The Economy At Mid-Year: U.S. and Washington Area Outlook

Stephen S. Fuller, PhD
Dwight Schar Faculty Chair and University Professor
Director, Center for Regional Analysis
School of Public Policy
George Mason University

June 10, 2014

U.S. Gross Domestic Product
Quarterly Change: 2007 – 2015

Source: Bureau of Economic Analysis, Global Insight June 10, 2014
Recession Recovery Patterns of GDP Past Four Recessions

Contributions to Post Recession Recoveries
Average Growth After 19 Quarters

Source: Bureau of Economic Analysis, GMU Center for Regional Analysis

*in 1992 or 2009 Chained Dollars

GDP  Personal Consumption  Residential Investment  Exports

Source: Bureau of Economic Analysis
Decreasing Role of Residential Investment

% of GDP 19 Quarters Post-Recession

Source: Bureau of Economic Analysis

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

Source: The Conference Board, GMU Center for Regional Analysis
U.S. Coincident Index
Month-Over-Year Percent Change

Source: The Conference Board, GMU Center for Regional Analysis

ISM Manufacturing and Non-Manufacturing Indices

Source: Institute for Supply Management
U.S. Payroll Job Change by Sector
May 2013 – May 2014

 Ranked by Size in 2014

Total = 2,379

-63 -600 -400 -200 0 200 400 600

Source: Bureau of Labor Statistics (Seasonally Adjusted), GMU Center for Regional Analysis

U.S. Payroll Job Change by Sector
Apr 2014 – May 2014

 Ranked by Size in 2014

Total = 217

-5 -100 -50 0 50 100

Source: Bureau of Labor Statistics (Seasonally Adjusted), GMU Center for Regional Analysis
Initial Claims for Unemployment
4-Week Moving Average

Source: Department of Labor
U.S. Unemployment Rate

May = 6.3

GI FCST
14 – 6.5
15 – 6.0
16 – 5.7
17 – 5.5
18 – 5.3
19 – 5.1

Oil Prices

$/barrel

Source: Bureau of Labor Statistics (Seasonally Adjusted), IHS Global Insight June 10, 2014

Source: IHS Global Insight June 10, 2014
Growth in Total Consumption Outlays

Source: Bureau of Economic Analysis, IHS Global Insight  June 10, 2014

U.S. Economic Performance

Source: Bureau of Economic Analysis, Global Insight  June 10, 2014
The Washington Economy: The Recession and Recovery

Washington MSA Leading Economic Index
Month-Over-Year Percent Change

Source: GMU Center for Regional Analysis
Washington MSA Coincident Economic Index
Month-Over-Year Percent Change

12-Month Moving Average

Source: GMU Center for Regional Analysis

WMSA Payroll Job Change: Private Sector
The Great Recession and Recovery

Aug 2008-Feb 2010 Total -178 (000s) Feb 2010-Apr 2014 Total 194

-23 Prof. & Bus. Svcs
-23 Educ & Health Svcs
-34 Retail Trade
-48 Leisure & Hosp.
-8 Construction
-8 Other Services
-10 Financial
-10 Information
-12 Manufacturing
-7 Wise Trade
-4 Transp. & Util.

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis
WMSA Payroll Job Change from Aug-2008
Professional & Business Services
As measured in January of each year

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

WMSA Payroll Job Change from Aug-2008
Education & Health Services
As measured in January of each year

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis
WMSA Payroll Job Change from Aug-2008
Leisure & Hospitality
As measured in January of each year

WMSA Payroll Job Change from Aug-2008
Trade, Transportation & Utilities
As measured in January of each year

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis
WMSA Payroll Job Change from Aug-2008
Construction, Mfg, Info & Other Services
As measured in January of each year

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis
### Gross Regional Product Per Job

**By Sector: Washington MSA, 2013**

<table>
<thead>
<tr>
<th>Sectors (largest 1st)</th>
<th>GSP per Job</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional &amp; Business Services</td>
<td>$158,211</td>
</tr>
<tr>
<td>Federal Government</td>
<td>$141,894</td>
</tr>
<tr>
<td>Education/Health Services</td>
<td>$59,938</td>
</tr>
<tr>
<td>State and Local Government</td>
<td>$60,099</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>$60,981</td>
</tr>
<tr>
<td>Hospitality Services</td>
<td>$43,036</td>
</tr>
<tr>
<td>Construction</td>
<td>$91,482</td>
</tr>
<tr>
<td>Other Services</td>
<td>$102,734</td>
</tr>
<tr>
<td>Financial Services</td>
<td>$591,253</td>
</tr>
<tr>
<td>Information Services</td>
<td>$549,993</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>$103,723</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>$220,696</td>
</tr>
<tr>
<td>Transport &amp; Utilities</td>
<td>$133,796</td>
</tr>
<tr>
<td>All Jobs in the Washington MSA</td>
<td>$135,544</td>
</tr>
</tbody>
</table>

Sources: IHS Global Insight; GMU Center for Regional Analysis

### Washington Metropolitan Area Job Change

**by Wage Category between 2008 to 2013**

Sources: EMSI 2013.3 & GMU Center for Regional Analysis
The Washington Economy: Current Performance

15 Largest Job Markets
Job Change: Apr 2013 – Apr 2014

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis
Annual Job Change
Washington MSA, 2002-2014

Annual Data

Annual Month over Year


(000s)

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

Job Change by Sector
Apr 2013 – Apr 2014
Washington MSA

Total = 6,300

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis
Federal Government
Washington MSA

Annual Data

Annual Month over Year

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

Apr-14 Total: 364.0

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Annual Job Change
District of Columbia, 2002-2014

Annual Data

Annual Month over Year

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis
Job Change by Sector
Apr 2013 – Apr 2014
District of Columbia

Transp. & Util. 6
Wlse Trade 1
Manufacturing 2
Information 1
Financial 0
Other Services 0
Construction 0
Leisure & Hosp. 1
Retail Trade 6
State & Local Govt 0
Educ & Health Svcs 0
Federal Govt. 0
Prof. & Bus. Svcs -6

Total 3,700

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

Job Change by Sector
Mar 2014 – Apr 2014
District of Columbia

Transp. & Util. -1
Wlse Trade 3
Manufacturing 1
Information 0
Financial 0
Other Services 0
Construction 0
Leisure & Hosp. 1
Retail Trade 0
State & Local Govt 0
Educ & Health Svcs 0
Federal Govt. 0
Prof. & Bus. Svcs -1

Total 5,700

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis
Annual Job Change
Suburban Maryland, 2002-2014

(000s)

Annual Data

Annual Month over Year

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

Job Change by Sector
Apr 2013 – Apr 2014
Suburban Maryland

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis
### Job Change by Sector

#### Apr 2013 – Apr 2014

**Northern Virginia**

<table>
<thead>
<tr>
<th>Sector</th>
<th>Change (000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prof. &amp; Bus. Svcs</td>
<td>-6</td>
</tr>
<tr>
<td>Federal Govt.</td>
<td>-4</td>
</tr>
<tr>
<td>Educ &amp; Health Svcs</td>
<td>2</td>
</tr>
<tr>
<td>State &amp; Local Govt</td>
<td>6</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>2</td>
</tr>
<tr>
<td>Leisure &amp; Hosp.</td>
<td>-1</td>
</tr>
<tr>
<td>Construction</td>
<td>3</td>
</tr>
<tr>
<td>Other Services</td>
<td>1</td>
</tr>
<tr>
<td>Financial</td>
<td>1</td>
</tr>
<tr>
<td>Information</td>
<td>-1</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>-1</td>
</tr>
<tr>
<td>Wise Trade</td>
<td>2</td>
</tr>
<tr>
<td>Transp. &amp; Util.</td>
<td>1</td>
</tr>
</tbody>
</table>

**Total:** 1,400

*Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis*

#### Mar 2014 – Apr 2014

**Northern Virginia**

<table>
<thead>
<tr>
<th>Sector</th>
<th>Change (000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prof. &amp; Bus. Svcs</td>
<td>4</td>
</tr>
<tr>
<td>Federal Govt.</td>
<td>0</td>
</tr>
<tr>
<td>Educ &amp; Health Svcs</td>
<td>1</td>
</tr>
<tr>
<td>State &amp; Local Govt</td>
<td>1</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>2</td>
</tr>
<tr>
<td>Leisure &amp; Hosp.</td>
<td>2</td>
</tr>
<tr>
<td>Construction</td>
<td>1</td>
</tr>
<tr>
<td>Other Services</td>
<td>1</td>
</tr>
<tr>
<td>Financial</td>
<td>1</td>
</tr>
<tr>
<td>Information</td>
<td>-1</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>0</td>
</tr>
<tr>
<td>Wise Trade</td>
<td>0</td>
</tr>
<tr>
<td>Transp. &amp; Util.</td>
<td>0</td>
</tr>
</tbody>
</table>

**Total:** 8,800

*Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis*
Unemployment Rates in the WMSA
By Sub-State Area, 2007-2014


15 Largest Job Markets
Ranked by Unemployment Rate
Apr 2014

Housing Market Trends in the Washington Metro Area

Percent Change in Inventories of Existing Homes
Month-Over-Year 2000 – 2014, MSA

Source: Metropolitan Regional Information Systems (MRIS), GMU Center for Regional Analysis. Total monthly inventory includes listings active at the end of the month plus sales during the month.
Total Listings Per Sale
May Each Year

Source: Metropolitan Regional Information Systems (MRIS), GMU Center for Regional Analysis

Median House Sales Price
Washington MSA

Source: Metropolitan Regional Information Systems (MRIS), GMU Center for Regional Analysis
### Average Sales Price Percent Change

#### Washington MSA

<table>
<thead>
<tr>
<th>All Housing Types</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Change</td>
<td>-16</td>
<td>-7</td>
<td>-7</td>
<td>-5</td>
</tr>
<tr>
<td>Annual Change by Month</td>
<td>-10</td>
<td>-7</td>
<td>-6</td>
<td>-5</td>
</tr>
</tbody>
</table>

Source: Metropolitan Regional Information Systems (MRIS), GMU Center for Regional Analysis

### Average Sales Price Percent Change

#### District of Columbia

<table>
<thead>
<tr>
<th>All Housing Types</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Change</td>
<td>-30</td>
<td>-20</td>
<td>-10</td>
<td>-5</td>
</tr>
<tr>
<td>Annual Change by Month</td>
<td>-10</td>
<td>-9</td>
<td>-4</td>
<td>-3</td>
</tr>
</tbody>
</table>

Source: Metropolitan Regional Information Systems (MRIS), GMU Center for Regional Analysis
### Average Sales Price Percent Change

#### Suburban Maryland

**All Housing Types**

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Annual Change</strong></td>
<td>14%</td>
<td>6%</td>
<td>5%</td>
<td>4%</td>
</tr>
</tbody>
</table>

#### Annual Change by Month

<table>
<thead>
<tr>
<th>Month</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-30%</td>
<td>-20%</td>
<td>-10%</td>
<td>0%</td>
</tr>
</tbody>
</table>

**Source:** Metropolitan Regional Information Systems (MRIS), GMU Center for Regional Analysis

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### Average Sales Price Percent Change

#### Northern Virginia

**All Housing Types**

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Annual Change</strong></td>
<td>14%</td>
<td>6%</td>
<td>5%</td>
<td>4%</td>
</tr>
</tbody>
</table>

#### Annual Change by Month

<table>
<thead>
<tr>
<th>Month</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-30%</td>
<td>-20%</td>
<td>-10%</td>
<td>0%</td>
</tr>
</tbody>
</table>

**Source:** Metropolitan Regional Information Systems (MRIS), GMU Center for Regional Analysis
Average Sales Price Percent Change
Metro Area – Single Family Detached

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>5</td>
<td>2</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>2006</td>
<td>-18</td>
<td>4</td>
<td>-11</td>
<td>-5</td>
</tr>
<tr>
<td>2007</td>
<td>5</td>
<td>2</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>2008</td>
<td>2</td>
<td>3</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>2009</td>
<td>9</td>
<td>4</td>
<td>6</td>
<td>1</td>
</tr>
</tbody>
</table>

Source: Metropolitan Regional Information Systems (MRIS), GMU Center for Regional Analysis

Average Sales Price Percent Change
Metro Area – Single Family Attached

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>12</td>
<td>17</td>
<td>10</td>
<td>13</td>
</tr>
<tr>
<td>2006</td>
<td>10</td>
<td>8</td>
<td>8</td>
<td>12</td>
</tr>
<tr>
<td>2007</td>
<td>7</td>
<td>13</td>
<td>10</td>
<td>11</td>
</tr>
<tr>
<td>2008</td>
<td>6</td>
<td>10</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>2009</td>
<td>7</td>
<td>14</td>
<td>12</td>
<td>11</td>
</tr>
</tbody>
</table>

Source: Metropolitan Regional Information Systems (MRIS), GMU Center for Regional Analysis
Economic Outlook for the Washington Metro Area

Economic Outlook (GRP), 2001-2018
Washington Area and Sub-State Areas
(Annual % Change)

Source: GMU Center for Regional Analysis
### Employment Change in the WMSA by Sub-State Area (000s)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>D.C.</td>
<td>14.1</td>
<td>5.6</td>
<td>11.0</td>
<td>6.5</td>
<td>8.5</td>
<td>7.5</td>
<td>8.0</td>
<td>5.6</td>
</tr>
<tr>
<td>Sub. MD</td>
<td>4.4</td>
<td>4.8</td>
<td>6.7</td>
<td>12.1</td>
<td>17.0</td>
<td>20.5</td>
<td>22.6</td>
<td>18.0</td>
</tr>
<tr>
<td>No. VA</td>
<td>26.4</td>
<td>23.5</td>
<td>12.6</td>
<td>21.6</td>
<td>25.8</td>
<td>31.1</td>
<td>34.5</td>
<td>32.7</td>
</tr>
<tr>
<td>REGION</td>
<td>42.6</td>
<td>32.2</td>
<td>30.3</td>
<td>40.2</td>
<td>51.3</td>
<td>59.1</td>
<td>65.1</td>
<td>56.3</td>
</tr>
</tbody>
</table>

Average Annual Change 1990-2010 = 35,800

Source: BLS, IHS Global Insight, GMU Center for Regional Analysis

NOTE: The regional totals include Jefferson, WV.

### U.S. GDP and Washington Area GRP 2001 – 2013 – 2018

Source: IHS Global Insight, GMU Center for Regional Analysis
Thank You

Questions

cra.gmu.edu