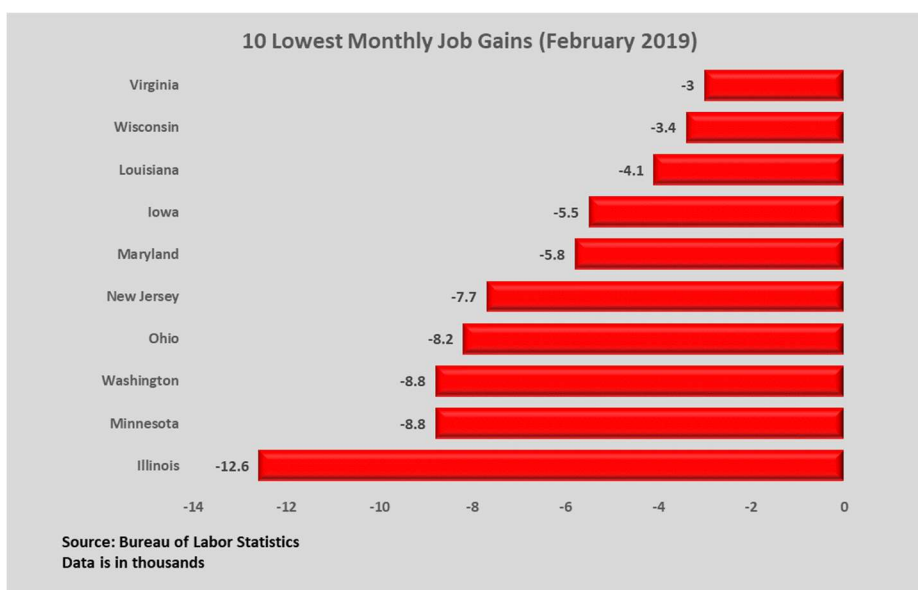
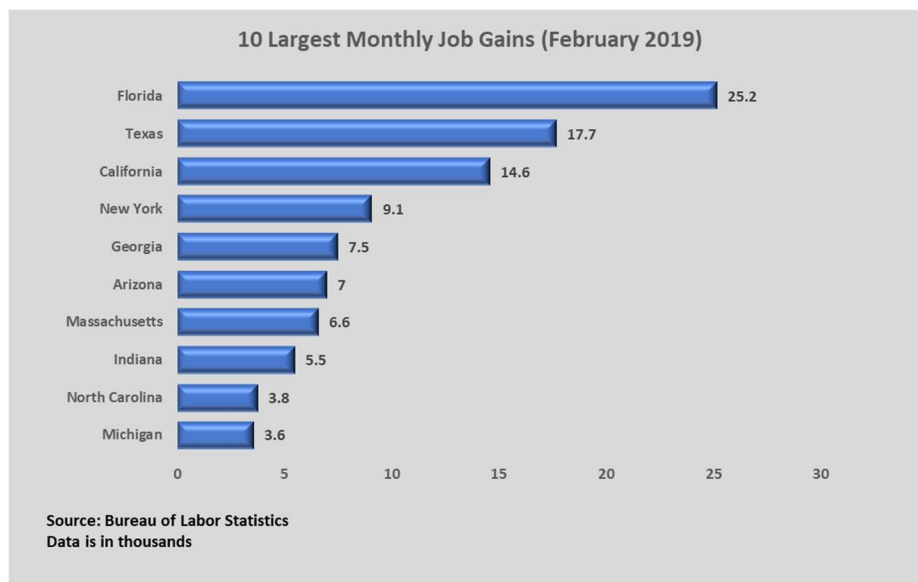


Labor Market

Employment growth in the US slowed dramatically in February. Out of 50 states and the District of Columbia, only 24 states recorded monthly employment increases. This is compared to 43 states in the January release. Florida recorded the most employment growth in February, on the strength of education and health services (6,200 jobs) and leisure and hospitality (5,400 jobs). Texas's leisure and hospitality sector (5,500 jobs) was the state's largest gainer. California's professional and business service sector (12,500 positions) also produced strong gains in February. In terms of states which lost jobs, Illinois saw most of its job losses from its construction sector (-5,300 jobs). Minnesota's construction sector lost 3,800 positions in February.



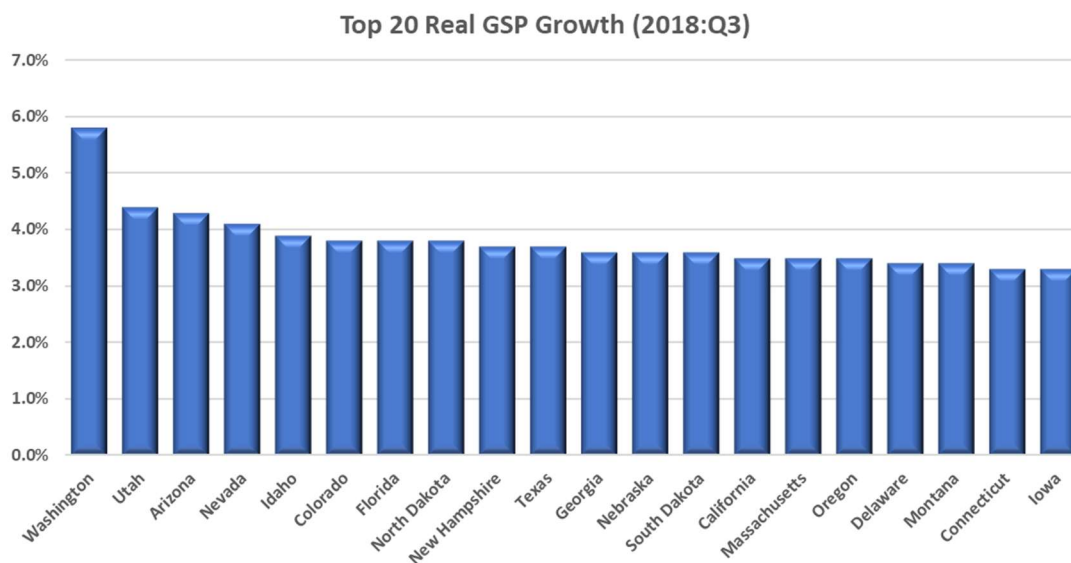
The US labor market saw its unemployment rate decline by 20 bps in February. The Bureau of Labor Statistics indicates that 26 out of 51 states recorded unemployment rates that were at, or below, the national figure of 3.8%. Employment growth was weak in both states with above average unemployment rates and states with below average unemployment rates. We expect the tight labor market conditions to last throughout this year, with many states staying at, or below, 4% unemployment.

Unemployment Rates (February 2019)			
Ten Lowest		Ten Highest	
Iowa	2.4%	Alaska	6.5%
New Hampshire	2.4%	District of Columbia	5.5%
North Dakota	2.4%	West Virginia	5.2%
Vermont	2.4%	New Mexico	5.1%
Hawaii	2.7%	Arizona	5.1%
Nebraska	2.8%	Louisiana	4.9%
Idaho	2.9%	Mississippi	4.8%
South Dakota	2.9%	Ohio	4.6%
Virginia	2.9%	Washington	4.5%
Wisconsin	2.9%	Oregon	4.4%

Source: Bureau of Labor Statistics

Real Gross Domestic Product

State economies continued to grow in 2018Q3, albeit at a slower rate, according to the estimates from the Bureau of Economic Analysis. Eighteen of fifty-one states recorded real GDP growth that was at, or above, the 3.4% national rate. Washington, which recorded the most robust real GDP growth in 2018Q3, was powered by high growth from professional, scientific and technical services and its information sector. Utah was the second-fastest growing state in the country in 2018Q3. The state recorded strong GDP growth in its retail, wholesale and finance sectors.



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

Housing

Nationally, housing permits fell by 1.7% year-over-year in February. At the state level, the District of Columbia posted the greatest percent growth on a Y/Y basis, surging 326.8%. Texas (28,997 permits) produced the most housing permits in absolute terms. While the national housing shortage persists, 27 states have filed fewer permits in YTD February 2019 than in YTD February 2018. South Dakota (-44.0%), Utah (-30.0%), and Colorado (-30.0%) have all recorded significantly fewer permits in 2019.

According to the HPI, US home prices rose by 5.7% Y/Y in 2018Q4. At the state level, Illinois led all states with 11.9% growth. North Carolina was the only other state with double-digit growth. In 2018Q3, seven states recorded Y/Y home price growth below 3%. In the latest release, that number has ticked up to eight states. Nevada, which recorded 0% home price growth, was the slowest growing state.

Top 20 Housing Permits Growth (Feb 2019)		
State	Y/Y Growth	Total Permits
District of Columbia	326.8%	1,545
Vermont	71.6%	199
West Virginia	59.4%	545
Maine	57.1%	726
New York	54.4%	6,957
Illinois	48.8%	2,503
Montana	33.4%	423
Delaware	24.1%	1,138
Indiana	22.7%	2,817
Wyoming	20.8%	221
South Carolina	16.5%	6,251
Michigan	12.8%	2,632
Kentucky	12.5%	1,733
Louisiana	12.3%	2,483
Maryland	10.8%	2,670
Missouri	10.5%	1,883
Nebraska	7.2%	1,064
Mississippi	7.0%	993
Texas	6.0%	28,997
Oklahoma	5.1%	1,836

Source: US Census Bureau

Permit data is year-to-date

Top 20 Housing Price Growth (2018Q4)	
State	Y/Y Growth
Illinois	11.9%
North Carolina	11.2%
Utah	9.8%
Georgia	8.2%
Arkansas	8.2%
Washington	7.9%
West Virginia	7.6%
Montana	7.4%
Michigan	7.4%
Mississippi	7.3%
Missouri	7.1%
Tennessee	6.9%
Kansas	6.9%
Florida	6.8%
New Jersey	6.8%
Colorado	6.7%
Nebraska	6.7%
South Carolina	6.7%
Massachusetts	6.6%
Minnesota	6.5%

Source: Federal Finance Housing Agency

Personal Income

U.S. personal income rose by 5.2% quarter-over-quarter, at an annualized growth rate in 2018Q4. South Dakota recorded the most robust growth over this period, rising by 12.9%. Earnings surged in the state, which boosted personal income. In fact, most states saw an increase in earnings, which accounted for the strong 2018Q4 number. New York and the District of Columbia were the slowest-growing states in 2018Q4. Both states saw personal income growth of 3.0% or less.

Top 20 Personal Income Growth (2018Q4)							
Rank	State	Q/Q	2018Q3	Rank	State	Q/Q	2018Q3
1	South Dakota	12.9%	\$46	11	Delaware	5.9%	\$51
2	Iowa	12.5%	\$158	12	Mississippi	5.9%	\$115
3	Nebraska	10.8%	\$103	13	Nevada	5.9%	\$149
4	North Dakota	8.0%	\$42	14	Pennsylvania	5.8%	\$722
5	Arkansas	7.5%	\$131	15	Alabama	5.7%	\$210
6	Texas	6.5%	\$1,439	16	Kansas	5.7%	\$148
7	Minnesota	6.3%	\$323	17	Missouri	5.7%	\$290
8	Colorado	6.2%	\$331	18	North Carolina	5.6%	\$484
9	Arizona	6.0%	\$320	19	Florida	5.5%	\$1,073
10	Idaho	6.0%	\$77	20	Indiana	5.5%	\$317

Source: Bureau of Economic Analysis
Data is in billions
Q/Q figure is the annualized growth rate

Bankruptcies

The recent bankruptcy report shows mixed signals in the monthly and yearly data. In 2019 YTD, bankruptcies are 2% higher than 2018 YTD. In monthly data, February 2019 produced 3% less bankruptcies than January. The state data paints the picture of which areas have the most bankruptcies and the highest increases. Of the 50 states and DC, 28 states recorded higher bankruptcy rates in 2019 YTD than a year ago. Hawaii (21.3%), South Carolina (20.1%) and Arizona (14.0%) recorded the largest rise in Y/Y bankruptcy growth. On the other side of the spectrum, South Dakota (-35.2%), Wyoming (-15.8%) and Washington (-11.6%) saw the largest reduction in bankruptcies. Expect 2019 YTD bankruptcies to remain higher than 2018 totals throughout the year. Gradually moderating economic conditions will result in an increase in financial distress for some companies and individuals.

Highest Bankruptcy Growth (Feb 2019)		
State	Y/Y Growth	Filings
Hawaii	21.3%	256
South Carolina	20.1%	1,184
Arizona	14.0%	2,173
Texas	13.2%	5,270
Florida	12.9%	6,916
Alaska	12.5%	63
Nevada	12.3%	1,437
New York	10.8%	5,610
New Hampshire	10.6%	281
Kansas	7.8%	852
Kentucky	6.9%	2,285
Connecticut	6.3%	935
Mississippi	5.7%	2,018
New Jersey	5.4%	4,251
Nebraska	5.2%	631
Michigan	4.9%	4,646
Indiana	4.9%	2,786
Virginia	4.8%	3,576
Minnesota	2.5%	1,461
Louisiana	2.4%	1,962

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

Regional News

- US rig counts declined in March, falling by 41 rigs versus February. Texas (down 17 rigs) and Oklahoma (down 9 rigs) accounted for the majority of the rig decrease in March.
- According to the Federal Reserve Bank of Richmond, business conditions in the Carolinas improved moderately in March. While the sales index dropped versus February, the general business conditions index rose in March. Many survey respondents reported increased capital expenditures in March. Firms were also optimistic and expect continued growth over the next six months.
- The Port of Savannah experienced an 8.5% Y/Y decline in February. TEU volume at the Port of New York and New Jersey recorded a 6.3% Y/Y increase in YTD data. On the West Coast, while the Port of Long Beach (-9.8%) recorded a healthy Y/Y decrease, the Port of Los Angeles (-2.7%) saw a nominal 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 (February 2019)											
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	3.1	0.2%	3.7%	Kentucky	1.4	0.1%	4.1%	North Dakota	-0.8	-0.2%	2.4%
Alaska	-1.0	-0.3%	6.5%	Louisiana	-4.1	-0.2%	4.9%	Ohio	-8.2	-0.1%	4.6%
Arizona	7.0	0.2%	5.1%	Maine	1.8	0.3%	3.4%	Oklahoma	1.8	0.1%	3.3%
Arkansas	1.8	0.1%	3.8%	Maryland	-5.8	-0.2%	3.7%	Oregon	-0.5	0.0%	4.4%
California	14.6	0.1%	4.2%	Massachusetts	6.6	0.2%	3.0%	Pennsylvania	-0.2	0.0%	4.0%
Colorado	0.7	0.0%	3.7%	Michigan	3.6	0.1%	4.0%	Rhode Island	-0.6	-0.1%	3.9%
Connecticut	-0.4	0.0%	3.8%	Minnesota	-8.8	-0.3%	3.1%	South Carolina	-0.4	0.0%	3.2%
Delaware	0.2	0.0%	3.4%	Mississippi	0.6	0.1%	4.8%	South Dakota	-1.6	-0.4%	2.9%
District of Columbia	-0.4	-0.1%	5.5%	Missouri	-0.8	0.0%	3.2%	Tennessee	-1.5	0.0%	3.2%
Florida	25.2	0.3%	3.5%	Montana	-0.4	-0.1%	3.8%	Texas	17.7	0.1%	3.8%
Georgia	7.5	0.2%	3.9%	Nebraska	-0.5	0.0%	2.8%	Utah	0.4	0.0%	3.0%
Hawaii	1.8	0.3%	2.7%	Nevada	-0.9	-0.1%	4.3%	Vermont	1.4	0.4%	2.4%
Idaho	3.6	0.5%	2.9%	New Hampshire	2.1	0.3%	2.4%	Virginia	-3.0	-0.1%	2.9%
Illinois	-12.6	-0.2%	4.3%	New Jersey	-7.7	-0.2%	4.0%	Washington	-8.8	-0.3%	4.5%
Indiana	5.5	0.2%	3.5%	New Mexico	-0.7	-0.1%	5.1%	West Virginia	0.1	0.0%	5.2%
Iowa	-5.5	-0.3%	2.4%	New York	9.1	0.1%	3.9%	Wisconsin	-3.4	-0.1%	2.9%
Kansas	-2.2	-0.2%	3.4%	North Carolina	3.8	0.1%	3.9%	Wyoming	-0.1	0.0%	3.9%

Source: US Bureau of Labor Statistics

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

Housing Permits and Price (February 2019)

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	2,255	-2.6%	3.4%	Kentucky	1,733	12.5%	5.8%	North Dakota	76	-5.0%	4.3%
Alaska	178	-19.1%	4.6%	Louisiana	2,483	12.3%	1.8%	Ohio	2,716	-10.4%	6.0%
Arizona	5,671	-13.8%	4.9%	Maine	726	57.1%	6.3%	Oklahoma	1,836	5.1%	2.0%
Arkansas	1,593	-16.6%	8.2%	Maryland	2,670	10.8%	2.7%	Oregon	2,683	-24.9%	6.3%
California	15,853	-6.5%	5.4%	Massachusetts	1,611	-27.4%	6.6%	Pennsylvania	3,017	-9.1%	5.0%
Colorado	5,647	-30.0%	6.7%	Michigan	2,632	12.8%	7.4%	Rhode Island	136	-5.6%	5.0%
Connecticut	580	-28.3%	0.9%	Minnesota	2,874	-1.7%	6.5%	South Carolina	6,251	16.5%	6.7%
Delaware	1,138	24.1%	5.4%	Mississippi	993	7.0%	7.3%	South Dakota	292	-44.1%	6.2%
District of Columbia	1,545	326.8%	4.4%	Missouri	1,883	10.5%	7.1%	Tennessee	5,201	0.3%	6.9%
Florida	22,243	3.3%	6.8%	Montana	423	33.4%	7.4%	Texas	28,997	6.0%	5.1%
Georgia	8,443	-4.9%	8.2%	Nebraska	1,064	7.2%	6.7%	Utah	3,132	-30.1%	9.8%
Hawaii	678	-26.7%	5.4%	Nevada	2,810	3.5%	0.0%	Vermont	199	71.6%	4.4%
Idaho	1,686	-20.7%	4.4%	New Hampshire	487	-24.5%	5.4%	Virginia	5,484	2.7%	2.6%
Illinois	2,503	48.8%	11.9%	New Jersey	3,325	-10.0%	6.8%	Washington	5,569	-3.4%	7.9%
Indiana	2,817	22.7%	2.8%	New Mexico	738	-10.9%	3.3%	West Virginia	545	59.4%	7.6%
Iowa	796	-6.1%	6.3%	New York	6,957	54.4%	3.7%	Wisconsin	1,443	-13.2%	1.6%
Kansas	797	-6.9%	6.9%	North Carolina	9,340	-24.3%	11.2%	Wyoming	221	20.8%	3.9%

Source: US Census Bureau and Federal Housing Finance Agency

Permit data is year-to-date

Price data is for 2018Q4

Bankruptcy Statistics (February 2019)											
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	4,117	-2.4%	1.4%	Kentucky	2,285	-5.0%	6.9%	North Dakota	108	16.0%	-1.8%
Alaska	63	-34.2%	12.5%	Louisiana	1,962	-17.8%	2.4%	Ohio	5,072	-1.2%	2.0%
Arizona	2,173	-15.7%	14.0%	Maine	180	14.3%	-0.6%	Oklahoma	1,227	-7.7%	-0.6%
Arkansas	1,700	-6.8%	2.2%	Maryland	2,597	-6.8%	-2.2%	Oregon	1,286	-11.7%	1.6%
California	10,171	2.8%	1.4%	Massachusetts	1,156	-17.7%	-4.5%	Pennsylvania	3,191	-5.9%	-3.1%
Colorado	1,459	-3.6%	1.2%	Michigan	4,646	8.4%	4.9%	Rhode Island	325	0.6%	-2.7%
Connecticut	935	-0.2%	6.3%	Minnesota	1,461	2.6%	2.5%	South Carolina	1,184	-5.6%	20.1%
Delaware	421	7.4%	-5.6%	Mississippi	2,018	-4.1%	5.7%	South Dakota	94	-8.2%	-35.2%
District of Columbia	121	-46.8%	-2.4%	Missouri	2,396	-5.8%	-3.5%	Tennessee	5,301	0.1%	-1.0%
Florida	6,916	-12.8%	12.9%	Montana	147	-22.9%	0.7%	Texas	5,270	12.2%	13.2%
Georgia	6,715	-1.4%	-2.0%	Nebraska	631	-1.6%	5.2%	Utah	1,168	-2.0%	-7.6%
Hawaii	256	-28.2%	21.3%	Nevada	1,437	-6.6%	12.3%	Vermont	91	2.2%	-8.1%
Idaho	478	-12.5%	1.9%	New Hampshire	281	-24.4%	10.6%	Virginia	3,576	-4.1%	4.8%
Illinois	7,038	0.9%	-5.2%	New Jersey	4,251	-2.4%	5.4%	Washington	1,772	-14.8%	-11.6%
Indiana	2,786	-3.5%	4.9%	New Mexico	454	5.4%	-8.1%	West Virginia	408	8.2%	-6.0%
Iowa	545	-8.8%	-10.9%	New York	5,610	0.7%	10.8%	Wisconsin	2,154	-4.7%	-9.4%
Kansas	852	-19.1%	7.8%	North Carolina	2,011	3.1%	-10.7%	Wyoming	85	-15.2%	-15.8%

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

Personal Income Statistics (2018Q4)								
State	Q/Q	2018Q4	State	Q/Q	2018Q4	State	Q/Q	2018Q4
Alabama	5.7%	\$210	Kentucky	4.4%	\$189	North Dakota	8.0%	\$42
Alaska	3.4%	\$45	Louisiana	4.5%	\$215	Ohio	5.4%	\$574
Arizona	6.0%	\$320	Maine	3.9%	\$65	Oklahoma	5.0%	\$185
Arkansas	7.5%	\$131	Maryland	3.6%	\$385	Oregon	4.5%	\$213
California	5.2%	\$2,516	Massachusetts	4.5%	\$490	Pennsylvania	5.8%	\$722
Colorado	6.2%	\$331	Michigan	5.2%	\$483	Rhode Island	3.4%	\$58
Connecticut	5.2%	\$271	Minnesota	6.3%	\$323	South Carolina	5.1%	\$221
Delaware	5.9%	\$51	Mississippi	5.9%	\$115	South Dakota	12.9%	\$46
District of Columbia	3.0%	\$58	Missouri	5.7%	\$290	Tennessee	4.2%	\$325
Florida	5.5%	\$1,073	Montana	4.6%	\$51	Texas	6.5%	\$1,439
Georgia	4.6%	\$491	Nebraska	10.8%	\$103	Utah	5.1%	\$146
Hawaii	3.5%	\$78	Nevada	5.9%	\$149	Vermont	4.7%	\$34
Idaho	6.0%	\$77	New Hampshire	4.5%	\$84	Virginia	4.7%	\$493
Illinois	4.9%	\$737	New Jersey	4.0%	\$611	Washington	4.8%	\$467
Indiana	5.5%	\$317	New Mexico	4.5%	\$88	West Virginia	4.2%	\$75
Iowa	12.5%	\$158	New York	2.8%	\$1,358	Wisconsin	5.2%	\$299
Kansas	5.7%	\$148	North Carolina	5.6%	\$484	Wyoming	5.1%	\$35

Source: Bureau of Economic Analysis

Data is in billions

Q/Q figure is the annualized growth rate

Real Gross Domestic Product (2018Q3)								
State	2018Q3	Q/Q	State	2018Q3	Q/Q	State	2018Q3	Q/Q
Alabama	\$198	2.7%	Kentucky	\$188	2.1%	North Dakota	\$52	3.8%
Alaska	\$52	1.0%	Louisiana	\$232	1.9%	Ohio	\$603	2.8%
Arizona	\$310	4.3%	Maine	\$57	2.6%	Oklahoma	\$194	2.2%
Arkansas	\$117	1.9%	Maryland	\$371	2.3%	Oregon	\$216	3.5%
California	\$2,675	3.5%	Massachusetts	\$508	3.5%	Pennsylvania	\$718	2.8%
Colorado	\$335	3.8%	Michigan	\$474	2.8%	Rhode Island	\$54	2.9%
Connecticut	\$243	3.3%	Minnesota	\$329	2.7%	South Carolina	\$204	2.9%
Delaware	\$64	3.4%	Mississippi	\$102	1.9%	South Dakota	\$46	3.6%
District of Columbia	\$125	1.9%	Missouri	\$283	2.9%	Tennessee	\$325	3.1%
Florida	\$921	3.8%	Montana	\$46	3.4%	Texas	\$1,679	3.7%
Georgia	\$526	3.6%	Nebraska	\$113	3.6%	Utah	\$158	4.4%
Hawaii	\$80	2.0%	Nevada	\$149	4.1%	Vermont	\$30	2.2%
Idaho	\$70	3.9%	New Hampshire	\$77	3.7%	Virginia	\$478	3.3%
Illinois	\$765	2.5%	New Jersey	\$562	3.3%	Washington	\$511	5.8%
Indiana	\$331	3.0%	New Mexico	\$92	2.0%	West Virginia	\$71	0.0%
Iowa	\$171	3.3%	New York	\$1,449	2.8%	Wisconsin	\$301	2.8%
Kansas	\$151	2.3%	North Carolina	\$497	1.8%	Wyoming	\$39	1.8%

Source: Bureau of Economic Analysis

2018Q3 data is in billions

Q/Q growth is an annualized rate