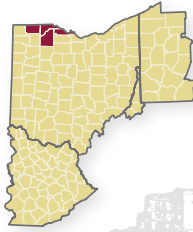


FOURTH DISTRICT METRO MIX

YOUR DISTRICT, YOUR DATA



TOLEDO, OHIO MSA | DECEMBER 2015

FEDERAL RESERVE BANK of CLEVELAND

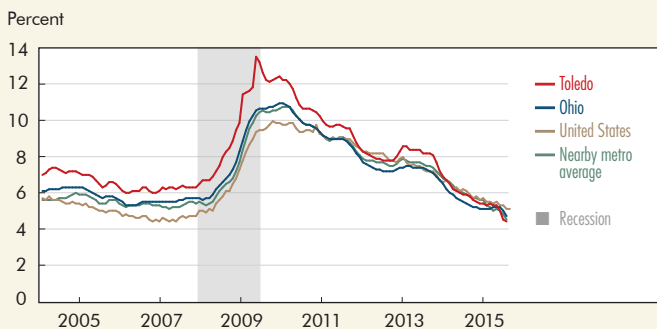
Toledo – Vehicle Sales Driving Up Employment

After strong sales in the second half of 2014, the nation's year-to-date light vehicle sales have grown 5 percent in 2015. This sustained growth in auto sales has translated into more jobs in the Toledo metro area. In fact, the region's manufacturing jobs also grew 5 percent in the 12 months leading up to March 2015. Other indicators have also shown improvement: home prices are growing, the unemployment rate is below the nation's, and per capita output and income are above pre-recession levels. That said, employment remains 4 percent below pre-recession levels.

METRO AREA SNAPSHOT

	Unemployment Rate		Home Prices		Payroll Employment		Credit Card Delinquency Rates	
	August 2015	One-year change	August 2015	One-year change	March 2015 (thousands)	One-year change	2015:Q2	One-year change
Toledo	4.4%	-1.5	\$100,300	2.5%	287	1.3%	7.4%	-1.0
Ohio	4.6%	-0.8	\$117,300	2.8%	5,229	1.4%	7.0%	-0.7
United States	4.5%	-1.4	\$132,400	3.7%	1,148	1.6%	6.8%	-0.8
Nearby metro average	5.1%	-1.0	\$180,800	3.3%	138,494	2.1%	7.6%	-0.9

Toledo's unemployment rate is below Ohio's for the first time in more than a decade

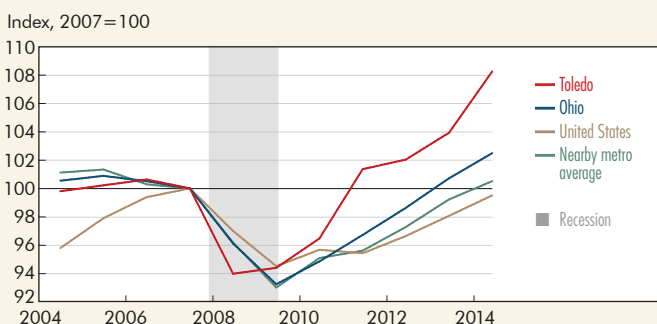


Source: Bureau of Labor Statistics/Haver Analytics.

◀ UNEMPLOYMENT RATE

The Toledo metro area's unemployment rate continues to fall and stood at 4.4 percent in August 2015. After having been higher than Ohio's unemployment rate for more than ten years—often by more than a percentage point—the metro area's unemployment rate is now slightly below the state's. This is the product of the auto sector's recent robust growth, both nationally and in the metro area, and reductions in the size of the metro area's labor force. The state of Ohio, the Toledo metro area, and nearby metro areas now have lower unemployment rates than the nation.

Per capita output has recovered faster in the metro area than in the nation or state



Source: Bureau of Economic Analysis/Haver Analytics.

◀ GROSS DOMESTIC PRODUCT

Toledo's 2013 GDP per capita was 4 percent above pre-recession levels. This means that the metro area's GDP per capita has recovered more quickly than in the state, nation, or the average of metro areas within 200 miles. Strong growth in manufacturing and professional services output since 2011 has helped this recovery. The metro area's population decline has mixed effects: GDP is divided across fewer people, but industries that serve local residents, such as retail trade, have also experienced declines in output.

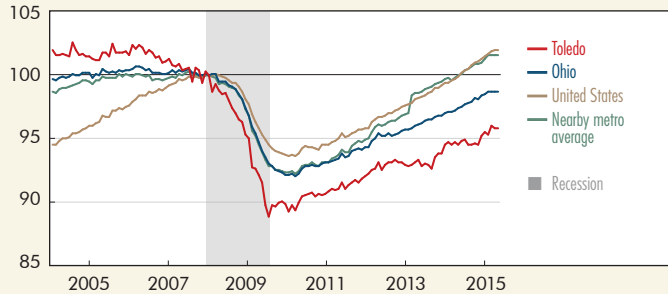
FOURTH DISTRICT METRO MIX

DECEMBER 2015

YOUR DISTRICT, YOUR DATA

Recently, employment grew faster in the Toledo metro area than in the nation or state

Index, 2007: M12=100



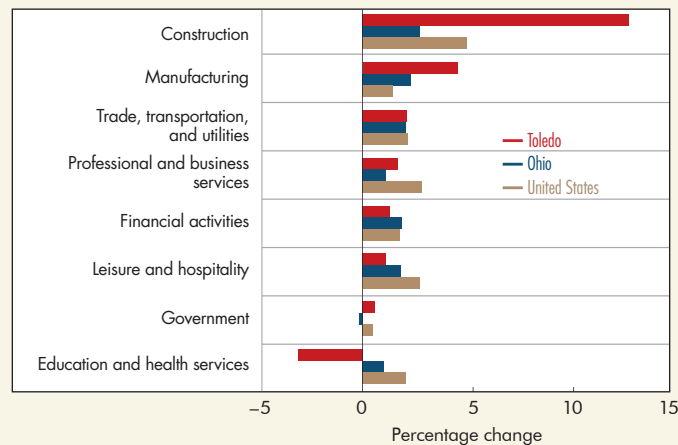
Source: Bureau of Labor Statistics' Quarterly Census of Employment and Wages.

EMPLOYMENT AND INDUSTRIAL SECTORS

EMPLOYMENT

In the six months leading up to March 2015, Toledo's seasonally-adjusted employment grew 1.4 percent—one-half of a percentage point (or more) faster than the United States and Ohio. This was primarily due to the strong growth in the auto sector in the second half of 2014 and into 2015. However, even with the recent increase in job growth, the Toledo metro area has 4 percent fewer jobs than it did in December 2007, when the most recent recession began. Over the same period, the nation and nearby metro areas exceeded their pre-recession employment levels by about 2 percent and the state was only 1 percent below its pre-recession employment level.

Construction and manufacturing growth rates were strong in Toledo

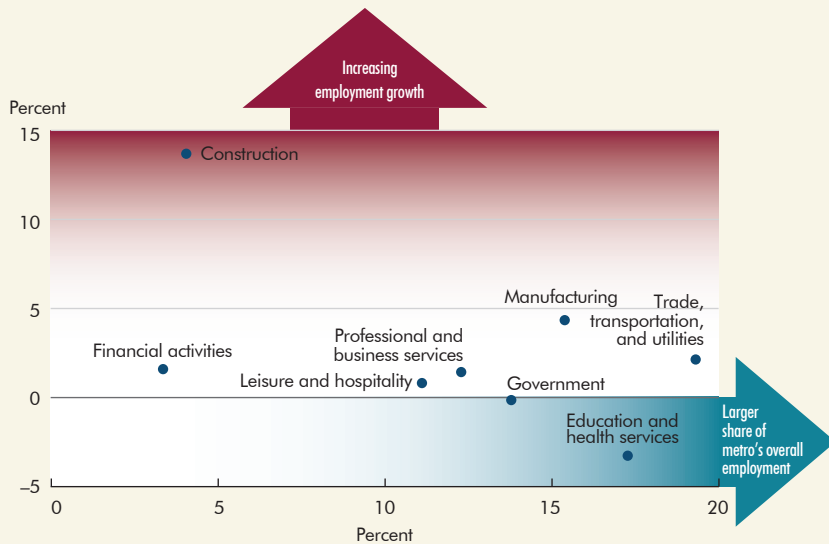


Source: Bureau of Labor Statistics' Quarterly Census of Employment and Wages.

EMPLOYMENT GROWTH BY SECTOR

Between March 2014 and March 2015, the Toledo metro area added 3,847 jobs, a 1.4 percent increase. Construction grew 13 percent, which was faster than any other sector in the metro area and more than double the national growth rate. The manufacturing sector was the second fastest-growing sector, growing 5 percent. This is more than triple the rate of growth of manufacturing in the United States and double Ohio's rate. The education and health services sector grew the slowest in this 12-month period, with a 3 percent decline in employment. This is in contrast to the sector's continued growth at the national and state levels.

Since March 2014, all but one of Toledo's major sectors grew



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

RELATIVE EMPLOYMENT GROWTH

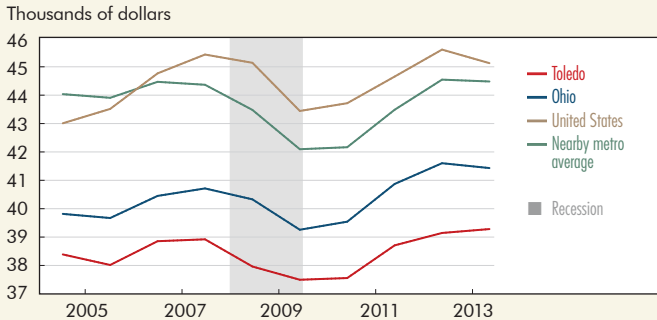
In the 12 months leading up to March 2015, construction grew at a faster rate than manufacturing in the Toledo metro area. However, manufacturing added 1,910 jobs while construction added 1,264. The other sector that added more than 1,000 jobs was trade, transportation, and utilities (1,158). The sector that lost the greatest number of jobs was education and health services, with a loss of 1,588 jobs.

FOURTH DISTRICT METRO MIX

YOUR DISTRICT, YOUR DATA

DECEMBER 2015

Toledo's income per capita continued to rise



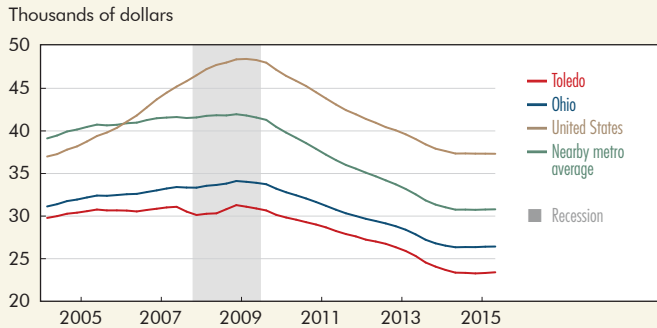
Source: Bureau of Economic Analysis/Haver Analytics.

INCOME

INCOME PER CAPITA

For the fourth consecutive year, Toledo's income per capita rose in 2013 and was \$367 above its pre-recession level. This is a larger gain on pre-recession levels than seen in nearby metro areas (\$117), but about half as large as in the state of Ohio (\$728). In the nation as whole, per capita income is \$308 below its pre-recession level. Toledo's gains in income per capita appear to be due to the recovery of jobs and the out-migration of retired people, who tend to have lower incomes.

Toledo's average consumer debt was lower than in the nation, state, and nearby metro areas



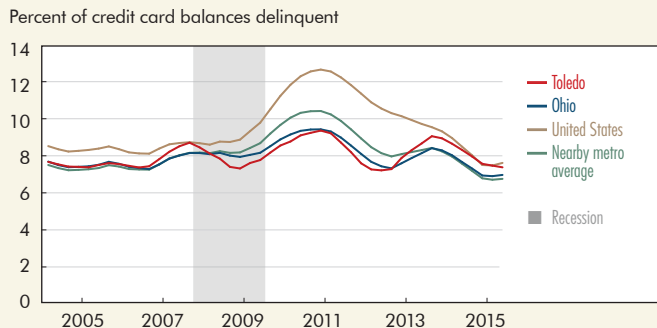
Source: Authors' calculations from the Federal Reserve Bank of New York's Consumer Credit Panel/Equifax.

CONSUMER FINANCES

CONSUMER DEBT

At \$23,251 per adult with a credit report in the second quarter of 2015, the Toledo metro area's average balance of mortgage, auto, and credit card debt continues to sit below that of Ohio, nearby metro areas, and especially the United States. This is largely due the metro area having relatively low home prices, which keep mortgage balances low. The metro area's decline in typical debt balance since the recovery began (25 percent) is a littler larger than that of the nation (23 percent) and Ohio (22 percent).

Toledo's credit card delinquency rate was slightly lower than the nation's



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

CREDIT CARD DELINQUENCY RATES

The metro area's credit card delinquency rate fell 0.1 percentage point in the second quarter of 2015, the seventh consecutive quarter this measure of financial distress has declined. After falling for more than a year, credit card delinquency rates ticked up in the United States, Ohio, and nearby metros in the second quarter of 2015. At 7.4 percent, Toledo's latest credit card delinquency rate is 0.2 percentage points below the nation's and 0.4 percentage points above the state's.

FOURTH DISTRICT METRO MIX

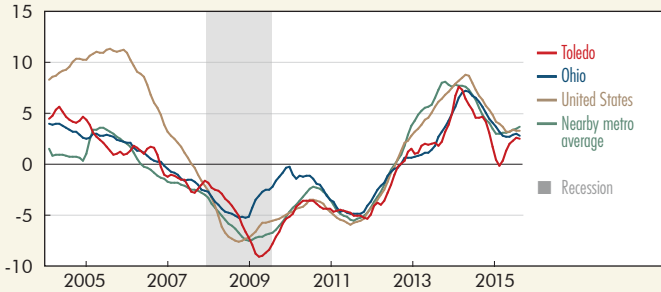
DECEMBER 2015

YOUR DISTRICT, YOUR DATA

HOUSING MARKET

Toledo's home prices rose 2.5 percent over the last 12 months

Year-over-year percent change



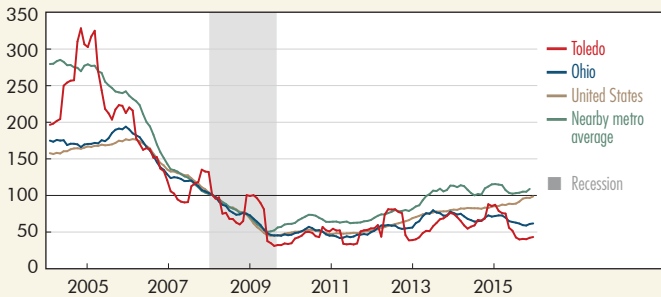
Source: Zillow.com/Haver Analytics.

HOUSING PRICES

The median home value in the Toledo metro area was \$100,300 in August 2015. Since the beginning of 2014, the metro area's house prices have been rising at about the same rate as in the United States, Ohio, and nearby metro areas. Home-price appreciation slowed in all four areas in 2014, but the slowdown was greatest in Toledo. Toledo's year-over-year change in home prices in August was 2.5 percent, rebounding from 0.4 percent in January.

In the Toledo metro area, building permits rose 9 percent from May to September

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



Source: Census Bureau/Haver Analytics.

HOUSING PERMITS

Though quite volatile, it appears that single-family building permits have begun to recover from their decline in the first half of 2015 in Ohio and Toledo. In all four areas, permits remain well below their peak during the housing boom of 2005 and 2006.

DEMOGRAPHICS AND EDUCATION

TOLEDO, OHIO

According to 2014 US Census Bureau estimates, Toledo is the 91st largest of the 381 statistical areas in the United States, down from 89th largest in 2013. The share of adults over 25 with an undergraduate degree is higher in the nation than the metro area, but from 2009 to 2014 it increased faster in the metro area.

	Toledo Metro Area		United States	
	2014	Change from 2009	2014	Change from 2009
Population	607,456	-0.5%	318,857,000	+3.9%
Adults with less than a high school diploma	9.8%	-2.7%	13.1%	-1.7%
Adults with an undergraduate degree or higher	27.4%	+5.3%	30.1%	+2.2%
Median age (years)	37.5	+0.1 years	37.7	+0.9 years
Median household income	\$45,907	-4.6%	\$54,015	-3.2%

Sources: Census 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).