

FOURTH DISTRICT METRO MIX

YOUR DISTRICT, YOUR DATA



COLUMBUS, OHIO MSA | NOVEMBER 2017

FEDERAL RESERVE BANK of CLEVELAND

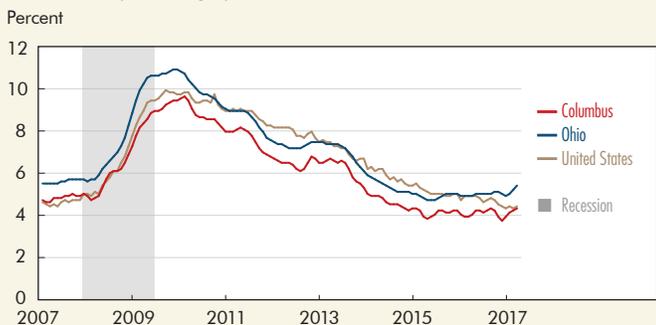
Columbus—A Still Low, but Rising, Unemployment Rate

The Columbus metro area's unemployment rate has risen more than half a percentage point (to 4.3 percent) since April. Nevertheless, the metro area's employment expanded by 2.0 percent, outpacing both the state and the nation. All major industries shared in this employment growth, with many sectors experiencing stronger gains in the metro area than in the nation. Home price gains remained robust, exceeding 5 percent on a year-over-year basis as of August, and the average number of permits issued per month for new housing units in the metro area has been substantially higher this year than in prior years. Per capita consumer debt levels remain stable, and credit card delinquency rates remain below both state and national averages. Finally, the Columbus metro area's real per capita GDP grew 2.1 percent in 2016, a deceleration from the growth rate registered by the metro area in 2015.

METRO AREA SNAPSHOT

	Unemployment Rate		Median Home Value		Payroll Employment		Credit Card Delinquency Rate	
	August 2017 (percent)	One-year change (percentage points)	August 2017	One-year change (percent)	March 2017 (thousands)	One-year change (percent)	2017:Q2 (percent)	One-year change (percentage points)
Columbus	4.3	0.3	\$165,100	5.4	1,015	2.0	6.3	-0.3
Ohio	5.4	0.5	\$129,300	6.1	5,361	0.8	6.7	-0.1
United States	4.4	-0.5	\$201,900	6.9	143,493	1.5	7.1	-0.3

As of August 2017, the Columbus metro area's unemployment rate was more than a percentage point lower than that of the state.

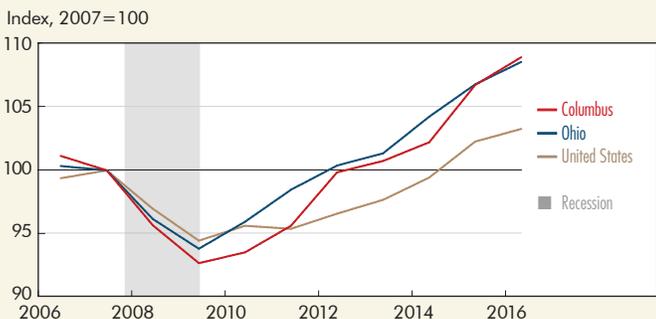


Source: Bureau of Labor Statistics/Haver Analytics.

◀ UNEMPLOYMENT RATE

From the start of the current expansion (June 2009) through the end of 2016, the Columbus metro area's unemployment rate has consistently been below the nation's unemployment rate, averaging a gap of 1 percentage point during this period. However, since reaching its low point of this recovery in April (3.7 percent), the metro area's unemployment rate has risen more than half a percentage point, to 4.3 percent, as of August. It is now closer to the nation's unemployment rate than it's been at any previous point in the current economic expansion. However, in August, it was more than a percentage point lower than the state's rate of 5.4 percent.

The Columbus metro area's real per capita GDP grew 2.1 percent in 2016.



Source: Bureau of Economic Analysis/Haver Analytics.

◀ GROSS DOMESTIC PRODUCT

The Columbus metro area's real per capita GDP grew 2.1 percent in 2016 (the latest year for which data are available), a deceleration from the growth rate registered by the metro area in 2015 (4.4 percent). Nevertheless, the metro area saw stronger growth than either Ohio or the United States, which recorded real per capita GDP growth of 1.7 percent and 1.0 percent, respectively, in 2016. In the seven-year period from 2009 (the year the economic expansion began) to 2016, the metro area's annualized rate of growth was 2.3 percent, stronger than the growth seen statewide (2.1 percent) or nationally (1.3 percent) during the same period.

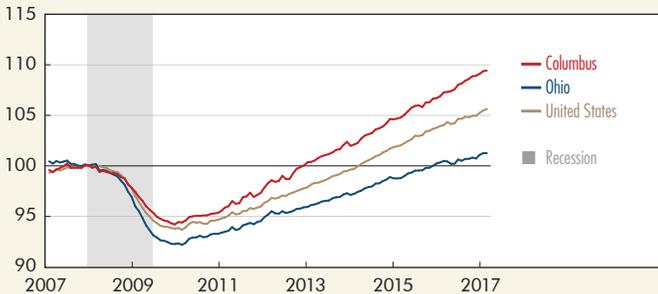
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In the 12 months that ended with March 2017, employment in the Columbus metro area grew more than twice as fast as it did in Ohio.

Index, 2007:M12=100



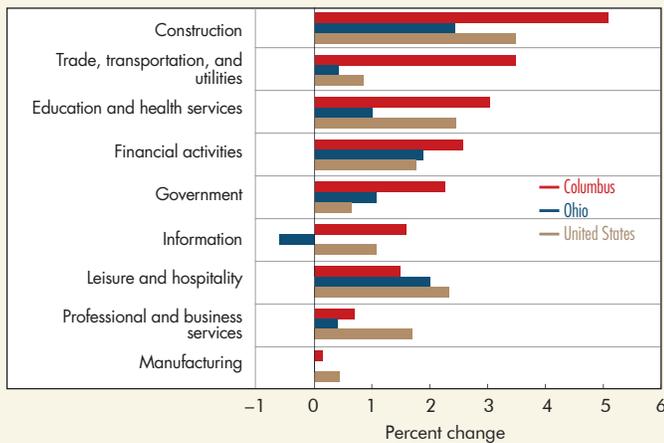
Source: Bureau of Labor Statistics' Quarterly Census of Employment and Wages.

EMPLOYMENT AND INDUSTRIAL SECTORS

◀ EMPLOYMENT

In the 12 months that ended with March 2017, employment in the Columbus metro area expanded by 2.0 percent. That expansion was more than twice as strong as the state's rate of employment growth (0.8 percent) and stronger than the gains experienced nationally (1.5 percent) during the same period. During the expansion, which began in June 2009, the metro area's employment has grown at an annualized rate of 1.8 percent—again, stronger than the growth in both the state (1.1 percent) and the nation (1.5 percent). Partly as a consequence, the level of employment in the metro area is 9.6 percent higher than it was in December 2007, when the last expansion ended, while it is 1.2 percent higher in the state and 5.7 percent higher in the nation.

From March 2016 to March 2017, no major sectors in the Columbus metro area experienced employment declines.



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

◀ EMPLOYMENT GROWTH BY SECTOR

Employment growth in the Columbus metro area outpaced growth in the United States from March 2016 to March 2017. This outperformance was fairly broad-based, with most major industries seeing stronger growth in the metro area than in the nation during this period. Trade, transportation, and utilities; construction; and government had growth rates more than a percentage point higher in the metro area than in the nation. Education and health services, financial activities, and information also grew slightly faster in the metro area than in the nation. Relative to the state, the metro area saw stronger employment gains in all industries except in leisure and hospitality. No major sectors in the Columbus metro area experienced employment declines during this period.

The trade, transportation, and utilities sector accounted for almost a third of the Columbus metro area's increase in employment.

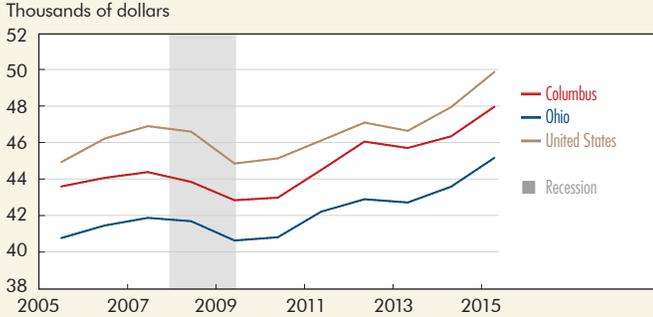
Sector	Employment	12-month change	Share of employment
Trade, transportation, and utilities	194,079	6,546	19.4
Professional and business services	166,537	1,126	16.7
Government	155,741	3,441	15.6
Education and health services	152,705	4,507	15.3
Leisure and hospitality	102,622	1,502	10.3
Financial activities	73,455	1,842	7.3
Manufacturing	71,519	98	7.2
Construction	34,715	1,684	3.5
Information	15,886	249	1.6

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

◀ SECTOR EMPLOYMENT

All major industry categories contributed positively to the Columbus metro area's employment gains during the year that ended in March 2017. Trade, transportation, and utilities was the greatest contributor to the area's employment gain, accounting for almost a third of the area's increase in employment. Other major contributors included education and health services and government; together, these two industry groups accounted for around two-fifths of the metro area's employment gains during the period.

The Columbus metro area's growth in inflation-adjusted income per capita was comparable to that of the state and the nation.



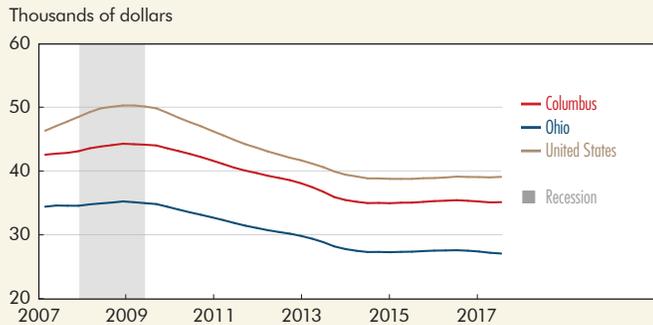
Source: Bureau of Economic Analysis/Haver Analytics.

INCOME

◀ INCOME PER CAPITA

Inflation-adjusted income per capita grew about 3.6 percent in the Columbus metro area in 2015; this is similar to the growth rates registered statewide (3.7 percent) and nationally (4.1 percent). Growth accelerated in 2015 compared to the prior two years—the metro area's per capita income decreased 0.8 percent in 2013 and increased 1.4 percent in 2014. Since mid-2009, when the expansion began, inflation-adjusted income per capita in the metro area has grown about 1.9 percent annually, slightly stronger than the 1.8 percent increase seen statewide and nationally.

Since the middle of 2014, per capita consumer debt levels have largely stabilized in the Columbus metro area, state, and nation.



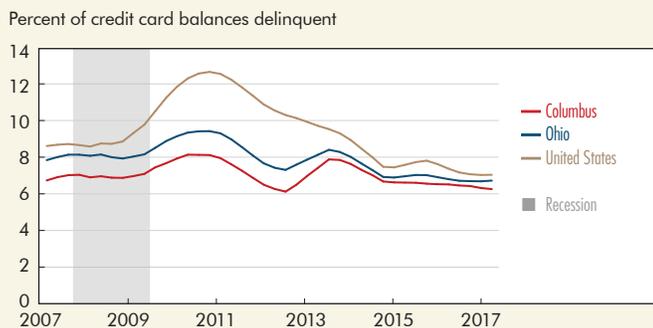
Source: Authors' calculations from the Federal Reserve Bank of New York's Consumer Credit Panel/Equifax.

CONSUMER FINANCES

◀ CONSUMER DEBT

Per capita consumer debt levels have largely stabilized in the Columbus metro area, the state, and the nation since the middle of 2014. In the three years that followed, annualized increases in these debt levels amounted to 0.1 percent, -0.3 percent, and 0.2 percent for the metro area, Ohio, and the United States, respectively. Prior to 2014, per capita consumer debt levels peaked in the metro area and the state in the final quarter of 2008 and in the nation a quarter later. Between the end of 2008 and the middle of 2014, these debt levels fell at fairly similar rates across the three geographies, declining an annualized 4.3 percent in the metro area and an annualized 4.6 percent statewide and nationally.

The Columbus metro area's credit card delinquency rate has consistently been below both the statewide and national averages for the past 10 years.



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

◀ CREDIT CARD DELINQUENCY RATE

The credit card delinquency rate has remained relatively stable in the Columbus metro area since the end of 2014. In the two and a half years from the end of 2014 through the second quarter of 2017, the area's delinquency rate has fallen from 6.7 percent to 6.3 percent. During the previous 10 years, the metro area's credit card delinquency rate was consistently below both the statewide and national averages. The rates peaked across all three areas in late 2010. At that time, the metro area's delinquency rate was more than a percentage point below the statewide average, and more than four percentage points below the national average.

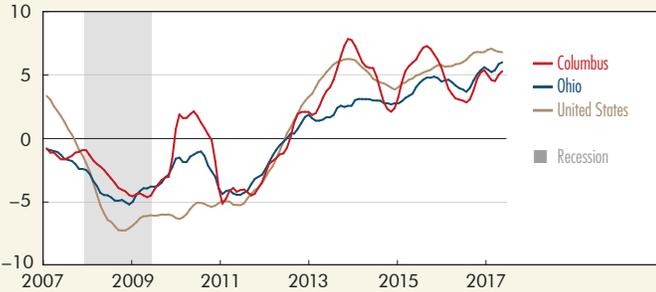
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In the 12 months that ended with August 2017, home prices rose 5.4 percent in the Columbus metro area.

Year-over-year percent change



Source: Zillow.com/Haver Analytics.

HOUSING MARKET

◀ HOUSING PRICES

During the 12 months that ended with August 2017, home prices rose 5.4 percent in the Columbus metro area. That was weaker than the gains posted during the same period in the state (6.1 percent) and the nation (6.9 percent). Still, the increase is greater than the area's average 12-month price increase since the start of 2013 (4.8 percent). During this more-than-four-year period, the metro area outperformed the state, which had average gains of 3.6 percent, but had weaker home-price appreciation than the nation, which posted average price increases of 5.5 percent.

Throughout the recovery, the number of housing permits issued in the Columbus metro area has grown significantly faster than in the state or the nation.

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



Source: US Census Bureau/Haver Analytics.

◀ HOUSING PERMITS

The average number of housing permits issued per month in the Columbus metro area has been substantially higher thus far in 2017 than in prior years. The number of permits issued per month has averaged approximately 850 through August 2017, compared to approximately 650 in 2016 and approximately 600 in 2015. The number of permits issued in the metro area has grown significantly faster than in the state or the nation throughout the recovery. Because of this faster growth rate, the number of permits issued in the metro area is nearly 50 percent higher than it was in December 2007, the year the economic expansion ended, while the number of permits issued has not yet reached prerecession levels in the state or the nation.

DEMOGRAPHICS AND EDUCATION

◀ COLUMBUS, OHIO

According to 2016 US Census Bureau estimates, Columbus, Ohio, ranks as the 33rd largest of the 382 metropolitan statistical areas in the United States.

	Columbus Metro Area		United States	
	2016	Change from 2010	2016	Change from 2010
Population	2,041,520	+7.1%	323,128,000	+4.5%
Adults with less than a high school diploma	8.9%	-1.4 pp	12.5%	-1.9 pp
Adults with an undergraduate degree or higher	36%	+3.4 pp	31.3%	+3.1 pp
Median age (years)	35.8	+0.6	37.9	+0.7
Median household income	\$61,679	+7.3%	\$58,940	+4.6%

Note: Percentage points is abbreviated as pp.

Sources: US Census Bureau population estimates; American Community Survey.

All monthly and quarterly figures are seasonally adjusted, and all dollar figures are in constant dollars, for which the base period is provided by the latest available data. Home prices are an exception, and they are not adjusted for inflation. 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 prerecession levels. If levels were growing before the recession, prerecession indexes will be below 100; if levels were falling before the recession, prerecession 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).