

FOURTH DISTRICT METRO MIX

YOUR DISTRICT, YOUR DATA



COLUMBUS, OHIO MSA | JUNE 2017

FEDERAL RESERVE BANK of CLEVELAND

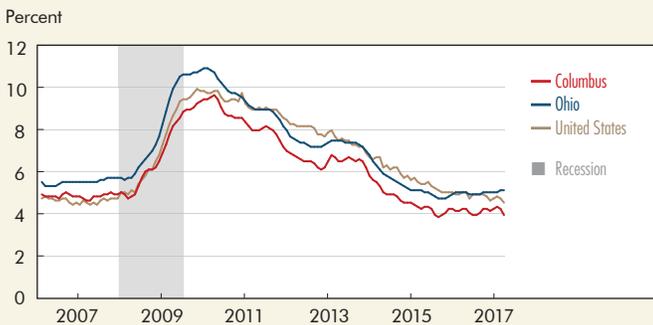
Columbus—Local Labor Market Remains Robust

The labor market in the Columbus metro area continues to be strong. In March, the area's unemployment rate fell to its second-lowest level (3.9 percent) since the early 2000s. As of third quarter 2016, year-over-year employment in the metro area expanded by 2.2 percent—twice as strong as Ohio's rate of employment growth during the same period. The issuance of residential building permits improved in 2016 and has been strong through the first three months of 2017, while home prices rose roughly 5 percent in the area in March on a year-over-year basis. Finally, the metro area's income and GDP growth accelerated in 2015.

METRO AREA SNAPSHOT

	Unemployment Rate		Median Home Value		Payroll Employment		Credit Card Delinquency Rate	
	March 2017 (percent)	One-year change (percentage points)	March 2017	One-year change (percent)	September 2016 (thousands)	One-year change (percent)	2016:Q4 (percent)	One-year change (percentage points)
Columbus	3.9	-0.3	\$161,700	4.8	1,004	2.2	6.4	-0.1
Ohio	5.1	0.1	\$126,200	5.4	5,330	1.1	6.7	-0.3
United States	4.5	-0.5	\$196,500	6.8	142,452	1.8	7.1	-0.7

In March, the Columbus metro area's unemployment rate fell to 3.9 percent.

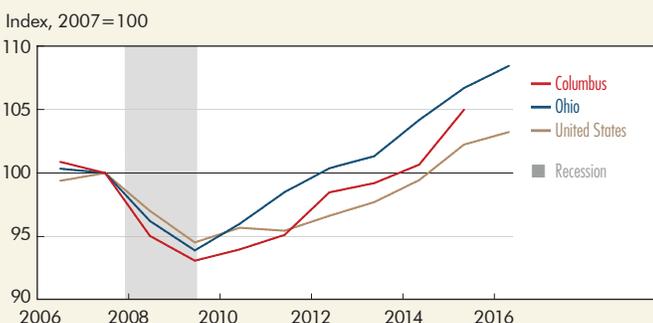


Source: Bureau of Labor Statistics/Haver Analytics.

◀ UNEMPLOYMENT RATE

The Columbus area's unemployment rate has been hovering around 4 percent since early 2015. In March, it fell to its second-lowest level (3.9 percent) since the early 2000s. Among the 50 largest American metro areas (by labor force), Columbus's low rate put it among the best-performing third of this group. Its unemployment rate in March was 1.2 percentage points lower than the statewide average and 0.6 percentage points lower than the national average. Up to this point in the recovery, the average monthly difference between the Columbus area's unemployment rate and that of Ohio or the United States has been almost a full percentage point.

The Columbus metro area's real per capita GDP grew 4.4 percent in 2015.



Source: Bureau of Economic Analysis/Haver Analytics.

◀ GROSS DOMESTIC PRODUCT

The Columbus area's real per capita GDP grew 4.4 percent in 2015 (the latest available data). That's considerably stronger than in the preceding two years, when real per capita GDP growth in the area was 0.8 percent in 2013 and 1.5 percent in 2014. The area's 2015 real per capita GDP growth also exceeded the growth rates in the state and in the nation, which were 2.5 percent and 2.9 percent, respectively. In the Columbus metro area, 2015 per capita GDP levels were approximately 5 percent higher than were the metro area's per capita GDP levels in 2007. Statewide, 2015 per capita GDP levels were almost 7 percent higher than statewide levels in 2007, but nationally, 2015 per capita GDP levels were only about 2.5 percent higher than 2007 levels. (2016 data for Ohio and the United States show continued per capita GDP growth.)

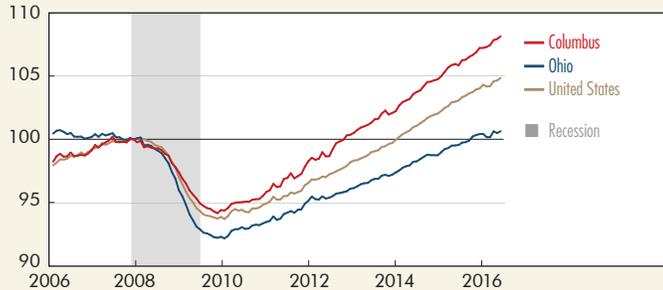
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Employment expanded by 2.2 percent in the Columbus metro area from September 2015 to September 2016.

Index, 2007: M12=100



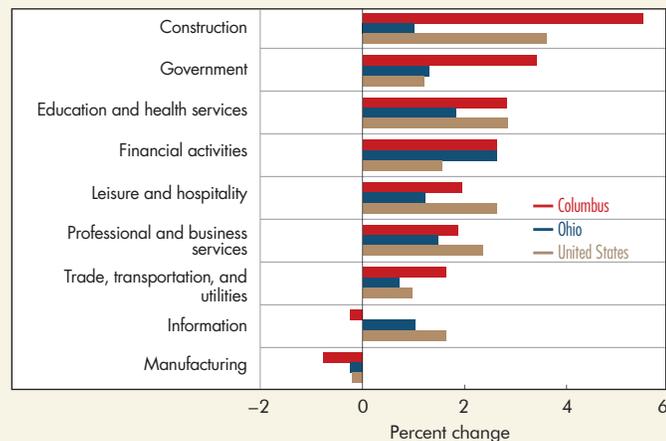
Source: Bureau of Labor Statistics' Quarterly Census of Employment and Wages.

EMPLOYMENT AND INDUSTRIAL SECTORS

◀ EMPLOYMENT

In the 12 months through September 2016, Columbus-area employment expanded by 2.2 percent. This gain was twice as strong as the state's (1.1 percent) and slightly stronger than the gain experienced nationally during the same period (1.8 percent). Over the entire expansion (which began in June 2009), the Columbus metro area's employment has grown at an annualized rate of 1.8 percent—again, this pace is stronger than that of the state (1.1 percent) or the nation (1.5 percent). Partly as a consequence, the level of employment in the area is about 8 percent higher than it was in December 2007 (when the last expansion ended), whereas it is about half a percent higher statewide and 5 percent higher nationally.

About half of the major industries in the Columbus metro area saw stronger employment growth rates than those same industries did nationally.



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

◀ EMPLOYMENT GROWTH BY SECTOR

While about half of the major industries in the Columbus metro area saw stronger employment growth rates than those same industries did nationally, about half also experienced weaker employment growth. Specifically, the Columbus area saw stronger employment growth in government; construction; financial activities; and trade, transportation, and utilities. However, the metro area experienced weaker employment growth in information, leisure and hospitality, manufacturing, and professional and business services. Relative to the state, the Columbus metro area saw stronger employment gains in most industries; the exceptions were information and manufacturing.

Nearly all major industry categories contributed positively to the Columbus metro area's recent employment gains.

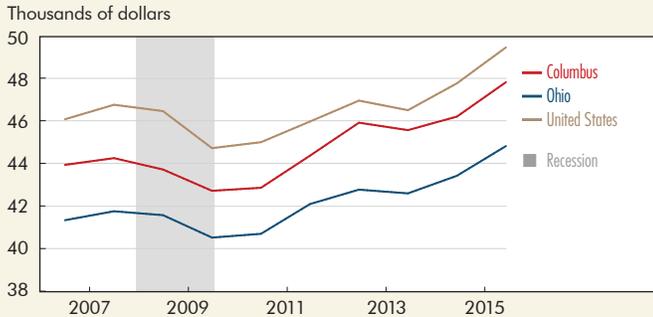
Sector	Employment	12-month change	Share of employment
Trade, transportation, and utilities	190,861	3,061	19.0
Professional and business services	172,460	3,160	17.2
Government	154,978	5,141	15.4
Education and health services	149,310	4,108	14.9
Leisure and hospitality	106,305	2,034	10.6
Financial activities	72,773	1,869	7.2
Manufacturing	70,916	-554	7.1
Construction	37,215	1,947	3.7
Information	15,741	-38	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 metro area's employment gains during the year that ended in September 2016. The exceptions to this were information and manufacturing, with the latter accounting for a substantially greater share of these employment losses. Government was among the largest contributors to the area's employment gain, accounting for almost a quarter of its increase in employment. Other major contributors included education and health services; professional and business services; and trade, transportation, and utilities. Collectively, these three industry groups accounted for almost half of the area's employment gains during this period.

Inflation-adjusted income per capita grew about 3.6 percent in the Columbus metro area in 2015.



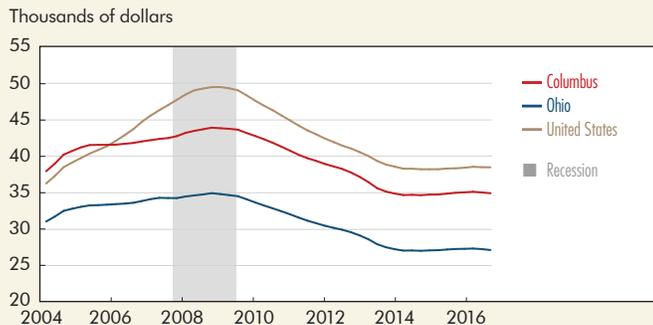
Source: Bureau of Economic Analysis/Haver Analytics.

INCOME

◀ INCOME PER CAPITA

Inflation-adjusted income per capita grew about 3.6 percent in the Columbus metro area in 2015, similar to the growth rates registered statewide (3.3 percent) and nationally (3.6 percent). Growth in 2015 constituted an acceleration from that of the prior two years, when the area's per capita income increased 1.4 percent in 2014 and decreased 0.8 percent in 2013. Since mid-2009 when the expansion began, inflation-adjusted income per capita in the area has grown about 1.9 percent at an annual rate, slightly stronger than the 1.7 percent increase seen statewide and nationally.

Per capita consumer debt levels have stabilized in the metro area, the state, and the nation since the middle of 2014.



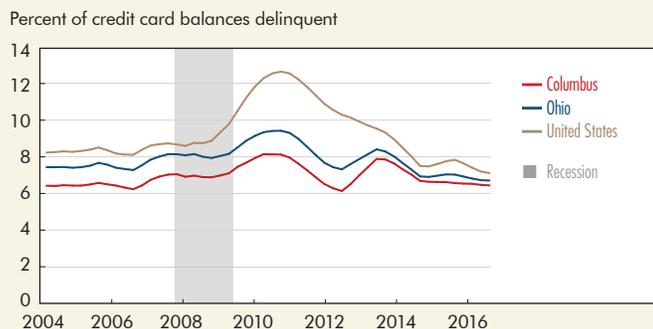
Source: Authors' calculations from the Federal Reserve Bank of New York's Consumer Credit Panel/Equifax.

CONSUMER FINANCES

◀ CONSUMER DEBT

Per capita consumer debt levels have stabilized in the Columbus metro area, the state, and the nation since the middle of 2014. In the 2.5 years since then, annualized increases in debt levels amounted to 0.3 percent for the metro area, 0.1 percent for Ohio, and 0.2 percent for the United States. Prior to this, per capita consumer debt levels peaked in the metro area and in 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, 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.

Since the end of 2014, the Columbus metro area's delinquency rate has fallen from 6.7 percent to 6.4 percent.



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

◀ CREDIT CARD DELINQUENCY RATES

Credit card delinquency rates have remained relatively stable in the Columbus area since the end of 2014. In the two years since, the area's delinquency rate has fallen from 6.7 percent to 6.4 percent. In the prior 10 years, the metro area's credit card delinquency rates were consistently below both the statewide and national averages. These rates peaked across all three areas in late 2010. At the time, the metro area's delinquency rate was more than 1 percentage point below the statewide average and more than 4 percentage points below the national average.

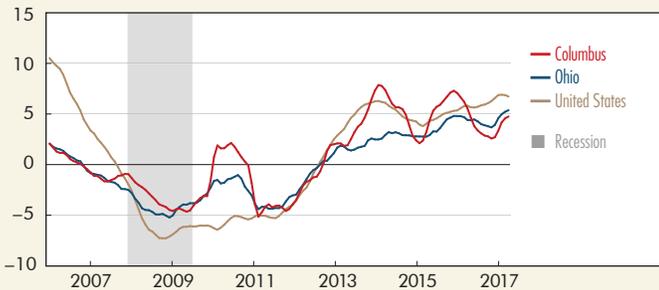
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Home prices have risen roughly 5 percent in the Columbus metro area from March 2016 to March 2017.

Year-over-year percent change



Source: Zillow.com/Haver Analytics.

HOUSING MARKET

HOUSING PRICES

In the 12 months through March 2017, home prices rose roughly 5 percent in the Columbus metro area. This gain was weaker than the gains posted over the same period statewide (5.4 percent) or nationally (6.8 percent). Nevertheless, the increase in the most recent 12 months for which we have data is consistent with the area's annualized home price increases since 2013 (5.1 percent). During this more-than-four-year period, Columbus outperformed Ohio—which had annualized home-price gains of 3.8 percent—but had weaker home-price appreciation than the United States, which posted annualized price increases of 5.7 percent.

Permit issuance in the Columbus metro area increased sharply in January 2017.

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



Source: US Census Bureau/Haver Analytics.

HOUSING PERMITS

Average monthly permit issuance in the Columbus metro area rose in 2016. Monthly issuance averaged approximately 600 in 2014 and 2015 but was more than 5 percent higher in 2016. Permit issuance increased sharply in January 2017 and was almost 3 times higher than in the prior January. Partly as a consequence, average monthly permit issuance for the first quarter of 2017 was well above average monthly issuance in 2016—905 permits versus 641.

DEMOGRAPHICS AND EDUCATION

COLUMBUS, OHIO

According to 2015 US Census Bureau estimates, Columbus, Ohio, ranks as the 33rd largest of the 381 metropolitan statistical areas in the United States.

	Columbus Metro Area		United States	
	2015	Change from 2009	2015	Change from 2009
Population	2,020,144	+7.0%	320,897,000	+4.6%
Adults with less than a high school diploma (percent)	9.1	-1.1	12.9	-1.9
Adults with an undergraduate degree or higher (percent)	35.1	1.8	30.6	2.7
Median age (years)	35.9	1.2	37.8	1
Median household income	\$60,035	+3.7%	\$57,542	+0.5%

Sources: 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.

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).