

# FIFTH DISTRICT

## October Summary

The Fifth District's economy showed signs of growth in recent weeks. Employment increased, the unemployment rate fell, and the housing market was strong. However, reports on business conditions were mixed.

### Labor Markets:

Total payroll employment in the Fifth District increased by 11,400 jobs (0.1 percent), on net, in August. Employment increased in most sectors. The most jobs were added over the month in leisure and hospitality (7,800 jobs), followed by government (7,600 jobs). Meanwhile, the most jobs were lost over the month in trade, transportation, and utilities (7,300 jobs).

On a year-over-year basis, employment in the Fifth District increased by 479,200 jobs (3.4 percent), on net. However, employment was 3.5 percent lower than its pre-pandemic level (February 2020). Employment rose over the year in all sectors except for government, which lost 17,400 jobs. The most jobs were added in leisure and hospitality (174,900 jobs), which also saw the largest percentage increase (14.2 percent).

The Fifth District unemployment rate dropped 0.1 percentage point to 4.6 percent in August and was below the national rate of 5.2 percent. Compared to a year ago, the Fifth District unemployment rate was down by 2.5 percentage points but remains 1.3 percentage points above its pre-pandemic reading from February 2020.

### Business Conditions:

Our monthly survey of Fifth District businesses reflected softening activity in the manufacturing sector and mixed conditions in the service sector in September.

The manufacturing composite index declined from 9 in August to -3 in September. The shipments and new orders indexes fell below zero, but the third component index—employment—remained positive.

Our service sector survey indexes for revenue and demand decreased from 15 and 25 in August to -3 and 17, respectively, in September. Meanwhile, the local business conditions index reflected little change, overall.

### Housing Markets:

Fifth District jurisdictions issued a combined 17,586 new residential permits in August, a 5.5 percent increase from the previous month and a 15.7 percent increase on a year-over-year basis.

Housing starts in the Fifth District totaled 195,600 at an annual rate in August, down 5.1 percent from July but up 24.8 percent from August 2020.

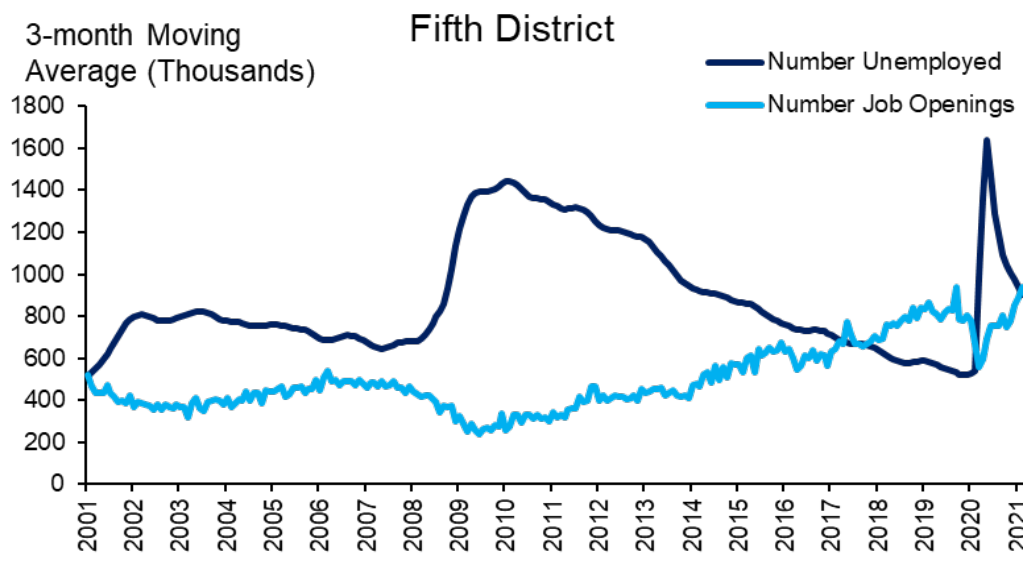
According to the most recent data available from CoreLogic Information Solutions, Fifth District home values appreciated 1.5 percent in July and 16.2 percent on a year-over-year basis.

## A Closer Look at...Job Openings

The Bureau of Labor Statistics computes experimental Job Openings and Labor Turnover Survey (JOLTS) estimates at the state level. The most recent estimates are from March 2021. According to the data:

### District Highlights:

- There were 100 job openings per 100 unemployed workers in March 2021 compared to 100 job openings per 80 unemployed workers in March 2020
- In March 2021, there were 938,000 job openings in the Fifth District.
- The number of unemployed workers peaked in April 2020 with a value of 1,848,113.



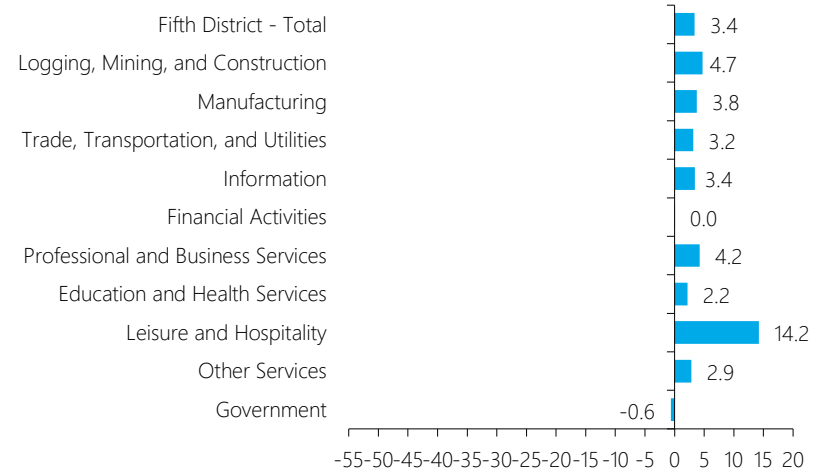
**FIFTH DISTRICT**

Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	August	147,190.0	0.16	4.28
Fifth District - Total	August	14,678.2	0.08	3.37
Logging, Mining, and Construction	August	799.8	0.01	4.70
Manufacturing	August	1,111.7	0.09	3.77
Trade, Transportation, and Utilities	August	2,549.8	-0.29	3.16
Information	August	226.5	0.18	3.42
Financial Activities	August	763.2	0.21	0.01
Professional and Business Services	August	2,423.7	0.07	4.21
Education and Health Services	August	2,093.2	-0.27	2.17
Leisure and Hospitality	August	1,404.8	0.56	14.22
Other Services	August	616.9	0.65	2.85
Government	August	2,688.5	0.28	-0.64

Fifth District Payroll Employment Performance

Year-over-Year Percent Change in August 2021



Unemployment Rate (SA)

	August 21	July 21	August 20
United States	5.2	5.4	8.4
Fifth District	4.6	4.7	7.1

Civilian Labor Force (SA)

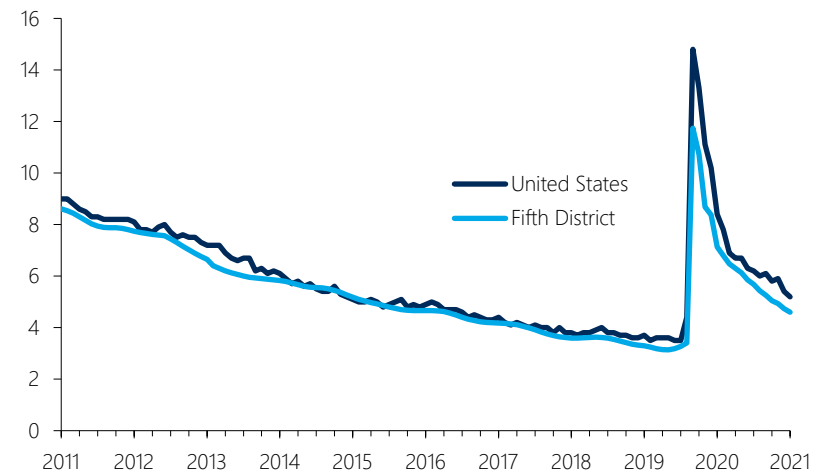
	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	161,537	0.12	0.45
Fifth District	August	16,004	0.15	-0.27

Initial Unemployment Claims (NSA)

	Period	Level	MoM % Change	YoY % Change
United States	August	1,529,592	-25.46	-59.13
Fifth District	August	193,953	7.75	-11.22

Fifth District Unemployment Rate

Through August 2021





# SNAPSHOT

# A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY

October 2021

FEDERAL RESERVE BANK OF RICHMOND

## FIFTH DISTRICT

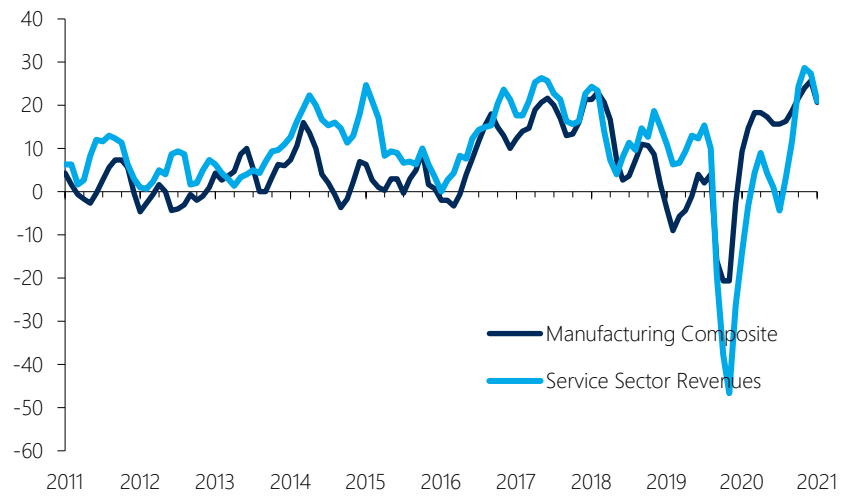
### Business Conditions

Manufacturing Survey (SA)	August 21	July 21	August 20
Composite Index	9	27	15
Shipments	6	21	17
New Orders	5	25	11
Number of Employees	18	36	19
Expected Shipments - Six Months	36	41	33
Prices Paid (Annual Percent Change)	11.05	11.16	1.43
Prices Received (Annual Percent Change)	9.25	6.93	1.15

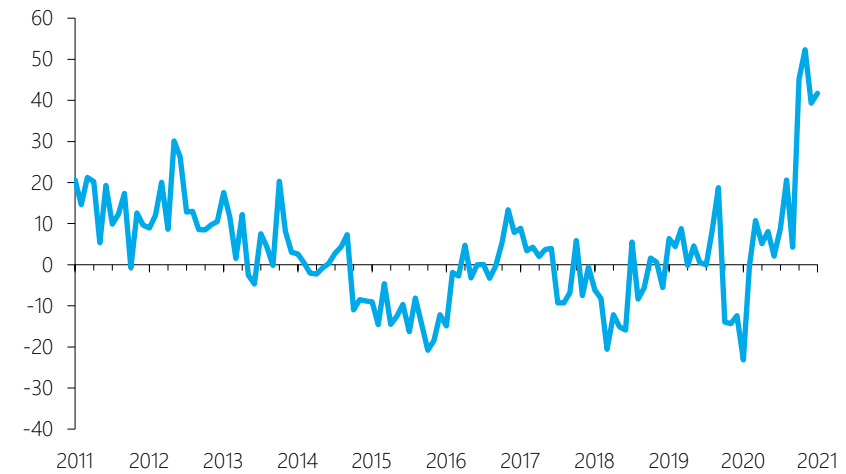
Service Sector Survey (SA)	August 21	July 21	August 20
Revenues	15	19	-2
Demand	25	26	-3
Number of Employees	17	12	1
Expected Demand - Six Months	37	51	7
Prices Paid (Annual Percent Change)	7.04	5.94	5.02
Prices Received (Annual Percent Change)	4.09	3.41	2.49

District Imports	Period	Level (\$mil)	MoM % Change	YoY % Change
Baltimore, Maryland	July	3,632.09	-4.5	33.9
Wilmington, North Carolina	July	977.42	-39.1	98.1
Charleston, South Carolina	July	5,928.52	13.2	34.8
Norfolk, Virginia	July	5,365.25	7.6	53.6
District Exports	Period	Level (\$mil)	MoM % Change	YoY % Change
Baltimore, Maryland	July	1,262.78	-3.3	31.0
Wilmington, North Carolina	July	468.66	-28.3	-7.6
Charleston, South Carolina	July	2,307.76	-15.2	-3.2
Norfolk, Virginia	July	2,312.78	-7.0	41.7

**Fifth District Business Activity**  
Diffusion Index, Seasonally Adjusted 3-MMA through August 2021



**Norfolk Port District Exports**  
Year-over-Year Percent Change through July 2021



**FIFTH DISTRICT**

Household Conditions

Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q2:21	17,903,662	-7.41	-2.68
Fifth District	Q2:21	1,694,440	-8.08	-3.01

Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q2:21	109,547	3.57	-8.13
Fifth District	Q2:21	8,503	1.1	-11.7

Real Estate Conditions

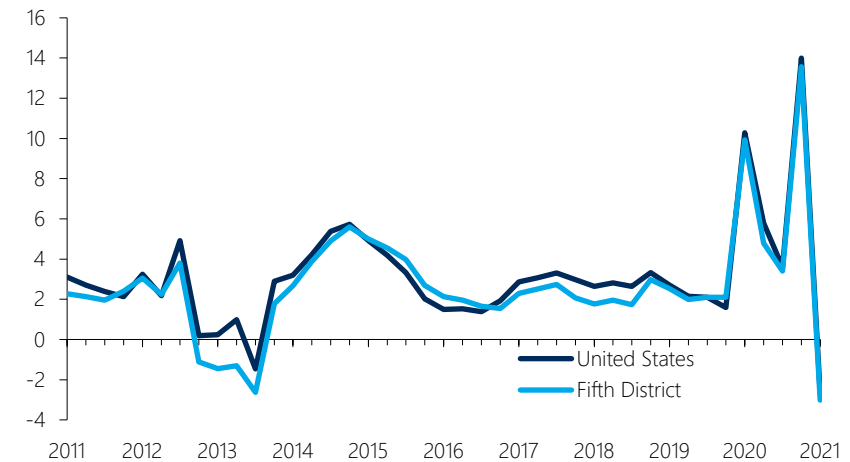
Permits: New Private Housing Units (NS)	Period	Level	MoM % Change	YoY % Change
United States	August	154,559	11.1	22.5
Fifth District	August	17,586	5.5	15.7

Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	1,615	3.9	17.4
Fifth District	August	195.6	-5.1	24.8

House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	July	262	1.8	18.0
Fifth District	July	258	1.5	16.2

Fifth District Real Personal Income

Year-over-Year Percent Change through Q2:21



Fifth District New Housing Units

Year-over-Year Percent Change through August 2021

