



Economic Insights

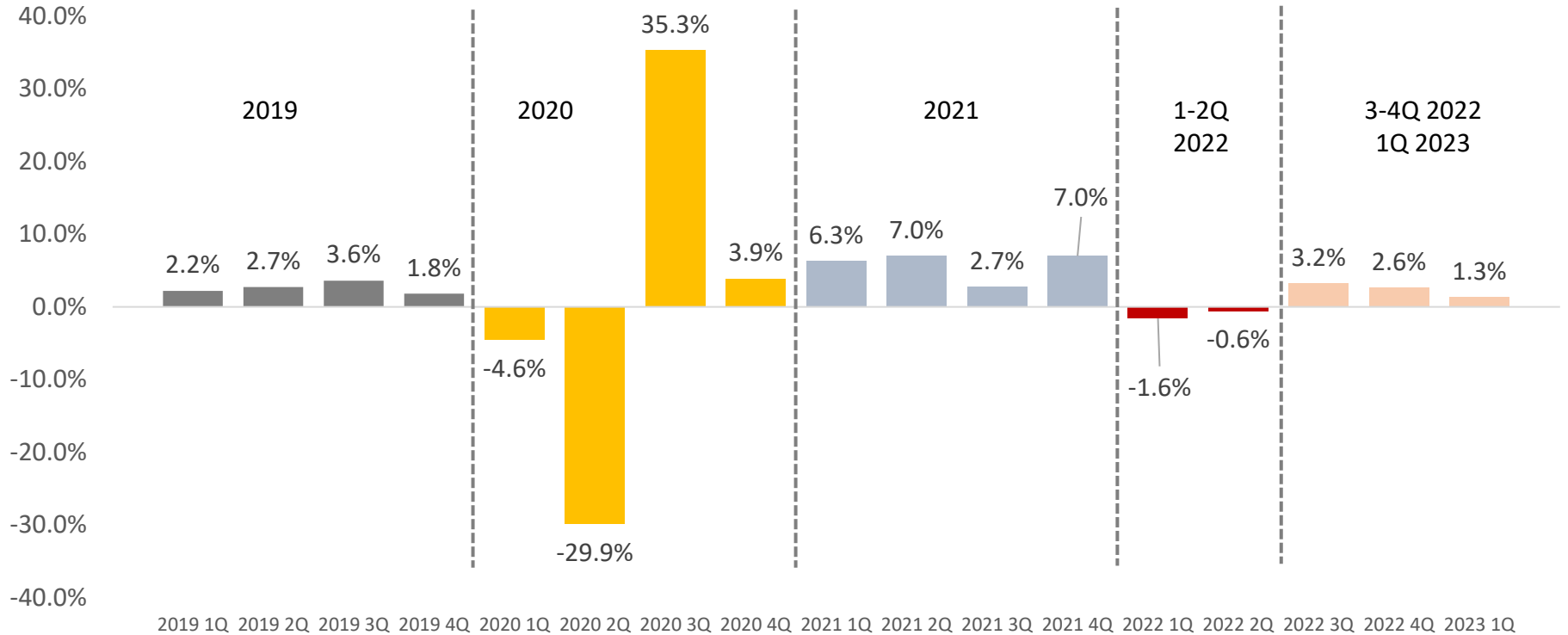
Utah and Salt Lake County

Salt Lake County Council
June 6, 2023

INFORMED DECISIONS™

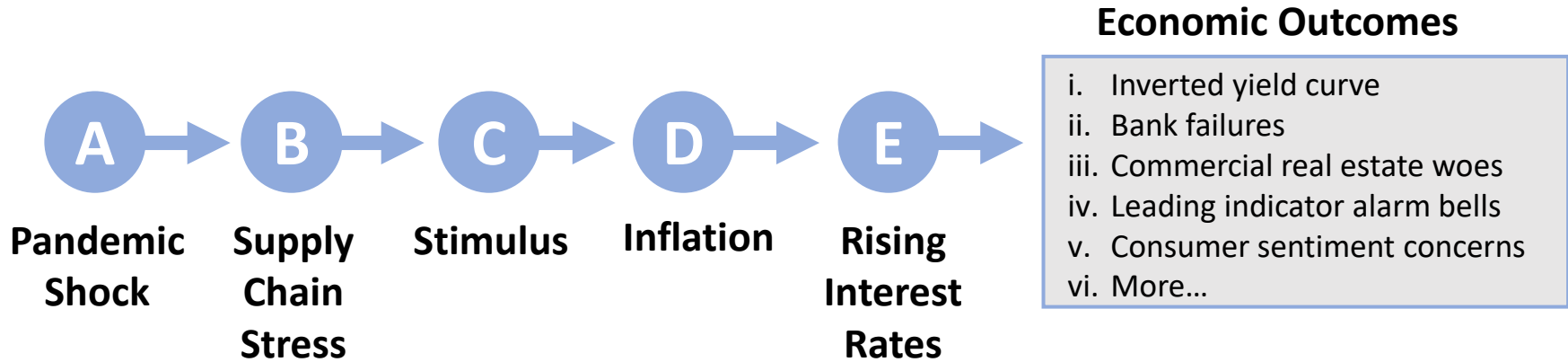
U.S. Real GDP Growth

Quarter-Over, Seasonally adjusted annual rate



Source: Bureau of Economic Analysis

How did we get here?

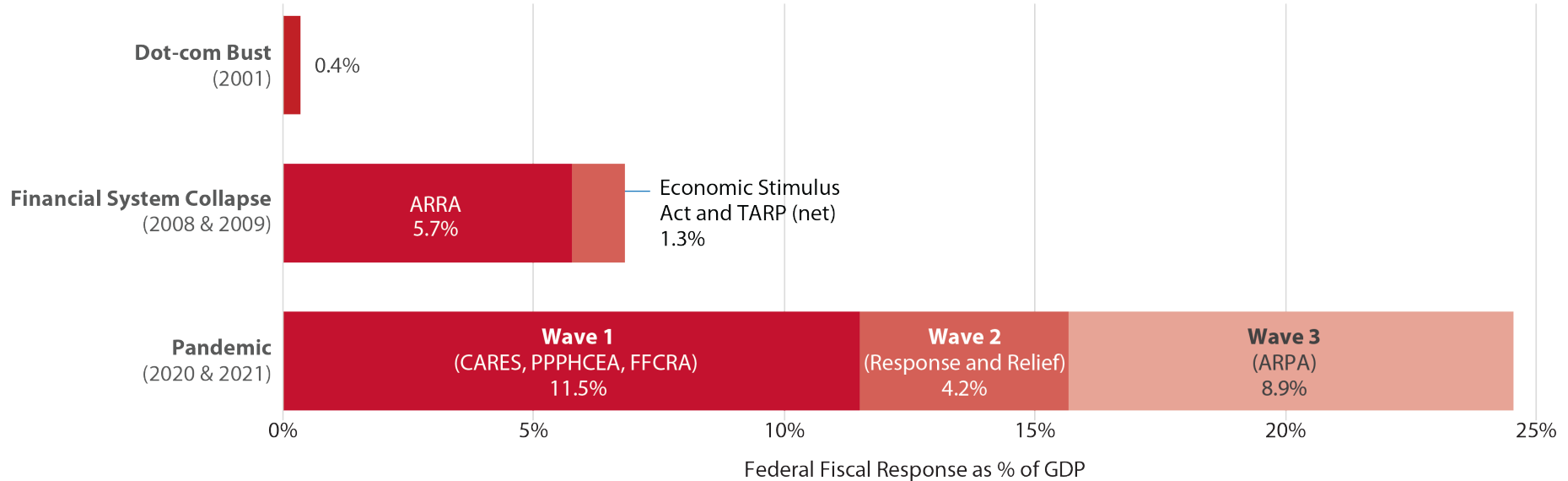


Additional factors: war in Europe, structural changes created by the pandemic, tight labor markets, and fiscal and monetary policy mistakes

Source: Kem C. Gardner Policy Institute

Federal Fiscal Support Comparables

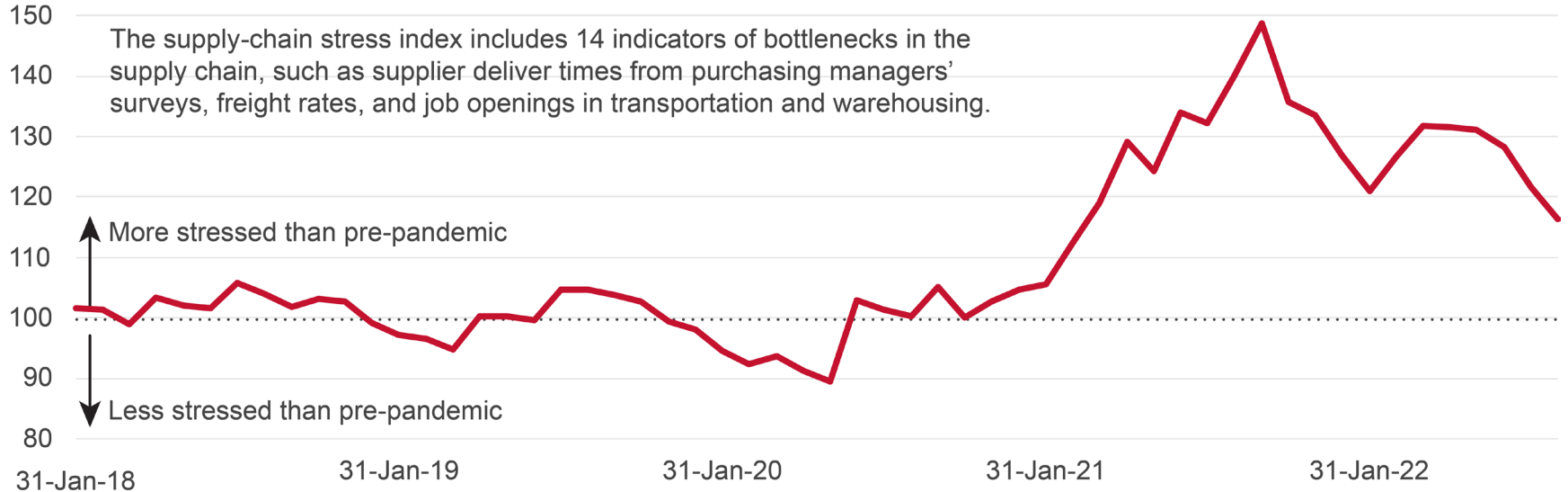
2019 Q4 = 100



Source: Congressional Budget Office and National Bureau of Economic Research

U.S. Supply Chain Stress Index

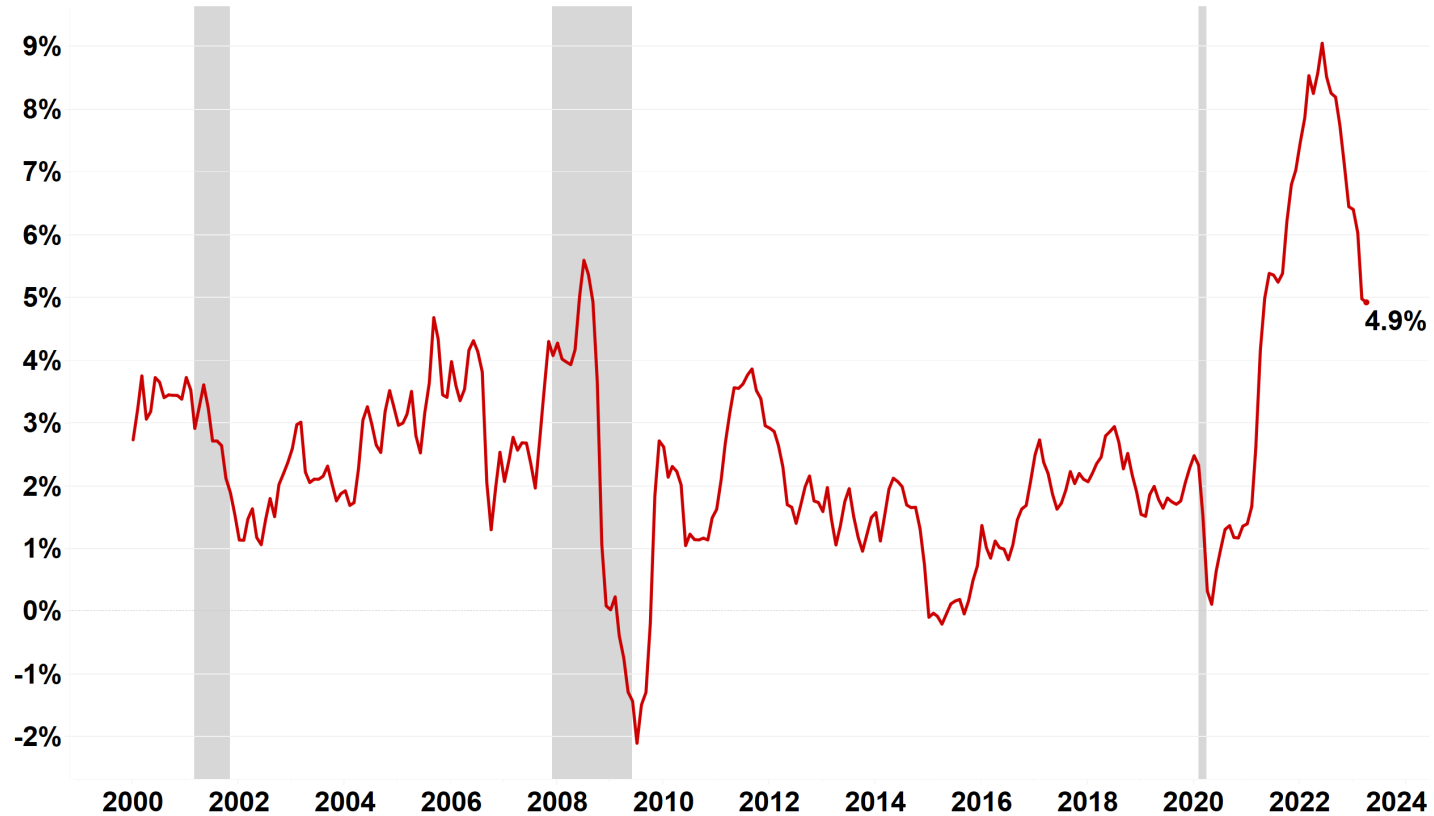
2019 Q4 = 100



Source: Moody's Analytics

Inflation

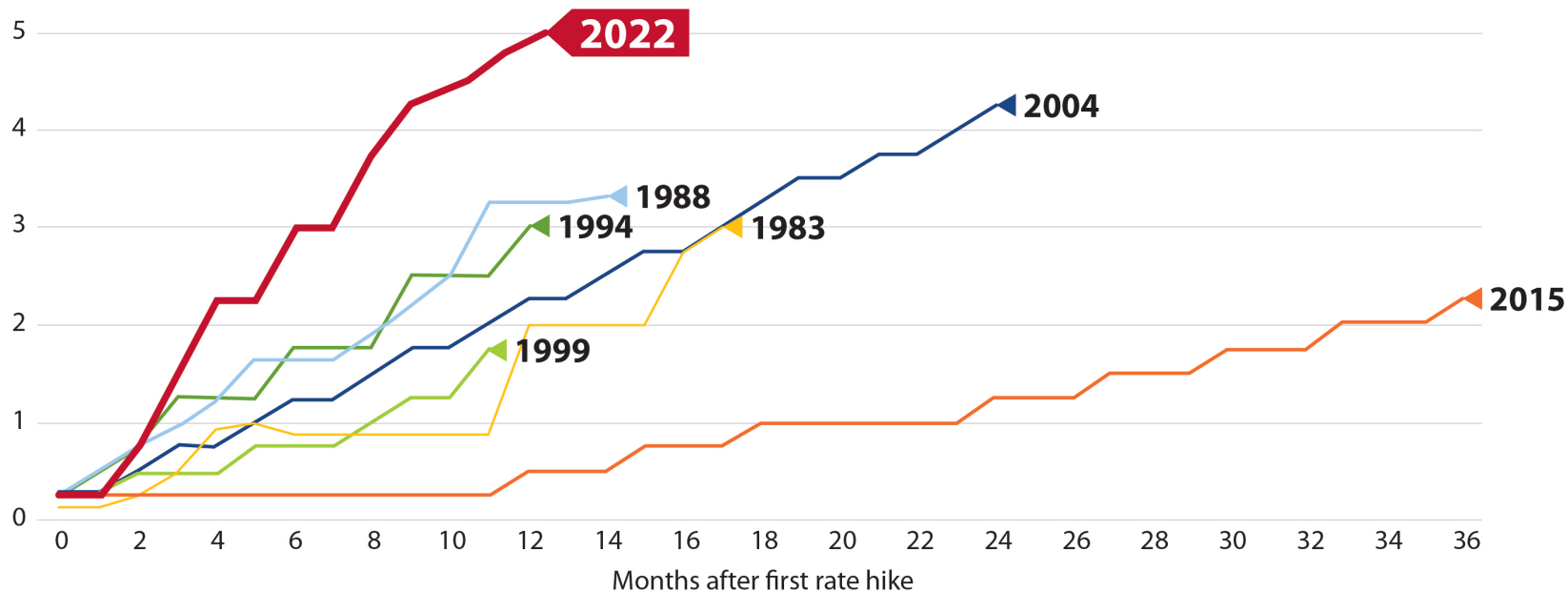
Consumer Price Index, Year-over Change



Source: U.S. Bureau of Labor Statistics

The Fed Moving Fast to Tame Inflation

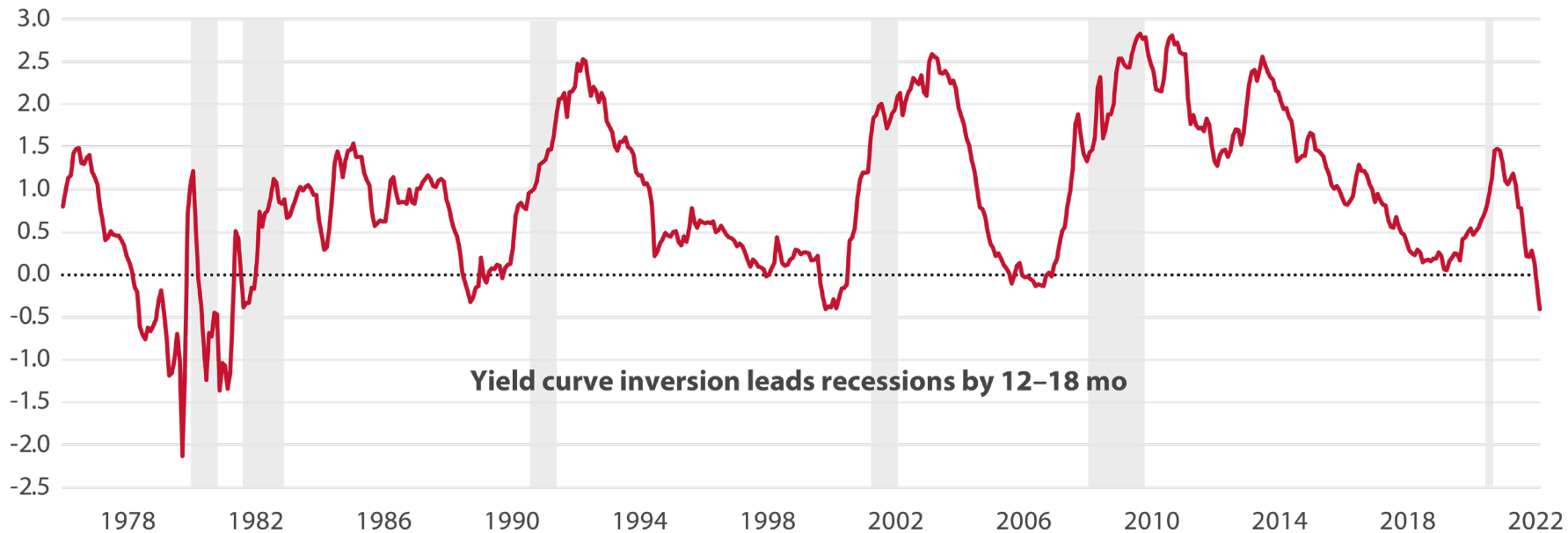
Changes in the federal funds target rate in past tightening cycles (in percentage points)



Source: Federal Reserve

Treasury Yield Curve

Difference between 10-year and 2-year Treasury yield, ppt



Source: Federal Reserve and Moody's Analytics

Blue Chip Forecast Misses Since 2022 Q2

Quarter	Blue Chip Initial Average Forecast % Change	Actual Real GDP % Change
2022 Q3	2.0%	3.2%
2022 Q4	0.7%	2.6%
2023 Q1	-0.4%	1.1% (Initial estimate)
2023 Q2	0.0%	2.9% (May 18 GDPNow)

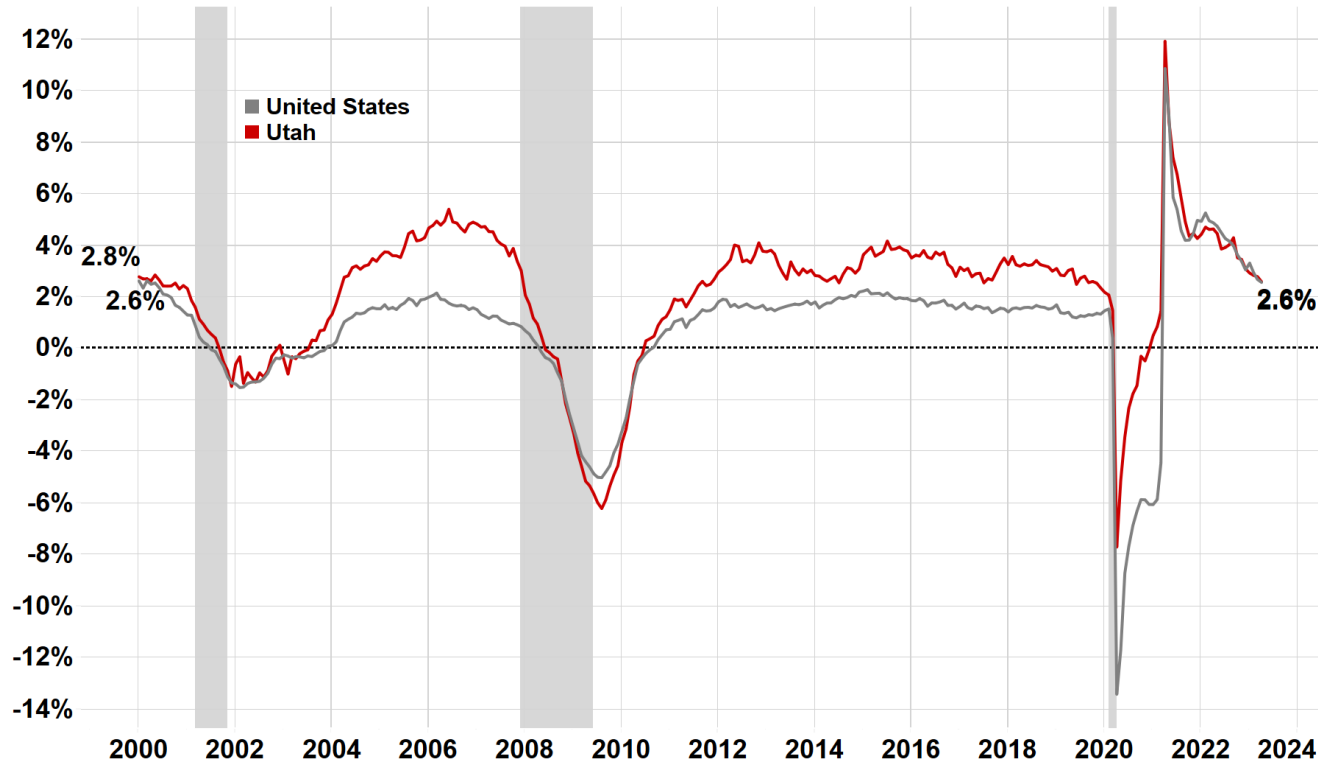
2023 Q1 Real GDP – Most Categories Quite Strong

GDP Categories with Increase	Real % Change	GDP Categories with Decrease	Real % Change
Personal consumption - goods	6.3%	Business equipment	-7.0%
Personal consumption - services	2.5%	Residential construction	-5.4%
Business structures	11.0%		
Business intellectual property	5.2%		
Exports	5.2%		
Imports	4.0%		
Government	5.2%		

Source: U.S. Bureau of Economic Analysis

Job Change

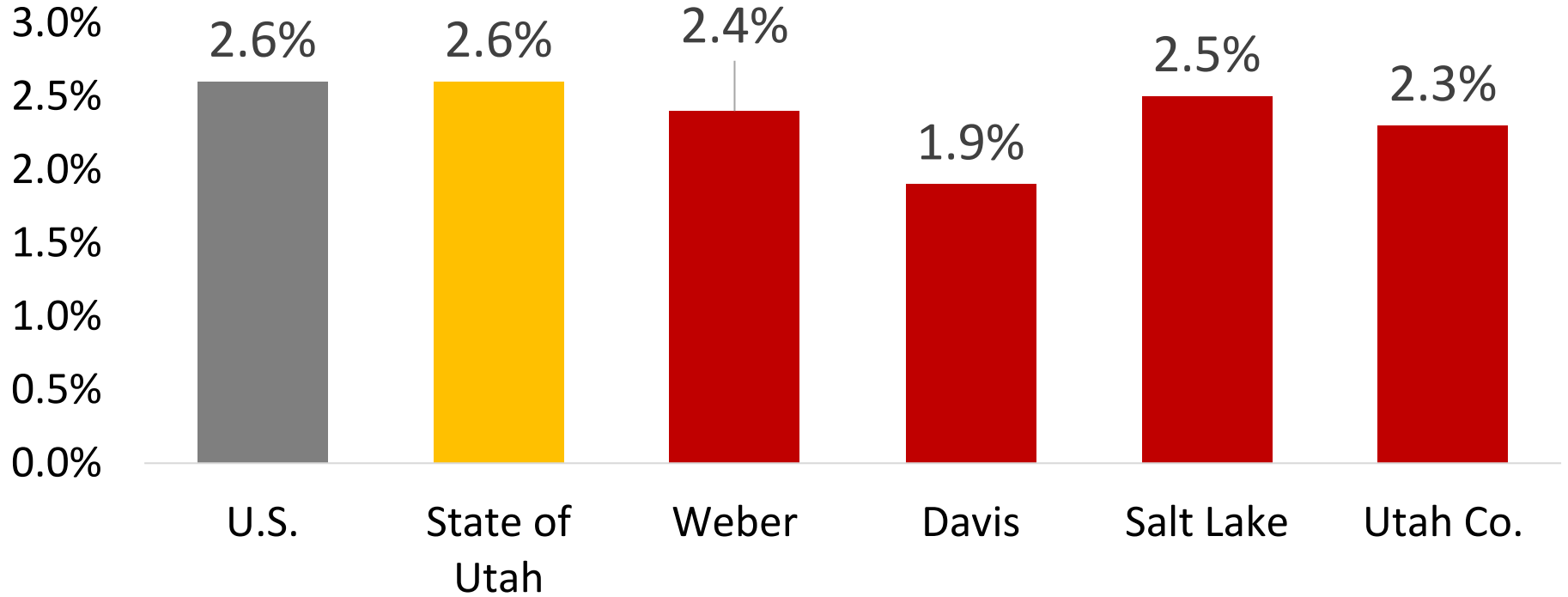
Year-over percent change



Source: Bureau of Labor Statistics

Job Growth

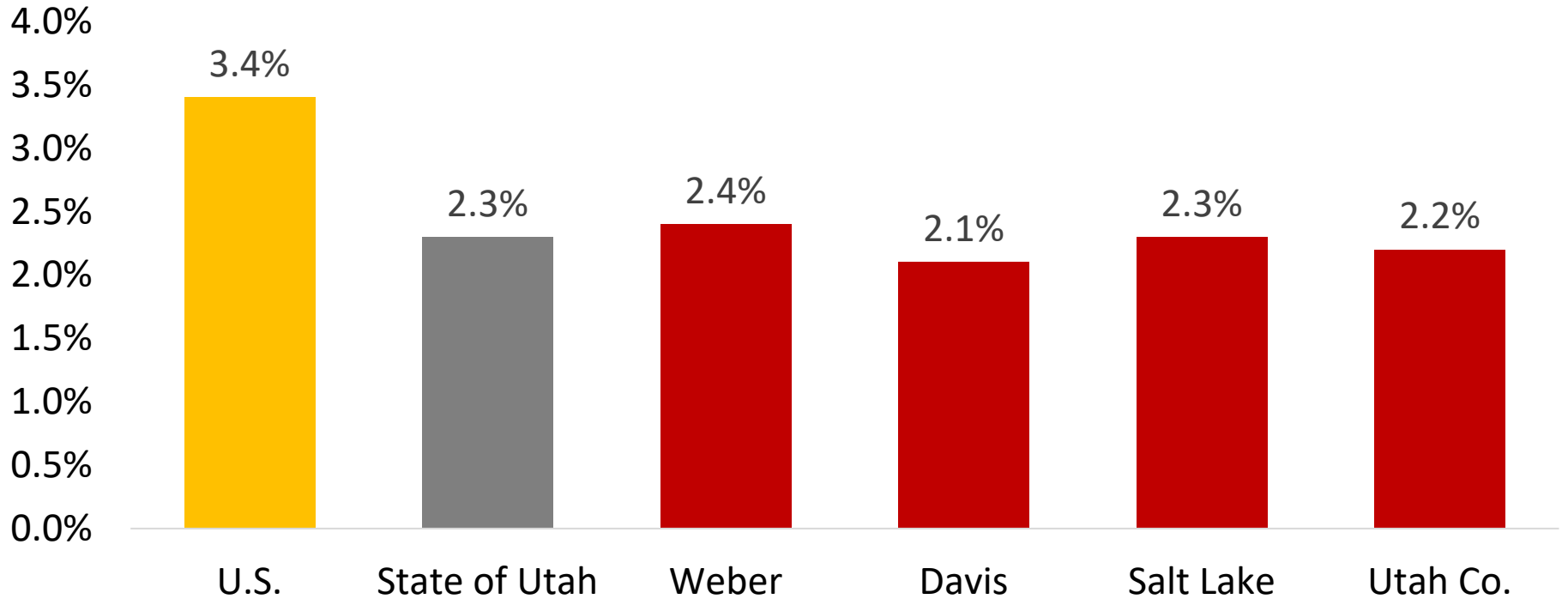
April 2022-2023, Not Seasonally Adjusted



Source: Bureau of Labor Statistics

Unemployment Rate

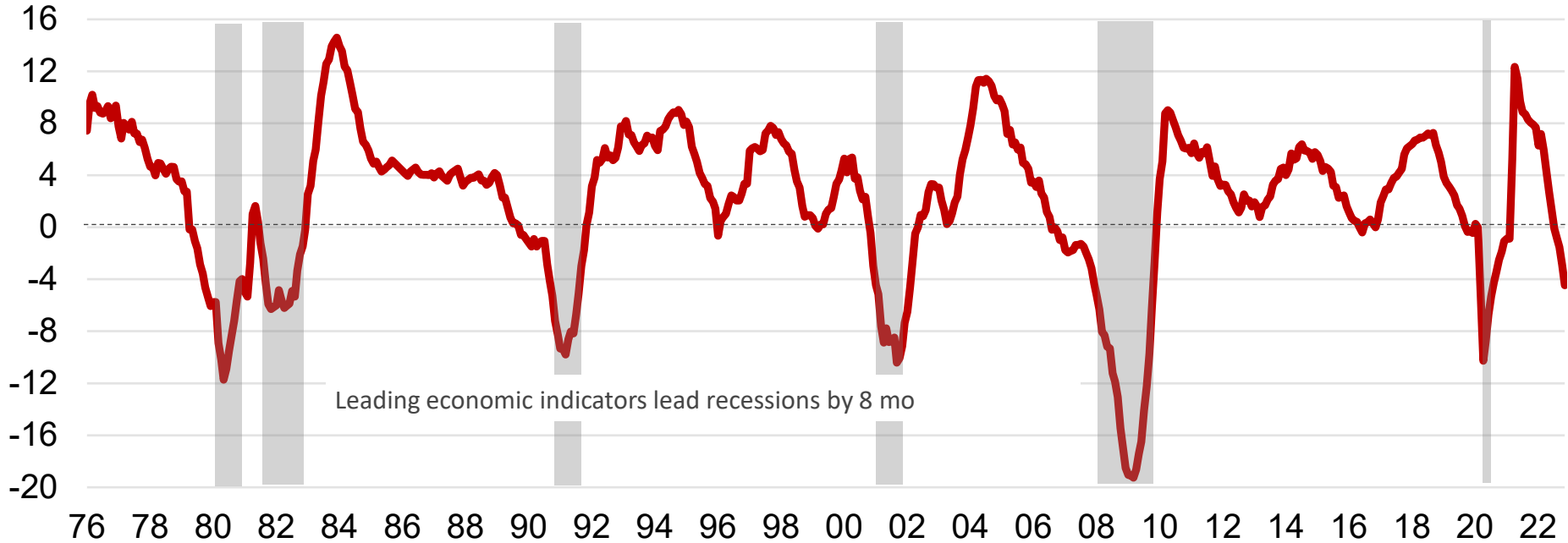
April 2023, Seasonally Adjusted



Source: Bureau of Labor Statistics

U.S. Leading Indicators

Year-Over Percent Change



Leading economic indicators lead recessions by 8 mo

Source: Conference Board, Moody's Analytics

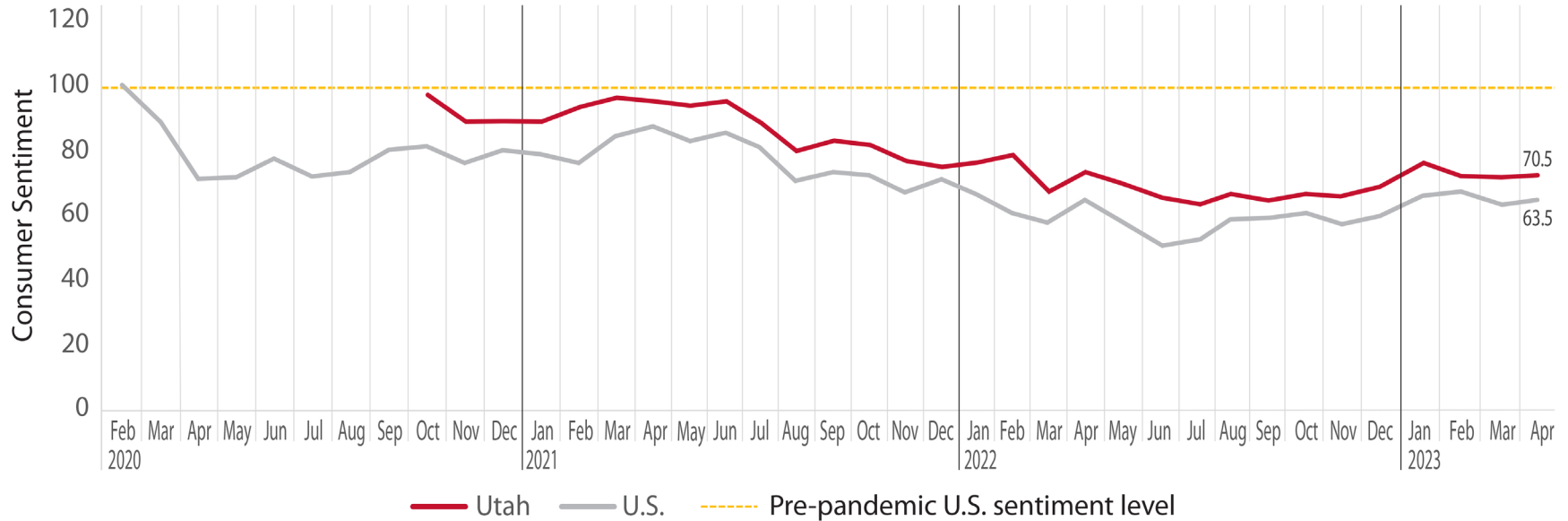
Commercial Real Estate Risk

- **COVID resiliency** – Observed real estate properties surprisingly resilient during pandemic.
- **New environment** – Trend expected to change as the hybrid work environment takes hold and new leases come due.
- **Headwinds** – Property owners face dual headwinds of lower demand and higher financing costs.

Source: Moody's and Kem C. Gardner Policy Institute

Utah and U.S. Consumer Sentiment

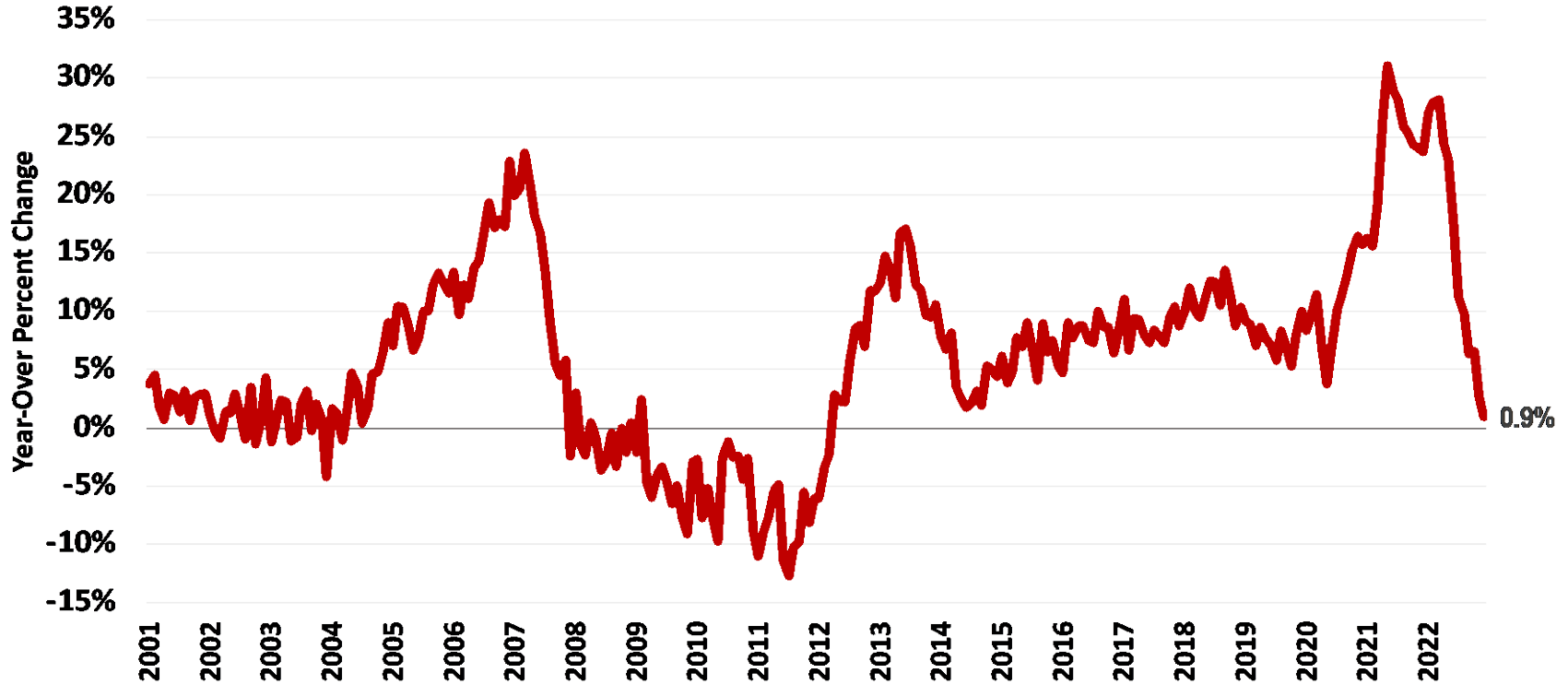
Consumer Sentiment Index: Utah and U.S.



Source: Kem C. Gardner Policy Institute and University of Michigan

Source: Kem C. Gardner Policy Institute and University of Michigan

Utah Home Price Change



Source: Kem C. Gardner Policy Institute, UtahRealEstate.com Sales Data

Utah ready for 2030 Games

Legislature expands affordable housing

Shriver shines as U commencement speaker

MAY 1-7, 2023

THE NEW UTAH

PRESENT & FUTURE:

Mid-size External Growth (migration) Multicultural
Elite Economy Older



PAST:

Strong Economy
Monocultural
Internal Growth
(birds)
Young Small

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The New Utah

OLD

NEW

Small State

Population rank **36th - 34th** (1980, 1990, 2000, 2010)



Mid-Sized State

Population rank **30th** (2020)

Internal growth (births)

66% of growth from ourselves (2000-2020)



External growth (migration)

61% of growth from in-migration (2021 and 2022)

Monocultural

10% minority (1990)



Multicultural

28% minority (2020) (*30+% in 2040*)

Young

11.5% are 65+ (2020)



Older

20.0% are 65+ (2050)

Strong Economy

Utah **job growth strong**, but **ebbs and flows**



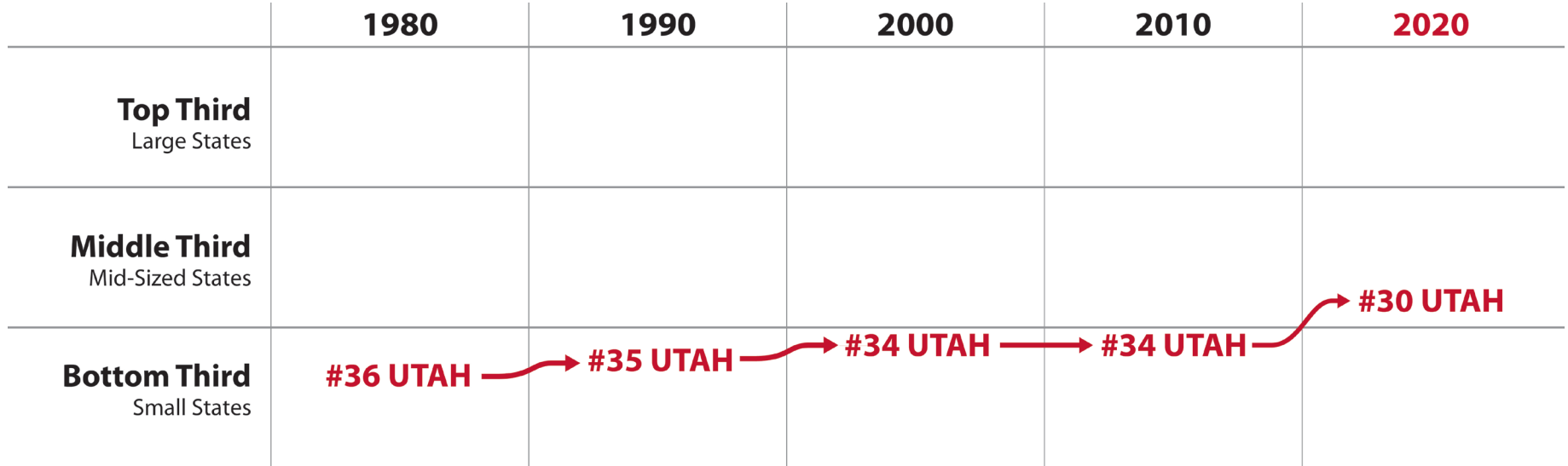
Elite Economy

Utah **job growth consistently best in nation** and **top-tier COVID outcomes**

Source: Kem C. Gardner Policy Institute

Utah is Now a Mid-Size State

State rank by population size

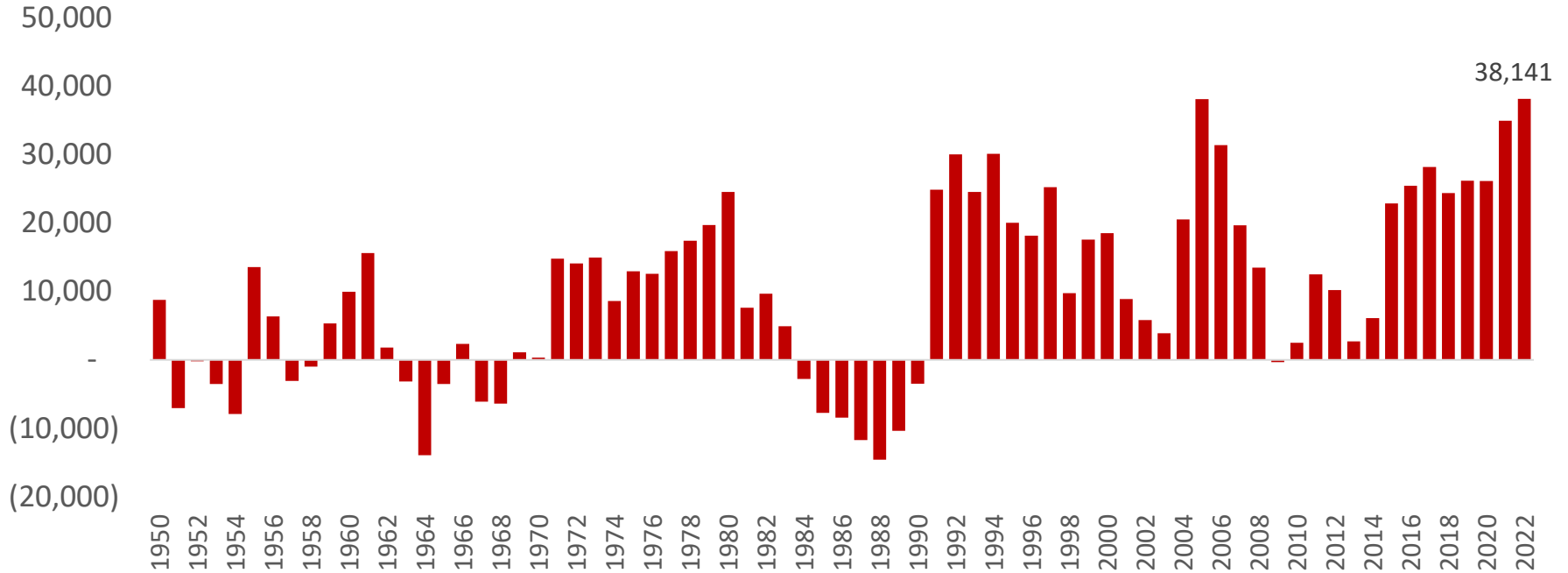


*Includes District of Columbia

Source: Census Bureau, Decennial Census

Utah Net Migration

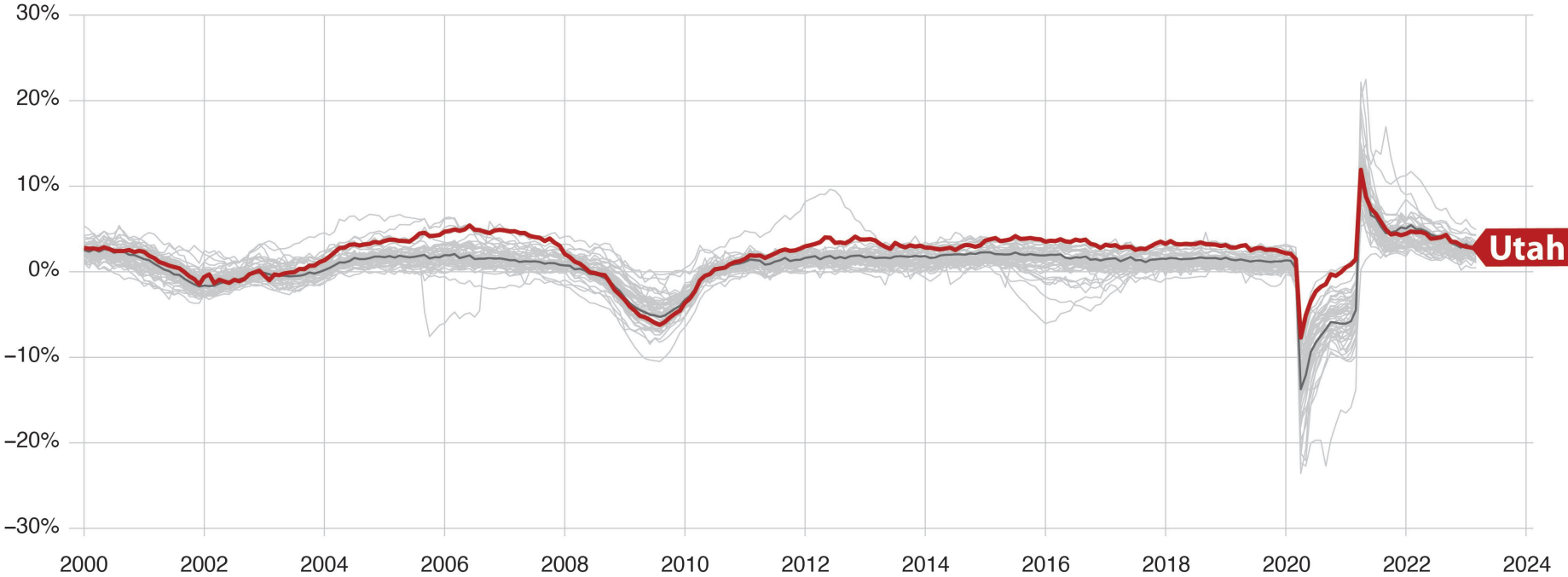
Utah experienced net migration in 31 of the past 32 years



Source: Kem C. Gardner Policy Institute, and Utah Population Committee

Utah Job Growth by State

Utah's elite economy



Source: Utah Governor's Office of Planning and Budget and U.S. Bureau of Labor Statistics