



## Final June 2017 Economic Forecast

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We have updated the preliminary June economic forecast, which was released on June 2, 2017. The final June economic forecast reflects a more recent national forecast and newly released state employment data. This updated economic forecast is consistent with the June 2017 revenue forecast released today, June 20, 2017.

The following tables compare the final June economic forecast with the preliminary June forecast as well as with the forecast adopted in March 2017.

For more information, please see the June 20th revenue forecast presentation at:

<http://www.erfc.wa.gov/forecasts/documents/rev20170620.pdf>

**U.S. Forecast Comparison****2017Q1 2017Q2 2017Q3 2017Q4****Real GDP (Billions of 2009 Dollars)**

June Forecast, Final	16,862	16,983	17,083	17,182
Percent Change	1.2%	2.9%	2.4%	2.3%
June Forecast, Preliminary	16,842	16,972	17,075	17,173
Percent Change	0.7%	3.1%	2.4%	2.3%

**Real Consumption (Billions of 2009 Dollars)**

June Forecast, Final	11,688	11,769	11,841	11,913
Percent Change	0.6%	2.8%	2.5%	2.5%
June Forecast, Preliminary	11,680	11,761	11,838	11,911
Percent Change	0.3%	2.8%	2.7%	2.5%

**Implicit Price Deflator, PCE (2009=1.00)**

June Forecast, Final	1.121	1.124	1.128	1.133
Percent Change	2.4%	0.8%	1.4%	1.9%
June Forecast, Preliminary	1.121	1.124	1.129	1.133
Percent Change	2.4%	0.9%	1.8%	1.6%

**Real Personal Income (Billions of 2009 Dollars)**

June Forecast, Final	14,561	14,648	14,764	14,847
Percent Change	1.6%	2.4%	3.2%	2.3%
June Forecast, Preliminary	14,650	14,765	14,850	14,942
Percent Change	1.6%	3.2%	2.3%	2.5%

**Nonfarm Payroll Employment (Millions)**

June Forecast, Final	145.7	146.1	146.5	146.9
Percent Change	1.5%	1.2%	1.0%	1.0%
June Forecast, Preliminary	145.7	146.2	146.6	146.9
Percent Change	1.5%	1.3%	1.0%	0.9%

**Unemployment Rate (Percent of Labor Force)**

June Forecast, Final	4.7	4.4	4.3	4.3
June Forecast, Preliminary	4.7	4.5	4.5	4.4

**30 Year Fixed Mortgage Rate (Percent, average)**

June Forecast, Final	4.2	4.1	4.3	4.5
June Forecast, Preliminary	4.2	4.1	4.4	4.6

**3 Month T-Bill Rate (Percent, average)**

June Forecast, Final	0.6	0.9	1.1	1.2
June Forecast, Preliminary	0.6	0.8	1.1	1.2

**2015 2016 2017 2018 2019 2020 2021**

16,397	16,662	17,027	17,437	17,804	18,160	18,523
2.6%	1.6%	2.2%	2.4%	2.1%	2.0%	2.0%
16,397	16,662	17,016	17,425	17,791	18,147	18,510
2.6%	1.6%	2.1%	2.4%	2.1%	2.0%	2.0%

11,215	11,522	11,803	12,097	12,375	12,648	12,913
3.2%	2.7%	2.4%	2.5%	2.3%	2.2%	2.1%
11,215	11,522	11,797	12,097	12,375	12,647	12,913
3.2%	2.7%	2.4%	2.5%	2.3%	2.2%	2.1%

1.095	1.107	1.126	1.143	1.162	1.185	1.209
0.4%	1.1%	1.7%	1.5%	1.7%	1.9%	2.0%
1.095	1.107	1.127	1.143	1.161	1.181	1.203
0.4%	1.1%	1.8%	1.5%	1.5%	1.7%	1.9%

14,113	14,438	14,705	15,110	15,568	15,976	16,332
4.0%	2.3%	1.8%	2.8%	3.0%	2.6%	2.2%
14,113	14,461	14,802	15,217	15,688	16,099	16,454
4.0%	2.5%	2.4%	2.8%	3.1%	2.6%	2.2%

141.8	144.3	146.3	147.7	148.9	150.2	151.0
2.1%	1.8%	1.4%	0.9%	0.9%	0.8%	0.6%
141.8	144.3	146.3	147.6	148.6	149.7	150.5
2.1%	1.8%	1.4%	0.8%	0.7%	0.7%	0.5%

5.3	4.9	4.4	4.2	4.2	4.2	4.3
5.3	4.9	4.5	4.3	4.3	4.4	4.5

3.9	3.6	4.3	5.0	5.8	6.0	5.9
3.9	3.6	4.3	5.1	5.8	6.0	5.9

0.1	0.3	0.9	1.6	2.5	2.8	2.8
0.1	0.3	0.9	1.6	2.5	2.8	2.8

**U.S. Forecast Comparison**

	2017Q1	2017Q2	2017Q3	2017Q4
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**Real GDP (Billions of 2009 Dollars)**

June Forecast	16,862	16,983	17,083	17,182
Percent Change	1.2%	2.9%	2.4%	2.3%
March Forecast	16,884	16,989	17,090	17,193
Percent Change	1.9%	2.5%	2.4%	2.4%

**Real Consumption (Billions of 2009 Dollars)**

June Forecast	11,688	11,769	11,841	11,913
Percent Change	0.6%	2.8%	2.5%	2.5%
March Forecast	11,709	11,786	11,859	11,935
Percent Change	1.9%	2.6%	2.5%	2.6%

**Implicit Price Deflator, PCE (2009=1.00)**

June Forecast	1.121	1.124	1.128	1.133
Percent Change	2.4%	0.8%	1.4%	1.9%
March Forecast	1.121	1.123	1.128	1.132
Percent Change	2.3%	0.9%	1.7%	1.5%

**Real Personal Income (Billions of 2009 Dollars)**

June Forecast	14,561	14,648	14,764	14,847
Percent Change	1.6%	2.4%	3.2%	2.3%
March Forecast	14,643	14,777	14,874	14,980
Percent Change	1.3%	3.7%	2.6%	2.9%

**Nonfarm Payroll Employment (Millions)**

June Forecast	145.7	146.1	146.5	146.9
Percent Change	1.5%	1.2%	1.0%	1.0%
March Forecast	145.8	146.4	146.9	147.2
Percent Change	1.8%	1.5%	1.4%	1.0%

**Unemployment Rate (Percent of Labor Force)**

June Forecast	4.7	4.4	4.3	4.3
March Forecast	4.7	4.6	4.5	4.5

**30 Year Fixed Mortgage Rate (Percent, average)**

June Forecast	4.2	4.1	4.3	4.5
March Forecast	4.2	4.5	4.6	4.7

**3 Month T-Bill Rate (Percent, average)**

June Forecast	0.6	0.9	1.1	1.2
March Forecast	0.6	0.8	1.0	1.2

	2015	2016	2017	2018	2019	2020	2021
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16,397	16,662	17,027	17,437	17,804	18,160	18,523
2.6%	1.6%	2.2%	2.4%	2.1%	2.0%	2.0%
16,397	16,660	17,039	17,447	17,814	18,170	18,533
2.6%	1.6%	2.3%	2.4%	2.1%	2.0%	2.0%

11,215	11,522	11,803	12,097	12,375	12,648	12,913
3.2%	2.7%	2.4%	2.5%	2.3%	2.2%	2.1%
11,215	11,519	11,822	12,126	12,405	12,678	12,945
3.2%	2.7%	2.6%	2.6%	2.3%	2.2%	2.1%

1.095	1.107	1.126	1.143	1.162	1.185	1.209
0.4%	1.1%	1.7%	1.5%	1.7%	1.9%	2.0%
1.095	1.107	1.126	1.143	1.162	1.184	1.207
0.4%	1.1%	1.7%	1.5%	1.7%	1.9%	1.9%

14,113	14,438	14,705	15,110	15,568	15,976	16,332
4.0%	2.3%	1.8%	2.8%	3.0%	2.6%	2.2%
14,113	14,462	14,819	15,276	15,725	16,116	16,471
4.0%	2.5%	2.5%	3.1%	2.9%	2.5%	2.2%

141.8	144.3	146.3	147.7	148.9	150.2	151.0
2.1%	1.8%	1.4%	0.9%	0.9%	0.8%	0.6%
141.8	144.3	146.6	148.2	149.4	150.4	151.1
2.1%	1.8%	1.6%	1.1%	0.8%	0.7%	0.5%

5.3	4.9	4.4	4.2	4.2	4.2	4.3
5.3	4.9	4.6	4.3	4.3	4.4	4.5

3.9	3.6	4.3	5.0	5.8	6.0	5.9
3.9	3.6	4.5	5.1	5.8	6.0	5.9

0.1	0.3	0.9	1.6	2.5	2.8	2.8
0.1	0.3	0.9	1.6	2.5	2.8	2.8

## Washington Forecast Comparison

	2017Q1	2017Q2	2017Q3	2017Q4
<b>Real Personal Income (Billions of 2009 Dollars)</b>				
June Forecast, Final	358.1	360.0	362.2	365.1
Percent Change	5.8%	2.1%	2.5%	3.3%
June Forecast, Preliminary	358.1	360.9	362.1	365.3
Percent Change	5.8%	3.3%	1.3%	3.6%
<b>Personal Income (Billions of Dollars)</b>				
June Forecast, Final	401.6	404.5	408.4	413.6
Percent Change	8.3%	3.0%	3.9%	5.2%
June Forecast, Preliminary	401.5	405.6	408.7	414.0
Percent Change	8.3%	4.2%	3.1%	5.3%
<b>Nonfarm Payroll Employment (Thousands)</b>				
June Forecast, Final	3295	3311	3326	3341
Percent Change	2.8%	2.0%	1.9%	1.8%
June Forecast, Preliminary	3296	3313	3327	3341
Percent Change	2.9%	2.0%	1.8%	1.7%
<b>Unemployment Rate (Percent of Labor Force)</b>				
June Forecast, Final	4.9	4.5	4.5	4.4
June Forecast, Preliminary	4.9	4.6	4.6	4.5
<b>Manufacturing Employment (Thousands)</b>				
June Forecast, Final	285.2	283.5	282.2	281.3
Percent Change	-0.9%	-2.3%	-1.9%	-1.3%
June Forecast, Preliminary	285.1	283.5	282.6	281.4
Percent Change	-1.0%	-2.3%	-1.3%	-1.7%
<b>Construction Employment (Thousands)</b>				
June Forecast, Final	195.5	198.5	200.8	203.6
Percent Change	9.1%	6.4%	4.7%	5.6%
June Forecast, Preliminary	195.4	199.0	201.3	203.9
Percent Change	9.1%	7.5%	4.6%	5.4%
<b>Housing Permits (Thousands)</b>				
June Forecast, Final	40.8	45.3	43.8	43.2
Percent Change	-61.9%	52.1%	-12.9%	-5.3%
June Forecast, Preliminary	40.8	45.3	43.7	43.1
Percent Change	-61.9%	52.1%	-13.7%	-5.0%

	2015	2016	2017	2018	2019	2020	2021
<b>Real Personal Income (Billions of 2009 Dollars)</b>							
June Forecast, Final	339.7	351.2	361.3	374.1	387.8	400.0	410.9
Percent Change	4.3%	3.4%	2.9%	3.5%	3.7%	3.1%	2.7%
June Forecast, Preliminary	339.7	351.2	361.6	374.6	388.8	400.9	411.7
Percent Change	4.3%	3.4%	3.0%	3.6%	3.8%	3.1%	2.7%
<b>Personal Income (Billions of Dollars)</b>							
June Forecast, Final	372.1	388.8	407.0	427.6	450.7	473.8	496.6
Percent Change	4.6%	4.5%	4.7%	5.1%	5.4%	5.1%	4.8%
June Forecast, Preliminary	372.1	388.8	407.5	428.3	451.2	473.4	495.1
Percent Change	4.6%	4.5%	4.8%	5.1%	5.4%	4.9%	4.6%
<b>Nonfarm Payroll Employment (Thousands)</b>							
June Forecast, Final	3146	3242	3318	3376	3427	3473	3510
Percent Change	2.9%	3.1%	2.4%	1.7%	1.5%	1.4%	1.1%
June Forecast, Preliminary	3146	3242	3319	3373	3420	3462	3494
Percent Change	2.9%	3.1%	2.4%	1.6%	1.4%	1.2%	0.9%
<b>Unemployment Rate (Percent of Labor Force)</b>							
June Forecast, Final	5.6	5.4	4.6	4.3	4.3	4.3	4.3
June Forecast, Preliminary	5.6	5.4	4.6	4.4	4.3	4.4	4.5
<b>Manufacturing Employment (Thousands)</b>							
June Forecast, Final	291.8	289.8	283.0	284.0	289.0	292.9	295.8
Percent Change	1.1%	-0.7%	-2.3%	0.3%	1.8%	1.3%	1.0%
June Forecast, Preliminary	291.8	289.8	283.1	283.8	287.5	291.1	294.2
Percent Change	1.1%	-0.7%	-2.3%	0.2%	1.3%	1.3%	1.1%
<b>Construction Employment (Thousands)</b>							
June Forecast, Final	173.3	186.4	199.6	207.4	210.7	211.4	211.2
Percent Change	8.5%	7.6%	7.1%	3.9%	1.6%	0.3%	-0.1%
June Forecast, Preliminary	173.3	186.4	199.9	207.5	210.6	210.7	209.7
Percent Change	8.5%	7.6%	7.2%	3.8%	1.5%	0.1%	-0.5%
<b>Housing Permits (Thousands)</b>							
June Forecast, Final	40.4	44.1	43.3	42.7	41.9	42.1	41.7
Percent Change	19.1%	9.2%	-1.9%	-1.3%	-1.9%	0.6%	-0.9%
June Forecast, Preliminary	40.4	44.1	43.2	42.4	41.5	41.5	41.0
Percent Change	19.1%	9.2%	-1.9%	-1.8%	-2.3%	0.1%	-1.2%

## Washington Forecast Comparison

	2017Q1	2017Q2	2017Q3	2017Q4
<b>Real Personal Income (Billions of 2009 Dollars)</b>				
June Forecast	358.1	360.0	362.2	365.1
Percent Change	5.8%	2.1%	2.5%	3.3%
March Forecast	360.7	362.3	363.7	367.5
Percent Change	5.0%	1.8%	1.6%	4.1%
<b>Personal Income (Billions of Dollars)</b>				
June Forecast	401.6	404.5	408.4	413.6
Percent Change	8.3%	3.0%	3.9%	5.2%
March Forecast	404.3	407.0	410.4	416.1
Percent Change	7.4%	2.7%	3.4%	5.7%
<b>Nonfarm Payroll Employment (Thousands)</b>				
June Forecast	3295	3311	3326	3341
Percent Change	2.8%	2.0%	1.9%	1.8%
March Forecast	3296	3313	3330	3344
Percent Change	2.0%	2.1%	2.1%	1.7%
<b>Unemployment Rate (Percent of Labor Force)</b>				
June Forecast	4.9	4.5	4.5	4.4
March Forecast	5.1	4.9	4.8	4.7
<b>Manufacturing Employment (Thousands)</b>				
June Forecast	285.2	283.5	282.2	281.3
Percent Change	-0.9%	-2.3%	-1.9%	-1.3%
March Forecast	285.8	285.0	284.9	284.2
Percent Change	-0.7%	-1.1%	-0.1%	-1.0%
<b>Construction Employment (Thousands)</b>				
June Forecast	195.5	198.5	200.8	203.6
Percent Change	9.1%	6.4%	4.7%	5.6%
March Forecast	192.8	194.5	196.5	199.1
Percent Change	5.6%	3.6%	4.2%	5.4%
<b>Housing Permits (Thousands)</b>				
June Forecast	40.8	45.3	43.8	43.2
Percent Change	-61.9%	52.1%	-12.9%	-5.3%
March Forecast	40.8	41.3	41.0	40.7
Percent Change	-59.0%	5.3%	-3.0%	-2.4%

	2015	2016	2017	2018	2019	2020	2021
June Forecast	339.7	351.2	361.3	374.1	387.8	400.0	410.9
Percent Change	4.3%	3.4%	2.9%	3.5%	3.7%	3.1%	2.7%
March Forecast	339.7	352.1	363.5	377.1	390.6	402.3	413.3
Percent Change	4.3%	3.6%	3.3%	3.7%	3.6%	3.0%	2.7%
June Forecast	372.1	388.8	407.0	427.6	450.7	473.8	496.6
Percent Change	4.6%	4.5%	4.7%	5.1%	5.4%	5.1%	4.8%
March Forecast	372.1	389.8	409.4	431.1	454.0	476.4	498.9
Percent Change	4.6%	4.8%	5.0%	5.3%	5.3%	4.9%	4.7%
June Forecast	3146	3242	3318	3376	3427	3473	3510
Percent Change	2.9%	3.1%	2.4%	1.7%	1.5%	1.4%	1.1%
March Forecast	3146	3244	3321	3382	3428	3469	3504
Percent Change	2.9%	3.1%	2.3%	1.8%	1.4%	1.2%	1.0%
June Forecast	5.6	5.4	4.6	4.3	4.3	4.3	4.3
March Forecast	5.6	5.4	4.9	4.5	4.4	4.5	4.6
June Forecast	291.8	289.8	283.0	284.0	289.0	292.9	295.8
Percent Change	1.1%	-0.7%	-2.3%	0.3%	1.8%	1.3%	1.0%
March Forecast	291.8	290.0	285.0	287.2	290.9	293.2	295.3
Percent Change	1.1%	-0.6%	-1.7%	0.8%	1.3%	0.8%	0.7%
June Forecast	173.3	186.4	199.6	207.4	210.7	211.4	211.2
Percent Change	8.5%	7.6%	7.1%	3.9%	1.6%	0.3%	-0.1%
March Forecast	173.3	186.2	195.7	203.2	206.5	208.1	211.3
Percent Change	8.5%	7.5%	5.1%	3.8%	1.6%	0.8%	1.6%
June Forecast	40.4	44.1	43.3	42.7	41.9	42.1	41.7
Percent Change	19.1%	9.2%	-1.9%	-1.3%	-1.9%	0.6%	-0.9%
March Forecast	40.4	43.2	40.9	41.1	40.8	40.8	40.5
Percent Change	19.1%	7.1%	-5.3%	0.3%	-0.6%	-0.1%	-0.6%