

ECONOMIC OUTLOOK: MORE GROWTH TO COME?



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NATIONAL ECONOMIC HIGHLIGHTS

GROWTH RECORD CONTINUES

FED CHANGES COURSE

TRADE WARS THAW

RUNNING OUT OF WORKERS?

GOLDBLOCKS ECONOMY

STOCK MARKET BOOMS

ANY SHOES TO DROP?





NATIONAL FORECASTS

ECONOMIC GROWTH CONTINUES
IN THE 2% - 2.5% RANGE

JOB GROWTH – BUT SLOWER

NO FALL IN JOBLESS RATE

NATIONAL FORECASTS CONTINUED

FED HOLDS RATES STEADY

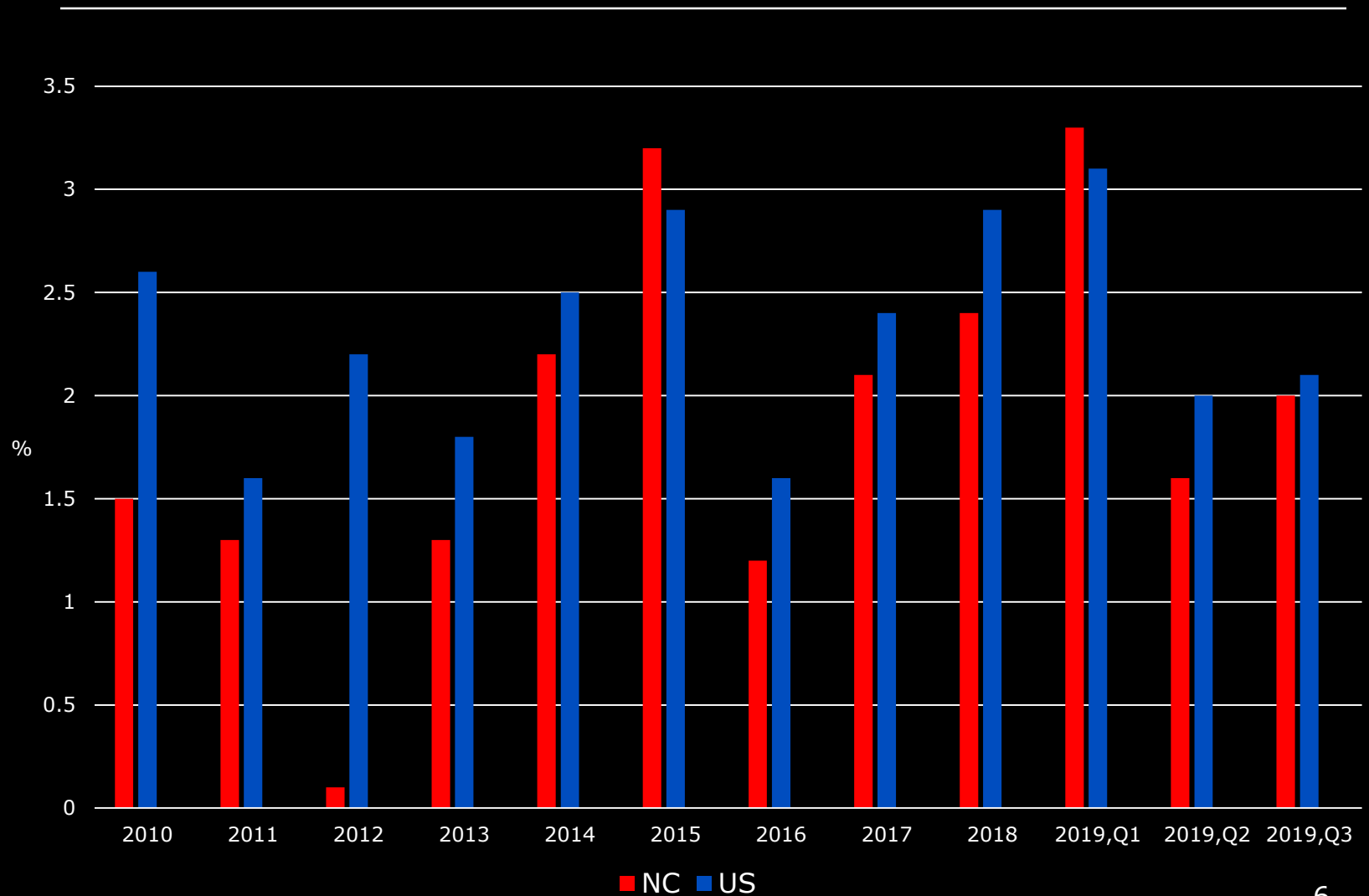
SLIGHT UPTICK IN INFLATION, BUT
STILL UNDER 3%

RANGE OF STOCK MARKET CHANGE:
+5% to -10%

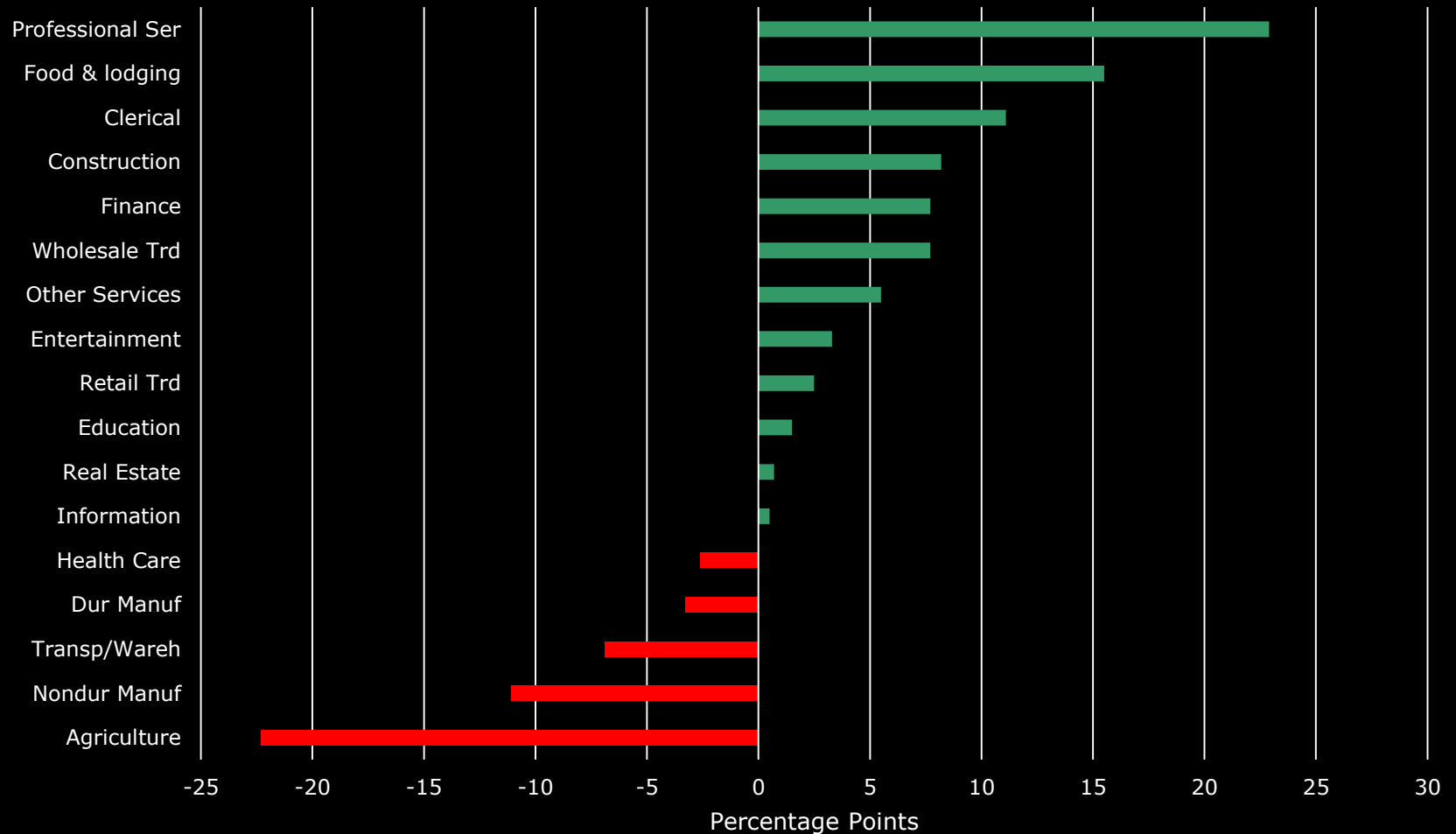
NORTH CAROLINA



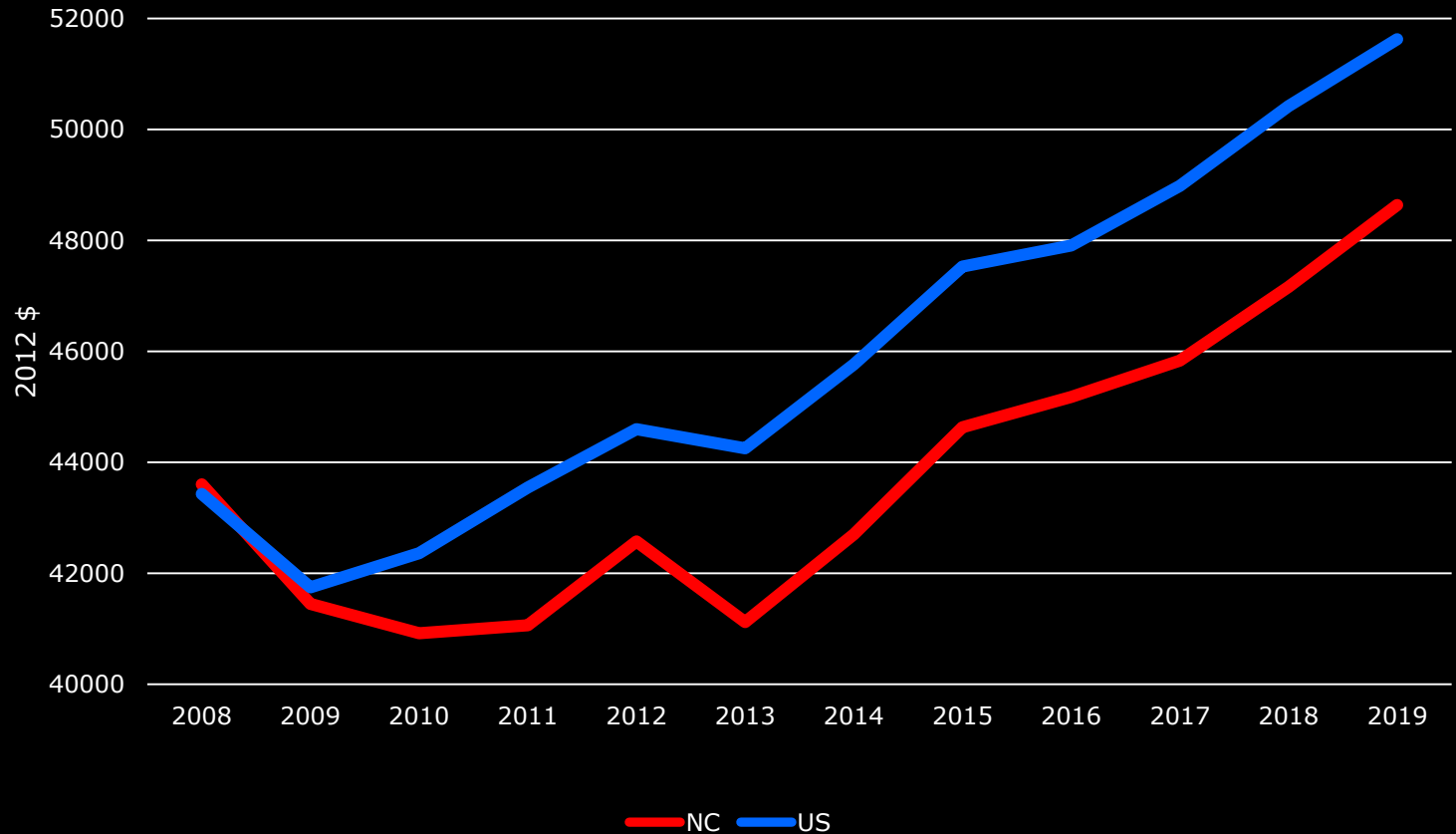
NC GDP GROWTH HAS BEEN HURT BY THE TRADE WAR



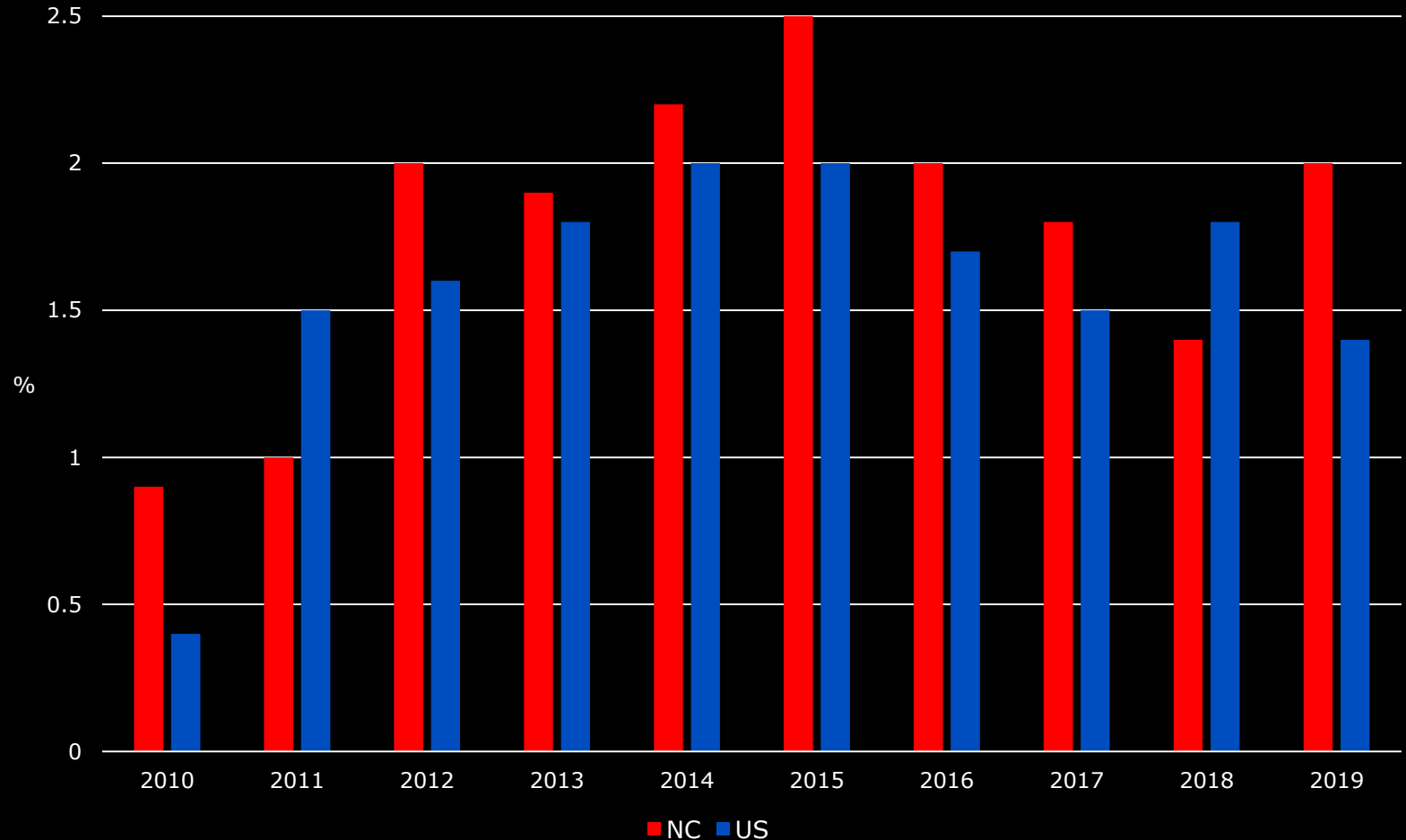
EXCESS OR DEFICIT OF NC GDP GROWTH OVER US GROWTH BY SECTOR, 2010-2019



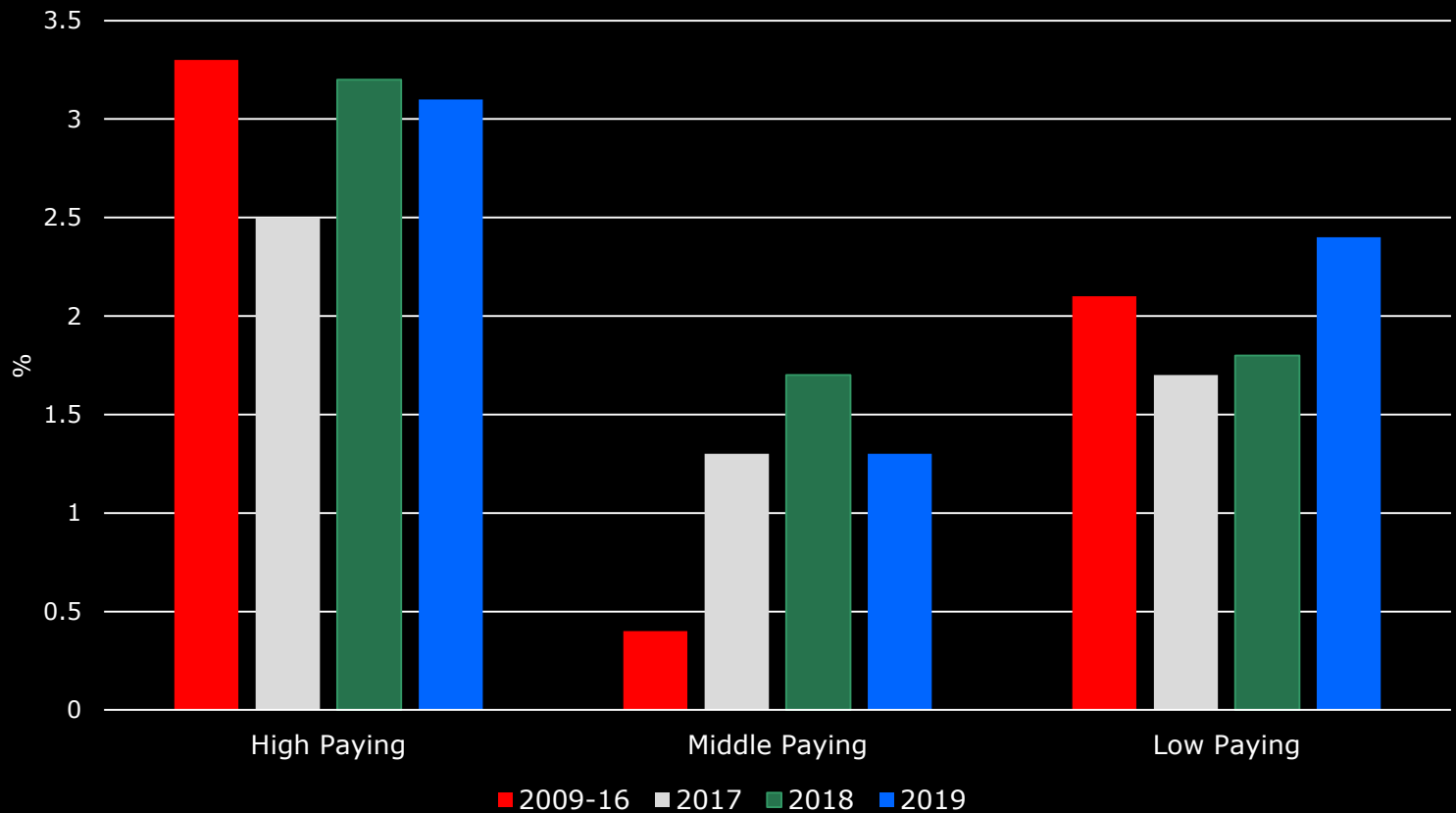
NC AND US PER CAPITA INCOME, 2008-2019, ADJUSTED BY INFLATION IN EACH REGION



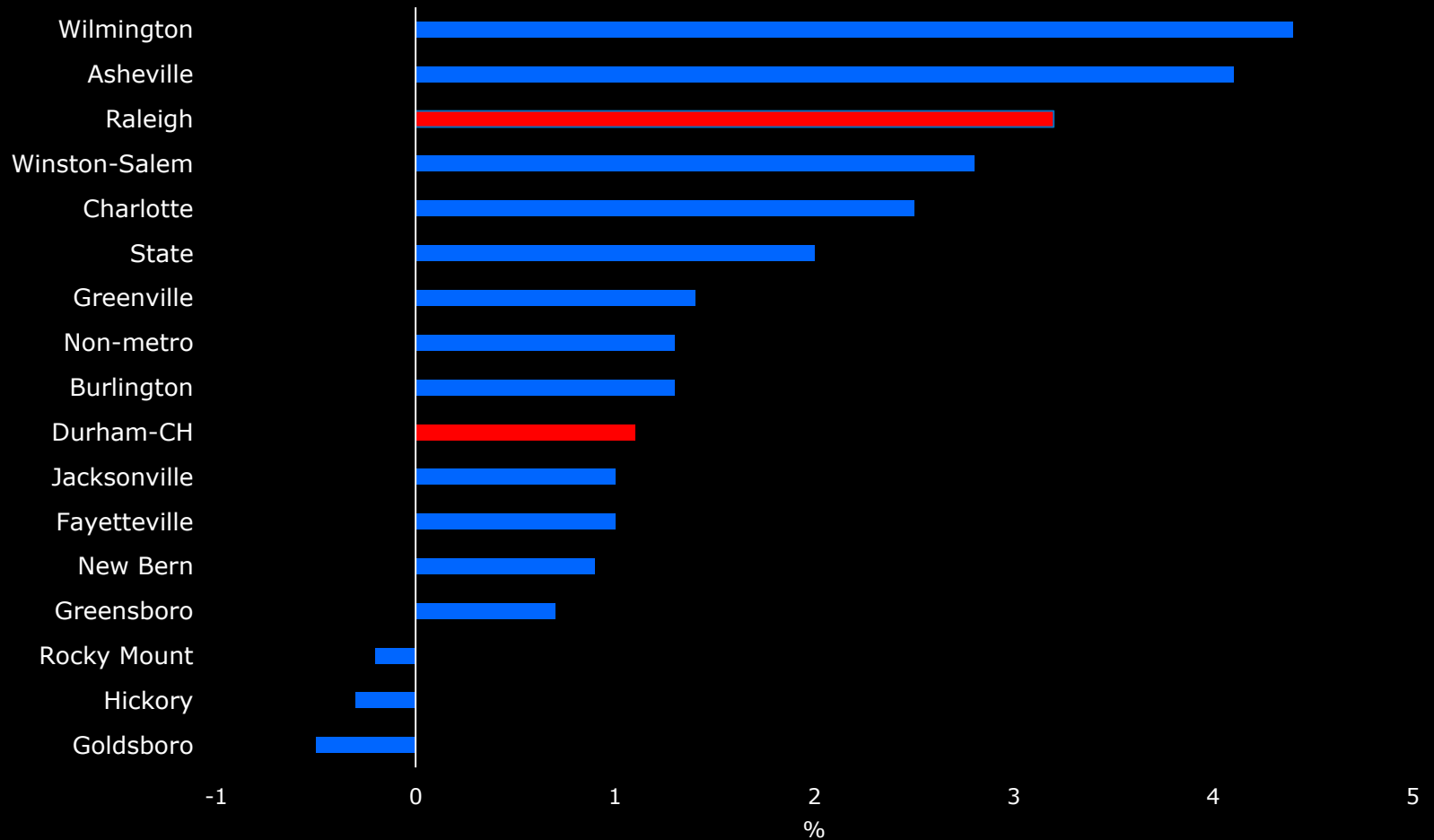
BUT NC CONTINUES TO GAIN JOBS FASTER THAN THE NATION



HIGH AND LOW PAYING JOBS CONTINUE TO BE THE FASTEST GROWING IN NC

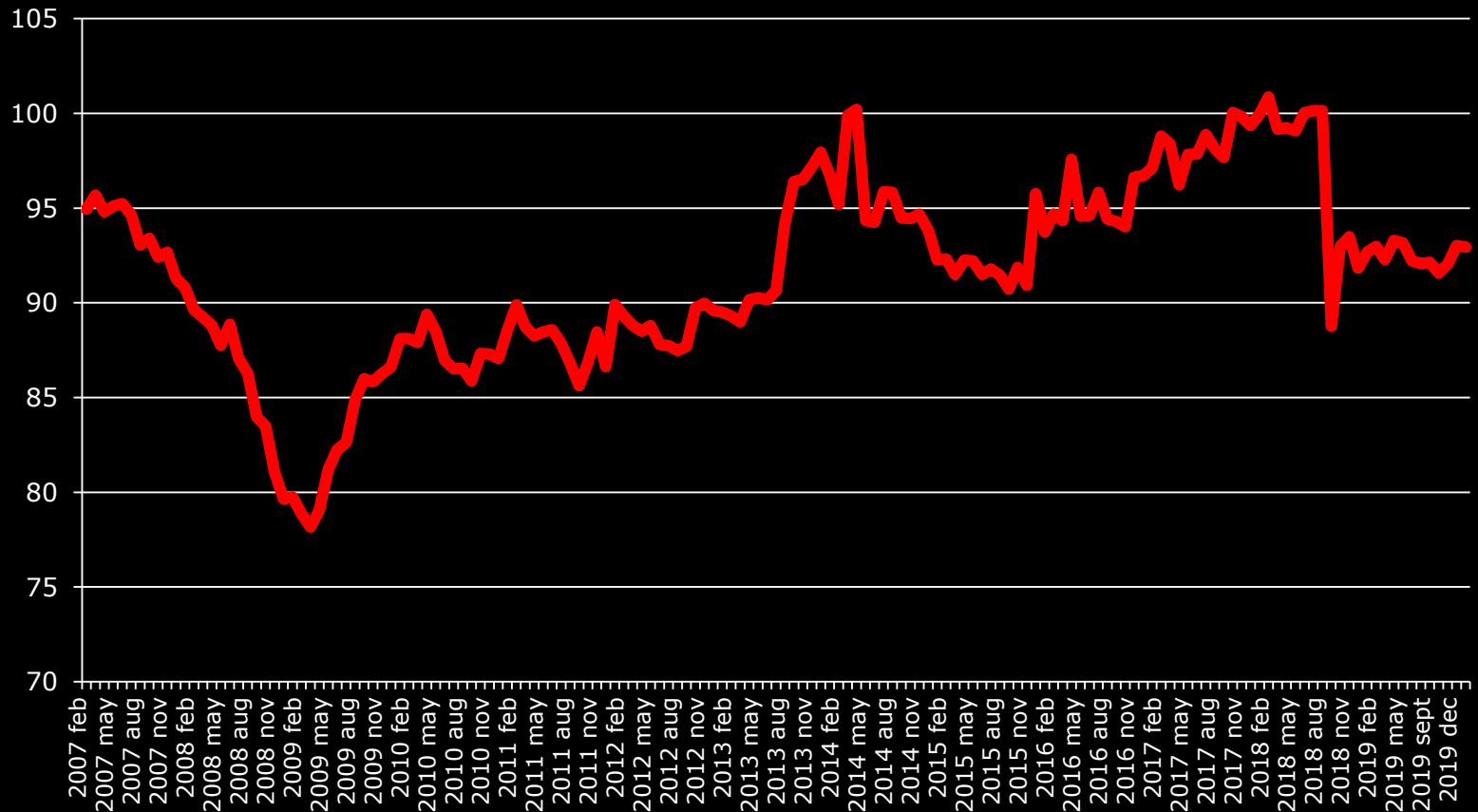


TWO MID-SIZED METROS ADDED JOBS AT THE FASTEST PACE IN 2019



LEADING INDICATORS SUGGEST NC GROWTH IN 2020

**NCSU INDEX OF NORTH CAROLINA LEADING ECONOMIC
INDICATORS**



Source: calculations by Dr. Michael Walden

TRIANGLE & DURHAM ECONOMIES



JOB GROWTH RATES, 2019

U.S.	1.9%
N.C.	2.0%
Raleigh-Cary	3.2%
Durham-CH	1.1%

UNEMPLOYMENT RATES (%)

(not seasonally adjusted)



NOV. 2019

U.S.	3.3
N.C.	3.4
DURHAM-CH	3.0
RALEIGH-CARY	3.0

TOTAL VALUE OF PRODUCTION GROWTH, (GDP), 2009-2018



DURHAM : 24% (pharma, finance, info)

ORANGE: 19% (info, prof services & support)

WAKE: 50% (tech, finance, prof services)

US: 22%

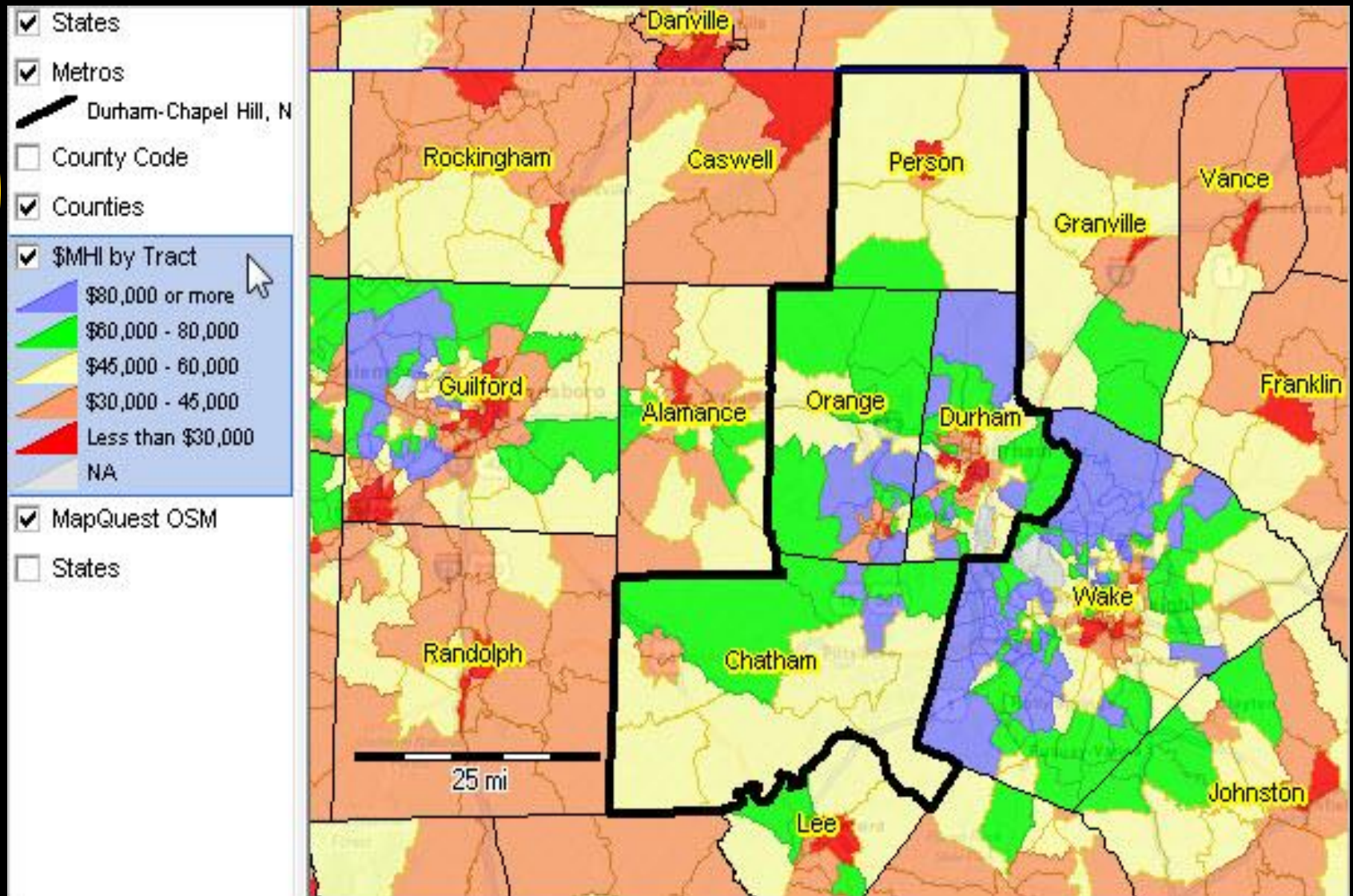
NC: 16%

PER CAPITA INCOME GROWTH, 2009-2018

	<i>CHANGE IN NOMINAL \$</i>	<i>2018 LEVEL*</i>
DURHAM	30%	\$50,698
ORANGE	42%	\$67,383
WAKE	32%	\$59,014
NC	29%	\$46,117
US	39%	\$54,446

* SOME ESTIMATES PUT NC AND TRIANGLE LIVING COSTS 8% TO 10% UNDER NATIONAL COSTS

GEOGRAPHIC PATTERN OF INCOME



DURHAM-CHAPEL HILL METRO AREA BUILDING PERMITS (annual total)



2015 4384

2016: 4388

2017: 4924

2018: 5417

2019: 5795

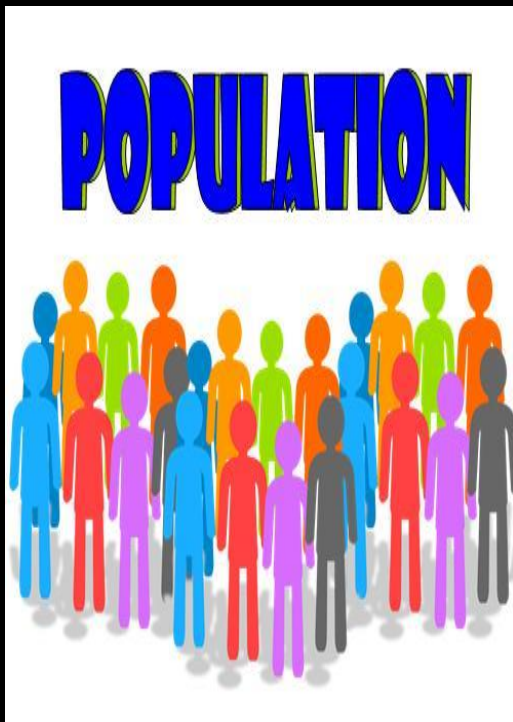
THE TWIN ISSUES OF HOUSING COSTS AND CONGESTION ARE TIED TOGETHER



DIFFICULTY OF
COMMUTING MAKE PEOPLE
WANT TO LIVE CLOSE-IN

IN TURN, THIS "HIGHER
DEMAND" ELEVATES LAND
PRICES OF CONVENIENT
LOCATIONS AND REDUCES
AFFORDABILITY

MADE MORE IMPORTANT AS OUR LOCAL AREAS CONTINUE TO GROW



- 2020-2030 POP GROWTH
- US: 20.3 MILLION (6%)
- NC: 1.1 MILLION (10%)
- DURHAM: 40,000 (13%)
- ORANGE: 14,000 (9%)
- WAKE: 200,000 (18%)

The logo features a dark blue silhouette of the state of North Carolina. The letters 'NC' are printed in white within the silhouette. To the right of the silhouette, the word 'FIRST' is written in a large, bold, red, italicized sans-serif font. The number '1' is positioned between 'NC' and 'FIRST', rendered in a dark blue, serif font. Below 'FIRST', the word 'COMMISSION' is written in a dark blue, all-caps, sans-serif font.

NC **FIRST**
COMMISSION

FUTURE INVESTMENT RESOURCES FOR SUSTAINABLE TRANSPORTATION



FINANCING ISSUES

- MOVEMENT AWAY FROM GAS TAX
- PREDICTIONS OF LOWER VEHICLE OWNERSHIP
- FEDERAL GOV'T GAS REVENUES FALLING
- OPTIONS: MILEAGE TAX, TOLLS, TAXING PROPERTY BENEFITING FROM TRANSIT IMPROVEMENTS, GENERAL SALES TAX



MOBILITY MODE ISSUES

ECLIPSE OF THE PRIVATE AUTO?

WHAT KIND OF MASS TRANSIT?

- BUS, RAIL, RIDE-SHARE

IMPACT OF WORKING AT HOME

OTHER: PORTS – AIR AND WATER