



SNAPSHOT

A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY

October 2018



Richmond • Baltimore • Charlotte

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FIFTH DISTRICT

October Summary

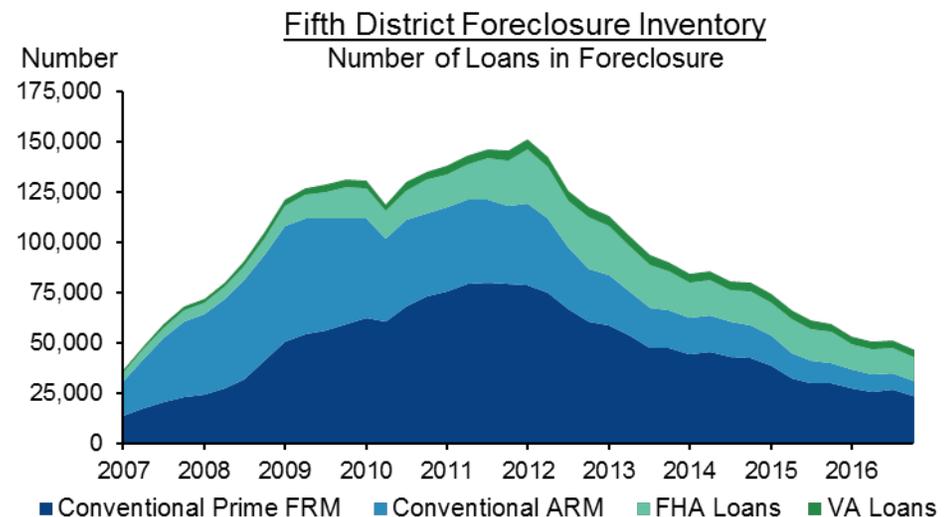
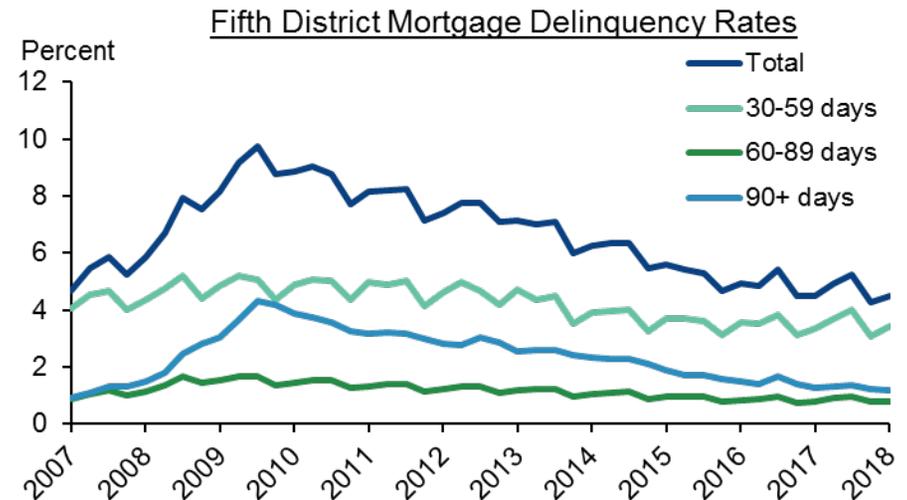
Reports on the Fifth District economy were upbeat in recent months. Payroll employment rose and the unemployment rate edged down, business conditions remained favorable, and housing market indicators were positive.

Labor Markets: Total employment in the Fifth District increased 0.1 percent as employers added 15,200 net new jobs to their payrolls in August. Virginia reported the largest absolute employment gain in August (4,800 jobs or 0.1 percent), followed by Maryland (4,600 jobs or 0.2 percent). In the District on the whole, the most jobs were added in professional and business services (15,200 jobs), trade, transportation, and utilities (5,400 jobs), and in mining, logging, and construction (2,300 jobs). Meanwhile, the largest declines were reported in government (3,000 jobs), manufacturing (2,200 jobs), and information (1,600 jobs). On a year-over-year basis, total employment in the Fifth District grew 1.6 percent in August. Professional and business services firms added the most jobs (70,200 jobs or 3.0 percent), followed by trade, transportation, and utilities (48,600 jobs or 1.9 percent). The unemployment rate in the Fifth District edged down 0.1 percentage point to 3.8 percent in August and was the lowest the rate has been since January 2001.

Business Conditions: According to our monthly survey, the composite diffusion index of manufacturing activity rose from 24 in August to 29 in September, buoyed by increases in shipments and new orders; the index of the third component, employment, declined but remained positive at a value of 16 in September. According to our service sector survey, the revenues index fell from 31 in August to 18 in September. Meanwhile, the index for employment rose from 10 in August to 22 in September. Finally, the survey measures of prices in both the manufacturing and the services sector indicated faster growth for prices paid and prices received.

Housing Markets: Fifth District jurisdictions issued a combined 16,204 new residential permits in August, which was a 15.1 percent increase from the prior month and an 8.2 percent increase from a year earlier. Housing starts totaled 182,700 in August, which was an increase of 18.6 percent from the prior month and a 19.5 percent increase from last August. According to the most recent data available from CoreLogic Information Solutions, Fifth District home values appreciated 0.2 percent in July and were up 3.7 percent since July 2017.

A Closer Look at... Mortgage Delinquency and Foreclosure



FIFTH DISTRICT

Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	August	149,279.0	0.13	1.59
Fifth District - Total	August	14,966.6	0.10	1.57
Logging, Mining, and Construction	August	777.5	0.30	3.46
Manufacturing	August	1,117.2	-0.20	1.79
Trade, Transportation, and Utilities	August	2,569.6	0.21	1.93
Information	August	240.1	-0.66	0.84
Financial Activities	August	748.0	-0.13	0.21
Professional and Business Services	August	2,372.6	0.64	3.05
Education and Health Services	August	2,147.0	0.06	2.06
Leisure and Hospitality	August	1,607.8	0.02	1.52
Other Services	August	679.7	-0.22	1.39
Government	August	2,707.1	-0.11	-0.48

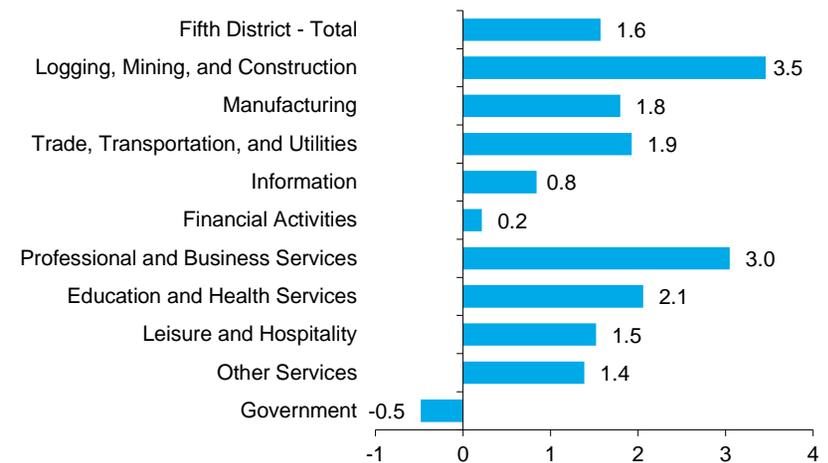
Unemployment Rate (SA)	August 18	July 18	August 17
United States	3.9	3.9	4.4
Fifth District	3.8	3.9	4.2

Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	161,776	-0.29	0.73
Fifth District	August	16,089	-0.06	0.57

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	August	783,437	-18.41	-15.18
Fifth District	August	48,681	-11.57	-10.97

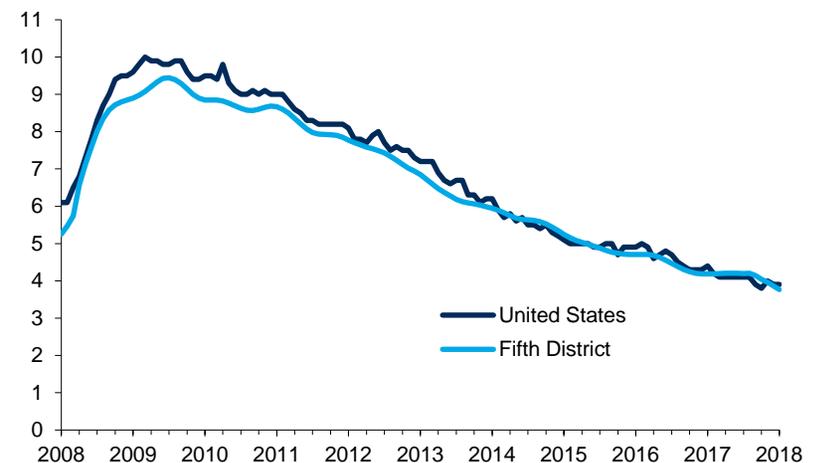
Fifth District Payroll Employment Performance

Year-over-Year Percent Change in August 2018



Fifth District Unemployment Rate

Through August 2018



SNAPSHOT

A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY

October 2018

FEDERAL RESERVE BANK OF RICHMOND

FIFTH DISTRICT

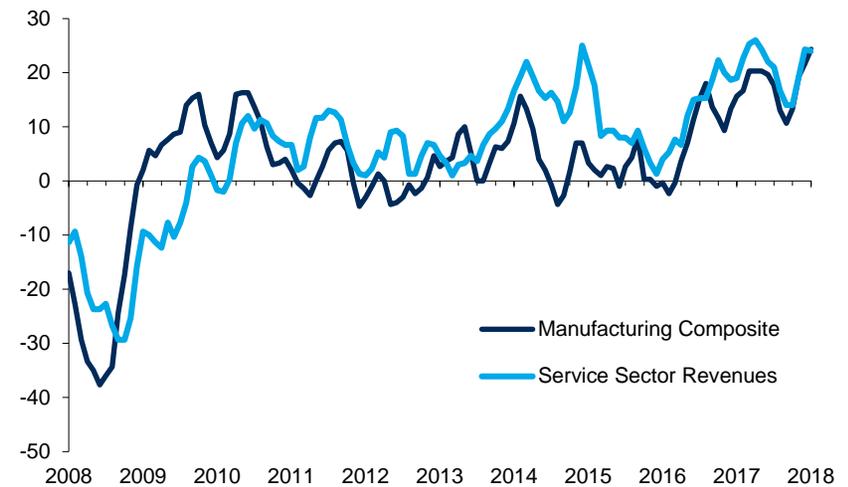
Business Conditions

Manufacturing Survey (SA)	September 18	August 18	September 17
Composite Index	29	24	19
Shipments	33	23	22
New Orders	34	25	20
Number of Employees	16	25	15
Expected Shipments - Six Months	43	42	45
Prices Paid (Annual Percent Change)	3.47	3.31	1.74
Prices Received (Annual Percent Change)	1.93	1.58	1.16

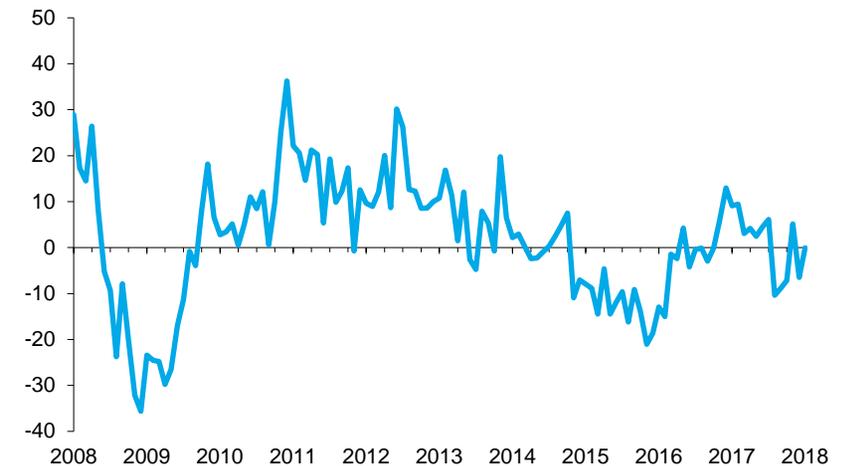
Service Sector Survey (SA)	September 18	August 18	September 17
Revenues	18	31	20
Demand	30	28	26
Number of Employees	22	10	20
Expected Demand - Six Months	51	42	43
Prices Paid (Annual Percent Change)	2.69	2.03	1.53
Prices Received (Annual Percent Change)	2.42	1.68	1.31

District Imports	Period	Level (\$mil)	MoM % Change	YoY % Change
Baltimore, Maryland	June	3,558.39	-4.0	10.5
Wilmington, North Carolina	June	682.57	0.4	-20.4
Charleston, South Carolina	June	4,543.31	5.3	9.6
Norfolk, Virginia	June	3,874.15	-4.2	5.4
District Exports	Period	Level (\$mil)	MoM % Change	YoY % Change
Baltimore, Maryland	June	1,472.77	-9.4	13.6
Wilmington, North Carolina	June	634.09	-46.7	34.6
Charleston, South Carolina	June	3,076.14	-15.4	20.1
Norfolk, Virginia	June	2,180.44	0.7	0.0

Fifth District Business Activity
Diffusion Index, Seasonally Adjusted 3-MMA through September 2018



Norfolk Port District Exports
Year-over-Year Percent Change through June 2018



FIFTH DISTRICT

Household Conditions

Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q2:18	16,182,803	0.57	2.39
Fifth District	Q2:18	1,557,124	0.52	1.95

Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q2:18	200,159	7.38	-1.87
Fifth District	Q2:18	16,754	4.1	0.6

Real Estate Conditions

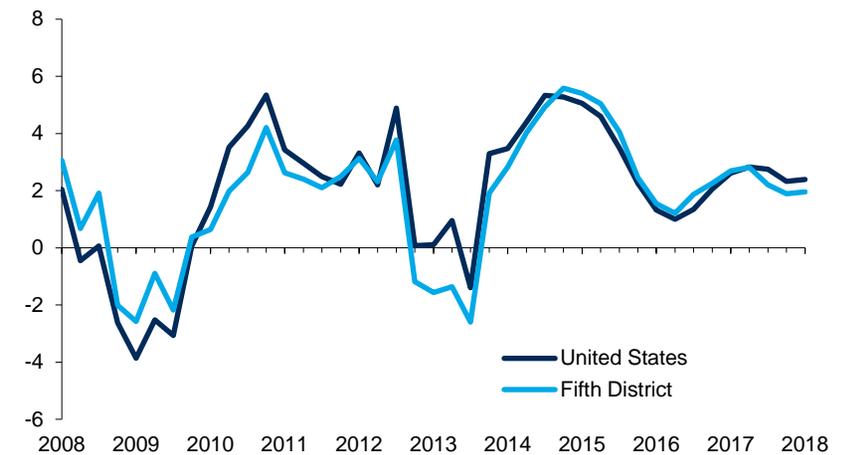
Permits: New Private Housing Units	Period	Level	MoM % Change	YoY % Change
United States	August	116,933	3.5	-2.2
Fifth District	August	16,204	15.1	8.2

Total Private Housing Starts (SAA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	1,282	9.2	9.4
Fifth District	August	182.7	18.6	19.5

House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	July	204	0.3	6.2
Fifth District	July	202	0.2	3.7

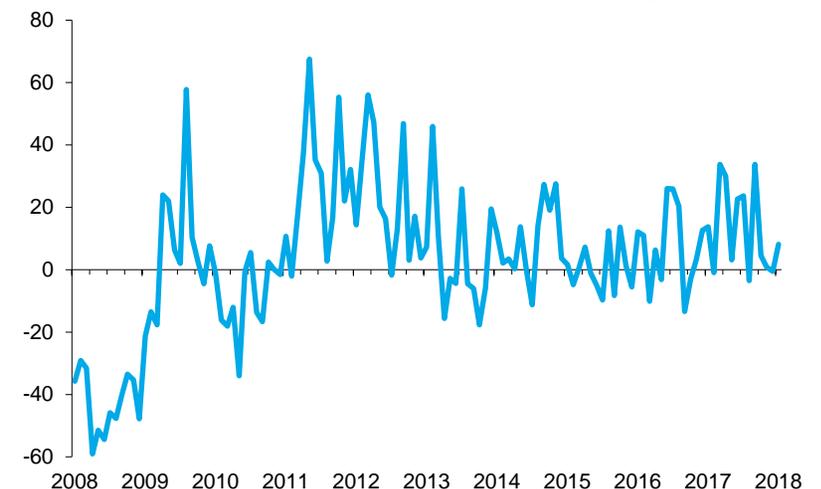
Fifth District Real Personal Income

Year-over-Year Percent Change through Q2:18



Fifth District New Housing Units

Year-over-Year Percent Change through August 2018



DISTRICT OF COLUMBIA

October Summary

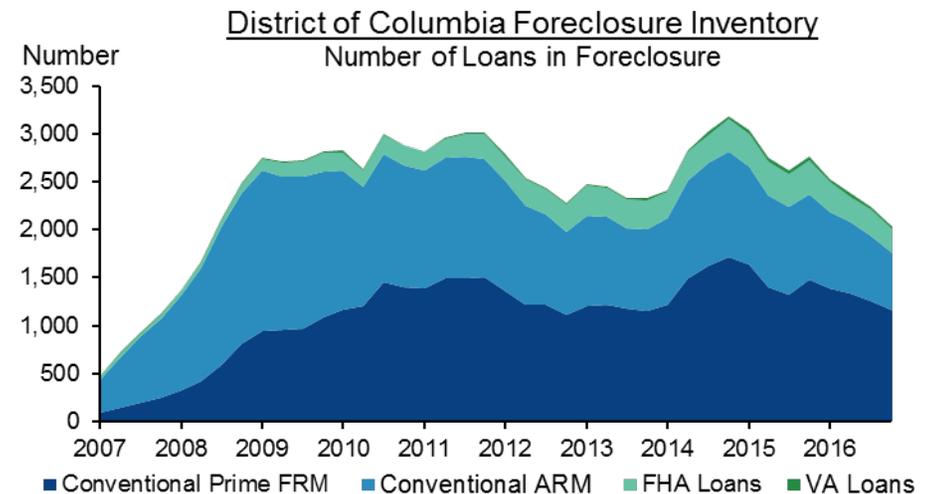
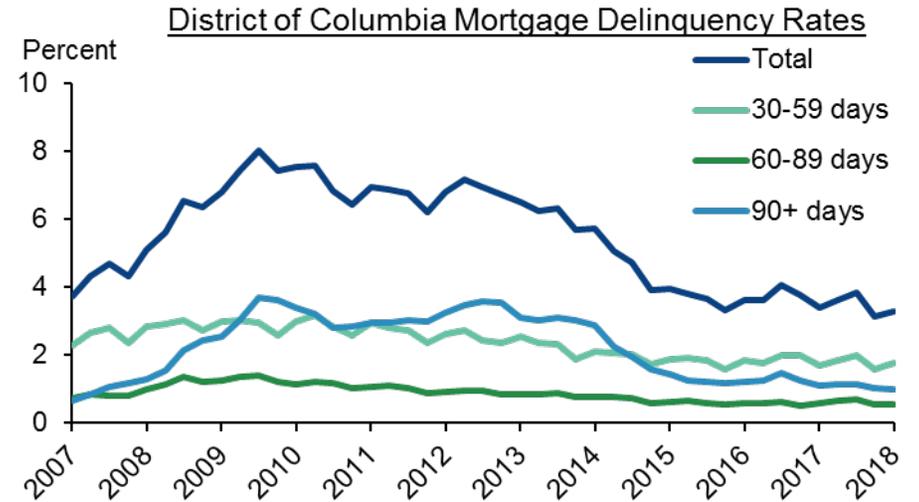
According to recent data, economic conditions generally softened in the District of Columbia. Payroll employment fell slightly and the unemployment rate remained high relative to the national rate and housing market reports were mostly downbeat.

Labor Markets: Employers in D.C. cut 300 jobs (0.0 percent), on net, from their payrolls in August. The “other” services industry cut the most jobs in the month (800 jobs), followed by leisure and hospitality (600 jobs). Smaller job losses were reported in the month in trade, transportation, and utilities (200 jobs) and mining, logging, and construction (100 jobs). Meanwhile, jobs were added in education and health services (500 jobs), professional and business services (400 jobs), government (400 jobs), and information (100 jobs). Since August 2017, total employment in D.C. increased 0.7 percent (5,800 jobs). The largest contributors to the net increase over the year were leisure and hospitality (3,900 jobs), professional and business services (1,600 jobs), and financial services (1,100 jobs). Meanwhile, government employment declined by 2,700 jobs since last August and was the only sector to contract on a year-over-year basis.

Household Conditions: The unemployment rate in the District of Columbia was unchanged at 5.6 percent in August, but decreased 0.5 percentage point from August 2017. In the second quarter of 2018, the share of mortgages in D.C. with payments 90 or more days past due edged down to 1.0 percent. The delinquency rate for fixed-rate conventional loans ticked down in the second quarter to 0.7 percent while the delinquency rate for adjustable-rate loans edged up to 1.9 percent. Real personal income in D.C. increased 0.5 percent in the second quarter of 2018, and was up 1.8 percent since the second quarter of 2017.

Housing Markets: D.C. issued 340 new residential permits in August, up from 30 in June but down from the 437 permits issued in August 2017. In the greater Washington, D.C., metro area, 1,848 permits were issued in the month, a decrease of 8.3 percent from July and a decrease of 7.9 percent since last August. Meanwhile, housing starts in D.C. totaled 3,830 in August, an increase from just 330 starts in July but a decrease from 4,460 starts in August 2017. According to CoreLogic Information Solutions, home values in D.C. depreciated 0.8 percent in July but were up 0.9 percent, year-over-year. In the Washington, D.C., metro area, house prices rose 0.1 percent in July and increased 2.6 percent on a year-over-year basis.

A Closer Look at... Mortgage Delinquency and Foreclosure



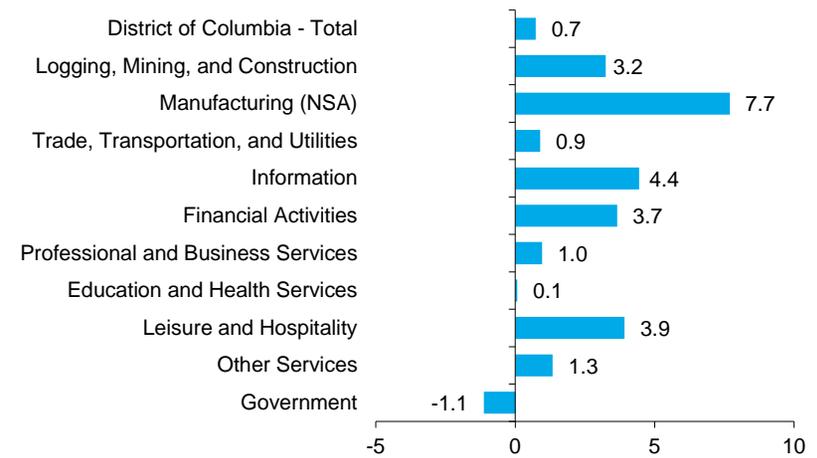
DISTRICT OF COLUMBIA

Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	August	149,279.0	0.13	1.59
Fifth District - Total	August	14,966.6	0.10	1.57
District of Columbia - Total	August	796.3	-0.04	0.73
Logging, Mining, and Construction	August	15.9	-0.62	3.25
Manufacturing (NSA)	August	1.4	0.00	7.69
Trade, Transportation, and Utilities	August	33.9	-0.59	0.89
Information	August	18.8	0.53	4.44
Financial Activities	August	31.2	0.00	3.65
Professional and Business Services	August	168.1	0.24	0.96
Education and Health Services	August	134.2	0.37	0.07
Leisure and Hospitality	August	79.5	-0.75	3.92
Other Services	August	75.4	-1.05	1.34
Government	August	237.9	0.17	-1.12
Washington, D.C. MSA	August	3,331.2	-0.85	1.99

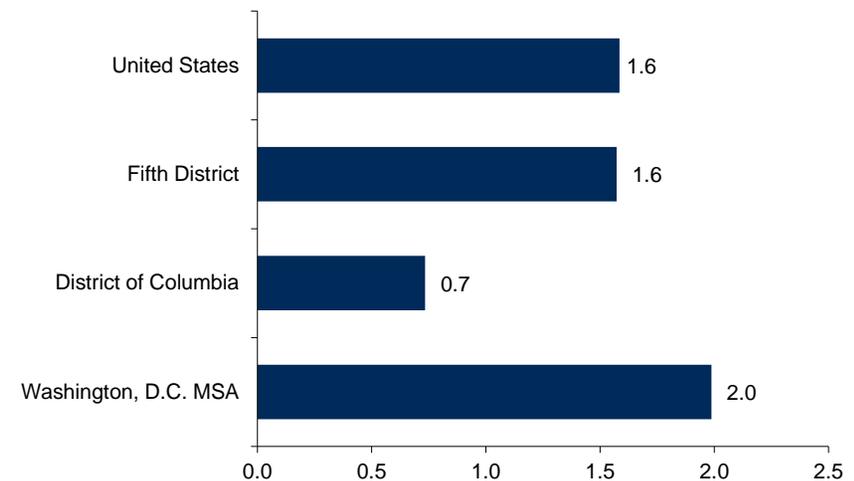
District of Columbia Payroll Employment Performance

Year-over-Year Percent Change in August 2018



District of Columbia Total Employment Performance

Year-over-Year Percent Change in August 2018



DISTRICT OF COLUMBIA

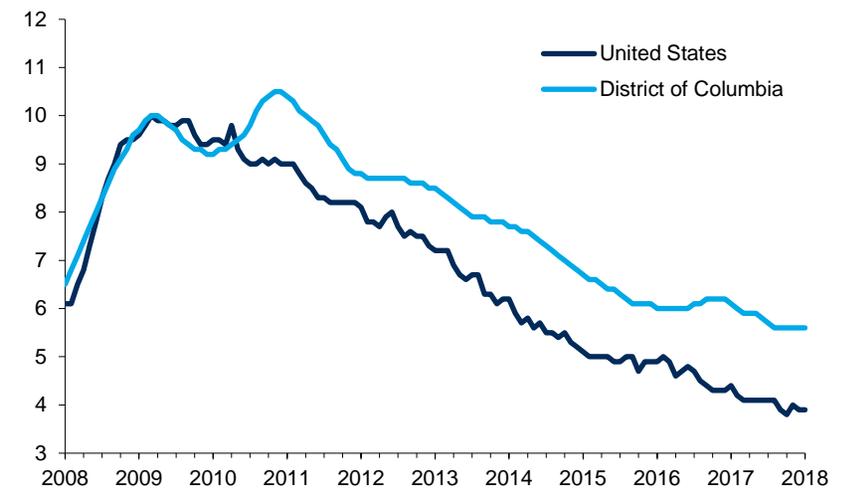
Labor Market Conditions

Unemployment Rate (SA)	August 18	July 18	August 17
United States	3.9	3.9	4.4
Fifth District	3.8	3.9	4.2
District of Columbia	5.6	5.6	6.1
Washington, D.C. MSA	3.4	3.4	3.7

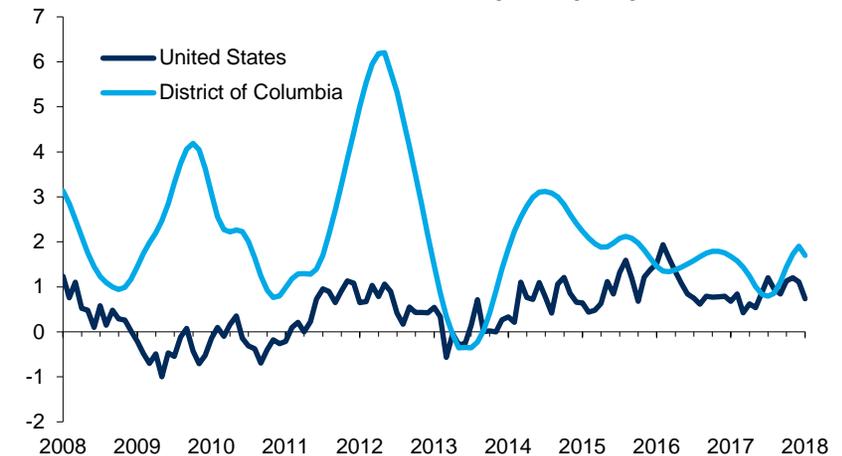
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	161,776	-0.29	0.73
Fifth District	August	16,089	-0.06	0.57
District of Columbia	August	408	-0.22	1.70
Washington, D.C. MSA	August	3,405	-0.78	0.18

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	August	783,437	-18.41	-15.18
Fifth District	August	48,681	-11.57	-10.97
District of Columbia	August	1,848	-17.06	31.06

District of Columbia Unemployment Rate
Through August 2018



District of Columbia Labor Force
Year-over-Year Percent Change through August 2018



DISTRICT OF COLUMBIA

Household Conditions

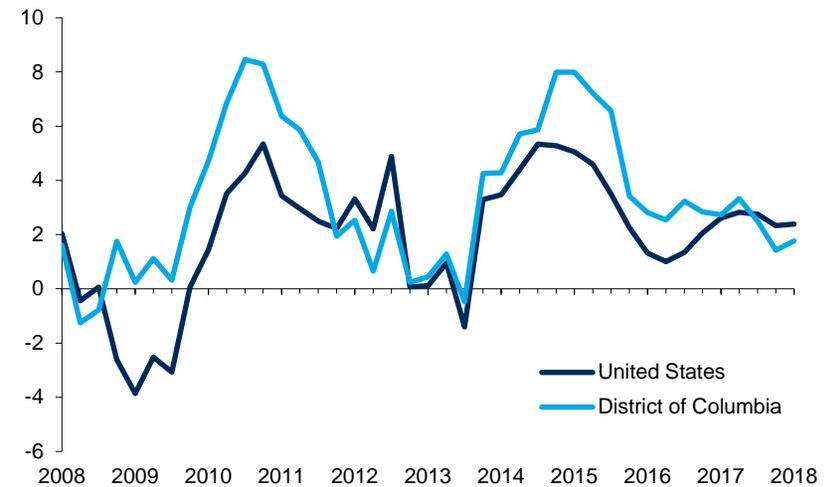
Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q2:18	16,182,803	0.57	2.39
Fifth District	Q2:18	1,557,124	0.52	1.95
District of Columbia	Q2:18	53,061	0.49	1.77

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Washington, D.C. MSA	Q2:18	113.8	0.00	5.76

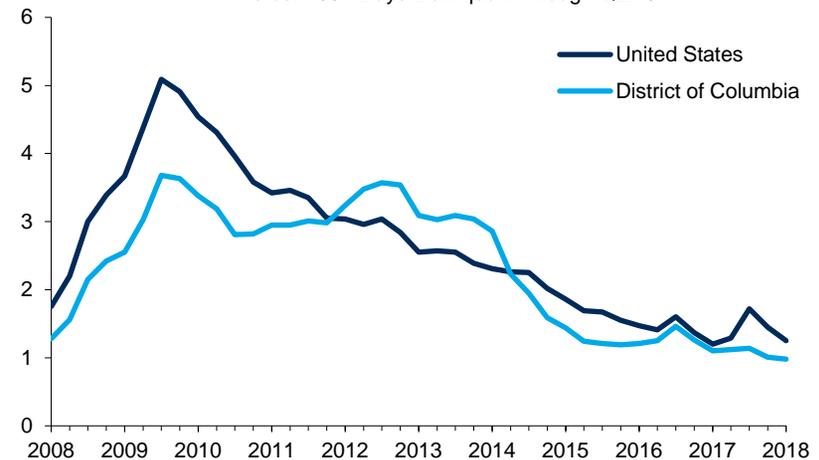
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q2:18	200,159	7.38	-1.87
Fifth District	Q2:18	16,754	4.10	0.62
District of Columbia	Q2:18	237	14.49	25.40

Mortgage Delinquencies (% 90+ Days Delinquent)	Q2:18	Q1:18	Q2:17
United States			
All Mortgages	1.25	1.45	1.20
Conventional - Fixed Rate	0.94	1.12	0.92
Conventional - Adjustable Rate	1.97	2.20	2.12
District of Columbia			
All Mortgages	0.98	1.01	1.10
Conventional - Fixed Rate	0.72	0.75	0.74
Conventional - Adjustable Rate	1.88	1.80	1.99

District of Columbia Real Personal Income
Year-over-Year Percent Change through Q2:18



District of Columbia Mortgage Delinquencies
Percent 90+ Days Delinquent through Q2:18



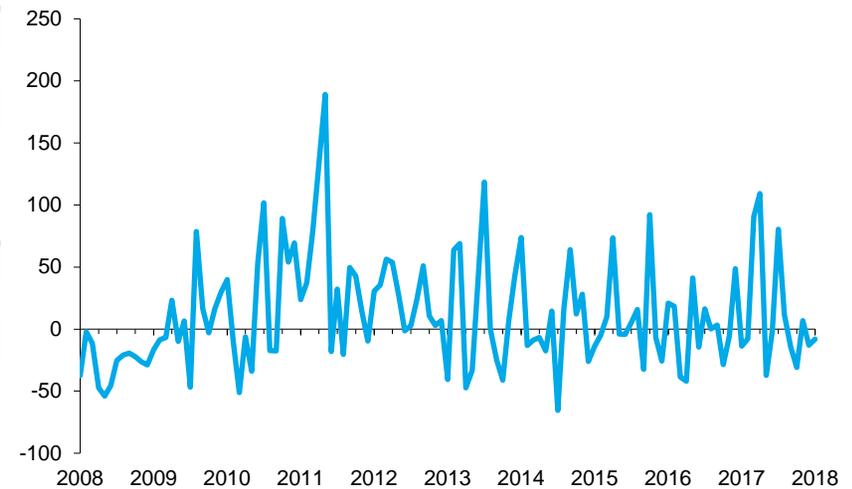
DISTRICT OF COLUMBIA

Real Estate Conditions

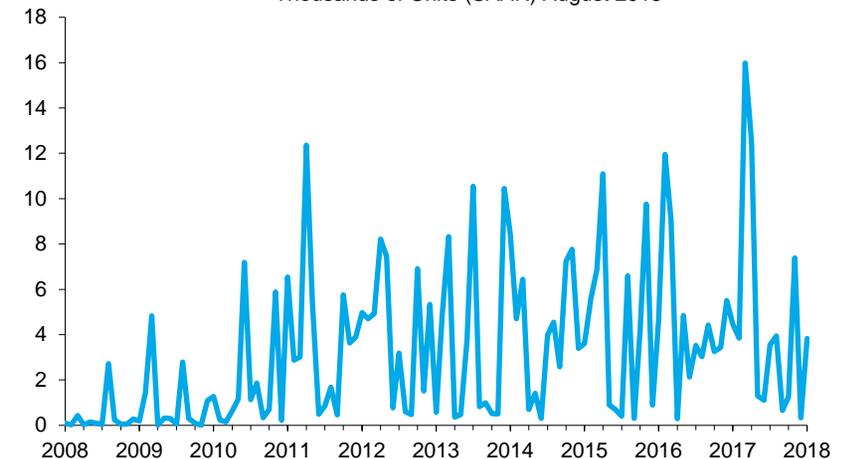
Permits: New Private Housing Units	Period	Level	MoM % Change	YoY % Change
United States	August	116,933	3.45	-2.22
Fifth District	August	16,204	15.10	8.18
District of Columbia	August	340	1,033.33	-22.20
Washington, D.C. MSA	August	1,848	-8.29	-7.97

Total Private Housing Starts (SAA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	1,282	9.20	9.39
Fifth District	August	183	18.65	19.51
District of Columbia	August	3.8	1,060.61	-14.13

Washington, D.C. MSA New Housing Units
Year-over-Year Percent Change through August 2018



District of Columbia Housing Starts
Thousands of Units (SAAR) August 2018



DISTRICT OF COLUMBIA

Real Estate Conditions

House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	July	204	0.34	6.16
Fifth District	July	202	0.16	3.69
District of Columbia	July	315	-0.82	0.94
Washington, D.C. MSA	July	236	0.12	2.58

Median Home Sales Price - NAR (N:)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Washington, D.C. MSA	Q2:18	443	12.35	3.36

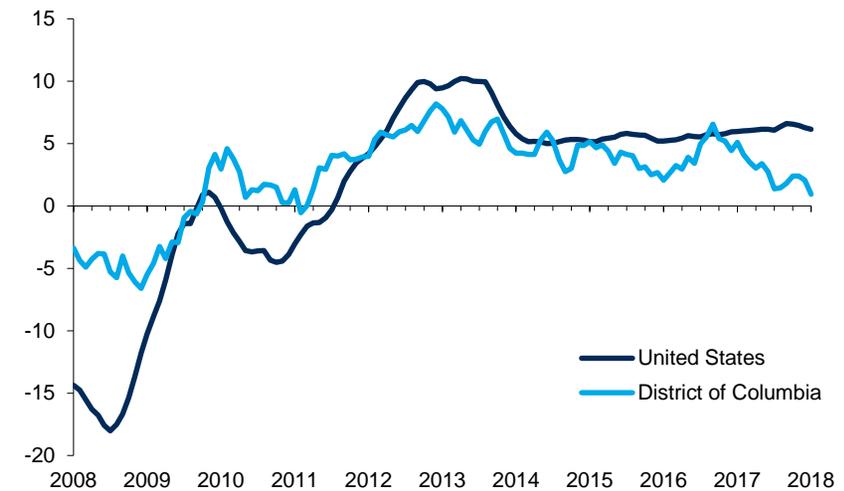
Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Washington, D.C. MSA	Q2:18	395	9.72	11.58

Housing Opportunity Index (%)	Q2:18	Q1:18	Q2:17
Washington, D.C. MSA	63.8	70.6	70.5

Commercial Vacancy Rates (%)	Q2:18	Q1:18	Q2:17
Office Vacancies			
Washington, D.C. MSA	15.0	15.3	15.6
Industrial Vacancies			
Washington, D.C. MSA	9.3	9.7	10.4
Retail Vacancies			
Washington, D.C. MSA	5.5	5.6	5.3

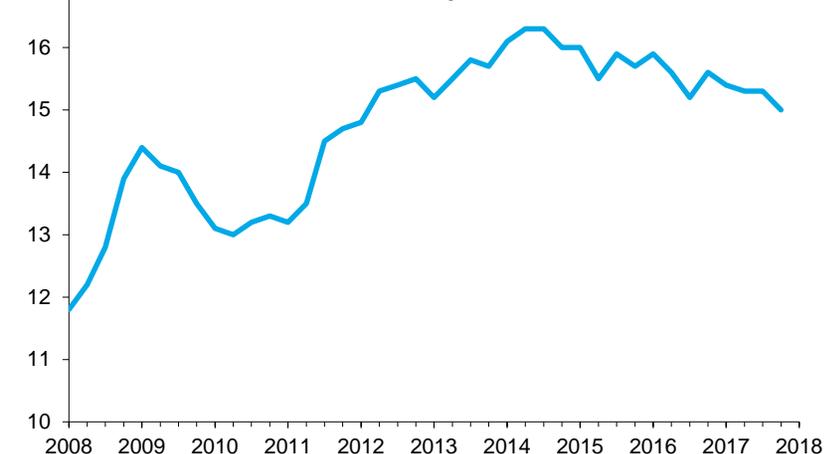
District of Columbia House Price Index (CoreLogic)

Year-over-Year Percent Change through July 2018



Washington, D.C. MSA Office Vacancy Rate

Through Q2:18



MARYLAND

October Summary

Economic conditions in Maryland improved, according to recent reports. Payroll employment rose, the household unemployment rate declined, and housing market reports were upbeat.

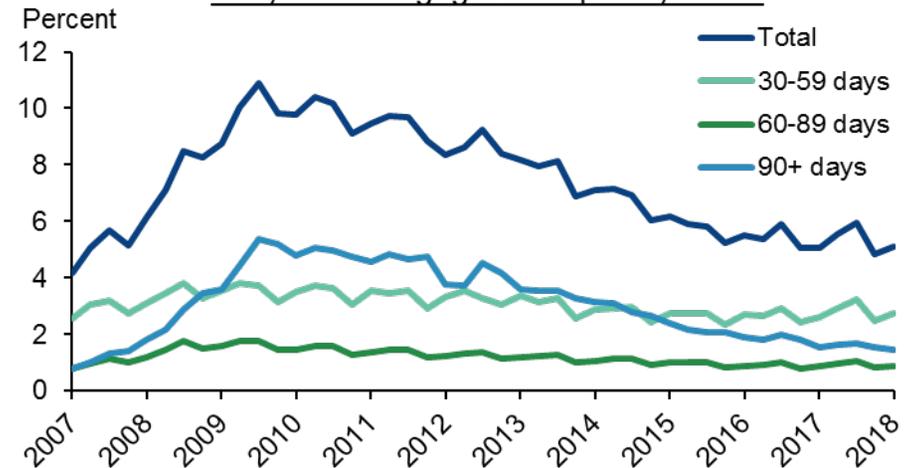
Labor Markets: Payroll employment rose 0.2 percent in Maryland in August as firms added 4,600 net new jobs. The leisure and hospitality industry reported the strongest job growth in the month (0.9 percent or 2,400 jobs), followed by professional and business services (0.5 percent or 2,400 jobs). Trade, transportation, and utilities and education and health services also posted sizeable increases in August, creating 2,100 jobs and 1,900 jobs, respectively. Meanwhile, job cuts were reported in the month in government (3,300 jobs), financial services (1,300 jobs), "other" services (300 jobs), and information (200 jobs). Since August 2017, total employment in Maryland grew 0.7 percent (20,300 jobs). The professional and business services industry reported the largest employment gain since last August, in absolute and percentage terms, by adding 17,700 jobs (4.0 percent). On the downside, the largest declines were reported by financial services and government, which lost 7,700 jobs and 5,700 jobs, respectively.

Household Conditions: The unemployment rate in Maryland edged down 0.1 percent to 4.2 percent in August, but remained 0.2 percentage point above the rate reported in August 2017. In the second quarter of 2018, the share of mortgages in Maryland with payments 90 or more days overdue was unchanged at 1.5 percent. Delinquency rates for fixed and adjustable rate conventional loans decreased slightly in the second quarter to 1.1 percent and 2.8 percent, respectively. Real personal income in Maryland increased 0.5 percent in the second quarter and was up 1.4 percent from a year earlier.

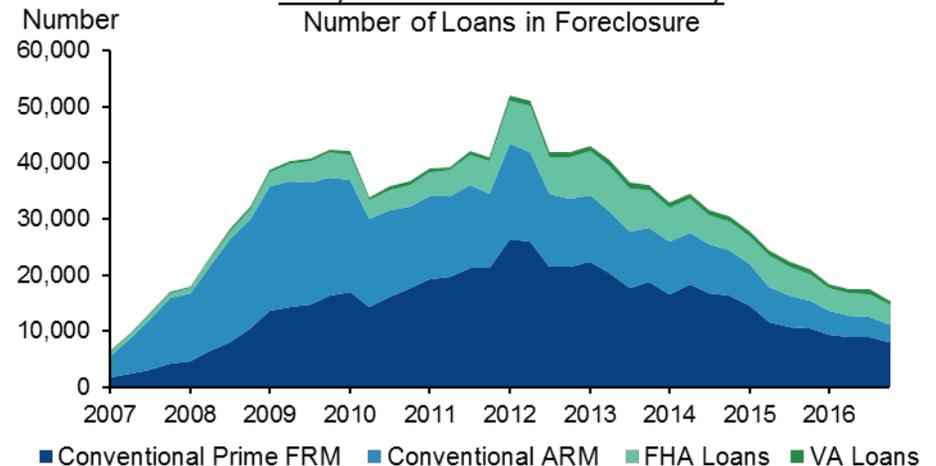
Housing Markets: Maryland issued 2,181 new residential permits in August, a 20.5 percent increase from the prior month and a 39.2 percent increase from August 2017. Permitting activity rose in every MSA in the month except Cumberland. Housing starts in Maryland totaled 24,600 in July, a 24.2 percent increase from the prior month and a 53.8 percent increase compared to August 2017. According to CoreLogic Information Solutions, home values in Maryland appreciated 0.7 percent in July and appreciated 2.8 percent since last July. Home prices rose in every MSA in the month and on a year-over-year basis.

A Closer Look at... Mortgage Delinquency and Foreclosure

Maryland Mortgage Delinquency Rates



Maryland Foreclosure Inventory
Number of Loans in Foreclosure



MARYLAND

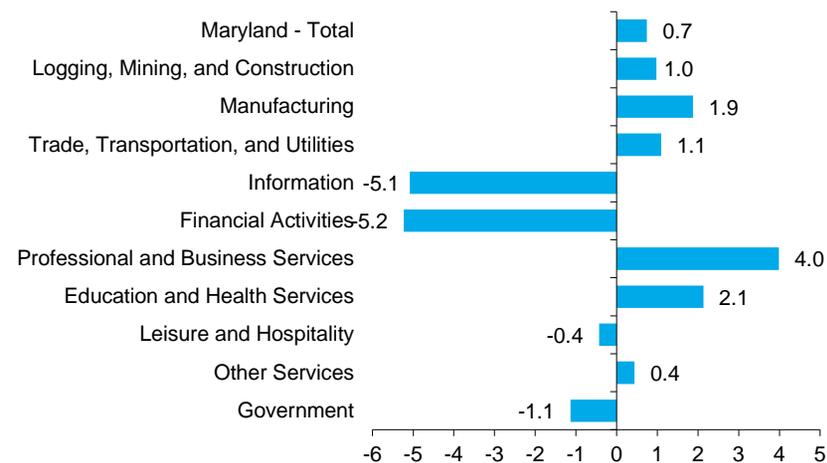
Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	August	149,279.0	0.13	1.59
Fifth District - Total	August	14,966.6	0.10	1.57
Maryland - Total	August	2,749.7	0.17	0.74
Logging, Mining, and Construction	August	165.2	0.36	0.98
Manufacturing	August	108.6	0.28	1.88
Trade, Transportation, and Utilities	August	472.6	0.45	1.09
Information	August	35.5	-0.56	-5.08
Financial Activities	August	139.4	-0.92	-5.23
Professional and Business Services	August	461.9	0.52	3.98
Education and Health Services	August	474.5	0.40	2.13
Leisure and Hospitality	August	279.0	0.87	-0.43
Other Services	August	114.4	-0.26	0.44
Government	August	498.6	-0.66	-1.13

Metro Payroll Employment (NSA)	Period	Level (000s)	YoY % Change
Baltimore-Towson MSA - Total	August	1,426.5	1.78
California-Lexington Park MSA - Total	August	45.3	1.12
Cumberland MSA - Total	August	38.9	0.78
Hagerstown MSA - Total	August	107.2	2.39
Salisbury MSA - Total	August	169.2	-1.51
Silver Spring-Frederick Metro Div. - Total	August	610.2	2.97

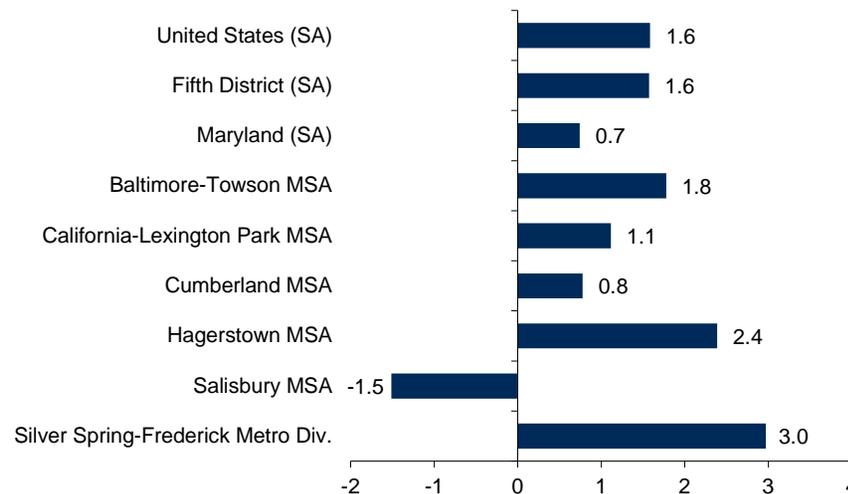
Maryland Payroll Employment Performance

Year-over-Year Percent Change in August 2018



Maryland Total Employment Performance

Year-over-Year Percent Change in August 2018



SNAPSHOT

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October 2018

FEDERAL RESERVE BANK OF RICHMOND

MARYLAND

Labor Market Conditions

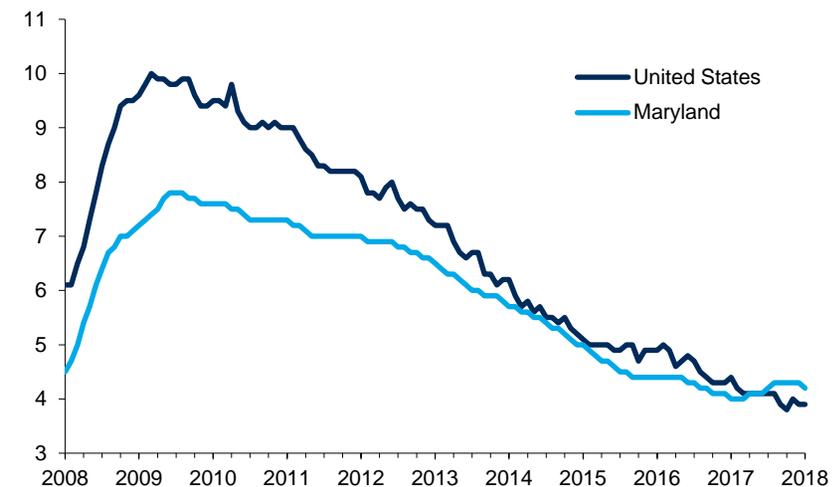
Unemployment Rate (SA)	August 18	July 18	August 17
United States	3.9	3.9	4.4
Fifth District	3.8	3.9	4.2
Maryland	4.2	4.3	4.0
Baltimore-Towson MSA	4.2	4.3	4.2
California-Lexington Park MSA	4.2	4.2	3.9
Cumberland MSA	5.8	5.9	5.5
Hagerstown MSA	4.4	4.4	4.3
Salisbury MSA	5.3	5.3	5.3
Silver Spring-Frederick Metro Div.	3.2	3.4	3.3

Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	161,776	-0.29	0.73
Fifth District	August	16,089	-0.06	0.57
Maryland	August	3,234	-0.04	0.27
Baltimore-Towson MSA	August	1,510	-0.24	0.20
California-Lexington Park MSA	August	55	-0.54	0.00
Cumberland MSA	August	45	-0.45	0.23
Hagerstown MSA	August	132	0.00	0.84
Salisbury MSA	August	187	-0.05	-1.37
Silver Spring-Frederick Metro Div.	August	695	-0.06	3.20

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	August	783,437	-18.41	-15.18
Fifth District	August	48,681	-11.57	-10.97
Maryland	August	12,095	-13.85	-11.48

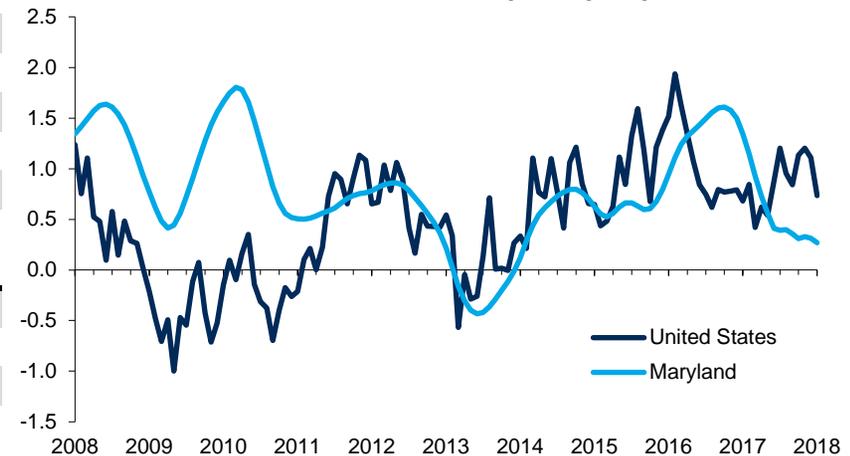
Maryland Unemployment Rate

Through August 2018



Maryland Labor Force

Year-over-Year Percent Change through August 2018



MARYLAND

Household Conditions

Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q2:18	16,182,803	0.57	2.39
Fifth District	Q2:18	1,557,124	0.52	1.95
Maryland	Q2:18	351,706	0.45	1.44

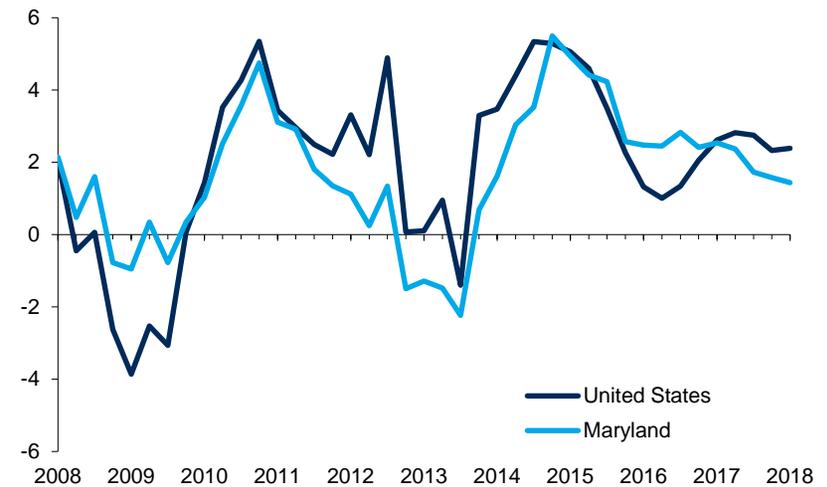
Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Baltimore-Towson MSA	Q2:18	94.9	0.00	4.17
Silver Spring-Frederick Metro Div.	Q2:18	120.8	0.00	5.78
Cumberland MSA	Q2:18	55.5	0.00	---
Hagerstown MSA	Q2:18	75.5	0.00	11.69
Salisbury MSA	Q2:18	71.8	0.00	4.36

Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q2:18	200,159	7.38	-1.87
Fifth District	Q2:18	16,754	4.10	0.62
Maryland	Q2:18	4,499	4.75	0.60

Mortgage Delinquencies (% 90+ Days Delinquent)	Q2:18	Q1:18	Q2:17
United States			
All Mortgages	1.25	1.45	1.20
Conventional - Fixed Rate	0.94	1.12	0.92
Conventional - Adjustable Rate	1.97	2.20	2.12
Maryland			
All Mortgages	1.45	1.53	1.56
Conventional - Fixed Rate	1.11	1.19	1.20
Conventional - Adjustable Rate	2.85	2.99	3.03

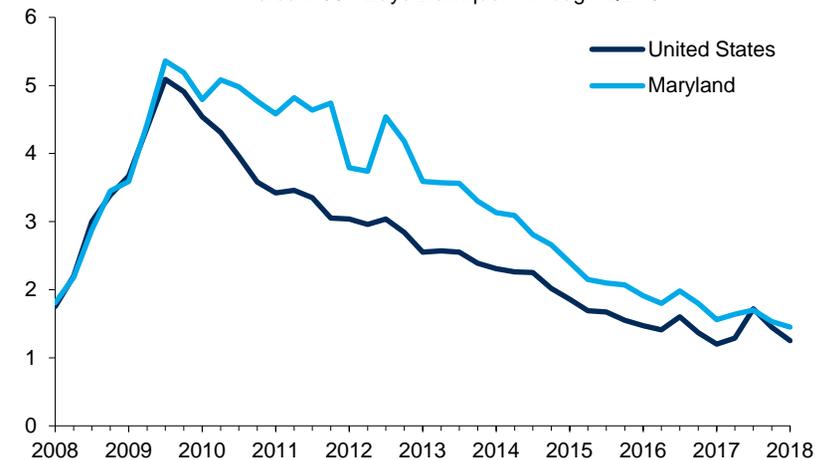
Maryland Real Personal Income

Year-over-Year Percent Change through Q2:18



Maryland Mortgage Delinquencies

Percent 90+ Days Delinquent through Q2:18



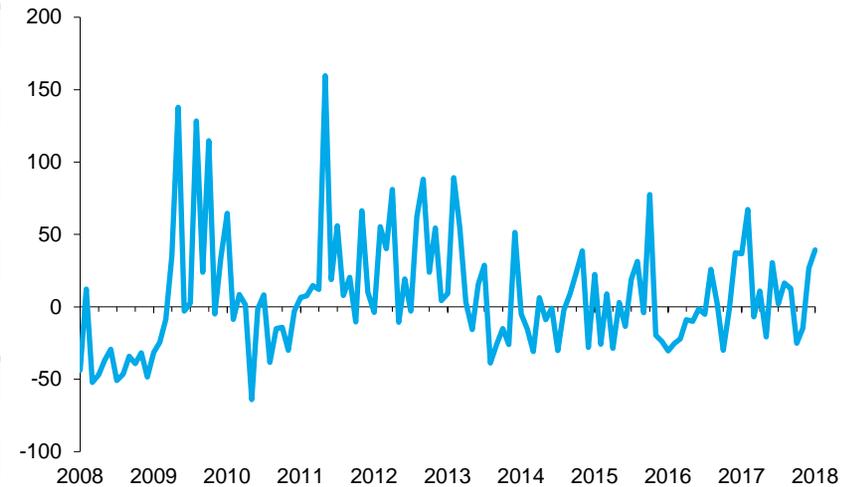
MARYLAND

Real Estate Conditions

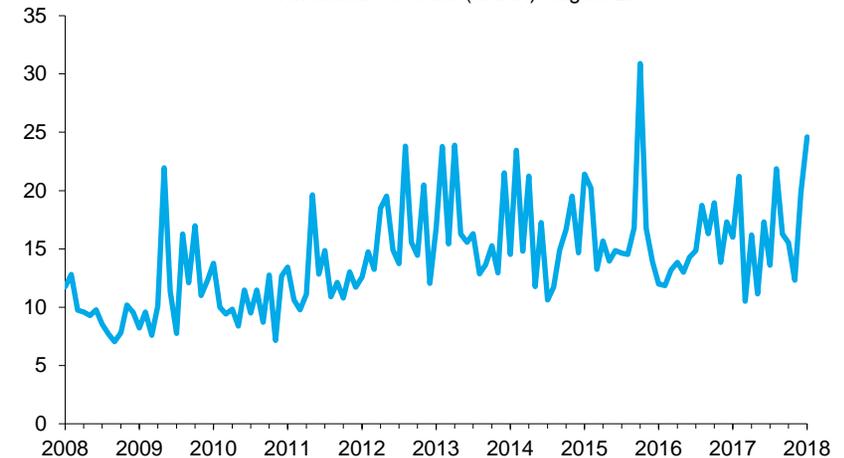
Permits: New Private Housing Units	Period	Level	MoM % Change	YoY % Change
United States	August	116,933	3.45	-2.22
Fifth District	August	16,204	15.10	8.18
Maryland	August	2,181	20.50	39.18
Baltimore-Towson MSA	August	1,239	23.16	48.21
Cumberland MSA	August	4	-66.67	---
Hagerstown MSA	August	154	32.76	-7.23
Salisbury MSA	August	289	14.23	-4.30

Total Private Housing Starts (SAA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	1,282	9.20	9.39
Fifth District	August	183	18.65	19.51
Maryland	August	24.6	24.19	53.78

Maryland New Housing Units
Year-over-Year Percent Change through August 2018



Maryland Housing Starts
Thousands of Units (SAAR) August 2018



MARYLAND

Real Estate Conditions

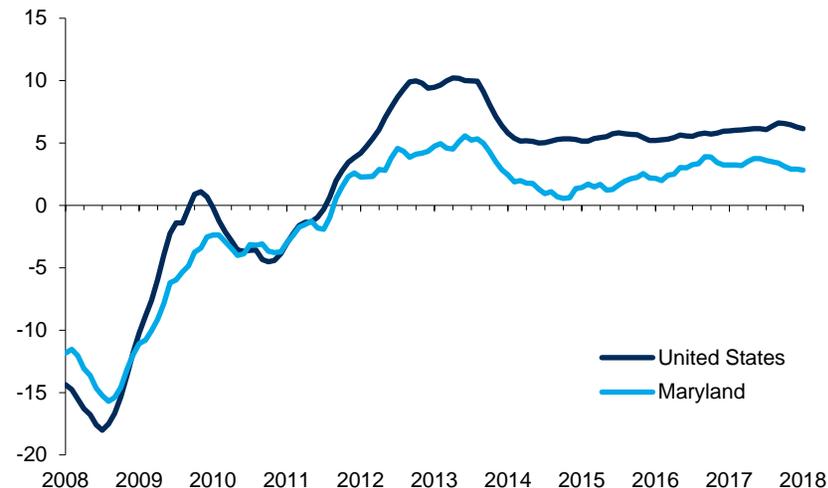
House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	July	204	0.34	6.16
Fifth District	July	202	0.16	3.69
Maryland	July	205	0.65	2.84
Baltimore-Towson MSA	July	202	0.62	2.27
Cumberland MSA	July	191	3.07	8.84
Hagerstown MSA	July	171	1.55	5.60
Salisbury MSA	July	215	1.24	2.40

Median Home Sales Price - NAR (N:)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Baltimore-Towson MSA	Q2:18	297	17.15	7.29
Cumberland MSA	Q2:18	95	10.09	-3.36
Hagerstown MSA	Q2:18	180	4.97	2.80

Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Baltimore-Towson MSA	Q2:18	260	9.24	5.26
Silver Spring-Frederick Metro Div.	Q2:18	400	2.56	-2.20
Cumberland MSA	Q2:18	90	16.88	---
Hagerstown MSA	Q2:18	165	0.61	5.77
Salisbury MSA	Q2:18	193	8.43	13.53

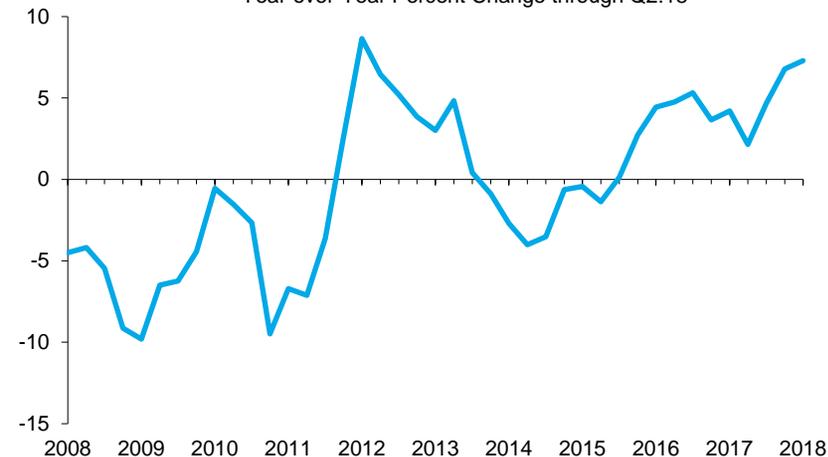
Maryland House Price Index (CoreLogic)

Year-over-Year Percent Change through July 2018



Baltimore-Towson MSA Median Home Sales Price (NAR)

Year-over-Year Percent Change through Q2:18



MARYLAND

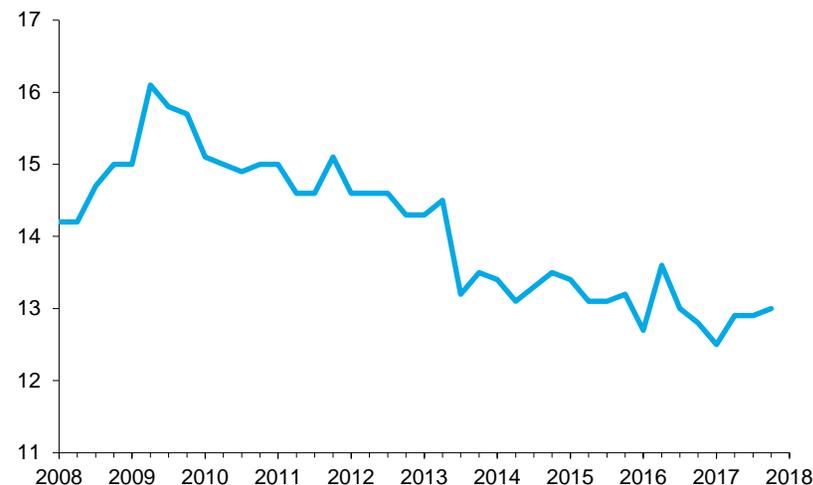
Real Estate Conditions

Housing Opportunity Index (%)	Q2:18	Q1:18	Q2:17
Baltimore-Towson MSA	73.7	79.7	77.6
Silver Spring-Frederick Metro Div.	67.0	68.3	64.6
Cumberland MSA	93.3	98.5	---
Hagerstown MSA	87.8	84.0	86.7
Salisbury MSA	79.5	81.8	84.8

Commercial Vacancy Rates (%)	Q2:18	Q1:18	Q2:17
Office Vacancies			
Baltimore-Towson MSA	13.0	12.9	12.8
Retail Vacancies			
Baltimore-Towson MSA	5.6	5.7	5.6
Industrial Vacancies			
Baltimore-Towson MSA	11.2	11.0	10.8
Suburban Maryland (Washington, D.C. MSA)	---	---	---

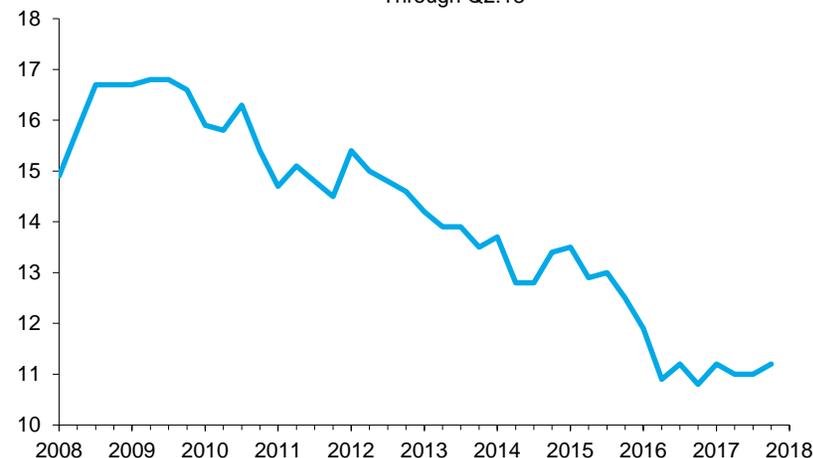
Baltimore-Towson MSA Office Vacancy Rate

Through Q2:18



Baltimore-Towson MSA Industrial Vacancy Rate

Through Q2:18



NORTH CAROLINA

October Summary

North Carolina's economy improved, according to recent reports. Payroll employment increased and the household unemployment rate declined. Meanwhile, housing market reports were upbeat.

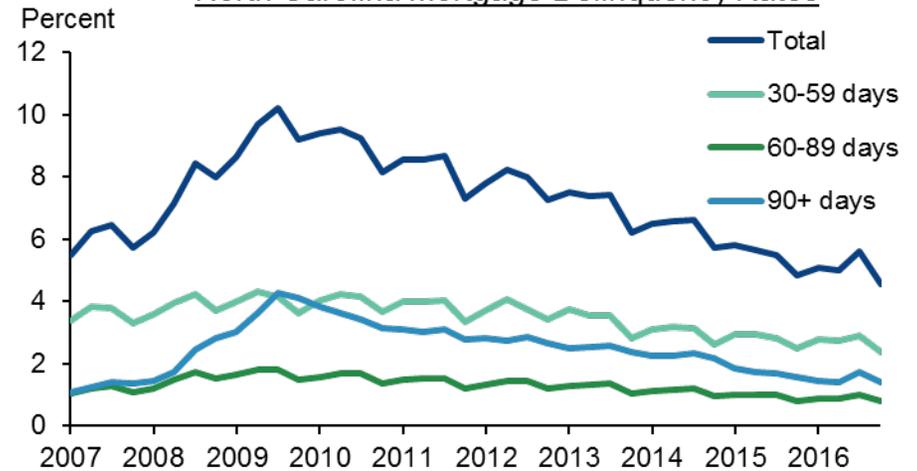
Labor Markets: Employers in North Carolina added 1,600 net new jobs (0.0 percent) to their payrolls in August. The professional and business services industry saw the biggest increase during the month (4,900 jobs), followed by trade, transportation, and utilities (1,800 jobs). Smaller gains were reported in construction (1,000 jobs), financial services (300 jobs), and "other" services (200 jobs). On the downside, education and health services cut the largest number of jobs in August (2,200 jobs), followed by leisure and hospitality, which shed 1,300 jobs. North Carolina reported year-over-year employment growth of 2.3 percent (102,800 jobs) as job gains occurred in every industry. The largest contributors to the net increase over the year were professional and business services (30,600 jobs) and trade, transportation, and utilities (21,400 jobs). Material increases were also reported in education and health services and construction, which each added 11,300 jobs since last August.

Household Conditions: North Carolina's unemployment rate edged down 0.2 percentage point to 3.9 percent in August and declined 0.5 percentage point from August 2017. In the second quarter of 2018, the share of North Carolina mortgages with payments 90 or more days past due decreased to 1.1 percent. Delinquency rates for fixed-rate and adjustable-rate loans declined in the second quarter to 0.8 percent and 1.7 percent, respectively. In the second quarter of 2018, real personal income in North Carolina rose 0.6 percent and was up 2.3 percent since the second quarter of 2017.

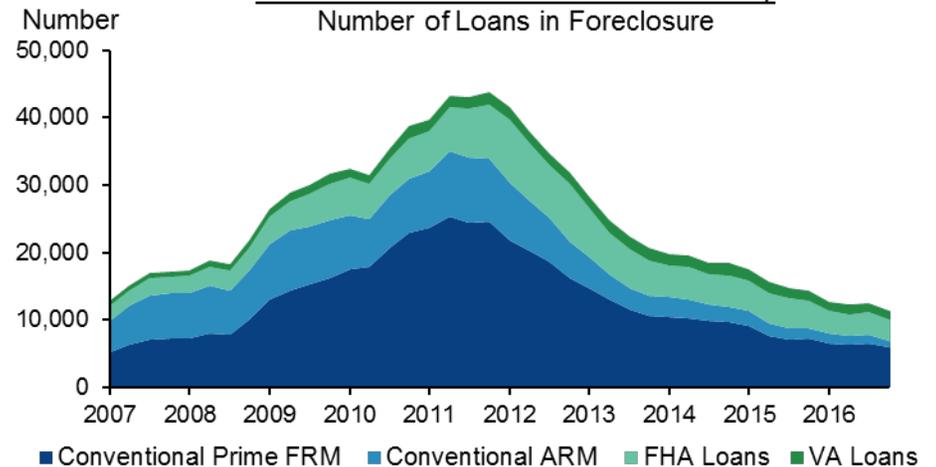
Housing Markets: North Carolina issued 7,348 new residential permits in August, up 21.4 percent from the prior month and up 9.2 percent from August 2017. The Charlotte MSA issued the most permits in August (2,267 permits) while the Wilmington MSA reported the largest percentage increase in the month of 53.4 percent by issuing 158 permits. North Carolina housing starts totaled 82,800 in August, up 25.1 percent from the prior month and up 21.0 percent on a year-over-year basis. According to CoreLogic Information Solutions, North Carolina home values appreciated 0.1 percent in July and appreciated 4.7 percent since July 2017. House prices rose on a year-over-year basis in every MSA in the state.

A Closer Look at... Mortgage Delinquency and Foreclosure

North Carolina Mortgage Delinquency Rates



North Carolina Foreclosure Inventory
Number of Loans in Foreclosure



NORTH CAROLINA

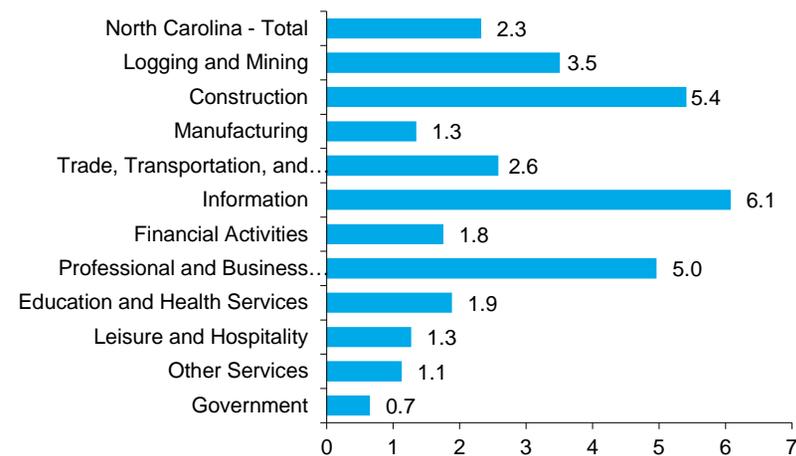
Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	August	149,279.0	0.13	1.59
Fifth District - Total	August	14,966.6	0.10	1.57
North Carolina - Total	August	4,527.6	0.04	2.32
Logging and Mining	August	5.9	-1.67	3.51
Construction	August	220.2	0.46	5.41
Manufacturing	August	474.2	-0.23	1.35
Trade, Transportation, and Utilities	August	850.0	0.21	2.58
Information	August	83.8	-0.71	6.08
Financial Activities	August	237.8	0.13	1.75
Professional and Business Services	August	647.1	0.76	4.96
Education and Health Services	August	611.3	-0.36	1.88
Leisure and Hospitality	August	502.4	-0.26	1.27
Other Services	August	152.7	0.13	1.13
Government	August	742.2	-0.17	0.65

Metro Payroll Employment (NSA)	Period	Level (000s)	YoY % Change
Asheville MSA - Total	August	193.5	1.74
Charlotte MSA - Total	August	1,215.2	2.70
Durham MSA - Total	August	319.8	2.76
Fayetteville MSA - Total	August	129.4	0.70
Greensboro-High Point MSA - Total	August	362.5	1.29
Raleigh-Cary MSA - Total	August	641.8	3.15
Wilmington MSA - Total	August	128.7	0.78
Winston-Salem MSA - Total	August	264.7	0.95

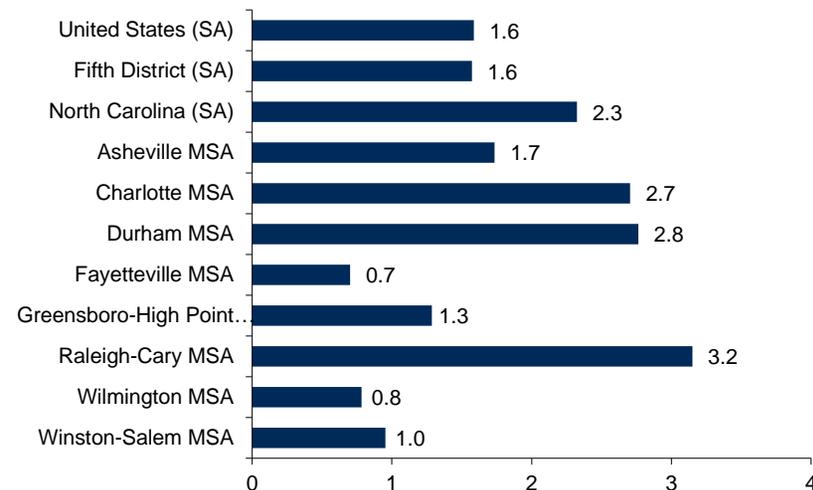
North Carolina Payroll Employment Performance

Year-over-Year Percent Change in August 2018



North Carolina Total Employment Performance

Year-over-Year Percent Change in August 2018



SNAPSHOT

A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY

October 2018

FEDERAL RESERVE BANK OF RICHMOND

NORTH CAROLINA

Labor Market Conditions

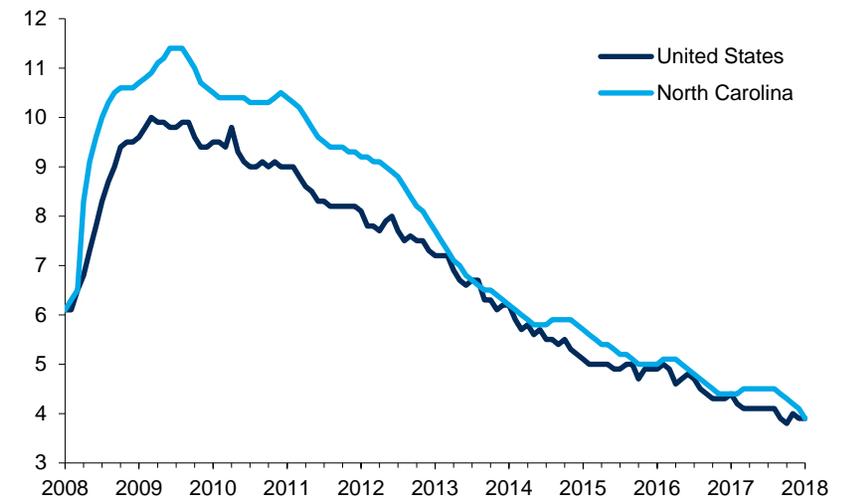
Unemployment Rate (SA)	August 18	July 18	August 17
United States	3.9	3.9	4.4
Fifth District	3.8	3.9	4.2
North Carolina	3.9	4.1	4.4
Asheville MSA	3.0	3.1	3.7
Charlotte MSA	3.4	3.5	4.2
Durham MSA	3.2	3.4	3.9
Fayetteville MSA	4.9	5.0	5.6
Greensboro-High Point MSA	3.9	4.0	4.7
Raleigh-Cary MSA	3.2	3.3	3.9
Wilmington MSA	3.5	3.6	4.2
Winston-Salem MSA	3.6	3.6	4.3

Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	161,776	-0.29	0.73
Fifth District	August	16,089	-0.06	0.57
North Carolina	August	5,003	-0.03	0.92
Asheville MSA	August	230	-1.03	0.22
Charlotte MSA	August	1,336	-0.71	0.97
Durham MSA	August	301	-0.46	1.18
Fayetteville MSA	August	148	-0.61	0.00
Greensboro-High Point MSA	August	368	-0.70	-0.14
Raleigh-Cary MSA	August	715	-0.47	2.01
Wilmington MSA	August	146	-0.81	-0.20
Winston-Salem MSA	August	325	-0.73	0.15

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	August	783,437	-18.41	-15.18
Fifth District	August	48,681	-11.57	-10.97
North Carolina	August	11,812	2.78	8.11

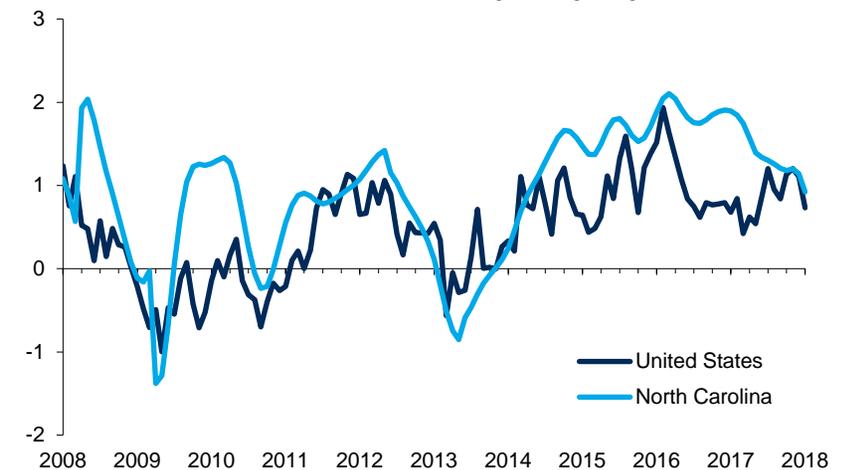
North Carolina Unemployment Rate

Through August 2018



North Carolina Labor Force

Year-over-Year Percent Change through August 2018



NORTH CAROLINA

Household Conditions

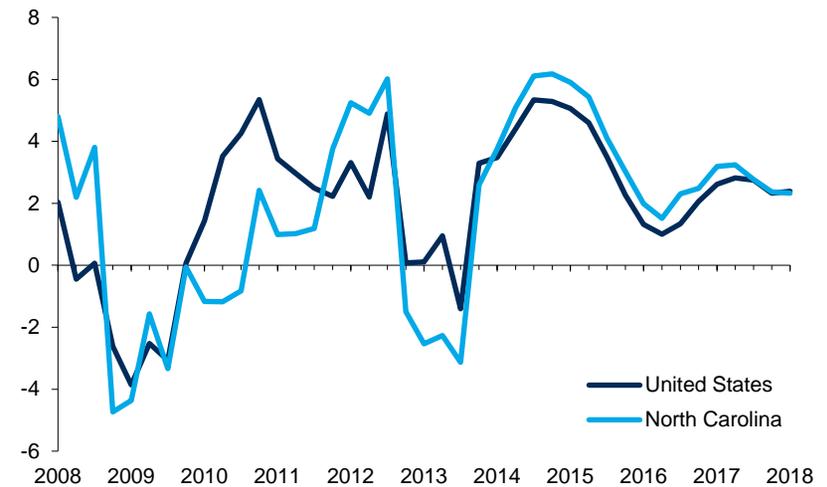
Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q2:18	16,182,803	0.57	2.39
Fifth District	Q2:18	1,557,124	0.52	1.95
North Carolina	Q2:18	437,233	0.55	2.32

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Asheville MSA	Q2:18	61.3	0.00	0.00
Charlotte MSA	Q2:18	74.1	0.00	4.81
Durham MSA	Q2:18	80.6	0.00	9.96
Fayetteville MSA	Q2:18	53.5	0.00	2.29
Greensboro-High Point MSA	Q2:18	60.5	0.00	5.77
Raleigh-Cary MSA	Q2:18	84.3	0.00	5.11
Winston-Salem MSA	Q2:18	62.5	0.00	9.84

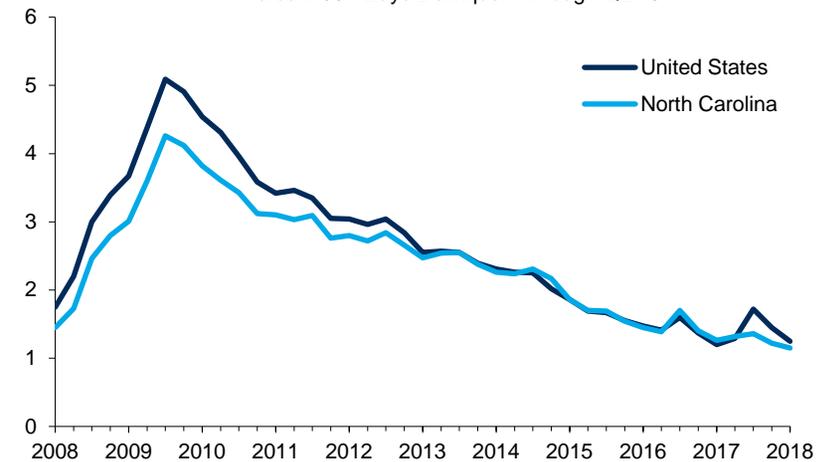
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q2:18	200,159	7.38	-1.87
Fifth District	Q2:18	16,754	4.10	0.62
North Carolina	Q2:18	3,583	1.99	-2.16

Mortgage Delinquencies (% 90+ Days Delinquent)	Q2:18	Q1:18	Q2:17
United States			
All Mortgages	1.25	1.45	1.20
Conventional - Fixed Rate	0.94	1.12	0.92
Conventional - Adjustable Rate	1.97	2.20	2.12
North Carolina - All Mortgages			
All Mortgages	1.15	1.22	1.26
Conventional - Fixed Rate	0.86	0.93	0.95
Conventional - Adjustable Rate	1.67	1.79	1.90

North Carolina Real Personal Income
Year-over-Year Percent Change through Q2:18



North Carolina Mortgage Delinquencies
Percent 90+ Days Delinquent through Q2:18



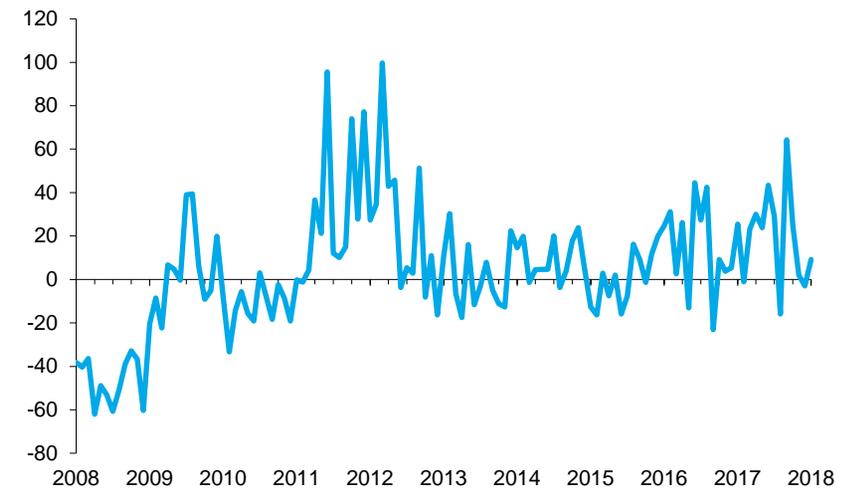
NORTH CAROLINA

Real Estate Conditions

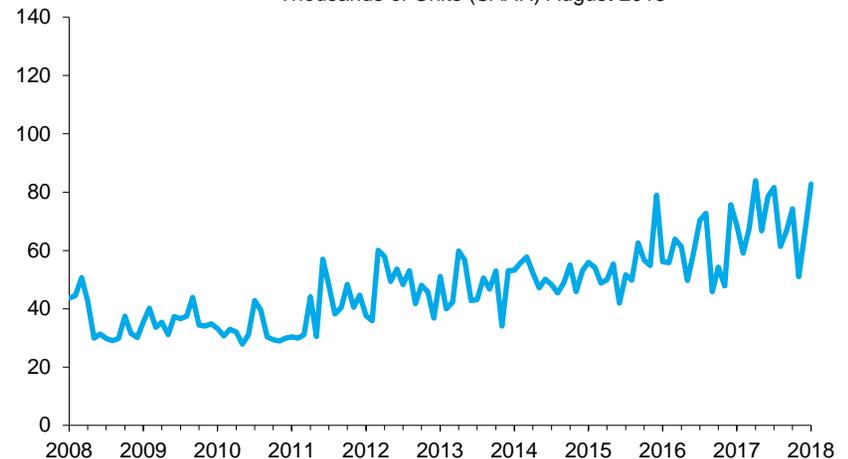
Permits: New Private Housing Units	Period	Level	MoM % Change	YoY % Change
United States	August	116,933	3.45	-2.22
Fifth District	August	16,204	15.10	8.18
North Carolina	August	7,348	21.35	9.18
Asheville MSA	August	251	14.61	-29.10
Charlotte MSA	August	2,267	26.44	-3.08
Durham MSA	August	410	-2.84	-4.21
Fayetteville MSA	August	86	11.69	16.22
Greensboro-High Point MSA	August	216	-9.24	-19.40
Greenville MSA	August	82	12.33	-73.55
Hickory MSA	August	6	25.00	---
Jacksonville MSA	August	81	-31.93	-7.95
Raleigh-Cary MSA	August	2,117	16.13	59.65
Wilmington MSA	August	158	53.40	-26.85
Winston-Salem MSA	August	201	1.01	-66.10

Total Private Housing Starts (SAA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	1,282	9.20	9.39
Fifth District	August	183	18.65	19.51
North Carolina	August	82.8	25.10	20.62

North Carolina New Housing Units
Year-over-Year Percent Change through August 2018



North Carolina Housing Starts
Thousands of Units (SAAR) August 2018



NORTH CAROLINA

Real Estate Conditions

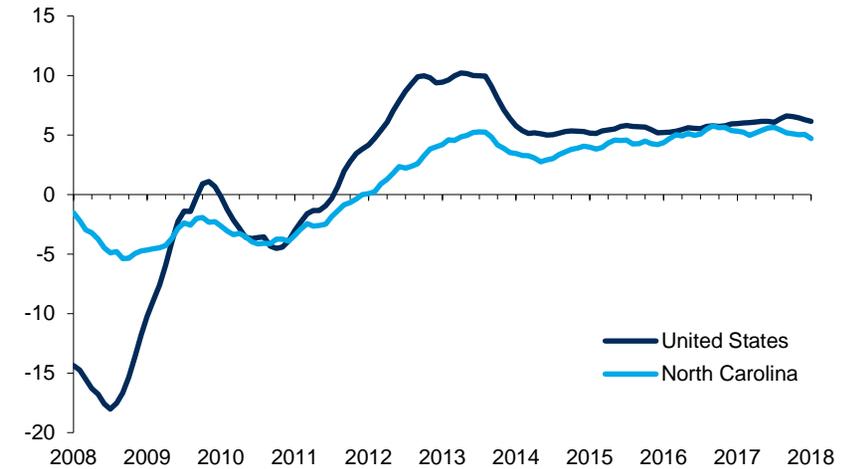
House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	July	204	0.34	6.16
Fifth District	July	202	0.16	3.69
North Carolina	July	159	0.07	4.71
Asheville MSA	July	217	0.06	5.69
Charlotte MSA	July	165	-0.09	6.00
Durham MSA	July	168	0.83	6.96
Fayetteville MSA	July	126	0.59	2.35
Greensboro-High Point MSA	July	132	0.61	4.65
Greenville MSA	July	132	-0.12	4.78
Hickory MSA	July	149	-0.85	5.80
Jacksonville MSA	July	148	0.07	4.14
Raleigh-Cary MSA	July	157	0.10	4.94
Wilmington MSA	July	183	-0.07	3.80
Winston-Salem MSA	July	145	0.31	5.02

Median Home Sales Price - NAR (NAR)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Charlotte MSA	Q2:18	252	11.48	7.73
Durham MSA	Q2:18	289	7.77	9.40
Greensboro-High Point MSA	Q2:18	167	8.25	5.17
Raleigh-Cary MSA	Q2:18	291	5.94	4.42

Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Asheville MSA	Q2:18	261	0.38	5.24
Charlotte MSA	Q2:18	245	6.52	3.81
Durham MSA	Q2:18	258	0.78	5.74
Fayetteville MSA	Q2:18	134	3.88	3.88
Greensboro-High Point MSA	Q2:18	161	2.55	4.55
Raleigh-Cary MSA	Q2:18	299	4.91	5.65
Winston-Salem MSA	Q2:18	162	6.58	1.25

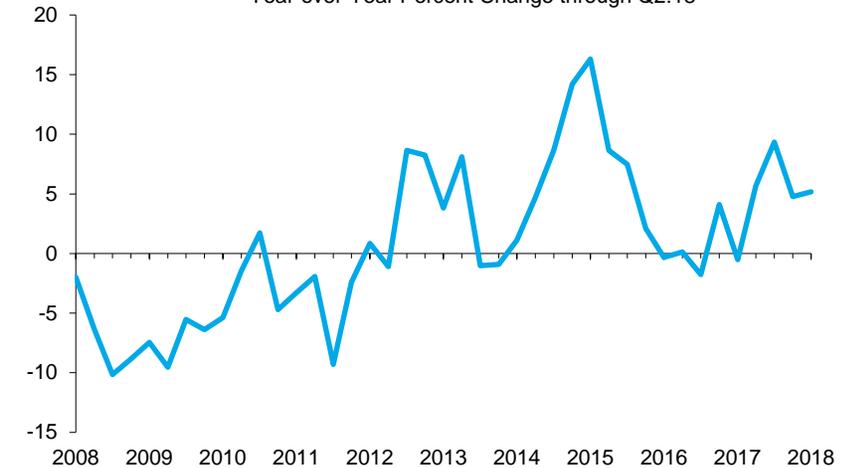
North Carolina House Price Index (CoreLogic)

Year-over-Year Percent Change through July 2018



Greensboro MSA Median Home Sales Price (NAR)

Year-over-Year Percent Change through Q2:18



NORTH CAROLINA

Real Estate Conditions

Housing Opportunity Index (%)	Q2:18	Q1:18	Q2:17
Asheville MSA	50.0	54.1	57.7
Charlotte MSA	64.6	69.0	66.4
Durham MSA	65.7	67.4	66.8
Fayetteville MSA	73.0	76.8	75.7
Greensboro-High Point MSA	72.6	74.2	74.4
Raleigh-Cary MSA	61.9	68.5	64.3
Winston-Salem MSA	76.0	79.9	75.6

Commercial Vacancy Rates (%)	Q2:18	Q1:18	Q2:17
Office Vacancies			
Raleigh/Durham	7.7	8.3	7.2
Charlotte	11.1	11.2	10.2
Retail Vacancies			
Raleigh/Durham	4.4	4.9	4.9
Charlotte	5.1	5.1	5.4
Industrial Vacancies			
Raleigh/Durham	7.0	7.1	7.0
Charlotte	7.4	7.7	7.0

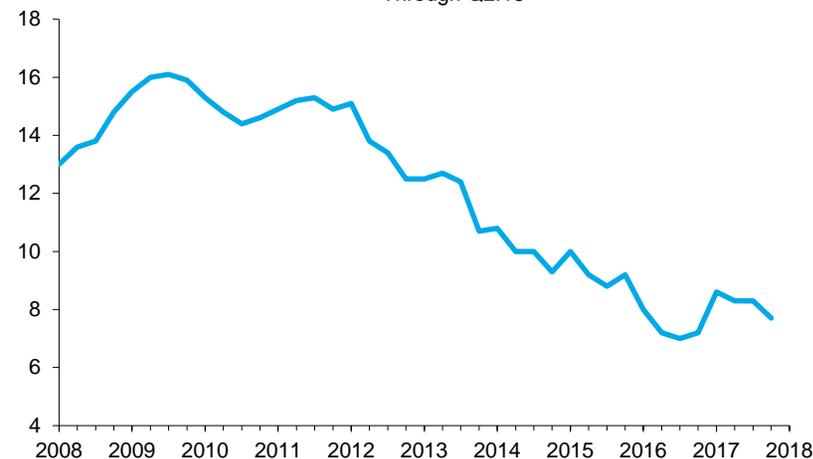
Charlotte MSA Office Vacancy Rate

Through Q2:18



Raleigh/Durham CSA Industrial Vacancy Rate

Through Q2:18



SOUTH CAROLINA

October Summary

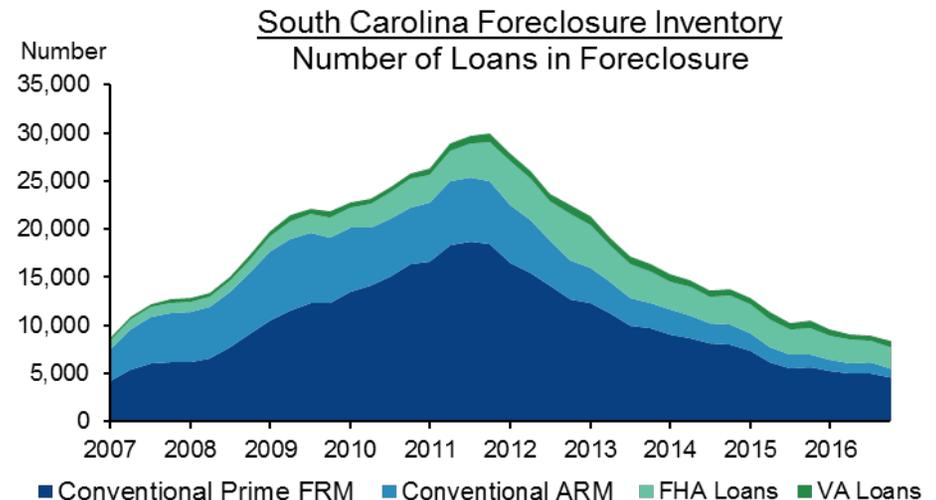
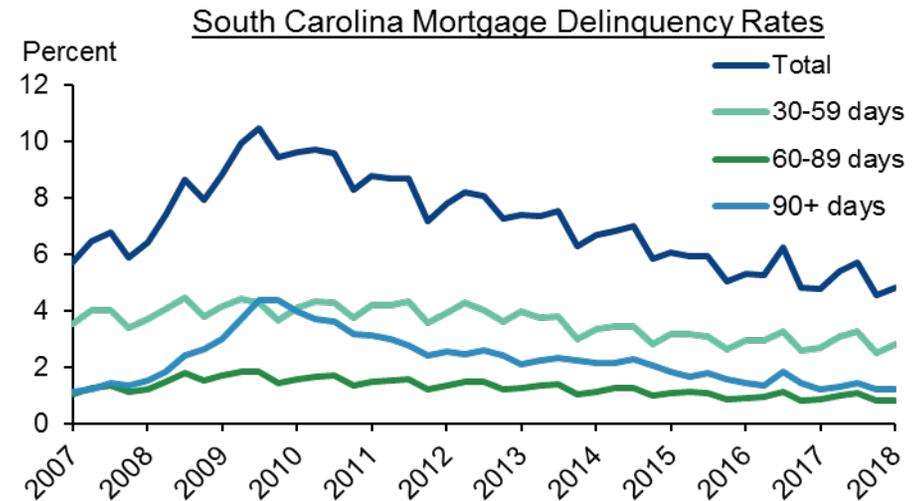
Reports on South Carolina's economy were mostly positive in recent months. Employers added jobs to payrolls in August and the unemployment rate edged down. Meanwhile, housing market activity strengthened.

Labor Markets: Total employment in South Carolina rose 0.2 percent in August, as firms added 4,200 net new jobs to payrolls. The professional and business services industry saw the largest job gain during the month (4,000 jobs or 1.5 percent), followed by "other" services (1,100 jobs or 1.4 percent). On the downside, declines were reported in manufacturing (1,500 jobs), leisure and hospitality (1,000 jobs), construction (300 jobs), and information (100 jobs). On a year-over-year basis, payroll employment in South Carolina rose 1.9 percent (40,600 jobs). The largest contributor to the overall gain was the trade, transportation, and utilities industry, which added 11,600 jobs since last August. Education and health services (9,800 jobs), leisure and hospitality (7,300 jobs), and "other" services (4,300 jobs) also saw sizeable gains over the year. Meanwhile, the only industry to report job cuts since last August was financial services (600 jobs).

Household Conditions: The unemployment rate in South Carolina edged down 0.2 percentage point to 3.4 percent in August and decreased 0.8 percentage point from August 2017. In the second quarter of 2018, the share of South Carolina mortgages with payments 90 or more days overdue declined to 1.2 percent. Delinquency rates for fixed and adjustable rate conventional loans decreased in the second quarter, to 0.9 percent and 1.7 percent, respectively. In the second quarter of 2018, real personal income in South Carolina increased 0.4 percent and was up 1.7 percent since the second quarter of 2017.

Housing Markets: South Carolina issued 3,612 new residential permits in August, up 19.6 percent from the prior month and up 13.4 percent from a year earlier. Permitting activity rose in every MSA in the month with the Greenville MSA issuing the most permits (908 permits). Housing starts in South Carolina totaled 40,700 in August, up 23.3 percent in the month and up 25.3 percent from last August. Home values in the state, according to CoreLogic Information Solutions, appreciated 0.1 percent in July and appreciated 5.1 percent on a year-over-year basis. House prices increased in every metro area in the month except Florence, and rose in every MSA on a year-over-year basis.

A Closer Look at... Mortgage Delinquency and Foreclosure



SOUTH CAROLINA

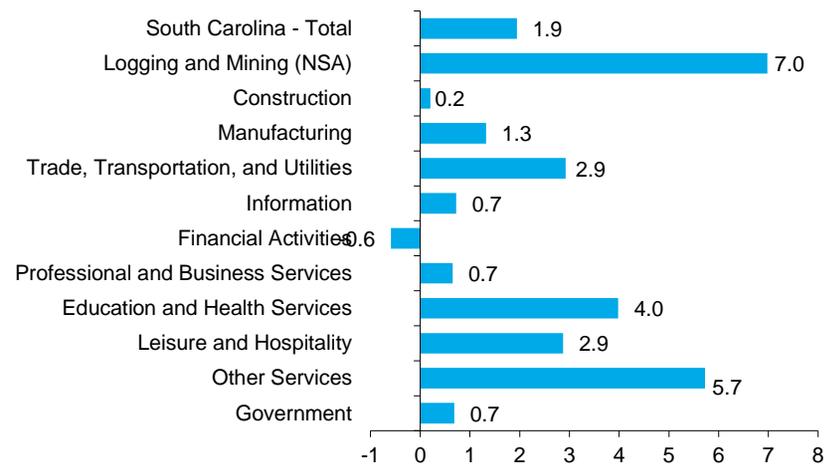
Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	August	149,279.0	0.13	1.59
Fifth District - Total	August	14,966.6	0.10	1.57
South Carolina - Total	August	2,130.4	0.20	1.94
Logging and Mining (NSA)	August	4.6	2.22	6.98
Construction	August	99.0	-0.30	0.20
Manufacturing	August	244.4	-0.61	1.33
Trade, Transportation, and Utilities	August	408.5	0.15	2.92
Information	August	27.8	-0.36	0.72
Financial Activities	August	101.8	0.10	-0.59
Professional and Business Services	August	278.7	1.46	0.65
Education and Health Services	August	256.0	0.27	3.98
Leisure and Hospitality	August	261.2	-0.38	2.88
Other Services	August	79.4	1.40	5.73
Government	August	369.0	0.14	0.68

Metro Payroll Employment (NSA)	Period	Level (000s)	YoY % Change
Charleston MSA - Total	August	362.0	1.91
Columbia MSA - Total	August	401.1	1.98
Florence MSA - Total	August	88.7	1.14
Greenville-Anderson MSA - Total	August	420.3	1.25
Hilton Head Island MSA - Total	August	82.7	2.35
Myrtle Beach MSA - Total	August	179.5	3.22
Spartanburg MSA - Total	August	154.8	0.98
Sumter MSA - Total	August	39.8	1.02

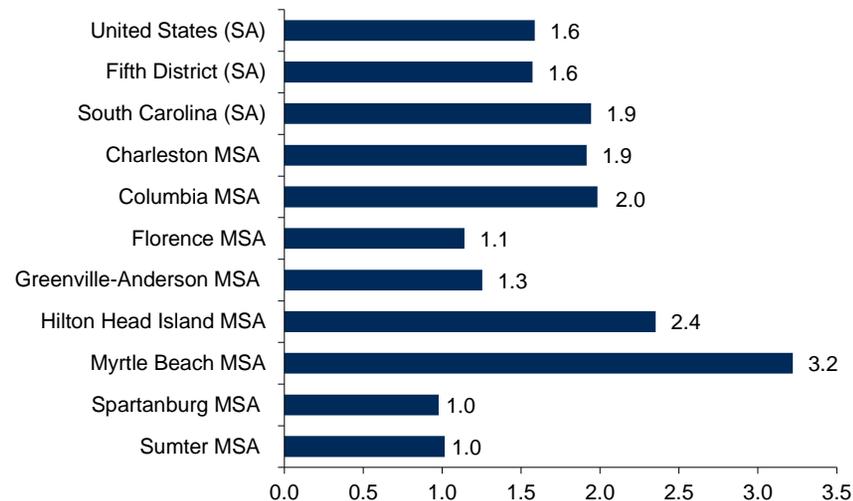
South Carolina Payroll Employment Performance

Year-over-Year Percent Change in August 2018



South Carolina Total Employment Performance

Year-over-Year Percent Change in August 2018



SOUTH CAROLINA

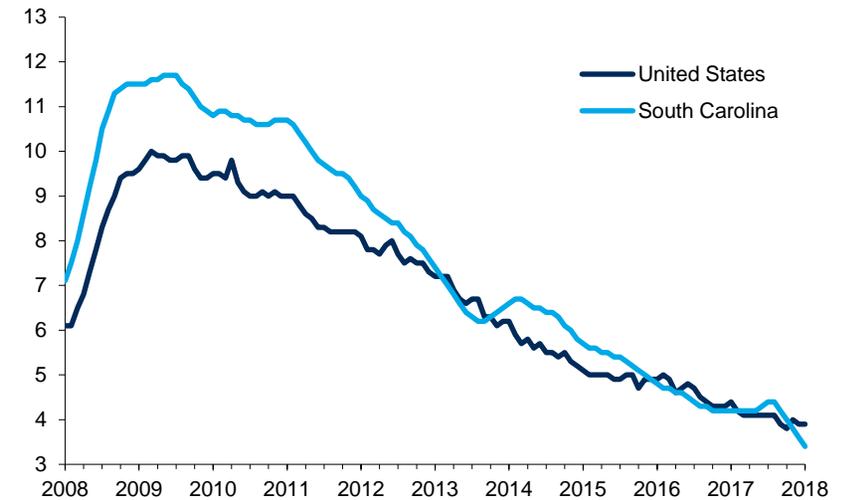
Labor Market Conditions

Unemployment Rate (SA)	August 18	July 18	August 17
United States	3.9	3.9	4.4
Fifth District	3.8	3.9	4.2
South Carolina	3.4	3.6	4.2
Charleston MSA	2.7	2.7	3.6
Columbia MSA	3.1	3.1	4.2
Florence MSA	3.8	3.7	4.8
Greenville-Anderson MSA	2.9	3.0	3.9
Hilton Head Island MSA	3.1	3.1	3.9
Myrtle Beach MSA	4.6	4.6	5.4
Spartanburg MSA	3.0	2.9	4.2
Sumter MSA	3.8	3.9	5.4

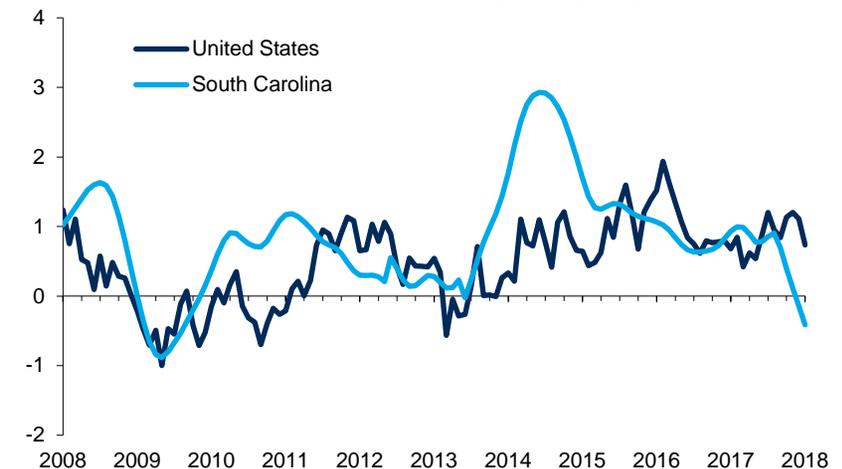
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	161,776	-0.29	0.73
Fifth District	August	16,089	-0.06	0.57
South Carolina	August	2,306	-0.16	-0.42
Charleston MSA	August	377	0.00	-0.45
Columbia MSA	August	399	-0.15	-1.04
Florence MSA	August	94	-0.53	-1.05
Greenville-Anderson MSA	August	420	-0.28	-1.06
Hilton Head Island MSA	August	86	-0.69	0.35
Myrtle Beach MSA	August	197	-0.35	1.23
Spartanburg MSA	August	157	-0.38	-1.13
Sumter MSA	August	44	0.00	-1.13

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	August	783,437	-18.41	-15.18
Fifth District	August	48,681	-11.57	-10.97
South Carolina	August	9,332	-26.39	-24.88

South Carolina Unemployment Rate
Through August 2018



South Carolina Labor Force
Year-over-Year Percent Change through August 2018



SOUTH CAROLINA

Household Conditions

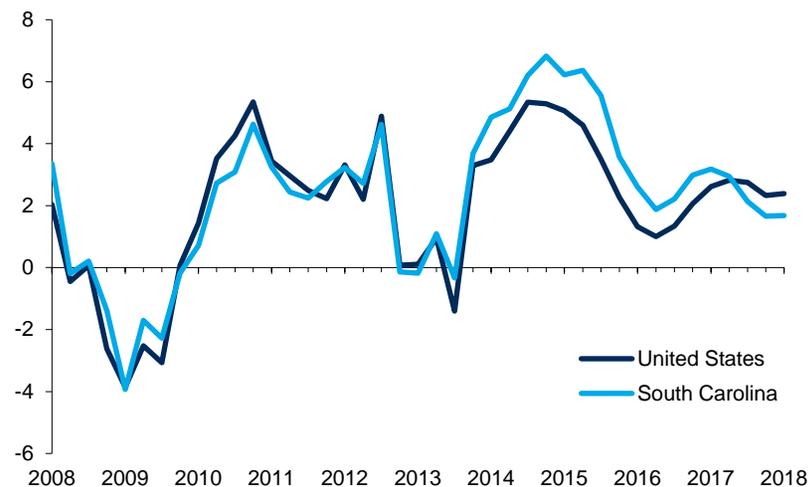
Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q2:18	16,182,803	0.57	2.39
Fifth District	Q2:18	1,557,124	0.52	1.95
South Carolina	Q2:18	200,320	0.41	1.68

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Charleston MSA	Q2:18	74.5	0.00	8.28
Columbia MSA	Q2:18	69.9	0.00	4.33
Greenville MSA	Q2:18	66.5	0.00	7.09

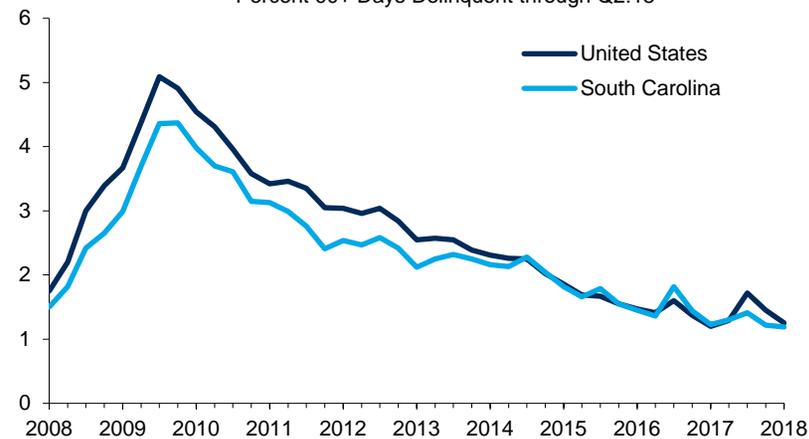
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q2:18	200,159	7.38	-1.87
Fifth District	Q2:18	16,754	4.10	0.62
South Carolina	Q2:18	1,667	2.65	2.71

Mortgage Delinquencies (% 90+ Days Delinquent)	Q2:18	Q1:18	Q2:17
United States			
All Mortgages	1.25	1.45	1.20
Conventional - Fixed Rate	0.94	1.12	0.92
Conventional - Adjustable Rate	1.97	2.20	2.12
South Carolina			
All Mortgages	1.19	1.22	1.23
Conventional - Fixed Rate	0.92	0.97	0.98
Conventional - Adjustable Rate	1.66	1.73	1.82

South Carolina Real Personal Income
Year-over-Year Percent Change through Q2:18



South Carolina Mortgage Delinquencies
Percent 90+ Days Delinquent through Q2:18



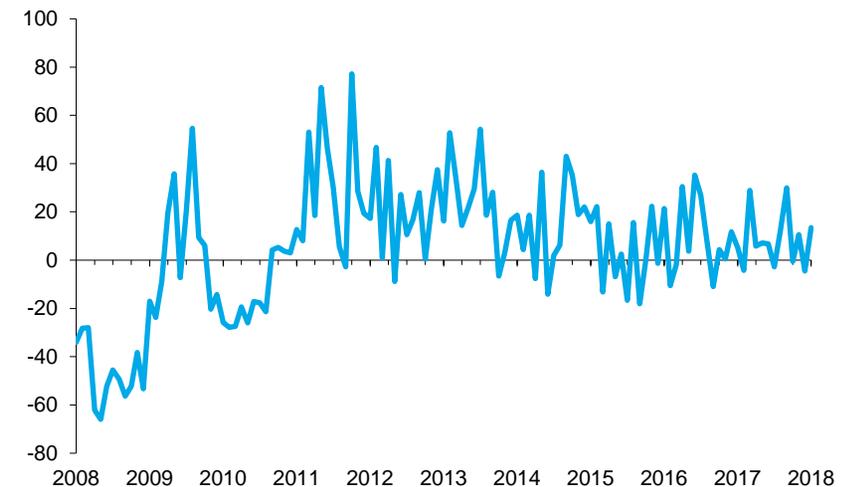
SOUTH CAROLINA

Real Estate Conditions

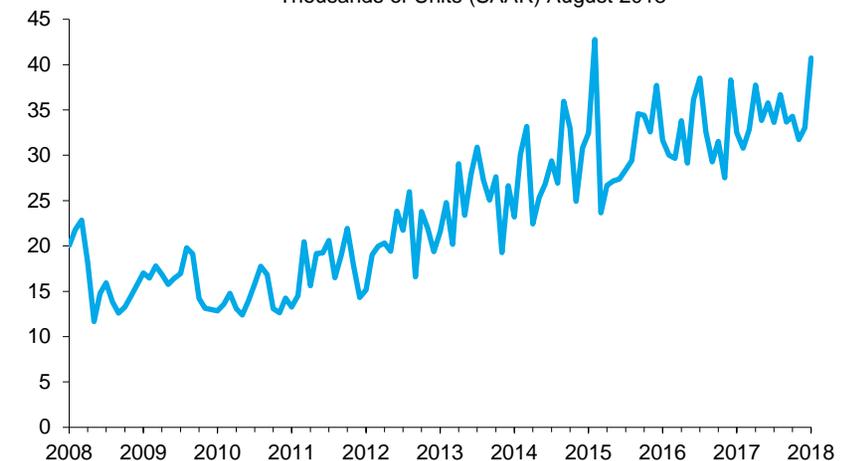
Permits: New Private Housing Units	Period	Level	MoM % Change	YoY % Change
United States	August	116,933	3.45	-2.22
Fifth District	August	16,204	15.10	8.18
South Carolina	August	3,612	19.56	13.44
Charleston MSA	August	602	5.24	0.50
Columbia MSA	August	443	0.00	-3.28
Florence MSA	August	88	6.02	158.82
Greenville MSA	August	908	108.26	73.61
Myrtle Beach MSA	August	624	15.99	-9.30
Spartanburg MSA	August	252	26.63	39.23
Sumter MSA	August	21	10.53	-27.59

Total Private Housing Starts (SAA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	1,282	9.20	9.39
Fifth District	August	183	18.65	19.51
South Carolina	August	40.7	23.24	25.33

South Carolina New Housing Units
Year-over-Year Percent Change through August 2018



South Carolina Housing Starts
Thousands of Units (SAAR) August 2018



SOUTH CAROLINA

Real Estate Conditions

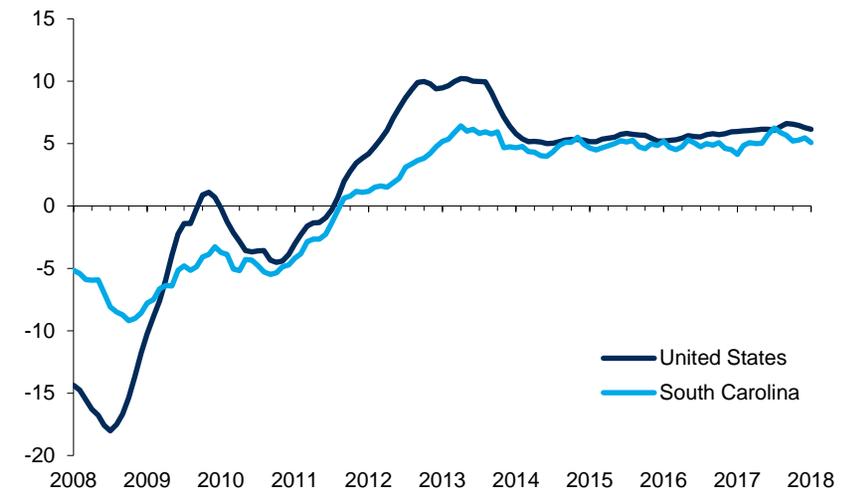
House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	July	204	0.34	6.16
Fifth District	July	202	0.16	3.69
South Carolina	July	174	0.13	5.09
Charleston MSA	July	222	0.00	4.95
Columbia MSA	July	140	0.84	3.66
Florence MSA	July	138	-0.14	2.48
Greenville MSA	July	169	0.18	6.22
Myrtle Beach MSA	July	177	0.23	6.97
Spartanburg MSA	July	153	0.50	7.34
Sumter MSA	July	135	1.27	2.05

Median Home Sales Price - NAR (NAR)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Charleston MSA	Q2:18	291	6.55	4.79
Columbia MSA	Q2:18	172	3.00	3.75
Greenville MSA	Q2:18	217	5.14	9.83
Spartanburg MSA	Q2:18	175	4.10	9.23

Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Charleston MSA	Q2:18	262	0.00	-2.24
Columbia MSA	Q2:18	163	1.88	5.16
Greenville MSA	Q2:18	212	9.28	6.00

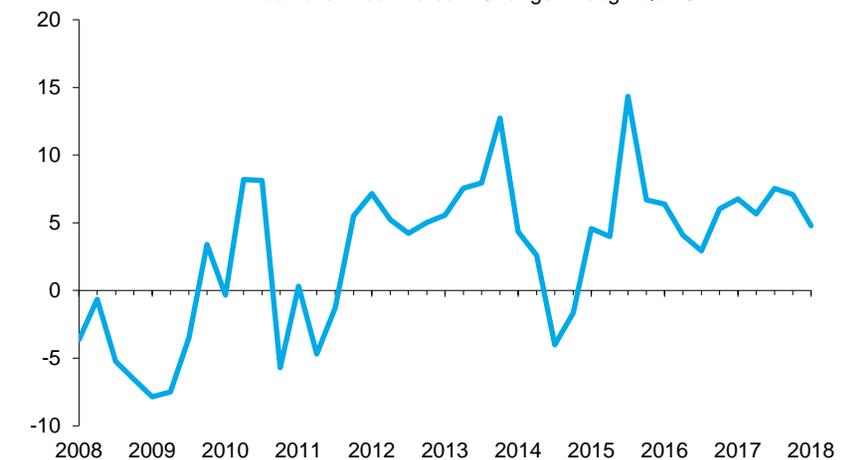
South Carolina House Price Index (CoreLogic)

Year-over-Year Percent Change through July 2018



Charleston MSA Median Home Sales Price (NAR)

Year-over-Year Percent Change through Q2:18



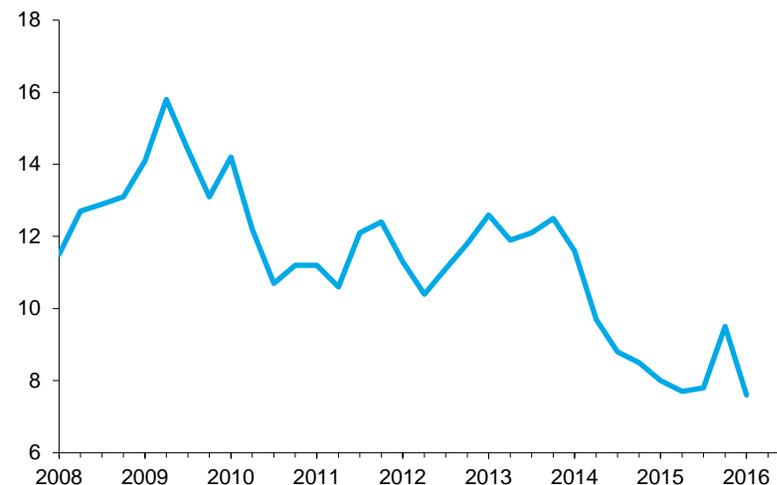
SOUTH CAROLINA

Real Estate Conditions

Housing Opportunity Index (%)	Q2:18	Q1:18	Q2:17
Charleston MSA	61.6	61.8	63.4
Columbia MSA	82.0	82.5	83.9
Greenville MSA	69.3	76.7	74.7

Commercial Vacancy Rates (%)	Q2:18	Q1:18	Q2:17
Office Vacancies			
Charleston	---	---	---
Industrial Vacancies			
Charleston	---	---	8.6

Charleston MSA Office Vacancy Rate
Through Q2:16



Charleston MSA Industrial Vacancy Rate
Through Q1:18



VIRGINIA

October Summary

Recent reports on Virginia's economy varied somewhat. Payroll employment increased in August and the unemployment rate edged down; however, housing market indicators mostly declined.

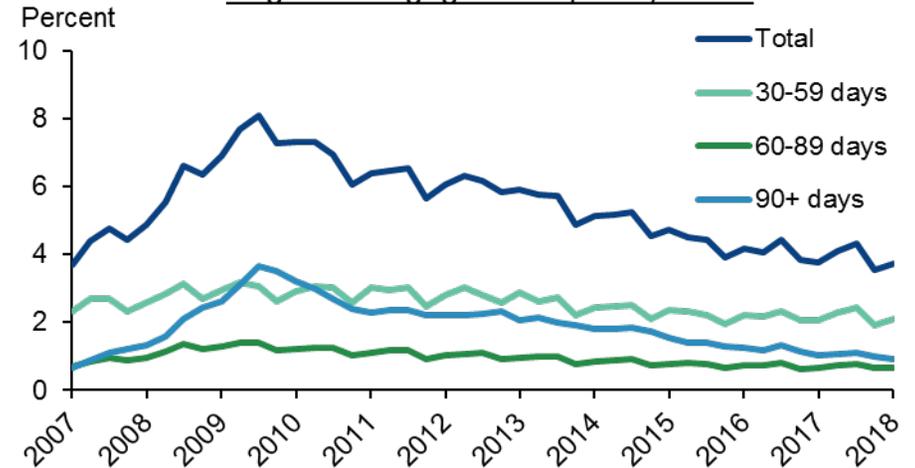
Labor Markets: Employers in Virginia added 4,800 jobs (0.1 percent), on net, in August. The largest contributors to the monthly gain were professional and business services (4,000 jobs) and construction (1,400 jobs). Smaller job gains were reported in all of the remaining industries except "other" services, information, and manufacturing, which cut 1,700 jobs, 700 jobs, and 200 jobs, respectively. Compared to last August, total employment in Virginia increased by 54,800 jobs, or 1.4 percent. Professional and business services added the most jobs since last August (18,800 jobs), followed by education and health services (10,200 jobs) and construction (9,200 jobs). Trade, transportation, and utilities, manufacturing, and leisure and hospitality also saw notable increases over the year. Meanwhile, the government sector lost 13,400 jobs (1.9 percent) since last August, and the information industry was down 1,600 jobs (2.4 percent).

Household Conditions: The unemployment rate in Virginia edged down 0.1 percentage point in July to 3.0 percent and was down 0.7 percentage point since August 2017. In the second quarter of 2018, the share of Virginia mortgages with payments 90 or more days past due declined to 0.9 percent. Delinquency rates for fixed and adjustable rate conventional loans decreased in the second quarter to 0.7 percent and 1.6 percent, respectively. In the second quarter of 2018, real personal income in Virginia rose 0.6 percent and was up 2.2 percent since the second quarter of 2017.

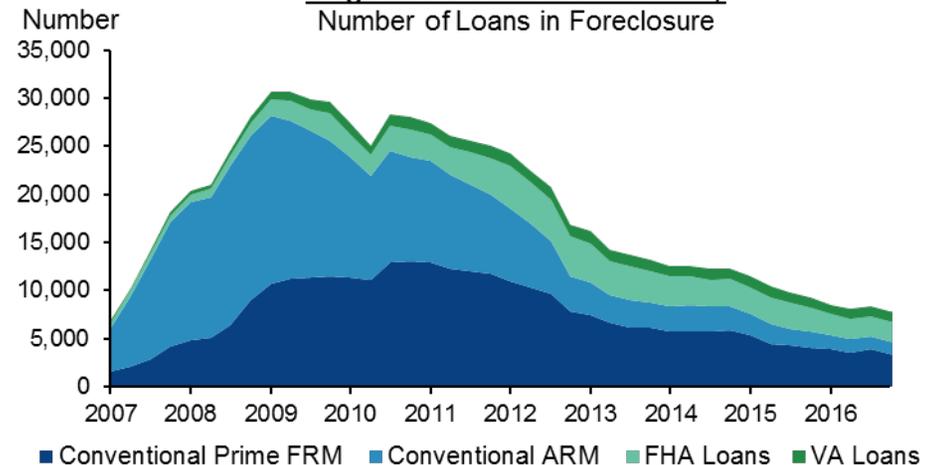
Housing Markets: Virginia issued 2,214 new residential permits in August, down 25.1 percent from the prior month and down 20.5 percent from August 2017. Permitting activity rose in every MSA in the month except Harrisonburg and Virginia Beach-Norfolk. Housing starts in Virginia totaled 25,000 in August, down 23.0 percent from the prior month and down 12.2 percent on a year-over-year basis. According to CoreLogic Information Solutions, Virginia home values depreciated 0.1 percent in July but rose 2.5 percent on a year-over-year basis. Since last July, house prices increased in every MSA except Danville and Roanoke.

A Closer Look at... Mortgage Delinquency and Foreclosure

Virginia Mortgage Delinquency Rates



Virginia Foreclosure Inventory
Number of Loans in Foreclosure



VIRGINIA

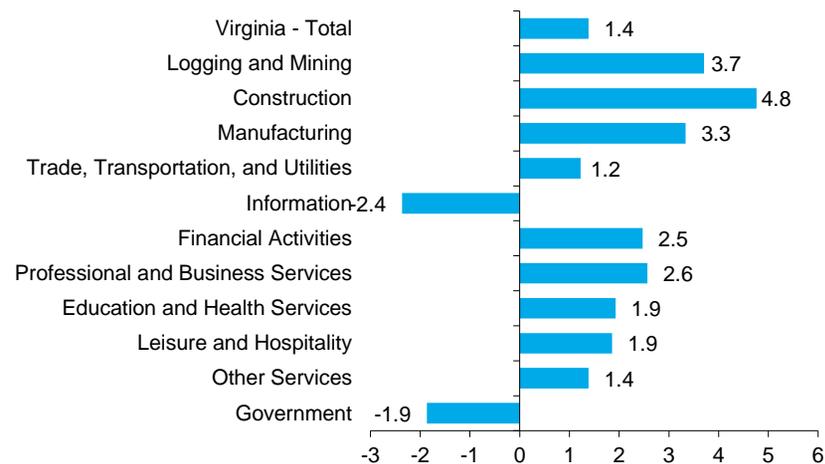
Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	August	149,279.0	0.13	1.59
Fifth District - Total	August	14,966.6	0.10	1.57
Virginia - Total	August	4,010.7	0.12	1.39
Logging and Mining	August	8.4	0.00	3.70
Construction	August	202.3	0.70	4.76
Manufacturing	August	241.7	-0.08	3.33
Trade, Transportation, and Utilities	August	671.0	0.09	1.22
Information	August	66.1	-1.05	-2.36
Financial Activities	August	211.3	0.05	2.47
Professional and Business Services	August	750.5	0.54	2.57
Education and Health Services	August	539.4	0.02	1.93
Leisure and Hospitality	August	410.5	0.15	1.86
Other Services	August	205.2	-0.82	1.38
Government	August	704.3	0.09	-1.87

Metro Payroll Employment (NSA)	Period	Level (000s)	YoY % Change
Blacksburg MSA - Total	August	77.0	1.05
Charlottesville MSA - Total	August	118.6	3.58
Lynchburg MSA - Total	August	106.2	2.12
Northern Virginia - Total	August	1,475.8	0.96
Richmond MSA - Total	August	680.1	1.10
Roanoke MSA - Total	August	160.8	0.88
Virginia Beach-Norfolk MSA - Total	August	794.4	0.88
Winchester MSA - Total	August	65.6	3.14

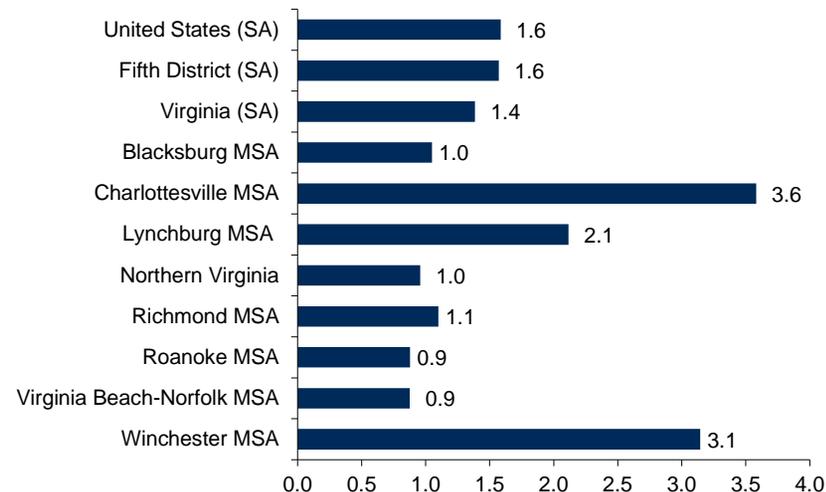
Virginia Payroll Employment Performance

Year-over-Year Percent Change in August 2018



Virginia Total Employment Performance

Year-over-Year Percent Change in August 2018



VIRGINIA

Labor Market Conditions

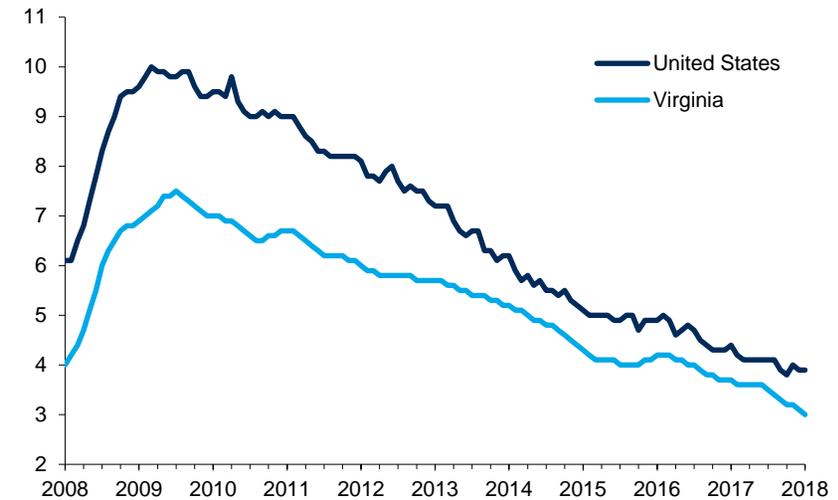
Unemployment Rate (SA)	August 18	July 18	August 17
United States	3.9	3.9	4.4
Fifth District	3.8	3.9	4.2
Virginia	3.0	3.1	3.7
Blacksburg MSA	3.0	3.0	4.1
Charlottesville MSA	2.6	2.5	3.3
Lynchburg MSA	3.4	3.4	4.4
Northern Virginia (NSA)	2.6	2.4	3.3
Richmond MSA	3.0	3.0	3.8
Roanoke MSA	2.8	2.8	3.9
Virginia Beach-Norfolk MSA	3.2	3.1	4.1
Winchester MSA	2.8	2.7	3.4

Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	161,776	-0.29	0.73
Fifth District	August	16,089	-0.06	0.57
Virginia	August	4,356	0.00	0.86
Blacksburg MSA	August	91	0.55	0.22
Charlottesville MSA	August	123	-0.32	3.02
Lynchburg MSA	August	124	0.00	1.06
Northern Virginia (NSA)	August	1,607	-1.86	0.69
Richmond MSA	August	685	-0.62	0.75
Roanoke MSA	August	157	-0.57	0.00
Virginia Beach-Norfolk MSA	August	853	-0.56	0.22
Winchester MSA	August	73	-0.27	2.25

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	August	783,437	-18.41	-15.18
Fifth District	August	48,681	-11.57	-10.97
Virginia	August	10,397	-7.19	-16.88

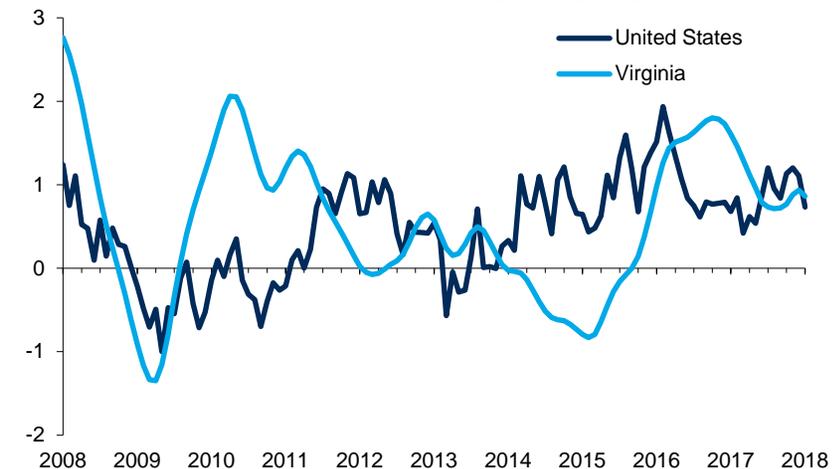
Virginia Unemployment Rate

Through August 2018



Virginia Labor Force

Year-over-Year Percent Change through August 2018



VIRGINIA

Household Conditions

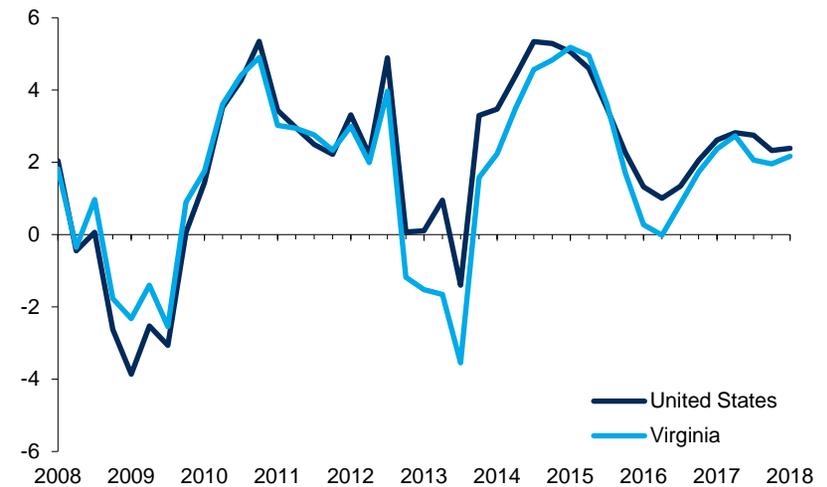
Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q2:18	16,182,803	0.57	2.39
Fifth District	Q2:18	1,557,124	0.52	1.95
Virginia	Q2:18	448,117	0.61	2.17

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Richmond MSA	Q2:18	83.2	0.00	5.72
Roanoke MSA	Q2:18	67.2	0.00	0.45
Virginia Beach-Norfolk MSA	Q2:18	75.0	0.00	2.74

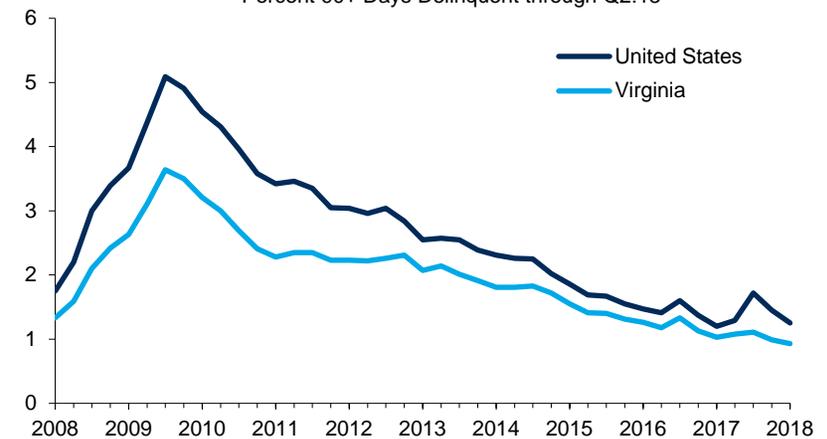
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q2:18	200,159	7.38	-1.87
Fifth District	Q2:18	16,754	4.10	0.62
Virginia	Q2:18	5,968	4.83	2.23

Mortgage Delinquencies (% 90+ Days Delinquent)	Q2:18	Q1:18	Q2:17
United States			
All Mortgages	1.25	1.45	1.20
Conventional - Fixed Rate	0.94	1.12	0.92
Conventional - Adjustable Rate	1.97	2.20	2.12
Virginia			
All Mortgages	0.93	0.99	1.03
Conventional - Fixed Rate	0.66	0.70	0.74
Conventional - Adjustable Rate	1.63	1.81	1.96

Virginia Real Personal Income
Year-over-Year Percent Change through Q2:18



Virginia Mortgage Delinquencies
Percent 90+ Days Delinquent through Q2:18



VIRGINIA

Real Estate Conditions

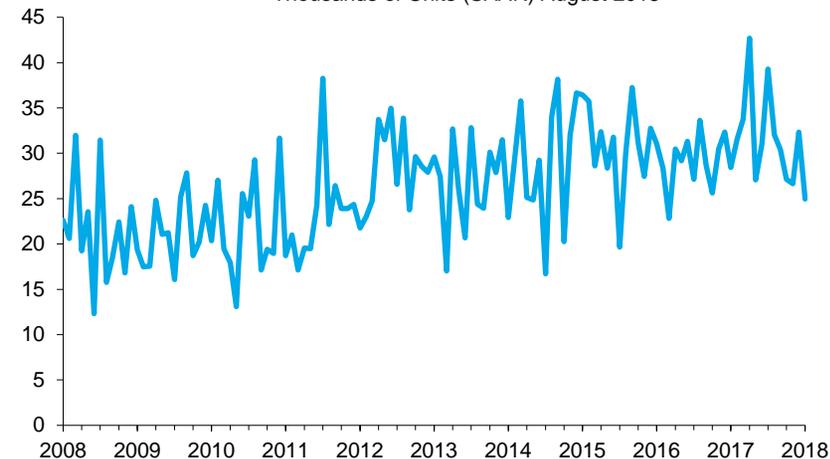
Permits: New Private Housing Units	Period	Level	MoM % Change	YoY % Change
United States	August	116,933	3.45	-2.22
Fifth District	August	16,204	15.10	8.18
Virginia	August	2,214	-25.10	-20.53
Charlottesville MSA	August	95	6.74	5.56
Harrisonburg MSA	August	29	-38.30	-30.95
Lynchburg MSA	August	50	25.00	354.55
Richmond MSA	August	526	11.44	-26.74
Virginia Beach-Norfolk MSA	August	320	-9.86	-26.77
Winchester MSA	August	80	42.86	-6.98

Total Private Housing Starts (SAA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	1,282	9.20	9.39
Fifth District	August	183	18.65	19.51
Virginia	August	25.0	-22.80	-12.21

Virginia New Housing Units
Year-over-Year Percent Change through August 2018



Virginia Housing Starts
Thousands of Units (SAAR) August 2018



VIRGINIA

Real Estate Conditions

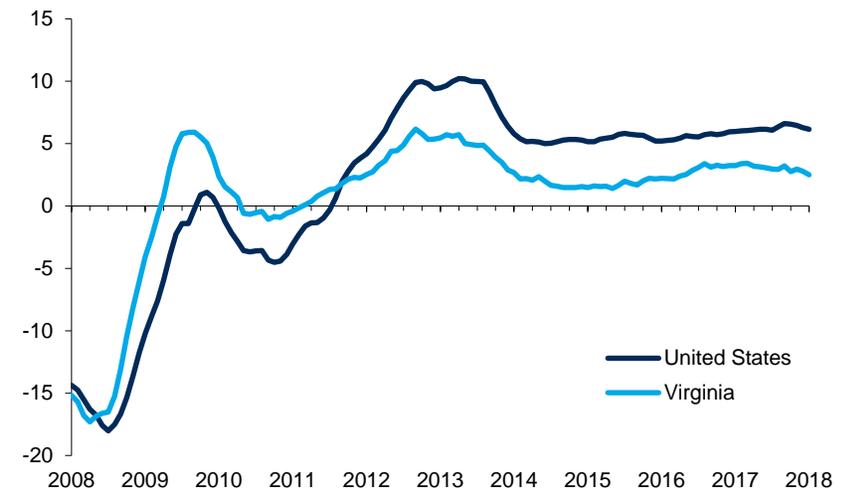
House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	July	204	0.34	6.16
Fifth District	July	202	0.16	3.69
Virginia	July	219	-0.06	2.51
Blacksburg MSA	July	157	0.63	0.89
Charlottesville MSA	July	199	0.45	4.87
Danville MSA	July	176	-0.07	-1.27
Harrisonburg MSA	July	248	0.92	3.94
Lynchburg MSA	July	172	0.88	4.33
Richmond MSA	July	186	-0.40	3.81
Roanoke MSA	July	158	-0.04	-0.10
Virginia Beach-Norfolk MSA	July	190	-0.14	1.56
Winchester MSA	July	201	-0.09	0.88

Median Home Sales Price - NAR (NAR)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Richmond MSA	Q2:18	267	5.53	5.12
Virginia Beach-Norfolk MSA	Q2:18	235	7.80	-2.04

Median Home Sales Price - NAHB (NAHB)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Richmond MSA	Q2:18	242	12.56	3.42
Virginia Beach-Norfolk MSA	Q2:18	225	9.22	4.65

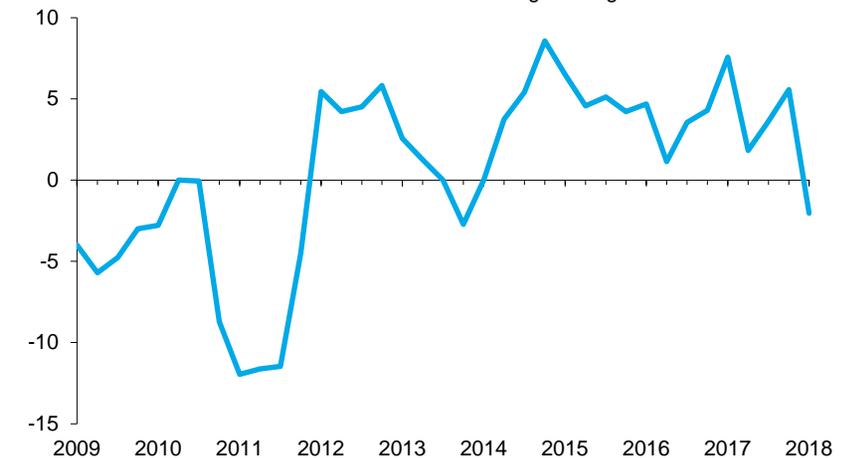
Virginia House Price Index (CoreLogic)

Year-over-Year Percent Change through July 2018



Virginia Beach-Norfolk MSA Median Home Sales Price (NAR)

Year-over-Year Percent Change through Q2:18



SNAPSHOT

A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY

October 2018

FEDERAL RESERVE BANK OF RICHMOND

VIRGINIA

Real Estate Conditions

Housing Opportunity Index (%)	Q2:18	Q1:18	Q2:17
Richmond MSA	74.8	80.8	76.6
Roanoke MSA	81.5	87.7	80.8
Virginia Beach-Norfolk MSA	72.7	77.9	76.8

Commercial Vacancy Rates (%)	Q2:18	Q1:18	Q2:17
Office Vacancies			
Norfolk	9.6	10.1	11.3
Richmond	8.2	9.2	9.9
Industrial Vacancies			
Northern Virginia	---	---	---
Richmond	---	---	7.1

Richmond MSA Office Vacancy Rate

Through Q2:18



Richmond MSA Industrial Vacancy Rate

Through Q1:18



WEST VIRGINIA

October Summary

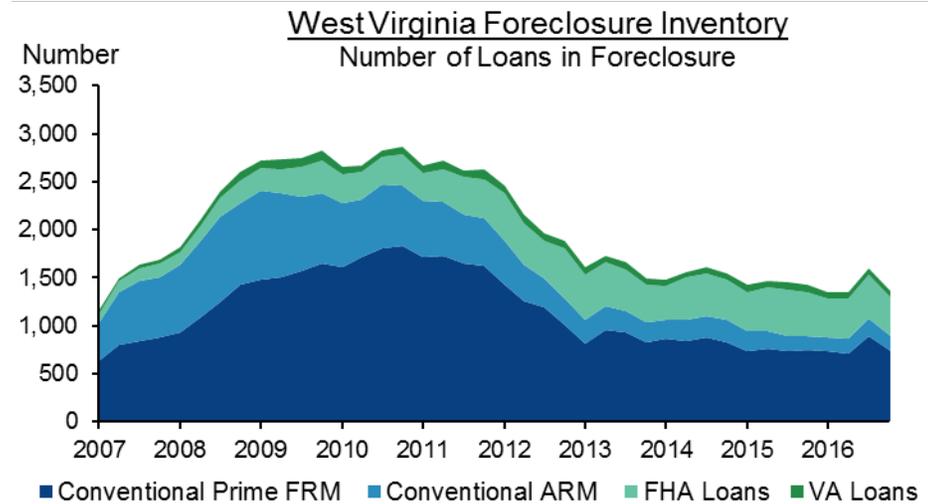
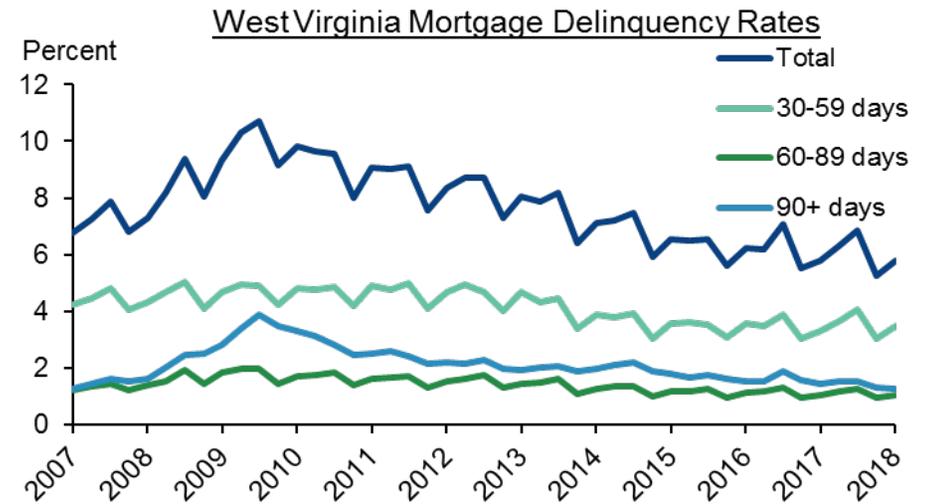
Economic reports on West Virginia were generally positive. Payroll employment rose slightly and the unemployment rate edged down. Meanwhile, housing market reports were upbeat.

Labor Markets: Firms in West Virginia added 300 net new jobs (0.0 percent) to their payrolls in August. The trade, transportation, and utilities industry added the most jobs in the month (500 jobs or 0.4 percent), followed by manufacturing (300 jobs or 0.6 percent). The only industries to shed jobs in August were professional and business services (500 jobs), mining and logging (400 jobs), and financial services (200 jobs). Employers in West Virginia added 7,400 jobs since last August, a 1.0 percent gain. The construction industry reported the largest percentage and absolute increase (7.6 percent or 2,400 jobs) since last August. Trade, transportation, and utilities (2,100 jobs), education and health services (2,000 jobs), and government (1,400 jobs) also saw notable increases over the year. Meanwhile, the industries to report job cuts since last August were “other” services (1,000 jobs), financial services (400 jobs), information (300 jobs), and professional and business services (300 jobs).

Household Conditions: The unemployment rate in West Virginia edged down 0.1 percentage point to 5.3 in August but was up 0.1 percentage point from a year earlier. In the second quarter of 2018, the share of mortgages in West Virginia with payments 90 or more days past due remained at 1.3 percent. Delinquency rates for fixed and adjustable rate conventional loans declined in the second quarter, to 0.9 percent and 2.4 percent, respectively. In the second quarter of 2018, real personal income in West Virginia rose 0.4 percent and was up 1.8 percent since the second quarter of 2017.

Housing Markets: West Virginia issued 509 new residential permits in August, up from 206 in July and up from the 275 permits issued in August 2017. Among the state’s metro areas, permitting activity increased in every MSA except Parkersburg in August. Housing starts in West Virginia totaled 5,740 in August, up from 2,250 starts in July and up from 2,810 starts in August 2017. According to CoreLogic Information Solutions, home values in the state appreciated 0.6 percent in July and were up 4.5 percent on a year-over-year basis. House prices rose in every MSA in the month and in every MSA except Parkersburg on a year-over-year basis.

A Closer Look at... Mortgage Delinquency and Foreclosure



WEST VIRGINIA

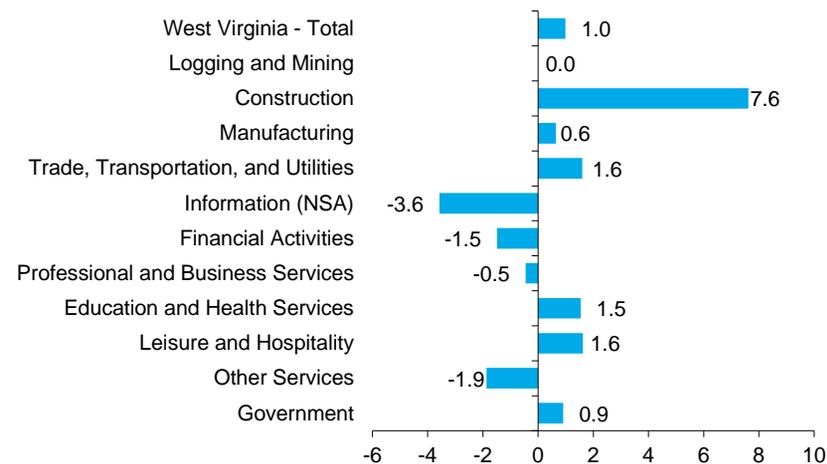
Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	August	149,279.0	0.13	1.59
Fifth District - Total	August	14,966.6	0.10	1.57
West Virginia - Total	August	751.9	0.04	0.99
Logging and Mining	August	22.1	-1.78	0.00
Construction	August	33.9	0.30	7.62
Manufacturing	August	46.9	0.64	0.64
Trade, Transportation, and Utilities	August	133.6	0.38	1.60
Information (NSA)	August	8.1	-1.22	-3.57
Financial Activities	August	26.5	-0.75	-1.49
Professional and Business Services	August	66.3	-0.75	-0.45
Education and Health Services	August	131.6	0.15	1.54
Leisure and Hospitality	August	75.2	0.27	1.62
Other Services	August	52.6	0.00	-1.87
Government	August	155.1	0.06	0.91

Metro Payroll Employment (NSA)	Period	Level (000s)	YoY % Change
Beckley MSA - Total	August	45.3	-1.09
Charleston MSA - Total	August	116.2	-0.60
Huntington MSA - Total	August	137.1	-0.58
Morgantown MSA - Total	August	71.3	3.18
Parkersburg MSA - Total	August	39.6	-0.25

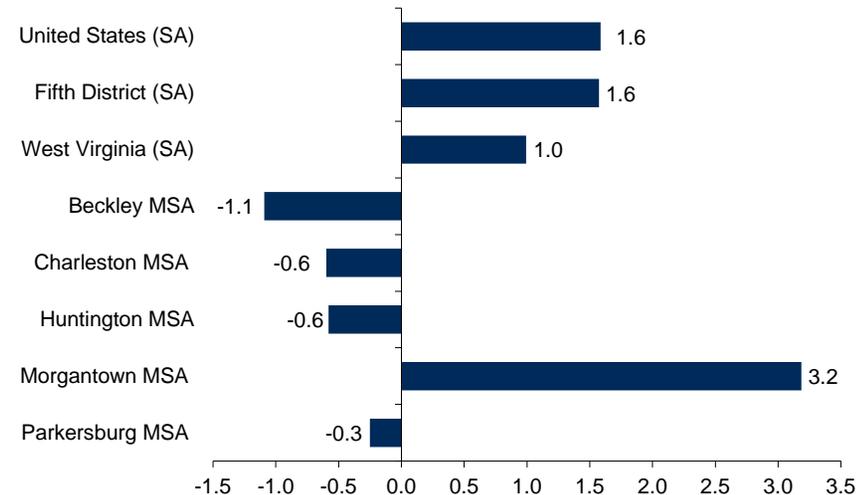
West Virginia Payroll Employment Performance

Year-over-Year Percent Change in August 2018



West Virginia Total Employment Performance

Year-over-Year Percent Change in August 2018



WEST VIRGINIA

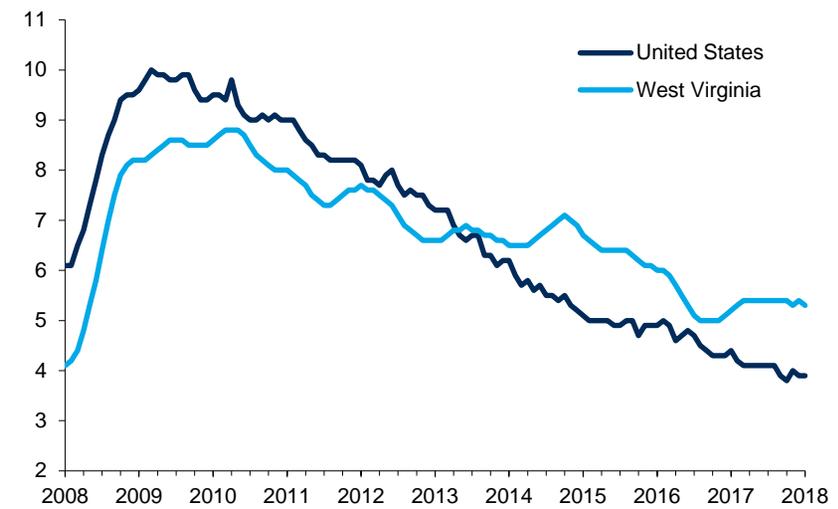
Labor Market Conditions

Unemployment Rate (SA)	August 18	July 18	August 17
United States	3.9	3.9	4.4
Fifth District	3.8	3.9	4.2
West Virginia	5.3	5.4	5.2
Beckley MSA	5.4	6.0	5.8
Charleston MSA	5.1	5.5	5.3
Huntington MSA	5.2	5.7	5.6
Morgantown MSA	4.1	4.5	4.0
Parkersburg MSA	5.2	5.6	5.6

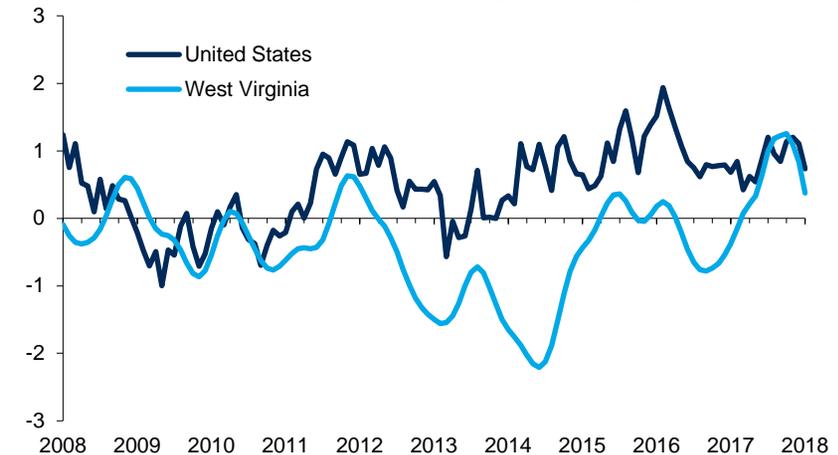
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	161,776	-0.29	0.73
Fifth District	August	16,089	-0.06	0.57
West Virginia	August	782	-0.27	0.38
Beckley MSA	August	45	-0.88	-1.54
Charleston MSA	August	94	-0.74	-1.68
Huntington MSA	August	146	-0.61	-1.29
Morgantown MSA	August	69	-0.15	2.23
Parkersburg MSA	August	38	-0.78	-1.04

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	August	783,437	-18.41	-15.18
Fifth District	August	48,681	-11.57	-10.97
West Virginia	August	3,197	-6.27	-14.79

West Virginia Unemployment Rate
Through August 2018



West Virginia Labor Force
Year-over-Year Percent Change through August 2018



WEST VIRGINIA

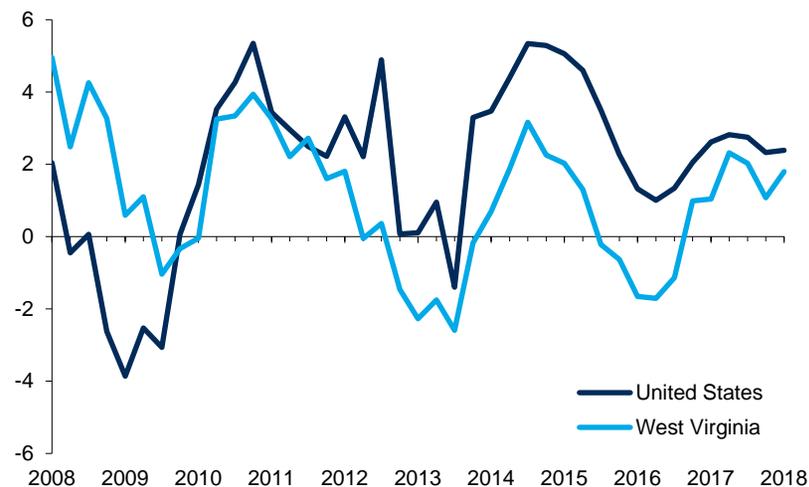
Household Conditions

Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q2:18	16,182,803	0.57	2.39
Fifth District	Q2:18	1,557,124	0.52	1.95
West Virginia	Q2:18	66,686	0.42	1.80

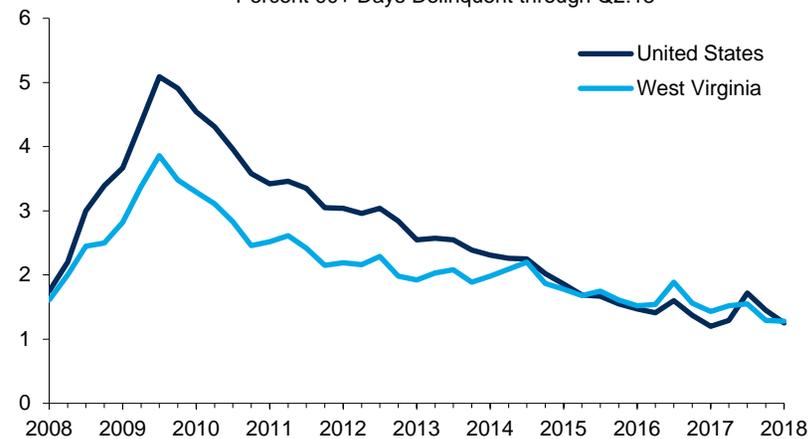
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q2:18	200,159	7.38	-1.87
Fifth District	Q2:18	16,754	4.10	0.62
West Virginia	Q2:18	800	4.99	-7.62

Mortgage Delinquencies (% 90+ Days Delinquent)	Q2:18	Q1:18	Q2:17
United States			
All Mortgages	1.25	1.45	1.20
Conventional - Fixed Rate	0.94	1.12	0.92
Conventional - Adjustable Rate	1.97	2.20	2.12
West Virginia			
All Mortgages	1.28	1.29	1.43
Conventional - Fixed Rate	0.98	1.04	1.19
Conventional - Adjustable Rate	2.42	2.49	2.34

West Virginia Real Personal Income
Year-over-Year Percent Change through Q2:18



West Virginia Mortgage Delinquencies
Percent 90+ Days Delinquent through Q2:18



WEST VIRGINIA

Real Estate Conditions

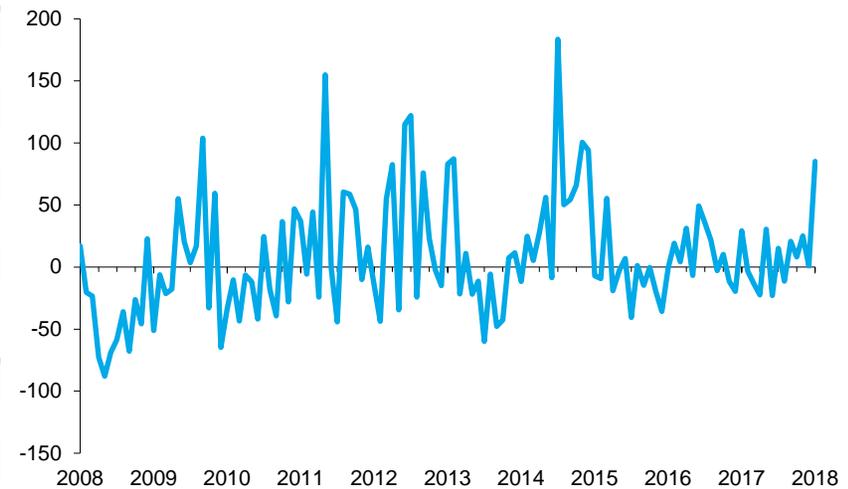
Permits: New Private Housing Units	Period	Level	MoM % Change	YoY % Change
United States	August	116,933	3.45	-2.22
Fifth District	August	16,204	15.10	8.18
West Virginia	August	509	147.09	85.09
Charleston MSA	August	14	27.78	27.78
Huntington MSA	August	22	22.22	83.33
Morgantown MSA	August	246	8,100.00	12,200.00
Parkersburg MSA	August	9	-10.00	-18.18

Total Private Housing Starts (SAA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	1,282	9.20	9.39
Fifth District	August	183	18.65	19.51
West Virginia	August	5.7	155.11	104.27

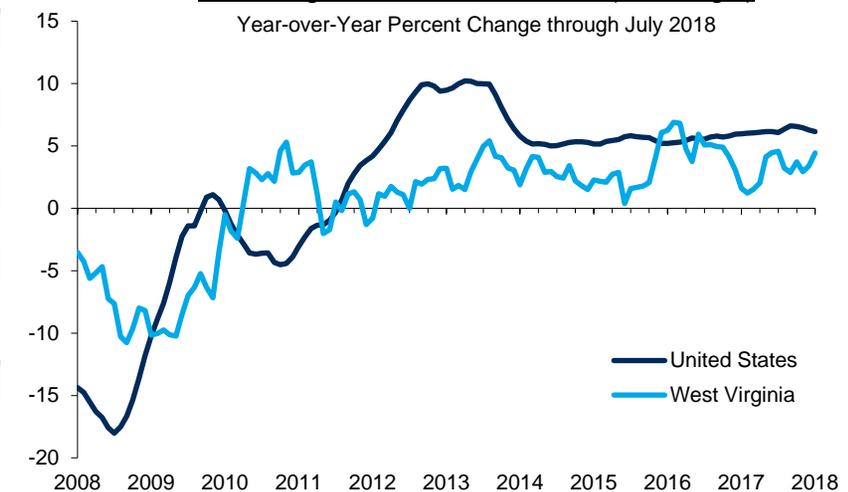
House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	July	204	0.34	6.16
Fifth District	July	202	0.16	3.69
West Virginia	July	175	0.58	4.45
Charleston MSA	July	153	0.58	0.53
Huntington MSA	July	161	0.58	2.37
Morgantown MSA	July	178	0.58	1.63
Parkersburg MSA	July	148	0.58	-3.37

Median Home Sales Price - NAR (NAR)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Charleston MSA	Q2:18	142	5.51	2.46

West Virginia New Housing Units
Year-over-Year Percent Change through August 2018



West Virginia House Price Index (CoreLogic)
Year-over-Year Percent Change through July 2018



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>

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Private Housing Starts

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Commercial Vacancy Rates

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Median Home Sales Price - NAR

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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. "All Mortgages" includes conventional, FHA, and VA mortgages.

4 New Private Housing Units & 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 Closer Look

Mortgage Bankers Association
<https://www.mba.org/>

Haver Analytics

SA - Seasonally Adjusted

NSA - Not Seasonally Adjusted

SAAR - Seasonally Adjusted Annual Rate

