



LOS ANGELES COUNTY QUARTERLY FORECAST

JULY 2024

Long-term Forecast for Los Angeles County

Prepared by

The UCLA Anderson Forecast
UCLA Anderson School of Management
University of California, Los Angeles

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THE LOS ANGELES REPORT: GREAT CONSTRUCTION

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July 2024

U.S. Economic Overview

With persistently high interest rates, the U.S. economy is achieving a soft landing, evidenced by declining inflation and slowing production and job growth. Many are still uncertain about the economic outlook. Any indication of the release of weak economic data is likely to prompt calls for an interest rate cut from the Federal Reserve. Indeed, high interest rates place pressure on borrowers accustomed to lower rates over the past two decades. Nevertheless, the U.S. economy remains resilient.

Figure 1A illustrates the year-over-year growth rate of real personal consumption in the U.S. Over the past two years, growth rates have fluctuated around 2% to 3%, roughly aligning with the historical average. Thus, there has not been a significant decline in American real consumption growth. One factor supporting American household spending in this environment of high inflation and high interest rates is that household wealth remains at levels higher than any period before the pandemic. Figure 1B shows the U.S. household net worth (assets minus debt) over GDP ratio. Over the past year, it has remained around 5.3, primarily due to rising prices in the housing and stock markets. This high level of household net worth suggests that many Americans are able and willing to spend due to the wealth effect.

Another factor preventing the U.S. economy from slipping into a recession is what could be termed an era of Great Construction, propelled by several legislative acts: the Infrastructure Investment and Jobs Act of 2021, the CHIPS and Science Act of 2022, and the Inflation Reduction Act of 2022. Figure 1C displays the total construction spending (blue line) and construction spending in manufacturing (red line, with right axis). Total construction spending has increased by \$600 billion from \$1.5 trillion before the pandemic to \$2.1 trillion in 2024. Manufacturing construction spending has risen by \$150 billion. These increases are policy-driven, with a focus on revitalizing the American infrastructure and manufacturing base, making them relatively insensitive to interest rate hikes.

Figure 1A. Year-over-year Rate of Real Personal Consumption

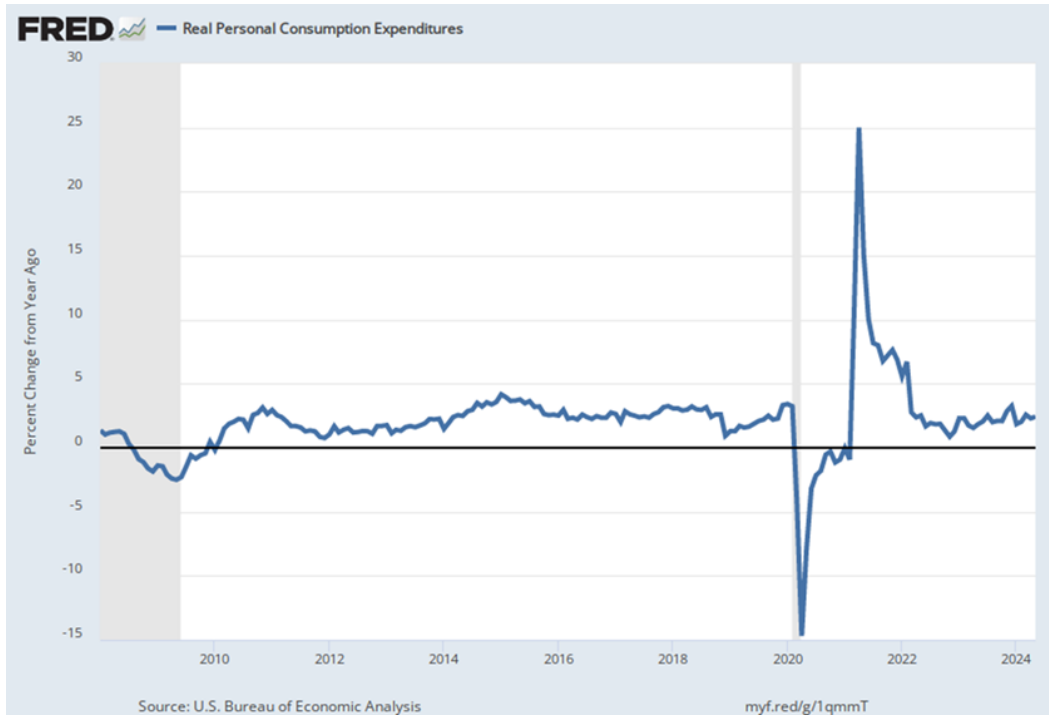


Figure 1B. Ratio of U.S. Household Net Worth to U.S. GDP

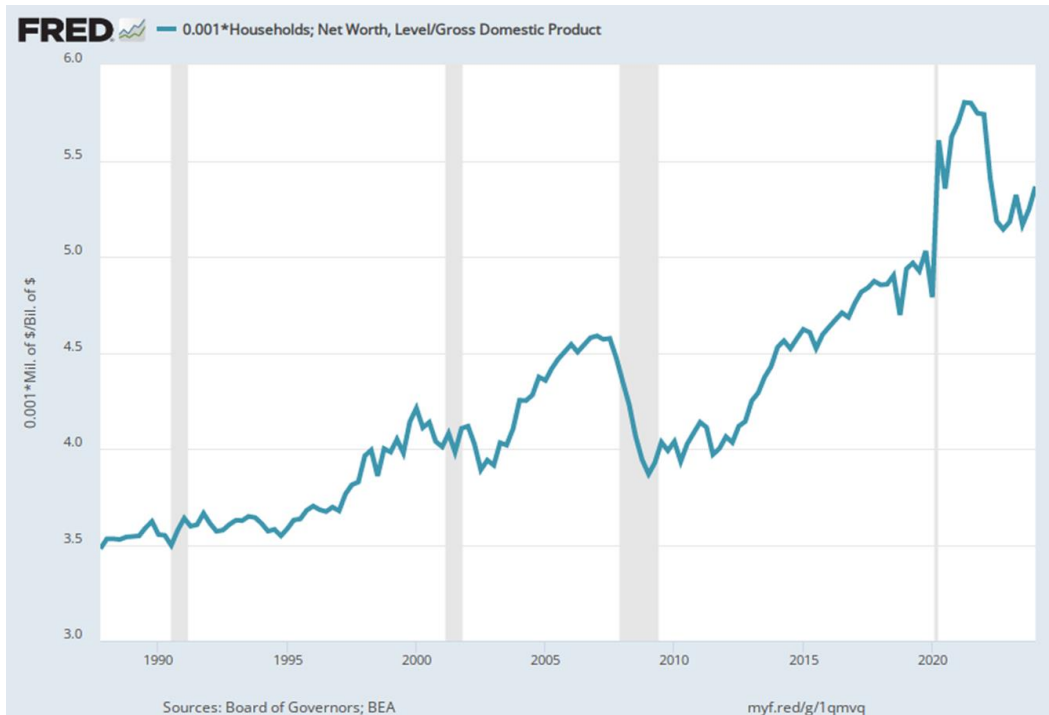


Figure 1C. Construction Spending, Total and Manufacturing

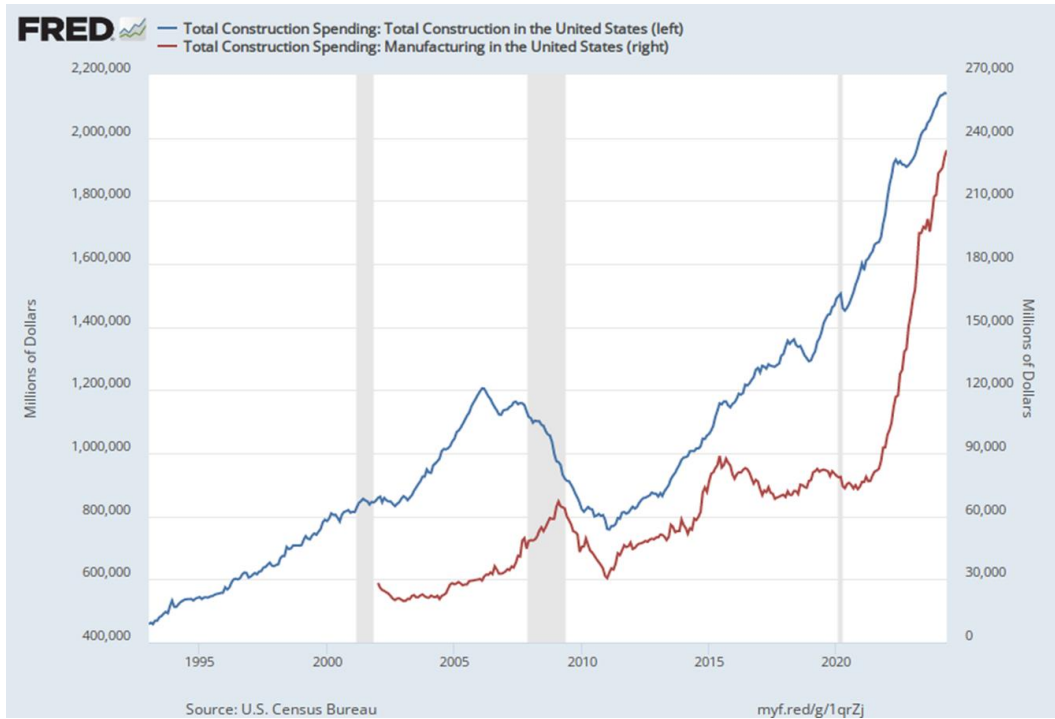


Figure 2. Year-over-year Core and Headline Inflation Rates of Consumer Price Index (CPI)

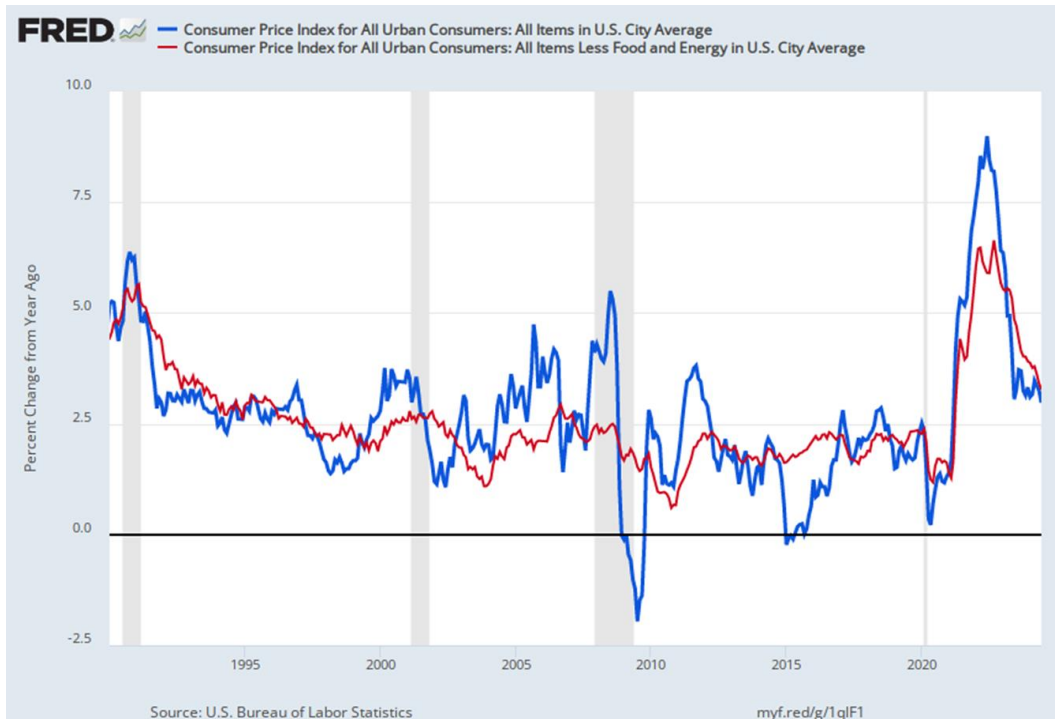
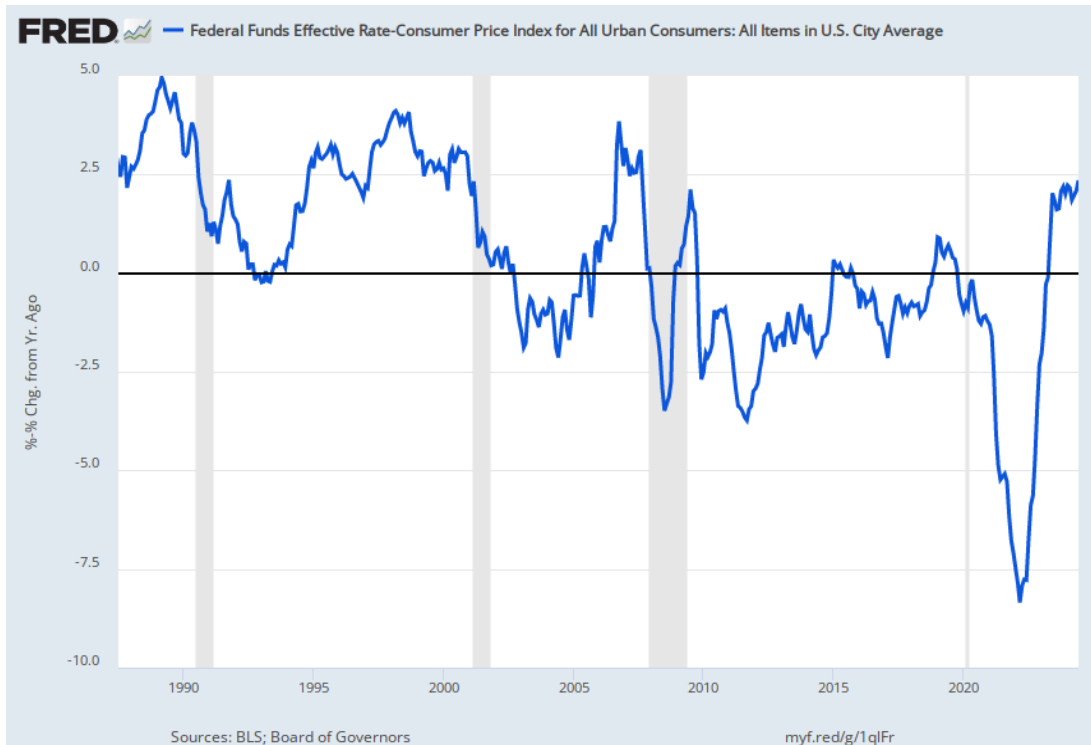


Figure 2 displays the headline (3%) and core (3.2%) CPI inflation rates for June 2024. Both rates are significantly higher than the Federal Reserve's target of 2%. Figure 3 shows the real short-term interest rates, which are currently between 2% and 2.5%, a more reasonable level compared to those seen in the past two decades. In summary, it is likely that interest rates will remain at 5% in 2024 and decrease to 4% in 2025, as the Federal Reserve has predicted.

Figure 3. Short-term Real Interest Rates, Federal Fund Rates Minus Core PCE Inflation Rates



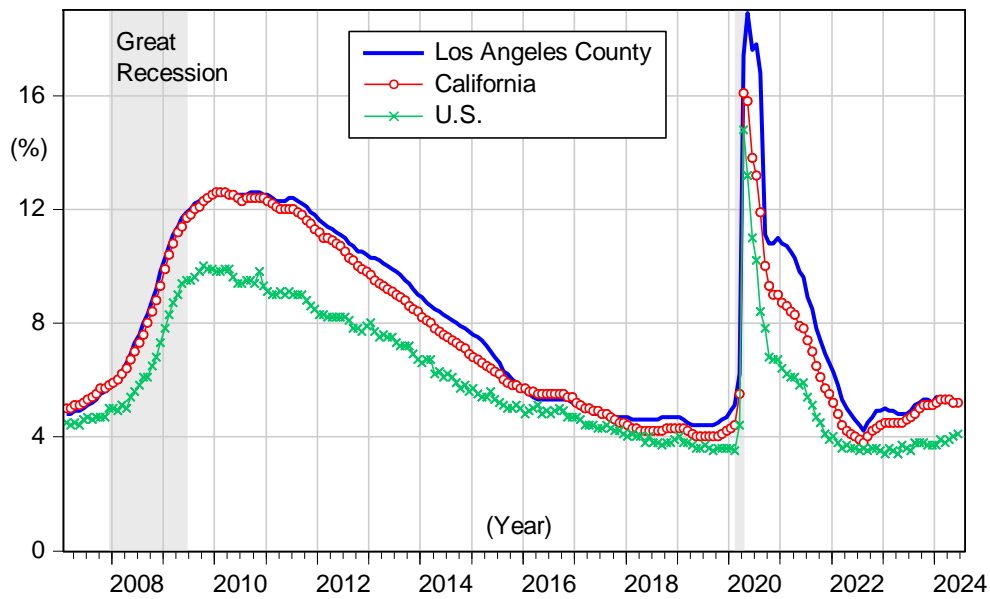
The Los Angeles Economy

L.A.'s unemployment rate has been fluctuating around 5.2% over the past year, similar to California's 5.2%, higher than U.S.'s 4.1% (Figure 4). Figure 5 shows the percentage change of household survey employment since February 2020, which captures all employment and not just payroll jobs. Employment in L.A. experienced a lackluster performance over the past two years (-4.8% compared to the pre-pandemic peak) compared to California (-2.1%) and the nation (+1.6%). The labor force in L.A. (Figure 6) has been stagnant over the past two years and is at lower levels than before the pandemic (similar to the level in 2016).

To see how sector job shares changed during the pandemic in the U.S. and L.A., consider Figure 8, which presents the U.S.'s sector job share in June 2019 (blue circle) and June 2024 (blue bar) against L.A.'s for May (orange circle and yellow bar respectively). L.A.'s health care and social

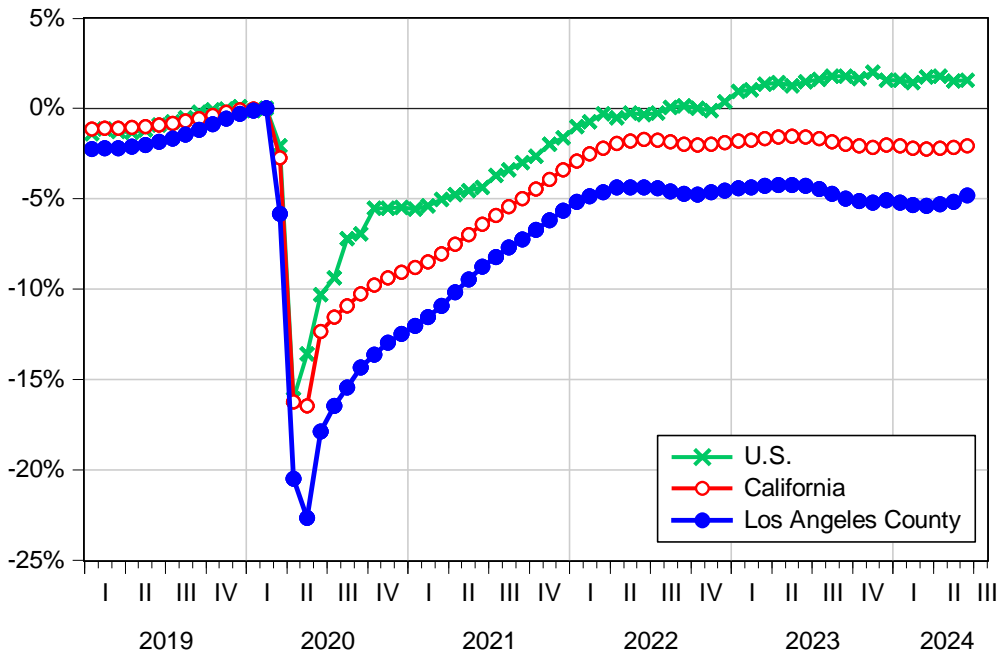
services sector is the largest sector and has a much bigger share now than in 2019. L.A.’s leisure and hospitality sector has remained the similar share to the pre-pandemic level. L.A.’s education sector increased its share. The professional and management sector, a high-paying sector, had a slightly increased share but it is a smaller increase compared to the nation’s. L.A.’s wholesale trade, financial activities, information, durable and nondurable manufacturing sectors have seen their shares decline.

Figure 4. Unemployment Rates in Los Angeles County, California, and the U.S.



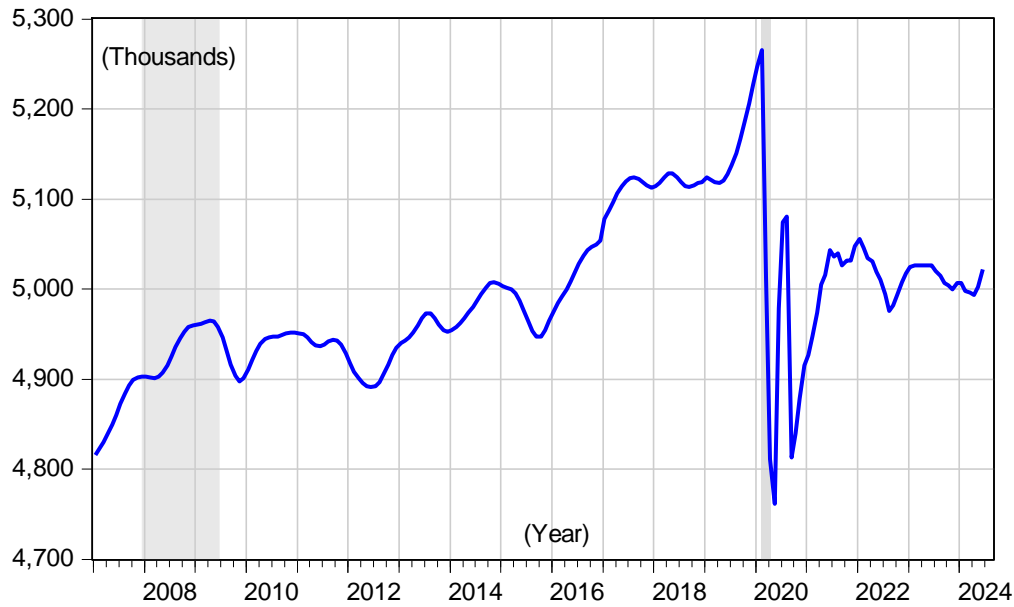
Sources: California Employment Development Department and Bureau of Labor Statistics

Figure 5. Household Survey Employment
(Percentage Change Since February 2020)



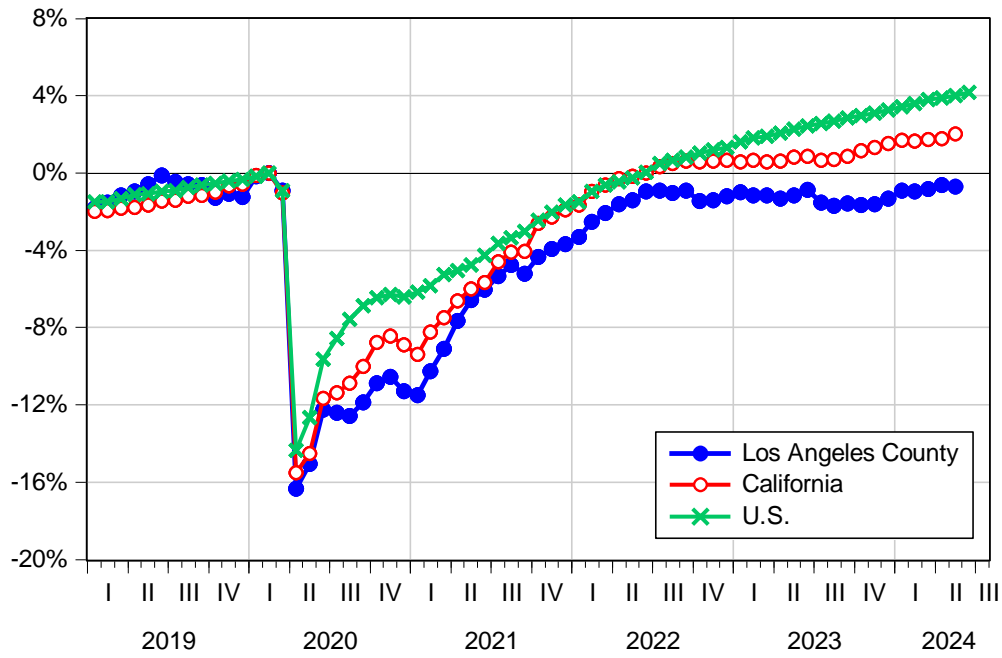
Sources: California Employment Development Department and Bureau of Labor Statistics

Figure 6. Labor Force in Los Angeles County



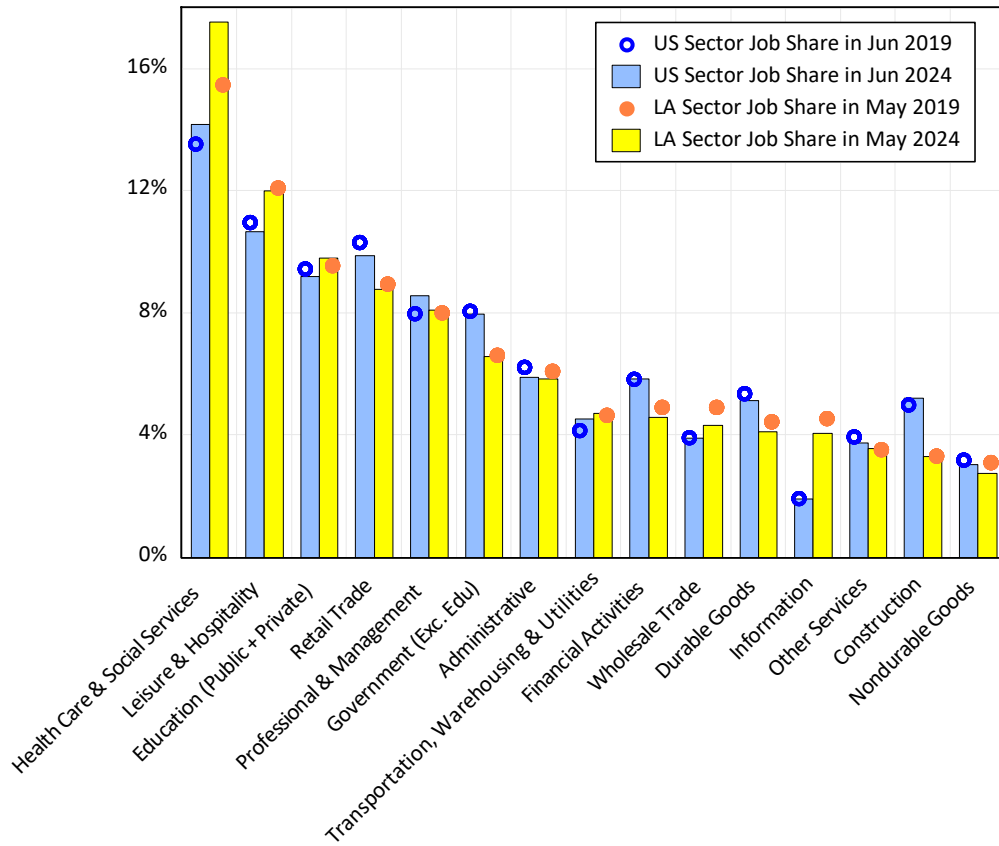
Source: California Employment Development Department

Figure 7. Nonfarm Payroll Jobs
(Percentage Change Since February 2020)



Sources: California Employment Development Department (EDD) and Bureau of Labor Statistics

Figure 8. Sector Job Shares in the U.S. and L.A., June 2019 and June 2024



Sources: California Employment Development Department (EDD) and Bureau of Labor Statistics

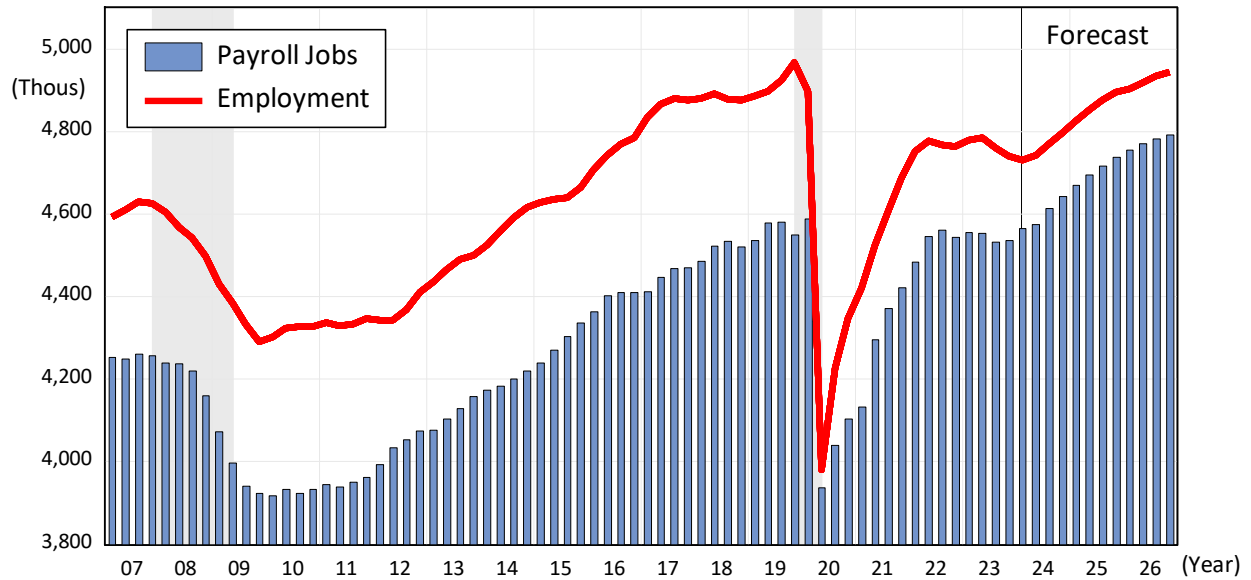
Short-term Forecast for Los Angeles County

While L.A. maintains a relatively low unemployment rate, its recovery in household employment, labor force, and payroll jobs is lower than the national average and pre-pandemic levels. We forecast a steady growth in employment and job numbers over the next two years (Figure 9).

We forecast the following for the Los Angeles County economy:

- **The unemployment rate** hovered at around 5% in 2022 and 2023 after the pandemic. It is forecast to be around 5.1% in 2025, and 5.4% in 2026. Prior to the pandemic (2019 Q4) it was 4.4%.
- **Nonfarm payroll jobs** increased only by 0.2% over the past year. It is estimated to increase by 1.2% in 2024, by 2.3% in 2025, and 1.5% in 2026, reaching 4.64 million by the end of 2024, 4.74 million by the end of 2025, and 4.8 million by the end of 2026. Prior to the pandemic (2019 Q4), nonfarm payroll employment in Los Angeles County was 4.55 million.
- **Total employment**, including the self-employment, is forecast to rise to 4.8 million by the end of 2024, to 4.9 million by the end of 2025, and to 4.94 million by the end of 2025. Prior to the pandemic (2019 Q4), total employment in Los Angeles County was 4.97 million.
- **Real personal income** increased by 0.1% in 2023, is forecast to increase by 1.3% in 2025, and 1.4% in 2026. With the Fed's aggressive tightening monetary policy, we forecast that high inflation will come down steadily. Our forecast of inflation is 3.5% in 2024, 2.7% in 2025, and 3.1% in 2026. Nominal personal income growth is forecast to be 3.6% in 2024, 4.1% in 2024, and 4.6% in 2026.
- **Nominal taxable sales** declined by 3% in 2023. It is forecast to increase by 0.3% in 2024, by 6% in 2025, and by 5.4% in 2026. Nominal taxable sales are forecast to reach \$216 billion by the end of 2024, \$224 billion by the end of 2025, and \$236 billion by the end of 2026.

Figure 9. History and Forecast of Los Angeles County Employment



Sources: California Employment Development Department and UCLA Anderson Forecast

Long-term Forecast for Los Angeles County

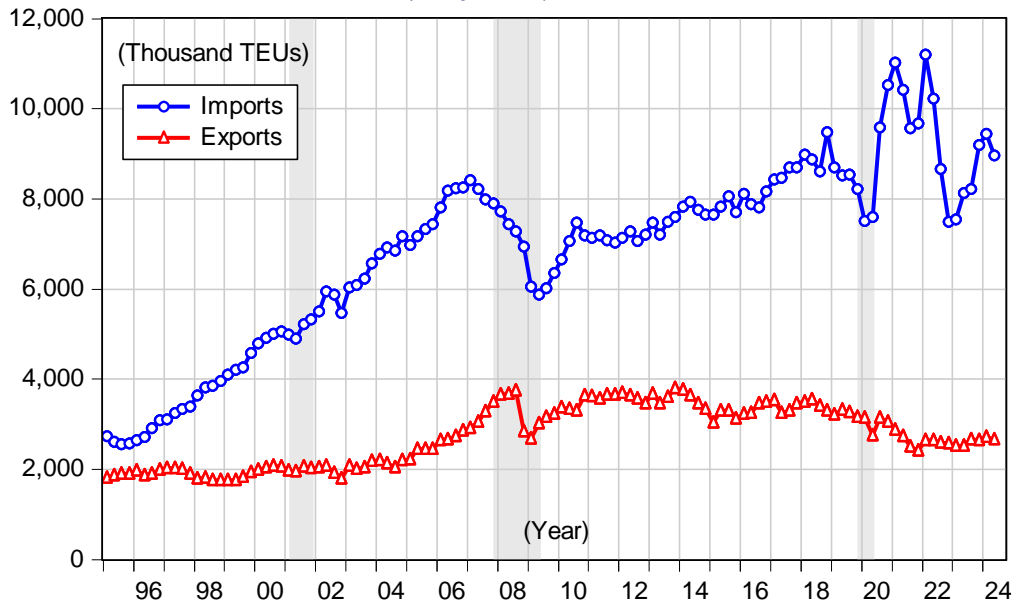
Due to rising costs of living and declining fertility rates, we have lowered our long-term forecast for L.A. County's population growth rate from 0.3% to 0.2% for the 2030s and 2040s. This adjusted rate still surpasses recent estimates and forecasts for the L.A. population from the U.S. Census and California Department of Finance. We anticipate higher economic growth leading up to 2028, spurred by construction and preparations for the 2028 Olympics in L.A. Over the long term, we expect job growth to stabilize at an annual rate of 0.5%. Similarly, nominal taxable sales growth is projected to stabilize at 2.6% annually, while nominal personal income is expected to average 3.7% growth per year. Real personal income growth is forecast to settle at a 1.5% annual rate. In summary, our forecast for the long-term L.A. County economy points to steady, albeit slow, economic growth.

Appendix A: Los Angeles Airport and Seaport Activity

Los Angeles’ seaports have seen inbound cargo volumes return to pre-pandemic peak levels following an exceptional surge in 2021 and 2022. Figure A1 illustrates that the annualized, seasonally adjusted import volume through the Los Angeles and Long Beach seaports has reached its pre-pandemic peak, last recorded in late 2018. Figure A2 shows that Mexico has surpassed China since February 2023 as the largest source country for U.S. imports, with a value of \$44 billion in May 2024 compared to China’s \$35 billion. It is noteworthy that China (red line) had been the dominant import source since 2008, but recent import levels from China have fallen back to those observed in 2011, ranking it behind Mexico and Canada.

Figure A3 displays air cargo traffic through Los Angeles International Airport (LAX), encompassing both domestic and international shipments. The volume of high-value and time-sensitive airborne freight arriving at LAX has resumed its long-term upward trend. Figure A4 charts both domestic and international passenger traffic at LAX, including arrivals and departures. Air passenger traffic at LAX has not recovered to its pre-pandemic peak due to a strong dollar, which increases the cost of visiting the U.S., and a significant decline in Chinese tourists. Although air traffic has not fully rebounded, Los Angeles’ leisure and hospitality employment has completely recovered.

Figure A1. Los Angeles Seaport Traffic, Ports of Los Angeles and Long Beach Combined (Thousand TEUs, Annualized, Seasonally Adjusted)



Sources: Ports of Los Angeles and Long Beach

Note: A “TEU” is a “twenty-foot equivalent,” a standard shipping container

Figure A2. U.S. Imports of Goods from Three Main Trading Partners

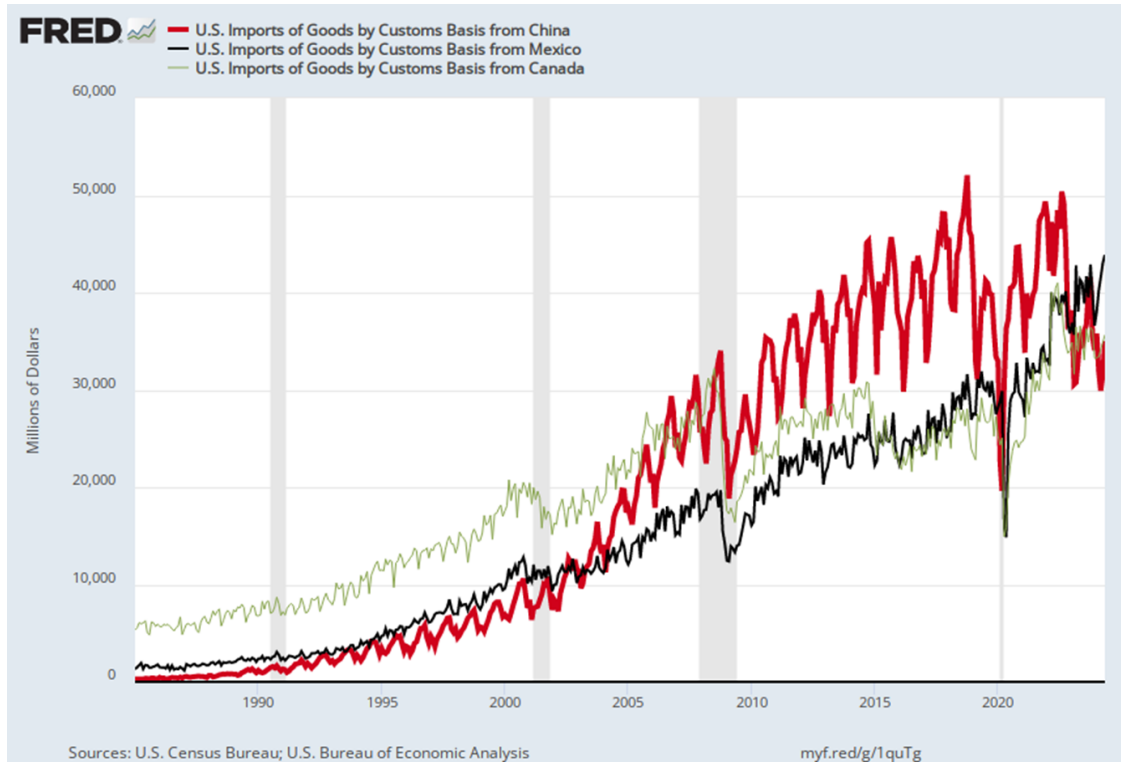
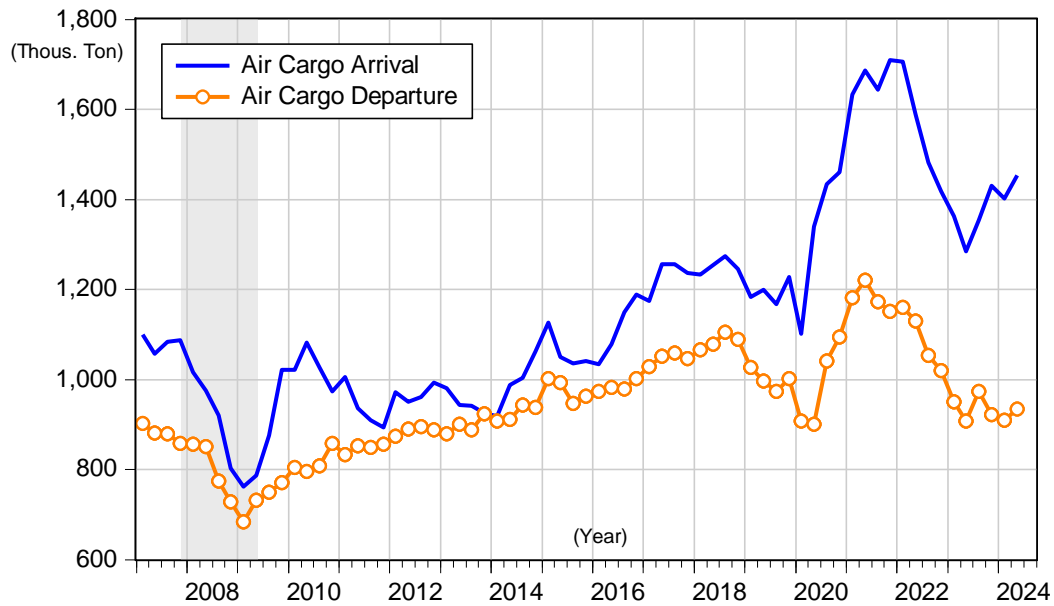
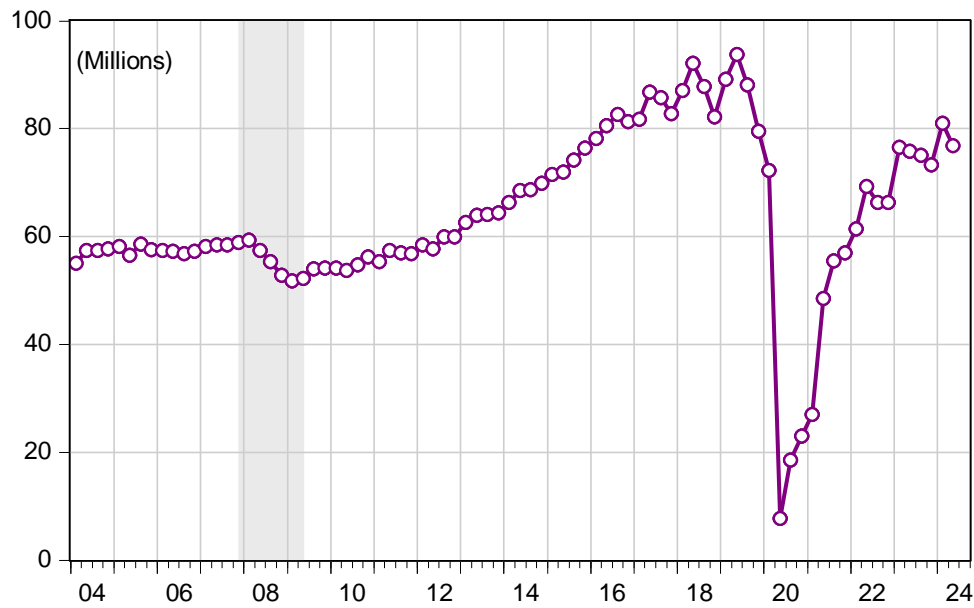


Figure A3. Los Angeles Airport (LAX) Air Cargo
(Thousand Tons, Annualized, Seasonally Adjusted)



Source: LA World Airports

Figure A4. Los Angeles Airport (LAX) Passenger Traffic
(Arrival and Departure Combined, Annualized, Seasonally Adjusted, Scheduled Carriers)



Source: LA World Airports

Appendix B: Los Angeles Construction and Housing Markets

Facing the challenges of high interest rates and mortgage rates, the housing markets have undergone adjustments in prices and sales since 2022. Unlike the downturn observed between 2007 and 2010, the current adjustments in housing market prices are distinct, primarily because there has not been an oversupply in the housing sector over the past decade. Figure B1 displays the home price indices for Los Angeles, San Francisco, and a 20-city average. Both L.A. and the overall U.S. housing prices have recovered and surpassed their peak levels in 2022. Figure B2 presents the number of residential building permits issued in L.A. County, highlighting a continued increase in single-unit construction projects, contrasting with a decline in multi-unit developments. Overall, L.A. residential construction remains resilient, actively making up its long-term underinvestment.

While new construction continues in L.A., existing home sales have significantly declined over the past two years due to high interest rates (Figure B3). Homeowners are reluctant to sell because they benefit from the lower 30-year fixed mortgage rates secured when purchasing homes in the past two decades. Selling now to upgrade would mean committing to much higher mortgage rates. Figure B4 shows how high interest rates have adversely affected the values of commercial real estate sectors, particularly the multifamily and office sectors, both of which have experienced a decline in values similar in scale to 2008.

Figure B1. Case-Shiller Home Prices for 20-City Average, Los Angeles, and San Francisco

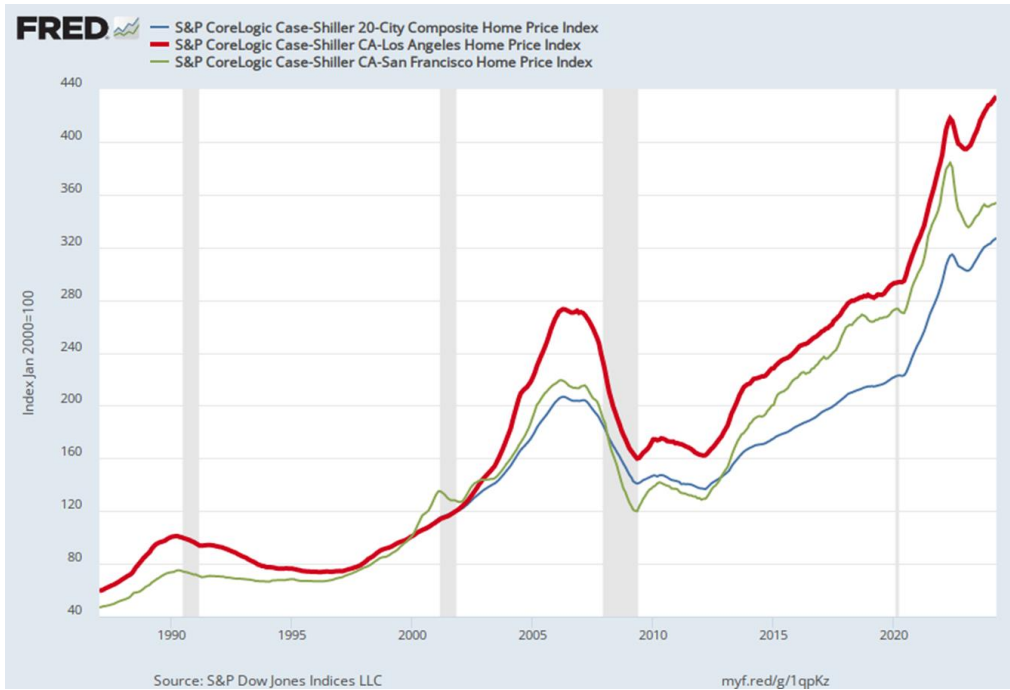


Figure B2. Los Angeles County New Residential Building Permits (Monthly, 12-Month Moving Average)

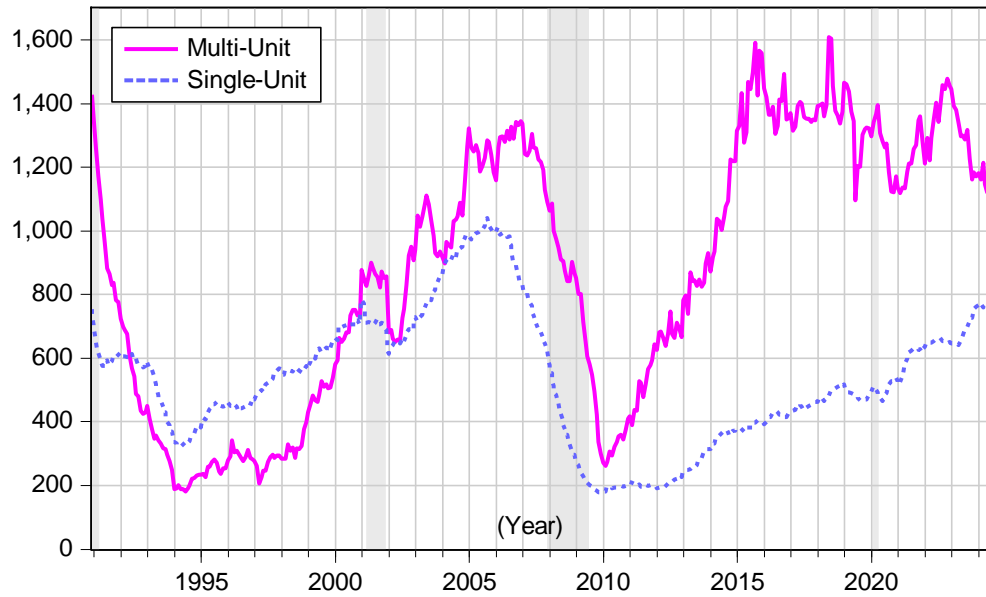
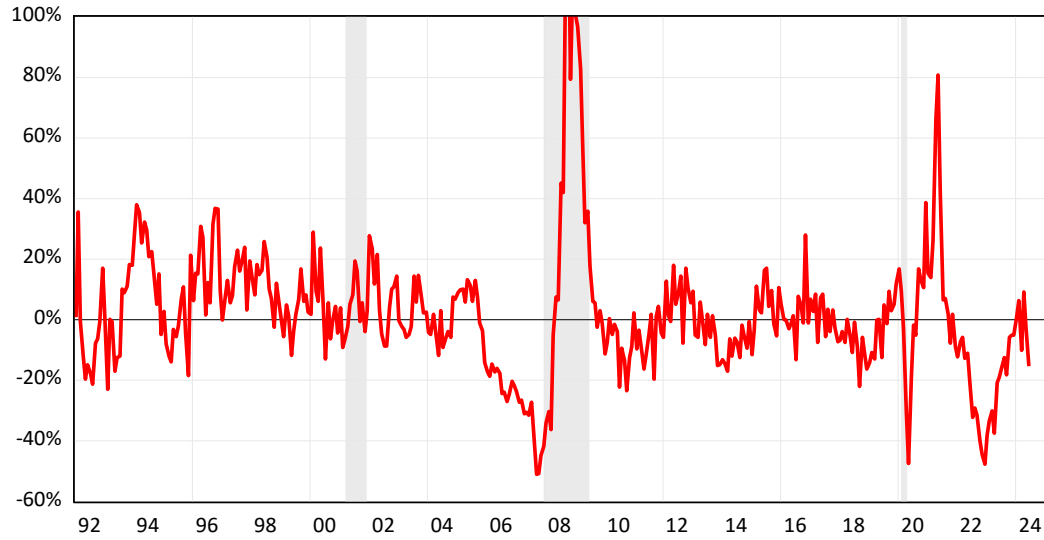
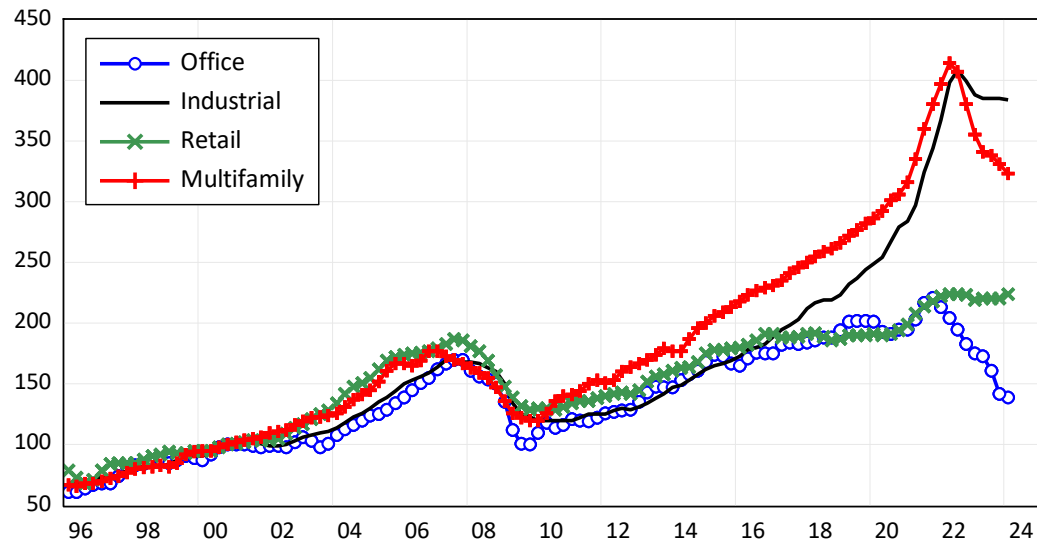


Figure B3. Year-over-year Change of Existing Home Sales in Los Angeles County



Source: California Association of Realtors

Figure B4. CoStar U.S. Commercial Repeat Sale Index, Value Weighted



Source: CoStarGroup

Appendix C: In-Depth Employment and Gig Economy Analysis

Figure C1 illustrates U.S. household employment (blue line; based on the person from the Current Population Survey) alongside payroll jobs (red line; based on payroll position from the Current Employment Survey). Traditionally, these two series have moved in tandem. However, the gap between these two employment statistics has been narrowing in recent years. Figure C2 displays the ratio of this difference over payroll jobs, which has reached its lowest level to date. Notably, in the past year, while household employment has stalled, payroll jobs have continued to rise. A potential explanation is that more people are holding multiple jobs, thus increasing the number of payroll positions while household employment remains unchanged. This trend might be exacerbated by the growing prevalence of remote work.

Figure C3 presents the employment-to-population ratio (left axis) and the unemployment rate (right axis). Over the past year, the employment-to-population ratio has fluctuated around 60%, lower than in 2019 and significantly lower than the levels from 1995 to 2008. In summary, the U.S. labor market is facing challenges amid globalization and the advent of new technologies such as AI, which are partially displacing American workers.

Figure C1. Household-Survey Employment and Payroll Jobs in the U.S.

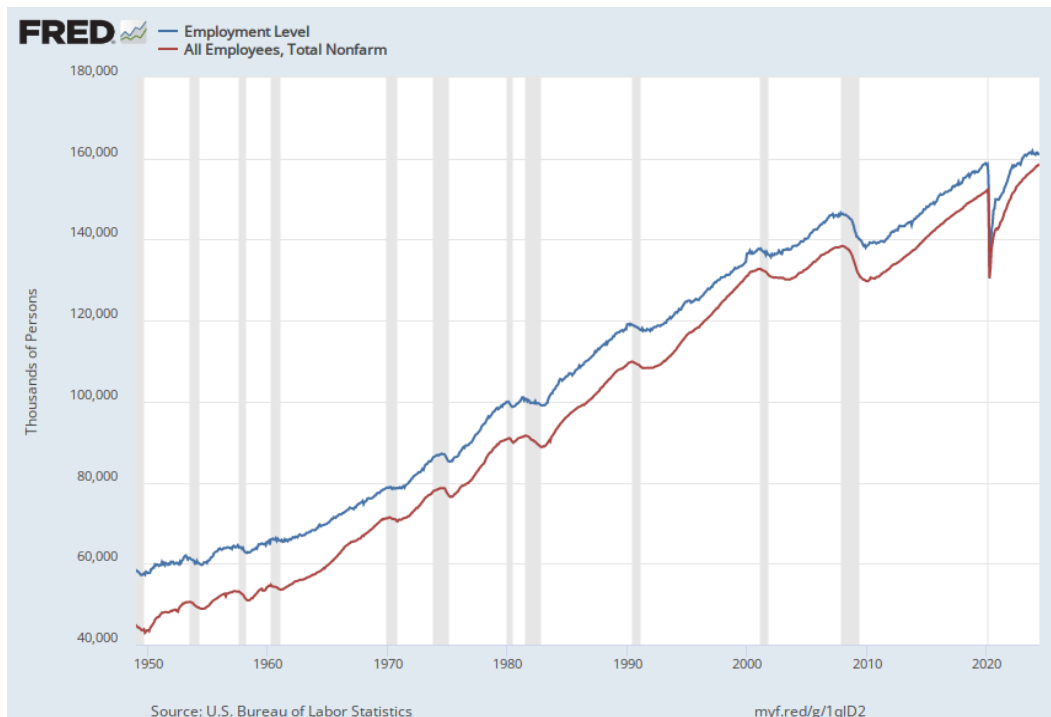


Figure C2. The Ratio of the Difference between Household-Survey Employment and Payroll Jobs Over Payroll Jobs in the U.S.

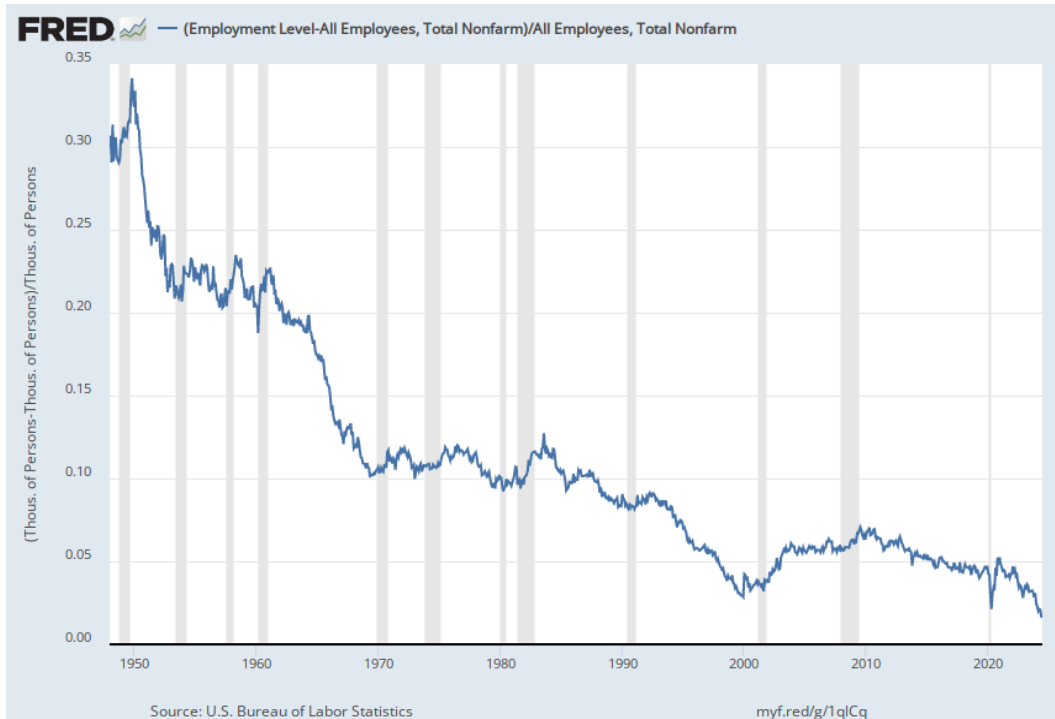
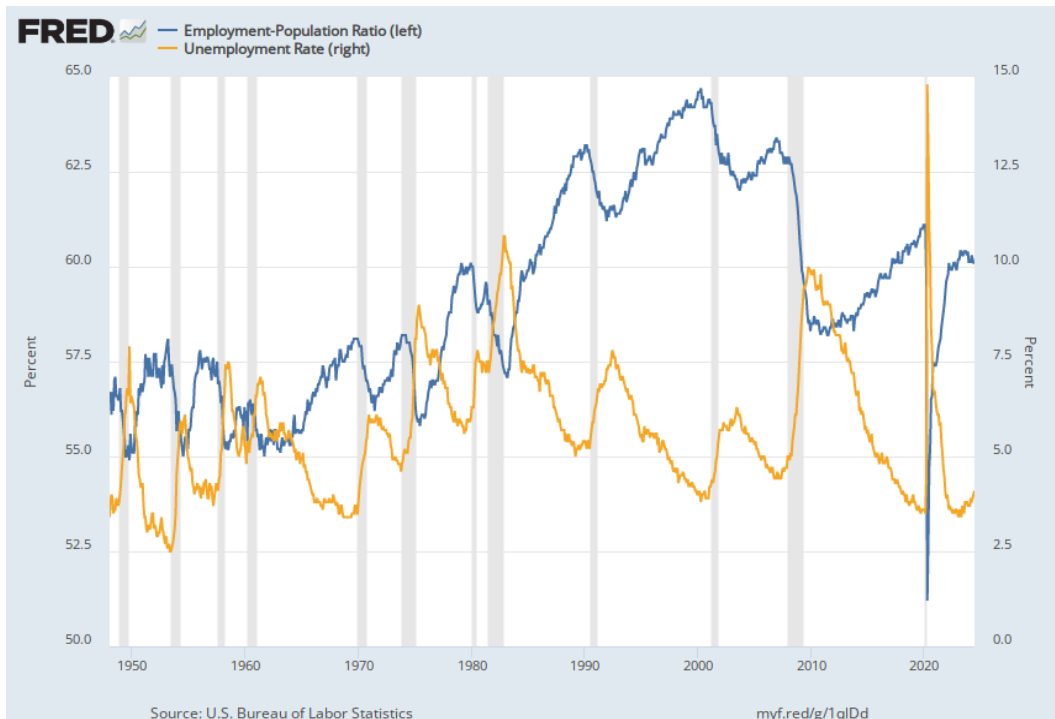


Figure C3. Employment to Population Ratio and Unemployment Rate in the U.S.



As shown in Figure C1, there were 161 million employed individuals in the U.S. in June. As detailed in Figure C4, of these, 134 million work full-time, while 27 million work part-time. The majority of part-time workers are so for non-economic reasons. The age breakdown of part-time workers is as follows: 16-19 years (4.5 million), 20 to 24 years (4 million), 25 to 54 years (11.2 million), and 55 years and over (7.8 million). The gender distribution among part-time workers includes 10 million men and 17 million women. Figure C5 illustrates that the ratio of part-time to full-time employment (21% in June 2024) has reversed the downward trend seen since 2010 (25%) and has been rising over the past year.

Figure C4. Full-Time and Part-Time Employment in the U.S.

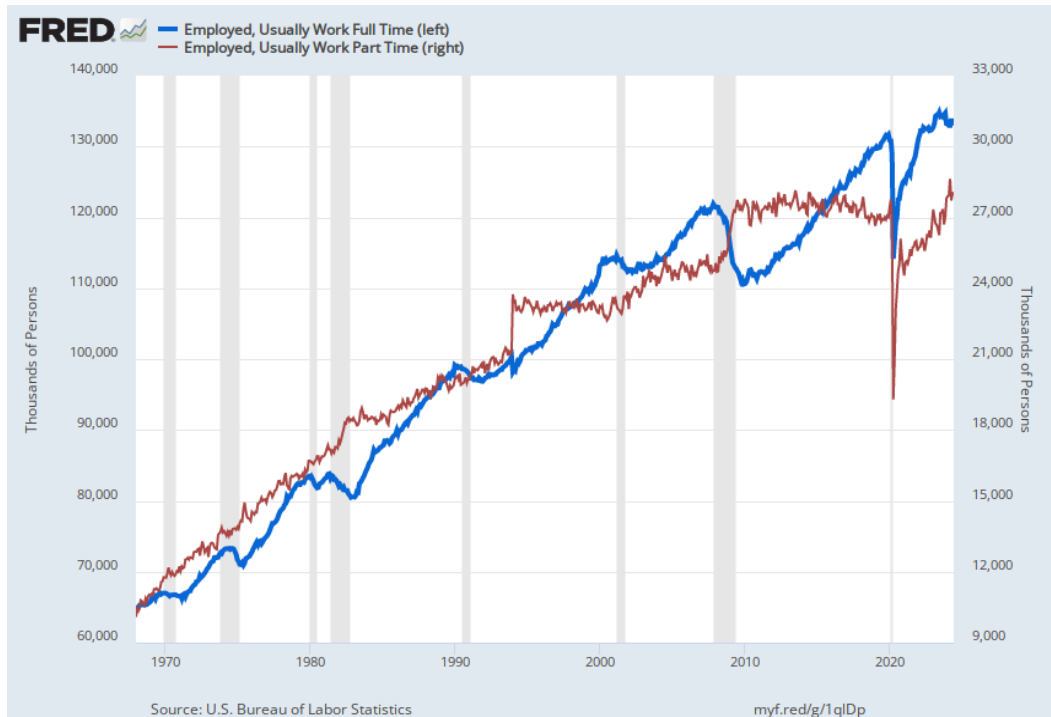
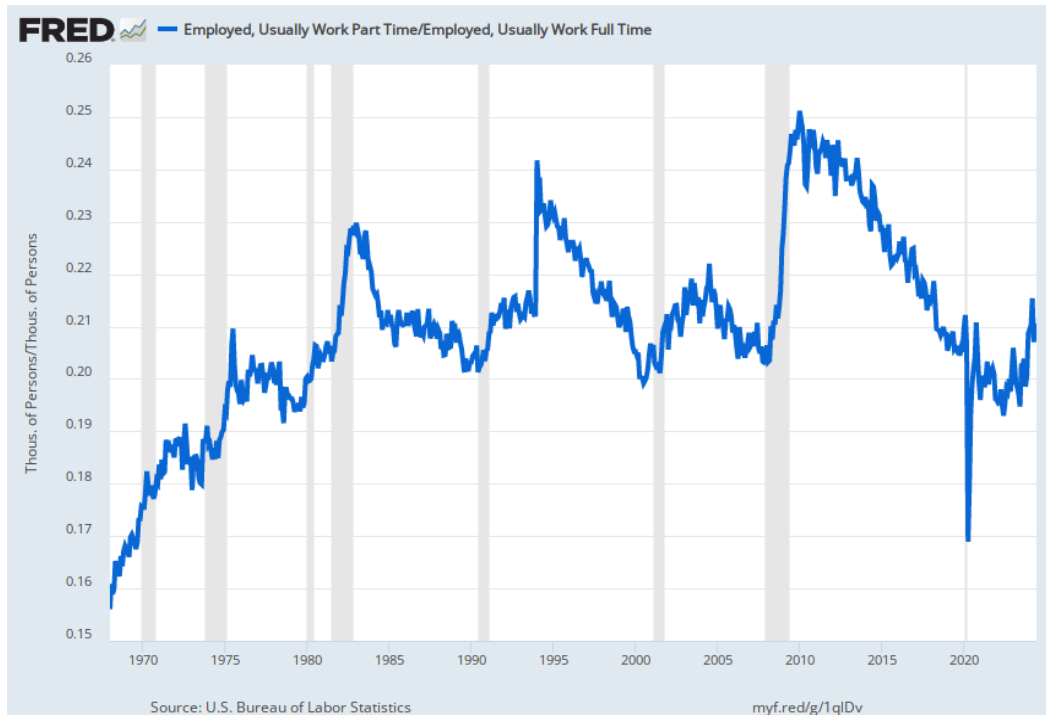


Figure C5. The Ratio of Part-Time to Full-Time Employment in the U.S.



To understand the gig economy in the U.S. and particularly in Los Angeles, we can examine the non-employer statistics from the U.S. Census, which provide annual data up to 2021. In 2021, there were 28.5 million non-employer establishments, which could be interpreted as representing 28.5 million gig workers. This accounts for about 18.7% of total employment in the U.S. that year, an increase from 27 million (17.2%) in 2019. Notably, in Figure C4, part-time employment is about 25 million in 2021, which is slightly lower than the 28.5 million gig workers, suggesting that some gig workers are working full-time.

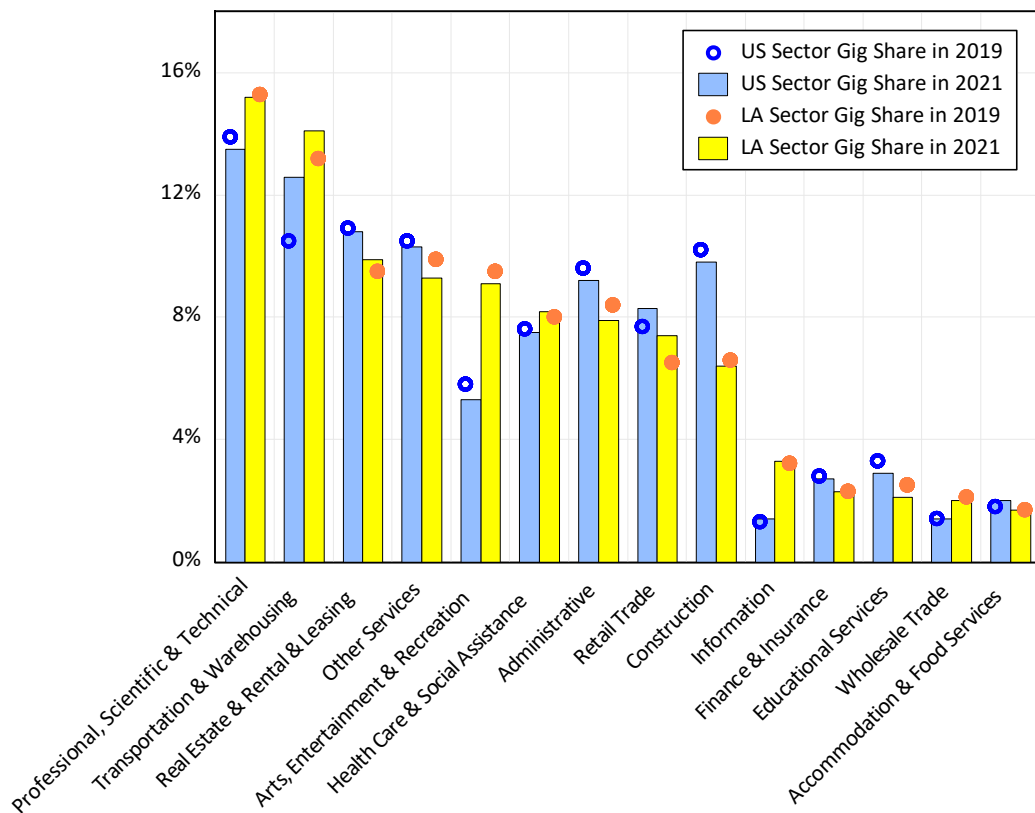
In L.A. County, there were 1.1 million gig workers in 2021, constituting about 24% of L.A.'s employment. This is a higher share compared to the national average. Although the total number of gig workers declined from 1.1 million in 2019, the proportion of gig workers to total employment in L.A. increased from 22.6% in 2019 to 24% in 2021. Figure C6 highlights the job shares in various gig sectors in the U.S. and L.A. for 2019 and 2021. L.A. has a larger proportion of gig workers in professional, scientific, and technical sectors (such as professional consultants), transportation and warehousing (including ride-sharing and truck drivers), arts, entertainment, and recreation (including performers and independent artists), and the information sector.

Conversely, L.A. has a smaller proportion in the construction sector (e.g., independent contractors and plumbers). From 2019 to 2021, three sectors in L.A. saw increases in their share

of gig workers: transportation and warehousing, real estate, and retail trade (mostly driven by e-commerce).

On average, the annual revenue of a gig worker in L.A. County was \$61,000 in 2021, up from \$56,600 in 2019. The real estate sector boasted the highest annual revenue at \$158,000 in 2021, largely due to independent landlords. The wholesale trade sector averaged \$124,000 in revenue, while the finance and insurance sector averaged \$104,000. Gig workers in other sectors earned less, with revenues ranging from \$21,000 to \$58,000 in 2021, which could partly be contributed by working part-time as discussed in Figures C3 to C5.

Figure C6. Gig Sector Job Shares in the U.S. and L.A., 2019 and 2021



Source: Census Nonemployer Statistics

**Summary of the UCLA
Anderson Forecast for Los
Angeles County by Quarter**

	2024Q1	2024Q2	2024Q3	2024Q4	2025Q1	2025Q2	2025Q3	2025Q4	2026Q1	2026Q2	2026Q3	2026Q4
Personal Income and Taxable Sales												
Personal Income (Billion \$)	762.2	768.0	775.8	783.7	791.8	800.0	807.9	816.0	827.1	836.0	844.9	853.8
(%Change)	3.2	3.1	4.1	4.1	4.2	4.2	4.1	4.0	5.5	4.4	4.3	4.3
Real Personal Income (Billion 2017\$)	593.0	593.3	595.1	596.9	599.3	601.3	603.4	605.5	607.6	609.7	611.9	614.1
(%Change)	-2.5	0.2	1.2	1.2	1.6	1.4	1.4	1.4	1.4	1.4	1.4	1.4
Taxable Sales (Billion \$)	205.2	202.9	210.2	216.2	217.6	220.5	222.6	224.3	230.4	232.4	234.2	235.9
(%Change)	0.4	-4.4	15.3	11.8	2.7	5.4	3.9	3.0	11.5	3.4	3.2	2.8
Real Taxable Sales (Billion 2017\$)	159.6	156.7	161.3	164.6	164.7	165.8	166.3	166.4	169.3	169.5	169.6	169.6
(%Change)	-5.1	-7.1	12.0	8.7	0.1	2.6	1.2	0.4	7.1	0.5	0.3	0.0
Price Inflation												
Consumer Prices (%Change)	5.8	2.9	2.9	2.8	2.6	2.8	2.6	2.6	4.1	3.0	2.9	2.8
Employment and Labor Force (Household Survey, %Change)												
Employment	-0.7	0.9	2.3	2.3	2.5	2.3	2.0	1.6	0.6	1.3	1.2	0.8
Labor Force	-0.3	0.5	3.5	1.5	1.9	1.8	1.7	1.3	2.8	1.6	1.5	1.4
Unemployment Rate (%)	5.4	5.3	5.5	5.4	5.2	5.1	5.0	5.0	5.5	5.6	5.6	5.8
Nonfarm Employment (Payroll Survey, %Change)												
Total Nonfarm	2.6	0.9	3.5	2.6	2.3	2.2	1.9	1.8	1.5	1.3	0.9	0.8
Natural Resources & Min.	-3.1	14.2	1.0	2.2	3.3	4.6	5.8	7.5	8.9	10.0	10.7	11.2
Construction	-4.1	-1.2	3.1	3.0	2.9	2.6	2.1	1.6	1.3	1.0	1.1	1.0
Manufacturing	-1.1	-1.5	1.0	1.0	1.0	1.0	1.0	0.9	0.8	0.7	0.6	0.5
Nondurable Goods	-1.8	0.1	0.2	0.1	-0.0	-0.2	-0.5	-0.7	-1.0	-1.2	-1.4	-1.5
Durable Goods	-0.7	-2.7	1.5	1.6	1.7	1.8	1.9	1.9	2.0	1.9	1.9	1.9
Tran., Warehousing & Utility	0.3	-0.0	5.2	4.6	4.3	3.8	3.6	3.2	3.1	2.9	2.9	2.9
Trade	0.9	1.4	2.2	3.9	2.1	3.7	2.3	3.2	2.2	2.8	1.9	2.1
Information	3.3	18.8	15.5	11.6	8.6	6.4	4.7	3.3	2.3	1.6	1.1	0.8
Financial Activities	3.0	-0.0	3.3	3.0	2.7	2.4	2.1	1.9	1.7	1.5	1.3	1.2
Professional & Bus. Servs.	2.4	-2.7	7.1	5.8	5.0	4.4	3.9	3.5	3.1	2.9	2.7	2.5
Educational & Health Servs.	6.2	2.8	-8.0	-3.1	-1.1	0.3	0.7	0.8	0.7	0.4	0.2	0.1
Leisure & Hospitality	7.8	1.6	16.1	5.4	3.9	0.9	1.7	1.3	0.9	0.1	-0.6	-1.0
Other Services	5.1	2.4	10.1	2.8	0.0	0.0	-0.3	-0.4	-1.0	-1.6	-2.6	-3.1
Federal Government	7.3	-0.5	-10.1	-6.3	-4.2	-2.7	-1.9	-1.3	-1.2	-1.1	-1.0	-0.8
State and Local Government	3.3	1.9	2.4	2.2	1.8	1.6	1.3	1.1	0.9	0.8	0.6	0.3
Nonfarm Employment (Payroll Survey, Thousand)												
Total Nonfarm	4564.6	4574.9	4614.0	4643.8	4669.8	4694.8	4717.3	4738.9	4756.5	4771.5	4782.4	4791.6
Natural Resources & Min.	1.6	1.6	1.7	1.7	1.7	1.7	1.7	1.7	1.8	1.8	1.9	1.9
Construction	150.4	150.0	151.1	152.3	153.3	154.3	155.1	155.7	156.2	156.6	157.0	157.4
Manufacturing	316.7	315.4	316.2	317.0	317.8	318.6	319.4	320.1	320.7	321.3	321.8	322.2
Nondurable Goods	126.3	126.4	126.4	126.5	126.5	126.4	126.2	126.0	125.7	125.3	124.9	124.4
Durable Goods	190.3	189.1	189.8	190.5	191.3	192.2	193.1	194.1	195.0	195.9	196.9	197.8
Tran., Warehousing & Utility	220.1	220.1	222.9	225.4	227.8	229.9	232.0	233.8	235.6	237.3	239.0	240.7
Trade	604.9	607.1	610.4	616.3	619.4	625.1	628.7	633.7	637.1	641.6	644.6	647.9
Information	178.2	186.1	192.9	198.3	202.4	205.5	207.9	209.6	210.8	211.6	212.1	212.6
Financial Activities	210.4	210.4	212.1	213.7	215.2	216.4	217.6	218.6	219.5	220.3	221.0	221.7
Professional & Bus. Servs.	644.2	639.8	650.8	660.0	668.2	675.3	681.8	687.6	692.9	697.8	702.4	706.8
Educational & Health Servs.	943.3	949.9	930.3	922.9	920.3	920.9	922.6	924.4	926.0	926.8	927.3	927.6
Leisure & Hospitality	543.5	545.7	566.5	573.9	579.4	580.7	583.1	585.0	586.3	586.5	585.7	584.2
Other Services	160.4	161.3	165.3	166.4	166.4	166.4	166.3	166.1	165.7	165.0	164.0	162.7
Federal Government	48.9	48.8	47.6	46.8	46.3	46.0	45.8	45.6	45.5	45.4	45.2	45.1
State and Local Government	540.5	543.0	546.3	549.2	551.6	553.8	555.5	557.1	558.4	559.5	560.3	560.8
Construction Activity, Registered Autos and Population												
Residential Building Permits (Thous. Units)	21.1	18.7	18.9	19.3	19.7	20.0	20.5	21.1	21.6	22.2	22.6	23.0
Nonresidential Construction Real (Mil. 2017\$)	976.3	981.2	1125.8	1253.1	1372.9	1471.2	1551.8	1616.1	1675.9	1734.8	1784.2	1816.7
Nominal (Mil. \$)	1348.0	1363.8	1575.6	1765.5	1947.6	2101.0	2230.9	2338.8	2441.4	2543.8	2633.5	2699.0
Registered Autos (Thous.)	6285.2	6286.8	6287.6	6288.5	6290.2	6292.6	6295.4	6298.3	6301.2	6304.1	6306.9	6309.7
Net Immigration (Thous.)	-16.8	-11.3	-6.9	-3.7	-3.9	-2.1	-0.5	0.9	1.6	2.7	3.6	4.4
Population (Thous.)	9831.1	9833.9	9837.1	9840.6	9844.9	9848.9	9853.0	9857.4	9862.0	9866.6	9871.2	9875.8
(%Change)	0.2	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2

**Summary of the UCLA
Anderson Forecast for Los
Angeles County by Calendar
Year**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Personal Income and Taxable Sales										
Personal Income (Billion \$)	720.0	720.7	746.9	772.4	803.9	840.5	879.6	930.5	963.8	998.9
(%Change)	6.9	0.1	3.6	3.4	4.1	4.5	4.7	5.8	3.6	3.6
Real Personal Income (Billion 2017\$)	637.9	594.2	595.0	594.6	602.4	610.8	620.6	636.3	642.8	652.5
(%Change)	3.0	-6.8	0.1	-0.1	1.3	1.4	1.6	2.5	1.0	1.5
Taxable Sales (Billion \$)	192.2	213.9	207.9	208.6	221.3	233.2	242.9	262.3	261.9	268.8
(%Change)	21.8	11.3	-2.8	0.3	6.1	5.4	4.2	8.0	-0.1	2.6
Real Taxable Sales (Billion 2017\$)	170.1	176.4	165.7	160.6	165.8	169.5	171.4	179.3	174.7	175.6
(%Change)	17.3	3.7	-6.1	-3.1	3.2	2.3	1.1	4.6	-2.6	0.5
Price Inflation										
Consumer Prices (%Change)	3.8	7.4	3.5	3.5	2.7	3.1	3.0	3.2	2.5	2.1
Employment and Labor Force (Household Survey, %Change)										
Employment	4.6	4.5	0.0	-0.1	2.2	1.3	5.3	1.7	0.6	-1.7
Labor Force	0.7	0.1	0.1	0.3	1.9	1.8	4.6	2.3	1.1	-1.9
Unemployment Rate (%)	9.0	5.0	5.0	5.4	5.1	5.6	5.0	5.5	6.0	5.9
Nonfarm Employment (Payroll Survey, %Change)										
Total Nonfarm	3.3	5.3	0.2	1.2	2.3	1.5	4.3	1.4	0.7	-1.7
Natural Resources & Min.	-6.7	3.6	-1.5	-1.3	4.3	8.6	45.6	23.1	17.5	0.0
Construction	1.7	1.5	-0.2	-0.1	2.4	1.4	5.6	-0.0	0.6	-7.4
Manufacturing	-0.7	2.7	-0.8	-0.9	0.8	0.8	4.6	4.7	5.2	2.6
Nondurable Goods	1.6	4.0	-3.0	-1.4	-0.1	-0.9	-2.0	0.7	1.8	5.3
Durable Goods	-2.2	1.9	0.8	-0.6	1.5	1.9	8.8	6.9	7.1	1.3
Tran., Warehousing & Utility	3.5	3.9	-2.2	1.5	3.9	3.1	2.3	0.7	-0.3	0.5
Trade	3.9	2.0	-0.5	0.3	2.8	2.6	1.5	6.5	-5.1	0.1
Information	9.6	12.5	-17.9	-2.1	9.2	2.6	17.7	-26.7	18.3	0.4
Financial Activities	-0.0	1.2	-2.2	0.3	2.5	1.7	2.7	1.1	0.8	-1.5
Professional & Bus. Servs.	4.9	5.7	-2.2	-0.6	4.5	3.2	3.8	1.2	0.8	-2.5
Educational & Health Servs.	2.8	3.2	5.0	2.4	-1.6	0.5	7.1	3.3	-1.9	-3.8
Leisure & Hospitality	10.0	18.2	4.3	4.4	4.4	0.6	4.7	5.2	4.6	-2.7
Other Services	5.3	12.8	3.1	3.6	1.8	-1.2	0.8	1.5	1.5	-1.6
Federal Government	-4.9	-1.1	1.5	0.3	-4.4	-1.3	0.8	1.1	1.3	0.0
State and Local Government	-1.4	2.0	2.2	1.9	1.8	0.9	0.3	-0.2	-0.4	-0.9
Nonfarm Employment (Payroll Survey, Thousand)										
Total Nonfarm	4305.0	4533.7	4544.1	4599.3	4705.2	4775.5	4981.4	5052.7	5089.6	5003.4
Natural Resources & Min.	1.6	1.7	1.7	1.6	1.7	1.9	2.7	3.3	3.9	3.9
Construction	149.0	151.3	151.0	151.0	154.6	156.8	165.6	165.6	166.6	154.3
Manufacturing	313.1	321.7	319.2	316.3	319.0	321.5	336.2	351.9	370.2	379.9
Nondurable Goods	127.1	132.2	128.2	126.4	126.3	125.1	122.6	123.4	125.6	132.2
Durable Goods	186.0	189.5	191.0	189.9	192.7	196.4	213.6	228.5	244.6	247.7
Tran., Warehousing & Utility	215.2	223.6	218.8	222.1	230.9	238.1	243.5	245.1	244.4	245.5
Trade	598.8	611.1	607.8	609.6	626.7	642.8	652.4	694.8	659.6	660.4
Information	208.9	235.0	193.0	188.9	206.3	211.8	249.3	182.8	216.4	217.2
Financial Activities	213.1	215.7	211.0	211.7	217.0	220.6	226.6	229.1	231.0	227.4
Professional & Bus. Servs.	630.8	667.0	652.6	648.7	678.2	700.0	726.2	734.8	740.9	722.0
Educational & Health Servs.	844.4	871.1	914.5	936.6	922.1	926.9	992.9	1025.8	1006.6	968.5
Leisure & Hospitality	433.4	512.2	534.0	557.4	582.0	585.7	613.3	645.0	674.9	656.8
Other Services	135.6	152.9	157.7	163.3	166.3	164.3	165.7	168.3	170.7	168.0
Federal Government	47.7	47.1	47.9	48.0	45.9	45.3	45.7	46.2	46.8	46.8
State and Local Government	512.6	522.8	534.4	544.7	554.5	559.7	561.3	560.1	557.6	552.7
Construction Activity, Registered Autos and Population										
Residential Building Permits (Thous. Units)	22.8	25.3	23.1	19.5	20.3	22.4	24.2	22.6	20.7	20.6
Nonresidential Construction Real (Mil. 2017\$)	1175.7	946.3	1068.1	1084.1	1503.0	1752.9	1833.3	1972.9	1996.0	2150.6
Nominal (Mil. \$)	1508.6	1248.4	1449.0	1513.2	2154.6	2579.4	2769.2	3057.6	3174.0	3509.5
Registered Autos (Thous.)	6368.9	6333.6	6278.1	6287.0	6294.1	6305.5	6317.2	6329.1	6341.4	6354.3
Net Immigration (Thous.)	-111.4	-89.2	-36.3	-9.7	-1.4	3.1	6.0	7.5	9.6	10.1
Population (Thous.)	9908.8	9840.9	9825.7	9835.7	9851.1	9868.9	9887.7	9906.1	9926.1	9946.1
(%Change)	-1.1	-0.7	-0.2	0.1	0.2	0.2	0.2	0.2	0.2	0.2

**Summary of the UCLA
Anderson Forecast for Los
Angeles County by Calendar
Year**

	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Personal Income and Taxable Sales										
Personal Income										
(Billion \$)	1040.3	1074.3	1117.1	1161.1	1206.6	1253.5	1301.9	1351.9	1403.4	1456.5
(%Change)	4.1	3.3	4.0	3.9	3.9	3.9	3.9	3.8	3.8	3.8
Real Personal Income										
(Billion 2017\$)	662.3	672.3	682.4	692.7	703.2	713.8	724.5	735.5	746.6	757.8
(%Change)	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Taxable Sales										
(Billion \$)	276.1	280.1	287.5	296.0	302.6	310.6	316.3	325.9	330.7	340.2
(%Change)	2.7	1.4	2.7	2.9	2.2	2.6	1.8	3.0	1.5	2.9
Real Taxable Sales										
(Billion 2017\$)	175.8	175.3	175.7	176.6	176.4	176.8	176.0	177.3	175.9	177.0
(%Change)	0.1	-0.3	0.2	0.5	-0.1	0.3	-0.5	0.7	-0.8	0.6
Price Inflation										
Consumer Prices (%Change)	2.6	1.7	2.4	2.4	2.4	2.3	2.3	2.3	2.3	2.2
Employment and Labor Force (Household Survey, %Change)										
Employment	0.6	0.6	0.6	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Labor Force	0.5	0.3	1.0	0.3	-0.2	0.8	0.8	0.8	0.8	0.8
Unemployment Rate (%)	5.7	5.4	5.8	5.5	4.8	5.1	5.4	5.7	5.9	6.2
Nonfarm Employment (Payroll Survey, %Change)										
Total Nonfarm	0.7	0.7	0.6	0.6	0.6	0.6	0.5	0.5	0.5	0.5
Natural Resources & Min.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Construction	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Manufacturing	0.8	0.8	0.5	0.4	0.4	0.4	0.2	0.1	0.1	0.1
Nondurable Goods	0.0	0.0	-0.4	-0.7	-0.7	-0.7	-0.7	-0.7	-0.7	-0.7
Durable Goods	1.3	1.3	1.0	0.9	0.9	0.9	0.6	0.4	0.4	0.4
Tran., Warehousing & Utility.	0.5	0.5	0.5	0.4	0.4	0.3	0.3	0.3	0.3	0.3
Trade	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Information	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.3	0.3
Financial Activities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Professional & Bus. Servs.	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.3	0.3
Educational & Health Servs.	1.2	1.2	1.1	1.1	1.1	1.0	1.0	1.0	0.9	0.9
Leisure & Hospitality	2.1	1.9	1.8	1.6	1.5	1.5	1.3	1.3	1.2	1.1
Other Services	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
State and Local Government	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Nonfarm Employment (Payroll Survey, Thousand)										
Total Nonfarm	5039.2	5073.8	5105.6	5135.4	5164.3	5192.9	5219.8	5246.0	5270.9	5294.6
Natural Resources & Min.	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9
Construction	154.3	154.3	154.3	154.3	154.3	154.3	154.3	154.3	154.3	154.3
Manufacturing	383.1	386.2	388.3	389.8	391.3	392.8	393.6	393.9	394.2	394.6
Nondurable Goods	132.2	132.2	131.7	130.8	130.0	129.1	128.3	127.4	126.6	125.8
Durable Goods	250.8	254.0	256.6	259.0	261.3	263.7	265.3	266.5	267.7	268.8
Tran., Warehousing & Utility	246.7	247.8	249.0	250.1	251.0	251.8	252.7	253.5	254.4	255.2
Trade	661.1	661.9	662.7	663.4	664.2	665.0	665.7	666.5	667.3	668.0
Information	218.1	218.9	219.7	220.5	221.3	222.1	222.9	223.7	224.5	225.2
Financial Activities	227.4	227.4	227.4	227.4	227.4	227.4	227.4	227.4	227.4	227.4
Professional & Bus. Servs.	725.3	728.5	731.5	734.5	737.4	740.4	743.4	746.1	748.7	751.3
Educational & Health Servs.	980.2	991.9	1002.9	1013.6	1024.3	1034.9	1045.5	1056.1	1066.1	1075.6
Leisure & Hospitality	670.7	683.8	696.1	707.5	718.1	728.6	738.1	747.7	756.7	765.1
Other Services	168.1	168.1	168.1	168.1	168.1	168.1	168.1	168.1	168.1	168.1
Federal Government	46.8	46.8	46.8	46.8	46.8	46.8	46.8	46.8	46.8	46.8
State and Local Government	553.5	554.3	554.9	555.5	556.2	556.8	557.4	558.0	558.5	559.0
Construction Activity, Registered Autos and Population										
Residential Building Permits (Thous. Units)	20.6	20.6	20.6	20.5	20.5	20.5	20.5	20.5	20.5	20.5
Nonresidential Construction										
Real (Mil. 2017\$)	2288.2	2409.3	2514.8	2606.1	2684.4	2751.4	2808.3	2856.4	2897.1	2931.4
Nominal (Mil. \$)	3832.1	4140.7	4435.5	4717.0	4986.4	5244.8	5493.8	5734.8	5969.1	6198.3
Registered Autos (Thous.)	6367.1	6380.0	6392.8	6405.7	6418.6	6431.6	6444.6	6457.6	6470.6	6483.6
Net Immigration (Thous.)	10.6	11.1	11.7	12.2	12.2	12.2	12.3	12.3	12.3	12.3
Population (Thous.)	9966.1	9986.2	10006.4	10026.6	10046.8	10067.1	10087.4	10107.7	10128.1	10148.5
(%Change)	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2

**Summary of the UCLA Anderson
Forecast for Los Angeles County
by Calendar Year**

	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
Personal Income and Taxable Sales										
Personal Income (Billion \$)	1511.2	1567.7	1625.9	1685.9	1747.8	1811.6	1877.3	1945.1	2014.9	2086.9
(%Change)	3.8	3.7	3.7	3.7	3.7	3.6	3.6	3.6	3.6	3.6
Real Personal Income (Billion 2017\$)	769.2	780.8	792.6	804.6	816.7	829.0	841.5	854.2	867.1	880.1
(%Change)	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Taxable Sales (Billion \$)	356.0	366.5	377.3	394.5	397.7	409.0	410.9	416.9	422.6	433.4
(%Change)	4.6	2.9	2.9	4.6	0.8	2.8	0.5	1.5	1.3	2.6
Real Taxable Sales (Billion 2017\$)	181.2	182.6	183.9	188.3	185.8	187.2	184.2	183.1	181.8	182.8
(%Change)	2.4	0.7	0.7	2.4	-1.3	0.7	-1.6	-0.6	-0.7	0.5
Price Inflation										
Consumer Prices (%Change)	2.2	2.2	2.2	2.2	2.1	2.1	2.1	2.1	2.1	2.0
Employment and Labor Force (Household Survey, %Change)										
Employment	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4
Labor Force	-0.2	0.7	0.7	0.7	0.7	-0.6	0.7	0.7	0.7	0.7
Unemployment Rate (%)	5.6	5.8	6.1	6.3	6.6	5.6	5.8	6.0	6.3	6.5
Nonfarm Employment (Payroll Survey, %Change)										
Total Nonfarm	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.3	0.3	0.3
Natural Resources & Min.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Construction	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Manufacturing	0.1	0.1	0.1	0.1	-0.0	-0.1	-0.1	-0.1	-0.1	-0.1
Nondurable Goods	-0.7	-0.7	-0.7	-0.7	-0.7	-0.7	-0.7	-0.7	-0.7	-0.7
Durable Goods	0.4	0.4	0.4	0.4	0.3	0.2	0.2	0.2	0.2	0.2
Tran., Warehousing & Utility	0.3	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1
Trade	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Information	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Financial Activities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Professional & Bus. Servs.	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Educational & Health Servs.	0.9	0.9	0.9	0.8	0.8	0.8	0.8	0.7	0.7	0.7
Leisure & Hospitality	1.1	1.1	1.1	1.2	1.2	1.2	1.0	0.7	0.7	0.7
Other Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
State and Local Government	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0
Nonfarm Employment (Payroll Survey, Thousand)										
Total Nonfarm	5318.1	5341.2	5363.9	5386.9	5409.1	5430.8	5451.2	5469.3	5487.4	5505.5
Natural Resources & Min.	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9
Construction	154.3	154.3	154.3	154.3	154.3	154.3	154.3	154.3	154.3	154.3
Manufacturing	394.9	395.3	395.6	396.0	396.0	395.7	395.5	395.3	395.1	394.9
Nondurable Goods	124.9	124.1	123.3	122.4	121.6	120.8	120.0	119.2	118.4	117.5
Durable Goods	270.0	271.2	272.4	273.5	274.4	274.9	275.5	276.1	276.7	277.3
Tran., Warehousing & Utility	255.9	256.4	257.0	257.6	257.9	258.2	258.5	258.8	259.0	259.3
Trade	668.8	669.3	669.3	669.3	669.3	669.3	669.3	669.3	669.3	669.3
Information	226.0	226.8	227.5	228.3	229.0	229.7	230.5	231.2	231.9	232.6
Financial Activities	227.4	227.4	227.4	227.4	227.4	227.4	227.4	227.4	227.4	227.4
Professional & Bus. Servs.	753.9	756.5	759.0	761.6	764.1	766.7	769.2	771.8	774.3	776.9
Educational & Health Servs.	1085.2	1094.8	1104.3	1113.2	1121.8	1130.4	1138.9	1147.4	1155.9	1164.4
Leisure & Hospitality	773.4	781.8	790.1	799.6	809.1	818.7	827.0	833.0	839.0	845.0
Other Services	168.1	168.1	168.1	168.1	168.1	168.1	168.1	168.1	168.1	168.1
Federal Government	46.8	46.8	46.8	46.8	46.8	46.8	46.8	46.8	46.8	46.8
State and Local Government	559.5	560.0	560.5	560.9	561.3	561.6	561.8	562.1	562.4	562.6
Construction Activity, Registered Autos and Population										
Residential Building Permits (Thous. Units)	20.5	20.5	20.5	20.5	20.5	20.5	20.5	20.5	20.5	20.5
Nonresidential Construction										
Real (Mil. 2017\$)	2960.2	2984.3	3004.5	3021.4	3035.6	3047.4	3057.2	3065.4	3072.2	3077.9
Nominal (Mil. \$)	6423.4	6645.8	6866.5	7086.4	7306.4	7527.4	7749.9	7974.7	8202.4	8433.3
Registered Autos (Thous.)	6496.7	6509.8	6523.0	6536.1	6549.3	6562.5	6575.7	6589.0	6602.3	6615.6
Net Immigration (Thous.)	12.4	12.4	12.4	12.4	12.5	12.5	12.5	12.5	12.6	12.6
Population (Thous.)	10169.0	10189.5	10210.1	10230.7	10251.3	10272.0	10292.7	10313.5	10334.3	10355.1
(%Change)	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2