

Freight in the Southeast Conference

Institute for Trade and Transportation Studies
Biloxi, MS

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Gulf Region Economic View
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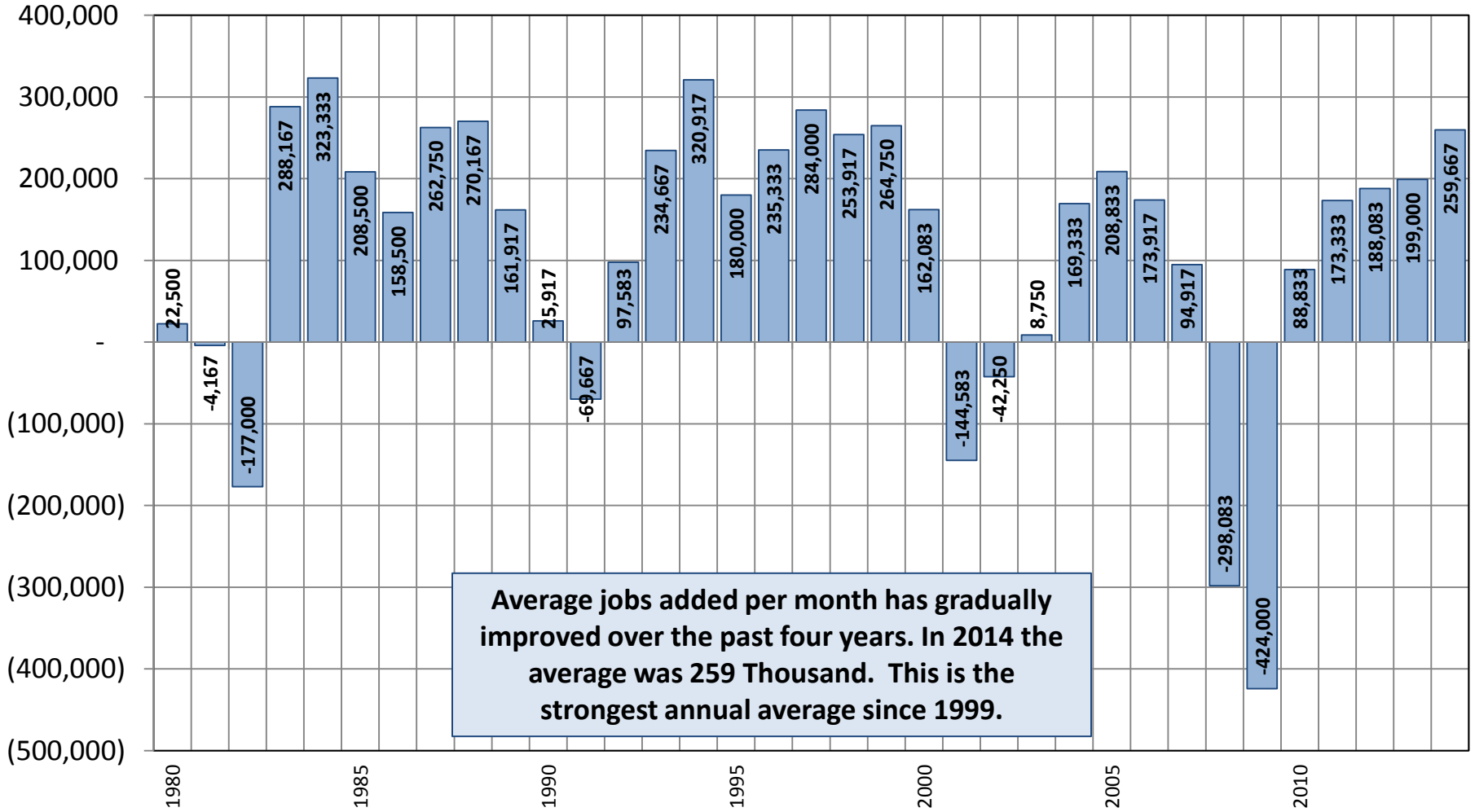
General Comments

- I am appreciative of the opportunity to speak to you today. I am not an expert in any particular discipline and more specifically about the “gulf coast economy,” but I have had the opportunity to study and analyze many aspects of development and economies.
- I believe “markets” always function even if specific actions are not taken by entities or institutions.
- Many needed, meaningful efforts are in progress at national, state, and local efforts. In my opinion, these efforts are necessary but mostly insufficient to substantially change an economy for the better. Something bold and innovative must occur for substantial change.
- When considering economic forecasts or predictions, remember that despite armies of experts and analysts who would like you to think otherwise, no person or organization can accurately predict what the future holds. But forecast information is better than no information.
- Lastly keep in perspective what is in store for each of us: “over a long enough timeline, the survival rate for everyone drops to zero.”

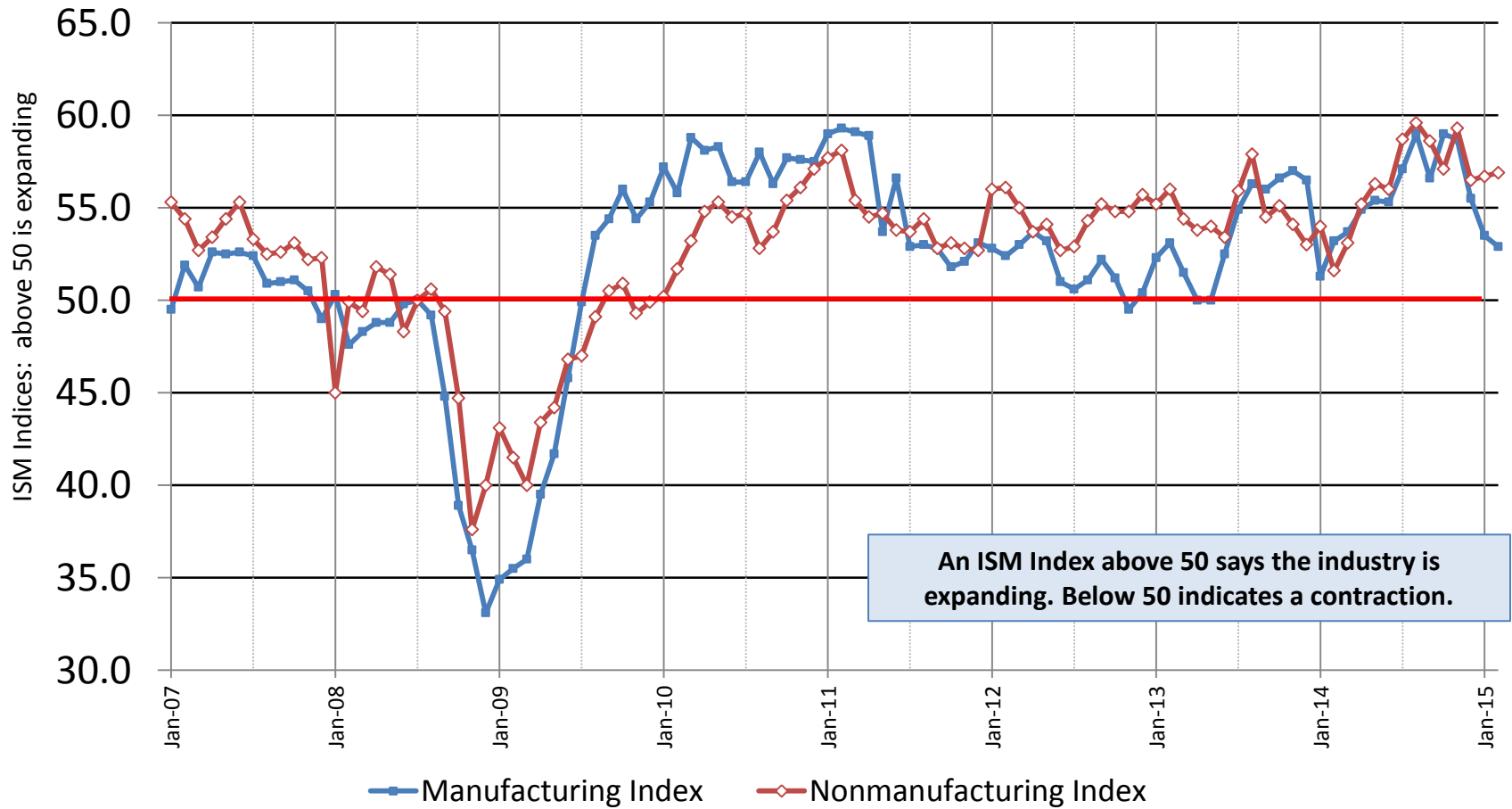
Quick Perspective on US Economy

- Positives
 - Stronger Employment Growth
 - Lower Gas Prices Supporting Stronger Consumer Spending
 - Income Growth Beginning To Improve
 - Consumers & Business Becoming More Upbeat
 - Investment Growth Remains Strong For Most Part
 - Though Investment in Oil & Gas Equipment/Structures is Moderating
- Negatives
 - Sluggish Global Economy
 - Exports are moderating
 - The housing sector still lacks momentum.
- Bottom line: Expecting Improved Growth in 2015 over 2014

Average US Jobs Added By Month By Year

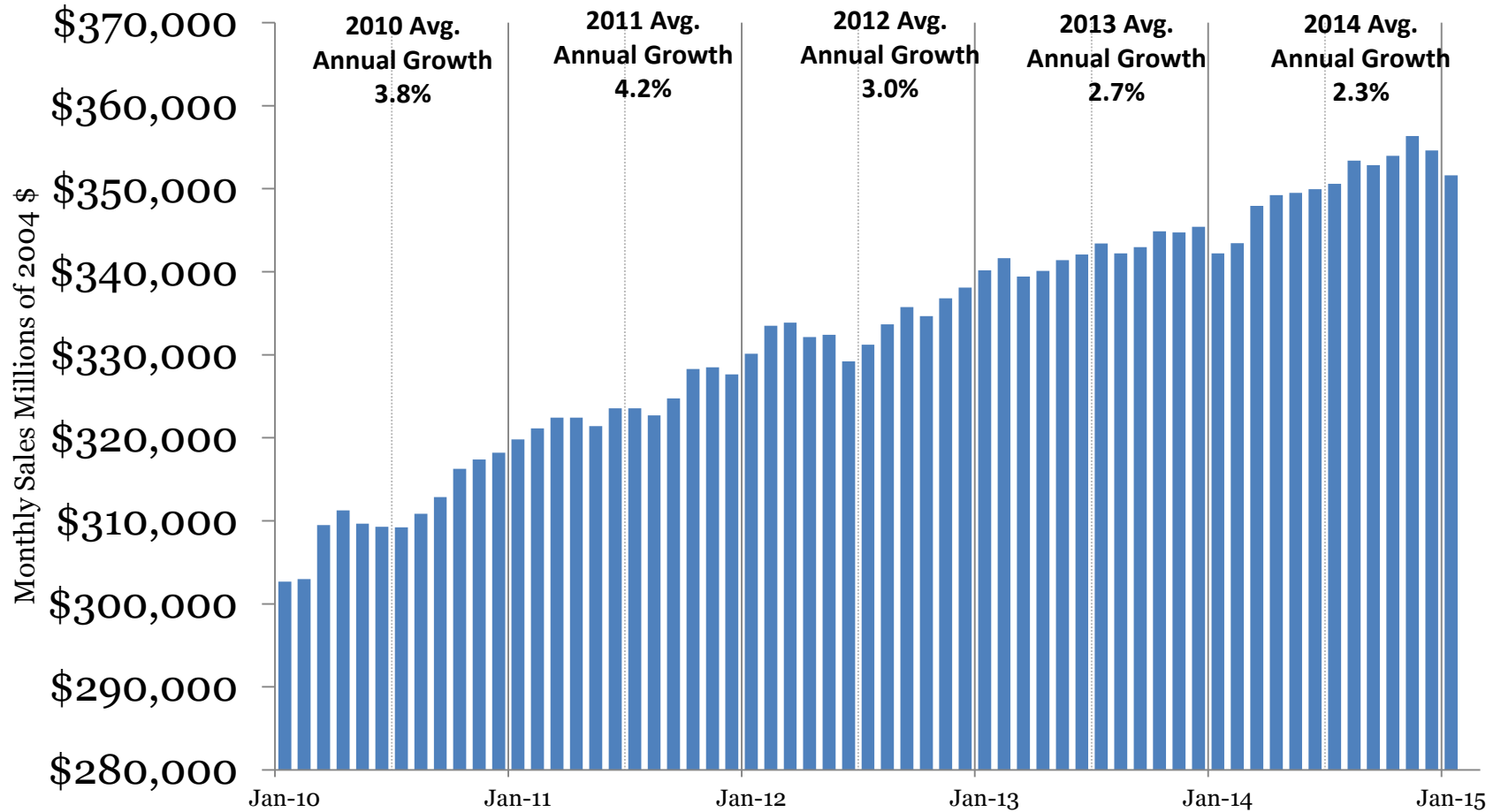


Institute For Supply Management Indices



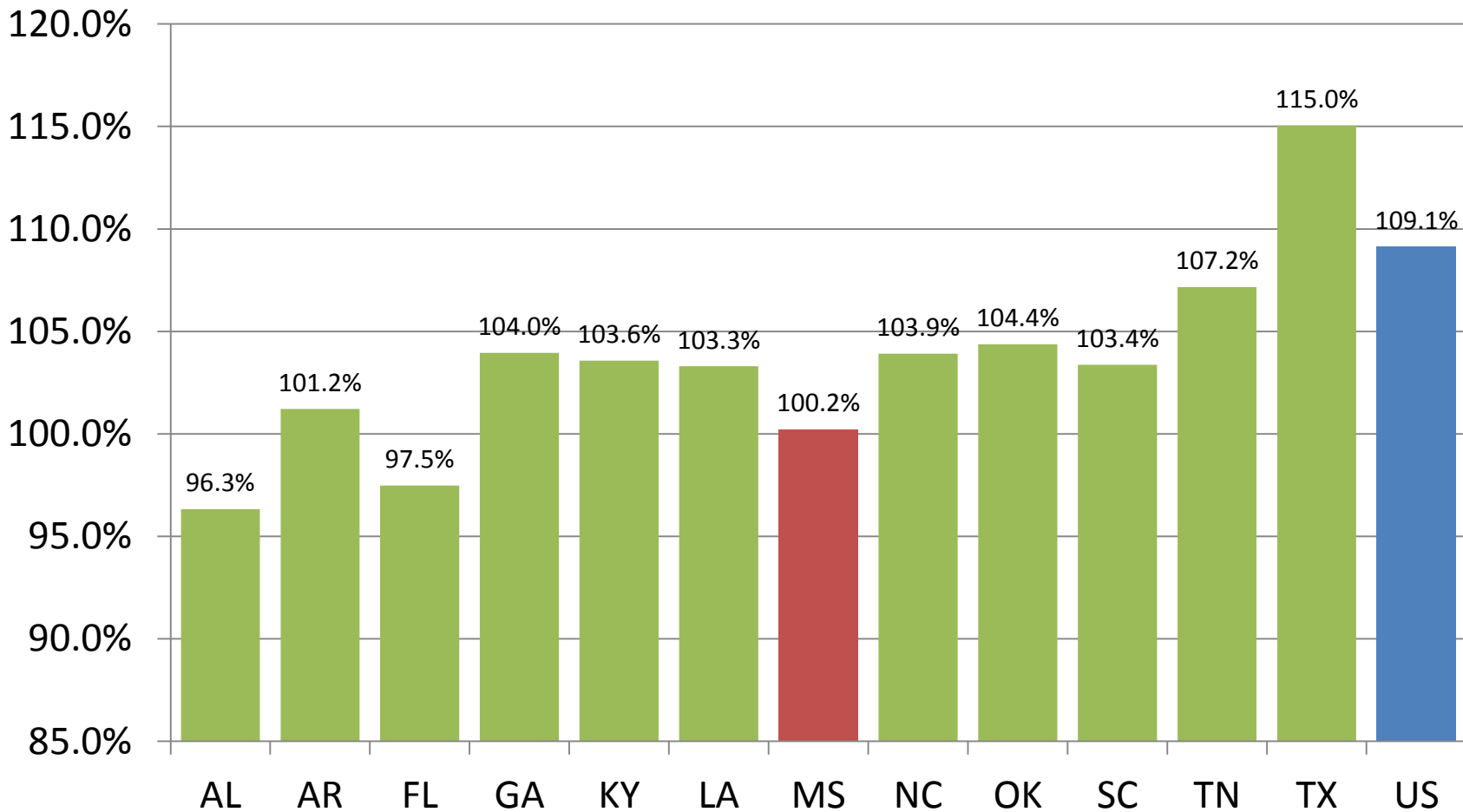
Real US Retail Sales

Adjusted for Inflation



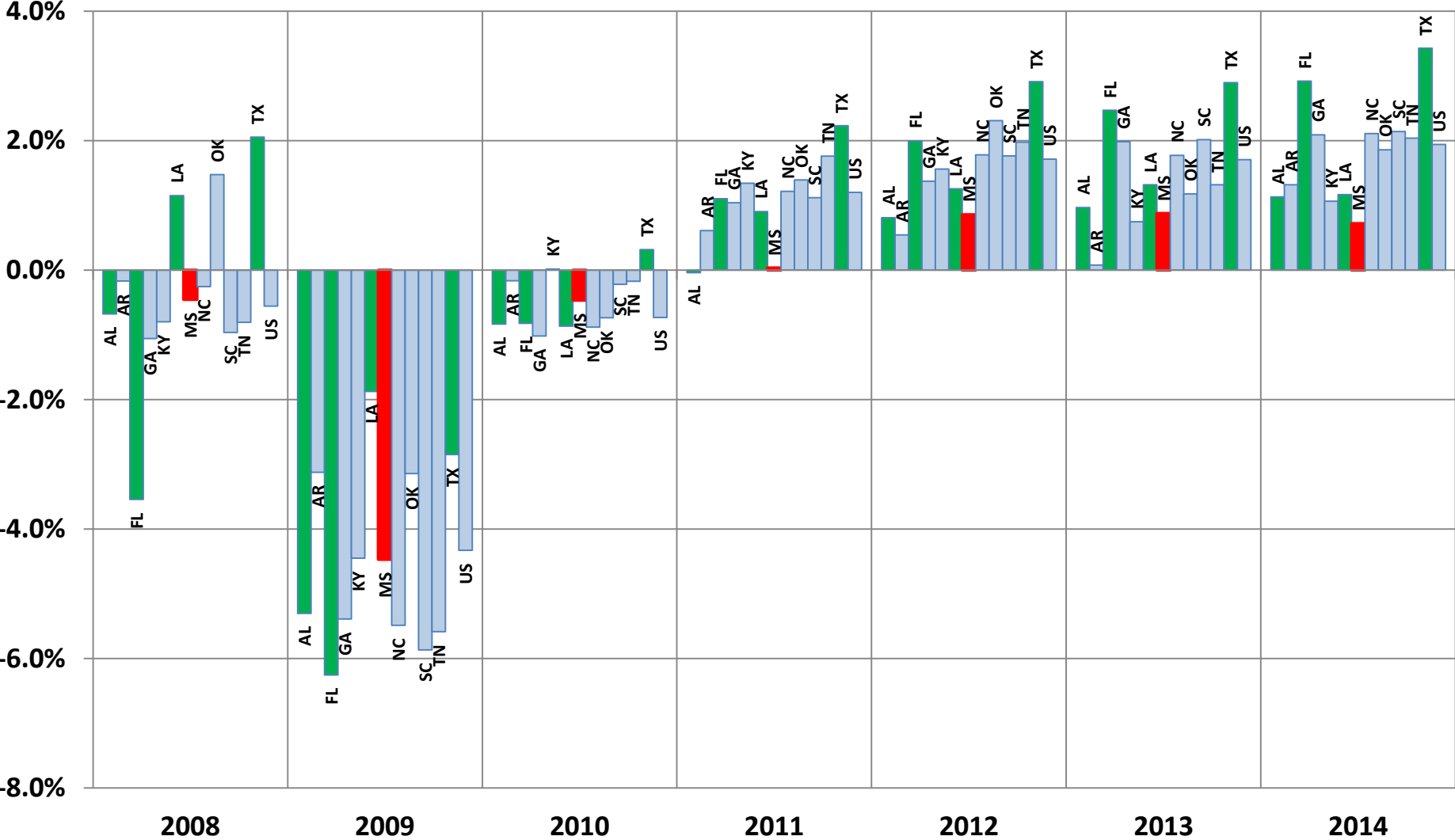
Regional Comparison

December Coincident Index as Percentage of Pre-recession Peak



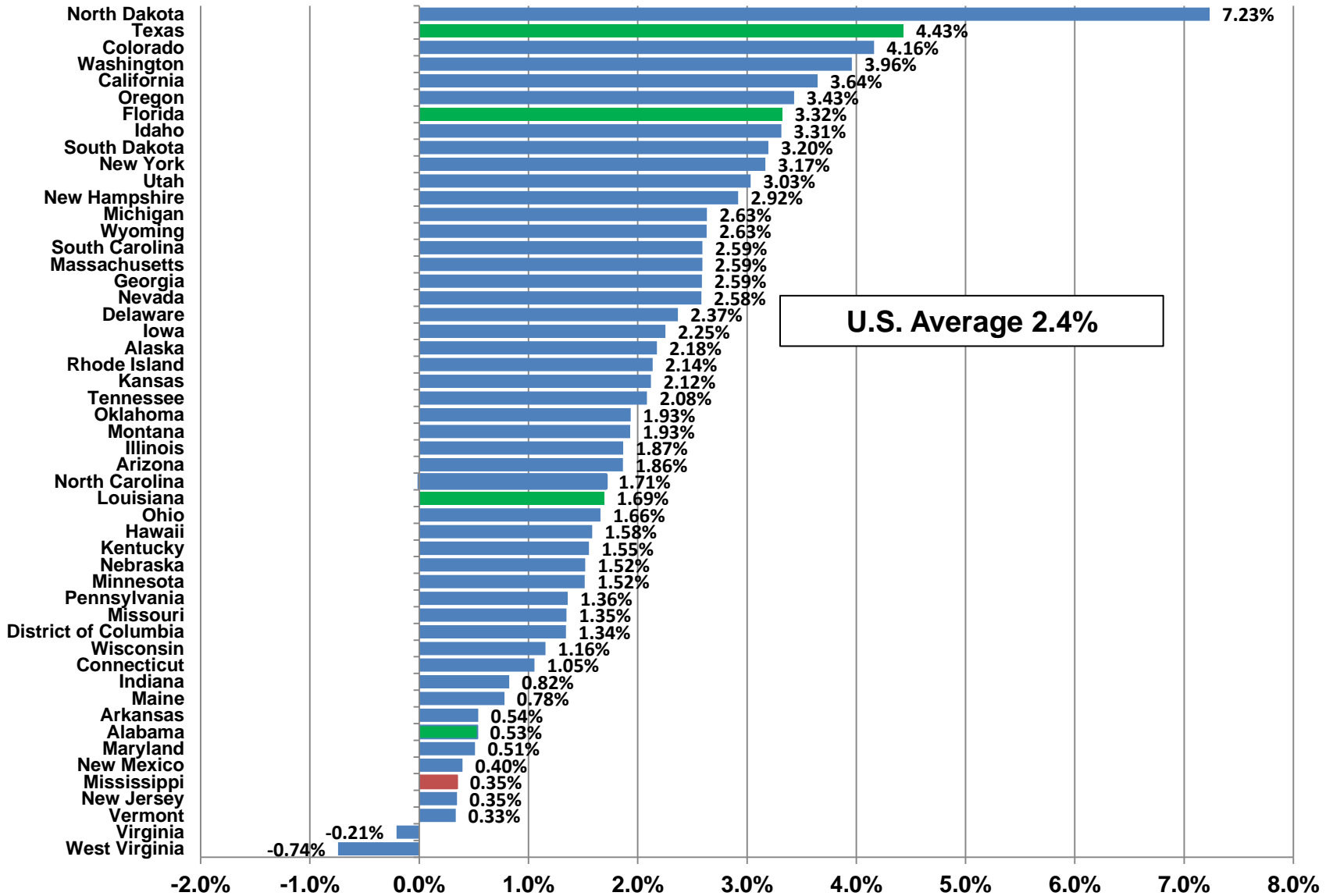
The Coincident Index reflects economic conditions existing in a given month. The index is constructed by the Federal Reserve Bank of Philadelphia relative to 2004. The Index is based on changes in nonfarm employment, the unemployment rate, average manufacturing workweek length and wage and salary disbursements.

Comparison of Average Annual Employment Growth



Growth in Wage And Salary Disbursements, By State, 2013-2014*

* The first three quarters of each year are compared.

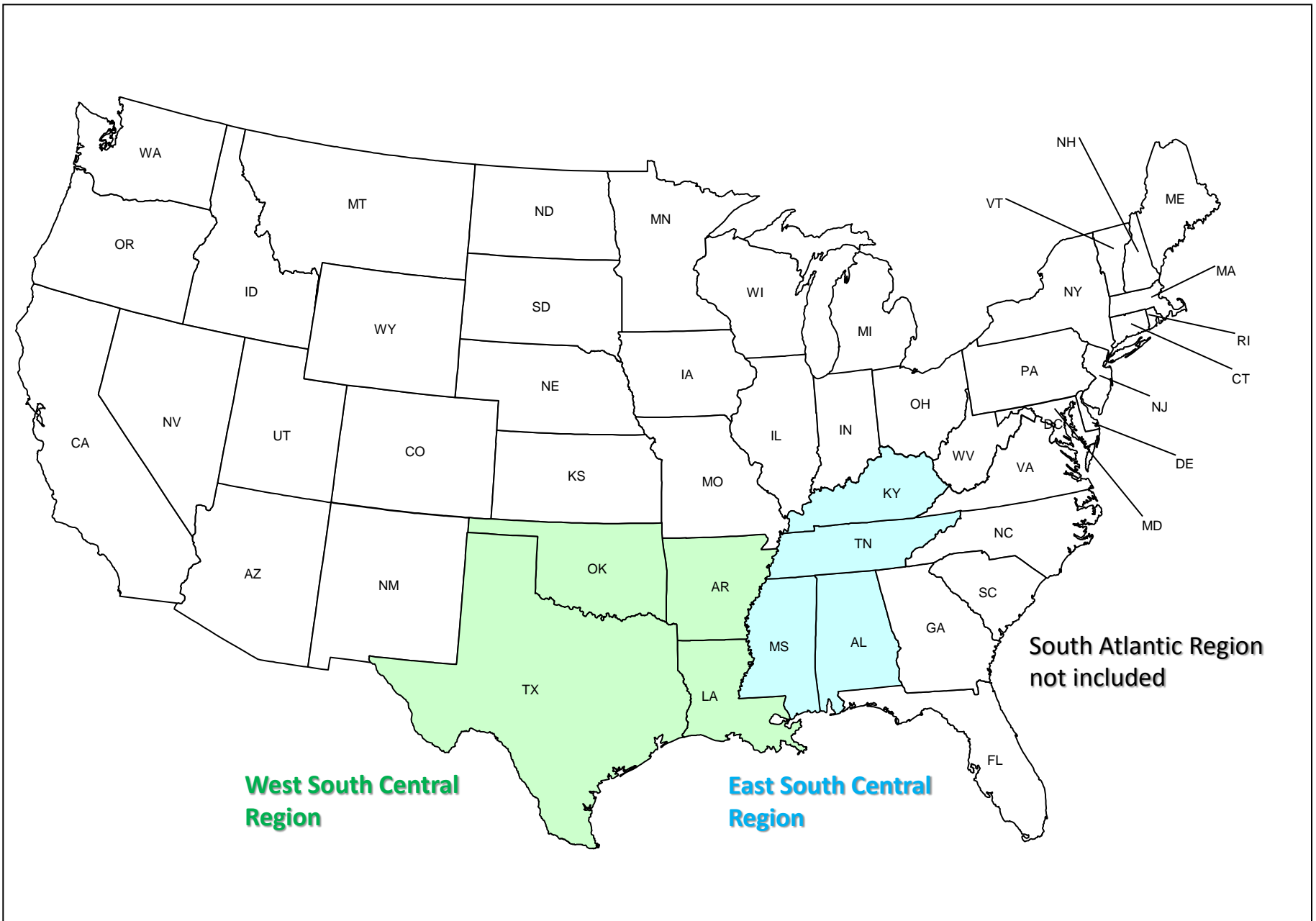


U.S. Average 2.4%

Hotel Occupancy Rates

Region	2013	2014	% change
Mississippi	56.7%	57.4%	1.2%
Alabama	54.8%	56.7%	3.4%
Arkansas	50.0%	52.1%	4.3%
Louisiana	60.5%	63.4%	4.7%
Tennessee	57.9%	61.1%	5.5%
United States	62.2%	64.4%	3.6%

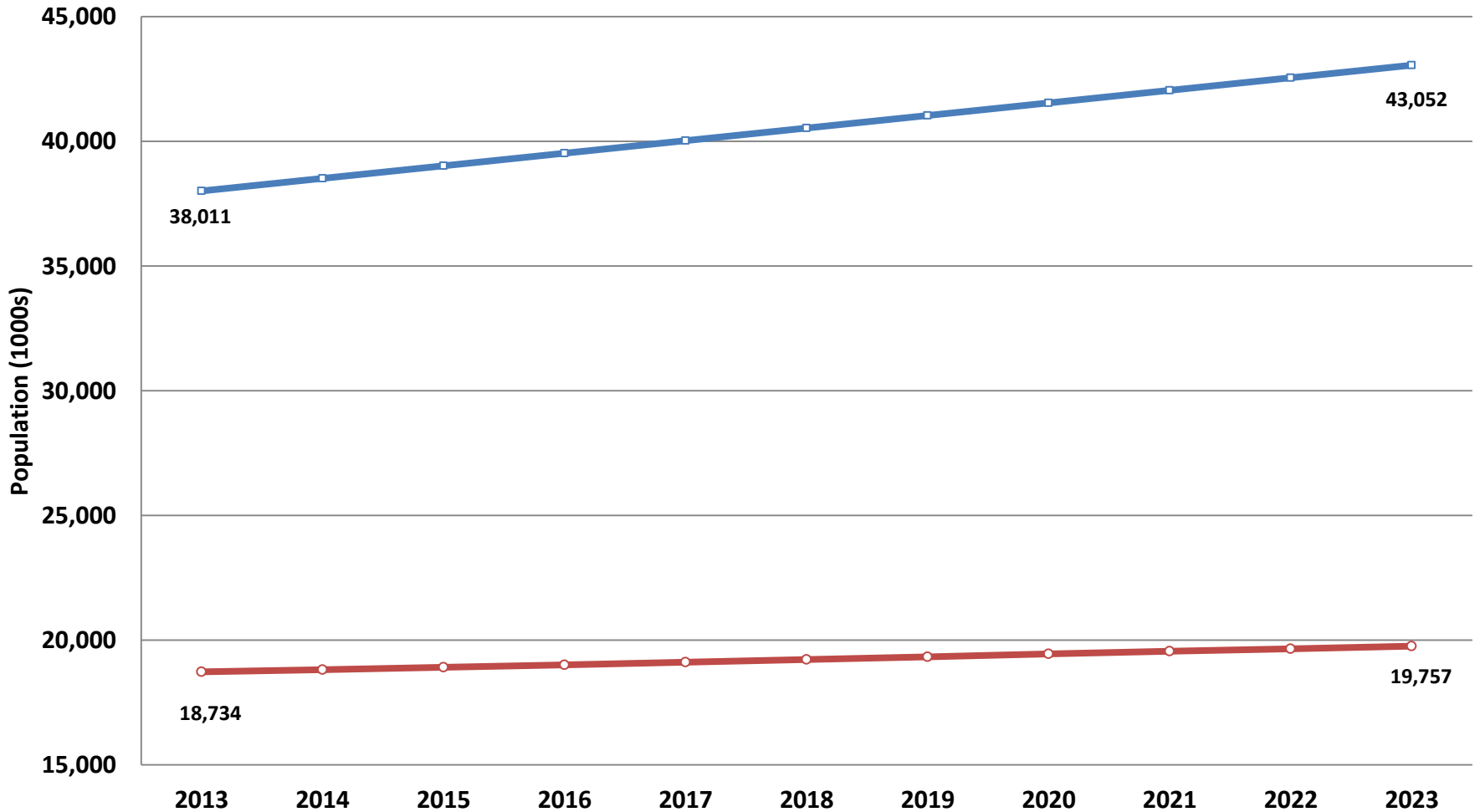
Source: STR (Smith Travel Research, Inc.) 2014



Population Forecast

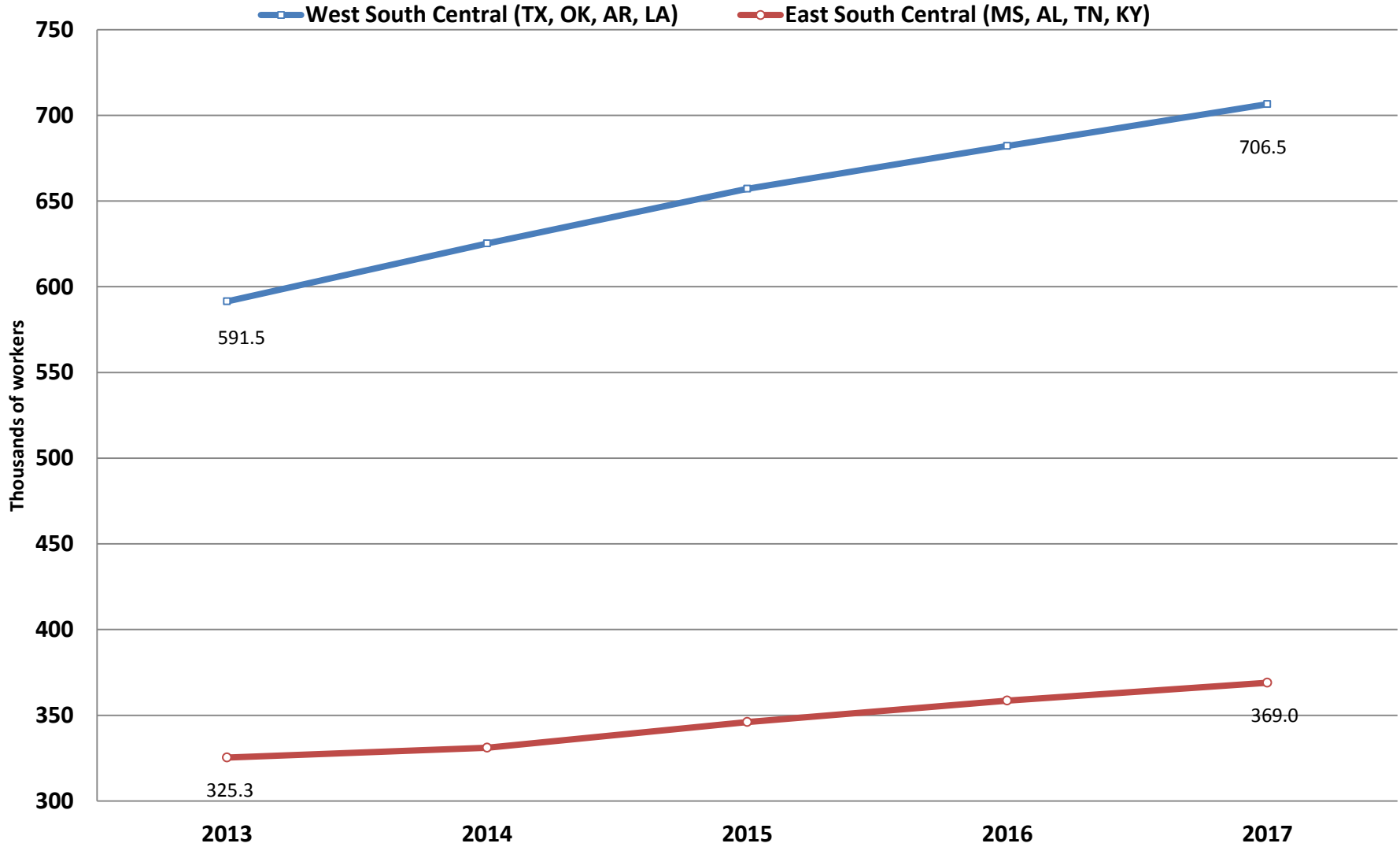
Source: IHS Global Insight March 2015 Forecast

West South Central (TX, OK, AR, LA) East South Central (MS, AL, TN, KY)



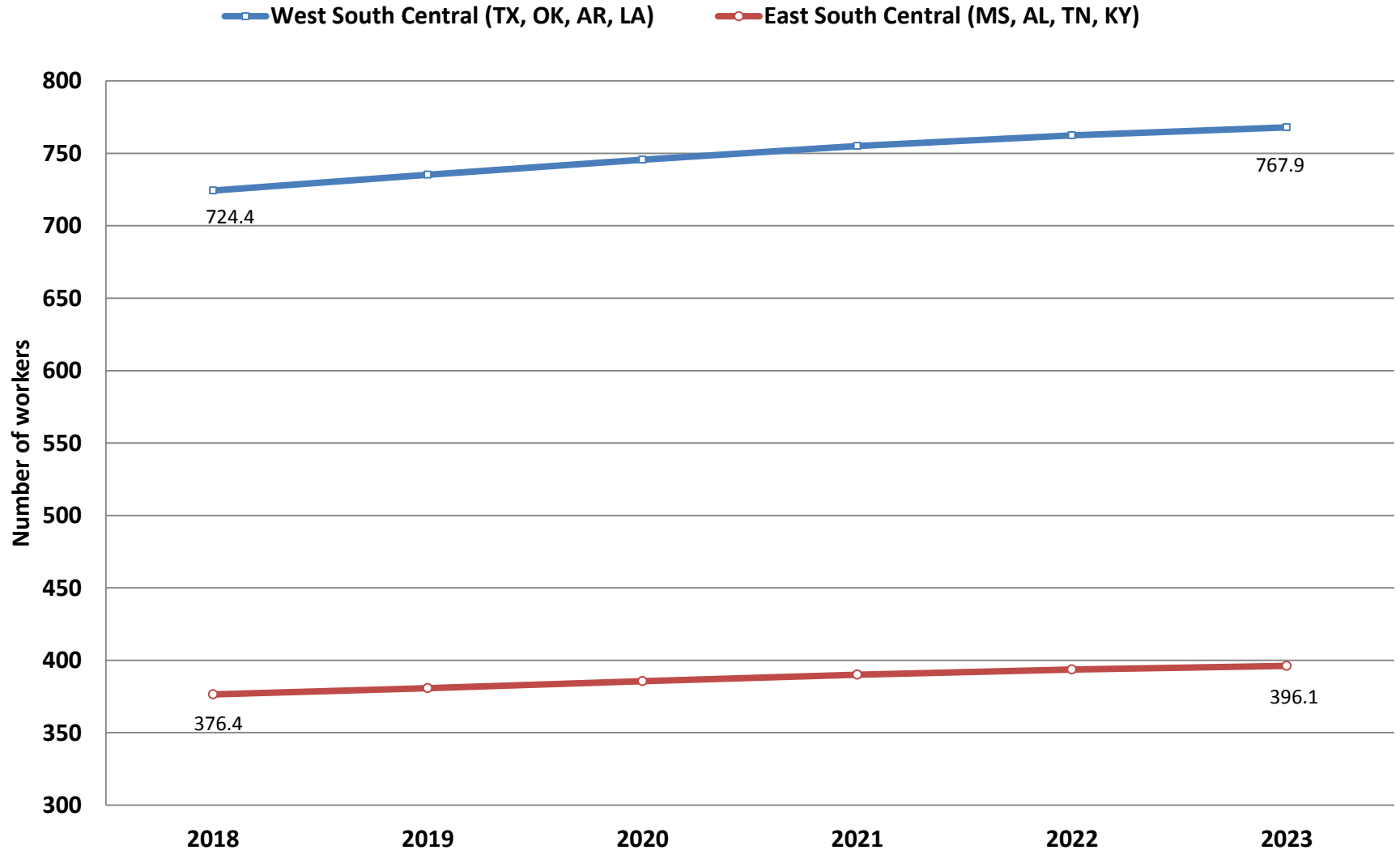
Short-Term Employment Outlook Transportation & Warehousing

Source: IHS Global Insight March 2015 Forecast



Longer-Term Employment Forecast Transportation & Warehousing

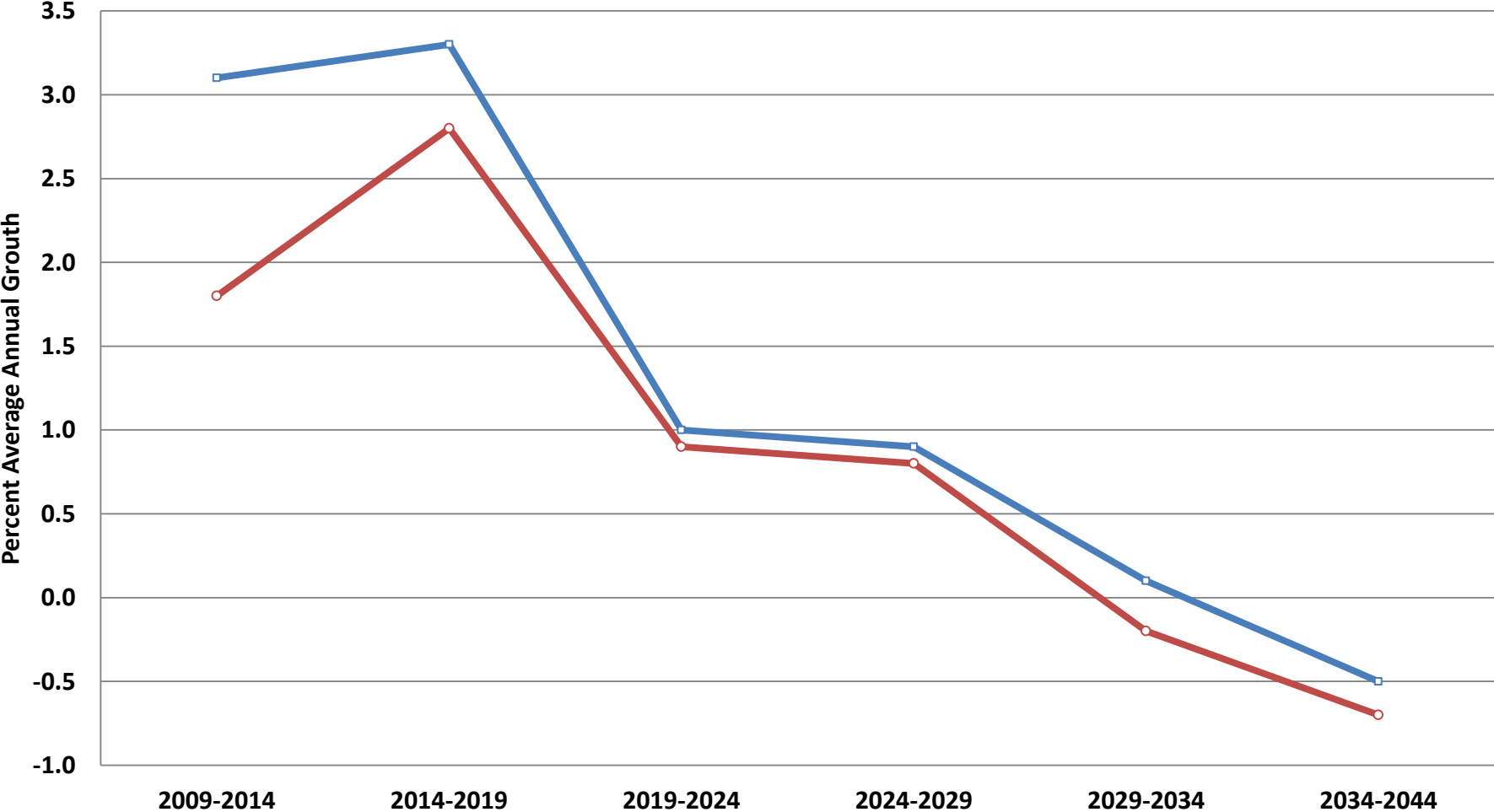
Source: IHS Global Insight March 2015 Forecast



Long-Term Average Annual Employment Growth Forecast Transportation & Warehousing

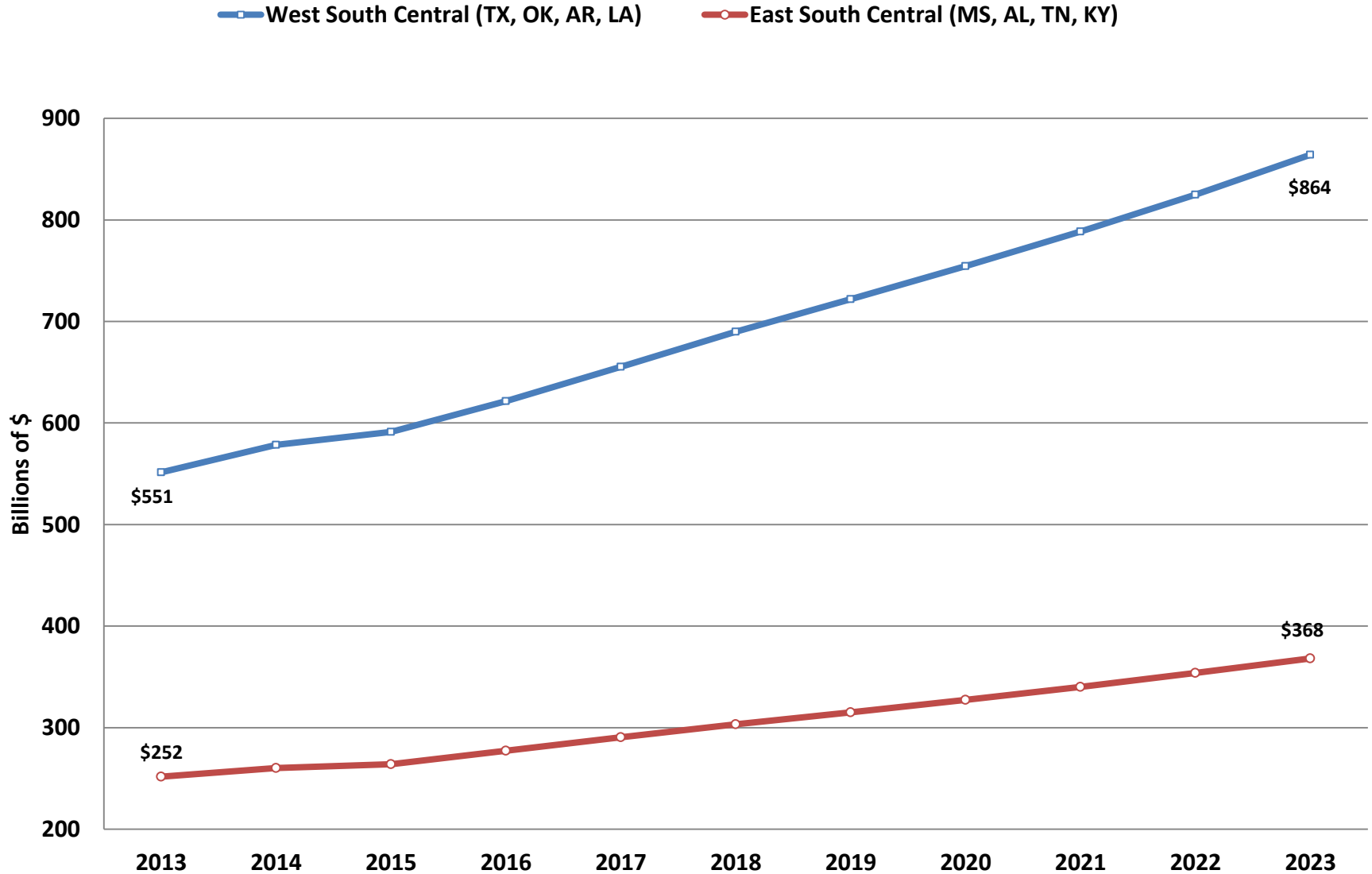
Source: IHS Global Insight March 2015 Forecast

West South Central (TX, OK, AR, LA) East South Central (MS, AL, TN, KY)



Retail Sales

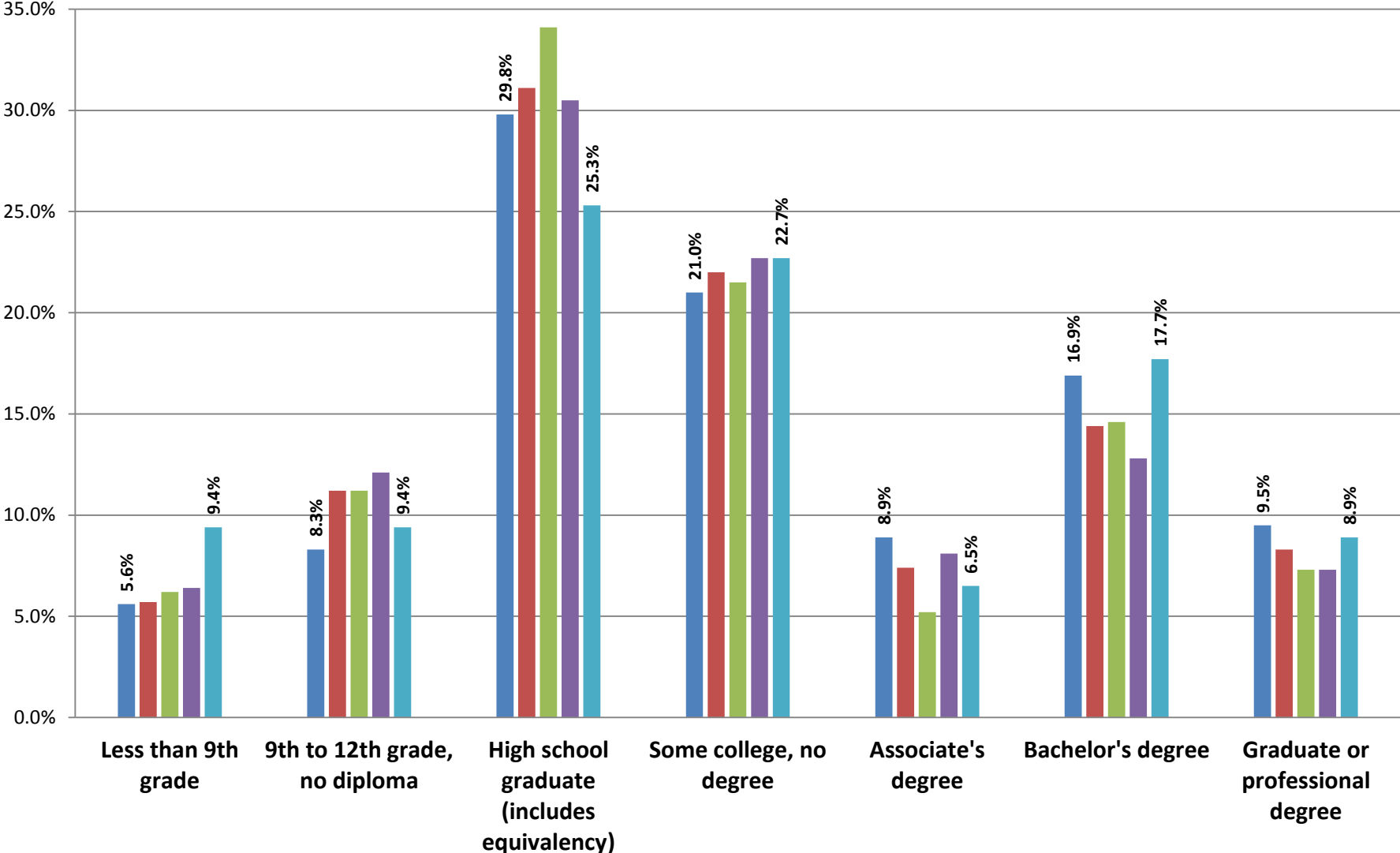
Source: IHS Global Insight March 2015 Forecast



Educational Attainment of Population 25 years and older

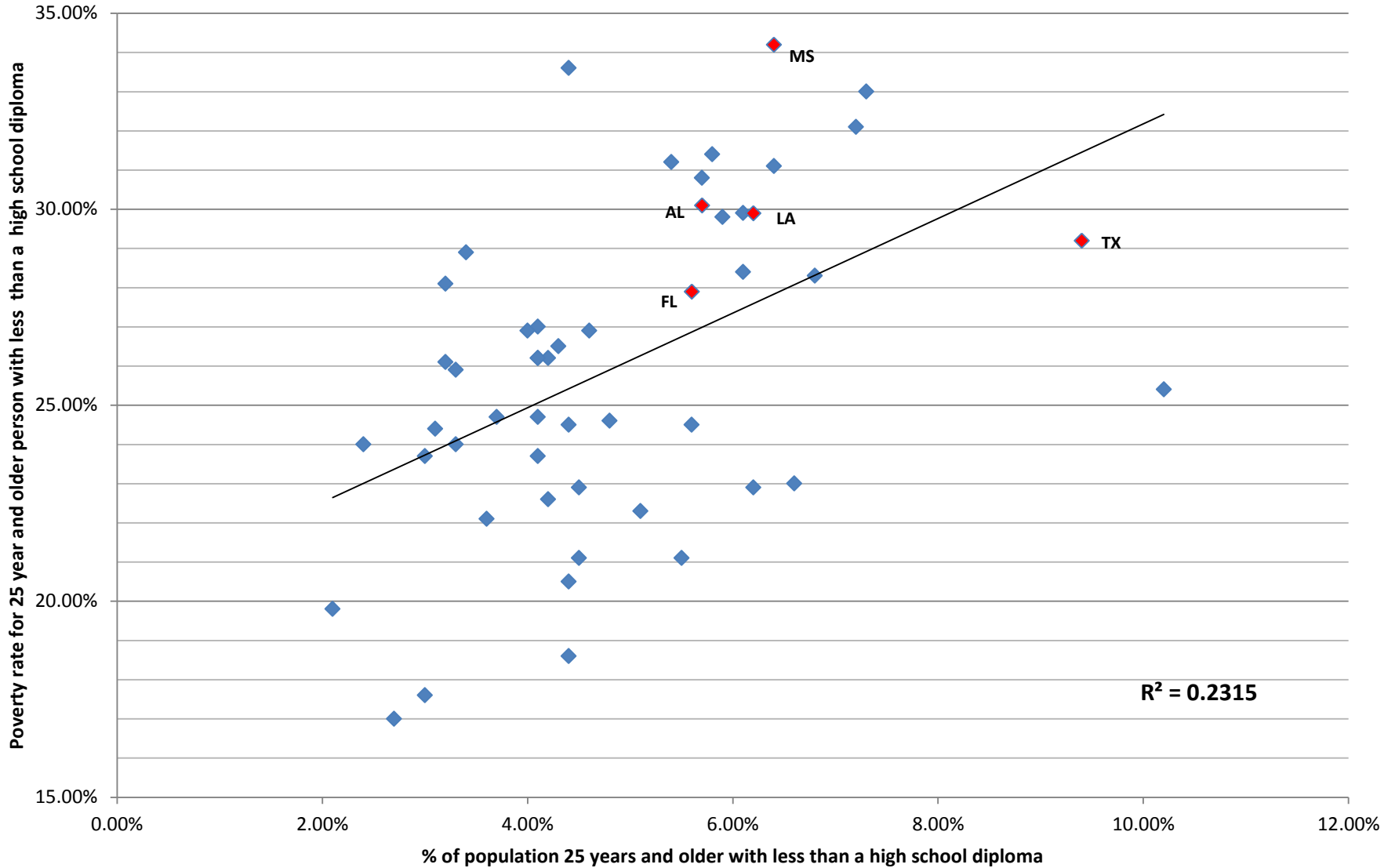
Source: US Census 2009-2013 American Community Survey

Florida Alabama Louisiana Mississippi Texas



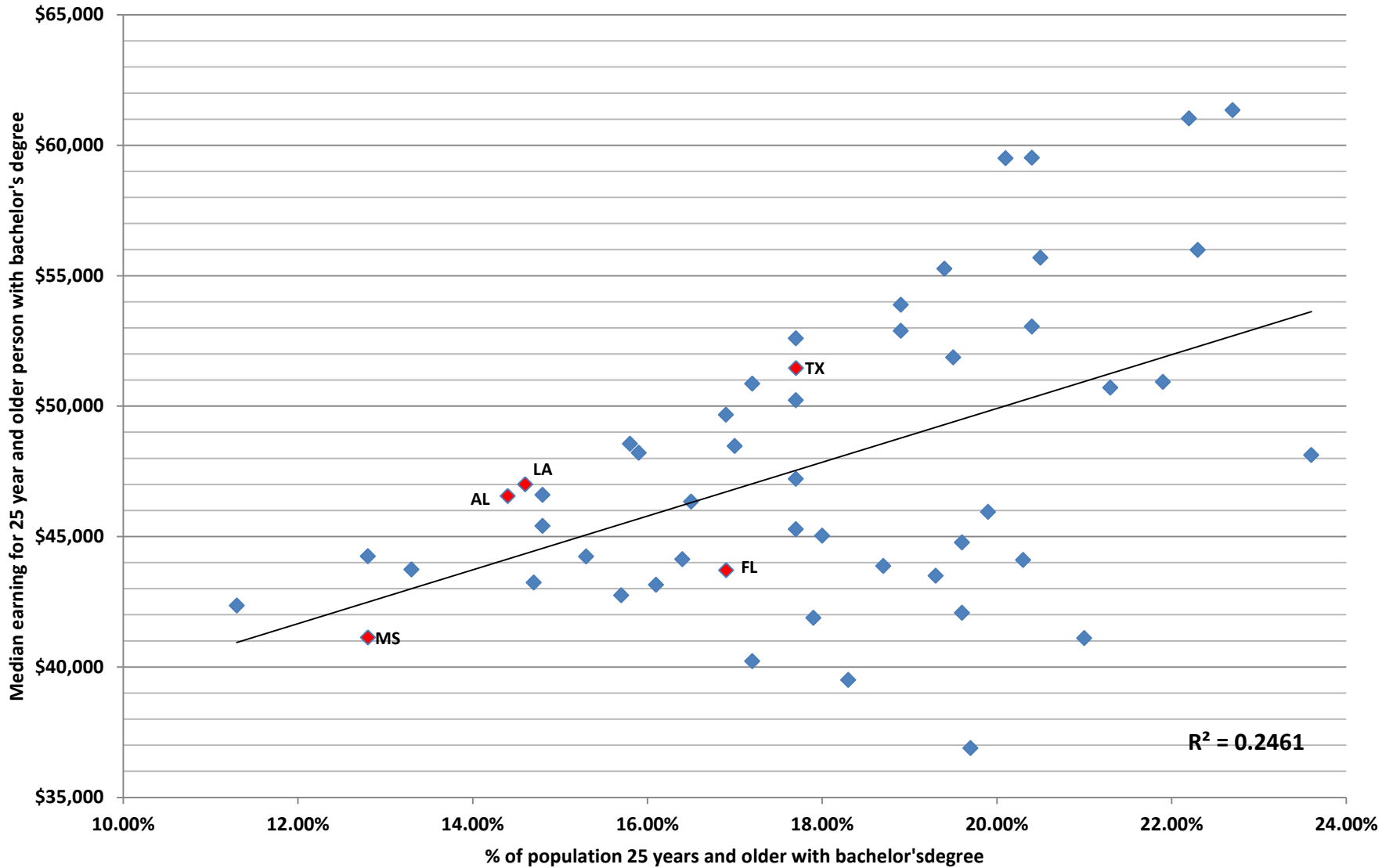
For 50 States, relationship of % of people with less than a high school diploma to poverty rate for people with less than a high school diploma

Source: US Census 2009-2013 American Community Survey



For 50 States, relationship of % of people with bachelor's degree to median earnings with bachelor's degree

Source: US Census 2009-2013 American Community Survey



Percentage of All Births to Single Mothers, Gulf States

