



# SNAPSHOT

A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY



October 2016



Richmond • Baltimore • Charlotte

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|---|---|

Data updated as of September 28, 2016



## FIFTH DISTRICT

### October Summary

Recent reports on the Fifth District economy were generally positive. Payroll employment expanded and housing market indicators were mostly upbeat; however, information on business conditions was mixed.

**Labor Markets:** Payroll employment in the Fifth District increased 0.1 percent as jobs were added in every jurisdiction except North Carolina in August. In the District overall, the monthly employment gain was largely attributable to the trade, transportation, and utilities industry, which added 7,900 jobs and the education and health services industry that added 5,700 jobs. Smaller job gains were reported in the manufacturing, leisure and hospitality, and “other” services industries. On a year-over-year basis, total employment in the Fifth District grew 1.8 percent as every industry except information added jobs since August 2015. The professional and business services industry reported the largest growth, in absolute and percentage terms, by adding 73,100 jobs (3.3 percent) since last August. The education and health services industry followed, by both measures, with 2.8 percent growth (56,300 jobs). The unemployment rate in the Fifth District remained unchanged at 4.5 percent in August as rates declined in North and South Carolina, were unchanged in Maryland and West Virginia, and rose in D.C. and Virginia.

**Business Conditions:** Fifth District business activity was mixed in September, according to our most recent surveys. The composite diffusion index for manufacturing rose slightly but remained negative at a value of -8 in September with all three of the component indexes (shipments, new orders, and employment) below zero. Meanwhile, in the service sector survey, the index for revenues rose from 0 in August to 13 in September. The revenues index for the retail subsector rebounded from -26 to 13 in September while the non-retail index rose from 4 to 13. The index for employment in the overall service sector declined but remained positive at a reading of 6. The survey measures of prices indicated a slight acceleration in growth of raw materials and retail prices, a small deceleration of final goods price growth, and no change in non-retail services price growth.

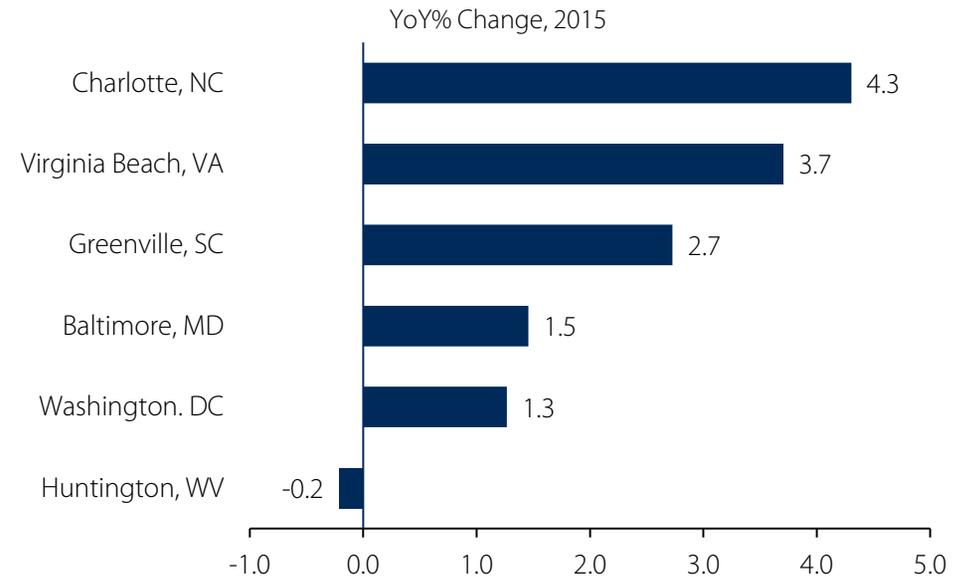
**Housing Markets:** Fifth District jurisdictions issued a combined 13,164 new residential permits in August, which was a 4.7 percent increase from July and 12.2 percent more than were issued in August 2015. Housing starts totaled 134,500 in August, which was a decrease of 19.8 percent from the prior month and a decrease of 12.2 percent from last August. According to CoreLogic Information Solutions, District home values appreciated 0.6 percent in July and 3.1 percent since July 2015.

### A Closer Look at... Gross Domestic Product by MSA

Real GDP Per Capita in 2015 by MSA (chained 2009 dollars)

| Top 5 MSAs     | Value    | Bottom 5 MSAs  | Value    |
|----------------|----------|----------------|----------|
| Washington, DC | \$72,558 | Goldsboro, NC  | \$32,147 |
| Durham, NC     | \$71,334 | Hagerstown, MD | \$38,216 |
| Baltimore, MD  | \$58,041 | Sumter, SC     | \$35,277 |
| Charleston, WV | \$56,414 | Burlington, NC | \$35,462 |
| Charlotte, NC  | \$55,610 | Cumberland, MD | \$37,919 |

Real GDP Growth for the Most Populous MSA in each State



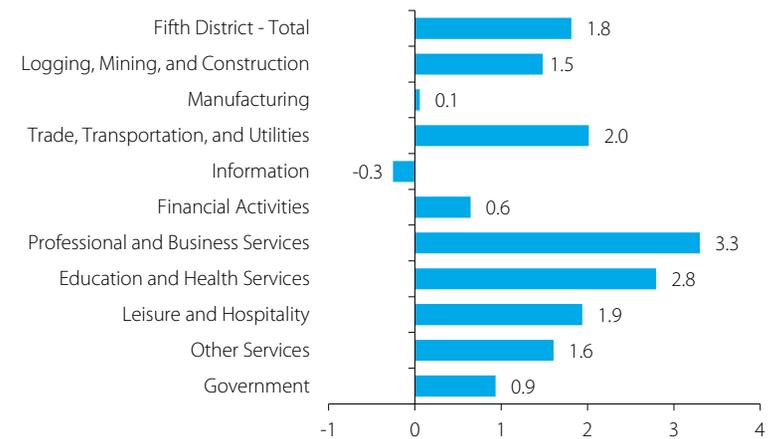
FIFTH DISTRICT

Labor Market Conditions

| Payroll Employment (SA)              | Period | Level (000s) | MoM % Change | YoY % Change |
|--------------------------------------|--------|--------------|--------------|--------------|
| United States - Total                | August | 144,598.0    | 0.10         | 1.72         |
| Fifth District - Total               | August | 14,573.9     | 0.09         | 1.81         |
| Logging, Mining, and Construction    | August | 719.3        | -0.14        | 1.48         |
| Manufacturing                        | August | 1,084.9      | 0.22         | 0.06         |
| Trade, Transportation, and Utilities | August | 2,526.3      | 0.31         | 2.02         |
| Information                          | August | 236.0        | -0.04        | -0.25        |
| Financial Activities                 | August | 732.8        | -0.07        | 0.65         |
| Professional and Business Services   | August | 2,287.9      | -0.05        | 3.30         |
| Education and Health Services        | August | 2,070.6      | 0.28         | 2.80         |
| Leisure and Hospitality              | August | 1,529.2      | 0.07         | 1.94         |
| Other Services                       | August | 676.9        | 0.25         | 1.61         |
| Government                           | August | 2,710.1      | -0.13        | 0.93         |

Fifth District Payroll Employment Performance

Year-over-Year Percent Change through August 2016



Unemployment Rate (SA)

|                | August 16 | July 16 | August 15 |
|----------------|-----------|---------|-----------|
| United States  | 4.9       | 4.9     | 5.1       |
| Fifth District | 4.5       | 4.5     | 5.2       |

Civilian Labor Force (SA)

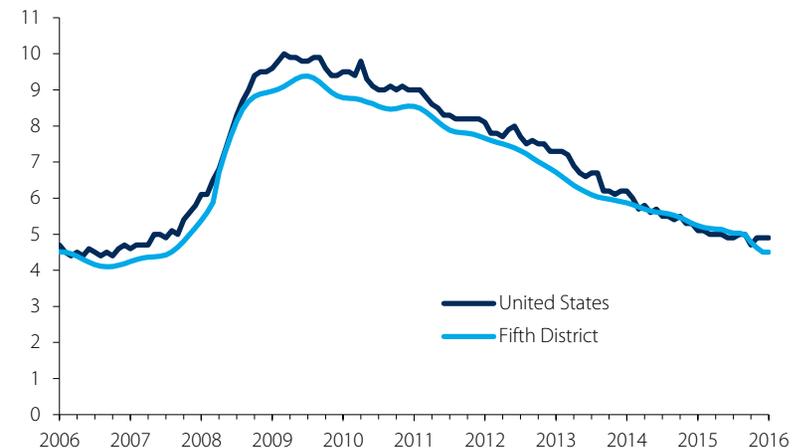
|                | Period | Level (000s) | MoM % Change | YoY % Change |
|----------------|--------|--------------|--------------|--------------|
| United States  | August | 159,463      | 0.11         | 1.53         |
| Fifth District | August | 15,658       | -0.10        | 0.60         |

Initial Unemployment Claims (NSA)

|                | Period | Level     | MoM % Change | YoY % Change |
|----------------|--------|-----------|--------------|--------------|
| United States  | August | 1,005,506 | -5.34        | 2.09         |
| Fifth District | August | 66,193    | -1.50        | 6.14         |

Fifth District Unemployment Rate

Through August 2016

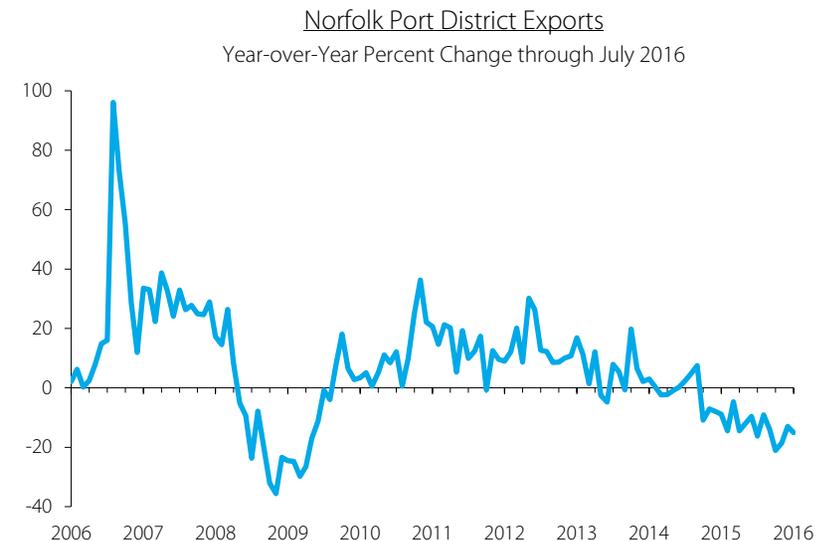


FIFTH DISTRICT

Business Conditions

| Manufacturing Survey (SA)           | September 16 | August 16 | September 15 |
|-------------------------------------|--------------|-----------|--------------|
| Composite Index                     | -8           | -11       | -3           |
| Shipments                           | -4           | -14       | -5           |
| New Orders                          | -7           | -20       | -7           |
| Number of Employees                 | -13          | 7         | 4            |
| Expected Shipments - Six Months     | 26           | 41        | 45           |
| Raw Materials Prices (SAAR)         | 1.10         | 0.96      | 0.47         |
| Finished Goods Prices (SAAR)        | 0.07         | 0.26      | 0.37         |
| Service Sector Survey (SA)          | September 16 | August 16 | September 15 |
| Service Sector Employment           | 6            | 13        | 7            |
| Services Firms Revenues             | 13           | 4         | 11           |
| Retail Revenues                     | 13           | -26       | 15           |
| Big-Ticket Sales                    | -9           | -10       | 15           |
| Expected Retail Demand - Six Months | 58           | 57        | 22           |
| Services Firm Prices                | 1.20         | 1.22      | 1.19         |
| Retail Prices                       | 1.42         | 1.35      | 1.26         |

| District Imports           | Period | Level (\$mil) | MoM % Change | YoY % Change |
|----------------------------|--------|---------------|--------------|--------------|
| Baltimore, Maryland        | July   | 2,916.40      | -8.4         | -4.3         |
| Wilmington, North Carolina | July   | 714.20        | 3.7          | 0.3          |
| Charleston, South Carolina | July   | 3,850.04      | -2.6         | -11.7        |
| Norfolk, Virginia          | July   | 3,665.09      | 0.7          | -4.1         |
| District Exports           | Period | Level (\$mil) | MoM % Change | YoY % Change |
| Baltimore, Maryland        | July   | 1,163.23      | -4.5         | -8.3         |
| Wilmington, North Carolina | July   | 472.63        | 4.4          | 4.2          |
| Charleston, South Carolina | July   | 2,636.86      | -10.6        | -6.5         |
| Norfolk, Virginia          | July   | 1,947.32      | -2.6         | -15.0        |



FIFTH DISTRICT

Household Conditions

| Real Personal Income (SA) | Period | Level (\$mil) | QoQ % Change | YoY % Change |
|---------------------------|--------|---------------|--------------|--------------|
| United States             | Q2:16  | 14,387,983    | 0.52         | 2.23         |
| Fifth District            | Q2:16  | 1,386,886     | 0.54         | 2.56         |

| Non-Business Bankruptcies | Period | Level   | QoQ % Change | YoY % Change |
|---------------------------|--------|---------|--------------|--------------|
| United States             | Q2:16  | 202,334 | 3.40         | -6.85        |
| Fifth District            | Q2:16  | 16,806  | 3.54         | -0.20        |

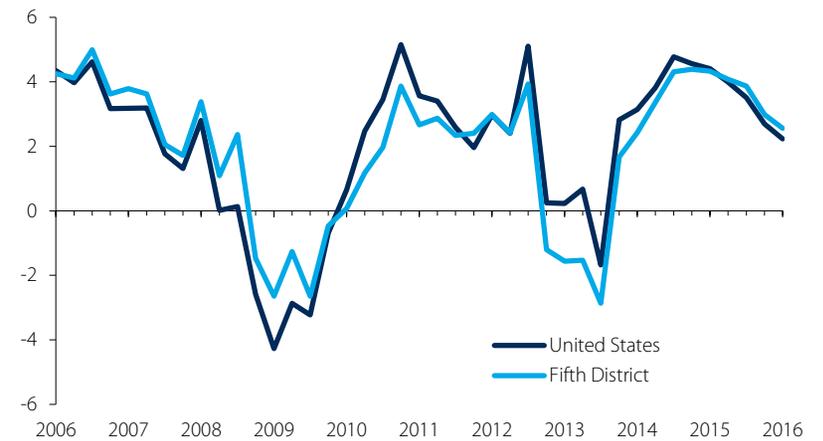
Real Estate Conditions

| Total Private Building Permits (NSA) | Period | Level   | MoM % Change | YoY % Change |
|--------------------------------------|--------|---------|--------------|--------------|
| United States                        | August | 108,421 | 13.98        | 11.55        |
| Fifth District                       | August | 13,164  | 4.71         | 12.17        |

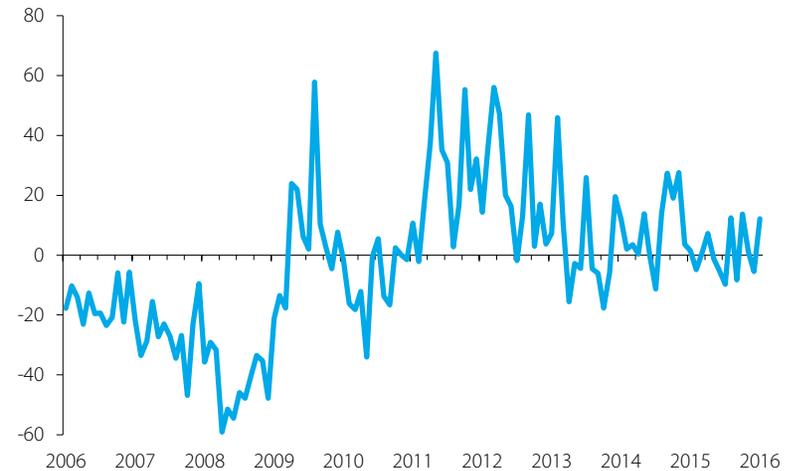
| Total Private Housing Starts (SAAR) | Period | Level (000s) | MoM % Change | YoY % Change |
|-------------------------------------|--------|--------------|--------------|--------------|
| United States                       | August | 1,142        | -5.78        | 0.88         |
| Fifth District                      | August | 135          | -19.75       | -12.15       |

| House Price Index (2000=100) | Period | Level | MoM % Change | YoY % Change |
|------------------------------|--------|-------|--------------|--------------|
| United States                | July   | 182   | 1.09         | 5.99         |
| Fifth District               | July   | 187   | 0.57         | 3.12         |

Fifth District Real Personal Income  
Year-over-Year Percent Change through Q2:16



Fifth District Building Permits  
Year-over-Year Percent Change through August 2016



## DISTRICT OF COLUMBIA

### October Summary

According to recent data, the District of Columbia's economy strengthened as payroll employment rose substantially. Despite a slight increase in unemployment, household conditions and housing market conditions generally improved.

**Labor Markets:** Payroll employment in D.C. rose 0.8 percent in August as firms added 5,900 jobs to the economy. The professional and business services industry and the government sector added the most jobs in the month, each adding 1,500 jobs to payrolls. The leisure and hospitality industry reported the largest percentage growth in the month of 1.1 percent by adding 800 jobs. The only industries to cut jobs in August were logging, mining, and construction (100 jobs) and information (100 jobs). On a year-over-year basis, total employment in D.C. expanded 1.7 percent. About forty percent of the net job gain came from the government sector, which added 5,300 jobs (0.6 percent) since August 2015. The next largest gain, in absolute terms, occurred in the professional and business services industry that added 2,300 jobs. Manufacturing, the smallest industry in D.C., reported the largest year-over-year growth rate of 9.1 percent. In the Washington, D.C. MSA, total employment contracted 0.5 percent in August but increased 2.4 percent since August 2015.

**Household Conditions:** The unemployment rate in D.C. ticked up slightly to 6.0 percent in August. In the greater Washington, D.C. metro area, the unemployment rate also rose slightly to 3.9 percent. In the second quarter of 2016, real personal income in D.C. rose 1.0 percent and increased 3.0 percent since the second quarter of 2015. Also in the second quarter, the share of mortgages with payments 90 or more days past due was virtually unchanged at 1.2 percent. The prime delinquency rate was also unchanged at 0.8 percent while the subprime delinquency rate rose slightly to 5.5 percent in the quarter.

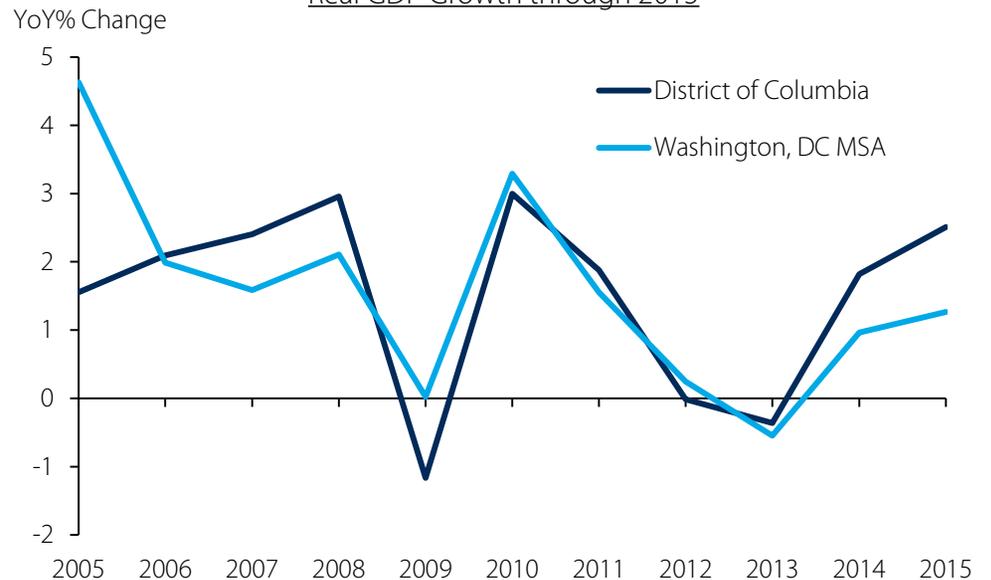
**Housing Markets:** D.C. issued 444 new residential permits in August, up from 67 permits in July and the 278 permits in August 2015. In the greater Washington, D.C. MSA, 2,329 permits were issued in the month, an increase of 49.6 percent from July and 20.9 percent since last August. Meanwhile, housing starts in D.C. totaled 4,500 in August, up from 900 starts in July and up from the 3,600 starts in August 2015. According to CoreLogic Information Solutions, home values in D.C. depreciated 0.2 percent in July but appreciated 1.9 percent on a year-over-year basis. In the Washington, D.C. metro area, house prices rose 0.6 percent in July and 2.5 percent on a year-over-year basis.

### A Closer Look at... Gross Domestic Product by MSA

In the Washington, D.C. MSA:

- In 2015, nominal GDP was \$491 billion with 77.2 percent coming from private industries and 22.8 percent from government.
- Real GDP growth in 2015 was 1.3 percent. Real GDP for private industries grew at 1.4 percent and government grew at 0.7 percent.
- Real GDP per capita was \$72,558 in 2015. This was an increase of 0.2 percent since the previous year, and the first time real GDP per capita increased since 2010.

Real GDP Growth through 2015



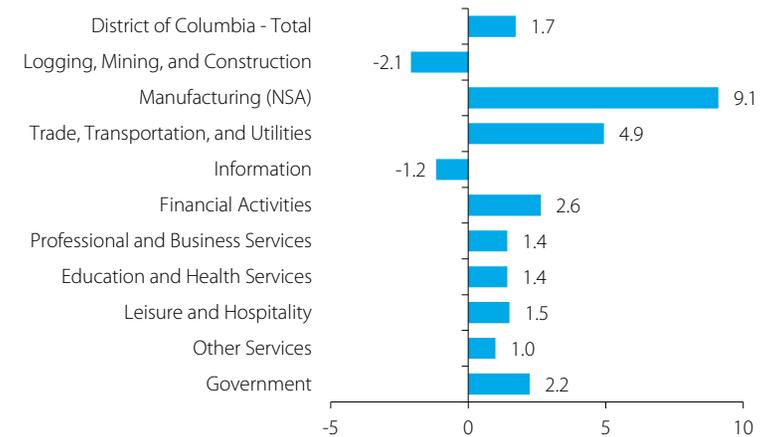
## DISTRICT OF COLUMBIA

### Labor Market Conditions

| Payroll Employment (SA)              | Period | Level (000s) | MoM % Change | YoY % Change |
|--------------------------------------|--------|--------------|--------------|--------------|
| United States - Total                | August | 144,598.0    | 0.10         | 1.72         |
| Fifth District - Total               | August | 14,573.9     | 0.09         | 1.81         |
| District of Columbia - Total         | August | 778.9        | 0.76         | 1.72         |
| Logging, Mining, and Construction    | August | 14.1         | -0.70        | -2.08        |
| Manufacturing (NSA)                  | August | 1.2          | 0.00         | 9.09         |
| Trade, Transportation, and Utilities | August | 34.0         | 1.19         | 4.94         |
| Information                          | August | 16.9         | -0.59        | -1.17        |
| Financial Activities                 | August | 31.1         | 0.97         | 2.64         |
| Professional and Business Services   | August | 164.1        | 0.92         | 1.42         |
| Education and Health Services        | August | 128.8        | 0.78         | 1.42         |
| Leisure and Hospitality              | August | 74.5         | 1.09         | 1.50         |
| Other Services                       | August | 71.6         | 0.85         | 0.99         |
| Government                           | August | 242.6        | 0.62         | 2.23         |
| Washington, D.C. MSA                 | August | 3,245.8      | -0.46        | 2.43         |

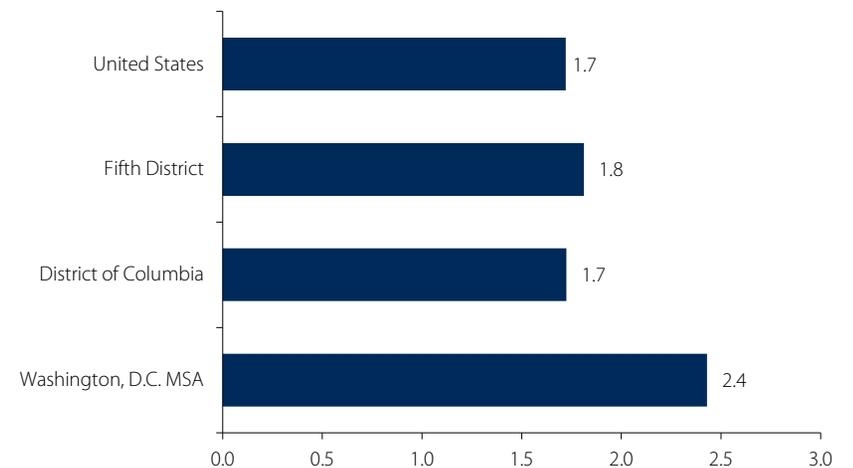
District of Columbia Payroll Employment Performance

Year-over-Year Percent Change through August 2016



District of Columbia Total Employment Performance

Year-over-Year Percent Change through August 2016



## DISTRICT OF COLUMBIA

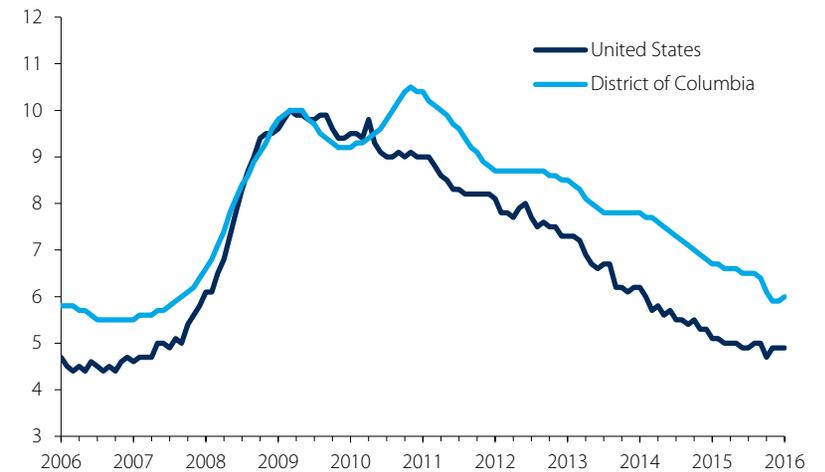
### Labor Market Conditions

| Unemployment Rate (SA) | August 16 | July 16 | August 15 |
|------------------------|-----------|---------|-----------|
| United States          | 4.9       | 4.9     | 5.1       |
| Fifth District         | 4.5       | 4.5     | 5.2       |
| District of Columbia   | 6.0       | 5.9     | 6.7       |
| Washington, D.C. MSA   | 3.9       | 3.8     | 4.3       |

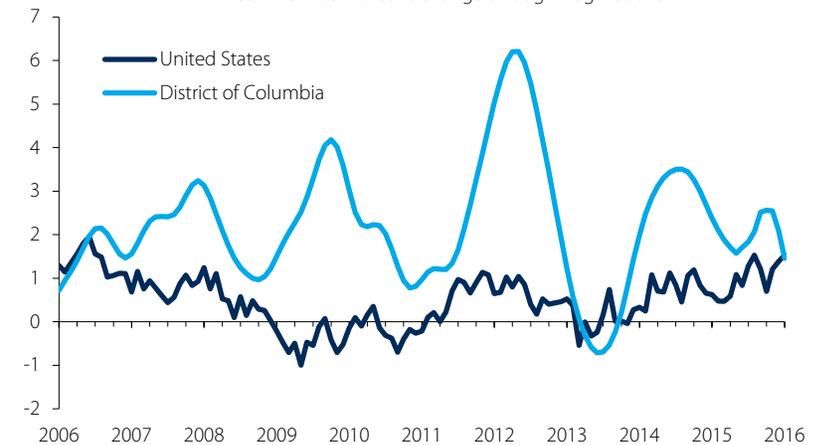
| Civilian Labor Force (SA) | Period | Level (000s) | MoM % Change | YoY % Change |
|---------------------------|--------|--------------|--------------|--------------|
| United States             | August | 159,463      | 0.11         | 1.53         |
| Fifth District            | August | 15,658       | -0.10        | 0.60         |
| District of Columbia      | August | 395          | -0.48        | 1.46         |
| Washington, D.C. MSA      | August | 3,291        | -0.10        | 0.30         |

| Initial Unemployment Claims (NSA) | Period | Level     | MoM % Change | YoY % Change |
|-----------------------------------|--------|-----------|--------------|--------------|
| United States                     | August | 1,005,506 | -5.34        | 2.09         |
| Fifth District                    | August | 66,193    | -1.50        | 6.14         |
| District of Columbia              | August | 1,598     | -3.27        | 2.57         |

District of Columbia Unemployment Rate  
Through August 2016



District of Columbia Labor Force  
Year-over-Year Percent Change through August 2016



## DISTRICT OF COLUMBIA

### Household Conditions

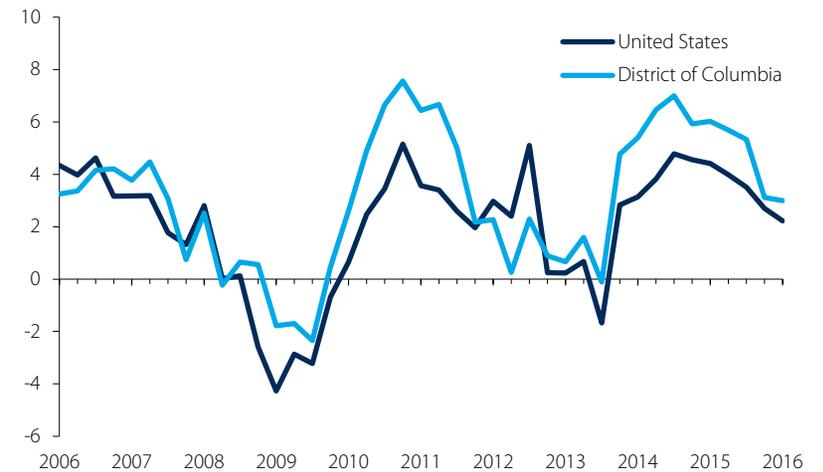
| Real Personal Income (SA) | Period | Level (\$mil) | QoQ % Change | YoY % Change |
|---------------------------|--------|---------------|--------------|--------------|
| United States             | Q2:16  | 14,387,983    | 0.52         | 2.23         |
| Fifth District            | Q2:16  | 1,386,886     | 0.54         | 2.56         |
| District of Columbia      | Q2:16  | 46,248        | 1.02         | 3.00         |

| Median Family Income | Period | Level (000s) | QoQ % Change | YoY % Change |
|----------------------|--------|--------------|--------------|--------------|
| Washington, D.C. MSA | 2016   | 105.7        | ---          | -2.31        |

| Non-Business Bankruptcies | Period | Level   | QoQ % Change | YoY % Change |
|---------------------------|--------|---------|--------------|--------------|
| United States             | Q2:16  | 202,334 | 3.40         | -6.85        |
| Fifth District            | Q2:16  | 16,806  | 3.54         | -0.20        |
| District of Columbia      | Q2:16  | 175     | 16.67        | 8.02         |

| Mortgage Delinquencies (% 90+ Days Delinquent) | Q2:16 | Q1:16 | Q2:15 |
|--|-------|-------|-------|
| United States                                  |       |       |       |
| All Mortgages                                  | 1.47  | 1.55  | 1.86  |
| Prime  | 0.83  | 0.89  | 1.05  |
| Subprime                                       | 5.82  | 6.07  | 6.61  |
| District of Columbia                           |       |       |       |
| All Mortgages                                  | 1.21  | 1.19  | 1.44  |
| Prime  | 0.75  | 0.76  | 0.86  |
| Subprime                                       | 5.48  | 5.29  | 6.34  |

District of Columbia Real Personal Income  
Year-over-Year Percent Change through Q2:16



District of Columbia Mortgage Delinquencies  
Percent 90+ Days Delinquent through Q2:16



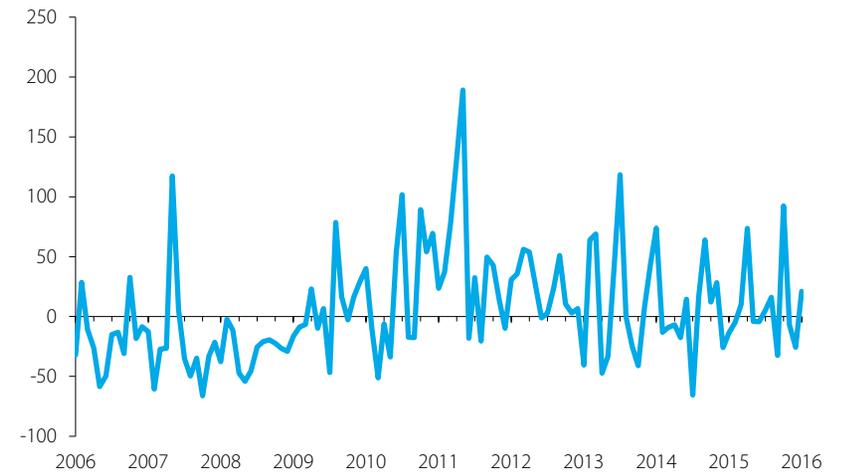
DISTRICT OF COLUMBIA

Real Estate Conditions

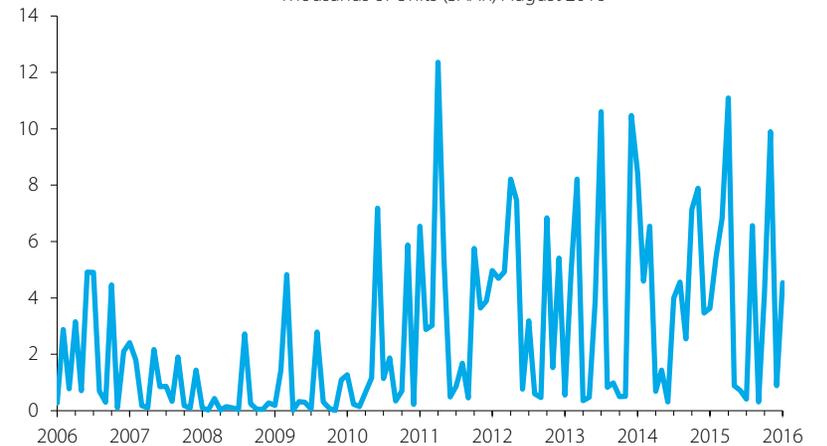
| Total Private Building Permits (NSA) | Period | Level   | MoM % Change | YoY % Change |
|--------------------------------------|--------|---------|--------------|--------------|
| United States                        | August | 108,421 | 13.98        | 11.55        |
| Fifth District                       | August | 13,164  | 4.71         | 12.17        |
| District of Columbia                 | August | 444     | 562.69       | 59.71        |
| Washington, D.C. MSA                 | August | 2,329   | 49.58        | 20.92        |

| Total Private Housing Starts (SAAR) | Period | Level (000s) | MoM % Change | YoY % Change |
|-------------------------------------|--------|--------------|--------------|--------------|
| United States                       | August | 1,142        | -5.78        | 0.88         |
| Fifth District                      | August | 135          | -19.75       | -12.15       |
| District of Columbia                | August | 4.5          | 410.11       | 25.07        |

Washington, D.C. MSA Building Permits  
Year-over-Year Percent Change through August 2016



District of Columbia Housing Starts  
Thousands of Units (SAAR) August 2016



DISTRICT OF COLUMBIA

Real Estate Conditions

| House Price Index (2000=100) | Period | Level | MoM % Change | YoY % Change |
|------------------------------|--------|-------|--------------|--------------|
| United States                | July   | 182   | 1.09         | 5.99         |
| Fifth District               | July   | 187   | 0.57         | 3.12         |
| District of Columbia         | July   | 295   | -0.19        | 1.91         |
| Washington, D.C. MSA         | July   | 224   | 0.62         | 2.51         |

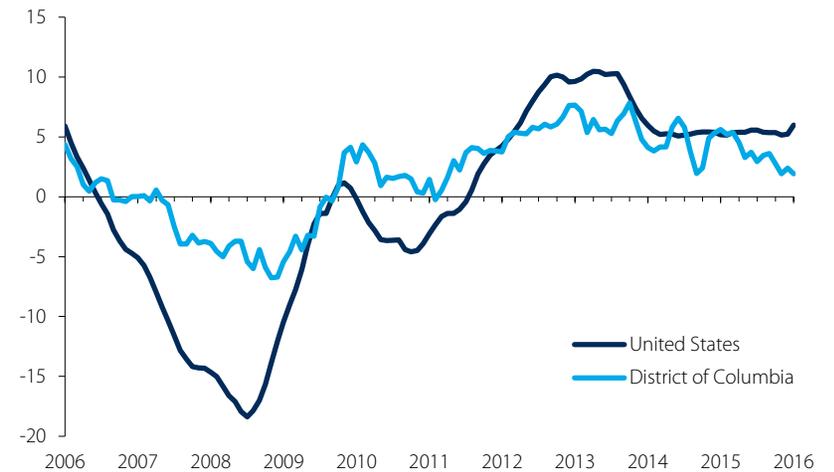
| Median Home Sales Price - NAR (NSA) | Period | Level (\$000s) | QoQ % Change | YoY % Change |
|-------------------------------------|--------|----------------|--------------|--------------|
| Washington, D.C. MSA                | Q2:16  | 407            | 10.45        | 1.45         |

| Median Home Sales Price - NAHB | Period | Level (\$000s) | QoQ % Change | YoY % Change |
|--------------------------------|--------|----------------|--------------|--------------|
| Washington, D.C. MSA           | Q2:16  | 385            | 14.93        | 1.32         |

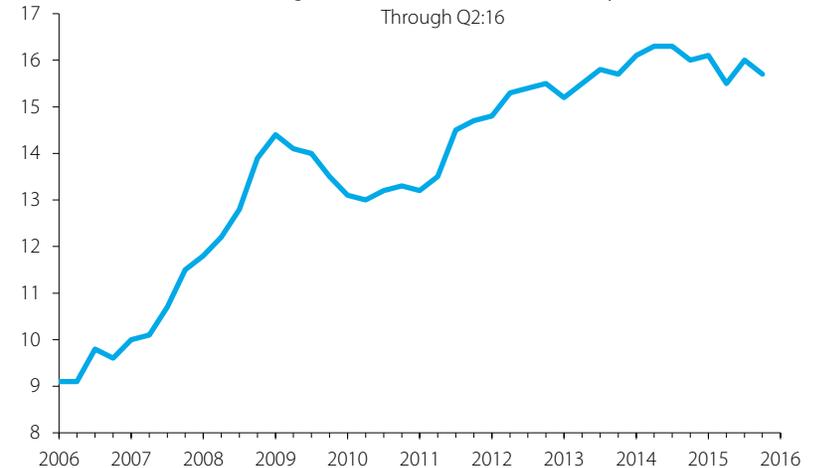
| Housing Opportunity Index (%) | Q2:16 | Q1:16 | Q2:15 |
|-------------------------------|-------|-------|-------|
| Washington, D.C. MSA          | 66.2  | 72.3  | 67.0  |

| Commercial Vacancy Rates (%) | Q2:16 | Q1:16 | Q2:15 |
|------------------------------|-------|-------|-------|
| <b>Office Vacancies</b>      |       |       |       |
| Washington, D.C. MSA         | 15.7  | 16.0  | 16.0  |
| <b>Industrial Vacancies</b>  |       |       |       |
| Washington, D.C. MSA         | 11.8  | 12.3  | 12.3  |
| <b>Retail Vacancies</b>      |       |       |       |
| Washington, D.C. MSA         | 5.6   | 5.7   | 5.9   |

District of Columbia House Price Index (CoreLogic)  
Year-over-Year Percent Change through July 2016



Washington, D.C. MSA Office Vacancy Rate  
Through Q2:16



## MARYLAND

### October Summary

Recent economic reports on Maryland were somewhat mixed. Employment rose slightly, on balance while household conditions and housing market reports varied.

**Labor Markets:** Employers in Maryland added 700 jobs (0.0 percent) to the economy in August as the gain in the government sector (6,000 jobs) more than offset the net loss of 5,300 jobs in the private sector. Within the private sector, sizable job losses came from the professional and business services industry (4,900 jobs); mining, logging, and construction (2,700 jobs); and educational and health services (2,300 jobs). Jobs were also lost in the manufacturing and “other” services industries. Other than government, the only industries to add jobs in the month were trade, transportation, and utilities, leisure and hospitality, and information. Since August 2015, total employment in Maryland grew 1.8 percent as every industry in the state added jobs over the last twelve months. The largest employment growth, in both absolute and percentage terms, came from the leisure and hospitality industry which grew 5.7 percent by adding 15,200 jobs. Within the government sector, the state’s largest employer, jobs were added to federal and local government payrolls; however, the state government cut 1,500 jobs in the year.

**Household Conditions:** The unemployment rate in Maryland was unchanged at 4.3 percent in August. At the metro level, jobless rates increased slightly in every MSA except California-Lexington Park, where the rate was unchanged at 4.2 percent. In the second quarter of 2016, real personal income rose 0.6 percent and increased 2.2 percent since the second quarter of 2015. Also in the second quarter, the share of mortgages with payments 90 or more days overdue in Maryland declined 0.2 percentage point to 1.9 percent. The prime delinquency rate edged down to 1.0 percent in the quarter while the subprime rate declined 0.4 percentage point to 7.6 percent.

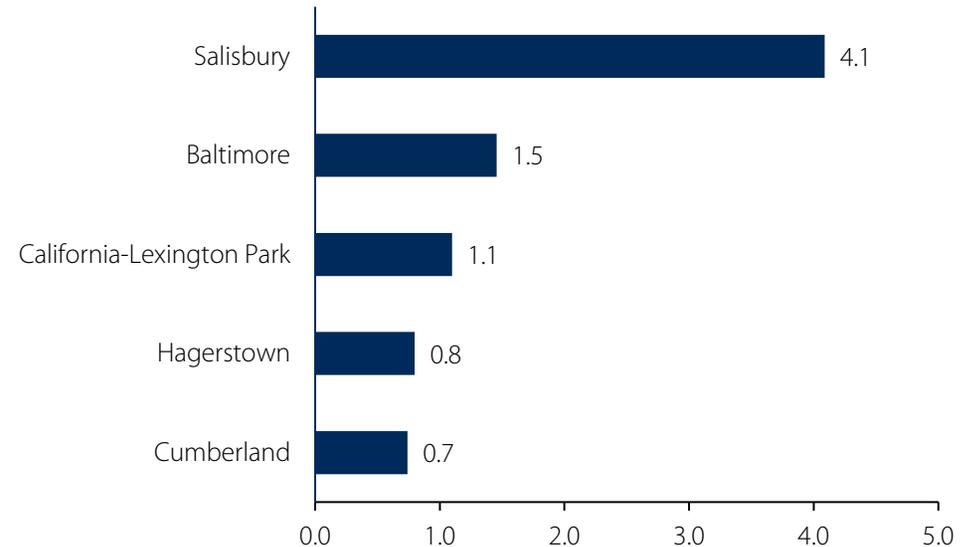
**Housing Markets:** Maryland issued 1,146 new residential permits in August, a 10.2 percent increase from the prior month but a 30.4 percent decrease from August 2015. At the metro level, every MSA except Cumberland issued more permits in the month and every MSA except Baltimore issued more than in August 2015. Housing starts in Maryland totaled 11,700 in August, down 15.5 percent in the month and down 45.5 percent from the prior year. According to CoreLogic Information Solutions, home values in Maryland appreciated 0.7 percent in July and appreciated 1.2 percent over the last twelve months. In the state’s metro areas, home prices rose in every MSA in the month and on a year-over-year basis.

### A Closer Look at... Gross Domestic Product by MSA

#### Real GDP Per Capita in 2015 by MSA (chained 2009 dollars)

|                           | <u>Value</u> | <u>Rank</u> |
|---------------------------|--------------|-------------|
| Baltimore                 | \$58,041     | 1           |
| California-Lexington Park | \$48,781     | 2           |
| Cumberland                | \$27,223     | 5           |
| Hagerstown                | \$30,411     | 4           |
| Salisbury                 | \$36,267     | 3           |

#### Real GDP Growth in 2015 (YoY%)



## MARYLAND

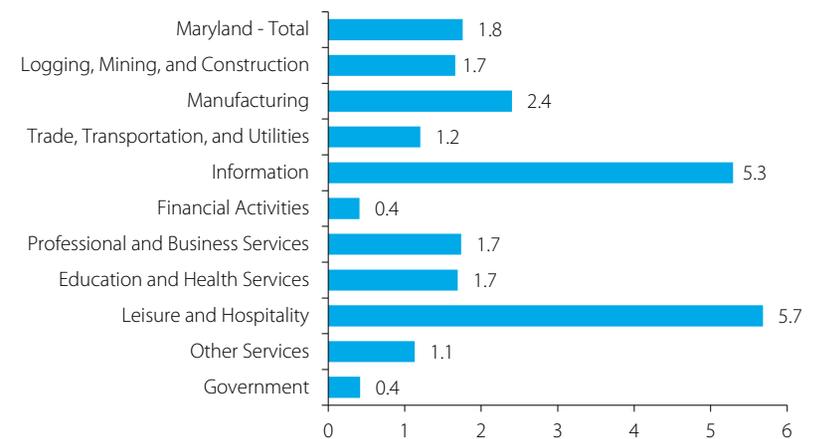
### Labor Market Conditions

| Payroll Employment (SA)              | Period | Level (000s) | MoM % Change | YoY % Change |
|--------------------------------------|--------|--------------|--------------|--------------|
| United States - Total                | August | 144,598.0    | 0.10         | 1.72         |
| Fifth District - Total               | August | 14,573.9     | 0.09         | 1.81         |
| Maryland - Total                     | August | 2,712.3      | 0.03         | 1.76         |
| Logging, Mining, and Construction    | August | 159.1        | -1.67        | 1.66         |
| Manufacturing                        | August | 106.6        | -0.19        | 2.40         |
| Trade, Transportation, and Utilities | August | 471.5        | 0.47         | 1.20         |
| Information                          | August | 39.8         | 2.31         | 5.29         |
| Financial Activities                 | August | 147.1        | 0.00         | 0.41         |
| Professional and Business Services   | August | 439.3        | -1.10        | 1.74         |
| Education and Health Services        | August | 444.8        | -0.51        | 1.69         |
| Leisure and Hospitality              | August | 282.7        | 0.68         | 5.68         |
| Other Services                       | August | 116.4        | -0.17        | 1.13         |
| Government                           | August | 505.0        | 1.20         | 0.42         |

| Metro Payroll Employment (NSA)             | Period | Level (000s) | YoY % Change |
|--|--------|--------------|--------------|
| Baltimore-Towson MSA - Total               | August | 1,400.2      | 2.27         |
| California-Lexington Park MSA - Total      | August | 44.8         | 0.90         |
| Cumberland MSA - Total                     | August | 38.4         | 0.79         |
| Hagerstown MSA - Total                     | August | 106.6        | 3.90         |
| Salisbury MSA - Total                      | August | 173.4        | 5.15         |
| Silver Spring-Frederick Metro Div. - Total | August | 597.5        | 1.96         |

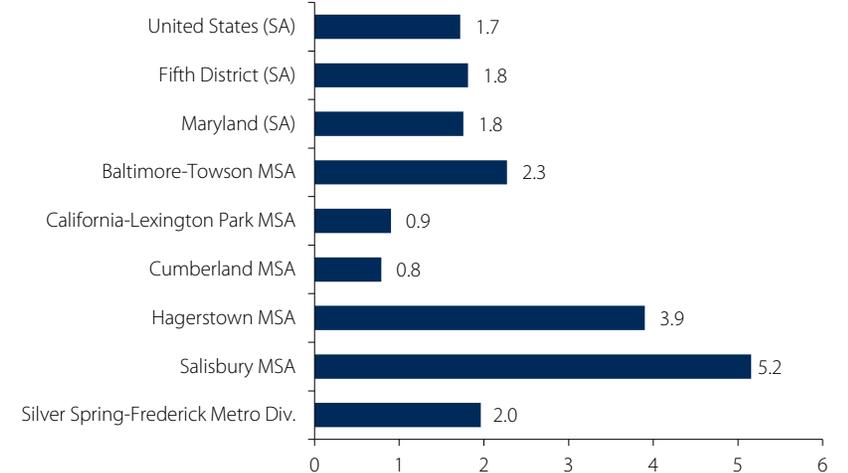
### Maryland Payroll Employment Performance

Year-over-Year Percent Change through August 2016



### Maryland Total Employment Performance

Year-over-Year Percent Change through August 2016



# SNAPSHOT

# A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY

October 2016

FEDERAL RESERVE BANK OF RICHMOND

## MARYLAND

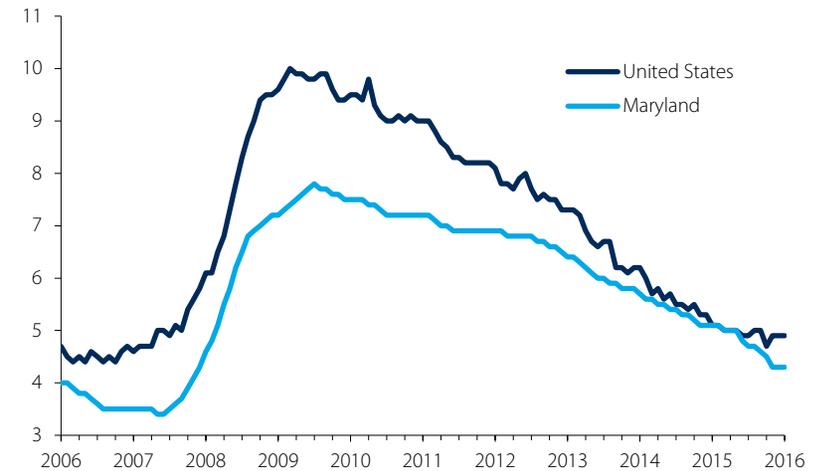
### Labor Market Conditions

| Unemployment Rate (SA)             | August 16 | July 16 | August 15 |
|------------------------------------|-----------|---------|-----------|
| United States                      | 4.9       | 4.9     | 5.1       |
| Fifth District                     | 4.5       | 4.5     | 5.2       |
| Maryland                           | 4.3       | 4.3     | 5.1       |
| Baltimore-Towson MSA               | 4.5       | 4.4     | 5.2       |
| California-Lexington Park MSA      | 4.2       | 4.2     | 4.9       |
| Cumberland MSA                     | 6.2       | 6.0     | 7.1       |
| Hagerstown MSA                     | 4.8       | 4.4     | 5.4       |
| Salisbury MSA                      | 5.5       | 5.4     | 6.3       |
| Silver Spring-Frederick Metro Div. | 3.5       | 3.4     | 4.0       |

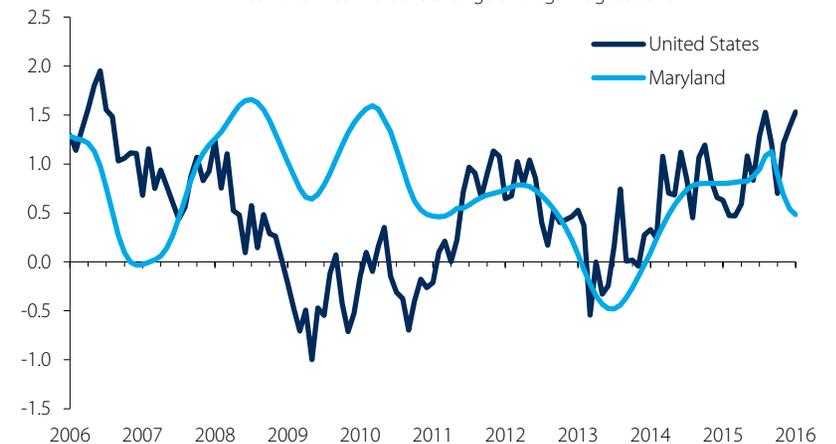
| Civilian Labor Force (SA)          | Period | Level (000s) | MoM % Change | YoY % Change |
|------------------------------------|--------|--------------|--------------|--------------|
| United States                      | August | 159,463      | 0.11         | 1.53         |
| Fifth District                     | August | 15,658       | -0.10        | 0.60         |
| Maryland                           | August | 3,166        | 0.01         | 0.48         |
| Baltimore-Towson MSA               | August | 1,485        | 0.21         | 0.70         |
| California-Lexington Park MSA      | August | 54           | -0.37        | -0.55        |
| Cumberland MSA                     | August | 44           | 0.00         | -0.68        |
| Hagerstown MSA                     | August | 130          | 0.54         | 1.80         |
| Salisbury MSA                      | August | 190          | -0.11        | 3.10         |
| Silver Spring-Frederick Metro Div. | August | 678          | 0.43         | 3.50         |

| Initial Unemployment Claims (NSA) | Period | Level     | MoM % Change | YoY % Change |
|-----------------------------------|--------|-----------|--------------|--------------|
| United States                     | August | 1,005,506 | -5.34        | 2.09         |
| Fifth District                    | August | 66,193    | -1.50        | 6.14         |
| Maryland                          | August | 17,054    | 5.12         | 14.21        |

Maryland Unemployment Rate  
Through August 2016



Maryland Labor Force  
Year-over-Year Percent Change through August 2016



MARYLAND

Household Conditions

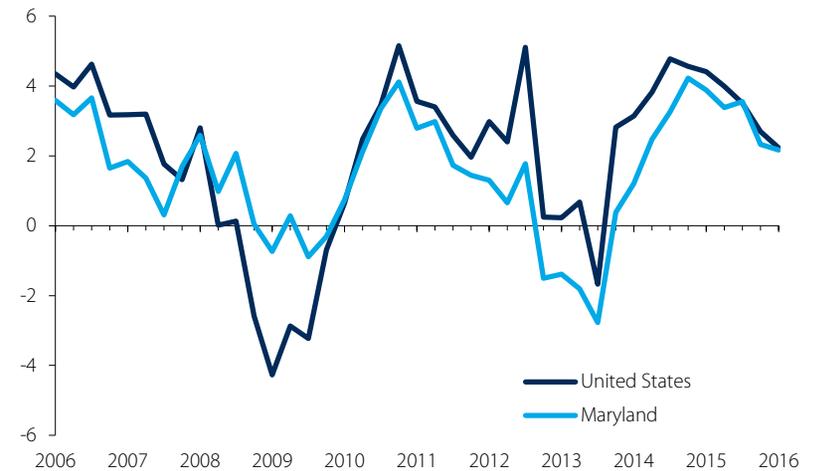
| Real Personal Income (SA) | Period | Level (\$mil) | QoQ % Change | YoY % Change |
|---------------------------|--------|---------------|--------------|--------------|
| United States             | Q2:16  | 14,387,983    | 0.52         | 2.23         |
| Fifth District            | Q2:16  | 1,386,886     | 0.54         | 2.56         |
| Maryland                  | Q2:16  | 312,552       | 0.60         | 2.17         |

| Median Family Income               | Period | Level (000s) | QoQ % Change | YoY % Change |
|------------------------------------|--------|--------------|--------------|--------------|
| Baltimore-Towson MSA               | 2016   | 86.7         | ---          | -3.24        |
| Silver Spring-Frederick Metro Div. | 2016   | 113.0        | ---          | -1.40        |
| Cumberland MSA                     | 2016   | 55.1         | ---          | 6.78         |
| Hagerstown MSA                     | 2016   | 69.9         | ---          | 7.04         |
| Salisbury MSA                      | 2016   | 62.0         | ---          | 2.14         |

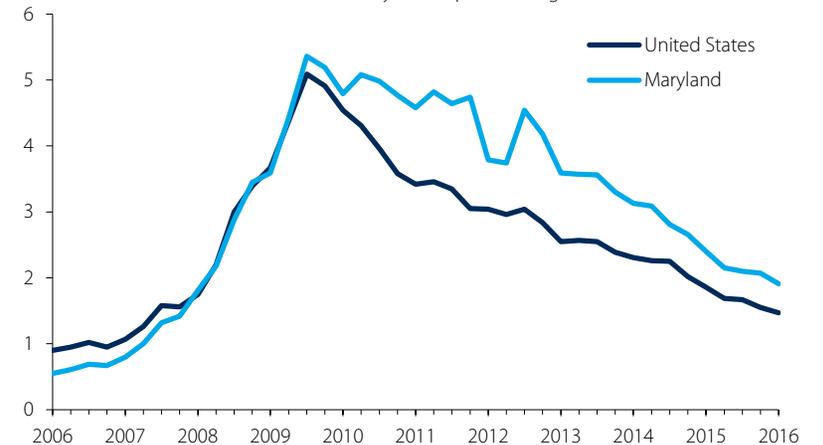
| Non-Business Bankruptcies | Period | Level   | QoQ % Change | YoY % Change |
|---------------------------|--------|---------|--------------|--------------|
| United States             | Q2:16  | 202,334 | 3.40         | -6.85        |
| Fifth District            | Q2:16  | 16,806  | 3.54         | -0.20        |
| Maryland                  | Q2:16  | 4,544   | 4.53         | -0.22        |

| Mortgage Delinquencies (% 90+ Days Delinquent) | Q2:16 | Q1:16 | Q2:15 |
|--|-------|-------|-------|
| <b>United States</b>                           |       |       |       |
| All Mortgages                                  | 1.47  | 1.55  | 1.86  |
| Prime  | 0.83  | 0.89  | 1.05  |
| Subprime                                       | 5.82  | 6.07  | 6.61  |
| <b>Maryland</b>                                |       |       |       |
| All Mortgages                                  | 1.91  | 2.07  | 2.40  |
| Prime  | 1.01  | 1.13  | 1.41  |
| Subprime                                       | 7.62  | 7.96  | 7.27  |

Maryland Real Personal Income  
Year-over-Year Percent Change through Q2:16



Maryland Mortgage Delinquencies  
Percent 90+ Days Delinquent through Q2:16



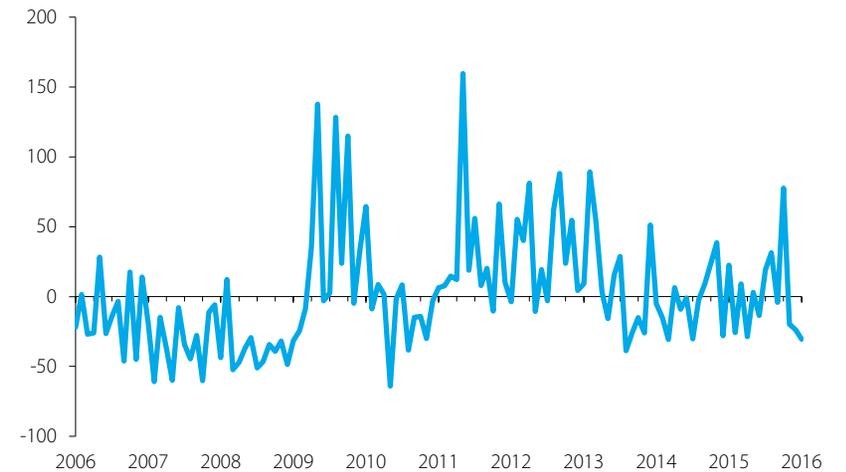
MARYLAND

Real Estate Conditions

| Total Private Building Permits (NSA) | Period | Level   | MoM % Change | YoY % Change |
|--------------------------------------|--------|---------|--------------|--------------|
| United States                        | August | 108,421 | 13.98        | 11.55        |
| Fifth District                       | August | 13,164  | 4.71         | 12.17        |
| Maryland                             | August | 1,146   | 10.19        | -30.38       |
| Baltimore-Towson MSA                 | August | 483     | 16.11        | -57.10       |
| Cumberland MSA                       | August | 5       | -50.00       | 66.67        |
| Hagerstown MSA                       | August | 92      | 17.95        | 4.55         |
| Salisbury MSA                        | August | 283     | 38.05        | 8.43         |

| Total Private Housing Starts (SAAR) | Period | Level (000s) | MoM % Change | YoY % Change |
|-------------------------------------|--------|--------------|--------------|--------------|
| United States                       | August | 1,142        | -5.78        | 0.88         |
| Fifth District                      | August | 135          | -19.75       | -12.15       |
| Maryland                            | August | 11.7         | -15.51       | -45.46       |

Maryland Building Permits  
Year-over-Year Percent Change through August 2016



Maryland Housing Starts  
Thousands of Units (SAAR) August 2016



# SNAPSHOT

# A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY

October 2016

FEDERAL RESERVE BANK OF RICHMOND

## MARYLAND

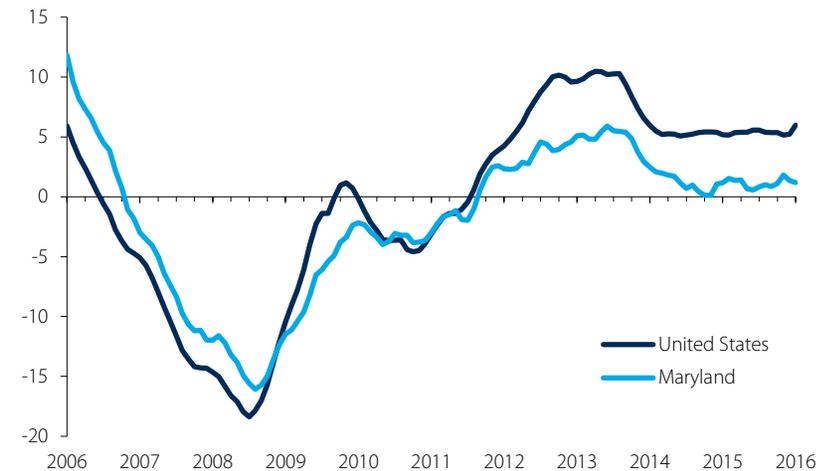
### Real Estate Conditions

| House Price Index (2000=100) | Period | Level | MoM % Change | YoY % Change |
|------------------------------|--------|-------|--------------|--------------|
| United States                | July   | 182   | 1.09         | 5.99         |
| Fifth District               | July   | 187   | 0.57         | 3.12         |
| Maryland                     | July   | 191   | 0.73         | 1.19         |
| Baltimore-Towson MSA         | July   | 190   | 0.73         | 1.28         |
| Cumberland MSA               | July   | 191   | 0.73         | 5.52         |
| Hagerstown MSA               | July   | 155   | 0.73         | 4.09         |
| Salisbury MSA                | July   | 211   | 0.73         | 2.09         |

| Median Home Sales Price - NAR (NSA) | Period | Level (\$000s) | QoQ % Change | YoY % Change |
|-------------------------------------|--------|----------------|--------------|--------------|
| Baltimore-Towson MSA                | Q2:16  | 266            | 15.97        | 4.44         |
| Cumberland MSA                      | Q2:16  | 95             | 40.80        | 15.17        |
| Hagerstown MSA                      | Q2:16  | 167            | 14.04        | 6.32         |

| Median Home Sales Price - NAHB     | Period | Level (\$000s) | QoQ % Change | YoY % Change |
|------------------------------------|--------|----------------|--------------|--------------|
| Baltimore-Towson MSA               | Q2:16  | 248            | 9.25         | 12.22        |
| Silver Spring-Frederick Metro Div. | Q2:16  | 330            | -5.71        | -5.71        |
| Cumberland MSA                     | Q2:16  | 79             | -2.47        | -1.25        |
| Hagerstown MSA                     | Q2:16  | 167            | 18.44        | 9.87         |
| Salisbury MSA                      | Q2:16  | 180            | 9.76         | 26.76        |

Maryland House Price Index (CoreLogic)  
Year-over-Year Percent Change through July 2016



Baltimore-Towson MSA Median Home Sales Price (NAR)  
Year-over-Year Percent Change through Q2:16



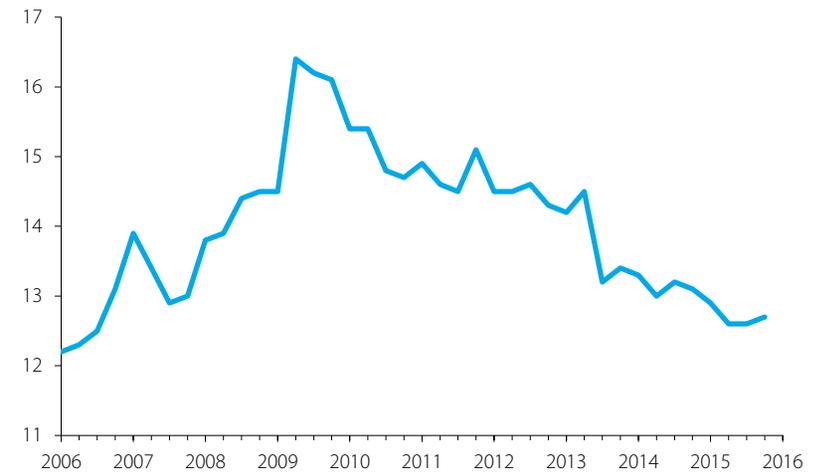
MARYLAND

Real Estate Conditions

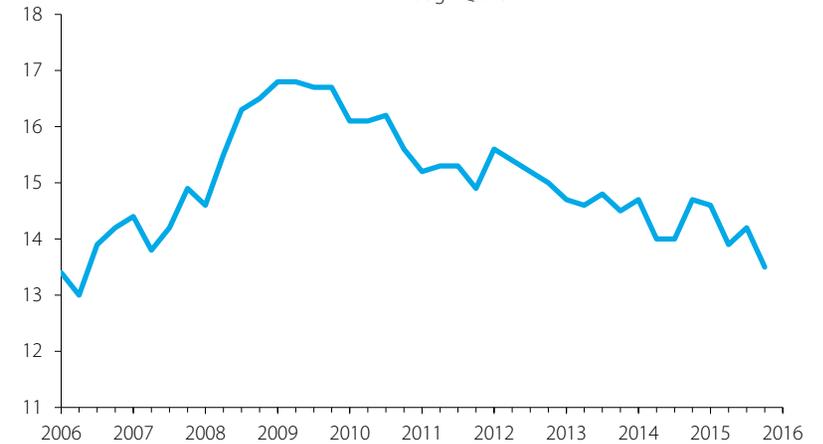
| Housing Opportunity Index (%)      | Q2:16 | Q1:16 | Q2:15 |
|------------------------------------|-------|-------|-------|
| Baltimore-Towson MSA               | 74.8  | 76.9  | 81.3  |
| Silver Spring-Frederick Metro Div. | 77.9  | 73.9  | 72.9  |
| Cumberland MSA                     | 97.9  | 98.0  | 93.0  |
| Hagerstown MSA                     | 85.0  | 91.3  | 86.2  |
| Salisbury MSA                      | 80.1  | 74.2  | 80.8  |

| Commercial Vacancy Rates (%)             | Q2:16 | Q1:16 | Q2:15 |
|--|-------|-------|-------|
| <b>Office Vacancies</b>                  |       |       |       |
| Baltimore-Towson MSA                     | 12.7  | 12.6  | 13.1  |
| <b>Retail Vacancies</b>                  |       |       |       |
| Baltimore-Towson MSA                     | 6.2   | 6.3   | 6.7   |
| <b>Industrial Vacancies</b>              |       |       |       |
| Baltimore-Towson MSA                     | 13.5  | 14.2  | 14.7  |
| Suburban Maryland (Washington, D.C. MSA) | ---   | 12.9  | 13.9  |

Baltimore-Towson MSA Office Vacancy Rate  
Through Q2:16



Baltimore-Towson MSA Industrial Vacancy Rate  
Through Q2:16



## NORTH CAROLINA

### October Summary

Economic conditions in North Carolina varied recently as the labor market contracted, housing market indicators were mixed, and household conditions were generally stable.

**Labor Markets:** Total employment in North Carolina contracted 0.3 percent in August as employers cut 14,100 jobs in the month. The largest loss was reported by the government sector, which cut 11,000 jobs (1.5 percent), primarily from local government payrolls. Job losses spread across the state's private sector industries as well. The only industries to add jobs in August were manufacturing (1,400 jobs), education and health services (1,900 jobs), and "other" services (200 jobs). On a year-over-year basis, payroll employment in North Carolina grew 1.8 percent by adding 74,800 jobs to the economy. The professional and business services industry accounted for nearly one third of the net job gain, adding 25,100 jobs (4.2 percent) since August 2015. The second largest expansion in percentage terms came from the construction industry, which grew 3.1 percent by adding 5,900 jobs. The only industries to contract over the last twelve months were manufacturing, information, and financial services.

**Household Conditions:** North Carolina's unemployment rate fell 0.1 percentage point to 4.6 percent in August. In the state's metro areas, however, unemployment rates ticked up in a majority of MSAs and ranged from 3.9 percent in Asheville to 5.8 percent in Fayetteville. In the second quarter of 2016, real personal income in North Carolina rose 0.6 percent and was 3.3 percent higher than in the second quarter of 2015. Also in the second quarter, the share of mortgages with payments 90 or more days past due was virtually unchanged at 1.5 percent. The prime delinquency rate edged down to 0.7 percent in the quarter while the subprime rate declined 0.1 percentage point to 6.7 percent.

**Housing Markets:** North Carolina issued 5,362 new residential permits in August, down 9.5 percent from the prior month but up 24.7 percent from August 2015. The Charlotte MSA accounted for more than half of the permits issued in the state in August with 2,308 permits, which was a slight decline from the prior month but 67.9 percent more than were issued last August. North Carolina housing starts totaled 54,800 in August, down 30.6 percent from July and down 2.4 percent on a year-over-year basis. According to CoreLogic Information Solutions, home values appreciated 0.5 percent in July and 4.3 percent since July 2015. House prices grew in July in every MSA except Hickory and rose in every MSA on a year-over-year basis except Fayetteville.

### A Closer Look at... Gross Domestic Product by MSA

Real GDP Per Capita in 2015 by MSA (chained 2009 dollars)

| Rank         | Value    | Rank | Value        |          |
|--------------|----------|------|--------------|----------|
| Asheville    | \$33,562 | 12   | Hickory      | \$32,147 |
| Burlington   | \$28,700 | 15   | Jacksonville | \$38,216 |
| Charlotte    | \$55,610 | 2    | New Bern     | \$35,277 |
| Durham       | \$71,334 | 1    | Raleigh      | \$53,462 |
| Fayetteville | \$40,503 | 6    | Rocky Mount  | \$37,919 |
| Goldsboro    | \$31,839 | 14   | Wilmington   | \$43,206 |

Real GDP Growth in 2015 (YoY%)



## NORTH CAROLINA

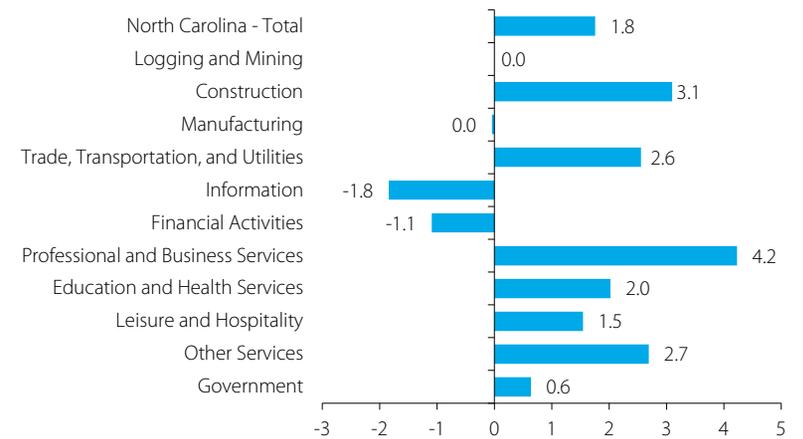
### Labor Market Conditions

| Payroll Employment (SA)              | Period | Level (000s) | MoM % Change | YoY % Change |
|--------------------------------------|--------|--------------|--------------|--------------|
| United States - Total                | August | 144,598.0    | 0.10         | 1.72         |
| Fifth District - Total               | August | 14,573.9     | 0.09         | 1.81         |
| North Carolina - Total               | August | 4,327.2      | -0.32        | 1.76         |
| Logging and Mining                   | August | 5.5          | 0.00         | 0.00         |
| Construction                         | August | 196.1        | -0.05        | 3.10         |
| Manufacturing                        | August | 461.6        | 0.30         | -0.04        |
| Trade, Transportation, and Utilities | August | 818.7        | -0.04        | 2.56         |
| Information                          | August | 74.7         | -1.32        | -1.84        |
| Financial Activities                 | August | 217.5        | -0.73        | -1.09        |
| Professional and Business Services   | August | 618.6        | -0.21        | 4.23         |
| Education and Health Services        | August | 585.1        | 0.33         | 2.02         |
| Leisure and Hospitality              | August | 467.0        | -0.49        | 1.54         |
| Other Services                       | August | 156.4        | 0.13         | 2.69         |
| Government                           | August | 726.0        | -1.49        | 0.64         |

| Metro Payroll Employment (NSA)    | Period | Level (000s) | YoY % Change |
|-----------------------------------|--------|--------------|--------------|
| Asheville MSA - Total             | August | 185.5        | 1.76         |
| Charlotte MSA - Total             | August | 1,133.1      | 2.59         |
| Durham MSA - Total                | August | 301.7        | 2.24         |
| Fayetteville MSA - Total          | August | 128.4        | 2.31         |
| Greensboro-High Point MSA - Total | August | 360.6        | 1.58         |
| Raleigh-Cary MSA - Total          | August | 601.4        | 2.47         |
| Wilmington MSA - Total            | August | 123.3        | 1.07         |
| Winston-Salem MSA - Total         | August | 258.1        | 0.70         |

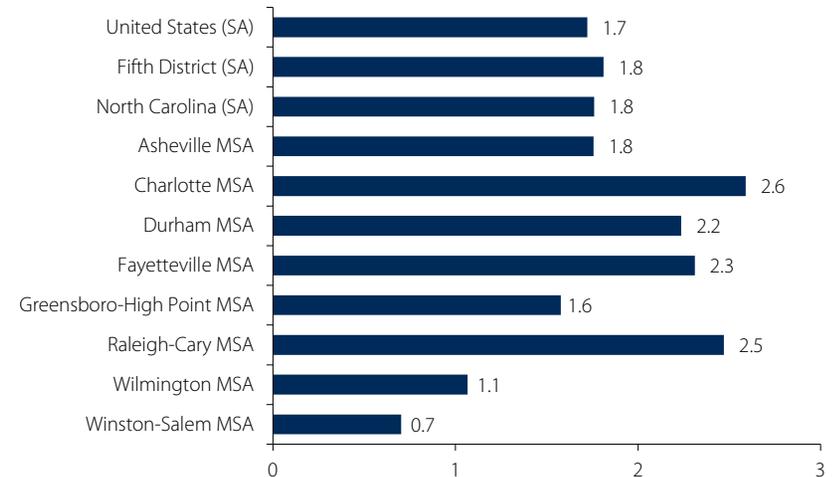
North Carolina Payroll Employment Performance

Year-over-Year Percent Change through August 2016



North Carolina Total Employment Performance

Year-over-Year Percent Change through August 2016



# NORTH CAROLINA

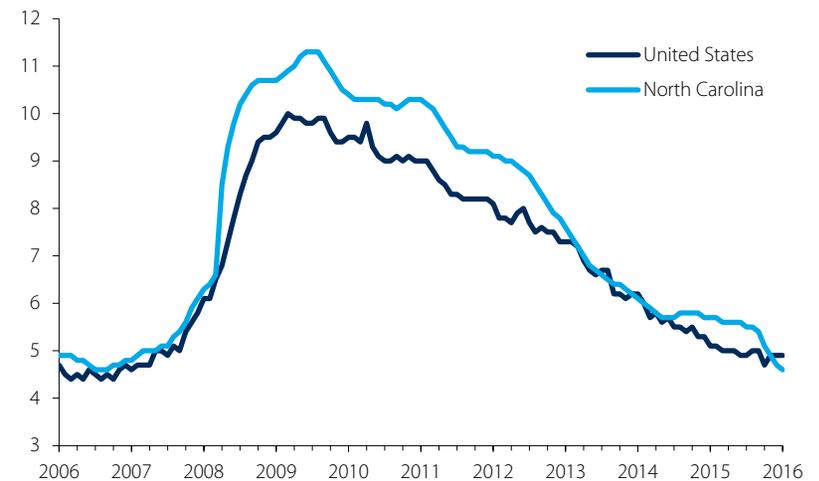
## Labor Market Conditions

| Unemployment Rate (SA)    | August 16 | July 16 | August 15 |
|---------------------------|-----------|---------|-----------|
| United States             | 4.9       | 4.9     | 5.1       |
| Fifth District            | 4.5       | 4.5     | 5.2       |
| North Carolina            | 4.6       | 4.7     | 5.7       |
| Asheville MSA             | 3.9       | 3.8     | 4.6       |
| Charlotte MSA             | 4.5       | 4.5     | 5.4       |
| Durham MSA                | 4.1       | 4.0     | 5.0       |
| Fayetteville MSA          | 5.8       | 5.8     | 7.4       |
| Greensboro-High Point MSA | 4.8       | 4.6     | 5.9       |
| Raleigh-Cary MSA          | 4.0       | 3.9     | 4.7       |
| Wilmington MSA            | 4.6       | 4.4     | 5.5       |
| Winston-Salem MSA         | 4.5       | 4.4     | 5.5       |

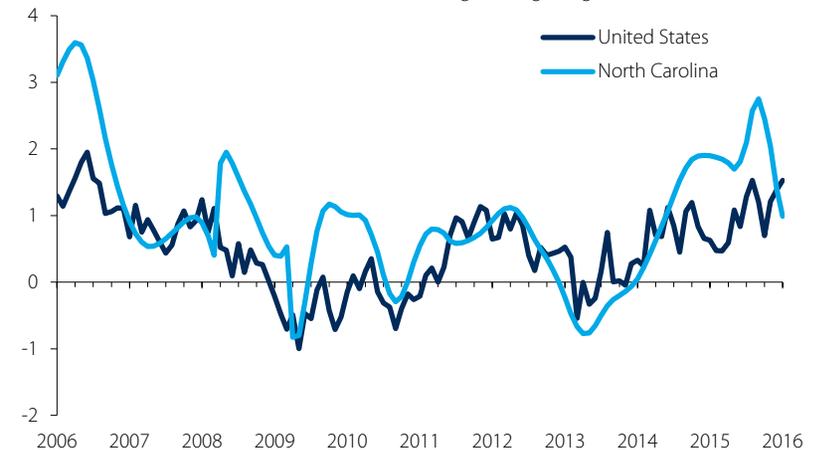
| Civilian Labor Force (SA) | Period | Level (000s) | MoM % Change | YoY % Change |
|---------------------------|--------|--------------|--------------|--------------|
| United States             | August | 159,463      | 0.11         | 1.53         |
| Fifth District            | August | 15,658       | -0.10        | 0.60         |
| North Carolina            | August | 4,811        | -0.34        | 0.99         |
| Asheville MSA             | August | 221          | 0.36         | 1.10         |
| Charlotte MSA             | August | 1,258        | -0.25        | 1.67         |
| Durham MSA                | August | 285          | 0.07         | 1.49         |
| Fayetteville MSA          | August | 147          | 0.14         | 0.89         |
| Greensboro-High Point MSA | August | 367          | 0.05         | 0.66         |
| Raleigh-Cary MSA          | August | 673          | -0.31        | 2.20         |
| Wilmington MSA            | August | 141          | 0.07         | 0.64         |
| Winston-Salem MSA         | August | 319          | -0.19        | 0.16         |

| Initial Unemployment Claims (NSA) | Period | Level     | MoM % Change | YoY % Change |
|-----------------------------------|--------|-----------|--------------|--------------|
| United States                     | August | 1,005,506 | -5.34        | 2.09         |
| Fifth District                    | August | 66,193    | -1.50        | 6.14         |
| North Carolina                    | August | 16,322    | 4.94         | 0.14         |

North Carolina Unemployment Rate  
Through August 2016



North Carolina Labor Force  
Year-over-Year Percent Change through August 2016



## NORTH CAROLINA

### Household Conditions

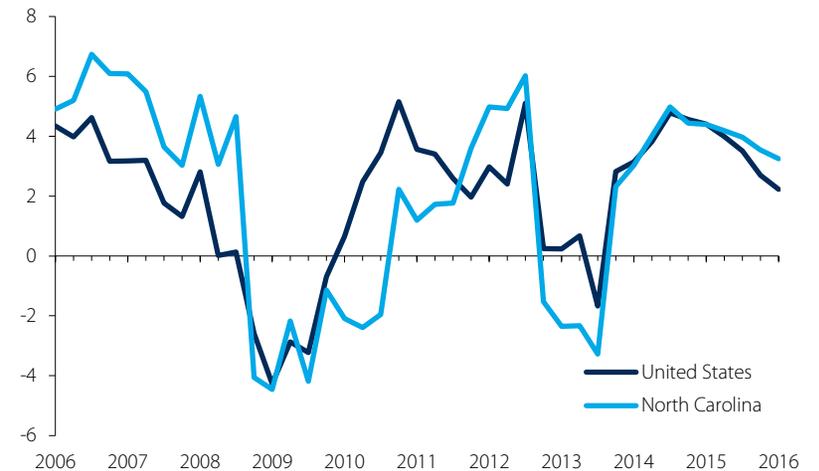
| Real Personal Income (SA) | Period | Level (\$mil) | QoQ % Change | YoY % Change |
|---------------------------|--------|---------------|--------------|--------------|
| United States             | Q2:16  | 14,387,983    | 0.52         | 2.23         |
| Fifth District            | Q2:16  | 1,386,886     | 0.54         | 2.56         |
| North Carolina            | Q2:16  | 383,874       | 0.57         | 3.25         |

| Median Family Income      | Period | Level (000s) | QoQ % Change | YoY % Change |
|---------------------------|--------|--------------|--------------|--------------|
| Asheville MSA             | 2016   | 57.9         | ---          | 3.58         |
| Charlotte MSA             | 2016   | 67.0         | ---          | -0.30        |
| Durham MSA                | 2016   | 74.9         | ---          | 11.13        |
| Fayetteville MSA          | 2016   | 52.2         | ---          | -3.87        |
| Greensboro-High Point MSA | 2016   | 57.2         | ---          | 5.93         |
| Raleigh-Cary MSA          | 2016   | 76.6         | ---          | -2.79        |
| Winston-Salem MSA         | 2016   | 58.5         | ---          | 4.28         |

| Non-Business Bankruptcies | Period | Level   | QoQ % Change | YoY % Change |
|---------------------------|--------|---------|--------------|--------------|
| United States             | Q2:16  | 202,334 | 3.40         | -6.85        |
| Fifth District            | Q2:16  | 16,806  | 3.54         | -0.20        |
| North Carolina            | Q2:16  | 3,796   | 4.89         | -3.63        |

| Mortgage Delinquencies (% 90+ Days Delinquent) | Q2:16 | Q1:16 | Q2:15 |
|--|-------|-------|-------|
| <b>United States</b>                           |       |       |       |
| All Mortgages                                  | 1.47  | 1.55  | 1.86  |
| Prime  | 0.83  | 0.89  | 1.05  |
| Subprime                                       | 5.82  | 6.07  | 6.61  |
| <b>North Carolina</b>                          |       |       |       |
| All Mortgages                                  | 1.45  | 1.54  | 1.86  |
| Prime  | 0.70  | 0.76  | 0.92  |
| Subprime                                       | 6.66  | 6.83  | 7.57  |

North Carolina Real Personal Income  
Year-over-Year Percent Change through Q2:16



North Carolina Mortgage Delinquencies  
Percent 90+ Days Delinquent through Q2:16



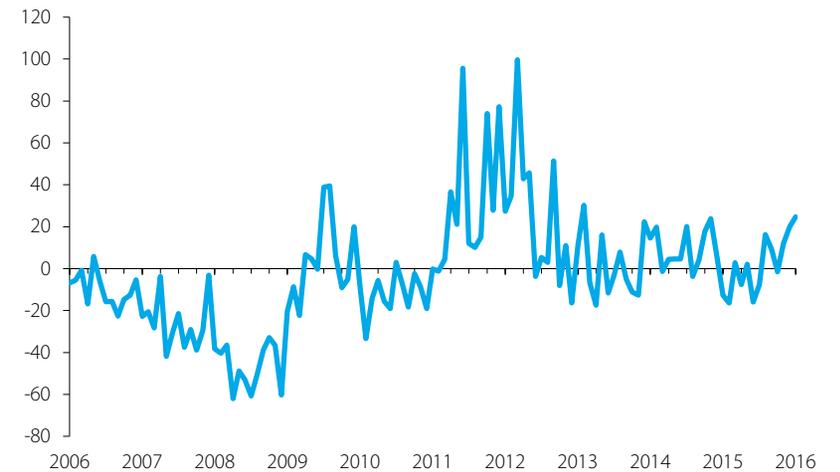
## NORTH CAROLINA

### Real Estate Conditions

| Total Private Building Permits (NSA) | Period | Level   | MoM % Change | YoY % Change |
|--------------------------------------|--------|---------|--------------|--------------|
| United States                        | August | 108,421 | 13.98        | 11.55        |
| Fifth District                       | August | 13,164  | 4.71         | 12.17        |
| North Carolina                       | August | 5,362   | -9.46        | 24.67        |
| Asheville MSA                        | August | 166     | 1.22         | -15.74       |
| Charlotte MSA                        | August | 2,308   | -1.66        | 67.85        |
| Durham MSA                           | August | 297     | -15.38       | -15.38       |
| Fayetteville MSA                     | August | 70      | 42.86        | -72.76       |
| Greensboro-High Point MSA            | August | 215     | 37.82        | 11.98        |
| Greenville MSA                       | August | 118     | -22.37       | 490.00       |
| Hickory MSA                          | August | 8       | -11.11       | 700.00       |
| Jacksonville MSA                     | August | 74      | -2.63        | -45.99       |
| Raleigh-Cary MSA                     | August | 1,233   | -25.99       | 28.44        |
| Wilmington MSA                       | August | 157     | 101.28       | 4.67         |
| Winston-Salem MSA                    | August | 178     | 114.46       | 74.51        |

| Total Private Housing Starts (SAAR) | Period | Level (000s) | MoM % Change | YoY % Change |
|-------------------------------------|--------|--------------|--------------|--------------|
| United States                       | August | 1,142        | -5.78        | 0.88         |
| Fifth District                      | August | 135          | -19.75       | -12.15       |
| North Carolina                      | August | 54.8         | -30.59       | -2.35        |

North Carolina Building Permits  
Year-over-Year Percent Change through August 2016



North Carolina Housing Starts  
Thousands of Units (SAAR) August 2016



## NORTH CAROLINA

### Real Estate Conditions

| House Price Index (2000=100) | Period | Level | MoM % Change | YoY % Change |
|------------------------------|--------|-------|--------------|--------------|
| United States                | July   | 182   | 1.09         | 5.99         |
| Fifth District               | July   | 187   | 0.57         | 3.12         |
| North Carolina               | July   | 143   | 0.51         | 4.26         |
| Asheville MSA                | July   | 194   | 2.23         | 8.07         |
| Charlotte MSA                | July   | 146   | 0.59         | 5.54         |
| Durham MSA                   | July   | 149   | 0.76         | 4.76         |
| Fayetteville MSA             | July   | 122   | 0.37         | -1.54        |
| Greensboro-High Point MSA    | July   | 121   | 0.17         | 3.20         |
| Greenville MSA               | July   | 125   | 0.40         | 2.97         |
| Hickory MSA                  | July   | 136   | -0.69        | 1.69         |
| Jacksonville MSA             | July   | 142   | -1.15        | 0.21         |
| Raleigh-Cary MSA             | July   | 142   | 0.69         | 4.95         |
| Wilmington MSA               | July   | 168   | 0.73         | 3.89         |
| Winston-Salem MSA            | July   | 131   | 0.15         | 1.48         |

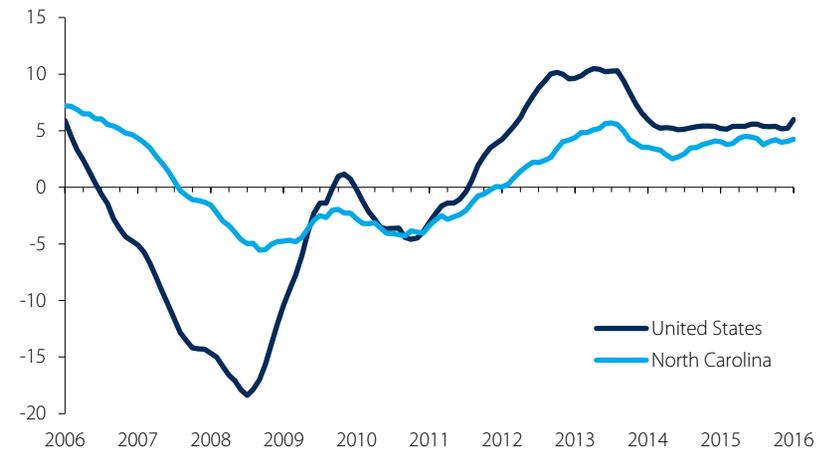
  

| Median Home Sales Price - NAR (NSA) | Period | Level (\$000s) | QoQ % Change | YoY % Change |
|-------------------------------------|--------|----------------|--------------|--------------|
| Charlotte MSA                       | Q2:16  | 218            | 18.02        | 5.57         |
| Durham MSA                          | Q2:16  | 246            | 9.30         | 5.13         |
| Greensboro-High Point MSA           | Q2:16  | 159            | 12.82        | -0.31        |
| Raleigh-Cary MSA                    | Q2:16  | 259            | 10.88        | 4.40         |

| Median Home Sales Price - NAHB | Period | Level (\$000s) | QoQ % Change | YoY % Change |
|--------------------------------|--------|----------------|--------------|--------------|
| Asheville MSA                  | Q2:16  | 234            | 10.38        | 8.84         |
| Charlotte MSA                  | Q2:16  | 208            | 8.33         | -2.80        |
| Durham MSA                     | Q2:16  | 225            | 7.14         | 3.21         |
| Fayetteville MSA               | Q2:16  | 130            | 4.00         | 2.36         |
| Greensboro-High Point MSA      | Q2:16  | 150            | 9.49         | 0.67         |
| Raleigh-Cary MSA               | Q2:16  | 260            | 7.44         | 4.00         |
| Winston-Salem MSA              | Q2:16  | 154            | 18.46        | 8.45         |

North Carolina House Price Index (CoreLogic)  
Year-over-Year Percent Change through July 2016



Greensboro MSA Median Home Sales Price (NAR)  
Year-over-Year Percent Change through Q2:16



NORTH CAROLINA

Real Estate Conditions

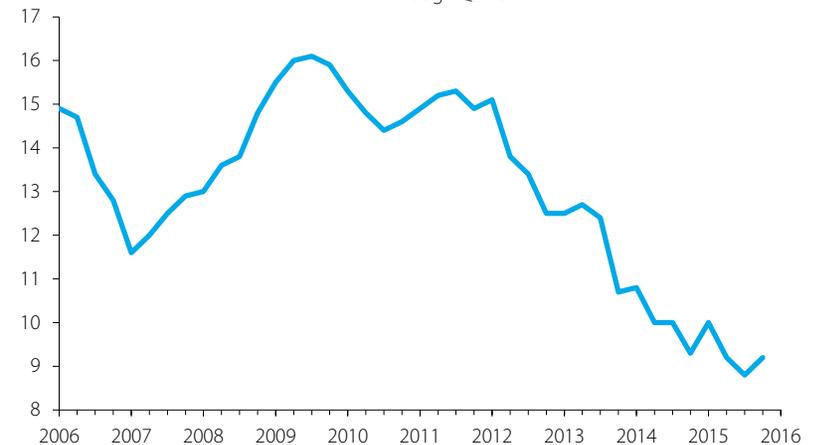
| Housing Opportunity Index (%) | Q2:16 | Q1:16 | Q2:15 |
|-------------------------------|-------|-------|-------|
| Asheville MSA                 | 60.0  | 64.8  | 61.9  |
| Charlotte MSA                 | 70.0  | 70.2  | 66.7  |
| Durham MSA                    | 73.7  | 75.5  | 68.3  |
| Fayetteville MSA              | 79.5  | 79.7  | 81.1  |
| Greensboro-High Point MSA     | 76.7  | 79.8  | 75.3  |
| Raleigh-Cary MSA              | 69.0  | 72.7  | 71.5  |
| Winston-Salem MSA             | 79.8  | 86.5  | 79.5  |

| Commercial Vacancy Rates (%) | Q2:16 | Q1:16 | Q2:15 |
|------------------------------|-------|-------|-------|
| <b>Office Vacancies</b>      |       |       |       |
| Raleigh/Durham               | 9.2   | 8.8   | 9.3   |
| Charlotte                    | 9.9   | 10.4  | 11.5  |
| <b>Retail Vacancies</b>      |       |       |       |
| Raleigh/Durham               | 5.6   | 5.8   | 5.7   |
| Charlotte                    | 7.4   | 7.7   | 8.1   |
| <b>Industrial Vacancies</b>  |       |       |       |
| Raleigh/Durham               | 9.8   | 10.5  | 11.7  |
| Charlotte                    | 7.2   | 7.9   | 9.6   |

Charlotte MSA Office Vacancy Rate  
Through Q2:16



Raleigh/Durham CSA Industrial Vacancy Rate  
Through Q2:16



## SOUTH CAROLINA

### October Summary

According to recent reports, South Carolina's economy improved as labor markets strengthened and conditions in housing markets and among area households were generally positive.

**Labor Markets:** Payroll employment in South Carolina grew 0.3 percent in August as firms added 5,700 jobs to the economy. The education and health services industry accounted for the majority of the net job gain, adding 2,600 jobs (1.1 percent) in the month. The next largest gains came from the trade, transportation, and utilities industry, which added 1,400 jobs, and the "other" services industry that added 900 jobs. The only industry to cut jobs in the month was leisure and hospitality (400 jobs). On a year-over-year basis, total employment in South Carolina increased 2.5 percent, the largest growth among District jurisdictions. At the industry level, the most jobs were added by professional and business services firms (13,100 jobs), followed by education and health services firms, which added 11,200 jobs. The only industry to cut jobs since August 2015 was the information industry, which cut 700 jobs (2.6 percent) from payrolls.

**Household Conditions:** The unemployment rate in South Carolina ticked down 0.1 percentage point to 5.1 percent in August. At the metro level, unemployment rates were unchanged in every MSA in the month except Myrtle Beach, where the rate edged up to 6.1 percent. In the second quarter of 2016, real personal income rose 0.4 percent and increased 3.2 percent since the second quarter of 2015. Also in the second quarter, the share of mortgages with payments 90 or more days overdue fell 0.1 percentage point to 1.5 percent. The subprime delinquency rate fell 0.3 percentage point to 5.4 percent in the quarter while the prime delinquency rate edged slightly lower to 0.8 percent.

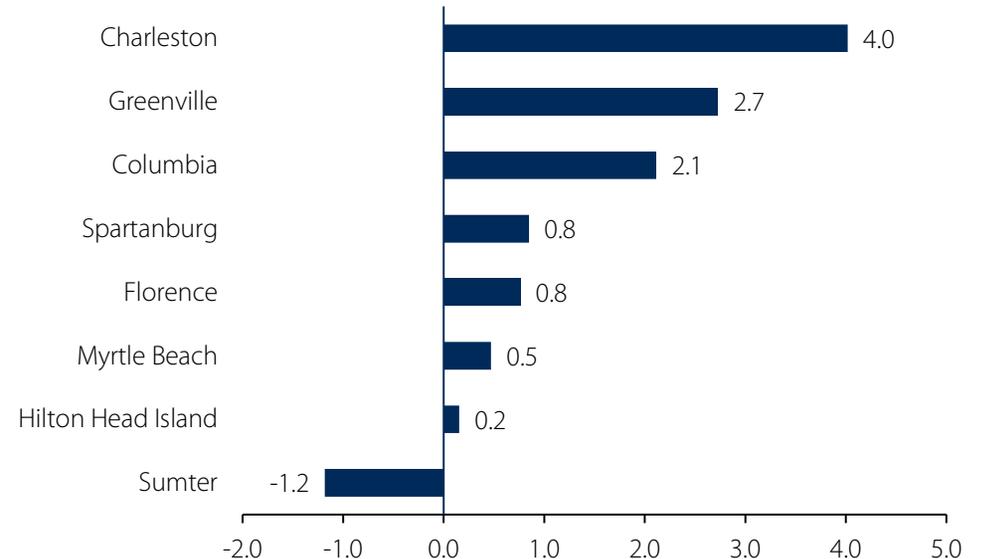
**Housing Markets:** South Carolina issued 3,028 new residential permits in August, up 7.0 percent from July and up 21.4 percent from August 2015. In the state's metro areas, permitting reports were mostly positive, with a majority of MSAs issuing more permits in the month and on a year-over-year basis. Housing starts in South Carolina totaled 30,900 in August, down 18.0 percent in the month and down 4.9 percent from August 2015. Home values in the state, according to CoreLogic Information Solutions, appreciated 0.9 percent in July and 5.7 percent on a year-over-year basis. Home prices grew in August and on a year-over-year basis in every metro area in South Carolina led by the Charleston MSA, where prices rose 5.9 percent since August 2015.

### A Closer Look at... Gross Domestic Product by MSA

#### Real GDP Per Capita in 2015 by MSA (chained 2009 dollars)

|                    | <u>Value</u> | <u>Rank</u> |
|--------------------|--------------|-------------|
| Charleston         | \$43,707     | 1           |
| Columbia           | \$42,201     | 2           |
| Florence           | \$35,220     | 5           |
| Greenville         | \$39,213     | 3           |
| Hilton Head Island | \$34,285     | 6           |
| Myrtle Beach       | \$33,026     | 7           |
| Spartanburg        | \$38,771     | 4           |

#### Real GDP Growth in 2015 (YoY%)



## SOUTH CAROLINA

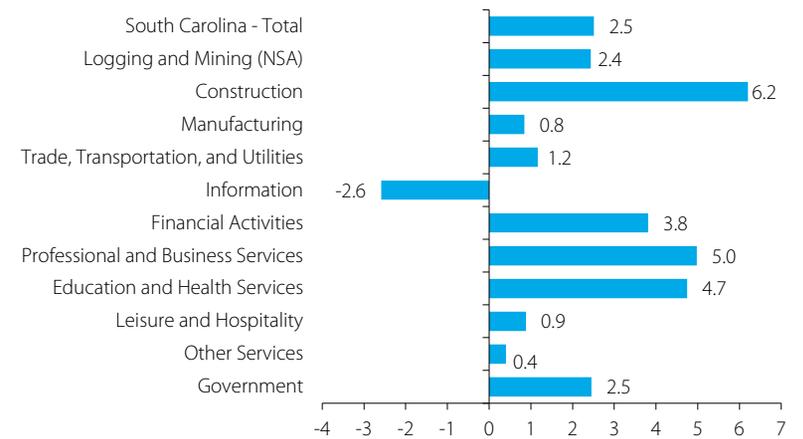
### Labor Market Conditions

| Payroll Employment (SA)              | Period | Level (000s) | MoM % Change | YoY % Change |
|--------------------------------------|--------|--------------|--------------|--------------|
| United States - Total                | August | 144,598.0    | 0.10         | 1.72         |
| Fifth District - Total               | August | 14,573.9     | 0.09         | 1.81         |
| South Carolina - Total               | August | 2,060.8      | 0.28         | 2.51         |
| Logging and Mining (NSA)             | August | 4.2          | 0.00         | 2.44         |
| Construction                         | August | 92.5         | 0.22         | 6.20         |
| Manufacturing                        | August | 238.4        | 0.17         | 0.85         |
| Trade, Transportation, and Utilities | August | 391.8        | 0.36         | 1.16         |
| Information                          | August | 26.4         | 1.15         | -2.58        |
| Financial Activities                 | August | 100.8        | 0.20         | 3.81         |
| Professional and Business Services   | August | 276.5        | 0.04         | 4.97         |
| Education and Health Services        | August | 247.2        | 1.06         | 4.75         |
| Leisure and Hospitality              | August | 241.0        | -0.17        | 0.88         |
| Other Services                       | August | 74.1         | 1.23         | 0.41         |
| Government                           | August | 367.9        | 0.00         | 2.45         |

| Metro Payroll Employment (NSA)  | Period | Level (000s) | YoY % Change |
|---------------------------------|--------|--------------|--------------|
| Charleston MSA - Total          | August | 344.7        | 2.50         |
| Columbia MSA - Total            | August | 392.8        | 2.29         |
| Florence MSA - Total            | August | 86.9         | 1.16         |
| Greenville-Anderson MSA - Total | August | 406.8        | 0.99         |
| Hilton Head Island MSA - Total  | August | 79.0         | 3.00         |
| Myrtle Beach MSA - Total        | August | 167.5        | 2.51         |
| Spartanburg MSA - Total         | August | 144.0        | 0.84         |
| Sumter MSA - Total              | August | 39.1         | 1.03         |

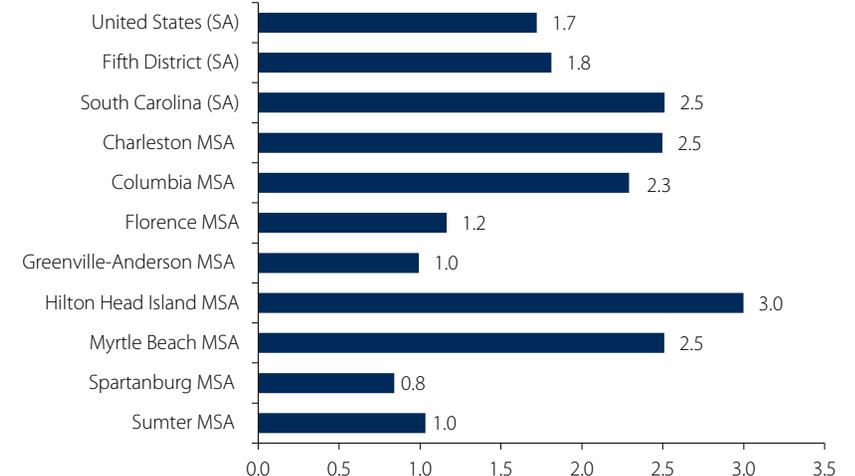
South Carolina Payroll Employment Performance

Year-over-Year Percent Change through August 2016



South Carolina Total Employment Performance

Year-over-Year Percent Change through August 2016



# SNAPSHOT

# A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY

October 2016

FEDERAL RESERVE BANK OF RICHMOND

## SOUTH CAROLINA

### Labor Market Conditions

| Unemployment Rate (SA)  | August 16 | July 16 | August 15 |
|-------------------------|-----------|---------|-----------|
| United States           | 4.9       | 4.9     | 5.1       |
| Fifth District          | 4.5       | 4.5     | 5.2       |
| South Carolina          | 5.1       | 5.2     | 5.6       |
| Charleston MSA          | 4.3       | 4.3     | 4.8       |
| Columbia MSA            | 4.8       | 4.8     | 5.2       |
| Florence MSA            | 5.8       | 5.8     | 6.5       |
| Greenville-Anderson MSA | 4.7       | 4.7     | 5.0       |
| Hilton Head Island MSA  | 4.8       | 4.8     | 5.1       |
| Myrtle Beach MSA        | 6.1       | 6.0     | 7.0       |
| Spartanburg MSA         | 5.0       | 5.0     | 5.5       |
| Sumter MSA              | 6.0       | 6.0     | 6.6       |

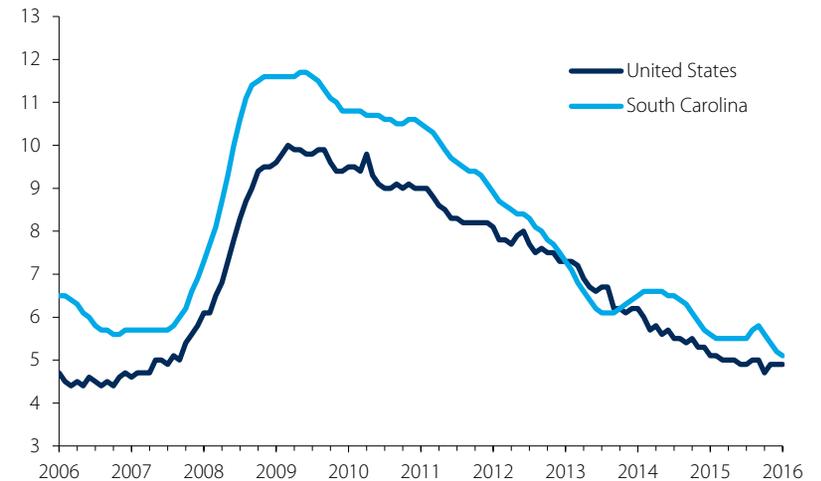
  

| Civilian Labor Force (SA) | Period | Level (000s) | MoM % Change | YoY % Change |
|---------------------------|--------|--------------|--------------|--------------|
| United States             | August | 159,463      | 0.11         | 1.53         |
| Fifth District            | August | 15,658       | -0.10        | 0.60         |
| South Carolina            | August | 2,298        | -0.25        | 2.00         |
| Charleston MSA            | August | 371          | -0.08        | 2.54         |
| Columbia MSA              | August | 404          | 0.12         | 2.15         |
| Florence MSA              | August | 96           | 0.21         | 1.16         |
| Greenville-Anderson MSA   | August | 421          | -0.14        | 1.28         |
| Hilton Head Island MSA    | August | 86           | 0.00         | 3.49         |
| Myrtle Beach MSA          | August | 189          | 0.00         | 2.33         |
| Spartanburg MSA           | August | 153          | 0.07         | 1.19         |
| Sumter MSA                | August | 45           | -0.22        | 1.13         |

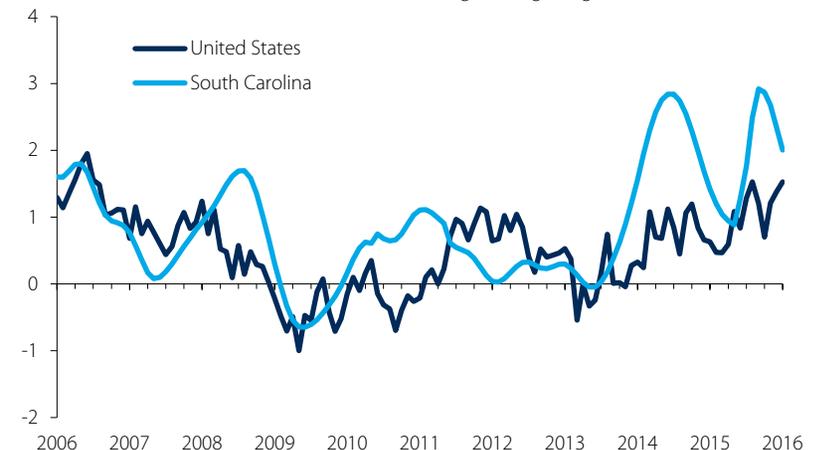
  

| Initial Unemployment Claims (NSA) | Period | Level     | MoM % Change | YoY % Change |
|-----------------------------------|--------|-----------|--------------|--------------|
| United States                     | August | 1,005,506 | -5.34        | 2.09         |
| Fifth District                    | August | 66,193    | -1.50        | 6.14         |
| South Carolina                    | August | 11,552    | -18.84       | 3.65         |

South Carolina Unemployment Rate  
Through August 2016



South Carolina Labor Force  
Year-over-Year Percent Change through August 2016



## SOUTH CAROLINA

### Household Conditions

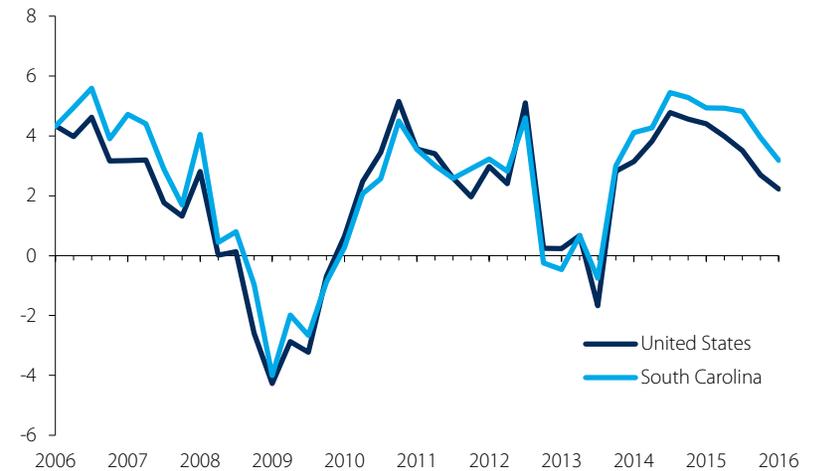
| Real Personal Income (SA) | Period | Level (\$mil) | QoQ % Change | YoY % Change |
|---------------------------|--------|---------------|--------------|--------------|
| United States             | Q2:16  | 14,387,983    | 0.52         | 2.23         |
| Fifth District            | Q2:16  | 1,386,886     | 0.54         | 2.56         |
| South Carolina            | Q2:16  | 175,770       | 0.44         | 3.18         |

| Median Family Income | Period | Level (000s) | QoQ % Change | YoY % Change |
|----------------------|--------|--------------|--------------|--------------|
| Charleston MSA       | 2016   | 68.2         | ---          | 8.43         |
| Columbia MSA         | 2016   | 64.1         | ---          | ---          |
| Greenville MSA       | 2016   | 63.5         | ---          | 9.48         |

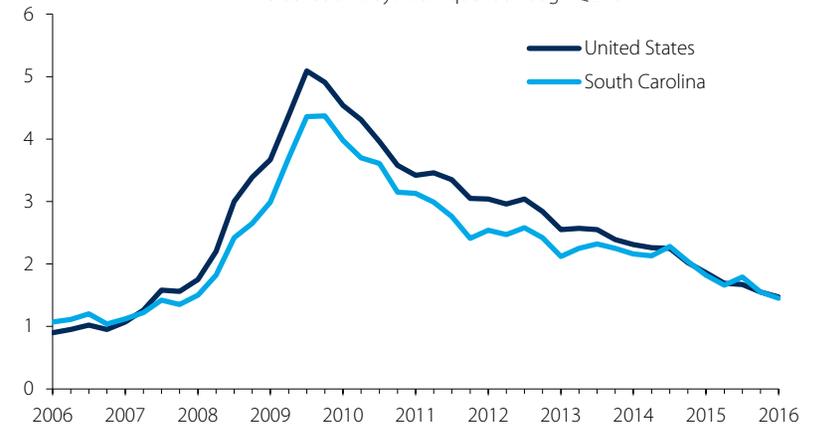
| Non-Business Bankruptcies | Period | Level   | QoQ % Change | YoY % Change |
|---------------------------|--------|---------|--------------|--------------|
| United States             | Q2:16  | 202,334 | 3.40         | -6.85        |
| Fifth District            | Q2:16  | 16,806  | 3.54         | -0.20        |
| South Carolina            | Q2:16  | 1,615   | 2.09         | -2.48        |

| Mortgage Delinquencies (% 90+ Days Delinquent) | Q2:16 | Q1:16 | Q2:15 |
|--|-------|-------|-------|
| United States                                  |       |       |       |
| All Mortgages                                  | 1.47  | 1.55  | 1.86  |
| Prime  | 0.83  | 0.89  | 1.05  |
| Subprime                                       | 5.82  | 6.07  | 6.61  |
| South Carolina                                 |       |       |       |
| All Mortgages                                  | 1.45  | 1.55  | 1.82  |
| Prime  | 0.82  | 0.90  | 1.03  |
| Subprime                                       | 5.41  | 5.72  | 6.30  |

South Carolina Real Personal Income  
Year-over-Year Percent Change through Q2:16



South Carolina Mortgage Delinquencies  
Percent 90+ Days Delinquent through Q2:16



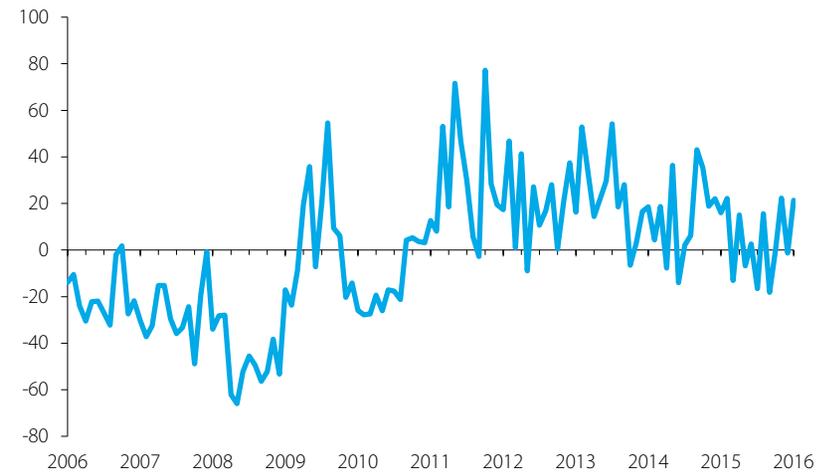
## SOUTH CAROLINA

### Real Estate Conditions

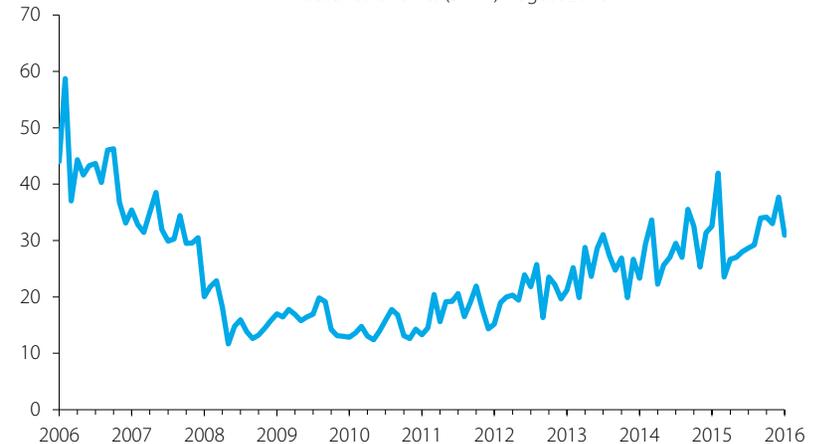
| Total Private Building Permits (NSA) | Period | Level   | MoM % Change | YoY % Change |
|--------------------------------------|--------|---------|--------------|--------------|
| United States                        | August | 108,421 | 13.98        | 11.55        |
| Fifth District                       | August | 13,164  | 4.71         | 12.17        |
| South Carolina                       | August | 3,028   | 7.00         | 21.41        |
| Charleston MSA                       | August | 505     | -5.78        | -19.59       |
| Columbia MSA                         | August | 414     | -1.19        | 15.64        |
| Florence MSA                         | August | 26      | 18.18        | 18.18        |
| Greenville MSA                       | August | 430     | -48.38       | -11.52       |
| Myrtle Beach MSA                     | August | 478     | 21.32        | 15.74        |
| Spartanburg MSA                      | August | 191     | 6.70         | 44.70        |
| Sumter MSA                           | August | 22      | 15.79        | 120.00       |

| Total Private Housing Starts (SAAR) | Period | Level (000s) | MoM % Change | YoY % Change |
|-------------------------------------|--------|--------------|--------------|--------------|
| United States                       | August | 1,142        | -5.78        | 0.88         |
| Fifth District                      | August | 135          | -19.75       | -12.15       |
| South Carolina                      | August | 30.9         | -18.00       | -4.92        |

South Carolina Building Permits  
Year-over-Year Percent Change through August 2016



South Carolina Housing Starts  
Thousands of Units (SAAR) August 2016



## SOUTH CAROLINA

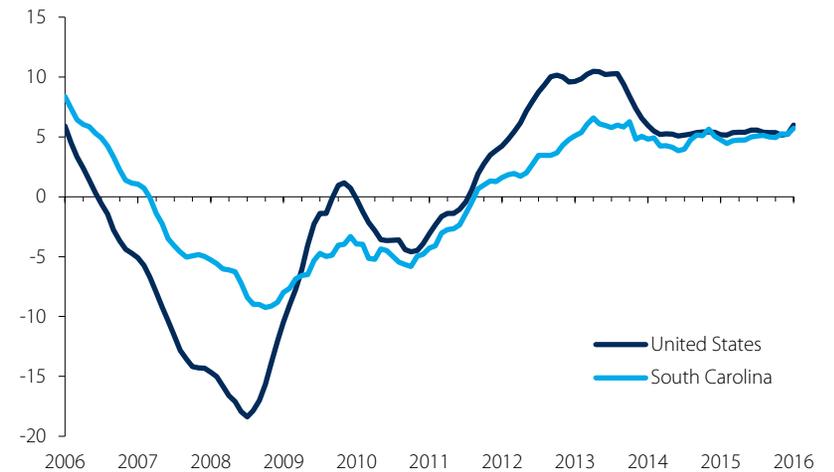
### Real Estate Conditions

| House Price Index (2000=100) | Period | Level | MoM % Change | YoY % Change |
|------------------------------|--------|-------|--------------|--------------|
| United States                | July   | 182   | 1.09         | 5.99         |
| Fifth District               | July   | 187   | 0.57         | 3.12         |
| South Carolina               | July   | 159   | 0.91         | 5.72         |
| Charleston MSA               | July   | 202   | 0.65         | 5.88         |
| Columbia MSA                 | July   | 127   | 0.21         | 2.65         |
| Florence MSA                 | July   | 134   | 0.91         | 0.41         |
| Greenville MSA               | July   | 149   | 0.80         | 5.40         |
| Myrtle Beach MSA             | July   | 156   | 0.48         | 4.97         |
| Spartanburg MSA              | July   | 137   | 0.92         | 4.08         |
| Sumter MSA                   | July   | 131   | 2.80         | 2.57         |

| Median Home Sales Price - NAR (NSA) | Period | Level (\$000s) | QoQ % Change | YoY % Change |
|-------------------------------------|--------|----------------|--------------|--------------|
| Charleston MSA                      | Q2:16  | 260            | 8.15         | 6.38         |
| Columbia MSA                        | Q2:16  | 166            | 6.36         | 5.21         |
| Greenville MSA                      | Q2:16  | 188            | 8.36         | 4.74         |
| Spartanburg MSA                     | Q2:16  | 146            | 7.53         | 4.37         |

| Median Home Sales Price - NAHB | Period | Level (\$000s) | QoQ % Change | YoY % Change |
|--------------------------------|--------|----------------|--------------|--------------|
| Charleston MSA                 | Q2:16  | 239            | 2.14         | 1.70         |
| Columbia MSA                   | Q2:16  | 155            | 10.71        | ---          |
| Greenville MSA                 | Q2:16  | 185            | 9.47         | 17.09        |

South Carolina House Price Index (CoreLogic)  
Year-over-Year Percent Change through July 2016



Charleston MSA Median Home Sales Price (NAR)  
Year-over-Year Percent Change through Q2:16



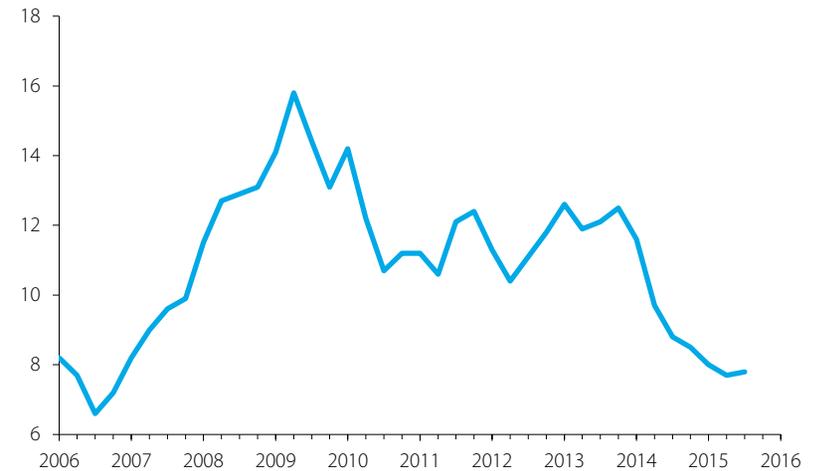
SOUTH CAROLINA

Real Estate Conditions

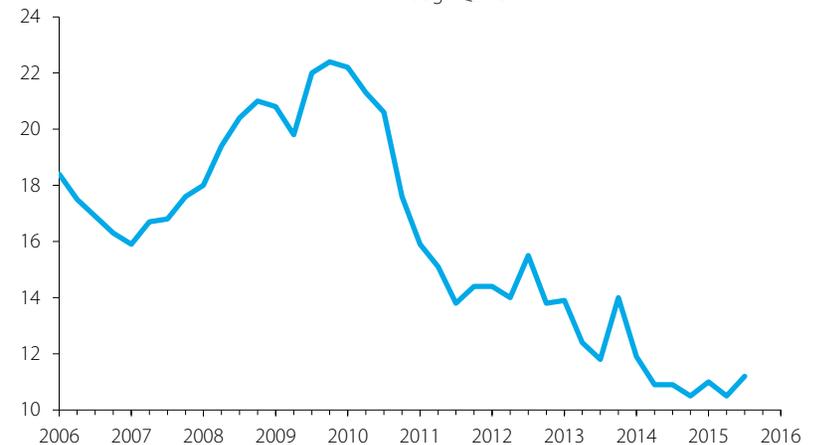
| Housing Opportunity Index (%) | Q2:16 | Q1:16 | Q2:15 |
|-------------------------------|-------|-------|-------|
| Charleston MSA                | 65.1  | 65.1  | 66.9  |
| Columbia MSA                  | 82.7  | 86.8  | ---   |
| Greenville MSA                | 76.5  | 82.2  | ---   |

| Commercial Vacancy Rates (%) | Q2:16 | Q1:16 | Q2:15 |
|------------------------------|-------|-------|-------|
| <b>Office Vacancies</b>      |       |       |       |
| Charleston                   | ---   | 7.8   | 8.5   |
| <b>Industrial Vacancies</b>  |       |       |       |
| Charleston                   | ---   | 11.2  | 10.5  |

Charleston MSA Office Vacancy Rate  
Through Q2:16



Charleston MSA Industrial Vacancy Rate  
Through Q2:16



VIRGINIA

October Summary

Economic reports on Virginia were positive in recent months. Employment rose markedly and housing market reports were generally upbeat; household conditions were slightly mixed.

**Labor Markets:** Total employment in Virginia rose 0.3 percent in August as employers added 13,100 jobs in the month. Employment growth was widespread across the state's sectors, as every industry except information and logging and mining added jobs. The most jobs were added in the professional and business services industry (3,100 jobs) in August, followed by the trade, transportation, and utilities industry that added 3,000 jobs. In percentage terms, the largest growth in the month came from the construction industry, which grew 0.8 percent by adding 1,500 jobs. On a year-over-year basis, payroll employment grew 1.9 percent as firms in Virginia added 72,500 jobs. Three industries accounted for a large majority of the net job gain: professional and business services (25,400 jobs), education and health services (19,200 jobs), and trade, transportation, and utilities (17,600 jobs). The only industries to contract on a year-over-year basis were logging and mining, which cut 900 jobs, and manufacturing that cut 3,000 jobs since August 2015.

**Household Conditions:** The unemployment rate in Virginia increased 0.2 percentage points to 3.9 percent in August. The jobless rate also increased in every MSA in the state; the sharpest rise was in Blacksburg, where the rate rose 1.1 percentage point to 5.3 percent in the month. In the second quarter of 2016, real personal income in Virginia rose 0.5 percent and increased 2.3 percent since the second quarter of 2015. Also in the second quarter, the share of mortgages with payments 90 or more days past due was virtually unchanged at 1.3 percent. The prime delinquency rate edged slightly lower to 0.6 percent while the subprime rate declined 0.2 percentage point to 6.6 percent.

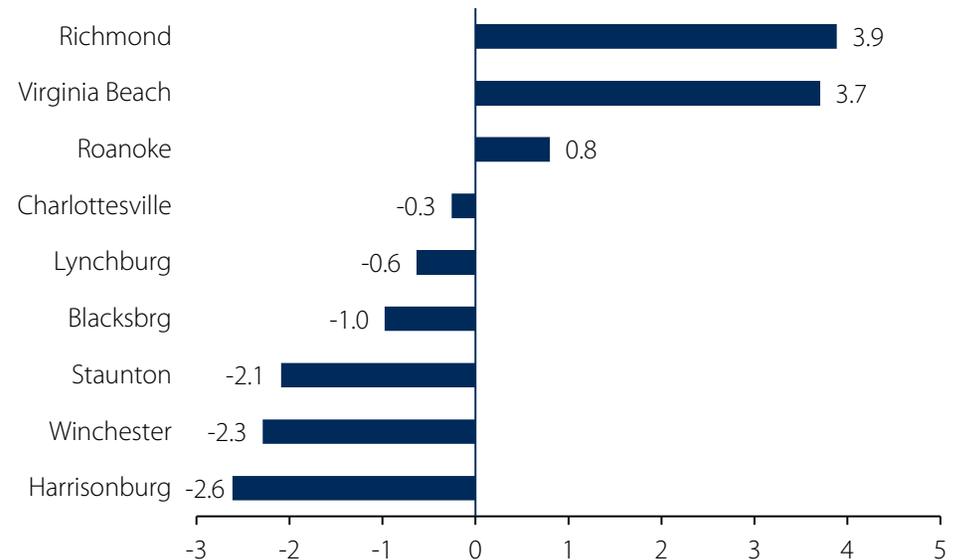
**Housing Markets:** Virginia issued 2,971 new residential permits in August, up 20.8 percent from the prior month and up 6.0 percent from August 2015. At the metro level, permitting reports were mostly positive as activity picked up in the month and on a year-over-year basis in the Charlottesville, Harrisonburg, and Richmond MSAs. Housing starts in Virginia totaled 30,400 in August, down 7.4 percent from July and down 17.0 percent on a year-over-year basis. According to CoreLogic Information Solutions, Virginia home values appreciated 0.4 percent in July and appreciated 2.1 percent since July 2015. In the state's metro areas, home prices rose in the month in every MSA except Blacksburg and Lynchburg. On a year-over-year basis, home prices rose in every MSA except Blacksburg, where prices declined 3.0 percent.

A Closer Look at... Gross Domestic Product by MSA

Real GDP Per Capita in 2015 by MSA (chained 2009 dollars)

|                 | <u>Value</u> | <u>Rank</u> |
|-----------------|--------------|-------------|
| Blacksburg      | \$32,394     | 8           |
| Charlottesville | \$47,443     | 4           |
| Harrisonburg    | \$49,485     | 3           |
| Lynchburg       | \$31,875     | 9           |
| Richmond        | \$51,796     | 1           |
| Roanoke         | \$41,159     | 5           |
| Staunton        | \$36,608     | 7           |
| Virginia Beach  | \$49,606     | 2           |
| Winchester      | \$39,244     | 6           |

Real GDP Growth in 2015 (YoY%)



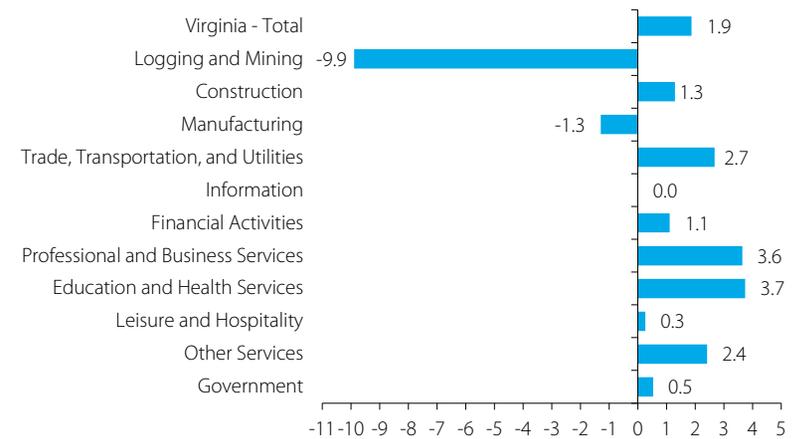
**VIRGINIA**

Labor Market Conditions

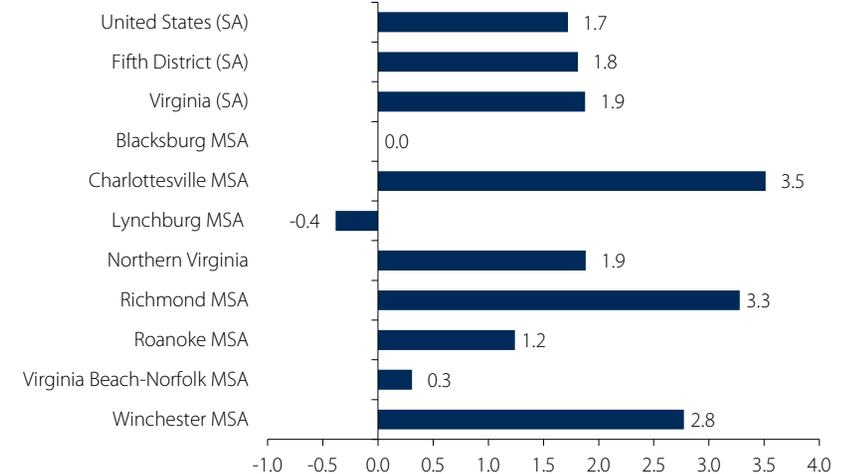
| Payroll Employment (SA)              | Period | Level (000s) | MoM % Change | YoY % Change |
|--------------------------------------|--------|--------------|--------------|--------------|
| United States - Total                | August | 144,598.0    | 0.10         | 1.72         |
| Fifth District - Total               | August | 14,573.9     | 0.09         | 1.81         |
| Virginia - Total                     | August | 3,933.2      | 0.33         | 1.88         |
| Logging and Mining                   | August | 8.2          | -1.20        | -9.89        |
| Construction                         | August | 187.2        | 0.81         | 1.30         |
| Manufacturing                        | August | 230.4        | 0.57         | -1.29        |
| Trade, Transportation, and Utilities | August | 675.5        | 0.45         | 2.68         |
| Information                          | August | 69.2         | -0.14        | 0.00         |
| Financial Activities                 | August | 200.0        | 0.55         | 1.11         |
| Professional and Business Services   | August | 723.0        | 0.43         | 3.64         |
| Education and Health Services        | August | 531.9        | 0.36         | 3.74         |
| Leisure and Hospitality              | August | 387.0        | 0.13         | 0.26         |
| Other Services                       | August | 203.7        | 0.10         | 2.41         |
| Government                           | August | 717.1        | 0.10         | 0.53         |

| Metro Payroll Employment (NSA)     | Period | Level (000s) | YoY % Change |
|------------------------------------|--------|--------------|--------------|
| Blacksburg MSA - Total             | August | 76.1         | 0.00         |
| Charlottesville MSA - Total        | August | 114.9        | 3.51         |
| Lynchburg MSA - Total              | August | 103.8        | -0.38        |
| Northern Virginia - Total          | August | 1,438.4      | 1.88         |
| Richmond MSA - Total               | August | 674.3        | 3.28         |
| Roanoke MSA - Total                | August | 163.1        | 1.24         |
| Virginia Beach-Norfolk MSA - Total | August | 776.7        | 0.31         |
| Winchester MSA - Total             | August | 63.0         | 2.77         |

Virginia Payroll Employment Performance  
Year-over-Year Percent Change through August 2016



Virginia Total Employment Performance  
Year-over-Year Percent Change through August 2016



VIRGINIA

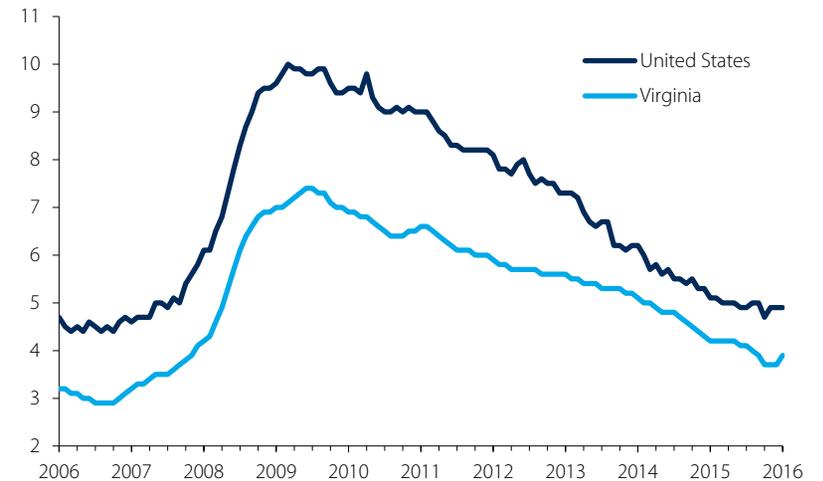
Labor Market Conditions

| Unemployment Rate (SA)     | August 16 | July 16 | August 15 |
|----------------------------|-----------|---------|-----------|
| United States              | 4.9       | 4.9     | 5.1       |
| Fifth District             | 4.5       | 4.5     | 5.2       |
| Virginia                   | 3.9       | 3.7     | 4.2       |
| Blacksburg MSA             | 5.3       | 4.2     | 4.3       |
| Charlottesville MSA        | 3.3       | 3.2     | 3.7       |
| Lynchburg MSA              | 4.6       | 4.4     | 4.6       |
| Northern Virginia (NSA)    | 3.3       | 3.2     | 3.6       |
| Richmond MSA               | 4.0       | 3.9     | 4.4       |
| Roanoke MSA                | 3.8       | 3.7     | 4.2       |
| Virginia Beach-Norfolk MSA | 4.5       | 4.4     | 4.7       |
| Winchester MSA             | 3.5       | 3.4     | 4.1       |

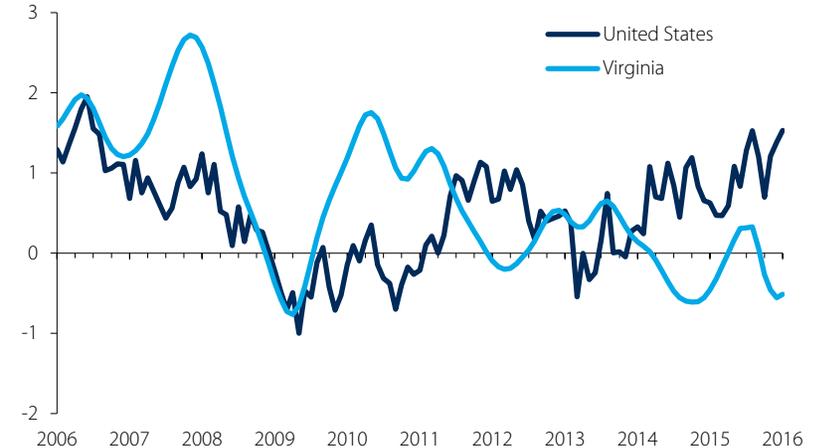
| Civilian Labor Force (SA)  | Period | Level (000s) | MoM % Change | YoY % Change |
|----------------------------|--------|--------------|--------------|--------------|
| United States              | August | 159,463      | 0.11         | 1.53         |
| Fifth District             | August | 15,658       | -0.10        | 0.60         |
| Virginia                   | August | 4,202        | 0.08         | -0.51        |
| Blacksburg MSA             | August | 91           | 1.56         | 0.11         |
| Charlottesville MSA        | August | 117          | 0.26         | 1.03         |
| Lynchburg MSA              | August | 121          | -0.17        | -1.63        |
| Northern Virginia (NSA)    | August | 1,545        | -1.15        | 0.32         |
| Richmond MSA               | August | 670          | 0.18         | 1.61         |
| Roanoke MSA                | August | 158          | 0.45         | -0.32        |
| Virginia Beach-Norfolk MSA | August | 828          | -0.23        | -0.73        |
| Winchester MSA             | August | 70           | 0.14         | 1.01         |

| Initial Unemployment Claims (NSA) | Period | Level     | MoM % Change | YoY % Change |
|-----------------------------------|--------|-----------|--------------|--------------|
| United States                     | August | 1,005,506 | -5.34        | 2.09         |
| Fifth District                    | August | 66,193    | -1.50        | 6.14         |
| Virginia                          | August | 14,925    | 8.14         | 10.21        |

Virginia Unemployment Rate  
Through August 2016



Virginia Labor Force  
Year-over-Year Percent Change through August 2016



# SNAPSHOT

# A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY

October 2016

FEDERAL RESERVE BANK OF RICHMOND

## VIRGINIA

### Household Conditions

| Real Personal Income (SA) | Period | Level (\$mil) | QoQ % Change | YoY % Change |
|---------------------------|--------|---------------|--------------|--------------|
| United States             | Q2:16  | 14,387,983    | 0.52         | 2.23         |
| Fifth District            | Q2:16  | 1,386,886     | 0.54         | 2.56         |
| Virginia                  | Q2:16  | 406,443       | 0.46         | 2.28         |

| Median Family Income       | Period | Level (000s) | QoQ % Change | YoY % Change |
|----------------------------|--------|--------------|--------------|--------------|
| Richmond MSA               | 2016   | 72.4         | ---          | -2.43        |
| Roanoke MSA                | 2016   | 61.7         | ---          | ---          |
| Virginia Beach-Norfolk MSA | 2016   | 70.5         | ---          | -0.56        |

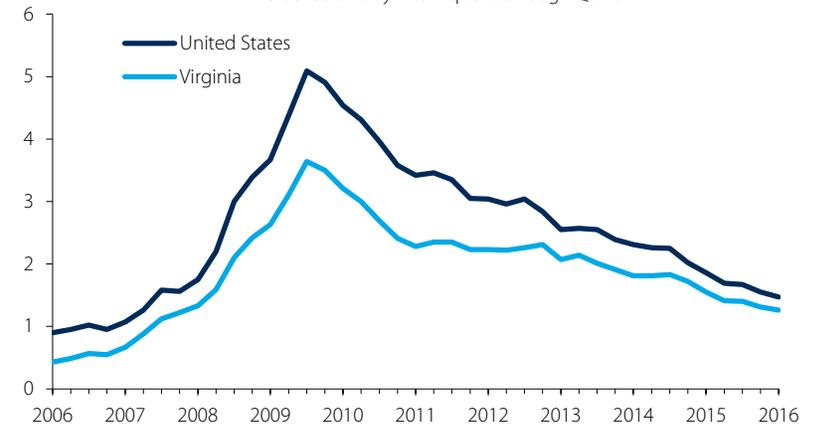
| Non-Business Bankruptcies | Period | Level   | QoQ % Change | YoY % Change |
|---------------------------|--------|---------|--------------|--------------|
| United States             | Q2:16  | 202,334 | 3.40         | -6.85        |
| Fifth District            | Q2:16  | 16,806  | 3.54         | -0.20        |
| Virginia                  | Q2:16  | 5,803   | 1.06         | 1.26         |

| Mortgage Delinquencies (% 90+ Days Delinquent) | Q2:16 | Q1:16 | Q2:15 |
|--|-------|-------|-------|
| <b>United States</b>                           |       |       |       |
| All Mortgages                                  | 1.47  | 1.55  | 1.86  |
| Prime  | 0.83  | 0.89  | 1.05  |
| Subprime                                       | 5.82  | 6.07  | 6.61  |
| <b>Virginia</b>                                |       |       |       |
| All Mortgages                                  | 1.26  | 1.31  | 1.55  |
| Prime  | 0.62  | 0.65  | 0.76  |
| Subprime                                       | 6.57  | 6.80  | 7.18  |

Virginia Real Personal Income  
Year-over-Year Percent Change through Q2:16



Virginia Mortgage Delinquencies  
Percent 90+ Days Delinquent through Q2:16



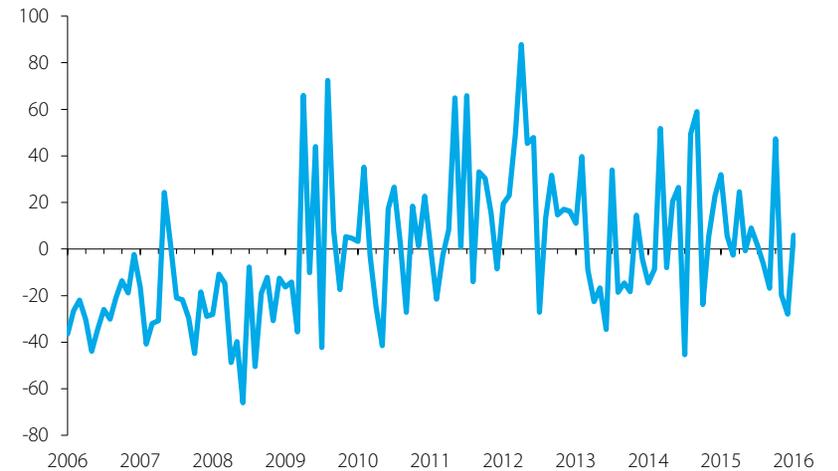
VIRGINIA

Real Estate Conditions

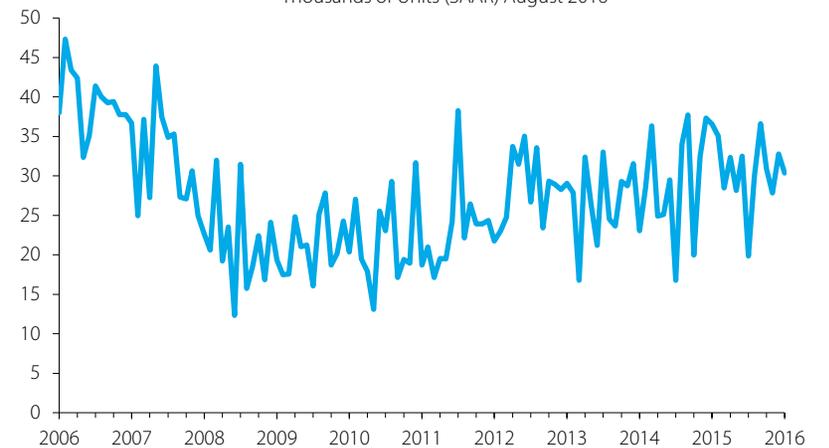
| Total Private Building Permits (NSA) | Period | Level   | MoM % Change | YoY % Change |
|--------------------------------------|--------|---------|--------------|--------------|
| United States                        | August | 108,421 | 13.98        | 11.55        |
| Fifth District                       | August | 13,164  | 4.71         | 12.17        |
| Virginia                             | August | 2,971   | 20.82        | 5.99         |
| Charlottesville MSA                  | August | 66      | 6.45         | 22.22        |
| Harrisonburg MSA                     | August | 37      | 12.12        | 68.18        |
| Lynchburg MSA                        | August | 31      | 14.81        | -22.50       |
| Richmond MSA                         | August | 543     | 44.80        | 24.26        |
| Virginia Beach-Norfolk MSA           | August | 557     | -15.73       | -22.96       |
| Winchester MSA                       | August | 61      | -60.65       | 56.41        |

| Total Private Housing Starts (SAAR) | Period | Level (000s) | MoM % Change | YoY % Change |
|-------------------------------------|--------|--------------|--------------|--------------|
| United States                       | August | 1,142        | -5.78        | 0.88         |
| Fifth District                      | August | 135          | -19.75       | -12.15       |
| Virginia                            | August | 30.4         | -7.38        | -16.99       |

Virginia Building Permits  
Year-over-Year Percent Change through August 2016



Virginia Housing Starts  
Thousands of Units (SAAR) August 2016



VIRGINIA

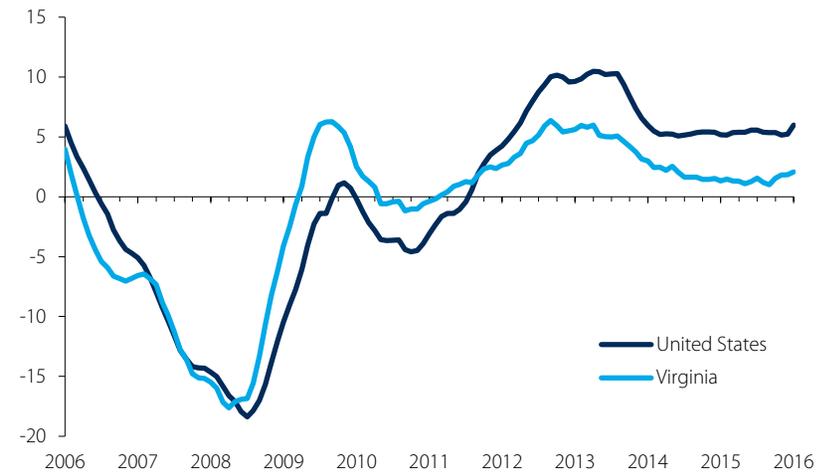
Real Estate Conditions

| House Price Index (2000=100) | Period | Level | MoM % Change | YoY % Change |
|------------------------------|--------|-------|--------------|--------------|
| United States                | July   | 182   | 1.09         | 5.99         |
| Fifth District               | July   | 187   | 0.57         | 3.12         |
| Virginia                     | July   | 208   | 0.37         | 2.08         |
| Blacksburg MSA               | July   | 145   | -0.41        | -2.96        |
| Charlottesville MSA          | July   | 177   | 0.38         | 0.90         |
| Danville MSA                 | July   | 243   | 0.37         | 1.84         |
| Harrisonburg MSA             | July   | 196   | 0.07         | 8.27         |
| Lynchburg MSA                | July   | 153   | -0.30        | 0.66         |
| Richmond MSA                 | July   | 171   | 0.96         | 3.68         |
| Roanoke MSA                  | July   | 153   | 1.11         | 2.13         |
| Virginia Beach-Norfolk MSA   | July   | 190   | 0.50         | 2.16         |
| Winchester MSA               | July   | 182   | 0.37         | 5.43         |

| Median Home Sales Price - NAR (NSA) | Period | Level (\$000s) | QoQ % Change | YoY % Change |
|-------------------------------------|--------|----------------|--------------|--------------|
| Richmond MSA                        | Q2:16  | ---            | ---          | ---          |
| Virginia Beach-Norfolk MSA          | Q2:16  | 223            | 12.63        | 4.69         |

| Median Home Sales Price - NAHB | Period | Level (\$000s) | QoQ % Change | YoY % Change |
|--------------------------------|--------|----------------|--------------|--------------|
| Richmond MSA                   | Q2:16  | 225            | 12.50        | 6.64         |
| Virginia Beach-Norfolk MSA     | Q2:16  | 215            | 12.57        | 3.37         |

Virginia House Price Index (CoreLogic)  
Year-over-Year Percent Change through July 2016



Virginia Beach-Norfolk MSA Median Home Sales Price (NAR)  
Year-over-Year Percent Change through Q2:16



# SNAPSHOT

# A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY

October 2016

FEDERAL RESERVE BANK OF RICHMOND

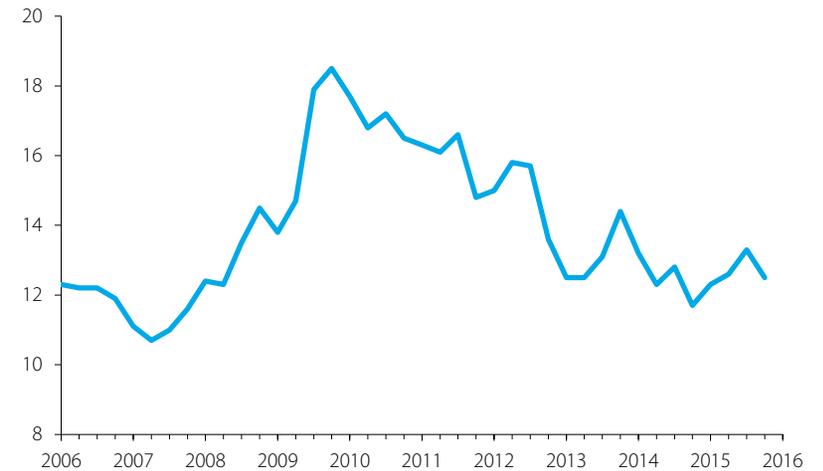
## VIRGINIA

### Real Estate Conditions

| Housing Opportunity Index (%) | Q2:16 | Q1:16 | Q2:15 |
|-------------------------------|-------|-------|-------|
| Richmond MSA                  | 74.8  | 77.3  | 78.3  |
| Roanoke MSA                   | 87.0  | 91.1  | 88.2  |
| Virginia Beach-Norfolk MSA    | 76.9  | 80.9  | 76.9  |

| Commercial Vacancy Rates (%) | Q2:16 | Q1:16 | Q2:15 |
|------------------------------|-------|-------|-------|
| <b>Office Vacancies</b>      |       |       |       |
| Norfolk                      | 13.0  | 13.2  | 13.4  |
| Richmond                     | 12.5  | 13.3  | 11.7  |
| <b>Industrial Vacancies</b>  |       |       |       |
| Northern Virginia            | ---   | 11.7  | 12.2  |
| Richmond                     | ---   | 11.1  | 12.0  |

Richmond MSA Office Vacancy Rate  
Through Q2:16



Richmond MSA Industrial Vacancy Rate  
Through Q1:16



## WEST VIRGINIA

### October Summary

West Virginia's economy showed signs of improvement in recent months. Payroll employment expanded and household conditions were stable; however, housing market reports were somewhat downbeat.

**Labor Markets:** Employers in West Virginia added 1,300 jobs (0.2 percent) to the state's economy in August. The trade, transportation, and utilities industry added the most jobs in the month (1,200 jobs) followed by the education and health services and leisure and hospitality industries, which each added 600 jobs. Conversely, four industries contracted in August: manufacturing (500 jobs), information (200 jobs), financial services (500 jobs), and government (600 jobs). On a year-over-year basis, total employment grew 0.2 percent in August, marking only the second time in the last year for the measure to register a positive value. The net job growth was driven by the education and health services and leisure and hospitality industries, which added 5,100 jobs and 2,600 jobs, respectively, since August 2015. A majority of industries, however, contracted over the same time period, with the largest decline occurring in the mining and logging industry, which contracted 15.7 percent year-over-year by cutting 3,900 jobs.

**Household Conditions:** The unemployment rate in West Virginia was unchanged at 5.7 percent in August. At the metro level, unemployment rates rose in August in every MSA except Beckley, where the rate declined 0.2 percentage point to 6.7 percent. In the second quarter of 2016, real personal income in West Virginia rose 0.5 percent and increased 0.1 percent since the second quarter of 2015. Also in the second quarter, the share of mortgages with payments 90 or more days past due declined 0.1 percentage point to 1.5 percent. The prime delinquency rate edged down to 0.9 percent in the quarter while the subprime delinquency rate fell 0.5 percentage point to 7.6 percent.

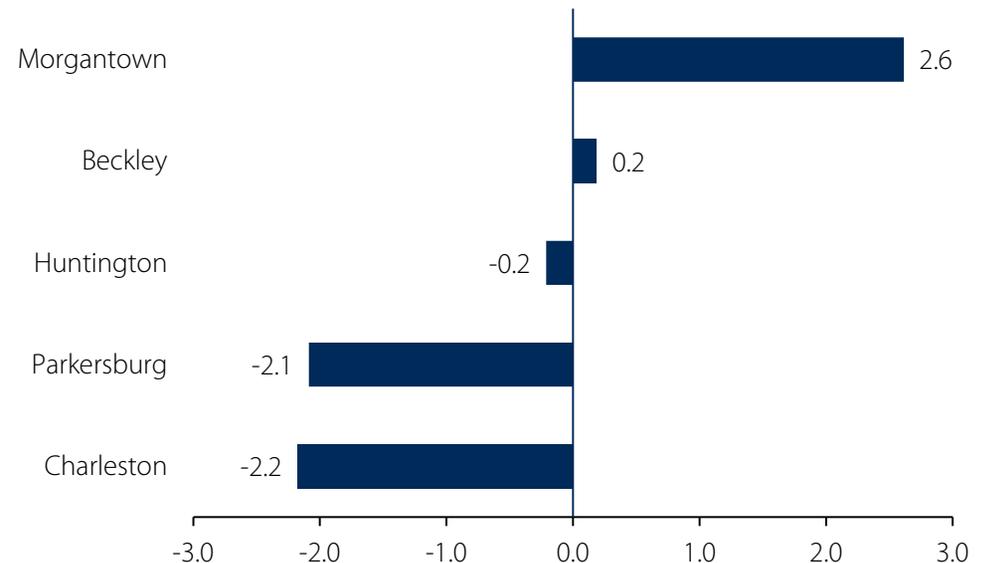
**Housing Markets:** West Virginia issued 213 new residential permits in August, down from 254 permits in July and down marginally from the 214 permits issued in August 2015. Metro area permitting activity was somewhat mixed but picked up in the month and on a year-over-year basis in the Charleston and Huntington MSAs. Housing starts totaled 2,200 in August, a 35.7 percent decline from July and a 21.9 percent decrease from last August. According to CoreLogic Information Solutions, home values in West Virginia appreciated 3.8 percent in July and appreciated 8.6 percent on a year-over-year basis. House prices rose in every MSA in the month and on a year-over-year basis, with the largest growth coming from the Morgantown MSA, where prices rose 11.5 percent since July 2015.

### A Closer Look at... Gross Domestic Product by MSA

#### Real GDP Per Capita in 2015 by MSA (chained 2009 dollars)

|             | <u>Value</u> | <u>Rank</u> |
|-------------|--------------|-------------|
| Beckley     | \$34,821     | 5           |
| Charleston  | \$56,414     | 1           |
| Huntington  | \$36,372     | 3           |
| Morgantown  | \$47,706     | 2           |
| Parkersburg | \$35,051     | 4           |

#### Real GDP Growth in 2015 (YoY%)



## WEST VIRGINIA

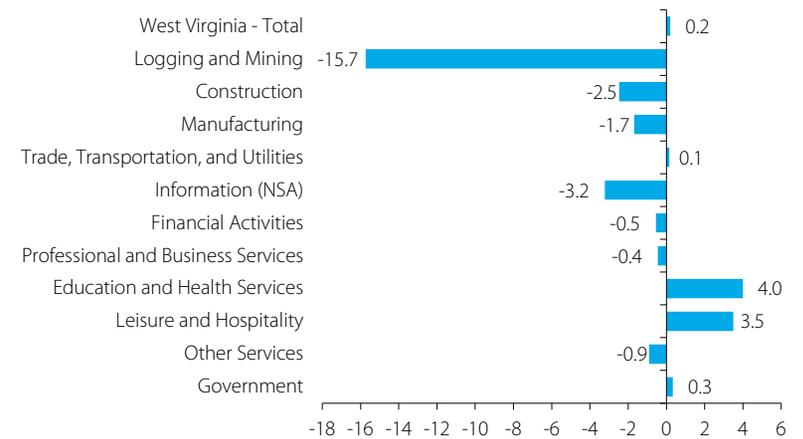
### Labor Market Conditions

| Payroll Employment (SA)              | Period | Level (000s) | MoM % Change | YoY % Change |
|--------------------------------------|--------|--------------|--------------|--------------|
| United States - Total                | August | 144,598.0    | 0.10         | 1.72         |
| Fifth District - Total               | August | 14,573.9     | 0.09         | 1.81         |
| <b>West Virginia - Total</b>         | August | <b>761.5</b> | <b>0.17</b>  | <b>0.20</b>  |
| Logging and Mining                   | August | 20.9         | 0.97         | -15.73       |
| Construction                         | August | 31.5         | 0.32         | -2.48        |
| Manufacturing                        | August | 46.7         | -1.06        | -1.68        |
| Trade, Transportation, and Utilities | August | 134.8        | 0.90         | 0.15         |
| Information (NSA)                    | August | 9.0          | -1.10        | -3.23        |
| Financial Activities                 | August | 36.3         | -1.36        | -0.55        |
| Professional and Business Services   | August | 66.4         | 0.61         | -0.45        |
| Education and Health Services        | August | 132.8        | 0.45         | 3.99         |
| Leisure and Hospitality              | August | 77.0         | 0.79         | 3.49         |
| Other Services                       | August | 54.7         | 0.00         | -0.91        |
| Government                           | August | 151.5        | -0.39        | 0.33         |

| Metro Payroll Employment (NSA) | Period | Level (000s) | YoY % Change |
|--------------------------------|--------|--------------|--------------|
| Beckley MSA - Total            | August | 47.1         | -1.67        |
| Charleston MSA - Total         | August | 122.8        | 0.16         |
| Huntington MSA - Total         | August | 141.1        | 1.36         |
| Morgantown MSA - Total         | August | 70.1         | 2.49         |
| Parkersburg MSA - Total        | August | 41.4         | -0.96        |

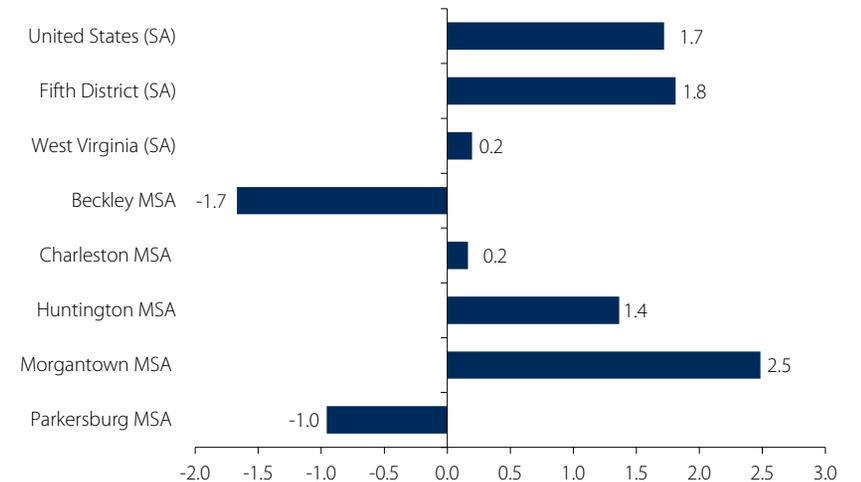
West Virginia Payroll Employment Performance

Year-over-Year Percent Change through August 2016



West Virginia Total Employment Performance

Year-over-Year Percent Change through August 2016



## WEST VIRGINIA

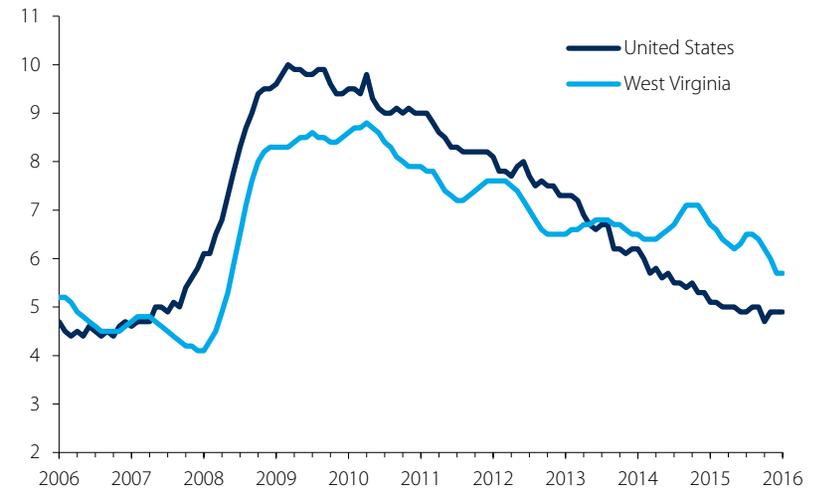
### Labor Market Conditions

| Unemployment Rate (SA) | August 16 | July 16 | August 15 |
|------------------------|-----------|---------|-----------|
| United States          | 4.9       | 4.9     | 5.1       |
| Fifth District         | 4.5       | 4.5     | 5.2       |
| West Virginia          | 5.7       | 5.7     | 6.7       |
| Beckley MSA            | 6.7       | 6.9     | 7.7       |
| Charleston MSA         | 5.6       | 5.5     | 6.4       |
| Huntington MSA         | 6.0       | 5.8     | 6.2       |
| Morgantown MSA         | 4.4       | 4.3     | 5.1       |
| Parkersburg MSA        | 5.6       | 5.4     | 6.5       |

| Civilian Labor Force (SA) | Period | Level (000s) | MoM % Change | YoY % Change |
|---------------------------|--------|--------------|--------------|--------------|
| United States             | August | 159,463      | 0.11         | 1.53         |
| Fifth District            | August | 15,658       | -0.10        | 0.60         |
| West Virginia             | August | 787          | 0.51         | 0.32         |
| Beckley MSA               | August | 47           | 0.00         | -1.48        |
| Charleston MSA            | August | 99           | 0.10         | -0.20        |
| Huntington MSA            | August | 149          | 0.47         | 1.09         |
| Morgantown MSA            | August | 67           | 0.60         | 1.98         |
| Parkersburg MSA           | August | 40           | 0.00         | -0.75        |

| Initial Unemployment Claims (NSA) | Period | Level     | MoM % Change | YoY % Change |
|-----------------------------------|--------|-----------|--------------|--------------|
| United States                     | August | 1,005,506 | -5.34        | 2.09         |
| Fifth District                    | August | 66,193    | -1.50        | 6.14         |
| West Virginia                     | August | 4,742     | -17.30       | -2.97        |

West Virginia Unemployment Rate  
Through August 2016



West Virginia Labor Force  
Year-over-Year Percent Change through August 2016



## WEST VIRGINIA

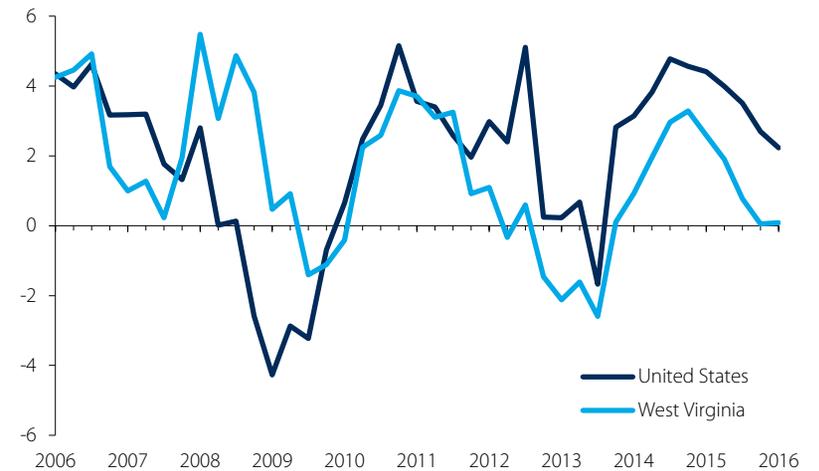
### Household Conditions

| Real Personal Income (SA) | Period | Level (\$mil) | QoQ % Change | YoY % Change |
|---------------------------|--------|---------------|--------------|--------------|
| United States             | Q2:16  | 14,387,983    | 0.52         | 2.23         |
| Fifth District            | Q2:16  | 1,386,886     | 0.54         | 2.56         |
| West Virginia             | Q2:16  | 61,999        | 0.46         | 0.08         |

| Non-Business Bankruptcies | Period | Level   | QoQ % Change | YoY % Change |
|---------------------------|--------|---------|--------------|--------------|
| United States             | Q2:16  | 202,334 | 3.40         | -6.85        |
| Fifth District            | Q2:16  | 16,806  | 3.54         | -0.20        |
| West Virginia             | Q2:16  | 873     | 10.37        | 9.40         |

| Mortgage Delinquencies (% 90+ Days Delinquent) | Q2:16 | Q1:16 | Q2:15 |
|--|-------|-------|-------|
| <b>United States</b>                           |       |       |       |
| All Mortgages                                  | 1.47  | 1.55  | 1.86  |
| Prime  | 0.83  | 0.89  | 1.05  |
| Subprime                                       | 5.82  | 6.07  | 6.61  |
| <b>West Virginia</b>                           |       |       |       |
| All Mortgages                                  | 1.52  | 1.61  | 1.78  |
| Prime  | 0.91  | 0.96  | 1.06  |
| Subprime                                       | 7.58  | 8.09  | 7.22  |

West Virginia Real Personal Income  
Year-over-Year Percent Change through Q2:16



West Virginia Mortgage Delinquencies  
Percent 90+ Days Delinquent through Q2:16



# SNAPSHOT

# A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY

October 2016

FEDERAL RESERVE BANK OF RICHMOND

## WEST VIRGINIA

### Real Estate Conditions

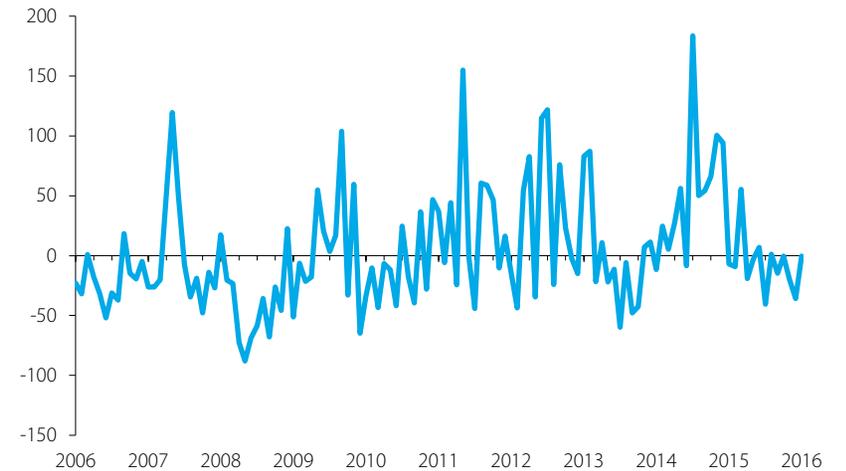
| Total Private Building Permits (NSA) | Period | Level   | MoM % Change | YoY % Change |
|--------------------------------------|--------|---------|--------------|--------------|
| United States                        | August | 108,421 | 13.98        | 11.55        |
| Fifth District                       | August | 13,164  | 4.71         | 12.17        |
| West Virginia                        | August | 213     | -16.14       | -0.47        |
| Charleston MSA                       | August | 21      | 16.67        | 31.25        |
| Huntington MSA                       | August | 10      | 11.11        | 42.86        |
| Morgantown MSA                       | August | 3       | 200.00       | -57.14       |
| Parkersburg MSA                      | August | 9       | 0.00         | -43.75       |

| Total Private Housing Starts (SAAR) | Period | Level (000s) | MoM % Change | YoY % Change |
|-------------------------------------|--------|--------------|--------------|--------------|
| United States                       | August | 1,142        | -5.78        | 0.88         |
| Fifth District                      | August | 135          | -19.75       | -12.15       |
| West Virginia                       | August | 2.2          | -35.69       | -21.86       |

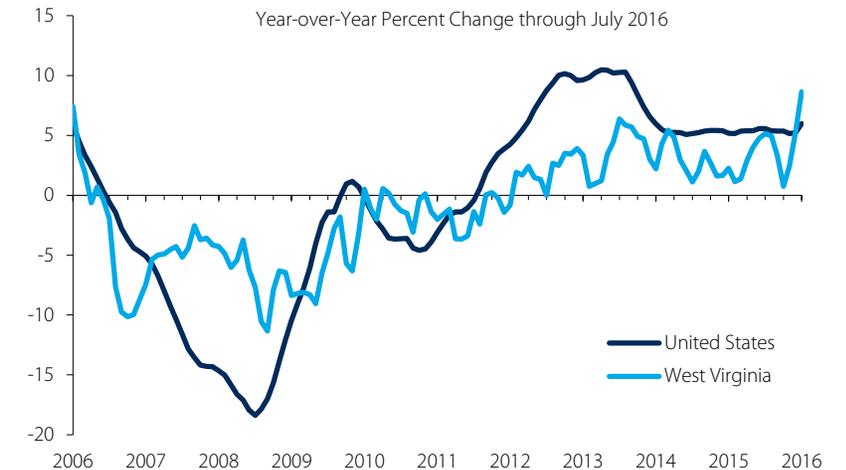
| House Price Index (2000=100) | Period | Level | MoM % Change | YoY % Change |
|------------------------------|--------|-------|--------------|--------------|
| United States                | July   | 182   | 1.09         | 5.99         |
| Fifth District               | July   | 187   | 0.57         | 3.12         |
| West Virginia                | July   | 160   | 3.76         | 8.64         |
| Charleston MSA               | July   | 166   | 3.60         | 7.06         |
| Huntington MSA               | July   | 161   | 3.76         | 6.32         |
| Morgantown MSA               | July   | 140   | 3.76         | 11.48        |
| Parkersburg MSA              | July   | 156   | 3.77         | 4.90         |

| Median Home Sales Price - NAR (NSA) | Period | Level (\$000s) | QoQ % Change | YoY % Change |
|-------------------------------------|--------|----------------|--------------|--------------|
| Charleston MSA                      | Q2:16  | 142            | 9.67         | 1.87         |

West Virginia Building Permits  
Year-over-Year Percent Change through August 2016



West Virginia House Price Index (CoreLogic)  
Year-over-Year Percent Change through July 2016



SOURCES

Payroll Employment / Unemployment  
 Bureau of Labor Statistics  
 Haver Analytics  
<http://www.bls.gov>

Civilian Labor Force  
 Bureau of Labor Statistics  
 Haver Analytics  
<http://www.bls.gov>

Unemployment Insurance Claims  
 U.S. Department of Labor  
 Haver Analytics  
<http://www.dol.gov>

District Imports / Exports  
 U.S. Census Bureau  
 Haver Analytics  
<http://www.census.gov>

Personal Income  
 Bureau of Economic Analysis  
 Haver Analytics  
<http://www.bea.gov>

Median Family Income  
 National Association of Home Builders/Wells Fargo  
 Haver Analytics  
<http://www.nahb.org>

Bankruptcy Filings  
 Administrative Office of the U.S. Courts  
 Haver Analytics  
<http://www.uscourts.gov/library.html>

Mortgage Delinquencies  
 Mortgage Bankers Association of America  
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<http://www.mortgagebankers.org>

Private Building Permits  
 U.S. Census Bureau  
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<http://www.census.gov>

Private Housing Starts  
 Bank of Tokyo-Mitsubishi  
 Haver Analytics  
<http://www.bk.mufg.jp/english/index.html>

Commercial Vacancy Rates  
 CB Richard Ellis  
 Haver Analytics  
<http://www.cbre.com>

Median Home Sales Price - NAR  
 National Association of Realtors  
 Haver Analytics  
<http://www.realtor.org>

Median Home Sales Price - NAHB  
 National Association of Home Builders/Wells Fargo  
 Haver Analytics  
<http://www.nahb.org>

Housing Opportunity Index  
 National Association of Home Builders/Wells Fargo  
 Haver Analytics  
<http://www.nahb.org>

House Price Index  
 CoreLogic Information Solutions  
 Federal Reserve Bank of Richmond

## NOTES

**1 Manufacturing & Service Sector Surveys**

Each index equals the percentage of responding firms reporting increase minus the percentage reporting decrease. All firms surveyed are located within the Fifth Federal Reserve District.

**2 Manufacturing Composite Index**

The weighted average of the shipments (33 percent), new orders (40 percent) and employment (27 percent) indexes.

**3 Mortgage Delinquency Rate**

The number of mortgages 90 days past due as a percentage of the total number of mortgages at the end of the period. The delinquency rate does not include loans in the process of foreclosure.

**4 Building Permits & Housing Starts**

Data on District of Columbia building permits and housing starts are often volatile, leading to disproportionately large percentage changes.

**5 Housing Opportunity Index**

Share of homes sold considered to be affordable to a family earning the area's median income.

**6 House Price Index**

Repeat sales index, measuring the average price changes in repeat sales on the same single family properties.

**7 Median Home Sales Price - NAR**

Single family homes.

**8 Median Home Sales Price - NAHB**

Total Home Sales.

**9 Real GDP by MSA**

Bureau of Economic Analysis

<http://bea.gov/regional/index.htm>

SA - Seasonally Adjusted

NSA - Not Seasonally Adjusted

SAAR - Seasonally Adjusted Annual Rate

