



Economic Report

Financial Forecast & Snapshot



OFFICE OF THE CITY CONTROLLER

Alan Butkovitz

Snapshot Highlights

Tax revenues (City & PICA) for April totaled \$363 million, a 7.9% decrease from the same month last year, but a 9.7 percent increase from the previous month, which is consistent with an increase in collections from prior years between these two months.

Wage/Earnings/NPT (City & PICA) collections for the month totaled \$132.32 million, a 1.1% increase compared to the same month last year, and a 2.4 percent decrease from the prior month.

This month's sales tax collections totaled \$19.65 million, a 7 percent increase compared to April 2010. It also marked a 9 percent increase from last month's sales tax collections.

The latest national unemployment statistics from the U.S. Bureau of Labor Statistics show signs of job improvement for young adults and recent college graduates. While the current unemployment rate for 20-24 year olds is where it was in April 2009 at 14.9%, this figure marks an improvement from the two-year high of 17.2% that was recorded in April 2010.

This month's economic report looks at how recent college graduates are fairing in the local and national economic climate. While the steady decline in unemployment rates for 20-24 year olds since last year has only brought the figure back to the 2009 level, this decline is indicative of an improving economy, and a better outlook for young Philadelphians who are entering the workforce.



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MONTHLY FEATURE:

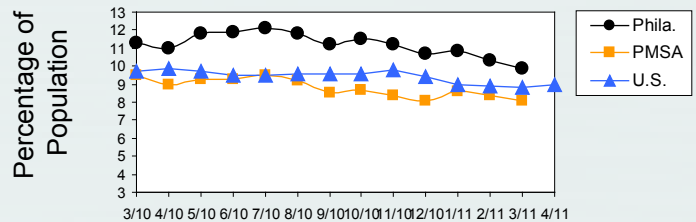
Job Outlook for College Graduates:
28% increase in job postings compared to last year

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April 2011



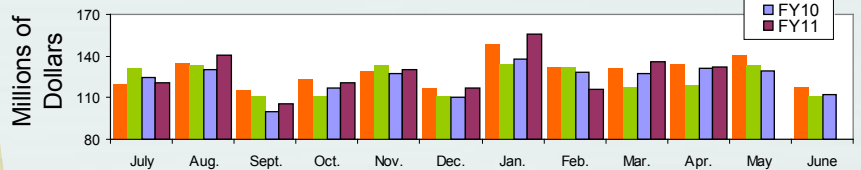
Historical Unemployment Rate



	Mar-11	Feb-11	Change	Mar-10
City -	9.9%	10.3%	-3.88%	11.3%
MSA -	8.1%	8.4%	-3.57%	9.4%

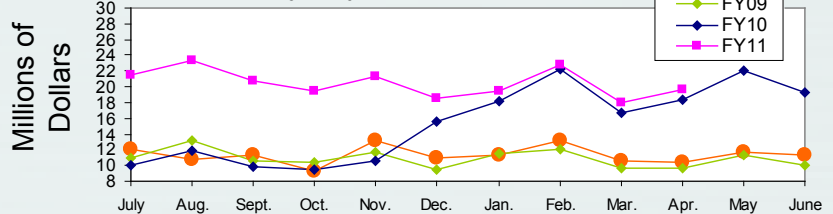
	Apr-11	Mar-11	Change	Apr-10
US -	9.0%	8.8%	2.27%	9.9%

Monthly City & PICA Wage/Earnings/NPT Receipts



(in millions)	FY2011	FY2010	Change
Wage/NPT/Earnings - (City & PICA Yearly)	\$1,274.00	\$1,233.80	3.26%

Monthly City Sales Tax Receipts



(in millions)	FY2011	FY2010	Change
Sales (Yearly) -	\$204.77	\$142.80	43.40%

Key Trends



Sales tax revenues continue to remain above last year's collections



Yearly Wage/Earn/NPT collections up 3% over same period from last year



Unemployment rate for 20-24 year olds decreased by 13% since last year



Home sales increase 8% from last month



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Forecast Highlights

April 2011

According to the latest Business Outlook Survey from the Philadelphia Federal Reserve, many of the survey's "broad indicators" fell, but continued to indicate general growth. Manufacturing activity was up slightly, but the diffusion index of current activity, the survey's broadest measure of manufacturing conditions, decreased over the last month from 18.5 to 3.9. This figure is the lowest diffusion index reported through the survey since last October.

Both the prices paid index and the prices received index declined from last month, but they have held steady at a relatively high reading, which suggests that substantial price pressures still exist. Firms reported a rise in manufactured goods prices, with 20% of firms reporting higher prices for their own goods and only 3% reporting a drop in prices. When deciding whether or not to increase or decrease employment, the factor most cited as a restraint to hiring is a firm's desire to keep operating costs low.

1 The survey's results reflect data of the current month and/or the month that the Controller's economic report is released.

Total Non-Farm Employment (in thousands)			Source: BLS	
	Apr-11 (P)	Mar-11	%Change	Apr-10
City Total	665.8	659.3	.99%	660.2
Manufacturing	24.1	24.7	-2.43%	24.9
Wholesale & Retail	61.1	61.3	-.33%	61.7
Services	631.3	624.5	1.09%	625.4
Construction & Mining	10.4	10.1	2.97%	9.9
MSA Total	2708.9	2683.3	.95%	2705.6
Manufacturing	182.7	183.7	-.54%	187.2
Wholesale & Retail	407.3	402.8	1.12%	405.6
Services	2425.9	2405.9	.98%	2418.8
Construction & Mining	96.7	93.7	3.20%	99.6

RESOURCES

American Bankers Association - Forecast & Outlook	-outlook delivers a one-year forecast for mostly banking-related indicators as well as general economic measures
economy.com - Precis: Metro/US/Northeast/Philadelphia	-includes five-year forecasts of eleven key indicators
FRB Philadelphia	-3rd District - eastern PA, southern NJ and state of Delaware
FRB Philadelphia - Livingston Survey	-summarizes the forecasts of economists from industry, government, banking and academia
FRB Philadelphia - Professional Forecasters	-quarterly survey of macroeconomic forecasts in the U.S.
FRB Philadelphia - Regional Employment Forecasts	-regional indicator predicting job growth and unemployment rate one year from now
FRB Philadelphia - Business Outlook Survey	-monthly survey of manufacturers in the Philadelphia area indicating the change in expected business activity six months from now
NABE Outlook	-presents the consensus of macroeconomic forecasts by 37 professional forecasters from NABE
Conference Board - U.S. Leading Indicator	-gauges the whereabouts of the U.S. economy in nine months

DEMOGRAPHICS

PHILADELPHIA	Population	Other
	1,526,006	9.73%
	Male	Hispanic
	46.80%*	12.30%
	Female	Pov. Rate
	53.21%*	25.0%*
	White	Under 18
	41.04%	25.58%*
	Af. Amer.	Over 65
	43.37%	12.85%*
	Asian	Md. Hse Inc.
	6.32%	\$33,229

Data above is from the 2010 Census, unless noted *based on 2009 American Community Survey



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ECONOMIC OUTLOOK FOR RECENT

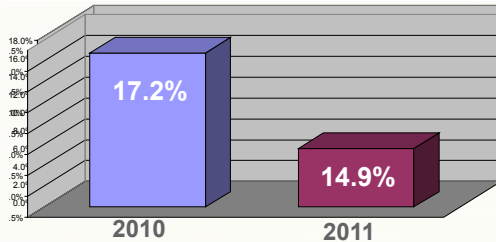
COLLEGE GRADUATES



April 2011

Two years ago, as the effects of the “Great Recession” were beginning to set in, there was a dismal economic forecast for workers between the ages of 20 and 24. In March of 2009, a survey by the National Association of Colleges (NACE) found that employers planned to hire 22 percent fewer recent college graduates than they did the prior year. The Wall Street Journal declared it “the toughest labor market in at least 25 years for college graduates.”

Unemployment Rates for 20-24 Year Olds



While the job market has been bleak over the last two years, today, nationwide unemployment for 20-24 year

olds with and without bachelor’s degrees has fallen from its 17.2% high which was reached one year ago to the point at which it sat two years ago, at 14.9%.

In Philadelphia, data from Monster.com, which tracks online job postings for the Philadelphia area, showed job postings up 28% this month compared to April of last year.

Philadelphia college graduates can expect continued improvement in the local job market, as trends show

a continued dip in the unemployment rate both nationally and locally. Total non-farm jobs in the city are up .85% from April 2009 and 1.43% from 2010. Regionally, total jobs are also up from last year, with a .12% increase in the number of jobs in the Metropolitan Statistical Area.

According to NACE’s April report, hiring for 2011 graduates is projected to rise as much as 19 percent from last year.

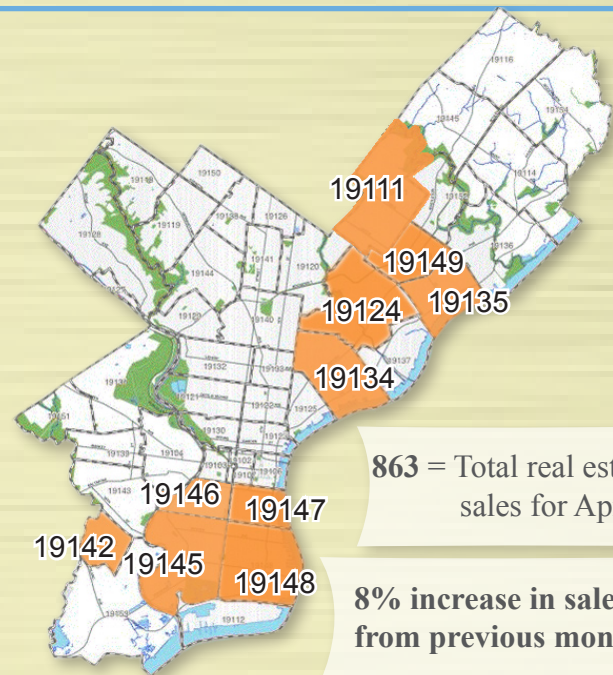
	April 2010	April 2011	% Change
Life, Physcl., & Soc. Science	37	53	43.2%
Hlthcre. Pract. & Technical	59	76	35.3%
Bus. & Financial Opertns.	71	83	16.9%
Educ., Training, & Library	65	75	15.4%
Comp. & Math	70	79	12.9%

The above data is from the April 2011 Monster Local Employment Index which presents a snapshot of employer online recruitment activity.

City Real Estate Sales

APRIL 2011 - Top 10 Sales by Zipcode

ZIP Code	Sales	Bank Owned	% of Bank Owned
19146	49	5	10.2%
19147	41	3	7.30%
19111	38	4	10.5%
19142	36	6	16.7%
19124	34	8	23.5%
19145	32	2	6.3%
19148	32	3	9.4%
19134	30	4	13.3%
19149	29	3	10.3%
19135	28	7	25.0%



863 = Total real estate sales for April

8% increase in sales from previous month

Based on information from TREND for April 2011.