

MARYLAND

March Summary

Reports on Maryland's economy were mixed in recent months. Payroll employment declined sharply and the unemployment rate rose; however, housing market reports were mostly positive.

Labor Markets: Employment in Maryland declined 0.7 percent in December as firms cut 20,200 jobs, on net, which was the largest single month decline since February 2010. Jobs were lost in every industry except information in the month, with the largest declines coming from professional and business services (6,000 jobs), leisure and hospitality (2,900 jobs), and trade, transportation, and utilities (2,900 jobs). The "other" services industry shed 2,200 jobs, which was the largest percentage decline (1.9 percent) in the month. On a year-over-year basis, total employment in Maryland grew 1.1 percent in December. Professional and business services firms added the most jobs since last December (11,000 jobs), which was closely followed by education and health services (10,800 jobs). Employment was also up in government, manufacturing, and logging, mining, and construction.

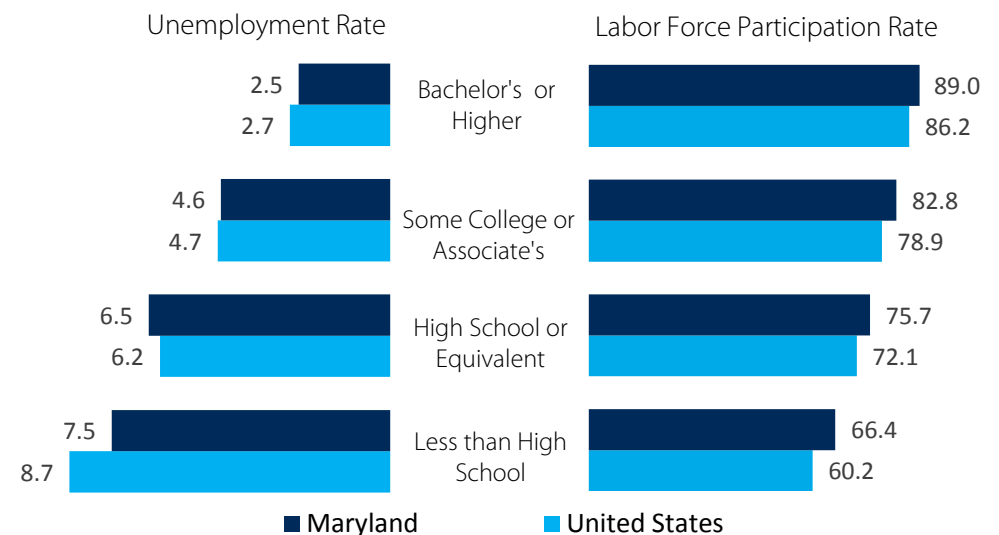
Household Conditions: The unemployment rate in Maryland ticked up 0.1 percentage point in December to 4.0 percent. The number of unemployed increased 3.3 percent in the month while the labor force declined 0.5 percent; the labor force participation rate fell 0.3 percentage point to 67.9 percent. In the fourth quarter of 2017, the share of mortgages in Maryland with payments 90 or more days overdue ticked up 0.1 percentage point to 1.7 percent. The delinquency rate for fixed rate conventional loans was unchanged at 1.3 percent in the fourth quarter, while the delinquency rate for adjustable rate loans edged up to 3.2 percent. In the third quarter, real personal income increased 0.3 percent and was up 1.1 percent since the third quarter of 2016.

Housing Markets: Maryland issued 1,360 new residential permits in January, a 73.3 percent increase from the prior month and a 30.5 percent increase from January 2017. At the metro-level, the Baltimore MSA issued the most permits in the month (722 permits), which was an 85.1 percent increase from the prior month and a 52.0 percent gain from last January. Housing starts in Maryland totaled 16,600 in January, a 47.4 percent increase from the prior month and a 14.0 percent increase compared to January 2017. According to CoreLogic Information Solutions, home values in Maryland depreciated 0.1 percent in December but appreciated 3.6 percent on a year-over-year basis. Home prices declined in every MSA in December but rose in every MSA except Cumberland since last December.

A Closer Look at... Educational Attainment

According to the Census Bureau's 2016 American Community Survey, for the population 25 years or older in the District of Columbia:

- 16.0 percent had a graduate or professional degree, with median earnings of \$82,479.
- 19.8 percent had a bachelor's degree, with median earnings of \$61,049.
- 25.6 percent had an associate's degree or some college, with median earnings of \$41,813.
- 26.4 percent had a high school diploma or equivalent, with median earnings of \$32,982.
- 12.2 percent had less than a high school diploma, with median earnings of \$26,170.



MARYLAND

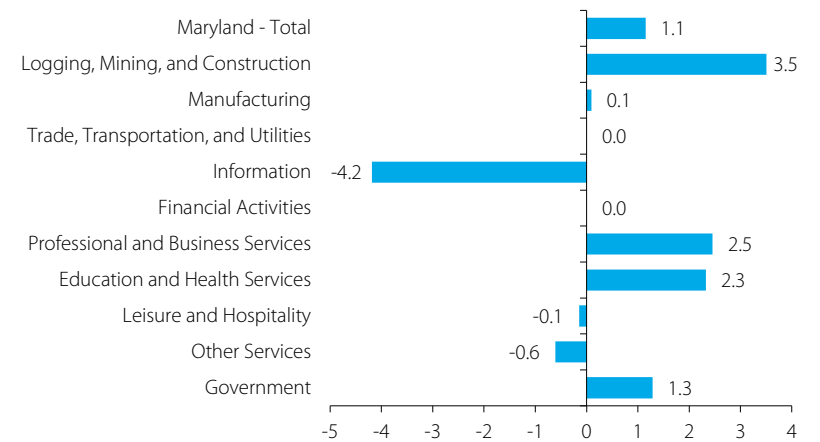
Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	December	147,610.0	0.11	1.49
Fifth District - Total	December	14,847.3	-0.03	1.31
Maryland - Total	December	2,762.2	-0.73	1.15
Logging, Mining, and Construction	December	168.3	-0.59	3.51
Manufacturing	December	104.4	-0.57	0.10
Trade, Transportation, and Utilities	December	468.9	-0.61	0.00
Information	December	36.6	1.95	-4.19
Financial Activities	December	149.1	-0.67	0.00
Professional and Business Services	December	458.7	-1.29	2.46
Education and Health Services	December	475.6	-0.44	2.32
Leisure and Hospitality	December	273.4	-1.05	-0.15
Other Services	December	114.6	-1.88	-0.61
Government	December	512.6	-0.43	1.28

Metro Payroll Employment (NSA)	Period	Level (000s)	YoY % Change
Baltimore-Towson MSA - Total	December	1,420.5	0.64
California-Lexington Park MSA - Total	December	45.8	0.88
Cumberland MSA - Total	December	39.4	-0.51
Hagerstown MSA - Total	December	109.4	-0.91
Salisbury MSA - Total	December	152.9	1.87
Silver Spring-Frederick Metro Div. - Total	December	611.4	1.58

Maryland Payroll Employment Performance

Year-over-Year Percent Change in December 2017



Maryland Total Employment Performance

Year-over-Year Percent Change in December 2017



MARYLAND

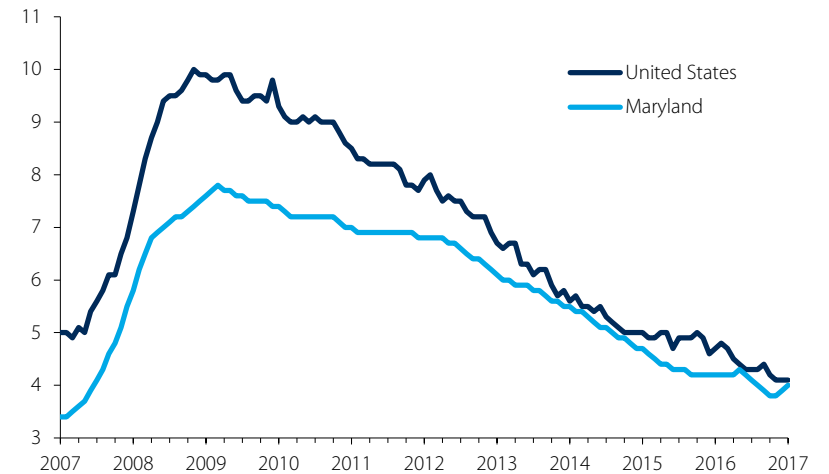
Labor Market Conditions

Unemployment Rate (SA)	December 17	November 17	December 16
United States	4.1	4.1	4.7
Fifth District	4.2	4.1	4.6
Maryland	4.0	3.9	4.2
Baltimore-Towson MSA	4.2	4.2	4.3
California-Lexington Park MSA	4.0	4.1	3.9
Cumberland MSA	5.7	5.7	5.7
Hagerstown MSA	4.4	4.2	4.2
Salisbury MSA	5.7	5.4	5.6
Silver Spring-Frederick Metro Div.	3.3	3.4	3.2

Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	December	160,597	0.04	0.54
Fifth District	December	15,997	-0.21	0.95
Maryland	December	3,230	-0.46	1.50
Baltimore-Towson MSA	December	1,501	-0.59	0.70
California-Lexington Park MSA	December	56	-0.36	1.46
Cumberland MSA	December	44	0.00	0.00
Hagerstown MSA	December	133	0.23	0.38
Salisbury MSA	December	189	0.53	1.89
Silver Spring-Frederick Metro Div.	December	698	-0.50	3.30

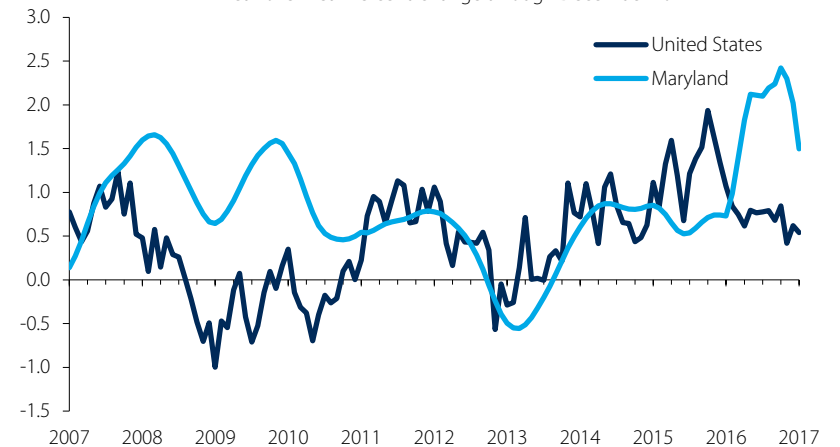
Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	December	1,309,236	17.31	-7.10
Fifth District	December	73,072	30.08	-14.03
Maryland	December	20,564	30.41	-16.85

Maryland Unemployment Rate
Through December 2017



Maryland Labor Force

Year-over-Year Percent Change through December 2017



SNAPSHOT

A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY

March 2018

FEDERAL RESERVE BANK OF RICHMOND

MARYLAND

Household Conditions

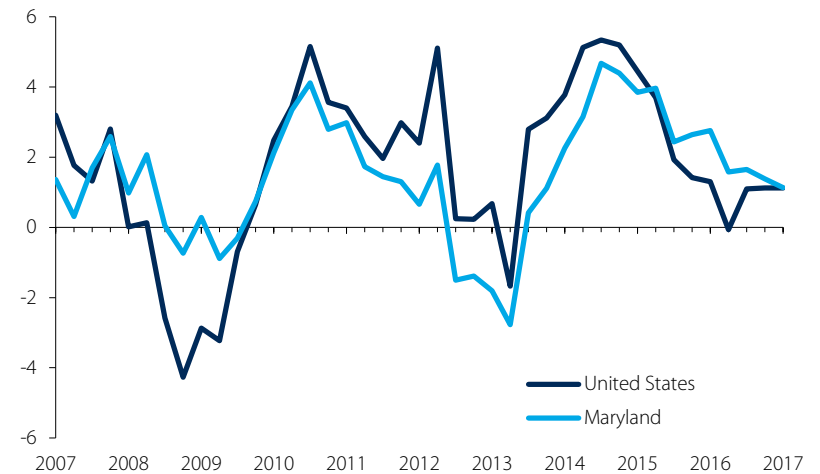
Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q3:17	14,581,663	0.29	1.12
Fifth District	Q3:17	1,413,529	0.28	1.48
Maryland	Q3:17	320,378	0.25	1.14

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Baltimore-Towson MSA	2017	91.1	---	5.07
Silver Spring-Frederick Metro Div.	2017	114.2	---	---
Cumberland MSA	2017	53.9	---	---
Hagerstown MSA	2017	67.6	---	---
Salisbury MSA	2017	68.8	---	---

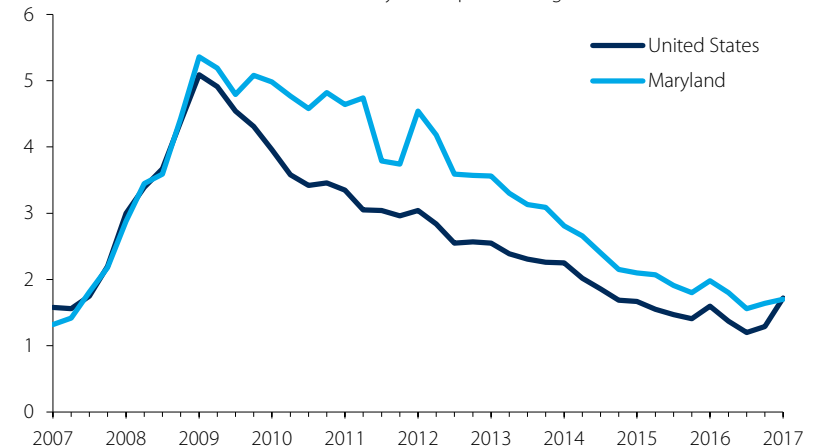
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q4:17	176,728	-6.76	-0.91
Fifth District	Q4:17	6,018	-60.95	-59.01
Maryland	Q4:17	4,256	4.11	11.88

Mortgage Delinquencies (% 90+ Days Delinquent)	Q4:17	Q3:17	Q4:16
United States			
All Mortgages	1.72	1.29	1.60
Conventional - Fixed Rate	1.32	0.98	1.25
Conventional - Adjustable Rate	2.50	2.17	2.90
Maryland			
All Mortgages	1.70	1.64	1.98
Conventional - Fixed Rate	1.32	1.29	1.56
Conventional - Adjustable Rate	3.24	3.12	3.72

Maryland Real Personal Income
Year-over-Year Percent Change through Q3:17



Maryland Mortgage Delinquencies
Percent 90+ Days Delinquent through Q4:17



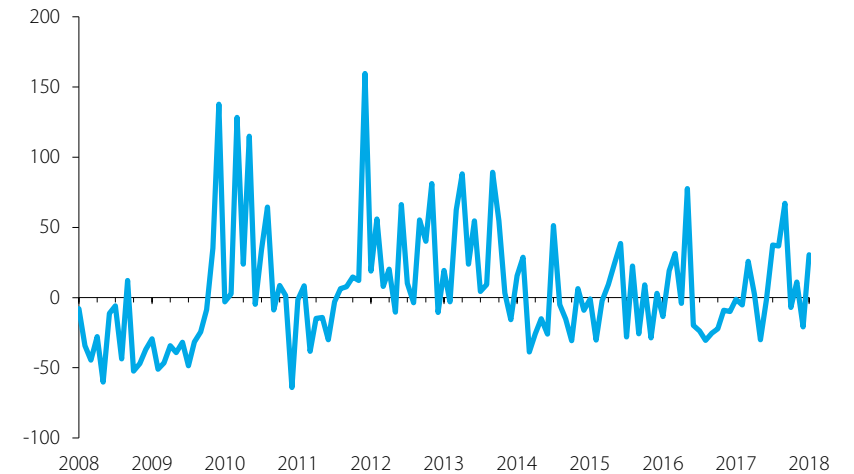
MARYLAND

Real Estate Conditions

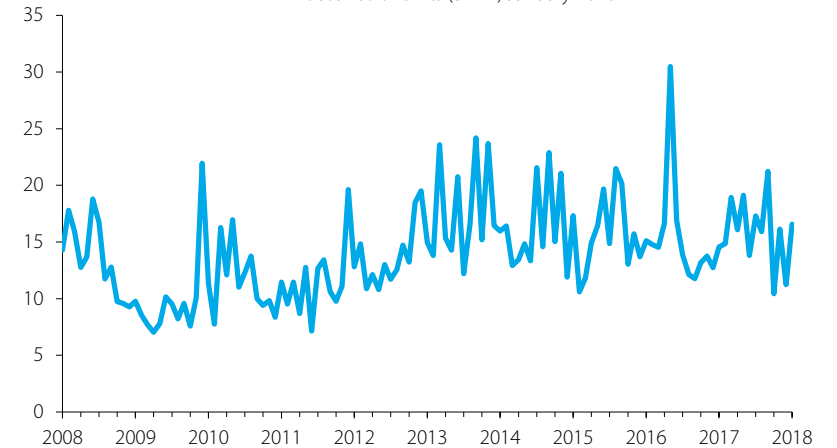
Permits: New Private Housing Units (NSA)	Period	Level	MoM % Change	YoY % Change
United States	January	96,674	3.89	10.70
Fifth District	January	13,022	29.49	22.59
Maryland	January	1,360	73.25	30.52
Baltimore-Towson MSA	January	722	85.13	52.00
Cumberland MSA	January	1	-66.67	---
Hagerstown MSA	January	61	-7.58	-33.70
Salisbury MSA	January	247	-15.70	24.75

Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	January	1,326	9.68	7.28
Fifth District	January	159	10.20	7.07
Maryland	January	16.6	47.38	13.95

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



Maryland Housing Starts
Thousands of Units (SAAR) January 2018



MARYLAND

Real Estate Conditions

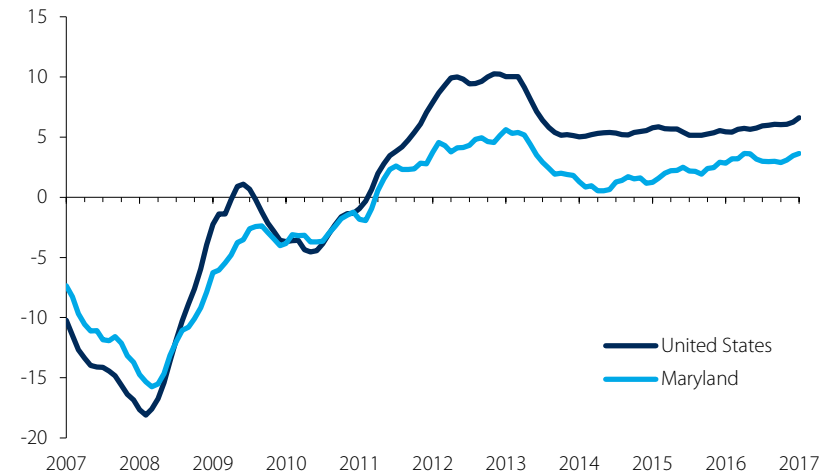
House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	December	196	0.48	6.60
Fifth District	December	196	0.10	4.17
Maryland	December	198	-0.11	3.63
Baltimore-Towson MSA	December	196	-0.03	3.71
Cumberland MSA	December	178	-0.11	-2.04
Hagerstown MSA	December	162	-1.51	2.45
Salisbury MSA	December	212	-0.91	2.29

Median Home Sales Price - NAR (NSA)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Baltimore-Towson MSA	Q4:17	257	-4.67	4.68
Cumberland MSA	Q4:17	85	-12.24	-10.00
Hagerstown MSA	Q4:17	168	-2.83	1.45

Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Baltimore-Towson MSA	Q4:17	250	0.00	2.04
Silver Spring-Frederick Metro Div.	Q4:17	371	-7.25	---
Cumberland MSA	Q4:17	85	---	---
Hagerstown MSA	Q4:17	170	-1.16	---
Salisbury MSA	Q4:17	197	1.03	---

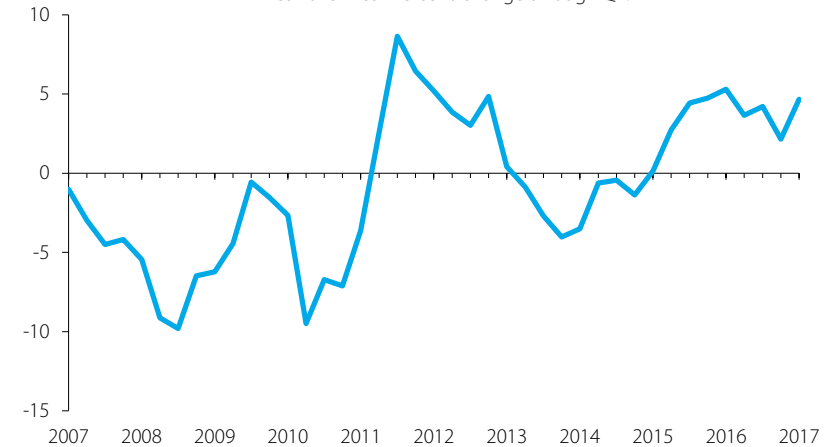
Maryland House Price Index (CoreLogic)

Year-over-Year Percent Change through December 2017



Baltimore-Towson MSA Median Home Sales Price (NAR)

Year-over-Year Percent Change through Q4:17



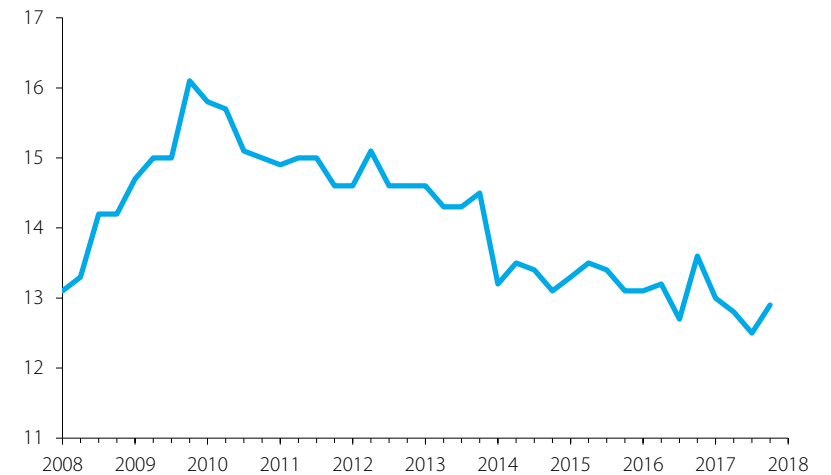
MARYLAND

Real Estate Conditions

Housing Opportunity Index (%)	Q4:17	Q3:17	Q4:16
Baltimore-Towson MSA	77.0	75.6	74.1
Silver Spring-Frederick Metro Div.	71.8	66.3	---
Cumberland MSA	96.9	---	---
Hagerstown MSA	80.4	84.8	---
Salisbury MSA	78.7	79.9	---

Commercial Vacancy Rates (%)	Q4:17	Q3:17	Q4:16
Office Vacancies			
Baltimore-Towson MSA	12.9	12.5	13.6
Retail Vacancies			
Baltimore-Towson MSA	5.6	5.5	5.1
Industrial Vacancies			
Baltimore-Towson MSA	11.4	11.6	11.0
Suburban Maryland (Washington, D.C. MSA)	---	---	10.9

Baltimore-Towson MSA Office Vacancy Rate
Through Q4:17



Baltimore-Towson MSA Industrial Vacancy Rate
Through Q4:17

