

# ECONOMIC AND FINANCIAL HIGHLIGHTS

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JULY 25, 2012



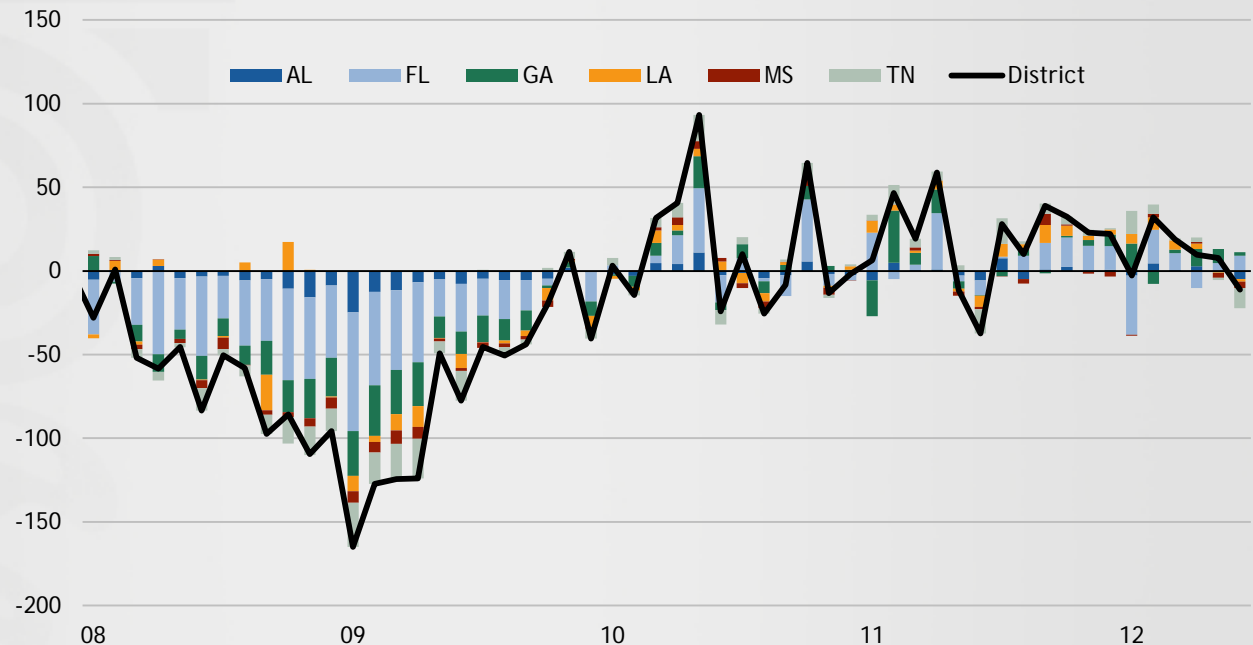
# EMPLOYMENT

## SUMMARY

The Sixth District as a whole shed 11,000 payrolls in June, following 7,700 new payrolls in May and 9,600 new payrolls in April.

Out of the six district states, four shed payrolls, while only Florida (up 9,000) and Georgia (up 2,200) experienced job growth over June. The magnitude of payroll losses varied by state: Louisiana shed 1,500 jobs in June, while Mississippi lost 3,800. Alabama's employment levels dropped by 4,900, while Tennessee had the greatest decline in employment, losing 11,100 payrolls in June.

Payroll Employment Growth by State  
monthly change, thousands



Source: U.S. Bureau of Labor Statistics

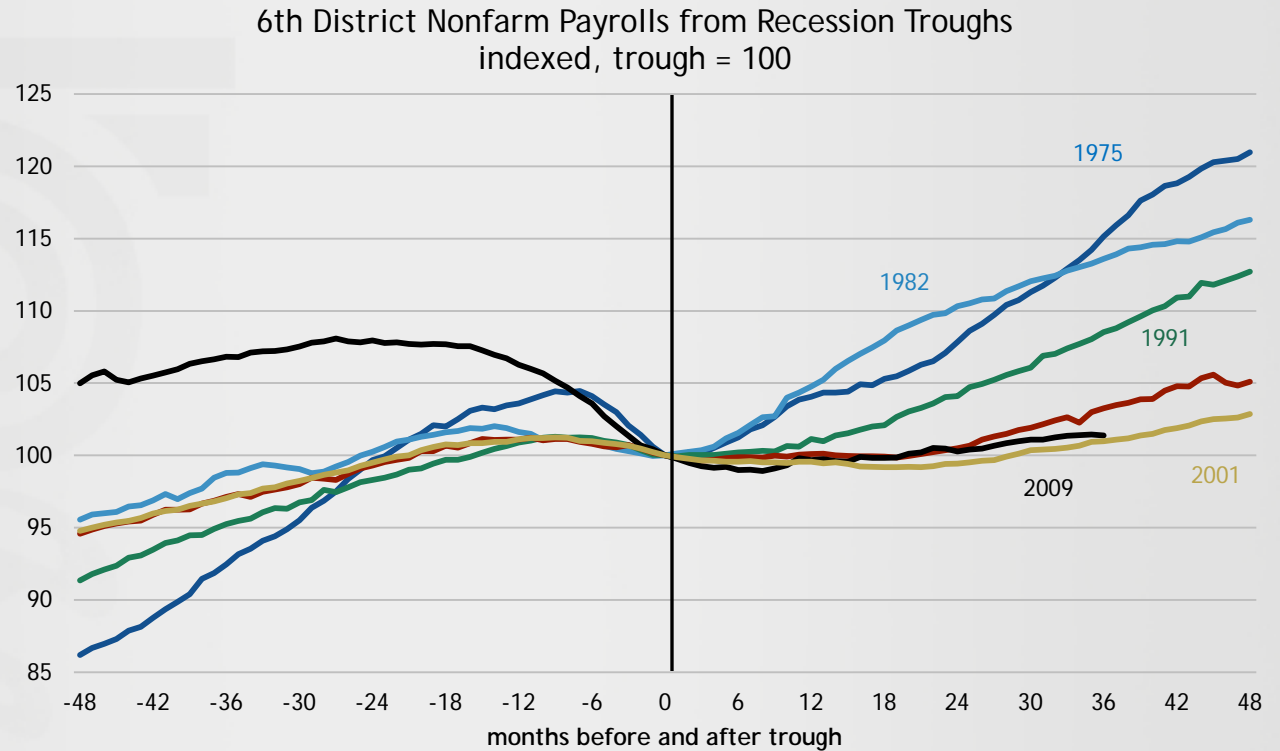
## ADDITIONAL DETAIL

- Despite job growth in two district states, unemployment rates increased in all district states except Florida, where the rate remained unchanged at 8.6 percent. In Alabama, the unemployment rate jumped 0.4 percentage points to reach 7.8 percent; in Tennessee, the unemployment rate increased 0.2 percentage points to reach 8.1 percent, while the unemployment rates in Georgia and Mississippi both crept up 0.1 percentage point to reach 9 percent and 8.8 percent, respectively. Louisiana's unemployment rate remained the lowest in the district but increased 0.3 percentage points over the month of June to reach 7.5 percent.

# EMPLOYMENT

## SUMMARY

Nonfarm payrolls for the Sixth District as a whole are recovering at a historically sluggish pace, comparable to that of the 2001 recession.



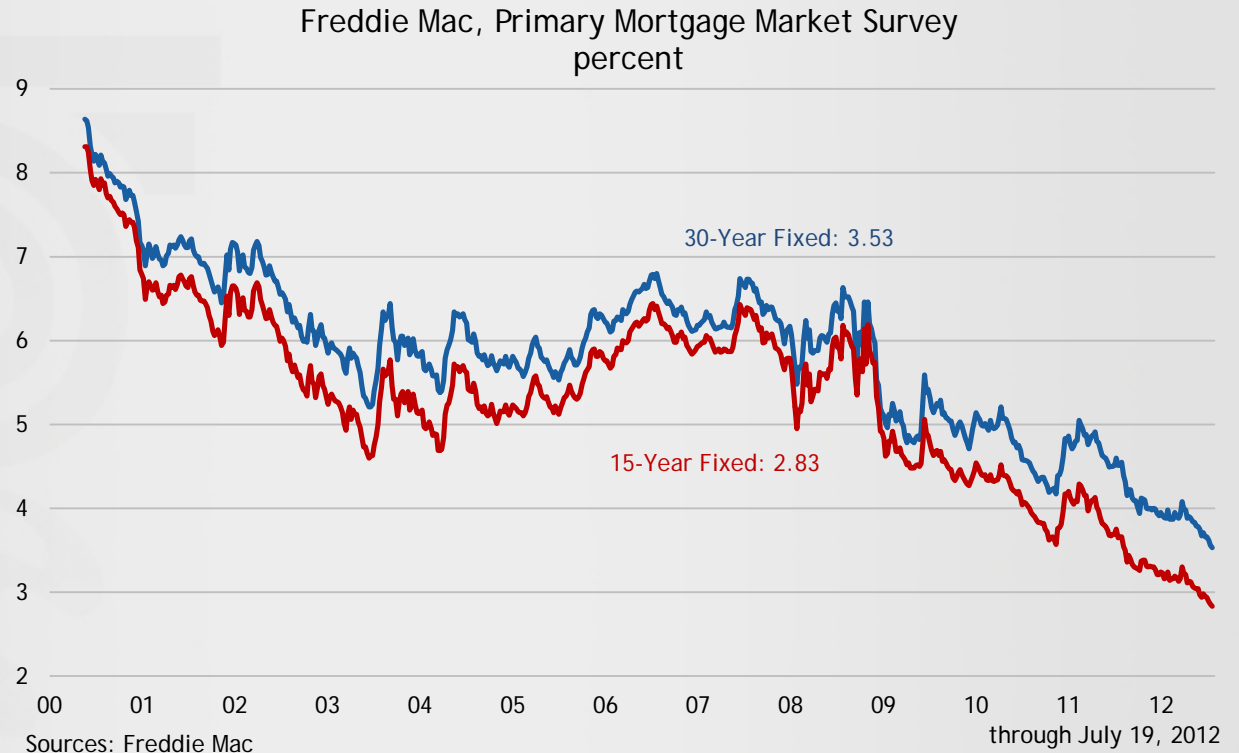
Source: State departments of labor

# HOUSING

## SUMMARY

Over the week of July 12-19, the average rates for a 30-Year fixed rate mortgage and 15-Year fixed rate mortgage each dropped three tenths of a percent to 3.53 percent and 2.83 percent, respectively.

These average rates represent new series lows.

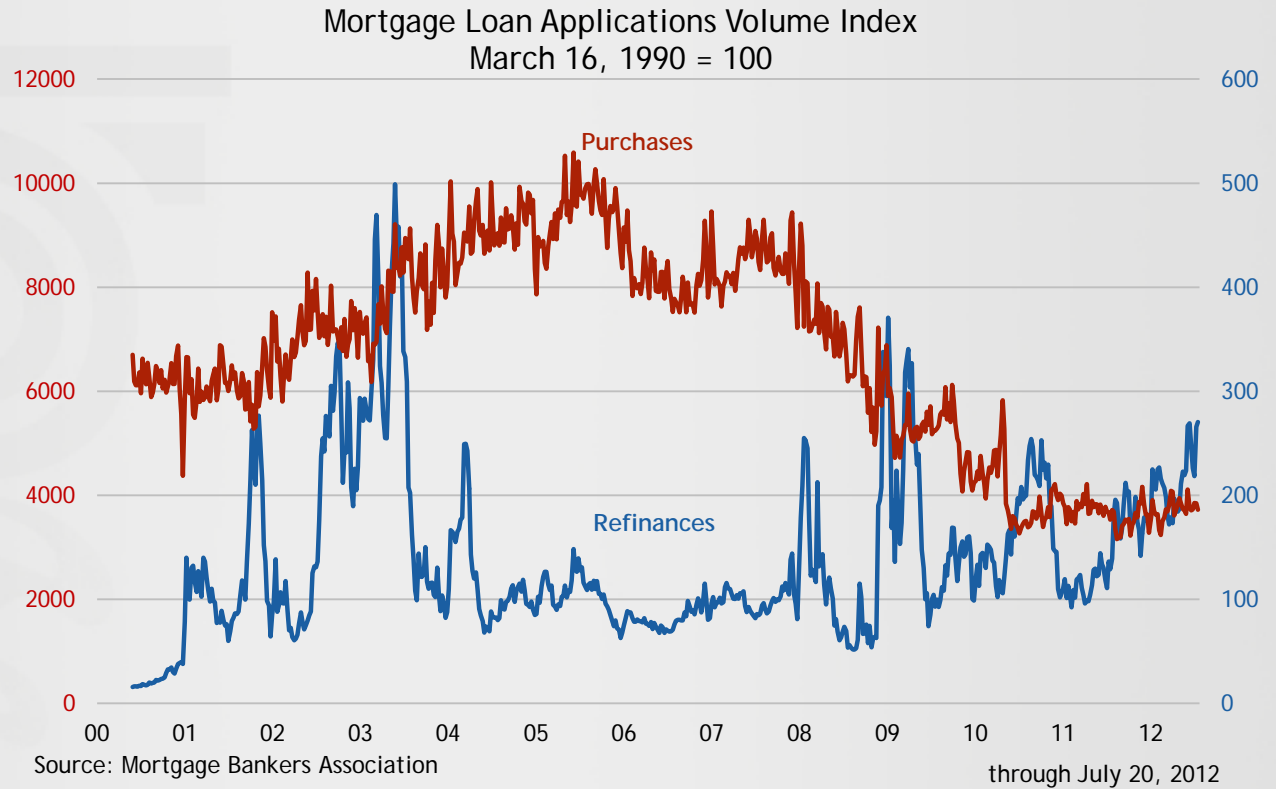


# HOUSING

## SUMMARY

Mortgage loan applications for refinancing are up approximately 109 percent over the year ending July 20.

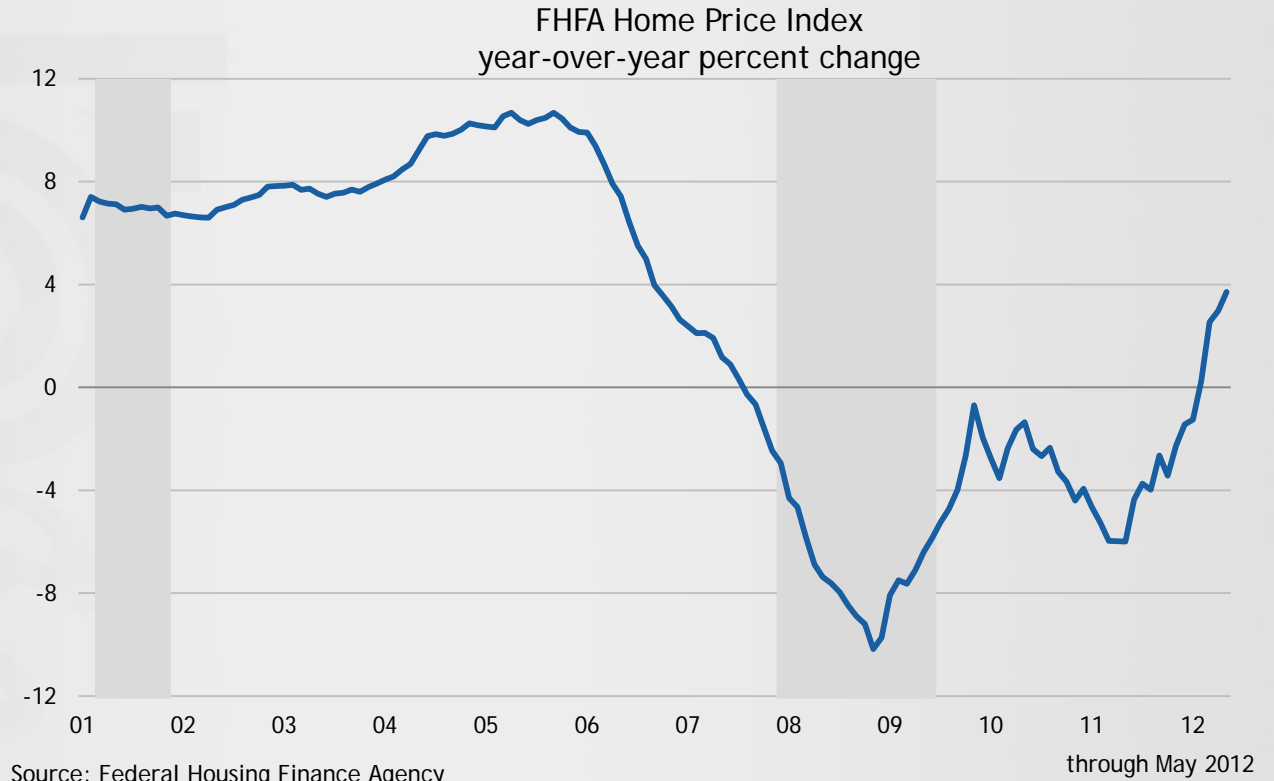
Applications for purchase are up approximately 5.1 percent over the same period.



# HOUSING

## SUMMARY

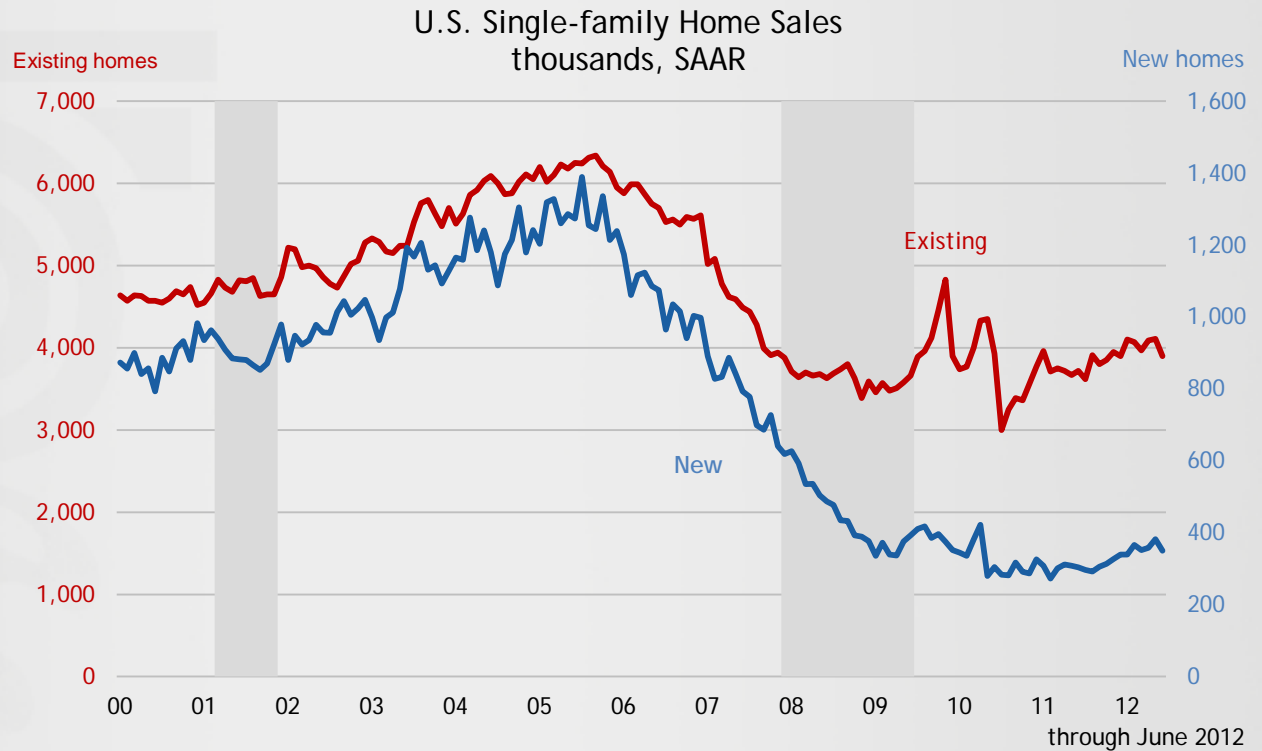
The Federal Housing Finance Agency reported that its U.S. purchase-only house price index increased 0.8 percent from April to May and rose 3.7 percent on a year-over-year basis.



# HOUSING

## SUMMARY

The National Association of Realtors, the U.S. Census Bureau, and the U.S. Department of Housing and Urban Development all reported that home sales declined from May to June but remained ahead of the year-earlier level.



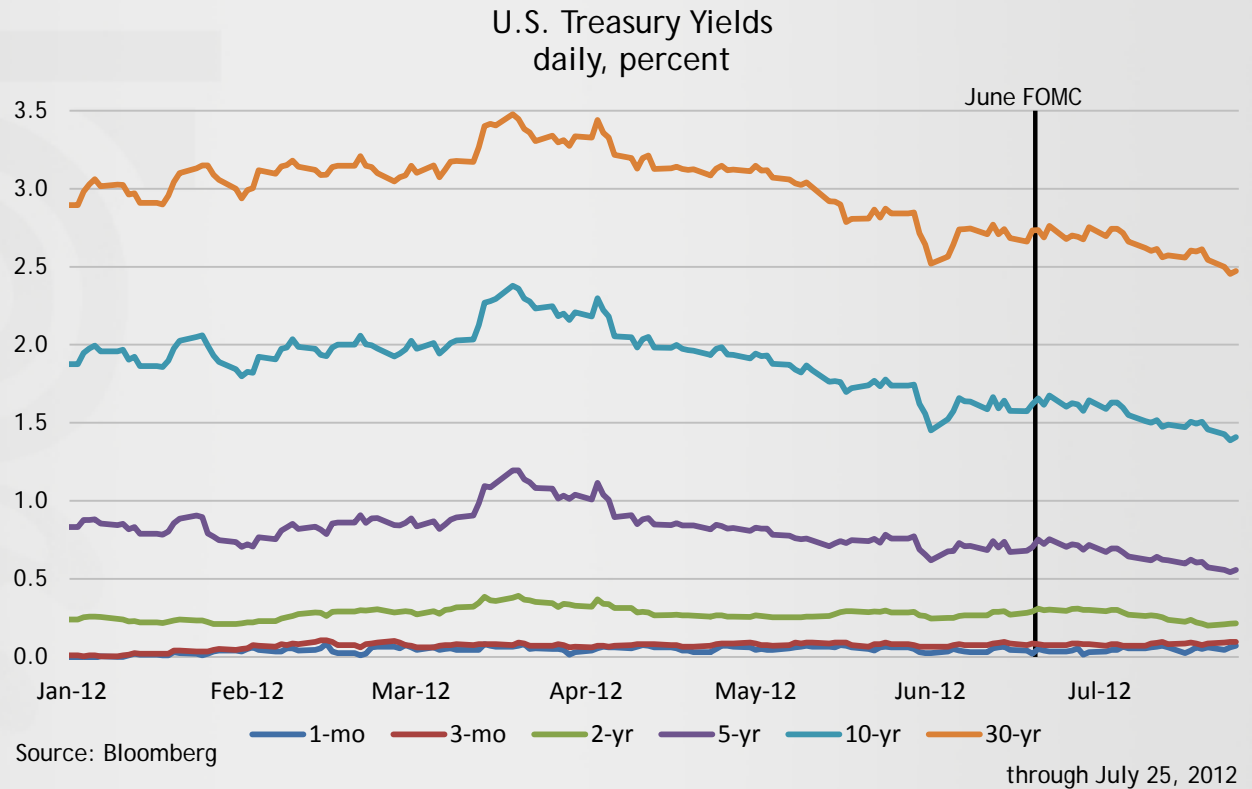
Sources: National Association of Realtors, U.S. Census Bureau & U.S. Department of Housing and Urban Development

June 2012 Home Sales			
	Thousands, SAAR	M/M	Y/Y
<b>Existing home sales:</b>	4370	-5.4%	4.6%
<b>Existing single-family:</b>	3900	-5.1%	4.8%
<b>Existing multifamily:</b>	470	-7.8%	2.2%
<b>New single-family:</b>	350	-8.4%	15.1%

# INTEREST RATES

## SUMMARY

Longer-dated U.S. Treasury yields have moved down further since the June FOMC meeting. The 30-year bond and 10-year note were lower by 26 and 25 basis points (bps), respectively, over that period and are now at 2.47 percent and 1.41 percent. The two-year note is down 10 bps to 0.22 percent.





# EUROPE

## SUMMARY

European bond spreads (against German equivalents), particularly for Spain and Italy, continue to be elevated. Through July 24, Spain's spread is at 639 bps, up 55 bps since June 19. Italy's spread has risen 52 bps on the week to 523 bps.

