



## Center for Economic Research

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## Update on the economy

### **United States**

In 2017, the U.S. economy added 2.2 million jobs for job growth of 1.5 percent (down from 2.3 million jobs/1.6 percent in 2016). The national unemployment rate in 2017 was 4.4 percent (down from 4.9 percent in 2016). The seasonally adjusted monthly unemployment rate in January 2018 was 4.1 percent (down from 4.8 percent in January 2017).

The nation's real Gross Domestic Product (the broadest measure of economic activity representing the inflation-adjusted value of all goods and services produced in the economy) was up 2.3 percent in 2017. That followed growth of 1.5 percent in 2016—the lowest level of annual growth since the end of The Great Recession in 2009.

Building permits for new single-family homes nationwide were up 8.9 percent in 2017, following a 9.6 percent increase in 2016. Nationwide new home permits in 2017 were at their highest level since 2006.

According to data from National Association of Realtors, existing single-family home sales were up 1.1 percent in 2017 (following a 3.8-percent increase in 2016). The median home price nationwide in 2017 was \$247,300 (up 5.8 percent from 2016).

## **Arizona**

Arizona gained 46,800 jobs in 2017 for job growth of 1.7 percent (down from 68,100 jobs/2.6 percent in 2016). The statewide unemployment rate in 2017 was 4.9 percent (down from 5.2 percent in 2016). The seasonally adjusted monthly rate in December 2017 was 4.5 percent (down from 5.0 percent in December 2016).

Arizona's real GDP grew 2.6 percent in 2016 (up from 2 percent in 2015). In the first three quarters of 2017, Arizona's GDP was up 2.6 percent (compared to the first three quarters of 2016).

Inflation-adjusted retail sales statewide were up 1.7 percent in 2016 and 2.1 percent in the first 11 months of 2017. Arizona's restaurant and bar sales were up 6.3 percent in 2016 and 3.5 percent for the first 11 months of 2017, while hotel/motel receipts were up 3.8 percent in 2016 and 6.8 percent for the first 11 months of 2017.

Building permits for new single-family homes statewide were up 13 percent in 2017 (on the heels of a 7.9 percent increase in 2016). New home construction was up in five of six years from 2012 through 2017 (following six consecutive years of decline).

According to data from Arizona Regional Multiple Listing Service, home sales by realtors statewide were up 5.8 percent in 2017 (following a 5.3-percent increase in 2016). The year 2017 was the third year of growth in home sales following three consecutive years of decline. The statewide median home price in December 2017 was \$246,225 (up 8.5 percent from December 2016).

## **Cochise County**

Cochise County gained 100 jobs in 2017 for annual job growth of 0.3 percent (the first year of job gains following eight consecutive years of job losses). In the 18 months from July 2016 through December 2017, Cochise County saw year-over-year job gains in nine months, declines in five months, and stabilization in four months. That followed persistent job losses over the previous seven and a half years (from the beginning of 2009 through the middle of 2016).

Cochise County's annual unemployment rate in 2017 was 5.4 percent (down from 6.1 percent in 2016). The seasonally adjusted monthly rate in November 2017 was 5.1 percent (down from 5.7 percent in November 2016).

Cochise County's GDP increased 0.3 percent in 2016—the first year of growth following a 5-year economic recession. Cochise County's economy slipped into recession in 2011 with a drop in GDP of 1.1 percent that year, followed by declines of 6.2, 7.0, 4.9, and 0.8 percent in 2012, 2013, 2014, and 2015, respectively.

Retail sales countywide were down 4.7 percent in 2016 and 0.7 percent for the first 10 months of 2017. Cochise County's restaurant and bar sales were up 2.3 percent in 2016 but were down 1.6 percent in the first 10 months of 2017, while hotel/motel receipts were down 0.1 percent in 2016 but were up 12.9 percent from January through October 2017.

New residential construction in Cochise County was up 33.1 percent in 2017 (on the heels of a 2.2-percent increase in 2016). The year 2017 was the second year of growth in new home permits following declines in nine of 10 years. There were 185 new home permits issued countywide in 2017 (up from 139 in 2016).

Home sales by realtors in Cochise County were up 11.3 percent in 2017. Home sales were up in seven of nine years from 2009 through 2017 (following three consecutive years of steep declines). The median home price in Cochise County in 2017 was \$135,000 (up 8 percent from 2016). The year 2017 was the third consecutive year of home price increases following seven straight years of decline.

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