



Economic Forecasts

April 2009

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	2009 GDP		2010 GDP		2009 Consumer Price		Current Unemployment	2009 Unemployment		2010 Unemployment	
1	American Bankers Association, ABA — Forecast and Outlook	2	Jun-08	1st Quarter 2009 -6.1%	3.5%	↘	4.5%	↗	3.7%	↘	Apr 2009 8.9%	5.3%	↗	5.7%	↗
2	economy.com — Précis: Metro/US	3	Jan-09		-1.7%	↘	2.0%	↘	n/a	○		8.1%	↗	8.9%	↗
3	FRB Philadelphia — Livingston Survey	2	Dec-08		-2.2%	↘	1.8%	↗	-2.2%	↘		6.8%	↗	7.6%	↗
4	FRB Philadelphia — Survey of Professional Forecasters	4	Nov-08		-2.9%	↘	-1.1%	↘	2.1%	↘		6.6%	↗	7.0%	○
5	National Association for Business Economics — NABE Outlook	4	Nov-08		-9.0%	↘	3.1%	↗	-0.8%	○		8.4%	↗	8.8%	↗
6	The Conference Board — U.S. Leading Indicator *	12	Apr-09	Level of Business Activity	Apr-09 99.0 ↗								This chart tracks the Indicator for the last 12 months.		

Narrative: The recession is bottoming out, say economists. Wall Street enjoyed a small rebound over April, while consumer confidence and spending are beginning to rebound. Housing sales volume and prices appear to have bottomed out, with a slight tick upward for both in April. Employment is expected to lag through the year, and economists are saying that GDP growth will likely stay below 3% for the foreseeable future, so the recovery is expected to be a long and slow one.

Regional (U.S. Northeast) & Local (Phila. Metro)		Updates per Year	Last Update	Current GRP/GMP	2009 GRP/GMP (percent change)		2010 GRP/GMP (percent change)		2009 Personal Income Growth		2010 Personal Income Growth		2008 Net Migration (thousands)		2009 Net Migration (thousands)	
7	economy.com — Précis: Metro/NORTHEAST	3	Jan-09	N/A	N/A	○	N/A	○	0.0%	↘	2.4%	↘	-53.9	↘	-54.3	↘
8	economy.com — Précis: Metro/Philadelphia	3	Jan-09	1.8%	1.2%	↘	1.7%	↗	0.7%	↗	1.9%	↘	-4	↗	-4.4	↗
				Current (2009) Employment	2009 Employment		2010 Employment		Cost of Doing Business (U.S. = 100)	Current (2009) Unemployment		2010 Unemployment		2011 Unemployment		
7	economy.com — Précis: Metro/NORTHEAST	3	Jan-09	28,822	-2.1%	↘	-0.3%	↘	108	↗	7.8%	8.6%	↗	7.3%	↗	
8	economy.com — Précis: Metro/Philadelphia	3	Jan-09	1,893	-1.4%	↘	-0.4%	↗	119	↗	8.0%	8.9%	↗	7.5%	↗	
10	FRB Philadelphia — Business Outlook Survey	12	Apr-09	Leading Indicator	Apr-07 to Apr-09 -22.6 ↘								This chart tracks the Indicator for the last 24 months.			

Narrative: Area manufacturers enjoyed improvements in general activity, shipments and employment, although new orders declined slightly. On the whole, area manufacturers are more optimistic now than over the past 6 months, and expect that a recovery will occur over the next 6 months. Home sales in the region declined by nearly 11% in April, more than any other region in the country. While a national economic rebound will bring the area up with it, it is likely that the region will lag, as it historically has.

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.														



City Controller's Office Monthly Economic Snapshot (April) 30-Apr-09

Total Non-Farm Employment (in thousands)				
	Apr-09	Apr-08	Change	Mar-09
City Total	651.3	655.4	-0.63%	647.7
Manufacturing	25.0	27.5	-9.09%	25.1
Wholesale & Retail	60.1	63.5	-5.35%	60.5
Services	616.0	626.3	-1.64%	612.4
Construction & Mining	10.3	11.6	-11.21%	10.2
MSA Total	2741.0	2823.9	-2.94%	2723.0
Manufacturing	203.9	216.5	-5.82%	205.2
Wholesale & Retail	414.0	430.6	-3.86%	413.6
Services	2429.6	2483.6	-2.17%	2413.7

Because of changes within the BLS, employment data is now released after the snapshot is published. Hereafter, employment data will lag two months behind the current month.

Unemployment Rate (%)				
	Mar-09	Mar-08	Change	Feb-09
City	9.7	6.7	44.78%	9.6
MSA	8.1	4.9	65.31%	8.0
	Mar-09	Mar-08	Change	Feb-09
US	8.9	5.0	78.00%	8.5

Because of changes within the BLS, local and regional unemployment data is now released after the snapshot is published. Hereafter, local and regional unemployment data will lag two months behind the current month.

City Tax Collections (millions)				
Through 04/30/09	FY2009	FY2008	Change	% Budget
Sales	\$109.11	\$112.88	-3.34%	78.3%
Wage/NPT/Earnings (City & PICA)	\$1,247.13	\$1,290.57	-3.37%	82.6%
Tot City & PICA Tax Revs	\$2,197.47	\$2,278.39	-3.55%	90.6%

Office Availability Rate (%)				
	1Q-09	1Q-08	Change	4Q-08
Central Bus. District	13.0	12.4	4.74%	12.2
Philadelphia Suburbs	20.4	17.0	19.69%	19.1

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 16-month long recession appears to be bottoming out, with Fed Chief Bernanke saying that he expects economic activity to "turn up later this year". Consumer confidence in April bounced up by the largest margin in 6 years; consumer spending during Q1 2009 was similarly higher than expected, although spending began to slip in March. Unemployment continued to increase through April, as expected. The housing market stayed slow in April, with a small uptick in sales volume and price. Despite the speculation of having bottomed out, the remainder of the year will continue to be difficult. Employment is expected to continue falling after other indicators rebound, while the decline of prices over the past year has left a number of households owing more than their home is worth, compounding the difficulties of lowered household incomes. Locally, businesses are beginning to see signs of recovery, although they tend toward cautious optimism. Wage tax revenues have been coming in below last year's revenues for the past 5 months, indicating a shrinking tax base, but are on pace to meet revised projections.

