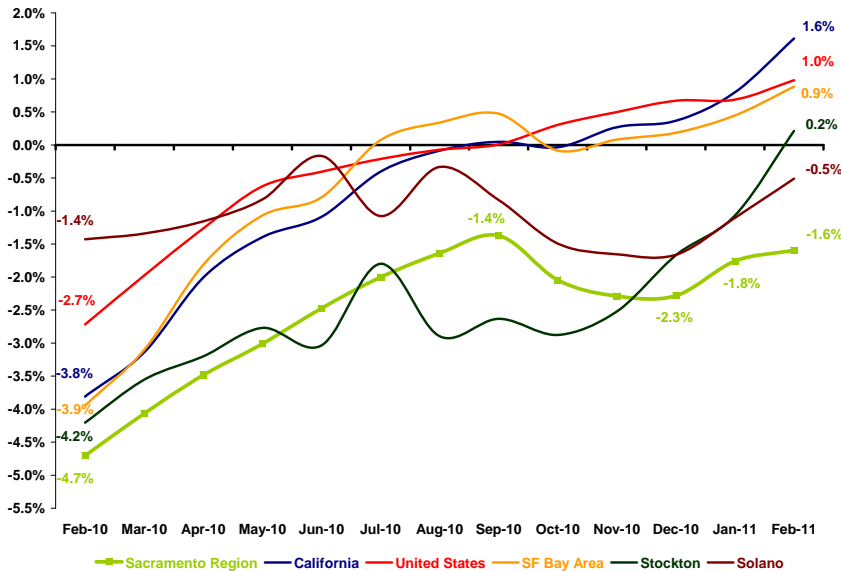


*A monthly report examining the health and performance of the Sacramento Region's economy*

### JOB GROWTH IN SACRAMENTO IS BEGINNING TO MOVE UP AGAIN

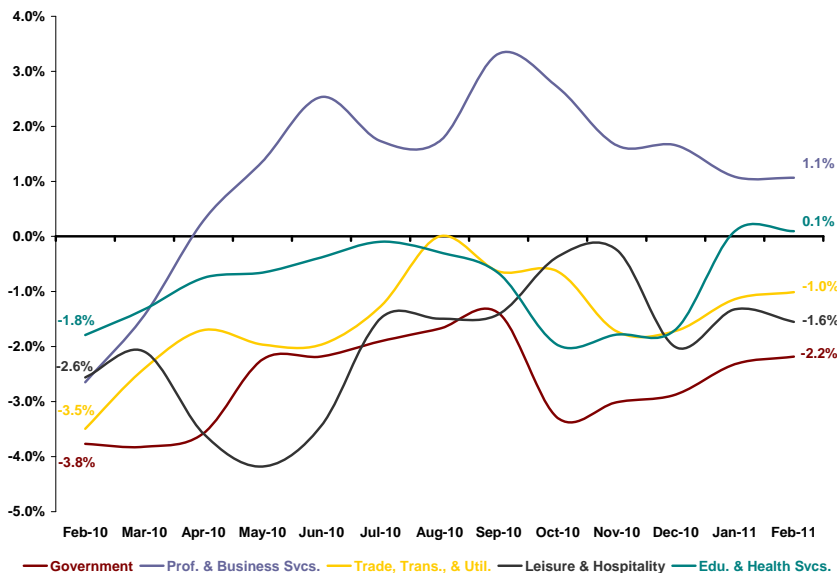
#### Annual Job Growth



Data Sources: CA Employment Development Department and U.S. Bureau of Labor Statistics

### MOST OF THE REGION'S LARGEST SECTORS ARE STILL LOSING JOBS ANNUALLY

#### Sacramento Region Largest Sector Annual Job Growth



Data Source: CA Employment Development Department

The six-county Sacramento Region posted a second month of improved annual job growth following a brief period of decline. Preliminary data show that between February 2010 and 2011, the Region experienced a 1.6 percent decline in payroll jobs, equating to a loss of 13,400 jobs. Sacramento remains well behind the level of job growth seen statewide and nationally as well as other Northern California benchmarks. Only one of the five major sectors that contain about 80 percent of all employment in the Region is seeing sustained job gains, Professional & Business Services. While job growth levels in this sector have been tapering off since the end of the third quarter of 2010 (with the most recent at 1.1 percent), it remains in a much better position than at the beginning of 2010. All of the other larger sectors have also seen notable improvements in the past year with Educational & Health Services reaching slightly into positive territory and Trade, Transportation, & Utilities; Leisure & Hospitality; and Government all posting continued job losses with annual job growth between -1.0 percent and -2.2 percent. Regional job growth trends reflect the performance in these larger sectors.

Job growth at the national level continued its steady upward pattern, hitting 1.0 percent in February 2011 with an annual increase of nearly 1.3 million jobs. The recent uptick in California's job growth pushed the state above the nation with 1.6 percent job growth over the 12 months ending February 2011 (equating to a gain of 221,500 jobs). The SF Bay Area has also been in positive territory for a number of months. In the past year, the SF Bay Area added 23,900 payroll jobs with a growth rate of 0.9 percent. The Stockton region has seen job growth ramp up in recent months, posting a slight job gain between February 2010 and 2011 (0.2 percent or 400 jobs). Like Sacramento, the Solano region is still seeing annual job losses with a slight uptick in job growth recently. Establishments in Solano shed 0.5 percent of all payroll jobs in the past year, equating to a loss of 600 jobs.

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## THREE MAJOR SECTORS IN THE REGION ADDED JOBS IN THE PAST YEAR

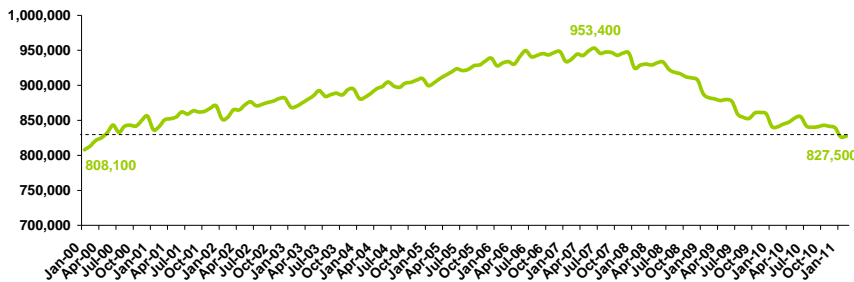
### Major Sector Annual Job Gains and Losses

Sector	February 2010-2011				
	Sacramento Region	California	SF Bay Area	Stockton	Solano
Total Nonfarm	-13,400	221,500	23,900	400	-600
Private Sector	-8,100	284,600	28,200	2,700	300
Public Sector	-5,300	-63,100	-4,300	-2,300	-900
Prof. & Business Svcs.	1,100	109,900	16,200	100	-500
Manufacturing	400	13,000	-300	200	200
Edu. & Health Svcs.	100	54,100	7,200	1,400	200
Mining & Logging	0	1,300	-100	0	0
Other Services	-200	-3,400	-400	100	500
Information	-1,100	24,800	3,400	100	-100
Leisure & Hospitality	-1,300	37,400	8,000	500	500
Trade, Trans., & Util.	-1,400	37,800	-600	500	-500
Construction	-2,400	10,200	-3,300	0	200
Financial Activities	-3,300	-500	-1,900	-200	-200
Government	-5,300	-63,100	-4,300	-2,300	-900

Data Source: CA Employment Development Department (totals may not match sum of sectors due to source rounding methodology)

## TOTAL EMPLOYMENT IN SACRAMENTO REMAINS AT 2000 LEVELS

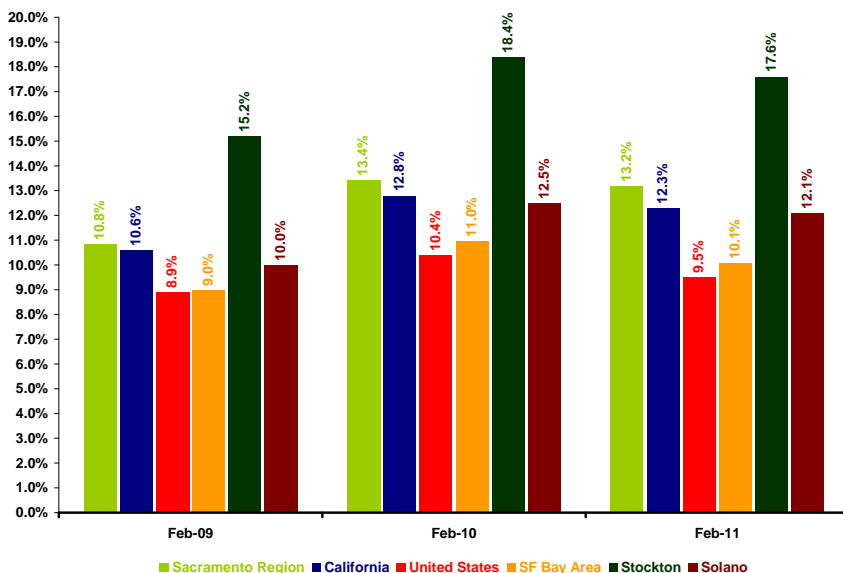
### Sacramento Region Total Nonfarm Employment



Data Source: CA Employment Development Department

## UNEMPLOYMENT IN THE REGION IS HOLDING ABOVE 13 PERCENT

### Unemployment Rate



Data Sources: CA Employment Development Department and U.S. Bureau of Labor Statistics

Annual job gains in three of the Sacramento Region's major sectors were eclipsed by the losses in the Government sector alone. Sacramento's Professional & Business Services; Manufacturing; and Educational & Health Services sectors posted a combined annual increase of 1,600 jobs. Three major sectors in the Region shed 11,000 jobs in total between February 2010 and 2011 including Government, Financial Activities, and Construction. The overall net loss of 13,400 jobs dropped total Nonfarm employment in the Region to 827,500, which is still tracking around early-2000 levels.

The state overall lost jobs in only three sectors in the past year including Government, Other Services, and Financial Activities. Combined annual losses from these sectors equate to 67,000 jobs. The greatest gains in the state were within the Professional & Business Services and Educational & Health Services sectors, which together added 164,000 jobs to the economy in the 12 months ending February 2011. The SF Bay Area is still experiencing losses in seven sectors with Government and Construction topping the list. Professional & Business Services and Leisure & Hospitality posted the largest annual job gains in the SF Bay Area. Stockton saw notable gains in the Educational & Health Services sector with considerable losses in Government. The Solano Region posted minimal gains in a handful of sectors while the Government sector dominated the losses.

The Sacramento Region's unemployment rate came in at 13.2 percent in February 2011 with close to 144,000 residents considered unemployed. The most recent rate reflects a slight improvement over the previous year. According to data from The Conference Board, online job ad data for February 2011 reveal that there are about 6.1 unemployed residents for every job opening in the Sacramento Region—this ratio has decreased by close to 20 percent in the past year. All other benchmark areas saw declines in the unemployment rate with only Stockton exceeding the Sacramento rate, posting 17.6 percent unemployment. The SF Bay Area's rate of 10.1 percent was somewhat higher than the nation at 9.5 percent, but below the statewide average of 12.3 percent. Statewide, there are still more than 2.2 million people unemployed, a number close to the size of the entire Sacramento Region population.

The **Center for Strategic Economic Research (CSER)**, an economic research and consulting group affiliated with the Sacramento Area Commerce and Trade Organization (SACTO), provides a full range of objective economic and demographic research services to businesses, government entities, educational institutions, and non-profit organizations throughout the country.