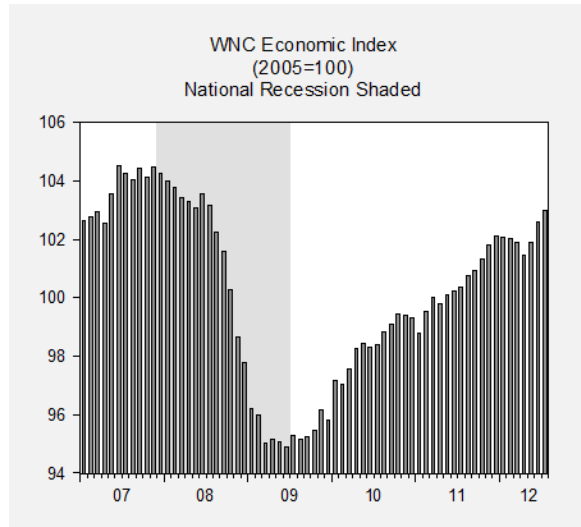


WESTERN NORTH CAROLINA ECONOMIC INDEX

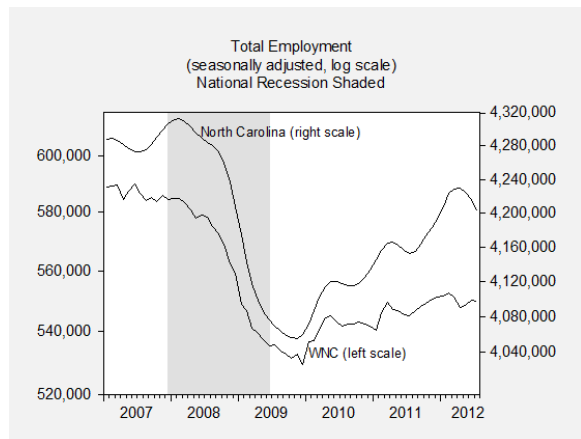
CENTER FOR ECONOMIC RESEARCH & POLICY ANALYSIS • APPALACHIAN STATE UNIVERSITY

July 2012

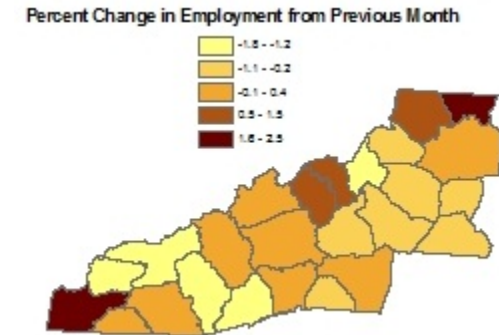
Western North Carolina economic activity, as measured by the Western North Carolina Economic Index, increased by 0.4 points in July, 2012. This was the third monthly increase in a row, halting a three-month slide in the index, which tracks the level of economic activity in 25 western North Carolina counties.



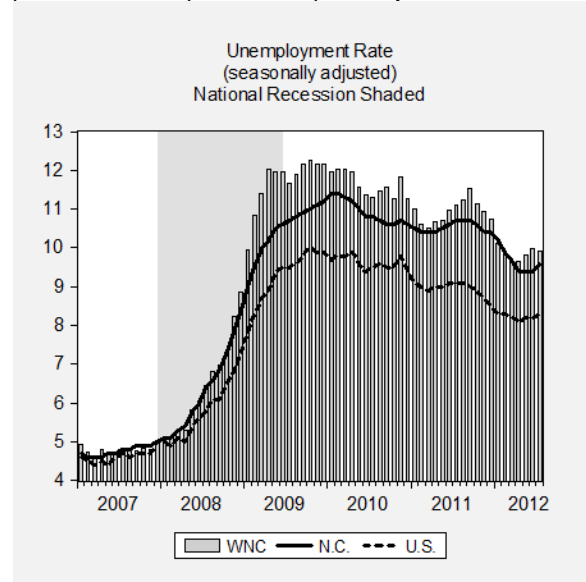
Seasonally adjusted employment for WNC decreased slightly by less than 0.1 percent in July, providing the first seasonally adjusted decrease in four months. Statewide adjusted employment decreased by 0.3 percent.



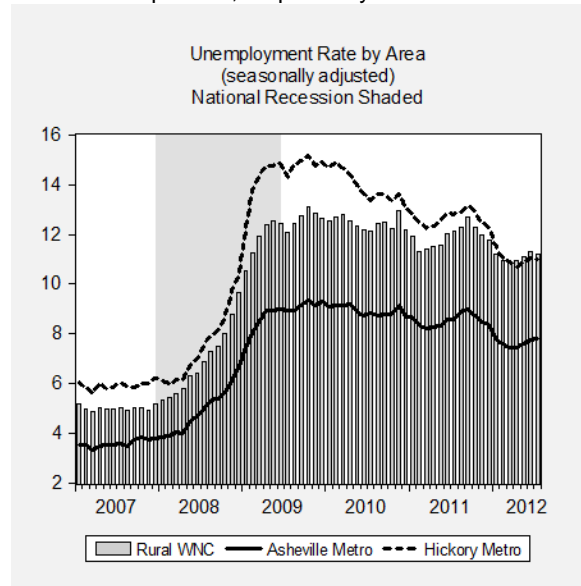
Mapping the growth in employment over the preceding month provides a county-level account of job creation. The volatility in seasonally adjusted county-level employment across the region during the month was striking, falling in 17 of the 25 counties. Alleghany, Cherokee, and Yancey counties had the largest employment gains (with 2.5, 1.8, and 1.5 percent increases, respectively), while Transylvania, Avery, and Swain had the largest losses (with 1.8, 1.4, and 1.3 percent decreases, respectively).



Seasonally adjusted WNC unemployment registered 9.9 percent in July – down 0.1 points from June, and down 1.2 points from one year ago. The state and national unemployment rates both increased, to 9.6 percent and 8.3 percent, respectively.



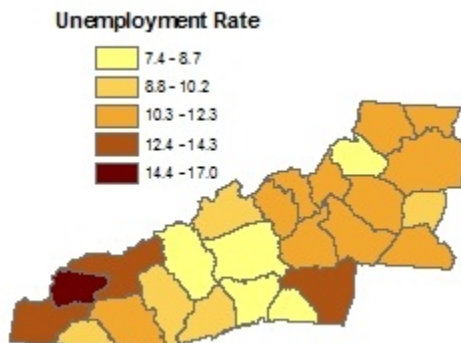
The seasonally adjusted unemployment rate within the region's rural counties decreased by 0.1 points to 11.2 percent in July. In the region's metro areas, unemployment remained unchanged in Asheville, and down by 0.1 points in Hickory-Morganton-Lenoir to 7.8 and 11.0 percent, respectively



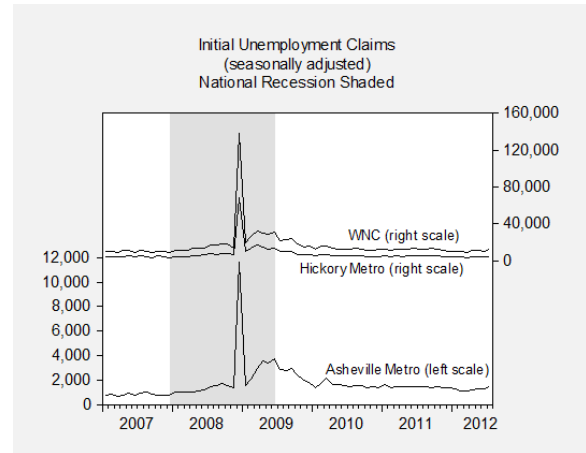
County-level seasonally adjusted unemployment rates were highest in Graham, Rutherford, and Swain counties (with rates at 17.0, 14.3, and 13.7 percent, respectively). Rates were lowest in Henderson, Buncombe, and Polk counties (at 7.4, 7.5, and 8.0 percent, respectively).

Seasonally adjusted unemployment rates decreased in 15 of the 25 WNC counties. Ashe, Swain, and Alexander recorded the largest decreases in unemployment rates (with a 0.6, 0.4, and 0.3 point decrease, respectively). Jackson, Madison, and Henderson had the largest increases (with a 0.5, 0.3, and 0.2 point gain, respectively).

Looking over the last 12-month period, all but two WNC counties experienced decreases in unemployment. Unemployment rates in Burke, McDowell, and Caldwell decreased the most over this period (by 2.4, 2.2, and 1.9 points, respectively) while only rates in Mitchell increased (by 0.2 points).



Seasonally adjusted initial claims for unemployment insurance in the region, a leading indicator of unemployment, increased by 23.5 percent in July. Initial claims increased 13.9 percent in Asheville and 22.6 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 Advantage West. The report is compiled and written by John W. Dawson and O. Ashton Morgan.

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: WNC County Unemployment Rankings

County	Jul 2012		Jun 2012		May 2012		Apr 2012		Jul 2011		% Pt Change			
	Rate	Rank	Rate	Rank	Rate	Rank	Rate	Rank	Rate	Rank	Last Month	Last Year		
Alexander	10.0	10	10.3		10.7		10.3		10.8		-0.3	3	-0.8	12
Alleghany	11.3	17	11.6		11.4		11.3		12.8		-0.3	4	-1.5	7
Ashe	11.5	20	12.1		11.9		12.3		13.0		-0.6	1	-1.5	6
Avery	11.6	18	11.7		11.6		11.2		11.6		-0.1	11	0.0	24
Buncombe	7.5	2	7.7		7.6		7.6		8.3		-0.2	7	-0.8	13
Burke	10.7	11	10.7		10.5		10.4		13.1		0.0	15	-2.4	1
Caldwell	11.5	19	11.7		11.6		11.3		13.4		-0.2	8	-1.9	3
Catawba	11.2	13	11.1		10.8		10.6		12.8		0.1	19	-1.6	5
Cherokee	13.2	22	13.4		13.3		12.9		14.3		-0.2	5	-1.1	10
Clay	10.2	8	10.1		9.9		9.5		10.9		0.1	20	-0.7	16
Graham	17.0	25	17.0		17.0		17.4		17.8		0.0	16	-0.8	14
Haywood	8.7	5	8.7		8.4		8.3		10.1		0.0	17	-1.4	8
Henderson	7.4	1	7.2		7.1		7.0		8.0		0.2	23	-0.6	20
Jackson	10.1	10	9.6		9.6		9.2		10.3		0.5	25	-0.2	22
Macon	11.0	12	10.9		10.7		10.5		11.6		0.1	21	-0.6	19
Madison	9.6	6	9.3		9.4		9.3		9.7		0.3	24	-0.1	23
McDowell	11.4	15	11.6		11.3		11.3		13.6		-0.2	9	-2.2	2
Mitchell	12.3	21	12.4		11.9		11.7		12.1		-0.1	12	0.2	25
Polk	8.0	3	8.0		7.9		7.6		8.6		0.0	18	-0.6	18
Rutherford	14.3	24	14.4		14.1		13.8		15.3		-0.1	13	-1.0	11
Swain	13.7	23	14.1		13.8		13.8		14.9		-0.4	2	-1.2	9
Transylvania	10.1	9	10.2		10.0		9.7		10.7		-0.1	14	-0.6	17
Watauga	8.6	4	8.4		8.3		8.3		9.1		0.2	22	-0.5	21
Wilkes	10.7	14	10.9		11.0		10.8		12.3		-0.2	6	-1.6	4
Yancey	11.4	16	11.6		11.3		12.6		12.2		-0.2	10	-0.8	15
Asheville	7.8		7.8		7.6		7.5		8.6		0.0		-0.8	
Hickory	11.0		11.1		10.9		10.7		12.8		-0.1		-1.8	
WNC	9.9		10.0		9.8		9.6		11.1		-0.1		-1.2	
NC	9.6		9.4		9.4		9.4		10.7		0.2		-1.1	
US	8.3		8.2		8.2		8.1		9.1		0.1		-0.8	

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

Table 2: WNC Economic Index Historic Data

Year	Month	WNC Index	Percentage Change	Unemployment Rate	Total Employment
2012	7	103.0	0.4	9.9	549,864
2012	6	102.6	0.7	10.0	550,268
2012	5	101.9	0.4	9.8	548,675
2012	4	101.5	-0.4	9.6	547,998
2012	3	101.9	-0.1	9.7	551,262
2012	2	102.0	0.0	9.8	552,467
2012	1	102.1	0.0	10.1	551,671
2011	12	102.1	0.3	10.7	551,123
2011	11	101.8	0.5	11.0	550,618
2011	10	101.3	0.4	11.1	549,031
2011	9	101.0	0.2	11.5	548,108
2011	8	100.8	0.4	11.2	546,763
2011	7	100.4	0.1	11.1	544,982
2011	6	100.2	0.1	11.0	545,469
2011	5	100.1	0.3	10.7	546,872
2011	4	99.8	-0.2	10.7	547,138
2011	3	100.0	0.5	10.5	549,498
2011	2	99.5	0.7	10.6	546,055
2011	1	98.8	-0.5	11.0	540,570
2010	12	99.3	-0.1	11.3	541,916
2010	11	99.4	0.0	11.8	542,566
2010	10	99.4	0.3	11.3	543,215
2010	9	99.1	0.3	11.6	542,415
2010	8	98.9	0.4	11.5	542,541
2010	7	98.4	0.1	11.3	541,887
2010	6	98.3	-0.1	11.4	543,233
2010	5	98.4	0.2	11.6	545,090
2010	4	98.2	0.7	12.0	544,551
2010	3	97.6	0.5	12.0	540,502
2010	2	97.1	-0.1	12.0	536,934
2010	1	97.2	1.4	12.0	536,836
2009	12	95.8	-0.4	12.2	529,225
2009	11	96.2	0.7	12.2	532,801
2009	10	95.5	0.2	12.3	531,204
2009	9	95.2	0.1	12.2	532,565
2009	8	95.2	-0.1	11.9	533,621
2009	7	95.3	0.4	11.7	535,797
2009	6	94.9	-0.2	12.0	535,411
2009	5	95.1	-0.1	11.9	537,432
2009	4	95.2	0.1	12.0	539,464
2009	3	95.0	-1.0	11.4	541,081

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