



STATE OF ARKANSAS
**Department of Finance
and Administration**

OFFICE OF THE DIRECTOR

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November 9, 2016

The Honorable Bill Sample, Co-Chair
The Honorable David Branscum, Co-Chair
Arkansas Legislative Council
State Capitol
Little Rock, Arkansas 72201

Dear Senator Sample and Representative Branscum:

In accordance with Arkansas Code Annotated §19-4-304 (b) (2), I am submitting our Official General Revenue Forecast for the 2017 – 2019 Biennium. This law states that the Legislative Council shall require from the Chief Fiscal Officer of the State, not later than sixty (60) days prior to the convening of the General Assembly, the budget estimates and recommendations prepared by him. Included in the tables are selected economic assumptions and the details of the updated revenue forecasts for Fiscal Year 2017 and the 2017-2019 Biennium.

Summary of Net Available Revenues:

Actual

- In FY 2016 net available revenues totaled \$5,367.8 million, an increase of \$117.3 million or 2.2% from FY 2015.

Current Year

- For FY 2017 net available revenues are expected to reach \$5,333.1 million, a decrease of \$34.7 million, or -0.6 percent from FY 2016 net available. Year-to-date actual growth after four months in the fiscal year has been 1.7 percent above year earlier levels, resulting in \$23.2 million below forecast at that point. Sales and Use Tax collections have been below forecast but payroll withholding, a key indicator for current and potential economic activity, implies expansion in the near term and acceleration in forecasted sales tax growth. Corporate Income Tax has been lower, due to downward adjustments from payments recorded last year and adjustments to expectations of future tax liabilities.

The FY 2017 forecast is expected to fund the allocations “A” + Rainy Day Fund + “B” in the current Revenue Stabilization Law.

Forecast

- For FY 2018 net available revenues are expected to reach \$5,482.2 million, an increase of \$149.1 million or 2.8 percent above FY 2017.
- For FY 2019 net available revenues are expected to reach \$5,748.2 million, an increase of \$266.0 million or 4.9 percent above FY 2018.

Economic Forecast Assumptions

Economic models employed by the Department of Finance and Administration indicate modest economic growth by historic standards, continued low inflation, and gradual acceleration of income and consumption across the biennial projection period. The Arkansas economy currently displays mixed signals for revenue potential from both income and purchasing patterns. Wage and Salary income growth remains stable but job growth has moderated and the state unemployment rate suggests full employment is near at hand. Further gains are possible from continued growth in high-wage sectors and greater opportunities for individuals currently working part-time jobs for economic reasons. Estimates of the labor force participation rate at the state and national levels are still low by historic standards. Considerable risk remains for revenue prediction, however, as the expansion ages and external markets remain depressed or dependent on unconventional stimulus mechanisms for growth.

The list of risk factors for the forecast includes limiting factors for growth from rising interest rates and some evidence of limits to growth from full employment over the next few years. The consumer gain from low energy prices and historically low consumer credit rates are not expected to provide the same level of benefit as in recent years. Warning signs of the next recession will be constantly monitored from local and external sources.

Growth in the Arkansas economy remains near the U.S. average and above it in some respects. In addition, negative effects from energy sector declines in the region appear to be limited at the state level. Transition to higher wage sectors is evident in the indicators while new investment continues in traditional sectors with competitive advantages and international participation.

The department utilizes a more conservative forecast source among national forecast contractors in order to maintain a conservative input process. We have provided a conservative revenue forecast recognizing the growth opportunities and the risk profile.

I have attempted to provide this information in a format that facilitates your work. A narrative summary of the revenue forecasts and tables for quick reference are included with this letter.

Sincerely,

A handwritten signature in black ink that reads "Larry W. Walther". The signature is written in a cursive, flowing style with a large initial "L".

Larry W. Walther
Director

LWW/jps
Attachments (3)

STATE AND NATIONAL ECONOMIC AND REVENUE FORECASTS

The following sections summarize the economic outlook for the nation and Arkansas for the next two years with comments updating current year conditions. The Official Revenue Forecast for the 2017-2019 Biennium Forecast is included.

The revenue forecasts are conditionally based on the expected economic conditions in the state and nation as of October 2016. The U.S. and state economic forecasts were compiled from simulations representing structural economic modeling systems at IHS Global Insight, Inc., a national forecast provider. The Office of Economic Analysis and Tax Research, Office of the Director, DFA, prepared the general revenue forecast.

Economic and Revenue Estimates for Fiscal Year 2017

Summary of Economic and Revenue Estimates for FY 2017

- **FY 2017 U.S. Gross Domestic Product (Real Output).** This summary is based on the October 2016 baseline forecast of IHS Global Insight, Inc. During FY 2017, the United States economy is expected to produce final goods and services valued in inflation-adjusted dollars at \$16,799 billion, for an annual increase of \$285.4 billion or 1.7 percent. Two general measures of inflation indicate modest price gains during the year, stemming from weak conditions in a variety of markets and slack labor market conditions. These consist of the Consumer Price Index (CPI) and the GDP price deflator, a measure of overall price inflation spanning consumers, businesses, and government. The Consumer Price Index is expected to increase 1.9 percent and the GDP price deflator is expected to rise by 2.0 percent.
- **U.S. gross domestic product in current dollars** is estimated at \$18,954 billion, an increase of \$680.1 billion or 3.7 percent.
- **Average annual U.S. oil prices** are estimated at \$44.89 per barrel (domestic crude price to refiners) in FY 2017 from the October forecast. Energy prices in general have been constrained by weak economic conditions in major economies, large stockpiles, and continued over-production by major producers. Weekly and monthly price swings could vary widely around the annual averages.
- **FY 2017 Arkansas nonfarm personal income** (the sum of wages and salaries, proprietor's income, rent, dividends, interest and transfer payments) is estimated at

\$118.58 billion (current dollars), an increase of \$4.29 billion or 3.8 percent over FY 2016.

- **FY 2017 Arkansas wage and salary disbursements** are estimated at \$55.92 billion, an increase of \$2.22 billion or 4.1 percent.
- **FY 2017 Arkansas payroll employment** is expected to reach a level of 1.234 million jobs, an increase of approximately 12,780 jobs or 1.0 percent. Private sector job growth is expected to be 1.2 percent over the same period.

FY 2017 Gross General Revenues

Gross general revenues are estimated at \$6,580.8 million, an increase from FY 2016 of \$129.3 million, or 2.0 percent.

Pursuant to Arkansas Code §19-5-202, the total fee deducted from general revenue for funding of the State Central Services Fund and Constitutional Officers Fund for FY2017 was set at 3.2 percent.

In addition to the usual deductions from gross general revenues, such as the Constitutional Officers Fund, the State Central Services Fund, and refunds of individual and corporate income taxes, the following trust fund is noted:

- **Act 1315 (1999) Educational Excellence Trust Fund.** Act 1315 (1999) established a benchmark of 14.14 percent which is applied against actual sales and use tax collections of the previous fiscal year. Under this formula, \$313.4 million has been determined to be distributed (net) in FY 2017.

FY 2017 Net Available General Revenues

The net available forecast for FY 2017 is unchanged from the Official General Revenue Forecast of February 1, 2016. Net available revenues are estimated at \$5,333.1 million, a decrease of \$34.7 million or -0.6 percent from FY 2016.

FY 2017 revenues are expected to fund the allocations “A” + Rainy Day Fund + “B” in the current Revenue Stabilization Law.

FY 2017 Selected Special Revenues:

- **FY 2017 Educational Adequacy Fund:** Act 107 of the Second Extraordinary Session of 2003 increased the state sales and use tax rate from 5.125% to 6.0%, effective March 1, 2004. Effective July 1, 2004, a new sales tax on selected services went into effect in addition to an increase in vending machine decal fees. Act 94 increased the minimum corporate franchise tax and the tax rate, effective for calendar years beginning January 1, 2004. Effective with FY 2008, a portion of the six-cent per gallon dyed diesel tax is also deposited to the Educational Adequacy Fund to partially offset the revenue loss from exempting dyed diesel from sales tax.

The additional revenues are deposited as special revenues to the Educational Adequacy Fund to be used to fulfill the financial obligations of the state to provide an adequate educational system. Estimate for FY 2017: \$495.8 million.

- **FY 2017 WorkForce 2000 (Special Corporate Income Taxes).** Act 1315 (1999) established a benchmark of 6.78 percent which will be applied against net corporate income tax collections in the previous fiscal year. Under this formula, it has been determined that \$29.5 million will be distributed in FY 2017.
- **FY 2017 Soft Drink Excise Tax (Medicaid Program Trust Fund).** In FY 2017, the soft drink excise tax is forecast at \$44.0 million, representing a -4.2 percent decrease compared to FY 2016 collections.

Economic and Revenue Estimates for the 2017–2019 Biennium

Summary of Economic and Revenue Estimates for FY 2018

- **FY 2018 U.S. Gross Domestic Product (Real Output).** This summary is based on the October 2016 baseline forecast of IHS Global Insight, Inc. During FY 2018, the United States economy is expected to produce final goods and services valued in inflation-adjusted dollars at \$17,180 billion, an increase of \$381.0 billion or 2.3 percent. Two general measures of inflation indicate limited price pressures during the year. The Consumer Price Index is expected to increase 2.5 percent and the GDP price deflator is expected to rise by 2.3 percent.

- **U.S. gross domestic product in current dollars** is estimated at \$19,827 billion, an increase of \$872.4 billion or 4.6 percent over FY 2017.
- **Average annual U.S. oil prices** are estimated at \$50.47 per barrel (domestic crude price to refiners) in FY2018. Gradual price gain in annual averages is expected during the biennium. Weekly and monthly price swings could vary widely around the annual averages.
- **FY 2018 Arkansas nonfarm personal income** is estimated at \$124.17 billion (current dollars), an increase of \$5.59 billion or 4.7 percent over FY 2017.
- **FY 2018 Arkansas wage and salary disbursements** are estimated at \$58.87 billion, an increase of \$2.95 billion or 5.3 percent. Total disbursements reflect the combined effects of net job growth, longer average work weeks, and any gains in wage rates, bonuses, or level of overtime pay rates.
- **FY 2018 Arkansas payroll employment** is expected to reach a level of 1.247 million jobs, an increase of approximately 13,200 jobs or 1.1 percent. Private sector job growth is expected to be 1.2 percent in FY 2018.

FY 2018 Gross General Revenues

Gross general revenues are estimated at \$6,764.7 million, an increase over FY 2017 of \$183.9 million, or 2.8 percent.

The total fee deducted from general revenue for funding of the State Central Services Fund and Constitutional Officers Fund for FY 2018 is assumed to remain at 3.2 percent.

In addition to the usual deductions from gross general revenues, such as the Constitutional Officers Fund, the State Central Services Fund, and refunds of individual and corporate income taxes, the following trust fund is noted:

- **Act 1315 (1999) Educational Excellence Trust Fund.** Act 1315 (1999) established a benchmark of 14.14 percent which is applied against actual sales and use tax collections of the previous fiscal year. \$321.7 million is estimated to be distributed (net) in FY 2018.

FY 2018 Net Available General Revenues

Net available revenues are estimated at \$5,482.2 million, an increase of \$149.1 million or 2.8 percent compared to FY 2017.

FY 2018 Selected Special Revenues:

- **FY 2018 Educational Adequacy Fund:** Act 107 of the Second Extraordinary Session of 2003 increased the state sales and use tax rate from 5.125% to 6.0%, effective March 1, 2004. Effective July 1, 2004, a new sales tax on selected services went into effect in addition to an increase in vending machine decal fees. Act 94 increased the minimum corporate franchise tax and the tax rate, effective for calendar years beginning January 1, 2004. Effective with FY 2008, a portion of the six-cent per gallon dyed diesel tax is also deposited to the Educational Adequacy Fund to partially offset the revenue loss from exempting dyed diesel from sales tax.

The additional revenues are deposited as special revenues to the Educational Adequacy Fund to be used to fulfill the financial obligations of the state to provide an adequate educational system. Estimate for FY 2018: \$504.3 million.

- **FY 2018 WorkForce 2000 (Special Corporate Income Taxes).** Act 1315 (1999) established a benchmark of 6.78 percent which will be applied against net corporate income tax collections in the previous fiscal year. \$26.2 million is estimated to be distributed in FY 2018.
- **FY 2018 Soft Drink Excise Tax (Medicaid Program Trust Fund).** In FY 2018, the soft drink excise tax is forecast at \$42.7 million, representing a -3.0 percent decrease compared to FY 2017 collections.

Summary of Economic and Revenue Estimates for FY 2019

- **FY 2019 U.S. Gross Domestic Product (Real Output).** During FY 2019, the United States economy is expected to produce final goods and services valued at \$17,555 billion in inflation-adjusted dollars, an increase of \$375.1 billion or 2.2 percent. The two inflation measures of consumer price index (CPI) and GDP price deflator are expected to gradually move up in response to recovery in the overall economy. The consumer price index (CPI) is expected to increase 2.5 percent and the GDP price deflator is expected to increase 2.1 percent in FY 2019.

- **U.S. gross domestic product in current dollars** is estimated at \$20,690 billion for FY 2019, an increase of \$863.7 billion or 4.4 percent.
- **Average annual U.S. oil prices** are estimated at \$59.29 per barrel (domestic crude price to refiners) in FY 2019. Oil price and domestic energy demand are expected to gradually recover across the biennium as global oil markets rebalance and excess inventory is reduced. Weekly and monthly price swings could vary widely around the annual averages.
- **FY 2019 Arkansas nonfarm personal income** will reach \$130.42 billion (current dollars), an increase of \$6.25 billion or 5.0 percent over FY 2018. Nonfarm income is expected to expand moderately in a rising-inflation economic environment and expanding national economy.
- **FY 2019 Arkansas wage and salary disbursements** are estimated at \$61.80 billion, an increase of \$2.93 billion or 5.0 percent.
- **FY 2019 Arkansas payroll employment** is estimated to grow from a level of 1.247 million jobs in FY 2018 to 1.258 million jobs in FY 2019. This represents an increase of approximately 10,550 jobs or 0.8 percent. Private sector job growth is expected to be 0.9 percent in FY 2019.

FY 2019 Gross General Revenues

The forecast for gross general revenues in FY 2019 is \$7,005.4 million, an increase of \$240.7 million or 3.6 percent over FY 2018.

The total fee deducted from general revenue for funding of the State Central Services Fund and Constitutional Officers Fund for FY 2019 is assumed to remain at 3.2 percent.

In addition to the usual deductions from gross general revenues, such as the Constitutional Officers Fund, the State Central Services Fund, and refunds of individual and corporate income taxes, the following trust fund is noted:

- **Act 1315 (1999) Educational Excellence Trust Fund.** Act 1315 (1999) established a benchmark of 14.14 percent which is applied against actual sales and use tax collections of the previous fiscal year. Under this formula, an estimated \$334.1 million may be distributed (net) in FY 2019.

FY 2019 Net Available General Revenues

For FY 2019, net available general revenues are estimated at \$5,748.2 million, an increase of \$266.0 million or 4.9 percent over FY 2018.

FY 2019 Selected Special Revenues:

- **FY 2019 Educational Adequacy Fund:** Act 107 of the Second Extraordinary Session of 2003 increased the state sales and use tax rate from 5.125% to 6.0%, effective March 1, 2004. Effective July 1, 2004, a new sales tax on selected services went into effect in addition to an increase in vending machine decal fees. Act 94 increased the minimum corporate franchise tax and the tax rate, effective for calendar years beginning January 1, 2004. Effective with FY 2008, a portion of the six-cent per gallon dyed diesel tax is also deposited to the Educational Adequacy Fund to partially offset the revenue loss from exempting dyed diesel from sales tax.

The additional revenues are deposited as special revenues to the Educational Adequacy Fund to be used to fulfill the financial obligations of the state to provide an adequate educational system. Estimate for FY 2019: \$517.4 million.

- **FY 2019 WorkForce 2000 (Special Corporate Income Taxes)** Act 1315 (1999) established a benchmark of 6.78 percent which will be applied against net corporate income tax collections in the previous fiscal year. Under this formula, an estimated \$26.6 million may be distributed (net) in FY 2019.
- **FY 2019 Soft Drink Excise Tax (Medicaid Program Trust Fund).** In FY 2019 the forecast is \$42.2 million, representing a -1.2 percent decrease compared to FY 2018.

**Office of the Director,
Economic Analysis and Tax Research,
Department of Finance and Administration
November 9, 2016**

**OFFICIAL GENERAL REVENUE FORECAST
2017 - 2019 Biennium**

Millions of Dollars

	FY 17			11/09/16			FY 18			11/09/16			FY 19		
	Estimate	Increase	% CH	Estimate	Increase	% CH	Estimate	Increase	% CH	Estimate	Increase	% CH	Estimate	Increase	% CH
INDIVIDUAL INCOME	3,220.5	72.2	2.3	3,379.1	158.6	4.9	3,537.1	158.0	4.7						
CORPORATE INCOME	462.3	-24.4	-5.0	444.1	-18.2	-3.9	454.9	10.8	2.4						
SALES AND USE	2,396.0	106.0	4.6	2,441.1	45.1	1.9	2,504.7	63.6	2.6						
ALCOHOLIC BEVERAGE	56.7	0.0	0.0	58.8	2.1	3.7	60.2	1.4	2.4						
TOBACCO	207.6	-15.9	-7.1	207.3	-0.3	-0.1	201.0	-6.3	-3.0						
INSURANCE	107.4	5.6	5.5	107.3	-0.1	-0.1	115.5	8.2	7.6						
RACING	2.5	0.0	0.4	2.3	-0.2	-8.0	2.3	0.0	0.0						
GAMES OF SKILL	55.3	-0.6	-1.0	60.4	5.1	9.2	63.1	2.7	4.5						
SEVERANCE	10.4	1.7	19.3	9.9	-0.5	-4.8	11.6	1.7	17.2						
CORPORATE FRANCHISE	8.0	0.0	0.0	8.0	0.0	0.0	8.0	0.0	0.0						
REAL ESTATE TRANSFER	2.6	0.0	-0.3	2.6	0.0	0.0	2.6	0.0	0.0						
MISCELLANEOUS	51.5	-15.2	-22.8	43.8	-7.7	-15.0	44.4	0.6	1.4						
TOTAL GROSS	6,580.8	129.3	2.0	6,764.7	183.9	2.8	7,005.4	240.7	3.6						
LESS: SCS/COF	210.6	4.3	2.1	216.5	5.9	2.8	224.2	7.7	3.6						
INDIVIDUAL REFUNDS	479.4	112.6	30.7	489.9	10.5	2.2	507.7	17.8	3.6						
CORP REFUNDS	54.0	-14.9	-21.6	65.8	11.8	21.9	67.3	1.5	2.3						
CLAIMS RESERVE	10.0	10.0	0.0	10.0	0.0	0.0	10.0	0.0	0.0						
ECON DEV INCENTIVE	23.4	14.0	148.3	23.4	0.0	0.0	23.4	0.0	0.0						
RECYCLING EQUIP CREDIT	16.0	16.0	0.0	16.0	0.0	0.0	16.0	0.0	0.0						
AMENDMENT 82 BOND	5.3	5.3	0.0	5.3	0.0	0.0	5.3	0.0	0.0						
WATER/SEWER BONDS	14.8	0.0	0.0	14.8	0.0	0.0	14.8	0.0	0.0						
COLL SAVINGS BONDS	24.0	0.8	3.4	24.0	0.0	0.0	24.0	0.0	0.0						
MLA CITY/CO TOURIST	0.9	-0.1	-14.1	0.9	0.0	0.0	0.9	0.0	0.0						
EDUC EXCEL TRUST	315.6	14.8	4.9	321.7	6.1	1.9	334.1	12.4	3.9						
DESEGREGATION	65.8	0.0	0.0	65.8	0.0	0.0	0.0	-65.8	-100.0						
EDUCATIONAL ADQCY	27.9	1.3	4.9	28.4	0.5	1.8	29.5	1.1	3.9						
NET AVAILABLE	5,333.1	-34.7	-0.6	5,482.2	149.1	2.8	5,748.2	266.0	4.9						

Prepared by Economic Analysis and Tax Research, DFA
Net Available Estimate for FY17: 100% of A, Rainy Day Fund, and B.

**ECONOMIC ASSUMPTIONS AND THE
OFFICIAL GENERAL REVENUE FORECAST
2017 - 2019 Biennium**

Millions of Dollars	FY-17			11/09/16			FY-18			11/09/16			FY-19		
	Estimate	Increase	% CH	Estimate	Increase	% CH	Estimate	Increase	% CH	Estimate	Increase	% CH	Estimate	Increase	% CH
INDIVIDUAL INCOME TAX	3,220.5	72.2	2.3	3,379.1	158.6	4.9	3,537.1	158.0	4.7						
INDIVIDUAL REFUNDS	<u>479.4</u>	<u>112.6</u>	<u>30.7</u>	<u>489.9</u>	<u>10.5</u>	<u>2.2</u>	<u>507.7</u>	<u>17.8</u>	<u>3.6</u>						
NET INDIVIDUAL INCOME	2,741.1	-40.4	-1.5	2,889.2	148.1	5.4	3,029.4	140.2	4.9						
CORPORATE INCOME TAX	462.3	-24.4	-5.0	444.1	-18.2	-3.9	454.9	10.8	2.4						
CORPORATE REFUNDS	<u>54.0</u>	<u>-14.9</u>	<u>-21.6</u>	<u>65.8</u>	<u>11.8</u>	<u>21.9</u>	<u>67.3</u>	<u>1.5</u>	<u>2.3</u>						
NET CORPORATE INCOME	408.3	-9.5	-2.3	378.3	-30.0	-7.3	387.6	9.3	2.5						
SALES AND USE TAX	2,396.0	106.0	4.6	2,441.1	45.1	1.9	2,504.7	63.6	2.6						
NET ECONOMIC TAX REVENUE	5,545.4	56.1	1.0	5,708.6	163.2	2.9	5,921.7	213.1	3.7						
OTHER TAX REVENUE	<u>502.0</u>	<u>-24.5</u>	<u>-4.7</u>	<u>500.4</u>	<u>-1.6</u>	<u>-0.3</u>	<u>508.7</u>	<u>8.3</u>	<u>1.7</u>						
GROSS GENERAL REVENUES	6,580.8	129.3	2.0	6,764.7	183.9	2.8	7,005.4	240.7	3.6						
LESS: SCS/COF	210.6	4.3	2.1	216.5	5.9	2.8	224.2	7.7	3.6						
INDIVIDUAL REFUNDS	479.4	112.6	30.7	489.9	10.5	2.2	507.7	17.8	3.6						
CORPORATE REFUNDS	54.0	-14.9	-21.6	65.8	11.8	21.9	67.3	1.5	2.3						
CLAIMS	10.0	10.0	0.0	10.0	0.0	0.0	10.0	0.0	0.0						
ECON DEVEL INCENTIVE FUND	23.4	14.0	148.3	23.4	0.0	0.0	23.4	0.0	0.0						
RECYCLING EQUIP CREDIT	16.0	16.0	0.0	16.0	0.0	0.0	16.0	0.0	0.0						
AMENDMENT 82 BOND	5.3	5.3	0.0	5.3	0.0	0.0	5.3	0.0	0.0						
WATER/SEWER BONDS	14.8	0.0	0.0	14.8	0.0	0.0	14.8	0.0	0.0						
MLA CITY/CO TOURIST	0.9	-0.1	-14.1	0.9	0.0	0.0	0.9	0.0	0.0						
DESEGREGATION SETTLEMENT	65.8	0.0	0.0	65.8	0.0	0.0	0.0	-65.8	-100.0						
EDUC EXCEL TRUST FUND	315.6	14.8	4.9	321.7	6.1	1.9	334.1	12.4	3.9						
COLLEGE SAVINGS BONDS	24.0	0.8	3.4	24.0	0.0	0.0	24.0	0.0	0.0						
EDUCATIONAL ADEQUACY	<u>27.9</u>	<u>1.3</u>	<u>4.9</u>	<u>28.4</u>	<u>0.5</u>	<u>1.8</u>	<u>29.5</u>	<u>1.1</u>	<u>3.9</u>						
NET AVAILABLE	5,333.1	-34.7	-0.6	5,482.2	149.1	2.8	5,748.2	266.0	4.9						

ECONOMIC ASSUMPTIONS

	FY 2017			FY 2018			FY 2019		
U.S. GDP Nominal (Billion \$)	18,954.2	680.1	3.7	19,826.5	872.4	4.6	20,690.2	863.7	4.4
U.S. GDP Real (Billions 2009\$ Chain-Weight)	16,798.8	285.4	1.7	17,179.8	381.0	2.3	17,555.0	375.1	2.2
U.S. GDP Deflator (Chain-Wt, 2009=100)	112.8	2.2	2.0	115.4	2.6	2.3	117.9	2.5	2.1
U.S. CPI Price Index (1984=100)	242.9	4.6	1.9	248.9	6.1	2.5	255.1	6.2	2.5
OIL - Avg. Dom. Crude to Refinery (\$ per barrel)	44.89	2.84	6.7	50.47	5.58	12.4	59.29	8.82	17.5
AR. Net General Revenue (Million \$)	6,047.4	31.6	0.5	6,209.0	161.6	2.7	6,430.4	221.4	3.6
AR. Net GR % of Non-Farm Personal Income	5.1	-0.2	-3.1	5.0	-0.1	-1.9	4.9	-0.1	-1.4
AR. Non-Farm Personal Income (Million \$)	118,582.7	4,290.1	3.8	124,168.7	5,586.0	4.7	130,415.8	6,247.1	5.0
AR. Wage & Salary Disbursements (Million \$)	55,921.4	2,224.5	4.1	58,873.1	2,951.7	5.3	61,800.2	2,927.1	5.0
AR. Non-Farm Proprietor Income (Million \$)	7,358.7	239.0	3.4	7,751.1	392.3	5.3	8,086.8	335.8	4.3
AR. Per Capita Income (\$)	39,842.9	1,086.6	2.8	41,480.8	1,637.9	4.1	43,323.2	1,842.3	4.4
AR. GDP Nominal (Million \$)	129,983.3	4,564.7	3.6	135,792.7	5,809.4	4.5	141,543.3	5,750.6	4.2
AR. Employment Total Payroll (Thousands)	1,234.3	12.8	1.0	1,247.5	13.2	1.1	1,258.0	10.6	0.8
AR. Employment Private Sector (Thousands)	1,020.7	12.4	1.2	1,033.4	12.7	1.2	1,042.3	8.9	0.9
AR. Employment Manufacturing (Thousands)	152.9	-1.4	-0.9	154.0	1.1	0.7	155.7	1.8	1.2
AR. New Car/Light Truck registrations (Thous.)	140.9	1.3	0.9	140.1	-0.8	-0.6	138.3	-1.8	-1.3
AR. Retail Sales (Million \$)	41,146.0	1,120.4	2.8	42,743.0	1,597.0	3.9	44,574.5	1,831.6	4.3

U.S. Summary: IHS Global Insight, October 2016 Baseline

AR Forecast: IHS Global Insight, October 2016 Baseline