

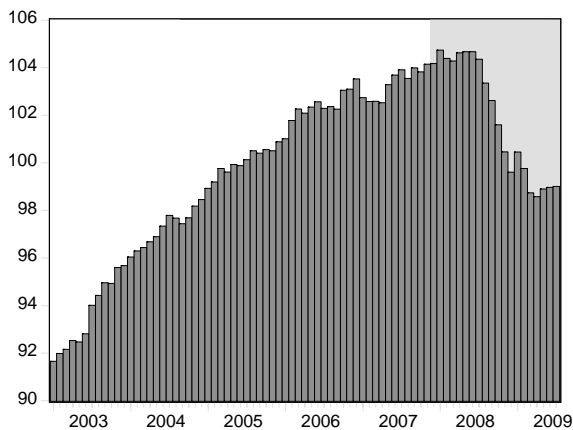
# WESTERN NORTH CAROLINA ECONOMIC INDEX

CENTER FOR ECONOMIC RESEARCH & POLICY ANALYSIS • APPALACHIAN STATE UNIVERSITY

## July 2009

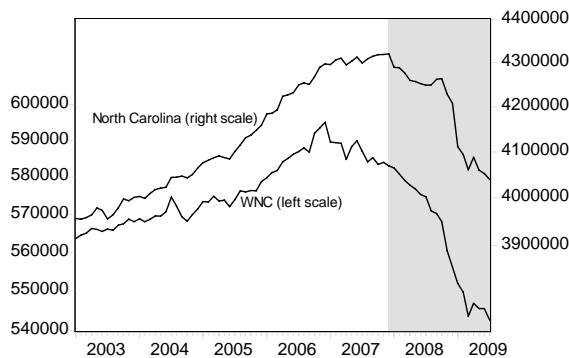
Western North Carolina economic activity, as measured by the Western North Carolina Economic Index, remained unchanged in July 2009. The flat performance in July follows two months of positive movement in regional economic activity.

WNC Economic Index  
(2005=100)  
National Recession Shaded



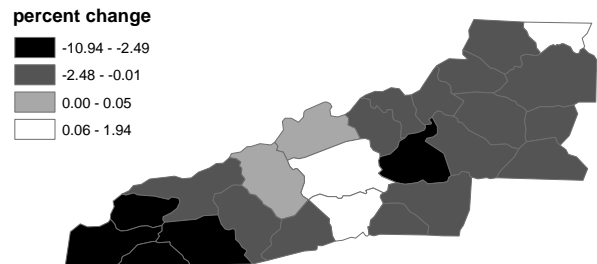
Seasonally adjusted employment for WNC decreased 0.54 percent in July. Statewide adjusted employment decreased 0.3 percent in July. The region has lost over 13,000 jobs since January 2009, and nearly 40,000 since January 2008.

Total Employment  
(seasonally adjusted, log scale)  
National Recession Shaded



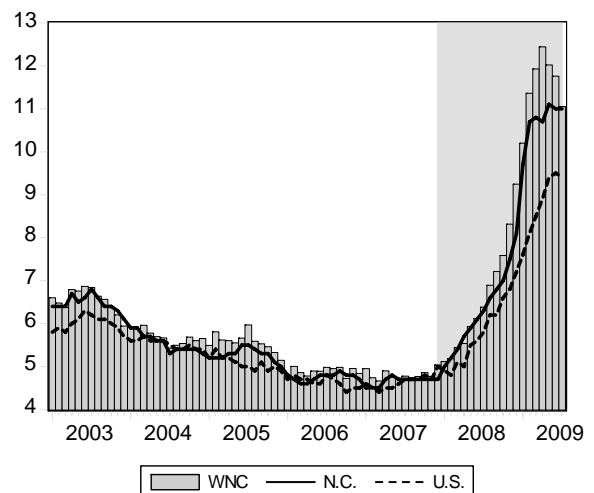
Mapping the growth in employment over the preceding month provides a county-level account of job creation. Seasonally adjusted employment fell in 20 of the 25 WNC counties in July. Graham, Clay and McDowell counties had the largest net job losses (10.94, 4.65 and 3.17 pct), while Alleghany, Buncombe and Henderson counties had the largest net gains (1.94, 0.07 and 0.07 pct).

Change in Employment  
from previous month

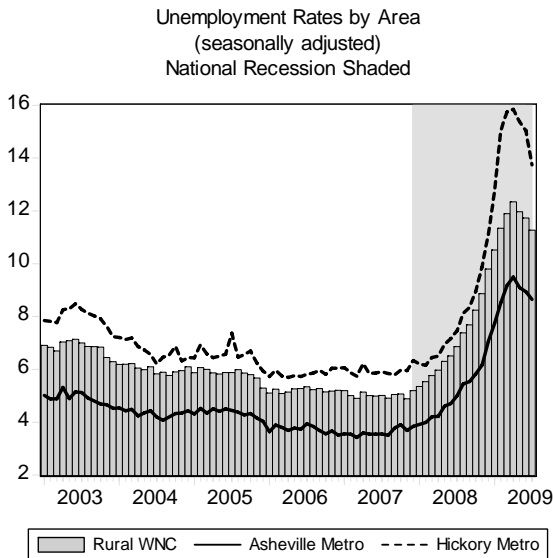


Seasonally adjusted WNC unemployment registered 11.1 percent in July—down 0.7 points from June. The state unemployment rate remained unchanged at 11.0 percent. The national unemployment rate was 9.4 percent, down 0.1 points from June.

Unemployment Rate  
(seasonally adjusted)  
National Recession Shaded



The seasonally adjusted unemployment rate within the region's rural counties registered 11.3 percent, down 0.4 points from June. In the region's metro areas, unemployment decreased 0.2 points in Asheville to 8.7 percent and decreased 1.3 points in Hickory-Morganton-Lenoir to 13.7 percent.



County-level seasonally adjusted unemployment was lower in 22 of the 25 WNC counties in July.

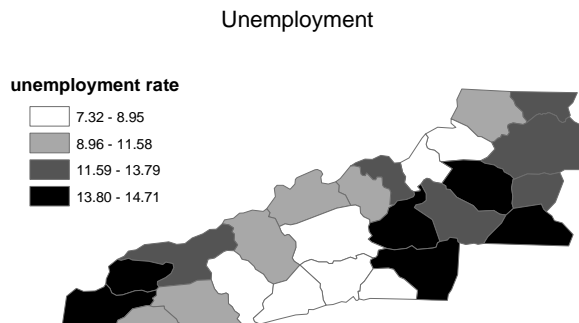
Eighteen of the 25 counties have unemployment rates above 9 percent, 11 counties have rates over 12 percent, and no counties have rates over 15 percent.

Over the past 12 months, county-level unemployment in the WNC region has increased an average of 4.35 points.

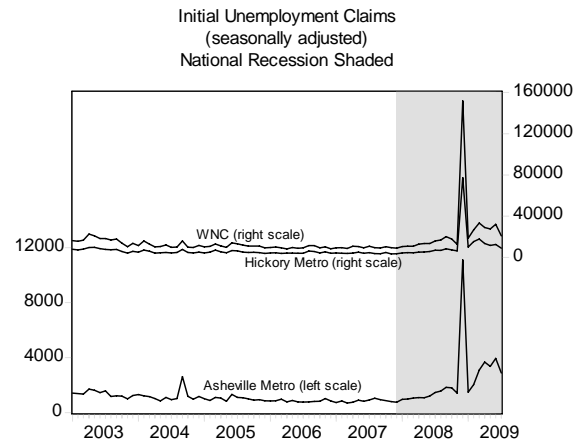
Rutherford, Cherokee and Graham counties had the highest unemployment rates in the region in July (14.71, 14.69 and 14.43). Watauga, Buncombe and Avery counties maintained the lowest unemployment rates for the month (7.32, 8.23 and 8.32 pct).

Caldwell and McDowell counties had the largest monthly declines in unemployment rates in July (2.17 and 2.15 pts). Graham and Transylvania counties had the largest increases in rates (0.55 and 0.25 pts).

See Table 2 for more county rates & rankings.



Seasonally adjusted initial claims for unemployment insurance in the region, a leading indicator of unemployment, decreased 34.5 percent in July. Initial claims decreased 27.0 percent in Asheville and decreased 28.6 percent in Hickory-Morganton-Lenoir.



## About the Report

The WNC Economic Index and Report provides a monthly account of economic conditions for the 25 counties in western North Carolina.

The WNC Economic Index and Report is a cooperative effort by the Center for Economic Research & Policy Analysis at Appalachian State University and AdvantageWest. The report is compiled and written by Todd L. Cherry, John W. Dawson and Richard Crepeau.

## CENTER FOR ECONOMIC RESEARCH & POLICY ANALYSIS

The Center for Economic Research & Policy Analysis is a multidisciplinary research unit at Appalachian State University that seeks to improve policy and decisionmaking by producing high quality research and disseminating relevant information on current economic and policy issues.

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**Table 1: Asheville, Hickory and Regional MSA Record**

	Jul 2009	Jun 2009	May 2009	Apr 2009	Jul 2008	Change Last Month	Change Last Year
<b>Asheville</b>							
Employment	187,480	187,353	187,544	188,214	197,148	0.07%	-4.90%
Unemployment Rate	8.7	8.9	9.1	9.5	5.0	-0.2	3.7
Residential Building Permits	84	109	70	109	192	-23.07%	-56.25%
Initial Claims	4,118	6,303	5,324	5,899	2,184	-34.67%	88.54%
<b>Hickory-Morganton-Lenoir</b>							
Employment	145,706	145,727	146,332	147,573	158,793	-0.01%	-8.24%
Unemployment Rate	13.7	15.0	15.4	15.9	7.5	-1.3	6.2
Residential Building Permits	53	57	41	48	81	-7.16%	-34.70%
Initial Claims	8,088	11,714	11,085	13,001	6,406	-30.95%	26.27%
<b>Charlotte-Gastonia-Concord</b>							
Employment	747,629	747,225	751,486	755,988	806,883	0.05%	-7.34%
Unemployment Rate	11.5	11.9	11.9	12.0	6.4	-0.5	5.1
<b>Raleigh-Cary</b>							
Employment	506,251	505,965	505,626	509,279	526,287	0.06%	-3.81%
Unemployment Rate	8.4	8.5	8.8	8.9	5.1	-0.2	3.3
<b>Winston-Salem</b>							
Employment	216,000	215,388	214,152	215,871	227,814	0.28%	-5.19%
Unemployment Rate	9.4	10.0	10.4	10.3	6.1	-0.6	3.4
<b>Greensboro</b>							
Employment	322,847	320,473	318,415	322,219	342,934	0.74%	-5.86%
Unemployment Rate	10.8	11.5	11.8	11.7	6.6	-0.7	4.2
<b>Johnson City (TN)</b>							
Employment	90,476	90,697	90,358	90,709	93,387	-0.24%	-3.12%
Unemployment Rate	9.5	9.2	9.6	9.0	6.2	0.2	3.2
<b>Kingsport (TN)</b>							
Employment	132,541	133,542	132,800	133,588	137,289	-0.75%	-3.46%
Unemployment Rate	9.2	9.4	10.0	9.2	5.9	-0.3	3.2
<b>Knoxville (TN)</b>							
Employment	324,356	325,036	324,673	326,546	337,631	-0.21%	-3.93%
Unemployment Rate	9.1	8.7	9.0	8.6	5.9	0.4	3.2
<hr/>							
<b>Western North Carolina</b>							
Unemployment Rate	11.1	11.8	12.0	12.4	6.4	-0.7	4.7
<b>North Carolina</b>							
Unemployment Rate	11.0	11.0	11.1	10.7	6.3	0.0	4.7
<b>United States</b>							
Unemployment Rate	9.4	9.5	9.4	8.9	5.8	-0.1	3.6

NOTE1: all data are seasonally adjusted and revised each month; monetary figures are also adjusted for inflation (2004 dollars).

NOTE2: The report reflects recent changes regarding the delineation of population centers.

**Table 2: WNC County Unemployment Rankings**

County	Jul 2009	Rank	Jun 2009	May 2009	Apr 2009	Jul 2008	% Pt Change Last Month	Rank	% Pt Change Last Year	Rank
Alexander	12.92	18	15.02	15.27	15.08	7.55	-2.10	3	5.37	19
Alleghany	12.09	15	12.71	12.26	12.48	7.60	-0.62	9	4.49	15
Ashe	10.82	11	10.88	13.51	13.91	6.30	-0.07	22	4.52	16
Avery	8.32	3	9.20	9.18	9.88	6.23	-0.88	7	2.09	1
Buncombe	8.23	2	8.65	8.62	8.88	4.96	-0.42	11	3.27	5
Burke	13.79	19	14.67	14.79	15.18	8.08	-0.88	6	5.70	22
Caldwell	14.00	22	16.17	16.17	16.30	8.50	-2.17	1	5.50	20
Catawba	13.91	20	15.00	15.20	15.62	7.66	-1.10	5	6.25	23
Cherokee	14.69	24	14.93	14.74	14.32	9.12	-0.24	17	5.57	21
Clay	11.14	12	11.09	11.53	11.34	6.20	0.04	23	4.94	18
Graham	14.43	23	13.88	13.77	13.55	10.18	0.55	25	4.25	13
Haywood	9.37	9	9.70	9.79	10.64	6.02	-0.33	15	3.35	6
Henderson	8.63	5	9.09	9.39	9.89	5.06	-0.46	10	3.57	9
Jackson	8.69	6	8.93	9.00	8.96	5.12	-0.24	18	3.56	8
Macon	10.26	10	10.68	10.88	11.04	5.91	-0.42	12	4.36	14
Madison	9.37	8	9.62	9.49	9.78	6.19	-0.26	16	3.17	3
McDowell	13.96	21	16.12	16.18	15.81	7.51	-2.15	2	6.46	24
Mitchell	12.12	16	12.51	13.15	13.13	8.58	-0.39	13	3.54	7
Polk	8.57	4	8.77	9.07	9.42	4.94	-0.21	19	3.63	11
Rutherford	14.71	25	14.85	15.47	17.04	7.89	-0.14	20	6.82	25
Swain	12.40	17	12.74	13.27	12.08	7.49	-0.34	14	4.91	17
Transylvania	8.96	7	8.71	9.02	9.18	5.68	0.25	24	3.27	4
Watauga	7.32	1	7.43	7.85	7.57	4.65	-0.10	21	2.67	2
Wilkes	11.84	14	13.08	12.59	12.93	7.99	-1.24	4	3.85	12
Yancey	11.58	13	12.24	12.46	12.62	7.98	-0.66	8	3.59	10
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Asheville	8.7		8.9	9.1	9.5	5.0	-0.2		3.7	
Hickory	13.7		15.0	15.4	15.9	7.5	-1.3		6.2	
WNC	11.1		11.8	12.0	12.4	6.4	-0.7		4.7	
NC	11.0		11.0	11.1	10.7	6.3	0.0		4.7	
US	9.4		9.5	9.4	8.9	5.8	-0.1		3.6	

NOTE: all data are seasonally adjusted and revised each month using the most recent figures from government sources.

**Table 3: WNC Economic Index Historic Data**

<b>Year</b>	<b>Month</b>	<b>WNC Index</b>	<b>Percentage Change</b>	<b>Unemployment Rate</b>	<b>Total Employment</b>
2009	7	99.0	0.0	11.1	542,594
2009	6	99.0	0.1	11.8	545,540
2009	5	98.9	0.3	12.0	545,515
2009	4	98.6	-0.2	12.4	546,911
2009	3	98.7	-1.0	11.9	543,568
2009	2	99.8	-0.7	11.4	549,741
2009	1	100.5	0.9	10.2	551,969
2008	12	99.6	-0.9	9.2	556,176
2008	11	100.5	-1.1	8.3	560,427
2008	10	101.6	-1.0	7.6	568,096
2008	9	102.6	-0.7	7.2	570,269
2008	8	103.3	-1.0	6.9	570,969
2008	7	104.4	-0.3	6.4	574,734
2008	6	104.7	0.0	6.1	575,334
2008	5	104.7	0.1	5.9	576,868
2008	4	104.6	0.3	5.5	577,830
2008	3	104.3	-0.1	5.4	579,127
2008	2	104.4	-0.3	5.2	580,818
2008	1	104.7	0.5	5.1	582,486
2007	12	104.2	0.0	5.0	583,081
2007	11	104.1	0.3	4.8	584,017
2007	10	103.8	-0.2	4.9	583,473
2007	9	104.0	0.4	4.8	585,288
2007	8	103.6	-0.3	4.7	584,160
2007	7	103.9	0.2	4.8	587,016
2007	6	103.7	0.4	4.7	589,916
2007	5	103.3	0.7	4.7	588,280
2007	4	102.5	-0.1	4.9	584,794
2007	3	102.6	0.0	4.7	589,229
2007	2	102.6	-0.2	4.7	589,385
2007	1	102.7	-0.8	4.9	589,610
2006	12	103.5	0.4	4.8	595,068
2006	11	103.1	0.0	5.0	593,462
2006	10	103.1	0.8	4.7	592,000
2006	9	102.3	-0.1	5.0	586,809
2006	8	102.4	0.1	4.9	587,974
2006	7	102.3	-0.3	5.0	586,959
2006	6	102.6	0.2	4.9	586,240
2006	5	102.3	0.2	4.9	585,135
2006	4	102.1	-0.2	4.8	584,131
2006	3	102.3	0.5	4.9	581,818
2006	2	101.8	0.8	5.0	581,229
2006	1	101.0	0.1	4.8	579,851
2005	12	100.9	0.4	5.1	578,848
2005	11	100.5	0.0	5.3	576,340
2005	10	100.6	0.1	5.5	576,431

NOTE: all data are seasonally adjusted and revised each month.