

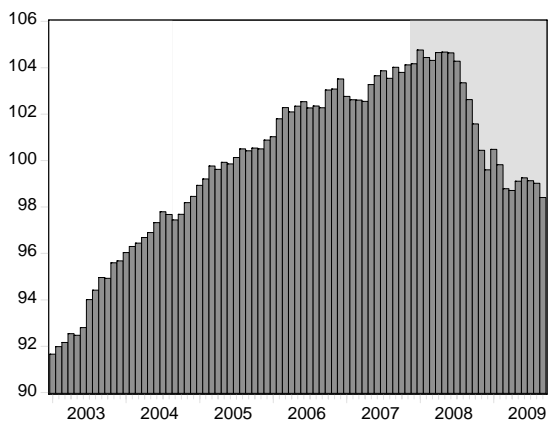
WESTERN NORTH CAROLINA ECONOMIC INDEX

CENTER FOR ECONOMIC RESEARCH & POLICY ANALYSIS • APPALACHIAN STATE UNIVERSITY

September 2009

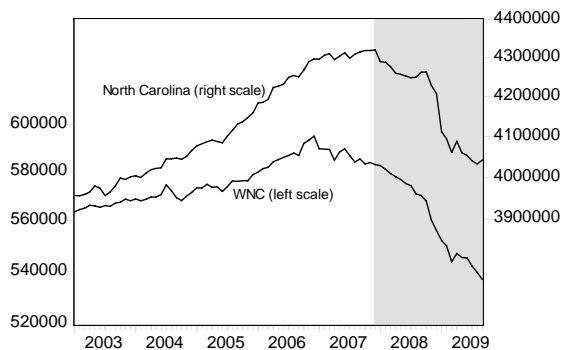
Western North Carolina economic activity, as measured by the Western North Carolina Economic Index, fell 0.6 percent in September 2009. The index, which tracks the level of economic activity in 25 western North Carolina counties, registered 98.4 in September. After making gains in the second quarter, the regional economy contracted in the third quarter.

WNC Economic Index
(2005=100)
National Recession Shaded



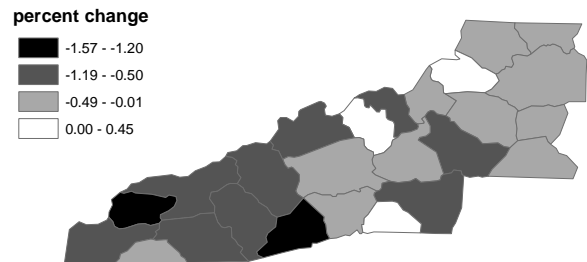
Seasonally adjusted employment for WNC decreased 0.53 percent in September. Statewide adjusted employment increased 0.2 percent in September. The region lost more than 19,000 jobs in 2009.

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



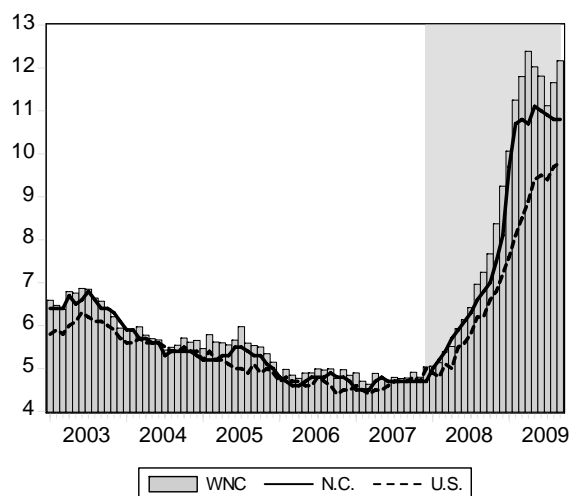
Mapping the growth in employment over the preceding month provides a county-level account of job creation. Seasonally adjusted employment fell in 22 of the 25 WNC counties in September. Transylvania, Graham and Swain counties had the largest declines in employment (1.57, 1.20 and 0.85 pct). Watauga, Yancey and Polk were the only counties that did not experience job losses.

Change in Employment
from previous month



Seasonally adjusted WNC unemployment registered 12.2 percent in September—up 0.5 points from August. The state unemployment rate remained unchanged at 10.8 percent. The national unemployment rate increased 0.1 point to 10.8 percent.

Unemployment Rate
(seasonally adjusted)
National Recession Shaded



The seasonally adjusted unemployment rate within the region's rural counties registered 12.5 percent, up 0.6 points from August. In the region's metro areas, unemployment increased 0.3 points in Asheville to 9.3 percent and increased 0.5 points in Hickory-Morganton-Lenoir to 15.1 percent.



County-level seasonally adjusted unemployment increased across the region in September, with unemployment rates being higher in 24 of the 25 WNC counties.

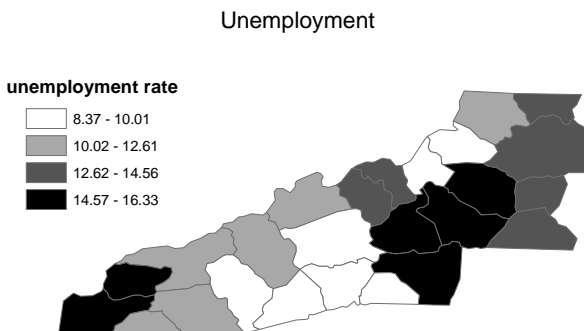
Twenty-two of the 25 counties have unemployment rates above 9 percent, 13 counties have rates over 12 percent, and six counties have rates over 15 percent.

Over the past 12 months, county-level unemployment in the WNC region has increased an average of 4.87 points.

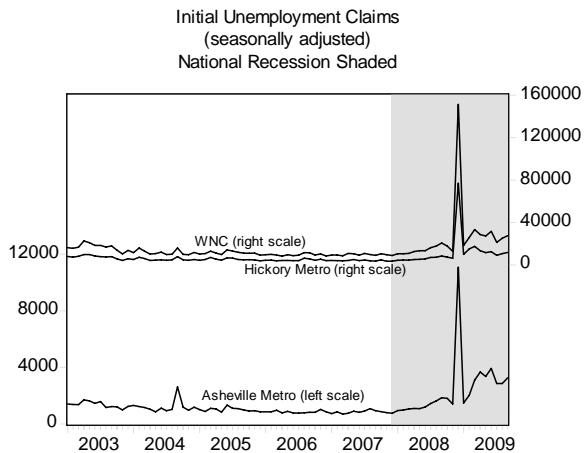
Caldwell, Graham and Cherokee counties had the highest unemployment rates in the region in September (16.33, 16.15 and 15.93 pct). Watauga, Buncombe and Polk counties had the lowest unemployment rates for the month (8.37, 8.85 and 8.90 pct).

Graham and Burke counties had the largest increases in rates in September (1.15 and 1.09 pts). Alleghany County was the lone county with a decline in unemployment rates for the month (0.18 pts).

See Table 2 for more county rates & rankings.



Seasonally adjusted initial claims for unemployment insurance in the region, a leading indicator of unemployment, increased 9.2 percent in September. Initial claims increased 14.4 percent in Asheville and increased 11.0 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

	Sept 2009	Jul 2009	Jun 2009	May 2009	Sept 2008	Change Last Month	Change Last Year
Asheville							
Employment	185,110	186,040	186,860	187,217	195,092	-0.50%	-5.12%
Unemployment Rate	9.3	9.0	8.8	9.0	5.5	0.3	3.8
Residential Building Permits	103	101	88	111	133	1.41%	-22.93%
Initial Claims	4,425	4,172	4,276	6,049	2,874	6.06%	53.98%
Hickory-Morganton-Lenoir							
Employment	145,175	145,729	145,959	145,727	156,886	-0.38%	-7.46%
Unemployment Rate	15.1	14.6	13.8	15.1	8.4	0.5	6.7
Residential Building Permits	55	47	54	57	68	15.42%	-19.57%
Initial Claims	10,593	10,868	7,933	11,924	7,708	-2.53%	37.42%
Charlotte-Gastonia-Concord							
Employment	747,950	751,726	748,259	746,851	789,814	-0.50%	-5.30%
Unemployment Rate	12.1	11.6	11.6	11.9	7.2	0.5	4.9
Raleigh-Cary							
Employment	506,452	507,711	507,786	506,084	518,885	-0.25%	-2.40%
Unemployment Rate	9.1	8.7	8.4	8.6	5.6	0.4	3.5
Winston-Salem							
Employment	215,518	215,865	216,526	215,764	223,700	-0.16%	-3.66%
Unemployment Rate	10.3	9.9	9.4	10.0	6.6	0.5	3.7
Greensboro							
Employment	320,152	320,246	320,320	320,333	338,950	-0.03%	-5.55%
Unemployment Rate	11.9	11.4	10.8	11.4	7.4	0.5	4.5
Johnson City (TN)							
Employment	89,764	90,128	90,408	90,656	93,222	-0.40%	-3.71%
Unemployment Rate	9.7	9.8	9.5	9.2	6.8	0.0	3.0
Kingsport (TN)							
Employment	131,673	132,233	132,501	133,505	137,009	-0.42%	-3.89%
Unemployment Rate	9.6	9.6	9.1	9.4	6.2	0.0	3.3
Knoxville (TN)							
Employment	321,127	321,665	323,822	324,939	337,407	-0.17%	-4.82%
Unemployment Rate	9.0	9.2	9.1	8.7	5.9	-0.2	3.1
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Western North Carolina							
Unemployment Rate	12.2	11.7	11.1	11.8	7.2	0.5	5.0
North Carolina							
Unemployment Rate	10.8	10.8	10.9	11.0	6.8	0.0	4.0
United States							
Unemployment Rate	9.8	9.7	9.4	9.5	6.2	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	Sept 2009	Rank	Jul 2009	Jun 2009	May 2009	Sept 2008	% Pt Change Last Month	Rank	% Pt Change Last Year	Rank
Alexander	14.51	18	14.12	12.87	14.97	8.40	0.39	12	6.11	20
Alleghany	13.59	16	13.77	11.94	12.84	8.23	-0.18	1	5.36	17
Ashe	11.21	11	11.15	10.78	10.86	7.02	0.06	3	4.19	10
Avery	9.48	5	9.04	8.25	9.20	6.73	0.44	15	2.75	1
Buncombe	8.85	2	8.70	8.34	8.66	5.51	0.15	4	3.34	3
Burke	15.20	20	14.11	13.74	14.66	9.24	1.09	24	5.96	18
Caldwell	16.33	25	15.83	13.90	16.17	8.81	0.50	19	7.52	25
Catawba	14.56	19	14.31	13.77	14.93	8.44	0.25	9	6.12	21
Cherokee	15.93	23	15.74	14.80	15.04	9.77	0.19	6	6.16	22
Clay	11.72	12	11.51	11.18	11.15	6.53	0.20	7	5.19	15
Graham	16.15	24	15.00	14.64	14.01	9.89	1.15	25	6.26	23
Haywood	10.04	8	9.83	9.34	9.70	6.73	0.21	8	3.31	2
Henderson	9.42	4	9.22	8.73	9.11	5.50	0.19	5	3.92	6
Jackson	10.01	7	9.62	8.79	8.98	5.56	0.39	13	4.45	12
Macon	10.90	10	10.57	10.24	10.69	6.28	0.33	10	4.62	13
Madison	10.67	9	9.87	9.44	9.65	6.55	0.80	21	4.12	9
McDowell	15.69	22	15.20	13.96	16.03	8.84	0.49	18	6.85	24
Mitchell	13.08	15	12.09	12.13	12.49	9.15	0.99	23	3.93	7
Polk	8.90	3	8.86	8.58	8.82	5.43	0.04	2	3.47	5
Rutherford	15.42	21	15.06	14.77	14.95	9.34	0.35	11	6.07	19
Swain	12.61	13	12.16	12.25	12.63	7.62	0.45	16	4.99	14
Transylvania	9.92	6	9.05	9.05	8.73	5.84	0.88	22	4.08	8
Watauga	8.37	1	7.97	7.13	7.49	4.99	0.40	14	3.38	4
Wilkes	13.96	17	13.42	11.73	13.14	8.76	0.54	20	5.20	16
Yancey	12.69	14	12.22	11.81	12.26	8.36	0.47	17	4.33	11
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Asheville	9.3		9.0	8.8	9.0	5.5	0.3		3.8	
Hickory	15.1		14.6	13.8	15.1	8.4	0.5		6.7	
WNC	12.2		11.7	11.1	11.8	7.2	0.5		5.0	
NC	10.8		10.8	10.9	11.0	6.8	0.0		4.0	
US	9.8		9.7	9.4	9.5	6.2	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

Year	Month	WNC Index	Percentage Change	Unemployment Rate	Total Employment
2009	9	98.4	-0.6	12.2	536,856
2009	8	99.0	-0.1	11.7	539,688
2009	7	99.1	-0.1	11.1	542,102
2009	6	99.3	0.2	11.8	545,344
2009	5	99.1	0.4	12.0	545,487
2009	4	98.7	-0.1	12.4	547,072
2009	3	98.8	-1.0	11.8	543,780
2009	2	99.8	-0.7	11.2	550,071
2009	1	100.5	0.9	10.1	552,140
2008	12	99.6	-0.8	9.2	556,158
2008	11	100.4	-1.1	8.4	560,299
2008	10	101.6	-1.0	7.7	567,985
2008	9	102.6	-0.7	7.2	570,322
2008	8	103.3	-0.9	7.0	570,953
2008	7	104.3	-0.3	6.4	574,357
2008	6	104.6	0.0	6.1	575,122
2008	5	104.7	0.0	5.9	576,846
2008	4	104.6	0.3	5.5	577,980
2008	3	104.3	-0.1	5.4	579,320
2008	2	104.4	-0.3	5.1	581,118
2008	1	104.8	0.6	5.1	582,640
2007	12	104.2	0.0	5.0	583,056
2007	11	104.1	0.3	4.8	583,892
2007	10	103.8	-0.2	4.9	583,355
2007	9	104.0	0.5	4.8	585,428
2007	8	103.5	-0.3	4.8	584,097
2007	7	103.9	0.2	4.8	586,758
2007	6	103.7	0.4	4.7	589,717
2007	5	103.3	0.7	4.7	588,255
2007	4	102.5	-0.1	4.9	584,897
2007	3	102.6	0.0	4.6	589,379
2007	2	102.6	-0.1	4.7	589,606
2007	1	102.8	-0.7	4.9	589,723
2006	12	103.5	0.4	4.8	595,055
2006	11	103.1	0.0	5.0	593,386
2006	10	103.0	0.7	4.8	591,905
2006	9	102.3	-0.1	5.0	586,918
2006	8	102.4	0.1	5.0	587,913
2006	7	102.3	-0.3	5.0	586,829
2006	6	102.5	0.2	4.9	586,066
2006	5	102.3	0.2	4.9	585,118
2006	4	102.1	-0.2	4.8	584,193
2006	3	102.3	0.5	4.8	581,915
2006	2	101.8	0.8	5.0	581,360
2006	1	101.0	0.1	4.7	579,918
2005	12	100.9	0.4	5.1	578,849

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