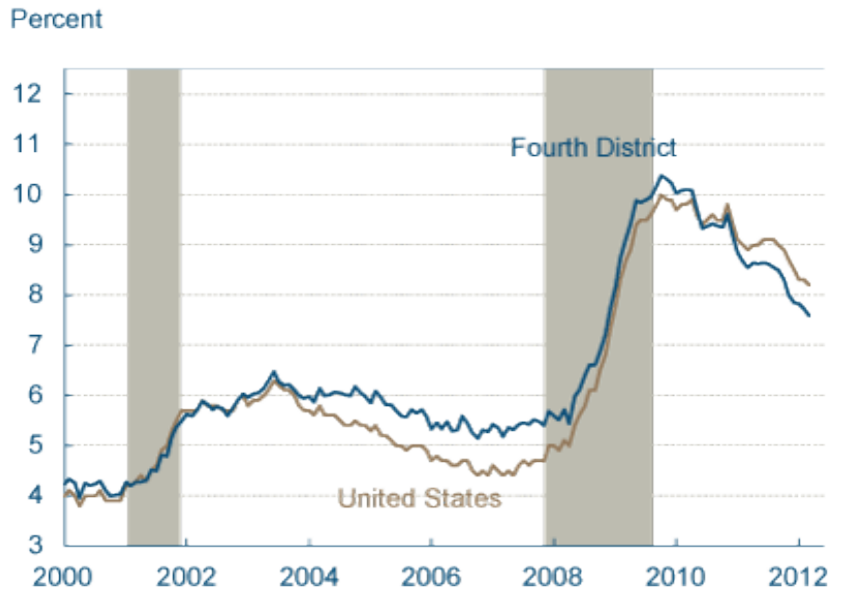




## Current Employment Conditions

Unemployment rates across Fourth District counties ranges from a low of 4.6 percent (Mercer County, Ohio) to a high of 16.8 percent (Magoffin, Kentucky), with the median county unemployment rate at 8.3 percent. In the three months since December 2011, the unemployment rate has steadily declined in the majority of Fourth District counties, and the median unemployment rate has fallen by 0.4 percentage points. Despite considerable declines in overall Fourth District unemployment, 21 percent of Fourth District counties (mainly rural Kentucky) have actually seen unemployment rates increase since December 2011.

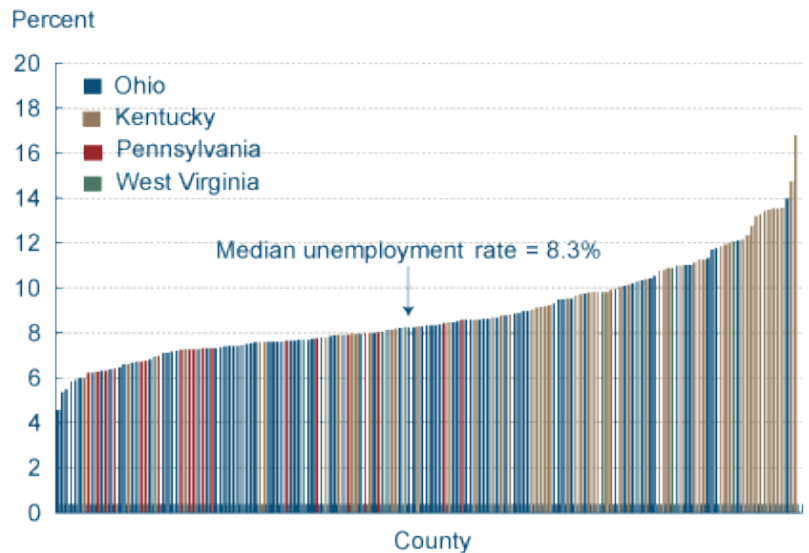
### Unemployment Rate



Note: Shaded bars indicate recessions.  
Sources: U.S. Department of Labor, Bureau of Labor Statistics.

County-level patterns reflect statewide unemployment rates. For example, as of March 2012, the unemployment rate was 7.5 percent in Ohio, 8.6 percent in Kentucky, 7.5 percent in Pennsylvania, and 6.8 percent in West Virginia. Compared to March 2011, all states within the District experienced declines in unemployment levels ranging from 0.5 percent to 1.4 percent. There are significant differences in unemployment rates across counties in the Fourth District. Of the 169 counties that make up the District, 80 had an unemployment rate at or below the national rate. Conversely, 23 percent of the District's counties have a double-digit unemployment rate, which is a strong improvement from the 41 percent recorded this time last year. This is an even more dramatic improvement from the peak of over 77 percent in October 2009. Geographically, unemployment remains the highest in remote areas of Ohio and Kentucky, while rural Pennsylvania has maintained a stronger labor market.

### County Unemployment Rates



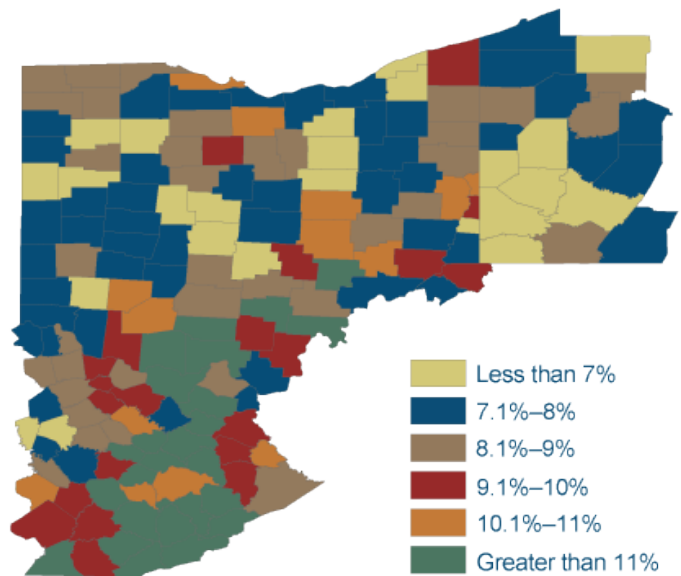
Sources: U.S. Department of Labor, Bureau of Labor Statistics.



## Current Employment Conditions

### Unemployment Rate, March 2012

Since September 2011 both the national and Fourth District unemployment levels began to notably decline and have fallen by 0.8 and 0.9 percentage points respectively. Changes in county level unemployment rates range from an increase of 1.6 percent to a decline of 3.4 percent. Over the past six months all but seven Fourth District counties, all in Kentucky, have seen an improvement in employment levels.

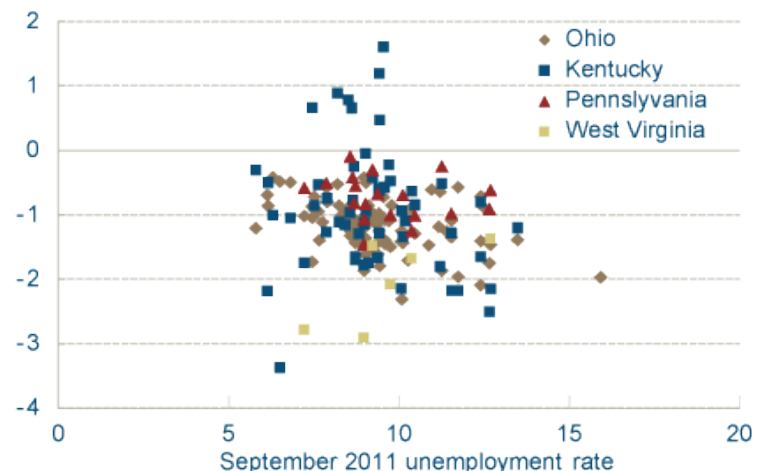


Source: Bureau of Labor Statistics.

Since September 2011, both the national and Fourth District unemployment levels have fallen—nationally by 0.8 percentage points and District-wide by 0.9 percentage points. Changes in county-level unemployment rates over this time period range from an increase of 1.6 percent (Letcher County, Kentucky) to a decline of 3.4 percent (Rockcastle County, Kentucky). Interestingly, the general pattern of a high unemployment rate in September 2011 equating to a larger fall in the unemployment rate between September 2011 and March 2012 is only clearly evident in Ohio counties. The pattern is actually reversed in the District's small number of West Virginia counties. Also striking is that, over the past six months, all but seven Fourth District counties—all of which are within southeastern Kentucky (Letcher, Harlan, Perry, Morgan, Magoffin, Leslie and Knott)—have seen lower unemployment rates.

### Changes in Fourth District County Unemployment Rates

Change in unemployment rate from September 2011 to March 2012



Sources: U.S. Department of Labor, Bureau of Labor Statistics.