Can Manufacturing Lead The Way?

STEVE COCHRANE, MANAGING DIRECTOR
**U.S. Manufacturing Increasingly Competitive**

Unit labor costs, manufacturing, U.S. dollars, % chg, 2000 to 2010

Australia, Italy, Norway, Spain, Canada, Denmark, Belgium, France, Netherlands, Germany, Finland, U.K., Sweden, Korea, Singapore, Japan, Taiwan, U.S.

Sources: BLS, Moody's Analytics
And The Midwest Gains Ground on Competitor

Business costs, U.S.=100

Source: Moody’s Analytics
Great Talent in Midwest and Parts of Northeast

Slack index components: (1) % adults with some college or more, (2) % mfg emp., (3) mfg emp. losses since 2000, (4) unemployment rate

Sources: BLS, Census Bureau, Moody’s Analytics
Manufacturing Boosts Midwest Labor Market

Manufacturing employment

% of total employment, Mar 2012

% of total job growth since trough - Feb 2010

Sources: BLS, Moody’s Analytics
Northeast Capitalizes on High-Skilled Workforce

High-tech employment, by metropolitan area

- Manchester
- Albany
- Bridgeport
- Long Island
- Springfield
- Boston
- Hartford
- Rochester
- Harrisburg
- New York City
- U.S.
- Pittsburgh
- Buffalo
- Trenton
- Philadelphia

Sources: BLS, Moody’s Analytics
Making More With Less…

U.S. Manufacturing

Sources: BLS, Moody’s Analytics
Strongest Productivity Growth in the West

Real manufacturing output per worker, $ ths

- **West**: 180
- **South**: 140
- **Northeast**: 120
- **Midwest**: 110

Sources: BLS, Moody’s Analytics
Select Industries Have Had to Hire Everywhere

Manufacturing employment, % change from trough

Sources: BLS, Moody’s Analytics
Manufacturing Employment—Midwest

MSA vs. Central County

2011Q2, % chg yr ago

West North Central

East North Central

St. Louis

MSA

Moody’s Analytics
Total Employment—Midwest

MSA vs. Central County

2011Q2, % chg yr ago

West North Central

East North Central
Total Employment—Northeast

MSA vs. Central County

2011Q2, % chg yr ago

Middle Atlantic
New England
South Atlantic

Central County

MSA

Albany
Lancaster
Springfield
Portland
Philadelphia
New York
Bridgeport
Boston
Pittsburgh
Allentown

New Haven
Worcester
Rochester
Scranton
Poughkeepsie
Syracuse
Harrisburg
Providence
Buffalo
Hartford
## Durables, Chemicals, Food Support Midwest

Industries driving manufacturing employment growth, 10q2-11q2

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<th>Central County in Metro Area…</th>
<th>Machinery</th>
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Durables, Chemicals, Food Support Midwest Industries driving manufacturing employment growth, 10q2-11q2

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**Broad Set of Industries Support Northeast**

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