Three Key Indicators—Forecasts for Jobs, Income and Productivity

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A plethora of critical information is provided on the economic conditions of the world, the nation, our state and metropolitan areas in this issue. Each article has been researched and written by economists who live and work in Indiana, providing us with unique perspectives on the economic changes and the road ahead.

We provide this particular page as an additional and alternate view of Indiana and its metropolitan areas, focusing on three specific indicators—productivity, jobs and income (see **Table 1**). These projected numbers may not match those of the area-specific authors because these have been gleaned from Moody's Economic Forecasts. We encourage you to read all of the articles in addition to this snapshot to have a fuller understanding of each area, and utilize both this snapshot and the in-depth articles as an important part of your financial, economic and workforce planning for 2013.

So, what can we gather from just three indicators? On per capita personal income (PCPI), an indicator of relative wealth in an area, Indiana and its metros are forecast to gain anywhere from 2.8 percent in South Bend to 4.2 percent in Muncie (see **Figure 1**).

The same can't be said in terms of productivity gains, as measured by the gross domestic product (GDP) figures seen in **Figure 2**. The state and its largest metro area, Indianapolis, show forecasted gains of 2 percent in GDP, while half of the metro areas will see increases of less than 1 percent.

Jobs data show increases between 1 and 2 percent in regions that have significant manufacturing investments: the state, Bloomington, Columbus, Elkhart, Kokomo and Lafayette (see **Figure 3**).
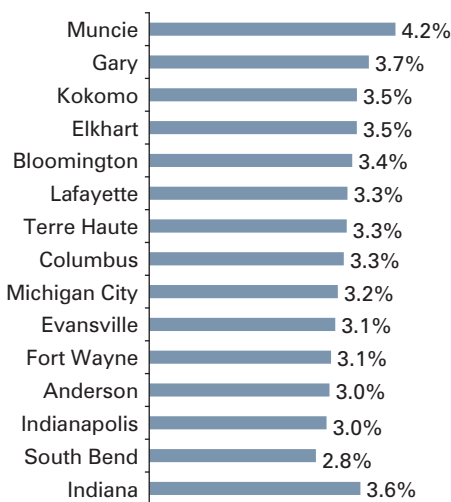
Overall, the Moody's Economy.com forecasts show mixed results across our metropolitan landscape, but are primarily positive across all three measures. There may be a chorus of "slow" or "more of the same" from our authors as our economies continue to grow by inches.

■ **TABLE 1: Projected Percent Change for Three Key Indicators, 2012 to 2013**

	GDP	Jobs	PCPI
Indiana	2.0%	1.2%	3.6%
Anderson	0.4%	-0.2%	3.0%
Bloomington	1.1%	1.2%	3.4%
Columbus	1.0%	1.9%	3.3%
Elkhart	0.8%	1.3%	3.5%
Evansville	1.2%	1.0%	3.1%
Fort Wayne	1.5%	0.9%	3.1%
Gary	1.3%	0.4%	3.7%
Indianapolis	2.0%	0.9%	3.0%
Kokomo	0.6%	1.0%	3.5%
Lafayette	1.1%	2.0%	3.3%
Michigan City	0.7%	0.1%	3.2%
Muncie	0.6%	1.2%	4.2%
South Bend	0.8%	0.4%	2.8%
Terre Haute	0.6%	0.1%	3.3%

Source: IBRC, using subscription data from Economy.com

■ **FIGURE 1: PCPI Growth Forecast for 2013**

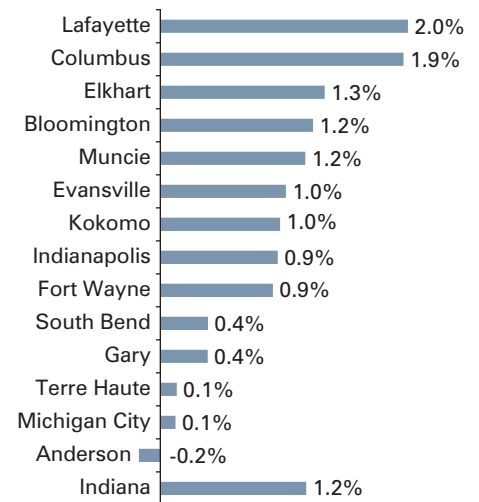|	
Muncie	4.2%
Gary	3.7%
Kokomo	3.5%
Elkhart	3.5%
Bloomington	3.4%
Lafayette	3.3%
Terre Haute	3.3%
Columbus	3.3%
Michigan City	3.2%
Evansville	3.1%
Fort Wayne	3.1%
Anderson	3.0%
Indianapolis	3.0%
South Bend	2.8%
Indiana	3.6%

Source: IBRC, using subscription data from Economy.com

■ **FIGURE 2: GDP Growth Forecast for 2013**

Indianapolis	2.0%
Fort Wayne	1.5%
Gary	1.3%
Evansville	1.2%
Lafayette	1.1%
Bloomington	1.1%
Columbus	1.0%
Elkhart	0.8%
South Bend	0.8%
Michigan City	0.7%
Terre Haute	0.6%
Muncie	0.6%
Kokomo	0.6%
Anderson	0.4%
Indiana	2.0%
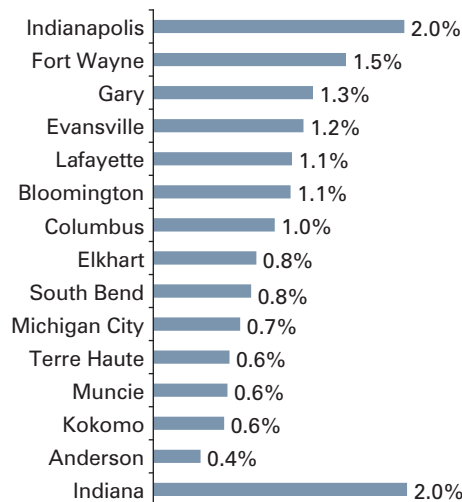
Source: IBRC, using subscription data from Economy.com

■ **FIGURE 3: Job Growth Forecast for 2013**

Lafayette	2.0%
Columbus	1.9%
Elkhart	1.3%
Bloomington	1.2%
Muncie	1.2%
Evansville	1.0%
Kokomo	1.0%
Indianapolis	0.9%
Fort Wayne	0.9%
South Bend	0.4%
Gary	0.4%
Terre Haute	0.1%
Michigan City	0.1%
Anderson	-0.2%
Indiana	1.2%

Source: IBRC, using subscription data from Economy.com