

Special Report: Hampton Roads 2012 Forecast

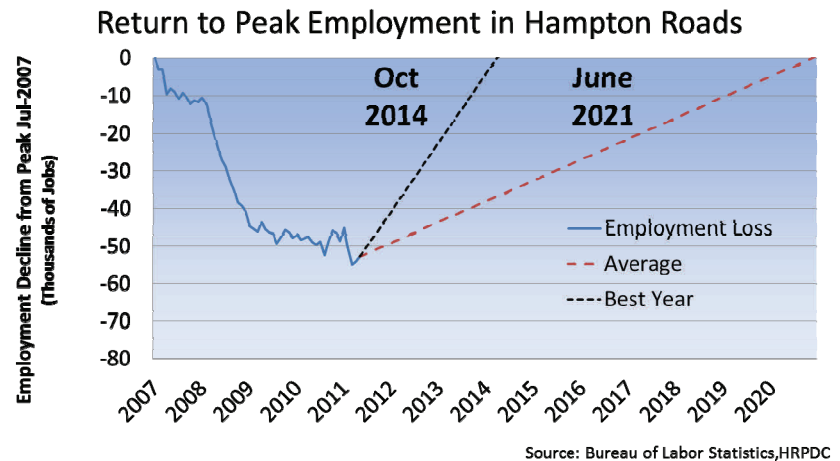
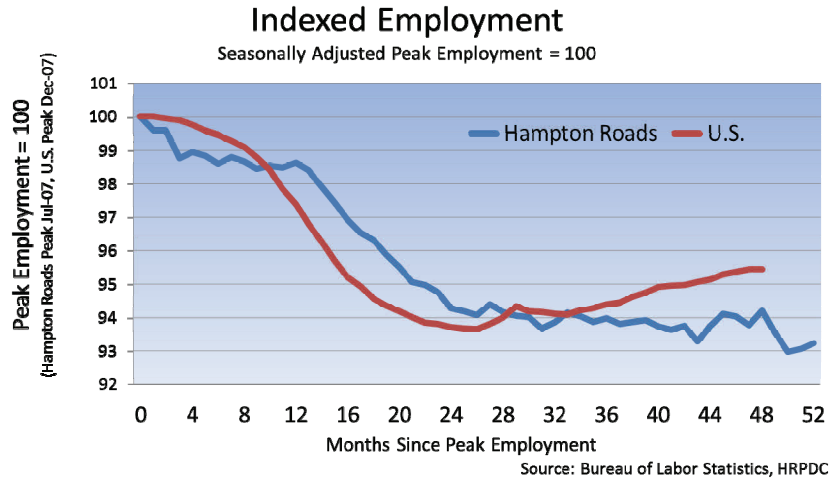


On January 19th the Hampton Roads Planning District Commission released the 2012 HRPDC Regional Forecast.

Currently, Hampton Roads remains entrenched in the process of recovering from the “Great Recession.” The region has lost in excess of 50,000 jobs since payroll employment peaked in July of 2007 and has experienced 52 months of employment decline without a sustained trend toward recovery.

Over the past two years there has been some employment growth in the region’s federal, administrative & support, education & health services, and transportation and utilities sectors; though not enough growth to counter the effects of job loss. Assuming the region’s best record of annual employment growth, it would take until October of 2014 to return to previous peak employment.

The year ahead is likely to be one characterized by very modest growth. On the national level industrial production is trending upward, manufacturing orders have increased, homebuilder sentiment is improving, the average number of weekly hours worked has increased, and initial unemployment claims are down. Concerns that lie ahead include the Eurozone crisis, cuts in federal expenditures, tightened monetary policy in developing economies, and rising fuel prices.



2012 HRPDC Regional Forecast

	2011 (Year to Date)	2012 Forecast
United States		
Real GDP	1.7%	2.3%
Interest Rates		
3-Month Treasury Bills	0.05%	0.1%
10-Year Treasury Notes	2.8%	2.3%
Hampton Roads		
Gross Product	NA	1.8%
Civilian Employment	-0.3%	0.8%
Unemployment Rate	7.0%	7.1%
Retail Sales	3.5%	2.8%
Auto and Truck Sales	2.7%	3.0%
Value of Single-Family Residential Building Permits	-11.8%	5.0%

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