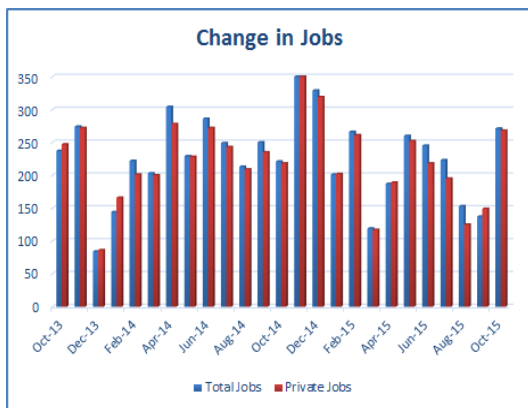


ECONOCAST™ UPDATE – November 9, 2015

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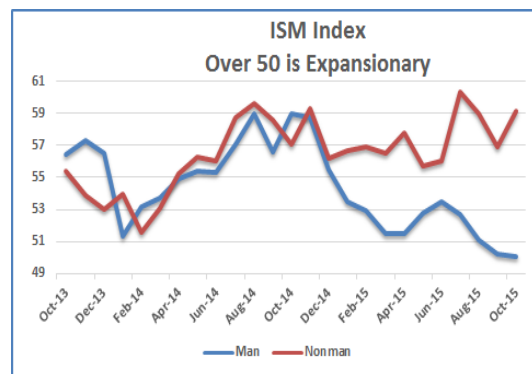
U.S. Economy – Job Growth Soars

Job growth jumped to 271,000 in October following two surprisingly weak months. October's report reverses the notion that job growth was slowing. Every major sector, except for mining and oil production, had job gains. Domestic services and construction were the biggest gainers. As the U.S. labor market approaches full employment, wage gains accelerated to a 2.5% pace well above the 2% growth which has characterized the last six years of this recovery. Wage gains were even stronger in retailing and construction where the job markets are very tight. Average hours also increased pointing to stronger gains ahead.



There was more good news from the ISM surveys, particularly for the

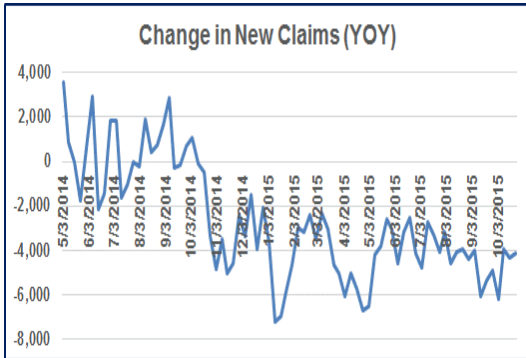
nonmanufacturing sector. The nonmanufacturing index soared to 59.1 in October from 56.9 last month. Since the nonmanufacturing sector accounts for 88% of GDP, these gains more than offset the slow pace of manufacturing. But, even factory conditions held up well in October with the ISM index slipping only a bit to 50.1 and remaining in positive territory, albeit just barely. But the survey did find inventory levels were down and orders were up. With near record breaking vehicle sales domestic demand should boost manufacturing soon.



The rebound in employment coupled with the strong ISM reports will likely allow the Fed to finally raise the funds rate at their December meeting. The futures market handicaps the odds of an increase at nearly 70%.

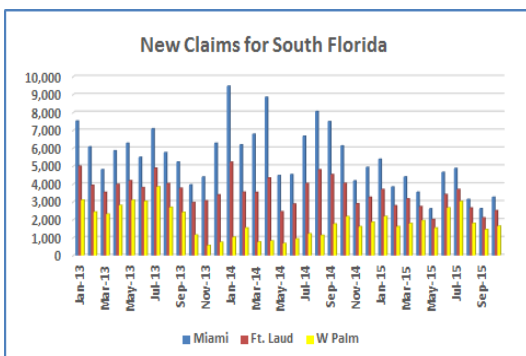
Florida Economy: New Claims Falling

Florida's labor market is signaling strong job growth ahead. New claims for unemployment compensation have been falling steadily since the middle of last year. New claims averaged 8,517 for the four weeks ending 10-24-15, and they are down by -33% compared to last year.

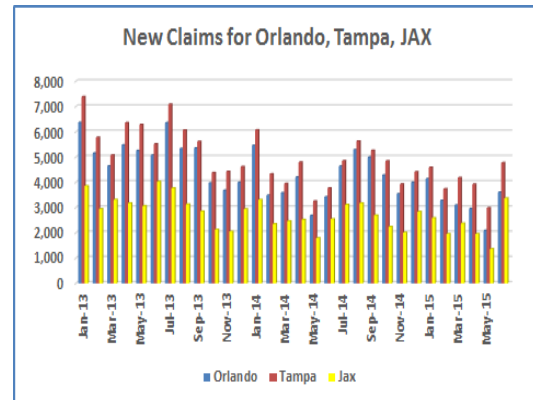


The low level of new claims combined with their continuing contraction points to very strong hiring in Florida. Job growth is running at about 290,000 on a year over year basis. The next jobs report will come out November 20th.

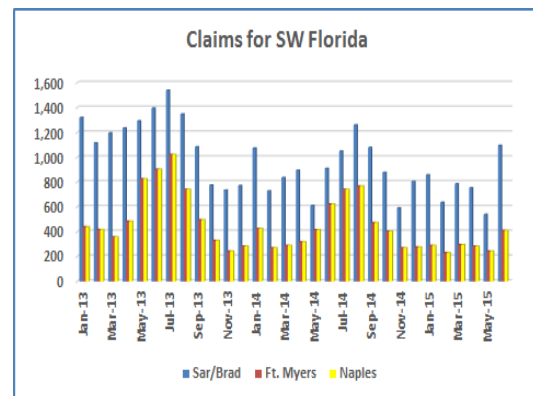
Miami-Dade's job market has strengthened dramatically over the last 12-months. Compared to last October new claims are down 47%, which is the most for any major metro area. Claims were also down in Ft. Lauderdale by 38% and by 24% in West Palm over the last year.



Claims were also down sharply in Orlando, Tampa Bay, and Jacksonville by 34%, 22% and 32% respectively. Job gains have been particularly strong in these metro areas lately, so it is no surprise the new claims have not fallen further since there is not much lower for them to go.



Claims are also down across Southwest Florida by 32% in Sarasota/Bradenton, 27% in Ft. Myers and 41% in Naples. Given the battering these economies endured during the Great Recession, the rebound has been strong, but they still have a way to go to reach full recovery in their labor markets.



With the stronger prospects for the U.S. job market and the encouraging trajectory for new claims in Florida, the stage is set for a very positive job report for Florida.