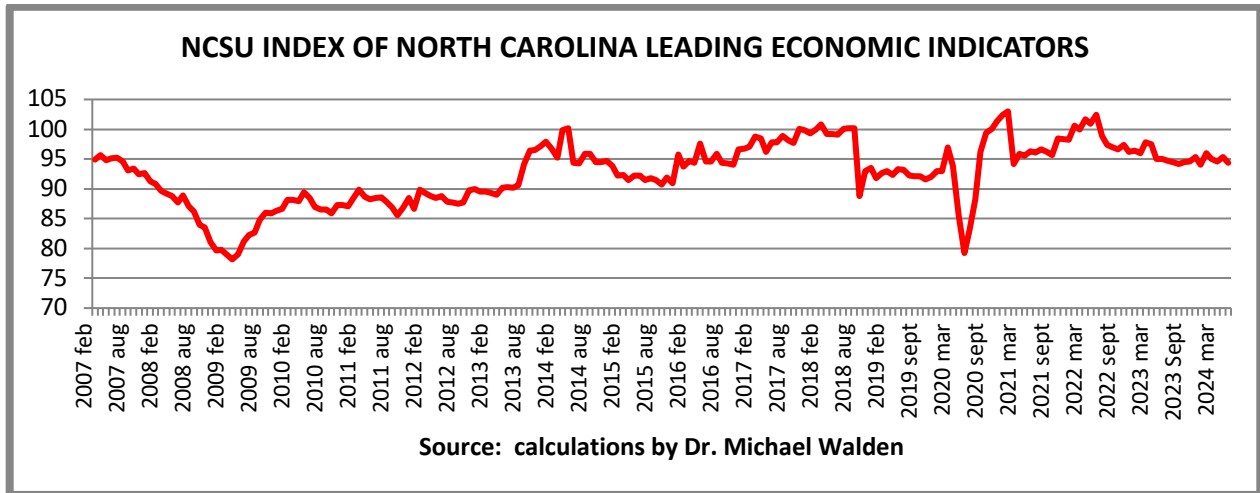


NCSU INDEX OF NORTH CAROLINA LEADING ECONOMIC INDICATORS

Vol. 16, No. 5

May 2024

The *NCSU INDEX OF NORTH CAROLINA LEADING ECONOMIC INDICATORS* (the “Index”), an indicator of the direction of the State economy in the upcoming months, declined 1% in April. Four of the five components contributed to slippage in the Index, including declines in the



national index, manufacturing hours, manufacturing earnings, and an increase in initial jobless claims. The only component strengthening the Index was a strong gain in building permits. However even with April’s drop, the Index has stayed within a very narrow range since last summer (see graph). There have been no strong trends either up or down. The direct interpretation is North Carolina’s economy is poised for no large positive or negative economic changes this year. Economic growth, including job growth, will continue. Of course, external factors – including international events, changes in energy markets, and Federal Reserve policy - will always play major roles in the State’s economic path. But for now, the forecast is the North Carolina will expand for the remainder of 2024, with no signs of a downturn – that is, a recession – in sight. But stay tuned, surprises can always happen.

Chg. from prev. month Chg. from prev. year

NC Index	-1.0%	-0.7%
US Index	-0.6%	-5.4%
Claims	1.5%	-9.4%
Permits	18.6%	9.7%
Hours	-2.5%	-0.3%
Earnings	-1.6%	1.6%

About the Index: The Index is composed of five components: the national leading index from the Conference Board, North Carolina initial claims for unemployment benefits, North Carolina building permits, average weekly hours of work of all North Carolina employees in manufacturing, and average weekly earnings of all North Carolina employees in manufacturing. All data are seasonally-adjusted and modified for differences in price levels where appropriate. Data are from the U.S. Bureau of Labor Statistics, the U.S. Census Bureau, and ECRI, whose permission to use their Weekly Leading Index is greatly appreciated. All calculations are done by Dr. Michael Walden, and comments can be sent to michael_walden@ncsu.edu.