

THE GREAT DIVIDE

Presented by Alan Nevin

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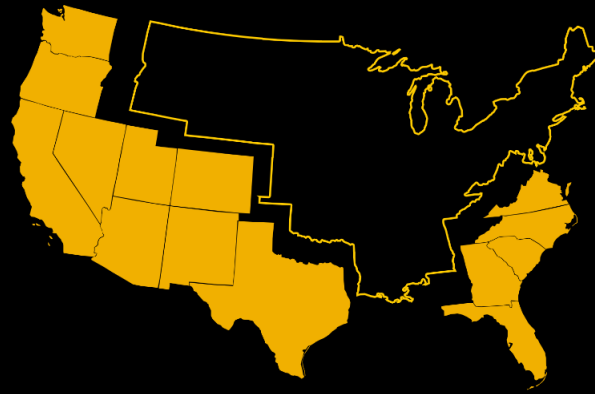
SDAR

Valentine's Day

February 14 2020

THE GREAT DIVIDE

The True Story of America Tomorrow



ALAN NEVIN

INTERNATIONAL ECONOMICS

❖ Oil

❖ Interest Rates

❖ Demographics

THE UNITED STATES

Top 10 in GDP World Economies 2019

Rank	Nation	Trillion \$
1	U.S.	\$ 20.5
2	China	\$ 13.5
3	Japan	\$ 5.1
4	Germany	\$ 4.1
5	California	\$ 2.9
6	UK	\$ 2.8
7	France	\$ 2.8
8	India	\$ 2.7
9	Italy	\$ 2.1
10	Brazil	\$ 1.9

Source: Bureau of Economic Analysis

Population Change Big 3 States 2018-2019

State	2018	2019	Change
Texas	28,701,845	29,087,070	385,225
Florida	21,299,325	21,646,155	346,830
California	39,557,045	39,747,267	190,222

Source: World Population Review

Employment in the Big Three 2018-2019

State	2018	2019	Change
California	17,302,000	17,612,000	310,000
Texas	12,634,000	12,977,000	343,000
Florida	8,892,000	9,104,000	212,000

Source: BLS

Manufacturing Employment Trump States & Golden States 2016-2020

State	2016	2020 F	Change	%
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Trump States

Michigan	605,000	620,000	15,000	2.5%
Ohio	686,000	703,000	17,000	2.5%
Pennsylvania	560,000	562,000	2,000	0.4%
Wisconsin	465,000	470,000	5,000	1.1%

Golden States

Texas	847,200	925,000	77,800	9.2%
California	1,309,000	1,350,000	41,000	3.1%
South Carolina	236,700	256,800	20,100	8.5%
Georgia	392,000	413,000	21,000	5.4%

Source: BLS

U.S. Exports of Goods (\$ Millions) 2019

State	Manufactured Commodities	Non- Manufactured Commodities
Texas	143,704	69,861
California	93,351	18,809
Total	237,055	88,670
Total U.S.	941,639	196,737
% of U.S.	25%	45%

Source: Census Bureau

NEVINOMICS 101:

The Basics of Employment

Basic Jobs (Economic Drivers) (1/3rd of All Jobs)

Definition: Jobs whose source of revenues come from **outside** the metropolitan area

Support Jobs (2/3rds of All Jobs)

1/2 are jobs that serve businesses

1/2 are jobs that serve consumers

ALGORITHMIC HEURISTIC

▪ **Factory** and Routine Clerical Work in the U.S.:

- 1980: **50%** of all jobs
- Today: **15%** of all jobs

ECONOMIC FORECAST UNITED STATES 2020

2020 Economic Forecast

United States

- GDP: 2.0-2.5
- New Jobs: 1.75-2.00 Million
- Unemployment Rate: 3.5-4.0%
- Weekly Unemployment Claims:
200,000-250,000
- Job Openings: 6.5-7.0 Million
- Inflation Rate: 2.0%

Consumer Confidence

2020 U.S. Economic Forecast

New Car Sales: 16.5-17.0 Million

Used Car Sales: 39-40 Million

RV Sales: 275,000-300,000

Retail Sales: up 3.3%

Real Estate:

Resales: 5.0-5.5 Million

New Single Family Homes Permitted:
1.2-1.3 Million

30 Year Mortgage Rates: 3.0-3.5%

ECONOMIC FORECAST SAN DIEGO 2020

SAN DIEGO

THE ECONOMIC DRIVERS

- **Military**
- **Tourism**
- **Manufacturing**
- **Education**
- **Bio-Tech**
- **Research**
- **Federal Government**
- **Information Systems**

Total All Industry Employment San Diego County YE 2012-2019

Year	Employment	Change
2012	1,312,700	n/a
2013	1,345,000	32,300
2014	1,375,400	30,400
2015	1,415,500	40,100
2016	1,451,400	35,900
2017	1,480,500	29,100
2018	1,505,900	25,400
2019	1,540,700	34,800
Average		32,571

Source: CA EDD

SAN DIEGO COUNTY

Professional, Scientific & Tech Sector Job Growth



Residential Construction San Diego County 2014-2019

Year	Total	Single Family	Multi-Family	% MF
2014	6,871	2,478	4,393	63.9%
2015	9,893	3,253	6,640	67.1%
2016	10,666	2,341	8,325	78.1%
2017	10,441	4,056	6,385	61.2%
2018	9,834	3,489	7,009	71.3%
2019	8,500	3,000	5,500	64.7%
2020 (F)	8,000	3,000	5,000	62.5%

Source: Census Bureau

SDAR Sales Year End 2018-2019

Category	2018	2019
Total Sales	32,927	33,066
Median Price - Detached	\$ 640,000	\$ 650,000
Median Price - Attached	\$ 420,000	\$ 428,000
% of Origina List Price Received	97.5%	97.5%
Days on Market Until Sale	29	32
Inventory of Homes for Sale	6,264	4,018
Month Supply of Inventory	2.3	1.4

Source: SDAR

CENTURY OF SHARING

- Business & Economics
- Social Media
- Health Care
- Education
- Culture

THE NEXT 25 YEARS IN THE U.S.

Millennials will inherit

\$40 Trillion

- Life Insurance
 - Life Savings
 - Pension Funds
 - Businesses
 - Home Equity
- (80% of seniors own homes)

NET WORTH

The “Boomers”

My parents were in the first generation in world history to have Net Worth



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- Litigation Support

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