



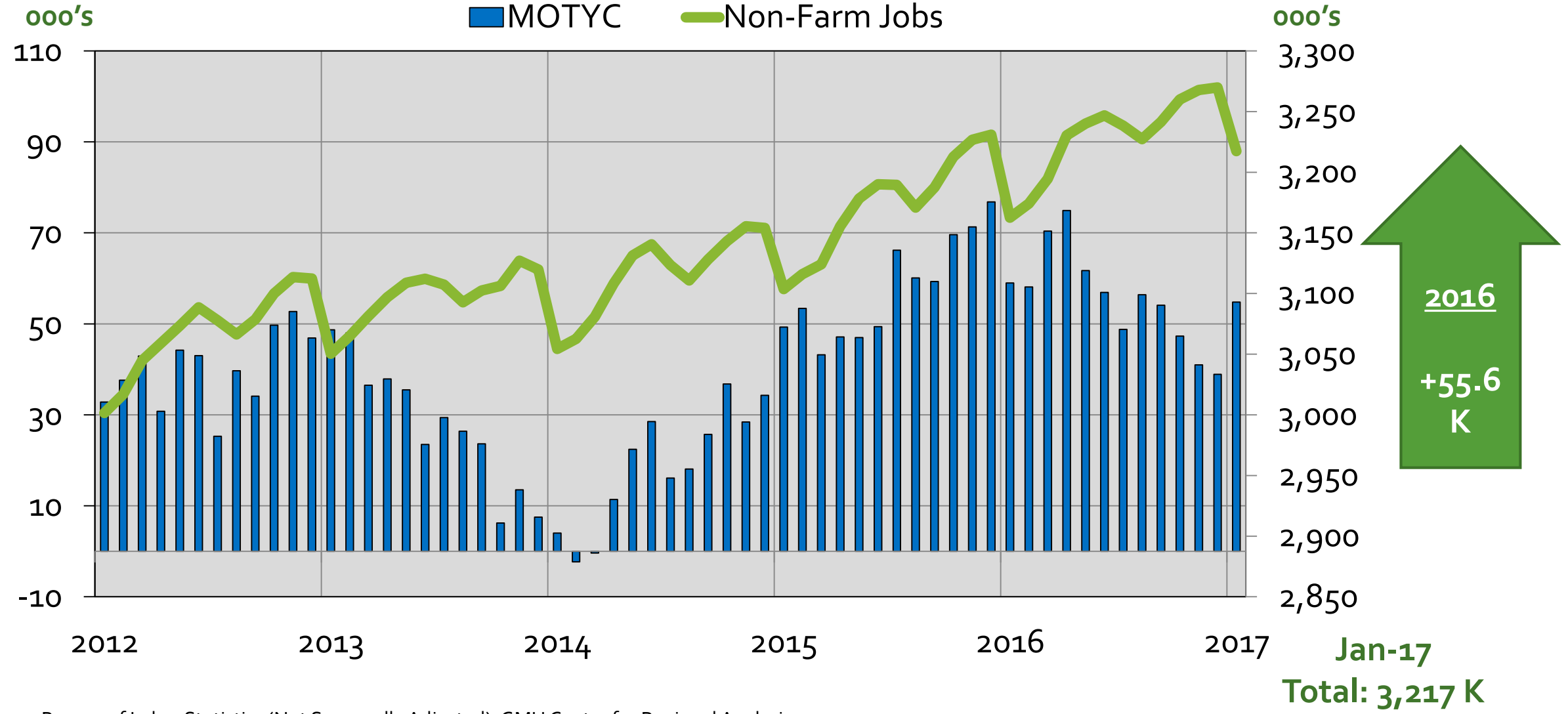
## *Market and Economic Briefing*

# *Washington Area Economy: Performance and Outlook*

Terry L. Clower, Ph.D.  
Director, Center for Regional Analysis  
Schar School of Policy and Government  
George Mason University

March 22, 2017

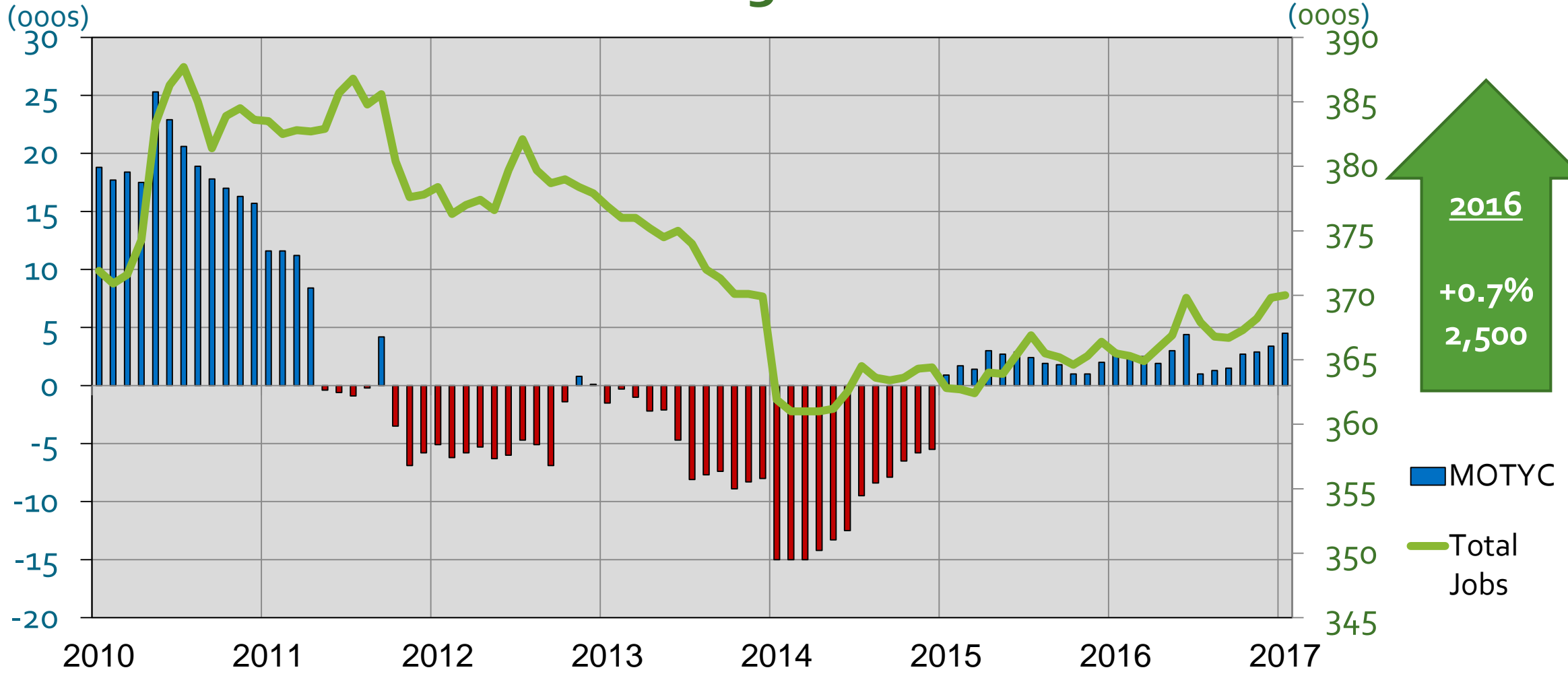
# Annual Job Change - Washington MSA



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

**Jan-17  
Total: 3,217 K**

# Federal Government Washington MSA



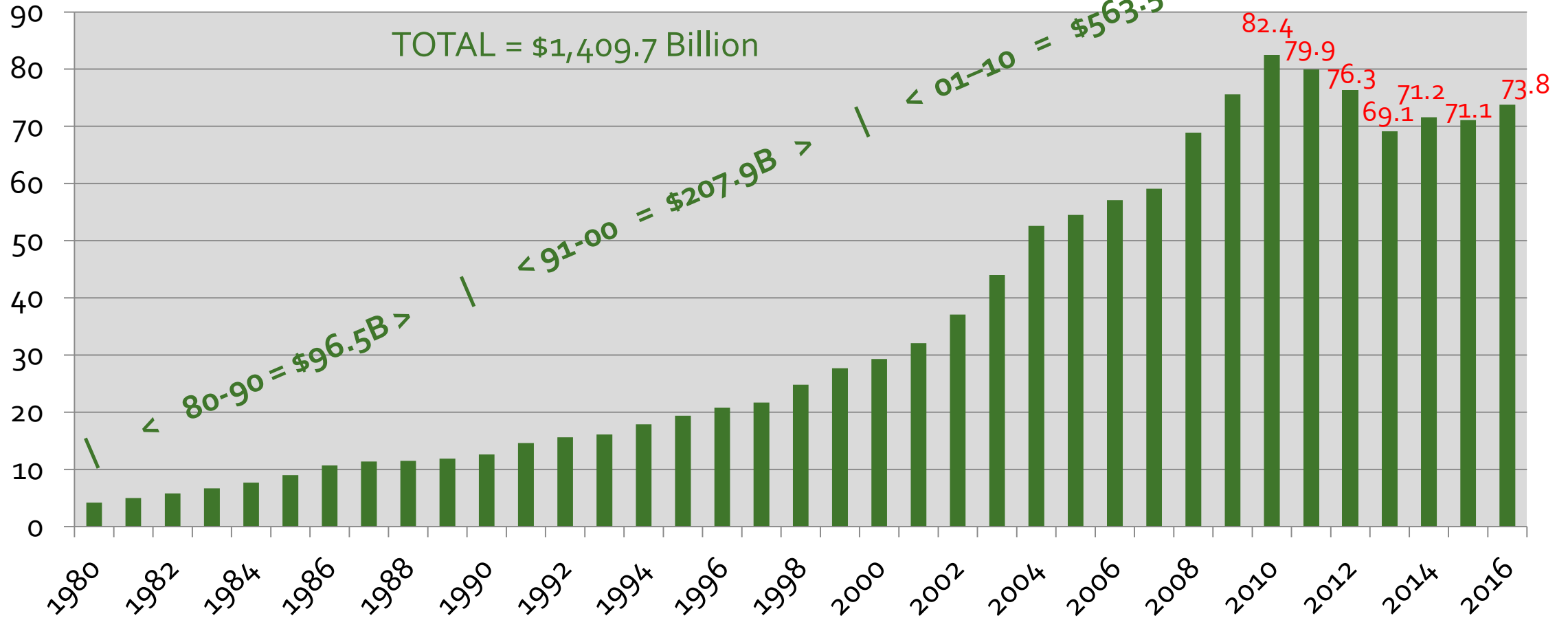
Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

**Jan-17 Total: 370K**

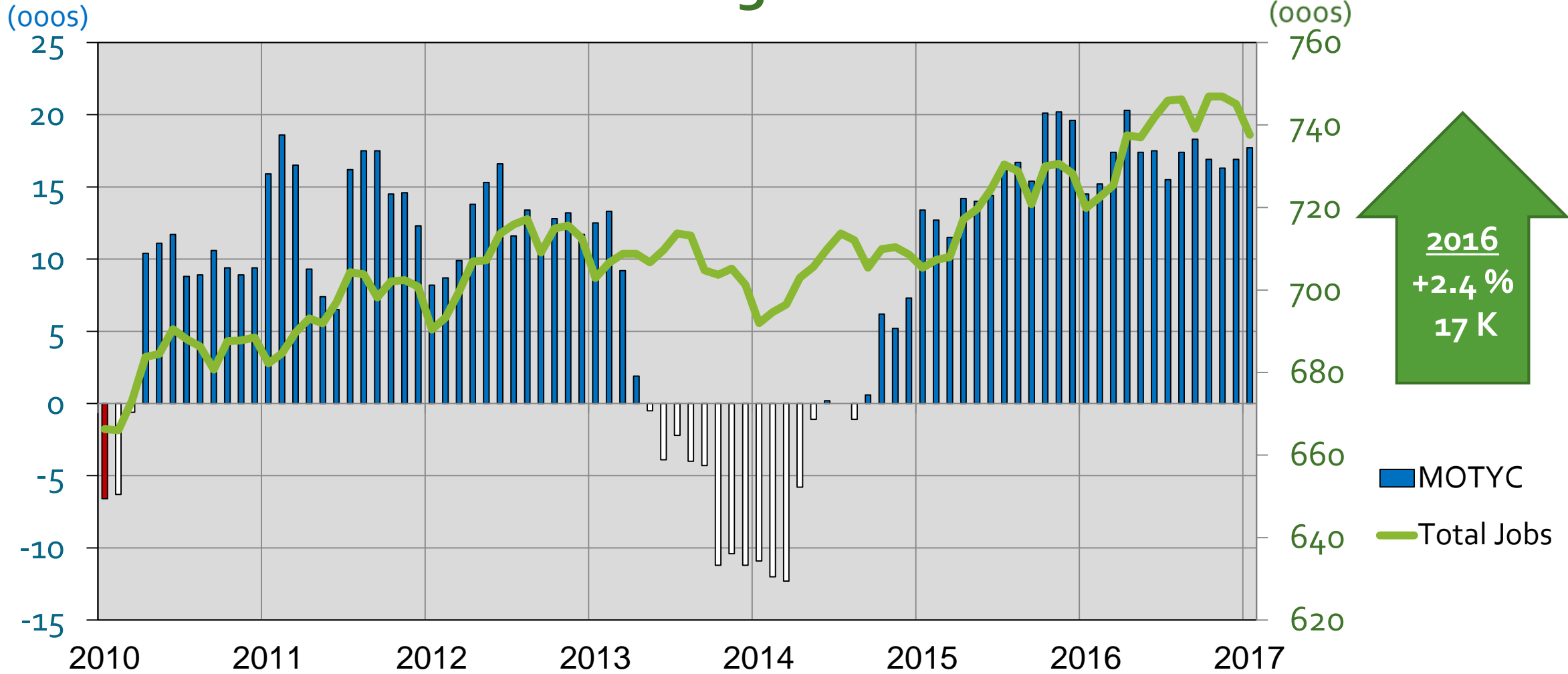
# Federal Procurement in the Washington MSA 1980-2016 (Fiscal Years)



\$ Billions

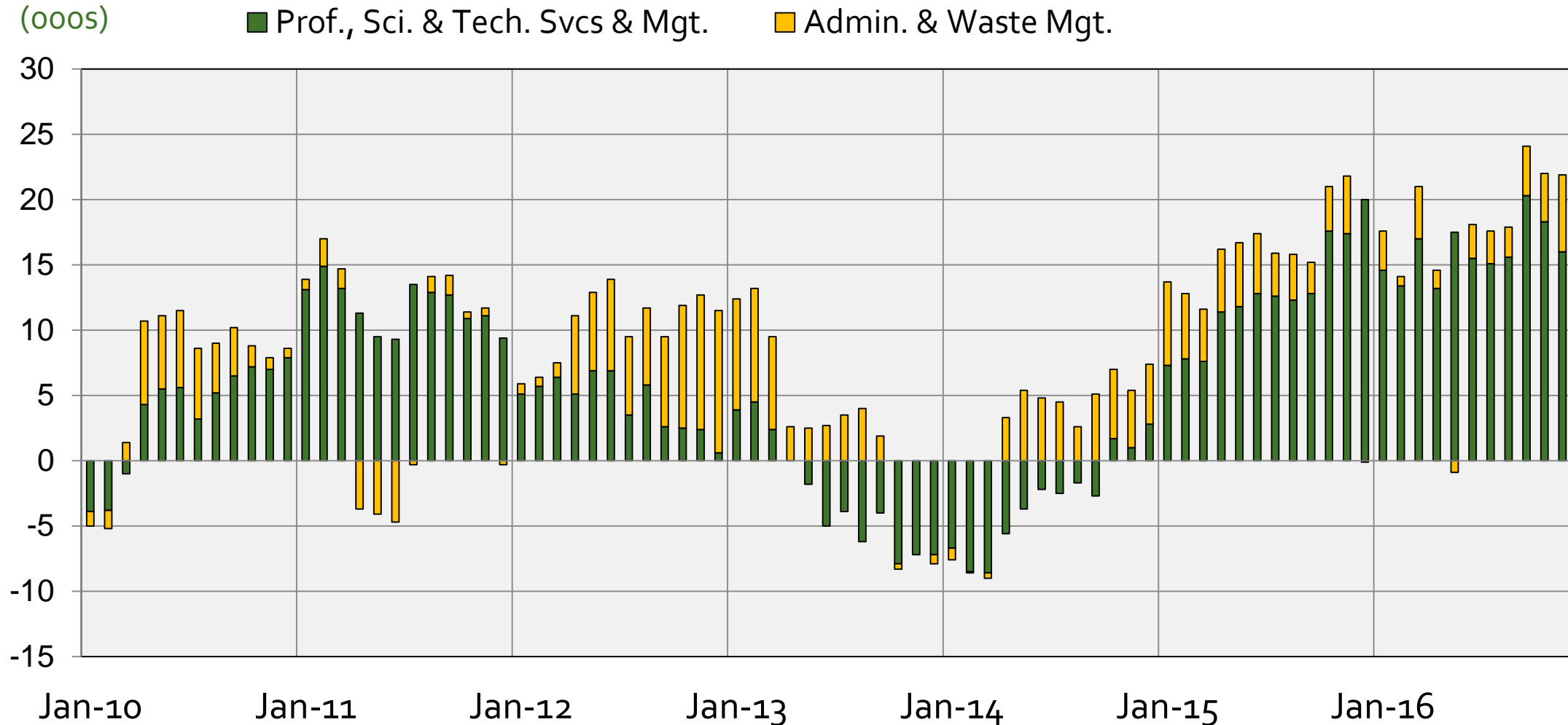


# Professional & Business Services Washington MSA



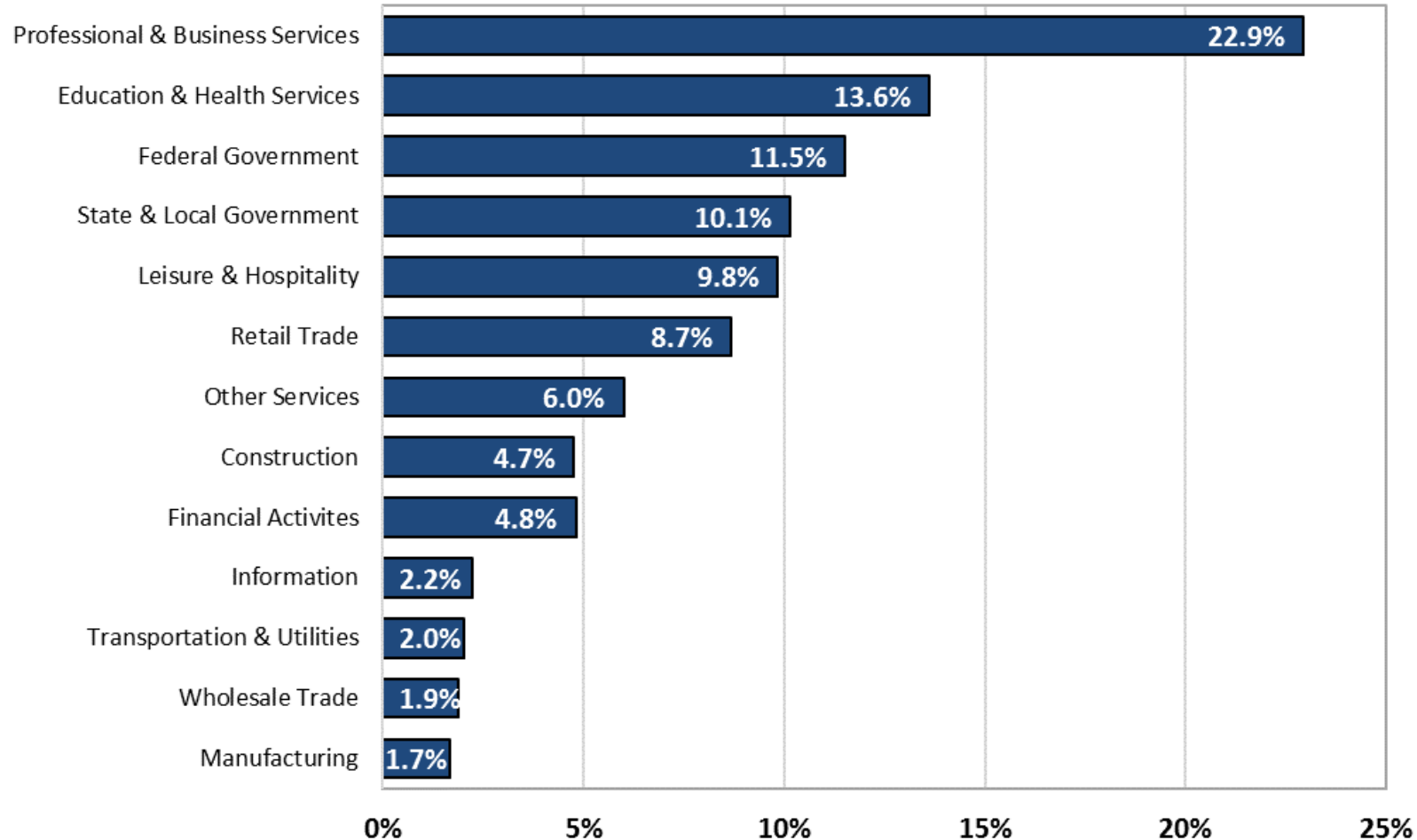
# Professional & Business Services Washington MSA

## Month Over the Year Change



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

# Employment Composition by Sector Jan 2016 Washington MSA



Source: US Bureau of Labor Statistics, Current Employment Statistics

# Job Change by Sector

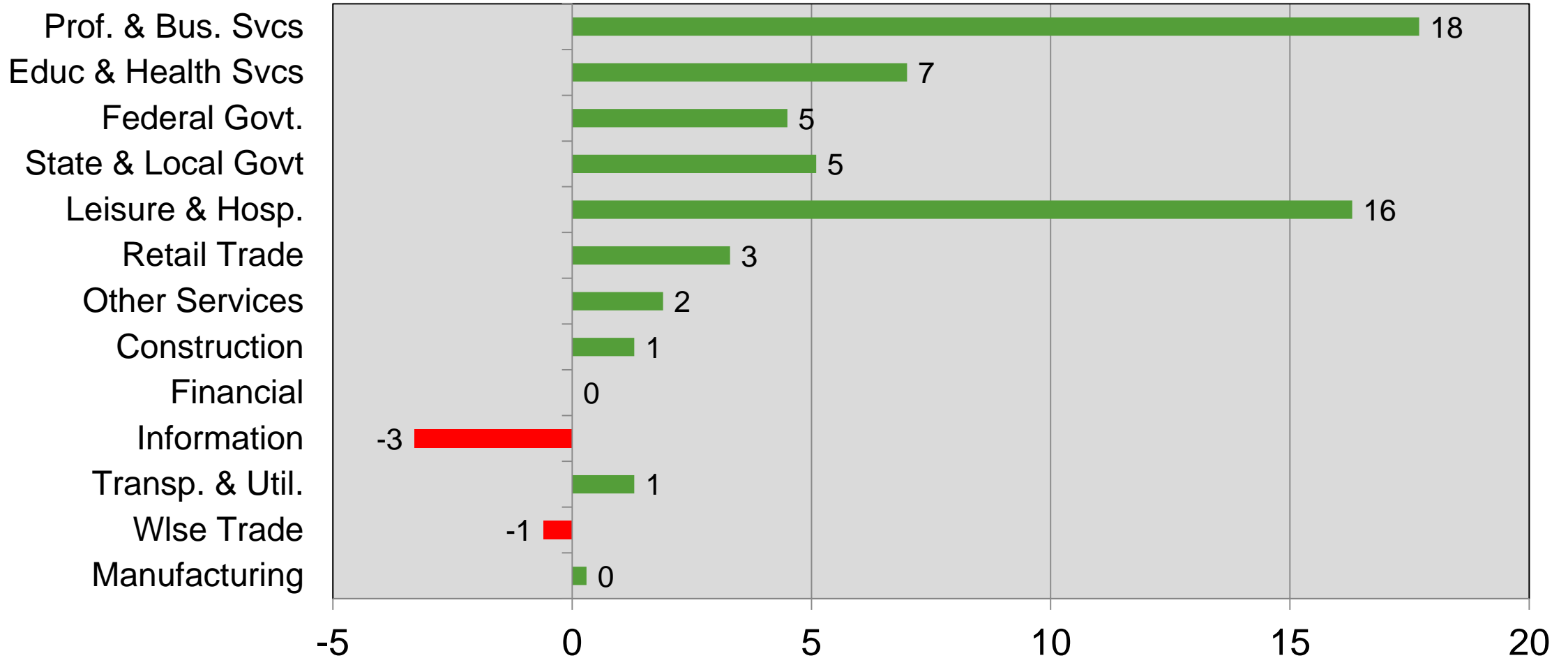
## Jan 2016 – Jan 2017

### Washington MSA (000s)



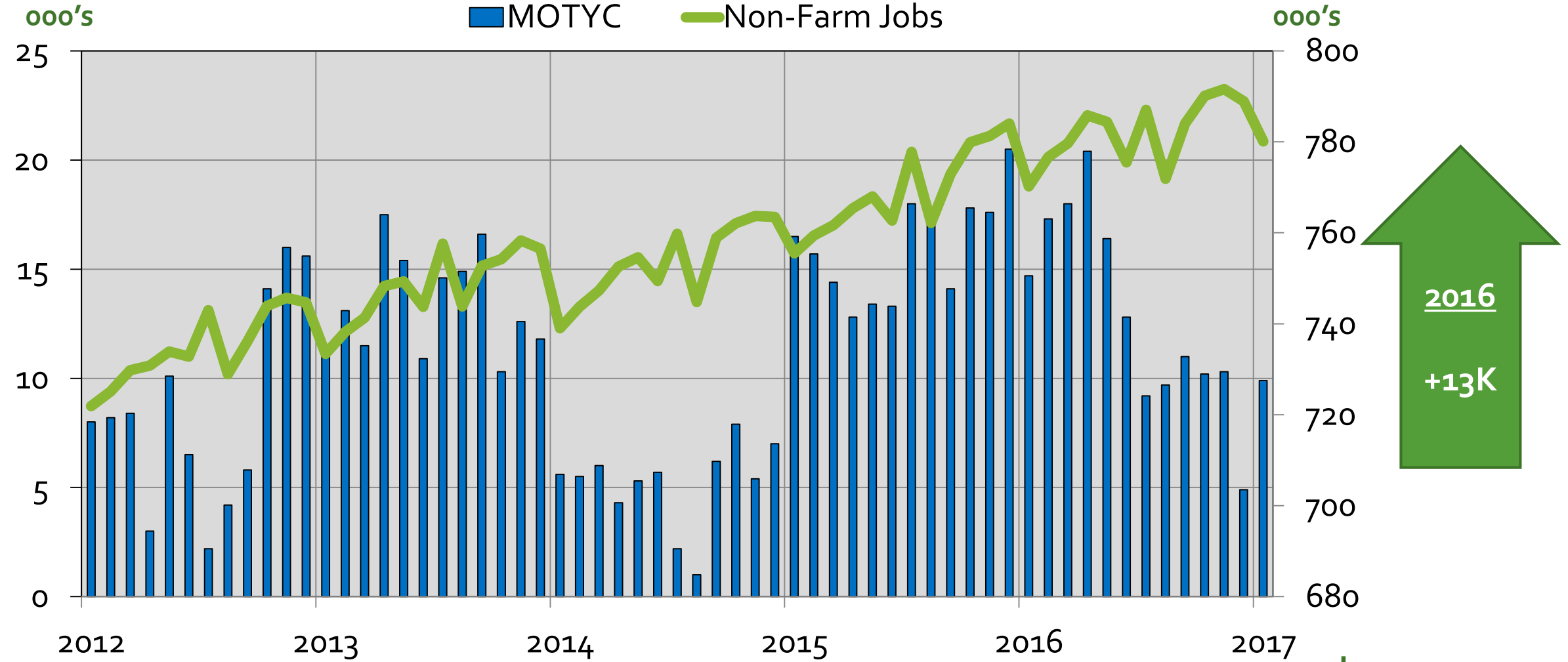
(Ranked by Size in 2016)

Total = 54,800





# Annual Job Change – District of Columbia



**2016**  
**+13K**

**Jan-17**  
**Total: 780 K**

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

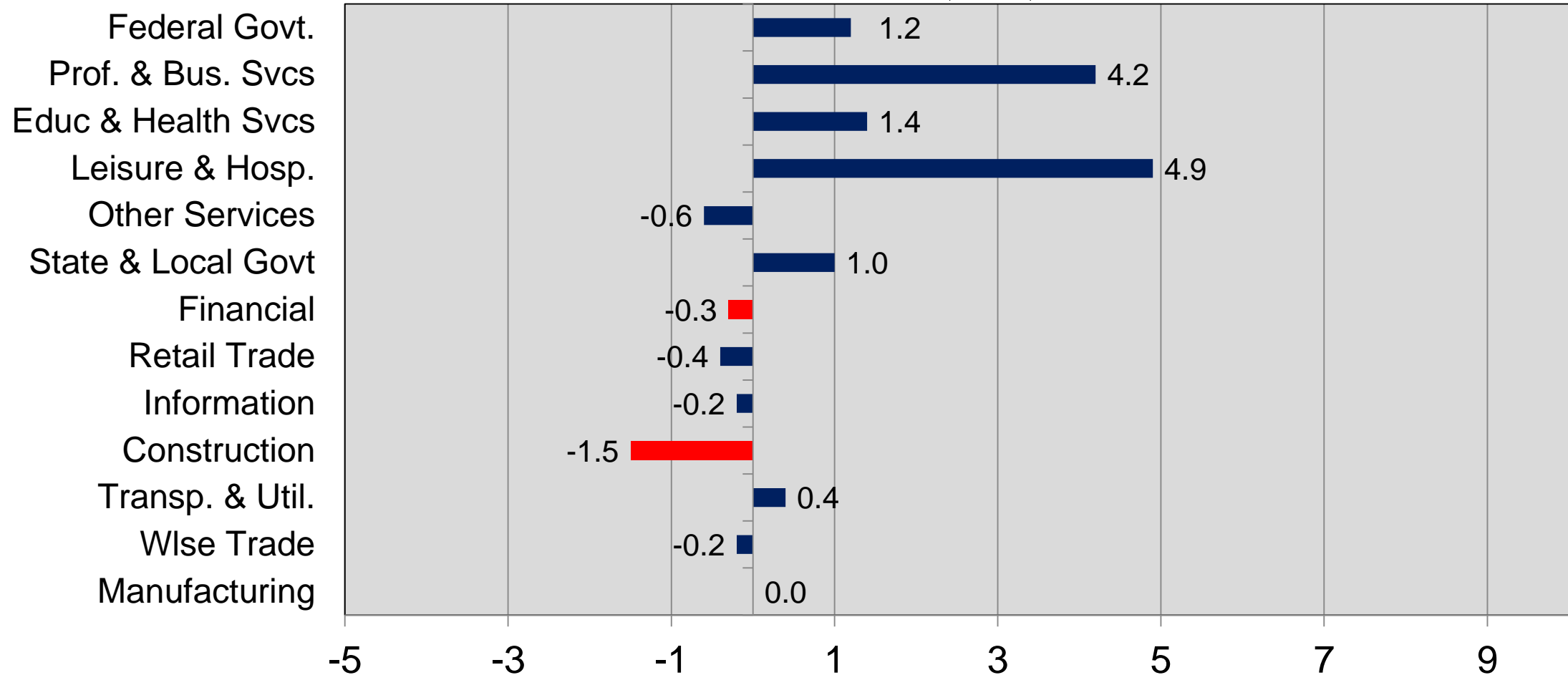
# Job Change by Sector Jan 2016 – Jan 2017 District of Columbia



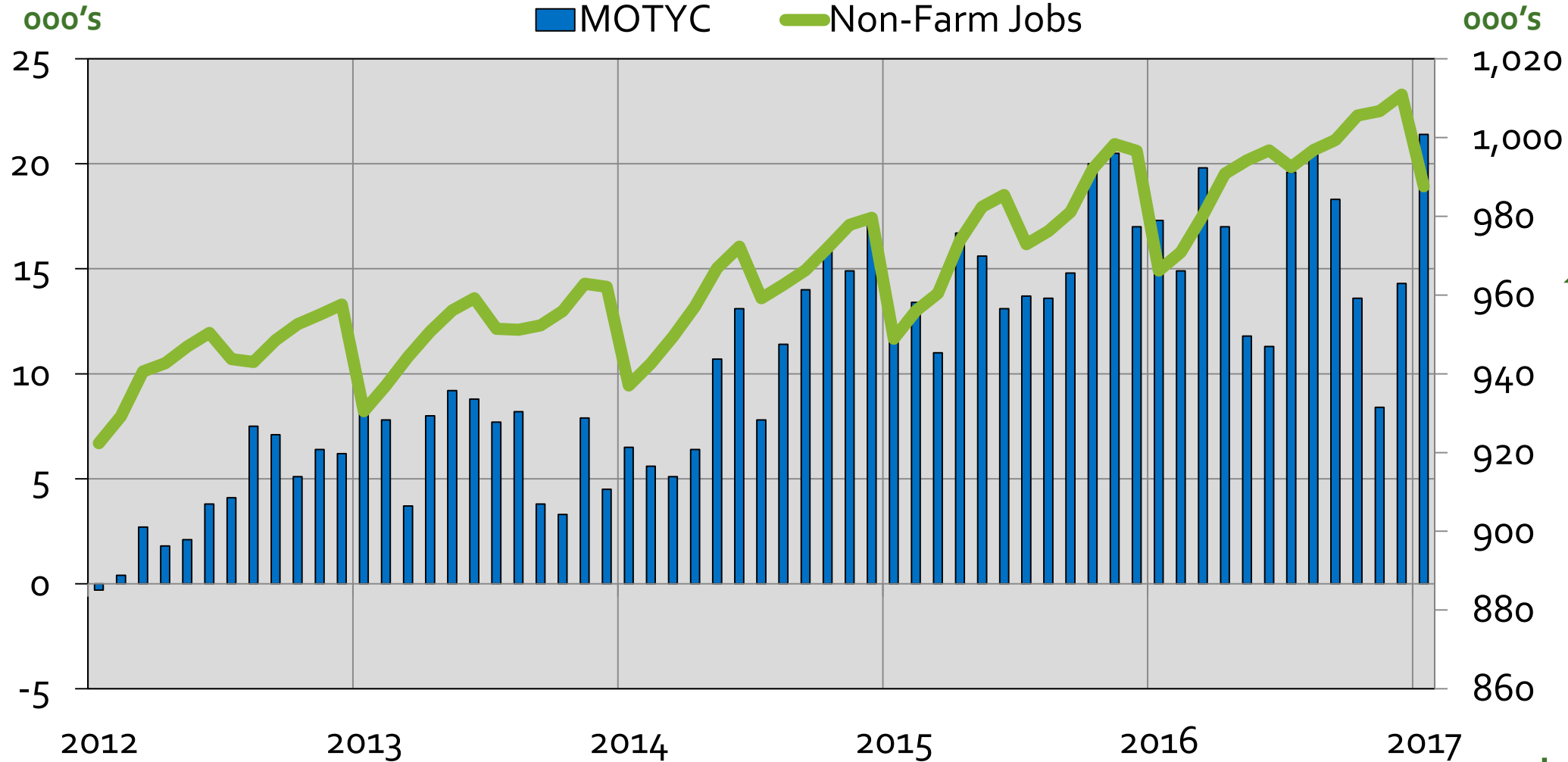
(Ranked by Size in 2016)

(000s)

Total 9,900



# Annual Job Change – Suburban MD



**2016**  
+14.4 K

**Jan-17**  
**Total: 988 K**

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

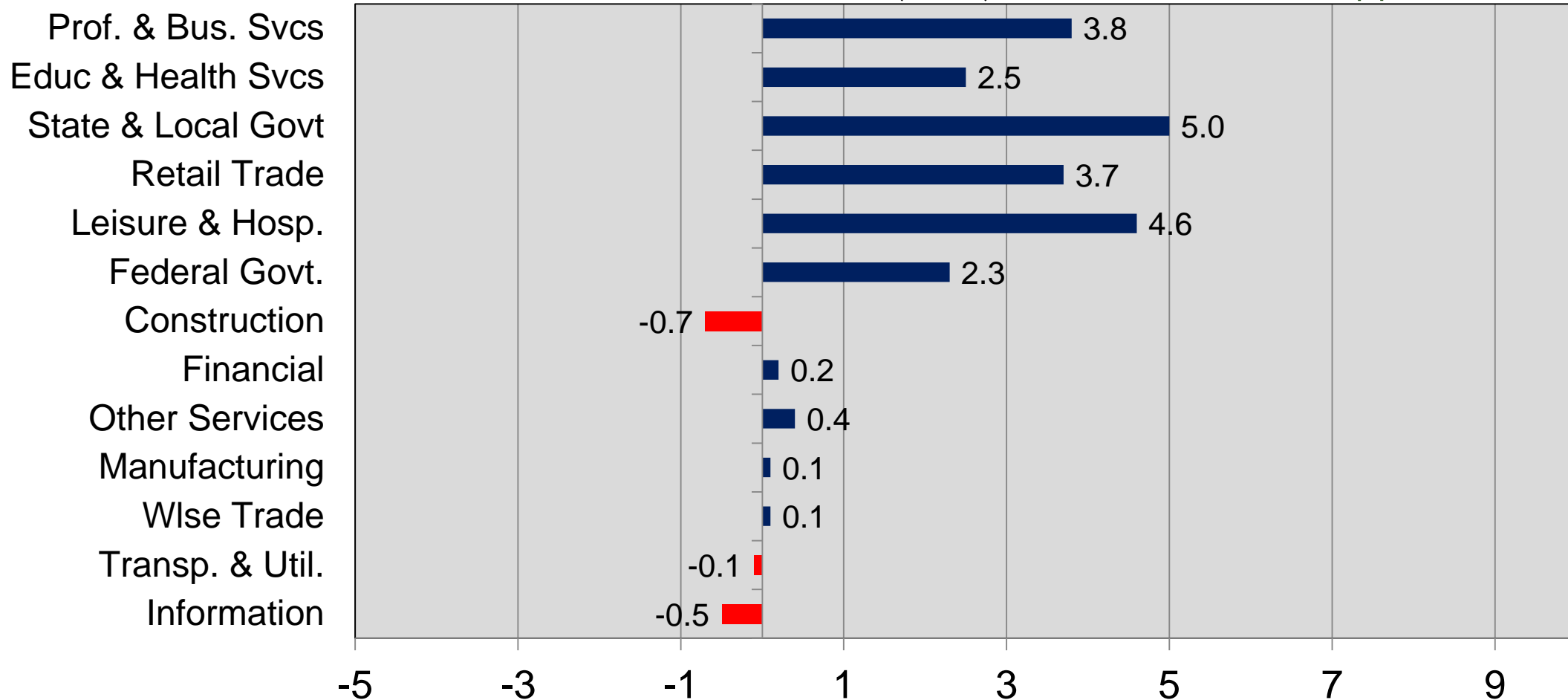
# Job Change by Sector Jan 2016 – Jan 2017 Suburban Maryland



(Ranked by Size in 2016)

(000s)

Total 21,400



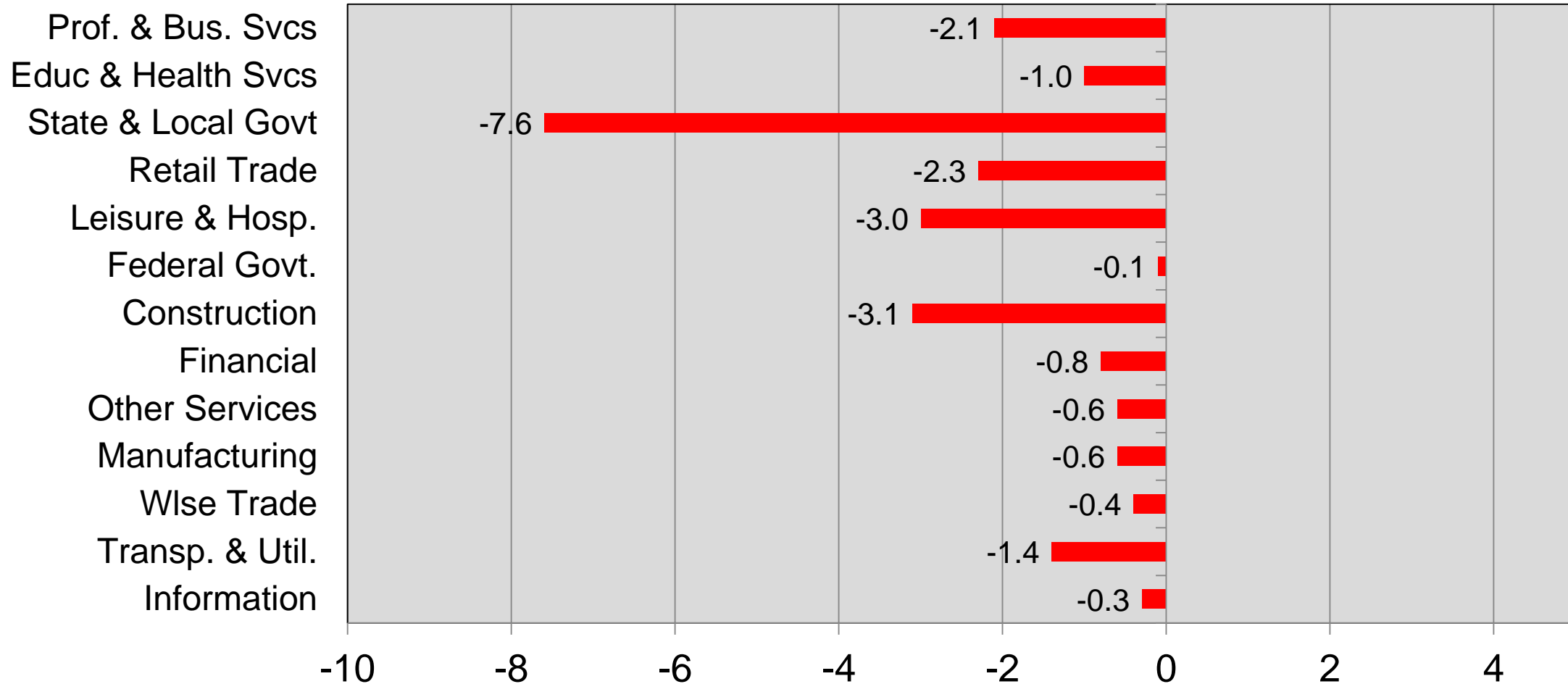
# Job Change by Sector Dec 2016 – Jan 2017 Suburban Maryland



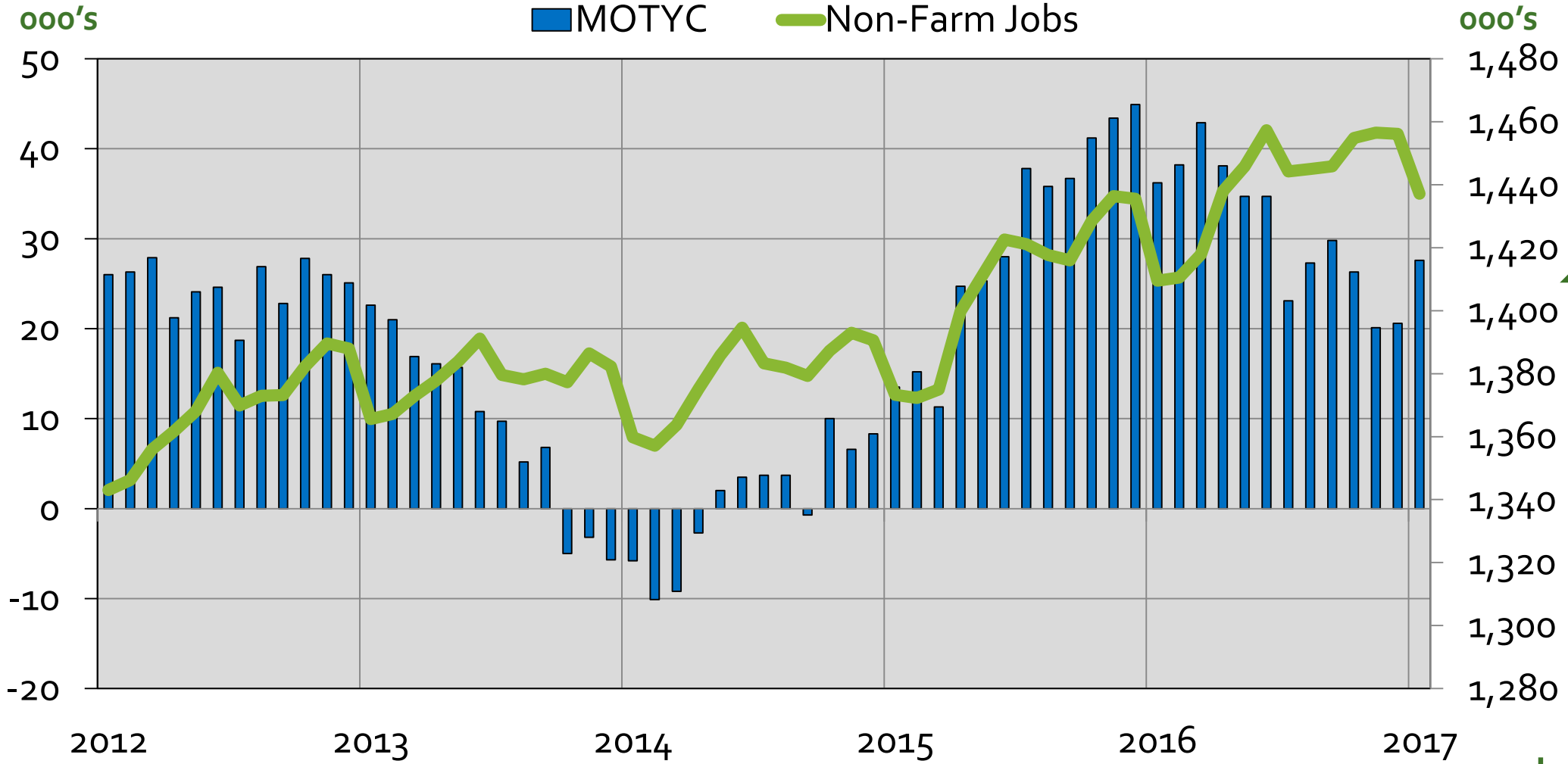
(Ranked by Size in 2016)

(000s)

Total: -23,300



# Annual Job Change – Northern VA



**2016**  
**+31K**

**Jan-17**  
**Total: 1,440 K**

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

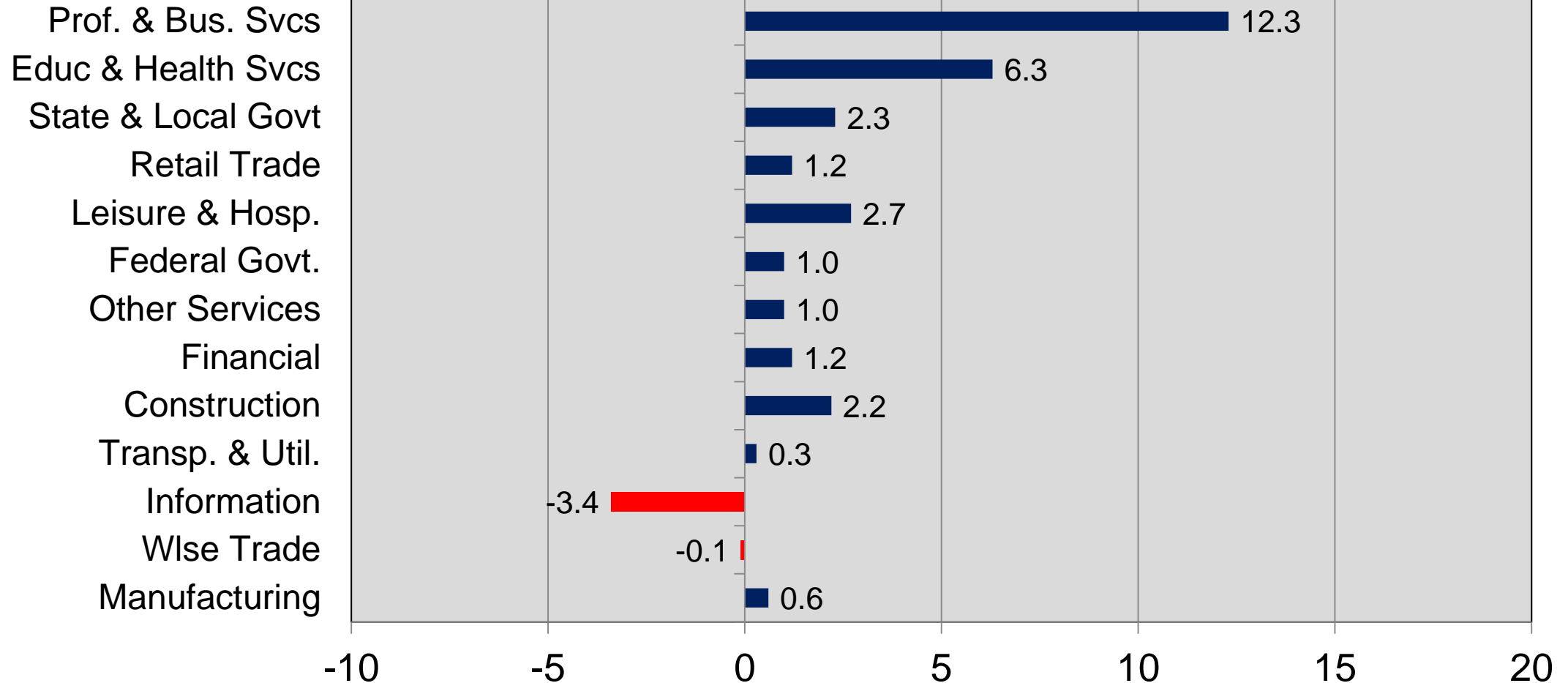
# Job Change by Sector Jan 2016 – Jan 2017 Northern Virginia



(Ranked by Size in 2016)

(000s)

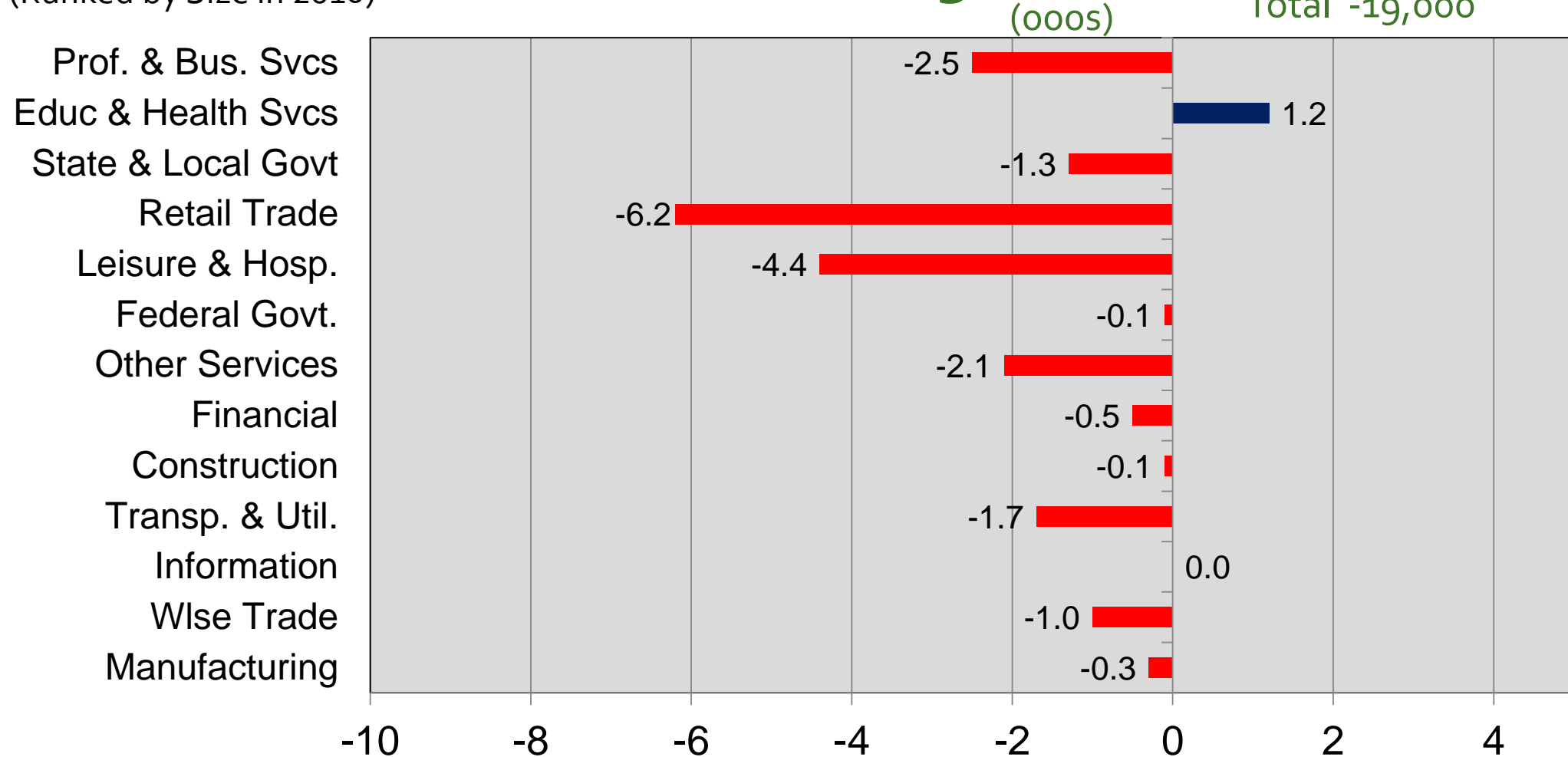
Total 27,600



# Job Change by Sector Dec 2016 – Jan 2017 Northern Virginia

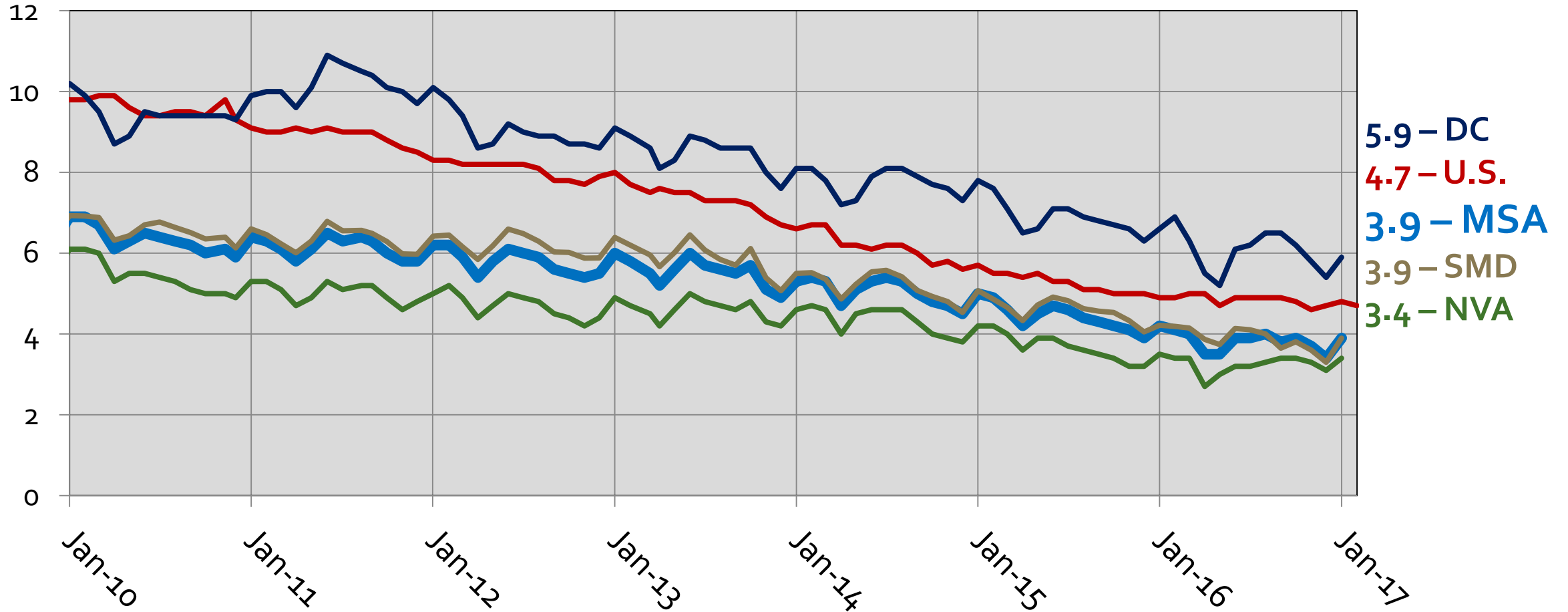


(Ranked by Size in 2016)





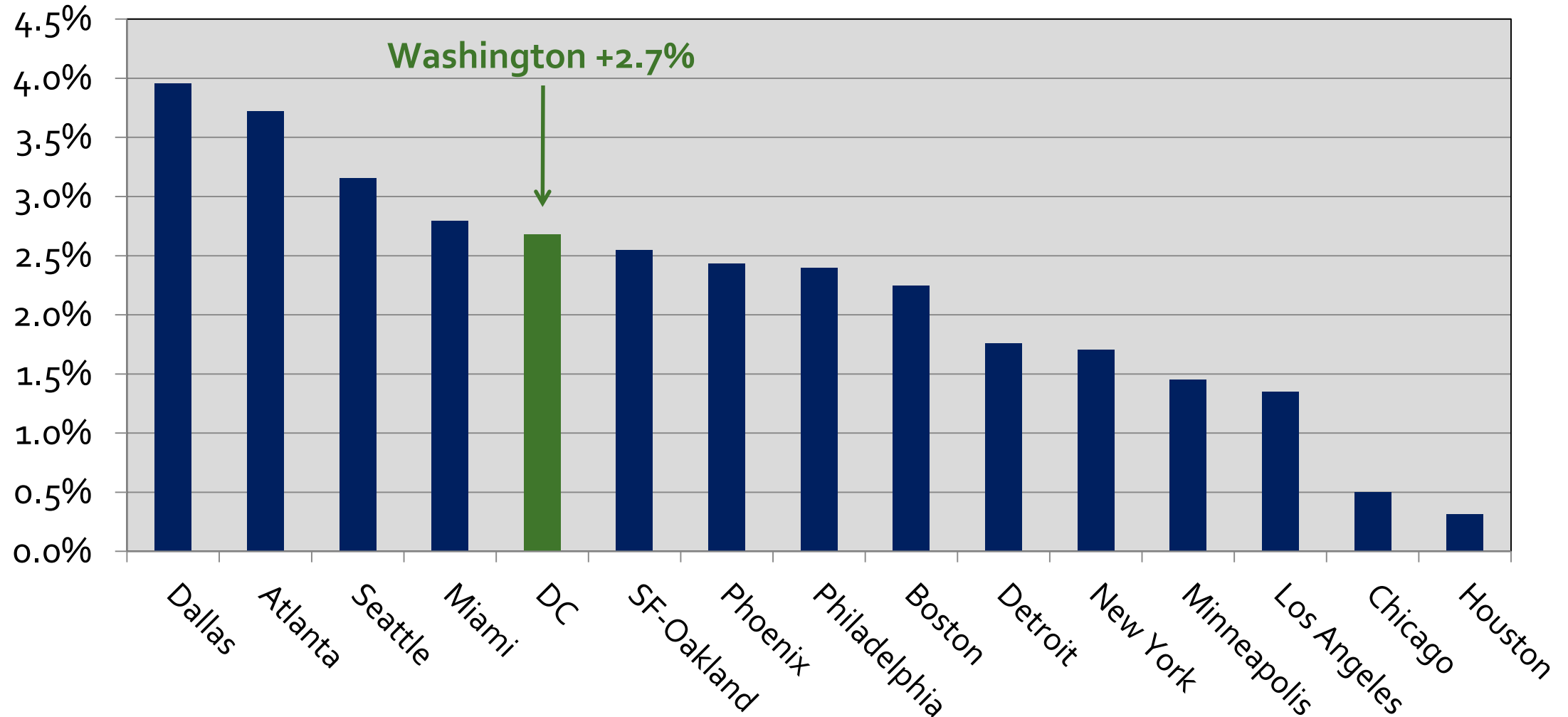
# Unemployment Rates in the WMSA By Sub-State Area



Source: Bureau of Labor Statistics (Region - Not Seasonally Adjusted, US – Seasonally Adjusted)

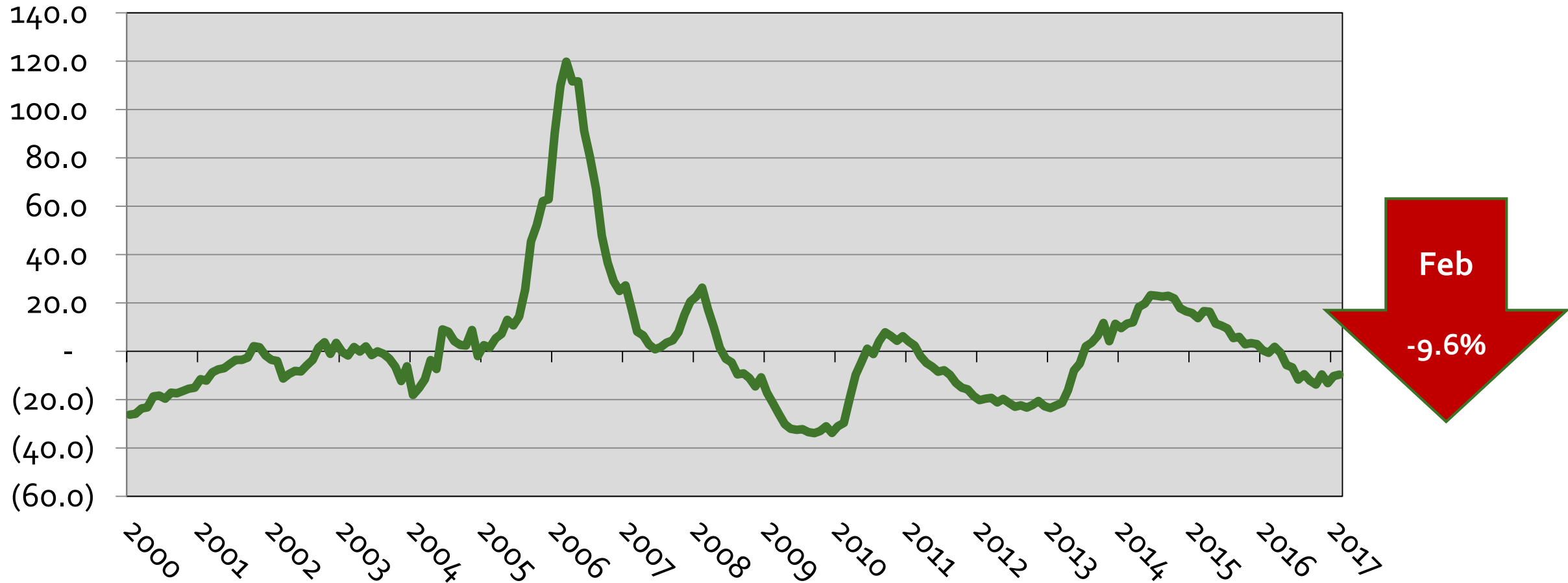
# 15 Largest Job Markets

## Job Change: Jan 2016 – Jan 2017



# Housing Market Trends

# Percent Change in Inventories of Existing Homes Month-Over-Year 2000 – 2016, MSA



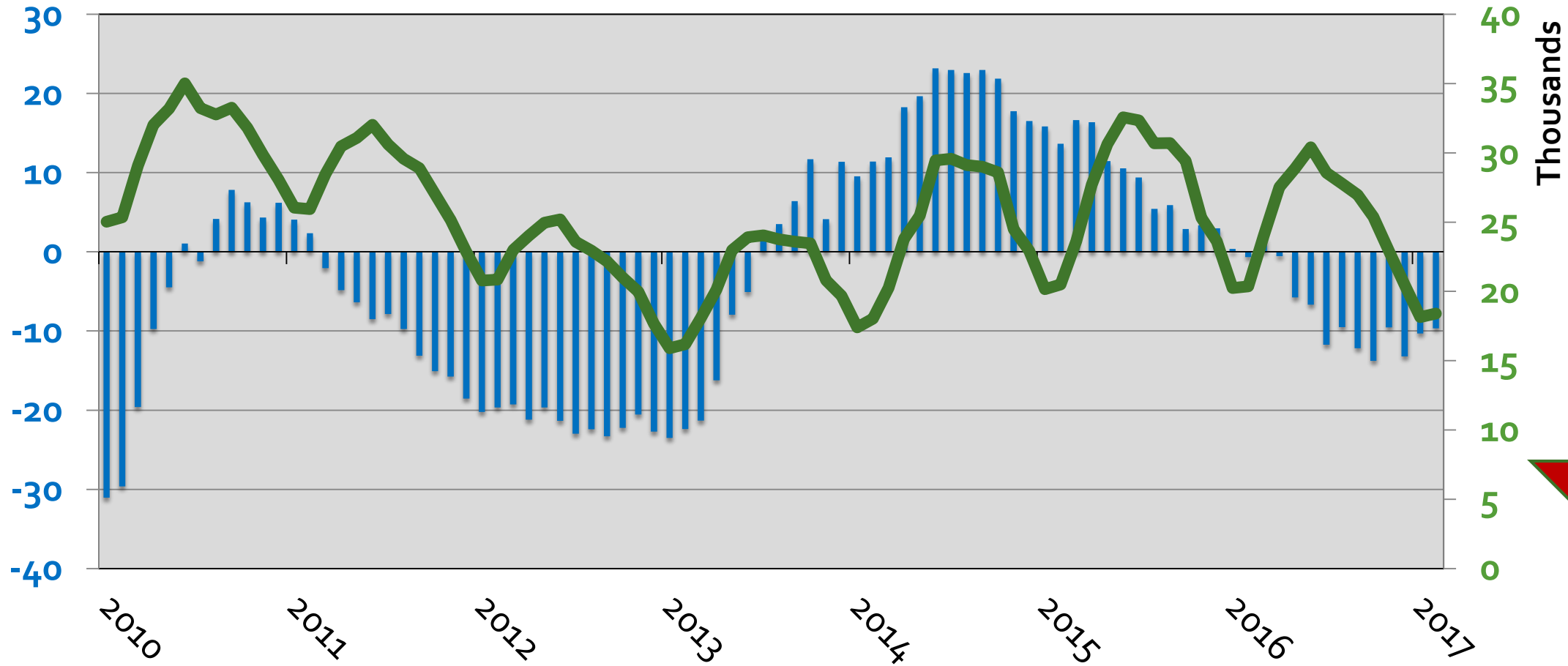
Source: Metropolitan Regional Information Systems (MRIS), GMU Center for Regional Analysis. Total monthly inventory includes listings active at the end of the month plus sales during the month.

# Inventories of Existing Homes

## Month-Over-Year 2000 – 2017, MSA



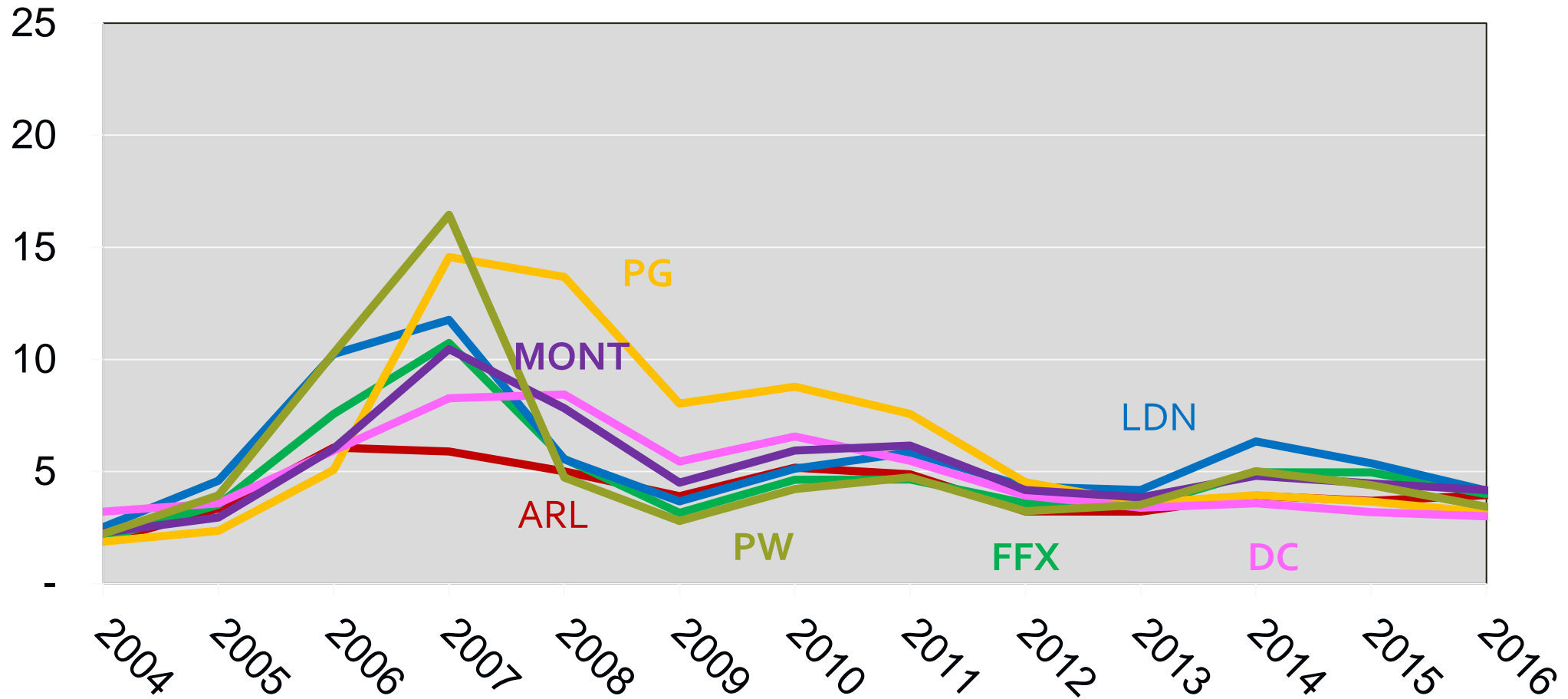
■ % Chg Inv    — Inventory



**FEB**  
**-9.6%**

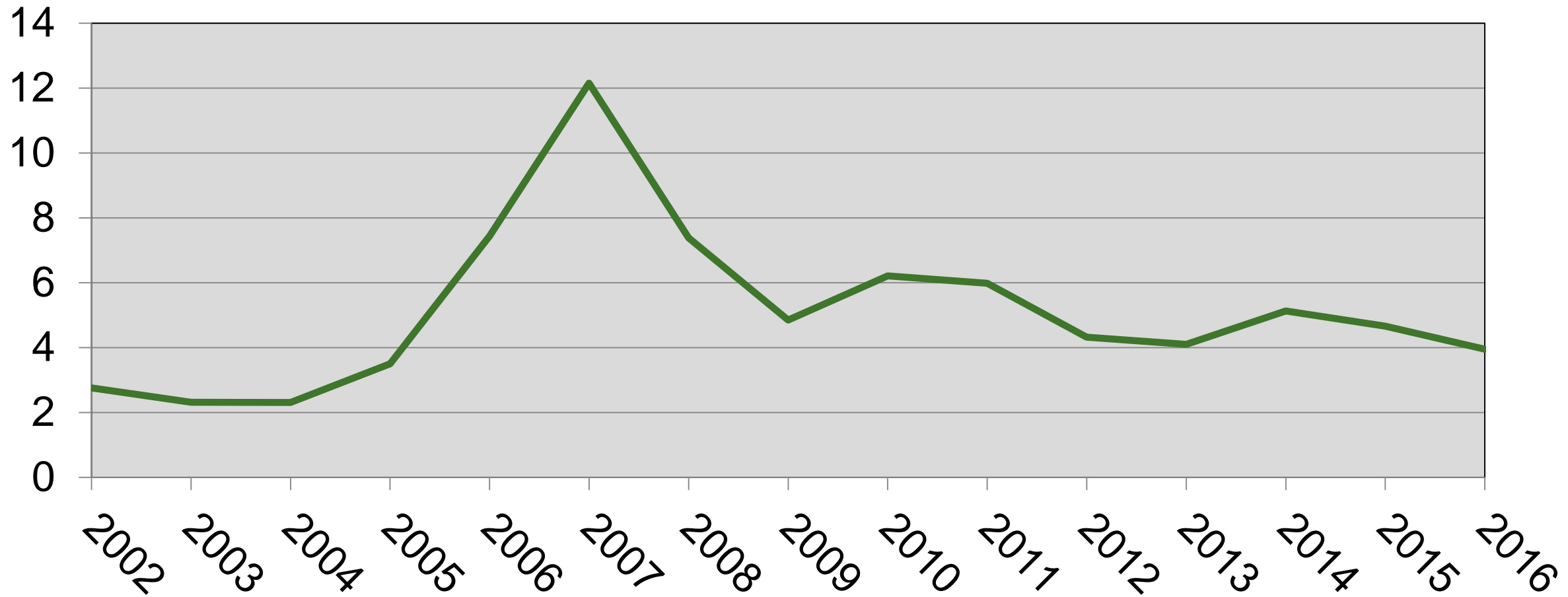
Source: Metropolitan Regional Information Systems (MRIS), GMU Center for Regional Analysis. Total monthly inventory includes listings active at the end of the month plus sales during the month.

# Total Listings Per Sale Sep Each Year

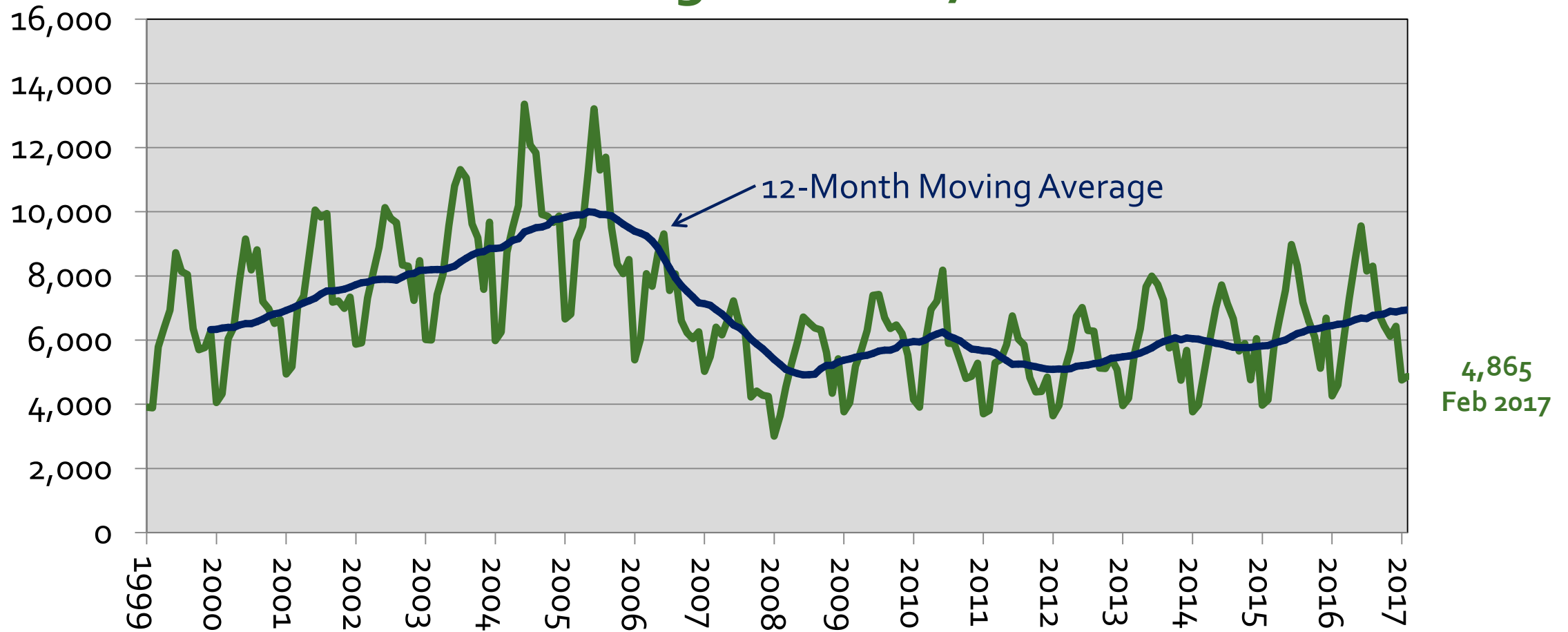


Source: Metropolitan Regional Information Systems (MRIS), GMU Center for Regional Analysis

# Total Active Listings Per Sale February Each Year – Metro Area

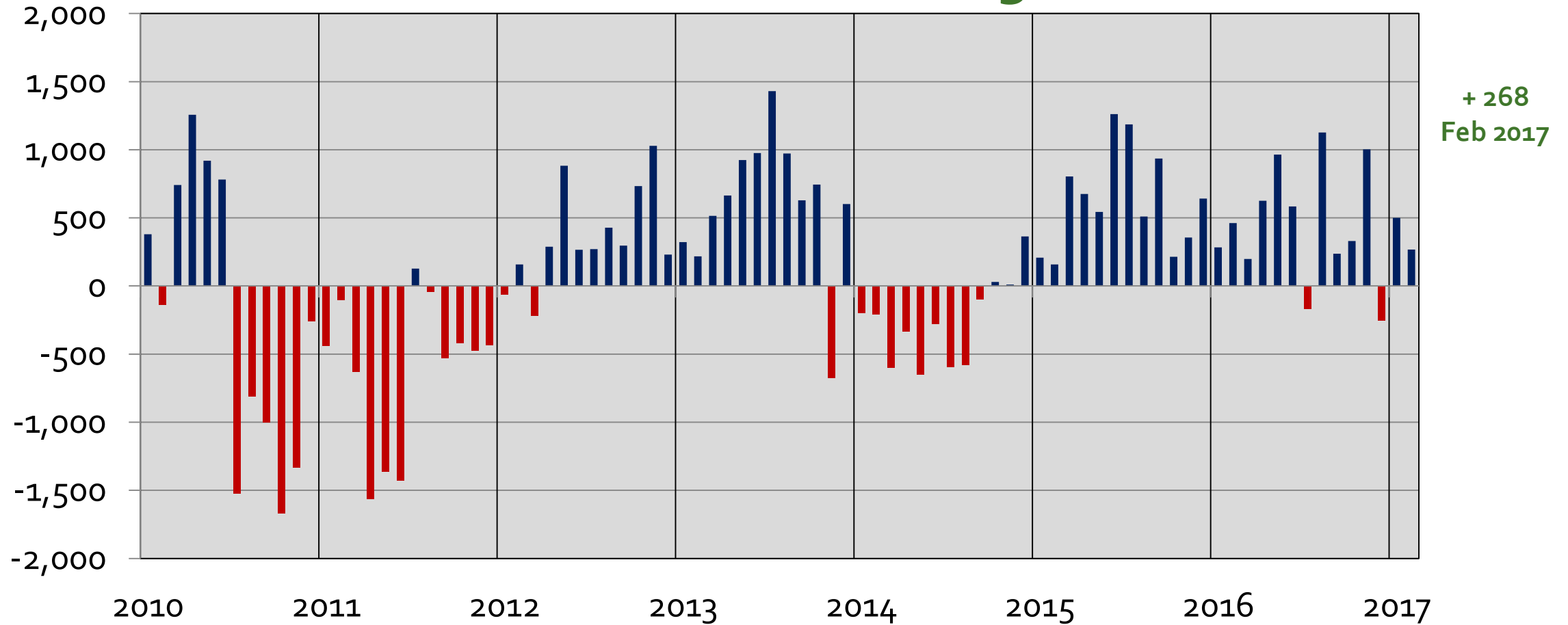


# Existing Home Sales Washington MSA Through Feb 2017





# Existing Home Sales Washington MSA Month-Over-Year Change

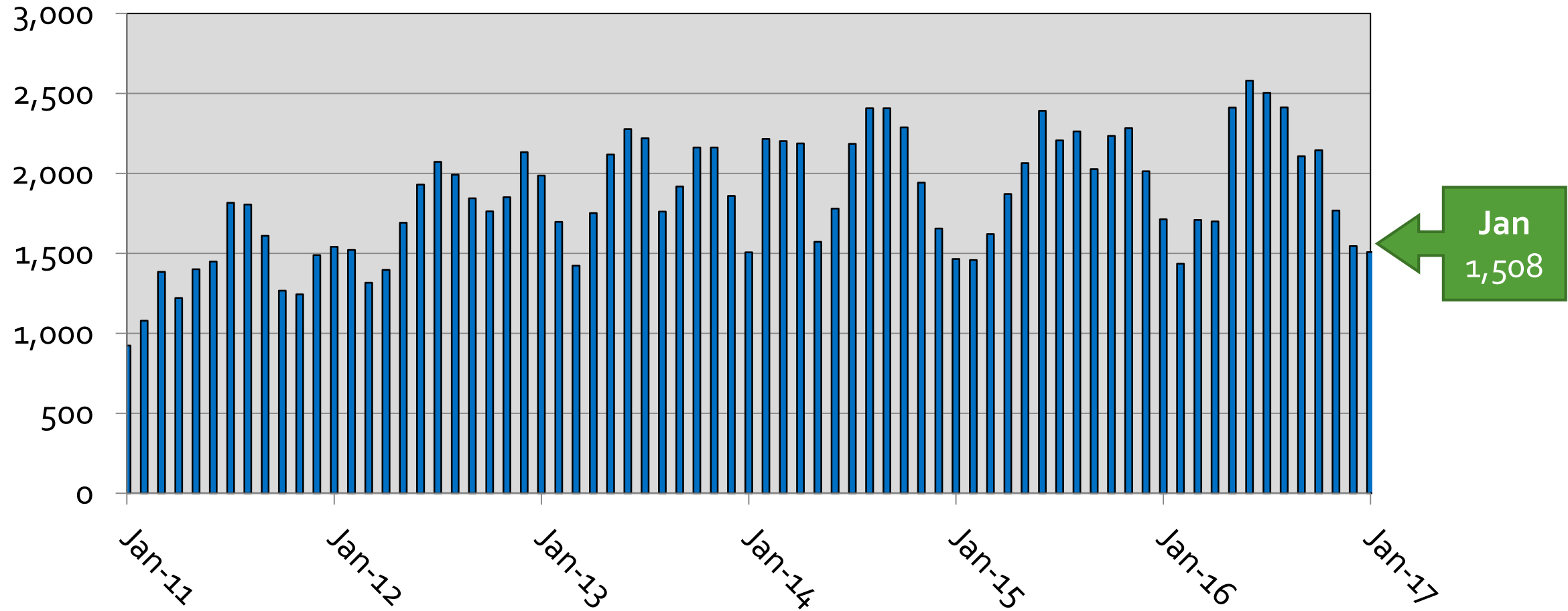


Source: Metropolitan Regional Information Systems (MRIS), GMU Center for Regional Analysis

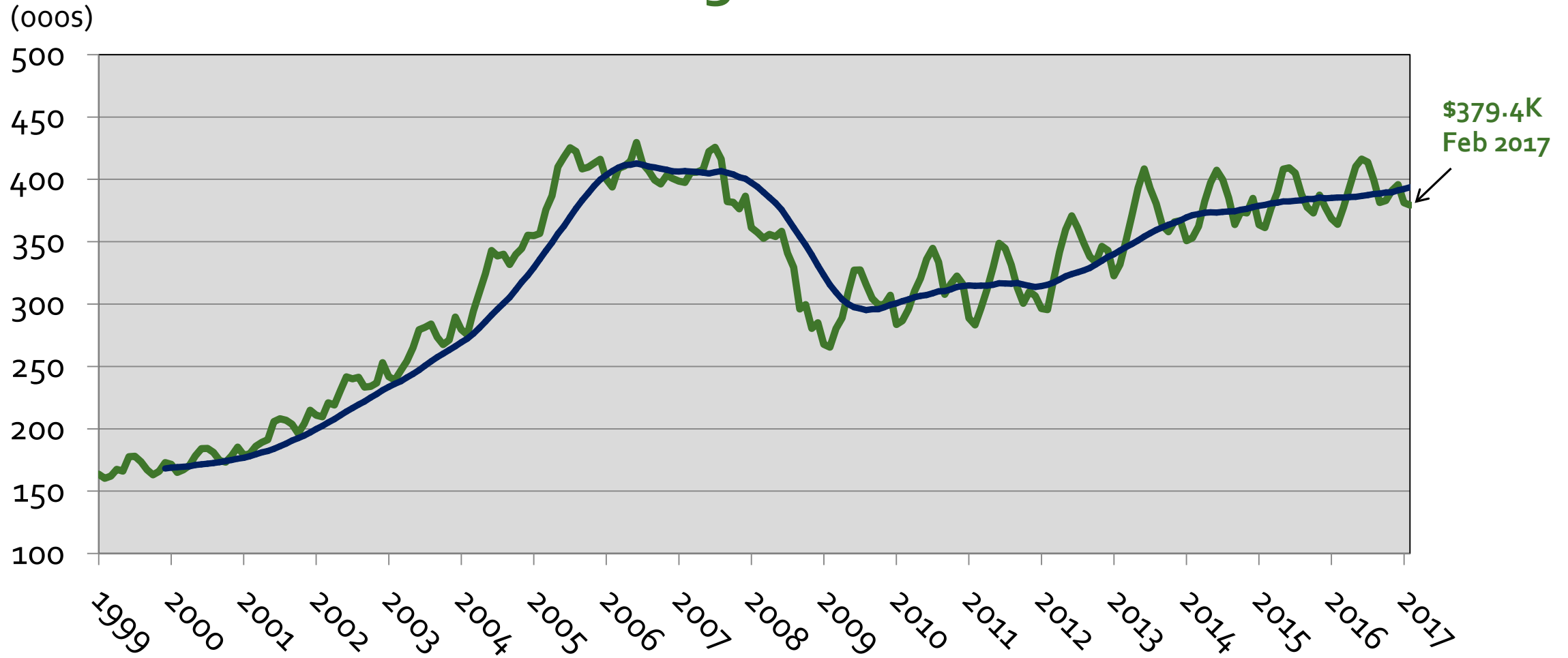
# Washington MSA Building Permits



## 2010 – 2017, 3-Month Moving Avg

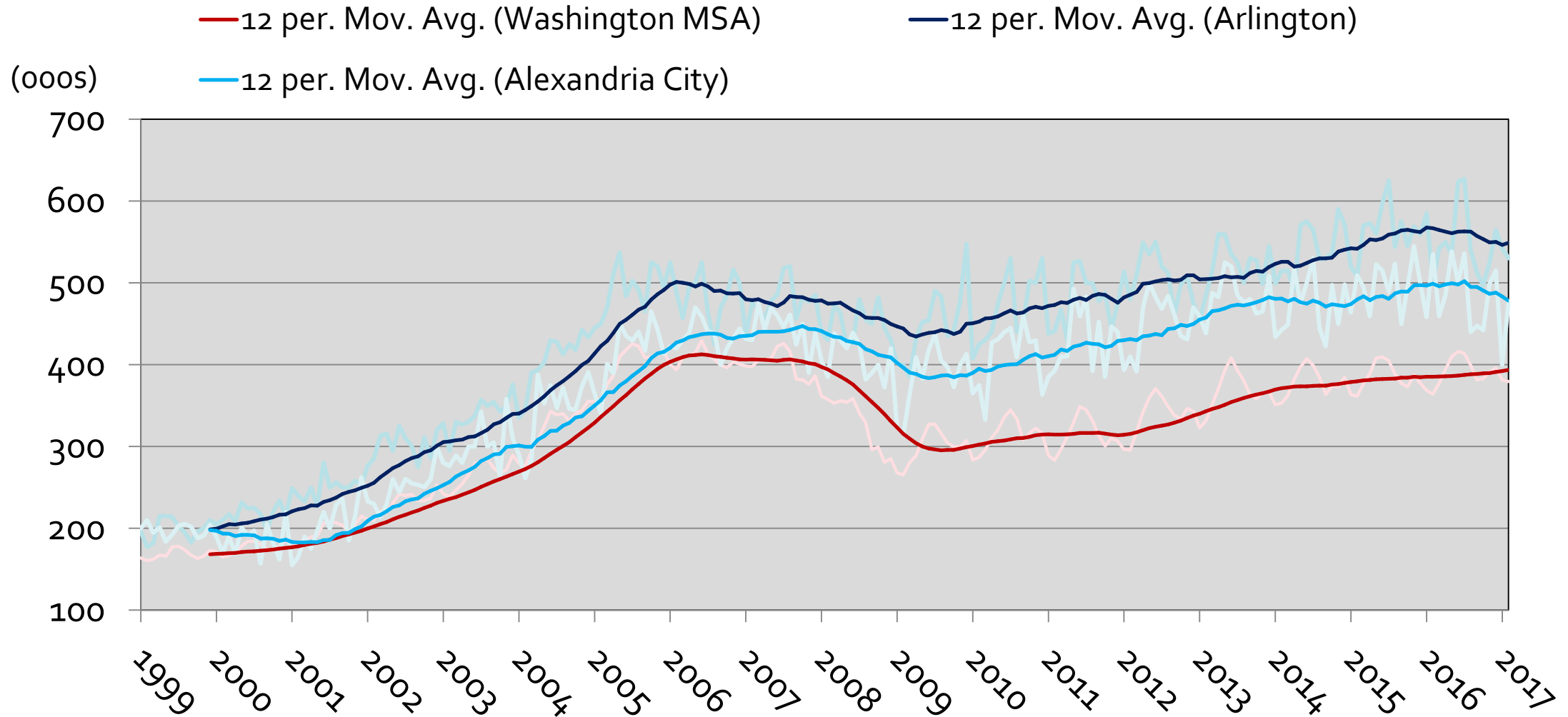


# Median House Sales Price Washington MSA



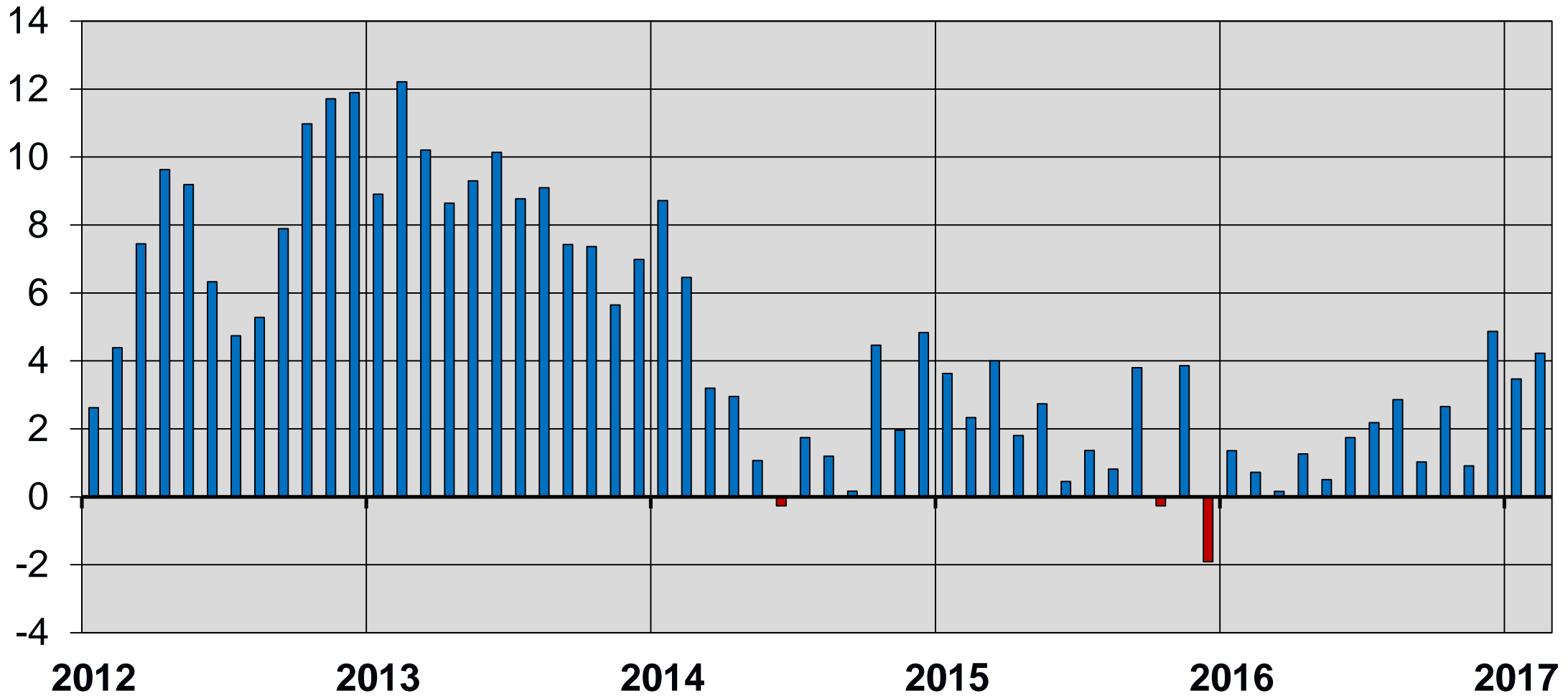
Source: Metropolitan Regional Information Systems (MRIS), GMU Center for Regional Analysis

# Median House Sales Price

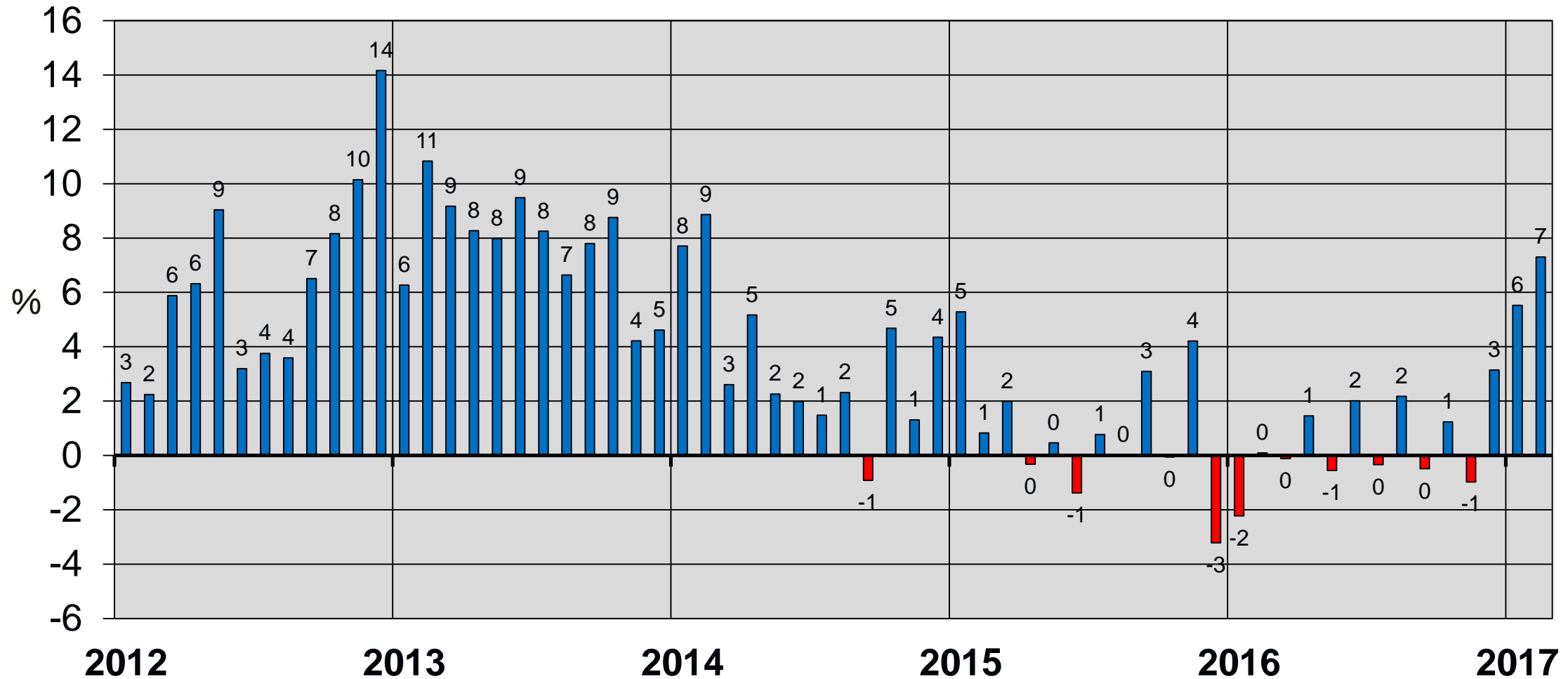


Source: Metropolitan Regional Information Systems (MRIS), GMU Center for Regional Analysis

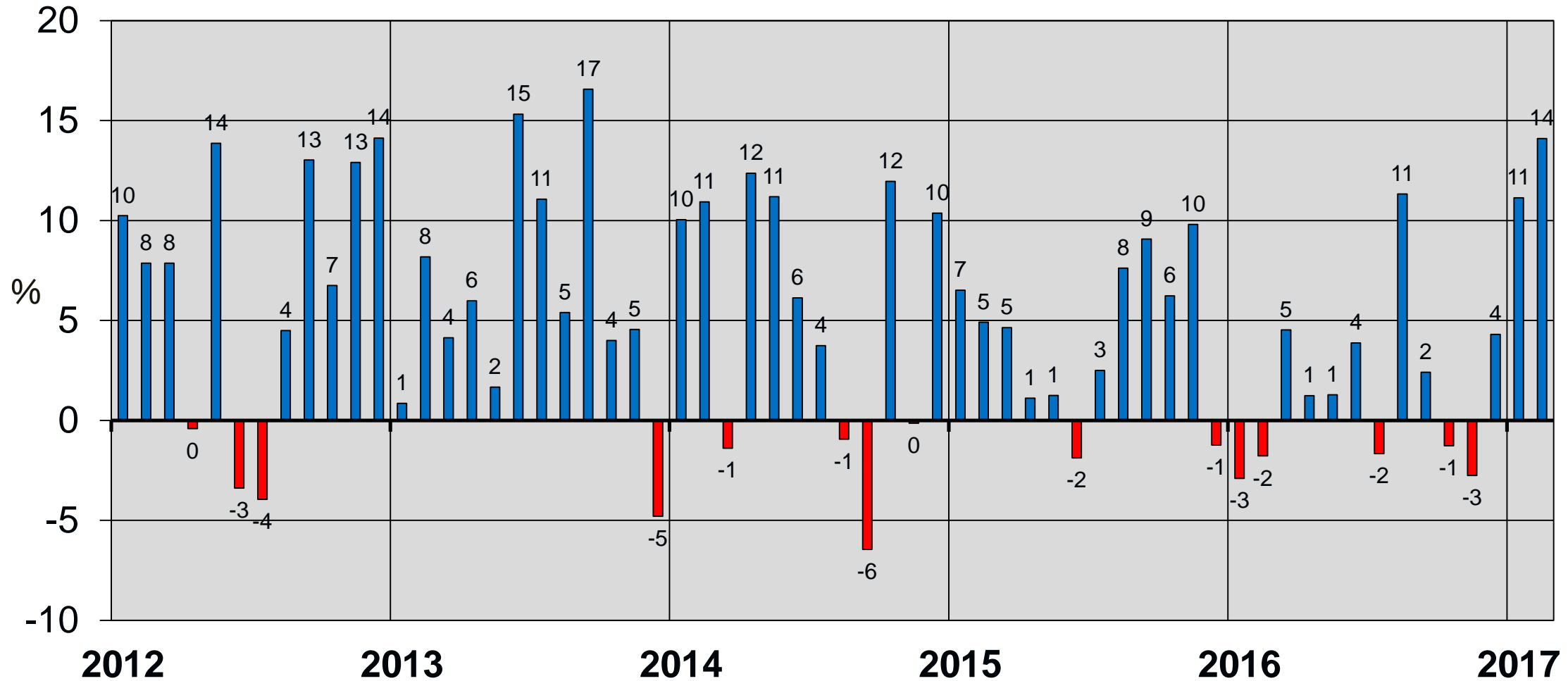
# Median Sales Price Percent Change (MOTYC) Washington MSA



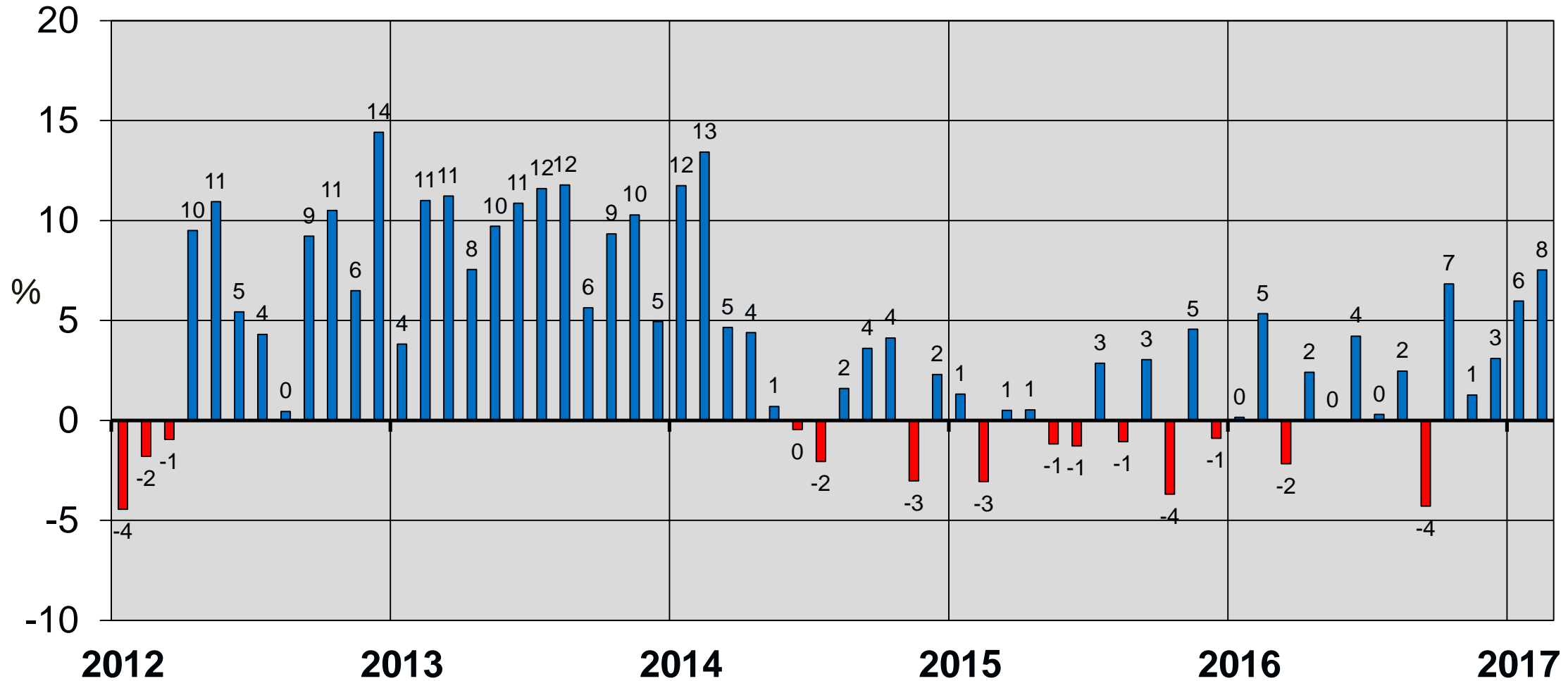
# Average Sales Price Percent Change (MOTYC) Washington MSA



# Average Sales Price Percent Change (MOTYC) District of Columbia



# Average Sales Price Percent Change (MOTYC) Suburban Maryland

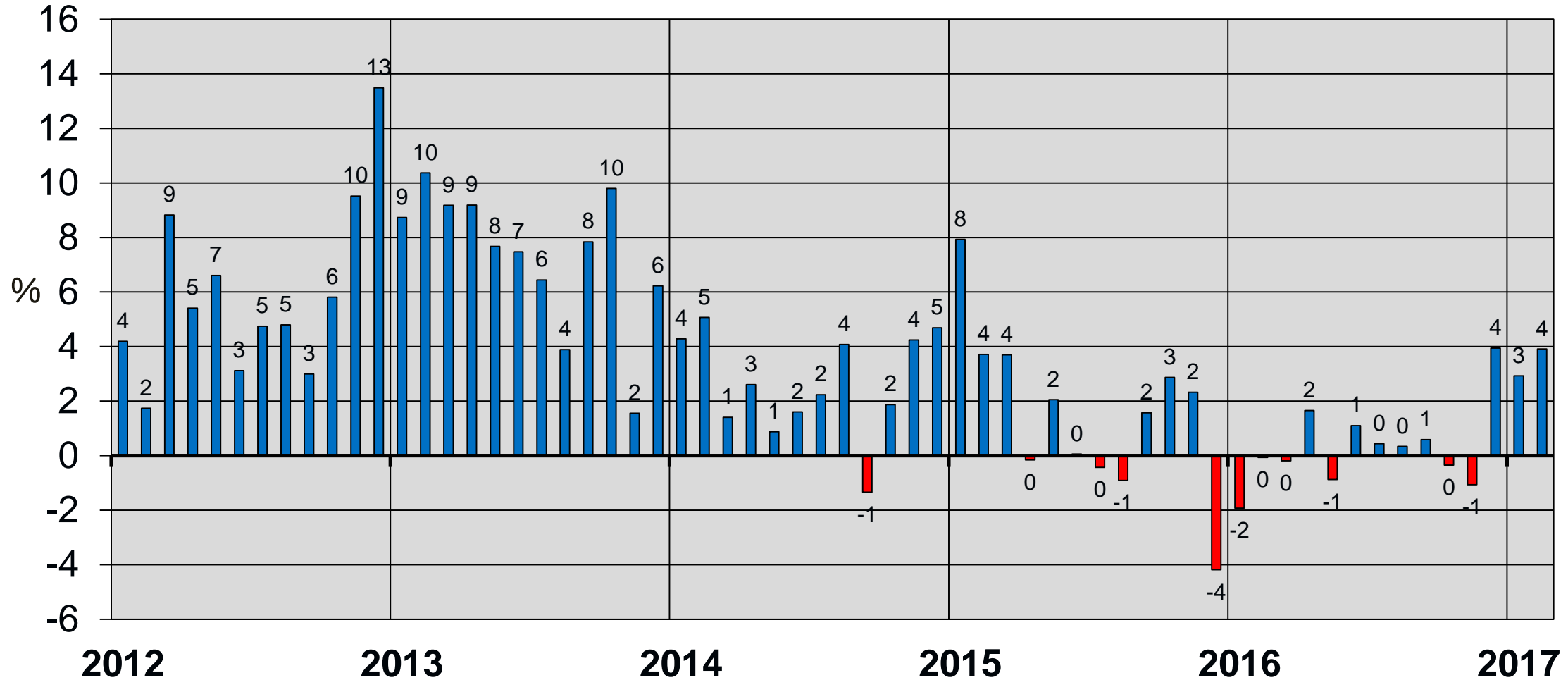


Source: Metropolitan Regional Information Systems (MRIS), GMU Center for Regional Analysis

Feb = \$368K



# Average Sales Price Percent Change (MOTYC) Northern Virginia

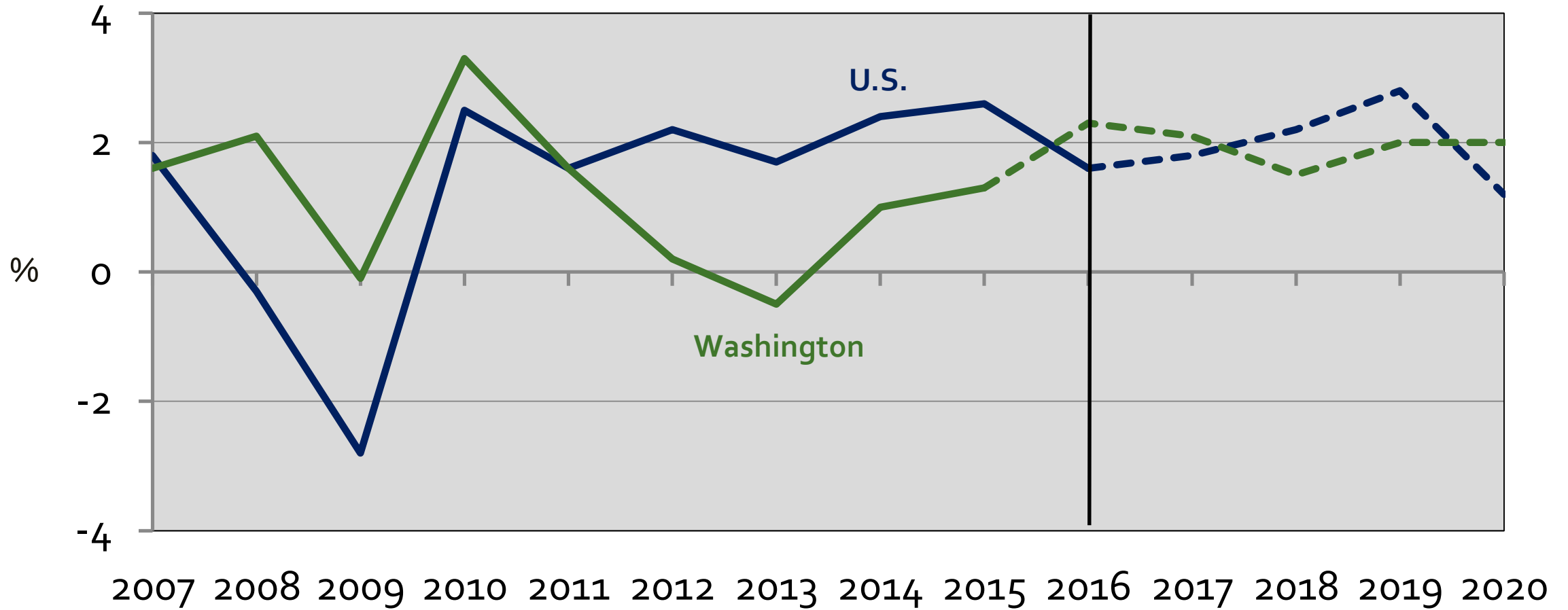


# Outlook

# U.S. GDP and Washington Area GRP

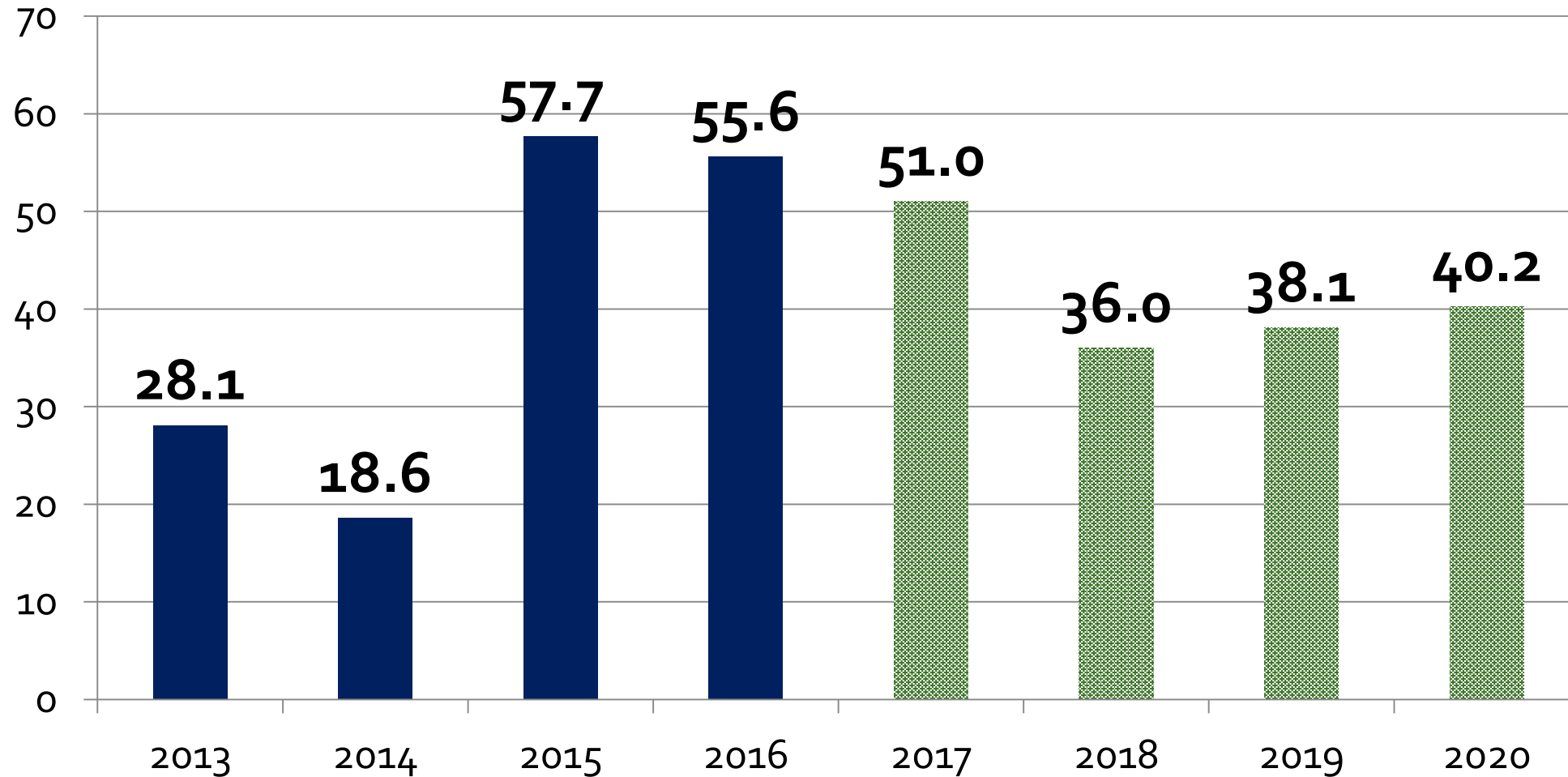


2007 – 2016 – 2020  
(Annual % Change)



Source: Bureau of Economic Analysis, GMU Center for Regional Analysis, Forecast: January, 2017

# Employment Change in the Washington MSA (Thousands of Jobs)



Source: BLS, GMU Center for Regional Analysis (January 2016)  
NOTE: The regional totals do not include Jefferson, WV.

Average Annual Change 1990-2016 = 37,300

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



	2013	2014	2015	2016	2017	2018	2019	2020
<b>D.C.</b>	<b>13.4</b>	<b>5.2</b>	<b>15.9</b>	<b>13.0</b>	<b>9.7</b>	<b>10.6</b>	<b>8.9</b>	<b>8.2</b>
<b>Sub. MD</b>	<b>7.2</b>	<b>10.2</b>	<b>12.5</b>	<b>14.4</b>	<b>17.7</b>	<b>14.1</b>	<b>12.0</b>	<b>11.0</b>
<b>No. VA</b>	<b>9.2</b>	<b>0.8</b>	<b>29.8</b>	<b>31.0</b>	<b>23.6</b>	<b>15.9</b>	<b>13.7</b>	<b>12.6</b>
<b>REGION</b>	<b>28.1</b>	<b>18.6</b>	<b>57.7</b>	<b>55.6</b>	<b>51.0</b>	<b>40.6</b>	<b>34.6</b>	<b>31.8</b>

Source: BLS, IHS Economics, GMU Center for Regional Analysis (December 2016)

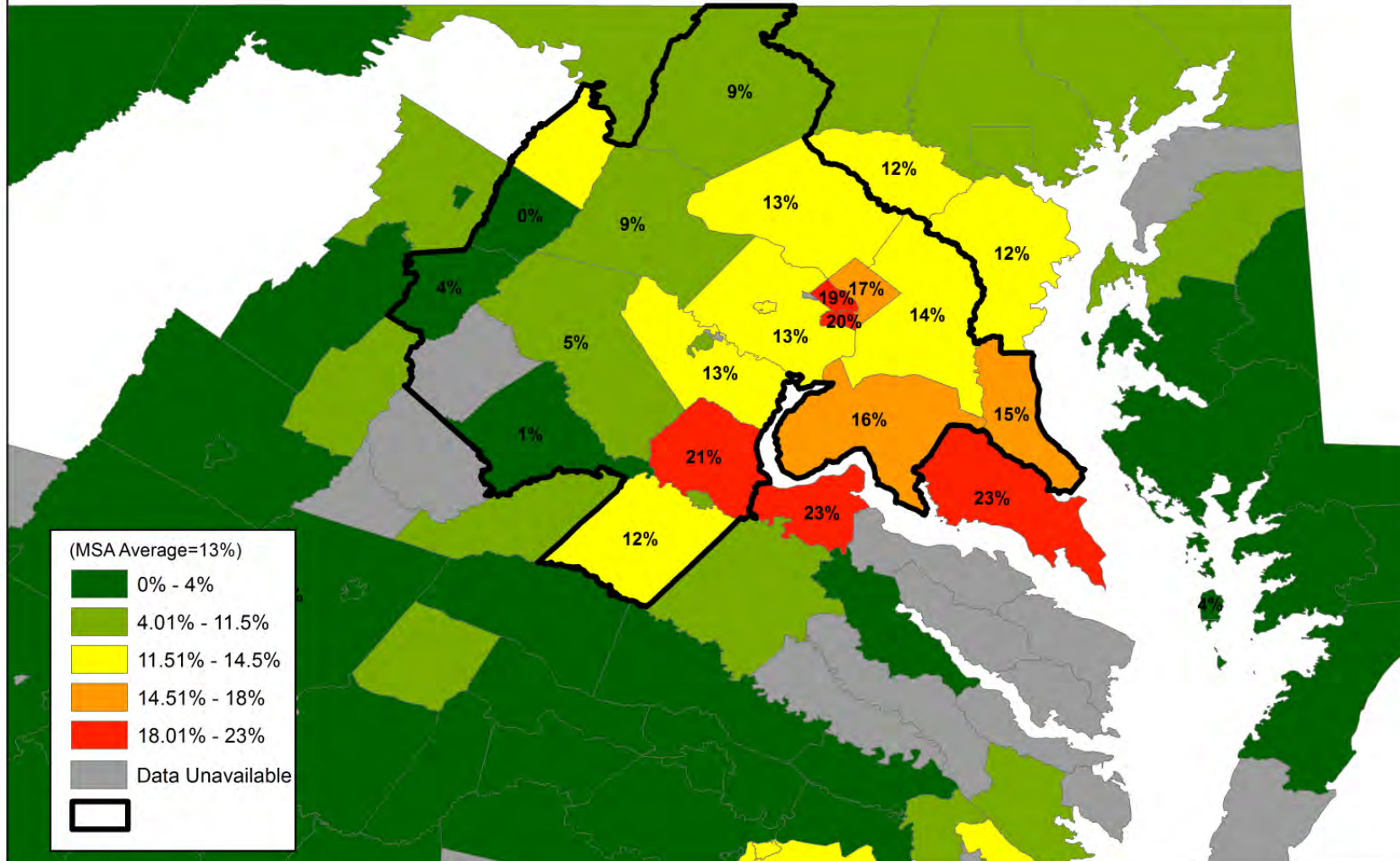
NOTE: The regional totals do not include Jefferson, WV.

Average Annual Change 1990-2016 = 37,300

# Workforce Concentration of Federal Employees

(Federal Employees as a percentage of the total workforce by place of residence)

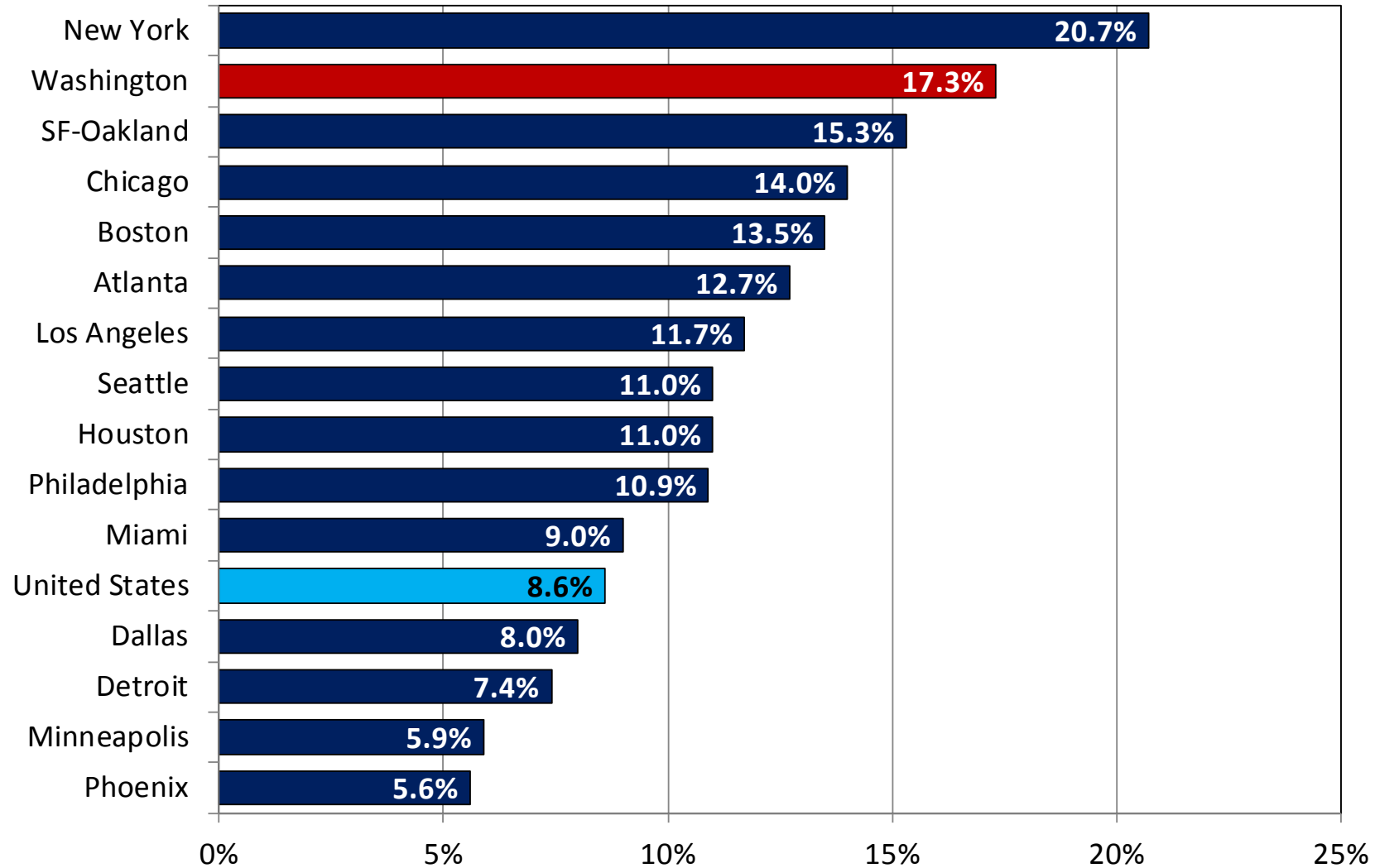
0 12.5 25 50 Miles



# Long commutes diminish quality of life

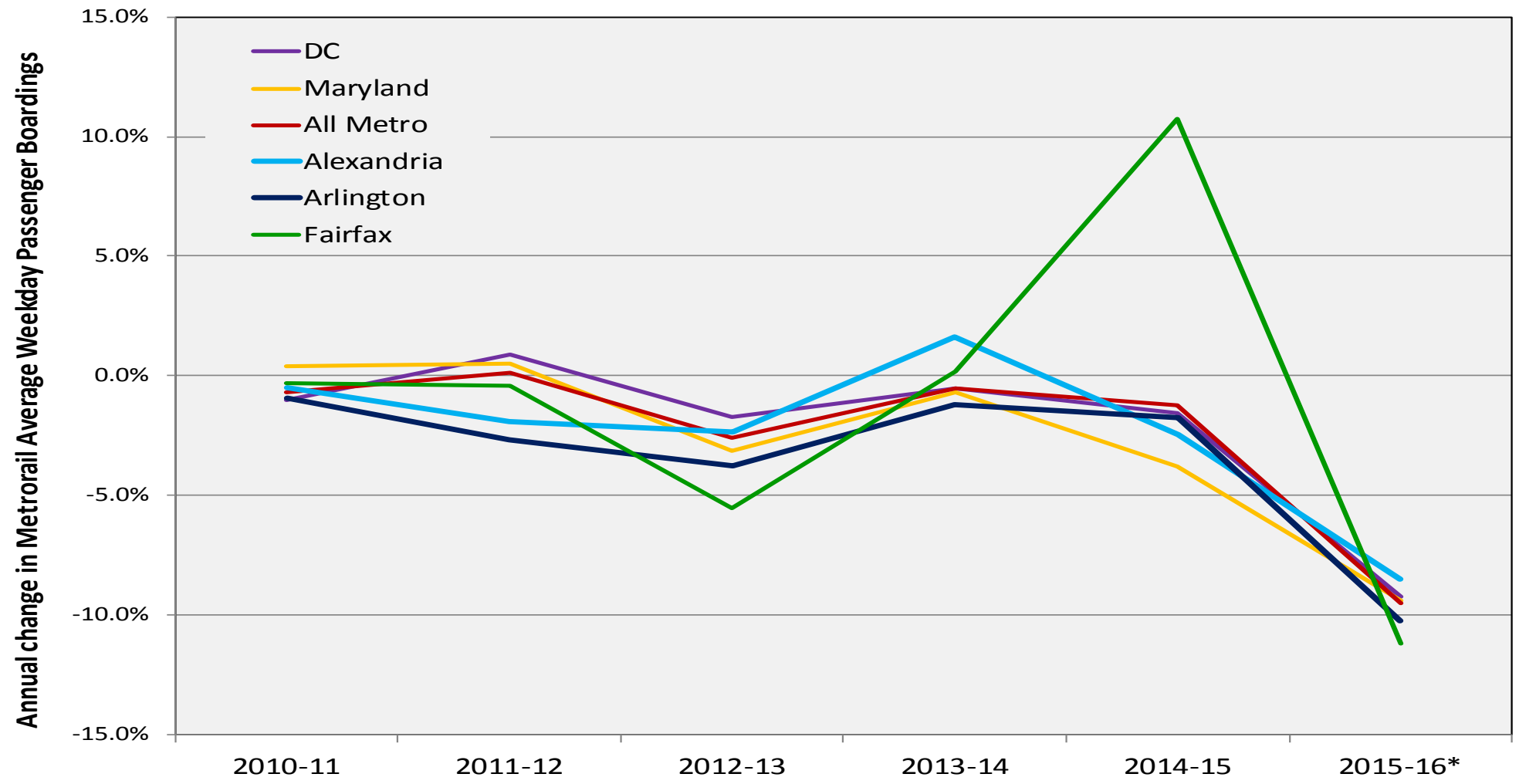


Proportion of workers with travel time to work of 60 or more minutes



Source: US Census Bureau, 2014 American Community Survey, Table S0802

# Metrorail ridership is in decline



Source: Washington Metropolitan Area Transit Authority (WMATA)



# Where are we?

- We are growing:

- Some diversification
- Some catch-up
- Recent job growth across all wage levels
- Growth will continue in 2017, but at a moderating pace

- Advantages

- Government Center
- International Institutions
- Connectivity to the World
- Concentration of Leaders
- Access to capital
- High Quality-of-Life
- Diverse Population
- Higher Education
- Educated Work Force
- Advanced Occupational Specializations

- Challenges

- Drain the swamp/Sequester
- Further market shifts needed
- Cost of living/doing business
- Mobility
- Access to capital
- Regional branding / cooperation
- Globally competitive?
- Understanding changing nature of jobs
- Productivity

# Thank You Questions

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