



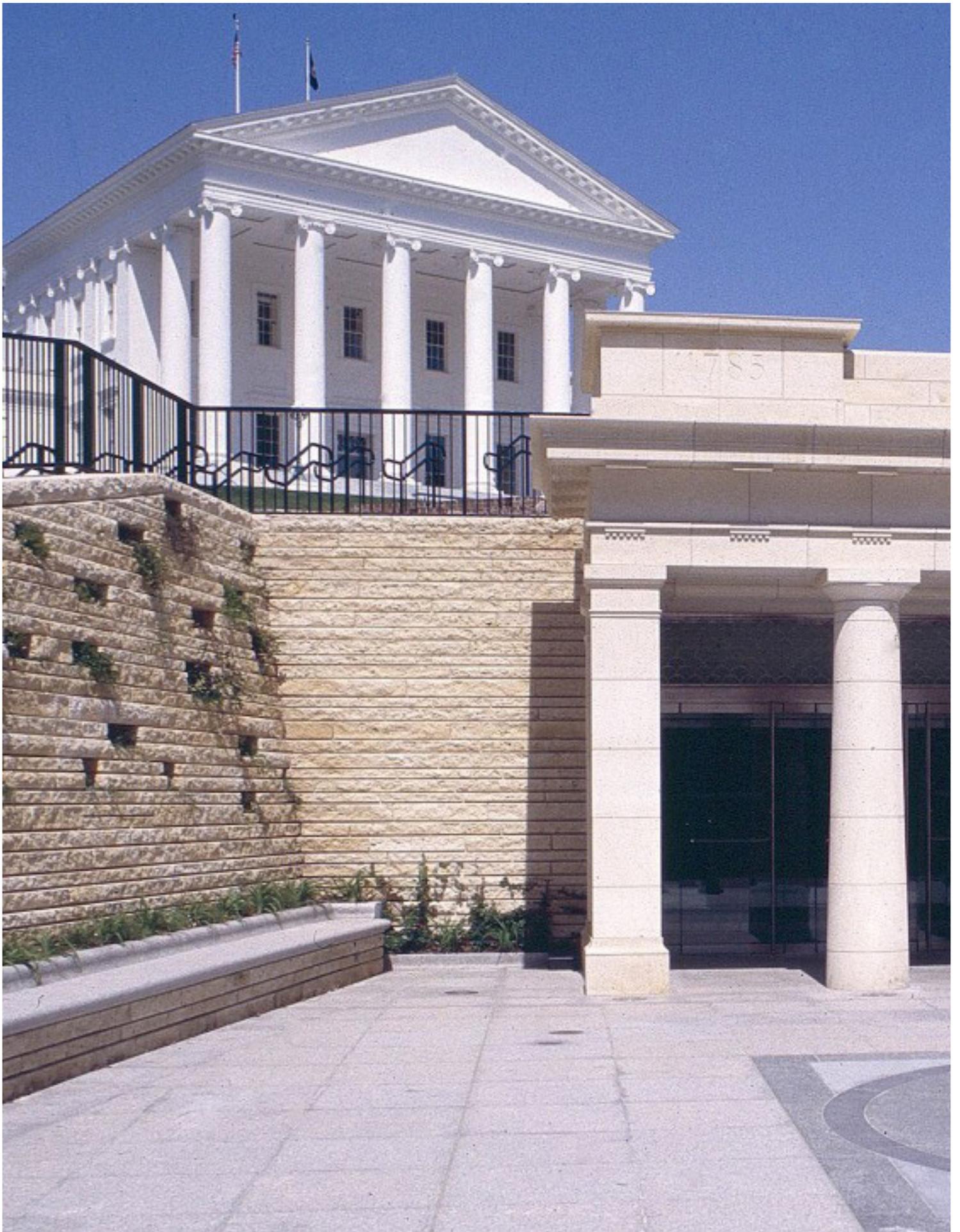
# Virginia

## ECONOMIC INDICATORS



1st Quarter 2013

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# Foreword

## FOREWORD

For those who are interested in studying the business cycle, the *Virginia Economic Indicators* publication is designed to depict the movement of the key economic indicator series readily available in Virginia. Most of these series are published elsewhere; but here, they are brought together in both graphic and tabular form, under one cover, and grouped so that they may be analyzed and interpreted easily.

All but five of the series currently used are produced in-house by the Economic Information Services Division of the Virginia Employment Commission and are comparable to similar national series produced by the U.S. Department of Labor. The five business indicators are provided by sources outside of the agency (see the Historical Summary at the back of this publication for data sources) and should prove useful to the student of business cycle development in Virginia.

All series published in the *Indicators* have been seasonally adjusted to minimize regular seasonal fluctuations in the data in order to show only activity related to the business cycle. The *Virginia Economic Indicators* is the only seasonally adjusted publication of some of the Virginia series.

From time to time, new series will be added to this report as the data becomes available and is collected and tested. Also, series presently provided, if necessary, may be discontinued. Historical graphs are published in the back of the fourth quarter issue for each year.

This publication provides a narrative analysis update of the U.S. economy and narrative analysis of recent changes in Virginia. Occasionally, feature articles dealing with some currently important aspects of the Virginia economy are presented. Feature articles are written in-house or by guest authors knowledgeable on particular economics-related subjects.

This publication is normally produced quarterly by April, June, September, and January, but data in the series is provided on a monthly basis. There is a time lag of one quarter before all the data series are available for publication and analysis.

With the 2002 benchmarks in 2003, all states were required to switch to the North American Industry Classification System (NAICS) codes which replace the Standard Industrial

Classification (SIC) codes formerly used. The NAICS codes were updated in 2007. The NAICS conversion affects the factory employment series and the four hours-and-earnings series in that, where 2001 - 2010 data has been revised to NAICS, data prior to this time is still on the old SIC basis with more manufacturing industries. This means a slight break in these series when comparisons are made with periods prior to 2001.

The main change to manufacturing is that, under NAICS, newspapers and publishing houses are no longer included in manufacturing, and so their employment and earnings are no longer included in data after 2000.

The U.S. forecast analysis is based on the IHS Global Insight projections which the state purchases. Virginia estimates use the state model with enhancements from VEC data for the areas.

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For updates on upcoming issues of the *Virginia Economic Indicators* and other related information, follow us on Twitter at:

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# United States

## ECONOMIC OUTLOOK 1ST QUARTER

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The United States' economy rebounded in the first three months of the year, following lackluster performance in the final quarter of 2012. A boost in consumer sentiment that led to a surge in spending, along with a buildup in inventory investments—products to be sold in the near future—largely helped propel real gross domestic product (GDP) to 1.8 percent (third estimate) in the first quarter of 2013.

More jobs were added in May, reflecting somewhat the growth in GDP; yet, of those 175,000 jobs, many are low-pay, service sector jobs that contribute less to the overall growth of the economy. This structural shift of labor, accompanied with competing global markets, may impede GDP for periods on end.

### First Quarter 2013 GDP Review; May 2013 Employment Levels and Labor Force Statistics; and the Continued Outlook for 2013



#### First Quarter 2013 GDP

Real gross domestic product increased at an annual rate of 1.8 percent in the first quarter of 2013—1.4 percentage points higher than the last quarter of 2012. This significant increase in growth is attributed to several positive factors, one of which was the deceleration of the decline in defense spending.

In all, positive contributions to GDP came from personal consumption expenditures (PCE), private inventory investments, and residential fixed investments. Negative

contributions were from federal government expenditures, state and local government spending, and exports. Imports, which mute GDP growth, increased in the first quarter.

GDP accelerated in the first quarter because of expansions in private inventory investment, PCE, and smaller reductions in federal government spending and exports. A deceleration in nonresidential fixed investment and a lesser decline in imports dampened overall GDP.

Real consumer spending jumped from 1.8 percent in the fourth quarter of 2012 to 2.6 percent in the first quarter of 2013—a level not attained since late 2010/early 2011. Real PCE includes durable goods, nondurable goods, and services.

The durables sector decelerated slightly from fourth quarter 2012's 13.6 percent growth, yet, still grew by 7.6 percent in the first quarter. Nondurable goods consumption increased by 2.8 percent in the first quarter of 2013, following nearly zero growth in the fourth quarter. Likewise, consumer services grew 1.7 percent in the first quarter after experiencing 0.6 percent growth in the prior two quarters.

The business sector bounced back in the first quarter of 2013, growing by an annual rate of 9.0 percent—largely owing to the bump in private inventory build-up—after growing only 1.3 percent in the fourth quarter of 2012. After a strong comeback in the fourth quarter of 2012 (13.2 percent), growth in the nonresidential investment component decelerated to 0.4 percent in the first quarter of 2013. The business structures sector went into negative territory, registering a decline of -8.3 percent in the first quarter of 2013, most of which was due to reductions in power and communications structures. Business spending on equipment and software (information processing equipment and software) decelerated from 11.8 percent in the fourth quarter of 2012 to 4.1 percent in the first quarter of 2013.

Real residential fixed investment (residential structures) sustained strong growth in the first quarter of 2013, but at a decelerating rate of 14.0 percent, following 17.6 percent in the fourth quarter of 2012. This sector is in a steady recovery stage but subject to uncertainties and the weak labor market.

Exports of goods and services by the private sector remained negative in the first quarter of 2013 (-1.1 percent) after falling by 2.8 percent in the fourth quarter of 2012. The export of goods declined by 2.5 percent in the first quarter, as exports of services grew by 2.4 percent. The decline in the importation of goods (-1.3 percent) and growth in services (4.5 percent) pulled down the overall import sector up by -0.4 percent.

Total government spending continued to be less in the first quarter of 2013, falling by 4.8 percent over the quarter. While not as bad as the drop of 7.0 percent in the fourth quarter of 2012, the decline in government spending continues to be a drag on GDP. Both sectors of federal spending—defense and nondefense—were in a negative zone. The defense sector declined 12.0 percent (compared with the 22.1 percent decline in the fourth quarter), and the nondefense sector fell by 2.1 percent in the first quarter.

State and local government expenditures declined by 2.1 percent in the first quarter of 2013, marking nearly 14 consecutive negative quarters since the end of the recession. In total, the declines in government spending stymied GDP growth by nearly 1.0 percent in the first quarter.

As predicted, GDP did rebound in the first quarter of 2013 (by 1.8 percent) primarily because of a healthy dose of consumer spending—the driver of job creation—and private sector inventory accumulation. However, the surge in consumer spending in the first quarter may have come at the expense of savings that were drawn down in the face of higher payroll taxes and the disappearance of special dividend payouts. Consequently, consumer spending may be dampened to around 2.0 percent through the remainder of 2013.

Inventory accumulation in the first quarter of 2013 was chiefly driven by the agricultural industries' restocking of materials to produce farming equipment and not as much by nonfarm inventory buildup, which tends to pull down GDP in the subsequent quarter. Finally, punitive spending cuts by the Department of Defense have occurred early in the year and may be less in the second quarter and throughout the year. Given these dynamics, GDP growth for the second quarter of 2013 will be around 1.4 percent—less than the first quarter, yet better than prior expectations—and slightly more than 2.3 percent by the end of 2013.

### Seasonally Adjusted Payroll Employment for May 2013

The Bureau of Labor Statistics' (BLS) preliminary estimate for total nonfarm employment indicates that 175,000 workers were added to payrolls in May—which was close to what many analysts had anticipated. According to the payroll survey more than 135 million people are now working in the U.S.—a

continuation of a trend that began in late 2010. (Fig.1, pg. 5)

The private industry sector added 178,000 jobs in May—a healthy acceleration from the 157,000 jobs added in April, and 2.2 million from a year earlier. Total government employment, which fell by 3,000 in May—after declining by 7,000 in April—has lost 58,000 jobs over the past year.

The construction sector employed more than 5.8 million workers in May—7,000 more jobs than in April of 2013 and an increase of 189,000 over the year. May's construction employment level is the highest since August 2009 (5.85 million).

For the third consecutive month, the manufacturing sector has shed jobs—8,000 in May, after dropping 9,000 in April. Manufacturing continues to add jobs on a year-to-year basis, but at a decreasing rate. The 41,000 jobs added over the past year marks the sixth straight month of year-to-year declines.

The U.S. retail sector continued to expand, as it added 27,700 jobs in May in response to a consumer base that is more willing to spend. In April the retail sector added 19,900 jobs. On a year-to-year basis, retail grew by more than 258,000 in May, which was the largest over-the-year change since January 2012.

The professional and business services industry added 57,000 jobs in May—a modest drop from April's increase of 60,000 jobs. Year to year, professional and business services grew by 589,000. The number of jobs in the temporary employment service industry grew—which is an apt indicator of near-future hiring possibilities—by 25,600 in May, following an increase of 26,400 in April. From May 2012, the industry has added 186,000 jobs.

The education and health care services sector added 26,000 jobs in May—down substantially from monthly figures over the past three months. The education portion grew by 14,200—marking three consecutive months of growth. Health care added 10,700 jobs in May. Incidentally, in the past 10 years the health care industry has shed jobs in only one month—July 2003 (-9,000).

The leisure and hospitality industry added 43,000 jobs in May, continuing month-over-month growth that began in July 2012. Year-to-year, an increase of 406,000 was recorded—down slightly from May 2012's year-to-year increase of 409,000.

The government sector as a whole—declining still, yet at an ever decreasing rate—dropped by 3,000 jobs in May. Federal government declined by 14,000 jobs, state government receded by 2,000, while the local government sector added 13,000 jobs.

**Note:** the monthly industry figures are preliminary and are

subject to significant revisions.

### Household Survey Statistics for May 2013

The U.S. seasonally adjusted unemployment rate held nearly steady at 7.6 percent for May 2013—the average rate of the past eight months. May's rate is 0.6 percent below a year-ago 2012. (Fig.2, pg. 5)

The slight increase in the unemployment rate (0.1 percent) reflects the economy's incapacity to place the additional workers entering the labor force along with the increase in the number of laid-off workers. For May, the household survey showed that 155.7 million people were in the labor force—420,000 more than in April, which was largely a combination of reentrants and the seasonal addition of college graduates. (Fig.3, pg. 6)

Furthermore, the household survey revealed that 143.9 million people were employed in May—319,000 more workers than in April and 1.6 million more than May 2012. (Fig.4, pg. 6) The level of unemployed rose to nearly 11.8 million workers in May—a rise of 101,000 from April, yet 935,000 less than the year before. However, this level is still much higher than the 5 to 6 million that would be considered a normal level of unemployment. (Fig.5, pg. 7)

The number of workers unemployed for 27 weeks or longer represented 37.3 percent of the total in May 2013—only 0.1 percent less than April. The remaining categories of the unemployed were: less than 5 weeks—23.2 percent; 5 to 14 weeks—22.8 percent; 15 weeks and longer—54.0 percent.

The broader measure of unemployment (U6-seasonally adjusted) was 13.8 percent for May 2013—down only 0.1 percent over April, and no change from March. However, U6 was 0.5 percent lower than May 2012. The U6 measure includes all persons that have dropped out of the labor force (due to disillusionment about their chances of finding work) but would like to work, and those working part time who would prefer to have a full-time job.

## U.S. Economic Outlook

The Institute for Supply Management (ISM) manufacturing index dropped in May, marking the third consecutive month of decline. At 49.0 percent, it was 1.7 percentage points lower than the prior month (50.7). Below the 50.0—the “breakeven point”—it is an indication that manufacturing has contracted; May's level points to a small contraction, the last of which was seen in November 2012. The decline in new orders of manufactured goods along with reduced production and a backlog of orders are driving down the ISM index. (Fig.6, pg. 7)

The ISM non-manufacturing index's increase of 53.7 percent is slightly stronger than expected and is a continuance of the trend that began in January 2012. May's reading was 0.6 percentage point higher than the April level of 53.1 percent. The continued expansion of the non-manufacturing industries is certainly a positive, given that they account for nearly 90 percent of the economy. (Fig.6, pg. 7)

The index is neutral at 50, with a reading above this indicating favorable activity, such as an expansion in manufacturing. Likewise, a reading below 50 signals a decline. These indices are helpful in predicting overall economic activity in the near term.

Citing from the list of 18 manufacturing industries from the Institutes's May report, the follow 10 industries expanded—Printing & Related Support Activities; Nonmetallic Mineral Products; Fabricated Metal Products; Wood Products; Furniture & Related Products; Apparel, Leather & Allied Products; Food, Beverage & Tobacco Products; Electrical Equipment, Appliances & Components; Machinery; and Paper Products. Six industries reported a contraction—Miscellaneous Manufacturing; Transportation Equipment; Chemical Products; Plastics & Rubber Products; Computer & Electronic Products; and Primary Metals.

Citing from the list of 18 non-manufacturing industries from the Institute's May report, 13 non-manufacturing industries expanded in February—Accommodation & Food Services; Transportation & Warehousing; Arts, Entertainment & Recreation; Educational Services; Management of Companies & Support Services; Wholesale Trade; Construction; Public Administration; Information; Retail Trade; Professional, Scientific & Technical Services; Finance & Insurance; and Utilities. Five industries reported contraction—Mining; Health Care & Social Assistance; Real Estate, Rental & Leasing; Other Services; and Agriculture, Forestry, Fishing & Hunting.

The Misery Index (Fig.7, pg. 8) gauges the social costs to the population as the unemployment rate and rate of inflation change. For example, when the unemployment rate rises and costs of goods and services increase, the “misery” (despair) that workers and families endure will increase, and the opposite will occur as less people are laid off and the cost of living declines.

The Misery Index shows the level of despair trending downward since the end of 2011 as a reaction to declining unemployment and rate of inflation and is nearing an average pre-recession rate. As the Great Recession ensued, the index began to rise rapidly, then fell quickly from the end of 2008 through most of 2009 as the year-over-year consumer price index (CPI) was at or below zero, which eased the level of misery, only to level out for a few months before accelerating

sharply again. The current trend—being in its 19th month of decline—is promising for a continuation of positive consumer confidence.

However, with nearly 12 million people looking for work in the U.S. because of a structural shift in the economy, the level of “misery” is high and will be so for some time.

The level of initial claims (Fig. 8, pg. 8) of recently laid-off workers has fallen by 307,000 since its peak of 659,000 in March 2009—more than four years ago. Data for the third week of June show that 348,000 people (four-week moving average) filed claims for unemployment compensation. When claims are below 350,000, the trend in unemployment is expected to decline as net new job growth increases—weekly initial claims have averaged 351,000 for the calendar year, courting the trend.

The downward trend in continued claims endures and reflects the falling U.S. unemployment rate. The continued claims data (Fig. 9, pg. 9) shows the number of unemployed workers that have qualified for unemployment insurance and are currently receiving weekly monetary benefits and is a fair indicator of the total number of the unemployed. Falling levels may show that people have found jobs and/or that they have exhausted their benefits and thus are still unemployed. Yet, by and large, the level represents a movement of workers making their way back into employment and off unemployment insurance benefits.

The Conference Board’s Consumer Confidence Index (Fig. 10, pg. 9) reached a cyclical high in June. At 81.4, the index was up from 74.3 in May and from 62.7 a year earlier. Moreover, June’s number is a five-year high (January 2008 – 87.3). Consumers are reacting positively to the rise in home prices, stock market gains, the still sluggish yet improving labor market, and general heightened expectations about the future economic conditions. The Conference Board notes that this may be a trend that is gaining traction that was lost from concerns of the “fiscal cliff, payroll-tax hike, and sequester” that greeted the new year.

Consumer confidence and predictability are controlled by several phenomena, and in an increasing global environment, the activities of political actors around the world are becoming more central.

## Summary

The performance of the economy is expected to wax and wane throughout the next three quarters, with the second and third quarters growing by 1.5 percent and 1.8 percent, respectively, before settling in at 2.3 percent in the final quarter of 2013.

Labor growth remains a concern as nearly 12 million people remain without work, and 37.3 percent of those have been out of work for 27 weeks or more—many of those will exhaust

unemployment benefits and will struggle with the stigma of long-term job separation. Even though 176,000 jobs—on average—have been added for the past 12 months, most of those jobs are appearing in the service sector. While jobs in the service sector cover a legion of very high-paying and skilled occupations, the growth consistently leans disproportionately towards low-pay jobs in the health care, retail, and hospitality sectors. This manifestation—along with the declining job growth in manufacturing, where jobs are of a moderate to high-skilled orientation that command higher wages—will continue to be part of the slothful growth in GDP.

Indicators for the U.S. economy are a sundry of signals—some up, some down. As noted, manufacturing is trending downward, and the ailing European economies are making matters worse, while the U.S. service sector is holding its own, according to the ISM surveys. The population benefits from low rates of inflation, in general, although crude oil and food prices limit disposable income options.

Initial unemployment claims have effectively leveled-out and are having a difficult time breaking below the 350,000 mark where more jobs are created than lost. The numbers of workers that continue to collect unemployment benefits are declining as workers slowly go back onto payrolls. However, the level is just starting to approach the pre-recession era. On a more positive note, data for consumer confidence clearly indicate that sentiment for the state of the economy is in a positive trajectory. Perhaps positive thought will be a self-fulfilling prophesy.

**Note:** A complete list of the GDP components can be found at:

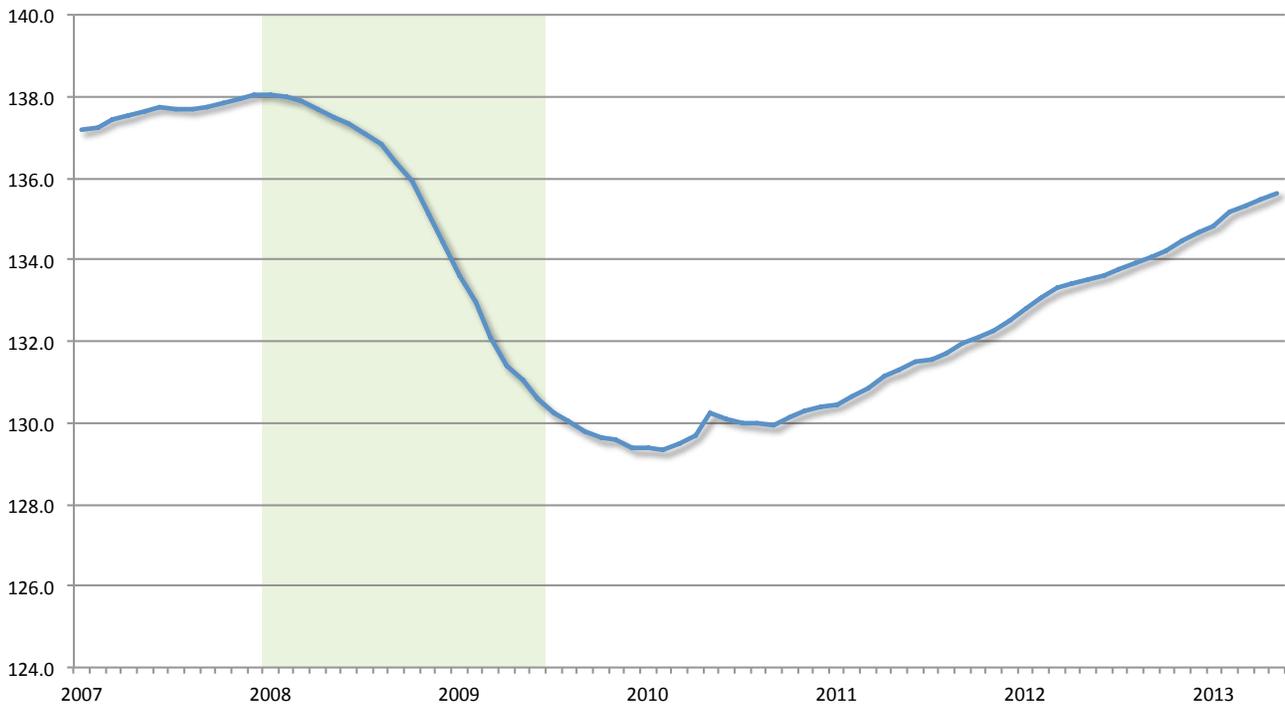
[http://www.bea.gov/newsreleases/national/gdp/2013/pdf/gdp1q13\\_2nd.pdf](http://www.bea.gov/newsreleases/national/gdp/2013/pdf/gdp1q13_2nd.pdf)

Bureau of Labor Statistics data can be accessed at:

<http://www.bls.gov/>

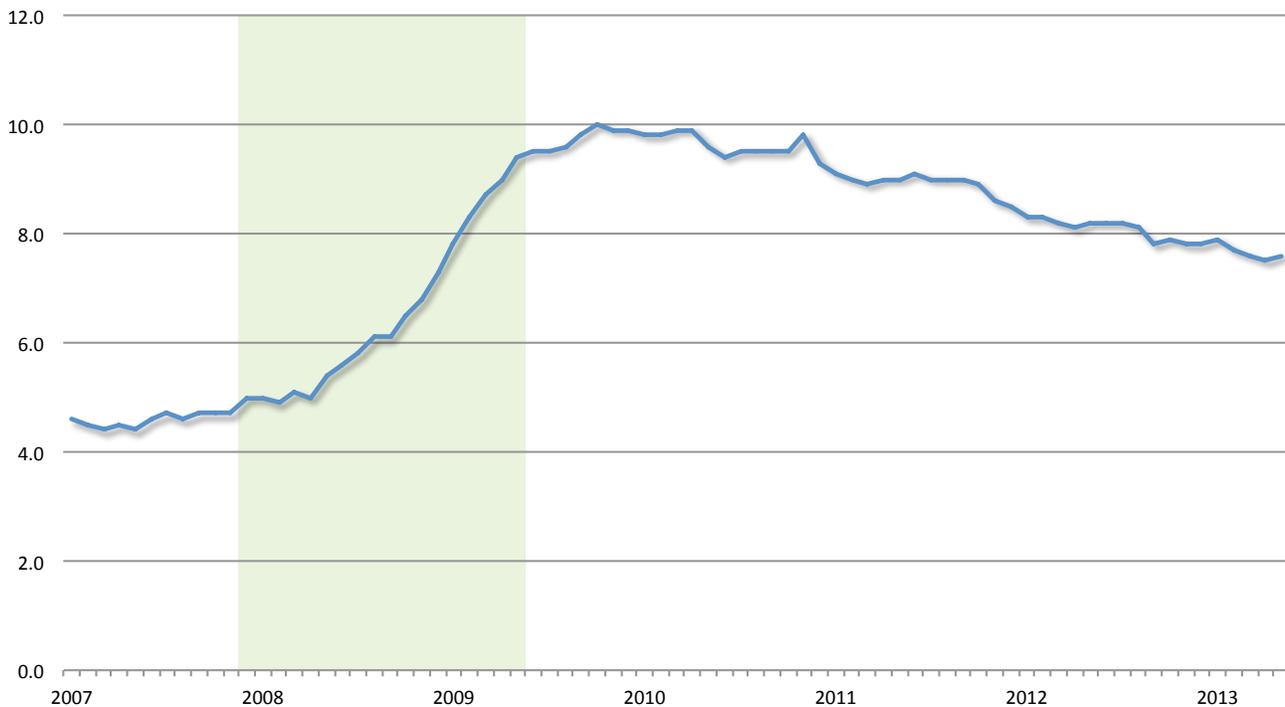


### Fig. 1 – Payroll Employment (Millions)



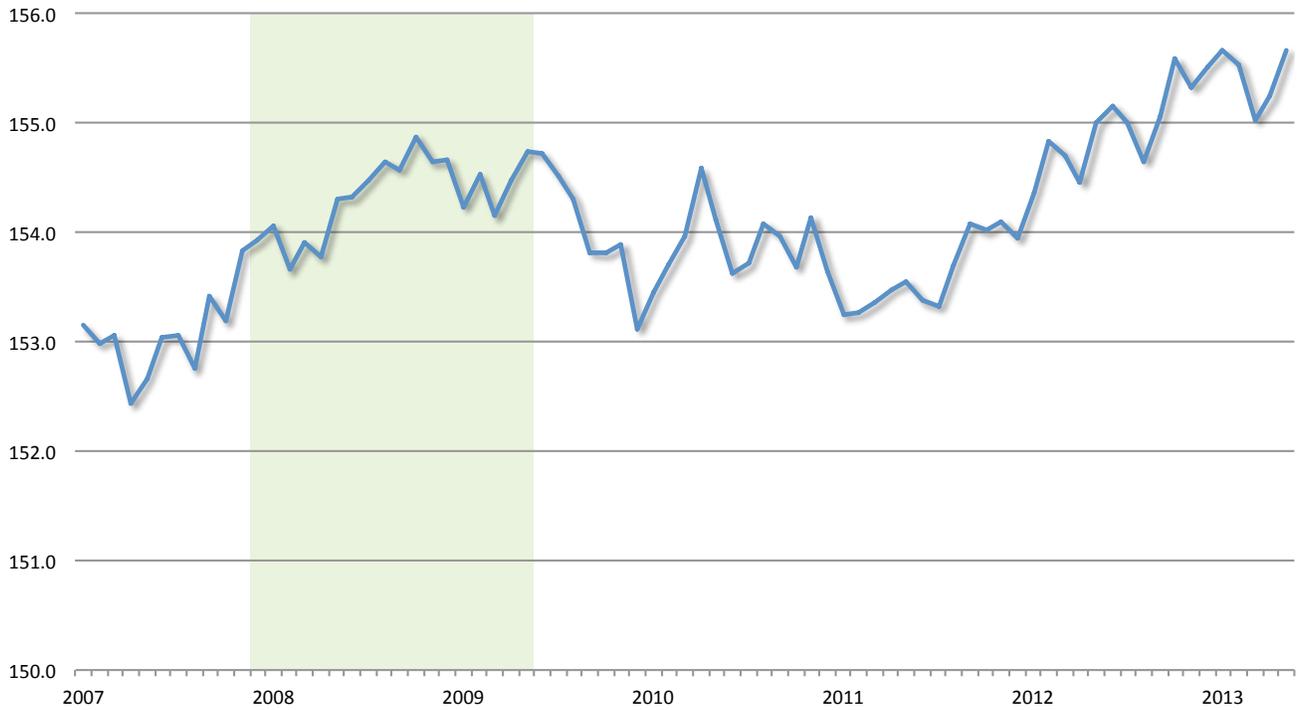
Source: Bureau of Labor Statistics      The shaded area on the graph represents the December 2007 - June 2009 recession.

### Fig. 2 – Unemployment Rate (Percent)



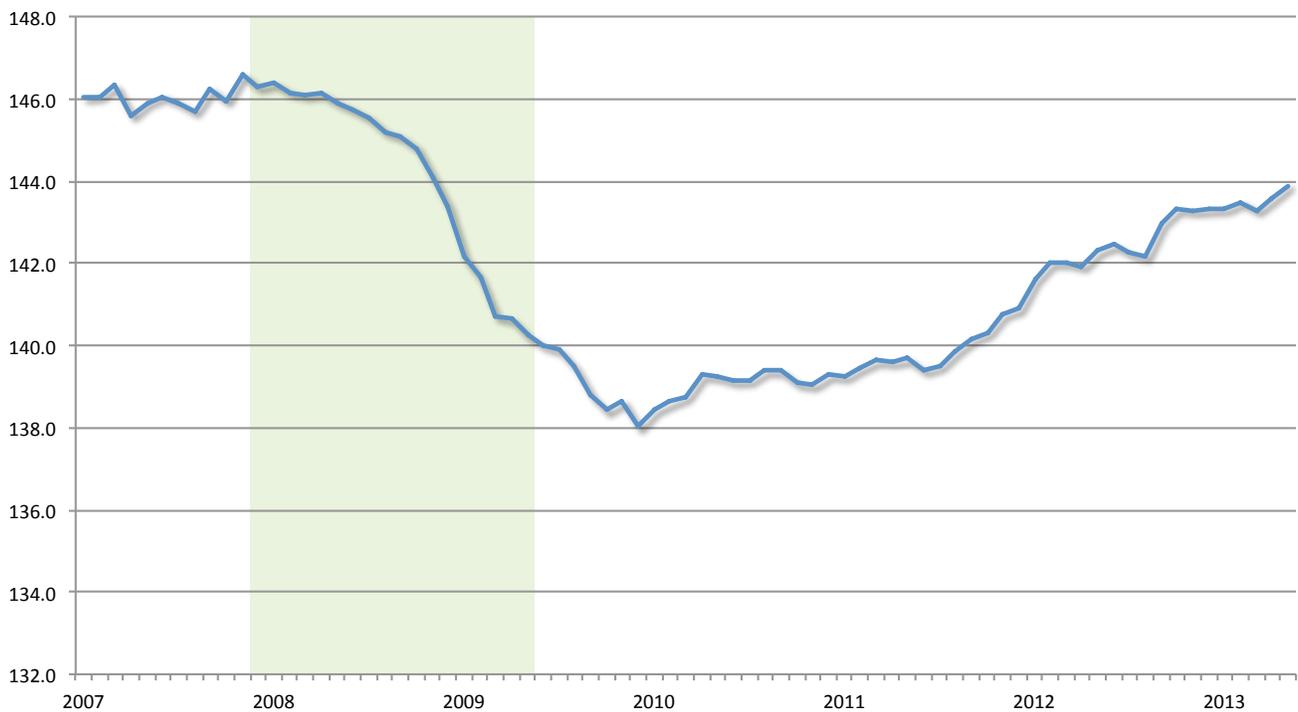
Source: Bureau of Labor Statistics      The shaded area on the graph represents the December 2007 - June 2009 recession.

### Fig. 3 – Civilian Labor Force (Millions)



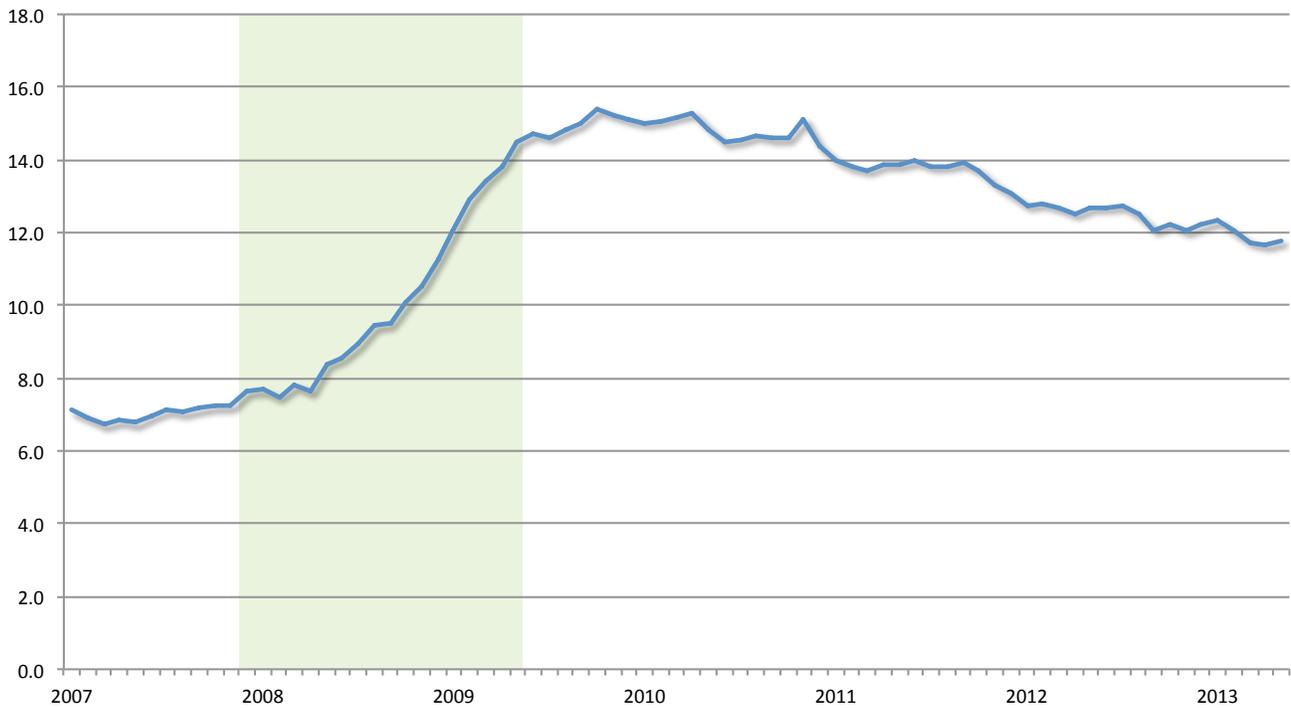
Source: Bureau of Labor Statistics The shaded area on the graph represents the December 2007 - June 2009 recession.

### Fig. 4 – Household Employment (Millions)



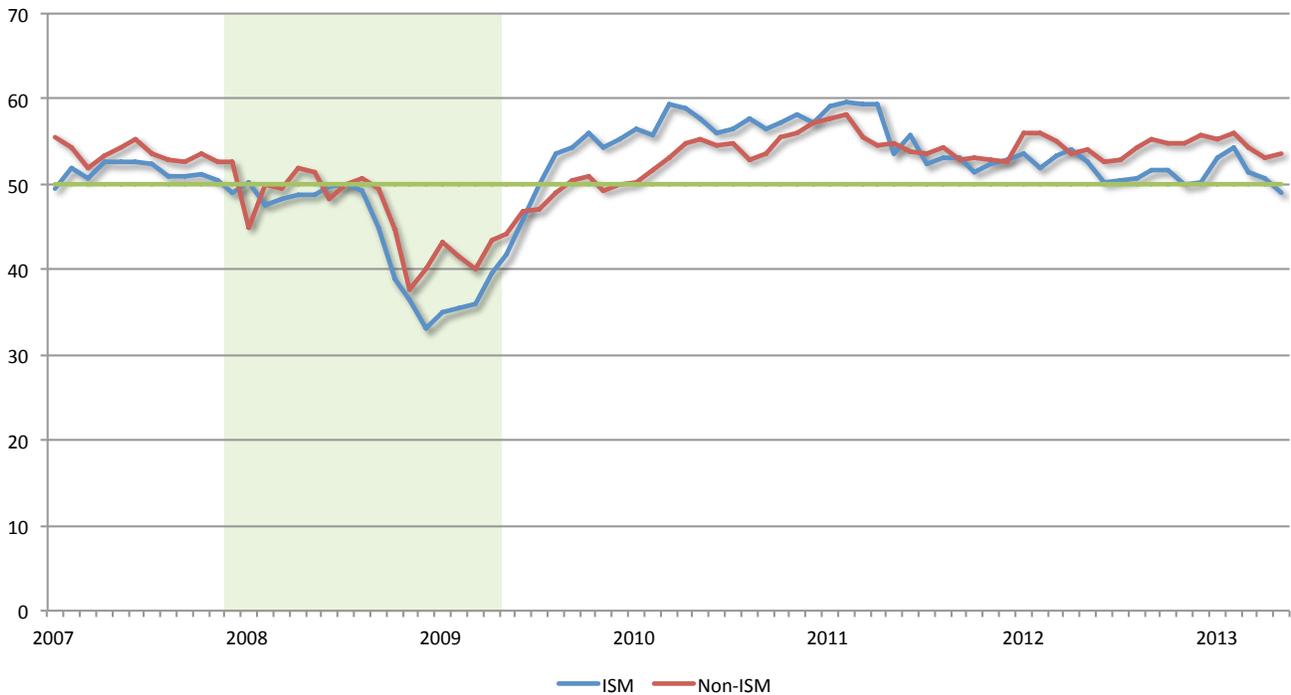
Source: Bureau of Labor Statistics The shaded area on the graph represents the December 2007 - June 2009 recession.

### Fig. 5 – Unemployment Level (Millions)



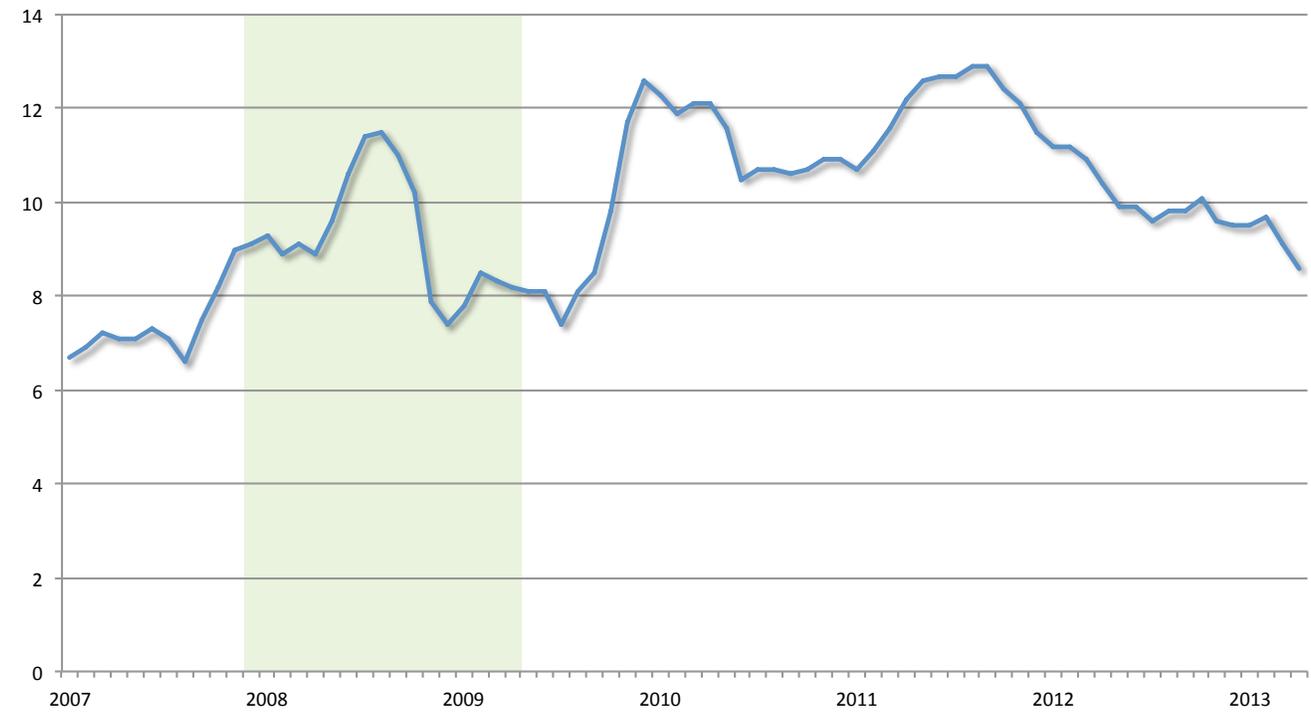
Source: Bureau of Labor Statistics    The shaded area on the graph represents the December 2007 - June 2009 recession.

### Fig. 6 – ISM Manufacturing and Non-Manufacturing Indices



Sources: Haver Analytics/ISM/VEC    The shaded area on the graph represents the December 2007 - June 2009 recession.

### Fig. 7 – Misery Index (Percent)



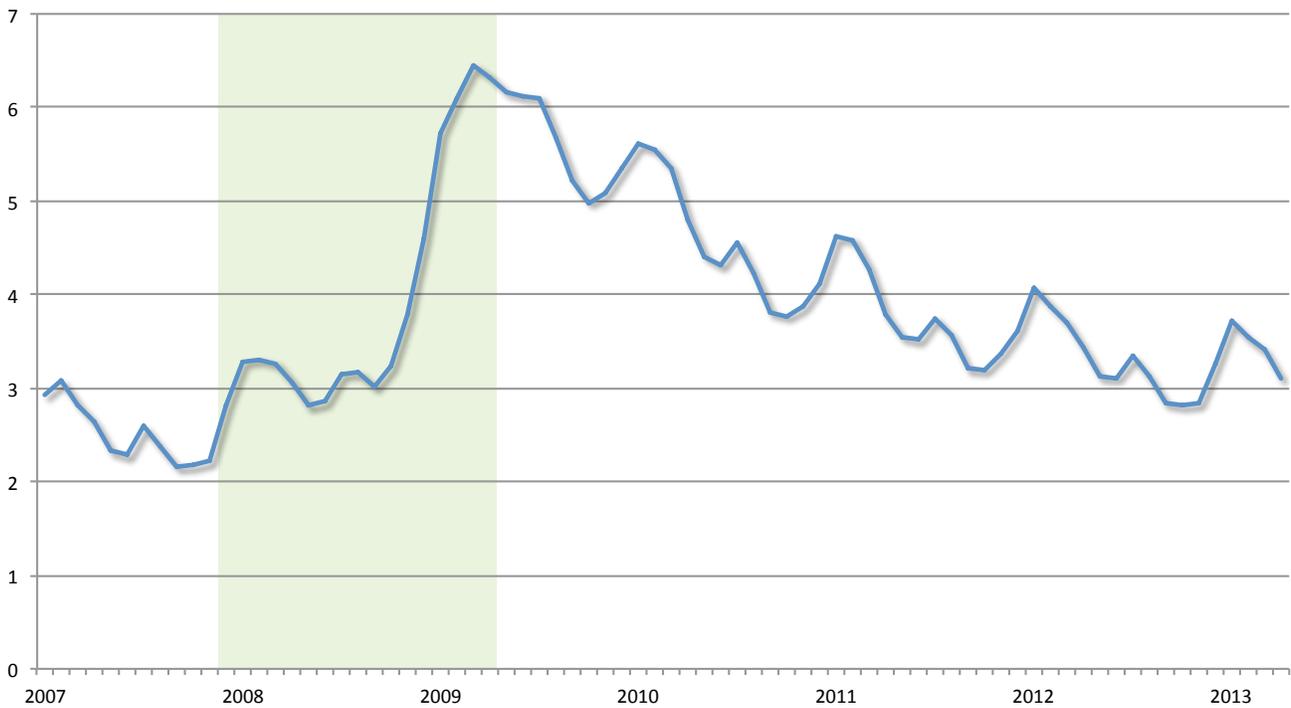
Sources: Haver Analytics/BLS/VEC The shaded area on the graph represents the December 2007 - June 2009 recession.

### Fig. 8 – Initial Claims (Thousands)



Sources: DOL/St. Louis Federal Reserve/VEC The shaded area on the graph represents the December 2007 - June 2009 recession.

### Fig. 9 – Continued Claims (Millions)



Sources: DOL/Haver Analytics      The shaded area on the graph represents the December 2007 - June 2009 recession.

### Fig. 10 – Consumer Confidence (Percent)



Sources: The Conference Board/Haver Analytics      The shaded area on the graph represents the December 2007 - June 2009 recession.

# Virginia

## INDICATORS FOR 1ST QUARTER

James P. Wilson, Senior Economist ♦ James.Wilson@vec.virginia.gov



- Nonfarm employment had a net gain of 16,800, leaving it 21,000 below its pre-recession high of 3,777,800 achieved in February 2008.
- The total unemployment rate was unchanged the first two months, then fell in March to the same level as December 2008.
- The average insured unemployment rate was essentially unchanged from last quarter, but is still half the peak level attained in Second Quarter 2009 as claimants have either found work or moved into the federally funded unemployment insurance benefit program.
- Average initial claims fell over one percent in the first quarter and are 49 percent below the recessionary highs reached in the first quarter of 2009.
- Final payments for regular unemployment insurance fell slightly for the quarter and are about 55 percent below the recessionary highs reached in Third Quarter 2009. The percentage of claimants who exhausted their benefits has fallen every month since last August and is now about 48 percent.
- Mining and Logging employment reversed the losses from last quarter, but is 500, or 4.5 percent, below First Quarter 2012. Compared to a year ago, first quarter coal production decreased 10.9 percent (from 5.12 million to 4.56 million short tons).
- Construction employment rose sharply in January and February, leveled off in March, producing a total job gain of 8,800, or 5.2 percent. However, it is still 74,100 jobs below its pre-recession peak.
- Manufacturing employment experienced a net increase of 3,000 jobs, or 1.3 percent, and is now just above the level reached in Fourth Quarter 2009.
- Average weekly hours for manufacturing production workers fell every month of the quarter, while total production hours rose a little in January, then declined the next two months. Total production hours would have fallen more except that the number of production workers rose by 700, or 0.4 percent.
- Nominal and inflation-adjusted Average Hourly Earnings experienced net losses of 0.3 percent and 1.1 percent, respectively. With the decrease in average weekly hours and average hourly earnings, both nominal and inflation-adjusted Average Weekly Earnings had decreases of about three percent.
- Wholesale Trade's employment had a net gain of 800 jobs, leaving it 10,000 below its pre-recession peak. Retail Trade gained 5,600 jobs, putting it 23,400 jobs below its pre-recession high. Total nominal and inflation-adjusted taxable retail sales, increased 3.9 percent and 3.3 percent, respectively, from last quarter.
- Transportation, Warehousing, and Utilities employment lost a net 500 jobs, or 0.4 percent, and remains about 3,500 below its pre-recession peak.

- Information employment gained employment the first two months of the quarter, then declined sharply in March, but ended the quarter above December's level.
- Finance employment experienced job increases every month for a total gain of 2,600 jobs, or 1.4 percent, and is now only 1,600 below its pre-recession peak of 195,700.
- Professional and Business Services employment more than reversed the gains of last quarter leaving its employment about the same as May 2012. The total loss was 4,500 jobs, but its employment level remains over 42,000 jobs above the low reached in Third Quarter 2009.
- Private Education and Health Services employment fell, rose, then fell again, ending the quarter just 200 jobs above where it began.
- Leisure and Hospitality's employment had a net gain of 6,800, or 1.9 percent, and set a new record high in March.
- Employment in Miscellaneous Services posted a net loss of 1,400 jobs, or 0.7 percent, putting it back at its November 2011 level.
- Federal Government employment had a net gain of 500 jobs for the quarter and is now 12,700 above the average for 2008 and 2009.
- State Government's employment loss of 1,500 jobs in January was partially reduced over the next two months for a net loss of 800, or 0.5 percent. Meanwhile, Local Government employment's January gain of 800 was more than offset by losses in February and March for a net loss of 1,100, or 0.3 percent.
- Single family building permits rose sharply the first month, before retreating the last two months. The 5,377 total for the quarter is 0.7 percent higher than Fourth Quarter 2012.
- Total new business incorporations fell about 1.5 percent from last quarter and ended the quarter at a new record low level.
- Total new vehicle registrations rose over 6,800, or 6.3 percent from last quarter, and are about 15 percent below pre-recession highs of almost 45,000 per month.

## Around the State

Because the metropolitan data are not seasonally adjusted, over-the-year analysis (First Quarter 2013 versus First Quarter 2012) is used.

**Statewide** there were 35,100 jobs gained, or 1.0 percent of nonfarm employment. The biggest increases were in Private Education and Health Services (13,400 jobs or 2.8 percent), Finance, Insurance, and Real Estate (7,300 or 4.0 percent), Leisure and Hospitality Services (4,600 or 1.4 percent), and Professional and Business Services (3,700 or 0.6 percent). Gains of at least 1,000 were posted in Federal Government (2,000 or 1.2 percent), State Government (1,900 or 1.2 percent), Manufacturing (1,700 or 0.7 percent), Local Government (1,700 or 0.4 percent), Transportation, Warehousing, and Utilities (1,600 or 1.4 percent), and Wholesale Trade (1,000 or 0.9 percent). Construction had the smallest gain (100 or 0.1 percent). There were substantial losses in Information (1,100 or 1.5 percent), Retail Trade (1,100 or 0.3 percent), and Miscellaneous Services (1,000 or 0.5 percent). The smallest loss occurred in Mining and Logging (500 or 4.5 percent). The state's unemployment rate fell from 6.2 percent to 5.7 percent, while the national rate fell from 8.6 percent to 8.1 percent. Single family building permits increased 20.2 percent from 4,412 to 5,305. The state's gain was less than the 24.9 percent increase across the nation. Taxable retail sales increased 1.4 percent from \$25.05 billion to \$25.41 billion.

**Northern Virginia MSA** gained 18,800 jobs, or 1.4 percent of nonfarm employment, and provided about 54 percent of statewide total job growth. Eight of the 14 sectors grew, with five of these increasing by at least 3,000 jobs. Those with the largest increases were Local Government (8,400 jobs or 6.6 percent) and Professional and Business Services (4,200 or 1.1 percent). The latter's growth was reduced by a permanent layoff in the Professional, Scientific, and Technical Services subsector's computer systems design services industry. Other large increases were posted in Finance, Insurance, and Real Estate (3,400 or 5.2 percent), Leisure and Hospitality Services (3,200 or 2.7 percent), and Private Education and Health Services (3,000 or 2.1 percent). The Finance and Insurance subsector provided most of its sector's growth (2,800 or 6.2 percent). Growth in the Real Estate and Rental and Leasing subsector was reduced by a permanent layoff in the real estate industry group. Health Care and Social Assistance provided over 90 percent of its sector's growth. The Food Services and Drinking Places industry group created about 90 percent of the increase for Leisure and Hospitality Services. Smaller increases were posted in Retail Trade (1,600 or 1.2 percent) and Federal Government (1,400 or 1.6 percent). Retail's gain was reduced by a permanent layoff in the General Merchandise Stores subsector. The remaining positive sector was Wholesale Trade (200 or 0.6 percent), while State Government was unchanged. There were substantial losses in Mining, Logging, and Construction (3,100 or 4.8 percent) and Miscellaneous Services (2,400 or 3.3 percent). Losses of less than 1,000 were

registered in Manufacturing (400 or 1.8 percent), Information (400 or 1.0 percent), and Transportation, Warehousing, and Utilities (100 or 0.3 percent). A permanent layoff in the food subsector contributed to Manufacturing's decline. The area's unemployment rate remained the lowest among the state's MSAs and fell from 4.8 percent to 4.3 percent. Single family building permits for the entire Washington-Arlington-Alexandria, DC-VA-MD-WV MSA increased 38.2 percent from 2,625 to 3,627. Taxable retail sales increased 4.7 percent from \$9.72 billion to \$10.18 billion.

**Virginia Beach-Norfolk-Newport News, Virginia/North Carolina MSA** gained 13,000 jobs, or 1.8 percent of nonfarm employment, and provided 37 percent of statewide total job growth. Eleven sectors gained employment and three lost employment. The biggest gains were in the Mining, Logging, and Construction (3,400 jobs or 10.1 percent), Private Education and Health Services (2,900 jobs or 2.9 percent), and Manufacturing (2,100 or 3.9 percent) sectors. Despite permanent layoffs at transportation equipment firms, all of Manufacturing's growth was in the Durable Goods subsector. Non-durable goods manufacturing declined (100 or 0.8 percent), including a permanent layoff in the Food subsector. Health Care and Social Assistance provided all of the growth for its sector. Also showing large gains were the Finance, Insurance, and Real Estate (1,700 or 4.6 percent), Professional and Business Services (1,300 or 1.3 percent), and Leisure and Hospitality Services (1,000 or 1.3 percent) sectors. Almost all of the Finance sector's growth occurred in the Finance and Insurance subsector. For Professional and Business Services, large gains in Administrative and Support Services (2,100 or 5.0 percent) were offset by losses in Professional, Scientific, and Technical Services (800 or 1.7 percent) and Management of Companies (100 or 1.1 percent). Smaller gains were posted in State Government (800 or 3.7 percent) and Local Government (800 or 0.9 percent). Three sectors recorded increases of 200 each: Transportation, Warehousing, and Utilities (0.9 percent); Miscellaneous Services (0.6 percent); and Federal Government (0.4 percent). The Transportation and Warehousing subsector provided all of its sector's growth. Retail Trade (1,000 or 1.2 percent) experienced the largest decrease. Smaller losses occurred in the Wholesale Trade (300 or 1.5 percent) and Information (100 or 0.9 percent) sectors. The area's unemployment rate fell from 7.0 percent to 6.2 percent, and the spread with the state decreased from 0.8 to 0.5 percentage point. Single family building permits for the whole MSA (which includes a county in North Carolina) increased 1.3 percent from 983 to 996. Taxable retail sales decreased 0.9 percent from \$4.66 billion to \$4.62 billion.

**Richmond MSA** gained 11,000 jobs, or 1.8 percent of nonfarm employment. Ten sectors gained employment, three lost

employment, and one was unchanged. The largest increases occurred in Private Education and Health Services (3,500 jobs or 4.0 percent), Finance, Insurance, and Real Estate (1,900 or 4.2 percent), Wholesale Trade (1,700 or 6.2 percent), Retail Trade (1,300 or 2.0 percent), and Mining, Logging, and Construction (1,200 or 3.8 percent). The Health Care and Social Assistance subsector provided all of the growth for its sector. Finance's growth was reduced by a permanent layoff in the Insurance subsector. Two sectors recorded gains of 900 each: Miscellaneous Services (3.0 percent) and Leisure and Hospitality Services (1.7 percent). About half of the latter's increase was in the Accommodation and Food Services subsector. Smaller gains of 100 each were registered in Federal Government (0.6 percent), Transportation, Warehousing, and Utilities (0.5 percent), and Manufacturing (0.3 percent). A permanent layoff in the Chemicals subsector reduced Manufacturing's growth. Professional and Business Services was unchanged, but there was a large loss (2,100 or 5.5 percent) in the Professional, Scientific, and Technical Services subsector. This large decrease was offset by increases in Management of Companies (500 or 2.3 percent) and Administrative and Support Services (1,700 or 4.5 percent). The latter's increase was reduced by a permanent layoff in the facilities support services industry. The largest loss occurred in Information (300 or 3.7 percent). Two sectors fell by 200 each: State Government (0.5 percent) and Local Government (0.3 percent). The area's unemployment rate fell from 6.8 percent to 6.1 percent and the spread with the state decreased from 0.6 to 0.4 percentage point. Single family building permits increased 25.3 percent from 672 to 842. Taxable retail sales fell 2.1 percent from \$4.23 billion to \$4.14 billion.

**Lynchburg MSA** gained 2,300 jobs, or 2.3 percent of nonfarm employment. The Private Service-Providing sector grew by 2,700 jobs, or 4.1 percent. Trade, Transportation, Utilities was unchanged, but Retail Trade declined by 100, or 0.8 percent. The latter's decrease included a permanent layoff in general merchandise stores. Local Government increased by 300, or 2.9 percent, while State Government increased by 100, or 3.0 percent. The Goods-Producing sector, which is composed of Mining, Construction, and Manufacturing, had a loss of 700, or 3.5 percent. Manufacturing fell by 200, or 1.4 percent. Federal Government fell by 100 or 14.3 percent. The area's unemployment rate fell from 7.1 percent to 6.3 percent, but the percentage point spread with the state narrowed from 0.9 to 0.6. Single family building permits rose 9.8 percent from 102 to 112. Taxable retail sales rose 5.9 percent from \$603.0 million to \$638.4 million; it had the largest percentage increase among the MSAs.

**Winchester Virginia/West Virginia MSA** gained 2,100 jobs, or 3.7 percent of nonfarm employment. The Private Service-

Providing sector rose by 2,100 jobs, or 5.5 percent, but the Trade, Transportation, and Utilities subsector was unchanged. State and Local Government grew by 100 each, or 7.1 percent and 1.7 percent, respectively. The Goods-Producing sector, which consists of Mining, Construction, and Manufacturing, fell by 200 jobs, or 2.1 percent. There was a permanent layoff in furniture manufacturing. There were temporary layoffs in building construction and beverage manufacturing. Federal Government declined by 100, or 5.6 percent. The area's unemployment rate dropped from 6.5 percent to 5.7 percent, equal to the state average. Single family building permits for the whole MSA (which includes a county in West Virginia) increased 29.2 percent from 65 to 84. Taxable retail sales rose 3.3 percent from \$441.7 million to \$456.4 million.

**Roanoke MSA** gained 1,800 jobs, or 1.2 percent of nonfarm employment. Eight of the fourteen sectors showed job gains. The largest gain was in Private Education and Health Services which increased by 600 jobs, or 2.4 percent. Four sectors increased by 300 jobs each: Finance, Insurance, and Real Estate (3.7 percent); Leisure and Hospitality Services (2.3 percent); Local Government (2.0 percent); and Manufacturing (1.8 percent). Manufacturing's growth was reduced by a permanent layoff in the Wood Products subsector. Posting increases of 100 jobs per sector were: Federal Government (2.5 percent); Miscellaneous Services (1.4 percent); and Transportation, Warehousing, and Utilities (1.1 percent). Four sectors were neutral: Professional and Business Services, Retail Trade, State Government, and Wholesale Trade. There was a permanent layoff in the call center services industry of the Professional and Businesses Services sector. Only two sectors registered losses. Mining, Logging, and Construction declined by 200, or 2.7 percent, and Information fell by 100, or 5.3 percent. The area's unemployment rate fell from 6.6 percent to 5.9 percent and the gap with the state average was cut in half to 0.2 percentage point. Single family building permits increased 32.9 percent from 82 to 109. Taxable retail sales decreased 1.7 percent from \$995.6 million to \$979.1 million.

**Blacksburg-Christiansburg-Radford MSA** gained 1,500 jobs, or 2.1 percent of nonfarm employment. The largest gain occurred in the Private Service-Providing (1,000 jobs or 3.0 percent) sector despite a permanent layoff in maintenance and operations support services and a temporary layoff in management consulting services. State Government also posted a large gain—800 or 5.0 percent. The Goods-Producing sector, which is composed of Mining, Construction, and Manufacturing, decreased by 200, or 0.8 percent. Both temporary and permanent layoffs in transportation equipment manufacturing contributed to the decline. Federal Government employment was unchanged, while Local Government declined by 200 jobs, or 2.7 percent. The area's unemployment rate rose from 6.5 percent to 7.0 percent and was the only area that

experienced an increase in its rate. *Building permit data is not available for this MSA.* Taxable retail sales rose 1.7 percent from \$405.2 million to \$412.0 million.

**Harrisonburg MSA** gained 800 jobs, or 1.3 percent of nonfarm employment. The Private Service-Providing sector had an increase of 900 jobs, or 2.4 percent. Trade, Transportation, and Utilities increased by 100, or 0.8 percent, while Retail Trade was unchanged. State Government rose by 300, or 4.5 percent, while the Federal and Local Government sectors were unchanged. The Goods-Producing sector, which is composed of Mining, Construction, and Manufacturing, had a loss of 400 jobs, or 2.9 percent. The area's unemployment rate fell from 6.0 percent to 5.3 percent and its edge over the state has increased from 0.2 to 0.4 percentage point. Single family building permits increased 41.3 percent from 92 to 130. Taxable retail sales increased 2.9 percent from \$393.4 million to \$404.6 million.

**Danville MSA** gained 400 jobs, or 1.0 percent of nonfarm employment. The Goods-Producing sector, which consists of Mining, Construction, and Manufacturing, increased by 400, or 4.8 percent, but the Manufacturing component fell by 100, or 1.4 percent. Contributing to Manufacturing's decline were temporary layoffs in the Food and Plastics subsectors. Professional and Business Services grew by 300 jobs, or 8.1 percent. Local Government grew by 100, or 1.9 percent. The Federal and State Government sectors were unchanged. The area's unemployment rate again had the largest decline of the MSAs (from 9.0 percent to 7.9 percent), but the rate was still the highest among the state's MSAs. Single family building permits increased 144.4 percent from 18 to 44. Taxable retail sales decreased 3.2 percent from \$250.5 million to \$242.6 million. It had the largest percentage decrease among the MSAs.

**Charlottesville MSA** lost 2,600 jobs, or 2.6 percent of nonfarm employment. The largest declines were in Local Government (700 jobs or 7.4 percent) and State Government (600 or 2.8 percent). Smaller losses were reported in the Professional and Business Services (300 or 2.4 percent) and Trade, Transportation, and Utilities (300 or 2.2 percent) sectors. A permanent layoff in the computer systems design services industry contributed to the former's decline. Federal Government fell by 100, or 7.1 percent. Leisure and Hospitality Services increased by 300, or 2.6 percent. The Goods-Producing sector, which consists of Mining, Construction, and Manufacturing, rose by 100, or 1.2 percent. Despite the employment losses, unemployment fell from 5.4 percent to 4.9 percent and remained the second-lowest MSA after Northern Virginia. Single family building permits increased 30.4 percent from 125 to 163. Taxable retail sales decreased 1.4 percent from \$614.4 million to \$605.7 million.

# DATA: JANUARY 2012-MARCH 2013

## Employment Indicators\*

2012	Nonagricultural Wage and Salary Employment (Thousands)		Total Unemployment Rate (Percent)	
	Unadjusted	Adjusted	Unadjusted	Adjusted
January	3,653.1	3,714.1	6.4	6.0
February	3,670.3	3,720.3	6.3	5.9
March	3,697.7	3,724.6	6.0	5.9
April	3,722.7	3,717.6	5.5	5.9
May	3,733.7	3,714.4	5.8	5.9
June	3,754.1	3,713.6	6.2	6.0
July	3,719.6	3,724.4	6.2	6.0
August	3,731.9	3,742.0	6.0	5.9
September	3,743.7	3,736.0	5.7	5.9
October	3,761.9	3,741.5	5.5	5.8
November	3,772.3	3,741.9	5.4	5.7
December	3,762.6	3,740.0	5.5	5.6
<b>2013</b>				
January	3,688.7	3,750.2	6.2	5.6
February	3,707.8	3,758.2	5.7	5.6
March	3,729.8	3,756.8	5.2	5.3

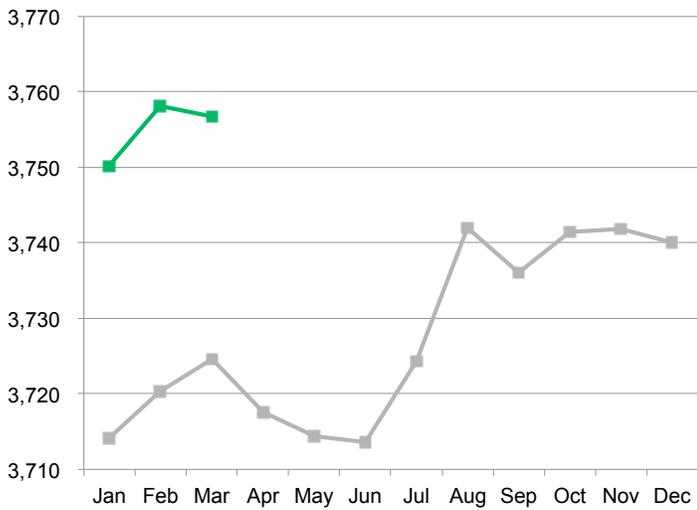
\*These series have been adjusted to First Quarter 2012 benchmarks.

## Unemployment Insurance Indicators

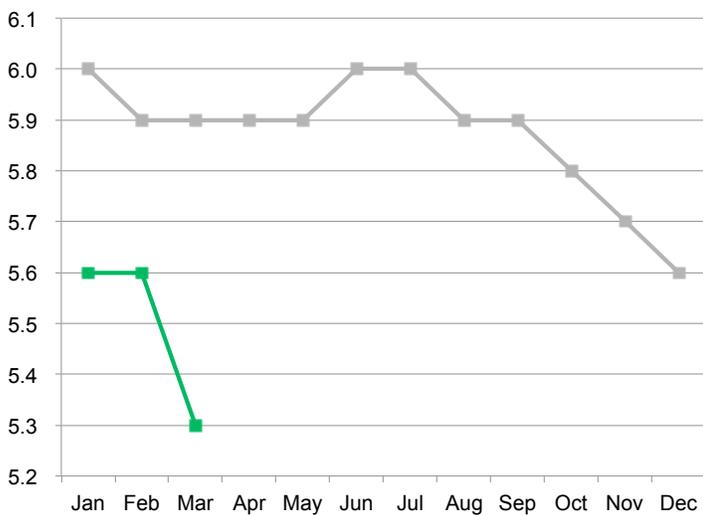
2012	Average Weekly Initial Claims		Insured Unemployment Rate (Percent)		Unemployment Insurance Final Payments	
	Unadjusted	Adjusted	Unadjusted	Adjusted	Unadjusted	Adjusted
January	8,809	6,001	1.68	1.46	6,999	6,565
February	5,688	5,350	1.61	1.40	6,061	6,391
March	5,284	5,665	1.52	1.38	6,004	5,303
April	5,473	6,226	1.37	1.38	6,831	6,346
May	5,251	6,064	1.32	1.38	5,510	5,667
June	5,935	6,227	1.36	1.39	5,171	5,051
July	5,758	6,062	1.39	1.38	6,601	6,484
August	4,575	5,503	1.31	1.35	5,483	5,067
September	5,136	6,058	1.21	1.35	4,756	5,132
October	4,905	5,340	1.20	1.34	5,539	5,657
November	5,841	5,724	1.18	1.30	4,540	5,318
December	6,680	5,293	1.33	1.34	4,457	4,862
<b>2013</b>						
January	8,482	5,778	1.56	1.35	6,142	5,761
February	5,413	5,091	1.53	1.33	5,058	5,334
March	4,905	5,258	1.40	1.27	5,152	4,550

## Employment Indicators

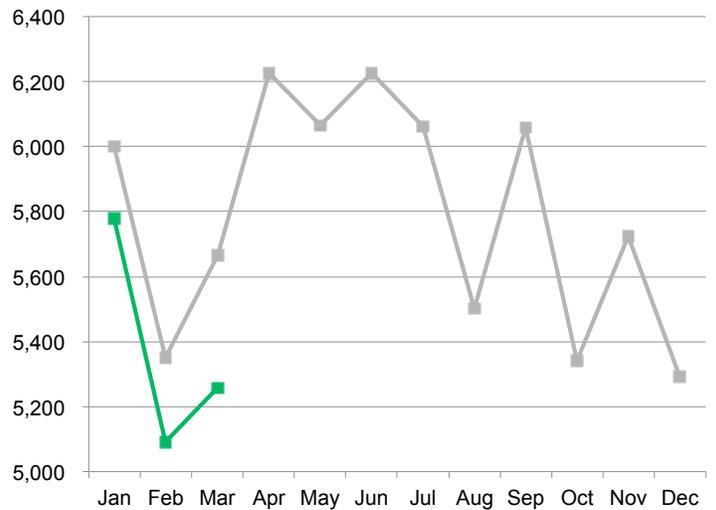
### Nonagricultural Wage and Salary Employment (Thousands)



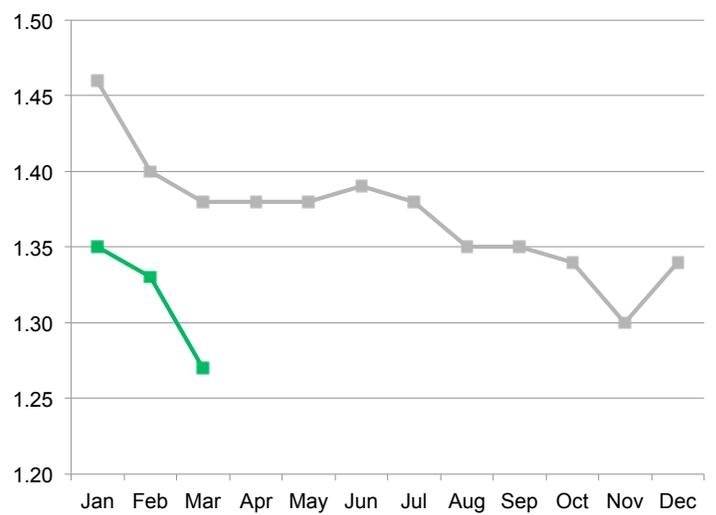
### Total Unemployment Rate (Percent)



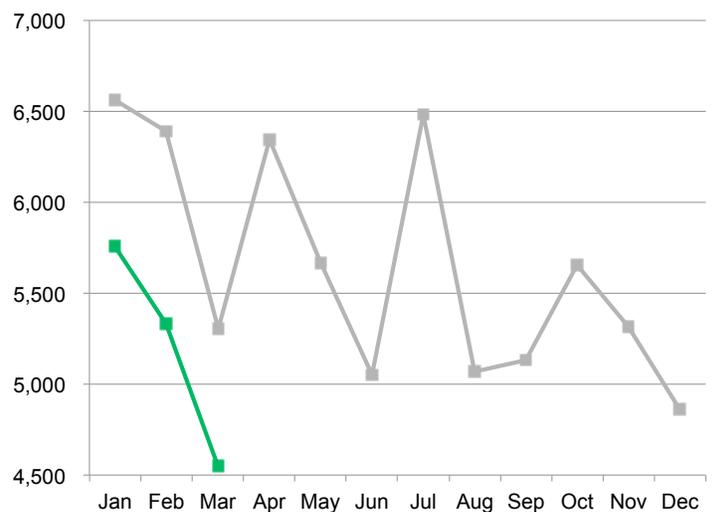
### Average Weekly Initial Claims



### Insured Unemployment Rate (Percent)



### Unemployment Insurance Final Payments



2012
  2013
 January 2012 - March 2013

## Goods Producing Employment\*

	Mining and Logging Employment (Thousands)		Construction Employment (Thousands)		Manufacturing Employment (Thousands)		
	2012	Unadjusted	Adjusted	Unadjusted	Adjusted	Unadjusted	Adjusted
January		11.1	11.2	169.7	177.9	230.6	232.5
February		11.1	11.3	169.0	177.9	230.7	232.9
March		11.1	11.2	172.3	178.1	231.2	232.8
April		11.0	11.2	175.2	177.1	230.9	232.0
May		11.0	11.1	177.6	176.6	230.7	231.2
June		11.1	11.1	180.7	177.6	230.9	230.4
July		11.0	11.0	181.6	175.8	233.4	232.3
August		11.0	10.9	181.0	175.4	233.5	232.6
September		10.8	10.7	179.4	175.4	233.9	232.8
October		10.8	10.6	177.8	174.7	233.5	232.4
November		10.6	10.5	176.1	174.2	233.0	232.2
December		10.5	10.4	170.1	170.5	232.8	231.5
<b>2013</b>							
January		10.5	10.6	167.3	175.4	232.6	234.5
February		10.6	10.7	170.4	179.3	232.1	234.3
March		10.6	10.7	173.5	179.3	232.9	234.5

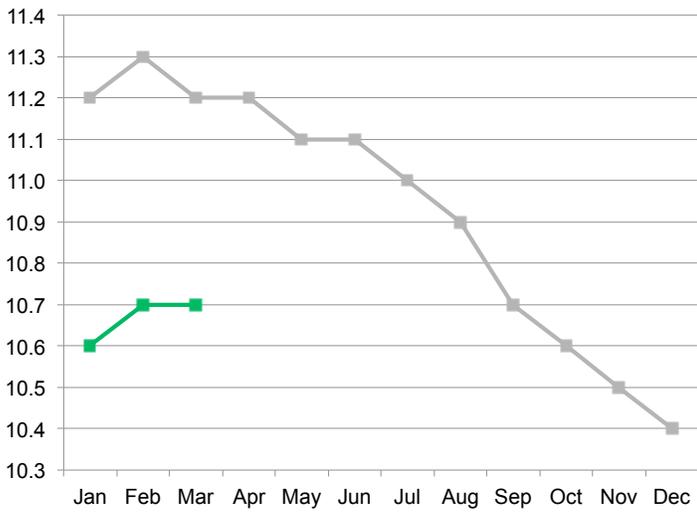
## Trade Employment\*

	Wholesale Trade Employment (Thousands)		Retail Trade Employment (Thousands)		
	2012	Unadjusted	Adjusted	Unadjusted	Adjusted
January		110.0	111.1	403.4	406.7
February		110.3	111.3	395.9	405.7
March		110.9	111.6	399.3	408.2
April		111.2	111.4	400.3	406.4
May		111.7	111.4	404.3	405.3
June		112.1	111.6	405.0	404.3
July		112.1	111.5	403.1	404.0
August		112.1	111.4	403.0	403.5
September		111.7	111.6	401.2	404.4
October		111.3	111.3	405.5	404.6
November		112.1	111.9	418.1	405.4
December		111.1	110.9	418.6	400.3
<b>2013</b>					
January		111.7	112.8	402.0	405.3
February		111.4	112.4	396.1	405.9
March		111.0	111.7	397.0	405.9

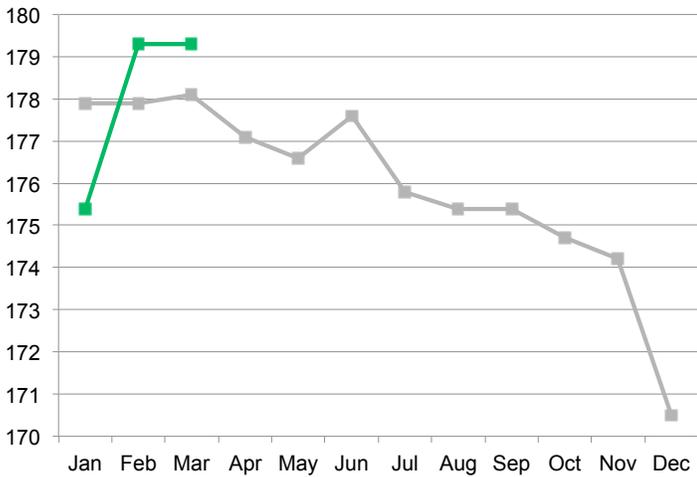
\*These series have been adjusted to First Quarter 2012 benchmarks.

## Goods Producing Employment

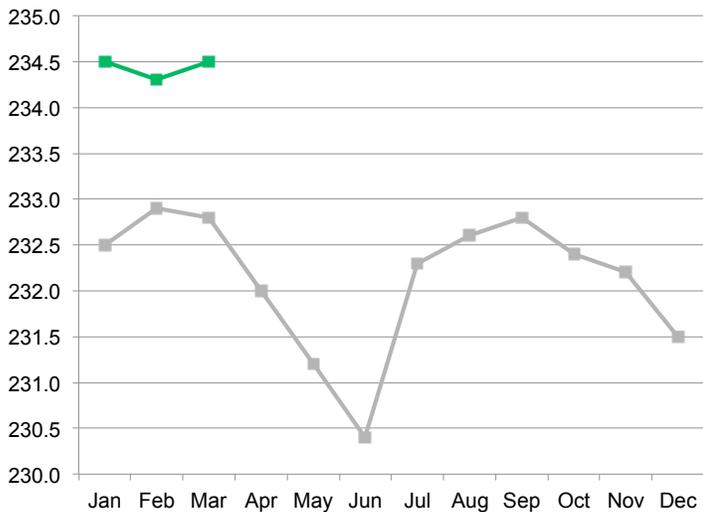
### Mining and Logging Employment (Thousands)



### Construction Employment (Thousands)

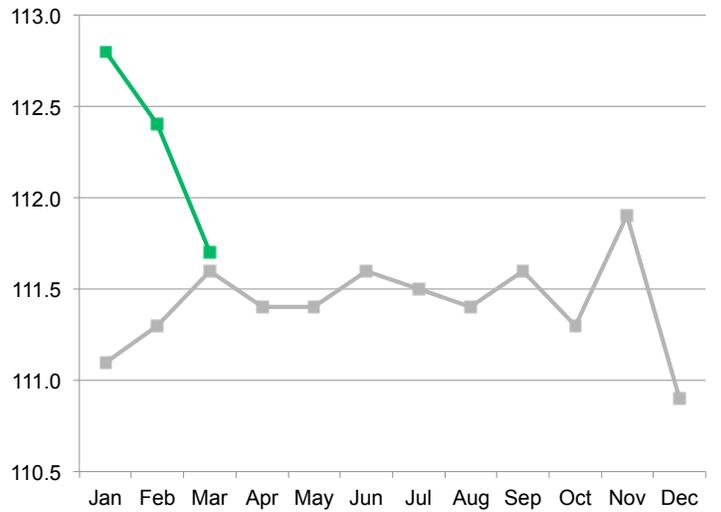


### Manufacturing Employment (Thousands)

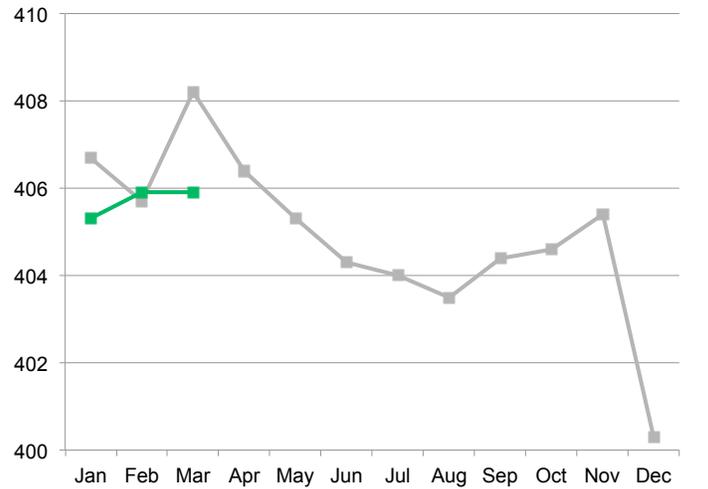


## Trade Employment

### Wholesale Trade Employment (Thousands)



### Retail Trade Employment (Thousands)



2012 2013 January 2012 - March 2013

## Transportation, Information, and Finance Employment\*

2012	Transportation, Warehousing, and Utilities Employment (Thousands)		Information Employment (Thousands)		Finance Employment (Thousands)	
	Unadjusted	Adjusted	Unadjusted	Adjusted	Unadjusted	Adjusted
January	113.4	115.1	71.3	71.5	183.2	185.3
February	113.7	116.0	72.0	72.3	184.0	186.1
March	113.7	115.5	72.6	72.5	184.8	186.3
April	114.1	115.3	71.2	71.8	185.7	186.5
May	115.2	115.7	71.9	72.0	186.5	186.7
June	115.9	115.6	72.9	72.4	188.7	187.1
July	116.0	115.4	71.8	71.8	190.4	187.9
August	116.0	115.4	73.2	73.2	190.9	188.7
September	115.7	115.2	71.2	71.5	190.3	189.9
October	115.7	115.1	71.3	71.4	191.0	191.1
November	117.2	115.7	71.5	71.2	190.7	191.0
December	120.0	116.8	71.0	70.6	191.7	191.5
<b>2013</b>						
January	116.6	118.3	70.8	71.0	189.8	192.0
February	114.6	116.9	71.0	71.3	191.5	193.7
March	114.5	116.3	70.8	70.7	192.5	194.1

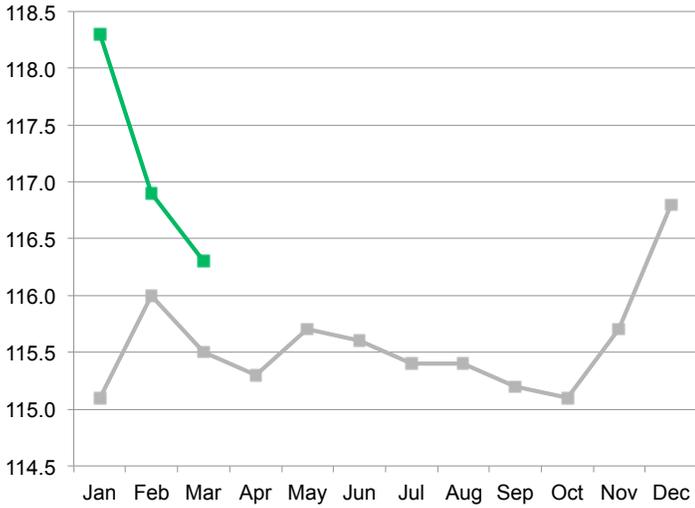
## Service Employment\*

2012	Professional and Business Services Employment (Thousands)		Private Education and Health Services Employment (Thousands)	
	Unadjusted	Adjusted	Unadjusted	Adjusted
January	664.4	674.1	470.9	471.0
February	666.9	675.1	474.2	473.1
March	671.0	676.0	475.9	473.2
April	676.4	676.8	477.9	474.0
May	676.0	677.4	471.2	467.0
June	679.2	677.2	470.2	468.9
July	680.8	676.6	470.3	484.1
August	683.8	678.7	475.3	492.2
September	680.2	679.7	481.1	480.5
October	687.6	682.2	487.0	482.0
November	687.2	682.3	490.3	484.2
December	683.6	682.4	490.8	486.4
<b>2013</b>				
January	669.6	679.4	482.1	482.2
February	670.7	678.9	489.8	488.7
March	672.9	677.9	489.4	486.6

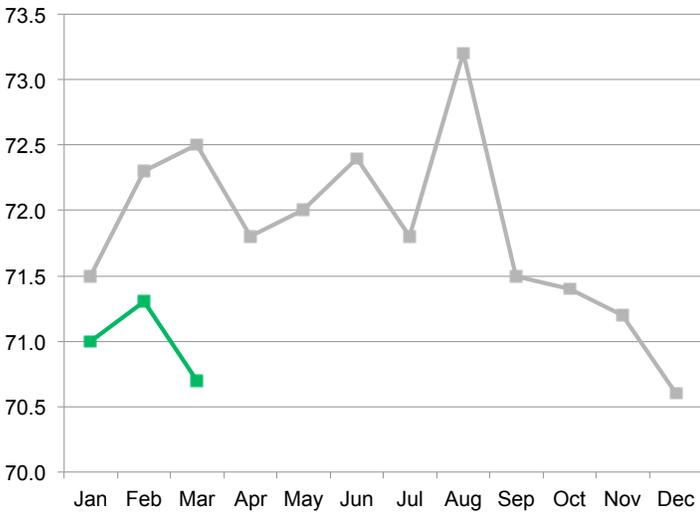
\*These series have been adjusted to First Quarter 2012 benchmarks.

## Transportation, Information, and Finance Employment

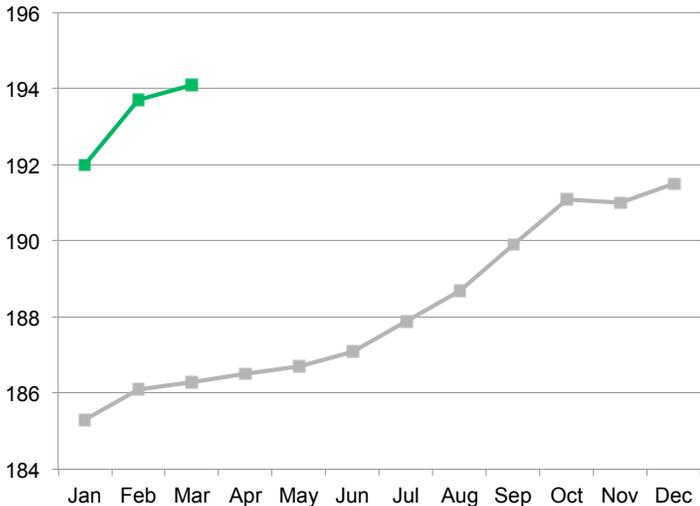
### Transportation, Warehousing, and Utilities Employment (Thousands)



### Information Employment (Thousands)

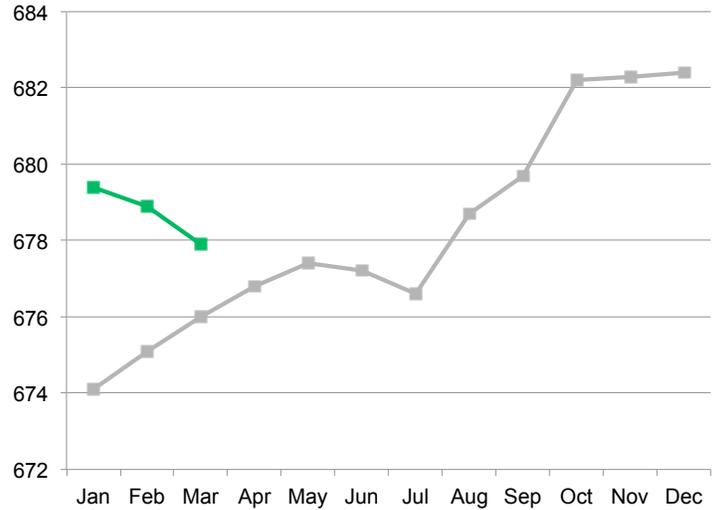


### Finance Employment (Thousands)

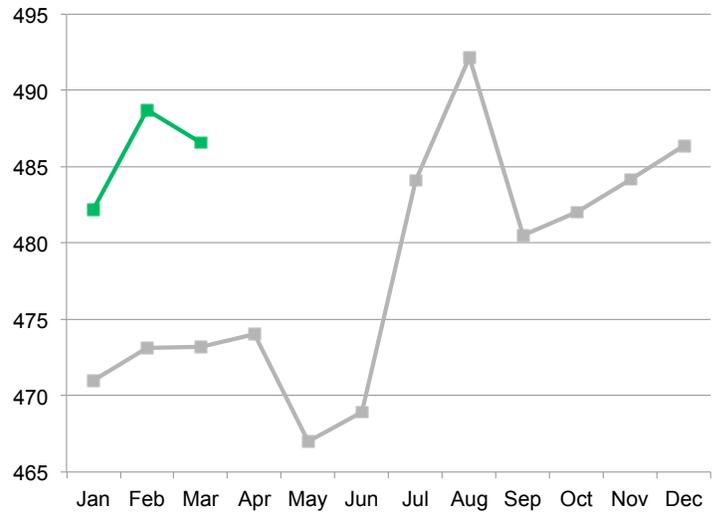


## Service Employment

### Professional and Business Services Employment (Thousands)



### Private Education and Health Services Employment (Thousands)



2012 2013 January 2012 - March 2013

## Service Employment\* (Continued)

2012	Leisure and Hospitality Services Employment (Thousands)		Miscellaneous Services Employment (Thousands)	
	Unadjusted	Adjusted	Unadjusted	Adjusted
January	330.2	356.3	186.8	189.6
February	335.2	357.8	187.8	189.8
March	344.8	359.4	189.0	190.1
April	355.7	357.3	190.1	189.9
May	368.5	357.1	191.0	190.1
June	379.2	355.8	192.7	190.3
July	379.3	356.3	193.1	190.7
August	380.3	358.7	192.0	190.6
September	366.7	358.9	190.5	190.9
October	356.3	358.1	191.1	191.2
November	347.1	356.4	191.0	191.6
December	346.6	358.5	189.7	190.4
<b>2013</b>				
January	335.3	361.8	185.9	188.7
February	338.1	360.9	186.9	188.9
March	350.4	365.3	187.9	189.0

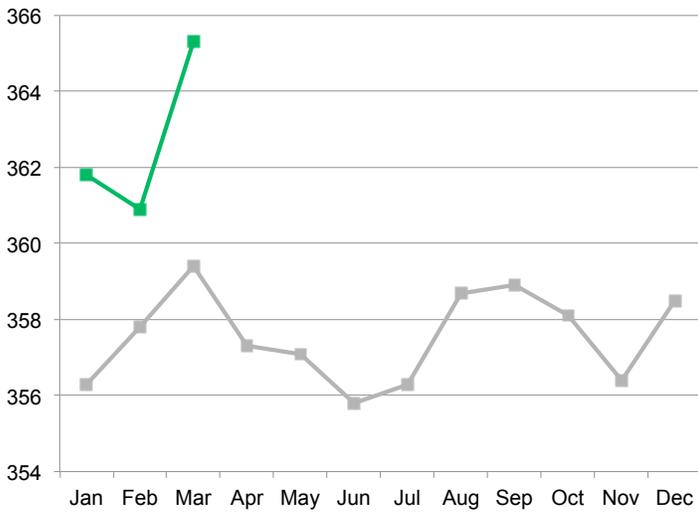
## Government Employment\*

2012	Federal Government Employment (Thousands)		State Government Employment (Thousands)		Local Government Employment (Thousands)	
	Unadjusted	Adjusted	Unadjusted	Adjusted	Unadjusted	Adjusted
January	172.8	173.8	151.5	156.0	383.8	381.3
February	172.3	174.0	161.2	158.2	386.0	380.3
March	172.0	173.5	161.1	157.7	388.0	380.3
April	174.3	174.0	162.4	157.2	386.3	379.7
May	173.3	172.6	155.8	157.7	389.0	379.9
June	174.4	173.2	151.3	157.1	389.8	379.7
July	175.3	173.4	148.8	157.3	352.6	373.9
August	175.3	174.0	152.3	158.9	352.2	380.0
September	174.9	174.6	163.4	158.9	372.7	381.2
October	175.0	175.6	163.3	158.9	384.7	382.2
November	174.6	175.3	163.6	159.4	389.2	382.2
December	174.8	175.3	162.6	160.1	388.7	382.7
<b>2013</b>						
January	174.5	175.5	154.0	158.6	386.0	383.5
February	174.5	176.3	162.5	159.4	387.6	381.9
March	174.3	175.8	162.8	159.3	389.3	381.6

\*These series have been adjusted to First Quarter 2012 benchmarks.

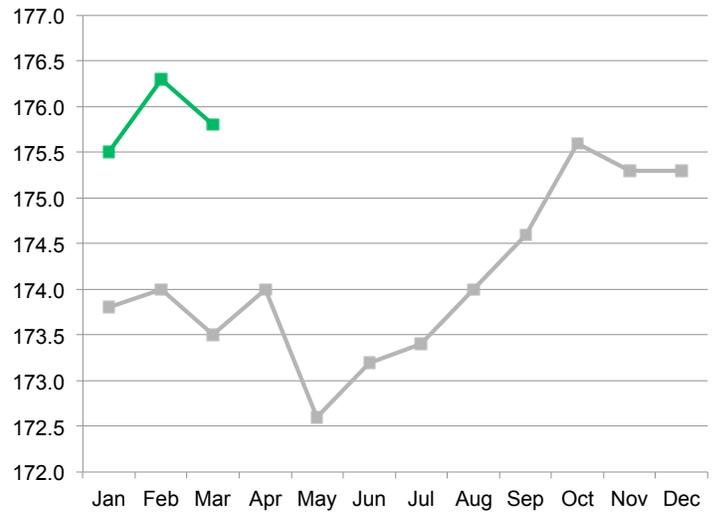
## Service Employment (Continued)

### Leisure and Hospitality Services Employment (Thousands)

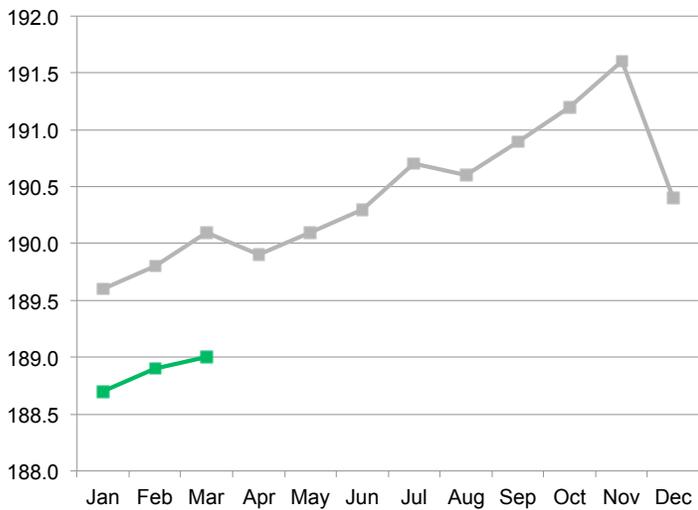


## Government Employment

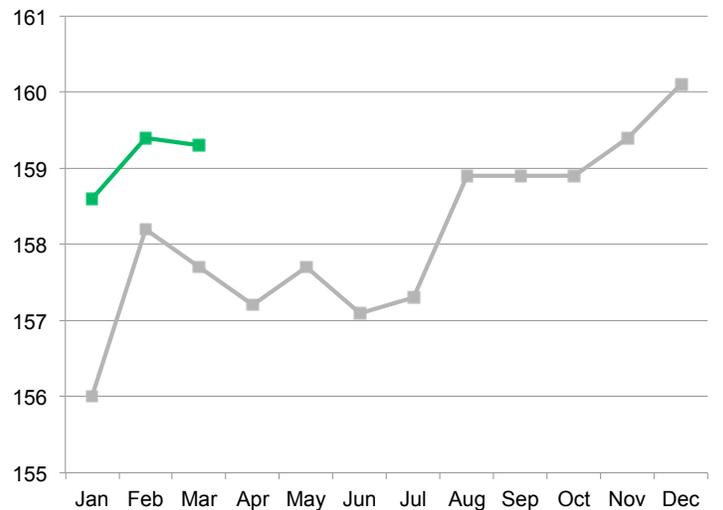
### Federal Government Employment (Thousands)



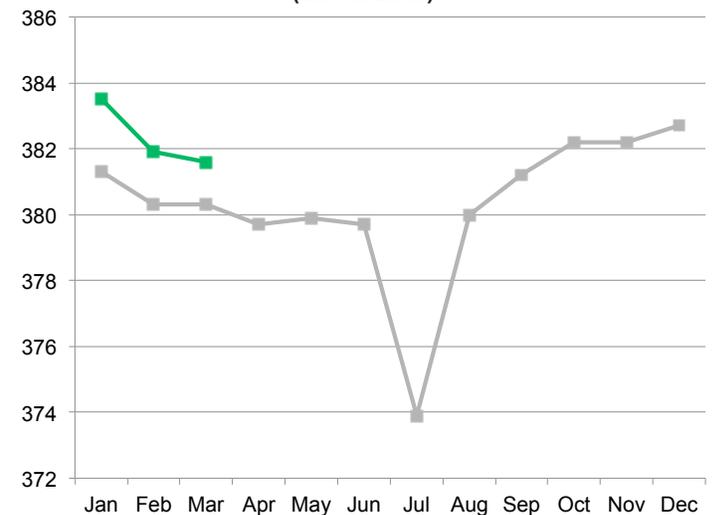
### Miscellaneous Services Employment (Thousands)



### State Government Employment (Thousands)



### Local Government Employment (Thousands)



2012
  2013
 January 2012 - March 2013

## Manufacturing Production Worker Indicators\*

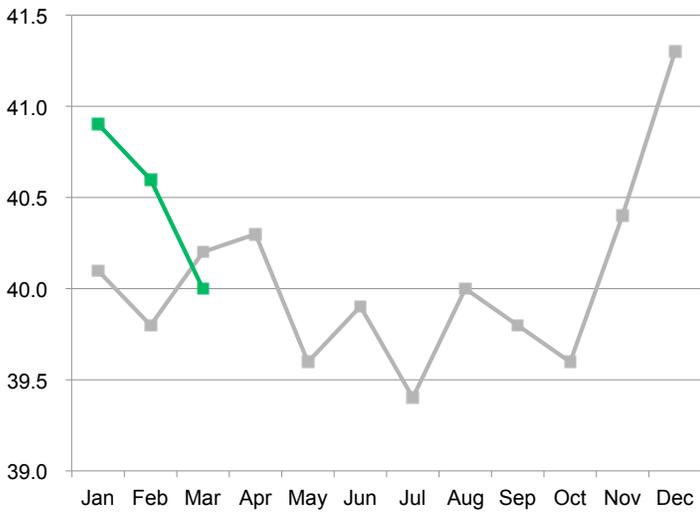
2012	Average Weekly Hours		Average Hourly Earnings (Dollars)		Deflated Average Hourly Earnings (1982-84 Dollars)	
	Unadjusted	Adjusted	Unadjusted	Adjusted	Unadjusted	Adjusted
January	39.2	40.1	18.38	18.43	8.23	8.18
February	39.0	39.8	18.22	18.15	8.12	8.05
March	39.9	40.2	18.01	18.08	7.96	7.98
April	40.1	40.3	18.67	18.74	8.22	8.30
May	40.0	39.6	18.34	18.25	8.09	8.09
June	40.4	39.9	18.33	18.29	8.11	8.12
July	39.2	39.4	18.93	18.71	8.39	8.34
August	40.6	40.0	18.59	18.46	8.19	8.16
September	40.6	39.8	18.54	18.56	8.13	8.17
October	40.0	39.6	18.68	18.79	8.19	8.25
November	40.5	40.4	18.79	19.03	8.29	8.36
December	40.9	41.3	18.95	18.99	8.39	8.34
<b>2013</b>						
January	40.0	40.9	18.96	19.01	8.37	8.32
February	39.8	40.6	18.75	18.68	8.20	8.13
March	39.7	40.0	18.87	18.94	8.23	8.25

2012	Total Production Hours (Thousands)		Average Weekly Earnings (Dollars)		Deflated Average Weekly Earnings (1982-84 Dollars)	
	Unadjusted	Adjusted	Unadjusted	Adjusted	Unadjusted	Adjusted
January	7,130	7,342	720.50	730.64	322.78	323.90
February	7,079	7,295	710.58	726.14	316.77	322.58
March	7,230	7,323	718.60	728.14	317.54	322.77
April	7,162	7,278	748.67	758.07	329.79	335.42
May	7,176	7,120	733.60	720.09	323.74	319.76
June	7,228	7,138	740.53	729.76	327.62	324.34
July	7,080	7,080	742.06	735.75	328.97	327.21
August	7,320	7,172	754.75	739.52	332.42	326.74
September	7,320	7,128	752.72	741.24	329.87	325.76
October	7,236	7,108	747.20	747.82	327.76	327.83
November	7,294	7,263	761.00	768.97	335.84	337.67
December	7,337	7,373	775.06	781.25	343.12	343.09
<b>2013</b>						
January	7,176	7,390	758.40	769.09	334.80	335.95
February	7,116	7,333	746.25	762.57	326.33	332.32
March	7,150	7,242	749.14	759.08	326.67	332.05

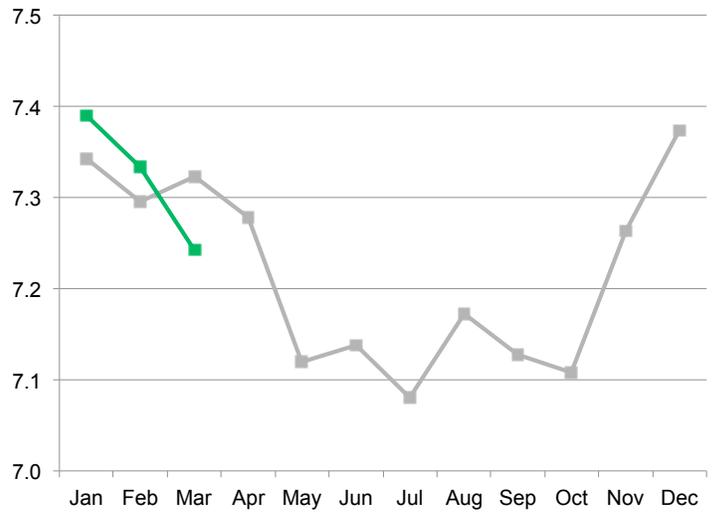
\*These series have been adjusted to First Quarter 2012 benchmarks.

# Manufacturing Production Worker Indicators

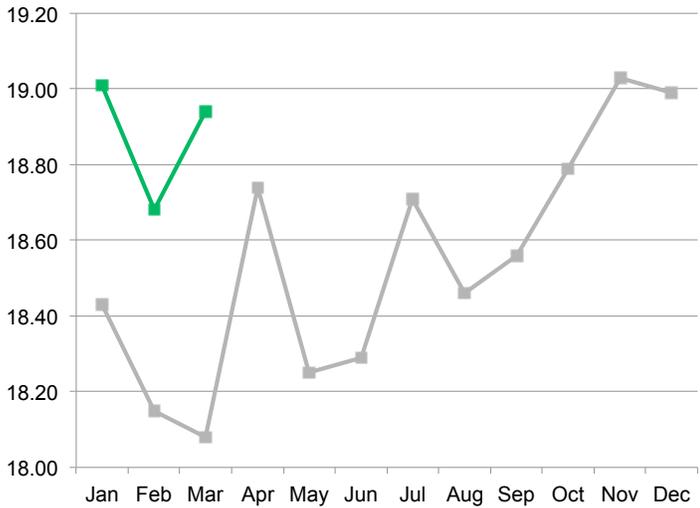
### Average Weekly Hours



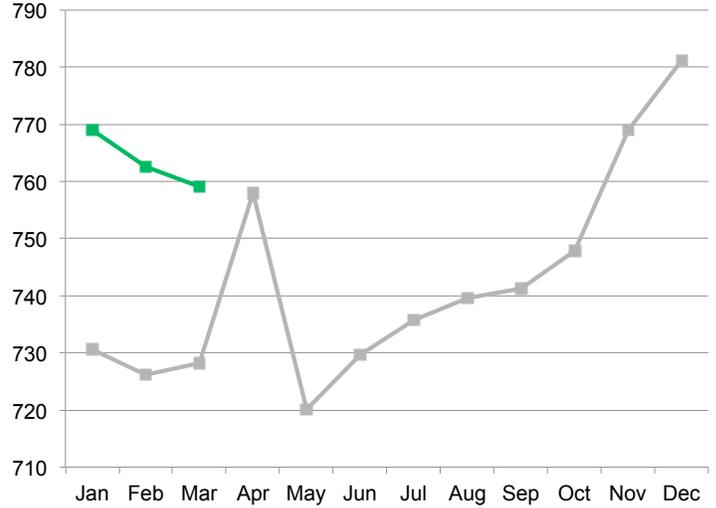
### Total Production Hours (Millions)



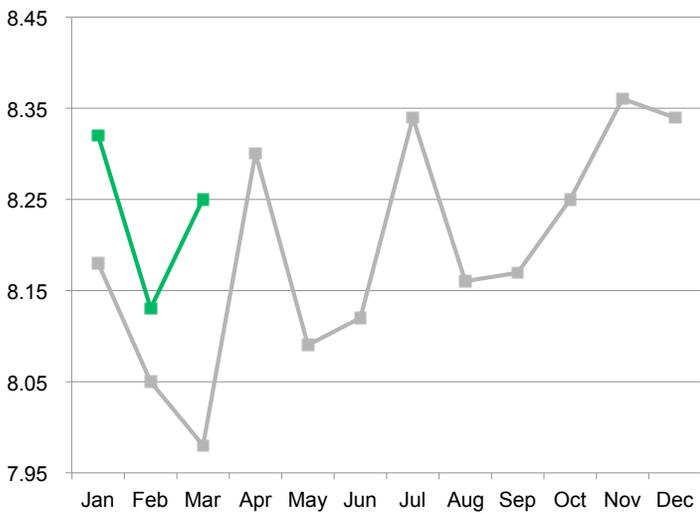
### Average Hourly Earnings (Dollars)



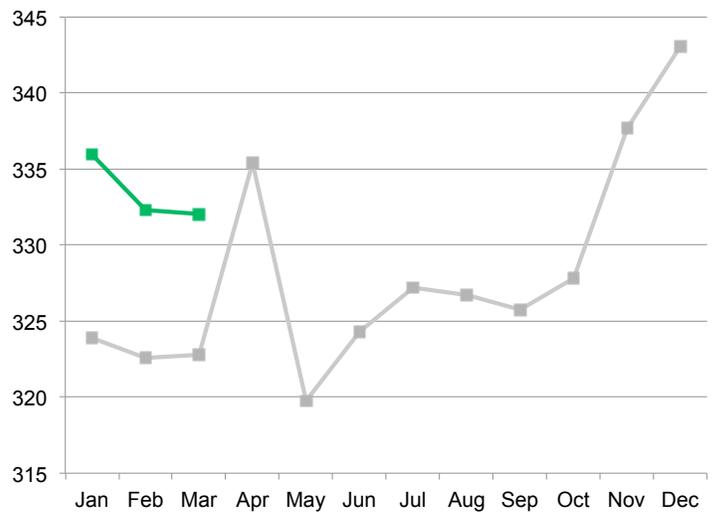
### Average Weekly Earnings (Dollars)



### Deflated Average Hourly Earnings (1982-84 Dollars)



### Deflated Average Weekly Earnings (1982-84 Dollars)



2012
  2013
 January 2012 - March 2013

## Business Indicators

### Single Family Housing Permits    New Business Incorporations    New Vehicle Registrations

2012	Unadjusted	Adjusted	Unadjusted	Adjusted	Unadjusted	Adjusted
January	1,154	1,378	1,135	1,109	33,335	36,223
February	1,916	2,004	1,158	1,163	31,057	37,413
March	1,342	1,113	1,263	1,053	38,265	35,334
April	1,365	1,184	1,188	1,052	37,779	32,956
May	1,594	1,471	1,130	1,160	41,754	36,842
June	1,613	1,438	1,125	1,068	39,167	33,684
July	1,568	1,434	1,138	1,104	35,213	33,546
August	1,717	1,530	1,021	1,053	38,969	36,489
September	1,501	1,455	862	926	34,715	33,837
October	1,481	1,655	943	1,010	35,676	38,766
November	1,446	1,885	973	1,168	29,422	35,871
December	1,317	1,802	844	915	28,410	34,014
<b>2013</b>						
January	1,639	1,957	1,167	1,140	38,811	42,172
February	1,750	1,830	1,044	1,049	27,224	32,796
March	1,916	1,589	1,025	855	43,901	40,536

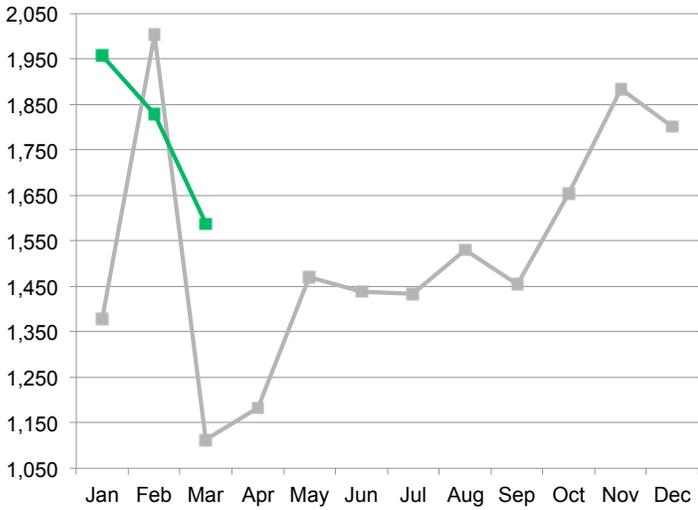
### Taxable Retail Sales (Millions of Dollars)

### Deflated Taxable Retail Sales (Millions of 1982-84 Dollars)

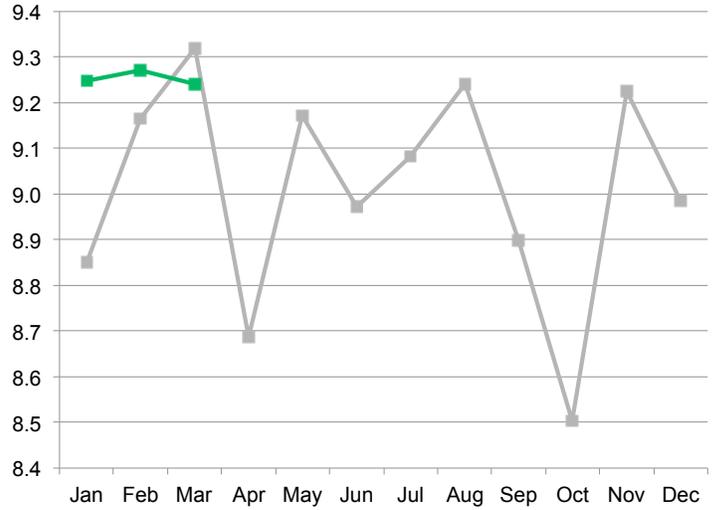
2012	Unadjusted	Adjusted	Unadjusted	Adjusted
January	7,692	8,851	3,446	3,945
February	8,060	9,166	3,593	4,064
March	9,301	9,319	4,110	4,109
April	8,707	8,687	3,835	3,837
May	9,228	9,173	4,072	4,070
June	9,572	8,973	4,235	3,985
July	9,015	9,082	3,997	4,031
August	9,198	9,241	4,051	4,081
September	9,012	8,899	3,949	3,938
October	8,424	8,503	3,695	3,726
November	9,114	9,225	4,022	4,049
December	10,743	8,986	4,756	3,951
<b>2013</b>				
January	8,038	9,249	3,548	4,062
February	8,152	9,271	3,565	4,032
March	9,223	9,241	4,022	4,021

# Business Indicators

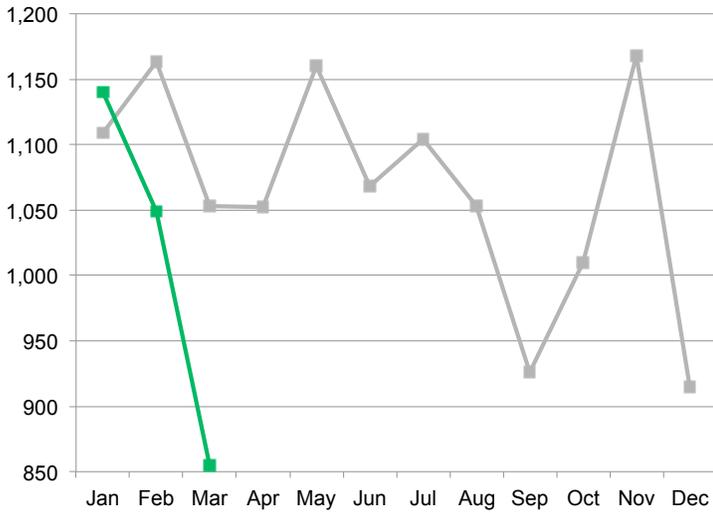
### Single Family Housing Permits



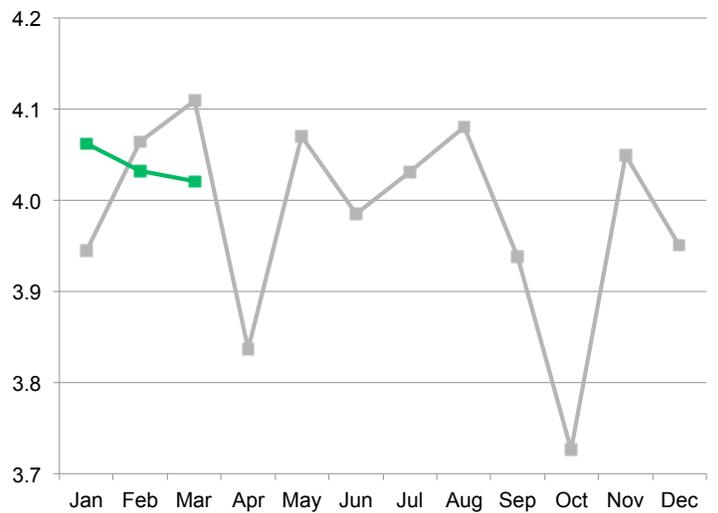
### Taxable Retail Sales (Billions of Dollars)



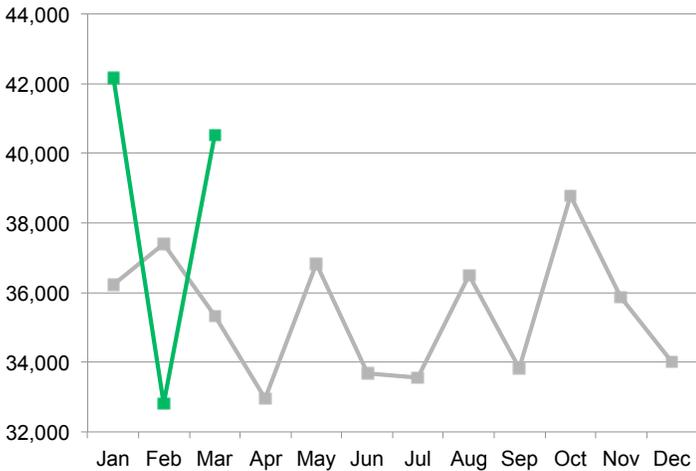
### New Business Incorporations



### Deflated Taxable Retail Sales (Billions of 1982-84 Dollars)



### New Vehicle Registrations



2012
  2013
 January 2012 - March 2013

# Historical

## SUMMARY

### Performance of Indicators Over the Business Cycle

For those interested in studying the business cycle in Virginia, this publication includes several of the economic time series for which data is readily available on a monthly basis. From time to time, new series will be added and, if necessary, others presently included will be discontinued.

### Business Cycle Turning Points

The beginning of a recession is defined as the month when aggregate economic activity in the U.S. reaches a cyclical high, from which it begins to turn down, and the end as the month when it reaches a cyclical low, from which it begins to turn up. On November 26, 2001, the National Bureau of Economic Research (NBER) announced a recession had begun in March 2001. On July 17, 2003, NBER announced the recession ended in November 2001. The NBER announced on December 1, 2008, that a recession had begun in December 2007. On September 20, 2010, the NBER announced the recession had ended in June 2009.

### Seasonal Adjustment

To correlate changes in a time series and changes in the business cycle, it is desirable to eliminate, insofar as possible, the effect of irrelevant factors from the data comprising the series. All series currently published in the *Virginia Economic Indicators* have been adjusted to minimize regular seasonal fluctuations in the data in order to show only activity related to the business cycle.

### Historical Graphs

Historical graphs are published in the back of the fourth quarter issue for each year.

### Data Sources

The data source for all series in this publication is the Virginia Employment Commission (VEC), except the following:

**U.S. Census Bureau:**

Single Family Housing Permits

**Virginia Department of Motor Vehicles:**

New Vehicle Registrations

**Virginia Department of Taxation:**

Deflated Taxable Retail Sales

Taxable Retail Sales

**Virginia State Corporation Commission:**

New Business Incorporations