

FOURTH DISTRICT METRO MIX

YOUR DISTRICT, YOUR DATA



COLUMBUS, OHIO MSA | OCTOBER 2016

FEDERAL RESERVE BANK of CLEVELAND

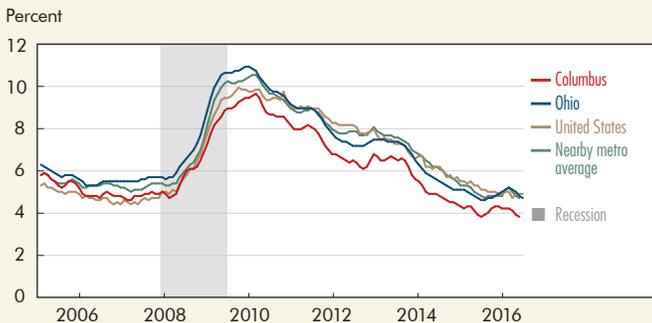
Columbus—Strong Employment Gains and a Low Unemployment Rate

The Columbus area's year-over-year employment gains as of March 2016 were stronger in percentage terms than the gains experienced statewide or nationally, with positive contributions coming from most major industry segments. Additionally, as of July, the area's unemployment rate reached 3.8 percent, the lowest reading recorded during this recovery. The issuance of residential building permits remains fairly robust, and home price gains have averaged about 5 percent at an annual rate since the beginning of 2013. Finally, per capita consumer debt levels and credit card delinquency rates remain low and stable in the metro area.

METRO AREA SNAPSHOT

	Unemployment Rate		Median Home Values		Employment		Credit Card Delinquency Rates	
	July 2016	One-year change	July 2016	One-year change	March 2016 (thousands)	One-year change	2016:Q1	One-year change
Columbus	3.8%	-0.1	\$156,900	3.6%	997	2.6%	6.5%	-0.1
Ohio	4.8%	0.1	\$121,600	3.5%	5,326	1.8%	6.9%	0.0
Nearby metro average	4.7%	-0.2	\$132,720	3.2%	1,195	1.7%	6.7%	0.0
United States	4.9%	-0.4	\$187,300	5.1%	141,231	1.9%	7.7%	0.2

The area's unemployment rate reached 3.8 percent in July, the lowest reading recorded during this recovery.

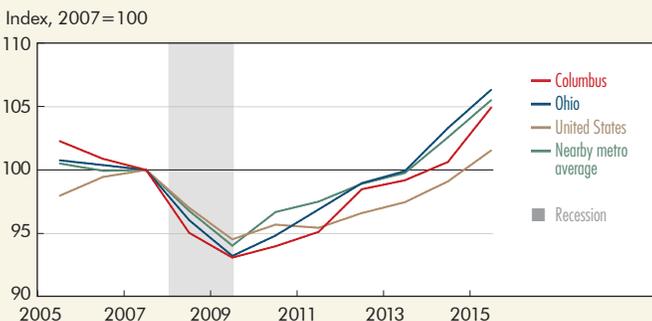


Source: Bureau of Labor Statistics/Haver Analytics.

◀ UNEMPLOYMENT RATE

The Columbus area's unemployment rate remains at its lowest level since the early 2000s, and below 4 percent. As of July, the area's unemployment rate reached 3.8 percent, the lowest reading recorded during this recovery. (That rate was also achieved in September 2015.) This was about a percentage point below the statewide and national averages, which were 4.8 percent and 4.9 percent, respectively, in July.

At 4.3 percent, real per capita GDP growth in 2015 far exceeded that of the previous 2 years.



Source: Bureau of Economic Analysis/Haver Analytics.

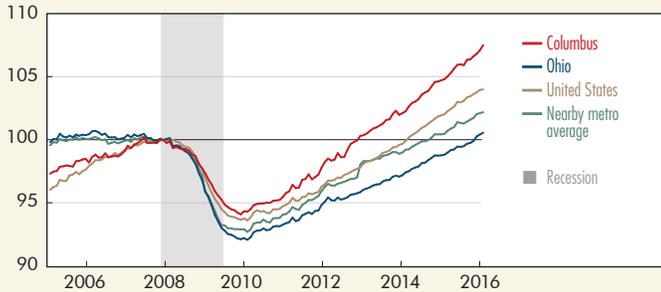
◀ GROSS DOMESTIC PRODUCT

The Columbus area's real per capita GDP grew 4.3 percent in 2015. That's considerably stronger than in the preceding two years; in 2013 real per capita GDP growth in the area was only 0.7 percent and in 2014 it was 1.5 percent. The area's 2015 real per capita GDP growth also exceeded the growth rates in Ohio and the United States, which were 3.0 percent and 2.5 percent, respectively. Relative to 2007, the year the Great Recession began, per capita GDP levels in 2015 in the metro area are approximately 5 percent higher. Statewide, they are almost 6.5 percent higher, but nationwide, they are only about 1.5 percent higher.

EMPLOYMENT AND INDUSTRIAL SECTORS

Year-over-year employment grew 2.6 percent as of March 2016, stronger than in Ohio or the US.

Index, 2007: M12=100

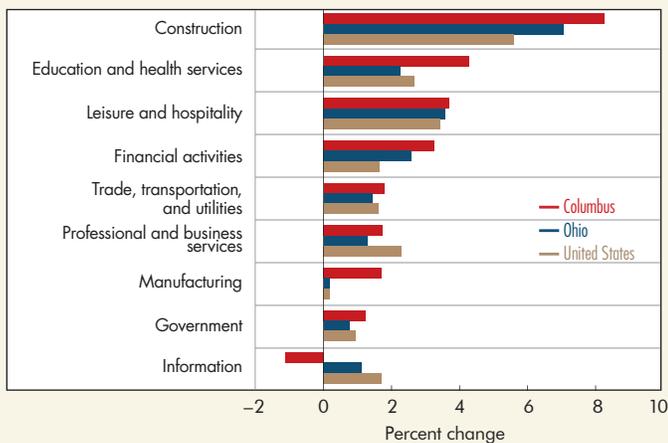


Source: Bureau of Labor Statistics' Quarterly Census of Employment and Wages.

◀ EMPLOYMENT

Employment in the Columbus area grew 2.6 percent in the year that ended in March 2016. This increase was stronger than the area's average annual growth rate over the prior 5-year period (March 2010 to March 2015), during which employment grew at an annual pace of about 2.1 percent. Columbus's year-over-year employment gains as of March were also stronger in percentage terms than the gains experienced nationally or statewide during this time period, which were under 2 percent in both cases.

Four sectors saw stronger growth in Columbus than in the nation, and two saw weaker employment gains.



Source: Bureau of Labor Statistics' Quarterly Census of Employment and Wages.

◀ EMPLOYMENT GROWTH BY SECTOR

Major industries in the Columbus area generally saw stronger employment growth rates than did those same industries statewide or nationally. Relative to the United States, growth rates were notably stronger—that is, at least a percentage point greater—in construction; financial activities; education and health services; and manufacturing. The two sectors where the Columbus area saw weaker employment gains than in the United States were professional and business services and information. In the latter case, the Columbus area experienced outright employment declines.

Nearly all major industry categories contributed to the Columbus area's year-over-year employment gains.

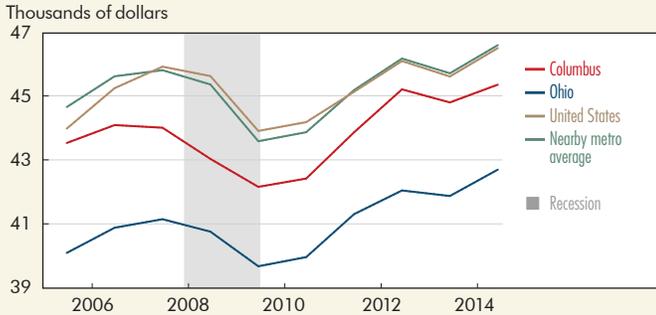
Sector	Employment	12-month change	Share of employment
Trade, transportation, and utilities	188,088	3,312	19.2
Professional and business services	165,109	2,843	16.8
Government	152,085	1,879	15.5
Education and health services	149,107	6,137	15.2
Leisure and hospitality	101,501	3,641	10.3
Manufacturing	71,861	1,205	7.3
Financial activities	71,499	2,274	7.3
Construction	33,031	2,532	3.4
Information	15,663	-181	1.6

Source: Bureau of Labor Statistics' Quarterly Census of Employment and Wages.

◀ SECTOR EMPLOYMENT

Nearly all major industry categories contributed positively to the Columbus area's employment gains during the year that ended in March 2016. The one exception to this was information, where employment fell by close to 200 workers. The education and health services category was among the largest contributors to the area's employment gain, accounting for almost a quarter of the increase. Other major contributors included leisure and hospitality; trade, transportation, and utilities; professional and business services; and construction. Collectively, these industries accounted for about half of the area's employment gains during this 12-month period.

Since 2009, real per capita income gains in the Columbus area have equaled or exceeded the average gains in Ohio and the US.



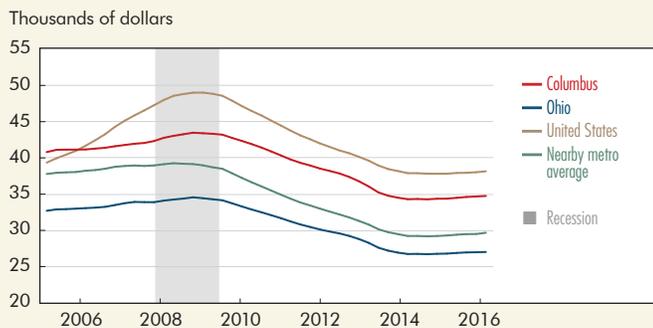
Source: Bureau of Economic Analysis/Haver Analytics.

INCOME

◀ INCOME PER CAPITA

After declining in 2013, real per capita income in the Columbus area grew again in 2014. The area saw an increase of about 1.3 percent, which was weaker than the roughly 2 percent gain recorded statewide and nationally. Nevertheless, since 2009—the year the current economic expansion began—cumulative real per capita income gains in the Columbus area have equaled or exceeded the gains in Ohio or the United States. Between 2009 and 2014, the metro area and Ohio each experienced average annual real per capita income gains of 1.5 percent, exceeding the 1.2 percent increase registered in the United States during the same time period.

After stabilizing in 2014, per capita consumer debt levels have risen roughly 1 percent at an annual rate.



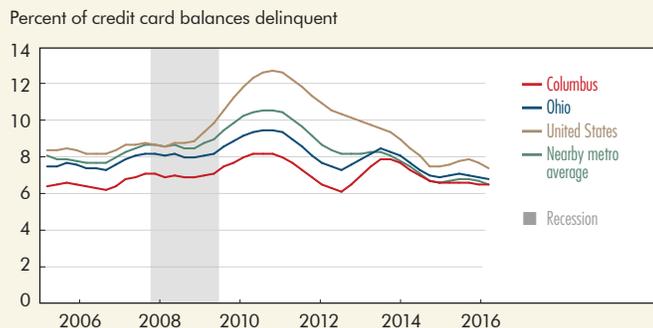
Source: Authors' calculations from the Federal Reserve Bank of New York's Consumer Credit Panel/Equifax.

CONSUMER FINANCES

◀ CONSUMER DEBT

Per capita consumer debt levels declined throughout the first several years of the expansion, generally stabilizing around 2014. In the Columbus area, they reached their lowest point after the financial crisis in the fourth quarter of 2014. In the year-and-a-half that followed, consumer debt levels in the area have risen roughly 1 percent at an annual rate. That's similar to the rate registered statewide over the same time period but slightly stronger than the increase recorded nationally.

Since 2005, the area's credit card delinquency rates have been below those of Ohio and the US.



Source: Authors' calculations from the Federal Reserve Bank of New York's Consumer Credit Panel/Equifax.

◀ CREDIT CARD DELINQUENCY RATES

Credit card delinquency rates remain low and stable in the Columbus area. Since 2005, the metro area's credit card delinquency rates have been below those of Ohio and the United States. That remained the case as of the second quarter of 2016, when delinquency rates in the area were approximately 6.5 percent. That's slightly less than the statewide average, and almost a percentage point lower than the US average.

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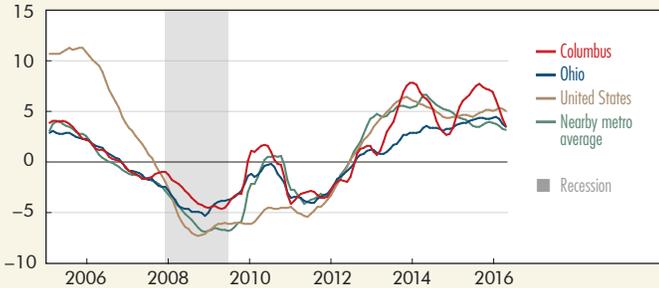
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YOUR DISTRICT, YOUR DATA

HOUSING MARKET

Year-over-year home price gains have been positive but volatile.

Year-over-year percent change



Source: Zillow.com/Haver Analytics.

HOUSING PRICES

Year-over-year home price gains have been positive but volatile in the Columbus area since the beginning of 2014. During this time, gains have been as high as 7.9 percent and as low as 2.7 percent. Averaging changes over the entire time period (which would include 2013) indicates that the area has experienced average annual price increases of about 5.2 percent. That's roughly the same as the home price increases registered nationally during the same time period, but stronger than the growth rate in Ohio (3.3 percent).

Average monthly permit issuance remains relatively robust in the Columbus area.

Index, 2007: M12=100, six-month moving average



Source: Census Bureau/Haver Analytics.

HOUSING PERMITS

Average monthly permit issuance remains relatively robust in the Columbus area. After falling to a monthly average of about 320 in 2009—the year the Great Recession ended—permit issuance in the metro area rebounded. It peaked in 2013, with average monthly issuance in that year exceeding 700. In the two full years that followed, average issuance was around 600; that pace has continued through the first eight months of 2016.

DEMOGRAPHICS AND EDUCATION

COLUMBUS, OHIO

According to 2014 US Census Bureau estimates, Columbus, Ohio, ranks as the 32nd largest of the 381 metropolitan statistical areas in the United States.

	Columbus Metro Area		United States	
	2014	Change from 2009	2014	Change from 2009
Population	1,997,308	+5.8%	318,857,000	+3.9%
Adults with less than a high school diploma	9.5%	-0.7%	13.1%	-1.7%
Adults with an undergraduate degree or higher	34.7%	+1.4%	30.1%	+2.2%
Median age (years)	35.8	+1.1 years	37.7	+0.9 years
Median household income	\$57,351	+0.6%	\$54,590	-3.2%

Sources: 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.

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).