



NATIONAL UNIVERSITY SYSTEM
INSTITUTE FOR POLICY RESEARCH

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San Diego Mid-Year 2009 Economic Update and Outlook

June 11, 2009



“May you live in
interesting times”

Chinese Curse

Ranking of Gross Domestic Products

2007 U.S. Dollars

Rank	Countries	(billions)
	WORLD	\$54,347,038
1	United States	13,751,400
2	Japan	4,384,255
3	Germany	3,317,365
4	China	3,205,507
5	United Kingdom	2,772,024
6	France*	2,589,839
7	Italy	2,101,637
	CALIFORNIA^a	1,801,762
8	Spain	1,436,891
9	Canada	1,329,885
10	Brazil	1,313,361
11	Russian Federation	1,290,082
12	India	1,176,890
13	Mexico	1,022,815
14	Korea, Rep.	969,795
15	Australia	820,974
16	Netherlands	765,818
17	Turkey	655,881
18	Sweden	454,310
19	Belgium	452,754
20	Indonesia	432,817
21	Switzerland	424,367
22	Poland	422,090
23	Norway	388,413
24	Saudi Arabia	381,683
25	Austria	373,192

Rank	Countries	(billions)
26	Greece	\$313,354
27	Denmark	311,580
28	Iran, Islamic Rep.	286,058
29	South Africa	283,007
30	Argentina	262,451
31	Ireland	259,018
32	Thailand	245,351
33	Finland	244,661
34	Venezuela, RB	228,071
35	Portugal	222,758
36	Colombia	207,786
37	Hong Kong, China	207,169
38	Malaysia	186,719
39	Czech Republic	174,998
40	Romania	165,976
41	Nigeria	165,469
42	Israel	163,957
43	Chile	163,913
44	United Arab Emirates	163,296
	SAN DIEGO^b	163,293
45	Singapore	161,347
46	Philippines	144,062
47	Pakistan	142,893
48	Ukraine	141,177
49	Hungary	138,429
50	New Zealand	135,667
51	Algeria	135,285

*Data include the French overseas departments of French Guiana, Guadeloupe, Martinique, and Réunion.

Sources: World Development Indicators database, World Bank.

^aCalifornia Gross Domestic Product: U.S. Department of Commerce, Bureau of Economic Analysis.

^bSan Diego Gross Metropolitan (Regional) Product estimate: National University System Institute for Policy Research.

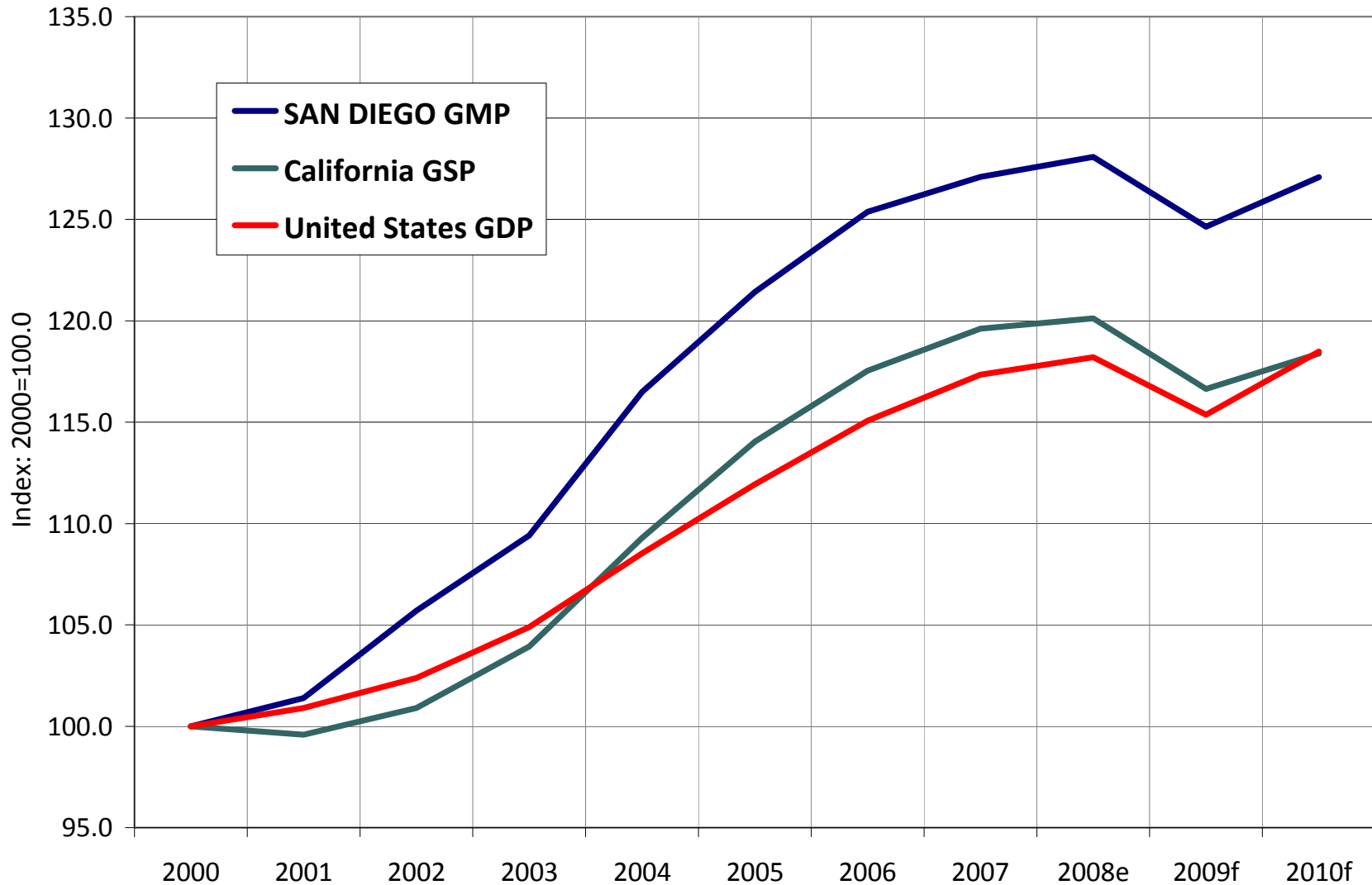
San Diego Gross Metropolitan (County) Product

Year	San Diego Gross Product			Annual Percent Change					
	GMP (Billions)	Percentage of:		Current Dollars			Constant Dollars*		
		Calif.	U.S.	S.D.	Cal.	U.S.	S.D.	Cal.	U.S.
2001	\$112.435	8.64%	1.12%	2.9%	1.1%	3.2%	1.4%	-0.4%	0.8%
2002	\$120.165	8.96%	1.16%	6.9%	3.0%	3.4%	4.3%	1.3%	1.6%
2003	\$126.838	9.02%	1.17%	5.6%	4.9%	4.7%	3.5%	3.0%	2.5%
2004	\$138.630	9.12%	1.19%	9.3%	8.0%	6.6%	6.5%	5.2%	3.6%
2005	\$148.390	9.11%	1.20%	7.0%	7.2%	6.3%	4.2%	4.3%	2.9%
2006	\$157.509	9.12%	1.20%	6.1%	6.1%	6.1%	3.3%	3.1%	2.8%
2007	\$163.652	9.08%	1.19%	3.9%	4.3%	4.8%	1.4%	1.8%	2.0%
2008	\$168.297	9.11%	1.19%	2.8%	2.5%	3.3%	0.8%	0.4%	1.1%
2009f	\$174.404	9.13%	1.24%	3.6%	3.4%	-0.4%	-2.7%	-2.9%	-2.4%
2010f	\$182.916	9.18%	1.24%	4.9%	4.4%	4.4%	2.0%	1.5%	2.7%

*Adjusted by GDP/GSP/GMP implicit price deflator. f: forecast

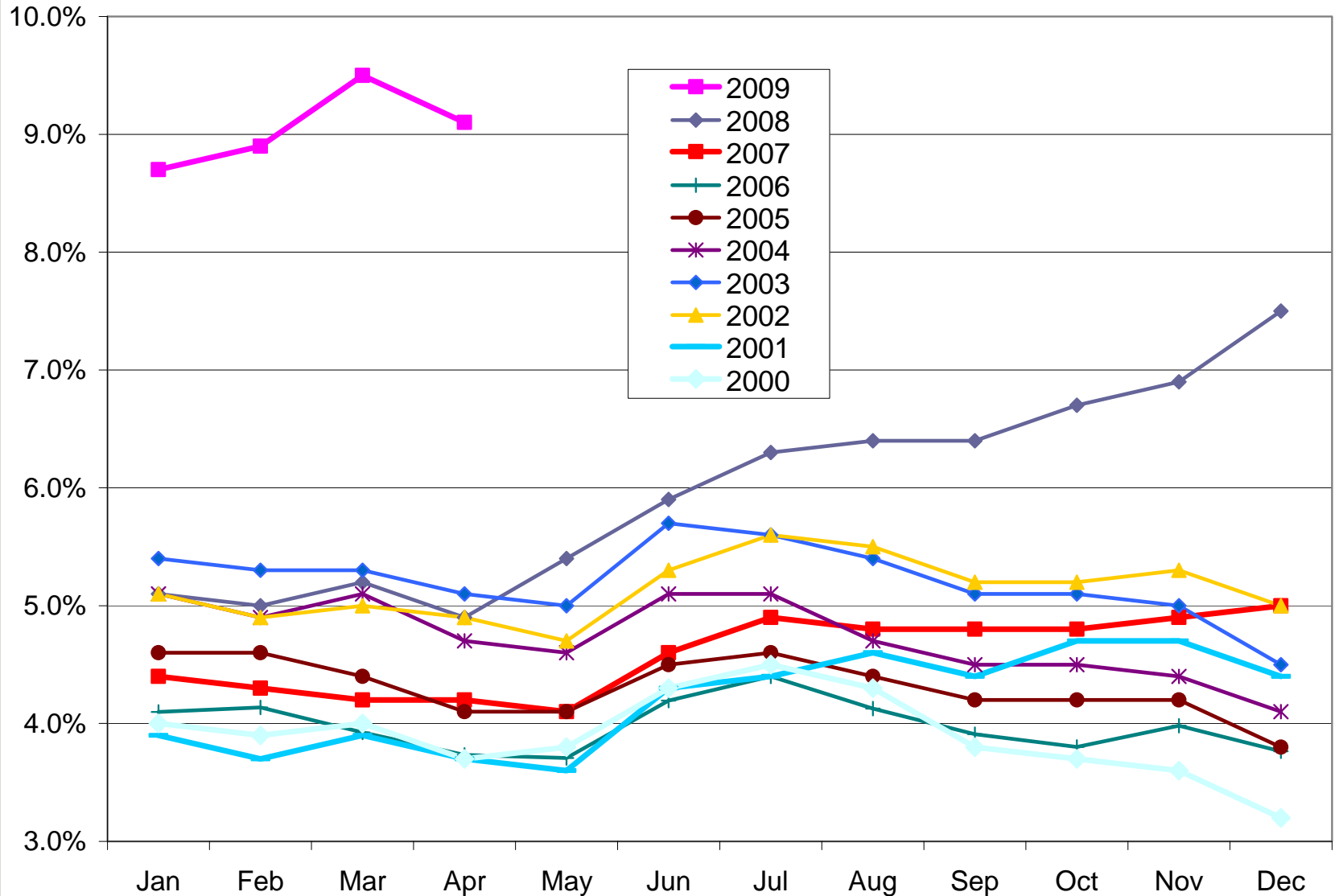
Source: Bureau of Economic Analysis, U.S. Department of Commerce; National University System
Institute for Policy Research.

Index of Economic Production: Comparison of San Diego, California, U.S.



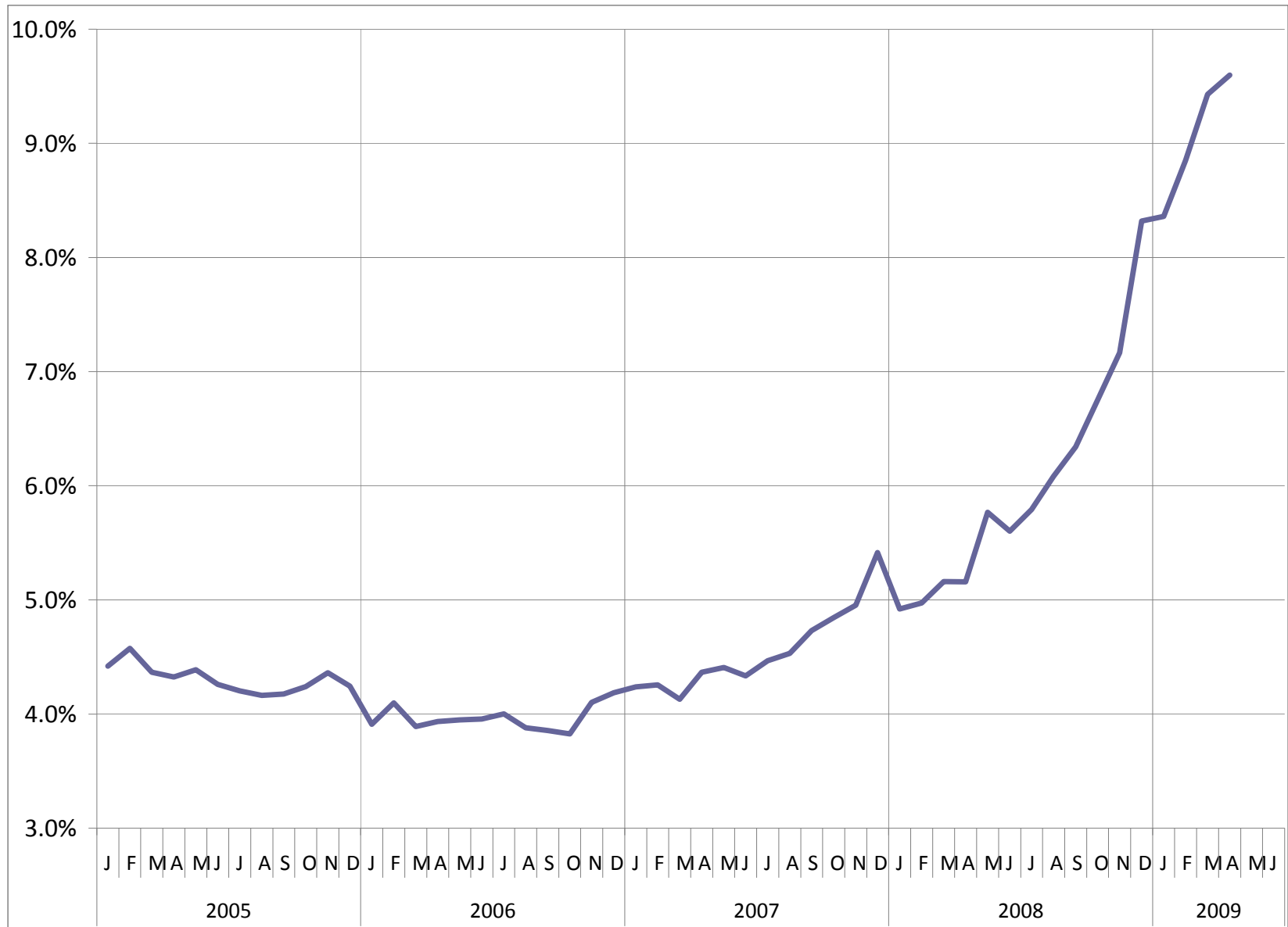
Source: National University System Institute for Policy Research.

Escalation of San Diego's Unemployment Rate



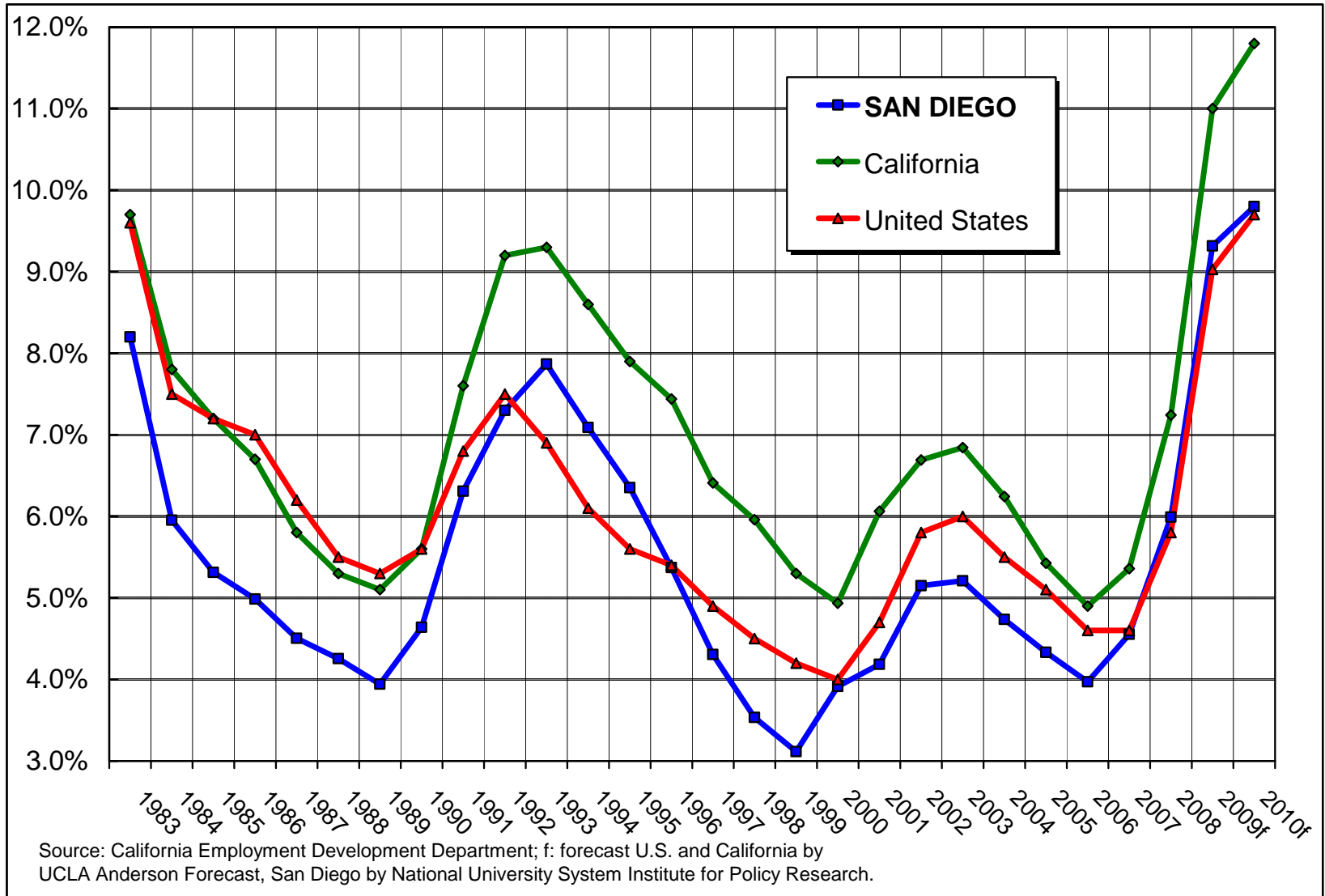
San Diego Unemployment Rate

Seasonally Adjusted



Comparison of Unemployment Rates

SAN DIEGO, California, U.S.

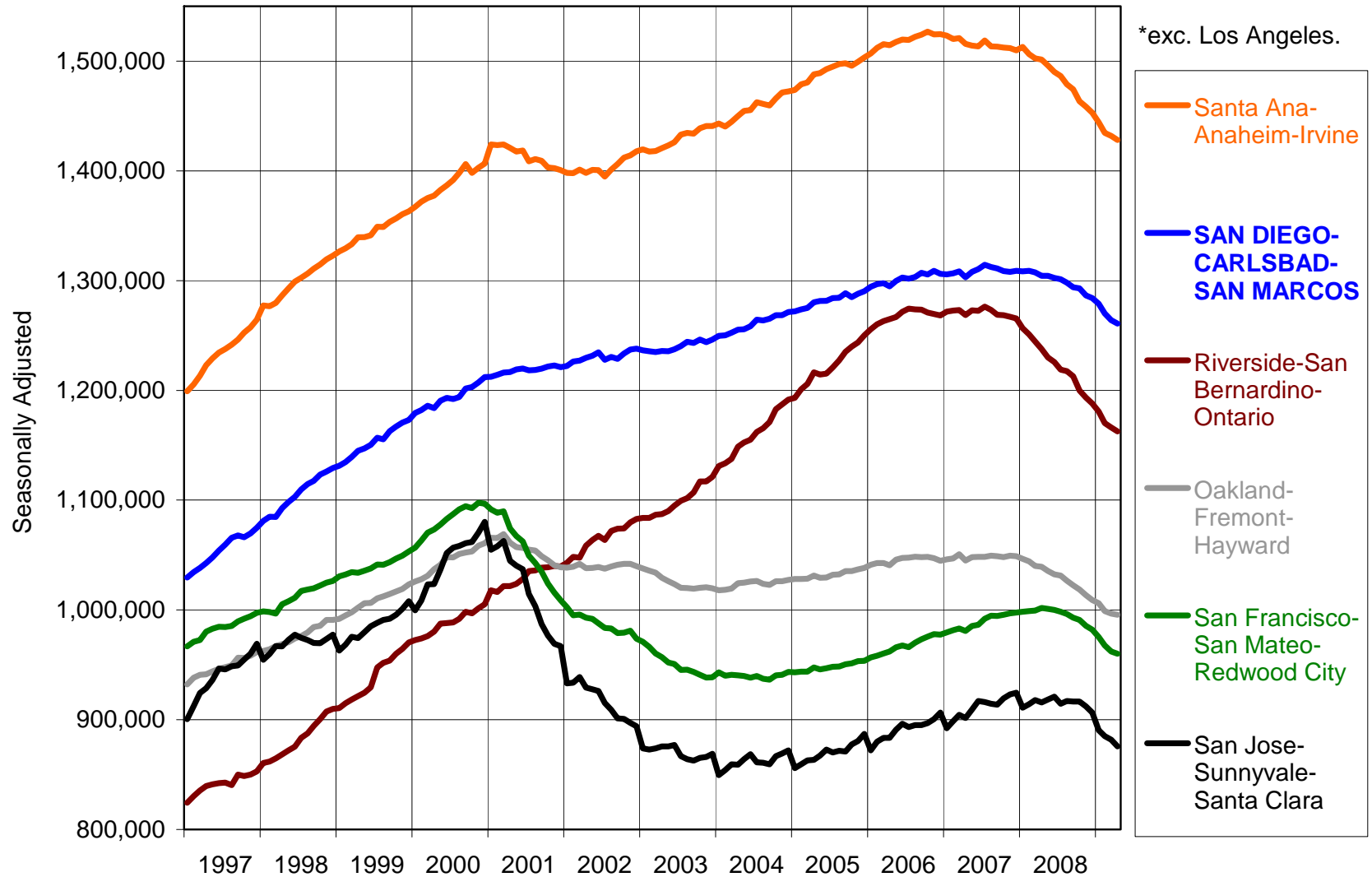




*As the poet Richard Armour
so aptly wrote:*

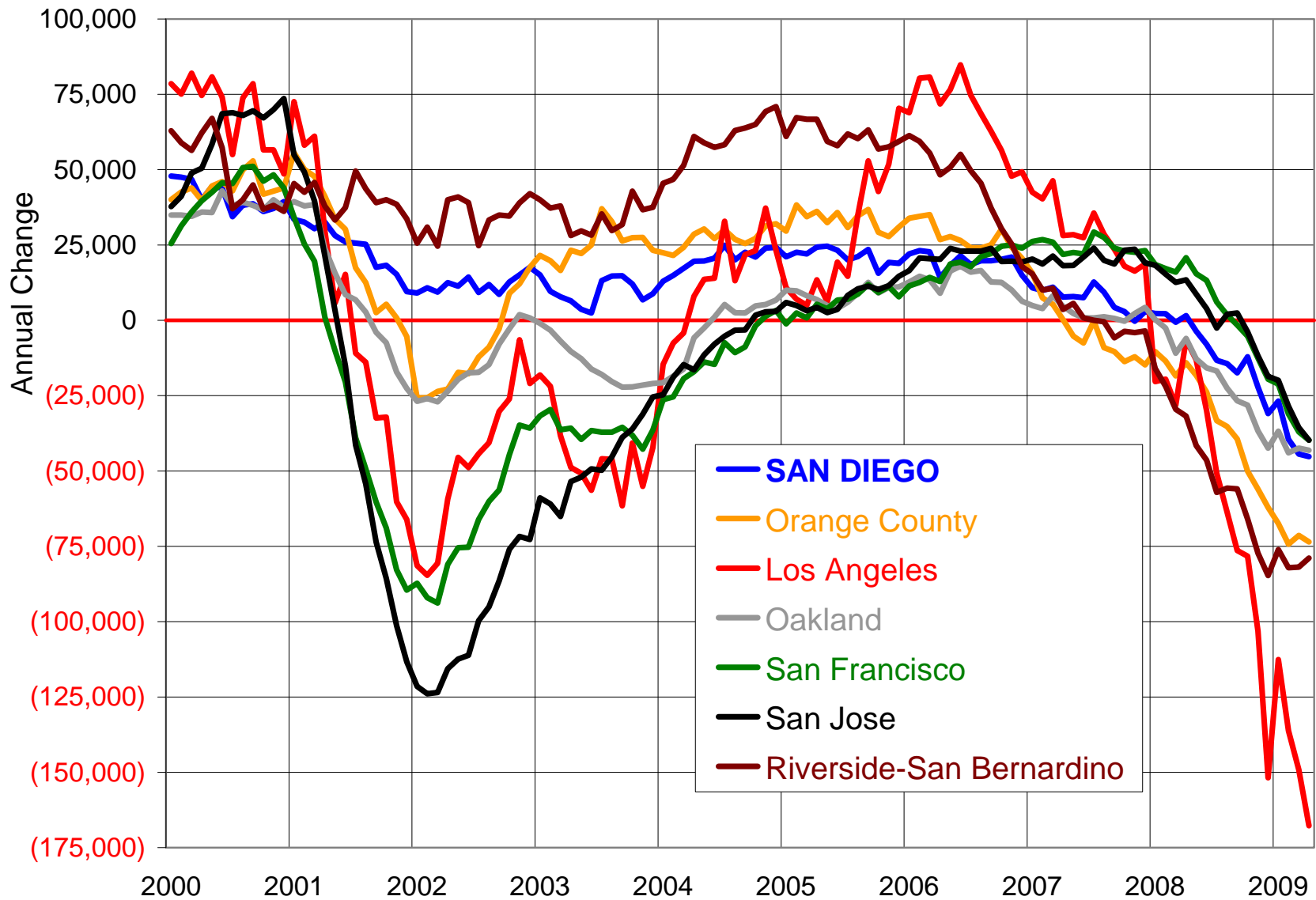
“So leap with joy, be blithe and gay
Or weep, my friends, with sorrow.
What California is today,
The rest will be tomorrow.”

Industry Employment-Total Nonfarm Jobs Major California Metros* - Seasonally Adj.

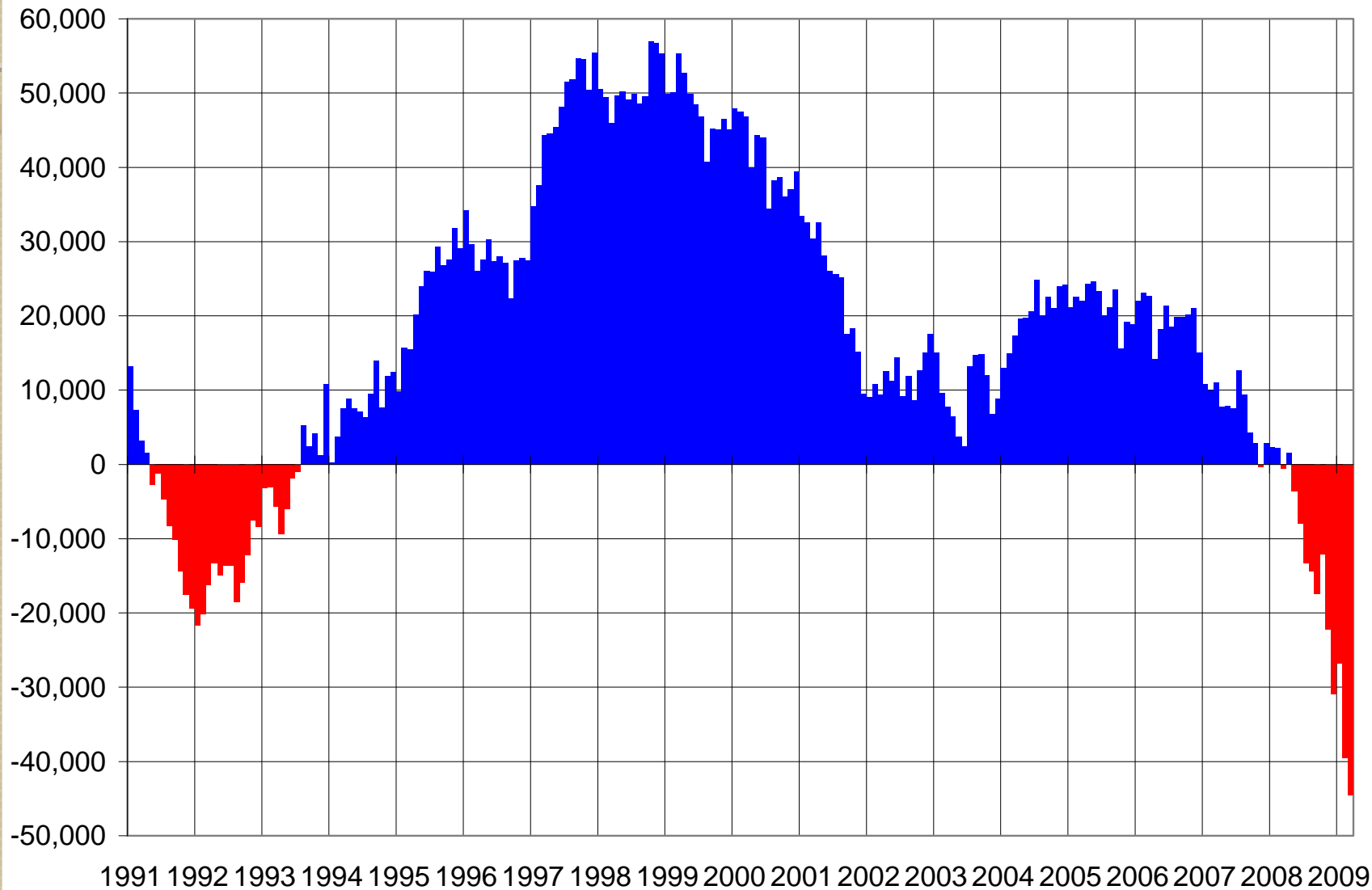


Source: California Employment Development

Annual Change in Payroll Jobs Major California Metro Areas



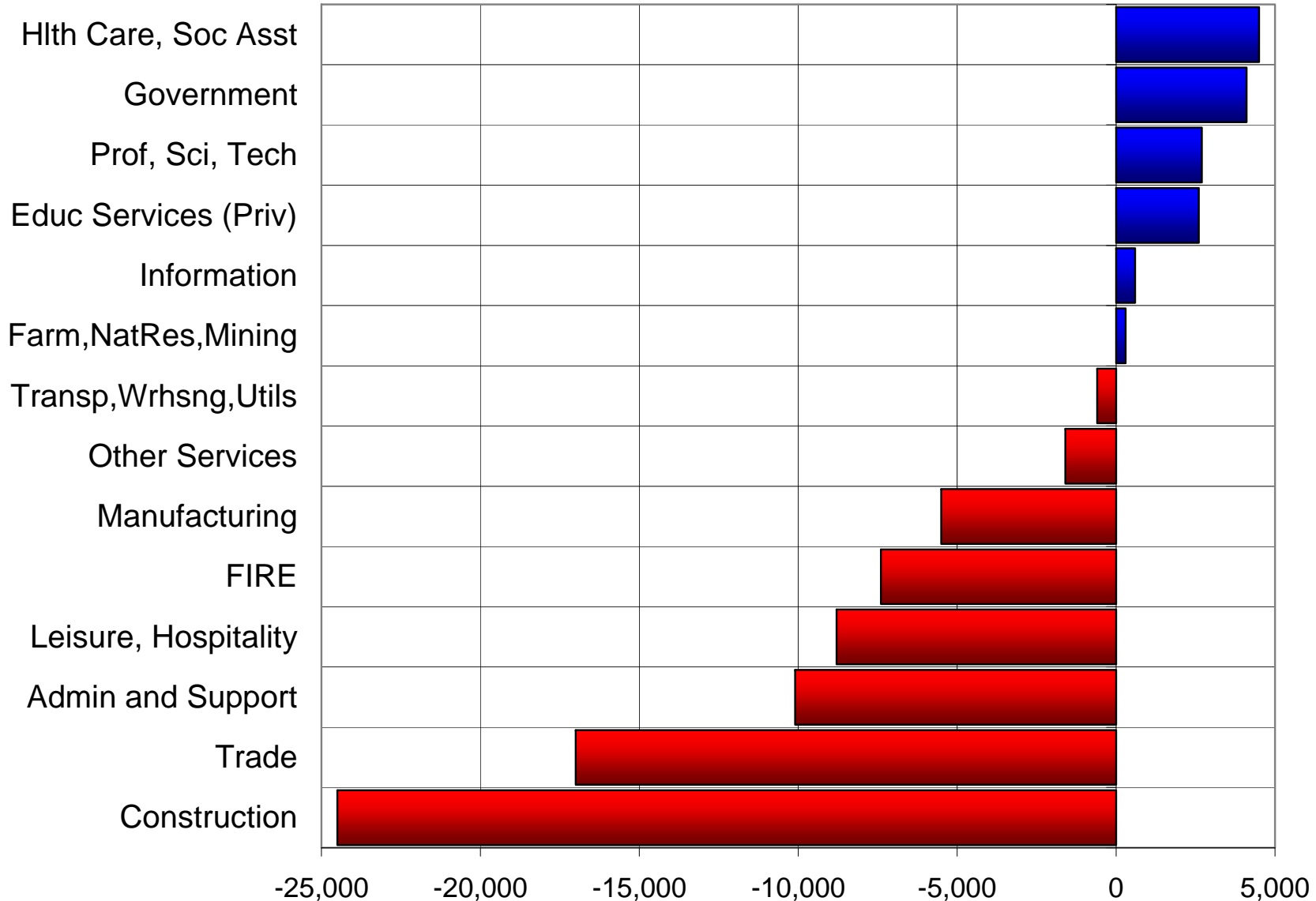
San Diego County Annual Change Payroll Industry Employment



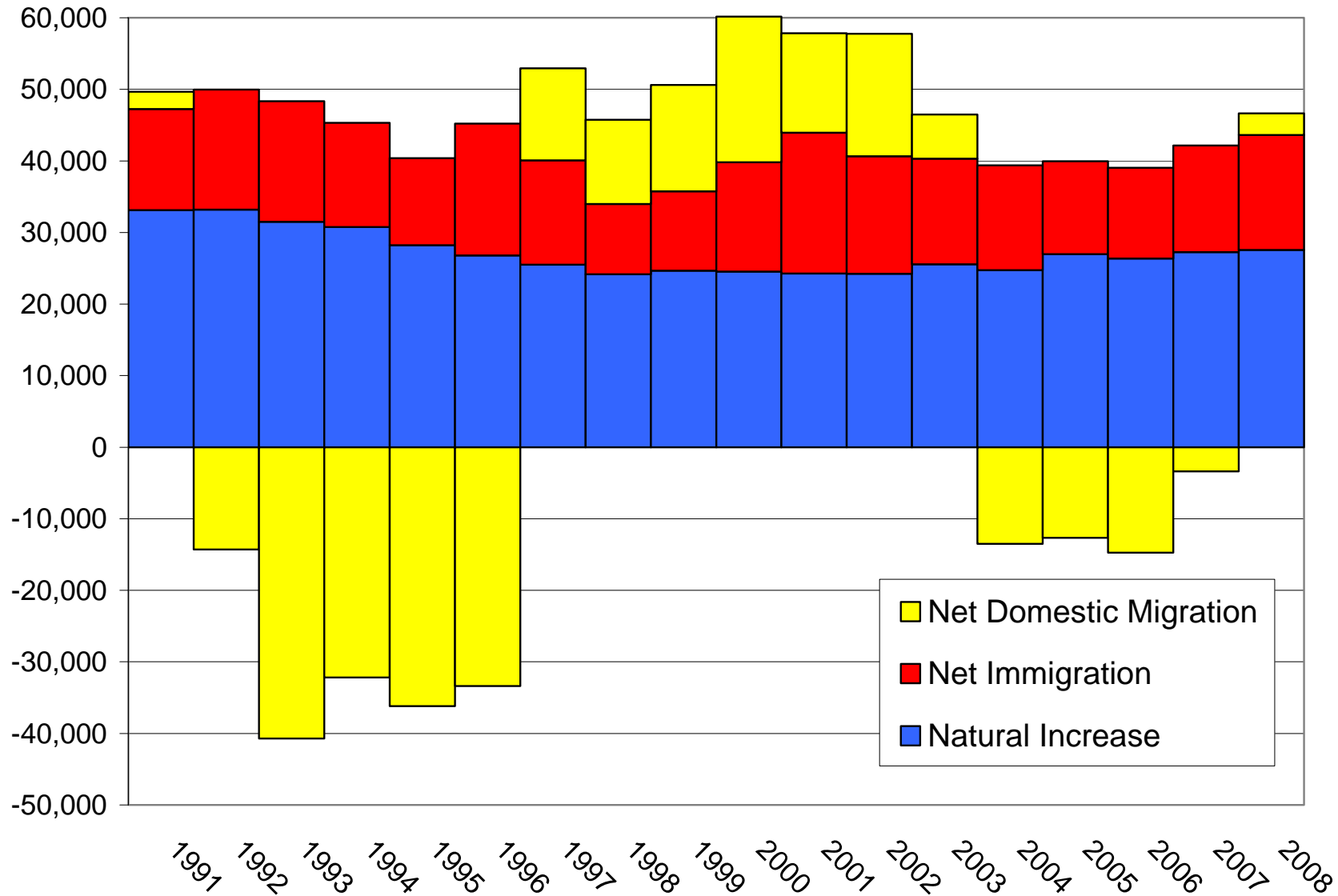
Source: California Employment Development Department.

San Diego Industry Employment

Jun 2007-Apr 2009 Net Change: -60,700

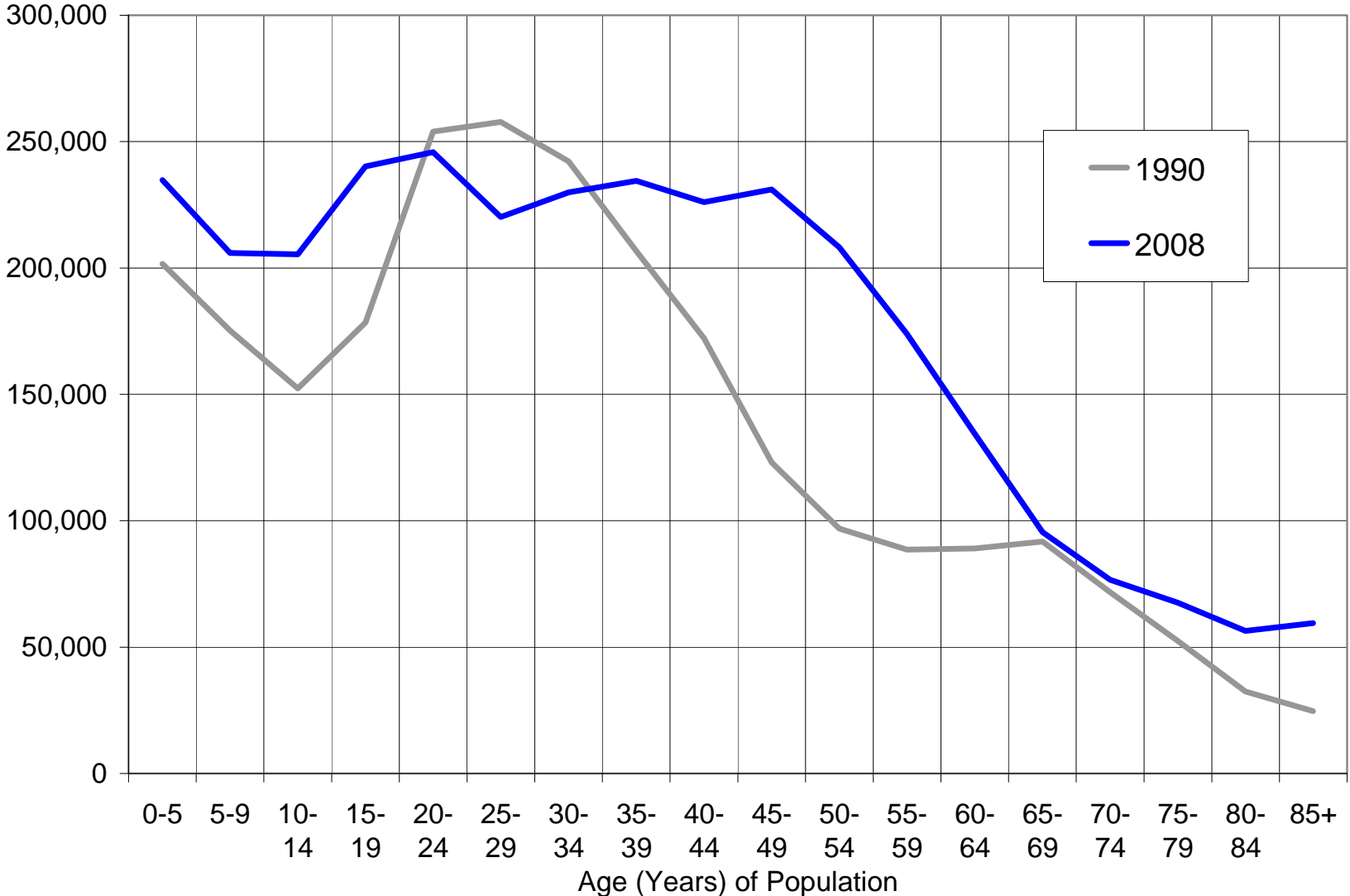


San Diego County Population Change

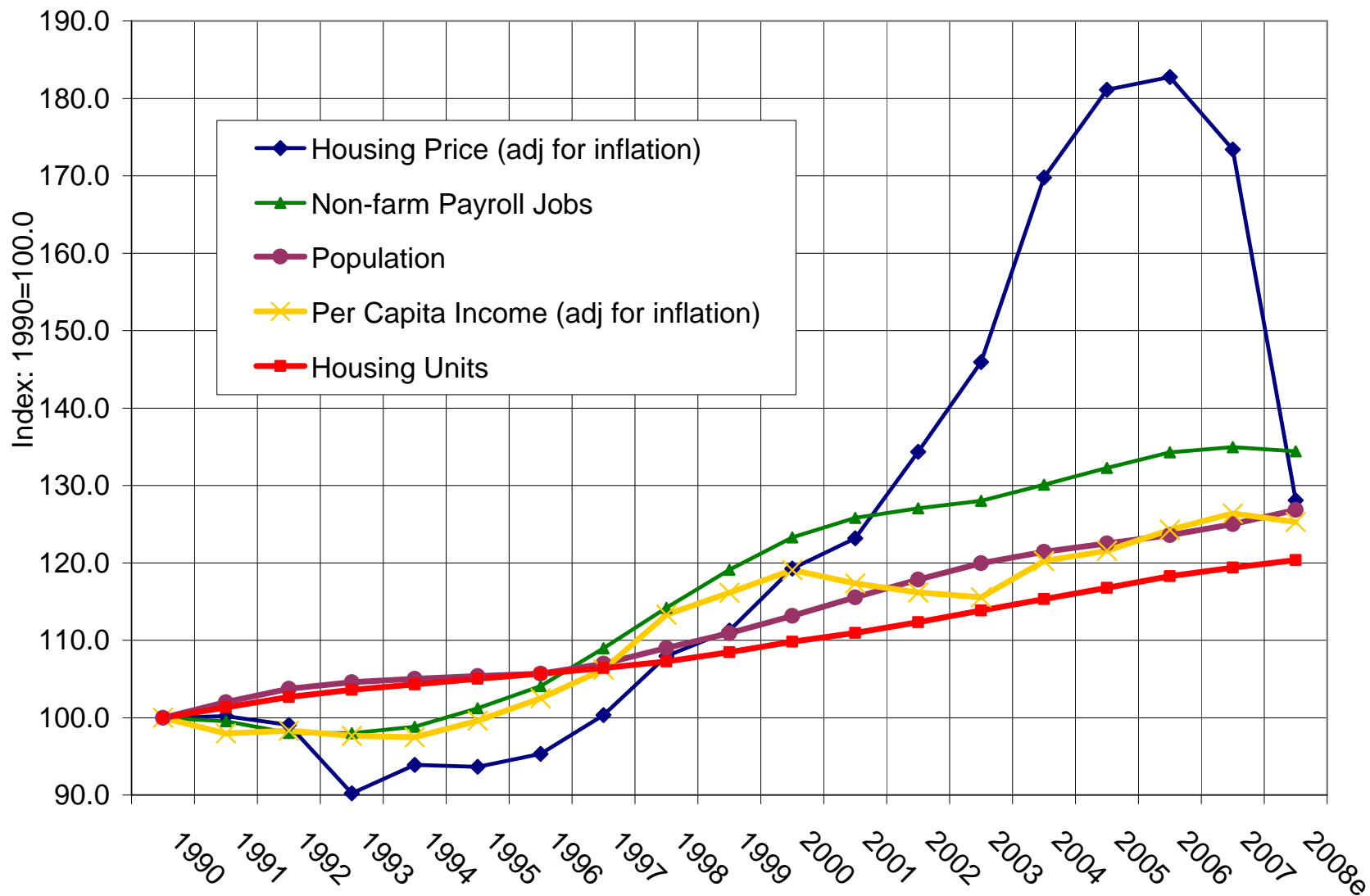


“Waves of Change”

San Diego Population by Age

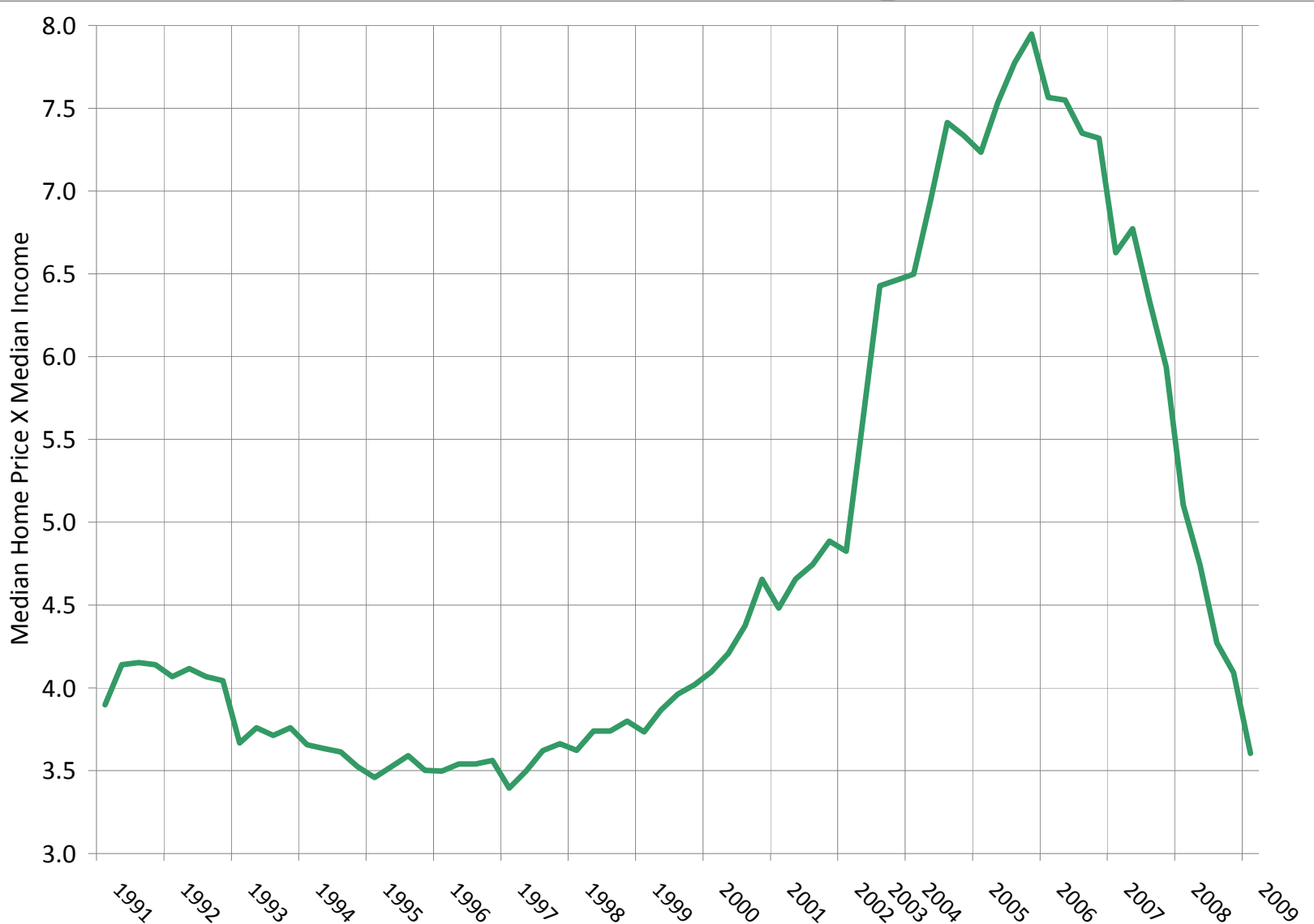


San Diego Population, Jobs, Income, Housing Supply and Prices



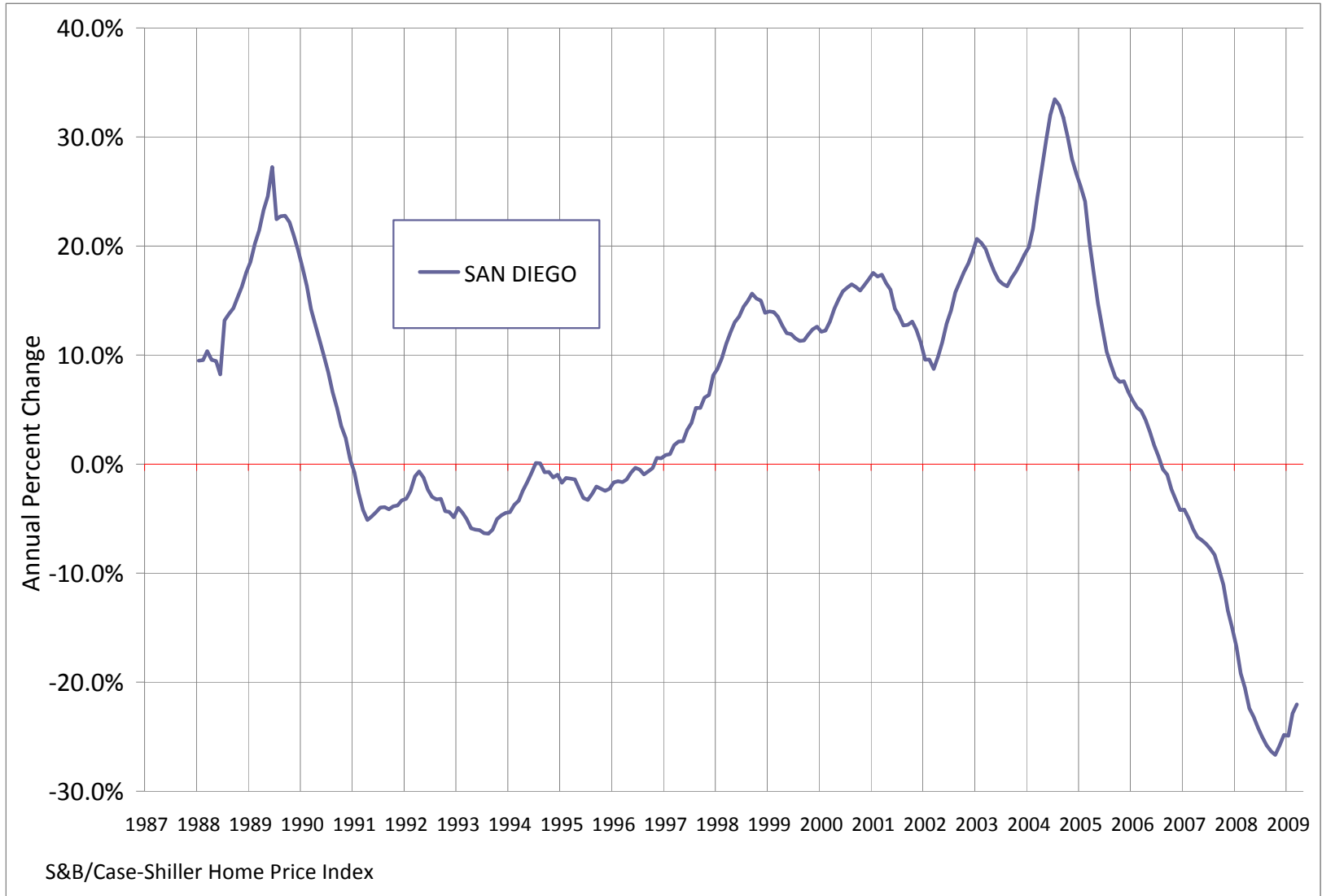
Source: National University System Institute for Policy Research.

Ratio of Median Home Price to Median Income, San Diego County



Source: National Association of Home Builders.

Annual Percent Change of San Diego Home Price Value



Forbes: Best Housing Markets in U.S. - February 2009

Best, No. 5: San Diego

Index score: 152.16

Prices were last this low:

October 2003

Month-to-month drop: -2.1%

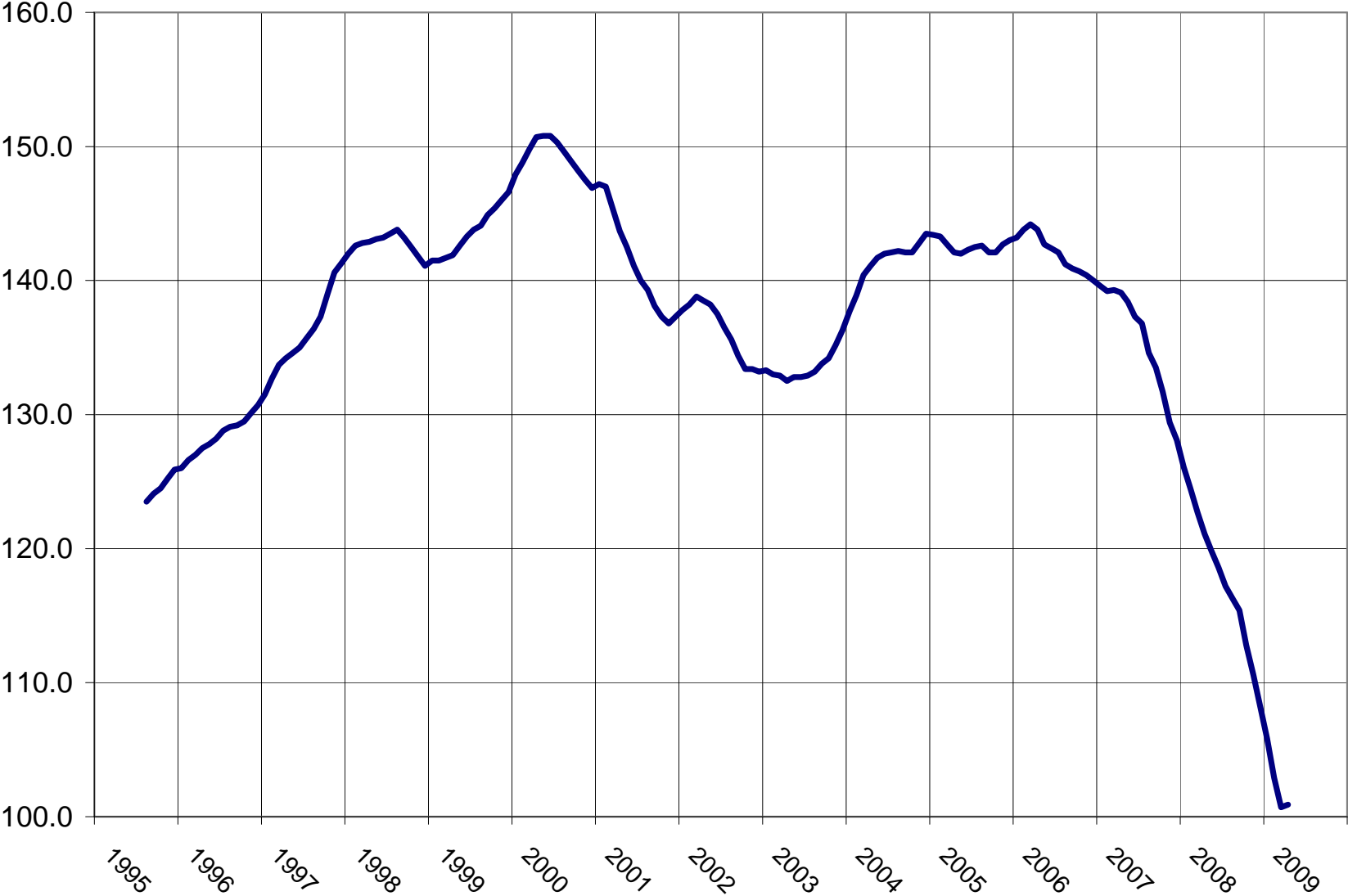
Year-over-year drop: -24.8%

Deceleration rank: No. 1



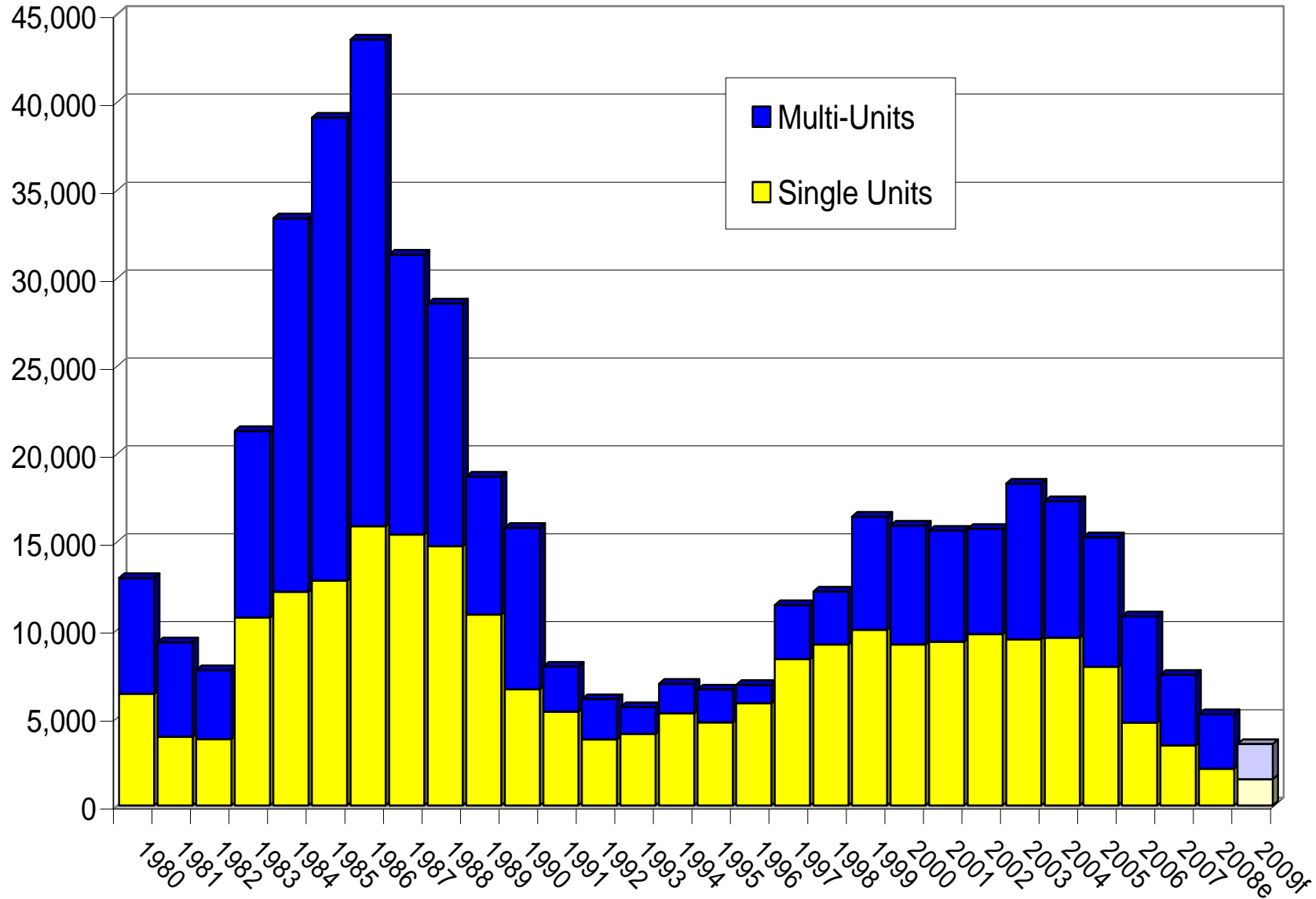
Source: S&P/Case-Shiller home-price index, released Feb. 24, 2009. Methodology: Rate of home price increase or decrease was calculated by examining data covering the time period between November 2008 and December 2008 for month-to-month results, and December 2007 to December 2008 for year-over-year results.

USD Index of Leading Economic Indicators for San Diego County

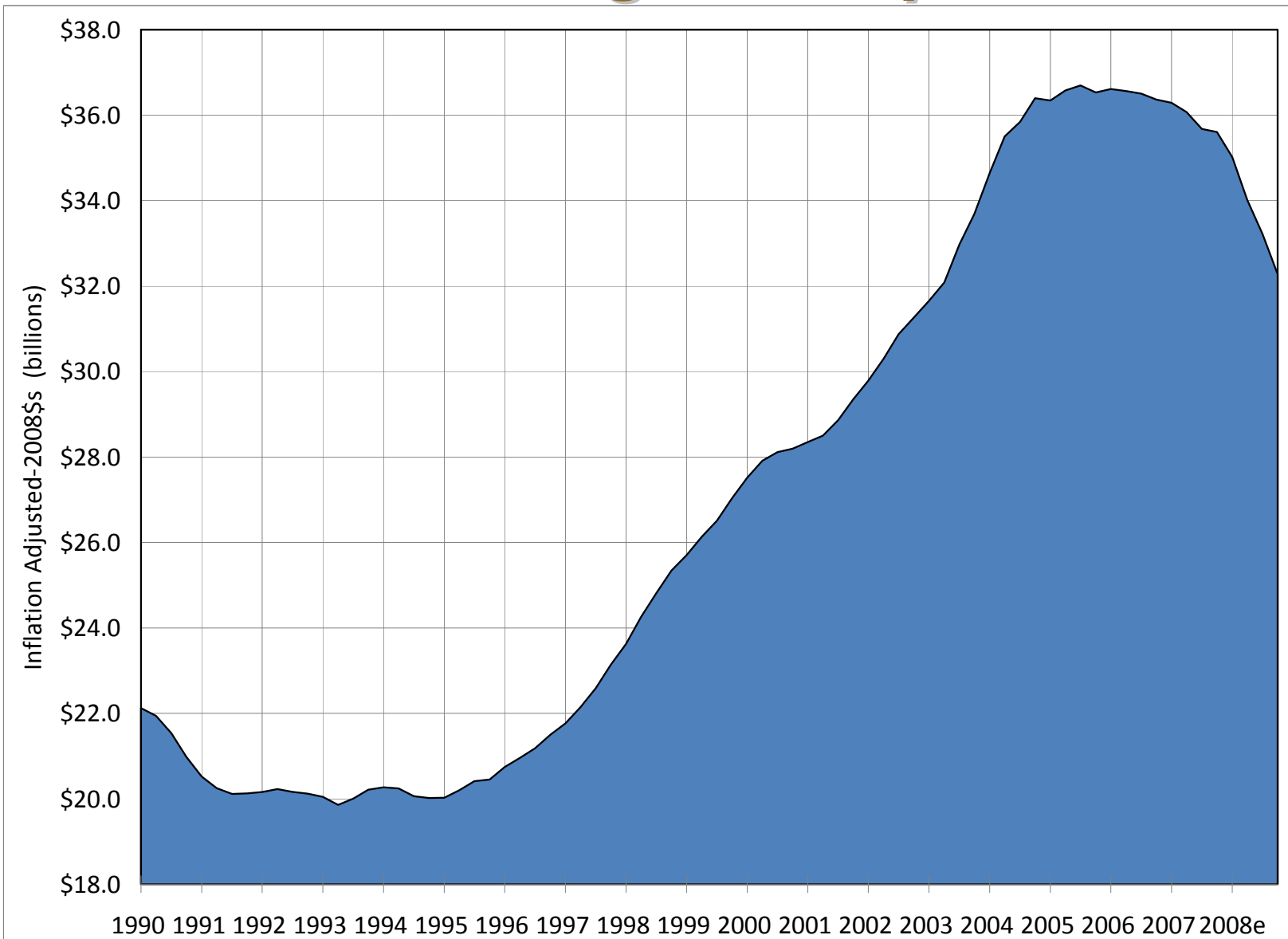


Residential Construction

San Diego County

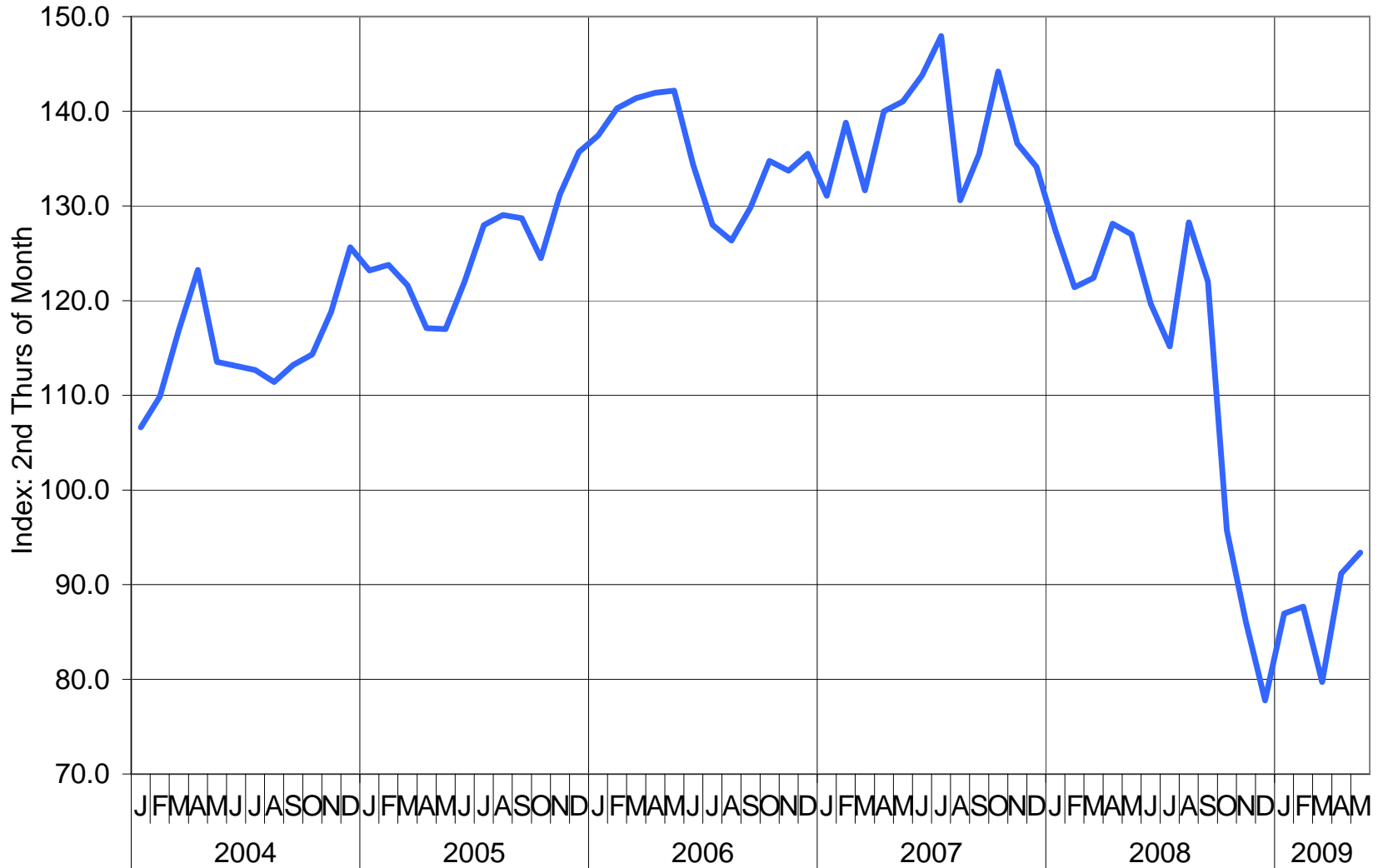


Annual Taxable Retail Sales San Diego County



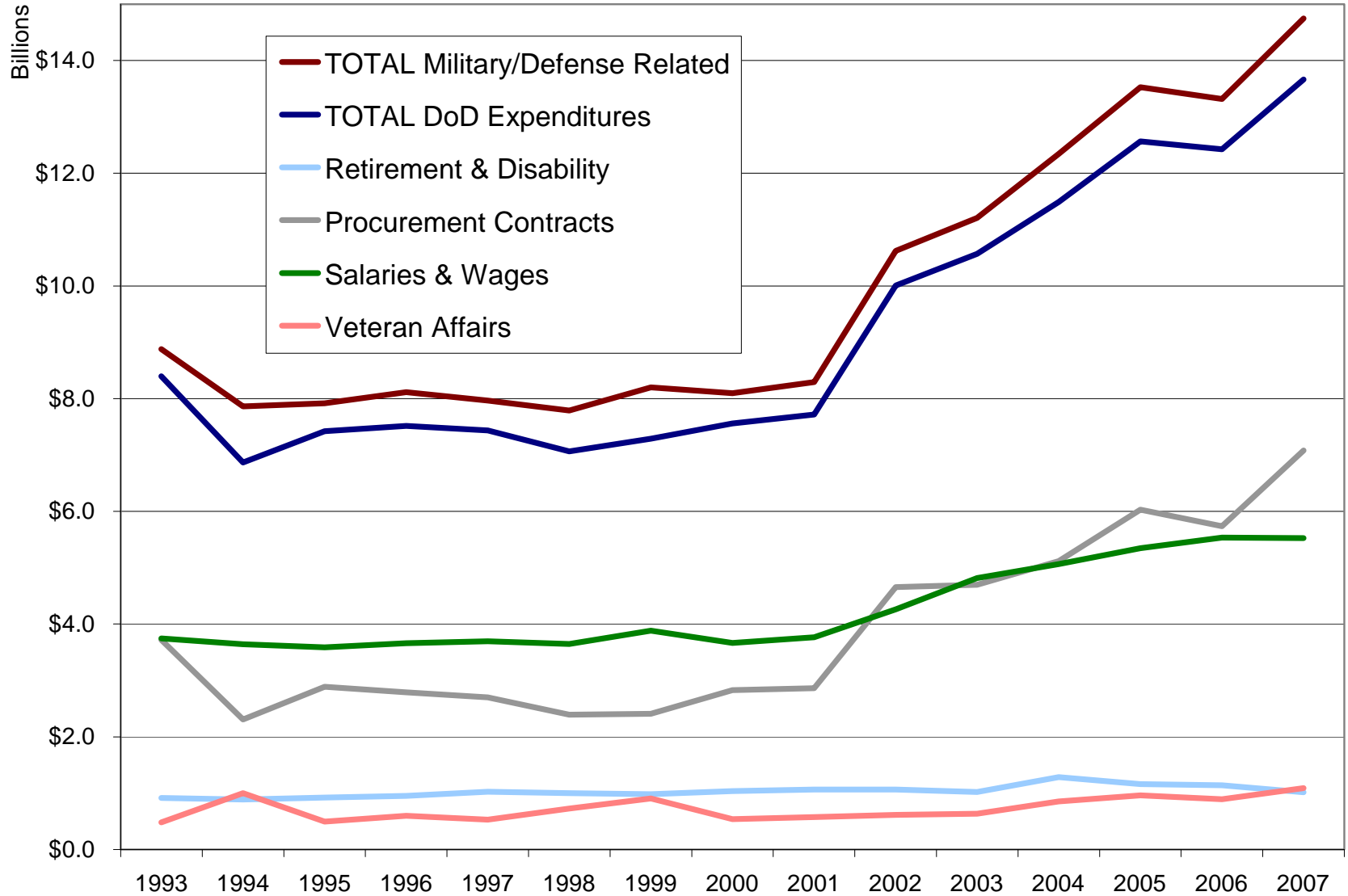
San Diego Stock Index

Index of 160 Publicly Traded Companies Headquartered in San Diego

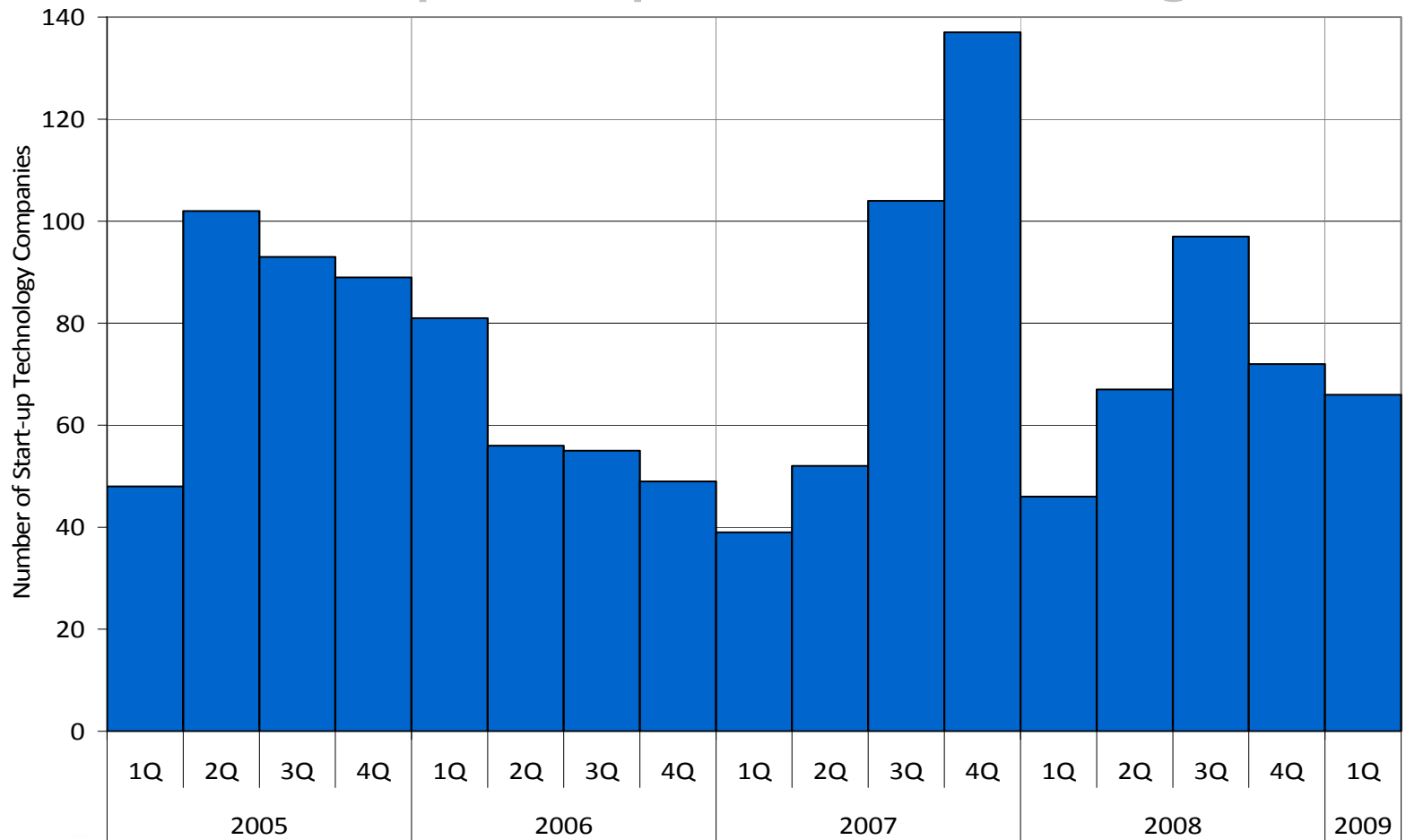


Source: San Diego Daily Transcript.

Department of Defense Direct Expenditures and Obligations - San Diego County



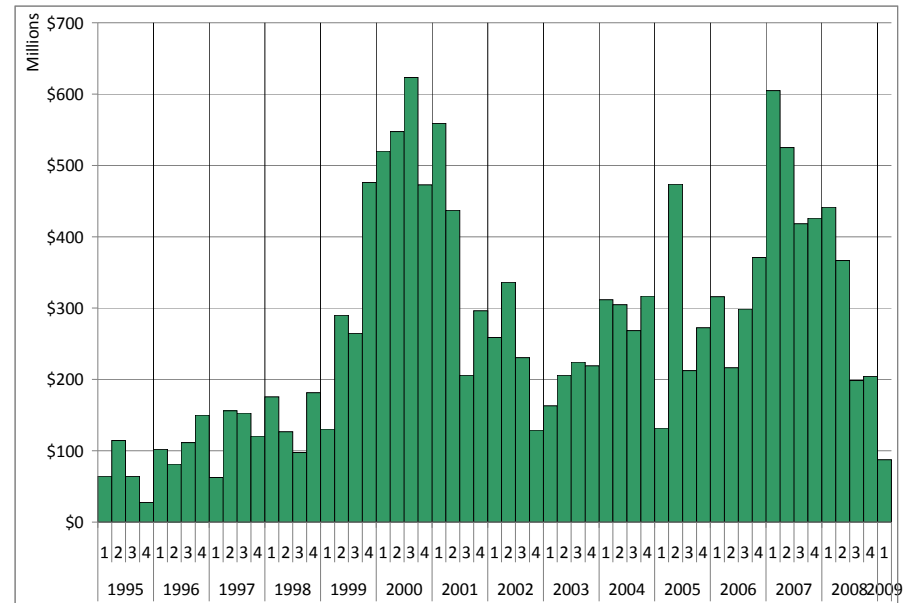
CONNECT-dex of New Technology Start-up Companies in San Diego



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Venture Capital Investment in San Diego

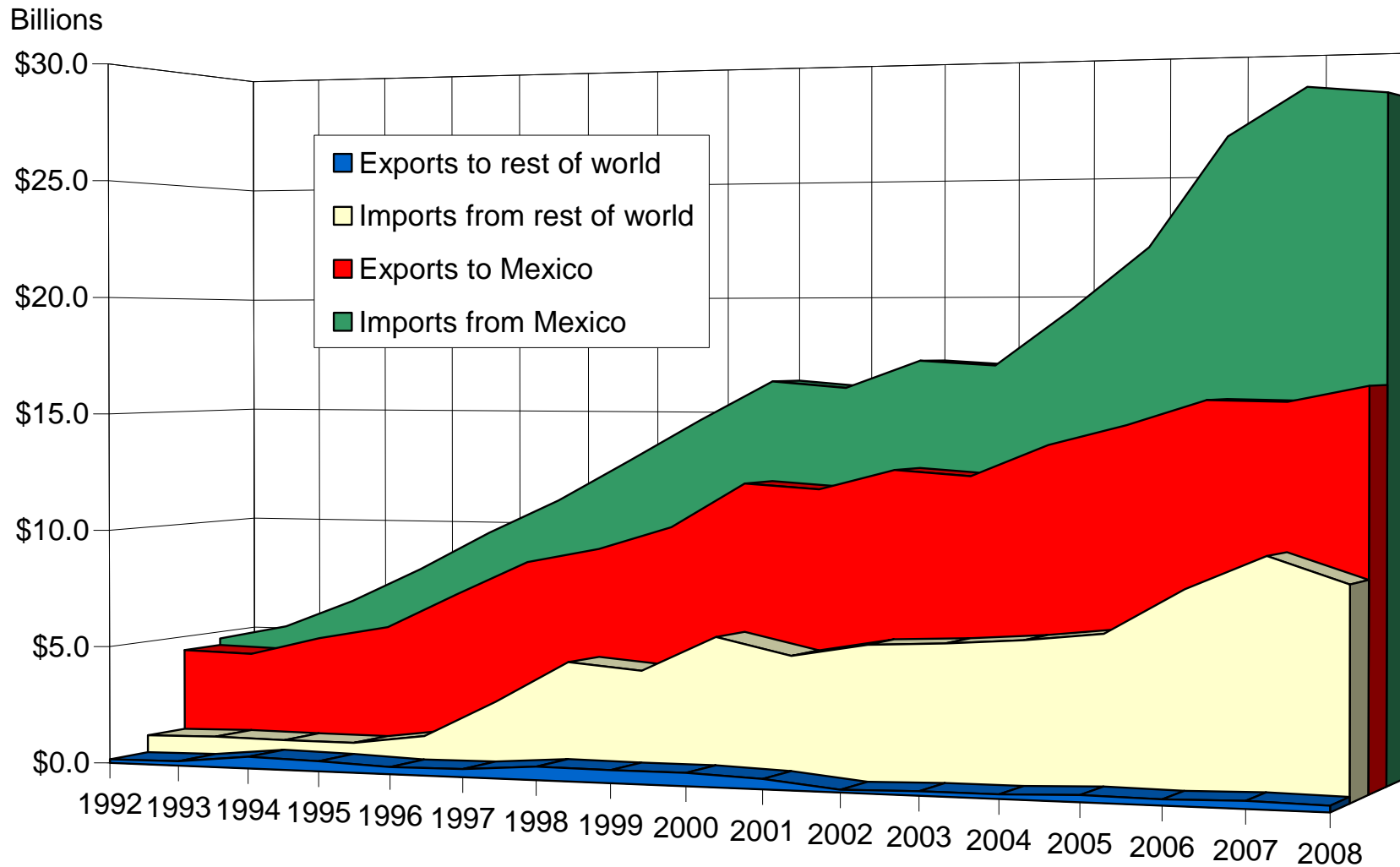


Venture Capital Investment by Region - Annual 2008

Rank	Region	No. of		Average	
		Investment	Deals	Investment	Rank
1	Silicon Valley	\$10,853,136,600	1,189	\$9,127,953	2
2	New England	3,303,201,200	468	7,058,122	7
3	LA/Orange County	1,933,593,400	242	7,990,055	5
4	NY Metro	1,874,644,900	311	6,027,797	9
5	Midwest	1,367,997,300	281	4,868,318	14
6	Texas	1,280,966,800	147	8,714,060	3
7	Southeast	1,238,595,100	209	5,926,292	10
8	SAN DIEGO	1,210,512,300	126	9,607,240	1
9	Northwest	1,158,179,500	210	5,515,140	11
10	DC/Metroplex	1,025,533,800	199	5,153,436	13
11	Colorado	848,530,000	103	8,238,155	4
12	Philadelphia Metro	780,267,000	146	5,344,295	12
13	North Central	628,284,000	80	7,853,550	6
14	SouthWest	471,744,000	78	6,048,000	8
15	Upstate NY	88,345,900	30	2,944,863	16
16	Sacramento/N.Cal	72,751,900	19	3,829,047	15
17	South Central	70,261,100	38	1,848,976	18
18	AK/HI/PR	21,000,000	8	2,625,000	17
U.S. Total		\$28,227,544,800	3,884	\$7,267,648	

Source: PricewaterhouseCoopers/National Venture Capital Association MoneyTree™ Report

Value of San Diego's International Trade



Source: U.S. Census Bureau, Foreign Trade Division.