



## Final September 2017 Economic Forecast

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We have updated the preliminary September economic forecast, which was released on August 31, 2017. The final September economic forecast reflects a more recent national forecast and newly released state employment data. This updated economic forecast will form the basis of the September 2017 revenue forecast scheduled for release on September 20, 2017.

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

**U.S. Forecast Comparison**

	2017Q2	2017Q3	2017Q4	2018Q1
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**Real GDP (Billions of 2009 Dollars)**

September Forecast, Final	17,030	17,139	17,243	17,343
Percent Change	3.0%	2.6%	2.5%	2.3%
September Forecast, Preliminary	17,011	17,127	17,235	17,334
Percent Change	2.6%	2.8%	2.5%	2.3%

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

September Forecast, Final	11,854	11,919	11,992	12,067
Percent Change	3.3%	2.2%	2.5%	2.5%
September Forecast, Preliminary	11,840	11,905	11,975	12,050
Percent Change	2.8%	2.2%	2.4%	2.5%

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

September Forecast, Final	1.123	1.128	1.133	1.137
Percent Change	0.3%	1.9%	1.9%	1.4%
September Forecast, Preliminary	1.123	1.127	1.132	1.136
Percent Change	0.3%	1.5%	1.7%	1.5%

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

September Forecast, Final	14,575	14,604	14,657	14,774
Percent Change	2.7%	0.8%	1.5%	3.2%
September Forecast, Preliminary	14,573	14,649	14,715	14,822
Percent Change	2.7%	2.1%	1.8%	3.0%

**Nonfarm Payroll Employment (Millions)**

September Forecast, Final	146.2	146.8	147.2	147.6
Percent Change	1.3%	1.6%	1.2%	1.1%
September Forecast, Preliminary	146.2	146.8	147.4	147.7
Percent Change	1.4%	1.5%	1.7%	0.9%

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

September Forecast, Final	4.4	4.3	4.3	4.3
September Forecast, Preliminary	4.4	4.3	4.3	4.3

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

September Forecast, Final	4.0	3.9	4.1	4.6
September Forecast, Preliminary	4.0	4.0	4.2	4.6

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

September Forecast, Final	0.9	1.1	1.2	1.4
September Forecast, Preliminary	0.9	1.1	1.2	1.4

	2015	2016	2017	2018	2019	2020	2021
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September Forecast, Final	16,472	16,716	17,079	17,493	17,860	18,217	18,582
Percent Change	2.9%	1.5%	2.2%	2.4%	2.1%	2.0%	2.0%
September Forecast, Preliminary	16,472	16,716	17,069	17,476	17,843	18,200	18,564
Percent Change	2.9%	1.5%	2.1%	2.4%	2.1%	2.0%	2.0%

September Forecast, Final	11,264	11,572	11,881	12,173	12,453	12,727	12,994
Percent Change	3.6%	2.7%	2.7%	2.5%	2.3%	2.2%	2.1%
September Forecast, Preliminary	11,264	11,572	11,870	12,154	12,433	12,707	12,974
Percent Change	3.6%	2.7%	2.6%	2.4%	2.3%	2.2%	2.1%

September Forecast, Final	1.095	1.108	1.126	1.144	1.163	1.185	1.209
Percent Change	0.3%	1.2%	1.7%	1.6%	1.7%	1.9%	2.0%
September Forecast, Preliminary	1.095	1.108	1.126	1.142	1.161	1.183	1.206
Percent Change	0.3%	1.2%	1.6%	1.5%	1.6%	1.9%	2.0%

September Forecast, Final	14,206	14,377	14,579	14,921	15,376	15,814	16,194
Percent Change	4.6%	1.2%	1.4%	2.3%	3.0%	2.8%	2.4%
September Forecast, Preliminary	14,206	14,377	14,603	14,966	15,425	15,849	16,217
Percent Change	4.6%	1.2%	1.6%	2.5%	3.1%	2.8%	2.3%

September Forecast, Final	141.8	144.3	146.5	148.3	149.7	150.9	151.8
Percent Change	2.1%	1.8%	1.5%	1.2%	1.0%	0.8%	0.6%
September Forecast, Preliminary	141.8	144.3	146.5	148.2	149.5	150.7	151.6
Percent Change	2.1%	1.8%	1.5%	1.2%	0.9%	0.8%	0.6%

September Forecast, Final	5.3	4.9	4.4	4.3	4.3	4.3	4.3
September Forecast, Preliminary	5.3	4.9	4.4	4.3	4.3	4.3	4.3

September Forecast, Final	3.9	3.6	4.1	5.0	5.8	6.0	6.0
September Forecast, Preliminary	3.9	3.6	4.1	4.9	5.8	6.0	6.0

September Forecast, Final	0.1	0.3	0.9	1.6	2.5	2.9	2.8
September Forecast, Preliminary	0.1	0.3	0.9	1.6	2.5	2.8	2.8

**U.S. Forecast Comparison****2017Q2 2017Q3 2017Q4 2018Q1****Real GDP (Billions of 2009 Dollars)**

September Forecast	17,030	17,139	17,243	17,343
Percent Change	3.0%	2.6%	2.5%	2.3%
June Forecast	16,983	17,083	17,182	17,283
Percent Change	2.9%	2.4%	2.3%	2.4%

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

September Forecast	11,854	11,919	11,992	12,067
Percent Change	3.3%	2.2%	2.5%	2.5%
June Forecast	11,769	11,841	11,913	11,988
Percent Change	2.8%	2.5%	2.5%	2.5%

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

September Forecast	1.123	1.128	1.133	1.137
Percent Change	0.3%	1.9%	1.9%	1.4%
June Forecast	1.124	1.128	1.133	1.137
Percent Change	0.8%	1.4%	1.9%	1.3%

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

September Forecast	14,575	14,604	14,657	14,774
Percent Change	2.7%	0.8%	1.5%	3.2%
June Forecast	14,648	14,764	14,847	14,957
Percent Change	2.4%	3.2%	2.3%	3.0%

**Nonfarm Payroll Employment (Millions)**

September Forecast	146.2	146.8	147.2	147.6
Percent Change	1.3%	1.6%	1.2%	1.1%
June Forecast	146.1	146.5	146.9	147.1
Percent Change	1.2%	1.0%	1.0%	0.8%

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

September Forecast	4.4	4.3	4.3	4.3
June Forecast	4.4	4.3	4.3	4.3

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

September Forecast	4.0	3.9	4.1	4.6
June Forecast	4.1	4.3	4.5	4.7

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

September Forecast	0.9	1.1	1.2	1.4
June Forecast	0.9	1.1	1.2	1.4

**2015 2016 2017 2018 2019 2020 2021**

16,472	16,716	17,079	17,493	17,860	18,217	18,582
2.9%	1.5%	2.2%	2.4%	2.1%	2.0%	2.0%
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%

11,264	11,572	11,881	12,173	12,453	12,727	12,994
3.6%	2.7%	2.7%	2.5%	2.3%	2.2%	2.1%
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%

1.095	1.108	1.126	1.144	1.163	1.185	1.209
0.3%	1.2%	1.7%	1.6%	1.7%	1.9%	2.0%
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%

14,206	14,377	14,579	14,921	15,376	15,814	16,194
4.6%	1.2%	1.4%	2.3%	3.0%	2.8%	2.4%
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%

141.8	144.3	146.5	148.3	149.7	150.9	151.8
2.1%	1.8%	1.5%	1.2%	1.0%	0.8%	0.6%
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%

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

3.9	3.6	4.1	5.0	5.8	6.0	6.0
3.9	3.6	4.3	5.0	5.8	6.0	5.9

0.1	0.3	0.9	1.6	2.5	2.9	2.8
0.1	0.3	0.9	1.6	2.5	2.8	2.8

## Washington Forecast Comparison

	2017Q2	2017Q3	2017Q4	2018Q1
<b>Real Personal Income (Billions of 2009 Dollars)</b>				
September Forecast, Final	365.3	366.2	367.8	371.2
Percent Change	3.2%	1.0%	1.7%	3.9%
September Forecast, Preliminary	365.3	367.4	369.6	373.0
Percent Change	3.2%	2.3%	2.5%	3.7%
<b>Personal Income (Billions of Dollars)</b>				
September Forecast, Final	410.1	413.0	416.7	422.1
Percent Change	3.5%	2.9%	3.7%	5.3%
September Forecast, Preliminary	410.1	414.0	418.3	423.7
Percent Change	3.5%	3.8%	4.2%	5.3%
<b>Nonfarm Payroll Employment (Thousands)</b>				
September Forecast, Final	3327	3345	3363	3381
Percent Change	2.7%	2.2%	2.1%	2.1%
September Forecast, Preliminary	3327	3349	3371	3388
Percent Change	2.7%	2.7%	2.6%	2.1%
<b>Unemployment Rate (Percent of Labor Force)</b>				
September Forecast, Final	4.6	4.5	4.4	4.4
September Forecast, Preliminary	4.6	4.5	4.5	4.4
<b>Manufacturing Employment (Thousands)</b>				
September Forecast, Final	284.5	284.0	283.6	284.4
Percent Change	-2.0%	-0.8%	-0.6%	1.2%
September Forecast, Preliminary	284.5	284.1	283.1	283.9
Percent Change	-2.0%	-0.6%	-1.4%	1.1%
<b>Construction Employment (Thousands)</b>				
September Forecast, Final	200.9	201.4	204.0	206.0
Percent Change	6.6%	0.9%	5.3%	4.1%
September Forecast, Preliminary	200.9	201.3	204.1	206.5
Percent Change	6.5%	0.7%	5.8%	4.8%
<b>Housing Permits (Thousands)</b>				
September Forecast, Final	43.9	43.6	43.9	44.3
Percent Change	33.8%	-2.9%	2.9%	4.2%
September Forecast, Preliminary	43.9	43.6	44.0	44.5
Percent Change	33.8%	-2.9%	4.0%	4.9%

	2015	2016	2017	2018	2019	2020	2021
<b>Real Personal Income (Billions of 2009 Dollars)</b>							
September Forecast, Final	339.9	351.1	365.4	375.9	390.0	403.5	415.5
Percent Change	4.3%	3.3%	4.1%	2.9%	3.7%	3.5%	3.0%
September Forecast, Preliminary	339.9	351.1	366.2	377.7	392.1	405.2	416.8
Percent Change	4.3%	3.3%	4.3%	3.1%	3.8%	3.3%	2.9%
<b>Personal Income (Billions of Dollars)</b>							
September Forecast, Final	372.1	389.0	411.6	430.0	453.8	478.4	502.2
Percent Change	4.6%	4.5%	5.8%	4.5%	5.5%	5.4%	5.0%
September Forecast, Preliminary	372.1	389.0	412.2	431.5	455.2	479.2	502.8
Percent Change	4.6%	4.5%	6.0%	4.7%	5.5%	5.3%	4.9%
<b>Nonfarm Payroll Employment (Thousands)</b>							
September Forecast, Final	3146	3242	3335	3405	3461	3509	3547
Percent Change	2.9%	3.1%	2.9%	2.1%	1.6%	1.4%	1.1%
September Forecast, Preliminary	3146	3242	3338	3411	3467	3514	3553
Percent Change	2.9%	3.1%	3.0%	2.2%	1.6%	1.4%	1.1%
<b>Unemployment Rate (Percent of Labor Force)</b>							
September Forecast, Final	5.6	5.4	4.6	4.4	4.4	4.3	4.3
September Forecast, Preliminary	5.6	5.4	4.6	4.4	4.3	4.3	4.3
<b>Manufacturing Employment (Thousands)</b>							
September Forecast, Final	291.8	289.9	284.5	286.3	290.7	294.9	298.5
Percent Change	1.1%	-0.7%	-1.8%	0.6%	1.5%	1.4%	1.2%
September Forecast, Preliminary	291.8	289.9	284.4	285.4	289.2	293.6	297.0
Percent Change	1.1%	-0.7%	-1.9%	0.3%	1.3%	1.5%	1.2%
<b>Construction Employment (Thousands)</b>							
September Forecast, Final	173.3	186.5	201.0	206.5	208.3	209.4	209.6
Percent Change	8.5%	7.6%	7.8%	2.7%	0.9%	0.5%	0.1%
September Forecast, Preliminary	173.3	186.5	201.0	207.5	209.6	209.6	209.5
Percent Change	8.5%	7.6%	7.8%	3.2%	1.0%	0.0%	0.0%
<b>Housing Permits (Thousands)</b>							
September Forecast, Final	40.4	44.1	43.0	43.4	41.9	42.1	42.0
Percent Change	19.1%	9.2%	-2.4%	0.8%	-3.4%	0.5%	-0.2%
September Forecast, Preliminary	40.4	44.1	43.1	43.6	42.3	42.4	42.0
Percent Change	19.1%	9.2%	-2.3%	1.3%	-3.0%	0.3%	-0.9%

## Washington Forecast Comparison

	2017Q2	2017Q3	2017Q4	2018Q1
<b>Real Personal Income (Billions of 2009 Dollars)</b>				
September Forecast	365.3	366.2	367.8	371.2
Percent Change	3.2%	1.0%	1.7%	3.9%
June Forecast	360.0	362.2	365.1	372.2
Percent Change	2.1%	2.5%	3.3%	8.1%
<b>Personal Income (Billions of Dollars)</b>				
September Forecast	410.1	413.0	416.7	422.1
Percent Change	3.5%	2.9%	3.7%	5.3%
June Forecast	404.5	408.4	413.6	423.1
Percent Change	3.0%	3.9%	5.2%	9.5%
<b>Nonfarm Payroll Employment (Thousands)</b>				
September Forecast	3327	3345	3363	3381
Percent Change	2.7%	2.2%	2.1%	2.1%
June Forecast	3311	3326	3341	3356
Percent Change	2.0%	1.9%	1.8%	1.8%
<b>Unemployment Rate (Percent of Labor Force)</b>				
September Forecast	4.6	4.5	4.4	4.4
June Forecast	4.5	4.5	4.4	4.4
<b>Manufacturing Employment (Thousands)</b>				
September Forecast	284.5	284.0	283.6	284.4
Percent Change	-2.0%	-0.8%	-0.6%	1.2%
June Forecast	283.5	282.2	281.3	282.0
Percent Change	-2.3%	-1.9%	-1.3%	1.0%
<b>Construction Employment (Thousands)</b>				
September Forecast	200.9	201.4	204.0	206.0
Percent Change	6.6%	0.9%	5.3%	4.1%
June Forecast	198.5	200.8	203.6	206.0
Percent Change	6.4%	4.7%	5.6%	4.8%
<b>Housing Permits (Thousands)</b>				
September Forecast	43.9	43.6	43.9	44.3
Percent Change	33.8%	-2.9%	2.9%	4.2%
June Forecast	45.3	43.8	43.2	43.4
Percent Change	52.1%	-12.9%	-5.3%	1.9%

	2015	2016	2017	2018	2019	2020	2021
September Forecast	339.9	351.1	365.4	375.9	390.0	403.5	415.5
Percent Change	4.3%	3.3%	4.1%	2.9%	3.7%	3.5%	3.0%
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%
September Forecast	372.1	389.0	411.6	430.0	453.8	478.4	502.2
Percent Change	4.6%	4.5%	5.8%	4.5%	5.5%	5.4%	5.0%
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%
September Forecast	3146	3242	3335	3405	3461	3509	3547
Percent Change	2.9%	3.1%	2.9%	2.1%	1.6%	1.4%	1.1%
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%
September Forecast	5.6	5.4	4.6	4.4	4.4	4.3	4.3
June Forecast	5.6	5.4	4.6	4.3	4.3	4.3	4.3
September Forecast	291.8	289.9	284.5	286.3	290.7	294.9	298.5
Percent Change	1.1%	-0.7%	-1.8%	0.6%	1.5%	1.4%	1.2%
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%
September Forecast	173.3	186.5	201.0	206.5	208.3	209.4	209.6
Percent Change	8.5%	7.6%	7.8%	2.7%	0.9%	0.5%	0.1%
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%
September Forecast	40.4	44.1	43.0	43.4	41.9	42.1	42.0
Percent Change	19.1%	9.2%	-2.4%	0.8%	-3.4%	0.5%	-0.2%
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%