

National and North Carolina Economic Indicators

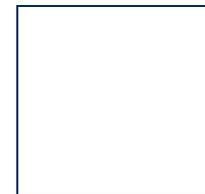
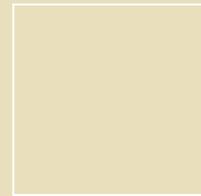
Rick Kaglic
Regional Economist
Research Department

Triangle Housing Forecast Conference
December 14, 2011



THE FEDERAL RESERVE BANK OF RICHMOND

RICHMOND ■ BALTIMORE ■ CHARLOTTE



Real Gross Domestic Product

	2010		Q1	2011	
	Q3	Q4		Q2	Q3
CHANGE FROM PREVIOUS QUARTER AT COMPOUND ANNUAL RATE [Percent]:					
Gross Domestic Product	2.5	2.3	0.4	1.3	2.0
Personal Consumption Expenditures	2.6	3.6	2.1	0.7	2.3
Nonresidential Fixed Investment	11.3	8.7	2.1	10.3	14.8
Structures	4.2	10.5	-14.3	22.6	12.6
Equipment & Software	14.1	8.1	8.7	6.2	15.6
Residential Fixed Investment	-27.7	2.5	-2.4	4.2	1.6
Exports of Goods & Services	10.0	7.8	7.9	3.6	4.3
Imports of Goods & Services	12.3	-2.3	8.3	1.4	0.5
Government Consumption Expenditures & Gross Investment	1	-2.8	-5.9	-0.9	-0.1
Final Sales to Domestic Purchasers	2.3	2.7	0.4	1.3	3.0
LEVEL IN QUARTER AT SEASONALLY ADJUSTED ANNUAL RATE [Billions of Chained (2005) Dollars]:					
Change in Private Inventories	92.3	38.3	49.1	39.1	-8.5
Net Exports of Goods & Services	-458.7	-414.2	-424.4	-416.4	-400.7

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ISM: Business Survey Indexes

MANUFACTURING BUSINESS:

	<u>Oct.</u>	<u>Nov.</u>
Purchasing Managers Index	50.8	52.7
Production	50.1	56.6
New Orders	52.4	56.7
Employment	53.5	51.8
Supplier Deliveries	51.3	49.9
Inventories	46.7	48.3
Prices	41.0	45.0
Backlog of Orders	47.5	45.0
New Export Orders	50.0	52.0
Imports	49.5	49.0

NONMANUFACTURING BUSINESS:

	<u>Oct.</u>	<u>Nov.</u>
NonManufacturing Index	52.9	52.0
Business Activity	53.8	56.2
New Orders	52.4	53.0
Employment	53.3	48.9
Supplier Deliveries	52.0	50.0
Inventories	45.5	52.5
Prices	57.1	62.5
Backlog of Orders	47.0	48.0
New Export Orders	54.0	55.5
Imports	48.0	48.5

DIFFUSION INDEXES: Numbers above 50 percent indicate a preponderance of expanding firm activity.



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New Orders	52.4	56.7	New Orders	52.4	53.0
Employment	53.5	51.8	Employment	53.3	48.9
Supplier Deliveries	51.3	49.9	Supplier Deliveries	52.0	50.0
Inventories	46.7	48.3	Inventories	45.5	52.5
Prices	41.0	45.0	Prices	57.1	62.5
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New Export Orders	50.0	52.0	New Export Orders	54.0	55.5
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ISM: Business Survey Indexes

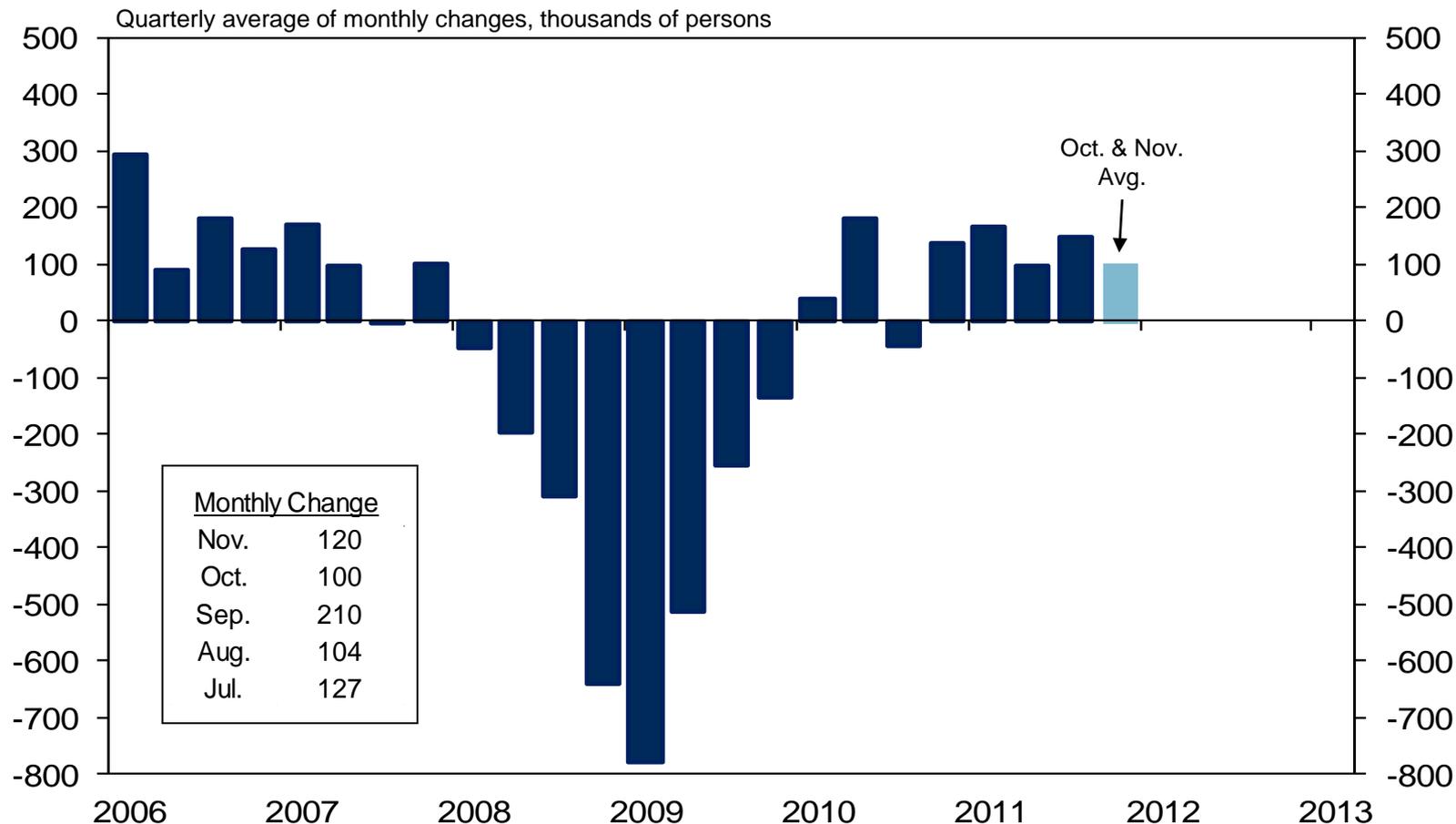
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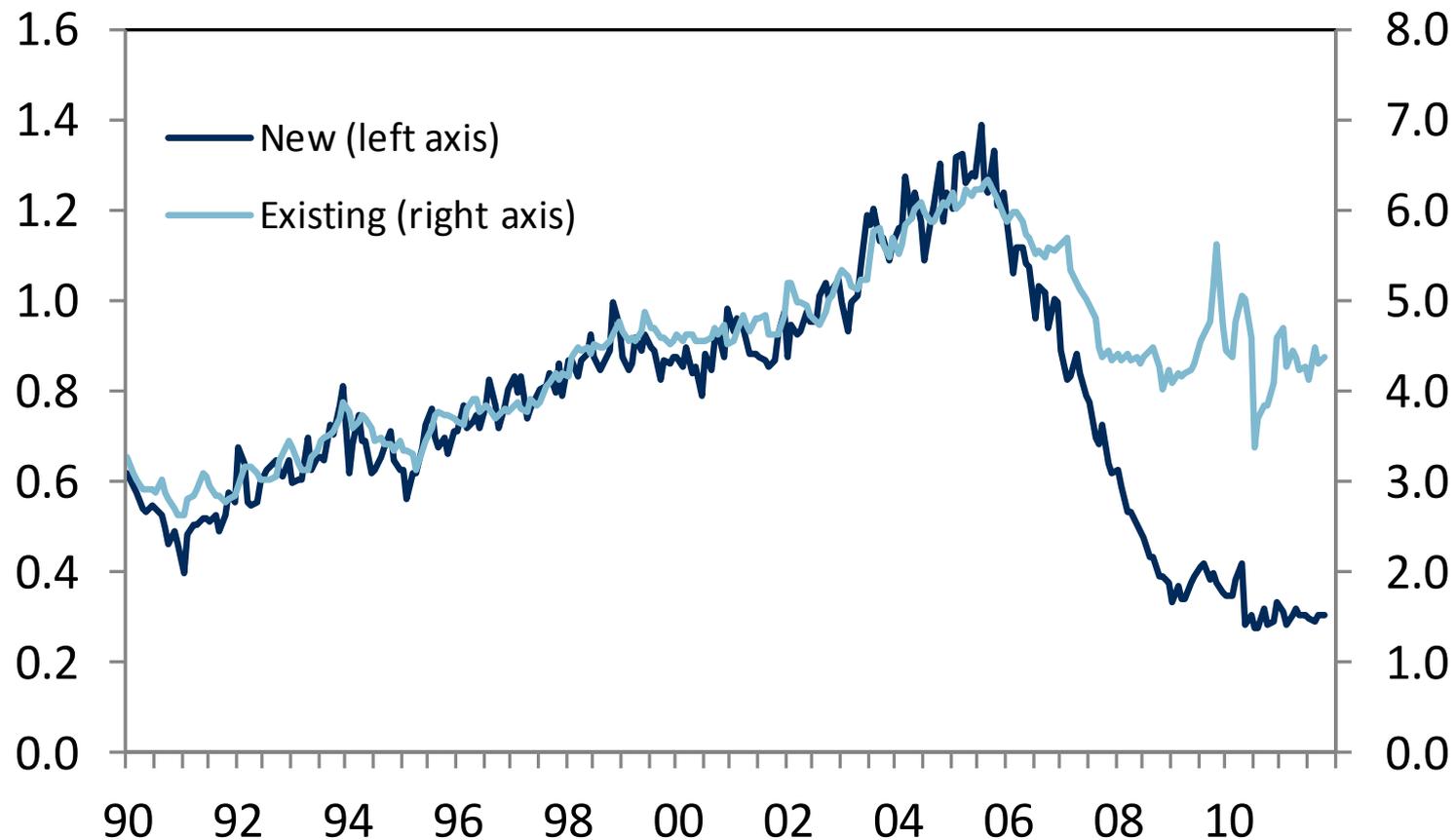
Nonfarm Payroll Employment





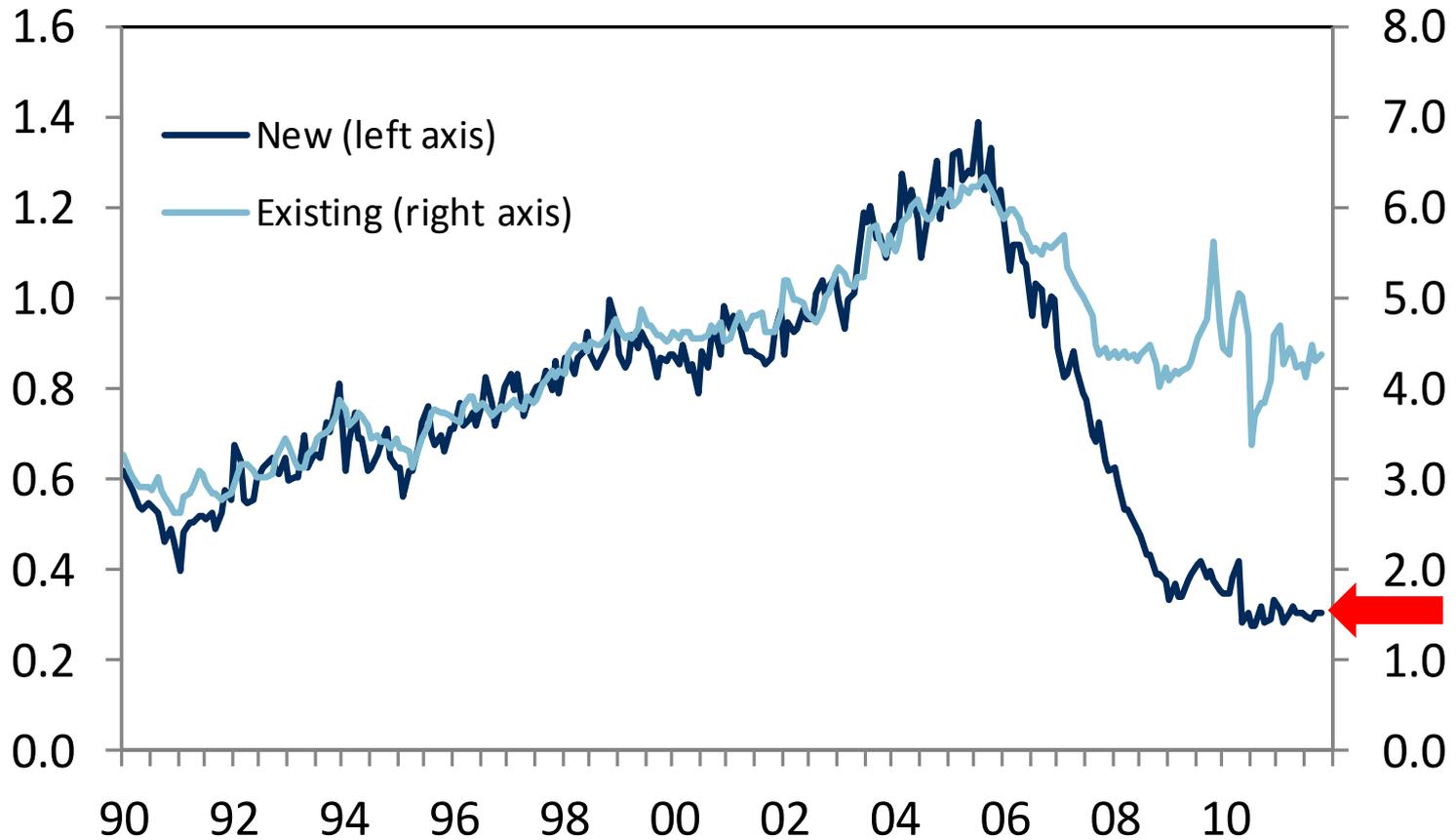
Single-Family Home Sales

Millions



Single-Family Home Sales

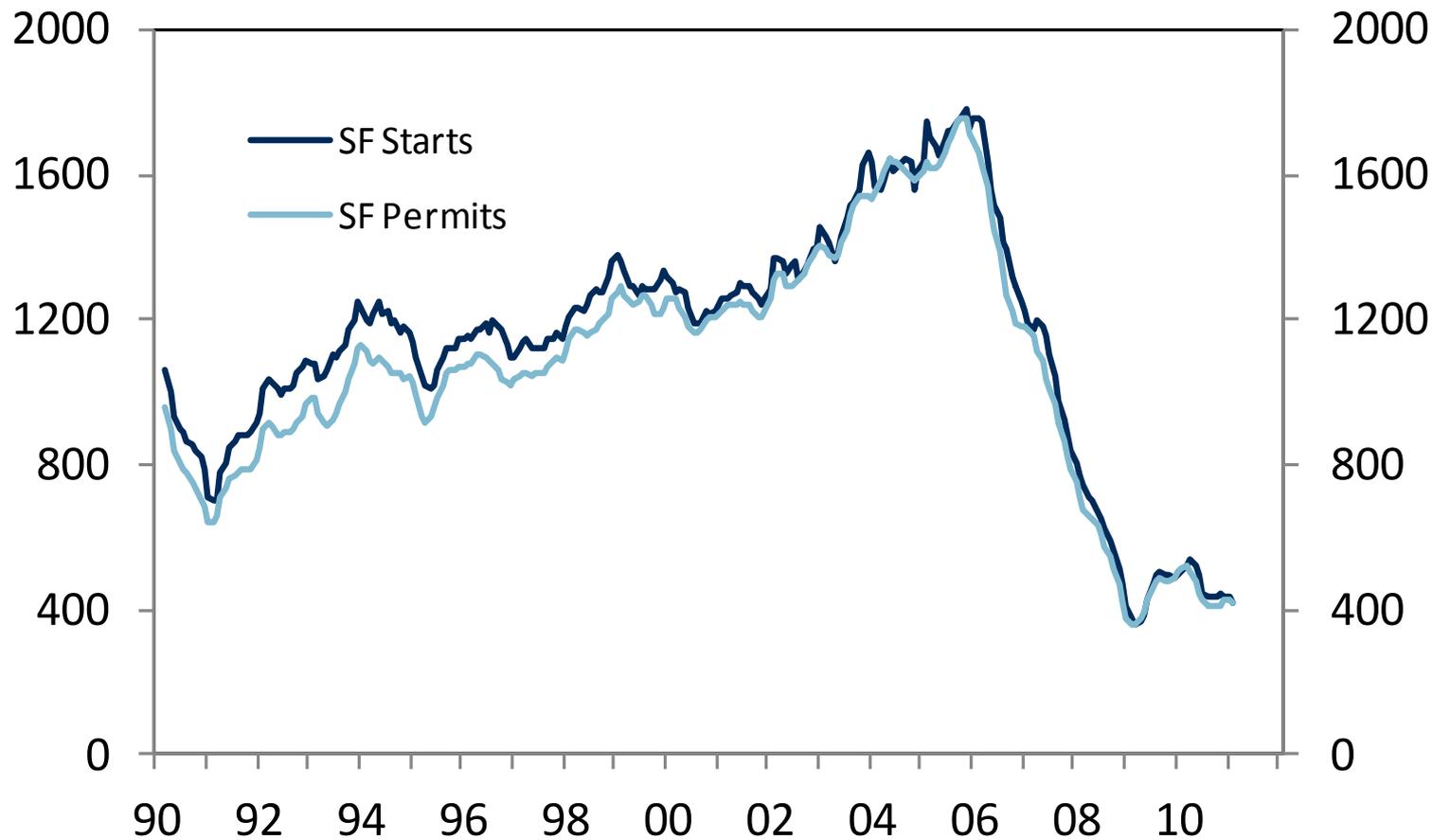
Millions





Single-Family Building Activity

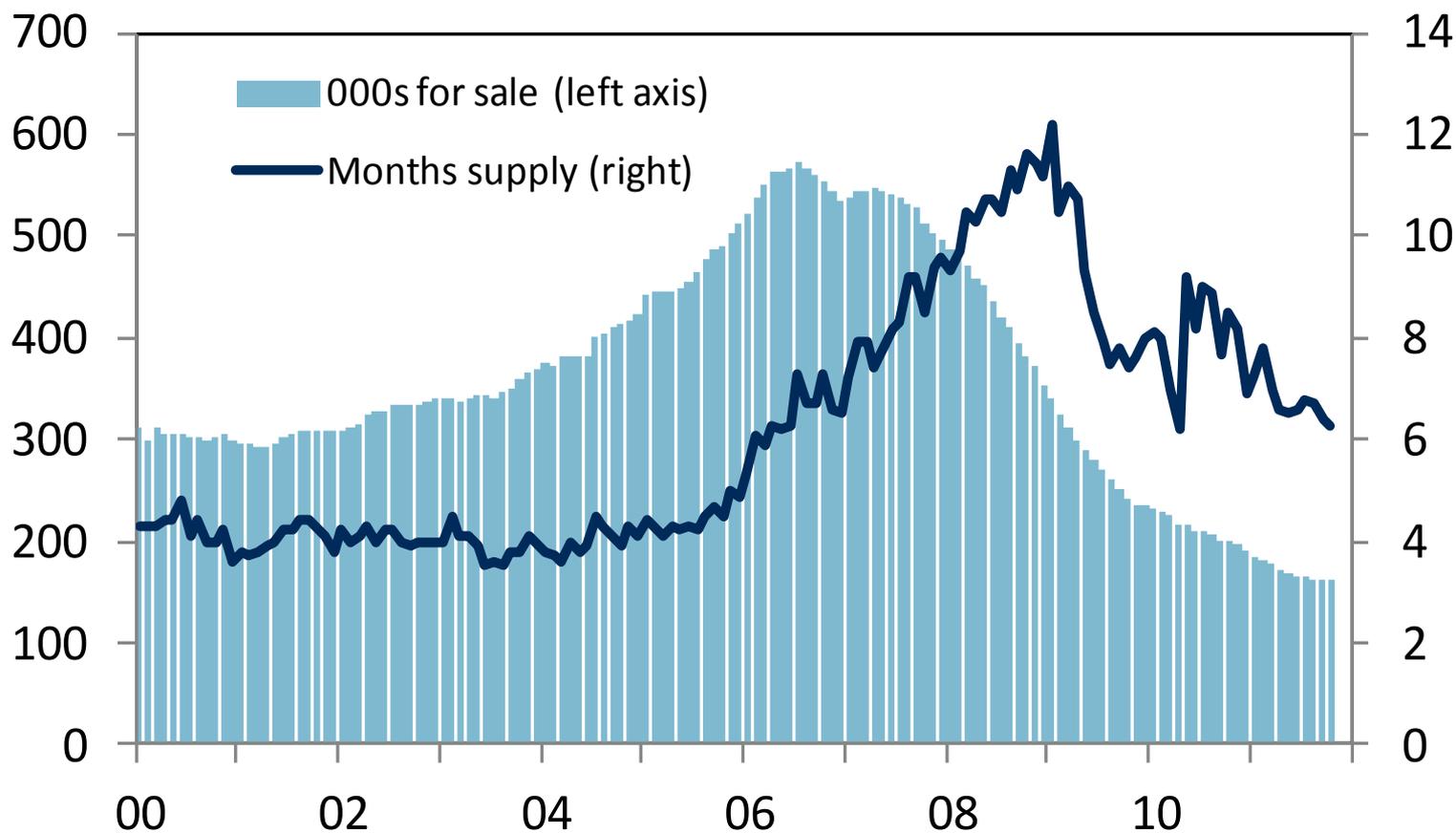
Thousands





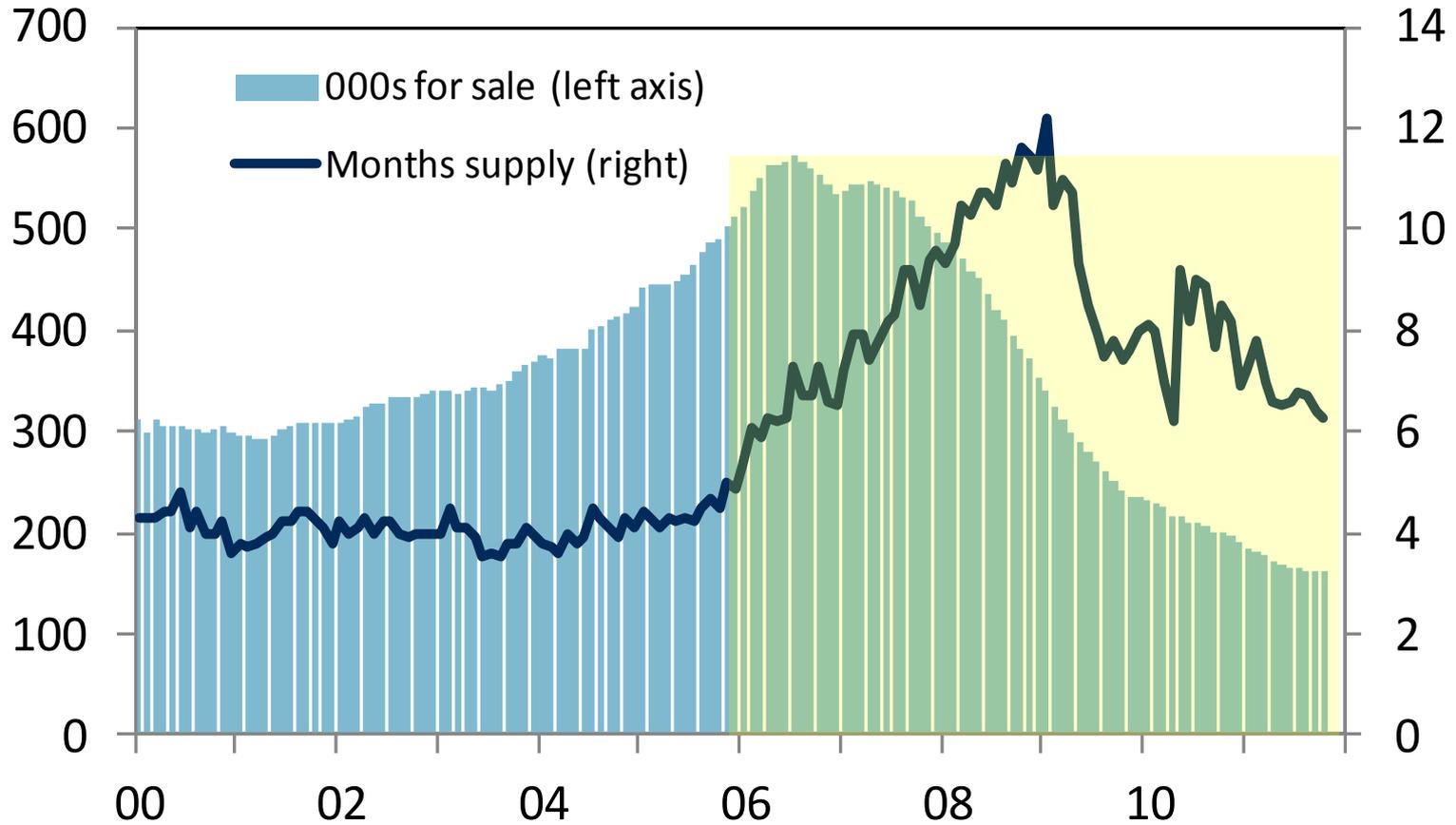
New Single-Family Home Inventory

Millions of Homes



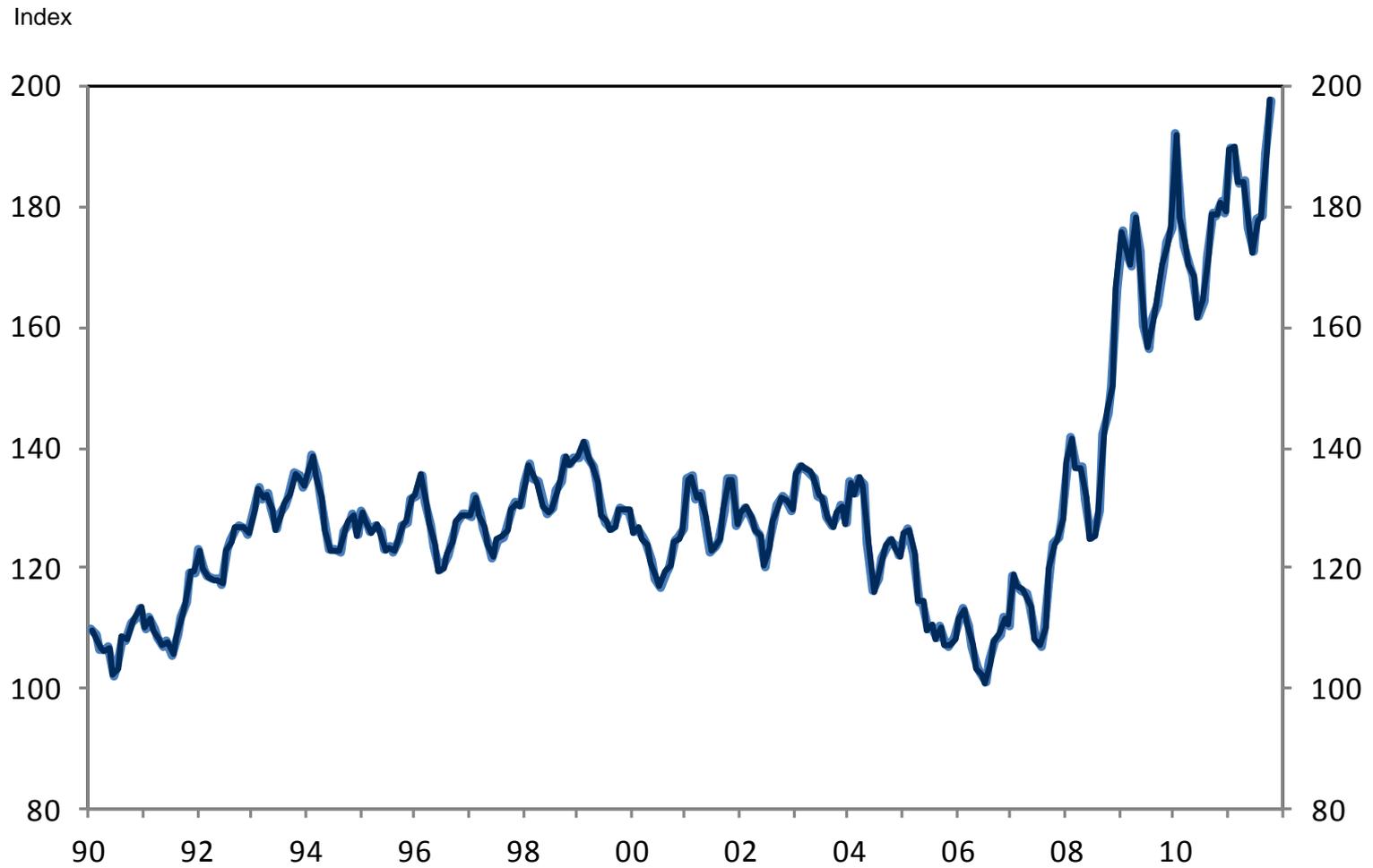
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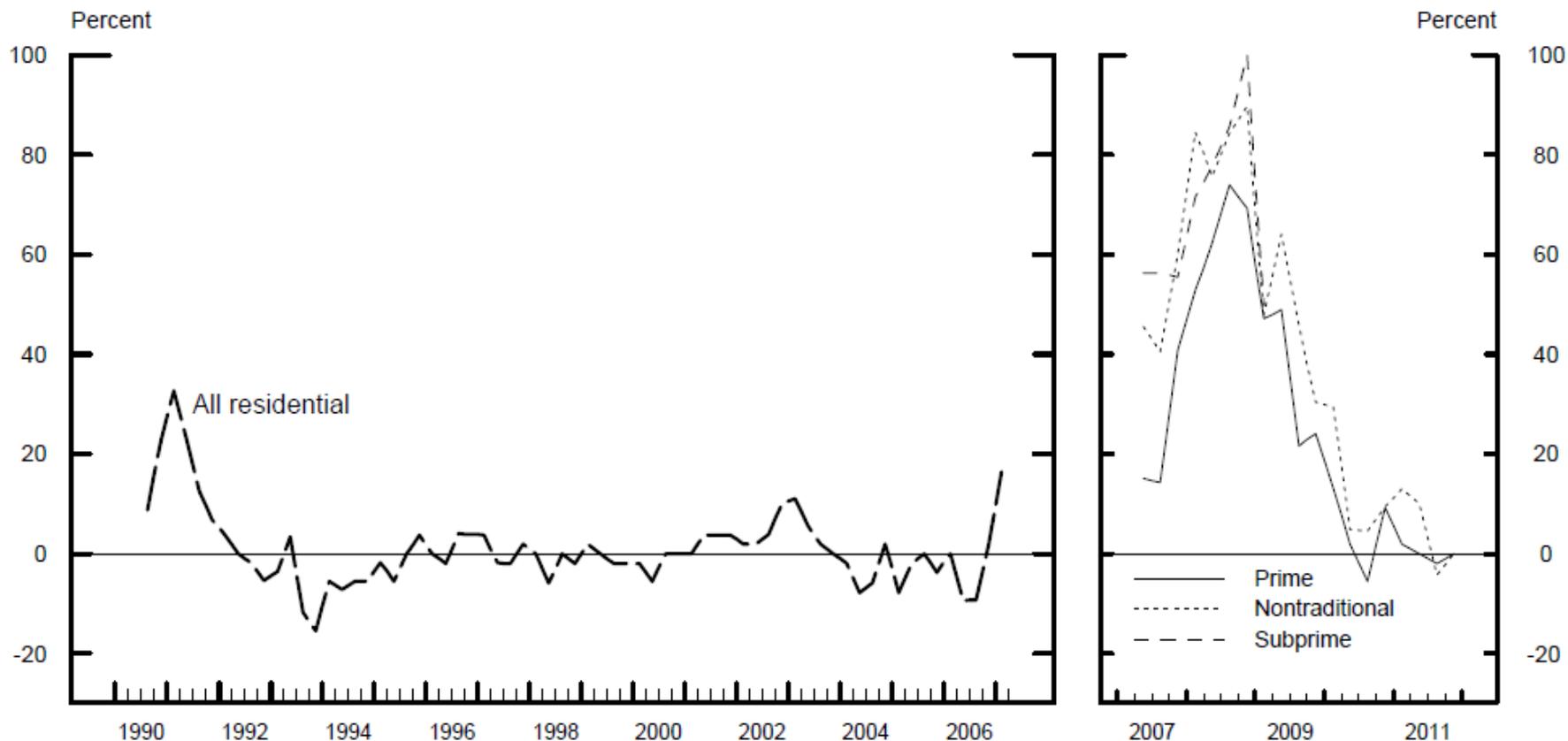
NAR Affordability Index





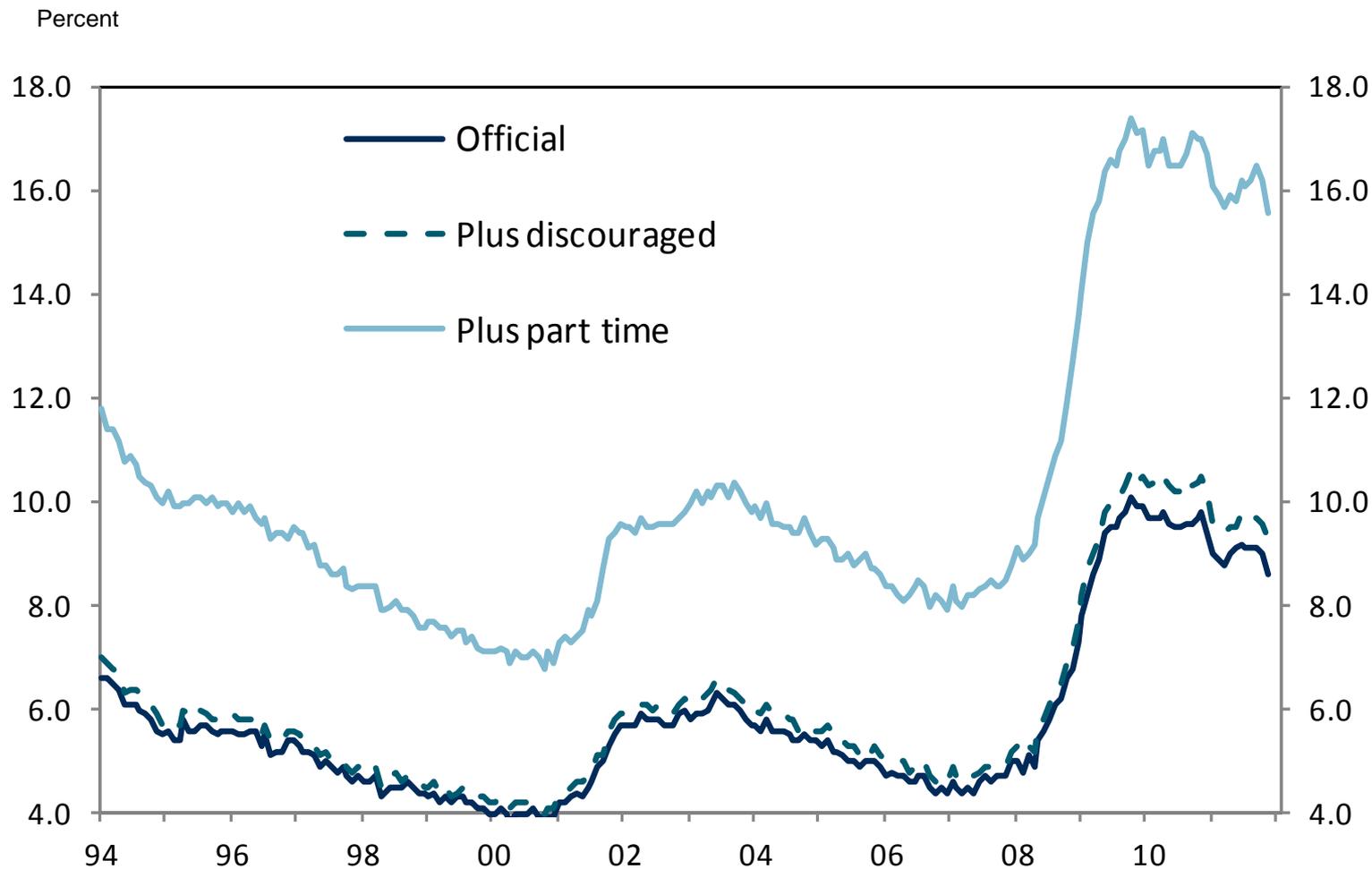
Federal Reserve Senior Loan Officer Survey

Index, net percent tightening standards for residential mortgages

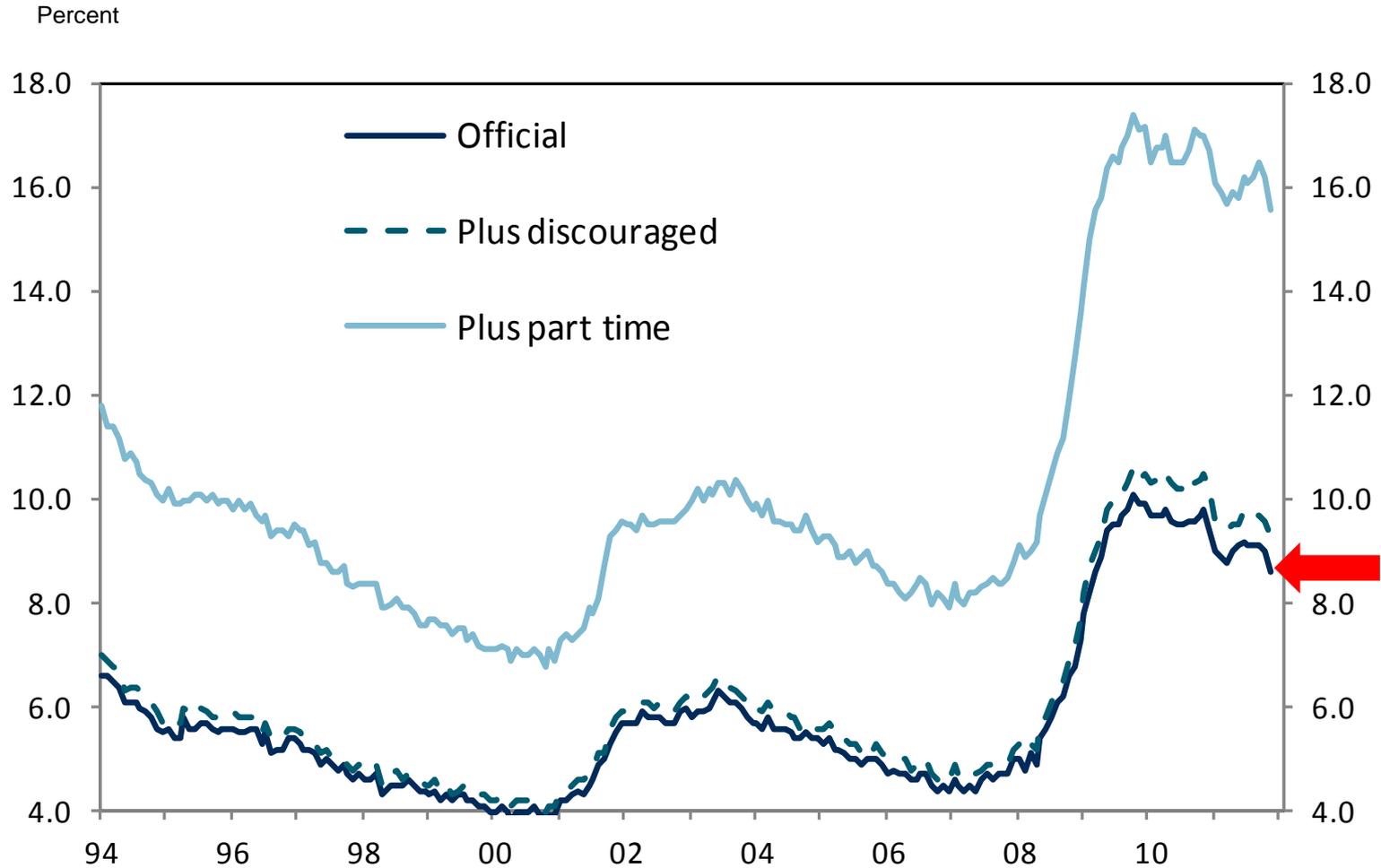




Alternative Measures of Labor Underutilization

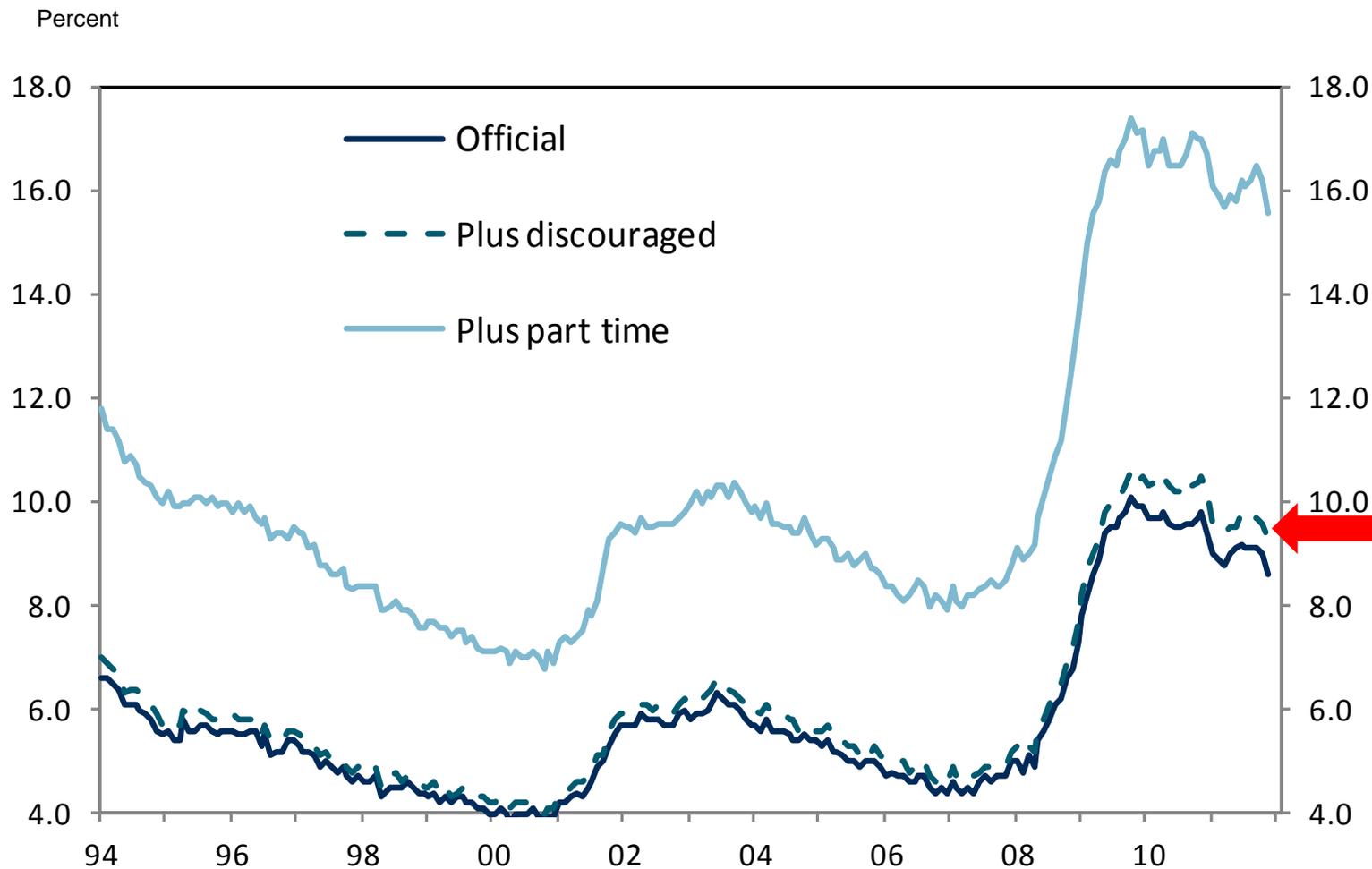


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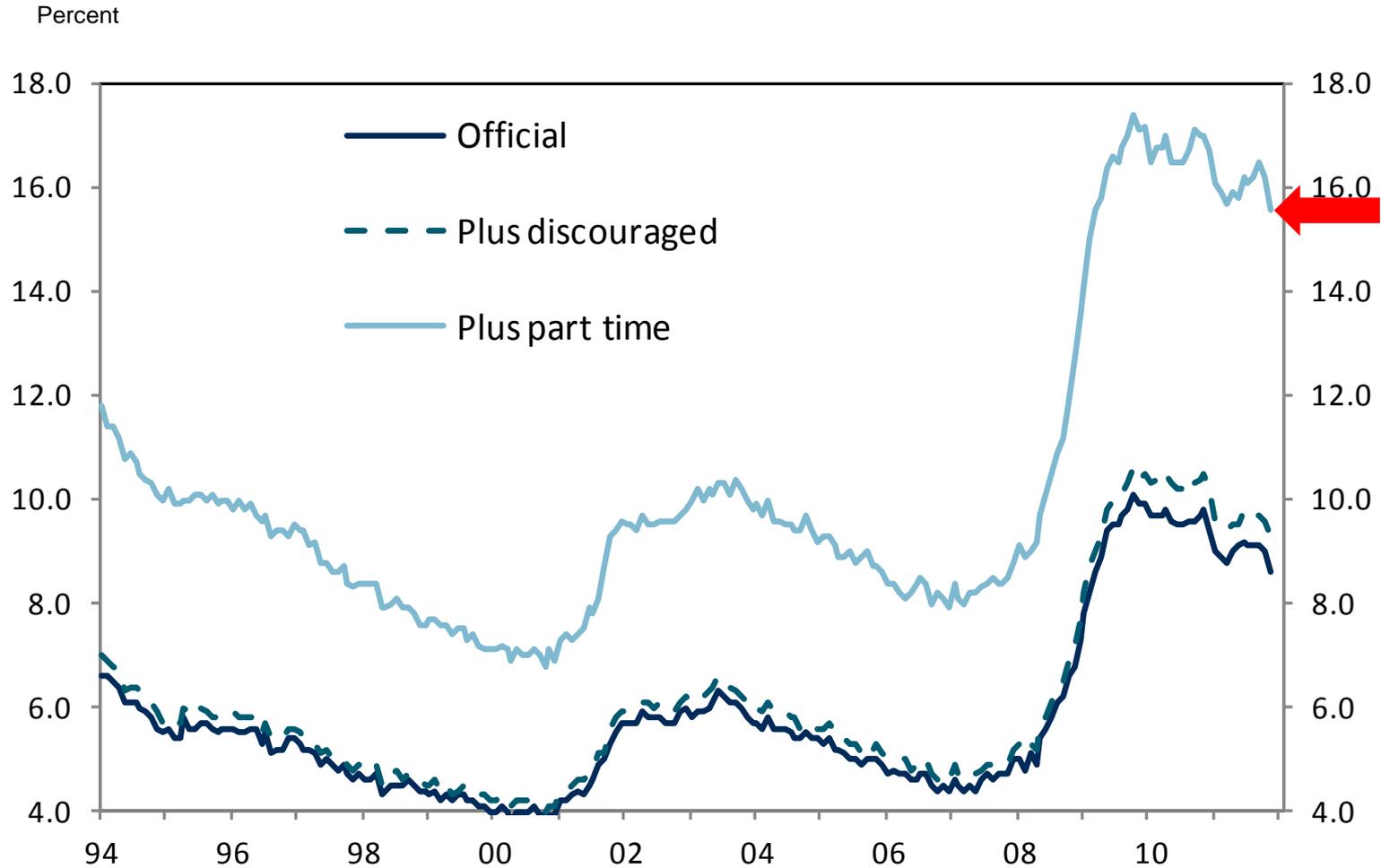




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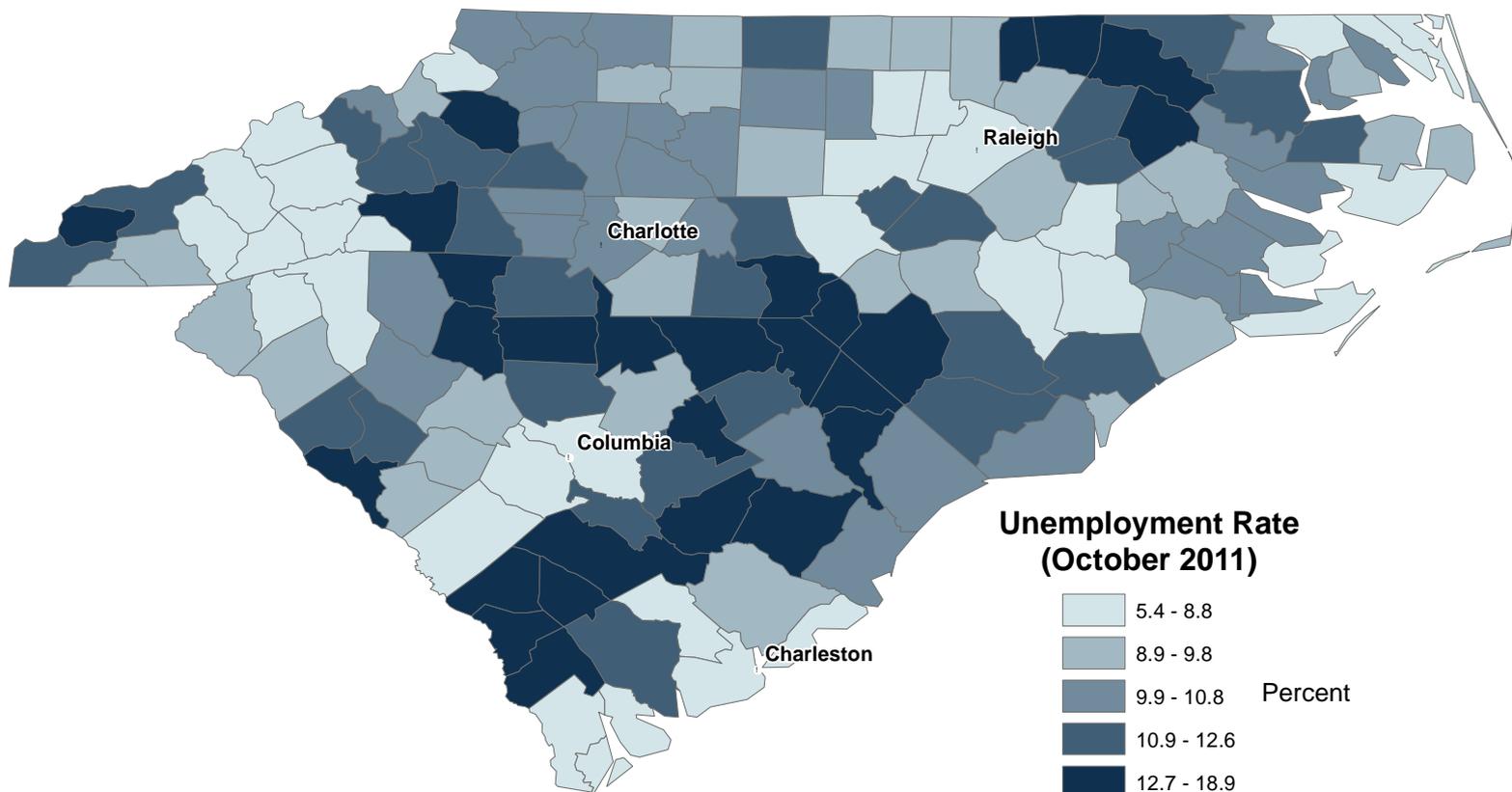


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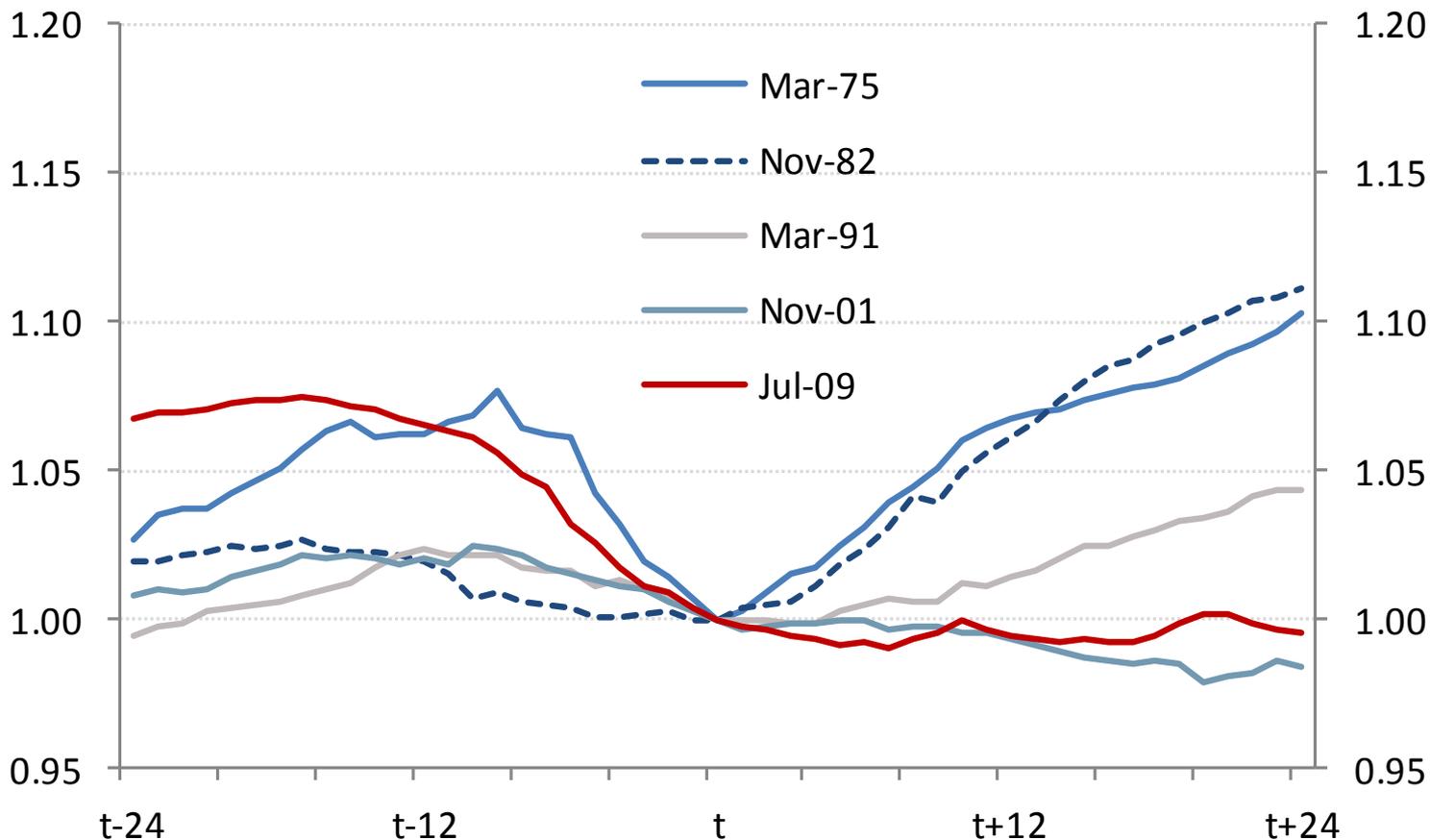
Unemployment





Carolinas Payroll Employment, Last Five Recessions

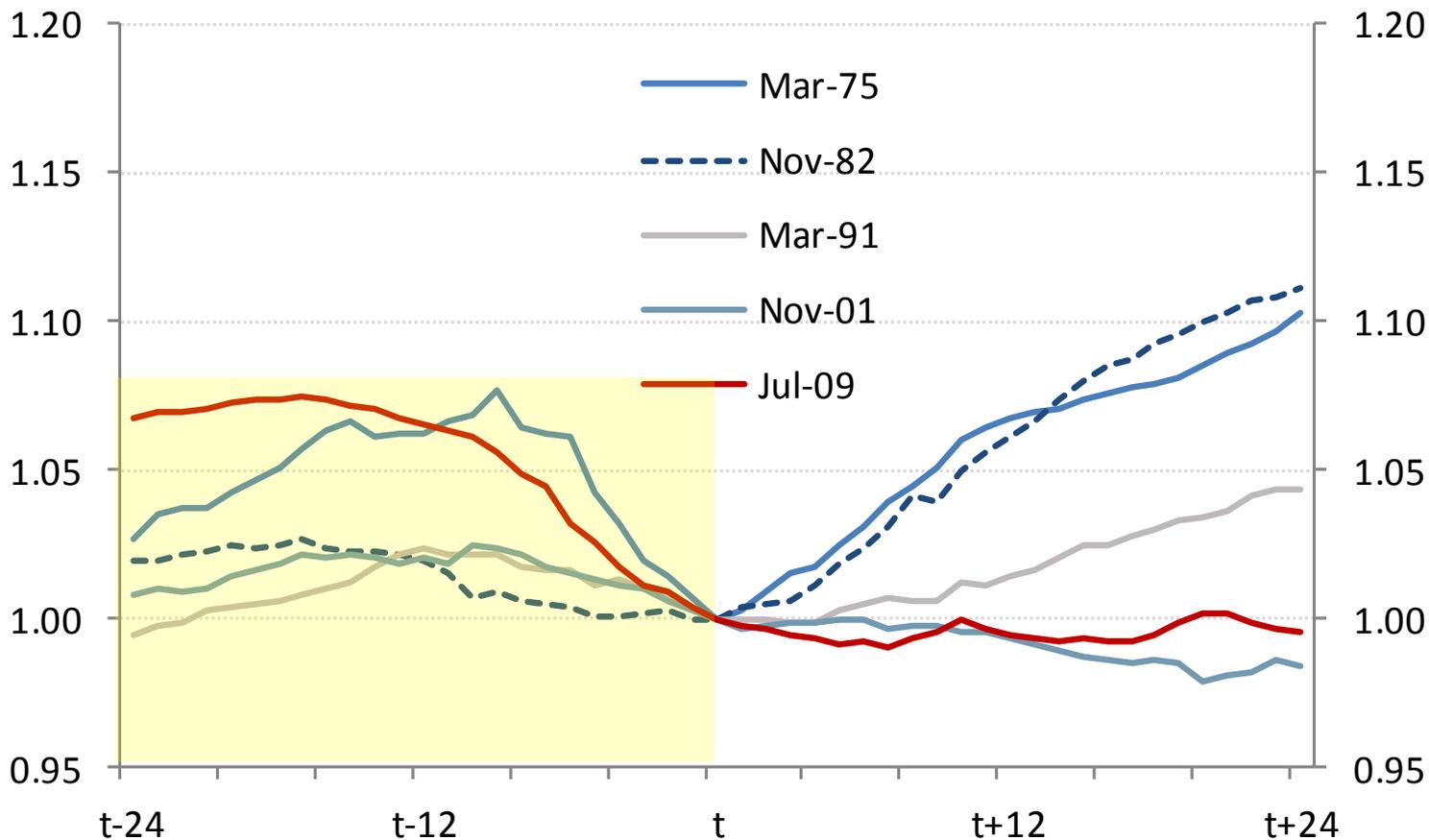
Index, June 2009 = 1.0





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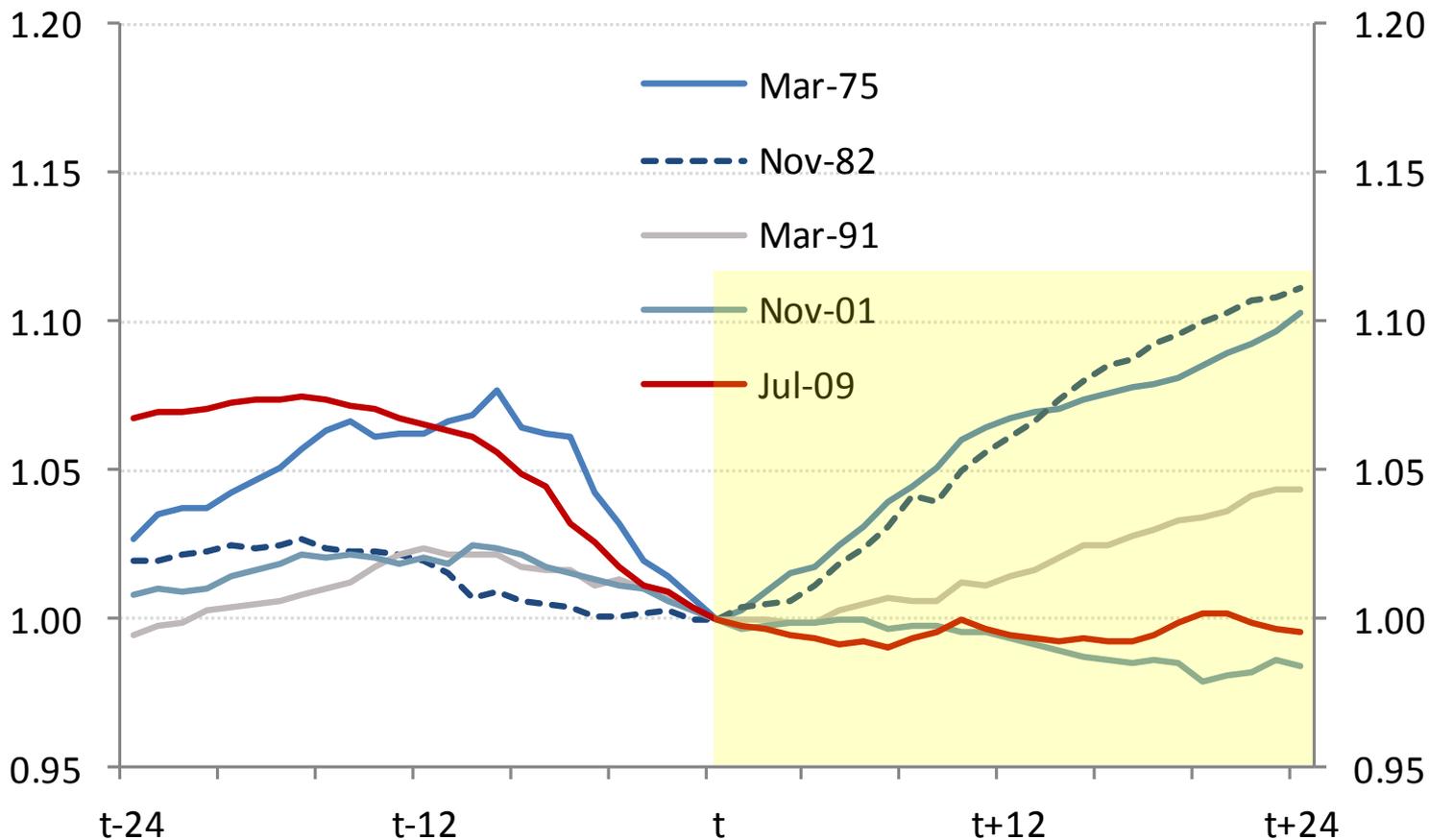
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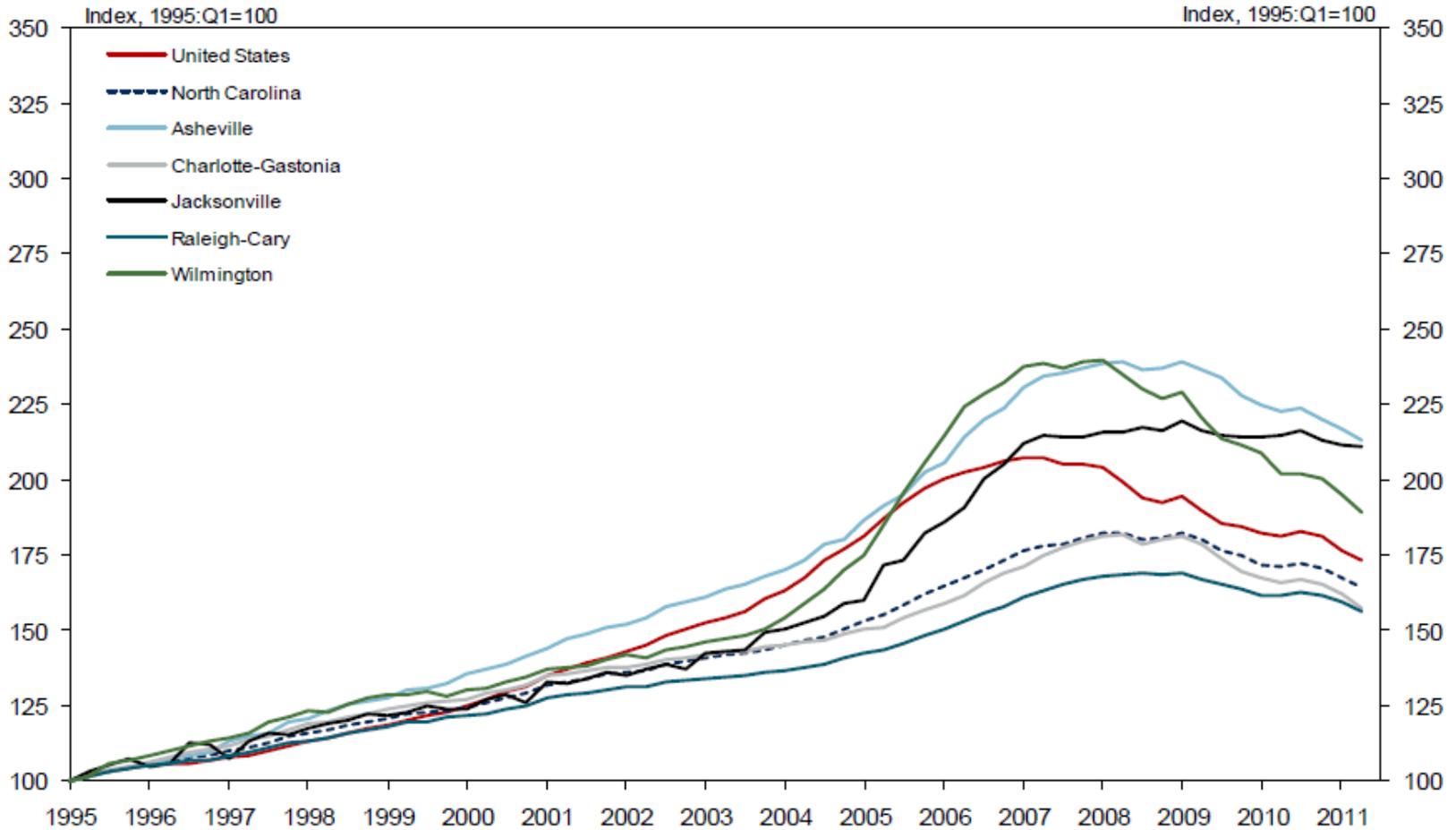


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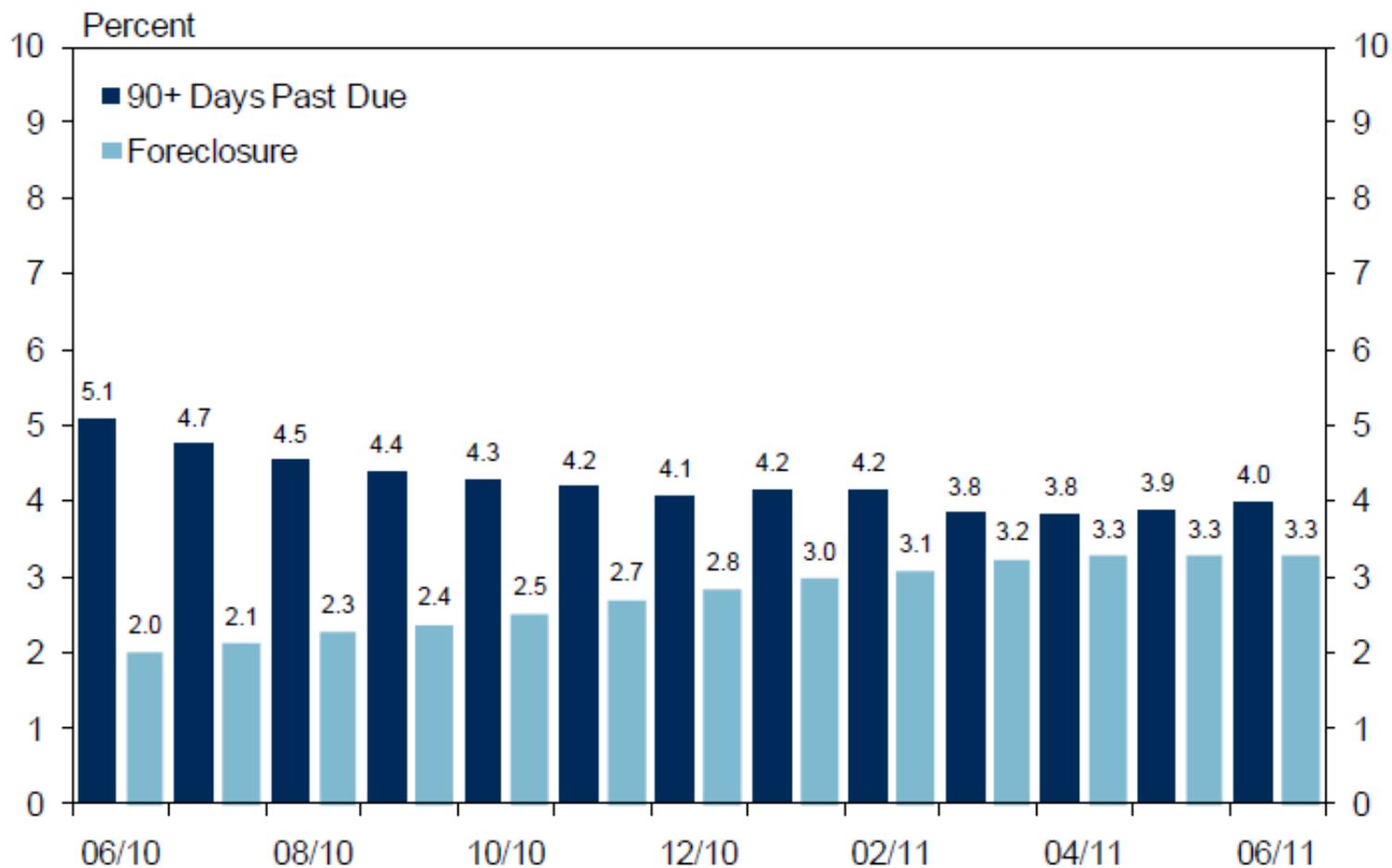


North Carolina Home Prices





North Carolina Delinquencies and Foreclosures





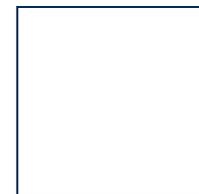
Summary

- Growth has accelerated from second quarter 2011, but early momentum has been diminished since early in the year
 - PCE, investment, and exports providing a boost...
 - ... while small businesses, construction, and government are exerting drags on growth
- Key uncertainties
 - Unsettled debt crisis in Europe
 - Equities markets volatility
 - Government dysfunction in U.S. (uncertainty surrounding regulations, taxes, elections)
 - Confidence
- No immediate relief for homebuilders in the near term
 - Longer term trend toward multifamily





The views expressed here are those of the author, and do not necessarily represent those of the Federal Reserve Bank of Richmond or the Federal Reserve System.



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