

KENTUCKY ECONOMIC INDICATORS

April 2010 as of July 22, 2010

KY Composite Index of Leading Indicators increased by 6.6 percent in April.

- The Leading Index increased for the third consecutive month.
- The month-over-same-month-last-year growth rate increased for the second consecutive month with 1.9 percent growth.
- Component indicators were mostly positive: 4:0:1.
 - + KY Labor Intensity Index increased by 9.9 percent.
 - + KY Index of Initial UI Claims increased by 3.3 percent.
 - + US Retail Sales increased by 3.9 percent.
 - + US Manufacturer's New Orders Index increased by 16.0 percent.
 - o The Louisville Help Wanted Index remained unchanged at 5.

Component weights for April are 65.2, 15.3, 12.5, 5.7, and 1.3 respectively.

KY Composite Index of Coincident Indicators increased by 6.7 percent in April.

- The Coincident Index is positive for the second consecutive month.
- The month-over-same-month-last-year growth rate is positive for second consecutive month with 0.9 percent growth.
- Component indicators were all positive: 3:0.
 - + KY Non-farm Employment increased 7.8 percent.
 - + US Industrial Production Index increased 8.7 percent.
 - + US Personal Income Less Transfers increased 6.7 percent.

Component weights for April are 36.8, 29.2, and 21.7 respectively. Component weights do not sum to one because the two US components were discounted to give the Kentucky component more weight.

*** Kentucky Leading Index Positive for Third Consecutive Month**

The Leading Index has risen in eight of the last 11 months. As more of the components are trending towards the positive, the Diffusion Index continues to increase as well, hitting 70 percent for the second consecutive month. Four of the five components increased in April, while one, the Louisville Help Wanted Index remained constant at 5.0. This is the second consecutive month where none of the components declined. The current trio of positives has no particular importance except to reinforce the indicators' portend for an expansion period.

*** Kentucky Labor Intensity Index Rises Sharply**

The Kentucky Labor Intensity Index increased sharply with 9.9 percent growth in April, the second consecutive month of growth. Four of the five underlying employment sectors gained jobs in April. Lumber products employment, a typically volatile sector, rose by the most with a net increase of 400 seasonally adjusted workers. Chemical products employment fell by 34 seasonally adjusted workers, or 3.2 percent decline (annual rate). Average weekly hours in the same four manufacturing sectors increased in April while average weekly hours in lumber products declined. Solid and widespread employment growth accompanied by solid and widespread average weekly hours growth is a very good sign for the beleaguered Kentucky Labor Intensity Index and Kentucky manufacturing.

*** US Retail Sales Increase for Seventh Consecutive Month**

US retail sales declined sharply in 2008 amid the 2007 recession, losing \$44.3 billion or 11.7 percent of its total. An 11.7 percent decline is on par with the other periods of sharp declines in the post WWII era. During the 1950 recession, US retail sales declined by 11.5 percent. During the 1973 recession, US retail sales lost a net 11.8 percent. It is difficult to parse out the three comingled effects of the 1978 downturn, the 1980 recession and the 1981 recession. On whole, the three events net a loss of 14.4 percent in US retail sales during the period 1978 to 1982. No matter how one evaluates the 2008 decline, it is significant. In September of 2009, that downward trend ceased. Since then, US retail sales have recovered \$30.4 billion, a net 9.1 percent of total retail sales. That is, US retail sales have recovered 68.5 percent of its 2007 recession losses in the last seven months.

*** Unemployment Insurance Claims Modest Improvement Belies Components**

Kentucky first payments were down sharply in April, falling 88.9 percent. Over the last nine months, the first payments indicator has subsided greatly from its record levels, but it is still above its historical average. First payments have declined in six of the last eight months, a good sign for Kentucky. US initial claims were up moderately for April, increasing 33.8 percent; that is an increase of 11,000 persons requesting unemployment insurance payments. Initial claims is composed of two groups: new applications and additional applications. New applications or applicants are those persons who are new to the UI system and have never received a payment before. Additional applications or applicants are those persons who received an unemployment insurance payment before, but had intervening employment and have again requested an unemployment insurance payment.

*** Manufacturers' New Orders For Non-Defense Capital Goods Rise Sharply**

New orders for non-defense capital goods rose by 171.5 percent in April compared to March. The series is now up 36.1 percent over April 2009. Offsetting some of those gains in the manufacturers' new orders index was the new orders for consumer goods and materials portion of the index. The new orders for consumer goods and materials fell by 6.3 percent in April. Those new orders have

fallen in two of the last three months, but are still trending up over the last 12 months. The consumer goods and materials new orders is the least volatile of the two, and therefore holds the most weight in the new orders index with 79.9 percent. The high weight on the declining component is the reason that there is muted growth in the new orders index growth rate for April.

*** Money Supply Contracts Again**

This is the third time in the last four months that the money supply (M2, chained) has declined. The money supply is procyclical, in that it typically grows faster during expansion periods and grows slower during contraction periods of the business cycle. The money supply contains a strong trend component which generally prevents it from containing true declines.¹ The net decline over the last four months has resulted in a loss of 1.1 percent to the money supply. This is not insignificant, but it is dwarfed in comparison to the enormous increase which occurred at the end of 2008. In August of 2008, the money supply stood at \$7,061.7 billion. By March of 2009, the money supply surged by 9.5 percent to \$7,734.2 billion. The April money supply stands at \$7,657.9 billion.

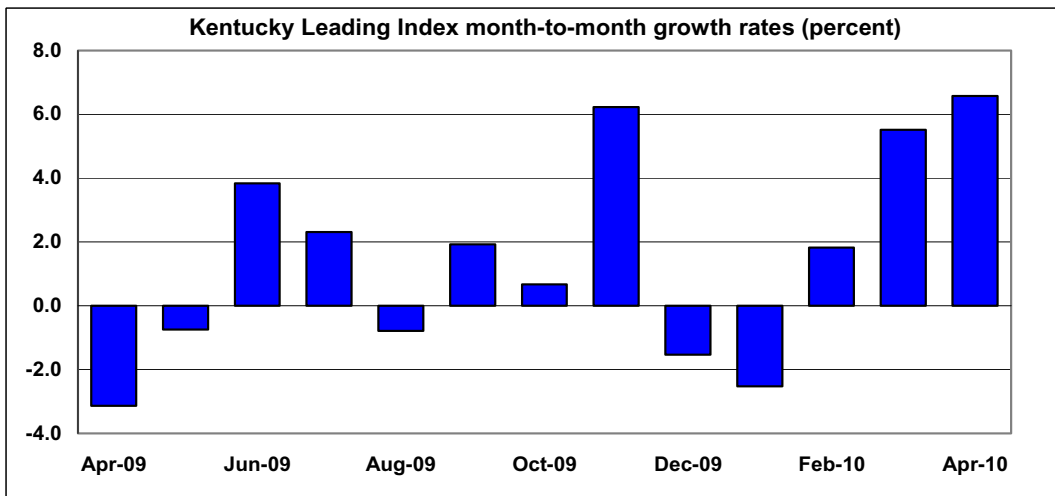
*** Interest Rate Spread Continues to Increase**

The interest rate spread of 10-year Treasury Bonds less the Federal Funds overnight rate has risen steadily since early 2007 and the trend has continued throughout 2010. Though the trend has been up for the last three years, the growth has tapered in the last six months. The Federal Funds Rate has been flat for the last 16 months, while the price of a 10-year Treasury Bond has moved slowly upward. The Federal Reserve Bank has indicated that the Federal Funds Rate would remain low for “an extended period”.

*** Consumer Expectations Fall For Third Consecutive Month**

The Consumer Expectations Index has declined moderately for the last three consecutive months, losing 3.6 points during that time. The index is based off of a survey and is therefore subject to both the general feelings of the respondents, but also can be swayed by ephemeral judgments which may be brought on by political or economic events, which have limited impact within the business cycle as a whole. In other words, the index has a high variance, whereby any one month's readings may not be indicative of the general trend of the series. Therefore, it is best to look at several months when looking for the trend. Those three consecutive declines are still not sufficient to say that the index has changed direction and is now moving downwards. Since June 2008, the series has gained 17.3

points, a significant improvement by any measure. Between January 2000 and June 2008, the index experienced three complete cycles, loosely following the business cycle. Despite the clear cycles there was still a strong downward trend in the index throughout that eight and a half year period. In January 2000 the index stood at 108.6. The index has not been above 100.0 since late 2000. Moreover, the index has not been above 80.0 since July of 2007.



Kentucky Employment Improves....Finally

Kentucky non-farm employment increased for the second consecutive month with solid 7.8 percent growth over March. In the last two months, employment has increased by 23,900 seasonally adjusted persons. Eight of the 11 employment supersectors improved in April. The largest increase occurred in the business services supersector, which grew by 38.9 percent in April. Kentucky business services employment is one of the very few supersectors which has eclipsed its previous peak. The other supersectors, which are improving, are still below their previous peaks. Employment in three supersectors declined in April and appear to still be in descent mode. Those supersectors are: information services, financial services, and leisure and hospitality services. All three declined by non-trivial amounts in April.

Our indices are compiled and published on a monthly basis, roughly two weeks following the Conference Board release of the U.S. Leading Index. A complete description of the Index of Leading Indicators and methodology was published in the University of Kentucky Center for Business and Economic Research *Kentucky Annual Economic Report, 2000*.

¹ The money supply contained a sustained decline four times since World War II: in 1969, 1973, 1979, and a long-lived yet weak period of decline starting in 1990. As a rule they do not coincide with the business cycle, but may be intimately connected to other macroeconomic events as either the cause or the effect.

**SELECTED KENTUCKY ECONOMIC INDICATORS
SEASONALLY ADJUSTED**

	2009										2010		
	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR
KY Leading Index (1992=100)	102.5	102.4	102.8	103.0	102.9	103.0	103.1	103.6	103.5	103.3	103.4	103.9	104.4
% Chg Previous Month SAAR	-3.1	-0.7	3.8	2.3	-0.8	1.9	0.7	6.2	-1.5	-2.5	1.8	5.5	6.6
% Chg Same Month Last Year	-6.7	-6.8	-6.2	-5.7	-5.0	-4.2	-3.4	-2.0	-1.2	-0.6	-0.1	1.1	1.9
KY Leading Index Diffusion Index	23.3	30.0	40.0	40.0	40.0	50.0	53.3	60.0	56.7	56.7	66.7	70.0	70.0
KY Coincident Index (1992=100)	128.9	128.4	127.9	128.1	128.2	128.3	128.5	128.8	129.0	129.0	128.8	129.3	130.0
% Chg Previous Month SAAR	-2.0	-4.5	-4.0	1.4	1.1	1.2	1.6	2.7	2.2	0.3	-1.8	4.4	6.7
% Chg Same Month Last Year	-5.8	-6.1	-6.0	-5.8	-5.5	-4.2	-4.4	-3.9	-3.0	-1.6	-0.9	0.2	0.9
KY Labor Intensity Index (1992=100)	99.0	98.7	98.5	98.5	98.3	98.3	98.4	98.4	98.3	97.8	97.6	97.8	98.6
% Chg Previous Month SAAR	-3.6	-3.6	-2.4	-0.9	-1.7	-0.1	0.6	0.4	-0.8	-5.8	-3.3	3.3	9.9
% Chg Same Month Last Year	-4.6	-4.8	-4.8	-4.6	-4.4	-4.0	-3.8	-3.4	-2.9	-2.5	-2.4	-1.5	-0.4
KY Index of Initial UI Claims (1992=100)	93.6	93.6	93.9	96.0	95.2	95.9	96.3	97.2	98.0	97.5	97.5	98.1	98.4
% Chg Previous Month SAAR	7.2	-0.6	4.1	30.3	-9.3	9.0	5.9	11.5	10.3	-5.6	0.0	6.9	3.3
% Chg Same Month Last Year	-7.5	-7.7	-6.5	-3.9	-3.9	-2.0	-0.4	1.4	3.8	3.3	4.6	5.4	5.1
US Retail Sales (\$ billions)	336.7	338.8	343.7	343.5	350.7	343.1	348.3	353.9	354.1	355.2	357.3	364.8	366.0
% Chg Previous Month SAAR	1.7	7.8	18.8	-0.6	28.4	-23.3	20.1	20.9	0.8	3.8	7.2	28.6	3.9
% Chg Same Month Last Year	-10.5	-10.2	-9.0	-8.7	-6.0	-6.5	-2.0	2.4	5.5	4.0	4.7	8.5	8.7
US Manufacturer's New Orders Index (1992=100)	100.8	101.7	101.9	106.3	104.0	105.6	106.7	106.4	107.0	108.8	109.1	109.8	111.1
% Chg Previous Month SAAR	9.4	10.8	2.2	65.4	-23.0	21.1	12.3	-2.5	6.9	21.3	3.2	8.1	16.0
% Chg Same Month Last Year	-22.3	-20.6	-20.0	-15.3	-13.3	-10.4	-6.7	-3.5	1.8	7.2	6.5	9.7	10.2
Louisville HWI (1992=100)	4.0	4.0	5.0	4.0	4.0	5.0	4.0	5.0	4.0	4.0	5.0	5.0	5.0
% Chg Previous Month SAAR	-93.1	0.0	1,355.2	-93.1	0.0	1,355.2	-93.1	1,355.2	-93.1	0.0	1,355.2	0.0	0.0
% Chg Same Month Last Year	-73.3	-73.3	-66.7	-69.2	-63.6	-54.5	-60.0	-37.5	-55.6	-33.3	-16.7	0.0	25.0
KY First Pays	18,958.7	19,049.0	18,638.0	11,849.6	14,849.2	13,972.8	13,188.2	12,600.1	11,704.9	12,284.0	13,717.7	13,420.6	11,171.4
% Chg Previous Month SAAR	-42.1	5.9	-23.0	-99.6	1,399.7	-51.8	-50.0	-42.2	-58.7	78.5	276.1	-23.1	-88.9
% Chg Same Month Last Year	72.8	96.5	67.7	24.7	38.0	12.0	-18.8	-16.2	-46.0	-28.2	-30.7	-32.4	-41.1
US Initial Claims for UI (000s)	617.2	619.3	604.5	559.9	566.8	540.5	526.4	492.1	467.5	481.2	467.4	448.1	459.1
% Chg Previous Month SAAR	-38.6	4.2	-25.2	-60.1	15.8	-43.5	-27.2	-55.4	-46.0	41.4	-29.5	-39.7	33.8
% Chg Same Month Last Year	69.4	68.4	55.9	33.6	30.0	15.3	9.3	-7.1	-15.6	-18.2	-26.0	-30.3	-25.6
Manufs' New Orders, Cons. Goods and Materials	118,656	116,708	117,333	120,441	120,215	120,916	121,724	122,278	123,285	123,820	121,535	124,670	123,992
% Chg Previous Month SAAR	23.5	-18.0	6.6	36.9	-2.2	7.2	8.3	5.6	10.3	5.3	-20.0	35.7	-6.3
% Chg Same Month Last Year	-16.7	-16.9	-16.5	-12.6	-9.5	-7.6	-5.2	-1.5	1.9	5.1	1.9	6.9	4.5
Manufs' New Orders, Non-def. Capital Goods	30,775.0	34,305.0	33,883.0	37,627.0	34,018.0	35,989.0	36,776.0	35,737.0	35,561.0	37,866.0	41,309.0	38,550.0	41,896.0
% Chg Previous Month SAAR	-32.4	268.1	-13.8	251.7	-70.2	96.6	29.6	-29.1	-5.8	112.5	184.1	-56.4	171.5
% Chg Same Month Last Year	-41.2	-33.6	-32.5	-25.4	-27.0	-20.7	-12.4	-11.1	1.3	15.7	27.0	21.2	36.1
GF Total Tax Receipts (NSA, \$ millions)	804.5	592.2	729.9	595.0	599.0	705.1	623.2	683.3	765.9	677.2	501.3	628.6	760.2
% Chg Same Month Last Year	-12.8	-3.0	-10.3	-4.0	-2.5	-10.3	-5.3	1.3	-6.9	-2.4	-0.4	2.5	-5.5
GF Sales & Use Receipts (NSA, \$ millions)	234.9	228.3	235.3	244.4	231.2	218.3	241.6	222.7	226.7	295.4	175.6	210.6	255.0
% Chg Same Month Last Year	1.1	-4.2	-5.5	-8.2	-8.1	-6.6	-4.3	2.7	-8.2	3.9	-9.1	-1.6	8.5
GF Income Tax Receipts (NSA, \$ millions)	415.3	245.4	302.9	245.3	259.4	309.7	259.7	259.9	268.8	233.3	205.3	188.0	358.7
% Chg Same Month Last Year	-23.7	-6.2	-14.7	-6.5	-4.2	-9.9	-9.5	-3.5	-11.4	-1.1	-3.2	12.3	-13.6

**SELECTED U.S. ECONOMIC INDICATORS
SEASONALLY ADJUSTED**

	2009									2010			
	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR
US Leading Index (2004=100)	99.2	100.6	101.3	102.5	103.1	104.2	104.7	105.8	107.0	107.6	108.0	109.5	109.5
% Chg Previous Month SAAR	14.3	18.3	8.7	15.2	7.3	13.6	5.9	13.4	14.5	6.9	4.6	18.0	0.0
% Chg Same Month Last Year	-3.4	-1.9	-1.3	0.9	2.2	3.4	4.9	6.7	8.0	8.9	9.9	11.6	10.4
US Coincident Index (1996=100)	100.0	99.7	99.3	99.5	99.5	99.5	99.5	99.9	100.0	100.1	100.2	100.5	100.9
% Chg Previous Month SAAR	-4.7	-3.5	-4.7	2.4	0.0	0.0	0.0	4.9	1.2	1.2	1.2	3.7	4.9
% Chg Same Month Last Year	-6.0	-6.0	-6.2	-5.8	-5.5	-4.6	-4.5	-3.8	-3.0	-1.8	-1.0	0.1	0.9
Money Supply (M2, \$billions chained 1996)	7,683.9	7,745.8	7,728.9	7,724.3	7,677.9	7,707.5	7,716.6	7,733.7	7,740.9	7,674.3	7,723.5	7,688.1	7,657.9
% Chg Previous Month SAAR	-7.5	10.1	-2.6	-0.7	-7.0	4.7	1.4	2.7	1.1	-9.8	8.0	-5.4	-4.6
% Chg Same Month Last Year	8.2	9.1	9.4	9.2	8.7	7.8	5.9	4.2	1.5	0.1	0.6	-0.6	-0.3
US Manufacturing Average Weekly Hours	39.6	39.5	39.5	39.9	40.0	39.9	40.0	40.5	40.5	40.9	40.5	41.0	41.2
% Chg Previous Month SAAR	6.3	-3.0	0.0	12.9	3.0	-3.0	3.0	16.1	0.0	12.5	-11.1	15.9	6.0
% Chg Same Month Last Year	-3.9	-3.7	-3.7	-2.4	-2.0	-1.2	-0.7	0.7	1.8	2.8	2.5	4.1	4.0
Int. Rate Spread 10 yr Treasury Bonds minus Fed Funds Rate, NSA	2.8	3.1	3.5	3.4	3.4	3.3	3.3	3.3	3.5	3.6	3.6	3.6	3.7
Vendor Performance Diffusion Index (%)	45.9	50.0	50.5	51.7	56.0	56.8	56.3	55.7	56.8	60.1	61.1	64.9	61.3
Index of 500 Common Stocks (NSA, 1941-3=10)	848.2	902.4	926.1	935.8	1,009.7	1,044.6	1,067.7	1,088.1	1,110.4	1,123.6	1,089.2	1,152.1	1,197.3
% Chg Previous Month AR	290.5	110.5	36.5	13.3	148.9	50.2	30.0	25.5	27.6	15.2	-31.2	96.1	58.8
% Chg Same Month Last Year	-38.1	-35.7	-31.0	-25.6	-21.2	-14.2	10.2	23.2	26.5	29.8	35.3	52.2	41.2
US Consumer Expectations (NSA, 1966=100)	63.1	69.4	69.2	63.2	65.0	73.5	68.6	66.5	68.9	70.1	68.4	67.9	66.5
% Chg Previous Month AR	624.6	213.3	-3.4	-66.3	40.1	337.0	-56.3	-31.1	53.0	23.0	-25.5	-8.4	-22.1
% Chg Same Month Last Year	18.4	35.8	40.7	18.1	12.3	9.4	20.4	23.4	27.6	21.3	35.4	26.9	5.4
Building Permits for New Private Housing (000s)	523.0	550.0	600.0	587.0	610.0	605.0	576.0	621.0	681.0	629.0	650.0	685.0	610.0
% Chg Previous Month SAAR	2.3	82.9	184.1	-23.1	58.6	-9.4	-44.5	146.6	202.5	-61.4	48.3	87.6	-75.1
% Chg Same Month Last Year	-48.1	-44.7	-49.2	-36.3	-28.9	-24.1	-21.7	-0.8	22.9	14.6	14.8	31.2	16.6
US Non-farm Employment (Mil.)	131.5	131.2	130.6	130.3	130.1	129.9	129.6	129.7	129.6	129.6	129.6	129.8	130.2
% Chg Previous Month SAAR	-4.7	-3.5	-4.6	-3.1	-1.9	-2.1	-2.1	0.6	-1.0	0.1	0.4	1.9	2.9
% Chg Same Month Last Year	-4.5	-4.6	-4.8	-4.9	-4.9	-4.7	-4.5	-3.9	-3.5	-3.0	-2.4	-1.7	-1.0
US Service-Providing Employment (Mil.)	113	112	112	112	112	112	112	112	112	112	112	112	112
% Chg Previous Month SAAR	-2.6	-1.7	-3.0	-2.3	-0.9	-1.1	-1.0	1.0	-0.6	0.5	0.7	1.6	2.7
% Chg Same Month Last Year	-2.9	-3.0	-3.1	-3.3	-3.2	-3.0	-2.8	-2.4	-2.1	-1.7	-1.3	-0.8	-0.4
US Manufacturing Employment (000s)	12,063.0	11,911.0	11,782.0	11,739.0	11,682.0	11,634.0	11,577.0	11,552.0	11,534.0	11,556.0	11,572.0	11,591.0	11,629.0
% Chg Previous Month SAAR	-13.7	-14.1	-12.2	-4.3	-5.7	-4.8	-5.7	-2.6	-1.9	2.3	1.7	2.0	4.0
% Chg Same Month Last Year	-11.3	-12.3	-12.9	-12.8	-12.6	-12.3	-11.8	-11.1	-10.0	-7.9	-6.5	-5.1	-3.6
US Industrial Production Index (1992=100)	97.2	96.2	95.8	96.9	98.1	98.7	98.9	99.6	100.2	101.3	101.3	101.6	102.3
% Chg Previous Month SAAR	-6.1	-12.0	-5.5	16.1	15.4	7.1	2.4	8.6	8.4	14.2	-1.1	3.8	8.7
% Chg Same Month Last Year	-12.4	-13.1	-13.3	-12.2	-10.1	-5.9	-6.9	-5.0	-2.1	1.2	1.9	3.9	5.2
US Personal Income Less Trans. (\$billions chained 2000)	9,119.8	9,122.3	9,075.6	9,018.8	9,013.4	9,000.3	8,986.9	9,000.6	9,008.0	9,010.9	9,010.0	9,015.9	9,064.9
% Chg Previous Month SAAR	0.9	0.3	-6.0	-7.3	-0.7	-1.7	-1.8	1.8	1.0	0.4	-0.1	0.8	6.7
% Chg Same Month Last Year	-4.3	-4.1	-4.0	-4.4	-4.7	-4.6	-4.7	-5.3	-5.1	-3.3	-1.9	-1.1	-0.6

**SELECT KENTUCKY EMPLOYMENT SERIES
SEASONALLY ADJUSTED**

	2009									2010			
	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR
Transportation Equipment Employment (000s)	41.8	40.9	40.7	43.2	40.7	40.5	40.1	39.6	38.9	39.1	35.9	39.3	39.4
% Chg Previous Month SAAR	7.9	-23.2	-5.6	104.7	-50.5	-7.0	-10.9	-13.7	-19.4	5.7	-64.2	201.1	2.2
% Chg Same Month Last Year	-17.6	-21.9	-19.4	-13.7	-16.5	-12.4	-15.2	-15.9	-15.2	-6.6	-16.0	-5.3	-5.7
Fabricated Metals Employment (000s)	17.8	17.6	17.4	17.1	17.1	16.9	16.8	16.7	16.6	16.6	16.5	16.5	16.6
% Chg Previous Month SAAR	-23.6	-12.4	-14.7	-18.1	-1.9	-12.8	-3.4	-5.5	-6.6	-2.5	-8.8	2.3	6.6
% Chg Same Month Last Year	-17.6	-18.2	-18.6	-19.4	-18.6	-18.7	-18.4	-17.7	-16.0	-13.1	-10.8	-9.3	-6.7
Petroleum, Coal, Plastics and Rubber Products Emp. (000s)	15.7	15.6	15.4	15.4	15.4	15.5	15.5	15.4	15.4	15.4	15.3	15.3	15.5
% Chg Previous Month SAAR	-8.5	-10.2	-12.5	0.7	-1.1	2.7	1.4	-2.7	-1.1	-2.7	-6.3	-3.5	16.0
% Chg Same Month Last Year	-14.6	-14.8	-15.3	-14.9	-14.0	-11.9	-10.5	-9.9	-6.0	-5.6	-5.6	-3.8	-1.8
Chemical Products Employment (000s)	13.0	12.8	12.7	12.8	12.7	12.7	12.6	12.7	12.7	12.7	12.7	12.7	12.7
% Chg Previous Month SAAR	-11.8	-10.4	-12.7	8.1	-8.9	3.3	-6.0	5.1	1.1	-1.1	1.7	-2.4	-3.2
% Chg Same Month Last Year	-5.1	-6.6	-7.2	-6.6	-7.3	-7.3	-6.7	-5.3	-4.5	-3.7	-3.1	-3.1	-2.3
Lumber Products Employment (000s)	9.3	9.1	9.0	8.9	8.9	8.7	8.8	8.6	8.5	8.5	8.4	8.5	8.9
% Chg Previous Month SAAR	-24.1	-22.2	-13.5	-14.7	-8.1	-16.3	6.2	-19.4	-11.1	-8.9	-6.4	21.2	70.9
% Chg Same Month Last Year	-23.9	-24.7	-24.2	-24.5	-23.1	-23.4	-22.1	-21.1	-19.7	-15.1	-14.5	-10.5	-4.3
Transportation Equipment Average Weekly Hours	42.8	42.1	42.9	43.0	44.7	43.8	44.2	44.2	46.8	42.8	44.0	41.0	41.6
% Chg Previous Month SAAR	-2.4	-17.5	24.7	3.8	58.9	-22.7	13.2	-1.0	95.6	-65.0	39.6	-57.7	20.1
% Chg Same Month Last Year	-2.5	-4.1	-2.0	-2.0	2.6	0.3	2.4	2.2	8.5	-1.0	2.8	-4.4	-2.8
Fabricated Metals AWH	40.4	40.7	40.4	40.5	40.6	40.1	40.4	40.6	41.6	39.7	40.2	39.0	42.3
% Chg Previous Month SAAR	-6.9	9.2	-9.4	2.3	4.2	-13.7	8.5	6.8	32.6	-42.9	16.5	-30.5	163.2
% Chg Same Month Last Year	-3.3	-2.4	-3.6	-2.9	-2.4	-3.3	-2.6	-1.7	0.7	-4.1	-3.1	-4.1	4.5
Petroleum, Coal, Plastics & Rubber Products AWH	40.0	40.4	40.9	39.5	39.8	41.4	42.4	43.3	41.5	42.0	41.9	42.7	42.7
% Chg Previous Month SAAR	15.5	12.9	13.8	-33.4	10.2	59.5	33.3	28.2	-39.9	14.9	-2.1	22.9	2.6
% Chg Same Month Last Year	-0.8	0.5	1.3	-1.7	-0.8	3.7	6.2	8.5	3.7	4.8	5.0	7.8	6.8
Chemical Products AWH	43.3	43.4	43.5	43.6	43.6	43.6	43.2	43.0	42.7	43.1	42.8	43.5	42.9
% Chg Previous Month SAAR	0.8	2.4	3.0	2.8	0.3	-1.5	-8.6	-5.2	-8.7	11.3	-9.0	22.4	-14.7
% Chg Same Month Last Year	-2.6	-2.5	-2.2	-1.8	-1.9	-2.0	-2.9	-3.4	-3.8	-2.7	-2.0	0.5	-0.9
Lumber Products AWH	38.7	38.5	38.3	38.4	38.0	38.1	37.5	37.9	38.3	38.0	37.9	38.7	39.2
% Chg Previous Month SAAR	-9.4	-7.3	-6.2	4.8	-13.7	4.8	-18.7	14.3	15.2	-9.2	-4.9	31.5	15.2
% Chg Same Month Last Year	-1.7	-2.1	-2.6	-1.8	-3.0	-2.3	-4.1	-3.3	-2.3	-2.6	-2.3	-0.8	1.2
KY Initial Claims	51,377.5	54,355.3	49,881.9	39,829.3	38,253.9	36,036.8	31,215.8	34,111.3	29,276.6	28,186.7	39,895.0	29,824.6	27,694.4
% Chg Previous Month SAAR	-80.7	96.6	-64.3	-93.3	-38.4	-51.2	-82.2	189.9	-84.0	-36.6	6,363.9	-97.0	-58.9
% Chg Same Month Last Year	53.7	98.8	32.5	10.4	5.4	-9.5	-24.0	-21.8	-40.0	-42.3	-31.0	-49.4	-46.1
KY Exhaustees	5,596.9	6,685.2	8,261.2	7,623.5	8,881.8	8,294.4	7,171.0	8,144.8	6,504.5	6,165.7	6,471.6	6,210.6	5,401.0
% Chg Previous Month SAAR	719.3	743.3	1,168.0	-61.9	525.4	-56.0	-82.6	360.9	-93.3	-47.4	78.8	-39.0	-81.3
% Chg Same Month Last Year	147.0	228.0	261.1	248.9	298.9	185.5	194.4	157.7	80.4	73.0	49.1	32.2	-3.5
US Unemployment Rate (%)	8.9	9.4	9.5	9.4	9.7	9.8	10.1	10.0	10.0	9.7	9.7	9.7	9.9
KY Unemployment Rate (%)	10.4	10.6	10.8	10.8	10.8	10.8	10.7	10.7	10.6	10.7	10.9	10.7	10.6

**SELECT EMPLOYMENT SERIES
SEASONALLY ADJUSTED**

	2009									2010			
	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR
KY Non-farm Employment (000s)	1,774.5	1,766.6	1,762.2	1,763.8	1,756.8	1,757.8	1,764.2	1,765.4	1,766.0	1,755.4	1,749.1	1,762.0	1,773.0
% Chg Previous Month SAAR	-2.5	-5.2	-2.9	1.1	-4.7	0.7	4.5	0.8	0.4	-7.0	-4.2	9.2	7.8
% Chg Same Month Last Year	-4.7	-5.3	-5.1	-4.9	-5.2	-4.4	-4.0	-3.4	-2.9	-2.3	-2.1	-0.9	-0.1
KY Construction Employment (000s)	74.8	73.5	72.7	72.4	71.5	71.4	71.7	71.0	69.5	64.6	64.3	67.8	68.8
% Chg Previous Month SAAR	-22.4	-19.0	-12.3	-4.8	-13.9	-1.7	5.2	-11.1	-22.6	-58.4	-5.4	88.9	19.2
% Chg Same Month Last Year	-12.4	-15.5	-15.3	-15.2	-16.1	-15.4	-13.9	-13.4	-14.0	-18.3	-17.1	-11.3	-8.0
KY Natural Resources & Mining Employment (000s)	24.9	24.4	23.9	23.1	22.9	22.8	22.9	22.7	23.0	23.1	23.2	23.3	23.3
% Chg Previous Month SAAR	-10.5	-22.8	-20.9	-35.1	-10.0	-1.6	0.3	-8.0	16.6	7.1	5.8	1.6	3.6
% Chg Same Month Last Year	9.2	3.9	1.3	-4.1	-6.9	-7.6	-9.5	-10.6	-9.4	-8.8	-8.1	-7.6	-6.4
KY Manufacturing Employment (000s)	216.1	212.7	210.9	212.2	209.3	209.2	208.1	208.3	208.5	208.7	205.2	208.5	211.0
% Chg Previous Month SAAR	-8.5	-17.3	-9.7	7.7	-15.2	-0.6	-6.1	1.2	1.2	1.2	-18.4	21.1	15.4
% Chg Same Month Last Year	-13.4	-15.2	-14.7	-13.6	-14.0	-12.8	-13.0	-12.1	-10.4	-6.5	-7.1	-4.2	-2.4
KY Trade, Transportation & Utilities Employment (000s)	363.9	362.9	362.2	361.8	361.0	361.2	360.4	359.0	358.1	362.1	360.6	363.8	364.3
% Chg Previous Month SAAR	-1.3	-3.2	-2.3	-1.3	-2.6	0.7	-2.6	-4.6	-3.0	14.3	-4.9	11.2	1.7
% Chg Same Month Last Year	-5.2	-5.3	-5.2	-5.3	-5.5	-4.6	-4.3	-4.3	-4.6	-2.2	-1.9	-0.1	0.1
KY Information Services Employment (000s)	27.4	27.1	26.8	26.7	26.7	26.6	26.5	26.6	26.6	26.6	26.5	26.4	26.1
% Chg Previous Month SAAR	-8.4	-12.4	-12.5	-4.4	0.0	-4.4	-4.4	4.6	0.0	0.0	-4.4	-4.4	-12.8
% Chg Same Month Last Year	-7.7	-8.4	-9.8	-9.5	-9.2	-8.9	-8.0	-7.0	-5.7	-5.3	-5.0	-4.3	-4.7
KY Financial Services Employment (000s)	88.9	88.8	88.2	88.1	87.6	87.5	86.9	86.7	87.0	87.6	86.8	86.6	85.7
% Chg Previous Month SAAR	-1.3	-1.3	-7.8	-1.4	-6.6	-1.4	-7.9	-2.7	4.2	8.6	-10.4	-2.7	-11.8
% Chg Same Month Last Year	-3.5	-3.6	-3.6	-3.9	-4.5	-4.1	-4.3	-4.7	-3.9	-2.7	-2.9	-2.7	-3.6
KY Business Services Employment (000s)	169.1	168.2	167.4	170.0	169.7	169.8	173.8	177.8	181.2	175.8	175.4	176.7	181.6
% Chg Previous Month SAAR	-6.8	-6.2	-5.6	20.3	-2.1	0.7	32.2	31.4	25.5	-30.4	-2.7	9.3	38.9
% Chg Same Month Last Year	-9.0	-9.5	-9.8	-7.8	-7.2	-5.9	-2.7	0.7	3.4	1.6	1.9	3.9	7.4
KY Education & Health Services Employment (000s)	246.2	246.6	246.9	247.1	247.5	248.2	248.6	248.6	249.0	247.3	248.1	250.3	250.8
% Chg Previous Month SAAR	2.0	2.0	1.5	1.0	2.0	3.4	2.0	0.0	1.9	-7.9	4.0	11.2	2.4
% Chg Same Month Last Year	0.9	1.0	1.2	1.0	0.9	1.2	1.1	1.0	1.2	0.7	1.1	1.8	1.9
KY Leisure & Hospitality Employment (000s)	169.0	168.9	168.5	167.9	166.5	167.0	170.5	170.8	168.8	167.0	168.1	166.9	166.5
% Chg Previous Month SAAR	-3.5	-0.7	-2.8	-4.2	-9.6	3.7	28.3	2.1	-13.2	-12.1	8.2	-8.2	-2.8
% Chg Same Month Last Year	-1.9	-1.9	-1.7	-2.6	-3.9	-3.0	-0.7	0.8	-0.5	-1.2	-0.4	-1.5	-1.5
KY Other Services Employment (000s)	70.5	70.1	70.2	70.3	70.1	69.8	68.6	67.9	68.2	68.0	68.1	67.4	69.0
% Chg Previous Month SAAR	-8.1	-6.6	1.7	1.7	-3.4	-5.0	-18.8	-11.6	5.4	-3.5	1.8	-11.7	32.5
% Chg Same Month Last Year	-6.1	-6.5	-5.9	-5.3	-5.1	-4.9	-6.8	-7.2	-5.8	-4.8	-4.6	-5.1	-2.1
KY Government Employment (000s)	323.6	323.4	324.5	324.3	324.1	324.3	326.2	326.0	326.1	324.6	322.8	324.2	325.9
% Chg Previous Month SAAR	8.1	-0.7	4.2	-0.7	-0.7	0.7	7.3	-0.7	0.4	-5.4	-6.5	5.3	6.5
% Chg Same Month Last Year	0.4	0.3	0.7	0.9	0.9	1.7	0.9	0.9	1.2	1.1	0.9	0.8	0.7
CPI, All Urban (1982-84=100)	212.8	213.1	214.6	214.8	215.6	215.9	216.4	216.9	217.2	217.6	217.6	217.7	217.6
% Chg Previous Month SAAR	0.9	1.4	8.8	1.2	4.5	1.9	2.5	2.8	2.0	2.0	0.0	0.8	-0.8
% Chg Same Month Last Year	-0.61	-1.04	-1.25	-1.98	-1.47	-1.34	-0.22	1.85	2.78	2.66	2.21	2.39	2.24
Ave. Prime Interest Rate (% , NSA)	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25

About the Indicators

Kentucky Reference Series

Inflation-adjusted personal income less transfer payments and policy-adjusted General Fund tax receipts are combined to form the GOEA composite reference series.

Kentucky Leading Indicators

- **GOEA Labor Intensity Index:** Composed of seasonally adjusted weekly hours multiplied by employment for the following manufacturing industries: lumber products; chemical and allied products; petroleum, coal, rubber and plastic products; fabricated metals; and transportation equipment.
- **GOEA Initial Unemployment Insurance (UI) Claims Index:** This index has two components: Kentucky claims in their first month of payment and total U.S. initial claims. Additional claims for UI are the subset of initial claims filed by workers who have previously filed UI claims but are currently filing new claims with intermittent workforce attachment since their original claim. The claims in their first month of payment without intermittent qualified experience performed better in the testing process and were chosen accordingly.
- **U.S. Retail Sales:** Inflection points used to determine turning points.
- **U.S. Manufacturer's New Orders Index:** This index has two components: U.S. Manufacturer's New Orders for Nondefense Capital Goods and U.S. Manufacturer's New Orders for Consumer Goods and Materials. Separately these two series slightly missed one or two turning points in the official reference series. But together they preceded each turning point.
- **Louisville Help-Wanted Index:** The Conference Board computes an index of help-wanted advertisements for major regions across the United States; Louisville is the only city in Kentucky covered by the Conference Board.

Notes:

- Growth rates are computed with precise numbers. Due to rounding, two observations may have the same reported value but still exhibit growth at a more precise level.
- More information is available on our website, <http://www.osbd.ky.gov/>.

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