

## Mobile ABCI Moves Up as Industry Prospects Rise Broadly

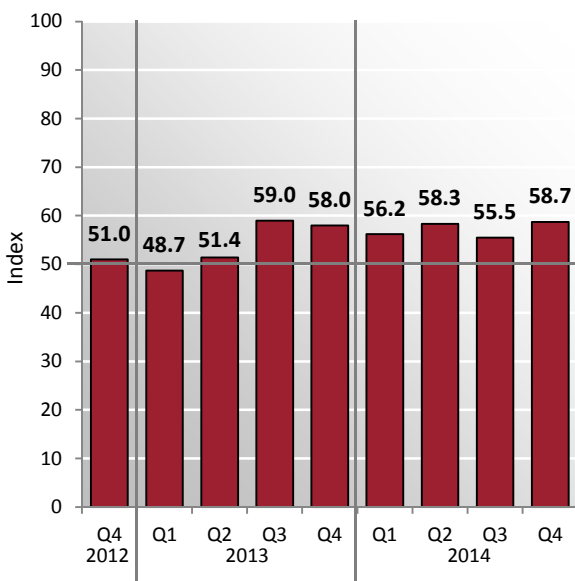
Business confidence bounced back from its third quarter dip to come in at 58.7. Mobile area optimism matched Montgomery's and the two are the most positive metros in the fourth quarter. Outlooks for industry profits and capital expenditures posted the largest gains. Sales, profits, and hiring indexes in Mobile are all the highest of the four large metros analyzed for the survey.

The sales component index rose 3.0 points to 64.0, with 55.8 percent of Mobile area business executives expecting sales to increase in the fourth quarter and just 7.0 percent forecasting a decrease. Profits should also post strong gains—the index climbed 6.1 points to 60.5 this quarter. A net 34.9 percent of panelists think profits will be higher than last quarter and 51.2 percent forecast no change.

Mobile's employment picture should continue to improve in the fourth quarter; the ABCI hiring index rose 1.2 points to 56.4. Although almost 70 percent of panelists expect no change in hiring plans, a net 20.9 percent anticipate stepping up job growth this quarter. A strong uptick in capital spending is forecasted by an index of 60.5, up 7.6 points. Investment should be about the same as last quarter at 51.2 percent of firms surveyed and higher at 41.9 percent.

Businesses in construction and other services have the most positive outlooks with ABCI readings close to 70. Area manufacturers and healthcare firms are confident about their own prospects but have concerns about the U.S. economy. Professional, scientific, and technical services businesses posted the weakest index at 52.3, with hiring likely to be curtailed.

### ABCI™ Mobile



### Fourth Quarter 2014 Outlook

	Mobile	Alabama
<b>ABCI</b>	<b>58.7</b>	<b>54.2</b>
National Economy	51.7	51.6
Alabama Economy	59.3	56.4
Industry Sales	64.0	56.6
Industry Profits	60.5	54.4
Industry Hiring	56.4	52.5
Capital Expenditures	60.5	53.7

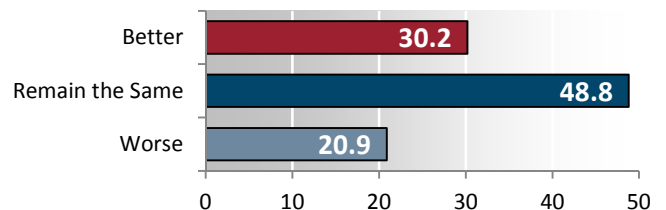
Index above 50 indicates positive outlook.  
 Index below 50 indicates negative outlook.  
**Black** increase from previous quarter.  
**Red** decrease from previous quarter. **Blue** no change.

### Mobile Metro Area:

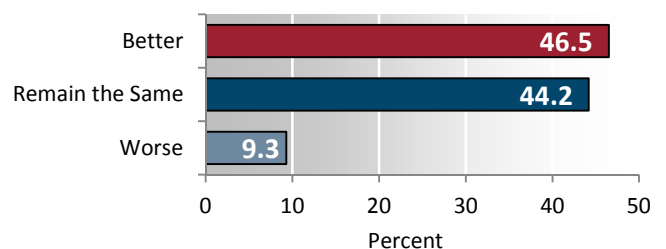
### Business Environment Expectations Q4 2014 compared to Q3 2014

Business executives in Mobile are feeling better about prospects for the U.S. economy, with the area's national economy index rebounding 2.4 points to 51.7. Although down one point, area expectations for Alabama's economic performance in the fourth quarter registered an optimistic 59.3. Almost 47 percent of panelists think the state's economy will do better and just 9.3 percent expect a weaker economy.

### National Economic Outlook



### Alabama Economic Outlook

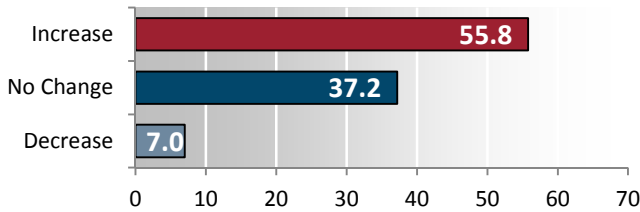


Mobile Metro Area:

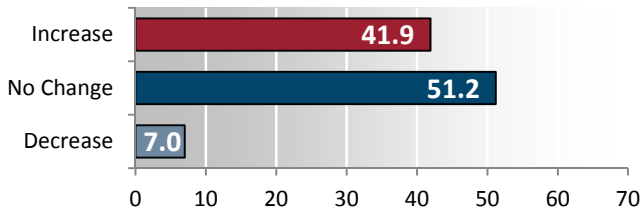
## Industry Performance Expectations

### Q4 2014 compared to Q3 2014

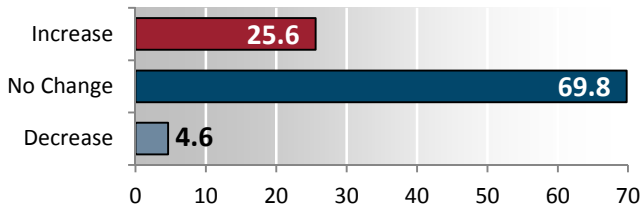
#### Sales



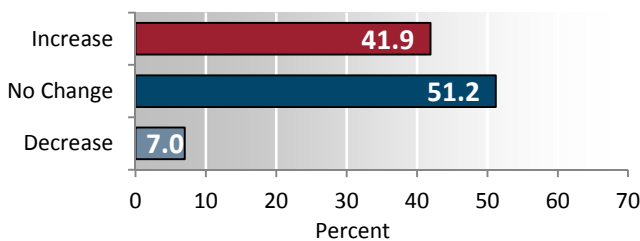
#### Profits



#### Hiring Plans

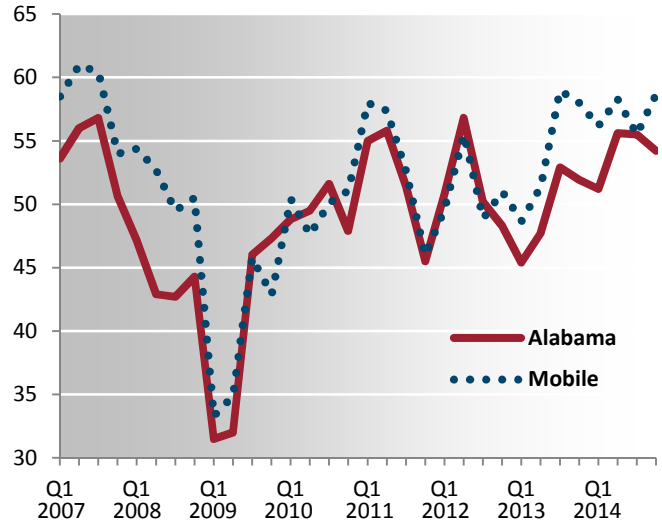


#### Capital Expenditures



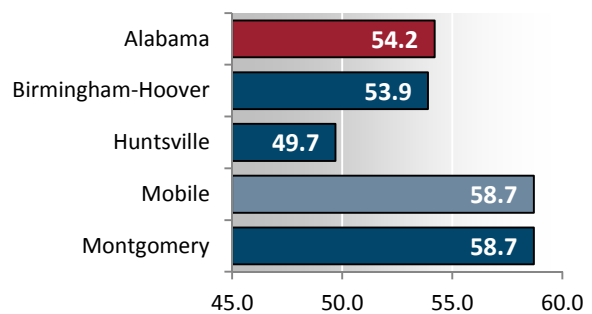
## ABCI Mobile in Context

Mobile area optimism rebounded to 58.7 for the fourth quarter of 2014, slightly above its second quarter 2014 reading of 58.3 and the 58.0 recorded a year ago. Confidence is 4.5 points above the statewide ABCI this quarter and has stayed in optimistic territory since the second quarter of 2013.



Trends in business confidence among the four largest metro areas were mixed this quarter. Mobile saw a solid uptick in optimism, while confidence dipped slightly in Montgomery. Both the Mobile and Montgomery ABCIs came in on top at 58.7, with relatively strong industry outlooks. Much weaker sales and hiring forecasts contributed to a marked drop in Birmingham-Hoover confidence to 53.9. ABCI Huntsville posted the largest decline, with sentiment among Huntsville area business executives turning slightly negative at 49.7.

### ABCI by Metro Area Q4 2014



The Center for Business and Economic Research would like to thank all Mobile metro area business executives who completed the fourth quarter 2014 ABCI survey during the first two weeks of September. We look forward to a continuing partnership with the Mobile Area Chamber of Commerce and encourage you to return for the first quarter 2015 survey December 1-15. For more details on the *Alabama Business Confidence Index™*, visit [cber.cba.ua.edu/ABCI](http://cber.cba.ua.edu/ABCI). Analysis provided by Carolyn Trent, Socioeconomic Analyst.



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