



Revised March 2023 Economic Forecast

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We have updated our March economic forecast. The revised economic forecast reflects a more recent national economic forecast. While we do not have new Washington payroll employment data this time, we have incorporated new and revised Washington unemployment data and Seattle consumer price data. This updated economic forecast will form the basis of the March 2023 revenue forecast scheduled for adoption on March 20, 2023.

The following tables compare the revised March economic forecast with the preliminary March forecast as well as with the forecast adopted in November 2022.

U.S. Forecast Comparison

	2022Q4	2023Q1	2023Q2	2023Q3
Real GDP (Billions of 2012 Dollars)				
March Forecast, Final	20,187	20,226	20,220	20,214
Percent Change	2.7%	0.8%	-0.1%	-0.1%
March Forecast, Preliminary	20,198	20,183	20,152	20,144
Percent Change	2.9%	-0.3%	-0.6%	-0.2%
Real Consumption (Billions of 2012 Dollars)				
March Forecast, Final	14,227	14,301	14,313	14,316
Percent Change	1.4%	2.1%	0.3%	0.1%
March Forecast, Preliminary	14,252	14,278	14,279	14,279
Percent Change	2.1%	0.7%	0.0%	0.0%
PCE Price Index (2012=100)				
March Forecast, Final	124.9	126.2	127.2	128.1
Percent Change	3.7%	4.4%	3.0%	3.1%
March Forecast, Preliminary	124.7	125.5	126.2	127.0
Percent Change	3.2%	2.4%	2.5%	2.5%
Real Personal Income (Billions of 2012 Dollars)				
March Forecast, Final	17,902	17,898	17,889	17,935
Percent Change	3.4%	-0.1%	-0.2%	1.0%
March Forecast, Preliminary	17,777	17,871	17,852	17,876
Percent Change	2.6%	2.1%	-0.4%	0.5%
Nonfarm Payroll Employment (Millions)				
March Forecast, Final	154.3	155.4	155.6	155.2
Percent Change	2.5%	2.9%	0.4%	-1.1%
March Forecast, Preliminary	154.3	155.3	155.1	154.3
Percent Change	2.5%	2.6%	-0.5%	-1.9%
Unemployment Rate (Percent of Labor Force)				
March Forecast, Final	3.6	3.3	3.4	3.7
March Forecast, Preliminary	3.6	3.4	3.7	4.2
Oil Price, Refiner's Acquisition				
March Forecast, Final	83.5	77.7	77.4	76.6
March Forecast, Preliminary	83.7	76.7	75.1	74.5
30 Year Fixed Mortgage Rate (Percent, average)				
March Forecast, Final	6.6	6.5	6.8	6.7
March Forecast, Preliminary	6.6	6.3	6.3	6.2
3 Month T-Bill Rate (Percent, average)				
March Forecast, Final	4.0	4.7	4.9	5.0
March Forecast, Preliminary	4.0	4.7	4.8	4.8

	2021	2022	2023	2024	2025	2026	2027
19,610	20,015	20,222	20,440	20,848	21,265	21,669	
5.9%	2.1%	1.0%	1.1%	2.0%	2.0%	1.9%	
19,610	20,018	20,163	20,406	20,835	21,272	21,676	
5.9%	2.1%	0.7%	1.2%	2.1%	2.1%	1.9%	
13,754	14,133	14,314	14,459	14,763	15,073	15,374	
8.3%	2.8%	1.3%	1.0%	2.1%	2.1%	2.0%	
13,754	14,140	14,283	14,442	14,760	15,085	15,402	
8.3%	2.8%	1.0%	1.1%	2.2%	2.2%	2.1%	
115.6	122.9	127.6	130.8	133.2	135.8	138.4	
4.0%	6.3%	3.9%	2.4%	1.9%	1.9%	2.0%	
115.6	122.8	126.6	129.2	131.7	134.2	136.8	
4.0%	6.2%	3.1%	2.1%	1.9%	1.9%	1.9%	
18,427	17,748	17,926	18,223	18,717	19,227	19,731	
3.3%	-3.7%	1.0%	1.7%	2.7%	2.7%	2.6%	
18,427	17,695	17,883	18,209	18,718	19,205	19,759	
3.3%	-4.0%	1.1%	1.8%	2.8%	2.6%	2.9%	
146.3	152.6	155.2	154.0	154.1	154.6	155.3	
2.9%	4.3%	1.7%	-0.7%	0.0%	0.4%	0.4%	
146.3	152.6	154.6	153.5	153.8	154.2	155.2	
2.9%	4.3%	1.3%	-0.7%	0.1%	0.3%	0.6%	
5.4	3.6	3.6	4.3	4.4	4.2	4.1	
5.4	3.6	3.9	4.7	4.6	4.4	4.2	
67.5	95.2	76.8	72.5	68.5	65.3	62.7	
67.5	95.2	75.0	71.5	68.6	66.3	64.2	
3.0	5.4	6.6	5.9	5.2	5.0	4.9	
3.0	5.4	6.2	5.6	5.0	5.0	4.9	
0.0	2.0	4.9	4.2	2.9	2.4	2.3	
0.0	2.0	4.8	4.1	2.7	2.4	2.4	

U.S. Forecast Comparison

	2022Q4	2023Q1	2023Q2	2023Q3
Real GDP (Billions of 2012 Dollars)				
March Forecast	20,187	20,226	20,220	20,214
Percent Change	2.7%	0.8%	-0.1%	-0.1%
November Forecast	19,987	19,964	19,959	19,993
Percent Change	-0.7%	-0.5%	-0.1%	0.7%
Real Consumption (Billions of 2012 Dollars)				
March Forecast	14,227	14,301	14,313	14,316
Percent Change	1.4%	2.1%	0.3%	0.1%
November Forecast	14,156	14,157	14,168	14,200
Percent Change	0.2%	0.0%	0.3%	0.9%
PCE Price Index (2012=100)				
March Forecast	124.9	126.2	127.2	128.1
Percent Change	3.7%	4.4%	3.0%	3.1%
November Forecast	125.2	126.3	126.9	127.7
Percent Change	4.8%	3.5%	2.2%	2.4%
Real Personal Income (Billions of 2012 Dollars)				
March Forecast	17,902	17,898	17,889	17,935
Percent Change	3.4%	-0.1%	-0.2%	1.0%
November Forecast	17,789	17,828	17,878	17,951
Percent Change	1.7%	0.9%	1.1%	1.7%
Nonfarm Payroll Employment (Millions)				
March Forecast	154.3	155.4	155.6	155.2
Percent Change	2.5%	2.9%	0.4%	-1.1%
November Forecast	153.4	153.4	152.6	151.7
Percent Change	1.7%	0.0%	-2.0%	-2.2%
Unemployment Rate (Percent of Labor Force)				
March Forecast	3.6	3.3	3.4	3.7
November Forecast	3.7	4.0	4.5	5.1
Oil Price, Refiner's Acquisition				
March Forecast	83.5	77.7	77.4	76.6
November Forecast	87.7	85.8	82.9	80.6
30 Year Fixed Mortgage Rate (Percent, average)				
March Forecast	6.6	6.5	6.8	6.7
November Forecast	7.0	7.0	6.8	6.6
3 Month T-Bill Rate (Percent, average)				
March Forecast	4.0	4.7	4.9	5.0
November Forecast	3.9	4.5	4.7	4.6

	2021	2022	2023	2024	2025	2026	2027
19,610	20,015	20,222	20,440	20,848	21,265	21,669	
5.9%	2.1%	1.0%	1.1%	2.0%	2.0%	1.9%	
19,610	19,957	19,993	20,293	20,719	21,154	21,556	
5.9%	1.8%	0.2%	1.5%	2.1%	2.1%	1.9%	
13,754	14,133	14,314	14,459	14,763	15,073	15,374	
8.3%	2.8%	1.3%	1.0%	2.1%	2.1%	2.0%	
13,754	14,108	14,194	14,407	14,724	15,048	15,364	
8.3%	2.6%	0.6%	1.5%	2.2%	2.2%	2.1%	
115.6	122.9	127.6	130.8	133.2	135.8	138.4	
4.0%	6.3%	3.9%	2.4%	1.9%	1.9%	2.0%	
115.6	122.9	127.3	130.1	132.5	134.9	137.4	
4.0%	6.3%	3.6%	2.2%	1.8%	1.8%	1.9%	
18,427	17,748	17,926	18,223	18,717	19,227	19,731	
3.3%	-3.7%	1.0%	1.7%	2.7%	2.7%	2.6%	
18,427	17,721	17,921	18,330	18,837	19,354	19,868	
3.3%	-3.8%	1.1%	2.3%	2.8%	2.7%	2.7%	
146.3	152.6	155.2	154.0	154.1	154.6	155.3	
2.9%	4.3%	1.7%	-0.7%	0.0%	0.4%	0.4%	
146.1	152.0	152.3	152.0	153.2	154.2	154.8	
2.8%	4.0%	0.2%	-0.2%	0.8%	0.6%	0.4%	
5.4	3.6	3.6	4.3	4.4	4.2	4.1	
5.4	3.7	4.7	5.0	4.5	4.2	4.1	
67.5	95.2	76.8	72.5	68.5	65.3	62.7	
67.5	96.4	82.0	75.1	71.2	68.4	66.2	
3.0	5.4	6.6	5.9	5.2	5.0	4.9	
3.0	5.4	6.7	5.6	5.0	4.9	4.8	
0.0	2.0	4.9	4.2	2.9	2.4	2.3	
0.0	2.0	4.6	4.0	2.7	2.4	2.3	

Washington Forecast Comparison

	2022Q4	2023Q1	2023Q2	2023Q3
Real Personal Income (Billions of 2012 Dollars)				
March Forecast, Final	480.3	479.8	479.6	481.0
Percent Change	4.4%	-0.4%	-0.1%	1.1%
March Forecast, Preliminary	479.4	481.7	481.7	482.8
Percent Change	3.6%	2.0%	0.0%	1.0%
Personal Income (Billions of Dollars)				
March Forecast, Final	599.7	605.7	610.0	616.4
Percent Change	8.2%	4.1%	2.9%	4.3%
March Forecast, Preliminary	597.8	604.4	608.1	613.3
Percent Change	6.9%	4.5%	2.5%	3.5%
Disposable Personal Income (Billions of Dollars)				
March Forecast, Final	513.5	529.2	535.4	542.1
Percent Change	9.3%	12.8%	4.8%	5.1%
March Forecast, Preliminary	510.4	522.8	528.2	536.4
Percent Change	7.4%	10.0%	4.3%	6.3%
Nonfarm Payroll Employment (Thousands)				
March Forecast, Final	3590	3601	3600	3590
Percent Change	3.4%	1.2%	0.0%	-1.1%
March Forecast, Preliminary	3590	3601	3596	3583
Percent Change	3.4%	1.2%	-0.5%	-1.4%
Unemployment Rate (Percent of Labor Force)				
March Forecast, Final	4.6	4.6	4.5	4.6
March Forecast, Preliminary	4.0	4.2	4.4	4.8
Manufacturing Employment (Thousands)				
March Forecast, Final	276.8	277.6	277.9	277.5
Percent Change	3.4%	1.2%	0.4%	-0.6%
March Forecast, Preliminary	276.8	277.5	277.2	276.1
Percent Change	3.4%	1.0%	-0.4%	-1.6%
Construction Employment (Thousands)				
March Forecast, Final	239.5	238.5	233.0	229.7
Percent Change	4.5%	-1.6%	-8.9%	-5.6%
March Forecast, Preliminary	239.5	238.4	233.1	230.1
Percent Change	4.5%	-1.8%	-8.7%	-5.1%
Housing Permits (Thousands)				
March Forecast, Final	38.2	35.8	37.8	38.6
Percent Change	-47.5%	-22.3%	24.6%	8.6%
March Forecast, Preliminary	38.2	35.8	39.8	40.8
Percent Change	-47.5%	-22.3%	53.0%	9.7%

	2021	2022	2023	2024	2025	2026	2027
494.1	477.4	480.8	491.4	507.5	524.0	540.0	
4.1%	-3.4%	0.7%	2.2%	3.3%	3.2%	3.1%	
494.1	477.2	482.9	494.7	511.5	527.8	545.7	
4.1%	-3.4%	1.2%	2.5%	3.4%	3.2%	3.4%	
570.9	586.4	613.8	642.6	676.3	711.4	747.7	
8.2%	2.7%	4.7%	4.7%	5.2%	5.2%	5.1%	
570.9	585.9	611.4	639.4	673.5	708.4	746.5	
8.2%	2.6%	4.3%	4.6%	5.3%	5.2%	5.4%	
504.4	501.0	538.9	568.9	600.4	631.1	663.0	
6.5%	-0.7%	7.6%	5.6%	5.5%	5.1%	5.0%	
504.4	500.2	533.2	566.4	598.9	629.8	663.2	
6.5%	-0.8%	6.6%	6.2%	5.7%	5.2%	5.3%	
3363	3540	3594	3591	3616	3649	3680	
2.4%	5.3%	1.5%	-0.1%	0.7%	0.9%	0.8%	
3363	3540	3590	3594	3624	3659	3699	
2.4%	5.3%	1.4%	0.1%	0.9%	1.0%	1.1%	
5.2	4.2	4.6	4.9	4.8	4.6	4.5	
5.3	4.0	4.6	5.1	5.0	4.7	4.6	
259.2	272.0	276.9	268.9	267.7	269.6	271.3	
-4.6%	4.9%	1.8%	-2.9%	-0.4%	0.7%	0.6%	
259.2	272.0	275.9	267.6	265.3	266.0	268.7	
-4.6%	4.9%	1.5%	-3.0%	-0.9%	0.3%	1.0%	
223.4	236.0	233.0	230.2	230.8	234.4	237.4	
4.5%	5.7%	-1.3%	-1.2%	0.2%	1.6%	1.3%	
223.4	236.0	233.2	230.8	231.3	234.5	236.9	
4.5%	5.7%	-1.2%	-1.0%	0.2%	1.4%	1.1%	
56.9	49.3	38.0	42.2	44.8	44.9	44.5	
29.8%	-13.5%	-22.8%	10.9%	6.4%	0.1%	-0.9%	
56.9	49.3	39.6	44.0	46.7	45.9	45.6	
29.8%	-13.5%	-19.7%	11.2%	6.2%	-1.7%	-0.8%	

Washington Forecast Comparison

	2022Q4	2023Q1	2023Q2	2023Q3
Real Personal Income (Billions of 2012 Dollars)				
March Forecast	480.3	479.8	479.6	481.0
Percent Change	4.4%	-0.4%	-0.1%	1.1%
November Forecast	481.3	483.0	485.3	488.0
Percent Change	2.6%	1.5%	1.9%	2.3%
Personal Income (Billions of Dollars)				
March Forecast	599.7	605.7	610.0	616.4
Percent Change	8.2%	4.1%	2.9%	4.3%
November Forecast	602.4	609.9	616.0	623.1
Percent Change	7.6%	5.0%	4.1%	4.7%
Disposable Personal Income (Billions of Dollars)				
March Forecast	513.5	529.2	535.4	542.1
Percent Change	9.3%	12.8%	4.8%	5.1%
November Forecast	515.3	527.2	535.0	544.7
Percent Change	9.3%	9.6%	6.1%	7.5%
Nonfarm Payroll Employment (Thousands)				
March Forecast	3590	3601	3600	3590
Percent Change	3.4%	1.2%	0.0%	-1.1%
November Forecast	3584	3586	3574	3560
Percent Change	2.7%	0.2%	-1.3%	-1.5%
Unemployment Rate (Percent of Labor Force)				
March Forecast	4.6	4.6	4.5	4.6
November Forecast	3.9	4.2	4.7	5.2
Manufacturing Employment (Thousands)				
March Forecast	276.8	277.6	277.9	277.5
Percent Change	3.4%	1.2%	0.4%	-0.6%
November Forecast	276.7	278.6	278.2	276.2
Percent Change	3.4%	2.8%	-0.6%	-2.8%
Construction Employment (Thousands)				
March Forecast	239.5	238.5	233.0	229.7
Percent Change	4.5%	-1.6%	-8.9%	-5.6%
November Forecast	240.1	237.6	233.1	229.6
Percent Change	5.8%	-4.2%	-7.3%	-5.8%
Housing Permits (Thousands)				
March Forecast	38.2	35.8	37.8	38.6
Percent Change	-47.5%	-22.3%	24.6%	8.6%
November Forecast	41.5	42.4	42.5	42.9
Percent Change	-24.5%	8.6%	1.3%	3.5%

	2021	2022	2023	2024	2025	2026	2027
494.1	477.4	480.8	491.4	507.5	524.0	540.0	
4.1%	-3.4%	0.7%	2.2%	3.3%	3.2%	3.1%	
494.1	478.4	486.9	500.8	516.9	533.6	550.5	
4.1%	-3.2%	1.8%	2.9%	3.2%	3.2%	3.2%	
570.9	586.4	613.8	642.6	676.3	711.4	747.7	
8.2%	2.7%	4.7%	4.7%	5.2%	5.2%	5.1%	
570.9	588.0	619.9	651.6	684.9	719.6	756.3	
8.2%	3.0%	5.4%	5.1%	5.1%	5.1%	5.1%	
504.4	501.0	538.9	568.9	600.4	631.1	663.0	
6.5%	-0.7%	7.6%	5.6%	5.5%	5.1%	5.0%	
504.4	502.0	540.3	575.8	605.6	636.3	669.4	
6.5%	-0.5%	7.6%	6.6%	5.2%	5.1%	5.2%	
3363	3540	3594	3591	3616	3649	3680	
2.4%	5.3%	1.5%	-0.1%	0.7%	0.9%	0.8%	
3363	3538	3570	3585	3628	3667	3701	
2.4%	5.2%	0.9%	0.4%	1.2%	1.1%	0.9%	
5.2	4.2	4.6	4.9	4.8	4.6	4.5	
5.3	4.0	4.9	5.2	4.8	4.5	4.4	
259.2	272.0	276.9	268.9	267.7	269.6	271.3	
-4.6%	4.9%	1.8%	-2.9%	-0.4%	0.7%	0.6%	
259.2	271.9	276.7	271.8	271.4	271.9	272.5	
-4.6%	4.9%	1.8%	-1.8%	-0.1%	0.2%	0.2%	
223.4	236.0	233.0	230.2	230.8	234.4	237.4	
4.5%	5.7%	-1.3%	-1.2%	0.2%	1.6%	1.3%	
223.4	236.1	232.8	230.5	229.6	230.3	232.2	
4.5%	5.7%	-1.4%	-1.0%	-0.4%	0.3%	0.9%	
56.9	49.3	38.0	42.2	44.8	44.9	44.5	
29.8%	-13.5%	-22.8%	10.9%	6.4%	0.1%	-0.9%	
56.9	50.7	42.8	46.1	47.5	46.2	45.3	
29.2%	-11.0%	-15.6%	7.8%	2.9%	-2.8%	-2.0%	