

BLS REVISIONS: WHY JOB NUMBERS CHANGE

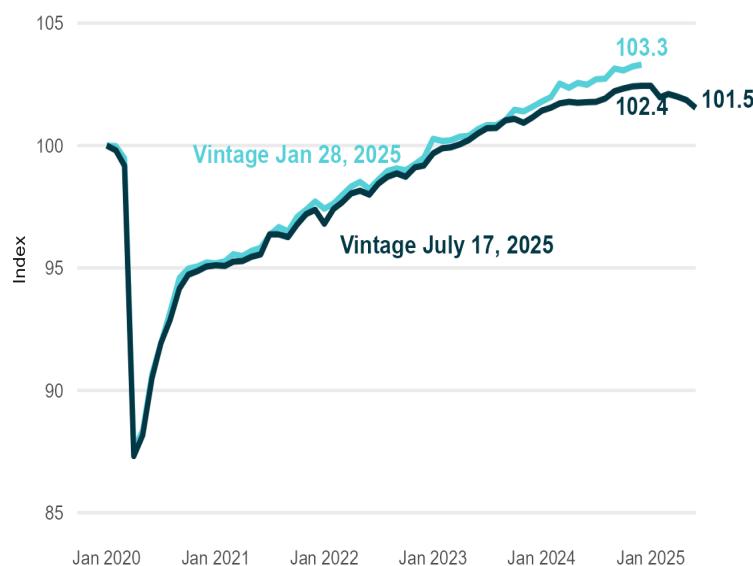
Last week, the Bureau of Labor Statistics (BLS) reported that U.S. employers added 73,000 jobs in July. The bigger headline came from revisions to earlier months, as job growth in May and June was revised down by a combined 258,000, the largest two-month adjustment since the pandemic. Earlier in the week, BLS also released its initial June estimates for metropolitan areas. For Hampton Roads, the figures showed a loss of 2,600 jobs from May to June. The same release included a small downward revision to May's estimate, from a loss of 1,000 jobs to a loss of 1,100. While these revisions represent a very small share of total employment, they can significantly alter the month-to-month change in jobs, which in turn can shift the assessment of short-term labor market conditions.

Monthly job estimates come from the BLS Current Employment Statistics (CES) program, a survey of nonagricultural business establishments. The first estimate for a month is published on the first Friday of the following month, then revised in each of the next two releases. Revisions reflect updated information from the preliminary estimates as additional survey responses are incorporated, and seasonal adjustment factors are recalculated. For metro areas, only the prior month's estimate is subject to revision in each release. While the process is routine, its impact can still be significant.

The table below shows the preliminary and revised estimates of civilian jobs for Hampton Roads in 2025, along with the month-to-month changes. February's job loss was revised from 2,200 to 3,800, a notably larger decline after more data was incorporated. In contrast, March's employment gain was revised up from 800 to 1,100 jobs. April and May saw only minimal changes between preliminary and revised data. In addition to these rolling monthly changes, the CES survey data is revised once a year through a process known as benchmarking. This aligns the survey-based estimates with a near-complete count of jobs from the Quarterly Census of Employment and Wages (QCEW), which is based on state unemployment insurance tax records.

Month	Preliminary	Revised	Preliminary MoM Change	Revised MoM Change
Jan	830,500	827,000	3,500	-
Feb	824,800	823,200	-2,200	-3,800
Mar	824,000	824,300	800	1,100
Apr	823,900	823,400	-400	-900
May	822,400	822,300	-1,000	-1,100
Jun	819,700	-	-2,600	-

Figure 2: Preliminary and Revised Nonfarm Civilian Jobs
 Hampton Roads, Index from Jan. 2020



Data Sources: Bureau of Labor Statistics, ALFRED and HRPDC. Hampton Roads reflects the Virginia Beach-Chesapeake-Norfolk, VA-NC MSA.

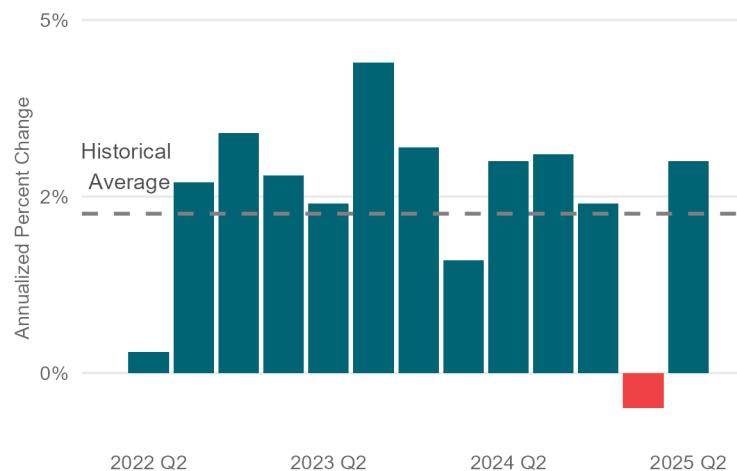
In March 2025, the BLS revised metro area employment estimates from January 2020 through December 2024. As Figure 2 shows, the benchmark adjustments left the general trend intact but made meaningful changes to the recent trajectory. The estimates as of the July 17, 2025 vintage reflect the 2024 QCEW benchmark, showing slightly faster growth earlier in the post-pandemic expansion followed by slower growth through 2024.

Revisions are not errors, but an expected part of refining preliminary estimates as more data become available. For the national figures, the latest revisions bring job growth trends more in line with private sector estimates such as those produced by ADP. While preliminary data provides timely insight, the more complete picture emerges after revisions.

GDP, ANNUALIZED GROWTH RATE (Q)

	Q1 2025	Q2 2025	Trend
United States	-0.5%	3%	↗

GDP: Gross Domestic Product combines consumption, investment, net exports, and government spending to determine the size and general health of the economy. Inflation-adjusted GDP rose 3.0% in Q2 2025. Net exports accounted for 4.9 percentage points of GDP growth, followed by personal consumption expenditures (0.98) and government spending (0.08). Gross private domestic investment accounted for a 4.61 percentage point decline in GDP growth in Q2 2025. In the first half of 2025 GDP growth averaged 1.3%, compared to 2.3% in 2024.

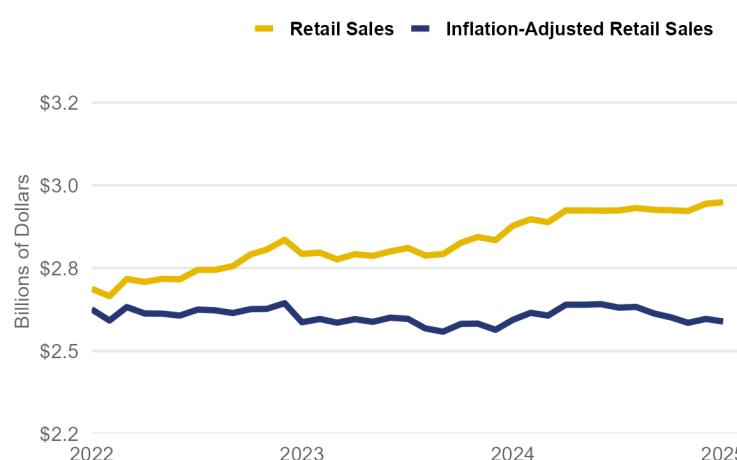


Source: Bureau of Economic Analysis, HRPDC

RETAIL SALES (M)

	May-24	May-25	Trend
Hampton Roads	\$2.99B	\$2.95B	↘
Virginia	\$15.80B	\$15.69B	↘

Retail Sales: Retail sales in Hampton Roads, as measured by the 1% local option sales tax, serve as an indicator for consumption in the region. Retail sales in May 2025 were up 1.1% year over year. When seasonally adjusted, retail sales in May decreased 3.5% from the previous month. Year to date retail sales totaled \$13.9B, an increase of 1.6% when compared to the same period in 2024. When adjusted for inflation, retail sales through May are at their lowest levels since the pandemic.

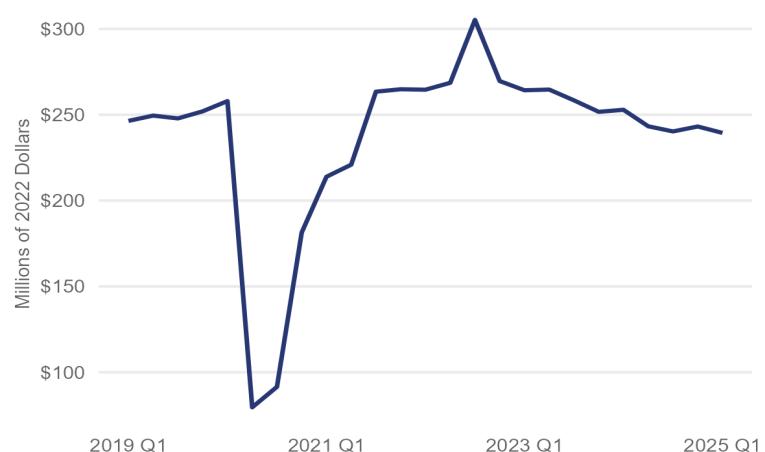


Source: Virginia Department of Taxation, HRPDC. Seasonally adjusted 5-month moving-average. Inflation-adjusted sales in 2022 dollars

ESTIMATED HOTEL REVENUE (Q)

	Q1 2024	Q1 2025	Trend
Hampton Roads	\$178.7M	\$172.5M	↘
Virginia	\$784.4M	\$828.8M	↗

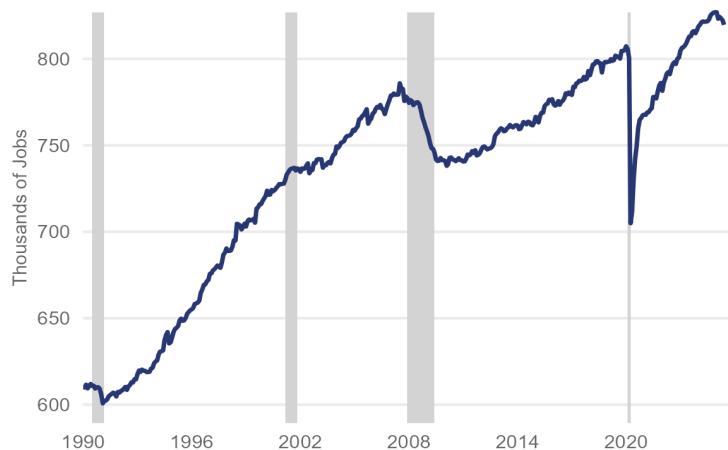
Estimated Hotel Revenue: Hotel revenues indicate the performance of the region's tourism sector. Hotel revenues in Q1 2025 were down 3.4% year over year. Seasonally adjusted revenues in 2025 Q1 decreased 0.7% from the previous quarter. Hotel revenues have declined for the seventh consecutive quarter, signaling a slowdown from the post-pandemic boom observed over the prior two years.



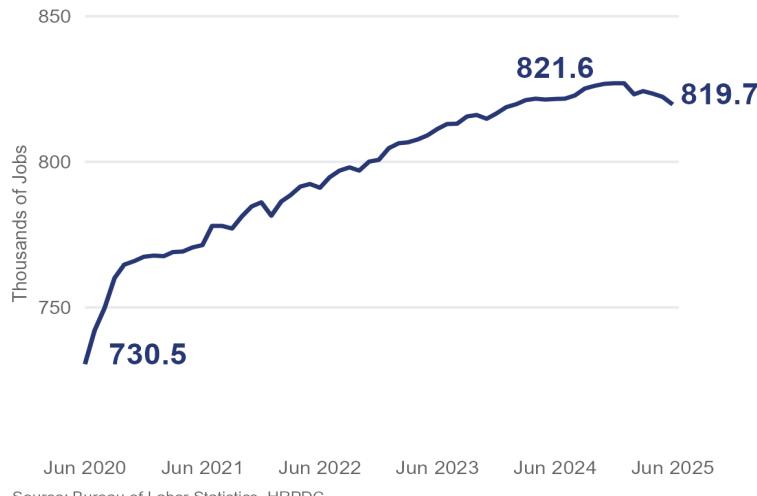
Source: Virginia Department of Taxation, BLS CPI-U, HRPDC. Seasonally adjusted data.

CIVILIAN PAYROLL EMPLOYMENT (M)

HISTORICAL TREND, SEASONALLY ADJUSTED



5-YEAR, SEASONALLY ADJUSTED



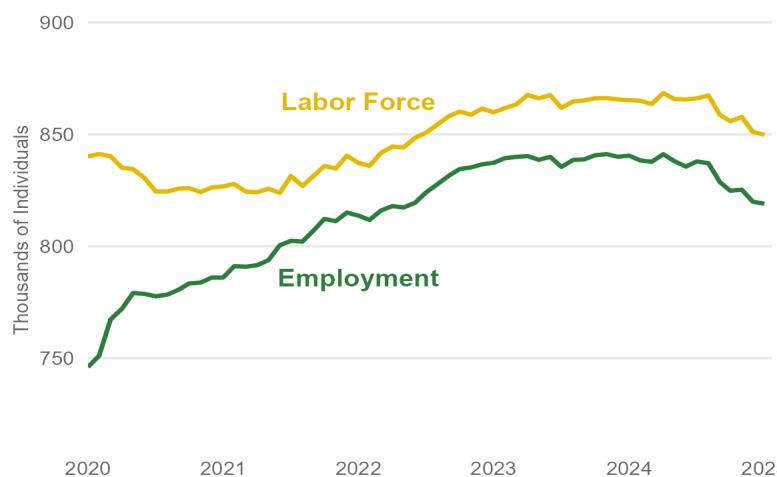
	Jun 2024	May 2025	Jun 2025	MoM Trend	YoY % Change
Hampton Roads	821,600	822,300	819,700	↘	-0.2%
Virginia	4,232,700	4,276,700	4,268,300	↘	0.8%
United States	157,915,000	159,452,000	159,466,000	↗	1.0%

Employment: A leading indicator of labor market activity, the Bureau of Labor Statistics' payroll survey of businesses and government establishments measures the number of nonfarm civilian jobs. In Hampton Roads, non-seasonally adjusted civilian jobs in June were down 0.2% year over year. Seasonally adjusted civilian jobs in June were down 0.1% from the previous month. In June both Virginia and Hampton Roads lost job from the previous month, while the United States added jobs, but at a slower pace. For Hampton Roads, June marked the third straight month of job losses. Year to date, civilian jobs in Hampton Roads are up 0.34% when compared to same period in 2024, a slower pace than the Virginia (1.13%) and the United States (1.16%). The latest estimates continue to highlight the outsized impact of federal cuts on labor market conditions in the Hampton Roads region.

CIVILIAN LABOR FORCE (M)

	Jun 24	Jun 25	Trend
Labor Force	872,897	857,301	↘
Employed	844,534	822,427	↘
Unemployed	28,363	34,874	↗

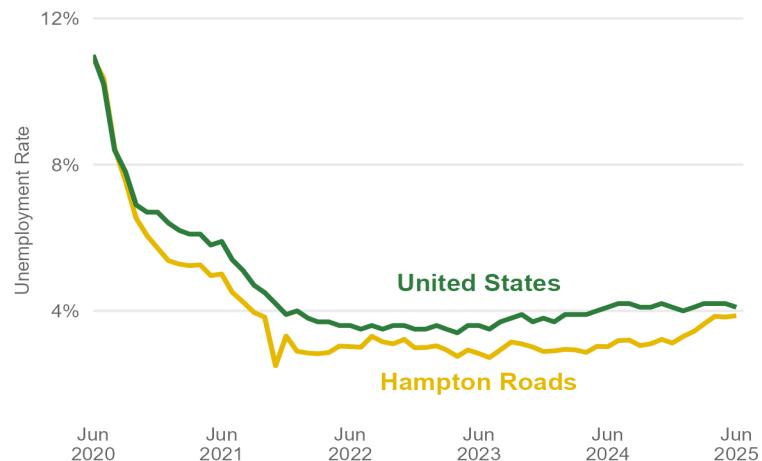
Labor Force: The Bureau of Labor Statistic's household survey measures the employment status of the civilian population 16 years and older. An area's labor force is comprised of the number of people working (employed) and those actively seeking work (unemployed). In June the HRPDC's civilian labor force declined by 0.1% from the previous month. On a year-over-year basis, the labor force was 1.8% lower. June marked the fifth consecutive month of annual declines in the region's labor force.



UNEMPLOYMENT RATE (M)

	Jun 24	May 25	Jun 25	MoM Trend
Hampton Roads	3.0%	3.8%	3.9%	↗
Virginia	2.8%	3.4%	3.5%	↗
United States	4.1%	4.2%	4.1%	↘

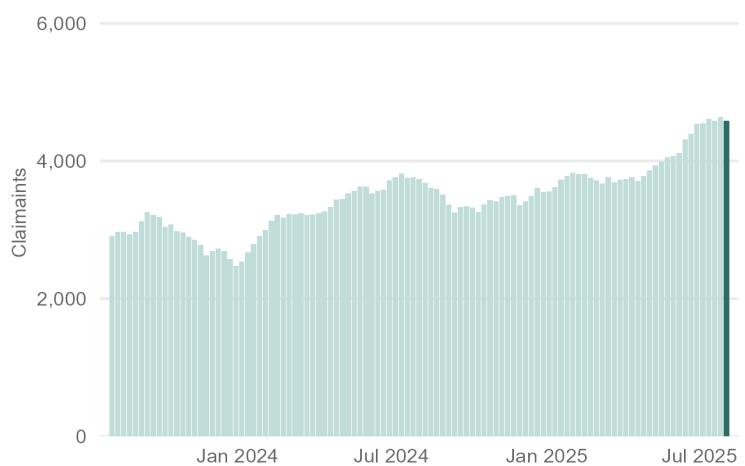
Unemployment Rate: The unemployment rate reflects the percentage of the labor force unemployed and actively seeking work. Hampton Roads' unemployment rate in June 2025 increased from the prior month. Since January, Hampton Roads unemployment rate has risen 0.6 percentage points, compared to a 0.1 percentage point increase observed for the nation.



UNEMPLOYMENT CLAIMS (W)

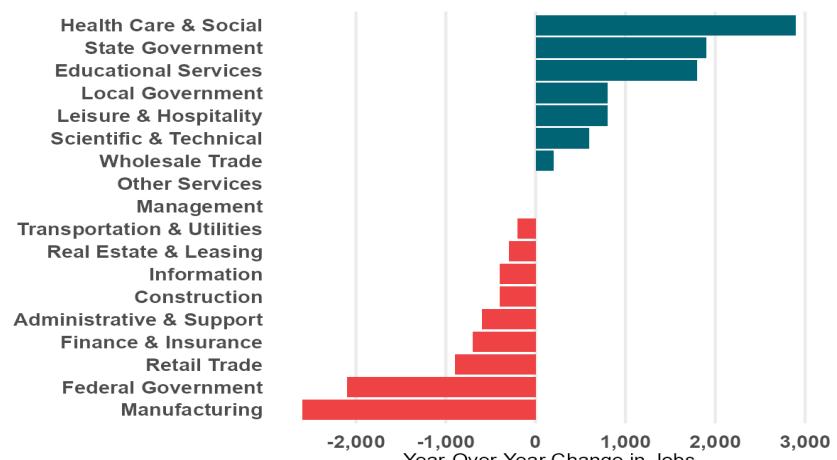
Week Ending	Aug 3, 2024	Aug 2, 2025	YoY Trend
Hampton Roads	3,741	4,582	↗
Virginia	16,146	20,200	↗

Continuing Unemployment Claims: The number of continuing unemployment claims is a coincident indicator reflecting those who remain unemployed after filing an initial claim, thus showing ongoing labor market weakness with minimal delay. In Hampton Roads, the number of continuing claims for unemployment benefits filed for the week ending August 2, 2025 are up 22.4% from the comparable week in 2024.



JOB GROWTH BY INDUSTRY (JUNE, YEAR-OVER-YEAR CHANGE)

Civilian Job Growth by Industry: As the job market grows or contracts, there will be some industries whose experience does not resemble the regional trend. Less than half of the region's selected industry sectors added jobs in June when compared to the prior year. The largest gains were in Healthcare, & Social Assistance, which added 2,900 jobs year over year. State Government (+1,900) and Educational Services (+1,800) recorded the second and third largest gains. The largest year-over-year declines were in Manufacturing (-2,600), the Federal Government (-2,100) and Retail Trade (-900) industry sectors.



Source: Bureau of Labor Statistics, HRPDC

BUILDING PERMITS (M)

	Jun 2024	May 2025	Jun 2025	MoM Trend
Hampton Roads	263	281	278	⬇️

Building Permits: Permits issued across all unit types offers a snapshot of construction activity, housing demand, and trends in construction employment. In June 2025 local governments issued 278 new construction permits for both single and multi-unit structures, a 0.9% decline from May. That monthly dip follows several months of uneven activity, yet permits were still 5.6% higher than a year earlier. Even so, year-to-date totals remain well below last year's pace, down 14.7% compared with the same period in 2024.

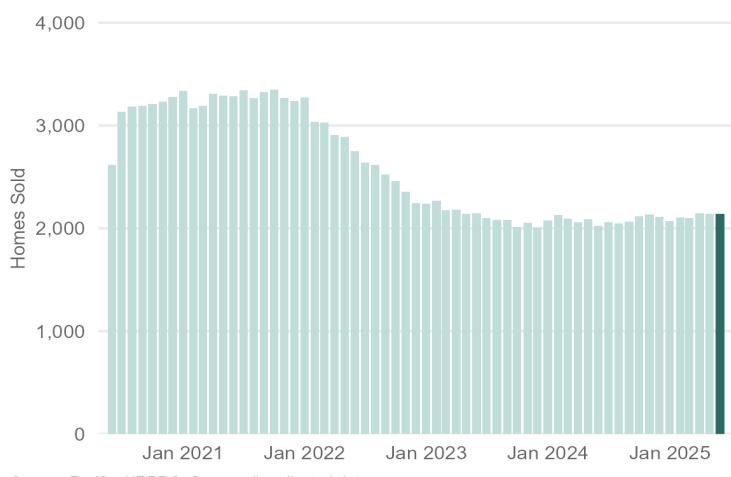


Source: US Census Bureau, HRPDC. 5-month moving average of seasonally adjusted data

RESIDENTIAL HOMES SOLD (M)

	Jun 2024	May 2025	Jun 2025	MoM Trend
Hampton Roads	2,027	2,141	2,142	⬆️

Homes Sold: Home sales measure the level of transactions in the real estate market over time, and a healthy real estate market should have a consistent level of activity. Seasonally adjusted home sales in June 2025 rose 0.04% from May, continuing a stretch of modest monthly gains. Sales were 5.7% higher than in June 2024, and year-to-date totals for the first half of 2025 were 1.8% above the same period last year. Even with those increases, activity remains below the pre-pandemic levels of 2019.

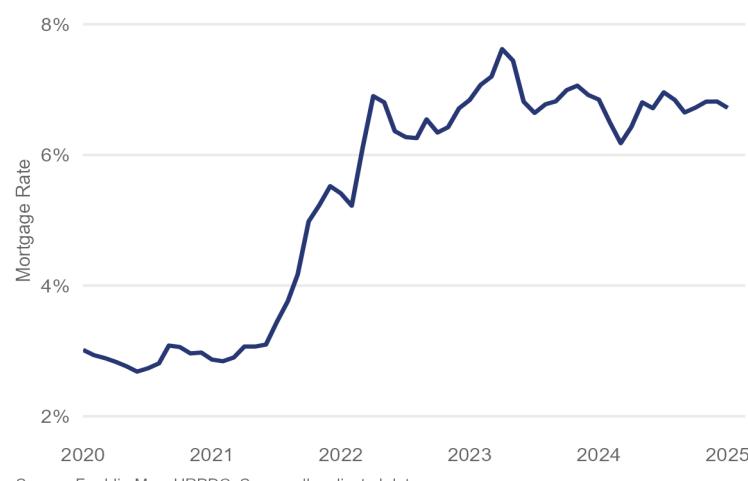


Source: Redfin, HRPDC. Seasonally-adjusted data.

30-YEAR FIXED RATE MORTGAGE AVERAGE (M)

	Jul 2024	Jun 2025	Jul 2025	MoM Trend
United States	6.8%	6.8%	6.7%	⬇️

30-Year Mortgage Rate: Shifts in the cost of borrowing for housing have a substantial impact on housing market trends. The 30-year fixed-rate mortgage represents the average interest rate paid by borrowers on newly issued mortgage loans, and these rates typically fluctuate in tandem with interest rate cycles. In July 2025, mortgage rates declined slightly from the prior month. Year-over-year, the average rate was down 0.1 percentage points. While a rate cut is expected this year, the higher-for-longer interest rate environment remains, creating ongoing strain.



Source: Freddie Mac, HRPDC. Seasonally adjusted data