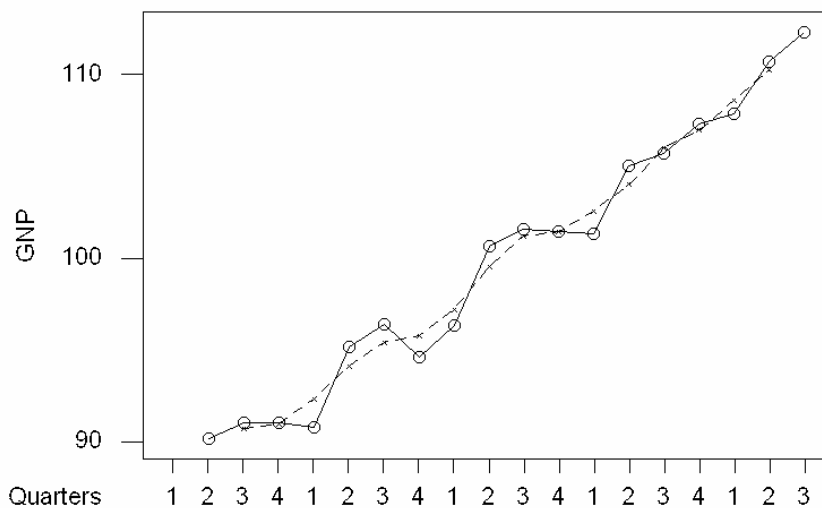# MOBILE MARKET WATCH

Mitchell College of Business
Center for Real Estate Studies

Baldwin County GNP Indicator
2003 Quarter 1-2007 Quarter 3

o-o GNP: x--x 3-quarter average

High of 112.36 in 2007 Q3: 3-quarter average high of 110.31 in 2007 Q3

2007 Quarter 3 GNP Indicator = 112.4   +6.6%   base: 2005
2006 Quarter 3 GNP Indicator = 105.8

Mitchell College of Business Center for Real Estate Studies
Winter, 2007

Don Epley, Director, Mitchell College of Business Center for Real Estate Studies

"Data you can use."   "Education you can use"

The *Baldwin GNP Indicator* **estimates movement in the local economy comparable to the Gross National Product (GNP) for the national economy. It is constructed to estimate real economic growth by following changes in real income of the local workforce.**

Employment times personal income received produces family income available to spend on local goods and services causing "economic activity." Personal income estimates are a large part of the Gross National Product figures produced by the U.S. Commerce Department to measure economic growth. GNP is constructed to measure changes in the Mobile economy relative to the 2005 base year.

Baldwin Growth
Relative changes between two periods are interpreted as a percent increase (decrease) in real economic growth. The most recent actual index figures are,

	GNP Indicator	% change 1 year ago	% change 4 years ago	
2007Q3	112.36	+6.61%	+21.4%	base: 2005
2006Q3	105.75			
2003Q3	90.96			

The real growth in actual spending power in 2007Q3 increased 6.61% from the same quarter in the previous year, and increased 21.4% over the past 4 years, in constant 2005 dollars.

While it is more meaningful to examine growth trends, monthly comparisons do give direction. The local economy increased from 110.7 in 2007Q2 to a level of 112.36 in 2007Q3, or +1.66%.

Since 2003Q2, the highest level of economic activity in the Baldwin economy occurred in the current quarter. Concurrently, the quarterly trend reached its highest level of 110.3. The quarterly total of non-farm workers continues to grow.

History of Economic Growth

From 2003Q2-2007Q3, total economic growth in constant 2005 dollars was +22.3% for 17 quarters, or +1.31% per quarter. At this quarterly average rate, the local economy is growing at an annual average real rate of +5.2 percent.

Projection

The 2007Q2-2007Q3 projection shows that the economy will perform at a significantly higher level driven primarily by the general growth rate. The exact numbers are projected to be the following:

Baldwin GNP Indicator   2007Q4   113.6   +1.3%

Center for Real Estate Studies

The Center was created by the Mitchell College of Business to expand the quantity and quality of real estate studies and education as part of the USA mission to better serve its students. The goal is to offer practical real estate analysis and applied education to help the students and citizens understand local markets, and to assist the real estate professional in daily business.

Further Information

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Disclaimer

Every effort has been made to assure the accuracy of the numbers. The results are not guaranteed or warranted. These opinions represent the author only.