



The Peterson Companies

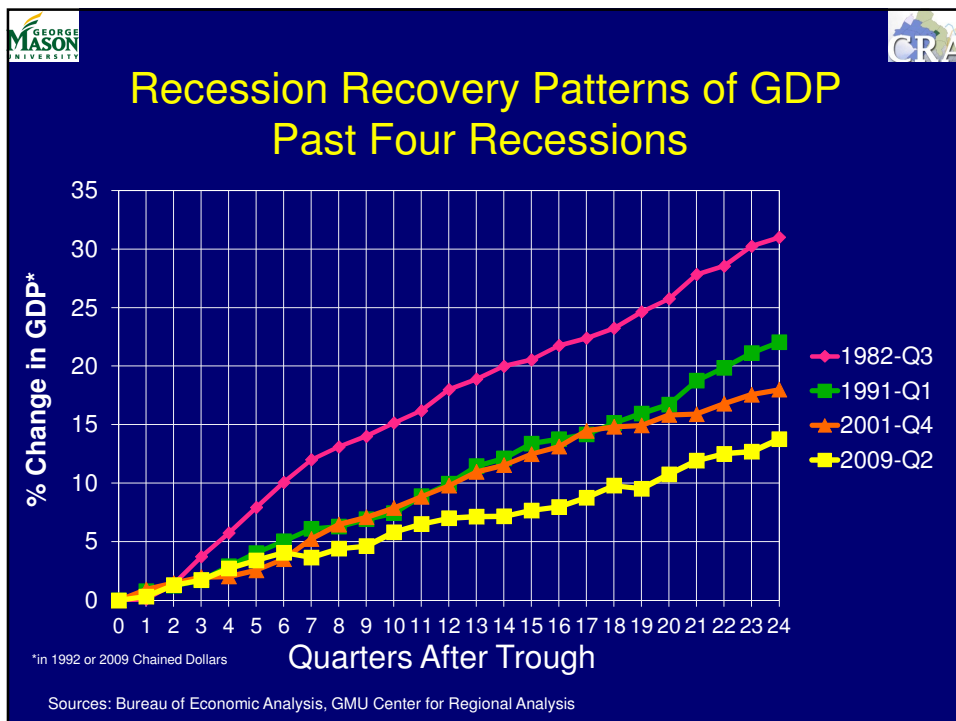
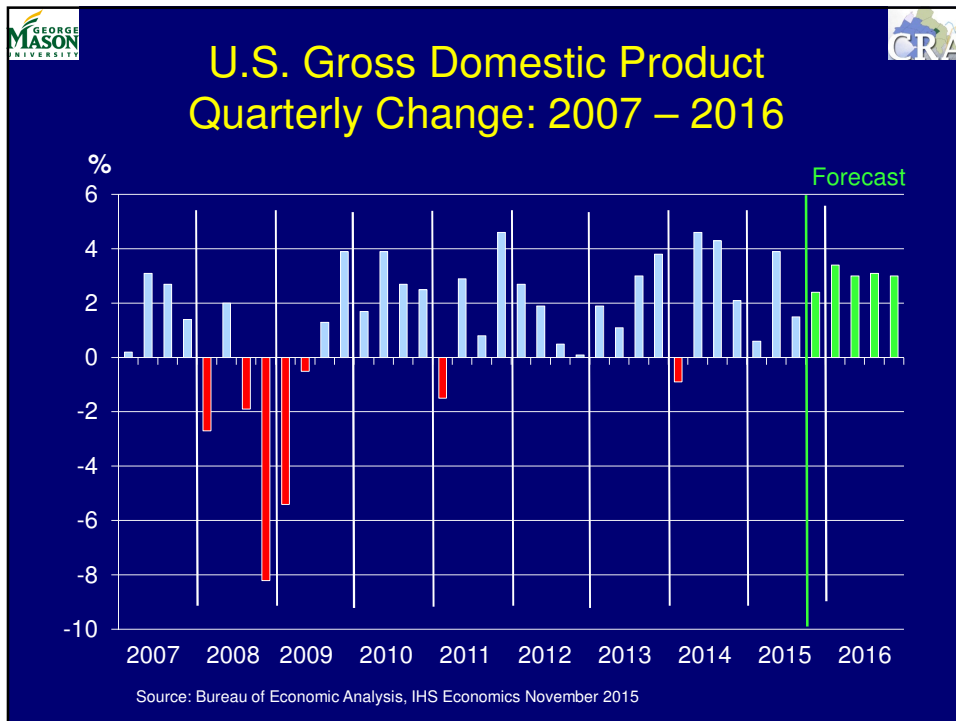
***The Outlook for the U.S. and
Washington Area Economies***

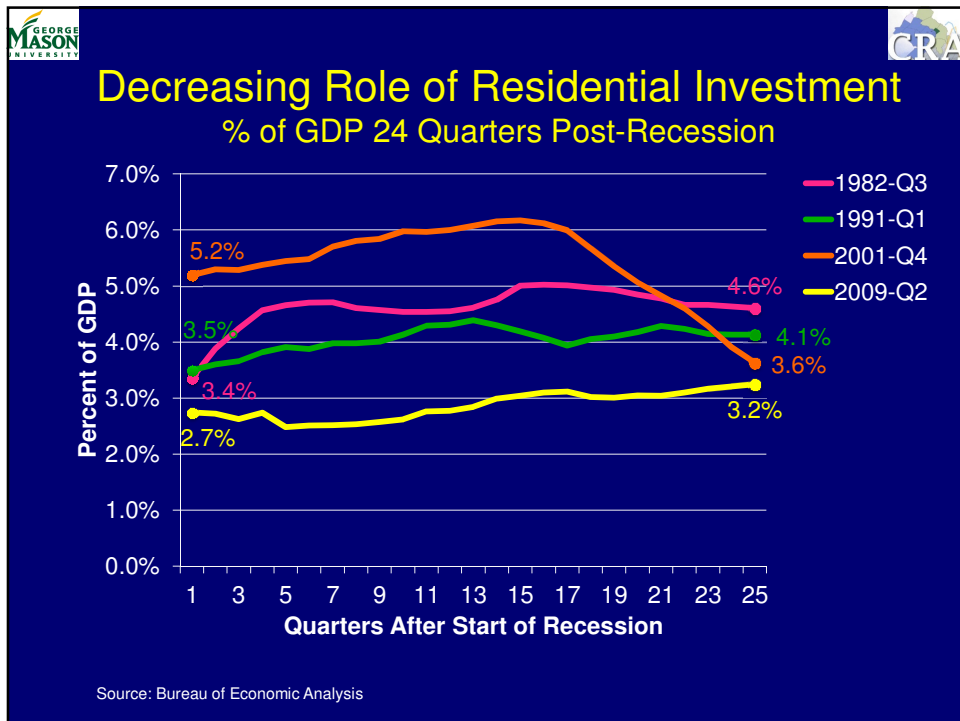
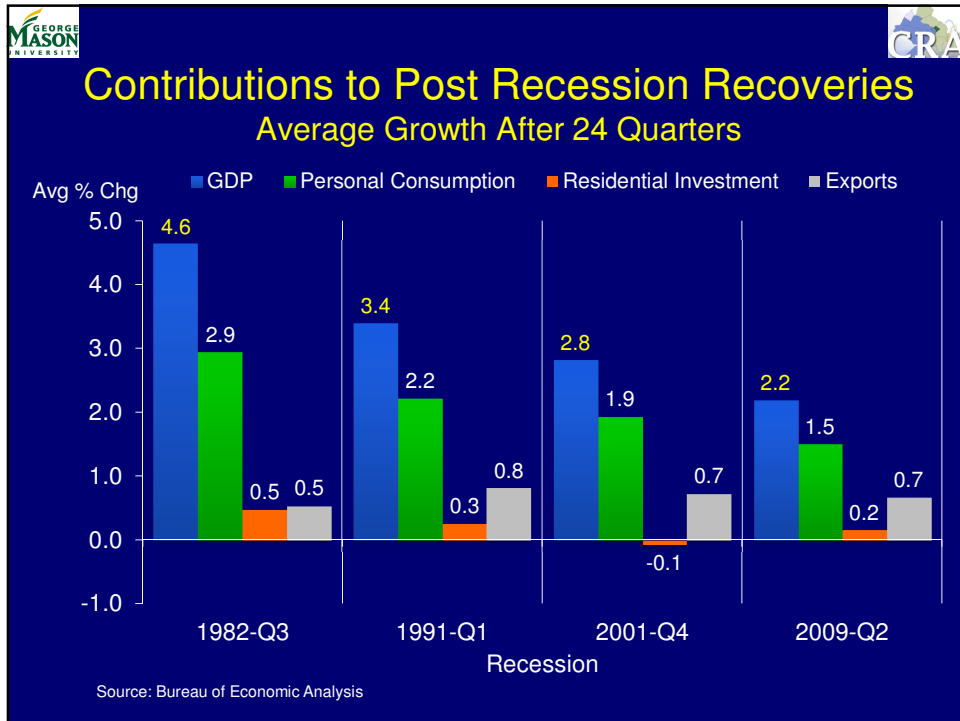
Stephen S. Fuller, Ph.D.
Dwight Schar Faculty Chair and University Professor
Senior Advisor and Director of Special Projects
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George Mason University

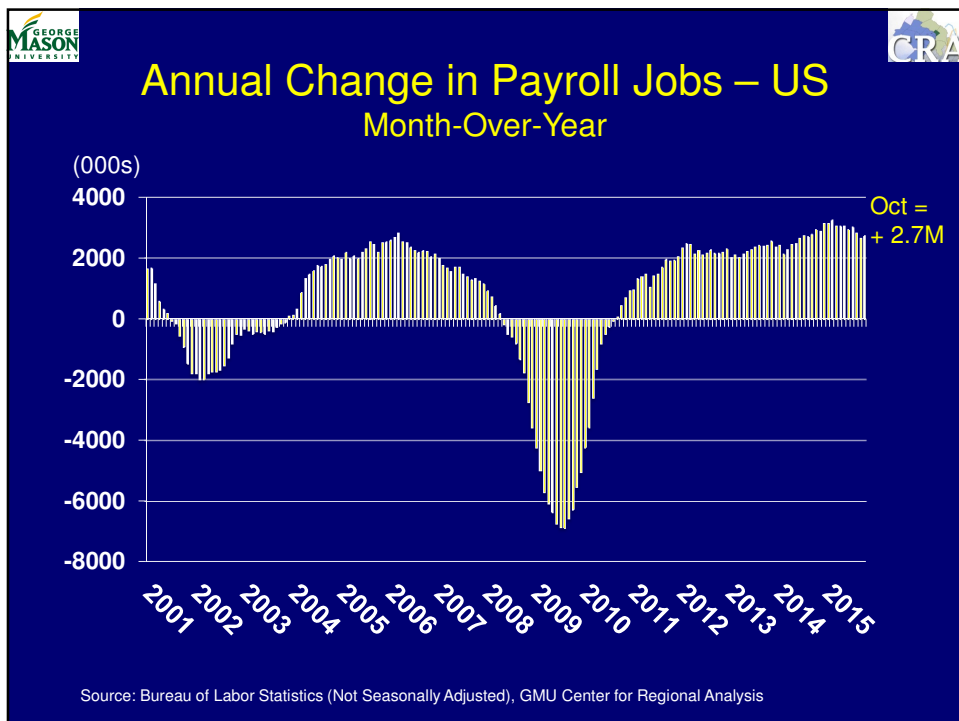
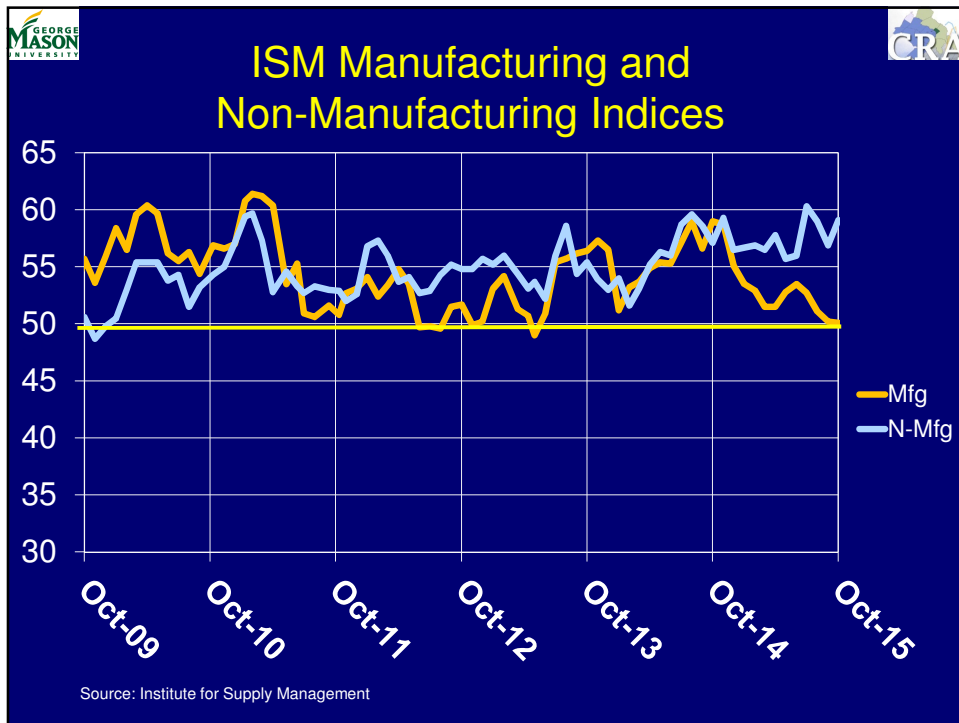
November 12, 2015

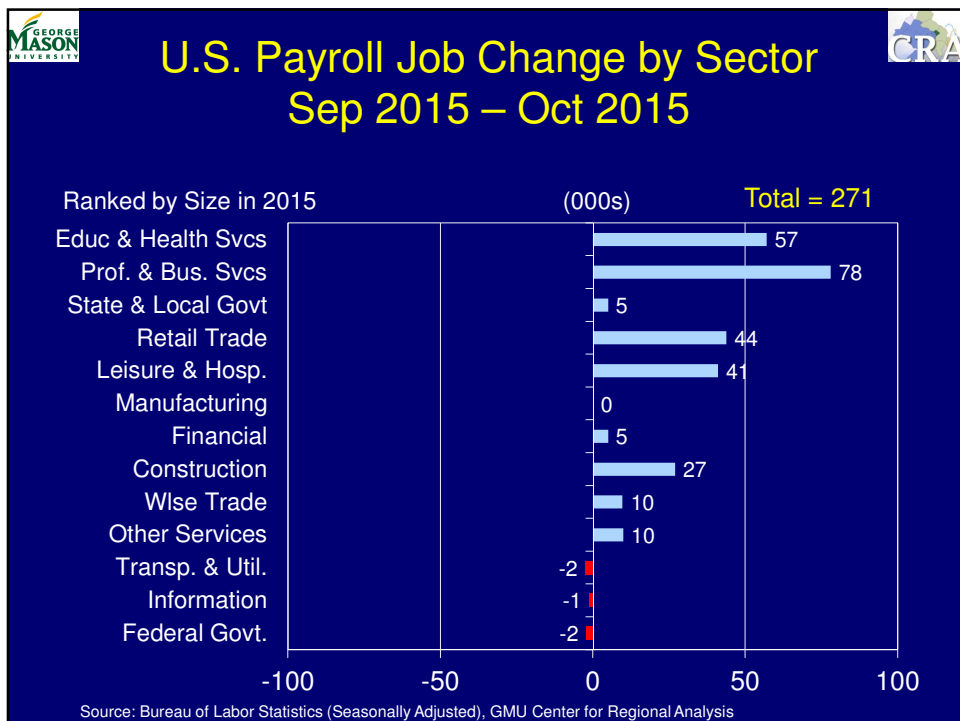
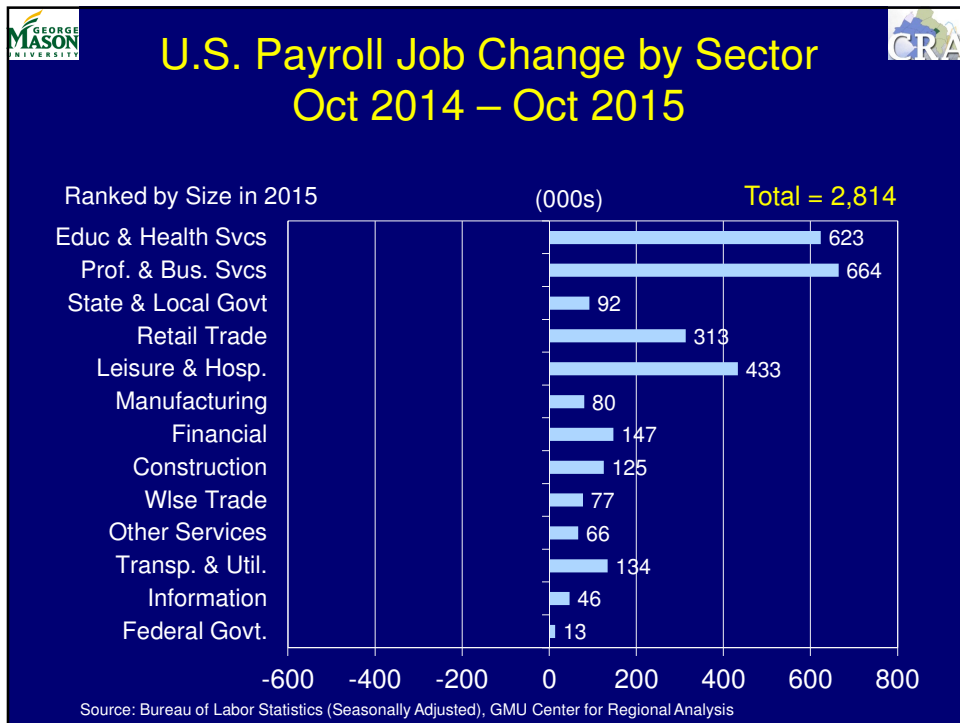


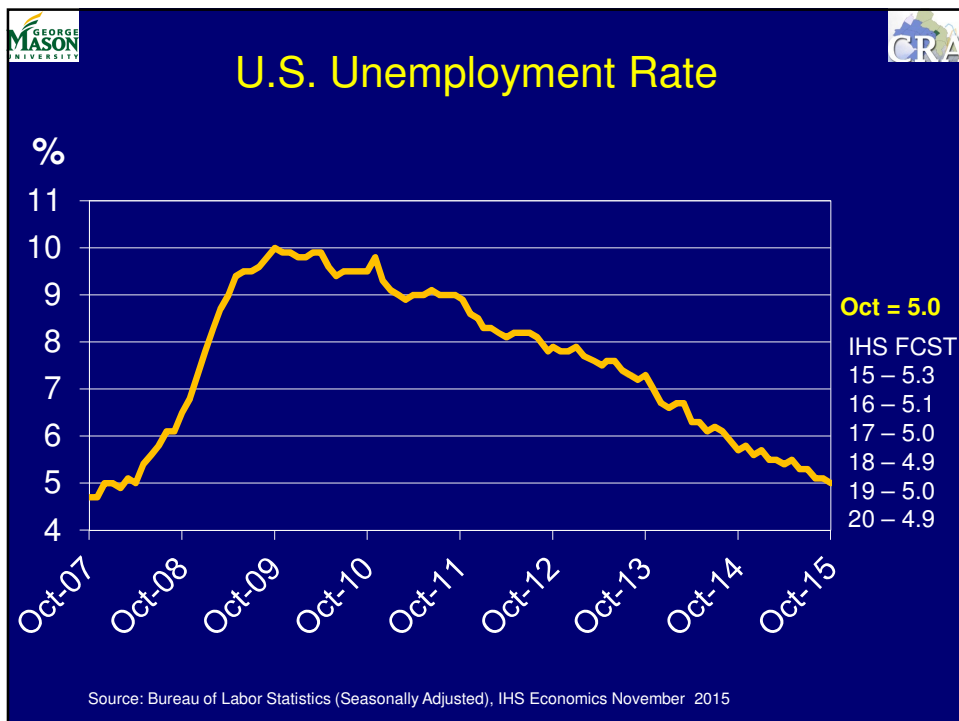
**The U. S. Economy:
Recovery and Current Performance**

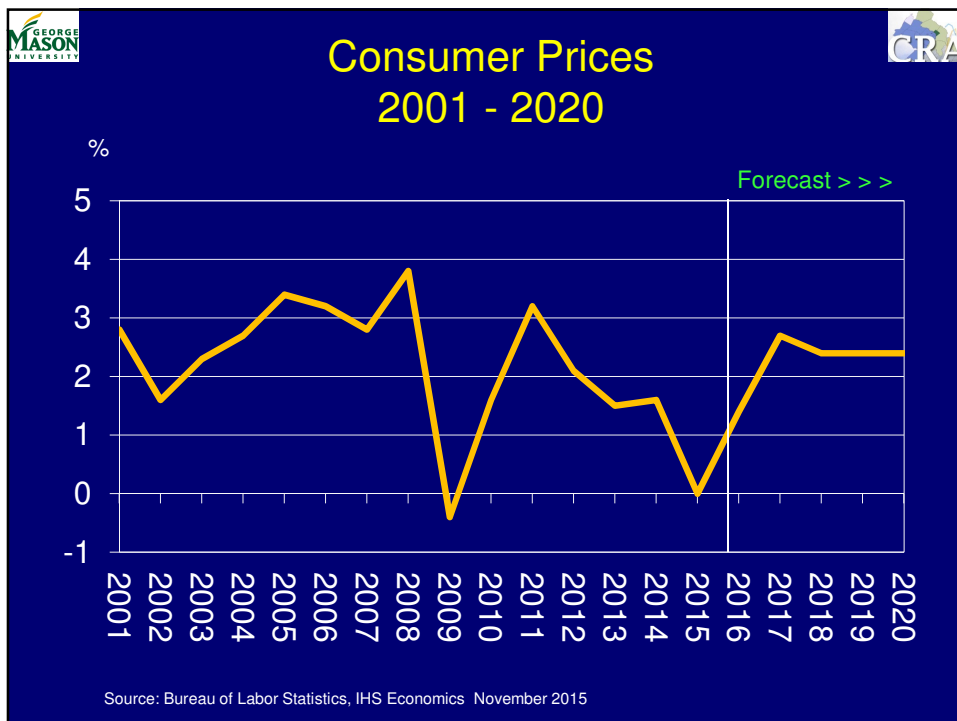
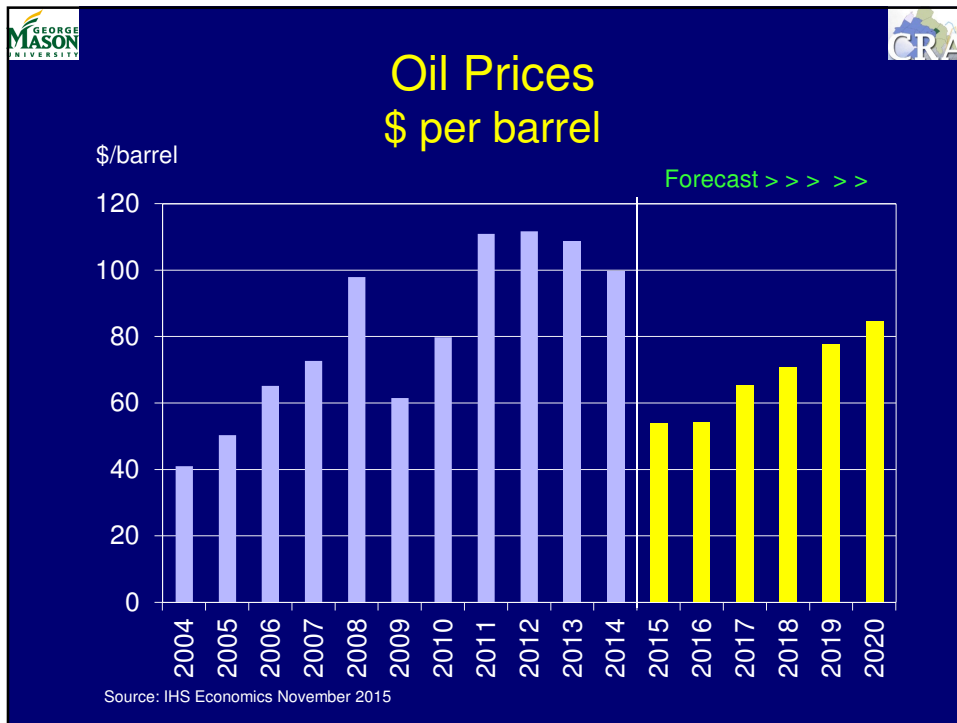


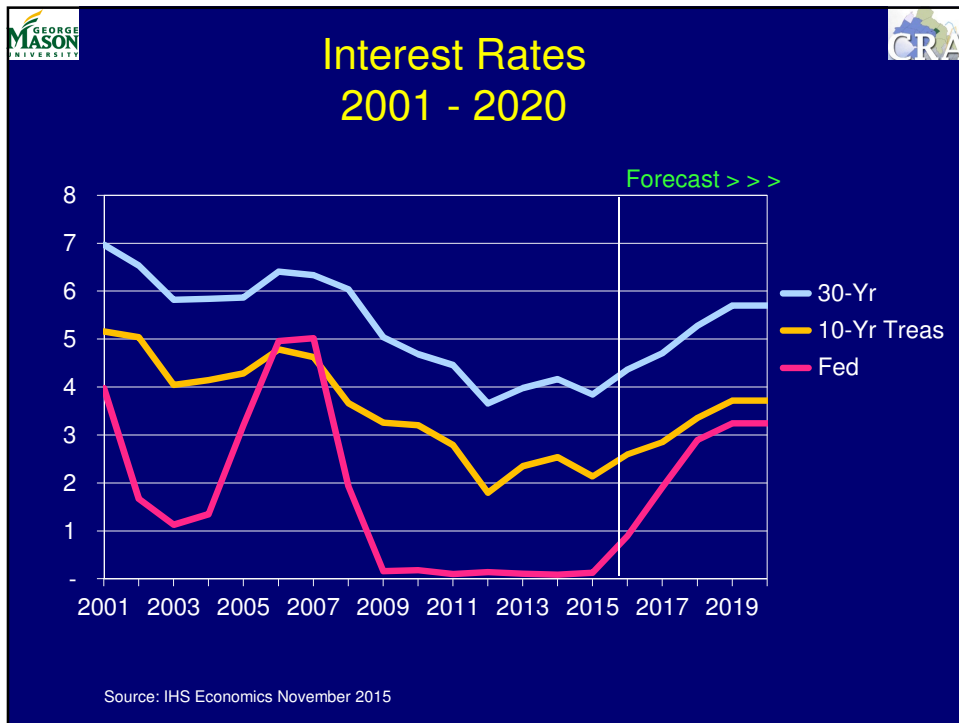


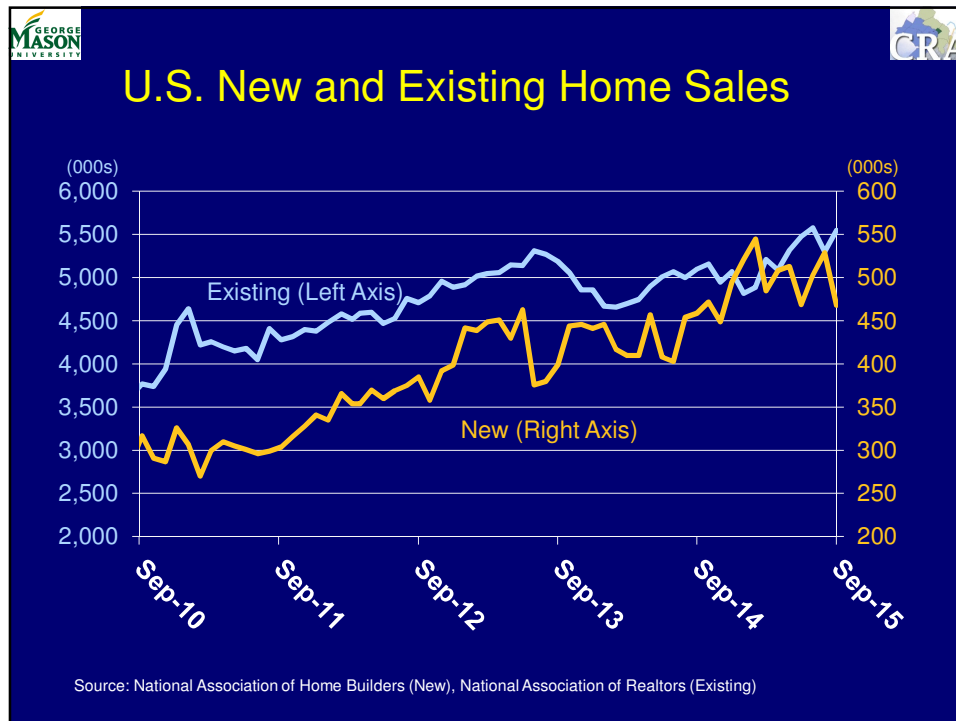










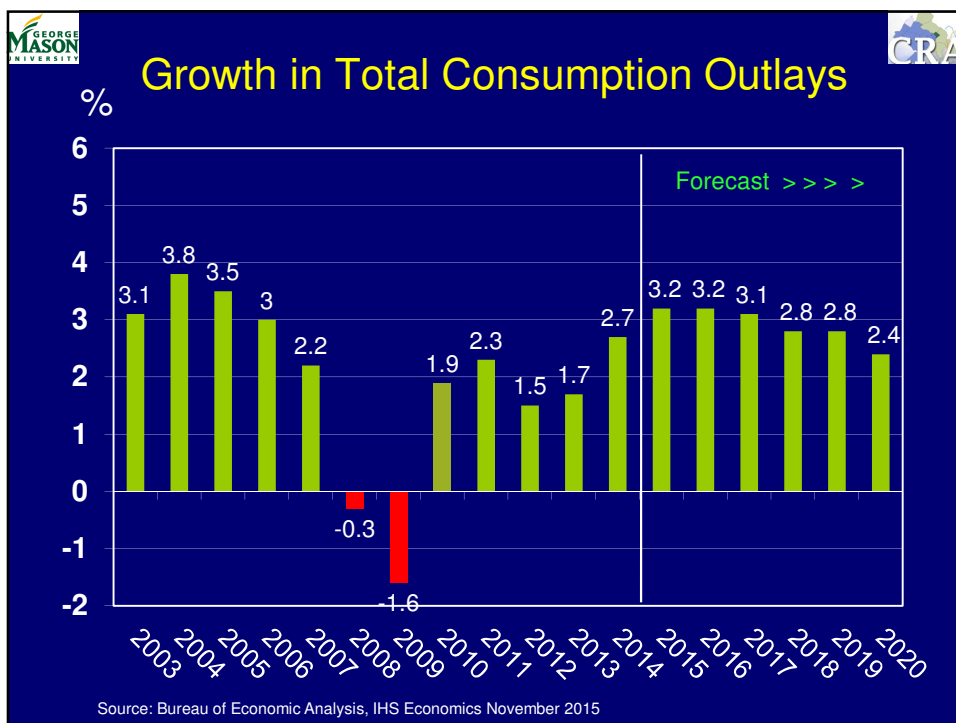


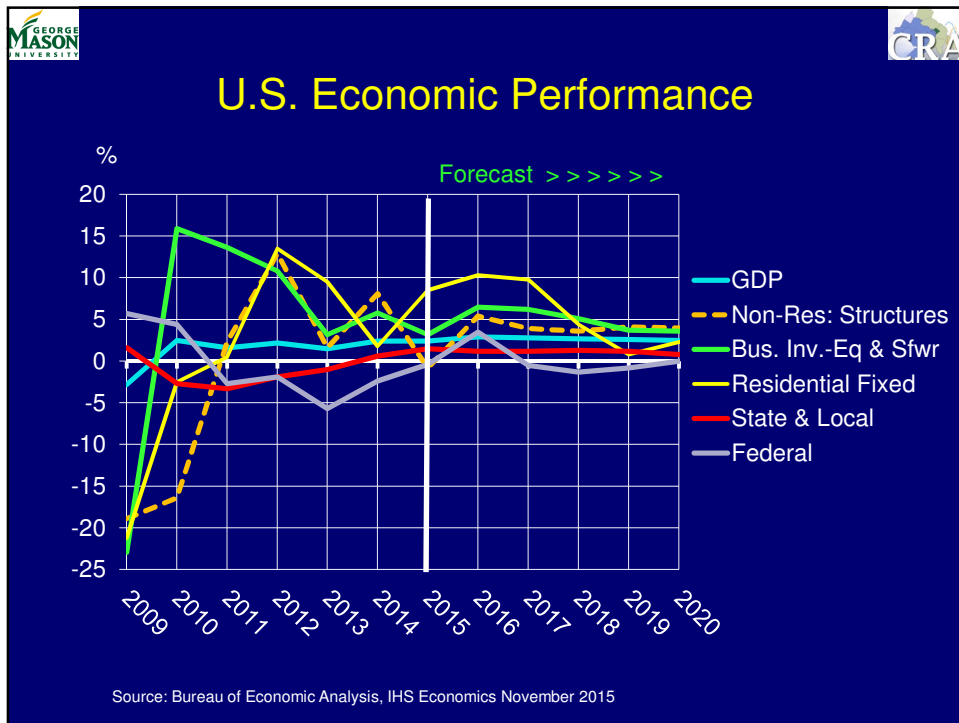
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- Household Formation Has Slowed: Contributing Causes**
- Poor wage growth/weak growth in higher value added jobs
 - Slower immigration
 - Lower marriage rates
 - Limited access to credit
 - Degraded mobility
 - Student loan burdens
 - Uncertainty in global markets reduced international transfers of family money in support of housing purchases
 - Changing generational values and preferences

Residential Construction and Resales Forecasts (millions of Units)

Year	Housing Starts	Existing House Sales
2005	2.073	7.076
2011	0.612	4.277
2012	0.784	4.657
2013	0.928	5.074
2014	1.001	4.920
2015	1.114	5.287
2016	1.277	5.490
2017	1.437	5.513
2018	1.516	5.527
2019	1.568	5.468
2020	1.608	5.451

Source: IHS Economics, "US Executive Summary," November 2015

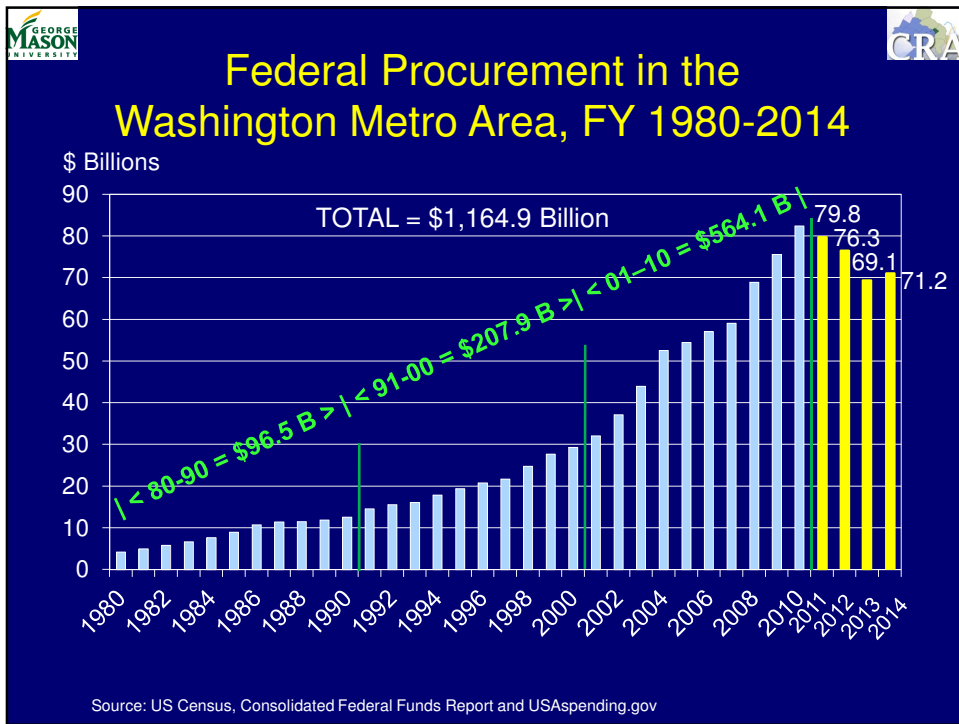


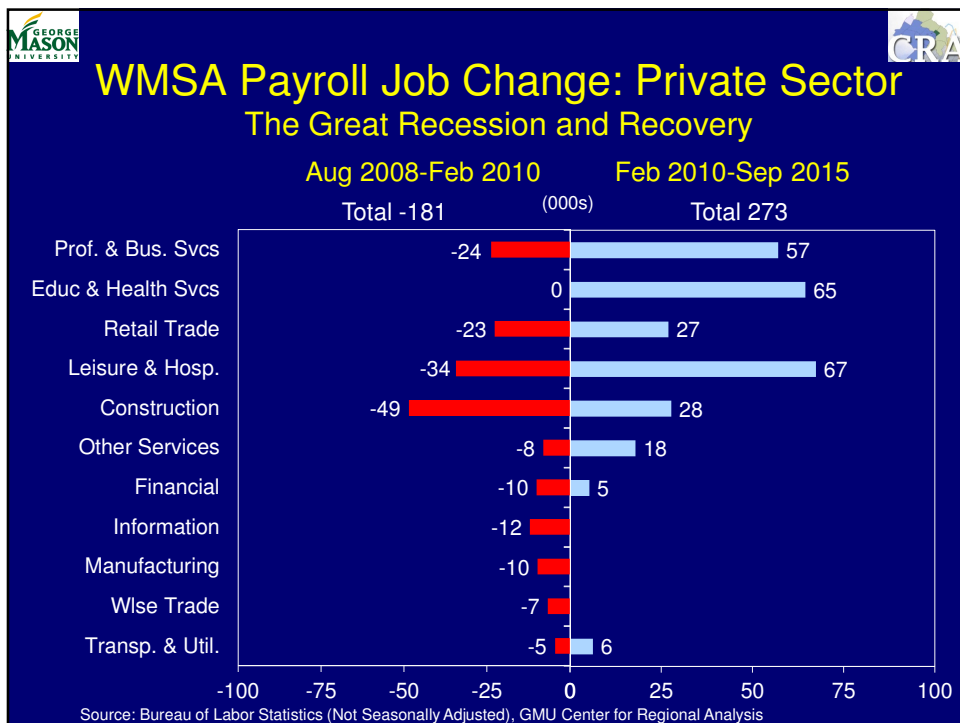
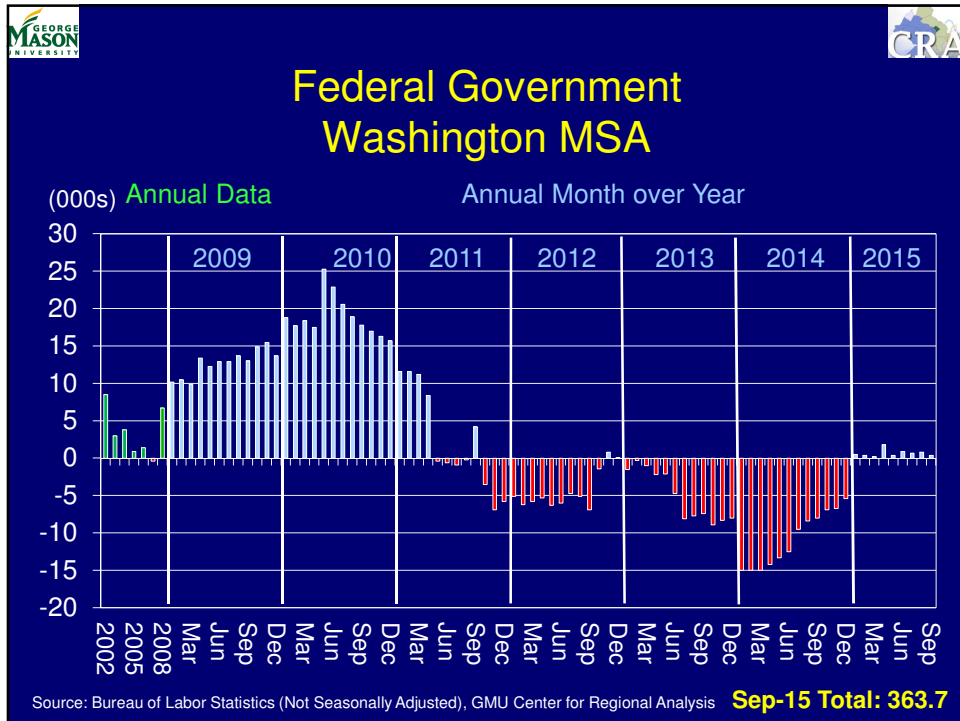


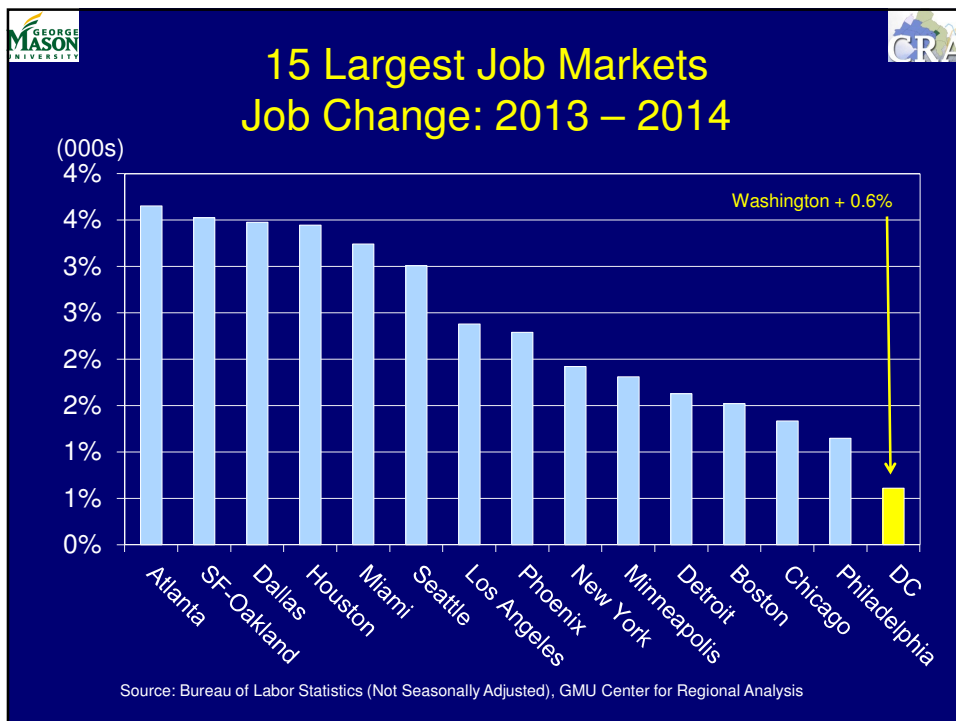
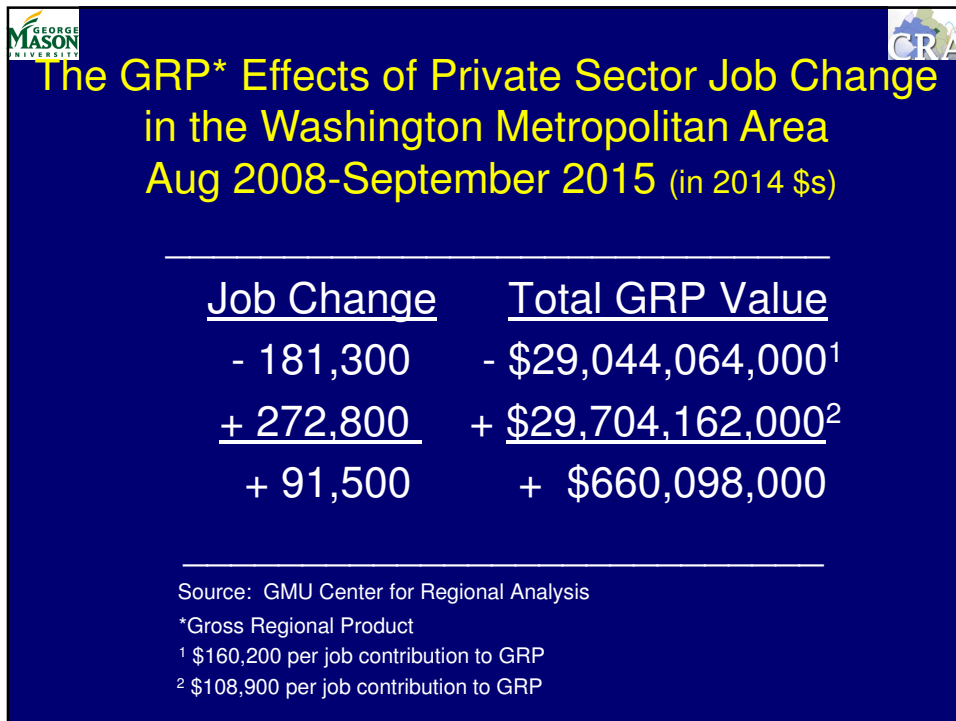
The Washington Economy: Recession, Sequester, Repositioning and Expansion

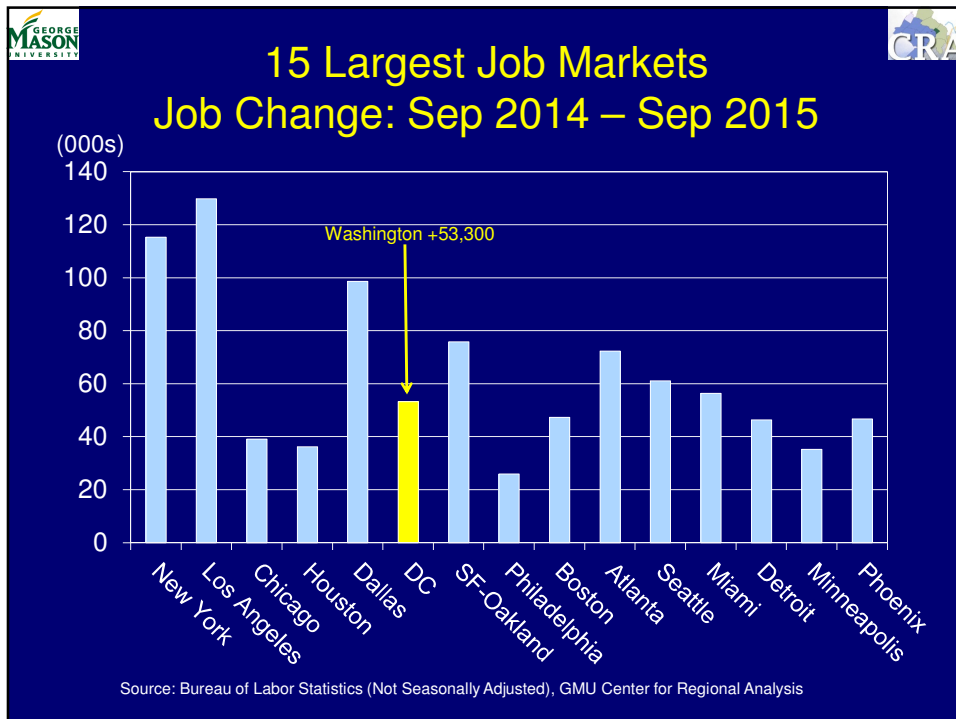
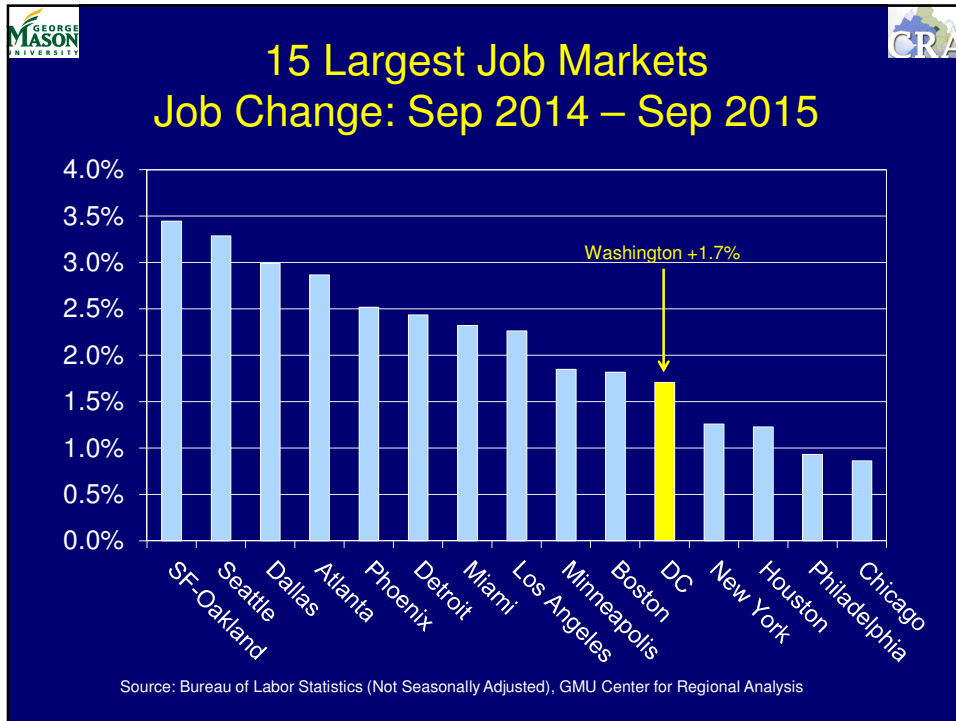
Summary of Federal Spending Trends in the Washington Metropolitan Area, 2010-2014

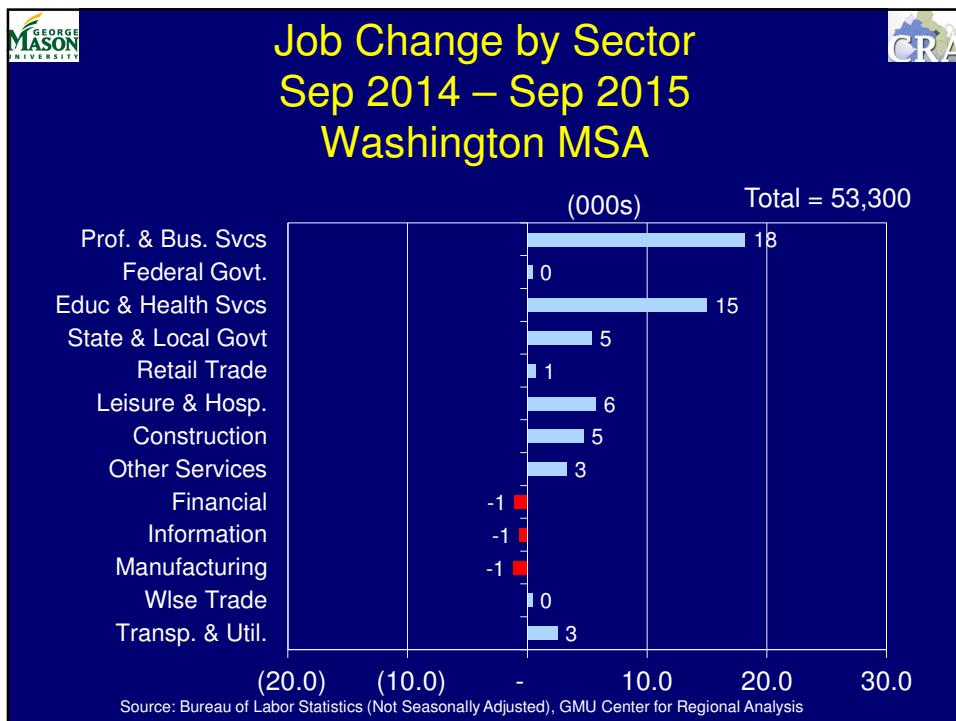
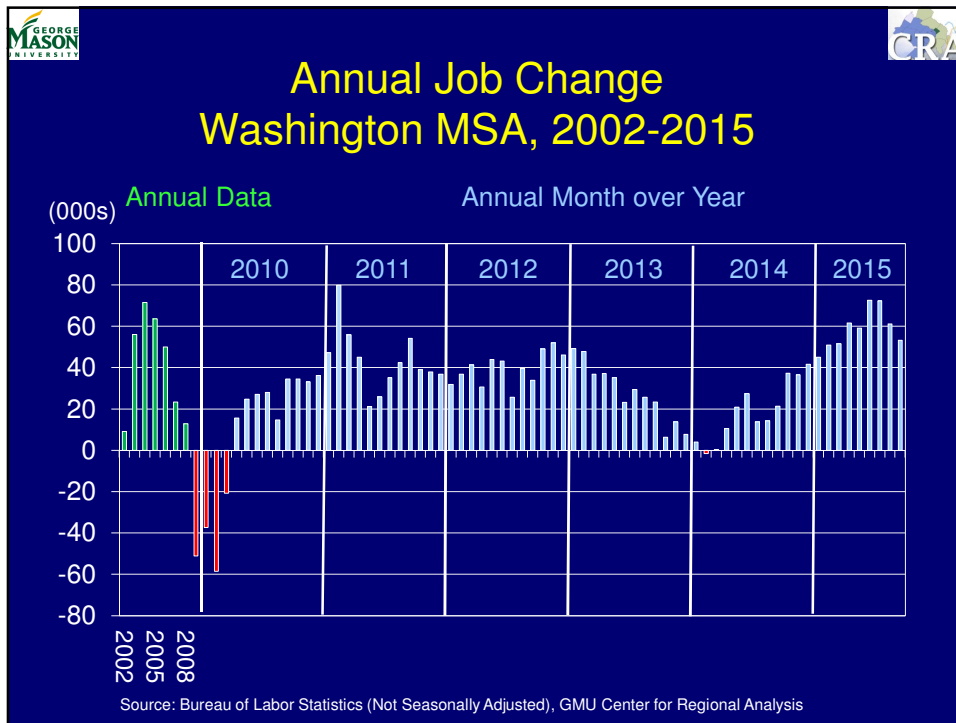
- Federal Procurement Outlays declined \$11.2 billion or 13.6% between FY 2010 and FY 2014.
- Federal employment has declined since peaking in July 2010, losing 23,700 jobs or 6.1%.
- Federal payroll declined by \$2.5 billion or 6.4% between FY 2010 and FY 2014 and will continue to decline as the workforce shrinks and older workers retire and are replaced by younger workers.

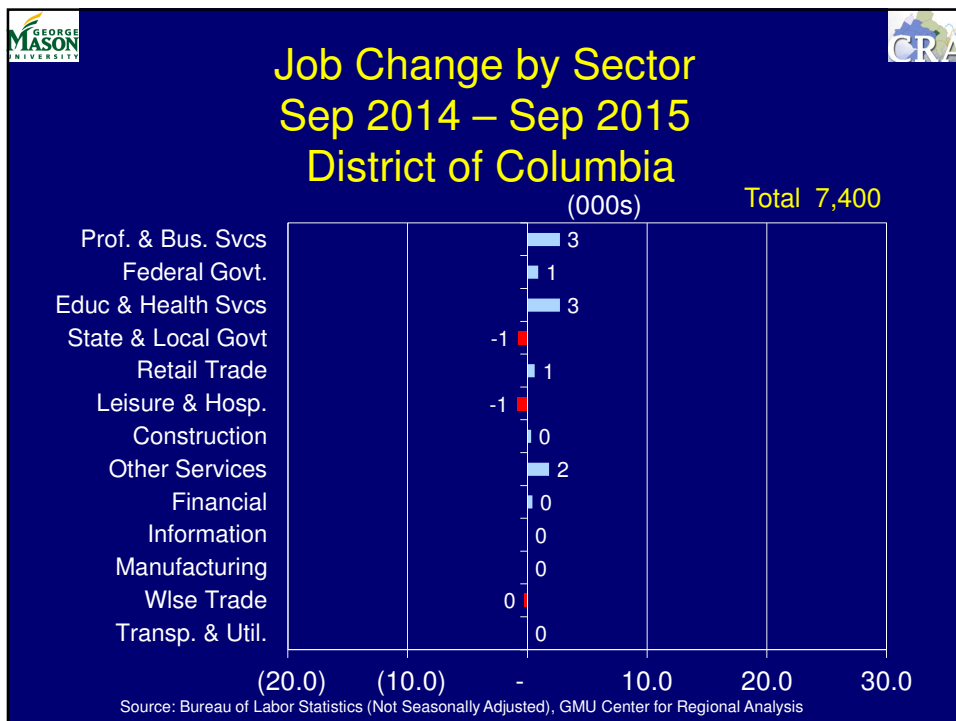
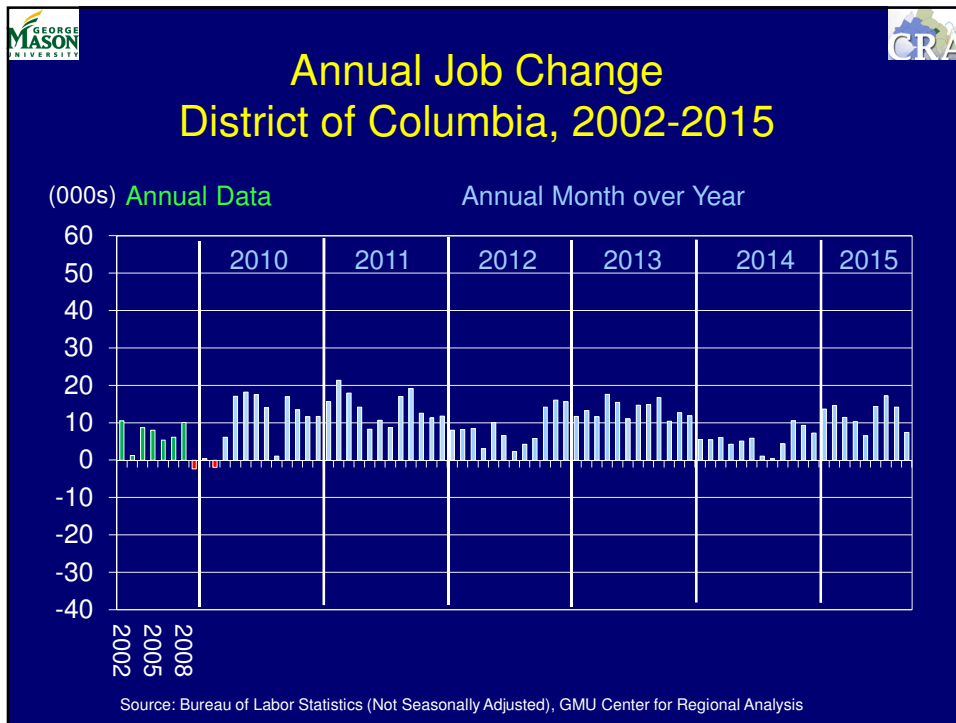


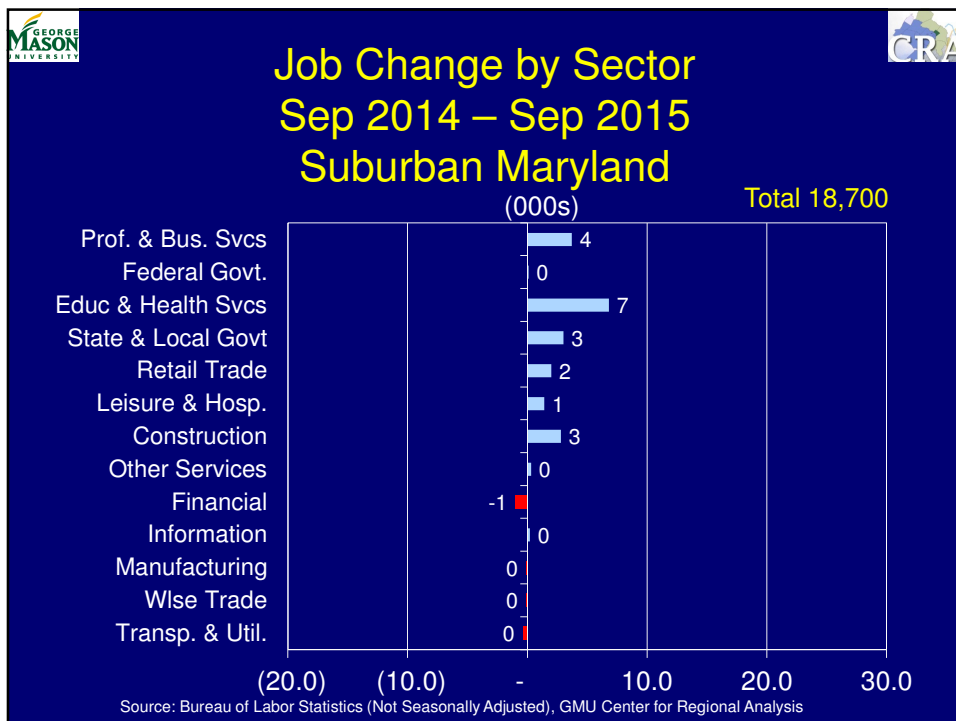
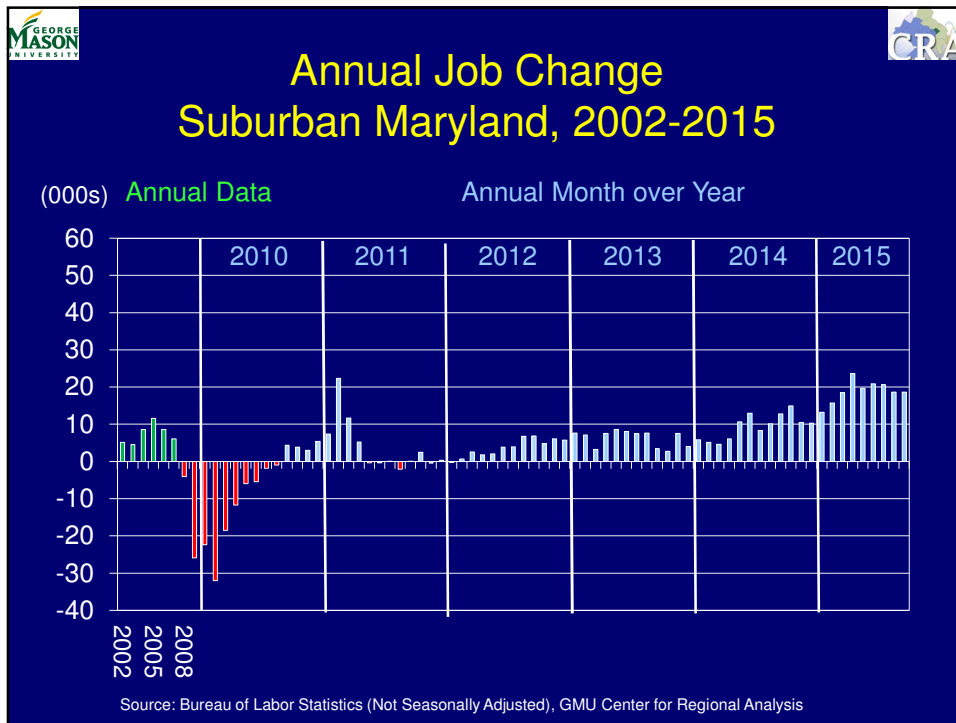


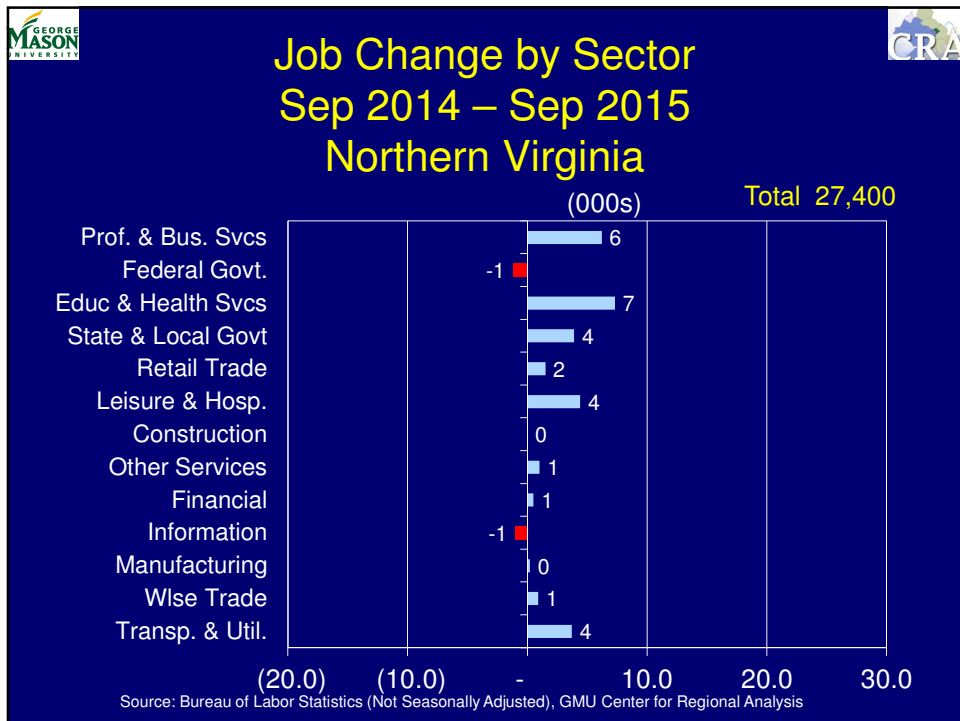
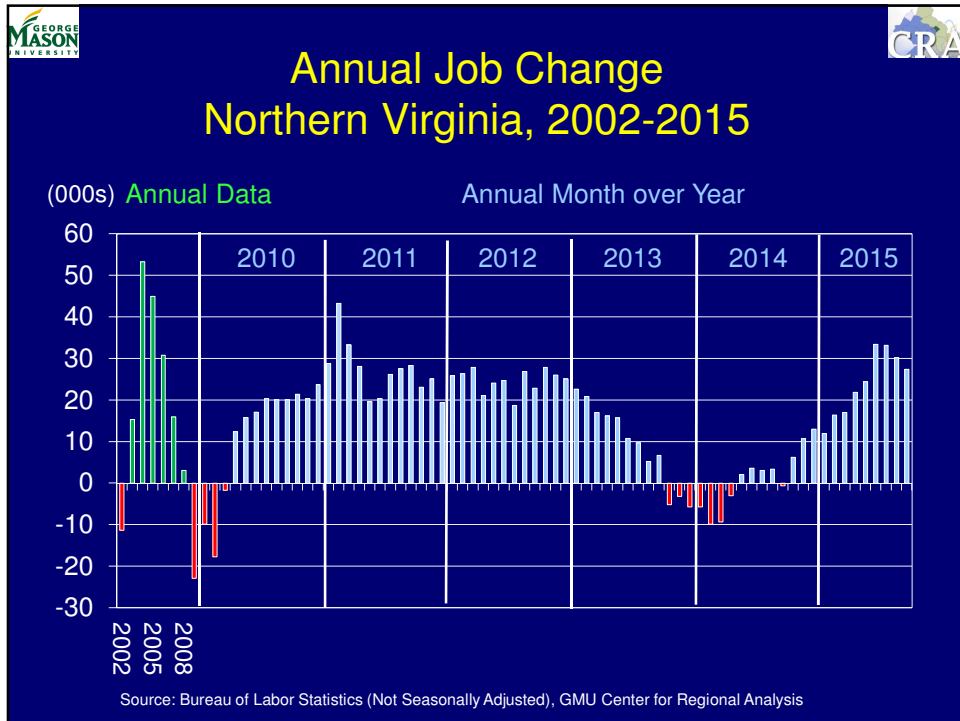


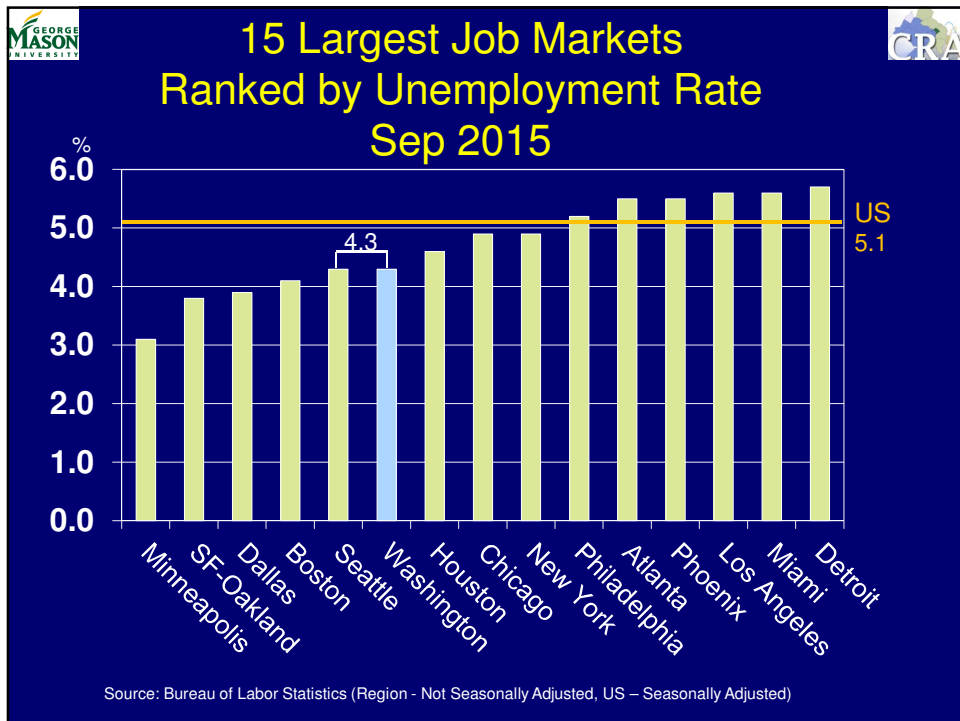
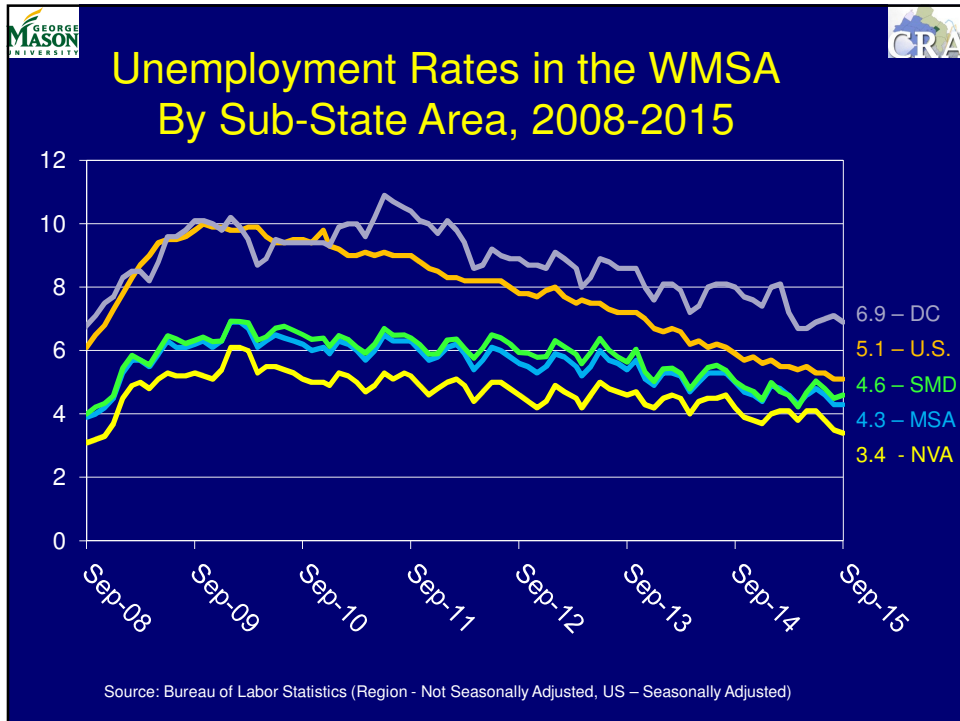






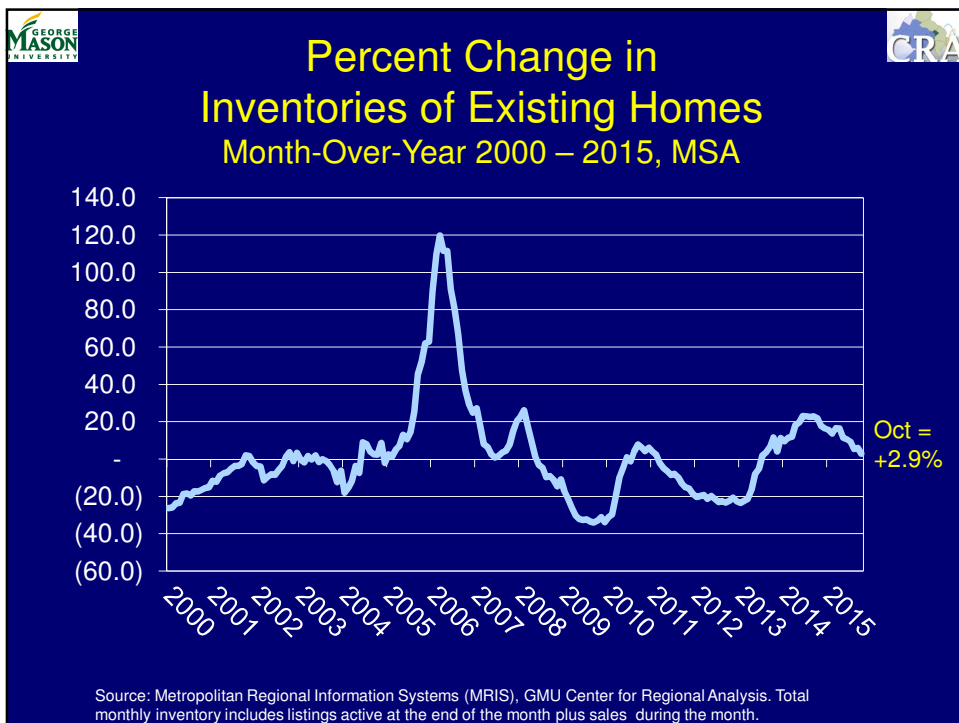


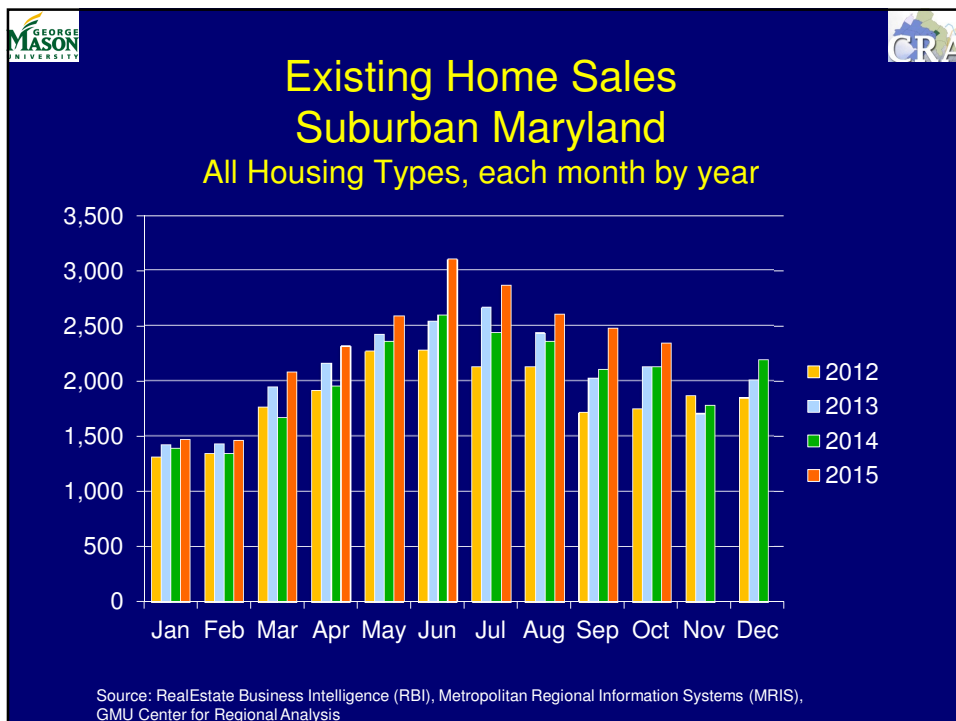
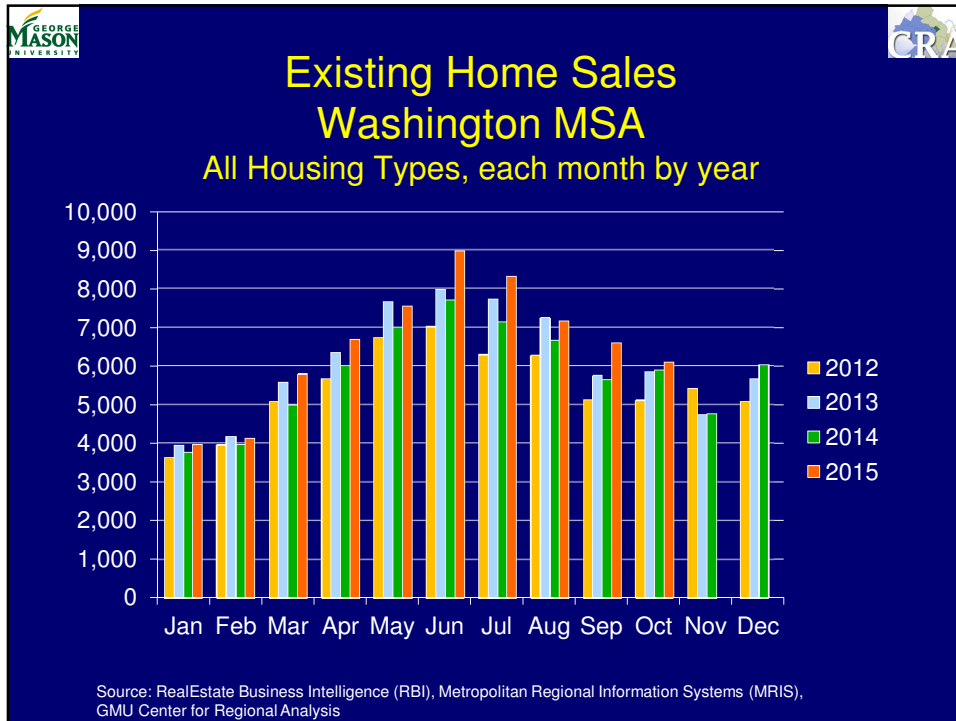


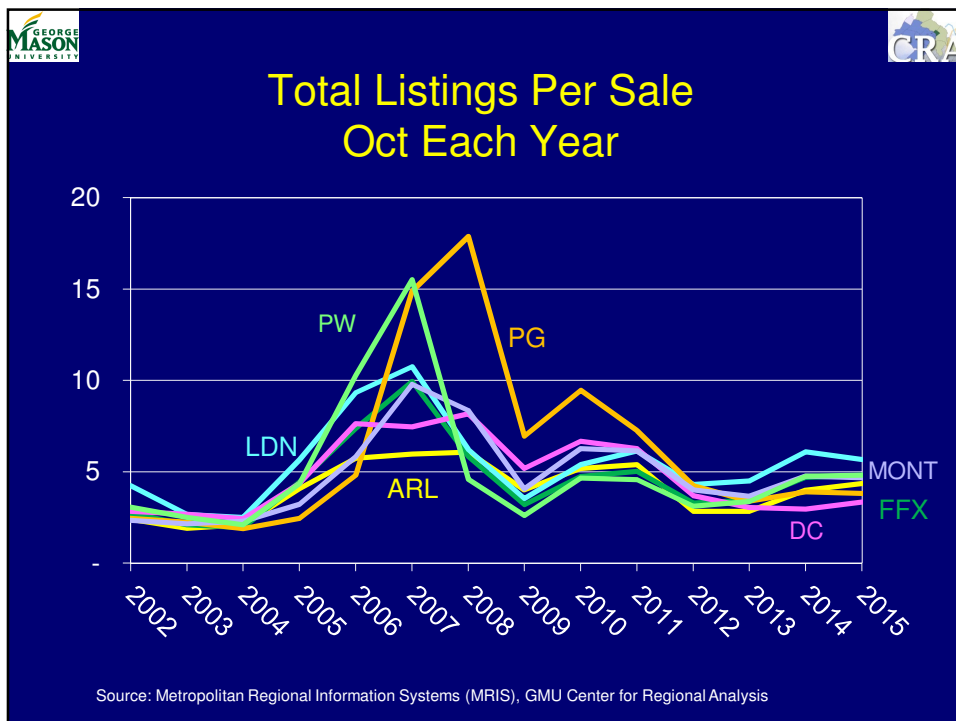
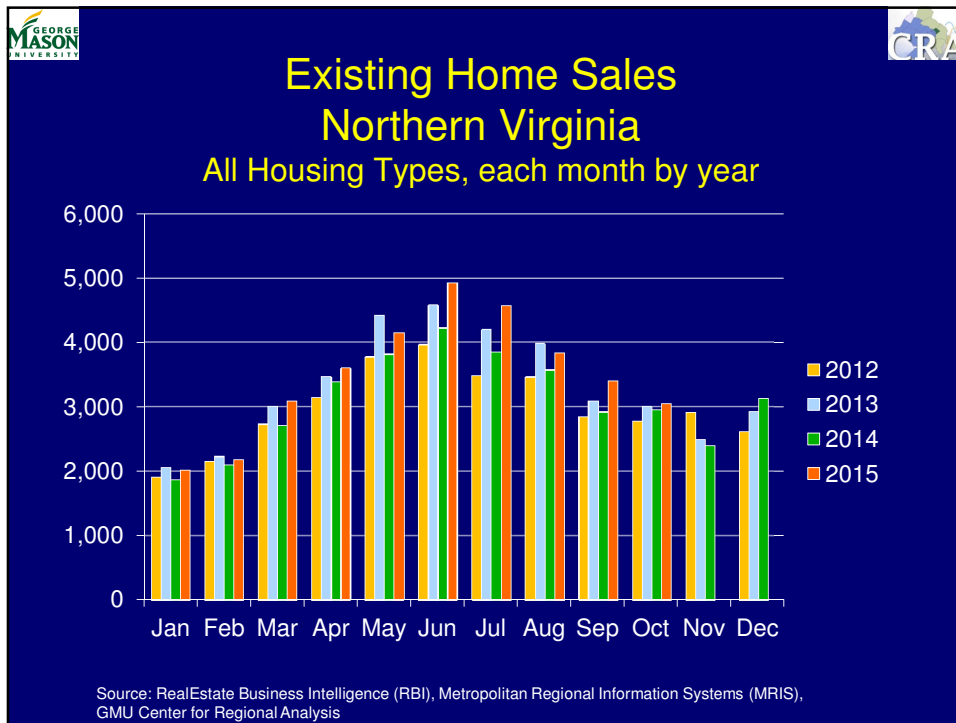


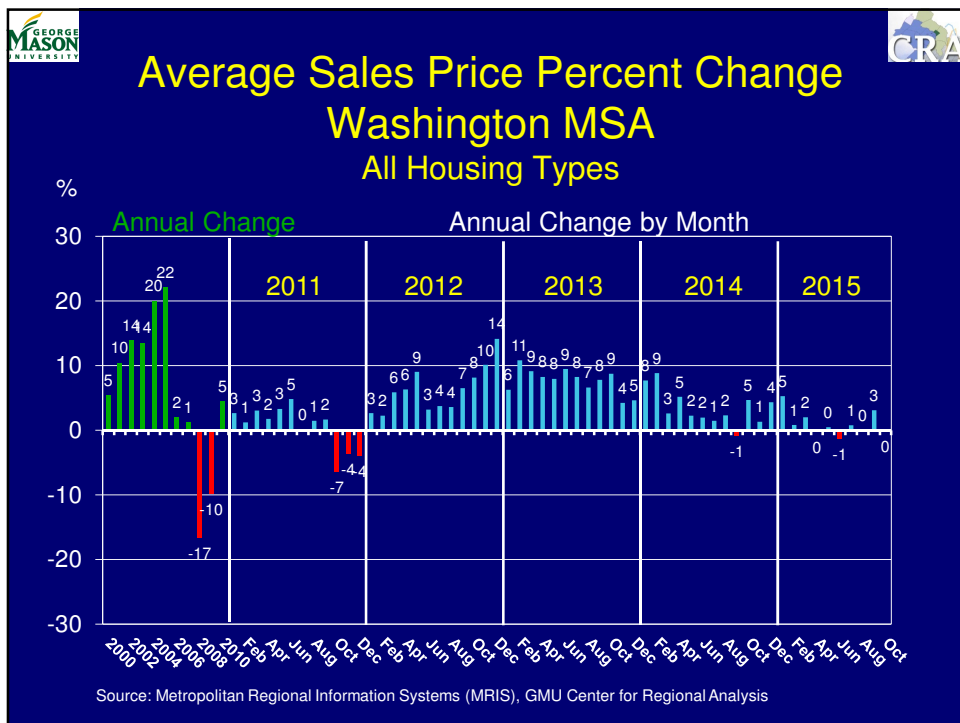
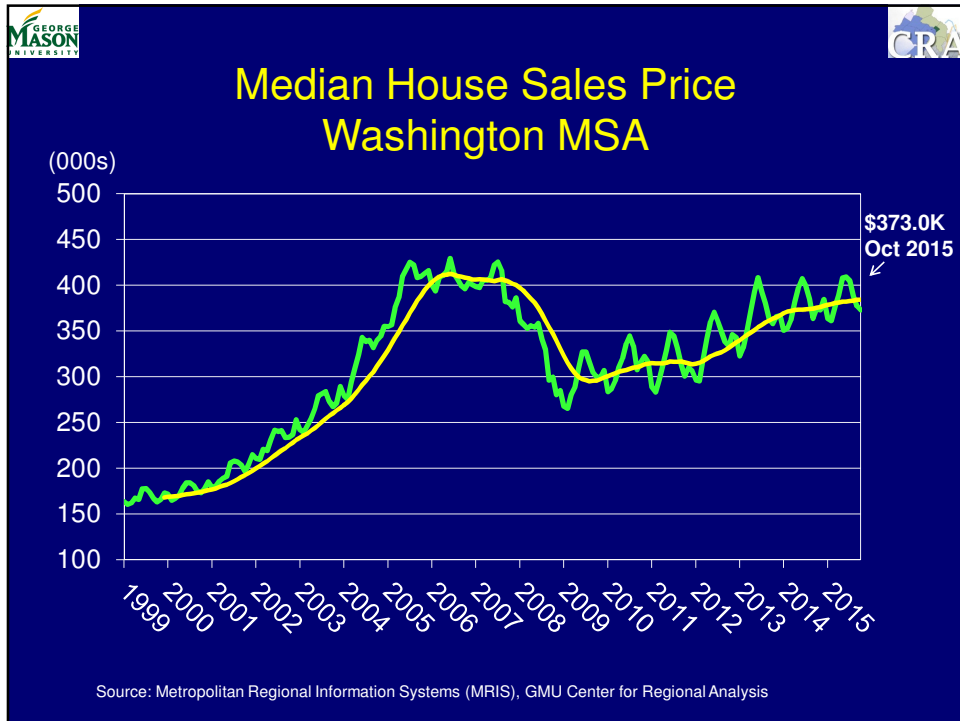
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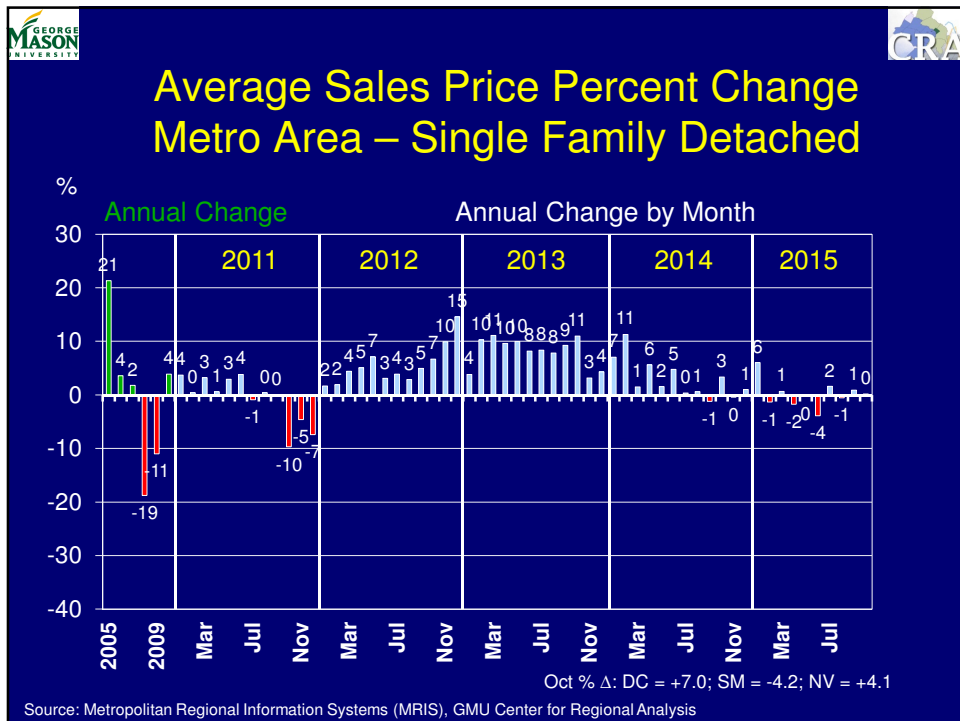
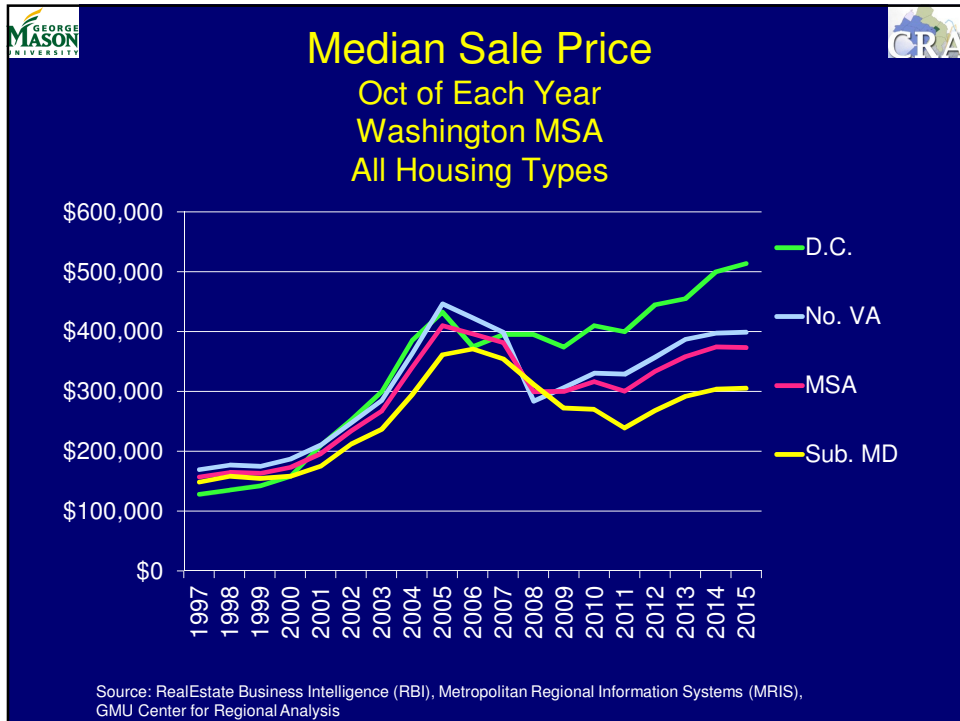
Housing Market Trends in the Washington Metropolitan Area

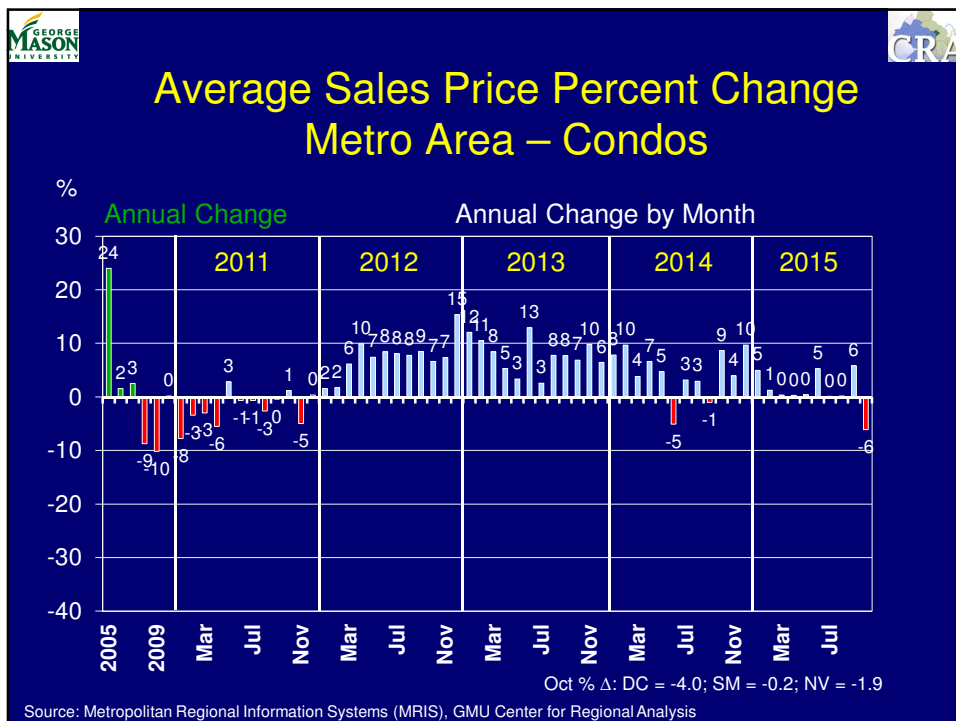
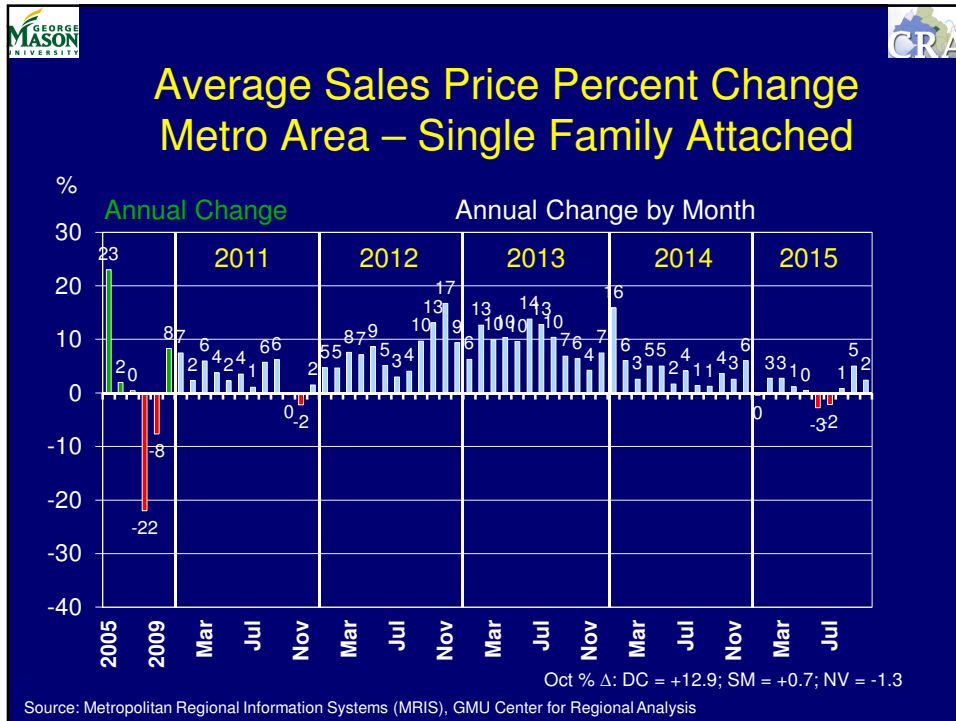


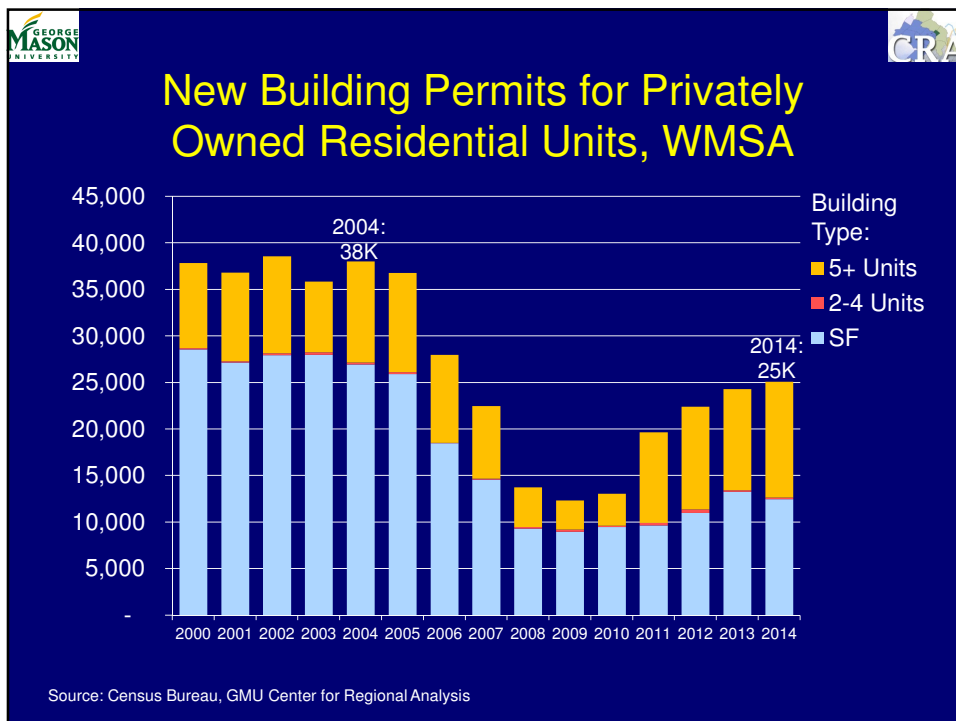
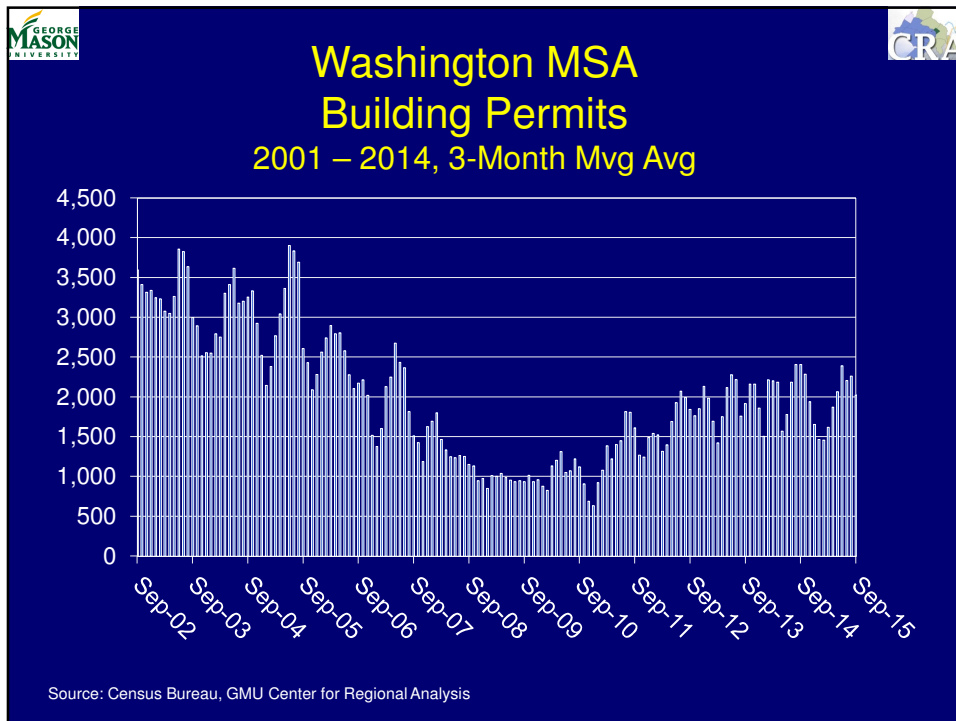






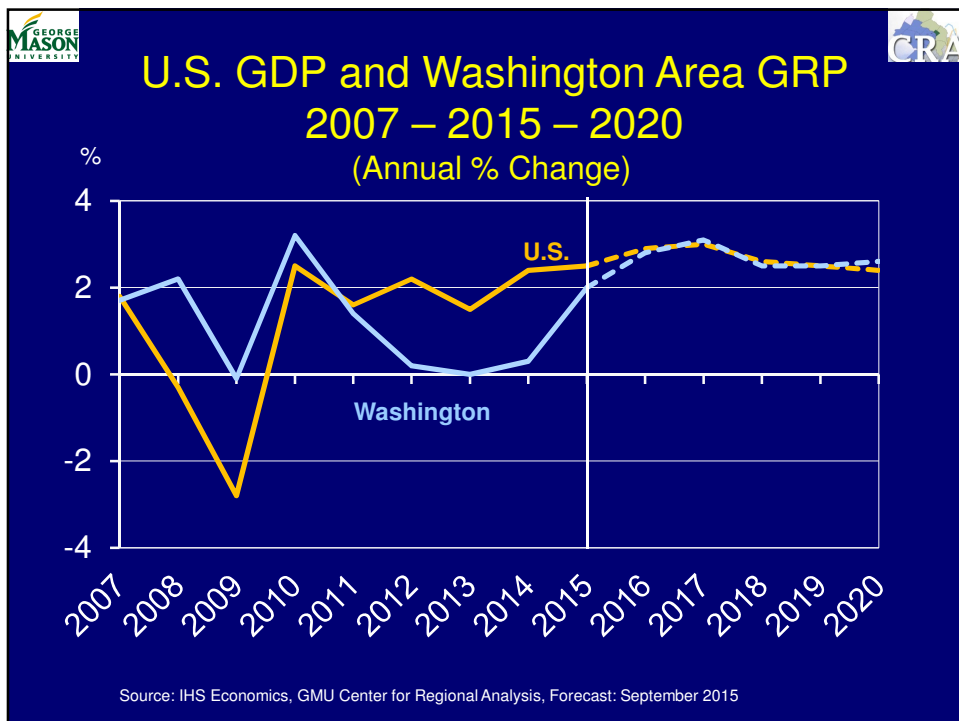


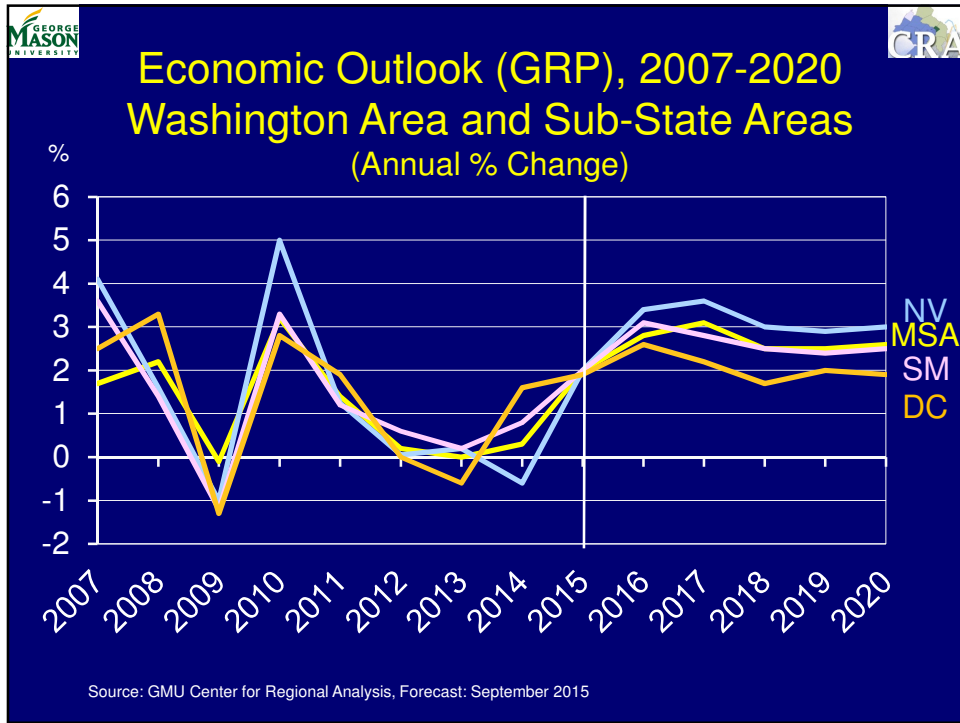




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Economic Outlook for the Washington Metropolitan Area: 2013-2020





**Employment Change in the WMSA
by Sub-State Area (000s)**

	2013	2014	2015*	2016	2017	2018	2019	2020
D.C.	13.0	6.5	14.3	15.7	11.0	12.7	11.7	11.0
Sub. MD	6.1	11.1	20.0	22.4	20.1	16.9	15.8	14.8
No. VA	8.9	1.3	24.6	28.3	26.7	19.0	17.9	16.8
REGION	28.0	18.9	58.9	66.4	57.8	48.6	45.4	42.6

Average Annual Change 1990-2010 = 36,000

Source: BLS, IHS Economics, GMU Center for Regional Analysis (August 2015); *estimated based on first half-year performance.
NOTE: The regional totals do not include Jefferson, WV.



Thank You
Questions

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