



Revised February 2022 Economic Forecast

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

We have updated our preliminary February economic forecast, which was released on January 28, 2022. The revised economic forecast reflects a more recent national economic forecast and new and revised Washington personal income data. This updated economic forecast will form the basis of the February 2022 revenue forecast scheduled for adoption on February 16, 2022.

The following tables compare the revised February economic forecast with the preliminary February forecast as well as with the forecast adopted in November 2021.

U.S. Forecast Comparison

	2021Q4	2022Q1	2022Q2	2022Q3
Real GDP (Billions of 2012 Dollars)				
February Forecast, Final	19,806	19,886	20,095	20,243
Percent Change	6.9%	1.6%	4.3%	3.0%
February Forecast, Preliminary	19,800	19,942	20,122	20,281
Percent Change	6.8%	2.9%	3.7%	3.2%
Real Consumption (Billions of 2012 Dollars)				
February Forecast, Final	13,843	13,914	14,038	14,111
Percent Change	3.3%	2.1%	3.6%	2.1%
February Forecast, Preliminary	13,898	13,990	14,107	14,207
Percent Change	4.9%	2.7%	3.4%	2.9%
PCE Price Index (2012=100)				
February Forecast, Final	118.1	119.5	120.3	121.0
Percent Change	6.5%	4.8%	2.8%	2.2%
February Forecast, Preliminary	118.1	119.0	119.8	120.4
Percent Change	6.4%	3.3%	2.6%	2.0%
Real Personal Income (Billions of 2012 Dollars)				
February Forecast, Final	17,698	17,577	17,766	17,930
Percent Change	-4.2%	-2.7%	4.4%	3.7%
February Forecast, Preliminary	17,645	17,565	17,687	17,850
Percent Change	-5.3%	-1.8%	2.8%	3.7%
Nonfarm Payroll Employment (Millions)				
February Forecast, Final	148.6	150.0	151.2	152.1
Percent Change	4.8%	3.9%	3.1%	2.5%
February Forecast, Preliminary	148.7	150.1	151.2	152.0
Percent Change	3.5%	3.8%	3.0%	2.1%
Unemployment Rate (Percent of Labor Force)				
February Forecast, Final	4.2	3.9	3.6	3.4
February Forecast, Preliminary	4.3	3.9	3.8	3.6
Oil Price, Refiner's Acquisition				
February Forecast, Final	75.8	86.0	86.1	82.9
February Forecast, Preliminary	76.0	84.1	82.9	80.0
30 Year Fixed Mortgage Rate (Percent, average)				
February Forecast, Final	3.1	3.5	3.5	3.7
February Forecast, Preliminary	3.1	3.1	3.3	3.6
3 Month T-Bill Rate (Percent, average)				
February Forecast, Final	0.1	0.2	0.4	0.7
February Forecast, Preliminary	0.1	0.1	0.2	0.5

	2021	2022	2023	2024	2025	2026	2027
19,427	20,152	20,693	21,156	21,579	22,011	22,429	
5.7%	3.7%	2.7%	2.2%	2.0%	2.0%	1.9%	
19,426	20,191	20,721	21,156	21,579	22,011	22,429	
5.7%	3.9%	2.6%	2.1%	2.0%	2.0%	1.9%	
13,631	14,066	14,452	14,830	15,156	15,490	15,830	
7.9%	3.2%	2.7%	2.6%	2.2%	2.2%	2.2%	
13,645	14,150	14,497	14,830	15,156	15,490	15,830	
8.0%	3.7%	2.4%	2.3%	2.2%	2.2%	2.2%	
115.5	120.6	123.1	125.6	128.2	130.9	133.7	
3.9%	4.4%	2.0%	2.1%	2.1%	2.1%	2.1%	
115.5	120.1	122.4	124.9	127.5	130.1	132.9	
3.9%	3.9%	2.0%	2.0%	2.1%	2.1%	2.1%	
18,237	17,830	18,402	18,937	19,435	19,922	20,386	
3.3%	-2.2%	3.2%	2.9%	2.6%	2.5%	2.3%	
18,224	17,761	18,280	18,813	19,329	19,839	20,324	
3.3%	-2.5%	2.9%	2.9%	2.7%	2.6%	2.4%	
146.1	151.5	153.9	155.0	155.5	155.9	156.2	
2.8%	3.7%	1.6%	0.7%	0.3%	0.2%	0.2%	
146.1	151.5	153.5	154.5	155.2	155.7	156.2	
2.7%	3.6%	1.3%	0.7%	0.4%	0.4%	0.3%	
5.4	3.6	3.5	3.7	4.0	4.2	4.3	
5.4	3.7	3.7	3.8	4.0	4.1	4.2	
67.4	83.9	76.5	72.3	69.7	68.1	67.3	
67.4	81.2	73.6	69.3	66.6	64.9	64.0	
3.0	3.7	4.3	4.6	4.7	4.8	4.9	
3.0	3.4	4.1	4.5	4.7	4.8	4.9	
0.0	0.6	1.2	1.7	1.9	2.2	2.4	
0.0	0.3	1.1	1.6	1.9	2.2	2.4	

U.S. Forecast Comparison

	2021Q4	2022Q1	2022Q2	2022Q3
Real GDP (Billions of 2012 Dollars)				
February Forecast	19,806	19,886	20,095	20,243
Percent Change	6.9%	1.6%	4.3%	3.0%
November Forecast	19,686	19,905	20,099	20,263
Percent Change	4.6%	4.5%	4.0%	3.3%
Real Consumption (Billions of 2012 Dollars)				
February Forecast	13,843	13,914	14,038	14,111
Percent Change	3.3%	2.1%	3.6%	2.1%
November Forecast	13,819	13,951	14,072	14,174
Percent Change	2.9%	3.9%	3.5%	2.9%
PCE Price Index (2012=100)				
February Forecast	118.1	119.5	120.3	121.0
Percent Change	6.5%	4.8%	2.8%	2.2%
November Forecast	117.3	117.9	118.5	119.0
Percent Change	3.6%	2.1%	2.0%	1.8%
Real Personal Income (Billions of 2012 Dollars)				
February Forecast	17,698	17,577	17,766	17,930
Percent Change	-4.2%	-2.7%	4.4%	3.7%
November Forecast	17,525	17,536	17,690	17,851
Percent Change	-4.7%	0.3%	3.6%	3.7%
Nonfarm Payroll Employment (Millions)				
February Forecast	148.6	150.0	151.2	152.1
Percent Change	4.8%	3.9%	3.1%	2.5%
November Forecast	148.8	150.0	151.2	152.2
Percent Change	3.8%	3.4%	3.2%	2.7%
Unemployment Rate (Percent of Labor Force)				
February Forecast	4.2	3.9	3.6	3.4
November Forecast	4.5	4.2	4.0	3.8
Oil Price, Refiner's Acquisition				
February Forecast	75.8	86.0	86.1	82.9
November Forecast	79.3	77.3	74.5	72.5
30 Year Fixed Mortgage Rate (Percent, average)				
February Forecast	3.1	3.5	3.5	3.7
November Forecast	3.1	3.2	3.3	3.5
3 Month T-Bill Rate (Percent, average)				
February Forecast	0.1	0.2	0.4	0.7
November Forecast	0.1	0.1	0.0	0.0

	2021	2022	2023	2024	2025	2026	2027
February Forecast	19,427	20,152	20,693	21,156	21,579	22,011	22,429
Percent Change	5.7%	3.7%	2.7%	2.2%	2.0%	2.0%	1.9%
November Forecast	19,394	20,166	20,670	21,104	21,526	...	...
Percent Change	5.5%	4.0%	2.5%	2.1%	2.0%	...	...
February Forecast	13,631	14,066	14,452	14,830	15,156	15,490	15,830
Percent Change	7.9%	3.2%	2.7%	2.6%	2.2%	2.2%	2.2%
November Forecast	13,622	14,116	14,469	14,802	15,127	...	...
Percent Change	7.9%	3.6%	2.5%	2.3%	2.2%	...	...
February Forecast	115.5	120.6	123.1	125.6	128.2	130.9	133.7
Percent Change	3.9%	4.4%	2.0%	2.1%	2.1%	2.1%	2.1%
November Forecast	115.3	118.7	121.0	123.5	126.0	...	...
Percent Change	3.7%	2.9%	1.9%	2.1%	2.1%	...	...
February Forecast	18,237	17,830	18,402	18,937	19,435	19,922	20,386
Percent Change	3.3%	-2.2%	3.2%	2.9%	2.6%	2.5%	2.3%
November Forecast	18,136	17,754	18,233	18,729	19,228	...	...
Percent Change	2.8%	-2.1%	2.7%	2.7%	2.7%	...	...
February Forecast	146.1	151.5	153.9	155.0	155.5	155.9	156.2
Percent Change	2.8%	3.7%	1.6%	0.7%	0.3%	0.2%	0.2%
November Forecast	146.2	151.6	154.1	155.1	155.7	...	...
Percent Change	2.7%	3.7%	1.6%	0.7%	0.4%	...	...
February Forecast	5.4	3.6	3.5	3.7	4.0	4.2	4.3
November Forecast	5.4	3.9	3.7	3.9	4.0	...	...
February Forecast	67.4	83.9	76.5	72.3	69.7	68.1	67.3
November Forecast	68.4	73.9	68.3	65.0	62.8	...	...
February Forecast	3.0	3.7	4.3	4.6	4.7	4.8	4.9
November Forecast	3.0	3.4	3.9	4.3	4.6	...	...
February Forecast	0.0	0.6	1.2	1.7	1.9	2.2	2.4
November Forecast	0.0	0.1	0.3	0.9	1.5	...	...

Washington Forecast Comparison

	2021Q4	2022Q1	2022Q2	2022Q3
Real Personal Income (Billions of 2012 Dollars)				
February Forecast, Final	469.2	466.9	471.8	476.5
Percent Change	-3.3%	-1.9%	4.2%	4.1%
February Forecast, Preliminary	468.7	467.6	470.7	475.6
Percent Change	-3.7%	-1.0%	2.7%	4.2%
Personal Income (Billions of Dollars)				
February Forecast, Final	554.1	558.0	567.7	576.5
Percent Change	3.0%	2.9%	7.1%	6.3%
February Forecast, Preliminary	553.5	556.7	564.0	572.7
Percent Change	2.5%	2.3%	5.4%	6.3%
Disposable Personal Income (Billions of Dollars)				
February Forecast, Final	488.7	490.2	497.9	505.5
Percent Change	1.4%	1.2%	6.5%	6.2%
February Forecast, Preliminary	488.2	489.2	495.4	503.0
Percent Change	1.0%	0.8%	5.2%	6.3%
Nonfarm Payroll Employment (Thousands)				
February Forecast, Final	3425	3458	3494	3524
Percent Change	3.6%	3.9%	4.2%	3.5%
February Forecast, Preliminary	3425	3455	3491	3521
Percent Change	3.6%	3.5%	4.2%	3.5%
Unemployment Rate (Percent of Labor Force)				
February Forecast, Final	4.7	4.3	4.1	4.0
February Forecast, Preliminary	4.7	4.2	4.1	4.0
Manufacturing Employment (Thousands)				
February Forecast, Final	263.3	266.6	270.1	272.0
Percent Change	7.5%	5.1%	5.4%	2.8%
February Forecast, Preliminary	263.3	267.3	269.8	269.8
Percent Change	7.5%	6.2%	3.8%	0.0%
Construction Employment (Thousands)				
February Forecast, Final	226.0	228.0	226.4	225.3
Percent Change	6.5%	3.5%	-2.7%	-1.9%
February Forecast, Preliminary	226.0	228.0	227.1	225.9
Percent Change	6.5%	3.6%	-1.7%	-2.1%
Housing Permits (Thousands)				
February Forecast, Final	58.6	51.2	49.9	48.0
Percent Change	22.2%	-41.6%	-10.1%	-13.9%
February Forecast, Preliminary	58.6	51.2	49.8	47.9
Percent Change	22.2%	-41.6%	-10.6%	-14.1%

	2021	2022	2023	2024	2025	2026	2027
February Forecast, Final	480.8	473.9	491.6	507.4	522.7	538.4	553.9
Percent Change	3.5%	-1.4%	3.7%	3.2%	3.0%	3.0%	2.9%
February Forecast, Preliminary	480.7	473.3	490.1	505.8	521.8	538.0	554.1
Percent Change	3.5%	-1.5%	3.6%	3.2%	3.2%	3.1%	3.0%
February Forecast, Final	555.2	571.5	605.0	637.2	670.3	705.1	740.7
Percent Change	7.5%	2.9%	5.9%	5.3%	5.2%	5.2%	5.1%
February Forecast, Preliminary	555.1	568.2	600.1	631.7	665.1	700.1	736.2
Percent Change	7.5%	2.4%	5.6%	5.3%	5.3%	5.3%	5.2%
February Forecast, Final	493.7	501.3	529.9	558.6	588.8	620.5	652.6
Percent Change	6.1%	1.5%	5.7%	5.4%	5.4%	5.4%	5.2%
February Forecast, Preliminary	493.6	499.1	527.2	555.6	585.9	617.7	649.5
Percent Change	6.1%	1.1%	5.6%	5.4%	5.5%	5.4%	5.1%
February Forecast, Final	3364	3507	3594	3633	3664	3693	3723
Percent Change	2.4%	4.2%	2.5%	1.1%	0.8%	0.8%	0.8%
February Forecast, Preliminary	3364	3504	3589	3624	3658	3690	3722
Percent Change	2.4%	4.2%	2.4%	1.0%	0.9%	0.9%	0.9%
February Forecast, Final	5.2	4.1	4.0	4.3	4.6	4.7	4.8
February Forecast, Preliminary	5.2	4.1	4.1	4.4	4.6	4.6	4.7
February Forecast, Final	259.4	270.7	276.0	277.1	276.4	276.0	275.4
Percent Change	-4.5%	4.4%	2.0%	0.4%	-0.3%	-0.1%	-0.2%
February Forecast, Preliminary	259.4	269.6	273.2	274.5	274.9	275.2	275.3
Percent Change	-4.5%	3.9%	1.4%	0.5%	0.1%	0.1%	0.0%
February Forecast, Final	223.4	226.0	223.1	223.1	224.9	228.0	231.5
Percent Change	4.6%	1.2%	-1.3%	0.0%	0.8%	1.4%	1.5%
February Forecast, Preliminary	223.4	226.6	224.4	224.5	226.0	228.7	232.1
Percent Change	4.6%	1.4%	-1.0%	0.0%	0.7%	1.2%	1.5%
February Forecast, Final	56.2	48.9	44.9	44.1	44.1	42.9	41.6
Percent Change	27.5%	-12.9%	-8.2%	-1.9%	0.1%	-2.8%	-3.0%
February Forecast, Preliminary	56.2	48.9	45.0	44.2	44.2	43.1	41.9
Percent Change	27.5%	-13.0%	-7.9%	-1.9%	0.1%	-2.5%	-2.8%

Washington Forecast Comparison

	2021Q4	2022Q1	2022Q2	2022Q3
Real Personal Income (Billions of 2012 Dollars)				
February Forecast	469.2	466.9	471.8	476.5
Percent Change	-3.3%	-1.9%	4.2%	4.1%
November Forecast	468.1	470.2	474.4	479.0
Percent Change	-6.0%	1.8%	3.6%	3.9%
Personal Income (Billions of Dollars)				
February Forecast	554.1	558.0	567.7	576.5
Percent Change	3.0%	2.9%	7.1%	6.3%
November Forecast	549.0	554.2	561.9	569.9
Percent Change	-2.6%	3.9%	5.7%	5.8%
Disposable Personal Income (Billions of Dollars)				
February Forecast	488.7	490.2	497.9	505.5
Percent Change	1.4%	1.2%	6.5%	6.2%
November Forecast	484.5	488.0	494.6	501.6
Percent Change	-3.3%	2.9%	5.5%	5.8%
Nonfarm Payroll Employment (Thousands)				
February Forecast	3425	3458	3494	3524
Percent Change	3.6%	3.9%	4.2%	3.5%
November Forecast	3429	3467	3500	3529
Percent Change	4.0%	4.6%	3.9%	3.3%
Unemployment Rate (Percent of Labor Force)				
February Forecast	4.7	4.3	4.1	4.0
November Forecast	5.0	4.7	4.5	4.4
Manufacturing Employment (Thousands)				
February Forecast	263.3	266.6	270.1	272.0
Percent Change	7.5%	5.1%	5.4%	2.8%
November Forecast	261.8	265.9	266.2	265.2
Percent Change	4.9%	6.4%	0.5%	-1.6%
Construction Employment (Thousands)				
February Forecast	226.0	228.0	226.4	225.3
Percent Change	6.5%	3.5%	-2.7%	-1.9%
November Forecast	224.4	221.6	220.6	219.7
Percent Change	3.5%	-5.0%	-1.8%	-1.6%
Housing Permits (Thousands)				
February Forecast	58.6	51.2	49.9	48.0
Percent Change	22.2%	-41.6%	-10.1%	-13.9%
November Forecast	50.5	49.2	47.5	46.3
Percent Change	-34.3%	-9.8%	-13.0%	-10.2%

	2021	2022	2023	2024	2025	2026	2027
February Forecast	480.8	473.9	491.6	507.4	522.7	538.4	553.9
Percent Change	3.5%	-1.4%	3.7%	3.2%	3.0%	3.0%	2.9%
November Forecast	481.3	476.4	491.3	506.1	521.8	...	...
Percent Change	3.7%	-1.0%	3.1%	3.0%	3.1%	...	...
February Forecast	555.2	571.5	605.0	637.2	670.3	705.1	740.7
Percent Change	7.5%	2.9%	5.9%	5.3%	5.2%	5.2%	5.1%
November Forecast	554.7	565.5	594.3	624.9	657.7	...	...
Percent Change	7.5%	1.9%	5.1%	5.2%	5.2%	...	...
February Forecast	493.7	501.3	529.9	558.6	588.8	620.5	652.6
Percent Change	6.1%	1.5%	5.7%	5.4%	5.4%	5.4%	5.2%
November Forecast	493.1	497.8	523.8	552.3	582.4	...	...
Percent Change	6.0%	0.9%	5.2%	5.4%	5.5%	...	...
February Forecast	3364	3507	3594	3633	3664	3693	3723
Percent Change	2.4%	4.2%	2.5%	1.1%	0.8%	0.8%	0.8%
November Forecast	3365	3513	3596	3635	3669	...	...
Percent Change	2.4%	4.4%	2.4%	1.1%	0.9%	...	...
February Forecast	5.2	4.1	4.0	4.3	4.6	4.7	4.8
November Forecast	5.3	4.5	4.3	4.5	4.6	...	...
February Forecast	259.4	270.7	276.0	277.1	276.4	276.0	275.4
Percent Change	-4.5%	4.4%	2.0%	0.4%	-0.3%	-0.1%	-0.2%
November Forecast	259.0	266.0	268.3	268.7	268.6	...	...
Percent Change	-4.7%	2.7%	0.9%	0.1%	0.0%	...	...
February Forecast	223.4	226.0	223.1	223.1	224.9	228.0	231.5
Percent Change	4.6%	1.2%	-1.3%	0.0%	0.8%	1.4%	1.5%
November Forecast	223.0	220.3	219.5	220.9	223.0	...	...
Percent Change	4.4%	-1.2%	-0.4%	0.6%	1.0%	...	...
February Forecast	56.2	48.9	44.9	44.1	44.1	42.9	41.6
Percent Change	27.5%	-12.9%	-8.2%	-1.9%	0.1%	-2.8%	-3.0%
November Forecast	54.5	47.1	44.0	43.3	43.3	...	...
Percent Change	23.6%	-13.5%	-6.6%	-1.6%	0.0%	...	...