

# Oregon Regional Economic Indexes™



March 2018

SPONSORED BY



## How can I interpret the measures?

A reading of “zero” corresponds to the average growth rate for that particular region. In other words, the measures identify periods of fast or slow growth relative to trend.

## What is the significance of the moving-average measures?

The monthly measures can be very volatile, and volatility will increase for smaller regions or those with less data included in the estimation process. To reduce the noise, it is helpful to focus on the average of the most recent data. For the larger areas, Portland, Eugene–Springfield, and Bend, a three-month moving average is sufficient to remove the noise. For Rogue Valley and Salem, a six-month moving average is required.

## Is this approach used elsewhere?

Yes, the Chicago Federal Reserve Bank uses the same basic approach to measure both national and regional economic activity.

## Contact

Timothy A. Duy  
 Director, Oregon Economic Forum  
 Department of Economics  
 University of Oregon  
 541-346-4660 • [duy@uoregon.edu](mailto:duy@uoregon.edu)  
[econforum.uoregon.edu](http://econforum.uoregon.edu)

## Review

The ongoing economic expansion continues to lift activity in Oregon’s major metropolitan areas. For all regions covered by this report, both raw and moving average measures (which smooth monthly volatility) were solidly above zero in March, indicating an above-trend pace of activity (trend activity differs across regions). New home construction continues to be mixed overall, with positive contributions in the Portland and Bend regions but nearly neutral to negative in other areas. Housing sales are solid in all areas. The Eugene-Springfield measure has retreated from an unusual spike in January though remains at a level consistent with previous expansions. Low unemployment rates supported all measures. In contrast, weak labor force growth was a negative factor, although this is likely temporary. Overall, the employment indicators tend to be supportive of the measures as the economy continues to create jobs across most sectors. Low initial unemployment claims also continue to be a supportive factor for these measures and indicate job growth is likely to remain positive for the foreseeable future.

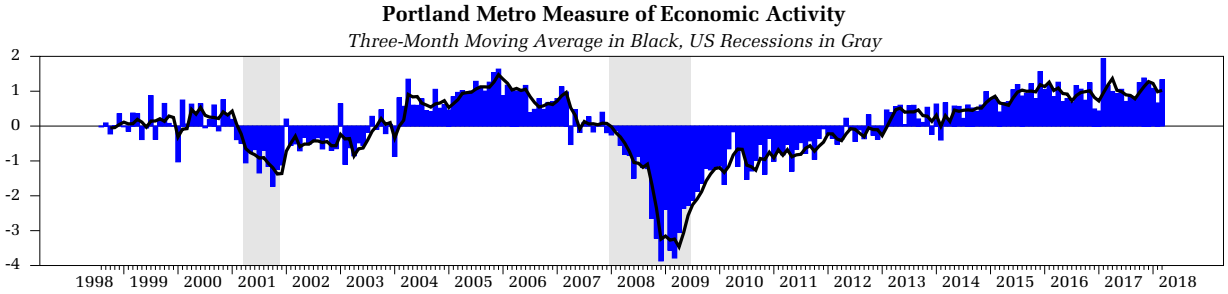
## Contributions to Regional Indexes – March 2018

	Portland-Vancouver-Beaverton	Eugene-Springfield	Central Oregon	Rogue Valley	Salem
New Private Housing Units Authorized by Permits	0.16	-0.07	0.16	-0.29	-0.10
Educational and Health Services Employment	0.02	0.08	0.02	-0.05	-0.02
Financial Activities Employment	0.17	-0.04	0.17	0.00	0.02
Government Employment	0.00	0.00	0.00	0.00	-0.02
Information Employment	-0.05	-0.07	-0.05	-0.05	0.00
Leisure and Hospitality Employment	0.06	0.01	0.06	0.01	0.02
Manufacturing Employment	0.19	-0.02	0.19	-0.05	0.01
Construction Employment	-0.07	0.12	-0.07	0.12	0.05
Professional and Business Services Employment	-0.08	-0.02	-0.08	0.05	-0.02
Other Services Employment	-0.07	0.01	-0.07	0.00	-0.03
Trade, Transportation, and Utilities Employment	0.31	0.11	0.31	0.12	0.38
Civilian Labor Force	-0.04	-0.11	-0.04	-0.09	-0.41
Unemployment Rate	0.15	0.26	0.15	0.38	0.41
Lodging Revenue, Inflation Adjusted	0.01	-0.01	0.01		0.00
Airport Passengers	0.00	-0.04	0.00	0.00	
Initial Unemployment Claims	0.25	0.32	0.25		
Residential Units Sold	0.11	0.39	0.11		0.47
Municipal Waste	0.20	0.09	0.20		
Home Price Index	0.04				
<b>Total</b>	<b>1.33</b>	<b>1.01</b>	<b>1.33</b>	<b>0.15</b>	<b>0.76</b>
<b>Moving Average of Recent Observations</b>	<b>1.03</b>	<b>1.59</b>	<b>1.03</b>	<b>0.74</b>	<b>1.38</b>

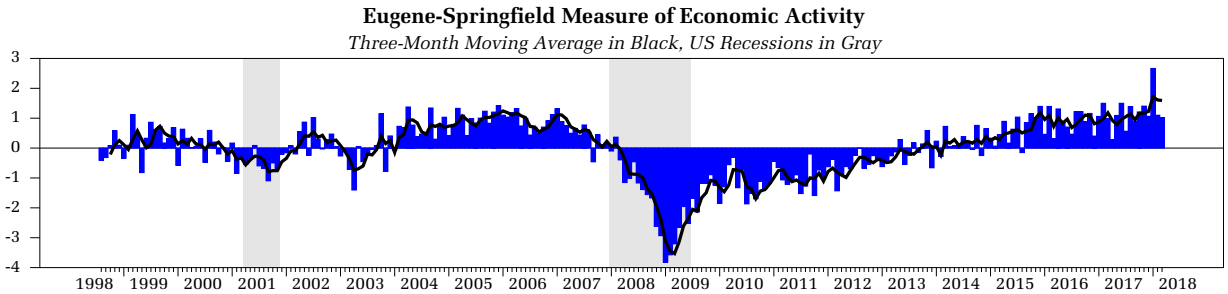
# Oregon Regional Economic Indexes™

March 2018

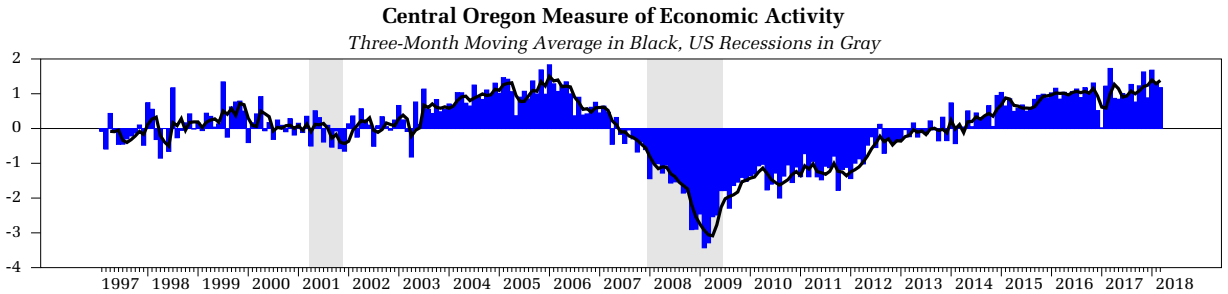
Portland Metro



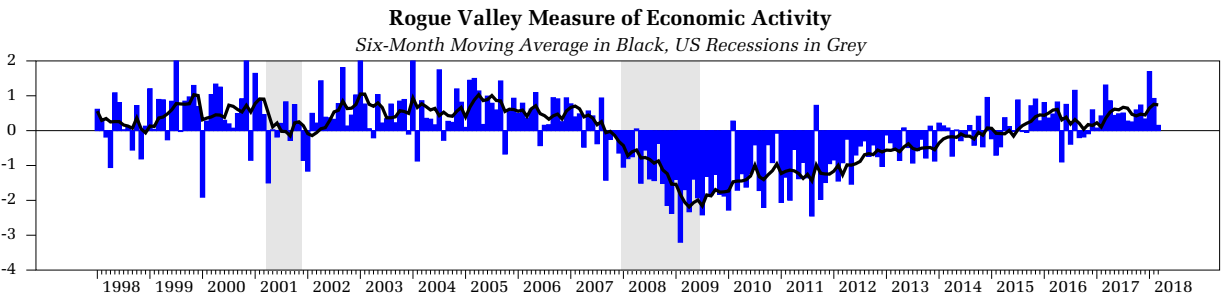
Eugene-Springfield



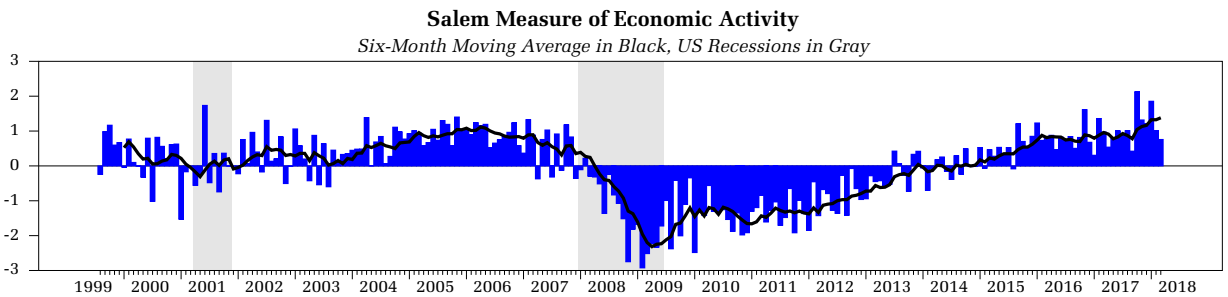
Central Oregon



Rogue Valley



Salem



COLLEGE OF ARTS + SCIENCES



oregon economic forum