

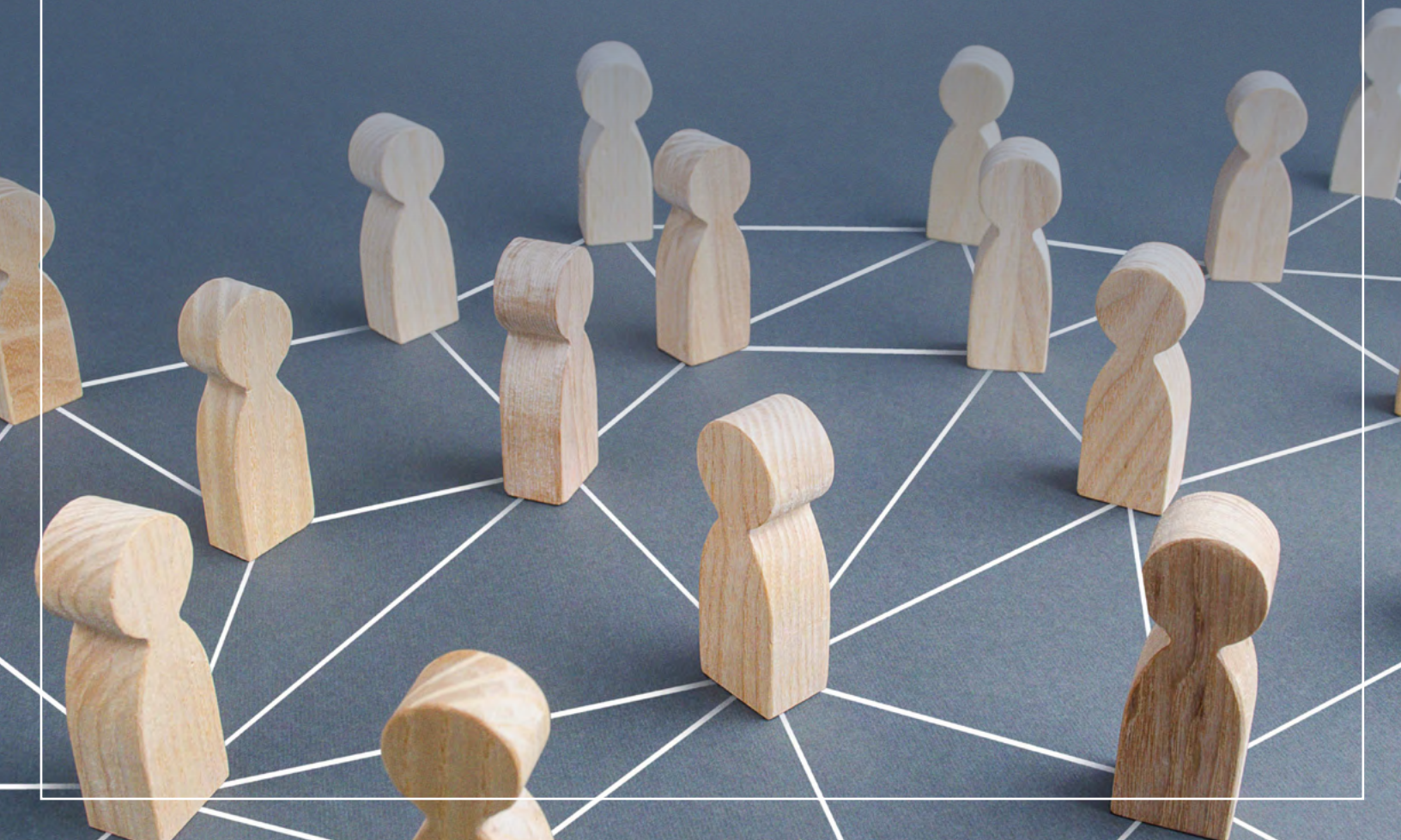
THE UNIVERSITY OF
ALABAMA

Culverhouse
College of Business
Center for Business and Economic Research

ALABAMA ECONOMIC OUTLOOK

2022

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Contributors

Authors

Samuel Addy, Nyesha Black, Ahmad Ijaz, Kilungu Nzaku, Stephanie Normanyo, Susannah Robichaux

Project Manager

Morgan Cordle

Editors

Nyesha Black, Morgan Cordle, Stephanie Normanyo, Kilungu Nzaku, Susannah Robichaux

Senior Graphic Designer

Katie Howard

Center for Business and Economic Research Staff

Samuel Addy, Ph.D., Associate Dean for Economic Development Outreach & Senior Research Economist

Morgan Cordle, Associate Director for Research & Outreach

Ahmad Ijaz, Executive Director & Director of Economic Forecasting

Kilungu Nzaku, Ph.D., Assistant Research Economist

Stephanie Normanyo, Economic Forecaster

Nyesha Black, Ph.D., Director of Socioeconomic Analysis & Demographics

Susannah Robichaux, Socioeconomic Analyst

1500 Greensboro Avenue, Suite 1

Box 870221

Tuscaloosa, AL 35401

Phone: 205-348-6191

Email: uacber@culverhouse.ua.edu

Website: cber.culverhouse.ua.edu

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UNITED STATES ECONOMIC OUTLOOK

2022 FORECAST SUMMARY

Economic growth was slower in the second half of 2021 compared to the first half of the year. The U.S. economy grew 2.1 percent during the third quarter 2021, after increasing 6.3 percent and 6.7 percent during the first two quarters, respectively. The fourth quarter growth rate is expected to be around 4.5 percent.

On an annual basis, the U.S. economy is forecasted to increase by 5.5 percent in 2021, 4.3 percent in 2022, and 2.9 percent in 2023 as both monetary and fiscal policies are gradually scaled down.

Total nonfarm payroll employment rose by 210,000 in November 2021 compared to the previous month, and the unemployment rate fell to 4.2 percent. Most of the job gains were in professional and business services, transportation and warehousing, construction, and manufacturing. Employment in retail trade declined in November. Overall non-farm employment is expected to increase by 2.7 percent in 2021, followed by increases of 3.9 percent in 2022 and 1.9 percent in 2023.

Investments in residential structures rose 8.5 percent in 2021, but are expected to decrease in the following years, dropping by around 5.5 percent in 2022 and about 2.0 percent in 2023.

Nonresidential related business spending rose 7.6 percent in 2021 and will increase by another 7.0 percent in 2022 and 5.0 percent increase in 2023. This will be primarily driven by business spending on information processing equipment and pent-up demand for aircrafts and other durable capital equipment.

U.S. Forecast – Summary Table
(Percent)

Annual Percent Change	2021	2022	2023
GDP	5.5	4.3	2.9
Consumer Spending	8.0	3.4	2.3
Residential Investment	8.5	-5.6	-2.2
Nonresidential Fixed Investment	7.6	6.8	5.1
Exports	3.7	5.5	8.3
Imports	13.1	4.4	4.5
Nonfarm Payroll Employment	2.7	3.9	1.9
Unemployment Rate	5.4	3.8	3.5
Industrial Production	5.5	4.4	3.2
Inflation Rate (CPI)	5.8	1.9	2.1
30-year Fixed Mortgage Rate	3.0	3.4	3.9
10-year Treasury Note Yield	1.5	1.9	1.3

*Note: In the table, GDP through Imports were estimated based on 2012 chained dollars.
Source: IHS Markit, November 2021.*

2021 REVIEW & OUTLOOK 2022

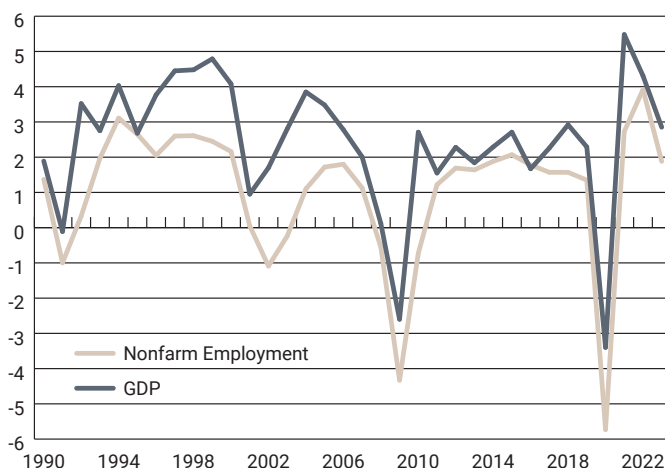
GROSS DOMESTIC PRODUCT (GDP)

On an annualized inflation adjusted, or real, basis, U.S. GDP rose by 5.5 percent in 2021, following a 3.4 percent decline in 2020. GDP is expected to increase by 4.3 percent and 2.9 percent in 2022 and 2023, respectively. The longest running economic expansion on record came to an abrupt end in March 2020 with the closure of businesses and some major sectors of the economy caused by the COVID-19 pandemic. Although there was a sudden drop in both employment and economic output in the second quarter of 2020, the U.S. economy recovered relatively well in the second half of 2020. In the first two quarters of 2021, GDP rose by 6.3 and 6.7 percent respectively, but slowed down significantly in the third quarter, registering only a 2.1 percent increase. The fourth quarter 2021 growth rate is expected to be around 4.5 percent. Even before the pandemic, the U.S. economy was primarily driven by consumer spending; business spending before the pandemic was largely conservative as businesses had concerns about a slow down in the economy. Therefore, as the economy began to recover in the second half of 2020 and 2021, there was a substantial pent-up demand both on the consumer and business side. Consumer spending rose by 11.7 percent in the first half of 2021, but slowed down to 1.7 percent in the third quarter. Consumer spending is expected to grow by 8.0 percent in 2021 and 3.4 percent in 2022, followed by 2.3 percent growth for 2023. Business spending, or nonresidential investments, rose 7.6 percent in 2021 and will increase by over 6.8 percent and 5.1 percent in 2022 and 2023, respectively. This component also experienced a significant slowdown in the second half of 2021, increasing by only 3.9 percent compared to 8.2 percent during the first half. Residential investments, which includes both home construction and sales, rose by over 13.0 percent in the first quarter of 2021, before dropping by 11.7 percent in the second quarter, 8.3 percent in the third quarter, and a projected 8.0 percent in the fourth quarter. For 2022 and 2023, residential investments are forecast to drop by around 5.6 percent and 2.2 percent, respectively. Despite favorable mortgage rates, a significant increase in real estate prices is one of the major contributing factors for a slowdown in the residential investments. U.S. exports increased by 3.7 percent in 2021 and are expected to increase by 5.5 percent in 2022. As the worldwide effects of the pandemic continue to subside, exports could increase by over 8.0 percent in 2023. Imports, which are subtracted from the overall estimation of GDP, increased by over 13.0 percent in 2021 and will increase 4.4 percent in 2022 and 4.5 percent in 2023.

Overall growth in GDP will primarily be driven by business spending on capital equipment, industrial production (mainly durable goods production), and state and local government spending. A continuation of labor shortages, supply chain disruptions, and the possible emergence of new COVID-19 variants will pose a risk in production in 2022. If the supply chain issues are resolved fairly quickly, which is highly unlikely, a rapid increase in industrial production could provide a much needed boost to both consumer and business spending in 2022.

U.S. Real GDP and Nonfarm Employment

(Annual Percent Change, 1990-2023)



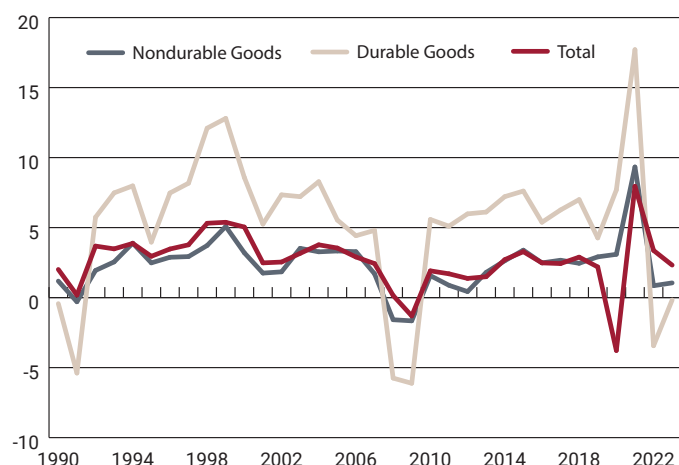
Source: U.S. Department of Commerce, U.S. Bureau of Labor Statistics, and IHS Markit.

CONSUMER SPENDING

The University of Michigan's Consumer Sentiment Index in November fell to its lowest level in a decade, as elevated price levels and concerns about future inflation weighed on consumer attitudes. The twelve-month change in the consumer price index in October 2021 was 6.2 percent, making it the fastest increase in prices since 1990. Overall real consumer spending increased by 8.0 percent to total \$13.6 trillion in 2021, following a 3.8 percent drop in 2020. Consumer spending rose 11.4 percent and 12.0 percent during the first two quarters in 2021 but slowed down significantly to only a 1.7 percent increase in the third quarter. Spending on durable goods grew 17.7 percent in 2021 while purchases of nondurable goods increased by 9.3 percent and expenditures on services rose 5.8 percent. Consumption of durable goods rose by 50.0 percent in the first quarter of 2021, followed by an 11.6 percent increase in the second and a 24.4 percent decline in the third. Spending on nondurable goods rose 14.9 percent in the first half of 2021 but slowed to 2.6 percent in the third quarter. Sales of durable goods totaled \$2.1 trillion in 2021, up from \$1.9 trillion in 2020. Sales of new light vehicles did not improve much in 2021: sales increased from 14.5 million units in 2020 to 14.9 million in 2021. With a resolution of supply chain issues, sales are expected to increase to about 15.3 million in 2022 and could potentially reach 17.0 million units by 2023. Despite sluggish overall vehicle sales, sales of new light trucks increased 16.0 percent from \$234 billion in 2020 to \$271 billion in 2021. Spending on furnishings and durable household equipment increased by 14.5 percent in 2021 to \$508 billion, while expenditures made on recreational goods and vehicles were up by 19.2 percent to total over \$808 billion. Consumer purchases of computers and peripheral equipment was up by 16.5 percent, and spending on computer software and accessories was up by over 21.5 percent. Consumer expenditures on nondurable goods increased 9.3 percent or about \$3.4 trillion in 2021. Spending on off premises food and beverages increased by

U.S. Consumer Spending

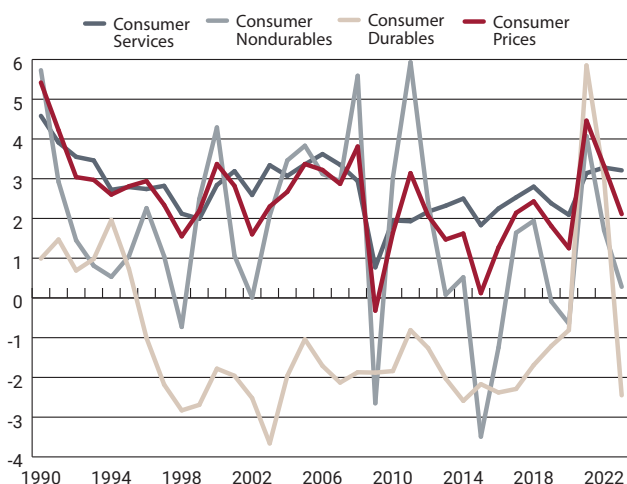
(Annual Percent Change, 1990-2023)



Source: U.S. Department of Commerce and IHS Markit.

Price Index

(Annual Percent Change, 1990-2023)



Source: U.S. Bureau of Economic Analysis and IHS Markit.

4.6 percent, while spending on clothing and footwear rose by 24.3 percent. Consumer spending on gasoline and other energy related goods was up 10.2 percent in 2021 as more people started returning to work and resuming recreational travel, following a 13.7 percent drop in 2020. Pharmaceutical and other medical product sales were up by 5.7 percent in 2021. Overall spending on services increased by 5.8 percent in 2021 with expenditures on healthcare related services increasing by 7.3 percent. Consumer spending on services totaled about \$8.3 trillion in 2021.

Total real consumer spending is expected to rise by 2.4 percent to around \$14.1 trillion in 2022, followed by another 2.5 percent gain in 2023. Despite the loss of a significant number of jobs in the economy in 2020, consumers continue to allocate a higher portion of their disposable incomes towards automobiles (particularly light trucks), electronics, computers and peripherals, home improvement products, sporting goods, recreational vehicles,

and related products. Nominal personal income in 2022 should increase about 1.0 percent to approximately \$21.0 trillion. However, real disposable income will drop from \$15.9 trillion in 2021 to \$15.5 trillion in 2022. This 3.0 percent drop in real purchasing power will be mainly due to the fact that at some point in the near future, higher levels of inflation will begin to erode purchasing power and dampen consumer spending. Nonmortgage consumer debt is expected to increase from almost \$4.5 trillion to \$5.0 trillion in 2022. Mortgage related consumer debt as a percent of disposable income will increase in 2022, from its current level of 67.5 percent to 72.1 percent. Overall household liabilities are forecasted to rise from \$17.7 trillion in 2021 to \$18.2 trillion in 2022. Household financial assets experienced a substantial gain in 2020, totalling \$91.6 trillion, before growing again to \$104.5 trillion in 2021. They are expected to decline slightly to \$102.4 trillion in 2022. Overall consumer net worth will rise from \$151.3 trillion in 2021 to about \$155.5 trillion in 2022 or about 77.0 percent of total disposable income.

Durable Goods

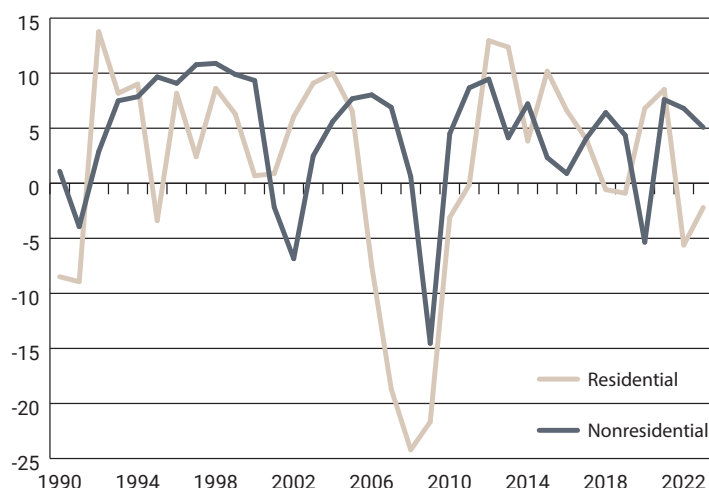
Roughly \$2.2 trillion in consumer purchases of durable goods (products that last more than three years) accounted for about 16.0 percent of total consumer spending in 2021. However, sluggish income growth coupled with rising inflationary pressures will take a toll on consumer spending in 2022; a 3.4 percent drop in consumer expenditures for durable goods is expected, significantly below the 17.7 percent increase seen in 2021. Consumer spending on durable goods is expected to remain flat in 2023 compared to its 2022 level. Spending on motor vehicles and parts, which accounts for approximately 28 percent of all consumer durables expenditures, increased 17.7 percent in 2021 and is expected to decrease by 4.3 percent in 2022 before rebounding 3.2 percent in 2023. New vehicle purchases (including both cars and light trucks) are expected to drop by 6.6 percent in 2022 (after a 14.6 percent increase in 2021). Sales of new automobiles will rise by about 6.0 percent in 2022. Sales of new light trucks will drop 8.8 percent, following a 16.0 percent increase in 2021. After an almost 20.0 percent increase in 2021, spending on information processing equipment will decline by 3.3 percent in 2022 and 1.5 percent in 2023. Consumer expenditures on computers and peripheral equipment will decline 2.4 percent and 1.5 percent in 2022 and 2023, respectively. After a 14.5 percent increase in 2021, consumer spending on household furnishings and equipment will drop by 6.6 percent in 2022 and 2.7 percent in 2023. For the next two years, expenditures of recreational goods and vehicles will essentially remain flat or increase very slightly.

Nondurable Goods

Spending on nondurable goods (e.g., clothing, food, gasoline, and other daily essentials) grew 9.3 percent to \$3.4 trillion in 2021. These expenditures accounted for approximately 25.0 percent of total consumer spending. Total spending on nondurables is only expected to grow by about 1.0 percent in 2022, with a 0.2 percent drop for food and beverages and a 4.0 percent drop for clothing and footwear. Consumer expenditures on gasoline and other energy products will most likely rise by 4.9 percent in 2022. Spending on other nondurable goods should increase by about 0.7 percent, while purchases of pharmaceutical and other medical products will rise 5.3 percent.

U.S. Fixed Investment

(Annual Percent Change, 1990-2023)



Source: U.S. Bureau of Economic Analysis and IHS Markit.

Services

Consumer expenditures on services declined 5.8 percent to \$8.3 trillion in 2021, accounting for about 60.0 percent of total consumer spending. The largest components of this spending were on healthcare (almost \$2.2 trillion, up 7.3 percent) and housing and utilities (about \$2.1 trillion, up 1.1 percent), with housing alone at \$1.8 trillion (up 1.2 percent). Total consumer spending on services should rise by about 5.6 percent in 2022. Spending increases are expected to vary by category: accommodations (33.2 percent), recreation services (21.4 percent), food services (8.0 percent), telecommunication related services (5.5 percent), healthcare (4.7 percent), and housing (1.3 percent). Spending on financial services and insurance will most likely increase by around 4.0 percent in 2022.

INVESTMENT SPENDING

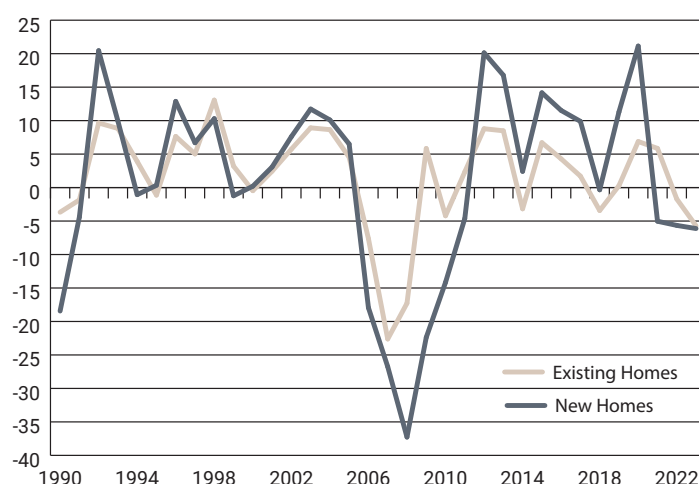
Investment spending, comprised of both nonresidential and residential components, and inventories rose from \$3.3 trillion in 2020 to \$3.6 trillion in 2021 and accounted for 18.4 percent of real GDP. Inventory investment, an important indicator of future economic activity fell by \$92 billion in 2021. Nonresidential fixed investment increased by 7.6 percent to roughly \$2.9 trillion while residential fixed investment, including home sales and construction, rose 8.5 percent to approximately \$703 billion. For 2022, nonresidential investment spending is expected to increase 6.8 percent, while residential investment will drop by 5.6 percent. Overall business investment spending will rise from \$3.6 trillion in 2021 to \$3.9 trillion in 2022.

Nonresidential Fixed Investment

Often referred to as business investment spending, nonresidential fixed investment is expected to rise 6.8 percent in 2022, following a 7.6 percent increase seen in 2021. Expenditures for information processing equipment should increase 4.7 percent, down from the 12.6 percent increase in 2021. Spending on structures is likely to drop 1.0 percent in 2022, following an 8.1 percent decline in 2021. Investment in commercial and healthcare structures will

U.S. Single Family Homes Sold

(Annual Percent Change, 1990-2023)



Source: U.S. Bureau of Census and IHS Markit.

most likely drop again by approximately 10.0 percent in 2022, compared to the 7.8 percent decline seen in 2021. Primarily due to supply chain disruptions, spending on manufacturing facilities and related structures will most likely remain flat or increase just slightly (0.3 percent) in 2022. Business spending on manufacturing related structures dropped by 2.8 percent in 2021. With a sharp increase in energy prices due to growing demand conditions and supply constraints, investments in the mining and petroleum sector increased by about 13.0 percent in 2021, and will likely increase by over 23.0 percent in 2022. Business spending on industrial equipment is forecasted to increase by 7.6 percent in 2022, after a 13.0 percent increase the previous year, while spending on transportation related equipment will increase by 17.8 percent in 2022, after increasing by about 19.0 percent in 2021. Investment spending on power and communication related structures is expected to decline by about 4.6 percent in 2022, following a 14.3 percent drop in 2021. Driven by a significant pent-up demand, business spending on aircrafts will likely rise by 35.5 percent in 2022, following an almost identical 35.2 percent increase in 2021.

Residential Fixed Investment

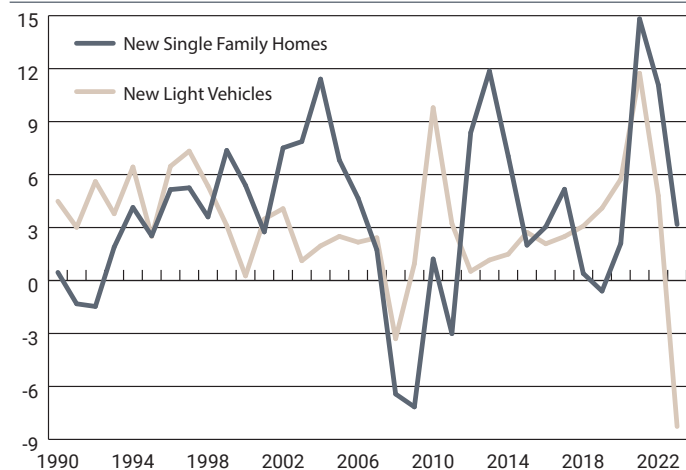
Including both home construction and sales, residential investment rose 8.5 percent in 2021, following a 6.8 percent increase in 2020, but is expected to drop by 5.6 percent in 2022 to \$663 billion. Residential investments dropped by 11.7 percent and 8.3 percent during second and third quarter 2021. The outlook for 2022 calls for construction spending on single-family homes to drop by 11.0 percent to around \$229 billion, following a 17.0 percent increase in 2021, while construction on multi-family units will remain flat in 2022 at about approximately \$58 billion after an almost 15.0-increase in 2021.

For 2022, single family home sales are expected to total around 1.1 million units while existing home sales will total 6.1 million units. Average new home prices are expected to rise from \$442,000 in 2021 to \$491,000 (about 11.0 percent) while existing home prices will rise from an average of \$369,500 in 2021 to \$383,500 in 2022 (3.8 percent). Home builders are constructing new houses

at a very rapid pace. In September 2021, the number of homes under construction was at 1.426 million, the highest total since January 1974. However, the effects of the COVID-19 pandemic, rising material costs, building material supply chain issues, labor shortages, and lack of buildable lots are not expected to abate anytime soon. Rental vacancy rates will most likely increase from 6.2 percent in 2021 to 7.2 percent in 2022, with household formation rates increasing by 1.3 percent to 131 million.

Average Prices

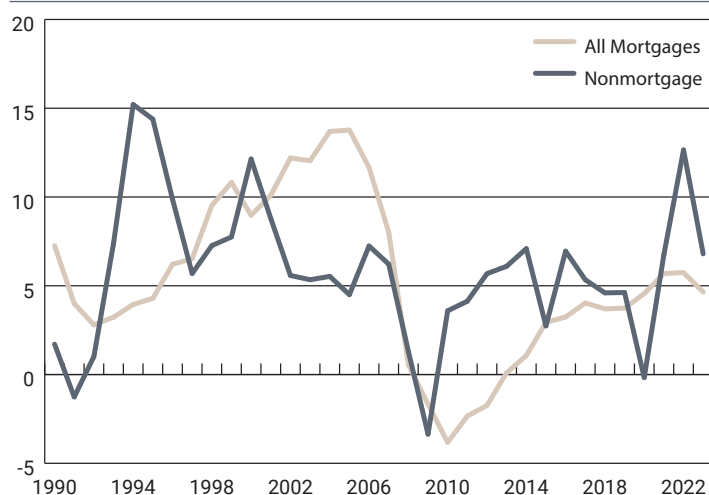
(Annual Percent Change, 1990-2023)



Source: U.S. Bureau of Census and IHS Markit.

U.S. Outstanding Consumer Debt

(Annual Percent Change, 1990-2023)



Source: U.S. Department of Labor and IHS Markit.

EMPLOYMENT

Total nonfarm payroll employment rose by 210,000 in November 2021, and the unemployment rate fell 0.4 percentage point to 4.2 percent. The increase in jobs was mainly in professional and business services; transportation and warehousing; construction; and manufacturing. Employment in retail trade declined over the

month. The number of unemployed persons fell by 542,000 to 6.9 million. Although both unemployment and the unemployment rate are significantly below their peak at the end of the February-April 2020 recession, they remain elevated from their levels prior to the COVID-19 pandemic (5.7 million and 3.5 percent respectively, in February 2020). The labor force participation rate edged up to 61.8 percent in November. The participation rate is 1.5 percentage points lower than in February 2020. The employment-population ratio increased by 0.4 percentage point to 59.2 percent in November 2021. This measure is up from its low of 51.3 percent in April 2020 but remains below the figure of 61.1 percent in February 2020. Through November 2021, monthly job growth has averaged 555,000. Nonfarm employment has increased by 18.5 million since April 2020 but is down by 3.9 million, or 2.6 percent, from its pre-pandemic level in February 2020. In November, job gains were primarily in professional and business services (90,000) though the sector remains 69,000 jobs below its level in February 2020. Transportation and warehousing added 50,000 jobs from October to November 2021, while administrative and waste services added 42,000, and management and technical consulting services added 12,000. Construction and manufacturing each added 31,000 jobs in November 2021, but payrolls in both sectors are still below their February 2020 levels, with construction being 115,000 below and manufacturing being 253,000 below their pre-recession levels. Employment in vehicle and parts manufacturing was down by 10,000. Employment in retail trade dropped by 20,000, and employment in retailing is 176,000 lower than in February 2020. Employment in leisure and hospitality changed little from October to November 2021, adding only 23,000 jobs compared to the much larger gains earlier in the year. Leisure and hospitality has added 2.4 million jobs thus far in 2021, but employment in the industry as a whole is down by 1.3 million, or 7.9 percent, since February 2020. Health care employment was essentially unchanged in November, adding only 2,000 from the previous month. Within the healthcare industry, employment in ambulatory health care services was up (17,000) while nursing and residential care facilities lost 11,000 jobs. Employment in health care is down by 450,000 since February 2020 due to challenging work conditions.

The economy is expected to add about 5.7 million jobs in 2022 after gaining 3.9 million jobs in 2021. In terms of payroll employment, the fastest growing segments of the economy in 2022 will be in the following sectors: leisure and hospitality (9.8 percent); petroleum products industry (8.6 percent); transportation and warehousing (6.6 percent); wholesale trade (4.9 percent); transportation equipment manufacturing (4.8 percent); and primary metals (4.0 percent). In 2022, the labor market is expected to remain tight as more workers continue to quit their jobs due to structural changes in the economy as well as demographic shifts, the persistence of pandemic related uncertainty, and a lack of access to childcare. This is regardless of rising wages and job openings at record high levels. The labor force participation rate is expected to remain below its pre-pandemic levels for the foreseeable future.

INTERNATIONAL TRADE

During the first nine months of 2021, U.S. exports rose by 23.2 percent over the same period in 2020, increasing from \$1.0 trillion to \$1.3 trillion. The trade deficit totaled \$857 billion in 2021. During the same period, imports increased from \$1.7 trillion to \$2.1 trillion. However, as more countries gradually reopen in 2022, U.S. exports should do slightly better; and thus, the U.S. trade deficit is expected to drop to \$852 billion, with U.S. exports increasing by 5.5 percent.

During the first three quarters of 2021, the largest U.S. export markets included Canada (\$225 billion), Mexico (\$204 billion), China (\$105 billion), Japan (\$55 billion), and South Korea (\$50 billion). Also, during the same period, the largest imports to the U.S. were from China (\$360 billion), Mexico (\$282 billion), Canada (\$259 billion), Japan (\$102 billion), and Germany (\$100 billion).

Export categories forecasted to have the fastest growth in 2022 include aircraft (37.0 percent); vehicles and parts (12.7 percent); and capital goods (6.6 percent). In contrast, exports of computers and peripherals will drop by almost 19.0 percent. The fastest growing imports are expected to include: aircraft (12.1 percent); consumer goods (12.1 percent also); and petroleum and related products (7.5 percent).

2022 KEY FORECAST ASSUMPTIONS

COVID-19

New waves of COVID-19 infections will delay the recovery in consumer spending on services and worsen the ongoing supply chain issues.

FISCAL POLICY

All pandemic relief measures of 2020 and the \$1.9 trillion American Recovery Plan (ARP) are reflected in the forecasts. Support to income from these measures averaged \$2.7 trillion over the first half of 2021, and drops to \$0.5 trillion by the end of the year.

MONETARY POLICY

The Federal Reserve Bank will taper its purchases of treasury and mortgage backed securities to zero by mid-2022 and begin raising the federal funds rate in March 2023.

GLOBAL GROWTH

Trade-weighted world GDP contracted by 4.8 percent in 2020 but grows by 5.5 percent in 2021 and 3.9 percent in 2022.

OIL PRICES

Brent crude oil surges to \$84 per barrel in the fourth quarter 2021 and then gradually falls to \$67 by 2025.

U.S. DOLLAR

The real dollar depreciates from Q3 2020 through 2023.

INFLATION

Consumer prices will increase by 1.9 percent in 2022 and 2.1 percent in 2023. In 2021, inflation was 5.5 percent.

STATE AND LOCAL FISCAL POLICY

Strong revenues and financial support provided by ARP will limit the state and local government fiscal contraction. State and local governments will receive unrestricted ARP funding in two tranches, the first was in the first quarter 2021 and the second one will be in second quarter 2022. The temporary 6-point increase in Federal Medical Assistance Percentage for Medicaid ends in the fourth quarter of 2022.

ALABAMA ECONOMIC OUTLOOK

2022 FORECAST SUMMARY

After contracting 3.2 percent (about \$6.5 billion) in 2020 due to the economic shock of COVID-19, Alabama's economic output rebounded by 4.8 percent (more than \$9.5 billion) in 2021. A fast economic recovery ensued due to the injection of stimulus funds into the economy and ample access to vaccines, which together enabled more businesses to re-open safely. The state's economy is expected to grow 3.4 percent to reach \$213.5 billion in 2022. However, the resurgence of COVID-19 variants, pandemic-related supply chain bottlenecks, labor shortages, and rising prices might exert a downward pressure on the economic outlook.

Nonfarm employment is projected to rise by 1.4 percent in 2022, slowing down from the 3.2 percent rebound seen from October 2020 to October 2021. Manufacturing employment is expected to rise 1.9 percent, down from the 3.9 percent increase that was observed during the twelve months ending in October 2021.

For the fiscal year ending in September 2021 (FY2021), state tax receipts rose by 14.4 percent (approximately \$1.8 billion) to \$14.0 billion. With the expected recovery of the state economy, CBER projects tax revenues to grow by 8.0 percent to \$15.1 billion in FY2022.

2021 REVIEW & OUTLOOK 2022

GROSS DOMESTIC PRODUCT (GDP)

Alabama Gross Domestic Product (ALGDP), or output, is the total value of goods and services produced in the state, analogous to U.S. GDP. Real GDP is expressed in 2012 chained dollars in this report. In 2020, ALGDP plunged by 3.2 percent (about \$6.5 billion) to about \$197 billion. This was the worst contraction in decades and was the result of disruptions related to the COVID-19 pandemic and the ensuing economic recession. The state economy rebounded by 4.8 percent (over \$9.5 billion) in 2021 reaching \$206 billion, surpassing the 2019 level of \$203 billion, as the introduction and availability of COVID-19 vaccines and personal protection equipment enabled more businesses to reopen. The federal government also provided economic relief through the Consolidated Appropriations and the American Rescue Plan acts of 2021 further aided recovery. The economic recovery would have been faster if it were not for the spread of Delta, a more infectious and vicious variant of COVID-19, and pandemic related supply-chain disruptions. Despite these challenges, quarterly ALGDP grew by 2.4 and 4.1 percent in the first and second quarter of 2021 respectively, reaching \$204 billion. The state's real GDP is expected to grow by 3.4 percent in 2022 to reach \$214 billion. However, concerns over the emerging variants of COVID-19, global supply chain disruptions, and rising inflation will continue to influence the recovery process.

In 2022, real output growth is forecasted to exceed 4.0 percent in several sectors, with large manufacturing and services providing firms leading the economic recovery. The fastest growing segments of the state's economy in 2022 will include agriculture,

Alabama Real GDP and Nonfarm Employment
(Annual Percent Change, 2001-2023)



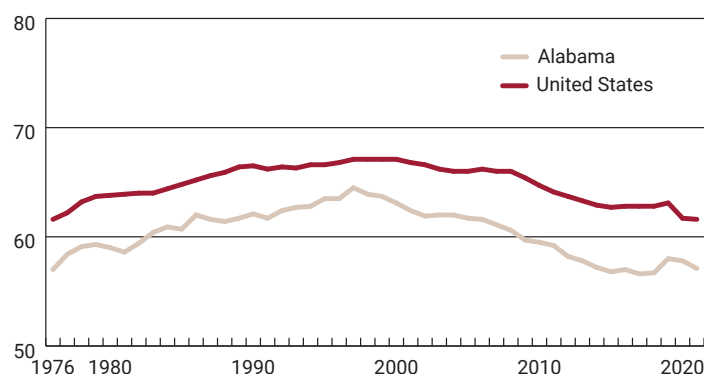
Source: U.S. Bureau of Economic Analysis, U.S. Department of Labor and Center for Business and Economic Research, The University of Alabama.

forestry, fishing, and hunting (28.0 percent); other transportation equipment manufacturing (12.9 percent); motor vehicle and parts manufacturing (11.0 percent); accommodation and food services (10.5 percent); petroleum and coal products manufacturing (8.7 percent); educational services (8.6 percent); machinery manufacturing (7.9 percent); apparel manufacturing (7.5 percent); and administrative and waste services (6.1 percent).

The introduction of vaccines in the first quarter of 2021 enabled many businesses to reopen for in-person operations in a safe

Labor Force Participation Rate

(Percent, 1976-2021)



Source: Bureau of Labor Statistics and Center for Business and Economic Research, The University of Alabama.

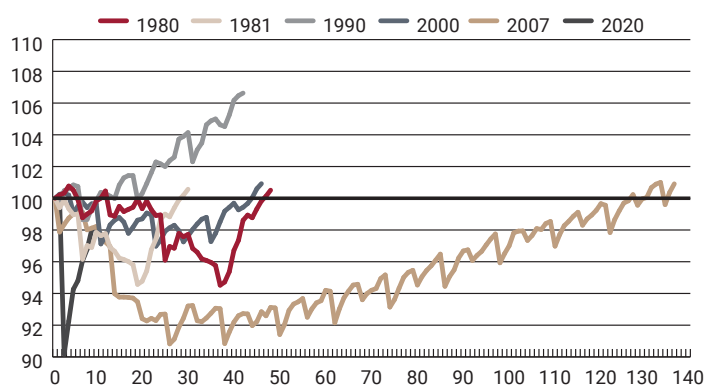
manner, which combined with economic stimulus helped to improve economic recovery. Nonetheless, the state underwent a third COVID-19 wave mid-year that peaked in the summer of 2021 as the Delta variant spread across the nation. Concerns over the pandemic continue to limit travel and global supply chain, leading to high prices of goods across the board as well as labor shortages. These challenges will continue through 2022.

EMPLOYMENT

Alabama's nonfarm employment dropped by 4.3 percent (88,700 jobs) in 2020 due to the economic impact of COVID-19, which led to massive job lay-offs across the state. As personal protection equipment became available lockdown restrictions eased and businesses started reopening. The injection of various economic stimulus funds through Congress combined with access to vaccines resulted in a faster economic and job recovery. For the 12-month period ending in October 2021, the statewide nonfarm employment rebounded by 3.2 percent (63,300), with 90 percent of the net job gains occurring in the service-providing sector, especially in leisure and hospitality businesses as person-to-person interactions resumed. Nonfarm employment totaled 2,070,500 in October 2021 but was still below its pre-pandemic level of 2,075,000 in February 2020. Overall, payrolls for goods producing businesses added a net 6,400 jobs (3.8 percent growth) over the year, as job losses in mining and logging and construction sectors partially offset job gains in the manufacturing businesses. The mining and logging sector lost 400 jobs over the 12-month period. Employment in the construction sector shrank by 3,300 jobs, with net job losses in specialty trade contractors (2,600) and heavy and civil engineering construction (1,000) surpassing the 300 job gains in the building construction segment. Manufacturing establishments added 10,100 jobs comprising 7,600 jobs in durable goods manufacturers and 2,500 jobs in nondurable goods sectors. The largest payroll gains in manufacturing firms were in fabricated metal (2,600) followed by wood product manufacturing (1,100) as these sectors responded to rising demand in the residential buildings sector. Manufacturing firms that lost jobs over the 12-month period were in transportation equipment

Change in Employment From the Beginning of the Recession

(Number of Months)



Source: Alabama Department of Labor and Center for Business and Economic Research, The University of Alabama.

manufacturing (400), followed by primary metal, computer and electrical, paper, and food products (100 jobs each).

The state's service sector added 56,900 jobs over the 12-month period ending in October 2021, with private service businesses gaining 54,900 jobs. As vaccines and masks made it possible for Alabamians started venturing out, demand for leisure and hospitality services and professional and business services increased. Simultaneously, access to stimulus money boosted demand for general merchandise and household goods. This led to net job gains of 22,500 jobs in leisure and hospitality; 8,500 jobs in education and health services; 7,800 jobs in professional and business services; 6,400 jobs in retail trade; 2,900 jobs in financial services; and 2,500 jobs in wholesale trade businesses. Information businesses also added 2,100 jobs as businesses' demand for computer and information systems installation services rose in a bid to cope with the challenges of working remotely. Transportation, warehousing, and utilities added 600 jobs over the 12-month period, with job gains in transportation and warehousing (700) offsetting job losses in utilities (100). Most of the jobs added in the leisure and hospitality establishments were in accommodation and food services (21,000), particularly in the food services and drinking places. The federal government sector in the state lost 1,700 jobs mainly due to the end of the enumeration process for the 2020 Census. In contrast, local and state governments added 2,700 and 100 jobs, respectively.

All of the state's metropolitan areas experienced job gains in the 12-month period ending in October 2021 except for Gadsden, which lost 200 jobs. Despite the loss of jobs in Gadsden, net job gains in the state's metro areas (28 counties) totaled 50,800. During that period, Alabama gained 63,300 jobs, which means that non-metro areas (39 counties) had a net gain of 12,500 jobs. The largest payroll net gains were in the Birmingham-Hoover metro, which added 23,800 jobs, followed by Huntsville (8,300), Daphne-Fairhope-Foley (7,800), Tuscaloosa (2,800), Mobile (2,500), Montgomery (1,800), Dothan (1,500), Auburn-Opelika (1,100), Anniston-Oxford-Jackson (800), and Decatur and Florence-Muscle Shoals (600). As access to personal protection equipment,

COVID-19 vaccines, adoption of customer-facing and remote-work technologies increased, virtually all businesses reopened and unemployment declined. By October 2021, unemployment rates in the metro areas had significantly dropped and ranged from a high of 6.2 percent in Mobile to a low of 3.1 percent in Decatur. Unemployment rates were below 3.0 percent in 40 counties and above 5.0 percent in only six. Wilcox County had the highest unemployment rate at 9.7 percent compared to 12.8 percent a year ago, while Cullman and Shelby counties had the lowest at 1.7 percent compared to 2.6 percent last year. Among the major cities in the state, Homewood had the lowest unemployment rate at 1.5 percent compared to 2.1 percent in October 2020, while Selma had the highest at 7.9 percent compared to 11.0 percent a year ago.

Even though vaccines are widely accessible and many businesses have returned to normal operations, job recovery is still influenced by new virus variants, supply chain interruptions, rising costs of goods, and labor shortages. Nonfarm employment is forecasted to rise 1.4 percent during 2022, which will add about 28,700 jobs across the state. However, at 2,052,565, the total nonfarm employment will still be below the pre-pandemic level. Industries that are expected to have the strongest growth in employment include: motor vehicle parts manufacturing; other durable goods manufacturing; other nondurable goods manufacturing; transportation equipment manufacturing; transportation, warehousing, and utilities; professional and business services; wood products manufacturing; and fabricated metals manufacturing. The majority of new jobs will be in professional and business services; durable goods manufacturing (transportation equipment); educational services and health services (health care and social assistance); state and local government; and transportation, warehousing, and utilities. Job growth in retailing and wholesale trade as well as financial services and leisure and hospitality will most likely remain moderate in 2022. Local and state governments are projected to have modest job growth in the coming year and add about 1,600 and 900 jobs, respectively, while the change in federal civilian employment will be negligible.

The fast decline in unemployment has led to significantly low unemployment rates and a tight labor market at a time when more older workers are retiring. Lingering pandemic concerns are also limiting access to childcare services, therefore keeping a segment of the working age population from labor force participation. Consequently, weekly earnings in private enterprises increased by 6.0 percent in October 2021, to \$980.63 from \$925.24 over the 12-month period. Average weekly earnings in manufacturing rose from \$1,125.21 to \$1,262.20 while earnings in the service sector increased from \$871.82 to \$929.16. As increased global vaccine access reduces the chances of pandemic resurgence, more residents who may be currently staying out of the workforce due to pandemic concerns and childcare services might reenter the job market. The seasonally adjusted unemployment rate is likely to remain around the current level of 3.1 percent by October 2022. Wages are likely to be slightly higher than their current levels due to tightening labor market and persisting pandemic concerns.

EXPORTS

Alabama exports were on the decline even before the COVID-19 due to tariffs and trade disputes with China and North American trade partners. The U.S. Department of Commerce's International Trade Administration data shows that Alabama's exports dropped by \$1.0 billion (4.6 percent) between 2017 and 2019. The pandemic further exacerbated the problem and the state's exports declined by \$3.6 billion (17.5 percent) to \$17.2 billion in 2020 from \$20.8 billion in 2019. Exports accounted for 8.7 percent of the state's GDP in 2020, down from 10.2 percent the previous year. During the first three quarters of 2021, exports rose to \$15.3 billion, or 24.3 percent above the same period in the previous year as disruptions associated with COVID-19 eased in many of the state's exports destinations.

In 2020, Alabama's exports decreased across most of the major trading partners except to China. Exports to China, the state's largest trading partner, increased by 33.8 percent to \$3.1 billion. Other major Alabama export destinations in 2020 included Canada (\$3.0 billion, down 24.5 percent), Germany (\$2.2 billion, down 28.8 percent), Mexico (\$1.8 billion, down 17.3 percent), and Japan (\$700 million, down 9.3 percent).

Top 5 Export Industries of Alabama, 2020

(Billions of Dollars)

Transportation Equipment	\$8.2
Chemicals	\$2.0
Paper	\$1.0
Minerals and Ores	\$0.9
Primary Metal Manufacturing	\$0.9

Source: International Trade Administration, U.S. Department of Commerce.

Top 5 Export Destinations of Alabama, 2020

(Billions of Dollars)

China	\$3.1
Canada	\$3.0
Germany	\$2.2
Mexico	\$1.8
Japan	\$0.7

Source: International Trade Administration, U.S. Department of Commerce.

During the first nine months of 2020, COVID-19 interrupted both domestic and international movements and slowed international trade and exports significantly. With the easing of movements in many of the state's export destinations, exports rose by 24.3 percent to \$15.3 billion in the first nine months of 2021. Exports to Germany during the first three quarters of 2021 rose by 72.9 percent to \$2.9 billion from the same period in 2020, surpassing exports to China and Canada. For the same period, exports to Canada rose by 25.5 percent from \$2.1 billion to \$2.6

billion; exports to China fell 5.8 percent from \$2.1 billion to \$2.0 billion. South Korea became the fifth largest export destination for Alabama as exports rose by 77.0 percent to \$734.7 million, surpassing Japan's \$549.2 million during the first nine months of 2021.

The top export from Alabama in 2020 was transportation equipment with shipments totalling \$8.2 billion, a decrease of 20.1 percent from \$10.3 billion in 2019. Other major exports in 2020 were chemicals (\$2.0 billion, down 10.1 percent); paper (\$1.0 billion, up 0.7 percent); minerals and ores (\$947.9 million, down 30.1 percent); primary metals (\$886.3 million, down 27.4 percent); machinery (\$710.2 million, down 9.8 percent); computer and electronic products (\$458.6 million, down 30.8 percent); and agricultural products (\$392.1 million, up 196.5 percent). During the first three quarters of 2021, transportation equipment exports totaled \$7.7 billion, up 28.8 percent from \$6.0 billion during the same period in 2020, and chemicals exports totaled \$1.6 billion, up 6.4 percent from \$1.5 billion. As the rest of the world gains access to vaccines, Alabama's exports will continue to increase and approach the levels observed in 2017. Manufacturers of both transportation equipment and chemicals will remain the state's major exporters.

TAX RECEIPTS

Despite a very deep recession and a rapid slowdown in 2020, most states have seen a remarkable increase in their tax collections during the last two fiscal years, primarily due to the stimulus payments made to the households and the payment made to the state under the "recovery plans". During fiscal year 2020-2021 (FY2021), which ended in September 2021, total tax revenues were up by 14.4 percent, an increase of about \$1.5 billion from the previous fiscal year totaling almost \$14.0 billion. Individual income tax revenue rose 13.0 percent (\$643 million) to \$5.6 billion while corporate income tax receipts rose by over 61.0 percent (\$370 million) to total about \$974 million. Sales tax revenues for the fiscal year were up 14.9 percent (\$378 million) totaling almost \$8.6 billion. Also during FY2020, appropriations to the Alabama Education Trust Fund rose 11.7 percent (\$902 million) to approximately \$8.6 billion, and appropriation to the state's General Fund rose by 11.4 percent (\$262 million) to total \$2.6 billion.

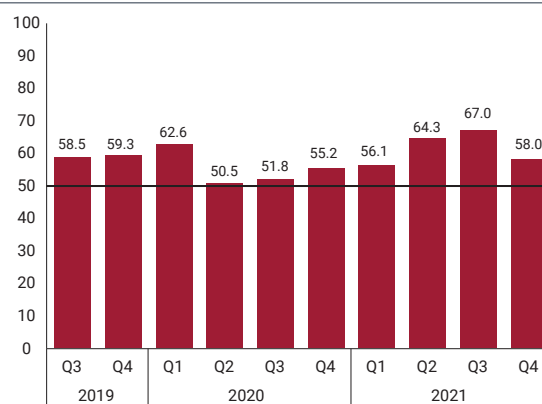
With the state's economy growing at a fairly healthy clip and the second tranche of the "recovery plan" payment still yet to come in 2022, Alabama's tax revenues are expected to grow again at an above average pace. During the fiscal year 2021-2022 (FY2022) total tax receipts are expected to increase by 8.0 percent, or \$1.1 billion above the last fiscal year, to total \$15.1 billion. Individual income tax receipts could increase 7.9 percent (or about \$450 million), to total approximately \$6.0 billion, while sales tax collections will rise by 6.0 percent, totaling \$3.1 billion or an increase of \$174 million over the previous fiscal year. Given the current economic scenario, appropriations to the Education Trust Fund are expected to rise 6.4 percent totaling \$9.2 billion while appropriations to the State's General Fund could see an increase of 6.0 percent in FY2022, to total \$2.7 billion.

BUSINESS CONFIDENCE

A moderate confidence in economic growth was reflected in the business sentiment and expectation index for the fourth quarter of 2021, which is measured by the Center for Business and Economic Research's Alabama Business Confidence Index™ (ABCI). In the second quarter 2020, the overall index declined to 50.5, the lowest since the second quarter 2013, due to heightened economic uncertainties stemming from COVID-19. Since then the index consistently rose, reaching 73.2 in the third quarter of 2021 before declining by 14.3 points to 58.9 in the fourth quarter. An index over the neutral 50 indicates expectations of an expanding economy, and the higher the index, the more confident the forecast. Despite the decrease in the index, which could possibly be associated with concerns about COVID-19 resurgence, supply chain bottlenecks, rising prices, and the labor supply limitations, Alabama business leaders are still confident in their expectations for improved economic conditions throughout the state. National economic outlook expectations were lower than those for the state, and declined by 15.1 points in the fourth quarter to reach a neutral 50.7, implying expectations for a continuation of the previous quarter's national economic conditions. In Q4 2021, confidence in industry growth decreased from the Q3 2021 but remained strong with all ABCI industry component indexes registering at or above 56.6. The highest industry index was hiring with an index of 62.0, followed by sales at 60.6 and capital expenditures at 59.2. The lowest index, profits, registered at 56.6, signaling a moderate confidence in profit growth compared to a strong confidence the previous quarter. When broken up into specific industries, all of the nine industry indexes decreased compared to the record-high confidence of Q3 2021, though four of the nine industry categories still registered above 60, signaling strong confidence in growth. Panelists in construction had the highest ABCI at 63.5, followed by retail finance, insurance, and real estate with an index of 62.2, manufacturing at 60.9, and transportation, information, and utilities with 60.1. Retail trade had the lowest industry ABCI at 45.8, which indicates mildly negative expectations for a continuation of the third quarter's 50.4 level. The highest industry index was sales with an index of 57.5, followed by hiring at 53.8 and profits at 52.0.

ABCI

(Expectations from Previous Quarters)



Note: Index above 50 indicates a positive outlook.

Source: Center for Business and Economic Research, The University of Alabama.

The lowest index, capital expenditures, registered at 50.4 signaling a neutral confidence in increased capital expenditures compared to negative confidence the previous quarter. When broken up into specific industries, two of the nine indexes decreased compared to Q3 2020. However, three of the nine industry categories still registered above 60, signaling strong confidence in growth.

Wholesale trade had the highest ABCI at 65.1, followed by retail trade with an index of 62.5, and health care and social assistance at 60.8.

Alabama Revenue Forecasts

(Millions of Current Dollars)

	FY2019	FY2020	FY2021	FY2022	FY2023
Total Tax Revenues	\$11,626.7	\$12,210.6	\$13,966.3	\$15,083.3	\$15,987.9
Percent Change	5.9	5.0	14.4	8.0	6.0
Sales Tax Revenues	\$2,478.0	\$2,530.8	\$2,908.1	\$3,082.5	\$3,189.8
Percent Change	4.2	2.1	14.9	6.0	3.5
Individual Income Tax Revenues	\$4,842.6	\$4,936.6	\$5,579.7	\$6,019.7	\$6,199.6
Percent Change	6.0	1.9	13.0	7.9	3.0
Corporate Income Tax Revenues	\$582.9	\$604.0	\$974.0	\$1,012.3	\$1,037.3
Percent Change	15.4	3.6	61.3	3.9	2.5
All Other Tax Revenues	\$3,723.2	\$4,139.2	\$4,504.5	\$4,968.8	\$5,561.2
Percent Change	5.5	11.2	8.8	10.3	11.9
Alabama Education Trust Fund	\$7,215.3	\$7,741.2	\$8,643.8	\$9,200.6	\$9,742.7
Percent Change	6.8	7.3	11.7	6.4	5.9
Alabama General Fund	\$2,151.9	\$2,299.2	\$2,561.5	\$2,714.9	\$2,877.6
Percent Change	7.8	6.8	11.4	6.0	6.0

Source: Alabama Department of Revenue and Center for Business and Economic Research, The University of Alabama, December 2021.

OUTLOOK FOR MAJOR SECTORS

This section provides a review of existing conditions and forecasts of major sectors of the Alabama economy. Output activities and employment are covered for each sector. Output is the value of goods produced and services provided, which is the contribution of each sector to Alabama Gross Domestic Product (ALGDP). Output is expressed in real, or inflation adjusted, 2012 chained dollars. As a point of reference, total ALGDP is forecasted to reach \$213.5 billion in 2022, and total nonfarm employment payrolls will total 2,052,565 jobs.

MANUFACTURING

Alabama's manufacturing sector rebounded in 2021, after declining in 2020 due to COVID-19. Fabricated metal product manufacturing leads the sector in payroll recovery. Real output for manufacturing also rebounded to \$36.2 billion in 2021, up 4.4 percent from \$34.7 billion in 2020. Manufacturing's real output in 2021 accounted for 17.5 percent of the state's real output that year.

Alabama's manufacturing sector employed 269,200 workers in October 2021, up by 10,100 (3.9 percent) from October 2020. Manufacturers of durable goods added the most jobs at 7,600 workers, while nondurable goods manufacturers added 2,500 jobs. Most of the industries in manufacturing experienced job gains, led by fabricated metal products (2,600); wood products (1,100); plastics and rubber products (800); and textiles (400).

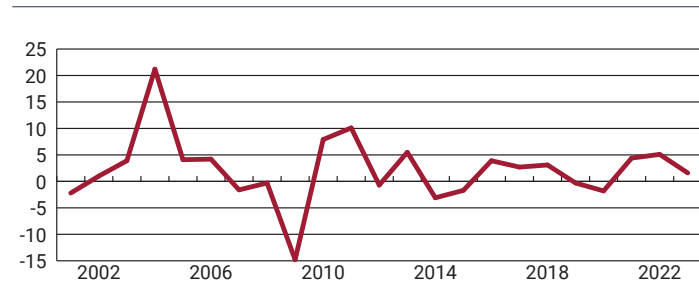
Three manufacturing industries lost jobs in the same period: transportation equipment manufacturing (-400); primary metals, computer and electronic products (-100); and food manufacturing (-100).

In the last three decades, employment in the manufacturing sector has declined in Alabama, and in the U.S., due to structural changes caused by productivity enhancements, plant relocations, successful economic development, and the lasting impact of previous recessions. The risks stemming from the current pandemic, coupled with the associated social distancing measures that combat the spread, could further intensify the need to automate more manufacturing processes. Productivity dropped significantly in April 2020 as firms switched to essential and limited

operations due to COVID-19, but has improved and is reaching pre-pandemic levels. The manufacturing sector in both Alabama and the United States was already poised to lose employment in the more labor-intensive nondurable goods industry in the long run, and the current pandemic virus containment efforts will exacerbate this decline. Manufacturing's share of Alabama nonfarm jobs has fallen from over 22.0 percent, since its peak in 1990 when employment stood at 363,750, to 13.0 percent in 2020. The sector pays higher wages than most sectors; therefore, these job losses have a large impact on communities. In the past, durable goods manufacturing has played a leading role in pulling the state out of recessions and into continued growth due to both increased exports and domestic demand. This is expected of the sector as Alabama recovers from the 2020 recession. To date, the sector has added 28,100 jobs since the end of the 2020 recession.

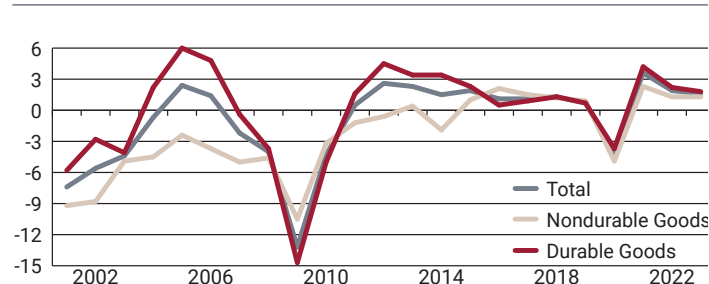
The manufacturing sector's real output is projected to grow 5.1 percent in 2022, led by expected output growth in other transportation equipment (12.9 percent); motor vehicle, body,

Alabama Manufacturing Real GDP
(Annual Percent Change, 2001-2023)



Source: U.S. Department of Labor and Center for Business and Economic Research, The University of Alabama.

Alabama Manufacturing Employment
(Annual Percent Change, 2001-2023)



Source: Alabama Department of Labor and Center for Business and Economic Research, The University of Alabama.

trailer, and parts (11.0 percent); petroleum and coal products (8.7 percent); and machinery (7.9 percent). Employment in the manufacturing sector is forecasted to increase by 1.9 percent during 2022. The state's manufacturing jobs are increasingly in capital-intensive industries, such as transportation equipment, fabricated metal products, and machinery manufacturing. Capital-

intensive production often results in lower prices for consumers, primarily due to intense competition and it generates fewer but higher paying jobs that require higher skills. To help meet this demand for high-skilled labor, workforce development is crucial to the continued growth of the state's existing manufacturing firms and for attracting new industries.

DURABLE GOODS MANUFACTURING

This subsector includes products that have a lifespan of more than three years (e.g., automobiles, metals, machinery, wood, and furniture). The manufacturing processes in these industries are typically capital-intensive, involve significant technology and automation, and require highly skilled workers. Many durable goods firms are large and multinational, making them vulnerable to both national and global economic cycles and disasters, as well as fluctuations in consumer and business spending. As of October 2021, Alabama's durable goods industries employed 177,800 workers, up 4.5 percent or 7,600 jobs from October 2020. Employment in durable goods industries accounted for 8.6 percent of the state's total nonfarm employment and 66.0 percent of manufacturing employment. The real output of durable goods manufacturing shrank 1.9 percent in 2020 due to COVID-19, but it rebounded 5.4 percent in 2021 to reach \$23.6 billion. In 2022, the subsector's real GDP is forecasted to grow 6.0 percent to \$25.1 billion while employment will increase by 2.2 percent (3,940 jobs), primarily driven by anticipated increases in exports as the pandemic eases. The fastest growing industries will be other transportation equipment (aerospace products and other transportation products), motor vehicle body and parts, primary metal, and machinery manufacturing. The durable goods manufacturing industry in the U.S. is currently operating at 76.4 percent of its total capacity, which is close to 76.7 percent observed in 1972-2020. This is a significant improvement from the 53.9 percent capacity utilization registered in April 2020 shortly after the onset of COVID-19 pandemic and the related recession.

Wood Products

Businesses in the wood product manufacturing industries manufacture wood products, such as lumber, plywood, veneers, wood containers, wood flooring, wood trusses, manufactured/mobile homes, and prefabricated wood buildings. As COVID-19 lockdown measures persisted over prolonged periods, many homeowners switched to do-it-yourself home improvement and gardening activities, leading to a demand for wood products. As a result, real output of wood product manufacturing grew by 0.3 percent in 2020 and 3.9 percent in 2021. During the 12-month period ending in October 2021, wood products manufacturing employment rose 6.2 percent (1,100 jobs) to 18,800 from 17,700 the year earlier. However, the sector's exports decreased by \$71.8 million (23.3 percent) to \$236.2 million in 2020 from \$307.9 million the previous year. The first three quarter's data indicate that exports are growing as export destinations reopen. In the first nine months of 2021, the state's wood products exports totaled \$248.8 million, about 42.8 percent above the \$174.3 million shipped during the same period in 2020. Real output is forecasted to grow by 2.0 percent in 2022 to \$1.4 billion due to growth in the construction sector and exports. As the supply of wood products improves, producer prices for lumber and wood products will decline 19.3

percent in 2022, in contrast to the 20.4 percent price increase seen in 2020. Employment in Alabama's wood products industry is forecasted to increase by 2.2 percent.

Capacity Utilization Rate

(Percent of capacity, seasonally adjusted)

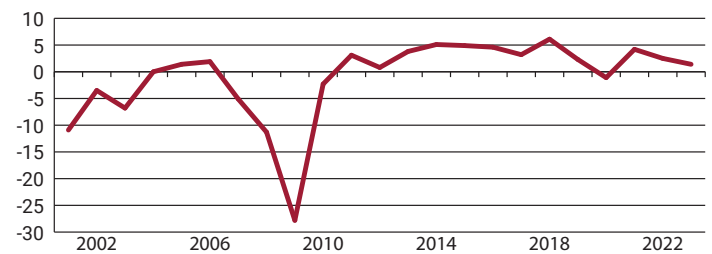
Item	1972 - 2020 Avg.	2009 Low	Oct. 2021
Total industry	79.6	66.6	76.4
Manufacturing (NAICS)	78.1	63.4	77.1
Durable manufacturing	76.8	58.3	76.2
Wood products	76.7	48.0	80.1
Nonmetallic mineral products	73.4	44.5	71.4
Primary metals	77.7	49.6	71.8
Fabricated metal products	77.6	62.2	77.6
Machinery	77.6	59.0	81.5
Computer and electronic products	77.4	70.2	77.4
Electrical equip., appliances, and components	81.6	66.9	78.6
Motor vehicles and parts	75.1	33.1	69.8
Aerospace and miscellaneous transportation equipment	74.2	72.4	74.1
Furniture and related products	77.1	56.2	82.3
Miscellaneous	76.7	68.2	79.8
Nondurable manufacturing	79.9	68.8	78.1
Food, beverage, and tobacco products	80.3	75.3	75.4
Textile and product mills	78.3	54.3	66.8
Apparel and leather	76.2	59.5	81
Paper	86.7	72.7	83.6
Printing and support	79.4	58.7	77.6
Petroleum and coal products	84.7	76.1	78.9
Chemicals	76.6	64.8	78.7
Plastics and rubber products	82.0	57.1	82.7
Other manufacturing (non-NAICS)	79.5	65.4	64.5
Mining	86.2	78.3	76.9
Utilities	85.0	78.0	73.8
Selected high-technology industries	77.4	71.6	79.8
Computers and peripheral equipment	78.0	84.3	82.6
Communications equipment	75.5	76.6	71.9
Semiconductors and related electronic components	78.9	63.5	83.1

Note: October 2021 is preliminary, not revised data.

Source: Board of Governors of the Federal Reserve System and Center Business and Economic Research, The University of Alabama.

Alabama Wood Product Employment

(Annual Percent Change, 2001-2023)



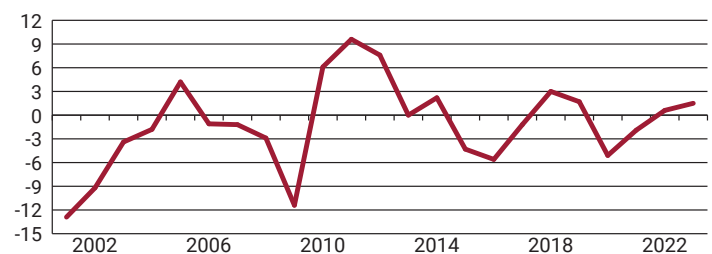
Source: U.S. Department of Labor and Center for Business and Economic Research, The University of Alabama.

Primary Metals

These are the establishments that engage in smelting and refining of ferrous and non-ferrous metals from ore or scrap in blast or electric furnaces, including the manufacturing of alloys. Primary metals manufacturers are the fifth largest exporters for Alabama, but like most of the exports, shipments declined in 2020 because of the COVID-19 recession and trade uncertainty. Primary metals exports decreased from \$1.2 billion in 2019 to \$886.3 million in 2020, a decrease of about \$334.1 million (27.4 percent). However, with the pause of trade dispute rhetoric and the ease of pandemic movement restrictions, the trend appears to be reversing. Total exports were \$935.4 million in the first three quarters of 2021, up 44.8 percent (\$289.5 million) from \$645.9 million during the first three quarters of 2020. The industry's real GDP grew by 1.5 percent to over \$5.9 billion in 2021. However, the sector's payroll lost 100 jobs (0.6 percent) in the 12-month period ending in October 2021 to total 16,300 jobs. Real GDP for the industry is forecasted to have a robust growth of 4.3 percent to \$6.1 billion in 2022, with a subdued increase in employment of 0.6 percent. As global supply chain and logistics ease, producer prices of metal and metal product prices will rise by 7.7 percent in 2022 compared to 30.8 percent increase seen in 2021. However, the industry will continue to be challenged by the persistence of the pandemic; the high capital intensity nature of the industry; rising commodity prices; international competition (especially with India and China); and domestic regulation compliance costs.

Alabama Primary Metals Employment

(Annual Percent Change, 2001-2023)



Source: U.S. Department of Labor and Center for Business and Economic Research, The University of Alabama.

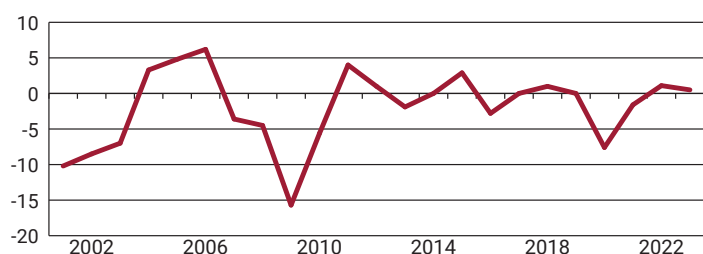
Fabricated Metals

Due to the economic impact of COVID-19, real output of Alabama's fabricated metals industry contracted 10.7 percent in 2020 but rebounded 3.1 percent to \$2.2 billion in 2021. From October 2020 to October 2021, payrolls rose by 2,600 jobs (10.0 percent) to 28,700. Exports decreased from \$456.7 million in 2019 to \$336.2 million in 2020, a decrease of \$120.6 million (26.4 percent). However, the industry's exports increased by 1.7 percent to \$249.9 million during the first three quarters of 2021 from \$275.8 million for the same period in 2020. The industry's real GDP is forecasted to register a modest 2.5 percent increase to \$2.3 billion in 2022, and employment will grow 2.0 percent to 28,803 workers, partially due to increased exports.

Machinery

This industry refers to businesses that manufacture industrial machinery; agriculture, construction, and mining machinery; commercial and service industry machinery; ventilation, HVAC, and commercial refrigeration equipment; metalworking machinery; engine, turbine, and power transmission equipment; and other general purpose machinery. However, it excludes electrical equipment manufacturing. Machinery manufacturers are among the state's largest exporters, having shipped products valued at \$710.2 million in 2020, down by 9.8 percent from \$787.6 million in 2019. However, with the easing of trade uncertainties and the COVID-19 lockdown, shipments of nonelectrical machinery rebounded 64.1 percent to reach \$858.9 million during the first three quarters of 2021, from the same period in the previous year. The real output of the industry contracted 11.1 percent in 2020, but rebounded 1.7 percent to \$785.6 million in 2021. During the 12-month period ending in October 2021, the industry's payroll totaled 9,600 jobs which was unchanged from the previous year. Producer prices for machinery equipment are expected to rise 5.8 percent in 2022 compared to 3.2 percent in 2021. Real output of the industry is expected to register a strong 7.9 percent increase to \$848 million in 2022, while employment is projected to increase by 1.1 percent to 9,647 jobs.

Alabama Machinery Employment
(Annual Percent Change, 2001-2023)



Source: Alabama Department of Labor and Center for Business and Economic Research, The University of Alabama.

Electrical Equipment and Appliances

Alabama's electrical equipment and appliance industry real output increased by 3.0 percent to \$712.7 million in 2021, but

employment remained unchanged in October 2021 at 5,800 jobs from October the previous year. Industry exports decreased to \$271.9 million in 2020 from \$291.6 million in 2019, after losing \$19.7 million (6.8 percent). However, exports were up in the first three quarters of 2021, reaching \$206.2 million, compared to the \$192.0 million shipped during the same period in 2020. Overseas industry relocation in this industry continues, mainly to China, Vietnam, and other lower-labor-cost countries. The real output for the state's electrical equipment and appliances and component manufacturers is forecasted to grow 1.9 percent in 2022 while employment is expected to increase by 1.2 percent.

Computer and Electronic Products

This subsector manufactures computers, computer peripherals, communications equipment, and electronic products, including semiconductors. The industry has had a tough year due to global shortages of semiconductors as COVID-19 interrupted production and shipping. In 2020, shipments of Alabama's computer and electronic products industry plummeted 30.8 percent to \$458.6 million from \$662.5 million in 2019, and are yet to show signs of recovery. In the first three quarters of 2021, exports decreased by 2.9 percent (\$9.8 million) to \$324.1 million from \$333.9 million during the same period in 2020. The industry's real output decreased 0.1 percent to \$1.3 billion in 2021. In October 2021, the industry employment totaled 7,700 after losing 100 jobs (1.3 percent) from the same period of the previous year. Real output of the industry is expected to decline 1.4 percent in 2022, with employment dropping 1.5 percent.

Motor Vehicles and Other Transportation Equipment

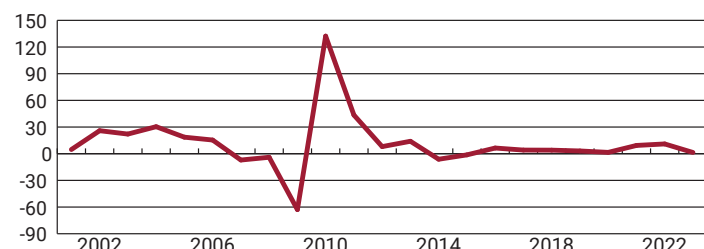
This section refers to Alabama's transportation equipment manufacturing industry. The industry includes firms manufacturing motor vehicles; motor vehicle parts; aircraft engines and parts; guided missiles; aerospace and defense-related equipment; ships and boats; railroad equipment; and other miscellaneous transportation equipment. The motor vehicles and transportation equipment industry pays some of the highest manufacturing sector wages in the state, with annual salaries averaging \$76,000. The entire industry is sensitive to economic and business cycles, federal government spending, business spending on transportation, and consumer spending on motor vehicles and parts. Alabama is one of the largest vehicle producers in the nation and the industry's exports accounted for 48 percent of the state's total exports in 2020. Shipments totaled \$8.2 billion in 2020, down \$2.1 billion (20.1 percent) from in 2019, but are showing signs of recovery. During the first three quarters of 2021, the industry's exports totaled \$7.7 billion, up 28.8 percent (\$1.7 billion) from \$6.0 billion in the same period of 2020.

The reduction of travel due to COVID-19 and declining exports initially led to low demand for passenger cars. Despite the easing of travel restrictions, the industry has been experiencing a severe shortage of semiconductors, a critical component of modern cars, due to pandemic related disruptions of the global chip supply chain. This has impaired the industry's ability to release newly built cars, with manufacturers building fewer vehicles or suspending production of certain features or product lines. The ever-tight supply of new cars has led to a strong demand and

exorbitantly high prices for used cars. Payroll employment of the state's transportation equipment manufacturing industry decreased by 0.6 percent (400 jobs) to 62,400 for the 12-month period ending in October 2021. In that period, motor vehicle parts manufacturing lost 100 jobs, while motor vehicle manufacturing's payroll gained 600 jobs and aerospace products and products manufacturing added 200 workers. The combined real GDP for the state's transportation equipment manufacturing contracted 8.1 percent in 2020, but rebounded 7.5 percent in 2021 to \$8.6 billion despite the chip shortages. Real output for motor vehicle and parts manufacturing rebounded 9.3 percent to \$6.5 billion in 2021, while output for other transportation equipment manufacturing contracted 3.3 percent to \$2.6 billion.

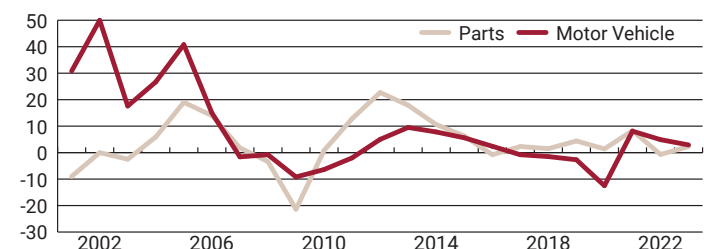
The chip shortage is likely to subside in 2022, which will allow the industry to experience modest growth as travel picks back up. Real output of other transportation equipment manufacturing is expected to grow 12.9 percent, while real GDP of motor vehicles, body, trailer, and parts manufacturing will grow 11.0 percent to reach \$7.2 billion. Employment is forecasted to increase by 4.9 percent among motor vehicle parts manufacturers and 3.8 percent for other transportation equipment manufacturers, while motor vehicle manufacturers' payrolls are expected to decline 0.7 percent. Nationwide, sales of new cars are expected to rise 6.2 percent in 2022, but overall sales of motor vehicles and parts will drop by 4.3 percent.

Alabama Motor Vehicles & Parts Real GDP
(Annual Percent Change, 2001-2023)



Source: U.S. Department of Commerce and Center for Business and Economic Research, The University of Alabama.

Alabama Motor Vehicles & Parts Manufacturing Employment
(Annual Percent Change, 2001-2023)



Source: U.S. Department of Labor and Center for Business and Economic Research, The University of Alabama.

NONDURABLE GOODS MANUFACTURING

Nondurable goods, such as food, paper, plastics and rubber, textiles and apparel, and chemicals, have an expected lifespan of less than three years. Alabama's nondurable manufacturers' real output rebounded to \$12.6 billion in 2021. This increase of 2.7 percent in 2021 followed a 1.7 percent contraction in 2020, which was the result of factors related to COVID-19. Payrolls totaled 91,400 in October 2021, up 2,500 jobs (2.8 percent) from October 2020. Nondurable goods manufacturing employment has shrunk by half since its peak level of over 192,000 in 1992 and currently accounts for 4.4 percent of the state's total nonfarm employment. Among nondurable goods manufacturers, plastic and rubber products manufacturers gained the most jobs, with their payroll growing by 800 (4.6 percent) during the 12-month period ending in October 2021. They were followed by textile mills producers who added 400 workers and paper manufacturers with 300 jobs. During the same period, food manufacturing business lost 100 jobs. Real GDP of the state's nondurable goods manufacturers is expected to grow 3.2 percent to \$13.0 billion in 2022, while employment will rise 1.3 percent to 92,607 workers. However, over the long run, nondurable goods producing industries are bound to continue shedding jobs as a result of globalization and the continuous adoption of more capital-intensive technologies by producers, particularly in textiles and apparel-related industries.

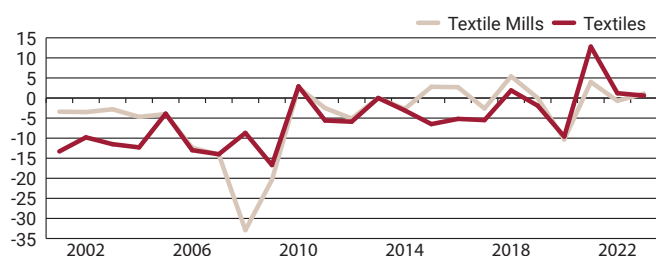
Textile and Apparel Products

Over the past decades, most of the state's basic textile and apparel operations relocated overseas, thus by October 2021, both sectors employed 9,100 workers. Textile mills employed 5,400 workers after adding 400 jobs (8.0 percent) since October 2020, while textile product mills' payrolls stood at 3,700 after gaining 100 jobs (2.8 percent) during the same period. However, payrolls in the broad industry category have shrunk significantly from their peak in the early-1990s due to free trade agreements and offshoring of production to countries with relatively lower labor and production costs. As of 2019, China remained the largest exporter of textiles and apparel in the world, followed by the European Union, Bangladesh, Vietnam, and India; while the United States was the largest importer of these products.

Despite the continuation of the COVID-19 pandemic, real GDP of apparel manufacturers rebounded 5.6 percent in 2021 while the real output of textile and textile product mills increased by 0.2 percent. Growth in both sectors is due to increased exports and a strong domestic consumer demand for clothing and footwear. Exports of textiles and fabrics grew 54.7 percent to \$137.0 million in the same period in 2020, apparel exports increased 38.9 percent to \$9.0 million, and textile mills product exports increased 8.4 percent to \$31.7 million. In the first three quarters of 2020, textiles and fabrics' exports had declined 35.8 percent to \$127.9 million from \$199.2 in 2019; apparels' exports increased 27.9 percent to \$8.9 million; and textile product mills' exports increased 9.9 percent to \$39.9 million. In general, textile and textile product mills and apparel manufacturers have experienced drops in production capacity primarily due to technological advances.

Alabama Textiles & Textile Mills

(Annual Percent Change, 2001-2023)



Source: Alabama Department of Labor and Center for Business and Economic Research, The University of Alabama.

The real output of the apparel industry is forecasted to register a robust increase of 7.5 percent in 2022, while real output for textile and textile product mills is expected to grow 4.7 percent. Apparel manufacturing payrolls are forecasted to grow 1.2 percent, but textile and textile product mills employment will shrink 0.7 percent. Producer prices of textile products and apparel are projected to rise 4.9 percent in 2022 compared to 7.6 percent in 2021. Textiles and apparel manufacturers will continue to deal with intense pressure to reduce prices from large sellers, who themselves face intense competition.

Paper and Related Products

Paper manufacturing is Alabama's third largest exporting sector and remains one of the state's highest-paying industries. In 2020, the industry exported \$1.0 billion worth of goods, up 0.7 percent or \$7.0 million from 2019. Exports for the first nine months of 2021 have increased to \$836.5 million (5.1 percent) from \$796.3 million for the same period in 2020. Despite the pandemic's impact on production, real output of the industry grew 5.8 percent in 2020 and 3.5 percent in 2021 reaching \$2.5 billion. Payrolls in paper and related products manufacturing totaled 11,500 workers in October 2021, up 300 jobs (2.7 percent) from its October 2020 level, despite a loss of 100 jobs in the pulp, paper, and paperboard mills segment. The industry's employment is projected to decrease 1.6 percent in 2022 to 11,253 jobs, while the real output will grow 2.9 percent to \$2.5 billion. Pulp and paper producer prices are forecasted to rise 6.4 percent in 2022 compared to 10.4 percent increase in 2021 as supply chain logistics improve.

Chemicals and Allied Products

The chemicals and allied products industry is Alabama's second largest exporter, accounting for 11.8 percent of the state's total exports in 2020. The industry exported \$2.0 billion worth of goods in 2020, which was a 10.1 percent decrease from 2019 due to the economic impact of COVID-19 and trade uncertainties. Shipments for the first nine months of 2021 are valued at \$1.6 billion, up 6.4 percent from the \$1.5 billion during the same period in 2020. After declining 1.8 percent in 2020, the real output for chemicals and allied products rebounded 0.6 percent in 2021 and is forecasted to grow at 3.1 percent in 2022 to reach \$2.9 billion. Producer prices for chemicals and allied products are expected to rise by 8.9 percent in 2022 compared to 18.8 percent in 2021.

Plastics and Rubber Products

The real output of Alabama's plastics and rubber products manufacturing contracted 5.4 percent in 2020 due to COVID-19, but rebounded 2.1 percent to \$1.5 billion in 2021. Due to the pandemic and trade uncertainties, exports decreased by 6.5 percent (\$21.0 million) from 2019 to reach \$300.3 million in 2020. During the first three quarters of 2021, exports rebounded 58.0 percent (\$113.6 million) to \$309.4 million compared to \$195.8 million during the first three quarters of 2020. The growth in exports is due to the pause of foreign trade disagreements and easing of COVID-19 lockdown measures globally. The industry's payrolls totaled 18,300 jobs in October 2021, up 4.5 percent (800 jobs) from October 2020. Producer prices for plastics and rubber products are expected to increase by 7.4 percent in 2022, compared to a 10.3 percent increase in 2021. In 2022, employment in the industry is expected to increase by 1.2 percent or 223 jobs.

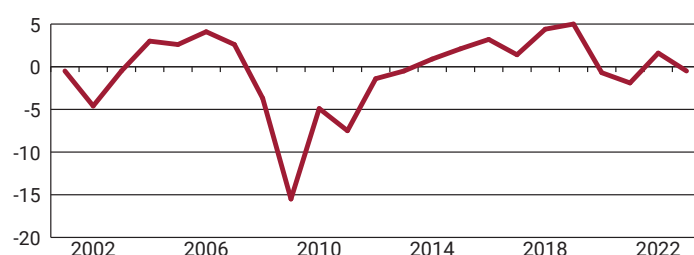
CONSTRUCTION

This sector includes businesses engaged in residential, nonresidential, and industrial construction, as well as in heavy construction such as highways, bridges, and roads. Some specialty trade contractors (plumbing, insulation, roofing workers, electricians, etc.) are also included in this sector. According to the Alabama Center for Real Estate, total residential home sales for January through October 2021 totaled 67,357, up 11.4 percent from the same period the previous year. New construction sales accounted for 13.3 percent of the total home sales (8,978 units). The average home price in Alabama was \$249,870 (up 14.5 percent from a year ago) while the median home price was \$208,460 (up 11.3 percent).

After contracting in 2020, real GDP for construction rebounded 2.2 percent to \$7.6 billion in 2021. However, the 12-months ending in October 2021 show that the sector's employment decreased by 3,300 jobs as payroll losses in the specialty trade contractors (2,600 jobs) and heavy and civil engineering construction (1,000 workers) dissipated payroll gains in the buildings construction (300 jobs) segment. Overall, the sector employed 93,100 workers. Real output of the state's construction sector is expected to decline 0.9 percent to \$7.6 billion in 2022, with employment growing by 1.6 percent.

Alabama Construction Employment

(Annual Percent Change, 2001-2023)



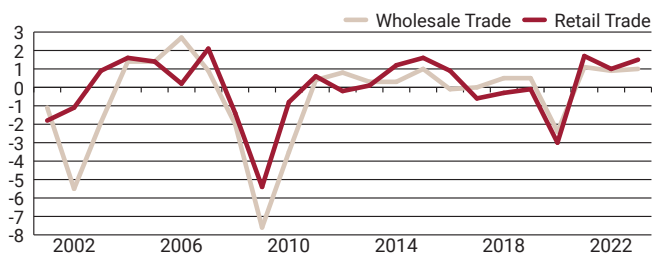
Source: Alabama Department of Labor and Center for Business and Economic Research, The University of Alabama.

WHOLESALE AND RETAIL TRADE

Real output from wholesale trade establishments rebounded 5.4 percent to \$12.3 billion in 2021 and the sector's payroll added 2,500 jobs (3.5 percent) from October 2020 to October 2021 totaling 74,600 statewide. Durable goods merchant wholesalers had the largest job gains of 2,300 workers (6.7 percent growth), followed by wholesale electronic markets and agents and brokers with 300 jobs (1.8 percent). However, nondurable goods merchant wholesalers lost 100 jobs (0.5 percent) in the same period but the losses were offset by job gains in the other segments. Real GDP for the retail trade sector rebounded 5.2 percent to \$15.3 billion in 2021, and payrolls increased by 6,400 jobs (2.8 percent) to 233,100 from October 2020 to October 2021. Retail trade payrolls accounted for 11.3 percent of total nonfarm payrolls, and its real output share was 7.4 percent of the state's GDP. The easing of COVID-19 stay at home orders and the disbursement of pandemic related stimulus money to Alabamians increased demand for general merchandise, food and beverages, and personal care store products as consumers had extra dollars to spend. General merchandise stores added 1,200 jobs mostly in departmental stores; food and beverages added 1,000 jobs; personal care stores added 600 jobs; and motor vehicle and parts dealers gained 400 jobs during the same period. Building materials, garden equipment, and supplies dealers were the only retailers who lost jobs (700 workers or 1.3 percent) as the easing of the pandemic lockdown made it such that a large segment of the population was no longer spending as much time at home working on home-improvement projects.

Expenditures on nondurable goods are expected to increase 0.9 percent in 2022, with purchases of gasoline and other energy goods increasing 4.9 percent and other nondurable goods expenditures growing by 2.3 percent. Durable goods sales are expected to decline by 3.4 percent but sales of new cars are expected to increase 6.2 percent. Despite the sluggish growth of expenditures, the real output from retail trade is forecasted to grow by 1.9 percent to \$15.6 billion in 2022 and wholesale trade's real output will grow by 2.6 percent to \$12.7 billion. Payrolls are projected to grow by 1.0 percent for retail trade businesses and 0.9 percent for wholesale trade.

Alabama Wholesale and Retail Employment
(Annual Percent Change, 2001-2023)

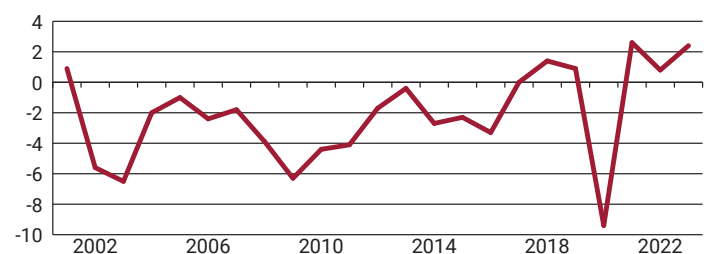


Source: U.S. Department of Commerce and Center for Business and Economic Research, The University of Alabama.

INFORMATION

The information sector is largely comprised of communications-related entities such as publishers, broadcasters, and telecommunications and internet service providers. During the year ending in October 2021, these industries employed 21,200 workers across Alabama, an increase of 2,100 workers (11.0 percent) from October 2020. The sector's real output rebounded 3.6 percent to almost \$5.3 billion in 2021. The communication networks segment of the sector has benefitted from the COVID-19 related shift to online and virtual business offerings. Consumers and businesses continue to receive more diverse and better services because of competition among internet service providers, technological innovations, and higher productivity. Real output of the state's information-related businesses is forecasted to grow 3.4 percent to \$5.7 billion in 2022, while payrolls will increase by 0.8 percent.

Alabama Information Employment
(Annual Percent Change, 2001-2023)



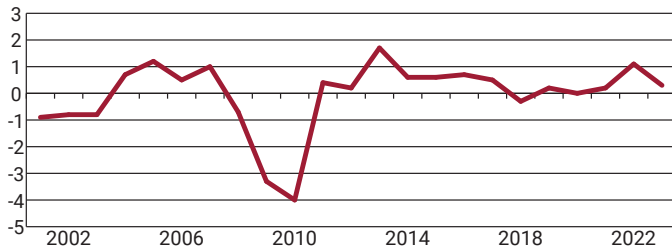
Source: U.S. Department of Commerce and Center for Business and Economic Research, The University of Alabama.

FINANCIAL ACTIVITIES

The financial services sector includes finance and insurance as well as real estate, rental, and leasing firms. Both subsectors registered robust growth in 2021, with the combined real GDP rebounding 5.4 percent to \$33.1 billion (16.1 percent of Alabama's real GDP). Real output for the real estate, rental and leasing industry rebounded 6.5 percent to \$23.7 billion, while real output for finance and insurance increased 2.6 percent to \$9.5 billion. Between October 2020 and October 2021, the sector's payroll added 2,900 workers (3.0 percent) to total 99,200 jobs, which accounted for 4.8 percent of total state nonfarm employment. The majority of the net job gains were in the real estate and rental and leasing industry, which added 2,200 jobs (9.7 percent) between October 2020 and October 2021 due to high demand for housing and real estate fueled by low mortgage rates. The finance and insurance industry added 700 jobs (1.0 percent) to total 74,400 workers in the same period, as jobs losses in the credit intermediation and related activity segment partially offset job gains in the insurance carriers and related activities segment. Real GDP of the combined financial activities sector is forecasted to grow at 3.1 percent to \$34.2 billion in 2022, with real GDP for finance and insurance businesses growing at 4.3 percent to \$9.9 billion and real estate and rental and leasing real output growing at 2.6 percent to \$24.3 billion due to relatively low interest rates. Employment for the financial activities sector is projected to grow by 1.1 percent to reach 97,787 jobs in 2022.

Alabama Financial Employment

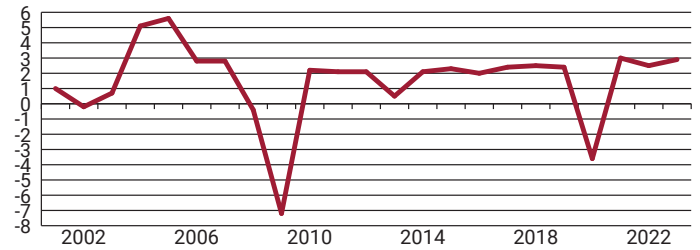
(Annual Percent Change, 2001-2023)



Source: U.S. Department of Commerce and Center for Business and Economic Research, The University of Alabama.

Alabama Professional Business Services Employment

(Annual Percent Change, 2001-2023)



Source: U.S. Department of Commerce and Center for Business and Economic Research, The University of Alabama.

PROFESSIONAL AND BUSINESS SERVICES

This sector includes professional, scientific, and technical services; management of companies and enterprises; administrative, support and waste management and remediation services; and other professional and support services. The sector employs 12.5 percent of Alabama's nonfarm employment and its share of the state's real GDP was 10.6 percent in 2021. The real output from the combined professional and business services totaled \$21.9 billion in 2021, up 4.8 percent from 2020 level of \$20.9 billion. The sector had 247,100 workers in October 2021, after gaining 7,800 jobs (3.1 percent) since October 2020. Within the sector, administrative, support and waste management and remediation services payroll gained the most jobs at 4,500 workers (3.5 percent), followed by professional, scientific, and technical services with 3,200 jobs (3.0 percent) and management of companies and enterprises at 1,000 jobs (0.6 percent). In 2021, the real GDP for professional, scientific, and technical services establishments rebounded 5.6 percent to \$14.1 billion from \$13.4 billion from the previous year. Management of companies and enterprises' real output also rebounded 5.6 percent to \$2.4 billion, while administrative, support and waste management and remediation services increased 2.6 percent to about \$5.4 billion.

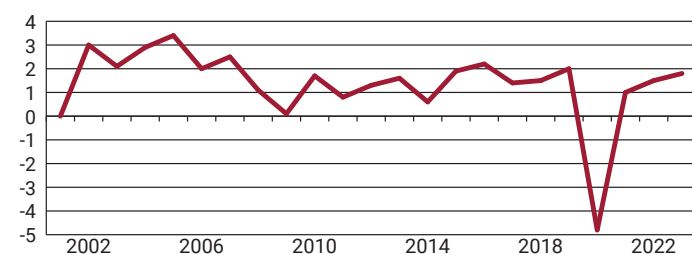
In 2022, the real GDP from administrative, support and waste management and remediation services subsector is forecasted to grow a significant 6.1 percent to reach \$5.7 billion; professional, scientific, and technical services will expand 4.4 percent to \$14.7 billion; and management of companies and enterprises will increase 3.4 percent to \$2.5 billion. The combined real output from the state's professional and business services will grow at 4.3 percent to \$22.9 billion in 2021, and payroll will increase by 2.5 percent (6,326 workers) to 255,486.

EDUCATIONAL AND HEALTH SERVICES

This sector includes educational services and health care and social services. Businesses in this sector employed 11.9 percent of the state's workforce in October 2021. The combined real GDP of both educational and health services sectors increased to \$16.6 billion in 2021 from \$15.7 billion in 2020. Real output for educational services rebounded 5.1 percent to \$1.1 billion in 2021, while that of healthcare and social assistance services grew 5.7 percent to \$15.6 billion. Despite the significant growth from 2020 to 2021, the real output for both sectors is still below pre-pandemic levels. Employment in educational and health services totaled 247,100 in October 2021, up 3.6 percent (8,500 jobs) from October 2020. Most net job gains were in the healthcare and social assistance subsector (8,200 or 3.9 percent) as the suspension of non-emergency hospital and physician visits, medical procedures, and social services due to COVID-19 was lifted. Ambulatory health care services added the most jobs at 7,100, while physicians' offices increased their workforce by 3,100. Social assistance payrolls added 3,100 jobs as offices reopened, while hospitals added 1,100 jobs. Nursing and residential care facilities lost 3,100 workers, a decrease of 7.9 percent, due to a combination of factors. Caregivers' burnout from the pandemic and the disproportionately high cost of the pandemic to providers further strained a subsector that was already overwhelmed by high staff turnover, rising costs, and chronic underfunding of Medicaid. Educational services subsector added just 300 workers (1.0 percent) from October 2020 to 2021 to total 29,400 employees as many establishments switched to virtual service delivery as a way of coping with the pandemic constraints. In 2022, real GDP for educational services is expected to experience a robust 8.6 percent increase, and healthcare and social assistance services is forecasted to grow 4.0 percent. Overall, employment in the combined sector is expected to increase by 1.5 percent to about 244,100 workers with the majority of the jobs being added in health care and social assistance establishments.

Alabama Educational and Health Services Employment

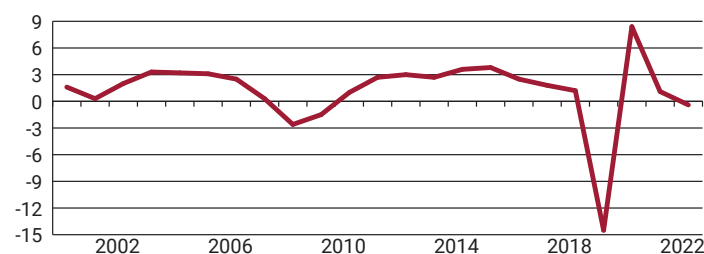
(Annual Percent Change, 2001-2023)



Source: Alabama Department of Labor and Center for Business and Economic Research, The University of Alabama.

Alabama Leisure and Hospitality Employment

(Annual Percent Change, 2001-2023)



Source: Alabama Department of Labor and Center for Business and Economic Research, The University of Alabama.

LEISURE AND HOSPITALITY

This sector includes arts, entertainment, and recreation services as well as accommodation and food services subsectors. The leisure and hospitality industry employed 200,900 workers in October 2021, which is 9.7 percent of Alabama's nonfarm workers. This sector was the most affected by the human and economic impacts of COVID-19, but with easing of restrictions on movement and face-to-face interactions it is recovering at a fast pace. During the 12-month period ending in October 2021, the sector added 22,500 jobs which was an increase of 12.6 percent. The arts, entertainment, and recreation subsector payroll gained 1,500 jobs (8.5 percent) as most activities in amusement, gambling, and recreation resumed. Accommodation and food services establishments added 21,000 workers (13.1 percent) to reach 181,800 jobs in the same 12-month period, with food services and drinking places adding 19,600 jobs (13.3 percent). Real output for accommodation and food services contracted by 16.6 percent in 2020, but expanded by 29.9 percent to \$5.6 billion in 2021. After dropping 30.2 percent in 2020, real output of the arts, entertainment, and recreation subsector rose by 29.1 percent in 2021 to \$660.9 million. In 2022, real output in accommodation and food services is forecasted to grow at 10.5 percent to reach \$36.2 billion, while arts, entertainment, and recreation services' real output will contract 7.8 percent to \$609.2 million. The sector's employment is forecasted to rise 1.1 percent (2,050 jobs) in 2022, with job gains in accommodation and food services offsetting losses in arts, entertainment, and recreational services.

MINING AND LOGGING

This sector includes coal mining; oil and gas extraction; logging; and the mining of metals and nonmetallic minerals such as stone, sand, and gravel. In 2020, real output of this sector decreased 3.0 percent to total \$2.5 billion primarily due to reduction in coal mining activity in the state and COVID-19 interruptions. In 2021, the real GDP for the sector rebounded 5.3 percent to \$2.6 billion. Businesses in oil, gas, mineral and ores were Alabama's fourth largest exporters in 2020, shipping \$947.9 million worth of products. This was a 30.1 percent decrease (\$407.9 million) from the \$1.4 billion of 2019. During the first nine months of 2021 shipments continued to fall, plummeting 22.4 percent (\$145.7 million) from the same period the previous year. The sector employed 9,000 workers in October 2021, down 4.3 percent (400 jobs) from September 2020, with 4,200 of those jobs in mining. Real output in the sector is expected to experience a slight 0.7 percent decline in 2022, while employment will decrease 2.4 percent to about 8,900 jobs. Crude oil prices (West Texas Intermediate Spot) are expected to average \$73.8 per barrel in 2022, up from \$69.0 in 2021 due to supply chain bottlenecks and rising inflation. The nationwide demand for coal in 2022 is expected to decrease to 9.2 quadrillion Btu from 10.8 quadrillion Btu in 2021. Producer prices for coal are projected to increase 2.1 percent in 2022 compared to 1.9 percent in 2021.

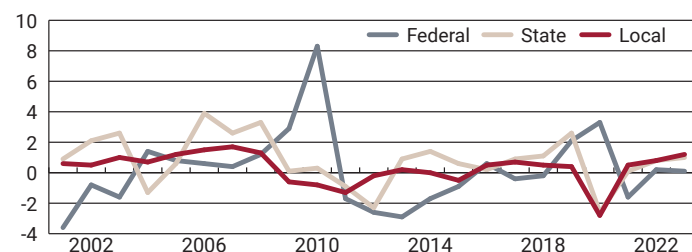
TRANSPORTATION, WAREHOUSING, AND PUBLIC UTILITIES

This sector includes public utilities; warehousing; and rail, water, and truck transportation. The broad sector employed 79,900 workers in October 2021, up 0.8 percent (600 jobs) from October 2020. Transportation and warehousing employment increased by 1.1 percent (700 jobs) to reach 67,000 as employment in truck transportation rose to meet household demand for general merchandise resulting from stimulus funds. This offset the 100 job losses (0.8 percent) in utilities. The real GDP of the state's utilities establishments rose by 0.5 percent to \$5.8 billion in 2021 and is projected to grow by 0.6 percent in 2022. After contracting 5.6 percent in 2020, real output for transportation and warehousing establishments grew 3.0 percent to \$4.9 billion in 2021. It is expected to continue rebounding in 2022, growing 2.4 percent to \$5.0 billion in 2022. Employment in the transportation, warehousing, and public utilities firms is forecasted to increase at 3.0 percent in 2022 to just under 82,000 jobs.

GOVERNMENT

Real output of all the government entities in Alabama grew by 0.9 percent to \$31.9 billion in 2021 after contracting 0.4 percent in 2020 due to the impact of COVID-19 on local and state governments. Overall, government entities accounted for 15.5 percent of the state's GDP in 2021. Real output of federal military entities rose 2.8 percent to \$4.5 billion in 2021, while state and local governments' real output grew by 1.0 percent to \$19.8 billion. Real GDP for the federal civilian sector contracted by 0.3 percent due to the conclusion of the 2020 Census. The overall government sector gained 2,000 jobs (0.5 percent) over the 12-months ending in October 2021, bringing total government employment up to 391,100, which accounted for 18.9 percent of total nonfarm payrolls. This total is comprised of 214,900 workers in local governments; 120,800 in state government; and 55,400 in federal government. From October 2020 to September 2021, federal government entities lost 1,700 jobs (3.0 percent) due to the conclusion of the recent 2020 Census, but local and state governments added 2,700 and 1,000 jobs, respectively. Real output is forecasted to increase 1.2 percent for the government sector in 2022, with output for both state and local governments growing 1.9 percent, and military real GDP growing 0.6 percent. Real output for federal civilian is expected to decline 0.4 percent. Employment in the government sector overall is expected to grow 0.7 percent in 2022 with much of the growth occurring in local and state governments.

Alabama Government Employment (Annual Percent Change, 2001-2023)



Source: Alabama Department of Labor and Center for Business and Economic Research, The University of Alabama.

AGRICULTURAL SERVICES, FORESTRY, AND FISHERIES AND FARMING

This sector includes agricultural services such as farm labor and management services; landscaping; soil preparation; forestry services; and fishing, hunting, and trapping services. Alabama is among one of the largest poultry-exporting states in the nation. Exports of Alabama's agricultural products rose 112.6 percent (\$273.3 million) from \$242.8 million in 2019 to \$516.0 million in 2020 as the US and China put some tariffs and trade disputes on hold. During the first nine months of 2021, exports totaled \$239.6 million, up 0.6 percent from \$238.2 million in the same period the previous year. Due to the growth of agricultural exports, real GDP of the sector grew by 5.9 percent in 2021 with crop and animal production accounting for most of the real output. Real output of the state's agricultural services, forestry, and fisheries and farming sector is expected to grow even faster in 2022, at 28.0 percent.

Alabama Agricultural Sector Employment, 2020

Farm proprietors employment	34,755
Farm employment	41,393
Forestry, fishing, and related activities	15,724
Forestry and logging	6,788
Fishing, hunting, and trapping	1,766
Agriculture and forestry support activities	7,170

Source: U.S. Bureau of Economic Analysis.

Alabama Gross Domestic Product
(Millions of Chained 2012 Dollars)

	2019	2020	2021	2022	2023
Total Real Alabama Gross Domestic Product	\$203,384	\$196,906	\$206,454	\$213,543	\$217,393
Agriculture, Forestry, Fishing, and Hunting	\$2,663	\$2,020	\$2,138	\$2,737	\$2,830
Mining	\$2,568	\$2,491	\$2,624	\$2,606	\$2,679
Utilities	\$5,675	\$5,726	\$5,754	\$5,789	\$5,827
Construction	\$7,508	\$7,412	\$7,646	\$7,580	\$7,552
Manufacturing	\$35,313	\$34,675	\$36,192.4	\$38,032	\$38,639
Durable Goods	\$22,839	\$22,407	\$23,624.8	\$25,052	\$25,481
Wood Products	\$1,337	\$1,341	\$1,393.7	\$1,421	\$1,435
Nonmetallic Mineral Products	\$748	\$754	\$762.9	\$756	\$767
Primary Metals	\$4,887	\$5,801	\$5,886.3	\$6,138	\$6,253
Fabricated Metals	\$2,423	\$2,163	\$2,228.6	\$2,284	\$2,303
Machinery	\$869	\$772	\$785.6	\$848	\$866
Computer and Electronic Products	\$1,241	\$1,210	\$1,209.4	\$1,192	\$1,204
Electrical Equipment and Appliances	\$638	\$692	\$712.7	\$726	\$731
Motor Vehicle Body, Trailers and Parts	\$5,879	\$5,968	\$6,522.8	\$7,239	\$7,344
Other Transportation Equipment	\$3,383	\$2,548	\$2,631.5	\$2,971	\$3,155
Furniture and Related Products	\$831	\$852	\$871.3	\$845	\$815
Miscellaneous	\$549	\$606	\$625.8	\$617	\$618
Nondurable Goods	\$12,438	\$12,232	\$12,565.5	\$12,963	\$13,168
Food Products	\$2,431	\$2,347	\$2,369.9	\$2,388	\$2,431
Textiles and Textile Product Mills	\$508	\$470	\$471.1	\$493	\$489
Apparel	\$77	\$89	\$94.2	\$101	\$101
Paper	\$2,249	\$2,379	\$2,462	\$2,535	\$2,576
Printing and Related Support Activities	\$220	\$212	\$213	\$200	\$185
Petroleum and Coal Products	\$2,728	\$2,600	\$2,589	\$2,815	\$2,870
Chemicals	\$2,894	\$2,842	\$2,859	\$2,946	\$3,012
Plastics and Rubber Products	\$1,560	\$1,476	\$1,507	\$1,493	\$1,501
Wholesale Trade	\$11,819	\$11,708	\$12,337	\$12,653	\$12,869
Retail Trade	\$14,771	\$14,515	\$15,275	\$15,570	\$15,760
Transportation and Warehousing, excluding Postal Service	\$5,042	\$4,759	\$4,902	\$5,018	\$5,073
Information	\$5,435	\$5,315	\$5,507	\$5,694	\$5,823
Finance and Insurance	\$9,678	\$9,236	\$9,479	\$9,888	\$10,081
Real Estate, Rental, and Leasing	\$22,573	\$22,208	\$23,659	\$24,282	\$24,854
Professional and Technical Services	\$13,414	\$13,354	\$14,096	\$14,717	\$15,053
Management of Companies and Enterprises	\$2,368	\$2,297	\$2,426	\$2,509	\$2,556
Administration and Waste Services	\$5,554	\$5,255	\$5,393	\$5,720	\$5,909
Educational Services	\$1,163	\$1,006	\$1,057	\$1,147	\$1,172
Healthcare and Social Assistance	\$16,033	\$14,685	\$15,518	\$16,133	\$16,521
Arts, Entertainment, and Recreation	\$734	\$512	\$661	\$609	\$631
Accommodation and Food Services	\$5,154	\$4,300	\$5,588	\$6,174	\$6,421
Other Services, except Government	\$4,676	\$4,267	\$4,280	\$4,351	\$4,414
Government	\$31,793	\$31,655	\$31,944	\$32,321	\$32,759
Federal Civilian	\$7,888	\$8,011	\$7,988	\$7,958	\$7,945
Federal Military	\$4,000	\$4,018	\$4,129	\$4,156	\$4,130
State and Local	\$19,904	\$19,637	\$19,826	\$20,207	\$20,684

Source: U.S. Department of Commerce and Center for Business and Economic Research, The University of Alabama. November 2021.

Alabama Gross Domestic Product
(Annual Percent Change)

	2019	2020	2021	2022	2023
Total Real Alabama Gross Domestic Product	1.3	-3.2	4.8	3.4	1.8
Agriculture, Forestry, Fishing, and Hunting	-17.5	-24.2	5.9	28.0	3.4
Mining	-5.3	-3.0	5.3	-0.7	2.8
Utilities	4.3	0.9	0.5	0.6	0.7
Construction	5.9	-1.3	3.2	-0.9	-0.4
Manufacturing	-0.3	-1.8	4.4	5.1	1.6
Durable Goods	0.7	-1.9	5.4	6.0	1.7
Wood Products	15.9	0.3	3.9	2.0	1.0
Nonmetallic Mineral Products	-3.0	0.9	1.1	-0.8	1.4
Primary Metals	1.5	18.7	1.5	4.3	1.9
Fabricated Metals	-0.1	-10.7	3.1	2.5	0.8
Machinery	-7.1	-11.1	1.7	7.9	2.2
Computer and Electronic Products	7.9	-2.5	-0.1	-1.4	0.9
Electrical Equipment and Appliances	-11.5	8.5	3.0	1.9	0.7
Motor Vehicle Body, Trailers and Parts	3.1	1.5	9.3	11.0	1.4
Other Transportation Equipment	-2.1	-24.7	3.3	12.9	6.2
Furniture and Related Products	-13.2	2.5	2.3	-3.0	-3.5
Miscellaneous	-0.6	10.3	3.3	-1.4	0.1
Nondurable Goods	-2.1	-1.7	2.7	3.2	1.6
Food Products	0.9	-3.5	1.0	0.7	1.8
Textiles and Textile Product Mills	-7.5	-7.5	0.2	4.7	-0.9
Apparel	-4.0	15.4	5.6	7.5	-0.3
Paper	-15.8	5.8	3.5	2.9	1.6
Printing and Related Support Activities	13.9	-3.9	0.5	-6.2	-7.4
Petroleum and Coal Products	5.7	-4.7	-0.4	8.7	2.0
Chemicals	4.3	-1.8	0.6	3.1	2.2
Plastics and Rubber Products	-3.5	-5.4	2.1	-0.9	0.5
Wholesale Trade	-0.5	-0.9	5.4	2.6	1.7
Retail Trade	3.7	-1.7	5.2	1.9	1.2
Transportation and Warehousing, excluding Postal Service	-4.5	-5.6	3.0	2.4	1.1
Information	6.7	-2.2	3.6	3.4	2.3
Finance and Insurance	-2.6	-4.6	2.6	4.3	1.9
Real Estate, Rental, and Leasing	3.3	-1.6	6.5	2.6	2.4
Professional and Technical Services	2.7	-0.4	5.6	4.4	2.3
Management of Companies and Enterprises	7.0	-3.0	5.6	3.4	1.9
Administration and Waste Services	4.4	-5.4	2.6	6.1	3.3
Educational Services	2.6	-13.5	5.1	8.6	2.2
Healthcare and Social Assistance	4.6	-8.4	5.7	4.0	2.4
Arts, Entertainment, and Recreation	2.7	-30.2	29.1	-7.8	3.5
Accommodation and Food Services	0.6	-16.6	29.9	10.5	4.0
Other Services, except Government	-2.1	-8.7	0.3	1.7	1.4
Government	0.7	-0.4	0.9	1.2	1.4
Federal Civilian	0.4	1.6	-0.3	-0.4	-0.2
Federal Military	0.5	0.5	2.8	0.6	-0.6
State and Local	0.8	-1.3	1.0	1.9	2.4

Source: U.S. Department of Commerce and Center for Business and Economic Research, The University of Alabama. November 2021.

Alabama Employment

	2016	2017	2018	2019	2020	2021	2022	2023
Total Nonfarm Employment	1,997,000	2,018,700	2,044,500	2,074,800	1,986,100	2,023,900	2,052,565	2,081,763
Manufacturing	260,700	263,500	266,900	268,900	257,800	266,970	272,126	276,552
Durable	170,000	171,500	173,800	175,000	168,500	175,580	179,520	182,784
Wood Products Mfg	15,800	16,300	17,300	17,700	17,500	18,230	18,681	18,945
Primary Metals	17,000	16,800	17,300	17,600	16,700	16,380	16,472	16,712
Fabricated Metals	25,700	25,900	26,700	27,000	26,100	28,230	28,803	29,158
Machinery Mfg.	10,400	10,400	10,500	10,500	9,700	9,540	9,647	9,696
Computer and Electronic Products	9,000	8,900	8,800	8,700	8,000	7,730	7,617	7,627
Electrical Equipment, Appliances and Components	5,000	5,000	5,300	5,500	5,800	5,800	5,869	5,896
Transportation Equipment	63,700	64,100	63,800	64,200	60,600	62,830	64,768	66,722
Motor Vehicle Manufacturing	13,000	13,300	13,500	14,100	14,300	15,480	15,368	15,716
Motor Vehicle Parts Manufacturing	26,100	25,900	25,500	24,800	21,700	23,450	24,588	25,299
Other Transportation	24,600	24,900	24,800	25,300	24,600	23,900	24,812	25,707
Furniture and Related Products	9,500	9,900	9,900	9,500	9,400	9,470	9,452	9,457
Other Durable	13,900	14,200	14,200	14,300	14,700	17,370	18,212	18,570
Nondurable	90,600	92,000	93,100	93,900	89,300	91,390	92,607	93,768
Food	31,700	32,600	32,800	33,200	32,000	30,830	31,114	31,359
Textiles	5,500	5,200	5,300	5,200	4,700	5,300	5,363	5,393
Textile Product Mills	3,800	3,700	3,900	3,900	3,500	3,640	3,616	3,654
Paper	10,700	11,000	11,300	11,500	11,300	11,440	11,253	11,198
Rubber, Plastic	17,000	17,500	18,200	18,200	16,800	18,230	18,453	18,452
Other Nondurable	21,900	22,000	21,600	21,900	21,000	21,950	22,808	23,712
Natural Resources	9,400	9,800	10,000	10,200	9,600	9,080	8,859	8,948
Construction	84,200	85,400	89,200	93,700	93,000	91,270	92,764	92,322
Wholesale Trade	73,500	73,500	73,900	74,300	72,500	73,310	73,971	74,744
Retail Trade	232,900	231,600	231,000	230,800	223,900	227,700	229,999	233,514
Transportation, Warehousing, Utilities	73,700	73,900	76,100	78,300	78,200	79,560	81,982	83,155
Information	20,800	20,800	21,100	21,300	19,300	19,810	19,973	20,449
Financial Activities	96,100	96,600	96,300	96,500	96,500	96,710	97,787	98,042
Professional and Business Services	233,600	239,100	245,100	251,100	242,000	249,160	255,486	262,784
Educational and Health Services	238,300	241,600	245,200	250,100	238,100	240,490	244,147	248,516
Leisure and Hospitality	197,500	202,400	206,000	208,500	178,300	193,310	195,360	194,524
Other Services	94,200	96,000	97,100	99,300	92,300	91,630	92,567	96,932
Government	382,200	384,600	386,800	391,900	384,600	384,900	387,545	391,281
State	114,700	115,700	117,000	120,100	117,000	117,060	117,998	119,179
Federal Civilian	53,300	53,100	53,000	54,100	55,900	55,030	55,126	55,208
Local	214,300	215,800	216,800	217,700	211,700	212,810	214,421	216,895

Source: Alabama Department of Labor and Center for Business and Economic Research, The University of Alabama. November 2021.

Alabama Employment
(Annual Percent Change)

	2016	2017	2018	2019	2020	2021	2022	2023
Total Nonfarm Employment	1.3	1.1	1.3	1.5	-4.3	1.9	1.4	1.4
Manufacturing	1.1	1.1	1.3	0.7	-4.1	3.6	1.9	1.6
Durable	0.5	0.9	1.3	0.7	-3.7	4.2	2.2	1.8
Wood Products Mfg	4.6	3.2	6.1	2.3	-1.1	4.2	2.5	1.4
Primary Metals	-5.6	-1.2	3.0	1.7	-5.1	-1.9	0.6	1.5
Fabricated Metals	-1.2	0.8	3.1	1.1	-3.3	8.2	2.0	1.2
Machinery Mfg.	-2.8	0.0	1.0	0.0	-7.6	-1.6	1.1	0.5
Computer and Electronic Products	0.0	-1.1	-1.1	-1.1	-8.0	-3.4	-1.5	0.1
Electrical Equipment, Appliances and Components	2.0	0.0	6.0	3.8	5.5	0.0	1.2	0.5
Transportation Equipment	1.3	0.6	-0.5	0.6	-5.6	3.7	3.1	3.0
Motor Vehicle Manufacturing	-0.8	2.3	1.5	4.4	1.4	8.3	-0.7	2.3
Motor Vehicle Parts Manufacturing	2.4	-0.8	-1.5	-2.7	-12.5	8.1	4.9	2.9
Other Transportation	1.2	1.2	-0.4	2.0	-2.8	-2.8	3.8	3.6
Furniture and Related Products	5.6	4.2	0.0	-4.0	-1.1	0.7	-0.2	0.1
Other Durable	2.2	2.2	0.0	0.7	2.8	18.2	4.8	2.0
Nondurable	2.1	1.5	1.2	0.9	-4.9	2.3	1.3	1.3
Food	2.9	2.8	0.6	1.2	-3.6	-3.7	0.9	0.8
Textiles	-5.2	-5.5	1.9	-1.9	-9.6	12.8	1.2	0.6
Textile Product Mills	2.7	-2.6	5.4	0.0	-10.3	4.0	-0.7	1.1
Paper	0.9	2.8	2.7	1.8	-1.7	1.2	-1.6	-0.5
Rubber, Plastic	4.9	2.9	4.0	0.0	-7.7	8.5	1.2	0.0
Other Nondurable	1.4	0.5	-1.8	1.4	-4.1	4.5	3.9	4.0
Natural Resources	-14.5	4.3	2.0	2.0	-5.9	-5.4	-2.4	1.0
Construction	3.2	1.4	4.4	5.0	-0.7	-1.9	1.6	-0.5
Wholesale Trade	-0.1	0.0	0.5	0.5	-2.4	1.1	0.9	1.0
Retail Trade	0.9	-0.6	-0.3	-0.1	-3.0	1.7	1.0	1.5
Transportation, Warehousing, Utilities	0.4	0.3	3.0	2.9	-0.1	1.7	3.0	1.4
Information	-3.3	0.0	1.4	0.9	-9.4	2.6	0.8	2.4
Financial Activities	0.7	0.5	-0.3	0.2	0.0	0.2	1.1	0.3
Professional and Business Services	2.0	2.4	2.5	2.4	-3.6	3.0	2.5	2.9
Educational and Health Services	2.2	1.4	1.5	2.0	-4.8	1.0	1.5	1.8
Leisure and Hospitality	3.8	2.5	1.8	1.2	-14.5	8.4	1.1	-0.4
Other Services	1.6	1.9	1.1	2.3	-7.0	-0.7	1.0	4.7
Government	0.4	0.6	0.6	1.3	-1.9	0.1	0.7	1.0
State	0.2	0.9	1.1	2.6	-2.6	0.1	0.8	1.0
Federal Civilian	0.6	-0.4	-0.2	2.1	3.3	-1.6	0.2	0.1
Local	0.5	0.7	0.5	0.4	-2.8	0.5	0.8	1.2

Source: Alabama Department of Labor and Center for Business and Economic Research, The University of Alabama. November 2021.



A REVIEW OF ALABAMA'S 2020 CENSUS RESULTS

Introduction

In 2020, the U.S. Census Bureau conducted its 24th decennial enumeration, during unprecedented and challenging circumstances, as COVID-19 spread around the country and the globe. Nevertheless, the 2020 census was completed to satisfy Article 1, Section 2, of the Constitution, which mandates that a count of the U.S. residential population is completed every 10 years to determine the distribution of congressional seats in the House of Representatives.

The official count of the 2020 census was 331.4 million residents. Figure 1 shows that the U.S. population grew by more than 22.7 million people, or 7.4 percent, since the 2010 census. Alabama is now the 24th largest state in the nation and represents about 1.5 percent of the total U.S. population. Figure 2 shows that the state's population grew by 244,543 residents, or 5.1 percent, in the last decade. These results were good news for Alabama, as the state's population grew more than projected. This was in part due to efforts of the Alabama Department of Economic and Community Affairs (ADECA) and the Center for Business and Economic Research (CBER) working with local stakeholders to increase self-response rates across the state. This feature article will review the results of the U.S. Census, specifically within the State of Alabama, with a particular focus on areas with population growth and parts of the state that have experienced significant decline in the last decade. The article will also review components of demographic change within the state and compare the state's population to its regional peers.

Figure 1: U.S. Population Growth & Change: 1920-1930 to 2010-2020

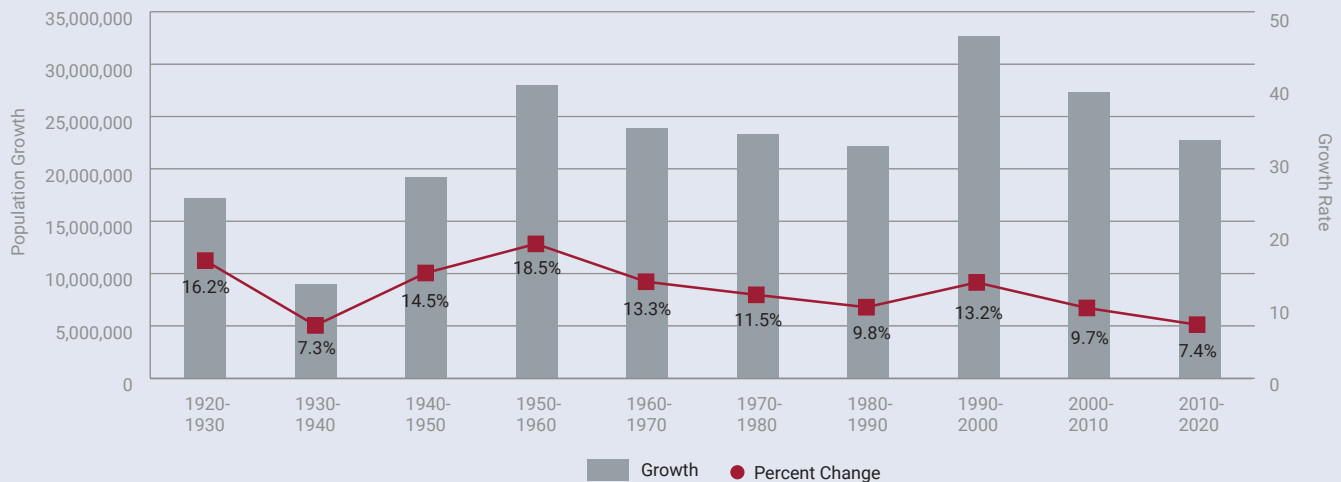
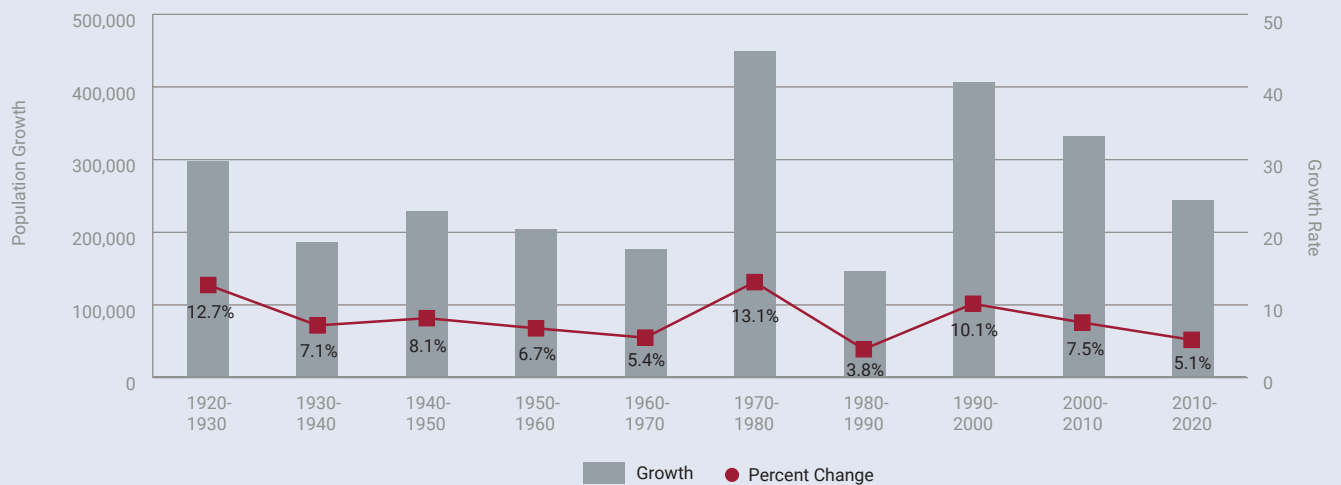


Figure 2: Alabama's Population Growth & Change: 1920-1930 to 2010-2020



Source: U.S. Census Bureau; Census 2010, Summary File 1, Table P1; Census 2020, Redistricting Data, PL 94-171; generated by CBER; using data.census.gov; <<https://data.census.gov/cedsci/>>; (December 2021)

Table 1: Census Results of U.S. and States in the South, including the District of Columbia, 2010-2020

State	2010 Census	2020 Census	Population Change	Growth Rate	2020 Self-Response Rate	2020 Self-Response Rate by Internet	APPORTIONED REPRESENTATIVES BASED ON 2020 CENSUS	CHANGE FROM 2010 CENSUS APPORTIONMENT
United States	308,745,538	331,449,281	22,703,743	7.4%	67.0%	53.5%	--	--
South Region	114,555,744	126,266,107	11,710,363	10.2%	--	--	164	3
Texas	25,145,561	29,145,505	3,999,944	15.9%	62.8%	51.2%	38	2
Florida	18,801,310	21,538,187	2,736,877	14.6%	63.8%	50.0%	28	1
Georgia	9,687,653	10,711,908	1,024,255	10.6%	62.9%	50.4%	14	0
North Carolina	9,535,483	10,439,388	903,905	9.5%	63.4%	49.6%	14	1
Virginia	8,001,024	8,631,393	630,369	7.9%	71.5%	58.5%	11	0
Tennessee	6,346,105	6,910,840	564,735	8.9%	66.0%	49.1%	9	0
Maryland	5,773,552	6,177,224	403,672	7.0%	71.2%	60.7%	8	0
South Carolina	4,625,364	5,118,425	493,061	10.7%	61.0%	45.3%	7	0
Alabama	4,779,736	5,024,279	244,543	5.1%	63.6%	44.7%	7	0
Louisiana	4,533,372	4,657,757	124,385	2.7%	60.4%	43.6%	6	0
Kentucky	4,339,367	4,505,836	166,469	3.8%	68.2%	50.5%	6	0
Oklahoma	3,751,351	3,959,353	208,002	5.5%	61.0%	45.0%	5	0
Arkansas	2,915,918	3,011,524	95,606	3.3%	60.6%	40.9%	4	0
Mississippi	2,967,297	2,961,279	-6,018	-0.2%	60.4%	37.2%	4	0
West Virginia	1,852,994	1,793,716	-59,278	-3.2%	56.2%	37.0%	2	-1
Delaware	897,934	989,948	92,014	10.2%	64.9%	52.9%	1	0
District of Columbia	601,723	689,545	87,822	14.6%	64.0%	55.3%	--	--

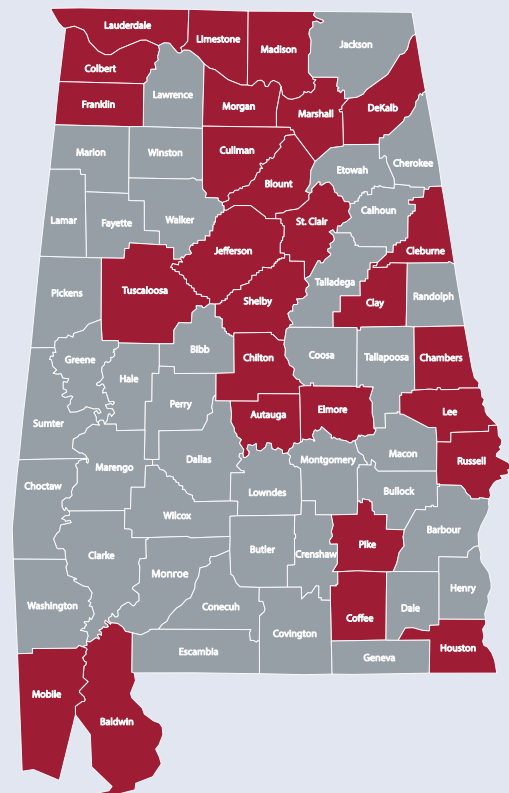
Source: U.S. Census Bureau; generated by CBER, using data.census.gov; <<https://www.census.gov/library/visualizations/interactive/2020-census-self-response-rates-map.html>>; (December 2021).

Alabama grows to more than 5.0 million residents

Table 1 shows that the state's population grew from approximately 4.8 million in 2010 to over 5.0 million residents in 2020, a growth rate of 5.1 percent. Looking back even farther, in the last 20 years, the state's population has increased by approximately 13.0 percent. Thus, the state's population grew faster between the 2000 and 2010 census than from 2010 to 2020. In the years leading up to 2020, the state's population was not projected to surpass 5.0 million residents until roughly 2025, and the population estimate for 2020 was at 4.9 million residents, which was 2.0 percent lower than the final 2020 enumeration. Although the difference is relatively low, the absolute number of residents in the enumeration was 102,747 more than the population estimate. This underestimation is substantial, in absolute terms, and represents about half of the decades population growth.

Estimates from the Population Estimates Program were based on the 2010 census results, which had a lower response rate compared to the 2020 Census. Table 1 shows that Alabama's self-response rate for the 2020 census was 63.6 percent. The state's self-response rate increased by 1.8 percent and 4.3 percent since the 2010 and 2000 censuses, respectively. Despite an increase in the self-response rate, Alabama's self-response rate was about 5.0 percent lower than the national average. The 2020 census was the first

Figure 3: Population growth (red) and loss (grey) in Alabama by county,



Source: U.S. Census Bureau; Census 2010, Summary File 1, Table P1; Census 2020, Redistricting Data, PL 94-171; generated by CBER, using data.census.gov; <<https://data.census.gov/cedsci/>>; (December 2021)

time that respondents could complete the form on the internet, and 44.7 percent of all respondents in Alabama completed the census online. This was approximately 18.0 percent lower than the national rate of 53.5 percent. Self-response rates varied greatly across counties within the state. Only a handful of counties had 70.0 percent or more of their residents complete the form online. Shelby and Madison counties had the highest self-response rates and were the only two counties with self-response rates more than 75.0 percent. Autauga, Morgan, and St. Clair counties had self-response rates that were more than 70.0 percent. In contrast, nine counties had a self-response rate below 50.0

percent, and three of them—Coosa, Perry, and Wilcox—had self-response rates below 40.0 percent. The counties with the lowest self-response rates are also the counties with the sharpest population decline in the last decade.

Uneven population growth

The country witnessed uneven population growth in the last decade, with states in the South and West experiencing higher growth rates, in general, than other regions of the country. However, three states—Illinois, West Virginia, and Mississippi—and the U.S. territory of Puerto Rico, experienced

Table 2: Alabama's county-level population change, ranked by percent change

Rank	County	Census 2020	Population Change	Percent Change	Rank	County	Census 2020	Population Change	Percent Change
1	Baldwin	231,767	49,502	27.2%	36	Calhoun	116,441	-2,131	-1.8%
2	Limestone	103,570	20,788	25.1%	37	Dale	49,326	-925	-1.8%
3	Lee	174,241	33,994	24.2%	38	Walker	65,342	-1,681	-2.5%
4	Tuscaloosa	227,036	32,380	16.6%	39	Bibb	22,293	-622	-2.7%
5	Madison	388,153	53,342	15.9%	40	Pickens	19,123	-623	-3.2%
6	Shelby	223,024	27,939	14.3%	41	Lawrence	33,073	-1,266	-3.7%
7	Russell	59,183	6,236	11.8%	42	Winston	23,540	-944	-3.9%
8	Elmore	87,977	8,674	10.9%	43	Cherokee	24,971	-1,018	-3.9%
9	Cullman	87,866	7,460	9.3%	44	Lamar	13,972	-592	-4.1%
10	St. Clair	91,103	7,510	9.0%	45	Escambia	36,757	-1,562	-4.1%
11	Autauga	58,805	4,234	7.8%	46	Randolph	21,967	-946	-4.1%
12	Coffee	53,465	3,517	7.0%	47	Marion	29,341	-1,435	-4.7%
13	Houston	107,202	5,655	5.6%	48	Bullock	10,357	-557	-5.1%
14	Colbert	57,227	2,799	5.1%	49	Crenshaw	13,194	-712	-5.1%
15	Marshall	97,612	4,593	4.9%	50	Fayette	16,321	-920	-5.3%
16	Morgan	123,421	3,931	3.3%	51	Hale	14,785	-975	-6.2%
17	Blount	59,134	1,812	3.2%	52	Marengo	19,323	-1,704	-8.1%
18	Chilton	45,014	1,371	3.1%	53	Barbour	25,223	-2,234	-8.1%
19	Jefferson	674,721	16,255	2.5%	54	Choctaw	12,665	-1,194	-8.6%
20	Clay	14,236	304	2.2%	55	Lowndes	10,311	-988	-8.7%
21	Chambers	34,772	557	1.6%	56	Macon	19,532	-1,920	-9.0%
22	Franklin	32,113	409	1.3%	57	Butler	19,051	-1,896	-9.1%
23	Lauderdale	93,564	855	0.9%	58	Wilcox	10,600	-1,070	-9.2%
24	DeKalb	71,608	499	0.7%	59	Coosa	10,387	-1,152	-10.0%
25	Cleburne	15,056	84	0.6%	60	Sumter	12,345	-1,418	-10.3%
26	Mobile	414,809	1,817	0.4%	61	Clarke	23,087	-2,746	-10.6%
27	Pike	33,009	110	0.3%	62	Dallas	38,462	-5,358	-12.2%
28	Talladega	82,149	-142	-0.2%	63	Conecuh	11,597	-1,631	-12.3%
29	Montgomery	228,954	-409	-0.2%	64	Washington	15,388	-2,193	-12.5%
30	Geneva	26,659	-131	-0.5%	65	Monroe	19,772	-3,296	-14.3%
31	Covington	37,570	-195	-0.5%	66	Greene	7,730	-1,315	-14.5%
32	Tallapoosa	41,311	-305	-0.7%	67	Perry	8,511	-2,080	-19.6%
33	Henry	17,146	-156	-0.9%					
34	Etowah	103,436	-994	-1.0%					
35	Jackson	52,579	-648	-1.2%					

Source: U.S. Census Bureau; Census 2010, Summary File 1, Table P1; Census 2020, Redistricting Data, PL 94-171; generated by CBER, using data.census.gov; <<https://data.census.gov/cedsci/>>; (December 2021)

population decline. The congressional seats in the U.S. House of Representative were reapportioned to reflect changes in the distribution of the population throughout the country. Texas gained two seats in Congress, and five other states—Florida, North Carolina, Colorado, Oregon, and Montana—each gained one seat. In contrast, seven states—California, New York, Illinois, Pennsylvania, Ohio, Michigan, and West Virginia—lost one seat each. Early analysis predicted that Alabama was in jeopardy of losing a congressional seat, but the state's population grew enough in proportion to other states to avoid the loss.^[1]

There was also a great degree of heterogeneity in population growth within Alabama from 2010 to 2020. In Figure 3, the counties shaded in red had positive population growth in this period while the counties in grey experienced population decline. There are 67 counties in the state, and 27 of those counties, or 40.0 percent, experienced an increase in population from 2010 to 2020. In contrast, 40 counties witnessed a decline in population. Most of the counties that experienced growth are along the I-65 or I-20 corridors, or are home to large academic institutions.

Nevertheless, Table 2 shows that population change for many counties has been stagnant, with 12 counties experiencing less than 1.0 percent growth or decline. Only

eight counties—Baldwin, Elmore, Lee, Limestone, Madison, Tuscaloosa, Russell, and Shelby—grew more than 10.0 percent in the ten year period. In relative terms, Baldwin County was the fastest growing county in the state and the 39th fastest growing county in the entire United States. Baldwin's population grew by 27.2 percent, which was an increase of 49,502 residents, and Limestone County grew by 25.1 percent or 20,788 residents. Lee County, home of Auburn University, was the third fastest growing county in the state, at 24.2 percent, or an increase of 33,994 residents. In absolute numbers, Madison County grew the most in the state, increasing by 53,342 residents with a growth rate of 15.9 percent.

Table 3 shows that there is also substantial variation in population change across municipalities in Alabama. For example, the city of Huntsville has experienced a plethora of economic development partly due to the city's educated workforce, and is now the state's largest municipality with 215,006 residents. Huntsville's population grew by 19.4 percent, and the nearby city of Madison population grew 32.6 percent. Huntsville's population surpassed Birmingham city's population by almost 15,000 residents, as the population of Birmingham city declined by 5.4 percent, or 11,504 residents. However, the Birmingham-Hoover MSA includes six counties

Table 3: Alabama's municipal-level population change, 2010-2020, selected municipalities, ranked*

Largest population growth by percent change					Largest population loss by percent change				
Rank	Municipality	Census 2020	Population Change	Percent Change	Rank	Municipality	Census 2020	Population Change	Percent Change
1	Pike Road	9,439	4,033	74.6%	1	Atmore	8,391	-1,803	-17.7%
2	Gulf Shores	15,014	5,273	54.1%	2	Prichard	19,322	-3,337	-14.7%
3	Orange Beach	8,095	2,654	48.8%	3	Selma	17,971	-2,785	-13.4%
4	Spanish Fort	10,049	3,251	47.8%	4	Roanoke	5,311	-763	-12.6%
5	Chelsea	14,982	4,799	47.1%	5	Fairfield	10,000	-1,117	-10.0%
6	Fairhope	22,477	7,151	46.7%	6	Greenville	7,374	-761	-9.4%
7	Auburn	76,143	22,763	42.6%	7	Jackson	4,748	-480	-9.2%
8	Calera	16,494	4,874	41.9%	8	Monroeville	5,951	-568	-8.7%
9	Foley	20,335	5,717	39.1%	9	Childersburg	4,754	-421	-8.1%
10	Meridianville	8,209	2,188	36.3%	10	Daleville	4,866	-429	-8.1%

Largest population growth by numeric change					Largest population loss by numeric change				
Rank	Municipality	Census 2020	Population Change	Percent Change	Rank	Municipality	Census 2020	Population Change	Percent Change
1	Huntsville	215,006	34,901	19.4%	1	Birmingham	200,733	-11,504	-5.4%
7	Auburn	76,143	22,763	42.6%	2	Mobile	187,041	-8,070	-4.1%
10	Madison	56,933	13,995	32.6%	3	Montgomery	200,603	-5,161	-2.5%
6	Hoover	92,606	10,987	13.5%	4	Prichard	19,322	-3,337	-14.7%
5	Tuscaloosa	99,600	9,132	10.1%	5	Gadsden	33,945	-2,911	-7.9%
17	Northport	31,125	7,795	33.4%	6	Selma	17,971	-2,785	-13.4%
26	Fairhope	22,477	7,151	46.7%	7	Atmore	8,391	-1,803	-17.7%
22	Trussville	26,123	6,190	31.1%	8	Anniston	21,564	-1,542	-6.7%
13	Phenix City	38,816	5,994	18.3%	9	Bessemer	26,019	-1,437	-5.2%
20	Daphne	27,462	5,892	27.3%	10	Fairfield	10,000	-1,117	-10.0%

Source: U.S. Census Bureau; Census 2010, Summary File 1, Table P1; Census 2020, Redistricting Data, PL 94-171; generated by CBER, using data.census.gov; <<https://data.census.gov/cedsci/>>; (December 2021)

and has more than 1.1 million residents, which is more than twice the size of Huntsville's MSA, which includes two counties and has fewer than 500,000 residents.

Although the city of Birmingham's population has declined by more than 140,000 residents, or 41.1 percent, since the 1960s, the city's rate of population decline, in the last decade, pales in comparison to the negative growth rates recorded in 1970 (-11.7 percent) and 2010 (-12.6 percent). Alabama's second and third largest cities, Birmingham and Montgomery, have both experienced population declines in the last decade though at different rates. The city of Birmingham's population was once far greater than that of the city of Montgomery's, but now Montgomery's population only has 130 fewer people than Birmingham's population. From 2010 to 2020, Montgomery's population declined by 2.5 percent, which was almost half the rate of population decline that Birmingham experienced in that same time period. This difference in the rates of population decline is slowly closing the gap between the two cities and opens the possibility that Montgomery might become the state's second most populous city by 2030. Mobile (187,041), Tuscaloosa (99,600), and Hoover (92,606) round out the six largest cities in the state.

The five municipalities with fastest rate of population growth and population of more than 5,000 residents in the 2010 census were Pike Road (74.6 percent), which is located near the Hyundai plant in Montgomery County; Gulf Shores (54.1 percent), Orange Beach (48.8 percent), and Spanish Fort (47.8 percent), all of which are in Baldwin County; and finally Chelsea (47.1 percent) located in Shelby County.

In contrast, several counties and municipalities experienced substantial population decline. Nine counties—Sumter, Greene, Perry, Dallas, Washington, Clarke, Monroe, Coosa, and Conecuh—had a population decline of 10.0 percent or more. Most of these counties are in the Black Belt region of the state, or border counties in the Black Belt. Perry County lost almost one in five (19.6 percent) of its residents

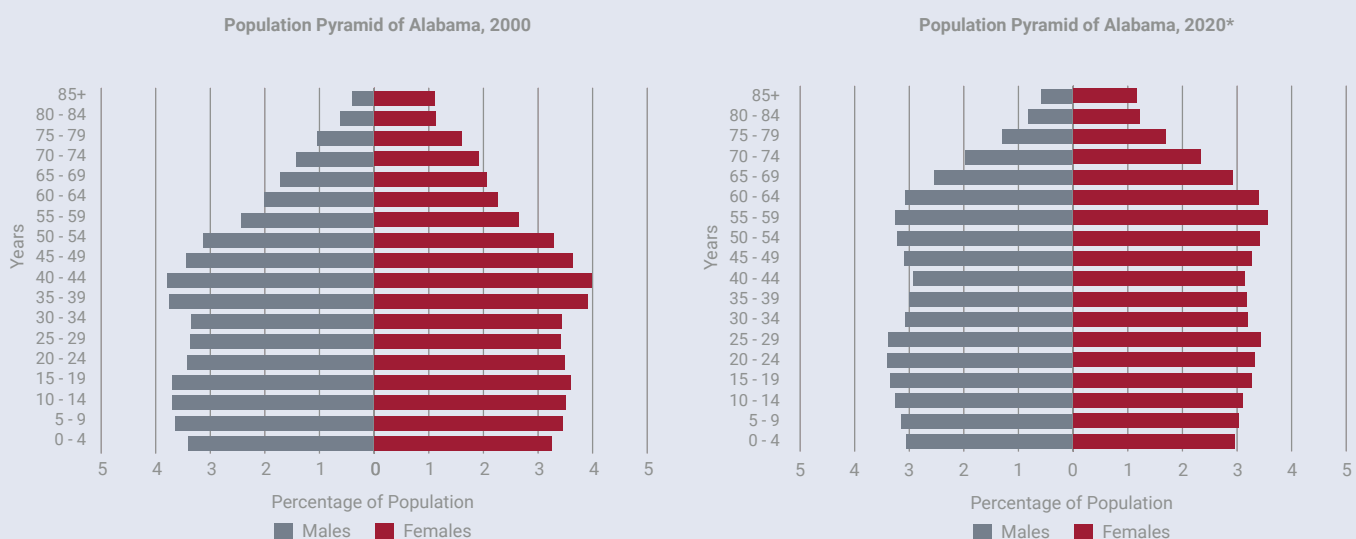
between 2010 and 2020, while Greene and Monroe Counties have lost more than 14.0 percent of their residents in the last decade. Dallas County had the largest population loss in absolute numbers in the state, and was the only county to lose more than 5,000 residents in the last decade (see Table 2).

The five municipalities with the largest population decline that had population of more than 5,000 residents in the 2010 census, were Atmore (17.7 percent), which has seen a significant decline in its state prison population, in Escambia County; Prichard (14.7 percent) in Mobile County; Selma (13.4 percent) in Dallas County; Roanoke (12.6 percent) in Randolph County; and Fairfield (10.0 percent), which has recently filed for bankruptcy, in Jefferson County. Larger cities experienced the most significant population declines in absolute numbers: Birmingham (-11,504), Mobile (-8,070), Montgomery (-5,161), Prichard (-3,337), and Gadsden (-2,911).

A closer look at components of change

Alabama's growth of 5.1 percent is the slowest growth that the state has experienced since the period between 1980 and 1990, when the state only grew by 3.8 percent (see Figure 2). The three components of population change are births, deaths, and migration. According to the Alabama Department of Public Health, there were 586,785 births, in the years between 2010 and 2020, while there were 528,765 deaths. As such, the state's natural increase—the excess of births over deaths—was 58,021 in the last decade, and the state's net migration was 186,523 residents. There were 41 counties that had more deaths than births, which led to a natural decrease. The counties with the largest natural decreases were Walker, Etowah, Lauderdale, Jackson and Talladega; whereas Jefferson, Mobile, Madison, Montgomery,

Figure 4: Age distribution of Alabama's population, by sex 2000-2020

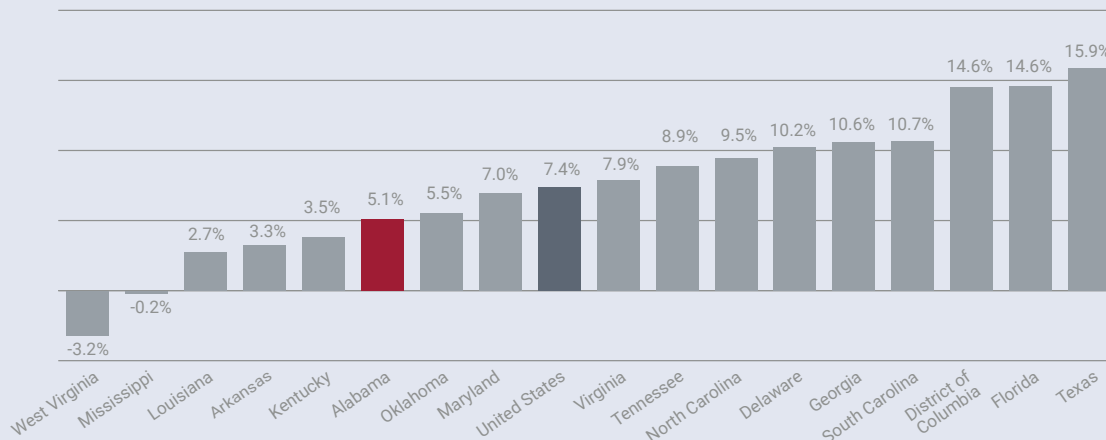


Source: U.S. Census Bureau; Census 2010, Summary File 1, Table P1; Census 2020, Redistricting Data, PL 94-171; generated by CBER, using data.census.gov; <<https://data.census.gov/cedsci/>>; (December 2021)

and Shelby counties had the largest natural increase in population. Despite Montgomery and Mobile counties' high natural increase, both counties also had negative net migration, meaning that more residents moved out of the counties than moved into the counties. Montgomery and Mobile counties had the highest net out-migrations in the state, followed by Dallas, Monroe, and Clarke, all of which had a negative natural increase and negative net migration. In all, there are 26 counties with both a negative natural increase and negative net migration; eight counties with a positive

(e.g., from 2000 to 2020), younger populations are leaving the state, likely for better job opportunities. These components of change explain why Alabama's population is growing, albeit relatively slowly, at a lower rate than the national average (7.4 percent) and slower than several of states in the South (see Figure 5). In comparison, Texas and Florida grew by more than 14.0 percent from 2010 to 2020, and Delaware, Georgia, and South Carolina grew by more than 10.0 percent, in large part due to higher rates of in-migration and underlying social, economic, political, and environmental factors that are

Figure 5: Population Change in the South and United States, 2010-2020



Source: U.S. Census Bureau; Census 2010, Summary File 1, Table P1; Census 2020, Redistricting Data, PL 94-171; generated by CBER; using data.census.gov, <<https://data.census.gov/cedsci/>>; (December 2021)

natural increase but a negative net migration; 16 counties with a positive net migration but a negative natural increase; and 18 counties with both a positive natural increase and a positive net migration.

The population pyramids in figure 4 shows that Alabama has an aging population, and that after a 20-year time frame

responsible for demographic change.² For example, Texas has benefited from high job growth and a larger child-bearing age population. Georgia has also benefited from job growth in the Atlanta metro area, and Florida has benefited from the in-migration of retirees flocking to coastal cities.

Conclusion

Although Alabama's population did not grow at a rate as high as many of its southern counterparts, its growth was considerably more favorable than Mississippi and West Virginia, who lost 0.2 percent and 3.2 percent of their residents, respectively (see Figure 5). South Carolina is, arguably, the most appropriate state to compare Alabama's population trajectory to. Both states are in the South, each has a similar economic history, present-day economy, and a similar racial composition. Furthermore, in 2010, South Carolina was ranked as the 24th largest state in the country, while Alabama was ranked the 23rd largest state; but in the last census, South Carolina surpassed Alabama to become the 23rd largest state in the country. In 2010, South Carolina had 154,372 fewer residents than Alabama, and South Carolina had 435,088 fewer residents than Alabama in the 2000 census. However, in the last 20 years, South Carolina has gained more than 1.1 million residents, while Alabama only gained 577,179 residents.

Both Alabama and South Carolina have gained population along their coastlines, as more people are attracted to living near natural amenities. South Carolina does have more miles of coastline than Alabama, but Alabama has diverse natural assets and other cultural amenities it can promote. In addition, the economic synergies in Huntsville will continue to compound in the coming years, which will yield continued population growth, possible suburban sprawl, and a larger MSA footprint for the region. Local stakeholders should strategically promote growth within state boundaries; otherwise, residents may be attracted to move to counties north of Huntsville, in Tennessee, where there are no state income taxes.

In the same vein, there should be strategic efforts to retain college students who graduate from Alabama's institutions of higher education. In 2020, there were 134,009 college students enrolled in the state's fourteen four-year institutions, with a growing number of out-of-state students. For example, the University of Alabama, which has the highest residential undergraduate enrollment in the state, had more out-of-state students (18,390) than in-state students (13,282) in 2020.

A report by the Economic Development Partnership of Alabama (EDPA) and the Alabama Commission on Higher Education shows that Alabama only retains about 20.0 percent of out-of-state students one year after graduation. Furthermore, Alabama also has a lower rate of retention among in-state students (66.0 percent) compared to other states. A survey and focus group of more than 8,200 college students in Alabama highlighted ample opportunities to retain talent in the state. Students ranked job opportunities, cost of living, career advancement, salary, and public safety as the most important priorities when considering a place to live after completing school. Participants in the study had a favorable impression of the state's natural environment, opportunities to practice faith, friendliness, opportunities to continue education, and cost of living. However, students expressed that Alabama's political environment was the most negative characteristic of the state, followed by salary, social awareness, and people's acceptance of diversity.³

Furthermore, most students are interested in moving to larger cities in the Southeast, particularly Houston, Dallas, Austin, and Atlanta, after graduation. However, they would consider Alabama's more mid-size cities -- Birmingham and Huntsville -- because of shorter commutes and better opportunities for work-life balance than are available in the larger metro areas outside of the state.

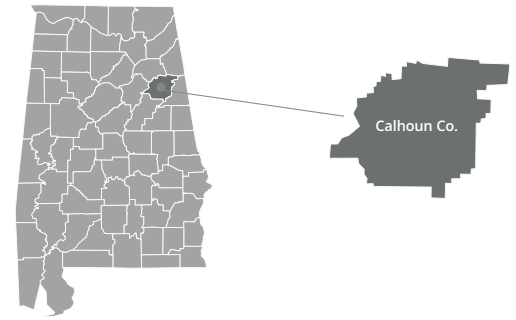
In sum, the next decade of population growth for the state will continue to be shaped by the trends in the components of population change that were seen from 2010 to 2020: births will likely continue to decline (decreased 3.9 percent from 2010-2020) and deaths will increase (35.2 percent in that period). As such, the implications of Covid-19 and other excess deaths will have reverberations in Alabama population trajectory for the next decade. The state had almost 11,000 more deaths in 2020 than in 2019; and by the middle of August of 2021, Alabama had more deaths from COVID-19 than in all of 2020. The impact of these excess deaths is expected to be more acute on the population dynamics of counties in the Black Belt, where there is already negative net migration and low births. Specifically, year-to-year deaths from 2019 to 2020 increased by 76.1 percent in Greene County, 40.7 percent in Chambers County, and 37.1 percent in Dallas County. Therefore, many counties will continue on a trajectory of population decline, and the decline will be exacerbated by excess deaths from COVID-19. However, population growth will continue in areas with strong economies, and while much of the growth will be organic due to favorable economic conditions and other underlying factors, state stakeholders can buttress growth through concerted efforts to promote Alabama's tangible and intangible assets and to attract and retain young talent.

^[1] Apportionment and reapportionment results of selected states are featured in Table 1.

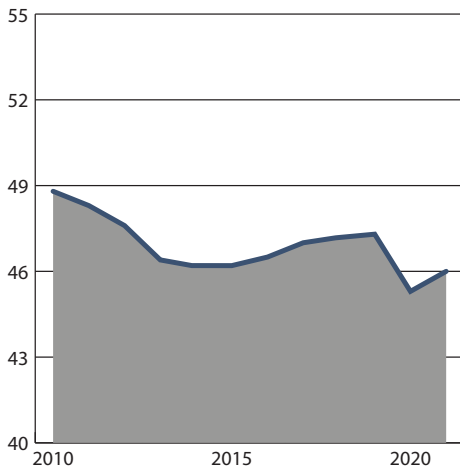
^[2] Rowland, Donald T. 2004. *Demographic Methods and Concepts*. New York, NY: Oxford University Press.

^[3] Alabama Commission on Higher Education. 2021. *Retain Alabama Survey Report*. Retrieved Dec. 8, 2021 (https://ache.edu/ACHE_Reports/Reports/Retain_AL_Rpt.pdf).

ANNISTON-OXFORD-JACKSONVILLE



ANNISTON-OXFORD-JACKSONVILLE NONFARM EMPLOYMENT (Thousands)



Source: U.S. Bureau of Labor Statistics.

OUTLOOK HIGHLIGHTS

ALDI, a German grocery chain, has started construction on a new store in Anniston. The

number of jobs that will be created has not been announced, but the chain is projected to become the third largest grocery retailer in the United States by the end of 2022. ALDI has also raised its average starting salary for grocery store workers to \$15 per hour. Following a 25 percent increase in sales in 2020, Auto Custom Carpets, Inc. expanded into a new \$5.3 million facility in Oxford during Q3 2021. The company makes carpets to replace in cars. The company has hired several dozen workers in recent months but is looking to hire more employees in the new facility. Labor market shortages have contributed to this extended hiring period, and management is still trying to recruit enough workers to meet demand. The Anniston Army Depot forecasts that it will have a reduced workload in 2022, requiring them to lay off more than 300 temporary and contract workers by the end of 2021. The East Alabama Metropolitan Airport Authority has established a committee to expand its airport beyond private use. The authority will

include representatives from Anniston and Oxford who will oversee operations and create business contracts to promote job growth for the area. The East Alabama Regional Planning and Development Commission has received a \$300,000 grant from the Center for Workforce Inclusion and the U.S. Department of Labor to train low-income persons who are 55 years and older and seeking employment. About 90 percent of grant dollars will come from the Department of Labor, and Calhoun County is one of four counties in the state that will receive funding to train 58 low-income, older workers in the next 1.5 years.

GDP AND EMPLOYMENT FORECAST

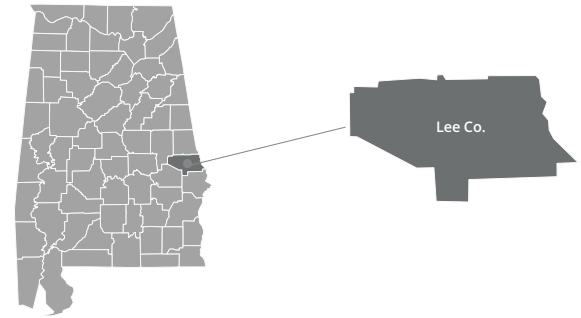
The Anniston-Oxford-Jacksonville MSA's GDP was just below \$4.0 billion in 2020, which is a decrease of 3.2 percent from 2019. CBER anticipates moderate growth for the MSA in 2022 with an increase of 2.0 percent in GDP and 1.3 percent for nonfarm employment.

ECONOMIC INDICATORS	MOST RECENT DATA	CHANGE FROM PREVIOUS YEAR*	METRO RANK
Real GDP 2020 (millions of 2012 \$)	\$3,983	-3.2%	11
GDP Forecast 2022 (percent increase)	2.0		8-9
Exports 2020 (millions)	\$272	-33.6%	8
Civilian Labor Force, October 2021	45,098	-3.0%	11
Nonfarm Employment, October 2021	46,300	1.8%	11
Nonfarm Employment Forecast 2021 (percent increase)	1.3		7
Available Labor Pool (Unemployed + Underemployed), October 2021	10,164	-22.9%	12
Unemployment Rate, October 2020	3.5%	-3.1	2
Underemployment Rate 2020	19.8%	-4.8	11
Employment - Manufacturing, October 2021	6,900	7.2%	8
Employment - Service Providing Industries, October 2021	38,100	0.5%	11
Per Capita Income 2020	\$40,195	6.6%	11
Average Annual Wage 2020	\$41,800	3.6%	8
Median Family Income FY2021	\$63,700	3.6%	8
Residential Building Permits, Single Family Jan. - Sep. 2021	30	-44.4%	11
Total Homes Sold, Jan. - Sep. 2021	1,759	11.5%	9
Population Count 2020	116,441	1.8%	11
Population Projection 2035	113,316		11

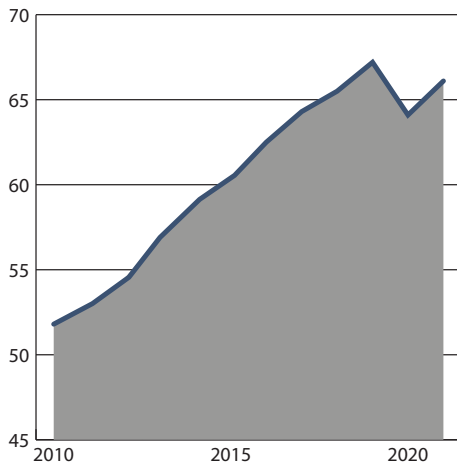
Additional details and data available on pp. 45-53

* Changes in unemployment rate and underemployment rate are presented in percentage points.

AUBURN-OPELIKA



AUBURN-OPELIKA
NONFARM EMPLOYMENT (Thousands)



Source: U.S. Bureau of Labor Statistics.

OUTLOOK HIGHLIGHTS

AUBix LLC is opening a \$120-million data center in Auburn in January 2022, which will increase the region's access to global internet exchanges through high-speed fiber networks. Auburn University has a number of construction projects that will be finished in 2022 including the \$110-million Tony and Libba Rane Culinary Science Center, the \$91.9-million Football Performance Center, and the \$83-million Academic Classroom and Laboratory Complex. Shinhwa Auto USA Corporation is investing \$70 million in its Auburn facility to add high-pressure aluminum die-casting machinery that will create auto parts for Hyundai and Kia and add 48 new jobs before 2023. Buc-ee's has broken ground on a \$45-million travel center in Auburn. The 53,470-sq.ft. location will open in November of 2022 and create at least 175 jobs. SiO2 Materials Science has announced a \$123-million expansion of its Auburn facility that will allow for increased production of its patented vials and syringes

for the Moderna COVID-19 vaccine. The company already employs 450 people and expects to add to their workforce when the facility is finished in June 2022. The biotech company also received a \$64.6-million contract modification from the Department of Defense that will allow vial production to increase to 10 million vials per month by July 2024. Hanwha Cimarron LLC is investing \$130 million to construct a manufacturing plant in Northeast Opelika Industrial Park that will employ 261 workers to produce carbon fiber tanks and pressure vessels. Hiring will begin in the spring of 2022. Point Broadband, a fiber internet service provider, is moving its corporate headquarters to Opelika, bringing at least 25 new jobs to the community.

GDP AND EMPLOYMENT FORECAST

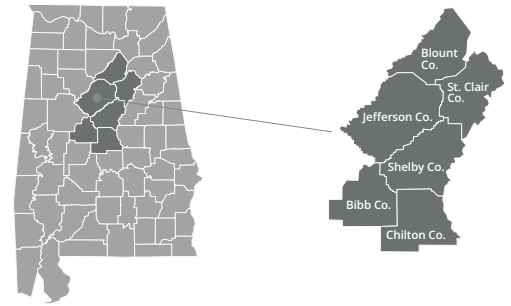
Auburn-Opelika's real GDP decreased 0.6 percent in 2020 to reach \$5.6 billion. CBER projects a rebound in GDP and employment growth in 2022, with estimated gains of 2.8 percent and 1.5 percent, respectively.

ECONOMIC INDICATORS	MOST RECENT DATA	CHANGE FROM PREVIOUS YEAR*	METRO RANK
Real GDP 2020 (millions of 2012 \$)	\$5,570	-0.6%	9
GDP Forecast 2022 (percent increase)	2.8		5
Exports 2020 (millions)	\$136	-14.1%	10
Civilian Labor Force, October 2021	75,646	-3.1%	7
Nonfarm Employment, October 2021	67,500	1.7%	7
Nonfarm Employment Forecast 2021 (percent increase)	1.5		6
Available Labor Pool (Unemployed + Underemployed), October 2021	19,506	-5.3%	7
Unemployment Rate, October 2020	2.3%	-2.3	9
Underemployment Rate 2020	24.1%	0.4	3
Employment - Manufacturing, October 2021	6,400	3.1%	9
Employment - Service Providing Industries, October 2021	58,100	1.2%	7
Per Capita Income 2020	\$42,468	5.0%	8
Average Annual Wage 2020	\$43,020	4.9%	7
Median Family Income FY2021	\$78,000	2.0%	2-3
Residential Building Permits, Single Family Jan. - Sep. 2021	1,204	20.6%	4
Total Homes Sold, Jan. - Sep. 2021	2,224	21.1%	7
Population Count 2020	174,241	6.5%	7
Population Projection 2035	241,288		7

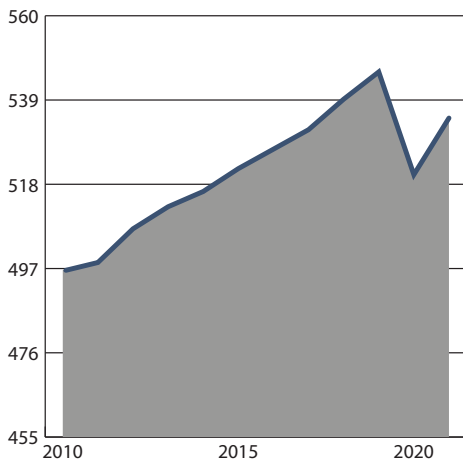
Additional details and data available on pp. 45-53

* Changes in unemployment rate and underemployment rate are presented in percentage points.

BIRMINGHAM-HOOVER



**BIRMINGHAM-HOOVER
NONFARM EMPLOYMENT** (Thousands)



Source: U.S. Bureau of Labor Statistics.

OUTLOOK HIGHLIGHTS

The headquarters for Landing, the latest tech venture from the creator of Shipt, will be moving from San Francisco to Birmingham.

The move will create 816 new jobs and is forecasted to generate \$1.3 billion in new payroll over the next 20 years. Landing provides transient professionals flexible housing through a membership model. The Southern Research Center is expanding its lab space in Birmingham to conduct research on infectious diseases. The center's new operations are projected to employ 200 new scientists and double its annual economic impact to \$300 million. Amazon Logistics has completed construction on a \$60-million, 200,000-sq.ft. logistics facility in Birmingham, where the company will employ at least 150 people. Smith & Co. will open a facility in Birmingham's Lakeview District to manufacture parts for defense, aerospace, and automotive industries. The company plans to invest nearly \$3.0 million and employ 54 people over the next three years, with an average wage of \$68,000. Smuckers has announced that it will invest \$1.1 billion to manufacture and distribute their popular Uncrustable sandwiches in

McCalla. Construction on the new facility is slated to begin in early 2022, and production is expected to begin in 2025. The investment is projected to add 750 new jobs. In Moody (St. Clair County), developers are investing \$125 million in a technology-based industrial park. The 172-acre park is expected to employ 800 workers. Bibb County continues to see job growth at its 564-acre industrial park near Woodstock. There are currently \$614 million of planned capital projects at the industrial park that will create 1,300 new jobs. Already, several of the companies at the industrial park are suppliers for the Mercedes plant in nearby Tuscaloosa County; and in 2022, production will be added to assemble batteries for Mercedes' new electric vehicles.

GDP AND EMPLOYMENT FORECAST

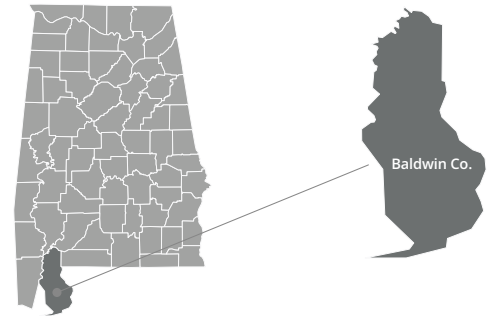
Metro output decreased 4.4 percent to \$53.8 billion in 2020 from 2019, and it is expected to rebound in 2022 with 4.5 percent growth. The 2022 employment forecast calls for a 3.9 percent increase.

ECONOMIC INDICATORS	MOST RECENT DATA	CHANGE FROM PREVIOUS YEAR*	METRO RANK
Real GDP 2020 (millions of 2012 \$)	\$53,765	-4.4%	1
GDP Forecast 2022 (percent increase)	4.5		2
Exports 2020 (millions)	\$1,378	-13.3%	4
Civilian Labor Force, October 2021	551,573	-0.6%	1
Nonfarm Employment, October 2021	547,500	4.5%	1
Nonfarm Employment Forecast 2021 (percent increase)	3.9		2
Available Labor Pool (Unemployed + Underemployed), October 2021	130,386	-10.9%	1
Unemployment Rate, October 2020	2.5%	-2.8	7-8
Underemployment Rate 2020	21.7%	-1.5	7
Employment - Manufacturing, October 2021	38,300	4.2%	1
Employment - Service Providing Industries, October 2021	477,400	4.9%	1
Per Capita Income 2020	\$55,074	3.6%	2
Average Annual Wage 2020	\$50,960	4.7%	2
Median Family Income FY2021	\$78,000	6.7%	2-3
Residential Building Permits, Single Family Jan. - Sep. 2021	2,701	5.3%	2
Total Homes Sold, Jan. - Sep. 2021	14,672	10.4%	1
Population Count 2020	1,115,289	2.5%	1
Population Projection 2035	1,206,625		1

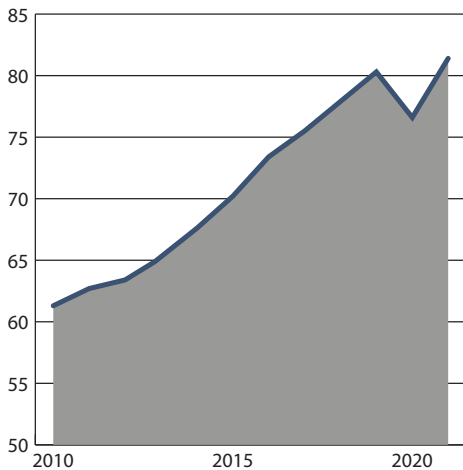
Additional details and data available on pp. 45-53

* Changes in unemployment rate and underemployment rate are presented in percentage points.

DAPHNE-FAIRHOPE-FOLEY



DAPHNE-FAIRHOPE-FOLEY NONFARM EMPLOYMENT (Thousands)



Source: U.S. Bureau of Labor Statistics.

OUTLOOK HIGHLIGHTS

Construction on ALDI's \$100-million regional headquarters and distribution center in Loxley will be complete by mid-2022 and will create

200 jobs when operational. Imperial Dade, an independently owned distributor of food service packaging and janitorial supplies, is investing \$20 million to expand its Loxley presence with a new 220,000-sq. ft. logistics hub that will add 55 new jobs to its workforce. OWA's \$70-million, 65,000-sq. ft. indoor waterpark is expected to open in the summer of 2022, adding another feature to the Poarch Band of Creek Indians' entertainment complex in Foley. USA Health, a Mobile-based company, has broken ground on a \$30-million ambulatory surgery center in Fairhope, which will open in 2023. The clinic will be academic-based, offering training and education opportunities, in addition to clinical care. Now that the \$6.1-million air traffic control tower project at the Jack Edwards National Airport in Gulf Shores is complete, airport officials have announced preliminary plans to invest \$8 to \$10 million to add two temporary terminals that would offer commercial flights before the end of 2022. The Growing Alabama Commission is investing \$5.5-million for

rail improvements at the 3,000-acre South Alabama Mega Site in Bay Minette, which is "shovel ready" for large-scale manufacturing. C Spire is continuing its \$500-million expansion and upgrade of Baldwin and Mobile counties' broadband services, with plans to install fiber infrastructure and network throughout Fairhope, Foley, Orange Beach, Gulf Shores, and other unincorporated areas by early 2022. Baldwin and Mobile counties received \$41 million of the Gulf of Mexico Energy Security Act funding for seventeen projects that range from public park creation and enhancement to utility improvements to land preservation. Many of the projects will be complete in 2022, including the Baldwin County boat ramp in Orange Beach.

GDP AND EMPLOYMENT FORECAST

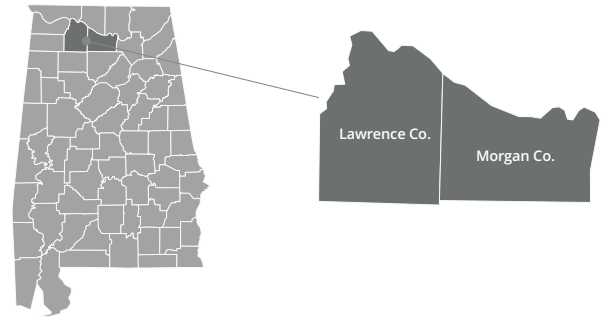
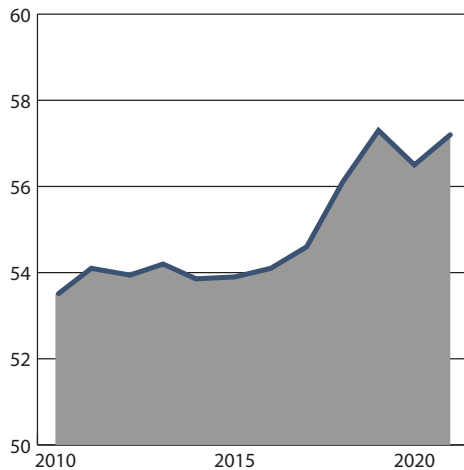
Metro GDP reached \$7.0 billion in 2020 after a 2.1 percent decrease from 2019. CBER forecasts a strong 5.0 percent increase in output and a 6.9 percent increase in employment in 2022.

ECONOMIC INDICATORS	MOST RECENT DATA	CHANGE FROM PREVIOUS YEAR*	METRO RANK
Real GDP 2020 (millions of 2012 \$)	\$6,986	-2.1%	6
GDP Forecast 2022 (percent increase)	5.0		1
Exports 2020 (millions)	2,056	-28.3%	2
Civilian Labor Force, October 2021	\$99,634	3.4%	6
Nonfarm Employment, October 2021	83,300	10.3%	6
Nonfarm Employment Forecast 2021 (percent increase)	6.9		1
Available Labor Pool (Unemployed + Underemployed), October 2021	22,860	1.4%	6
Unemployment Rate, October 2020	2.2%	-2.8	10
Underemployment Rate 2020	21.2%	1.0	8
Employment - Manufacturing, October 2021	N/A	N/A	0
Employment - Service Providing Industries, October 2021	75,000	11.3%	6
Per Capita Income 2020	50,953	5.6%	3
Average Annual Wage 2020	\$39,860	4.5%	11
Median Family Income FY2021	\$74,300	-8.3%	4
Residential Building Permits, Single Family Jan. - Sep. 2021	\$2,078	12.9%	3
Total Homes Sold, Jan. - Sep. 2021	7,495	25.3%	3
Population Count 2020	231,767	6.4%	6
Population Projection 2035	332,333		5

Additional details and data available on pp. 45-53

* Changes in unemployment rate and underemployment rate are presented in percentage points.

DECATUR

DECATUR
NONFARM EMPLOYMENT (Thousands)

Source: U.S. Bureau of Labor Statistics.

OUTLOOK HIGHLIGHTS

Lockheed Martin has begun operations at its new Missile Assembly Building 4 in Courtland. The 65,000-sq.ft. digital factory will allow for the development of hypersonic strike technologies and add approximately 70 jobs to its Courtland workforce of 170 as production grows. The company is also investing in its enterprise workforce development initiative in Courtland through its Advanced Manufacturing Technician Apprenticeship Program, a paid six-week certification program to prepare candidates for careers in space operation. Forty graduates have been onboarded to the Courtland facility since the program began. Joe Wheeler EMC, a local energy cooperative, is in the process of laying fiber throughout Lawrence and Morgan counties that will provide high speed internet to the region. This expansion represents \$95 million worth of investment, and while the select customers were able to connect beginning 2021, the entire coverage area that includes 43,000

customers will have access by 2024. JTM Broadband received a \$736,329 grant from the Alabama Broadband Accessibility Fund to deploy 62 miles of fiber optic cable to service areas around Colbert and Lawrence Counties that will add over 1,200 high-speed internet connections by early 2023. The increased internet accessibility is expected to improve access to healthcare, education, and business.

GDP AND EMPLOYMENT FORECAST

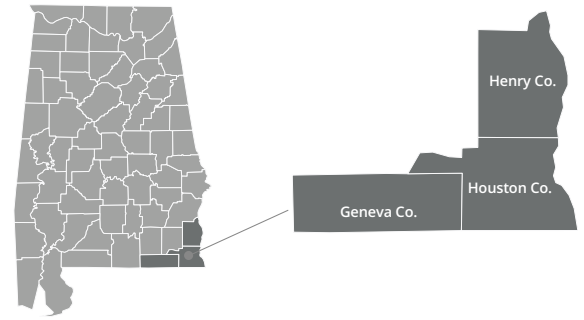
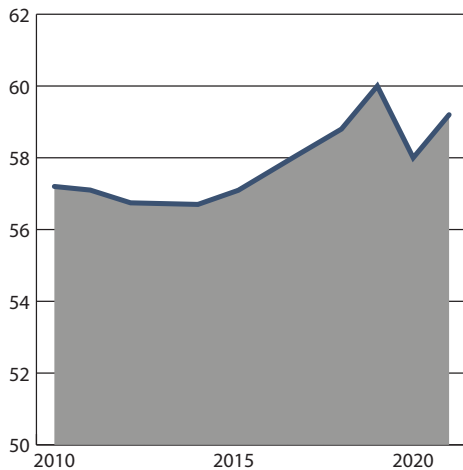
The Decatur metro area GDP decreased 0.4 percent from 2019 to register at \$5.6 billion in 2020. According to CBER projections, nonfarm employment growth of 0.9 percent and a 2.0 percent GDP rebound is expected for the area in 2022.

ECONOMIC INDICATORS	MOST RECENT DATA	CHANGE FROM PREVIOUS YEAR*	METRO RANK
Real GDP 2020 (millions of 2012 \$)	\$5,614	-0.4%	8
GDP Forecast 2022 (percent increase)	2.0		8-9
Exports 2020 (millions)	\$316	-5.9%	7
Civilian Labor Force, October 2021	72,818	-2.4%	8
Nonfarm Employment, October 2021	57,700	1.1%	9
Nonfarm Employment Forecast 2021 (percent increase)	0.9		10-11
Available Labor Pool (Unemployed + Underemployed), October 2021	12,953	-7.2%	10
Unemployment Rate, October 2020	2.0%	-2.1	11-12
Underemployment Rate 2020	16.1%	0.0	12
Employment - Manufacturing, October 2021	13,400	0.7%	6
Employment - Service Providing Industries, October 2021	39,800	1.3%	10
Per Capita Income 2020	\$43,264	6.8%	6
Average Annual Wage 2020	\$45,040	5.0%	6
Median Family Income FY2021	\$63,100	-0.8%	11
Residential Building Permits, Single Family Jan. - Sep. 2021	160	8.8%	10
Total Homes Sold, Jan. - Sep. 2021	1,376	4.3%	11
Population Count 2020	156,494	2.9%	8
Population Projection 2035	160,822		8

Additional details and data available on pp. 45-53

* Changes in unemployment rate and underemployment rate are presented in percentage points.

DOTHAN

DOTHAN
NONFARM EMPLOYMENT (Thousands)

Source: U.S. Bureau of Labor Statistics.

OUTLOOK HIGHLIGHTS

FedEx Ground has announced that it will continue to expand its operations in Alabama by adding a new distribution center in Dothan. FedEx will construct a \$57.0-million facility to add to its logistics portfolio. The new distribution center will be located at Sam Houston Industrial Park on a 70-acre site, and the investment is expected to create 200 jobs. Four Star Freightliner, based in Montgomery, will invest \$300,000 to build a 6,500-sq. ft. facility to train diesel technicians in Dothan. The training facility will support the company's truck dealership and mechanic services, which are also located in Dothan. The center will include two classrooms, and training will be provided by Daimler Trucks of North America. Students will have the opportunity to earn a credential as a professional certified technician and then advance to an expert-certified technician. Commissioners in Houston County recently announced that they have approved funds to construct a new road to the Sam Houston Industrial Park to attract

new businesses to the area. In Henry County, a micro-distillery has prompted new economic vibrancy in downtown Headland. Keel and Co. distilling has seen a double-digit increase in sales in its first two years of business, and a triple-digit increase in sales in 2021. In 2022, the company plans to expand to a 16,000-square-foot event space that can seat up to 100 patrons.

GDP AND EMPLOYMENT FORECAST

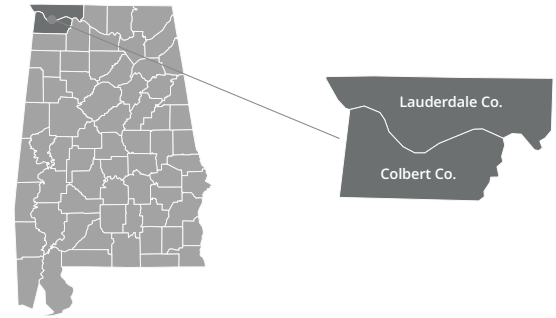
The Dothan MSA output accounted for 2.9 percent of the state's real GDP in 2020 after decreasing 3.8 percent to reach \$5.7 billion for the 2020. CBER expects a 3.0 percent increase in real GDP in 2022, and nonfarm employment is projected to grow 2.2 percent.

ECONOMIC INDICATORS	MOST RECENT DATA	CHANGE FROM PREVIOUS YEAR*	METRO RANK
Real GDP 2020 (millions of 2012 \$)	\$5,670	-3.8%	7
GDP Forecast 2022 (percent increase)	3.0		4
Exports 2020 (millions)	\$90	14.8%	11
Civilian Labor Force, October 2021	64,167	-1.5%	10
Nonfarm Employment, October 2021	60,100	2.6%	8
Nonfarm Employment Forecast 2021 (percent increase)	2.2		4
Available Labor Pool (Unemployed + Underemployed), October 2021	14,604	-1.4%	9
Unemployment Rate, October 2020	2.5%	-2.5	7
Underemployment Rate 2020	20.8%	1.2	9
Employment - Manufacturing, October 2021	5,600	8.9%	10
Employment - Service Providing Industries, October 2021	51,900	2.0%	8
Per Capita Income 2020	\$45,349	5.8%	5
Average Annual Wage 2020	\$41,610	2.3%	9
Median Family Income FY2021	\$63,400	3.4%	10
Residential Building Permits, Single Family Jan. - Sep. 2021	236	-0.8%	8
Total Homes Sold, Jan. - Sep. 2021	1,552	9.2%	10
Population Count 2020	151,007	1.9%	9
Population Projection 2035	159,659		9

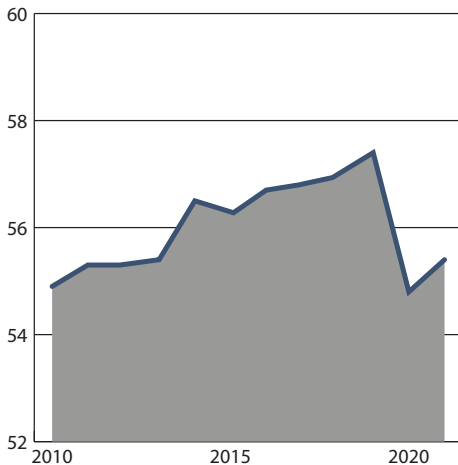
Additional details and data available on pp. 45-53

* Changes in unemployment rate and underemployment rate are presented in percentage points.

FLORENCE- MUSCLE SHOALS



FLORENCE-MUSCLE SHOALS NONFARM EMPLOYMENT (Thousands)



Source: U.S. Bureau of Labor Statistics.

OUTLOOK HIGHLIGHTS

The \$55-million Lauderdale County Agricultural Center in Florence is expected to be complete in October 2022. The multipurpose event facilities will host a variety of event types including concerts and other live entertainment, exhibitions, trade shows, festivals and fairs, community and civic events, and other such events. Construction is done on DURA Automotive Systems' \$60-million manufacturing plant at Shoals Research Airpark, and hiring is underway. The facility will produce battery trays for electric vehicles and create 279 jobs when operating at full capacity in 2022. Similarly, Kith Kitchens has opened its \$11-million manufacturing facility at the Florence-Lauderdale Industrial Park and is ramping up hiring. To support the increased cabinet production capabilities of the new Florence plant, Kith Kitchens will finish filling the 131 positions in 2022.

GDP AND EMPLOYMENT FORECAST

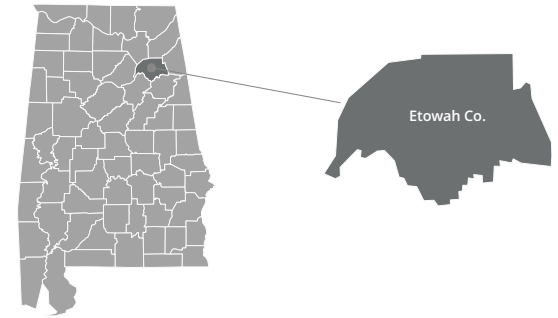
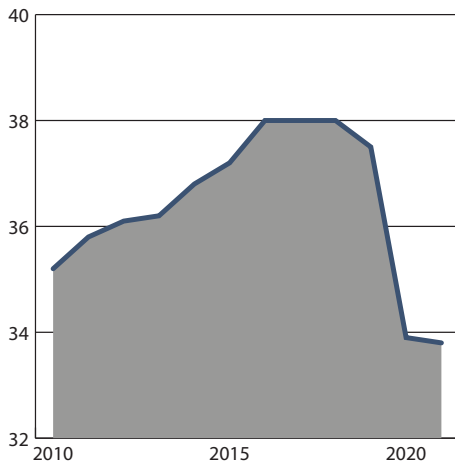
GDP for the Florence-Muscle Shoals metro area decreased 0.9 percent to \$4.7 billion in 2020. According to CBER's forecasts, employment and GDP in Gadsden are expected to rebound in 2022, increasing by 0.9 percent and 1.9 percent, respectively.

ECONOMIC INDICATORS	MOST RECENT DATA	CHANGE FROM PREVIOUS YEAR*	METRO RANK
Real GDP 2020 (millions of 2012 \$)	\$4,666	-0.9%	10
GDP Forecast 2022 (percent increase)	1.9		10
Exports 2020 (millions)	\$154	-27.5%	9
Civilian Labor Force, October 2021	65,064	-2.6%	9
Nonfarm Employment, October 2021	56,700	1.1%	10
Nonfarm Employment Forecast 2021 (percent increase)	0.9		10-11
Available Labor Pool (Unemployed + Underemployed), October 2021	15,623	1.0%	8
Unemployment Rate, October 2020	2.7%	-2.1	6
Underemployment Rate 2020	21.9%	1.7	6
Employment - Manufacturing, October 2021	8,300	2.4%	7
Employment - Service Providing Industries, October 2021	44,600	1.6%	9
Per Capita Income 2020	\$41,181	7.2%	10
Average Annual Wage 2020	\$41,160	4.6%	10
Median Family Income FY2021	\$64,500	0.5%	7
Residential Building Permits, Single Family Jan. - Sep. 2021	212	21.8%	9
Total Homes Sold, Jan. - Sep. 2021	2,020	8.7%	8
Population Count 2020	150,791	2.2%	10
Population Projection 2035	156,559		10

Additional details and data available on pp. 45-53

* Changes in unemployment rate and underemployment rate are presented in percentage points.

GADSDEN


**GADSDEN
NONFARM EMPLOYMENT** (Thousands)


Source: U.S. Bureau of Labor Statistics.

OUTLOOK HIGHLIGHTS

Koch Foods is investing \$16 million to expand the production line at its poultry processing facility in Gadsden. The company already employs 1,040 people at the Gadsden plant, and the expansion will add 135 new jobs, making the company the second-largest business employer in Etowah county. In the last three years, Koch Foods invested \$80 million to expand the Gadsden plant and began construction on a \$50-million state-of-the-art grain storage and distribution facility in Attalla. Phase II of improvements have been announced for the 1,000-acre Little Canoe Creek Mega-Site in Etowah County. Norfolk Southern Corp. is investing \$3.7 million to increase the mega-site's pad size to 100 acres and build a new road that will serve as another access point to and from the site. Gadsden City Council has approved a proposal for a \$1.75-million renovation of The Venue at Coose Landing. The new multi-purpose facility will house the Gadsden-Etowah Industrial

Development Authority and the Area Health Education Council while providing conference rooms for co-working space and some other common areas and offices.

GDP AND EMPLOYMENT FORECAST

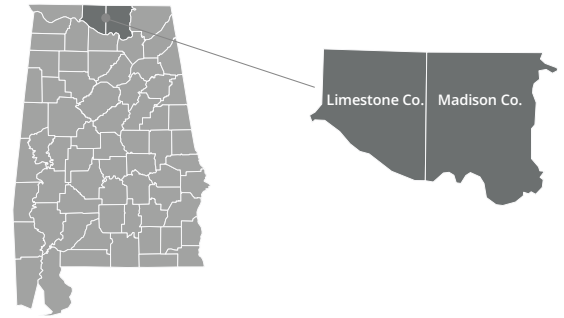
The Gadsden metro area's GDP in 2020 totaled about \$2.6 billion after decreasing 7.3 percent from 2019. CBER forecasts a continued modest rebound from this decrease in 2022 with a 1.6 percent increase in GDP and a 0.3 percent increase in nonfarm employment for 2022.

ECONOMIC INDICATORS	MOST RECENT DATA	CHANGE FROM PREVIOUS YEAR*	METRO RANK
Real GDP 2020 (millions of 2012 \$)	\$2,563	-7.3%	12
GDP Forecast 2022 (percent increase)	1.6		12
Exports 2020 (millions)	\$28	-7.4%	12
Civilian Labor Force, October 2021	38,637	-5.1%	12
Nonfarm Employment, October 2021	33,700	-0.6%	12
Nonfarm Employment Forecast 2021 (percent increase)	0.3		12
Available Labor Pool (Unemployed + Underemployed), October 2021	11,875	0.8%	11
Unemployment Rate, October 2020	3.2%	-3.3	4
Underemployment Rate 2020	28.4%	3.4	2
Employment - Manufacturing, October 2021	4,400	2.3%	11
Employment - Service Providing Industries, October 2021	28,300	-0.7%	12
Per Capita Income 2020	\$39,852	5.7%	12
Average Annual Wage 2020	\$38,500	1.6%	12
Median Family Income FY2021	\$63,500	-2.3%	9
Residential Building Permits, Single Family Jan. - Sep. 2021	25	-16.7%	12
Total Homes Sold, Jan. - Sep. 2021	860	9.1%	12
Population Count 2020	103,436	0.8%	12
Population Projection 2035	101,963		12

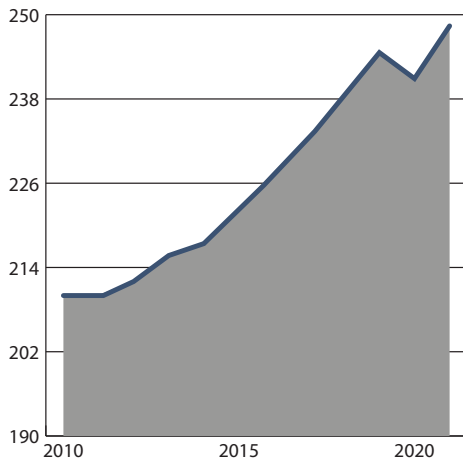
Additional details and data available on pp. 45-53

* Changes in unemployment rate and underemployment rate are presented in percentage points.

HUNTSVILLE



HUNTSVILLE NONFARM EMPLOYMENT (Thousands)



Source: U.S. Bureau of Labor Statistics.

OUTLOOK HIGHLIGHTS

Mazda Toyota Manufacturing (MTM) has begun production at its \$2.3-billion plant in Limestone County. The plant is currently hiring an additional 1,700 employees in this initial phase, with plans to create up to 4,000 jobs at full production. KC Logistics is investing \$12 million to establish an Athens location that will allow the company to transport seats from autosupplier TBAKI to the Mazda Toyota Manufacturing plant, creating 100 jobs. Amazon is expanding its presence in Limestone County with a 1 million-sq.-ft. Huntsville XL Fulfillment Center that will open in 2022 and create more than 250 full-time jobs. Gregory Industries, an Ohio-based producer of roll-formed steel, is investing \$30 million to open a factory in Athens that will create 100 jobs in the area by fall 2022. Construction has begun on Buc-ee's in Athens with plans to open by the end of 2022. The 54,000-sq.-ft. travel center represents \$35 million of investment and will create 175 jobs. Two of the six Meta Data

Center buildings in Huntsville are now online. Construction is continuing on the rest of the \$1-billion campus, with expectations to create 200 jobs when complete. HudsonAlpha has broken ground on two new additions to its Huntsville campus that are expected to be operational by the end of 2022. The projects are partially funded through a \$15-million grant from Alabama's Public School and College Authority and will strengthen the company's partnerships with Alabama A&M and Auburn universities. The \$40-million Orion Amphitheater in Huntsville will host its first concert in May 2022. The venue will seat up to 8,000 guests and host community cultural events in addition to music experiences.

GDP AND EMPLOYMENT FORECAST

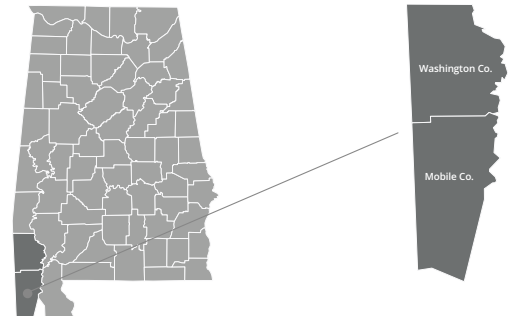
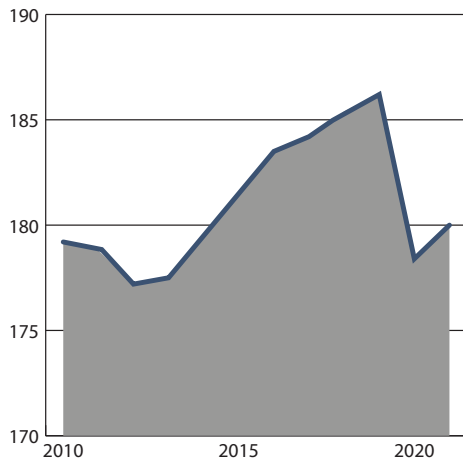
Huntsville's real GDP registered at \$27.0 billion in 2020 after decreasing 0.8 percent from 2019. In 2022, the metro is expected to have strong employment and output growth, increasing 3.2 percent and 4.0 percent, respectively.

ECONOMIC INDICATORS	MOST RECENT DATA	CHANGE FROM PREVIOUS YEAR*	METRO RANK
Real GDP 2020 (millions of 2012 \$)	\$27,022	-0.8%	2
GDP Forecast 2022 (percent increase)	4.0		3
Exports 2020 (millions)	\$1,263	-17.7%	5
Civilian Labor Force, October 2021	234,375	-1.2%	2
Nonfarm Employment, October 2021	253,100	3.4%	2
Nonfarm Employment Forecast 2021 (percent increase)	3.2		3
Available Labor Pool (Unemployed + Underemployed), October 2021	51,603	-4.1%	2
Unemployment Rate, October 2020	2.0%	-2.3	11-12
Underemployment Rate 2020	20.4%	0.3	10
Employment - Manufacturing, October 2021	27,400	3.6%	2
Employment - Service Providing Industries, October 2021	215,000	3.6%	2
Per Capita Income 2020	\$55,126	5.6%	1
Average Annual Wage 2020	\$58,730	4.9%	1
Median Family Income FY2021	\$82,900	-2.8%	1
Residential Building Permits, Single Family Jan. - Sep. 2021	3,513	10.2%	1
Total Homes Sold, Jan. - Sep. 2021	9,029	8.2%	2
Population Count 2020	491,723	6.2%	2
Population Projection 2035	629,453		2

Additional details and data available on pp. 45-53

* Changes in unemployment rate and underemployment rate are presented in percentage points.

MOBILE

MOBILE
NONFARM EMPLOYMENT (Thousands)

Source: U.S. Bureau of Labor Statistics.

OUTLOOK HIGHLIGHTS

AM/NS Calvert is investing \$775 million to add an electric arc steelmaking facility near its mill

in Mobile, which will add 200 new jobs to their payrolls when completed in early 2023. Coca-Cola UNITED has announced a \$48-million investment to expand its existing warehouse in Mobile and optimize its distribution operations. The project will be done in late 2022 and create 100 new jobs. A new high-tech logistics park is being built near the Port of Mobile through a joint investment of Ray-Mont Logistics (\$15 million), Alabama Export Railroad (\$4 million), and CN, a Canadian rail company. The park will open in early 2022 and create 50 new jobs, with plans to expand in the coming years. The Mobile Airport Authority is building a multi-use cargo warehouse and hangar facility at the Mobile Aeroplex that will include cold storage space capable of holding COVID-19 related materials. Funding is coming from a \$5.1-million CARES Act Recovery Assistance grant and a \$747,000 U.S. EDA grant. The project is expected to create 50 jobs and generate \$1.5 million in private investment. Officials in Mobile have announced plans for South Alabama

Logistics Park, a 1,300-acre industrial park that would attract warehouse, distribution, and manufacturing options. Investment in the initial phase is expected to exceed \$350 million and will be a three-year collaborative effort between public and private partners. Construction has begun on the \$1.3-million project to deepen and widen the Mobile Ship Channel for the Port of Mobile. The multi-phase project is expected to be completed by 2025. Mobile and Baldwin counties received \$41 million of the Gulf of Mexico Energy Security Act funding for seventeen projects that range from public park enhancements like the \$8 million City of Mobile "Reconnect with the River" project, to education, to utility improvements.

GDP AND EMPLOYMENT FORECAST

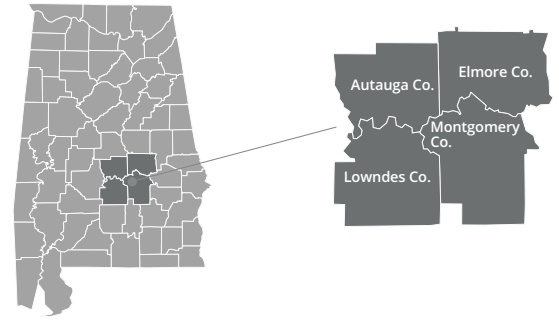
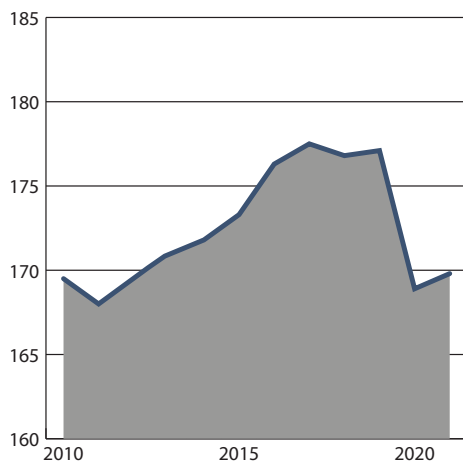
Mobile's GDP measured \$18.8 billion in 2020 after a 3.3 percent decrease from 2019. CBER forecasts mild growth in 2022, with GDP gains of 1.8 percent and employment gains of 1.2 percent.

ECONOMIC INDICATORS	MOST RECENT DATA	CHANGE FROM PREVIOUS YEAR*	METRO RANK
Real GDP 2020 (millions of 2012 \$)	\$18,809	-3.3%	3
GDP Forecast 2022 (percent increase)	1.8		11
Exports 2020 (millions)	\$2,055	-17.3%	3
Civilian Labor Force, October 2021	186,104	-4.1%	3
Nonfarm Employment, October 2021	183,800	1.4%	3
Nonfarm Employment Forecast 2021 (percent increase)	1.2		8
Available Labor Pool (Unemployed + Underemployed), October 2021	46,894	-0.2%	3
Unemployment Rate, October 2020	3.8%	-4.2	1
Underemployment Rate 2020	22.3%	3.0	5
Employment - Manufacturing, October 2021	17,900	0.6%	4
Employment - Service Providing Industries, October 2021	154,900	2.0%	3
Per Capita Income 2020	\$42,731	7.1%	7
Average Annual Wage 2020	\$46,660	3.5%	3
Median Family Income FY2021	\$58,200	-5.2%	12
Residential Building Permits, Single Family Jan. - Sep. 2021	725	18.3%	6
Total Homes Sold, Jan. - Sep. 2021	4,589	12.1%	5
Population Count 2020	430,197	0.0%	3
Population Projection 2035	430,150		3

Additional details and data available on pp. 45-53

* Changes in unemployment rate and underemployment rate are presented in percentage points.

MONTGOMERY


**MONTGOMERY
NONFARM EMPLOYMENT** (Thousands)


Source: U.S. Bureau of Labor Statistics.

OUTLOOK HIGHLIGHTS

Amazon will open a 650,000-sq.ft. Inbound Cross Dock facility in Montgomery in 2022 that will receive and consolidate items from vendors and facilitate shipments to fulfillment centers, creating more than 500 full-time jobs. Beginning in 2022, Hyundai Motor Manufacturing Alabama in Montgomery will produce the Genesis GV70 EV, Hyundai's first electric vehicle manufactured in the US. Hyundai has announced plans to invest \$7.4 billion in electric vehicle technologies and production upgrades in the US by 2025. Southern Whitewater Development Group has broken ground on the Montgomery Whitewater Center along the Alabama River near downtown Montgomery. The 120-acre entertainment complex will feature whitewater and recreational amenities, a conference center, restaurants, and retail space. The construction of the park is expected to cost \$39.8 million and employ 640 people in preparation for its grand opening in summer

of 2023. Construction has begun on the Field at Seventeen Springs in Millbrook. The \$30 million, 120-acre sports complex is being built as part of a public-private partnership between the Grandview Family YMCA and city and county organizations. Central Alabama Community College has announced plans for a \$13-million project to build a permanent campus in Prattville that will create 40 jobs and allow for 3,500 students to enroll. The Autauga County Commission and Prattville City Council are contributing \$4 million to the project.

GDP AND EMPLOYMENT FORECAST

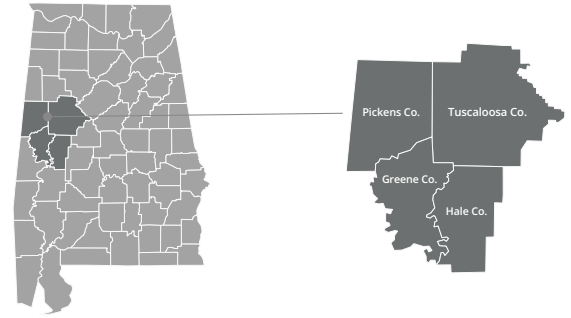
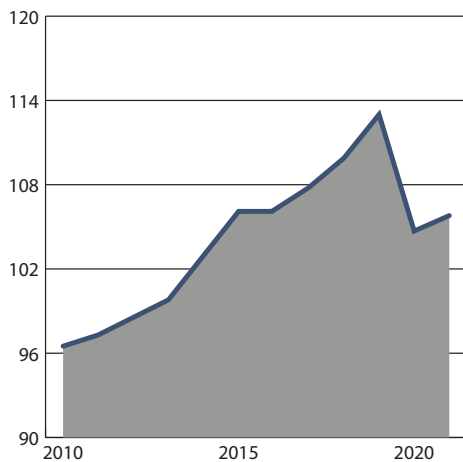
The Montgomery metro area output accounted for 8.0 percent of the state's real GDP in 2020. The metro's output decreased 3.1 percent from 2019 to register at \$15.8 billion in 2020 but is expected to rebound in 2022 with an increase of 2.2 percent. Employment is expected to increase 1.0 percent in 2022.

ECONOMIC INDICATORS	MOST RECENT DATA	CHANGE FROM PREVIOUS YEAR*	METRO RANK
Real GDP 2020 (millions of 2012 \$)	\$15,781	-3.1%	4
GDP Forecast 2022 (percent increase)	2.2		7
Exports 2020 (millions)	\$926	-22.1%	6
Civilian Labor Force, October 2021	167,954	-4.3%	4
Nonfarm Employment, October 2021	171,500	1.1%	4
Nonfarm Employment Forecast 2021 (percent increase)	1.0		9
Available Labor Pool (Unemployed + Underemployed), October 2021	44,201	-10.9%	4
Unemployment Rate, October 2020	3.4%	-3.9	3
Underemployment Rate 2020	23.7%	-0.3	4
Employment - Manufacturing, October 2021	17,400	0.6%	5
Employment - Service Providing Industries, October 2021	147,600	1.2%	4
Per Capita Income 2020	\$47,446	6.7%	4
Average Annual Wage 2020	\$45,300	4.1%	5
Median Family Income FY2021	\$67,700	3.0%	6
Residential Building Permits, Single Family Jan. - Sep. 2021	738	0.7%	5
Total Homes Sold, Jan. - Sep. 2021	5,075	20.8%	4
Population Count 2020	386,047	3.5%	4
Population Projection 2035	405,909		4

Additional details and data available on pp. 45-53

* Changes in unemployment rate and underemployment rate are presented in percentage points.

TUSCALOOSA

TUSCALOOSA
NONFARM EMPLOYMENT (Thousands)

Source: U.S. Bureau of Labor Statistics.

OUTLOOK HIGHLIGHTS

Li-Cycle Holdings Corp., a Canada-based lithium-ion battery recycler, is building a \$18.7-million recycling facility in Tuscaloosa that will create 30 jobs when it opens in mid-2022 and add another 48 jobs over the next three years. Construction on the Mercedes-Benz U.S. International (MBUSI) \$54-million, 500,000-sq-ft storage and sequence facility in Vance will be complete in 2022, bringing 373 new jobs to the area. The company will begin production of two electric vehicles at its Alabama site beginning in 2022. C Spire has begun construction on a \$500-million fiber-optic cable network expansion in Alabama that will include Tuscaloosa County by early 2022. Warrior Met Coal is investing \$529 million to build an underground mine in Tuscaloosa County that will create 359 jobs when operations begin in 2025. SMP Automotive Systems Alabama is investing \$4.2 million to expand its Tuscaloosa County operations and add at least 4 new jobs to its 1,900-person local workforce. The University

of Alabama (UA) received a \$16.5-million educational capital grant from the State of Alabama to fund its Smart Communities & Innovation Building that will house the several transportation research centers. UA is budgeting \$37.6 million to renovate the space and expects to complete construction in 2023. UA will finish constructing several projects in 2022, including: the new \$145 million Julia Tutweiler Residence Hall that will house 1,200 freshmen students beginning in fall 2022; a \$3.5-million renovation of the Angelo Bruno Business Library (summer 2022); a \$2.8-million widening of the intersection of 2nd Ave and 15th Street (fall 2022); and a \$650,000 enhancement to the water distribution system (summer 2022).

GDP AND EMPLOYMENT FORECAST

Tuscaloosa metro GDP increased 2.6 percent from 2019 to about \$10.9 billion in 2020. In 2022, CBER projects modest employment growth of 1.9 percent and a GDP gain of 2.6 percent.

ECONOMIC INDICATORS	MOST RECENT DATA	CHANGE FROM PREVIOUS YEAR*	METRO RANK
Real GDP 2020 (millions of 2012 \$)	\$10,942	-3.9%	5
GDP Forecast 2022 (percent increase)	2.6		6
Exports 2020 (millions)	\$5,175	N/A	N/A
Civilian Labor Force, October 2021	113,573	-3.1%	5
Nonfarm Employment, October 2021	107,900	2.1%	5
Nonfarm Employment Forecast 2021 (percent increase)	1.9		5
Available Labor Pool (Unemployed + Underemployed), October 2021	35,412	-14.4%	5
Unemployment Rate, October 2020	2.9%	-3.2	5
Underemployment Rate 2020	29.1%	-2.9	1
Employment - Manufacturing, October 2021	18,800	7.4%	3
Employment - Service Providing Industries, October 2021	82,700	1.5%	5
Per Capita Income 2020	\$42,084	6.6%	9
Average Annual Wage 2020	\$45,310	4.6%	4
Median Family Income FY2021	\$70,900	4.6%	5
Residential Building Permits, Single Family Jan. - Sep. 2021	439	2.3%	7
Total Homes Sold, Jan. - Sep. 2021	2,782	14.3%	6
Population Count 2020	268,674	6.9%	5
Population Projection 2035	323,746		6

Additional details and data available on pp. 45-53

* Changes in unemployment rate and underemployment rate are presented in percentage points.

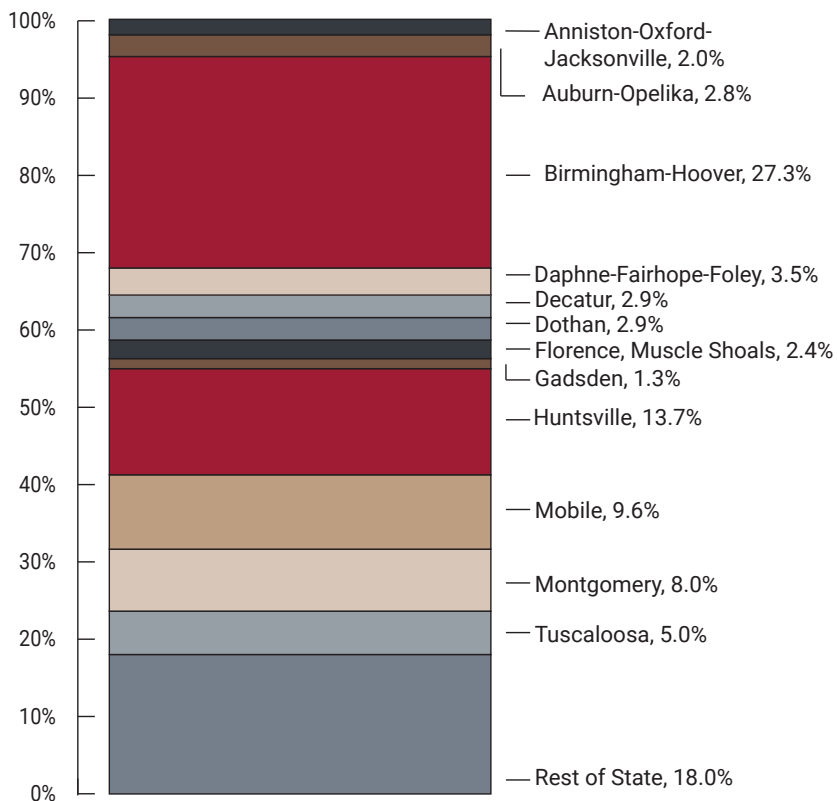
METROPOLITAN AREA TABLES AND GRAPHS

REAL GROSS DOMESTIC PRODUCT ALL INDUSTRY TOTAL (MILLIONS OF CHAINED 2012 DOLLARS)

	2020	Rank	Percent Change	
			2010 to 2020	2019 to 2020
Alabama	196,906	--	6.6%	-3.2%
Anniston-Oxford-Jacksonville	3,983	11	-8.8%	-3.2%
Auburn-Opelika	5,570	9	29.8%	-0.6%
Birmingham-Hoover	53,765	1	5.9%	-4.4%
Daphne-Fairhope-Foley	6,986	6	29.8%	-2.1%
Decatur	5,614	8	0.9%	-0.4%
Dothan	5,670	7	15.0%	-3.8%
Florence-Muscle Shoals	4,666	10	-1.0%	-0.9%
Gadsden	2,563	12	-7.5%	-7.3%
Huntsville	27,022	2	19.4%	-0.8%
Mobile	18,809	3	3.1%	-3.3%
Montgomery	15,781	4	1.1%	-3.1%
Tuscaloosa	10,942	5	9.9%	-3.9%

Source: U.S. Bureau of Economic Analysis, and Center for Business and Economic Research, The University of Alabama.

METRO SHARE OF STATE GDP, 2020



Source: U.S. Bureau of Economic Analysis and Center for Business and Economic Research, The University of Alabama.

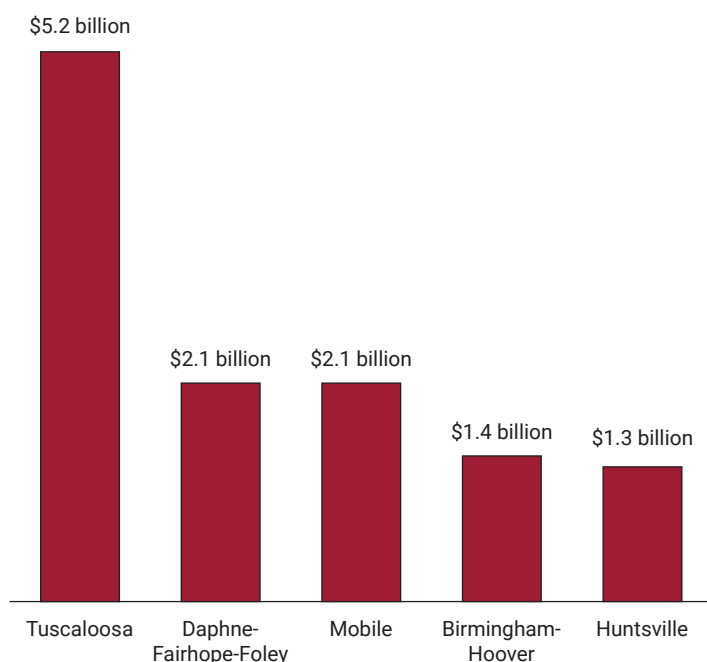
TOTAL MERCHANDISE EXPORTS (MILLIONS)

	2020	Percent Change from 2019
Alabama	17,153	-17.5
Anniston-Oxford-Jacksonville	272	-33.6
Auburn-Opelika	136	-14.1
Birmingham-Hoover	1,378	-13.3
Daphne-Fairhope-Foley	2,056	-28.3
Decatur	316	-5.9
Dothan	90	14.8
Florence-Muscle Shoals	154	-27.5
Gadsden	28	-7.4
Huntsville	1,263	-17.7
Mobile	2,055	-17.3
Montgomery	926	-22.1
Tuscaloosa	5,175	N/A

Source: U.S. Department of Commerce, International Trade Administration.

METROPOLITAN AREA TABLES AND GRAPHS

TOTAL EXPORTS, TOP FIVE METRO AREAS, 2020



Source: U.S. Department of Commerce, International Trade Administration.

METRO SHARE OF STATE EXPORTS (PERCENT)

	2020	2019
Alabama	100.0	100.0
Anniston-Oxford-Jacksonville	1.6	2.0
Auburn-Opelika	0.8	0.8
Birmingham-Hoover	8.0	7.6
Daphne-Fairhope-Foley	12.0	13.8
Decatur	1.8	1.6
Dothan	0.5	0.4
Florence-Muscle Shoals	0.9	1.0
Gadsden	0.2	0.1
Huntsville	7.4	7.4
Mobile	12.0	11.9
Montgomery	5.4	5.7
Tuscaloosa	30.2	N/A

Source: U.S. Department of Commerce, International Trade Administration.

GDP AND NONFARM EMPLOYMENT FORECASTS, 2022

	Real GDP, Percent	Nonfarm Empl., Percent	Rank, Empl.	Rank, GDP
Anniston-Oxford-Jacksonville	1.3	2.0	7	8-9
Auburn-Opelika	1.5	2.8	6	5
Birmingham-Hoover	3.9	4.5	2	2
Daphne-Fairhope-Foley	6.9	5.0	1	1
Decatur	0.9	2.0	10-11	8-9
Dothan	2.2	3.0	4	4
Florence-Muscle Shoals	0.9	1.9	10-11	10
Gadsden	0.3	1.6	12	12
Huntsville	3.2	4.0	3	3
Mobile	1.2	1.8	8	11
Montgomery	1.0	2.2	9	7
Tuscaloosa	1.9	2.6	5	6

Source: U.S. Department of Commerce, Alabama Department of Labor, and Center for Business and Economic Research, The University of Alabama.

METROPOLITAN AREA TABLES AND GRAPHS

CIVILIAN LABOR FORCE

	October 2021	Change from October 2020	
		Number	Percent
Alabama	2,225,288	-37,531	-1.7
Anniston-Oxford-Jacksonville	45,098	-1,417	-3.0
Auburn-Opelika	75,646	-2,434	-3.1
Birmingham-Hoover	551,573	-3,268	-0.6
Daphne-Fairhope-Foley	99,634	3,242	3.4
Decatur	72,818	-1,801	-2.4
Dothan	64,167	-993	-1.5
Florence-Muscle Shoals	65,064	-1,738	-2.6
Gadsden	38,637	-2,093	-5.1
Huntsville	234,375	-2,728	-1.2
Mobile	186,104	-8,039	-4.1
Montgomery	167,954	-7,594	-4.3
Tuscaloosa	113,573	-3,621	-3.1

Source: Alabama Department of Labor and U.S. Bureau of Labor Statistics.

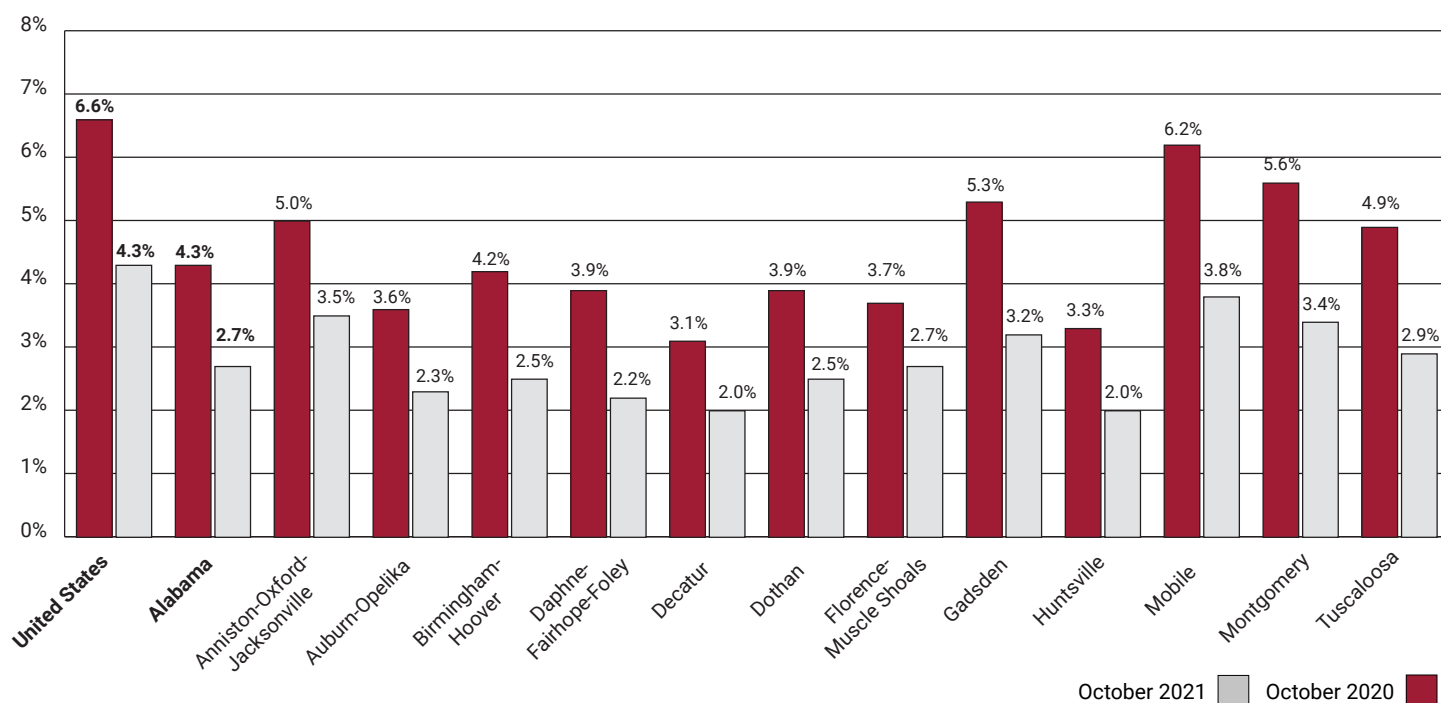
TOTAL EMPLOYMENT

	October 2021	Change from October 2020	
		Number	Percent
Alabama	2,164,988	316	0.0
Anniston-Oxford-Jacksonville	43,531	-648	-1.5
Auburn-Opelika	73,936	-1,368	-1.8
Birmingham-Hoover	537,914	6,100	1.1
Daphne-Fairhope-Foley	97,478	4,847	5.2
Decatur	71,353	-951	-1.3
Dothan	62,580	-37	-0.1
Florence-Muscle Shoals	63,305	-1,010	-1.6
Gadsden	37,382	-1,209	-3.1
Huntsville	229,613	234	0.1
Mobile	179,071	-3,100	-1.7
Montgomery	162,193	-3,494	-2.1
Tuscaloosa	110,241	-1,215	-1.1

Note: Total employment is by place of residence. October 2021 preliminary, not seasonally adjusted data.

Source: Alabama Department of Labor, International Trade Administration and Bureau of Labor Statistics.

UNEMPLOYMENT RATE (PERCENT)

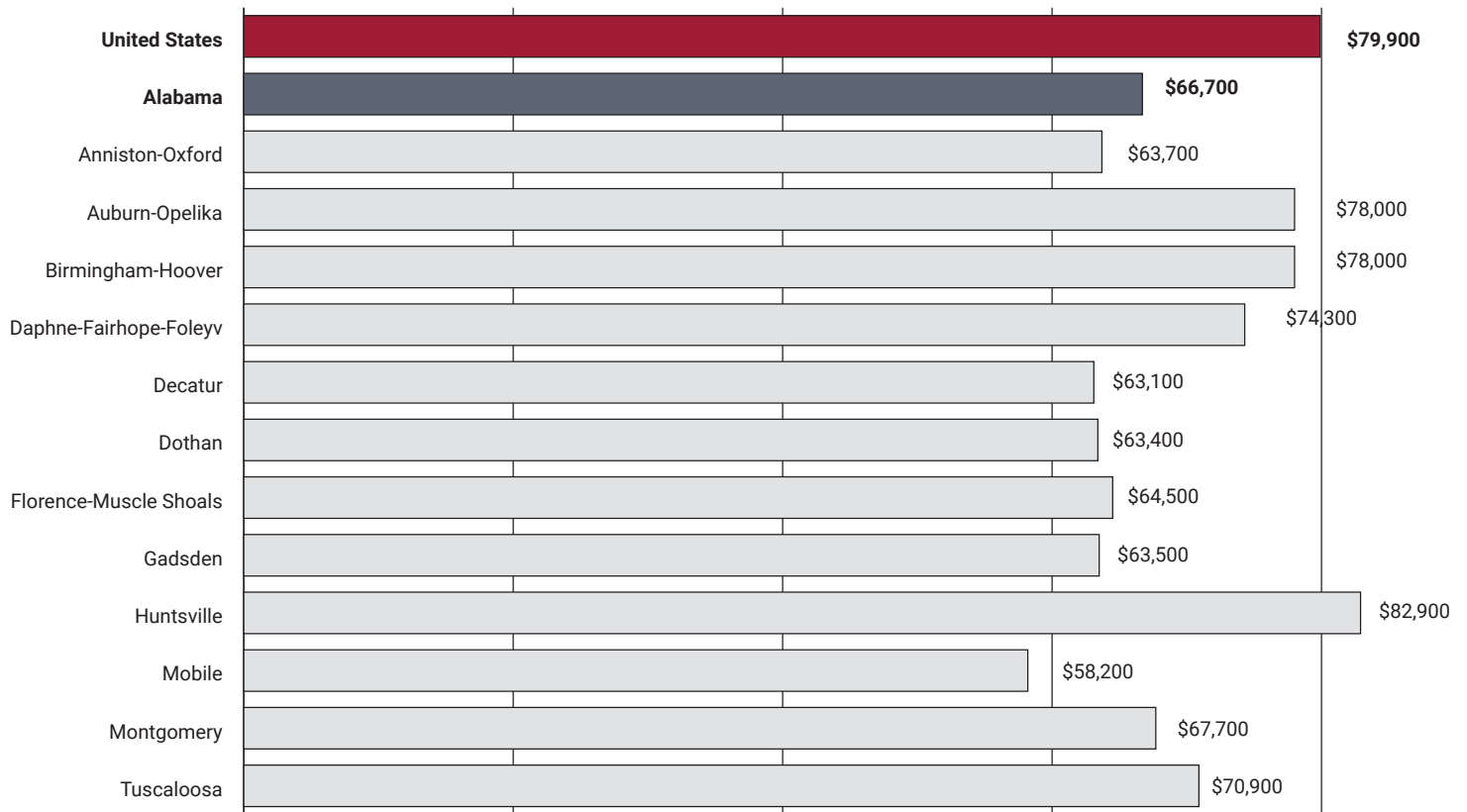


Note: October 2021 is preliminary, not seasonally adjusted data.

Source: Alabama Department of Labor and U.S. Bureau of Labor Statistics.

METROPOLITAN AREA TABLES AND GRAPHS

MEDIAN FAMILY INCOME, FY2021



Source: U.S. Department of Housing and Urban Development, Office of Economic Affairs, Economic and Market Analysis Division.

AVERAGE ANNUAL WAGE, 2020 (ALL OCCUPATIONS)

	Average Wage	Percent of State
United States	\$56,310	120.2
Alabama	\$46,840	100.0
Anniston-Oxford-Jacksonville	\$41,800	89.2
Auburn-Opelika	\$43,020	91.8
Birmingham-Hoover	\$50,960	108.8
Daphne-Fairhope-Foley	\$39,860	85.1
Decatur	\$45,040	96.2
Dothan	\$41,610	88.8
Florence-Muscle Shoals	\$41,160	87.9
Gadsden	\$38,500	82.2
Huntsville	\$58,730	125.4
Mobile	\$46,660	99.6
Montgomery	\$45,300	96.7
Tuscaloosa	\$45,310	96.7

Source: U.S. Bureau of Labor Statistics, Division of Occupational Employment Statistics.

METROPOLITAN AREA TABLES AND GRAPHS

DEPOSITS IN ALL FDIC-INSURED INSTITUTIONS (MILLIONS OF DOLLARS)

	6/30/2021	Share of State (Percent)	6/30/2020	Percent Change from 6/30/2020
Alabama	\$141,319	100.0	\$129,470	9.2
Anniston-Oxford-Jacksonville	\$2,280	1.7	\$2,223	2.6
Auburn-Opelika	\$4,275	2.9	\$3,729	14.6
Birmingham-Hoover	\$54,527	40.2	\$52,064	4.7
Daphne-Fairhope-Foley	\$6,573	4.2	\$5,415	21.4
Decatur	\$2,868	2.0	\$2,649	8.3
Dothan	\$4,393	3.1	\$3,989	10.1
Florence-Muscle Shoals	\$3,601	2.5	\$3,241	11.1
Gadsden	\$1,435	1.0	\$1,301	10.2
Huntsville	\$11,473	8.1	\$10,458	9.7
Mobile	\$10,660	6.8	\$8,758	21.7
Montgomery	\$10,258	7.2	\$9,321	10.1
Tuscaloosa	\$5,299	3.7	\$4,823	9.9

Source: Federal Deposit Insurance Corporation and Center for Business and Economic Research, The University of Alabama.

RESIDENTIAL BUILDING PERMITS

	Single-Family		Multi-Family	
	2021	Change from 2020	2021	Change from 2020
Alabama	13,765	1,261	2,377	340
Anniston-Oxford-Jacksonville	30	-24	0	0
Auburn-Opelika	1,204	206	284	-580
Birmingham-Hoover	2,701	135	544	257
Daphne-Fairhope-Foley	2,078	237	326	-22
Decatur	160	13	0	-8
Dothan	236	-2	0	0
Florence-Muscle Shoals	212	38	28	28
Gadsden	25	-5	0	0
Huntsville	3,513	326	613	583
Mobile	725	112	52	52
Montgomery	738	5	5	0
Tuscaloosa	439	10	469	148

Note: Data are for permit-issuing places only. Data for 2021 and 2020 cover the period January through September. Multi-family building permits are permits with 5 units or more.

Source: U.S. Census Bureau, Building Permits Survey.

TOTAL HOMES SOLD

	2021	Percent Change from 2020*
Alabama	61,006	13.9
Anniston-Oxford-Jacksonville	1,759	11.5
Auburn-Opelika	2,224	21.1
Birmingham-Hoover	14,672	10.4
Daphne-Fairhope-Foley	7,495	25.3
Decatur	1,376	4.3
Dothan	1,552	9.2
Florence-Muscle Shoals	2,020	8.7
Gadsden	860	9.1
Huntsville	9,029	8.2
Mobile	4,589	12.1
Montgomery	5,075	20.8
Tuscaloosa	2,782	14.3

Note: Data for both 2021 and 2020 cover the period January through September.

Source: Alabama Center for Real Estate, The University of Alabama.

METROPOLITAN AREA TABLES AND GRAPHS

PERCENT CHANGE IN FHFA HOUSE PRICE INDEX

	Q3 2020- Q3 2021	Q3 2007- Q3 2021
United States	16.4%	43.3%
Alabama	14.8%	35.1%
Anniston-Oxford-Jacksonville	14.8%	24.9%
Auburn-Opelika	12.3%	29.6%
Birmingham-Hoover	13.3%	39.5%
Daphne-Fairhope-Foley	19.1%	35.5%
Decatur	20.0%	45.2%
Dothan	12.5%	36.9%
Florence-Muscle Shoals	14.4%	45.8%
Gadsden	13.2%	31.1%
Huntsville	20.2%	51.4%
Mobile	16.9%	26.7%
Montgomery	11.3%	12.5%
Tuscaloosa	11.7%	37.5%

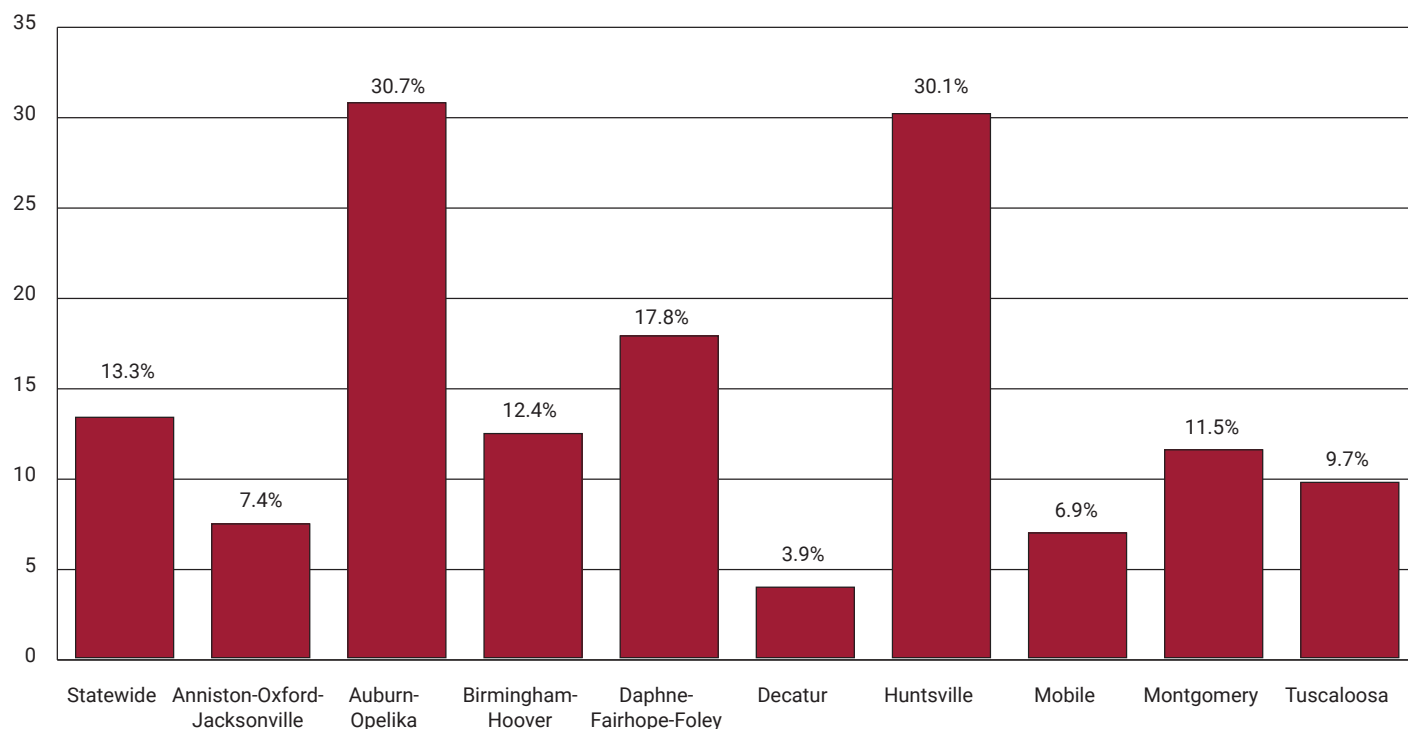
Source: Federal Housing Finance Agency, All Transactions (Sales and Appraisals Data).

PER CAPITA INCOME

	2020	Rank	Percent Change from 2019
United States	\$59,510	--	6.2
Alabama	\$46,479	--	5.6
Anniston-Oxford-Jacksonville	\$40,195	11	6.6
Auburn-Opelika	\$42,468	8	5.0
Birmingham-Hoover	\$55,074	2	3.6
Daphne-Fairhope-Foley	\$50,953	3	5.6
Decatur	\$43,264	6	6.8
Dothan	\$45,349	5	5.8
Florence-Muscle Shoals	\$41,181	10	7.2
Gadsden	\$39,852	12	5.7
Huntsville	\$55,126	1	5.6
Mobile	\$42,731	7	7.1
Montgomery	\$47,446	4	6.7
Tuscaloosa	\$42,084	9	6.6

Source: U.S. Bureau of Economic Analysis and Center for Business and Economic Research.

NEW HOMES AS PERCENT OF TOTAL HOMES SOLD, 2021



Note: Walker County Data is not available for the Birmingham-Hoover metro. Data covers the period January through September.
Source: Alabama Center for Real Estate and Center for Business and Economic Research, The University of Alabama.

METROPOLITAN AREA TABLES AND GRAPHS

POPULATION

	4/1/2020	Change from 2010	
		Number	Percent
United States	331,449,281	22,703,743	7.4
Alabama	5,024,279	244,543	5.1
Anniston-Oxford-Jacksonville	116,441	-2,131	-1.8
Auburn-Opelika	174,241	33,994	24.2
Birmingham-Hoover	1,115,289	-12,758	-1.1
Daphne-Fairhope-Foley	231,767	49,502	27.2
Decatur	156,494	2,665	1.7
Dothan	151,007	5,368	3.7
Florence-Muscle Shoals	150,791	3,654	2.5
Gadsden	103,436	-994	-1.0
Huntsville	491,723	74,130	17.8
Mobile	430,197	17,205	4.2
Montgomery	386,047	11,511	3.1
Tuscaloosa	268,674	38,512	16.7

Source: U.S. Census Bureau, Population Division.

POPULATION PROJECTIONS

	Census 2020	2025	2030	2035	2022 to 2035	
					Number Change	Percent Change
United States	331,449,281	343,274,641	355,100,000	364,300,000	32,850,719	9.9%
Alabama	5,024,279	5,151,203	5,281,333	5,414,751	390,472	7.8%
Anniston-Oxford-Jacksonville	116,441	115,390	114,348	113,316	-3,125	-2.7%
Auburn-Opelika	174,241	194,213	216,475	241,288	67,047	38.5%
Birmingham-Hoover	1,115,289	1,144,331	1,174,748	1,206,625	91,336	8.2%
Daphne-Fairhope-Foley	231,767	261,352	294,713	332,333	100,566	43.4%
Decatur	156,494	157,892	159,335	160,822	4,328	2.8%
Dothan	151,007	153,809	156,692	159,659	8,652	5.7%
Florence-Muscle Shoals	150,791	152,674	154,597	156,559	5,768	3.8%
Gadsden	103,436	102,943	102,451	101,963	-1,473	-1.4%
Huntsville	491,723	533,778	579,572	629,453	137,730	28.0%
Mobile	430,197	430,117	430,103	430,150	-47	0.0%
Montgomery	386,047	392,307	398,922	405,909	19,862	5.1%
Tuscaloosa	268,674	285,478	303,798	323,746	55,072	20.5%

Note: These projections are driven by population change since 2010, taking into account 2020 population enumeration. County projections are summed to their respective metropolitan areas. Table revised to include new Tuscaloosa metro definition (Hale, Pickens, and Tuscaloosa counties).

Source: U.S. Census Bureau, Population Division and Center for Business and Economic Research, The University of Alabama, December 2021.

METROPOLITAN AREA TABLES AND GRAPHS

AVAILABLE LABOR POOL, OCTOBER 2021

	Employed	Underemployed	Unemployed	Available Labor Pool	Percent Underemployed
Alabama	2,164,988	485,823	60,300	546,123	22.4
Anniston-Oxford	43,531	8,597	1,567	10,164	19.8
Auburn-Opelika-Jacksonville	73,936	17,796	1,710	19,506	24.1
Birmingham-Hoover	537,914	116,727	13,659	130,386	21.7
Daphne-Fairhope-Foley	97,478	20,704	2,156	22,860	21.2
Decatur	71,353	11,488	1,465	12,953	16.1
Dothan	62,580	13,017	1,587	14,604	20.8
Florence-Muscle Shoals	63,305	13,864	1,759	15,623	21.9
Gadsden	37,382	10,620	1,255	11,875	28.4
Huntsville	229,613	46,841	4,762	51,603	20.4
Mobile	179,071	39,861	7,033	46,894	22.3
Montgomery	162,193	38,440	5,761	44,201	23.7
Tuscaloosa	110,241	32,080	3,332	35,412	29.1

Note: Based on October 2021 not seasonally adjusted labor force data and 2020 underemployment rates collected by Center for Business and Economic Research. Applying these rates to October 2021 employment data results in the estimated number of employed residents who were underemployed. Totalling unemployed and underemployed residents gives a more realistic measurement of the available labor pool in a metro area. Prospective employers must be able to offer the underemployed higher wages or better benefits, terms of employment, or other incentives to induce them to change jobs.

Source: Alabama Department of Labor and Center for Business and Economic Research, The University of Alabama.

NONFARM EMPLOYMENT

	October 2021	Change from October 2020 Number	Percent
Alabama	2,070,500	63,300	3.2
Anniston-Oxford-Jacksonville	46,300	800	1.8
Auburn-Opelika	67,500	1,100	1.7
Birmingham-Hoover	547,500	23,800	4.5
Daphne-Fairhope-Foley	83,300	7,800	10.3
Decatur	57,700	600	1.1
Dothan	60,100	1,500	2.6
Florence-Muscle Shoals	56,700	600	1.1
Gadsden	33,700	-200	-0.6
Huntsville	253,100	8,300	3.4
Mobile	183,800	2,500	1.4
Montgomery	171,500	1,800	1.1
Tuscaloosa	107,900	2,200	2.1
Net Jobs in Metropolitan Areas	1,669,100	50,800	3.1
Net Jobs in Nonmetro Counties	401,400	12,500	3.2

Note: Nonfarm employment (jobs) is by place of work. October 2021 preliminary not seasonally adjusted data.

Source: Alabama Department of Labor and U.S. Bureau of Labor Statistics.

METROPOLITAN AREA TABLES AND GRAPHS

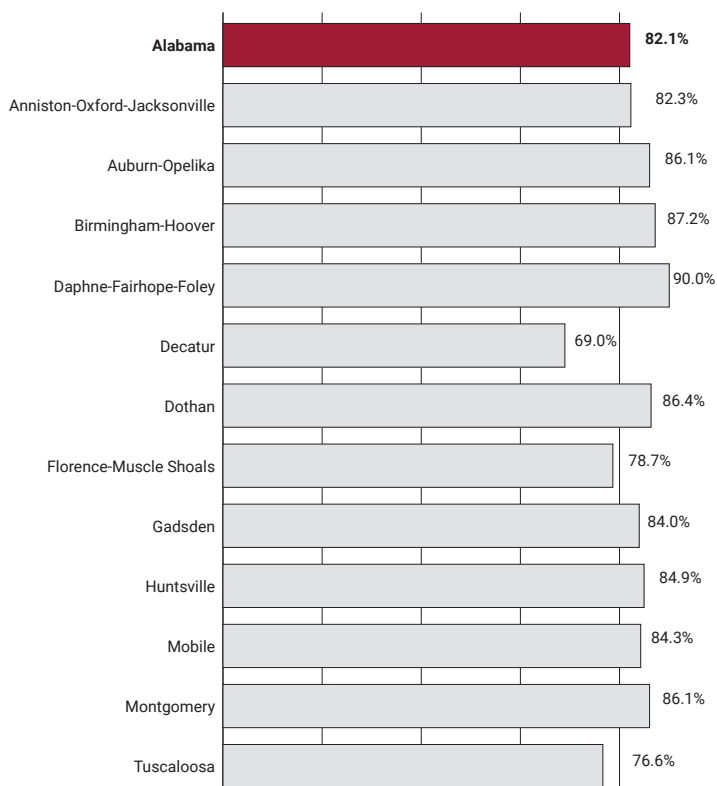
MANUFACTURING EMPLOYMENT

	October 2021	Percent of Area Jobs	Change from October 2020
Alabama	269,200	13.0	10,100
Anniston-Oxford-Jacksonville	6,900	14.9	500
Auburn-Opelika	6,400	9.5	200
Birmingham-Hoover	38,300	7.0	1,600
Daphne-Fairhope-Foley	N/A	N/A	N/A
Decatur	13,400	23.2	100
Dothan	5,600	9.3	500
Florence-Muscle Shoals	8,300	14.6	200
Gadsden	4,400	13.1	100
Huntsville	27,400	10.8	1,000
Mobile	17,900	9.7	100
Montgomery	17,400	10.1	100
Tuscaloosa	18,800	17.4	1,400

Note: Daphne-Fairhope-Foley data unavailable. October 2021 preliminary not seasonally adjusted data.

Source: Alabama Department of Labor and U.S. Bureau of Labor Statistics.

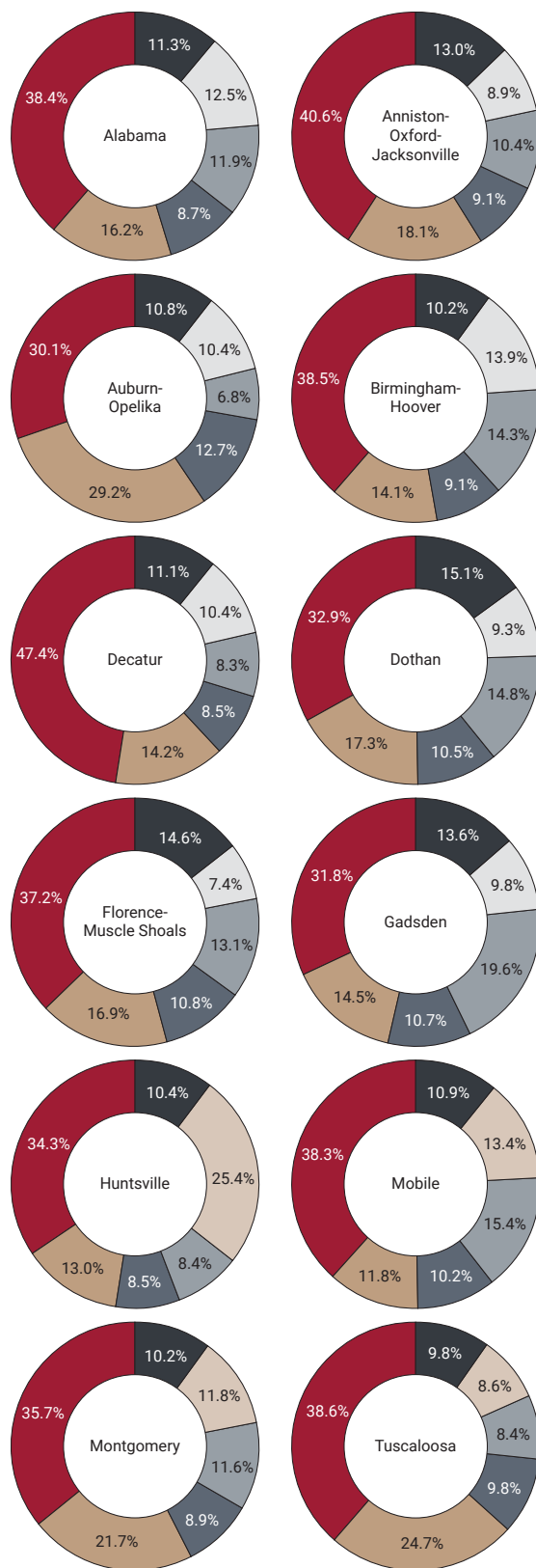
SERVICE PROVIDING INDUSTRIES, OCTOBER 2021 (PERCENT OF TOTAL NONFARM JOBS)



Note: October 2021 preliminary not seasonally adjusted data.

Source: Alabama Department of Labor, U.S. Bureau of Labor Statistics, and Center for Business and Economic Research, The University of Alabama.

SELECTED SERVICE PROVIDING INDUSTRIES, OCTOBER 2021 (PERCENT OF TOTAL NONFARM JOBS)



Note: Daphne-Fairhope-Foley data unavailable. October 2021 preliminary not seasonally adjusted data.

Source: Alabama Department of Labor, U.S. Bureau of Labor Statistics, and Center for Business and Economic Research, The University of Alabama.

