Economic Conditions in Kansas

Kansas Government Finance Officers Association
Fall Conference

Kelly D. Edmiston
October 14, 2011
ECONOMIC CONDITIONS
## Consensus Forecasts

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011F</th>
<th>2012F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real GDP Growth</td>
<td>3.0</td>
<td>1.7</td>
<td>2.0</td>
</tr>
<tr>
<td>Unemployment Rate</td>
<td>9.6</td>
<td>9.1</td>
<td>9.0</td>
</tr>
<tr>
<td>Consumer Prices</td>
<td>1.6</td>
<td>3.1</td>
<td>2.2</td>
</tr>
</tbody>
</table>

Source: Blue Chip Economic Indicators (Oct 2011); Consensus Forecasts (Sep 2011); U.S. Bureau of Labor Statistics
Typical Recession Path

Source: U.S. Bureau of Economic Analysis
Quarterly GDP Forecasts

Change, real GDP, Annual Rate

Historical Average

Source: Blue Chip Economic Indicators (Oct 2011)

Source: Blue Chip Economic Indicators (Oct 2011)
Employment Growth

Source: U.S. Bureau of Labor Statistics
Job Growth by Sector (August)

Source: U.S. Bureau of Labor Statistics
Unemployment Rate

Source: U.S. Bureau of Labor Statistics
Expanded Unemployment Rate (U.S.)

Source: U.S. Bureau of Labor Statistics
Share of Unemployment that is Long-Term (U.S.)

Source: U.S. Bureau of Labor Statistics
Consumption Spending (U.S.)

Source: Blue Chip Economic Indicators (Sep 2011)
Regional Retail Activity

Source: Federal Reserve Bank of Kansas City
Consumer Credit Delinquency Rates

Source: FRB KC
MANUFACTURING CONDITIONS
Manufacturing Indexes

Sources: ISM, FRBKC Manufacturing Survey
Manufacturing Output (U.S.), 1950 - 2010

Source: U.S. Bureau of Economic Analysis
Manufacturing Employment (U.S.)

Source: U.S. Bureau of Labor Statistics
HOUSING CONDITIONS
Homeownership Rate

Data Source: American Community Survey

Legend
- Blue: < 60%
- Orange: 70% - 80%
- Green: 60% - 70%
- Red: 80% - 90%
Months Supply of Existing Homes - Kansas City

Source: Kansas City Regional Association of Realtors
Months Supply of Existing Homes - Wichita

Source: Wichita Realtors Association
Existing Single-Family Home Prices

Source: U.S. FHFA; National Association of Realtors
Home Price Bubble and Burst

Source: FHFA
Homes with Mortgages

Data Source: American Community Survey

Legend
- Blue: < 40%
- Green: 40% - 50%
- Light Green: 50% - 60%
- Orange: 60% - 70%
- Red: > 70%
Mortgage Delinquencies

Source: Lender Processing Services, Inc.
Serious Mortgage Delinquency

Legend:
- < 1%
- 1% - 2%
- 2% - 4%
- 4% - 5%
- 6% - 8%
- > 8%
- Insufficient Information

Data Source: Lender Processing Services, Inc.
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