



Final September 2018 Economic Forecast

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We have updated the preliminary September economic forecast, which was released on August 30, 2018. 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 2018 revenue forecast scheduled for release on September 26, 2018.

The following tables compare the final September economic forecast with the preliminary September forecast as well as with the forecast adopted in June 2018.

U.S. Forecast Comparison

	2018Q2	2018Q3	2018Q4	2019Q1
Real GDP (Billions of 2012 Dollars)				
September Forecast, Final	18,515	18,665	18,796	18,905
Percent Change	4.2%	3.3%	2.9%	2.3%
September Forecast, Preliminary	18,507	18,657	18,789	18,897
Percent Change	4.1%	3.3%	2.8%	2.3%
Real Consumption (Billions of 2012 Dollars)				
September Forecast, Final	12,841	12,931	13,016	13,093
Percent Change	3.8%	2.8%	2.7%	2.4%
September Forecast, Preliminary	12,848	12,932	13,015	13,094
Percent Change	4.0%	2.7%	2.6%	2.5%
PCE Price Index (2012=100)				
September Forecast, Final	108.0	108.6	109.2	109.7
Percent Change	1.9%	2.1%	2.2%	2.0%
September Forecast, Preliminary	108.0	108.6	109.2	109.7
Percent Change	1.8%	2.2%	2.2%	2.0%
Real Personal Income (Billions of 2012 Dollars)				
September Forecast, Final	16,197	16,281	16,358	16,501
Percent Change	2.3%	2.1%	1.9%	3.5%
September Forecast, Preliminary	16,204	16,262	16,332	16,471
Percent Change	2.4%	1.4%	1.7%	3.4%
Nonfarm Payroll Employment (Millions)				
September Forecast, Final	148.7	149.4	150.0	150.6
Percent Change	1.8%	1.9%	1.7%	1.4%
September Forecast, Preliminary	148.7	149.4	150.0	150.5
Percent Change	1.7%	1.8%	1.7%	1.4%
Unemployment Rate (Percent of Labor Force)				
September Forecast, Final	3.9	3.8	3.6	3.5
September Forecast, Preliminary	3.9	3.8	3.6	3.6
Oil Price, Refiner's Acquisition				
September Forecast, Final	67.0	69.4	71.0	70.3
September Forecast, Preliminary	67.0	69.4	70.9	70.3
30 Year Fixed Mortgage Rate (Percent, average)				
September Forecast, Final	4.5	4.6	4.7	4.8
September Forecast, Preliminary	4.5	4.6	4.8	4.9
3 Month T-Bill Rate (Percent, average)				
September Forecast, Final	1.8	2.1	2.4	2.5
September Forecast, Preliminary	1.8	2.1	2.4	2.5

	2017	2018	2019	2020	2021	2022	2023
Real GDP (Billions of 2012 Dollars)							
September Forecast, Final	18,051	18,575	19,060	19,421	19,799	20,208	20,623
Percent Change	2.2%	2.9%	2.6%	1.9%	1.9%	2.1%	2.1%
September Forecast, Preliminary	18,051	18,569	19,050	19,411	19,789	20,198	20,613
Percent Change	2.2%	2.9%	2.6%	1.9%	1.9%	2.1%	2.1%
Real Consumption (Billions of 2012 Dollars)							
September Forecast, Final	12,559	12,878	13,199	13,457	13,732	14,025	14,329
Percent Change	2.5%	2.5%	2.5%	2.0%	2.0%	2.1%	2.2%
September Forecast, Preliminary	12,559	12,879	13,199	13,457	13,732	14,025	14,329
Percent Change	2.5%	2.6%	2.5%	2.0%	2.0%	2.1%	2.2%
PCE Price Index (2012=100)							
September Forecast, Final	106.1	108.3	110.5	112.8	114.9	117.1	119.3
Percent Change	1.8%	2.1%	2.0%	2.0%	1.9%	1.9%	1.9%
September Forecast, Preliminary	106.1	108.3	110.5	112.7	114.8	116.8	118.8
Percent Change	1.8%	2.1%	2.0%	2.0%	1.8%	1.8%	1.8%
Real Personal Income (Billions of 2012 Dollars)							
September Forecast, Final	15,867	16,236	16,662	17,075	17,483	17,913	18,342
Percent Change	2.6%	2.3%	2.6%	2.5%	2.4%	2.5%	2.4%
September Forecast, Preliminary	15,867	16,226	16,629	17,035	17,435	17,880	18,335
Percent Change	2.6%	2.3%	2.5%	2.4%	2.3%	2.6%	2.5%
Nonfarm Payroll Employment (Millions)							
September Forecast, Final	146.6	149.1	151.2	152.6	153.5	154.5	155.3
Percent Change	1.6%	1.7%	1.5%	0.9%	0.6%	0.6%	0.5%
September Forecast, Preliminary	146.6	149.0	151.2	152.6	153.5	154.6	155.5
Percent Change	1.6%	1.6%	1.4%	1.0%	0.6%	0.7%	0.6%
Unemployment Rate (Percent of Labor Force)							
September Forecast, Final	4.4	3.8	3.5	3.6	3.7	3.8	3.9
September Forecast, Preliminary	4.4	3.9	3.5	3.6	3.8	3.8	3.9
Oil Price, Refiner's Acquisition							
September Forecast, Final	50.7	67.3	69.2	65.7	62.6	60.2	58.8
September Forecast, Preliminary	50.7	67.3	69.0	65.5	62.5	60.5	59.3
30 Year Fixed Mortgage Rate (Percent, average)							
September Forecast, Final	4.0	4.5	4.9	5.1	5.2	5.1	5.1
September Forecast, Preliminary	4.0	4.6	5.0	5.2	5.2	5.1	5.1
3 Month T-Bill Rate (Percent, average)							
September Forecast, Final	0.9	2.0	2.7	3.1	3.2	3.1	3.0
September Forecast, Preliminary	0.9	2.0	2.7	3.1	3.2	3.1	3.0

U.S. Forecast Comparison

	2018Q2	2018Q3	2018Q4	2019Q1
Real GDP (Billions of 2012 Dollars)				
September Forecast	18,515	18,665	18,796	18,905
Percent Change	4.2%	3.3%	2.9%	2.3%
June Forecast	18,445	18,582	18,710	18,820
Percent Change	3.5%	3.0%	2.8%	2.4%
Real Consumption (Billions of 2012 Dollars)				
September Forecast	12,841	12,931	13,016	13,093
Percent Change	3.8%	2.8%	2.7%	2.4%
June Forecast	12,901	12,988	13,071	13,148
Percent Change	3.1%	2.7%	2.6%	2.4%
PCE Price Index (2012=100)				
September Forecast	108.0	108.6	109.2	109.7
Percent Change	1.9%	2.1%	2.2%	2.0%
June Forecast	108.1	108.7	109.2	109.7
Percent Change	2.0%	2.0%	2.0%	1.8%
Real Personal Income (Billions of 2012 Dollars)				
September Forecast	16,197	16,281	16,358	16,501
Percent Change	2.3%	2.1%	1.9%	3.5%
June Forecast	14,821	14,898	15,013	15,151
Percent Change	2.0%	2.1%	3.1%	3.7%
Nonfarm Payroll Employment (Millions)				
September Forecast	148.7	149.4	150.0	150.6
Percent Change	1.8%	1.9%	1.7%	1.4%
June Forecast	148.6	149.2	149.8	150.3
Percent Change	1.4%	1.7%	1.6%	1.3%
Unemployment Rate (Percent of Labor Force)				
September Forecast	3.9	3.8	3.6	3.5
June Forecast	3.9	3.8	3.6	3.6
Oil Price, Refiner's Acquisition				
September Forecast	67.0	69.4	71.0	70.3
June Forecast	69.1	69.6	68.7	67.9
30 Year Fixed Mortgage Rate (Percent, average)				
September Forecast	4.5	4.6	4.7	4.8
June Forecast	4.5	4.6	4.7	4.8
3 Month T-Bill Rate (Percent, average)				
September Forecast	1.8	2.1	2.4	2.5
June Forecast	1.9	2.1	2.3	2.4

	2017	2018	2019	2020	2021	2022	2023
Real GDP (Billions of 2012 Dollars)							
September Forecast	18,051	18,575	19,060	19,421	19,799	20,208	20,623
Percent Change	2.2%	2.9%	2.6%	1.9%	1.9%	2.1%	2.1%
June Forecast	17,989	18,506	18,982	19,341	19,718	20,125	20,539
Percent Change	2.3%	2.9%	2.6%	1.9%	1.9%	2.1%	2.1%
Real Consumption (Billions of 2012 Dollars)							
September Forecast	12,559	12,878	13,199	13,457	13,732	14,025	14,329
Percent Change	2.5%	2.5%	2.5%	2.0%	2.0%	2.1%	2.2%
June Forecast	12,619	12,941	13,253	13,511	13,787	14,082	14,387
Percent Change	2.8%	2.6%	2.4%	2.0%	2.0%	2.1%	2.2%
PCE Price Index (2012=100)							
September Forecast	106.1	108.3	110.5	112.8	114.9	117.1	119.3
Percent Change	1.8%	2.1%	2.0%	2.0%	1.9%	1.9%	1.9%
June Forecast	106.2	108.4	110.5	112.8	115.1	117.5	119.9
Percent Change	1.7%	2.1%	1.9%	2.1%	2.0%	2.1%	2.1%
Real Personal Income (Billions of 2012 Dollars)							
September Forecast	15,867	16,236	16,662	17,075	17,483	17,913	18,342
Percent Change	2.6%	2.3%	2.6%	2.5%	2.4%	2.5%	2.4%
June Forecast	14,583	14,870	15,293	15,677	16,062	16,461	16,876
Percent Change	1.4%	2.0%	2.8%	2.5%	2.5%	2.5%	2.5%
Nonfarm Payroll Employment (Millions)							
September Forecast	146.6	149.1	151.2	152.6	153.5	154.5	155.3
Percent Change	1.6%	1.7%	1.5%	0.9%	0.6%	0.6%	0.5%
June Forecast	146.6	148.9	150.9	152.3	153.3	154.1	154.8
Percent Change	1.6%	1.6%	1.3%	0.9%	0.6%	0.5%	0.5%
Unemployment Rate (Percent of Labor Force)							
September Forecast	4.4	3.8	3.5	3.6	3.7	3.8	3.9
June Forecast	4.4	3.8	3.6	3.7	3.8	4.0	4.1
Oil Price, Refiner's Acquisition							
September Forecast	50.7	67.3	69.2	65.7	62.6	60.2	58.8
June Forecast	50.7	67.3	66.3	62.6	59.9	58.1	56.8
30 Year Fixed Mortgage Rate (Percent, average)							
September Forecast	4.0	4.5	4.9	5.1	5.2	5.1	5.1
June Forecast	4.0	4.5	5.0	5.3	5.3	5.3	5.2
3 Month T-Bill Rate (Percent, average)							
September Forecast	0.9	2.0	2.7	3.1	3.2	3.1	3.0
June Forecast	0.9	1.9	2.7	3.1	3.2	3.2	3.0

Washington Forecast Comparison

	2018Q2	2018Q3	2018Q4	2019Q1
Real Personal Income (Billions of 2012 Dollars)				
September Forecast, Final	411.2	414.4	416.9	421.1
Percent Change	0.3%	3.2%	2.4%	4.0%
September Forecast, Preliminary	411.5	414.4	416.6	420.7
Percent Change	0.5%	2.9%	2.2%	3.9%
Personal Income (Billions of Dollars)				
September Forecast, Final	444.2	450.0	455.2	462.0
Percent Change	2.2%	5.3%	4.6%	6.1%
September Forecast, Preliminary	444.4	450.0	455.0	461.6
Percent Change	2.4%	5.1%	4.5%	5.9%
Disposable Personal Income (Billions of Dollars)				
September Forecast, Final	397.6	402.8	407.4	413.6
Percent Change	2.5%	5.3%	4.6%	6.3%
September Forecast, Preliminary	397.8	402.7	406.9	413.0
Percent Change	2.7%	5.0%	4.3%	6.1%
Nonfarm Payroll Employment (Thousands)				
September Forecast, Final	3407	3433	3452	3469
Percent Change	2.5%	3.0%	2.2%	2.0%
September Forecast, Preliminary	3409	3436	3454	3471
Percent Change	2.7%	3.2%	2.1%	2.0%
Unemployment Rate (Percent of Labor Force)				
September Forecast, Final	4.7	4.6	4.4	4.2
September Forecast, Preliminary	4.7	4.6	4.4	4.3
Manufacturing Employment (Thousands)				
September Forecast, Final	285.5	287.4	289.3	290.3
Percent Change	2.0%	2.7%	2.7%	1.4%
September Forecast, Preliminary	285.5	287.9	289.7	290.9
Percent Change	1.9%	3.5%	2.5%	1.7%
Construction Employment (Thousands)				
September Forecast, Final	211.6	212.4	212.8	213.0
Percent Change	5.6%	1.5%	0.7%	0.5%
September Forecast, Preliminary	211.6	211.7	212.3	212.8
Percent Change	5.5%	0.3%	1.0%	0.9%
Housing Permits (Thousands)				
September Forecast, Final	43.2	40.1	42.8	43.3
Percent Change	-40.2%	-25.8%	29.9%	4.4%
September Forecast, Preliminary	43.2	40.1	43.0	43.4
Percent Change	-40.2%	-25.8%	32.0%	3.6%

	2017	2018	2019	2020	2021	2022	2023
Real Personal Income (Billions of 2012 Dollars)							
September Forecast, Final	395.9	413.4	426.1	438.8	451.3	464.3	477.2
Percent Change	3.7%	4.4%	3.1%	3.0%	2.8%	2.9%	2.8%
September Forecast, Preliminary	395.9	413.4	425.6	438.3	450.6	464.0	477.6
Percent Change	3.7%	4.4%	3.0%	3.0%	2.8%	3.0%	2.9%
Personal Income (Billions of Dollars)							
September Forecast, Final	420.0	447.8	471.0	494.9	518.7	543.8	569.5
Percent Change	5.6%	6.6%	5.2%	5.1%	4.8%	4.8%	4.7%
September Forecast, Preliminary	420.0	447.8	470.4	494.0	517.1	541.8	567.6
Percent Change	5.6%	6.6%	5.1%	5.0%	4.7%	4.8%	4.8%
Disposable Personal Income (Billions of Dollars)							
September Forecast, Final	374.2	400.8	421.7	443.4	464.6	486.4	508.5
Percent Change	5.6%	7.1%	5.2%	5.1%	4.8%	4.7%	4.6%
September Forecast, Preliminary	374.2	400.6	421.0	442.4	462.6	483.6	505.8
Percent Change	5.6%	7.1%	5.1%	5.1%	4.6%	4.6%	4.6%
Nonfarm Payroll Employment (Thousands)							
September Forecast, Final	3322	3419	3491	3539	3572	3605	3630
Percent Change	2.4%	2.9%	2.1%	1.4%	0.9%	0.9%	0.7%
September Forecast, Preliminary	3322	3421	3494	3544	3578	3610	3637
Percent Change	2.4%	3.0%	2.1%	1.4%	0.9%	0.9%	0.8%
Unemployment Rate (Percent of Labor Force)							
September Forecast, Final	4.8	4.6	4.2	4.2	4.3	4.3	4.4
September Forecast, Preliminary	4.8	4.6	4.2	4.2	4.3	4.3	4.4
Manufacturing Employment (Thousands)							
September Forecast, Final	283.8	286.6	290.5	290.7	290.5	292.3	295.1
Percent Change	-2.1%	1.0%	1.4%	0.0%	-0.1%	0.6%	0.9%
September Forecast, Preliminary	283.8	286.8	291.4	292.7	294.3	296.8	299.5
Percent Change	-2.1%	1.1%	1.6%	0.5%	0.5%	0.9%	0.9%
Construction Employment (Thousands)							
September Forecast, Final	199.7	211.4	213.1	213.1	212.1	211.4	210.0
Percent Change	7.0%	5.9%	0.8%	0.0%	-0.5%	-0.3%	-0.7%
September Forecast, Preliminary	199.7	211.1	213.3	214.6	214.1	213.4	212.0
Percent Change	7.0%	5.7%	1.1%	0.6%	-0.2%	-0.3%	-0.7%
Housing Permits (Thousands)							
September Forecast, Final	45.8	43.8	43.8	44.2	43.0	42.0	41.1
Percent Change	3.9%	-4.2%	0.0%	0.8%	-2.6%	-2.4%	-2.1%
September Forecast, Preliminary	45.8	43.9	43.9	44.3	43.4	42.3	41.2
Percent Change	3.9%	-4.2%	0.1%	0.8%	-2.1%	-2.6%	-2.6%

Washington Forecast Comparison

	2018Q2	2018Q3	2018Q4	2019Q1	2017	2018	2019	2020	2021	2022	2023
Real Personal Income (Billions of 2012 Dollars)											
September Forecast	411.2	414.4	416.9	421.1	395.9	413.4	426.1	438.8	451.3	464.3	477.2
Percent Change	0.3%	3.2%	2.4%	4.0%	3.7%	4.4%	3.1%	3.0%	2.8%	2.9%	2.8%
June Forecast	408.5	411.2	414.8	418.9	395.8	410.1	423.3	435.6	448.4	461.4	474.8
Percent Change	2.4%	2.8%	3.5%	4.0%	3.9%	3.6%	3.2%	2.9%	2.9%	2.9%	2.9%
Personal Income (Billions of Dollars)											
September Forecast	444.2	450.0	455.2	462.0	420.0	447.8	471.0	494.9	518.7	543.8	569.5
Percent Change	2.2%	5.3%	4.6%	6.1%	5.6%	6.6%	5.2%	5.1%	4.8%	4.8%	4.7%
June Forecast	441.6	446.8	452.9	459.4	420.1	444.6	467.7	491.4	516.0	542.0	569.1
Percent Change	4.4%	4.8%	5.5%	5.8%	5.6%	5.8%	5.2%	5.1%	5.0%	5.0%	5.0%
Disposable Personal Income (Billions of Dollars)											
September Forecast	397.6	402.8	407.4	413.6	374.2	400.8	421.7	443.4	464.6	486.4	508.5
Percent Change	2.5%	5.3%	4.6%	6.3%	5.6%	7.1%	5.2%	5.1%	4.8%	4.7%	4.6%
June Forecast	392.9	397.4	403.0	408.9	372.3	395.3	416.6	437.7	458.7	480.5	503.5
Percent Change	5.0%	4.7%	5.7%	6.1%	5.0%	6.2%	5.4%	5.1%	4.8%	4.7%	4.8%
Nonfarm Payroll Employment (Thousands)											
September Forecast	3407	3433	3452	3469	3322	3419	3491	3539	3572	3605	3630
Percent Change	2.5%	3.0%	2.2%	2.0%	2.4%	2.9%	2.1%	1.4%	0.9%	0.9%	0.7%
June Forecast	3396	3414	3432	3448	3323	3405	3469	3517	3550	3578	3601
Percent Change	2.2%	2.2%	2.1%	1.9%	2.4%	2.5%	1.9%	1.4%	1.0%	0.8%	0.6%
Unemployment Rate (Percent of Labor Force)											
September Forecast	4.7	4.6	4.4	4.2	4.8	4.6	4.2	4.2	4.3	4.3	4.4
June Forecast	4.7	4.6	4.4	4.3	4.8	4.6	4.3	4.3	4.4	4.5	4.6
Manufacturing Employment (Thousands)											
September Forecast	285.5	287.4	289.3	290.3	283.8	286.6	290.5	290.7	290.5	292.3	295.1
Percent Change	2.0%	2.7%	2.7%	1.4%	-2.1%	1.0%	1.4%	0.0%	-0.1%	0.6%	0.9%
June Forecast	285.9	287.1	288.7	289.8	283.8	286.6	290.8	293.2	295.3	296.7	297.9
Percent Change	1.4%	1.7%	2.2%	1.5%	-2.1%	1.0%	1.5%	0.8%	0.7%	0.5%	0.4%
Construction Employment (Thousands)											
September Forecast	211.6	212.4	212.8	213.0	199.7	211.4	213.1	213.1	212.1	211.4	210.0
Percent Change	5.6%	1.5%	0.7%	0.5%	7.0%	5.9%	0.8%	0.0%	-0.5%	-0.3%	-0.7%
June Forecast	210.7	211.9	212.4	213.1	199.7	210.8	213.9	215.0	214.8	214.1	212.2
Percent Change	4.8%	2.3%	1.0%	1.1%	7.0%	5.6%	1.4%	0.5%	-0.1%	-0.3%	-0.9%
Housing Permits (Thousands)											
September Forecast	43.2	40.1	42.8	43.3	45.8	43.8	43.8	44.2	43.0	42.0	41.1
Percent Change	-40.2%	-25.8%	29.9%	4.4%	3.9%	-4.2%	0.0%	0.8%	-2.6%	-2.4%	-2.1%
June Forecast	46.7	42.8	42.9	43.2	45.8	45.4	43.0	43.4	42.7	42.0	40.9
Percent Change	-18.6%	-29.2%	0.8%	2.3%	3.9%	-0.8%	-5.3%	0.9%	-1.6%	-1.7%	-2.7%