

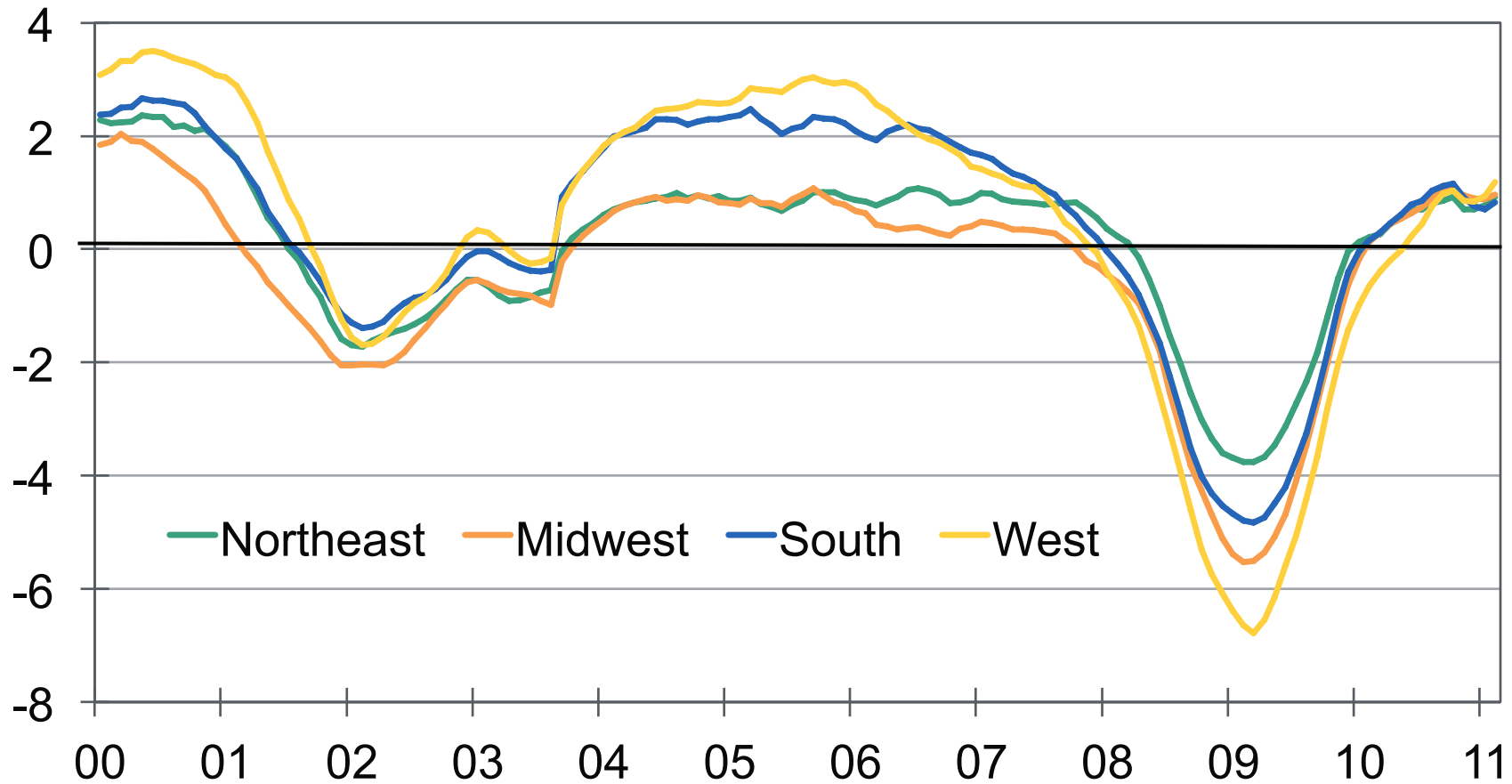
# **U.S. Regional Outlook**

**STEVEN G. COCHRANE, MANAGING DIRECTOR**

October 2011

# Differences Are Narrower Than Ever

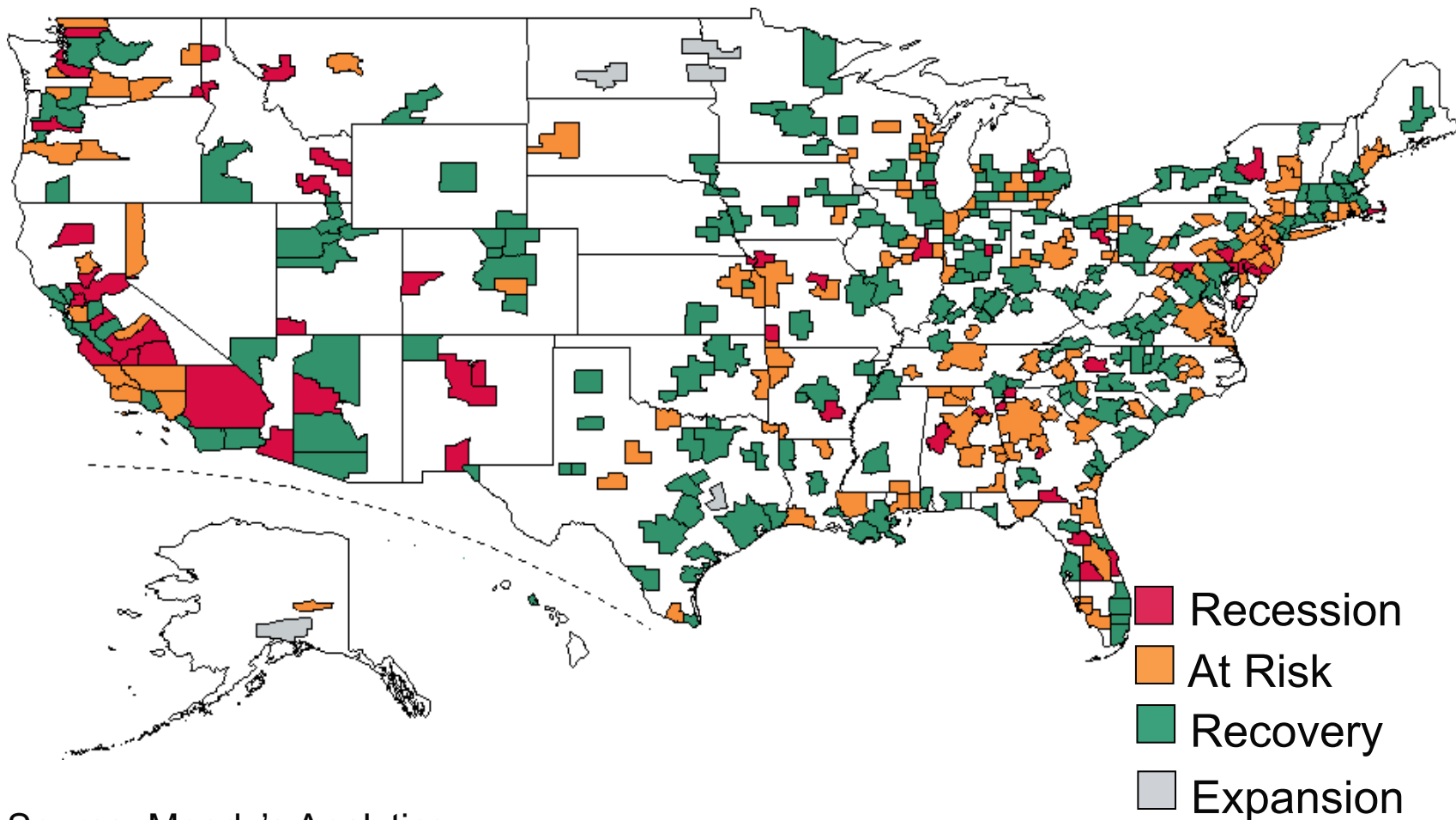
Total employment, 3-mo MA, % chg yr ago



Source: BLS

# Conditions Vary Across Metro Areas

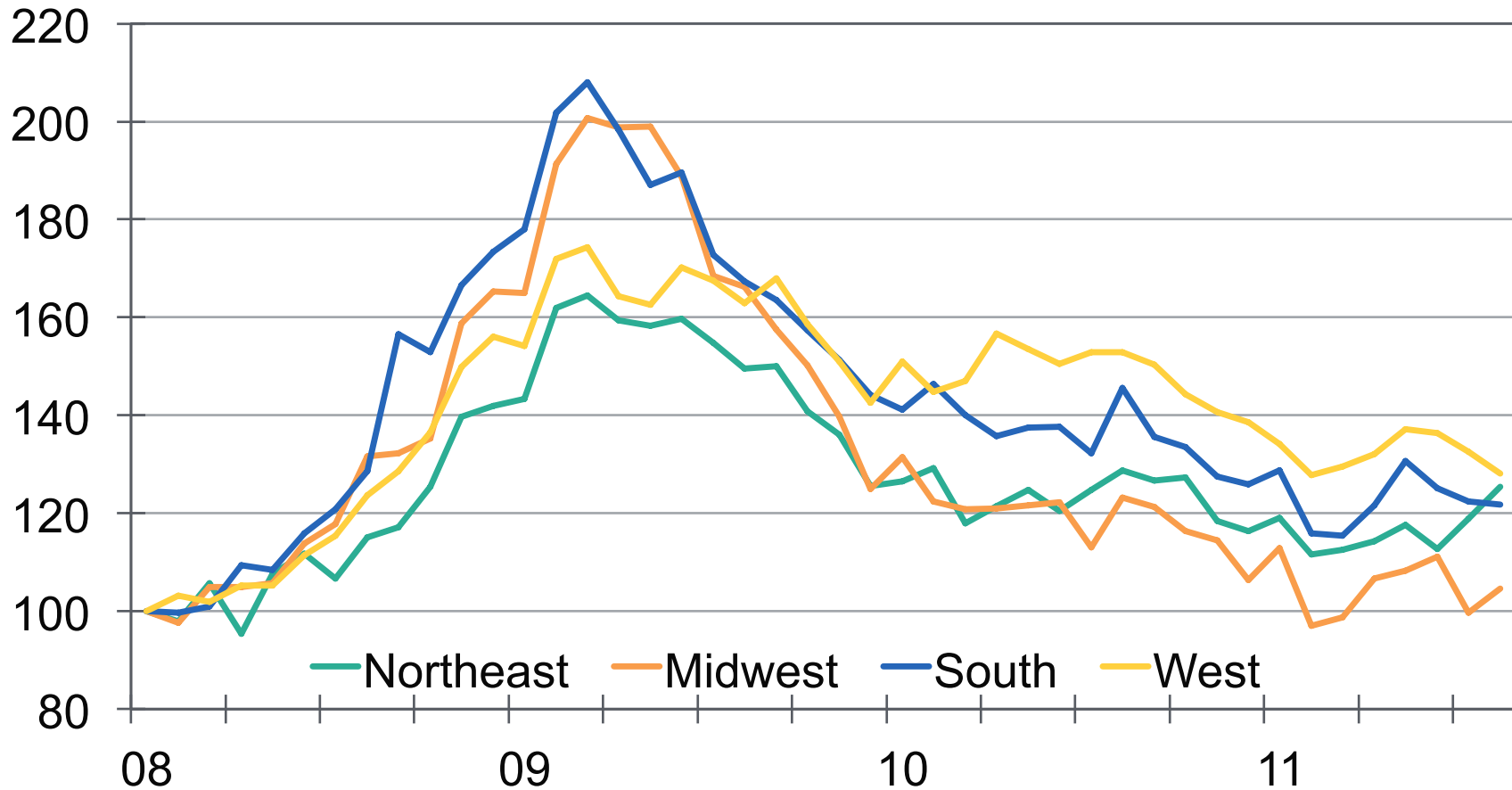
Business cycle status, data as of August 2011



Source: Moody's Analytics

# Jobless Claims Not Falling; Rise in Northeast

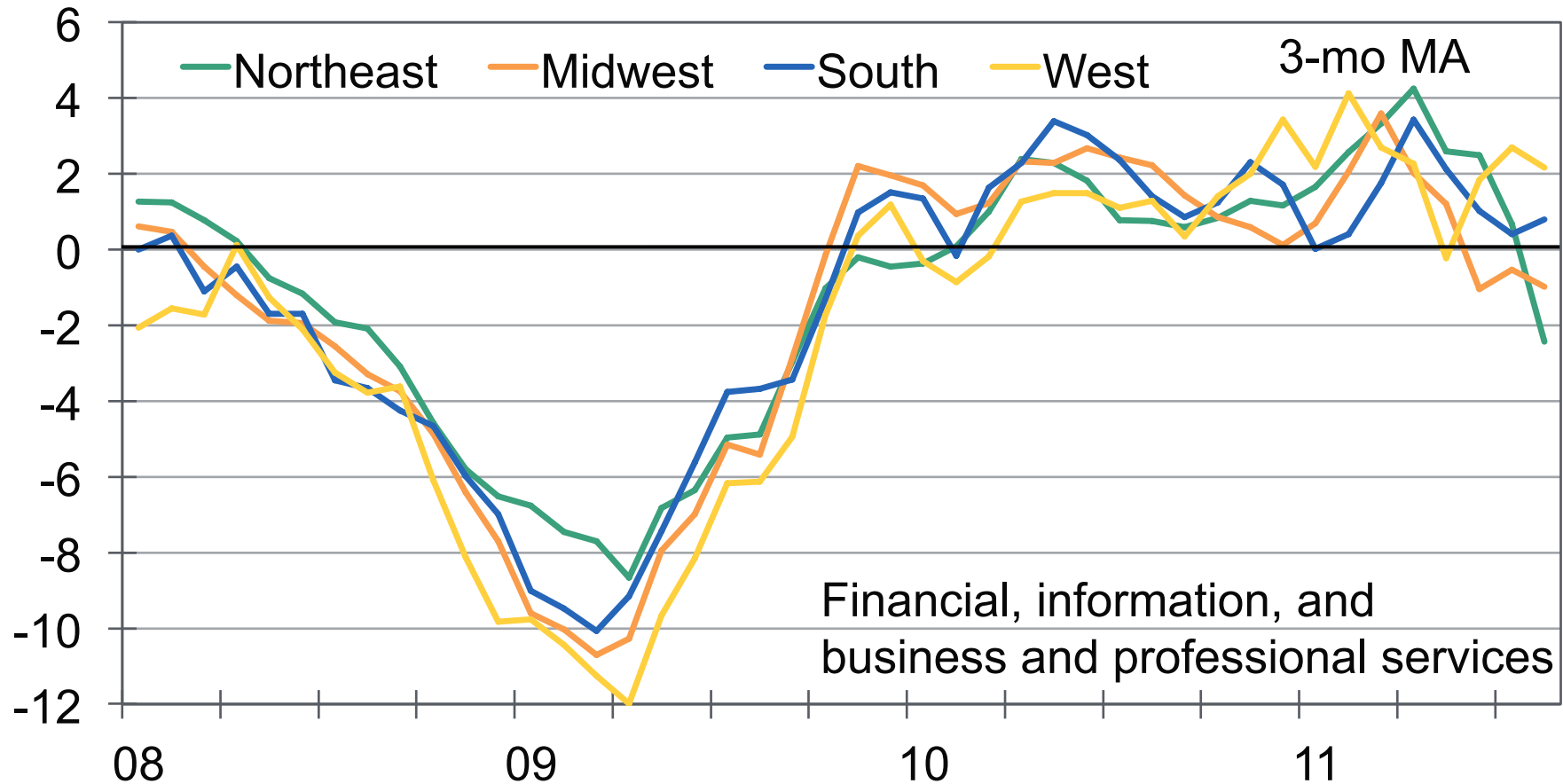
Initial claims for unemployment insurance, Jan 2008=100, SA



Sources: BLS, Moody's Analytics

# Northeast and Midwest Services Falter...

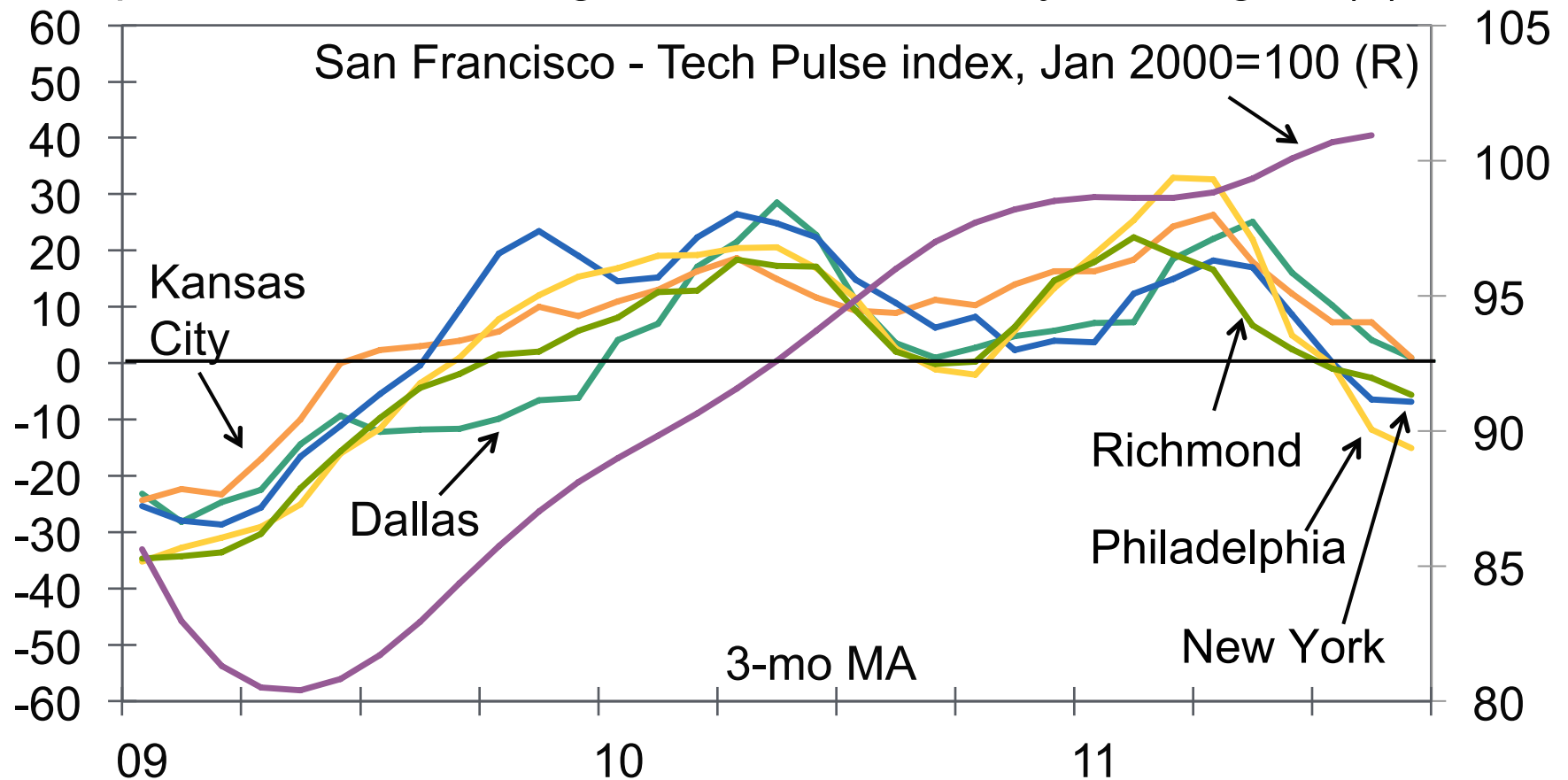
Employment, office-space using, monthly annualized % change



Source: BLS

# ... And Diminished Prospects for Manufacturing

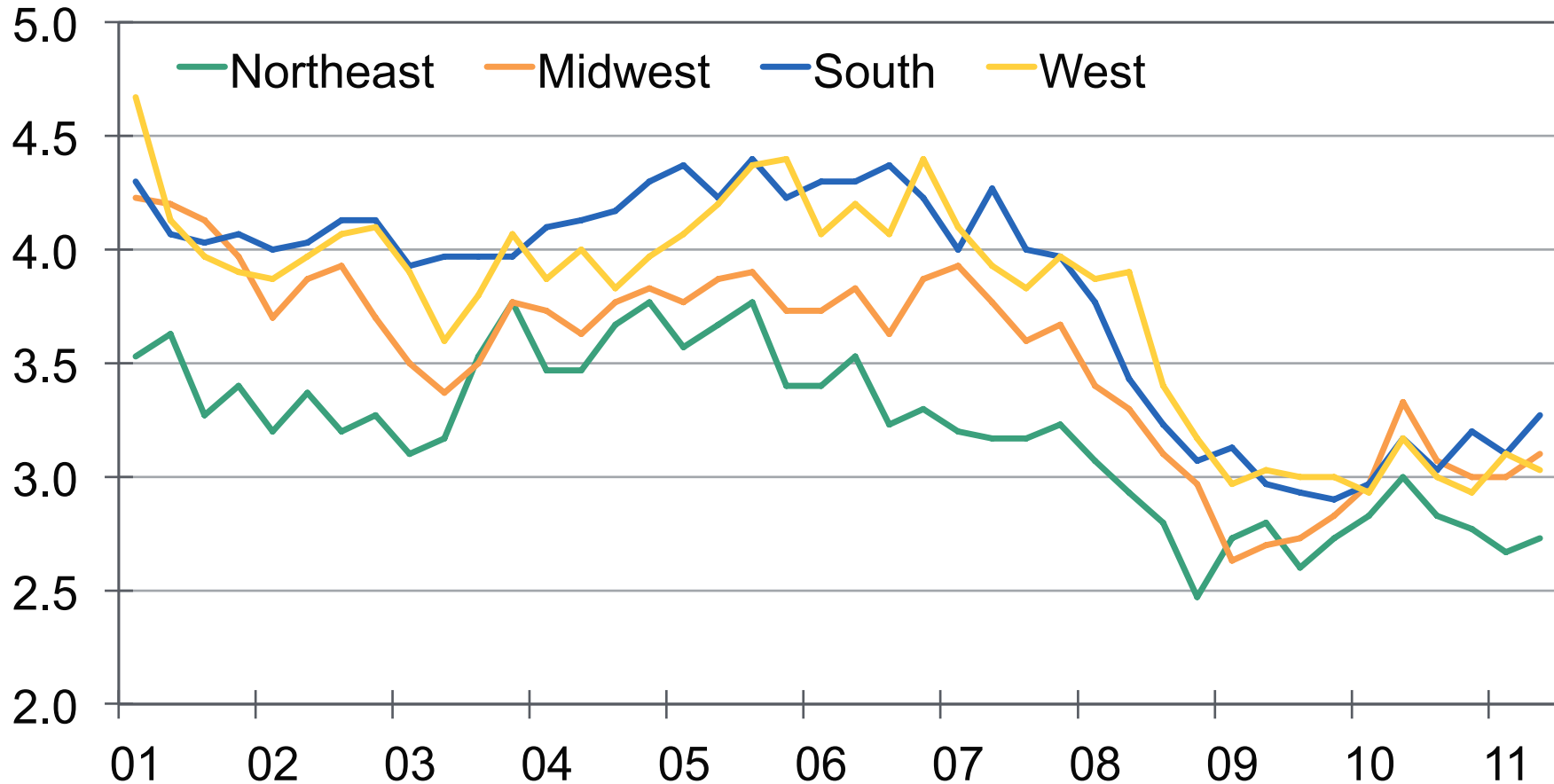
Composite manufacturing diffusion indices, by Fed region (L)



Sources: Regional Federal Reserve Banks

# Low Hiring Rates; Falling in Northeast

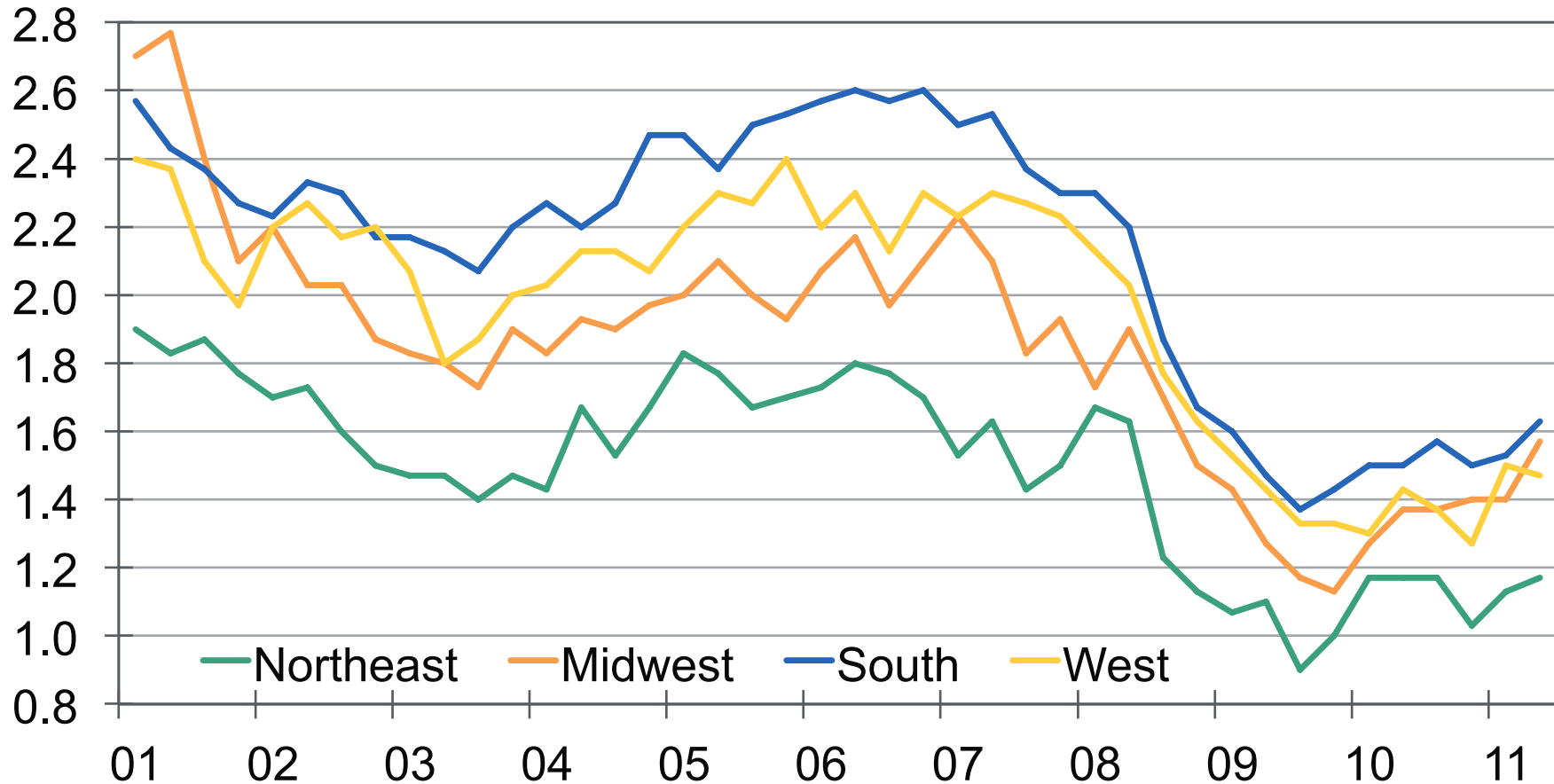
Job hires rate, % of non-farm employment



Source: BLS Job Openings and Labor Turnover Survey

# Worker Confidence Edging Up; Not in Northeast

Job quits rate, % of non-farm employment

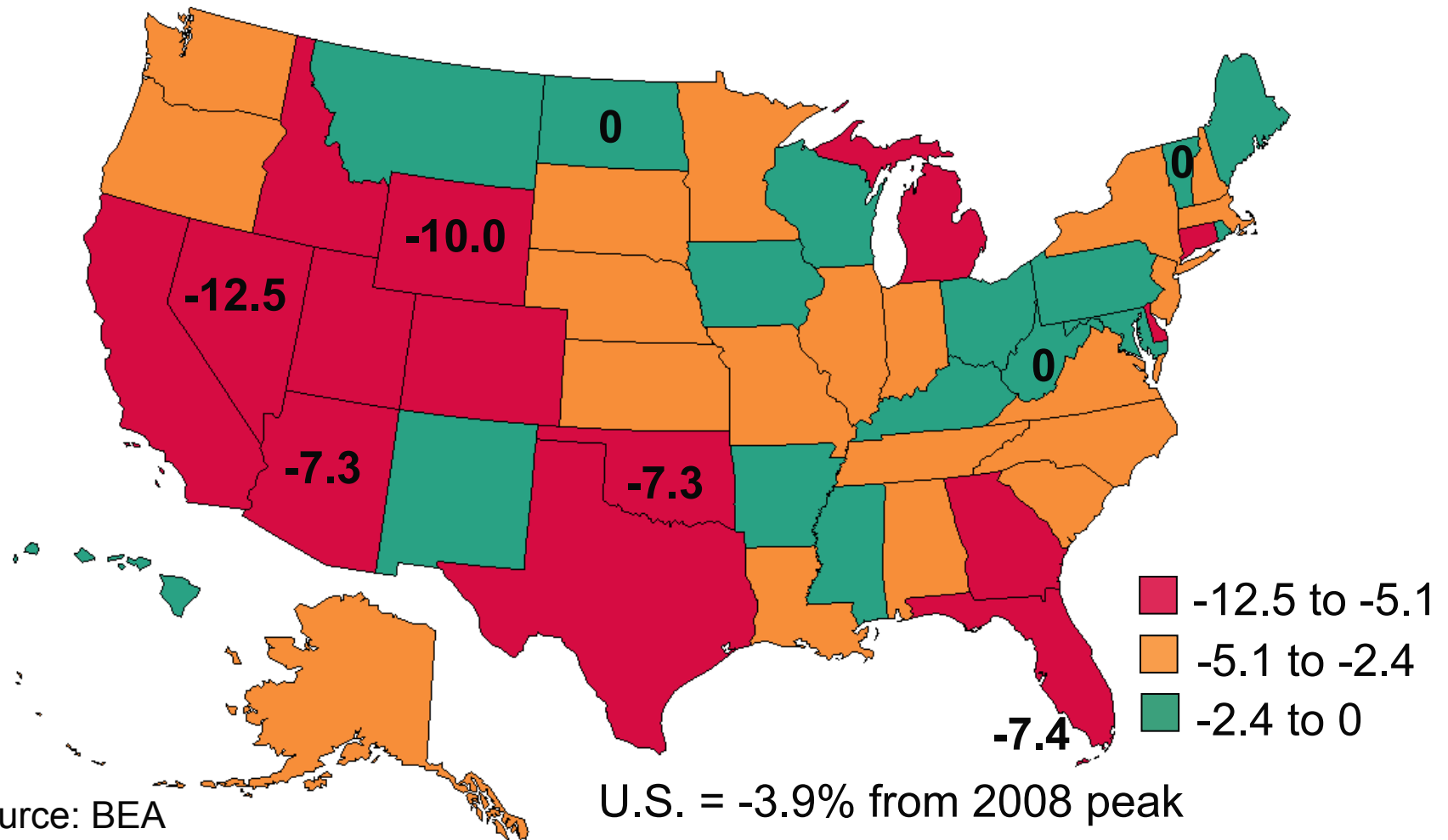


Source: BLS Job Openings and Labor Turnover Survey



# West and South Suffer Greatest Income Decline

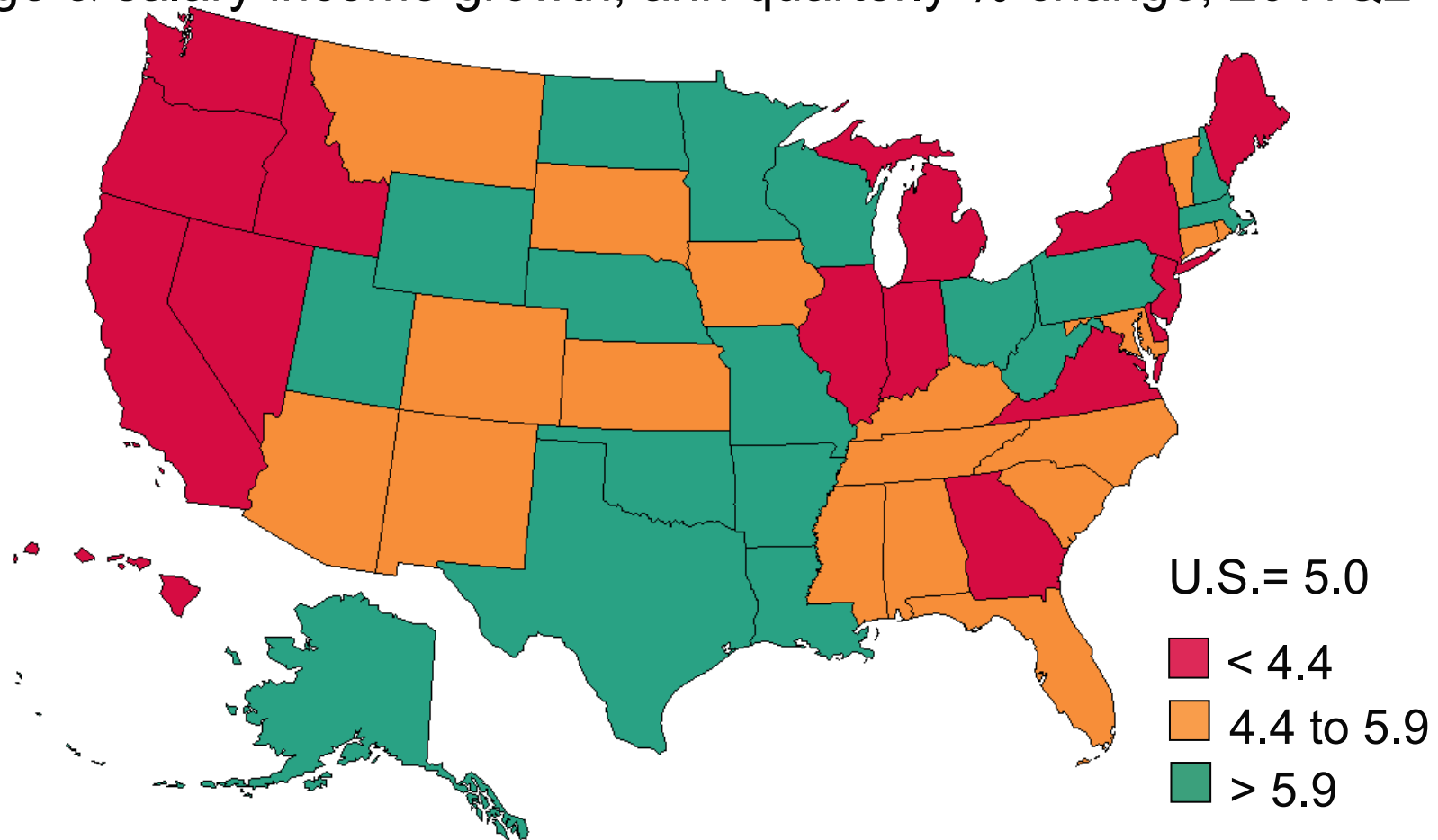
Real per capita income, % change, from previous peak to 2010



Source: BEA

## More Recent Weakness in the Northeast

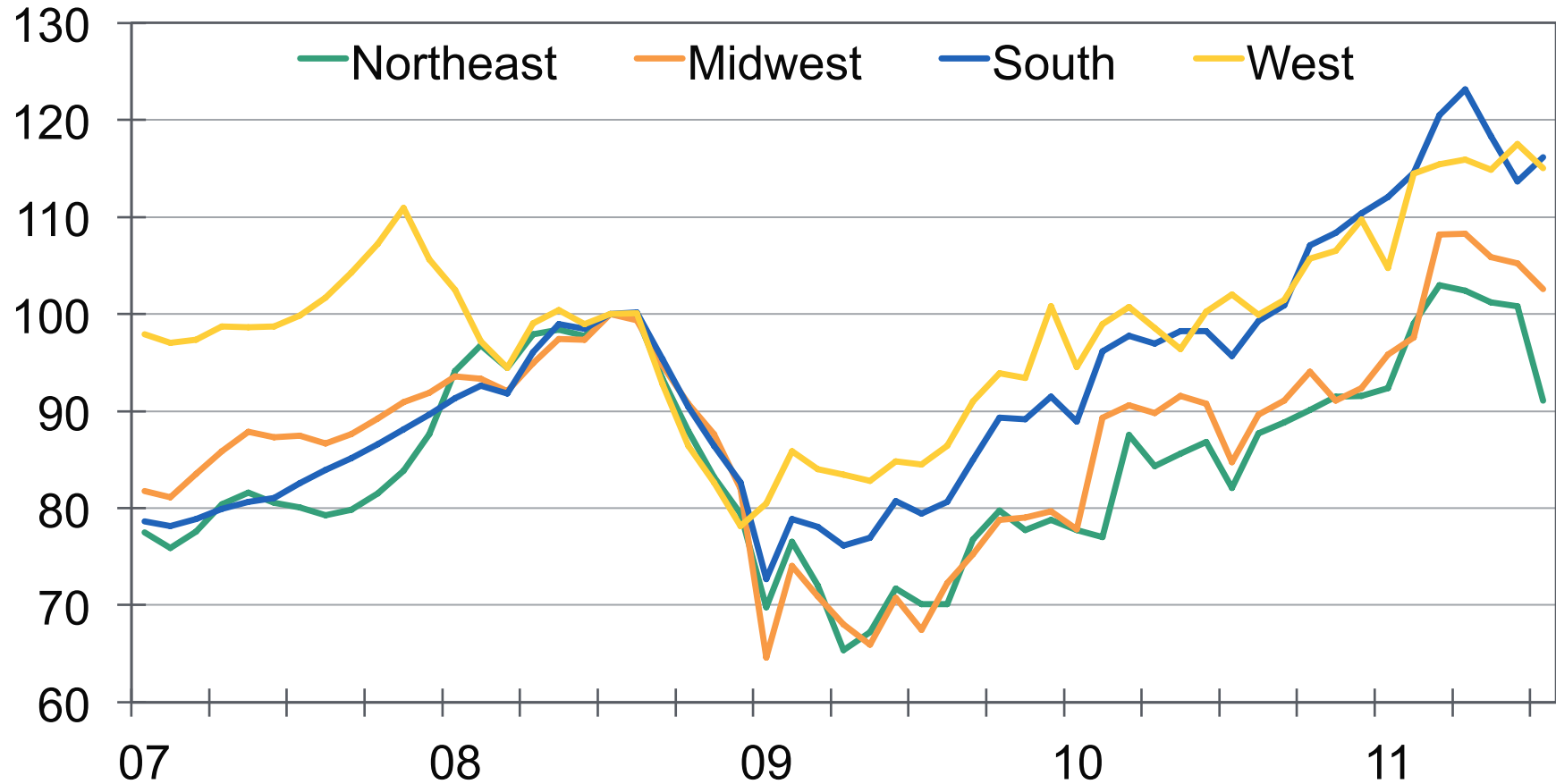
Wage & salary income growth, ann quarterly % change, 2011Q2



Source: BEA

# Exports at Risk in Northeast

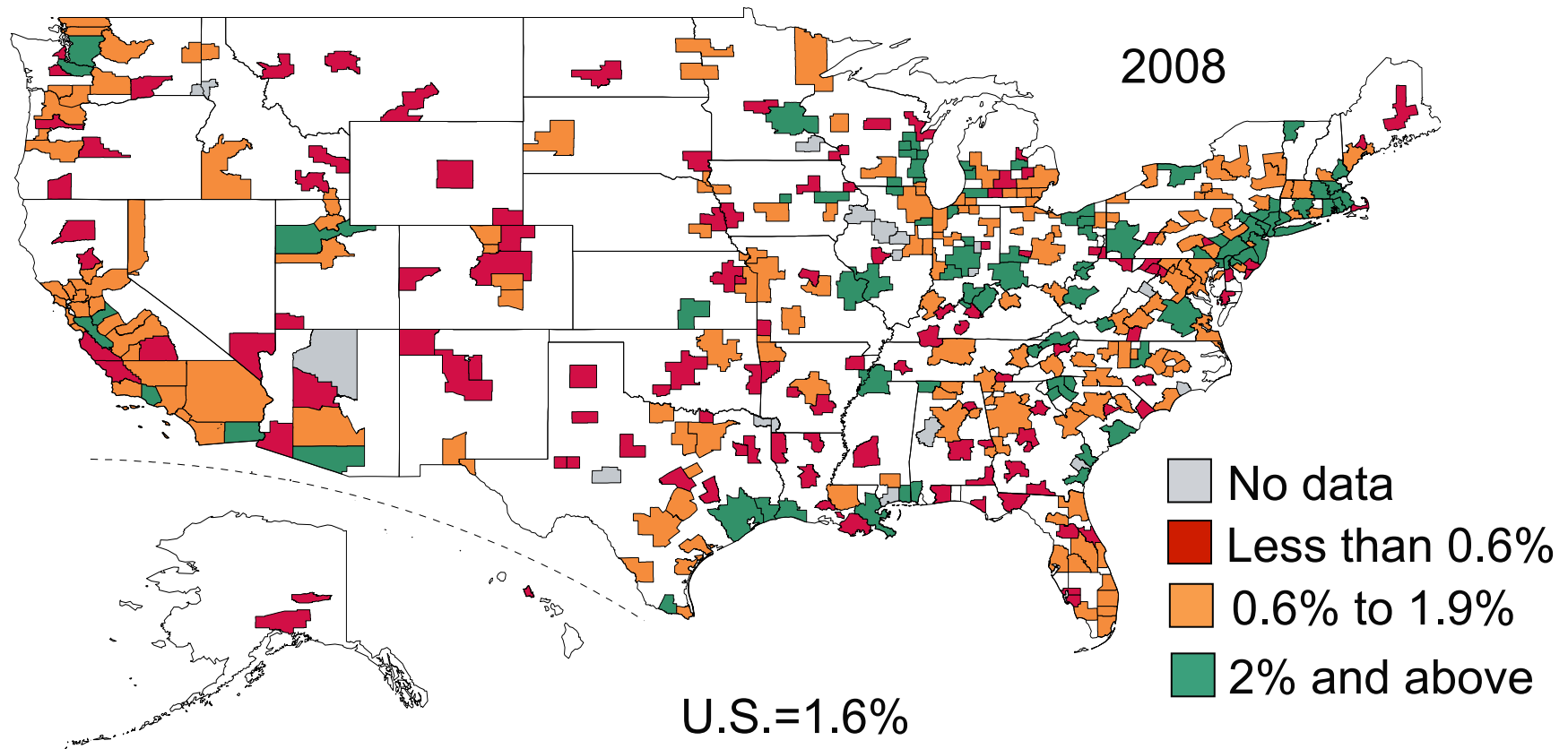
Exports of goods and commodities, value, July 2008=100



Source: Census Bureau

# Northeast Metro Areas Export to Europe

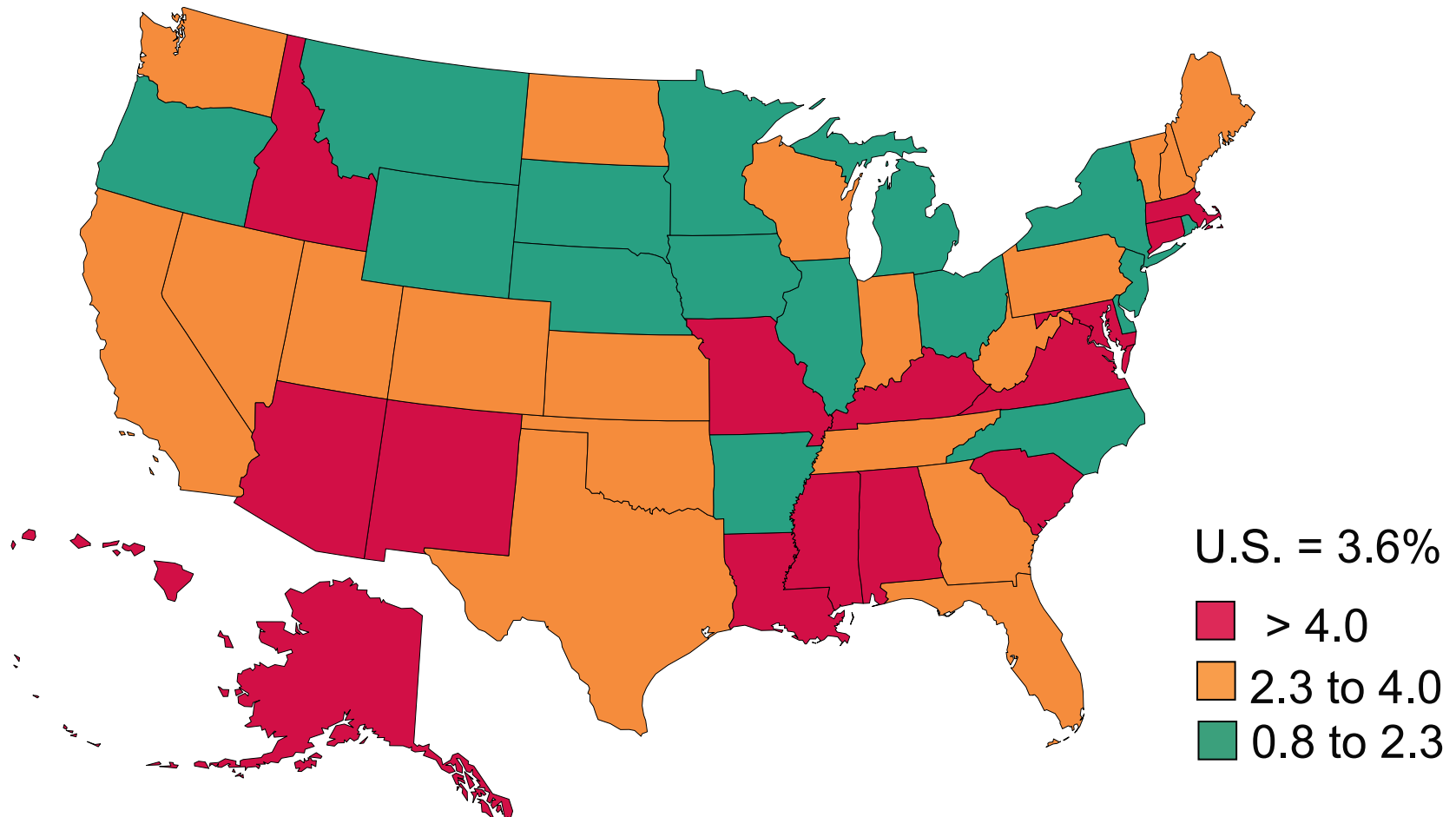
Exports to European Union, goods and commodities, % of GMP



Sources: BEA, Census Bureau, ITA

# Regional Risks From Federal Procurement Cuts

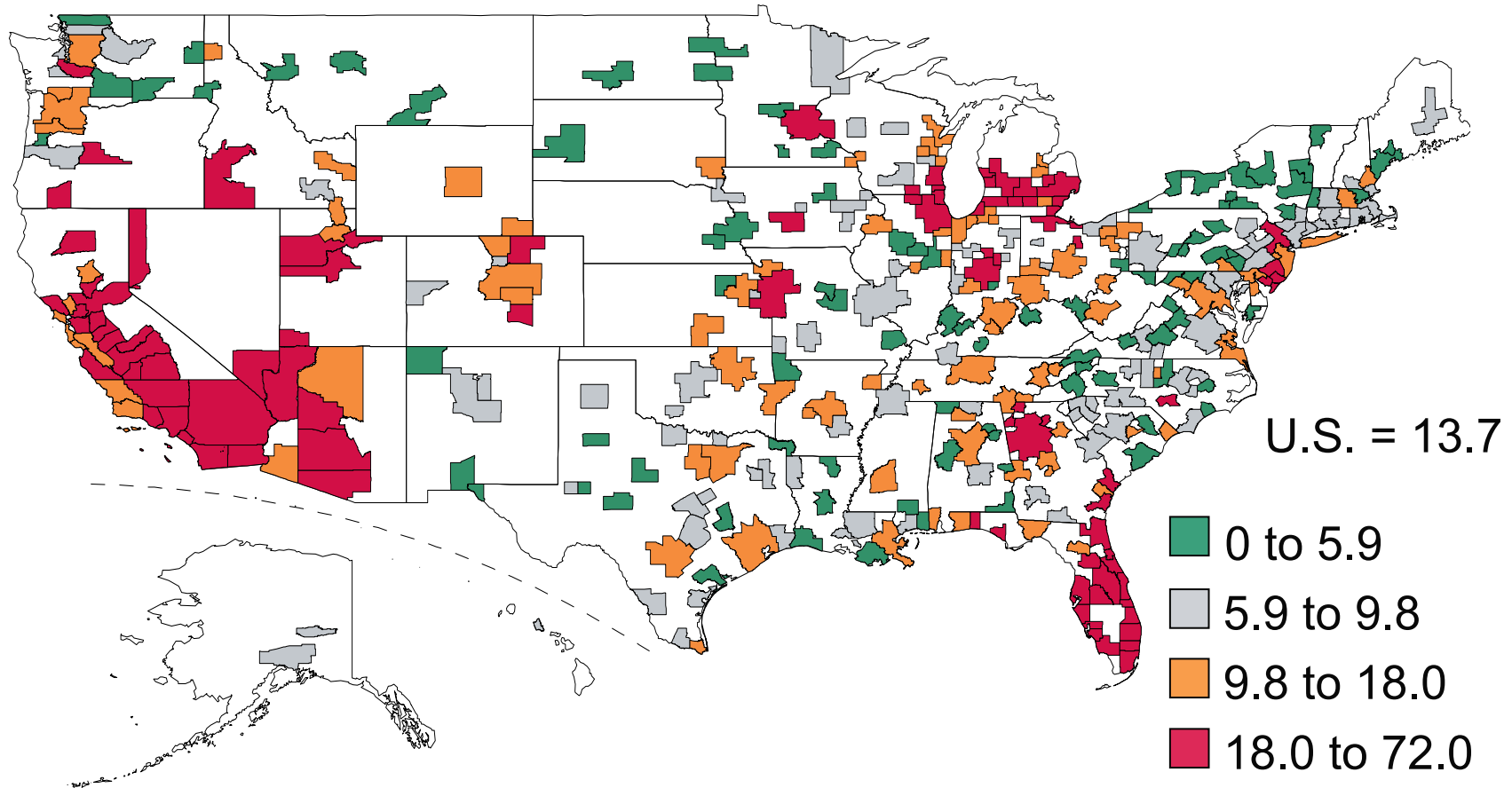
Procurement spending, % of gross product, 2009



Source: Census Bureau (CRFF), BEA, Moody's Analytics

# Foreclosure Inventory Is Highly Concentrated

Foreclosed homes per 1,000 households, Aug. 2011

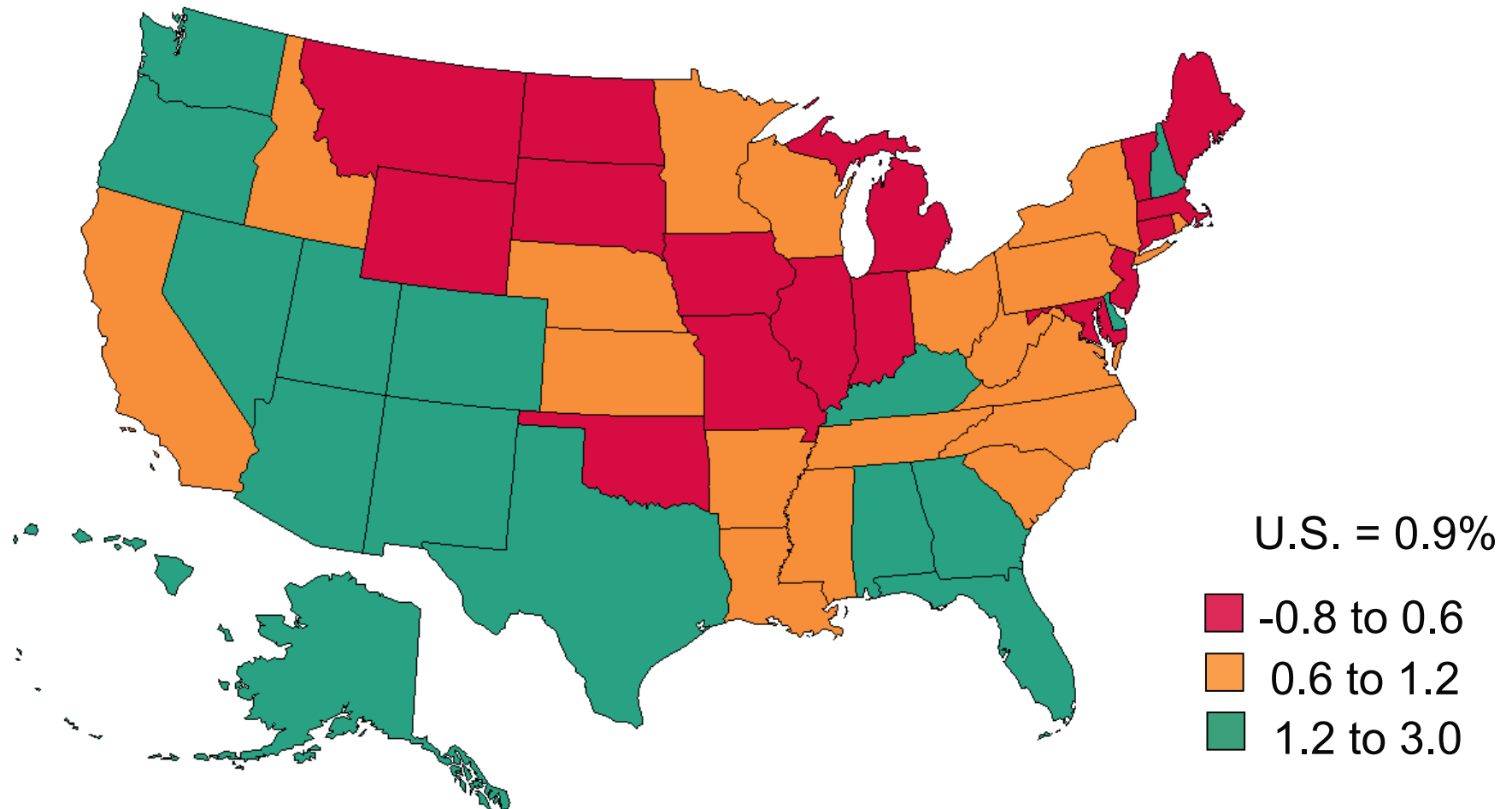


Source: RealtyTrac



# Modest Outlook Through Next Year

Employment, 2012Q4, % chg yr ago, September forecast



Source: Census Bureau, Moody's Analytics



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