

### Huntsville Businesses Forecast Hiring

Though the metro ABCI decreased heading into Q1 2022, Huntsville’s business leaders are continuing to forecast economic growth. The metro’s ABCI registered at a moderately confident 56.9 this quarter, down 1.9 points from Q4 2021. Most of the component indexes decreased this quarter, though area panelists still forecast increased hiring, sales, and capital expenditures with strong confidence. Local panelists expressed less certainty about the state of the U.S. economy this quarter, with a mildly confident negative forecast of 46.6.

### First Quarter 2022 Outlook

	Huntsville	Statewide
ABCI	56.9	57.2
Alabama Economy	58.0	56.8
US Economy	46.6	46.5
Industry Sales	61.9	62.3
Industry Profits	52.8	55.3
Industry Hiring	62.5	62.3
Industry Capital Expenditures	59.7	59.8

Index above 50 indicates positive outlook as compared to last quarter.

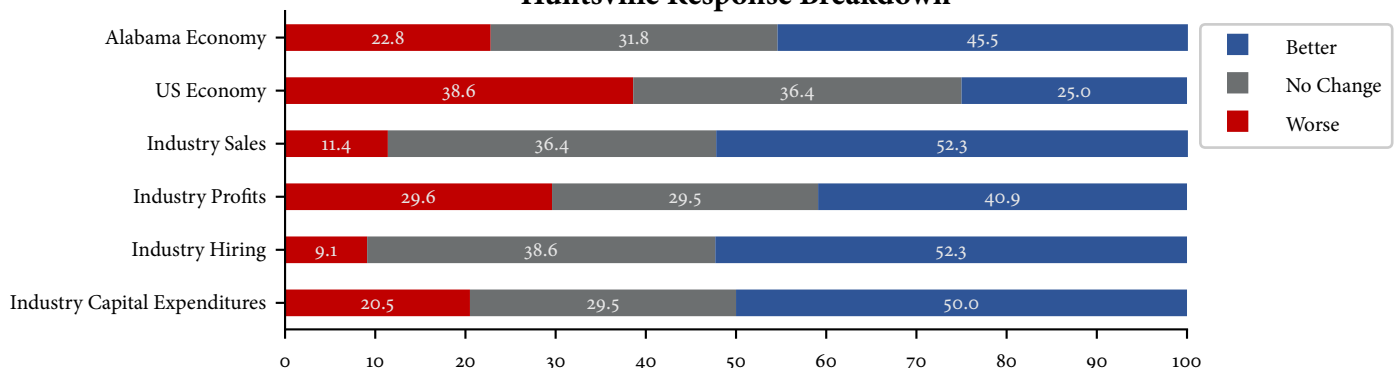
Index below 50 indicates negative outlook as compared to last quarter.

Color indicates type of change from previous quarter: change less than 0.5 points, decrease more than 0.5 points, increase more than 0.5 points.

### Huntsville Component Index Analysis

- **Alabama Economy:** Metro business leaders are continuing to forecast favorable statewide conditions with a moderately positive index of 58.0, after a 3.5-point decrease from Q4 2021.
- **US Economy:** This quarter, Huntsville’s business leaders continue to have a mildly negative outlook on the U.S. economy with an index of 46.6, which is 2.9 points below last quarter’s index. This is the second consecutive quarter that the U.S. index has registered below 50, indicating sustained expectations for worsening economic conditions across the country.
- **Industry Sales:** The metro sales index forecasts growth this quarter with a strongly confident index of 61.9. This is 2.9 points higher than the Q4 2021 sales index and indicates high confidence in their forecasts for growth.
- **Industry Profits:** Area business leaders expressed mild optimism in increased profits this quarter. The index decreased 6.8 points to register at 52.8 for Q1 2022.
- **Industry Hiring:** Industry hiring is forecast to increase this quarter with a strongly confident index of 62.5 after a 2.4-point decrease from Q4 2021. Like last quarter, hiring is the metro’s highest index.
- **Industry Capital Expenditures:** The metro’s capital spending index registered at a moderately confident 59.7 for the quarter. This is a 2.0-point decrease from the previous quarter’s index.

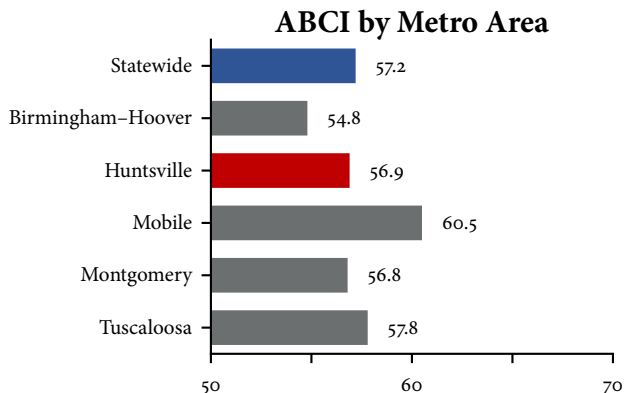
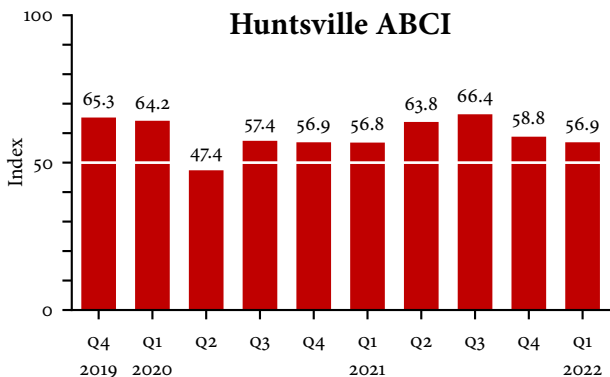
### Huntsville Response Breakdown



### ABCI Huntsville in Context

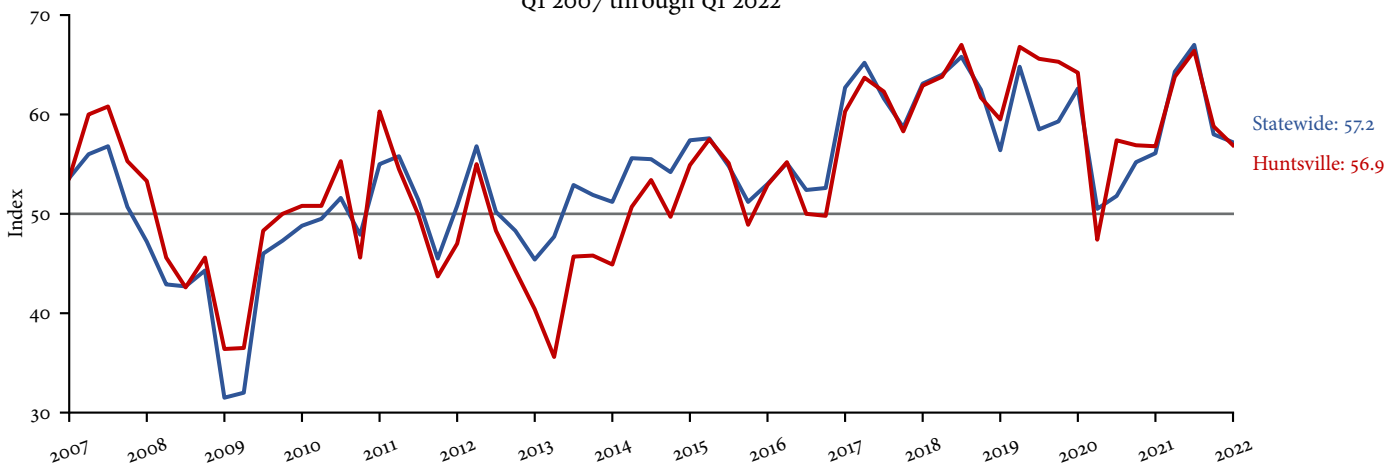
This quarter, Huntsville’s business leaders are expecting another quarter of economic growth, though with slightly less confidence than the previous three quarters. Despite the uncertainty introduced by the COVID-19 omicron variant, metro panelists have continued to forecast growth with moderate to strong confidence over the last six quarters. In the three years before the pandemic, Huntsville’s business leaders felt strongly confident forecasting growth, with an average ABCI of 63.2 from Q1 2017 to Q1 2020.

Though business confidence decreased since the peak of Q3 2021, ABCI panelists are still forecasting growth in Q1 2022. The metros’ hiring indexes were all above 57, indicating sustained expectations for increased hiring despite the higher levels of uncertainty that are reflected in the U.S. economic outlook index. Mobile had the highest index with a strongly confident ABCI of 60.5, followed by Tuscaloosa at a more moderate 57.8, Huntsville at 56.9, and Montgomery at 56.8. Birmingham–Hoover had the lowest metro ABCI this quarter at a mildly positive 54.8.



### Huntsville ABCI compared to Statewide ABCI

Q1 2007 through Q1 2022



The Center for Business and Economic Research would like to thank all Huntsville metro area business executives who completed the first quarter 2022 ABCI survey. We look forward to a continuing partnership with the Huntsville Area Chamber of Commerce and encourage you to return for the second quarter 2022 survey March 1–15.

For more details on the Alabama Business Confidence Index™, visit <https://cber.culverhouse.ua.edu/alabama-business-confidence-index/>.

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