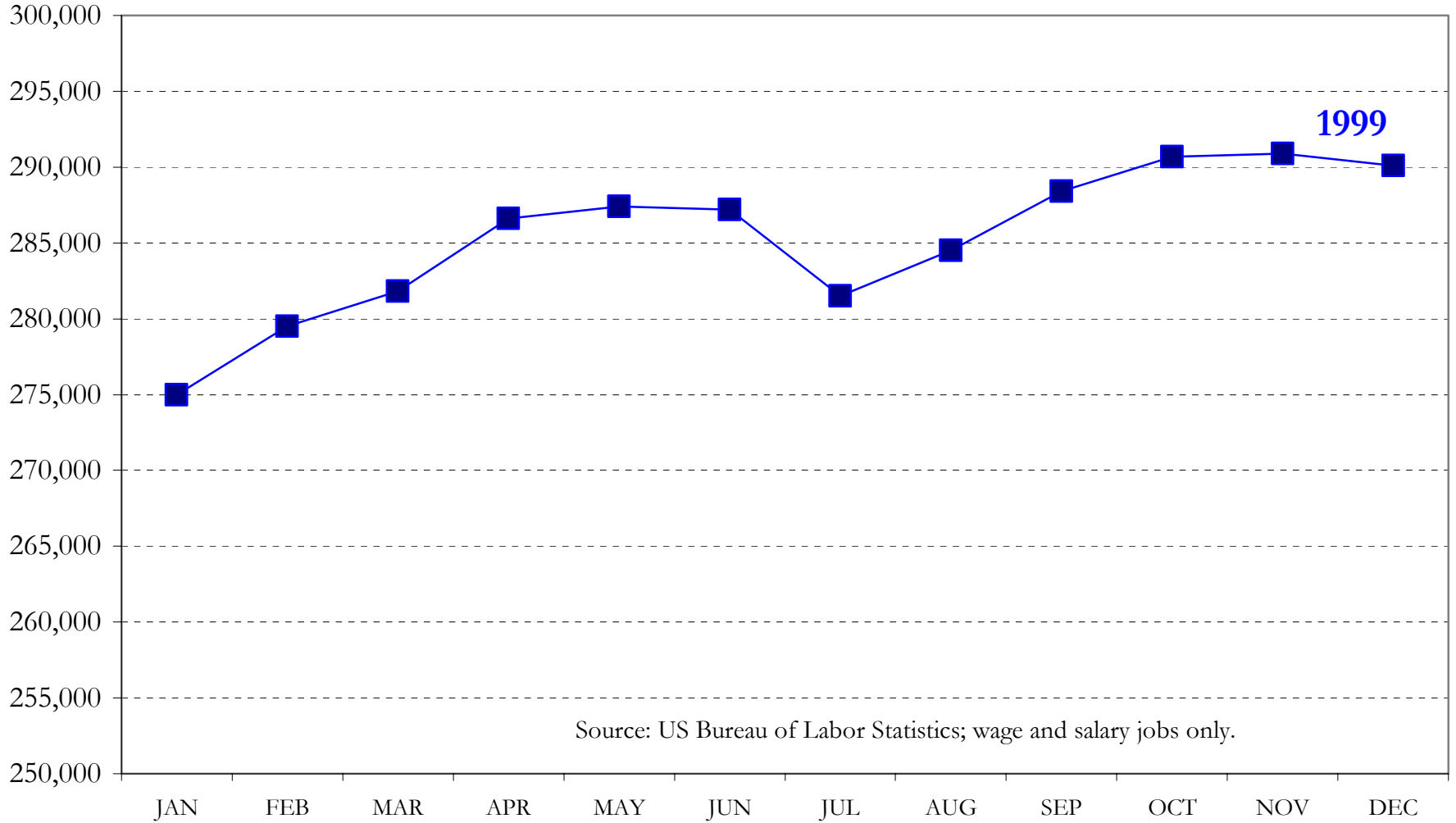


Manufacturing Employment by Month Lexington MSA

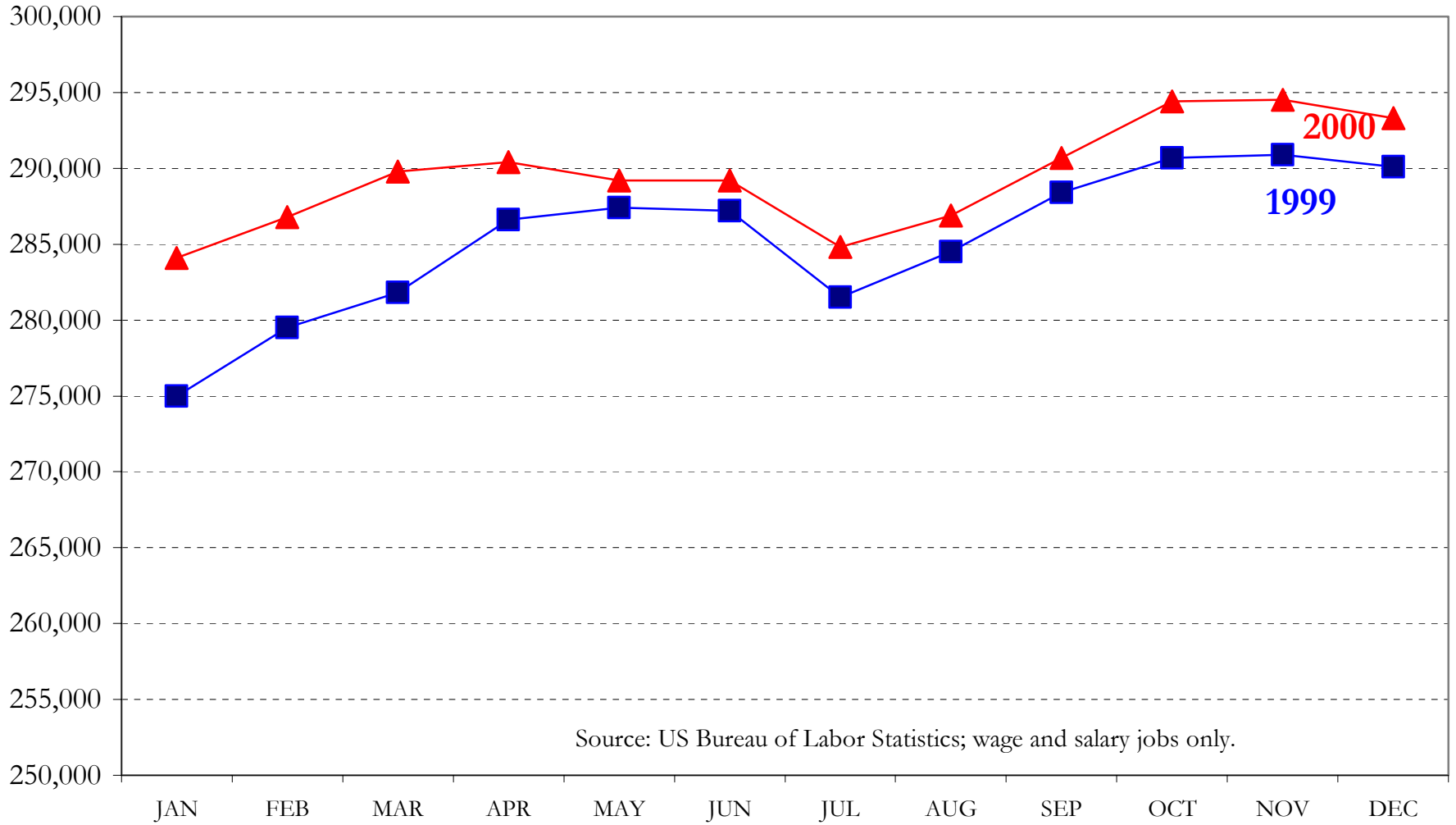


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Employment by Month Lexington MSA

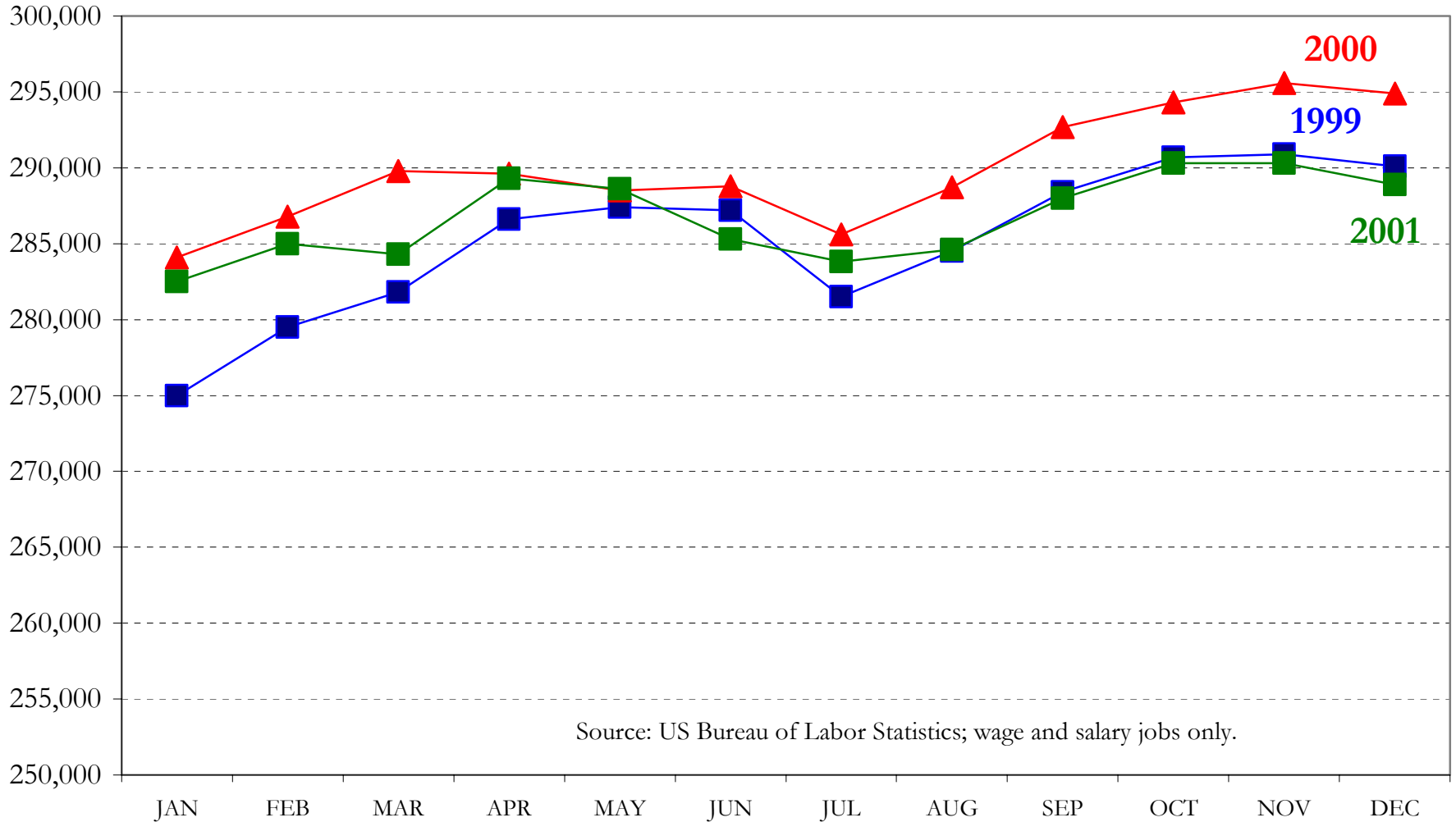


Employment by Month Lexington MSA

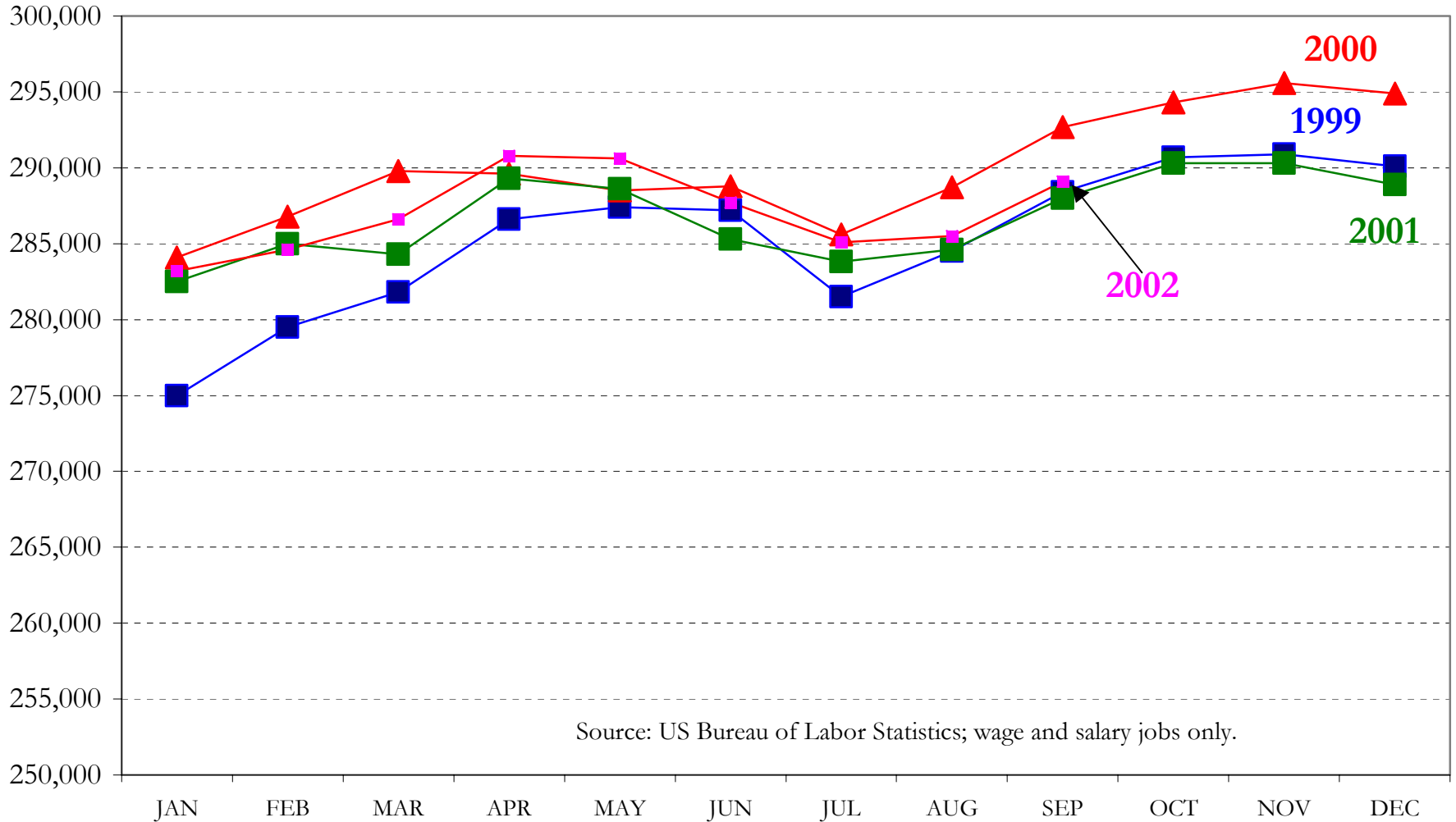


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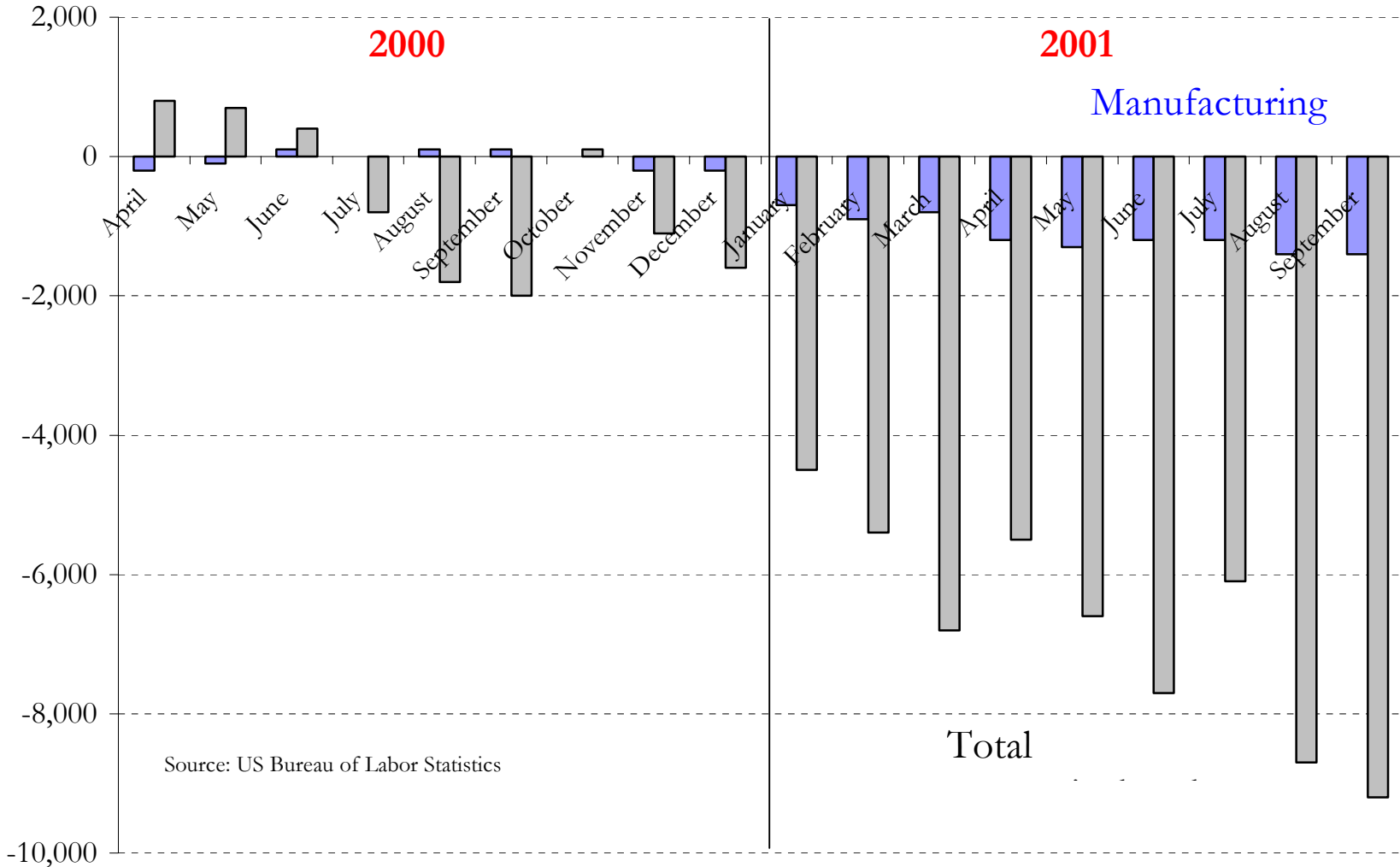
Employment by Month Lexington MSA



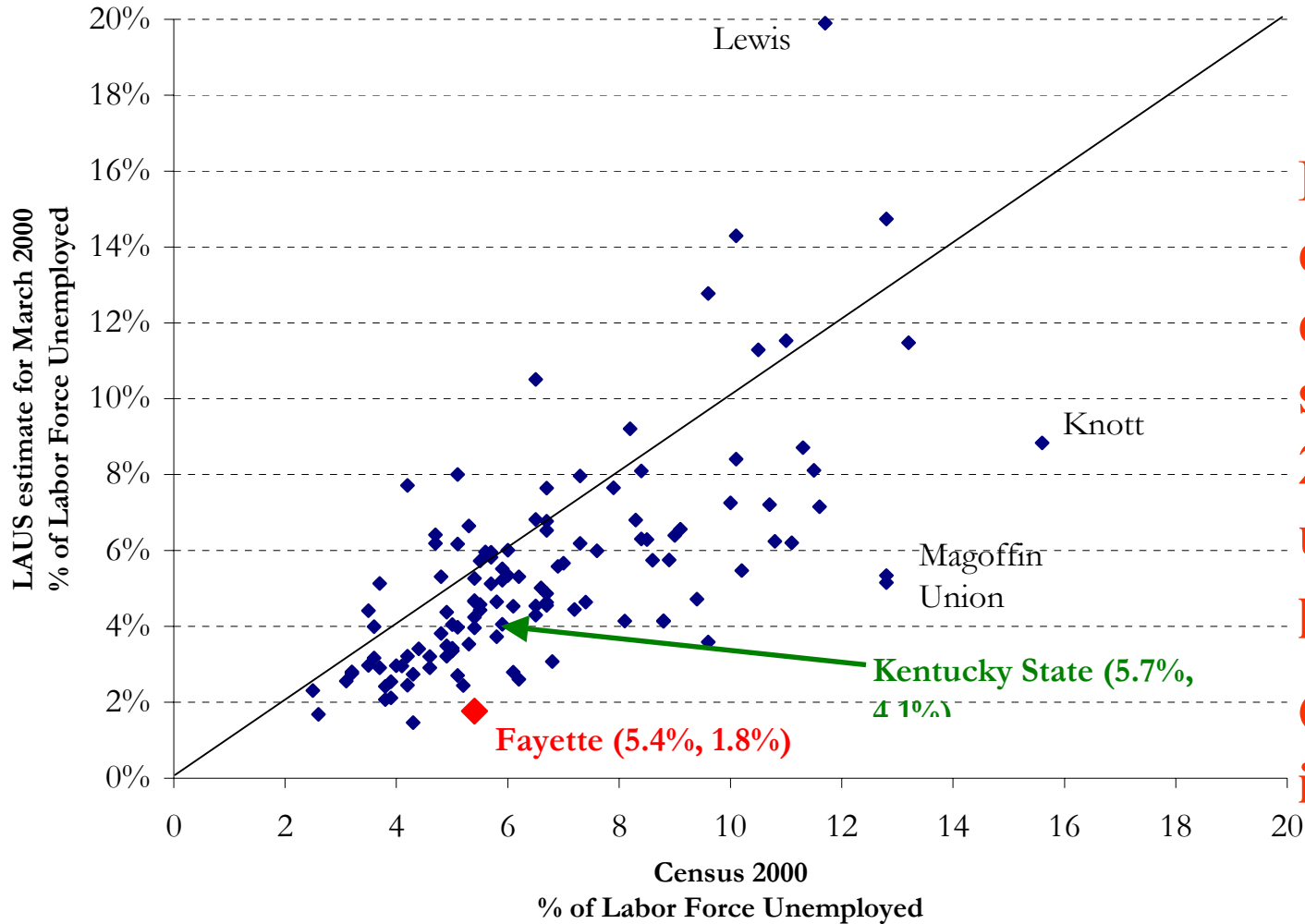
Employment by Month Lexington MSA



Revisions to Previously Published Monthly Job Estimates Lexington MSA



Unemployment Rate Estimates for March 2000 120 Kentucky Counties



**Fayette:
earlier
estimates
showed only
2,600
unemployed
persons.**

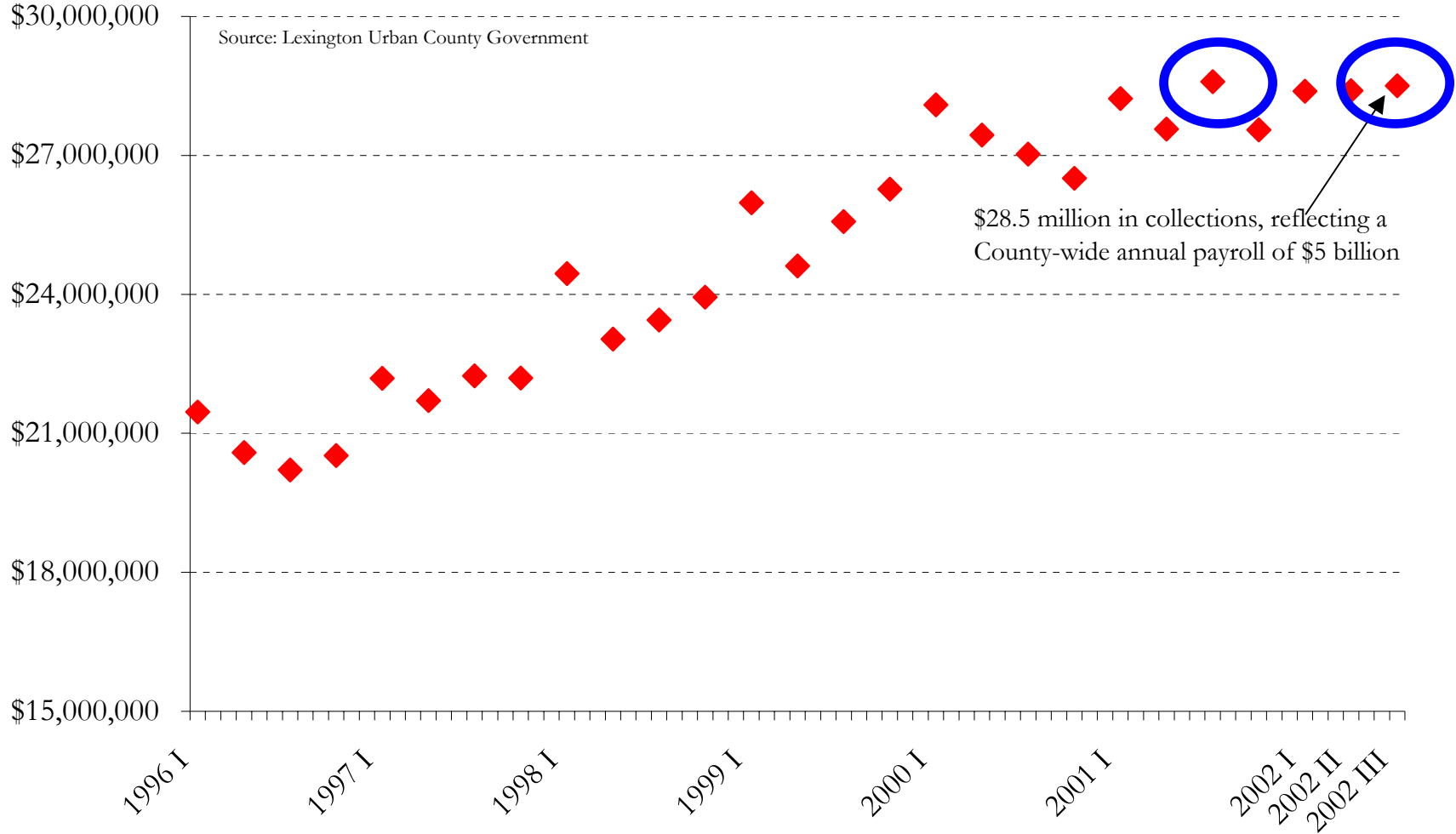
**Census came
in at 7,900**

What to believe.....

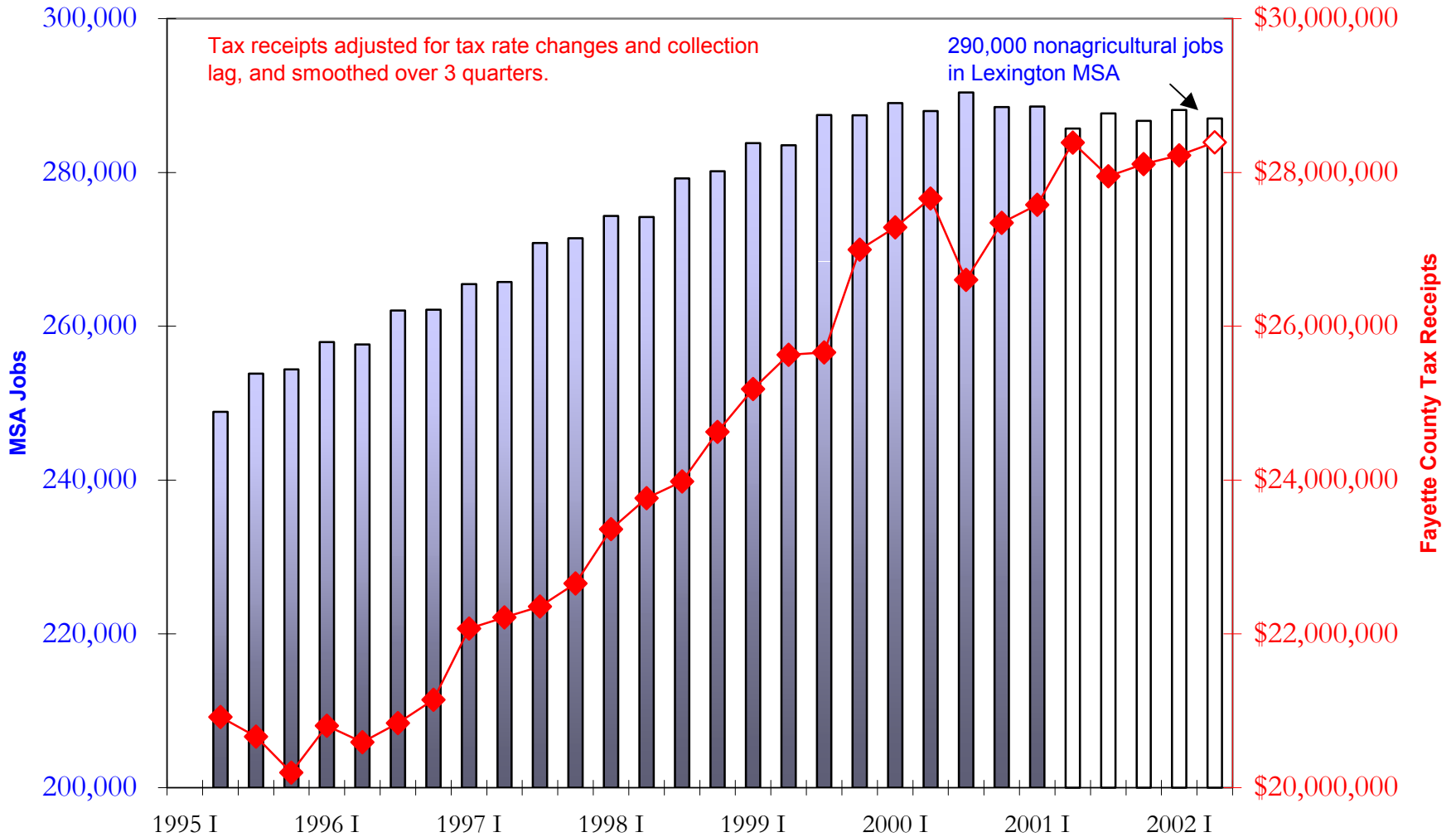
- Fayette County occupational tax receipts
- 2.25% of wages and salaries, no refunds
- Short reporting lag – 45-60 days
- No revisions!
- Only drawback is that it reflects just Fayette County payrolls, not metro area
- Clearly shows recession, modest rebound

Fayette County Occupational Tax Receipts by Calendar Quarter of Receipt, 1996 I - 2002 III

Source: Lexington Urban County Government

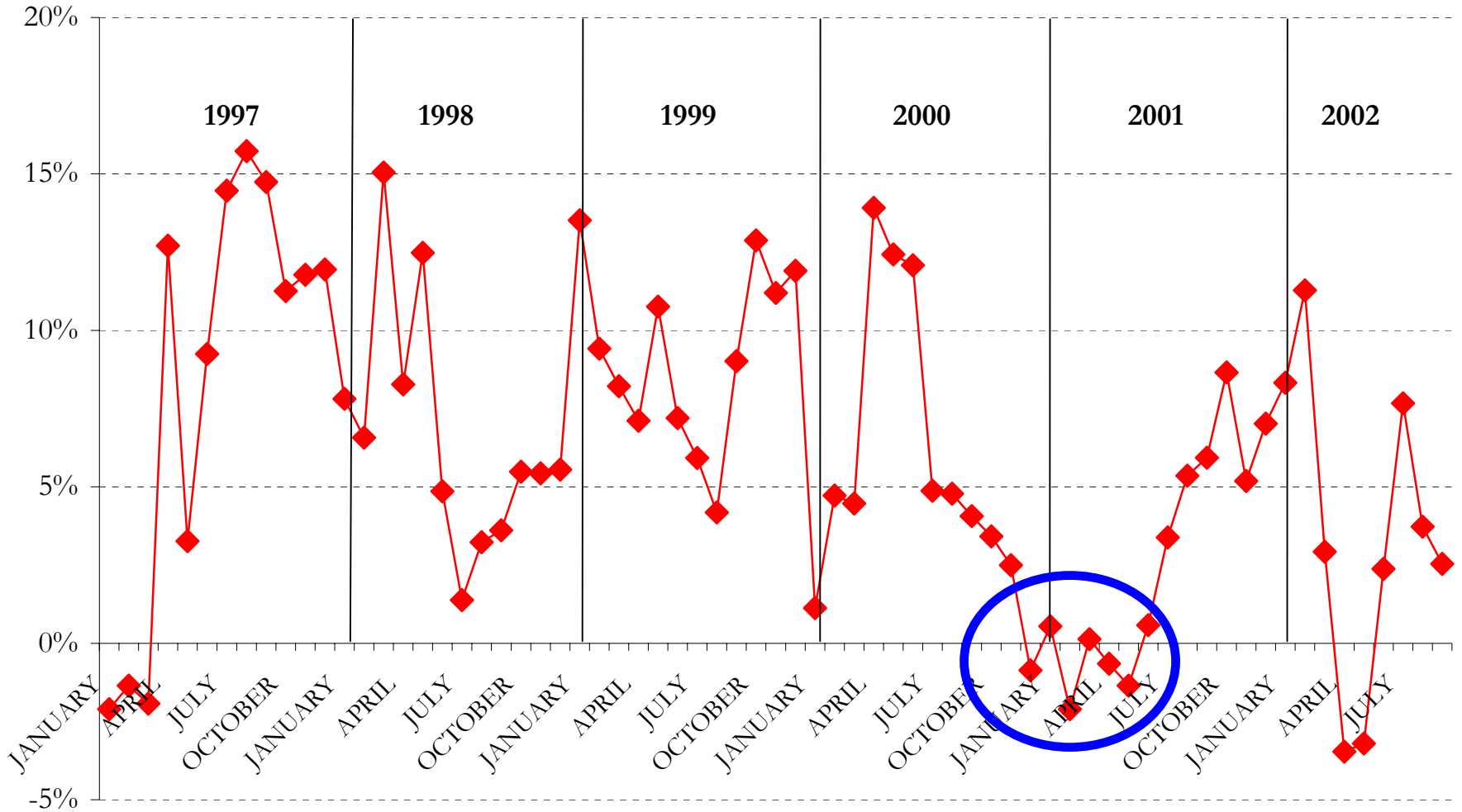


Metro Jobs and Fayette Tax Collections by Quarter 1995 to 2002



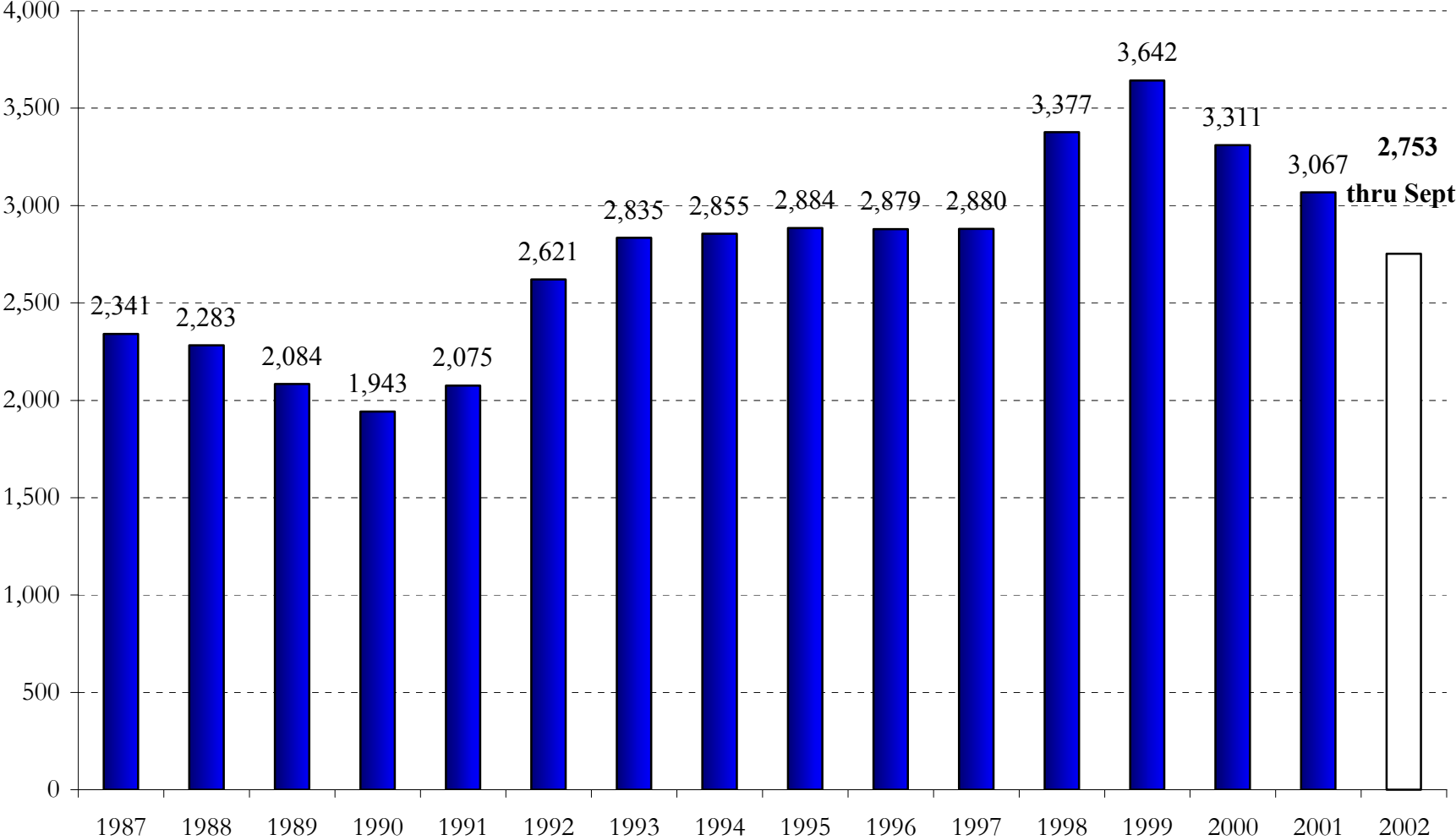
Growth in Monthly Receipts Fayette County Occupational Tax

percent change from same month, last year; smoothed - three month moving average



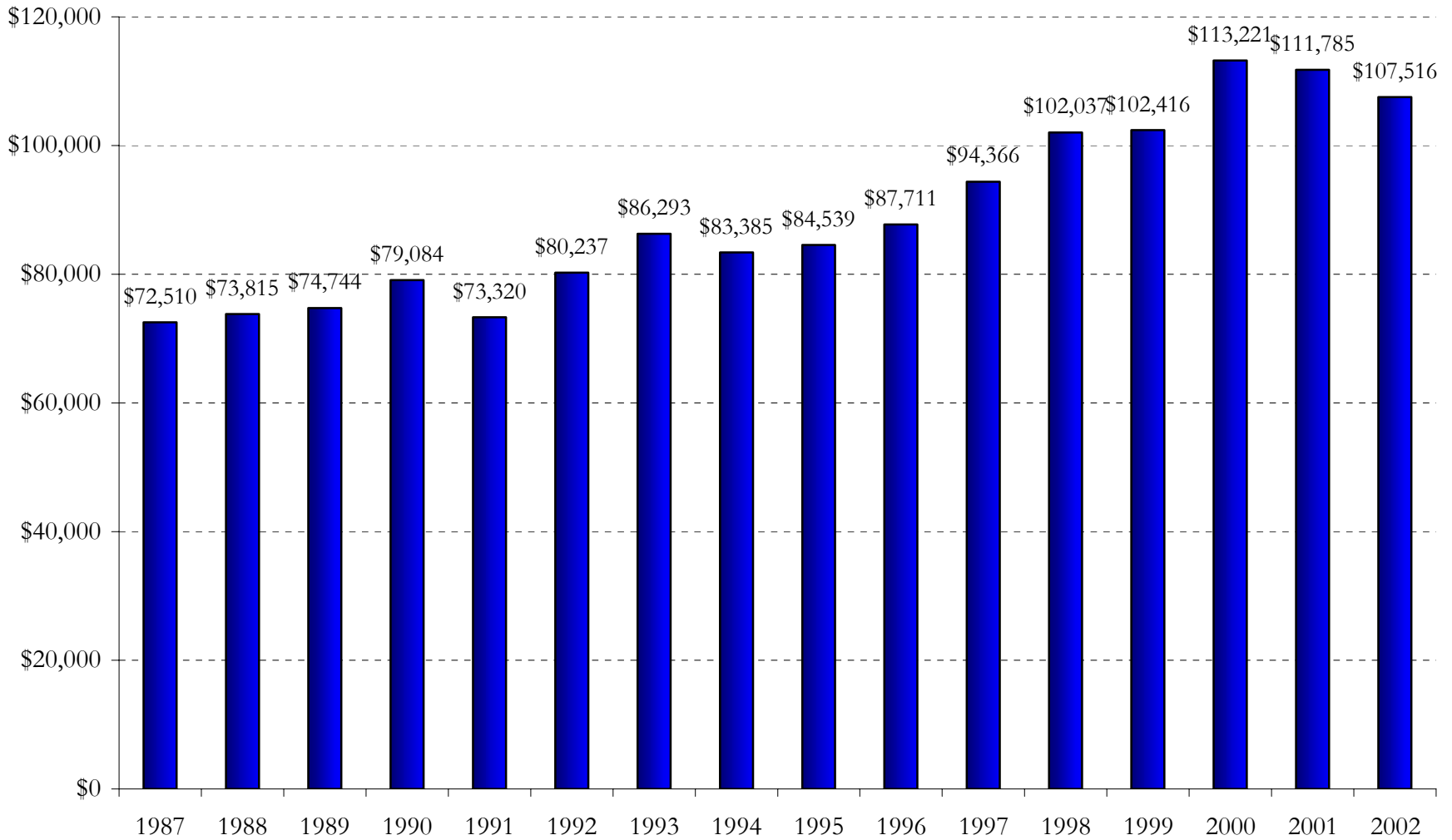
Housing Starts

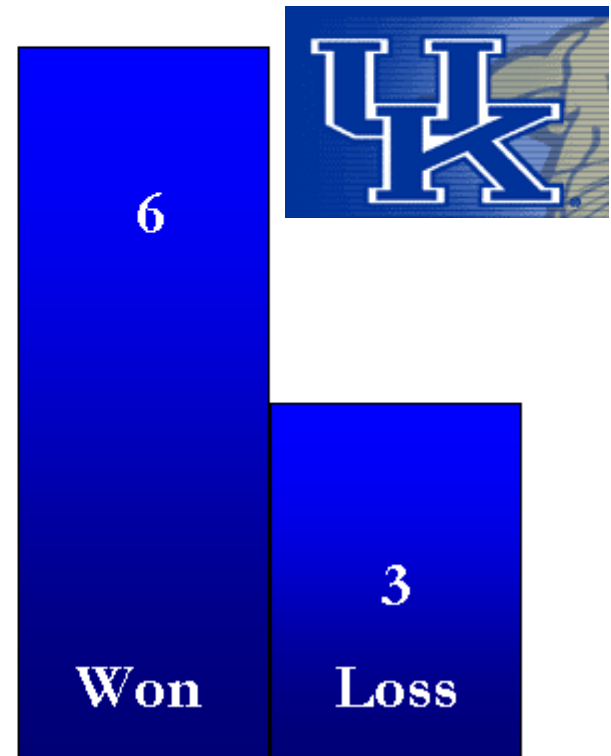
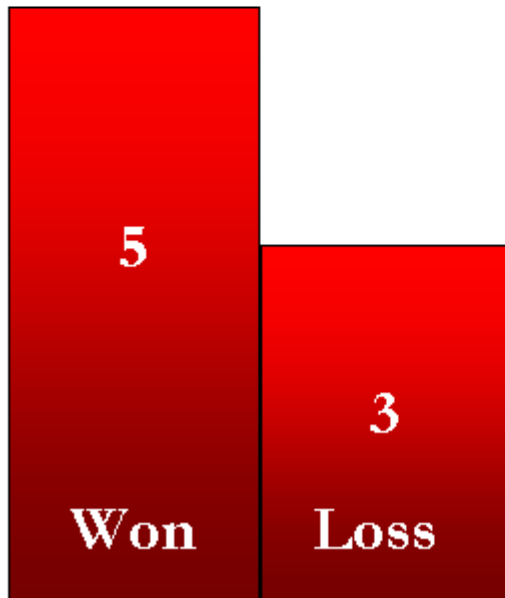
Lexington MSA Single Family Building Permits



Average Value

Lexington MSA Single Family Building Permits





for data and studies, see

The Louisville Economic Monitor

<http://monitor.louisville.edu>



The College of Business and Public Administration