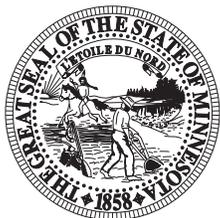




Northwest Minnesota Economic and Business Conditions Report First Quarter 2019

This issue is part of a series for the six planning areas of Minnesota –
The Northwest Minnesota Planning Area consists of 26 counties:
Becker; Beltrami; Cass; Clay; Clearwater; Crow Wing; Douglas; Grant; Hubbard; Kittson;
Lake of the Woods; Mahnommen; Marshall; Morrison; Norman; Otter Tail; Pennington; Polk;
Pope; Red Lake; Roseau; Stevens; Todd; Traverse; Wadena; and Wilkin.



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TABLE OF CONTENTS

Executive Summary.....	2
Northwest Minnesota Leading Economic Indicators Index	3
Northwest Minnesota Business Filings.....	5
Minnesota Business Snapshot Survey Results.....	10
Maps.....	16
Northwest Minnesota Labor Market Conditions	18
Northwest Minnesota Bankruptcies.....	23
Economic Indicators	24
Sources	27

EXECUTIVE SUMMARY

Slower economic growth is expected in the Northwest Minnesota planning area over the next several months according to the predictions of the St. Cloud State University Northwest Minnesota Index of Leading Economic Indicators (LEI). Only one of the five index components increased in the most recent quarter as the LEI fell by 2.90 points. The decline in the leading index was largely caused by a reduction in the number of new filings for incorporation and LLC in the northwest planning area in the first quarter. Lower residential building permits in Fargo/Moorhead and Grand Forks/East Grand Forks, higher regional initial jobless claims, and a weakening of the Rural Mainstreet Index (which signals a less robust macroeconomic environment for rural America) also weighed on the LEI. An improvement in a national consumer sentiment index had a small favorable impact on the region's economic outlook.

There were 1,189 new business filings with the Office of the Minnesota Secretary of State in Northwest Minnesota in the first quarter of 2019 — representing a 9.6 percent decrease over one year ago. With 109 filings, there were 3.5 percent fewer new filings for business incorporation in the first quarter compared to the same period last year. New LLC filings in Northwest Minnesota were down 13.5 percent from one year earlier—falling to 624. New assumed name filings totaled 412 in the first quarter—2.6 percent fewer filings than the same period in 2018. There were 44 new filings for Northwest Minnesota non-profit in the first quarter—fourteen fewer filings than one year ago.

Sixty-one percent of new business filers in the Northwest Minnesota planning area completed the voluntary Minnesota Business Snapshot (MBS) survey in this year's first quarter. Results of this voluntary survey indicate that 2.9 percent of new filers come from communities of color. Approximately 7.8 percent of new filers in Northwest Minnesota are veterans. About 2.6 percent of new filers come from the disability community and only 1.9 percent of new filings in Northwest Minnesota are made by the immigrant community. About forty-two percent of new business filings in Northwest Minnesota in this year's first quarter were initiated by women. MBS results also show that most new business filers in Northwest Minnesota have between 0 and \$10,000 in annual gross revenues (although 82 new filers have revenues in excess of \$50,000). The most popular industries for new businesses in Northwest Minnesota are construction, retail trade, real estate/rental/leasing, and other services. Employment levels at most new firms are between 0 and 5 workers, and 46 percent of those starting a new business consider this a part-time activity.

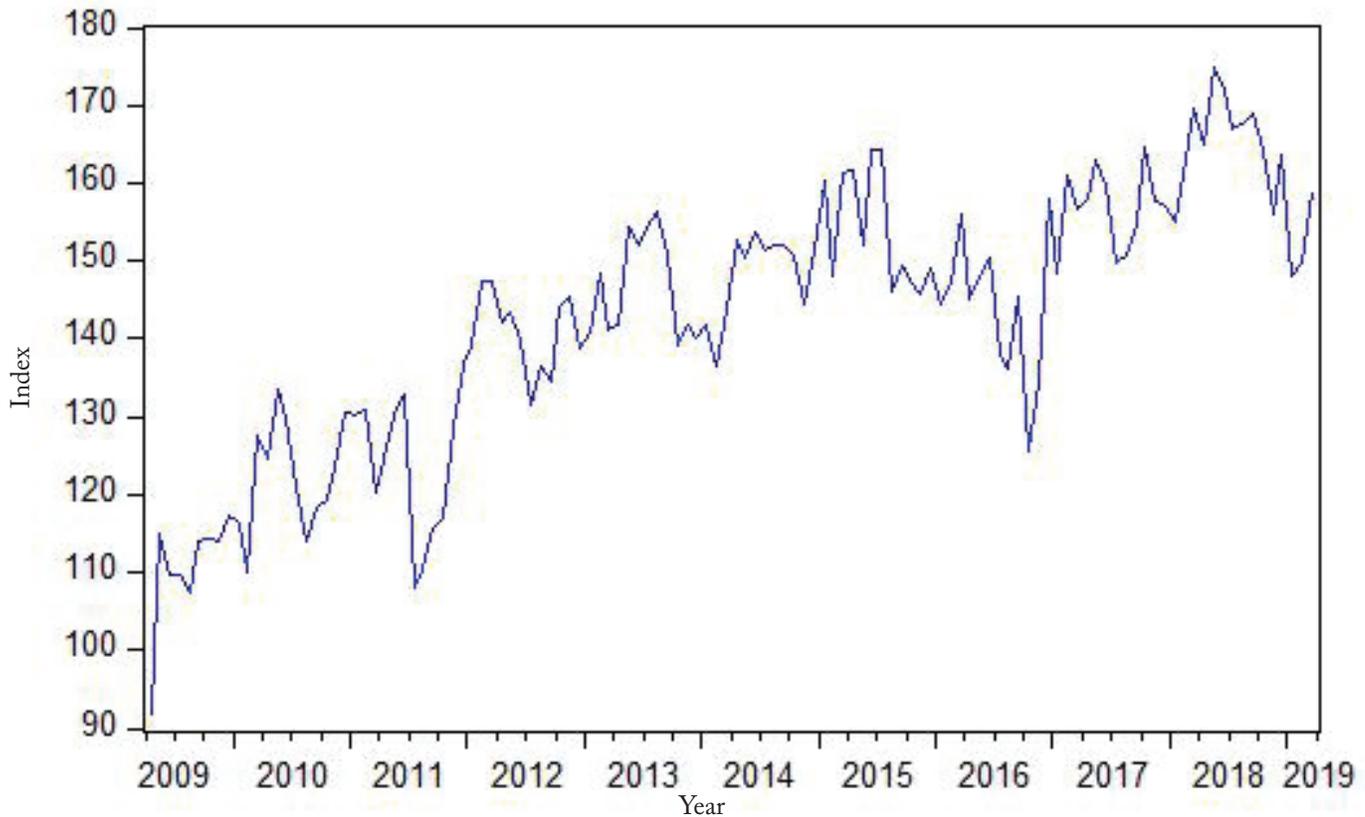
Employment of Northwest Minnesota residents increased by 0.5 percent over the year ending March 2019. The regional unemployment rate was 6 percent in March, which was considerably higher than the 5.4 percent rate observed one year ago. Initial claims for unemployment insurance in March 2019 were 7.2 percent lower than one year earlier and the Northwest Minnesota labor force increased by 1.1 percent. The job vacancy rate in the Northwest Minnesota planning area remains elevated, although this rate was lower in the fourth quarter of 2018 than it had been six months earlier. The region's total bankruptcies were 5.8 percent higher than one year ago.

Economic performance in the Fargo/Moorhead Metropolitan Statistical Area (MSA) was mixed in the past quarter. This MSA tallied a small decrease in overall employment (as well as job loss in the mining/logging/construction sector), decreased average weekly work hours, and a decline in the value of residential building permits. This MSA did experience improved manufacturing employment, higher average hourly earnings, a lower unemployment rate, declining initial jobless claims, and a slightly larger labor force. Economic activity in the Grand Forks/East Grand Forks MSA was also mixed in the first quarter. Declining overall employment (and unchanged employment in the mining/logging/construction sector), lower average weekly work hours, an unchanged unemployment rate, and a contraction of the regional labor force weighed on the MSAs economic outlook. However, manufacturing employment was higher, average hourly earnings increased, Grand Forks/East Grand Forks residential building permits rose, and initial jobless claims fell.

NORTHWEST MINNESOTA LEADING ECONOMIC INDICATORS INDEX

The SCSU Northwest Minnesota Leading Economic Indicators (LEI) index is designed to predict performance of the regional economy with a four-to-six month lead time. After a 3.23 point decline in the fourth quarter of 2018, the Northwest Minnesota LEI fell by another 2.90 points in this year's first quarter. The index is now 6.3 percent below its level of the first quarter of 2018. As shown in the accompanying graph, after rising since the end of 2016, the LEI has primarily declined over the past several quarters. Note that each of Minnesota's six planning areas appear to be experiencing slower economic growth, although only the northwest, southwest, and southeast regions have negative values on their leading indexes.

SCSU Northwest Minnesota Leading Economic Indicators Index
(December 1999=100)



Components of SCSU Northwest Minnesota Leading Economic Indicators Index

Component of Index	Contribution to LEI, 1st quarter 2019	Contribution to LEI, 4th quarter 2018
Rural Mainstreet Index	-0.39	1.40
Northwest Minnesota initial claims for unemployment insurance	-0.20	-0.15
Northwest Minnesota new filings of incorporation and LLCs	-2.17	-0.76
Fargo-Moorhead + Grand Forks-EGF MSA residential building permits	-0.17	-2.95
Consumer Sentiment, University of Michigan	0.04	-0.77
TOTAL CHANGE	-2.90	-3.23

The Rural Mainstreet Index from Creighton University uses survey data from rural bankers and business leaders in towns averaging a population of 1,300 in 10 Midwestern states. This series is used as a proxy for economic activity in the rural areas of Northwest Minnesota. As can be seen in the accompanying table, this rural index was one of the indicators that had a negative impact on this quarter's LEI. A smaller number of residential building permits in Fargo/Moorhead and Grand Forks/East Grand Forks, higher initial jobless claims, and fewer new filings for incorporation and LLC in the region also served as a drag on this quarter's leading index. Because Northwest Minnesota exports many recreational vehicles, consumer sentiment is included as a proxy for demand in that industry. The University of Michigan's Consumer Sentiment Index registered a positive reading this quarter.

**SCSU Northwest Minnesota
Leading Economic Indicators Index**

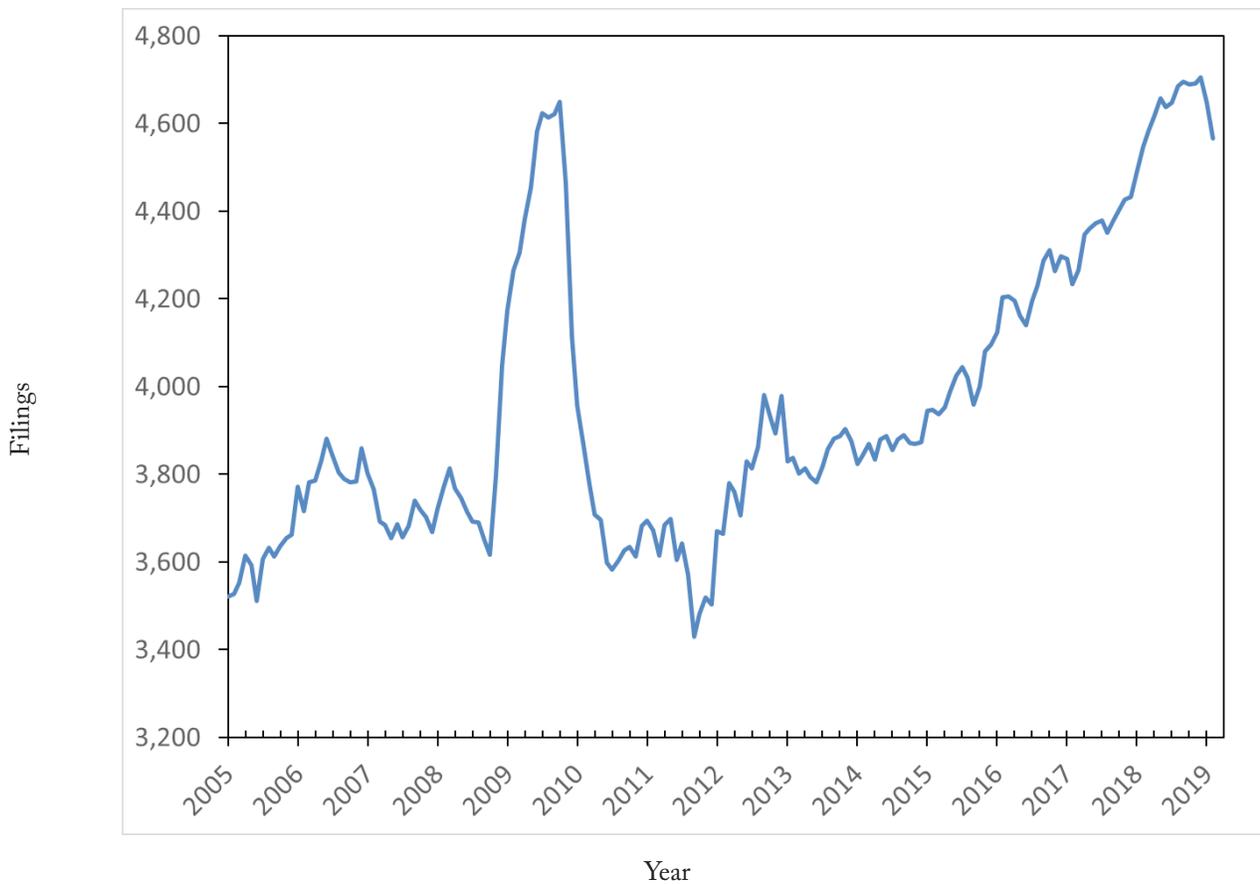
	2019	2018	Percentage change
Rural Mainstreet Index, Creighton University, December	52.0	54.9	-5.3%
Northwest Minnesota initial claims for unemployment insurance, March	1,288	1,388	-7.2%
Northwest Minnesota new filings of incorporation and LLCs, First Quarter	733	834	-12.1%
Fargo-Moorhead and Grand Forks-EGF MSA single-family building permits, March	44	56	-21.4%
Consumer Sentiment, University of Michigan, March	98.4	101.4	-3.0%
Northwest Minnesota Leading Economic Indicators Index March (December 1999 = 100)	158.8	169.4	-6.3%

NORTHWEST MINNESOTA BUSINESS FILINGS

The 12-month moving total of new business filings in this region fell in the first quarter as total new filings declined by 9.6% compared to the same period last year. The abrupt increase in new filings in the middle of 2008 is largely a result of increased new LLC filings. This outlier (resembling a shark fin) is related to considerably higher filings in the construction industry and appears to be a one-time only transitory event seen in the data in all regions of Minnesota.

Note: The graphs in this section show the 12-month moving total for the various new business filings in Northwest Minnesota that are registered with the Office of the Minnesota Secretary of State. This adjustment removes seasonal patterns from the data.

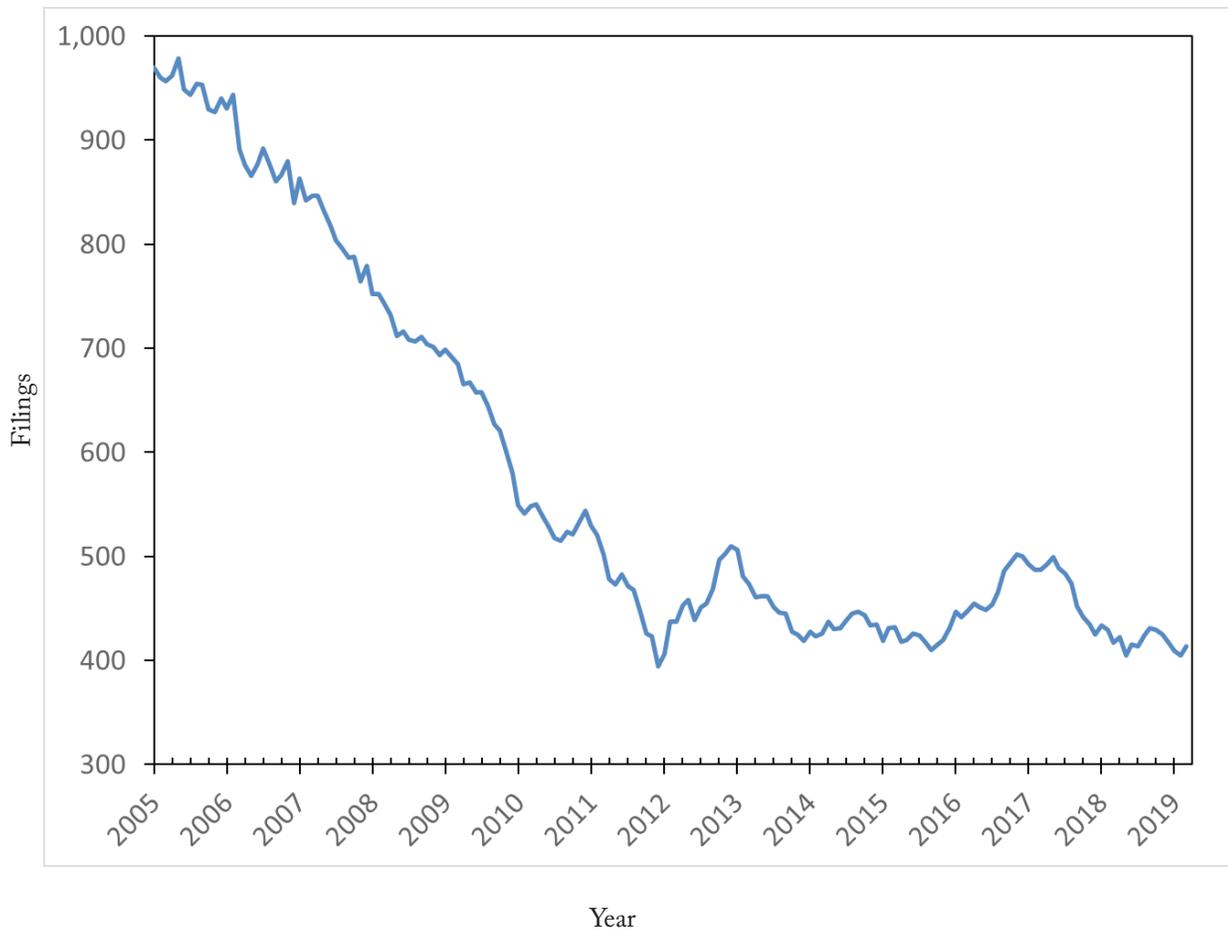
Total New Business Filings—Northwest Minnesota Planning Area
(12-month moving total)



Quarter	I: 2018	II: 2018	III: 2018	IV: 2018	I: 2019	2019 Quarter I: Percent change from prior year
Northwest Minnesota Total New Business Filings	1,315	1,327	1,010	1,039	1,189	-9.6%

New business incorporations trended downward in Northwest Minnesota from 2005 through 2011, but the 12-month moving total of this series has leveled out since that time. As can be seen in the accompanying table, first quarter 2019 new incorporations fell by 3.5 percent compared to the same period in 2018.

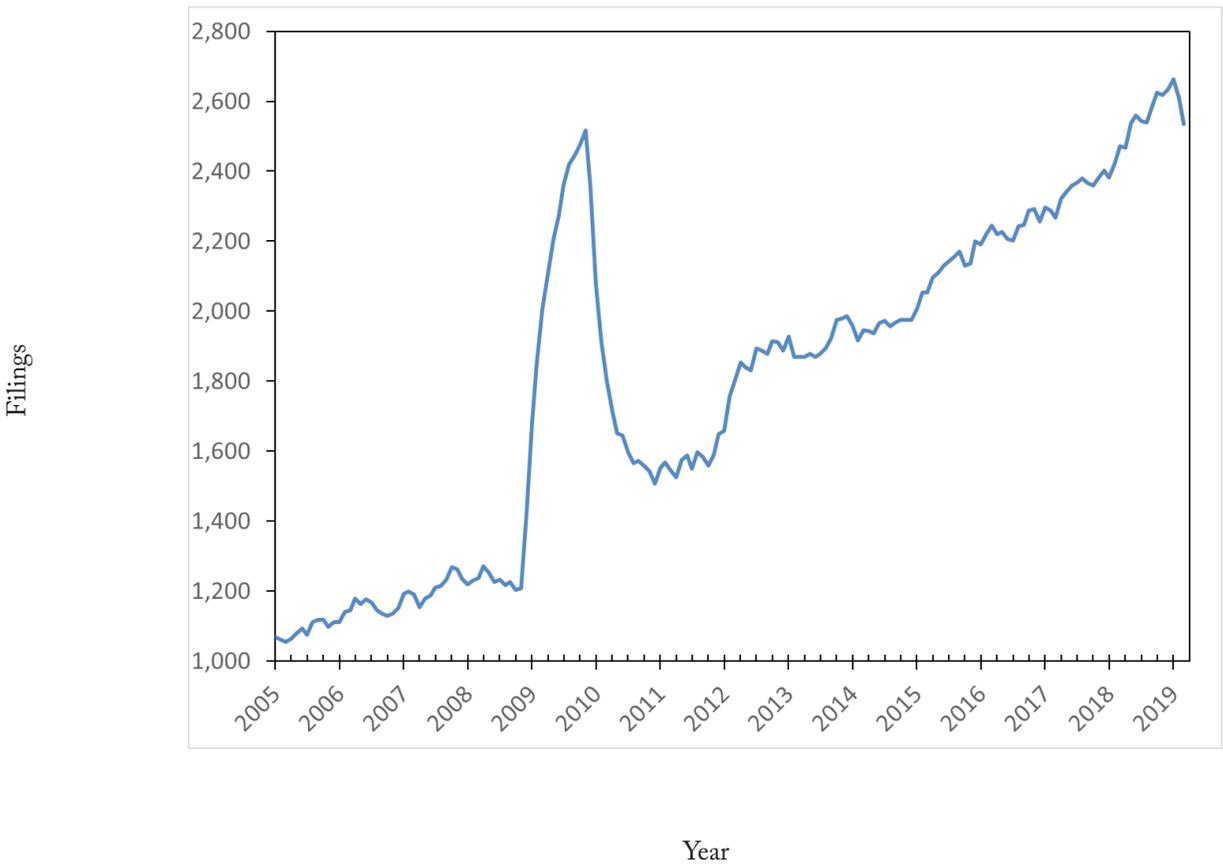
New Incorporations—Northwest Minnesota Planning Area (12-month moving total)



Quarter	I: 2018	II: 2018	III: 2018	IV: 2018	I: 2019	2019 Quarter I: Percent change from prior year
Northwest Minnesota New Business Incorporations	113	119	100	86	109	-3.5%

There has been a move in Northwest Minnesota (and the rest of the state) away from the traditional incorporation form of business organization towards the LLC. While new business incorporations remain an important indicator of new business formation in Northwest Minnesota, LLCs are increasingly useful in evaluating regional economic performance. As seen below, there has been a considerable upward trend in LLCs in Northwest Minnesota. With the exception of the outlier period in 2008–2009, new LLC formation has shown a fairly steady rate of growth over the last eleven years. This strong trend moderated this quarter as LLC filings declined by 13.5 percent compared to the same period in 2018.

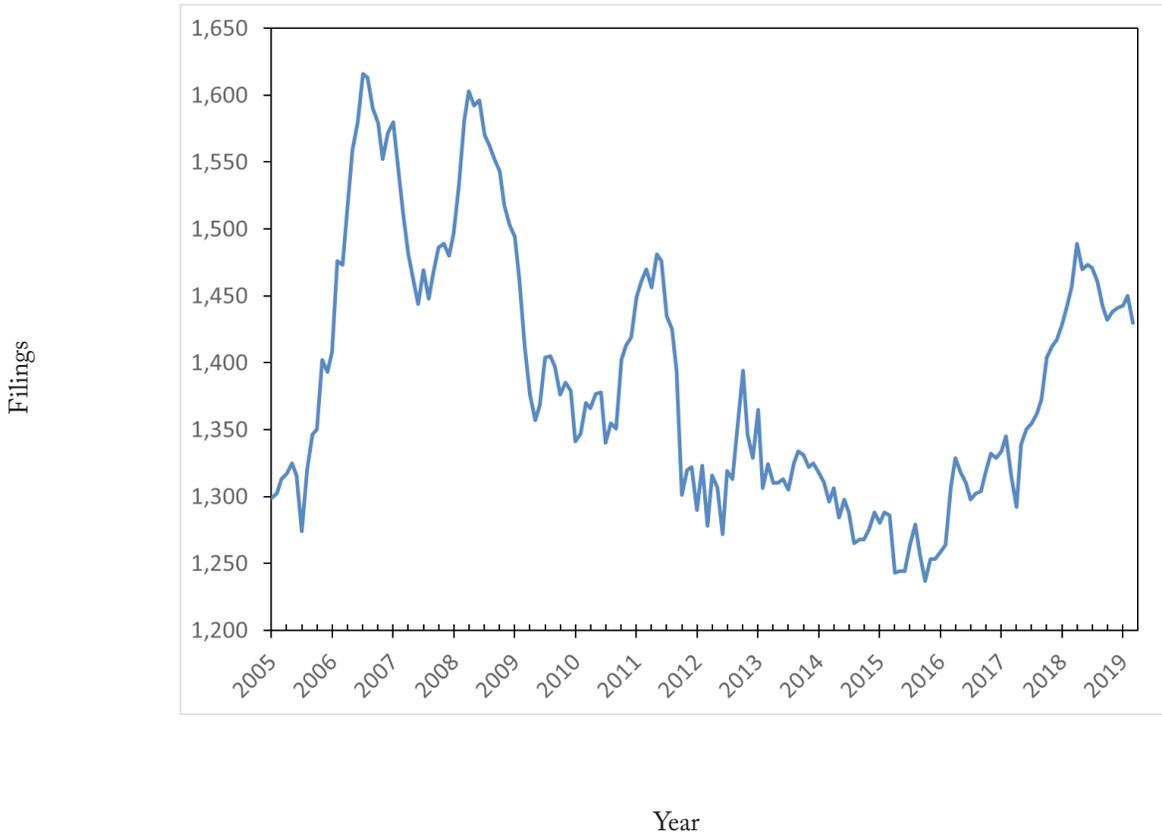
New Limited Liability Companies—Northwest Minnesota Planning Area (12-month moving total)



Quarter	I: 2018	II: 2018	III: 2018	IV: 2018	I: 2019	2019 Quarter I: Percent change from prior year
Northwest Minnesota New Limited Liability Companies	721	754	565	593	624	-13.5%

Assumed names, which include sole proprietors or organizations that do not have limited liability, fell by 2.6 percent compared to the same period last year. The 12-month moving total suggests this series bottomed out at the end of 2015 and increased through 2017. However, there appears to have been fewer assumed names registered in Northwest Minnesota in recent quarters.

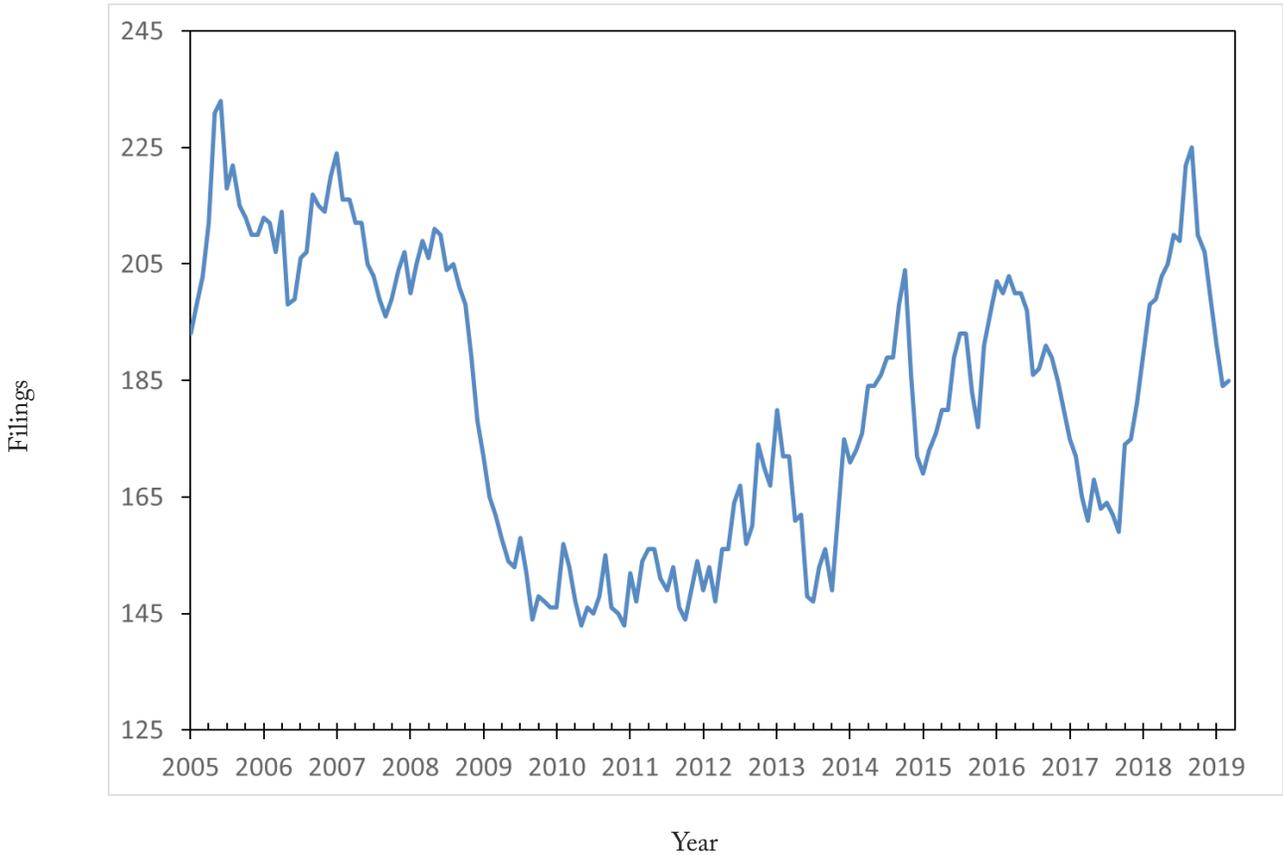
New Assumed Names—Northwest Minnesota Planning Area (12-month moving total)



Quarter	I: 2018	II: 2018	III: 2018	IV: 2018	I: 2019	2019 Quarter I: Percent change from prior year
Northwest Minnesota New Assumed Names	423	397	294	327	412	-2.6%

The number of new non-profits in the Northwest Minnesota planning area totaled 44 in the first quarter. This was 14 fewer filings (a 24.1 percent decrease) than one year earlier.

New Non-Profits—Northwest Minnesota Planning Area (12-month moving total)



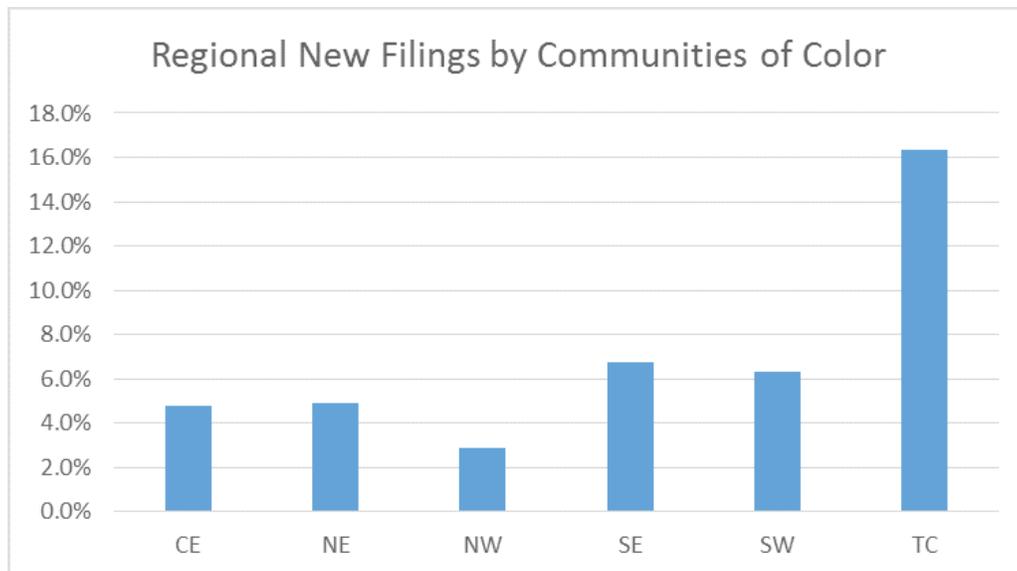
Quarter	I: 2018	II: 2018	III: 2018	IV: 2018	I: 2019	2019 Quarter I: Percent change from prior year
Northwest Minnesota New Non-Profits	58	57	51	33	44	-24.1%

MINNESOTA BUSINESS SNAPSHOT SURVEY RESULTS

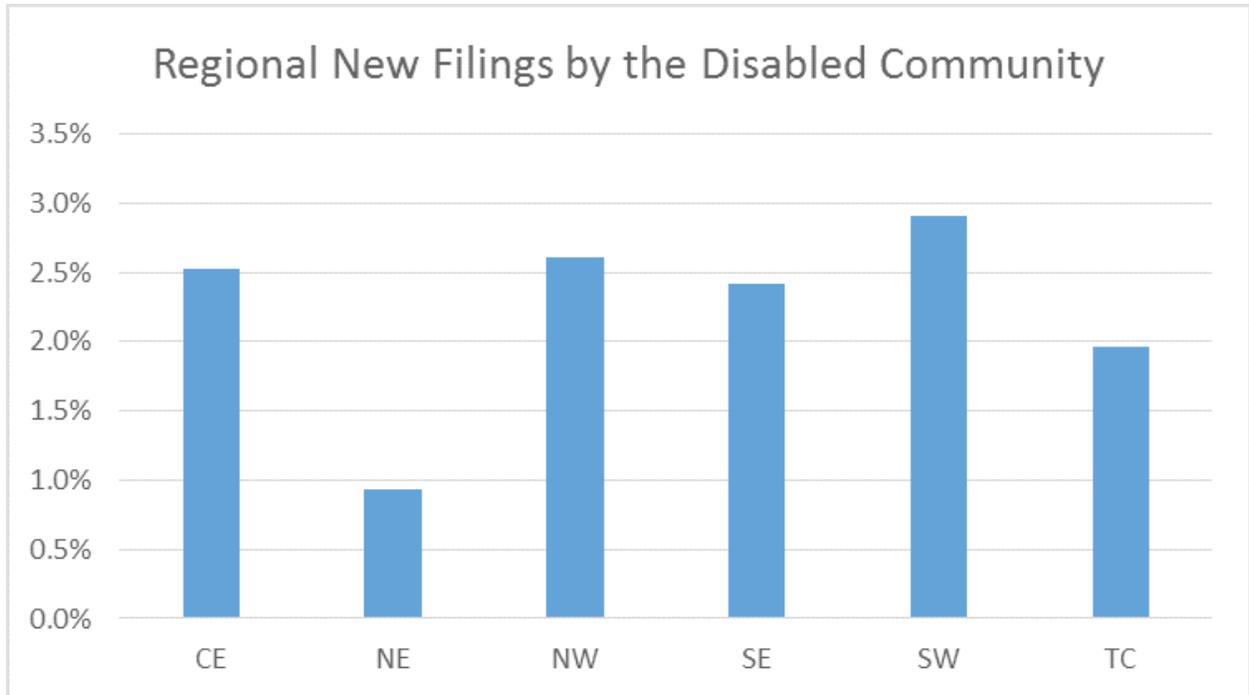
In Fall 2016, the Office of the Minnesota Secretary of State initiated a short voluntary survey (known as Minnesota Business Snapshot) for both new and continuing business filers. Questions found in the survey address basic questions related to the background of business filers, industry classification, employment levels and annual revenue of the filer, and whether the business is a full- or part-time activity for the filing entity. While a comprehensive analysis of this promising new data set is beyond the scope of this regional economic and business conditions report (an annual report of the Minnesota Business Snapshot is available from the Office of the Minnesota Secretary of State), the survey results do provide useful additional background information to complement the business filing data.

To match up the Minnesota Business Snapshot (MBS) information with the data analyzed in this report, only surveys accompanying new filings in the first quarter of 2019 are analyzed. For the entire State of Minnesota, the overall response rate for this voluntary survey is approximately 61 percent. This yields thousands of self-reported records in this emerging data set. For Northwest Minnesota, about 61 percent of new business filers completed at least some portion of the MBS survey. The results are reported in this section.

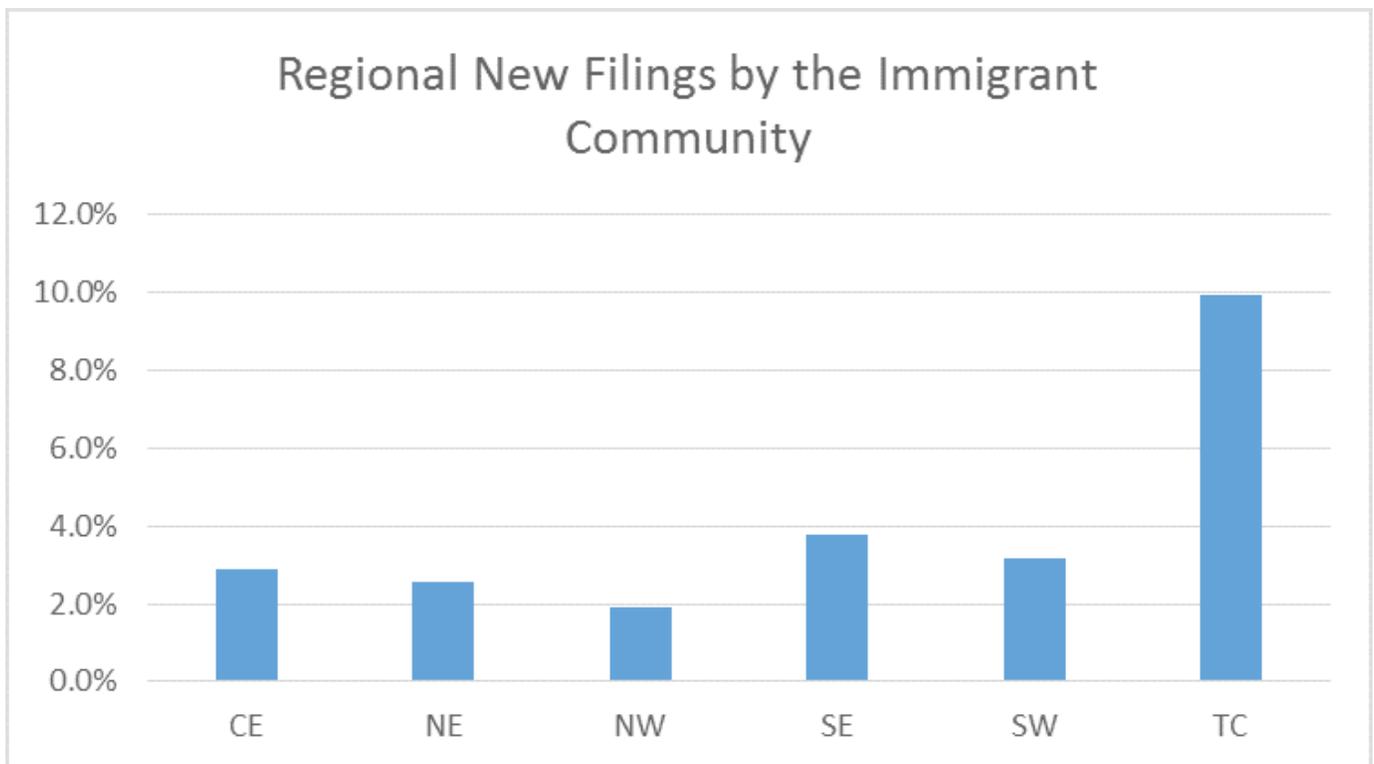
About 2.9 percent of those new filers completing the MBS from the Northwest Minnesota planning area report being from a community of color. This is the lowest percentage of Minnesota's six planning areas.



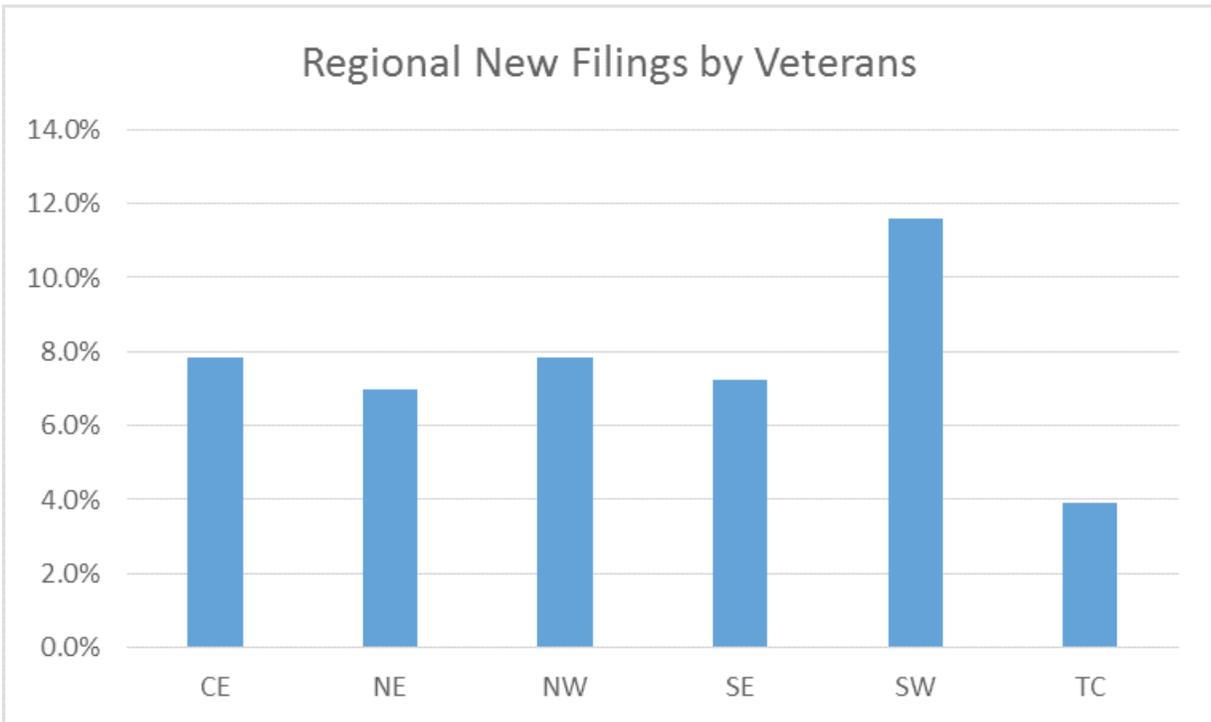
A small percentage of Northwest Minnesota's new filers—approximately 2.6 percent—are from the disability community.



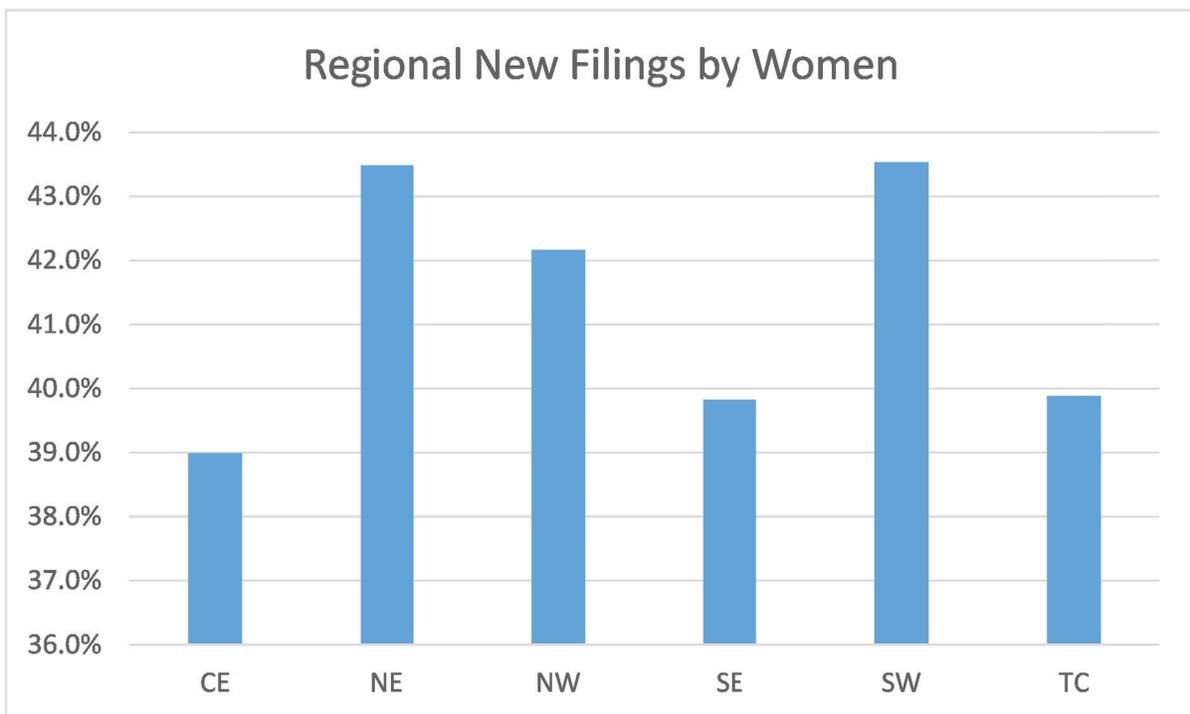
Only 1.9 percent of new business filings in Northwest Minnesota came from the immigrant community in the first quarter. Once again, this region had the lowest share of immigrant new business filers of Minnesota's six planning areas.



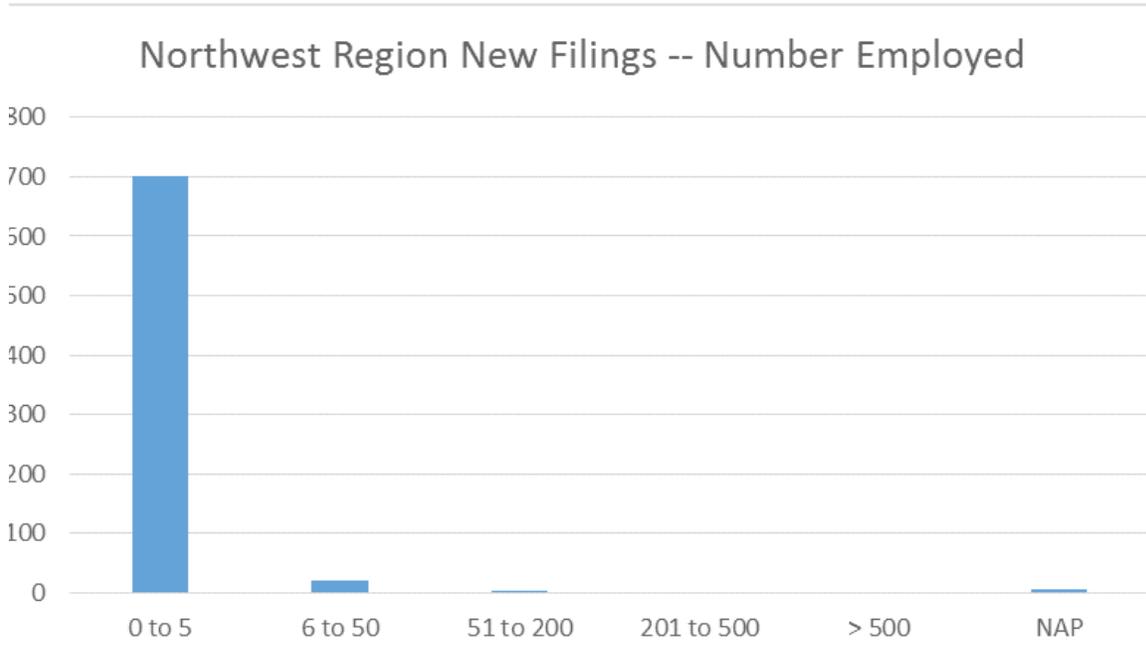
7.8 percent of new filings in Northwest Minnesota came from military veterans.



Woman owners represented 42.2 percent of the new business filings in Northwest Minnesota in the first quarter of 2019.

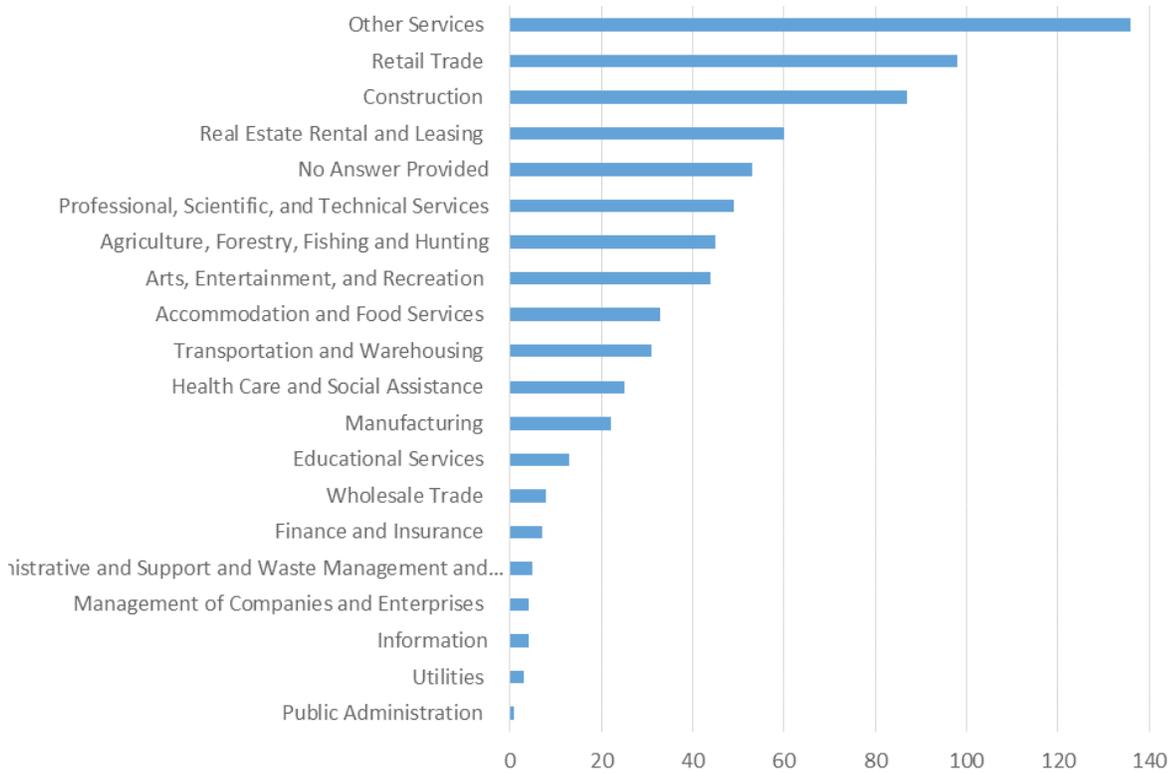


While not all of those participating in the survey completed all portions of the Minnesota Business Snapshot (those not responding to a particular question are represented in this section by “NAP”—no answer provided), 723 responses were tallied to a question asking the new business filer to indicate the range of employment at the business. As expected, most new businesses start small—employment at most companies submitting a new filing ranges from 0-5 employees.

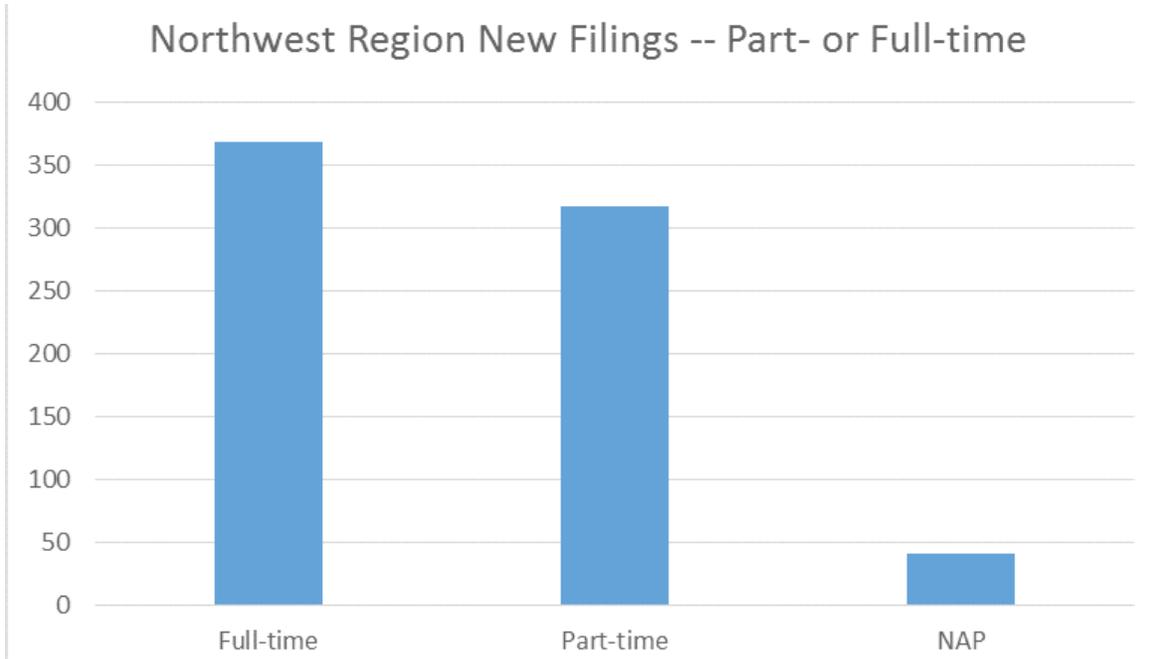


Using the North American Industry Classification System (NAICS), businesses submitting new filings were asked to identify the industry in which their company was operating. While a range of industries were reported, retail trade, construction, real estate/rental/leasing, and “other services” lead the way. Since businesses are often unsure of their industrial classification, the “other services” category is likely to represent a “catch-all” category for service-related businesses who were unable to specify their industry. Fifty-three new firms did not provide an answer to this survey item (see “NAP”).

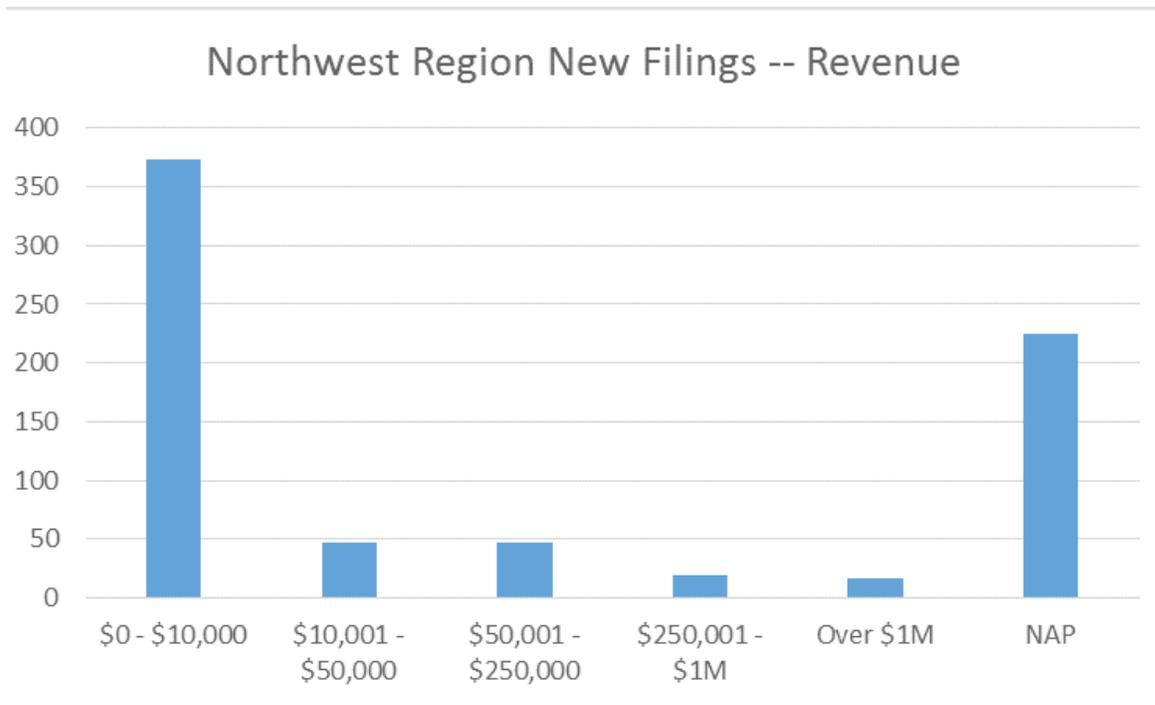
Northwest Region New Filings -- Industries



46.3 percent of those new business filers who answered the MBS question about full- or part-time status consider their business a part-time venture.



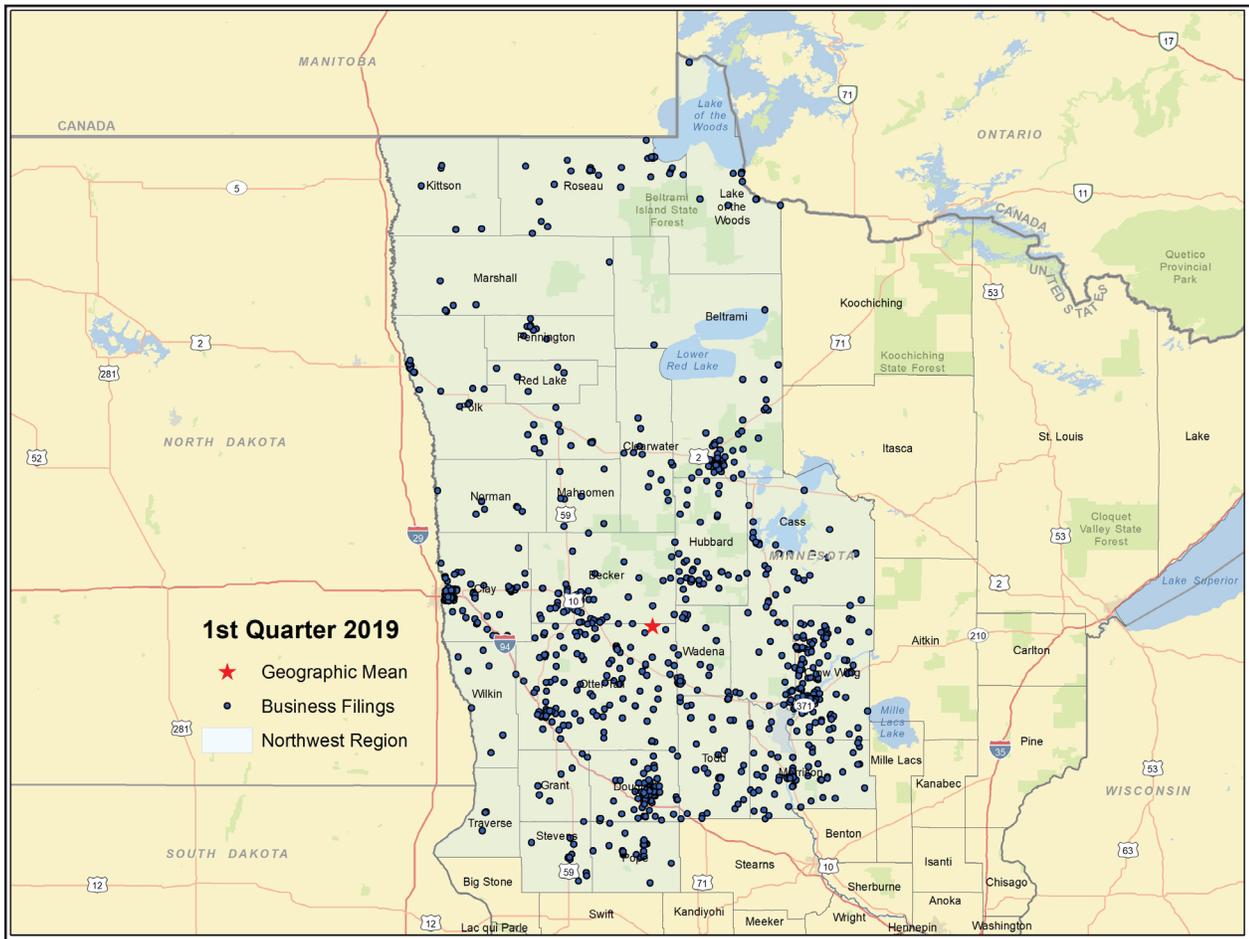
225 new business filers in Northwest Minnesota did not provide an answer to the MBS item that asked them to report the company's revenue. Of those businesses that answered the question, the largest share report revenues of less than \$10,000. 82 new firms report revenues in excess of \$50,000.



MAPS

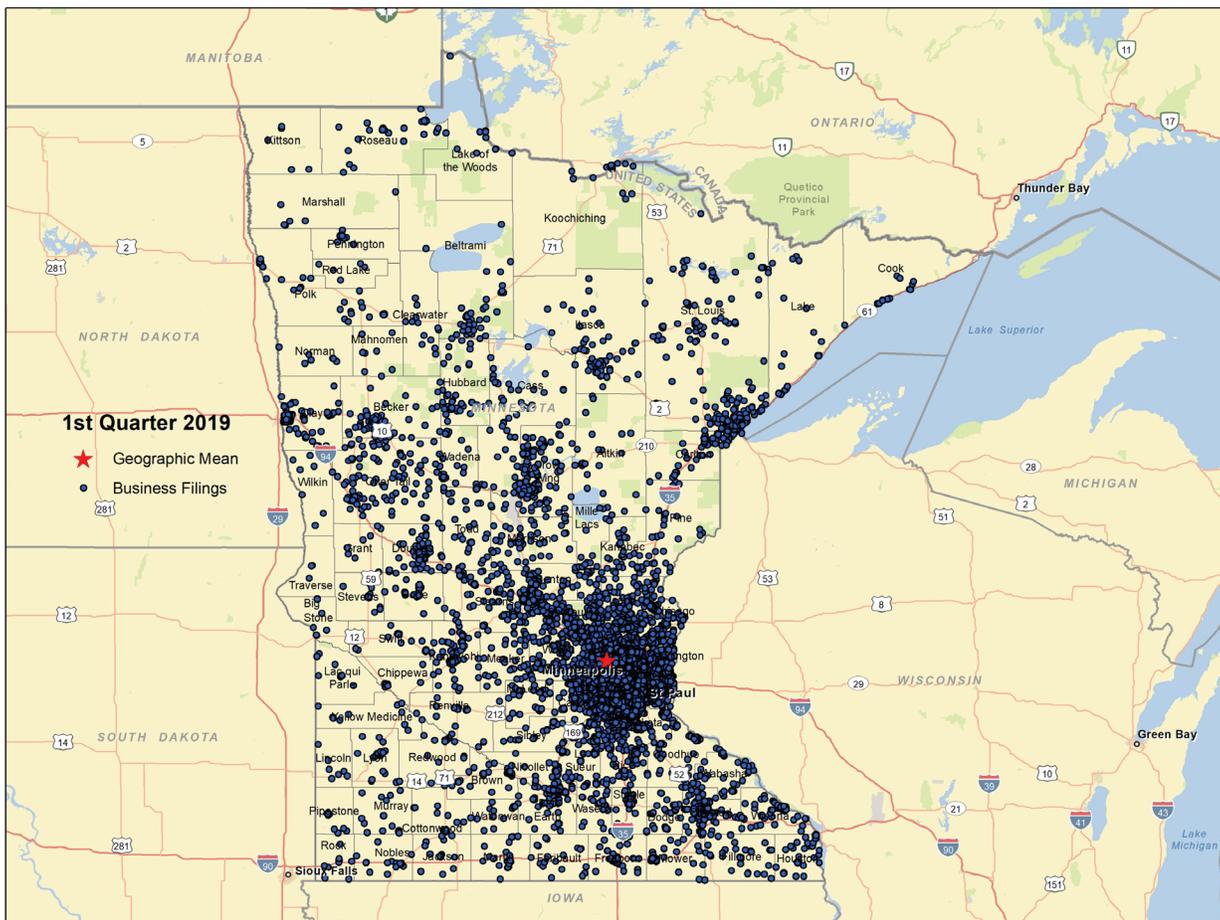
The first map shown below is a visual representation of new business formation around the Northwest Minnesota planning area in the first quarter of 2019. As has typically been the case, the densest areas of new business formation are in the Alexandria, Brainerd, Bemidji, and Detroit Lakes areas. Fergus Falls and Moorhead also showed considerable new business filing activity in the first quarter. The map demonstrates that most of the new business formation in this region occurs in the southern half of the planning area. Well-traveled roadways are also a predictor of new business formation in Northwest Minnesota.

Northwest Minnesota Planning Area--New Business Formation--Quarter 1: 2019



The second map shows new business filings for the state as a whole. This visual aid demonstrates the considerable extent to which the Twin Cities metro area dominates new business formation in the state. The map shows how the Twin Cities metro stretches along roadways into the Southeast, Southwest and Central planning areas. The map demonstrates the importance of cities and roadways in encouraging economic development. St. Cloud now appears to be integrated into the Twin Cities metro as the I-94/US-10 corridor continues to be a magnet for new business formation. There is also considerable new business formation in the southern part of the state, particularly in Rochester and between the Twin Cities and Mankato. The importance of Interstates 90, 94, and 35 as well as US-10 and MN 61 (along the North Shore) in new business filings is also easily seen in this map.

Minnesota--New Business Formation--Quarter 1: 2019

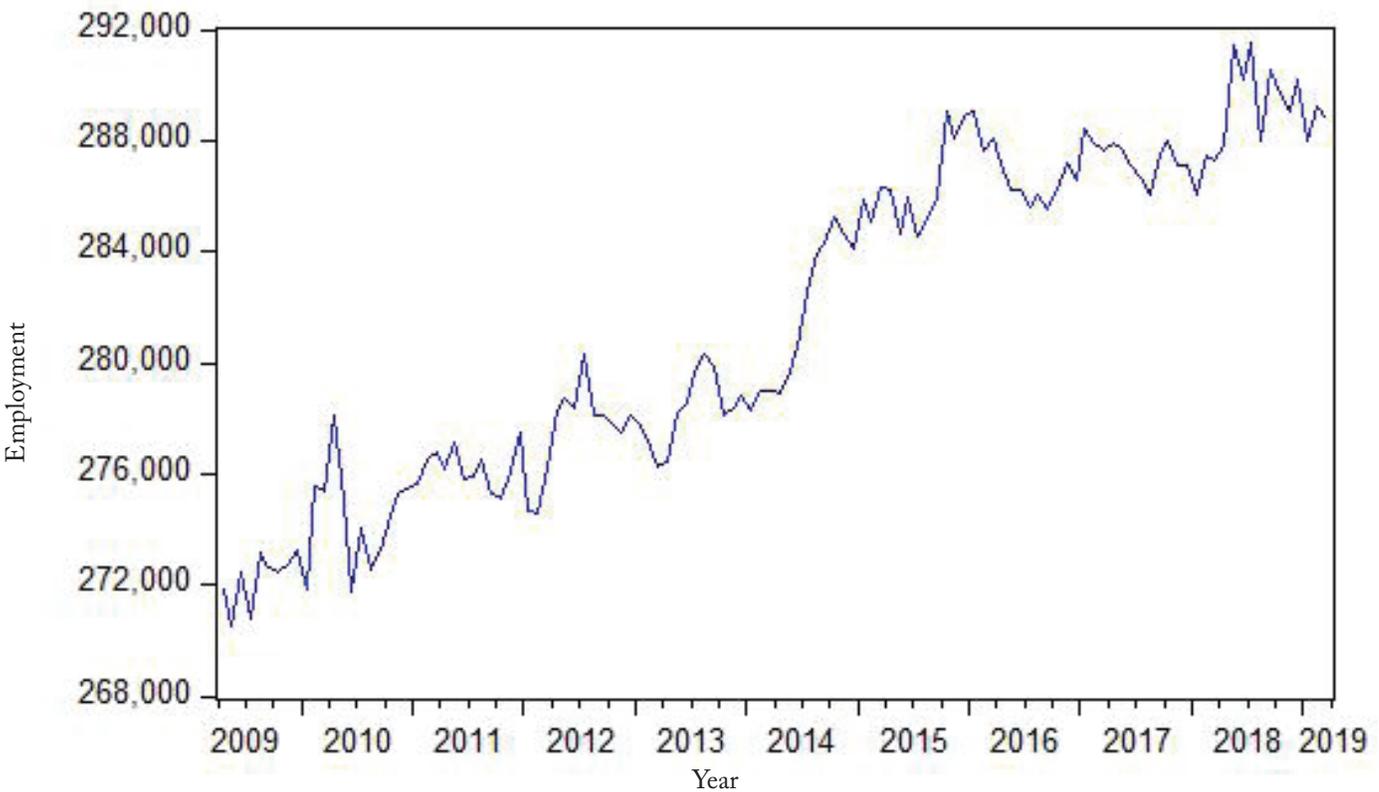


NORTHWEST MINNESOTA LABOR MARKET CONDITIONS

Employment in the Northwest Minnesota planning area rose by 0.5 percent over the year ending March 2019. As can be seen in the accompanying graph, the 12-month moving average of total employment in the Northwest Minnesota planning area has flattened out over the past several quarters.

Note: seasonally adjusted labor market data are typically not available to evaluate regional economic performance so some series have been created to illustrate seasonal patterns of the regional labor market. Graphs of these indicators are found in this section of the report. Tabular data are not seasonally adjusted.

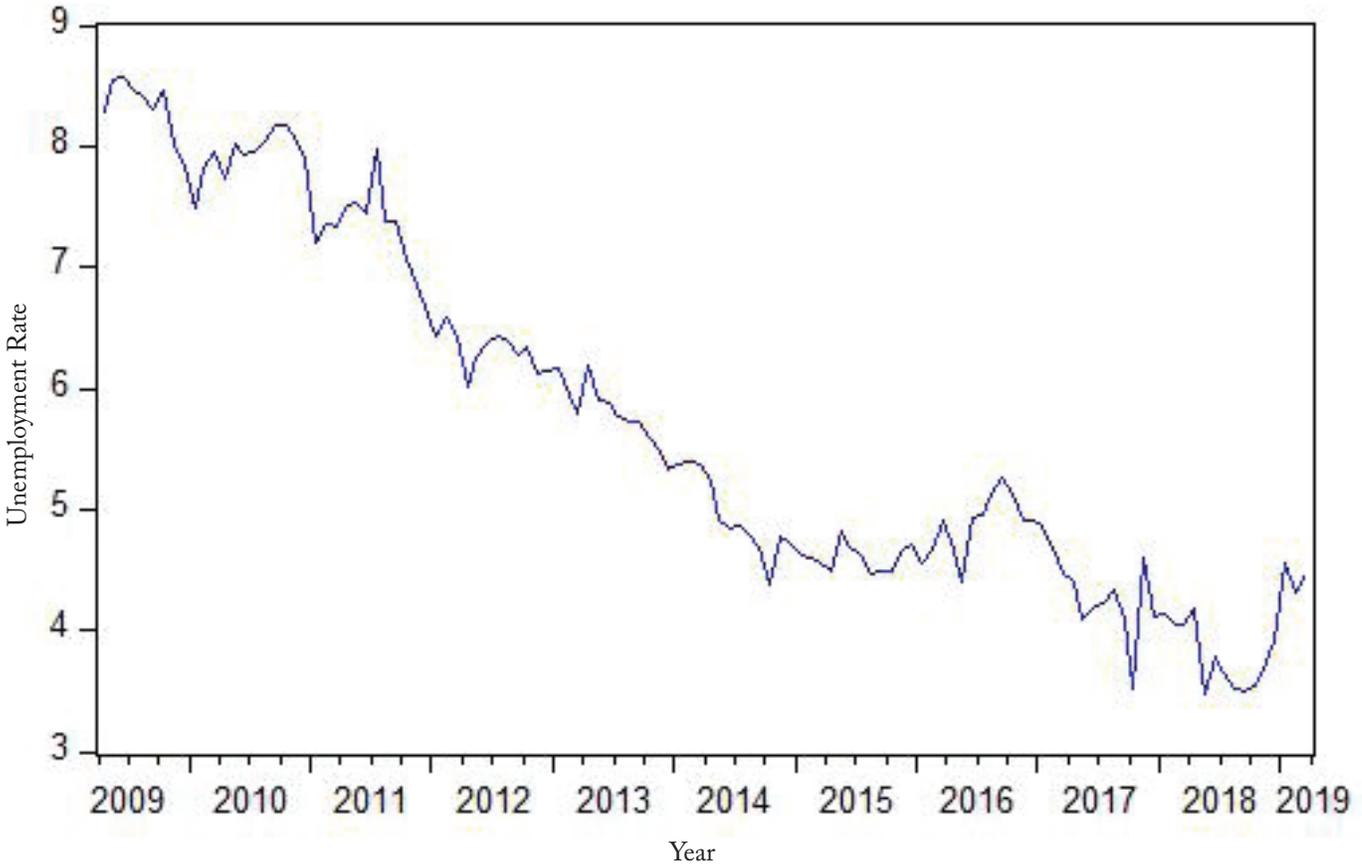
Employment—Northwest Minnesota Planning Area
(12-month moving average)



Month	March 2018	October 2018	November 2018	December 2018	January 2019	February 2019	March 2019
Employment (Not seasonally adjusted)	282,149	293,680	289,786	288,353	280,762	282,790	283,498

After bottoming out in the third quarter of 2014, the seasonally adjusted unemployment rate in the region had leveled out until 2016 at which time it once again started to decline. However, the region’s seasonally adjusted unemployment rate started to rise in the final months of 2018. The non-seasonally adjusted unemployment rate is now 6% (which is considerably higher than the 5.4 percent rate tallied in March 2018). This is the highest unemployment rate of Minnesota’s six planning areas.

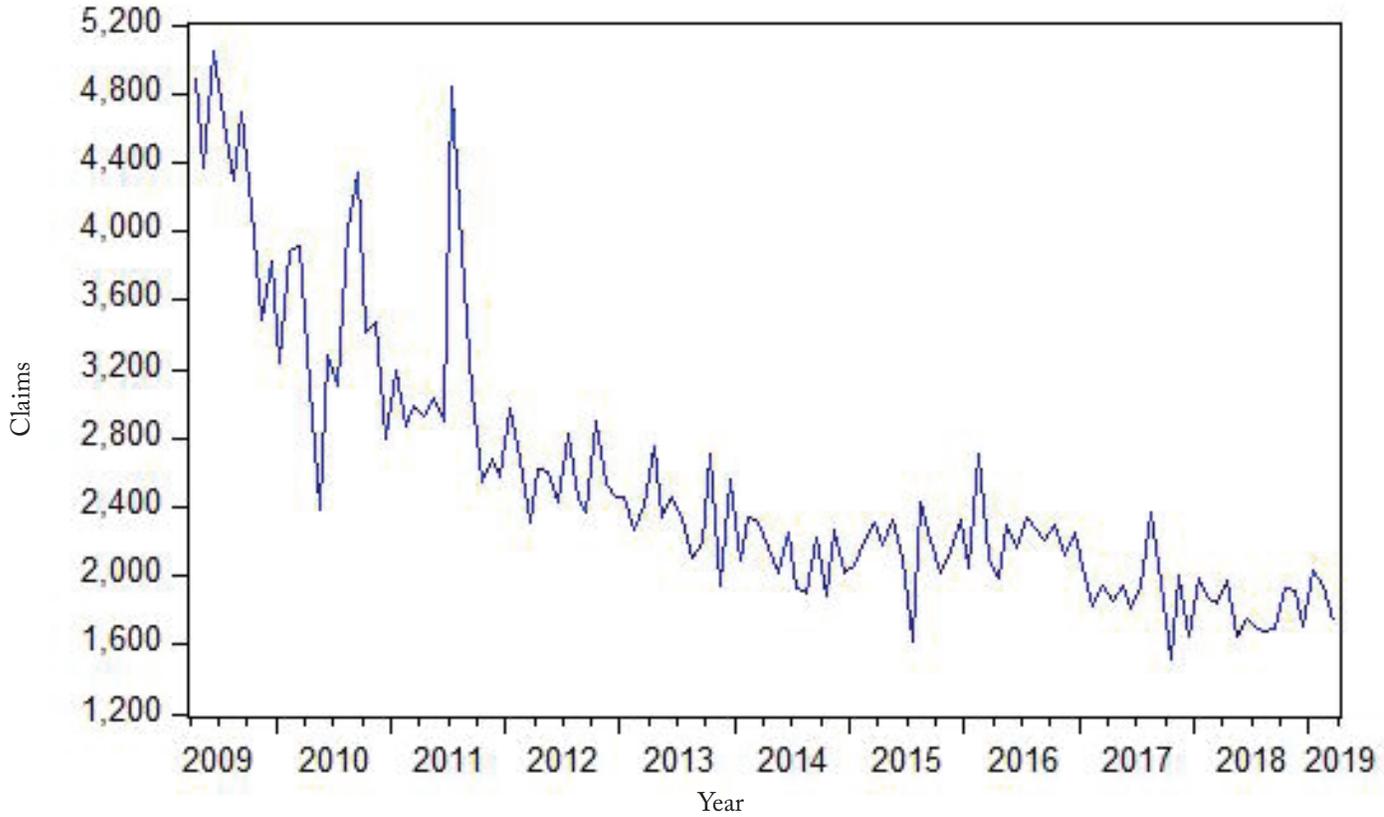
Unemployment Rate, seasonally adjusted—Northwest Minnesota Planning Area



Month	March 2018	October 2018	November 2018	December 2018	January 2019	February 2019	March 2019
Unemployment Rate (Not seasonally adjusted)	5.4%	2.5%	3.1%	4.8%	6.7%	6.0%	6.0%

New claims for March 2019 unemployment insurance were 7.2 percent lower than one year earlier. Seasonally adjusted jobless claims have now leveled out over the past several quarters in Northwest Minnesota.

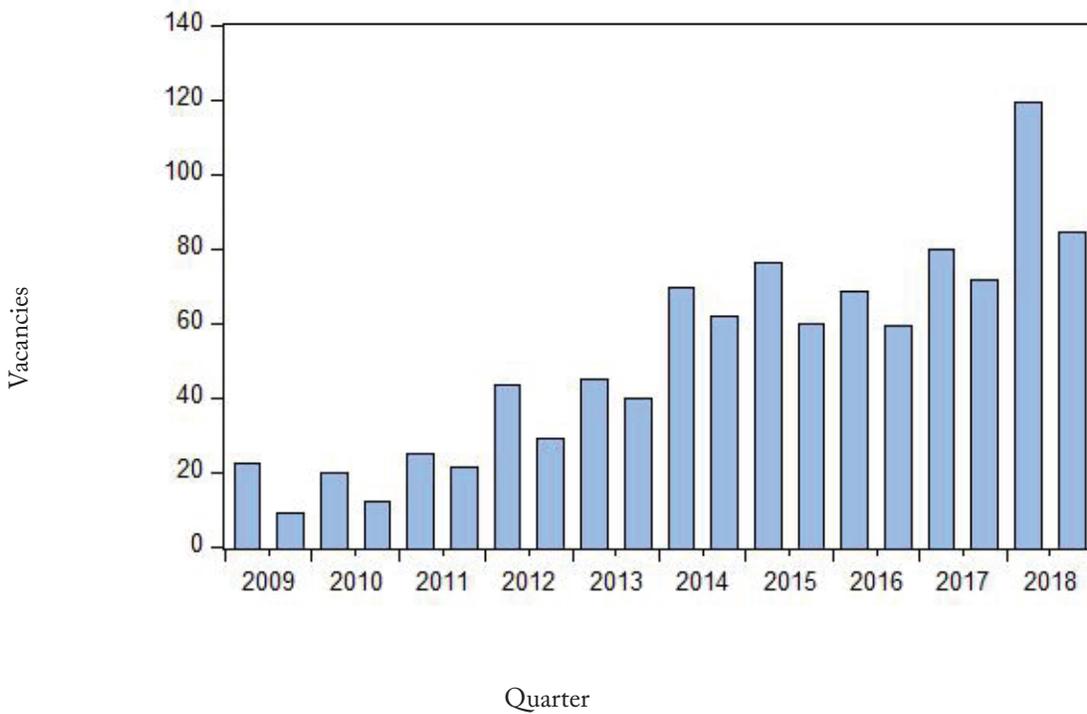
Total Initial Claims for Unemployment Insurance, Seasonally Adjusted— Northwest Minnesota Planning Area



Period	March 2018	October 2018	November 2018	December 2018	January 2019	February 2019	March 2019
Initial claims (Not seasonally adjusted)	1,388	1,713	4,802	3,908	2,638	1,396	1,288

Job vacancy rates are high throughout Minnesota. At a rate of 89.12 per 100 unemployed, Northwest Minnesota’s job vacancy rate remains elevated (although it is considerably lower than it was six months earlier). Note that this region has Minnesota’s lowest job vacancy rate. The next lowest job vacancy rate is in Central Minnesota (where the rate is 126 per 100 unemployed workers). The job vacancy rate is highest in Southeast Minnesota, where there are 283 job vacancies for every 100 unemployed workers.

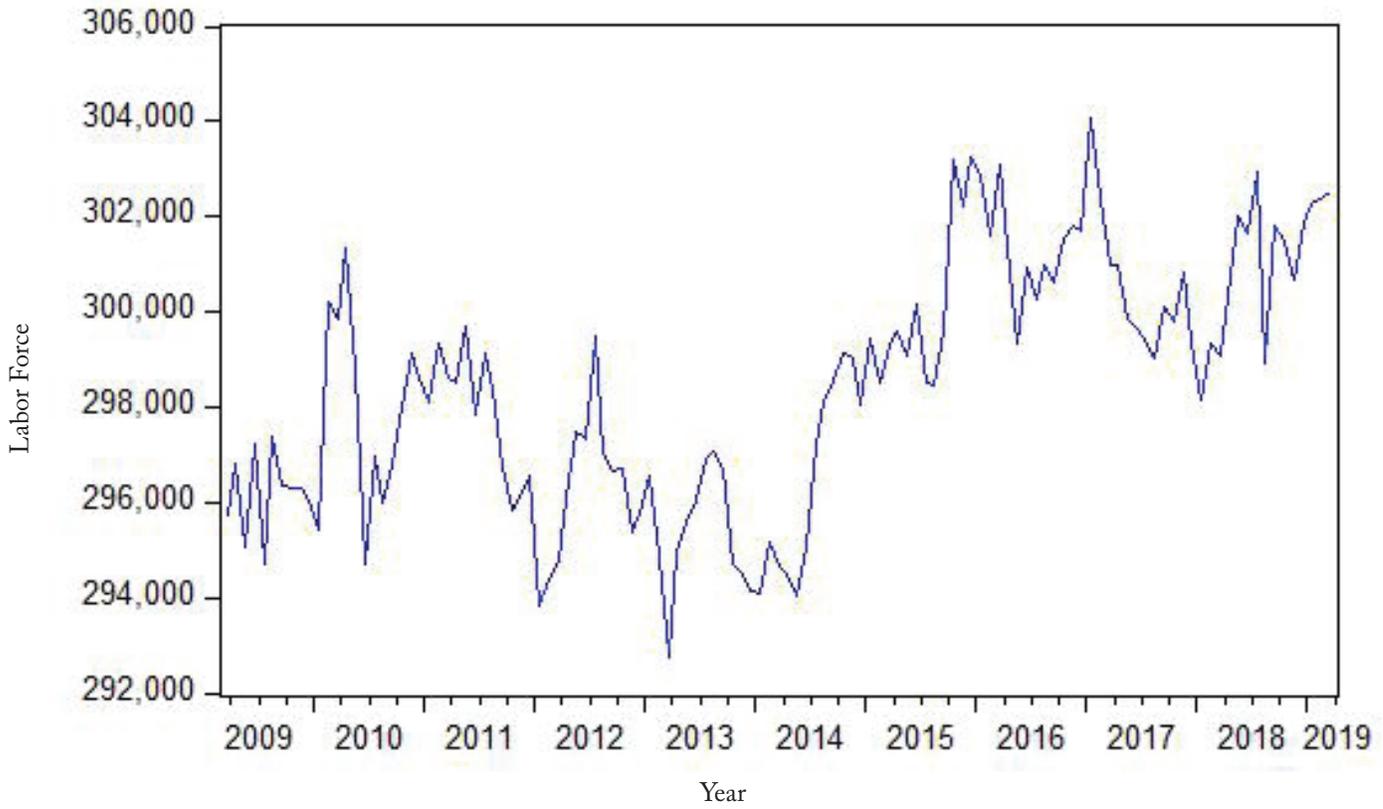
Job Vacancies per 100 Unemployed---Northwest Minnesota Planning Area



Quarter	2016:II	2016:IV	2017:II	2017:IV	2018:II	2018:IV
Job Vacancies per 100 Unemployed	74.11	65.88	92.12	79.18	134.13	89.12

The Northwest Minnesota labor force rose by 1.1 percent over the year ending March 2019. The seasonally adjusted labor force (shown in the figure below) has shown a lot of variability over the past several quarters.

Labor Force—Northwest Minnesota Planning Area (12-month moving average)

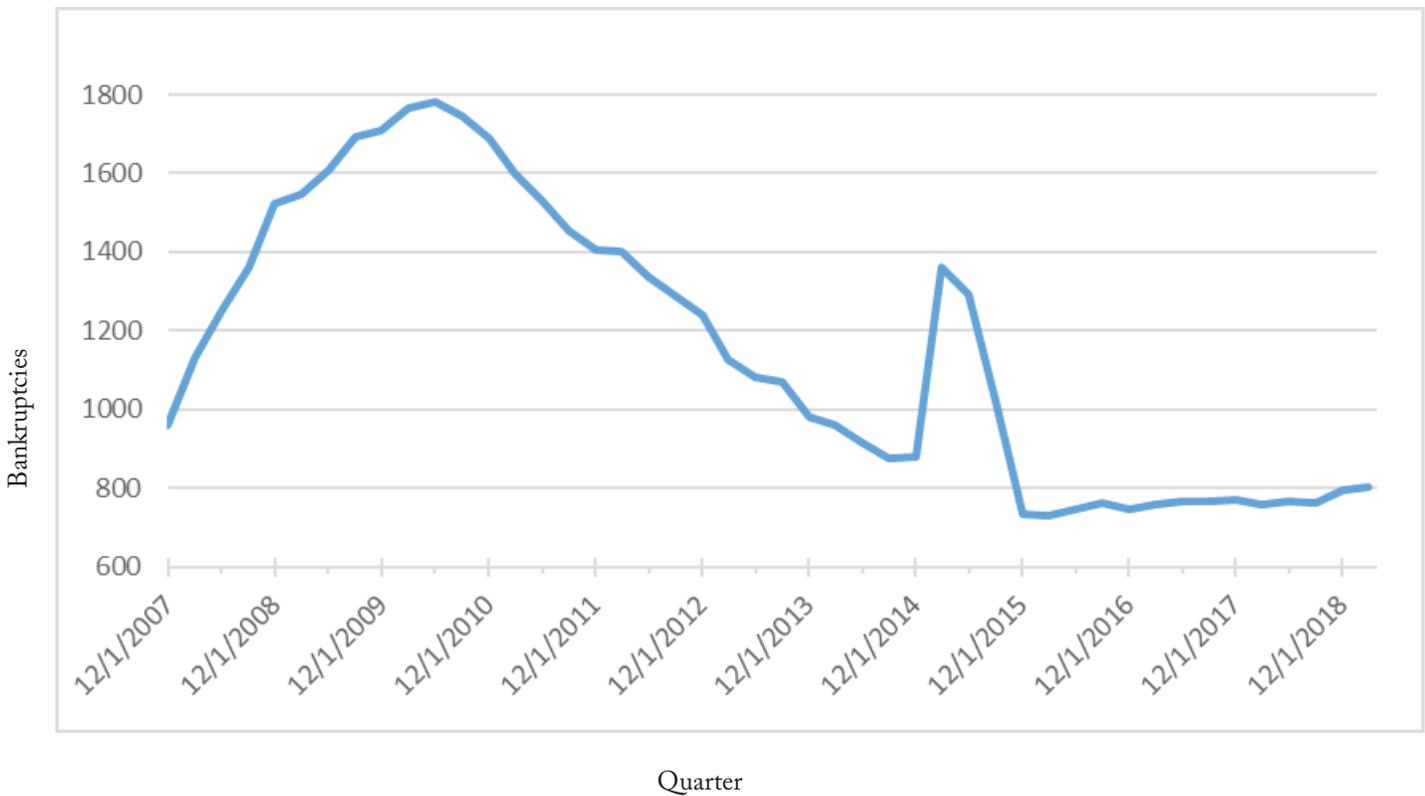


Year (March)	2014	2015	2016	2017	2018	2019
Labor Force (not seasonally adjusted)	294,128	298,851	302,617	300,419	298,361	301,674

NORTHWEST MINNESOTA BANKRUPTCIES

The figure below shows the 12-month moving total for Northwest Minnesota bankruptcies since the second quarter of 2007 (shortly before the beginning of the Great Recession). As can be seen in the figure, this moving total increased through the second quarter of 2010, and then declined steadily until the end of 2015. However, the series began to rise in the first quarter of 2015. A closer inspection of the Northwest Minnesota bankruptcy data suggests a disproportionately large number of bankruptcies came from Polk, Becker, and Clay counties at the beginning of 2015. This is the only one of Minnesota’s six planning areas to see a rise in this series at that time, so we took a closer look at the bankruptcy data set received from the US Bankruptcy Courts. The jump in bankruptcies in these three counties is in non-business bankruptcy filings (for example, personal bankruptcies). Since these three counties are close to the North Dakota border, one might imagine that an abrupt increase in non-business bankruptcies in the first quarter of 2015 would be seen in North Dakota’s Clay and Grand Forks counties, but bankruptcy filings in these counties did not jump like they did in the three Minnesota counties. These data points may simply have been an aberration. This interpretation seems to be confirmed by recent data readings. Bankruptcies in Northwest Minnesota rose by 5.8 percent over the last twelve months.

Northwest Minnesota Bankruptcies (12-month moving total)



Year (First Quarter)	2014	2015	2016	2017	2018	2019
Annual Bankruptcies (not seasonally adjusted)	959	1363	731	758	758	802

ECONOMIC INDICATORS

Fargo-Moorhead MSA Indicators	Period Covered	Current Period	Prior Year	Annual Percent Change	Long-Term Average (since 1999, unless noted)
Employment	March 2019 (m)	140,200	140,500	-0.2% ↓	1.8%
Manufacturing Employment	March 2019 (m)	10,200	10,000	2.0% ↑	1.5%
Mining, Logging, Construction Employment	March 2019 (m)	7,200	7,300	-1.4% ↓	2.2%
Average Weekly Work Hours-- Private Sector	March 2019 (m)	33.0	33.9	-2.7% ↓	32.5 (since 2007)
Average Earnings Per Hour--Private Sector	March 2019 (m)	\$25.15	\$24.76	1.6% ↑	2.7% (since 2007)
Unemployment Rate	March 2019 (m)	3.0%	3.2%	NA ↓	3.6%
Labor Force	March 2019 (m)	137,323	137,189	0.1% ↑	1.4%
Initial Jobless Claims	April 2019 (m)	272	353	-22.9% ↓	NA
Fargo-Moorhead Residential Building Permit Valuation	March 2019 (m)	7,275	11,733	-38.0% ↓	NA
Fargo-Moorhead Cost of Living Index	First Quarter 2019 (q)	98.2	99.5	-1.3% ↓	NA

**Grand Forks-
East Grand Forks
MSA Indicators**

	Period Covered	Current Period	Prior Year	Annual Percent Change	Long-Term Average (since 1999, unless noted)
Employment	March 2019 (m)	55,200	56,100	-1.6% ↓	0.7%
Manufacturing Employment	March 2019 (m)	4,500	4,300	4.7% ↑	1.3%
Mining, Logging, Construction Employment	March 2019 (m)	2,400	2,400	0% ↔	0.4%
Average Weekly Work Hours--Private Sector	March 2019 (m)	32.6	32.9	-0.9% ↓	32 (since 2007)
Average Earnings Per Hour--Private Sector	March 2019 (m)	\$23.38	\$22.25	5.1% ↑	1.2% (since 2007)
Unemployment Rate	March 2019 (m)	3.3%	3.3%	NA ↔	4.3%
Labor Force	March 2019 (m)	54,916	55,486	-1.0% ↓	0.2%
Initial Jobless Claims	April 2019 (m)	133	142	-6.3% ↓	NA
Grand Forks-East Grand Forks Residential Building Permit Valuation	March 2019 (m)	3,203	2,910	10.1% ↑	NA
Grand Forks-East Grand Forks Cost of Living Index	First Quarter 2019 (q)	93.9	96.2	-2.4% ↓	NA

(m) represents a monthly series

The Bureau of Labor Statistics identifies two MSAs in Northwest Minnesota—each of which crosses the North Dakota/Minnesota border. While North Dakota business filing data are not incorporated into this report, a variety of economic measures can be analyzed. The data in the table show a small employment gain in the Fargo/Moorhead area (including large job gains in the manufacturing sector), higher average hourly earnings, a large increase in year-over-year residential building permit valuations in the MSA, a decline in initial jobless claims, a fall in the area's relative cost of living, a lower unemployment rate, and a rise in average weekly work hours. Fargo/Moorhead did experience a decline in its work force and lower employment in the key mining/logging/construction sector.

Grand Forks/East Grand Forks MSA economic activity was mixed in the fourth quarter. The MSA experienced lower overall employment (and unchanged employment in its manufacturing and mining/logging/construction sectors) and a smaller work force. However, the area did enjoy longer average weekly work hours, higher average hourly earnings, lower initial jobless claims, a decline in its relative cost of living, and a lower area unemployment rate. The value of residential building permits also rose in the Grand Forks/East Grand Forks area.

STATE AND NATIONAL INDICATORS

MINNESOTA Indicators	Mar 2019	Dec 2018	Mar 2018	Change from one quarter ago	Annual Change
Nonfarm payroll employment, SA	2,958,200	2,961,100	2,950,100	-0.1%	0.3%
Average weekly hours worked, private sector	33.4	34.1	33.7	-2.1%	-0.9%
Unemployment rate, seasonally adjusted	3.2%	2.9%	3.0%	NA	NA
Earnings per hour, private sector	\$29.85	\$29.82	\$28.88	0.1%	3.4%
Philadelphia Fed Coincident Indicator, MN	138.08	138.45	135.56	-0.3%	1.9%
Philadelphia Fed Leading Indicator, MN	-0.39	0.49	1.67	NA	NA
Minnesota Business Conditions Index	53.0	55.5	61.0	-4.5%	-13.1%
Price of milk received by farmers (cwt)	\$17.80	\$16.30	\$16.30	9.2%	9.2%
Enplanements, MSP airport, thousands	1,778.3	1,456.4	1,716.4	22.1%	3.6%
NATIONAL Indicators	Mar 2019	Dec 2018	Mar 2018	Change from one quarter ago	Annual Change
Nonfarm payroll employment, SA, thousands	150,832	150,275	148,279	0.4%	1.7%
Industrial production, index, SA	109.7	110.6	107.3	-0.8%	2.2%
Real retail sales, SA, millions (\$)	202,374	199,162	198,666	1.6%	1.9%
Real personal income less transfers, billions	13,653.5	13,759.1	13,418.4	-0.8%	1.8%
Real personal consumption expenditures, bill.	13,128.3	12,996.3	12,759.8	1.0%	2.9%
Unemployment rate, SA	3.8%	3.9%	4.0%	NA	NA
New building permits, thousands of units	105.7	95.4	117.6	10.8%	-10.1%
Standard and Poor's 500 stock price index	2,804.0	2,567.3	2,702.8	9.2%	3.7%
Oil, price per barrel in Cushing, OK	\$58.15	\$49.52	\$62.72	17.4%	-7.3%

Economic performance found in the State and National Indicators table are mixed. For the state as a whole, there was growth in employment and improved earnings over the past year, but the quarterly numbers for the two seasonally adjusted variables (employment and the unemployment rate) were weaker. In addition, hours worked fell and the Federal Reserve Bank of Philadelphia Leading Economic Indicators Index turned negative in March (and their coincident indicators series is giving mixed signals). The Minnesota Business Conditions Index is also lower. On the plus side, milk prices rose and enplanements at the Minneapolis-St. Paul airport were higher than one year ago.

The national economic indicators found in the table are largely favorable. Employment, income, industrial production, retail sales and consumer spending are all improved over the past twelve months (although two of these measures experienced a quarterly decline), and the unemployment rate is lower. Stock prices have rebounded from their low point at the end of 2018 (although the market has struggled in the second quarter). However, new building permits are lower than they were in last year's first quarter. Oil prices rose in the first quarter, but are still lower than one year ago.

The Northwest Minnesota Quarterly Economic and Business Conditions Report is a collaboration between the Office of the Minnesota Secretary of State and the School of Public Affairs Research Institute (SOPARI) of St. Cloud State University. All calculations and text are the result of work by SOPARI, which is solely responsible for errors and omissions herein.

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