The Fourth District’s unemployment rate rose from 5.6% in July to 5.7% in August. Although employment increased 0.1% during the month, the labor force is estimated to have grown even more (0.2%). From August to September, the U.S. unemployment rate rose from 4.9% to 5.1%.

Unemployment rates in the District’s counties were generally higher than the U.S. rate in August. In fact, 146 counties had unemployment rates higher than 5.0%, 10 had rates within 0.1 percentage point of the 4.9% U.S. average, and only 13 had rates of 4.8% or less. Similarly, the District’s major metropolitan areas generally had worse unemployment rates than the nation. From July to August, unemployment rates in Cincinnati and Dayton rose half a percentage point. In Lexington, however, the unemployment rate fell by 0.7% over the month, reaching 4.0%.

Employment growth in the District’s major metropolitan areas has lagged the U.S. for the past year, with the nation’s employment growth since September 2004 at least double that of any major metropolitan area in the District. Whereas some areas, such as Cincinnati, Columbus, and Lexington, kept up with the U.S. in generating goods-producing jobs, even the strongest-performing major metropolitan area in the District was at least 0.8 percentage point behind in creating service-providing jobs. One service-sector category that stood out in this respect was information. Except for Pittsburgh, employment in the information sector shrank in the District’s metropolitan areas, falling by as much as 5.3% in Dayton. By contrast, jobs in this sector have increased by 0.9% nationwide since September 2004.