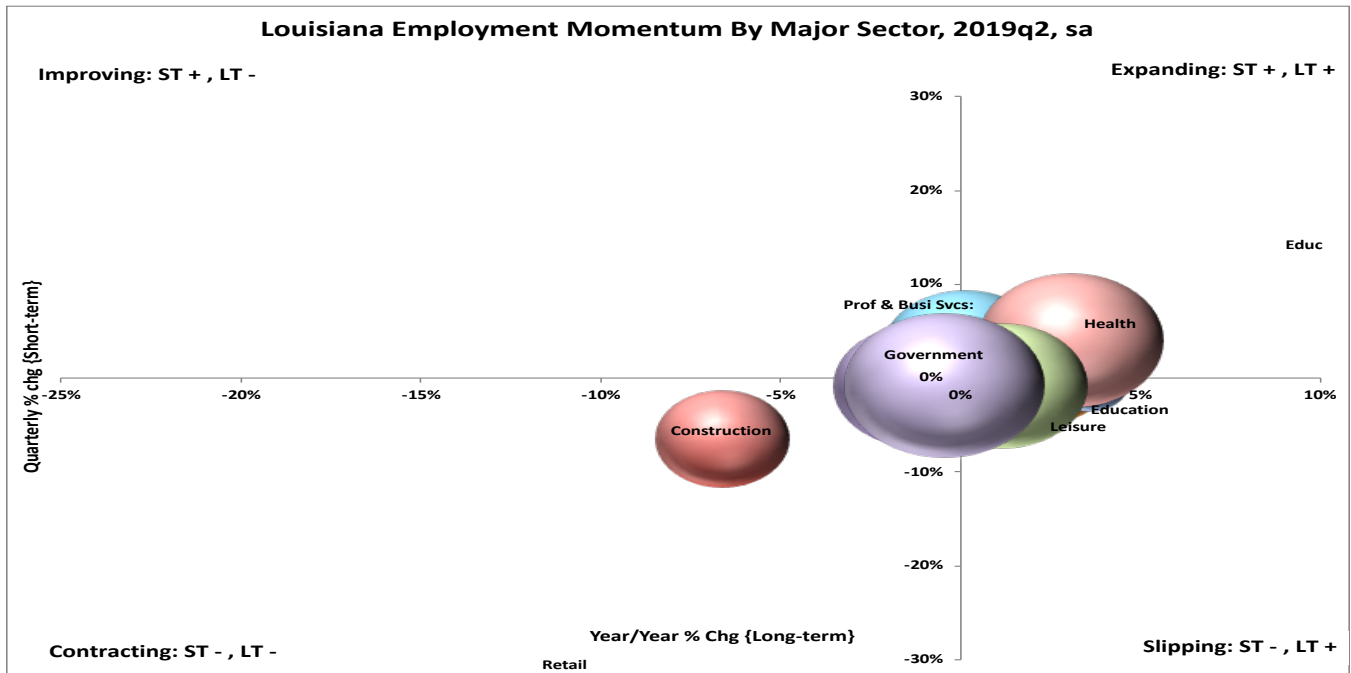


Employment Growth Momentum 2019, March – June Second Quarter



The graph above is called a momentum graph, an interesting way to depict the short-term (3-month annualized growth rate) relative to the long-term (year-over-year growth rate) of ten major employment sectors (bubbles); here, for the second quarter of 2019. Each sector’s location in the graph is centered on coordinates of its short-term and long-term growth rates. For example, and most obvious above, the construction sector has exhibited a 6.6% decline over the latest annual period and a 6.5% decline in the latest quarter, placing it distinctly in the contracting quadrant with a long-term decline and short-term negative momentum. Unfortunately, only the health sector is exhibiting reasonable offsetting positive annual growth and positive quarterly momentum. All other sectors are clustering closely around the graph’s origin with only small positive and negative growth values.

Employment sectors that lie in the expanding quadrant (upper right), exhibit the conditions of both positive long-term and short-term growth, and include the health sector, as well as manufacturing and professional services. As of the current data for this latest quarter, none of the major employment sectors lie in the improving quadrant (upper left), while three sectors: transportation/utilities, education, and leisure/hospitality lie in the slipping sector (lower right), with still positive annual growth but negative latest-quarter growth. Unfortunately, four sectors lie in the contracting quadrant (lower left) with both negative annual growth and latest-quarter growth, including construction, mining, retail, and government.

Another feature of the graph is that the sizes of the bubbles reflect each sector’s share of total employment. Thus, sectors in the expanding quadrant comprise 36.3% of total employment, while sectors in the contracting and slipping quadrants combined comprise 63.7% of total employment. This is a worrisome position for the outlook, with the economy overall, on net, exhibiting negative momentum. The calculation results underlying the graph above are displayed in the table below.

Louisiana Employment Momentum By Major Sector, 2019q2, sa				
Quadrant	Sector	Year/Year % Chg {Long-term}	Quarterly % chg {Short-term}	Relative Sector Size
EXPANDING	Manufacturing	1.5%	0.9%	7.9%
CONTRACTING	Construction	-6.6%	-6.5%	8.3%
CONTRACTING	Mining	-1.7%	-1.5%	2.1%
CONTRACTING	Retail	-1.2%	-0.8%	13.0%
EXPANDING	Prof & Busi Svcs	0.1%	3.1%	12.3%
SLIPPING	Transp & Utilities	2.6%	-0.6%	4.9%
SLIPPING	Education	3.6%	-0.6%	2.8%
EXPANDING	Health	3.1%	4.0%	16.0%
SLIPPING	Leisure	1.1%	-0.8%	13.8%
CONTRACTING	Government	-0.4%	-0.8%	18.9%