



SNAPSHOT

A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY

MARCH 2010

FEDERAL RESERVE BANK OF RICHMOND

DISTRICT OF COLUMBIA

March Summary

Employment and housing conditions improved recently in the District of Columbia although conditions for D.C. households remained challenging.

Labor Markets: D.C. firms added a net 1,500 jobs (0.2 percent) to the economy in December, most of which were in professional and business services. In contrast, the 6,200 jobs gained in D.C. over the year were concentrated in the government sector. Meanwhile, the Washington, D.C. MSA – which includes parts of Maryland, Virginia, and West Virginia – shed 800 jobs (0.0 percent) in December and 18,800 jobs (0.8 percent) over the year.

Household Conditions: Despite the slight payroll growth, the unemployment rate in D.C. edged up to a record 12.1 percent in December while joblessness in the Washington, D.C. MSA reached 6.2 percent. Real personal income was stagnant in the third quarter after growing 1.6 percent in the second quarter. In the fourth quarter, the share of mortgages with payments more than 90 days past due rose to a series high of 3.7 percent. The prime delinquency rate rose a record 0.5 percentage point to 2.7 percent while the subprime rate rose to 13.8 percent.

Housing Markets: Housing markets in D.C. began to show signs of recovery in recent months. D.C. issued 20 permits in January, which was below the 24 permits issued in December, but above the 8 permits issued in January 2009. Housing starts were also down from December but above their year-ago level. Existing home sales rose 8.7 percent in the fourth quarter, leaving sales 56.3 percent above their year-ago mark for the largest year-over-year increase since the first quarter of 1998. House prices also rose in the fourth quarter – 1.2 percent – which was the sharpest growth since the fourth quarter of 2006. The 1.9 percent depreciation over the year was the smallest since house prices began to decline in the first quarter of 2008. Housing activity also exhibited promising signs in the Washington, D.C. MSA, where permit levels were 6.6 percent above year-ago levels and house prices rose 0.2 percent in the fourth quarter. As in D.C. proper, the year-over-year decline in house prices (4.6 percent) was the smallest in over two years.

A Closer Look at...Foreclosure

Foreclosure Starts (as a percentage of all mortgages) 4Q:09: 0.81%

Prime Mortgages: 0.63%

Subprime Mortgages: 3.01%

Foreclosure Starts (as a percentage of all mortgages) 4Q:08: 0.96%

Prime Mortgages: 0.56%

Subprime Mortgages: 4.99%

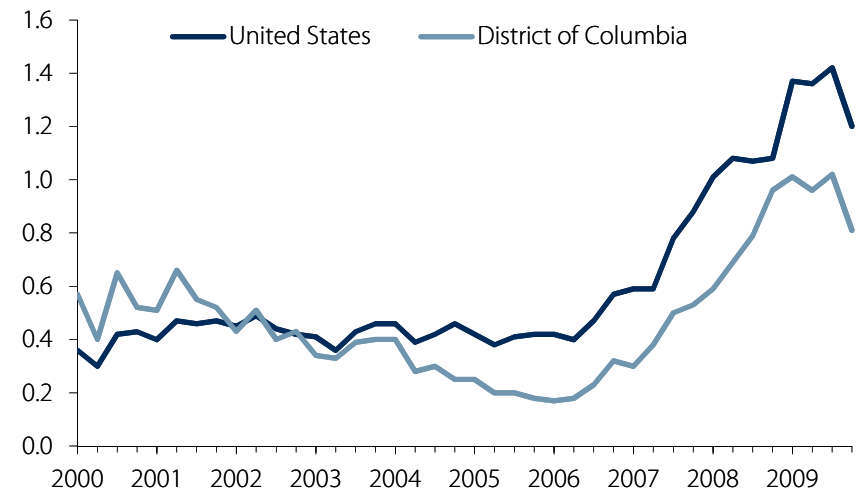
Foreclosure Inventory (as a percentage of all mortgages) 4Q:09: 2.91%

Prime Mortgages: 1.93%

Subprime Mortgages: 14.59%

Trends: The rate of foreclosure starts fell 0.21 percentage point in the fourth quarter for the steepest quarterly decline in the series' 30-year history.

District of Columbia Foreclosure Starts
Percent of all mortgages through 4Q:2009



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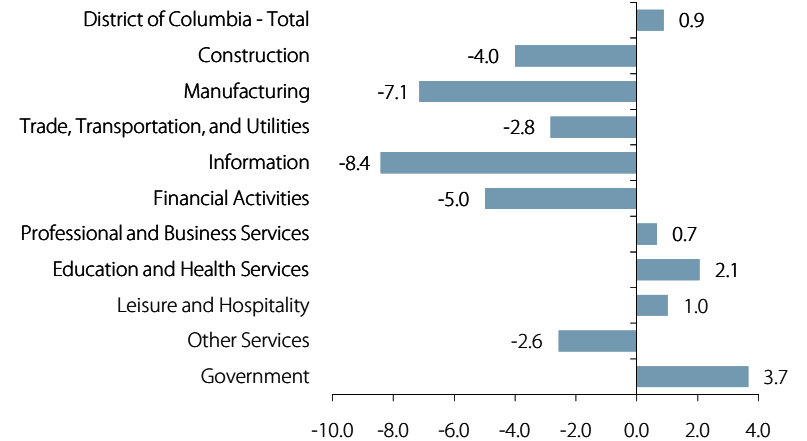
Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	December	129,547.0	-0.12	-3.56
Fifth District - Total	December	13,400.3	-0.05	-2.00
District of Columbia - Total	December	710.9	0.21	0.88
Construction	December	12.0	0.00	-4.00
Manufacturing	December	1.3	0.00	-7.14
Trade, Transportation, and Utilities	December	27.5	1.85	-2.83
Information	December	18.5	-0.54	-8.42
Financial Activities	December	26.7	-0.37	-4.98
Professional and Business Services	December	152.6	0.66	0.66
Education and Health Services	December	109.2	-0.09	2.06
Leisure and Hospitality	December	59.8	0.34	1.01
Other Services	December	64.4	-1.08	-2.57
Government	December	243.1	0.04	3.67
Washington, D.C. MSA - Total	December	2,419.6	-0.03	-0.77

Unemployment Rate (SA)	Dec 09	Nov 09	Dec 08
United States	10.0	10.0	7.4
Fifth District	9.4	9.0	6.6
District of Columbia	12.1	11.8	8.2
Washington, D.C. MSA (NSA)	6.2	6.1	4.7

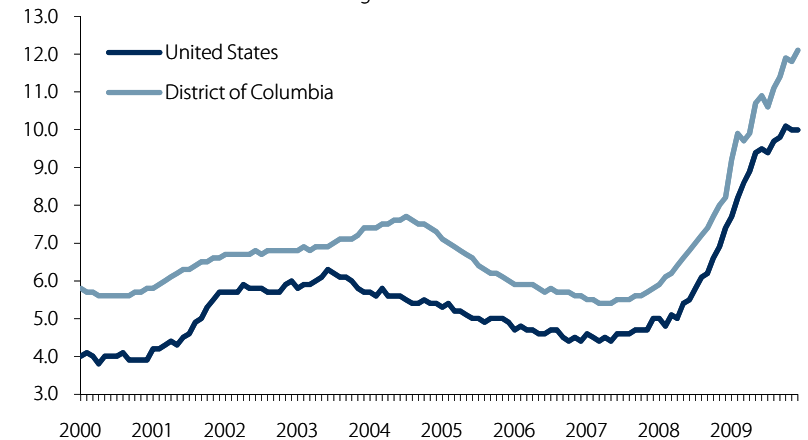
D.C. Payroll Employment Performance

Year-over-Year Percent Change through December 2009



D.C. Unemployment Rate

Through December 2009





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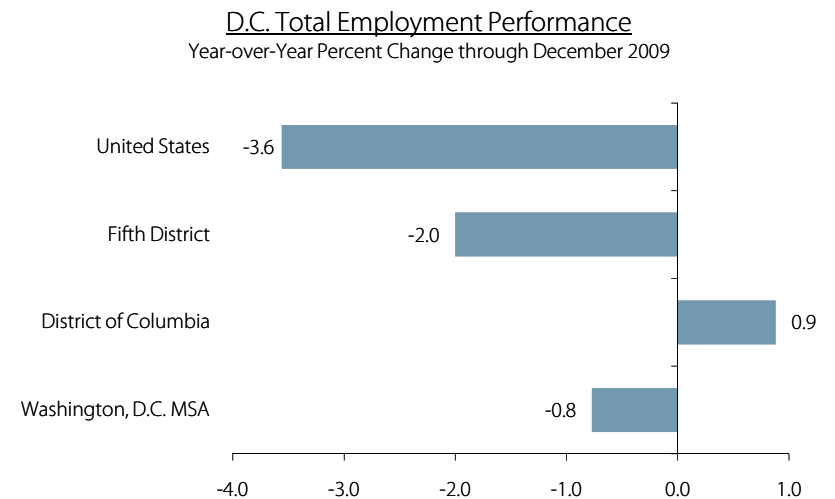
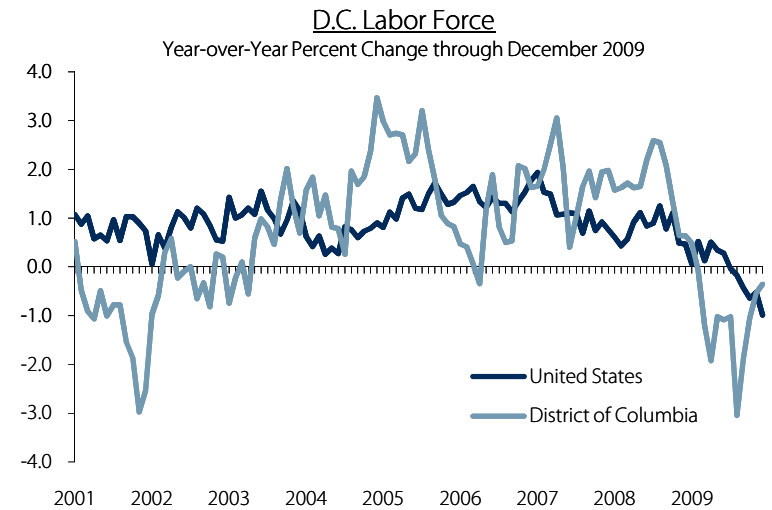
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Labor Market Conditions

Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	December	153,059	-0.43	-0.99
Fifth District	December	14,875	-0.27	-1.52
District of Columbia	December	332	0.24	-0.36
Washington, D.C. MSA (NSA)	December	2,994	-0.47	-0.60

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	January	2,534,570	-8.72	-21.20
Fifth District	January	258,255	-1.62	-27.61
District of Columbia	January	1,981	-2.84	-17.97





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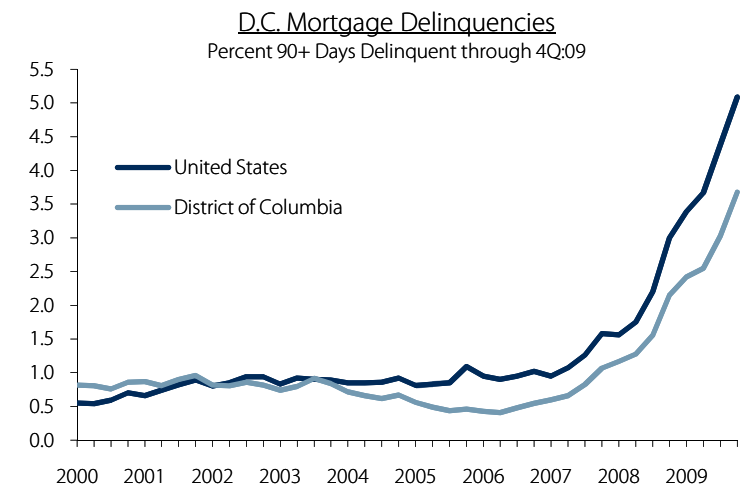
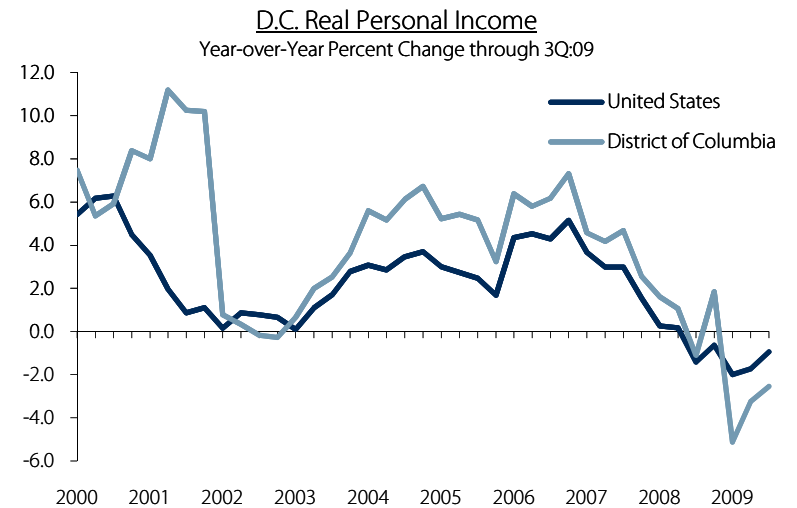
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Household Conditions

Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	3Q:09	11,024,972	-0.35	-0.95
Fifth District	3Q:09	1,069,311	-0.36	-0.85
District of Columbia	3Q:09	34,638	-0.01	-2.56
Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Washington, D.C. MSA	2009	100.8	---	3.70
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	4Q:09	357,183	-4.32	23.84
Fifth District	4Q:09	26,393	-2.17	19.65
District of Columbia	4Q:09	259	-4.43	26.96
Mortgage Delinquencies (% 90+ Days Delinquent)	4Q:09	3Q:09	4Q:08	
United States				
All Mortgages	5.09	4.38	3.00	
Conventional	3.70	3.06	1.86	
Subprime	14.98	13.33	9.40	
District of Columbia				
All Mortgages	3.68	3.03	2.15	
Conventional	2.70	2.19	1.37	
Subprime	13.76	11.49	8.85	



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Real Estate Conditions

Total Private Building Permits (NSA)	Period	Level	MoM % Change	YoY % Change
United States	January	39,479	-16.67	8.91
Fifth District	January	5,958	-14.21	6.28
District of Columbia	January	20	-16.67	150.00
Washington, D.C. MSA	January	943	-2.98	6.55

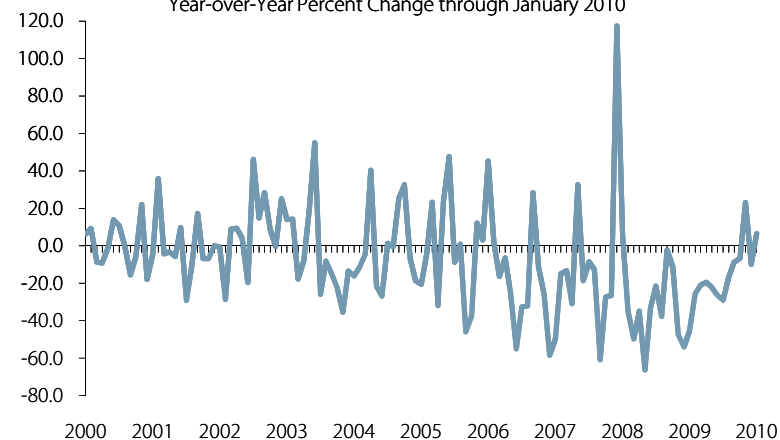
Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	January	591.0	2.78	21.11
Fifth District	January	85.1	-5.76	22.13
District of Columbia	January	0.3	-6.45	190.00

Total Existing Home Sales (SAAR)	Period	Level (000s)	QoQ % Change	YoY % Change
United States	4Q:09	6,027.0	13.93	27.15
Fifth District	4Q:09	484.8	5.21	28.66
District of Columbia	4Q:09	10.0	8.70	56.25

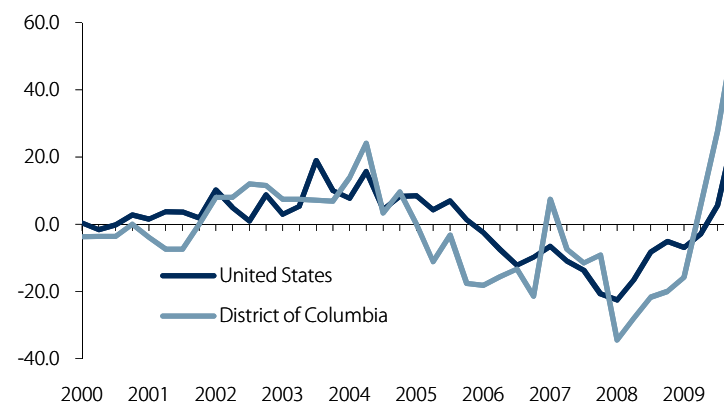
Average Monthly Inventory	Period	Level	MoM % Change	YoY % Change
Washington, D.C. MSA	February	23,228	3.51	-20.63

Median Asking Price	Period	Level (\$000s)	MoM % Change	YoY % Change
Washington, D.C. MSA	February	290	1.29	-6.80

Washington, D.C. MSA Building Permits
Year-over-Year Percent Change through January 2010



D.C. Existing Home Sales
Year-over-Year Percent Change through 4Q:09



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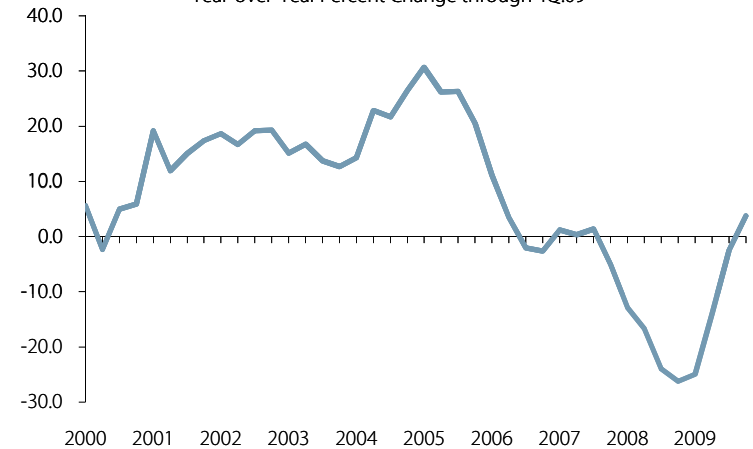
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Real Estate Conditions

Median Home Sales Price - NAR (NSA)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Washington, D.C. MSA	4Q:09	306	-5.70	3.76
Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Washington, D.C. MSA	4Q:09	285	-1.72	3.26
House Price Index (1980=100, NSA)	Period	Level	QoQ % Change	YoY % Change
United States	4Q:09	347	-0.73	-4.66
Fifth District	4Q:09	385	-1.10	-5.01
District of Columbia	4Q:09	571	1.23	-1.88
Washington, D.C. MSA (1995=100)	4Q:09	223	0.20	-4.61
Housing Opportunity Index (%)	4Q:09	3Q:09	4Q:08	
Washington, D.C. MSA	72.5	70.9	69.0	
Commercial Vacancy Rates (%)	3Q:09	2Q:09	3Q:08	
Office Vacancies	Washington, D.C. MSA	11.2	10.2	7.4
Industrial Vacancies	Washington, D.C. MSA	---	---	---

Washington, D.C. MSA Median Home Sales Price (NAR)
Year-over-Year Percent Change through 4Q:09



Washington, D.C. MSA Office Vacancy Rate
Through 3Q:09

