

## NORTH CAROLINA

### May Summary

Recent reports on North Carolina’s economic activity were mostly positive. Payroll employment increased in the month and household conditions remained generally stable; however housing market indicators were mixed.

**Labor Markets:** Employers in North Carolina added 4,100 jobs (0.1 percent) in March. Jobs gains were evident in a majority of industries in the month, with the largest coming from education and health services (2,200 jobs). Increases were also reported in leisure and hospitality (1,500 jobs), construction (1,200 jobs), and trade, transportation and utilities (1,100 jobs). On the downside, the professional and business services industry lost 2,000 jobs in March, and smaller losses were reported in manufacturing, financial activities, and government. Since March 2017, total employment in North Carolina rose 1.7 percent as every industry added jobs. The bulk of the net jobs added since last March were in the professional and business service and the trade, transportation, and utilities industries, which added 15,300 and 14,500 jobs, respectively. The fastest percent growth came from the information sector (4.4 percent or 3,500 jobs).

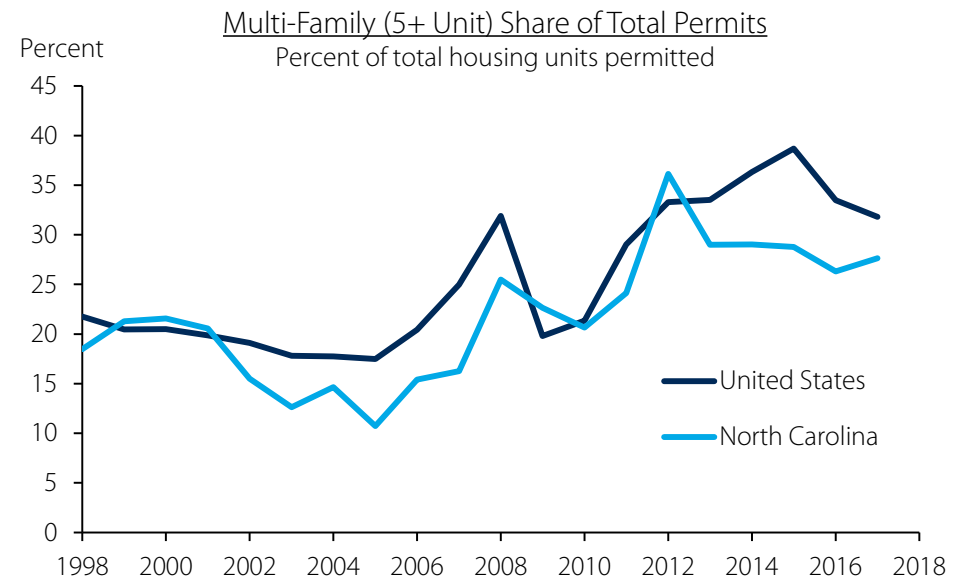
**Household Conditions:** The unemployment rate in North Carolina was unchanged at 4.5 percent in March but declined 0.2 percentage point from March 2017. In the fourth quarter of 2017, the share of North Carolina mortgages with payments 90 or more days past due edged up 0.1 percentage point to 1.4 percent. The delinquency rate for fixed rate conventional loans was unchanged in the fourth quarter at 1.0 percent and the delinquency rate for adjustable rate loans remained at 2.0 percent. Also in the fourth quarter of 2017, real personal income in North Carolina rose 0.4 percent and was up 2.4 percent since the fourth quarter of 2016.

**Housing Markets:** North Carolina issued 5,582 new residential permits in March, down 11.8 percent from the prior month and off 15.9 percent from a year earlier. The Charlotte MSA issued 1,795 permits during the month, which was a decrease of 25.8 percent from the prior month and a 2.5 percent decrease compared to a year earlier. North Carolina housing starts totaled 60,500 in March, down 27.0 percent from February and down 17.7 percent on a year-over-year basis. According to CoreLogic Information Solutions, North Carolina home values appreciated 0.1 percent in February and appreciated 5.2 percent since February 2017. While changes in average home prices varied across the state’s MSAs over the month, each experienced an increase from February 2017.

### A Closer Look at... Building Permits

#### Residential Building Permits Issued in 2017:

Area	Total	1 Family	2-4 Family	5+ Family
North Carolina	65,009	46,500	523	17,986
Metro Areas:				
Asheville	2,622	1,807	12	803
Charlotte	21,425	13,974	114	7,337
Durham	4,924	3,268	18	1,638
Fayetteville	935	874	0	61
Greensboro	3,051	2,010	22	1,019
Raleigh	14,213	10,785	32	3,396
Wilmington	2,125	1,574	34	517
Winston-Salem	2,976	2,117	18	841



## NORTH CAROLINA

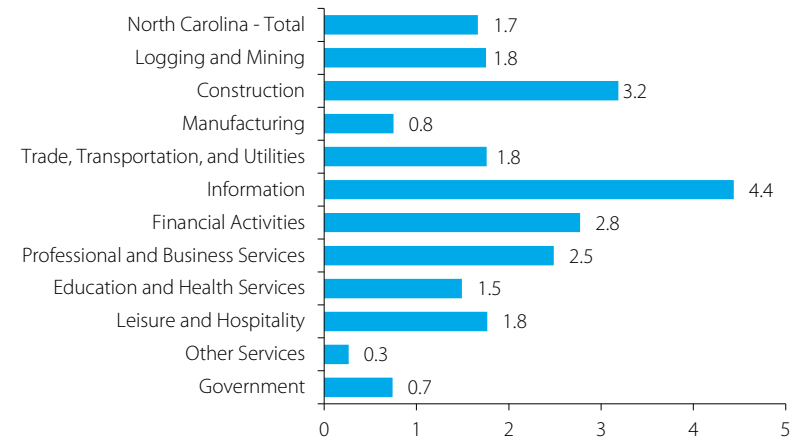
### Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	March	148,230.0	0.07	1.55
Fifth District - Total	March	14,861.3	0.08	1.14
North Carolina - Total	March	4,472.0	0.09	1.67
Logging and Mining	March	5.8	1.75	1.75
Construction	March	213.7	0.56	3.19
Manufacturing	March	469.8	-0.11	0.75
Trade, Transportation, and Utilities	March	839.0	0.13	1.76
Information	March	82.4	0.86	4.44
Financial Activities	March	237.2	-0.13	2.77
Professional and Business Services	March	630.3	-0.32	2.49
Education and Health Services	March	605.1	0.36	1.49
Leisure and Hospitality	March	501.2	0.30	1.77
Other Services	March	151.9	0.13	0.26
Government	March	735.6	-0.01	0.74

Metro Payroll Employment (NSA)	Period	Level (000s)	YoY % Change
Asheville MSA - Total	March	191.8	1.70
Charlotte MSA - Total	March	1,202.4	2.98
Durham MSA - Total	March	313.7	1.72
Fayetteville MSA - Total	March	130.7	0.46
Greensboro-High Point MSA - Total	March	360.4	0.81
Raleigh-Cary MSA - Total	March	623.3	2.53
Wilmington MSA - Total	March	125.7	1.29
Winston-Salem MSA - Total	March	264.7	0.76

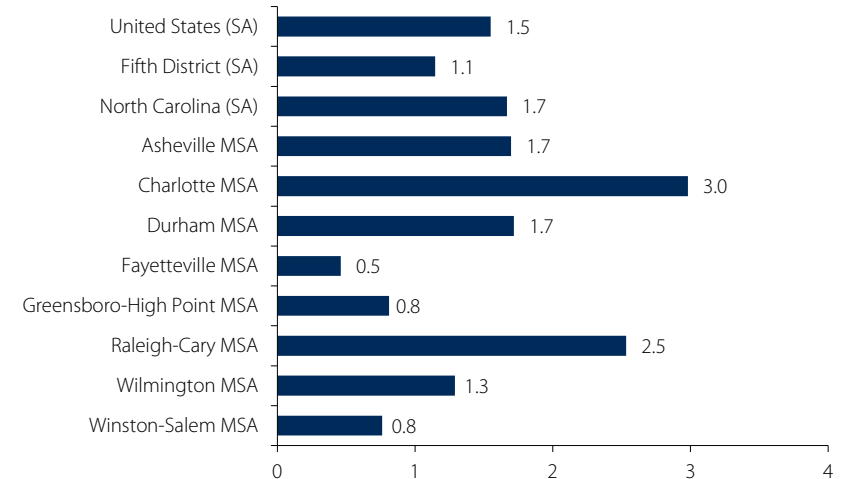
North Carolina Payroll Employment Performance

Year-over-Year Percent Change in March 2018



North Carolina Total Employment Performance

Year-over-Year Percent Change in March 2018



## NORTH CAROLINA

### Labor Market Conditions

Unemployment Rate (SA)	March 18	February 18	March 17
United States	4.1	4.1	4.5
Fifth District	4.2	4.2	4.4
North Carolina	4.5	4.5	4.7
Asheville MSA	3.4	3.3	3.7
Charlotte MSA	4.2	4.2	4.4
Durham MSA	3.9	3.9	4.2
Fayetteville MSA	5.7	5.7	5.9
Greensboro-High Point MSA	4.6	4.6	4.9
Raleigh-Cary MSA	3.9	3.8	4.1
Wilmington MSA	4.2	4.1	4.4
Winston-Salem MSA	4.2	4.2	4.5

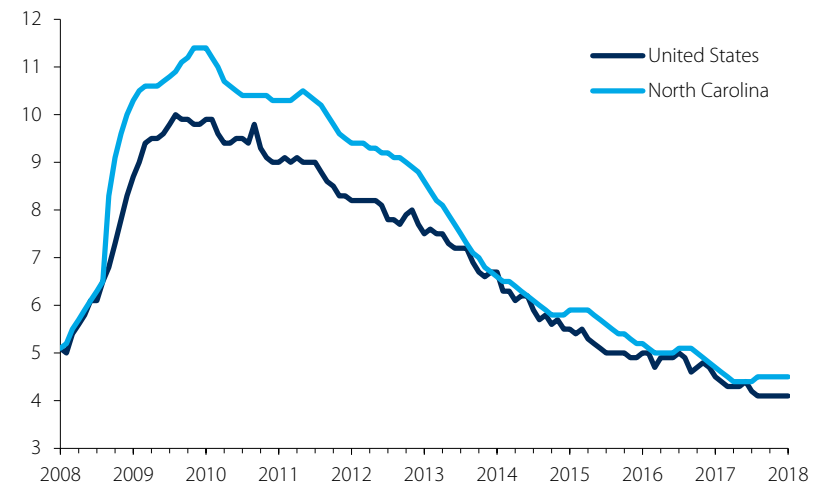
  

Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	March	161,763	-0.10	0.95
Fifth District	March	16,048	0.10	0.87
North Carolina	March	4,978	0.07	1.26
Asheville MSA	March	233	0.00	2.06
Charlotte MSA	March	1,341	0.52	2.95
Durham MSA	March	299	0.54	1.73
Fayetteville MSA	March	148	0.07	0.34
Greensboro-High Point MSA	March	372	0.13	0.95
Raleigh-Cary MSA	March	709	0.18	2.47
Wilmington MSA	March	147	0.20	1.38
Winston-Salem MSA	March	327	0.06	0.96

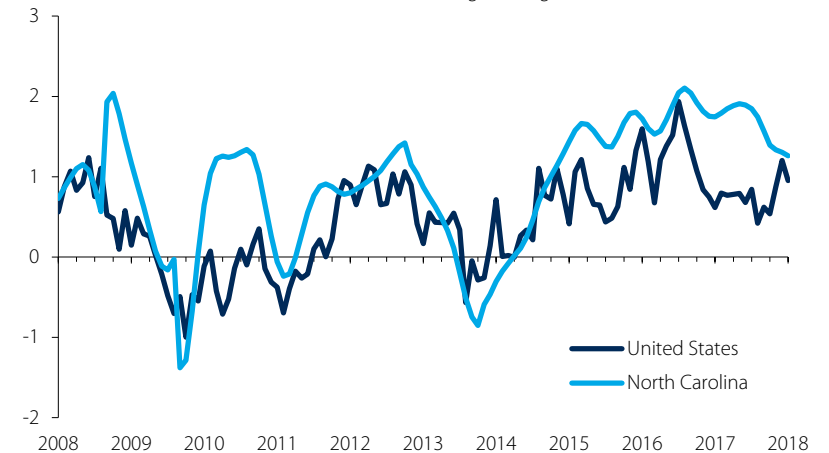
  

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	March	851,108	-1.70	-13.20
Fifth District	March	46,703	1.07	-18.86
North Carolina	March	8,954	-11.41	-34.40

North Carolina Unemployment Rate  
Through March 2018



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



# SNAPSHOT

# A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY

May 2018

FEDERAL RESERVE BANK OF RICHMOND

## NORTH CAROLINA

### Household Conditions

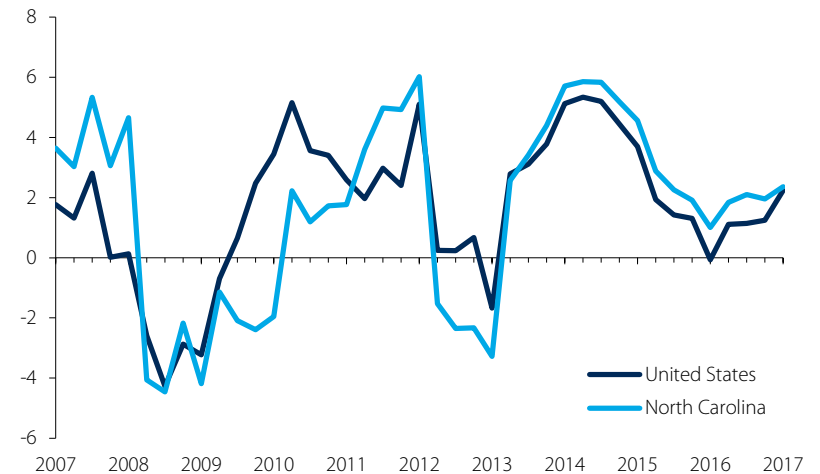
Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q4:17	14,667,256	0.46	2.24
Fifth District	Q4:17	1,419,283	0.41	2.05
North Carolina	Q4:17	396,779	0.37	2.36

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Asheville MSA	2017	61.3	---	5.87
Charlotte MSA	2017	70.7	---	5.52
Durham MSA	2017	73.3	---	-2.14
Fayetteville MSA	2017	52.3	---	0.19
Greensboro-High Point MSA	2017	57.2	---	0.00
Raleigh-Cary MSA	2017	80.2	---	4.70
Winston-Salem MSA	2017	56.9	---	-2.74

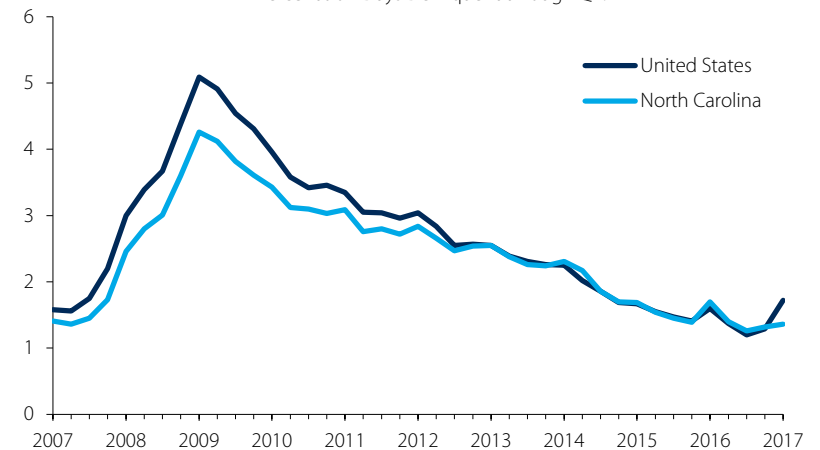
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q1:18	186,410	5.48	-4.66
Fifth District	Q1:18	16,094	4.66	-3.26
North Carolina	Q1:18	3,513	6.20	-1.71

Mortgage Delinquencies (% 90+ Days Delinquent)	Q4:17	Q3:17	Q4:16
<b>United States</b>			
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
<b>North Carolina - All Mortgages</b>			
All Mortgages	1.36	1.32	1.70
Conventional - Fixed Rate	1.01	0.99	1.27
Conventional - Adjustable Rate	2.04	1.97	2.79

North Carolina Real Personal Income  
Year-over-Year Percent Change through Q4:17



North Carolina Mortgage Delinquencies  
Percent 90+ Days Delinquent through Q4:17



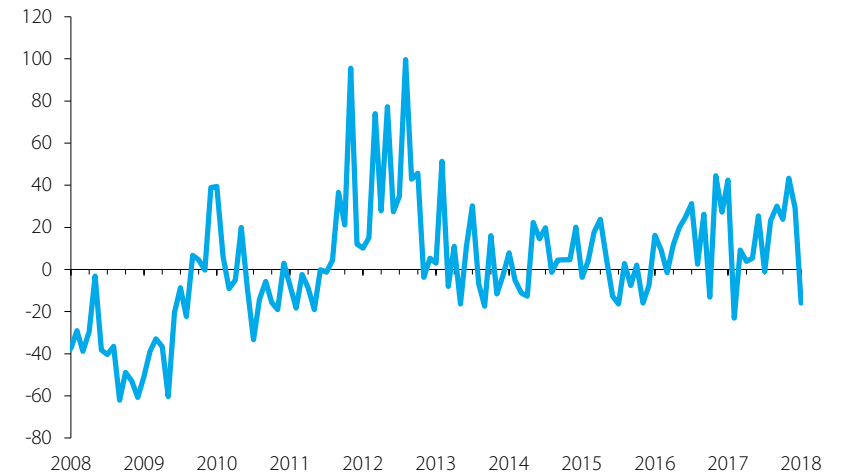
## NORTH CAROLINA

### Real Estate Conditions

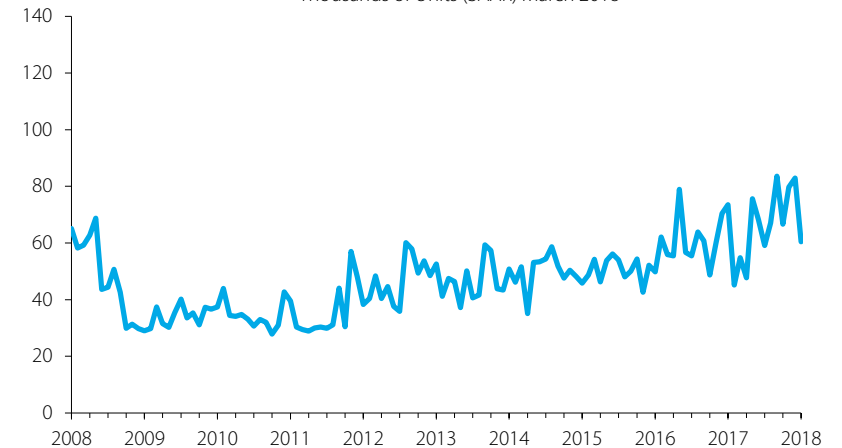
Permits: New Private Housing Units (NSA)	Period	Level	MoM % Change	YoY % Change
United States	March	117,572	27.67	4.51
Fifth District	March	14,450	7.01	-3.52
North Carolina	March	5,582	-11.75	-15.95
Asheville MSA	March	269	22.27	58.24
Charlotte MSA	March	1,795	-25.80	-2.50
Durham MSA	March	427	32.61	7.02
Fayetteville MSA	March	71	16.39	-33.02
Greensboro-High Point MSA	March	186	0.54	-66.37
Greenville MSA	March	54	22.73	-72.86
Hickory MSA	March	6	25.00	---
Jacksonville MSA	March	93	-4.12	3.33
Raleigh-Cary MSA	March	1,390	-25.75	6.27
Wilmington MSA	March	150	-12.28	-18.92
Winston-Salem MSA	March	321	169.75	24.90

Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	March	1,319	1.85	10.93
Fifth District	March	157	-11.49	-5.56
North Carolina	March	60.5	-27.01	-17.72

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



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



**NORTH CAROLINA**

Real Estate Conditions

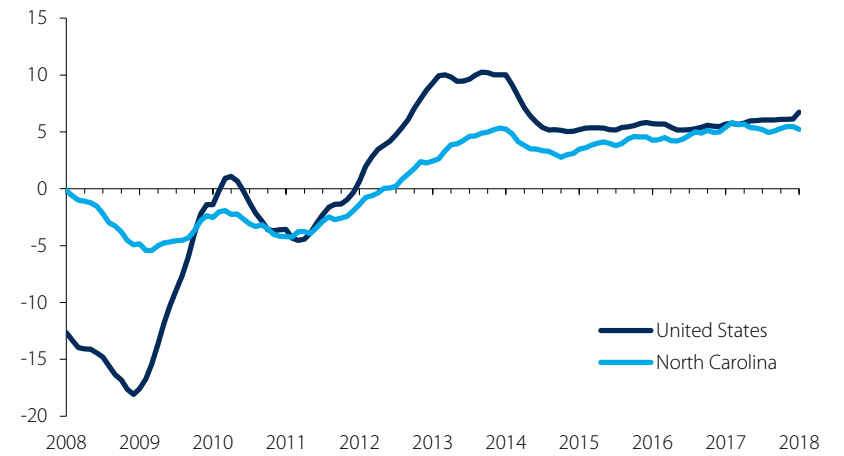
House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	February	197	1.01	6.72
Fifth District	February	196	0.00	3.92
North Carolina	February	154	0.09	5.22
Asheville MSA	February	209	-0.67	5.35
Charlotte MSA	February	160	0.75	6.69
Durham MSA	February	161	-0.23	6.71
Fayetteville MSA	February	124	0.03	1.38
Greensboro-High Point MSA	February	126	-0.01	3.59
Greenville MSA	February	129	-2.17	2.48
Hickory MSA	February	147	1.58	4.78
Jacksonville MSA	February	144	-1.39	3.02
Raleigh-Cary MSA	February	153	0.64	5.02
Wilmington MSA	February	175	-1.37	4.82
Winston-Salem MSA	February	139	0.10	3.96

Median Home Sales Price - NAR (NSA)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Charlotte MSA	Q4:17	224	-4.16	8.60
Durham MSA	Q4:17	252	-4.08	7.89
Greensboro-High Point MSA	Q4:17	159	-2.81	9.34
Raleigh-Cary MSA	Q4:17	264	-1.31	8.20

Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Asheville MSA	Q4:17	250	-0.40	10.62
Charlotte MSA	Q4:17	227	0.00	6.57
Durham MSA	Q4:17	240	2.13	3.45
Fayetteville MSA	Q4:17	120	-9.77	-7.69
Greensboro-High Point MSA	Q4:17	158	-1.25	12.06
Raleigh-Cary MSA	Q4:17	290	3.57	14.62
Winston-Salem MSA	Q4:17	148	-1.33	3.50

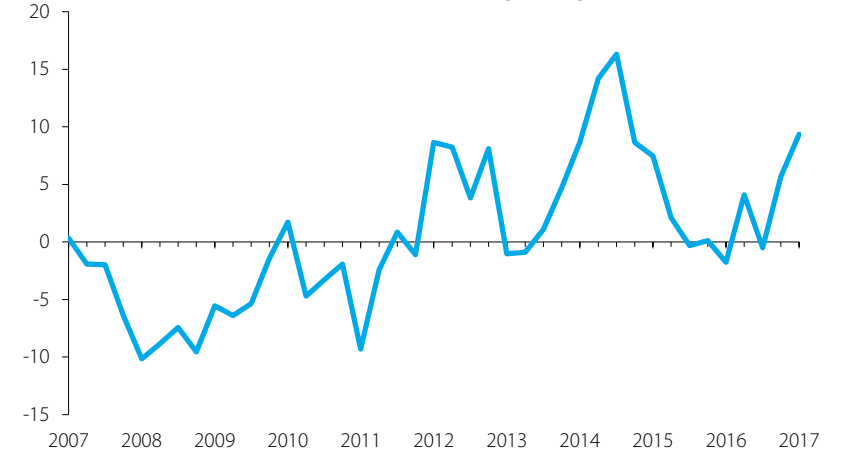
North Carolina House Price Index (CoreLogic)

Year-over-Year Percent Change through February 2018



Greensboro MSA Median Home Sales Price (NAR)

Year-over-Year Percent Change through Q4:17



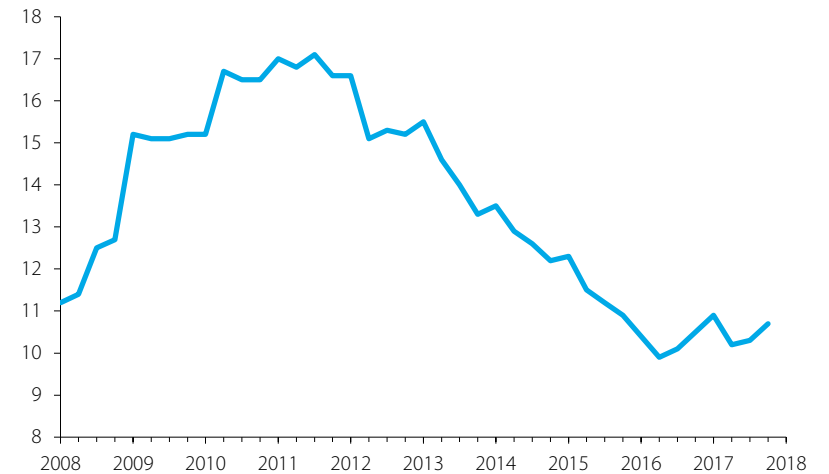
NORTH CAROLINA

Real Estate Conditions

Housing Opportunity Index (%)	Q4:17	Q3:17	Q4:16
Asheville MSA	58.2	58.4	62.0
Charlotte MSA	68.7	70.2	69.3
Durham MSA	67.0	68.2	70.1
Fayetteville MSA	79.7	75.3	78.8
Greensboro-High Point MSA	74.9	74.9	80.4
Raleigh-Cary MSA	65.1	65.9	70.5
Winston-Salem MSA	80.0	78.6	83.1

Commercial Vacancy Rates (%)	Q4:17	Q3:17	Q4:16
<b>Office Vacancies</b>			
Raleigh/Durham	8.3	8.6	7.2
Charlotte	10.7	10.3	10.5
<b>Retail Vacancies</b>			
Raleigh/Durham	4.8	4.9	4.4
Charlotte	5.3	5.4	5.3
<b>Industrial Vacancies</b>			
Raleigh/Durham	7.8	7.1	8.0
Charlotte	7.2	6.9	5.5

Charlotte MSA Office Vacancy Rate  
Through Q4:17



Raleigh/Durham CSA Industrial Vacancy Rate  
Through Q4:17

