



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	\$54,347.0
1	UNITED STATES	13,743.0
2	Japan	4,376.7
3	Germany	3,297.2
4	China	3,280.1
5	United Kingdom	2,727.8
6	France*	2,562.3
7	Italy	2,107.5
	CALIFORNIA^a	1,813.0
8	Spain	1,429.2
9	Canada	1,326.4
10	Brazil	1,314.2
11	Russian Federation	1,291.0
12	India	1,171.0
13	Korea, Rep.	969.8
14	Mexico	893.4
15	Australia	821.7
16	Netherlands	754.2
17	Turkey	657.1
18	Belgium	448.6
19	Sweden	444.4
20	Indonesia	432.8
21	Poland	420.3
22	Switzerland	415.5
23	Norway	382.0
24	Saudi Arabia	381.7
25	Austria	377.0

Rank	Countries	(billions)
26	Greece	\$360.0
27	Denmark	308.1
28	South Africa	277.6
29	Iran, Islamic Rep.	270.9
30	Argentina	262.3
31	Ireland	255.0
32	Finland	246.0
33	Thailand	245.8
34	Venezuela, RB	228.1
35	Portugal	220.2
36	Hong Kong, China	206.7
37	Malaysia	180.7
38	Colombia	172.0
39	Czech Republic	168.1
40	Romania	166.0
41	Nigeria	165.7
	SAN DIEGO^b	163.3
42	Chile	163.9
43	Israel	161.8
44	Singapore	161.3
45	Philippines	144.1
46	Pakistan	143.6
47	Ukraine	140.5
48	Hungary	138.2
49	Algeria	135.3
50	United Arab Emirates	129.7
51	New Zealand	129.4

*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

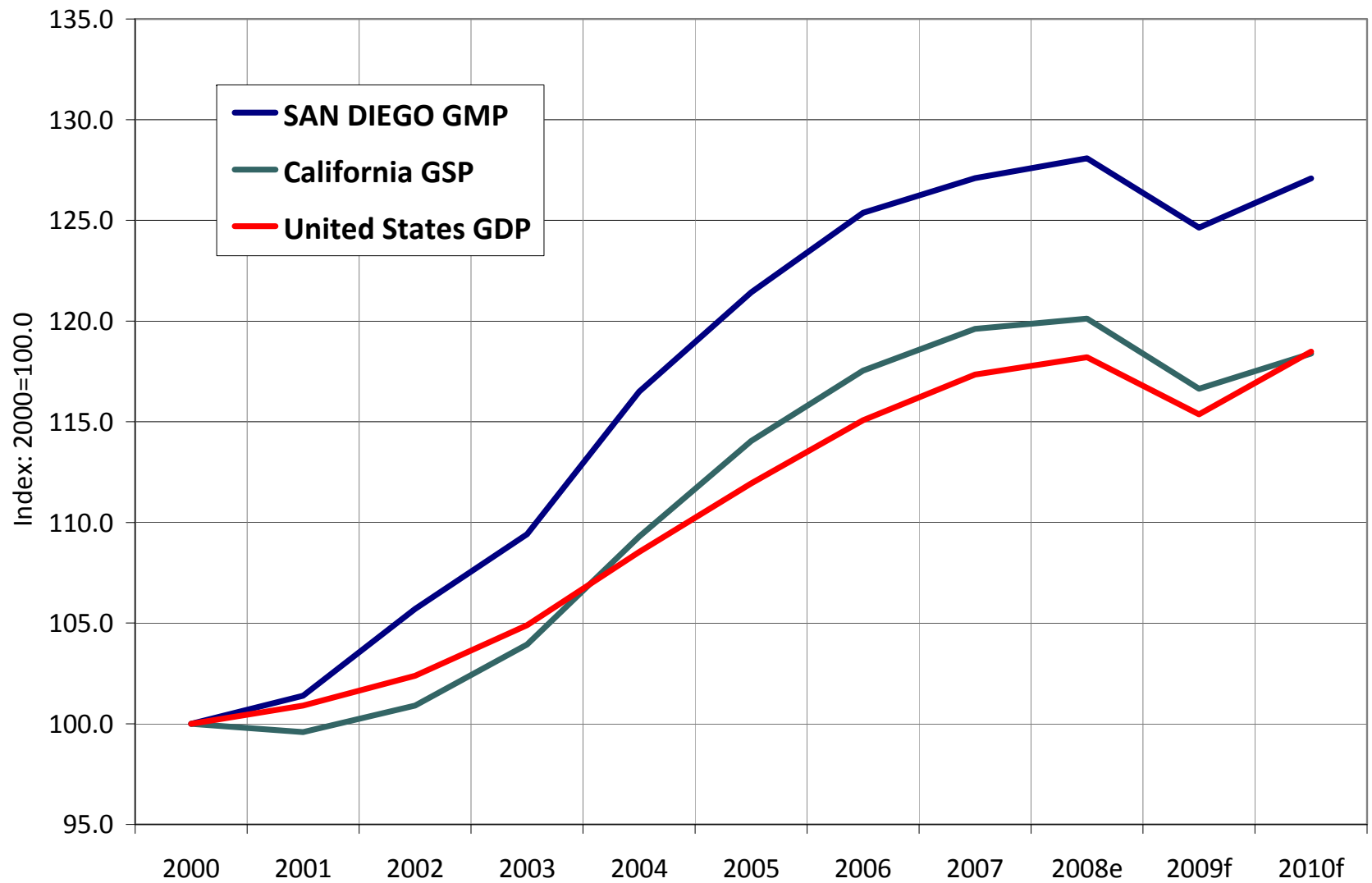
Year	San Diego Gross Product			Annual Percent Change					
	GMP (Billions)	Percentage of:		Current Dollars			Constant Dollars*		
		Calif.	U.S.	S.D.	Cal.	U.S.	S.D.	Cal.	U.S.
2001	\$112.435	8.64%	1.12%	2.9%	1.1%	3.2%	1.4%	-0.4%	0.8%
2002	\$120.165	8.96%	1.16%	6.9%	3.0%	3.4%	4.3%	1.3%	1.6%
2003	\$126.838	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

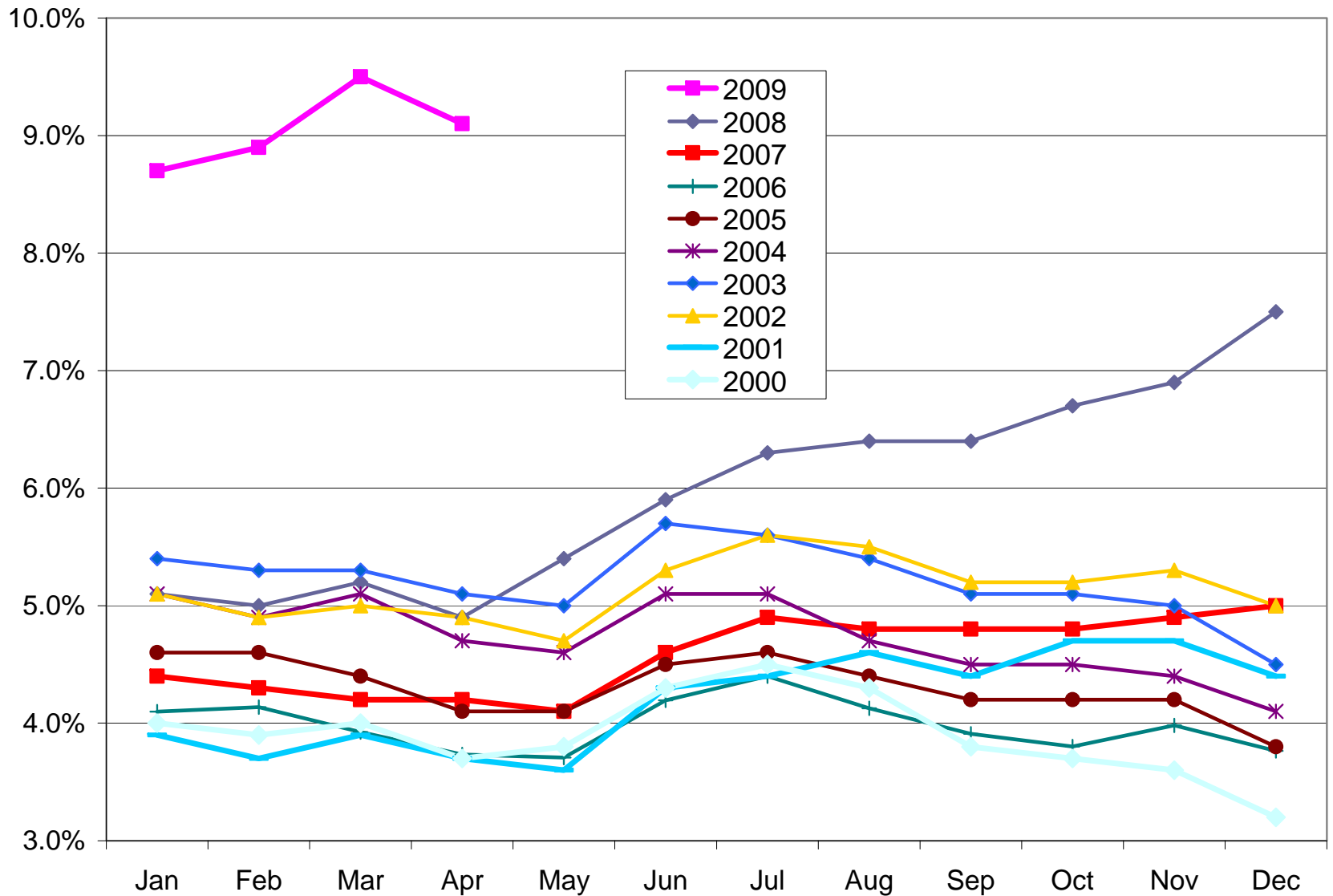
Institute for Policy Research.

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



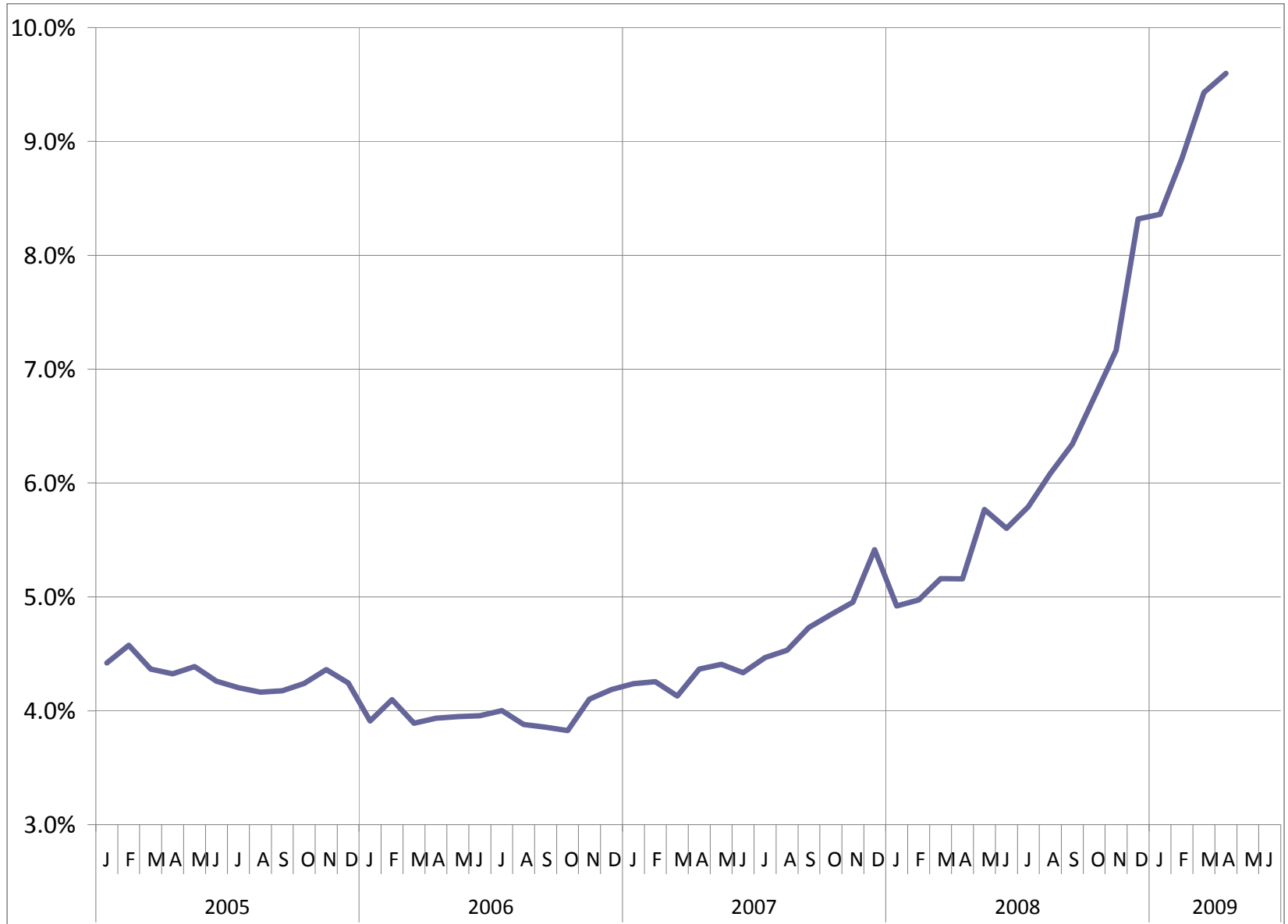
Source: National University System Institute for Policy Research.

Escalation of San Diego's Unemployment Rate

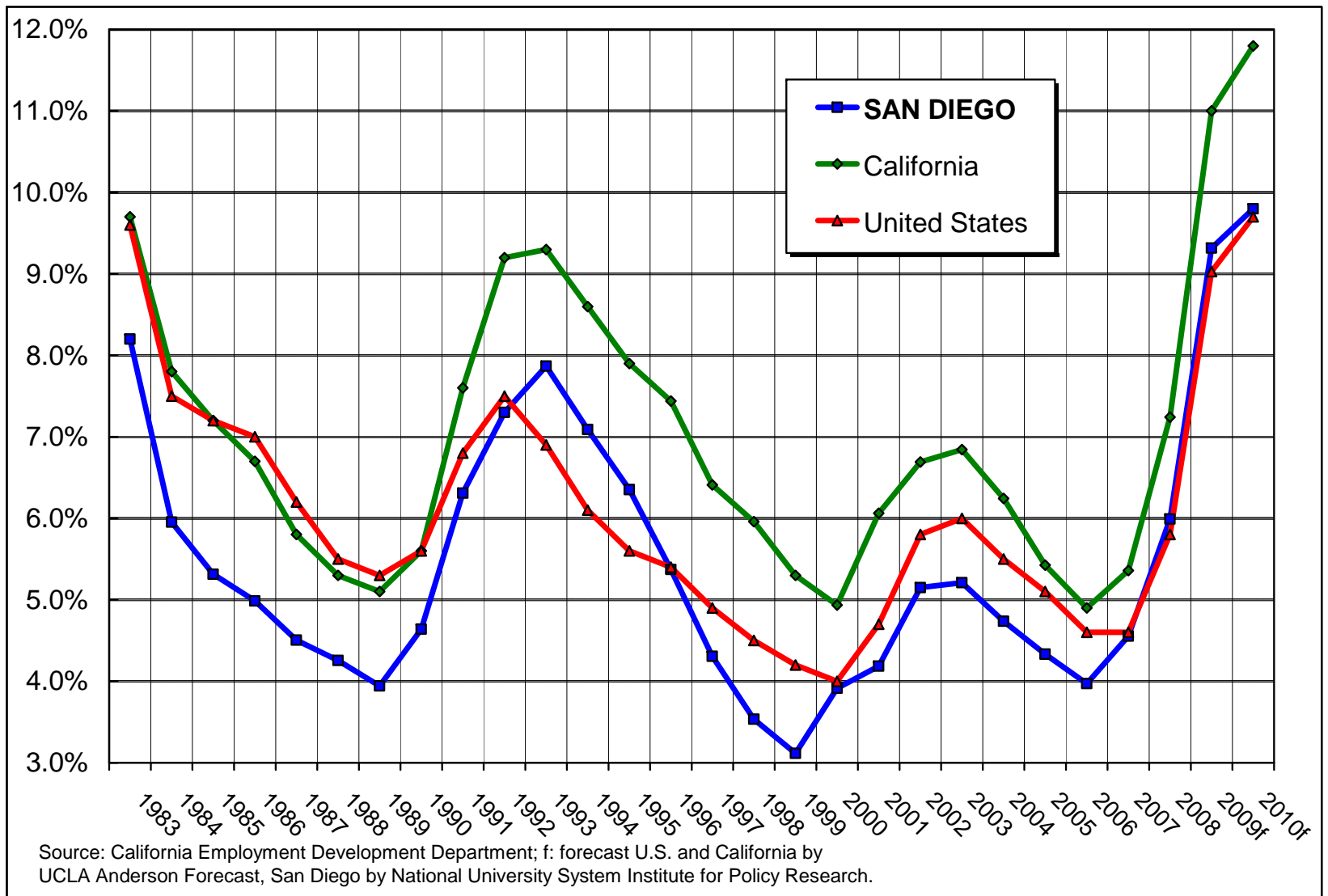


San Diego Unemployment Rate

Seasonally Adjusted



Comparison of Unemployment Rates SAN DIEGO, California, U.S.

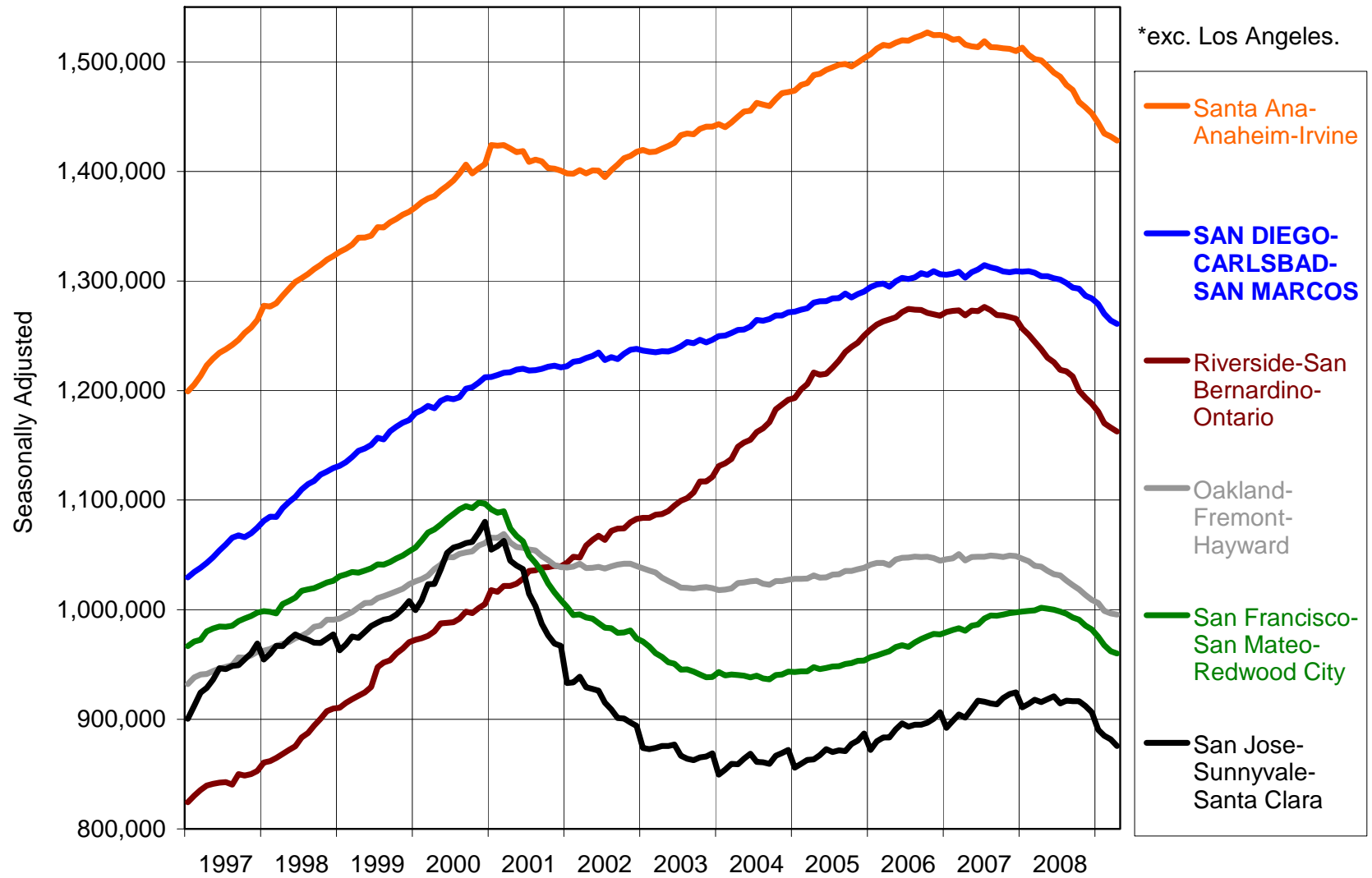




*As the poet Richard Armour
so aptly wrote:*

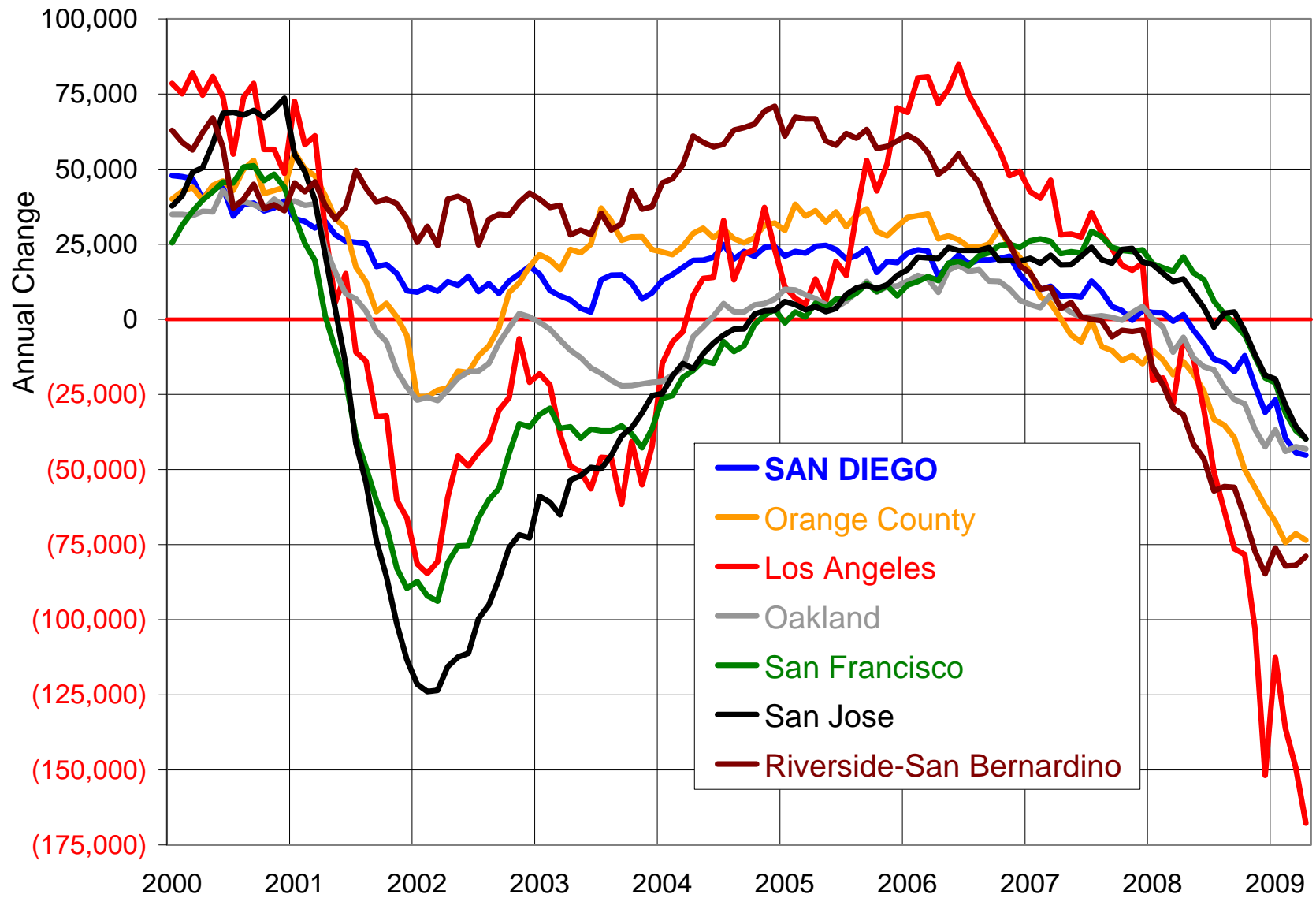
“So leap with joy, be blithe and gay
Or weep, my friends, with sorrow.
What California is today,
The rest will be tomorrow.”

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

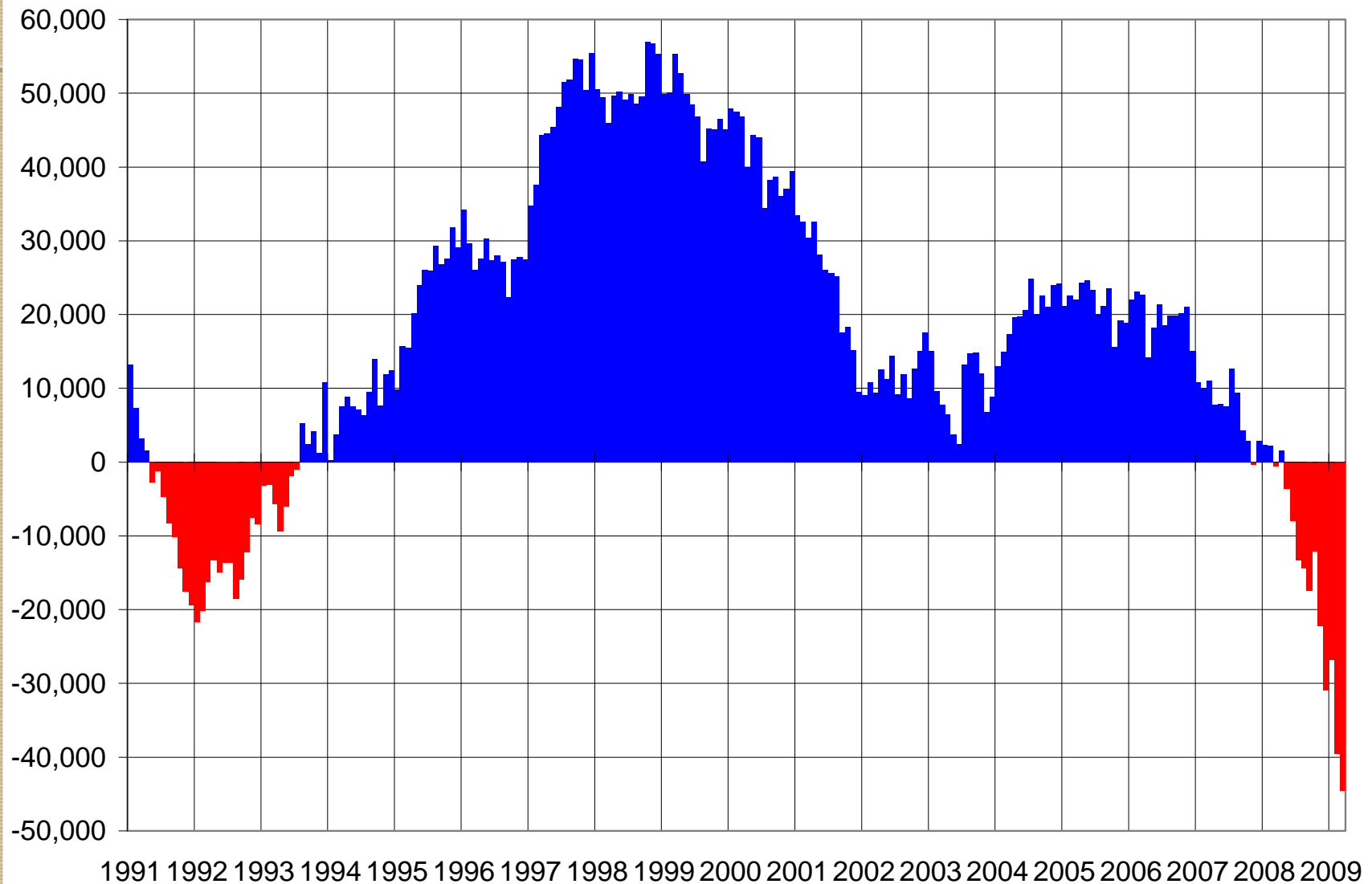


Source: California Employment Development

Annual Change in Payroll Jobs Major California Metro Areas



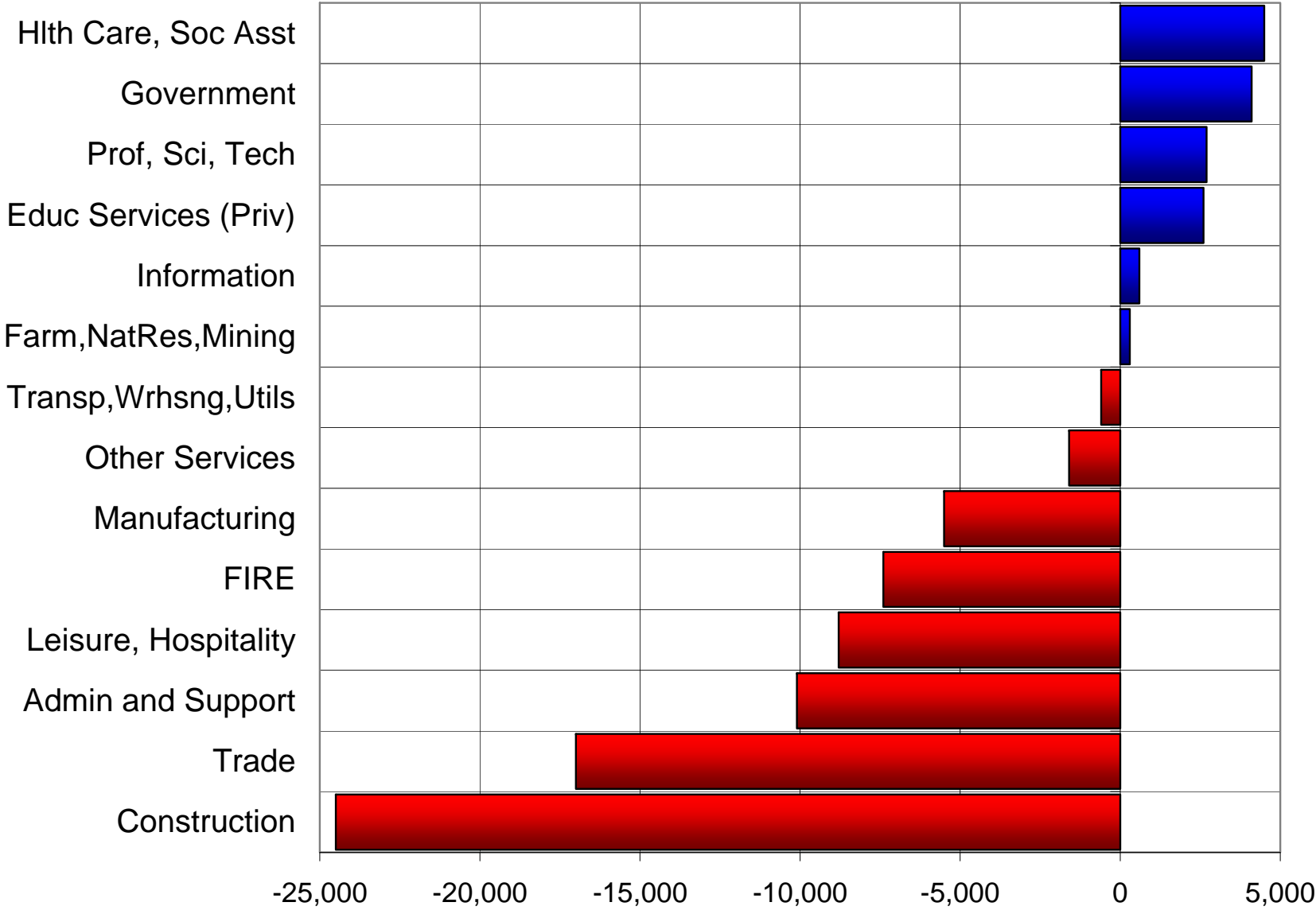
San Diego County Annual Change Payroll Industry Employment



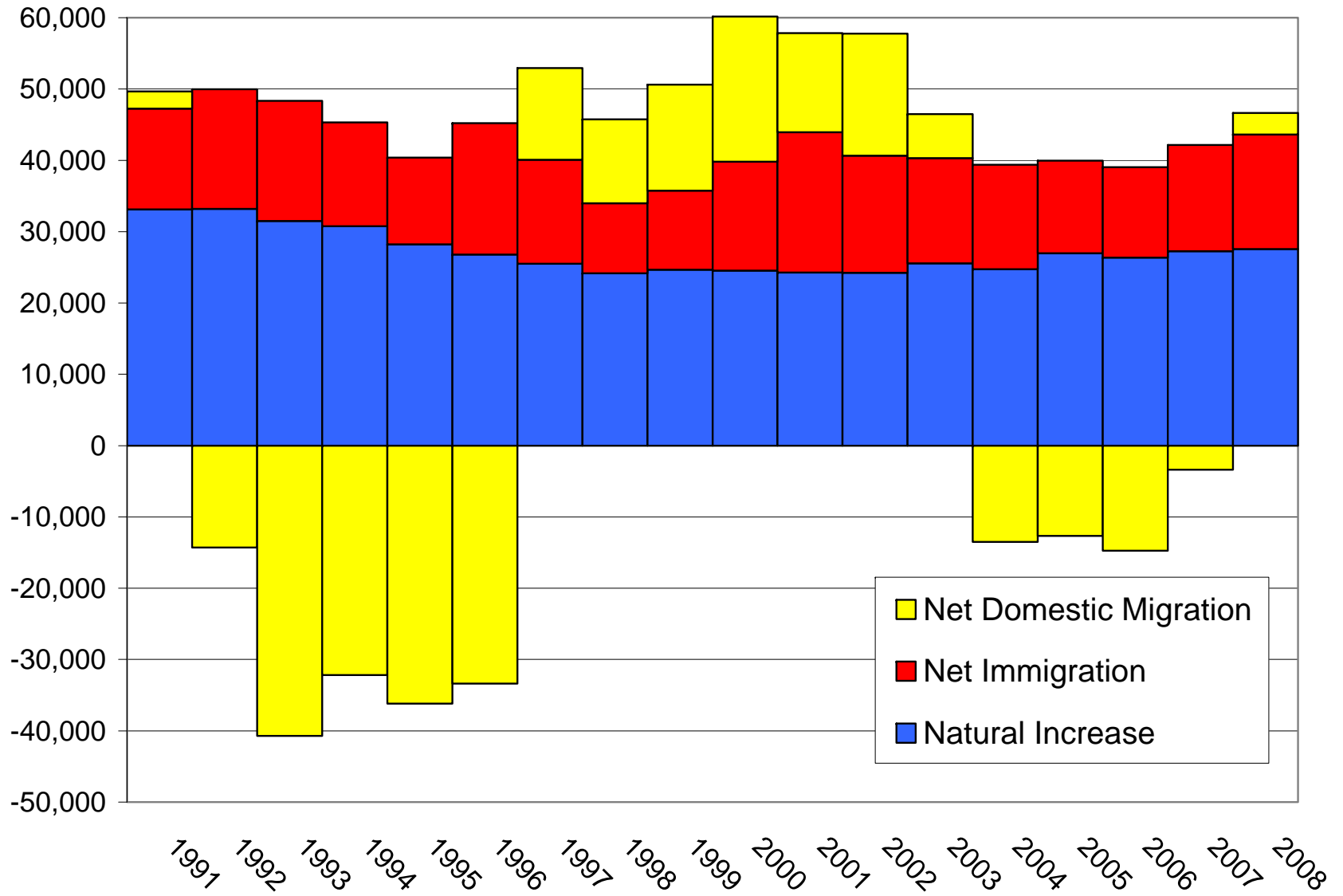
Source: California Employment Development Department.

San Diego Industry Employment

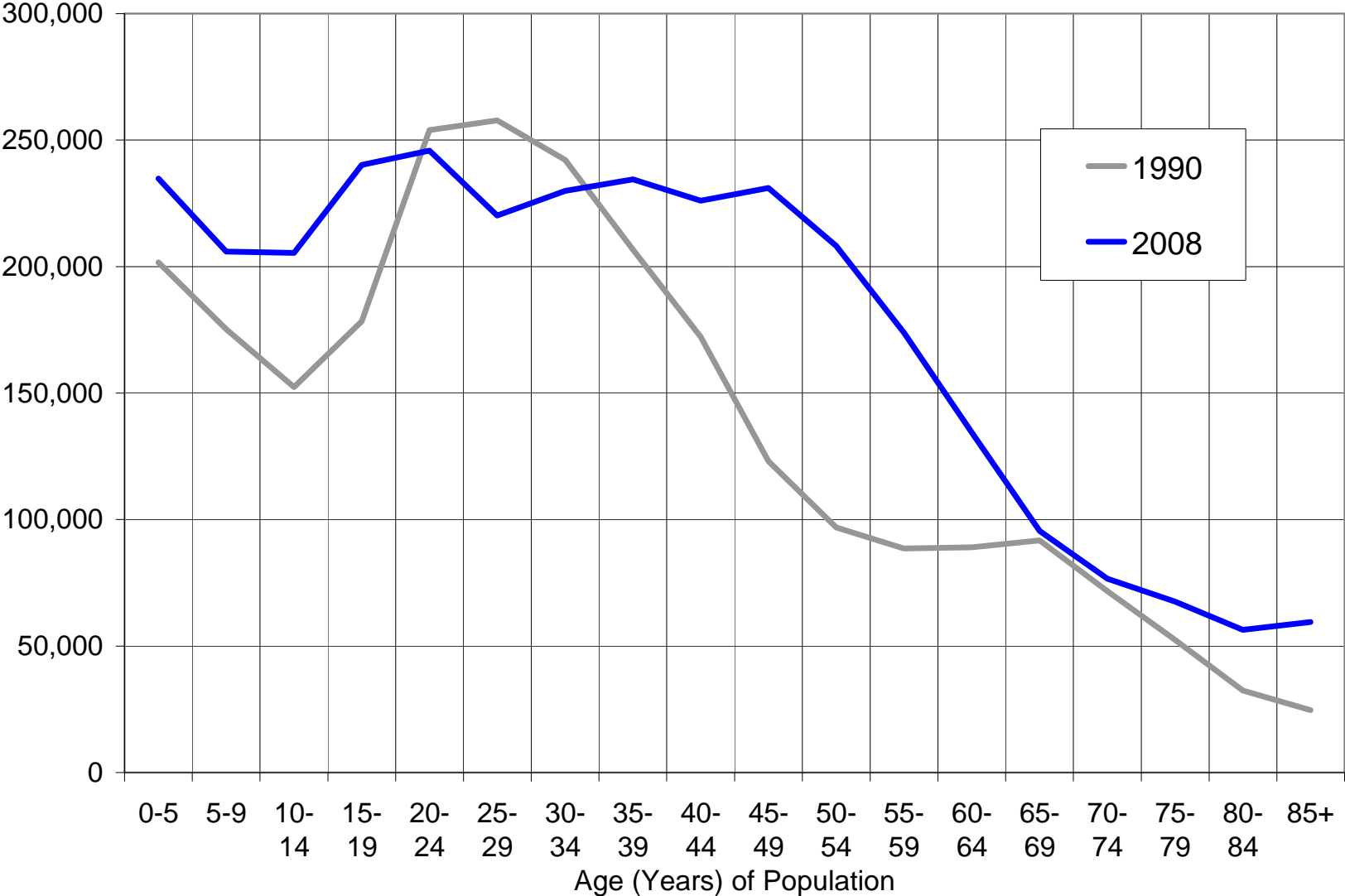
Jun 2007-Apr 2009 Net Change: -60,700



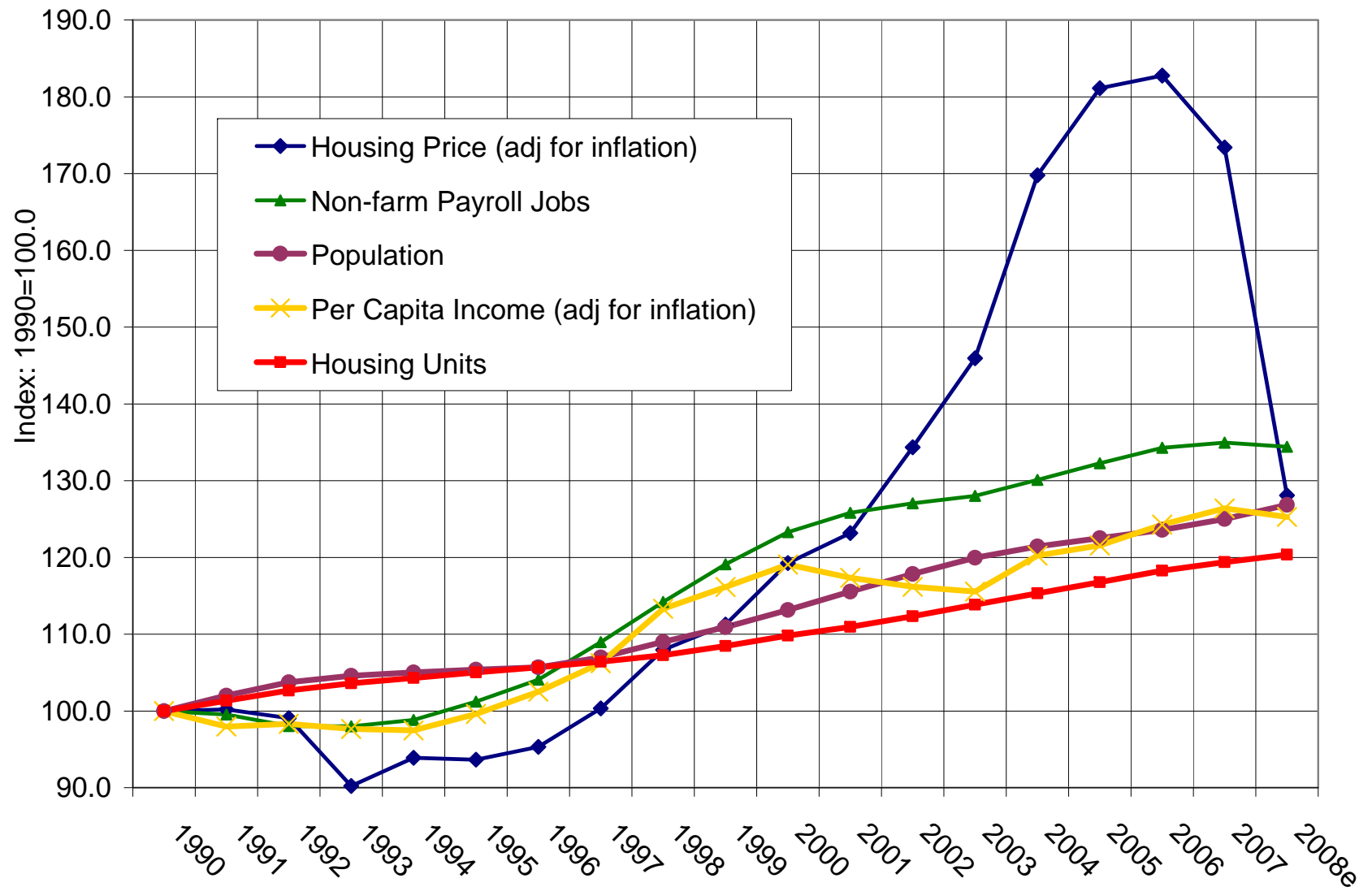
San Diego County Population Change



“Waves of Change” San Diego Population by Age

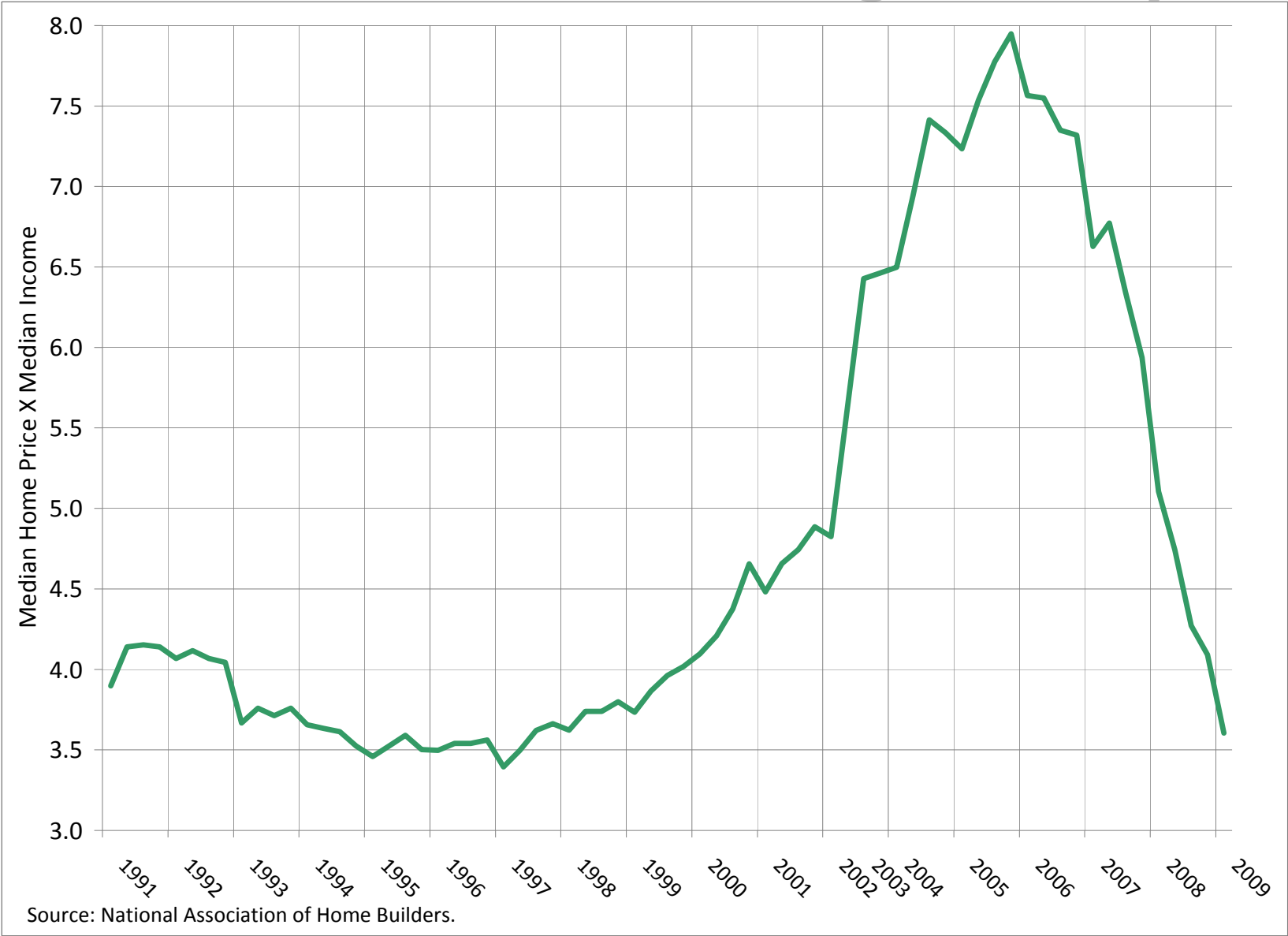


San Diego Population, Jobs, Income, Housing Supply and Prices



Source: National University System Institute for Policy Research.

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



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%

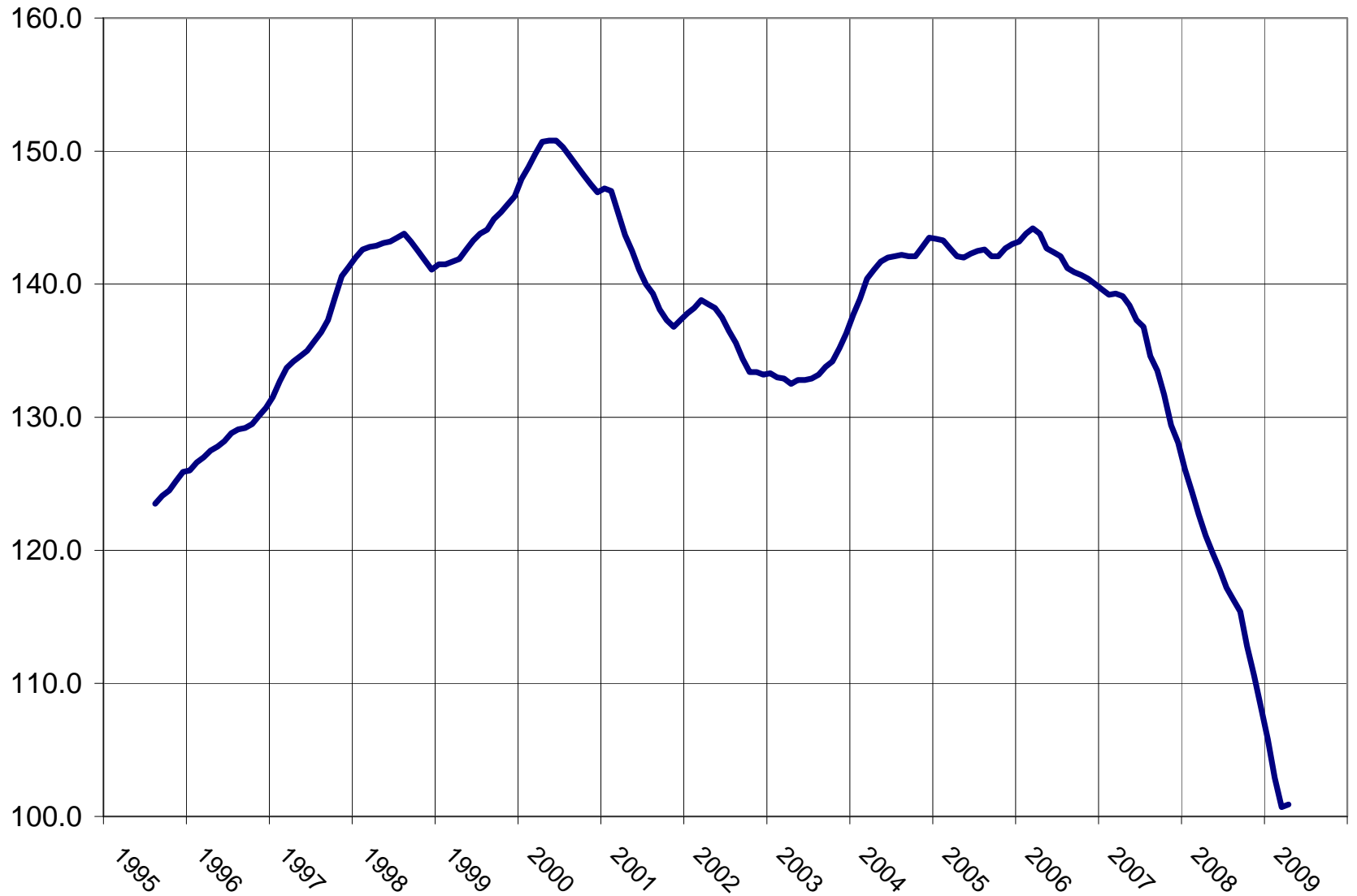
Year-over-year drop: -24.8%

Deceleration rank: No. 1



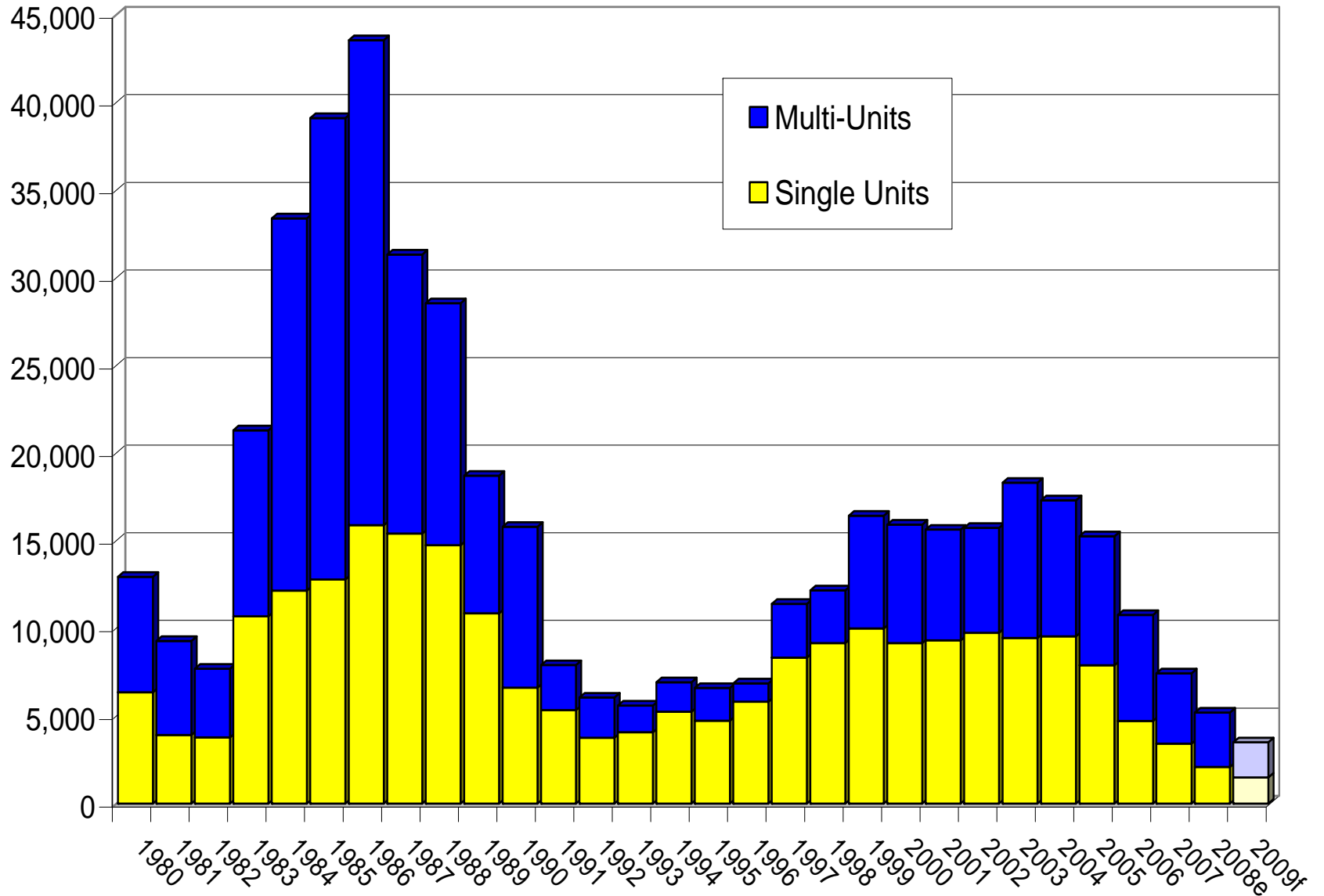
Source: S&P/Case-Shiller home-price index, released Feb. 24, 2009. Methodology: Rate of home price increase or decrease was calculated by examining data covering the time period between November 2008 and December 2008 for month-to-month results, and December 2007 to December 2008 for year-over-year results.

USD Index of Leading Economic Indicators for San Diego County

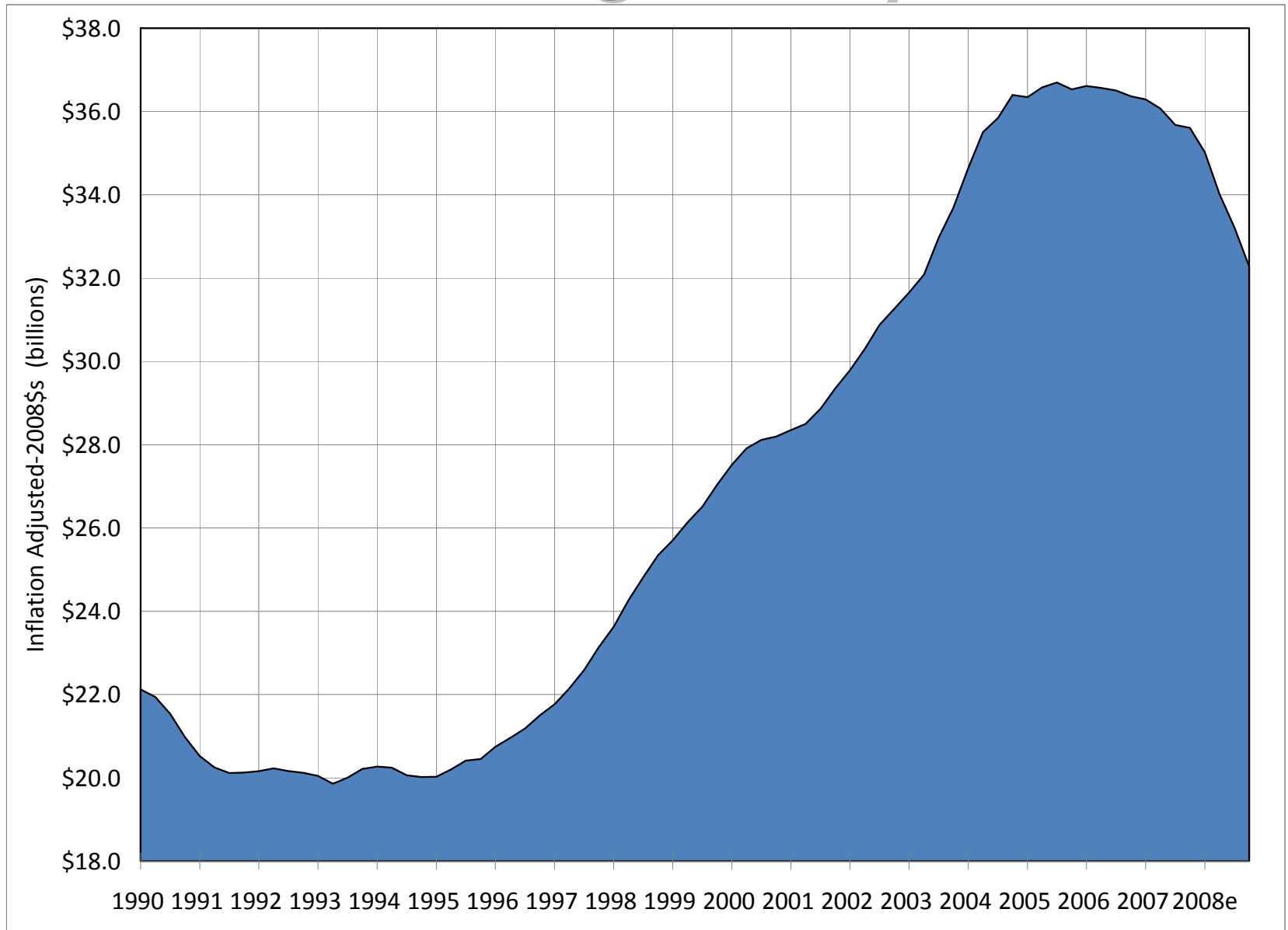


Residential Construction

San Diego County

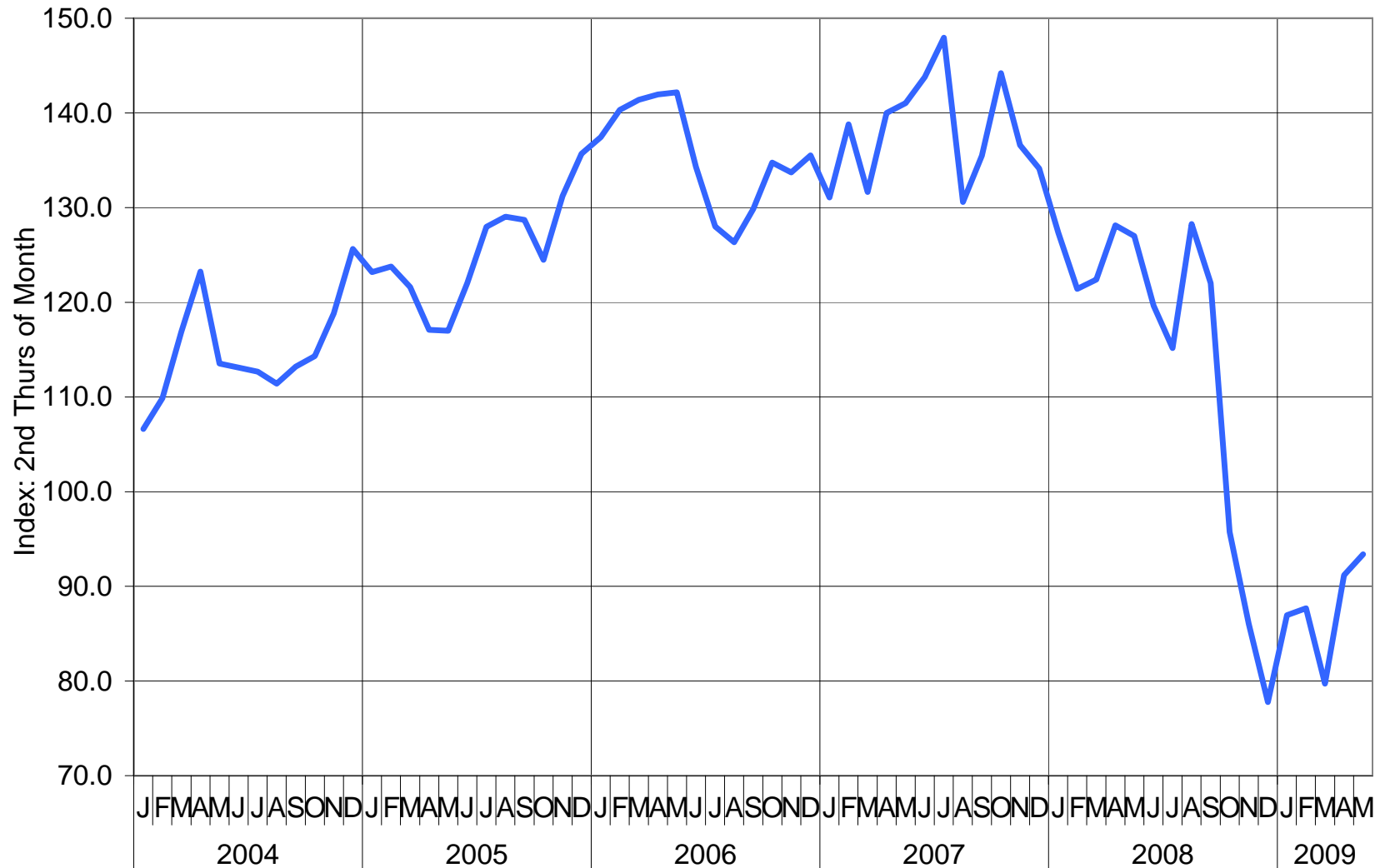


Annual Taxable Retail Sales San Diego County



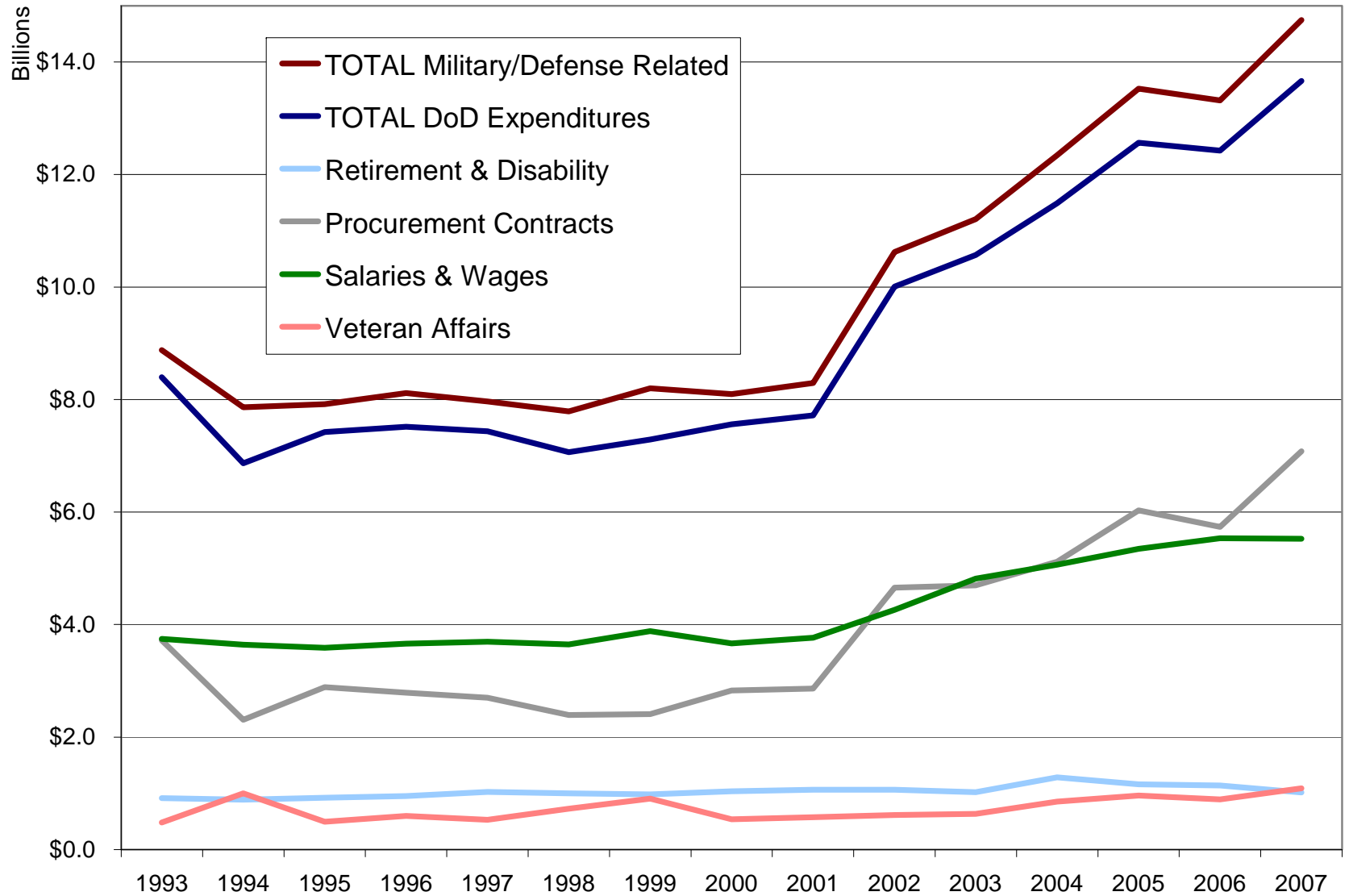
San Diego Stock Index

Index of 160 Publicly Trade Companies Headquartered in San Diego

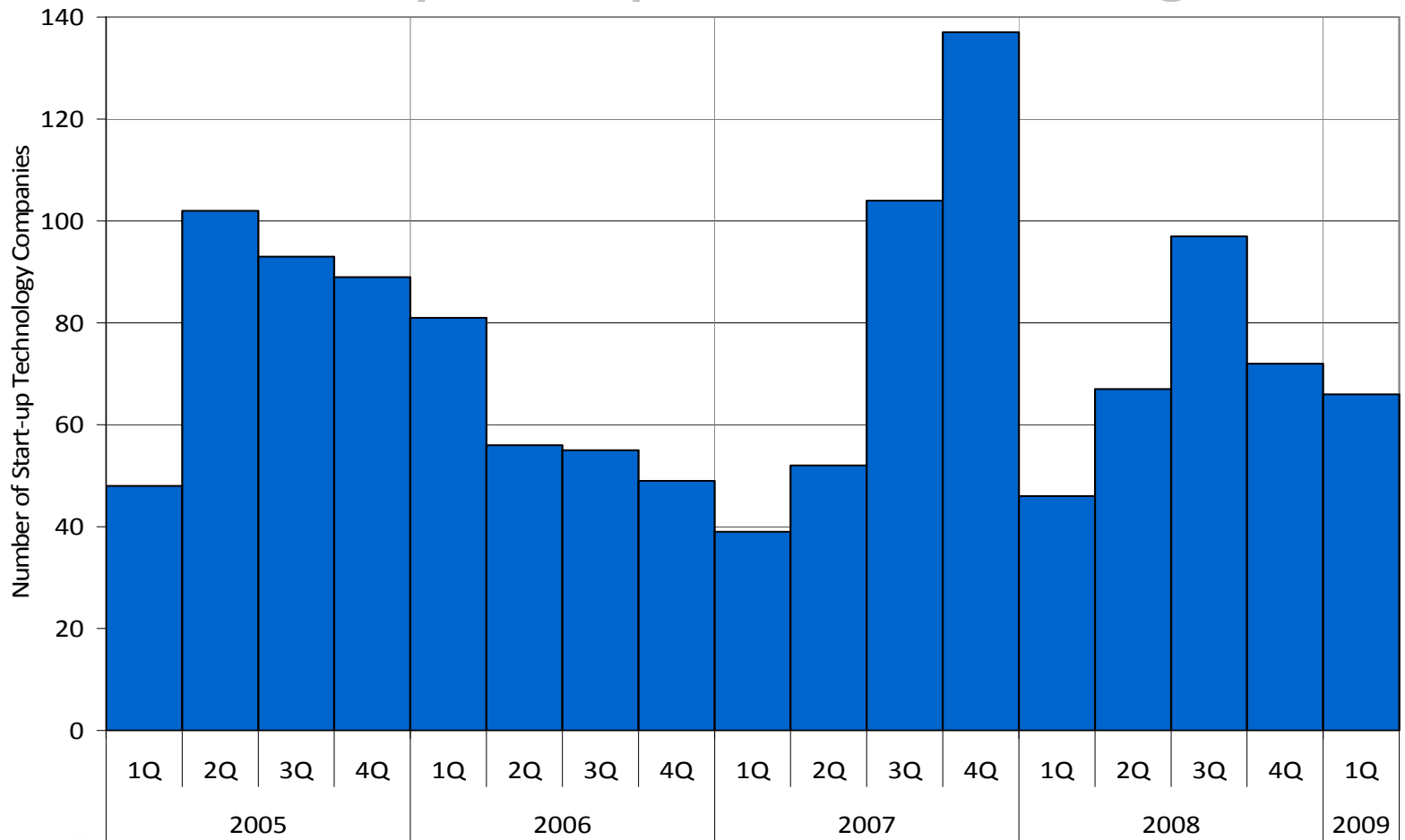


Source: San Diego Daily Transcript.

Department of Defense Direct Expenditures and Obligations - San Diego County



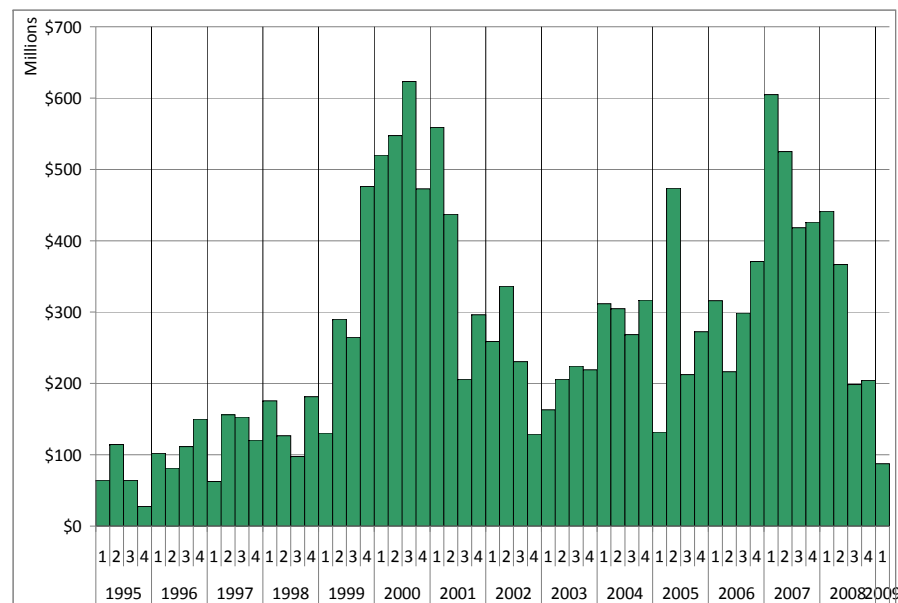
CONNECT-dex of New Technology Start-up Companies in San Diego



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Venture Capital Investment in San Diego

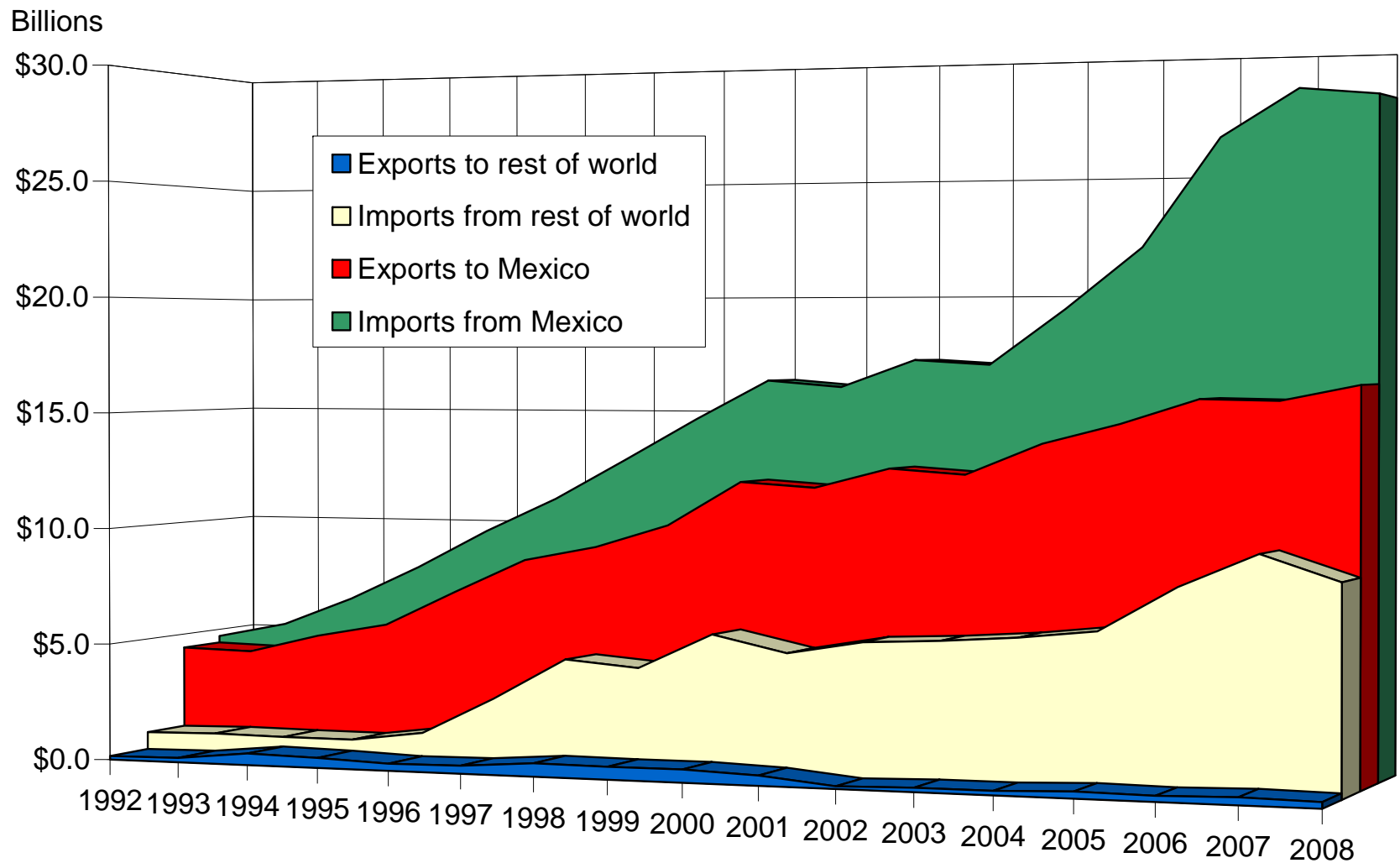


Venture Capital Investment by Region - Annual 2008

Rank	Region	Investment	No. of Deals	Average 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.