



Economic Forecasts

June 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		Unemployment Rate	2009 Unemployment		2010 Unemployment	
1	American Bankers Association, ABA — Forecast and Outlook	2	Jun-08	1st Quarter 2009 5.7%	3.5%	↘	4.5%	↗	3.7%	↘	June 2009 9.5%	5.3%	↗	5.7%	↗
2	economy.com — Précis: Metro/US	3	May-09		-3.0%	↘	1.4%	↘	n/a	○		9.1%	↗	9.6%	↗
3	FRB Philadelphia — Livingston Survey	2	Jul-09		-2.8%	↘	1.1%	↘	-2.2%	↘		9.9%	↗	9.8%	↗
4	FRB Philadelphia — Survey of Professional Forecasters	4	May-09		-2.9%	↘	-1.1%	↘	2.1%	↘		6.6%	↗	7.0%	○
5	National Association for Business Economics — NABE Outlook	4	May-09		-9.0%	↘	3.1%	↗	-0.8%	○		8.4%	↗	8.8%	↗
6	The Conference Board — U.S. Leading Indicator *	12	Jul-09	Level of Business Activity	Jun-09	100.9	↗							This chart tracks the Indicator for the last 12 months.	

Narrative: The National Association for Business Economics (NABE) Outlook finds that there are emerging signs that the economy is stabilizing. The survey warned, however, that while business economists look for the recession to end soon, the economic recovery is likely to be considerably more moderate than those typically experienced following steep declines. According to NABE, the key downside risks remain continued large job losses, no improvement in credit conditions, and further sharp declines in home values. The unemployment rate is forecast to rise to 9.8% by year-end; and inflation is expected to moderate, as economic slack builds and as oil prices are forecast to remain relatively depressed. The UCLA Anderson Forecast predicted unemployment to peak at 10.4 percent in 2010 and warned that it could still be close to 10 percent by the end of 2011.

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		2009 Net Migration (thousands)		2010 Net Migration (thousands)			
7	economy.com — Précis: Metro/NORTHEAST	3	May-09	N/A	N/A	○	N/A	○	-0.3%	↘	2.3%	↘	-94.1	↗	-65.0	↗		
8	economy.com — Précis: Metro/Philadelphia	3	May-09	1.8%	-3.1%	↘	-0.3%	↗	0.8%	↗	2.0%	↗	-5	↗	-4.5	↗		
7	economy.com — Précis: Metro/NORTHEAST	3	May-09	Current (2009) Employment	2009 Employment	28,547	-3.0%	↘	2010 Employment	Cost of Doing Business (U.S. = 100)	109	↗	Current (2009) Unemployment	2010 Unemployment	9.3%	↗	7.9%	↗
8	economy.com — Précis: Metro/Philadelphia	3	May-09	1,879	-2.3%	↘	-5.0%	↗	105	↘	8.1%	↘	8.8%	↗	8.8%	↗	7.3%	↘
10	FRB Philadelphia — Business Outlook Survey	12	Jul-09	Leading Indicator	June-07 to June-09	-7.2	↘							This chart tracks the Indicator for the last 24 months.				

Narrative: The Philadelphia Fed's Business Outlook Survey shows that broad indicators of future activity fell somewhat from their six-year highs last month, but they continue to suggest that firms are expecting improved conditions later this year. The future general activity index remained positive for the seventh consecutive month, but decreased from 60.1 in June to 51.9 this month. Last month's reading was its highest since September 2003. Indexes for future new orders and shipments also retreated 12 points this month. For the third consecutive month the percentage of firms expecting employment to increase over the next six months exceeded the percentage expecting declines (22 percent vs. 9 percent), and the future employment index was virtually unchanged. Firms' forecast for future capital spending remains subdued: The share of firms expecting higher capital spending over the next six months (20 percent) is nearly the same as the percentage expecting decreases (17 percent).

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 (June)

30-Jun-09

Total Non-Farm Employment (in thousands)				
	Jun-09	Jun-08	Change	May-09
City Total	640.9	660.2	-2.92%	647.7
Manufacturing	24.9	27.5	-9.45%	24.9
Wholesale & Retail	60.5	64.3	-5.91%	60.5
Services	605.5	620.4	-2.40%	612.1
Construction & Mining	10.5	12.3	-14.63%	10.7
MSA Total	2740.0	2839.3	-3.50%	2747.3
Manufacturing	203.6	217.4	-6.35%	204.2
Wholesale & Retail	418.0	436.7	-4.28%	416.4
Services	2426.4	2493.2	-2.68%	2434.2

Unemployment Rate (%)				
	Jun-09	Jun-08	Change	May-09
City	10.2	7.2	41.67%	10.0
MSA	8.6	5.3	62.26%	8.2
US	9.5	5.5	72.73%	9.4

City Tax Collections (millions)				
Through 06/31/09	FY2009	FY2008	Change	% Budget
Sales	\$130.40	\$135.84	-4.01%	93.6%
Wage/NPT/Earnings (City & PICA)	\$1,490.21	\$1,548.61	-3.77%	98.7%
Tot City & PICA Tax Revs	\$2,594.04	\$2,755.83	-5.87%	102.6%

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 Consumer Price Index increased 0.7% in June on a seasonally adjusted basis, fueled largely by a 17.3% increase in the gasoline index in June. According to respondents to the Philadelphia Fed's Business Outlook Survey, declines in the region's manufacturing sector continued this month, although not as steeply as over most of the first half of the year. Lagging indicators, including employment and work hours, continue to decline, indicating continued weakness. Unemployment in the City increased to 10.2% in June. Future indicators suggest that firms expect improvement in conditions over the next six months, and for the third consecutive month, the number of firms expecting increases in employment over the next six months is larger than the number expecting declines. The City's tax revenues ended the year down more than 5% over a year ago, but still largely met March's revised projections as a result of higher than expected wage, sales, real estate transfer and amusement tax

