

Overview of the Virginia Economy

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Vice President, Regional Economics
Research Department

Virginia Chapter of the Special Libraries Association
December 3, 2010





Overview

- National Economic Trends
 - GDP
 - Business Activity
 - Household Spending and Income
 - Labor Market Indicators
- Regional Economic Trends
 - Business Activity
 - Labor Market Indicators
 - Industry Trends
 - Retail Sales





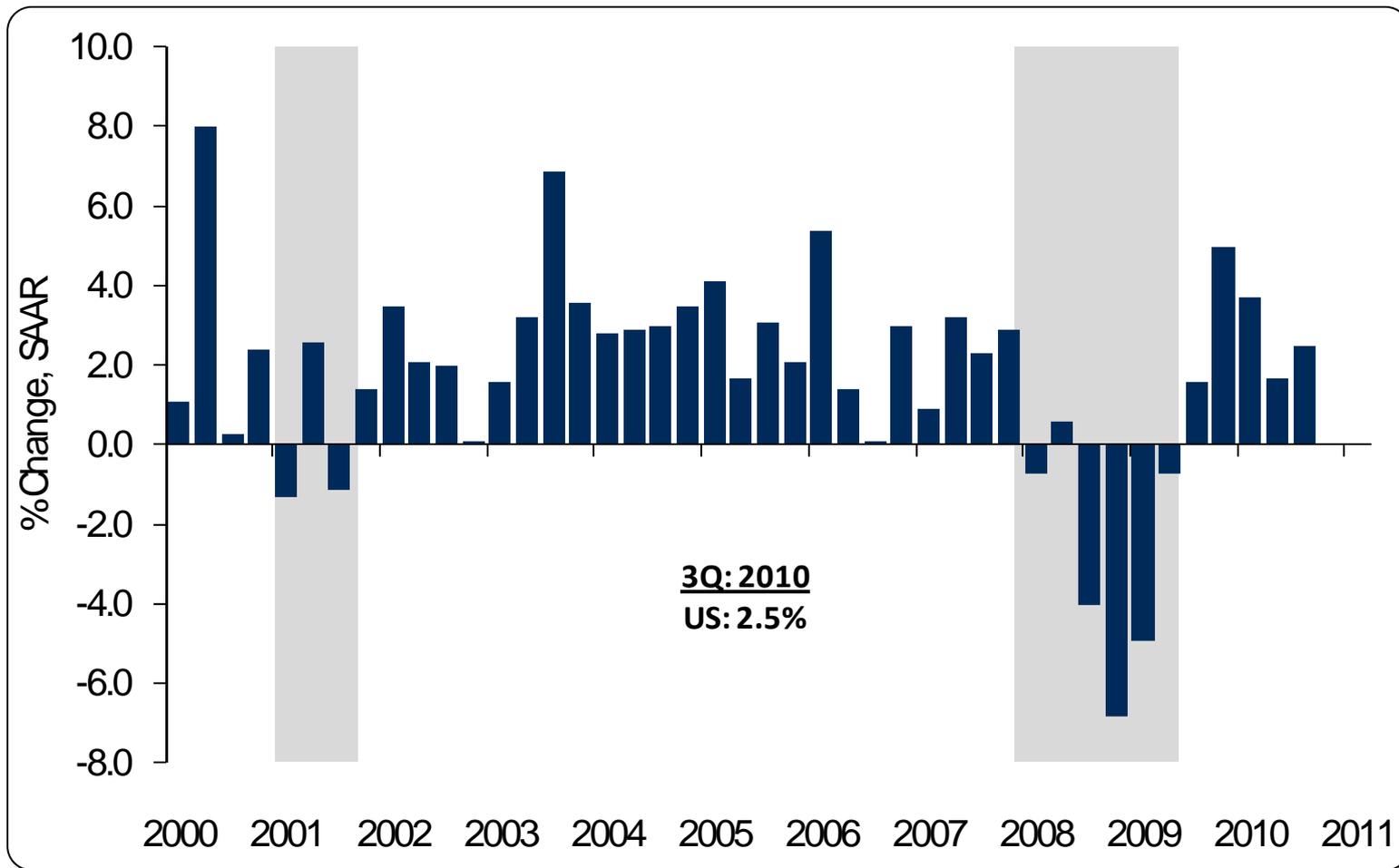
National Economic Trends





US Gross Domestic Product

Percent Change Quarter to Quarter, Seasonally Adjusted Annual Rate

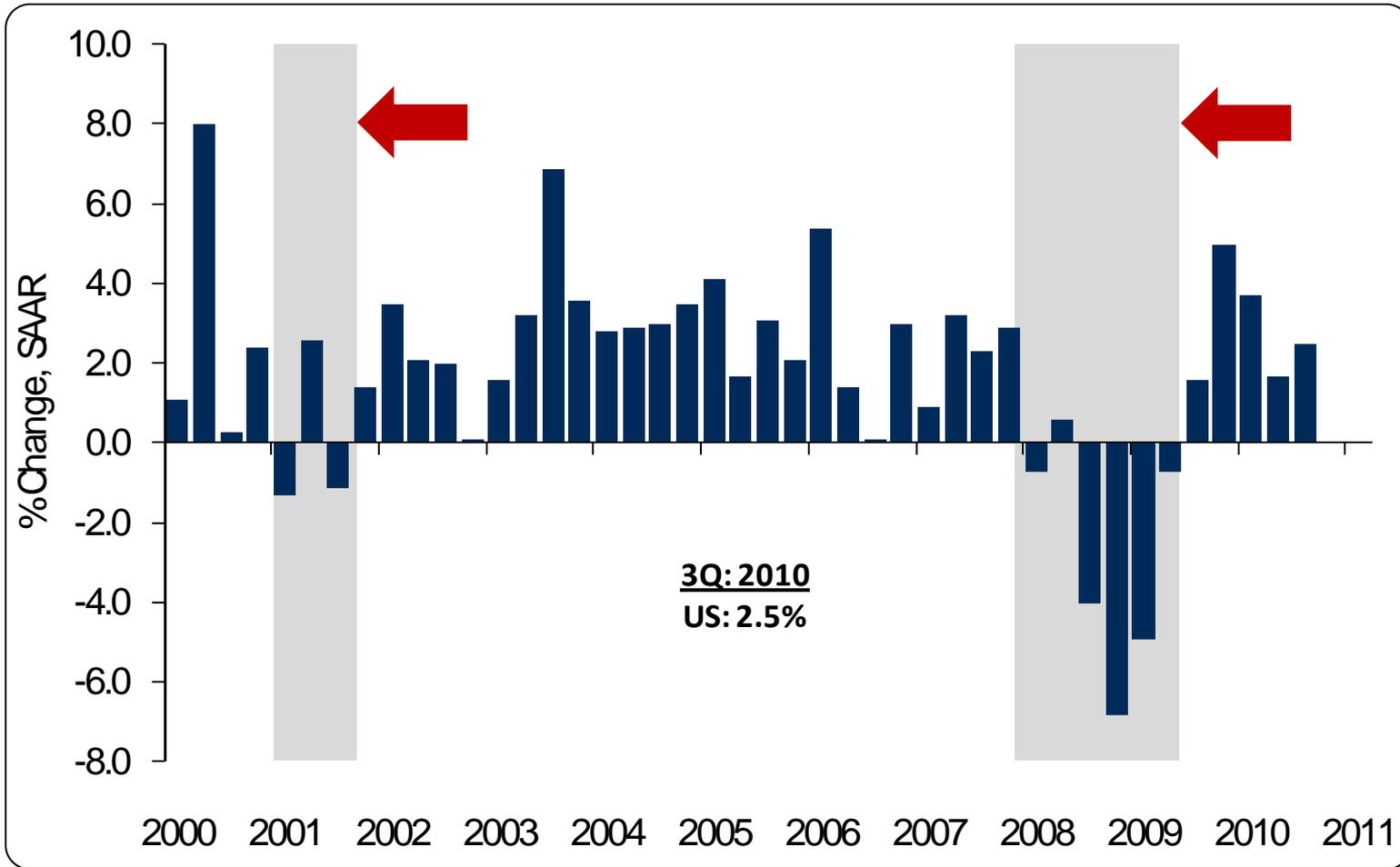


Source: BEA/Haver Analytics



US Gross Domestic Product

Percent Change Quarter to Quarter, Seasonally Adjusted Annual Rate



Source: BEA/Haver Analytics



Real Gross Domestic Product

	2009		2010		
	Q3	Q4	Q1	Q2	Q3
CHANGE FROM PREVIOUS QUARTER AT COMPOUND ANNUAL RATE [Percent]:					
Gross Domestic Product	1.6	5.0	3.7	1.7	2.5
Personal Consumption Expenditures	2.0	0.9	1.9	2.2	2.8
Nonresidential Fixed Investment	-1.7	-1.4	7.8	17.2	10.3
Structures	-12.4	-29.2	-17.8	-0.5	-5.7
Equipment & Software	4.2	14.6	20.4	24.8	16.8
Residential Fixed Investment	10.6	-0.8	-12.3	25.7	-27.5
Exports of Goods & Services	12.2	24.4	11.4	9.1	6.3
Imports of Goods & Services	21.9	4.9	11.2	33.5	16.8
Government Consumption Expenditures & Gross Investment	1.6	-1.4	-1.6	3.9	4
Final Sales to Domestic Purchasers	1.8	0.2	1.3	4.3	2.9
LEVEL IN QUARTER AT SEASONALLY ADJUSTED ANNUAL RATE [Billions of Chained (2005) Dollars]:					
Change in Private Inventories	-128.2	-36.7	44.1	68.8	115.5
Net Exports of Goods & Services	-390.8	-330.1	-338.4	-449.0	-514.9

Source: Bureau of Economic Analysis/Haver Analytics

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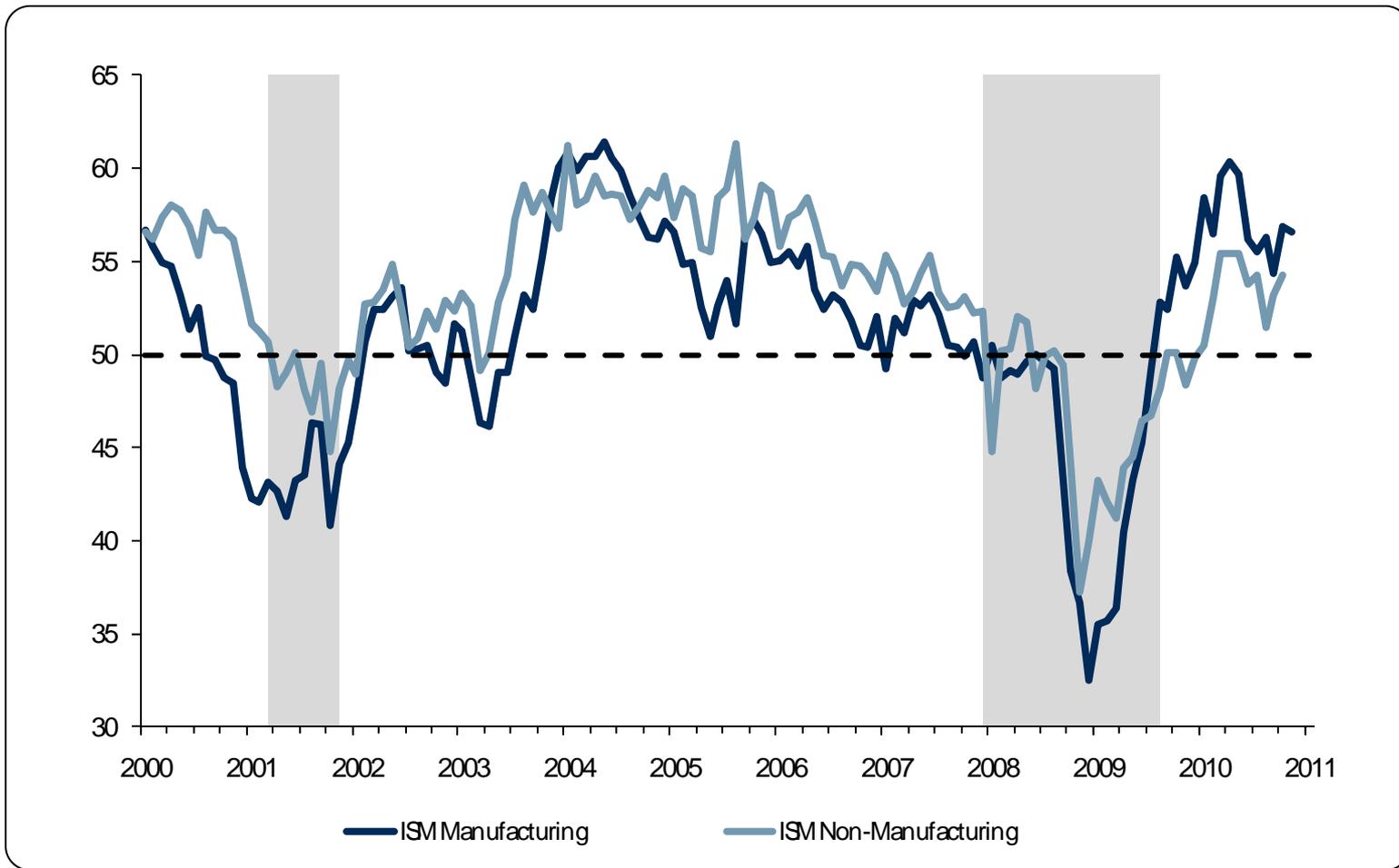
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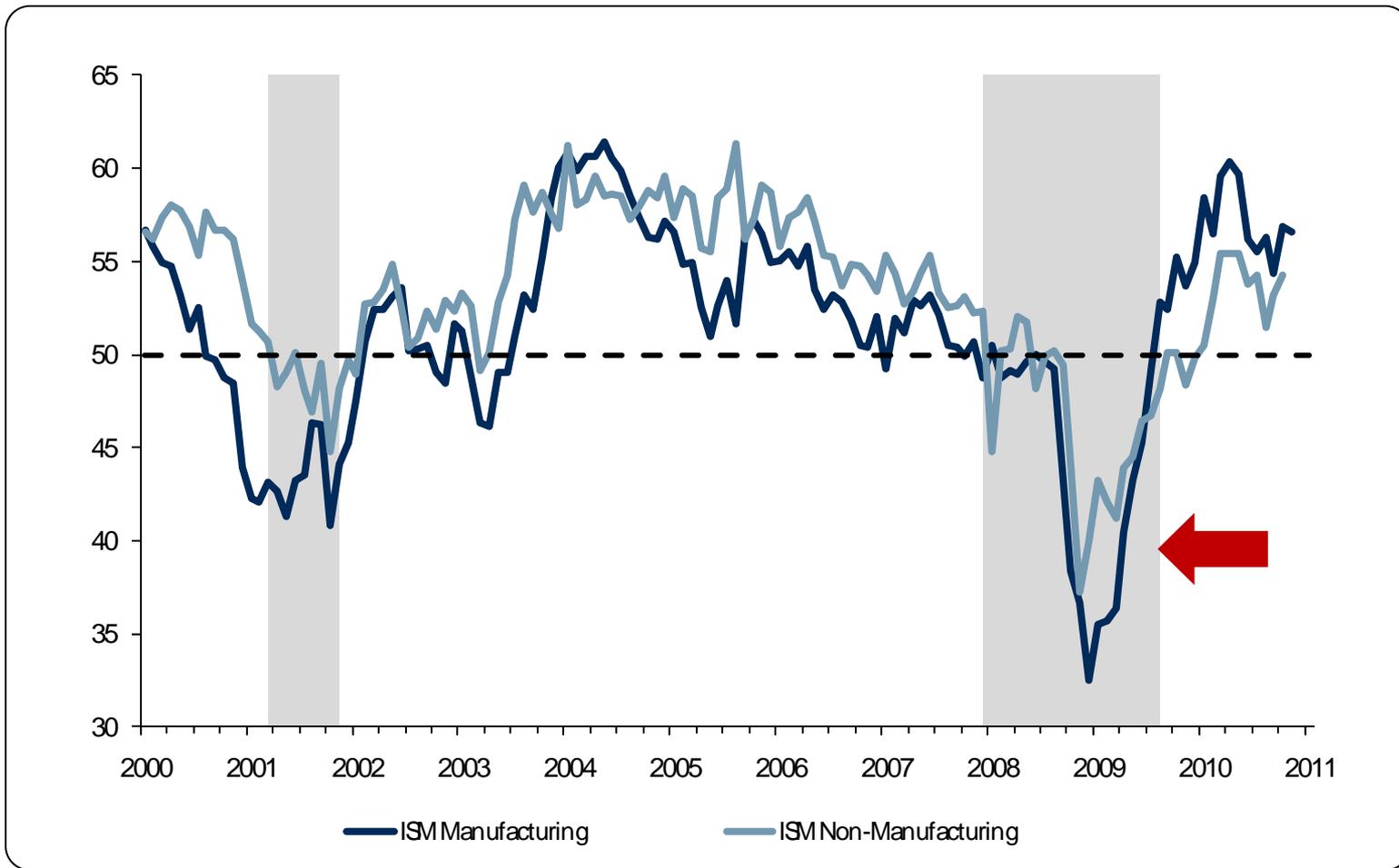
ISM Surveys – Purchasing Managers Index



Source: Institute of Supply Managers

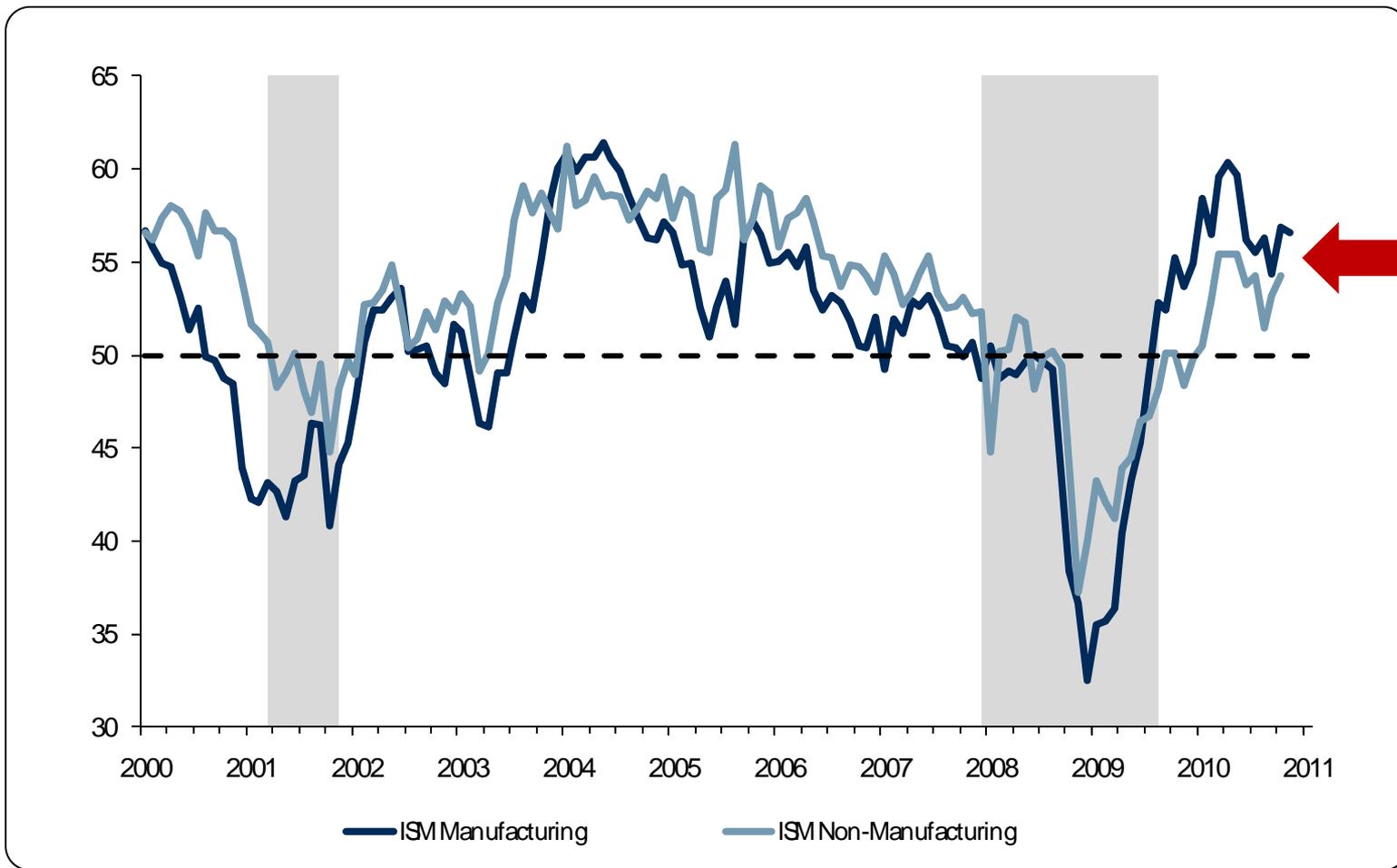


ISM Surveys – Purchasing Managers Index



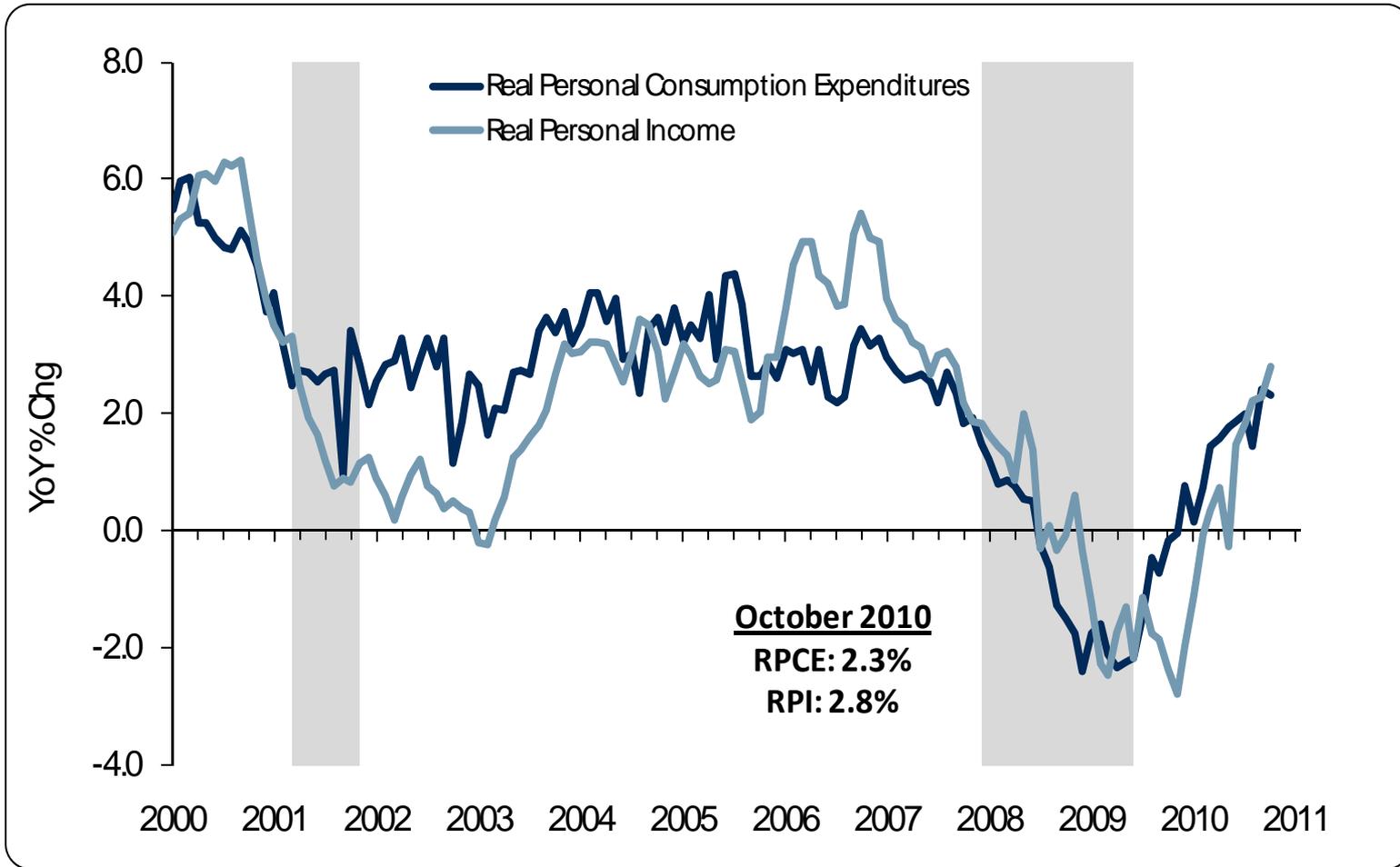
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ISM Surveys – Purchasing Managers Index



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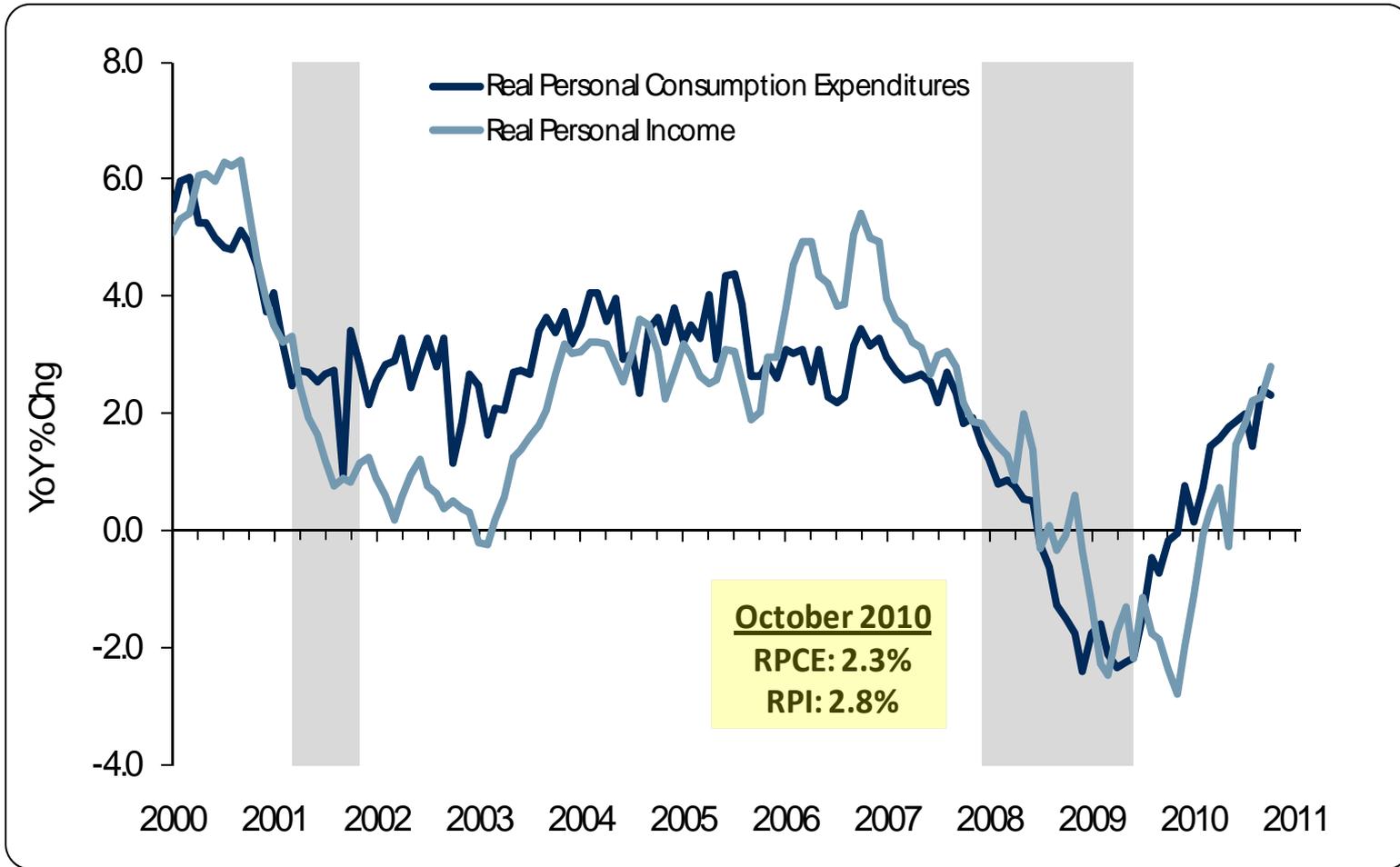
Personal Income and Expenditures



Source: BEA/Haver Analytics



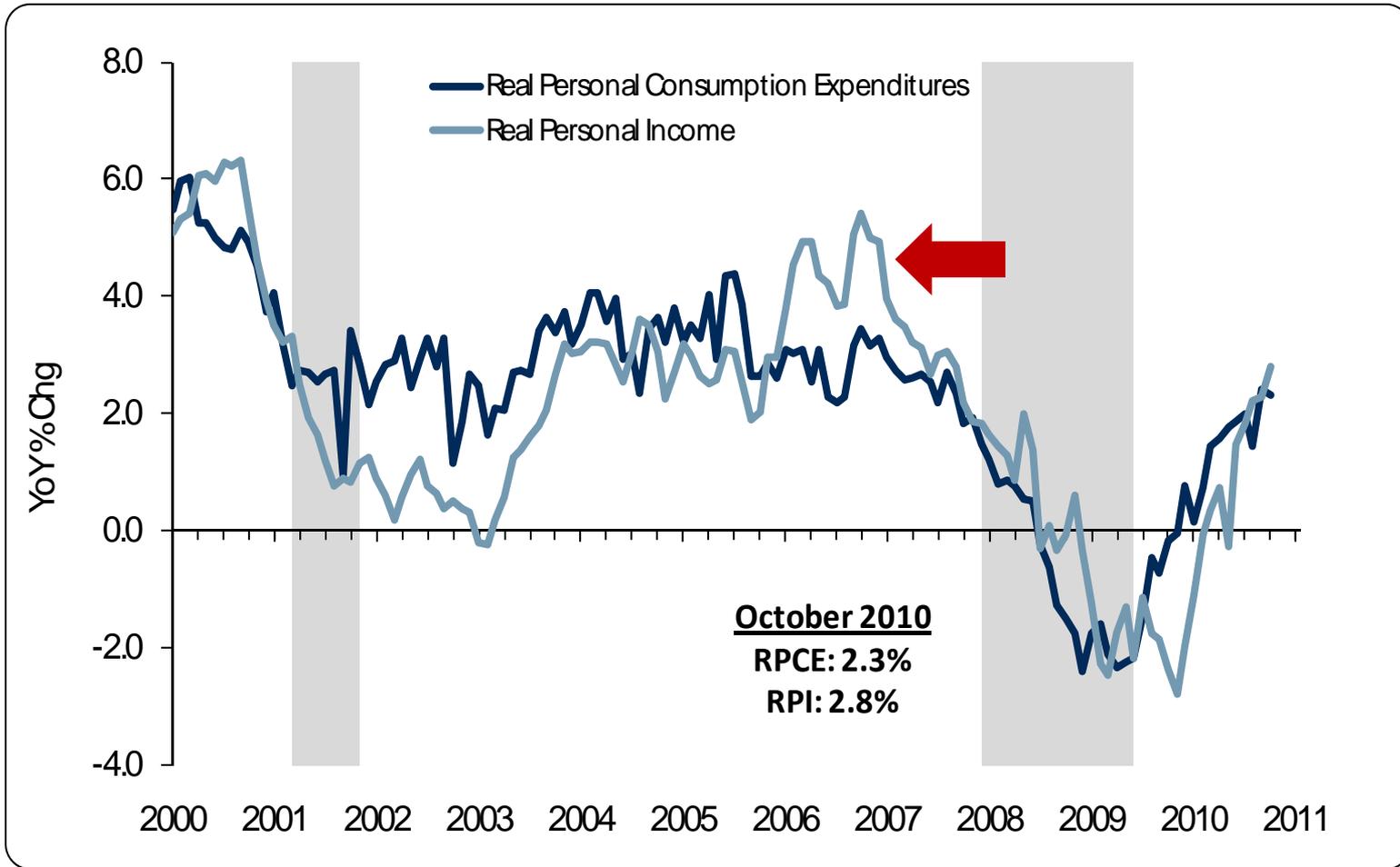
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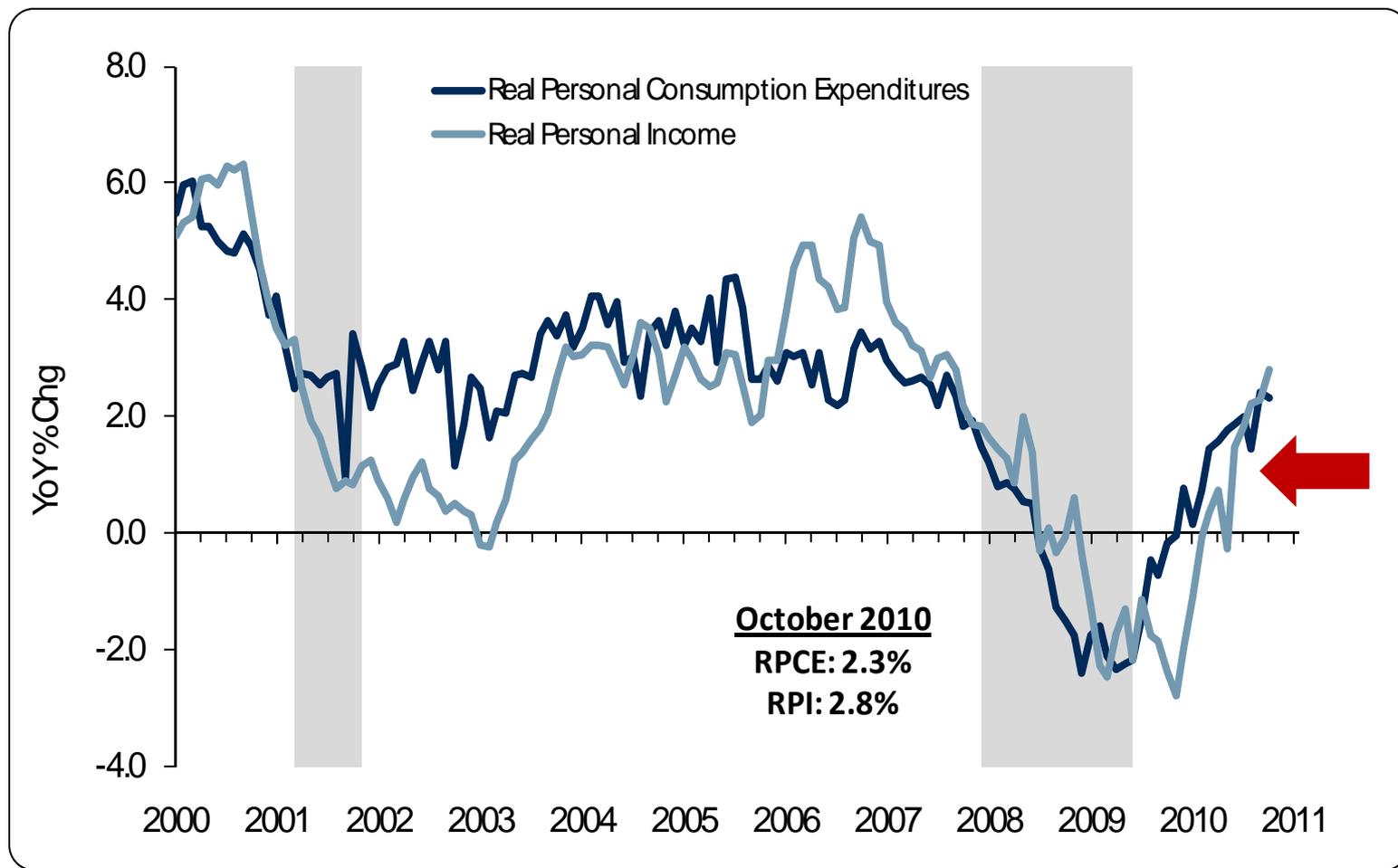
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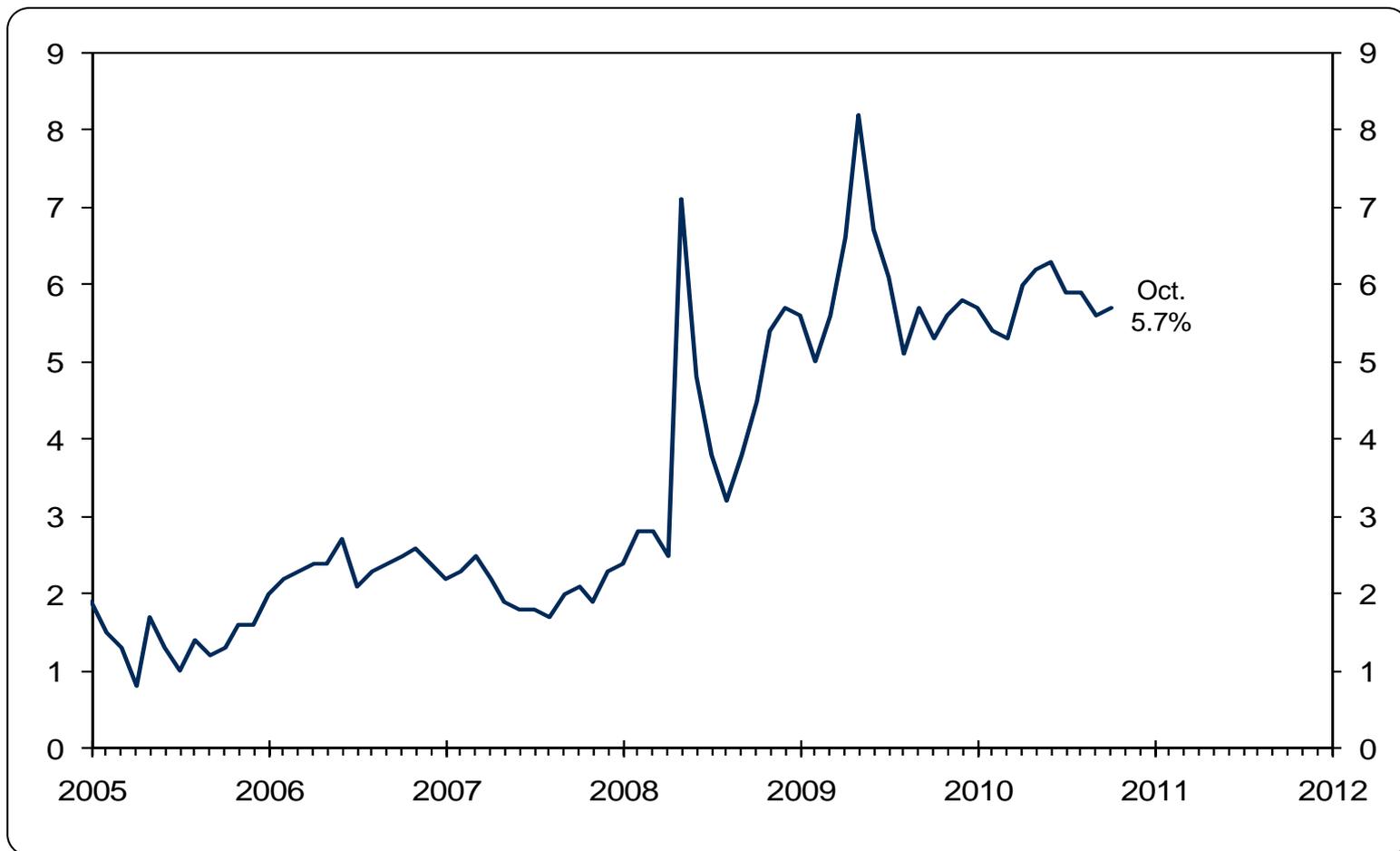


Source: BEA/Haver Analytics



Personal Savings Rate

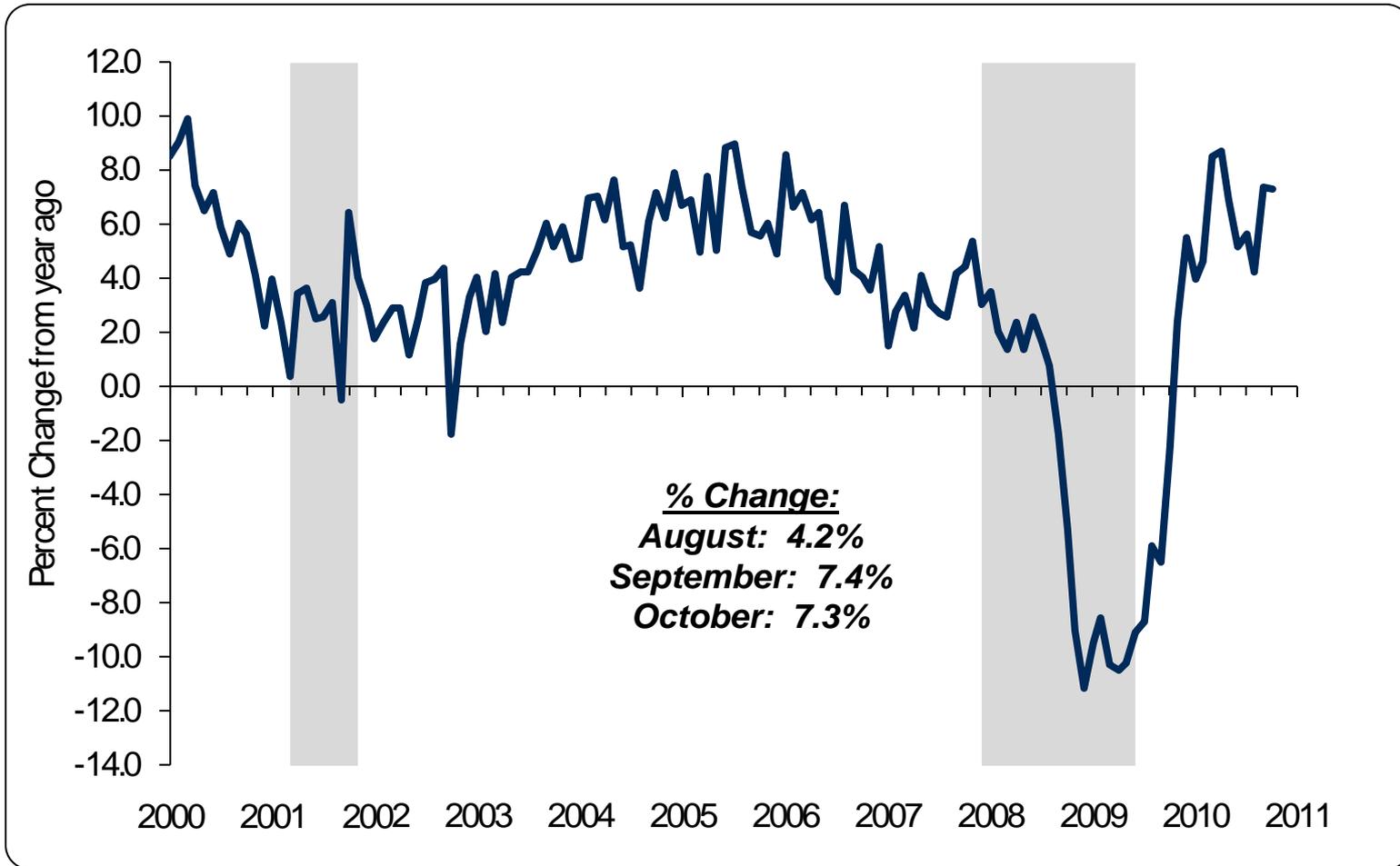
Percent of disposable personal income



Source: BEA/Haver Analytics



Retail Sales



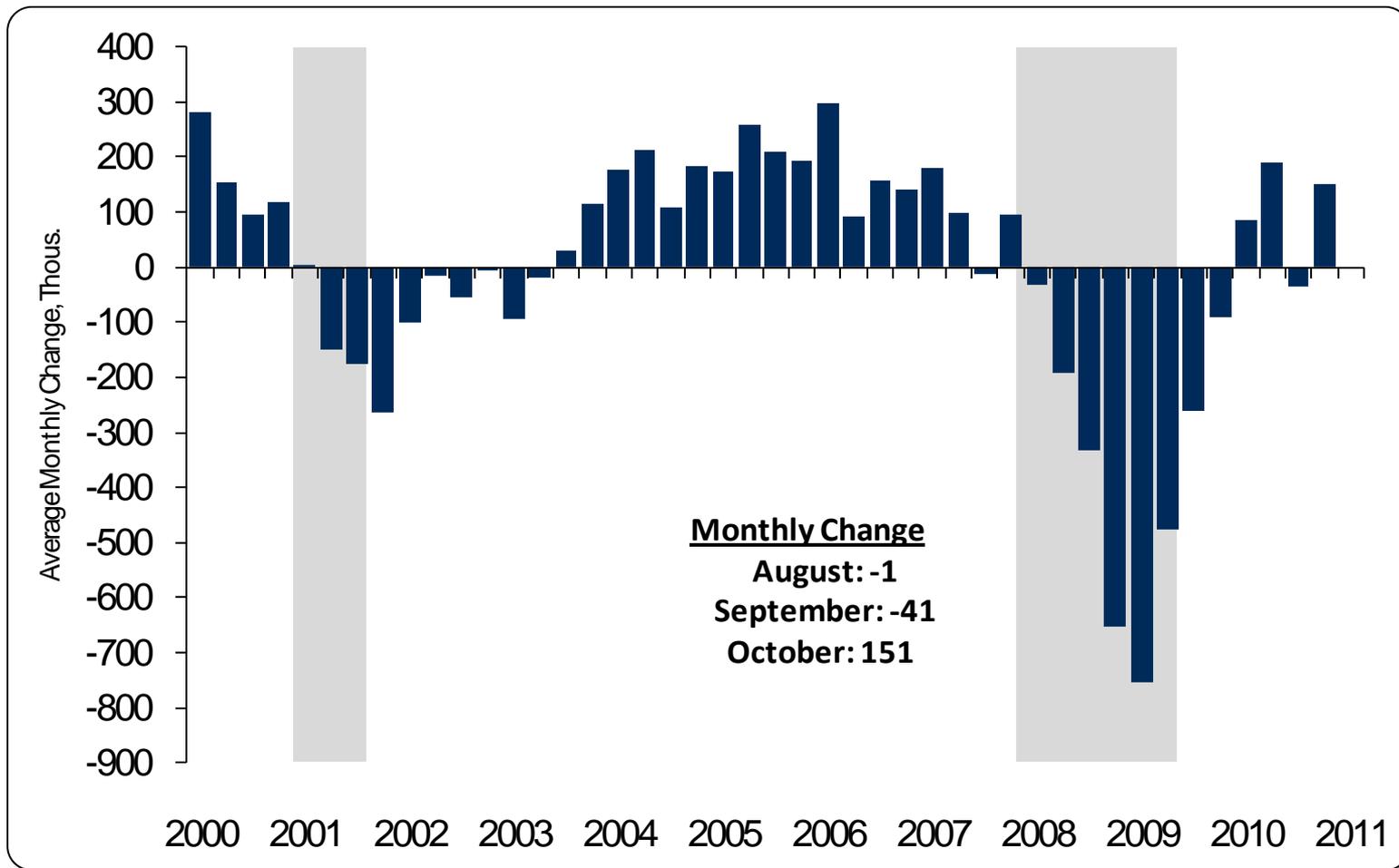
Source: BEA/Haver Analytics





Nonfarm Payroll Employment

Average Monthly Change



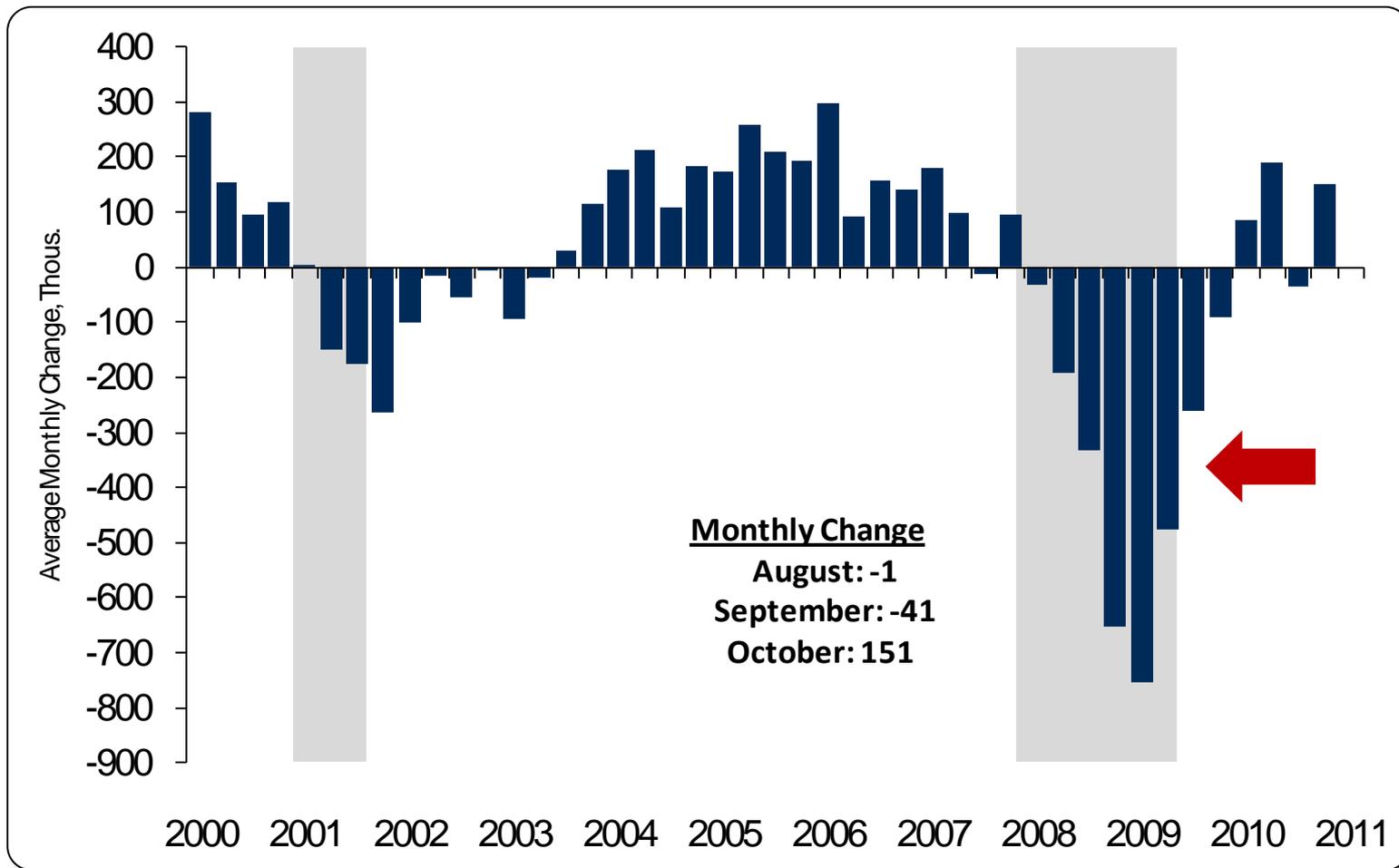
Source: Bureau of Labor Statistics/Haver Analytics





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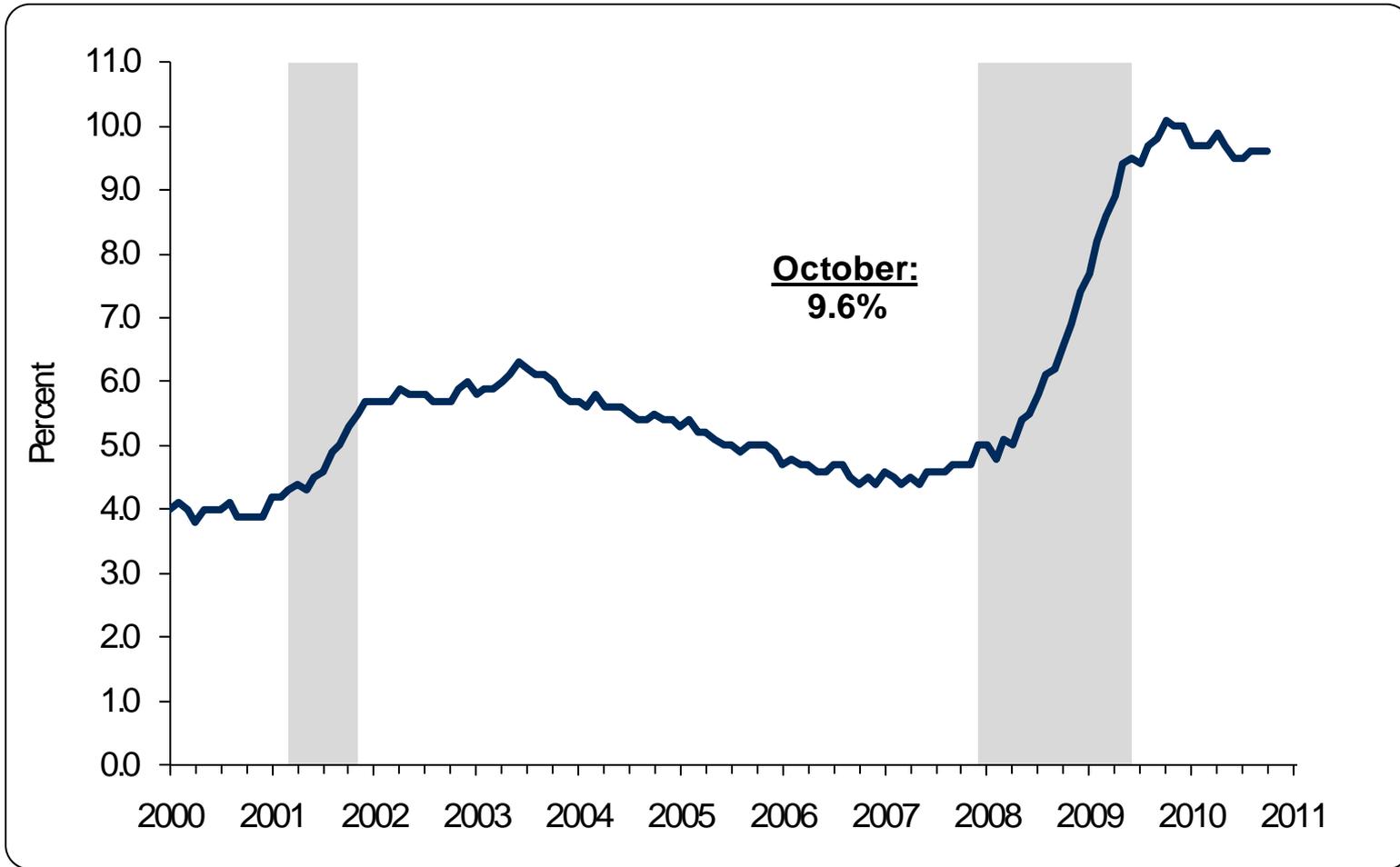
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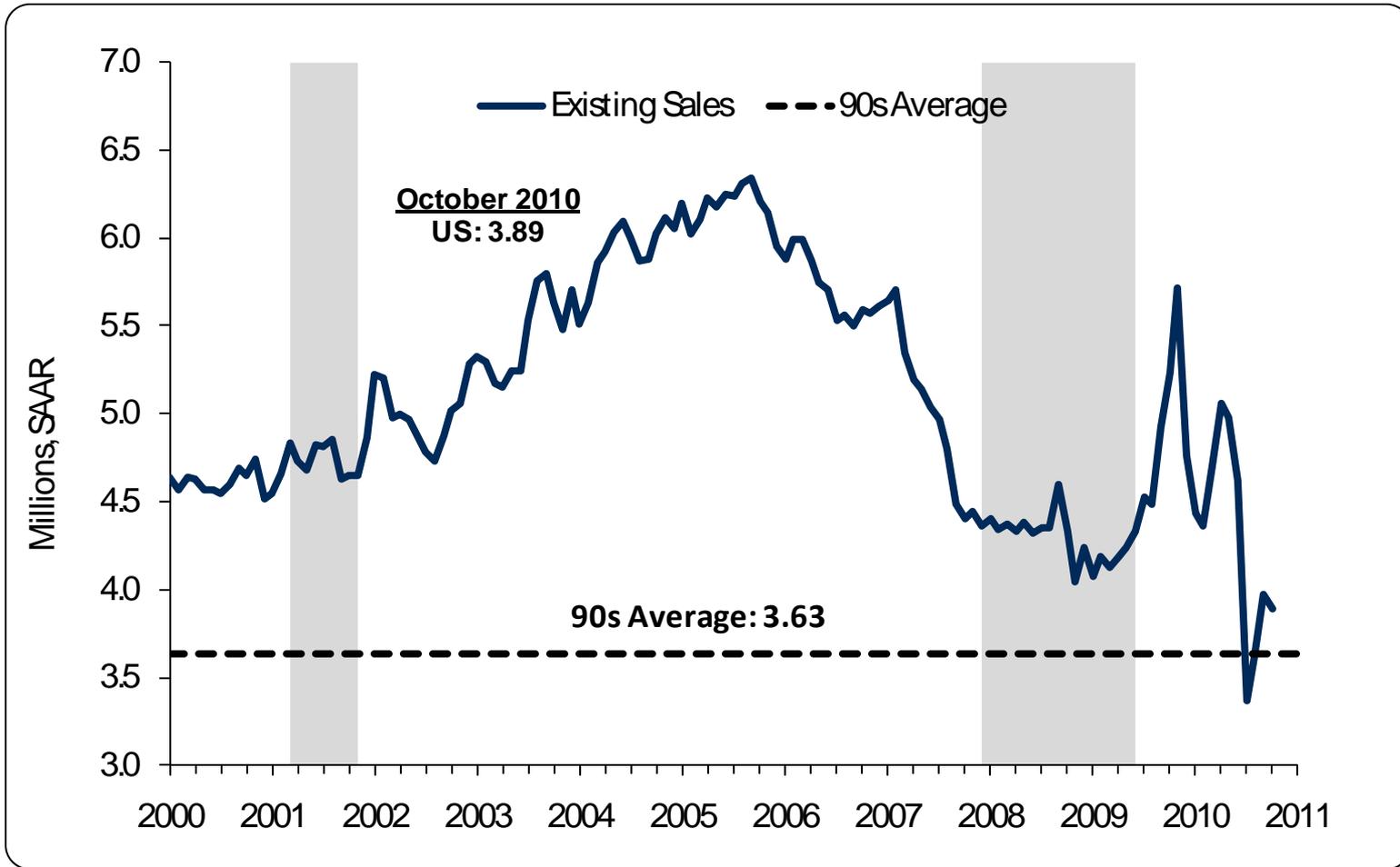
Unemployment Rate



Source: Bureau of Labor Statistics/Haver Analytics



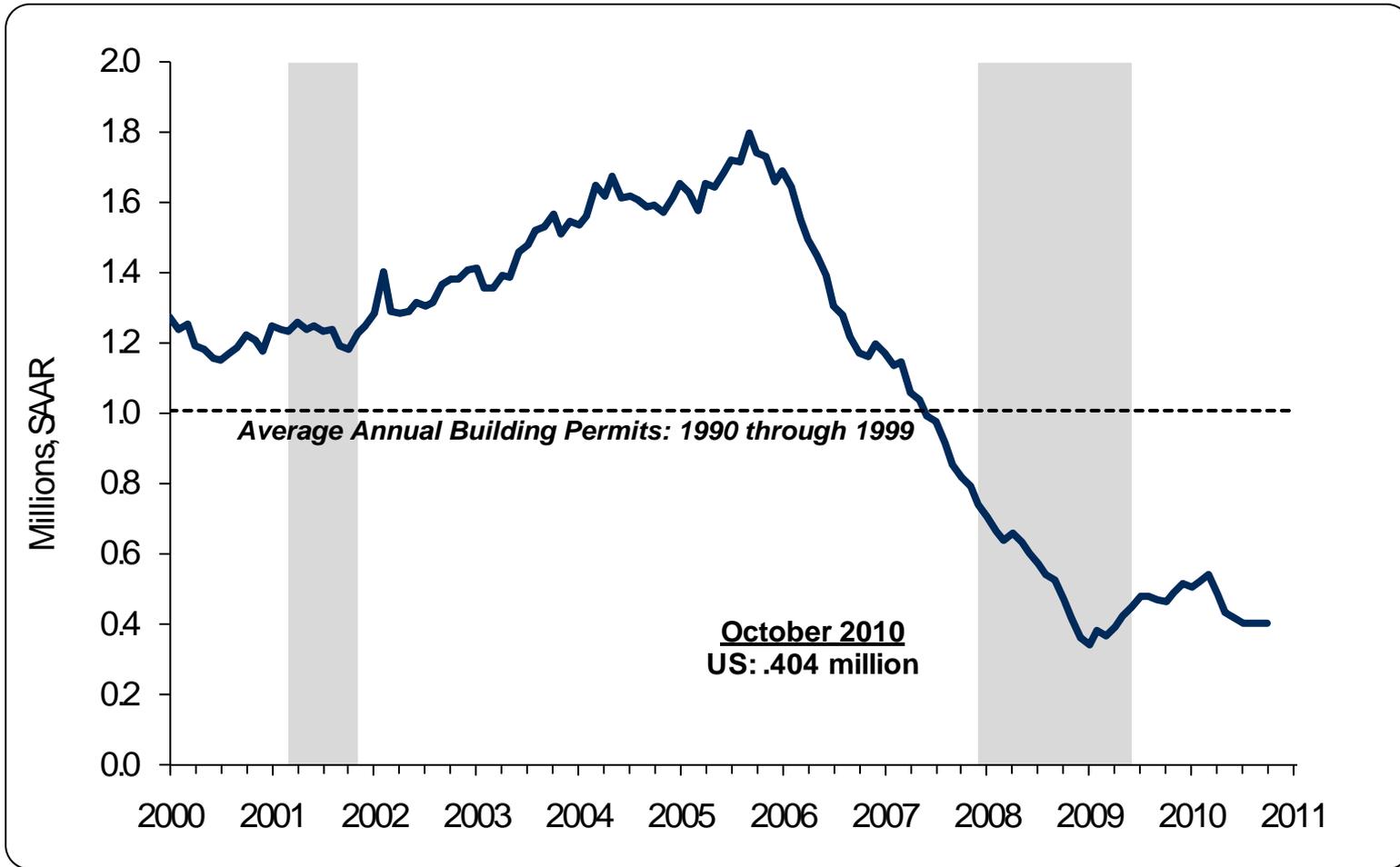
Existing Home Sales



Source: National Association of Realtors/Haver Analytics



Building Permits—Single Family Homes

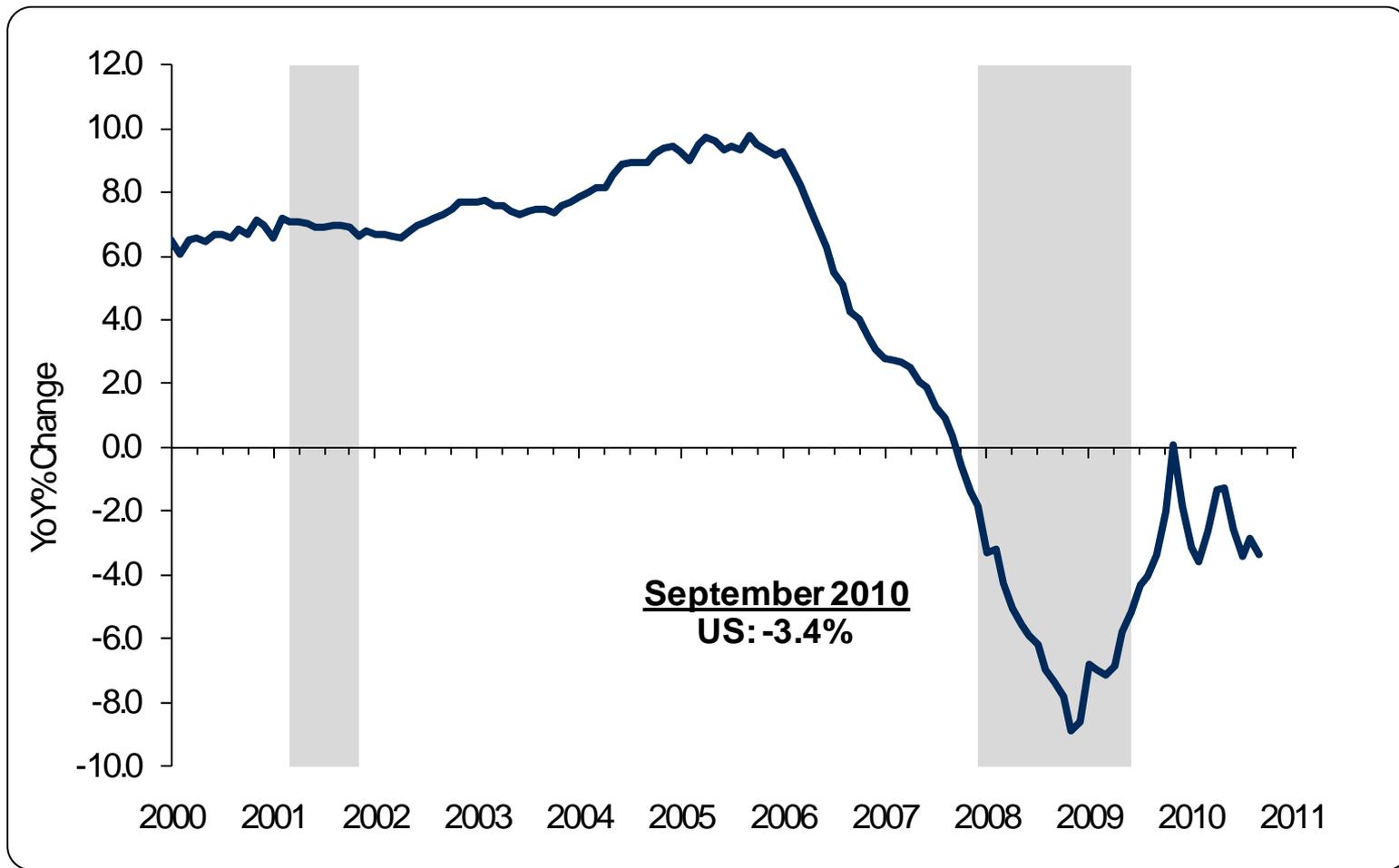


Source: US Census Bureau/Haver Analytics





National House Prices



Source: Federal Housing Finance Agency/Haver Analytics

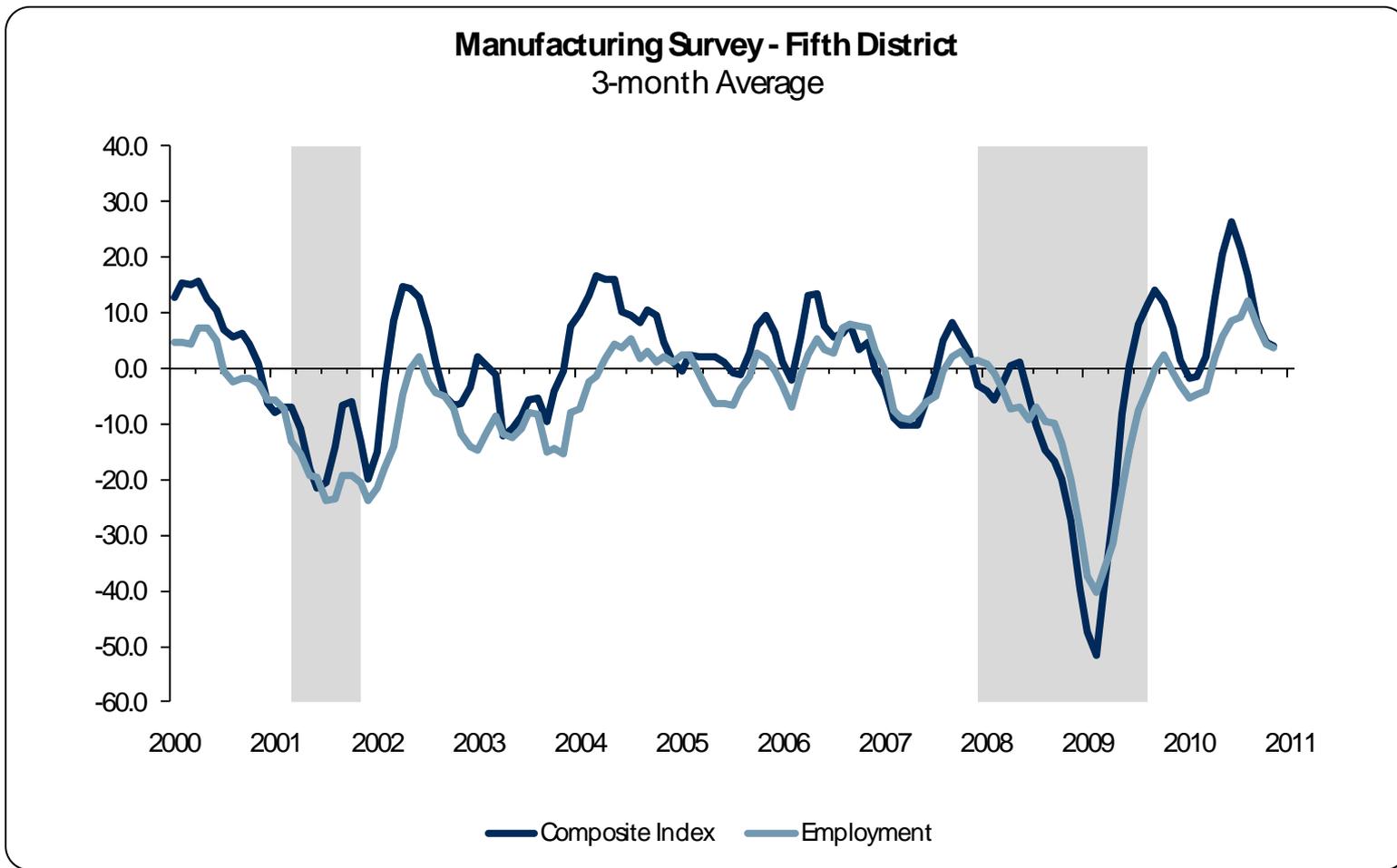




Regional Economic Trends



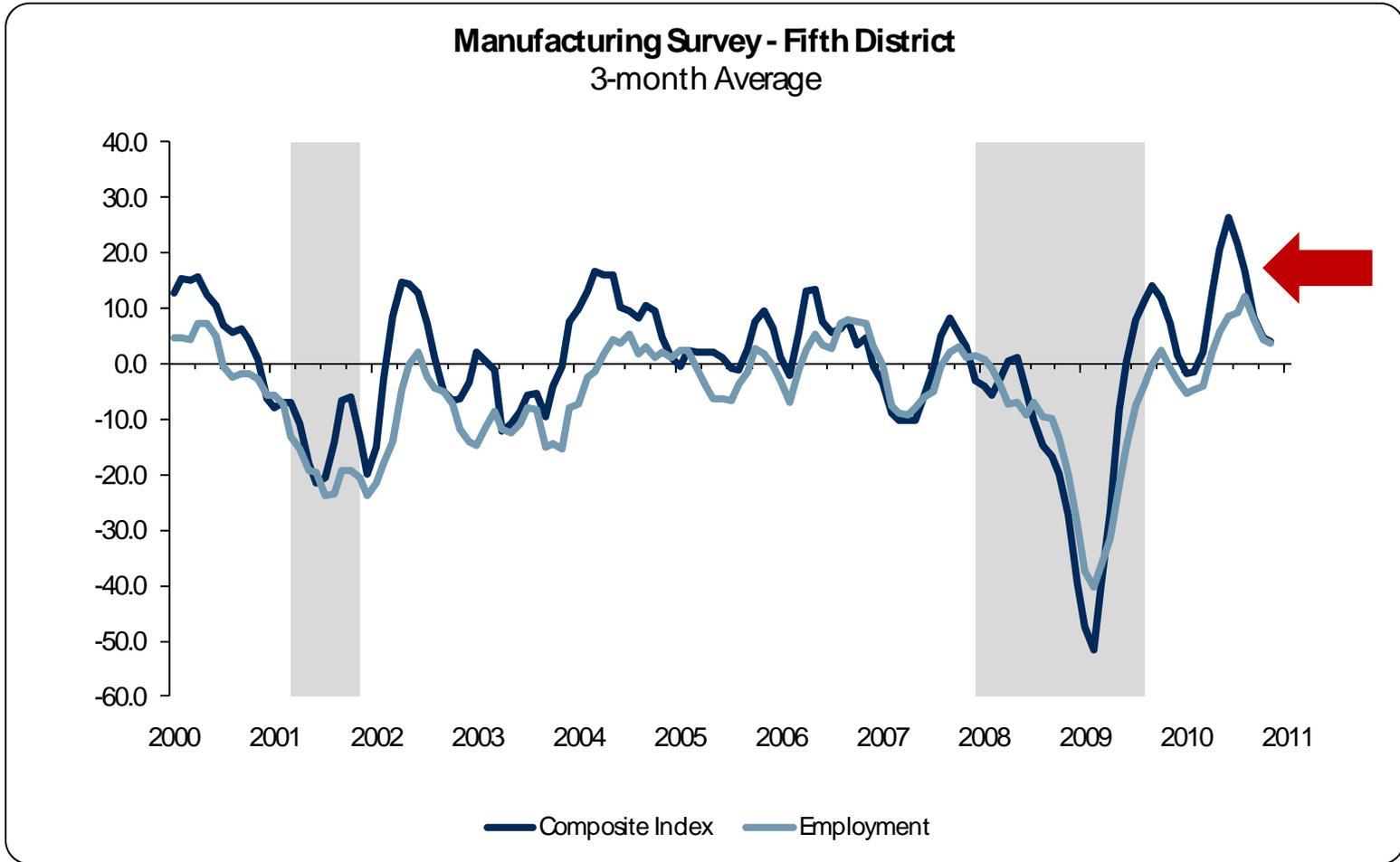
Fifth District Manufacturing Survey



Source: Federal Reserve Bank of Richmond



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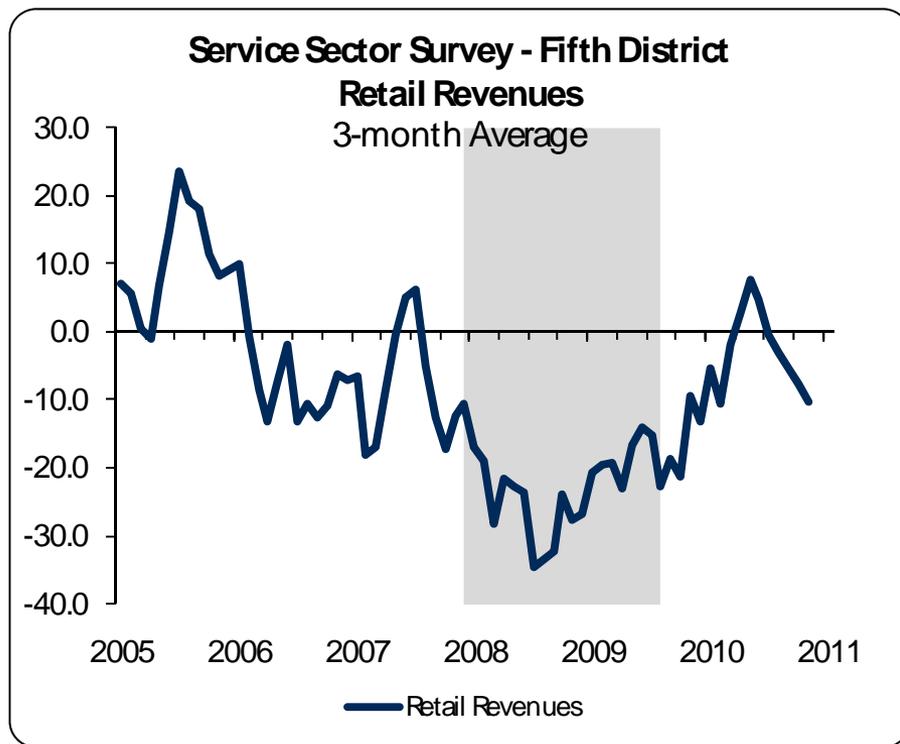
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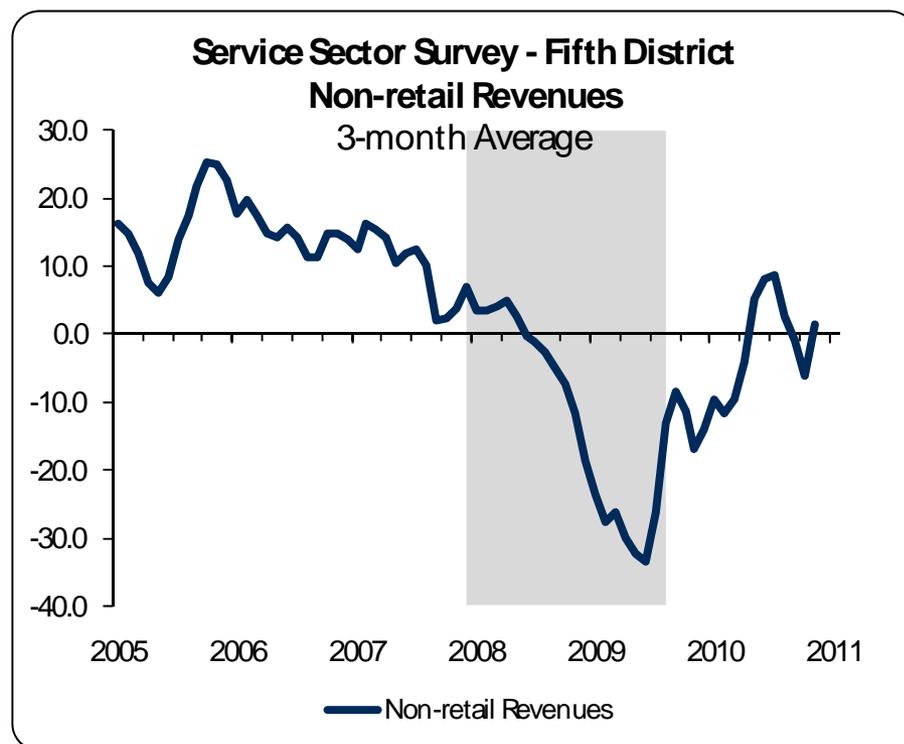


Service Sector Survey – Fifth District

Retail



Non-Retail

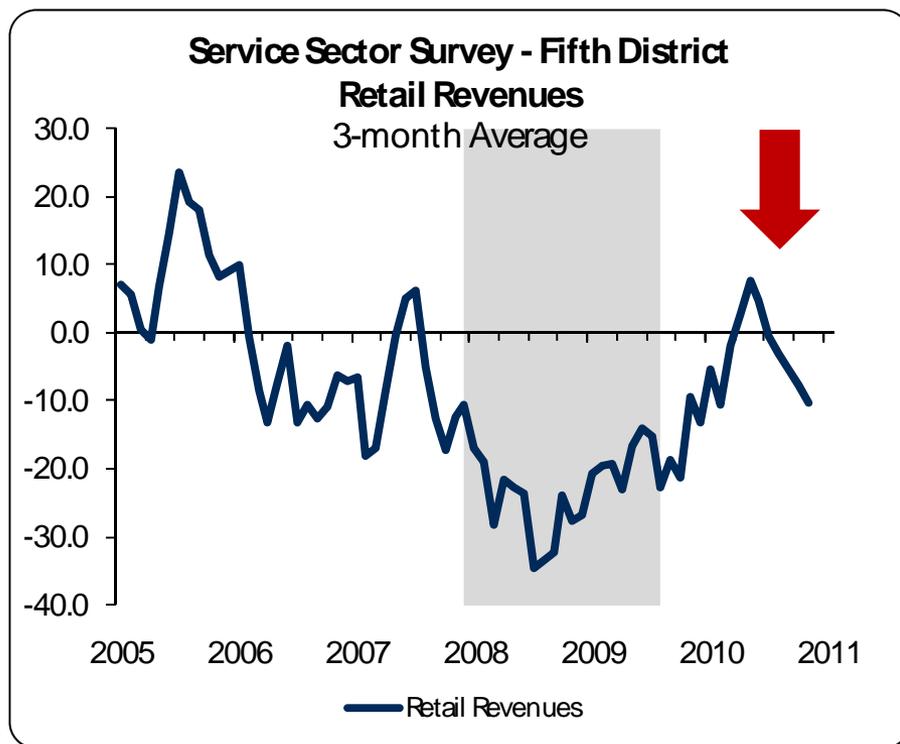


Source: Federal Reserve Bank of Richmond

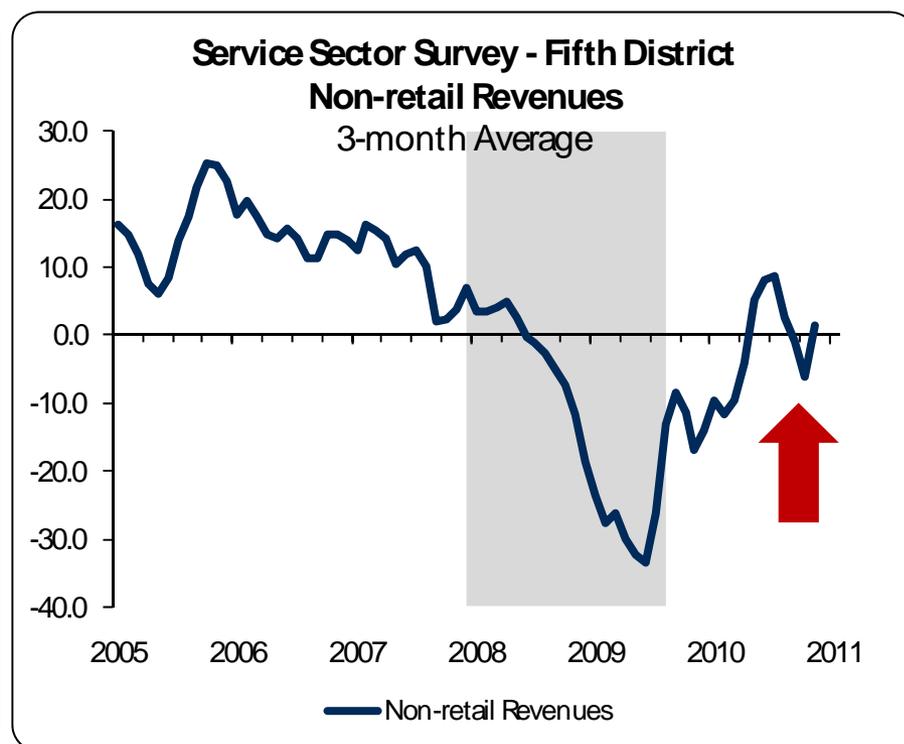


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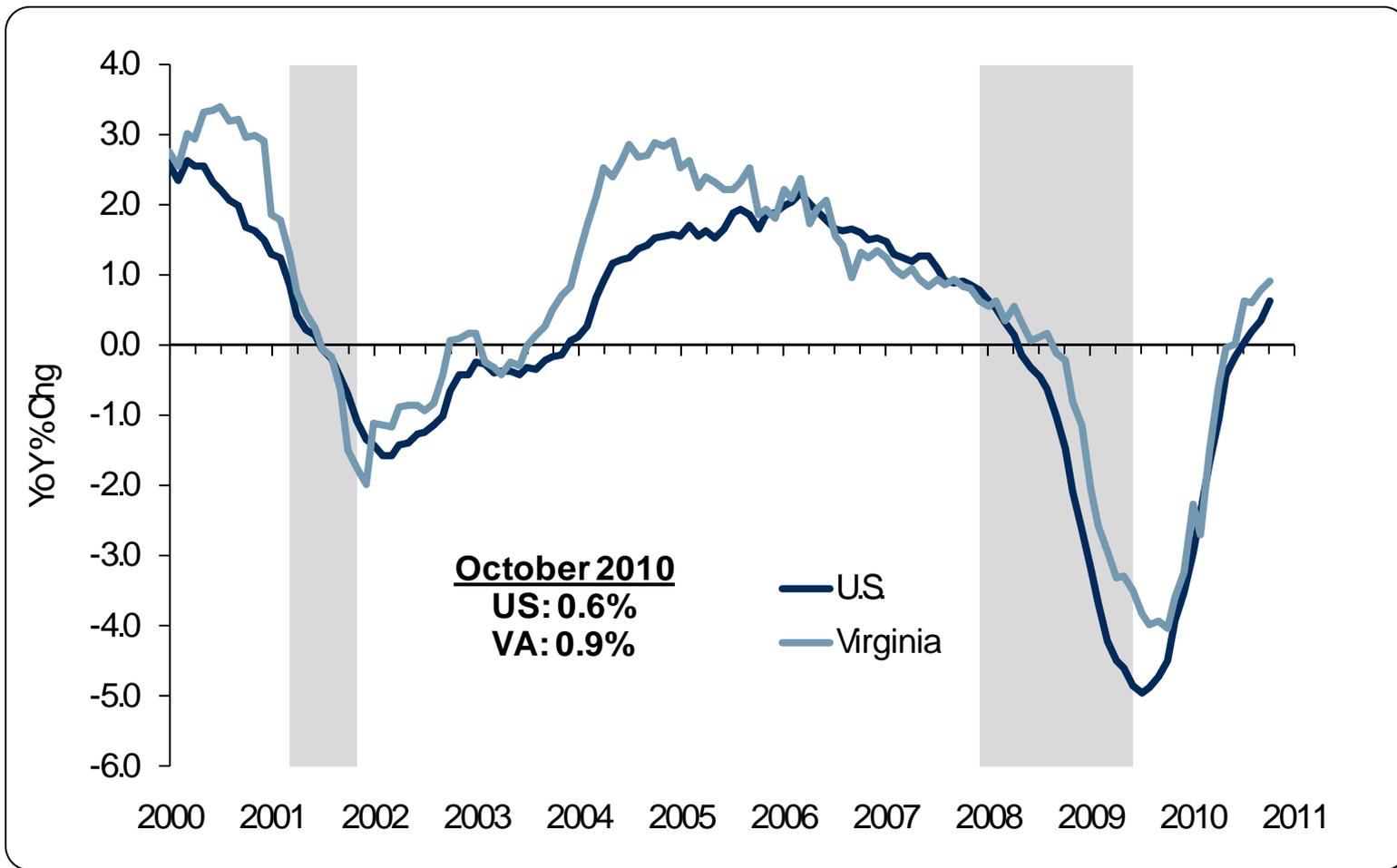


Non-retail



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Virginia Payroll Employment

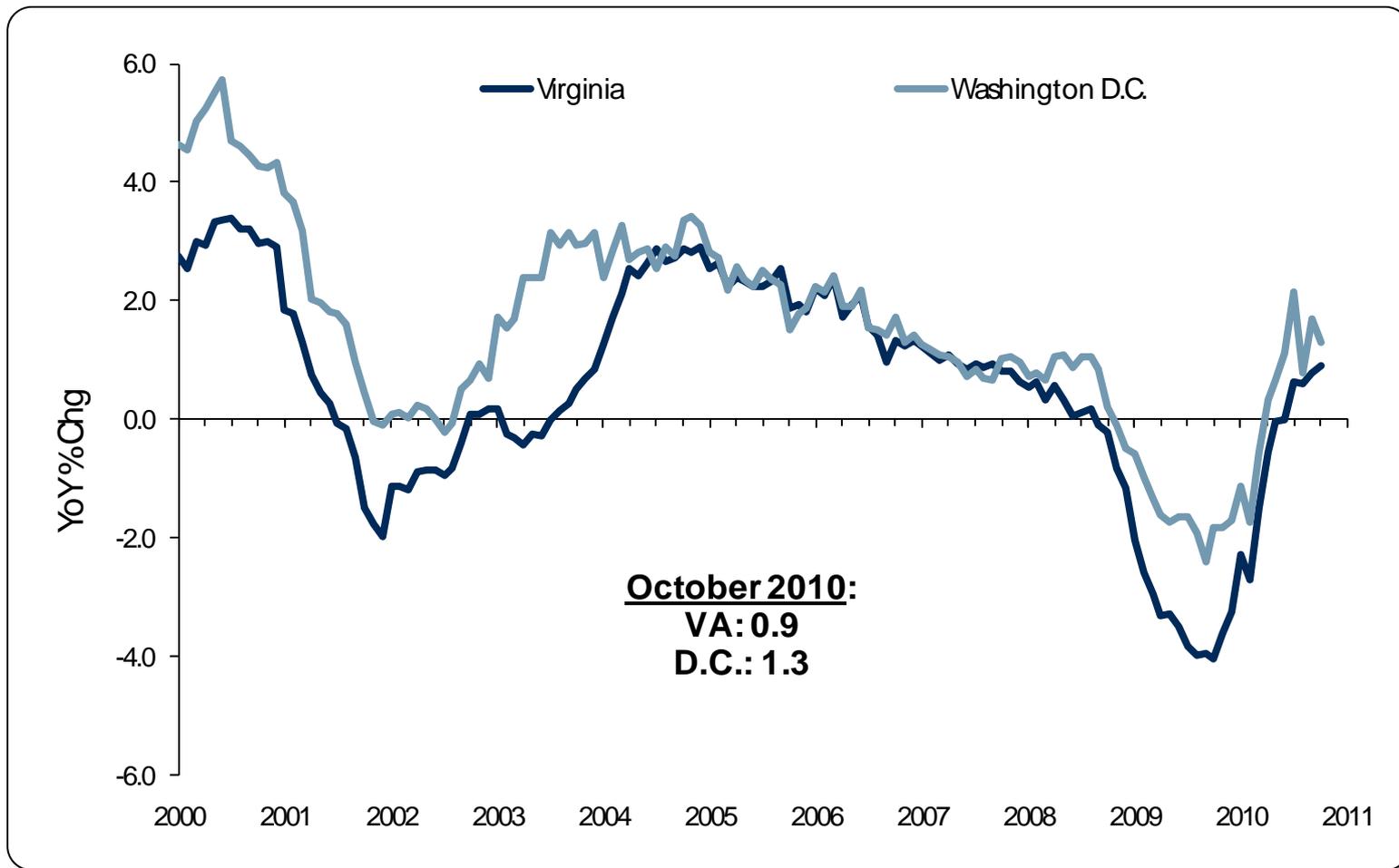


Source: Bureau of Labor Statistics/Haver Analytics





Payroll Employment—Virginia MSAs

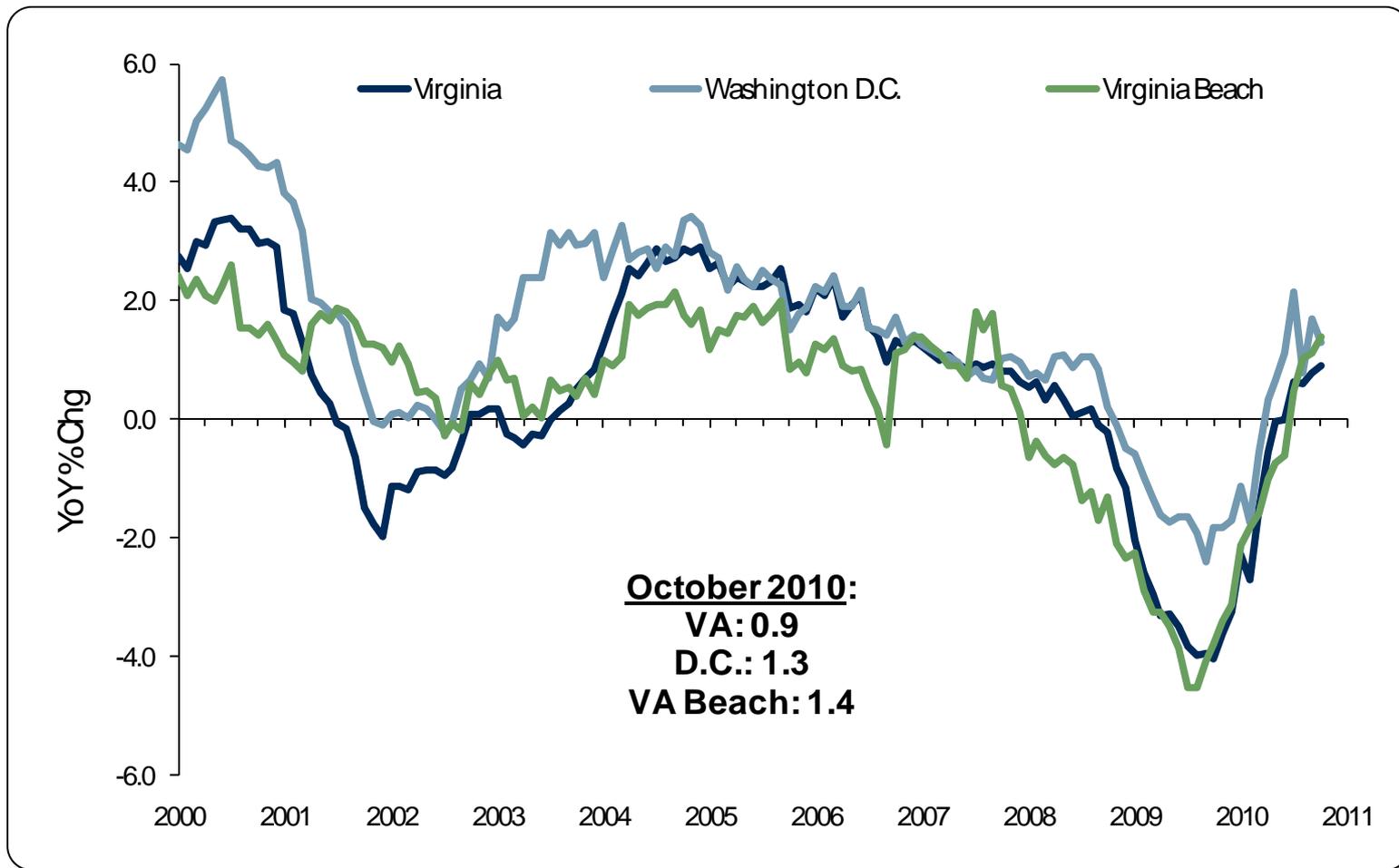


Source: Bureau of Labor Statistics/Haver Analytics





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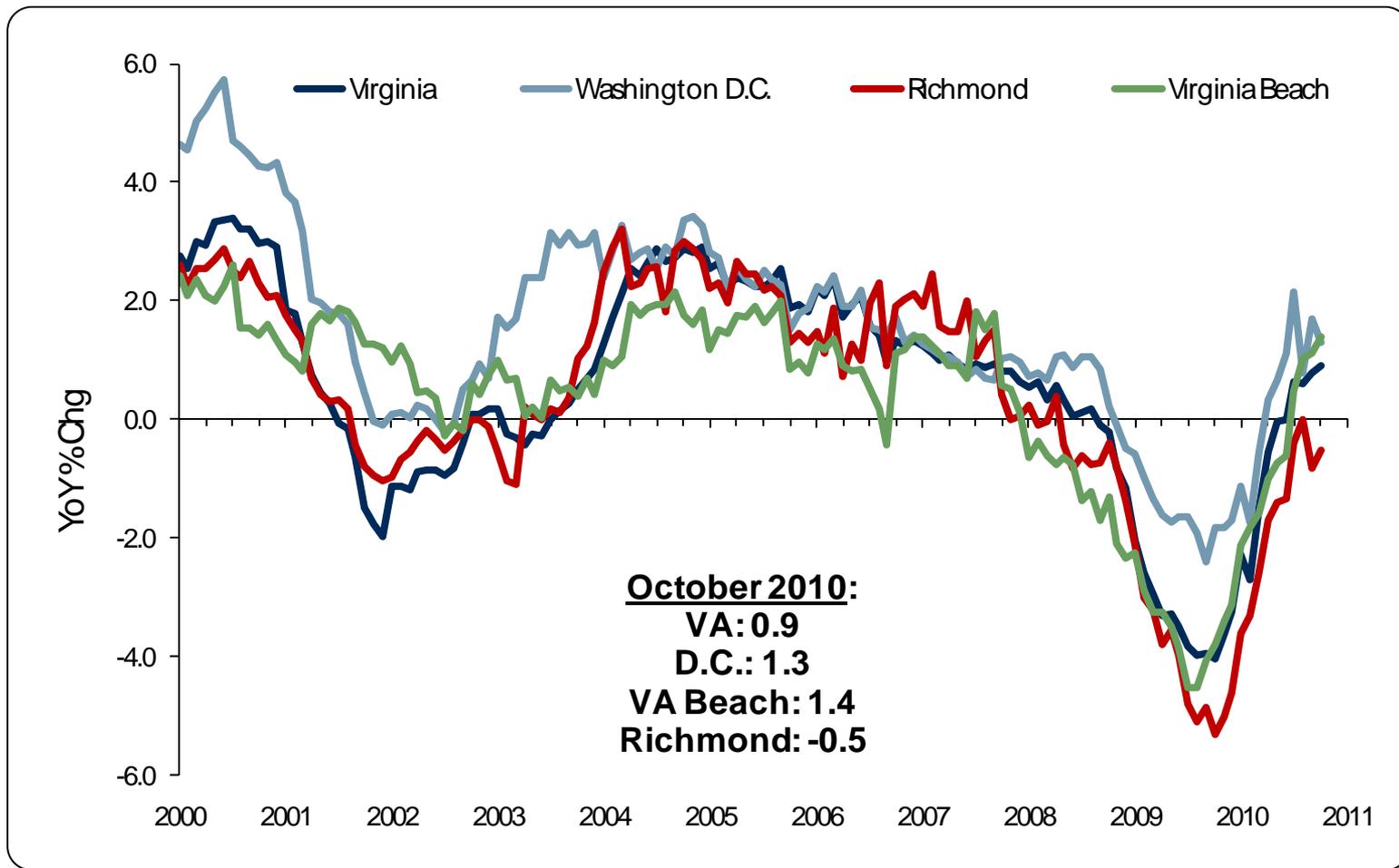


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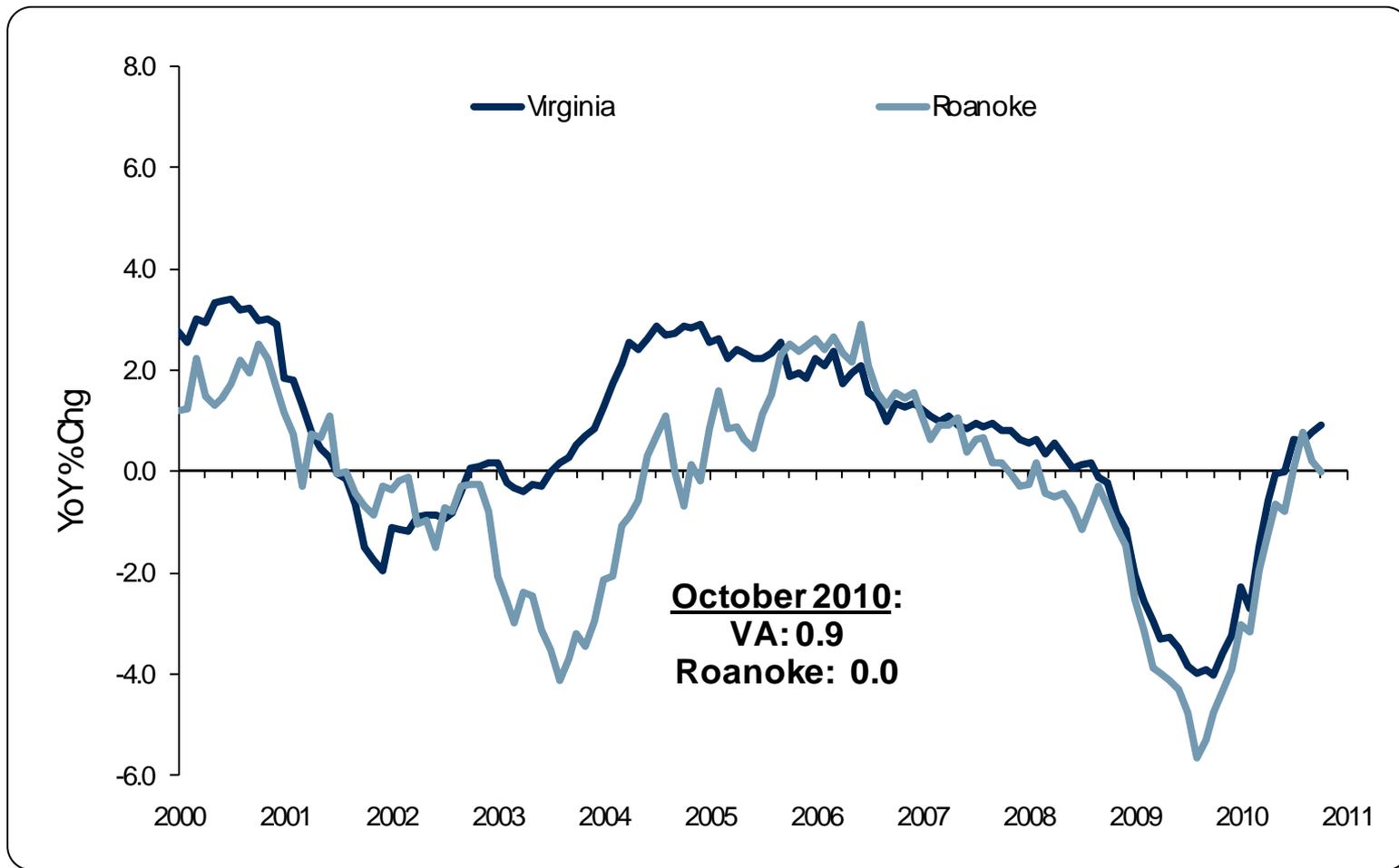


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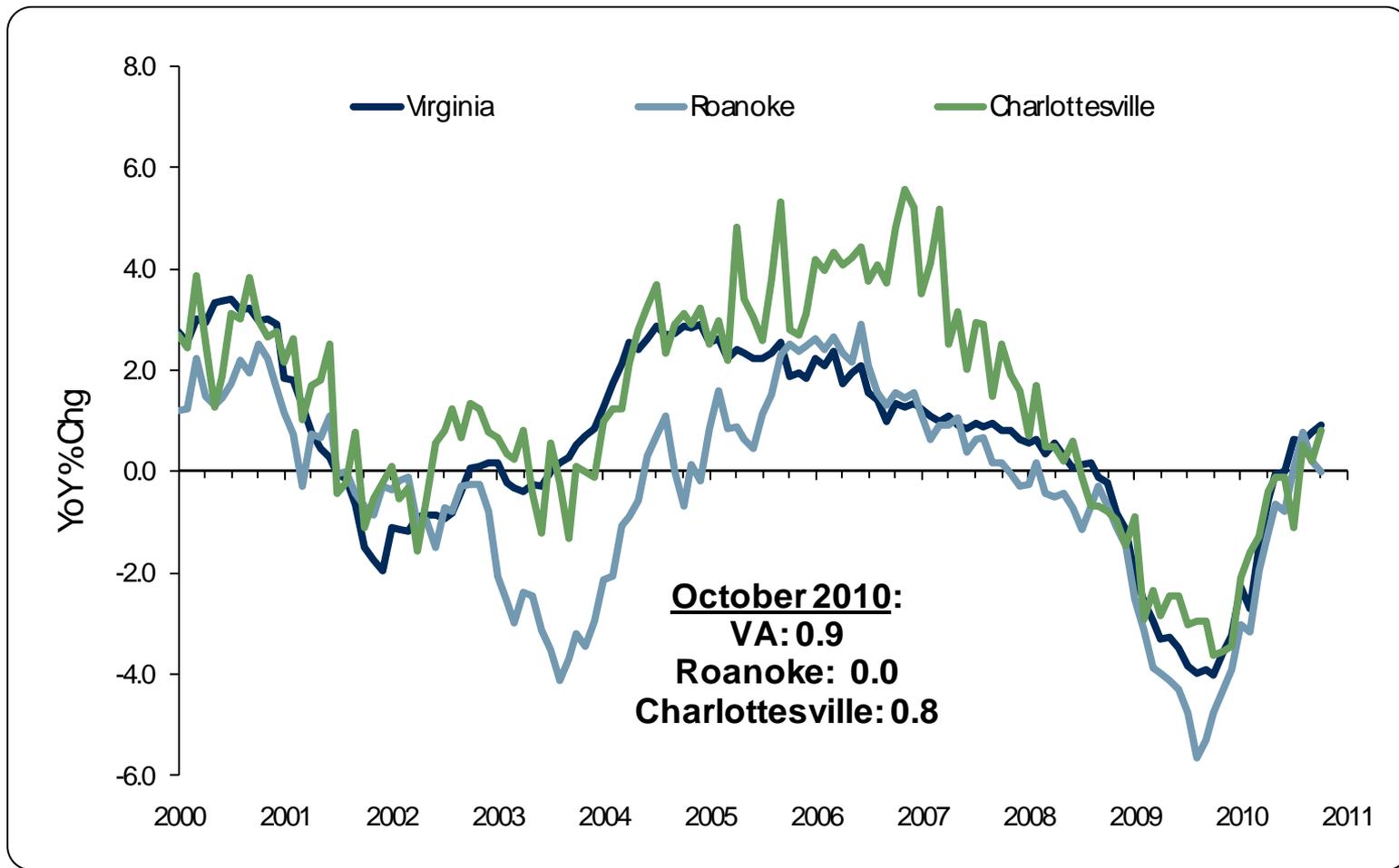


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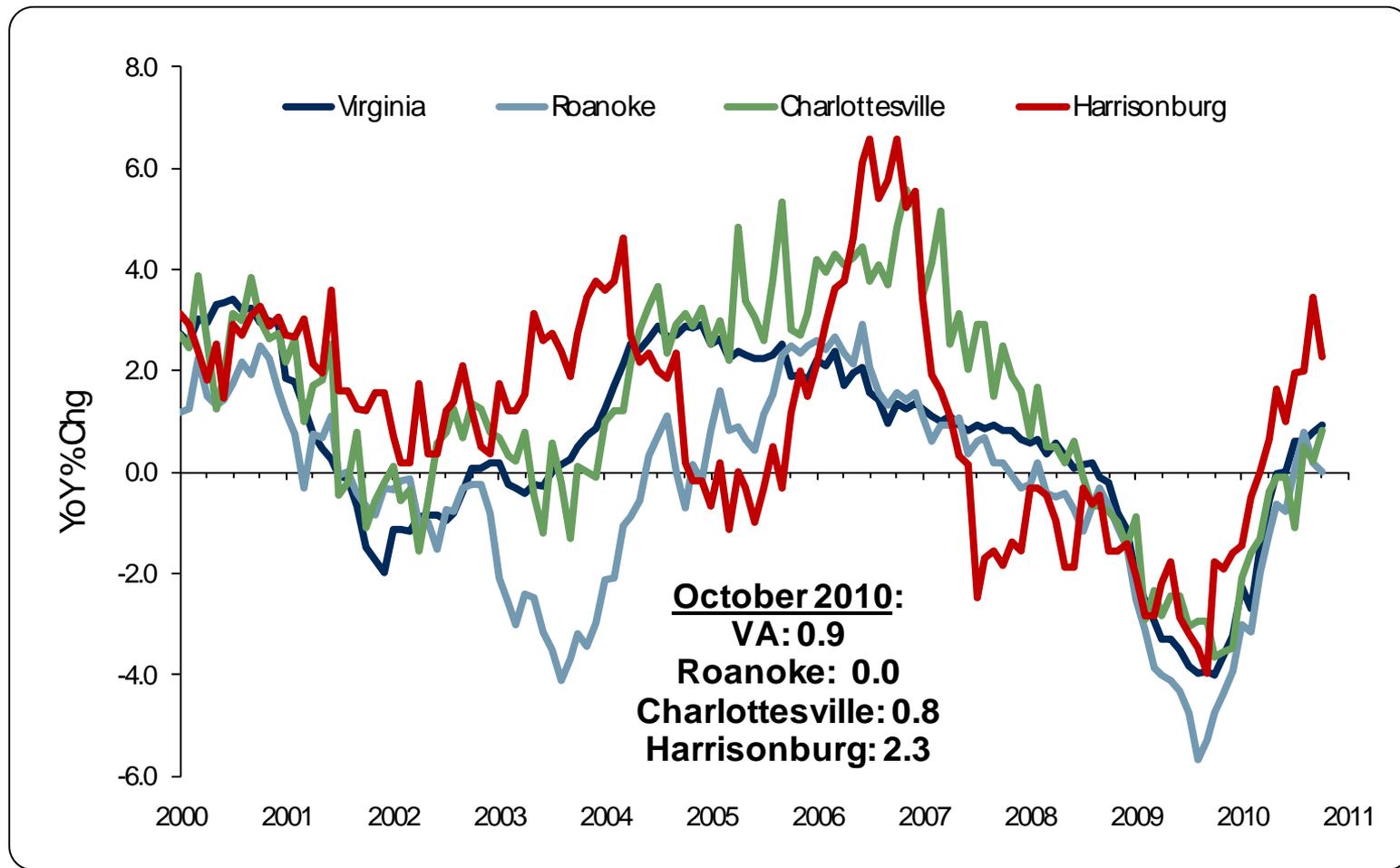
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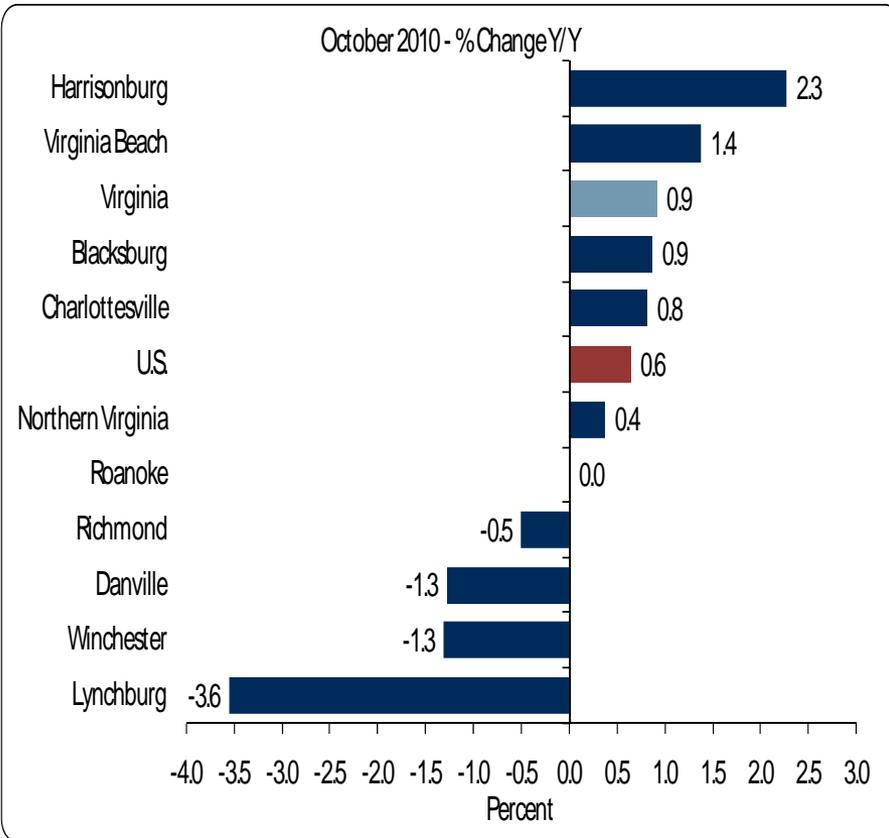
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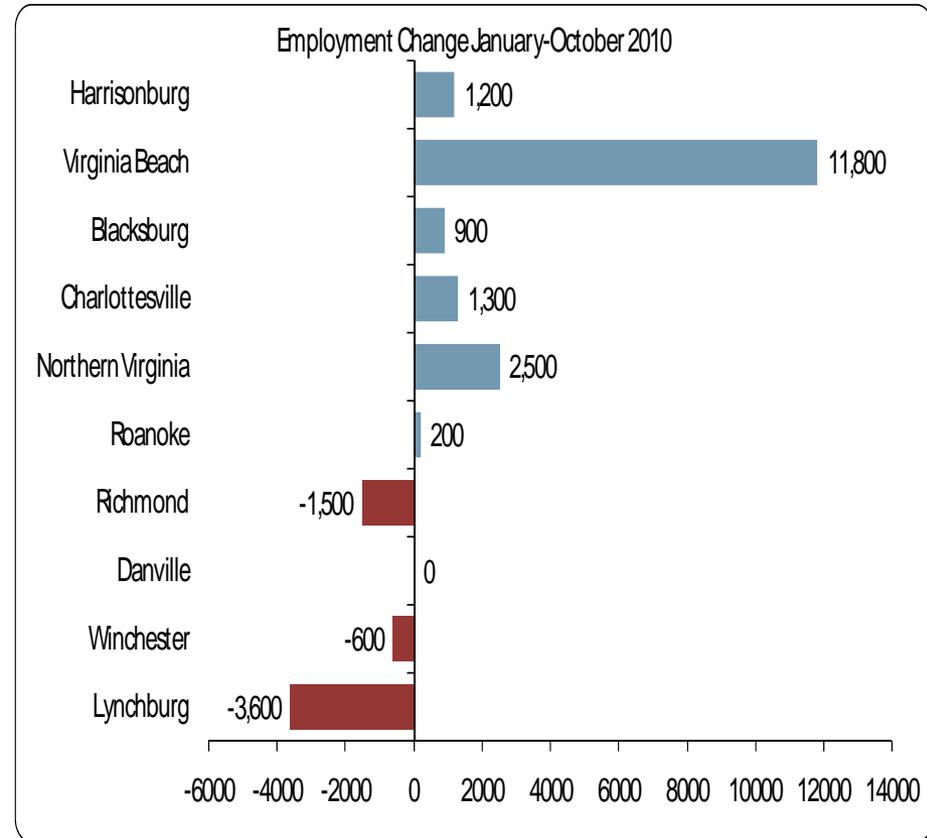
MSA Payroll Employment Growth in Virginia



Percentage Change from Year Ago



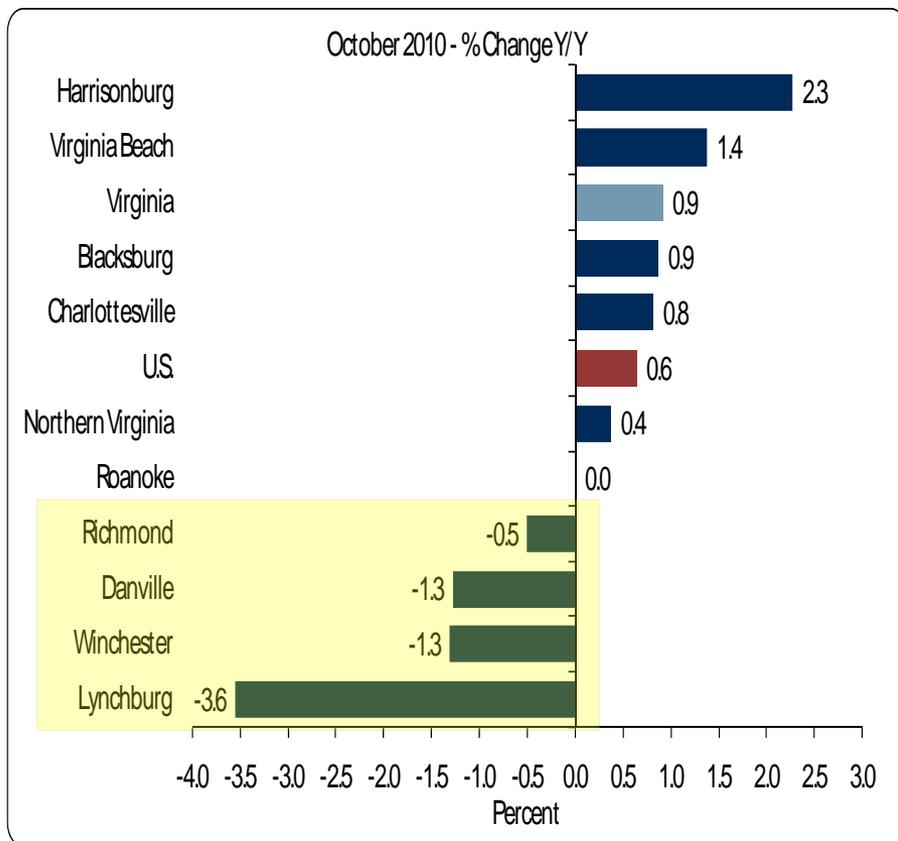
Employment Change: Jan. – October 2010



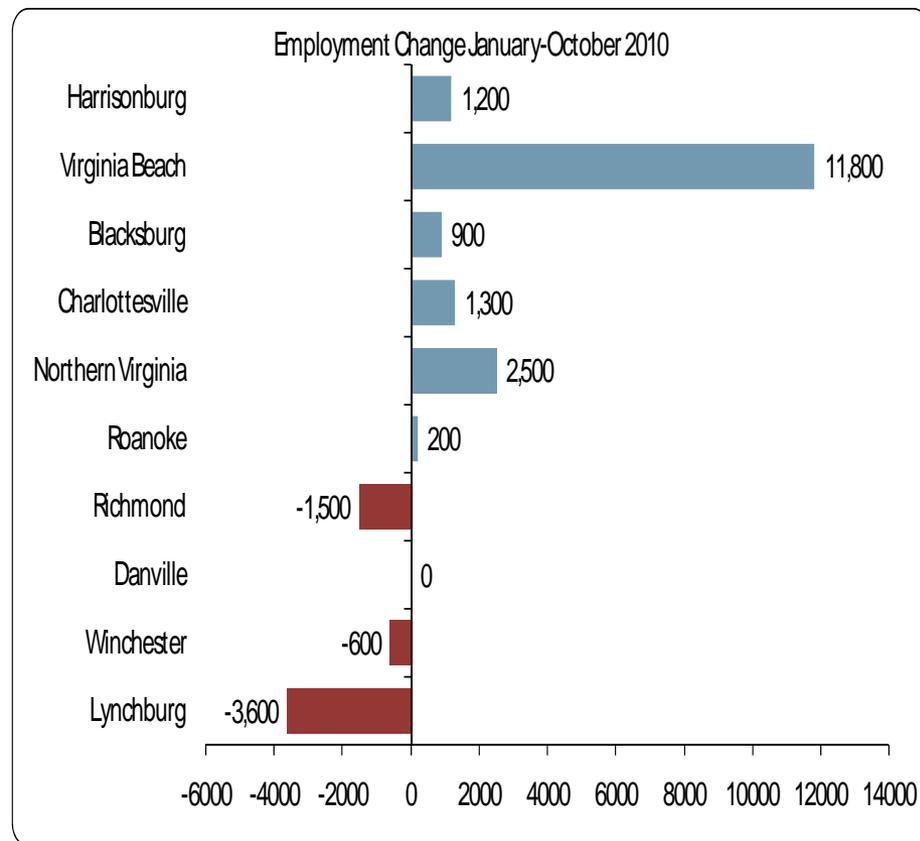
Source: Bureau of Labor Statistics, CES, seasonally adjusted

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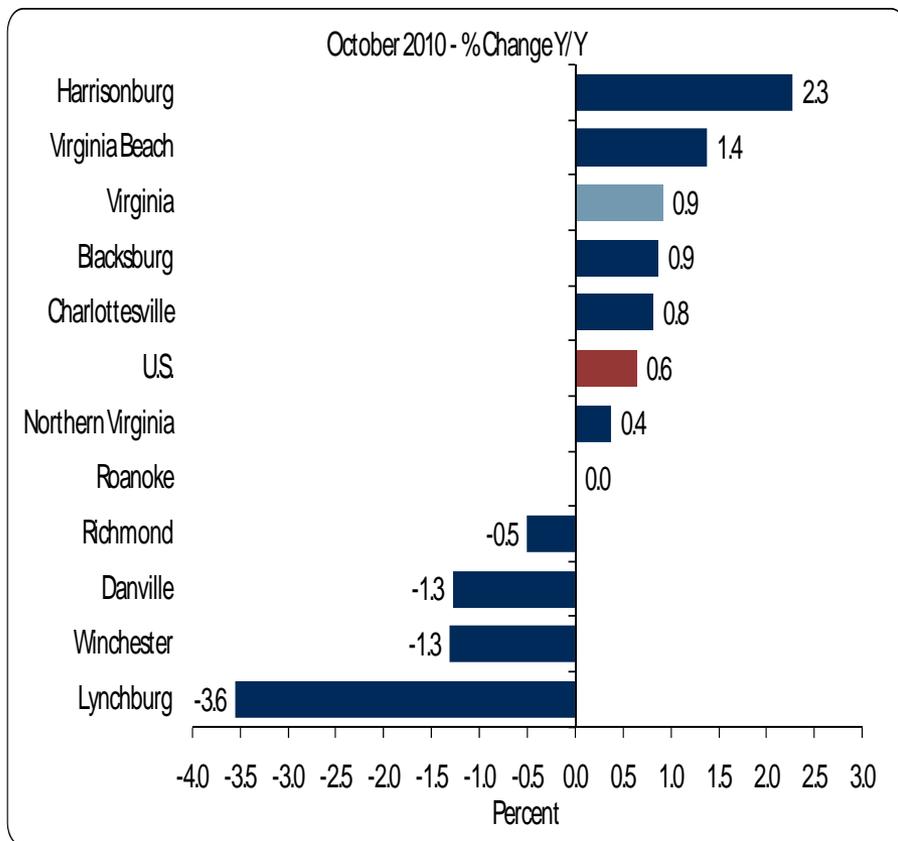
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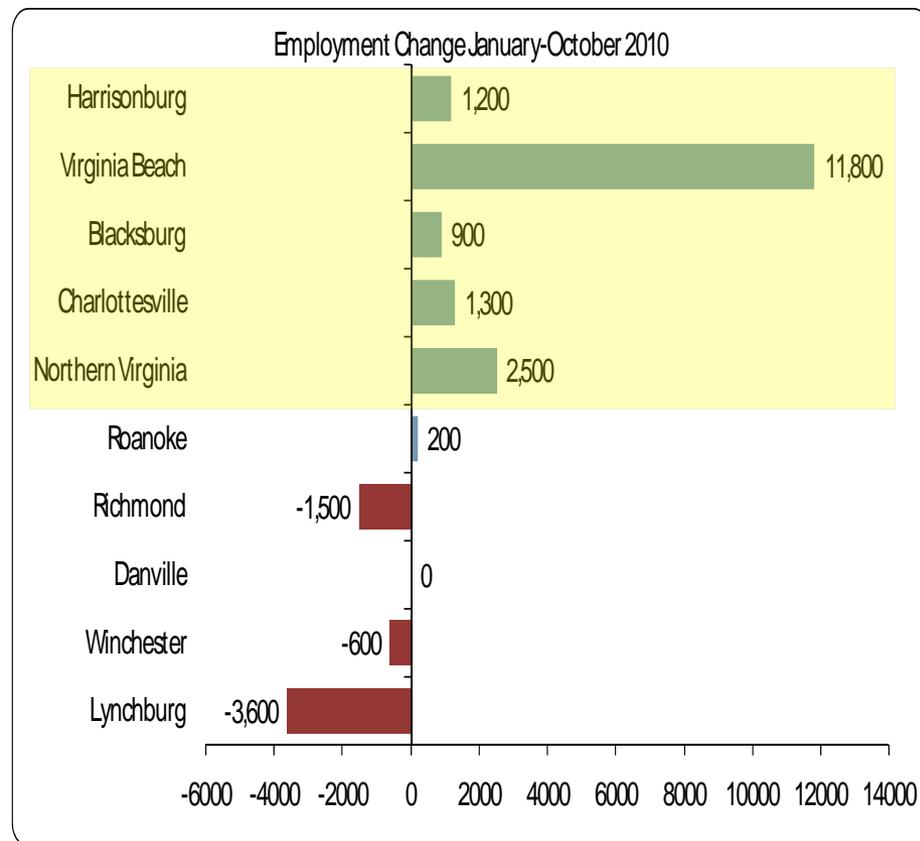
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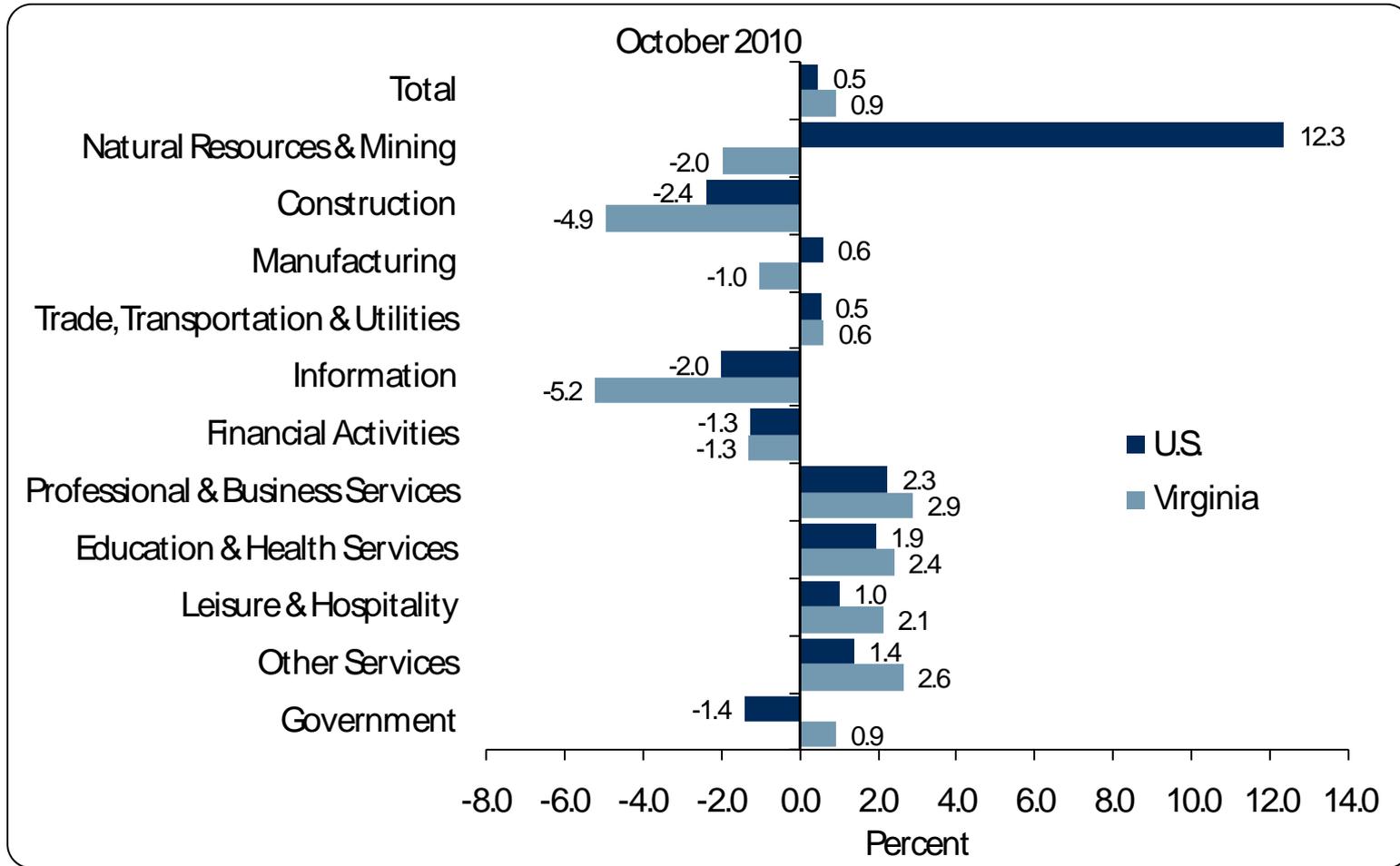


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Industry Growth in Virginia

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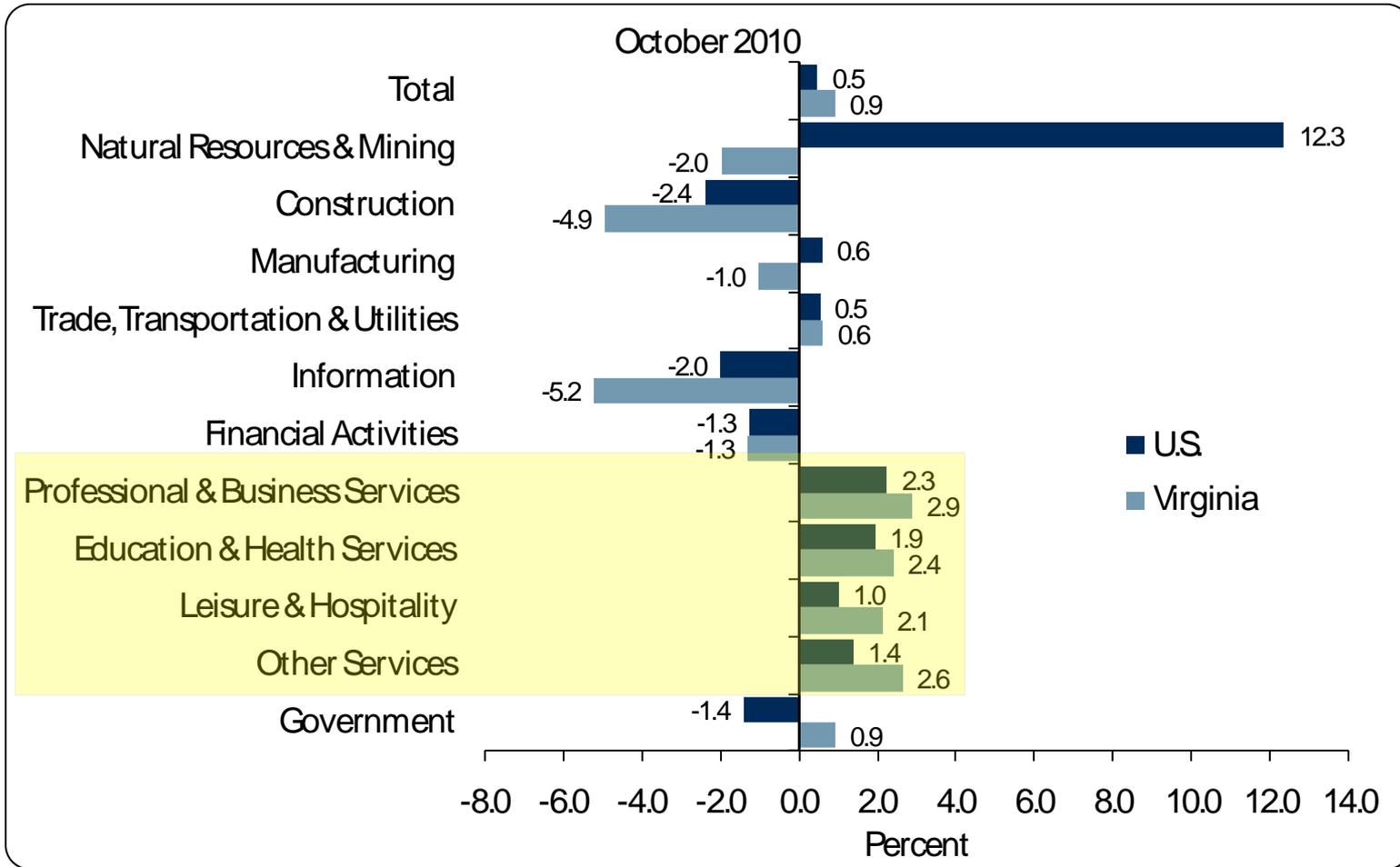


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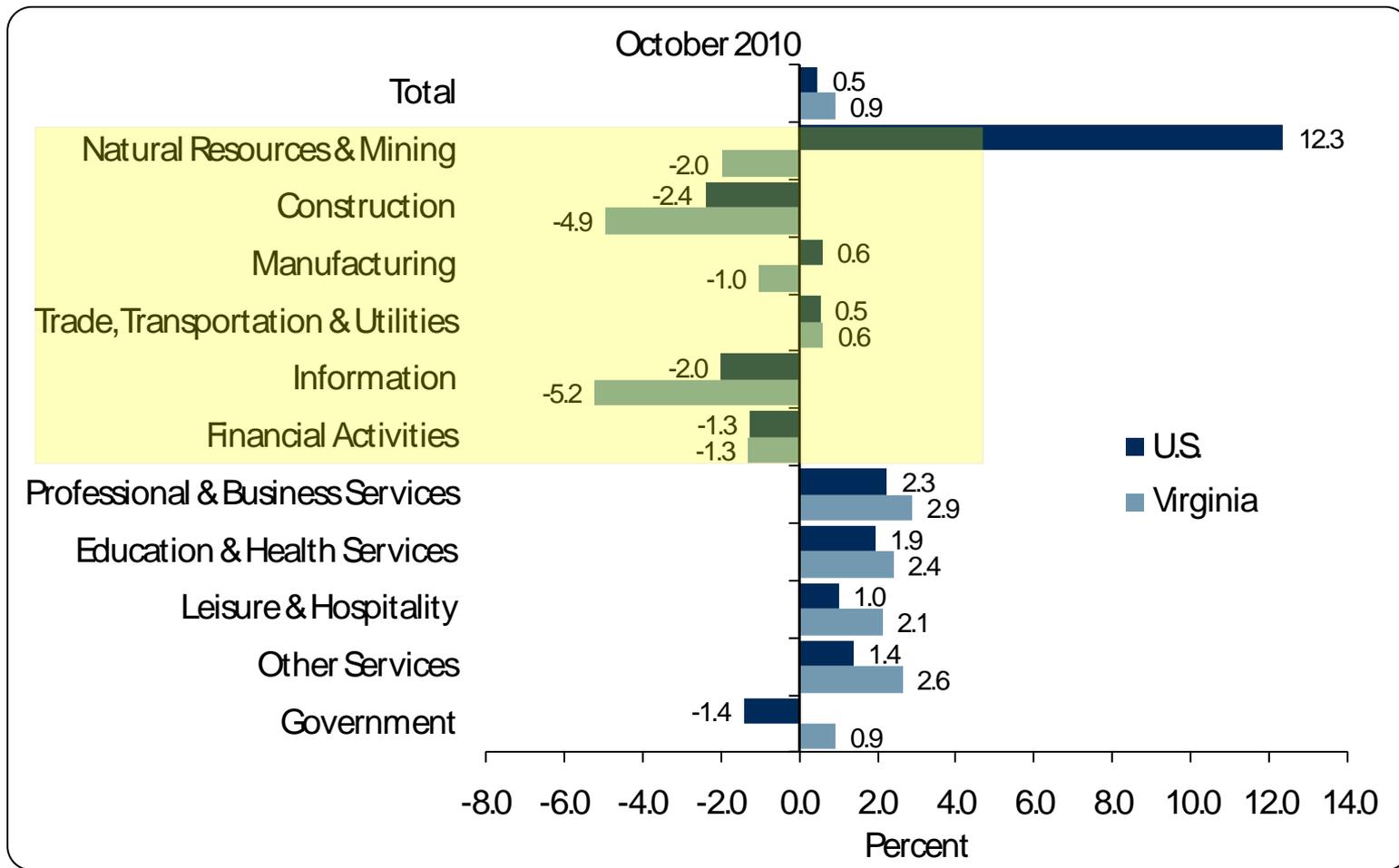
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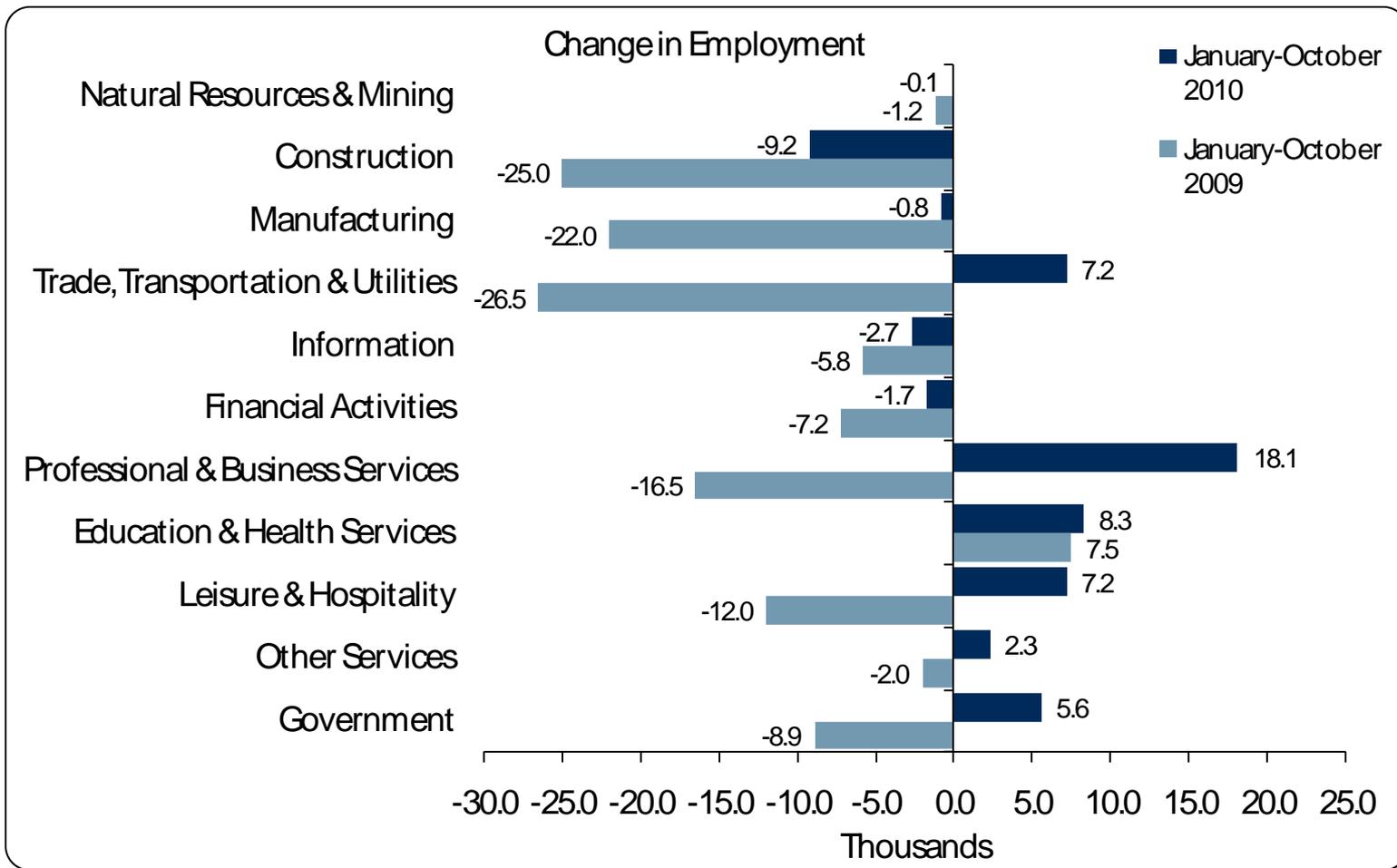
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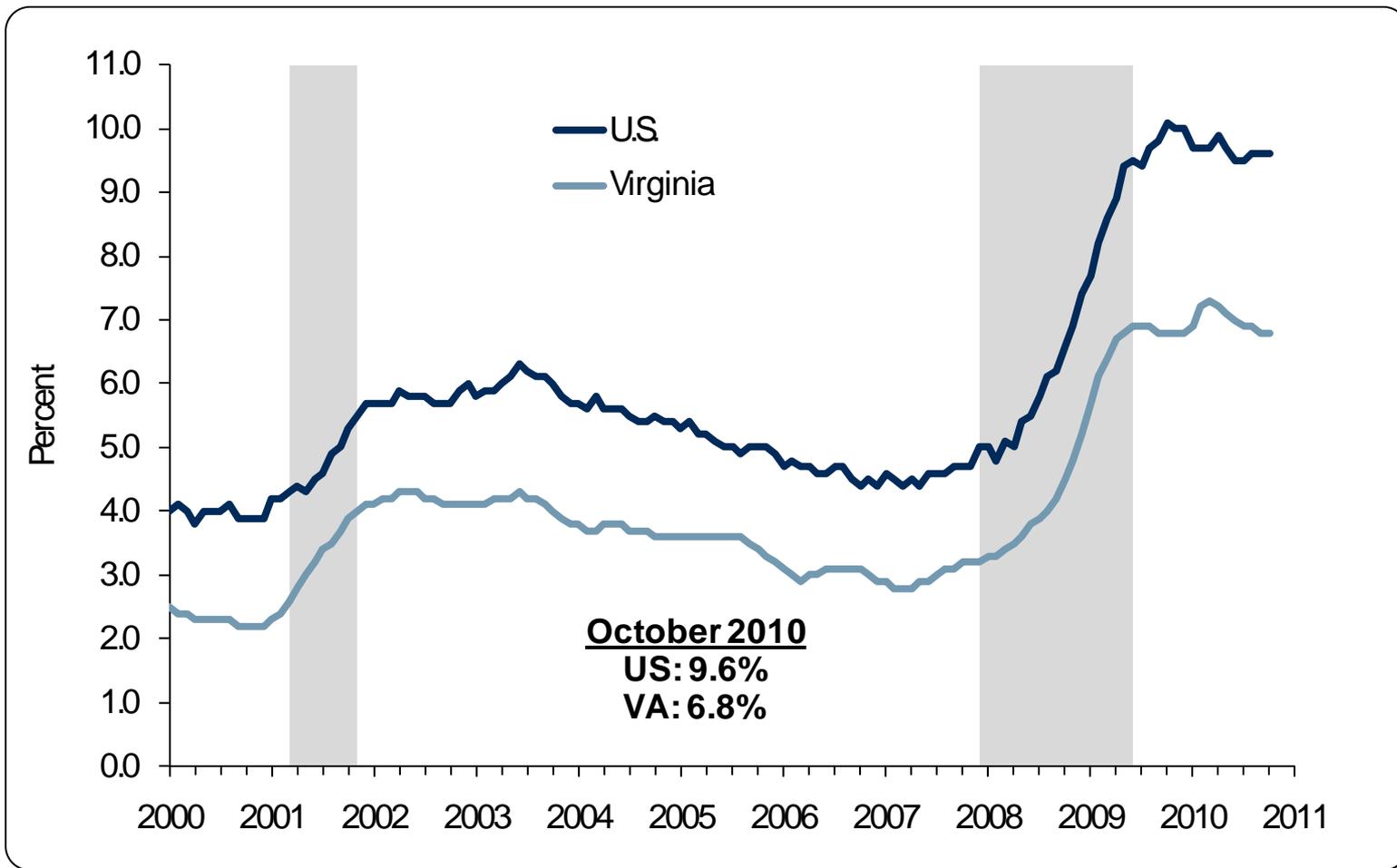
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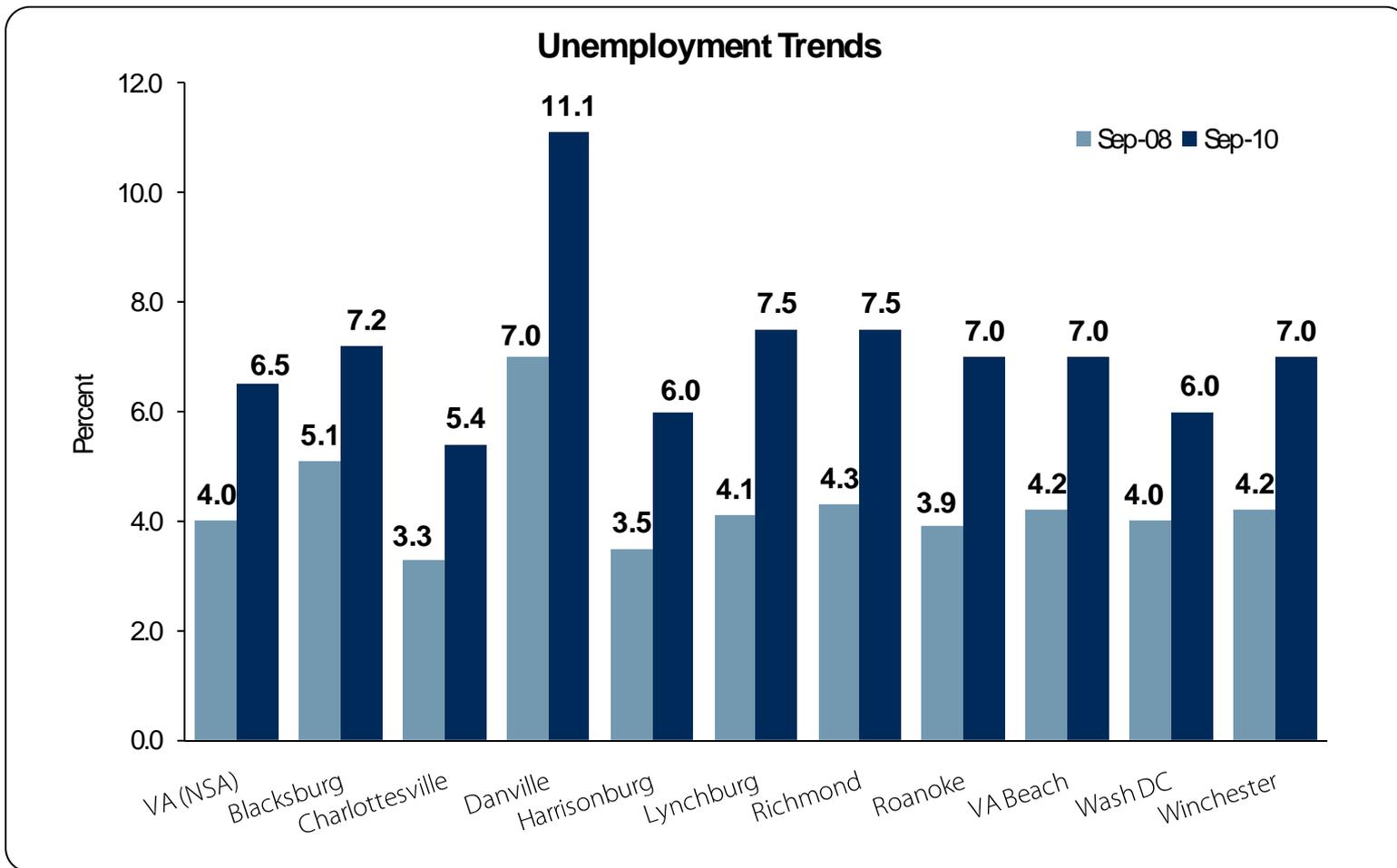
Virginia Unemployment Rate



Source: Bureau of Labor Statistics/Haver Analytics



Unemployment in Virginia MSAs

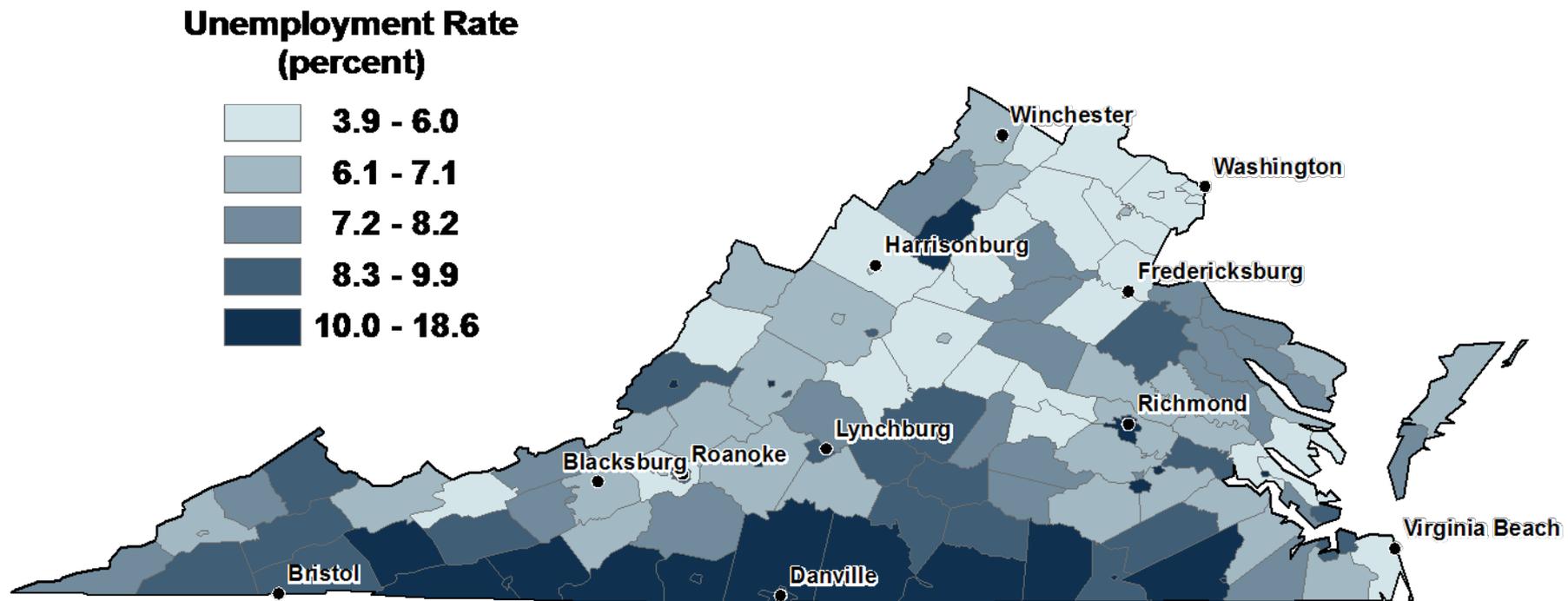


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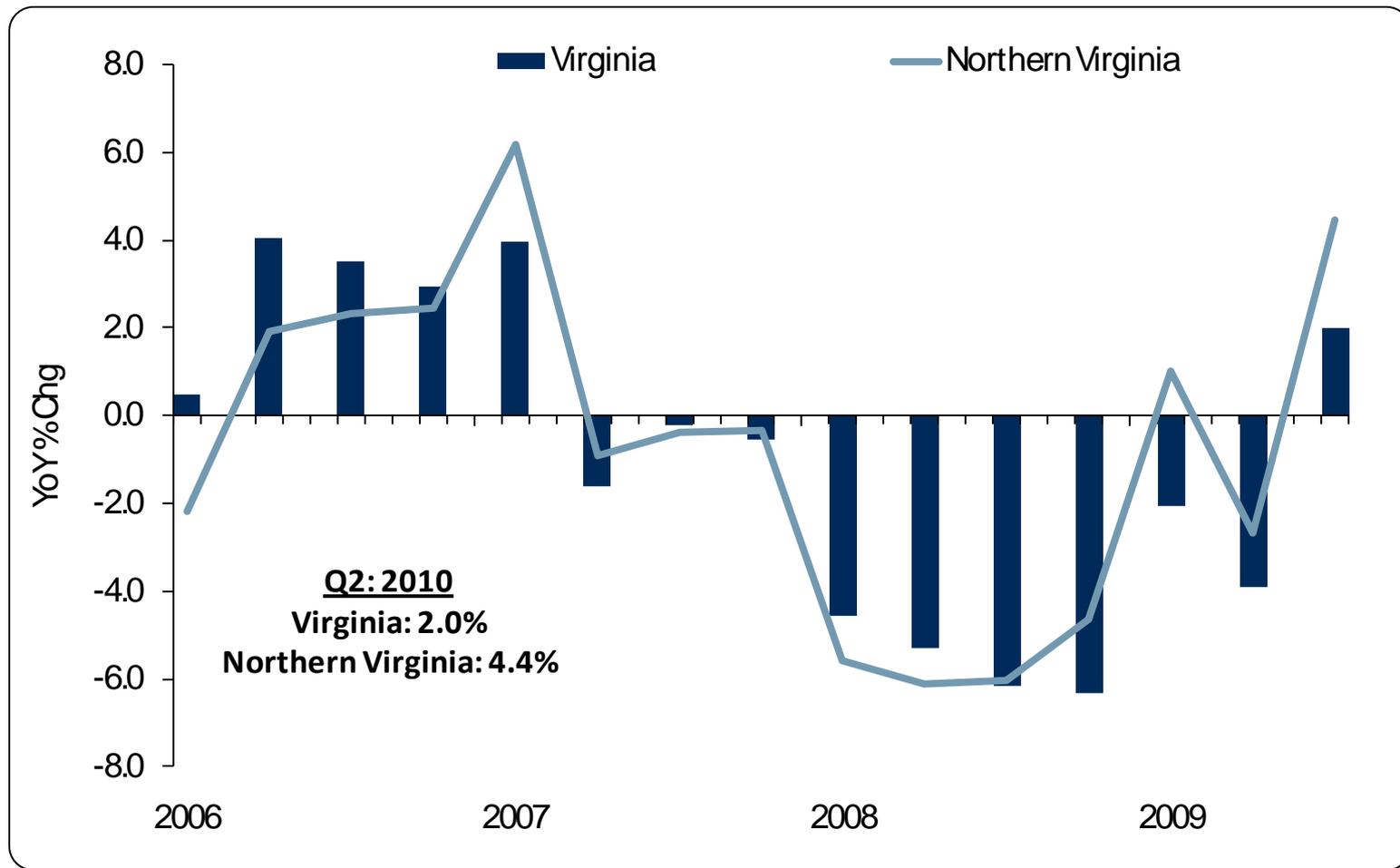


Unemployment in Virginia—September 2010



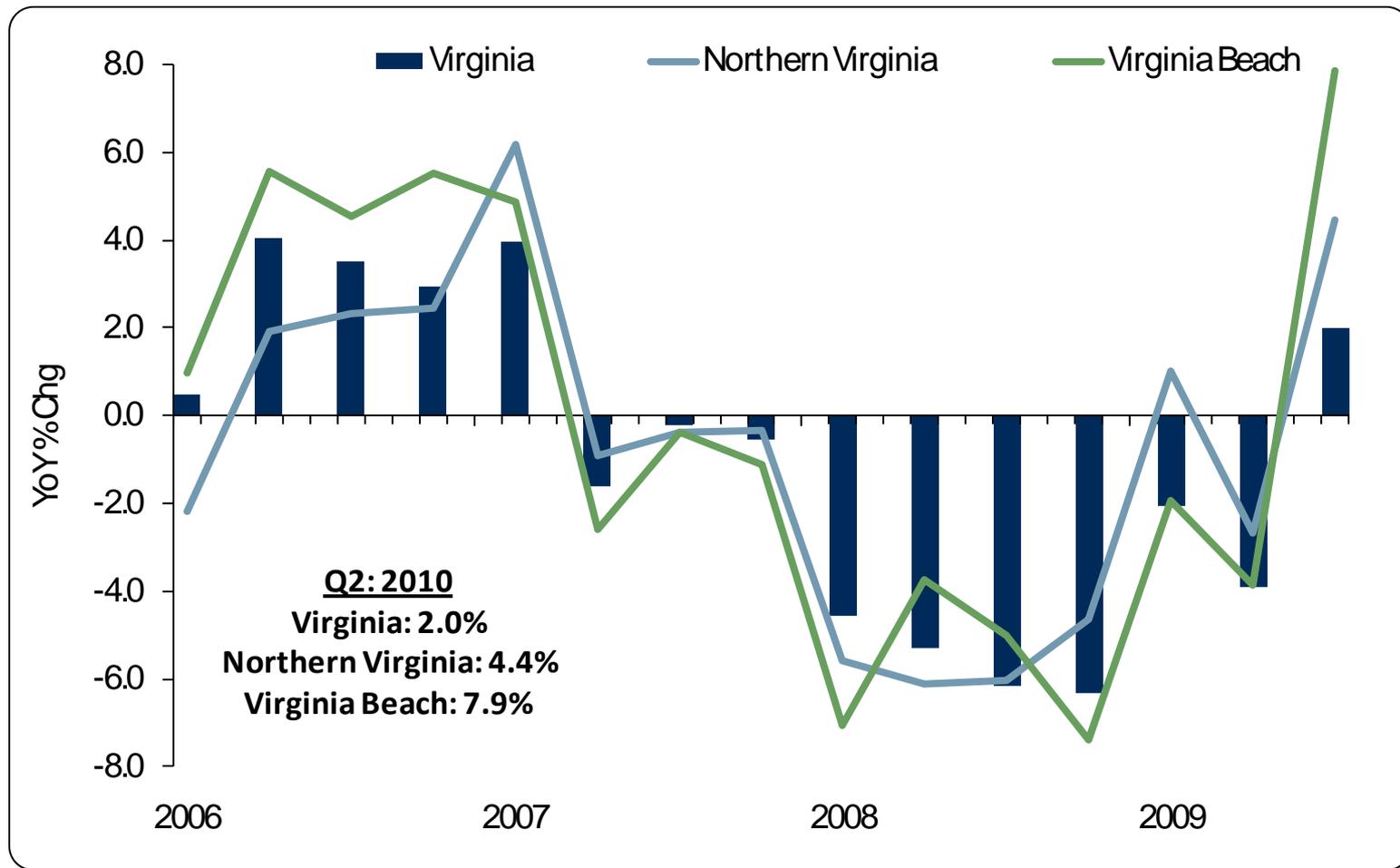
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Virginia Retail Sales—MSAs



Source: Virginia Department of Taxation/Weldon Cooper Center

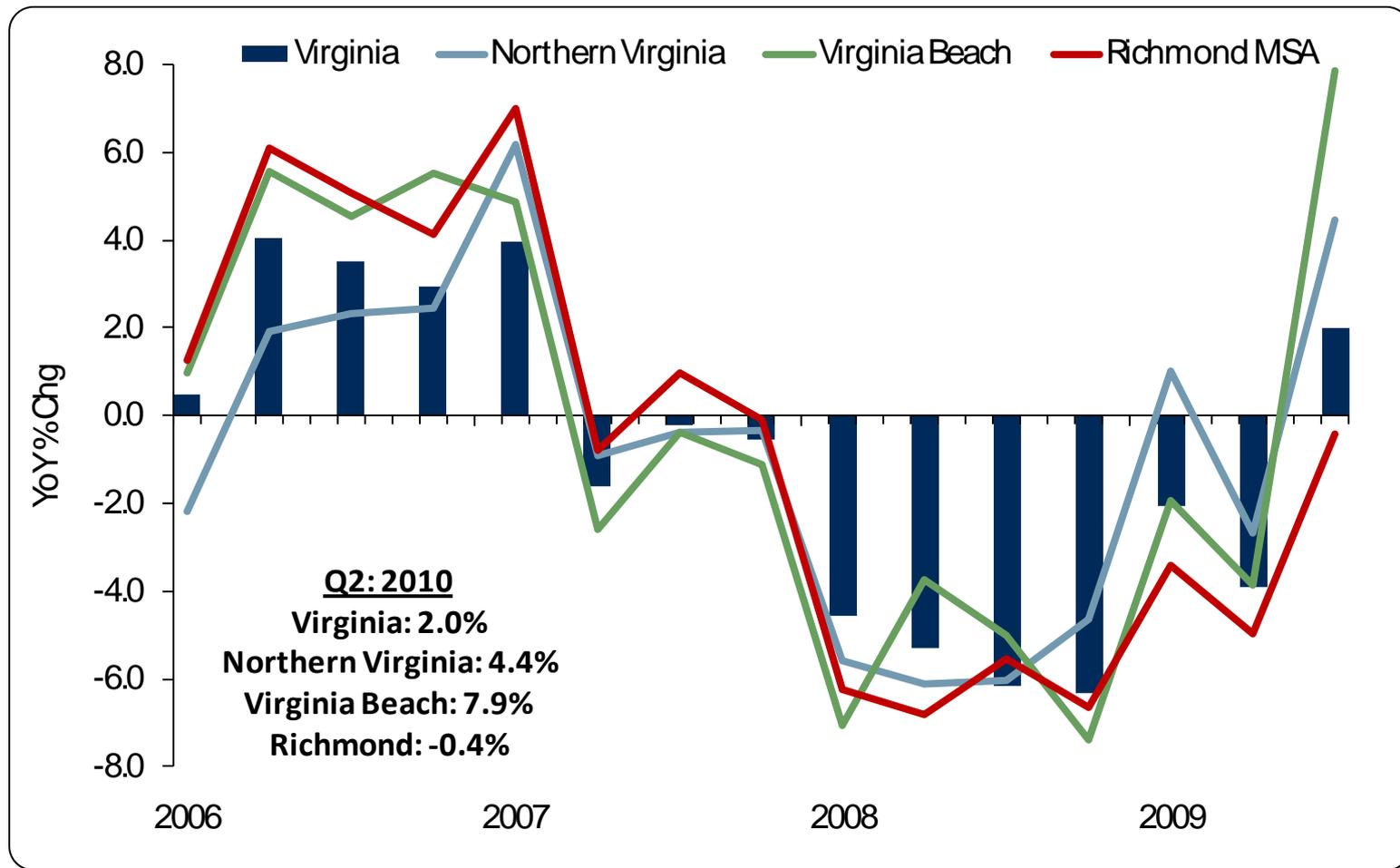
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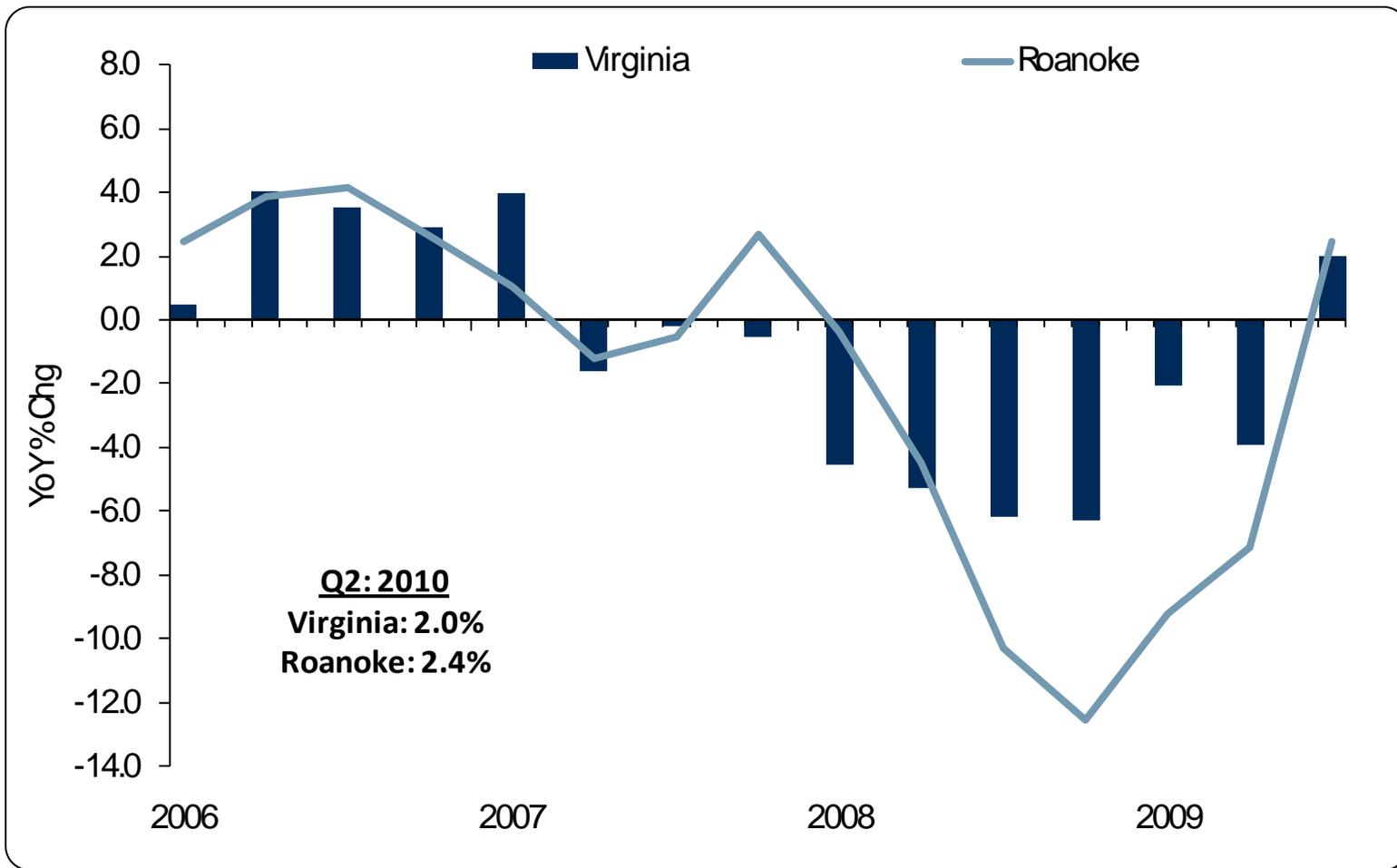


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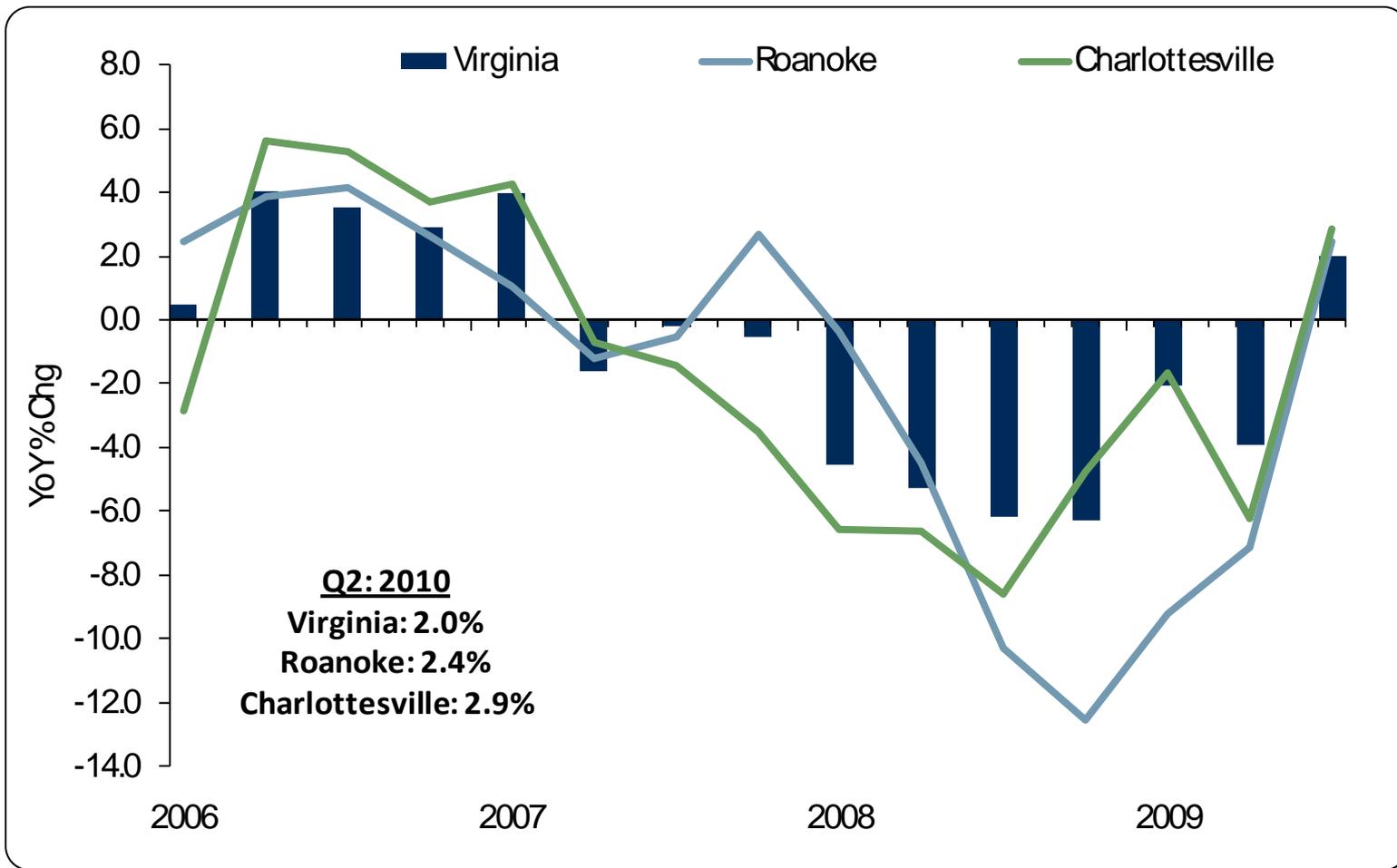
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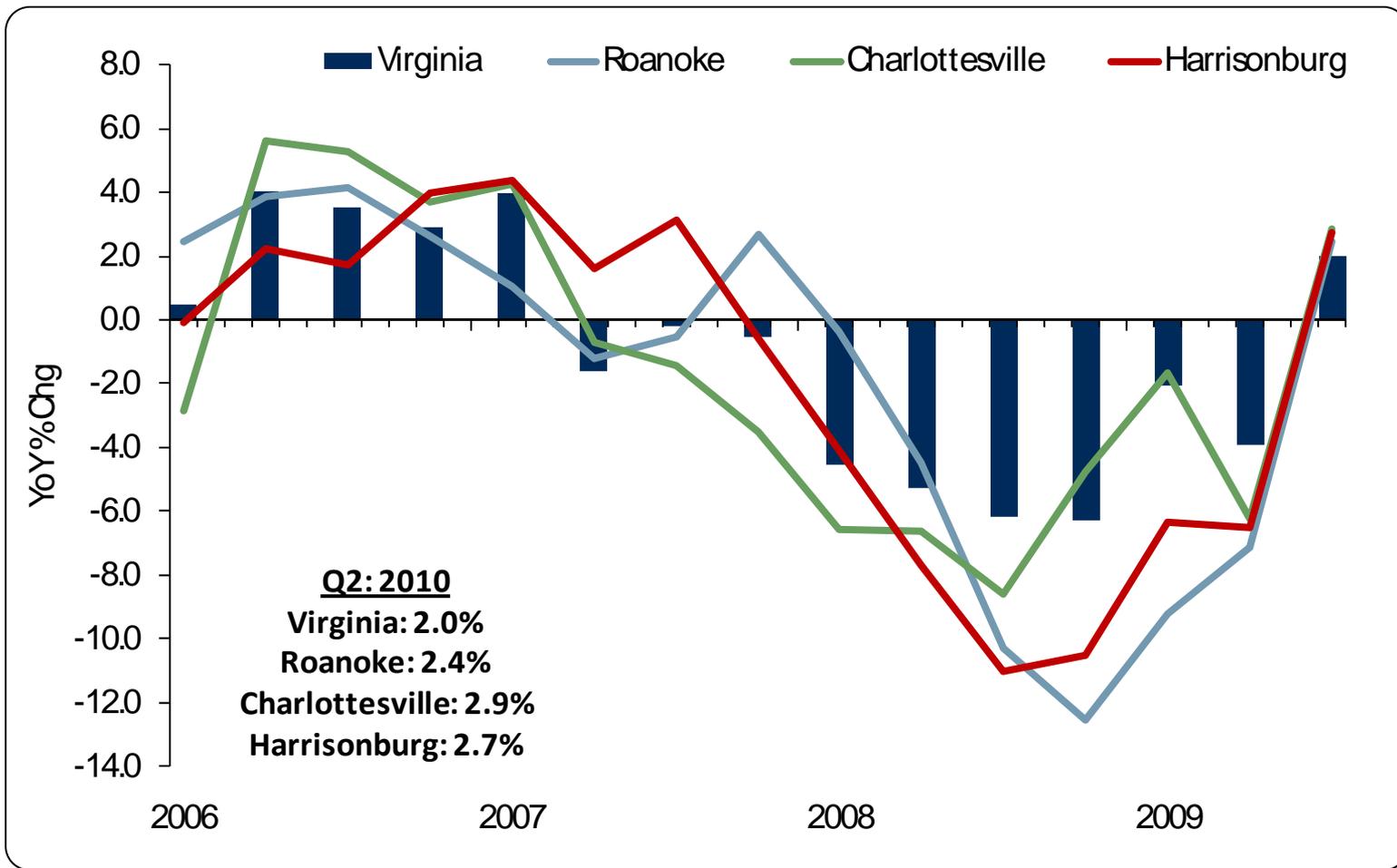
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Looking Ahead to 2011

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- **Housing** – Mixed signals; still lots of inventory on the market
- **Commercial Real Estate** – Vacancy rates are declining, but rent concessions raise concerns



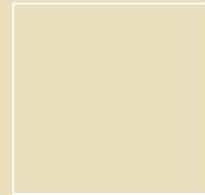


Looking Ahead to 2011

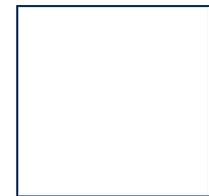
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- **Consumer Spending** – It's picking up, although slow job growth places a limit here
- **Unemployment rate** – Why is it so slow to come down?
- **Employment** – Growth picked up late last year, faltered in late Spring, but picking up in recent months
- **Housing** – Mixed signals; still lots of inventory on the market
- **Commercial Real Estate** – Vacancy rates are declining, but rent concessions raise concerns
- **State and Local Government Revenue** – Gap remains after federal stimulus runs its course





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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