



Revised March 2021 Economic Forecast

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

We have updated our preliminary March economic forecast, which was released on February 25, 2021. The revised economic forecast reflects a more recent national economic forecast and another month of Washington employment data. This updated economic forecast will form the basis of the March 2021 revenue forecast scheduled for adoption on March 17, 2021.

The following tables compare the revised March economic forecast with the preliminary March forecast as well as with the forecast adopted in November 2020.

U.S. Forecast Comparison

	2020Q4	2021Q1	2021Q2	2021Q3
Real GDP (Billions of 2012 Dollars)				
March Forecast, Final	18,784	19,005	19,343	19,667
Percent Change	4.1%	4.8%	7.3%	6.9%
March Forecast, Preliminary	18,780	18,917	19,207	19,494
Percent Change	4.0%	3.0%	6.3%	6.1%
Real Consumption (Billions of 2012 Dollars)				
March Forecast, Final	13,000	13,178	13,437	13,672
Percent Change	2.4%	5.6%	8.1%	7.2%
March Forecast, Preliminary	13,005	13,089	13,311	13,521
Percent Change	2.5%	2.6%	6.9%	6.5%
PCE Price Index (2012=100)				
March Forecast, Final	111.9	113.0	113.5	114.0
Percent Change	1.6%	4.1%	2.0%	1.7%
March Forecast, Preliminary	111.9	112.8	113.3	113.7
Percent Change	1.5%	3.4%	1.7%	1.6%
Real Personal Income (Billions of 2012 Dollars)				
March Forecast, Final	17,435	18,230	19,254	17,695
Percent Change	-8.3%	19.5%	24.4%	-28.7%
March Forecast, Preliminary	17,502	18,239	18,929	17,704
Percent Change	-8.0%	17.9%	16.0%	-23.5%
Nonfarm Payroll Employment (Millions)				
March Forecast, Final	142.6	143.0	145.0	146.6
Percent Change	5.1%	1.1%	5.7%	4.3%
March Forecast, Preliminary	142.6	142.9	144.0	145.4
Percent Change	5.2%	0.6%	3.1%	4.0%
Unemployment Rate (Percent of Labor Force)				
March Forecast, Final	6.7	6.2	5.6	5.2
March Forecast, Preliminary	6.7	6.4	6.0	5.7
Oil Price, Refiner's Acquisition				
March Forecast, Final	41.7	58.0	65.2	63.5
March Forecast, Preliminary	42.2	57.5	62.2	60.4
30 Year Fixed Mortgage Rate (Percent, average)				
March Forecast, Final	2.8	2.8	3.0	3.2
March Forecast, Preliminary	2.8	2.8	3.0	3.2
3 Month T-Bill Rate (Percent, average)				
March Forecast, Final	0.1	0.1	0.0	0.0
March Forecast, Preliminary	0.1	0.1	0.1	0.1

	2019	2020	2021	2022	2023	2024	2025
19,092	18,423	19,477	20,270	20,756	21,213	21,658	
2.2%	-3.5%	5.7%	4.1%	2.4%	2.2%	2.1%	
19,092	18,423	19,333	20,075	20,536	20,967	21,387	
2.2%	-3.5%	4.9%	3.8%	2.3%	2.1%	2.0%	
13,240	12,726	13,532	14,102	14,441	14,773	15,113	
2.4%	-3.9%	6.3%	4.2%	2.4%	2.3%	2.3%	
13,240	12,727	13,400	13,925	14,259	14,573	14,879	
2.4%	-3.9%	5.3%	3.9%	2.4%	2.2%	2.1%	
109.9	111.2	113.8	115.6	117.5	119.6	122.0	
1.5%	1.2%	2.4%	1.6%	1.6%	1.8%	2.0%	
109.9	111.1	113.5	115.5	117.4	119.7	122.1	
1.5%	1.2%	2.1%	1.7%	1.6%	2.0%	2.0%	
16,888	17,717	18,186	17,964	18,454	19,009	19,519	
2.4%	4.9%	2.6%	-1.2%	2.7%	3.0%	2.7%	
16,888	17,748	18,080	17,710	18,233	18,677	19,166	
2.4%	5.1%	1.9%	-2.0%	3.0%	2.4%	2.6%	
150.9	142.3	145.6	150.6	153.4	155.0	155.8	
1.3%	-5.7%	2.4%	3.4%	1.8%	1.0%	0.5%	
150.9	142.3	144.8	150.3	153.3	154.1	155.0	
1.3%	-5.7%	1.8%	3.8%	2.0%	0.6%	0.6%	
3.7	8.1	5.5	4.1	3.6	3.4	3.5	
3.7	8.1	5.9	4.5	3.9	3.9	4.2	
59.4	39.1	62.1	58.2	54.8	52.7	51.5	
59.4	39.2	59.7	56.2	53.5	52.0	51.3	
3.9	3.1	3.1	3.6	3.8	3.9	4.1	
3.9	3.1	3.1	3.5	3.7	4.1	4.3	
2.1	0.4	0.0	0.1	0.1	0.2	0.5	
2.1	0.4	0.1	0.2	0.1	0.2	0.5	

U.S. Forecast Comparison

	2020Q4	2021Q1	2021Q2	2021Q3
Real GDP (Billions of 2012 Dollars)				
March Forecast	18,784	19,005	19,343	19,667
Percent Change	4.1%	4.8%	7.3%	6.9%
November Forecast	18,662	18,857	19,047	19,222
Percent Change	1.7%	4.3%	4.1%	3.7%
Real Consumption (Billions of 2012 Dollars)				
March Forecast	13,000	13,178	13,437	13,672
Percent Change	2.4%	5.6%	8.1%	7.2%
November Forecast	12,997	13,120	13,257	13,375
Percent Change	2.5%	3.8%	4.2%	3.6%
PCE Price Index (2012=100)				
March Forecast	111.9	113.0	113.5	114.0
Percent Change	1.6%	4.1%	2.0%	1.7%
November Forecast	112.0	112.5	113.1	113.7
Percent Change	2.1%	1.6%	2.4%	2.0%
Real Personal Income (Billions of 2012 Dollars)				
March Forecast	17,435	18,230	19,254	17,695
Percent Change	-8.3%	19.5%	24.4%	-28.7%
November Forecast	17,219	17,039	17,068	17,123
Percent Change	-12.8%	-4.1%	0.7%	1.3%
Nonfarm Payroll Employment (Millions)				
March Forecast	142.6	143.0	145.0	146.6
Percent Change	5.1%	1.1%	5.7%	4.3%
November Forecast	143.0	145.6	147.1	148.2
Percent Change	6.3%	7.5%	4.2%	3.1%
Unemployment Rate (Percent of Labor Force)				
March Forecast	6.7	6.2	5.6	5.2
November Forecast	7.0	6.0	5.8	5.7
Oil Price, Refiner's Acquisition				
March Forecast	41.7	58.0	65.2	63.5
November Forecast	39.1	40.8	41.6	42.1
30 Year Fixed Mortgage Rate (Percent, average)				
March Forecast	2.8	2.8	3.0	3.2
November Forecast	2.8	3.0	3.0	3.1
3 Month T-Bill Rate (Percent, average)				
March Forecast	0.1	0.1	0.0	0.0
November Forecast	0.1	0.1	0.1	0.1

	2019	2020	2021	2022	2023	2024	2025
March Forecast	19,092	18,423	19,477	20,270	20,756	21,213	21,658
Percent Change	2.2%	-3.5%	5.7%	4.1%	2.4%	2.2%	2.1%
November Forecast	19,092	18,390	19,127	19,683	20,104	20,505	20,901
Percent Change	2.2%	-3.7%	4.0%	2.9%	2.1%	2.0%	1.9%
March Forecast	13,240	12,726	13,532	14,102	14,441	14,773	15,113
Percent Change	2.4%	-3.9%	6.3%	4.2%	2.4%	2.3%	2.3%
November Forecast	13,240	12,723	13,310	13,673	13,970	14,257	14,543
Percent Change	2.4%	-3.9%	4.6%	2.7%	2.2%	2.1%	2.0%
March Forecast	109.9	111.2	113.8	115.6	117.5	119.6	122.0
Percent Change	1.5%	1.2%	2.4%	1.6%	1.6%	1.8%	2.0%
November Forecast	109.9	111.2	113.4	115.6	117.5	119.6	121.9
Percent Change	1.5%	1.2%	2.0%	1.9%	1.6%	1.8%	1.9%
March Forecast	16,888	17,717	18,186	17,964	18,454	19,009	19,519
Percent Change	2.4%	4.9%	2.6%	-1.2%	2.7%	3.0%	2.7%
November Forecast	16,888	17,649	17,102	17,465	17,936	18,388	18,827
Percent Change	2.4%	4.5%	-3.1%	2.1%	2.7%	2.5%	2.4%
March Forecast	150.9	142.3	145.6	150.6	153.4	155.0	155.8
Percent Change	1.3%	-5.7%	2.4%	3.4%	1.8%	1.0%	0.5%
November Forecast	150.9	142.3	147.6	151.8	154.1	155.3	155.9
Percent Change	1.4%	-5.7%	3.7%	2.8%	1.6%	0.7%	0.4%
March Forecast	3.7	8.1	5.5	4.1	3.6	3.4	3.5
November Forecast	3.7	8.2	5.8	5.0	4.5	4.4	4.3
March Forecast	59.4	39.1	62.1	58.2	54.8	52.7	51.5
November Forecast	59.4	38.5	41.7	42.9	43.8	44.7	45.3
March Forecast	3.9	3.1	3.1	3.6	3.8	3.9	4.1
November Forecast	3.9	3.1	3.0	3.1	3.1	3.3	3.5
March Forecast	2.1	0.4	0.0	0.1	0.1	0.2	0.5
November Forecast	2.1	0.4	0.1	0.1	0.1	0.1	0.1

Washington Forecast Comparison

	2020Q4	2021Q1	2021Q2	2021Q3
Real Personal Income (Billions of 2012 Dollars)				
March Forecast, Final	465.7	484.1	509.1	472.6
Percent Change	-7.5%	16.8%	22.4%	-25.8%
March Forecast, Preliminary	464.5	483.4	500.9	471.4
Percent Change	-8.5%	17.3%	15.3%	-21.6%
Personal Income (Billions of Dollars)				
March Forecast, Final	520.9	546.9	578.1	538.9
Percent Change	-6.1%	21.5%	24.8%	-24.5%
March Forecast, Preliminary	519.5	545.2	567.5	536.2
Percent Change	-7.1%	21.3%	17.4%	-20.3%
Disposable Personal Income (Billions of Dollars)				
March Forecast, Final	467.8	494.5	525.1	484.6
Percent Change	-8.3%	24.8%	27.2%	-27.5%
March Forecast, Preliminary	467.1	492.9	514.7	482.9
Percent Change	-8.9%	24.1%	18.9%	-22.5%
Nonfarm Payroll Employment (Thousands)				
March Forecast, Final	3269	3281	3327	3364
Percent Change	3.6%	1.5%	5.7%	4.5%
March Forecast, Preliminary	3269	3277	3311	3339
Percent Change	3.7%	1.0%	4.2%	3.4%
Unemployment Rate (Percent of Labor Force)				
March Forecast, Final	6.6	5.9	5.6	5.4
March Forecast, Preliminary	6.2	6.8	6.4	6.2
Manufacturing Employment (Thousands)				
March Forecast, Final	261.1	262.2	260.8	258.9
Percent Change	-5.1%	1.6%	-2.1%	-2.8%
March Forecast, Preliminary	261.1	261.7	260.1	257.8
Percent Change	-4.6%	1.0%	-2.5%	-3.4%
Construction Employment (Thousands)				
March Forecast, Final	218.9	221.7	219.3	217.8
Percent Change	12.3%	5.4%	-4.3%	-2.9%
March Forecast, Preliminary	218.4	222.2	218.7	216.5
Percent Change	12.3%	7.1%	-6.0%	-4.1%
Housing Permits (Thousands)				
March Forecast, Final	44.4	53.1	54.5	51.6
Percent Change	17.5%	103.6%	11.4%	-19.9%
March Forecast, Preliminary	44.4	53.1	50.7	48.3
Percent Change	17.5%	103.6%	-17.0%	-17.5%

	2019	2020	2021	2022	2023	2024	2025
Real Personal Income (Billions of 2012 Dollars)							
March Forecast, Final	448.9	472.4	483.9	481.3	496.4	513.5	530.1
Percent Change	3.8%	5.2%	2.4%	-0.5%	3.2%	3.4%	3.2%
March Forecast, Preliminary	448.9	472.1	480.2	472.6	487.8	502.0	518.0
Percent Change	3.8%	5.2%	1.7%	-1.6%	3.2%	2.9%	3.2%
Personal Income (Billions of Dollars)							
March Forecast, Final	493.1	525.0	550.4	556.5	583.3	614.0	646.5
Percent Change	5.4%	6.5%	4.8%	1.1%	4.8%	5.3%	5.3%
March Forecast, Preliminary	493.1	524.7	545.0	545.8	572.6	600.8	632.5
Percent Change	5.4%	6.4%	3.9%	0.1%	4.9%	4.9%	5.3%
Disposable Personal Income (Billions of Dollars)							
March Forecast, Final	442.2	473.6	496.8	499.4	522.4	549.8	579.6
Percent Change	5.1%	7.1%	4.9%	0.5%	4.6%	5.2%	5.4%
March Forecast, Preliminary	442.2	473.5	492.1	491.2	515.2	540.4	569.6
Percent Change	5.1%	7.1%	3.9%	-0.2%	4.9%	4.9%	5.4%
Nonfarm Payroll Employment (Thousands)							
March Forecast, Final	3469	3286	3341	3463	3543	3598	3644
Percent Change	2.0%	-5.3%	1.7%	3.7%	2.3%	1.6%	1.3%
March Forecast, Preliminary	3468	3283	3324	3455	3538	3578	3624
Percent Change	2.0%	-5.3%	1.3%	3.9%	2.4%	1.2%	1.3%
Unemployment Rate (Percent of Labor Force)							
March Forecast, Final	4.2	8.4	5.5	4.7	4.3	4.3	4.4
March Forecast, Preliminary	4.3	8.3	6.4	5.2	4.7	4.7	4.9
Manufacturing Employment (Thousands)							
March Forecast, Final	294.0	271.9	259.6	259.7	261.3	262.2	262.1
Percent Change	2.2%	-7.5%	-4.5%	0.0%	0.6%	0.3%	0.0%
March Forecast, Preliminary	293.6	271.6	258.4	255.7	256.9	256.6	256.2
Percent Change	2.0%	-7.5%	-4.9%	-1.1%	0.5%	-0.1%	-0.2%
Construction Employment (Thousands)							
March Forecast, Final	219.5	213.6	218.7	211.4	207.1	207.6	209.8
Percent Change	3.0%	-2.7%	2.4%	-3.3%	-2.0%	0.2%	1.1%
March Forecast, Preliminary	219.3	213.0	217.9	210.4	206.8	207.3	210.6
Percent Change	2.9%	-2.9%	2.3%	-3.5%	-1.7%	0.3%	1.6%
Housing Permits (Thousands)							
March Forecast, Final	48.4	44.1	52.2	45.8	43.1	43.6	43.6
Percent Change	1.4%	-9.0%	18.4%	-12.3%	-5.9%	1.3%	-0.1%
March Forecast, Preliminary	48.4	44.1	49.7	44.4	43.7	43.8	42.9
Percent Change	1.4%	-9.0%	12.8%	-10.6%	-1.8%	0.2%	-1.9%

Washington Forecast Comparison

	2020Q4	2021Q1	2021Q2	2021Q3
Real Personal Income (Billions of 2012 Dollars)				
March Forecast	465.7	484.1	509.1	472.6
Percent Change	-7.5%	16.8%	22.4%	-25.8%
November Forecast	466.9	461.3	461.0	461.4
Percent Change	-11.4%	-4.8%	-0.2%	0.3%
Personal Income (Billions of Dollars)				
March Forecast	520.9	546.9	578.1	538.9
Percent Change	-6.1%	21.5%	24.8%	-24.5%
November Forecast	523.0	518.8	521.5	524.6
Percent Change	-9.5%	-3.2%	2.1%	2.4%
Disposable Personal Income (Billions of Dollars)				
March Forecast	467.8	494.5	525.1	484.6
Percent Change	-8.3%	24.8%	27.2%	-27.5%
November Forecast	468.5	464.2	466.8	469.5
Percent Change	-11.5%	-3.6%	2.2%	2.3%
Nonfarm Payroll Employment (Thousands)				
March Forecast	3269	3281	3327	3364
Percent Change	3.6%	1.5%	5.7%	4.5%
November Forecast	3313	3372	3411	3435
Percent Change	6.5%	7.3%	4.8%	2.8%
Unemployment Rate (Percent of Labor Force)				
March Forecast	6.6	5.9	5.6	5.4
November Forecast	6.8	6.6	6.5	6.4
Manufacturing Employment (Thousands)				
March Forecast	261.1	262.2	260.8	258.9
Percent Change	-5.1%	1.6%	-2.1%	-2.8%
November Forecast	268.5	266.7	265.0	263.2
Percent Change	-2.5%	-2.7%	-2.5%	-2.7%
Construction Employment (Thousands)				
March Forecast	218.9	221.7	219.3	217.8
Percent Change	12.3%	5.4%	-4.3%	-2.9%
November Forecast	217.4	211.8	210.2	208.3
Percent Change	11.3%	-10.0%	-2.8%	-3.7%
Housing Permits (Thousands)				
March Forecast	44.4	53.1	54.5	51.6
Percent Change	17.5%	103.6%	11.4%	-19.9%
November Forecast	45.5	46.3	45.9	44.9
Percent Change	17.9%	6.5%	-3.1%	-8.2%

	2019	2020	2021	2022	2023	2024	2025
Real Personal Income (Billions of 2012 Dollars)							
March Forecast	448.9	472.4	483.9	481.3	496.4	513.5	530.1
Percent Change	3.8%	5.2%	2.4%	-0.5%	3.2%	3.4%	3.2%
November Forecast	448.9	476.1	461.4	469.2	482.3	495.5	509.2
Percent Change	3.8%	6.1%	-3.1%	1.7%	2.8%	2.7%	2.8%
Personal Income (Billions of Dollars)							
March Forecast	493.1	525.0	550.4	556.5	583.3	614.0	646.5
Percent Change	5.4%	6.5%	4.8%	1.1%	4.8%	5.3%	5.3%
November Forecast	493.1	529.3	523.3	542.5	566.7	592.7	621.0
Percent Change	5.4%	7.3%	-1.1%	3.7%	4.5%	4.6%	4.8%
Disposable Personal Income (Billions of Dollars)							
March Forecast	442.2	473.6	496.8	499.4	522.4	549.8	579.6
Percent Change	5.1%	7.1%	4.9%	0.5%	4.6%	5.2%	5.4%
November Forecast	442.2	476.6	468.2	484.1	505.4	529.9	557.6
Percent Change	5.1%	7.8%	-1.8%	3.4%	4.4%	4.8%	5.2%
Nonfarm Payroll Employment (Thousands)							
March Forecast	3469	3286	3341	3463	3543	3598	3644
Percent Change	2.0%	-5.3%	1.7%	3.7%	2.3%	1.6%	1.3%
November Forecast	3468	3303	3419	3519	3585	3624	3660
Percent Change	2.0%	-4.8%	3.5%	2.9%	1.9%	1.1%	1.0%
Unemployment Rate (Percent of Labor Force)							
March Forecast	4.2	8.4	5.5	4.7	4.3	4.3	4.4
November Forecast	4.3	8.4	6.4	5.8	5.4	5.3	5.2
Manufacturing Employment (Thousands)							
March Forecast	294.0	271.9	259.6	259.7	261.3	262.2	262.1
Percent Change	2.2%	-7.5%	-4.5%	0.0%	0.6%	0.3%	0.0%
November Forecast	293.6	275.1	264.1	264.2	268.2	267.8	266.2
Percent Change	2.0%	-6.3%	-4.0%	0.0%	1.5%	-0.1%	-0.6%
Construction Employment (Thousands)							
March Forecast	219.5	213.6	218.7	211.4	207.1	207.6	209.8
Percent Change	3.0%	-2.7%	2.4%	-3.3%	-2.0%	0.2%	1.1%
November Forecast	219.3	213.1	209.2	203.7	201.2	200.8	203.3
Percent Change	2.9%	-2.8%	-1.8%	-2.6%	-1.2%	-0.2%	1.2%
Housing Permits (Thousands)							
March Forecast	48.4	44.1	52.2	45.8	43.1	43.6	43.6
Percent Change	1.4%	-9.0%	18.4%	-12.3%	-5.9%	1.3%	-0.1%
November Forecast	48.4	44.9	45.2	43.4	42.6	41.2	40.4
Percent Change	1.4%	-7.4%	0.8%	-4.1%	-1.7%	-3.3%	-1.9%