

Cochise College

Center for Economic Research

Robert Carreira, Ph.D.



**COCHISE
COLLEGE**

Who we are

- Department of Cochise College
- Personnel
 - Dr. Robert Carreira, Director
 - Iris Routhieaux, Research Assistant
 - Unpaid interns

What we do

- Economic outlook luncheons & publications
- Sponsored research/special studies (economic information, analysis & forecasting)
- State data center affiliate
- Community projects, task forces, committees, boards, panels, partnerships, etc.

What else we do...

- Educate community about the economy (speaking engagements, respond to requests for info, etc.)
- Weekly newspaper column
- Radio show ('The Friday Report')
- Website and Facebook page

Our customers

- Government
- Business
- Nonprofits
- Developers
- Media
- Students
- Residents

Who pays for all this?

We are required to raise our own operating budget

- Sponsorships
- Event attendance
- Sponsored research
- Donations/gifts

Why we do it

- Help business and community leaders make better-informed decisions
- Educational mission of the college
- Community outreach

Douglas

Economic Outlook 2014

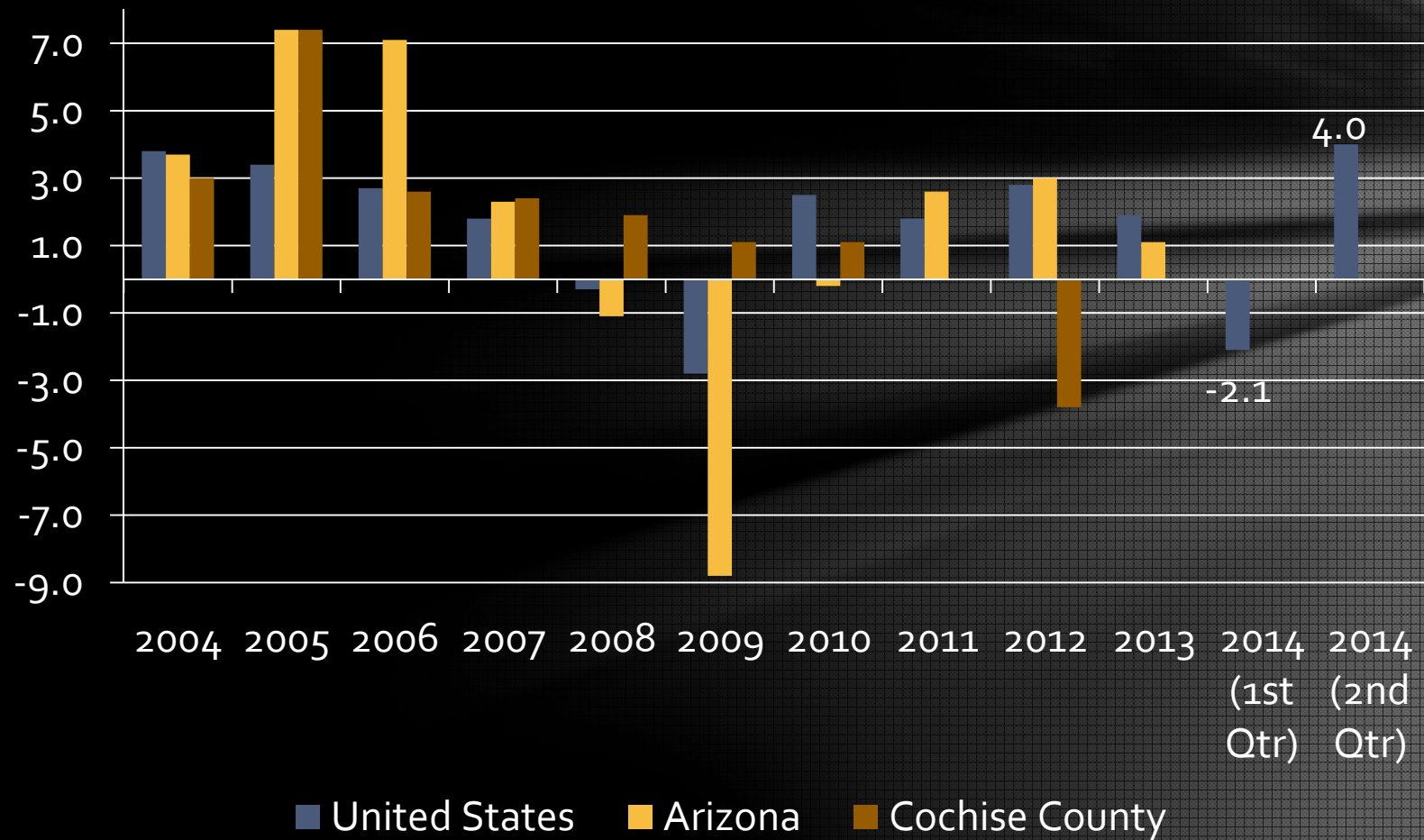
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Real GDP Growth (%)



Jobs

	United States	Arizona	Cochise County
Pre-Recession High	138.4 mil (Jan 08)	2.69 mil (Oct 07)	39,150 (Oct 06)
Recessionary Low	129.7 mil (Feb 10)	2.37 mil (Sep 10)	33,650 (Jun 14)
Recessionary Job Losses	-8.7 mil -6.3%	-312,600 -11.6%	-5,500 -14.0%
Current (Jun 2014)	138.8 mil	2.55 mil	33,650
From High	+415,000 0.3%	-133,100 -5.0%	-5,500 -14.0%
From Low	+9.1 mil 7.0%	+179,500 7.6%	0 0%
Jobs Needed for 5% Unemployment	1.7 mil 1.2%	58,400 2.3%	2,144 6.4%

Cochise County Jobs by Industry

	Peak	Current (Jun 2014)	Change from Peak	Change from Peak (%)
Construction (<i>incl. mining</i>)	2,900 (Jun 2006)	1,150	-1,750	-60.3%
Manufacturing	925 (Oct 2005)	525	-400	-43.2%
Trade, Transportation, and Utilities	7,075 (Dec 2006)	5,875	-1,200	-17.0%
Information	675 (Aug 2009)	350	-325	-48.1%
Financial Activities	1,150 (Jul 2007)	1,000	-150	-13.0%
Professional and Business Services	6,100 (Dec 2009)	3,875	-2,225	-36.5%
Educational and Health Services	5,025 (Mar 2012)	4,775	-250	-5.0%
Leisure and Hospitality	4,325 (Apr 2008)	3,725	-600	-13.9%
Other Services	1,100 (Mar 2004)	900	-200	-18.2%
Federal Government	5,975 (Jun 2006)	5,300	-675	-11.3%
State and Local Government	7,700 (Jun 2008)	6,175	-1,525	-19.8%

Unemployment

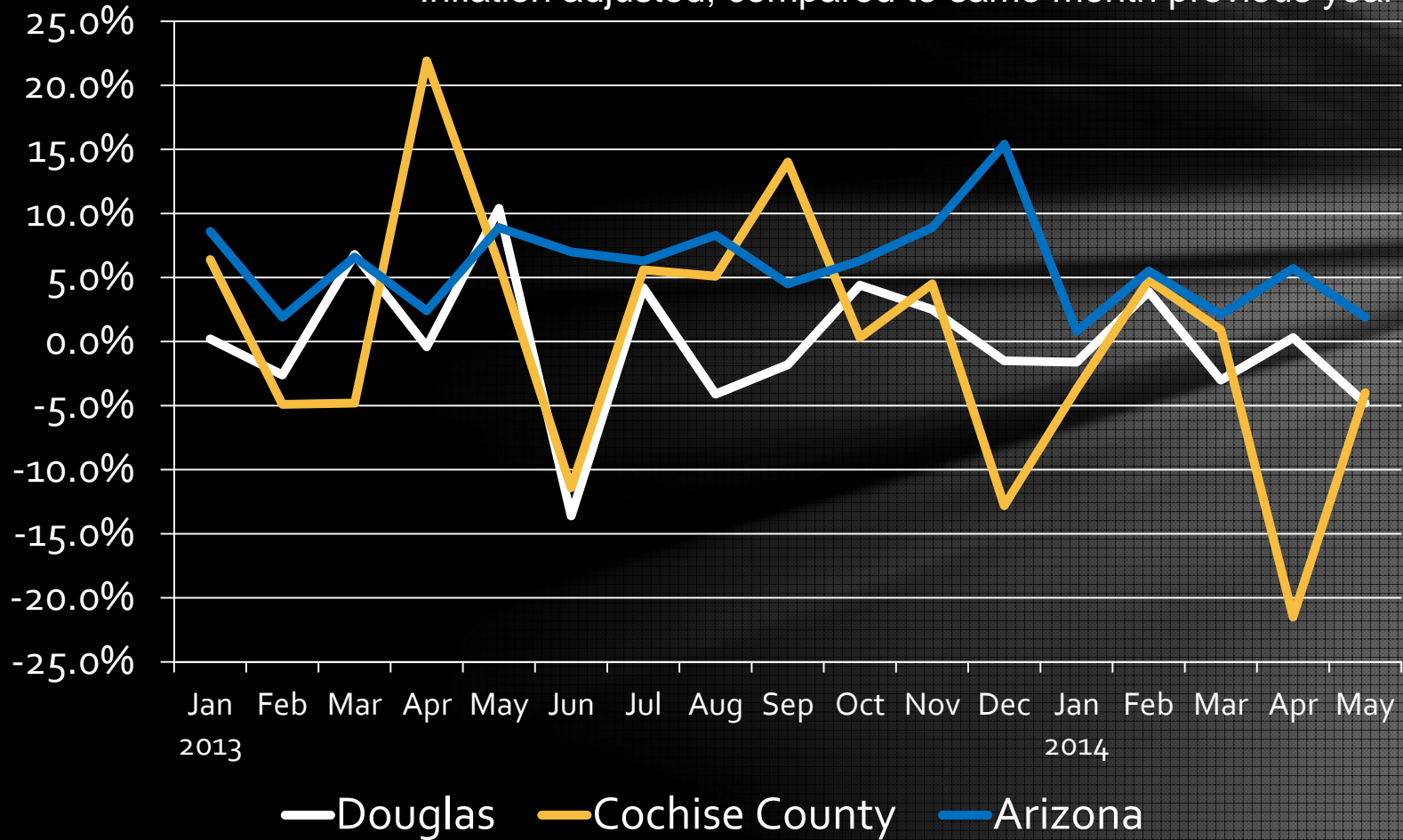
	Pre-Recession Low	Recessionary High	One Year Ago (June 2013)	Current (June 2014)
United States	4.4% (May 2007)	10.0% (Oct 2009)	7.5%	6.1%
Arizona	3.5% (Jul 2007)	10.8% (Jan 2010)	8.1%	6.9%
Cochise County	3.4% (May 2007)	9.4% (Oct 2013)	8.9%	8.6%
Douglas	5.3% (May 2007)	12.6% (Oct 2013)	12.0%	11.6%

Local Labor Market Outlook

- Upside
 - Increase in border crossings
 - Potential increase in border protection mission
 - Expansion of port of entry
- Downside
 - Fort Huachuca
 - Government (federal, state & local)
 - Population declines

Retail Sales

Inflation adjusted; compared to same month previous year



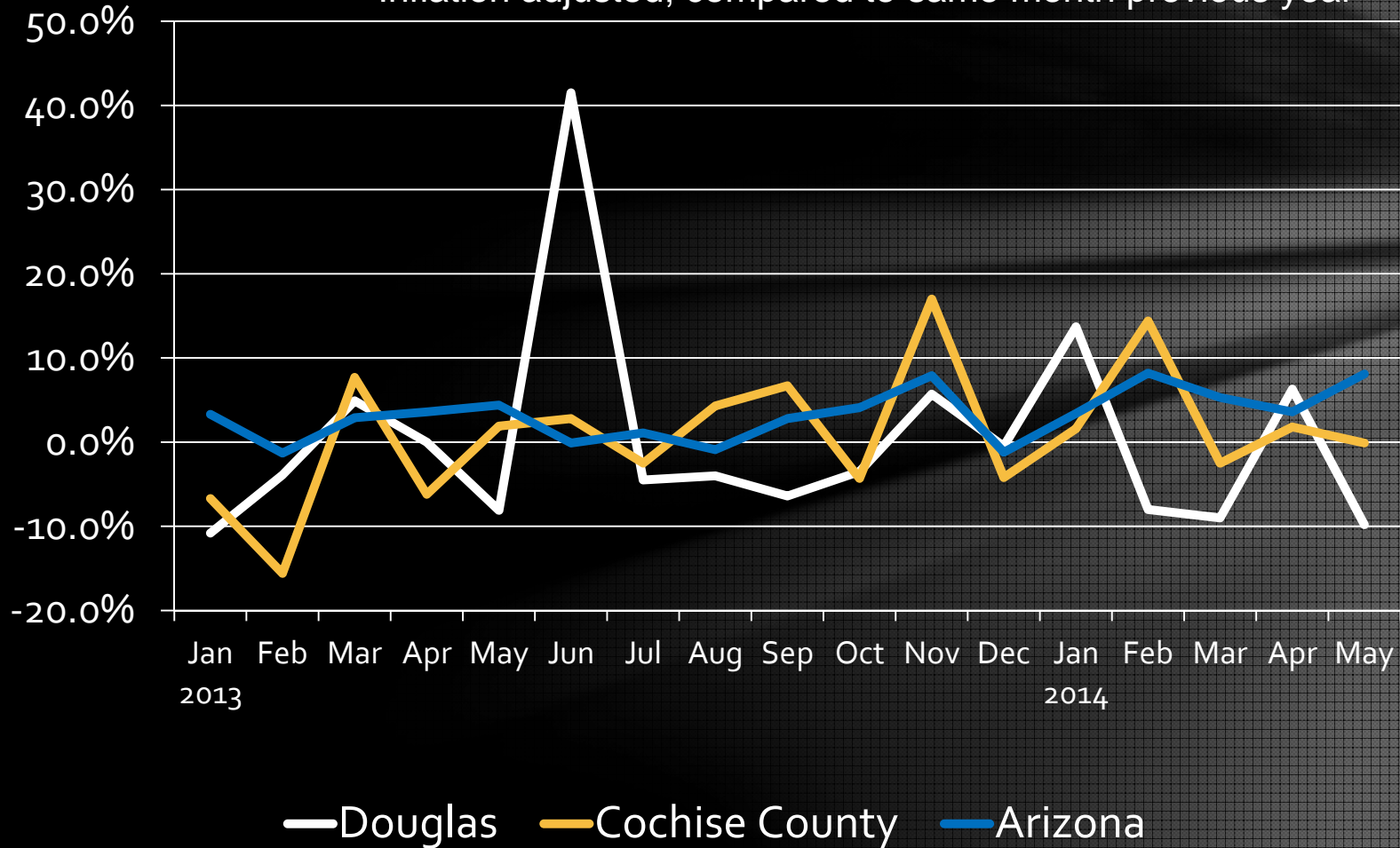
Retail Sales

	Douglas	Cochise County	Arizona
2014 (Jan-May)	-1.2%	-5.6%	3.2%
2013	0.1%	1.5%	7.3%
2012		4.5%	
2011		-1.2%	
2010		-4.8%	
2009		-4.2%	
2008		-6.5%	
2007		-1.3%	

Inflation-adjusted to CPI-U

Restaurant & Bar

Inflation adjusted; compared to same month previous year



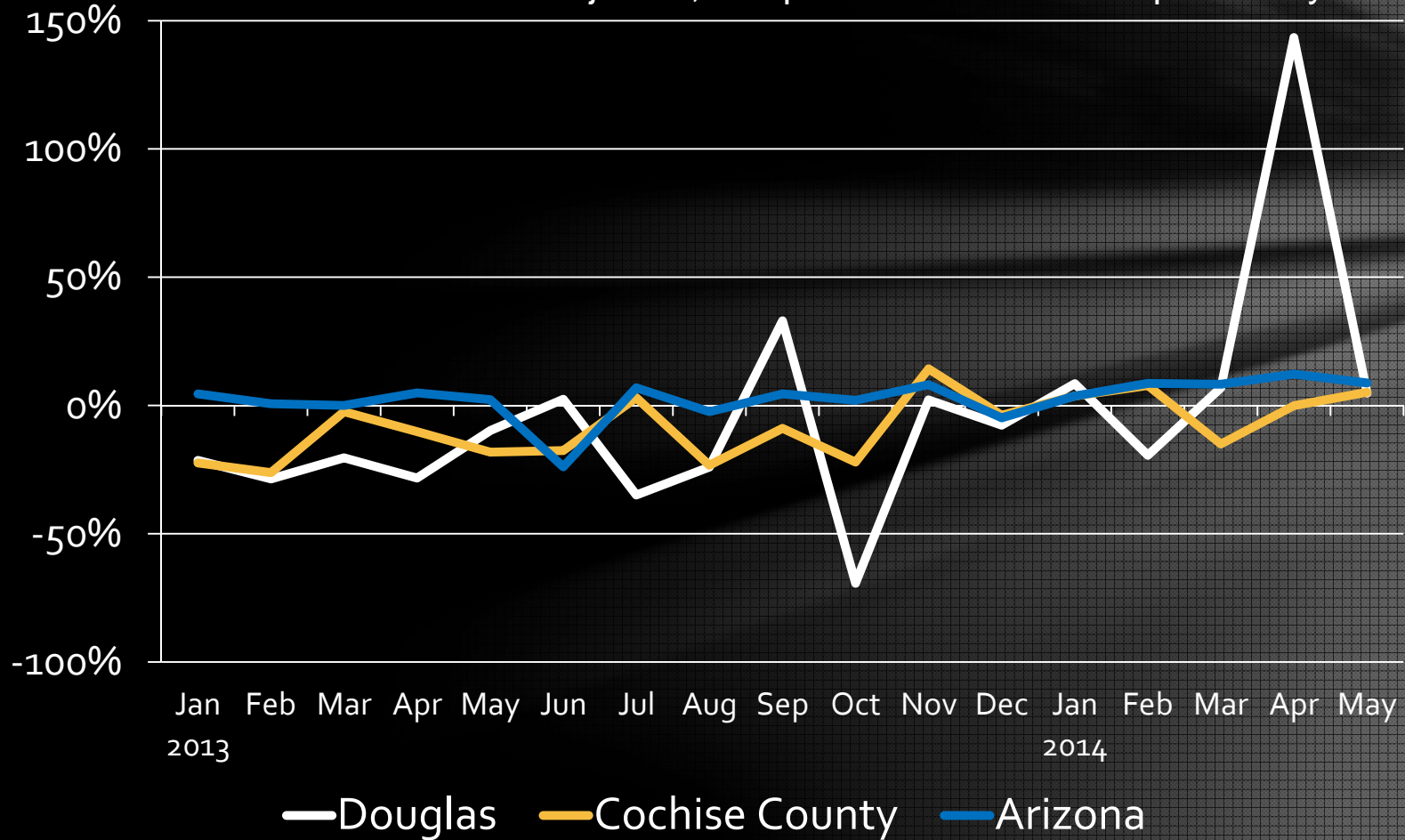
Restaurant & Bar

	Douglas	Cochise County	Arizona
2014 (Jan-May)	-2.3%	3.5%	5.7%
2013	1.3%	-0.5%	2.2%
2012	3.2%	-4.4%	
2011	12.9%	-0.2%	
2010	-1.2%	0.0%	
2009	0.4%	0.3%	
2008	-7.7%	0.2%	
2007	-2.9%	0.1%	

Inflation-adjusted to CPI-U

Accommodation

Inflation adjusted; compared to same month previous year



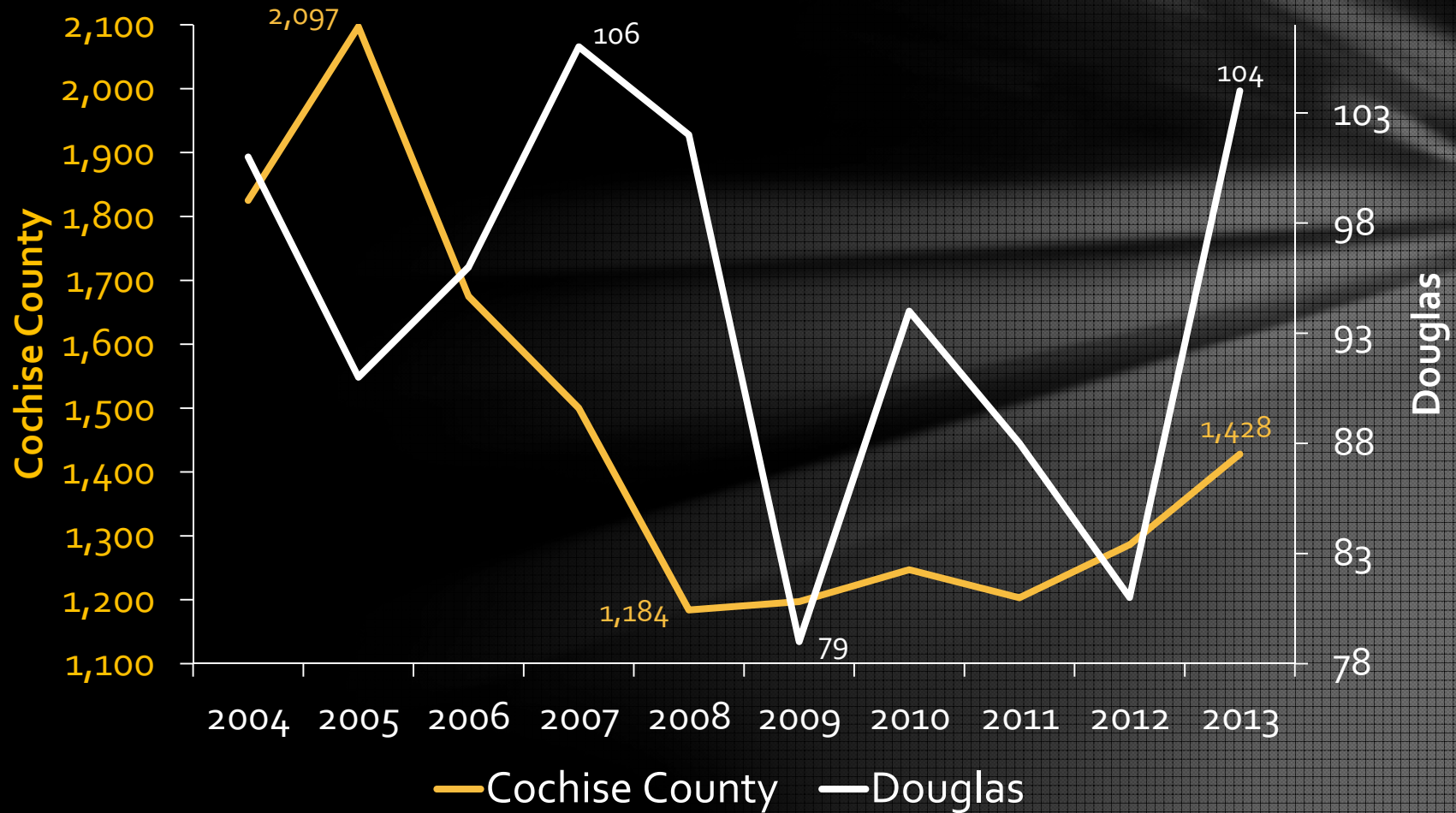
Accommodation

	Douglas	Cochise County	Arizona
2014 (Jan-May)	30.3%	-1.2%	8.4%
2013	-13.1%	-12.2%	0.4%
2012	-33.4%	-17.2%	
2011		-13.1%	
2010		8.3%	
2009		-9.0%	
2008		1.0%	
2007		19.7%	
Inflation-adjusted to CPI-U			

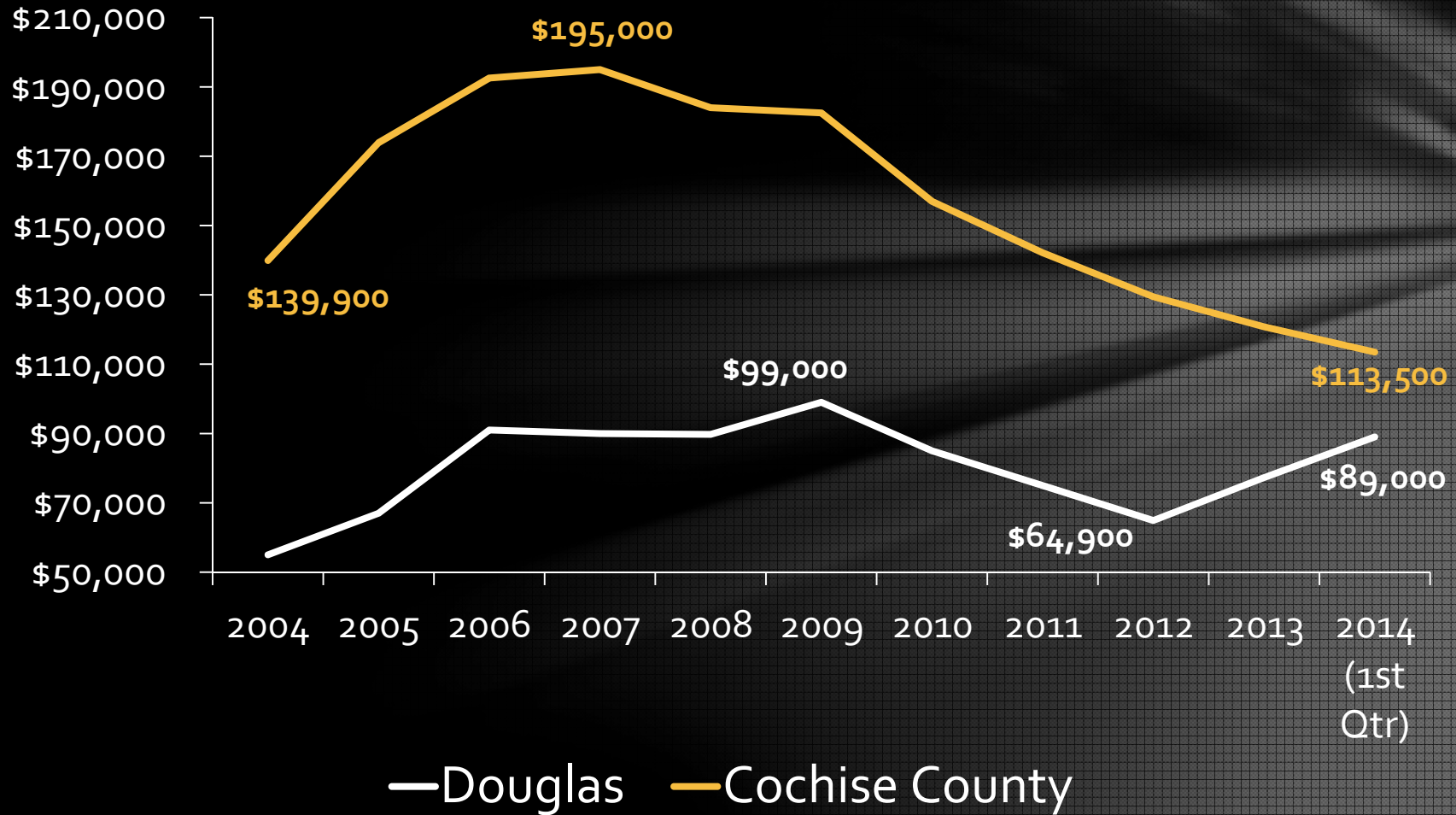
Sales Outlook

- Retail
 - Tractor Supply (Douglas)
 - Fort Huachuca
 - Population declines
- Restaurant & Bar
 - Fort Huachuca
 - Population declines
 - Downward trend (Douglas)
- Accommodation
 - Construction projects
 - Fort Huachuca

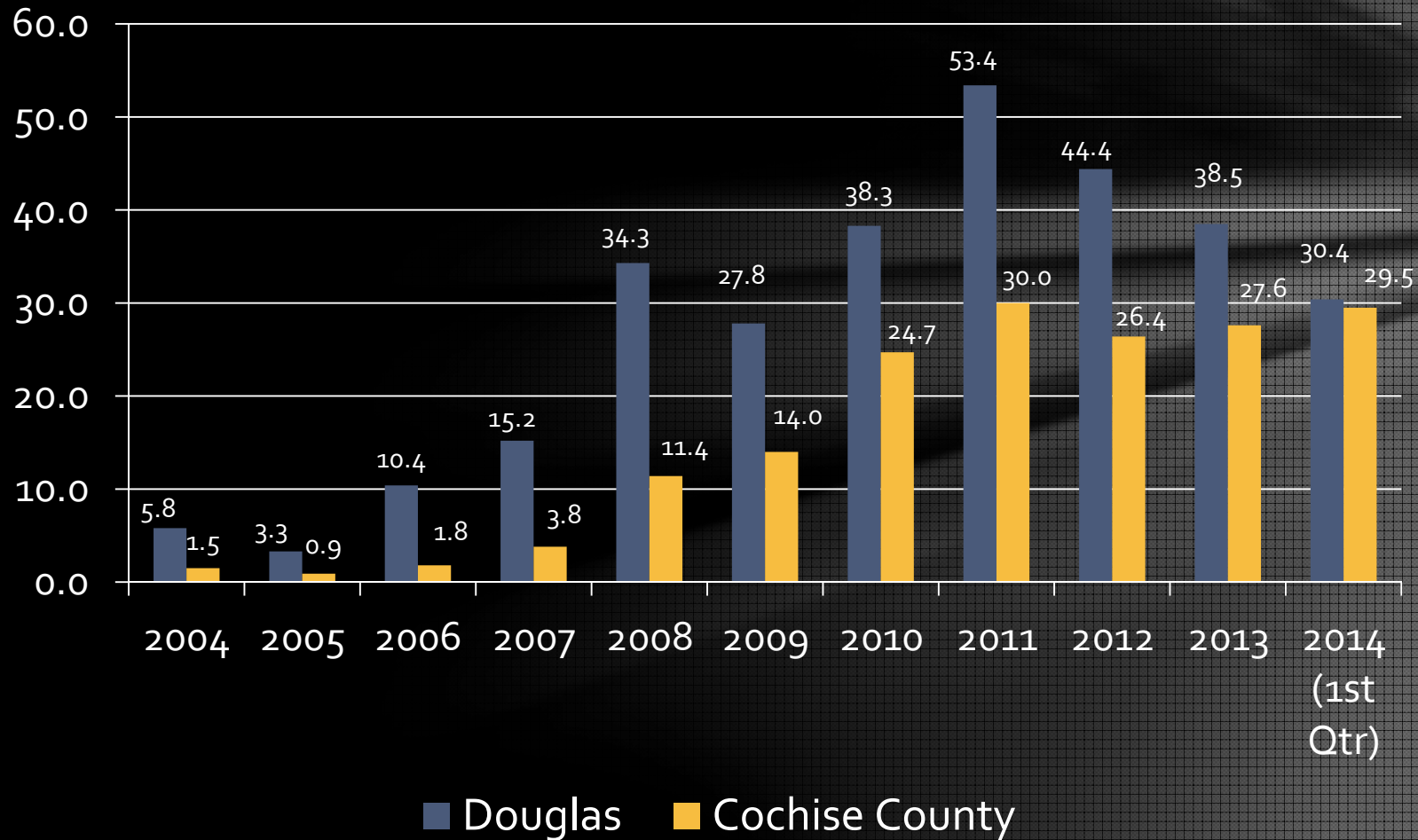
Home Sales (Single-family)



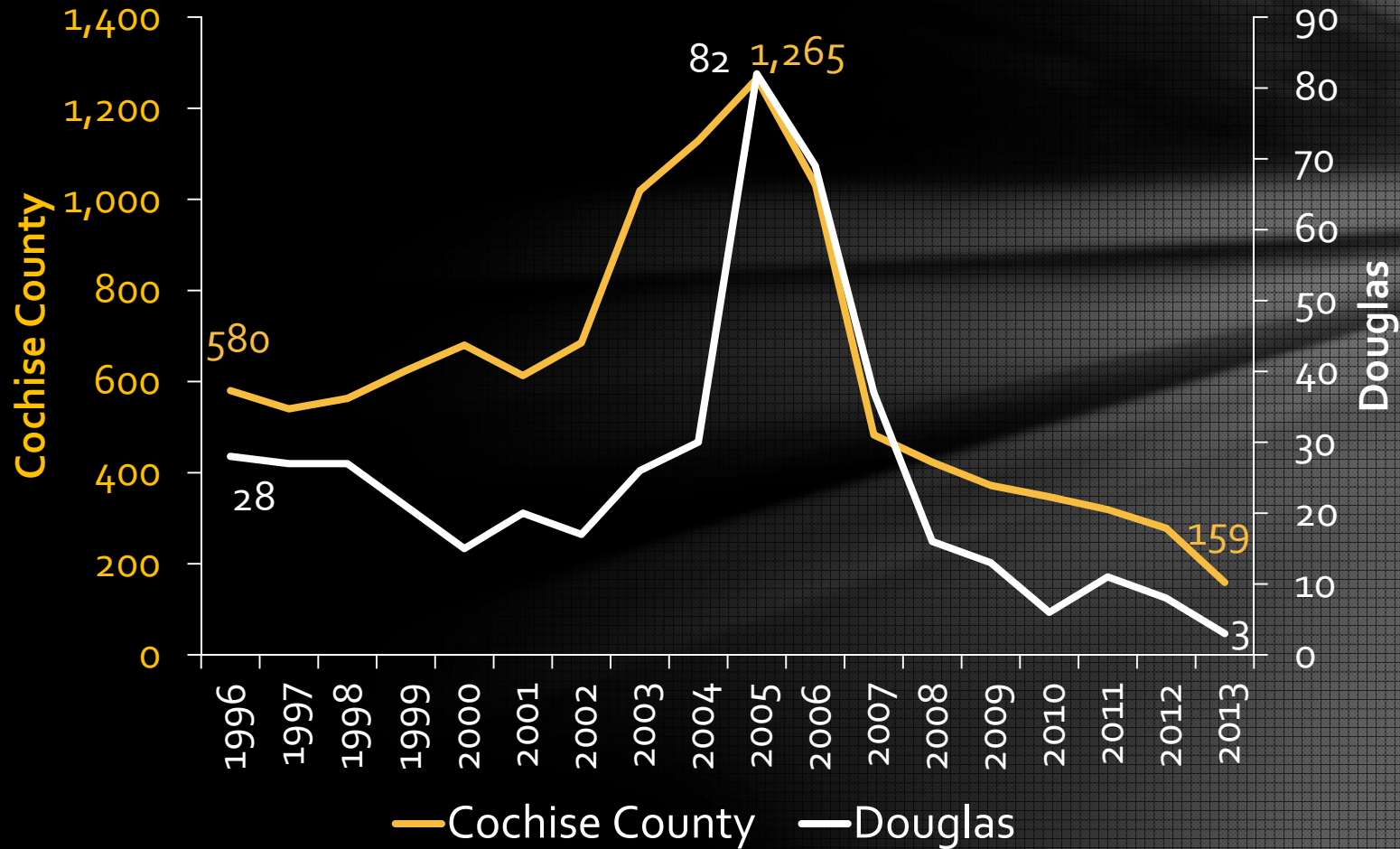
Median Home Price



Foreclosures (% of sales)



New Home Construction



Real Estate & Construction Outlook

- Foreclosures
 - Upward pressure on sales
 - Downward pressure on prices
 - Dampened demand for new construction
- Population declines = downward pressure on new construction
- Douglas: New CQCH facility and multifamily housing

Conclusion

- Recession
 - Kept out of 2008-09 recession by Fort Huachuca
 - Cochise County recession began in 2011
- Upside
 - Increase in border crossings/protection/expansion
 - Tractor Supply/CQCH/Multifamily construction
- Downside
 - Defense/Fort Huachuca
 - Population declines
 - Foreclosures



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Website

www.Cochise.Edu/CER

THE END



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