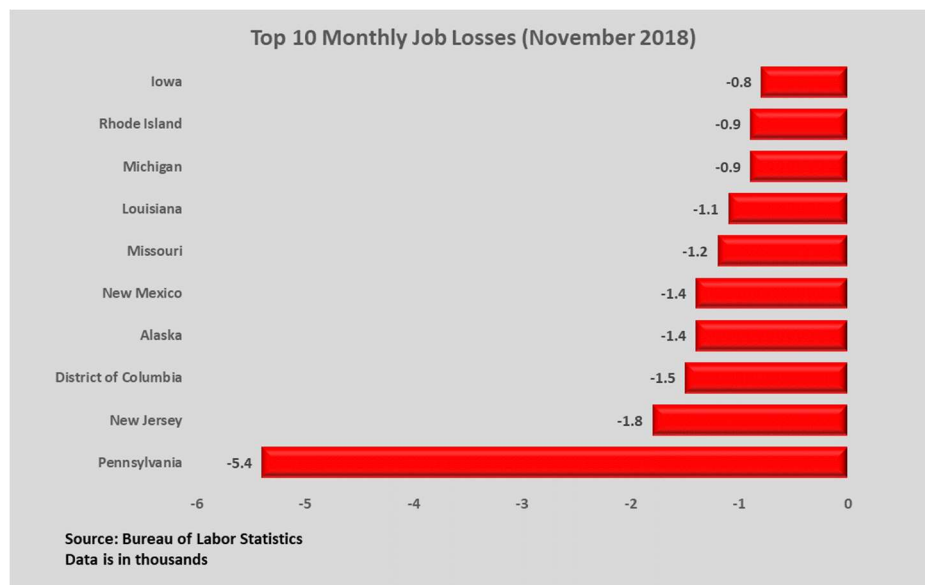
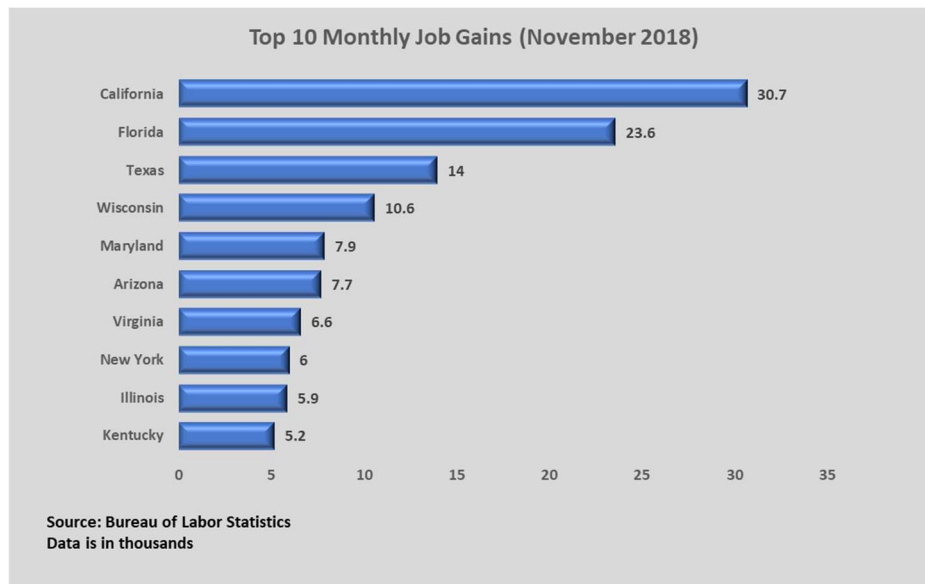


Labor Market

Employment growth in the US slowed in November. Out of 50 states and the District of Columbia, 37 states recorded monthly employment increases. This is compared to 41 states in the October release. The five largest employment gainers accounted for 52.4% of November's job growth. Florida's professional and business services sector (11,100 jobs) was the state's largest gainer. Texas recorded strong growth in manufacturing (9,100 positions) in November. In terms of states which lost jobs, Pennsylvania saw most of its job losses from its education and health service sector (-4,800 jobs). Kentucky's professional and business services sector lost 3,600 positions in November.



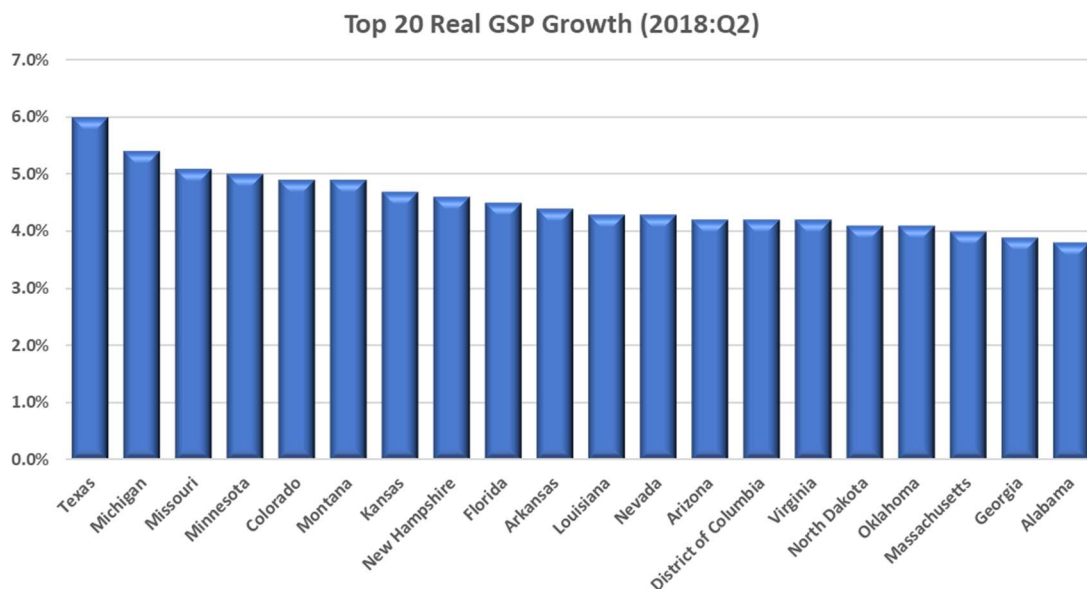
The US labor market remained tight in November. The Bureau of Labor Statistics indicates that 27 out of 51 states recorded unemployment rates that were at, or below, the national figure of 3.7%. An interesting observation is that states with higher unemployment rates were not able to take advantage of their relatively ample labor pools in November. Of the 27 states with jobless rates below the 3.7% national rate, only 4 produced negative employment growth. However, of the 24 states with jobless rates above 3.7%, 10 recorded negative job growth. If this trend continues, it could be the harbinger of a systemic economic slowdown.

Unemployment Rates (November 2018)			
Ten Lowest		Ten Highest	
Hawaii	2.4%	Alaska	6.3%
Iowa	2.4%	District of Columbia	5.6%
New Hampshire	2.5%	West Virginia	5.2%
Idaho	2.6%	Louisiana	5.0%
Vermont	2.7%	Mississippi	4.7%
Minnesota	2.8%	Arizona	4.7%
Nebraska	2.8%	New Mexico	4.6%
North Dakota	2.8%	Ohio	4.6%
Virginia	2.8%	Kentucky	4.5%
South Dakota	3.0%	Nevada	4.4%

Source: Bureau of Labor Statistics

Real Gross Domestic Product

State economies continued to grow in 2018Q2, according to the estimates from the Bureau of Economic Analysis. Fifteen of fifty-one states recorded real GDP growth that was at, or above, the 4.2% national rate. Texas, which recorded the most robust real GDP growth in 2018Q2, was powered by high growth from professional, scientific and technical services and its mining sector. Michigan was the second-fastest growing state in the country in 2018Q2. The state recorded explosive growth in durables manufacturing, information services, and agriculture.



Source: Bureau of Economic Analysis
Data is Q/Q annualized growth rate

Housing

Nationally, housing permits in 2018 are 4.7% higher than 2017, year-to-date through October. At the state level, Minnesota posted the greatest percent growth on a Y/Y basis, surging 18.9%. Texas (158,449 permits) produced the most housing permits in absolute terms. While the national housing shortage has many areas seeking to ramp up permits and starts, 24 states have filed fewer permits in 2018 than 2017. District of Columbia (-34.8%), Illinois (-14.2%), and Montana (-13.6%) have all recorded significantly fewer permits in 2018.

According to the HPI, US home prices rose by 6.3% Y/Y in 2018Q3. At the state level, Illinois led all states with 15.1% growth. In fact, the top four fastest-growing states saw double-digit growth in 2018Q3. Maryland, Missouri, Connecticut, Delaware, Louisiana, Nevada, Alabama were the states with the slowest home price growth. Home prices grew by less than 3% in these states.

Top 20 Housing Permits Growth (Oct 2018)		
State	Y/Y Growth	Total Permits
Minnesota	18.9%	23,598
Rhode Island	18.7%	1,066
Florida	18.7%	121,160
Louisiana	17.5%	14,235
Idaho	16.5%	13,121
Georgia	13.9%	49,597
Kentucky	13.7%	12,708
New Hampshire	12.4%	3,308
West Virginia	12.1%	2,673
Pennsylvania	11.4%	21,202
Texas	10.7%	158,449
Arizona	10.3%	35,413
Alaska	9.6%	1,460
Maryland	9.6%	15,492
Indiana	8.2%	18,628
Kansas	8.0%	7,751
North Carolina	8.0%	58,385
Hawaii	7.5%	3,780
California	6.1%	98,942
New Mexico	6.0%	4,360

Source: US Census Bureau

Permit data is year-to-date

Top 20 Housing Price Growth (2018Q3)	
State	Y/Y Growth
Illinois	15.1%
North Carolina	15.0%
Washington	10.6%
Utah	10.0%
Colorado	9.2%
Florida	8.9%
Rhode Island	8.6%
Georgia	8.4%
Iowa	7.9%
Nebraska	7.7%
Michigan	7.6%
Tennessee	7.5%
New Hampshire	7.4%
Oregon	7.3%
South Carolina	7.3%
Arkansas	7.1%
South Dakota	6.9%
Mississippi	6.9%
West Virginia	6.9%
Minnesota	6.8%

Source: Federal Finance Housing Agency

Personal Income

U.S. personal income rose by 4.1% quarter-over-quarter, at an annualized growth rate in 2018Q3. Nevada recorded the most robust growth over this period, rising by 6.1%. Construction was the leading contributor to the earnings increase in Nevada, Arizona, New Hampshire, and Oregon. Information was the leading contributor to the earnings increase in Washington. Louisiana, Mississippi, and Missouri were the slowest-growing states in 2018Q3. These states saw personal income growth of 2.5% or less.

Top 20 Personal Income Growth (2018Q3)							
Rank	State	Q/Q	2018Q3	Rank	State	Q/Q	2018Q3
1	Nevada	6.1%	\$147	11	North Dakota	4.5%	\$41
2	Washington	6.0%	\$461	12	New Mexico	4.4%	\$86
3	Arizona	5.3%	\$313	13	Georgia	4.4%	\$482
4	Colorado	5.2%	\$325	14	South Carolina	4.4%	\$218
5	New Hampshire	5.0%	\$84	15	Massachusetts	4.4%	\$486
6	Oregon	5.0%	\$210	16	Tennessee	4.3%	\$320
7	District of Columbia	4.7%	\$58	17	Florida	4.2%	\$1,052
8	Utah	4.7%	\$144	18	Michigan	4.2%	\$478
9	Pennsylvania	4.6%	\$711	19	California	4.2%	\$2,491
10	Texas	4.6%	\$1,416	20	New Jersey	4.1%	\$605

Source: Bureau of Economic Analysis

Data is in billions

Q/Q figure is the annualized growth rate

Bankruptcies

The recent bankruptcy data shows a robust monthly and yearly financial picture. In 2018 YTD, bankruptcies are 2% lower than 2017 YTD. In monthly data, November produced 13% fewer bankruptcies than October. The state data paints the picture of which areas have the most bankruptcies and the highest increases. Of the 50 states and DC, 21 states recorded higher bankruptcy rates in 2018 YTD than a year ago. DC (14.5%), Hawaii (11.3%) and Nevada (9.5%) recorded the largest rise in Y/Y bankruptcy growth. On the other side of the spectrum, Utah (-13.5%), Washington (-9.4%) and West Virginia (-7.6%) saw the largest reduction in bankruptcies. The reduction in the YTD and monthly bankruptcy data indicates that individuals and businesses are in better financial standing relative to 2017.

Highest Bankruptcy Growth (Nov 2018)		
State	Y/Y Growth	Filings
District of Columbia	14.5%	766
Hawaii	11.3%	1,389
Nevada	9.5%	8,512
Connecticut	8.3%	5,536
Iowa	7.7%	4,260
Delaware	7.1%	2,737
New York	4.6%	31,884
Florida	2.9%	39,477
Kansas	2.8%	6,327
South Dakota	2.8%	1,003
Nebraska	2.6%	3,688
Maine	2.6%	1,364
Arizona	2.5%	14,633
Mississippi	2.5%	11,653
Arkansas	2.3%	9,680
Minnesota	1.5%	9,073
Oklahoma	1.2%	8,695
South Carolina	1.1%	6,093
Massachusetts	1.1%	7,733
Idaho	0.9%	3,416

Source: American Bankruptcy Institute

Filings are year-to-date

Regional News

- US rig counts remained nearly unchanged in December, increasing by only 3 rigs versus November. Texas (unchanged) and Oklahoma (decreased by 4 rigs), which account for half of the rigs in the US, saw little change compared to November.
- According to the Federal Reserve Bank of Richmond, business conditions in the Carolinas slowed in the December report. While indexes for sales and general conditions fell compared to November, firms still reported spending growth and optimism that conditions would improve. Firms in the Carolinas also report that hiring continues to be hampered by the inability to find workers with skills that match job openings.
- The Port of Savannah experienced an 11.4% Y/Y increase in November. The Port of Virginia's TEUs remained nearly unchanged in the most recent data release. On the West Coast, while the Port of Long Beach (1.5%) recorded a nominal increase, the Port of Los Angeles (-9.9%) saw a sizeable decline in freight traffic.

About Thompson Consulting and Analytics, LLC

Thompson Consulting and Analytics, LLC (TCA) is an economic consulting firm that operates with client success in mind. We are experienced at performing economic impact analysis, econometric forecasts, and economic research studies. In addition, we offer predictive analytics, site feasibility studies, white papers/industry analysis, and other economic consulting services. Our extensive background in regional economics and commercial real estate research has provided private and public sector clients with valuable results and actionable insights.

Appendix of Tables

Employment Statistics (November 2018)											
State	M/M Change (Levels)	M/M Change (%)	Jobless Rate	State	M/M Change (Levels)	M/M Change (%)	Jobless Rate	State	M/M Change (Levels)	M/M Change (%)	Jobless Rate
Alabama	1.8	0.1%	4.0%	Kentucky	5.2	0.3%	4.5%	North Dakota	-0.4	-0.1%	2.8%
Alaska	-1.4	-0.4%	6.3%	Louisiana	-1.1	-0.1%	5.0%	Ohio	5.2	0.1%	4.6%
Arizona	7.7	0.3%	4.7%	Maine	0.3	0.0%	3.4%	Oklahoma	2.2	0.1%	3.3%
Arkansas	1.8	0.1%	3.6%	Maryland	7.9	0.3%	4.0%	Oregon	2.4	0.1%	3.9%
California	30.7	0.2%	4.1%	Massachusetts	4.6	0.1%	3.4%	Pennsylvania	-5.4	-0.1%	4.2%
Colorado	1.8	0.1%	3.3%	Michigan	-0.9	0.0%	3.9%	Rhode Island	-0.9	-0.2%	3.8%
Connecticut	-0.5	0.0%	4.1%	Minnesota	-0.8	0.0%	2.8%	South Carolina	3.4	0.2%	3.3%
Delaware	0.1	0.0%	3.8%	Mississippi	2.8	0.2%	4.7%	South Dakota	2.9	0.7%	3.0%
District of Columbia	-1.5	-0.2%	5.6%	Missouri	-1.2	0.0%	3.0%	Tennessee	3.4	0.1%	3.6%
Florida	23.6	0.3%	3.3%	Montana	2.0	0.4%	3.7%	Texas	14.0	0.1%	3.7%
Georgia	4.5	0.1%	3.5%	Nebraska	1.3	0.1%	2.8%	Utah	1.4	0.1%	3.2%
Hawaii	0.9	0.1%	2.4%	Nevada	5.2	0.4%	4.4%	Vermont	0.5	0.2%	2.7%
Idaho	0.4	0.1%	2.6%	New Hampshire	0.6	0.1%	2.5%	Virginia	6.6	0.2%	2.8%
Illinois	5.9	0.1%	4.2%	New Jersey	-1.8	0.0%	4.0%	Washington	5.1	0.1%	4.3%
Indiana	3.3	0.1%	3.6%	New Mexico	-1.4	-0.2%	4.6%	West Virginia	-0.3	0.0%	5.2%
Iowa	-0.8	-0.1%	2.4%	New York	6.0	0.1%	3.9%	Wisconsin	10.6	0.4%	3.0%
Kansas	1.5	0.1%	3.2%	North Carolina	3.4	0.1%	3.6%	Wyoming	1.7	0.6%	4.1%

Source: US Bureau of Labor Statistics

"M/M Change (Levels)" data is in thousands

Housing Permits and Price (October 2018)											
State	Total Permits	Permits Growth (Y/Y)	Price Growth (Y/Y)	State	Total Permits	Permits Growth (Y/Y)	Price Growth (Y/Y)	State	Total Permits	Permits Growth (Y/Y)	Price Growth (Y/Y)
Alabama	12,443	4.2%	0.1%	Kentucky	12,708	13.7%	4.5%	North Dakota	3,100	-2.5%	5.9%
Alaska	1,460	9.6%	6.4%	Louisiana	14,235	17.5%	1.5%	Ohio	19,874	-5.3%	6.5%
Arizona	35,413	10.3%	4.5%	Maine	3,926	2.6%	5.3%	Oklahoma	9,121	-5.1%	3.6%
Arkansas	8,670	-5.7%	7.1%	Maryland	15,492	9.6%	2.8%	Oregon	15,992	-2.9%	7.3%
California	98,942	6.1%	6.5%	Massachusetts	12,769	-10.0%	5.2%	Pennsylvania	21,202	11.4%	4.4%
Colorado	37,503	5.8%	9.2%	Michigan	18,417	-13.1%	7.6%	Rhode Island	1,066	18.7%	8.6%
Connecticut	3,724	-5.6%	2.2%	Minnesota	23,598	18.9%	6.8%	South Carolina	30,132	0.4%	7.3%
Delaware	5,054	-10.4%	1.5%	Mississippi	6,049	-13.2%	6.9%	South Dakota	4,415	-5.9%	6.9%
District of Columbia	3,316	-34.8%	6.2%	Missouri	13,877	-8.7%	2.7%	Tennessee	33,088	-1.6%	7.5%
Florida	121,160	18.7%	8.9%	Montana	3,475	-13.6%	5.6%	Texas	158,449	10.7%	5.7%
Georgia	49,597	13.9%	8.4%	Nebraska	7,090	-4.5%	7.7%	Utah	22,284	5.2%	10.0%
Hawaii	3,780	7.5%	3.0%	Nevada	14,767	-6.8%	1.0%	Vermont	1,587	-0.8%	4.4%
Idaho	13,121	16.5%	5.0%	New Hampshire	3,308	12.4%	7.4%	Virginia	27,107	-4.1%	5.5%
Illinois	18,234	-14.2%	15.1%	New Jersey	22,305	-5.6%	6.2%	Washington	38,510	0.4%	10.6%
Indiana	18,628	8.2%	3.5%	New Mexico	4,360	6.0%	3.9%	West Virginia	2,673	12.1%	6.9%
Iowa	10,438	-4.6%	7.9%	New York	30,495	-10.9%	3.4%	Wisconsin	16,410	2.9%	3.4%
Kansas	7,751	8.0%	5.5%	North Carolina	58,385	8.0%	15.0%	Wyoming	1,463	-5.4%	4.4%

Source: US Census Bureau and Federal Housing Finance Agency

Permit data is year-to-date

Price data is for 2018Q3

Bankruptcy Statistics (November 2018)

State	Total Filings	Month/ Month Growth	Year/Year Growth	State	Total Filings	Month/ Month Growth	Year/Year Growth	State	Total Filings	Month/ Month Growth	Year/Year Growth
Alabama	24,676	-12.7%	-0.9%	Kentucky	13,431	-4.7%	-6.0%	North Dakota	709	-22.2%	-0.7%
Alaska	410	-49.1%	-0.2%	Louisiana	12,163	-15.5%	-1.6%	Ohio	34,211	-11.9%	-0.5%
Arizona	14,633	-16.6%	2.5%	Maine	1,364	-16.5%	2.6%	Oklahoma	8,695	-26.1%	1.2%
Arkansas	9,680	-18.3%	2.3%	Maryland	15,819	-8.0%	-1.9%	Oregon	7,824	-10.5%	-3.9%
California	61,621	-14.1%	-3.2%	Massachusetts	7,733	-16.7%	1.1%	Pennsylvania	19,766	-3.8%	-1.2%
Colorado	10,413	-12.6%	-5.1%	Michigan	26,448	-12.0%	-4.0%	Rhode Island	1,968	-2.6%	-4.9%
Connecticut	5,536	-9.3%	8.3%	Minnesota	9,073	-14.1%	1.5%	South Carolina	6,093	-5.5%	1.1%
Delaware	2,737	0.7%	7.1%	Mississippi	11,653	-20.2%	2.5%	South Dakota	1,003	-41.5%	2.8%
District of Columbia	766	-12.7%	14.5%	Missouri	15,945	-12.3%	-4.3%	Tennessee	31,617	-16.2%	-2.1%
Florida	39,477	-11.8%	2.9%	Montana	1,136	-20.9%	-2.1%	Texas	30,791	-3.1%	-3.0%
Georgia	41,483	-2.4%	-2.5%	Nebraska	3,688	-7.4%	2.6%	Utah	8,978	-10.5%	-13.5%
Hawaii	1,389	-7.4%	11.3%	Nevada	8,512	-14.0%	9.5%	Vermont	506	13.3%	-1.0%
Idaho	3,416	-14.7%	0.9%	New Hampshire	1,602	-4.3%	-4.6%	Virginia	20,990	-12.9%	-0.1%
Illinois	44,123	-18.4%	-5.9%	New Jersey	23,698	-17.3%	-2.3%	Washington	11,950	-18.8%	-9.4%
Indiana	21,139	-21.5%	-0.9%	New Mexico	3,020	-8.2%	-1.0%	West Virginia	2,755	-4.8%	-7.6%
Iowa	4,260	-12.5%	7.7%	New York	31,884	-13.2%	4.6%	Wisconsin	15,131	-15.8%	-3.6%
Kansas	6,327	-21.4%	2.8%	North Carolina	12,775	-14.3%	-3.1%	Wyoming	919	11.1%	0.3%

Source: American Bankruptcy Institute
Filings are year-to-date

Personal Income Statistics (2018Q3)								
State	Q/Q	2018Q3	State	Q/Q	2018Q3	State	Q/Q	2018Q3
Alabama	3.4%	\$207	Kentucky	2.6%	\$187	North Dakota	4.5%	\$41
Alaska	3.3%	\$44	Louisiana	2.2%	\$213	Ohio	4.0%	\$564
Arizona	5.3%	\$313	Maine	3.3%	\$65	Oklahoma	2.5%	\$182
Arkansas	2.9%	\$128	Maryland	3.8%	\$382	Oregon	5.0%	\$210
California	4.2%	\$2,491	Massachusetts	4.4%	\$486	Pennsylvania	4.6%	\$711
Colorado	5.2%	\$325	Michigan	4.2%	\$478	Rhode Island	3.4%	\$58
Connecticut	4.0%	\$266	Minnesota	3.3%	\$317	South Carolina	4.4%	\$218
Delaware	3.2%	\$50	Mississippi	2.2%	\$113	South Dakota	3.8%	\$44
District of Columbia	4.7%	\$58	Missouri	2.1%	\$287	Tennessee	4.3%	\$320
Florida	4.2%	\$1,052	Montana	3.0%	\$50	Texas	4.6%	\$1,416
Georgia	4.4%	\$482	Nebraska	3.4%	\$101	Utah	4.7%	\$144
Hawaii	3.5%	\$78	Nevada	6.1%	\$147	Vermont	3.9%	\$34
Idaho	3.6%	\$76	New Hampshire	5.0%	\$84	Virginia	4.0%	\$486
Illinois	3.0%	\$726	New Jersey	4.1%	\$605	Washington	6.0%	\$461
Indiana	3.6%	\$312	New Mexico	4.4%	\$86	West Virginia	3.1%	\$73
Iowa	3.9%	\$154	New York	2.8%	\$1,348	Wisconsin	3.5%	\$295
Kansas	3.0%	\$146	North Carolina	2.9%	\$478	Wyoming	3.3%	\$35

Source: Bureau of Economic Analysis

Data is in billions

Q/Q figure is the annualized growth rate

Real Gross Domestic Product (2018Q2)								
State	2018Q2	Q/Q	State	2018Q2	Q/Q	State	2018Q2	Q/Q
Alabama	\$197	3.8%	Kentucky	\$187	3.7%	North Dakota	\$51	4.1%
Alaska	\$52	3.7%	Louisiana	\$231	4.3%	Ohio	\$599	3.7%
Arizona	\$307	4.2%	Maine	\$57	3.4%	Oklahoma	\$193	4.1%
Arkansas	\$116	4.4%	Maryland	\$369	3.6%	Oregon	\$214	3.5%
California	\$2,652	3.7%	Massachusetts	\$504	4.0%	Pennsylvania	\$713	3.6%
Colorado	\$332	4.9%	Michigan	\$471	5.4%	Rhode Island	\$54	2.8%
Connecticut	\$241	3.1%	Minnesota	\$327	5.0%	South Carolina	\$203	3.2%
Delaware	\$64	2.5%	Mississippi	\$101	3.4%	South Dakota	\$46	3.5%
District of Columbia	\$124	4.2%	Missouri	\$281	5.1%	Tennessee	\$322	3.6%
Florida	\$912	4.5%	Montana	\$45	4.9%	Texas	\$1,664	6.0%
Georgia	\$522	3.9%	Nebraska	\$112	3.7%	Utah	\$156	3.8%
Hawaii	\$80	3.1%	Nevada	\$148	4.3%	Vermont	\$30	3.4%
Idaho	\$69	3.0%	New Hampshire	\$76	4.6%	Virginia	\$474	4.2%
Illinois	\$760	3.6%	New Jersey	\$557	3.4%	Washington	\$504	3.7%
Indiana	\$329	3.6%	New Mexico	\$92	2.7%	West Virginia	\$71	3.4%
Iowa	\$170	3.6%	New York	\$1,438	3.1%	Wisconsin	\$299	2.8%
Kansas	\$150	4.7%	North Carolina	\$495	3.4%	Wyoming	\$39	3.3%

Source: Bureau of Economic Analysis

2018Q2 data is in billions

Q/Q growth is an annualized rate