



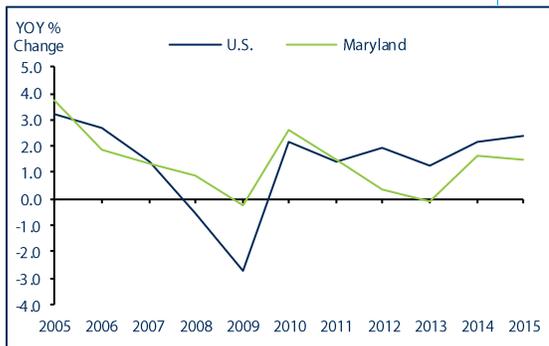
Regional Profiles



Economic Profile – Maryland

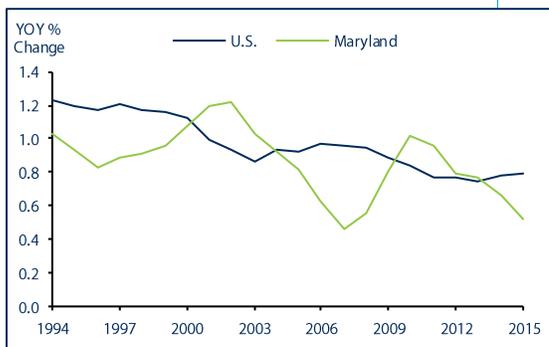
Economic activity in Maryland strengthened in 2015, with growth in both real gross domestic product and real per capita income. Labor market conditions improved, as payroll employment grew and the unemployment rate declined. Conditions in the residential real estate market were slightly mixed: while the number of new private building permits fell, home values appreciated and the foreclosure rate improved.

Figure 1: Real GDP



SOURCE: Bureau of Economic Analysis/Haver Analytics

Figure 2: Population



SOURCE: U.S. Census Bureau/Haver Analytics

Economic Contribution

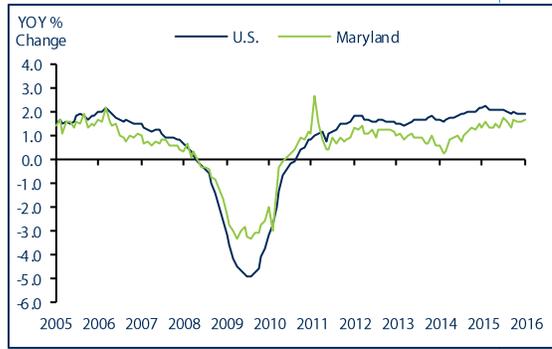
- Maryland had a nominal gross domestic product of \$363.8 billion in 2015, which accounted for 20.9 percent and 2.0 percent of output in the Fifth District and the nation, respectively.
- Maryland’s real gross domestic product grew 1.5 percent in 2015, which fell short of the Fifth District and national growth rates of 1.9 percent and 2.4 percent, respectively.
- Financial services and government accounted for the largest shares of the state’s economy in 2015, representing 21.7 percent and 20.5 percent of Maryland’s real GDP, respectively. Financial services grew 1.0 percent during 2015, while government grew 0.7 percent.
- The natural resources and mining industry reported the greatest expansion in 2015, growing 7.0 percent in real terms. Output rose in every industry except utilities, which fell 6.3 percent.
- Real GDP grew in four of Maryland’s six metropolitan areas in 2014, the most recent year of data available. Baltimore posted the highest growth rate of 1.4 percent, while California-Lexington Park and Cumberland reported declines of 0.5 percent each.

Population

- Maryland had an estimated 6.0 million residents in 2015, making up 18.9 percent of the Fifth District population and 1.9 percent of the national population.

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Figure 3: Payroll Employment



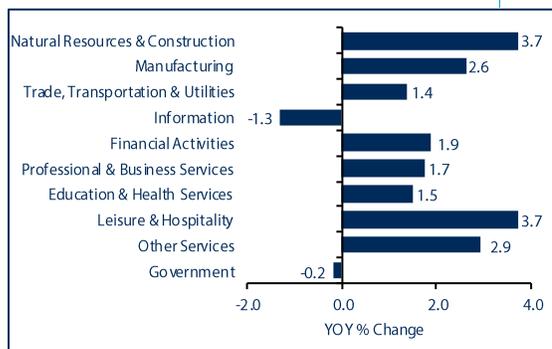
SOURCE: Bureau of Labor Statistics/Haver Analytics

Figure 4: Employment Share by Industry



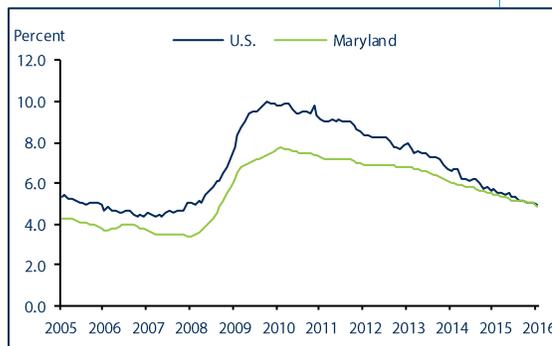
SOURCE: Bureau of Labor Statistics/Haver Analytics

Figure 5: Change in Employment by Industry (Dec 15)



SOURCE: Bureau of Labor Statistics/Haver Analytics

Figure 6: Unemployment Rate



SOURCE: Bureau of Labor Statistics/Haver Analytics

- Population in Maryland grew 0.5 percent in 2015, which was slower than the Fifth District and the nation, which both experienced growth of 0.8 percent.
- Salisbury, the third largest MSA in the state, posted the highest population growth among Maryland's metropolitan statistical areas in 2015, growing 1.4 percent from 2014. Cumberland experienced the only population decline among Maryland's MSAs, shrinking 0.6 percent from 2014 to 2015.
- Of Maryland's counties, Howard County experienced the largest population growth of 1.5 percent in 2015, while Allegany County experienced the largest decline of 0.7 percent.
- The number of working age residents (between the ages of 16 and 64) grew 0.1 percent between 2013 and 2014, while the number of retirement age residents (aged 65 and older) grew considerably faster at 3.5 percent.
- In 2015, Maryland's net migration was 6,592 people. While a net 31,330 international migrants came into the state, a net 24,738 domestic residents left the state.

Labor Market Conditions

- Maryland had 2.7 million workers in December 2015, which accounted for 18.6 percent of Fifth District payroll employment and 1.9 percent of national employment.
- Total nonfarm payroll employment grew 1.6 percent over the year ending in December 2015.
- Among Maryland's industries, natural resources and construction and leisure and hospitality posted the largest year-over-year gains in employment of 3.7 percent each (5,700 jobs and 9,900 jobs, respectively). The information industry posted the largest year-over-year loss of 1.3 percent (500 jobs).
- Despite a 0.2 percent decline in employment in 2015, the government sector remained the largest in the state, representing 502,700 jobs or 18.9 percent of Maryland's employment.
- The highest rate of employment growth among MSAs was in Salisbury, where employment increased 4.0 percent (5,900 jobs) from December 2014 to December 2015. Every MSA posted employment gains except Cumberland and Hagerstown.

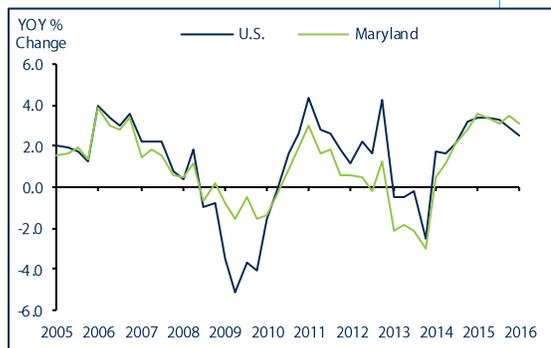
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Figure 7: Unemployment Rate by Metro Area



SOURCE: Bureau of Labor Statistics/Haver Analytics

Figure 8: Real Per Capita Income



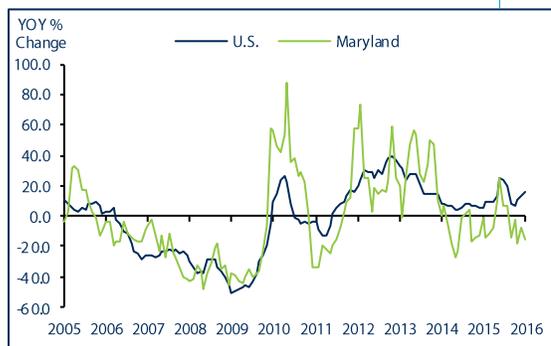
SOURCE: Bureau of Economic Analysis/Haver Analytics

Figure 9: Nominal Per Capita Income by County (2014)

| Highest Per Capita Income | | | Lowest Per Capita Income | | |
|---------------------------|------------------------|--------------|--------------------------|------------------------|--------------|
| County | Per Capita Income (\$) | YoY % Change | County | Per Capita Income (\$) | YoY % Change |
| Montgomery | 73,483 | 3.1 | Dorchester | 39,974 | 2.4 |
| Howard | 67,605 | 2.7 | Washington | 39,887 | 2.5 |
| Talbot | 63,111 | 1.4 | Wicomico | 37,187 | 0.9 |
| Anne Arundel | 59,574 | 2.1 | Allegany | 35,943 | 2.3 |
| Baltimore County | 53,949 | 3.1 | Somerset | 29,389 | 1.5 |

SOURCE: Bureau of Economic Analysis/Haver Analytics

Figure 10: Building Permits Issued



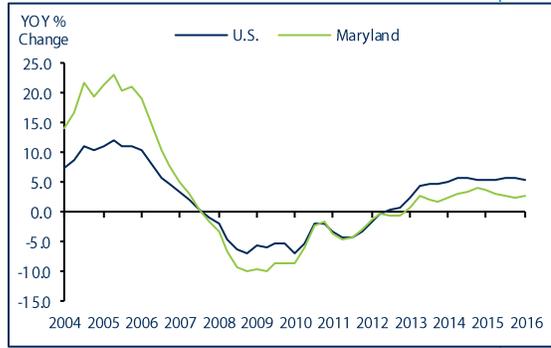
SOURCE: U.S. Census Bureau/Haver Analytics

Household Conditions

- Maryland's total nominal personal income was \$337.2 billion in 2015. Total real personal income grew 3.8 percent in 2015, which was below the national growth of 4.0 percent.
- Maryland's nominal per capita income was \$56,127 in 2015, which was higher than the national average of \$47,669.
- Real per capita income rose 3.5 percent year-over-year in the fourth quarter of 2015. This growth was higher than the national growth of 2.9 percent.
- In 2014, the most recent year of data available, the Washington D.C. MSA had the highest nominal per capita income among Maryland's metro areas at \$62,975, while Cumberland had the lowest at \$35,849. Of the state's counties, Montgomery County had the highest nominal per capita income at \$73,483, while Somerset County had the lowest at \$29,389.
- Real median household income in Maryland rose 8.1 percent to \$76,165 in 2014, the most recent year of data available.
- The unemployment rate in Maryland fell 0.5 percentage point to 5.0 percent over the year ending in December 2015, matching the national rate.
- The Cumberland MSA posted the highest unemployment rate of 6.9 percent in December 2015; the Washington D.C. MSA held the lowest at 4.2 percent.
- The labor force participation rate in Maryland rose 0.1 percentage point to 66.8 percent in 2015, which was higher than the national rate of 62.6 percent.
- Non-business bankruptcy filings in Maryland continued to decline in 2015, falling 13.7 percent.
- On average, 781,035 individuals per month participated in the Supplemental Nutrition Assistance Program (SNAP) in Maryland during the 2015 fiscal year, accounting for 13.0 percent of the state's 2015 population.

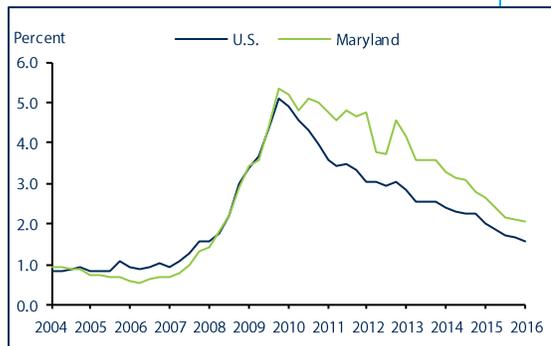
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Figure 11: House Price Index



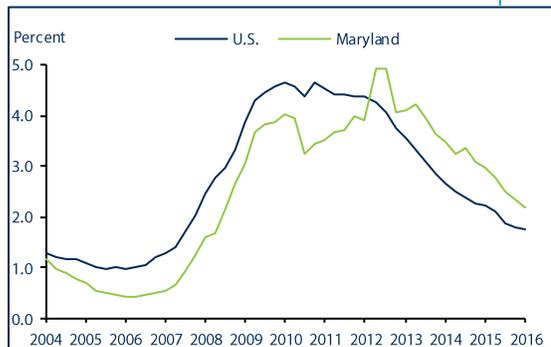
SOURCE: Federal Housing Finance Agency/Haver Analytics

Figure 12: 90+ Day Mortgage Delinquency Rate



SOURCE: Mortgage Bankers Association/Haver Analytics

Figure 13: Foreclosure Inventory Rate



SOURCE: Mortgage Bankers Association/Haver Analytics

Real Estate Conditions

- Maryland issued 16,149 new private building permits in 2015, which was a 6.9 percent decrease from 2014. Permitting activity nationally experienced growth of 13.4 percent.
- The FHFA house price index in Maryland rose 2.4 percent on a year-over-year basis in the fourth quarter of 2015, falling behind the 5.6 percent increase nationally.
- Home values appreciated in every metropolitan area in Maryland except Cumberland in 2015. In Salisbury, where prices rose the fastest, home values appreciated 4.9 percent on a year-over-year basis in the fourth quarter of 2015; house prices in Cumberland declined 2.5 percent over the same period.
- Maryland was the only jurisdiction in the Fifth District to report a decline in housing starts, which fell 1.5 percent in 2015. Housing starts rose 10.8 percent nationally.
- The 90+ day mortgage delinquency rate in Maryland fell from 2.8 percent in the fourth quarter of 2014 to 2.1 percent in the fourth quarter of 2015.
- In the fourth quarter of 2015, the share of Maryland mortgages in foreclosure was 2.3 percent, which was down from 3.1 percent in the fourth quarter of 2014 and well below the peak of 4.9 percent in the second quarter of 2012.

Report prepared by Kanitta Kulprathipanja, Regional Research Summer Intern

CONTACT: Michael Stanley

PHONE: 804.697.8437

DEPARTMENT: Research/Regional

EMAIL: Michael.Stanley@rich.frb.org



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