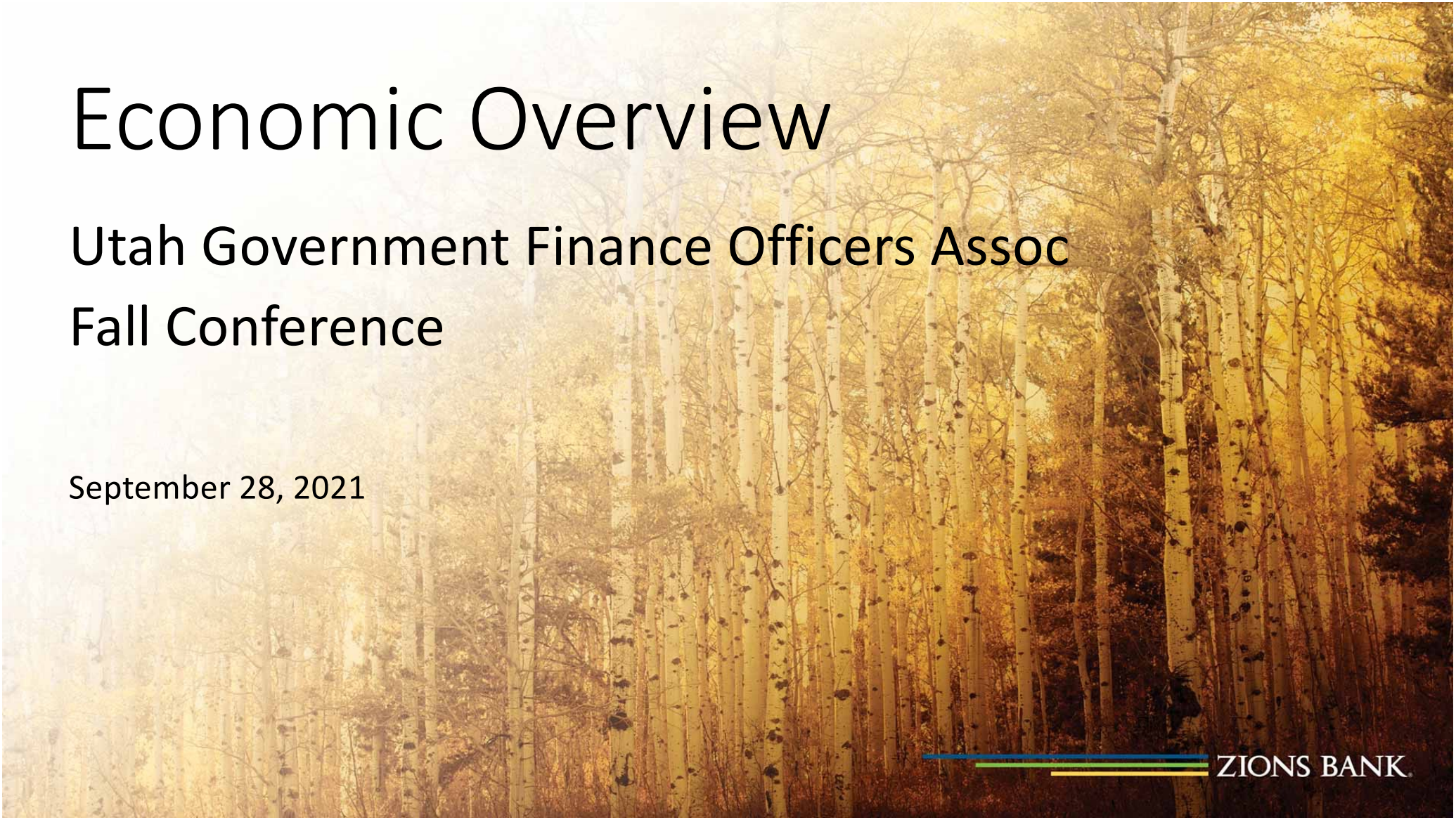
Economic Overview

Utah Government Finance Officers Assoc Fall Conference

September 28, 2021



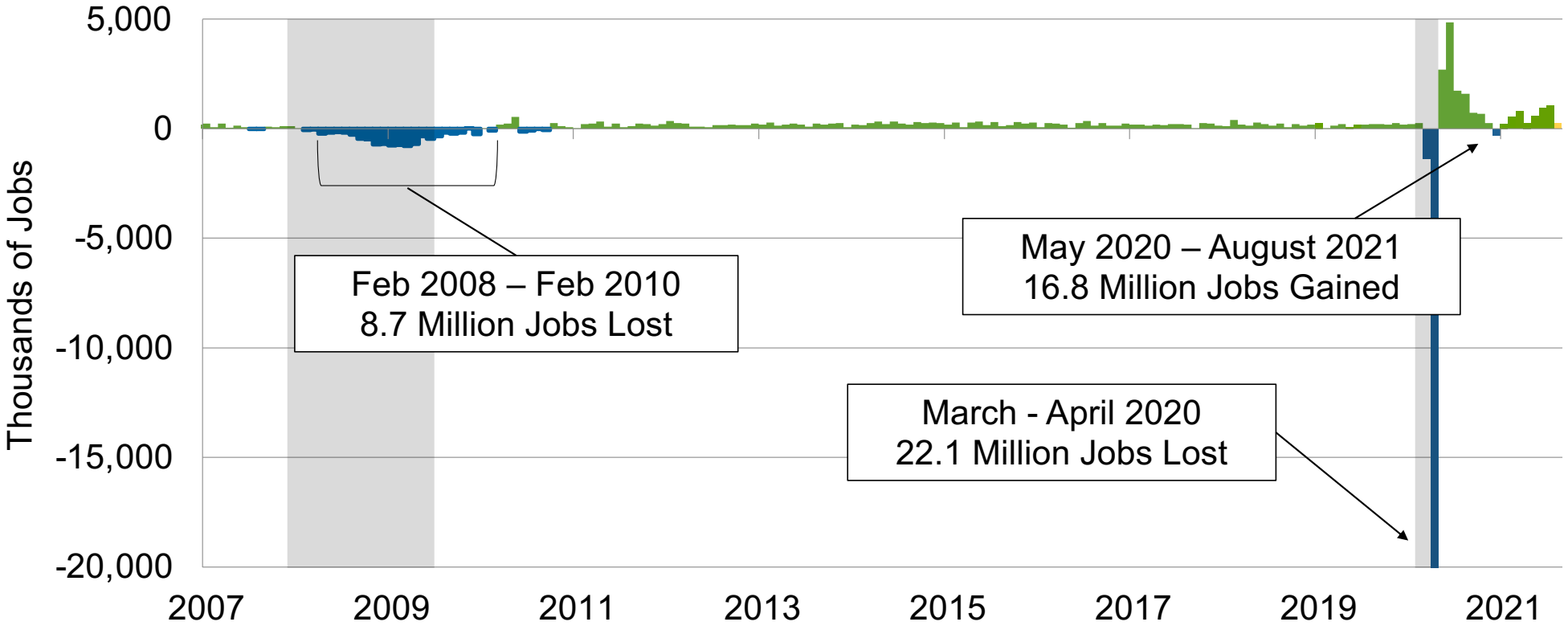
August Job Indicators

Indicator	Previous Month	Forecast	Actual
Total Nonfarm Payrolls	1,053,000	740,000	235,000
Unemployment Rate	5.4%	5.2%	5.2%
Underemployment Rate	9.2%		8.8%
Private Payrolls	798,000	693,000	243,000
Annual Average Hourly Wage Growth	4.1 %	3.9%	4.3%
Labor Force Participation	61.7%	61.8%	61.7 %

ZIONS BANK.

Sources: Econoday and U.S. Bureau of Labor Statistics

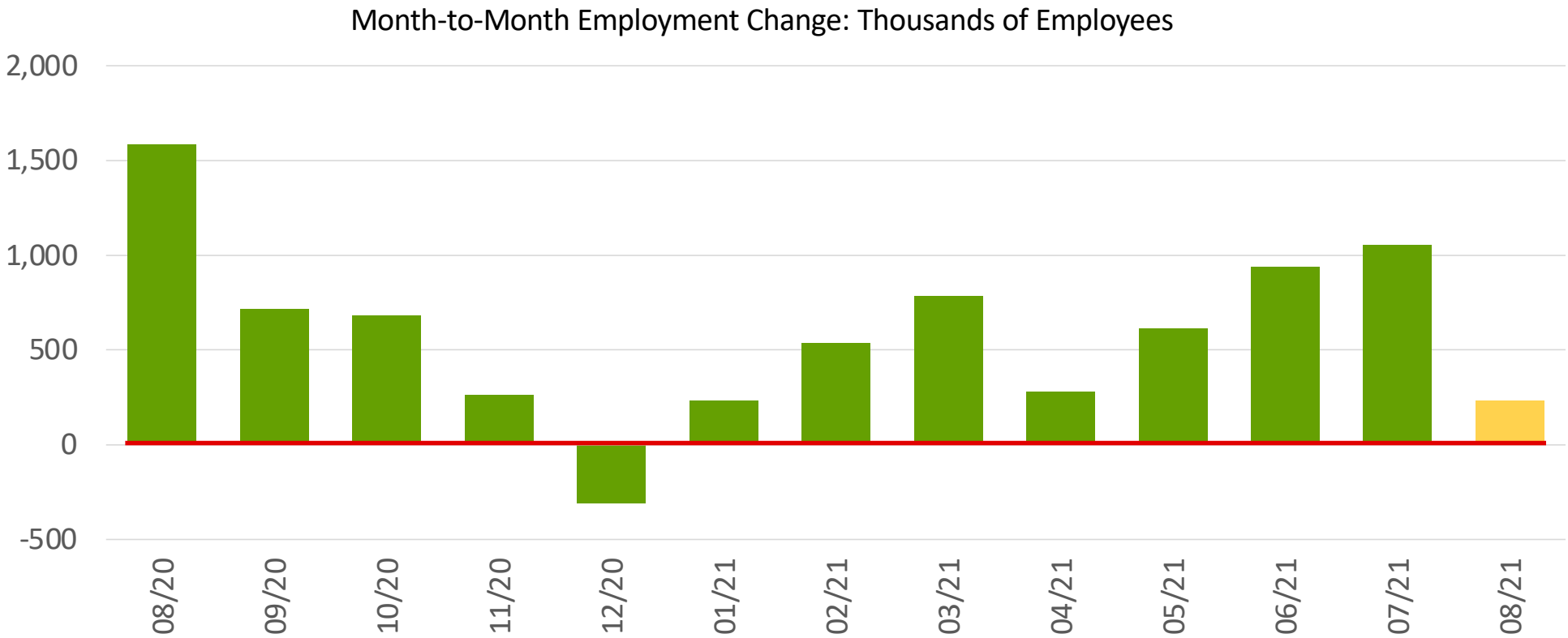
Large Swings in Job Trends



ZIONS BANK

Source: Bureau of Labor Statistics

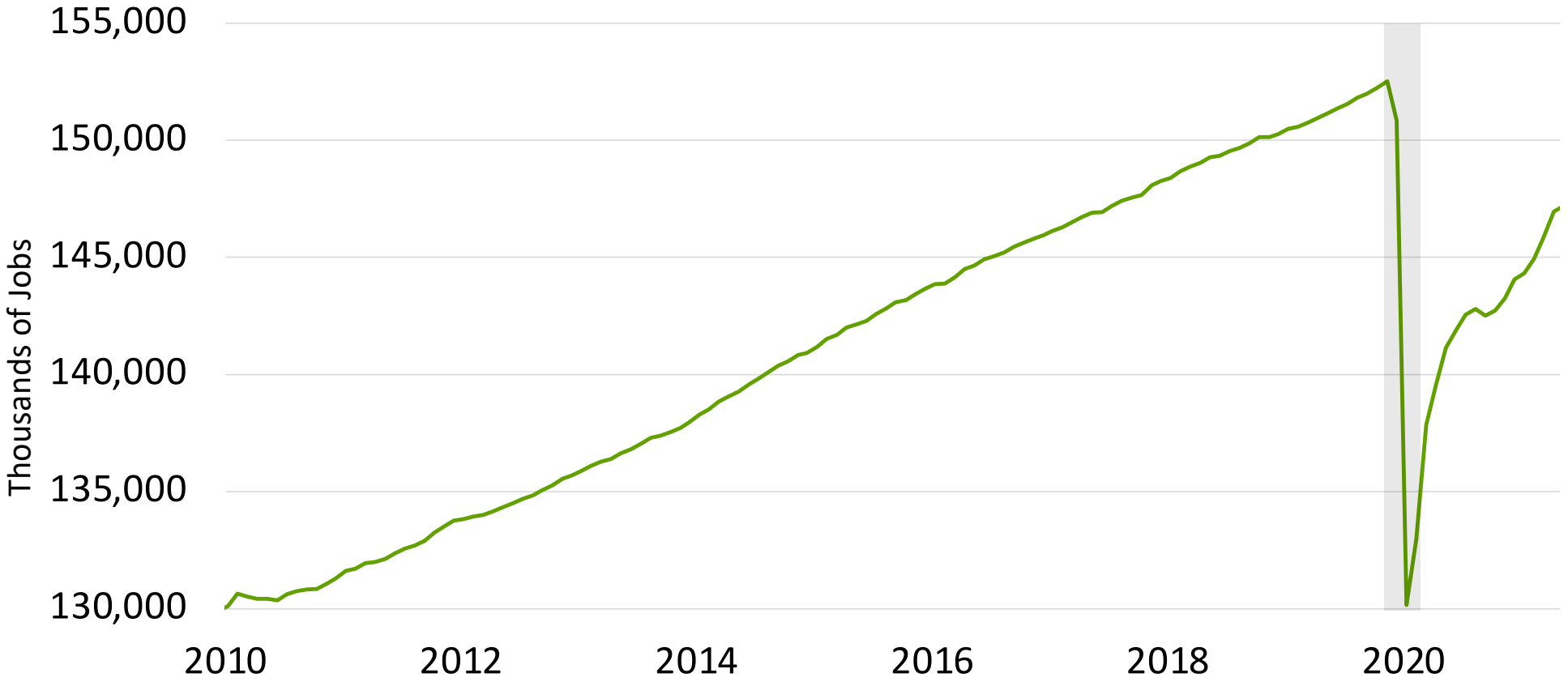
U.S. Job Growth Slowed in August



ZIONS BANK

Source: U.S. Bureau of Labor Statistics

US Total Nonfarm Employment

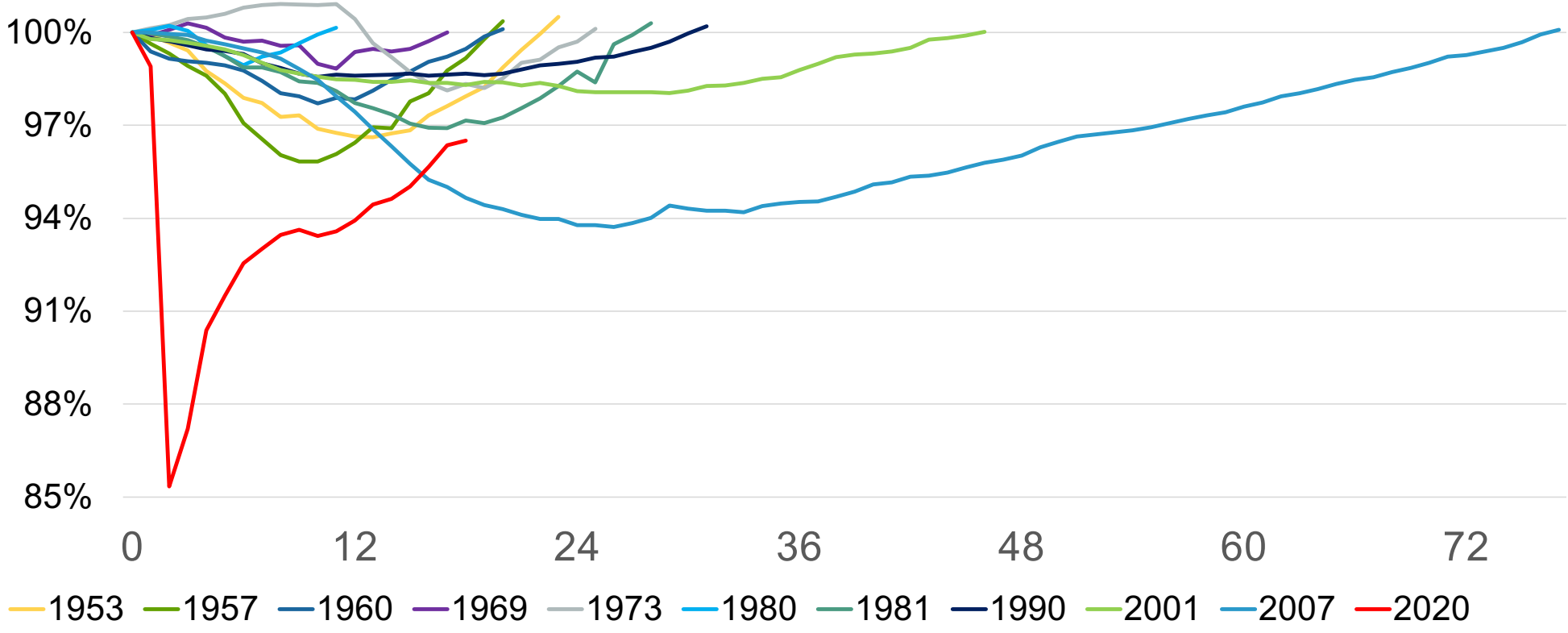


ZIONS BANK.

Source: US Bureau of Labor Statistics

When Will the Labor Market Recover?

Number of Months to Reach the Previous Employment Peak After Recessions

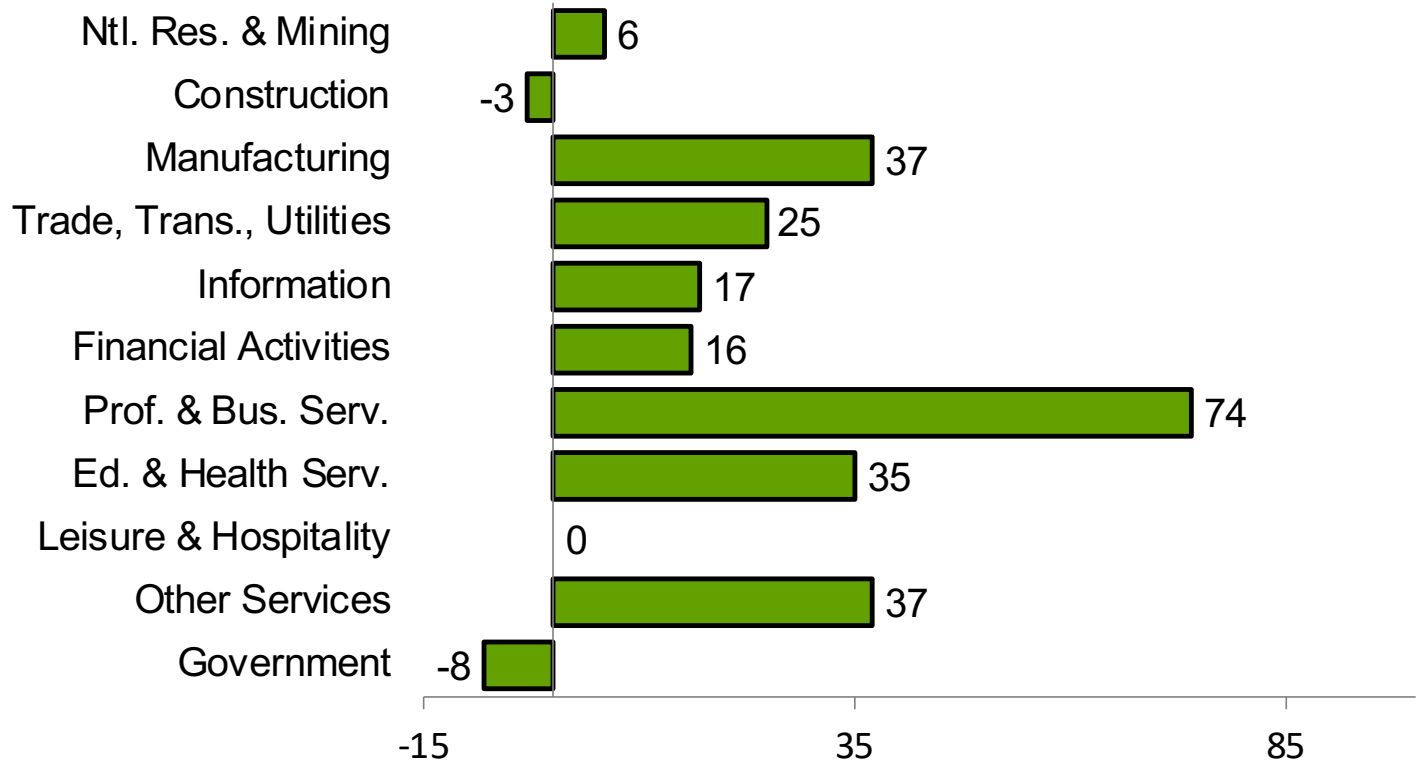


ZIONS BANK.

Source: Bureau of Labor Statistics

National Employment Change

Total Change in Number of Jobs by Industry (In Thousands): July 2021 to August 2021

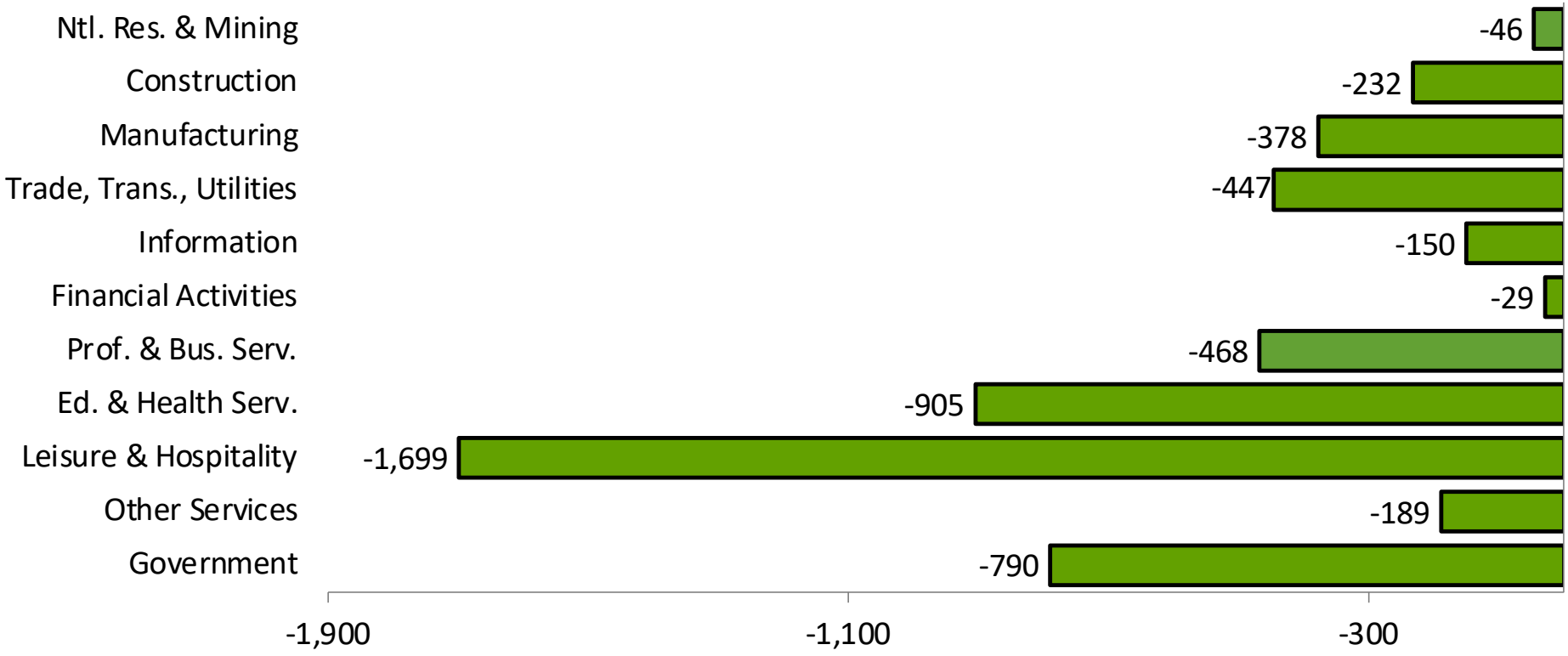


ZIONS BANK

Source: U.S. Bureau of Labor Statistics

National Employment Change

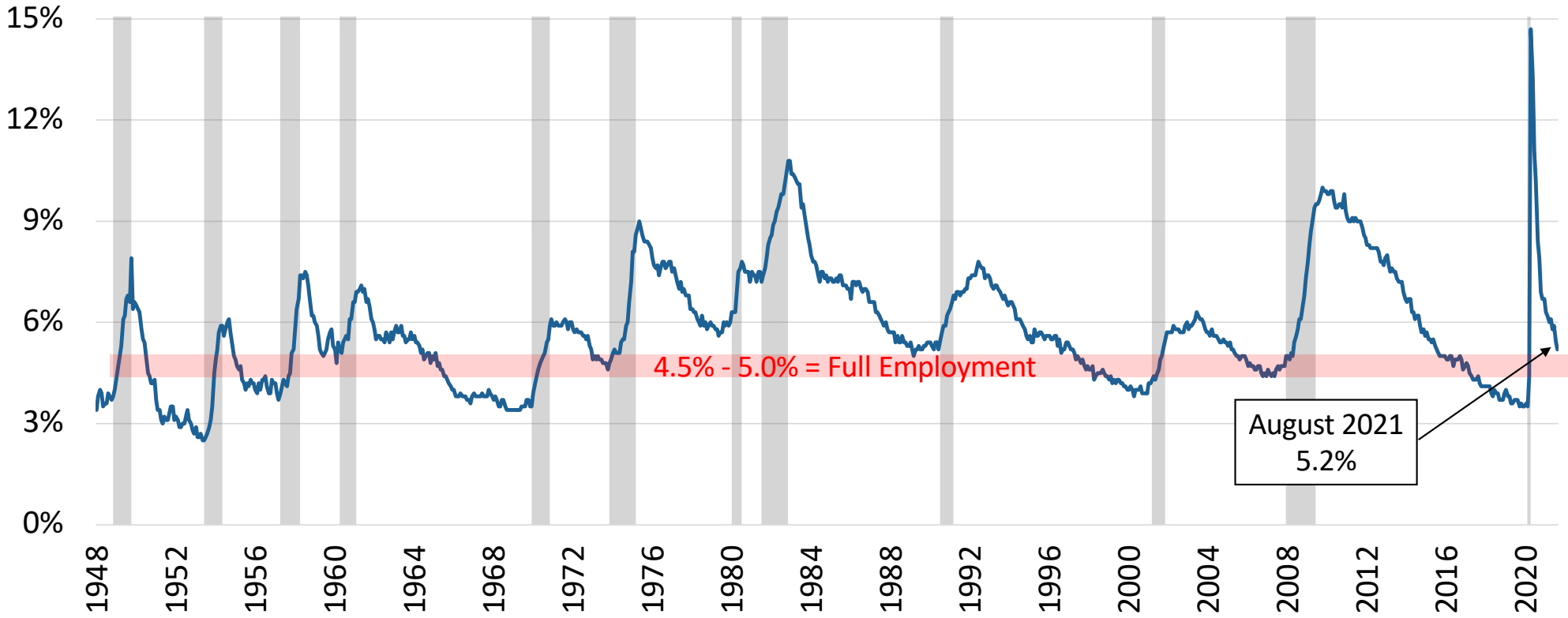
Total Change in Number of Jobs by Industry (In Thousands): February 2020 to August 2021



ZIONS BANK

Source: Bureau of Labor Statistics

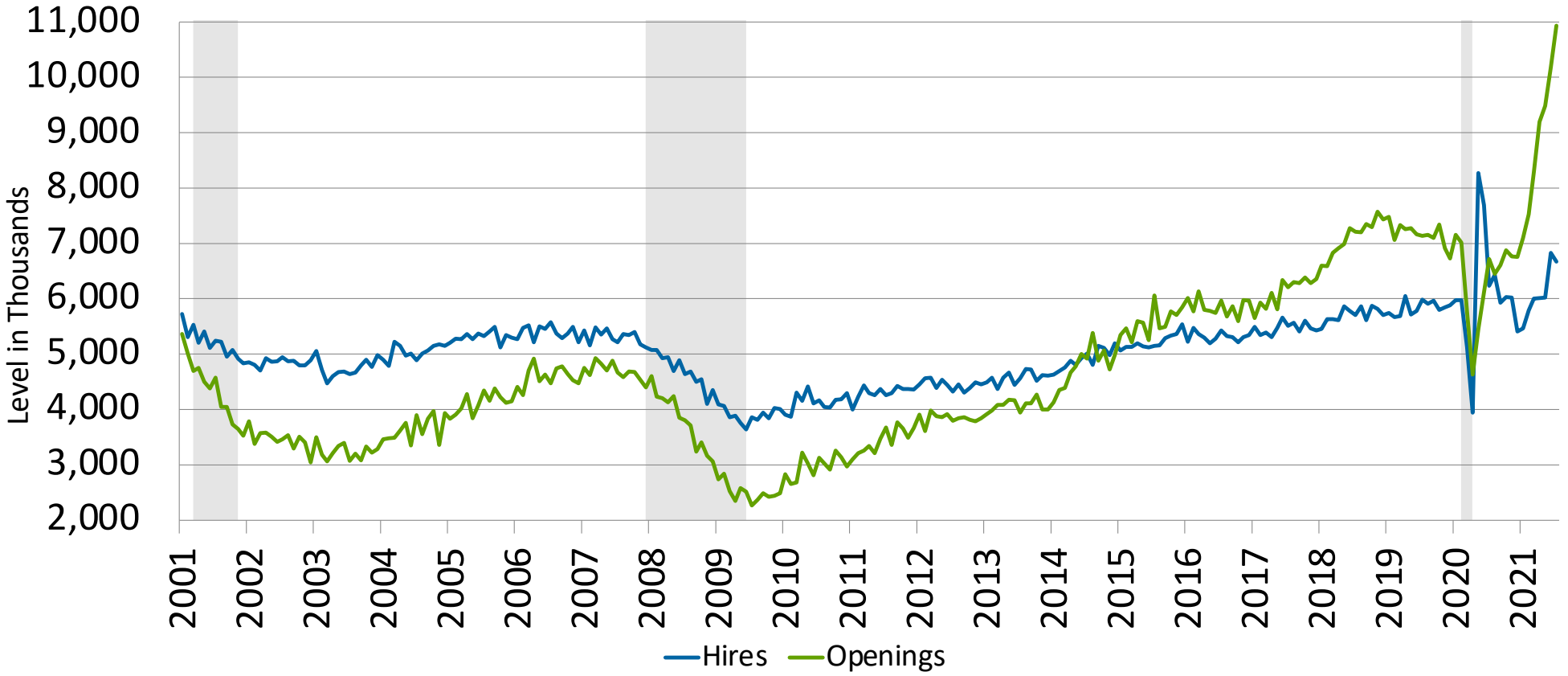
US Unemployment Continues to Drop



ZIONS BANK

Source: U.S. Bureau of Labor Statistics

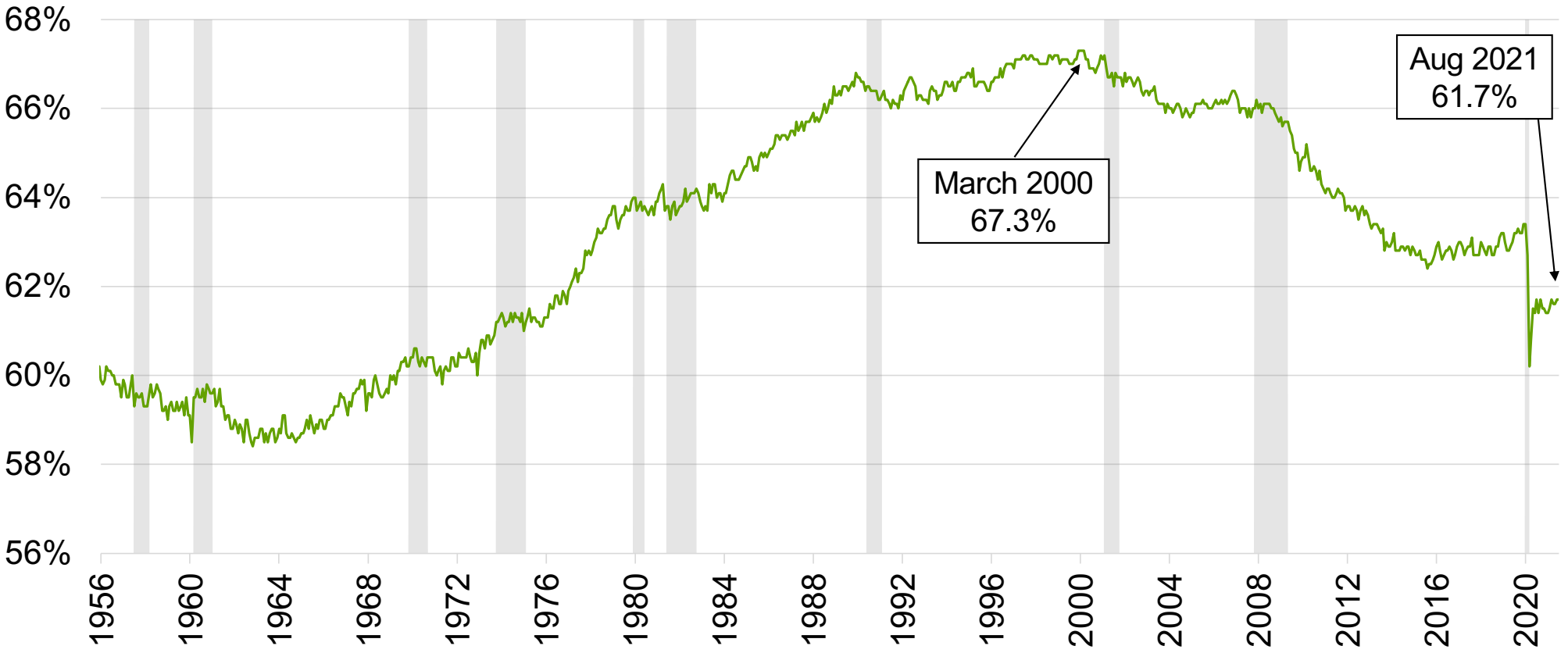
Job Openings Nearly 11 Million



ZIONS BANK.

Source: Bureau of Labor Statistics JOLTS Survey

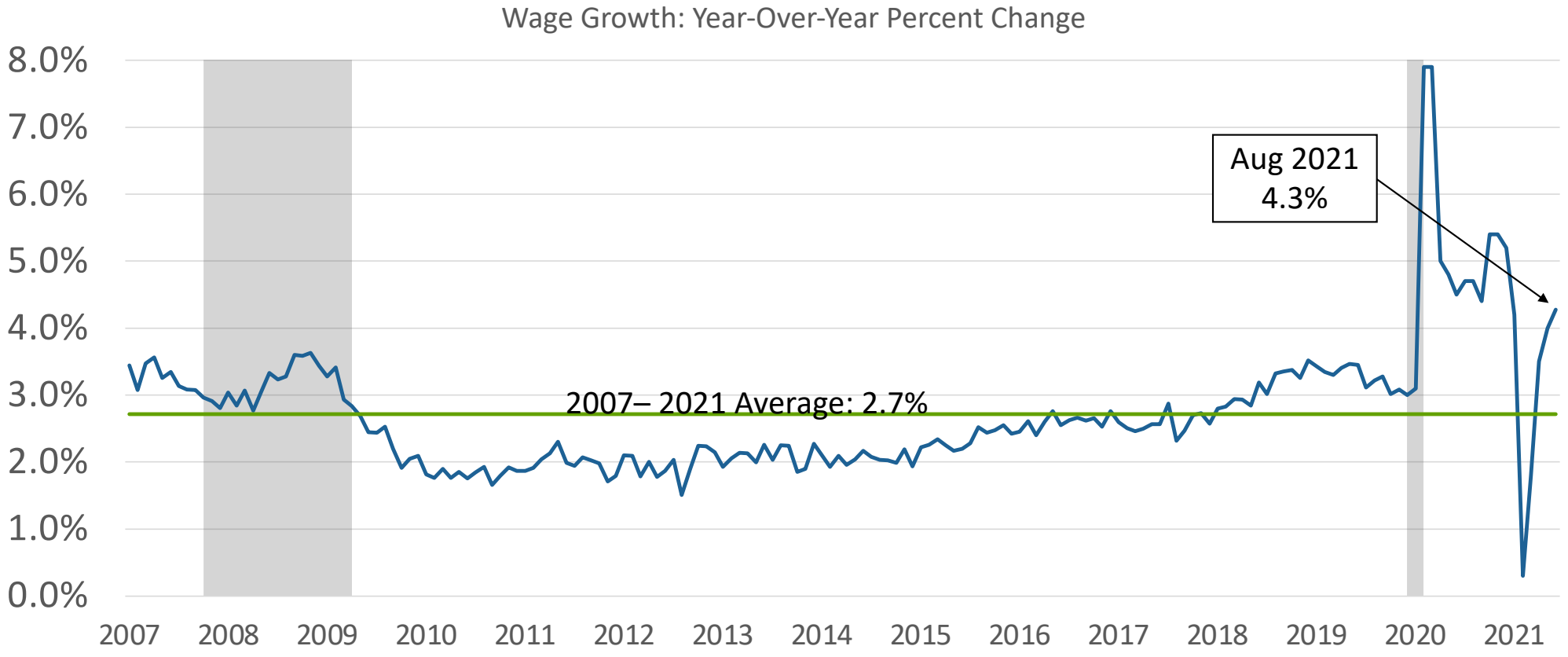
Labor Force Participation Hasn't Recovered From Pandemic



ZIONS BANK.

Source: Bureau of Labor Statistics

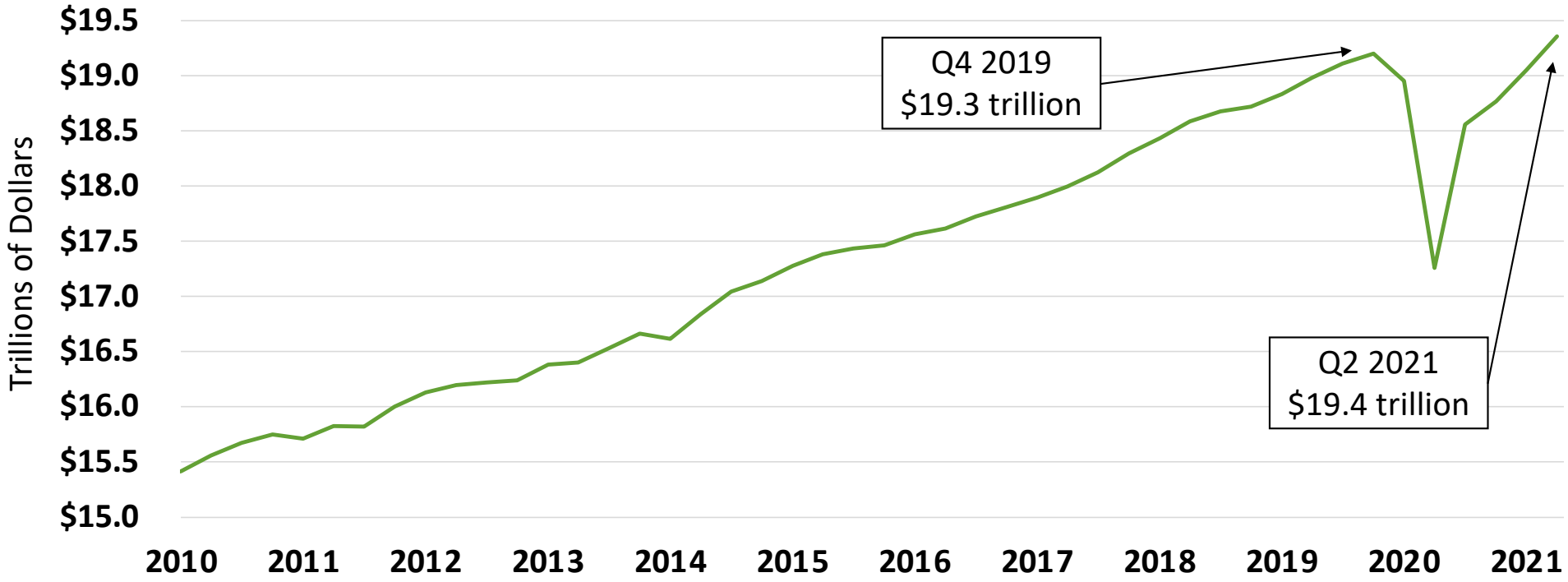
Wage Pressure Building



ZIONS BANK

Source: Bureau of Labor Statistics

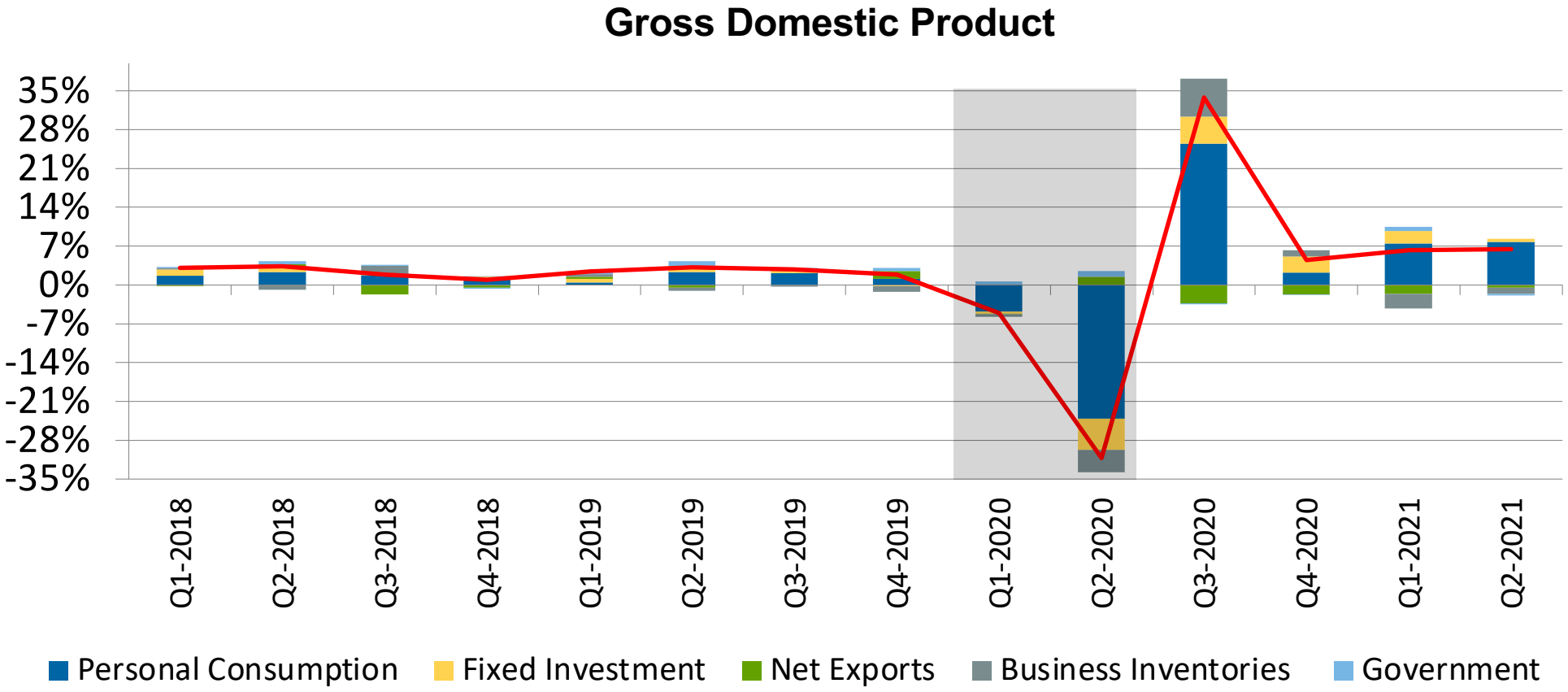
GDP Back Above Pre-Recession Levels



ZIONS BANK

Source: Bureau of Economic Analysis

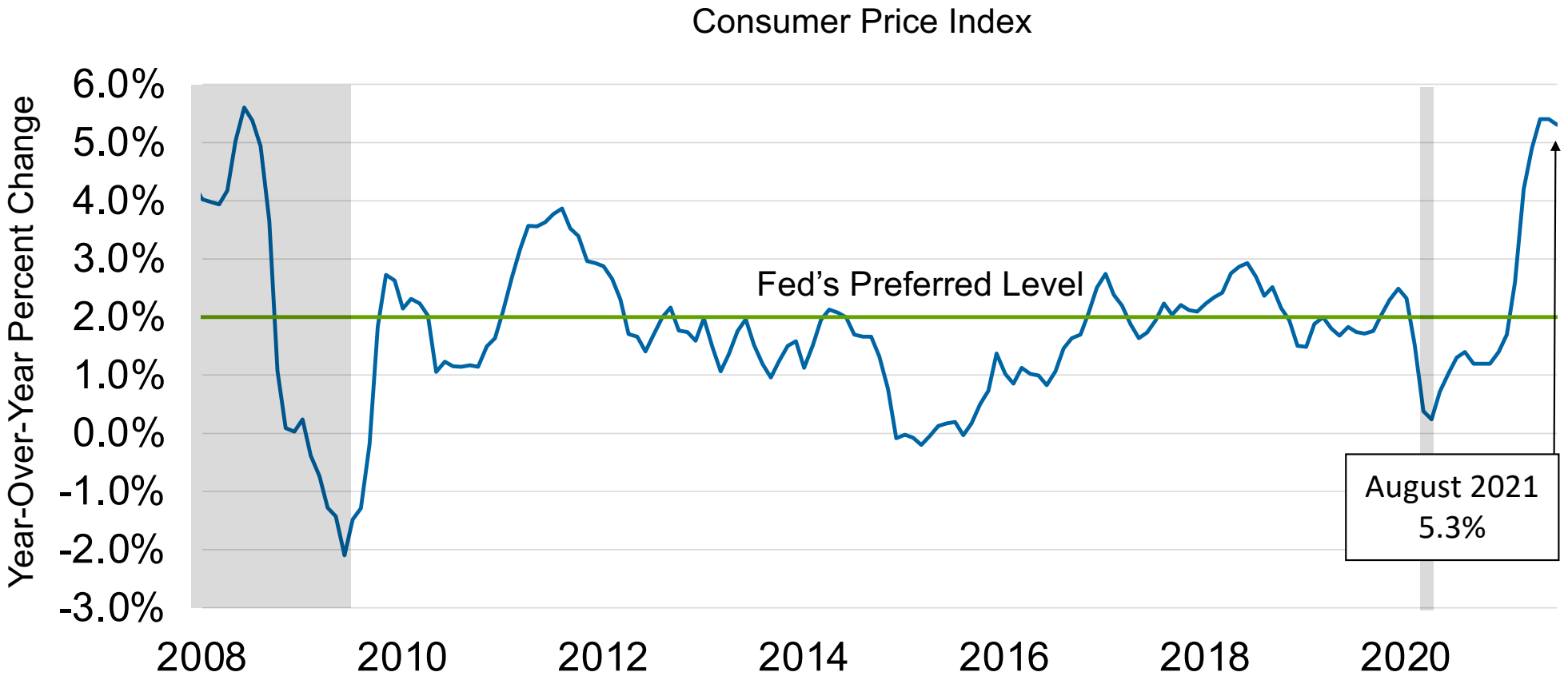
Consumer Spending Driving GDP Growth



ZIONS BANK

Source: Bureau of Economic Analysis

High Consumer Inflation Shows Signs of Moderating

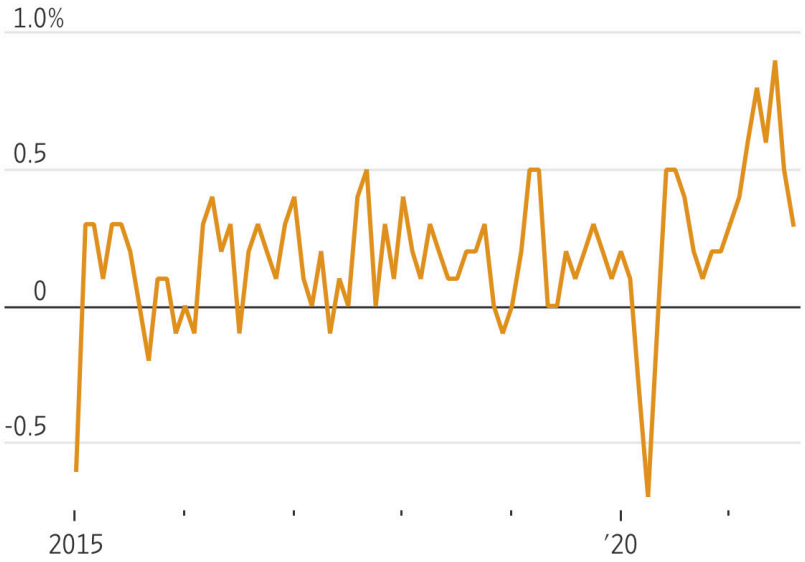


ZIONS BANK

Sources: Bureau of Labor Statistics and Econoday

Short-Term Inflation Dropping

Consumer-price index, percent change from a month ago



Source: Labor Department

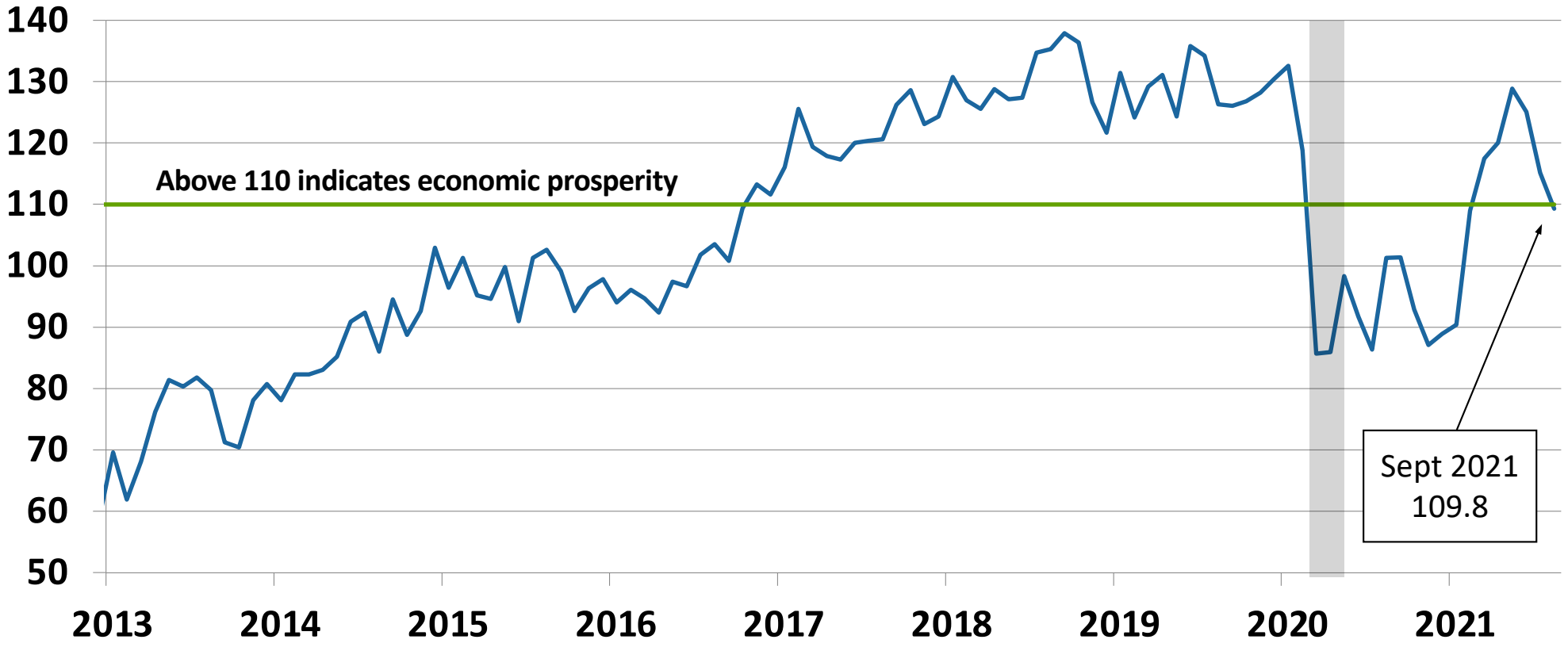
Released On 9/14/2021 8:30:00 AM For Aug, 2021

	Prior	Consensus	Consensus Range	Actual
CPI - M/M	0.5 %	0.4 %	0.3 % to 0.5 %	**0.3 %**
CPI - Y/Y	5.4 %	5.3 %	5.3 % to 5.6 %	**5.3 %**
Ex-Food & Energy- M/M	0.3 %	0.3 %	0.2 % to 0.3 %	**0.1 %**
Ex-Food & Energy- Y/Y	4.3 %	4.2 %	4.1 % to 4.3 %	**4.0 %**

ZIONS BANK

Sources: Bureau of Labor Statistics, Econoday, Wall Street Journal

Consumer Confidence Dropping

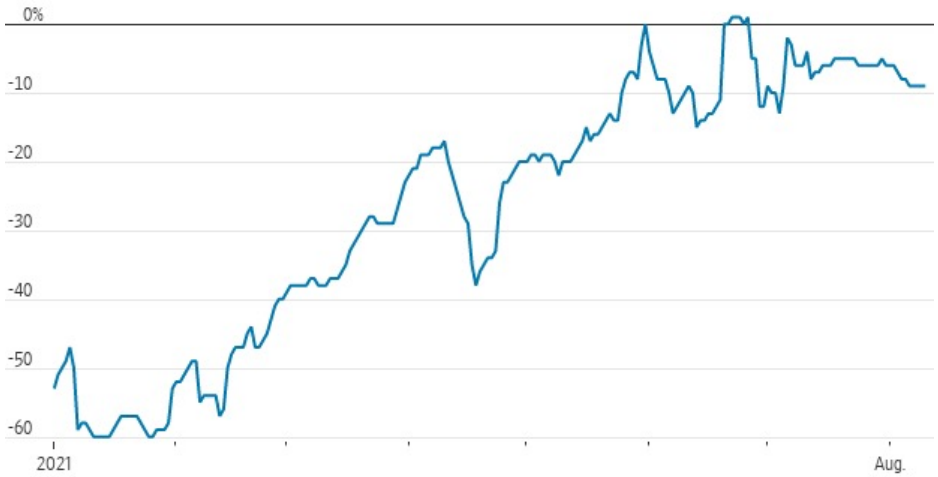


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Source: The Conference Board

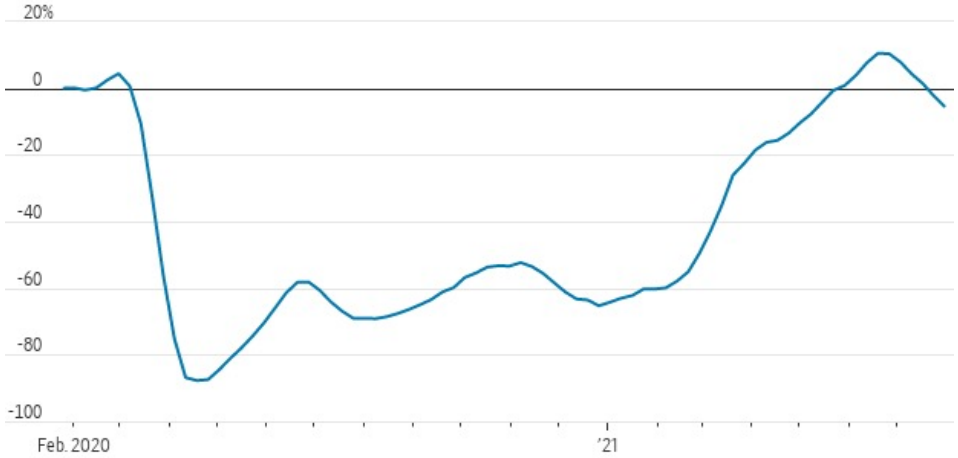
Signs of Consumer Demand Coming Down

Change in the number of seated diners from online, phone and walk-in reservations*



*Compared with same day of the week in 2019; seven-day moving average
Source: OpenTable

U.S. credit- and debit-card spending on air travel, change since January 2020

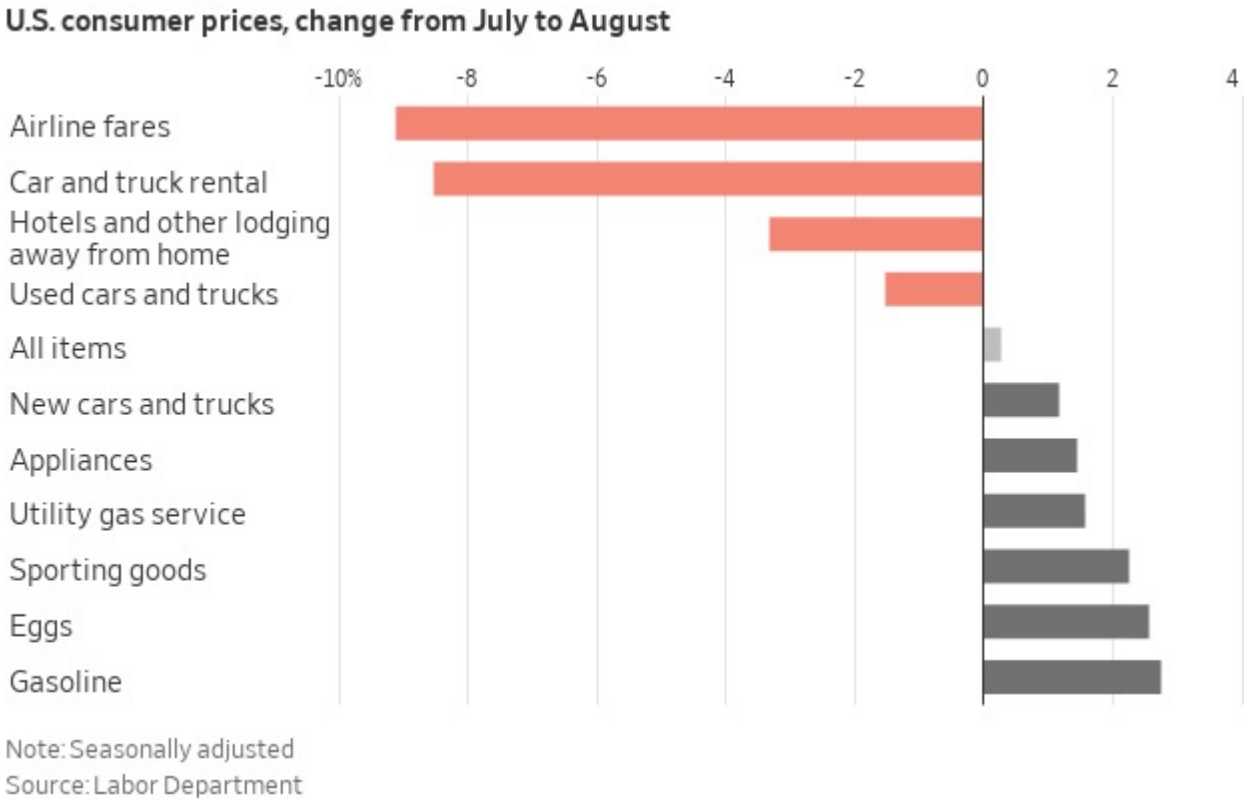


Note: Four-week trailing average
Source: Earnest Research

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Source: Wall Street Journal

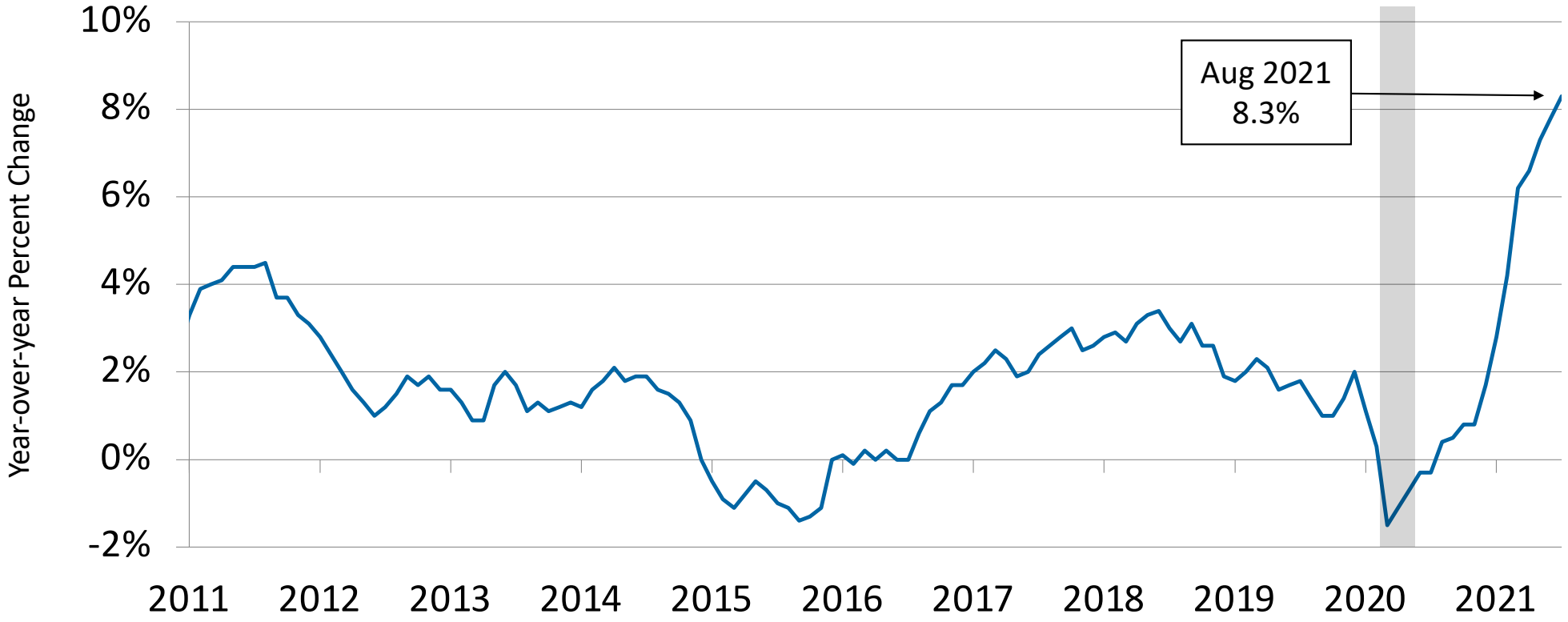
Dropping Consumer Demand Pressuring Some Prices



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Source: Wall Street Journal

Producer Price Index Continues to Surge



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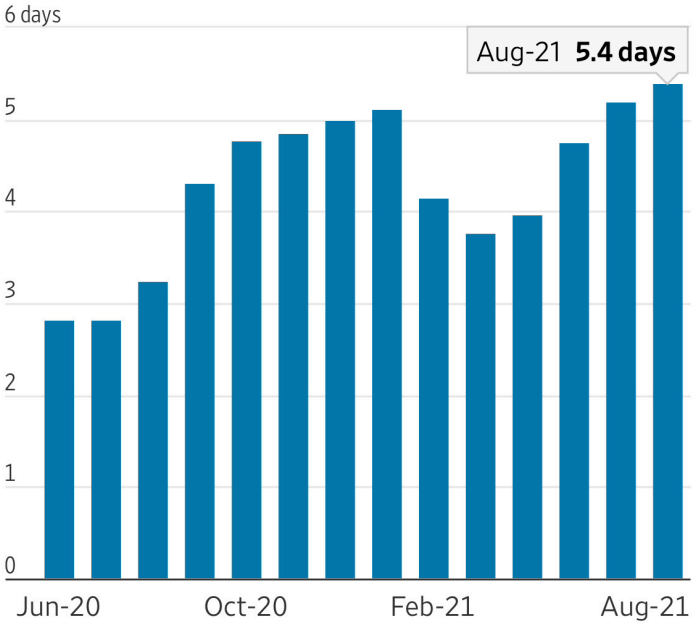
Source: Bureau of Labor Statistics

Shipping Problems Adding to Supply Chain Breakdown

Waiting Boxes

Average days "dwell time" containers waited on docks each month for handling at the ports of Los Angeles and Long Beach

Monthly average

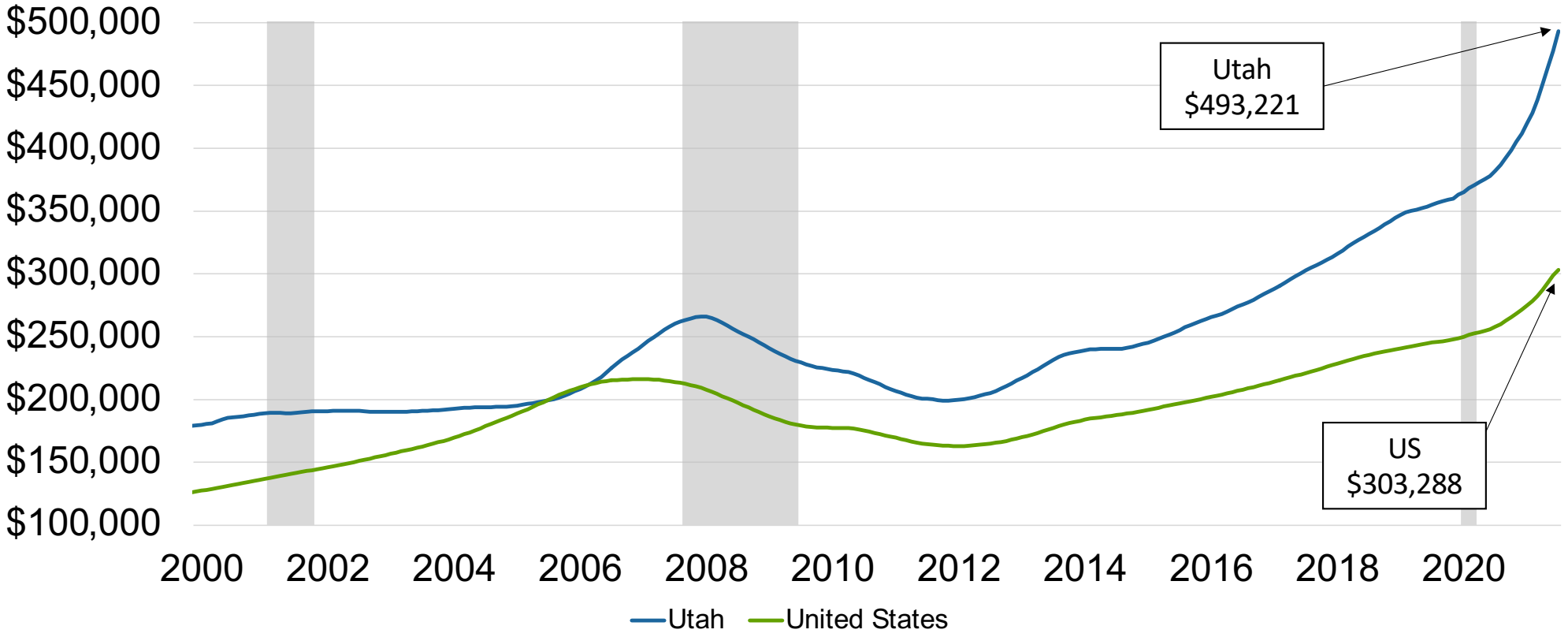


Source: Pacific Merchant Shipping Association

ZIONS BANK

Source: Wall Street Journal

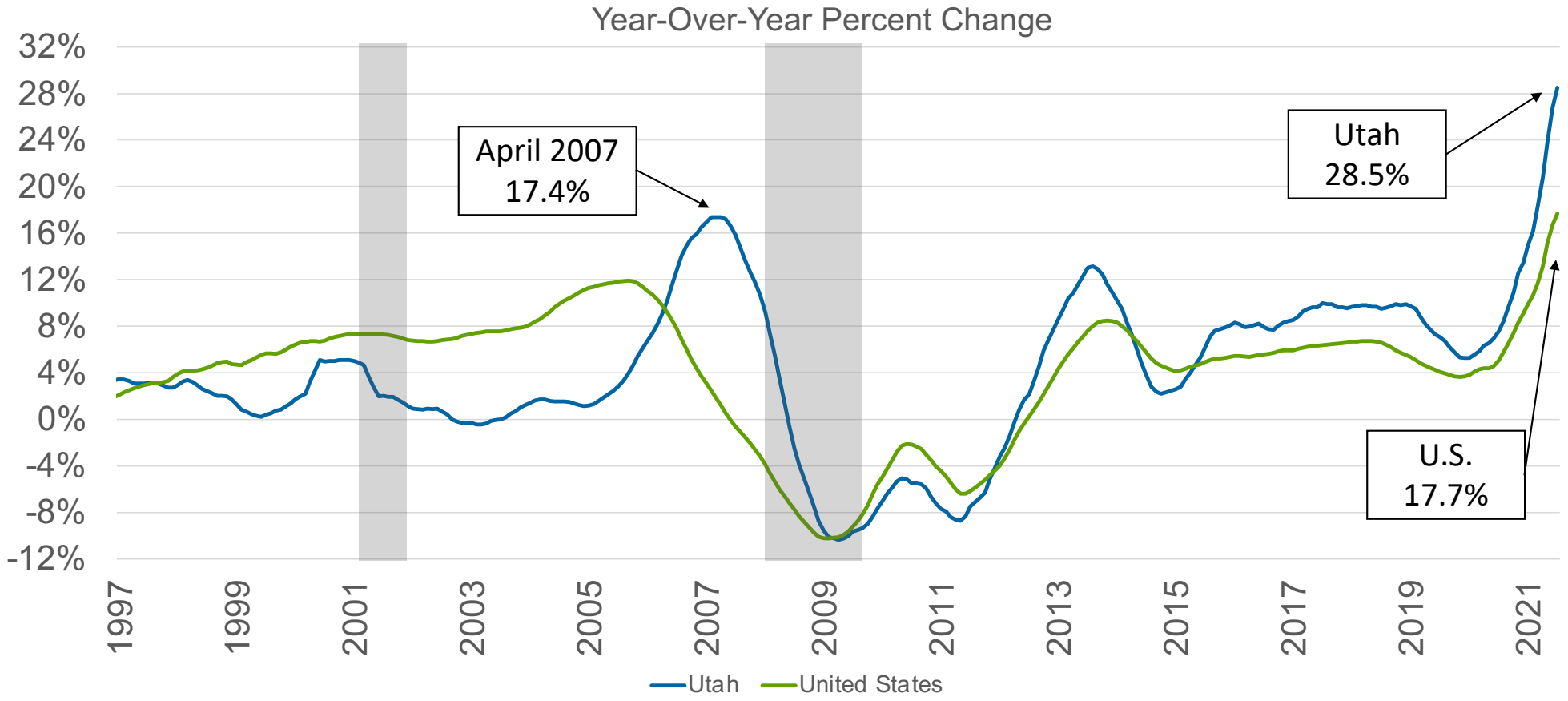
Utah Home Values Much Higher Than U.S.



ZIONS BANK

Source: Zillow Research

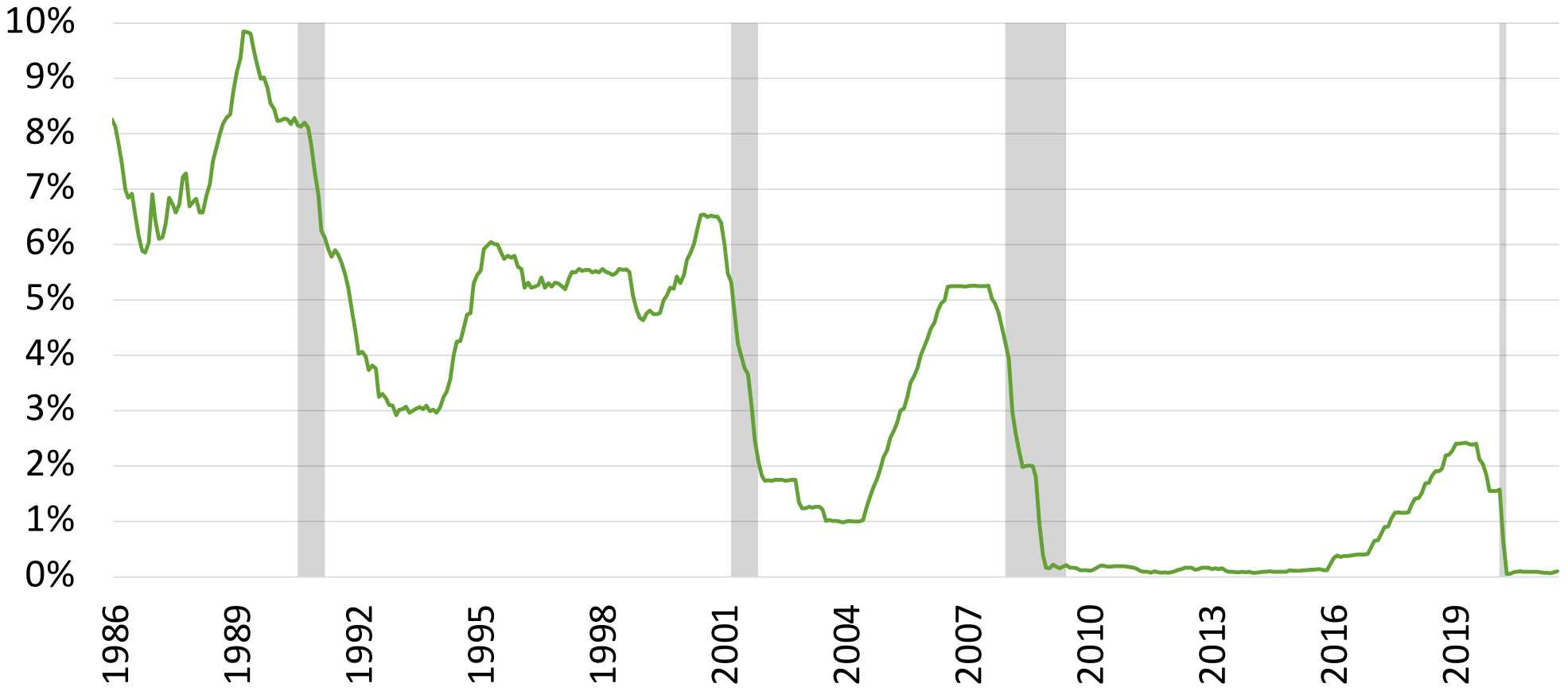
Home Price Appreciation Much Higher Than Pre-Great Recession



ZIONS BANK

Source: Zillow Research

Fed Reserve Dropped Rates to Strengthen Economy

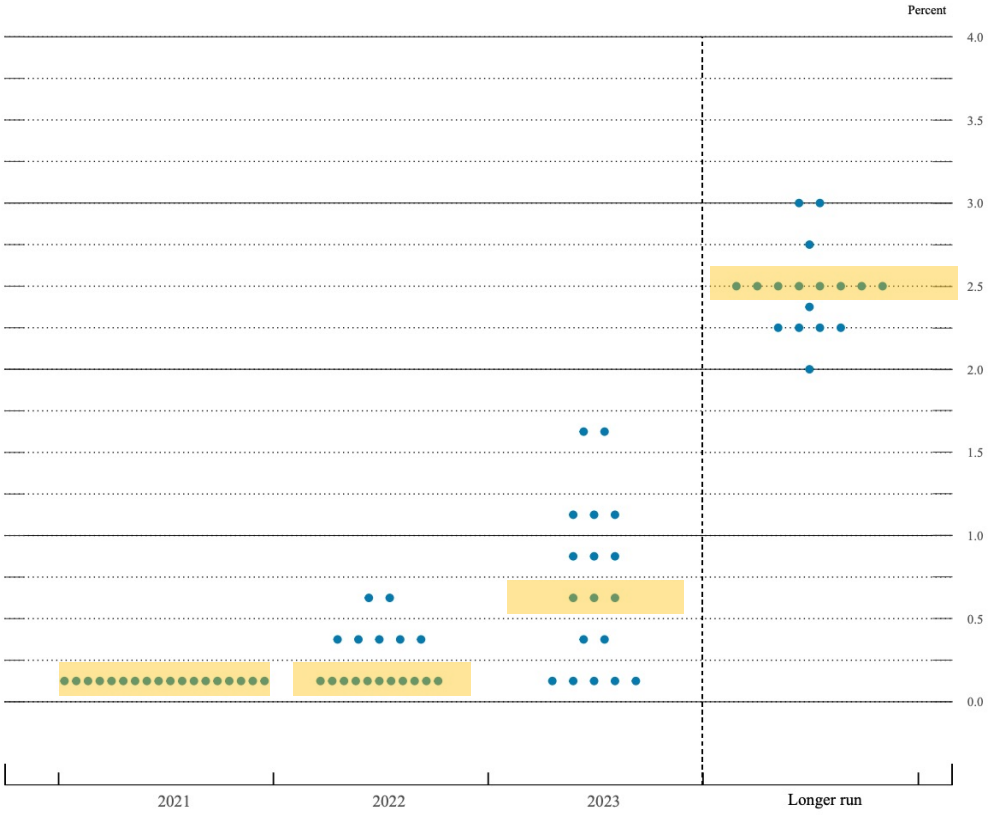


ZIONS BANK

Source: Board of Governors of the Federal Reserve System

Federal Funds Rate Was Expected to Rise in 2023

(June 2021)

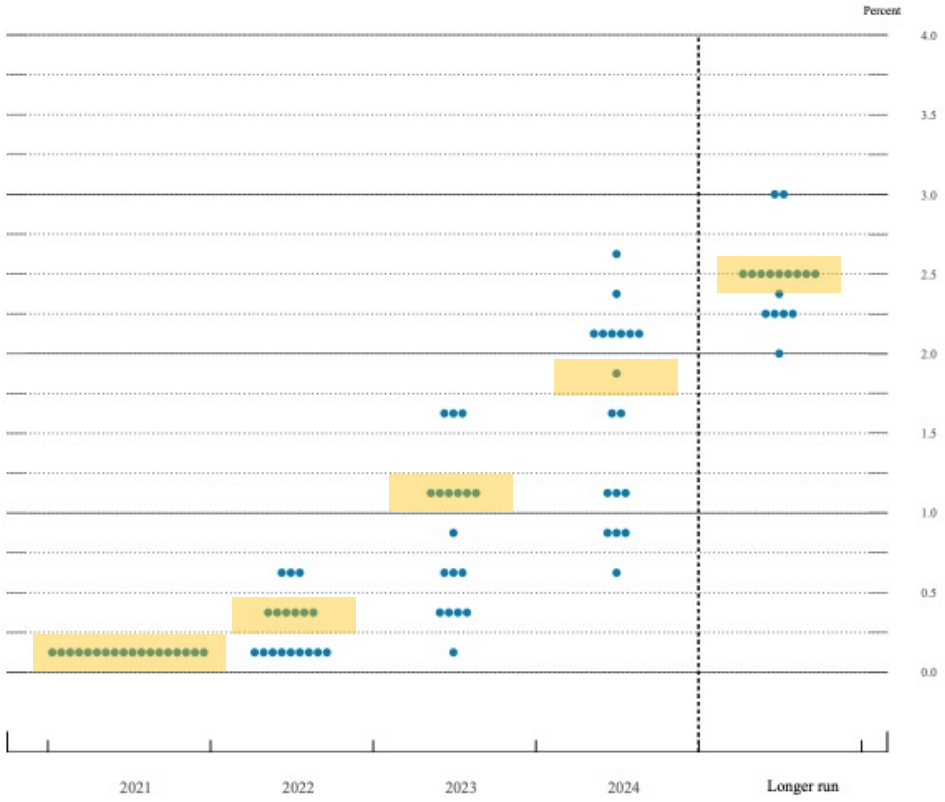


ZIONS BANK

Source: Board of Governors of the Federal Reserve

Federal Funds Rate Increase Moved Up To 2022

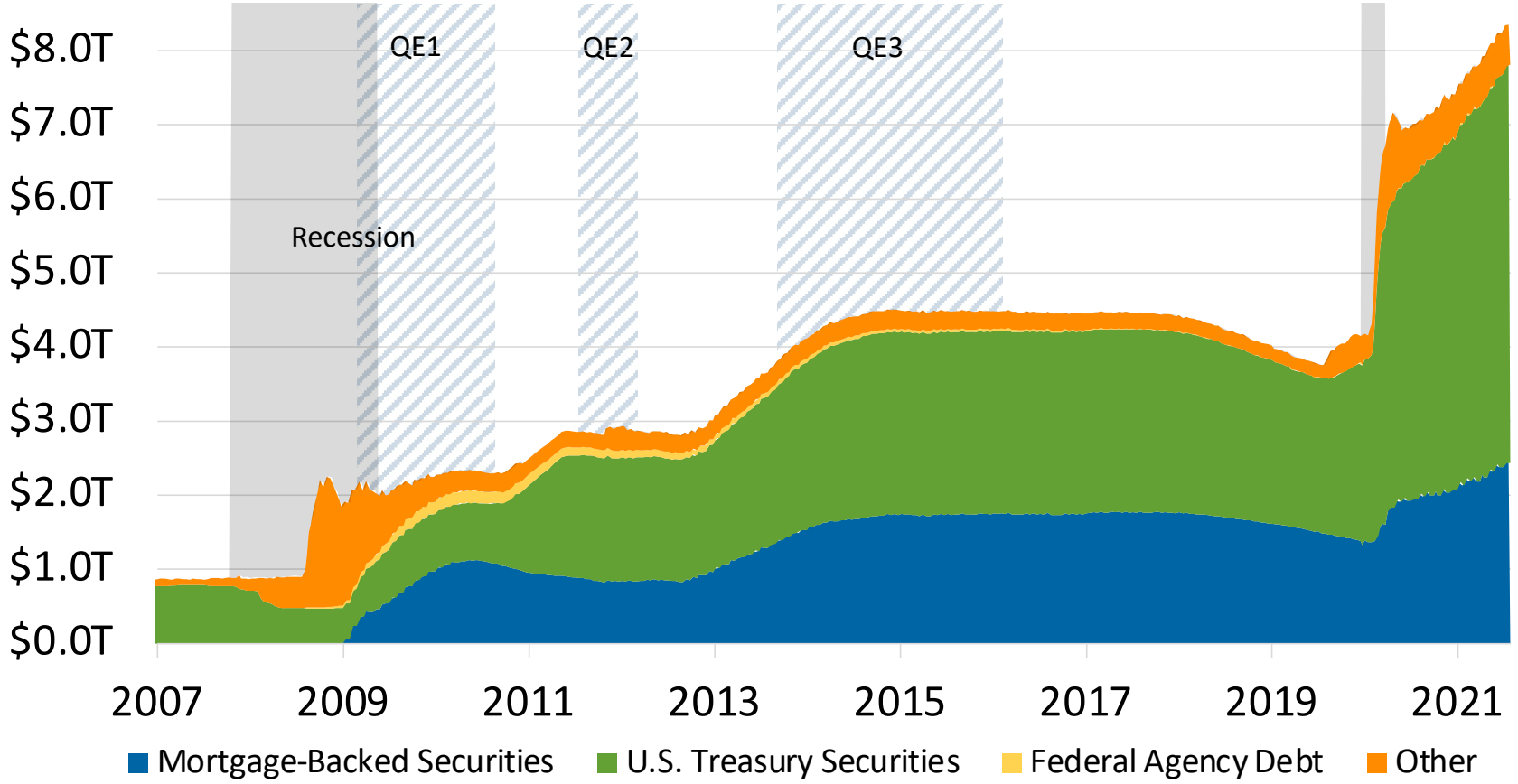
(September 2021)



ZIONS BANK

Source: Board of Governors of the Federal Reserve

Fed Announced Pullback on Bond Purchases



ZIONS BANK

Source: Board of Governors of the Federal Reserve System

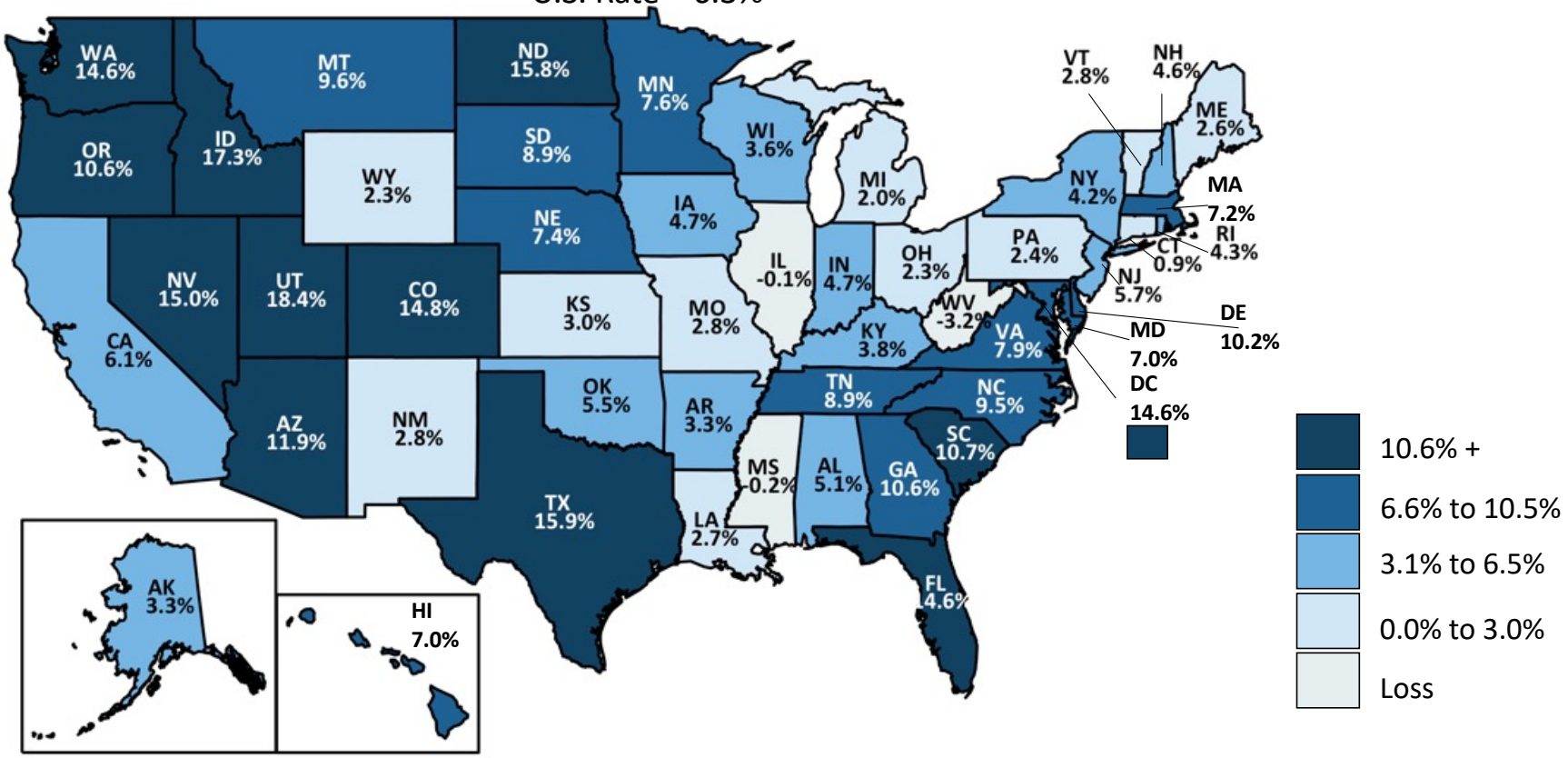
Regional Economic Conditions

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Utah Population Fastest Growing in U.S. over Last Decade

Percent Change: 2010 to 2020

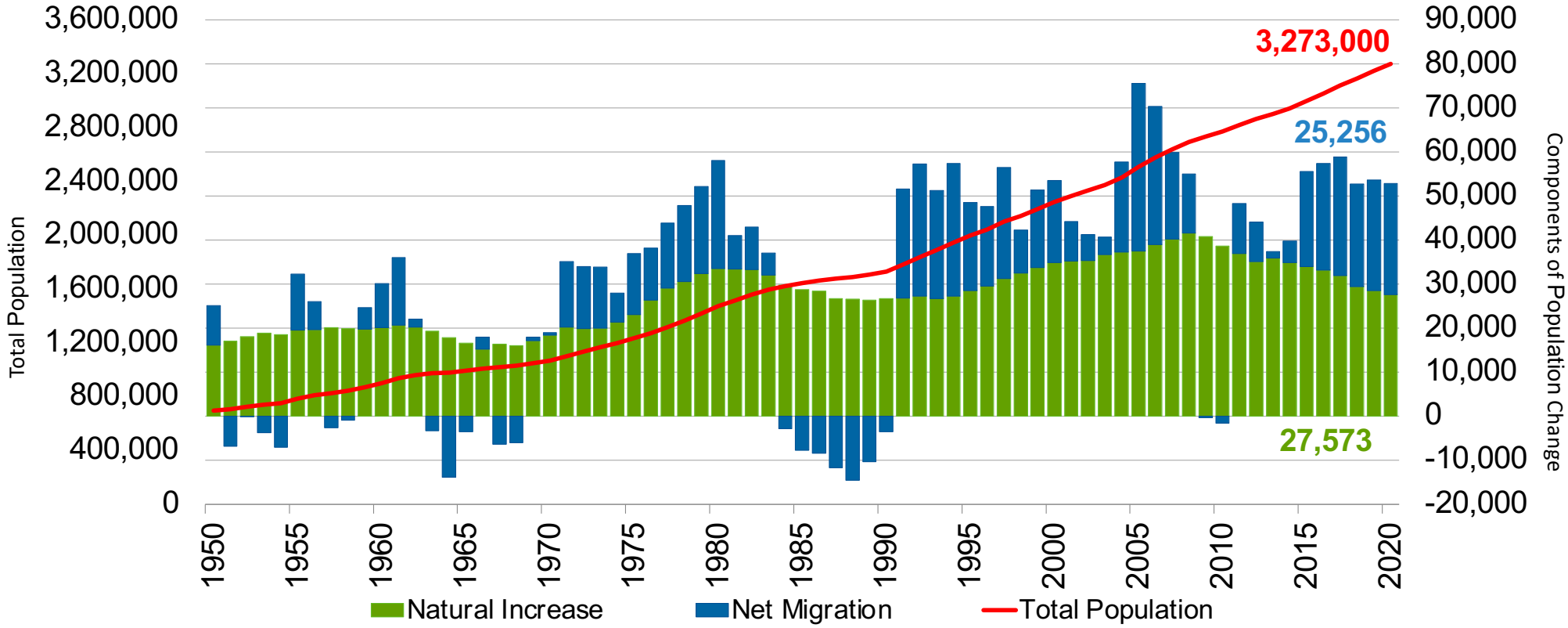
U.S. Rate = 6.3%



ZIONS BANK

Source: U.S. Census Bureau

Utah Population and Components of Change

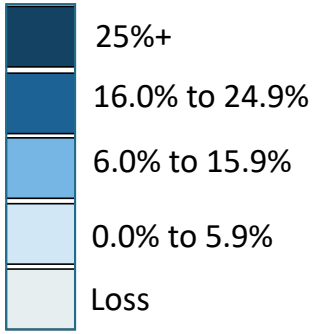


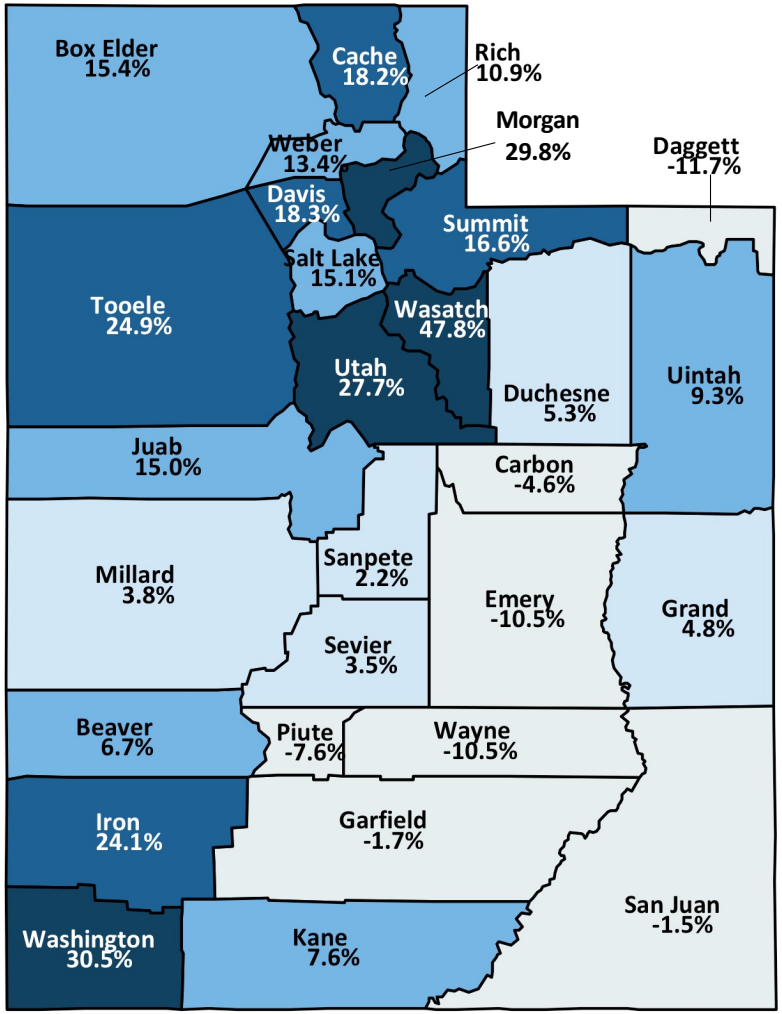
ZIONS BANK

Sources: U.S. Census Bureau 1950-2010, Gardner Policy Institute 2010-2020

Utah Population Growth Rates By County 2010 to 2020

State Average = 18.4%





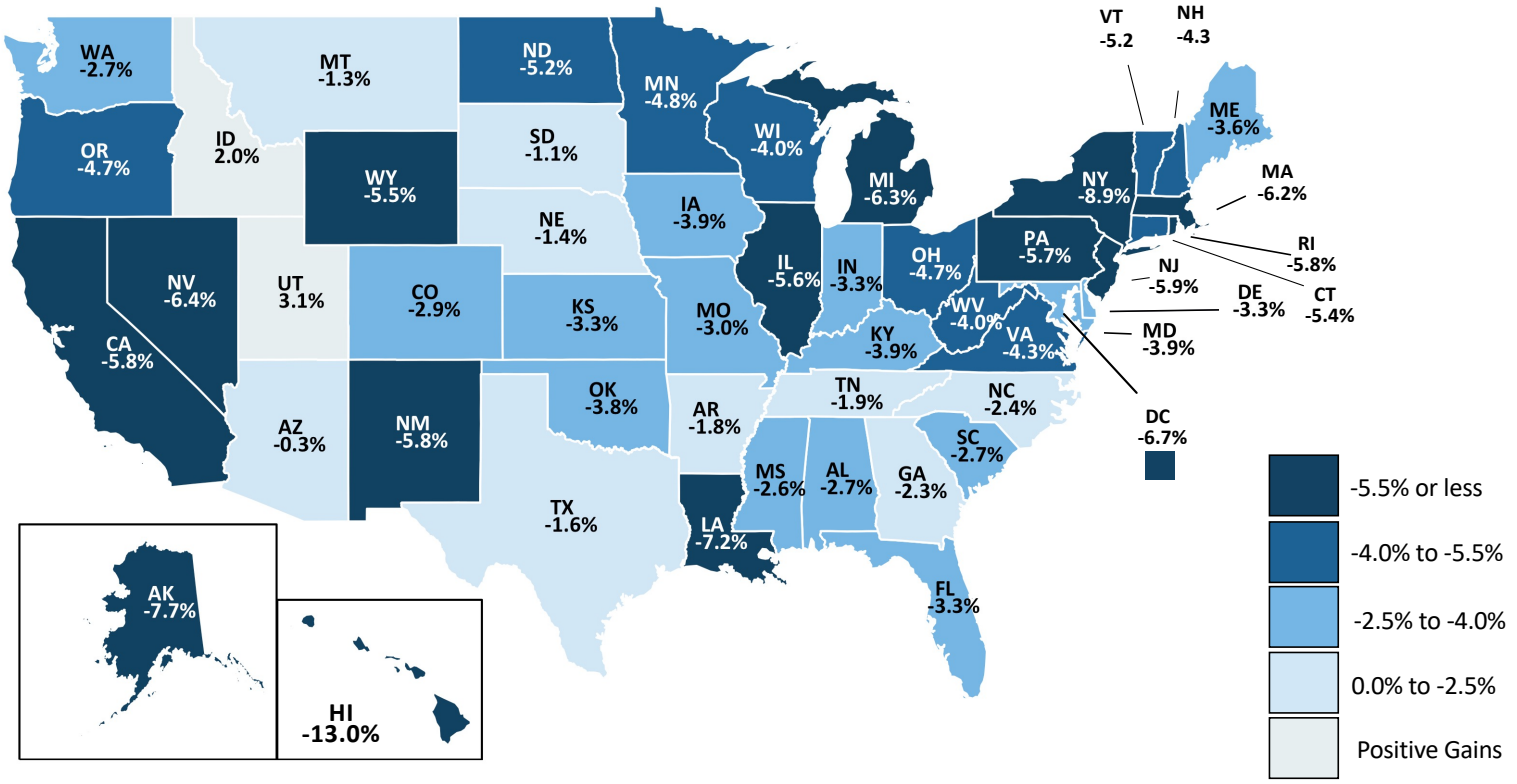
ZIONS BANK

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

Utah and Idaho Only States to Gain Jobs During Crisis

Percent Change in Employment for States: February 2020 to August 2021

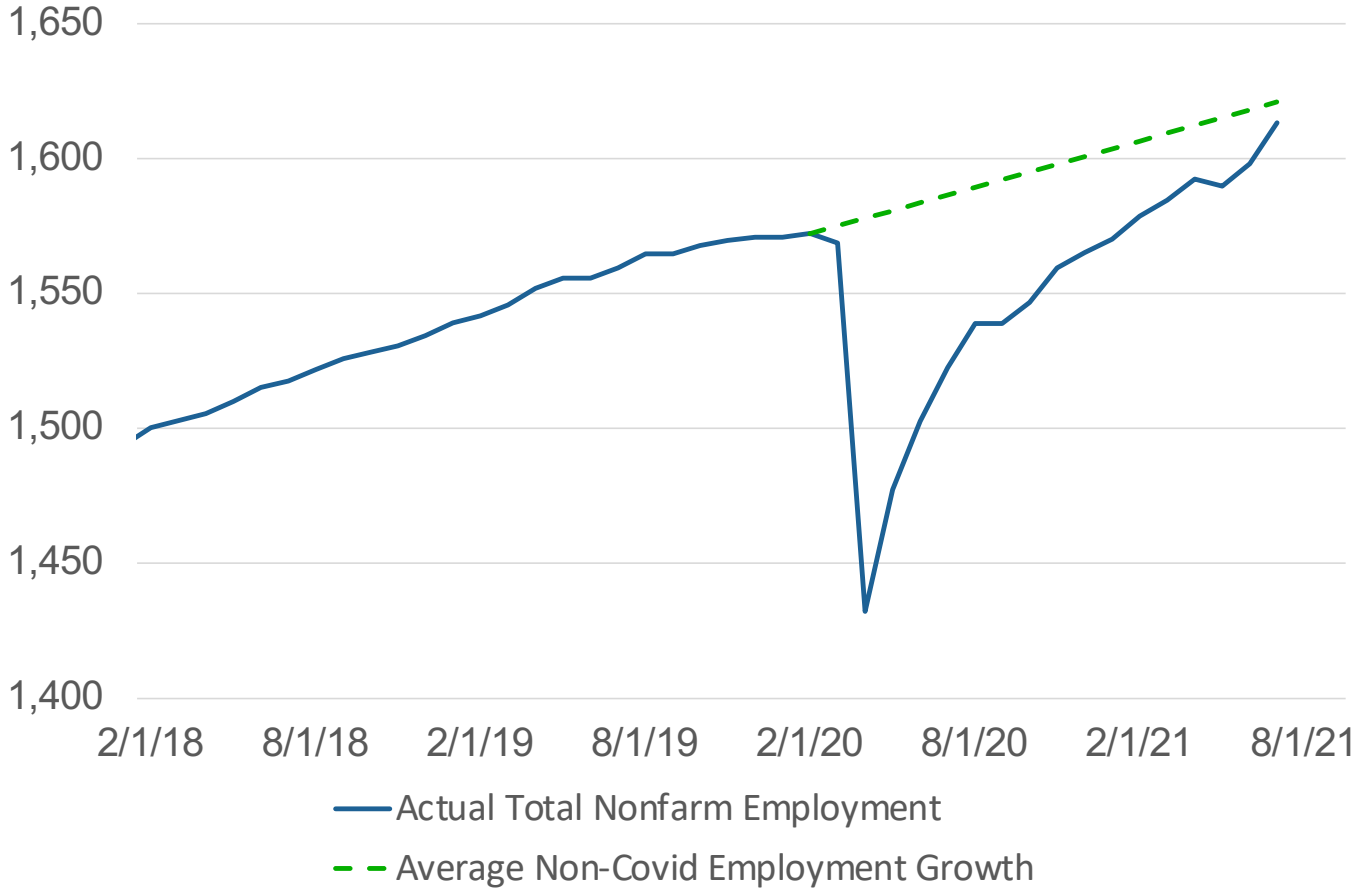
U.S. Rate = -3.5% UT Rate = 3.1%



ZIONS BANK

Source: US Bureau of Labor Statistics

Utah Employment Approaches Long-Term Trendline

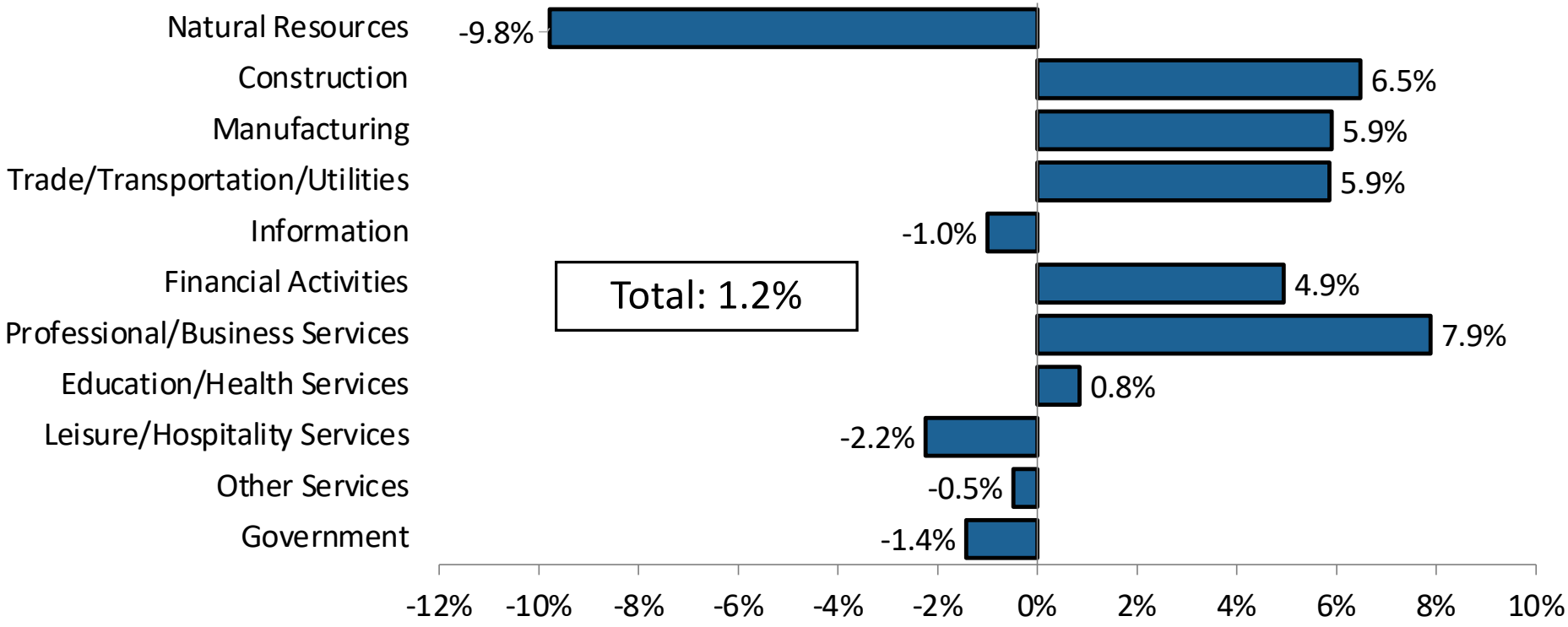


ZIONS BANK

Source: U.S. Bureau of Labor Statistics
Note: Numbers rounded to nearest thousand

Most Utah Industries Above Pre-Pandemic Levels

Percent Change in Utah Employment by Industry: February 2020 to August 2021



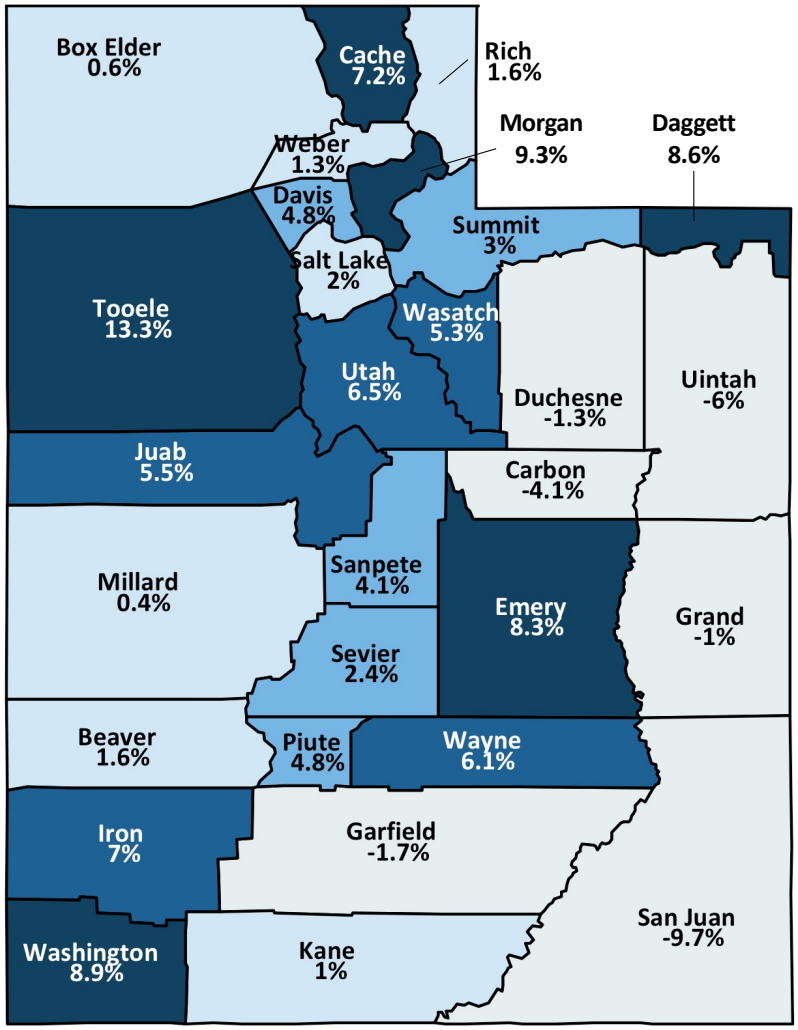
ZIONS BANK

Source: U.S. Bureau of Labor Statistics

Utah Employment Change Rates By County August 2019 to August 2021

State Rate = 3.6%

- 7.0% +
- 5.0% to 7.0%
- 2.0% to 5.0%
- 0% to 2.0%
- Negative

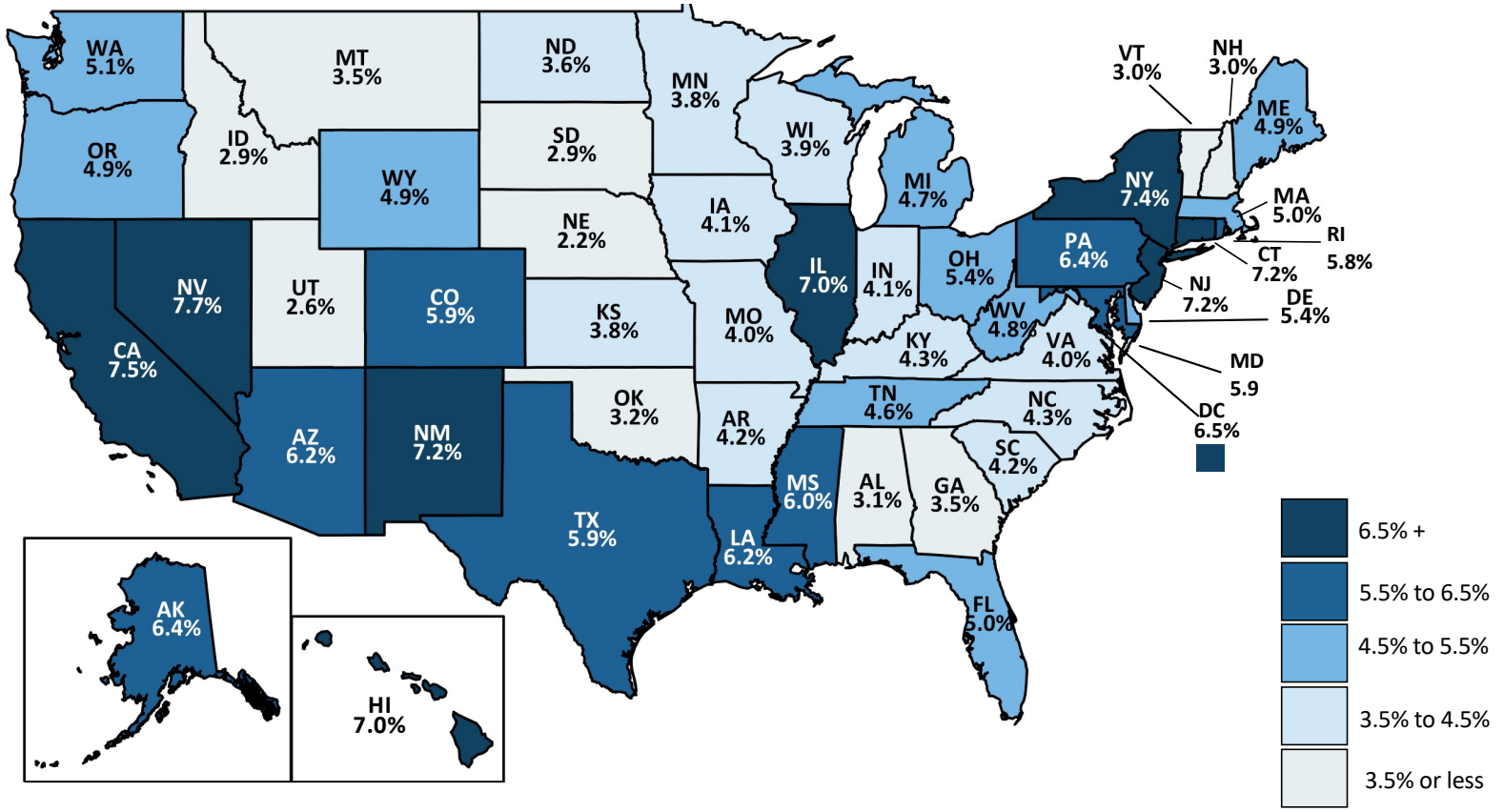


ZIONS BANK

Source: Utah Department of Workforce Services

Unemployment Varies Widely Across the Nation

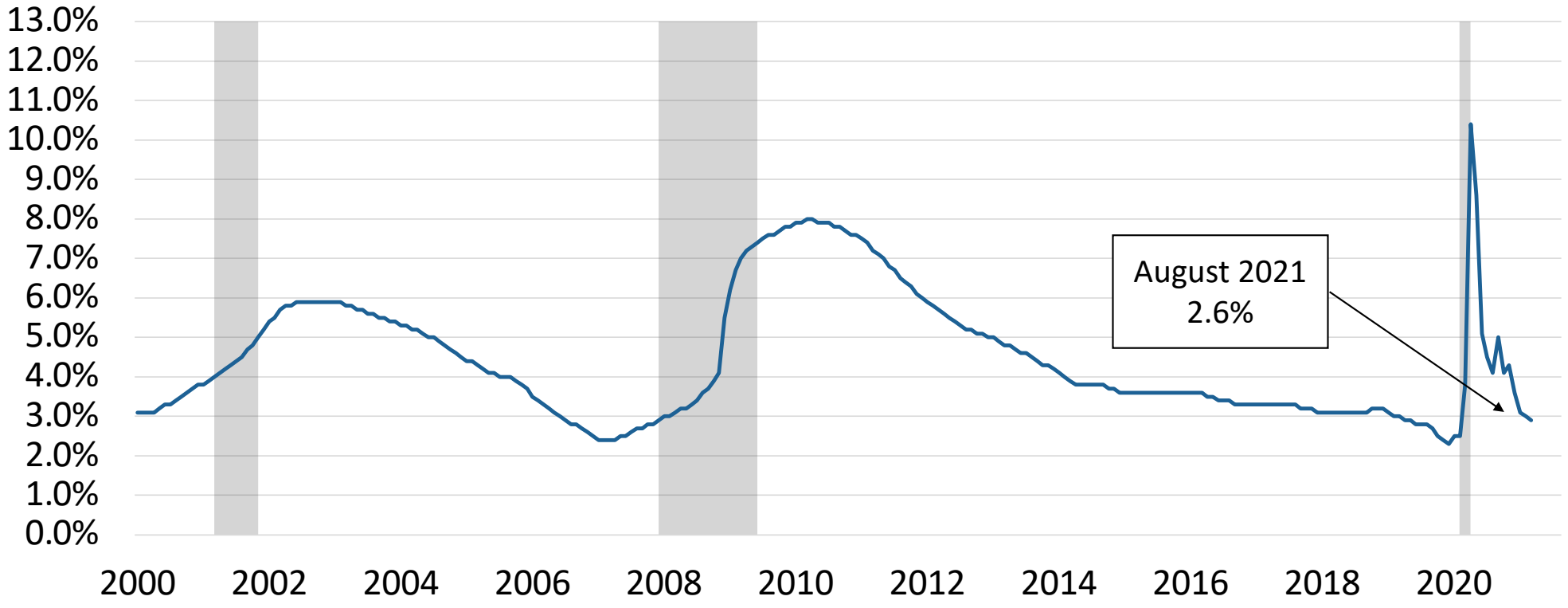
August 2021 U.S. Rate = 5.2%



ZIONS BANK

Source: US Bureau of Labor Statistics

Utah Unemployment Rate Nearly Back to Pre-Pandemic Level



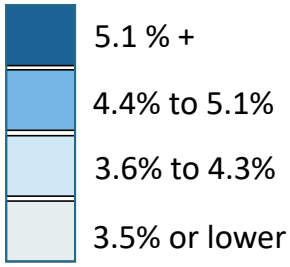
ZIONS BANK

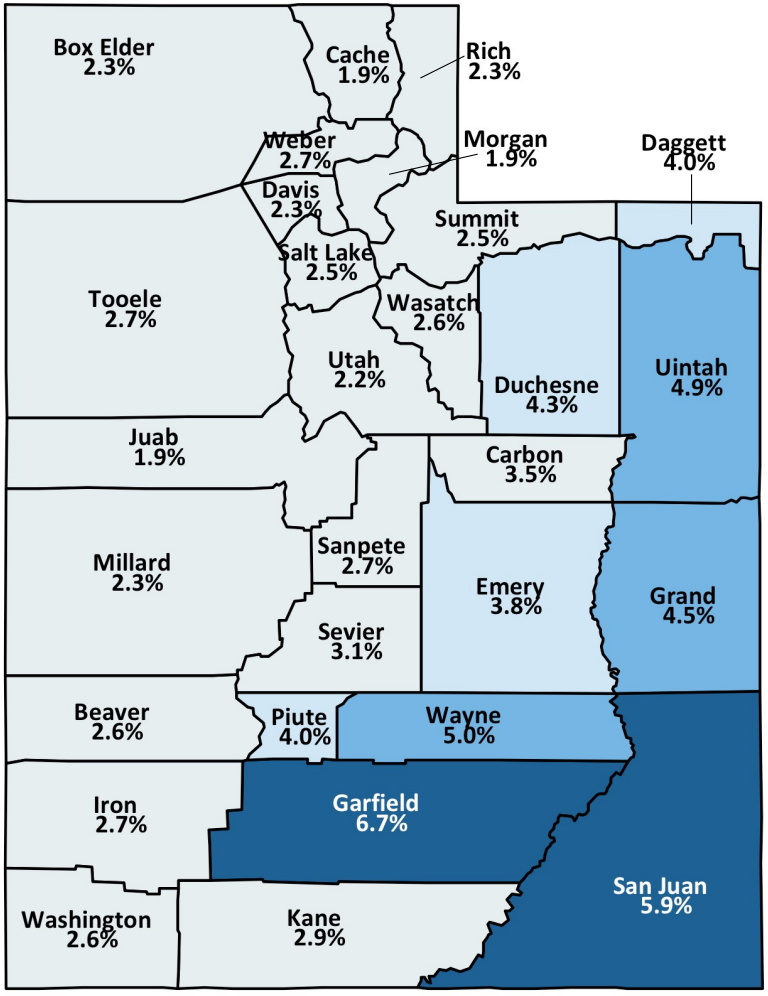
Source: Utah Department of Workforce Statistics

Utah Unemployment Rates By County

August 2021

State Rate = 2.6%

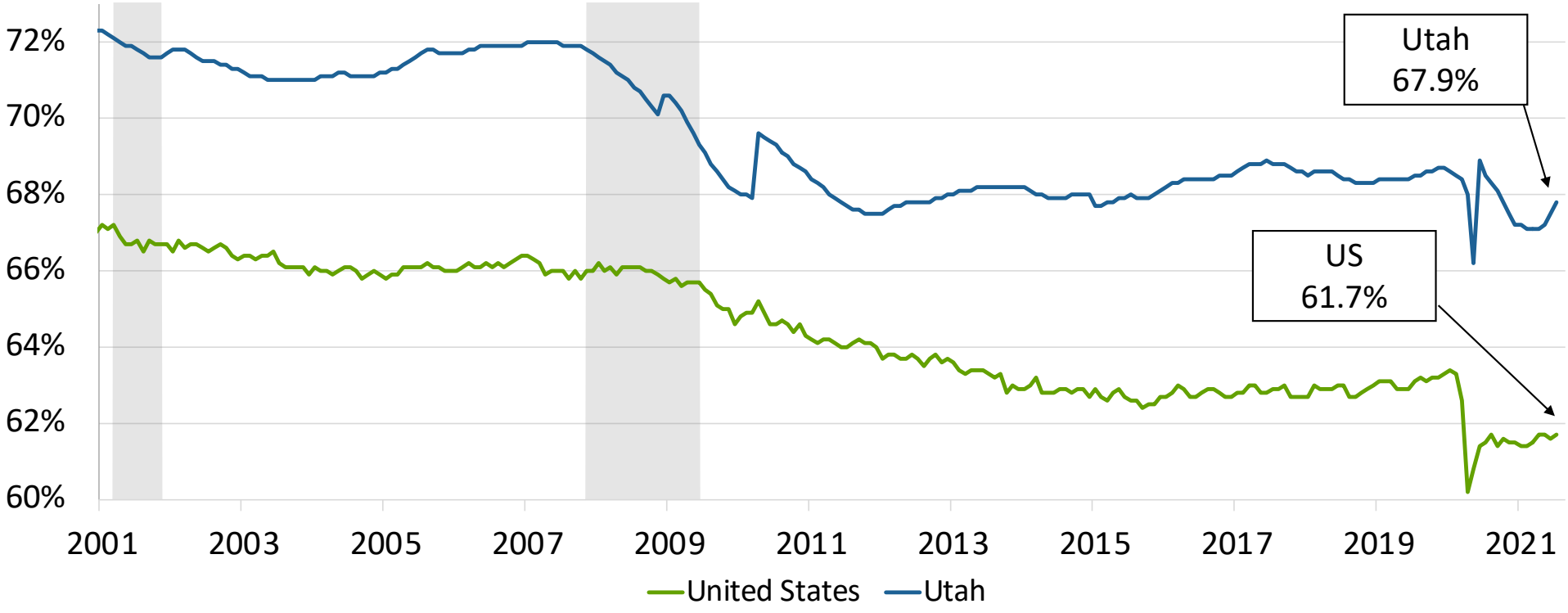




ZIONS BANK

Source: Utah Department of Workforce Services

Utah Labor Force Participation Much Higher Than US



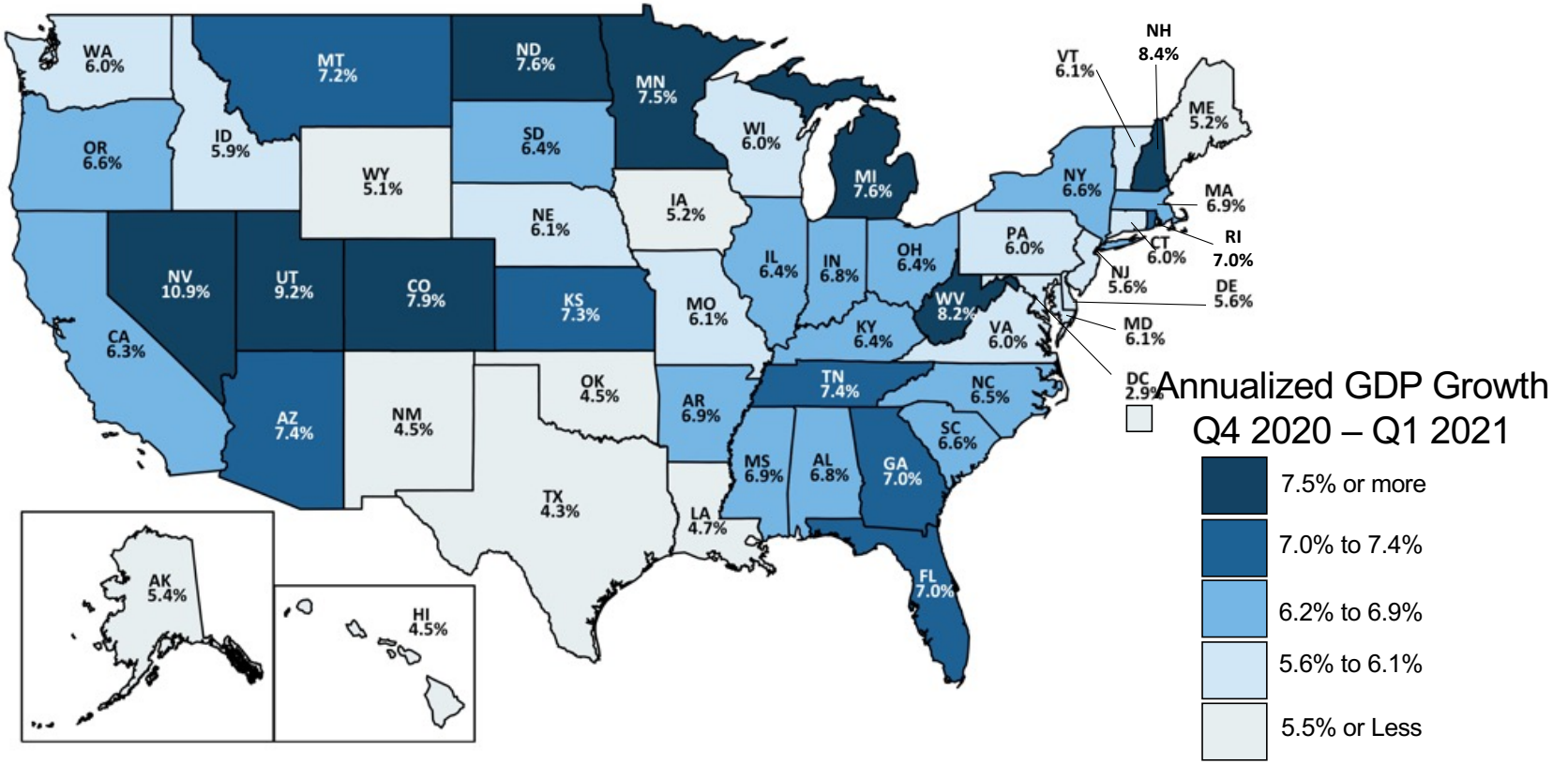
ZIONS BANK

Source: US Bureau of Labor Statistics

Nevada and Utah Lead Economic Growth Across the Nation

Percent Change in GDP: Q4 2020 – Q1 2021 Annualized

U.S. = 6.4%



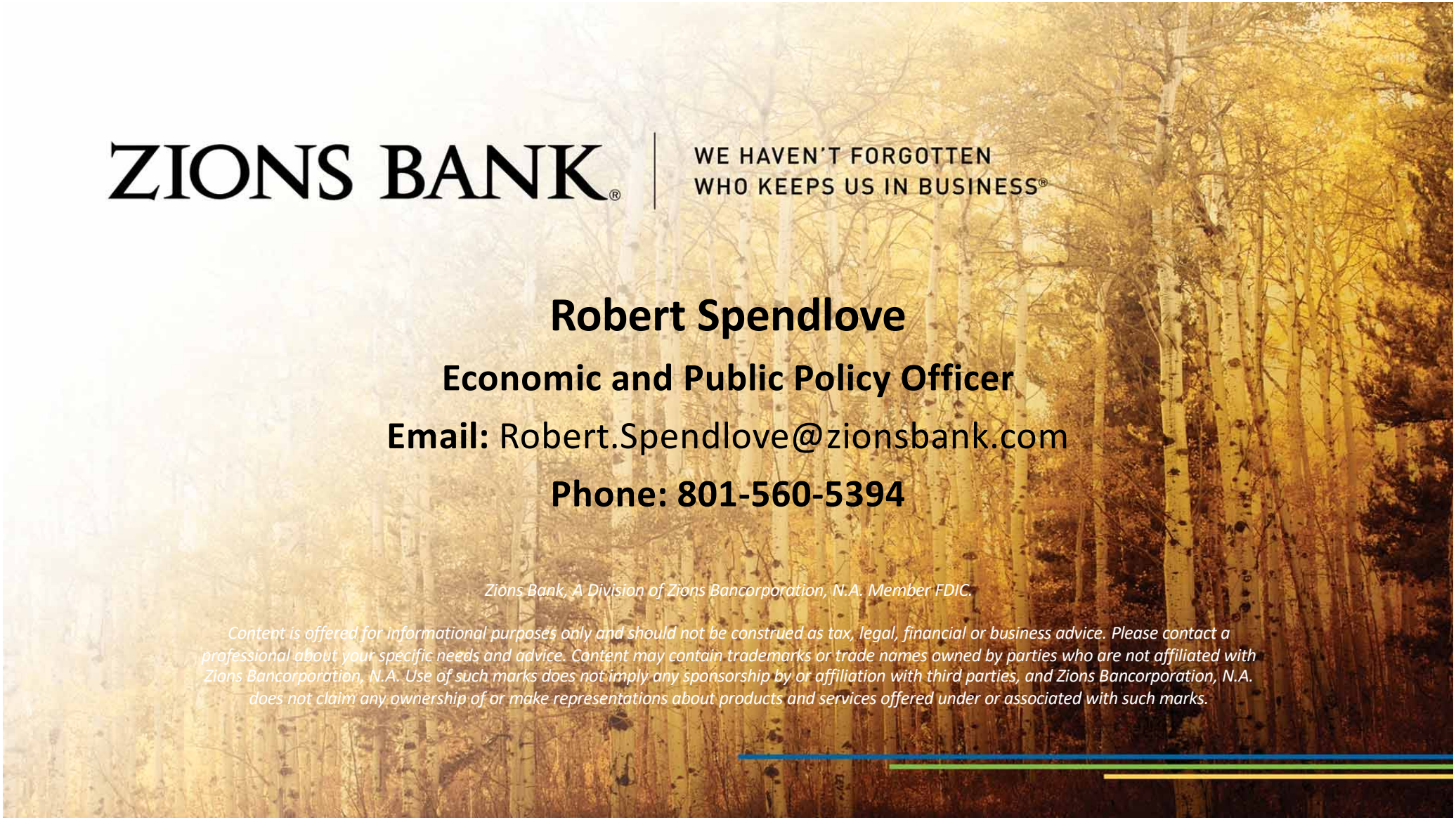
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Source: Bureau of Economic Analysis

Economic Summary and Outlook

- Overall economic growth is strong, but softening
- US job recovery continues, but labor shortages are constraining potential growth
- Consumers and businesses are less confident in the strength of the economy
- Utah and Idaho leading the nation in recovery
- Housing price appreciation is placing strain on communities

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Robert Spendlove

Economic and Public Policy Officer

Email: Robert.Spendlove@zionsbank.com

Phone: 801-560-5394

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