# Monthly Economic Report
Office of Management and Budget
August 2026

Henrico County

Finance

## Overview

**The purpose of this report is to provide an overview of economic indicators for the month of August that may impact Henrico County's ability to provide its services with data received between August 1st and August 31st, 2026.** This report compiles National, State, and Local data that measures current economic conditions from National Financial Markets to Local Car Registrations. Most data will provide complete information for at least the previous fiscal year (FY26) and compare it to the current year (FY27). Data for FY27 is updated monthly as it becomes available. Some data is collected more frequently throughout the month.

## OMB Summary

The month of August yielded mixed-to-negative economic outcomes. The Consumer Price Index indicated continued inflation greater than that of last calendar year while the Consumer Confidence Index declined with consumers citing negative expectations for present and future labor market conditions. Unemployment rates declined slightly at the National level from 4.2% to 4.1%, while remaining stagnant at the State and County levels at 3.7%. Crude Oil Prices experienced less volatility over the month of August but remain elevated. Despite this, the S&P 500 continued to grow, gaining over 180 points over the course of the month. The local housing market demonstrated some signs of slowing, with the Median Sales Price recorded at $405,800, down from $442,000, and the Average Days on Market increasing from 41 to 44. Year-to-date tax collections remain strong across all bases.

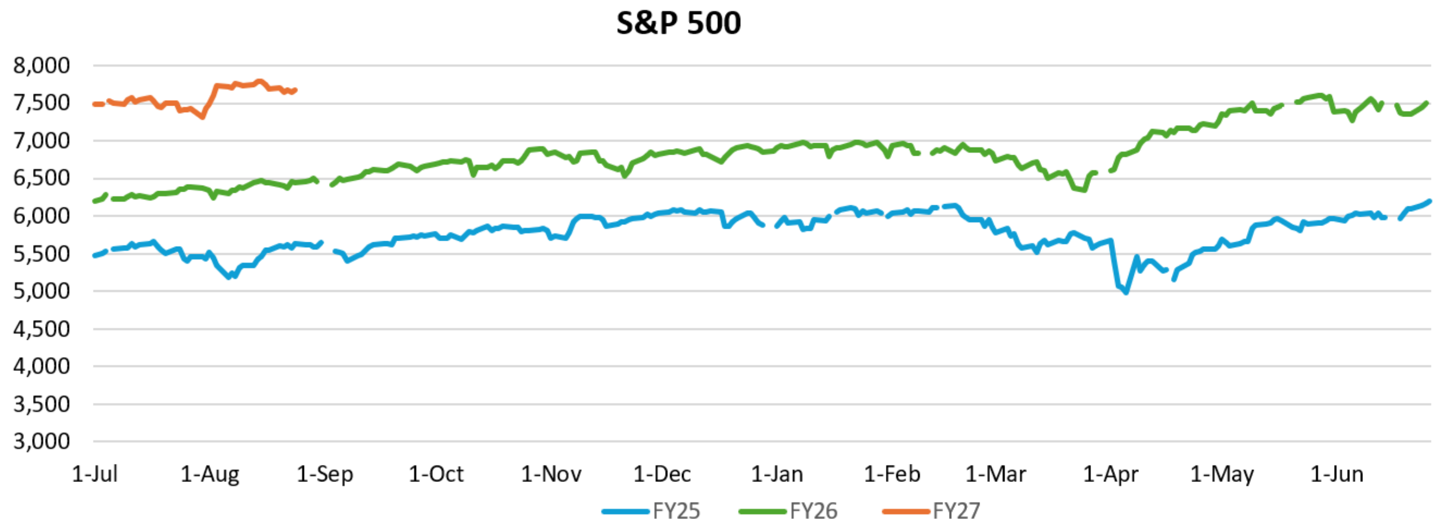
## Metrics Considered

- **National:** S&P 500, Consumer Confidence Index, Real GDP, Wages, 30-Year Fixed Mortgage Rate, Crude Oil Prices
- **Virginia:** Unemployment Rate
- **Henrico:** Local Sales & Use Tax, Meals Tax, Real Property Tax, Personal Property Tax, Vehicle Registrations, Occupancy Tax, New Residential Construction, Average Days on the Housing Market & Median Sales Price, Residential Transactions & Foreclosures
- **Area:** Richmond Aviation Activity

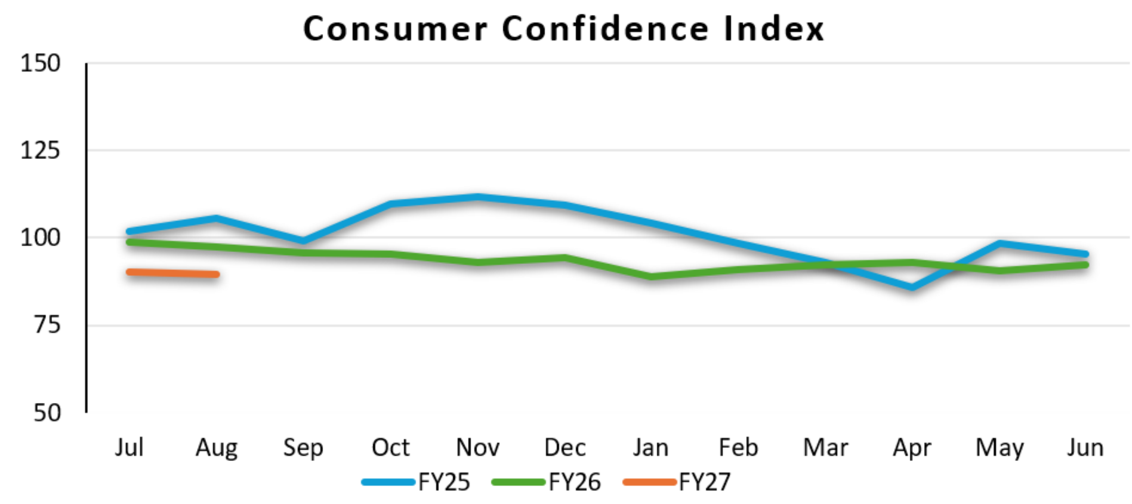
This report is not intended to provide investment advice. Due to the Federal Government Shutdown, Bureau of Labor Statistics data was not collected for October 2025. Some of the statistics were also not collected for November 2025. Consumer Price Index, Hourly Wage Changes against Changes in the Consumer Price Index, and Unemployment numbers are impacted by these omissions.

## National Metrics

These indicators provide a mix of hard financial data as well as consumer consensus surveys to provide a macroeconomic and microeconomic view of the United States.



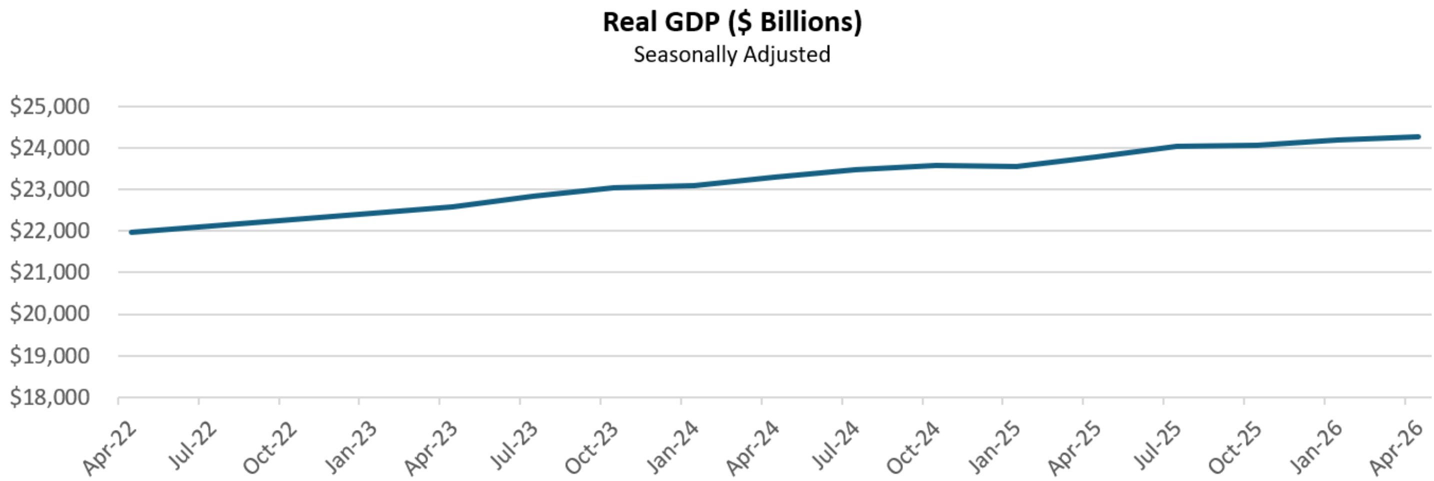

The **S&P 500** is a stock market index measuring the performance of 500 large U.S. companies on stock exchanges and is considered one of the best representations of the U.S. economy. **The S&P 500 increased 180 points over the duration of August, closing at 7,677.**



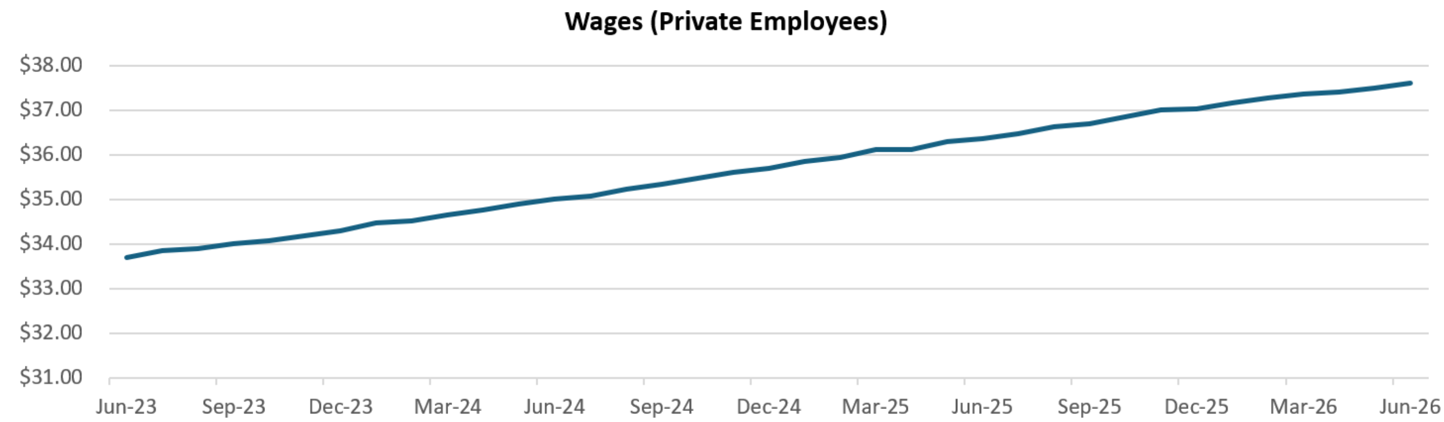

The **Consumer Confidence Index** is a monthly survey given to 5,000 randomly selected households gathering opinions on present situations and future expectations. It is benchmarked to 1985 (100) and best compared by reviewing month-over-month changes. **During August the index decreased by 0.8 points from a revised 90.2 in July. Consumers cited negative expectations for both present and future labor market conditions.**[1]

[1]The Conference Board; US Consumer Confidence (conference-board.org)

# National Metrics



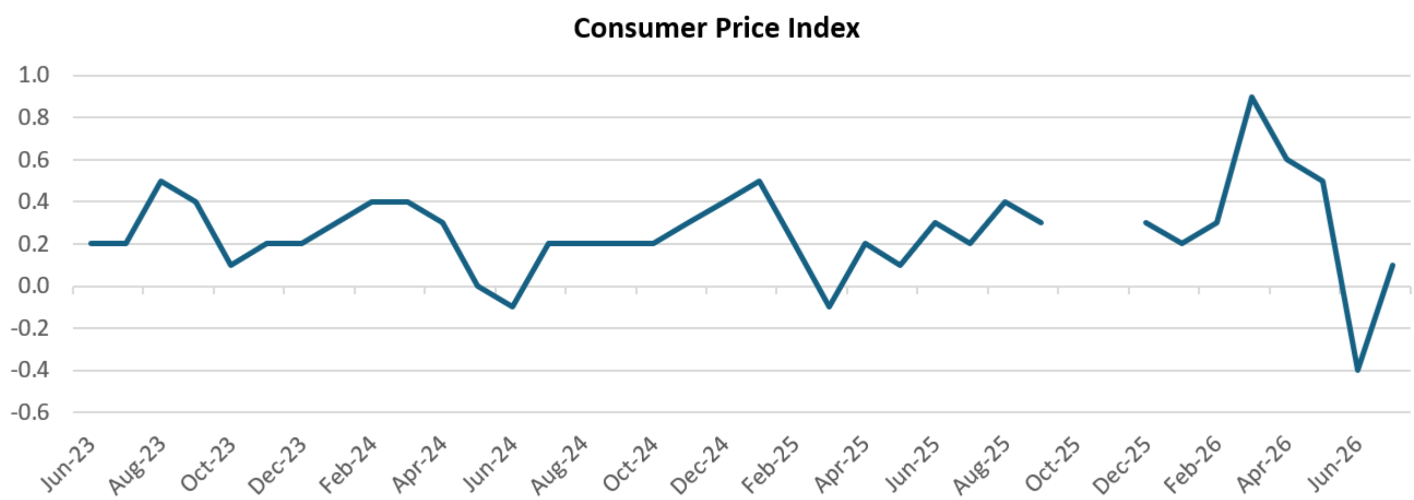

The **Real Gross Domestic Product (GDP)** is an inflation adjusted standard measure of all goods and services produced by labor and property located in the United States in a given period. Gross domestic products can be calculated on a nominal or real (adjusted for inflation) basis. Since rising prices influence GDP, removing inflation related price changes isolates changes in production quantity. **In Q2 2026, real GDP increased by 0.38%[2] over a revised Q1 2025, continuing a consistent increase over the past five years.**




The **Average Hourly Earnings of All Private Employees** measures average hourly earnings employers pay that include overtime and shift differentials but excludes benefits, bonuses, retroactive pay, or employer payroll taxes. While earnings data changes capture wage rate adjustments, they can also include changes in the mix of employment. **In July the average hourly wage increased to $37.62 from a revised $37.60 in June. This rise of $0.02 represents an increase of 0.1%.**

[2] Federal Reserve Bank of St. Louis; https://fred.stlouisfed.org/series/GDP; GDP data is published quarterly.

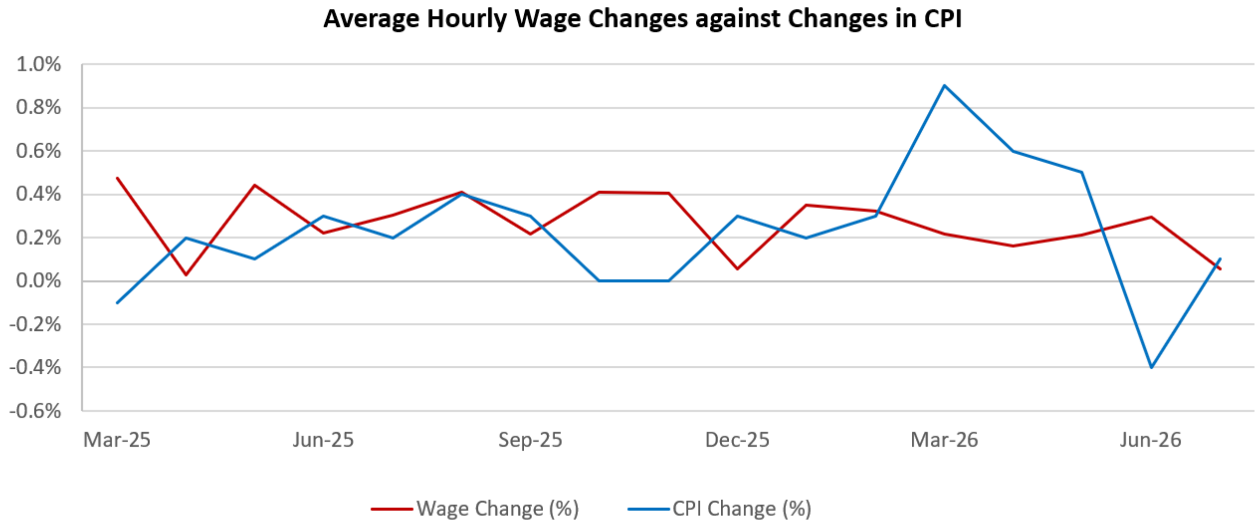
# National Metrics



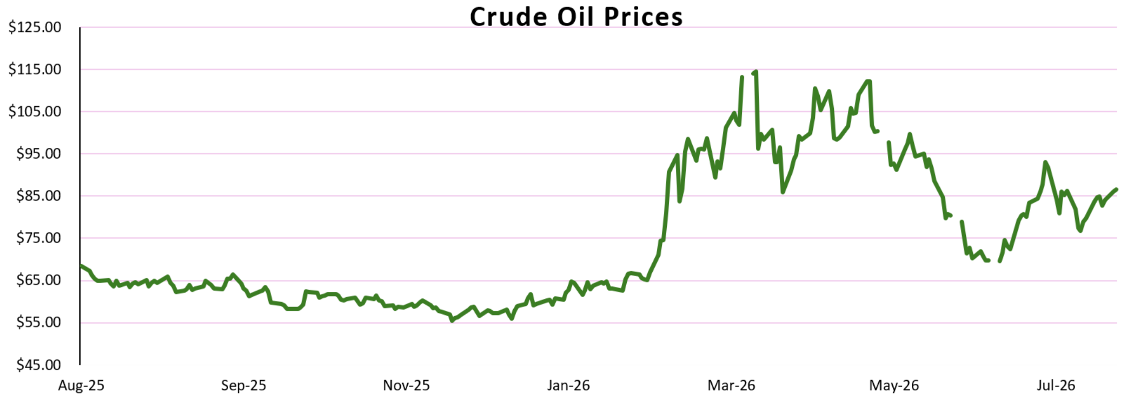

The **Consumer Price Index** (CPI) is a weighted average of the prices of an identified basket of consumer goods and services used to help monitor inflation. The index measures the average change in price that consumers pay over time. The data is presented as a 1-month percent change, which means that anything shown greater than zero is indicative of inflation (prices increasing) while anything below zero is indicative of deflation (prices decreasing). Due to the 2025 Federal Government Shutdown, Consumer Price Index data is unavailable for October and November 2025. For the trailing 12-month inflation calculation October and November 2025 are treated as 0.0%. **During the month of July, the Consumer Price Index increased by 0.1%[3].** The current 12-month CPI growth is 4.28% (unadjusted) as reported by the Bureau of Labor Statistics. This is 1.34% greater than the trailing 12-month average of 2.94%, indicating increased inflation compared to that of last year.

[3] U.S. Bureau of Labor Statistics; [Bureau of Labor Statistics Data (bls.gov)](https://www.bls.gov)

# National Metrics



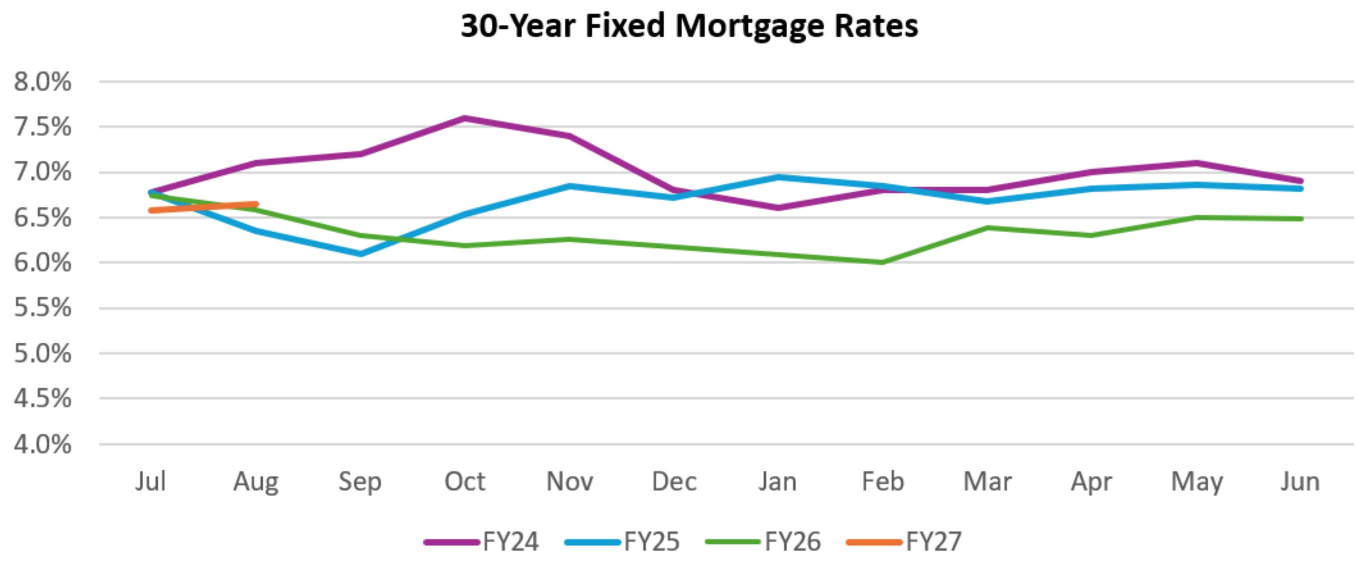

**Average Hourly Wage Changes against Changes in the Consumer Price Index** analyzes the relationship between national wages and consumer pricing, and more loosely, its affiliate inflation. It should be noted that this graph encompasses month-over-month changes, with both metrics demonstrating continuous upward growth over the past 2 years of recorded data. **July had a monthly wage growth of 0.1% while the CPI increased by 0.1%, a neutral outcome for consumer buying power.**




**Crude Oil Prices** are the daily rate received for a barrel of unrefined oil produced in Texas and Southern Oklahoma --- among the easiest to refine oils in the world and therefore a standard for oil prices worldwide. Directly influencing transportation costs, Crude Oil Prices not only influence the price at the pump but are also a major factor in the prices of goods across the greater economy. **Crude Oil Prices increased to $86.48 a barrel in the month of August, a $0.32, or 0.37% increase.**[4]

[4] Federal Reserve Bank of St. Louis https://fred.stlouisfed.org/series/DCOILWTICO

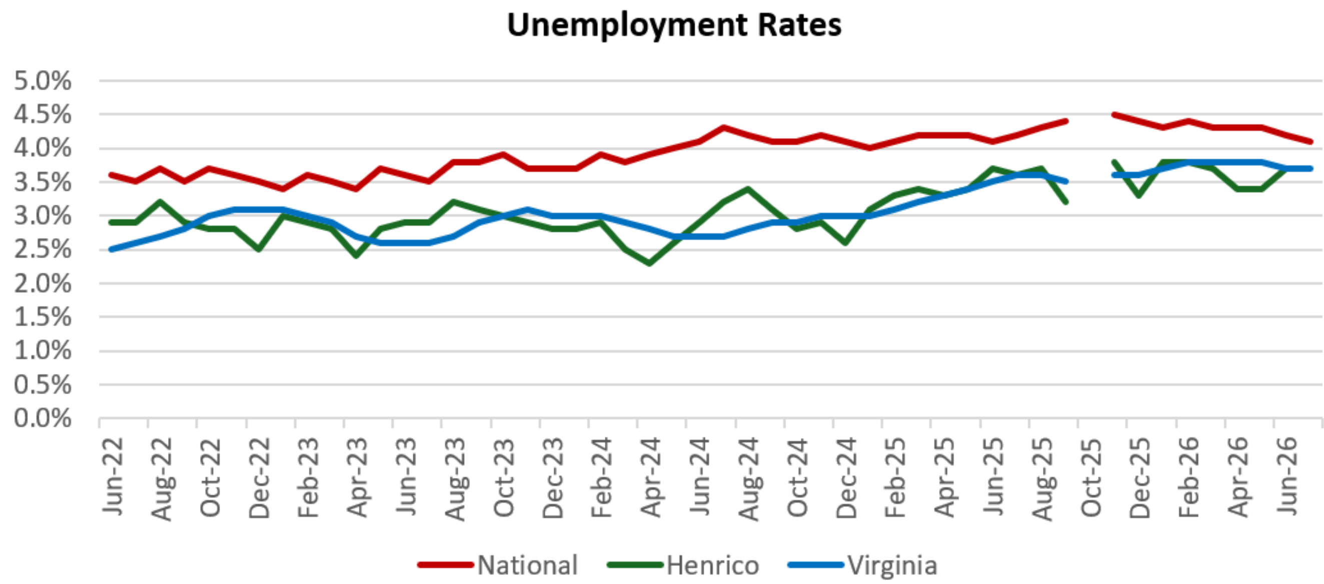
# National Metrics




The **30-Year Fixed Mortgage Rate** is the most common financing mechanism used by residential home buyers. The interest rate represents the amount a qualified borrower will be charged by a lender over the loan term. **In August, the 30-year fixed mortgage interest rate increased by 0.1% to 6.7%[5] .**

[5] Freddie Mac; 30-Year Fixed-Rate Mortgages Since 1971 - Freddie Mac

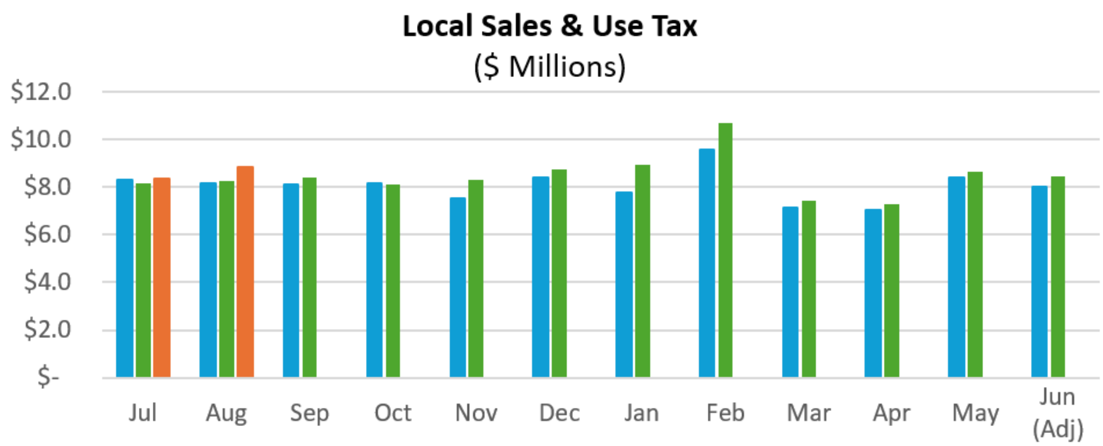
## Combined Metrics




The **Unemployment Rate** shows the number of unemployed people as a percentage of the workforce. Known as the U-3 unemployment rate, an individual must be actively seeking work or laid off to be included. State unemployment data lags roughly six weeks while local unemployment data lags nine weeks. **In the month of July, unemployment rates at the National level decreased by 0.1% to 4.1%, while the State remained constant at 3.7%. In June, Henrico increased by 0.3%, up to 3.7%, matching the State.[6]** Historically, Henrico unemployment rates have trended closely with the National and State levels.

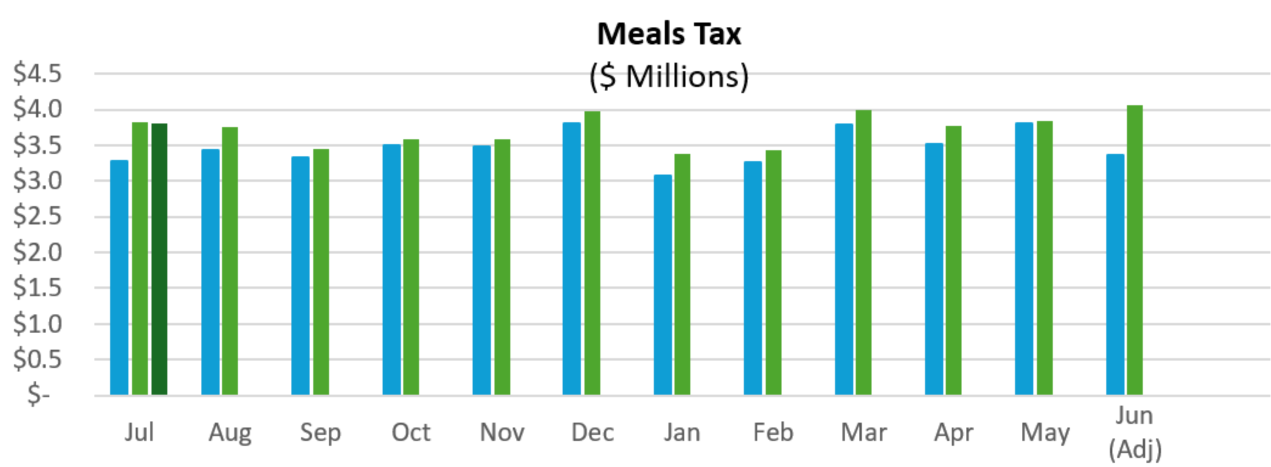
[6] US Bureau of Labor Statistics; https://data.bls.gov/lausmap/showMap.jsp

# Henrico Metrics




| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun (Adj) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FY25 | $8.3 | $8.2 | $8.1 | $8.2 | $7.5 | $8.4 | $7.8 | $9.6 | $7.1 | $7.0 | $8.4 | $8.0 |
| FY26 | $8.1 | $8.3 | $8.4 | $8.1 | $8.3 | $8.7 | $8.9 | $10.7 | $7.5 | $7.3 | $8.6 | $8.4 |
| FY27 | $8.4 | $8.8 | | | | | | | | | | |

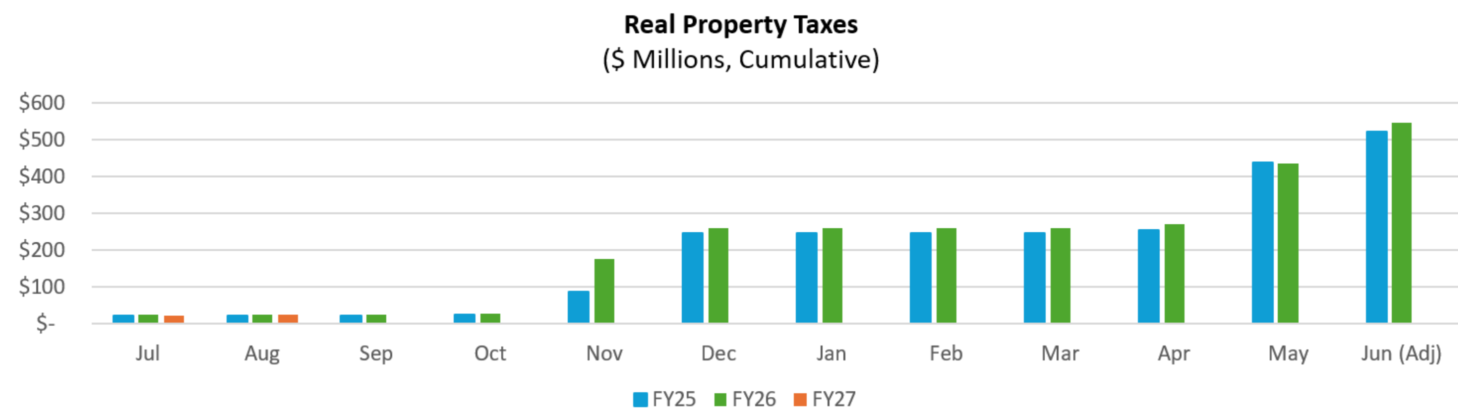
Henrico County **Sales & Use Tax** amounts to 6% of each purchase collected by the Commonwealth. By law, 1% is then remitted back to the County from the State. **August FY27 recorded collections of $8.8 million, $0.5 million higher than August FY26 collections.**



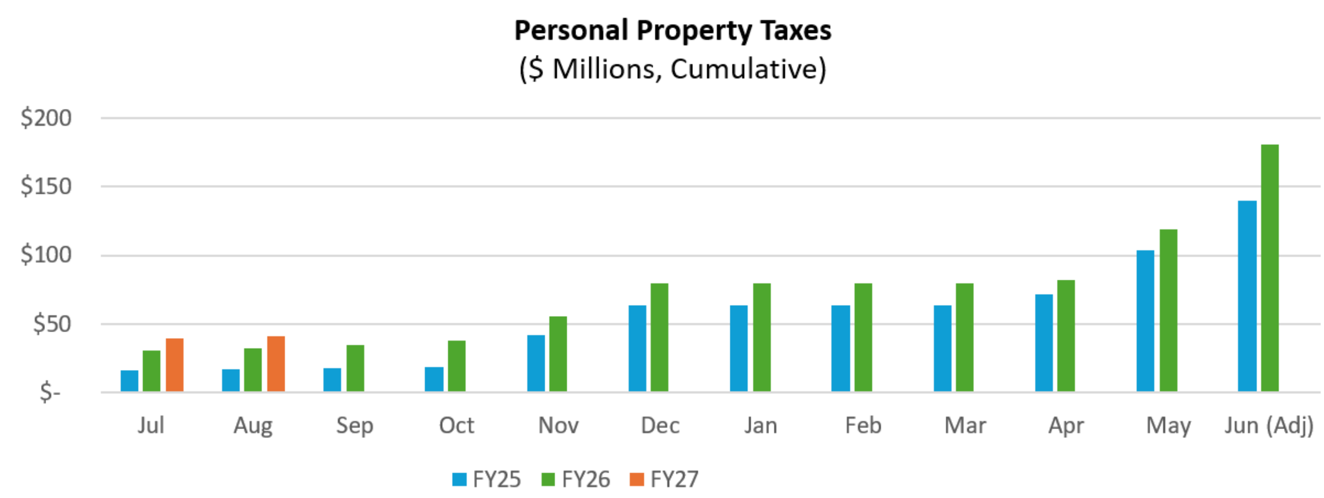

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun (Adj) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FY25 | $3.3 | $3.4 | $3.3 | $3.5 | $3.5 | $3.8 | $3.1 | $3.3 | $3.8 | $3.5 | $3.8 | $3.4 |
| FY26 | $3.8 | $3.8 | $3.4 | $3.6 | $3.6 | $4.0 | $3.4 | $3.4 | $4.0 | $3.8 | $3.8 | $4.1 |
| FY27 | $3.8 | | | | | | | | | | | |

Henrico's **Meals Tax** establishes a 4% tax on prepared food and beverages. Revenue generated by the Meals Tax is dedicated to the operational and capital project needs of Henrico's Public Schools. Collections lag by two months and are compared as year-over-year monthly collections. **July FY27 collections totaled $3.8 million, lagging July FY26 by 0.3%.**

## Henrico Metrics

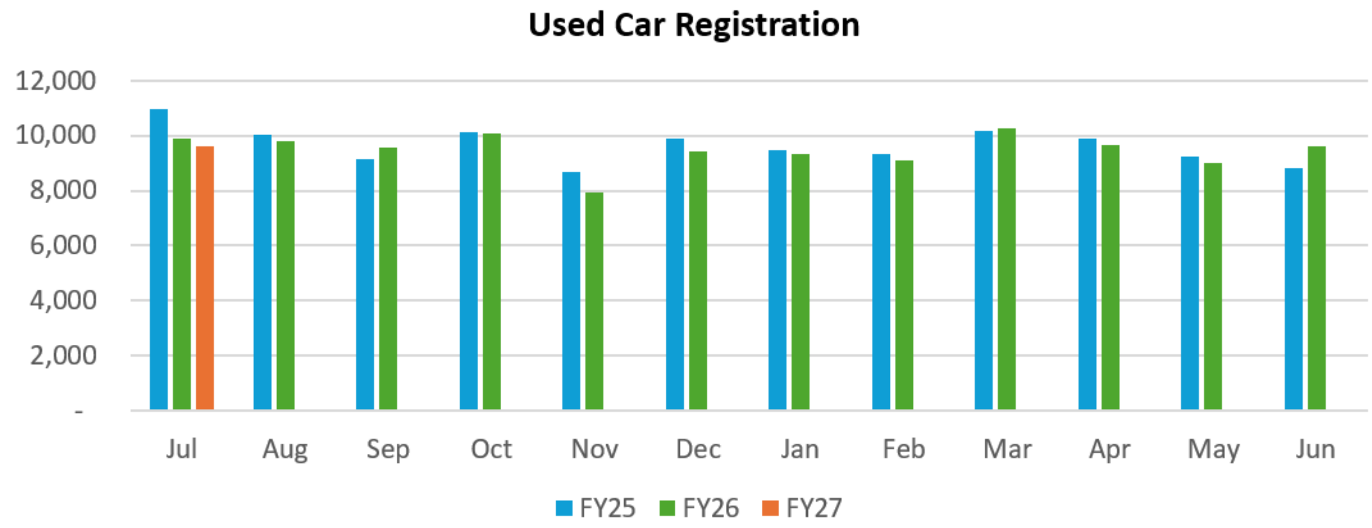


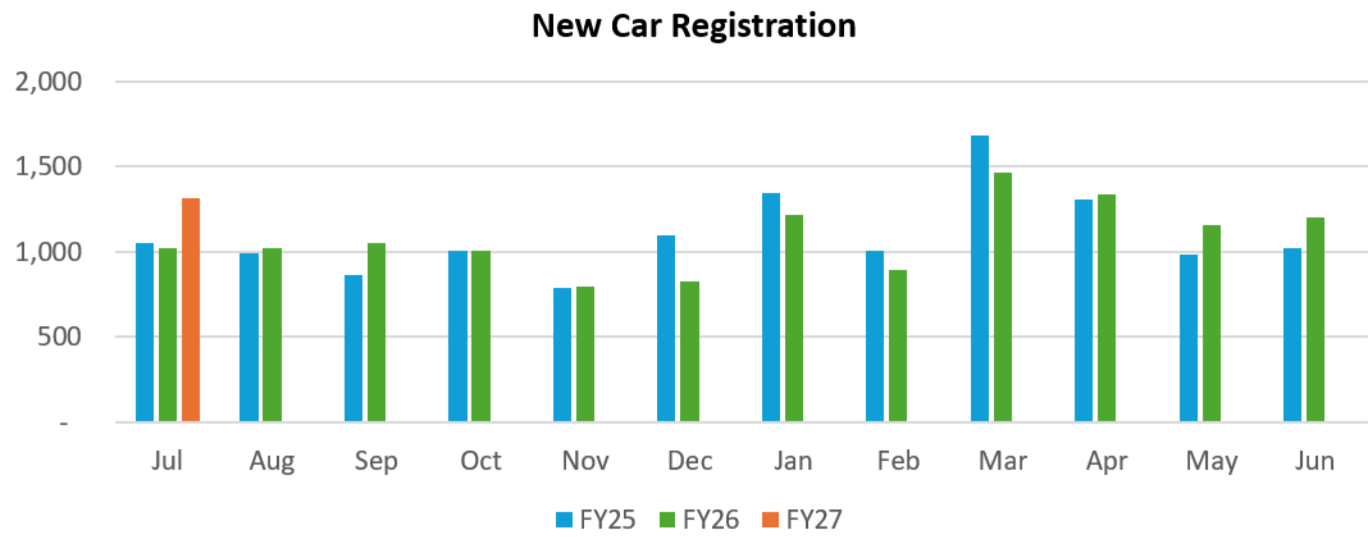

**Real Property Taxes** are collected on property used for residential and nonresidential purposes. The Code of Virginia provides for assessment of real property at 100% of fair market value, which is the probable amount a property would sell for today if exposed to the market for a reasonable period. Collections are due twice a year in December and June**. At the time of publication, Real Property Tax Collections through August FY27 totaled $24 million, on par with August FY26.** The graph above represents cumulative collections throughout each fiscal year.




**Personal Property Taxes** are collected on all vehicles including cars, trucks, trailers, motorcycles, motor homes, aircraft, and watercraft. Personal property is collected in the locality where it is normally garaged, docked, or parked. Henrico County uses the J.D. Power Official Used Car Guide as of January 1st of each year to establish valuations. Collections are due twice a year in December and June. **Personal Property Tax Collections through August FY27 totaled $41 million, an increase of $1 million compared to July, and $9 million greater than year-to-date collections through August FY26.**

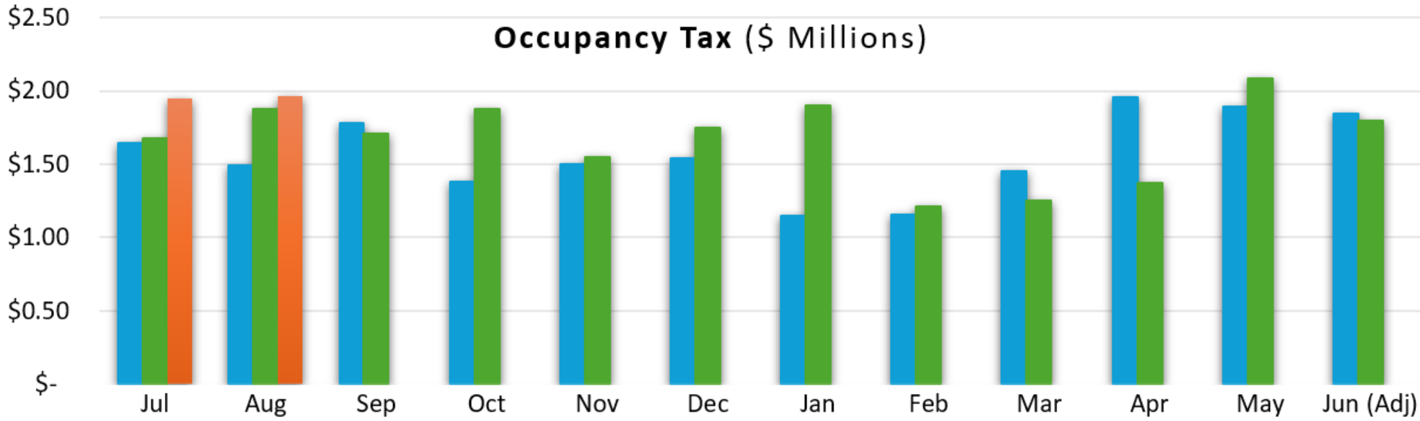
## Henrico Metrics



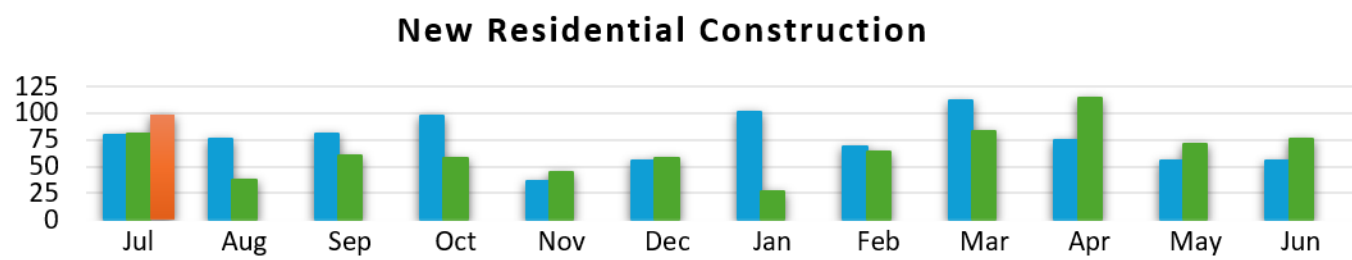

**Vehicle Registration** data is acquired from the Virginia Department of Transportation and is comprised of both new and used vehicles, the metric strongly correlates to vehicle sales. **Used Car Registrations in July FY27 recorded 9,621, or 2.92% lower than July FY26. New Car Registrations recorded 1,315 or 28.67% higher than July FY26.**

# Henrico Metrics




| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun (Adj) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FY25 | $1.65 | $1.49 | $1.78 | $1.38 | $1.50 | $1.54 | $1.15 | $1.16 | $1.45 | $1.96 | $1.89 | $1.85 |
| FY26 | $1.67 | $1.88 | $1.71 | $1.88 | $1.54 | $1.75 | $1.90 | $1.21 | $1.25 | $1.37 | $2.08 | $1.80 |
| FY27 | $1.95 | $1.97 | | | | | | | | | | |

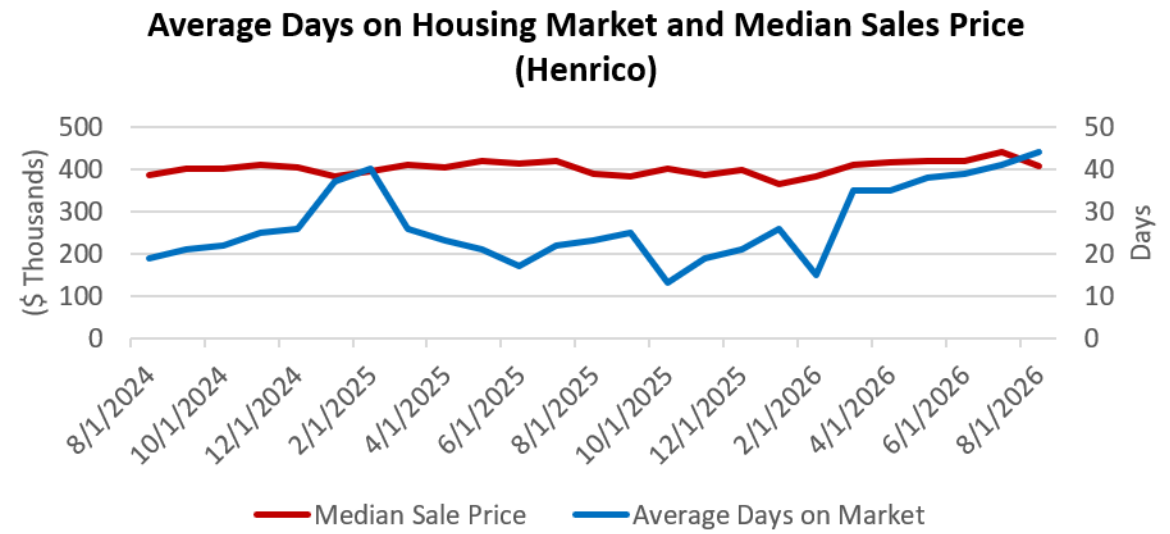
Henrico's **Occupancy Tax** is collected at an 8% rate on lodging for overnight stays. **Occupancy Tax collections in August FY27 totaled $1.97 million, $0.09 million greater than August FY26.**



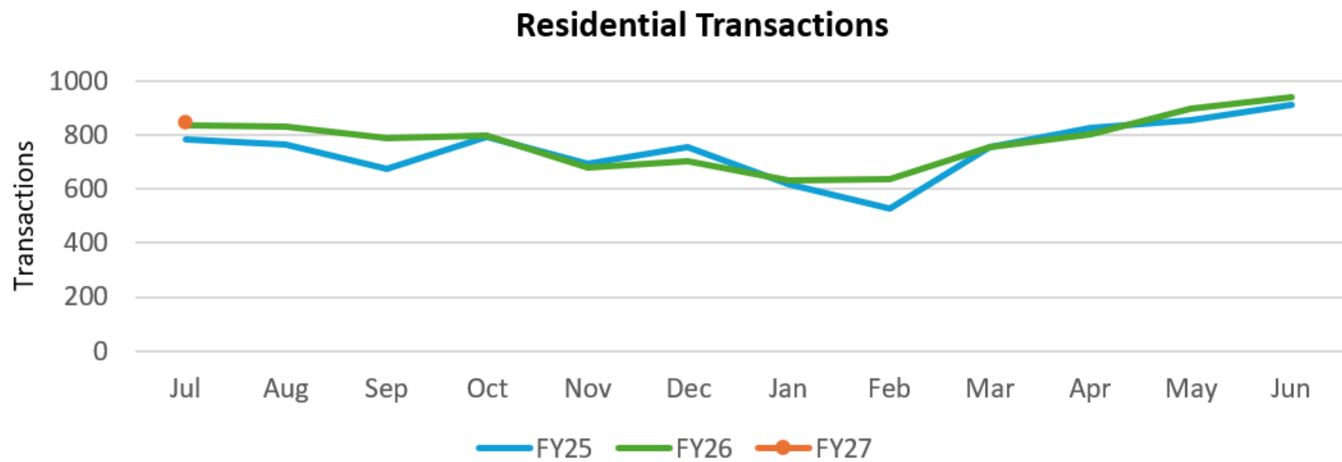

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FY25 | 79 | 76 | 81 | 97 | 36 | 56 | 101 | 69 | 111 | 74 | 55 | 56 |
| FY26 | 80 | 38 | 60 | 58 | 45 | 58 | 27 | 64 | 83 | 114 | 71 | 76 |
| FY27 | 98 | | | | | | | | | | | |

**New Residential Construction** is comprised of new single-family houses that were issued building permits. A slowdown may indicate worsening economic conditions, increased competition from neighboring localities, or a lack of expansion capabilities. **July FY27 construction activity totaled 98 permits, 18 more than the 80 permits issued in July FY26.**

# Henrico Metrics

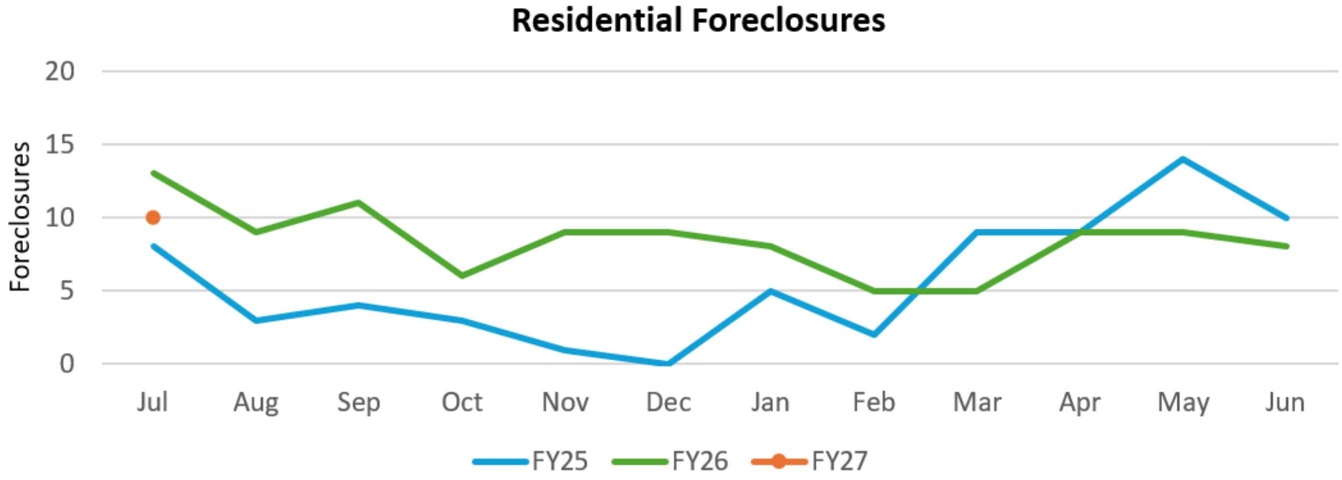



**Average Days on the Housing Market and Median Sale Price** provides a benchmark of the state of the housing market in Henrico. An increase in the time spent on market may indicate a slowing of the housing market, while a decrease may indicate acceleration. Median Sales Price tracks the middle value of homes sold in the County that month and can provide insight into the general direction of the market**. The Median Sales Price for the month of August decreased to a total of $405,800, down from $442,000. Average Days on the Housing Market increased to 44 from 41.**



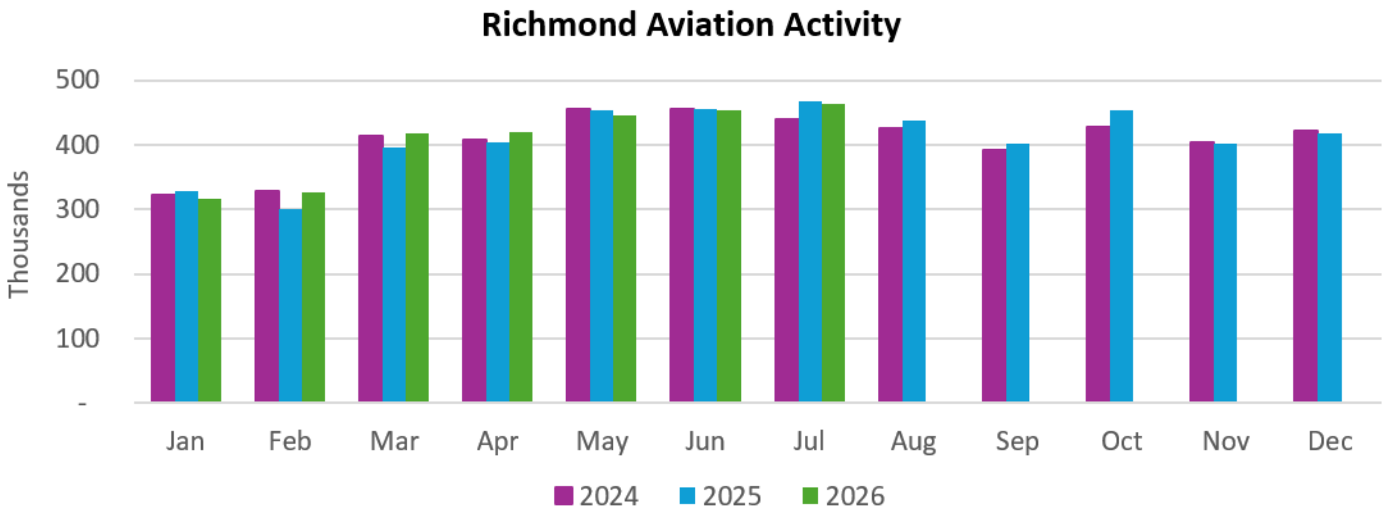

**Transactions & Foreclosures** data represents Henrico's completed residential sales and reports residential foreclosures. These provide a snapshot of Henrico's housing market. Consistency in transactions represents a healthy and growing market. **A total of 846 residential transactions were recorded in July FY27, 11 more than July FY26.**

## Henrico Metrics




**Ten foreclosures were reported in July FY27, which is consistent with recent periods.**

# Area Metric




**Richmond Aviation Activity** represents passenger activity in and out of Richmond International Airport. The value is the combination of enplaned (departing) and deplaned (arriving) passengers. This provides traffic activity as it relates to flights around Henrico. Air travel can provide a benchmark for imported economic activity and is correlated with Occupancy and Meals Tax collections. **July 2026 recorded a total passenger count of 464,185, a 0.6% decrease compared to July 2025.**