

Updated September 2009 Economic Forecast

We have updated the preliminary September economic forecast which was released on August 26th. The new forecast reflects a more recent national forecast and more up-to-date employment data. This updated economic forecast is consistent with the September 2009 revenue forecast released today, September 17, 2009.

The following tables compare the updated economic forecast with the preliminary forecast released on August 26th as well as with the forecast adopted in June.

Updated September Compared to Preliminary September

U.S. Forecast Comparison

	2009Q2	2009Q3	2009Q4	2010Q1	2010Q2	2010Q3	2007	2008	2009	2010	2011
Real GDP (2005 USD billions)											
September Forecast, Updated	12,893	12,988	13,065	13,146	13,234	13,323	13,254	13,312	12,968	13,280	13,689
Percent Change	-1.0%	3.0%	2.4%	2.5%	2.7%	2.7%	2.1%	0.4%	-2.6%	2.4%	3.1%
September Forecast, Preliminary	12,892	12,963	13,038	13,119	13,209	13,300	13,254	13,312	12,955	13,256	13,680
Percent Change	-1.0%	2.2%	2.4%	2.5%	2.8%	2.8%	2.1%	0.4%	-2.7%	2.3%	3.2%
Implicit Price Deflator (2005=100)											
September Forecast, Updated	1.088	1.095	1.098	1.101	1.105	1.110	1.055	1.090	1.091	1.108	1.128
Percent Change	1.3%	2.7%	1.0%	1.3%	1.5%	1.8%	2.7%	3.4%	0.1%	1.5%	1.8%
September Forecast, Preliminary	1.088	1.097	1.100	1.104	1.109	1.114	1.055	1.090	1.093	1.112	1.131
Percent Change	1.3%	3.5%	1.1%	1.5%	1.6%	1.9%	2.7%	3.4%	0.2%	1.7%	1.8%
Real Personal Income (2005 USD billions)											
September Forecast, Updated	11,016	10,963	10,998	11,054	11,127	11,205	11,273	11,225	11,000	11,167	11,465
Percent Change	-0.2%	-1.9%	1.3%	2.1%	2.7%	2.8%	2.8%	-0.4%	-2.0%	1.5%	2.7%
September Forecast, Preliminary	11,020	10,942	10,966	11,019	11,086	11,163	11,273	11,225	10,994	11,126	11,424
Percent Change	-1.0%	-2.8%	0.9%	1.9%	2.5%	2.8%	2.8%	-0.4%	-2.1%	1.2%	2.7%
Nonfarm Payroll Employment (Millions)											
September Forecast, Updated	132.1	131.1	130.5	130.4	130.9	131.4	137.6	137.0	131.9	131.2	133.9
Percent Change	-4.5%	-3.1%	-1.6%	-0.5%	1.6%	1.7%	1.1%	-0.4%	-3.8%	-0.5%	2.0%
September Forecast, Preliminary	132.1	131.3	130.8	130.6	131.1	131.7	137.6	137.0	132.0	131.4	134.1
Percent Change	-4.5%	-2.5%	-1.6%	-0.5%	1.6%	1.6%	1.1%	-0.4%	-3.7%	-0.4%	2.0%
Unemployment Rate (Percent of Labor Force)											
September Forecast, Updated	9.3	9.5	9.9	10.0	9.9	9.8	4.6	5.8	9.2	9.9	9.2
September Forecast, Preliminary	9.3	9.5	9.8	10.0	9.9	9.8	4.6	5.8	9.2	9.8	9.1
30 Year Fixed Mortgage Rate (Percent, average)											
September Forecast, Updated	5.0	5.2	5.2	5.3	5.3	5.4	6.3	6.0	5.1	5.3	5.6
September Forecast, Preliminary	5.0	5.2	5.3	5.4	5.4	5.5	6.3	6.0	5.2	5.5	5.6
3 Month T-Bill Rate (Percent, average)											
September Forecast, Updated	0.2	0.2	0.3	0.4	0.5	0.7	4.4	1.4	0.2	0.7	2.3
September Forecast, Preliminary	0.2	0.2	0.3	0.5	0.6	0.8	4.4	1.4	0.2	0.7	2.3

Updated September Compared to June

U.S. Forecast Comparison

	2009Q2	2009Q3	2009Q4	2010Q1	2010Q2	2010Q3	2007	2008	2009	2010	2011
Real GDP (2005 USD billions)											
September Forecast, Updated	12,893	12,988	13,065	13,146	13,234	13,323	13,254	13,312	12,968	13,280	13,689
Percent Change	-1.0%	3.0%	2.4%	2.5%	2.7%	2.7%	2.1%	0.4%	-2.6%	2.4%	3.1%
June Forecast	12,776	12,795	12,856	12,932	13,022	13,115	13,027	13,171	12,815	13,070	13,483
Percent Change	-1.8%	0.6%	1.9%	2.4%	2.8%	2.9%	2.0%	1.1%	-2.7%	2.0%	3.2%
Implicit Price Deflator (2005=100)											
September Forecast, Updated	1.088	1.095	1.098	1.101	1.105	1.110	1.055	1.090	1.091	1.108	1.128
Percent Change	1.3%	2.7%	1.0%	1.3%	1.5%	1.8%	2.7%	3.4%	0.1%	1.5%	1.8%
June Forecast	1.092	1.098	1.102	1.106	1.111	1.118	1.054	1.090	1.095	1.115	1.137
Percent Change	2.1%	2.4%	1.4%	1.5%	2.0%	2.3%	2.6%	3.3%	0.5%	1.8%	2.0%
Real Personal Income (2005 USD billions)											
September Forecast, Updated	11,016	10,963	10,998	11,054	11,127	11,205	11,273	11,225	11,000	11,167	11,465
Percent Change	-0.2%	-1.9%	1.3%	2.1%	2.7%	2.8%	2.8%	-0.4%	-2.0%	1.5%	2.7%
June Forecast	11,128	10,999	11,020	11,080	11,130	11,182	11,060	11,104	11,062	11,157	11,412
Percent Change	0.9%	-4.6%	0.8%	2.2%	1.8%	1.9%	3.4%	0.4%	-0.4%	0.9%	2.3%
Nonfarm Payroll Employment (Millions)											
September Forecast, Updated	132.1	131.1	130.5	130.4	130.9	131.4	137.6	137.0	131.9	131.2	133.9
Percent Change	-4.5%	-3.1%	-1.6%	-0.5%	1.6%	1.7%	1.1%	-0.4%	-3.8%	-0.5%	2.0%
June Forecast	132.3	131.5	131.3	131.3	131.7	132.0	137.6	137.0	132.2	131.9	134.1
Percent Change	-4.1%	-2.2%	-0.9%	0.3%	1.1%	1.0%	1.1%	-0.4%	-3.6%	-0.2%	1.7%
Unemployment Rate (Percent of Labor Force)											
September Forecast, Updated	9.3	9.5	9.9	10.0	9.9	9.8	4.6	5.8	9.2	9.9	9.2
June Forecast	9.2	9.7	9.9	10.0	10.0	9.9	4.6	5.8	9.2	9.9	9.4
30 Year Fixed Mortgage Rate (Percent, average)											
September Forecast, Updated	5.0	5.2	5.2	5.3	5.3	5.4	6.3	6.0	5.1	5.3	5.6
June Forecast	4.9	5.1	5.1	5.2	5.3	5.4	6.3	6.0	5.0	5.3	5.7
3 Month T-Bill Rate (Percent, average)											
September Forecast, Updated	0.2	0.2	0.3	0.4	0.5	0.7	4.4	1.4	0.2	0.7	2.3
June Forecast	0.2	0.3	0.3	0.4	0.5	0.6	4.4	1.4	0.2	0.6	2.3

Updated September Compared to Preliminary September

Washington Forecast Comparison

	2009Q2	2009Q3	2009Q4	2010Q1	2010Q2	2010Q3	2007	2008	2009	2010	2011
Real Personal Income (2005 USD billions)											
September Forecast, Updated	250.8	252.3	252.2	254.6	256.3	259.8	251.9	253.2	251.5	257.7	266.4
Percent Change	0.2%	2.4%	-0.2%	4.0%	2.6%	5.6%	5.3%	0.5%	-0.7%	2.5%	3.4%
September Forecast, Preliminary	250.1	250.4	250.3	252.7	254.4	257.7	251.9	253.2	250.4	255.7	264.4
Percent Change	-1.0%	0.5%	-0.3%	4.0%	2.6%	5.3%	5.3%	0.5%	-1.1%	2.1%	3.4%
Personal Income (USD billions)											
September Forecast, Updated	272.9	276.4	276.9	280.5	283.3	288.5	265.7	276.1	274.5	285.6	300.4
Percent Change	1.5%	5.1%	0.7%	5.3%	4.1%	7.5%	8.1%	3.9%	-0.6%	4.0%	5.2%
September Forecast, Preliminary	272.1	274.8	275.4	279.1	282.1	287.1	265.7	276.1	273.6	284.3	299.2
Percent Change	0.3%	4.0%	0.9%	5.5%	4.3%	7.3%	8.1%	3.9%	-0.9%	3.9%	5.2%
Nonfarm Payroll Employment (Thousands)											
September Forecast, Updated	2852	2846	2837	2841	2858	2871	2933	2959	2855	2863	2926
Percent Change	-4.3%	-0.9%	-1.2%	0.7%	2.3%	1.8%	2.6%	0.9%	-3.5%	0.3%	2.2%
September Forecast, Preliminary	2852	2844	2838	2845	2862	2875	2933	2959	2854	2867	2930
Percent Change	-4.3%	-1.1%	-0.9%	1.0%	2.4%	1.8%	2.6%	0.9%	-3.5%	0.4%	2.2%
Unemployment Rate (Percent of Labor Force)											
September Forecast, Updated	9.1	9.2	9.6	9.8	9.8	9.8	4.5	5.3	9.1	9.8	9.3
September Forecast, Preliminary	9.1	9.3	9.7	9.8	9.8	9.8	4.5	5.3	9.1	9.8	9.3
Manufacturing Employment (Thousands)											
September Forecast, Updated	267.8	265.6	264.9	264.6	264.6	265.1	293.3	291.2	268.8	264.8	267.8
Percent Change	-12.3%	-3.4%	-1.0%	-0.5%	0.0%	0.8%	2.6%	-0.7%	-7.7%	-1.5%	1.1%
September Forecast, Preliminary	267.8	264.8	264.1	264.3	264.5	264.7	293.3	291.2	268.4	264.6	267.6
Percent Change	-12.3%	-4.4%	-1.1%	0.3%	0.3%	0.4%	2.6%	-0.7%	-7.8%	-1.4%	1.1%
Construction Employment (Thousands)											
September Forecast, Updated	168.5	163.0	159.3	157.3	155.5	154.8	208.2	200.7	167.0	155.6	157.2
Percent Change	-18.1%	-12.5%	-8.8%	-5.0%	-4.4%	-1.8%	6.8%	-3.6%	-16.8%	-6.8%	1.1%
September Forecast, Preliminary	168.5	160.8	158.2	156.8	155.5	155.4	208.2	200.7	166.2	155.9	158.3
Percent Change	-18.1%	-17.2%	-6.4%	-3.5%	-3.2%	-0.2%	6.8%	-3.6%	-17.2%	-6.2%	1.5%
Housing Permits (Thousands)											
September Forecast, Updated	13.9	14.8	16.8	19.0	20.3	22.9	47.4	28.9	15.2	22.0	34.2
Percent Change	-28.8%	27.8%	66.6%	61.8%	31.0%	63.5%	-5.3%	-39.0%	-47.6%	45.0%	55.4%
September Forecast, Preliminary	13.9	15.8	17.6	19.1	20.4	22.9	47.4	28.9	15.6	22.0	34.0
Percent Change	-28.8%	66.1%	54.2%	38.6%	31.3%	58.4%	-5.3%	-39.0%	-46.0%	41.1%	54.3%

Updated September Compared to June

Washington Forecast Comparison

	2009Q2	2009Q3	2009Q4	2010Q1	2010Q2	2010Q3	2007	2008	2009	2010	2011
Real Personal Income (2005 USD billions)											
September Forecast, Updated	250.8	252.3	252.2	254.6	256.3	259.8	251.9	253.2	251.5	257.7	266.4
Percent Change	0.2%	2.4%	-0.2%	4.0%	2.6%	5.6%	5.3%	0.5%	-0.7%	2.5%	3.4%
June Forecast	253.2	251.3	251.3	253.8	255.2	258.0	252.0	253.5	252.5	256.4	264.7
Percent Change	-1.7%	-3.1%	0.1%	4.1%	2.2%	4.4%	5.4%	0.6%	-0.4%	1.5%	3.2%
Personal Income (USD billions)											
September Forecast, Updated	272.9	276.4	276.9	280.5	283.3	288.5	265.7	276.1	274.5	285.6	300.4
Percent Change	1.5%	5.1%	0.7%	5.3%	4.1%	7.5%	8.1%	3.9%	-0.6%	4.0%	5.2%
June Forecast	276.5	276.0	277.0	280.8	283.7	288.3	265.7	276.3	276.4	285.8	301.0
Percent Change	0.4%	-0.8%	1.4%	5.6%	4.2%	6.8%	8.1%	4.0%	0.1%	3.4%	5.3%
Nonfarm Payroll Employment (Thousands)											
September Forecast, Updated	2852	2846	2837	2841	2858	2871	2933	2959	2855	2863	2926
Percent Change	-4.3%	-0.9%	-1.2%	0.7%	2.3%	1.8%	2.6%	0.9%	-3.5%	0.3%	2.2%
June Forecast	2852	2836	2829	2833	2846	2858	2934	2959	2850	2852	2920
Percent Change	-4.6%	-2.2%	-1.0%	0.6%	1.9%	1.7%	2.6%	0.9%	-3.7%	0.1%	2.4%
Unemployment Rate (Percent of Labor Force)											
September Forecast, Updated	9.1	9.2	9.6	9.8	9.8	9.8	4.5	5.3	9.1	9.8	9.3
June Forecast	9.3	9.9	10.3	10.5	10.5	10.4	4.5	5.3	9.5	10.4	9.8
Manufacturing Employment (Thousands)											
September Forecast, Updated	267.8	265.6	264.9	264.6	264.6	265.1	293.3	291.2	268.8	264.8	267.8
Percent Change	-12.3%	-3.4%	-1.0%	-0.5%	0.0%	0.8%	2.6%	-0.7%	-7.7%	-1.5%	1.1%
June Forecast	268.7	263.6	259.6	257.8	255.5	255.5	293.3	291.2	267.3	256.5	260.7
Percent Change	-12.0%	-7.5%	-5.9%	-2.7%	-3.5%	0.1%	2.6%	-0.7%	-8.2%	-4.1%	1.6%
Construction Employment (Thousands)											
September Forecast, Updated	168.5	163.0	159.3	157.3	155.5	154.8	208.2	200.7	167.0	155.6	157.2
Percent Change	-18.1%	-12.5%	-8.8%	-5.0%	-4.4%	-1.8%	6.8%	-3.6%	-16.8%	-6.8%	1.1%
June Forecast	168.5	163.4	160.0	156.8	155.6	155.8	208.2	200.7	167.7	156.1	160.9
Percent Change	-21.0%	-11.5%	-8.2%	-7.6%	-3.1%	0.5%	6.8%	-3.6%	-16.5%	-6.9%	3.1%
Housing Permits (Thousands)											
September Forecast, Updated	13.9	14.8	16.8	19.0	20.3	22.9	47.4	28.9	15.2	22.0	34.2
Percent Change	-28.8%	27.8%	66.6%	61.8%	31.0%	63.5%	-5.3%	-39.0%	-47.6%	45.0%	55.4%
June Forecast	12.8	13.8	16.0	19.4	22.2	25.0	47.4	28.9	14.4	23.6	35.5
Percent Change	-49.4%	36.0%	80.2%	115.9%	70.9%	62.8%	-5.3%	-39.0%	-50.1%	63.7%	50.3%