

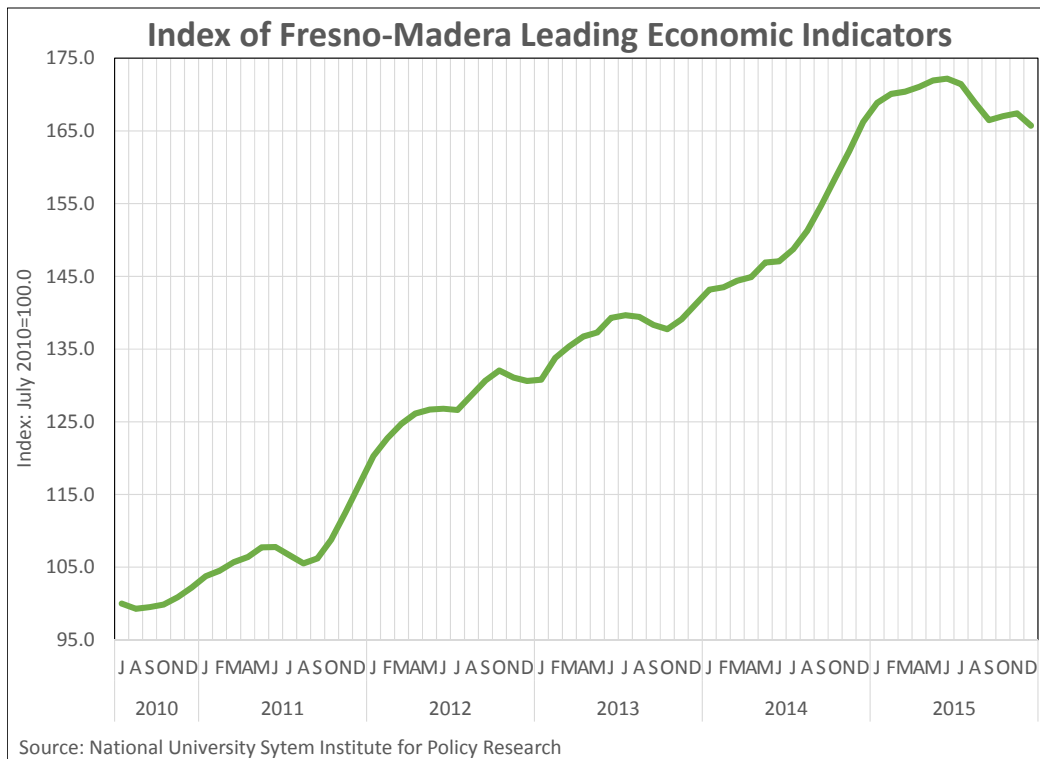


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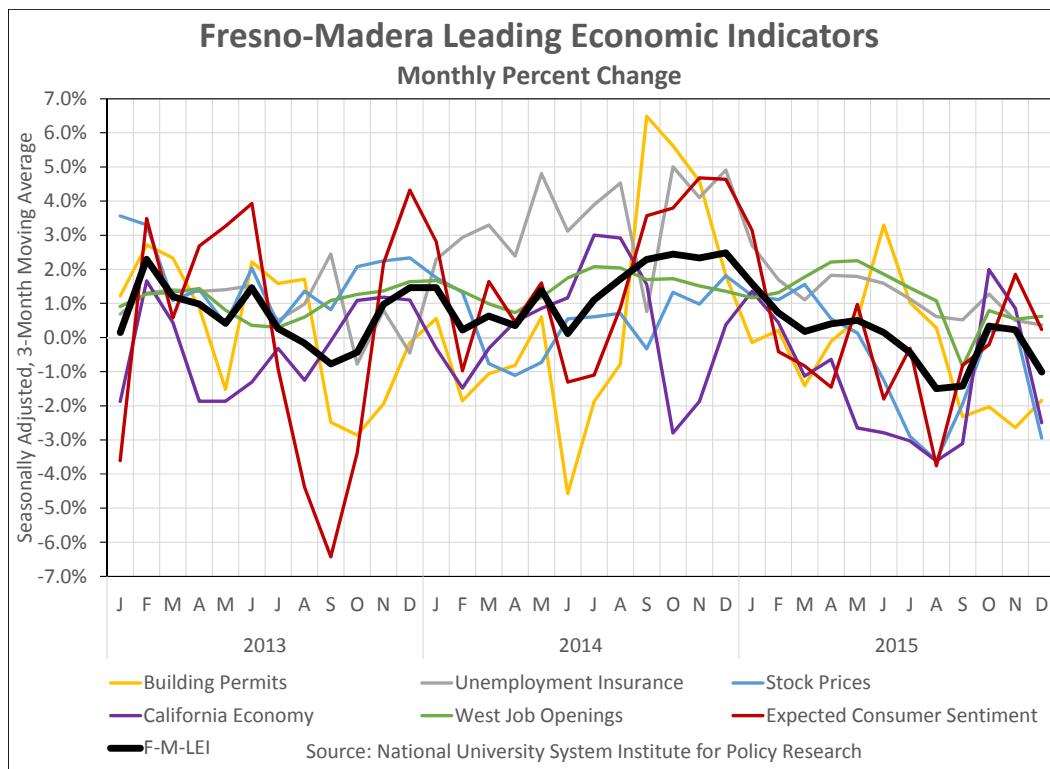
Fresno-Madera Metropolitan Area-Leading Economic Indicators Shows Economic Outlook Faltering as 2015 Comes to an End



SAN DIEGO, February 24, 2016...National University’s Index of Leading Economic Indicators (LEI) for the Fresno-Madera Metro Area continued to show the metro area’s economic outlook faltering as 2015 came to an end. After fairly strong momentum in 2014, the index slowed and began to slump by mid-2015. The index started to rebound in October and November, but faltered again in December.

The index is composed of six indicators of anticipated economic activity. The composite of six indicators reflect expectations for upcoming economic activity six to nine months in the future.

“Fresno’s faltering index appears to indicate the metro economy should start to see a slowdown going into 2016,” says Kelly Cunningham, National University System Institute Economist and author of the Index, “Building permits, the stock market and California’s leading economic indicators pulled the overall metro area index downward with the other three indicators slowing as well.”



Residential building permits issued in Fresno and Madera counties slumped in the latter part of the year (after seasonal adjustment and three-month moving average). Initial claims for unemployment insurance (UI) also continued to improve, but were significantly slowing as 2015 came to a close. (Note: since lower claims for unemployment are positive for the economy, the figure is reversed in the composite index of LEIs.) In addition, the *Bureau of Labor Statistics* “Job Opening and Labor Turnover Survey” (JOLTS) for western states showed slowing momentum over the second half of the year as well.

The stock market index of companies headquartered in California, weighted by Fresno based banks, appeared to level off after having fallen the previous four months, but the index subsequently plunged another 2.9 percent in December.

The *Federal Reserve Bank of Philadelphia* LEI index for the state California, included as a component of Fresno-Madera’s index, fell for much of 2015. October and November showed the index turning positive, but in December dropped another 2.5 percent.

The *University of Michigan* survey of consumer sentiments of the national economy shows falling expectations for the near term. The index of consumer expectations, one of six components measured in Fresno-Madera’s index, increased only 0.2 percent in December as well.

This is the fifth monthly release of National University’s LEI Index for the Fresno-Madera metropolitan area and four other metropolitan areas in the state. The indexes are designed to indicate the direction the economy is headed according to projected expectations. The next index of LEIs for the metro areas will be released in March 2016.

For more information on the indicators making up the index, see “California Metro Area Leading Economic Indicators Sources” at www.nusinstitute.org/Surveys/Metro-Area-Leading-Economic-Indicators-sources.html.

FRESNO-MADERA, CA METRO AREA-LEADING ECONOMIC INDICATORS INDEX

Year	Month	Leading Economic Indicators Index	Seasonally Adjusted, 3-Month Moving Average, Monthly Percent Change						
			LEI Index	Building Permits	Initial Unemp. Claims	Stock Prices	California Leading Econ Ind	West Job Openings	Expected Consumer Sentiments
2014	Jan	143.2	1.5%	0.6%	2.3%	1.8%	-0.3%	1.7%	2.8%
	Feb	143.5	0.2%	-1.9%	2.9%	1.3%	-1.5%	1.4%	-1.0%
	Mar	144.4	0.6%	-1.1%	3.3%	-0.8%	-0.3%	1.0%	1.6%
	Apr	144.9	0.4%	-0.8%	2.4%	-1.1%	0.5%	0.7%	0.5%
	May	146.9	1.4%	0.6%	4.8%	-0.7%	0.9%	1.2%	1.6%
	Jun	147.1	0.1%	-4.6%	3.1%	0.5%	1.2%	1.7%	-1.3%
	Jul	148.7	1.1%	-1.9%	3.9%	0.6%	3.0%	2.1%	-1.1%
	Aug	151.3	1.7%	-0.8%	4.5%	0.7%	2.9%	2.0%	0.9%
	Sep	154.7	2.3%	6.5%	0.8%	-0.3%	1.6%	1.7%	3.6%
	Oct	158.5	2.4%	5.6%	5.0%	1.3%	-2.8%	1.7%	3.8%
	Nov	162.2	2.3%	4.6%	4.1%	1.0%	-1.9%	1.5%	4.7%
	Dec	166.2	2.5%	1.8%	4.9%	1.8%	0.4%	1.4%	4.6%
2015	Jan	168.9	1.6%	-0.1%	2.7%	1.2%	1.4%	1.2%	3.1%
	Feb	170.1	0.7%	0.2%	1.7%	1.1%	0.4%	1.3%	-0.4%
	Mar	170.4	0.2%	-1.4%	1.1%	1.6%	-1.1%	1.8%	-0.8%
	Apr	171.1	0.4%	-0.1%	1.8%	0.6%	-0.6%	2.2%	-1.4%
	May	171.9	0.5%	0.5%	1.8%	0.1%	-2.6%	2.3%	1.0%
	Jun	172.2	0.2%	3.3%	1.6%	-1.2%	-2.8%	1.9%	-1.8%
	Jul	171.4	-0.4%	1.0%	1.1%	-2.9%	-3.0%	1.5%	-0.3%
	Aug	168.9	-1.5%	0.3%	0.6%	-3.6%	-3.6%	1.1%	-3.8%
	Sep	166.5	-1.4%	-2.3%	0.5%	-2.0%	-3.1%	-0.8%	-0.8%
	Oct	167.0	0.3%	-2.0%	1.3%	0.2%	2.0%	0.8%	-0.2%
	Nov	167.4	0.2%	-2.6%	0.5%	0.3%	0.8%	0.5%	1.9%
	Dec	165.7	-1.0%	-1.8%	0.4%	-2.9%	-2.5%	0.6%	0.2%

Sources: U.S. Census Bureau; California Employment Development Department; Bloomberg Business; Federal Reserve Bank of Philadelphia; U.S. Bureau of Labor Statistics; University of Michigan.
Index compiled, calculated, and adjusted by National University System Institute for Policy Research.

About the National University System Institute for Policy Research

The [National University System Institute for Policy Research](#) (NUSIPR) is a non-partisan, non-profit organization that formulates and promotes high quality economic policy, and public opinion research so as to improve the efficiency and effectiveness of local governments in San Diego County and to improve the quality of life enjoyed by the region's residents.

NUSIPR publishes independent research and analysis for the public on a range of topics, including higher education, business growth and regional economic indicators. The institute also partners with private and non-profit groups to develop high quality research on specific questions of interest to both these groups and the Institute. NUSIPR has sole editorial control over such research, uses only established social science methodologies, and explicitly maintains its independence and objectivity when conducting contract-based research work.

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