The Current Performance and Near-Term Outlook for the U.S. and Washington Region’s Economies

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U.S. GDP and Washington MSA GRP
2007 – 2015 – 2021
(Baseline Forecast, Annual % Change)

Sources: U.S. Bureau of Economic Analysis, IHS Economics, The Stephen S. Fuller Institute at the Schar School, GMU
How is the U.S. economy performing and what is the outlook for 2018?

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

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

Sources: The Conference Board, The Stephen S. Fuller Institute at the Schar School, GMU
U.S. Unemployment Rate
August 2009 – August 2017

Aug 17 = 4.4%
IHS Forecast
17 – 4.4
18 – 4.1
19 – 4.0
20 – 4.1
21 – 4.2

Sources: U.S. Bureau of Labor Statistics (Seasonally Adjusted), IHS Economics (September 2017), The Stephen S. Fuller Institute at the Schar School, GMU

Brent Crude Spot Price
$ per barrel

Forecast

Sources: IHS Economics (September 2017), The Stephen S. Fuller Institute at the Schar School, GMU
U.S. Consumer Confidence
September 2010 – September 2017

Sources: The Conference Board, The Stephen S. Fuller Institute at the Schar School, GMU

U.S. Consumer Prices
Percent Change, 2001 - 2021

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

Sources: IHS Economics (September 2017), 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
How is the Washington Region’s economy currently performing?

Annual Job Change, 2002-2017
Washington Region

Sources: U.S. Bureau of Labor Statistics (Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU
10 Largest U.S. Job Markets
Job Change: August 2016 – August 2017

Washington: +67,600

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: August 2016 – August 2017

Washington: +2.1%

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
August 2016 – August 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 = 67,600

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

Professional and Business Services Jobs
Washington MSA
Annual Month Over-the-Year

Aug 17 Total = 762.7

Sources: U.S. Bureau of Labor Statistics (Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU
Education and Health Services Jobs
Washington MSA
Annual Month Over-the-Year

Aug 17 Total = 444.9

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

Federal Government Jobs
Washington MSA

Aug 17 Total = 365.9

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

Aug 17 Total = 346.4

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

Aug 17 = +15.0

Sources: U.S. Bureau of Labor Statistics (Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU
District of Columbia Job Change by Sector
August 2016 – August 2017

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

Total = 15,000

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

Suburban Maryland
Annual Job Change, 2002-2017

Annual Change
- Annual Month-Over-Year Change
- Aug 17 = +21.2

Sources: U.S. Bureau of Labor Statistics (Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU
Northern Virginia Job Change by Sector
August 2016 – August 2017

Ranked by Size in 2016
- Prof. & Business Services: -3.6
- Edu. & Health Services: -2.2
- State & Local Govt: -1.0
- Leisure & Hospitality: -1.0
- Retail Trade: -1.1
- FederalGovt: -0.1
- Other Services: 2.1
- Financial Activities: 1.4
- Construction: 3.2
- Information: 1.1
- Transportation & Utilities: 1.0
- Wholesale Trade: 5.2
- Manufacturing: 10.4

Total = 18,600

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

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

- 6.6 – DC
- 4.4 – U.S.
- 3.7 – MSA
- 3.6 – SMD
- 3.2 – NVA

Sources: U.S. Bureau of Labor Statistics (US: Seasonally Adjusted; MSA: Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU
Is the Washington Region’s economy becoming more diversified?

Roadmap Update

The Washington Region’s Advanced Industrial Clusters

- Advocacy Services
- Information & Communications Technology Services
- Science & Security Technology Services
- Bio & Health Technology Services
- Business & Financial Services
- Media & Information Services
- Business & Leisure Travel Services
### Employment in the Advanced Industrial Clusters

**March 2014 – March 2017 Change**

<table>
<thead>
<tr>
<th>Category</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clusters</td>
<td>4.0%</td>
</tr>
<tr>
<td>Non-Cluster, Private</td>
<td>6.2%</td>
</tr>
<tr>
<td>Government</td>
<td>3.0%</td>
</tr>
<tr>
<td>Total Jobs</td>
<td>5.0%</td>
</tr>
</tbody>
</table>

**Clusters, U.S.**

8.0%

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Sources: U.S. Bureau of Labor Statistics (QCEW), The Stephen S. Fuller Institute at the Schar School, GMU
Growth Rates of the Washington Region’s Advanced Industrial Clusters
March 2014 to March 2017, Annualized Growth

Comparative Cluster Performances: Washington Region and the U.S.

Sources: U.S. Bureau of Labor Statistics (QCEW), The Stephen S. Fuller Institute at the Schar School, GMU
What is the Washington Region’s economic near-term outlook?

### Employment Change by Sub-State Area

<table>
<thead>
<tr>
<th>Year</th>
<th>D.C.</th>
<th>Sub. MD</th>
<th>No. VA</th>
<th>REGION</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>5.2</td>
<td>10.2</td>
<td>0.8</td>
<td>18.6</td>
</tr>
<tr>
<td>2015</td>
<td>15.9</td>
<td>12.5</td>
<td>29.8</td>
<td>57.7</td>
</tr>
<tr>
<td>2016</td>
<td>13.0</td>
<td>14.4</td>
<td>31.0</td>
<td>55.6</td>
</tr>
<tr>
<td>2017</td>
<td>10.4</td>
<td>22.8</td>
<td>19.8</td>
<td>53.0</td>
</tr>
<tr>
<td>2018</td>
<td>9.2</td>
<td>16.6</td>
<td>20.4</td>
<td>46.2</td>
</tr>
<tr>
<td>2019</td>
<td>8.1</td>
<td>16.2</td>
<td>20.8</td>
<td>45.1</td>
</tr>
<tr>
<td>2020</td>
<td>6.2</td>
<td>13.1</td>
<td>15.1</td>
<td>34.4</td>
</tr>
<tr>
<td>2021</td>
<td>5.5</td>
<td>12.3</td>
<td>13.0</td>
<td>30.8</td>
</tr>
</tbody>
</table>

Baseline Forecast (000s)

Average Annual Change 1990-2010 = 36,300

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

NOTE: The regional totals include Jefferson, WV.
Washington MSA and Sub-State Areas Economic Outlook (GRP), 2007-2021
(Baseline Forecast, Annual % Change)

Sources: The Stephen S. Fuller Institute at the Schar School, GMU

U.S. GDP and Washington MSA GRP
2007 – 2015 – 2021
(Baseline Forecast, Annual % Change)

Sources: U.S. Bureau of Economic Analysis, IHS Economics, The Stephen S. Fuller Institute at the Schar School, GMU
Thank You & Questions

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

sfullerinstitute.gmu.edu