

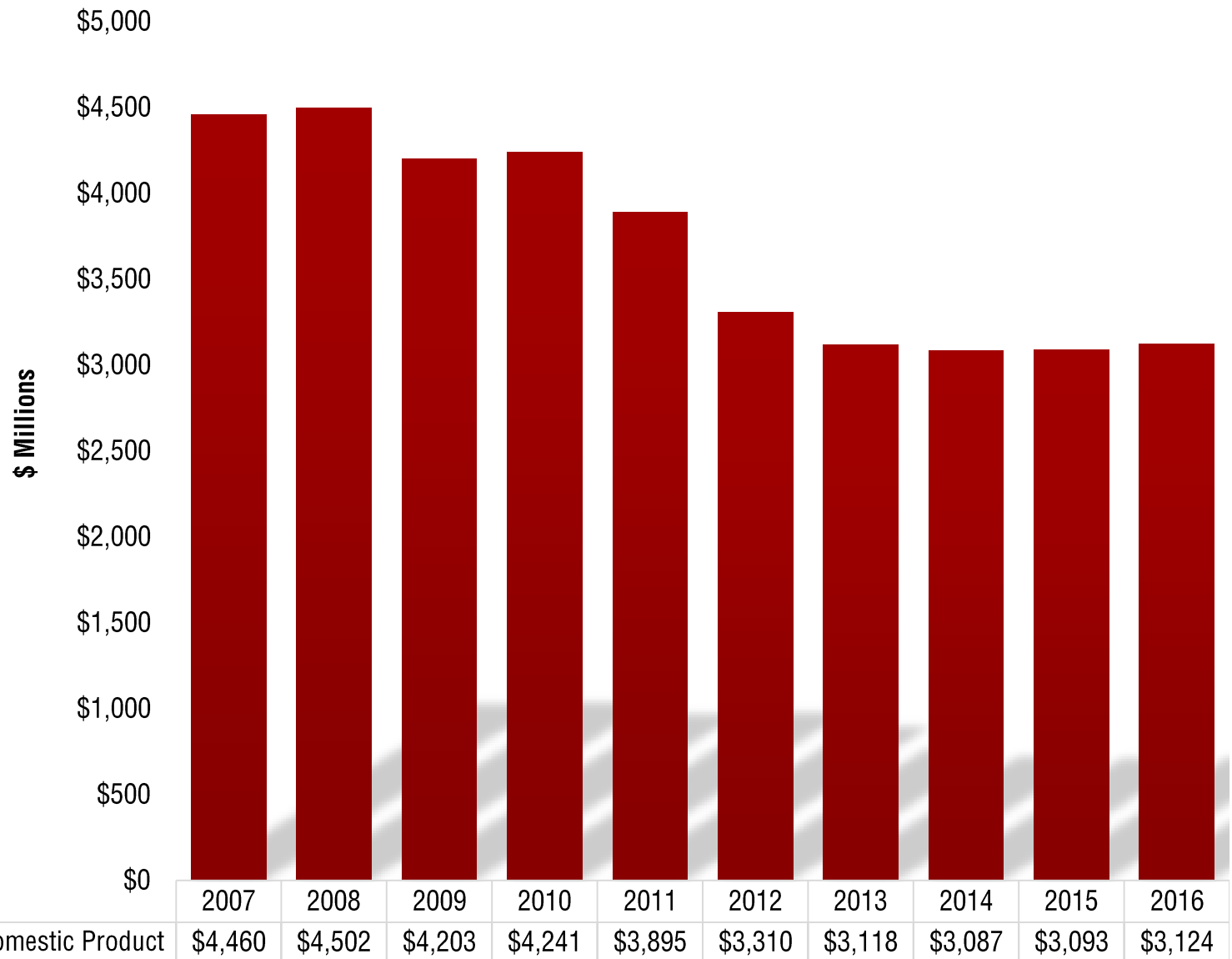


2018 Estimating Revenue Conference

U.S. Virgin Islands Economic Outlook & Selected Economic Indicators

Presented by: Bureau of Economic Research
March 22, 2018

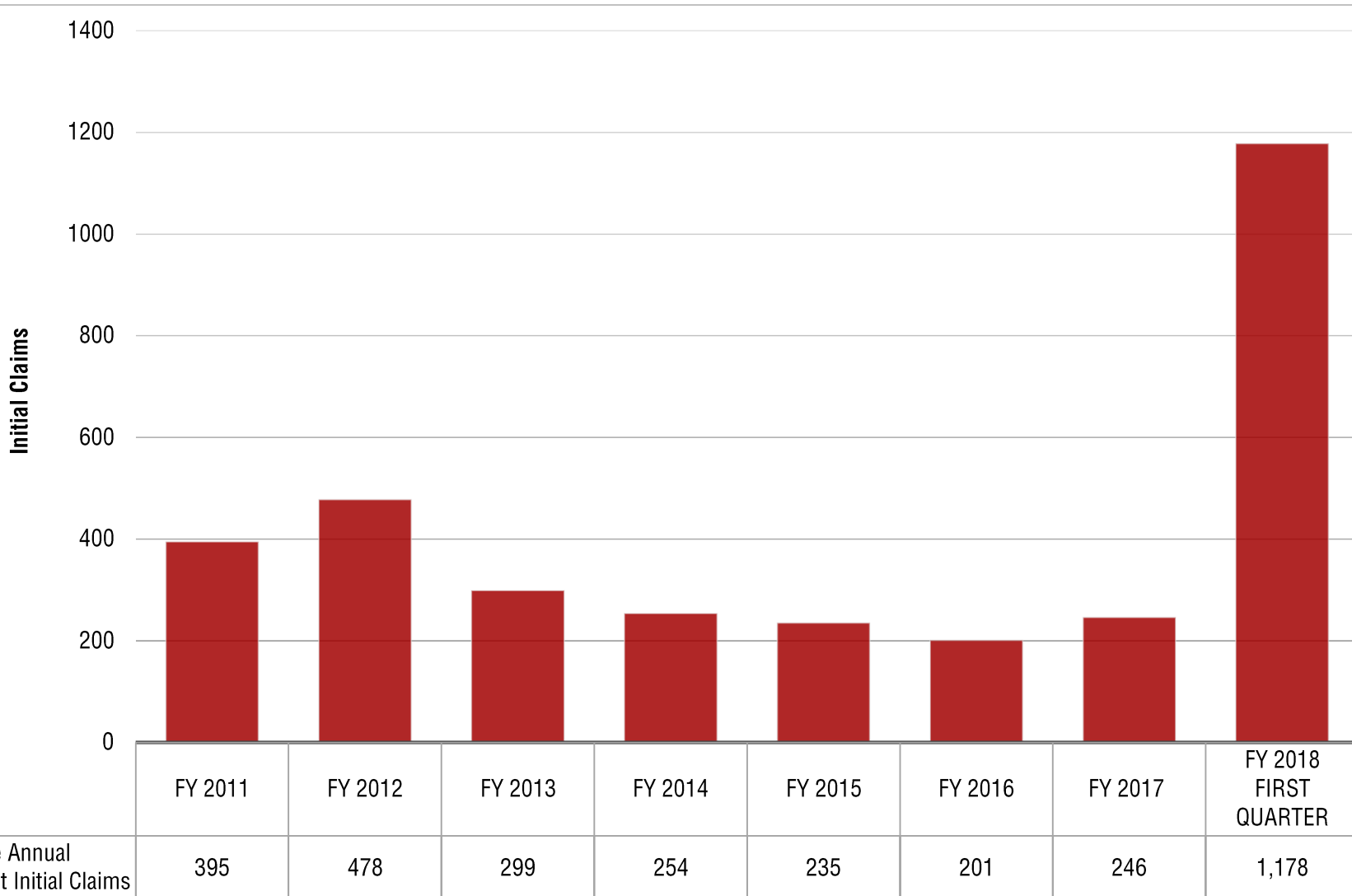
U.S.V.I. REAL GROSS DOMESTIC PRODUCT 2007-2016



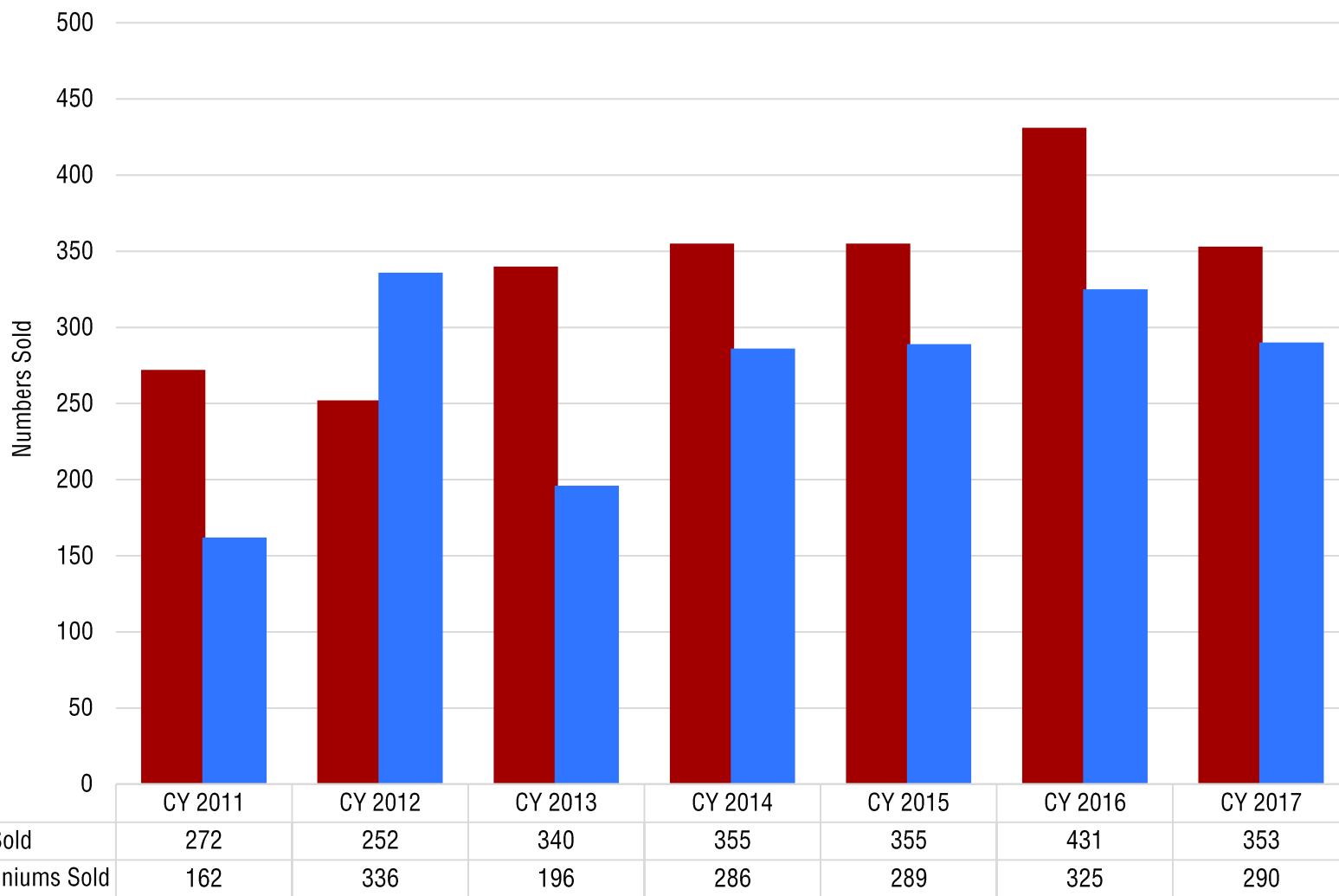
Source: U.S. Bureau of Economic Analysis
Data Compiled by: Bureau of Economic Research

U.S.V.I. AVERAGE UNEMPLOYMENT INITIAL CLAIMS

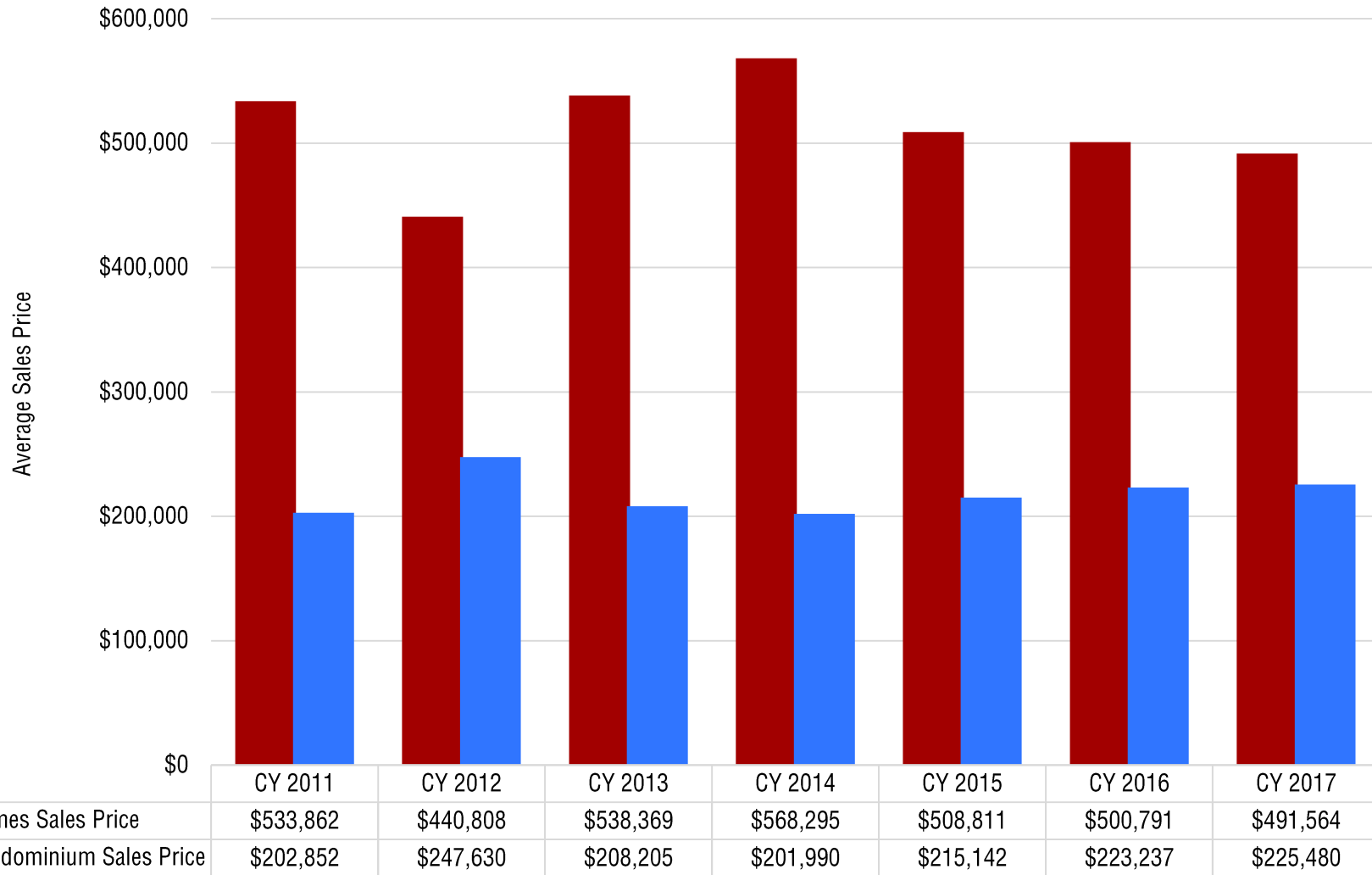
FY 2011-2018 1ST. QUARTER, YEAR-TO-DATE



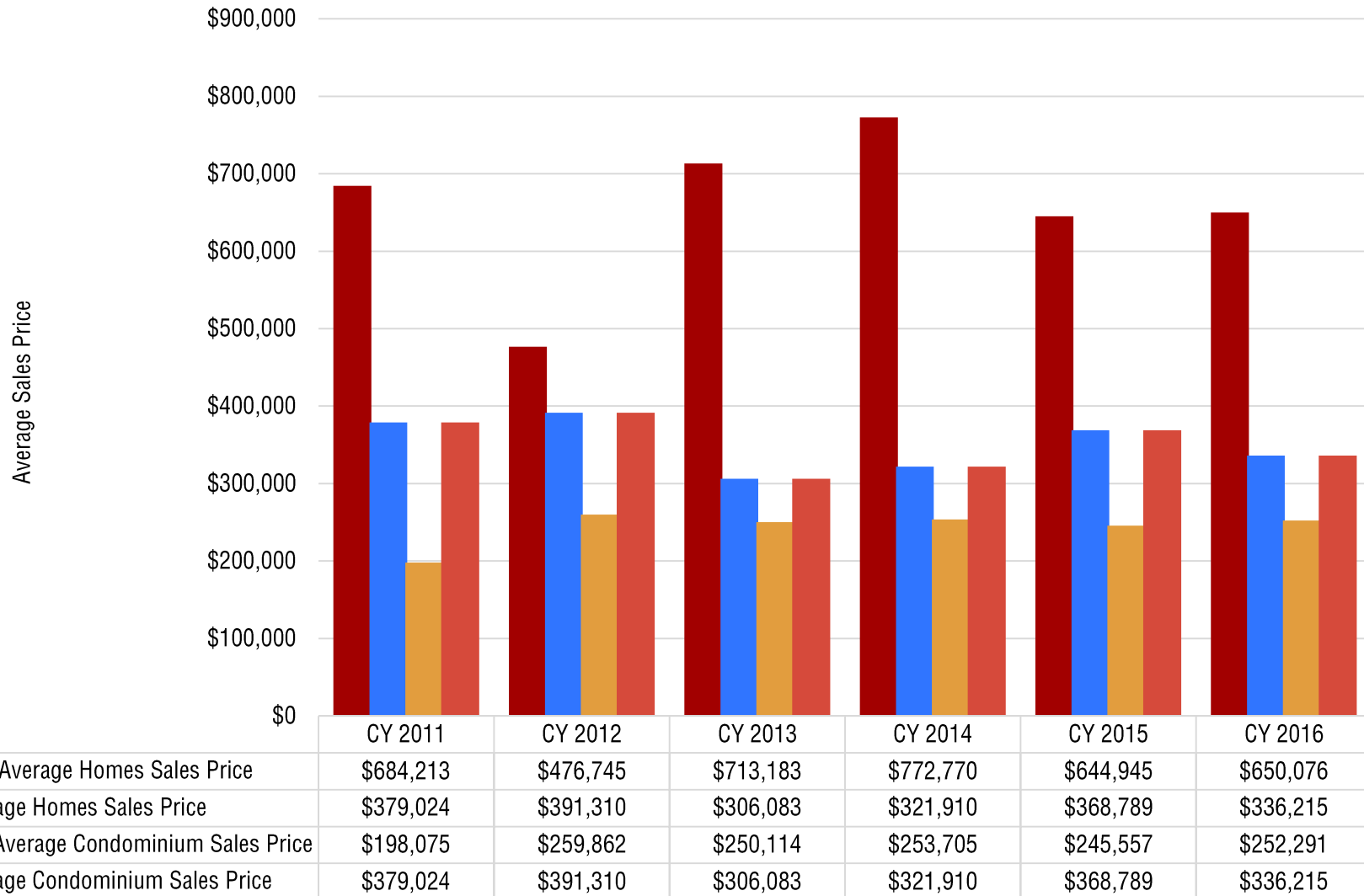
U.S.V.I. AVERAGE NUMBER OF HOMES AND CONDOS SOLD CY 2011-2017



U.S.V.I. AVERAGE SALES PRICE OF HOMES AND CONDOS CY 2011-2017



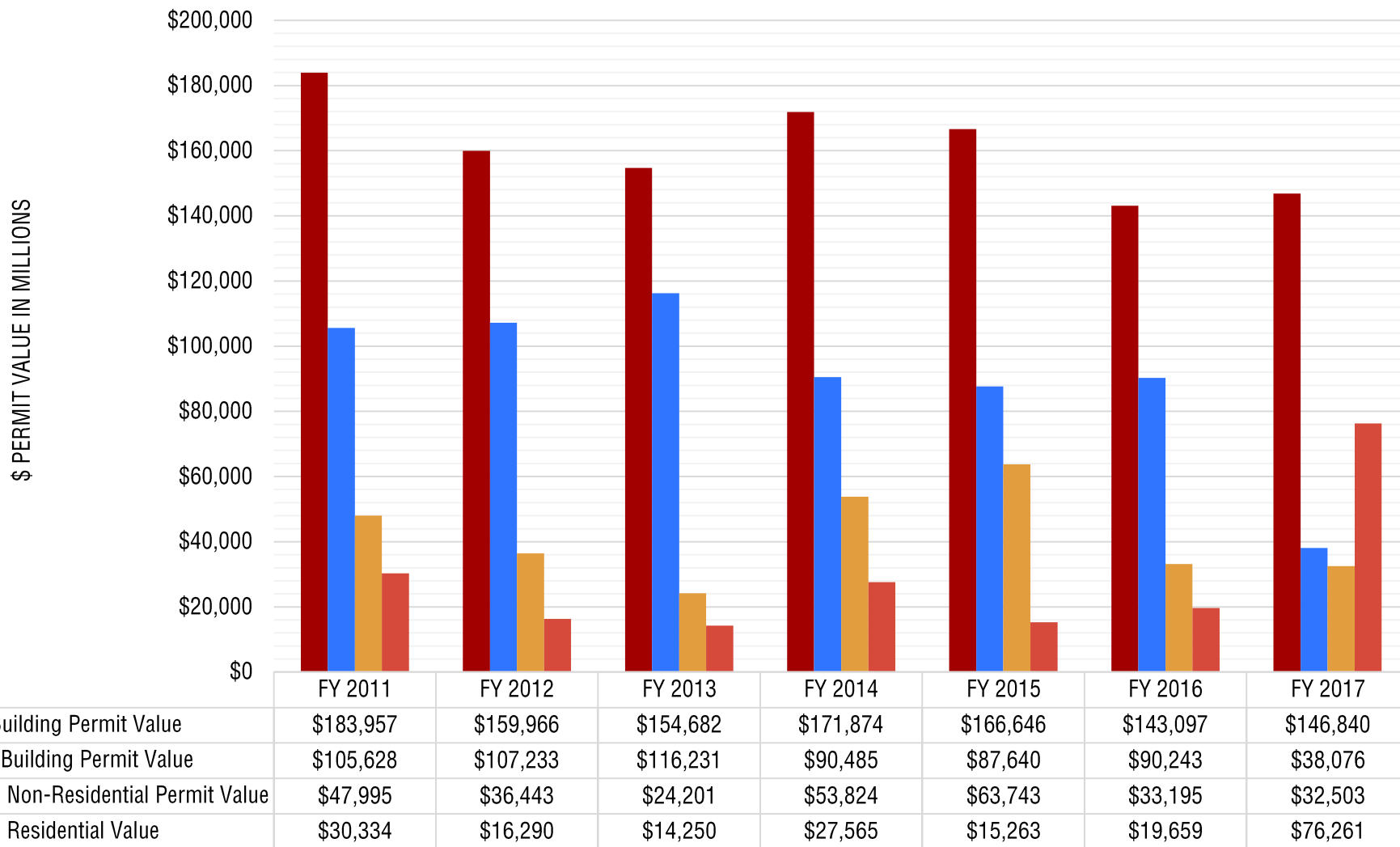
U.S.V.I. AVERAGE SALES PRICE OF HOMES AND CONDOS CY 2011-2017 BY DISTRICT



Source: Jan Komives & Hamilton Real Estate
Data Compiled by: Bureau of Economic Research

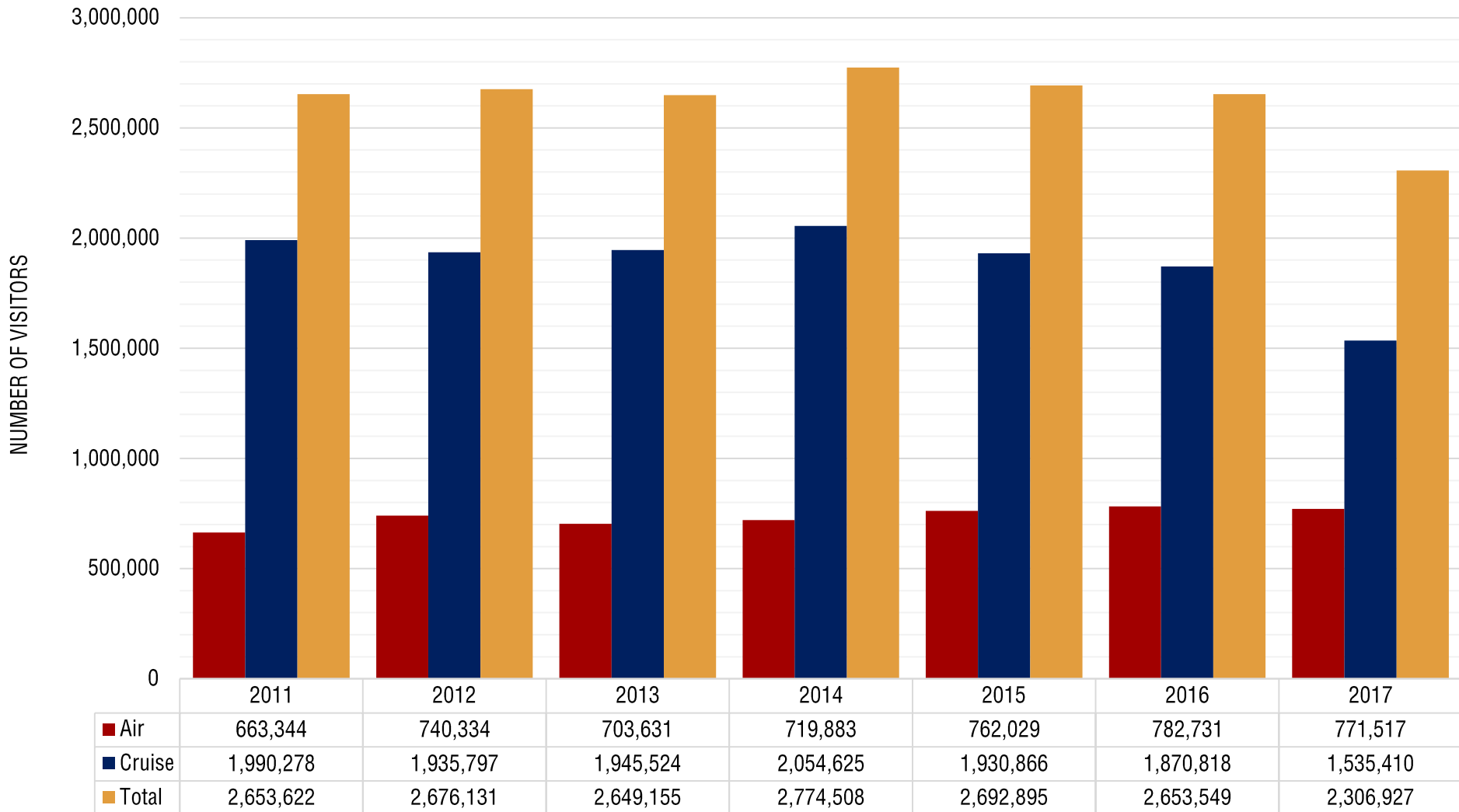
U.S.V.I. BUILDING PERMIT VALUES

FY 2011-2017

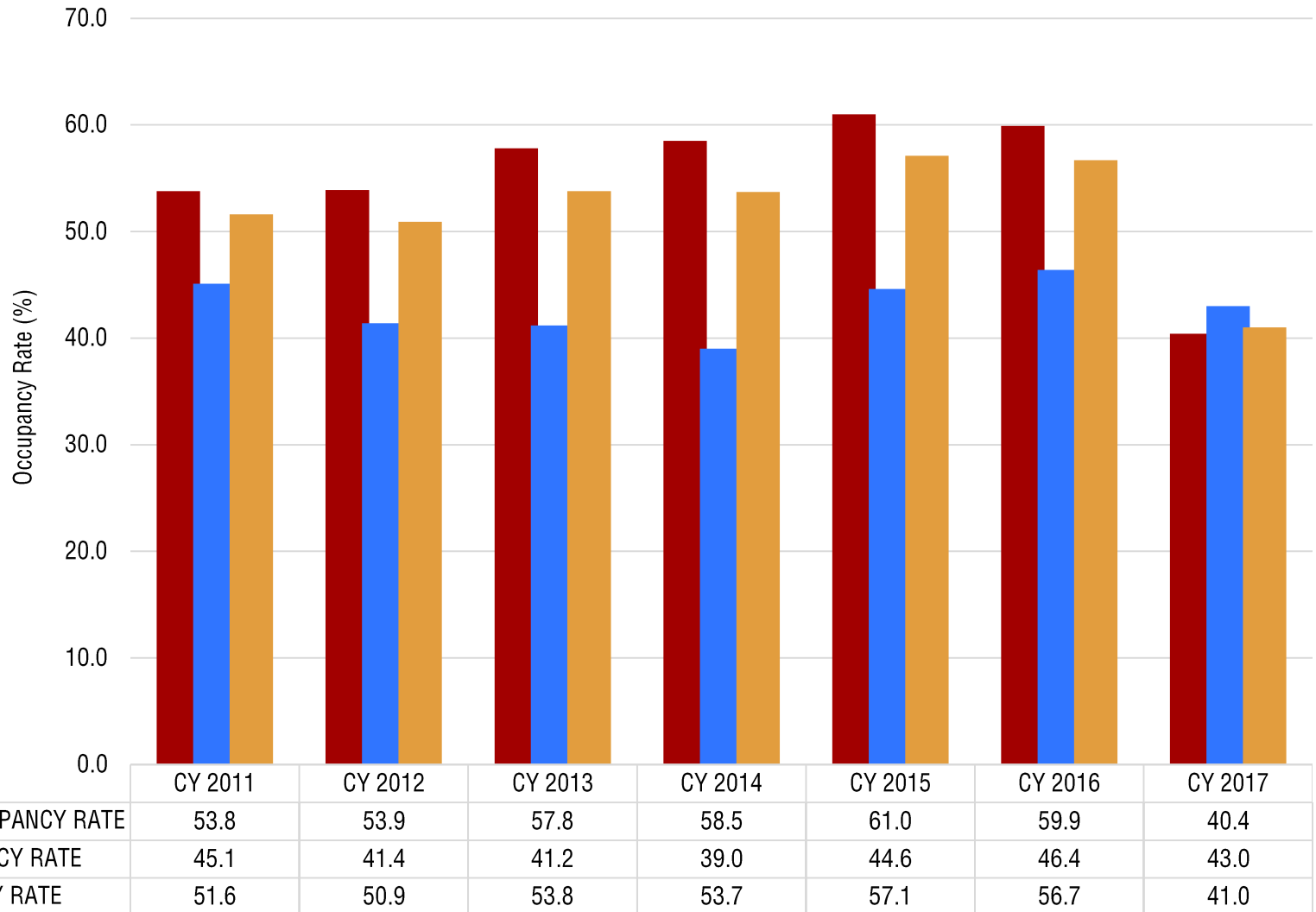


Source: Department of Planning and Natural Resources
Data Compiled by: Bureau of Economic Research

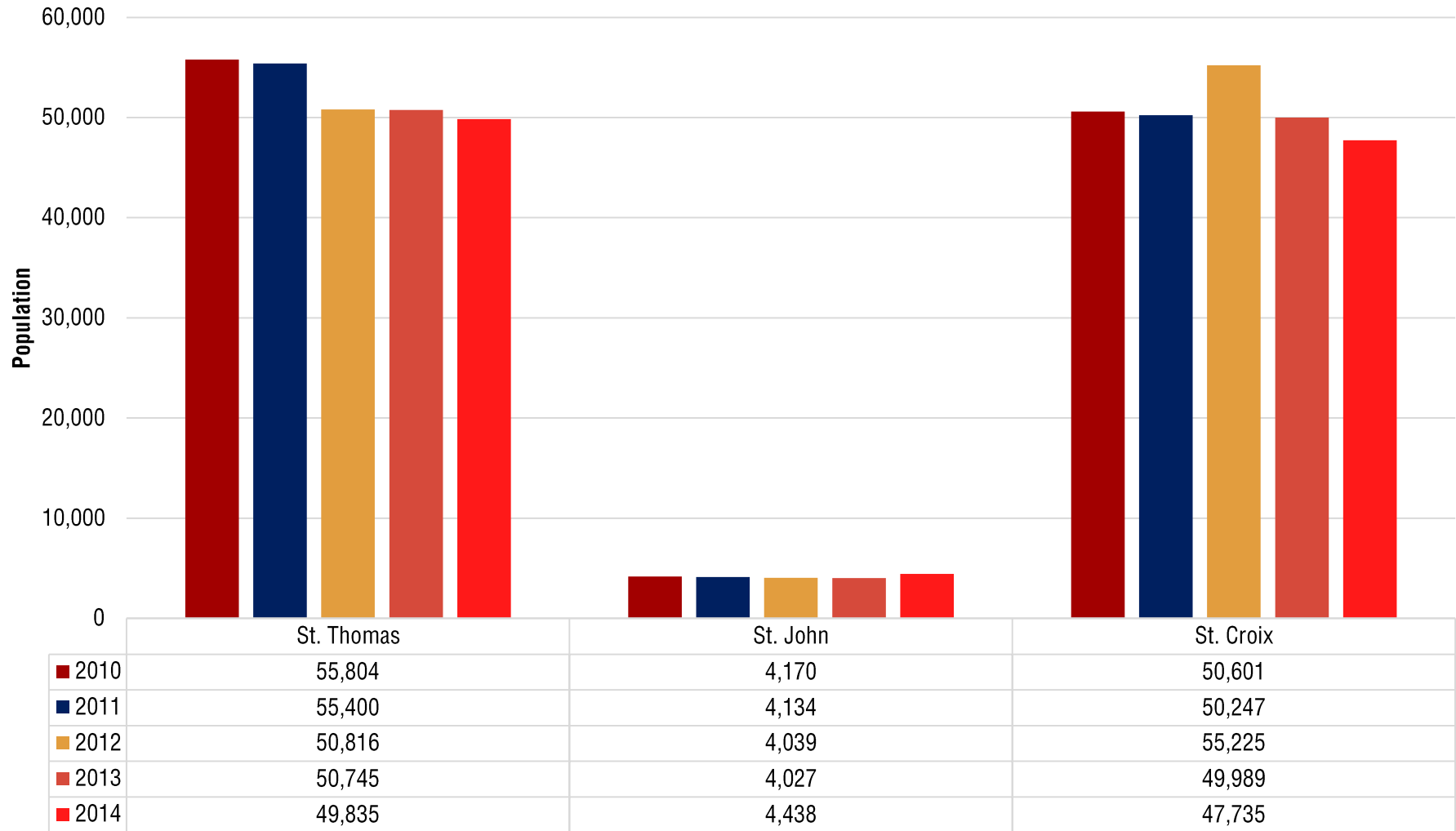
U.S.V.I. VISITOR ARRIVALS FY 2011-2017



U.S.V.I. HOTEL AND TOURIST OCCUPANCY RATE CY 2011-2017 BY DISTRICT

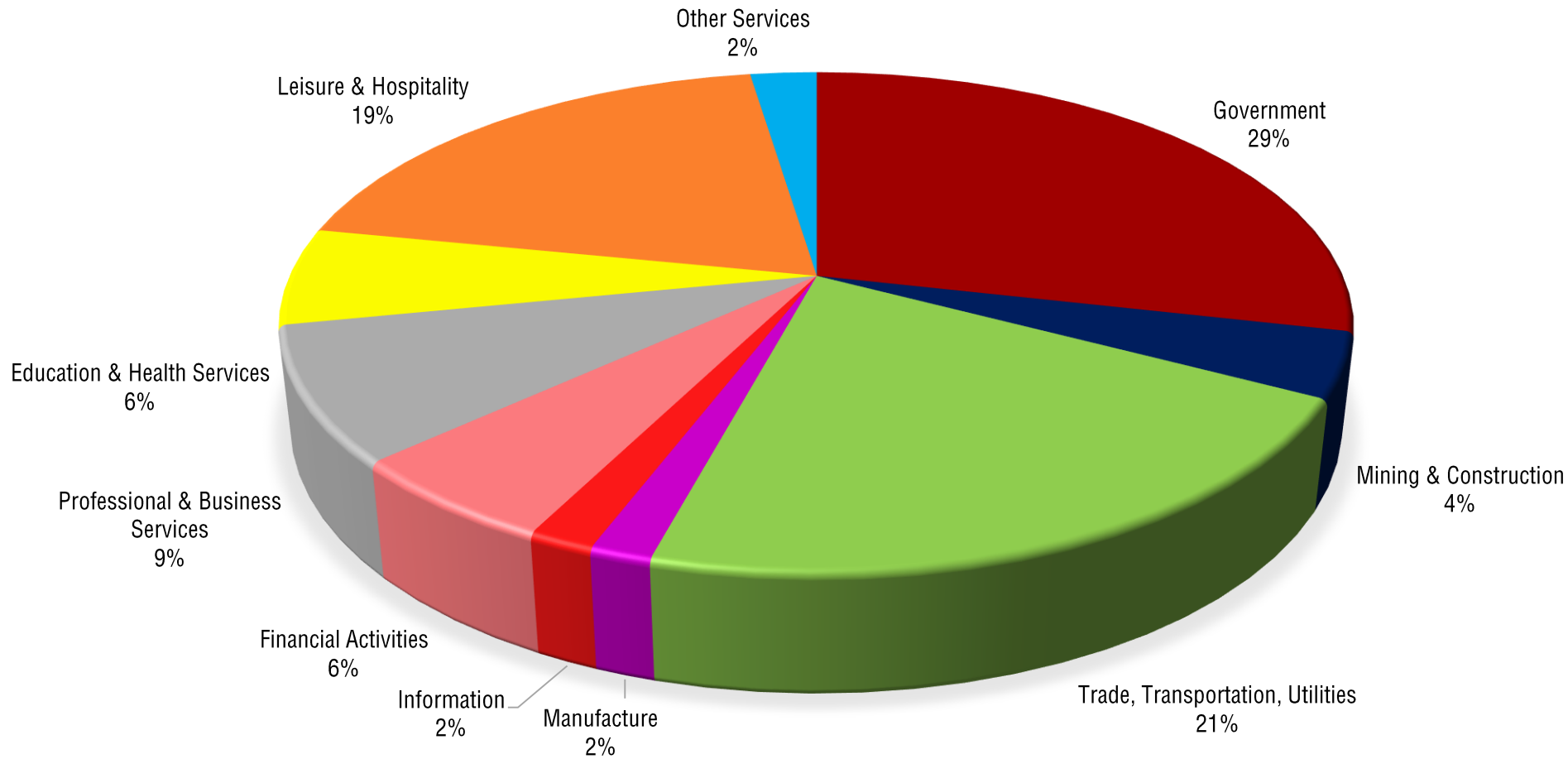


Resident Population 2010-2014



Source: U.S. Census Bureau & U.S. Virgin Islands Community Survey
Data Compiled by: Bureau of Economic Research

PERCENT NON-AGRICULTURAL JOBS, FY 2017



SELECTED ACTIVE CAPITAL PROJECTS FY 2018-2019

- Magen's Junction Apartments : \$26.6 million **(ongoing)**
- Turpentine Run Bridge Project : \$9.6 million **(ongoing)**
- Main Street Enhancement : \$12.4 million
- Veterans Drive Phase One: \$40 million-scheduled for April 2018
- STT Medical School & STX Simulation Center: \$11 million
(Project has been halted)
- Clinton E. Phipps Race Track: \$12 million
- Randall "Doc" James Race Track : \$14 million
- Louis E. Brown Villas Phase III: \$36 million **(ongoing)**
- Paul E. Joseph Stadium : \$20 million **(ongoing)**

ACTIVE CAPITAL PROJECTS FY 2018-2019

The Territory will directly receive \$133.9 million in expenditures from the capital projects. Approximately, 1,434 jobs are directly tied to the capital projects initiative, and \$69.5 million is estimated to be paid in wages and salaries of employees and proprietors income. The multiplier or total effects as it relates to the capital projects is estimated at \$161.1 million, \$79.5 million in labor income and an additional 234 jobs being supported in other sectors of the labor force.

Tax Revenues

Table 2 illustrates the Territorial government is expected to gain an estimated \$24 million collectively from individual income, gross receipts, trade and excise, and corporate income.

Table 1. Economic Impact of \$225.1 million in Capital Projects

	Direct Impact	Total Impact
Output	\$ 133,934,500	\$ 161,147,289
Employment	1,434	1,668
Labor Income	\$ 69,590,708	\$ 79,492,450

Table 2. Tax Revenue Gain

Tax Revenue Gain	
Individual	\$ 9,300,617
Gross Receipts	\$ 7,251,628
Trade and Excise	\$ 1,589,849
Corporate Income	\$ 5,859,634
Total	\$ 24,001,728

Economic Outlook 2018 – 2019

- **The economy will continue to experience slow growth as a result of hurricanes Irma and Maria.**
- **The economy will experience overall job losses and shifts in various sectors such as construction which will experience job growth as a result of the rebuilding efforts.**
- **Job losses in the service sector resulting from the closure of major hotels which are not due to come online until late 2019.**
- **For the foreseeable future, air arrivals numbers will remain at post hurricane levels until accommodation rooms from larger hotels come online.**
- **As the Territory continues to rebuild its roads, commercial and residential buildings there should be some improvement in the economy.**



THANK YOU!

Office of the Governor

BUREAU OF ECONOMIC RESEARCH

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