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February 25, 2019

Introduction

The San Fernando Valley is home to a vibrant, dynamic economy. It is a true economic hotspot among neighboring regions, and compares favorably to both the state of California and the nation. The Valley's stretch of economic dynamism is now in its fifth year and shows little sign of subsiding. The past two years have been particularly strong. Any caution that we expressed in the 2018 San Fernando Valley Economic Forecast publication has been replaced with bullishness in the current outlook.

Specific Points from the Forecast

From 2014 to 2018, San Fernando Valley's real GDP grew at an average annual rate of 4.3 percent. The Valley is a true economic hotspot among neighboring regions and compares favorably to both the state of California and the nation.

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This year, the Valley's economy has more broad-based strength. Over the past year, every sector of the non-farm economy experienced considerable economic gains.

Economic growth of the Greater San Fernando Valley is forecast to exceed that of the state. This is noteworthy, as California is growing noticeably faster than the Los Angeles metro area and the U.S.

For this publication, we expanded our geographic coverage to include Burbank and Glendale for the first time. Burbank has a high jobs-to-population ratio and provides rapid growth. Glendale's structure is more traditional, and its growth is less volatile than that of Burbank.

The risks to this forecast are fairly balanced. Having underestimated the strength of the San Fernando Valley in previous publications, it would be foolish for us to say that there is no upside risk to the current forecast. The Greater San Fernando Valley's economic dynamism could expand beyond our predictions.