

National and Virginia Economic Update

Mount Vernon-Lee Chamber of Commerce

Economic Outlook 2016

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The views and opinions expressed herein are those of the author. They do not represent an official position of the Federal Reserve Bank of Richmond or the Federal Reserve System.

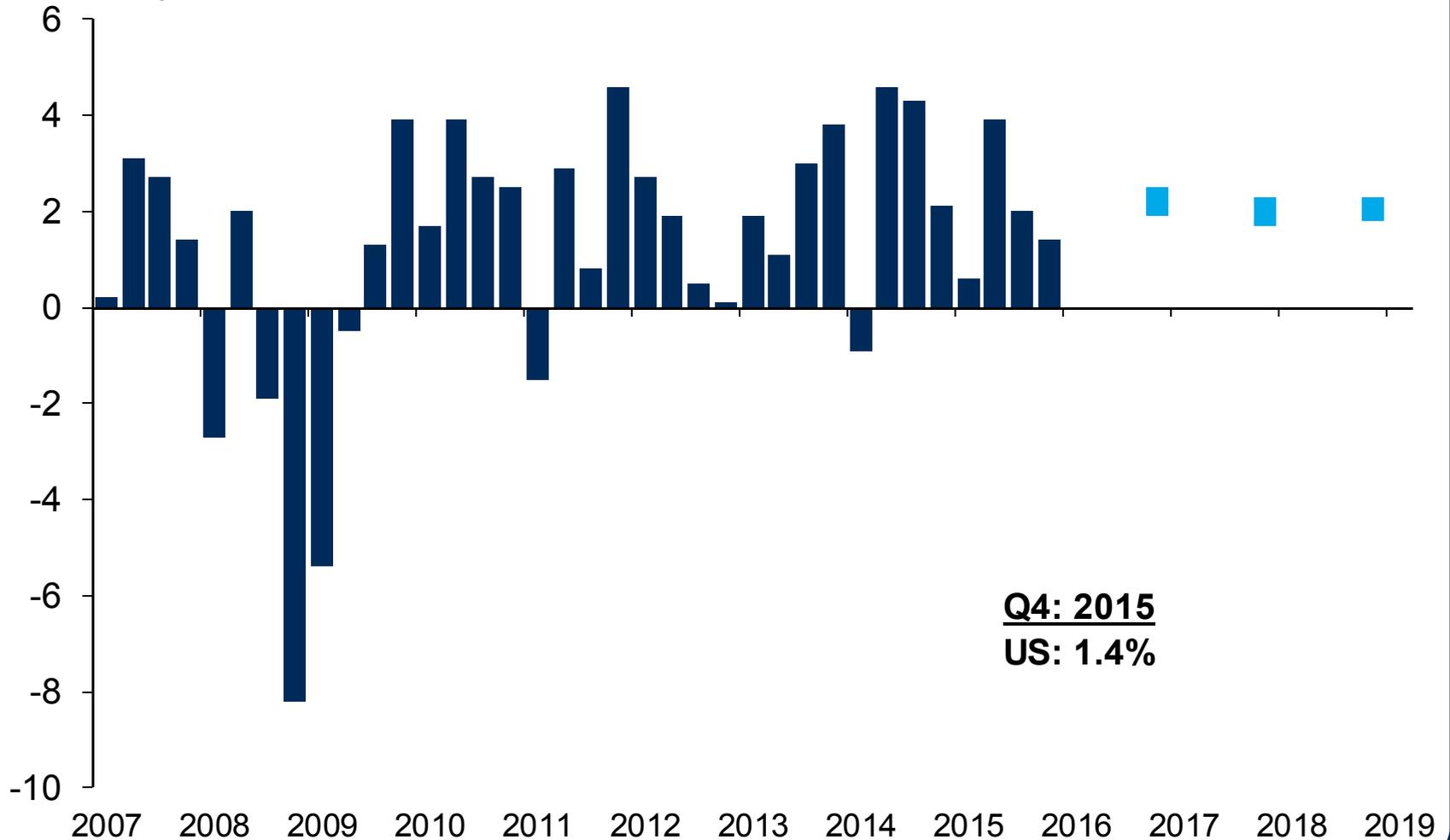
Overview

- National Economic Trends
 - Gross Domestic Product
 - Household Spending and Income
 - Labor Market
 - Inflation
- Virginia Economic Overview
 - Labor Market
 - Metro Area Growth
 - Industry Growth
 - State Taxable Sales

National Economic Trends

U.S. Real Gross Domestic Product

YoY % Chg



Q4: 2015
US: 1.4%

Source: Bureau of Economic Analysis via Haver Analytics

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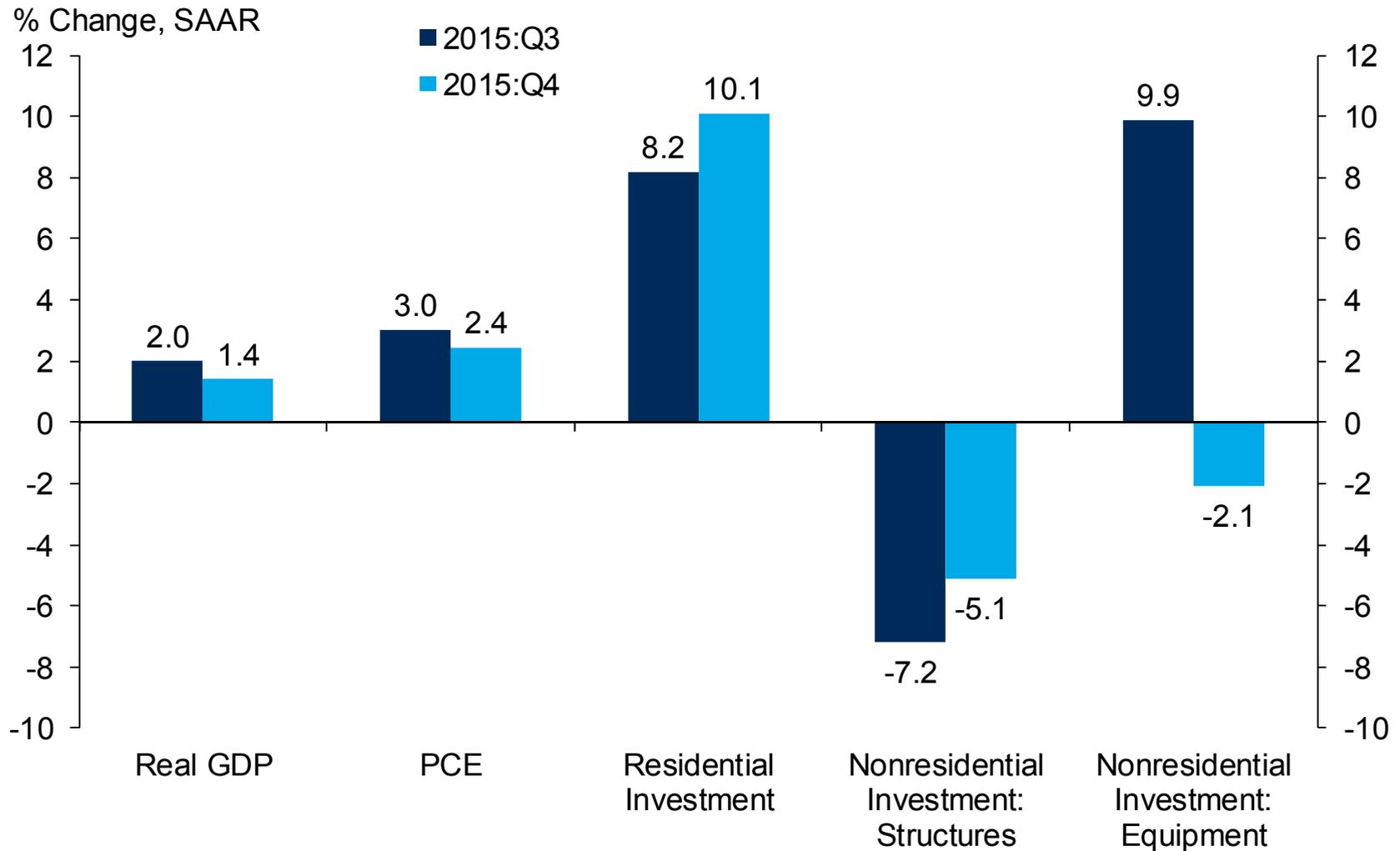
Decomposition of Real GDP



Note: Productivity is calculated as real GDP per employee, from the Household Survey.

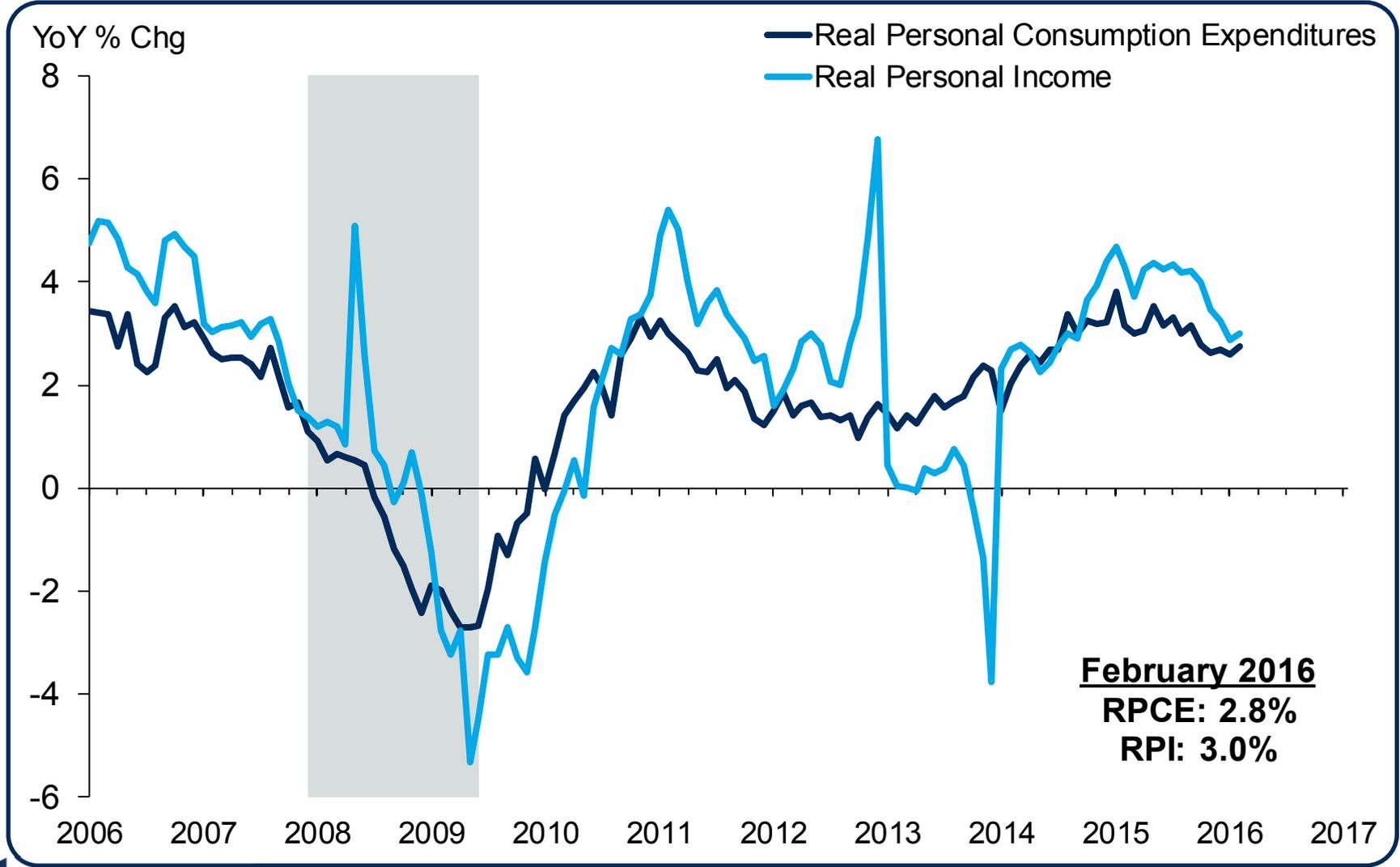
Source: Bureau of Economic Analysis/Haver Analytics

Real Gross Domestic Product



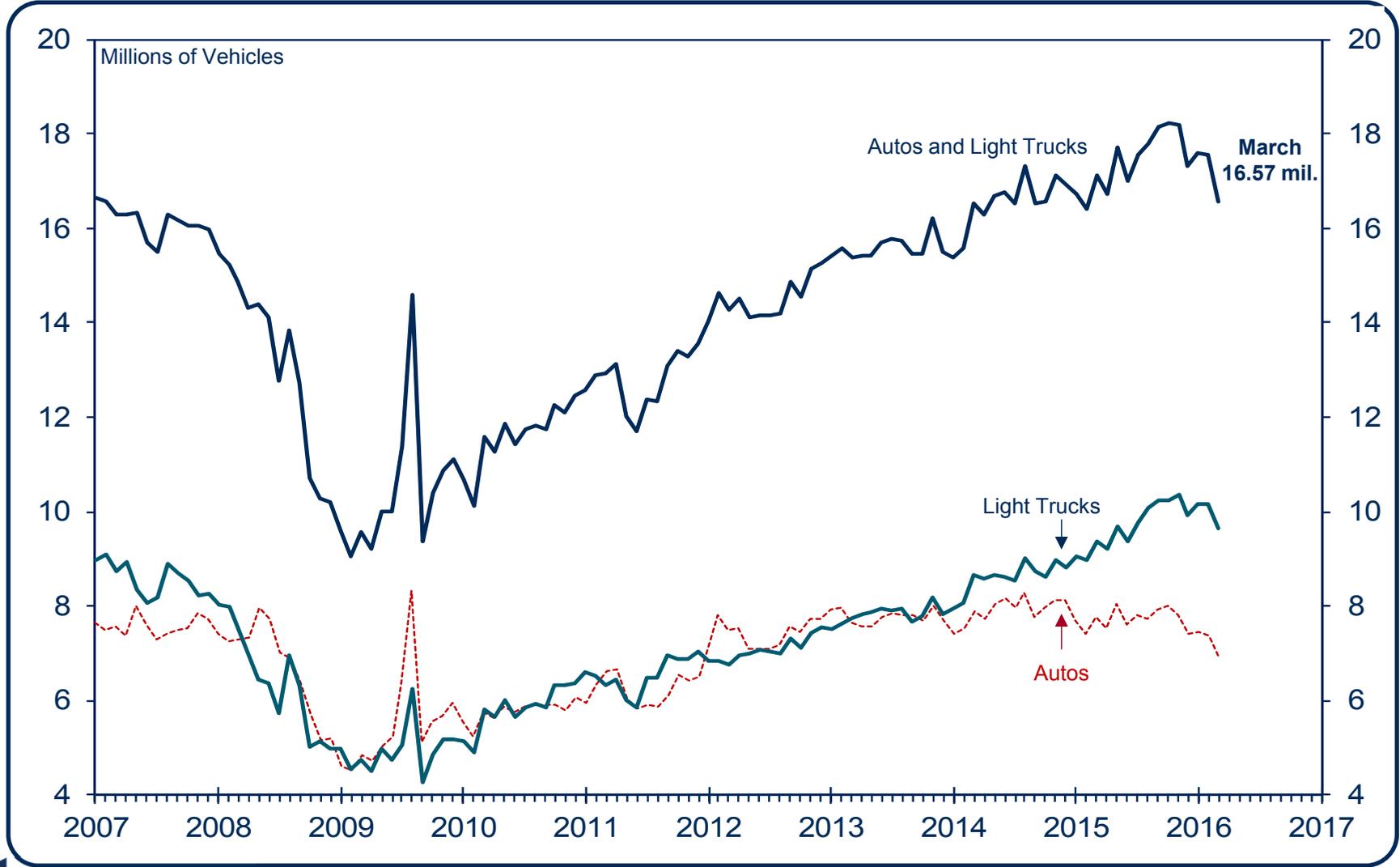
Source: Bureau of Economic Analysis/Haver Analytics

Personal Income and Expenditures



Source: Bureau of Economic Analysis/Haver Analytics

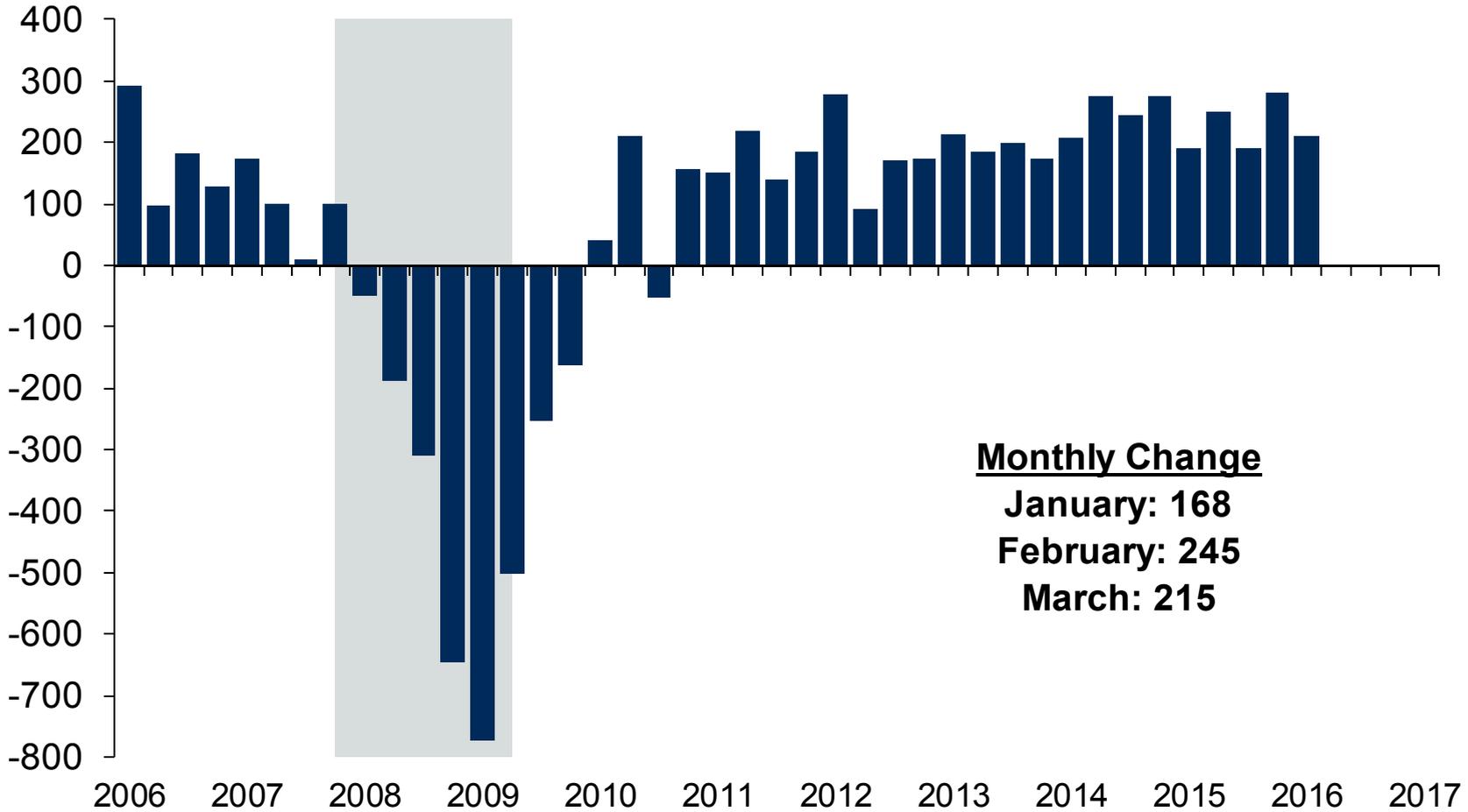
Sales of Automobiles & Light Trucks



Source: Autodata Corporation/Haver Analytics

Total Employment Growth

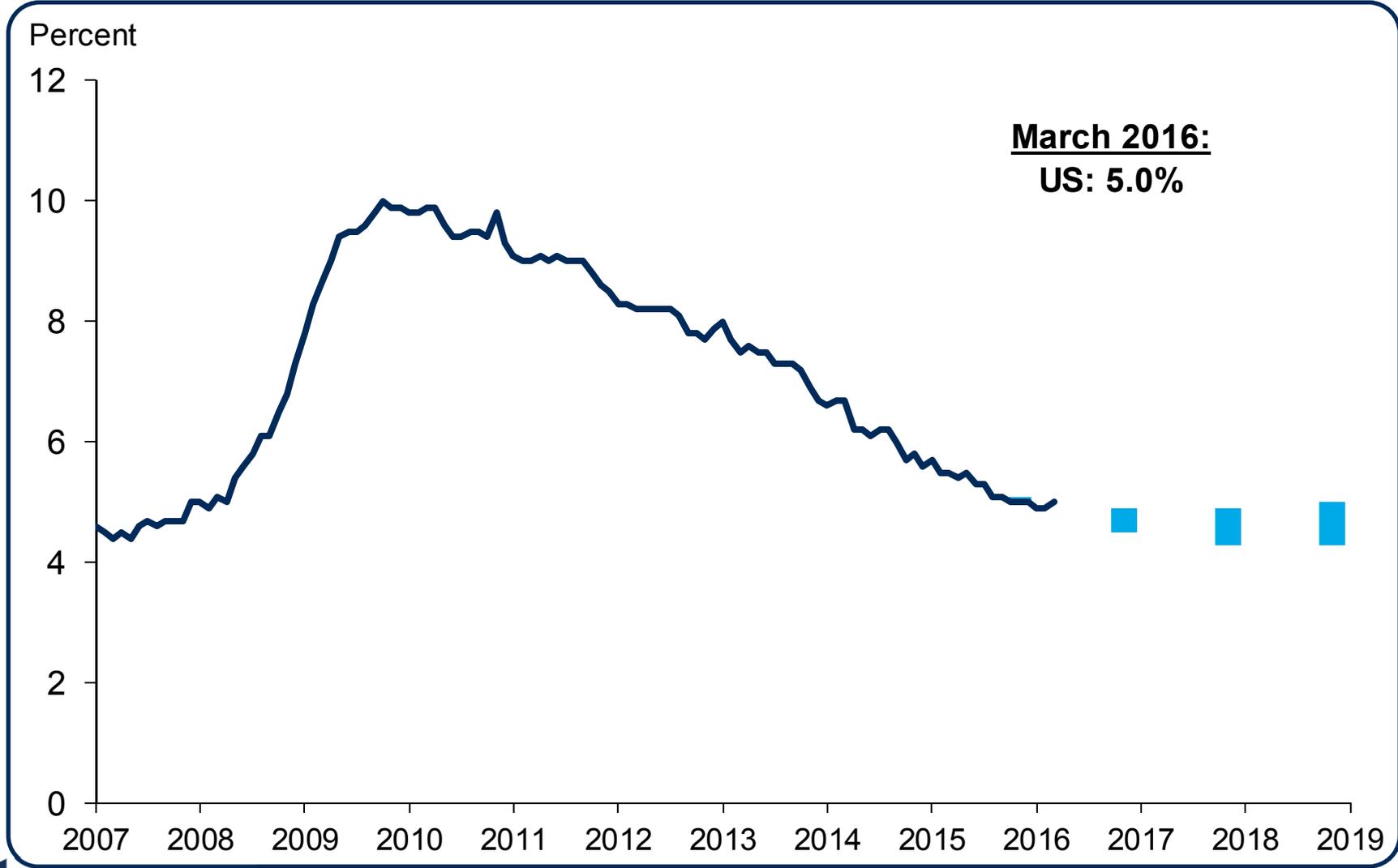
Average Monthly Change, Thous.



Monthly Change
January: 168
February: 245
March: 215

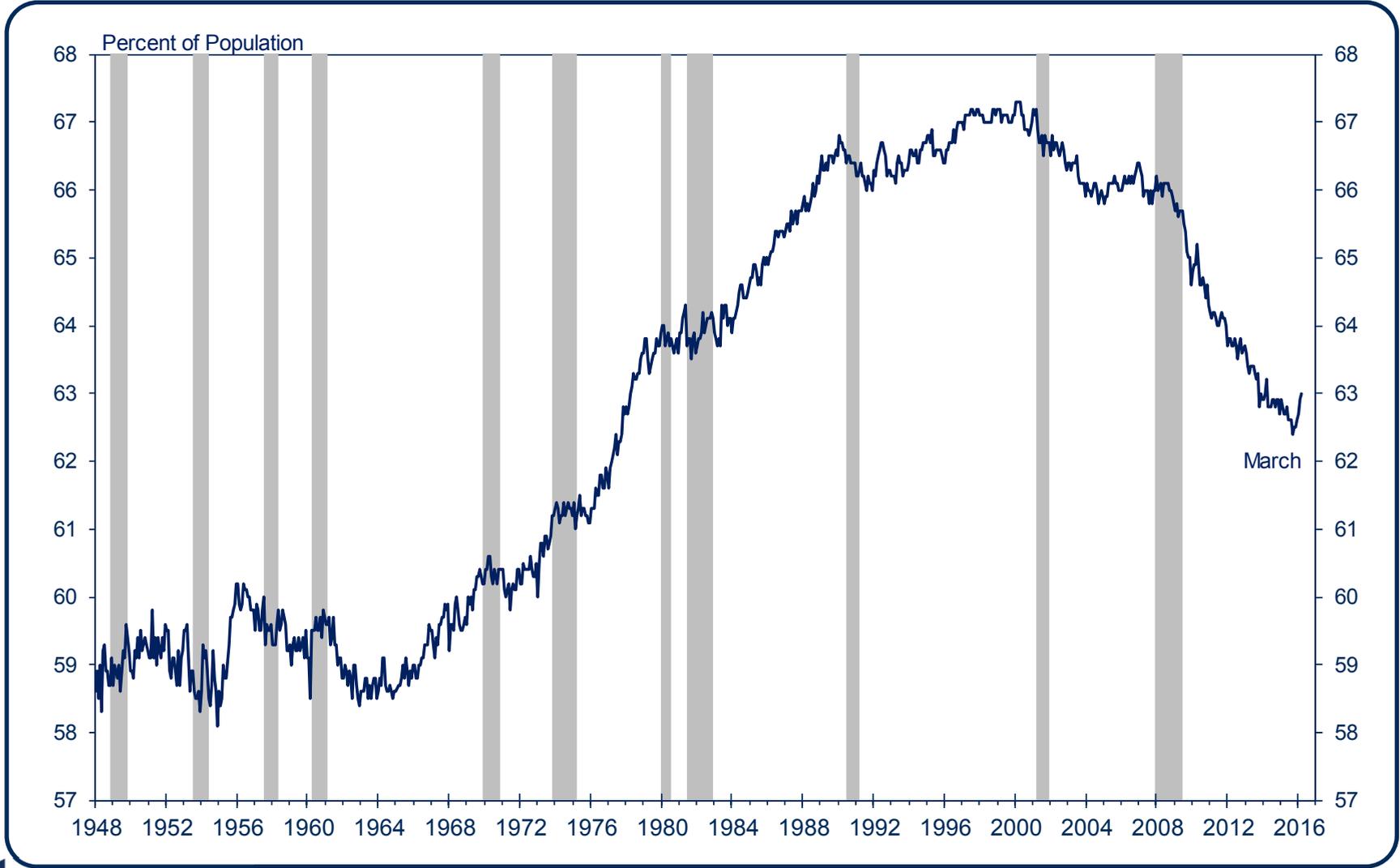
Source: Bureau of Labor Statistics/Haver Analytics

Unemployment Rate



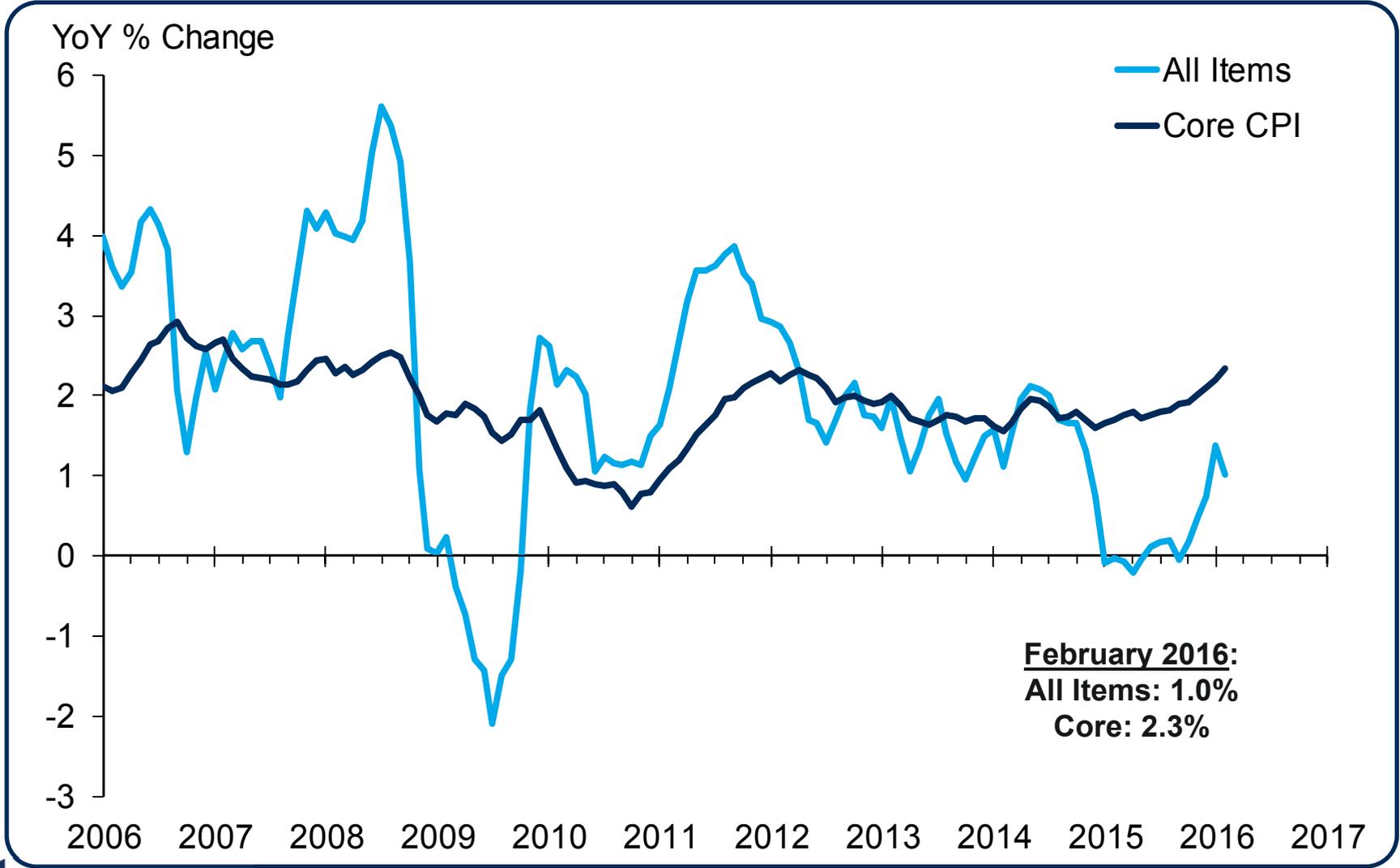
Source: Bureau of Labor Statistics/Haver Analytics

Labor Force Participation



Source: Bureau of Labor Statistics via Haver Analytics

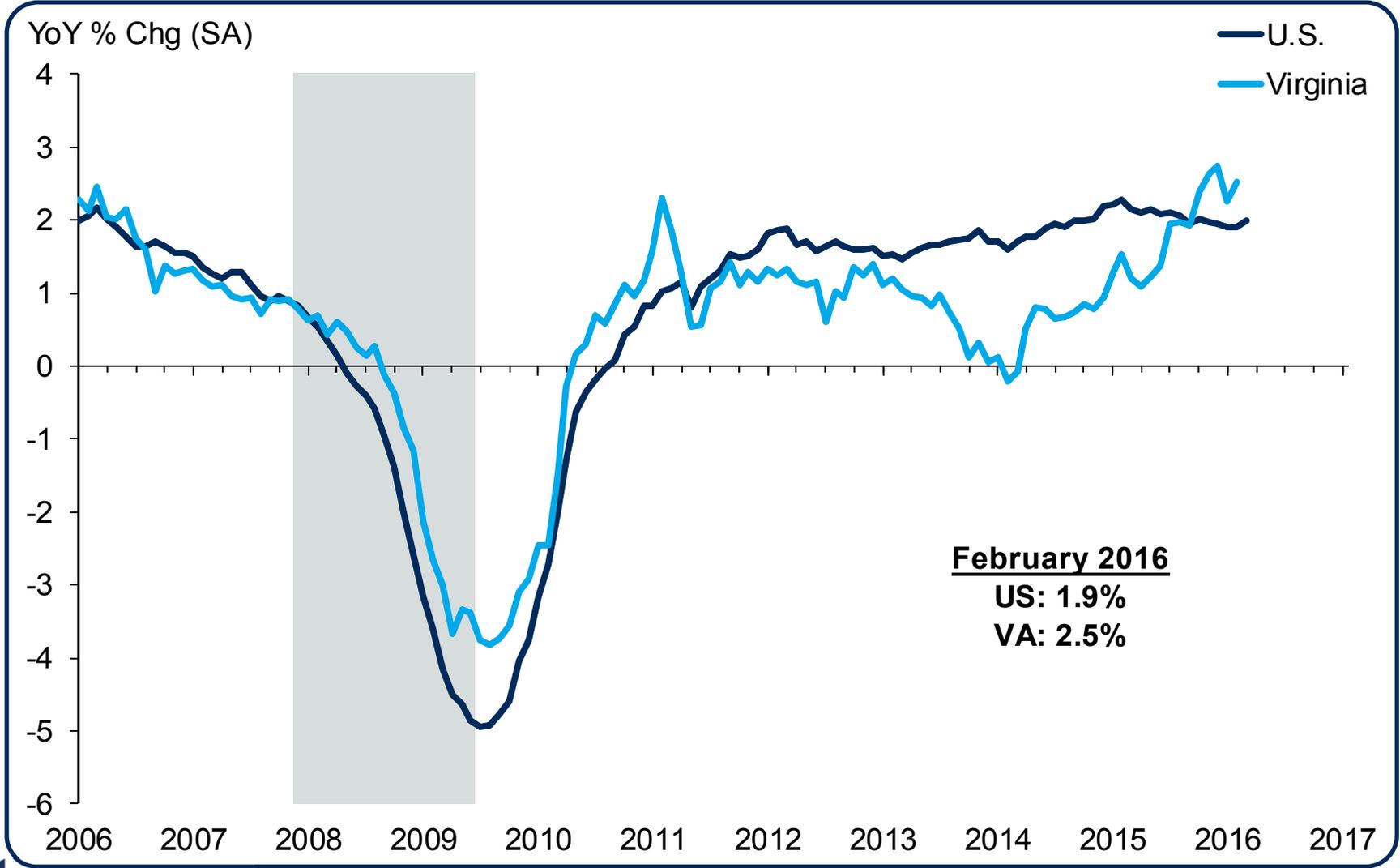
Consumer Price Index



Source: Bureau of Labor Statistics/Haver Analytics

Virginia Economic Overview

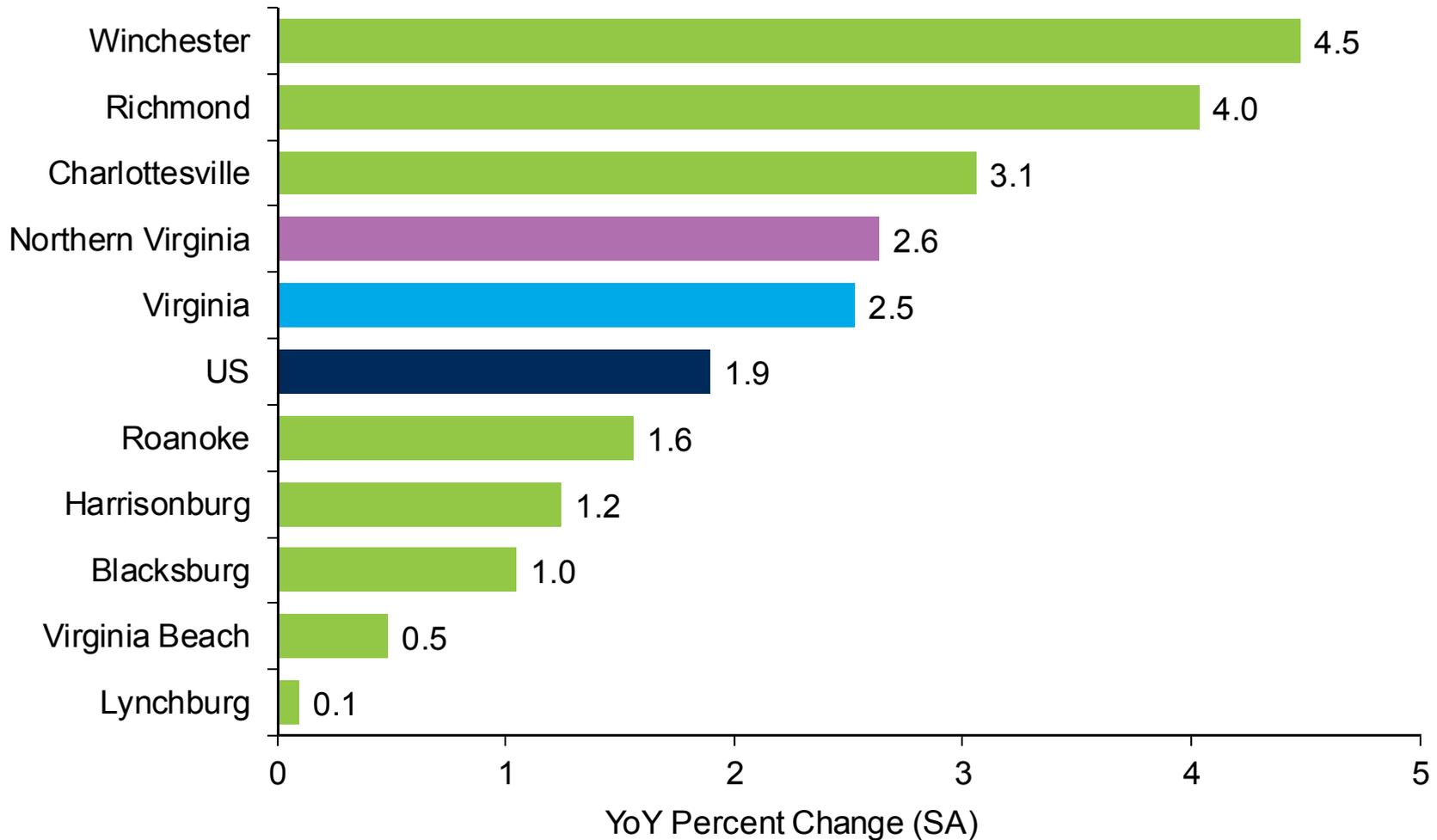
Virginia Employment Growth



Source: Bureau of Labor Statistics/Haver Analytics

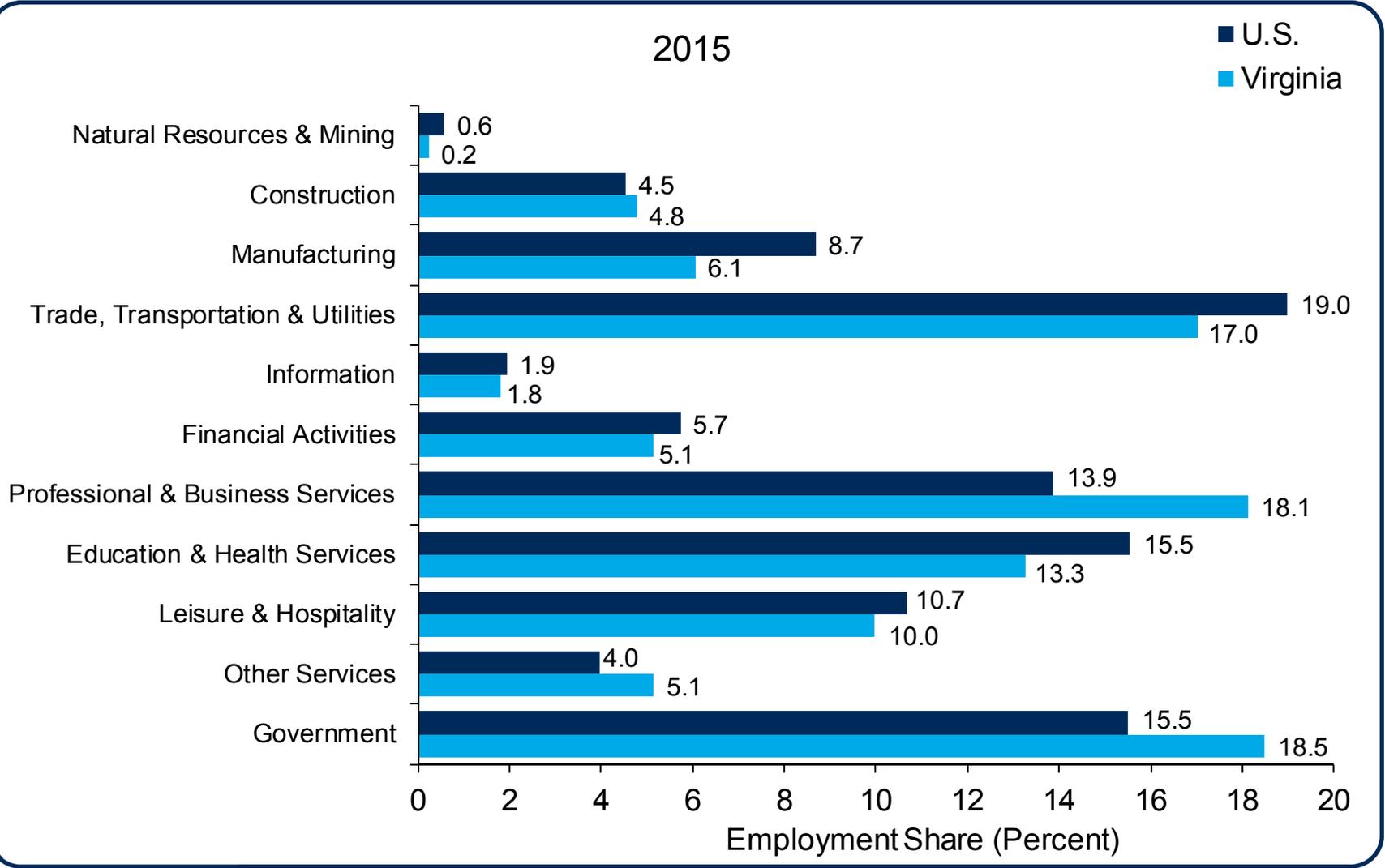
MSA Payroll Employment Growth in Virginia

February 2016



Source: Bureau of Labor Statistics/Haver Analytics

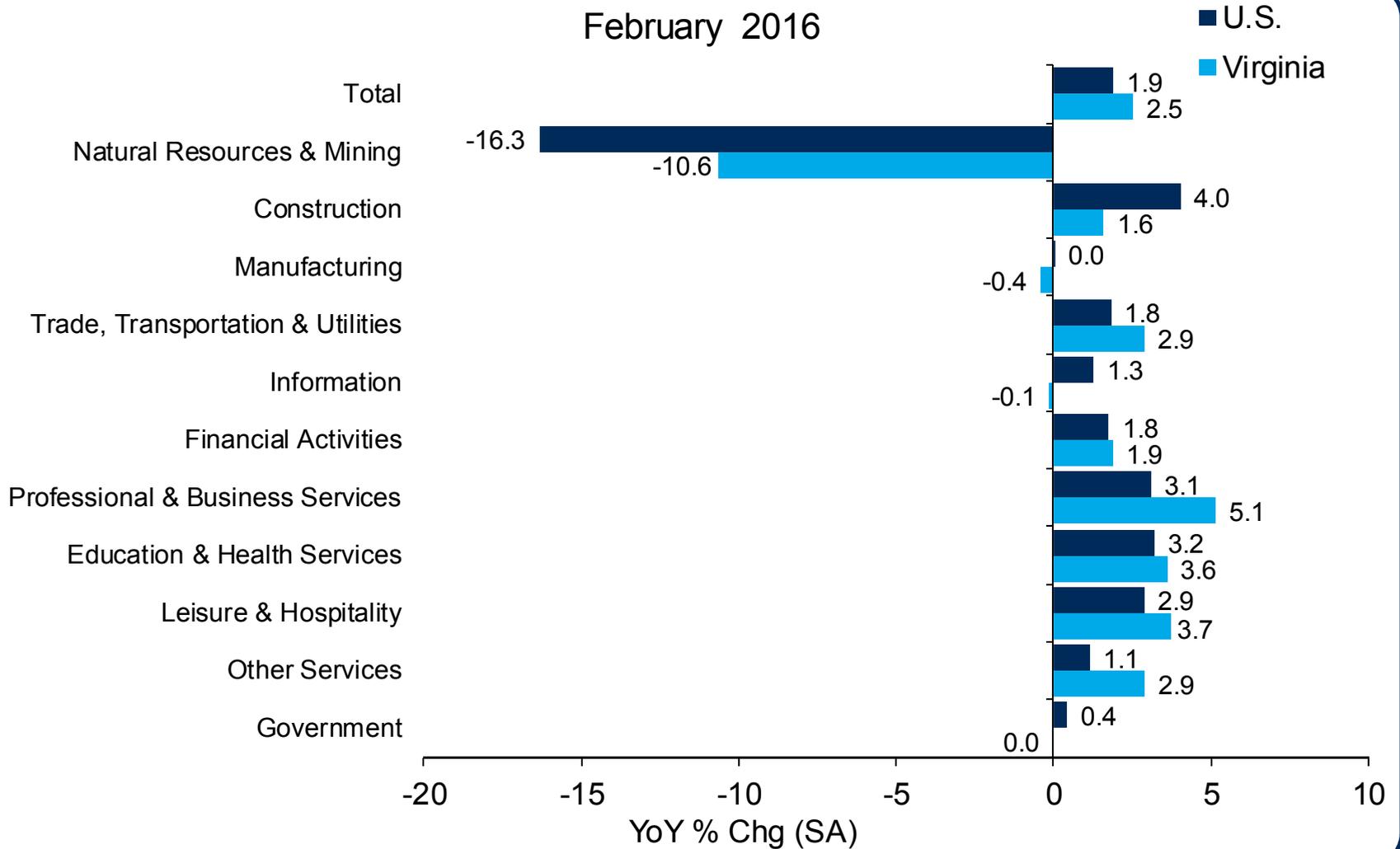
Virginia Industry Structure



Source: Bureau of Labor Statistics/Haver Analytics

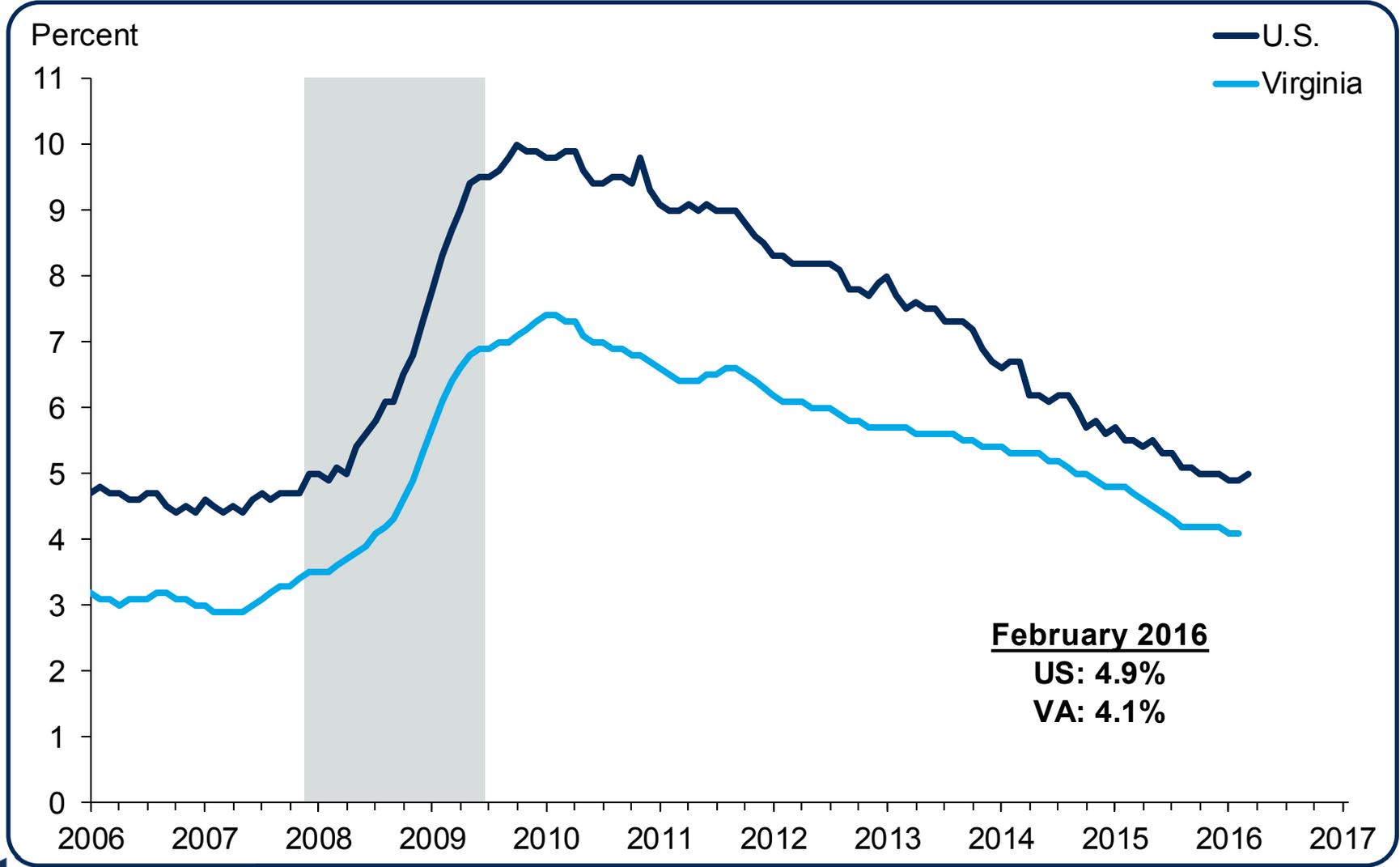
Virginia Industry Growth

February 2016



Source: Bureau of Labor Statistics/Haver Analytics

Virginia Unemployment Rate

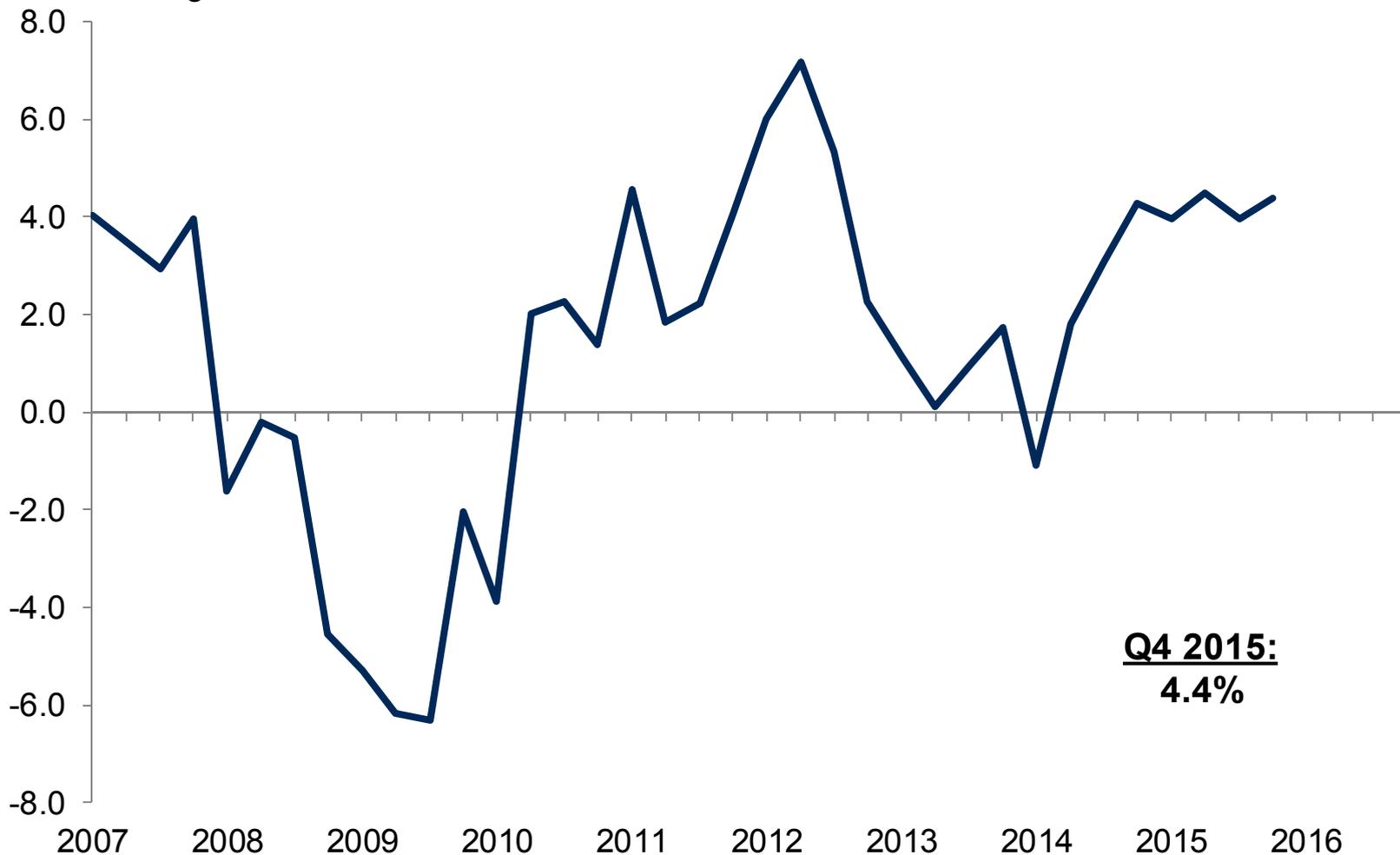


Source: Bureau of Labor Statistics/Haver Analytics

Virginia Taxable Sales

Quarterly data through 2015Q4

YoY % Change



Q4 2015:
4.4%

Source: Virginia Department of Taxation and UVA Weldon Cooper Center

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Summary

- The U.S. economy continues to grow at a modest pace:
 - “A range of recent indicators, including strong job gains, points to additional strengthening of the labor market. Inflation picked up in recent months; however, it continued to run below the Committee's 2 percent longer-run objective, partly reflecting declines in energy prices and in prices of non-energy imports.” (FOMC statement, 3/16/16)
- Virginia’s employment growth exceeds the national rate of growth (starting in October 2015)
- Growth in Professional and Business Services has resumed as a strong driver of job gains in the state.
- Virginia’s unemployment rate remains below the national average.

Questions? ... and thank you!

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