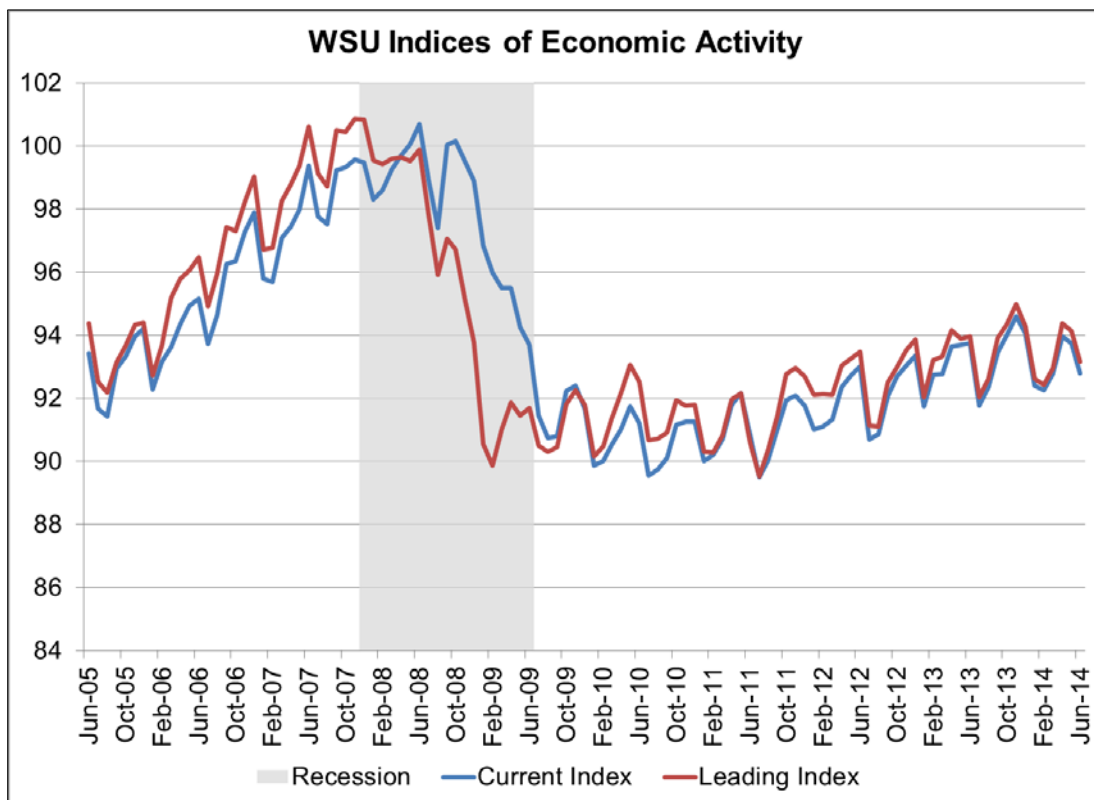


WSU Wichita Metropolitan Area Indices

August 2014



The Center for Economic Development and Business Research has compiled the current and leading indices to provide insights into the present and future state of the Wichita economy. The WSU Current Conditions Index is designed to give an indication of the present conditions of the Wichita metropolitan area economy. The WSU Leading Economic Indicators Index is designed to give an indication of where the Wichita economy is headed over the next six months.

WSU Current Index of Economic Activity

The current index deteriorated approximately one percent between May and June, dropping the current level of economic activity slightly below the level from one year ago. This decline can be attributed to the weakening in both total non-farm employment and the unemployment rate. There has also been slight improvement in the hours and earnings of production employees.

WSU Wichita Current Conditions Index

| | Jun-14 | May-14 | Monthly % Change | Annual % Change |
|---------------------------------------|----------|----------|---------------------|--------------------|
| Current Conditions Index | 92.8 | 93.7 | ▼ -1.0% | ▼ -1.1% |
| Index Components - Wichita MSA | | | | |
| Total Non-farm Employment | 286,700 | 290,100 | ▼ -1.2% | ▼ -1.3% |
| Unemployment Rate | 5.6% | 5.3% | ▲ 0.3% | ▼ -0.7% |
| Hours of Production Employees* | 46 | 45.7 | ▲ 0.7% | ▲ 3.4% |
| Earnings of Production Employees* | \$840.71 | \$825.93 | ▲ 1.8% | ▼ -3.9% |

Source: Bureau of Labor Statistics, data compiled by CEDBR and seasonally adjusted

*Manufacturing Weekly Average

WSU Leading Index of Economic Activity

The leading index continues to predict small improvements in economic activity through late fall. This can be attributed to the continued improvement in the Aircraft Production Index and small improvements in the National Industrial Production Index. The improvements in these two indices were enough to offset the deterioration in the Kansas Leading Index.

WSU Wichita Leading Conditions Index

| | Jun-14 | May-14 | Monthly % Change | Annual % Change |
|--------------------------------------|--------|--------|---------------------|--------------------|
| Leading Conditions Index | 93.2 | 94.2 | ▼ -1.0% | ▼ -0.8% |
| Predicted change* | ▲ 0.41 | ▲ 0.44 | - | - |
| Index Components | | | | |
| Aircraft Production Index | 104.2 | 103.2 | ▲ 1.0% | ▲ 2.9% |
| Kansas Leading Index | 0.3 | 0.7 | ▼ -57.1% | ▼ -57.1% |
| National Industrial Production Index | 103.9 | 103.7 | ▲ 0.2% | ▲ 4.3% |
| International Leading Index | 100.5 | 100.5 | ▬ 0.0% | ▲ 0.4% |

Source: Board of Governors of the Federal Reserve System, Federal Reserve Bank of Philadelphia, Organization for Economic Co-Operation and Development (OECD), data compiled by CEDBR

*Predicted change in the level of economic activity over the next six months from the current level of economic activity.

Data can be accessed directly at index.cedbr.org