

# DISTRICT ECONOMIC OVERVIEW

BY SONYA RAVINDRANATH WADDELL

**F**ifth District economic conditions weakened over the second quarter of 2008 as employment activity dropped, the housing market contracted further, and mortgage delinquency and foreclosure rates rose. Nonetheless, in most indicators, the Fifth District continued to outperform the nation.

## Labor Markets Soften

Although Fifth District labor markets stagnated somewhat in the second quarter, they performed above the nation. Payroll employment was flat in the second quarter as employers reported a net gain of 300 jobs (0.0 percent). Over the same period, the nation shed 218,000 jobs for a 0.2 percent payroll decline. Since the second quarter of 2007, the Fifth District noted 0.8 percent payroll growth while national employment grew 0.1 percent. Over the year, employment gains were particularly solid in education and health services (3.1 percent), leisure and hospitality (2.0 percent), government (1.5 percent), and professional and business services (1.4 percent). The steepest losses were in the goods-producing industries as manufacturing shed 27,600 jobs (2.2 percent) and mining and construction shed 13,600 jobs (1.6 percent), most of which were in construction.

The Richmond Fed's service and manufacturing sector surveys reported a weakening in employment as more firms noted reductions in hiring activity. Contacts in retail reported the steepest contraction in employment in recent months. Further evidence of weakness in Fifth District labor markets can be seen in the 0.5 percentage point rise in the unemployment rate over the second quarter. Still, at 4.9 percent, the jobless rate remained below the national mark of 5.3 percent.

## Housing Market Conditions Weaken Slightly

Recent assessments of the Fifth District housing market indicated some weakening in the second quarter. New residential construction fell off as residential permitting activity and housing starts declined in the quarter. Permit levels dropped 0.5 percent over the second quarter and 33.3 percent over the preceding year. Meanwhile, at the national level, permitting activity rose 27.0 percent in the second quarter, after three months of decline, and fell 28.8 percent over the year. Although second-quarter permit levels grew in the District of Columbia, Maryland, and South Carolina, all jurisdictions in the Fifth District have seen continued year-over-year declines in

permitting activity for at least two years. Overall, Fifth District housing starts also fell 9.1 percent in the second quarter and 28.2 percent over the preceding year.

Some weakening in Fifth District housing activity was also evident in reports on home sales and house prices. Existing home sales fell 4.6 percent in the second quarter and 23.1 percent over the year. House prices grew 0.5 percent in the second quarter after a 0.1 percent decline in the previous quarter. District house prices, therefore, outperformed national prices, which fell 1.4 percent in the quarter.

Half of the jurisdictions in the Fifth District saw a decline, as District of Columbia house prices fell 1.8 percent, Maryland prices fell 2.2 percent, and Virginia prices fell 1.9 percent. On the other hand, North Carolina house prices rose 0.6 percent, South Carolina prices rose 0.4 percent, and West Virginia prices rose 0.7 percent.

## Mortgage Delinquency and Foreclosure Rates Rise

Most measures of conventional and subprime mortgage delinquency and foreclosure in the Fifth District hit record or near-record highs in the second quarter.

Nonetheless, rates remained below those at the national level. Mortgage delinquencies in the Fifth District rose to 5.8 percent over the quarter as both conventional and subprime mortgages hit record-high delinquency rates at 3.5 percent and 19.3 percent, respectively.

The subprime delinquency rate was higher than the 18.2 percent national mark, although overall delinquencies and conventional mortgage delinquencies in the United States outpaced Fifth District rates. The District foreclosure rate hit a record-high 0.7 percent in the second quarter although it, too, was lower than the 1.1 percent U.S. foreclosure rate.

## Economic Indicators

	2nd Qtr. 2008	1st Qtr. 2008	Percent Change (Year Ago)
<b>Nonfarm Employment (000)</b>			
Fifth District	14,005	14,005	0.8
U.S.	137,699	137,917	0.1
<b>Real Personal Income (\$bil)</b>			
Fifth District	956.9	948.3	1.4
U.S.	9,995.0	9,920.8	1.5
<b>Building Permits (000)</b>			
Fifth District	35.9	36.1	-33.3
U.S.	287.9	226.7	-28.8
<b>Unemployment Rate (%)</b>			
Fifth District	4.9%	4.4%	
U.S.	5.3%	4.9%	

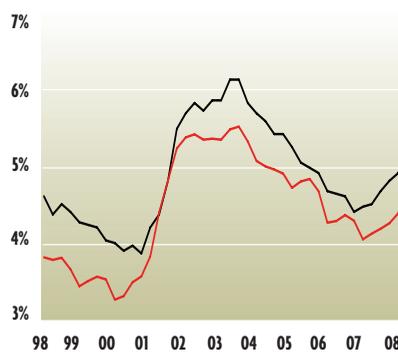
### Nonfarm Employment

Change From Prior Year  
First Quarter 1998 - Second Quarter 2008



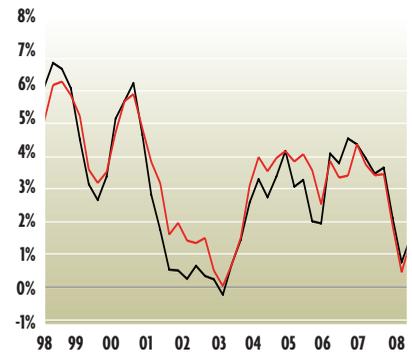
### Unemployment Rate

First Quarter 1998 - Second Quarter 2008



### Real Personal Income

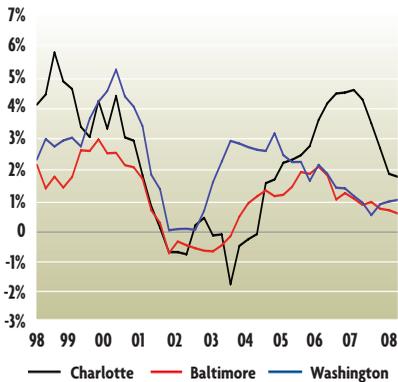
Change From Prior Year  
First Quarter 1998 - Second Quarter 2008



— Fifth District — United States

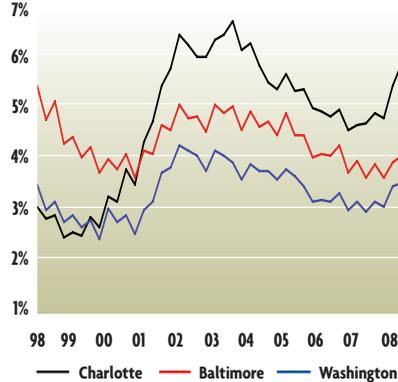
### Nonfarm Employment Metropolitan Areas

Change From Prior Year  
First Quarter 1998 - Second Quarter 2008



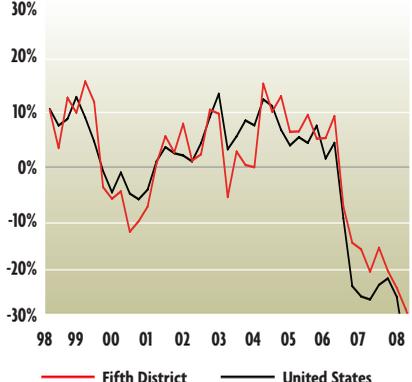
### Unemployment Rate Metropolitan Areas

Change From Prior Year  
First Quarter 1998 - Second Quarter 2008



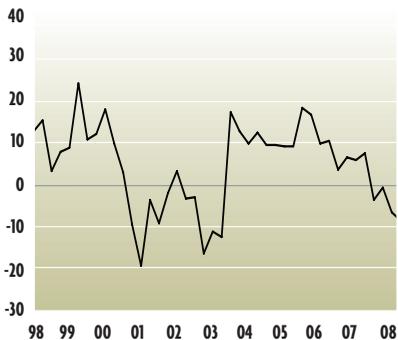
### Building Permits

Change From Prior Year  
First Quarter 1998 - Second Quarter 2008



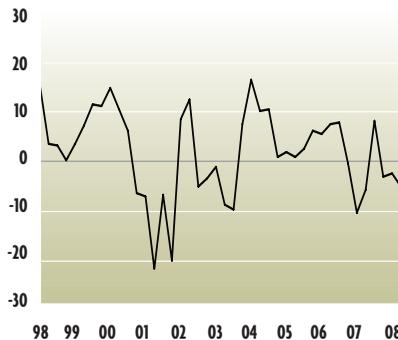
### FRB—Richmond Services Revenues Index

First Quarter 1998 - Second Quarter 2008



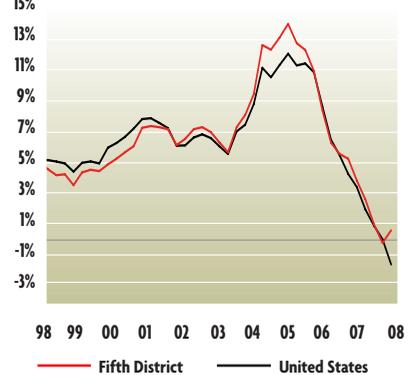
### FRB—Richmond Manufacturing Composite Index

First Quarter 1998 - Second Quarter 2008



### House Prices

Change From Prior Year  
First Quarter 1998 - Second Quarter 2008



**NOTES:**

1) FRB—Richmond survey indexes are diffusion indexes representing the percentage of responding firms reporting increase minus the percentage reporting decrease. The manufacturing composite index is a weighted average of the shipments, new orders, and employment indexes.  
2) Metropolitan area data, building permits, and house prices are not seasonally adjusted (nsa); all other series are seasonally adjusted.

**SOURCES:**

Real Personal Income: Bureau of Economic Analysis/Haver Analytics.  
Unemployment rate: LAUS Program, Bureau of Labor Statistics, U.S. Department of Labor, <http://stats.bls.gov>.  
Employment: CES Survey, Bureau of Labor Statistics, U.S. Department of Labor, <http://stats.bls.gov>.  
Building permits: U.S. Census Bureau, <http://www.census.gov>.  
House prices: Federal Housing Finance Agency, <http://www.ofheo.gov>.

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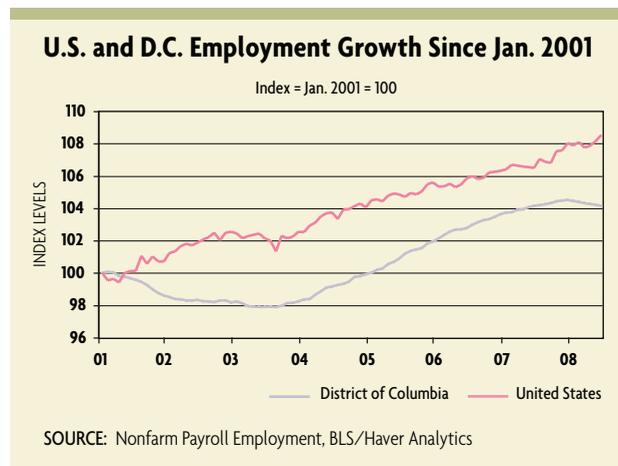
# STATE ECONOMIC CONDITIONS

BY SONYA RAVINDRANATH WADDELL



## District of Columbia

Economic conditions in the District of Columbia were mixed in the second quarter of 2008. Conditions in the labor market varied as payroll employment grew, but the unemployment rate edged up. Meanwhile, despite the continued drop in house prices, new residential construction picked up in the second quarter. High mortgage delinquency and foreclosure rates remained a drag on households.



Recent assessments of the District of Columbia labor market varied. On the one hand, payroll employment grew 0.2 percent in the second quarter as firms added 1,700 jobs to the economy. In addition, the 10,100 net job gain since the second quarter of 2007 was the largest year-over-year payroll addition since the first quarter of 2005. On the other hand, the unemployment rate ticked up to 6.3 percent from 6.1 percent in the first quarter — its highest mark since the third quarter of 2005. In addition, the jobless rate was above the national rate (5.3 percent) and ranked the highest of all Fifth District jurisdictions.

Housing market conditions in the District of Columbia were similarly mixed in the second quarter. House prices — as measured by the House Price Index — fell 1.8 percent in the second quarter, after dropping 1.9 percent in the first quarter and 0.8 percent in the final quarter of 2007. This was the first time since 1993 that house prices depreciated for three consecutive quarters. In addition, the pace of existing home sales fell 5.3 percent for the fifth straight quarter of decline. Nonetheless, new residential construction seemed to pick up in the second quarter as both permit levels and housing starts grew after two quarters of decline.

The contraction in house prices affected mortgage delinquency and foreclosure rates in the jurisdiction, which

increased across the board. The percentage of mortgages with payments past due rose to 5.1 percent in the second quarter, pushed up by increases in the percentage of mortgages with payments more than 90 days past due, which jumped to 1.3 percent — the highest rate since the third quarter of 1988. Meanwhile, the foreclosure rate jumped to its highest rate in almost a decade (0.7 percent). Still, real personal income grew 0.4 percent for the second quarter in a row and per-capita personal income grew 0.3 percent to end the quarter at \$52,780 per person.

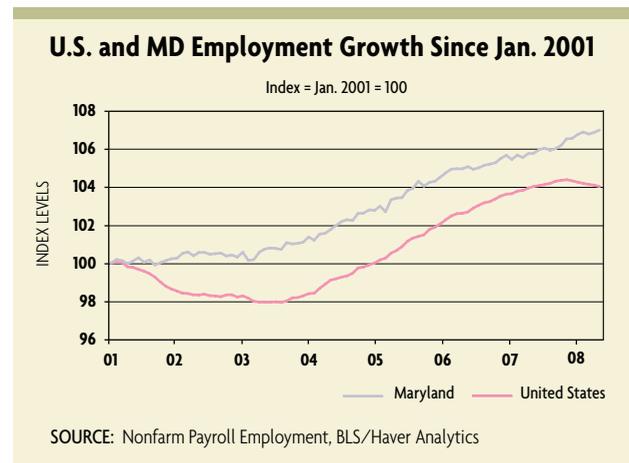


## Maryland

The Maryland economy showed signs of slowing in the second quarter of 2008. The housing market softened further with depreciating house prices and declining home sales. In addition, households were hurt by a jump in unemployment and continued rises in mortgage delinquency and foreclosure rates.

Conflicting reports from the two employment surveys provided a mixed picture for Maryland's labor market. The state added 3,500 jobs (0.1 percent) to its economy in the second quarter. Job growth was entirely in the service sector with the education and health services and government sectors posting the most significant gains of 3,200 jobs and 3,500 jobs, respectively. Meanwhile, the unemployment rate grew to 3.9 percent — a 0.4 percentage point jump from the first quarter. The second quarter marked the largest increase in the number of unemployed persons in the state (11,400) since the first quarter of 1992.

The housing market in Maryland showed clear signs of weakening. House prices fell 2.2 percent in the second quarter for the largest drop since the second quarter of 1982. The drop in house prices over the past year (4.0 percent)

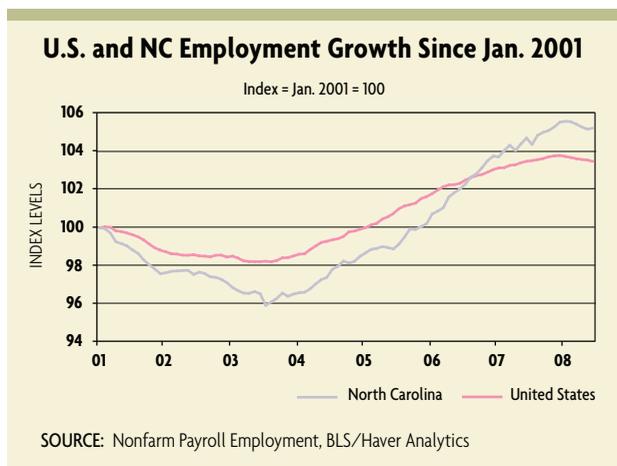


marked the steepest year-over-year drop in the history of the series. In addition, existing home sales fell 5.3 percent in the second quarter. Although residential permitting activity grew 6.7 percent over the quarter, housing starts dropped 2.5 percent.

Softening in the housing market was reflected in increased mortgage delinquencies, which at 6.1 percent hit their highest rate since the third quarter of 2001. More starkly, the percentage of mortgage payments more than 90 days past due was at a historic high (1.8 percent) in the second quarter. The percentage of seriously delinquent mortgages (either more than 90 days past due or in foreclosure) also hit a record of 3.5 percent. Nonetheless, Maryland households were sustained by 0.4 percent growth in both real personal income and per-capita income in the second quarter.

## North Carolina

The economy of North Carolina lost some traction in the second quarter of 2008. The labor market contracted as the economy shed jobs and unemployment shot up. Real estate conditions softened as new residential construction fell off, as did the pace of existing home sales. Meanwhile, mortgage delinquency and foreclosure rates continued to rise.



The labor market in North Carolina contracted in the second quarter. Payroll employment fell 0.3 percent as the state shed 13,100 jobs. All sectors of the economy shed workers except for the education and health services sector and the leisure and hospitality sector. The biggest losses were in manufacturing (8,000 jobs); trade, transportation, and utilities (5,800 jobs); and professional and business services (4,400 jobs). The second-quarter unemployment

rate jumped 0.7 percentage point to 5.7 percent for the highest joblessness in the Tarheel State since the first quarter of 2004.

Conditions in the North Carolina housing market also weakened in the second quarter. New residential construction dropped off as permitting activity fell 3.5 percent and housing starts dropped 12.0 percent. This quarter marked the steepest year-over-year decline in permitting activity (32.7 percent) since the fourth quarter of 1981 and the steepest year-over-year decrease in housing starts (27.8 percent) since the first quarter of 1982. In addition, the pace of existing home sales fell 9.7 percent for the fifth straight quarter of decline. Although house prices rose 0.6 percent in the second quarter, it marked the smallest quarterly growth since the third quarter of 2003.

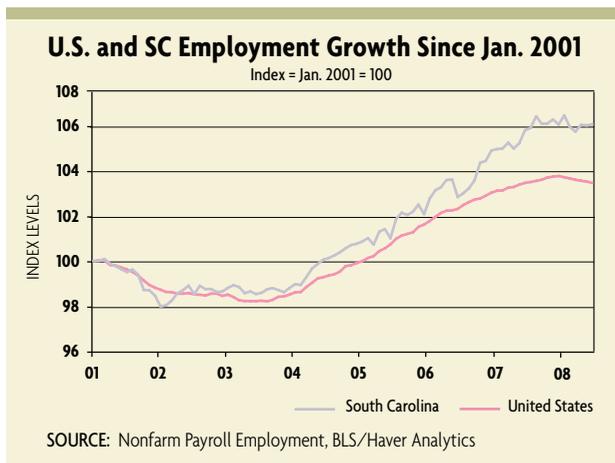
Mortgage delinquency rates also rose in the second quarter, illustrating heightened challenges facing North Carolina households. The mortgage delinquency rate jumped to 6.2 percent for the largest recorded second-quarter delinquency rate in the state. The delinquency rate on mortgages with payments more than 90 days past due hit a record high of 1.5 percent. Still, household balance sheets were buttressed by 1.3 percent growth in real personal income, and 0.7 percent growth in per-capita income. Per-capita income in North Carolina ended the second quarter of 2008 at \$28,471 per person.

## South Carolina

Recent assessments of the South Carolina economy were mixed. The housing market advanced at a reasonable pace, with a slow appreciation of house prices and some growth in new residential construction. Nonetheless, payroll employment stagnated, the unemployment rate edged up further, and high mortgage delinquency and foreclosure rates remained a cause for concern.

South Carolina labor markets softened in recent months. Payrolls were virtually stagnant as the state shed 100 jobs in the second quarter. The biggest losses were in the construction and manufacturing sectors that shed 8,400 jobs and 3,000 jobs, respectively. Offsetting these losses, the biggest gains in employment were in the leisure and hospitality, and government sectors, which added 4,700 and 4,800 jobs, respectively. The unemployment rate was 6.2 percent in the second quarter — up from 5.8 percent in the first quarter and above the national 5.3 percent mark.

The housing market improved at a measured pace in the second quarter of 2008. House prices appreciated 0.4 percent in the second quarter and 3.3 percent over the year. Residential permitting activity grew 14.2 percent after three



quarters of decline. Housing starts increased 4.7 percent in the quarter. Still, existing home sales were down 8.5 percent in the quarter and 23.9 percent over the year — the steepest year-over-year drop since the fourth quarter of 1989.

Despite the firming of housing conditions, the mortgage delinquency rate rose to 6.4 percent of all mortgages in the second quarter — the highest second-quarter delinquency rate since 2003. In addition, the percentage of mortgages with payments more than 90 days past due hit a record high of 1.5 percent in the second quarter. Furthermore, the foreclosure rate moved up to 0.8 percent — one of the highest rates ever seen in South Carolina. Nonetheless, household finances were buoyed by a 1.5 percent increase in real personal income — the steepest increase of all District jurisdictions. In addition, per-capita personal income rose 1.0 percent to end the quarter at \$32,159 per person.

## Virginia

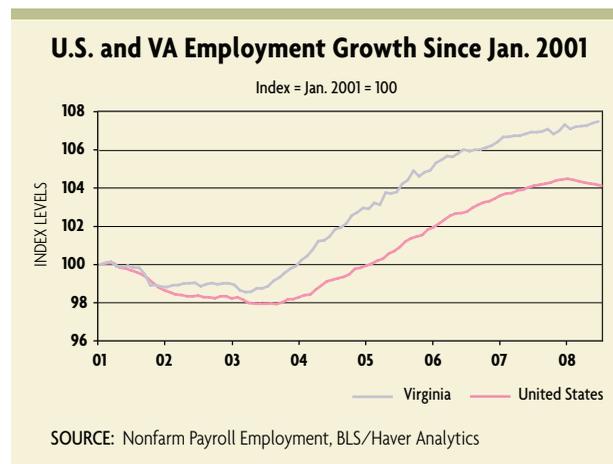
The Virginia economy exhibited some mixed conditions in the second quarter of 2008. Labor market indicators varied and, although the housing market generally struggled, existing home sales increased.

The two employment surveys provided a mixed picture for the Virginia labor market. State firms added 6,800 jobs to the economy in the second quarter, for 0.2 percent payroll growth. Only three industries reported employment declines: construction (1,300 jobs); trade, transportation, and utilities (1,300 jobs); and leisure and hospitality (3,100 jobs). Nonetheless, unemployment edged up 0.3 percentage point to 3.8 percent in the quarter.

The housing market remained soft in the second quarter of 2008. House prices declined 1.9 percent for the fourth consecutive quarter with the largest drop in prices since the third quarter of 1982. In addition, since the second quarter

of 2007, house prices fell 2.6 percent — the largest year-over-year decline on record. Residential permit levels were also down 10.9 percent in the second quarter while housing starts fell 8.6 percent. Existing home sales, however, rose 10.5 percent over the quarter, although sales still declined 8.1 percent over the year.

The weakening housing market appeared to take its toll on households as mortgage delinquencies rose to 4.9 percent — its highest mark since the fourth quarter of 2001. The percentage of mortgages with payments more than 90 days past due reached a record high of 1.3 percent, as did the foreclosure rate at 0.7 percent. Nonetheless, households were sustained by a growth in real personal income of 0.6 percent in the second quarter. Per-capita income also rose 0.4 percent to end the quarter at \$35,305 per person.



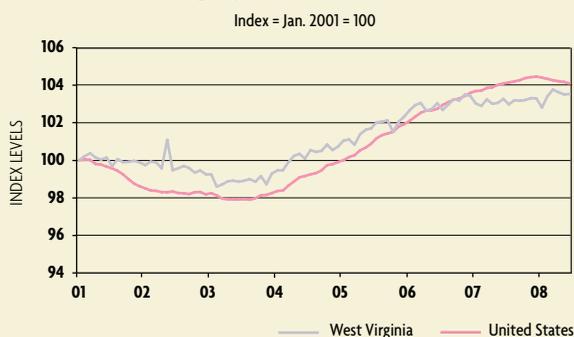
## West Virginia

Economic conditions in West Virginia were generally downbeat in the second quarter of 2008. Despite a slight appreciation in house prices, the housing market softened. Meanwhile, the unemployment rate jumped up while mortgage delinquency and foreclosure rates continued to rise.

The business and household surveys offered contradictory reports on the labor market. Payroll employment grew 0.2 percent (1,600 jobs) over the second quarter and 0.4 percent (3,100 jobs) over the year. Meanwhile, however, the unemployment rate grew 0.6 percentage point to end the quarter at 5.2 percent. West Virginia added 5,300 people to the ranks of unemployed in the second quarter — the steepest quarterly increase since the first quarter of 1983.

The housing market lost some traction in recent months, although house prices held up better than in other parts of the Fifth District and the country. Residential permitting activity continued its decline in the second quarter, falling

## U.S. and WV Employment Growth Since Jan. 2001



SOURCE: Nonfarm Payroll Employment, BLS/Haver Analytics

1.2 percent, while housing starts contracted 32.0 percent. Existing home sales, meanwhile, dropped 12.2 percent for the largest decline since the last quarter of 1999. Nonetheless, the House Price Index grew 0.7 percent in the second quarter for the fourth straight quarter of house price appreciation.

In addition to troubles in the housing market, mortgage delinquencies continued to rise. The mortgage delinquency rate was 7.3 percent in the second quarter — the highest rate in the Fifth District. The delinquency rate on mortgages with payments more than 90 days past due hit its highest second-quarter mark on record (1.6 percent), as did the foreclosure rate (0.7 percent). Still, both real personal income and per-capita income rose 1.3 percent in the second quarter. Per-capita income ended the quarter at \$25,319 per person.

**RF**

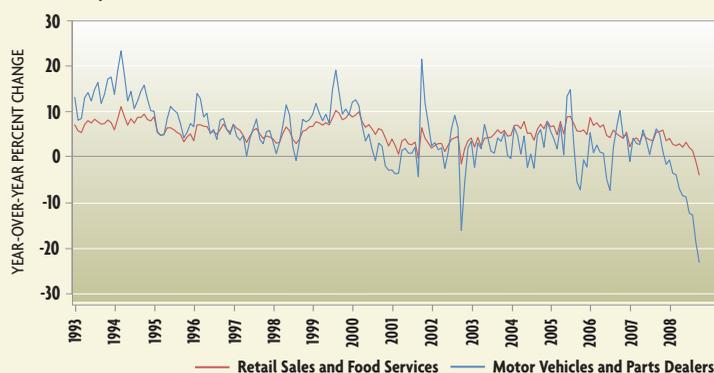
## Behind the Numbers: Retail Sales

Headlines across the United States have been reporting the end of consumer spending as we know it — or, at least, as we have known it. According to the most recent Census Bureau data, U.S. retail sales and food services fell 2.8 percent in October for a record 4.1 percent drop since October 2007. The other oft-cited retail sales data, the International Council of Shopping Centers (ICSC)-Goldman Sachs index reported a 0.9 percent decline in retail sales over the year ending in October 2008 — the steepest year-over-year decline in an October over the 39-year history of the index.

The two surveys sample different populations using different methodology. The ICSC-Goldman Sachs index covers comparable store sales at major chains around the country and accounts for more than 10,000 individual stores. The Census data use a stratified random sampling method to select about 5,000 retail and food services firms whose sales are weighted and benchmarked to represent the complete universe of more than 3 million retail and food services firms. One significant difference between the two surveys is that the ICSC-Goldman Sachs measure excludes both restaurant and vehicle demand, which are included in the Census measure.

In fact, a measurable portion of the slump in retail sales and food services reported by the Census in the past two months came from sales of motor vehicles and auto parts, which dropped 5.5 percent in October and 23.4 percent over the year. Excluding the vehicles and parts dealers, retail and

## Monthly Retail Sales and Food Services



SOURCE: Department of Commerce, Bureau of the Census/Haver Analytics (seasonally adjusted data)

food services sales still declined 2.2 percent in October, but moved up 1.0 percent over the year. Sales of other big-ticket items also pulled down overall retail sales; for example, sales of furniture, home furnishings, and electronics all together dropped 2.4 percent over the month and 9.7 percent over the year.

Retail sales in the Fifth District were also sluggish in October, according to Richmond Fed survey reports. The index for sales revenues — which is equal to the percentage of the 105 responding firms that reported an increase in revenues minus the percentage that reported a decrease — was -18 in October. Meanwhile, the index for big-ticket sales was -36 and the index for shopper traffic was -32. All three of these indexes, however, have been moving around in negative territory for at least 10 months.

— SONYA RAVINDRANATH WADDELL

## State Data, Q2:08

	DC	MD	NC	SC	VA	WV
<b>Nonfarm Employment (000's)</b>	<b>702.5</b>	<b>2,633.8</b>	<b>4,174.1</b>	<b>1,957.8</b>	<b>3,776.9</b>	<b>759.9</b>
Q/Q Percent Change	0.2	0.1	-0.3	0.0	0.2	0.2
Y/Y Percent Change	1.5	1.1	0.9	0.7	0.5	0.4
<b>Manufacturing Employment (000's)</b>	<b>1.6</b>	<b>128.7</b>	<b>523.4</b>	<b>246.7</b>	<b>275.6</b>	<b>57.5</b>
Q/Q Percent Change	2.1	-1.6	-1.5	-0.4	0.9	-0.7
Y/Y Percent Change	-3.9	-2.5	-2.6	-1.7	-1.6	-3.0
<b>Professional/Business Services Employment (000's)</b>	<b>155.6</b>	<b>403.4</b>	<b>503.7</b>	<b>229.8</b>	<b>651.3</b>	<b>62.0</b>
Q/Q Percent Change	-0.3	0.2	-0.9	2.7	0.4	1.1
Y/Y Percent Change	1.0	2.0	1.1	1.5	1.2	2.0
<b>Government Employment (000's)</b>	<b>233.3</b>	<b>485.8</b>	<b>702.0</b>	<b>345.8</b>	<b>694.4</b>	<b>146.0</b>
Q/Q Percent Change	0.0	0.7	-0.1	1.4	0.4	0.7
Y/Y Percent Change	1.0	1.6	1.2	2.9	1.5	0.4
<b>Civilian Labor Force (000's)</b>	<b>330.9</b>	<b>3,011.3</b>	<b>4,559.4</b>	<b>2,144.3</b>	<b>4,122.1</b>	<b>815.8</b>
Q/Q Percent Change	-0.1	0.6	0.4	0.3	0.6	0.4
Y/Y Percent Change	1.8	1.3	0.9	0.7	1.9	0.9
<b>Unemployment Rate (%)</b>	<b>6.3</b>	<b>3.9</b>	<b>5.7</b>	<b>6.2</b>	<b>3.8</b>	<b>5.2</b>
Q1:08	6.1	3.5	5.0	5.8	3.5	4.6
Q2:07	5.7	3.5	4.7	5.7	3.0	4.5
<b>Real Personal Income (\$Mil)</b>	<b>31,129.8</b>	<b>224,104.3</b>	<b>262,754.1</b>	<b>118,449.8</b>	<b>274,495.2</b>	<b>45,943.4</b>
Q/Q Percent Change	0.4	0.4	1.3	1.5	0.6	1.3
Y/Y Percent Change	2.2	0.6	1.7	2.2	1.1	2.2
<b>Building Permits</b>	<b>189</b>	<b>3,909</b>	<b>15,559</b>	<b>8,066</b>	<b>7,344</b>	<b>839</b>
Q/Q Percent Change	23.5	6.7	-3.5	14.2	-10.9	-1.2
Y/Y Percent Change	-62.3	-37.8	-32.7	-32.9	-32.0	-27.5
<b>House Price Index (1980=100)</b>	<b>634.5</b>	<b>518.5</b>	<b>348.6</b>	<b>330.2</b>	<b>463.1</b>	<b>238.1</b>
Q/Q Percent Change	-1.8	-2.2	0.6	0.4	-1.9	0.7
Y/Y Percent Change	-3.4	-4.0	3.6	3.3	-2.6	3.4
<b>Sales of Existing Housing Units (000's)</b>	<b>7.2</b>	<b>64.4</b>	<b>164.0</b>	<b>86.4</b>	<b>113.2</b>	<b>26.0</b>
Q/Q Percent Change	-5.3	-5.3	-9.7	-8.5	-10.5	-12.2
Y/Y Percent Change	-28.0	-30.0	-29.1	-23.9	-8.1	-13.3

**NOTES:**

Nonfarm Payroll Employment, thousands of jobs, seasonally adjusted (SA) except in MSAs; Bureau of Labor Statistics (BLS)/Haver Analytics. Manufacturing Employment, thousands of jobs, SA in all but DC and SC; BLS/Haver Analytics. Professional/Business Services Employment, thousands of jobs, SA in all but SC; BLS/Haver Analytics. Government Employment, thousands of jobs, SA; BLS/Haver Analytics. Civilian Labor Force, thousands of persons, SA; BLS/Haver Analytics. Unemployment Rate, percent, SA except in MSAs; BLS/Haver Analytics. Building Permits, number of permits, NSA; U.S. Census Bureau/Haver Analytics. Sales of Existing Housing Units, thousands of units, SA; National Association of Realtors®

## Metropolitan Area Data, Q2:08

	Washington, DC MSA	Baltimore, MD MSA	Charlotte, NC MSA
<b>Nonfarm Employment (000's)</b>	<b>2,446.1</b>	<b>1,332.3</b>	<b>876.5</b>
Q/Q Percent Change	1.5	1.9	1.7
Y/Y Percent Change	1.1	0.6	1.9
<b>Unemployment Rate (%)</b>	<b>3.5</b>	<b>4.0</b>	<b>5.8</b>
Q1:08	3.4	3.9	5.4
Q2:07	2.9	3.6	4.6
<b>Building Permits</b>	<b>3,705</b>	<b>1,252</b>	<b>3,897</b>
Q/Q Percent Change	-15.6	1.6	8.8
Y/Y Percent Change	-49.3	-23.8	-38.3
	Raleigh, NC MSA	Charleston, SC MSA	Columbia, SC MSA
<b>Nonfarm Employment (000's)</b>	<b>531.4</b>	<b>303.3</b>	<b>370.9</b>
Q/Q Percent Change	1.7	1.8	0.6
Y/Y Percent Change	3.3	0.8	0.9
<b>Unemployment Rate (%)</b>	<b>4.5</b>	<b>4.8</b>	<b>5.3</b>
Q1:08	4.1	4.7	5.1
Q2:07	3.5	4.1	4.8
<b>Building Permits</b>	<b>3,170</b>	<b>1,309</b>	<b>1,252</b>
Q/Q Percent Change	1.7	-1.8	20.8
Y/Y Percent Change	-24.8	-40.4	-45.9
	Norfolk, VA MSA	Richmond, VA MSA	Charleston, WV MSA
<b>Nonfarm Employment (000)</b>	<b>790.9</b>	<b>641.1</b>	<b>151.5</b>
Q/Q Percent Change	3.0	1.6	1.6
Y/Y Percent Change	1.3	0.9	0.0
<b>Unemployment Rate (%)</b>	<b>3.9</b>	<b>4.0</b>	<b>4.5</b>
Q1:08	4.1	3.9	4.6
Q2:07	3.0	2.9	4.1
<b>Building Permits</b>	<b>1,733</b>	<b>1,185</b>	<b>56</b>
Q/Q Percent Change	27.1	-29.1	43.6
Y/Y Percent Change	10.1	-44.5	-20.0

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