May 19, 2009

Greater Seattle Area Survey of Current Business Conditions - First Quarter

Executive Summary

Current business conditions in the Seattle economy during the first quarter of 2009 have deteriorated slightly compared to the previous quarter. A comparison of first quarter 2009 responses with the fourth quarter 2008 outlook indicates that businesses realized their expectations for overall economic issues but underestimated the downturn for individual business measures. Much of these results were driven by uncertainty within the economy. Financing and interest rates as well as domestic competition were also frequently cited problems. Businesses have a somewhat mixed outlook on economic conditions during the next three months, with expectations of improving regional economic conditions and increasing levels of sales and employees, but also expect continued reductions in access to capital expenditure financing. Lastly, more than 90 percent of respondents do not think the $787 billion American Recovery and Reinvestment Act will be highly successful at stimulating the national economy.