

Birmingham Area Economic Report

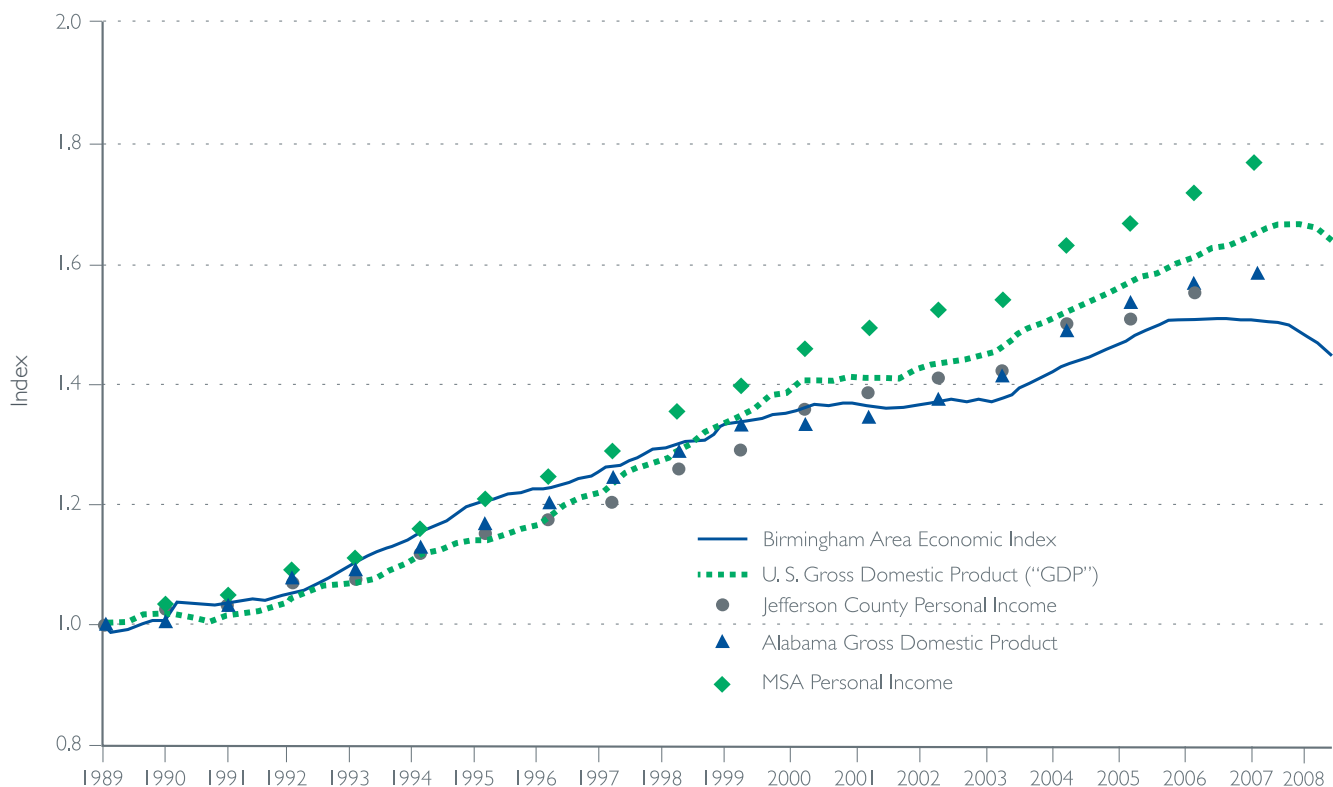
The Local Economy

The local economy continues to suffer in the current recession, shedding jobs and demonstrating losses in all sectors of the economy. Unemployment rates doubled in every area reported in the table on page 2, with the exception of the U.S., which jumped from a seasonally unadjusted 5.2 percent in March 2008 to 9.0 percent in March 2009. The City of Birmingham's unemployment rate jumped from 4.9 percent to 10.4 percent during the same time period. The Birmingham Area Economic Index, depicted in the graph below, continues to decline in this recession.

Double-digit percentage declines persist in the housing sector, with units sold and new units started dropping over the twelve months ending March 2009. The travel sector has declined, with hotel revenues declining by four percent in Jefferson County and passengers boarding planes at the Birmingham airport declining by 8.4 percent for the same time period.

Surprisingly, occupational tax collections showed minimal gains in both Jefferson County and the City of Birmingham for the 12 months ending March 2009, and retail sales showed very modest gains in the City during the same time period.

Measures of Economic Activity



Porter, White & Company, Inc.
Birmingham Area Economic Indicators
March 2009

	% Change from Previous 12 Months	Twelve Months Ending		Month Ending	
		March 2009	March 2008	March 2009	March 2008
Local Indicators					
Jefferson County Retail Sales (000) (1)	-5.2%	\$9,086,428	\$9,587,823	\$745,144	\$832,749
Jefferson County Hotel Revenues (000)(1)	-4.0%	\$187,191	\$194,942	\$15,120	\$19,649
Jefferson County Occupational Tax Collections (000) (1)	0.1%	\$67,961	\$67,883	\$5,958	\$6,108
Jefferson County Gasoline Tax Collections (000) (1)	-3.7%	\$4,767	\$4,950	\$422	\$384
City of Birmingham Retail Sales (000) (2)	0.7%	\$3,691,191	\$3,665,177	\$221,404	\$196,245
City of B'ham Occupational Tax Collections (000) (2)	0.4%	\$77,446	\$77,157	\$6,944	\$7,642
City of Birmingham Hotel Revenues (000) (2)	-7.4%	\$90,583	\$97,804	\$6,408	\$6,980
Birmingham Area Housing Sales (3)					
Total Dollar Sales (000)	-34.5%	\$2,144,772	\$3,273,179	\$137,433	\$227,694
Average Sales Price	-7.7%	\$181,624	\$196,670	\$160,929	\$195,950
Number of Units	-29.9%	11,579	16,523	854	1,162
Birmingham-Hoover MSA Single-Family Housing Starts (4)					
Total Dollar Value (000)	-49.7%	\$360,640	\$716,380	\$26,874	\$42,651
Number of Units	-49.9%	2,071	4,134	171	251
Birmingham MSA Nonresidential Building Contracts (3)					
Total Dollar Value (000)	-14.7%	\$892,818	\$1,046,909	\$37,570	\$157,054
Birmingham Airport Passengers Boarded (5)	-8.4%	1,496,737	1,633,113	119,061	136,707
Birmingham Division Commercial & Industrial Electricity Sales (GWH) (6)	-4.2%	9,605	10,026	709	800
State Indicators					
Alabama Income Tax Collections (7)					
Corporate Tax (000)	-9.6%	\$495,636	\$548,434	\$63,612	\$86,755
Individual Tax (000)	-0.1%	\$3,559,211	\$3,562,352	\$233,182	\$266,511
Alabama Retail Sales (000) (7)	-3.4%	\$55,289,734	\$57,235,768	\$4,121,875	\$4,585,205
Alabama Gasoline Tax Collections (000) (7)	-2.7%	\$399,658	\$410,794	\$30,737	\$31,748

	% Change from Previous Year	Current Year		Previous Year	
		March 2009	February 2009	March 2008	February 2008
City Employment					
Birmingham Unemployment Rate (8)	5.5%	10.4%	10.0%	4.9%	5.1%
Hoover Unemployment Rate (8)	2.8%	5.2%	5.0%	2.4%	2.6%
Birmingham-Hoover MSA Employment					
Goods-Producing Employment (000) (8)	-8.8%	71.7	72.2	78.6	79.0
Service-Providing Employment (000) (8)	-2.1%	439.8	438.7	449.1	447.9
Unemployment Rate (8)	4.5%	8.3%	8.0%	3.8%	3.9%
State of Alabama Employment					
Goods-Producing Employment (000) (8)	-11.2%	365.8	369.1	412.1	412.5
Service-Providing Employment (000) (8)	-2.2%	1,555.5	1,548.6	1,590.6	1,582.0
Unemployment Rate (8)	4.8%	9.0%	8.8%	4.2%	4.3%
Average Manufacturing Per-Hour Wage (8)	-2.0%	\$15.40	\$15.40	\$15.72	\$15.68
Average Manufacturing Work Week (Hours) (8)	-1.7%	39.6	39.6	40.3	40.2
Alabama Indicators					
Bloomberg Alabama Index (9)	-47.8%	193.0	174.4	369.6	361.0
National Indicators					
Consumer Price Index (9)	-0.4%	212.7	212.2	213.5	211.7
Unemployment Rate (8)	3.8%	9.0%	8.9%	5.2%	5.2%
S&P 500 Index (9)	-39.7%	797.87	735.09	1,322.70	1,330.63

(1) Jefferson County Department of Revenue (2) City of Birmingham, Finance Department (3) Alabama Center for Real Estate (4) U.S. Census Bureau (5) Birmingham Airport Authority (6) Alabama Power Company (7) Alabama Department of Revenue (8) Bureau of Labor Statistics (9) Bloomberg Financial Markets.