



Revised February 2020 Economic Forecast

CONTACT: Bret Bertolin, Senior Economist
PHONE: 360-534-1566

We have updated the preliminary February economic forecast, which was released on January 27, 2020. The revised February economic forecast reflects a more recent national economic forecast. This updated economic forecast will form the basis of the February 2020 revenue forecast scheduled for adoption on February 19, 2020.

The following tables compare the revised February economic forecast with the preliminary February forecast as well as with the forecast adopted in November 2019.

This page left intentionally blank.

U.S. Forecast Comparison

	2019Q4	2020Q1	2020Q2	2020Q3
Real GDP (Billions of 2012 Dollars)				
February Forecast, Revised	19,220	19,295	19,386	19,477
Percent Change	2.1%	1.6%	1.9%	1.9%
February Forecast, Preliminary	19,208	19,290	19,385	19,474
Percent Change	1.8%	1.7%	2.0%	1.9%
Real Consumption (Billions of 2012 Dollars)				
February Forecast, Revised	13,412	13,479	13,550	13,620
Percent Change	1.8%	2.0%	2.1%	2.1%
February Forecast, Preliminary	13,430	13,496	13,564	13,632
Percent Change	2.3%	2.0%	2.1%	2.0%
PCE Price Index (2012=100)				
February Forecast, Revised	110.4	110.7	111.1	111.5
Percent Change	1.6%	1.2%	1.5%	1.7%
February Forecast, Preliminary	110.4	110.9	111.3	111.8
Percent Change	1.9%	1.5%	1.6%	1.7%
Real Personal Income (Billions of 2012 Dollars)				
February Forecast, Revised	17,097	17,214	17,332	17,399
Percent Change	1.6%	2.8%	2.8%	1.6%
February Forecast, Preliminary	17,104	17,194	17,262	17,340
Percent Change	1.8%	2.1%	1.6%	1.8%
Nonfarm Payroll Employment (Millions)				
February Forecast, Revised	152.2	152.7	153.2	153.3
Percent Change	1.5%	1.2%	1.4%	0.3%
February Forecast, Preliminary	152.2	152.7	153.3	153.3
Percent Change	1.5%	1.4%	1.5%	0.1%
Unemployment Rate (Percent of Labor Force)				
February Forecast, Revised	3.5	3.5	3.5	3.5
February Forecast, Preliminary	3.5	3.5	3.5	3.5
Oil Price, Refiner's Acquisition				
February Forecast, Revised	57.5	53.0	50.7	51.2
February Forecast, Preliminary	58.1	56.6	54.5	53.2
30 Year Fixed Mortgage Rate (Percent, average)				
February Forecast, Revised	3.7	3.6	3.7	3.8
February Forecast, Preliminary	3.7	3.9	4.0	4.0
3 Month T-Bill Rate (Percent, average)				
February Forecast, Revised	1.6	1.5	1.6	1.5
February Forecast, Preliminary	1.6	1.5	1.5	1.5

	2019	2020	2021	2022	2023	2024	2025
Real GDP (Billions of 2012 Dollars)							
February Forecast, Revised	19,073	19,433	19,812	20,189	20,593	21,004	21,424
Percent Change	2.3%	1.9%	2.0%	1.9%	2.0%	2.0%	2.0%
February Forecast, Preliminary	19,069	19,429	19,801	20,177	20,581	20,993	21,412
Percent Change	2.3%	1.9%	1.9%	1.9%	2.0%	2.0%	2.0%
Real Consumption (Billions of 2012 Dollars)							
February Forecast, Revised	13,280	13,585	13,869	14,146	14,457	14,761	15,071
Percent Change	2.6%	2.3%	2.1%	2.0%	2.2%	2.1%	2.1%
February Forecast, Preliminary	13,284	13,600	13,886	14,164	14,475	14,779	15,090
Percent Change	2.6%	2.4%	2.1%	2.0%	2.2%	2.1%	2.1%
PCE Price Index (2012=100)							
February Forecast, Revised	109.7	111.3	113.3	115.5	117.9	120.4	122.9
Percent Change	1.4%	1.5%	1.8%	1.9%	2.0%	2.1%	2.1%
February Forecast, Preliminary	109.7	111.6	113.6	115.8	118.1	120.4	122.7
Percent Change	1.4%	1.7%	1.8%	2.0%	2.0%	2.0%	1.9%
Real Personal Income (Billions of 2012 Dollars)							
February Forecast, Revised	16,982	17,354	17,681	18,043	18,464	18,878	19,312
Percent Change	3.1%	2.2%	1.9%	2.0%	2.3%	2.2%	2.3%
February Forecast, Preliminary	16,983	17,304	17,661	18,061	18,438	18,859	19,326
Percent Change	3.1%	1.9%	2.1%	2.3%	2.1%	2.3%	2.5%
Nonfarm Payroll Employment (Millions)							
February Forecast, Revised	151.4	153.2	154.2	155.3	155.7	156.0	156.4
Percent Change	1.6%	1.2%	0.7%	0.7%	0.3%	0.2%	0.3%
February Forecast, Preliminary	151.4	153.2	154.2	155.2	155.6	155.8	156.3
Percent Change	1.6%	1.2%	0.6%	0.7%	0.2%	0.2%	0.3%
Unemployment Rate (Percent of Labor Force)							
February Forecast, Revised	3.7	3.5	3.5	3.7	3.9	4.1	4.2
February Forecast, Preliminary	3.7	3.5	3.7	3.8	4.0	4.2	4.3
Oil Price, Refiner's Acquisition							
February Forecast, Revised	59.2	51.5	51.0	51.2	51.6	52.2	52.7
February Forecast, Preliminary	59.4	54.1	50.9	50.0	50.0	50.5	51.1
30 Year Fixed Mortgage Rate (Percent, average)							
February Forecast, Revised	3.9	3.8	4.2	4.4	4.6	4.6	4.7
February Forecast, Preliminary	3.9	4.0	4.3	4.5	4.5	4.6	4.6
3 Month T-Bill Rate (Percent, average)							
February Forecast, Revised	2.1	1.5	1.6	2.0	2.2	2.3	2.4
February Forecast, Preliminary	2.1	1.5	1.6	2.0	2.1	2.3	2.3

U.S. Forecast Comparison

	2019Q4	2020Q1	2020Q2	2020Q3
Real GDP (Billions of 2012 Dollars)				
February Forecast	19,220	19,295	19,386	19,477
Percent Change	2.1%	1.6%	1.9%	1.9%
November Forecast	19,188	19,271	19,358	19,440
Percent Change	1.6%	1.7%	1.8%	1.7%
Real Consumption (Billions of 2012 Dollars)				
February Forecast	13,412	13,479	13,550	13,620
Percent Change	1.8%	2.0%	2.1%	2.1%
November Forecast	13,410	13,479	13,547	13,607
Percent Change	2.0%	2.1%	2.0%	1.8%
PCE Price Index (2012=100)				
February Forecast	110.4	110.7	111.1	111.5
Percent Change	1.6%	1.2%	1.5%	1.7%
November Forecast	110.6	111.1	111.6	112.2
Percent Change	2.2%	2.0%	1.9%	1.9%
Real Personal Income (Billions of 2012 Dollars)				
February Forecast	17,097	17,214	17,332	17,399
Percent Change	1.6%	2.8%	2.8%	1.6%
November Forecast	17,139	17,219	17,275	17,331
Percent Change	1.5%	1.9%	1.3%	1.3%
Nonfarm Payroll Employment (Millions)				
February Forecast	152.2	152.7	153.2	153.3
Percent Change	1.5%	1.2%	1.4%	0.3%
November Forecast	152.2	152.6	153.1	153.2
Percent Change	1.4%	1.1%	1.5%	0.3%
Unemployment Rate (Percent of Labor Force)				
February Forecast	3.5	3.5	3.5	3.5
November Forecast	3.5	3.5	3.5	3.5
Oil Price, Refiner's Acquisition				
February Forecast	57.5	53.0	50.7	51.2
November Forecast	56.7	57.1	55.8	54.8
30 Year Fixed Mortgage Rate (Percent, average)				
February Forecast	3.7	3.6	3.7	3.8
November Forecast	3.7	3.8	3.9	4.0
3 Month T-Bill Rate (Percent, average)				
February Forecast	1.6	1.5	1.6	1.5
November Forecast	1.6	1.6	1.5	1.5

	2019	2020	2021	2022	2023	2024	2025
Real GDP (Billions of 2012 Dollars)							
February Forecast	19,073	19,433	19,812	20,189	20,593	21,004	21,424
Percent Change	2.3%	1.9%	2.0%	1.9%	2.0%	2.0%	2.0%
November Forecast	19,063	19,397	19,746	20,121	20,523	NA	NA
Percent Change	2.3%	1.8%	1.8%	1.9%	2.0%	NA	NA
Real Consumption (Billions of 2012 Dollars)							
February Forecast	13,280	13,585	13,869	14,146	14,457	14,761	15,071
Percent Change	2.6%	2.3%	2.1%	2.0%	2.2%	2.1%	2.1%
November Forecast	13,277	13,574	13,832	14,108	14,419	NA	NA
Percent Change	2.6%	2.2%	1.9%	2.0%	2.2%	NA	NA
PCE Price Index (2012=100)							
February Forecast	109.7	111.3	113.3	115.5	117.9	120.4	122.9
Percent Change	1.4%	1.5%	1.8%	1.9%	2.0%	2.1%	2.1%
November Forecast	109.7	111.9	114.0	116.3	118.6	NA	NA
Percent Change	1.5%	2.0%	1.9%	2.0%	2.0%	NA	NA
Real Personal Income (Billions of 2012 Dollars)							
February Forecast	16,982	17,354	17,681	18,043	18,464	18,878	19,312
Percent Change	3.1%	2.2%	1.9%	2.0%	2.3%	2.2%	2.3%
November Forecast	17,014	17,306	17,644	18,063	18,511	NA	NA
Percent Change	3.3%	1.7%	2.0%	2.4%	2.5%	NA	NA
Nonfarm Payroll Employment (Millions)							
February Forecast	151.4	153.2	154.2	155.3	155.7	156.0	156.4
Percent Change	1.6%	1.2%	0.7%	0.7%	0.3%	0.2%	0.3%
November Forecast	151.4	153.1	154.0	154.8	155.4	NA	NA
Percent Change	1.6%	1.1%	0.6%	0.5%	0.4%	NA	NA
Unemployment Rate (Percent of Labor Force)							
February Forecast	3.7	3.5	3.5	3.7	3.9	4.1	4.2
November Forecast	3.7	3.5	3.7	3.9	4.1	NA	NA
Oil Price, Refiner's Acquisition							
February Forecast	59.2	51.5	51.0	51.2	51.6	52.2	52.7
November Forecast	59.0	55.4	53.0	52.3	52.3	NA	NA
30 Year Fixed Mortgage Rate (Percent, average)							
February Forecast	3.9	3.8	4.2	4.4	4.6	4.6	4.7
November Forecast	3.9	3.9	4.4	4.5	4.6	NA	NA
3 Month T-Bill Rate (Percent, average)							
February Forecast	2.1	1.5	1.6	2.0	2.2	2.3	2.4
November Forecast	2.1	1.5	1.8	2.2	2.4	NA	NA

Washington Forecast Comparison

	2019Q4	2020Q1	2020Q2	2020Q3
Real Personal Income (Billions of 2012 Dollars)				
February Forecast, Revised	456.5	460.4	464.8	466.8
Percent Change	2.7%	3.4%	3.8%	1.8%
February Forecast, Preliminary	456.1	459.0	462.0	464.4
Percent Change	2.2%	2.6%	2.7%	2.0%
Personal Income (Billions of Dollars)				
February Forecast, Revised	503.8	509.6	516.3	520.7
Percent Change	4.3%	4.7%	5.4%	3.5%
February Forecast, Preliminary	503.7	508.9	514.3	519.1
Percent Change	4.2%	4.2%	4.3%	3.7%
Disposable Personal Income (Billions of Dollars)				
February Forecast, Revised	447.7	452.5	458.3	462.4
Percent Change	3.9%	4.4%	5.2%	3.7%
February Forecast, Preliminary	447.8	452.5	457.3	461.6
Percent Change	3.9%	4.3%	4.3%	3.8%
Nonfarm Payroll Employment (Thousands)				
February Forecast, Revised	3495	3513	3533	3539
Percent Change	1.5%	2.1%	2.2%	0.7%
February Forecast, Preliminary	3495	3513	3533	3538
Percent Change	1.5%	2.1%	2.3%	0.6%
Unemployment Rate (Percent of Labor Force)				
February Forecast, Revised	4.4	4.3	4.3	4.3
February Forecast, Preliminary	4.4	4.3	4.2	4.3
Manufacturing Employment (Thousands)				
February Forecast, Revised	293.2	294.3	293.6	292.3
Percent Change	-1.4%	1.6%	-1.0%	-1.7%
February Forecast, Preliminary	293.2	294.3	293.2	291.5
Percent Change	-1.4%	1.6%	-1.6%	-2.3%
Construction Employment (Thousands)				
February Forecast, Revised	221.9	222.5	222.3	221.3
Percent Change	4.1%	1.1%	-0.3%	-1.8%
February Forecast, Preliminary	221.9	222.5	222.2	220.8
Percent Change	4.1%	1.1%	-0.6%	-2.4%
Housing Permits (Thousands)				
February Forecast, Revised	54.4	44.9	45.9	45.8
Percent Change	52.7%	-53.8%	9.7%	-0.7%
February Forecast, Preliminary	54.3	44.9	44.8	44.6
Percent Change	63.5%	-53.2%	-0.7%	-1.4%

	2019	2020	2021	2022	2023	2024	2025
Real Personal Income (Billions of 2012 Dollars)							
February Forecast, Revised	451.0	465.2	475.4	486.7	500.7	514.9	529.3
Percent Change	4.3%	3.2%	2.2%	2.4%	2.9%	2.9%	2.8%
February Forecast, Preliminary	450.9	463.1	474.4	486.7	499.5	514.2	529.5
Percent Change	4.3%	2.7%	2.4%	2.6%	2.6%	2.9%	3.0%
Personal Income (Billions of Dollars)							
February Forecast, Revised	494.6	517.9	538.6	562.1	590.1	619.8	650.3
Percent Change	5.8%	4.7%	4.0%	4.4%	5.0%	5.0%	4.9%
February Forecast, Preliminary	494.6	516.6	538.9	563.7	589.9	619.2	650.0
Percent Change	5.8%	4.4%	4.3%	4.6%	4.6%	5.0%	5.0%
Disposable Personal Income (Billions of Dollars)							
February Forecast, Revised	440.0	460.0	479.1	500.0	523.2	547.7	573.8
Percent Change	5.3%	4.5%	4.2%	4.4%	4.6%	4.7%	4.8%
February Forecast, Preliminary	440.1	459.4	479.5	501.4	523.3	547.5	573.8
Percent Change	5.3%	4.4%	4.4%	4.6%	4.4%	4.6%	4.8%
Nonfarm Payroll Employment (Thousands)							
February Forecast, Revised	3470	3533	3575	3617	3644	3665	3686
Percent Change	1.9%	1.8%	1.2%	1.2%	0.7%	0.6%	0.6%
February Forecast, Preliminary	3470	3533	3572	3612	3636	3658	3678
Percent Change	1.9%	1.8%	1.1%	1.1%	0.7%	0.6%	0.6%
Unemployment Rate (Percent of Labor Force)							
February Forecast, Revised	4.6	4.3	4.4	4.6	4.8	5.0	5.1
February Forecast, Preliminary	4.6	4.3	4.5	4.7	4.9	5.1	5.2
Manufacturing Employment (Thousands)							
February Forecast, Revised	293.5	293.0	291.4	293.3	295.7	296.7	296.1
Percent Change	2.1%	-0.2%	-0.6%	0.7%	0.8%	0.3%	-0.2%
February Forecast, Preliminary	293.5	292.4	289.9	291.5	293.2	293.9	293.3
Percent Change	2.1%	-0.4%	-0.8%	0.6%	0.6%	0.2%	-0.2%
Construction Employment (Thousands)							
February Forecast, Revised	219.1	221.6	217.8	215.6	213.5	213.3	213.4
Percent Change	2.7%	1.2%	-1.7%	-1.0%	-1.0%	-0.1%	0.1%
February Forecast, Preliminary	219.1	221.3	216.8	214.5	212.4	212.2	212.3
Percent Change	2.7%	1.0%	-2.1%	-1.1%	-1.0%	-0.1%	0.1%
Housing Permits (Thousands)							
February Forecast, Revised	48.9	45.5	44.0	43.4	43.0	42.3	41.7
Percent Change	2.5%	-7.0%	-3.3%	-1.4%	-0.9%	-1.7%	-1.4%
February Forecast, Preliminary	48.6	44.6	43.3	43.1	42.7	42.0	41.3
Percent Change	1.9%	-8.3%	-2.9%	-0.5%	-0.8%	-1.7%	-1.5%

Washington Forecast Comparison

	2019Q4	2020Q1	2020Q2	2020Q3
Real Personal Income (Billions of 2012 Dollars)				
February Forecast	456.5	460.4	464.8	466.8
Percent Change	2.7%	3.4%	3.8%	1.8%
November Forecast	451.1	452.8	455.4	457.1
Percent Change	1.7%	1.5%	2.3%	1.5%
Personal Income (Billions of Dollars)				
February Forecast	503.8	509.6	516.3	520.7
Percent Change	4.3%	4.7%	5.4%	3.5%
November Forecast	498.6	503.1	508.3	512.7
Percent Change	4.1%	3.6%	4.2%	3.5%
Disposable Personal Income (Billions of Dollars)				
February Forecast	447.7	452.5	458.3	462.4
Percent Change	3.9%	4.4%	5.2%	3.7%
November Forecast	444.5	448.7	453.4	457.5
Percent Change	4.3%	3.9%	4.2%	3.6%
Nonfarm Payroll Employment (Thousands)				
February Forecast	3495	3513	3533	3539
Percent Change	1.5%	2.1%	2.2%	0.7%
November Forecast	3494	3504	3524	3530
Percent Change	1.5%	1.2%	2.3%	0.7%
Unemployment Rate (Percent of Labor Force)				
February Forecast	4.4	4.3	4.3	4.3
November Forecast	4.5	4.5	4.5	4.5
Manufacturing Employment (Thousands)				
February Forecast	293.2	294.3	293.6	292.3
Percent Change	-1.4%	1.6%	-1.0%	-1.7%
November Forecast	295.0	295.2	294.1	292.8
Percent Change	-1.3%	0.2%	-1.4%	-1.9%
Construction Employment (Thousands)				
February Forecast	221.9	222.5	222.3	221.3
Percent Change	4.1%	1.1%	-0.3%	-1.8%
November Forecast	221.4	219.7	218.8	217.6
Percent Change	3.5%	-3.0%	-1.7%	-2.0%
Housing Permits (Thousands)				
February Forecast	54.4	44.9	45.9	45.8
Percent Change	52.7%	-53.8%	9.7%	-0.7%
November Forecast	43.2	43.9	43.8	43.5
Percent Change	-34.4%	6.5%	-0.8%	-2.2%

	2019	2020	2021	2022	2023	2024	2025
Real Personal Income (Billions of 2012 Dollars)							
February Forecast	451.0	465.2	475.4	486.7	500.7	514.9	529.3
Percent Change	4.3%	3.2%	2.2%	2.4%	2.9%	2.9%	2.8%
November Forecast	447.7	456.1	466.9	479.4	493.8	NA	NA
Percent Change	3.6%	1.9%	2.3%	2.7%	3.0%	NA	NA
Personal Income (Billions of Dollars)							
February Forecast	494.6	517.9	538.6	562.1	590.1	619.8	650.3
Percent Change	5.8%	4.7%	4.0%	4.4%	5.0%	5.0%	4.9%
November Forecast	491.3	510.4	532.5	557.6	585.7	NA	NA
Percent Change	5.1%	3.9%	4.3%	4.7%	5.0%	NA	NA
Disposable Personal Income (Billions of Dollars)							
February Forecast	440.0	460.0	479.1	500.0	523.2	547.7	573.8
Percent Change	5.3%	4.5%	4.2%	4.4%	4.6%	4.7%	4.8%
November Forecast	437.7	455.4	475.7	498.2	522.2	NA	NA
Percent Change	4.8%	4.0%	4.5%	4.7%	4.8%	NA	NA
Nonfarm Payroll Employment (Thousands)							
February Forecast	3470	3533	3575	3617	3644	3665	3686
Percent Change	1.9%	1.8%	1.2%	1.2%	0.7%	0.6%	0.6%
November Forecast	3470	3524	3561	3595	3623	NA	NA
Percent Change	1.9%	1.6%	1.1%	1.0%	0.8%	NA	NA
Unemployment Rate (Percent of Labor Force)							
February Forecast	4.6	4.3	4.4	4.6	4.8	5.0	5.1
November Forecast	4.6	4.5	4.7	4.9	5.1	NA	NA
Manufacturing Employment (Thousands)							
February Forecast	293.5	293.0	291.4	293.3	295.7	296.7	296.1
Percent Change	2.1%	-0.2%	-0.6%	0.7%	0.8%	0.3%	-0.2%
November Forecast	294.5	293.5	291.3	293.0	295.5	NA	NA
Percent Change	2.4%	-0.3%	-0.8%	0.6%	0.9%	NA	NA
Construction Employment (Thousands)							
February Forecast	219.1	221.6	217.8	215.6	213.5	213.3	213.4
Percent Change	2.7%	1.2%	-1.7%	-1.0%	-1.0%	-0.1%	0.1%
November Forecast	218.9	218.2	214.0	212.5	211.8	NA	NA
Percent Change	2.6%	-0.3%	-1.9%	-0.7%	-0.3%	NA	NA
Housing Permits (Thousands)							
February Forecast	48.9	45.5	44.0	43.4	43.0	42.3	41.7
Percent Change	2.5%	-7.0%	-3.3%	-1.4%	-0.9%	-1.7%	-1.4%
November Forecast	45.9	43.6	42.5	42.2	41.6	NA	NA
Percent Change	-3.9%	-5.0%	-2.5%	-0.6%	-1.4%	NA	NA