FEDERAL
RESERVE
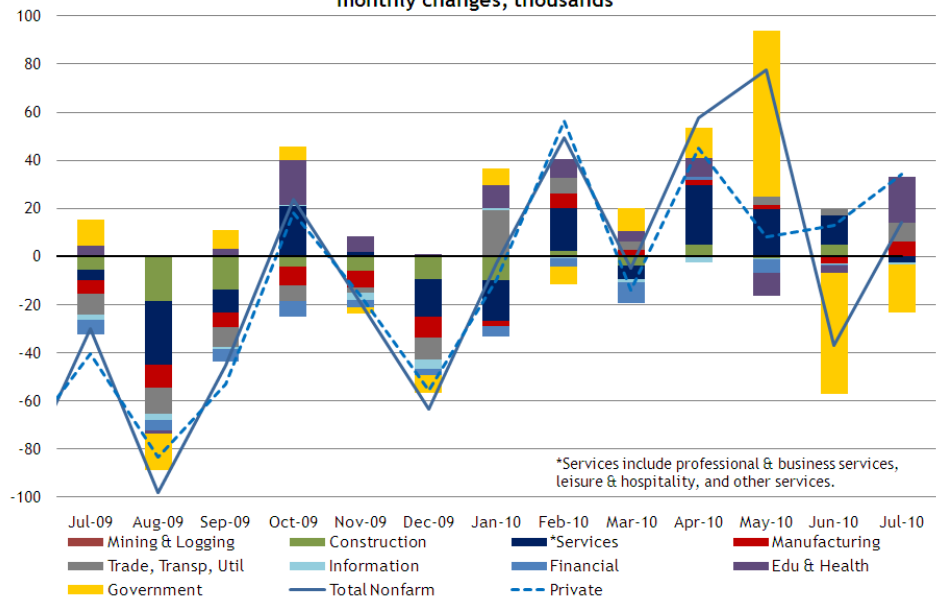BANK
of ATLANTA

August 25, 2010

Economic Highlights

Summary

The District added 14,400 non-farm jobs in July. Private sector jobs increased by 34,100 over the month.

6th District Payroll Employment by Industry
monthly changes, thousands

*Services include professional & business services, leisure & hospitality, and other services.

Legend: Mining & Logging, Construction, *Services, Manufacturing, Trade, Transp, Util, Information, Financial, Edu & Health, Government, Total Nonfarm, Private
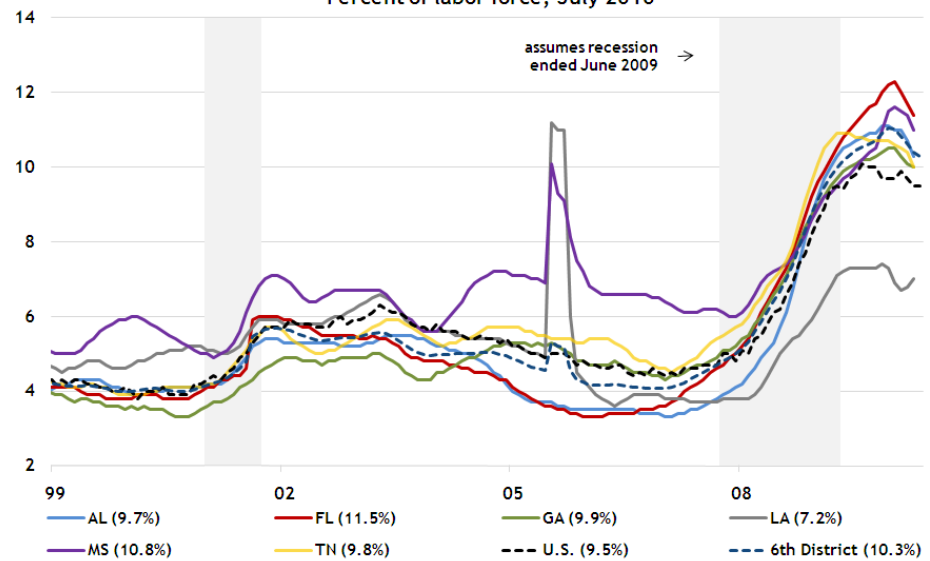
Source: U.S. Bureau of Labor Statistics

- The District added 14,400 jobs in July after shedding 37,100 jobs in June. Government sector payrolls declined by 19,700 over the month likely because of the release of temporary workers hired for the 2010 Census. Private payrolls increased 34,100 over the month.

- In July, all District states added jobs except Mississippi. Nationwide, 37 states added jobs during the month.

The District unemployment rate decreased to 10.3% in July from 10.4% in June.

District Unemployment Rates
Percent of labor force, July 2010

assumes recession ended June 2009 →

Legend: AL (9.7%), FL (11.5%), GA (9.9%), LA (7.2%), MS (10.8%), TN (9.8%), U.S. (9.5%), 6th District (10.3%)
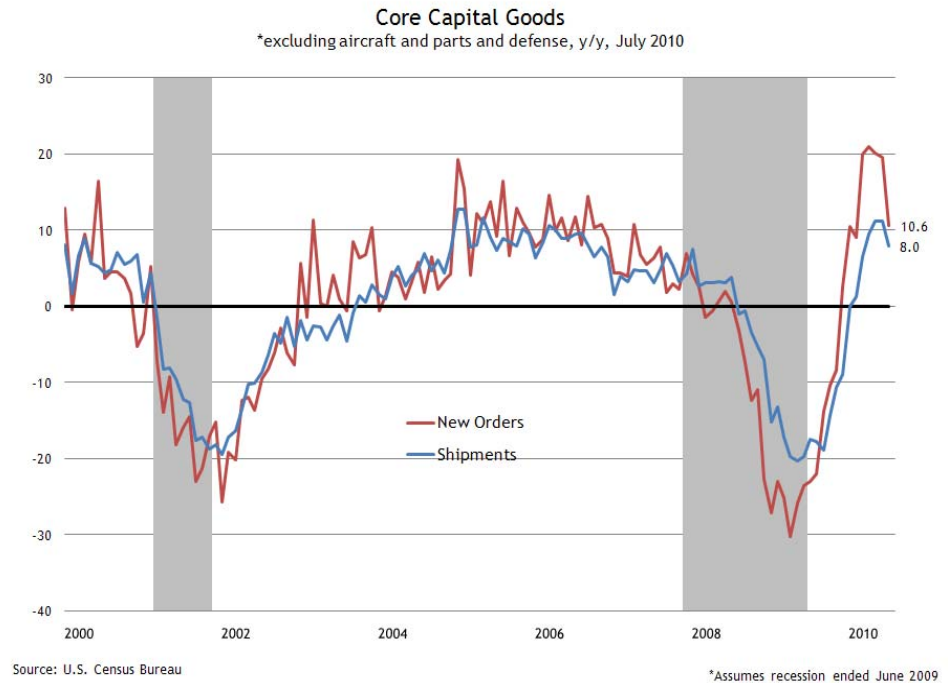
Source: U.S. Bureau of Labor Statistics

- The unemployment rate decreased in all District states except Florida and Louisiana.

- All states in the District except Louisiana have unemployment rates above the national unemployment rate of 9.5%; Louisiana's rate is 7.2%.

Summary

New orders for core capital goods (excluding aircraft and defense) declined a stunning 8% in July.

Core Capital Goods
*excluding aircraft and parts and defense, y/y, July 2010

Source: U.S. Census Bureau

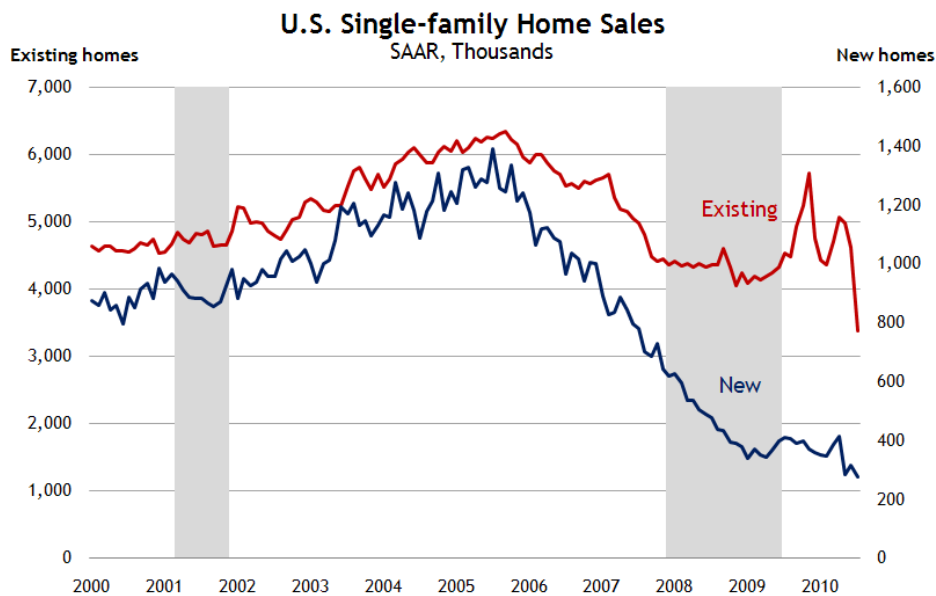*Assumes recession ended June 2009

- **New orders for core capital goods declined a staggering 8% in July**, erasing large month-over-month gains from May (4.7%) and June (3.6%). A large fluctuation in new orders for commercial aircraft inflated the headline figure to reflect a gain of 0.3%.

- New orders for machinery and computers bore a great deal of the decreases with double-digit losses, declining 15% and 12.7%, respectively, for the month.

- **Shipments of core capital goods declined 1.5% in July.**

Summary

The National Association of Realtors reported that existing home single-family sales declined sharply in July to the lowest level since May 1995.

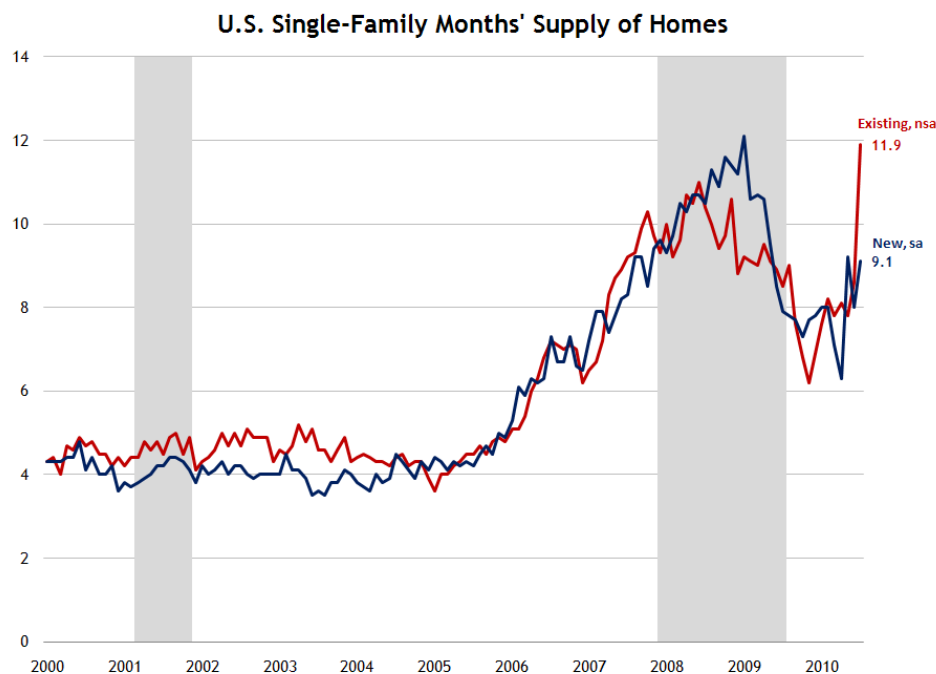The U.S. Census reported that new single-family home sales fell in July to a new record low for the series.

U.S. Single-family Home Sales
SAAR, Thousands

July 2010
Note: assumes recession ended June 2009
Source: U.S. Census Bureau and National Association of Realtors

July 2010 Home Sales

	thousands, SAAR	y/y change	m/m change
Existing home sales	3,830	-24.5%	-27.2%
Existing single-family	3,370	-25.6%	-27.1%
Existing multifamily	460	-24.0%	-28.1%
New single-family	276	-32.4%	-12.4%

The months' supply of homes available for sale jumped sharply in July.

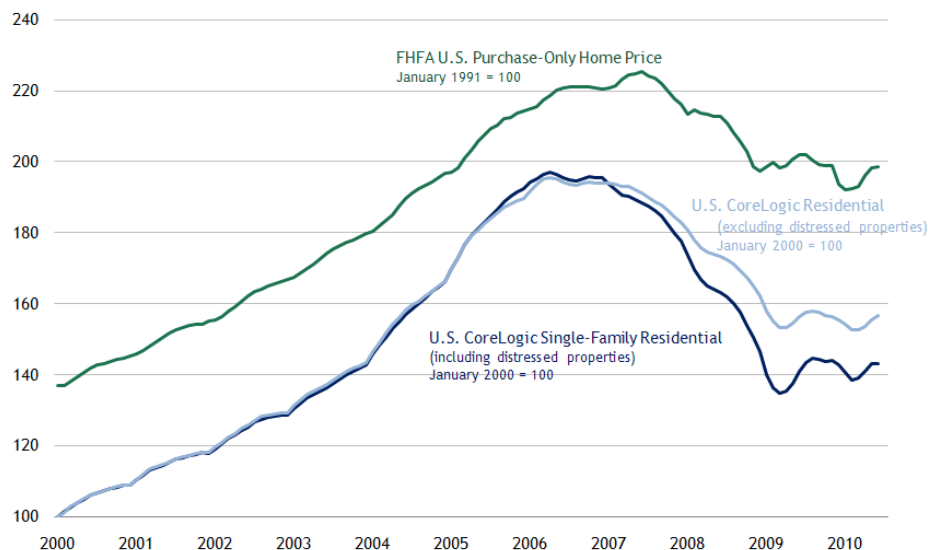**U.S. Single-Family Months' Supply of Homes**

July 2010
Note: assumes recession ended June 2009
Source: U.S. Census Bureau and National Association of Realtors

Summary

The FHFA purchase-only and CoreLogic home price indexes indicated that home price growth was nearly flat from May to June.
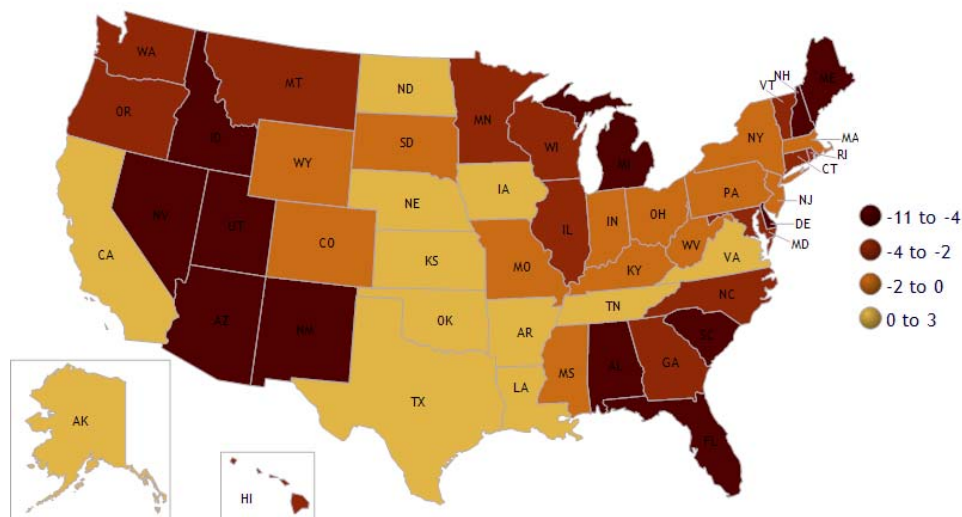
Home Price Indexes

Source: First American CoreLogic; Federal Home Finance Authority

	June (nsa)	June (sa)	M/M (nsa)	M/M(sa)	Y/Y
U.S. FHFA Purchase-Only Index	198.7	195.2	0.3%	-0.3%	-1.7%
U.S. CoreLogic Index					
Combined*	144.3		0.0%		1.4%
Combined* excl. distressed	156.7		0.9%		0.2%
Single-family detached	143.0		0.1%		1.6%
Single-family attached	151.1		-0.2%		0.4%

*Combined refers to single-family attached and single-family detached homes.

According to the FHFA purchase-only home price index, home prices increased 1% in 2Q10 compared with the prior quarter, the first increase since 2Q07. The steepest price declines were mostly among states where the largest share of homeowners were considered "underwater." California, however, was the exception.

2Q10 FHFA Purchase-Only Home Price Index year-over-year % change

Source: Federal Home Finance Authority