

VIRGINIA

February Summary

According to the most recent data, Virginia’s economy generally improved. The labor market expanded and the unemployment rate edged lower; however, housing market indicators were more mixed.

Labor Markets: Payroll employment in Virginia rose 0.4 percent in December as employers added 14,100 net new jobs in the month. Three industries accounted for the majority of the gain in December: trade, transportation, and utilities (4,500 jobs), professional and business services (4,200 jobs), and leisure and hospitality (3,000 jobs). Jobs were also added in all of the remaining industries except information and education and health services; the information industry cut 1,300 jobs while employment in the education and health services industry was unchanged in the month. On a year-over-year basis, total employment in Virginia expanded 1.3 percent, which lagged the national average of 1.5 percent. Since December 2015, jobs were added in every industry except logging and mining, manufacturing, and information. The trade, transportation, and utilities industry added the most jobs (14,000 jobs) since last December and was followed by the professional and business services and education and health services industries, which added 13,300 jobs and 11,800 jobs, respectively.

Household Conditions: The unemployment rate in Virginia declined 0.1 percentage point to 4.1 percent in December. In the third quarter of 2016, the share of mortgages with payments 90 or more days past due declined 0.1 percentage point to 1.2 percent. The prime delinquency rate was unchanged at 0.6 percent while the subprime rate declined 0.4 percentage point to 6.2 percent. Also in third quarter of 2016, real personal income in Virginia rose 0.8 percent and increased 2.4 percent since the third quarter of 2015.

Housing Markets: Virginia issued 2,224 new residential permits in December, up 0.6 percent from the prior month but down 0.5 percent from the number of permits issued in December 2015. At the metro-level, permitting activity rose in the month in every MSA except Lynchburg and rose in every metro area on a year-over-year basis except in Richmond MSA. Housing starts in Virginia totaled 28,900 in December, down 4.5 percent from November but up 2.5 percent on a year-over-year basis. According to CoreLogic Information Solutions, Virginia home values were virtually unchanged in November but appreciated 2.5 percent since November 2015. In the state’s metro areas, home price growth varied in the month while, on a year-over-year basis, home prices rose in every MSA ranging from 2.2 percent in Lynchburg to 7.4 percent in the Winchester MSA.

A Closer Look at... Unemployment Insurance Claims

Initial Claims (December 2016): 18,573 claims
Year-over-year Percent Change: -22.6 percent

Characteristics of the Insured Unemployed (December 2016)

Sex:

Male (55.6%), Female (44.3%), Not Reported (0.0%)

Race:

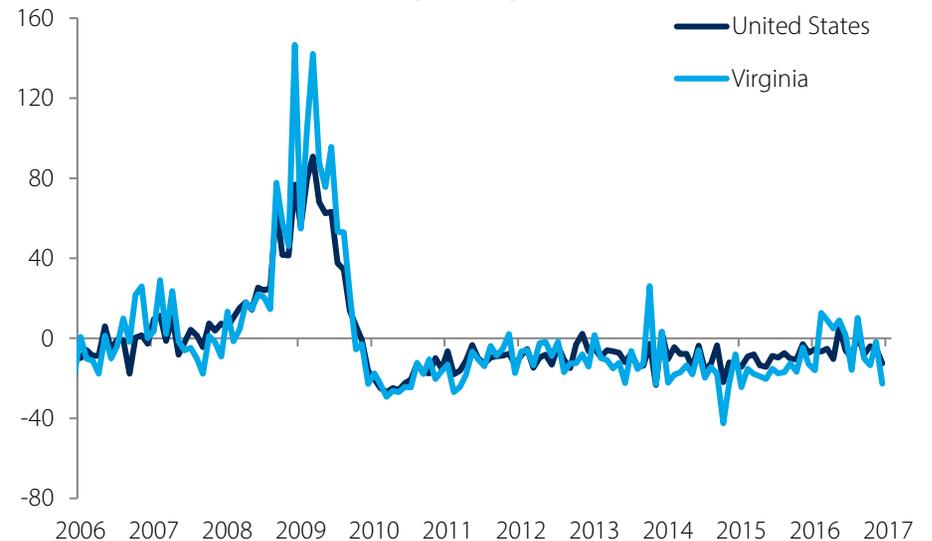
White (47.2%), Black (40.2%), Asian (2.5%), Native Alaskan or American (5.0%), Hawaiian or Pacific Islander (0.0%), Not Reported (5.1%)

Hispanic or Latino:

Hispanic or Latino (5.4%), Not Hispanic or Latino (90.4%), Not Reported (5.1%)

Virginia Initial Unemployment Claims

YoY% Change through December 2016



VIRGINIA

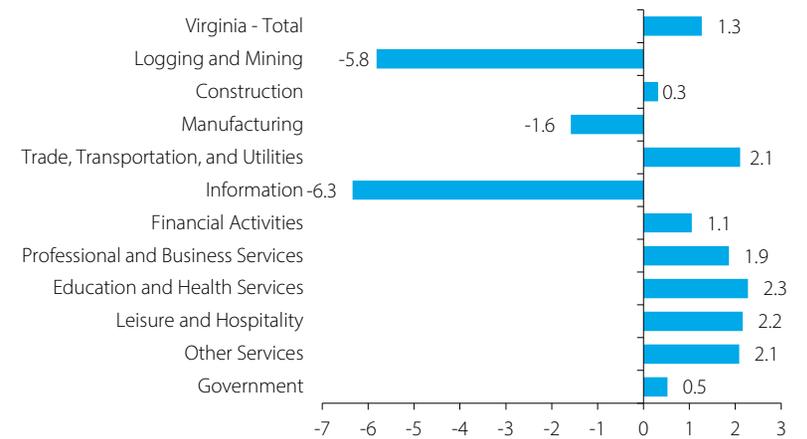
Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	December	145,303.0	0.11	1.51
Fifth District - Total	December	14,644.7	0.10	1.52
Virginia - Total	December	3,951.7	0.36	1.27
Logging and Mining	December	8.1	1.25	-5.81
Construction	December	188.4	0.27	0.32
Manufacturing	December	229.5	0.17	-1.59
Trade, Transportation, and Utilities	December	679.8	0.67	2.10
Information	December	65.0	-1.96	-6.34
Financial Activities	December	201.8	0.70	1.05
Professional and Business Services	December	727.7	0.58	1.86
Education and Health Services	December	530.0	0.00	2.28
Leisure and Hospitality	December	401.7	0.75	2.16
Other Services	December	205.6	0.39	2.09
Government	December	714.1	0.07	0.52

Metro Payroll Employment (NSA)	Period	Level (000s)	YoY % Change
Blacksburg MSA - Total	December	79.0	-0.63
Charlottesville MSA - Total	December	117.9	2.88
Lynchburg MSA - Total	December	104.7	-0.38
Northern Virginia - Total	December	1,451.7	2.11
Richmond MSA - Total	December	675.0	0.67
Roanoke MSA - Total	December	165.3	0.73
Virginia Beach-Norfolk MSA - Total	December	769.2	-0.36
Winchester MSA - Total	December	63.8	1.92

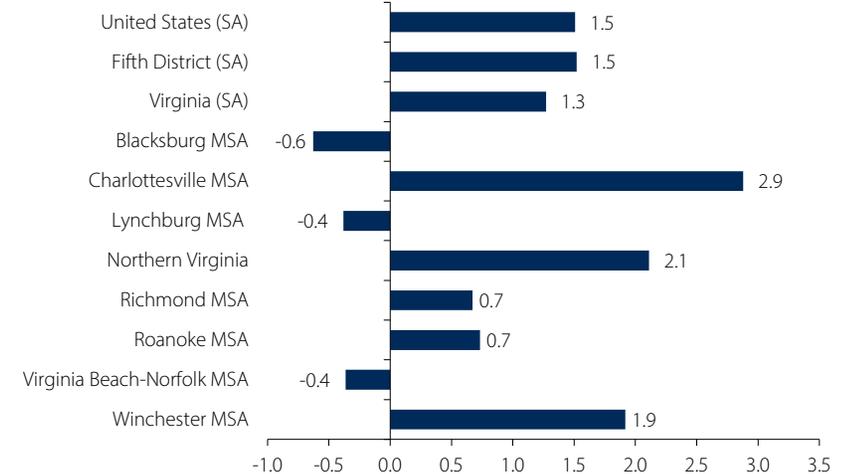
Virginia Payroll Employment Performance

Year-over-Year Percent Change in December 2016



Virginia Total Employment Performance

Year-over-Year Percent Change in December 2016



SNAPSHOT

A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY

February 2017

FEDERAL RESERVE BANK OF RICHMOND

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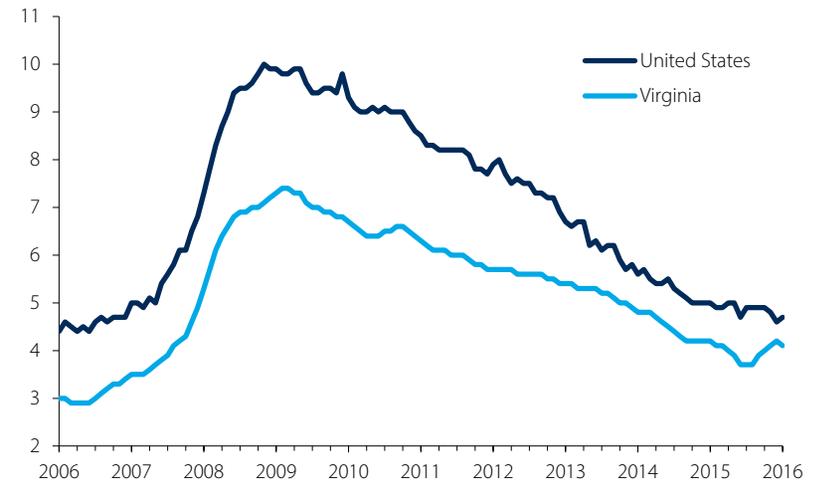
Labor Market Conditions

Unemployment Rate (SA)	December 16	November 16	December 15
United States	4.7	4.6	5.0
Fifth District	4.6	4.6	5.1
Virginia	4.1	4.2	4.2
Blacksburg MSA	4.5	4.8	4.3
Charlottesville MSA	3.5	3.6	3.7
Lynchburg MSA	4.6	4.8	4.6
Northern Virginia (NSA)	0.0	3.3	3.2
Richmond MSA	4.1	4.3	4.2
Roanoke MSA	4.0	4.2	4.0
Virginia Beach-Norfolk MSA	4.6	4.8	4.6
Winchester MSA	3.6	3.7	3.9

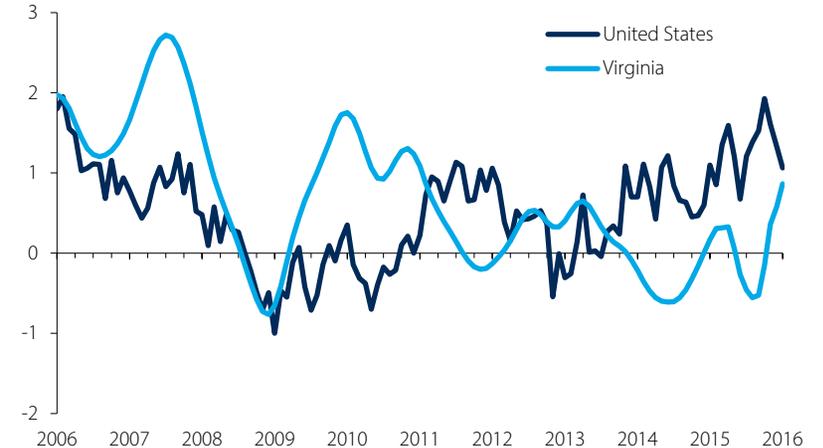
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	December	159,640	0.12	1.07
Fifth District	December	15,893	0.45	1.75
Virginia	December	4,278	0.40	0.86
Blacksburg MSA	December	91	0.33	-0.33
Charlottesville MSA	December	119	0.68	2.06
Lynchburg MSA	December	122	0.83	-0.57
Northern Virginia (NSA)	December	0	0.00	0.00
Richmond MSA	December	674	0.43	0.34
Roanoke MSA	December	160	0.82	0.25
Virginia Beach-Norfolk MSA	December	835	0.40	-0.68
Winchester MSA	December	71	0.28	1.58

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	December	1,408,391	20.47	-12.61
Fifth District	December	84,998	21.00	-20.02
Virginia	December	18,573	24.17	-22.64

Virginia Unemployment Rate
Through December 2016



Virginia Labor Force
Year-over-Year Percent Change through December 2016



SNAPSHOT

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VIRGINIA

Household Conditions

Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q3:16	14,524,017	0.75	2.45
Fifth District	Q3:16	1,399,060	0.77	2.69
Virginia	Q3:16	409,916	0.78	2.42

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Richmond MSA	2016	72.4	---	-2.43
Roanoke MSA	2016	61.7	---	---
Virginia Beach-Norfolk MSA	2016	70.5	---	-0.56

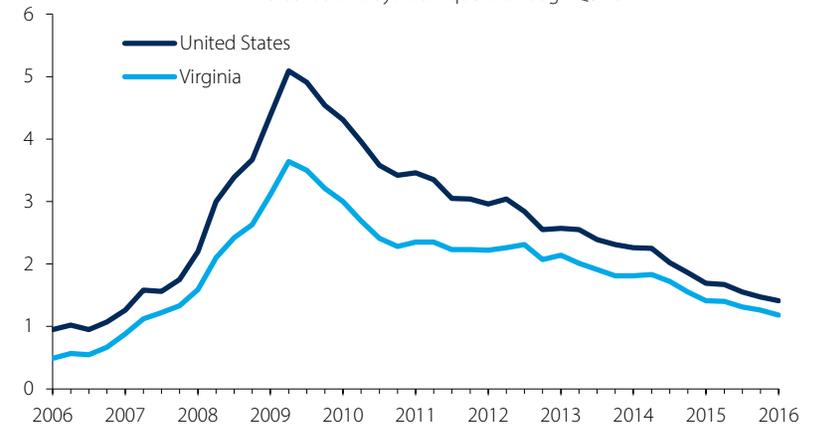
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q4:16	178,353	-7.98	-5.62
Fifth District	Q4:16	14,680	-6.51	-6.40
Virginia	Q4:16	5,137	-7.37	-5.64

Mortgage Delinquencies (% 90+ Days Delinquent)	Q3:16	Q2:16	Q3:15
United States			
All Mortgages	1.41	1.47	1.69
Prime	0.80	0.83	0.97
Subprime	5.51	5.82	6.42
Virginia			
All Mortgages	1.18	1.26	1.41
Prime	0.58	0.62	0.70
Subprime	6.19	6.57	7.04

Virginia Real Personal Income
Year-over-Year Percent Change through Q3:16



Virginia Mortgage Delinquencies
Percent 90+ Days Delinquent through Q3:16



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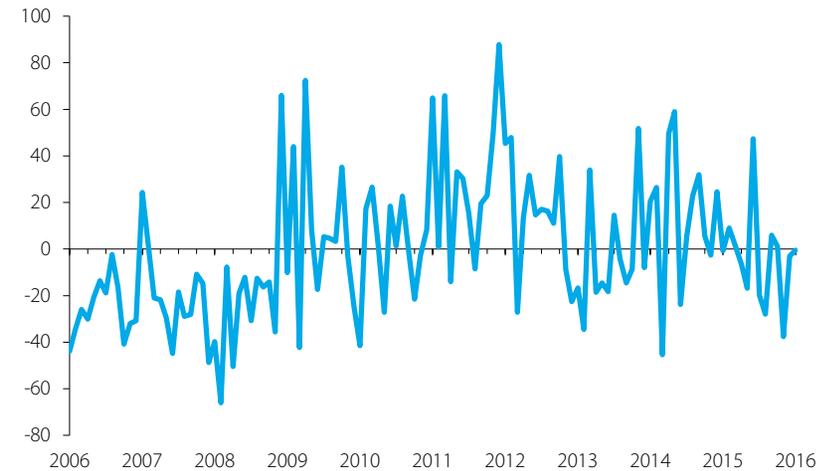
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Real Estate Conditions

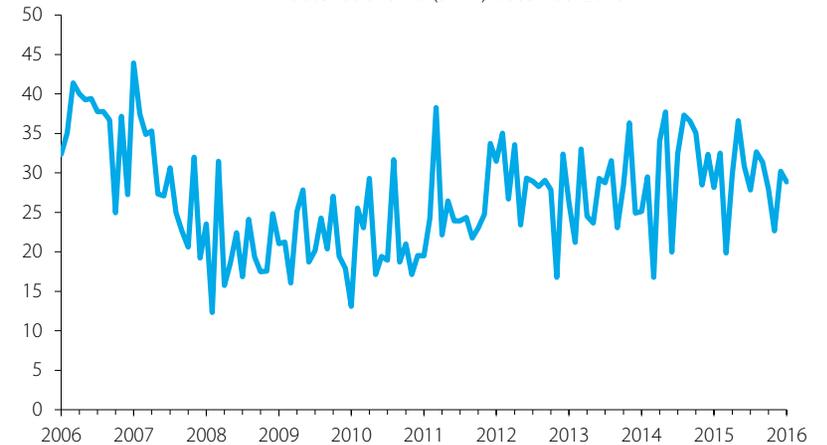
Total Private Building Permits (NSA)	Period	Level	MoM % Change	YoY % Change
United States	December	91,410	0.17	-5.60
Fifth District	December	9,750	-5.65	-3.24
Virginia	December	2,224	0.63	-0.49
Charlottesville MSA	December	58	13.73	20.83
Harrisonburg MSA	December	66	3.13	135.71
Lynchburg MSA	December	38	-70.08	11.76
Richmond MSA	December	360	33.83	-47.21
Virginia Beach-Norfolk MSA	December	458	22.46	20.84
Winchester MSA	December	50	61.29	28.21

Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	December	1,226	11.25	5.69
Fifth District	December	0	-100.00	-100.00
Virginia	December	28.9	-4.47	2.49

Virginia Building Permits
Year-over-Year Percent Change through December 2016



Virginia Housing Starts
Thousands of Units (SAAR) December 2016



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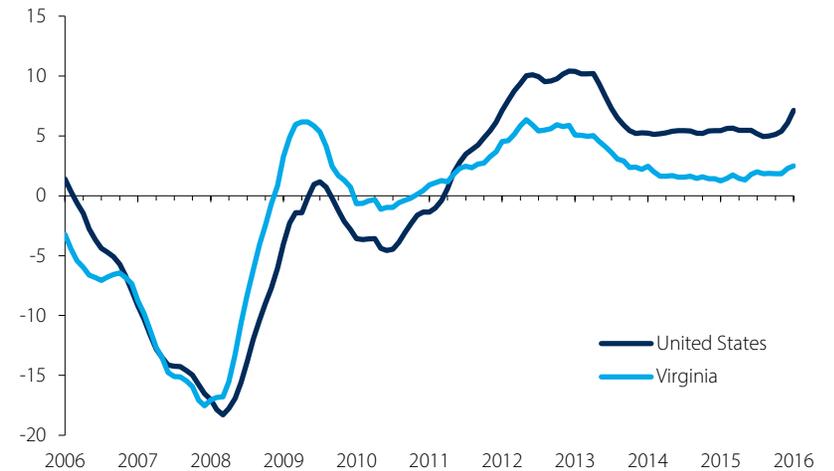
Real Estate Conditions

House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	November	186	1.10	7.13
Fifth District	November	188	0.34	4.28
Virginia	November	207	0.02	2.51
Blacksburg MSA	November	150	0.17	4.98
Charlottesville MSA	November	183	0.83	2.75
Danville MSA	November	292	0.02	4.83
Harrisonburg MSA	November	213	-0.94	6.54
Lynchburg MSA	November	159	1.72	2.21
Richmond MSA	November	171	0.86	4.12
Roanoke MSA	November	155	-0.10	4.14
Virginia Beach-Norfolk MSA	November	187	-0.95	1.40
Winchester MSA	November	194	0.02	7.39

Median Home Sales Price - NAR (NSA)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Richmond MSA	Q3:16	240	-0.25	3.81
Virginia Beach-Norfolk MSA	Q3:16	220	-1.35	1.15

Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Richmond MSA	Q3:16	220	-2.22	1.85
Virginia Beach-Norfolk MSA	Q3:16	215	0.00	0.94

Virginia House Price Index (CoreLogic)
Year-over-Year Percent Change through November 2016



Virginia Beach-Norfolk MSA Median Home Sales Price (NAR)
Year-over-Year Percent Change through Q3:16



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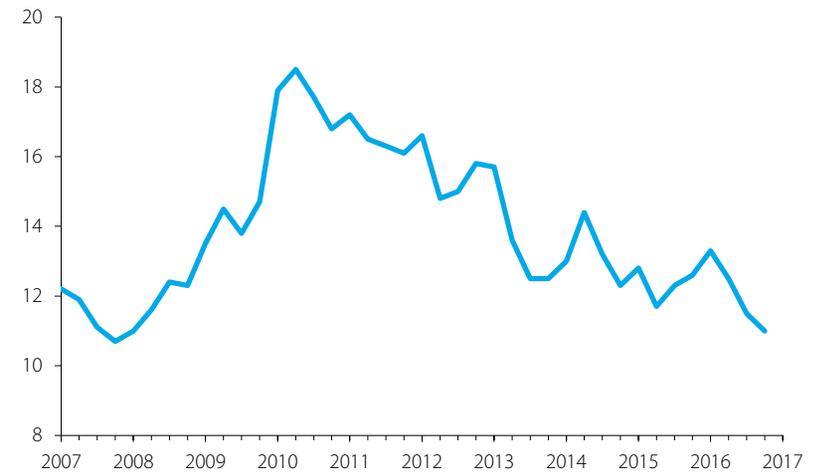
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Real Estate Conditions

Housing Opportunity Index (%)	Q3:16	Q2:16	Q3:15
Richmond MSA	76.9	74.8	74.4
Roanoke MSA	86.6	87.0	84.2
Virginia Beach-Norfolk MSA	75.6	76.9	74.7

Commercial Vacancy Rates (%)	Q4:16	Q3:16	Q4:15
Office Vacancies			
Norfolk	12.0	12.5	13.1
Richmond	11.0	11.5	12.6
Industrial Vacancies			
Northern Virginia	---	12.2	11.8
Richmond	---	9.9	11.6

Richmond MSA Office Vacancy Rate
Through Q4:16



Richmond MSA Industrial Vacancy Rate
Through Q3:16

