

For Immediate Release

Center for Economic Analysis and Policy

Strome College of Business, Old Dominion University

Hampton Roads Sees Fastest Rate of Growth Since 2006 in 2015

New data released by the Bureau of Economic Analysis show real economic growth in the Hampton Roads region accelerated remarkably in 2015. The advanced estimate of Real Gross Domestic Product (GDP) grew at 3.7% for 2015, recording the first growth rate over 3% since 2006. Real GDP for Hampton Roads in 2015 was \$85.6 billion.

The real growth rate of 3.7% percent landed Hampton Roads in 65th place out of 381 Metropolitan Statistical Areas (MSAs). Richmond was the fastest growing MSA in Virginia at 3.9%. The Washington, DC metro area grew at 1.3% in 2015. Growth for the remaining MSAs in Virginia was either flat or significantly negative, highlighting the Commonwealth's continued struggles to move beyond an environment of stagnant federal spending. Virginia's growth rate for 2015 came in at 1.4%, so the robust growth in Hampton Roads and Richmond was largely offset by weak growth in the Washington, DC MSA and the smaller MSAs.

Real Gross Domestic Product by Metropolitan Area

Area	2014 Advanced Growth	2014 Revised Growth	2015 Advanced Growth	2015 Rank (of 381)
Virginia Beach-Norfolk- Newport News MSA	-0.14%	-0.73%	3.71%	65
Blacksburg- Christiansburg-Radford MSA	0.71%	1.61%	-0.98%	327
Charlottesville MSA	-0.22%	2.94%	-0.26%	304
Harrisonburg MSA	-1.70%	0.21%	-2.61%	367
Lynchburg MSA	-1.09%	0.79%	-0.64%	317
Richmond MSA	1.61%	0.62%	3.89%	55
Roanoke MSA	1.31%	0.36%	0.80%	253
Staunton-Waynesboro MSA	-1.01%	1.44%	-2.09%	357
Washington-Arlington- Alexandria-DC MSA	0.27%	0.96%	1.27%	218
Winchester MSA	-1.05%	1.43%	-2.29%	361

The Hampton Roads region has been mired in slow or no growth since the end of the Great Recession, so today's number is a sign of an improving regional economy. However, it is not uncommon for this data to be substantially revised by the Bureau similar to some of the revisions today on 2014 estimates of economic growth. So, we are urging cautious optimism at this time. Economists at the Center for Economic Analysis and Policy are anticipating a final 2015 estimate of about 2% growth after revisions during the coming year.

Comparing average annual growth rates since the end of the Great Recession highlights the challenges facing the region. Even with Hampton Roads robust advance estimate of 3.7% GDP growth for 2015 average annual growth rate for the region over the 2009-2015 period was only 0.82%. This ranked Hampton Roads 6th out of the 10 MSAs in Virginia. Average growth in Hampton Roads was also below the Virginia average of 1.2% and well below the United States' average of 2.6%. We caution that economic growth for 2016 may face substantial headwinds given the continued stagnation of defense spending, weakening growth at the Port of Virginia due to global economic conditions, and a slow recovery in the hotel and tourism industry.

Real Gross Domestic Product
Annual Average Growth Rates 2009-2015

Area	2009-2015	Rank Within Virginia
Virginia Beach-Norfolk-Newport News MSA	0.82%	6
Blacksburg-Christiansburg-Radford MSA	1.65%	2
Charlottesville MSA	2.59%	1
Harrisonburg MSA	-0.25%	8
Lynchburg MSA	-0.37%	9
Richmond MSA	1.52%	3
Roanoke MSA	-0.40%	10
Staunton-Waynesboro MSA	0.03%	7
Washington-Arlington-Alexandria-DC MSA	1.32%	5
Winchester MSA	1.38%	4
Virginia	1.20%	
United States	2.60%	

The Center for Economic Analysis and Policy in the Strome College at Old Dominion University undertakes a wide range of economic, demographic, transportation and defense-oriented studies. For sixteen years, the center and its predecessors have produced the highly regarded State of the Region Report for Hampton Roads and economic forecasts for the region. For additional information, please contact: Dr. Barbara Blake-Gonzalez at 757 683 4834 or bblakego@odu.edu.