Overview of the National and Washington Region Economies

Stephen S. Fuller Institute
Schar School of Policy and Government
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How did the U.S. economy perform in 2016 and what is the outlook for 2017?
Recession Recovery Patterns of GDP
Past Four Recessions

*In 1992 or 2009 Chained Dollars
**Quarters 26+ include the 2009 Recession
Sources: Bureau of Economic Analysis, The Stephen S. Fuller Institute at the Schar School, GMU

Contributions to Post Recession Recoveries
Average Growth After 31 Quarters

*After 25 Quarters
Sources: Bureau of Economic Analysis, The Stephen S. Fuller Institute at the Schar School, GMU
Role of Residential Investment
% of GDP 31 Quarters Post-Recession

* Quarters 26+ include the 2009 Recession
Sources: Bureau of Economic Analysis, The Stephen S. Fuller Institute at the Schar School, GMU

U.S. Leading Index
Month-Over-Year Percent Change

Sources: The Conference Board, The Stephen S. Fuller Institute at the Schar School, GMU
U.S. Coincident Index
Month-Over-Year Percent Change

U.S. Payroll Job Change by Sector
March 2016 – March 2017

Ranked by Size in 2016

<table>
<thead>
<tr>
<th>Sector</th>
<th>(000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Educ &amp; Health Svcs</td>
<td>521</td>
</tr>
<tr>
<td>Prof. &amp; Bus. Svcs</td>
<td>632</td>
</tr>
<tr>
<td>State &amp; Local Govt</td>
<td>108</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>48</td>
</tr>
<tr>
<td>Leisure &amp; Hosp.</td>
<td>41</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>247</td>
</tr>
<tr>
<td>Financial</td>
<td>179</td>
</tr>
<tr>
<td>Construction</td>
<td>187</td>
</tr>
<tr>
<td>Trade</td>
<td>46</td>
</tr>
<tr>
<td>Other Services</td>
<td>56</td>
</tr>
<tr>
<td>Transp. &amp; Util.</td>
<td>77</td>
</tr>
<tr>
<td>Federal Govt.</td>
<td>31</td>
</tr>
<tr>
<td>Information</td>
<td>-37</td>
</tr>
</tbody>
</table>

Total = +2,135

Sources: U.S. Bureau of Labor Statistics (Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU
Initial Claims for Unemployment
4-Week Moving Average

Sources: U.S. Department of Labor, The Stephen S. Fuller Institute at the Schar School, GMU

U.S. Unemployment Rate
March 2009 – March 2017

Sources: U.S. Bureau of Labor Statistics (Seasonally Adjusted), IHS Economics (April 2017), The Stephen S. Fuller Institute at the Schar School, GMU
U.S. Interest Rates
Average Annual, 2001 - 2021

Sources: IHS Economics (April 2017), The Stephen S. Fuller Institute at the Schar School, GMU

U.S. Consumer Confidence
April 2010 – April 2017

Sources: The Conference Board, The Stephen S. Fuller Institute at the Schar School, GMU
U.S. New and Existing Home Sales

Sources: U.S. Census (New), National Association of Realtors (Existing), The Stephen S. Fuller Institute at the Schar School, GMU

U.S. Growth in Total Consumption Outlays

Sources: U.S. Bureau of Economic Analysis, IHS Economics (April 2017), The Stephen S. Fuller Institute at the Schar School, GMU
How is the Washington economy performing?

Washington Region Economic Indices

(100 = 1996)

Source: The Stephen S. Fuller Institute at the Schar School, GMU
Washington MSA Annual Job Change
Month-Over-The-Year

Mar 17 = +50.5

Sources: U.S. Bureau of Labor Statistics (Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU

15 Largest U.S. Job Markets
Job Change: March 2016 – March 2017

Washington: +50,500

Sources: U.S. Bureau of Labor Statistics (Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU
Washington MSA
Annual Job Change, 2002-2017

Sources: U.S. Bureau of Labor Statistics (Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU

Washington MSA Job Change by Sector
March 2016 – March 2017

Ranked by Size in 2016
Prof. & Business Services
Edu. & Health Services
Federal Govt
State & Local Govt
Leisure & Hospitality
Retail Trade
Other Services
Financial Activities
Construction
Information
Transportation & Utilities
Wholesale Trade
Manufacturing

Total = 50,500

Sources: U.S. Bureau of Labor Statistics (Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU
Federal Government Jobs
Washington MSA

Annual Change

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
</table>

Annual Month-Over-Year Change

<table>
<thead>
<tr>
<th>Month</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
</table>

Mar 17 Total = 366.8

Sources: U.S. Bureau of Labor Statistics (Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU

Leisure and Hospitality Services Jobs
Washington MSA

Annual Month Over-the-Year

<table>
<thead>
<tr>
<th>Month</th>
<th>Accommodation</th>
<th>Food Services &amp; Drinking Places</th>
<th>Entertainment</th>
</tr>
</thead>
</table>

Mar 17 Total = 322.8

Sources: U.S. Bureau of Labor Statistics (Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU
District of Columbia
Annual Job Change, 2002-2017

Annual Change

Annual Month-Over-Year Change

Mar 17 = +6.2

District of Columbia

Annual Job Change, 2002-2017

Suburban Maryland

Annual Job Change, 2002-2017

Sources: U.S. Bureau of Labor Statistics (Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU
Northern Virginia
Annual Job Change, 2002-2017

Annual Change

Annual Month-Over-Year Change

Mar 17 = +28.1

Washington Metropolitan Area
Unemployment Rates By Sub-State Area,
2010-2017

Sources: U.S. Bureau of Labor Statistics (Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU
15 Largest U.S. Job Markets Ranked by Unemployment March 2017

Sources: U.S. Bureau of Labor Statistics (US: Seasonally Adjusted; MSA: Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU

How did the Washington region’s housing market perform in 2016?
Existing Homes Sales
Washington MSA

Mar 17: 7,002

Sources: RealEstate Business Intelligence (RBI), Metropolitan Regional Information Systems (MRIS) Stephen S. Fuller Institute

Percent Change in Inventories of Existing Homes Washington MSA
Month-Over-Year 2000 – 2017

Mar 17: -5.5%

Sources: RealEstate Business Intelligence (RBI), Metropolitan Regional Information Systems (MRIS) Stephen S. Fuller Institute
Total monthly inventory includes listings active at the end of the month plus sales during the month
Average Sales Price Percent Change
Washington MSA: All Housing Types

Average Sales Price Percent Change
Washington MSA: Single-Family Detached

Sources: Metropolitan Regional Information Systems (MRIS) Stephen S. Fuller Institute
Average Sales Price Percent Change
Washington MSA: Single-Family Attached

Average Sales Price Percent Change
Washington MSA: Condo

Sources: Metropolitan Regional Information Systems (MRIS) Stephen S. Fuller Institute
What is the Washington region’s economic outlook?
## Employment Change by Sub-State Area

### Baseline Forecast (000s)

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>D.C.</td>
<td>5.2</td>
<td>15.9</td>
<td>13.0</td>
<td>8.9</td>
<td>5.3</td>
<td>4.9</td>
<td>4.5</td>
<td>3.5</td>
</tr>
<tr>
<td>Sub. MD</td>
<td>10.2</td>
<td>12.5</td>
<td>14.4</td>
<td>14.4</td>
<td>12.7</td>
<td>10.9</td>
<td>8.0</td>
<td>5.7</td>
</tr>
<tr>
<td>No. VA</td>
<td>0.8</td>
<td>29.8</td>
<td>31.0</td>
<td>23.9</td>
<td>26.6</td>
<td>19.7</td>
<td>13.7</td>
<td>12.9</td>
</tr>
<tr>
<td>REGION</td>
<td>18.6</td>
<td>57.7</td>
<td>55.6</td>
<td>45.9</td>
<td>41.3</td>
<td>33.1</td>
<td>27.9</td>
<td>24.0</td>
</tr>
</tbody>
</table>

Average Annual Change 1990-2010 = 36,300

Source: BLS, IHS Economics, The Stephen S. Fuller Institute at the Schar School, GMU (forecast as of April 2017)

NOTE: The regional totals include Jefferson, WV.

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## Employment Forecast Scenarios

### Annual Change

<table>
<thead>
<tr>
<th>Year</th>
<th>Baseline</th>
<th>2011 (a)</th>
<th>Trump (b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>45.9</td>
<td>35.7</td>
<td>28.7</td>
</tr>
<tr>
<td>2018</td>
<td>41.3</td>
<td>28.0</td>
<td>20.8</td>
</tr>
<tr>
<td>2019</td>
<td>33.1</td>
<td>27.8</td>
<td>26.1</td>
</tr>
<tr>
<td>2020</td>
<td>27.9</td>
<td>22.9</td>
<td>21.5</td>
</tr>
<tr>
<td>2021</td>
<td>24.0</td>
<td>22.1</td>
<td>20.2</td>
</tr>
</tbody>
</table>

Source: BLS, IHS Economics, The Stephen S. Fuller Institute at the Schar School, GMU (forecast as of April 2017)

(a) Incorporating spending reductions providing for in the Budget Control Act of 2011.
U.S. GDP and Washington MSA GRP
Baseline Forecast
2007 – 2015 – 2021 (Annual % Change)

Sources: U.S. Bureau of Economic Analysis, IHS Economics, The Stephen S. Fuller Institute at the Schar School, GMU (forecast as of April 2017)

Washington MSA and Sub-State Areas
Economic Outlook (GRP), Baseline Forecast
2007-2021 (Annual % Change)

Sources: IHS Economics, The Stephen S. Fuller Institute at the Schar School, GMU (forecast as of April 2017)
Thank You & Questions

For monthly reports on the Washington region’s economic performance go to:

sfullerinstitute.gmu.edu