



Richmond Fed eBrief

May 2016

Column

[Lacker on Fed–Bank Relationship](#)

In his latest *Econ Focus* column, Richmond Fed President Jeffrey Lacker discussed the transportation bill passed last year, which drew some of its funding from the Fed's capital surplus account and from a reduction in the dividends the Fed pays to member banks. Lacker said these actions threaten "to unravel the hybrid public-private governance framework that is so crucial to monetary policy independence."

Research

[What Do Rising Interest Rates Mean for Banks?](#)

Many people expect that as the Fed raises interest rates, market rates will rise in tandem, profiting banks through an increase in their net interest margins. In the latest *Economic Brief*, Richmond Fed researchers look at data going back to the mid-1980s and find that this relationship is not as clear-cut as one might expect.

[Declining Global Trade](#)

After decades of rapid growth, global trade collapsed in 2008 and 2009 and has yet to recover to previous trends. *Econ Focus* explores the history of world trade, what factors may be behind its recent decline, and what that could mean for the U.S. and the rest of the world.

Fifth Federal Reserve District

[Fifth District Economic Snapshot](#)

According to recent data, the Fifth District economy showed signs of improvement as employment continued to grow and business conditions strengthened; however, housing market reports were mixed.

[Regional Matters](#)

The Richmond Fed launched a new online feature that focuses on regional economic issues. *Regional Matters* highlights topics and data that matter to areas within the Fifth Federal Reserve District. The [first post](#) to this web series is an article by Regional Economist Andy Bauer that examines the demand for skilled workers in the Fifth District. He finds that in recent years higher-skilled and lower-skilled occupations have experienced greater employment growth than middle-skilled occupations in our District. This matches a national trend.

[Richmond Fed Summer Camp Challenge](#)

The Richmond Fed is gearing up for Summer Camp Challenge in [The Fed Experience](#). This annual free program brings economics to life through engaging age-based games and activities. Camps are targeted as a field trip destination for summer camp programs and held from 10–11:30 a.m. or 1:30–3 p.m., Monday through Thursday from June 20 to August 25. Children not enrolled in summer camps can still participate in the newly added Family Fun Tour, held July 8 and August 5 from 1–2:30 p.m.

[Report Examines CDFIs in the Southeast](#)

The Federal Reserve Bank of Richmond's Community Development department released a report entitled "[Community Development Financial Institutions in the Southeast: Surveying the Social Investment Landscape](#)." The survey found that CDFIs are major providers of small business loans, financial education, and technical assistance in underserved markets. More than 70 percent have seen an increase in demand for their products and services. However, 82 percent say limited financial resources are keeping them from providing additional assistance.

[Fixing DC Traffic](#)

Traffic is a perennial problem for the Washington, D.C., metro area. The latest *Econ Focus* looks at whether smarter pricing of roads, public transit and parking proposed by transportation economists could help solve congestion.

Events

June 21 – [BSA Coalition Anti-Money Laundering Conference](#), Richmond, Virginia.

June 23 – [Teacher Collaborative Committee Meeting](#), Richmond, Virginia.

