

Joint Legislative Economic Outlook and Revenue Assessment Committee

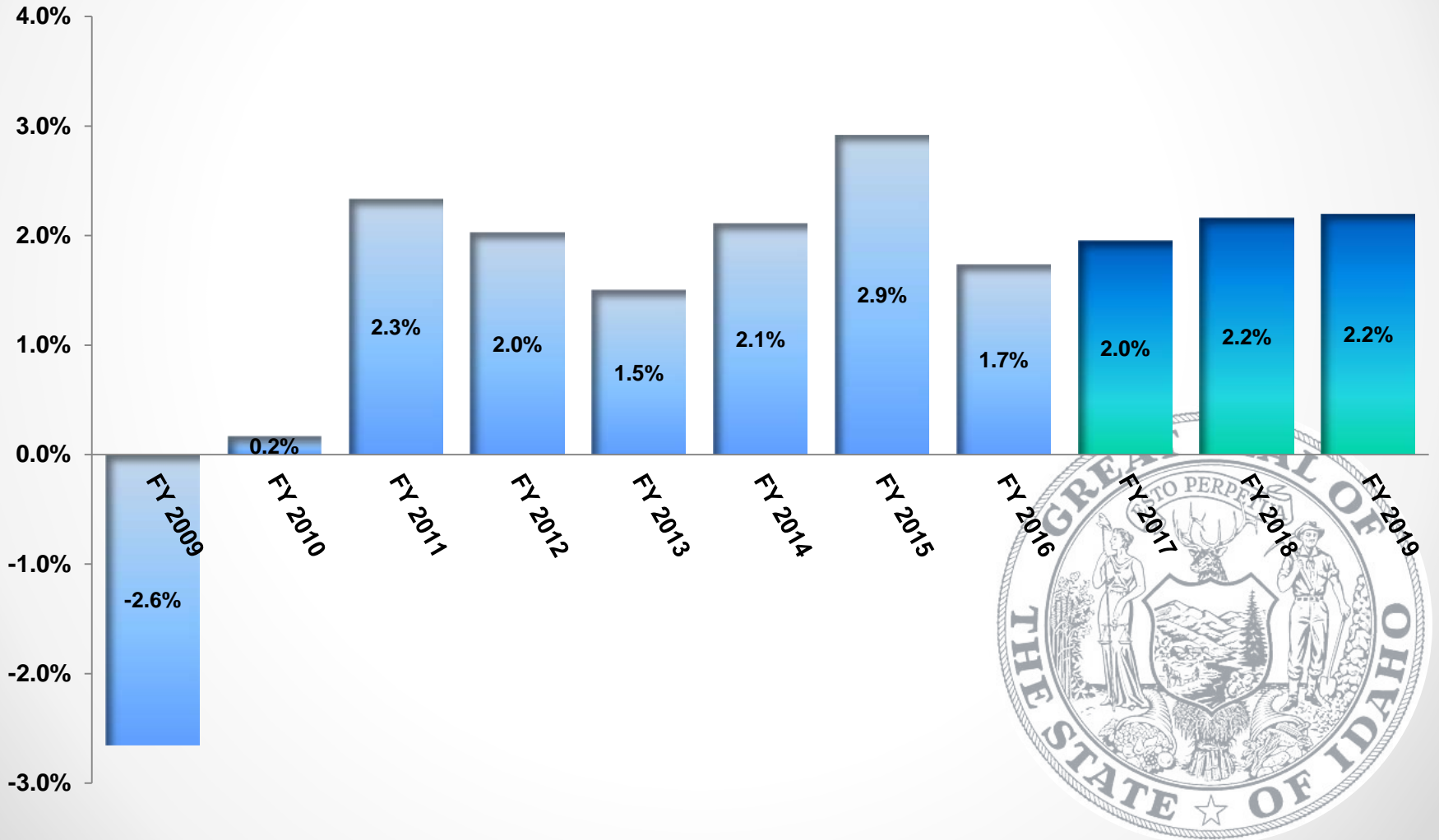
National and Idaho Economic Forecasts FY 2017, FY 2018, and FY 2019

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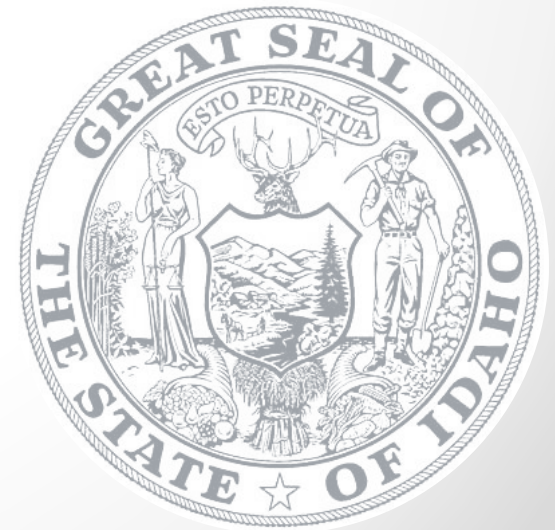


Inflation-Adjusted US GDP Growth

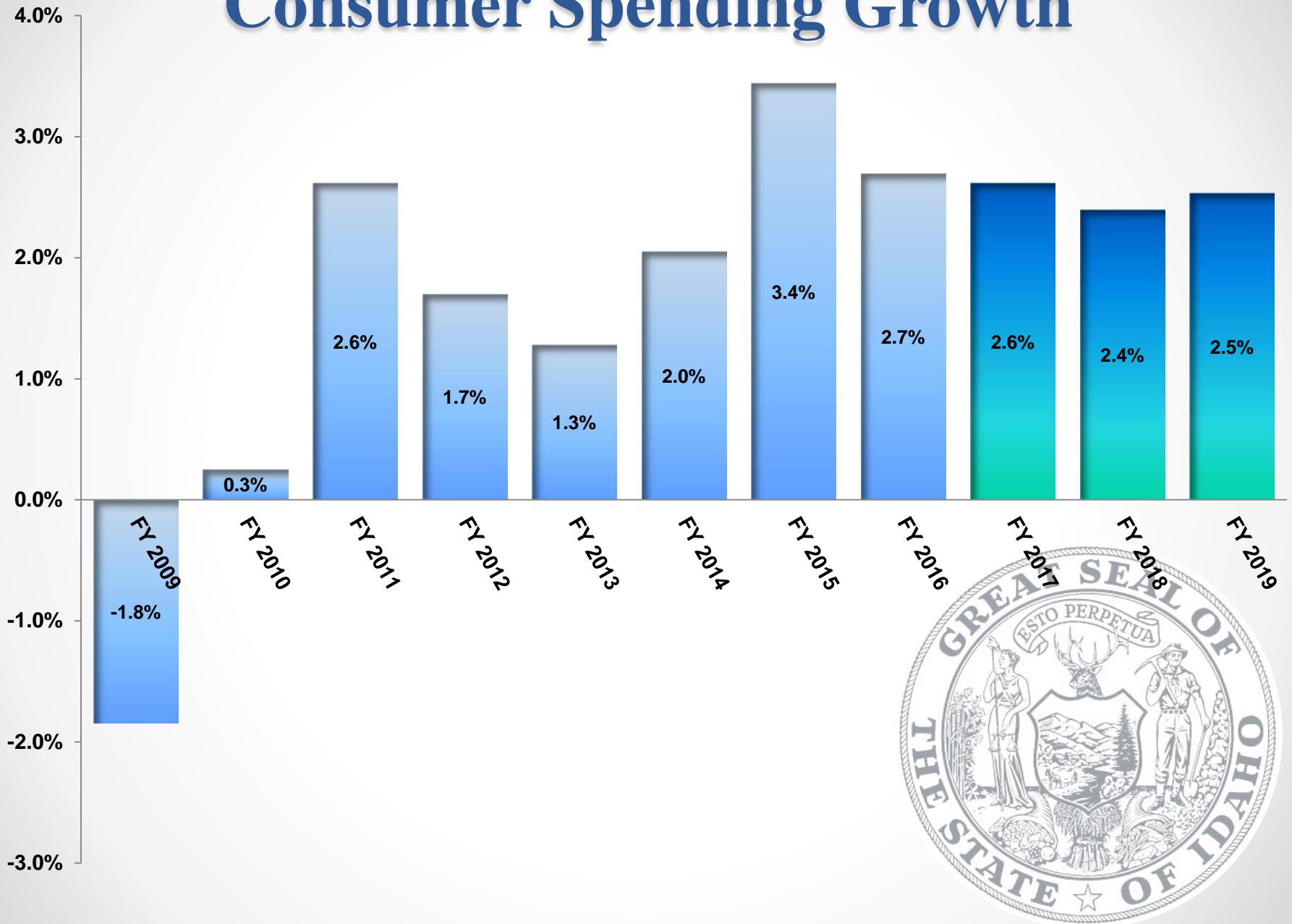


The Four Components of Real GDP

- 1) Consumer Spending**
- 2) Investment**
- 3) Government Purchases**
- 4) Net exports**



Consumer Spending Growth



Reasons for Consumer Spending Growth

1) Steady US Nonfarm Job Growth

- 1) 1.5% growth in FY 2017, then 1.0% growth in FY 2018 and FY 2019

2) Solid Wage Growth

- 1) 2.7% growth in FY 2017, followed by about 4.0% increases in FY 2018 and FY 2019

3) Moderate Inflation

- 1) Consumer Price Inflation under 3.0% per year

4) Improved Household Net Worth

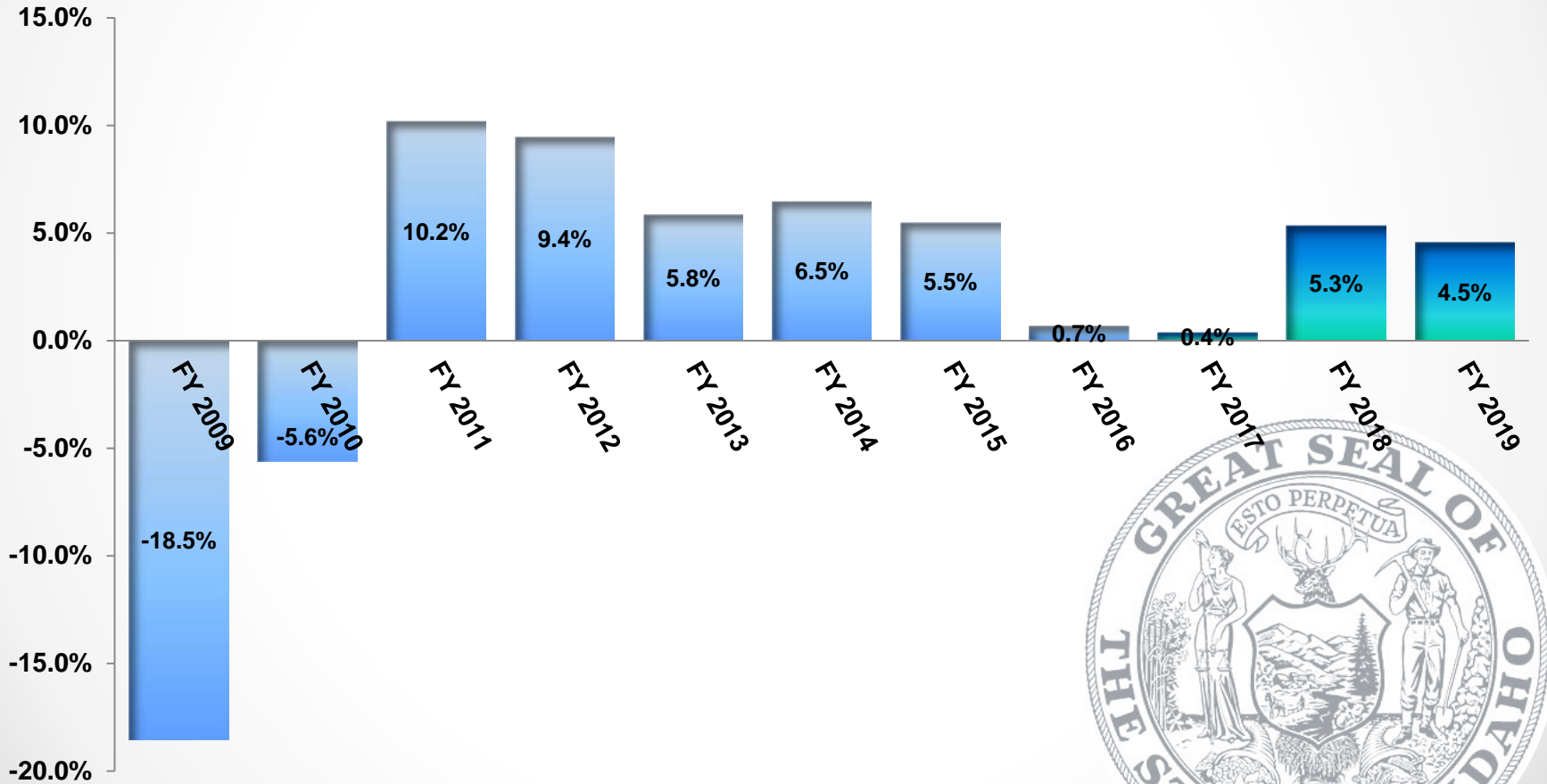
- 1) Continues to improve since the Great Recession

5) Consumers in the Mood to Spend

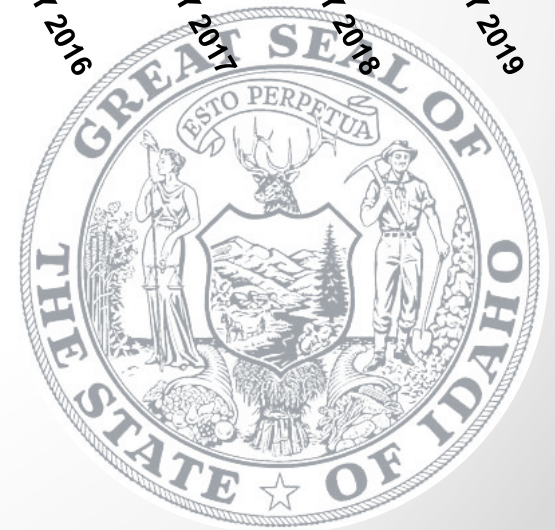
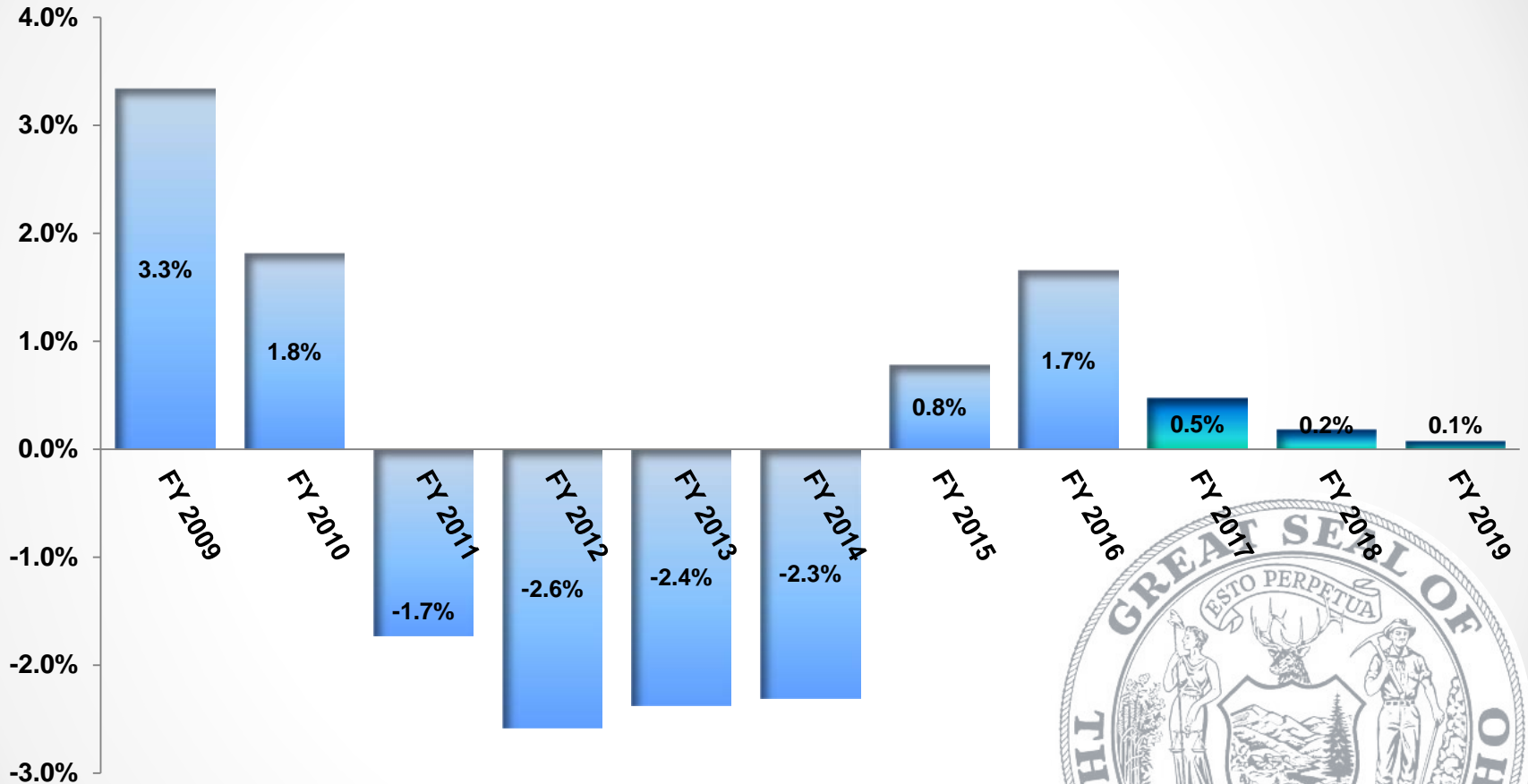
- 1) The University of Michigan Consumer Sentiment Index rises to 95.0 in FY 2019—its highest level since FY 2001



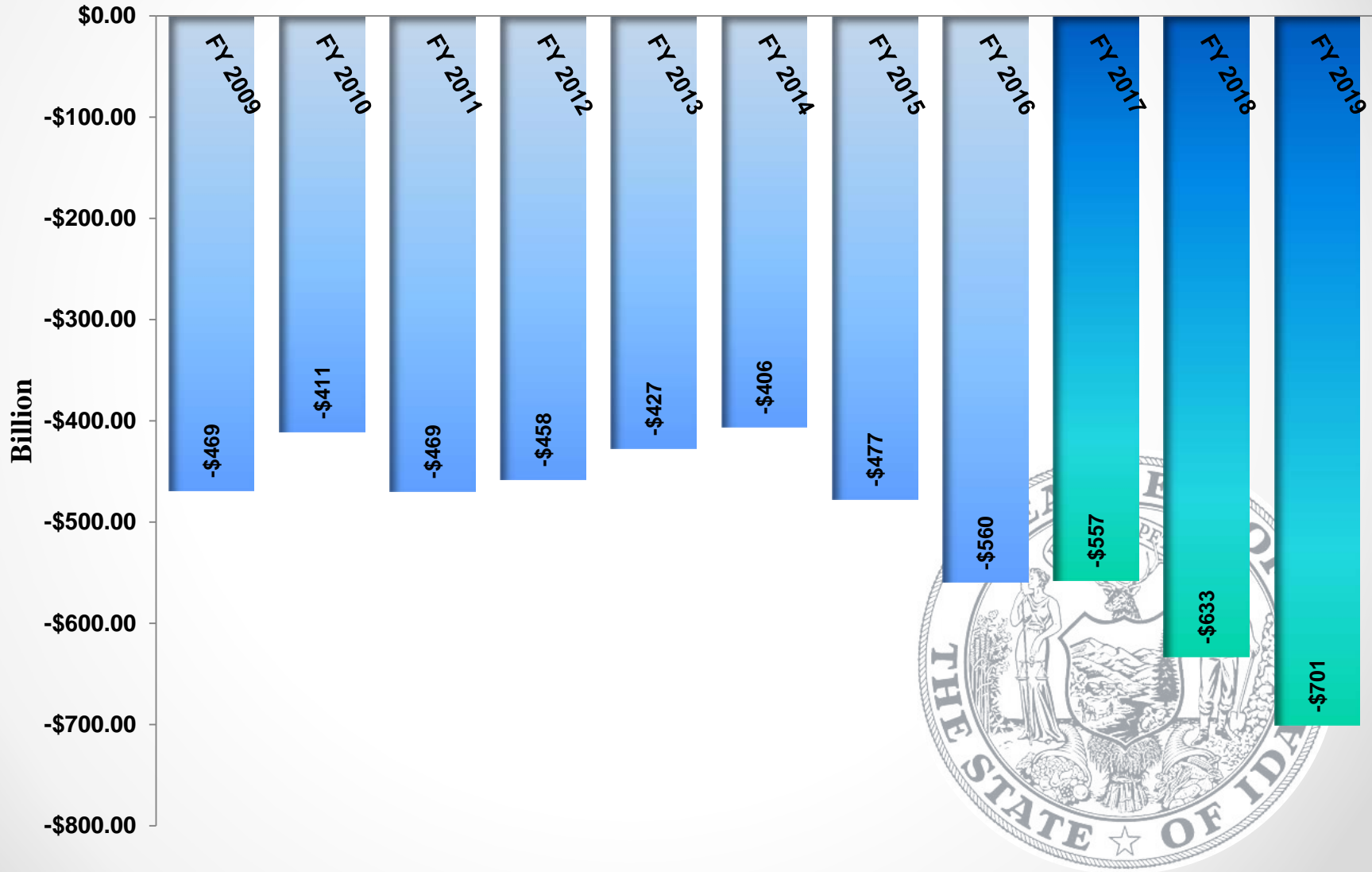
Real Investment Spending



Government Purchases

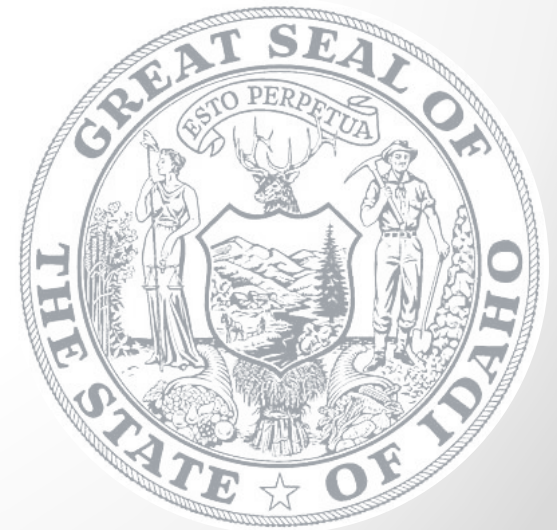


Real US Net Exports



Challenges Shaping Trade Outlook

- 1) **Soft Economic Growth Abroad**
- 2) **Strong US Dollar**
- 3) **Other Uncertainties**

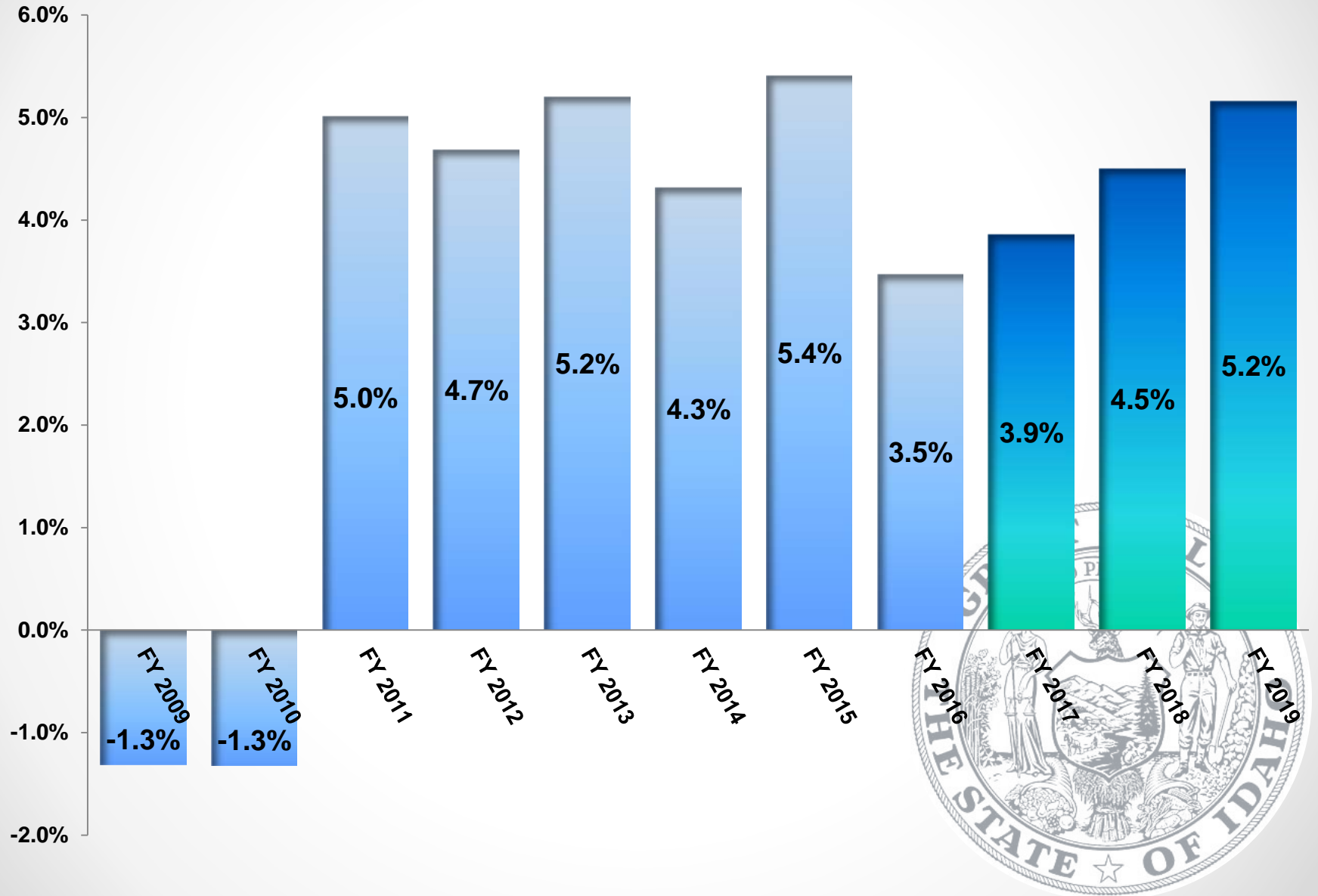


Local Factors Influencing Idaho General Fund Revenue

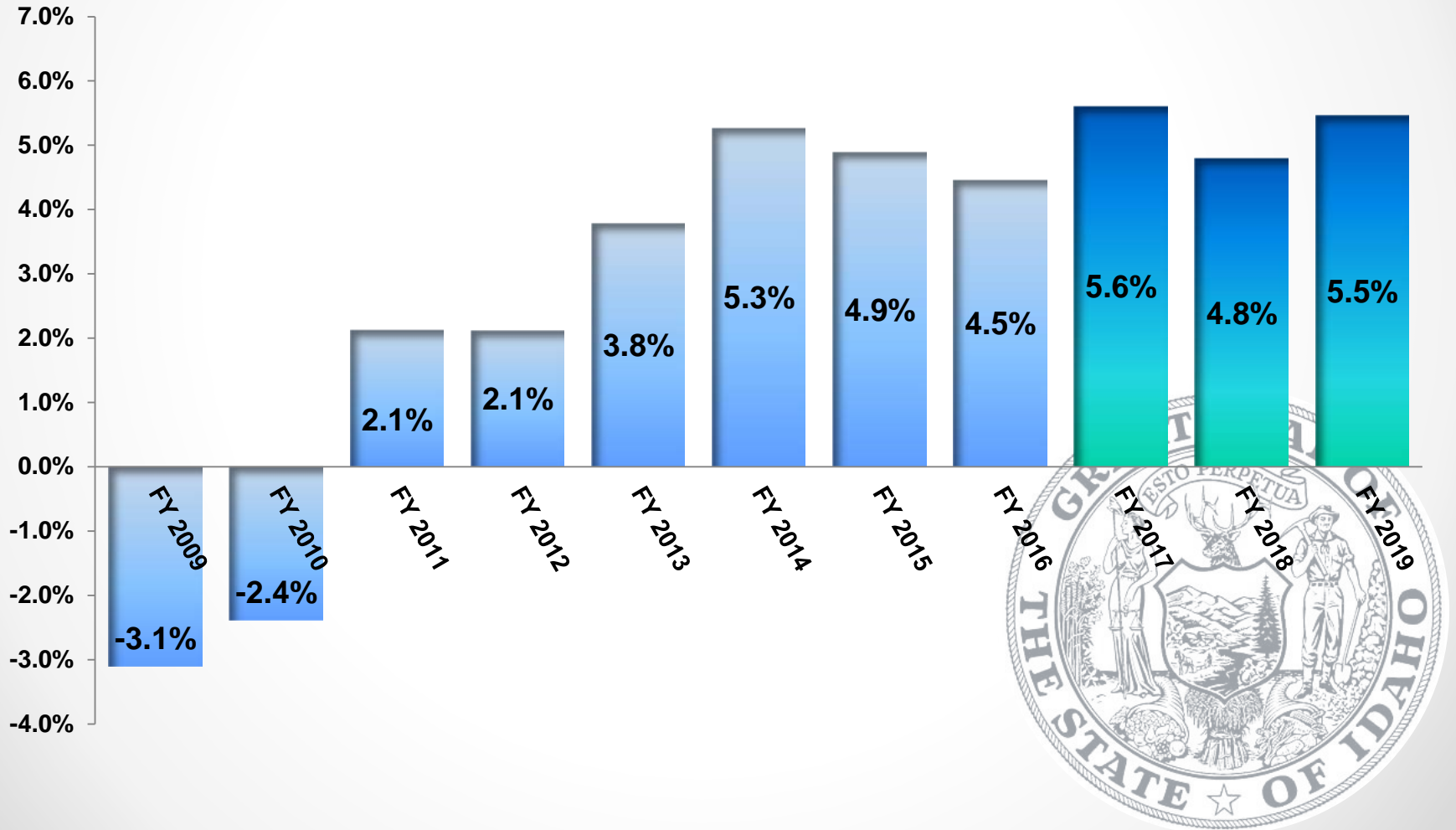
- 1) Idaho Personal Income**
- 2) Idaho Wages and Salaries Growth**
- 3) Idaho Housing Starts**



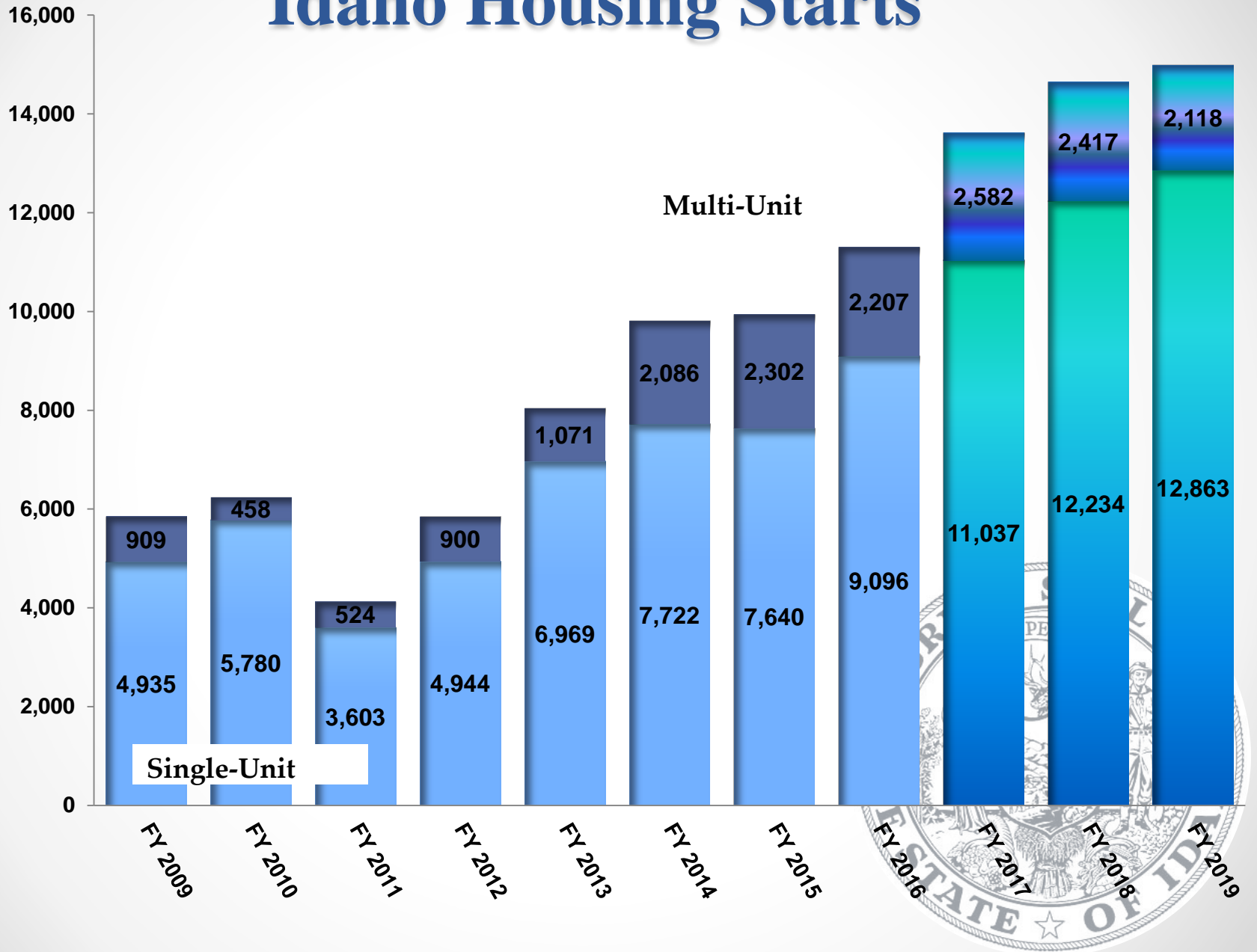
Idaho Nominal Personal Income Growth



Idaho Nominal Wages and Salaries Growth

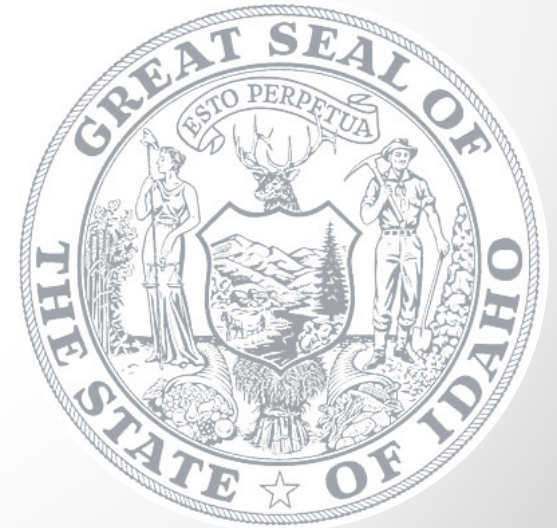


Idaho Housing Starts



THANK YOU

Please visit
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Idaho Nonfarm Employment Growth

