

NORTH CAROLINA

February Summary

Reports on North Carolina's economy varied somewhat in recent months as payroll employment increased, the unemployment rate edged up, and housing market indicators were mixed.

Labor Markets: Employers in North Carolina added 12,500 net new jobs to their payrolls in December, which was a gain of 0.3 percent. Professional and business services firms added the most jobs in the month (3,600 jobs), followed by financial services (2,800 jobs) and leisure and hospitality (2,600 jobs). The only industries to lose jobs in December were education and health services (700 jobs) and government (300 jobs). On a year-over-year basis, payroll employment in North Carolina grew 1.7 percent. Professional and business services led the job growth with a 5.8 percent increase (36,200 jobs) since last December. The education and health services and trade, transportation, and utilities industries followed by adding 16,400 jobs, 8,100 jobs, respectively. The only sectors to contract over the last twelve months were construction and information.

Household Conditions: North Carolina's unemployment rate edged up 0.2 percentage point to 4.5 percent in December. The number of unemployed increased 4.1 percent in the month while the labor force declined 0.1 percent. The labor force participation rate edged down to 61.5 percent. In the third quarter of 2017, the share of North Carolina mortgages with payments 90 or more days past due was unchanged at 1.3 percent. The delinquency rate for fixed rate conventional loans was also unchanged in the third quarter at 1.0 percent, while the delinquency rate for adjustable rate loans ticked up to 2.0 percent. Also in the third quarter, real personal income in North Carolina rose 0.3 percent and was 2.3 percent higher than in the second quarter of 2016.

Housing Markets: North Carolina issued 4,694 new residential permits in December, down 18.7 percent from the prior month but up 23.8 percent from a year earlier. The Charlotte MSA issued the most permits in the month (1,182 permits), which was a decline from the prior month and from last December. North Carolina housing starts totaled 65,400 in December, down 22.2 percent from November but up 34.2 percent on a year-over-year basis. According to CoreLogic Information Solutions, North Carolina home values appreciated 0.5 percent in November and were up 5.4 percent since November 2016. House prices rose in every MSA except Greensboro-High Point in the month and rose in every MSA on a year-over-year basis, ranging from 0.6 percent in Fayetteville to 8.2 percent in Wilmington.

A Closer Look at... Unemployment Insurance Claims

Initial Claims (December 2017): 14,486 claims
Year-over-year Percent Change (December 2017): -11.9 percent

Characteristics of the Insured Unemployed (December 2017)

Sex:

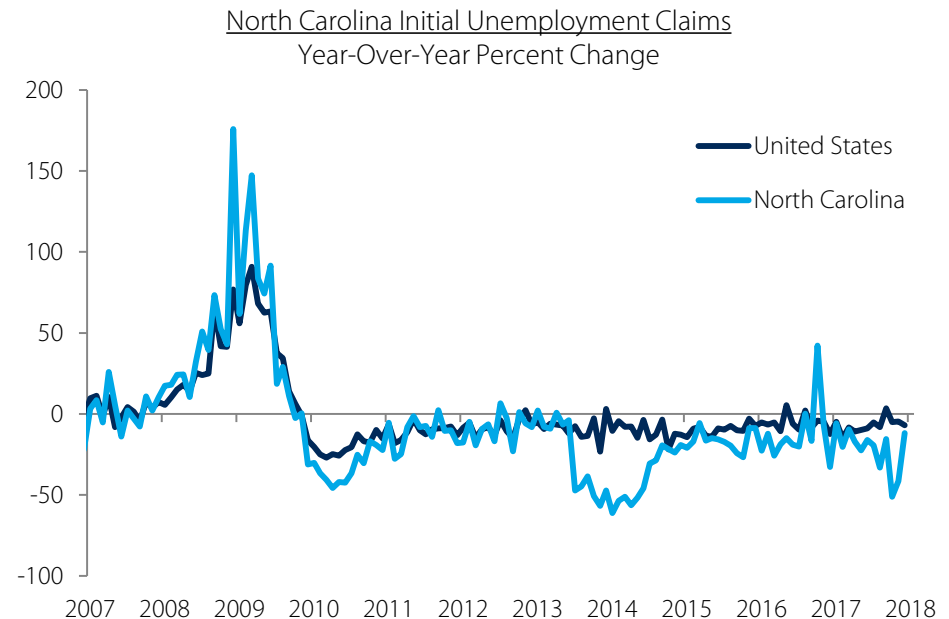
Male (50.7%), Female (49.3%), Not Reported (0.1%)

Race:

White (48.4%), Black (40.2%), Asian (1.7%), Native Alaskan or American (1.5%), Hawaiian or Pacific Islander (1.0%), Not Reported (7.2%)

Hispanic or Latino:

Hispanic or Latino (4.9%), Not Hispanic or Latino (92.6%), Not Reported (2.5%)



NORTH CAROLINA

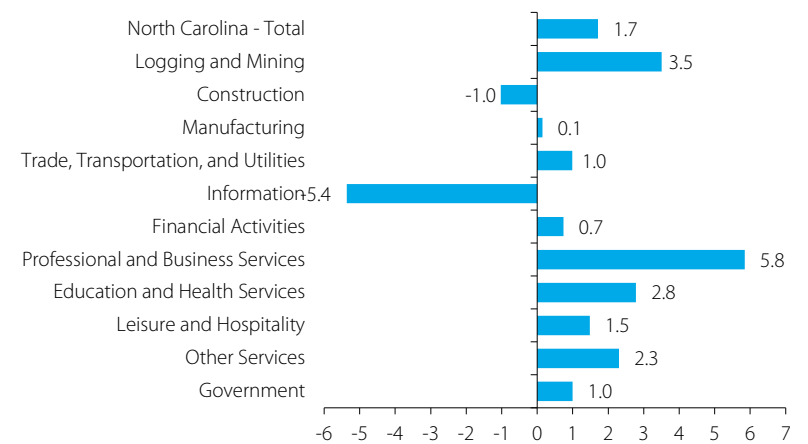
Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	December	147,380.0	0.10	1.41
Fifth District - Total	December	14,847.3	-0.03	1.31
North Carolina - Total	December	4,457.7	0.28	1.71
Logging and Mining	December	5.9	0.00	3.51
Construction	December	201.9	0.65	-1.03
Manufacturing	December	467.5	0.15	0.15
Trade, Transportation, and Utilities	December	829.0	0.19	0.99
Information	December	74.1	0.00	-5.36
Financial Activities	December	230.9	1.23	0.74
Professional and Business Services	December	655.2	0.55	5.85
Education and Health Services	December	605.4	-0.12	2.78
Leisure and Hospitality	December	492.8	0.53	1.48
Other Services	December	155.3	0.58	2.31
Government	December	739.7	-0.04	1.00

Metro Payroll Employment (NSA)	Period	Level (000s)	YoY % Change
Asheville MSA - Total	December	192.7	1.74
Charlotte MSA - Total	December	1,198.5	1.71
Durham MSA - Total	December	315.3	1.58
Fayetteville MSA - Total	December	133.3	1.37
Greensboro-High Point MSA - Total	December	364.2	-0.05
Raleigh-Cary MSA - Total	December	631.1	2.70
Wilmington MSA - Total	December	128.5	3.55
Winston-Salem MSA - Total	December	266.0	0.76

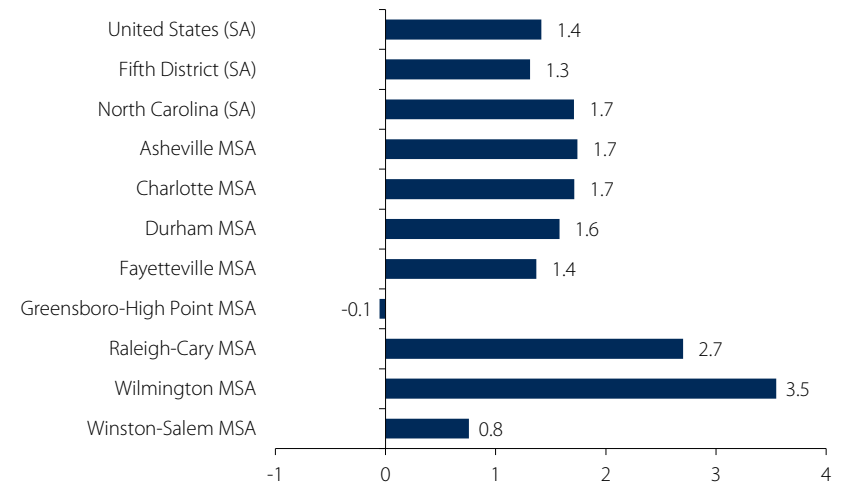
North Carolina Payroll Employment Performance

Year-over-Year Percent Change in December 2017



North Carolina Total Employment Performance

Year-over-Year Percent Change in December 2017



NORTH CAROLINA

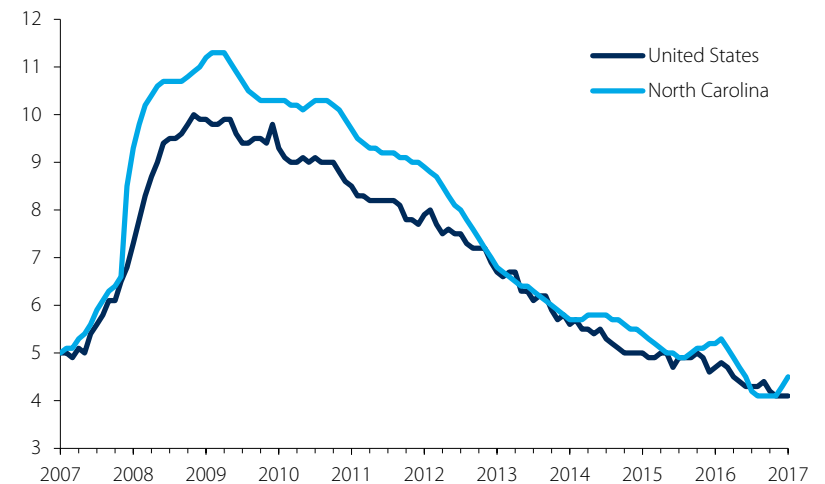
Labor Market Conditions

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
North Carolina	4.5	4.3	5.2
Asheville MSA	3.7	3.7	4.2
Charlotte MSA	4.3	4.2	4.7
Durham MSA	4.0	3.9	4.5
Fayetteville MSA	5.6	5.5	6.4
Greensboro-High Point MSA	4.8	4.7	5.2
Raleigh-Cary MSA	3.9	3.9	4.4
Wilmington MSA	4.3	4.2	4.8
Winston-Salem MSA	4.4	4.3	4.9

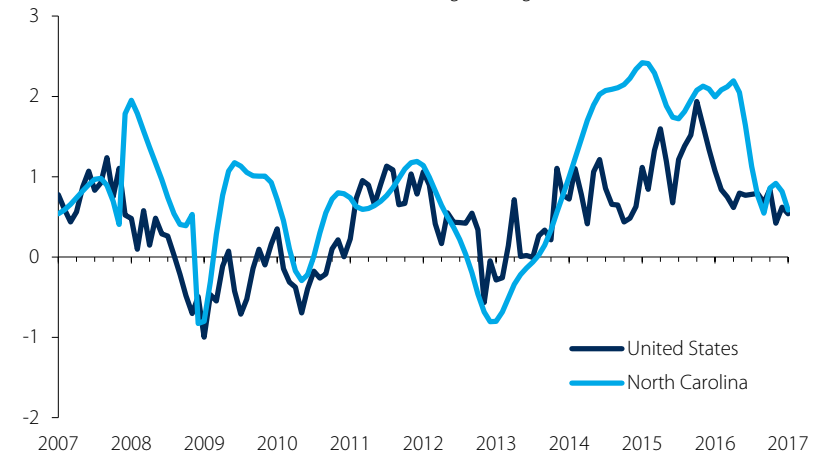
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	December	160,597	0.04	0.54
Fifth District	December	15,997	-0.21	0.95
North Carolina	December	4,949	-0.07	0.59
Asheville MSA	December	228	-0.13	0.35
Charlotte MSA	December	1,311	0.02	0.51
Durham MSA	December	296	-0.47	1.06
Fayetteville MSA	December	149	0.07	0.13
Greensboro-High Point MSA	December	369	-0.35	-0.78
Raleigh-Cary MSA	December	703	-0.24	1.59
Wilmington MSA	December	148	0.27	2.77
Winston-Salem MSA	December	323	-0.15	-0.40

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	December	1,309,894	17.36	-7.06
Fifth District	December	73,072	30.08	-14.03
North Carolina	December	14,486	46.03	-11.90

North Carolina Unemployment Rate
Through December 2017



North Carolina Labor Force
Year-over-Year Percent Change through December 2017



SNAPSHOT

A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY

February 2018

FEDERAL RESERVE BANK OF RICHMOND

NORTH CAROLINA

Household Conditions

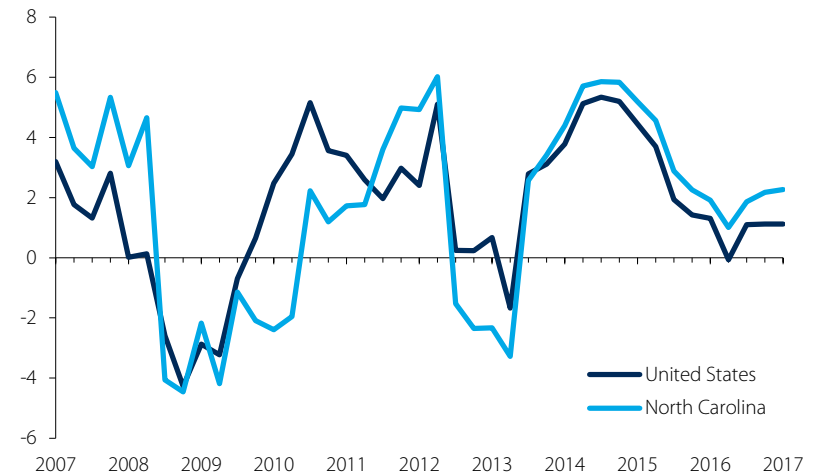
Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q3:17	14,581,663	0.29	1.12
Fifth District	Q3:17	1,413,529	0.28	1.48
North Carolina	Q3:17	396,515	0.31	2.27

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

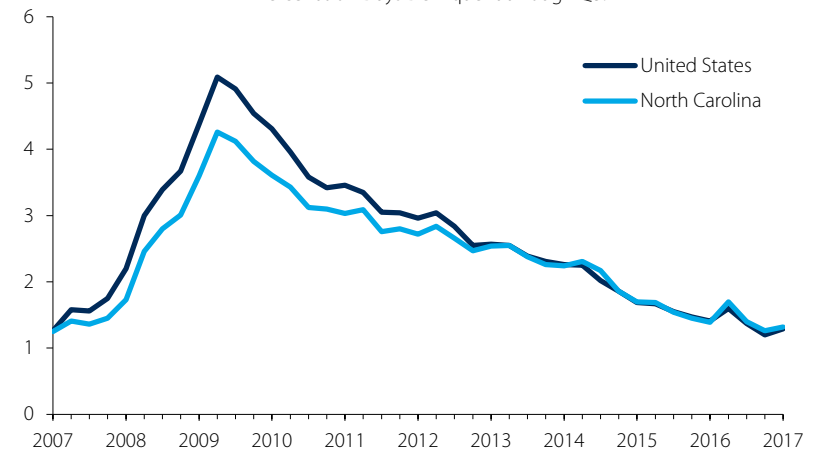
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q4:17	176,728	-6.76	-0.91
Fifth District	Q4:17	6,018	-60.95	-59.01
North Carolina	Q4:17	0	0.00	0.00

Mortgage Delinquencies (% 90+ Days Delinquent)	Q3:17	Q2:17	Q3:16
United States			
All Mortgages	1.29	1.20	1.41
Conventional - Fixed Rate	0.98	0.92	1.05
Conventional - Adjustable Rate	2.17	2.12	2.57
North Carolina - All Mortgages			
All Mortgages	1.32	1.26	1.39
Conventional - Fixed Rate	0.99	0.95	0.99
Conventional - Adjustable Rate	1.97	1.90	2.19

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



North Carolina Mortgage Delinquencies
Percent 90+ Days Delinquent through Q3:17



NORTH CAROLINA

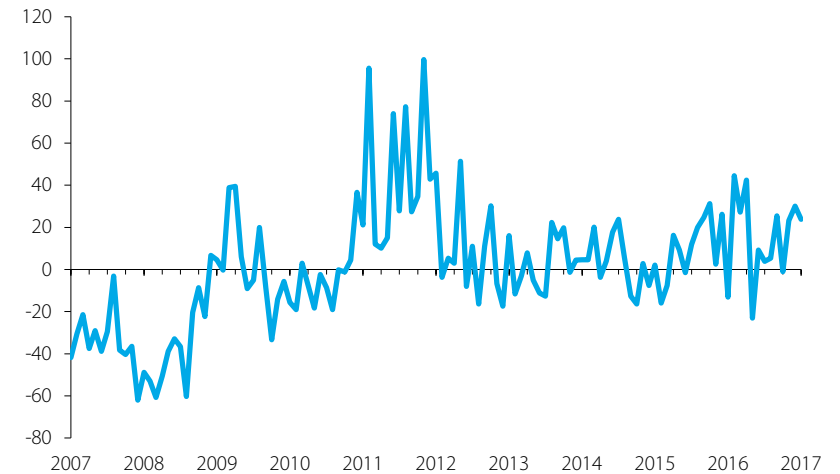
Real Estate Conditions

Permits: New Private Housing Units (NSA)	Period	Level	MoM % Change	YoY % Change
United States	December	93,054	-4.03	1.80
Fifth District	December	10,056	-25.17	3.14
North Carolina	December	4,694	-18.70	23.79
Asheville MSA	December	196	-15.52	34.25
Charlotte MSA	December	1,182	-40.36	-1.34
Durham MSA	December	362	0.28	18.69
Fayetteville MSA	December	47	-46.59	-17.54
Greensboro-High Point MSA	December	264	68.15	10.00
Greenville MSA	December	51	37.84	-10.53
Hickory MSA	December	1	25.00	---
Jacksonville MSA	December	136	67.90	97.10
Raleigh-Cary MSA	December	1,023	-29.93	41.49
Wilmington MSA	December	120	-1.64	-6.98
Winston-Salem MSA	December	241	24.23	177.01

Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	December	1,192	-8.24	-5.99
Fifth District	December	140	-28.35	11.83
North Carolina	December	65.4	-22.16	34.22

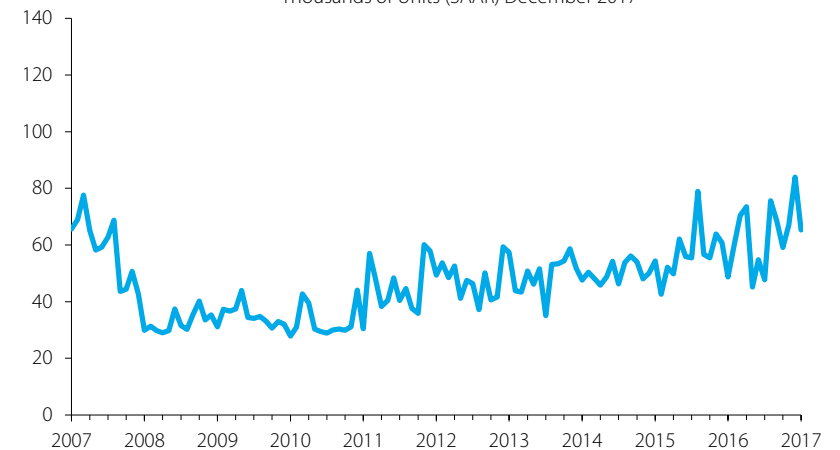
North Carolina New Housing Units

Year-over-Year Percent Change through December 2017



North Carolina Housing Starts

Thousands of Units (SAAR) December 2017



NORTH CAROLINA

Real Estate Conditions

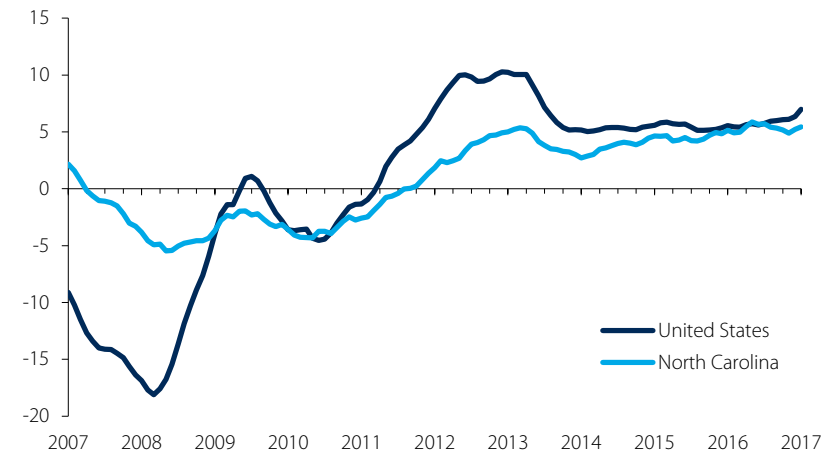
House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	November	196	0.96	6.97
Fifth District	November	196	0.28	4.10
North Carolina	November	154	0.54	5.44
Asheville MSA	November	206	0.42	5.88
Charlotte MSA	November	159	0.36	6.96
Durham MSA	November	160	0.04	5.87
Fayetteville MSA	November	124	0.23	0.63
Greensboro-High Point MSA	November	126	-0.57	3.55
Greenville MSA	November	132	3.54	5.88
Hickory MSA	November	149	0.76	7.55
Jacksonville MSA	November	145	0.77	2.70
Raleigh-Cary MSA	November	152	0.15	4.81
Wilmington MSA	November	181	0.99	8.22
Winston-Salem MSA	November	139	0.36	5.53

Median Home Sales Price - NAR (NSA)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Charlotte MSA	Q3:17	233	-0.47	8.01
Durham MSA	Q3:17	262	-0.57	7.28
Greensboro-High Point MSA	Q3:17	164	3.34	5.68
Raleigh-Cary MSA	Q3:17	268	-3.88	6.91

Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Asheville MSA	Q3:17	251	1.21	5.91
Charlotte MSA	Q3:17	227	-3.81	8.10
Durham MSA	Q3:17	235	-3.69	2.17
Fayetteville MSA	Q3:17	133	3.10	-0.75
Greensboro-High Point MSA	Q3:17	160	3.90	5.96
Raleigh-Cary MSA	Q3:17	280	-1.06	5.26
Winston-Salem MSA	Q3:17	150	-6.25	1.35

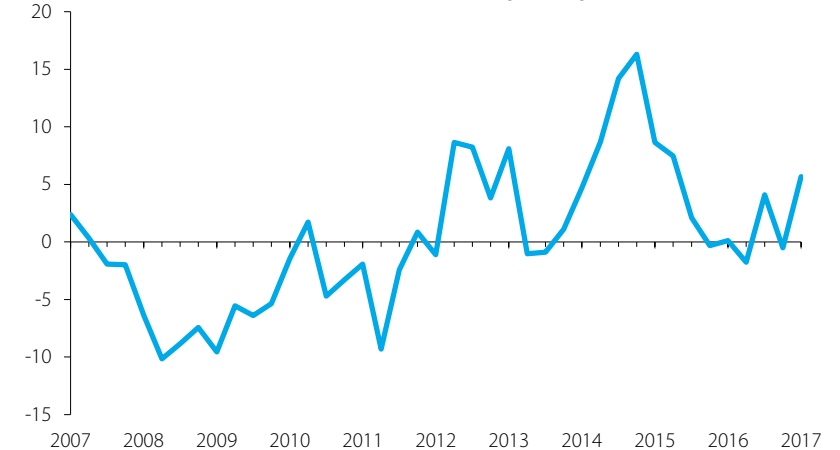
North Carolina House Price Index (CoreLogic)

Year-over-Year Percent Change through November 2017



Greensboro MSA Median Home Sales Price (NAR)

Year-over-Year Percent Change through Q3:17



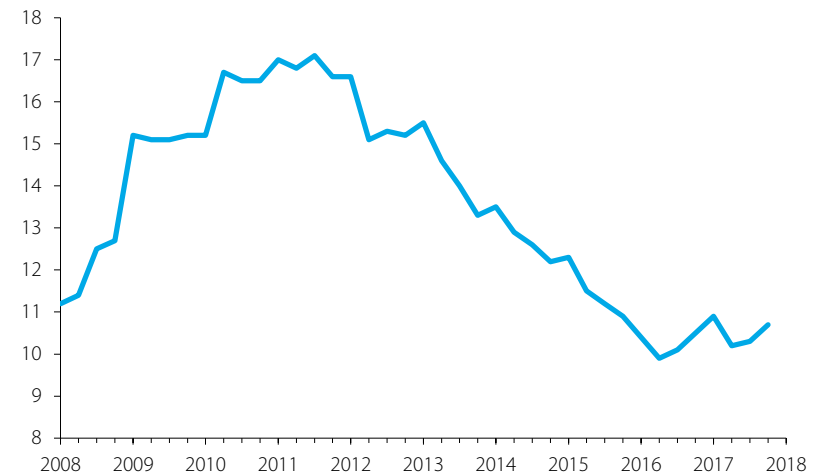
NORTH CAROLINA

Real Estate Conditions

Housing Opportunity Index (%)	Q3:17	Q2:17	Q3:16
Asheville MSA	58.4	57.7	59.3
Charlotte MSA	70.2	66.4	69.7
Durham MSA	68.2	66.8	72.4
Fayetteville MSA	75.3	75.7	77.4
Greensboro-High Point MSA	74.9	74.4	77.6
Raleigh-Cary MSA	65.9	64.3	67.2
Winston-Salem MSA	78.6	75.6	83.2

Commercial Vacancy Rates (%)	Q4:17	Q3:17	Q4:16
Office Vacancies			
Raleigh/Durham	8.3	8.6	7.2
Charlotte	10.7	10.3	10.5
Retail Vacancies			
Raleigh/Durham	4.8	4.9	4.4
Charlotte	5.3	5.4	5.3
Industrial Vacancies			
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

