

# National and State Economic Conditions

May 14, 2010

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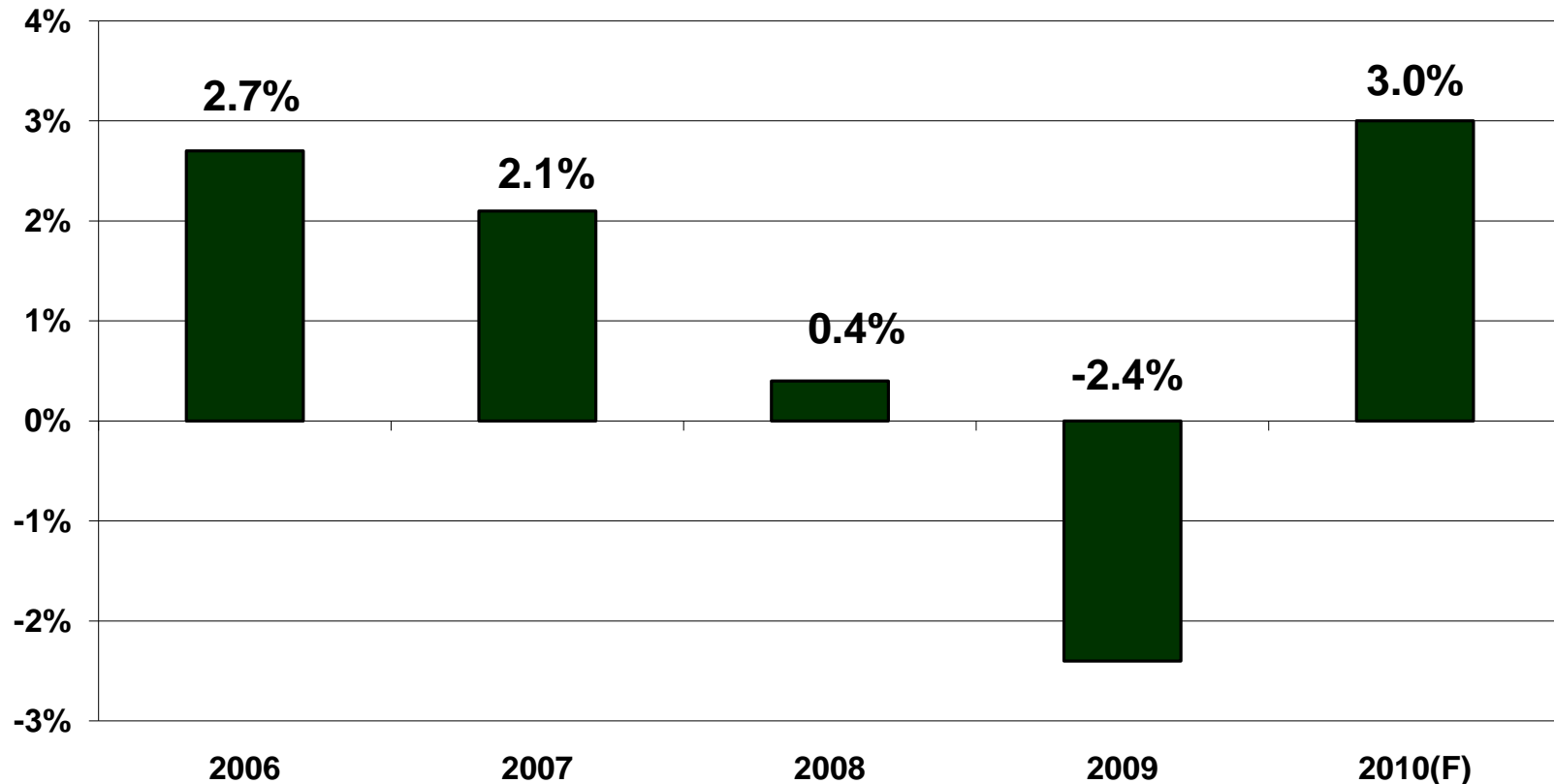
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# US Economic Growth



Source: U. S. Department of Commerce; Weekly Economic & Financial Commentary, Economics Group, Wells Fargo Securities, May 7, 2010.



# May 2010 US Employment Report

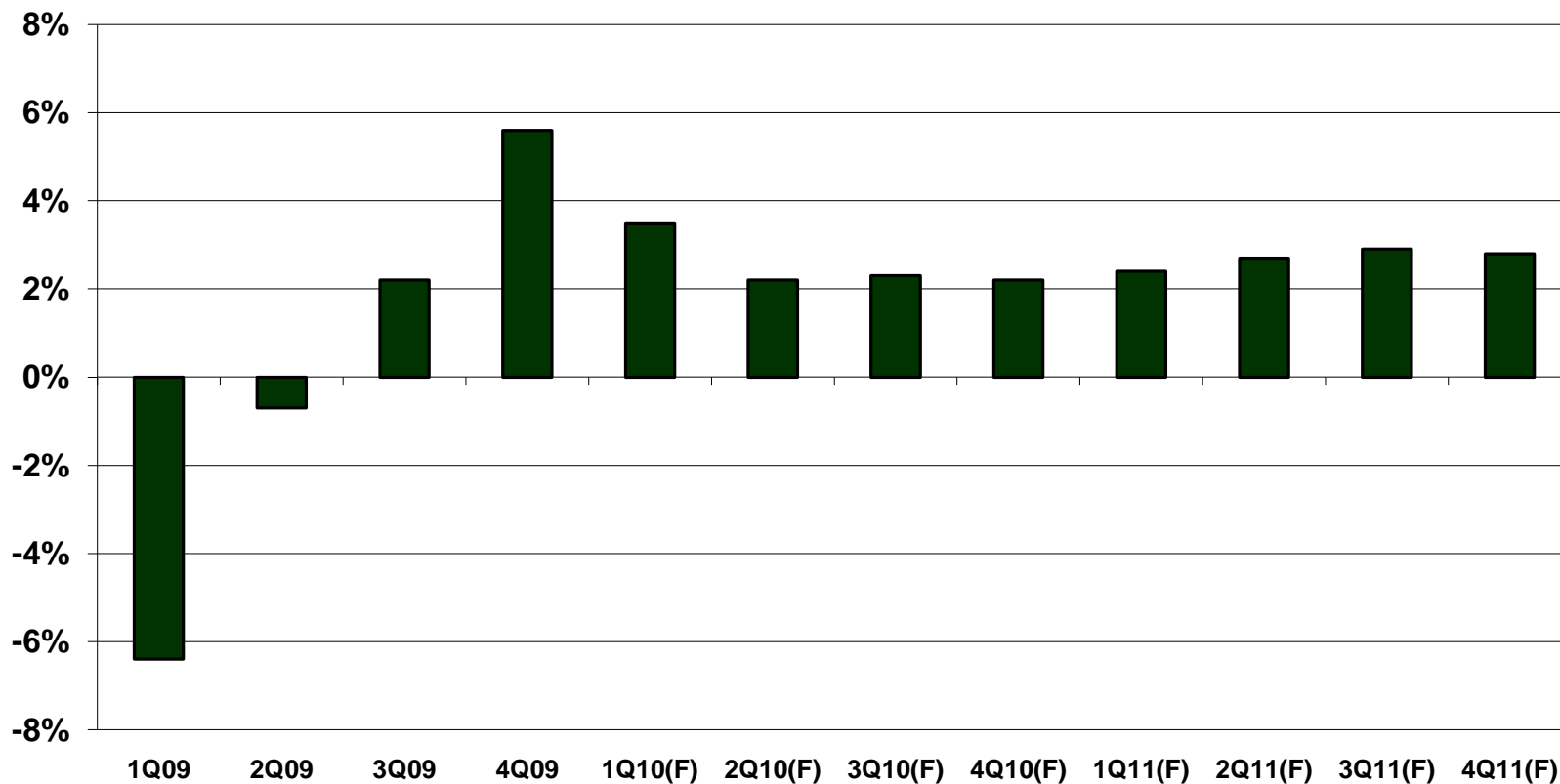
- Nonfarm employment rose 290,000 in April.
- The unemployment rate rose to 9.9%.

Adult Males	10.1%
Adult Females	8.2%
Whites	8.8%
Blacks	16.5%
Hispanics	12.5%
Teenagers	25.4%

Employment Gains	Employment Losses	Unchanged Employment
Manufacturing	Transportation & Warehousing	Wholesale Trade
Professional & Business Services	Information	Retail Trade
Health Care		Information
Leisure & Hospitality		Financial Activities
Federal Government (Census)		
Construction		

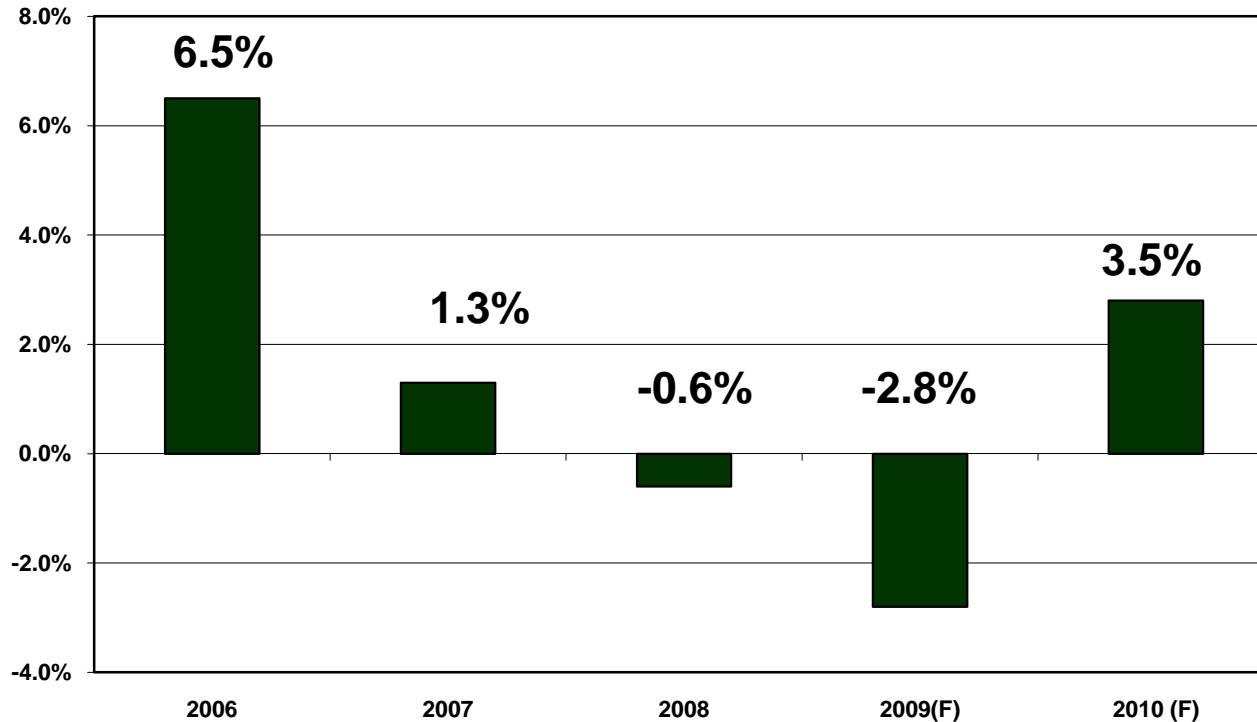
# US Economic Growth

(Quarterly Change at an Annual Rate)



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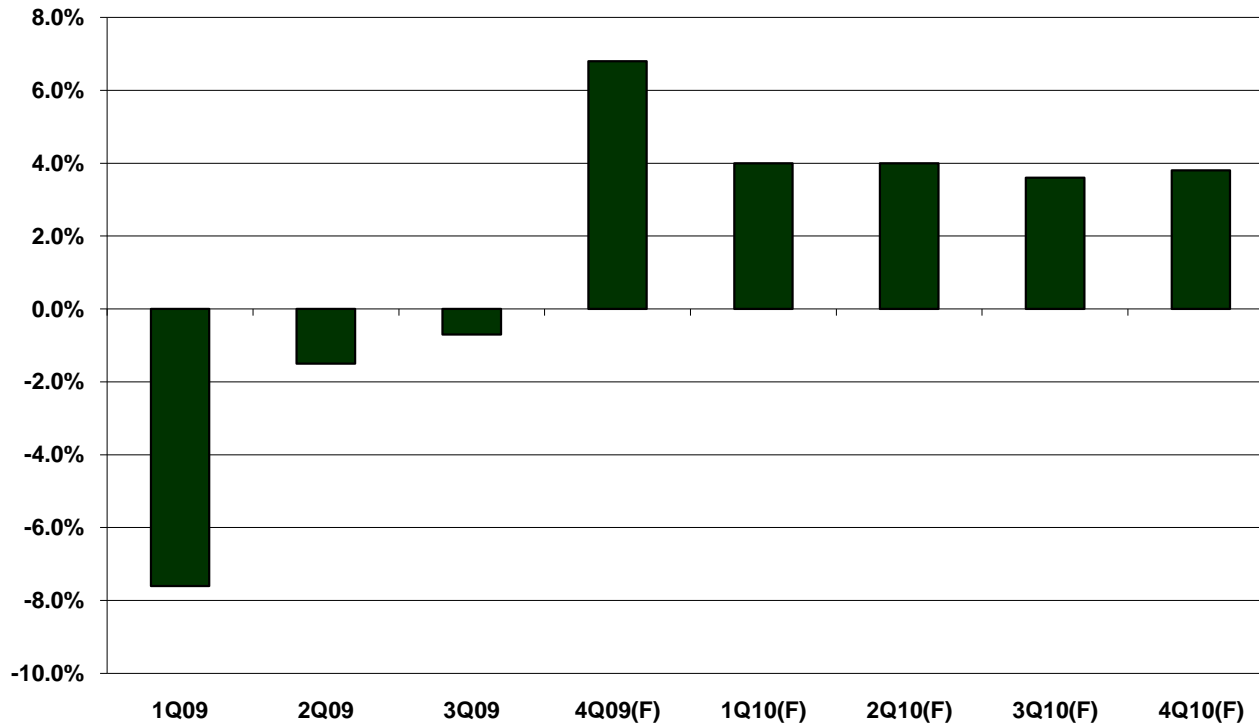
# NC Economic Growth



Source: UNC Charlotte North Carolina Economic Forecast, March 16, 2010.

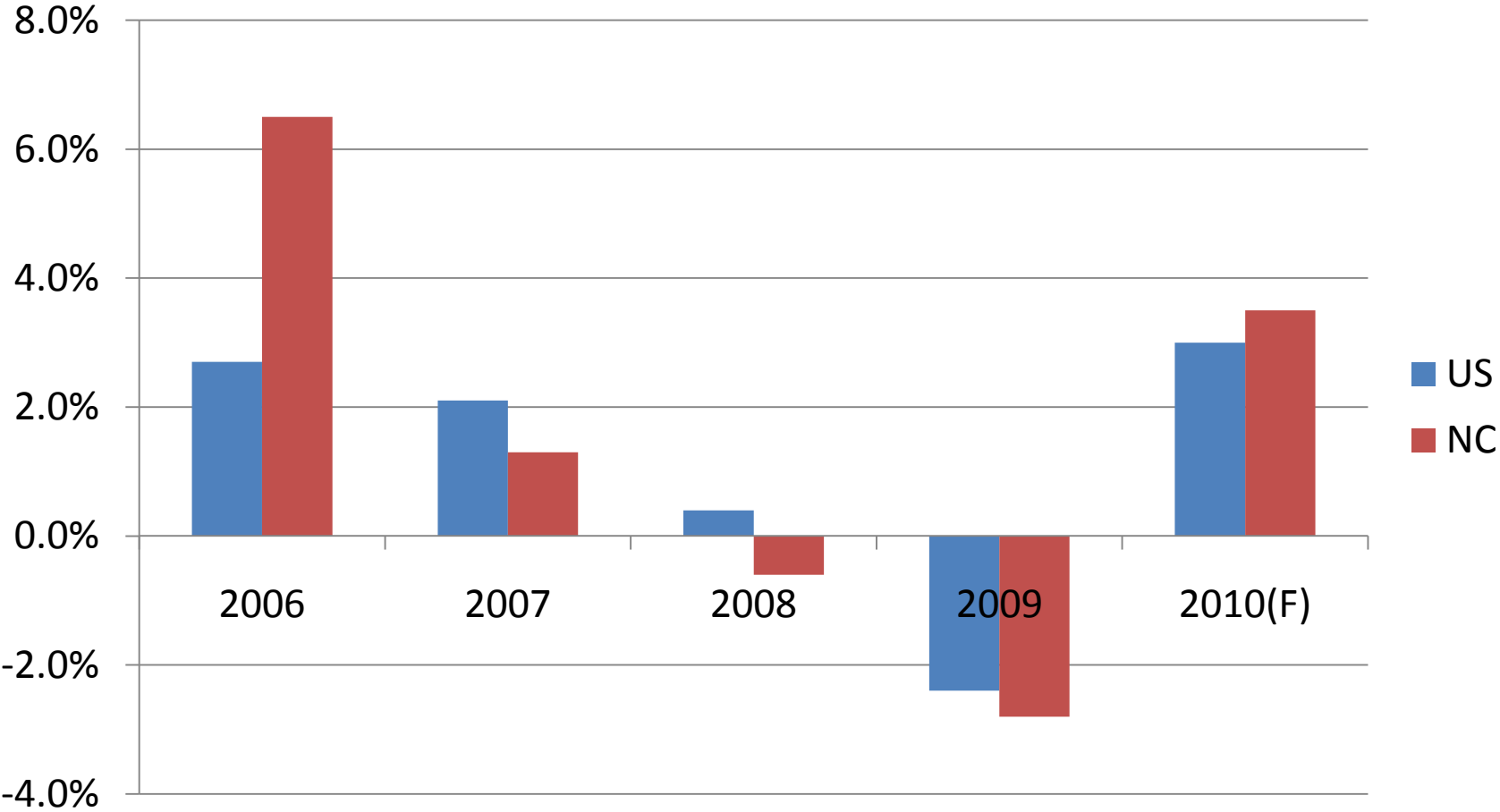
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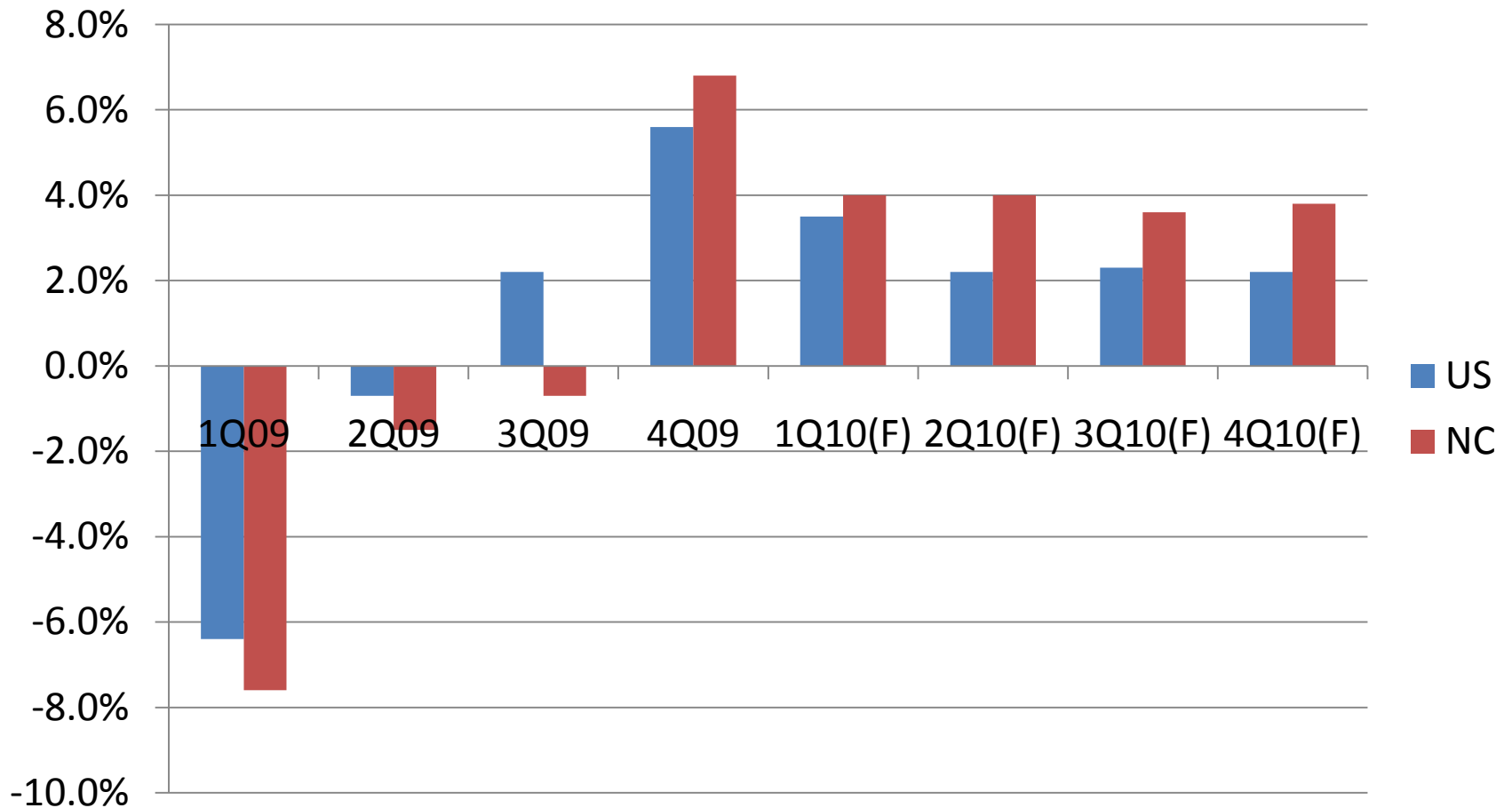
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# Growth Rate Comparisons

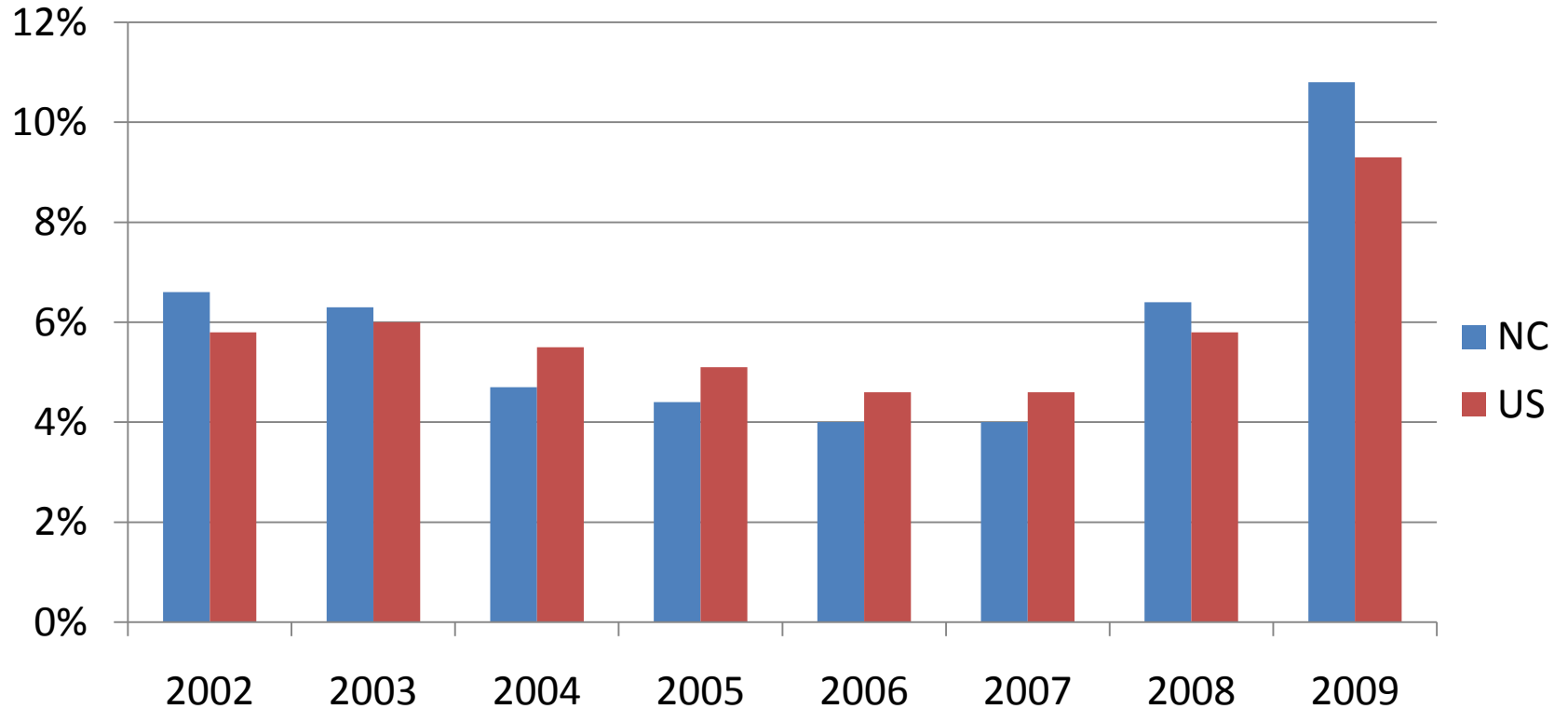


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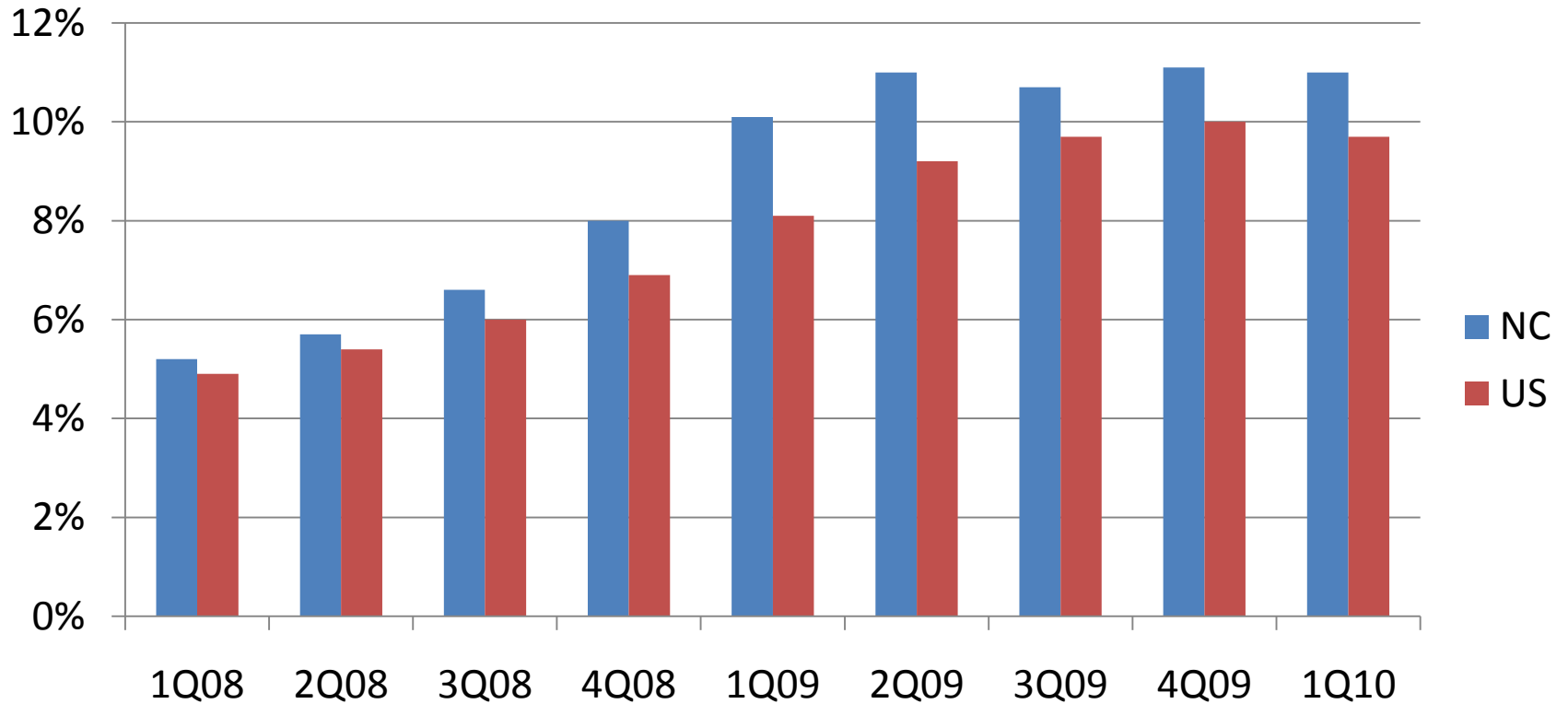
# Unemployment Rates



Source: NC Employment Security Commission; Bureau of Labor Statistics, US Department of Labor.



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- The 2009 average monthly unemployment rate was the highest in at least 25 years.
  - The unemployment rate could reach 13% before falling to around 11% by year-end 2010.
  - The 1Q10 unemployment rate of 11% was 10 basis points (0.1 percentage points) below the 25-year high of 11.1% reached in 4Q09.

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- Growth in the service sector is less robust but is broadening and gaining momentum.
- Construction will continue to lag.
- Economic growth will increasingly be driven by consumer demand.
  - Monetary and fiscal stimulus are winding down.

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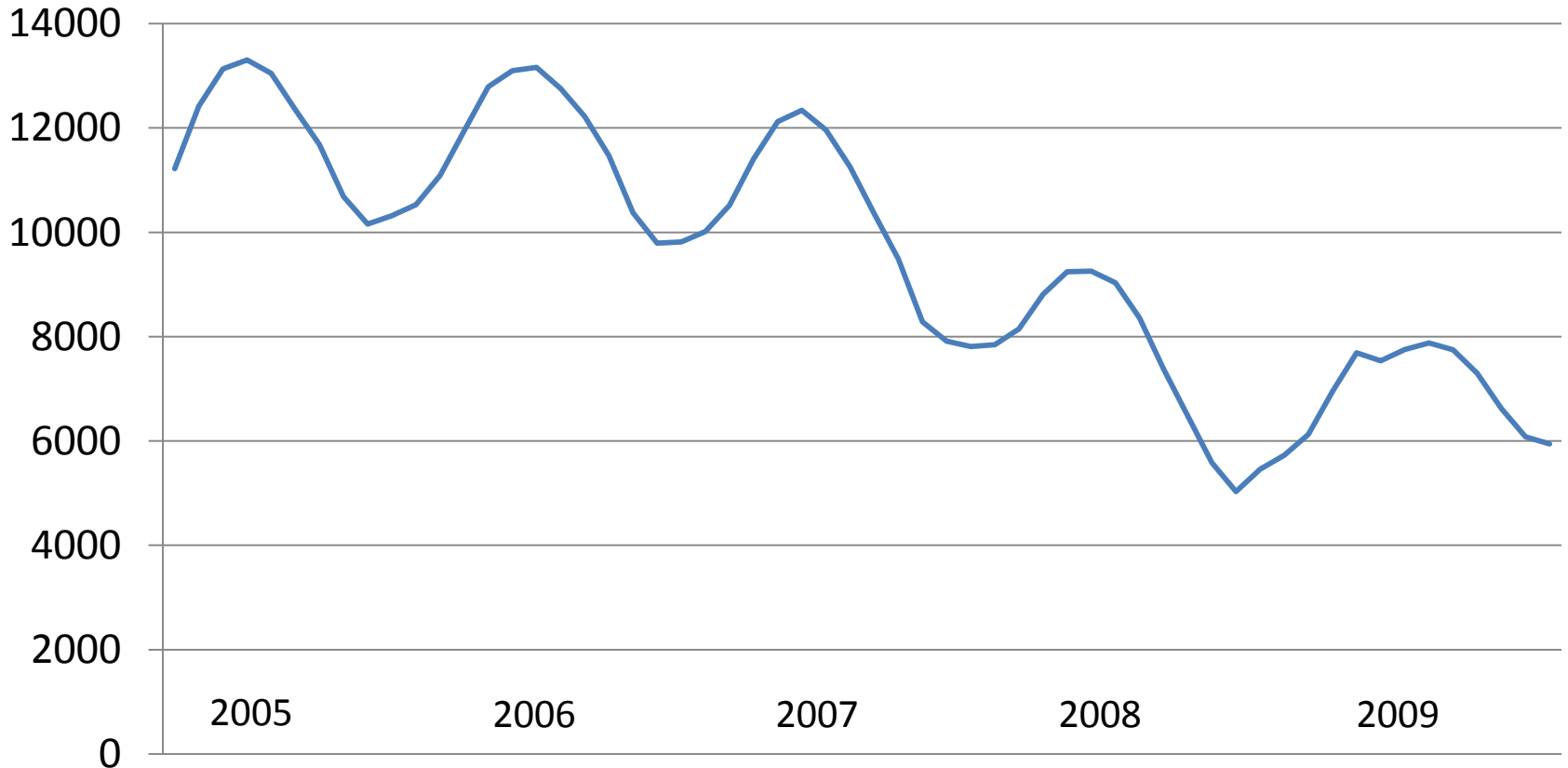
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- Policy proposals aimed at “returning us to where we were” are at odds with the economic reality of the excesses of the previous expansion that were fueled by lax qualifications for housing finance and a highly-leveraged consumer.
  - As a result , economic growth is likely to be lower over the next five years than during the five years prior to the current recession.

# Growth Comparisons



# NC Existing Single-Family Home Sales

(5-Month Centered Moving Average)



Source: NC Association of Realtors.



# ARRA Allocated Funding

## December 4, 2009

Area	Funding	% of Total
Increase in Unemployment Insurance	\$1,318,801,182	20.9
Highway and Bridge Projects	\$747,545,867	11.8
Transit / Rail / Air	\$634,861,937	10.1
Safety Net	\$608,241,598	9.6
Local School Districts	\$603,847,485	9.6
Federal Direct Awards and Spending	\$557,705,954	8.8
Education Stabilization	\$506,631,323	8.0
Research and Development	\$285,367,414	4.5
Public Safety Stabilization	\$217,145,885	3.4
Housing and Community Development	\$196,917,762	3.1
<b>Total</b>	<b>\$6,308,445,340</b>	

Source: NCRecovery.com

# Special Thanks



# Web Slides

- <http://www.csb.uncw.edu/cbes/events/index.htm>

# Quarterly Barometer

- <http://www.csb.uncw.edu/cbes/newsletter/index.htm>

# It's Over

- <http://www.internetlastpage.com/>