

Washington Monthly Economic Report



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Washington Jobs, Unemployment, and Revenue Summary

	2024	2024	Numeric Change	Percent Change
Total Nonfarm Jobs				
January	3,604,400	3,663,600	44,700	1.2%
February	3,617,600	3,657,000	39,400	1.1%
March	3,626,000	3,651,800	25,800	0.7%
Unemployment Rate (%)				
January	4.6%	4.3%	-0.3%	
February	4.6%	4.4%	-0.2%	
March	4.6%	4.4%	-0.2%	
Revenue Collections (millions)				
January	2,273	2,375	\$102	4.5%
February	1,888	1,999	\$112	5.9%
March	1,933	1,929	-\$4.0	-0.2%

Nonfarm Jobs¹

↑25,800

Year-over-Year in Mar. 2025



Nonfarm Jobs Growth

↑0.7%

Compared to Mar. 2024

Unemployment

↓0.2%

Year-over-Year in Mar. 2025



Total Revenue

↓0.2%

Compared to Mar. 2024

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Washington Jobs, Unemployment, and Revenue Summary

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March Revenue Is Lower than Forecasted

- **From March 11 to April 10, 2025, major General Fund-State (GF-S) revenue collections decreased by \$4 million year-over-year, representing a 0.2% decrease compared to the same period in 2024.** Additionally, the revenue collections for this period came in \$76.7 million (3.8%) lower than forecasted in March 2025 (*Source: Economic and Revenue Forecast Council revenue series, removing the effects of amnesty collections, and large, one-time audit payments or tax refunds*).

Non-farm Job Growth Is Slowing Down

- **In March 2025, Washington's non-farm jobs increased by 25,800 year-over-year, representing a 0.7% growth, lower than the growth seen in February (1.1%) and January (1.2%).** In March 2025, non-farm employment reached 3,651,800 jobs seasonally adjusted. Washington lost 5,200 jobs month-to-month, including 900 in aerospace manufacturing, and 1,300 in construction (*Source: Employment Security Department, quarterly benchmarked nonfarm series*).

Unemployment Rate Remained Unchanged in March

- **The unemployment rate (seasonally adjusted) in March 2025 remained unchanged to 4.4% month-to-month. The unemployment rate is lower by 0.2% compared to March 2024** (*Source: Employment Security Department Local Area Unemployment Statistics*).

Select Economic Indicators

U.S. Economic Indicators

	2023Q4	2024Q2	2024Q3	2024Q4
Gross Domestic Product (GDP)				
Change in Real GDP (annual rate)* (2 nd Estimate)	3.2%	3.0%	3.1%	2.4%
	Mar-24	Jan-25	Feb-25	Mar-25
U.S. Employment				
Change in Monthly Nonfarm Payrolls*(Preliminary)	246,000	111,000	117,000	228,000
Unemployment Rate*	3.8%	4.0%	4.1%	4.2%
	Mar-24	Jan-25	Feb-25	Mar-25
Prices				
Change in CPI (year/year)	3.5%	3.0%	2.8%	2.4%
Exchange Rate (foreign currency per US\$)				
Trade Weighted Dollar (Jan 06 = 100)	121.04	129.04	128.07	126.49
Interest Rates				
Prime Rate (percent)	8.50	7.50	7.50	7.50
Fed's Fund Rate	5.33	4.33	4.33	4.33
30-Year Mortgage Rate (percent)	6.82	6.96	6.84	6.65
	Mar-24	Jan-25	Feb-25	Mar-25
US Average Retail Gas (Regular \$ per gallon)	\$3.43	\$3.08	\$3.12	\$3.10
West Texas Intermediate Crude (\$ per barrel)	\$81.28	\$75.74	\$71.53	\$68.24

Washington Economic Indicators

	Mar-24	Jan-25	Feb-25	Mar-25
Washington Employment				
Change in Monthly Nonfarm Payrolls*	8,400	-600	-6,600	-5,200
Aerospace Employment (level)*	81,700	79,600	79,200	78,300
Construction Employment (level)*	225,700	221,500	214,400	213,100
Software Employment (level)*	83,400	80,500	81,700	82,400
Unemployment Rate*	4.6%	4.3%	4.4%	4.4%
	Mar-24	Jan-25	Feb-25	Mar-25
Energy Indicators				
WA Average Retail Gas (Regular, \$ per gallon)	\$4.14	\$3.78	\$3.95	\$3.97
	Feb-24	Oct-24	Dec-24	Feb-25
Seattle-Tacoma-Bremerton CPI (bi-monthly)				
Change in CPI (year/year)	4.3%	3.0%	2.7%	2.5%

Select Economic Indicators

Continued

Washington Economic Indicators

	2023Q4	2024Q2	2024Q3	2024Q4
Washington Real Estate Market				
Median Home Price Statewide	\$583,200	\$695,100	\$652,700	\$641,700
	Feb-24	Dec-24	Jan-25	Feb-25
Housing Permits (annual rate)*	33,300	40,400	40,200	27,700
	Feb-24	Dec-24	Jan-25	Feb-25
Exports Produced in Washington				
Total State Exports (\$ millions)	\$4,679.7	\$5,001.5	\$4,912.0	\$5,100.8
Total Imports to Washington Destinations				
Total Imports (\$ millions)	\$5,115.4	\$4,814.5	\$5,753.9	\$4,768.8

















Washington Revenue

	Mar - Apr 2025 Actual	Mar - Apr 2025 Adjusted
"Variance in revenue from March 2025 forecast (\$ millions)(Mar 10, 2025 - Apr 11, 2025)"	-\$76.6	-\$76.6

“Adjusted variance” includes adjustments for special factors (e.g., one-time payments).

* Adjusted for seasonal variations

Select Leading Economic Indicators

Indicator	Impact on Outlook	Comment
 Initial Claims for Unemployment Insurance in Washington State		<p>The monthly count of initial claims for unemployment insurance went down by 2,700 in March 2025 month-to-month, but up 4,500 year-over-year. In February, claims had increased by 6,100 month-to-month and 5,400 year-over-year.</p>
 Year-over-Year Job Growth in Washington State		<p>Washington's non-farm employment decreased by 5,200 jobs month-to-month in March 2025. Year-over-year, it increased by 24,400, with a slower year-over-year growth (0.7%) than February 2025 (1.1%).</p>
 Housing Units Authorized in Washington State		<p>In February 2025, 27,700 building permits were issued, down by 5,600 from the previous year, and down by 12,500 compared to the previous month.</p>
 10-year Treasury Note, 3-Month Treasury Bill Interest Rate Spread		<p>The spread in March 2025 is negative (- 6 basis points) vs 12 points in January. The spread reverted to negative after three months of being positive.</p>
 Standards on Consumer Loans in the U.S.		<p>The net percentage of lenders willing to make consumer loans has increased by 5.1 percentage points for Q1 2025.</p>
 Manufacturing Overtime Hours in the U.S.		<p>In March 2025, manufacturing overtime remained unchanged at 3.7 hours per week, the highest since July 2024.</p>
 Pending Home Sales in the U.S vs the West		<p>In February 2025, pending home sales increased over the month 2.0% nationwide but decreased 3.5% in the West. Year-over-year, it decreased 4.8% in U.S and 2.6 % in the West.</p>
 Aruoba-Diebold-Scotti Business Conditions Index		<p>The index turned to negative in March 2025, indicating weaker future economic conditions.</p>

[View leading indicator graphs](#)

Economic Highlights

U.S. Economy

General Economic Activity

- **No Interest Rate Cut in March:** The Fed's kept their rate at 4.33%, unchanged from February, as they anticipate tariffs to rise inflation this year (*Source: Federal Reserve*).
- **GDP Growth Edges Upward :** The final estimate for U.S. GDP growth in Q4 2024 came in at 2.4% (seasonally adjusted), a slight increase from the prior estimate, following a robust 3.1% growth in the previous quarter (*Source: U.S. Bureau of Economic Analysis*).
- **Inflation Moderated in March:** Consumer prices declined by 0.1% in March after a 0.2% rise in February. On an annual basis, inflation stood at 2.4%, while core prices (excluding food and energy) increased by 2.8%. (*Source: U.S. Bureau of Labor Statistics*).
- **Consumer Sentiment Declined Sharply:** Pessimism about the economy deepened in March. The University of Michigan index fell by 7.7 points to 57.0, while the Conference Board's measure dropped to 92.9, signaling lower expectations for job availability and business conditions (*Source: University of Michigan and The Conference Board*)

Employment

- **Mixed Employment Picture:** National employment grew by 228,000 jobs in March. The unemployment rate slightly rose to 4.2%, and layoff announcements surged to 172,017, marking a 245% increase from January and a 103% increase from February 2024 (*Source: U.S. Bureau of Labor Statistics; Challenger, Gray & Christmas*).
- **Wage Growth Continues:** Average hourly earnings for all private sector employees rose by \$0.10, representing a 4.0% increase over the past year, while the average workweek remained steady at 34.1 hours (*Source: U.S. Bureau of Labor Statistics*).

Sectoral Trends

- **Industrial Production Contracted in March:** U.S. manufacturing shrank in March, with the index falling to 49%, down from 50.3% in February, ending a brief two-month rebound after 26 months of contraction. Industrial production dipped 0.3% in March, mainly due to a 5.8% drop in utility output from unusually warm weather (*Source: Institute for Supply Management; Federal Reserve; U.S. Census Bureau*).
- **Fuel Prices Climb Modestly:** As of early April, West Texas Intermediate crude oil reached \$69 per barrel and Brent crude hit \$75. Gasoline prices rose \$0.17 over the previous month, averaging \$3.24 per gallon (*Source: U.S. Energy Information Administration*).
- **Growth in Automotive Sales:** U.S. light vehicle sales surged to a seasonally adjusted annualized rate of 17.77 million units in March 2025, the highest level since March 2021 and well above the combined January-February total of 15.8 million. Buyers rushed to dealerships to get ahead of potential price hikes, while automakers accelerated fleet deliveries in anticipation of impending tariffs. (*Source: Automotive News*).
- **Transportation Indices Varied:** U.S. truck freight fell 1.5% in March after a 2.8% gain in February. Total traffic for the first 16 weeks of 2025 rose 5% to 7.8 million units. (*Source: American Trucking Associations; Association of American Railroads*).
- **Mixed Residential Construction Dynamics:** In March, residential building permits rose 1.6% to 1.48 million, while housing starts fell 11.4% to 1.32 million; single-family starts dropped 14.2% to 940,000. New home sales rose 7.4% to 724,000, with a median price of \$403,000, down 1.9% from February and 7.5% from last year (*Source: U.S. Census Bureau*)

Economic Highlights

Washington's Economy

General Economic Activity

- **Moderate Growth in Personal Income:** Washington's personal income rose to \$676.9 billion (seasonally adjusted) in Q4 2024, up 4.3% from Q3, but this growth was slower than the U.S. average of 4.6% (*Source: BEA*)
- **Revenue Collections Below Forecast:** General Fund-State revenue for March 11–April 10, 2025, fell short by \$76.7 million (3.8%). Major General Fund-State (GF-S) revenue collections decreased by \$4 million year-over-year in March, representing a 0.2% decrease compared to the same period in 2024. (*Source: WA Economic & Revenue Forecast Council*)

Employment

- **Job Growth Is Trending Downward:** Washington lost 5,200 jobs month-to-month in March, including 900 in aerospace manufacturing, and 1,300 in construction. Washington's non-farm jobs increased by 25,800 year-over-year, representing a 0.7% growth, lower than the growth seen in February (1.1%) and January (1.2%). Non-farm jobs reached 3,651,800 seasonally adjusted jobs (*Source: Employment Security Department*).
- **Unemployment Rate Remained Unchanged in March:** The state's unemployment rate remained unchanged at 4.4% in March 2025. The unemployment rate is 0.2 lower year-over-year (*Source: Employment Security Department*).
- **Unemployment Claims Trending Down:** The monthly count of initial claims for unemployment insurance went down by 2,700 in March 2025 month-to-month, but up 4,500 year-over-year. In February, claims increased by 6,100 month-to-month and 5,400 year-over-year (*Source: Employment Security Department*).

Sectorial Trends

- **Leisure and Government Sectors Drive Job Losses:** Leisure and hospitality lost 1,400 jobs. State government education also saw a significant cut of 3,400 positions (*Source: Employment Security Department*).
- **Services and Manufacturing Show Job Losses:** Manufacturing lost 1,300 jobs, and service providing industries lost 2,700 jobs (*Source: Employment Security Department*).
- **Steady Rise in Vehicle Sales:** New vehicle registrations surged 18.1% in March to 298,400 (seasonally adjusted), partly due to a backlog from a licensing system update and the tariff anticipation. Year-over-year, light truck sales jumped 27.3%, while car sales rose 5.9%. (*Source: WA Department of Licensing, WA Economic & Revenue Forecast Council*)
- **Cooling Housing Market Activity:** In February 2025, 27,700 building permits were issued, down by 5,600 from the previous year, and down by 12,500 compared to the previous month. (*Source: WA Economic & Revenue Forecast Council*)
- **Seattle Home Prices Continue Climbing:** Home prices in Seattle edged up 0.1% in January, following a 0.5% gain in December, and are now 5.5% higher year-over-year, outpacing the 4.7% rise in the national composite-20 index (*Source: S&P CoreLogic Case-Shiller Index*).

Economic Highlights

Layoffs Around Washington State

In total, Washington reported 89 layoffs in March 2025, primarily from the manufacturing and outdoor retail sectors. From April 2025 onward, 1,818 additional job losses are expected, with the largest impacts in education, food services, telecommunications, and transportation. (Source: *Washington State Employment Security Department*).

Layoffs in March 2025

- **Advanced Drainage Systems, Inc.** in Olympia permanently closed on March 29, 2025, resulting in 54 job losses.
- **Recreational Equipment Inc.** laid off 35 employees across various Washington locations on March 31, 2025.

Layoffs in April 2025 and Beyond

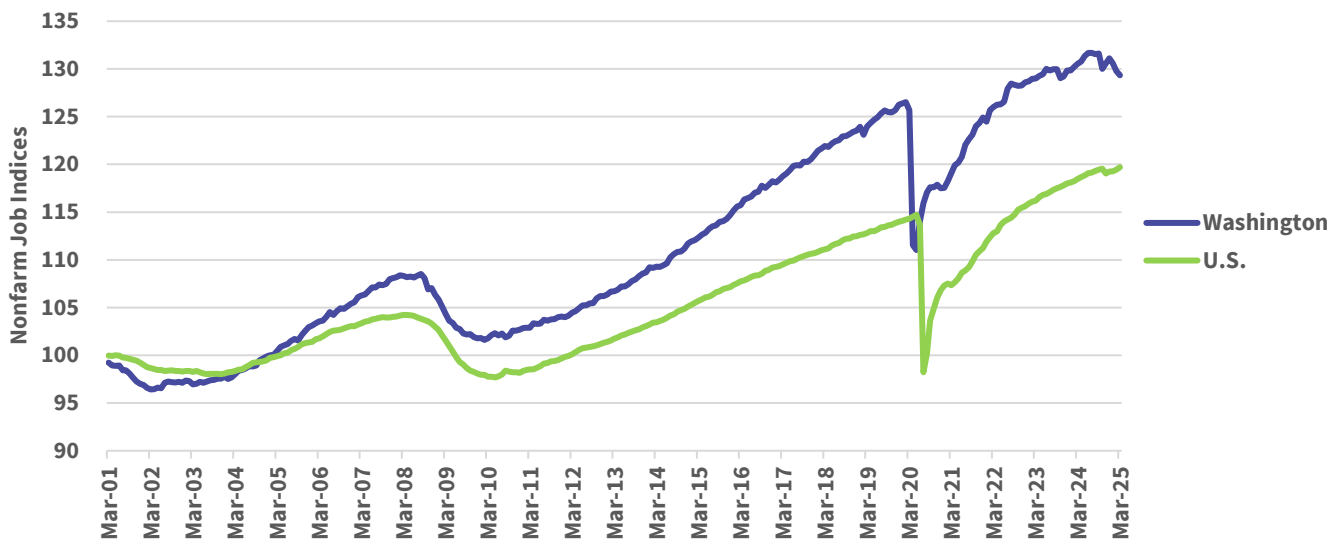
- **MSRE Management, L.L.C. (Martin Selig Real Estate)** laid off 86 employees in Seattle, effective April 1, 2025.
- **SambaNova Systems** conducted a permanent layoff of 8 employees across various locations in Washington on April 22, 2025.
- **Warner Bros. Discovery, Inc.** will lay off 131 employees at its Kirkland location, effective April 26, 2025.
- **Starbucks** will lay off 612 employees in Seattle on May 2, 2025.
- **The Cheesecake Factory** in Seattle will permanently close, affecting 119 employees as of May 4, 2025.
- **Cow Palace LLC** in Granger will permanently close, laying off 100 workers by May 9, 2025.
- **Cornish College of the Arts** in Seattle will close on May 31, 2025 as part of merger with Seattle University, resulting in 354 job losses.
- **American Medical Response Ambulance Service, Inc.** will close operations in Centralia and Chehalis, terminating 35 employees on May 31, 2025.
- **United States Cellular Corporation** will lay off 86 employees across various Washington locations on June 2, 2025.
- **MV Transportation, Inc.** will lay off 287 employees in Redmond, effective June 30, 2025.

Sector Specific Highlights

Labor Market: Jobs

Nonfarm Job Indices: Washington and U.S.

March 2001 – March 2025 (March 2005=100)



WA Nonfarm Jobs

↓5,200

Month-to-Month in Mar. 2025

U.S. Nonfarm Jobs

↑228,000

Month-to-Month in Feb. 2025

WA Nonfarm Jobs Growth

↑0.7%

Year-over-Year in Mar. 2025

U.S. Nonfarm Jobs Growth

↑1.2%

Year-over-Year in Feb. 2025

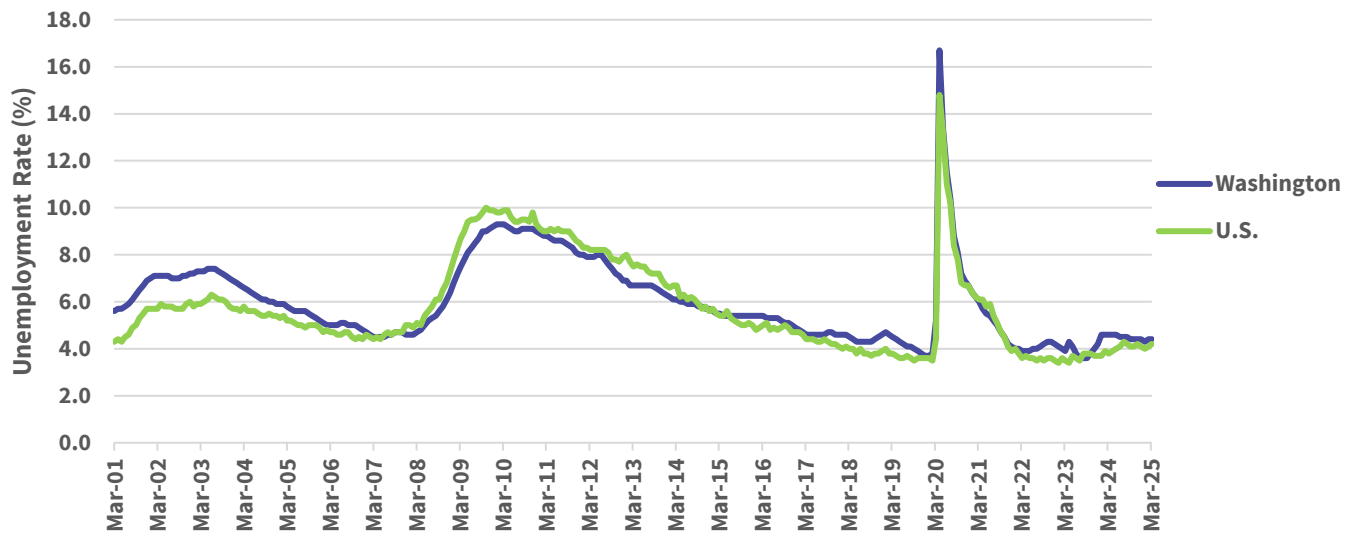
In March 2025, Washington total nonfarm job count decreased by 5,200 month-to-month (+0.7% year-over year), while the national job count rose by 228,000 in March 2025.

Sector Specific Highlights

Labor Market (Continued): Unemployment

Unemployment Rates: Washington and U.S.

March 2001 - March 2025



WA Unemployment

4.4%

in March 2025

U.S. Unemployment

4.2%

in March 2025

WA Unemployment Trend

~0%

Month-to-Month in March 2025

U.S Unemployment Trend

↑0.1%

Month-to-Month in March 2025

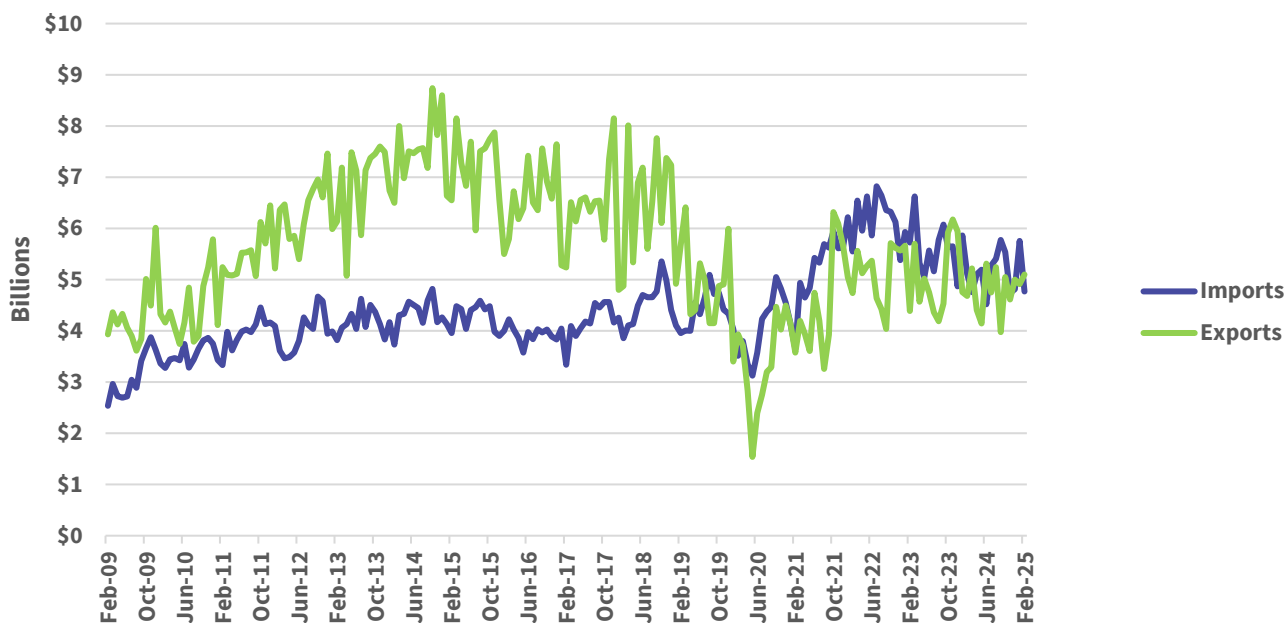
Washington's unemployment rate remained unchanged in March. The nation's unemployment rate increased by 0.1% to 4.2%.

Sector Specific Highlights

Washington Trade

Washington State Origin Exports and Destination Imports

February 2009 - February 2025, Source: BEA



WA Exports (Month-to-month)

↑4.0%

In February 2025

WA Exports (Year-over-Year)

↑9.0%

February 2024 to February 2025

WA Imports (Month-to-Month)

↓17%

in February 2025

WA Imports (Year-over-Year)

↓7.0%

February 2024 to February 2025

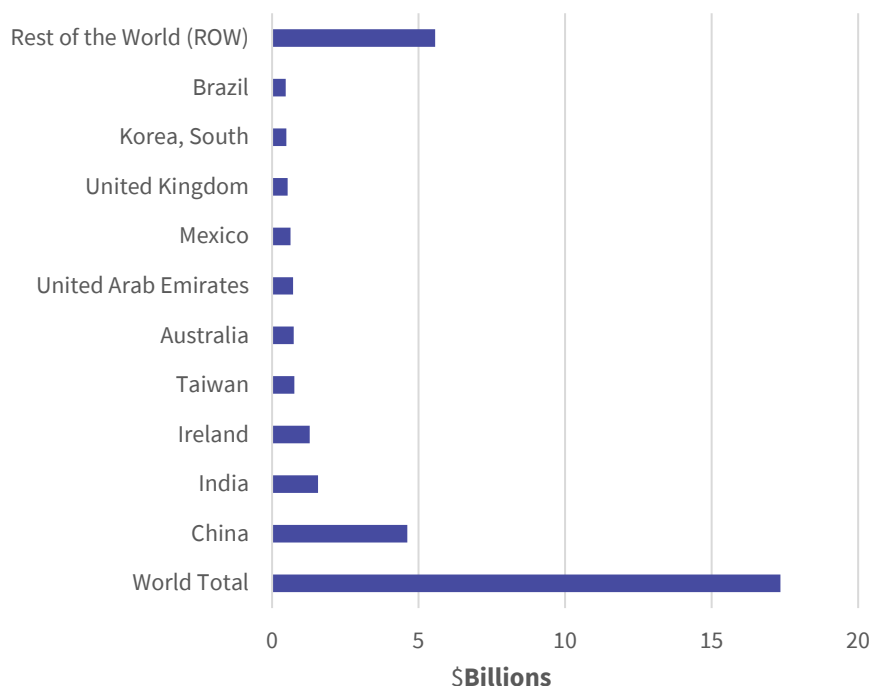
In February 2025, Washington's imports decreased by 17% month-to-month (7.0% year-over-year), following a 20% increase in January month-to-month. Exports increased 9.0% over the month and increased by 4.0% over the year.

Sector Specific Highlights

Washington Trade (Continued)

Dollar Value Exported of Civilian Aircrafts and Parts by Washington State in 2024

Top 10 Countries Purchasing Civilian Aircrafts from WA State, Source : US Census



- China's potential suspension of Boeing deliveries poses major economic threat to Washington State. In 2024, Washington's top export was civilian aircraft, engines, and parts, totaling \$17 billion—with China accounting for 27% (\$4 billion) of that total. The suspension of Boeing deliveries to China could cost Boeing at least \$4 billion in revenue in 2025, translating to an estimated \$19.36 million loss in Business & Occupation tax (0.48%).
- Beyond direct losses, Washington's input-output model suggests a \$4 billion decline in aerospace output could lead to 19,000 fewer jobs, \$5.9 billion loss in output across all industries and an overall \$1.7 billion loss in labor income for Washingtonians.
- The recent Boeing strike has demonstrated Boeing's central role in U.S. manufacturing and economy overall; therefore, the ripple effects are likely to show up in national economic data for months to come, if the measure is indeed implemented by China.

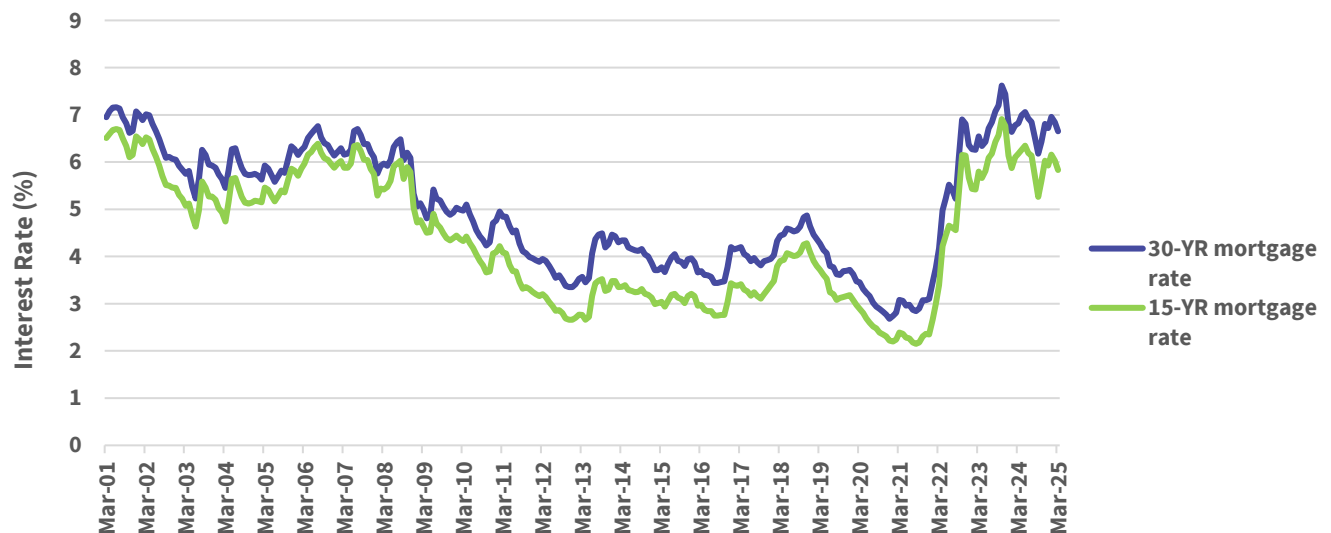
Sector Specific Highlights

Housing Market

United States

Mortgage Interest Rate: 30-Yr vs 15-Yr

March 2001 – March 2025, Source: Freddie Mac



- Mortgage Rates Have Decreased in March:** In March 2025, the 30-year mortgage rate decreased from 6.84% to 6.65%, and the 15-year mortgage rate decreased from 6.03% to 5.83%. Mortgage applications for new home purchases increased 5.5 percent compared from a year ago. Compared to February 2025, applications increased by 14 percent. (Source: *Mortgage Bankers Application, Freddie Mac*).
- Pending Homes Sales Below Historical Levels:** In February 2025, US pending home sales saw a rebound, increasing 2.0% month-over-month to an index of 72.0. However, despite this increase, pending sales were still down 3.6% compared to February 2024. This indicates a recovery from the previous month's record low, but overall, contract signings remain below historical levels (Source: *National Association of Realtors*).

Sector Specific Highlights

Housing Market (Continued)

Washington

Pending Home Sales in the West:

- **Pending Home Sales Have Declined in the West:** In February 2025, the West region's Pending Home Sales Index (PHSI) declined by 3.0% compared to the previous month, reaching 55.9. This represents a 3.5% decrease compared to February 2024 (*Source: National Association of Realtors*).

Housing Demand

- **Slight Increase in Home Sales:** The number of homes sold in Washington in February 2025 increased by 2.1% year-over-year, with a total of 5,641 homes sold, compared to 5,528 in February of the previous year. However, the number of newly listed homes decreased by 7.3% to 7,079, indicating a drop in new listings entering the market (*Source: Redfin*).

Housing Prices

- **Increase in Median Home Prices:** In February 2025, the median home price in Washington rose by 1.8% year-over-year to \$629,000. Additionally, 31.6% of homes sold above the list price, which is a slight increase of 0.8 percentage points from the previous year. The average sale-to-list price ratio slightly decreased to 100.0%, down by 0.067 points from last year (*Source: Redfin*).