

VIRGINIA

February Summary

Economic activity in Virginia picked up somewhat in recent months, with expanded payrolls and some positive signs in housing markets and among state households.

Labor Markets: Firms in Virginia added 7,800 jobs (0.2 percent) to the economy in December. The Commonwealth also reported 1.0 percent job growth since December 2010, with the addition of 36,600 jobs in the state. In absolute terms, the sharpest increase in the month and the year was in the professional and business services sector. Still, the only industries reporting year-over-year decline were construction, manufacturing, and information services. Labor market activity was mixed among the state's major MSAs in December, although only two metro areas—Virginia Beach and Roanoke—reported year-over-year payroll decline.

Household Conditions: The Virginia unemployment rate was steady at 6.2 percent in December as it remained between 6.0 percent and 6.5 percent for the twelfth consecutive month. Real personal income fell 0.5 percent in the third quarter, although income for Virginia households grew 0.7 percent over the year. Meanwhile, after declining for six straight quarters, the 90+ day delinquency rate rose slightly to 2.4 percent in the third quarter. This rise came as declines in both the prime and subprime 90+ day delinquency rate were offset by increases in the FHA and VA delinquency rates.

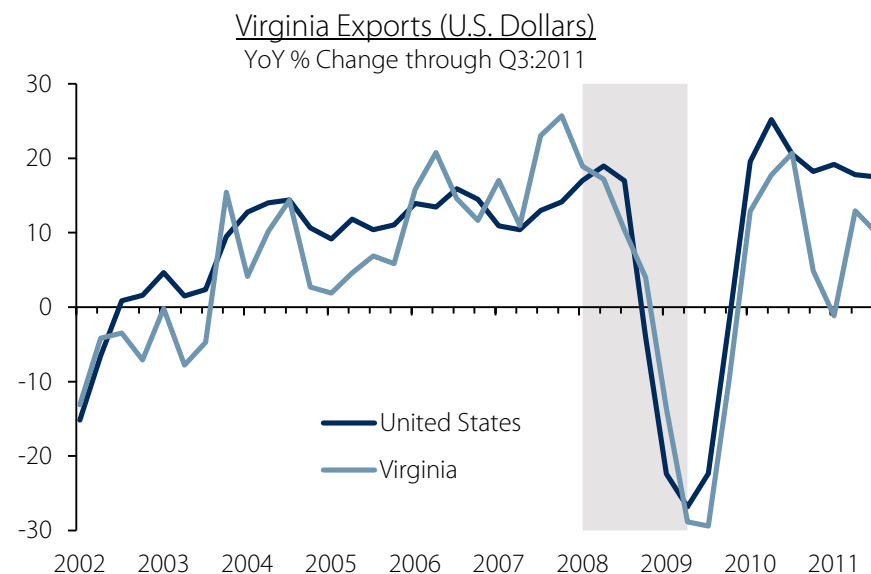
Housing Markets: New residential permit levels in Virginia rose 12.8 percent in December and 65.0 percent over the year—the sharpest year-over-year growth in permitting activity in the state since March 2010. Housing starts were also up (3.2 percent) in the month and over the year (48.3 percent). Existing home sales in Virginia expanded by a modest 1.9 percent in the third quarter, increasing by 3.5 percent since the third quarter of 2010. Meanwhile, house prices rose 0.9 percent in the quarter after three periods of decline. Still, home values depreciated 3.1 percent over the year. At the metro level, reports on residential permitting activity were mixed in December while home values depreciated in most metro areas in the third quarter.

A Closer Look at...Exports

Total Virginia Exports in 2010: \$17,089,952,000

Top Importers of Virginia Goods and Services in 2010:

- Canada:** \$2,874,612,000 (16.8 percent)
- China:** \$1,275,836,000 (7.5 percent)
- Singapore:** \$1,039,351,000 (6.1 percent)
- United Kingdom:** \$1,025,755,000 (6.0 percent)
- Mexico:** \$861,239,000 (5.0 percent)
- Germany:** \$852,411,000 (5.0 percent)
- Brazil:** \$643,475,000 (3.8 percent)
- Japan:** \$504,259,000 (3.0 percent)
- Belgium:** \$485,979,000 (2.8 percent)
- Netherlands:** \$454,280,000 (2.7 percent)



SNAPSHOT

A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY

FEBRUARY 2012

FEDERAL RESERVE BANK OF RICHMOND

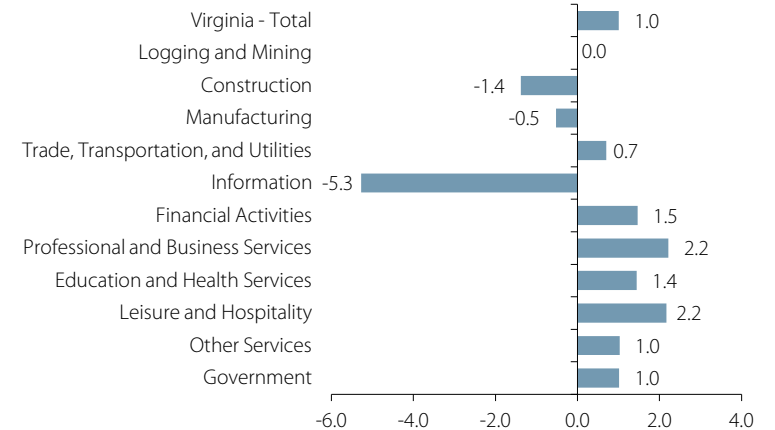
VIRGINIA

Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	December	131,900.0	0.15	1.26
Fifth District - Total	December	13,386.1	0.07	0.89
Virginia - Total	December	3,663.1	0.21	1.01
Logging and Mining	December	10.3	-0.96	0.00
Construction	December	178.9	-0.83	-1.38
Manufacturing	December	228.0	-0.74	-0.52
Trade, Transportation, and Utilities	December	629.8	0.06	0.70
Information	December	71.8	0.14	-5.28
Financial Activities	December	180.0	0.11	1.47
Professional and Business Services	December	668.8	0.87	2.22
Education and Health Services	December	464.0	0.39	1.44
Leisure and Hospitality	December	338.6	0.95	2.17
Other Services	December	186.9	0.43	1.03
Government	December	706.0	-0.17	1.02
Blacksburg MSA - Total	December	71.3	1.71	5.32
Charlottesville MSA - Total	December	101.9	-0.68	3.03
Lynchburg MSA - Total	December	104.0	-1.42	1.07
Northern Virginia - Total	December	1,324.0	0.39	1.34
Richmond MSA - Total	December	603.0	1.12	0.43
Roanoke MSA - Total	December	152.6	-1.55	-0.59
Virginia Beach-Norfolk MSA - Total	December	730.2	0.22	-0.21
Winchester MSA - Total	December	56.2	-0.18	2.93

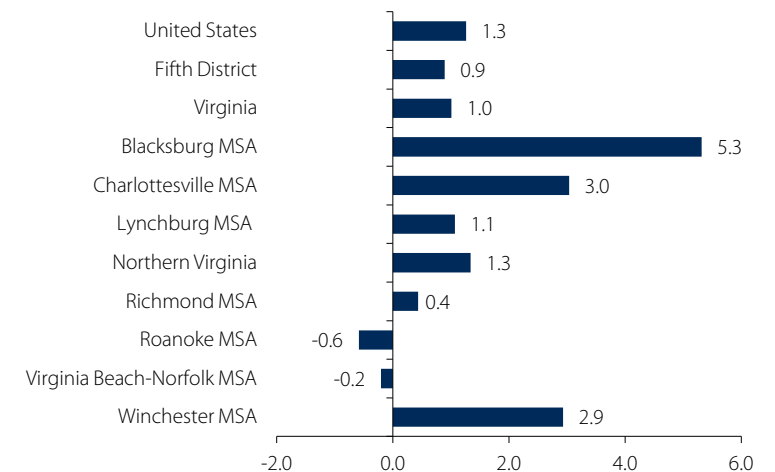
Virginia Payroll Employment Performance

Year-over-Year Percent Change through December 2011



Virginia Total Employment Performance

Year-over-Year Percent Change through December 2011



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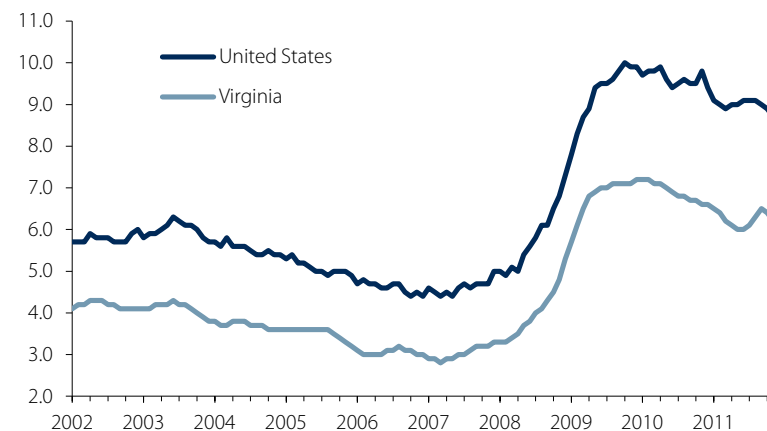
Labor Market Conditions

Unemployment Rate (SA)	December 11	November 11	December 10
United States	8.5	8.7	9.4
Fifth District	8.1	8.2	8.6
Virginia	6.2	6.2	6.6
Blacksburg MSA	6.9	7.0	8.1
Charlottesville MSA	5.2	5.2	5.7
Lynchburg MSA	6.8	6.8	7.6
Northern Virginia (NSA)	4.6	4.2	4.7
Richmond MSA	6.9	7.0	7.5
Roanoke MSA	6.7	6.6	7.4
Virginia Beach-Norfolk MSA	7.2	7.2	7.3
Winchester MSA	6.5	6.6	7.4

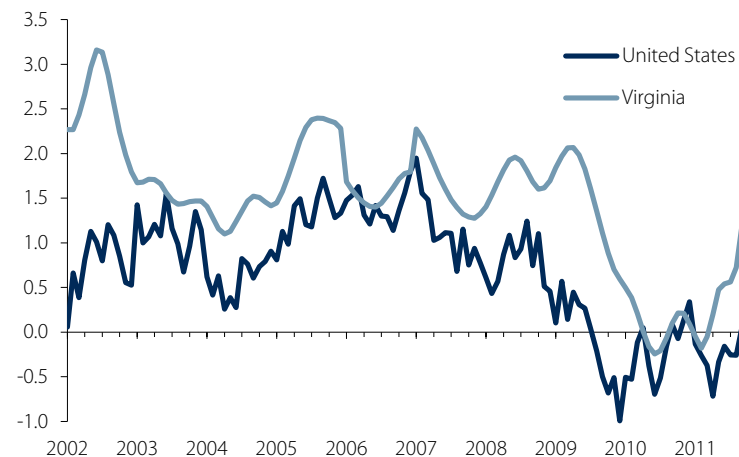
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	December	153,887	-0.03	0.18
Fifth District	December	15,045	0.10	0.99
Virginia	December	4,260	0.20	1.84
Blacksburg MSA	December	83	0.98	2.87
Charlottesville MSA	December	113	0.27	4.45
Lynchburg MSA	December	128	-0.39	3.24
Northern Virginia (NSA)	December	1,527	0.39	2.14
Richmond MSA	December	656	0.29	0.57
Roanoke MSA	December	159	-0.56	1.53
Virginia Beach-Norfolk MSA	December	831	0.04	0.75
Winchester MSA	December	68	0.00	3.21

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	December	2,065,313	12.38	-13.23
Fifth District	December	176,560	9.90	-14.80
Virginia	December	33,871	16.73	-17.39

Virginia Unemployment Rate
Through December 2011



Virginia Labor Force
Year-over-Year Percent Change through December 2011



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Household Conditions

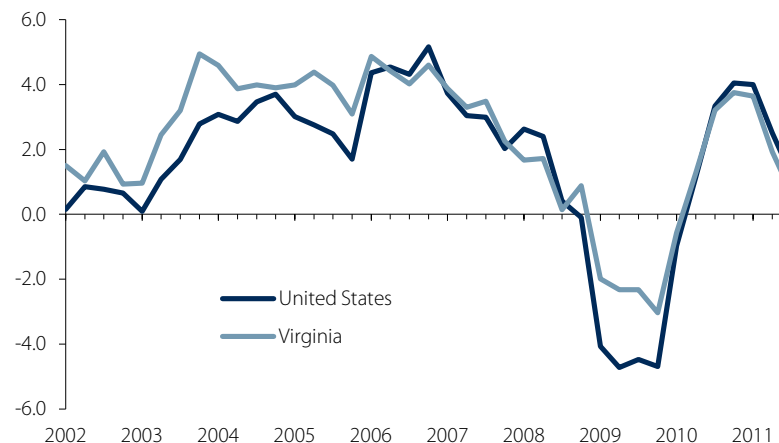
Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q3:11	11,331,149	-0.43	1.22
Fifth District	Q3:11	1,118,907	-0.46	0.86
Virginia	Q3:11	323,787	-0.47	0.66

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Richmond MSA	2011	74.6	---	0.95
Roanoke MSA	2011	62.4	---	---
Virginia Beach-Norfolk MSA	2011	69.9	---	2.49

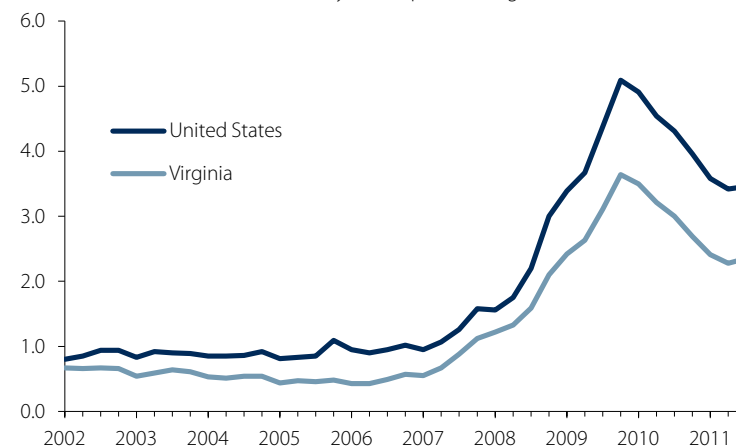
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q3:11	336,930	-8.31	-15.43
Fifth District	Q3:11	22,697	-7.78	-16.89
Virginia	Q3:11	8,064	-5.64	-11.88

Mortgage Delinquencies (% 90+ Days Delinquent)	Q3:11	Q2:11	Q3:10
United States			
All Mortgages	3.46	3.42	4.31
Prime	2.17	2.21	2.97
Subprime	10.85	11.26	13.92
Virginia			
All Mortgages	2.35	2.28	3.00
Prime	1.31	1.33	1.96
Subprime	10.14	10.66	13.21

Virginia Real Personal Income
Year-over-Year Percent Change through Q3:11



Virginia Mortgage Delinquencies
Percent 90+ Days Delinquent through Q3:11



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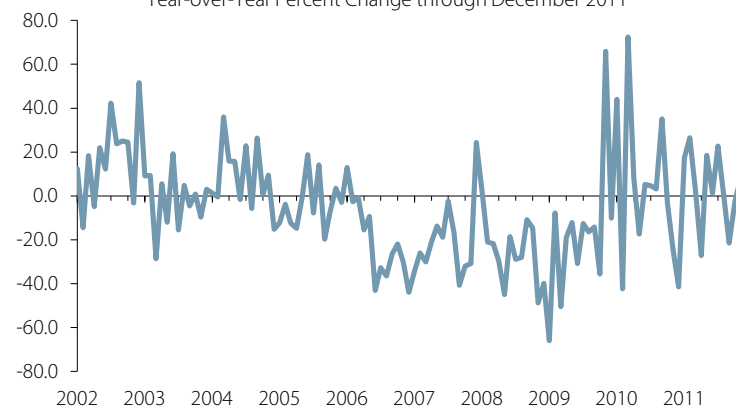
Real Estate Conditions

Total Private Building Permits (NSA)	Period	Level	MoM % Change	YoY % Change
United States	December	49,939	-0.77	6.93
Fifth District	December	7,672	5.50	67.51
Virginia	December	1,544	12.78	64.96
Charlottesville MSA	December	29	-17.14	-25.64
Danville MSA	December	10	11.11	150.00
Harrisonburg MSA	December	11	-60.71	-81.67
Lynchburg MSA	December	27	58.82	22.73
Richmond MSA	December	226	14.72	67.41
Roanoke MSA	December	36	0.00	350.00
Virginia Beach-Norfolk MSA	December	240	-40.59	34.08
Winchester MSA	December	24	100.00	26.32

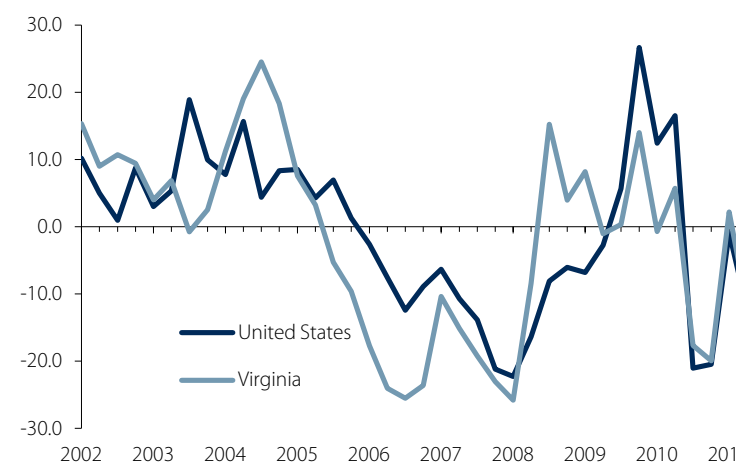
Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	December	657.0	-4.09	24.90
Fifth District	December	95.0	-3.46	50.55
Virginia	December	19.1	3.18	48.33

Total Existing Home Sales (SAAR)	Period	Level (000s)	QoQ % Change	YoY % Change
United States	Q3:11	4,880.0	-0.06	17.03
Fifth District	Q3:11	410.8	-2.19	12.00
Virginia	Q3:11	106.0	1.92	3.52

Virginia Building Permits
Year-over-Year Percent Change through December 2011



Virginia Existing Home Sales
Year-over-Year Percent Change through Q3:11



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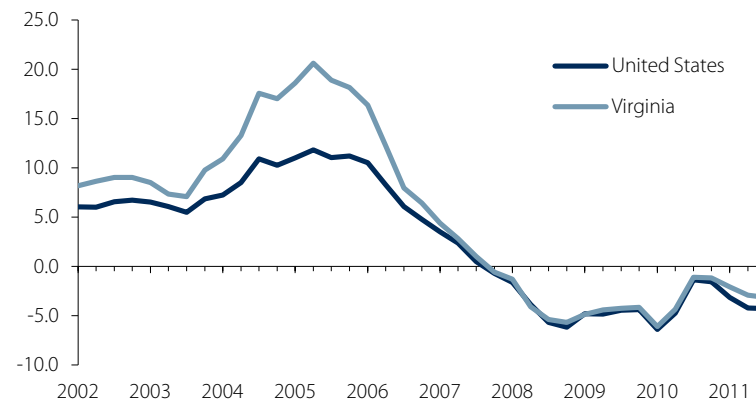
Real Estate Conditions

House Price Index (1980=100)	Period	Level	QoQ % Change	YoY % Change
United States	Q3:11	319	0.94	-4.28
Fifth District	Q3:11	363	0.84	-3.83
Virginia	Q3:11	400	0.86	-3.15
Blacksburg MSA (1995=100)	Q3:11	187	-2.45	-3.30
Charlottesville MSA (1995=100)	Q3:11	209	1.56	-5.02
Danville MSA (1995=100)	Q3:11	168	2.19	3.00
Harrisonburg MSA (1995=100)	Q3:11	186	2.01	-2.02
Lynchburg MSA (1995=100)	Q3:11	177	-0.24	-4.37
Richmond MSA (1995=100)	Q3:11	183	-0.48	-6.32
Roanoke MSA (1995=100)	Q3:11	180	-0.61	-3.81
Virginia Beach-Norfolk MSA (1995=100)	Q3:11	213	-0.38	-6.76
Winchester MSA (1995=100)	Q3:11	174	-1.22	-2.96

Median Home Sales Price - NAR (NSA)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Richmond MSA	Q3:11	---	---	---
Virginia Beach-Norfolk MSA	Q3:11	190	2.76	-11.63

Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Richmond MSA	Q3:11	190	6.74	1.06
Virginia Beach-Norfolk MSA	Q3:11	186	3.33	-0.53

Virginia House Price Index (FHFA)
Year-over-year Percent Change through Q3:11



Virginia Beach-Norfolk MSA Median Home Sales Price (NAR)
Year-over-Year Percent Change through Q3:11



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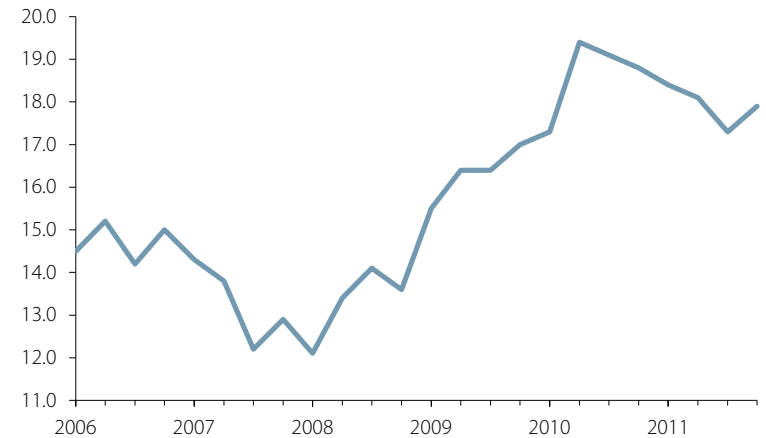
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Real Estate Conditions

Housing Opportunity Index (%)	Q3:11	Q2:11	Q3:10
Richmond MSA	79.1	81.3	79.4
Roanoke MSA	79.6	77.9	74.5
Virginia Beach-Norfolk MSA	79.3	80.1	77.5
Commercial Vacancy Rates (%)	Q4:11	Q3:11	Q4:10
Office Vacancies			
Northern Virginia	---	13.3	13.2
Richmond	17.9	17.3	18.8
Industrial Vacancies			
Northern Virginia	---	15.8	15.8
Richmond	11.4	11.5	12.7

Richmond MSA Office Vacancy Rate
Through Q4:11



Richmond MSA Industrial Vacancy Rate
Through Q4:11

