SUMMARY OF CURRENT TENTH DISTRICT ECONOMIC CONDITIONS

The unemployment rate was 3.4 percent across the Tenth District states in December, and total payroll employment grew 1.9 percent compared to the previous year. Employment growth was broad-based across industries, with the strongest percentage gains in the mining and logging and leisure and hospitality sectors. Tenth District nominal personal income grew 4.1 percent in the third quarter of 2018 compared to the previous year. In the energy sector, rig counts were well above year-ago levels. The Federal Reserve Bank of Kansas City's Manufacturing Survey indicated an increase in manufacturing activity in January 2019, with a composite index of 52.8. Nonirrigated farmland values, as measured by the Federal Reserve Bank of Kansas City's Survey of Agricultural Credit Conditions, decreased 1.8 percent in the fourth quarter of 2018 compared to the same period in 2017.

This databook provides current economic indicators to help monitor trends and allow comparison of past information. These indicators include: gross domestic product (GDP); inflation; employment; employment by industry; state unemployment; personal income; home prices; housing indicators; manufacturing activity; oil, gas and coal production; agriculture; and exports. These indicators can be found on the following pages.
**Producer Prices**

*Percent Change Year-over-Year, Seasonally Adjusted*

- **Finished Goods**: 1.6% in September 2018, 2.4% in October 2018, -0.8% in November 2018
- **Less Foods & Energy**: 4.3% in September 2018, 4.2% in October 2018, 3.4% in November 2018
- **Intermediate Goods**: 4.3% in September 2018, 4.2% in October 2018, 3.4% in November 2018
- **Less Foods & Energy**: 4.3% in September 2018, 4.2% in October 2018, 3.4% in November 2018
- **Crude Materials**: 4.3% in September 2018, 4.2% in October 2018, 3.4% in November 2018
- **Nonfood Materials Less Energy**: 4.3% in September 2018, 4.2% in October 2018, 3.4% in November 2018

**Source**: Bureau of Economic Analysis & Bureau of Labor Statistics/Haver Analytics

**www.KansasCityFed.org**
## January 2019 U.S. Payroll Employment

### Number of Jobs (Thousands)

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>150,574</td>
<td>128,068</td>
<td>21,046</td>
<td>7,464</td>
<td>760</td>
<td>12,822</td>
<td>106,967</td>
<td>5,904</td>
<td>15,836</td>
<td>5,534</td>
<td>554</td>
<td>2,821</td>
<td>8,631</td>
<td>21,276</td>
<td>3,752</td>
<td>20,214</td>
<td>16,618</td>
<td>5,881</td>
<td>22,506</td>
<td>2,800</td>
<td>5,186</td>
<td>14,520</td>
</tr>
</tbody>
</table>

### Jobs Gained Year-over-Year (Thousands)

| Industry                        | 2,807         | 2,675          | 660              | 338          | 61               | 261           | 2,023             | 80             | 26          | 219                       | 0        | 9           | 129                      | 546                           | 39                 | 483                        | 410                 | 73            | 132         | 5             | 39            | 88             |

### Share of Employment

| Industry                        | 100.0%        | 85.0%          | 14.0%            | 4.9%         | 0.5%             | 8.5%          | 71.1%             | 3.9%           | 10.5%       | 3.7%                      | 0.4%     | 1.9%        | 5.7%                     | 14.1%                      | 2.5%               | 13.4%                      | 11.0%               | 3.9%          | 15.0%       | 1.9%          | 3.5%          | 9.7%          |

### U.S. Payroll Employment Percent Change:

- **Year-over-Year**
- **Past 3 Months Annualized**

Source: Bureau of Labor Statistics/Haver Analytics

www.KansasCityFed.org
## December 2018 Tenth District Payroll Employment

### Seasonally Adjusted

<table>
<thead>
<tr>
<th>Industry</th>
<th>Number of Jobs (Thousands)</th>
<th>Jobs Gained Year-over-Year (Thousands)</th>
<th>Share of Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Nonfarm</td>
<td>10,997</td>
<td>201</td>
<td>100.0%</td>
</tr>
<tr>
<td>Private Sector</td>
<td>9,074</td>
<td>185</td>
<td>82.5%</td>
</tr>
<tr>
<td><strong>Goods-Producing</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>1,561</td>
<td>43</td>
<td>14.2%</td>
</tr>
<tr>
<td>Mining &amp; Logging</td>
<td>143</td>
<td>14</td>
<td>1.3%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>862</td>
<td>21</td>
<td>7.8%</td>
</tr>
<tr>
<td><strong>Service-Providing</strong></td>
<td>7,498</td>
<td>142</td>
<td>68.3%</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>423</td>
<td>4</td>
<td>3.9%</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>1,144</td>
<td>8</td>
<td>10.5%</td>
</tr>
<tr>
<td>Transportation &amp; Warehousing</td>
<td>389</td>
<td>7</td>
<td>3.6%</td>
</tr>
<tr>
<td>Utilities</td>
<td>40</td>
<td>0</td>
<td>0.4%</td>
</tr>
<tr>
<td>Information</td>
<td>194</td>
<td>-3</td>
<td>1.8%</td>
</tr>
<tr>
<td>Financial Activities</td>
<td>627</td>
<td>9</td>
<td>5.7%</td>
</tr>
<tr>
<td>Professional &amp; Business Services</td>
<td>1,466</td>
<td>50</td>
<td>13.3%</td>
</tr>
<tr>
<td>Private Educational Services</td>
<td>151</td>
<td>-2</td>
<td>1.4%</td>
</tr>
<tr>
<td>Healthcare &amp; Social Assistance</td>
<td>1,432</td>
<td>26</td>
<td>13.0%</td>
</tr>
<tr>
<td>Leisure &amp; Hospitality</td>
<td>1,221</td>
<td>42</td>
<td>11.1%</td>
</tr>
<tr>
<td>Other Services</td>
<td>424</td>
<td>1</td>
<td>3.9%</td>
</tr>
<tr>
<td>Government</td>
<td>1,924</td>
<td>15</td>
<td>17.5%</td>
</tr>
<tr>
<td>Federal Government</td>
<td>236</td>
<td>2</td>
<td>2.1%</td>
</tr>
<tr>
<td>State Government</td>
<td>481</td>
<td>5</td>
<td>4.4%</td>
</tr>
<tr>
<td>Local Government</td>
<td>1,207</td>
<td>9</td>
<td>11.0%</td>
</tr>
</tbody>
</table>

### Tenth District Payroll Employment

- **Year-over-Year**
- **Past 3 Months Annualized**

Source: Bureau of Labor Statistics/Haver Analytics

www.KansasCityFed.org
Percent Unemployed

United States 3.9%

Tenth District 3.4

1 Alaska 6.3
2 West Virginia 5.1
3 Louisiana 4.9
4 Arizona 4.8
5 Mississippi 4.7
5 New Mexico 4.7
7 Ohio 4.6
8 Kentucky 4.4
8 Nevada 4.4
10 Washington 4.3
10 Illinois 4.3
12 Pennsylvania 4.2
12 California 4.2
14 Wyoming 4.1
14 Oregon 4.1
16 Connecticut 4.0
16 New Jersey 4.0
16 Michigan 4.0
19 Maryland 3.9
19 Alabama 3.9
19 New York 3.9
19 Rhode Island 3.9
23 Delaware 3.7
23 Texas 3.7

23 Montana 3.7
26 Tennessee 3.6
26 North Carolina 3.6
26 Arkansas 3.6
26 Indiana 3.6
26 Georgia 3.6
31 Colorado 3.5
32 Maine 3.4
33 Massachusetts 3.3
33 Florida 3.3
33 South Carolina 3.3
33 Kansas 3.3
37 Oklahoma 3.2
37 Utah 3.2
39 Missouri 3.1
40 Wisconsin 3.0
41 South Dakota 2.9
42 Virginia 2.8
42 Minnesota 2.8
42 Nebraska 2.8
45 North Dakota 2.7
45 Vermont 2.7
47 Idaho 2.6
48 New Hampshire 2.5
48 Hawaii 2.5
50 Iowa 2.4

Source: Bureau of Labor Statistics/Haver Analytics

www.KansasCityFed.org
Ten-Year Index of Growth, Seasonally Adjusted

**Total Nonfarm Employment**

Payroll Survey

- United States
- Tenth District

Household Survey

- United States
- Tenth District

**Labor Force Dynamics**

Unemployment Rate

- United States
- Tenth District

Unemployed

- United States
- Tenth District

**Labor Force**

- United States
- Tenth District

**Unemployment Insurance Claims**

- United States
- Tenth District

Source: Bureau of Labor Statistics & Department of Labor/Haver Analytics

www.KansasCityFed.org
2018Q3 Real Personal Income
Seasonally Adjusted

Source: Bureau of Economic Analysis/Haver Analytics

www.KansasCityFed.org
Nominal Personal Income
Contributions to Percent Change, Seasonally Adjusted
United States

Real Average Hourly Wage
Seasonally Adjusted

Source: Bureau of Economic Analysis & Bureau of Labor Statistics/Haver Analytics

www.KansasCityFed.org
2018Q3 FHFA Purchase-Only Home Price Index
Seasonally Adjusted

Source: Federal Housing Finance Agency (FHFA)/Haver Analytics

www.KansasCityFed.org
Note: Rental Vacancy Rates are not available for the Tenth District.
Note: Indices are defined to be between 0 and 100; above 50 indicates growth and below 50 indicates contraction.

Source: Institute for Supply Management (ISM) & Federal Reserve District Banks/Haver Analytics
**Current Activity vs. a Month Ago**
*Seasonally Adjusted Diffusion Index*

- Composite Index
- Production
- Volume of New Orders
- Number of Employees
- Supplier Delivery Time
- Raw Materials Inventories
- Volume of Shipments
- Backlog of Orders
- Average Employee Workweek
- Prices Received for Finished Products
- Prices Paid for Raw Materials
- New Orders for Exports
- Finished Goods Inventories

**Expectations Six-Months Ahead**
*Seasonally Adjusted Diffusion Index*

- Composite Index
- Production
- Volume of New Orders
- Number of Employees
- Supplier Delivery Time
- Raw Materials Inventories
- Volume of Shipments
- Backlog of Orders
- Average Employee Workweek
- Prices Received for Finished Products
- Prices Paid for Raw Materials
- Capital Expenditures
- New Orders for Exports
- Finished Goods Inventories

Note: Indices above zero indicate expansion.
Source: Federal Reserve Bank of Kansas City/Haver Analytics

www.KansasCityFed.org
### Average Rig Counts During the Month

<table>
<thead>
<tr>
<th>State</th>
<th>Count</th>
<th>Percent Change</th>
<th>Current Share of Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>1,065</td>
<td>9.9%</td>
<td></td>
</tr>
<tr>
<td>Tenth District</td>
<td>310</td>
<td>18.3%</td>
<td>29.1%</td>
</tr>
</tbody>
</table>

### Top Producing States

<table>
<thead>
<tr>
<th>State</th>
<th>Count</th>
<th>Percent Change</th>
<th>Current Share of Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Texas</td>
<td>526</td>
<td>15.4%</td>
<td>49.4%</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>132</td>
<td>10.9%</td>
<td>12.4%</td>
</tr>
<tr>
<td>New Mexico</td>
<td>108</td>
<td>33.3%</td>
<td>10.1%</td>
</tr>
<tr>
<td>Louisiana</td>
<td>63</td>
<td>5.0%</td>
<td>5.9%</td>
</tr>
<tr>
<td>North Dakota</td>
<td>54</td>
<td>20.0%</td>
<td>5.1%</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>48</td>
<td>29.7%</td>
<td>4.5%</td>
</tr>
<tr>
<td>Colorado</td>
<td>35</td>
<td>2.9%</td>
<td>3.3%</td>
</tr>
<tr>
<td>Wyoming</td>
<td>33</td>
<td>17.9%</td>
<td>3.1%</td>
</tr>
<tr>
<td>Ohio</td>
<td>17</td>
<td>-32.0%</td>
<td>1.6%</td>
</tr>
<tr>
<td>West Virginia</td>
<td>15</td>
<td>0.0%</td>
<td>1.4%</td>
</tr>
</tbody>
</table>

### Ten-Year History of Most Active States

**Average Active Monthly Drilling Rig Counts**

**United States**

- **Texas**
  - '09: Over 1,000
  - '14: Over 1,000
  - '19: Over 1,000
- **Oklahoma**
  - '09: Over 500
  - '14: Over 500
  - '19: Over 500
- **New Mexico**
  - '09: Over 500
  - '14: Over 500
  - '19: Over 500
- **Louisiana**
  - '09: Over 1,000
  - '14: Over 1,000
  - '19: Over 1,000
- **North Dakota**
  - '09: Over 500
  - '14: Over 500
  - '19: Over 500
- **Pennsylvania**
  - '09: Over 1,000
  - '14: Over 1,000
  - '19: Over 1,000
- **Colorado**
  - '09: Over 500
  - '14: Over 500
  - '19: Over 500
- **Wyoming**
  - '09: Over 1,000
  - '14: Over 1,000
  - '19: Over 1,000

**Source:** Baker Hughes/Haver Analytics

www.KansasCityFed.org
Spotted Prices

Crude Oil
Price per Barrel

- West Texas Intermediate

Gasoline
Price per Gallon at the Pump

- United States
- Tenth District

Natural Gas
Price per Thousand Cubic Feet

- Henry Hub

U.S. Supply/Demand Dynamics
Seasonally Adjusted

Crude Oil
Million Barrels/Day

- Demand for Petroleum Products
- Crude Oil Production

Natural Gas
Trillion Cubic Feet/Month

- Supply & Disposition
- Consumption

*Average price per gallon for major Tenth District metro areas.
January 2019 Coal Production
Seasonally Adjusted

Monthly Production (Thousand Short Tons)  Percent Change Year-over-Year  Current Share of Production

<table>
<thead>
<tr>
<th></th>
<th>62,316.2</th>
<th>1.1%</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>62,316.2</td>
<td>1.1%</td>
</tr>
<tr>
<td>Tenth District*</td>
<td>26,227.1</td>
<td>-3.1%</td>
</tr>
<tr>
<td>Top Producing States</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wyoming</td>
<td>24,352.5</td>
<td>-3.3%</td>
</tr>
<tr>
<td>West Virginia</td>
<td>8,199.2</td>
<td>9.9%</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>4,212.0</td>
<td>8.0%</td>
</tr>
<tr>
<td>Illinois</td>
<td>3,915.0</td>
<td>0.7%</td>
</tr>
<tr>
<td>Montana</td>
<td>3,563.3</td>
<td>11.0%</td>
</tr>
<tr>
<td>Kentucky</td>
<td>3,167.3</td>
<td>-2.7%</td>
</tr>
<tr>
<td>Indiana</td>
<td>2,855.8</td>
<td>8.0%</td>
</tr>
<tr>
<td>North Dakota</td>
<td>2,457.1</td>
<td>4.0%</td>
</tr>
<tr>
<td>Texas</td>
<td>2,034.9</td>
<td>-4.5%</td>
</tr>
<tr>
<td>Colorado</td>
<td>1,193.7</td>
<td>6.2%</td>
</tr>
</tbody>
</table>

Ten-Year History of Top Producing States, Monthly Production, Thousand Short Tons

*Includes all Tenth District states but Nebraska.
Source: U.S. Department of Energy, Energy Information Administration/Haver Analytics

www.KansasCityFed.org
Farmland Values by Federal Reserve District

Percent Change Year-over-Year

**Chicago**: Value of "Good" Farmland

- '08Q4: 30%
- '10Q4: 20%
- '12Q4: 10%
- '14Q4: 0%
- '16Q4: -10%
- '18Q4: -10%

**Dallas**: Dryland Values

- '08Q4: 30%
- '10Q4: 20%
- '12Q4: 10%
- '14Q4: 0%
- '16Q4: -10%
- '18Q4: 4.3% '18Q4

**Kansas City**: Nonirrigated Farmland Values

- '08Q4: 30%
- '10Q4: 20%
- '12Q4: 10%
- '14Q4: 0%
- '16Q4: -10%
- '18Q4: -1.8% '18Q4

*Values shown for the most recent survey available for each district.

Source: Federal Reserve District Banks/Haver Analytics
**Tenth District Economic Databook**

**Selected Agricultural Indicators**

### Kansas City Agricultural Credit Survey

*Diffusion Index*

- Demand for Loans: 27
- Loan Fund Availability: -8
- Loan Repayment Rates: -20
- Renewals or Extensions: 29
- Collateral Required: 23
- Farm Income: -37
- Household Spending: -19
- Capital Spending: -54

### Tenth District Farmland Values

*Percent Change Year-over-Year*

- Nonirrigated Farmland: -1.8%
- Irrigated Farmland: -2.9%
- Ranchland: 0.9%

### Spot Prices

- Corn
- Wheat
- Soybeans

### Farm Income

*Ten-Year Index of Growth*

- United States
- Tenth District

*Calculated as the percentage of total respondents reporting increases less those reporting declines.*

Source: Wall Street Journal, Bureau of Economic Analysis & Federal Reserve Bank of Kansas City/Haver Analytics
2018Q3 U.S. Exports
Year-to-Date

Source: Census Bureau/Haver Analytics

*Includes China, Hong Kong, Taiwan & Macao.
Page 2: Gross domestic product (GDP) is the most commonly used measure of aggregate U.S. economic activity. Real GDP is indexed for inflation to 2009 dollars using the personal consumption expenditure price index (PCEPİ). Advance, second, and third GDP estimates are released during the first, second, and third month of the following quarter. Each release reflects more complete information. Federal Open Market Committee (FOMC) projections for GDP are released quarterly. Contributions to GDP show how each component of GDP contributes to GDP growth. Tenth District GDP is the year-over-year percent change for the sum of the Gross State Products from CO, KS, MO, NE, NM, OK and WY.

Page 3: Inflation is calculated as the year-over-year change in price indices. Headline inflation includes all price components, while core inflation excludes the more volatile components of food and energy. Producer prices reflect price changes in production components, while PCEPİ and CPI-U (consumer price index for all urban consumers) estimates show changes in commodities sold to consumers.

Page 4, 5 and 6: Nonfarm employment data from the Bureau of Labor Statistics Current Employment Survey are commonly called "Payroll" employment data. Estimates from this survey are revised throughout the year and a major revision or "benchmark" of the data occurs in March of each year.

Page 7: The "official" and most commonly reported unemployment rate is calculated as the number of unemployed workers divided by the total civilian labor force. These data are reported from the Bureau of Labor Statistics Current Population Survey, commonly called the "Household" survey.

Page 8: "Payroll" and "Household" surveys are released monthly, providing the most current estimates of employment published by the Bureau of Labor Statistics. Because methodologies differ between surveys, employment estimates also differ. For more information, visit: http://www.bls.gov/web/empstat/csr_cps_trends.pdf Initial claims show monthly applications for initial claims for state unemployment insurance benefits.

Page 9 and 10: Personal income provides a measure of all income received by residents of a given geographic area. Data shown on page 9 are in real terms (adjusted for inflation) and data on page 10 are shown in nominal terms (not adjusted for inflation). Transfer payments include social benefits such as unemployment insurance, Social Security, and Medicaid. Contributions to social insurance are subtracted from personal income. These contributions include taxes paid by businesses and employees that support social insurance programs such as unemployment insurance, Social Security, and Medicaid. The residence adjustment adds income received outside of a recipient's state of residence and makes a corresponding subtraction from the area where this income was earned or received. Real average hourly wages are calculated as total earnings divided by total employment for a given geographic area. Data are adjusted for inflation using the CPI-U and are indexed to the most current month of data.

Page 11 and 12: Home price indices estimate regional growth in home values based on repeat sales data for detached single family residential properties.

Page 12: Monthly single and multifamily housing permits data are not revised and therefore may not sum to published year-end totals.

Page 13: The ISM composite index, also commonly called the Purchasing Managers Index (PMI), represents a weighted average of diffusion indices for new orders, production, supplier deliveries, inventories, and employment. Federal Reserve district surveys differ slightly in methodologies for composite indices.

Page 14: Kansas City Manufacturing Survey diffusion indices are calculated as the percentage of total respondents reporting increases in activity less those reporting declines.

Page 15: The active rig count is the number of rigs actively exploring for or developing oil or natural gas. Rig counts provide an indicator of new drilling activity and potential for expanded crude oil or natural gas production.

Page 16: A spot price is the current market delivery price of a given commodity.

Page 17: Coal production is shown as production during a given month.

Page 18 and 19: Farmland values surveyed differ across Federal Reserve districts.

Page 20: Exports measure the total physical movement of a given product from the United States to a foreign country.

Data Revisions
Most data are revised periodically to correct for errors and incorporate additional information as it becomes available. Data shown in this report are subject to change.

Seasonal Adjustments
Most data are seasonally adjusted to remove variance caused by seasonal fluctuations in economic activity. Data in this report show the seasonal adjustments of data publishers where available. In other cases, Census X-12 adjustments were applied.

Additional Resources Available
- Agricultural Surveys
- Manufacturing Surveys
- Regional Economic Analysis
- Banker Resources
- Economic Indicators

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