

FEBRUARY 2017 ECONOMIC BRIEFING

A summary of the Indianapolis regional economy



Indiana Unemployment Rate Identifies Challenge for Hoosier Employers

Indiana's unemployment rate remained at 4.0 percent in January. Indiana's total labor force rate stands at 64.2 percent and remains above the national rate of 62.9 percent. "While Indiana's unemployment rate is a positive indicator for the state's workforce, it also represents a significant challenge for Hoosier employers in identifying and hiring qualified employees," said Steven J. Braun, Commissioner of the Indiana Department of Workforce Development. "To this end, DWD is engaging Hoosier employers to inform our state's workforce training and education efforts so that programs and courses are aligned with employer demand and producing pipelines of skilled employees."

Indianapolis and Marion County's unemployment rates remain consistently lower than the rates of January 2016.

Workforce

January 2017 Unemployment Rates			
	Jan. '17	Dec. '16	Jan. '16
Marion County, IN	4.4	3.9	4.9
Indianapolis-MSA	4.2	3.6	4.5
State of Indiana (seasonally adj.)	4.0	4.0	4.7
U.S. (seasonally adj.)	4.8	4.7	4.9

Indianapolis Regional Unemployment Rate Rankings by County <i>Ranking in State (highest to lowest rate out of 92 counties)</i>		
County	Unemployment Rate Jan. '17	Rank
Madison	5.4%	23
Morgan	4.6%	54
Marion	4.4%	58
Shelby	4.3%	65
Hancock	3.9%	78
Johnson	3.8%	83
Boone	3.6%	86
Hendricks	3.6%	87
Hamilton	3.3%	92

Labor Force Estimates, January 2017			
	Labor Force	Employed	Unemployed
U.S.	158,676,000	150,527,000	8,149,000
Indiana	3,303,781	3,150,051	153,730
Marion County	483,409	461,945	21,464

Source: Indiana Department of Workforce Development

Employment by Industry

Indianapolis MSA Employment by Industry (1,000s)				
	Jan. '17 (p)	Dec. '16	Change from Previous Month	Change from Jan. '16
Construction	49	50	-2	6
Manufacturing	91	91	0	2
Trade, Transportation and Utilities	220	229	-9	1
Wholesale Trade	47	48	-1	-1
Retail Trade	110	114	-4	3
Transportation and Utilities	62	66	-4	-1
Information	16	16	0	0
Financial Activities	67	66	1	3
Professional and Business Services	163	171	-8	5
Education and Health Services	154	155	-1	6
Leisure and Hospitality	103	105	-2	3
Government	131	134	-3	0

(p) = preliminary

Source: Bureau of Labor Statistics

Recent News

Logistics Company Creating up to 257 Jobs in Indiana

Spot Freight Inc. (Spot), a tech-enabled third party logistics company, will invest more than \$2 million to expand its headquarters in Indiana, tripling its office space and employment, and create up to 257 new jobs by 2023. The expansion includes the company's new headquarters in downtown Indianapolis.

[Read more](#)

Indy Among Top Regions for Tech Jobs

Indianapolis is being recognized on Forbes' list of "Cities Creating the Most Tech Jobs 2017." The list ranks the 53 largest metropolitan areas in the country by employment growth in tech industries and STEM jobs from 2006 to 2016. The cities were also ranked based on growth from 2014 to 2016 "to give credit for current momentum." Forbes said STEM employment in Indianapolis has risen 18 percent since 2006.

[Read more](#)

[Read more recent announcements on our website at IndyChamber.com](#)

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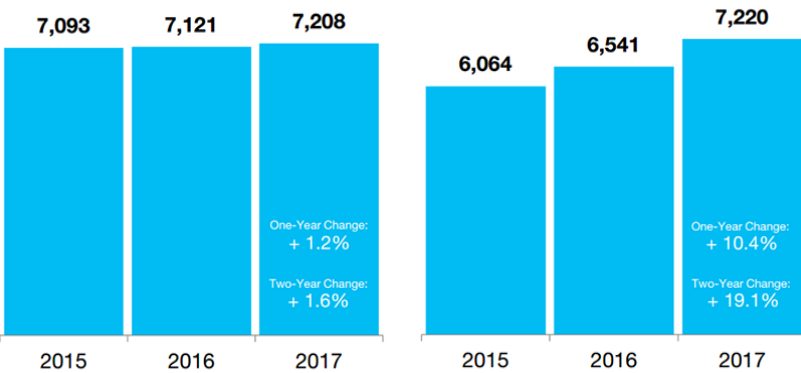


Residential Real Estate

January brings out rejuvenated buyers with a renewed enthusiasm in a new calendar year. Just as we saw many times in 2016, closed sales are up double digits. Sales totals may still inevitably start slow in the first half of the year due to low inventory, but may push out potential buyers who simply cannot compete for homes selling at higher price points in a low number of days.

Indianapolis Regional Real Estate Statistics			
	Jan. '17	Jan. '16	% Change
New Listings	2,581	2,153	+1.1%
Closed Sales	1,806	1,730	+ 4.4%
Median Sales Price	\$143,700	\$137,500	+ 4.5%
Average Sales Price	\$182,552	\$172,016	+ 6.1%

Past Three Month Average for Indianapolis Region



New Listings

Source: MIBOR www.mibor.com

Closed Sales

IndyGo Fixed Route Ridership

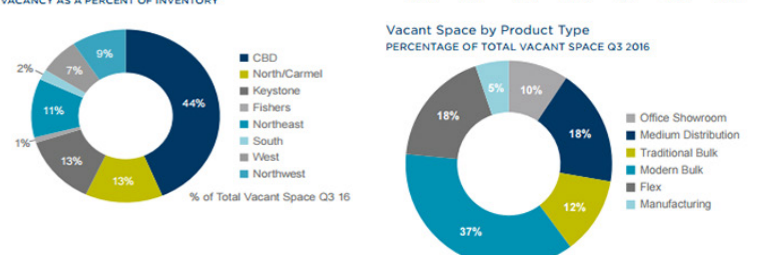
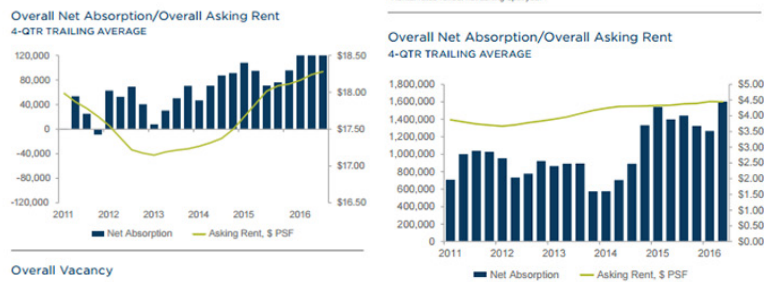
IndyGo ridership is up 2.7% YTD over 2016 which is a positive sign to kick off 2017. IndyGo continues to monitor route performance regularly.

IndyGo Fixed Route Ridership		
Total Passengers (YTD)		
2016	2017	% Change
703,579	722,538	+2.7%
Total Passengers Current Month		
January '16	January '17	% Change
703,579	722,538	+2.7%

Source: IndyGo www.indygo.net

Commercial Real Estate

INDIANAPOLIS OFFICE				INDIANAPOLIS INDUSTRIAL			
Economic Indicators				Economic Indicators			
	Q3 15	Q3 16	12-Month Forecast		Q3 15	Q3 16	12-Month Forecast
Indianapolis MSA Employment	1,030.1K	1,038.9K	▲	Indianapolis MSA Employment	1,030.1K	1,038.9K	▲
Indianapolis MSA Unemployment	4.2%	4.0%	▲	Indianapolis MSA Unemployment	4.2%	4.0%	▲
U.S. Unemployment	5.2%	4.9%	▲	U.S. Unemployment	5.2%	4.9%	▲



Source: Cushman & Wakefield

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Indianapolis Region Cost of Living

The Indianapolis Region consistently ranks as one of the most affordable places to live and do business in the U.S. According to the National Association of Realtors, the median price of an existing single-family home in the Indianapolis MSA in 3rd Q. 2016 was \$164,100. The Midwest average was \$191,200 and the national average was \$240,900. The following metro areas were selected because they are peer cities to Indianapolis.

Cost of Living Index: 2016 Annual Average (U.S. Average = 100)

Metro Area	Composite Index	Grocery Items	Housing	Utilities	Transportation	Health Care	Miscellaneous Goods and Services
Seattle	145.1	125.3	179.7	122.9	138.7	127.7	135.6
Chicago	118.5	108.5	144.8	94.9	125.7	102.7	108.2
Baltimore	115.6	113.2	143.6	104.8	103.7	89.8	103.9
Denver	110.4	106.3	131.9	92.6	104.2	106.8	102.4
Minneapolis	105.6	106.0	107.9	95.8	101.0	105.7	107.8
Dallas	100.4	108.5	88.0	98.7	101.5	106.3	106.6
Cleveland	98.7	113.9	87.8	91.2	106.3	99.7	101.4
Atlanta	98.7	103.8	88.5	103.1	101.7	107.9	101.6
Phoenix	97.0	94.8	98.3	94.7	100.9	96.6	96.5
Austin	96.7	86.9	94.8	102.9	98.3	102.7	99.1
Nashville	95.5	95.8	86.9	89.9	101.5	83.1	103.4
Detroit	94.9	91.3	87.9	108.2	104.3	94.6	95.5
Charlotte	94.8	94.0	85.1	91.9	96.8	103.6	101.9
Raleigh	94.4	113.4	69.3	96.2	91.5	103.9	106.0
Pittsburgh	94.0	97.1	93.0	102.1	106.3	95.1	87.7
Indianapolis	91.8	94.0	82.0	89.4	92.7	98.4	98.4

Source: Council for Community and Economic Research, 2017