



# The Northwest Indiana COINCIDENT INDEX

## June 2015 Quarterly Summary

The Northwest Indiana Coincident Index grew strongly during the second quarter of 2015, ending at a value of 140.8, up 0.3 points from last month and up 0.9 points from last quarter (+0.72%). Despite these gains, the index is only now returning to its start of the year level. The forecast for the regional economy over the next six months continues to be optimistic with moderate growth approaching 2%.

The improvement over the last three months was driven primarily by strong growth in the job market and steel production. In this second quarter, the regional economy added 6,500 jobs or expanded by +2.4%. The region now employs 279,300 workers and has successfully recovered more than 75% of the jobs lost during the great recession. While steel production still remains significantly lower following a sharp decline in February, production is rising and was 4.5%

### Q2 Leading Economic Indicators

Manufacturing Index	↑ 3.9%
Housing Market Index	↑ 15.4%
Transportation Index	↓ 6.4%
U.S. Leading Index	↑ 2.0%
Interest rate spread at:	-2.66

higher in June than March. Retail sales rose slightly in the second quarter (+1.5%) while average manufacturing hours worked remained stable at 41.8 hours/week. The slight decline the regional economy saw in the first quarter of 2015 appears to be over and we are on track for further growth.

At the end of the second quarter most leading economic indicators were promising. Both the Housing Market Index and U.S. Leading Index grew significantly and are at their highest level since before the great recession. For the last three months the interest rate spread has remained negative and uncharacteristically stable.

In the second quarter of 2015 the Northwest Indiana Economy grew at a rate of 0.72%. This growth was slightly better than the national average of 0.69% but significantly worse than the 1.84% growth experienced by the state of Indiana over the same time period. As a result of the growth in the components of the index and the leading economic indicators, the economic forecast for the region is for moderate growth of close to 2% over the next six months.

### What is the NWI Coincident Index?

The Northwest Indiana Coincident Index measures the current pulse of the economy in Northwest Indiana and forecasts future growth for the region. The Coincident index is modeled after State and National coincident indices published by the Federal Reserve Bank of Philadelphia. For additional information about the NWI Coincident Index as well as past releases please visit:

[www.iun.edu/business/nwi/](http://www.iun.edu/business/nwi/)

*The views expressed in this report are those solely of the authors and do not reflect the official views of the School of Business and Economics or Indiana University Northwest*

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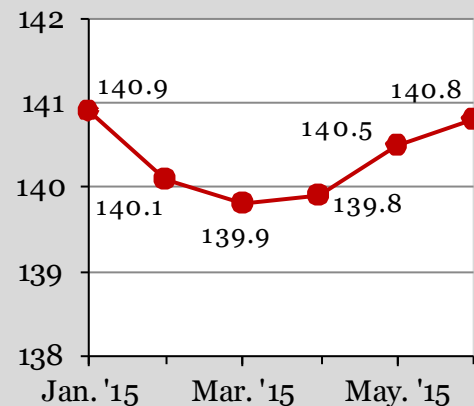
**140.8**  
**(+0.3)**

Index  
Value  
(change)

**Moderate  
Growth**  
**(+1-2%)**

Six month  
Forecast

### Previous six months



### Questions & Comments?

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