

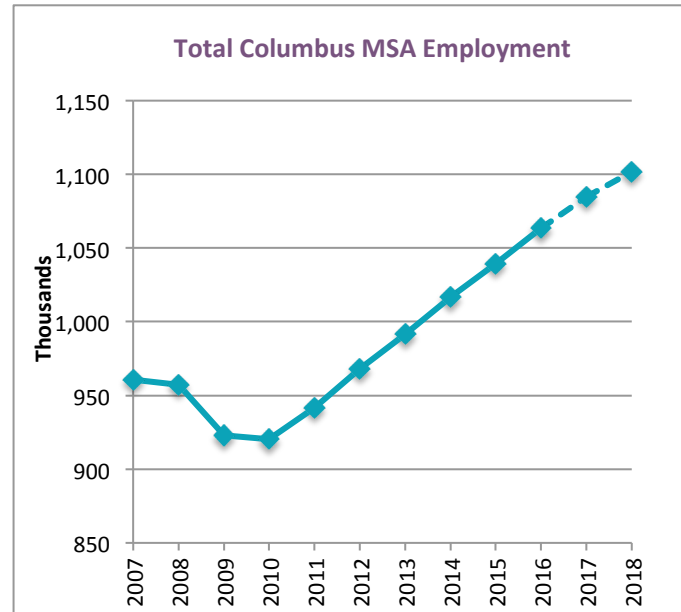
Columbus Forecast: Growth Continues to Exceed the U.S. Average

The Columbus MSA has enjoyed stronger-than-average growth throughout the expansion. This will continue in 2018 with growth of 1.8%, or 19,400 net new jobs. Employment should average around 1.1 million.

As currently estimated, MSA employment grew 2.0% in 2017 versus the 1.5% national average. This estimate is preliminary, and will be corrected in revisions to be released in March 2018. While analysis suggests that total employment may have been correctly estimated, several sectors seem to have been significantly misestimated. These sectors' employment totals are adjusted below.

U.S. employment growth is expected to slow from 1.5% in 2017 to around 1.4% in 2018 as the national economy moves closer to full employment.

Ohio job growth amounted to only 0.9% in 2017. Growth was dragged down by weakness in retail, transportation, business services, other services, and government.



2018 Regionomics® Columbus MSA Forecast

Sector	Percentage change, 2016-2017			MSA employment		MSA Change, 2017-18	
	MSA	Ohio	U.S.	2017	2018	Change	Pct.
Total	2.0%	0.9%	1.5%	1,084,800	1,104,100	19,400	1.8%
Construction and mining	6.5%	3.5%	2.9%	40,200	41,500	1,400	3.4%
Manufacturing	0.5%	0.6%	0.6%	72,400	72,800	300	0.5%
Wholesale trade	6.6%	2.8%	1.0%	45,100	45,400	300	0.7%
Retail trade	0.7%	(1.0%)	0.1%	103,900	104,300	400	0.4%
Transportation and utilities	2.9%	(0.1%)	1.6%	56,700	59,300	2,600	4.7%
Information	1.5%	0.2%	(1.7%)	17,200	17,200	100	0.4%
Financial activities	2.3%	2.2%	2.0%	84,400	86,800	2,400	2.8%
Professional and business services	2.4%	0.8%	2.9%	184,800	189,200	4,400	2.4%
Professional and tech. services	3.0%	1.6%	3.0%	65,200	67,200	2,000	3.0%
Management of companies	1.4%	0.6%	1.7%	37,400	38,300	900	2.4%
Admin. support and waste svcs.	2.3%	0.3%	3.1%	82,200	83,700	1,600	1.9%
Education and health services	1.7%	2.1%	2.2%	158,700	161,600	2,900	1.9%
Private educational services	1.8%	4.1%	2.4%	21,800	22,000	200	1.0%
Healthcare and social services	1.6%	1.8%	2.2%	136,900	139,600	2,700	2.0%
Leisure and hospitality	1.5%	1.9%	1.8%	106,900	108,200	1,200	1.1%
Other services	(2.1%)	0.2%	1.3%	40,200	39,900	(300)	(0.9%)
Government	2.1%	(0.5%)	0.5%	174,300	177,900	3,700	2.1%
Federal government	0.4%	0.5%	0.6%	14,400	14,500	100	1.0%
State government	2.9%	(1.9%)	0.1%	75,500	77,300	1,800	2.4%
Local government	1.7%	(0.1%)	0.6%	84,400	86,100	1,700	2.0%

Regionomics estimates of 2017 MSA employment in blue. Employment totals and changes rounded to the nearest hundred.

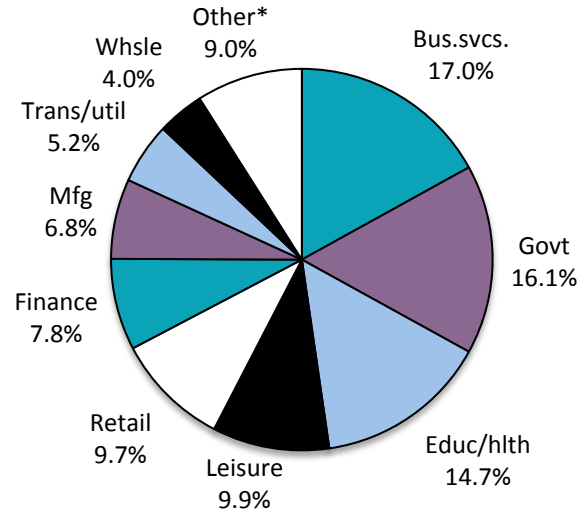
About this Forecast and Regionomics®

This is the 19th annual Columbus MSA forecast by Bill LaFayette, Ph.D., founder and owner, Regionomics® LLC. Regionomics is a Columbus-based economic and workforce strategy firm focusing on community and regional economies, employment analysis and forecasting, fiscal analysis, and economic and workforce policy.

Dr. LaFayette has more than 20 years of experience in Central Ohio economic development. Before founding Regionomics in 2011, he spent 12 years as vice president of economic analysis at the Columbus Chamber and four years with Rickenbacker Port Authority. Previously he served on the finance and real estate faculties of Ashland University and the University of North Texas.

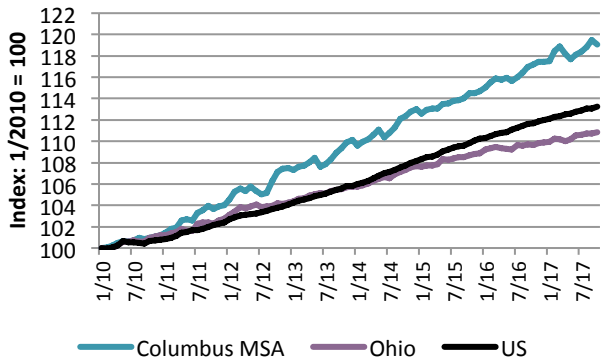
Please contact Regionomics at 614.443.3992 or info@regionomicsllc.com. You can also follow Bill by liking the Regionomics LLC page on Facebook. Learn more about Regionomics at regionomicsllc.com.

Columbus MSA Employment Distribution



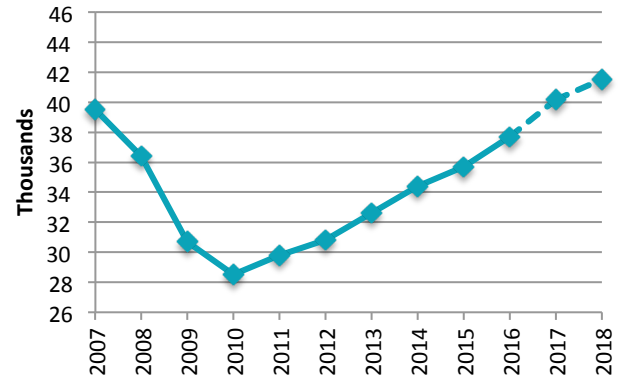
*Other services, construction, and information.

Cumulative Growth, Jan. 2010 - Oct. 2017



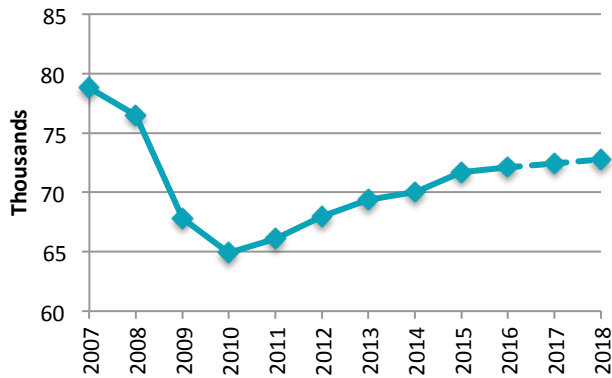
Based on current estimates, Columbus MSA employment has increased 19.1% (174,400 jobs) since the Jan. 2010 employment trough, far more than Ohio (10.8%) and the U.S. (13.3%).

Construction Employment



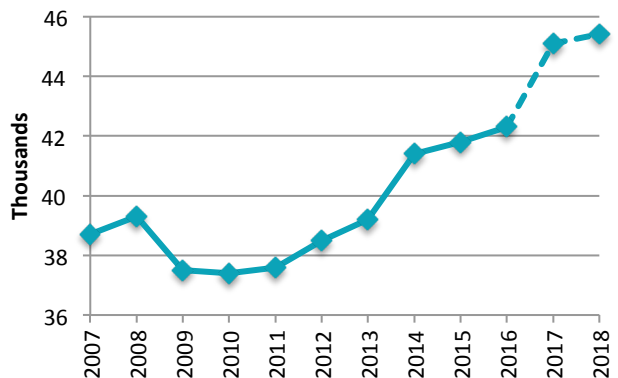
Construction was one of the sectors that was likely overestimated, so the initial employment estimate is cut by 1,400. Regardless, the sector's growth since 2010 has been nearly twice the national average.

Manufacturing Employment



Columbus manufacturing employment in 2017 was almost certainly overestimated. This forecast reduces reported 2017 employment by 4,000 and predicts a gain of 300 from that level in 2018.

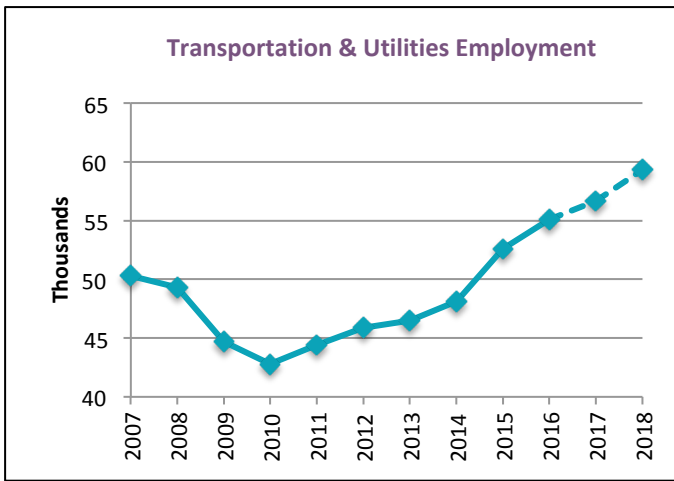
Wholesale Trade Employment



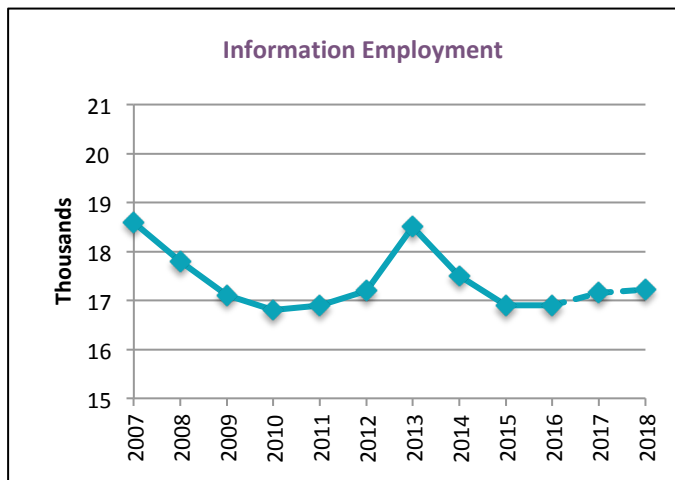
Wholesale, retail, and transportation together seem to have been underestimated in the preliminary employment totals. Wholesale trade is increased by 700. The sector is expected to digest its earlier gains in 2018.



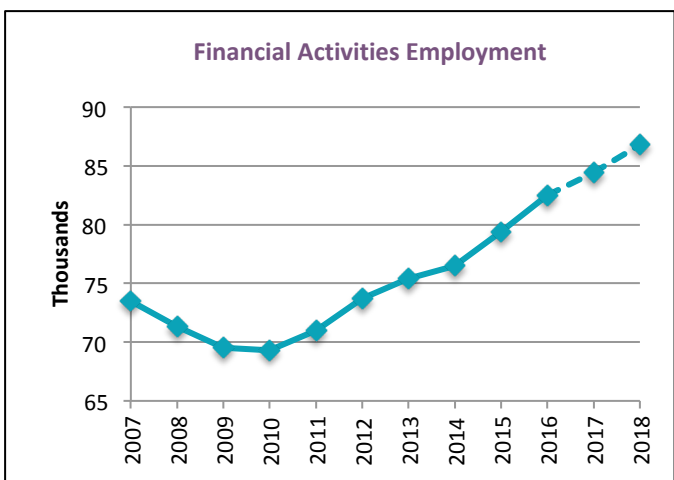
Retail's growth was weak locally and nationally in 2017, but the reported 0.7% Columbus decline is probably incorrect, so 1,400 is added to the 2017 estimate to give a small gain. Another small gain is possible in 2018.



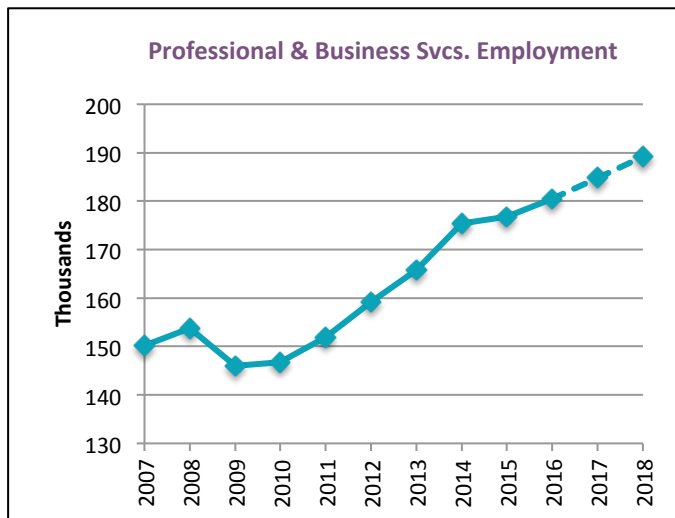
This sector is 93% transportation and warehousing, and has been especially strong since 2014. The 2017 government estimate produces an unlikely 0.1% gain, so that estimate is increased by 1,800.



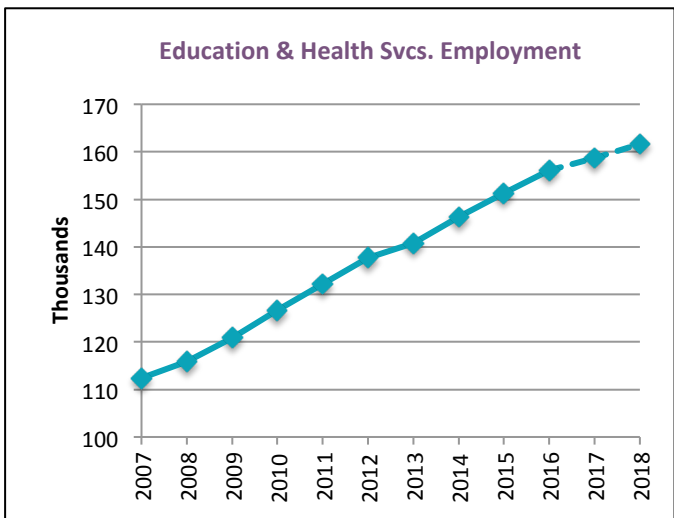
The 1,300-job spike in 2013 information employment may have been due to classification changes. The expectation is for a 0.4% gain in this small sector in 2018.



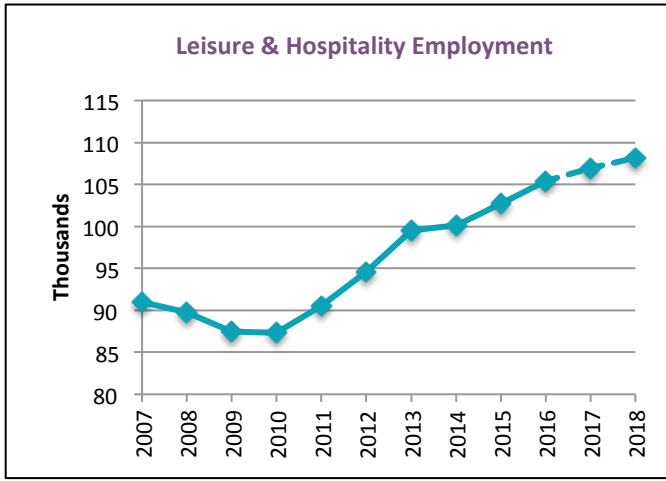
Financial activities employment was likely understated in 2017, so is increased by 1,400. The resulting growth was greater than average, and should again be greater than average in 2018.



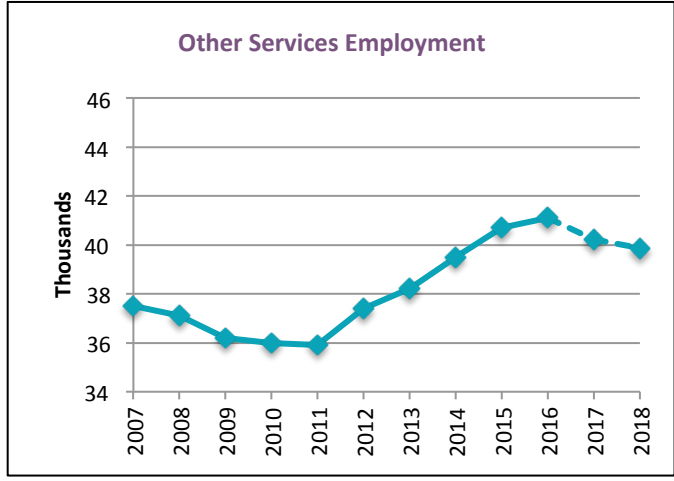
While the professional and technical segment's growth has been close to the national average, both headquarters and administrative support (including all temporary employment) have been underperforming.



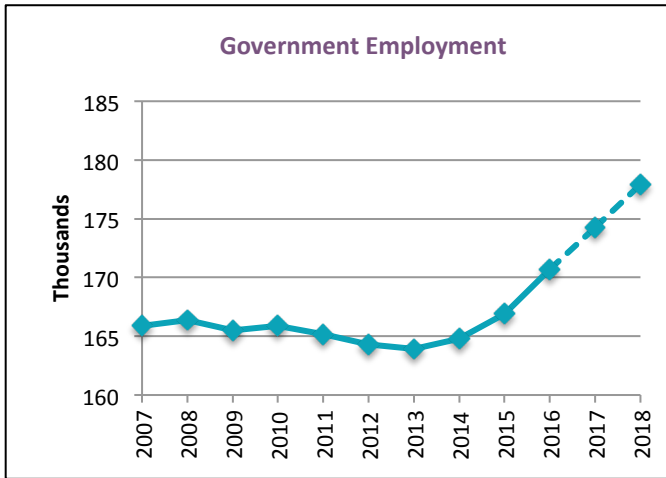
The education and health sector's 15 years of above-average growth seem finally to be ending. Average growth is predicted for 2018. Only private education is included here, so the sector is 87% healthcare.



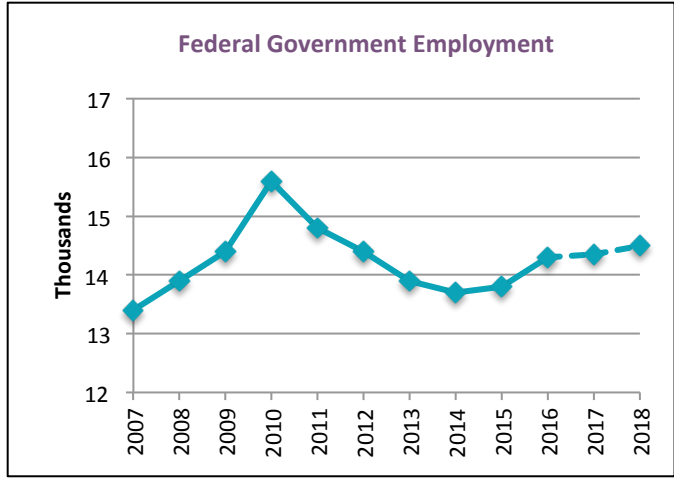
The leisure and hospitality sector may have overexpanded. Earlier strength gave way to below-average growth beginning in 2014. This relatively slow growth should continue in 2018.



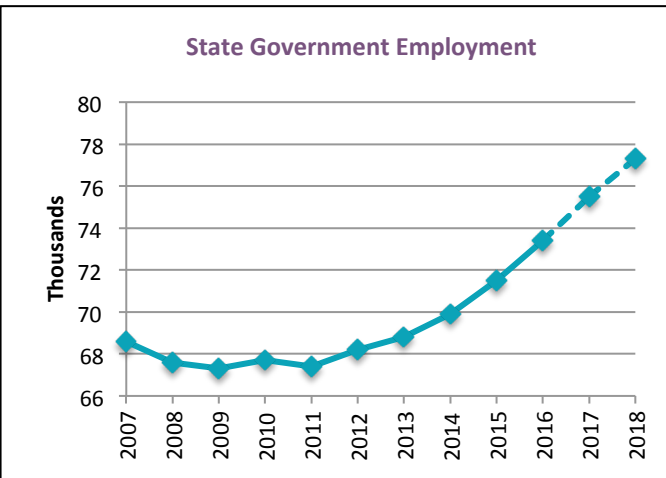
Earlier strength in the miscellaneous other services category has given way to stagnation. The locally-serving personal and repair services segments may have overheated.



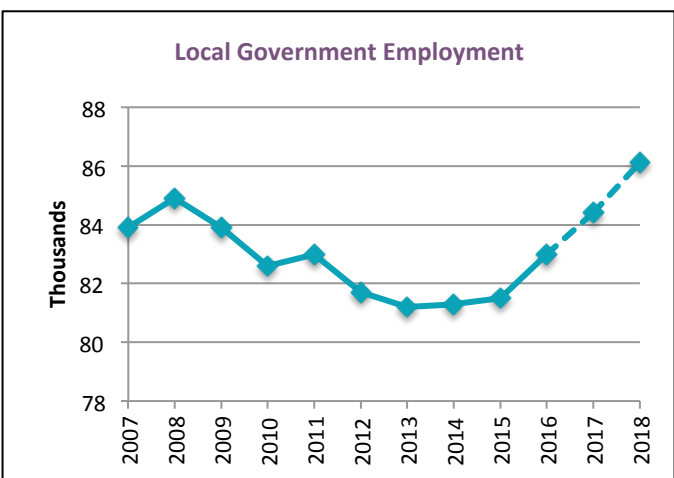
Government employment in total is probably estimated correctly, but evidence suggests that each of the segments – federal, state, and local – is misestimated. Segment totals are thus reallocated.



Preliminary estimates to the contrary, the federal employment decline that is typical in the first year of new administrations seems not to have occurred in 2017. The preliminary 2017 estimate is increased by 200.



Although Ohio government employment fell statewide, it increased locally. The share of state employment in central Ohio has increased since 2012. The preliminary 2017 state employment estimate is reduced 1,100.



Local governments seem to have adjusted to state funding cuts over the past six years, and are now hiring to meet the needs of a growing population. Local government employment for 2017 is increased 900.