



City Controller's Office Monthly Economic Snapshot (January)

31-Jan-08

Total Non-Farm Employment (in thousands)

	Dec-07	Dec-06	Change	Nov-07
City Total	669.4	669.1	0.04%	672.5
Manufacturing	27.8	29.5	-5.76%	27.8
Wholesale & Retail	66.7	67.4	-1.04%	66.3
Services	628.1	626.9	0.19%	631
Construction & Mining	13.5	12.7	6.30%	13.7
MSA Total	2868.4	2842.6	0.91%	2867
Manufacturing	223.2	227	-1.67%	222.8
Wholesale & Retail	444.5	460.7	-3.52%	457
Services	2511.7	2484.9	1.08%	2508.1

Source: BLS

Unemployment Rate (%)

	Dec-07	Dec-06	Change	Nov-07
City	5.8	5.7	1.75%	5.6
MSA	4.1	3.9	5.13%	3.9
US	5	4.5	11.11%	4.7

Source: BLS

City Tax Collections (millions)

Through 1/31/08	FY2008	FY2007	Change	% Budget
Sales	\$78.74	\$77.55	1.53%	56.9%
Wage/NPT/Earnings (City & PICA)	\$893.57	\$863.91	3.43%	58.7%
Tot City & PICA Tax Revs	\$1,248.93	\$1,266.36	-1.38%	45.0%

Source: Philadelphia Revenue Commissioner

Office Availability Rate (%)

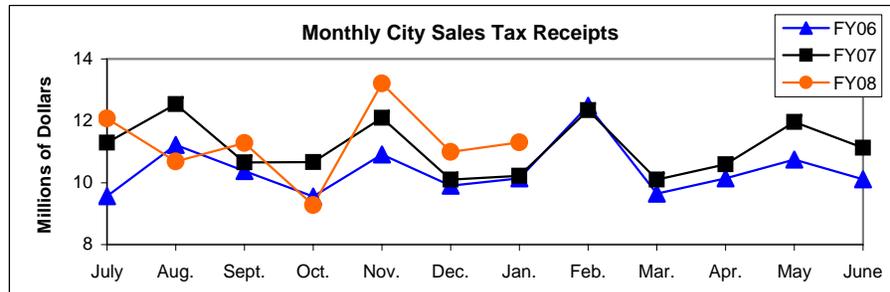
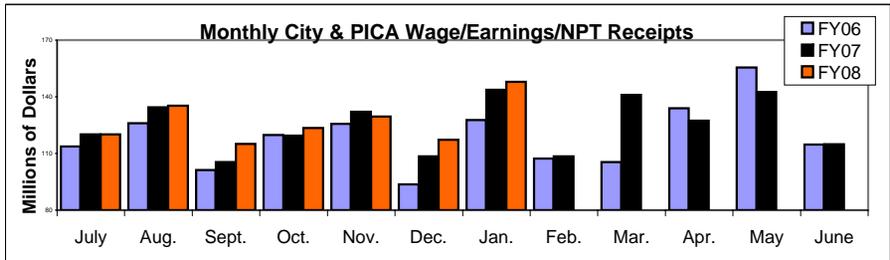
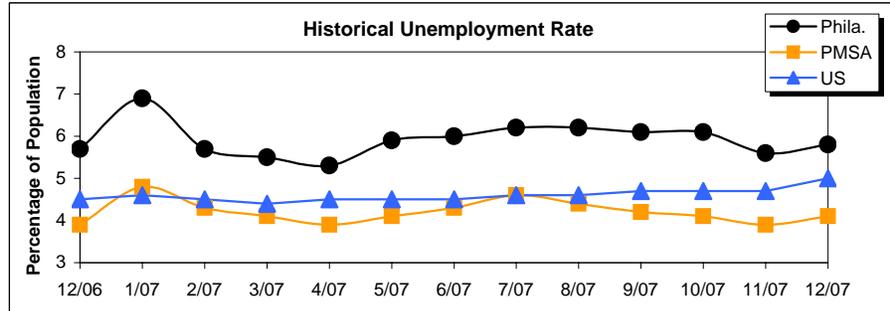
	4Q-07	4Q-06	Change	3Q-07
Central Bus. District	12.6	12.1	3.97%	12.6
Philadelphia Suburbs	17.4	19.3	-9.64%	17.4

Source: CB Richard Ellis

Demographic And Socio-Economic Snapshot 2006 (Population/Demographics - 2006 Census American Community Survey)

	Population	Male	Female	White	Af. Amer.	Asian	Other	Hispanic	Pov. Rate	Under 18	Over 65	Md Hse Inc
City of Philadelphia	1,448,394	46.78%	53.21%	41.83%	44.33%	5.30%	8.50%	10.46%	25.10%	25.58%	13.00%	\$ 33,229

Highlights of Note: The Conference Board's U.S. leading index decreased for the fourth straight month, with falling stock prices as the largest negative contributor. S&P/Case-Shiller home price index saw an 8.9% drop in home sale prices in 4Q 2007 from the year before. Propelling inflation, U.S. consumer prices rose 0.4% as the Labor Department reported that January saw the steepest rise in food costs in 11 months. In Philadelphia, prices for food, energy, and home costs increased in January, straining residents' wallets. The leading index saw the largest six-month decline in the index since early 2001. Firms in the Philadelphia region continue to report large increases in health care costs. In the Philadelphia region, manufacturing activity also fell in January as new orders, shipments, and employment fell and costs of inputs continued to rise.





Economic Forecasts

January 2008

Arrows (↔ ↗ ↘ ↙ ↚) indicate the change of the forecast over time, not the direction of the forecast itself.

United States		Updates per Year	Last Update	Current GDP	2007 GDP		2008 GDP		2007 Consumer Price		Current Unemployment	2007 Unemployment		2008 Unemployment	
1	American Bankers Association, ABA — Forecast and Outlook	2	Jan-08	4th Quarter 2007 6%	5.5%	↗	4.0%	↘	4.0%	↗	Dec-07 5.0%	4.6%	↔	5.2%	↗
2	economy.com — Précis: Metro/US	3	Sep-07		2.0%	↘	2.3%	↘	N/A	○		4.6%	↔	4.9%	↗
3	FRB Philadelphia — Livingston Survey	2	Dec-07		N/A	N/A	2.9%	↗	2.6%	↗		4.6%	↔	4.8%	↗
4	FRB Philadelphia — Survey of Professional Forecasters	4	Nov-07		2.1%	↗	2.5%	↘	2.2%	↔		4.6%	↔	4.9%	↗
5	National Association for Business Economics — NABE Outlook	4	Nov-07		2.4%	↗	2.6%	↘	3.5%	↗		4.6%	↔	4.9%	↗
6	The Conference Board — U.S. Leading Indicator	12	Jan-08	Level of Business Activity	Jan-08	135.8	↘					This chart tracks the Indicator for the last 12 months.			

Narrative: The spillover from the housing slump, turmoil in financial markets, and higher energy prices will cause growth to slow to a crawl at an annual pace of just .4 percent in the first quarter, according to NABE forecasters. The number of professional forecasters expecting an economic recession this year doubled from November to February as well. Some economists also worry that with costs remaining high with a weakening economy, the U.S. could be headed toward stagflation this year.

Regional (U.S. Northeast) & Local (Phila. Metro)		Updates per Year	Last Update	Current GRP/GMP	2007 GRP/GMP (percent change)		2008 GRP/GMP (percent change)		2007 Personal Income Growth		2008 Personal Income Growth		2006 Net Migration (thousands)		2007 Net Migration (thousands)	
7	economy.com — Précis: Metro/NORTHEAST	3	Sep-07	N/A	N/A	○	N/A	○	6.8%	↗	3.8%	↘	-105.7	↗	-62.3	↗
8	economy.com — Précis: Metro/Philadelphia	3	Sep-07	2.1%	1.8%	↘	1.8%	↘	5.0%	↗	2.8%	↘	-7.6	↔	-6.5	↔
7	economy.com — Précis: Metro/NORTHEAST	3	Sep-07	Current (2006) Employment	2007 Employment	2008 Employment	Cost of Doing Business (U.S. = 100)	Current (2006) Unemployment	2007 Unemployment	2008 Unemployment						
8	economy.com — Précis: Metro/Philadelphia	3	Sep-07	29,134	0.8%	↘	0.3%	↘	108	↔	4.5%	4.4%	↔	4.6%	↗	
9	FRB Phila — Regional Employment Forecasts	4	Nov-07	1,905	0.6%	↘	0.2%	↘	119	↔	4.7%	4.2%	↔	4.3%	↗	
				n/a	0.8%	↔	0.6%	↔	n/a	○	n/a	4.4%	↔	5.1%	↗	
10	FRB Philadelphia — Business Outlook Survey	12	Jan-08	Leading Indicator	Jan-08 to Jul-08	7.7	↘					This chart tracks the Indicator for the last 24 months.				

Narrative: The FRB's Beige Book reports expected slowing in retail, auto sales, new employment, and mortgage and personal lending for the Philadelphia region in 2008. Additionally, the six-month outlook for manufacturing growth index in January decreased to -20.9, its lowest reading since October 2001. Kevin Gillen from the Wharton School reported that in the last quarter of 2007, the smallest number of homes changed hands since 2003. This downturn in the Philadelphia housing market could create a hole in the City's budget from lower-than-expected real estate transfer taxes. The rate has been running about \$5 million below original estimates for the past three months and will most likely not meet the original expected level of \$205 million at year's end.

1	American Bankers Association, ABA — Forecast and Outlook	This outlook delivers a one-year forecast for mostly banking-related indicators as well as general economic measures.														
2,7,8	economy.com — Précis: Metro/US/Northeast/Philadelphia	These outlooks include five-year forecasts of eleven key indicators. There are separate tables for the US, the US-Northeast, and the Philadelphia area.														
3,4,9,10	FRB Philadelphia	Federal Reserve Bank, 3rd district, Philadelphia — covers eastern Pennsylvania, southern New Jersey, and the state of Delaware.														
3	FRB Philadelphia — Livingston Survey	The Livingston Survey was started in 1946 by the late columnist Joseph Livingston. It is the oldest continuous survey of economists' expectations. It summarizes the forecasts of economists from industry, government, banking, and academia.														
4	FRB Philadelphia — Survey of Professional Forecasters	The Survey of Professional Forecasters is one of the oldest (since 1968) quarterly survey of macroeconomic forecasts in the US.														
9	FRB Philadelphia — Regional Employment Forecasts	This is a regional indicator predicting job growth and unemployment rate one year from now.														
10	FRB Philadelphia — Business Outlook Survey	The Business Outlook Survey is a monthly survey of manufacturers in the Philadelphia area indicating the change in expected business activity six months from now. The index represents a percentage of respondents predicting an increase.														
5	National Association for Business Economics — NABE Outlook	The NABE Outlook presents the consensus of macroeconomic forecasts made by a panel of 37 professional forecasters from the membership of the National Association for Business Economics. The survey originated in 1965.														
6	The Conference Board — U.S. Leading Indicator	The Leading Indicator gauges the whereabouts of the US economy in nine months.														