

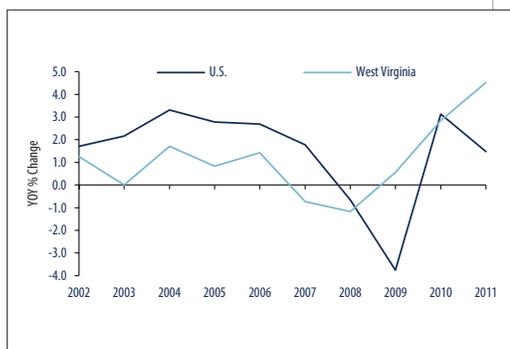
# Regional Profiles



## Economic Profile - West Virginia

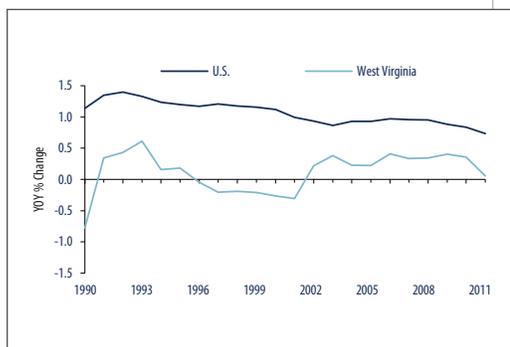
West Virginia showed signs of economic recovery throughout 2011. The state's real output growth was three times greater than that of the nation, employment increased, and unemployment decreased. However, real estate conditions were mixed, with a decreased number of new building permits and housing starts but lower mortgage delinquency rates and a smaller portion of mortgages in foreclosure.

Figure 1: Real GDP



SOURCE: Bureau of Economic Analysis/Haver Analytics

Figure 2: Population



SOURCE: U.S. Census Bureau/Haver Analytics

### Economic Contribution

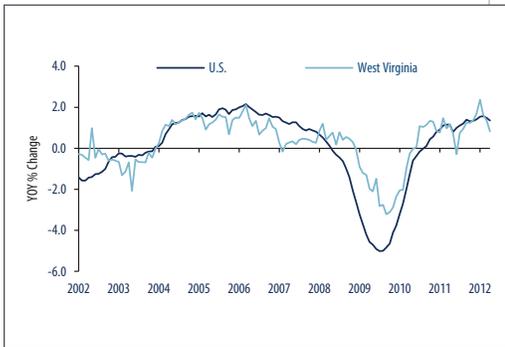
- In 2011, West Virginia's real output growth rose 4.5 percent, which was three times greater than the national rate of 1.5 percent. This is the largest growth for West Virginia since 1994, as well as the highest real output growth experienced in any jurisdiction in the Fifth District in 2011.
- West Virginia's nominal output of \$66.8 billion accounted for 4.4 percent of Fifth District nominal output and 0.4 percent of national output.
- Five of the six metro areas in West Virginia experienced real output growth in 2010—the most recent year for which data are available. The highest increase occurred in the Morgantown MSA (7.4 percent) and the only decrease occurred in the Weirton-Steubenville MSA (1.0 percent).
- The Charleston and Morgantown MSAs are the only metro areas in West Virginia that have increased real output each year since the series began in 2002.

### Population

- In 2011, West Virginia's population grew marginally by 0.1 percent, reaching more than 1.8 million people. This is the lowest population growth rate for West Virginia since 2001, and is also less than the national pace (0.7 percent).
- West Virginia's population accounted for 6.0 percent of the Fifth District's population and 0.6 percent of the national population in 2011.
- West Virginia was one of only two jurisdictions in the Fifth District with a smaller population than it had in 1980 (the other was the District of Columbia).
- Among West Virginia's six metro areas, the Morgantown MSA experienced the largest population increase (1.5 percent) in 2011 and the Weirton-Steubenville MSA saw the largest decrease (0.8 percent).

## ECONOMIC PROFILE

**Figure 3: Payroll Employment**



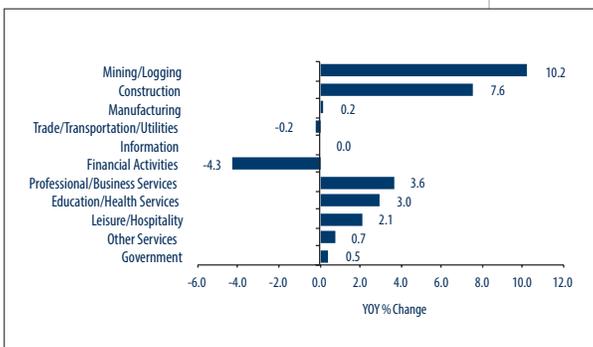
SOURCE: Bureau of Labor Statistics/Haver Analytics

**Figure 4: Employment Share by Industry**



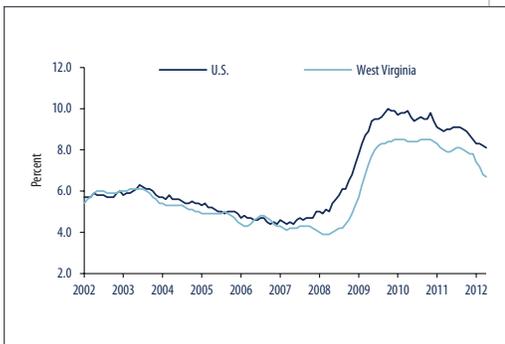
SOURCE: Bureau of Labor Statistics/Haver Analytics

**Figure 5: Change in Employment by Industry (December 2011)**



SOURCE: Bureau of Labor Statistics/Haver Analytics

**Figure 6: Unemployment Rate**



SOURCE: Bureau of Labor Statistics/Haver Analytics

- In 2011, Kanawha County reported the largest population (192,315 people) in the state and Wirt County reported the smallest population (5,762 people). Kanawha and Wirt have been the largest and smallest counties, respectively, since the data series started in 1972.
- For the third year in a row, Monongalia County experienced the largest population growth (1.8 percent), while McDowell County experienced the largest decrease in population (1.5 percent).

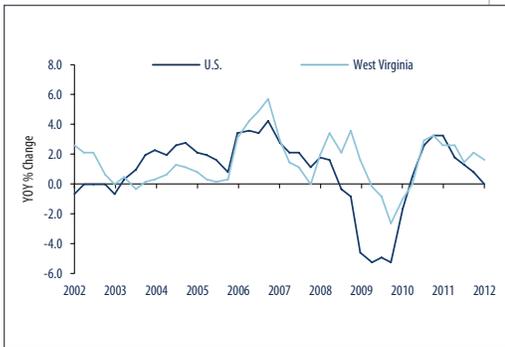
### Labor Market Conditions

- West Virginia employment grew 1.7 percent (12,600 jobs) in 2011, which was higher than the national growth of 1.4 percent.
  - Employment declined in early 2012; West Virginia lost 3,000 jobs (0.4 percent) by May.
  - Goods-producing industries gained 5,700 jobs (5.1 percent) in 2011, but then lost 3,200 jobs (2.7 percent) by May 2012.
  - In 2011, construction employers added 2,400 jobs (7.6 percent), manufacturing employers added 100 jobs (0.2 percent), and mining and logging employers added 3,200 jobs (10.2 percent).
- Private service-providing industries gained 6,200 jobs (1.3 percent) in 2011. By the end of the year, 62.9 percent of West Virginia employment was from private service-providing industries.
  - The professional and business services industry experienced the largest job growth of any service sector, increasing payroll employment by 3.6 percent (2,200 jobs) over 2011.
  - The financial activities and the trade, transportation, and utilities industries were the only service-providing industries to reduce employment over 2011, losing 1,200 jobs (4.3 percent) and 300 jobs (0.2 percent), respectively.

- Government employment comprised 20.1 percent of total non-farm employment by the end of 2011, which was marginally less than the portion in 2010 (20.4 percent) and the portion in 2009 (20.3 percent).
- Although government employment decreased by 1,100 jobs during the first seven months of 2011, it increased by 1,800 jobs in the last five months, posting a 0.5 percent (700 jobs) increase by the end of the year.
- Three out of six West Virginia metro areas reported payroll employment growth over 2011. The Morgantown MSA showed the largest increase (2.3

## ECONOMIC PROFILE

**Figure 7: Real Per Capita Income**



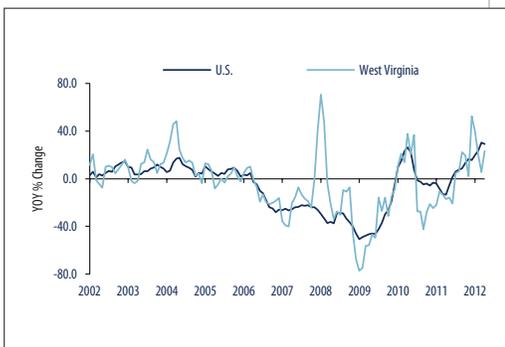
SOURCE: Bureau of Economic Analysis/Haver Analytics

**Figure 8: Nominal Per Capita Income (2010)**

Highest Per Capita Income			Lowest Per Capita Income		
County	Per Capita Income (\$)	YoY % Change	County	Per Capita Income (\$)	YoY % Change
Kanawha	40,840	2.5	Doddridge	19,596	1.5
Putnam	38,235	2.2	Gilmer	21,401	2.8
Ohio	37,431	1.2	Calhoun	21,693	2.8
Harrison	37,342	3.5	Wirt	21,715	1.8
Jefferson	36,792	3.4	Clay	22,479	2.7

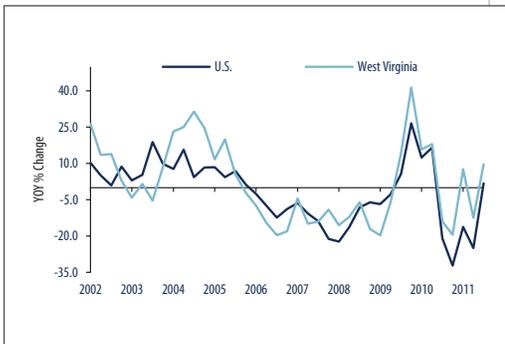
SOURCE: Bureau of Economic Analysis/Haver Analytics

**Figure 9: Building Permits Issued (3-month moving average)**



SOURCE: U.S. Census Bureau/Haver Analytics

**Figure 10: Existing Home Sales**



SOURCE: National Association of Realtors/Haver Analytics

percent) and the Weirton-Steubenville MSA showed the largest decrease (1.1 percent).

### Household Conditions

- In 2011 West Virginia's unemployment rate dropped 0.6 percentage point to 7.8 percent. Unemployment continued to drop in early 2012, reaching 6.9 percent by May.
- All six of West Virginia's metro areas experienced a drop in unemployment, with the Weirton-Steubenville MSA posting the largest drop of 1.9 percentage points, falling to 10.6 percent.
- In April 2012 the Weirton-Steubenville MSA had the highest unemployment rate in the state (10.6 percent), while the Morgantown MSA had the lowest unemployment rate (5.8 percent).
- In 2011, per capita income in West Virginia grew at a real rate of 2.1 percent, which was higher than the national rate (1.0 percent).
- Nominal per capita income in West Virginia was \$33,513 in 2011, which was 80.4 percent of the nominal per capita income of the nation (\$41,663).

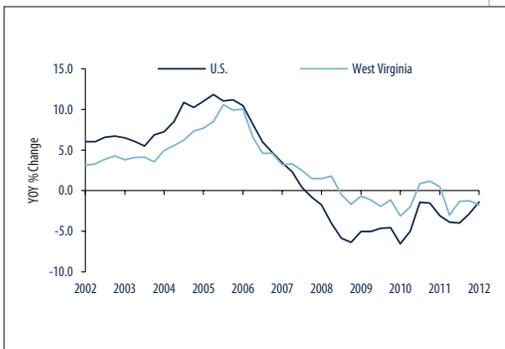
- In 2010—the most recent year for which county data is available—Doddridge County yielded the lowest nominal per capita income (\$19,596) for the fourth year in a row and Kanawha County yielded the largest nominal per capita income (\$40,840) for the thirteenth year in a row.
- Although West Virginia's per capita income range (the largest county's per capita income minus the smallest county's per capita income) was marginally smaller in 2010 than that in 2008, it was still over 10 times that in 1969, the earliest year the data are available. This range has increased in every year except 2009.

### Real Estate Conditions

- The number of new residential building permits issued in West Virginia in 2011 decreased 7.3 percent (175 permits), falling to 2,220 new building permits. Nationally, new building permits increased 3.2 percent.
- The number of housing starts decreased 1.3 percent, yielding the lowest level (1,746 units) since 1989 and marking the sixth year of consecutive decreases in housing starts. Nationally, housing starts increased 4.8 percent in 2011.

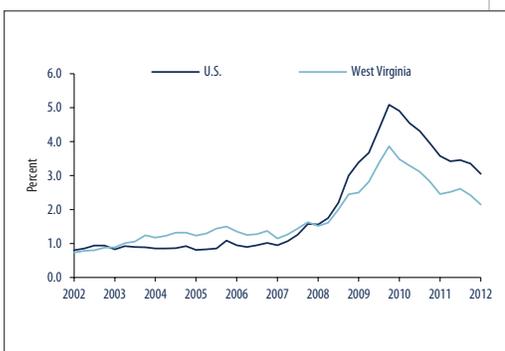
## ECONOMIC PROFILE

**Figure 11: House Price Index**



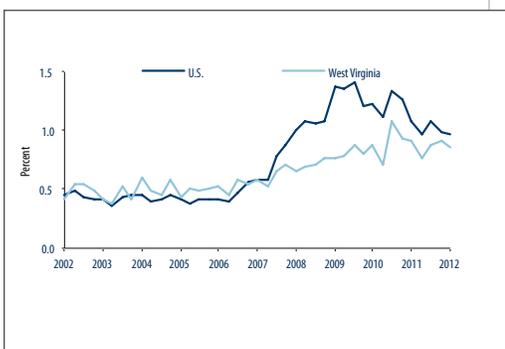
SOURCE: Federal Housing Finance Agency/HAVAR Analytics

**Figure 12: 90+ Day Mortgage Delinquency Rate**



SOURCE: Mortgage Bankers Association/HAVAR Analytics

**Figure 13: Foreclosure Starts Rate**



SOURCE: Mortgage Bankers Association/HAVAR Analytics

- Home prices in West Virginia declined 1.2 percent, whereas home prices in the nation as a whole decreased 2.9 percent.
- Four of the six West Virginia metro areas experienced drops in home prices over 2011. The Charleston and Wheeling MSAs yielded the largest decreases in home prices (1.1 percent) and the Huntington-Ashland MSA yielded the largest increase in home prices (1.7 percent).
- The 90+ day mortgage delinquency rate declined throughout 2011, reaching 2.4 percent by the end of the year, and continued to fall to 2.2 percent in the first quarter of 2012. This is the lowest it has been since the end of 2008.
- Prime and subprime 90+ day mortgage delinquency rates declined by 0.4 percentage point and 2.2 percentage points, respectively, in 2011.
- The share of mortgages in foreclosure decreased to 2.1 percent over 2011, remaining below the national foreclosure inventory rate of 4.4 percent.
- Both prime and subprime foreclosure rates decreased in 2011—to 1.4 percent and 6.8 percent, respectively—and remained below the national prime (3.3 percent) and subprime (14.5 percent) foreclosure inventory rates.

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