**U.S. METRO ECONOMIES | JANUARY 2014**
MAYORAL ECONOMIC BRIEFING

**Key Findings**

**The National Economy**

- US real GDP growth is forecast to be 2.7% in 2014 and 3.2% in 2015; up from 1.9% in 2013.
- Exports are forecast to increase 4.6% in 2014, up from 2013’s 2.5%; 2015 exports will continue to expand at 5.1% rate in 2015.
- Growth in consumption will jump to 2.8% compared to only 2.0% in 2013.
- State and local government sector will finally stop its drag on GDP growth, inching into positive territory with a 0.4% growth in 2014, after a -0.2% contraction in 2013 and -0.07% in 2012.
- The US unemployment rate is forecast to drop to 6.5% in 2014 and fall to 5.9% for 2015.
- The US unemployment rate will hit 6.0% in early 2015;
- Payroll employment growth rate will be only 1.7% in 2014, a slight increase from the 1.6% growth in 2013. Employment growth in 2015 is slated to be 2.0%.
- Labor force participation has crashed from a level of 66.1% in 2008 to 63.0%
- US employment levels will finally regain its January 2008 peak by mid-2014.

**US Metro Economies**

**Gross Metro Product (GMP)**

- Nearly all (356) of the nation's 363 metro areas are projected to experience real (inflation adjusted) economic growth in 2014, up dramatically from 2013 when 97 had declining economies.
- 69 US metros (19%) are projected to see real economic growth (GMP) of 3.0% or higher in 2014; 226 metros (62%) in 2014 are expected to have real GMP growth of 2.0% or higher.
- 340 metros (93%) are expected to see real growth of 1.0% or higher, compared to 183 metros in 2013.

**Employment**

- Nearly all US metro areas (357) are projected to return to job growth in 2014.
- Only 17 metros will see job growth of 3.0% or higher; one-third (121) are forecast to see job growth of 2.0% or higher, compared to 77 metros in 2013.
- 297 metros (82%) have a projected job growth of 1.0% or higher in 2014, compared to 185 metros which saw 1.0% or higher in 2013.
- 128 metros (35%) are projected to have an unemployment rate of 7.0% or higher for 2014.
- 148 metros (40%) are projected to have a 2014 unemployment rate of 6.0% or less.