

CHECKING OUR PULSE



WELCOME TO THE PULSE

San Diego's Economic Pulse uses data to tell a story about our regional economy. We're still keeping track of unemployment data, but also keeping tabs on new business establishments, job postings and who's hiring in San Diego with the end goal of empowering San Diegans to make informed decisions about the region we live in.

This issue covers data from **July 2017**.

"The unemployment rate is up because people are entering the labor market at the fastest rate we've seen all year. The private sector is strong, especially real estate and construction, which keep adding jobs."

Phil Blair, President and CEO
Manpower San Diego

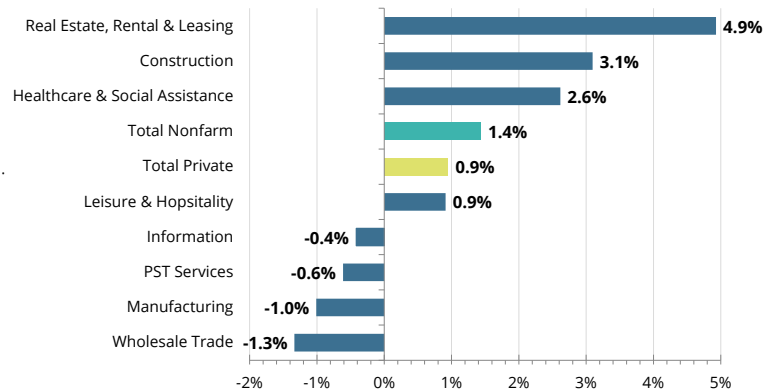


EMPLOYMENT TRENDS

San Diego's labor market fundamentals remain strong. While the unemployment rate rose in July, the region's labor force and the economy continued to grow at a steady pace.

- » Total nonfarm employment fell 7,900 in July - a loss of 0.5 percent - reversing the gains seen in June. This is a much larger decline than the 700 jobs lost in July 2016. However, total nonfarm employment is up 20,400, or 1.4 percent, compared to a year ago.
- » Declines came primarily in government, which shed 11,500 jobs. However, the private sector added 3,600 jobs in July, a 0.3 percent increase.
- » Leisure and hospitality posted the largest gains, adding 3,800 jobs, 2,700 of which can be attributed to accommodation and food services. The service providing sector netted a loss of 7,500 jobs for the month.

Year-over-Year Employment Changes in Key Sectors

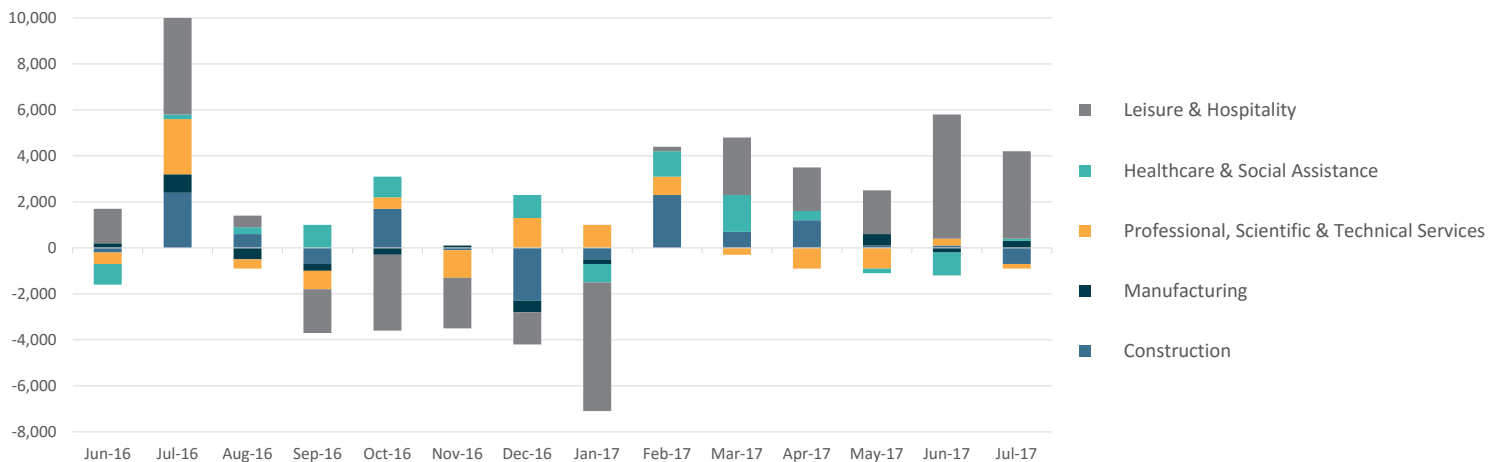


Construction continues to grow, up 3.1 percent compared to a year ago. Real estate, rental, and leasing added 1,400 jobs, a 4.9 percent increase. Wholesale trade is down 1.3 percent from the prior year, while retail trade saw a decline of 1.0 percent.

Source: California Economic Development Department

EMPLOYMENT TRENDS IN KEY SECTORS

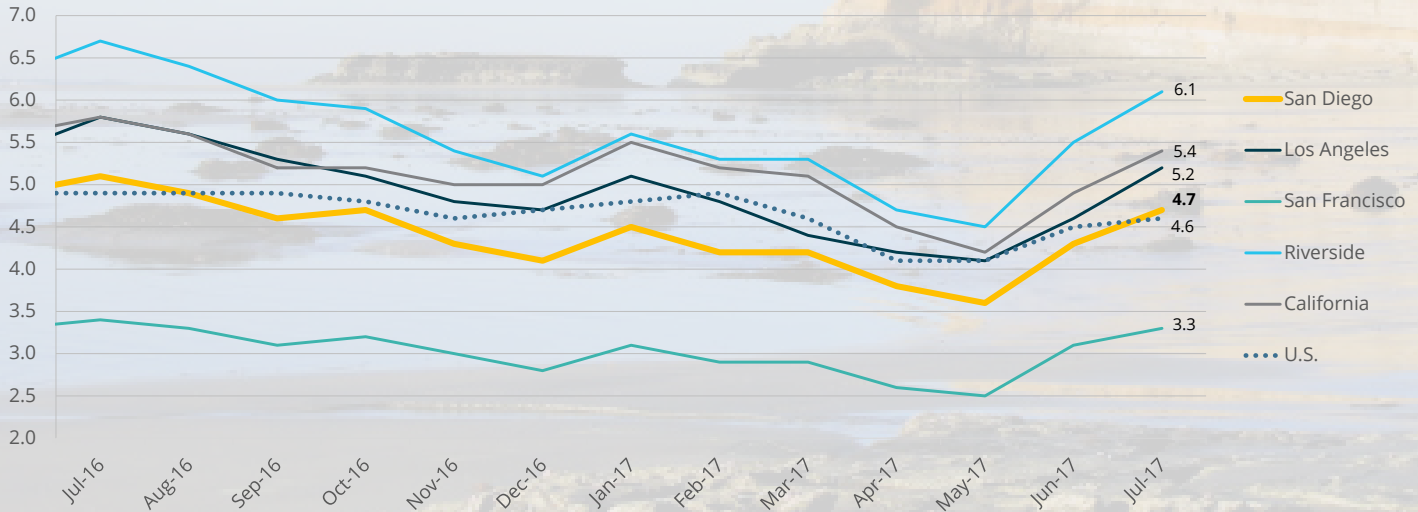
Monthly Employment Change by Sector



UNEMPLOYMENT

- » San Diego's unemployment rate rose to 4.7 percent in July, but remains below July 2016's rate of 5.1 percent. This is the second consecutive monthly increase, and can be attributed to a combination of employment declines and more people entering the labor force.
- » The labor force grew again in July, adding 12,500 workers during the month. However, labor force participation remains down 5,900 persons, or 0.4 percent, compared to a year ago.
- » San Diego's unemployment rate remains lower than California's rate of 5.4 percent, but is now above the national rate of 4.6 percent.

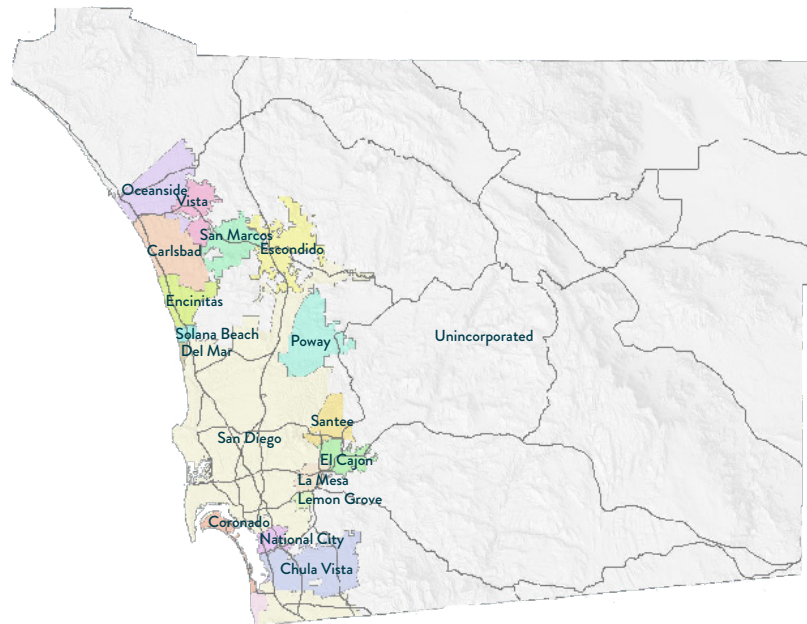
**Historical Unemployment Rate
San Diego & Select CA Metros**



Source: California Employment Development Department
Note: Data not seasonally adjusted.

**Unemployment Rate by Jurisdiction
(July 2017)**

Jurisdiction	Labor Force	Employment	Unemployment Rate*
San Diego Region	1,575,500	1,501,600	↑ 4.7%
Carlsbad	54,400	52,000	↑ 4.2%
Chula Vista	122,600	115,300	↑ 5.9%
Coronado	8,800	8,500	↑ 2.7%
Del Mar	2,600	2,600	↑ 0.5%
El Cajon	46,300	43,100	↑ 6.8%
Encinitas	33,400	32,100	↑ 3.8%
Escondido	69,600	66,300	↑ 4.7%
Imperial Beach	12,300	11,400	↑ 7.3%
La Mesa	31,000	29,500	↑ 4.8%
Lemon Grove	12,500	11,800	↑ 6.2%
National City	24,900	23,400	↑ 6.0%
Oceanside	82,600	78,600	↑ 4.8%
Poway	25,700	24,900	↑ 3.0%
San Diego	707,200	675,700	↑ 4.5%
San Marcos	40,700	39,200	↑ 3.7%
Santee	29,400	28,000	↑ 4.6%
Solana Beach	6,900	6,600	↑ 4.4%
Vista	44,700	42,900	↑ 4.2%
Unincorporated Area	219,900	209,700	↑ 4.7%



Every jurisdiction experienced increases in unemployment rate. Imperial Beach saw the largest increase of 0.6 percentage points.

Source: California Economic Development Department
*Arrows indicate the monthly directional change in unemployment rate. Dashes indicate no change from previous month.

The **unemployment rate** measures the number of people who are both jobless and looking for a job. One of the most closely watched economic indicators, the unemployment rate can tell much about the health of the overall economy with a rising rate generally seen as a sign of weakness, and a falling rate indicating a growing economy.

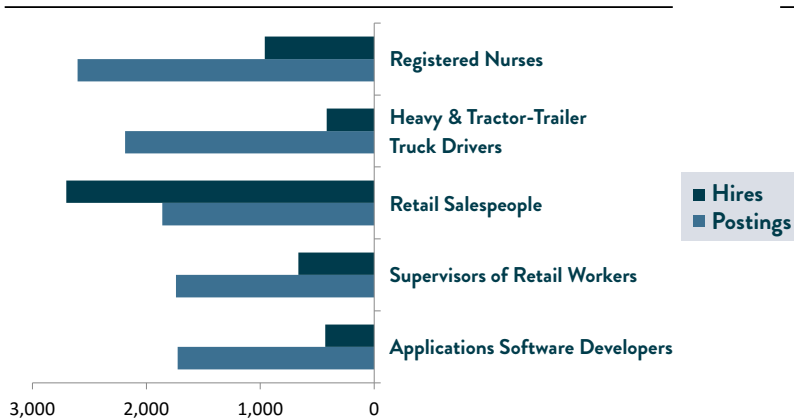


The **San Diego region** is comprised of **18** cities and the **Unincorporated** portions of the county. Each city has its own unique economy, with different industries, employment bases and labor force. Analyzing key indicators such as the unemployment rate at the sub-regional level helps us to better understand local dynamics within the broader regional economy.

HELP WANTED

There was an average of **485,675** total job postings in July, of which **68,395** were unique. This means that on average employers are posting the same job more than seven times.

Top 5 Occupations by Average Monthly Postings



Top 5 Occupations by Average Monthly Hires



Source: EMSI, Job Posting Analytics
 Note: Job postings are unique, two-month average. Hires are a year-to-date average.

NEW BUSINESSES

With 3,391 total new establishments, July experienced slower growth when compared to the previous two months. The month's count was 26.3 percent lower than the 12 month peak, but remained 3.7 percent above the 12 month average. Real estate and business consultants remain in the lead, adding a combined 122 establishments in July. Despite the overall deceleration in establishment growth, construction, investment and clothing and general merchandise retail companies experienced a month-over-month increase in the number of new establishments added during the month.

3,391

new establishments
(July 2017)

3,271

monthly average
(last 12 months)

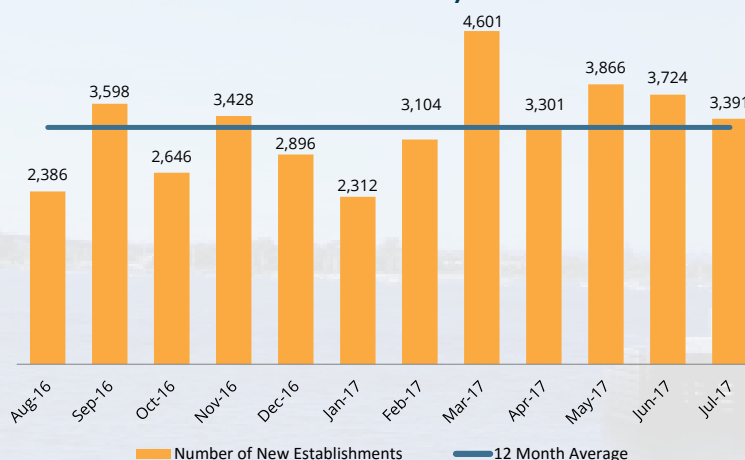
522

industries represented
(July 2017)

New Establishments by Industries
(July 2017)

Industry	Establishments
Real Estate	68
Business Consultants	54
Services NEC	53
Janitor Service	41
Construction	35
Restaurants	35
Clothing - Retail	31
General Merchandise - Retail	26
Investments	25
Beauty Salons	24

New Establishments by Month



Source: ReferenceUSA.com

Job postings are online advertisements posted by companies trying to attract applicants. While economic data such as unemployment rate and industry detail can tell much about the structure of the economy, analyzing job postings can reveal valuable information about the labor market by identifying specific skills companies are looking for, in-demand occupations and actual companies who are hiring. Job postings and industry data are complementary and give us a more complete picture of the local economy.



Every **new establishment** is linked to the creation of new job postings. Analyzing the number of monthly new establishments and their corresponding industry can reveal information about the labor market by identifying the top industries generating jobs. The records analyzed are part of ReferenceUSA's verified database, meaning that the business listings have gone through multiple stringent compilation processes, including phone verification.

For more information, please contact our research team:

Kirby Brady, Director
 Eduardo Velasquez, Manager
 Marcela Alvarez, Coordinator

research@sandiegobusiness.org | 619-234-8484
 sandiegobusiness.org



San Diego Regional EDC's mission is to maximize the region's economic prosperity and global competitiveness.