Cincinnati—Continued Strong Performance

The Cincinnati metro area continues to perform more strongly than Ohio across various metrics. Compared to Ohio, Cincinnati’s unemployment rate and credit card delinquency rate are lower, while its home price values and payroll employment growth are higher. Generally, the metro area and the nation as a whole report comparable figures, except in terms of home prices. However, Cincinnati’s credit card delinquency rate was lower than that of the nation during the first quarter of 2017.


The unemployment rate in the Cincinnati metro area was lower than in the both the state and the nation.

The unemployment rate in the Cincinnati metro area generally plateaued. Then, beginning in April 2017, there was a slight uptick to 4.0 percent, and in May 2017, the rate climbed a little further to 4.1 percent. However, the metro area’s unemployment rate was still lower in May 2017 than the unemployment rate in Ohio and in the nation, which were 4.9 percent and 4.3 percent, respectively. Still, the metro area’s rate was much lower than its peak rate since the last recession (10.5 percent in March 2010).


Since 2009, the Cincinnati metro area’s real GDP per capita has risen faster than the nation’s for every year except 2013.

Between 2014 and 2015, the Cincinnati metro area’s real GDP per capita increased by 3.4 percent, outdoing the increases in Ohio and the nation (2.4 percent and 2.9 percent, respectively) during the same period. Relative to the beginning of the last recession in 2007, both the Cincinnati metro area and Ohio have seen stronger increases in real GDP per capita levels than did the nation. In 2015, the Cincinnati metro area’s real GDP per capita was 6.3 percent higher than its 2007 level, Ohio’s was 6.8 percent higher, and the nation’s was 2.3 percent higher. In fact, except for 2013, the Cincinnati metro area has had faster per capita GDP growth than the nation in every year since 2009.

Source: Bureau of Economic Analysis/Haver Analytics.
EMPLOYMENT AND INDUSTRIAL SECTORS

In 2016, the Cincinnati metro area added 1,030 jobs—a 1.3 percent increase from the previous year. Employment levels in the Cincinnati metro area have generally been trending upward since 2010. Compared to the beginning of the last recession, the metro area's employment growth has been slightly better than Ohio's, but neither have kept pace with the nation's growth. In 2016, employment in the metro area was 1.5 percent above its level at the start of the last recession in December 2007. By contrast, employment in Ohio was 0.7 percent higher than its level at the start of the recession, while the nation's employment was 5.0 percent above its level at that time.

The Cincinnati metro area's employment has trended upward since 2010.

![Graph showing employment trends from 2006 to 2016 for Cincinnati, Ohio, and the United States.](image)


The metro area’s financial activities sector saw the greatest employment growth in 2016.

![Bar chart showing percent change in employment by sector for Cincinnati, Ohio, and the United States.](image)


The metro area’s financial activities sector saw the greatest employment growth in 2016.

![Graph showing 12-month change in employment by sector for Cincinnati, Ohio, and the United States.](image)


Trade, transportation, and utilities provided the most jobs in the Cincinnati metro area in 2016.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Employment</th>
<th>12-month change</th>
<th>Share of employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade, transportation, and utilities</td>
<td>209,900</td>
<td>2,300</td>
<td>20.2</td>
</tr>
<tr>
<td>Professional and business services</td>
<td>162,555</td>
<td>907</td>
<td>15.7</td>
</tr>
<tr>
<td>Education and health services</td>
<td>160,100</td>
<td>516</td>
<td>15.4</td>
</tr>
<tr>
<td>Government</td>
<td>118,308</td>
<td>1,004</td>
<td>11.4</td>
</tr>
<tr>
<td>Leisure and hospitality</td>
<td>115,693</td>
<td>2,040</td>
<td>11.2</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>115,081</td>
<td>1,624</td>
<td>11.1</td>
</tr>
<tr>
<td>Financial activities</td>
<td>66,346</td>
<td>3,689</td>
<td>6.4</td>
</tr>
<tr>
<td>Construction</td>
<td>43,234</td>
<td>693</td>
<td>4.2</td>
</tr>
</tbody>
</table>


Employment Growth by Sector

During 2016, all of the Cincinnati metro area's largest industry sectors experienced increases in employment. Financial activities experienced the highest year-over-year percentage change in employment, increasing by 5.9 percent. This was followed by employment in leisure and hospitality, which increased by 1.8 percent, and construction, which increased by 1.6 percent. With the exception of the government sector and the education and health services sector, the Cincinnati metro area saw higher rates of employment gains than did Ohio. The metro area also had higher employment gains than the nation in all sectors except education and health services, professional and business services, and leisure and hospitality. The sector with the lowest year-over-year percentage gains in the Cincinnati metro area was education and health services.
Income per capita has been rising steadily since 2013.

![Income Per Capita Graph](image)

Source: Bureau of Economic Analysis/Haver Analytics.

**CONSUMER FINANCES**

**INCOME**

**INCOME PER CAPITA**

Income per capita in the Cincinnati metro area fell to its lowest point since 2006—$44,321—during the Great Recession. Since 2013, it has been steadily increasing in the metro area as well as in Ohio and the nation. As of June 2015, income was $48,626 in the metro area (up from $46,682 in 2013); $44,864 in Ohio (up from $42,598); and $49,589 in the nation (up from $46,583). Though the metro area’s 2015 income per capita was higher than Ohio’s, it still trailed that of the nation. Between 2014 and 2015, the metro area, Ohio, and the nation saw increases in income per capita of 2.8 percent, 3.3 percent, and 3.6 percent, respectively.

**CONSUMER DEBT**

As of March 2017, consumer debt per capita in the Cincinnati metro area was $33,797, a slight decrease from March 2016, when consumer debt per capita was $34,402. Since June 2014, consumer debt per capita for the metro area, state, and nation has generally plateaued. Though consumer debt per capita in March 2017 for the metro area was higher than that of Ohio ($26,905), it was lower than that of the nation ($38,657) and much lower than its peak level during the recession ($43,563).

The Cincinnati metro area’s delinquency rate is lower than that of Ohio and the United States.

**CREDIT CARD DELINQUENCY RATES**

The credit card delinquency rate in the Cincinnati metro area has been fairly flat since approximately December 2014. The rate decreased slightly (0.2 percentage points) from March 2016 to March 2017, but it has increased slightly in the past few months (from 6.0 percent in December 2016 to 6.1 percent in March 2017). The metro area’s most recent delinquency rate was lower than that of Ohio and the nation (6.7 percent and 7.1 percent, respectively) and much lower than its highest rate after the last recession (9.4 percent in December 2010).
As of May 2017, housing prices in the Cincinnati metro area rose 6.3 percent year-over-year.

The number of building permits issued in the Cincinnati metro area has increased about 4 percent since the start of the last recession.

<table>
<thead>
<tr>
<th>Demographics and Education</th>
<th>Cincinnati, Ohio MSA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>2015: 2,155,392</td>
</tr>
<tr>
<td>Adults with less than a high school diploma (percent)</td>
<td>9.5 -2.3</td>
</tr>
<tr>
<td>Adults with an undergraduate degree or higher (percent)</td>
<td>32.1 +2.9</td>
</tr>
<tr>
<td>Median age (years)</td>
<td>37.7 +0.6</td>
</tr>
<tr>
<td>Median household income</td>
<td>$58,676 +1.4%</td>
</tr>
</tbody>
</table>

Source: US Census Bureau population estimates, American Community Survey.

All monthly and quarterly figures are seasonally adjusted and all dollar figures are in current dollars, except home prices (which are left nominal). Where applicable, these adjustments are made prior to calculating percent changes or indexes. Several charts use indexed measures to facilitate comparisons across regions and have a reference line at 100. These numbers can be thought of as the percentages of pre-recession levels. If levels were growing before the recession, pre-recession indexes will be below 100; if levels were falling before the recession, pre-recession indexes will be above 100. Cincinnati metro area employment was imputed for the construction, financial activities, leisure and hospitality; and professional and business services sectors due to suppression in the source data.

The Federal Reserve Bank of Cleveland, including its branch offices in Cincinnati and Pittsburgh, serves the Fourth Federal Reserve District (Ohio, western Pennsylvania, the northern panhandle of West Virginia, and eastern Kentucky).