



National Financial Literacy Month

Our financial education efforts are aimed at providing reliable information and tools, based on economic principles, to help people make informed choices about important personal financial decisions. Although we are engaged in financial education throughout the year, we have a number of [activities](#) planned in April to raise awareness about National Financial Literacy Month and the tools, resources and programs that the Fed offers.

One of our more innovative approaches to deliver financial education and engage with our communities during the month is our [“Capture the Capital”](#) scavenger hunt in Richmond, Va., on Saturday, April 21. Guided by interactive cell phone text messages, participants will trek across downtown Richmond on a quest to decode clues and solve puzzles related to Richmond history, personal finance, economics and the Federal Reserve.

Through “Capture the Capital” and other financial education activities, the Richmond Fed’s goal is to promote informed personal financial decision-making throughout the year.



Richmond area students participate in a virtual marketplace, acting as buyers or sellers, to determine market prices at the [Richmond Fed Experience](#).

Expanding Our Social Media Reach

Our [YouTube](#) channel continues to share with the public more about our Bank and what we do. One of the newer additions is [“Faces of the Fed,”](#) which features Richmond Fed employees talking about our role as part of the nation’s central bank and our commitment to strengthening the economy and our communities. You’ll also find President Jeff Lacker, discussing the economic outlook and other current topics. We’re also on [Twitter](#) spreading news about our activities and programs. Our Research department recently added a Twitter feed — [@RichFedResearch](#)— as a way to share the latest economic research from our Bank. Stay connected with us on social media, at [“Follow the Fed”](#).

Community Investing: Understanding CRA and Community Development

We are holding a forum series across our District to provide up-to-date information on the Community Reinvestment Act (CRA) that is practical and useful for both lenders and community-based organizations in today’s economic environment. The series is being held in partnership with the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of the Currency (OCC) and other local partners.

The series kicked off on [February 16 in Charlotte, N.C.](#), with over 140 community-based organization representatives and lenders in attendance. Participants emphasized the importance of partnership development and shared best practices on how financial institutions and community-based organizations can work together to enhance community economic development opportunities. We envision these events as an opportunity to connect these groups in an ongoing, sustainable way. Upcoming events in April and May are planned for [Maryland](#), [Virginia](#) and West Virginia.



State of the District

The Fifth District economy — like the national economy — remained weaker in 2011 than most economists and policymakers anticipated at the outset. Nonetheless, 2011 brought an economic recovery that took hold particularly in the second half of the year.

The Fifth District faced weak retail spending, sluggish labor markets and subdued real estate activity in 2011, and area businesses and banks continued to operate in an uncertain and challenging economic environment through much of the year. Nonetheless, conditions improved and a recovery seemed to take hold, most noticeably toward the end of 2011.

By the end of 2011, firms in the Fifth District had added 168,600 workers to area payrolls, although U.S. employment growth was slightly higher, posting 1.4 percent to the District's 1.3 percent. Annual gains were distributed across District states, with most states posting job growth of between 1 and 2 percent. Private sector hiring drove overall job expansion in the District; government employment grew only 0.3 percent (6,800 jobs) in 2011, and state and local governments as a whole actually reduced their payrolls by 2,000 workers.

The federal government plays a unique role in the Fifth District. In March 2011, the federal government (excluding the U.S. Postal Service and the military) employed 4 percent of District workers, compared to 1.6 percent of workers in the U.S. In addition, military and federal contract spending also play a sizeable role in the Fifth District economy. On the one hand, federal jobs and spending insulated many areas of the District from the depth of labor market downturn faced by other regions. On the other hand, a significant reduction in federal

spending in 2012 would affect District labor markets markedly more than it would affect other parts of the country.

Housing markets in the region stabilized and improved modestly toward the middle of the year, but activity remained sluggish at best. Meanwhile, continued delinquency and foreclosure activity only exacerbated the excess inventory problem. By the end of the year, the District had more than 145,000 mortgages in foreclosure, representing 3.1 percent of all mortgages in the region, although the share of mortgages with payments more than 90 days past due decreased in most District jurisdictions. With slow home sales and high inventories, it is not surprising that house prices continued to fall, and although the depreciation stabilized toward the end of the year, District home prices still fell 2.4 percent over the course of 2011.

Uncertainty remained prevalent among District businesses, but most firms offered a more positive outlook than in any of the previous three years. Banks in the region also faced numerous challenges, but nonetheless hinted at slight signs of recovery through stabilizing credit quality and modest improvement in earnings in 2011.

Neither the national nor the Fifth District economy did as well in 2011 as was hoped or anticipated, but the economy continued to stabilize throughout the year and began to strengthen toward the end — a strengthening that will hopefully continue through 2012.

Upcoming Events & Activities

- **April 21** — [Capture the Capital Scavenger Hunt](#), Richmond, Va.
- **April 26** — [Redefining Capital: A Forum Series on Baltimore's Next Economy](#), Baltimore, Md.
- **May 2** — [Community Investing: Understanding CRA and Community Development](#), Richmond, Va.
- **June 20** — [BSA Coalition Anti-Money Laundering Conference](#), Richmond, Va.

Contact Information

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Research Resources

- [Community Data Resource Center](#)
- [Economic Snapshot](#) (includes labor market, household and housing market conditions)
- [National Economic Indicators](#)
- [Map Resource Center](#)
- [Surveys of Business Activity](#)
- [Supervision, Regulation and Credit](#)

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