

**NORTH CAROLINA**

August Summary

North Carolina's economy generally strengthened, according to recent reports as total employment grew and household conditions improved; however, housing market reports were mixed.

Labor Markets: Payroll employment rose 0.3 percent in North Carolina in June as firms added 13,200 net new jobs. The leisure and hospitality industry saw the biggest increase during the month (4,000 jobs), followed by education and health services (2,700 jobs) and trade, transportation, and utilities (2,600 jobs). Meanwhile, only two industries reported job cuts in the month: professional and business services (1,700 jobs) and manufacturing (1,000 jobs). Since June 2017, payroll employment in North Carolina rose 2.3 percent (103,400 jobs), which outpaced the Fifth District and national growth rates. Professional and business services reported the largest employment gain (21,500 jobs or 3.5 percent) since last June, followed closely by trade, transportation, and utilities (19,600 jobs or 2.4 percent). Material increases were also reported in education and health services (14,600 jobs), leisure and hospitality (11,300 jobs), and construction (9,400 jobs).

Household Conditions: North Carolina's unemployment rate edged down 0.1 percentage point to 4.2 percent in June and declined 0.2 percentage point from June 2017. In the first quarter of 2018, the share of North Carolina mortgages with payments 90 or more days past due decreased to 1.2 percent. The delinquency rate for fixed and adjustable rate conventional loans declined in the first quarter to 0.9 percent and 1.8 percent, respectively. Also in the first quarter of 2018, real personal income in North Carolina rose 0.6 percent and was up 1.9 percent since the first quarter of 2017.

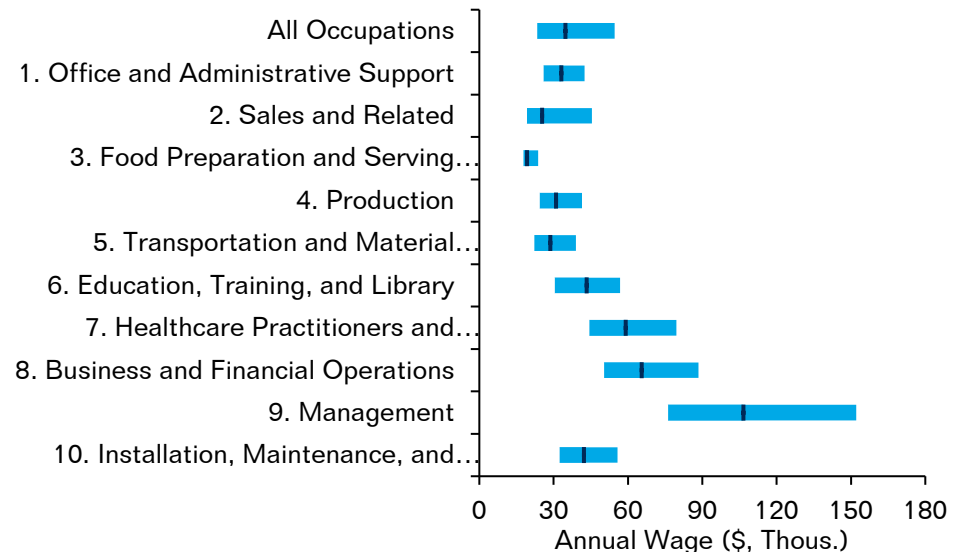
Housing Markets: North Carolina issued 5,519 new residential permits in June, down 17.0 percent from the prior month and up 2.0 percent from June 2017. The Charlotte MSA issued the most permits in June (1,632 permits) while Durham reported the largest percentage increase in the month of 52.0 percent (768 permits). North Carolina housing starts totaled 54,300 in June, down 27.8 percent from the prior month but up 13.5 percent on a year-over-year basis. According to CoreLogic Information Solutions, North Carolina home values appreciated 0.4 percent in May and increased 4.5 percent since May 2017. Home prices rose in every MSA in the month and on a year-over-year basis.

A Closer Look at... Occupational Employment

Occupational Employment Statistics (OES) are released annually by the Bureau of Labor Statistics to provide detailed estimates of wages and employment across occupations at the national, state, and metro level. According to the most recent data in 2017:

- The median annual wage across all occupations in North Carolina was \$34,750, with the 25th percentile earning \$23,010 and the 75th percentile earning \$54,560.
- Office and administrative support was the largest occupation in North Carolina, as it was in the Fifth District and the U.S., and had a median annual wage of \$33,100.
- Management positions were the highest paid in North Carolina, with a median annual wage of \$106,590, more than triple the median wage for all occupations.
- Food preparation and serving related occupations were the lowest paid, with a median annual wage of \$19,260.

Wage Range for the Ten Largest Occupations in North Carolina  
25th to 75th Percentile with Median Marked, 2017



## NORTH CAROLINA

### Labor Market Conditions

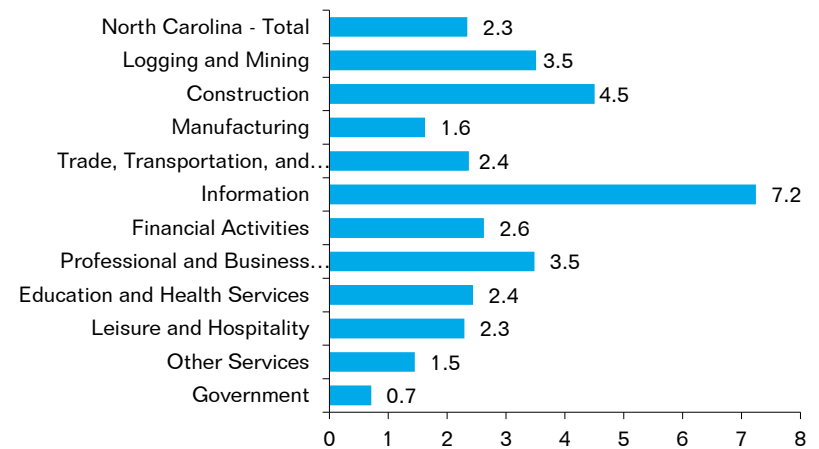
Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	June	148,912.0	0.14	1.62
Fifth District - Total	June	14,922.3	0.01	1.34
North Carolina - Total	June	4,518.3	0.29	2.34
Logging and Mining	June	5.9	1.72	3.51
Construction	June	218.0	0.41	4.51
Manufacturing	June	475.4	-0.21	1.62
Trade, Transportation, and Utilities	June	847.2	0.31	2.37
Information	June	84.4	0.96	7.24
Financial Activities	June	238.6	0.76	2.62
Professional and Business Services	June	639.1	-0.27	3.48
Education and Health Services	June	612.7	0.44	2.44
Leisure and Hospitality	June	504.8	0.80	2.29
Other Services	June	153.9	0.72	1.45
Government	June	738.3	0.26	0.71

### Metro Payroll Employment (NSA)

Period	Level (000s)	YoY % Change	
Asheville MSA - Total	June	195.3	2.41
Charlotte MSA - Total	June	1,216.1	2.63
Durham MSA - Total	June	318.0	2.05
Fayetteville MSA - Total	June	131.8	1.23
Greensboro-High Point MSA - Total	June	364.1	1.45
Raleigh-Cary MSA - Total	June	637.6	3.17
Wilmington MSA - Total	June	128.6	1.18
Winston-Salem MSA - Total	June	269.2	2.24

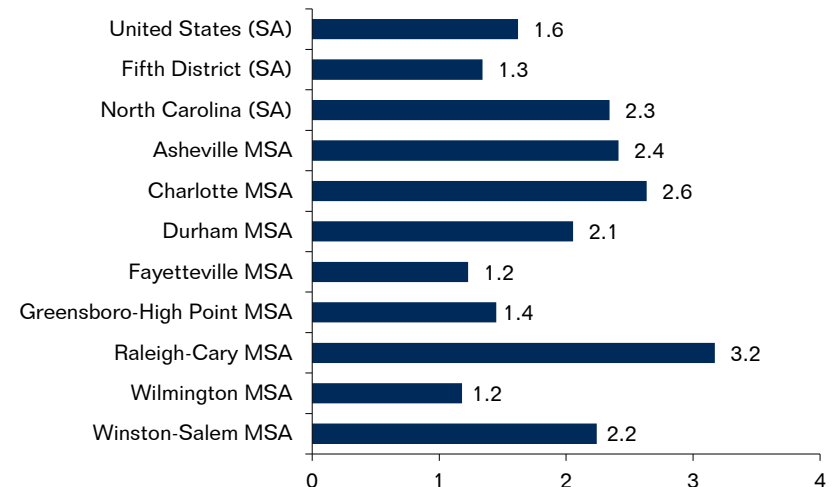
### North Carolina Payroll Employment Performance

Year-over-Year Percent Change in June 2018



### North Carolina Total Employment Performance

Year-over-Year Percent Change in June 2018



# SNAPSHOT

# A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY

August 2018

FEDERAL RESERVE BANK OF RICHMOND

## NORTH CAROLINA

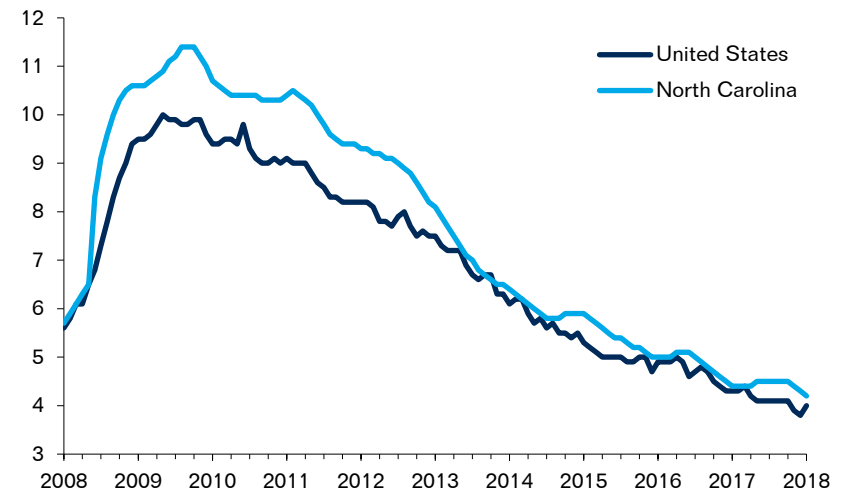
### Labor Market Conditions

Unemployment Rate (SA)	June 18	May 18	June 17
United States	4.0	3.8	4.3
Fifth District	4.0	4.0	4.2
North Carolina	4.2	4.3	4.4
Asheville MSA	3.2	3.2	3.6
Charlotte MSA	3.7	3.7	4.1
Durham MSA	3.6	3.5	3.9
Fayetteville MSA	5.2	5.1	5.6
Greensboro-High Point MSA	4.2	4.1	4.6
Raleigh-Cary MSA	3.5	3.4	3.9
Wilmington MSA	3.8	3.8	4.2
Winston-Salem MSA	3.8	3.7	4.2

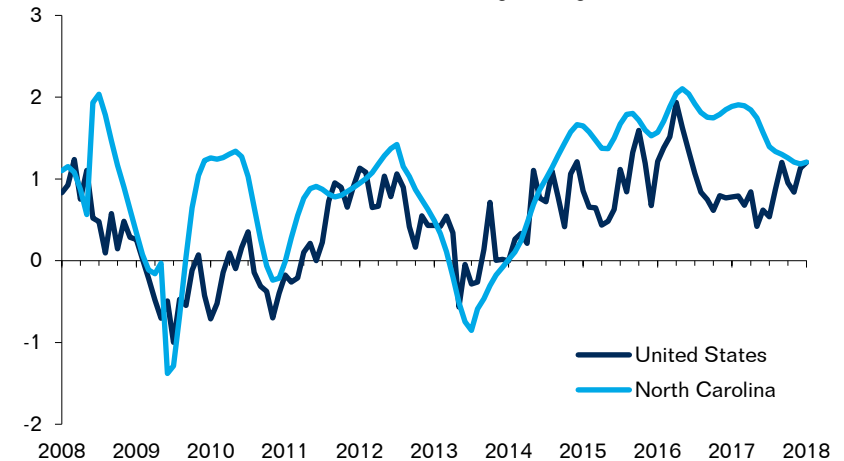
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	June	162,140	0.37	1.20
Fifth District	June	16,086	0.11	0.79
North Carolina	June	4,998	0.19	1.21
Asheville MSA	June	233	0.26	2.37
Charlotte MSA	June	1,345	0.33	2.26
Durham MSA	June	302	0.43	1.86
Fayetteville MSA	June	148	0.14	0.95
Greensboro-High Point MSA	June	373	0.24	1.14
Raleigh-Cary MSA	June	716	0.45	2.80
Wilmington MSA	June	147	0.48	1.10
Winston-Salem MSA	June	329	0.27	1.57

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	June	903,240	2.78	-12.11
Fifth District	June	54,400	5.51	-14.36
North Carolina	June	12,496	14.31	-9.99

North Carolina Unemployment Rate  
Through June 2018



North Carolina Labor Force  
Year-over-Year Percent Change through June 2018



# SNAPSHOT

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## NORTH CAROLINA

### Household Conditions

Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q1:18	14,732,601	0.42	1.83
Fifth District	Q1:18	1,425,842	0.51	1.62
North Carolina	Q1:18	399,829	0.57	1.89

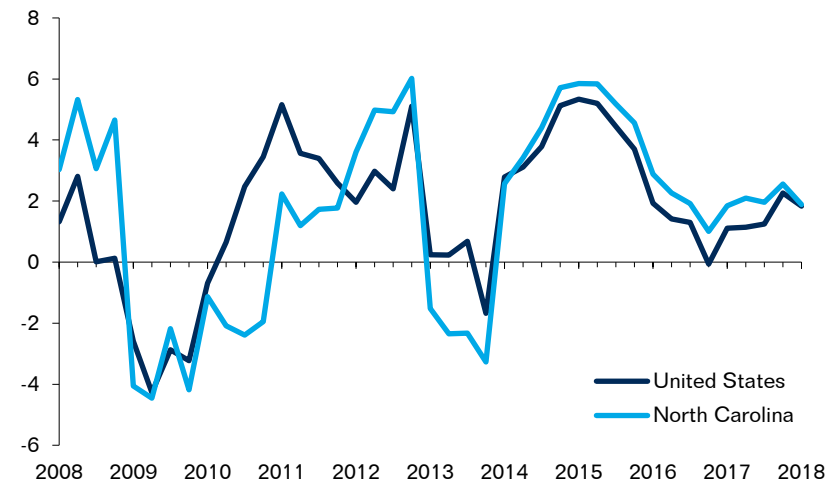
Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Asheville MSA	Q1:18	61.3	0.00	0.00
Charlotte MSA	Q1:18	74.1	4.81	4.81
Durham MSA	Q1:18	80.6	9.96	9.96
Fayetteville MSA	Q1:18	53.5	2.29	2.29
Greensboro-High Point MSA	Q1:18	60.5	5.77	5.77
Raleigh-Cary MSA	Q1:18	84.3	5.11	5.11
Winston-Salem MSA	Q1:18	62.5	9.84	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)	Q1:18	Q4:17	Q1:17
United States			
All Mortgages	1.45	1.72	1.37
Conventional - Fixed Rate	1.12	1.32	1.11
Conventional - Adjustable Rate	2.20	2.50	2.39
North Carolina - All Mortgages			
All Mortgages	1.22	1.36	1.40
Conventional - Fixed Rate	0.93	1.01	1.10
Conventional - Adjustable Rate	1.79	2.04	2.03

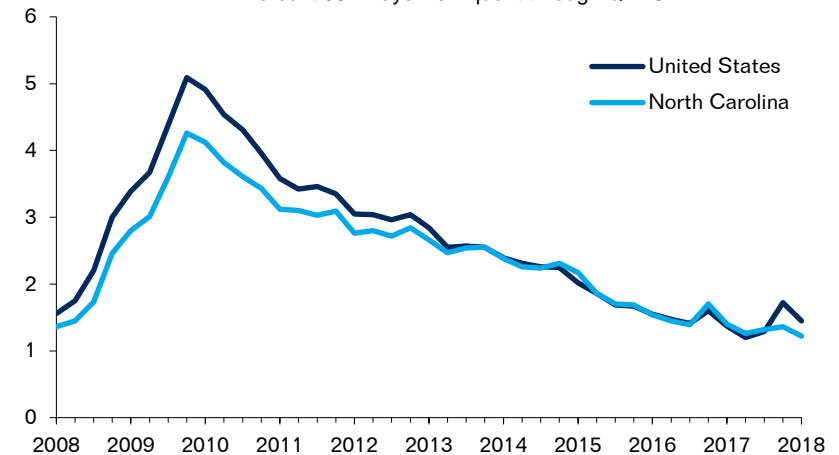
### North Carolina Real Personal Income

Year-over-Year Percent Change through Q1:18



### North Carolina Mortgage Delinquencies

Percent 90+ Days Delinquent through Q1:18



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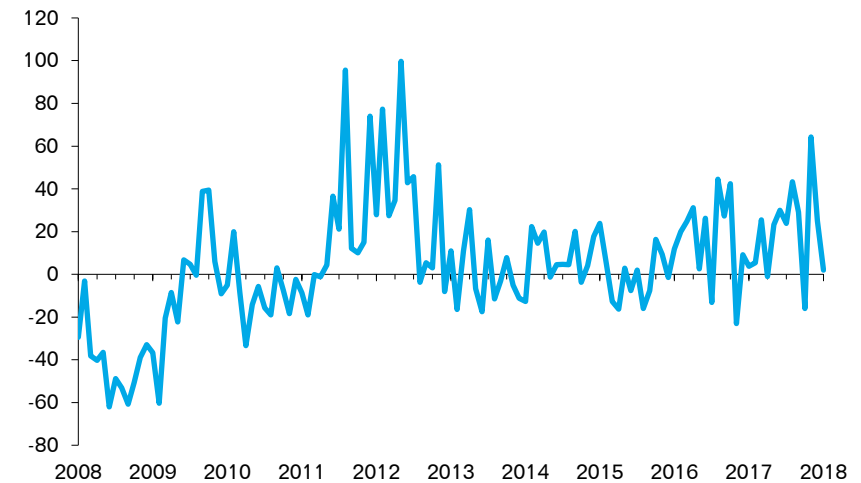
Real Estate Conditions

Permits: New Private Housing Units	Period	Level	MoM % Change	YoY % Change
United States	June	121,639	-2.72	-4.88
Fifth District	June	14,290	2.47	0.85
North Carolina	June	5,519	-17.00	2.01
Asheville MSA	June	229	1.78	-25.16
Charlotte MSA	June	1,632	-26.68	8.95
Durham MSA	June	768	51.78	83.29
Fayetteville MSA	June	69	-25.81	-18.82
Greensboro-High Point MSA	June	175	-2.23	-47.92
Greenville MSA	June	80	12.68	86.05
Hickory MSA	June	6	25.00	---
Jacksonville MSA	June	70	-41.67	-5.41
Raleigh-Cary MSA	June	1,202	-30.52	-6.89
Wilmington MSA	June	107	-64.80	-39.20
Winston-Salem MSA	June	222	-1.77	-2.20

Total Private Housing Starts (SAA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	June	1,173	-12.27	-4.24
Fifth District	June	141	-10.92	12.16
North Carolina	June	54.3	-27.84	13.46

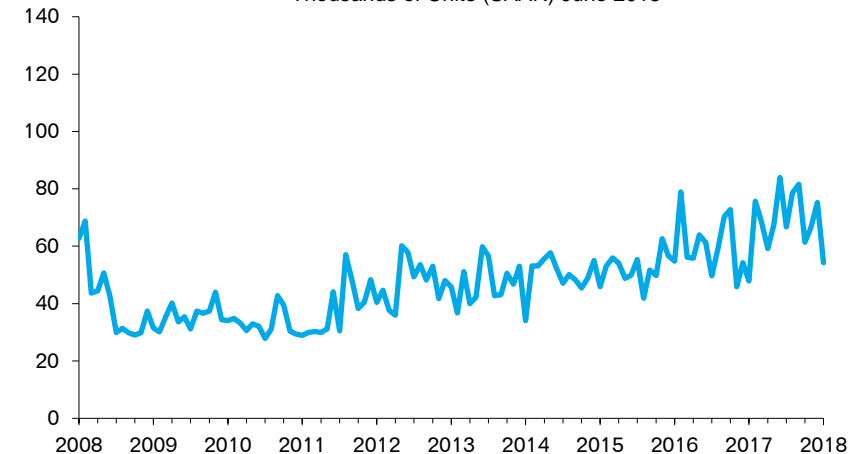
North Carolina New Housing Units

Year-over-Year Percent Change through June 2018



North Carolina Housing Starts

Thousands of Units (SAAR) June 2018



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### Real Estate Conditions

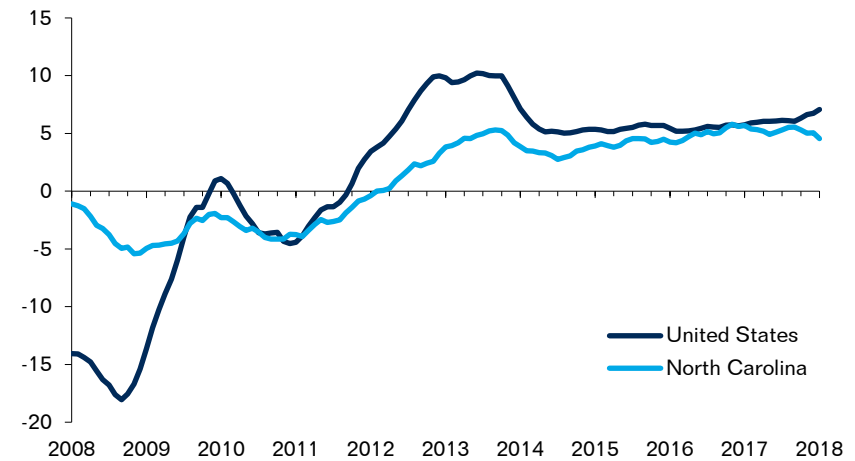
House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	May	203	1.07	7.08
Fifth District	May	200	0.60	3.63
North Carolina	May	157	0.35	4.54
Asheville MSA	May	214	1.05	5.48
Charlotte MSA	May	164	0.37	6.15
Durham MSA	May	165	1.22	5.46
Fayetteville MSA	May	125	0.02	0.87
Greensboro-High Point MSA	May	129	0.65	3.18
Greenville MSA	May	131	0.58	2.94
Hickory MSA	May	152	1.49	6.25
Jacksonville MSA	May	148	1.08	3.95
Raleigh-Cary MSA	May	157	0.81	5.34
Wilmington MSA	May	182	0.28	4.60
Winston-Salem MSA	May	143	0.41	4.19

Median Home Sales Price - NAR (N:)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Charlotte MSA	Q1:18	226	1.30	8.02
Durham MSA	Q1:18	268	6.44	17.00
Greensboro-High Point MSA	Q1:18	154	-3.27	4.76
Raleigh-Cary MSA	Q1:18	274	3.90	9.59

Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Asheville MSA	Q1:18	260	4.00	13.04
Charlotte MSA	Q1:18	230	1.32	9.00
Durham MSA	Q1:18	256	6.67	16.89
Fayetteville MSA	Q1:18	129	7.50	4.88
Greensboro-High Point MSA	Q1:18	157	-0.63	9.03
Raleigh-Cary MSA	Q1:18	285	-1.72	6.74
Winston-Salem MSA	Q1:18	152	2.70	7.04

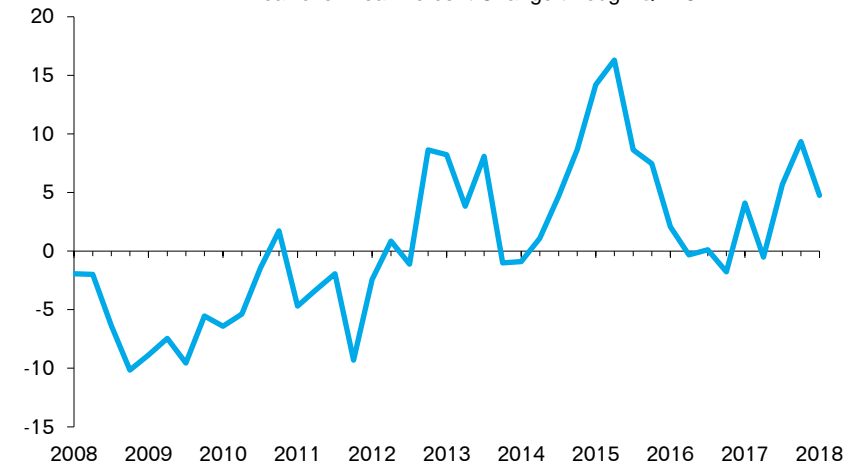
North Carolina House Price Index (CoreLogic)

Year-over-Year Percent Change through May 2018



Greensboro MSA Median Home Sales Price (NAR)

Year-over-Year Percent Change through Q1:18



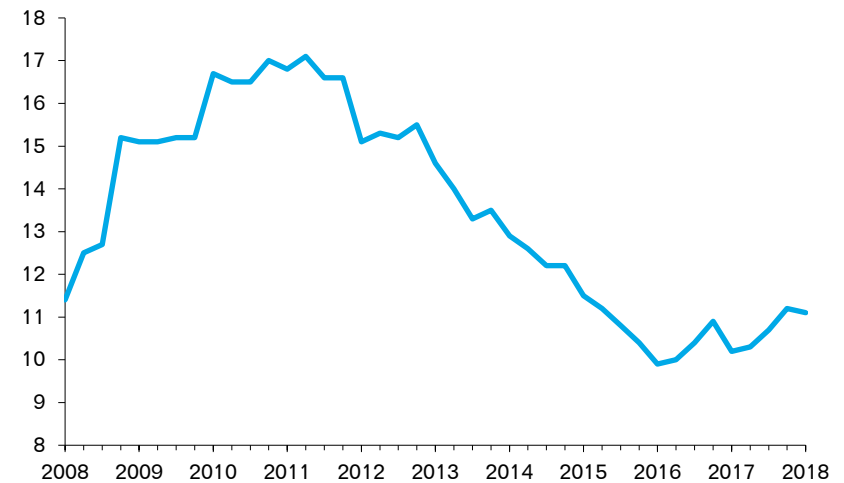
## NORTH CAROLINA

### Real Estate Conditions

Housing Opportunity Index (%)	Q1:18	Q4:17	Q1:17
Asheville MSA	54.1	58.2	61.4
Charlotte MSA	69.0	68.7	70.1
Durham MSA	67.4	67.0	71.7
Fayetteville MSA	76.8	79.7	77.2
Greensboro-High Point MSA	74.2	74.9	77.3
Raleigh-Cary MSA	68.5	65.1	66.9
Winston-Salem MSA	79.9	80.0	83.2

Commercial Vacancy Rates (%)	Q1:18	Q4:17	Q1:17
<b>Office Vacancies</b>			
Raleigh/Durham	8.3	8.3	7.0
Charlotte	11.2	10.7	10.9
<b>Retail Vacancies</b>			
Raleigh/Durham	4.9	4.8	4.6
Charlotte	5.1	5.3	5.0
<b>Industrial Vacancies</b>			
Raleigh/Durham	7.1	7.6	8.2
Charlotte	7.7	7.2	6.2

Charlotte MSA Office Vacancy Rate  
Through Q1:18



Raleigh/Durham CSA Industrial Vacancy Rate  
Through Q1:18

