

MISSISSIPPI'S BUSINESS

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ECONOMY AT A GLANCE

Figure 1 indicates the value of the Mississippi Leading Index (MLI) fell 1.8 percent in August, giving back its gain from the previous month. Compared to one year earlier the value of the MLI in August was 3.1 percent lower.

In August the value of the Mississippi Coincident Index (MCI) increased 0.3 percent as seen in Figure 2 below. The value for the month was up 1.8 percent compared to one year ago.

The U.S. Bureau of Economic Analysis (BEA) reported U.S. real gross domestic product (GDP) increased at a seasonally-adjusted, annualized rate of

3.8 percent in the second quarter of 2025 in the agency's third estimate. Compared to the second estimate the third estimate represented an increase of 0.5 percentage point. The upward revision primarily resulted from higher estimates for consumer spending, which were partly offset by a lower estimate for exports. Imports, which are a subtraction in the calculation of GDP, were revised up from the second estimate. According to BEA's third estimate, imports into the U.S. decreased at an annualized rate of 29.3 percent in the second quarter.

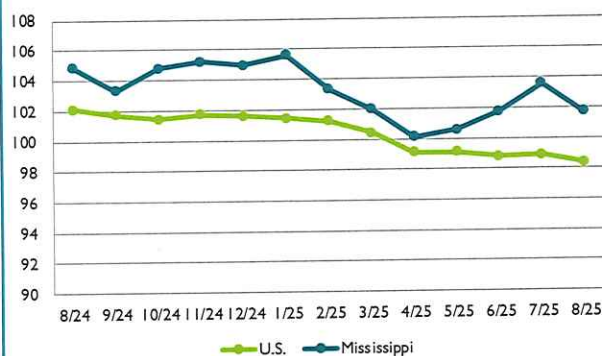
Decreases in the components of the MLI were widespread in August. Most notably the Mississippi Manufacturing Intensity Index had its largest decline in over five years. Building permits continued a downward trend in August, reflecting a slumping housing market. However, employment rose in August and unemployment claims—despite an increase for the month—remain at a relatively low level. Consumer spending remains relatively robust. All in all, the indicators continue to signal the national and state economies are slowing but not headed for recession in the coming months.

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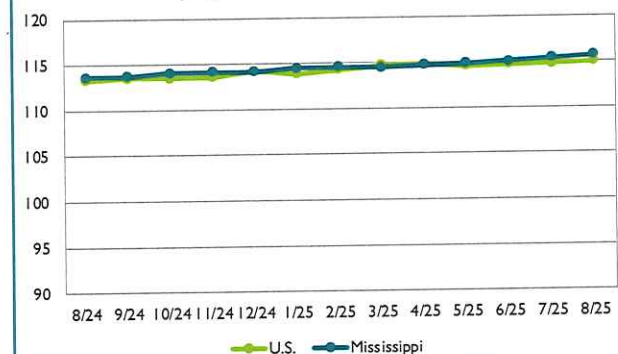
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Figure 1. Leading indices



Sources: University Research Center and The Conference Board

Figure 2. Coincident indices



Sources: Federal Reserve Bank of Philadelphia and The Conference Board

Notes: The Mississippi Coincident Index is constructed by the Federal Reserve Bank of Philadelphia and re-indexed to 2017. The Index is based on changes in nonfarm employment, the unemployment rate, average manufacturing workweek length, and wage and salary disbursements. The Mississippi Leading Index is constructed by the Mississippi University Research Center. The U.S. Indices are from The Conference Board. All series are indexed to a base year of 2017.

MISSISSIPPI LEADING INDEX, AUGUST 2025

The value of the **Mississippi Leading Index of Economic Indicators (MLI)** gave back all of its gain in August from the previous month. The value for the month fell 1.8 percent as seen in Figure 3. Compared to one year earlier the value of the MLI in August was down 3.1 percent, which marked the seventh consecutive month with a year-over-year decrease. Over the last six months the value of the MLI also decreased 3.1 percent.

Five of the seven components of the MLI decreased in value in August. The largest negative contribution was made by the Mississippi Manufacturing Employment Intensity Index. Each component is discussed below in order of smallest to largest contribution.

The value of the **Mississippi Manufacturing Employment Intensity Index** sank 4.8 percent in August as seen in Figure 4, the largest monthly decrease since April 2020. The value for the month was down 1.6 percent compared to one year earlier, the first year-over-year decrease since March. Manufacturing employment in the state decreased 0.4 percent in August and the average weekly hours of production employees tumbled 4.4 percent.

After three consecutive months of increases, the value of the **University of Michigan Index of Consumer Expectations** (three-month moving average) fell in August. As seen in Figure 5, the value sank 3.7 percent for the month. The value in August compared to one year earlier was down 23.2 percent. Increased concerns about labor markets and personal finances were among the factors pushing the value of the Index down in August. Short-term (one-year) inflation expectations decreased

slightly in the most recent survey while long-term (five-year) inflation expectations rose to their highest level in three months.

In August the number of seasonally-adjusted **initial unemployment claims** in Mississippi rose 10.9 percent as seen in Figure 6, the first monthly increase since March. Compared to one year earlier the value for the month was down 0.8 percent. The number of seasonally-adjusted continued unemployment claims in Mississippi also increased in August. As seen in Figure 16 on page 6 the value rose 13.0 percent for the month. The number of continued unemployment claims in the state in August compared to one year earlier was 10.7 percent higher. As seen in Figure 17 on page 6, the unemployment rate in Mississippi in August was 3.9 percent, unchanged from the revised July rate. Compared to one year earlier the rate in August was up 0.6 percentage point.

As seen in Figure 7, the value of **Mississippi residential building permits** (three-month moving average) fell 2.9 percent in August. Compared to one year ago the value for the month was down 5.9 percent. The number of units in the state fell 4.1 percent for the month, the largest monthly decrease since January. The number of units in the state was down 3.4 percent in August compared to one year earlier, the largest year-over-year decrease since March 2024. The number of privately-owned housing units authorized by building permits in the U.S. decreased 3.7 percent in August from the revised July rate. The number of units in the U.S. in August was down 11.1 percent compared to one year earlier.

Figure 8 indicates the value of **Mississippi income tax withholdings**

(three-month moving average) decreased 0.4 percent in August, the first decline since April. Compared to one year earlier, the value of withholdings for the month was down 2.4 percent. Over the last six months the value of income tax withholdings in Mississippi decreased 0.7 percent.

In September the value of the **ISM Index of U.S. Manufacturing Activity** rose 0.8 percent to its highest level since February. As Figure 9 indicates, the value for the month was 3.4 percent higher compared to one year earlier. Three of the five components increased in value in September and the largest increase occurred in the Production component. The largest decrease among all components occurred in New Orders; the only other component to decrease in value was Inventories. The prices paid index fell to its lowest level since January. In September commodities reported up in price included aluminum, copper, steel, electrical components, and corn. Polypropylene resins were reported down in price for the month. Electrical components were also reported in short supply.

U.S. retail sales increased in value by 0.6 percent in August as seen in Figure 10. Compared to one year ago the value of retail sales for the month was 5.0 percent higher. Sales excluding automobiles and gasoline were 0.7 percent higher in August. Sales at Nonstore Retailers had the largest increase among all segments in August. Furniture and Home Furnishings had the largest decrease in sales among all segments as higher prices caused by tariffs weighed on the segment. Sales at General Merchandisers were the only other segment to decrease for the month.

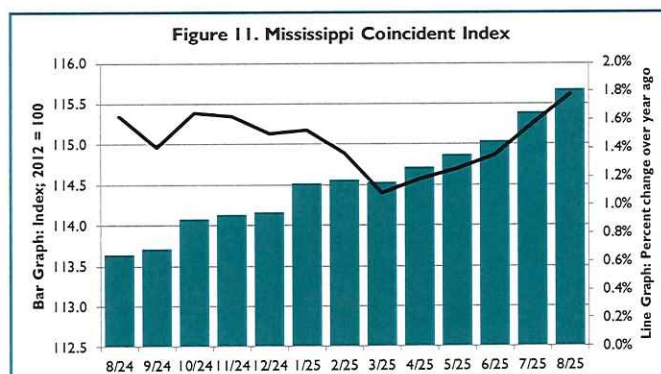
MISSISSIPPI COINCIDENT INDEX, AUGUST 2025

The Federal Reserve Bank of Philadelphia reported the value of the **Mississippi Coincident Index of Economic Indicators (MCI)** rose 0.3 percent in August as seen in Figure 11. Compared to one year earlier the value of the MCI for the month was 1.8 percent higher.

According to the Federal Reserve Bank of Philadelphia, the values of the coincident indices in forty-five states rose over the last three months. As seen in Figure 12, the value of the coincident index for Alabama rose over 1.8 percent in August compared to May, the largest increase among all states. The values of the coincident indices in-

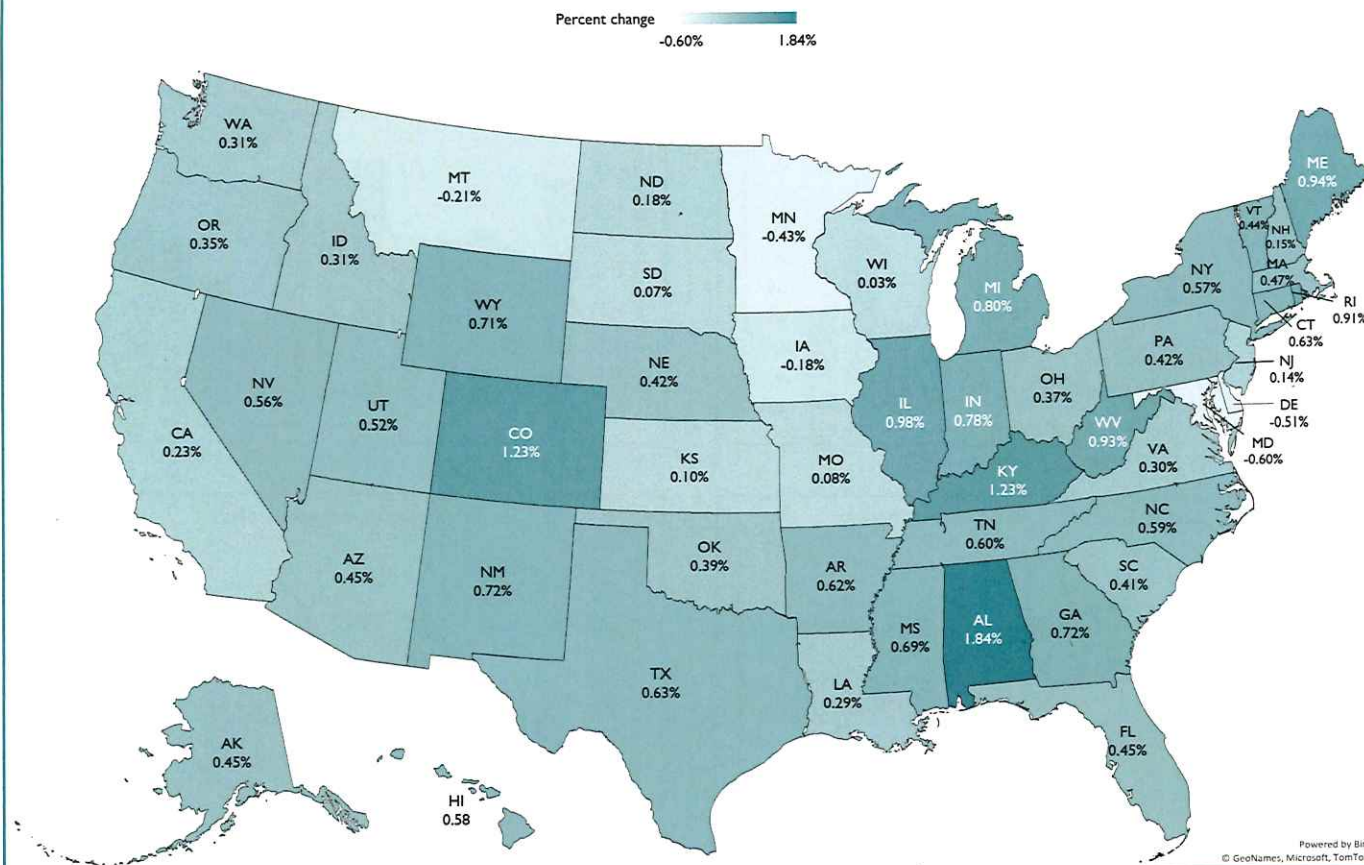
creased more than 1.0 percent over the last three months in a total of three states. In twenty states including Mississippi the values of coincident indices increased more than 0.5 percent to less than 1.0 percent in August compared to May. The values of coincident indices increased less than 0.5 percent over the last three months in twenty-two states. In five states the values of coincident indices decreased

in August compared to May. The largest decrease in the value of a coincident index among all states in August compared to May occurred in Maryland, where the value fell 0.6 percent.



Source: Federal Reserve Bank of Philadelphia

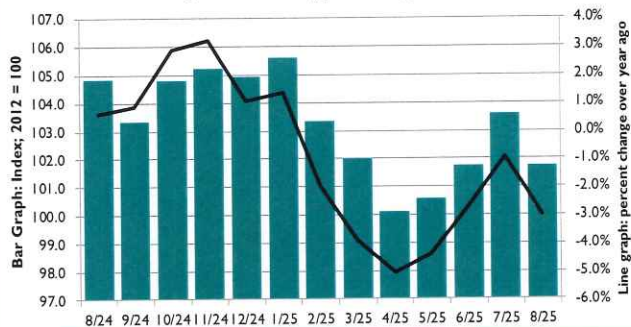
Figure 12. Three-month growth in the coincident index of economic indicators, August 2025



Source: Federal Reserve Bank of Philadelphia

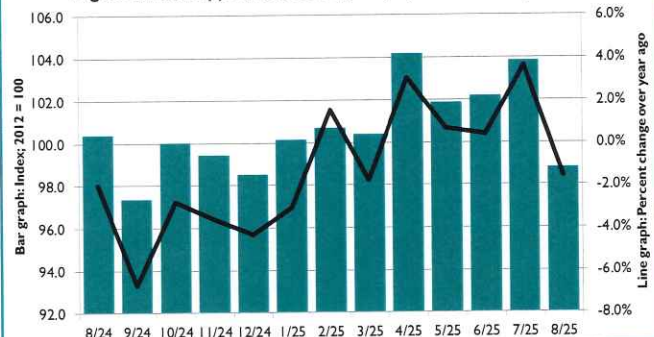
MISSISSIPPI LEADING INDEX AND COMPONENTS, IN FIGURES

Figure 3. Mississippi Leading Index



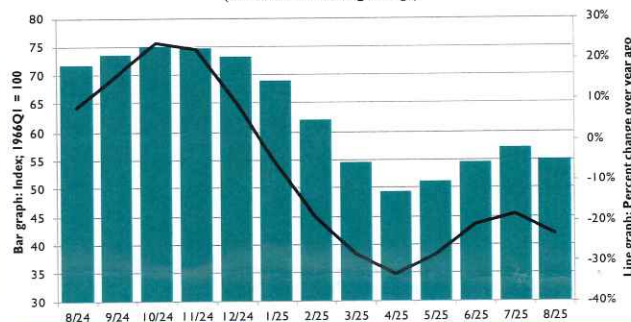
Source: University Research Center

Figure 4. Mississippi Manufacturing Employment Intensity Index



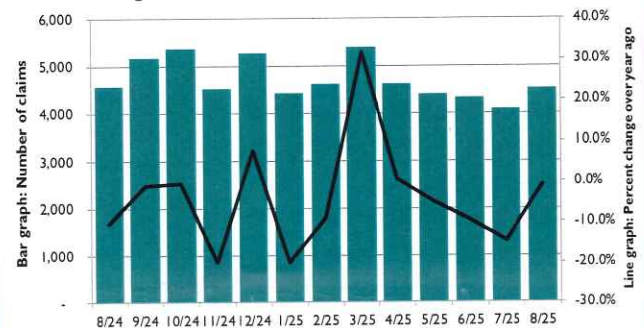
Source: URC using data from U.S. Bureau of Labor Statistics

Figure 5. University of Michigan Index of Consumer Expectations (Three-month moving average)



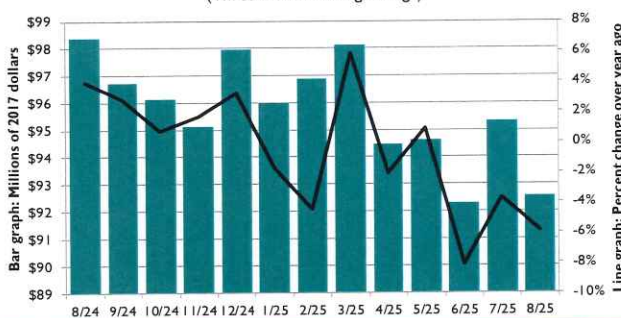
Source: Thomson Reuters/University of Michigan Surveys of Consumers

Figure 6. Mississippi initial unemployment claims



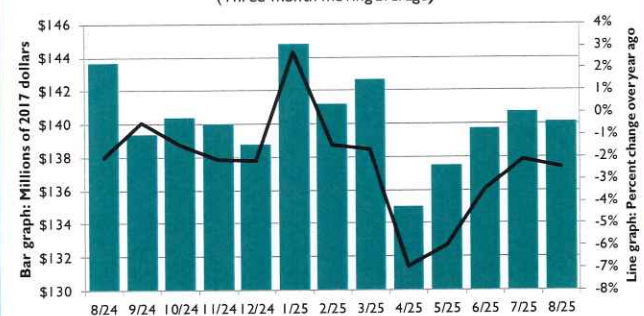
Source: U.S. Department of Labor; seasonally adjusted

Figure 7. Value of Mississippi residential building permits (Three-month moving average)



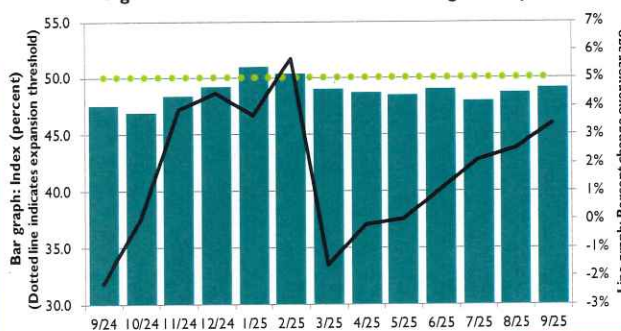
Source: URC using data from U.S. Bureau of Labor Statistics

Figure 8. Mississippi income tax withholdings (Three-month moving average)



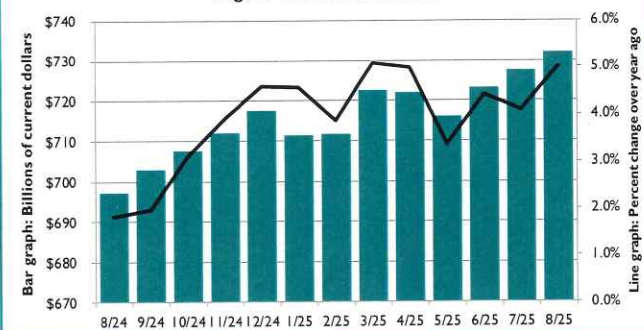
Source: Mississippi Department of Revenue; seasonally adjusted

Figure 9. ISM Index of U.S. Manufacturing Activity



Source: Institute for Supply Management

Figure 10. U.S. retail sales



Source: U.S. Bureau of the Census; seasonally adjusted

NATIONAL TRENDS

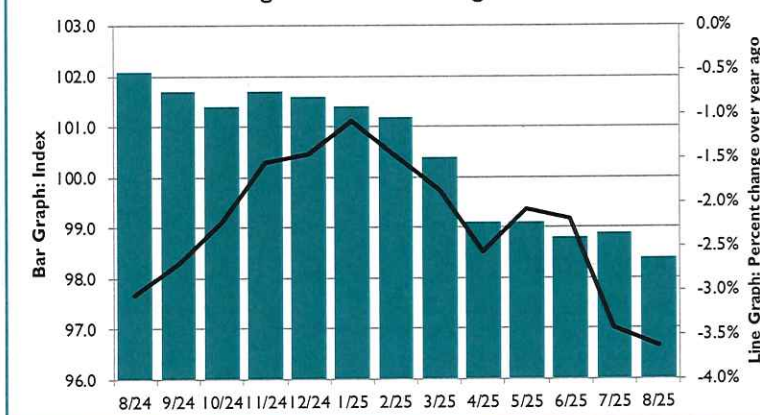
The Conference Board reported the value of the U.S. Leading Economic Index (LEI) tumbled 0.5 percent in August as seen in Figure 13. Compared to one year ago the value for the month was 3.6 percent lower. The July value of the LEI was revised up to an increase of 0.1 percent. Five of the ten components of the LEI made negative contributions in August and three were unchanged. The S&P 500® Index of Stock Prices made the largest positive contribution while average consumer expectations for future business conditions made the largest negative contribution. Over the last six months the value of the LEI fell 2.8 percent.

The value of the U.S. Coincident Economic Index (CEI) rose 0.2 percent in August according to The Conference Board. As Figure 14 indicates, compared to one year earlier the value of the CEI was up 1.5 percent. Three of the four components of the CEI made positive contributions in August, led by personal income less transfer payments. Employees on nonagricultural payrolls was unchanged. The value of the CEI increased 0.6 percent over the last six months.

Figure 15 indicates the value of the National Federation of Independent Businesses (NFIB) Small Business Optimism Index increased 0.5 percent in August. Compared to one year earlier the value of the Index was up 10.5 percent. However, only four of the ten components increased. The "expect real sales higher" component had the largest increase while the "now is a good time to expand" component had the largest decrease. While the August survey indicated uncertainty among small businesses has eased, the overall level of uncertainty remains elevated.

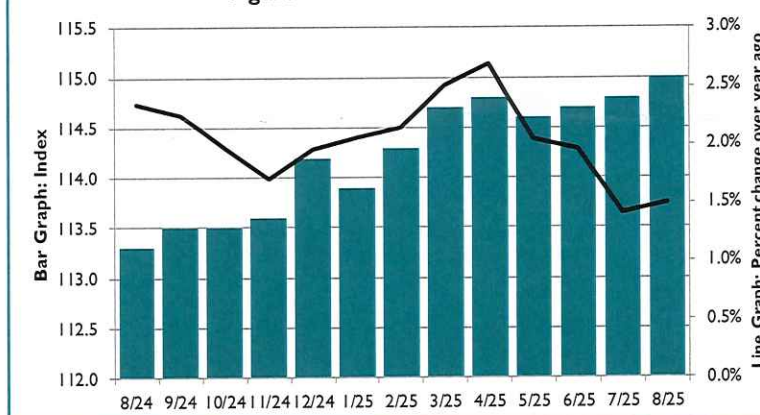
The Federal Open Market Committee (FOMC) voted to reduce the federal funds rate target by 25 basis points at its September meeting. The move placed the rate target in the range of 4.00 to 4.25 percent. The summary of projections by individual committee members released after the meeting implies two additional reductions before the end of the year; however, these projections were widely dispersed. The FOMC statement released after the meeting noted, "The Committee is attentive to the risks to both sides of its dual mandate and judges that downside risks to employment have risen."

Figure 13. U.S. Leading Index



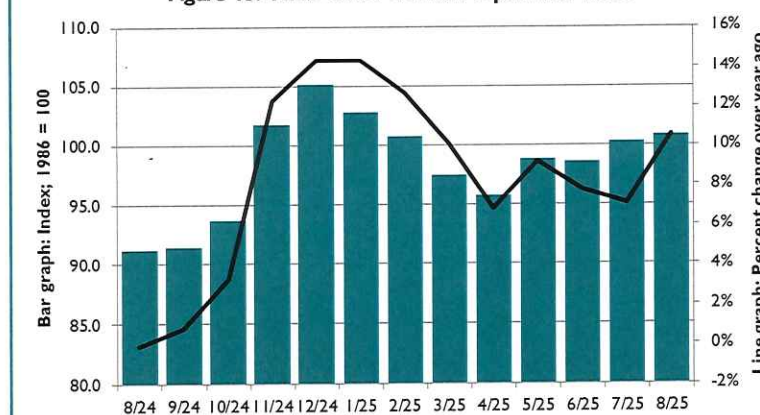
Source: The Conference Board

Figure 14. U.S. Coincident Index



Source: The Conference Board

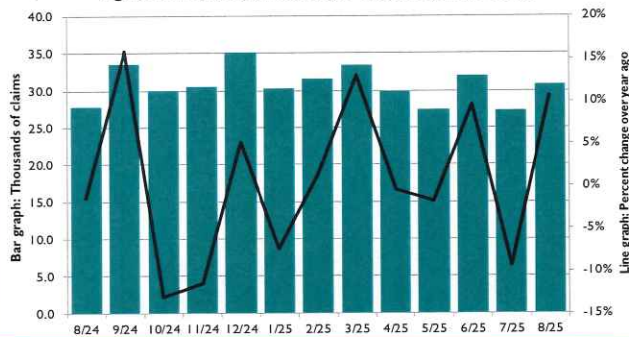
Figure 15. NFIB Small Business Optimism Index



Source: National Federation of Independent Businesses

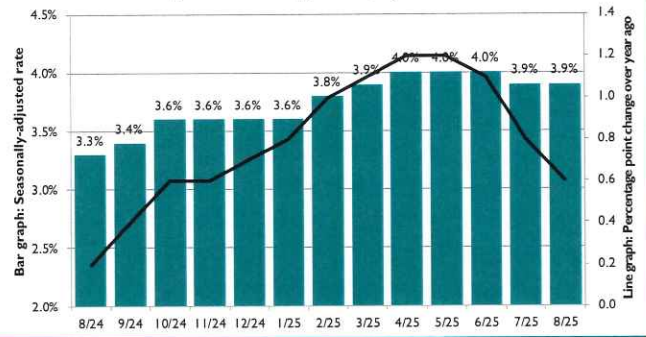
MISCELLANEOUS ECONOMIC INDICATORS, IN FIGURES

Figure 16. Mississippi continued unemployment claims



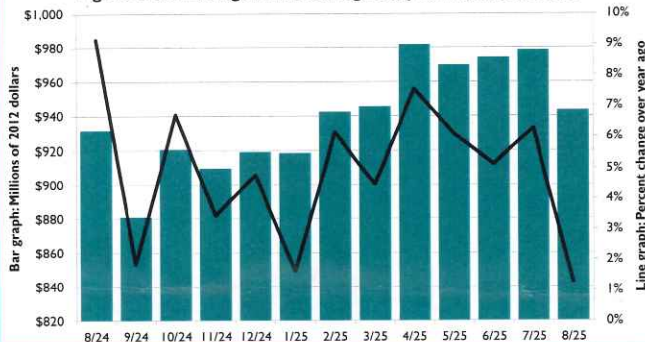
Sources: U.S. Department of Labor, URC (seasonal adjustment)

Figure 17. Mississippi unemployment rate



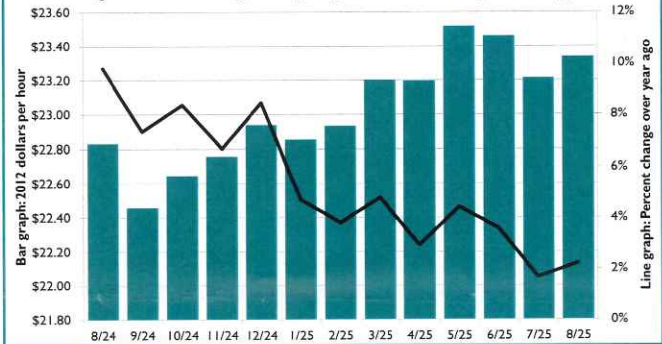
Source: U.S. Bureau of Labor Statistics

Figure 18. Real average manufacturing weekly earnings in Mississippi



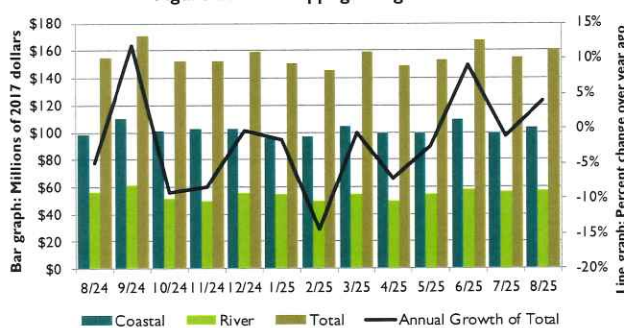
Sources: U.S. Bureau of Labor Statistics, URC (seasonal adjustment)

Figure 19. Real average hourly wage for manufacturing in Mississippi



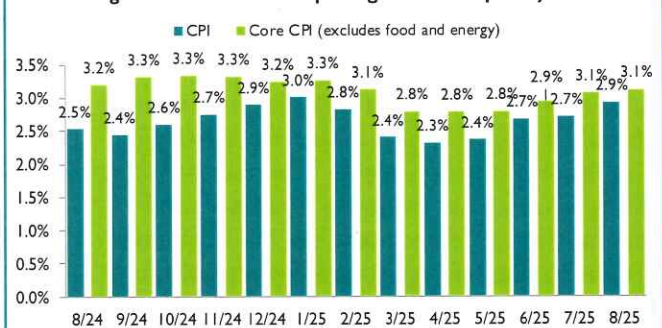
Sources: U.S. Bureau of Labor Statistics, URC (seasonal adjustment)

Figure 20. Mississippi gaming revenue



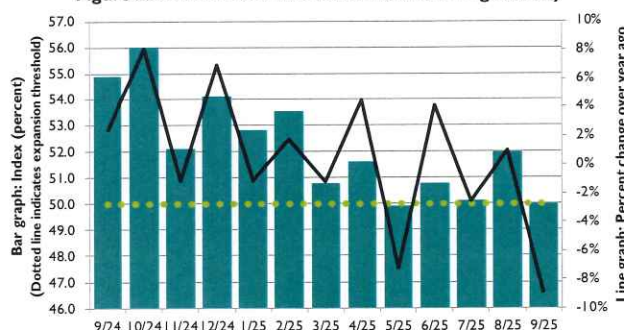
Source: Mississippi Department of Revenue, URC (seasonal adjustment)

Figure 21. U.S. inflation: price growth over prior year



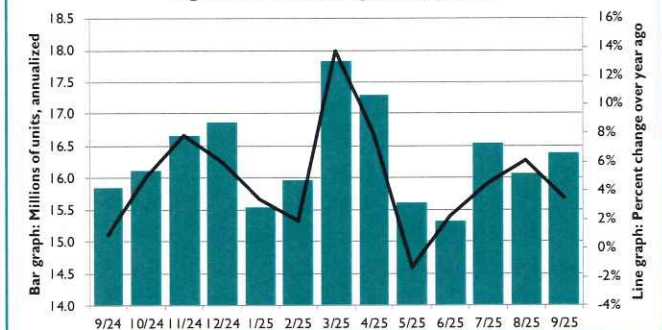
Source: U.S. Bureau of Labor Statistics

Figure 22. ISM Index of U.S. Non-Manufacturing Activity



Source: Institute for Supply Management

Figure 23. U.S. total light vehicle sales



Source: U.S. Bureau of Economic Analysis

TABLE I. SELECTED ECONOMIC INDICATORS

Indicator	August 2025	July 2025	August 2024	Percent change from August 2025 July 2025	
U.S. Leading Economic Index 2017 = 100. Source: The Conference Board	98.4	98.9	102.1	▼0.5%	▼3.6%
U.S. Coincident Economic Index 2017 = 100. Source: The Conference Board	115.0	114.8	113.3	▲0.2%	▲1.5%
Mississippi Leading Index 2017 = 100. Source: University Research Center	101.7	103.6	104.9	▼1.8%	▼3.1%
Mississippi Coincident Index 2017 = 100. Source: Federal Reserve Bank of Philadelphia	115.7	115.4	113.6	▲0.3%	▲1.8%
Mississippi initial unemployment claims Seasonally adjusted. Source: U.S. Department of Labor	4,522	4,076	4,560	▲10.9%	▼0.8%
Value of Mississippi residential building permits Three-month moving average; seasonally adjusted; millions of 2017 dollars. Source: Bureau of the Census	92.6	95.3	98.4	▼2.9%	▼5.9%
Mississippi income tax withholdings Three-month moving average; seasonally adjusted; millions of 2017 dollars. Source: Mississippi Department of Revenue	140.1	140.7	143.7	▼0.4%	▼2.4%
Mississippi Manufacturing Employment Intensity Index 2017 = 100. Source: URC using data from U.S. Bureau of Labor Statistics	98.8	103.8	100.4	▼4.8%	▼1.6%
University of Michigan Index of Consumer Expectations Three-month moving average; index 1966Q1 = 100. Source: Thomson Reuters/University of Michigan Surveys of Consumers	55.1	57.2	71.8	▼3.7%	▼23.2%
ISM Index of U.S. Manufacturing Activity Advanced one month. Source: Institute for Supply Management	49.1	48.7	47.5	▲0.8%	▲3.4%
U.S. retail sales Current dollars, in billions. Source: Bureau of the Census	732.0	727.4	697.2	▲0.6%	▲5.0%
U.S. Consumer Price Index (CPI)	324.0	323.0	314.8	▲0.3%	▲2.9%
U.S. Core CPI (excludes food and energy) 1982-84 = 100. Source: URC using data from Bureau of Labor Statistics	330.0	329.0	320.0	▲0.3%	▲3.1%
Mississippi unemployment rate Percentage point change. Seasonally-adjusted. Source: U.S. Bureau of Labor Statistics	3.9%	3.9%	3.3%	◀▶0.0	▲0.6
Mississippi continued unemployment claims Seasonally adjusted. Source: U.S. Department of Labor	30,820	27,281	27,845	▲13.0%	▲10.7%
ISM Index of U.S. Non-Manufacturing Activity Advanced one month. Source: Institute for Supply Management	50.0	52.0	54.9	▼3.8%	▼8.9%
U.S. mortgage rates Percentage point change. Seasonally adjusted; 30-year conventional. Source: Federal Home Loan Mortgage Corporation	6.60%	6.68%	6.53%	▼0.08	▲0.07
Mississippi average hourly wage for manufacturing Seasonally adjusted; 2017 dollars. Source: U.S. Bureau of Labor Statistics	23.34	23.21	22.83	▲0.5%	▲2.2%
Mississippi average weekly earnings for manufacturing Seasonally adjusted; 2017 dollars. Source: U.S. Bureau of Labor Statistics	943.22	978.32	931.52	▼3.6%	▲1.3%
NFIB Small Business Optimism Index 1986 = 100. Source: National Federation of Independent Businesses	100.8	100.3	91.2	▲0.5%	▲10.5%
U.S. total light vehicle sales Millions of units seasonally adjusted at annual rates. Source: U.S. Bureau of Economic Analysis	16.39	16.07	15.84	▲2.0%	▲3.5%
Gaming revenue	160.68	155.29	154.6	▲3.5%	▲3.9%
Coastal counties	103.61	99.09	98.2	▲4.6%	▲5.5%
River counties Seasonally adjusted; millions of 2017 dollars. Source: Mississippi Department of Revenue	57.07	56.20	56.4	▲1.5%	▲1.2%

Economic Indices

Components of the Mississippi Leading Index

Miscellaneous Indicators

MISSISSIPPI EMPLOYMENT TRENDS

In August total nonfarm employment in Mississippi rose by 2,700 jobs according to the U.S. Bureau of Labor Statistics (BLS), an increase of 0.2 percent. Compared to one year earlier total employment in the state was up by 16,200 jobs as seen in Table 2, an increase of 1.4 percent.

BLS reported nonfarm employment increased in Utah, decreased in the District of Columbia, and was essentially unchanged in forty-nine states in August. Employment in Utah rose by 8,300 jobs for the month, a 0.5 percent increase. The District of Columbia lost 5,300 jobs in August, a 0.7 percent decrease.

Twenty states added jobs over the last twelve months as of August according to BLS and employment was essentially unchanged in thirty states and the District of Columbia. Texas added 195,600 jobs, the most among all states, followed by New

York, which added 125,100 jobs, and Pennsylvania, which added 101,200 jobs. The largest percentage increase in employment among all states over the last twelve months was the 3.1 percent increase in South Carolina.

As in recent months employment in Mississippi changed relatively little across sectors in August. The Construction sector added 1,600 jobs for the month, the most among all sectors. The sector also had the largest percentage increase in employment among all sectors of 3.1 percent. Employment in the Manufacturing sector fell by 600 jobs in August, the largest decrease among all sectors. The Manufacturing and Financial Activities sectors had the largest percentage decreases in employment in the state for the month of 0.4 percent. Employment in the Mining and Logging, Information, Educational Services, and Arts and Entertainment sectors was un-

changed in the month of August according to BLS.

Over the past twelve months as of August the Health Care and Social Assistance sector added 4,900 jobs, the most among all sectors in the state. The Educational Services sector increased in employment by 8.9 percent over the last twelve months as of August, the largest percentage gain in employment among all sectors in the state and an increase of 1,200 jobs. The Manufacturing sector lost 800 jobs over the last twelve months, the largest decrease in employment among all sectors. Employment in the Mining and Logging sector fell 5.1 percent over the last twelve months as of August, the largest percentage decrease in employment among all sectors and a loss of 300 jobs.

Table 2. Change in Mississippi employment by industry, August 2025

	Relative share of total ^a	August 2025	July 2025	June 2024	Change from July 2025		Change from August 2024	
					Level	Percent	Level	Percent
Total Nonfarm	100.0%	1,205,500	1,202,800	1,189,300	▲2,700	▲0.2%	▲16,200	▲1.4%
Mining and Logging	0.5%	5,600	5,600	5,900	◀0	◀0.0%	▼300	▼5.1%
Construction	4.3%	53,600	52,000	50,800	▲1,600	▲3.1%	▲2,800	▲5.5%
Manufacturing	11.8%	140,300	140,900	141,100	▼600	▼0.4%	▼800	▼0.6%
Trade, Transportation & Utilities	20.7%	249,700	250,000	248,400	▼300	▼0.1%	▲1,300	▲0.5%
Retail Trade	11.6%	141,400	141,600	139,100	▼200	▼0.1%	▲2,300	▲1.7%
Information	0.8%	9,500	9,500	9,400	◀0	◀0.0%	▲100	▲1.1%
Financial Activities	3.8%	45,300	45,500	45,400	▼200	▼0.4%	▼100	▼0.2%
Services	38.1%	460,600	458,100	448,900	▲2,500	▲0.5%	▲11,700	▲2.6%
Professional & Business Services	10.0%	120,400	120,000	118,000	▲400	▲0.3%	▲2,400	▲2.0%
Educational Services	1.2%	14,700	14,700	13,500	◀0	◀0.0%	▲1,200	▲8.9%
Health Care and Social Assistance	12.1%	147,300	146,400	142,400	▲900	▲0.6%	▲4,900	▲3.4%
Arts and Entertainment	0.9%	10,400	10,400	10,300	◀0	◀0.0%	▲100	▲1.0%
Accommodation and Food Services	10.5%	126,800	126,000	124,900	▲800	▲0.6%	▲1,900	▲1.5%
Other Services	3.3%	41,000	40,600	39,800	▲400	▲1.0%	▲1,200	▲3.0%
Government	20.1%	240,900	241,200	239,400	▼300	▼0.1%	▲1,500	▲0.6%

^aRelative shares are for the most recent twelve-month average. Source: U.S. Bureau of Labor Statistics, Current Employment Statistics

MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES

Figure 24a. Nonfarm employment

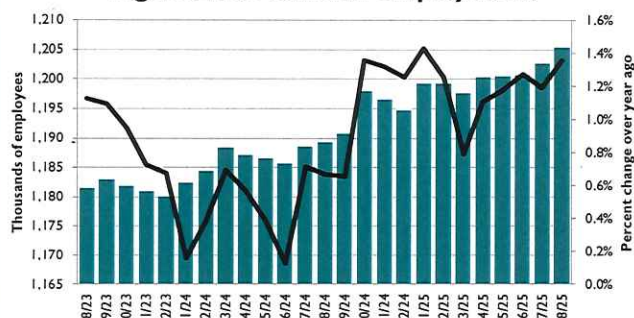


Figure 24b. Mining and Logging

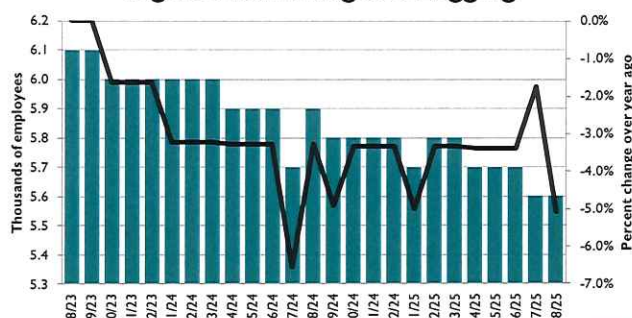


Figure 24c. Construction

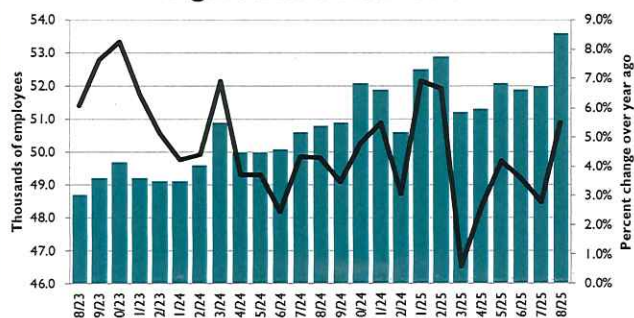


Figure 24d. Manufacturing

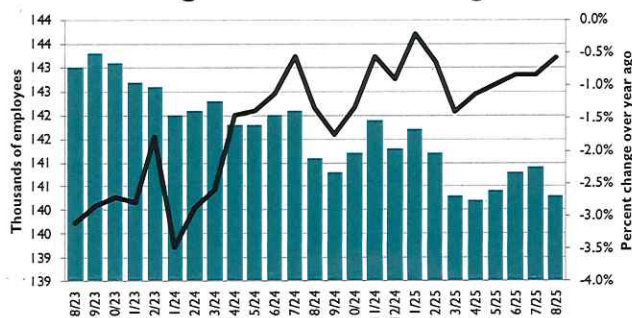


Figure 24e. Trade, transportation, and utilities

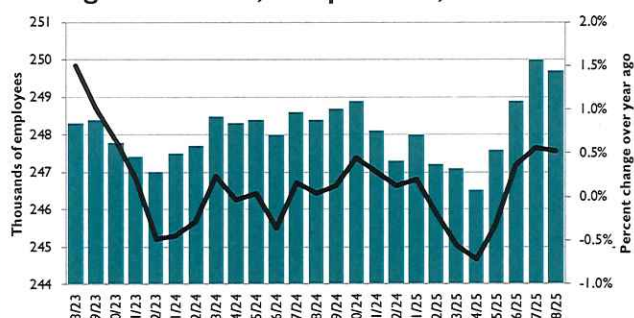


Figure 24f. Information

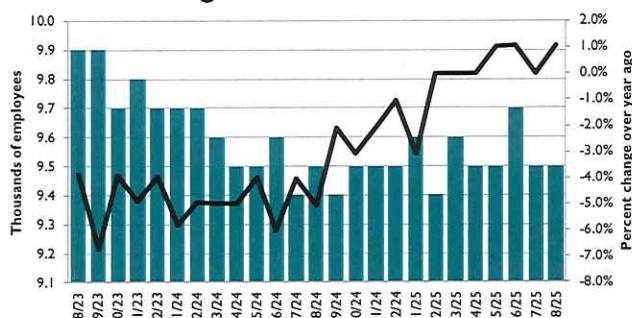


Figure 24g. Financial activities

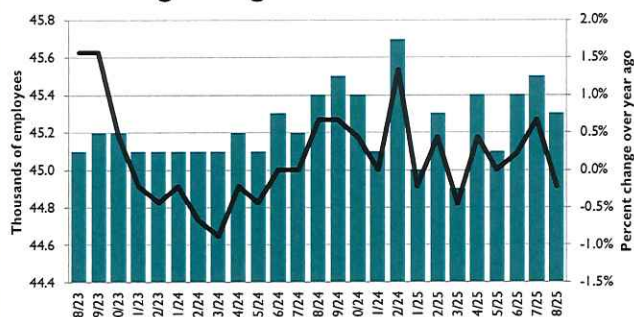
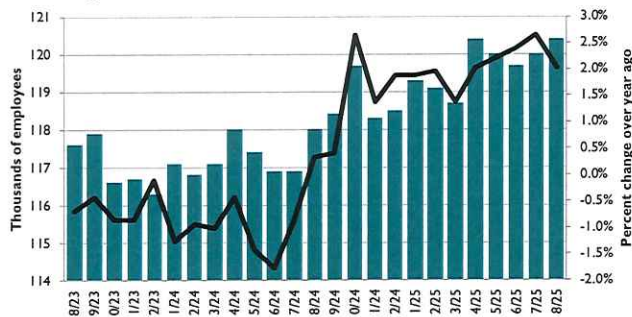


Figure 24h. Professional and business services



MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES (CONTINUED)

Figure 24i. Educational services

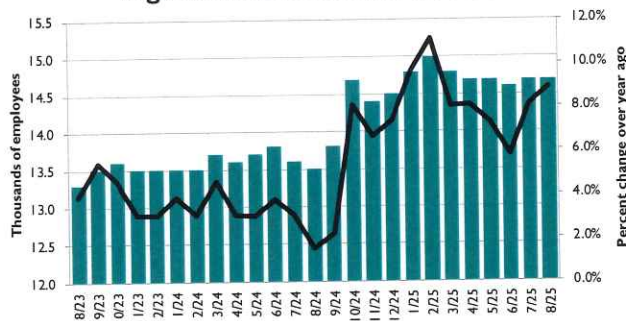


Figure 24j. Health care and social assistance

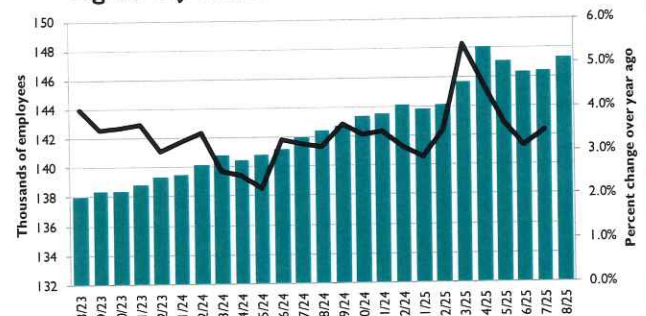


Figure 24k. Arts and entertainment

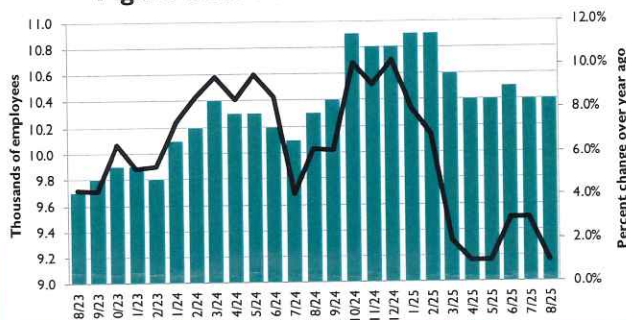


Figure 24l. Accommodation and food services

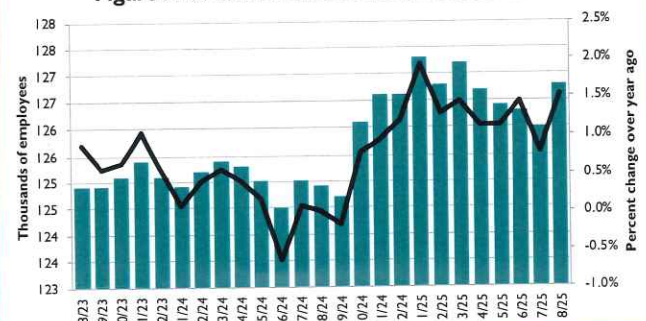


Figure 24m. Other services

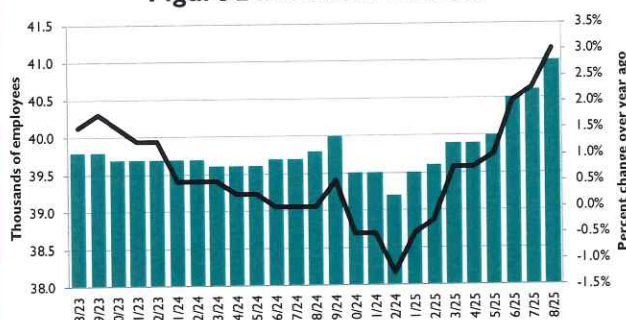


Figure 24n. Federal government

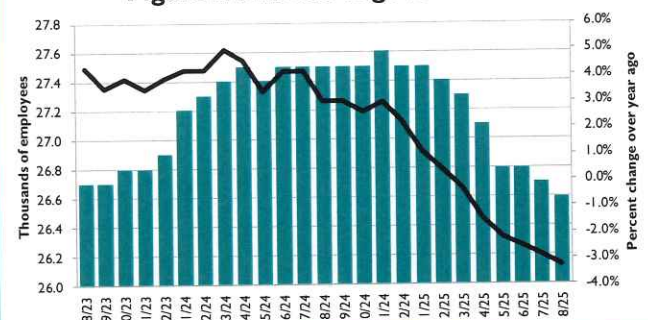


Figure 24o. State government

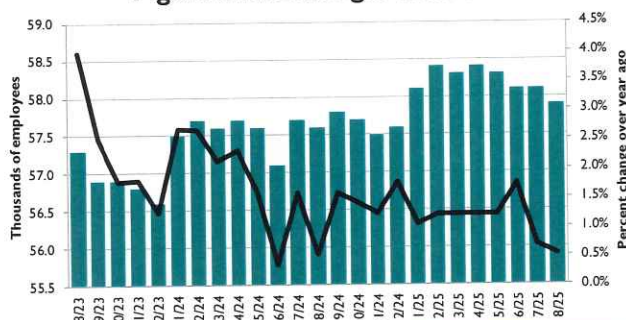
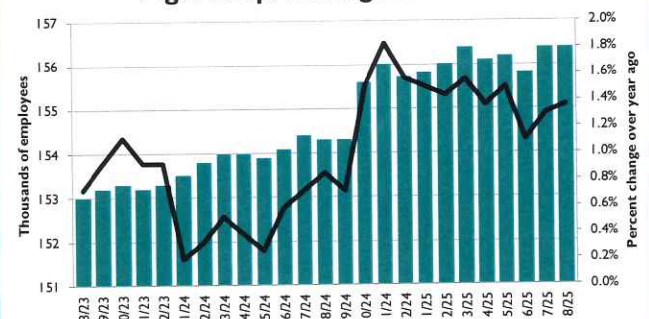


Figure 24p. Local government



Source: U.S. Bureau of Labor Statistics (all figures); seasonally adjusted

CHANGE IN REAL GDP BY STATE IN THE SECOND QUARTER OF 2025

In late September the U.S. Bureau of Economic Analysis (BEA) released annualized estimates of the change in real gross domestic product (GDP) by state for the second quarter of 2025. (An annualized estimate is the actual change multiplied by four.) In the second quarter real GDP expanded in forty-eight states. However, real GDP for Mississippi contracted at an annualized rate of -0.9 percent in the second quarter, which ranked forty-ninth among all states. BEA revised the change in Mississippi real GDP in the first quarter of 2025 down to an increase of 0.6 percent.

The contributions by sector to the 0.9 percent decrease in Mississippi's real GDP in the second quarter of 2025 are listed in Table 3 from largest to smallest. (BEA only includes the changes in major industries in its preliminary estimates.) The Manufacturing sector made the largest positive contribution among all sectors in the second quarter of 1.47 percentage points. The next largest contribution of 0.91 percentage point was made by the Finance, Insurance, Real Estate, and Rental and Leasing sector. The Professional, Scientific, and Technical Services sector made the next largest positive contribution of 0.34 percentage point. The next largest positive contribution to the change in the state's real GDP in the second quarter was made by the Wholesale Trade sector, which added 0.28 percentage point to growth. The

Information sector made the next largest positive contribution to the increase in real GDP of 0.19 percentage point. The next largest contribution of 0.16 percentage point was made by the Accommodation and Food Services sector. The Health Care and Social Assistance sector closely followed with a positive contribution of 0.14 percentage point. Four other sectors made positive contributions to the change in real GDP in the second quarter of less than 0.1 percentage point.

The Agriculture, Forestry, Fishing, and Hunting sector reduced real

GDP growth in Mississippi in the second quarter by -2.65 percentage points, by far the largest negative contribution among all sectors. The second largest negative contribution of -0.68 percentage point was made by the Government sector. The Retail Trade sector closely followed with the next largest negative contribution of -0.63 percentage point. The Utilities sector made the next largest negative contribution of -0.51 percentage point. Four other sectors made negative contributions in the second quarter that reduced real GDP growth by less than -0.10 percentage point.

Table 3. Contributions to percent change in Mississippi real GDP by sector, second quarter 2025

Sector	Percentage points
Manufacturing	1.47
Finance, insurance, real estate, and rental and leasing	0.91
Professional, scientific, and technical services	0.34
Wholesale trade	0.28
Information	0.19
Accommodation and food services	0.16
Health care and social assistance	0.14
Management of companies and enterprises	0.09
Mining, quarrying, and oil and gas extraction	0.09
Transportation and warehousing	0.04
Construction	0.03
Other services	-0.01
Educational services	-0.03
Arts, entertainment, and recreation	-0.04
Administrative and support and waste management	-0.07
Utilities	-0.51
Retail trade	-0.63
Government and government enterprises	-0.68
Agriculture, forestry, fishing, and hunting	-2.65
Total	-0.9%

Source: U.S. Bureau of Economic Analysis.

CHANGE IN REAL GDP BY STATE IN THE SECOND QUARTER OF 2025 (CONTINUED)

The annualized change in real GDP by state in the second quarter of 2025 according to BEA is depicted in Figure 25. North Dakota had the largest increase in real GDP in the second quarter among all states, as real GDP for the state expanded at an annualized rate of 7.3 percent. The next largest increase in real GDP in the second quarter occurred in Texas, where real GDP increased at an annualized rate of 6.8 percent. Kansas closely followed with an increase in real GDP in the second quarter at a annualized rate of 6.7 percent. The Mining sector made the largest contribution to growth in eight states, including North Dakota and Texas. The sector made positive contributions in

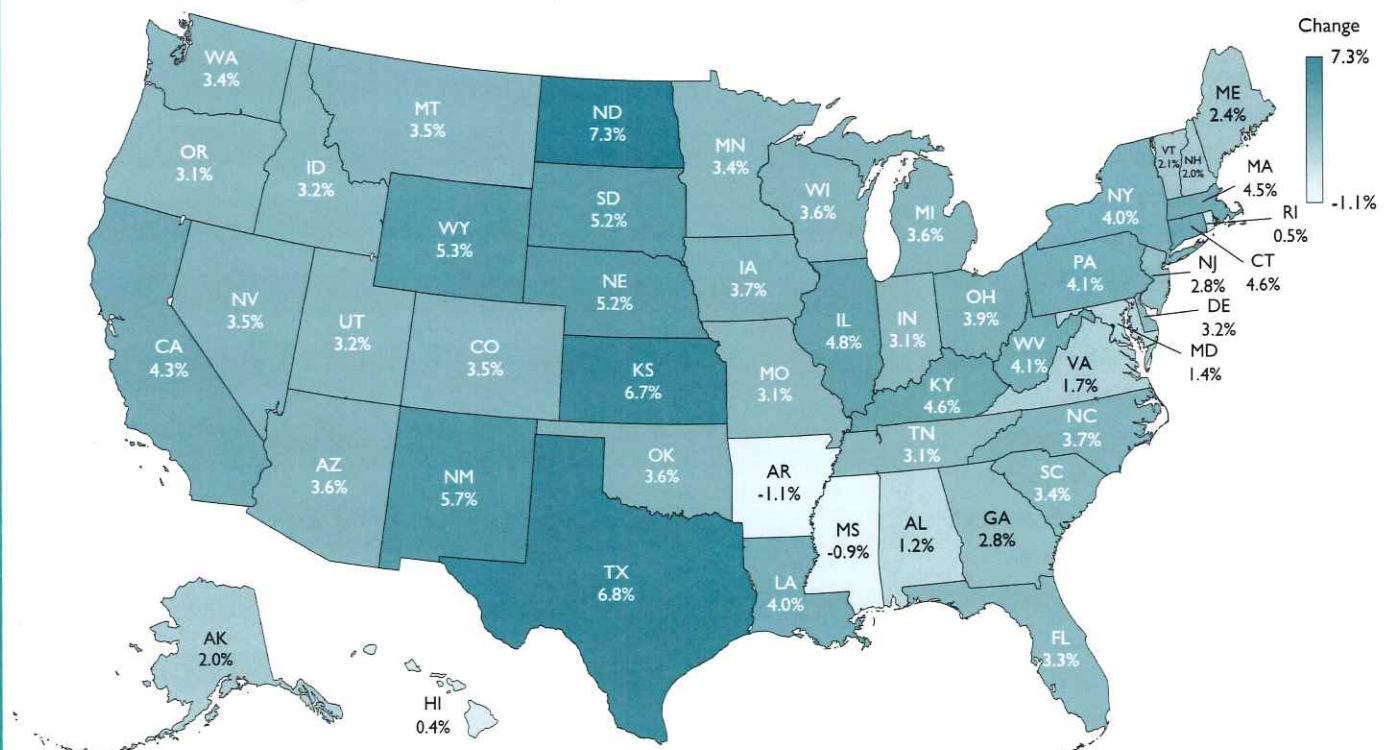
forty-five states. The Agriculture, Forestry, Fishing, and Hunting sector was the largest contributor to growth in six states, including Kansas. The sector was a positive contributor to growth in twenty-seven states. However, the Agriculture, Forestry, Fishing, and Hunting sector was also the largest negative contributor in six states. These states included Mississippi and Arkansas, the two states where real GDP contracted in the second quarter.

Nationally, the Finance and Insurance, Information, and Nondurable Goods Manufacturing sectors made the largest contributions to real GDP growth in the second quarter.

The Retail Trade sector made the largest negative contribution among all sectors nationally.

As discussed on page 1, in the second quarter U.S. real GDP expanded at an annualized rate of 3.8 percent. A substantial portion of this increase resulted from the large decrease in imports as firms and consumers brought purchases forward in an attempt to avoid potential price increases due to tariffs. These increases in imports should also be considered when viewing the state-level real GDP data for the second quarter.

Figure 25. Annualized percent change in real GDP by state, 2025Q2



Source: U.S. Bureau of Economic Analysis.