

# State and Local Economic Conditions

Adult Scholars

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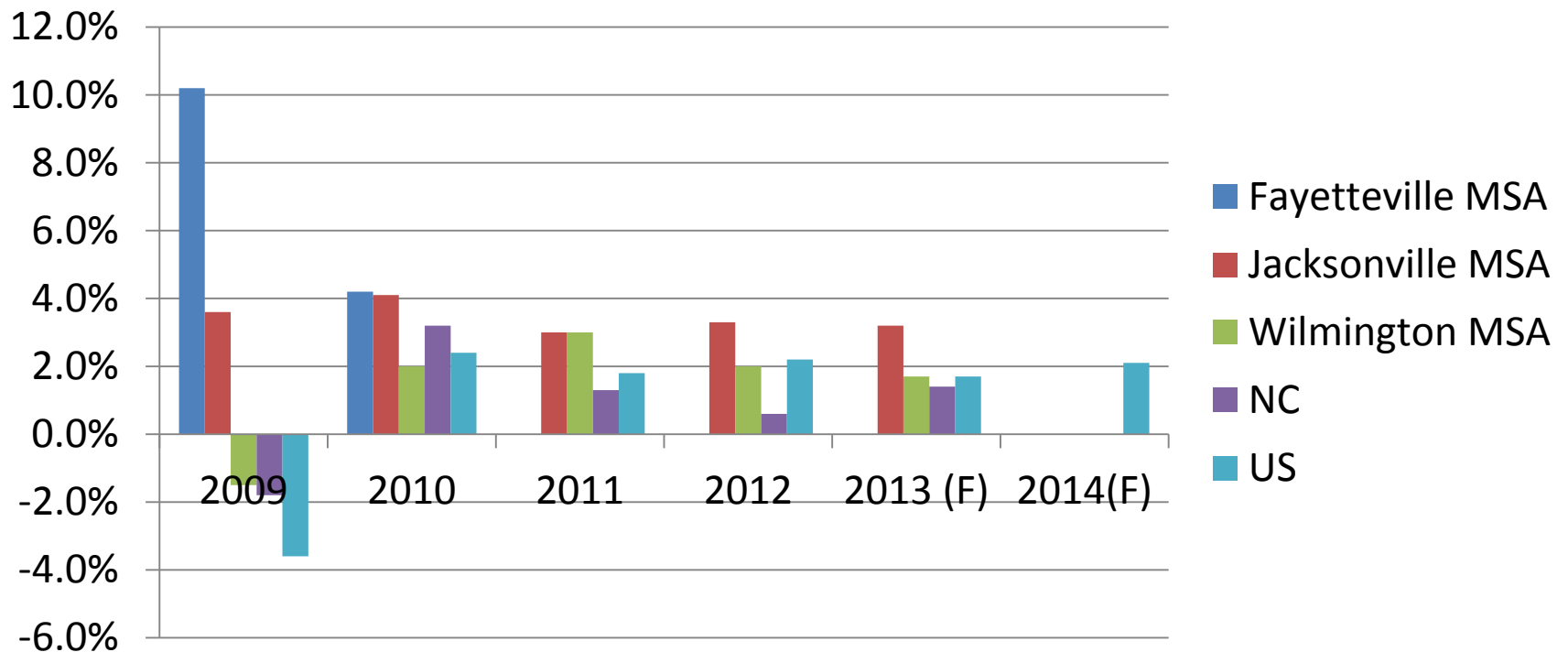
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# Web Slides

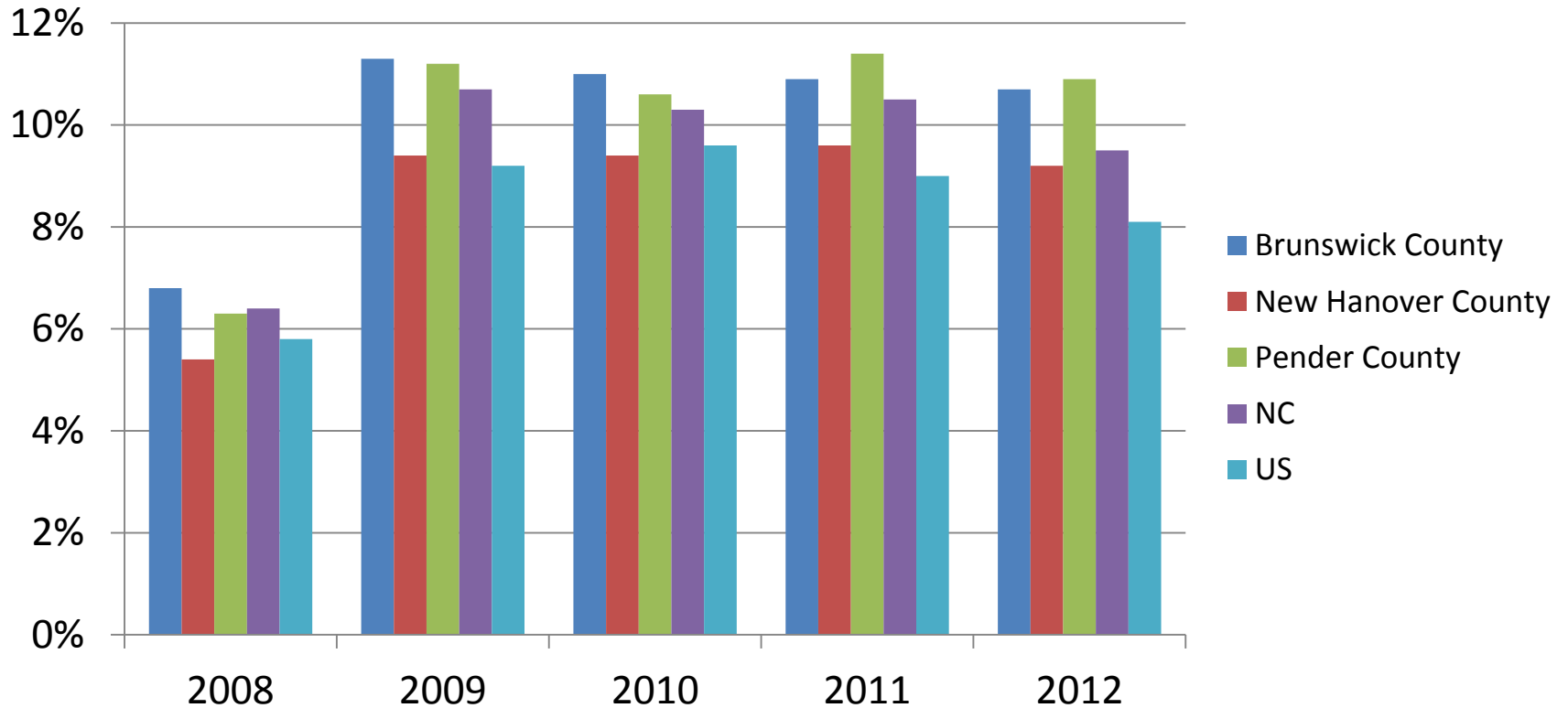
- <http://www.csb.uncw.edu/cbes/events/index.htm>

# Real Gross Domestic Product Growth Rates



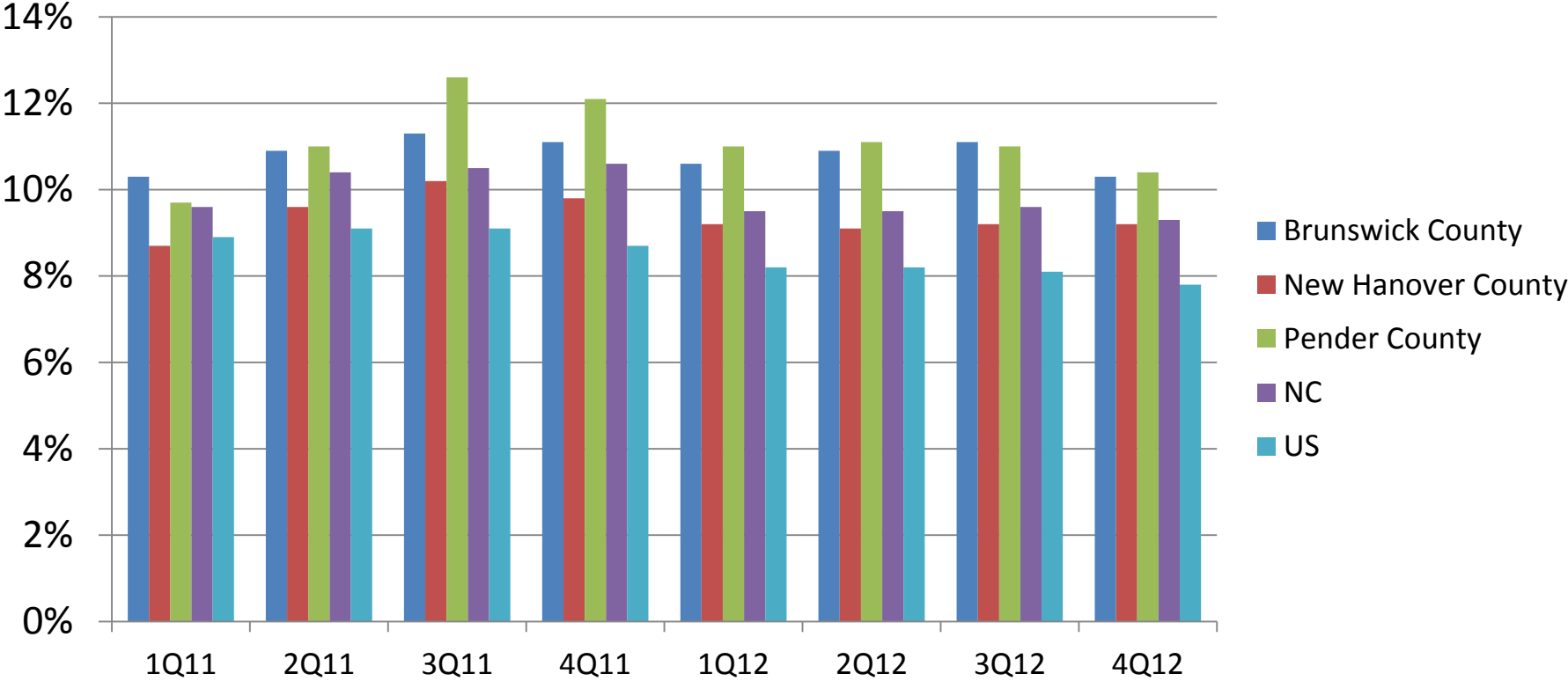
Source: Bureau of Economic Analysis, U. S. Department of Commerce; Economics Group, Wells Fargo Securities, Weekly Economic & Financial Commentary, February 22, 2013; Babson Capital/UNC Charlotte Economic Forecast, December 11, 2012; Ravija Badarinathi and William W. Hall, Jr., for the H. David and Diane Swain Center for Business and Economic Services, Cameron School Business, UNC Wilmington.

# Unemployment Rates



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

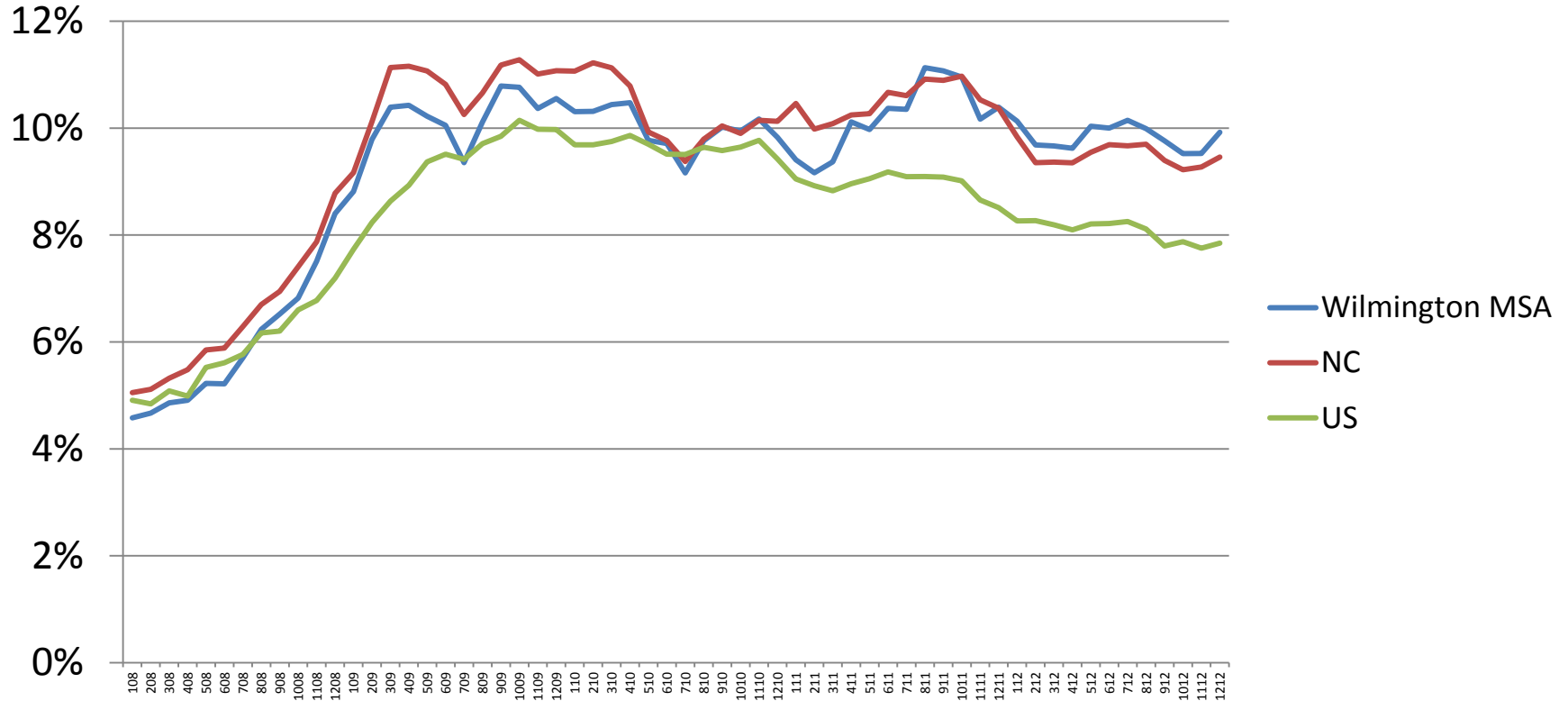
# Unemployment Rates



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



# Unemployment Rates (Seasonally Adjusted)

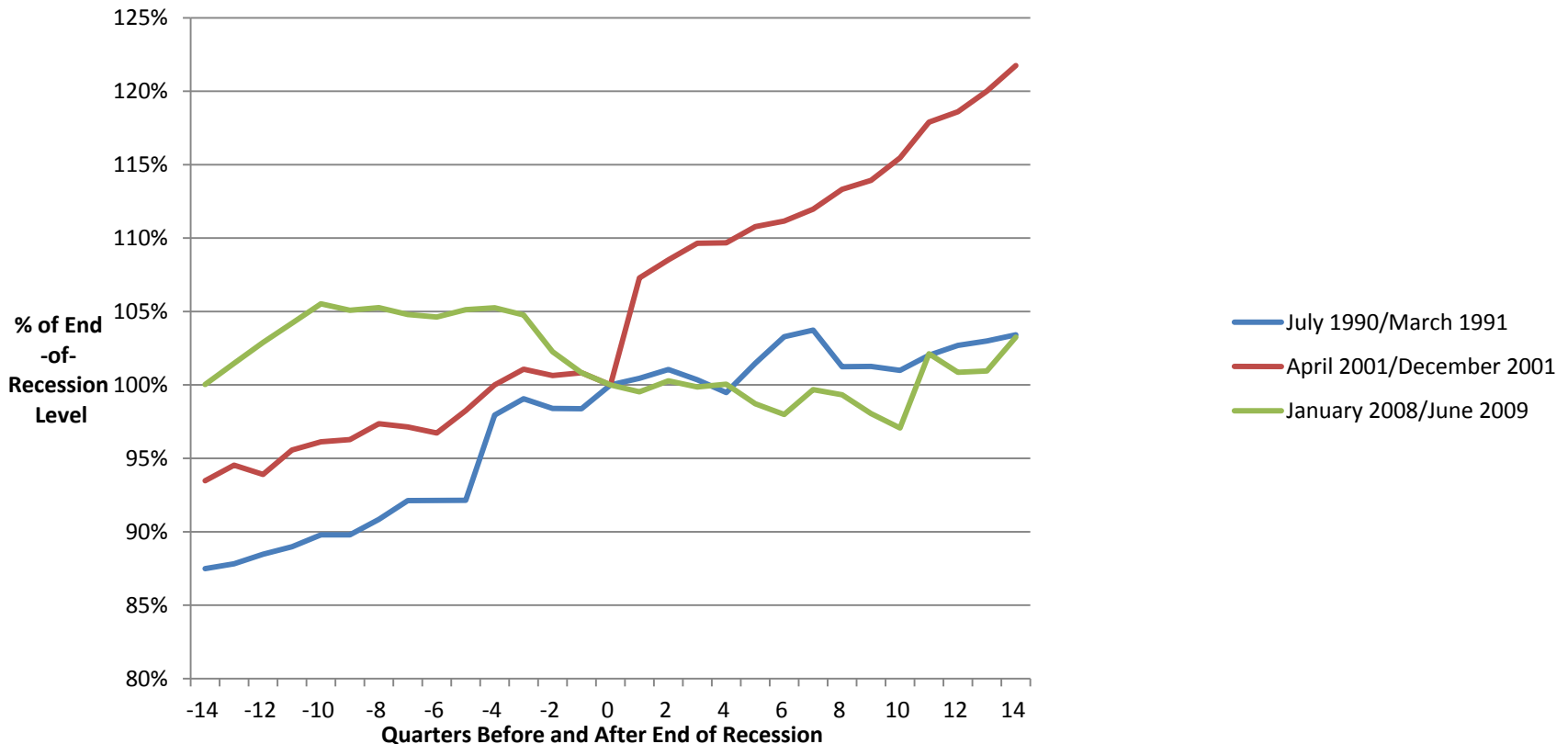


Source: Division of Employment Security, NC Department of Commerce; Bureau of Labor Statistics, US Department of Labor.



# Wilmington MSA Employment “Spider” Chart

(Brunswick, New Hanover, and Pender Counties)



Source: Employment Security Commission of NC; H. David and Diane Swain Center for Business and Economic Services, Cameron School of Business, UNC Wilmington.



# Wilmington MSA 3Q2012 Employment and Wages

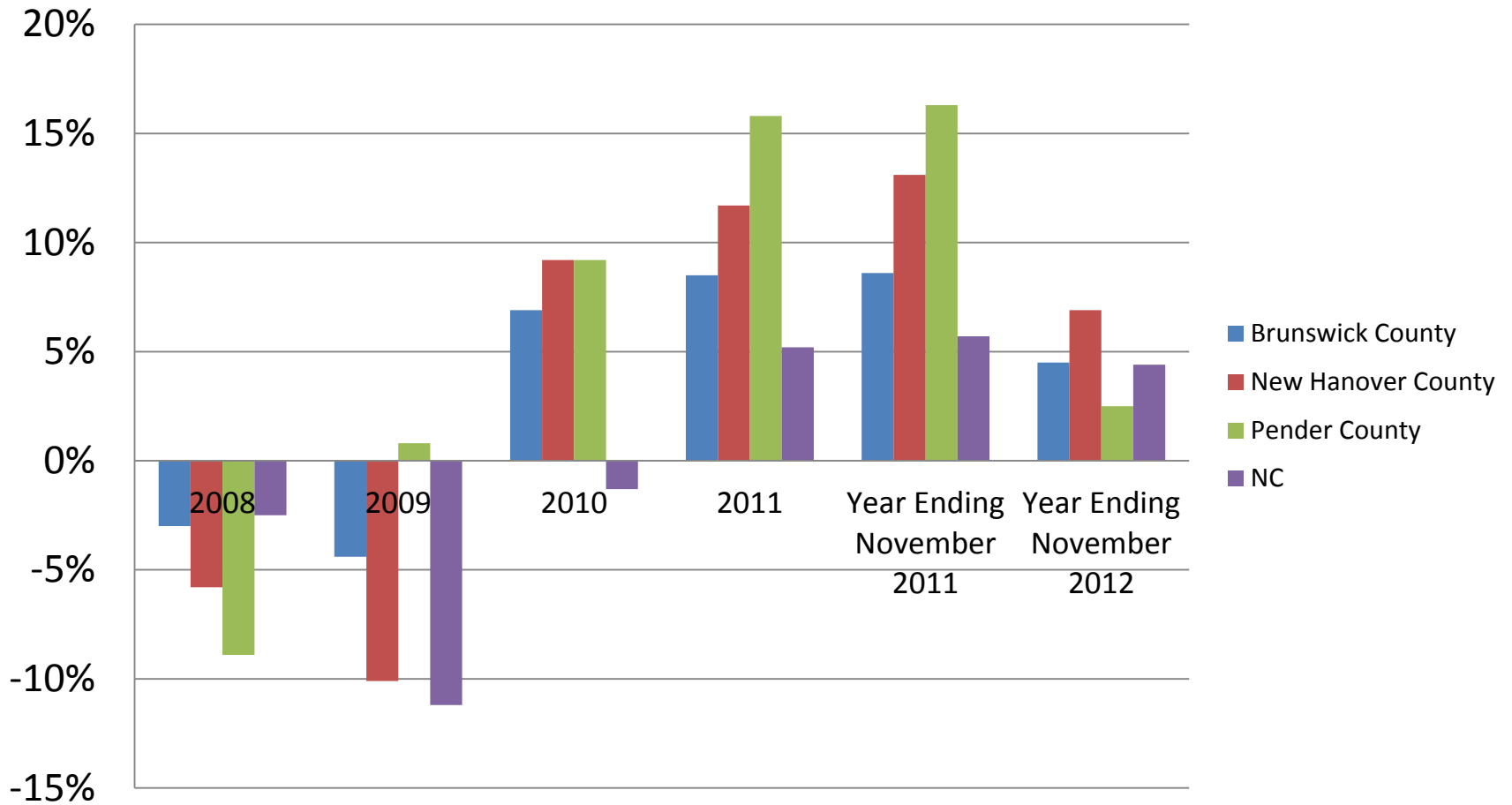
NAICS Sector	% of Total Employment	% Change from 3Q2011	% Change from 3Q2007	Average Weekly Wage	
				Wage (\$)	% of MSA All-Sector Average
Health Care & Social Assistance	15.9	5.3	10.9	755.90	108.5
Retail Trade	14.6	2.5	-5.3	463.63	66.5
Accommodation & Food Services	14.5	7.1	4.6	290.17	41.6
Local Government	12.5	2.2	1.5	804.00	115.4
Educational Services	7.2	0.6	0.4	767.28	110.1
Public Administration	6.1	2.2	3.6	831.34	119.3
Professional & Technical Services	5.6	0.2	-6.9	1,140.52	163.6
Manufacturing	5.4	-3.2	-19.0	1,267.03	181.8
Administrative & Waste Services	5.3	4.3	-8.0	532.54	76.4
Construction	5.2	-24.0	-44.5	716.48	102.8
All Sectors		0.8	-7.0	697.00	

Source: Division of Employment Security, NC Department of Commerce.





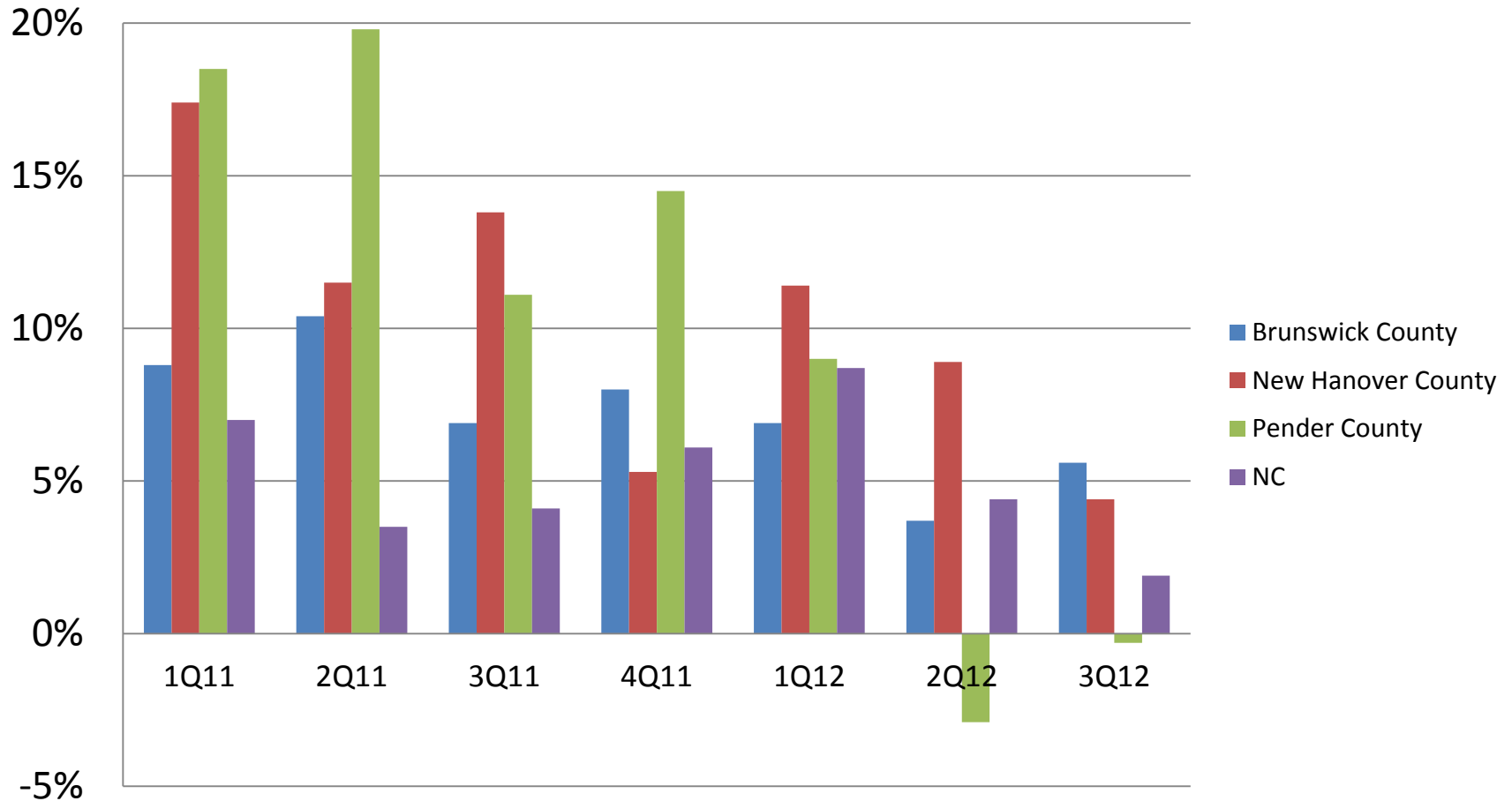
# Retail Sales Growth Rates



Source: NC Department of Revenue.



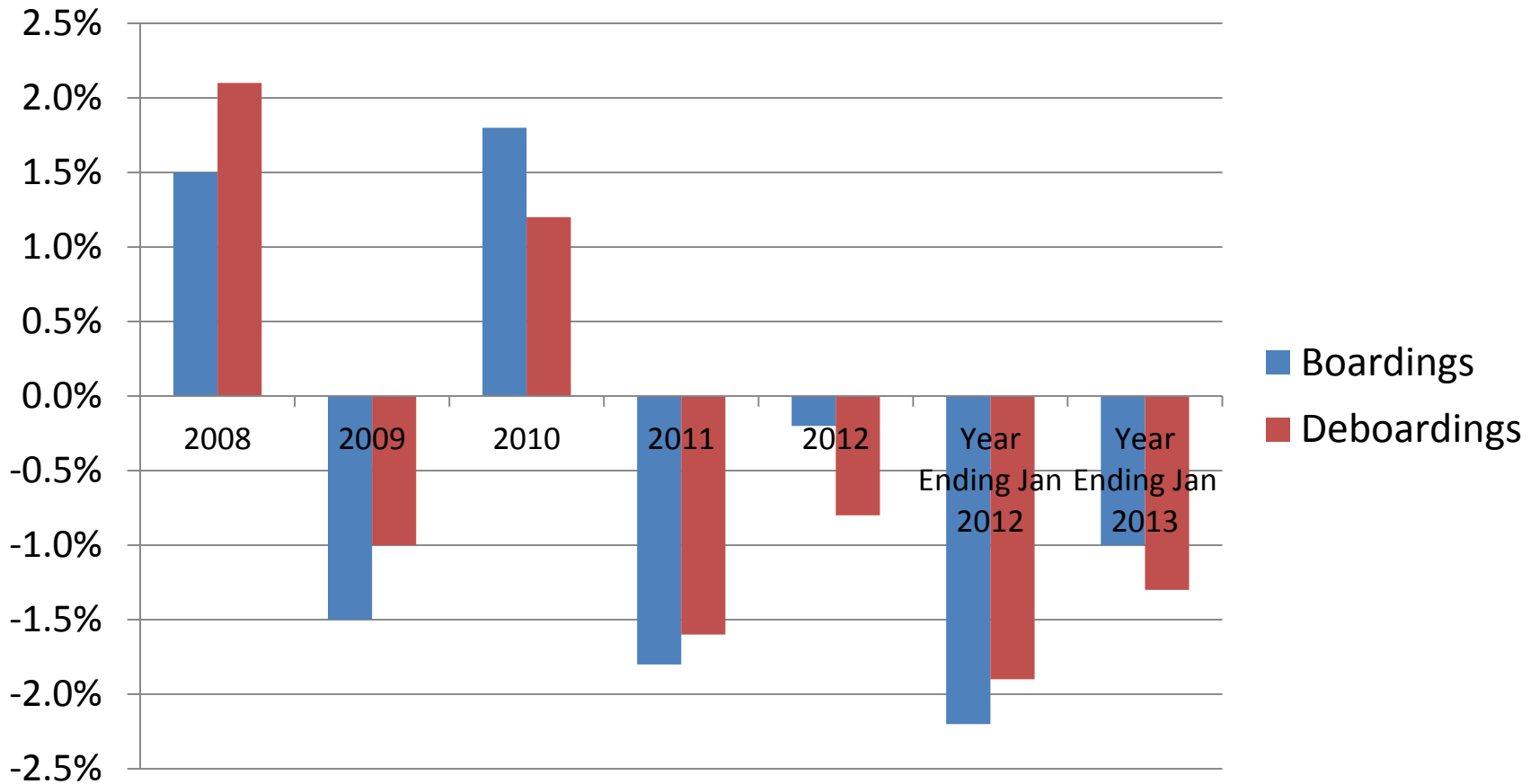
# Retail Sales Growth Rates (Compared to Year-Earlier Quarter)



Source: NC Department of Revenue.



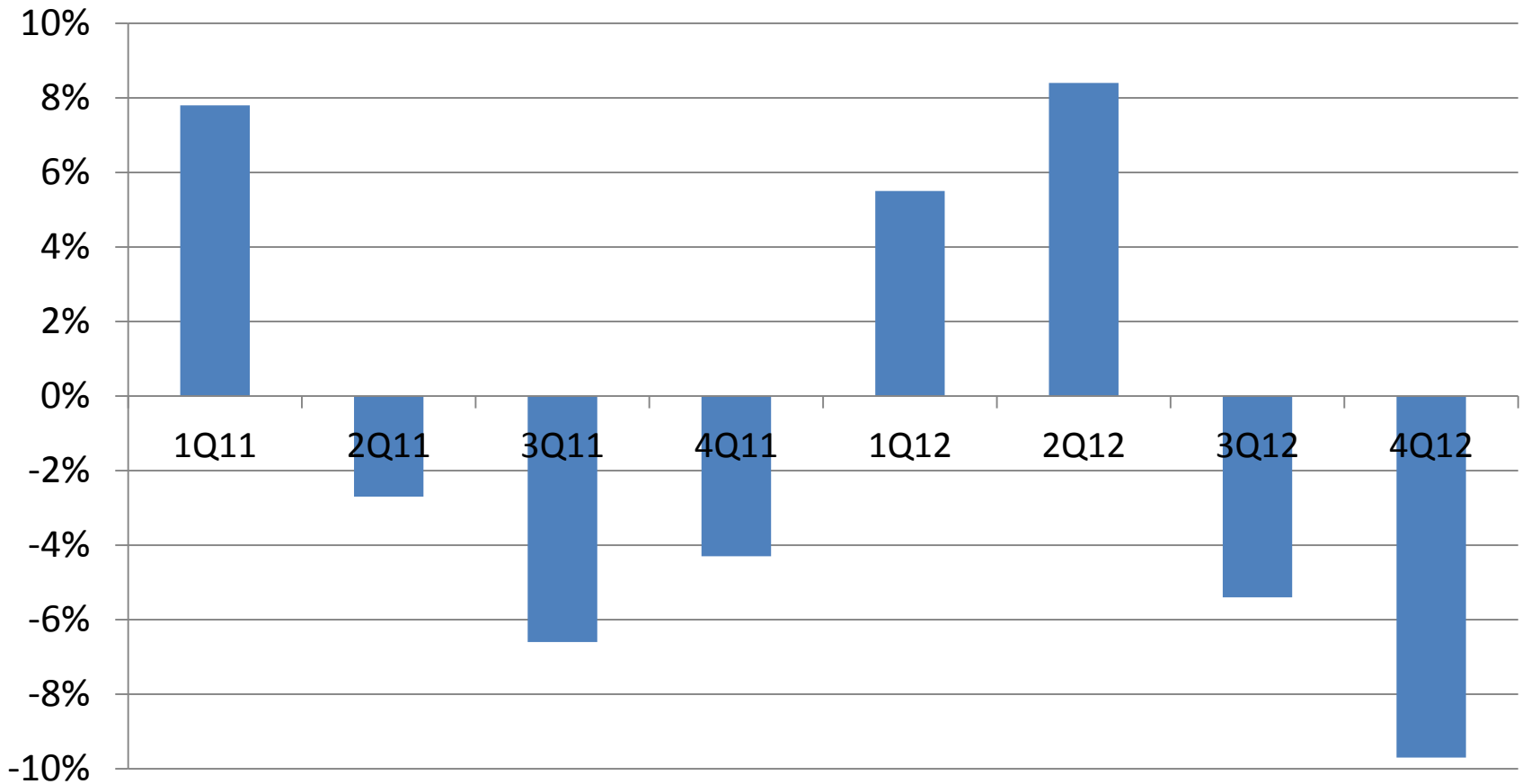
# Wilmington International Airport Air Passenger Traffic Growth Rates



Source: Wilmington International Airport.



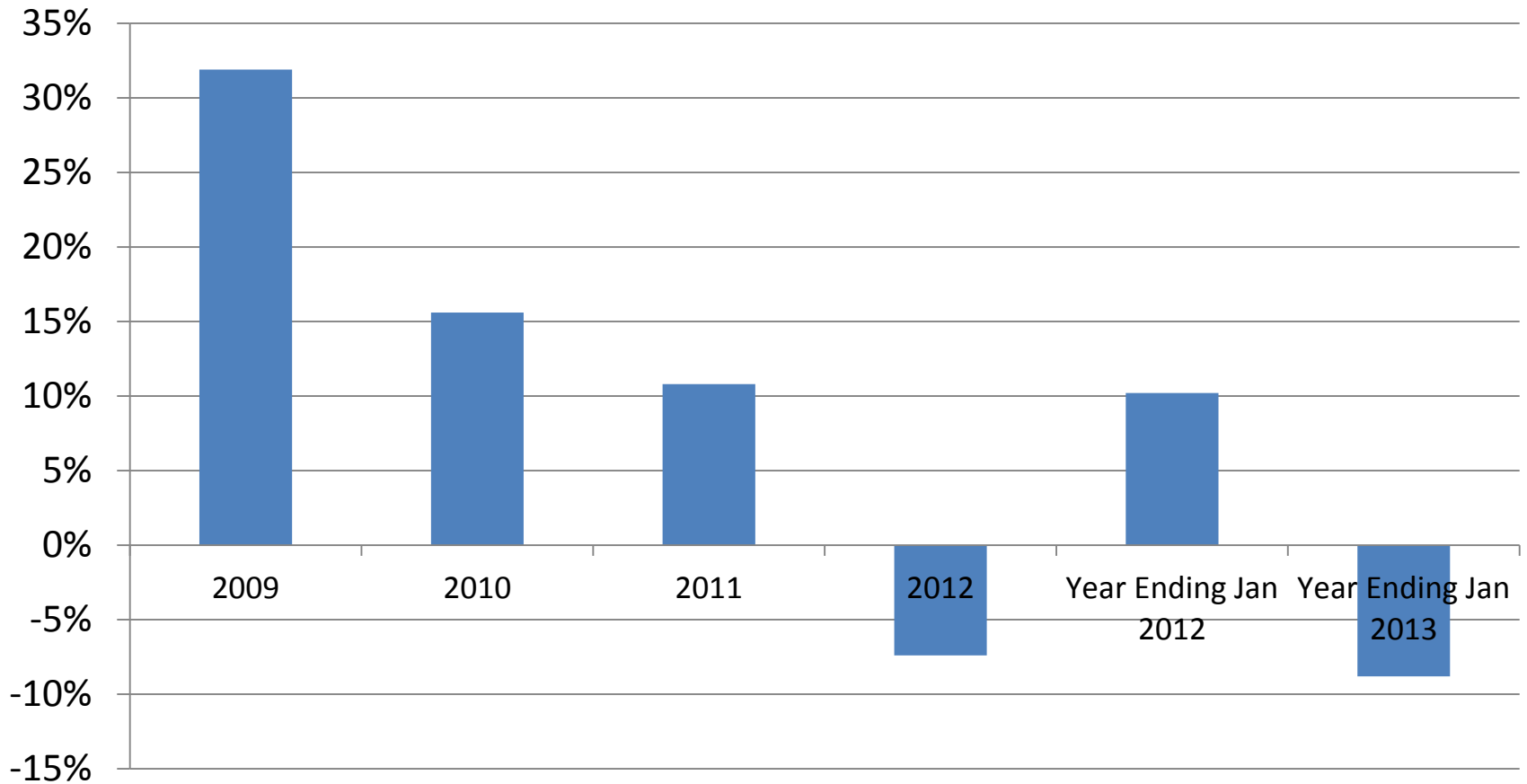
# Wilmington International Airport Air Passenger Traffic Growth Rates (Compared to Year-Earlier Quarter)



Source: Wilmington International Airport.



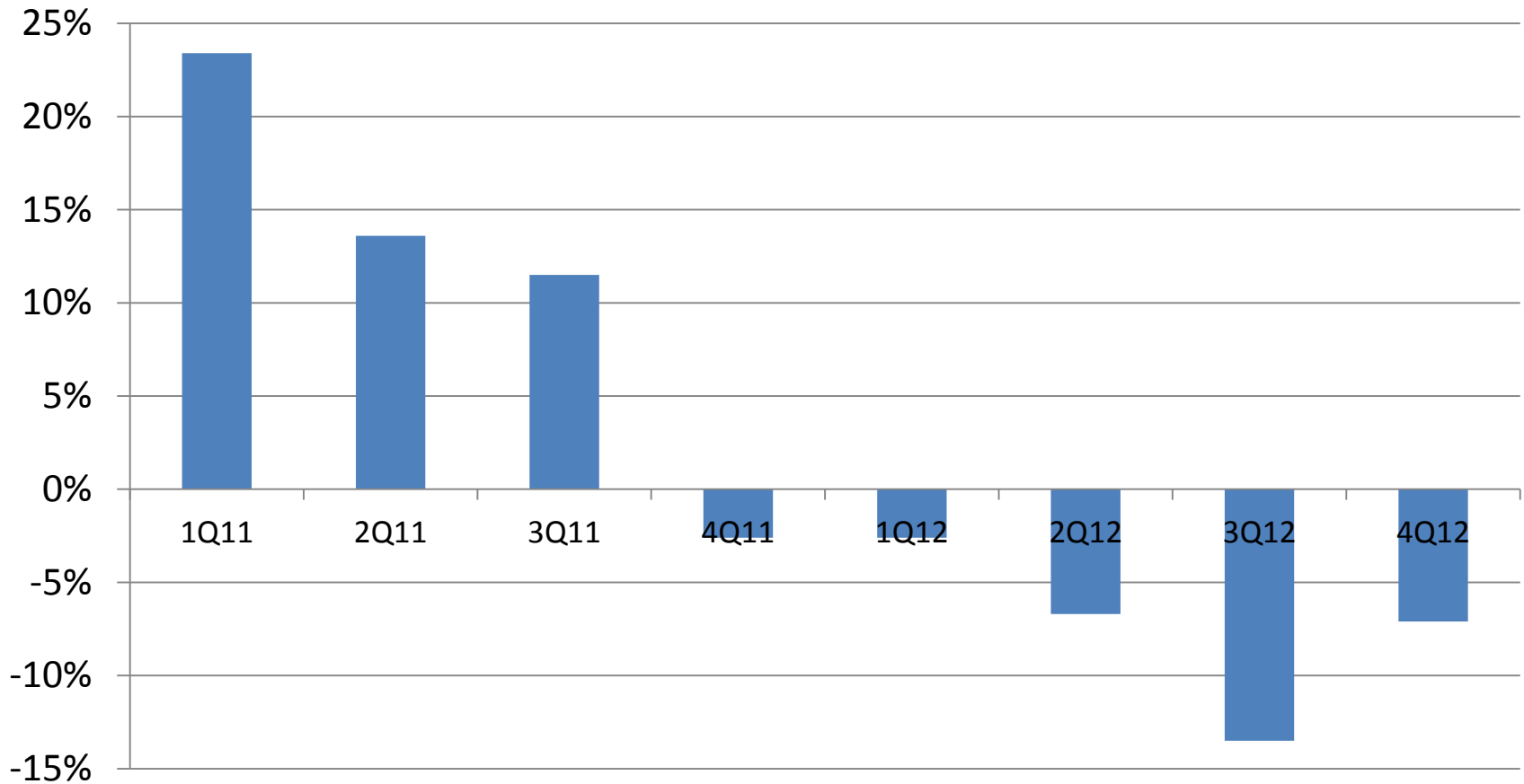
# Port of Wilmington Container Tonnage Growth Rates



Source: North Carolina State Ports Authority.



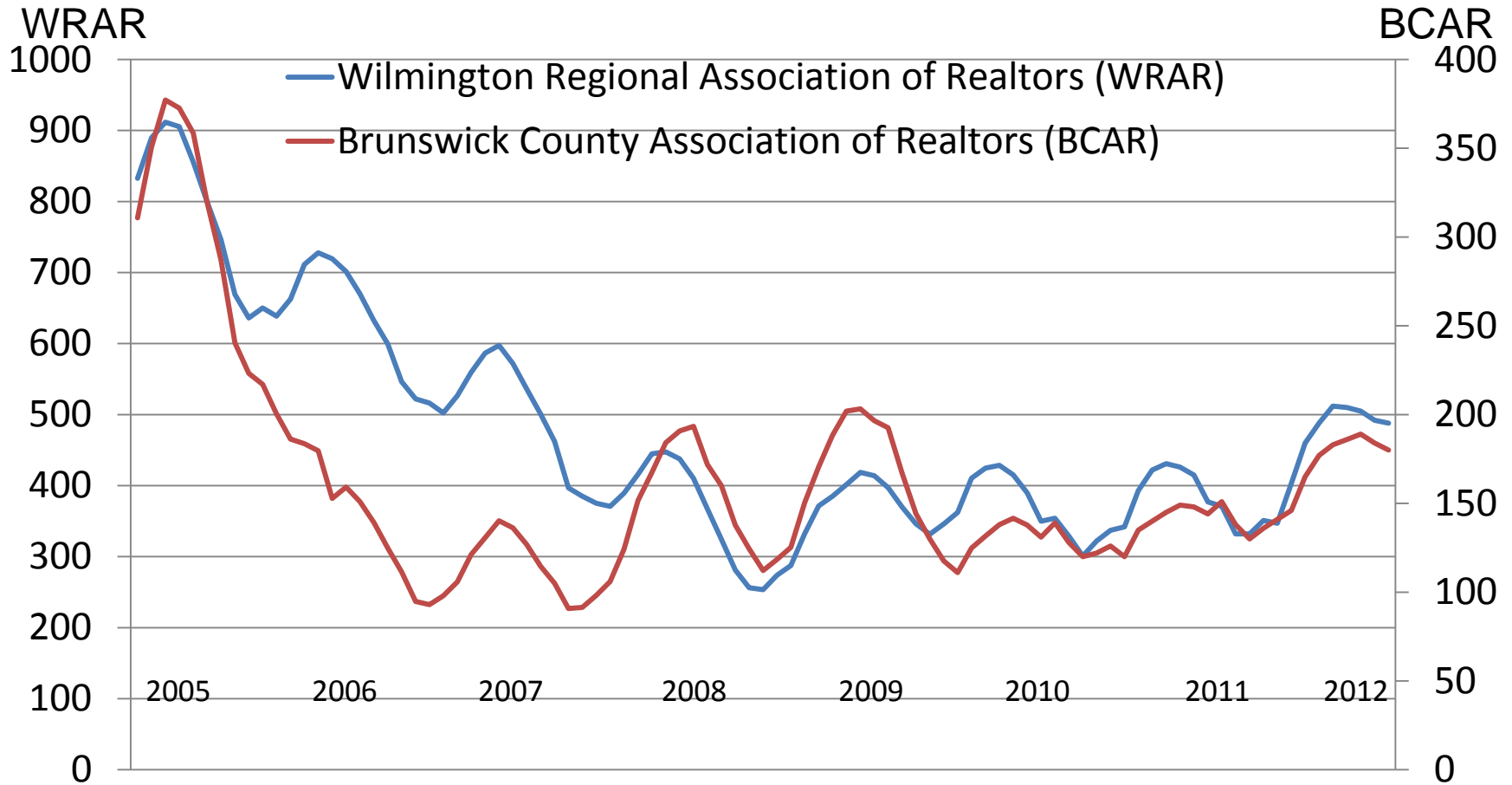
# Port of Wilmington Container Tonnage Growth Rates (Compared to Year-Earlier Quarter)



Source: North Carolina State Ports Authority.



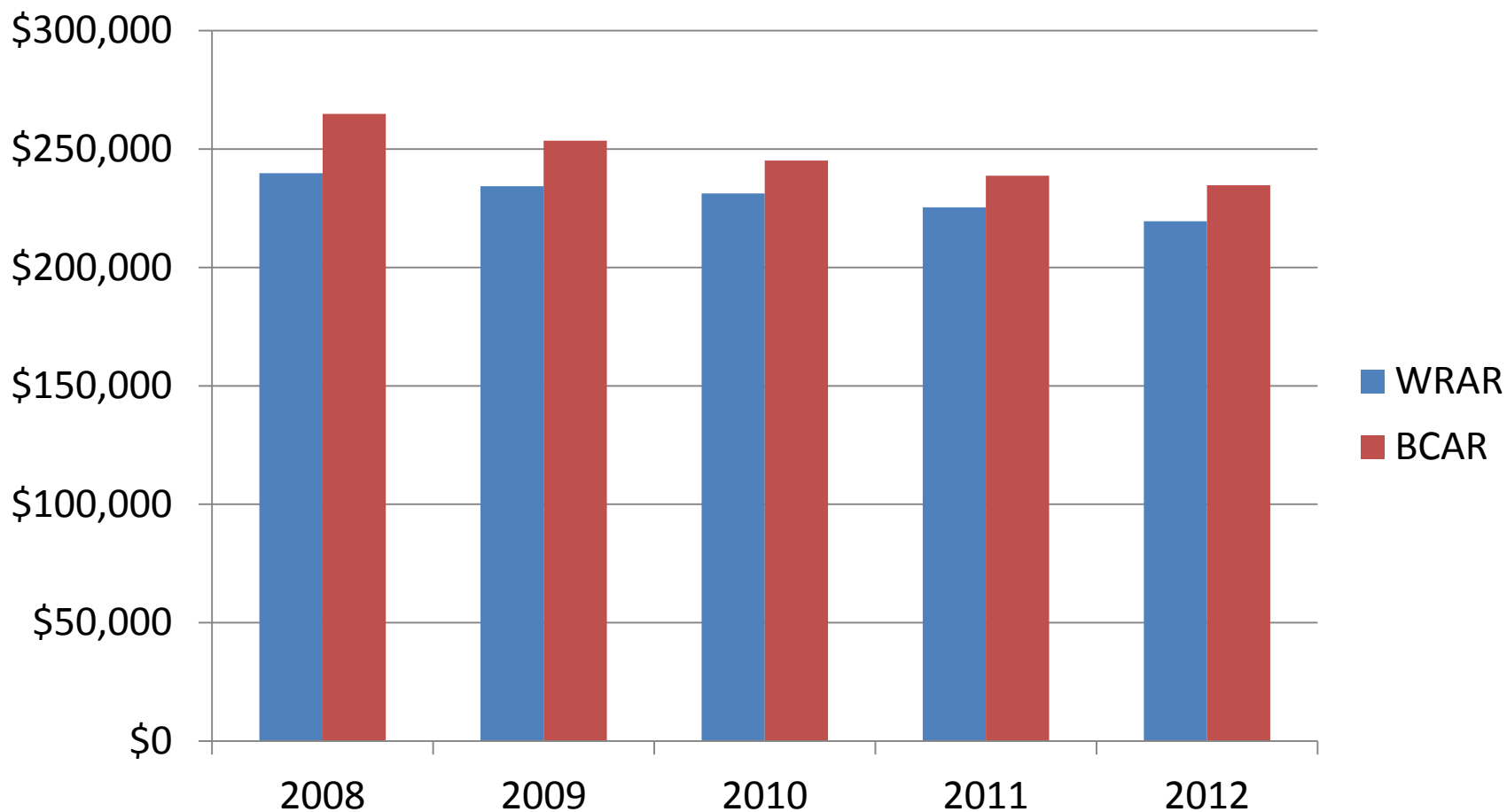
# Sales of Existing Single-Family Homes (5-Month Centered Moving Average)



Source: NC Association of Realtors.



# Average Quarterly Sales Prices of Existing Single-Family Homes

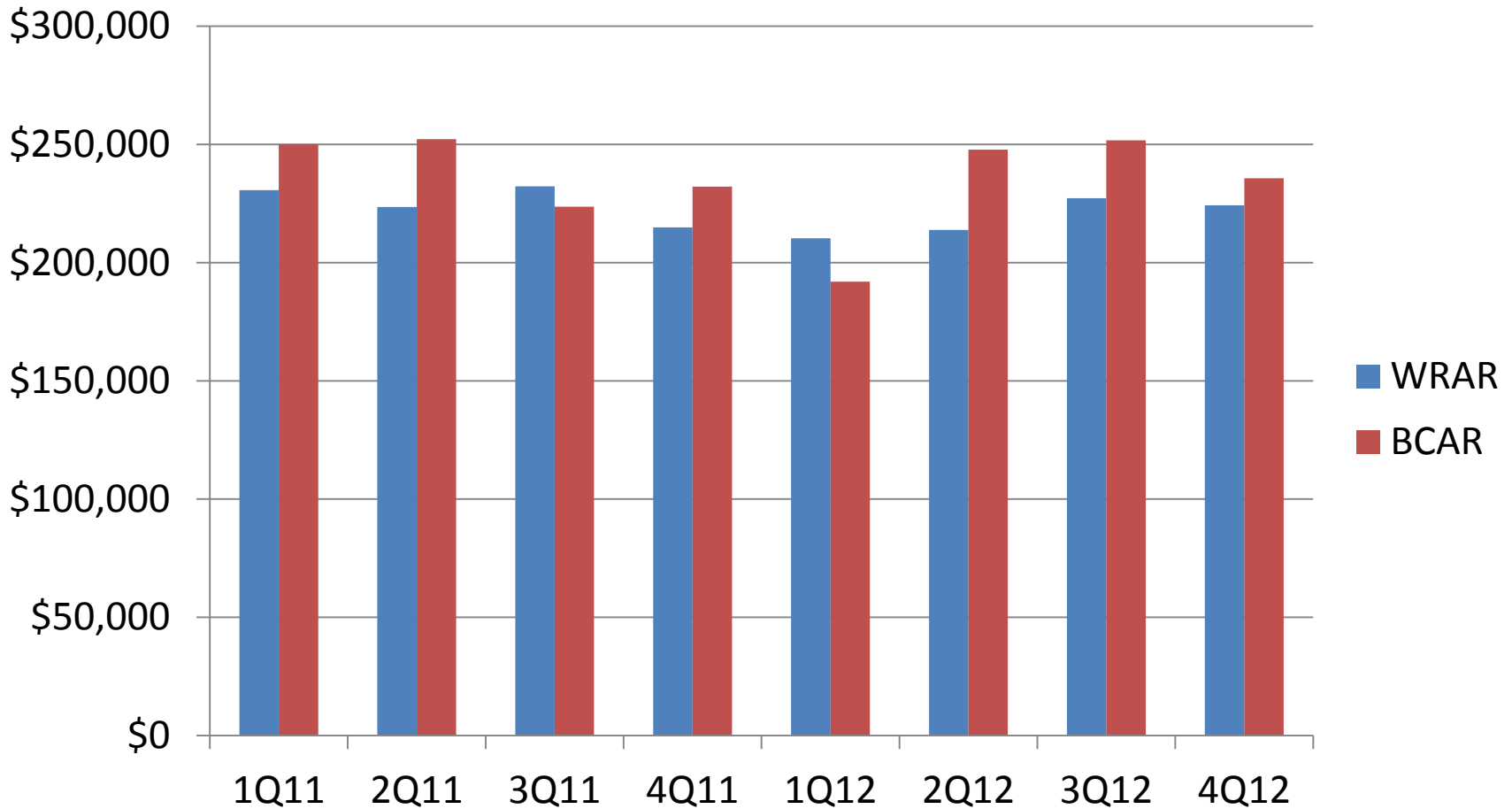


Source: NC Association of Realtors.





# Average Annual Sales Prices of Existing Single-Family Homes



Source: NC Association of Realtors.



# Residential Foreclosures

	Brunswick County	New Hanover County	Pender County	North Carolina
2008	900	1,107	327	53,939
% Change 2007-08	83.3	41.2	36.8	9.0
2009	1,642	1,483	473	60,249
% Change 2008-09	82.4	45.8	44.6	11.7
2010	1,693	1,881	521	66,296
% Change 2009-10	3.1	26.8	10.1	10.0
2011	1,458	1,559	419	53,218
% Change 2010-11	-13.9	-17.1	-19.6	-19.7
2012	1,173	1,432	426	54,749
% Change 2011-12	-19.5	-8.1	1.7	2.8

Source: NC Administrative Office of the Courts.

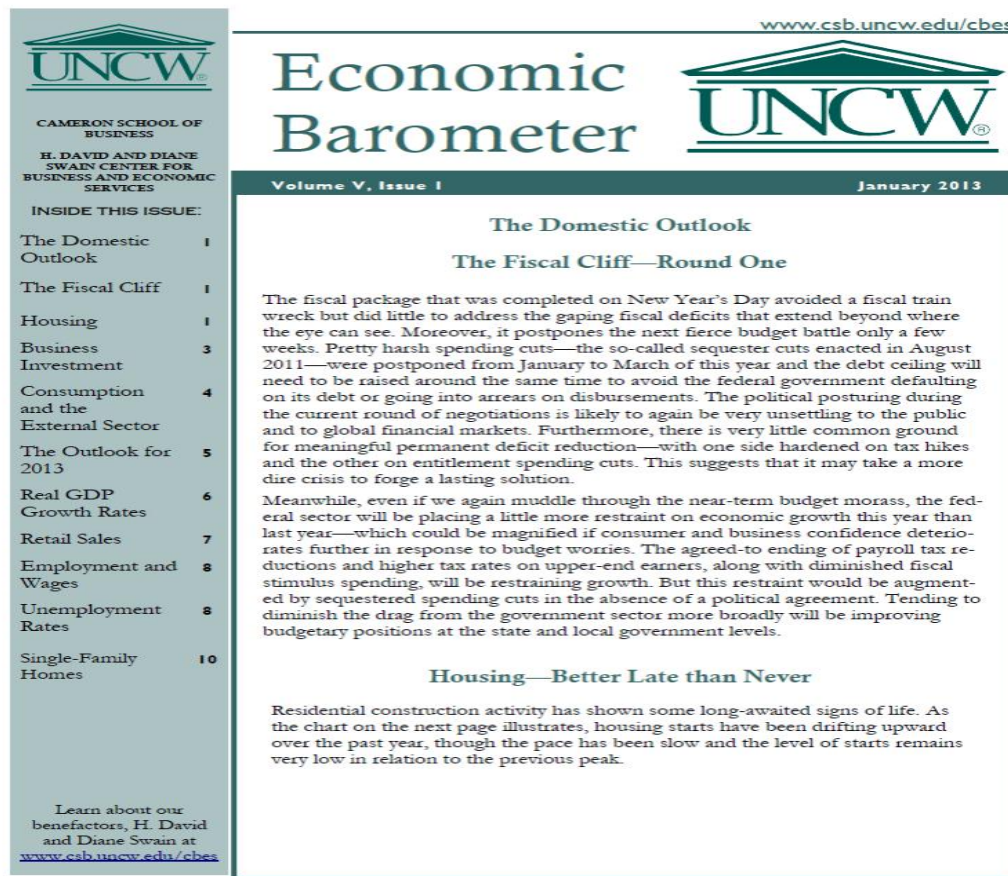


# Special Thanks



# Quarterly Barometer

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



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### The Domestic Outlook

#### The Fiscal Cliff—Round One

The fiscal package that was completed on New Year's Day avoided a fiscal train wreck but did little to address the gaping fiscal deficits that extend beyond where the eye can see. Moreover, it postpones the next fierce budget battle only a few weeks. Pretty harsh spending cuts—the so-called sequester cuts enacted in August 2011—were postponed from January to March of this year and the debt ceiling will need to be raised around the same time to avoid the federal government defaulting on its debt or going into arrears on disbursements. The political posturing during the current round of negotiations is likely to again be very unsettling to the public and to global financial markets. Furthermore, there is very little common ground for meaningful permanent deficit reduction—with one side hardened on tax hikes and the other on entitlement spending cuts. This suggests that it may take a more dire crisis to forge a lasting solution.

Meanwhile, even if we again muddle through the near-term budget morass, the federal sector will be placing a little more restraint on economic growth this year than last year—which could be magnified if consumer and business confidence deteriorates further in response to budget worries. The agreed-to ending of payroll tax reductions and higher tax rates on upper-end earners, along with diminished fiscal stimulus spending, will be restraining growth. But this restraint would be augmented by sequestered spending cuts in the absence of a political agreement. Tending to diminish the drag from the government sector more broadly will be improving budgetary positions at the state and local government levels.

#### Housing—Better Late than Never

Residential construction activity has shown some long-awaited signs of life. As the chart on the next page illustrates, housing starts have been drifting upward over the past year, though the pace has been slow and the level of starts remains very low in relation to the previous peak.

# North Carolina's Southeast

- <http://www.ncse.org/>