

Hampton Roads Economic Forecast

2014

Hampton Roads Planning District Commission

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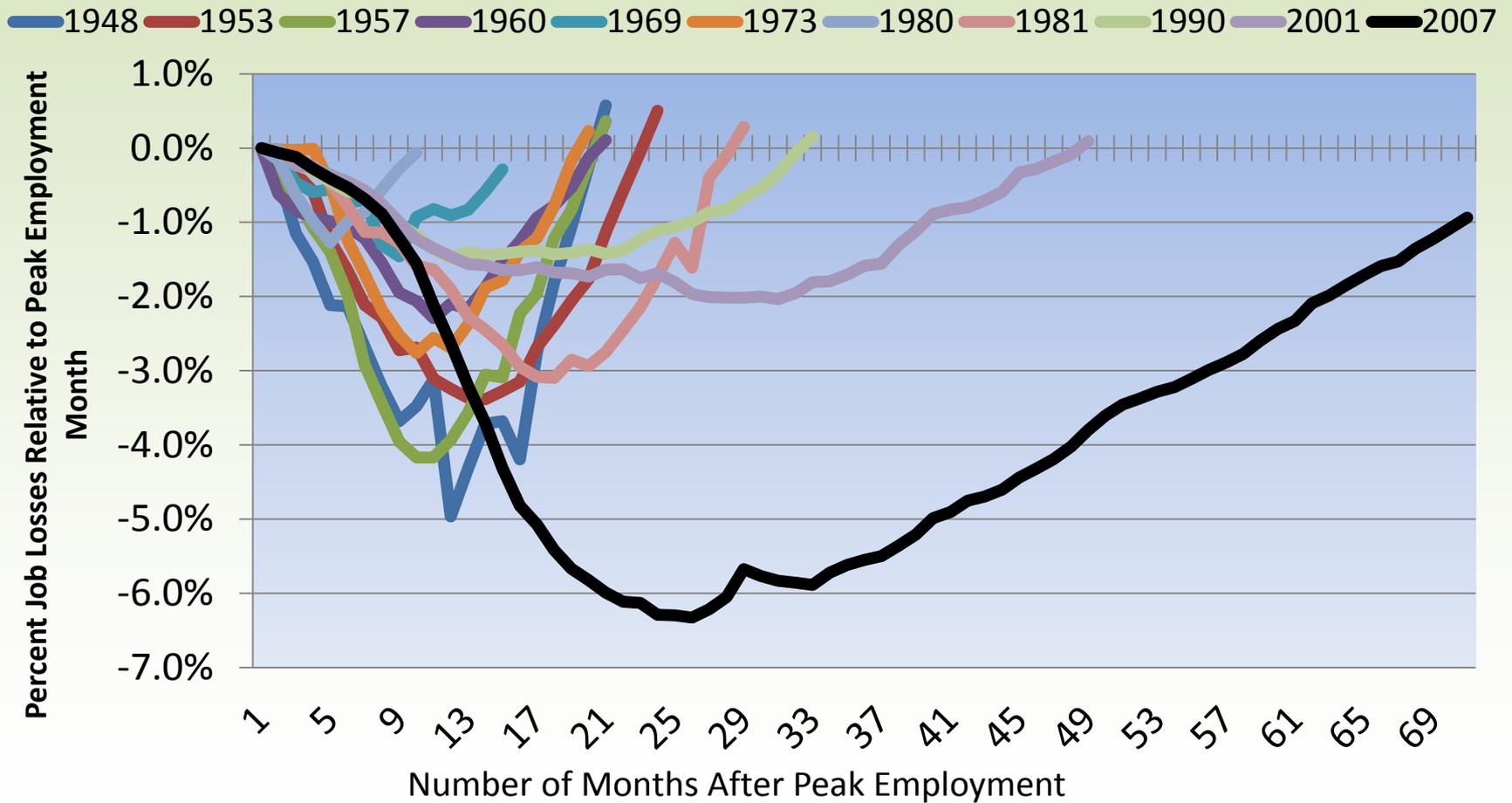


Agenda Item # 3

National Conditions

	Pre-Recession High	Recession Low	Current	Data '07-'13
Real GDP (trillions)	\$15.0	\$14.4	\$15.8	
Civilian Employment (thousands)	138,056	129,320	136,877	
Unemployment Rate	4.4%	10.0%	6.7%	
S&P	\$1,549.4	\$735.0	\$1,810.7	

Percent Job Loss in Post WWII Recessions

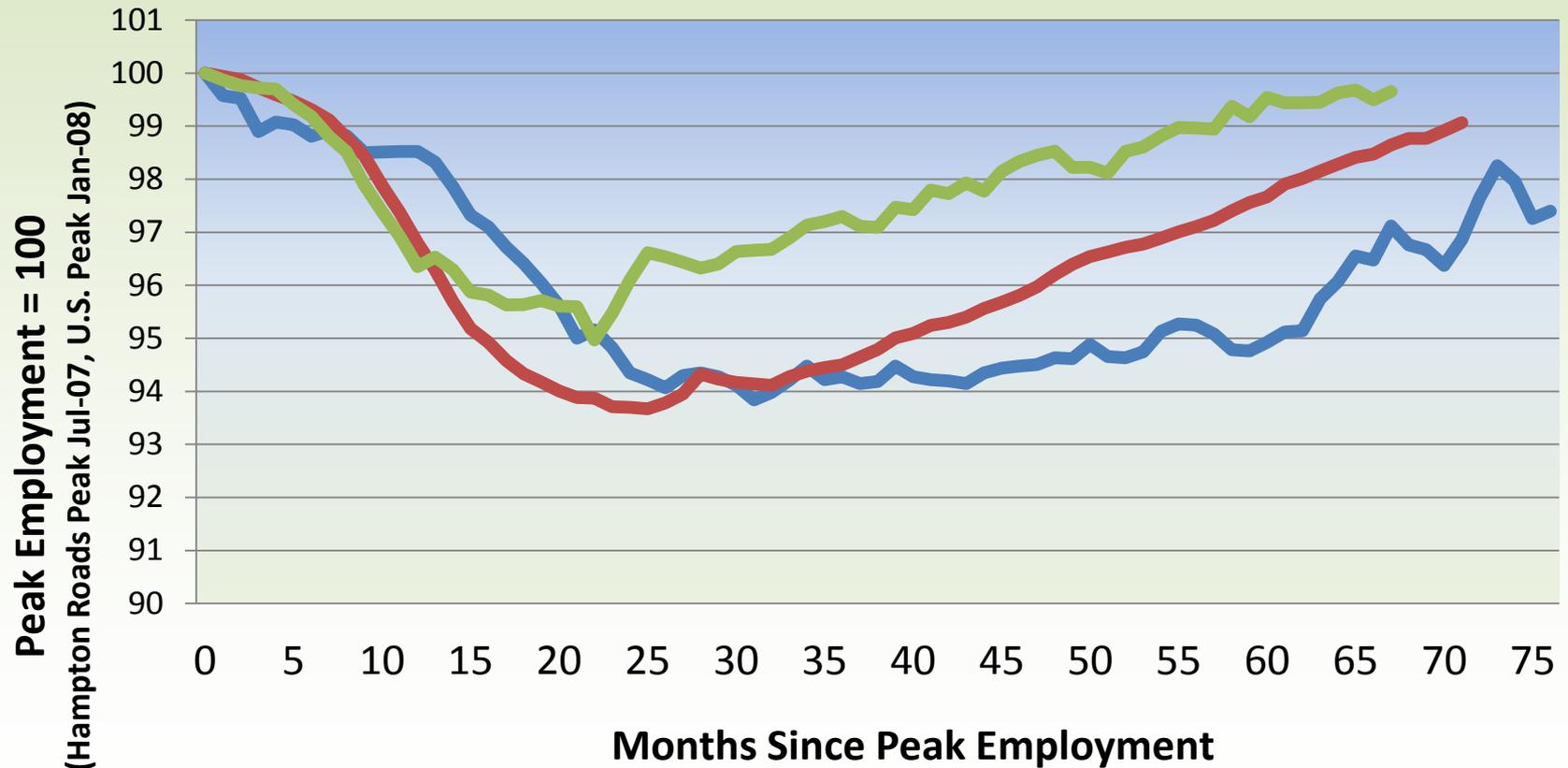


Source: Bureau of Labor Statistics & HRPDC

Indexed Employment

Seasonally Adjusted Peak Employment = 100

Hampton Roads U.S. Virginia



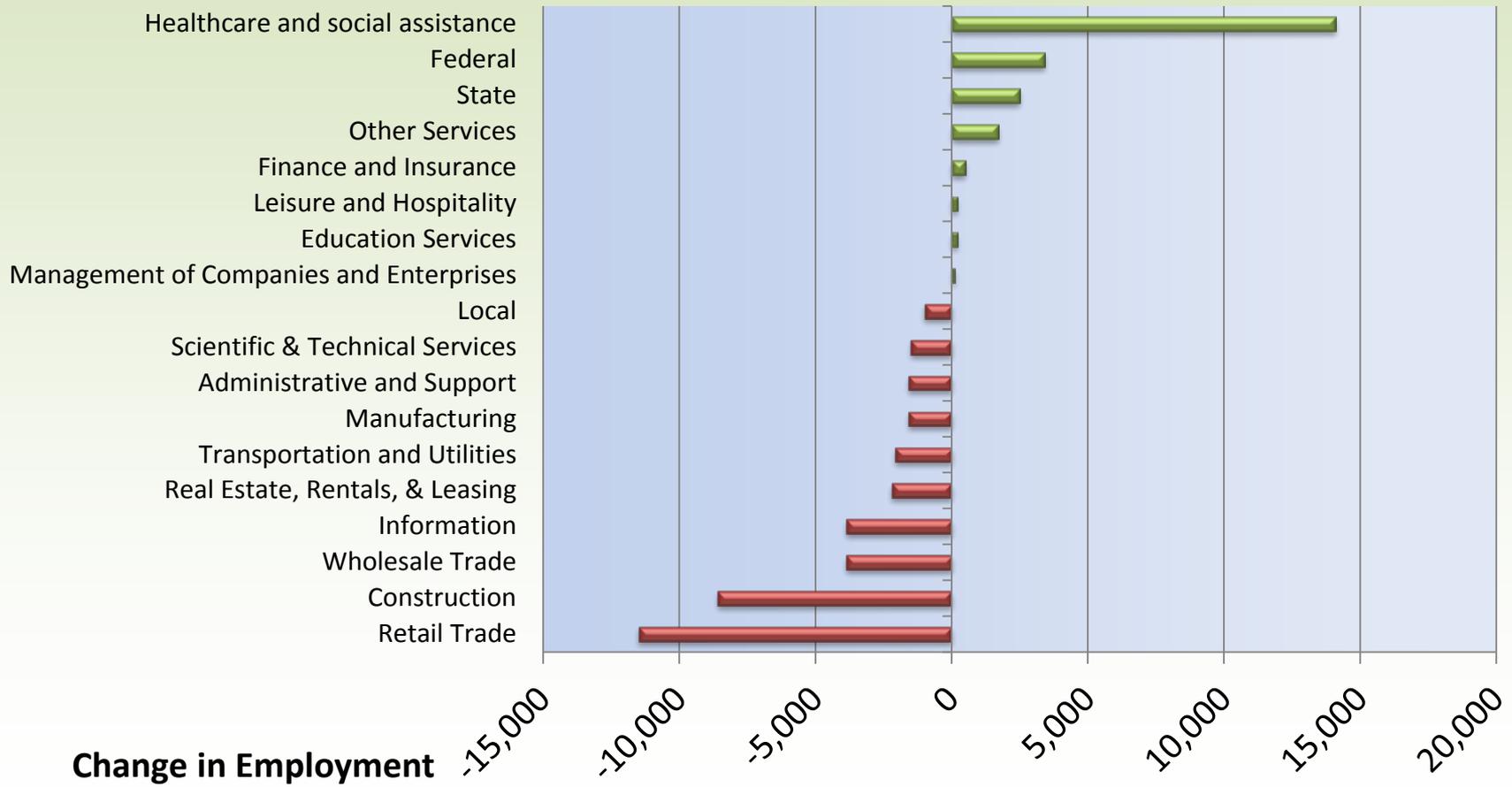
Source: Bureau of Labor Statistics & HRPDC

Hampton Roads Projected Return to Peak Employment



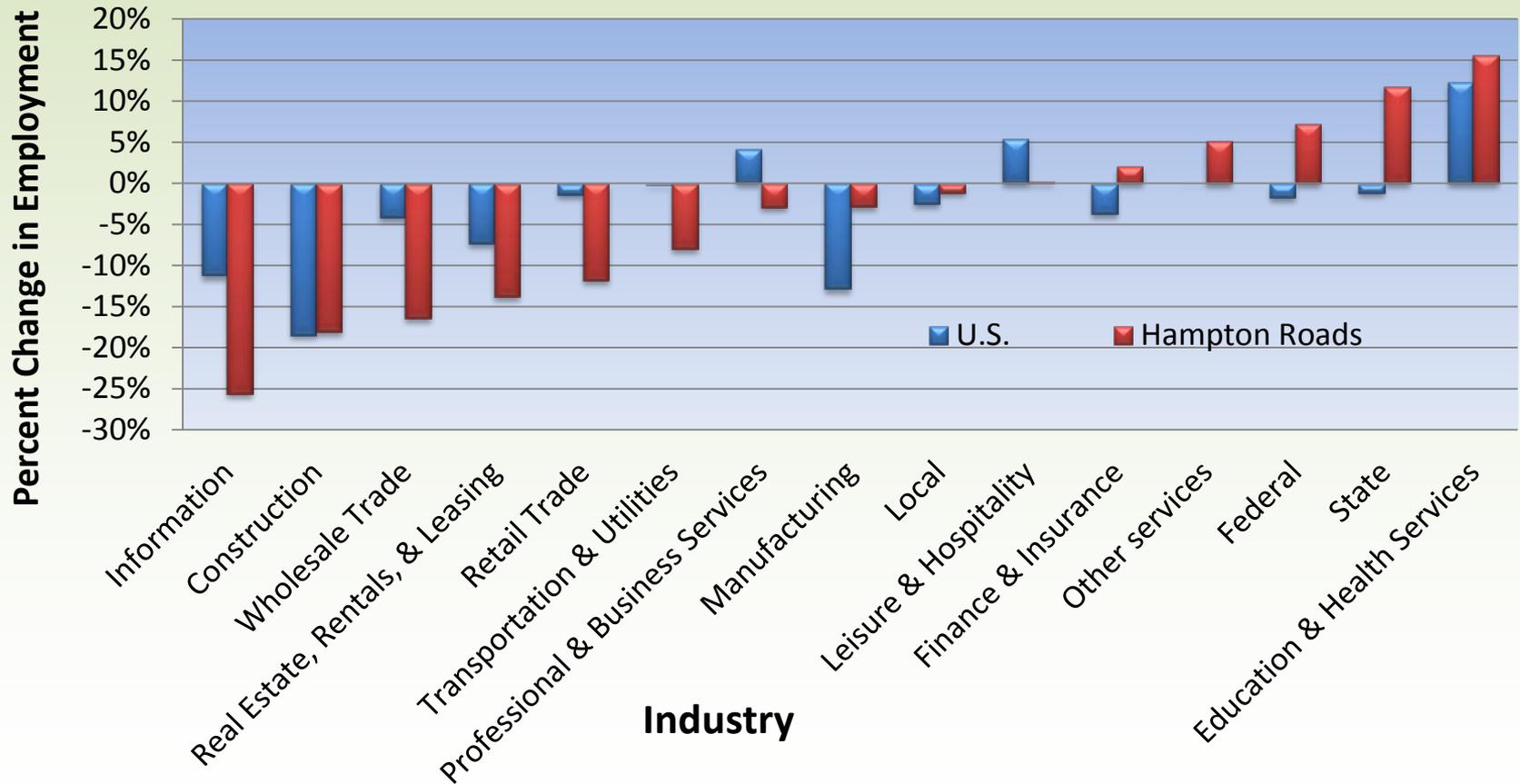
Source: Bureau of Labor Statistics & HRPDC

Hampton Roads Employment Change Between Nov '07 and Nov '13



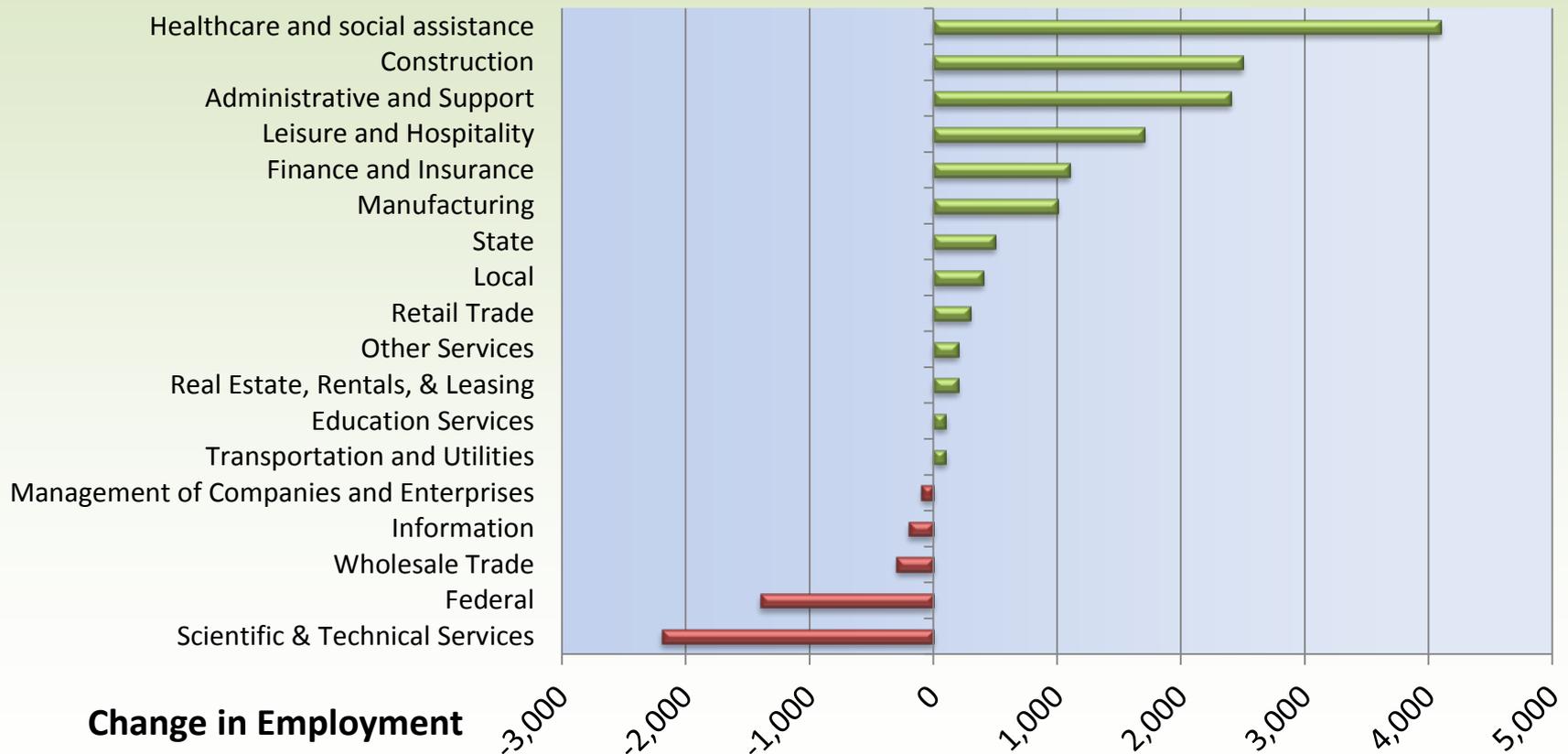
Source: Bureau of Labor Statistics & HRPDC

Six-Year Change in U.S. and Hampton Roads Employment by Industry



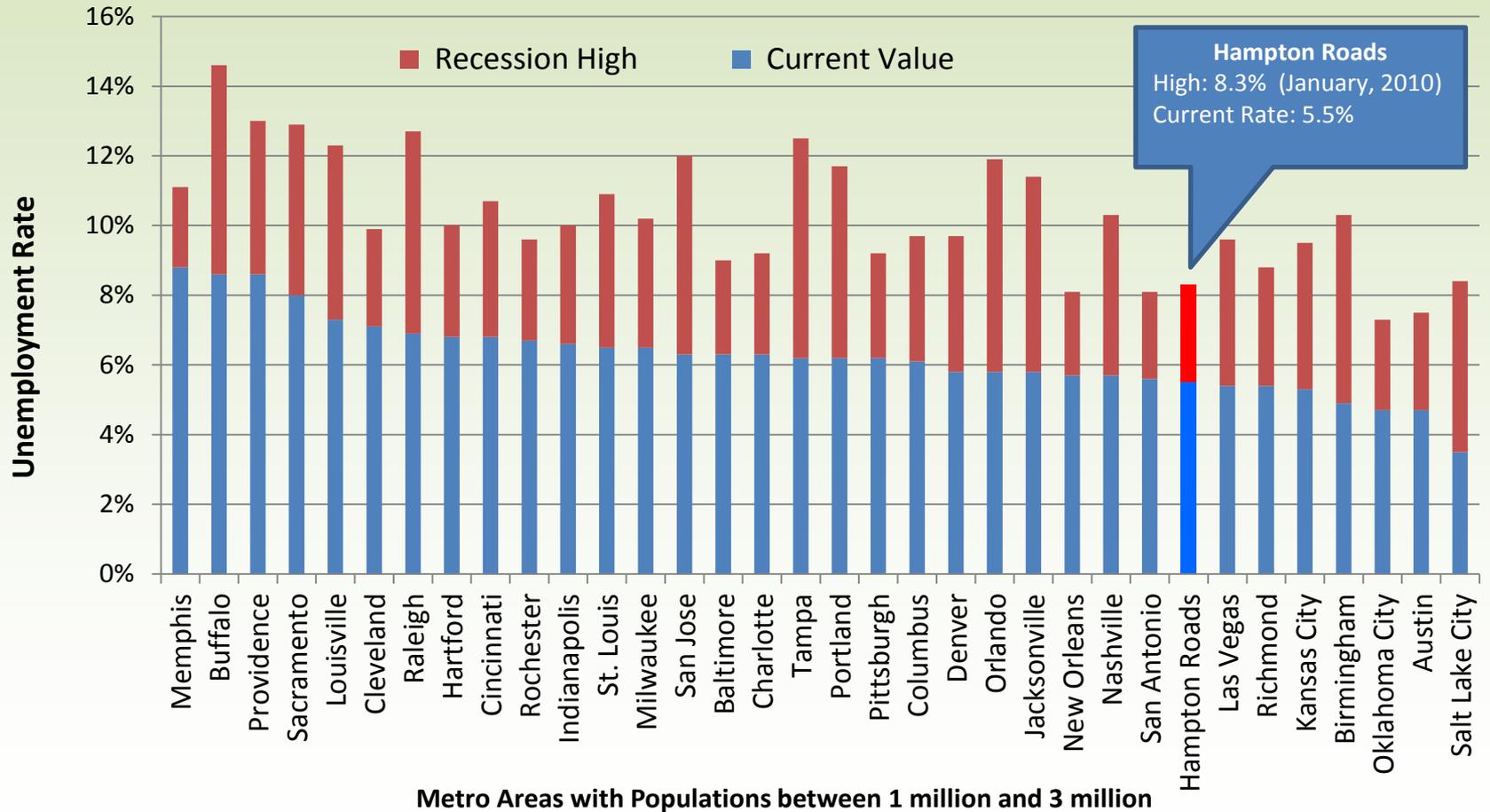
Source: Bureau of Labor Statistics & HRPDC

Hampton Roads Employment Change Between Nov '12 and Nov '13



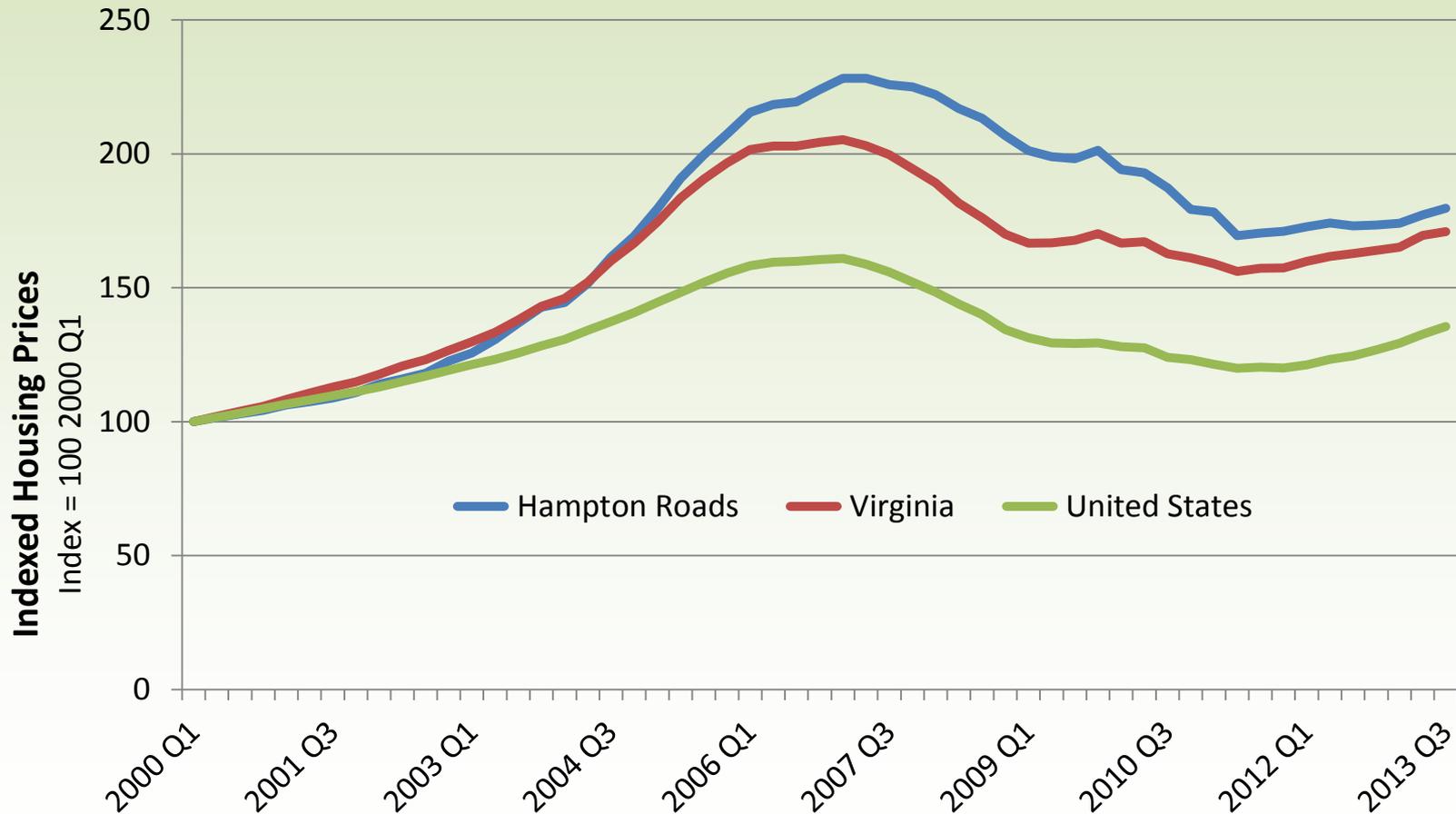
Source: Bureau of Labor Statistics & HRPDC

Metro Unemployment Rates



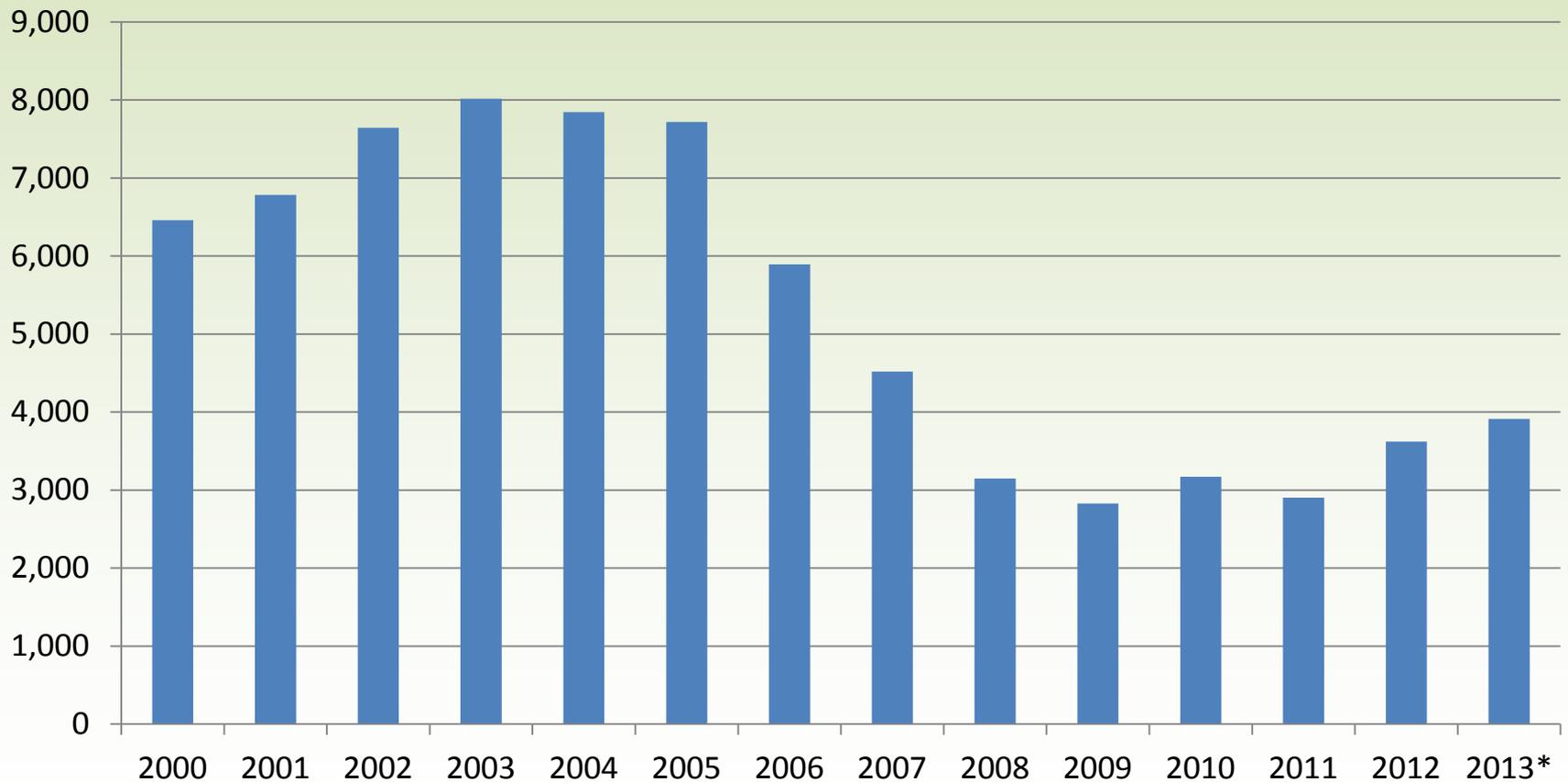
Source: Bureau of Labor Statistics & HRPDC

Seasonally Adjusted Housing Prices



Source: Federal Housing Finance Agency & HRPDC

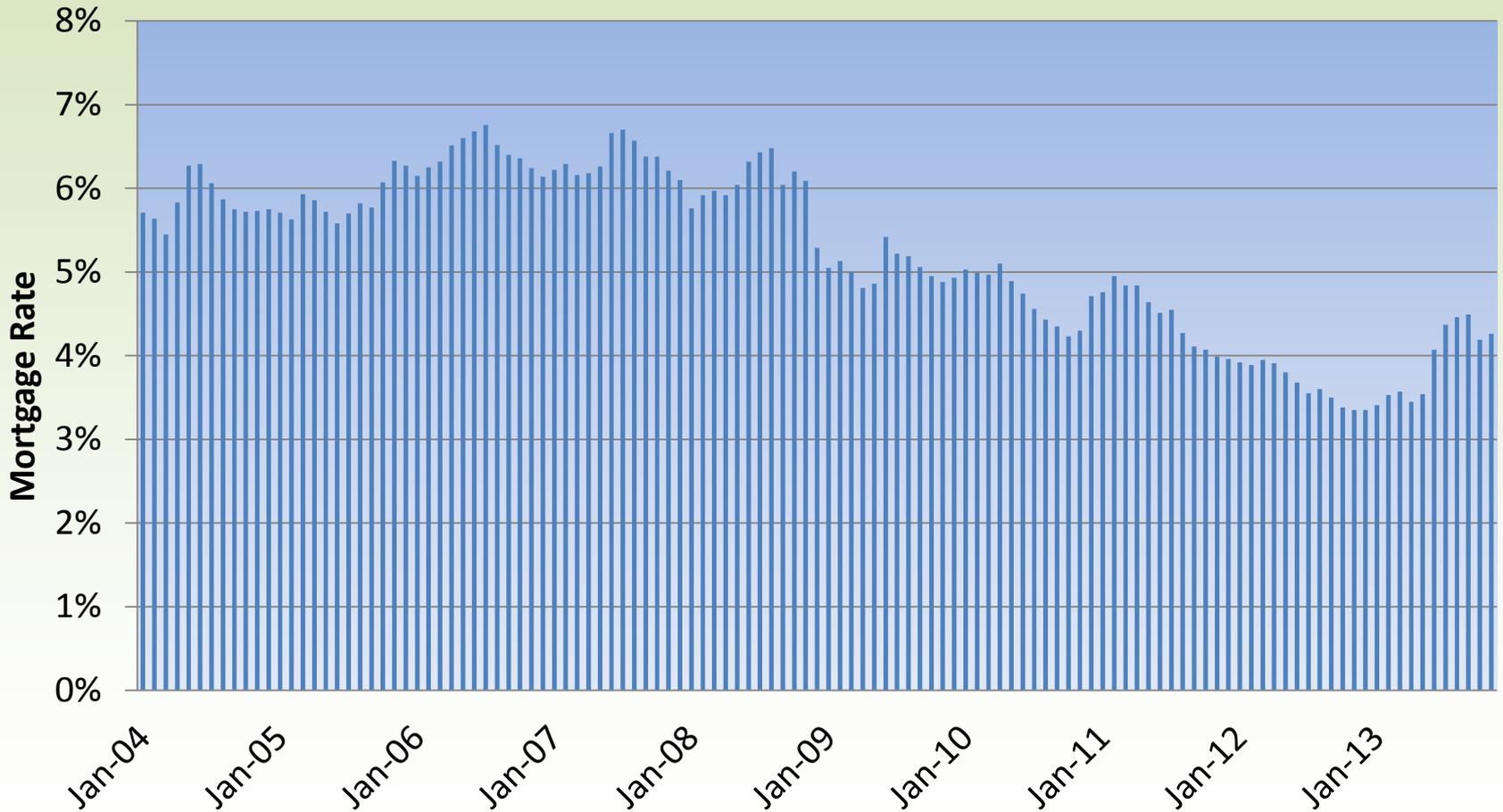
Single Family Building Permits in Hampton Roads



*Projected

Sources: U.S Census Bureau & HRPDC

30 – Year Mortgage Rates



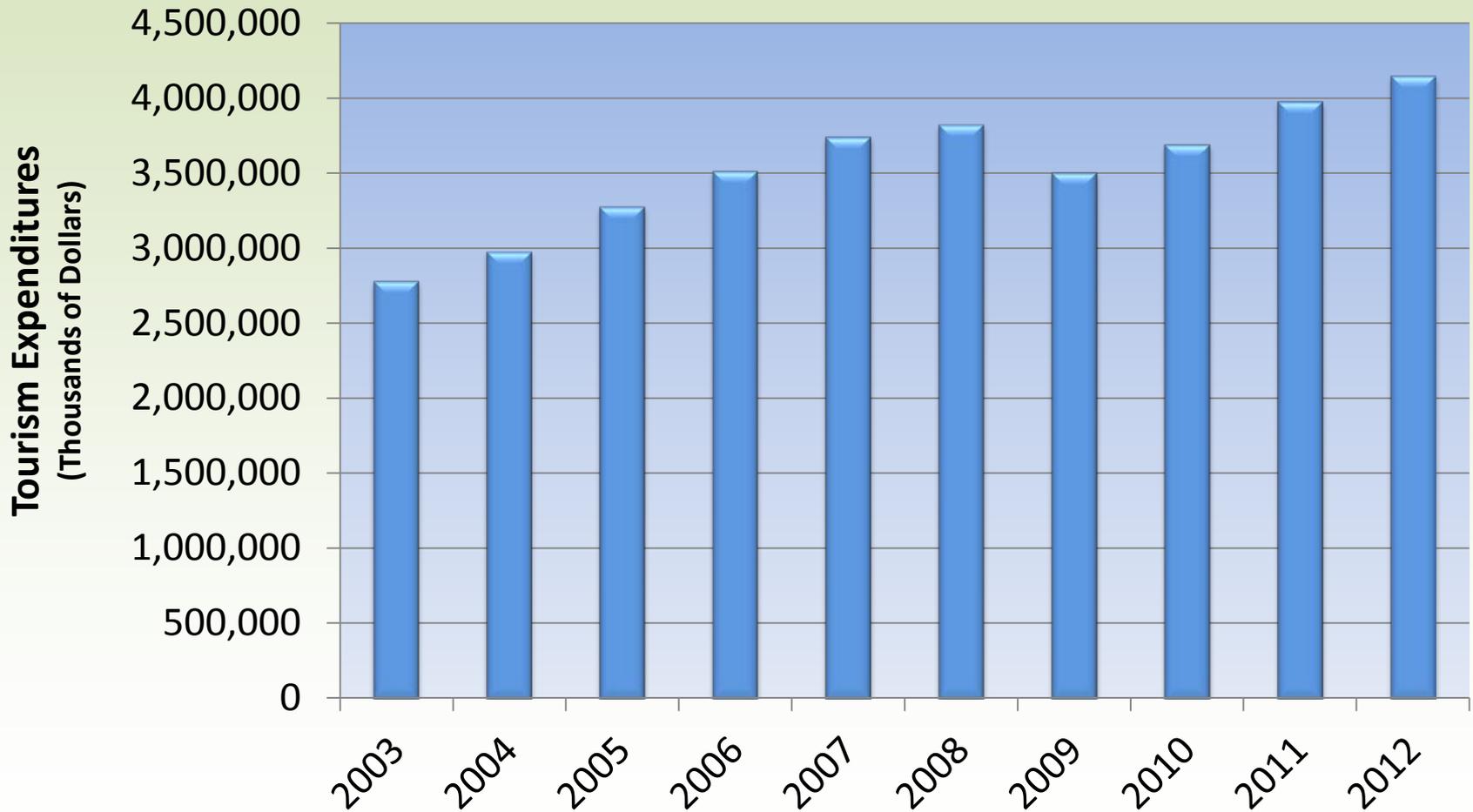
Source: Freddie Mac

Trade & the Port of Virginia



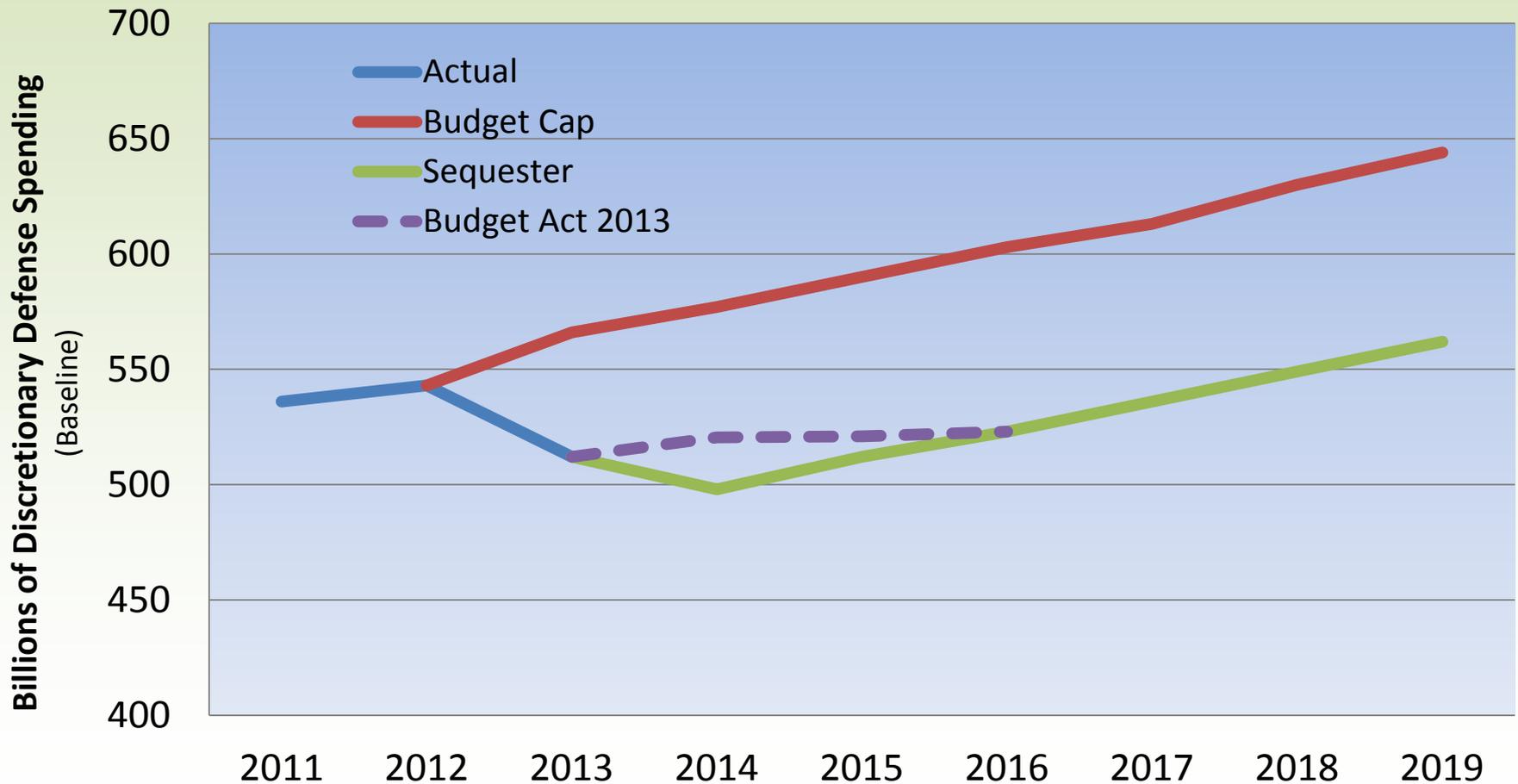
Sources: Port of Virginia, OECD, & HRPDC

Tourism Expenditures in Hampton Roads



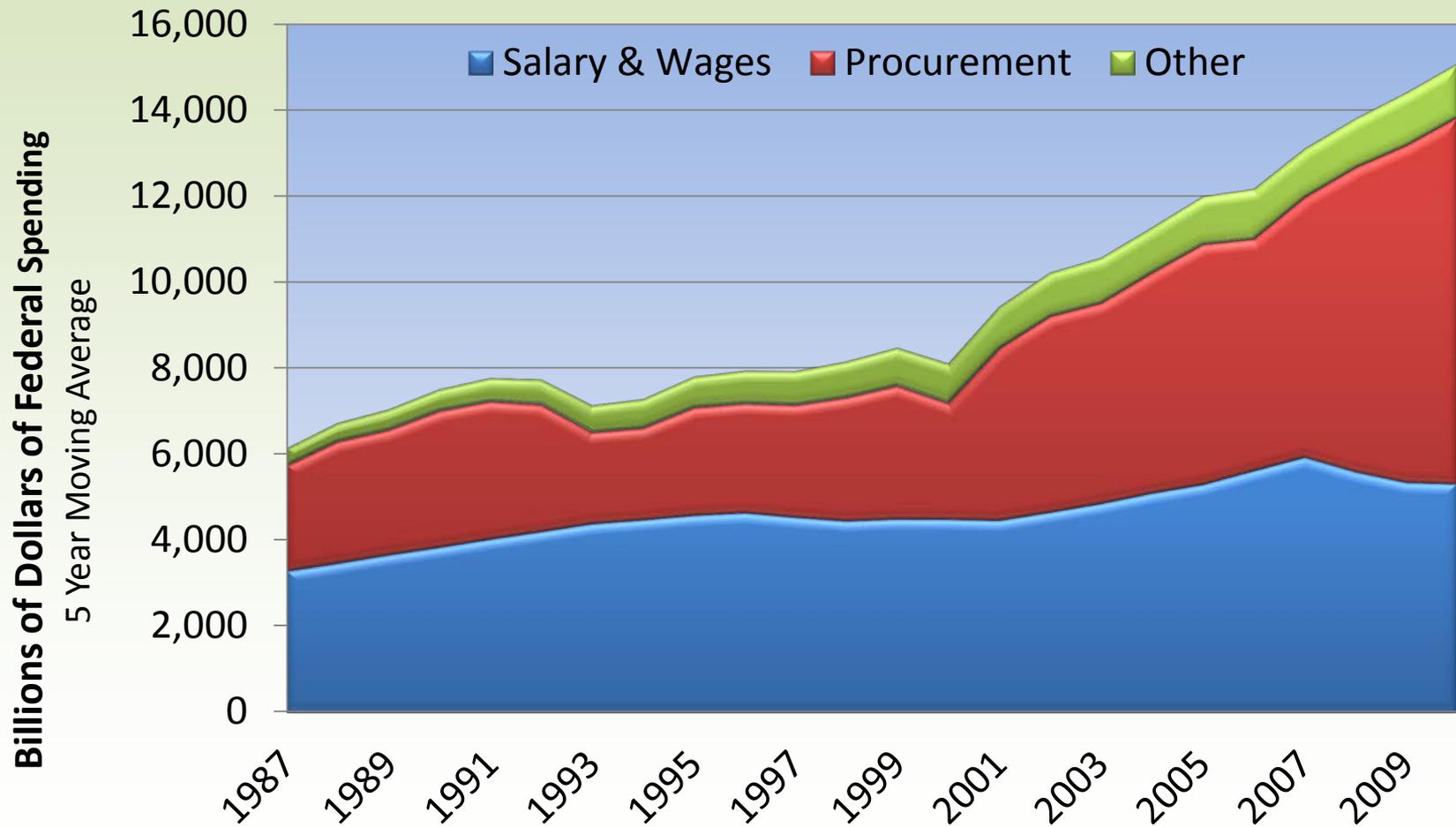
Source: Virginia Tourism Corporation & HRPDC

Bipartisan Budget Act of 2013 and Defense Spending



Source: Congressional Budget Office & HRPDC

Federal Spending in Hampton Roads



Source: Consolidated Federal Funds Report & HRPDC

The Year Ahead

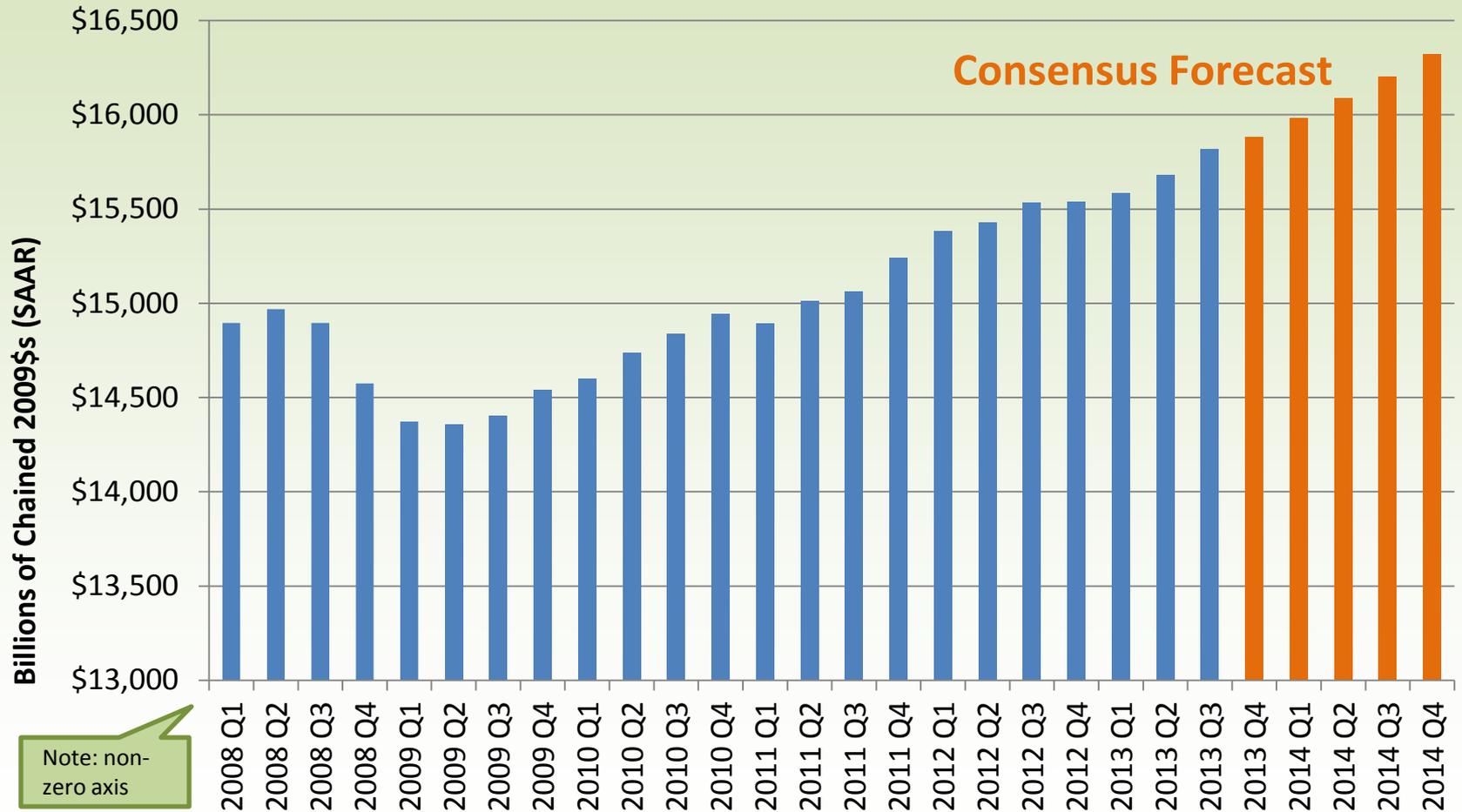
The Good

- Federal budget certainty
- Housing is recovering
- Construction is coming back
- Strong balance sheets
- Europe is recovering
- Global economic growth
- Energy prices are low
- Strong growth in national employment

The Bad

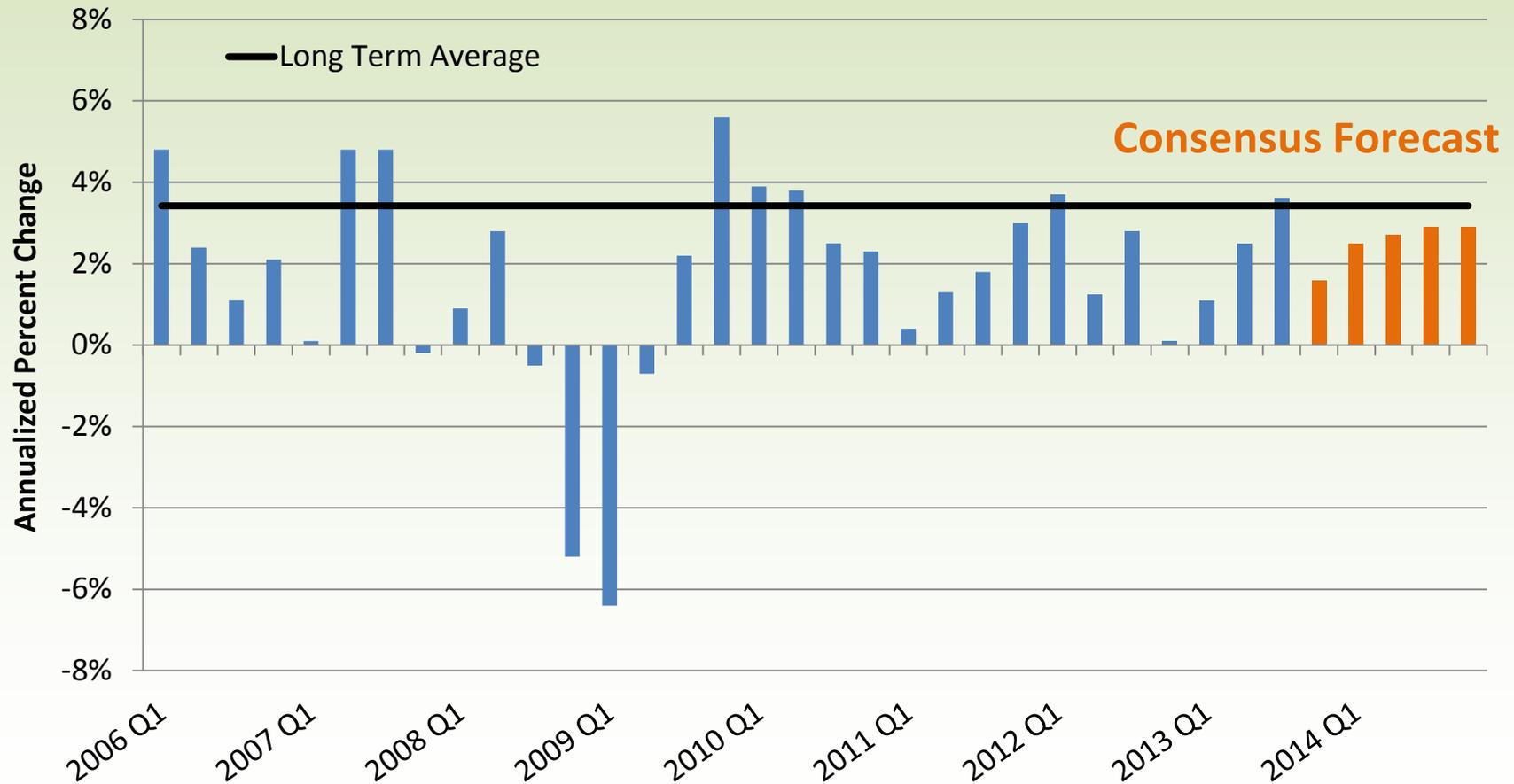
- Unemployment remains an issue
 - Long-term UE benefits cut in December
- Federal expenditures remain tight
 - Debt ceiling
- China's economy slowing

Real Gross Domestic Product



Source: Blue Chip Economic Indicators & HRPDC

Annualized Percent Change in Gross Domestic Product



Source: Blue Chip Economic Indicators, Bureau of Economic Analysis, and HRPDC

2014 HRPDC Forecast

	2013 (Year to Date)	2014 Forecast
U.S.		
Real GDP	1.7%	2.6%
Interest Rates		
Short Government Rates	0.1%	0.2%
Long Government Rates	2.4%	3.1%
Hampton Roads		
Gross Product	NA	1.9%
Civilian Employment	1.4%	1.9%
Unemployment Rate	5.8%	5.4%
Retail Sales	2.9%	3.4%
Auto and Truck Sales	4.9%	3.9%
Value of Single-Family Residential Building Permits	18.9%	8.4%

Discussion

approval requested under agenda item 8k