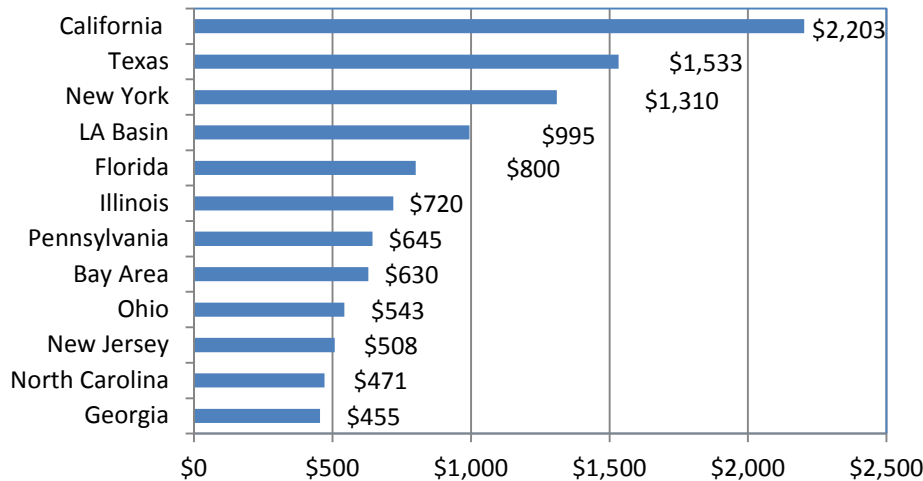


LA Basin and Bay Area Economies Top All But 6 States in 2013

The five county LA Basin economy ranks behind only California, Texas and New York in 2013 with a nearly \$1 trillion dollar economy. The nine county Bay Area economy would rank 6th among all states with a \$630 billion dollar economy measured by the value of goods and services produced in each area.

LA Basin and Bay Area Among Top Ten States (2013 \$ Billions)



While the top five states and LA Basin are unlikely to change ranking positions in the near future, the Bay Area will probably pass Pennsylvania in the next year.

All of the California state and regional 2013 estimates are likely to be revised upward as explained on page 2.

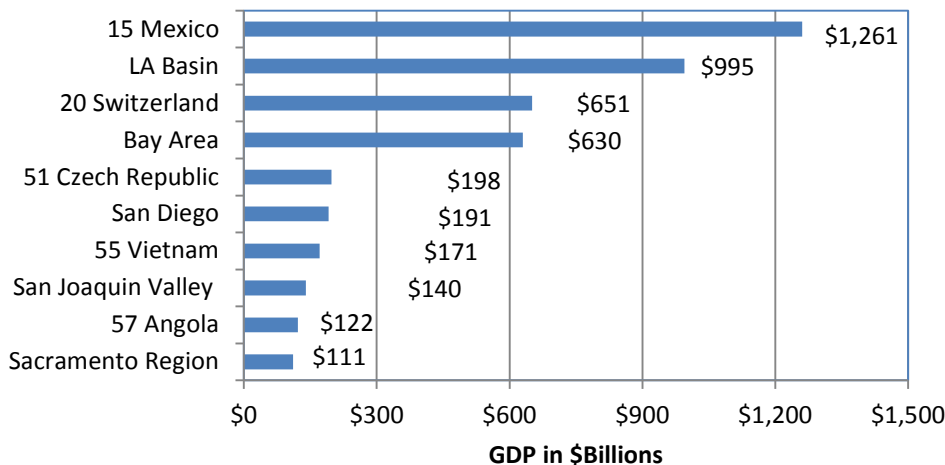
Where do California Regions Rank Worldwide?

The LA Basin economy would rank 16th in terms of the output of goods and services behind Mexico and ahead of Indonesia (\$868 billion). The Bay Area would rank 21st behind Switzerland and ahead of Argentina (\$611 billion). San Diego County (\$191 billion) would

rank 52nd behind the Czech Republic (\$198 billion) and ahead of Romania (\$190 billion). The eight county San Joaquin Valley (\$140 billion) would rank 56th behind Vietnam (\$170 billion) and ahead of Bangladesh (\$130 billion). And the six county Sacramento region (\$111 billion) would rank 58th behind Angola (\$122 billion) and ahead of Morocco (\$104 billion). California was not counted as a country in these rankings.

Except for the LA Basin which remained in 16th place, California's major regional economies ranked lower in 2013 than in 2012 as larger and faster growing economies moved up. As shown below California and the major regions all have smaller populations than the nations above them.

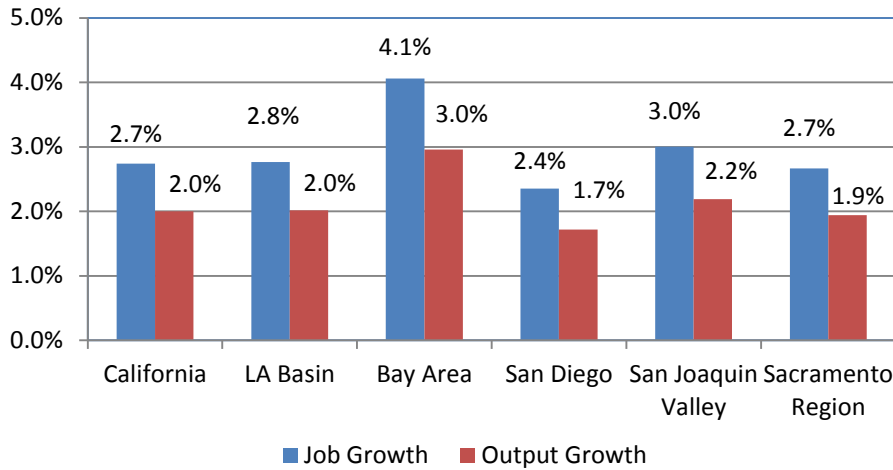
California Regional Economies Ranking in the World 2013 (\$Billions)



California and Regional 2013 Growth Likely to be Revised Up

For 2013 the state and regional economies' output growth was in each case lower than their reported job growth. This is a strange result implying that output per worker fell in each area. The final complete payroll jobs data are in for 2013 and any revisions to the 2013 job estimates are likely to be small and positive. So it is likely that the state and regional output estimates for 2013 presented here are lower than what actually occurred.

Comparison of 2013 Job and Output Growth



Comparison of Population Sizes

Population in 2013

United States	316128839	Mexico	122332399
China	1357380000	LA Basin	18308524
Germany	80621788	Switzerland	8081482
Japan	127338621	Bay Area	7385705
France	66028467	Czech Republic	10521468
United Kingdom	64097085	San Diego	3182072
Brazil	200361925	Vietnam	89708900
California	38204597	San Joaquin Valley	4079985
Russian Federation	143499861	Angola	21471618
Italy	59831093	Sacramento Region	2372700
India	1252139596		
Canada	35158304	Source: World Bank and California	
Australia	23130900	Department of Finance	
Spain	46647421		
South Korea	50219669		
Mexico	122332399		

Two of the top 15 world economies have fewer people than California—Canada and Australia—and both ranked behind California in the output of goods and services. Only Switzerland was close to the region just behind it (the Bay Area). All other regional economies had far fewer residents than the countries they trailed in size.

The implication, which is not surprising, is that California and the regional economies are more productive in terms of output per worker than most countries in the world.

Methodology

These are preliminary estimates. The Bureau of Economic Analysis (BEA) will update the regional gross domestic product (GDP) estimates for 2013 in September. The estimates presented above are based on 2012 metropolitan area estimates published by BEA in 2013 with two adjustments. All the regional estimates for 2012 were increased by the same amount as the revised 2012 statewide estimate was increased. The 2013 estimates are based on the published state GDP growth estimate (2.0%) adjusted by the relative job growth rate in each region published by the California Employment Development Department. For example, if the region's job growth rate was 10% above the state average in 2013, the GDP growth estimate was 10% above the state average.

GDP is referred to as output or the output of goods and services in the text

The LA Basin includes Los Angeles, Orange, Riverside, San Bernardino and Ventura counties. The Bay Area includes Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Solano and Sonoma counties. The San Diego region includes San Diego County. The San Joaquin Valley region includes Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus and Tulare counties, The Sacramento region includes El Dorado, Placer, Sacramento, Sutter, Yolo and Yuba counties.