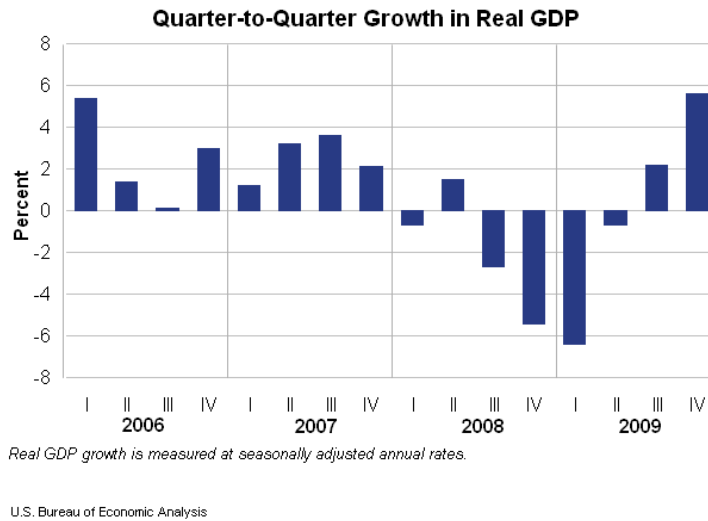


Robeson County: Current Economic Picture

According to the reports released by the Bureau of Economic Analysis (BEA) on Friday, March 26, 2010, real gross domestic product (GDP) in the US economy grew at an annual rate of 5.6% during the 4th quarter of 2009. Real GDP is a measure of the total output of an economy after adjusting for inflation. The US economy grew at an annual rate of 2.2% in the 3rd quarter of 2009. See Figure 1.

Figure 1

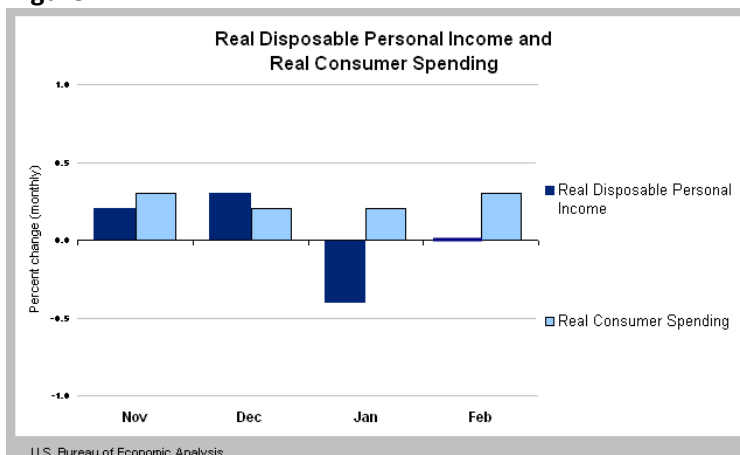


Monthly data on personal income were released on Monday, March 29, 2010. Personal income was little changed (0.0%) during the month of February, 2010. Personal income increased at an annual rate of 0.3% during January, 2010. Wages and salaries which constitute the major portion of personal income were also flat after increasing at an annual rate of 0.4% during January 2010.

Real disposable personal income, personal income adjusted for inflation and taxes remained unchanged during February 2010, after declining by 0.4% during January 2010. See Figure 2.

Figure 2 also shows that real consumer spending increased at an annual rate of 0.3% during the month of February, 2010. Real consumer spending increased at an annual rate of 0.2% during January 2010. The average growth rate of real consumer spending was 0.1% over the past twelve months.

Figure 2



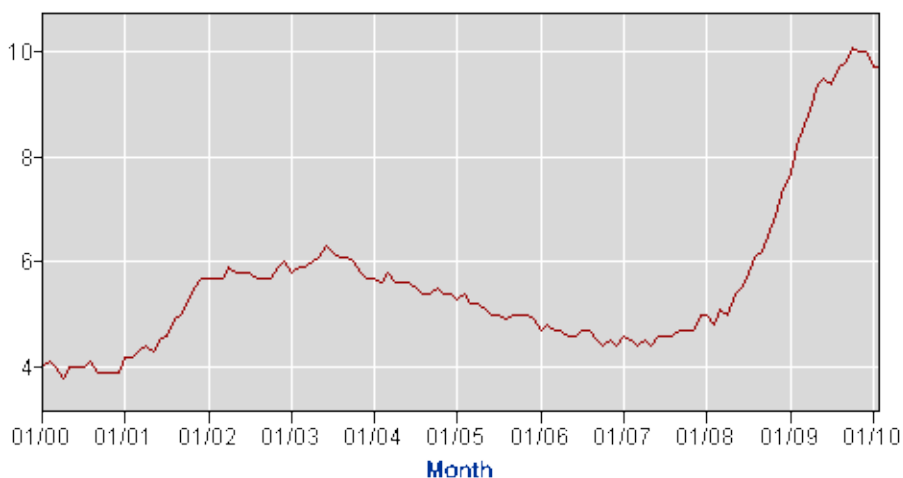
Personal consumption expenditure prices, not shown here, were also flat during February 2010.

Another point worth mentioning is the personal saving rate in the US. Personal saving as a percentage of personal disposable income has been around 4.1% over the past twelve months. In January 2010 it was 3.4% and in February 2010 personal saving rate was 3.1%. This might be an indication of increased confidence and job security on the part of US consumers as they are saving a relatively smaller percentage of their income.

Unemployment rate for the US remains high. It was 9.7% during February 2010—little change from January 2010 but a slight decline from the October 2009 highs of 10.1%. See Figure 3 presents these numbers graphically.

Figure 3

US Civilian Unemployment Rate



Bureau of Labor Statistics (www.bls.gov)

At a disaggregated level (not shown here), 16 and 17 year old males had the highest unemployment rate of 30.4% during February 2010. Even for this group the unemployment rate has decreased as compared with October 2009 when it was 33.5%.

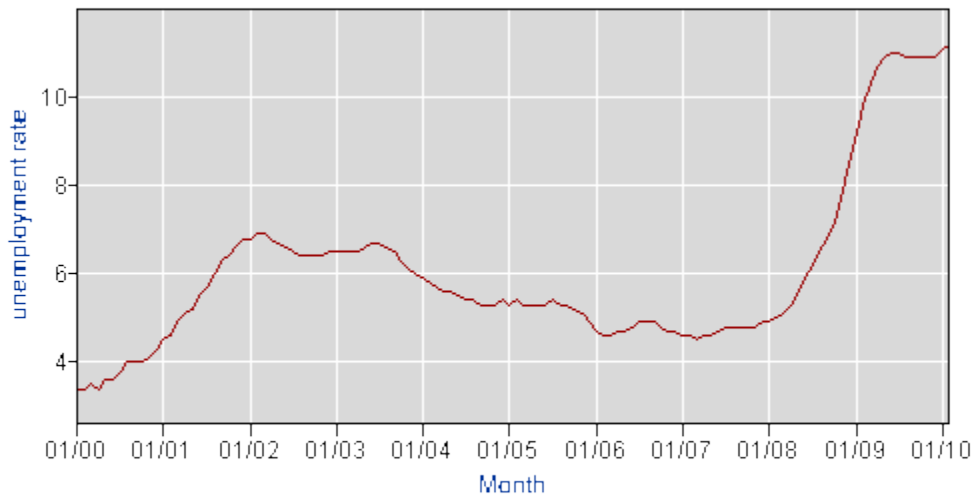
As a matter of comparison, female workers ages 45 years and over registered the lowest unemployment rate of 6.5% during February 2010 (not shown here). However, note that for an individual to be considered unemployed he/she has to be looking for work. A worker who stops the job search and hence drops out of the labor force will not be counted as unemployed. This “discouraged worker effect” may lower the overall unemployment rate, giving the illusion of improving job market. (For details of data mentioned here please visit www.bls.gov and www.bea.gov.)

North Carolina and Robeson County

For North Carolina the unemployment rate edged up to a record high in recent history from 11.1% in January 2010 to 11.2% in February 2010. (The February estimates are preliminary.) See Figure 4.

Figure 4

North Carolina Civilian Unemployment Rate

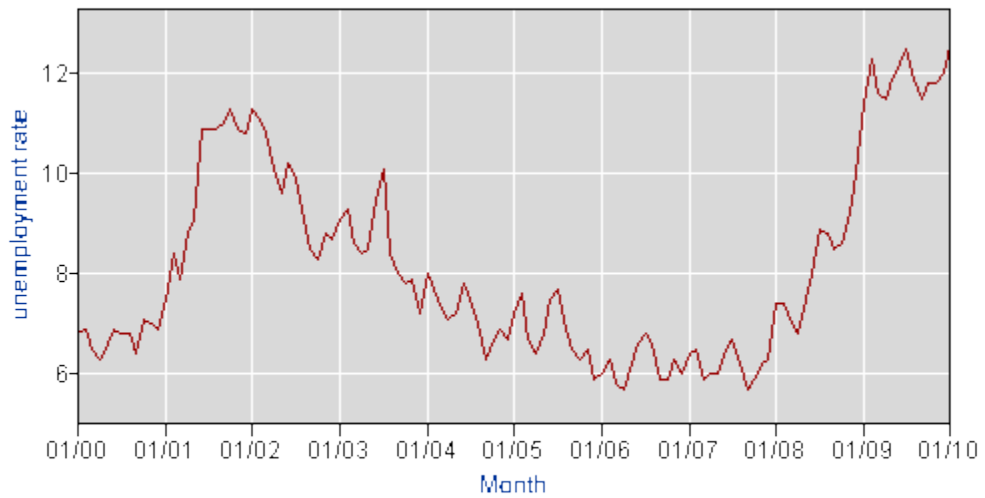


Bureau of Labor Statistics (www.bls.gov)

For Robeson County employment conditions continue to be rather dismal. At the time of writing this document (March 30, 2010) according to the latest (preliminary) data available the civilian unemployment rate was 12.6% in January 2010. It increased from 12.0% in December 2009. See Figure 5.

Figure 5

Robeson County Civilian Unemployment Rate



Bureau of Labor Statistics (www.bls.gov)

These data point out that the US economy may have turned the corner and started growing, albeit at a measured pace. However North Carolina and especially Robeson County seem to lag behind.

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