

HRPDC 2010 REGIONAL FORECAST

PRESENTATION TO THE HAMPTON ROADS PLANNING DISTRICT COMMISSION



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Chief Economist

HRPDC

January 20, 2010

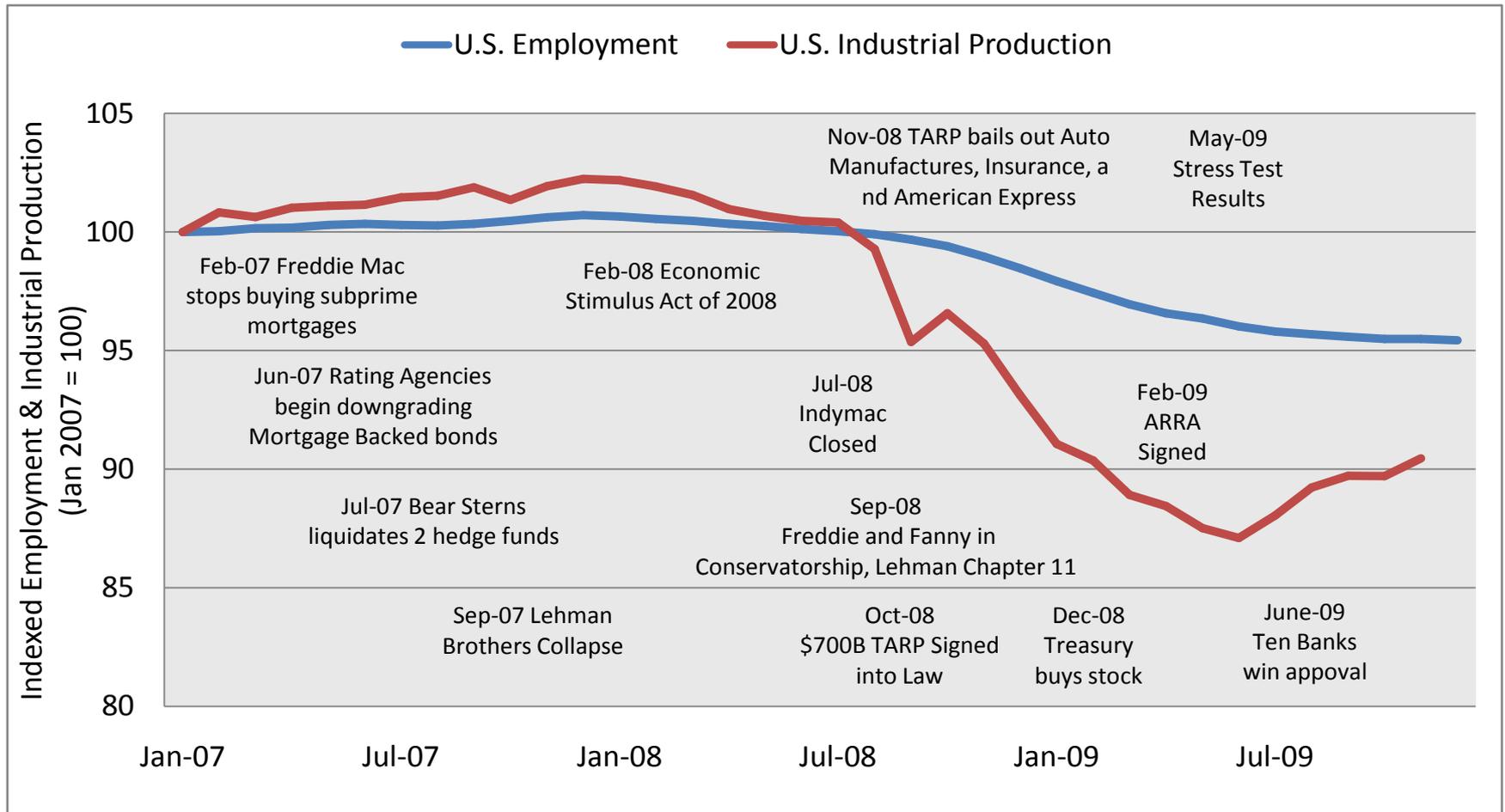


“The Great Recession”

- Housing Market
- Mortgage Crisis
- Flawed Securities
- Credit Tightening
- Global Impact
- Consumer Confidence / Consumer Demand
- Employment / Unemployment
- Real Estate



Timeline of Recession

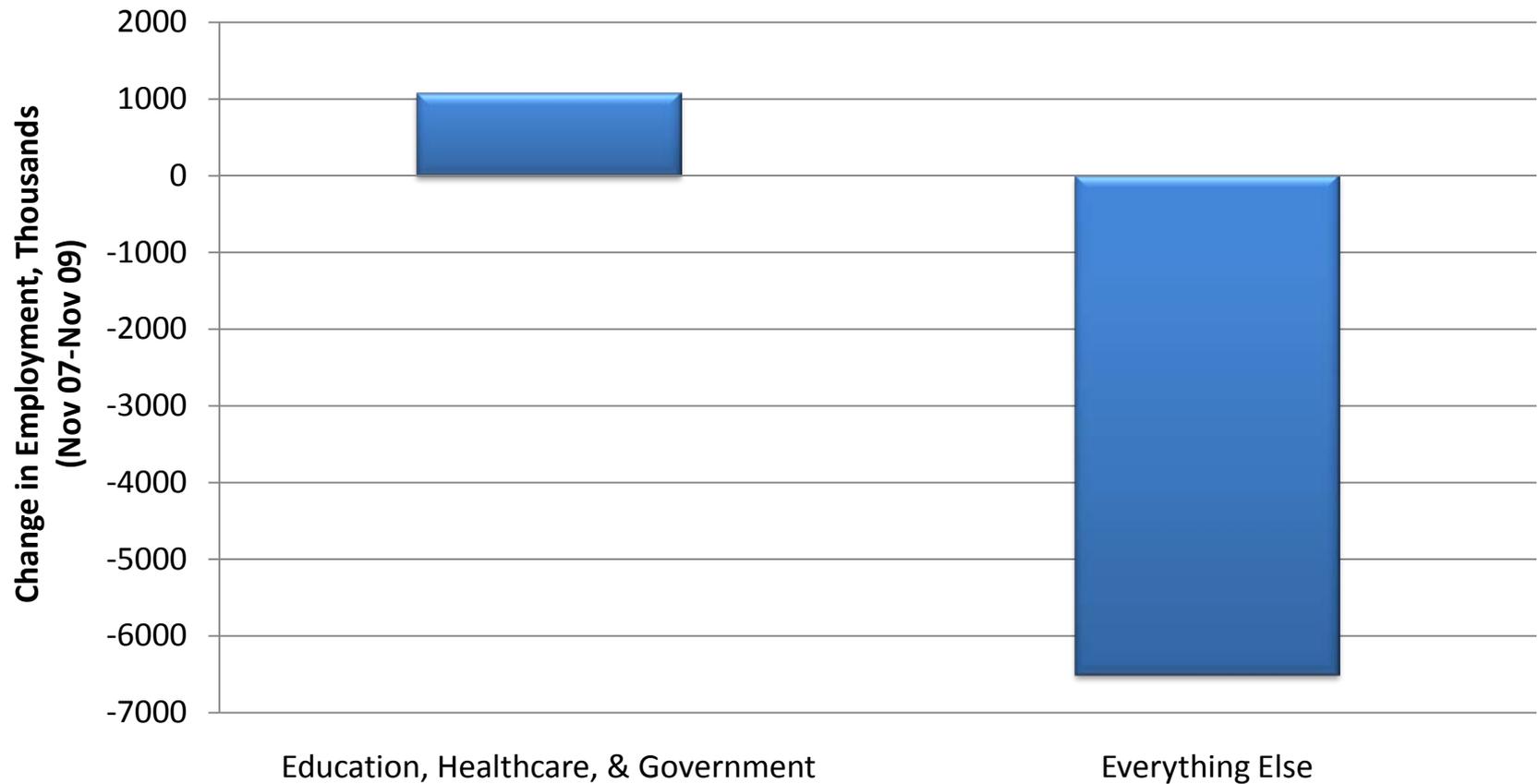


Source: Bureau of Labor Statistics & HRPDC

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Change in U.S. Employment During the Recession

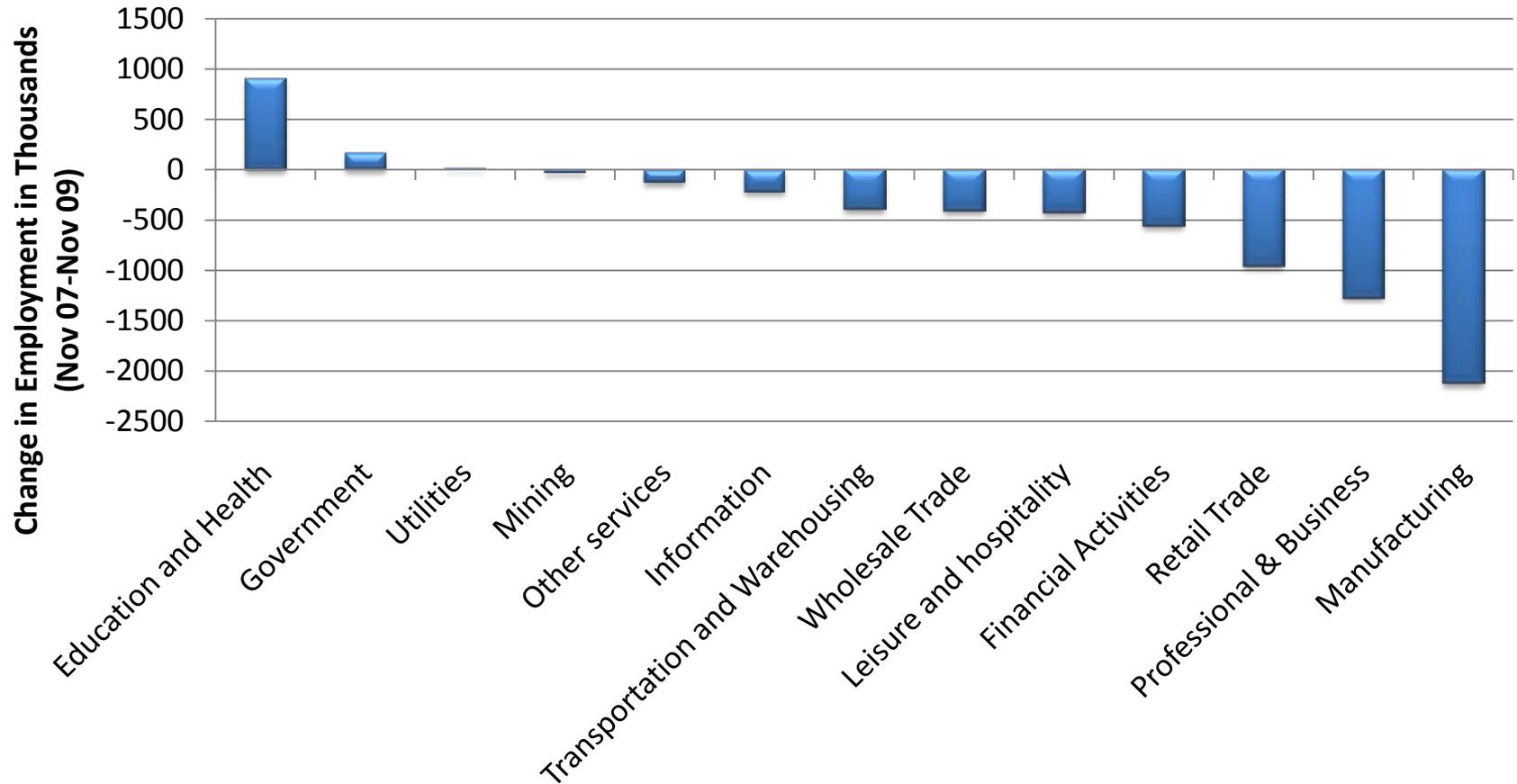


Source: Bureau of Labor Statistics

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Change in U.S. Employment During the Recession

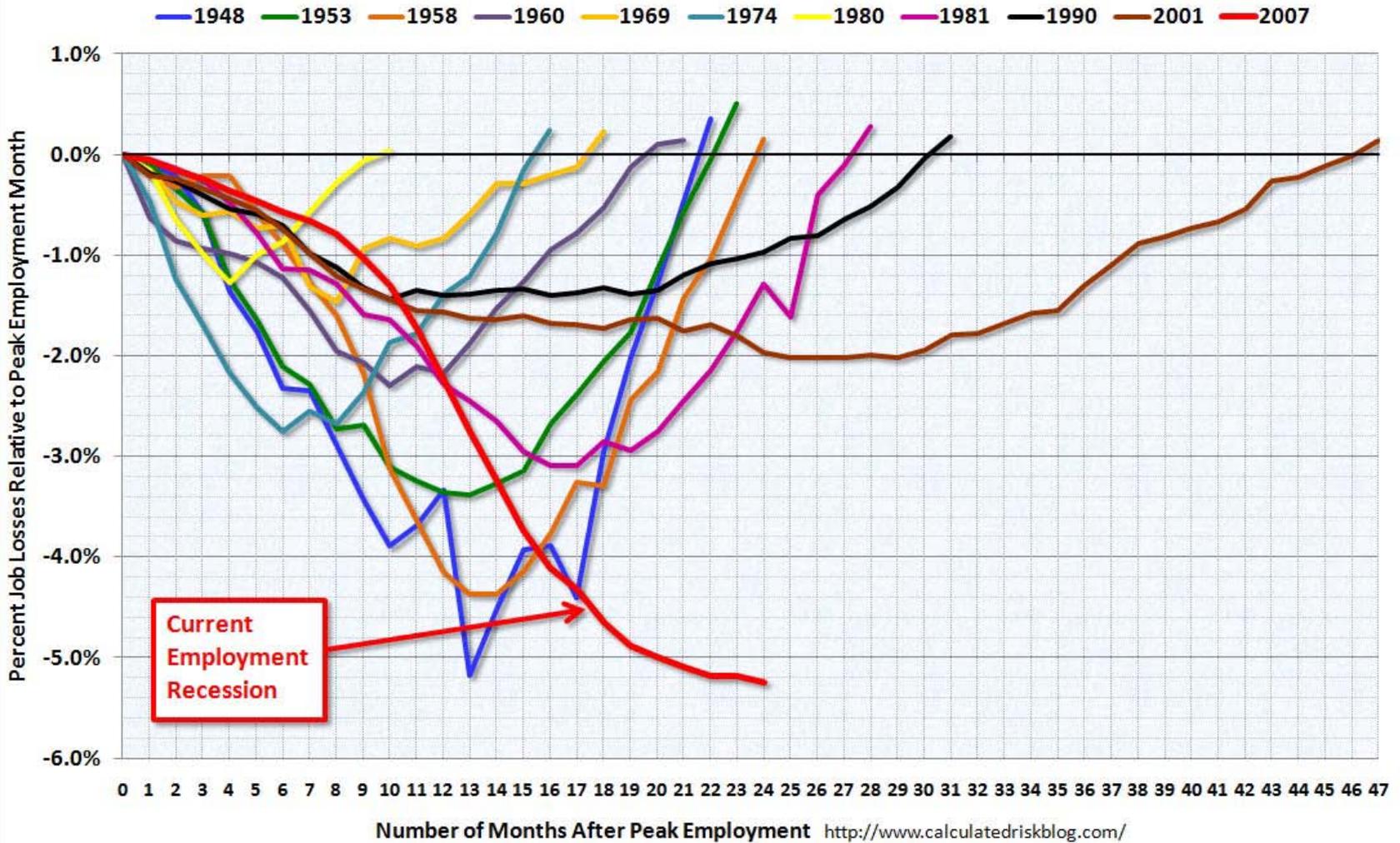


Source: Bureau of Labor Statistics

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Percent Job Losses in Post WWII Recessions

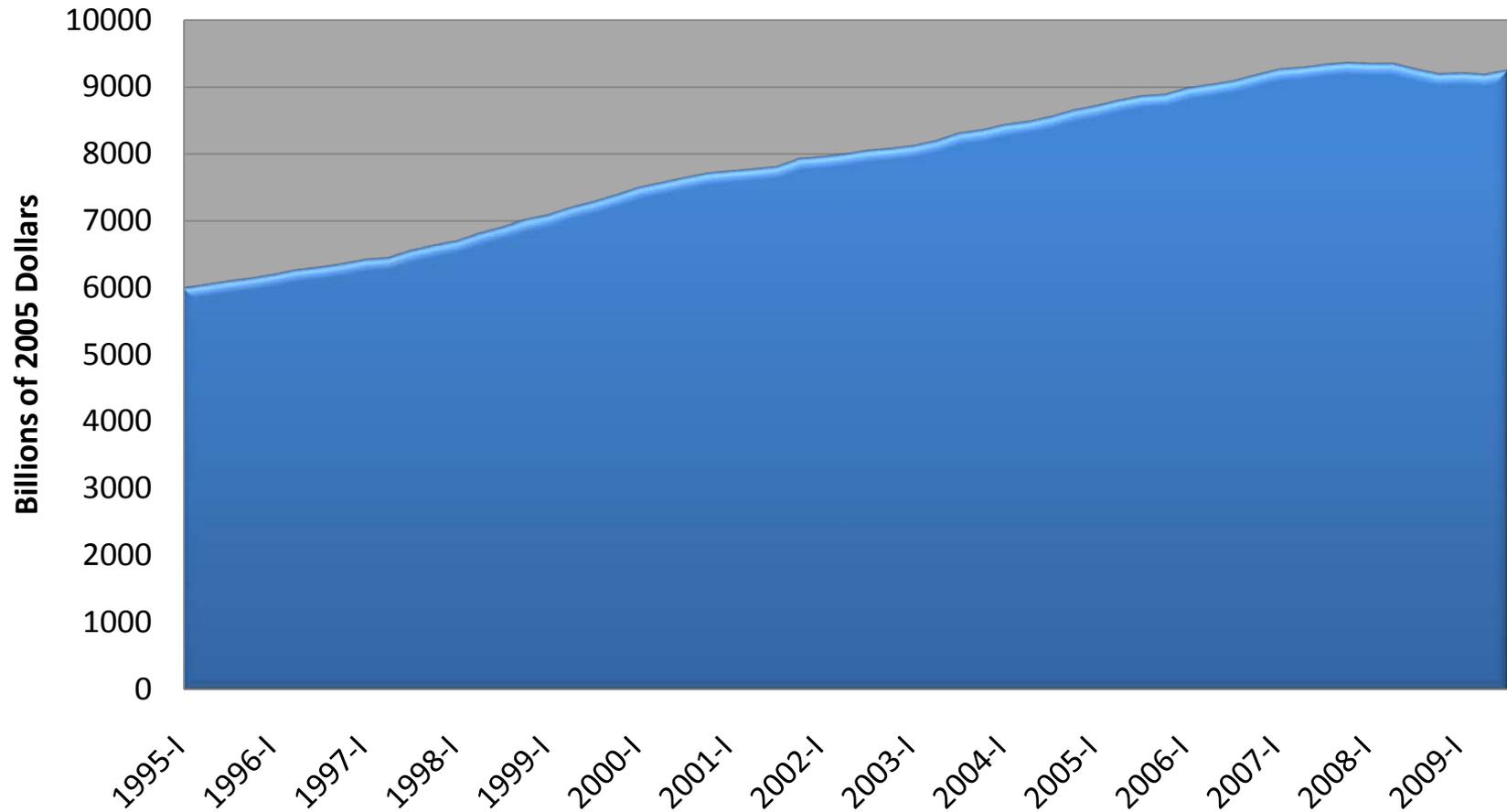


Source: Calculated Risk

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Personal Consumption Expenditures

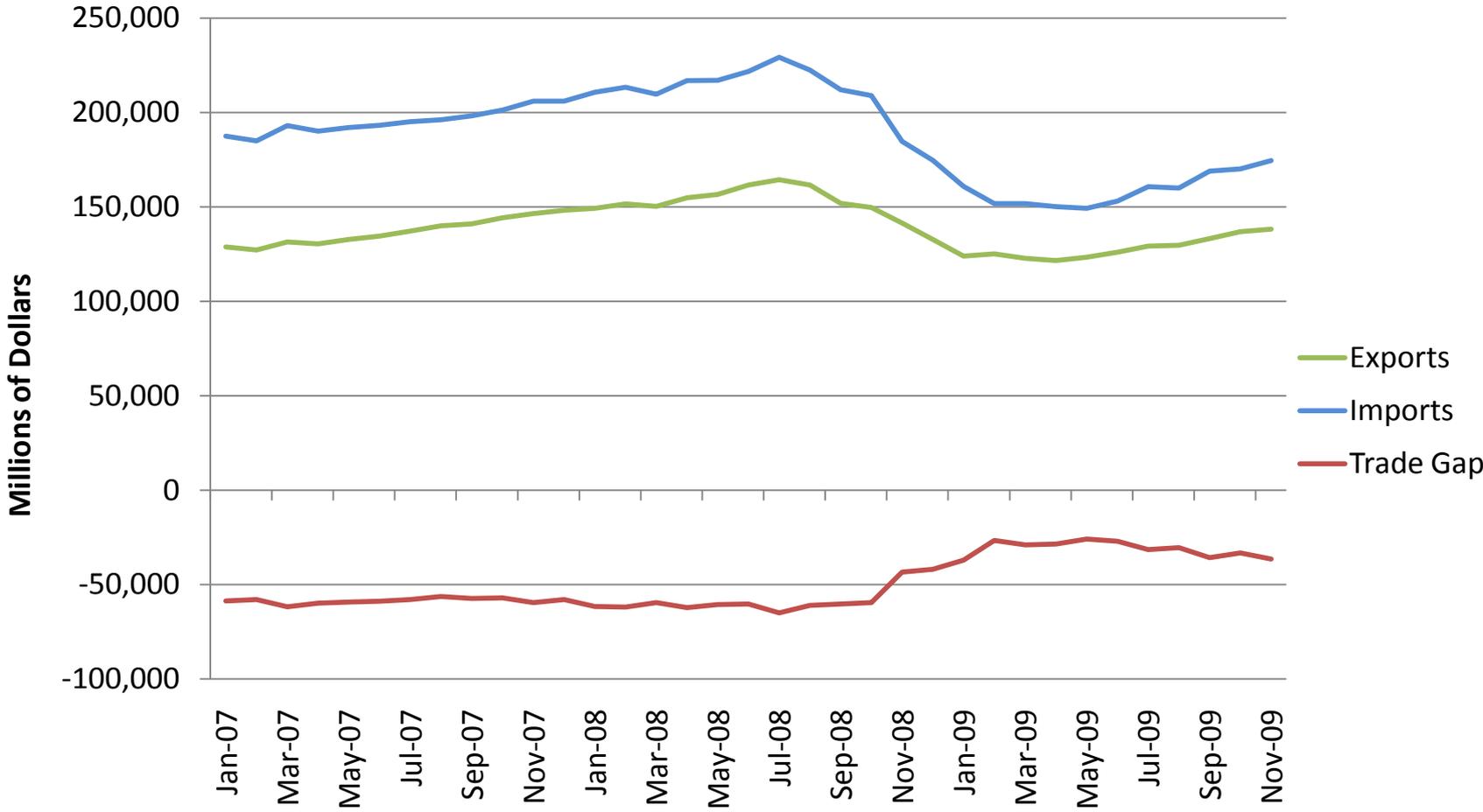


Source: Bureau of Economic Analysis

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U.S. International Trade in Goods and Services (Seasonally Adjusted)

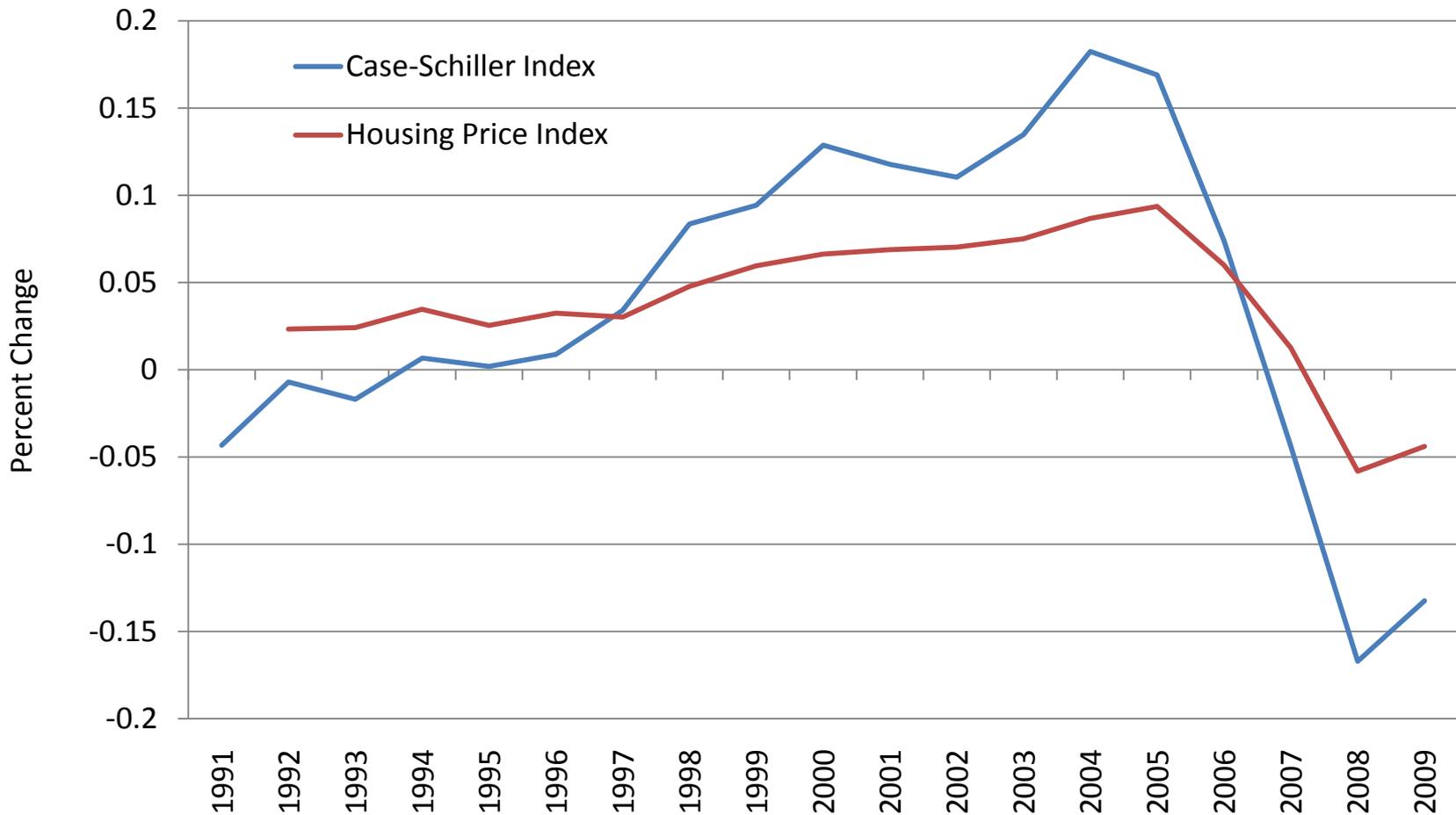


Source: Bureau of Economic Analysis

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Percent Change in Housing Values



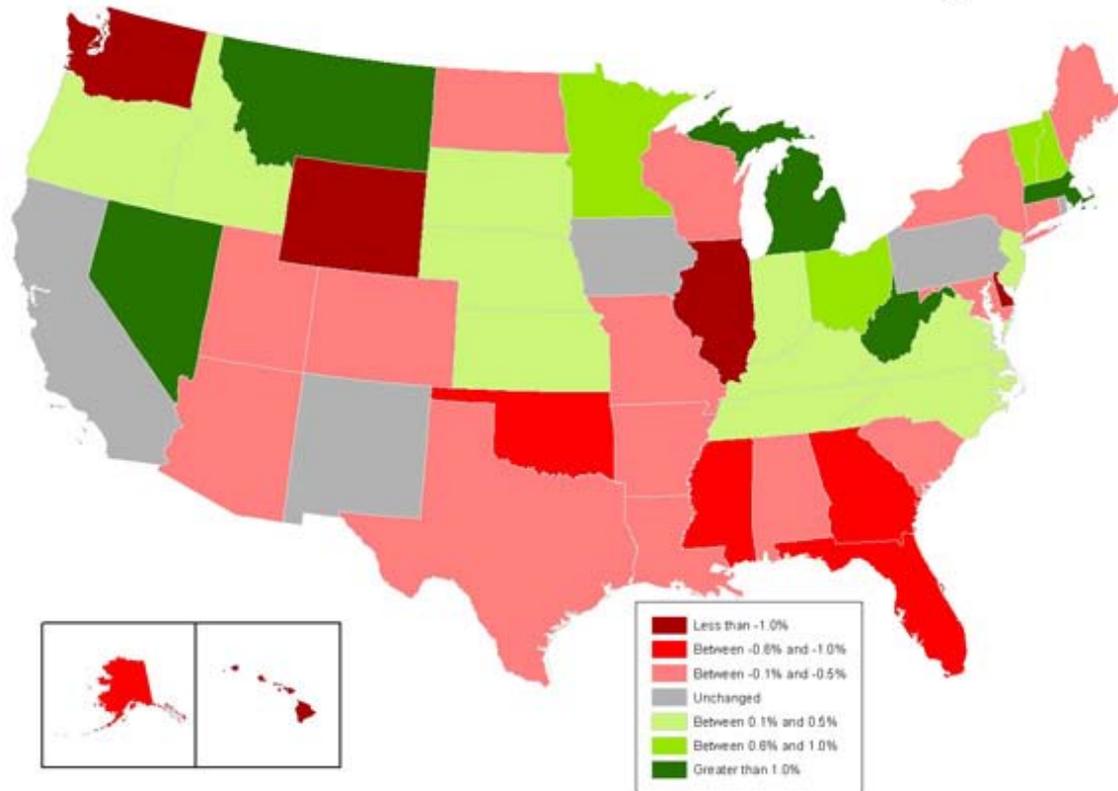
Source: OFHEO and Standard & Poors

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November, 2009

November State Coincident Indexes: Three-Month Change

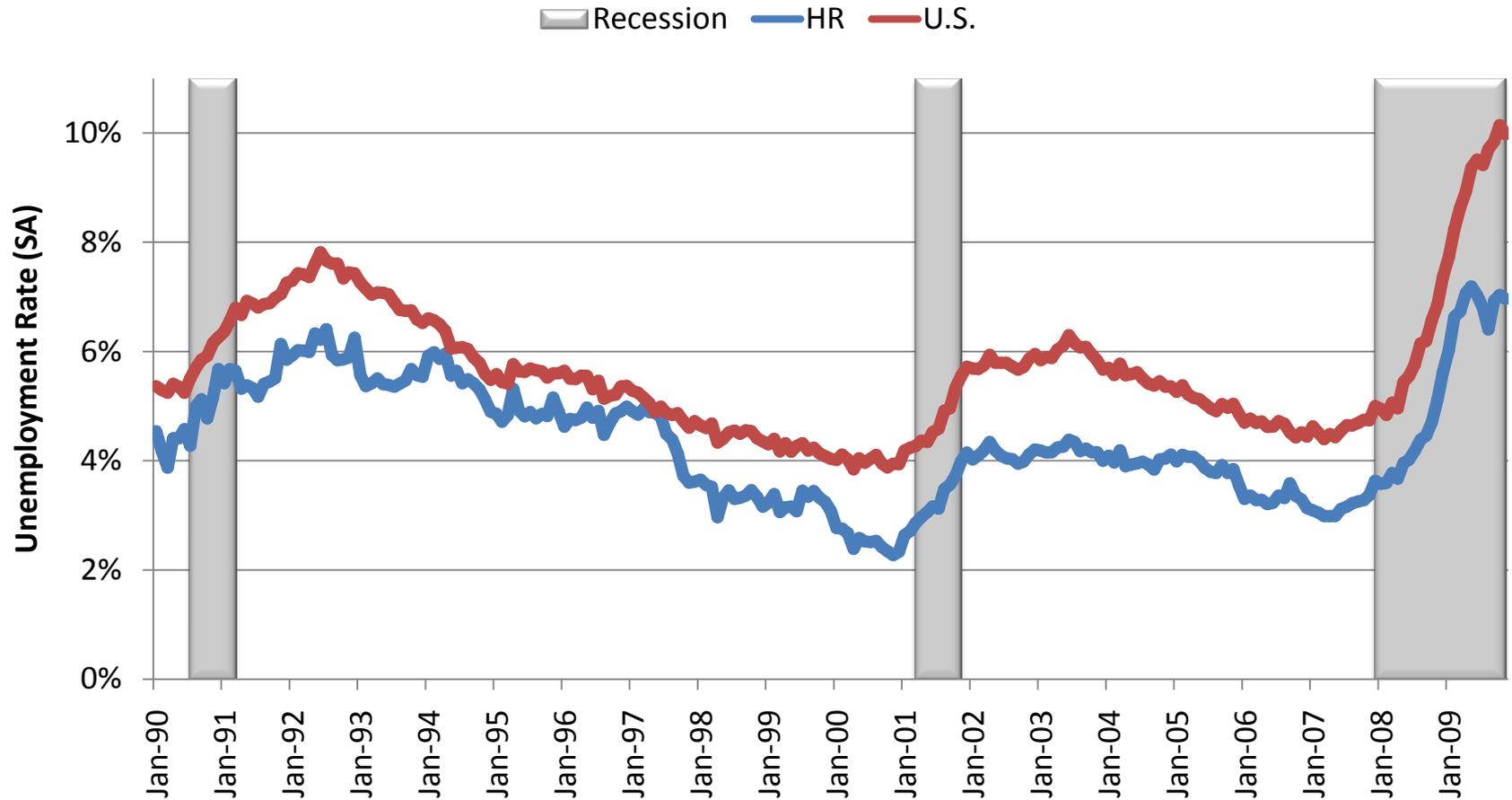


Source: Federal Reserve Bank



Unemployment Rates

Seasonally Adjusted



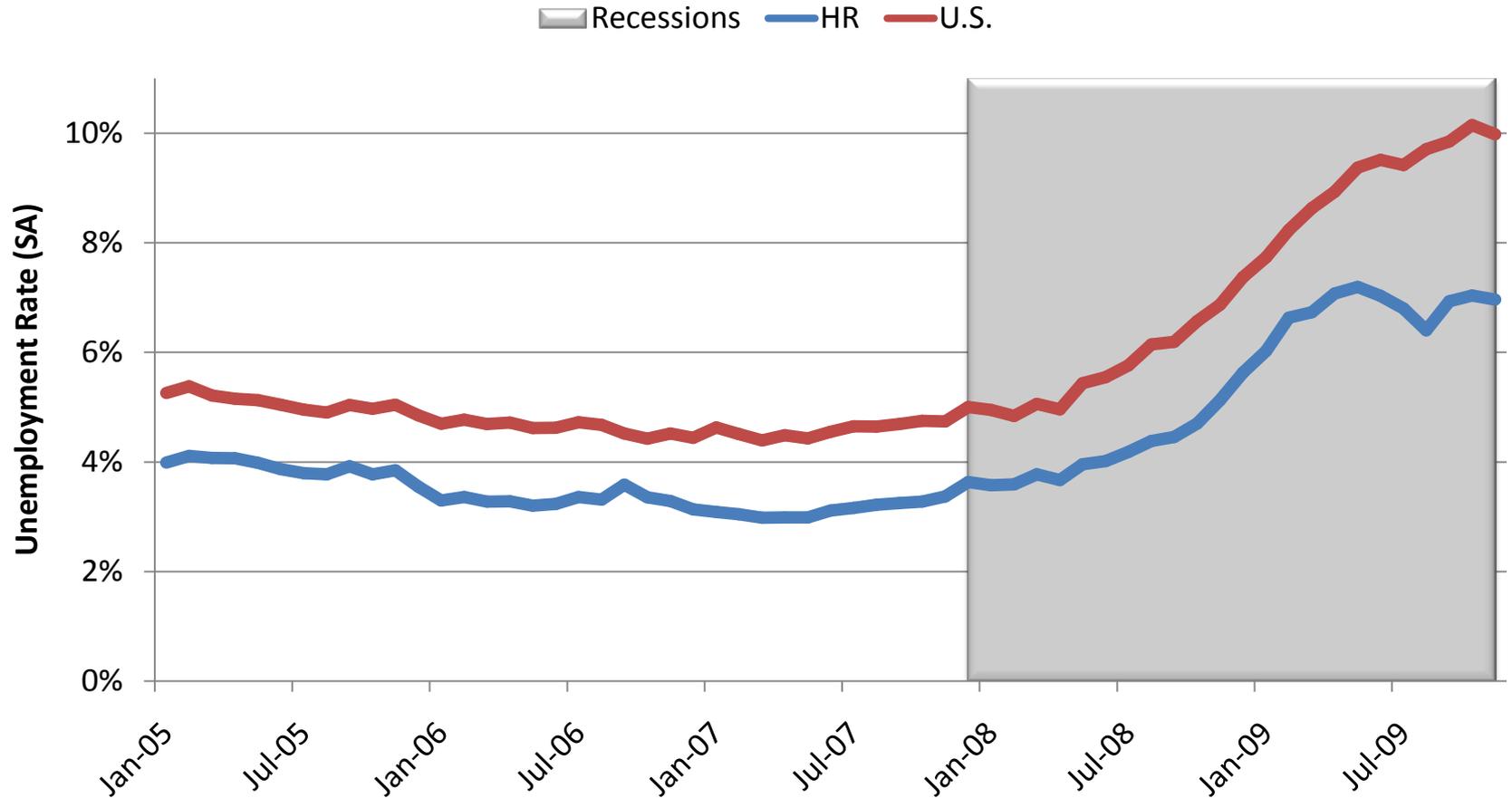
Source: Bureau of Labor Statistics & HRPDC

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Unemployment Rates

Seasonally Adjusted

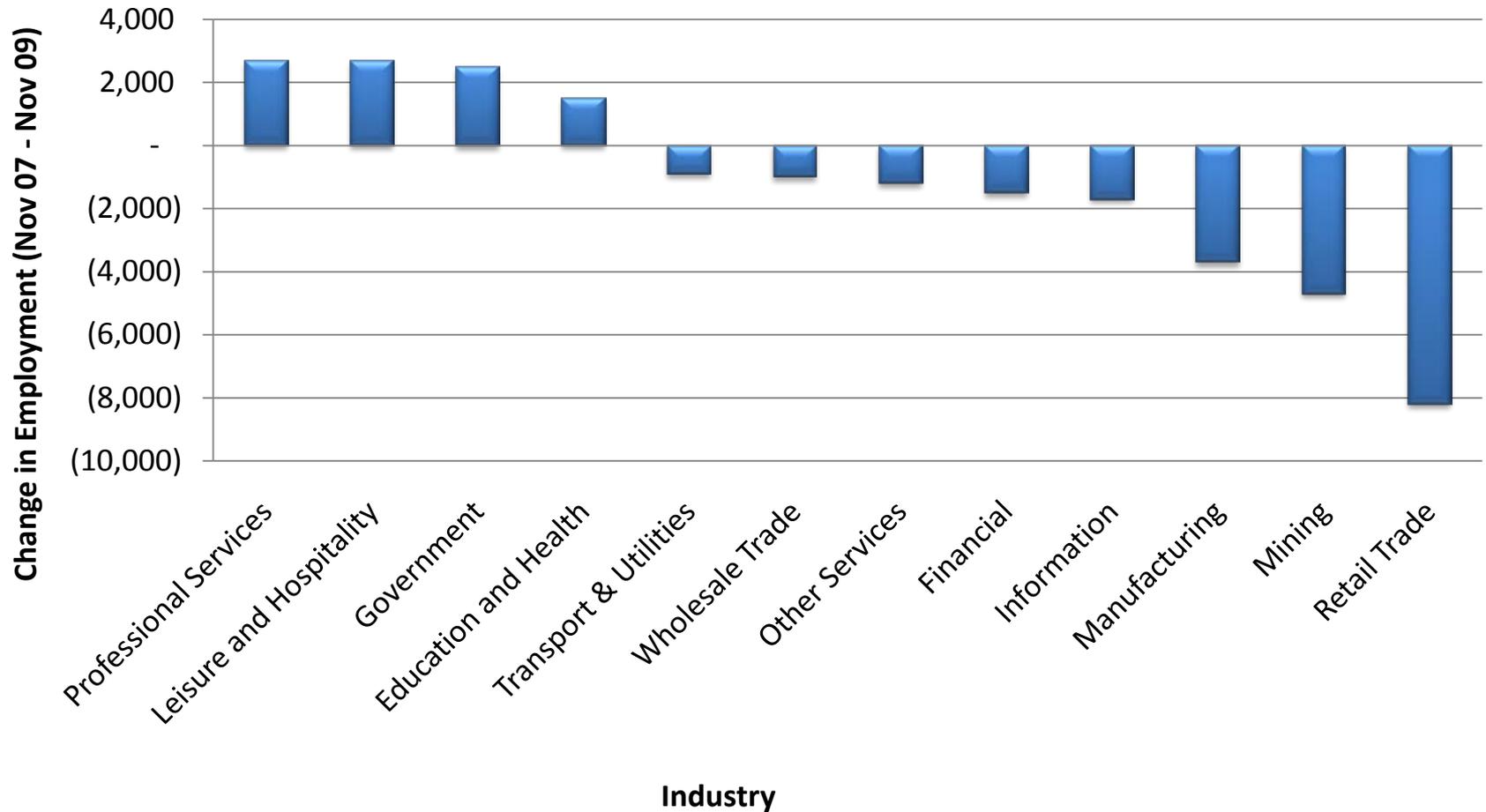


Source: Bureau of Labor Statistics & HRPDC

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Change in HR Employment During the Recession



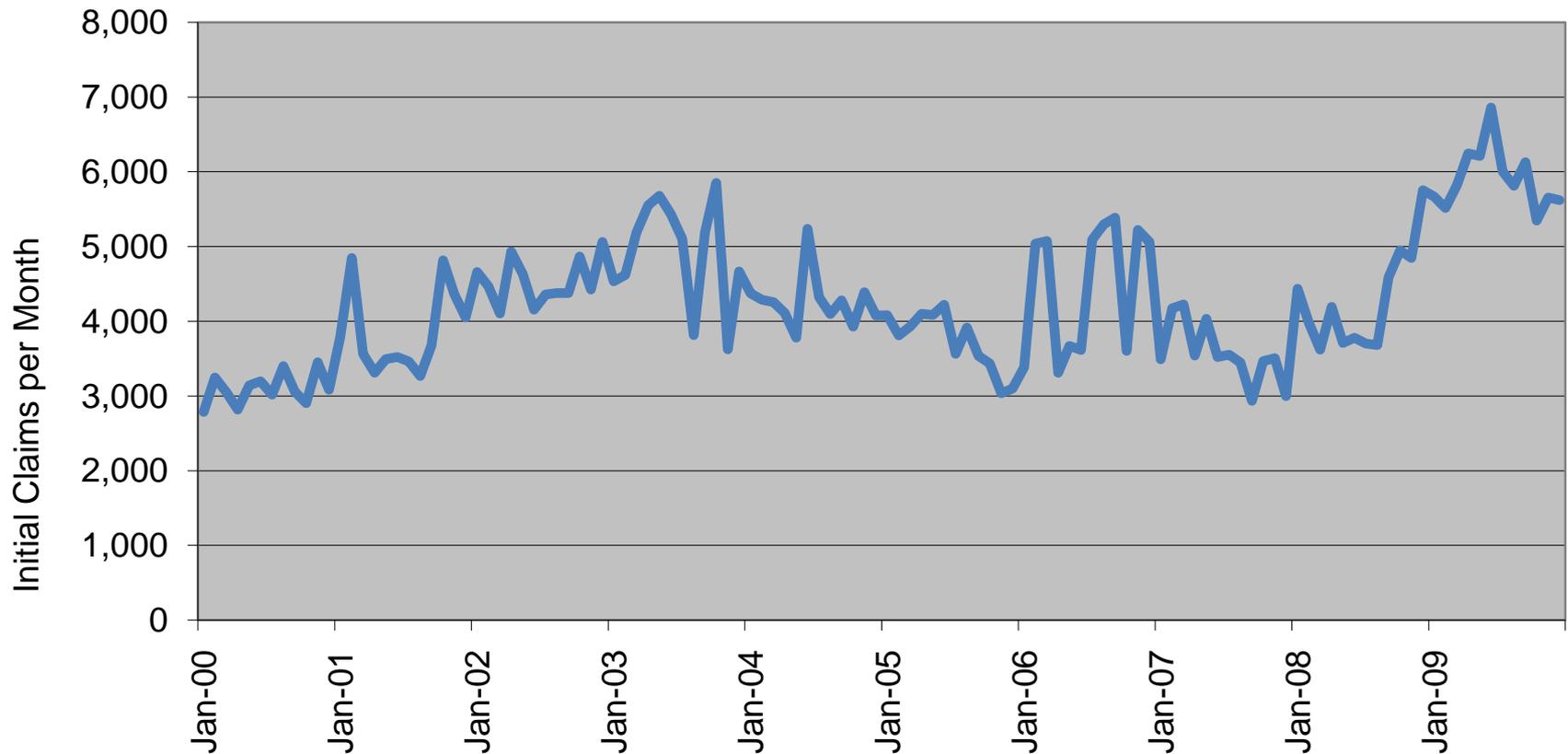
Source: Bureau of Labor Statistics

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Initial Unemployment Claims

Seasonally Adjusted



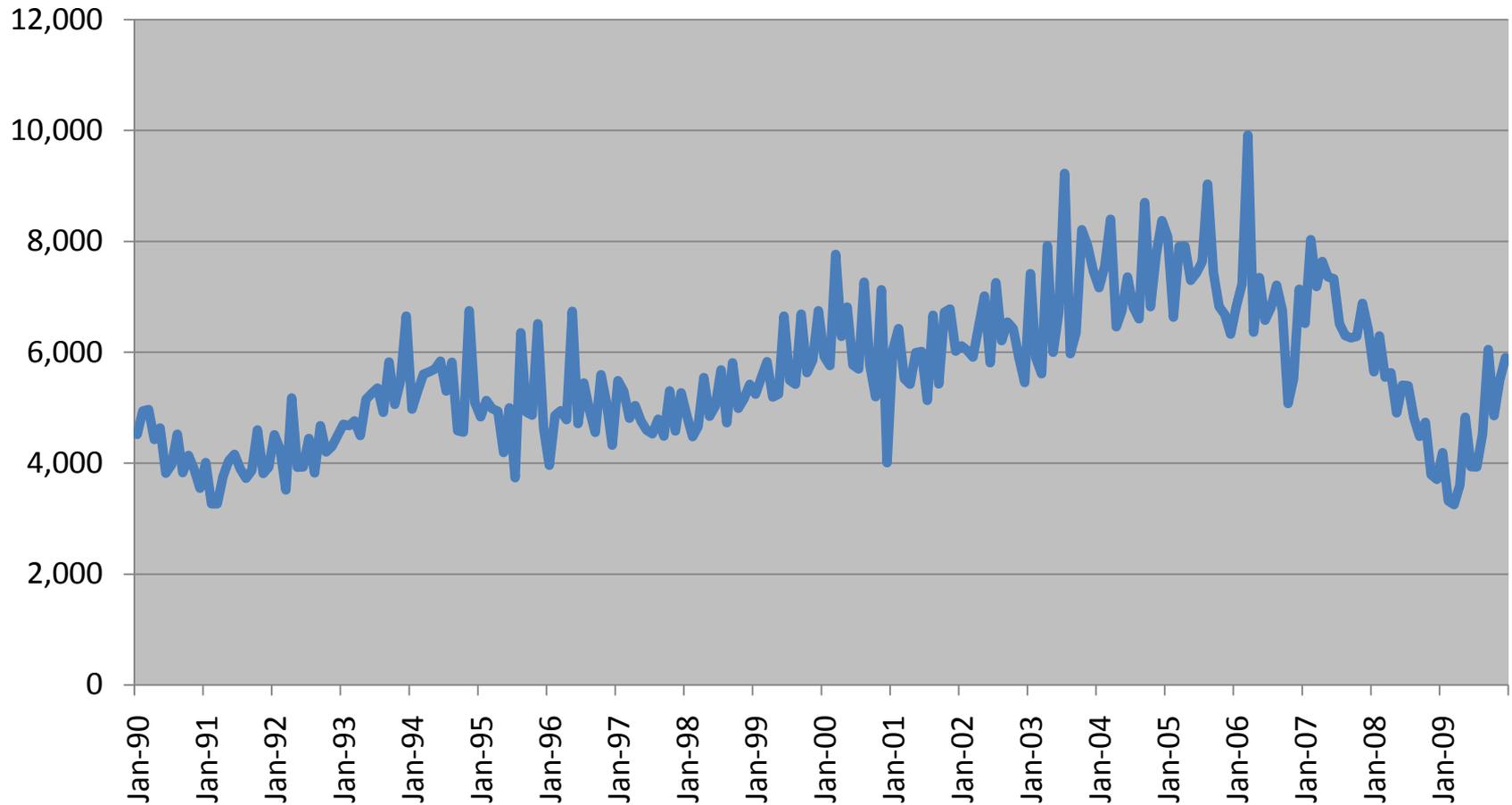
Source: Virginia Employment Commission & HRPDC

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Monthly Car Sales in Hampton Roads

Seasonally Adjusted

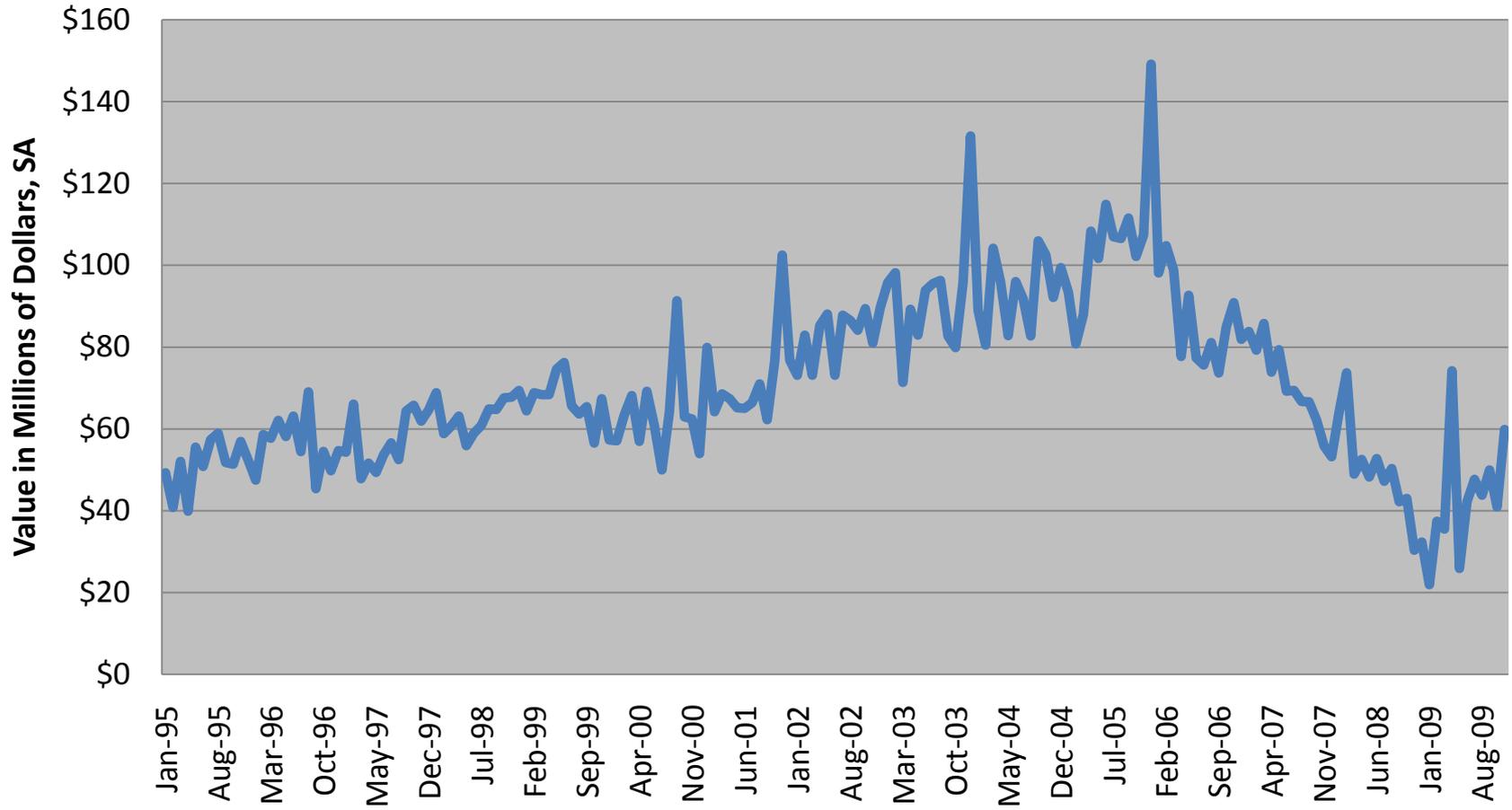


Source: Virginia Automobile Dealers Association & HRPDC



Value of Single Family Building Permits

Seasonally Adjusted

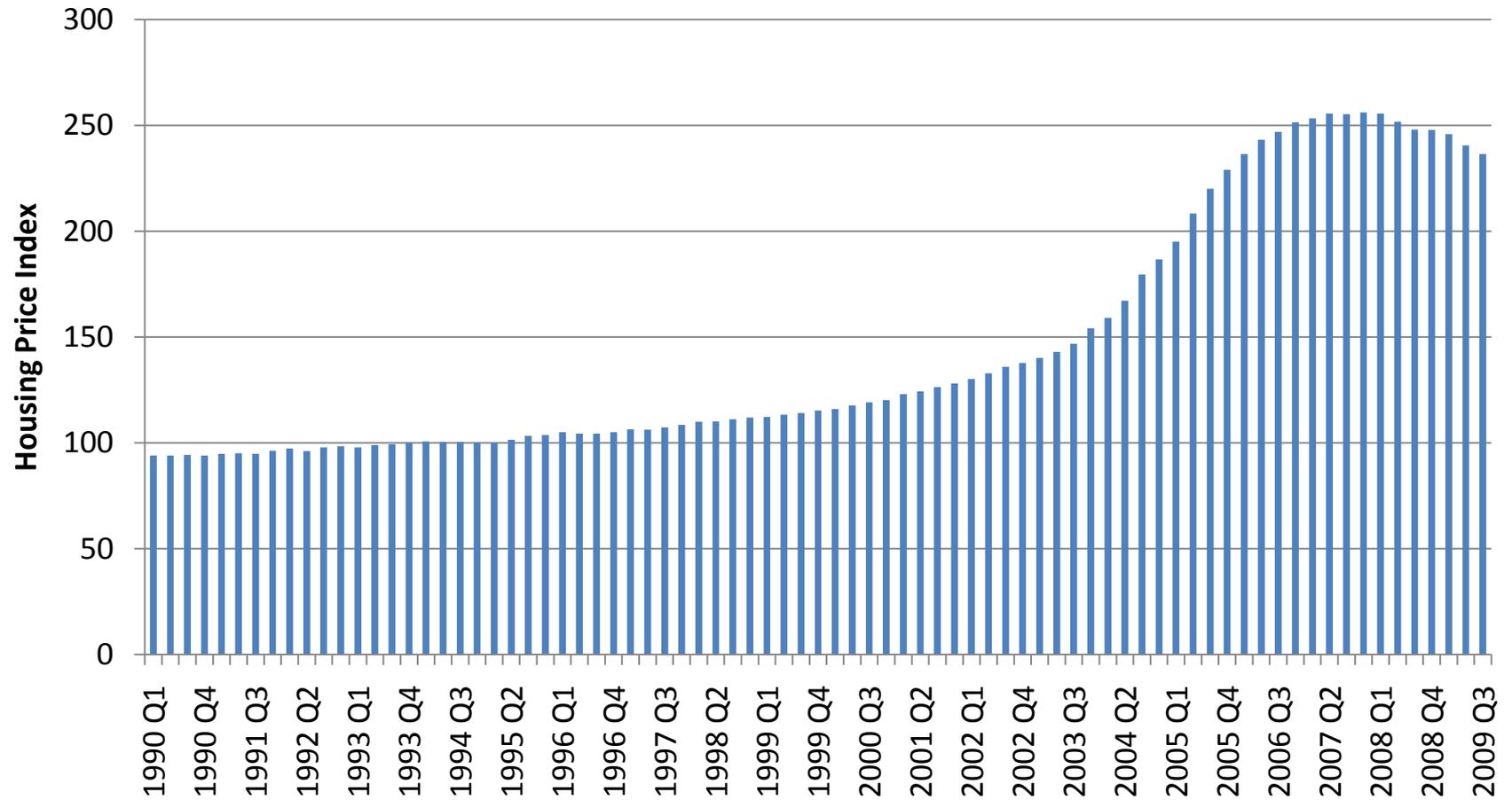


Source: U.S. Census Bureau

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Hampton Roads Housing Price Index

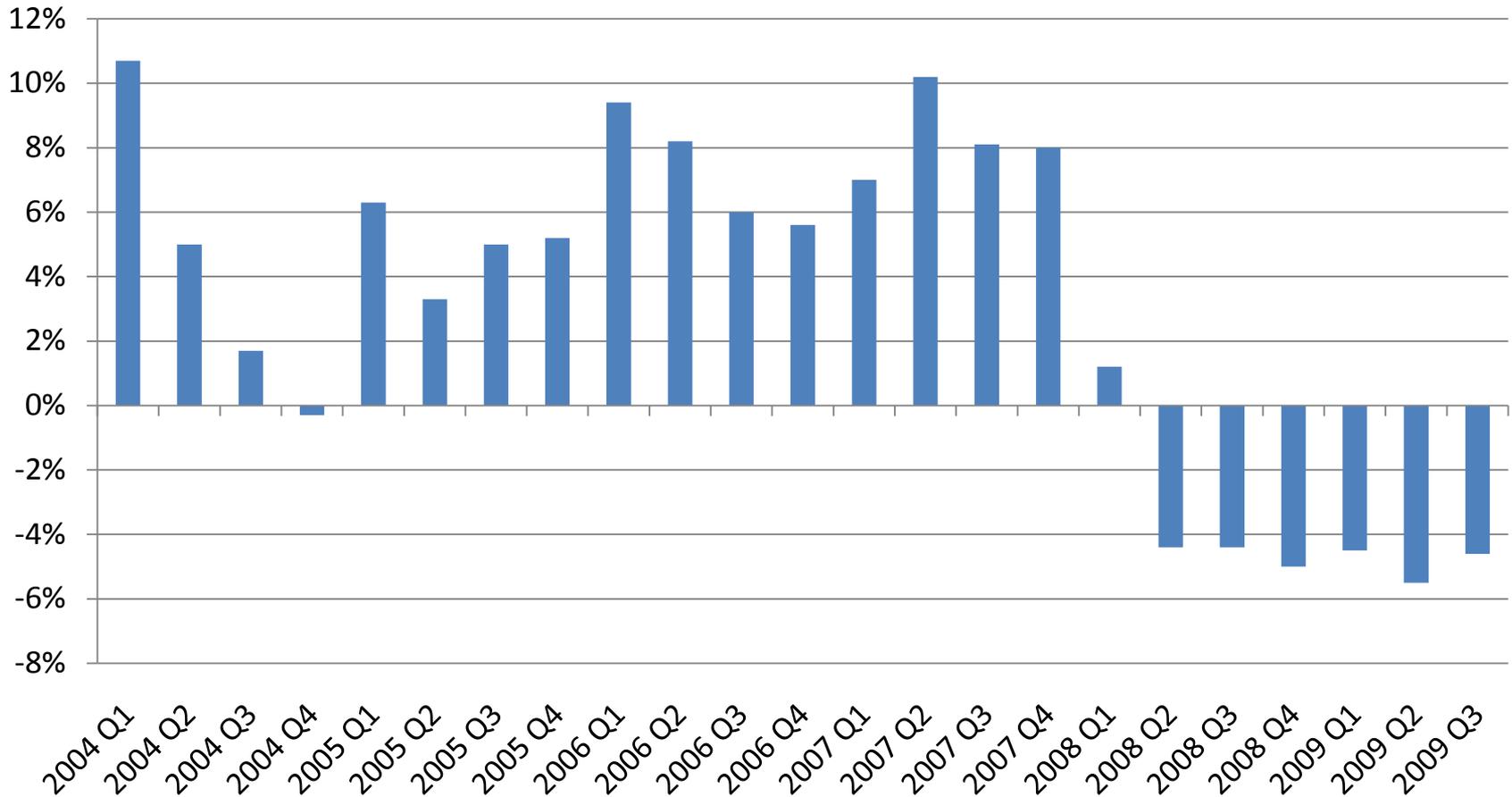


Source: Federal Housing Finance Agency

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Hotel Room Revenues in HR

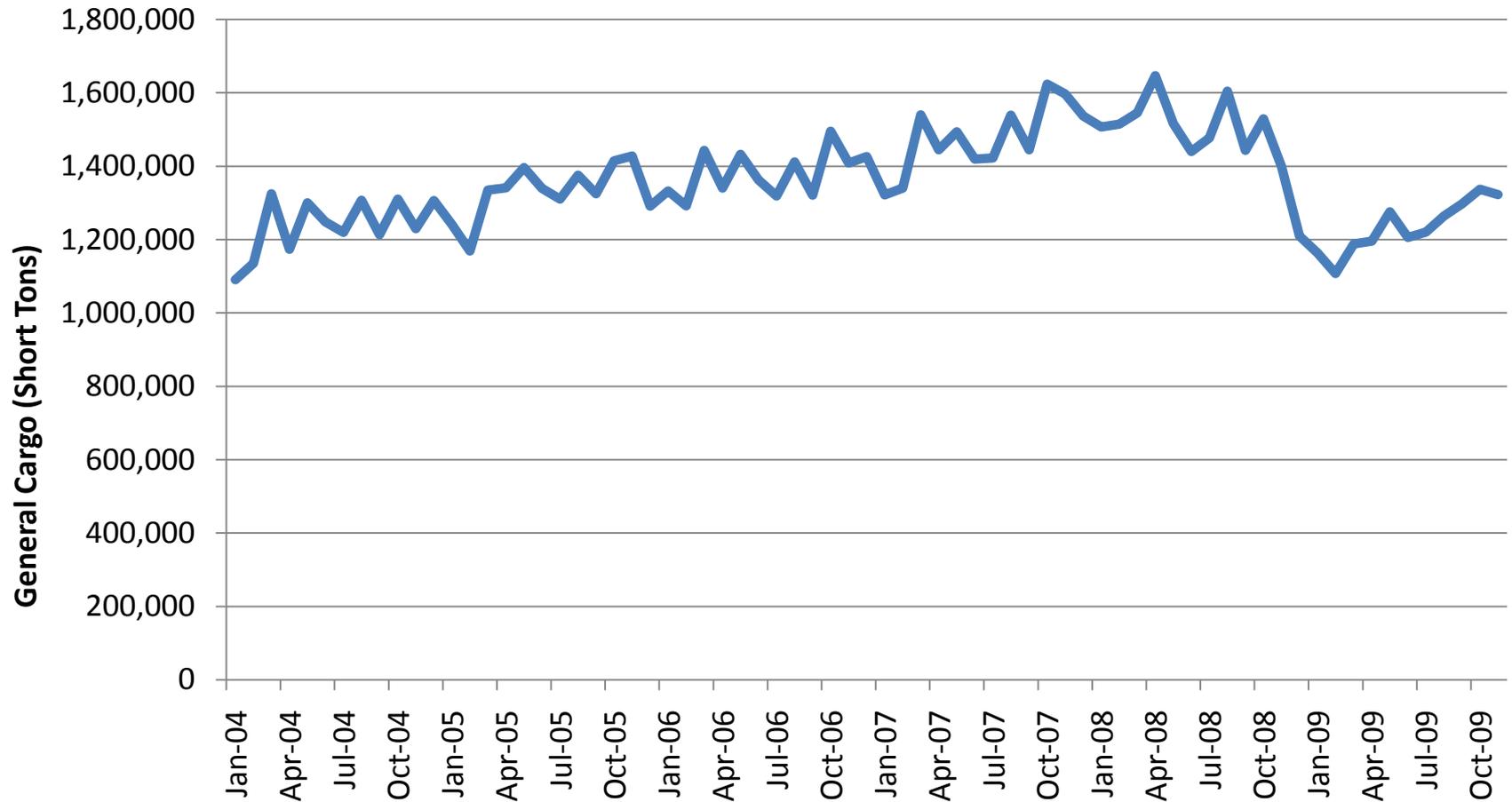


Source: Smith Travel Research

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General Cargo at the Port of Virginia



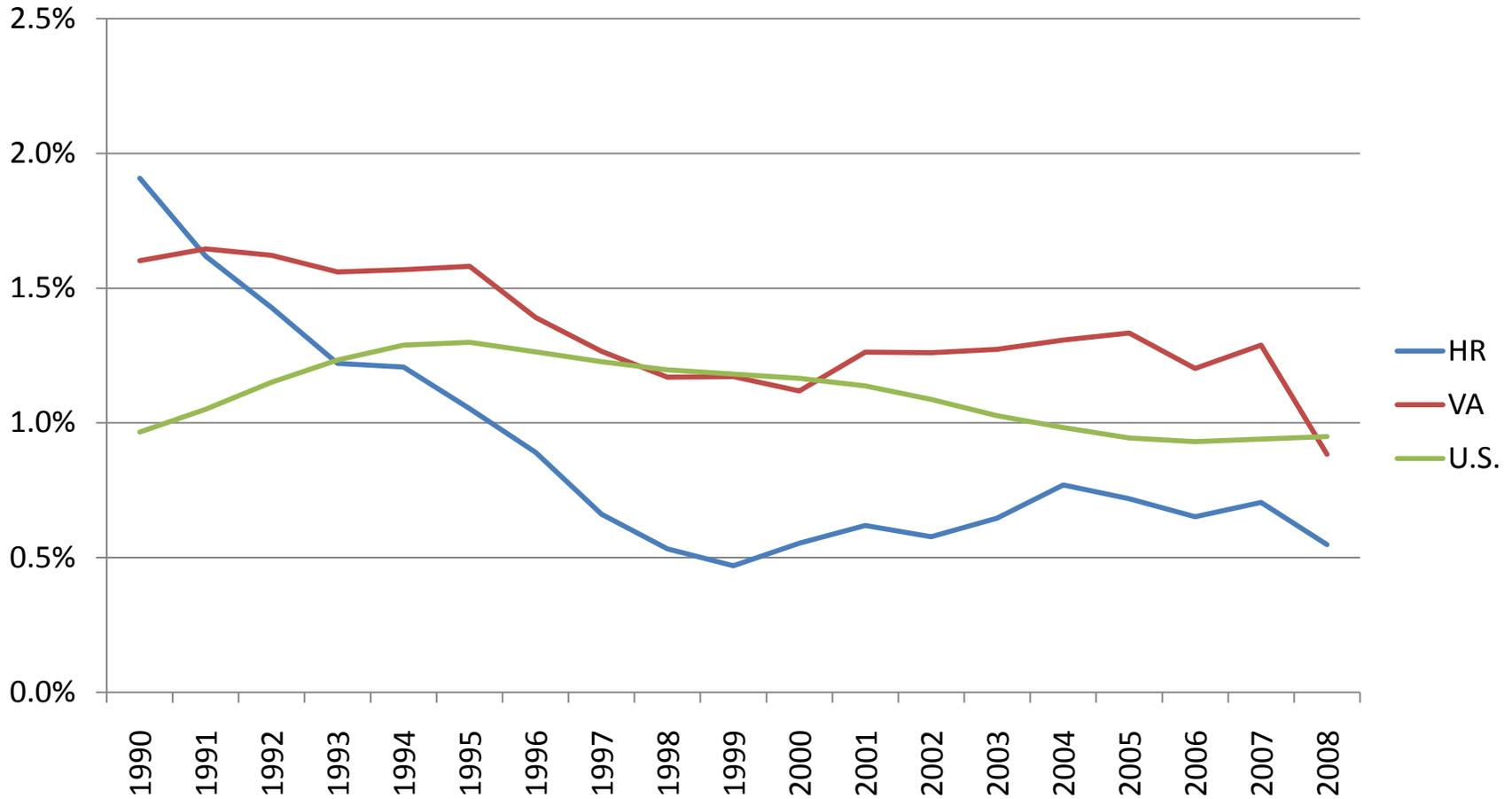
Source: The Port of Virginia

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Population Growth Rates

5 – Year Moving Average



Source: Weldon Cooper Center, Census Bureau, & HRPDC

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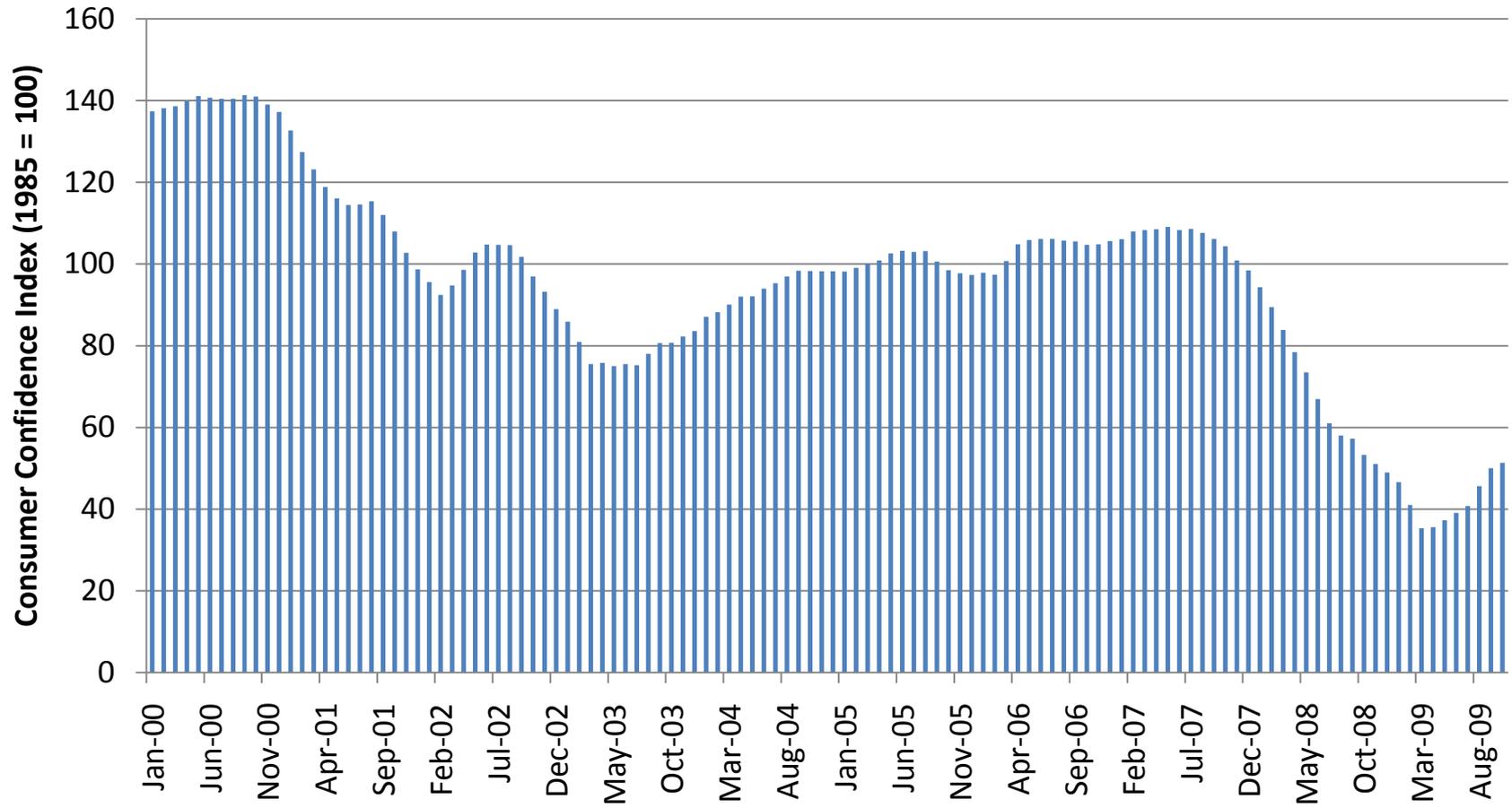


Looking Ahead

- Leading Economic Indicators
 - Average Weekly Hours Manufacturing
 - Average Weekly Initial Claims for Unemployment Insurance
 - Manufacturer's New Orders
 - Index of Supply Deliveries
 - New Private Housing Units Authorized
 - Stock Prices
 - Real Money Supply
 - Interest Rate Spread
 - Consumer Expectations



Consumer Confidence

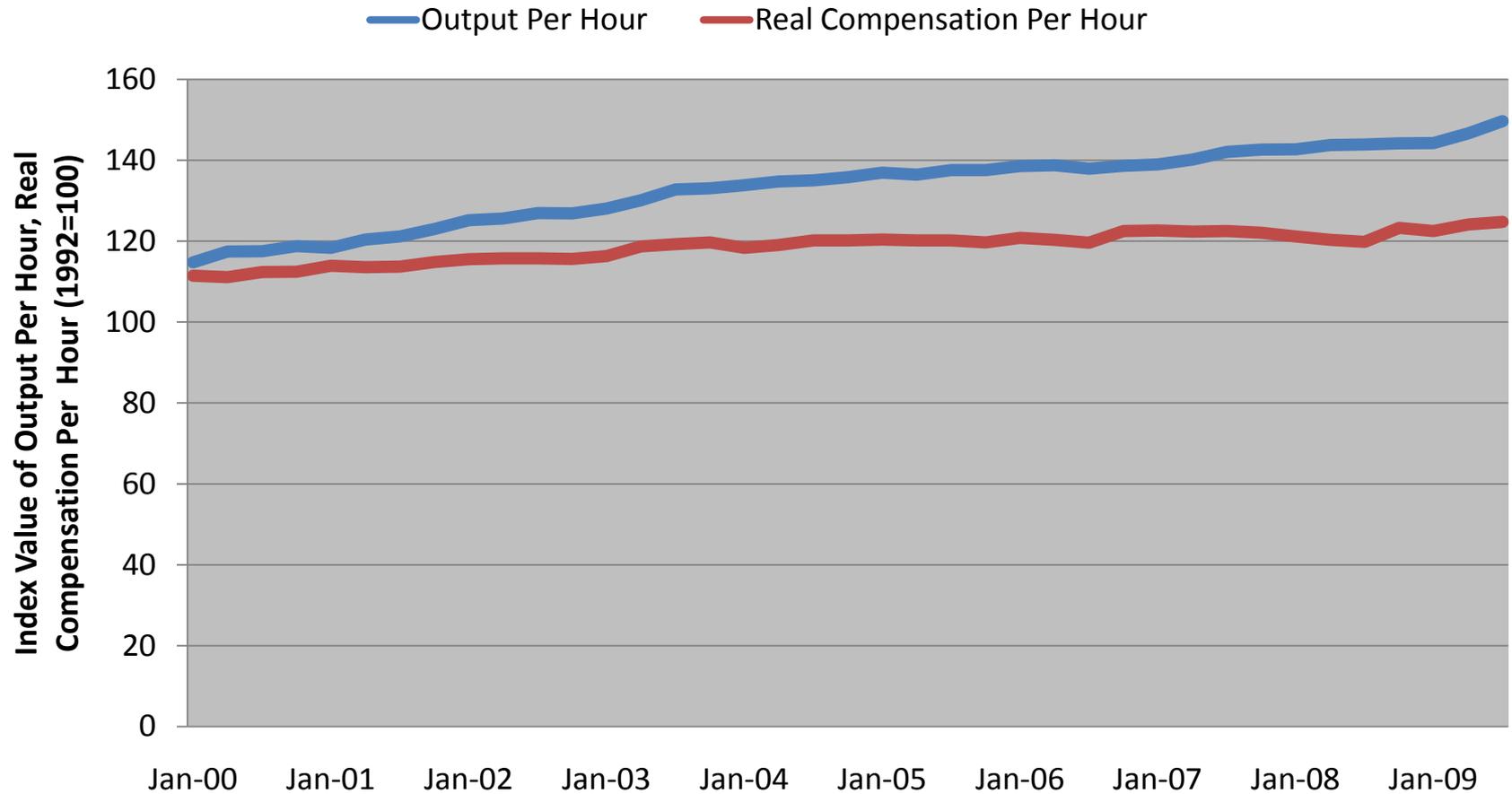


Source: The Conference Board

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Productivity



Source: Federal Reserve Bank

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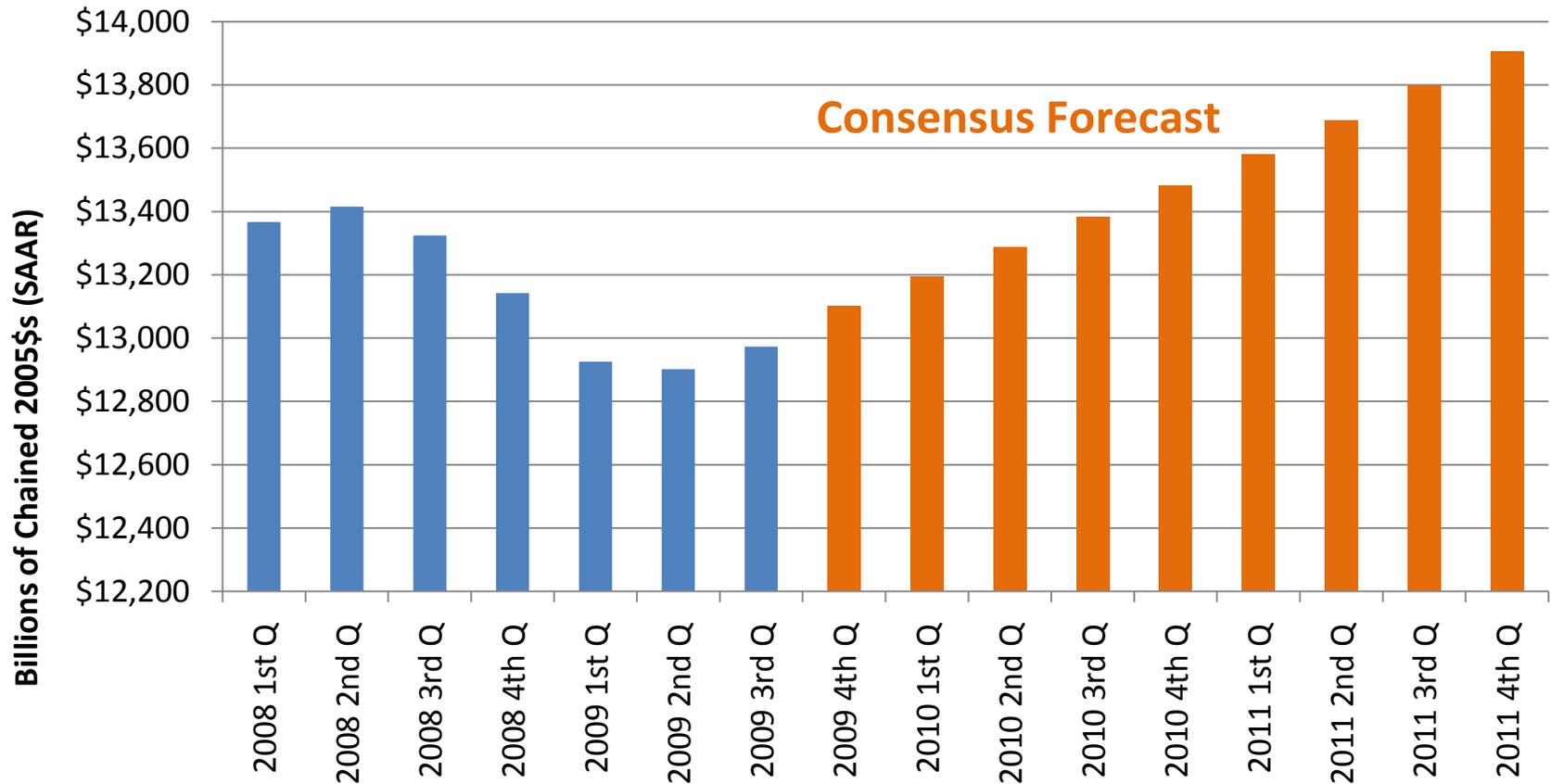


Major Risks

- Energy Prices
- Mortgage Rates
- Home Prices
- Commercial Real Estate
- Small Businesses
- Government Finances
- Consumer Spending



Real Gross Domestic Product

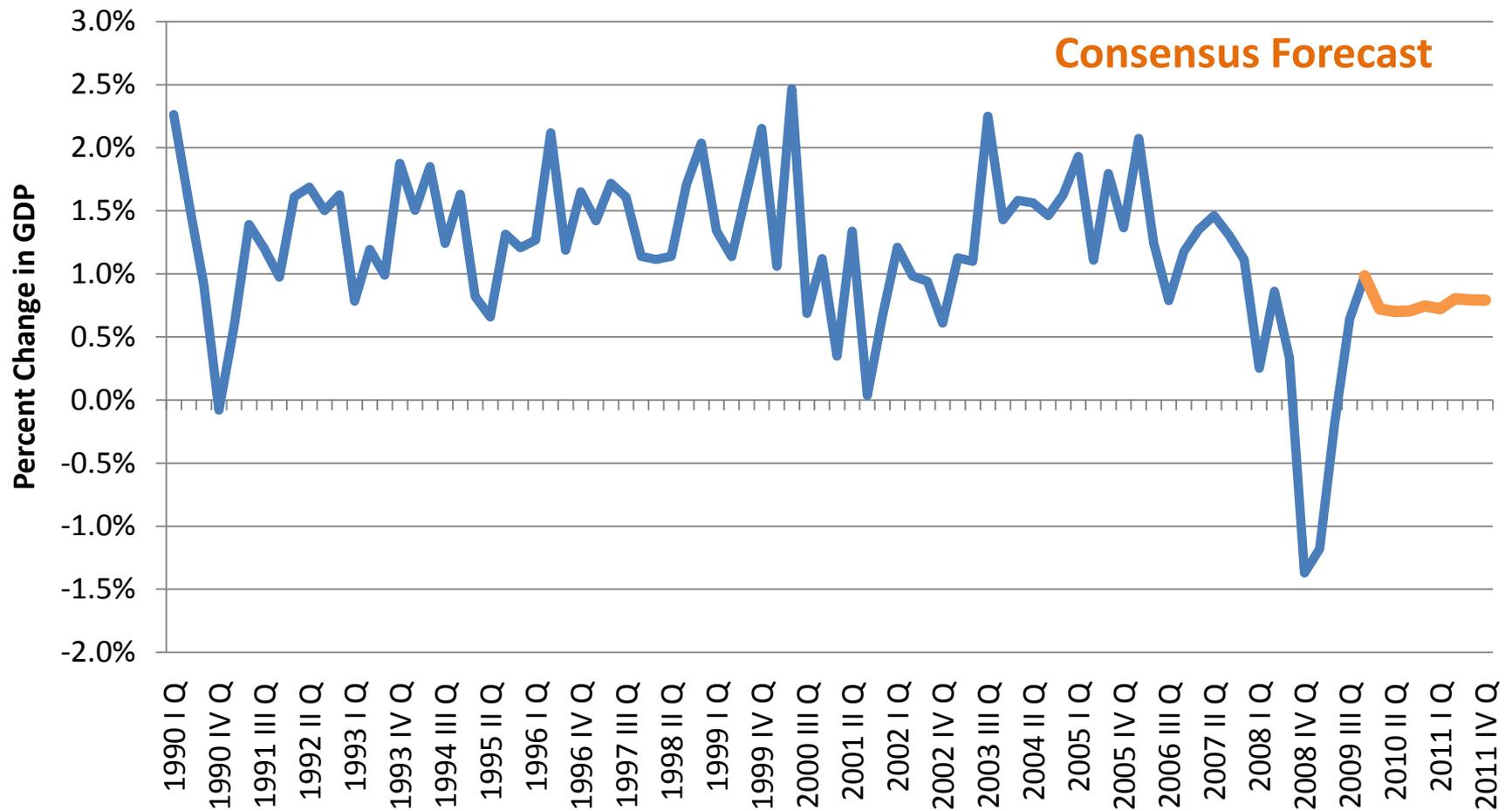


Source: Blue Chip Economic Indicators

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Real Gross Domestic Product

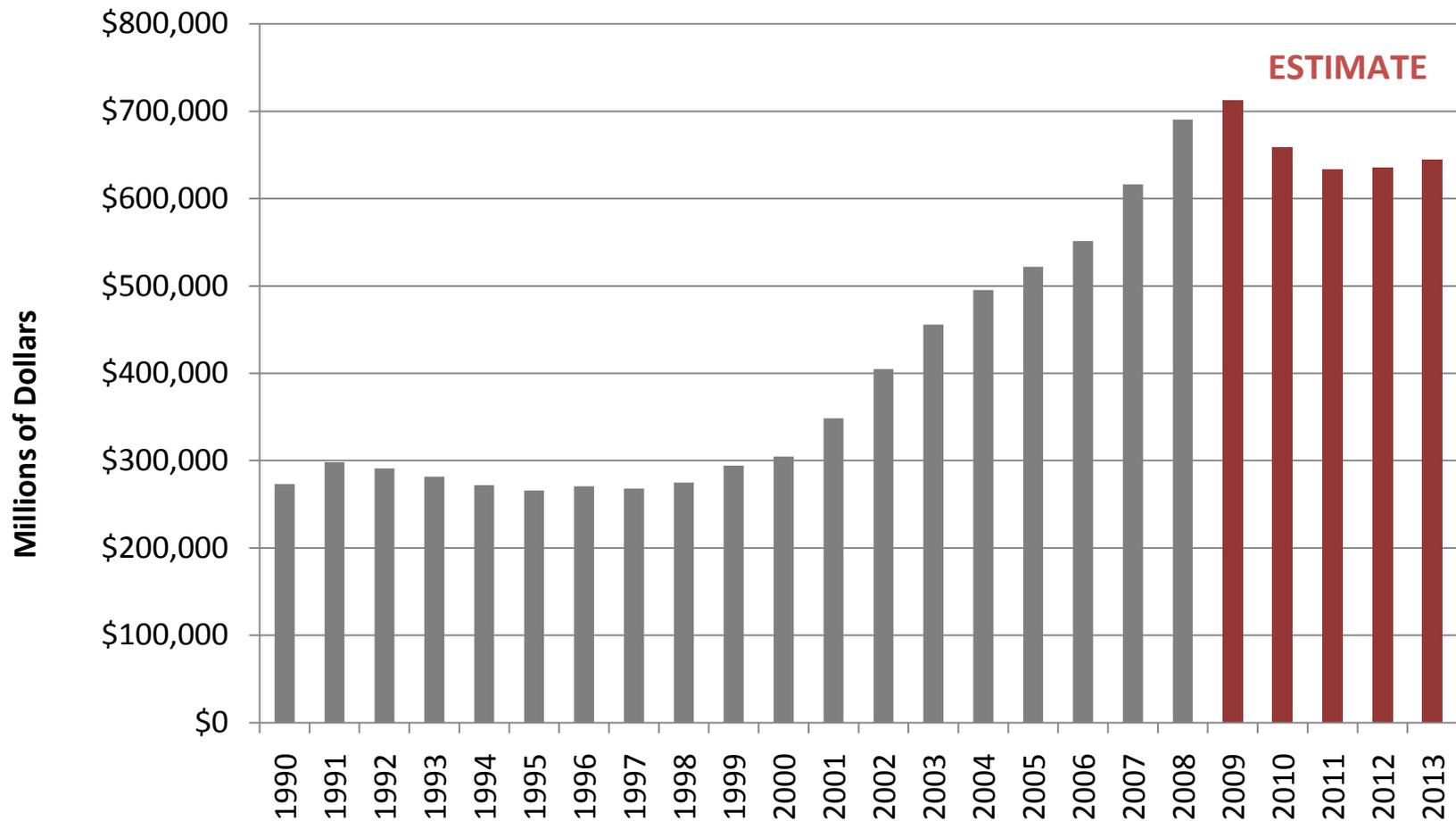


Source: Blue Chip Economic Indicators

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National Defense Outlays

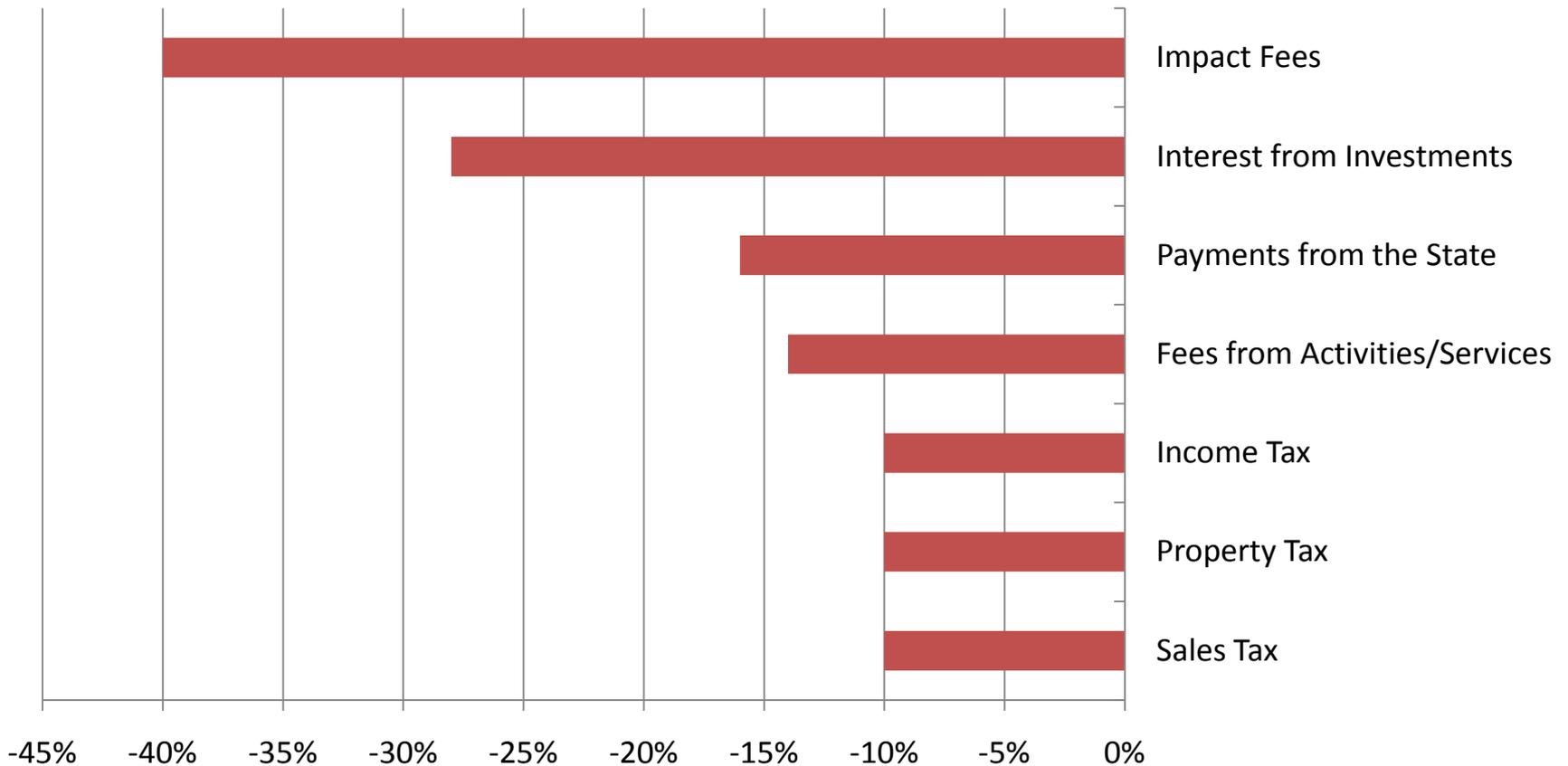


Source: Office of Management and Budget

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Anticipated Decreases in Local Revenues



Source: International City/County Management Association



2010 Economic Forecast

| | 2009 (Year to Date) | 2010 Forecast |
|---|------------------------|------------------|
| U.S. | | |
| Real GDP | -2.5% | 2.8% |
| Interest Rates | | |
| Short Government Rates | 0.2% | 0.5% |
| Long Government Rates | 3.3% | 4.0% |
| Hampton Roads | | |
| Gross Product | NA | 1.7% |
| Civilian Employment | -0.9% | 0.8% |
| Unemployment Rate | 6.8% | 5.8% |
| Retail Sales | -6.1% | 1.6% |
| Auto and Truck Sales | -25.4% | 2.5% |
| Value of Single-Family Residential Building Permits | -24.8% | 0.0% |
| Hotel Revenues | -7.0% | -1.2% |



Comments

