

The Current Performance and Near-Term Outlook for The U.S. and Washington Region's Economies Plus Prince William County 2015-2025

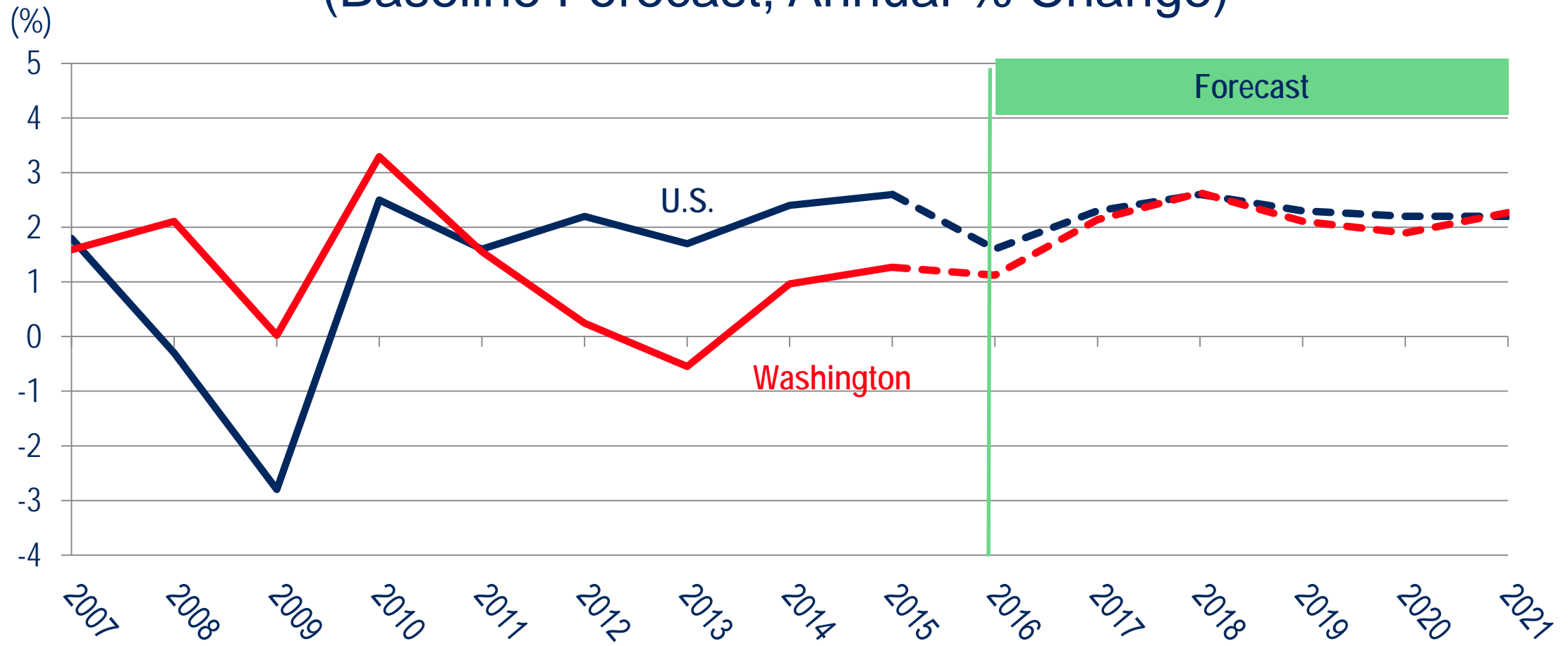
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The Dwight Schar Faculty Chair and University Professor
Director, The Stephen S. Fuller Institute
Schar School of Policy and Government
George Mason University



November 3, 2017

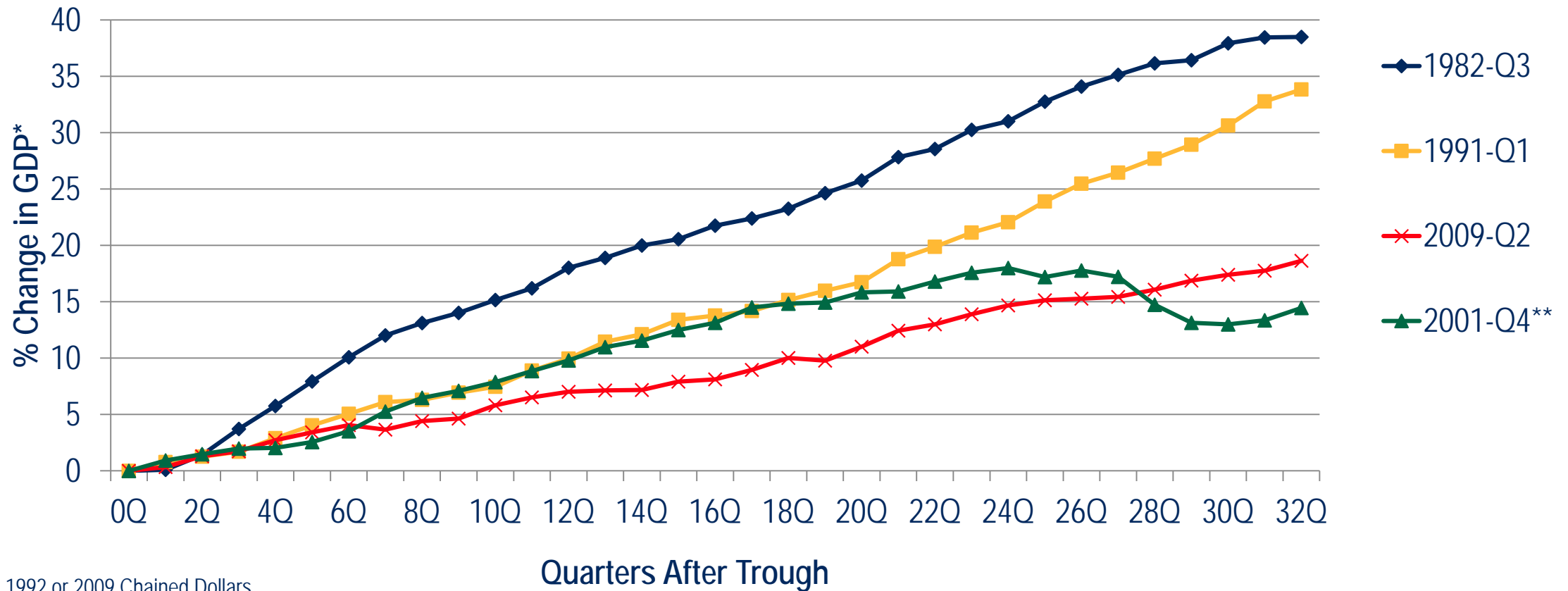
U.S. GDP and Washington MSA GRP 2007 – 2015 – 2021 (Baseline Forecast, Annual % Change)



Sources: U.S. Bureau of Economic Analysis, IHS Economics (March 2017), 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

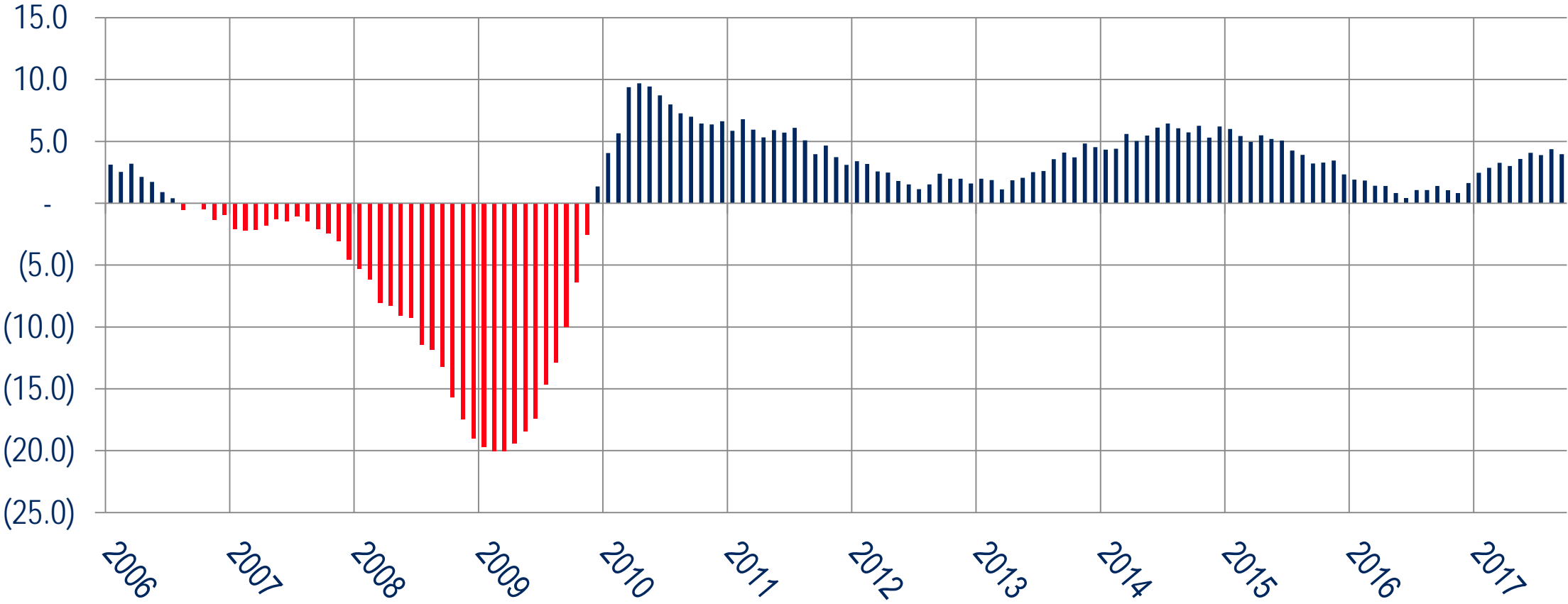


*in 1992 or 2009 Chained Dollars

** Quarters 26+ include the 2009 Recession

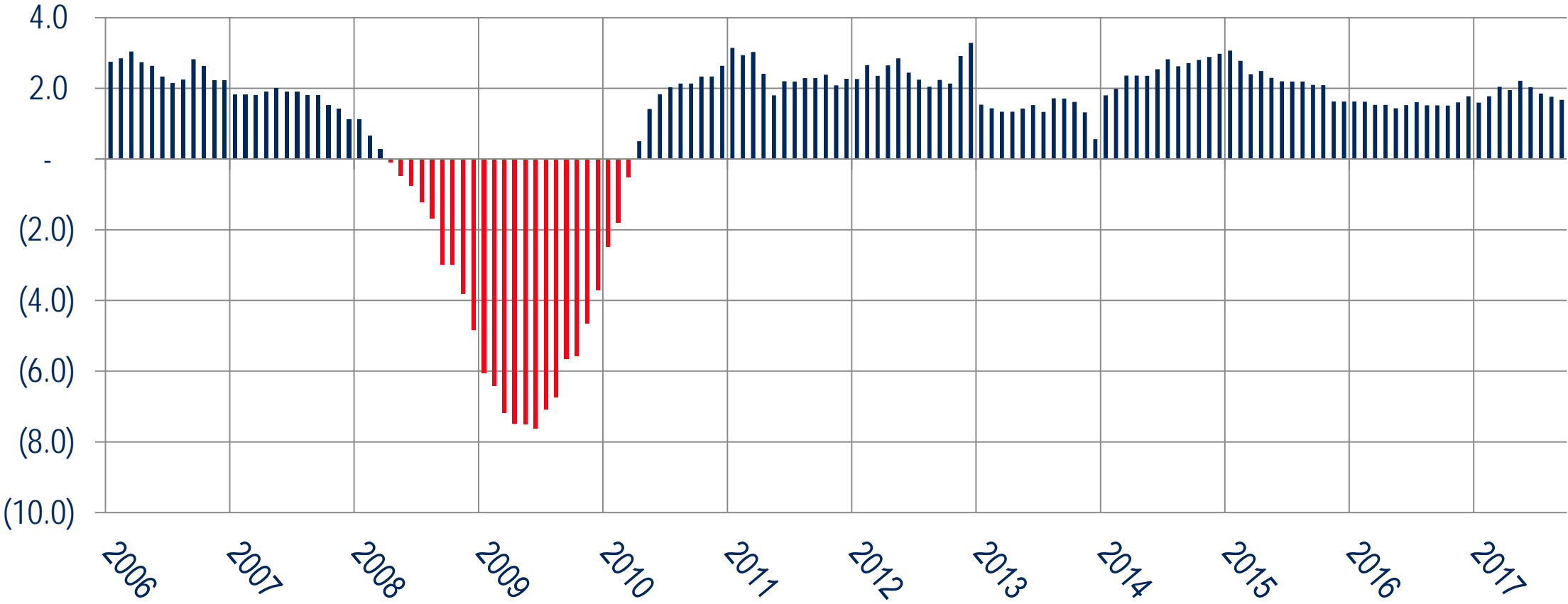
Sources: Bureau of Economic Analysis, The Stephen S. Fuller Institute at the Schar School, GMU

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



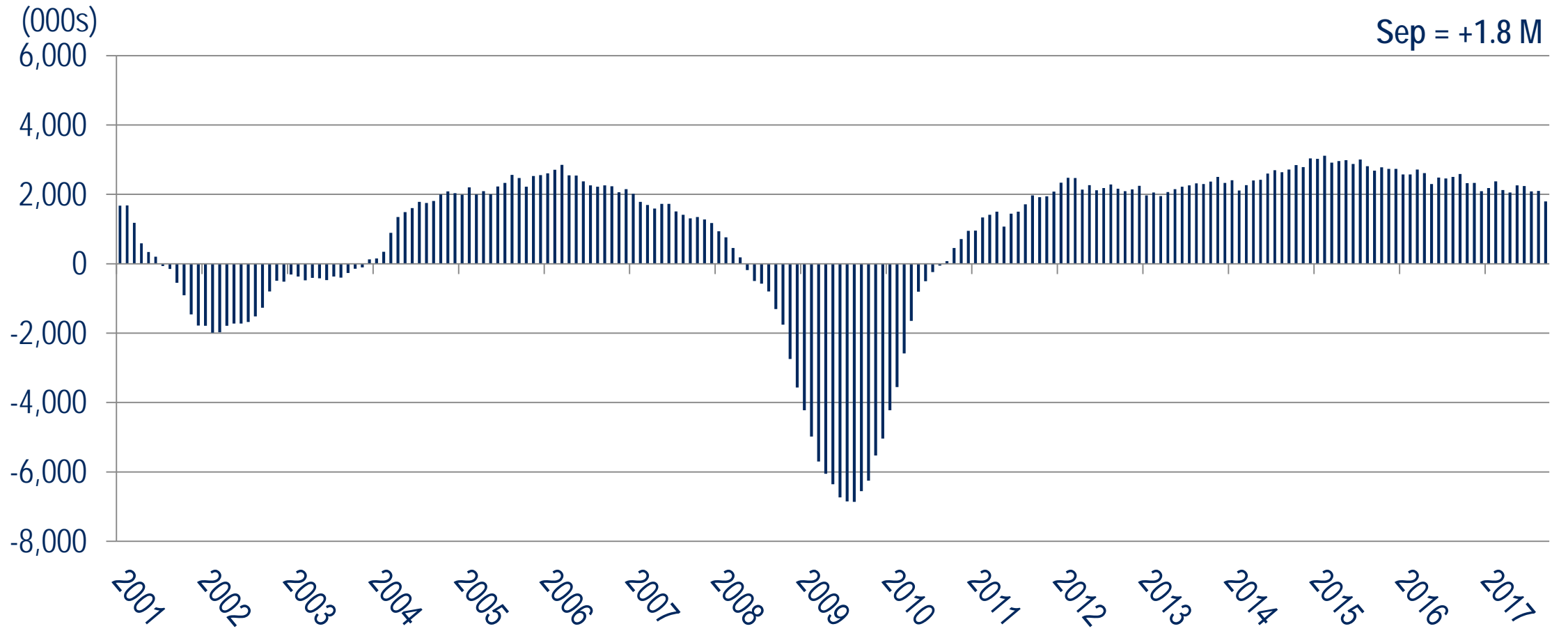
Sources: The Conference Board, The Stephen S. Fuller Institute at the Schar School, GMU

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. Annual Change in Payroll Jobs Month-Over-The-Year



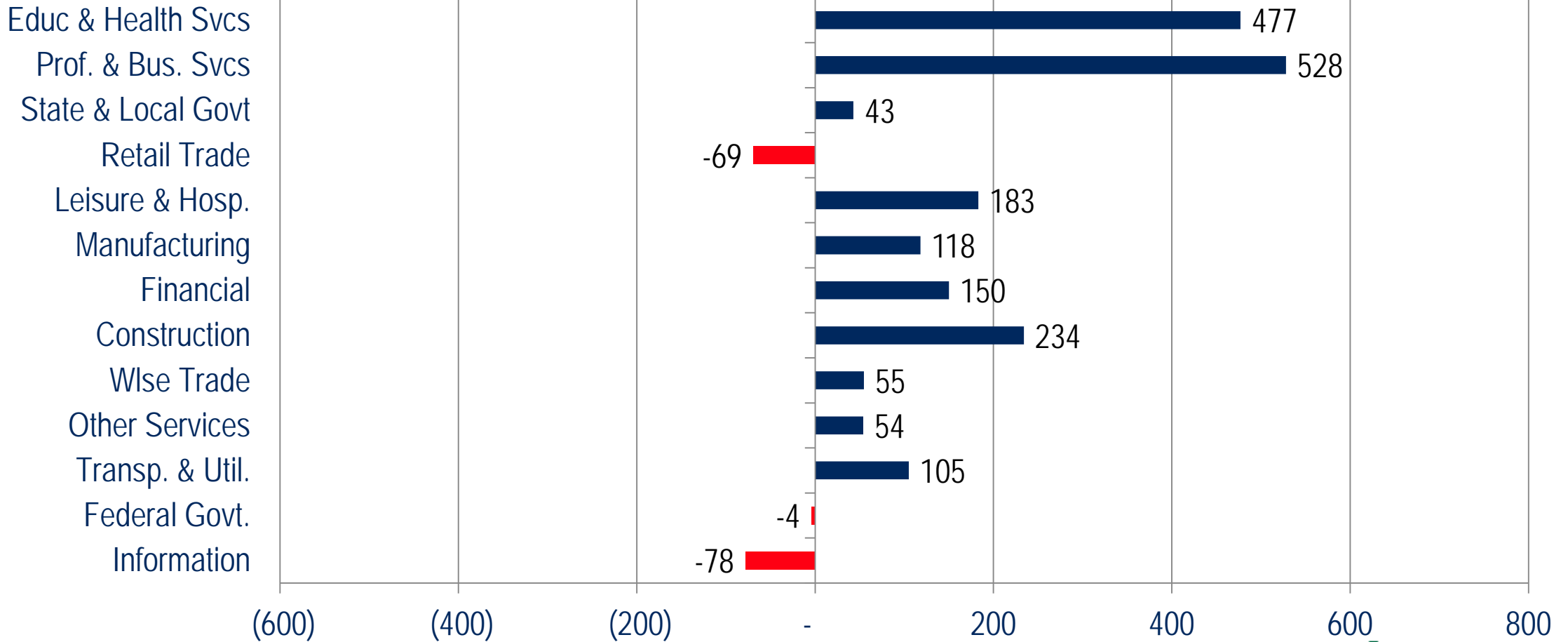
Sources: U.S. Bureau of Labor Statistics (Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU

U.S. Payroll Job Change by Sector

September 2016 – September 2017

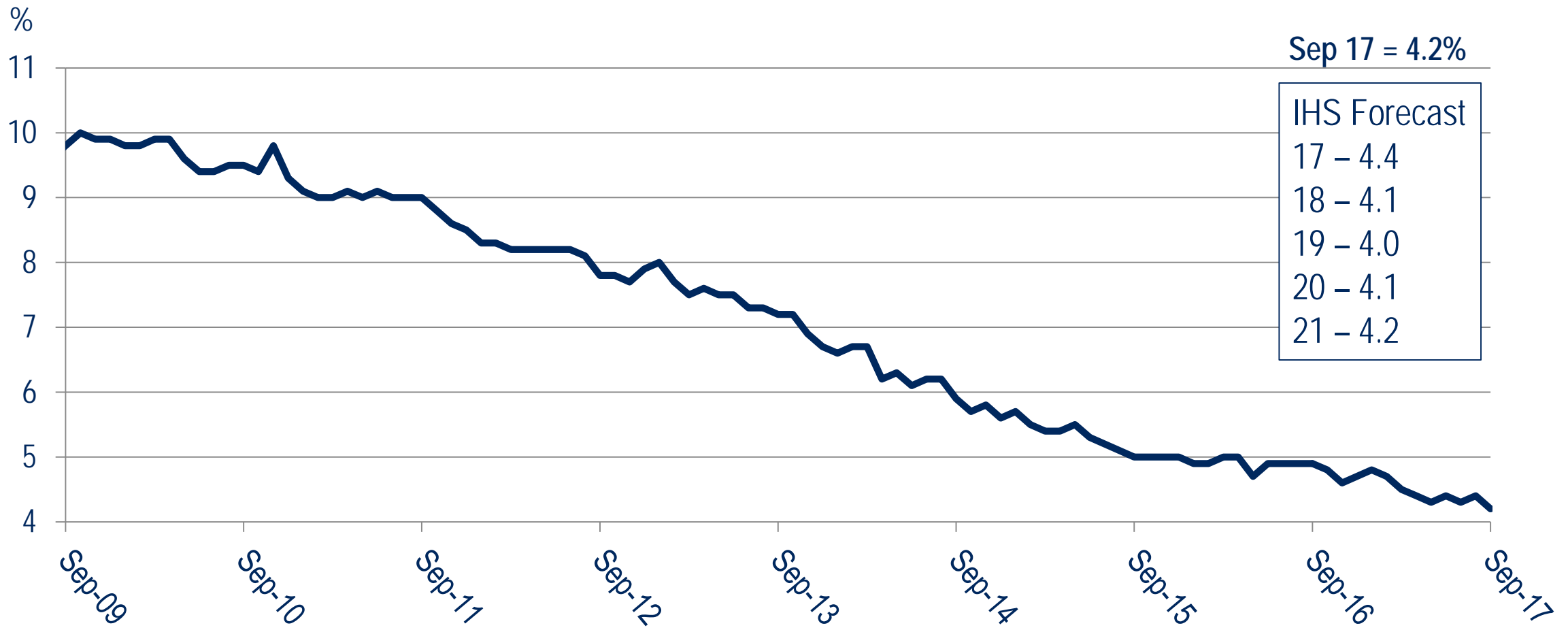
Total = +1,796

Ranked by Size in 2016



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

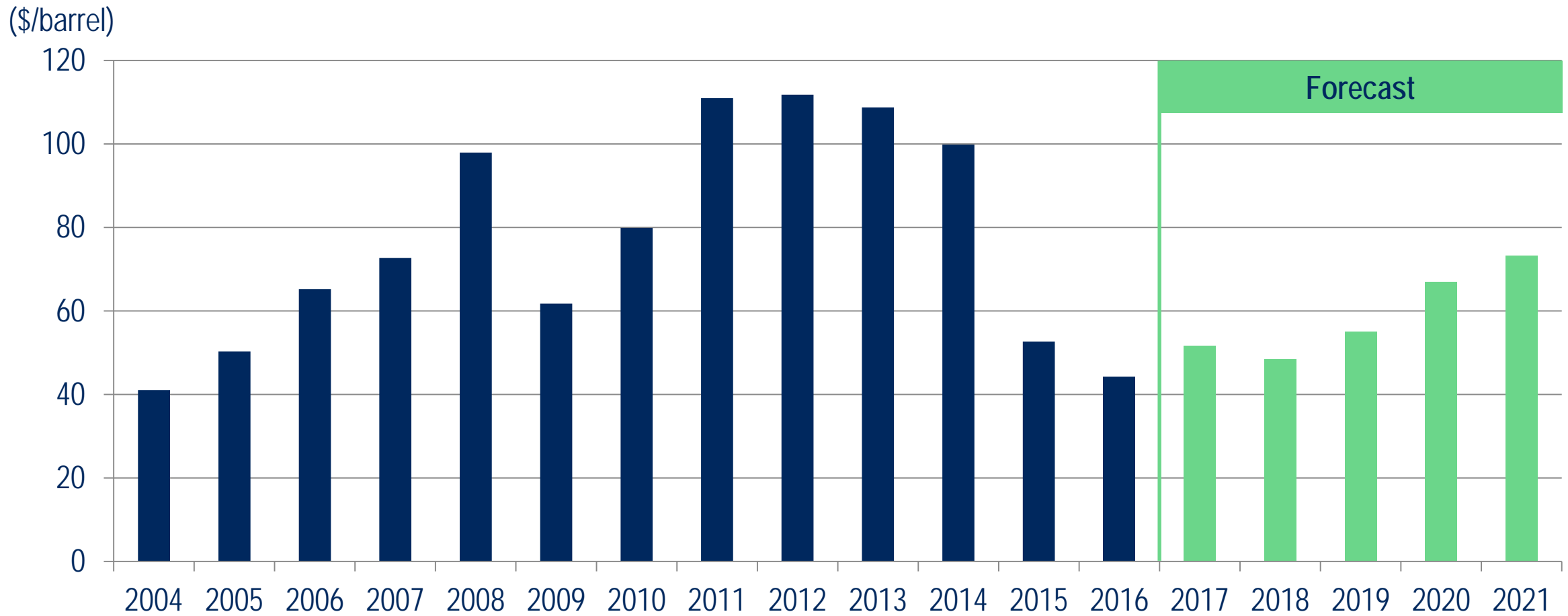
U.S. Unemployment Rate September 2009 – September 2017



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

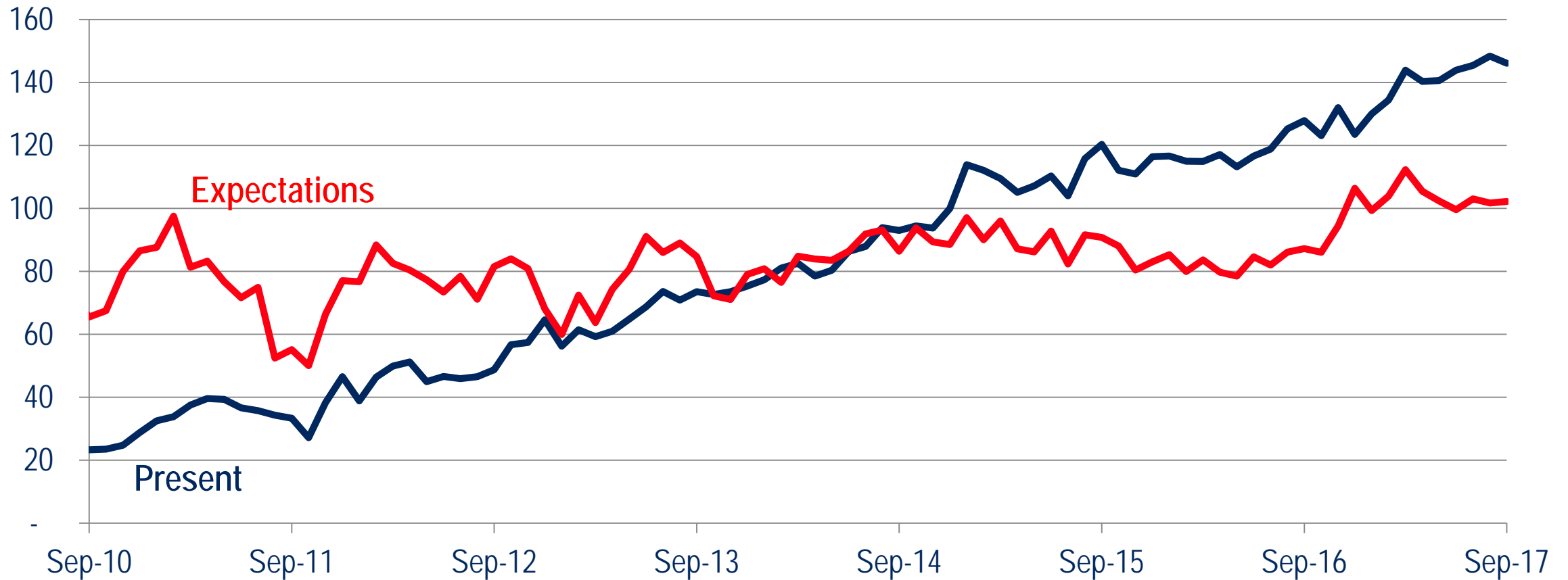
\$ per barrel



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

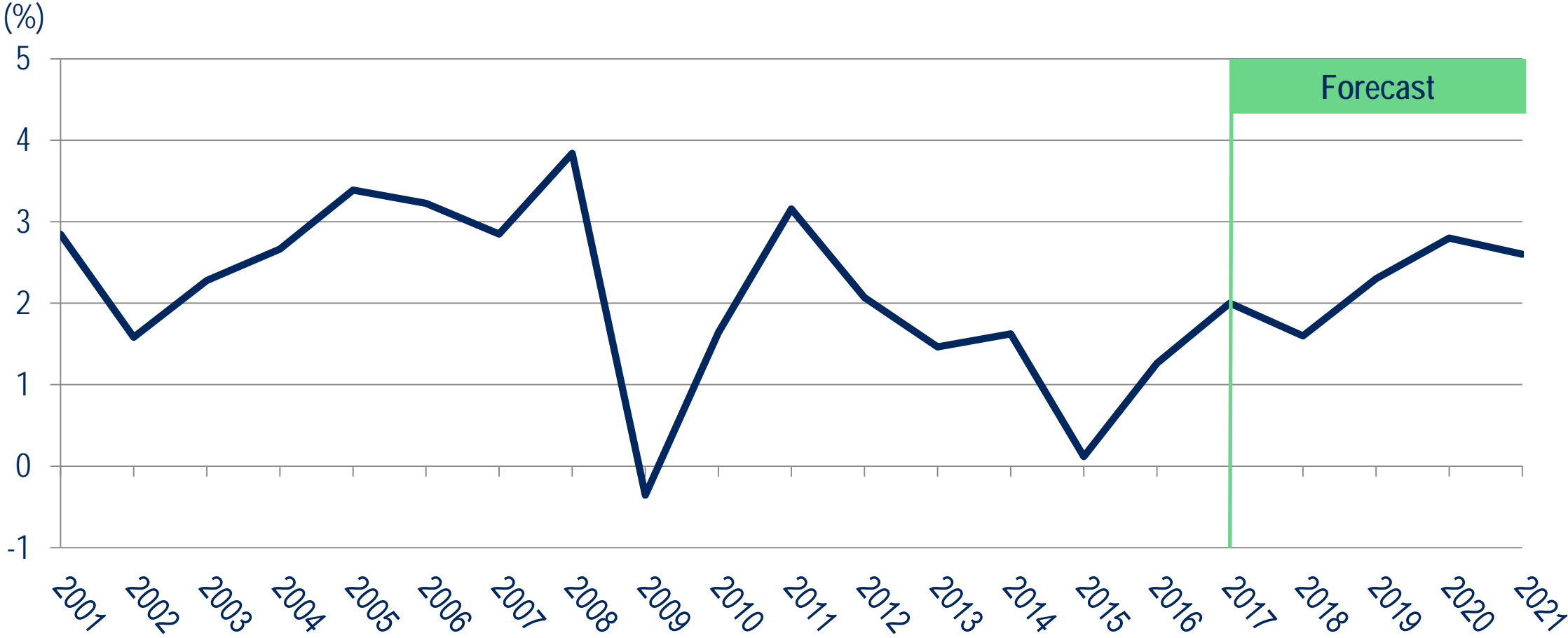
U.S. Consumer Confidence

September 2010 – September 2017



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

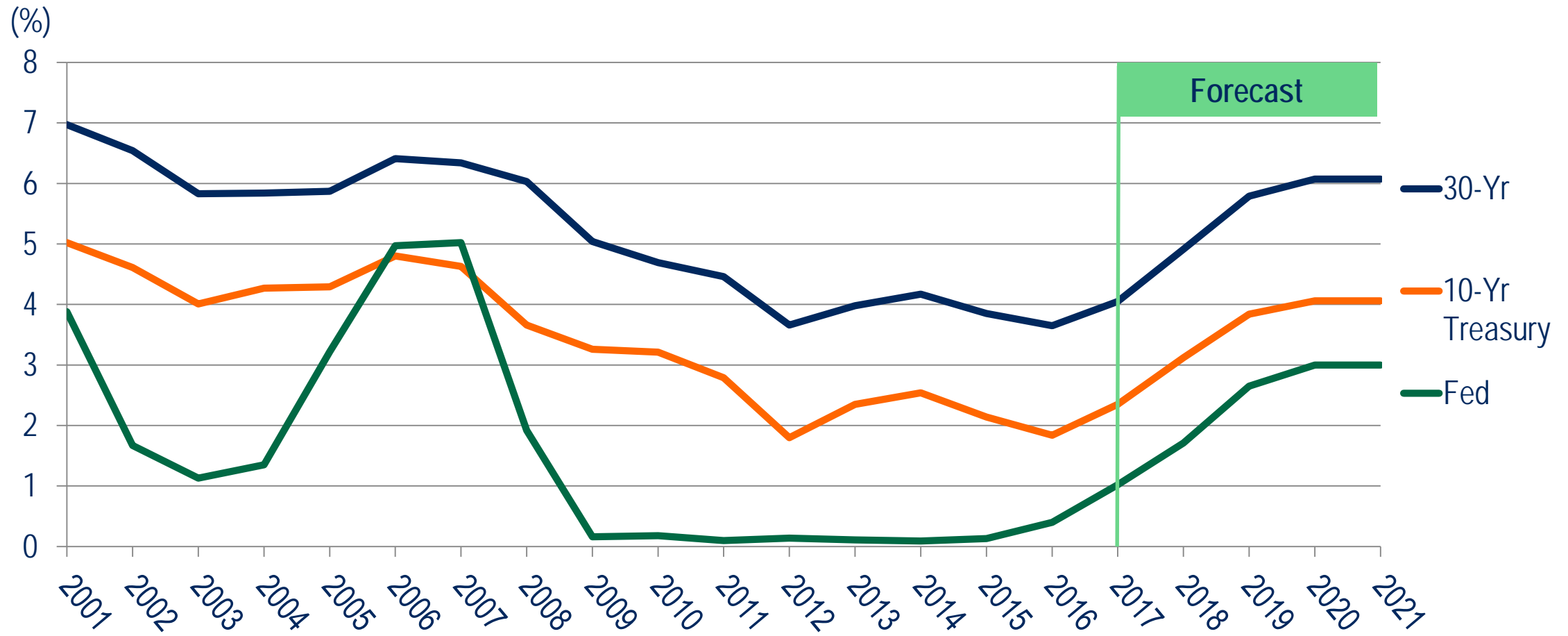
U.S. Consumer Prices Percent Change, 2001 - 2021



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

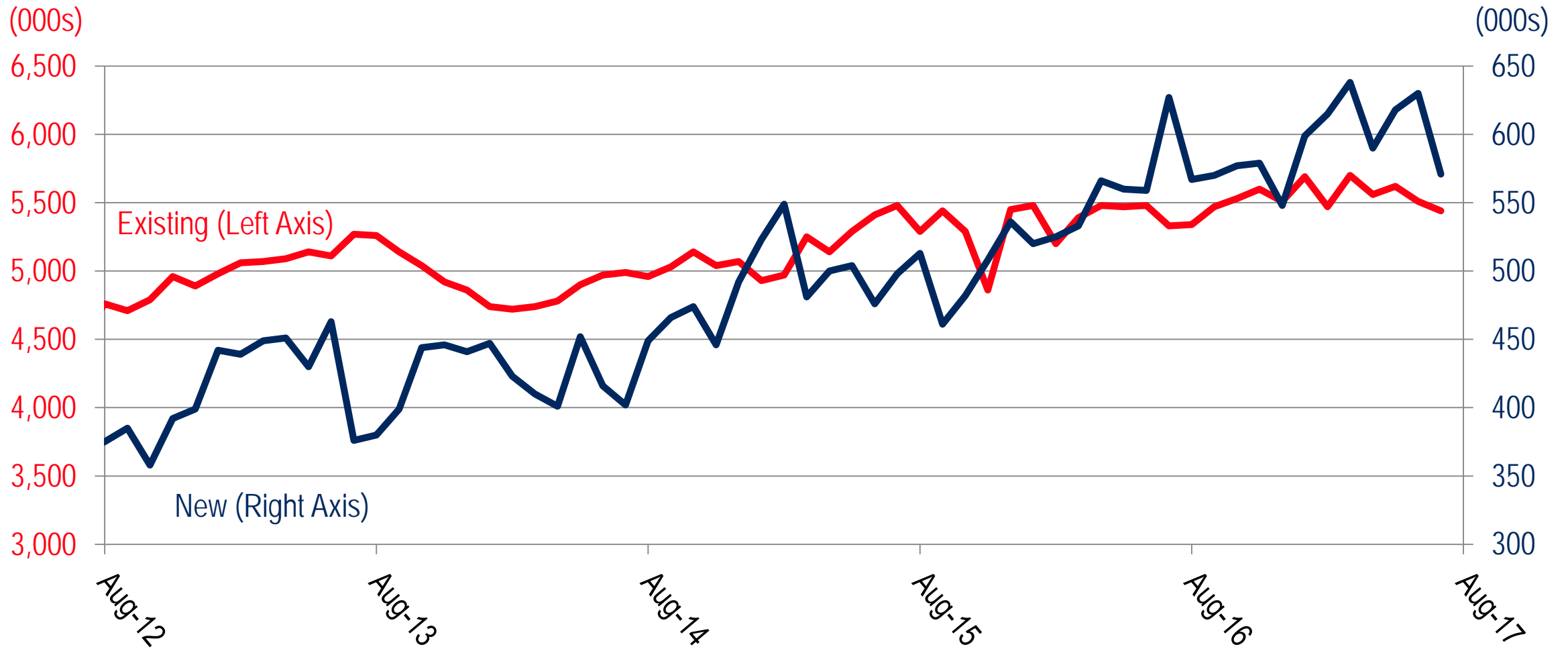
U.S. Interest Rates

Average Annual, 2001 - 2021



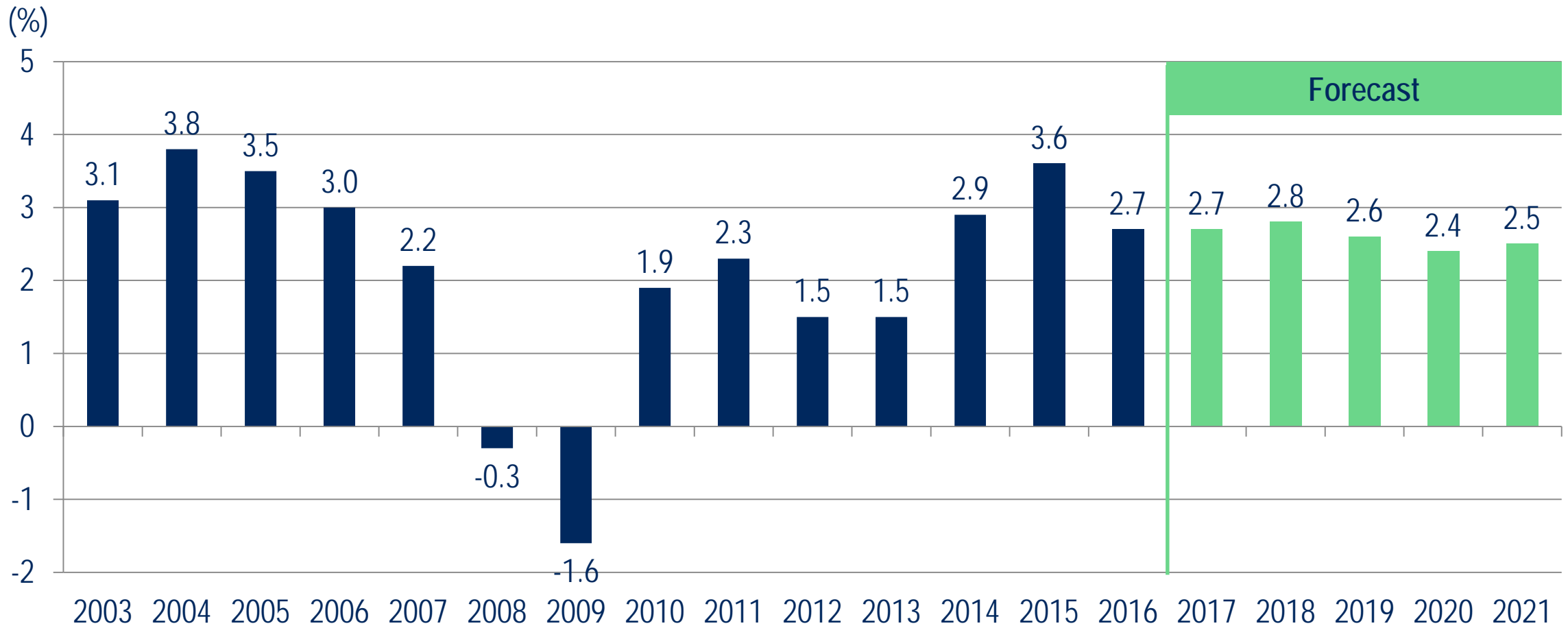
Sources: IHS Economics (September 2017), The Stephen S. Fuller Institute at the Schar School, GMU

U.S. New and Existing Home Sales



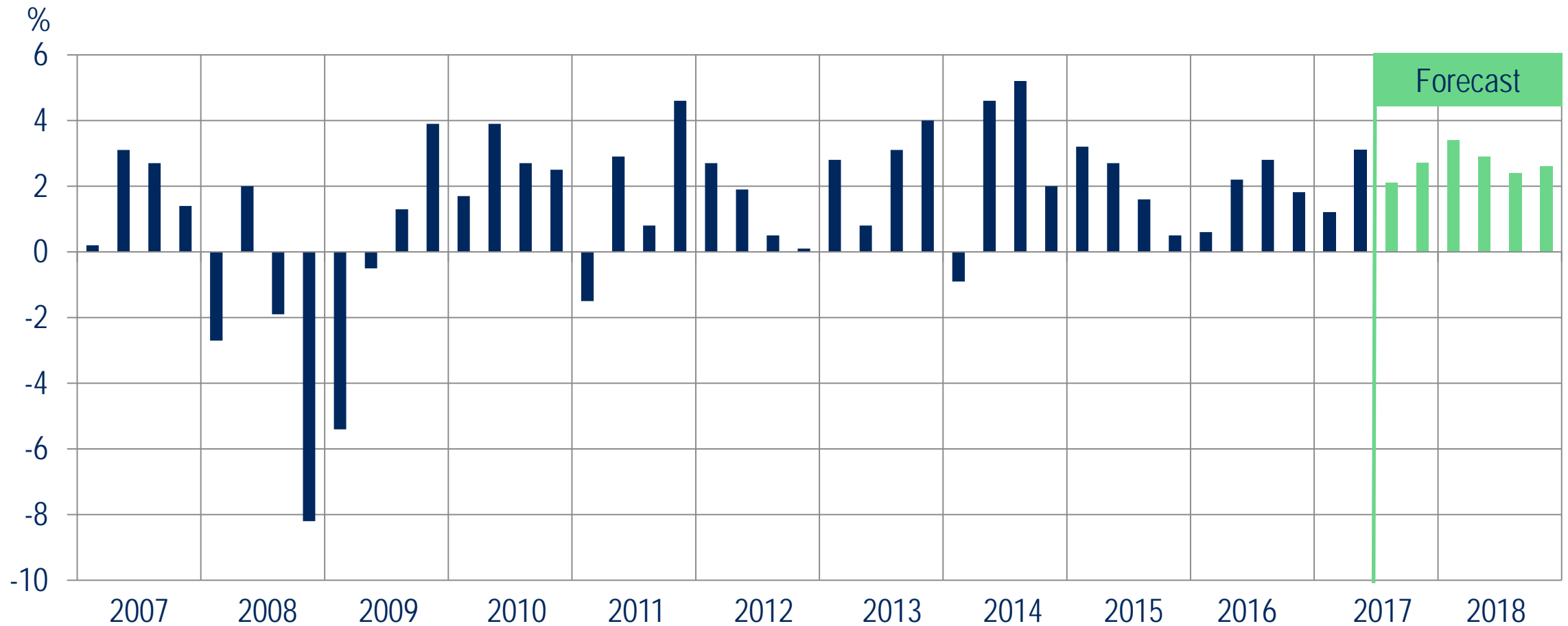
Sources: U.S. Census (New), National Association of Realtors (Existing), The Stephen S. Fuller Institute at the Schar School, GMU

U.S. Growth in Total Consumption Outlays



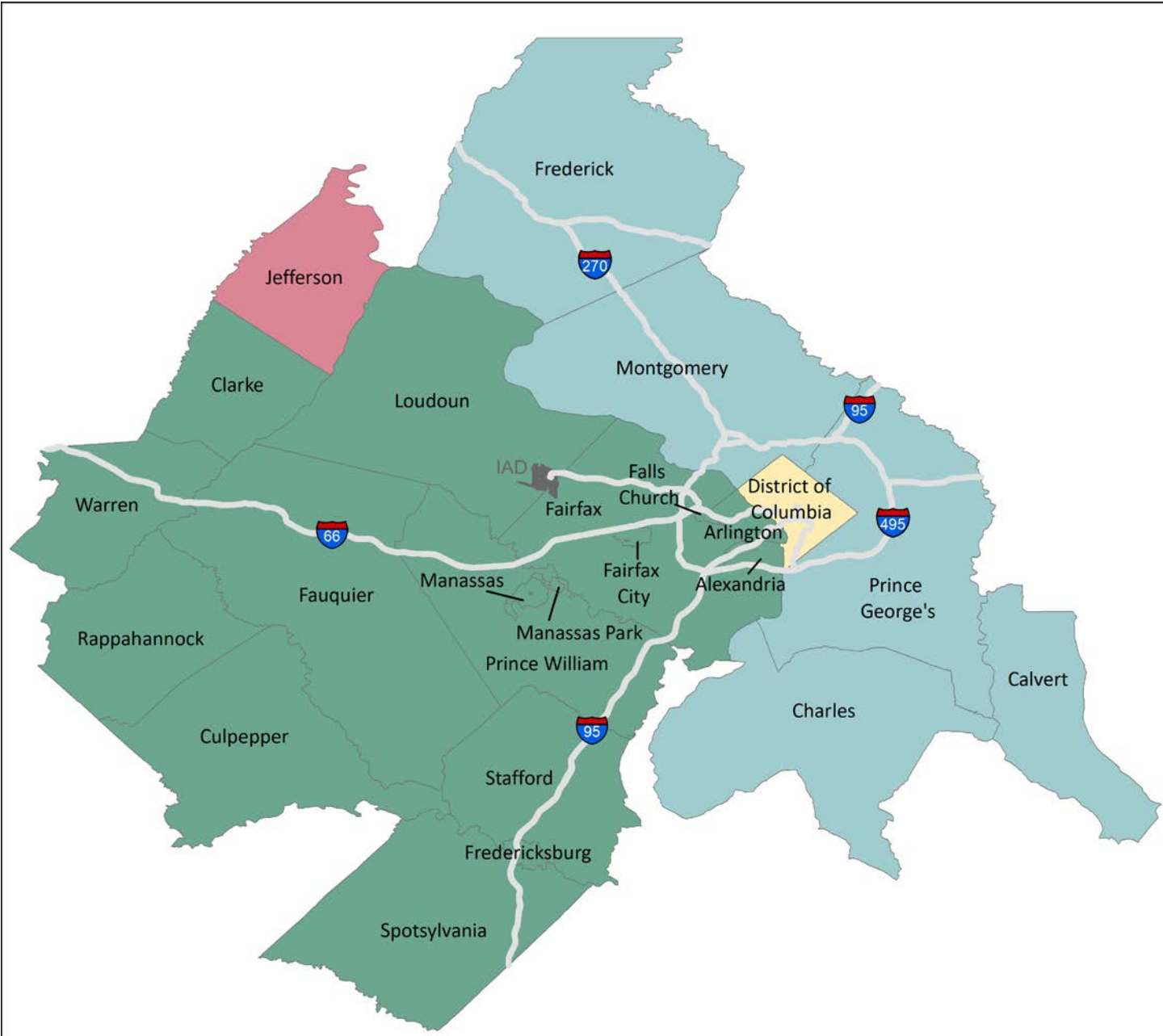
Sources: U.S. Bureau of Economic Analysis, IHS Economics (September 2017), The Stephen S. Fuller Institute at the Schar School, GMU

U.S. Gross Domestic Product Quarterly Change: 2007 – 2018



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

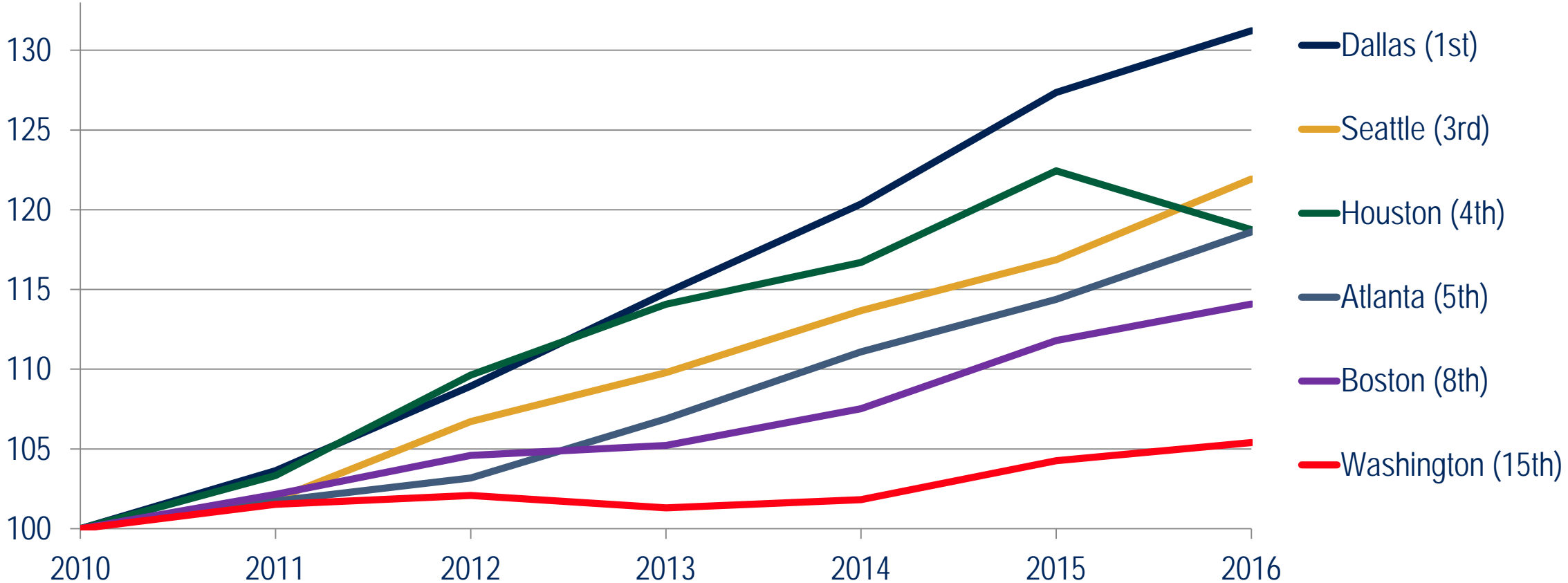
How is the Washington Region's economy currently performing?



Washington Region

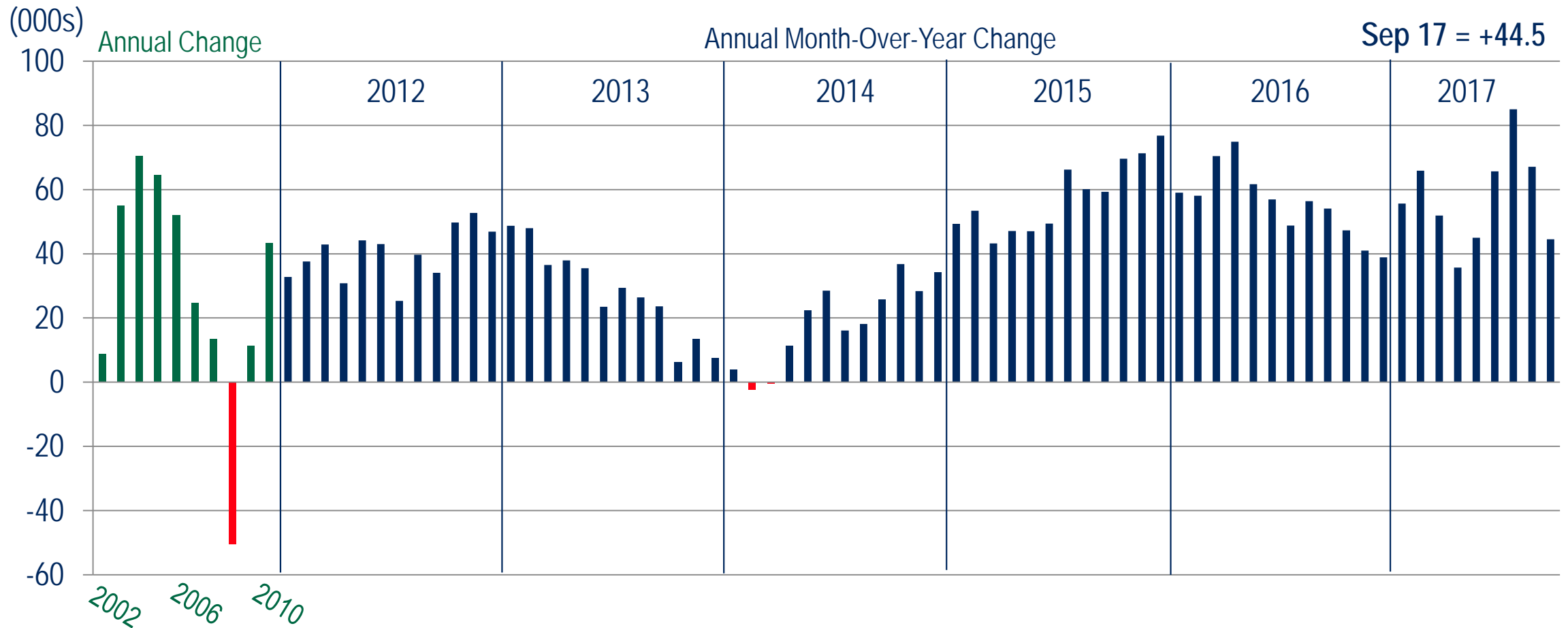
GRP Growth in Washington and Peer Metros, 2010 – 2016

100 = 2010



Sources: U.S. Bureau of Economic Analysis, The Stephen S. Fuller Institute at the Schar School, GMU

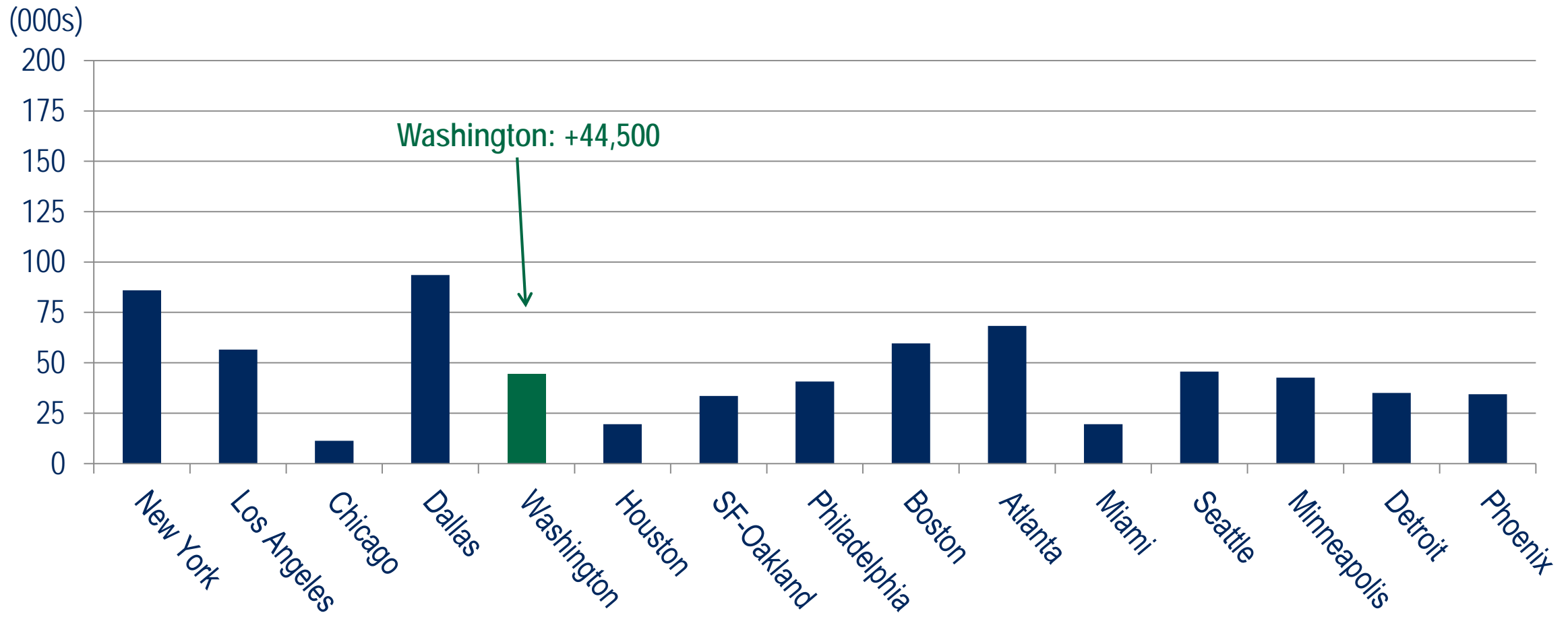
Annual Job Change, 2002-2017 Washington Region



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

15 Largest U.S. Job Markets

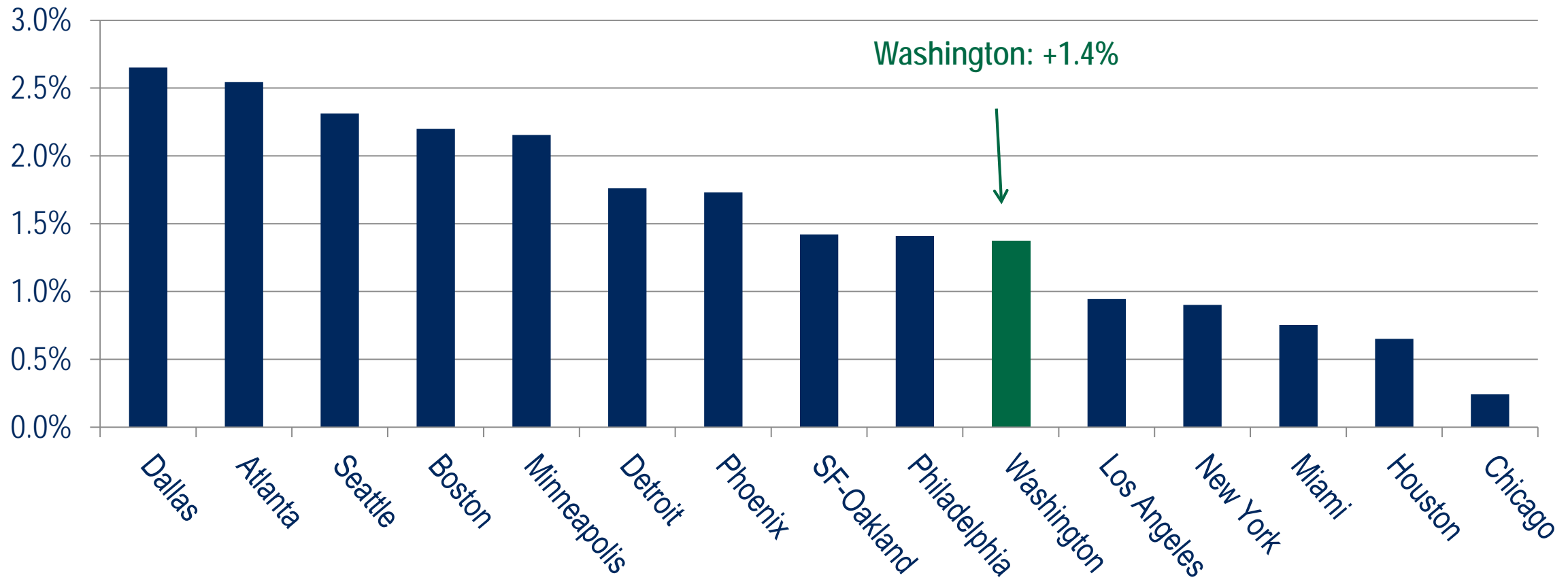
Job Change: September 2016 – September 2017



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

Job Change: September 2016 – September 2017



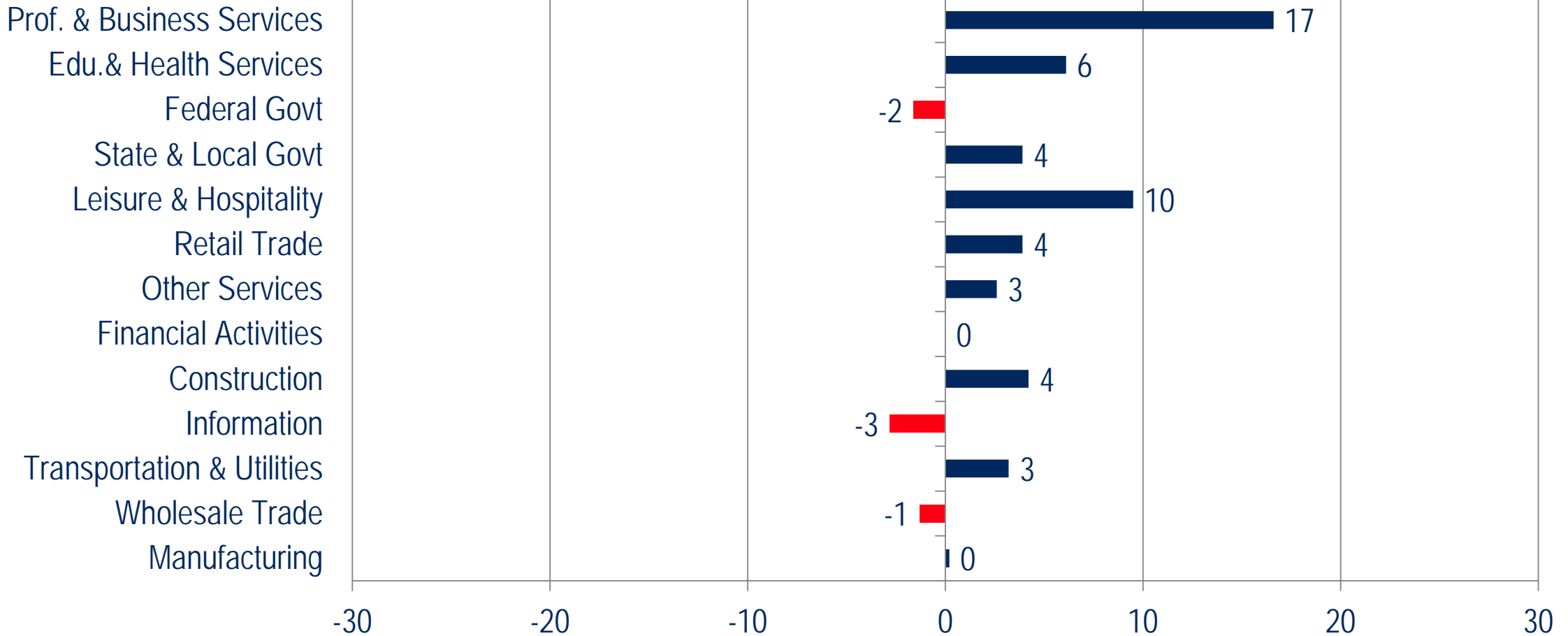
Sources: U.S. Bureau of Labor Statistics (Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU

Washington MSA Job Change by Sector

September 2016 – September 2017

Total = 44,500

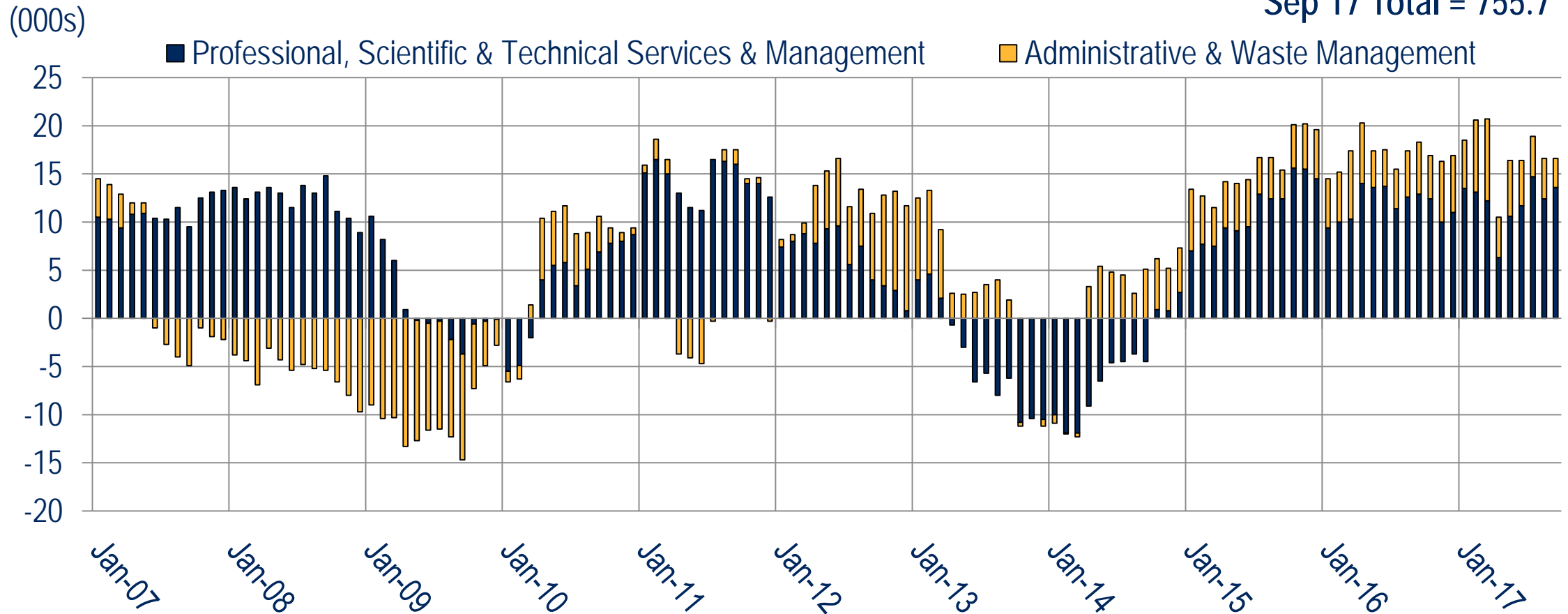
Ranked by Size in 2016



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

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

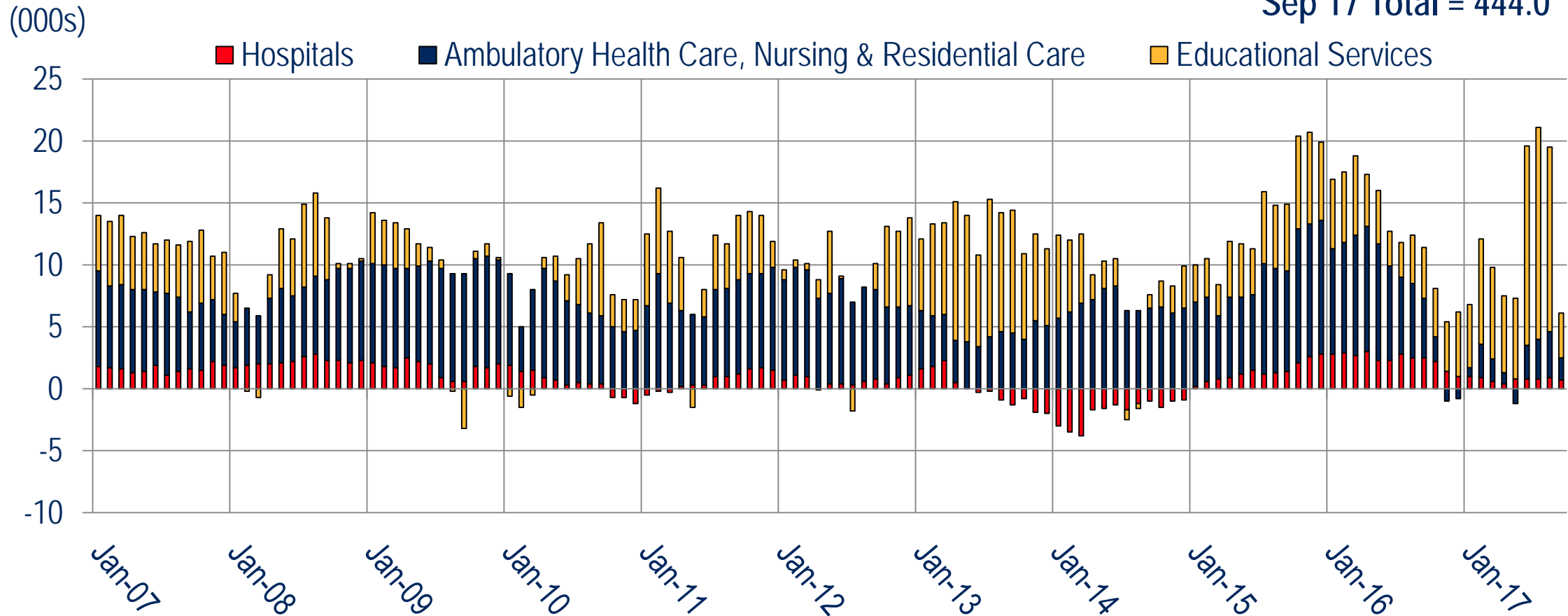
Sep 17 Total = 755.7



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

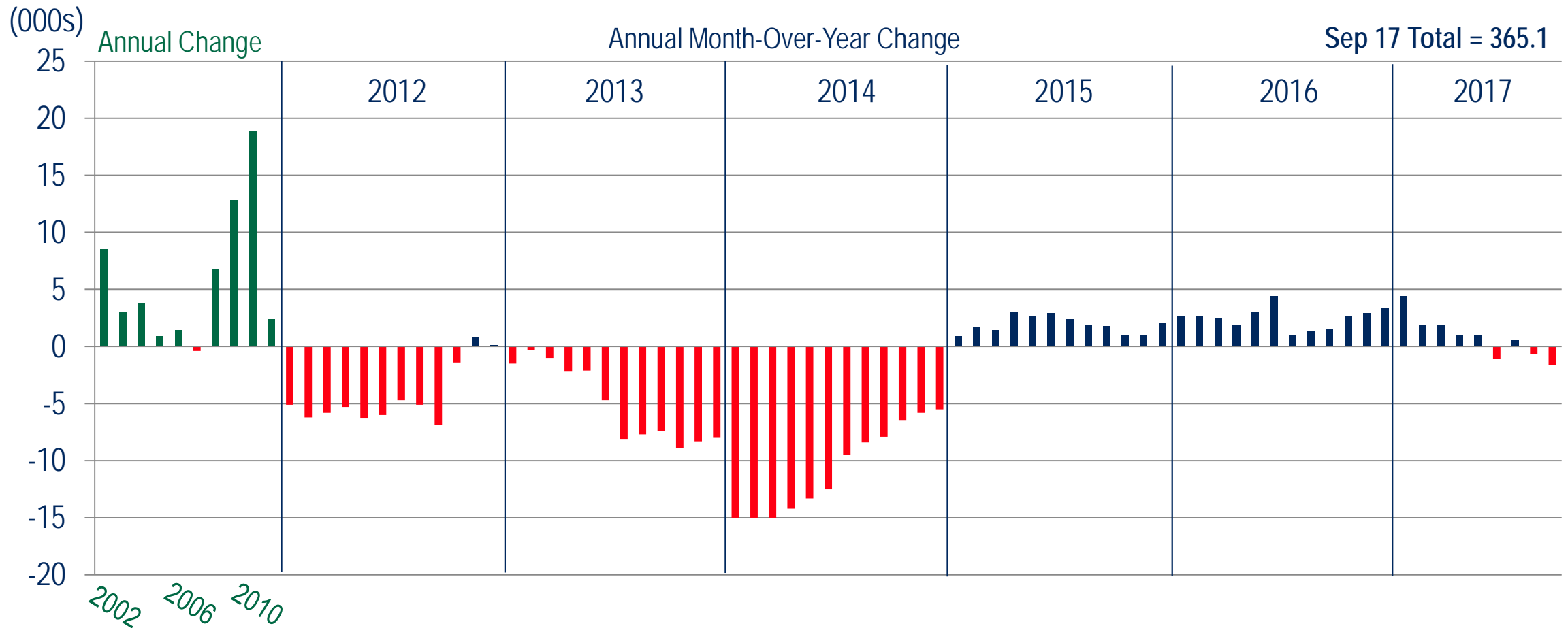
Education and Health Services Jobs Washington MSA Annual Month Over-the-Year

Sep 17 Total = 444.0



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

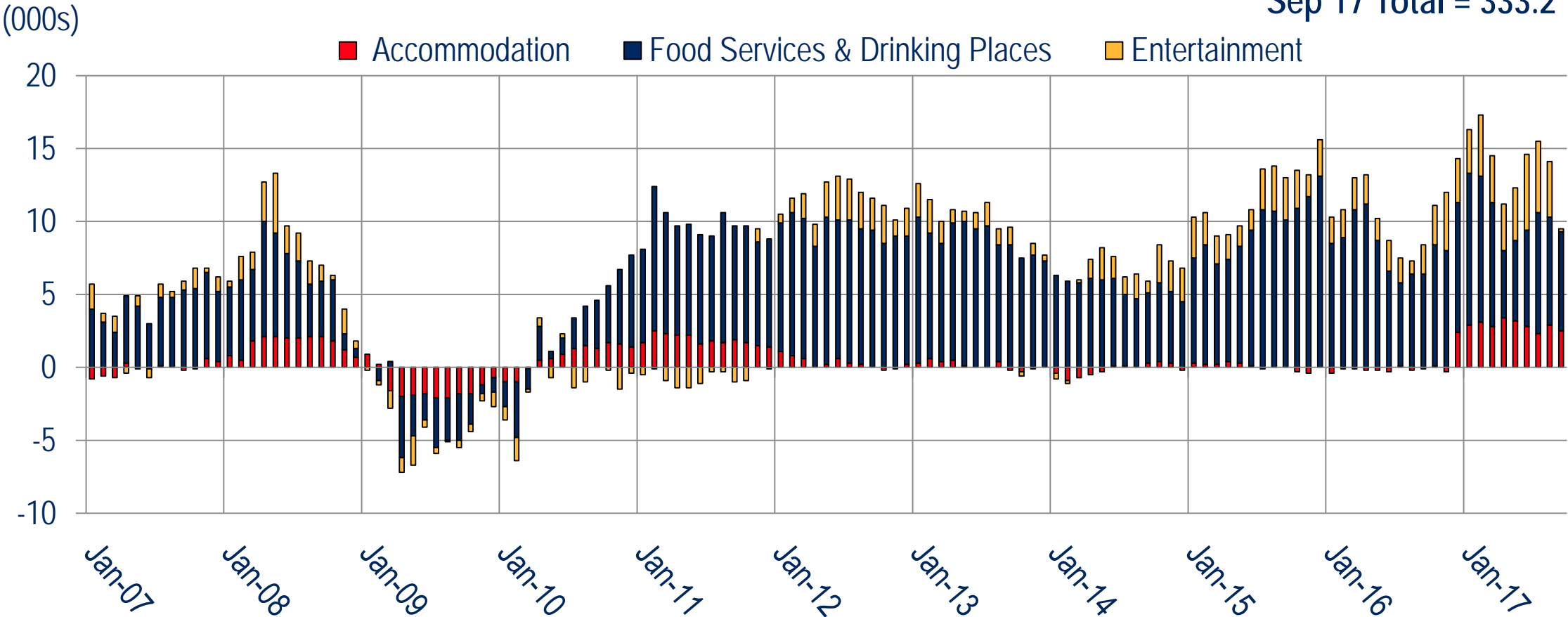
Federal Government Jobs Washington MSA



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

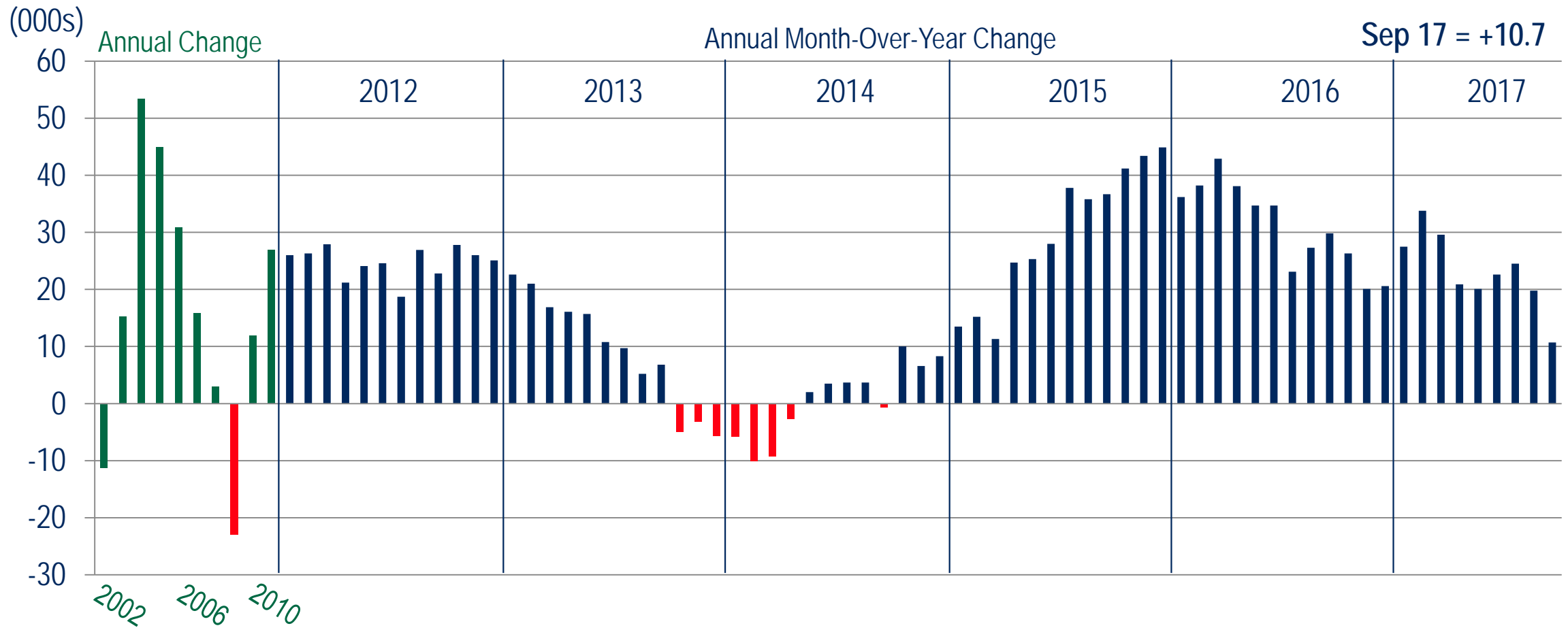
Sep 17 Total = 333.2



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



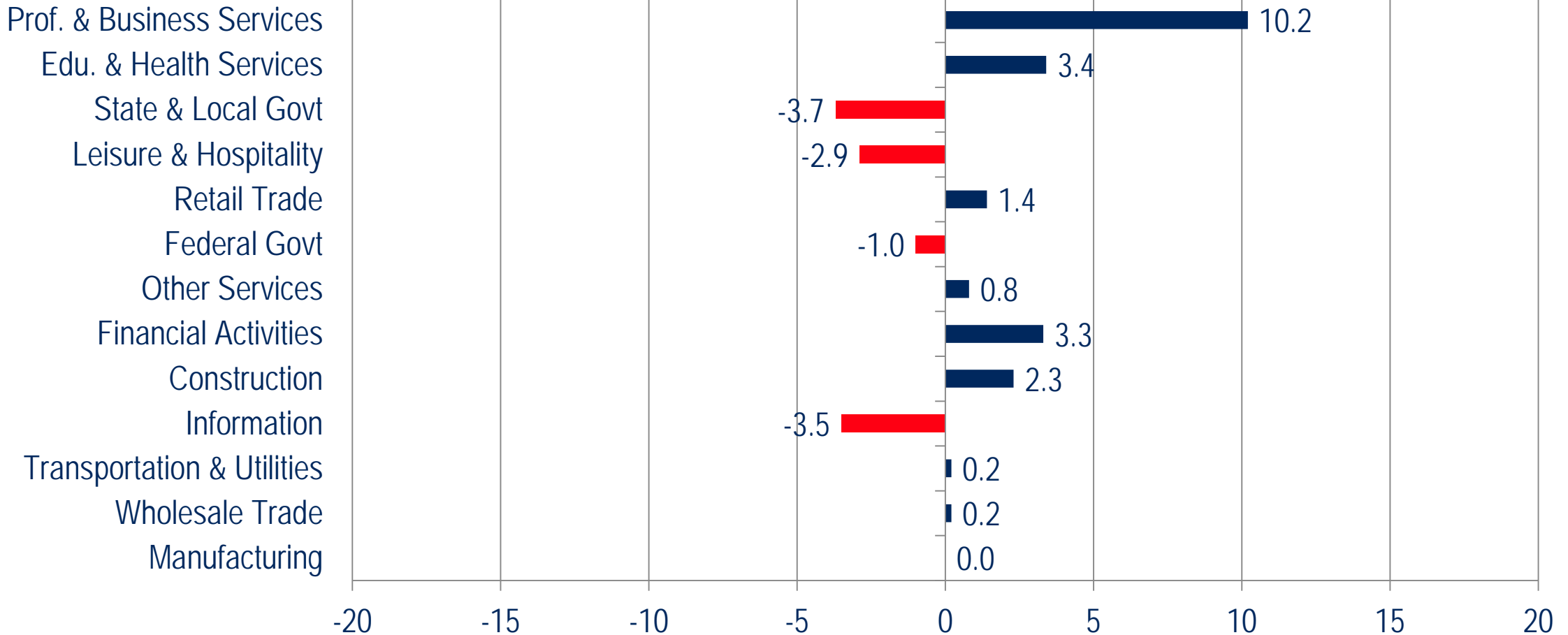
Sources: U.S. Bureau of Labor Statistics (Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU

Northern Virginia Job Change by Sector

September 2016 – September 2017

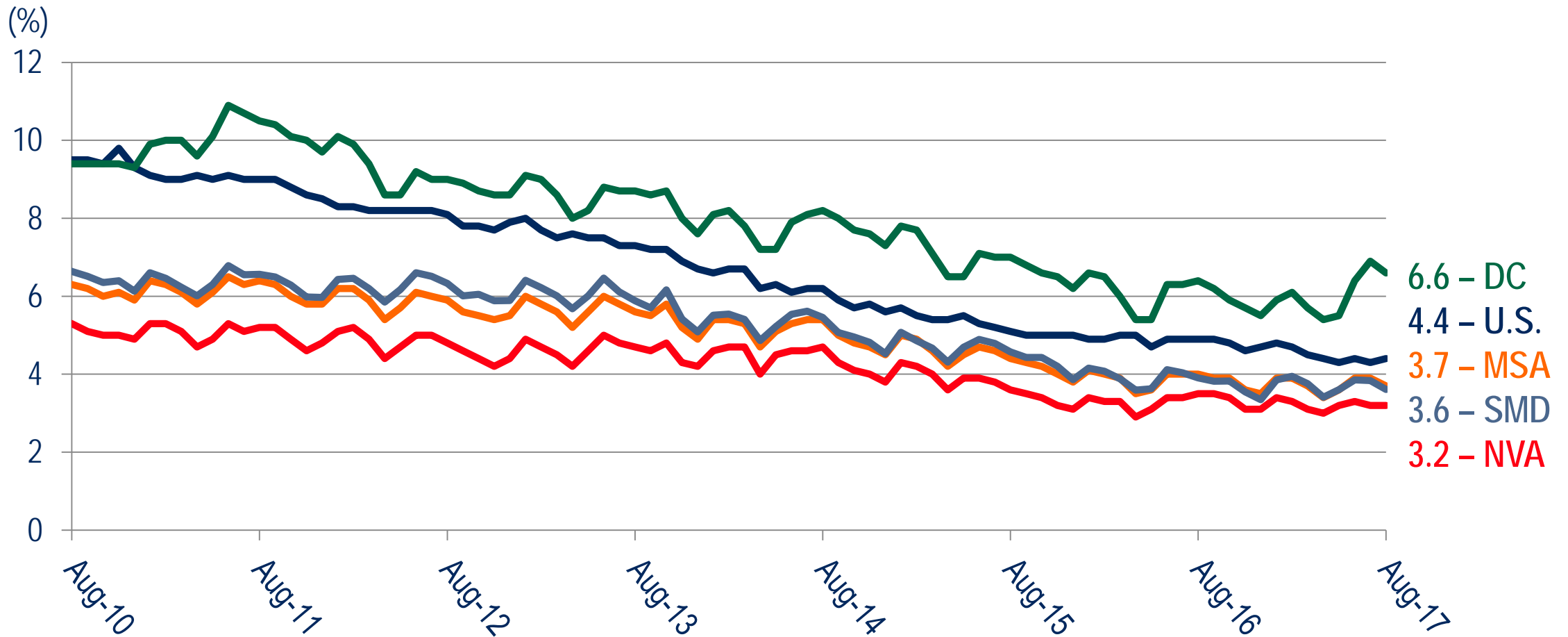
Total = 10,700

Ranked by Size in 2016



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

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



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

What is the Washington Region's economic near-term outlook?

Employment Change by Sub-State Area Baseline Forecast (000s)

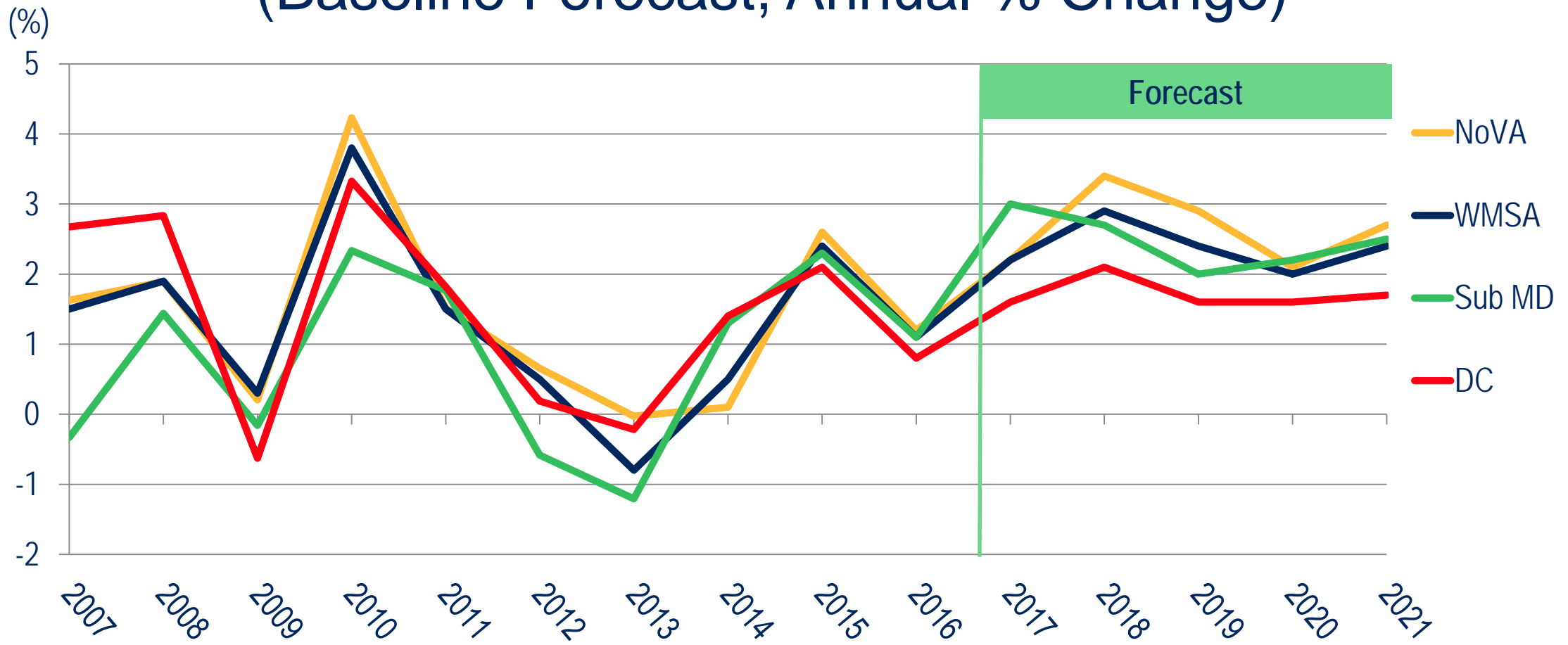
	2014	2015	2016	2017	2018	2019	2020	2021
D.C.	5.2	15.9	13.0	10.4	9.2	8.1	6.2	5.5
Sub. MD	10.2	12.5	14.4	22.8	16.6	16.2	13.1	12.3
No. VA	0.8	29.8	31.0	19.8	20.4	20.8	15.1	13.0
REGION	18.6	57.7	55.6	53.0	46.2	45.1	34.4	30.8

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.

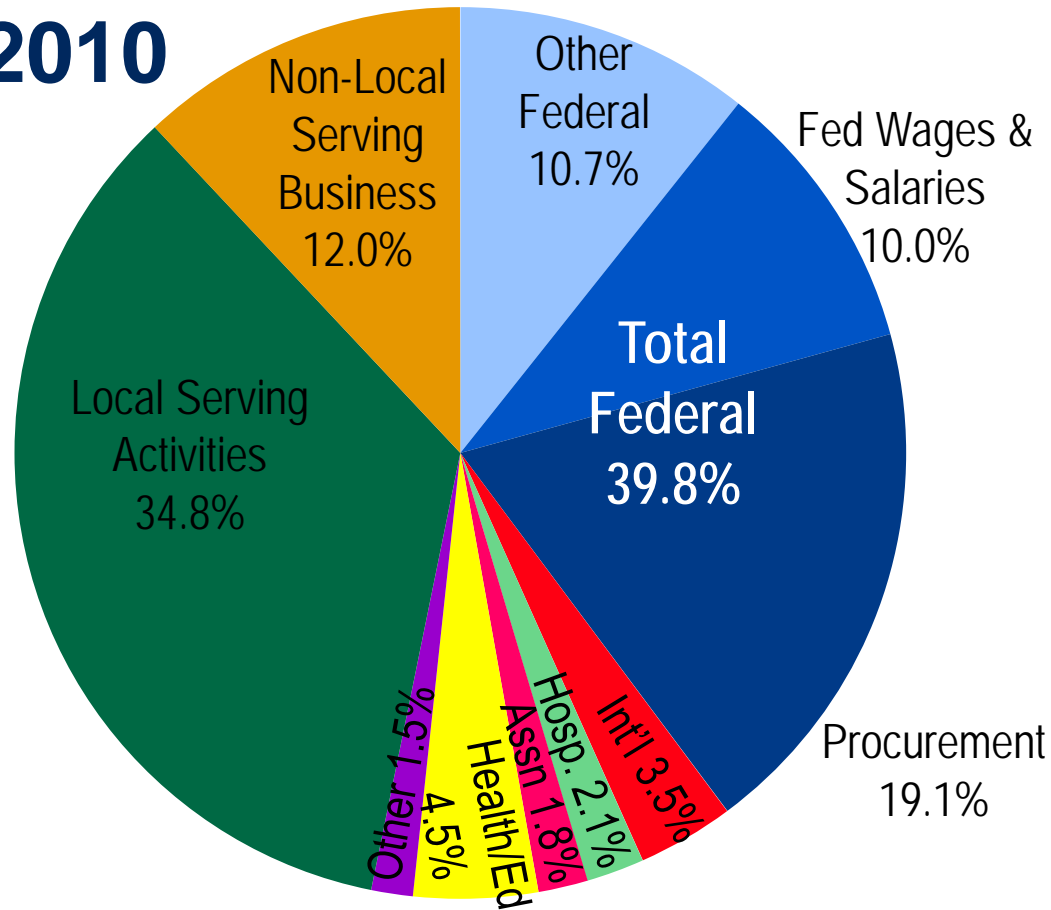
Washington MSA and Sub-State Areas Economic Outlook (GRP), 2007-2021 (Baseline Forecast, Annual % Change)



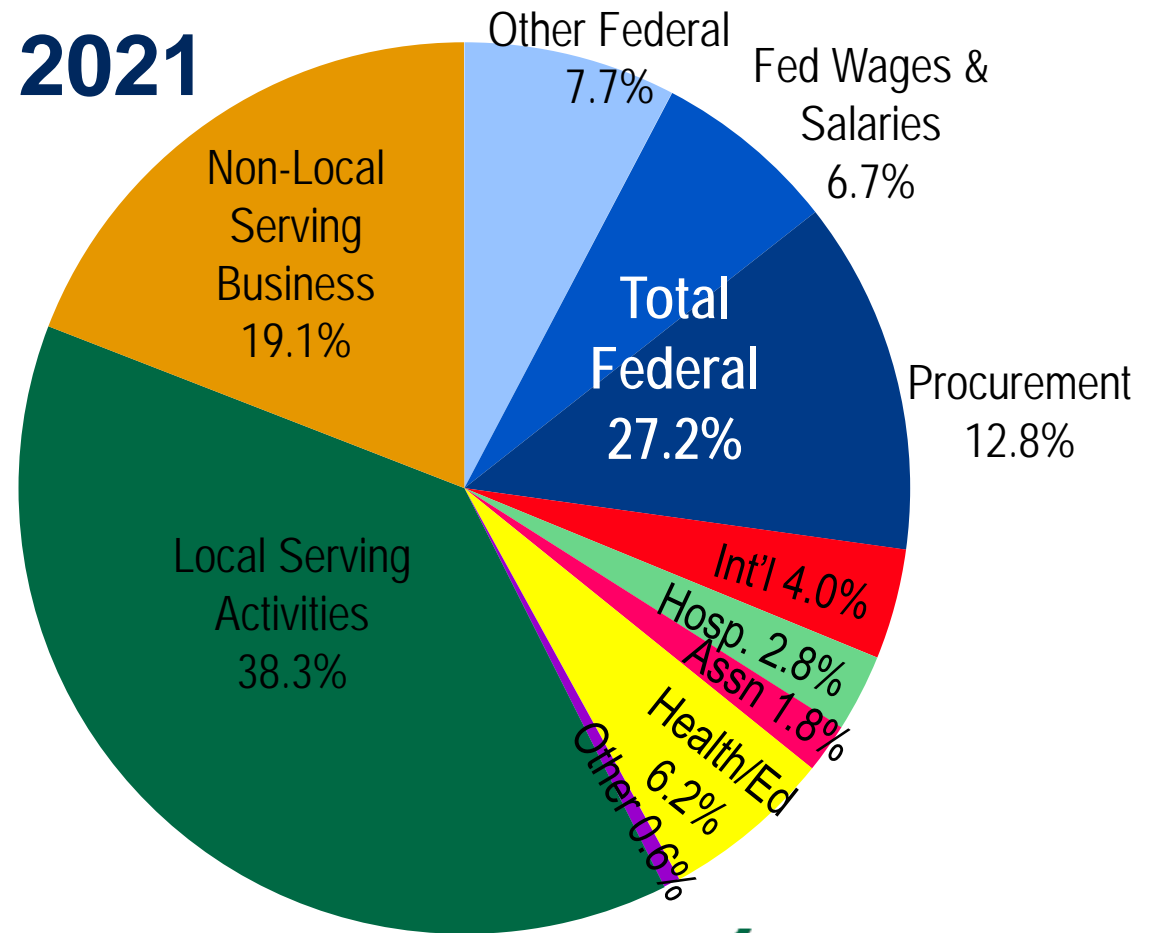
Sources: The Stephen S. Fuller Institute at the Schar School, GMU

The Changing Structure of the Washington Region Economy

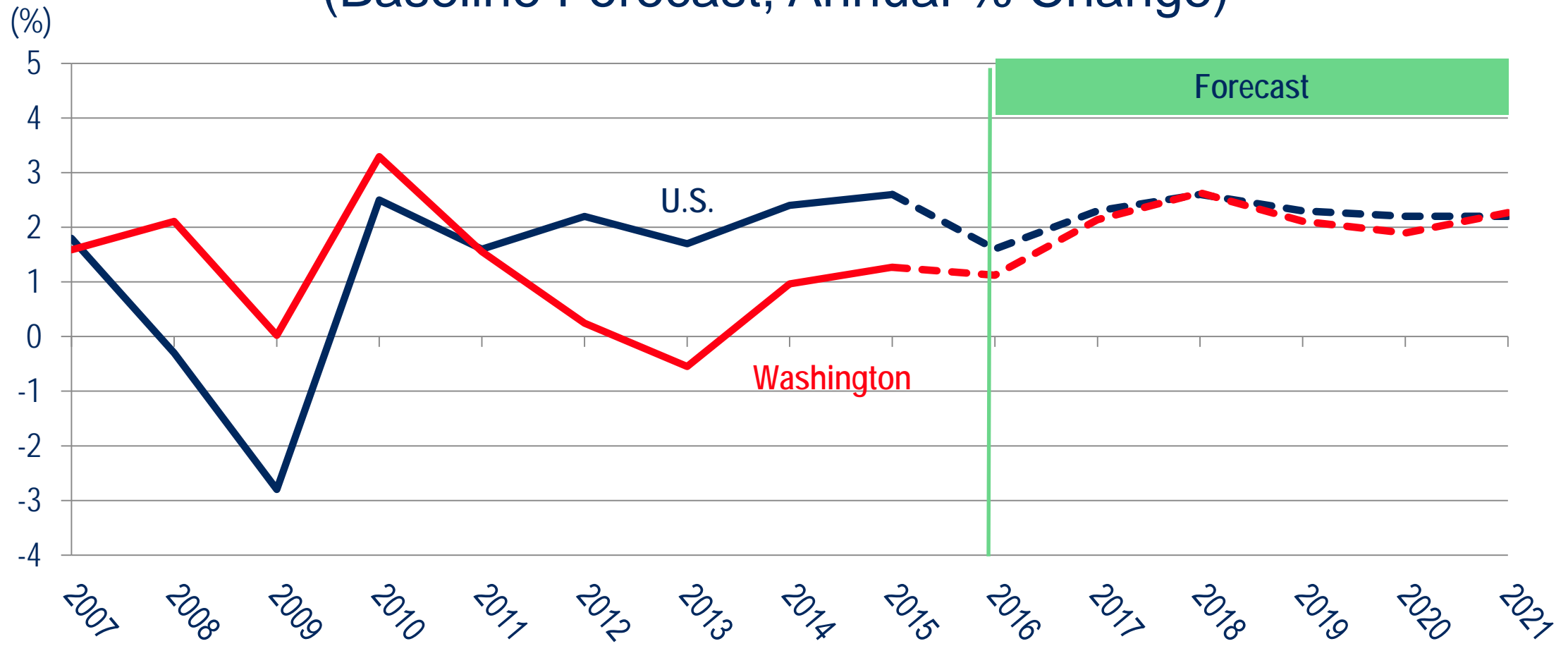
2010



2021



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



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

Prince William County's Economy: 2015-2025

Economic Change in Prince William County: 2015-2025

Ten-year % Change

Population	16.2%
Employment	19.6%
Job/resident in 2015 = .307; in 2025 = .316	
P&BS	49.9%
Edu & Health Services	27.6%
Leisure & Hospitality Services	22.3%
Real GCP*	5.4%
Household Income Current \$s)	38.3%
Personal Income (Current \$s)	70.1%
Retail Sales (Current \$s)	59.9%
Retail Sales (Real \$s)	32.5%

*gross county product

Employment Change in Prince William County: 2015-2025

<u>Sector</u>	<u>2015</u>	<u>2025</u>
Professional & Business Services	14.5% (22.7)*	18.2% (26.1)*
Education & Health Services	11.8% (13.3)	12.6% (13.7)
Leisure & Hospitality Services	11.8% (9.8)	12.1% (9.7)
Total Shares	38.1% (45.8)	42.9% (49.4)

Note: the average contribution to GRP of P&BS jobs is \$157,969, Ed & Health Services is \$72,162, and Leisure and Hospitality Services is \$51,110 in 2014\$.s.

*(percent in Washington metropolitan area)

GCP* Change in Prince William County: 2015-2025

(in real \$s)

	<u>2015</u>	<u>2025</u>	<u>% Change</u>
Real GCP	\$23.795b	\$30.001b	26.1%
GCP per job	\$152,536	\$160,835	5.4
GRP per job in WMSA	\$140,064	\$152,443	8.8

*gross county product

Net Fiscal Impact of Residents and Jobs in Prince William County: FY2015

<u>Source</u>	<u>Per Capita</u>	<u>Per Job</u>
Expenditures (Education)	\$1,975.95 (\$923.59)	\$731.20
Revenues (Real estate tax)	\$1,844.99 (\$1,052.02)	\$1,207.69 (\$592.27)
Net Fiscal Impact	- \$130.96	\$476.49

Economic Impact of Residents and Jobs in Prince William County

Construction Impacts: 5.77 jobs*

Post-Construction:

HH Annual Local Spending: retail @ 11.3 jobs*

HH Assets: not dissimilar to business investment

*per million dollars

Thank You & Questions

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

sfullerinstitute.gmu.edu



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