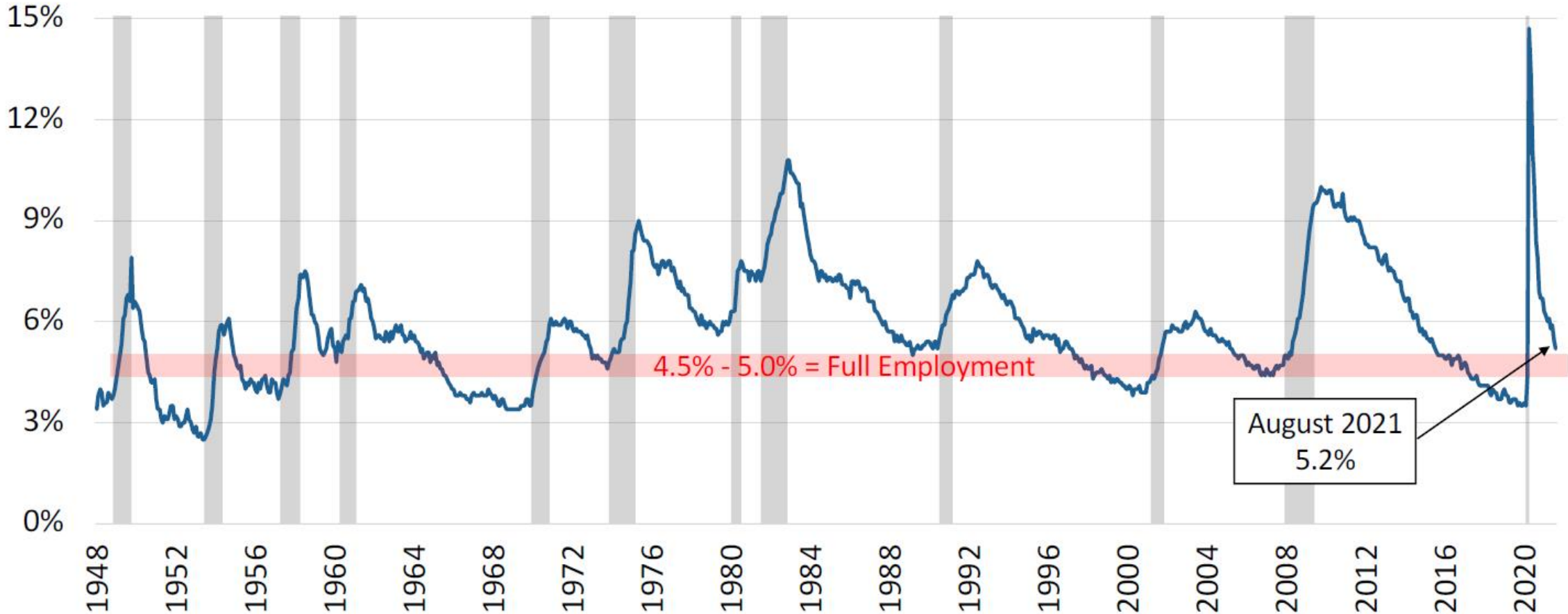
Davis County Budget 2022 Economic Outlook & Considerations

October 4, 2021

Thank You to Zions Bank……..

Labor Market

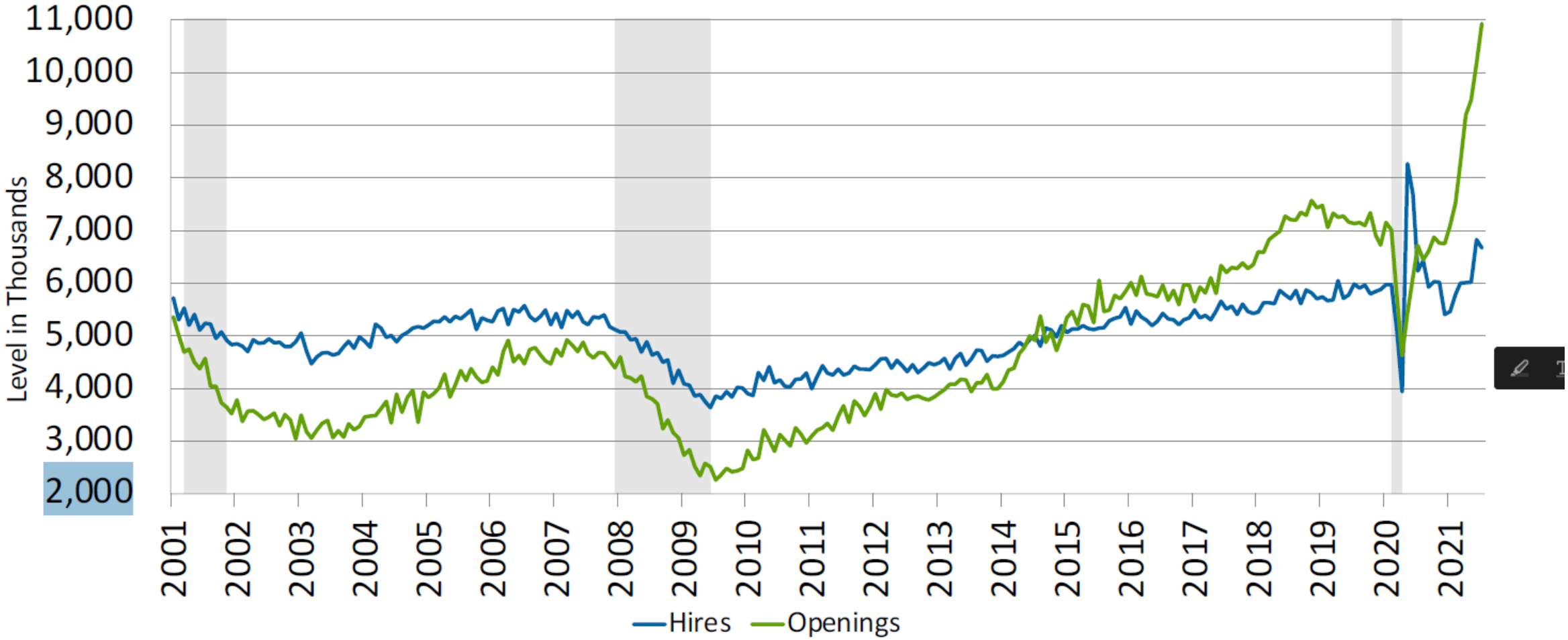
US Unemployment Continues to Drop



ZIONS BANK

Source: U.S. Bureau of Labor Statistics

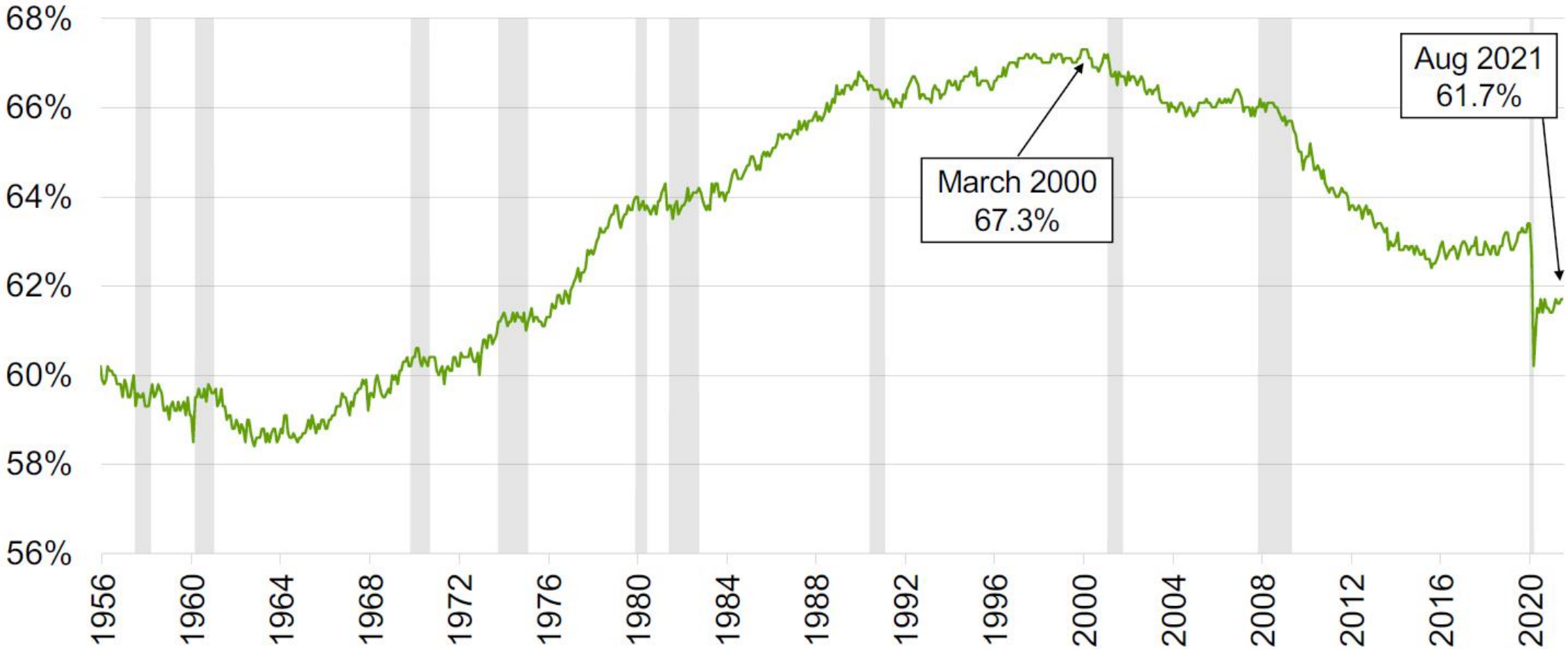
Job Openings Nearly 11 Million



Source: Bureau of Labor Statistics JOLTS Survey

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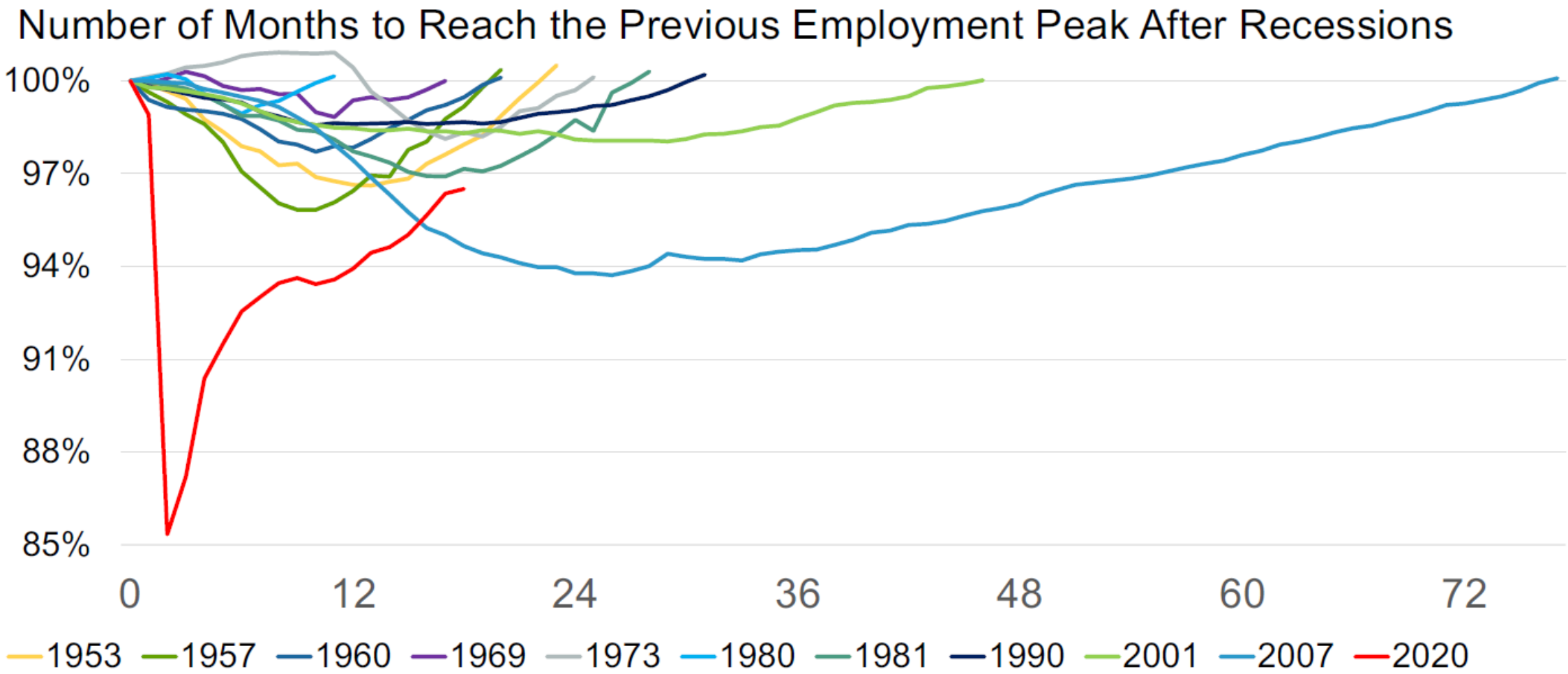
Labor Force Participation Hasn't Recovered From Pandemic



ZIONS BANK.

Source: Bureau of Labor Statistics

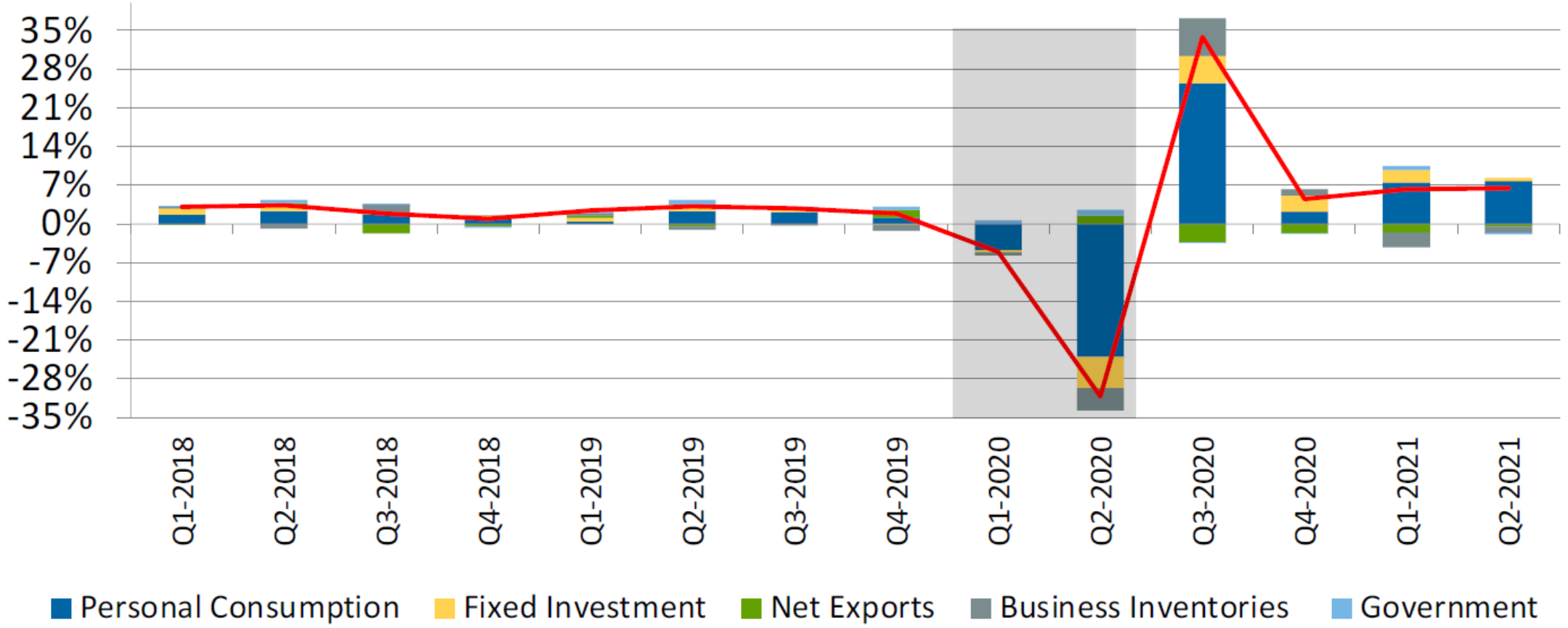
When Will the Labor Market Recover?



Source: Bureau of Labor Statistics

The Economy & Inflation

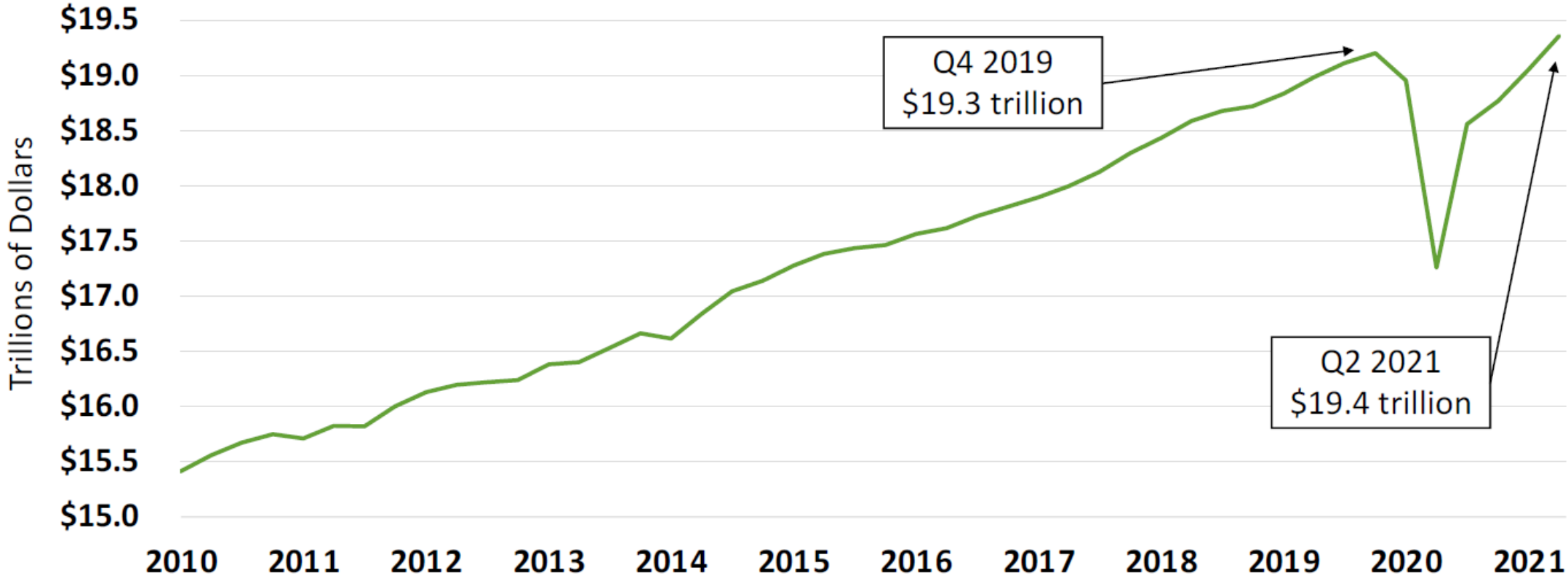
Consumer Spending Driving GDP Growth



Source: Bureau of Economic Analysis

ZIONS BANK.

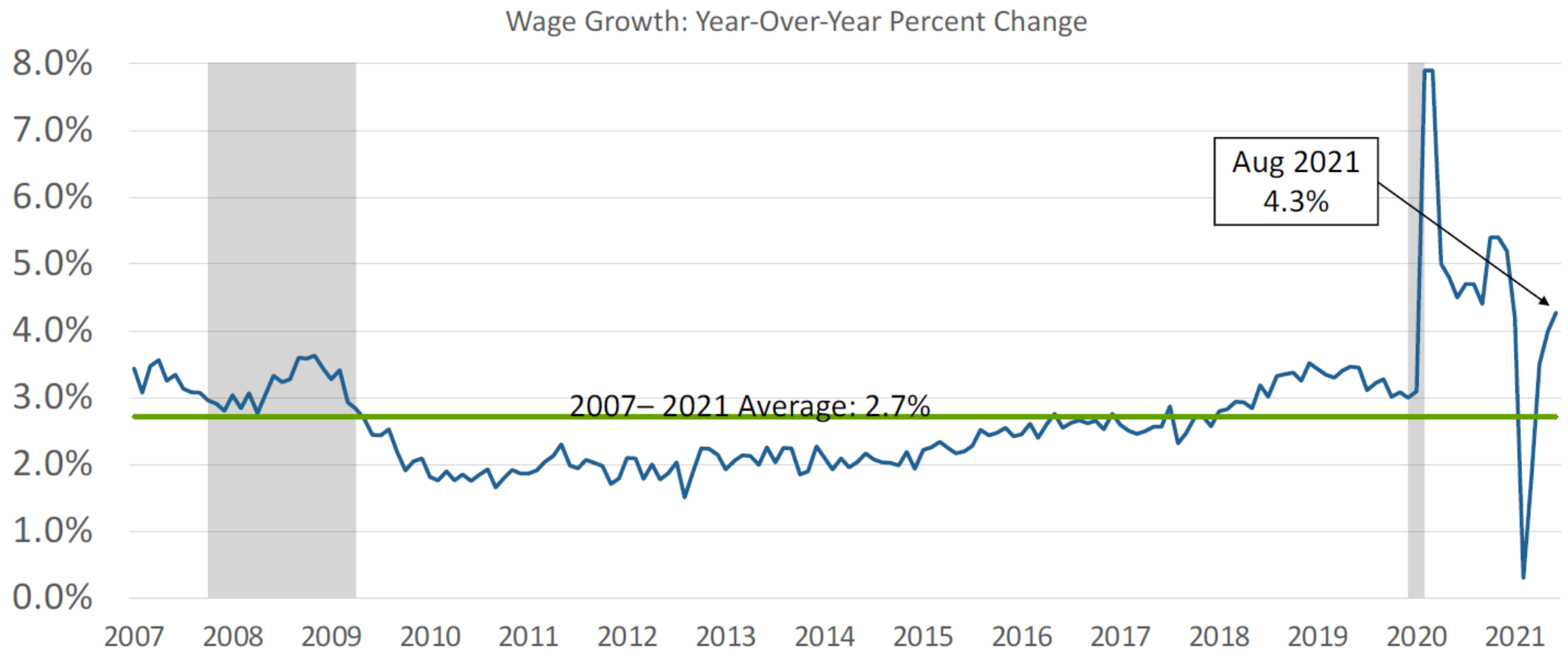
GDP Back Above Pre-Recession Levels



Source: Bureau of Economic Analysis

ZIONS BANK.

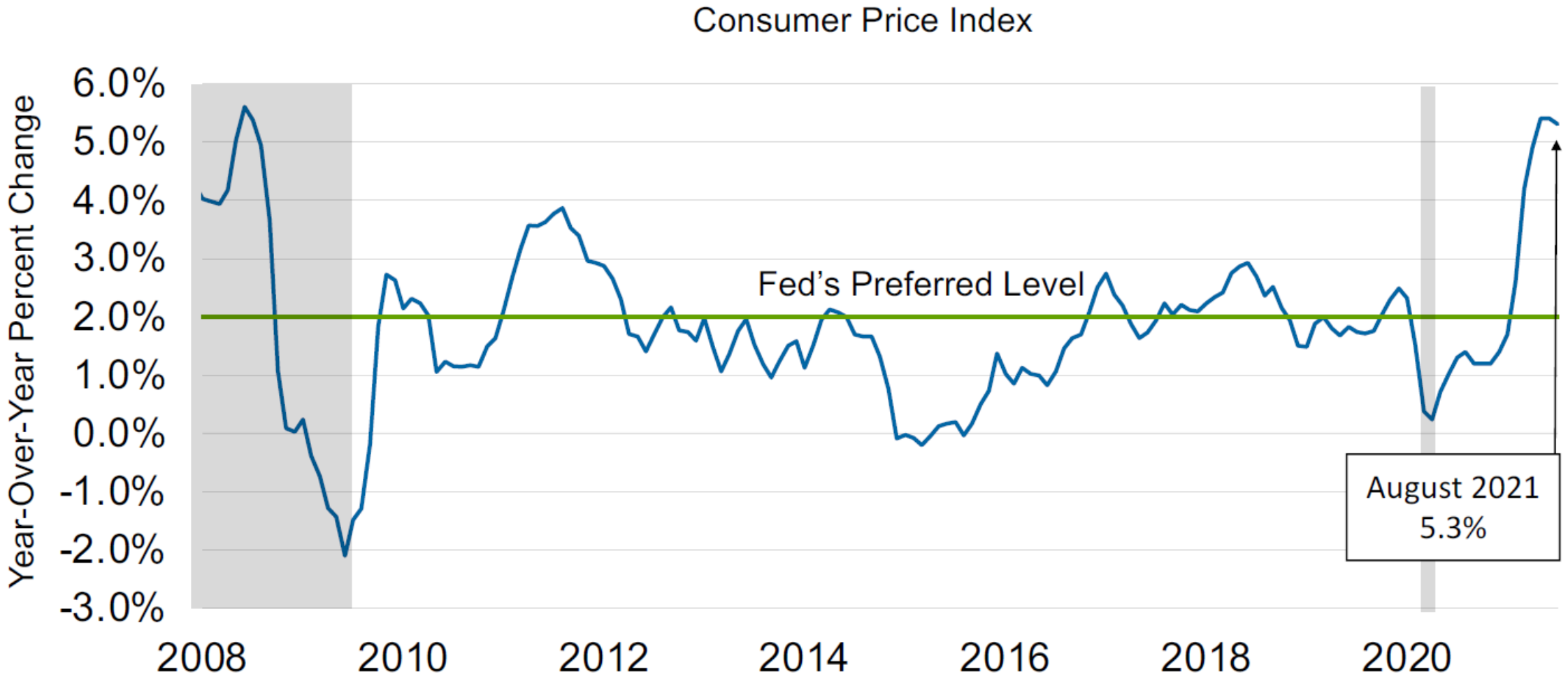
Wage Pressure Building



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Source: Bureau of Labor Statistics

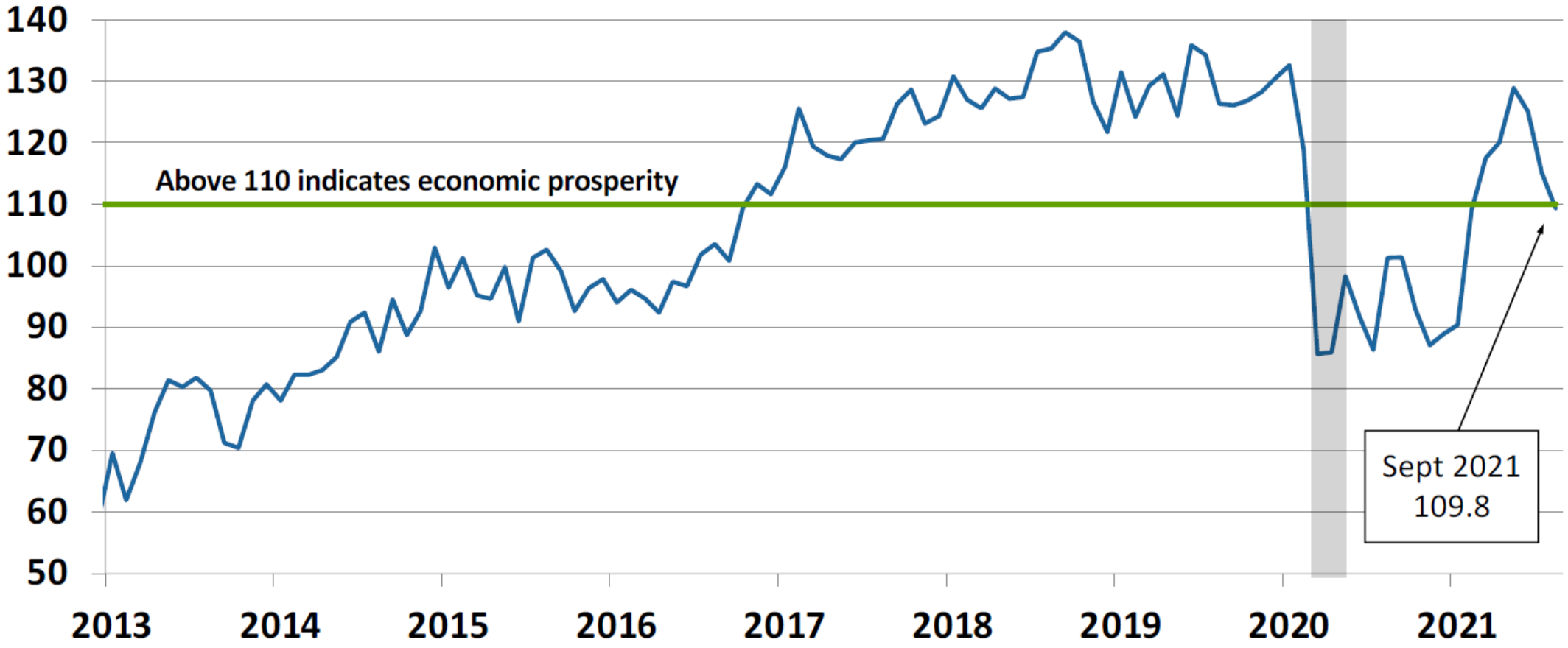
High Consumer Inflation Shows Signs of Moderating



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Sources: Bureau of Labor Statistics and Econoday

Consumer Confidence Dropping

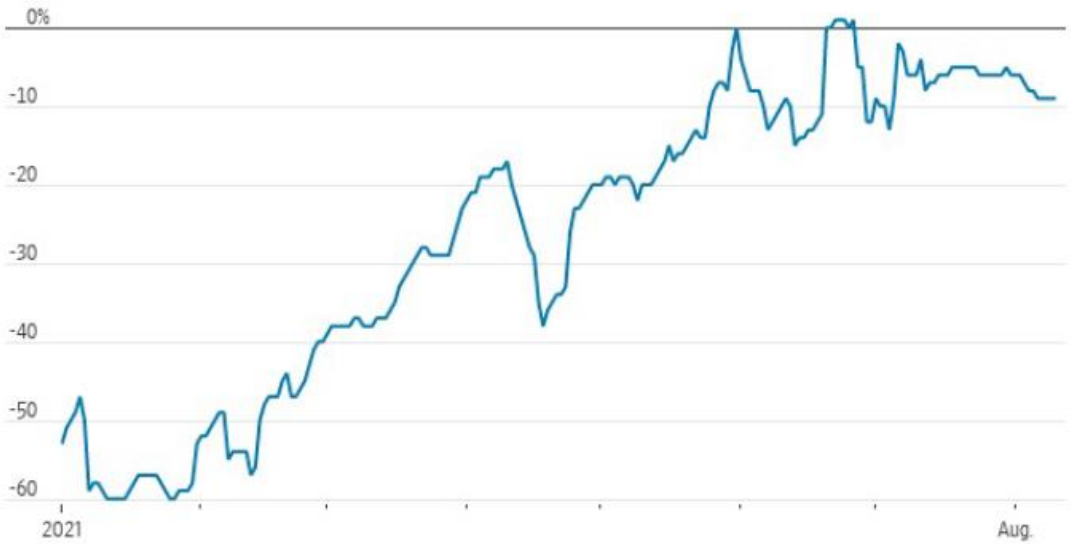


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Source: The Conference Board

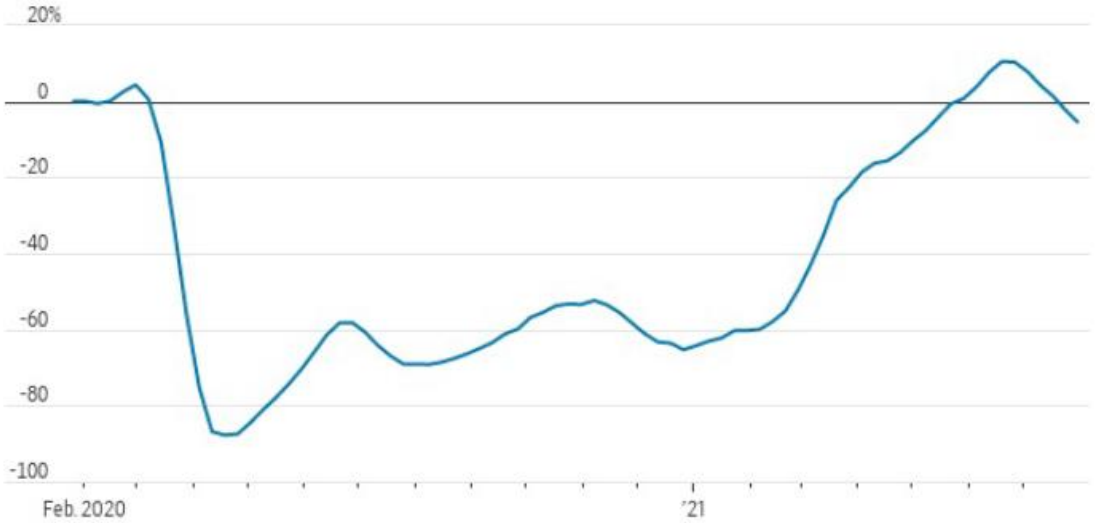
Signs of Consumer Demand Coming Down

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

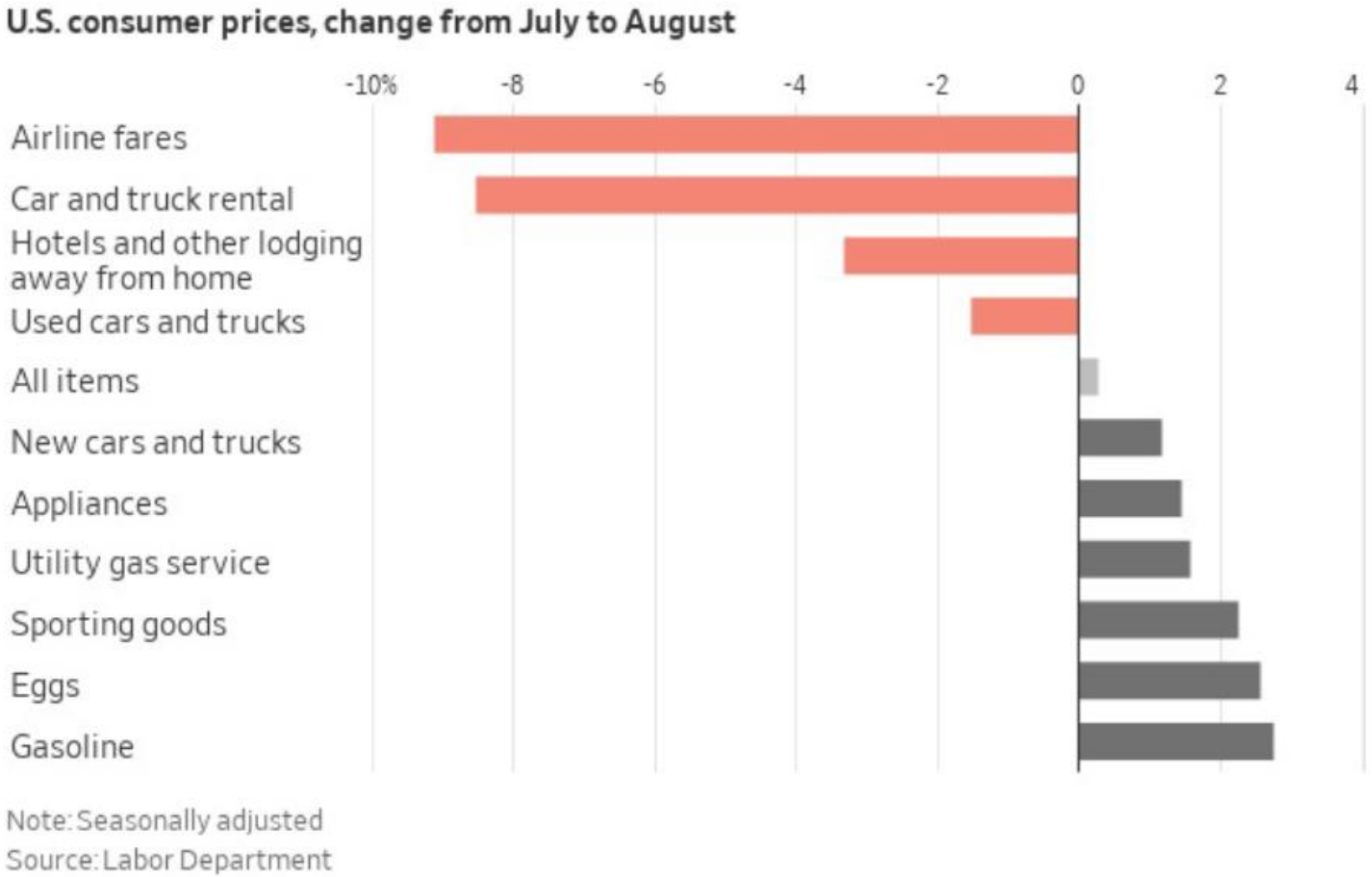


Note: Four-week trailing average
Source: Earnest Research

Source: Wall Street Journal

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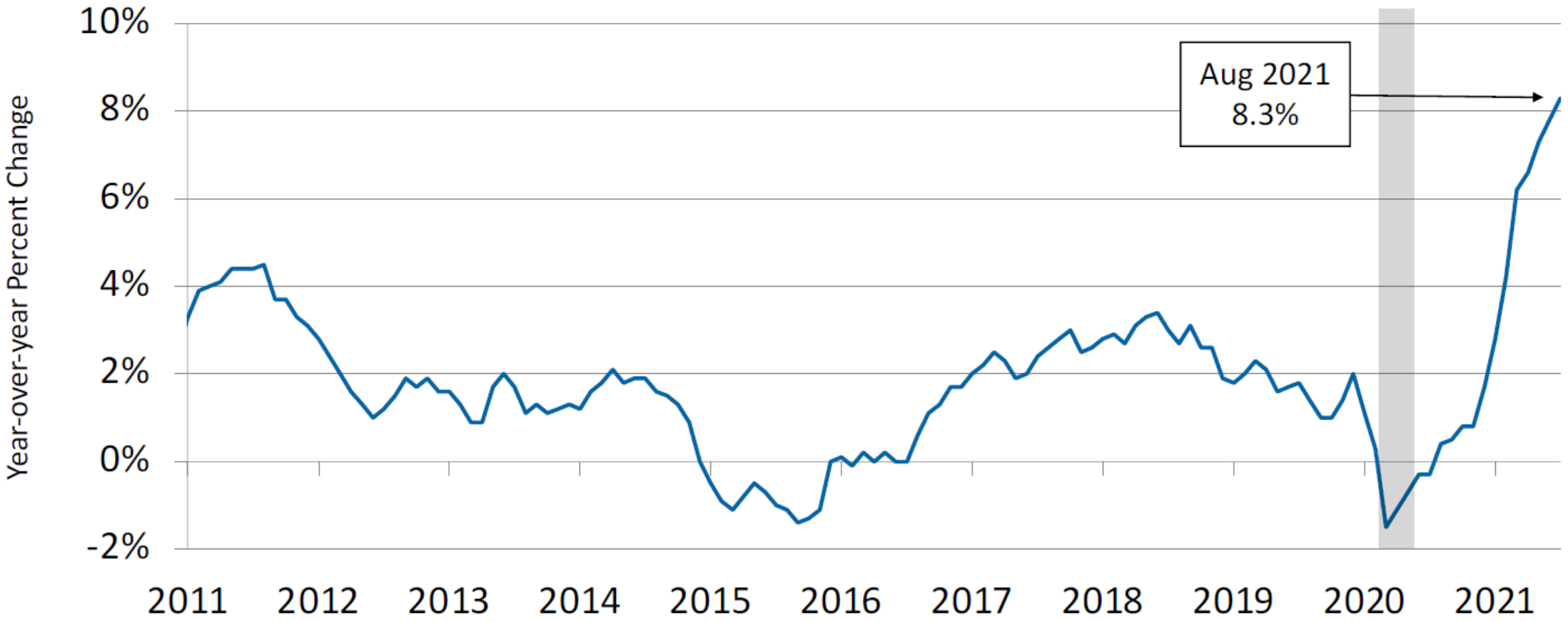
Dropping Consumer Demand Pressuring Some Prices



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Source: Wall Street Journal

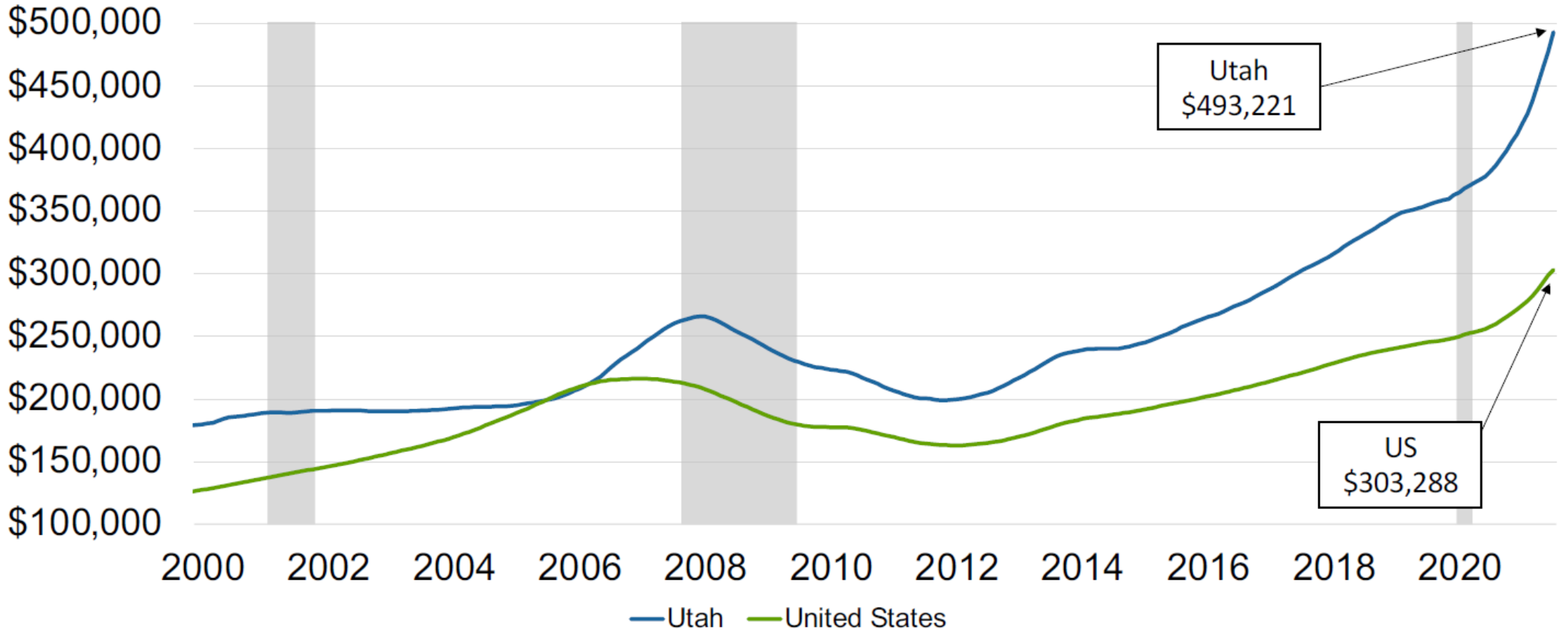
Producer Price Index Continues to Surge



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Source: Bureau of Labor Statistics

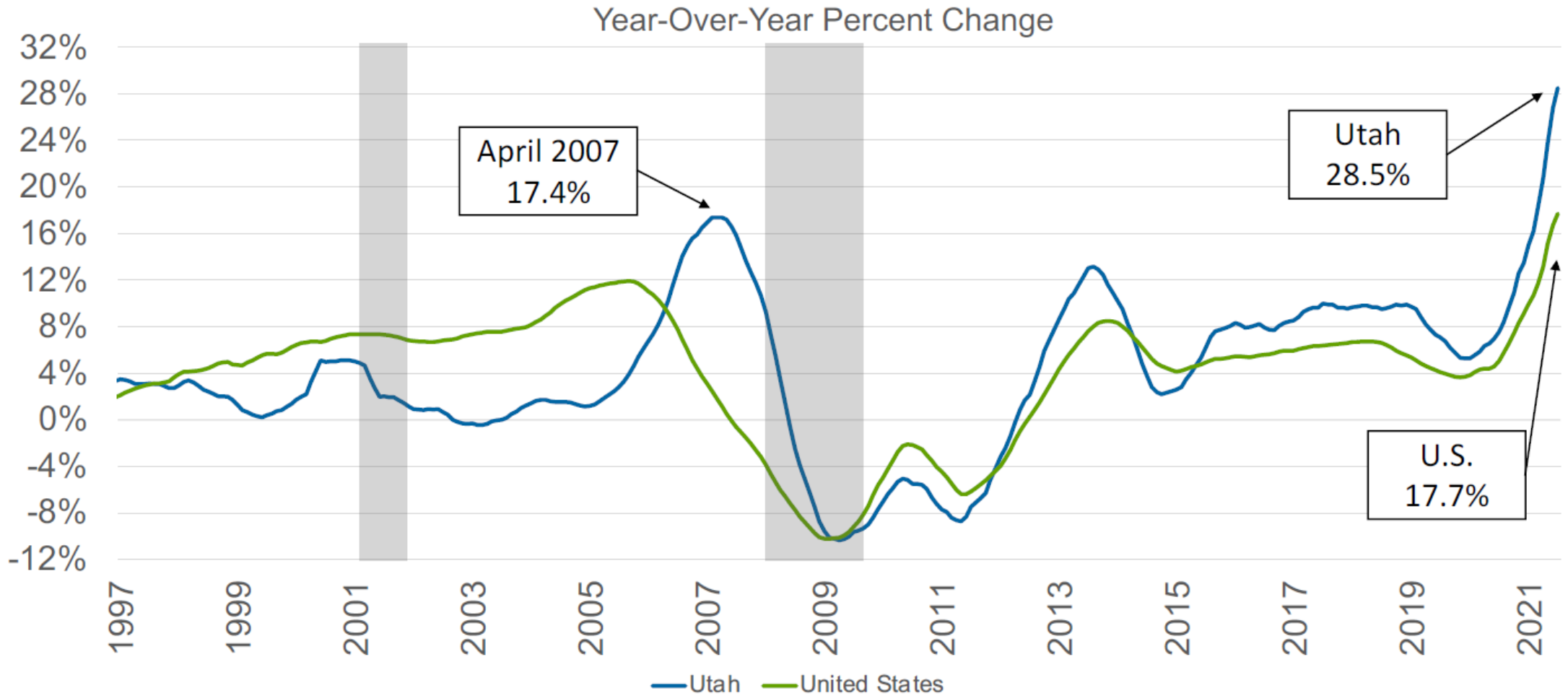
Utah Home Values Much Higher Than U.S.



Source: Zillow Research

ZIONS BANK.

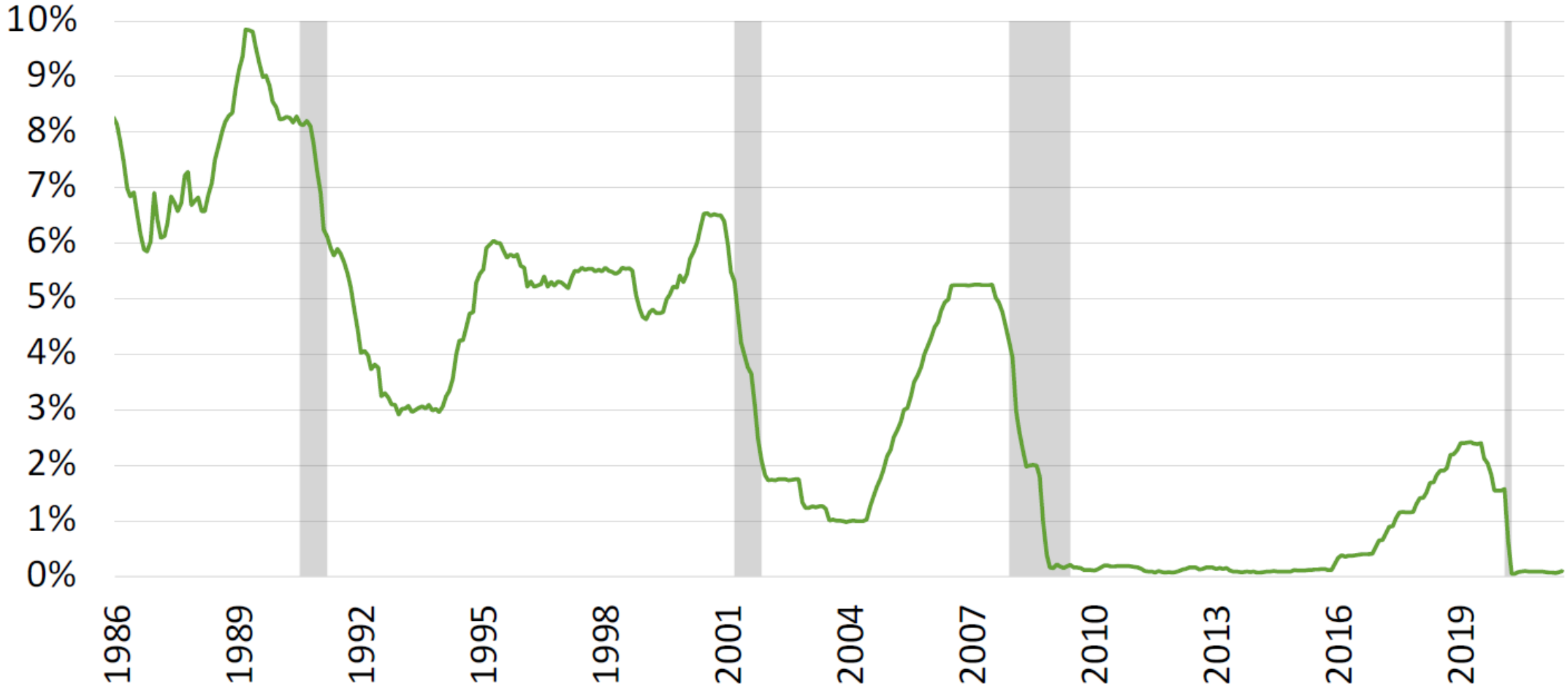
Home Price Appreciation Much Higher Than Pre-Great Recession



Source: Zillow Research

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Fed Reserve Dropped Rates to Strengthen Economy



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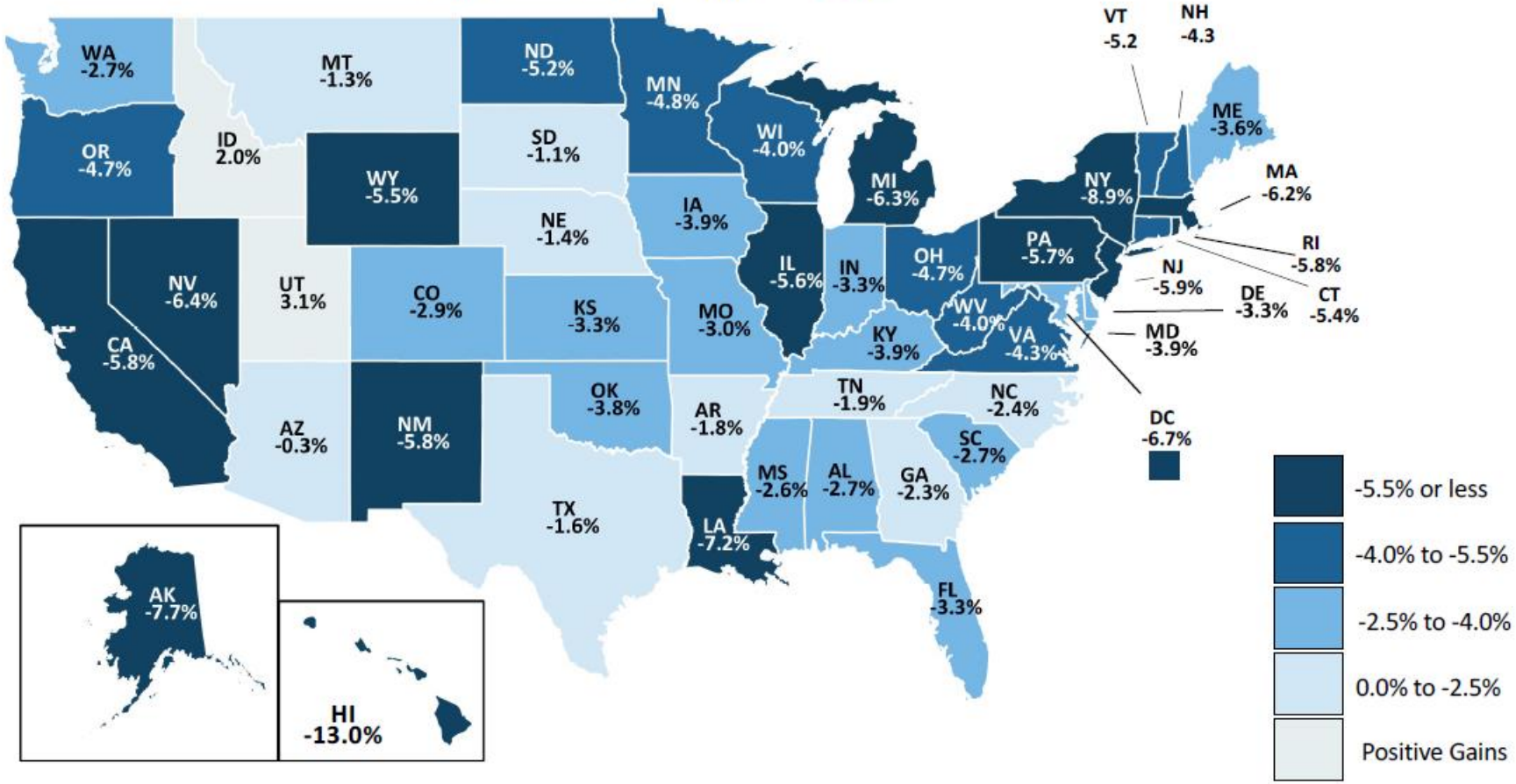
Source: Board of Governors of the Federal Reserve System

Utah Specific Data

Utah and Idaho Only States to Gain Jobs During Crisis

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

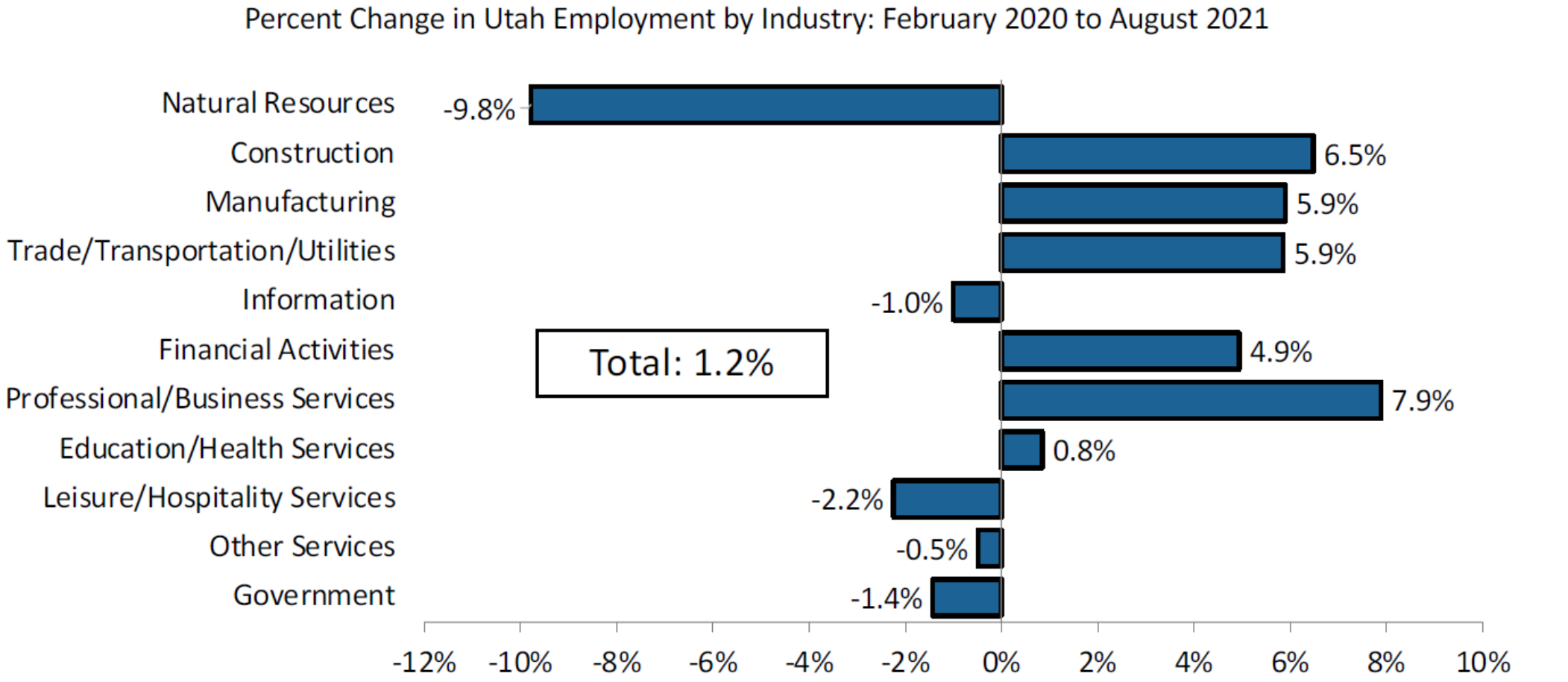
U.S. Rate = -3.5% UT Rate = 3.1%



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Source: US Bureau of Labor Statistics

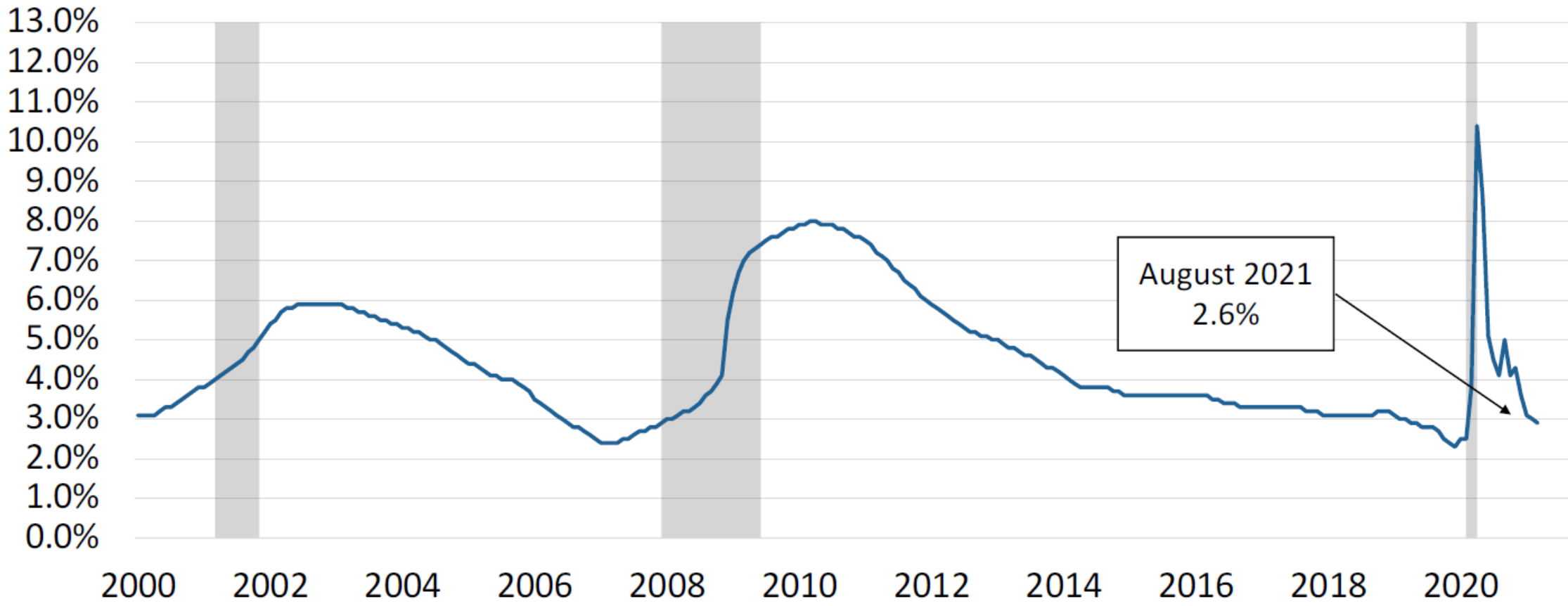
Most Utah Industries Above Pre-Pandemic Levels



ZIONS BANK

Source: U.S. Bureau of Labor Statistics

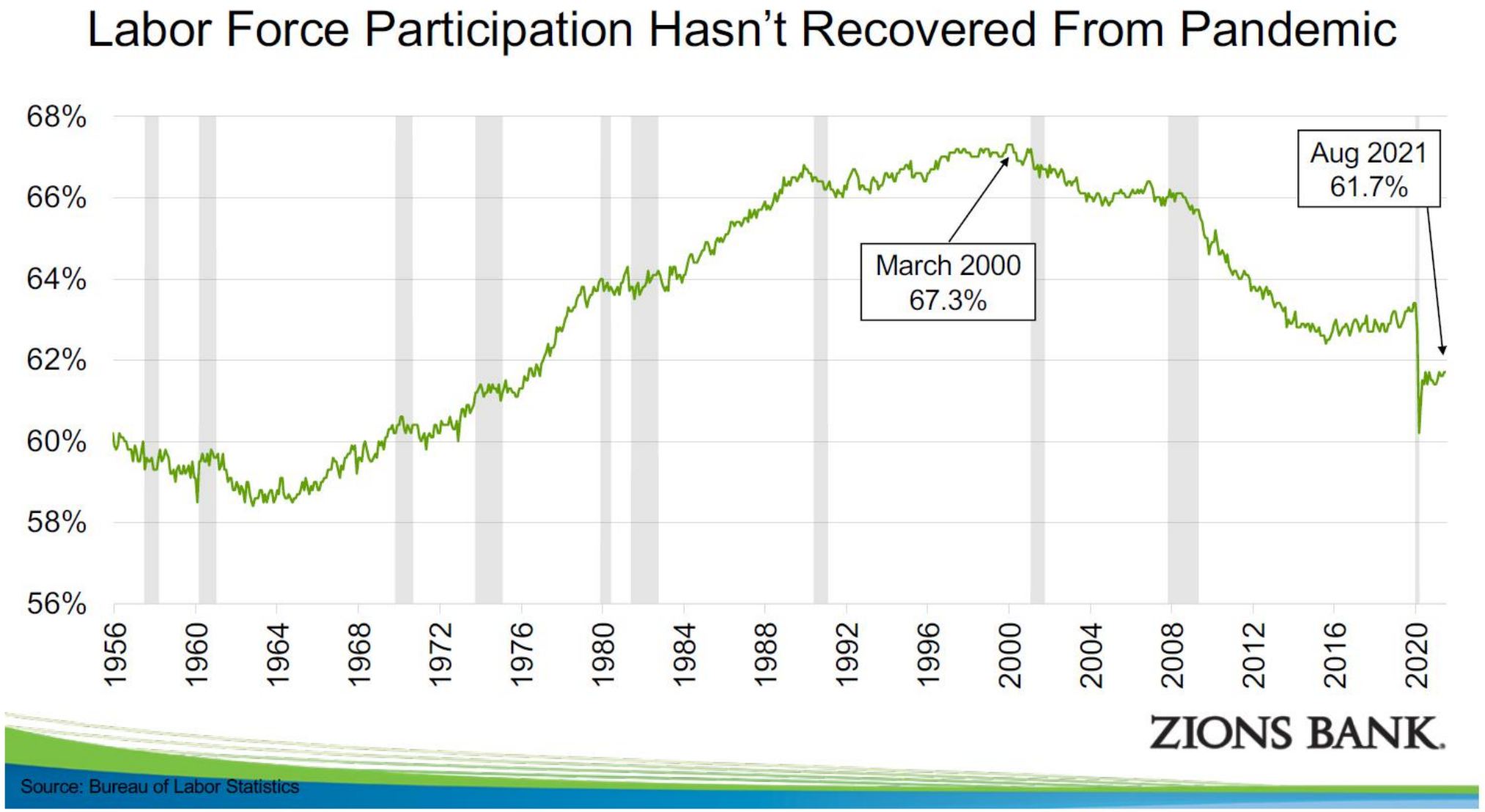
Utah Unemployment Rate Nearly Back to Pre-Pandemic Level



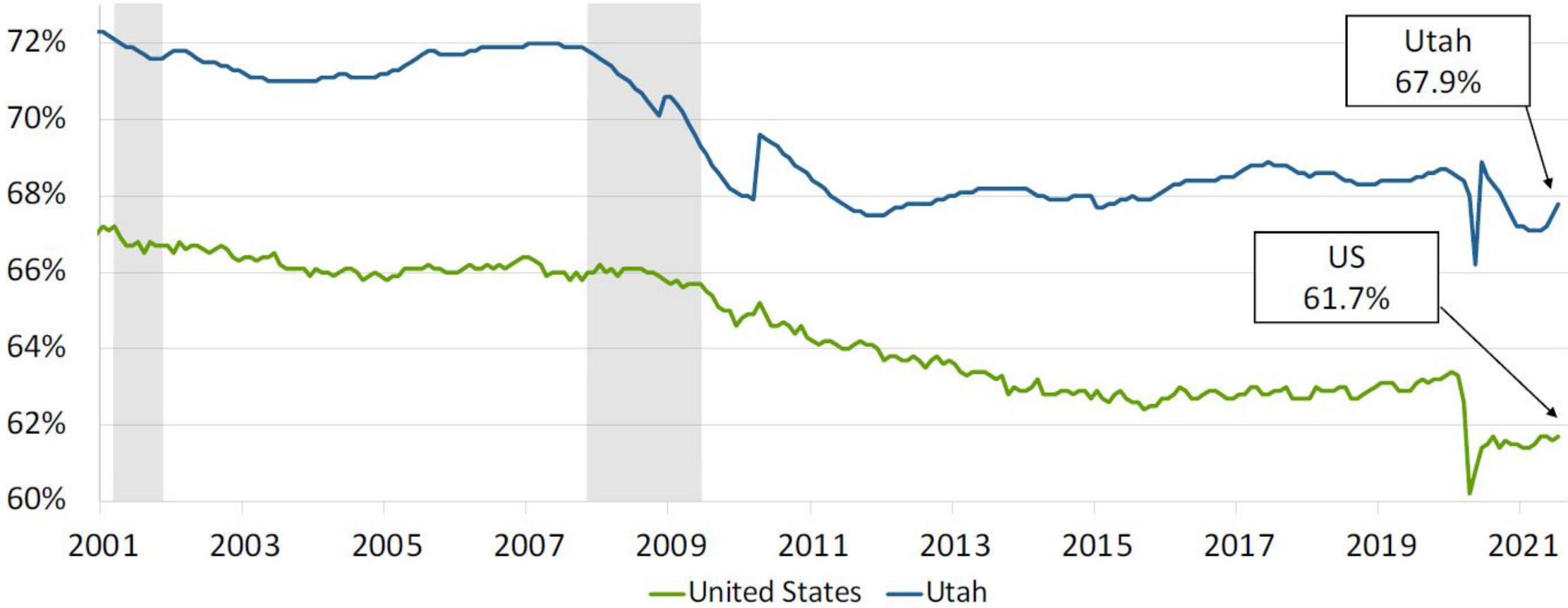
Source: Utah Department of Workforce Statistics

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Remember:


Labor Force Participation Hasn't Recovered From Pandemic
68%
66%
64%
62%
60%
58%
56%
1956
1960
1964
1968
1972
1976
1980
1984
1988
1992
1996
2000
2004
2008
2012
2016
2020
March 2000
67.3%
Aug 2021
61.7%
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Source: Bureau of Labor Statistics

Utah Labor Force Participation Much Higher Than US



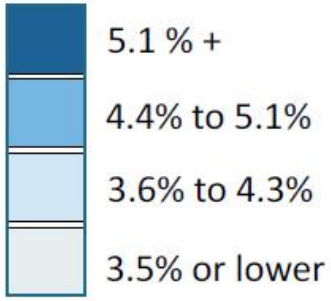
Source: US Bureau of Labor Statistics

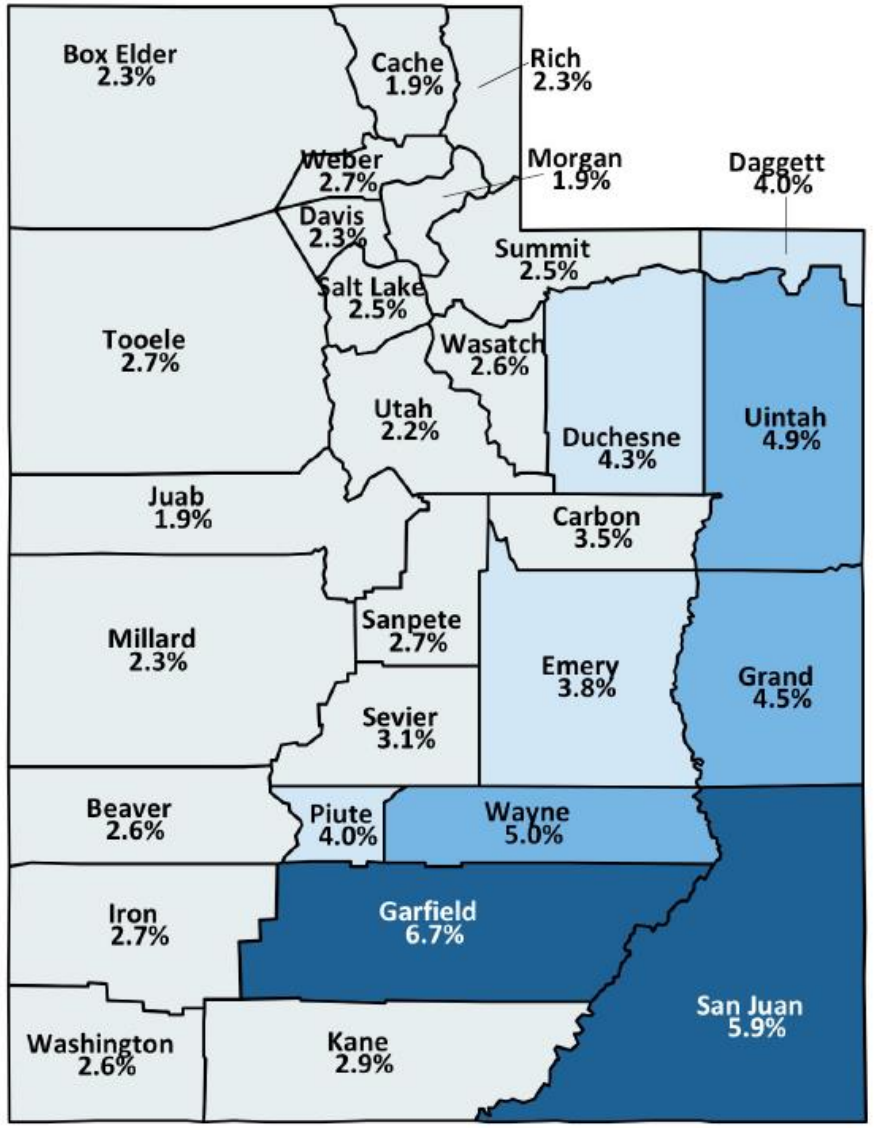
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Utah Unemployment Rates By County

August 2021

State Rate = 2.6%





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Source: Utah Department of Workforce Services

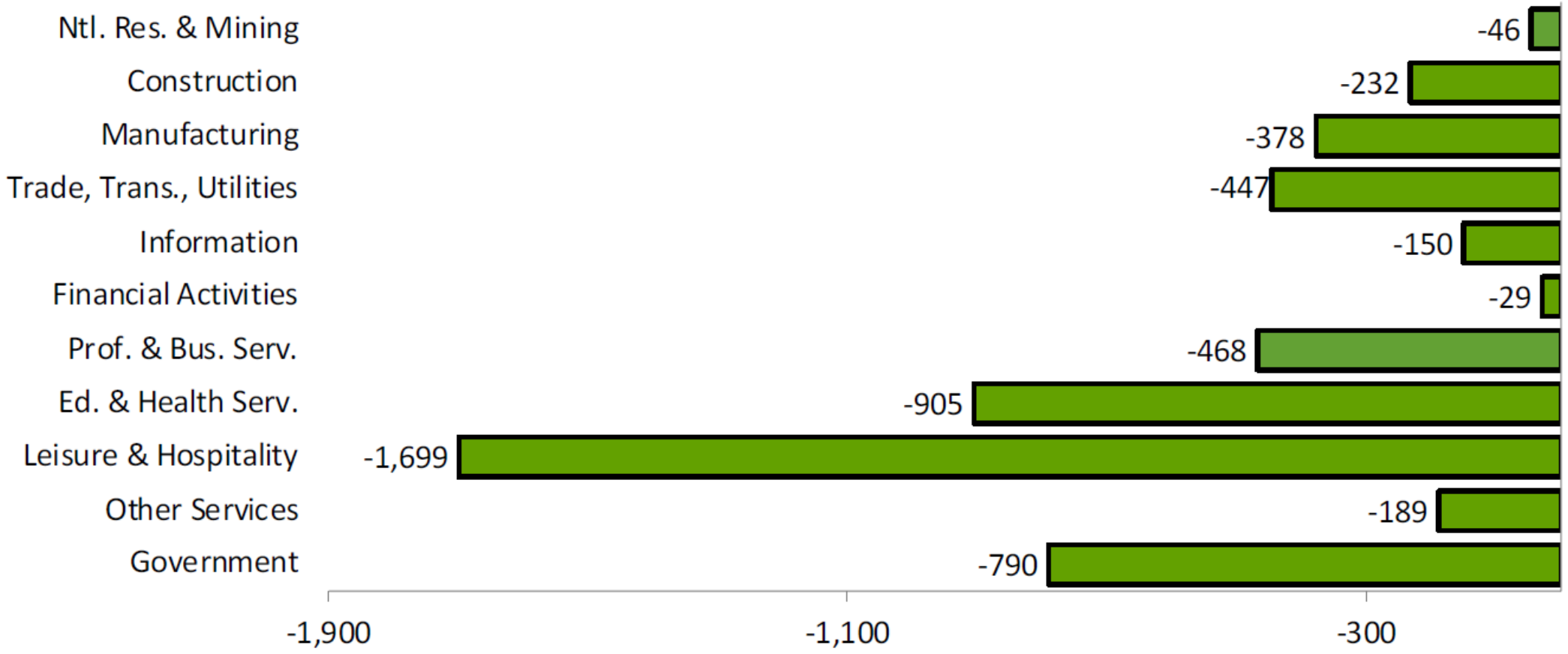
Economic Summary and Outlook

- 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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National Employment Change

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

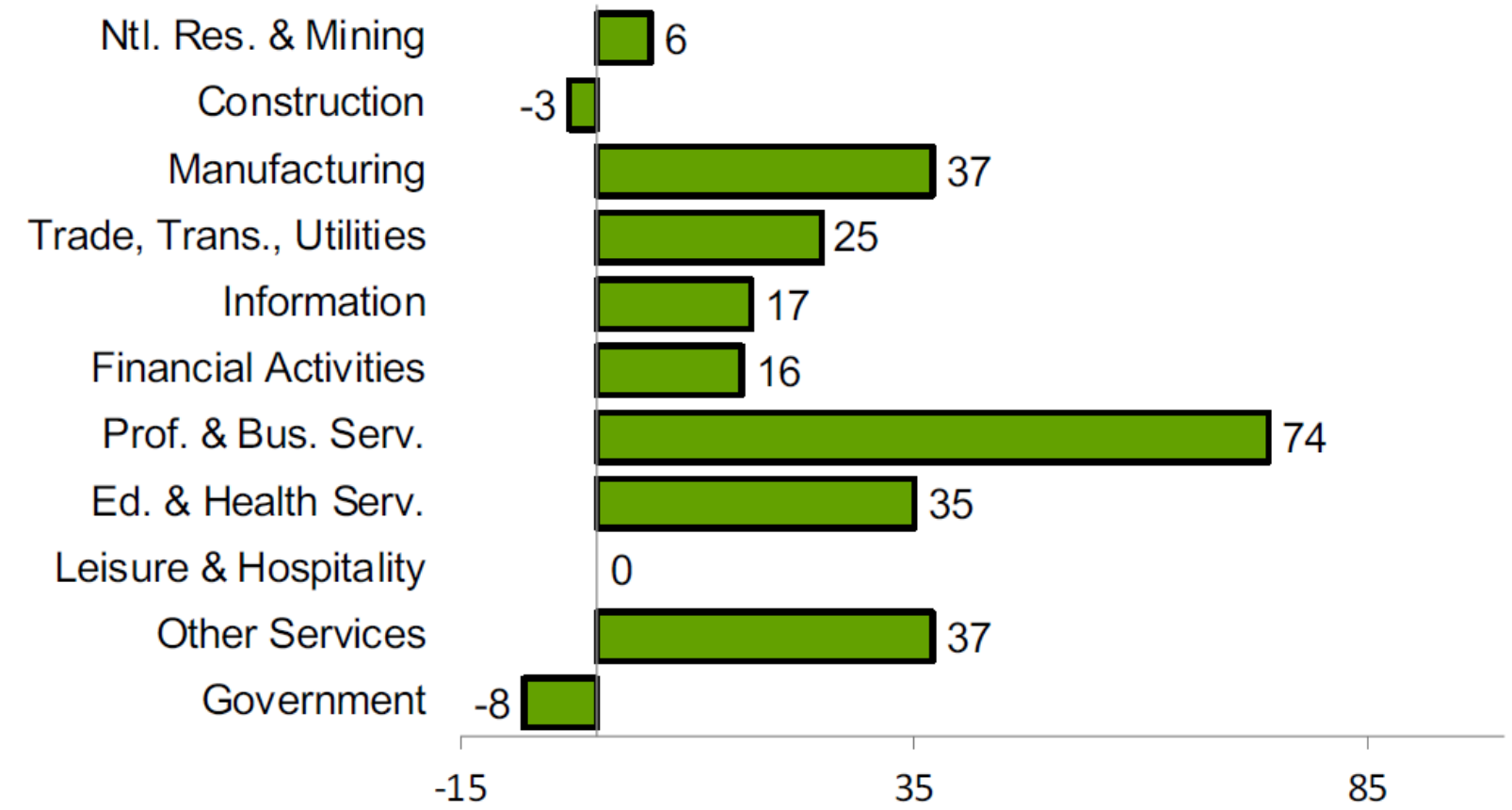


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Source: Bureau of Labor Statistics

National Employment Change

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

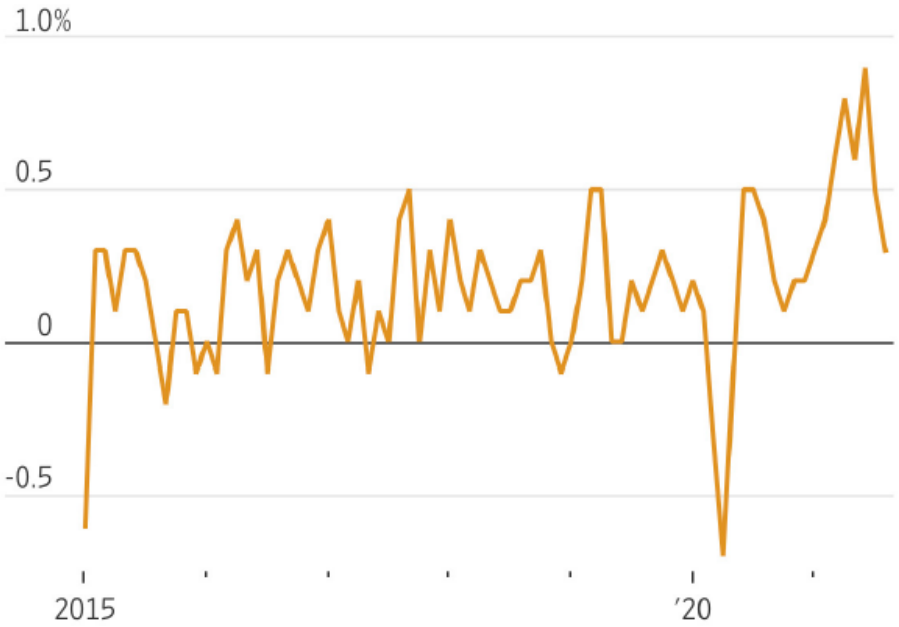


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Source: U.S. Bureau of Labor Statistics

Short-Term Inflation Dropping

Consumer-price index, percent change from a month ago



Source: Labor Department

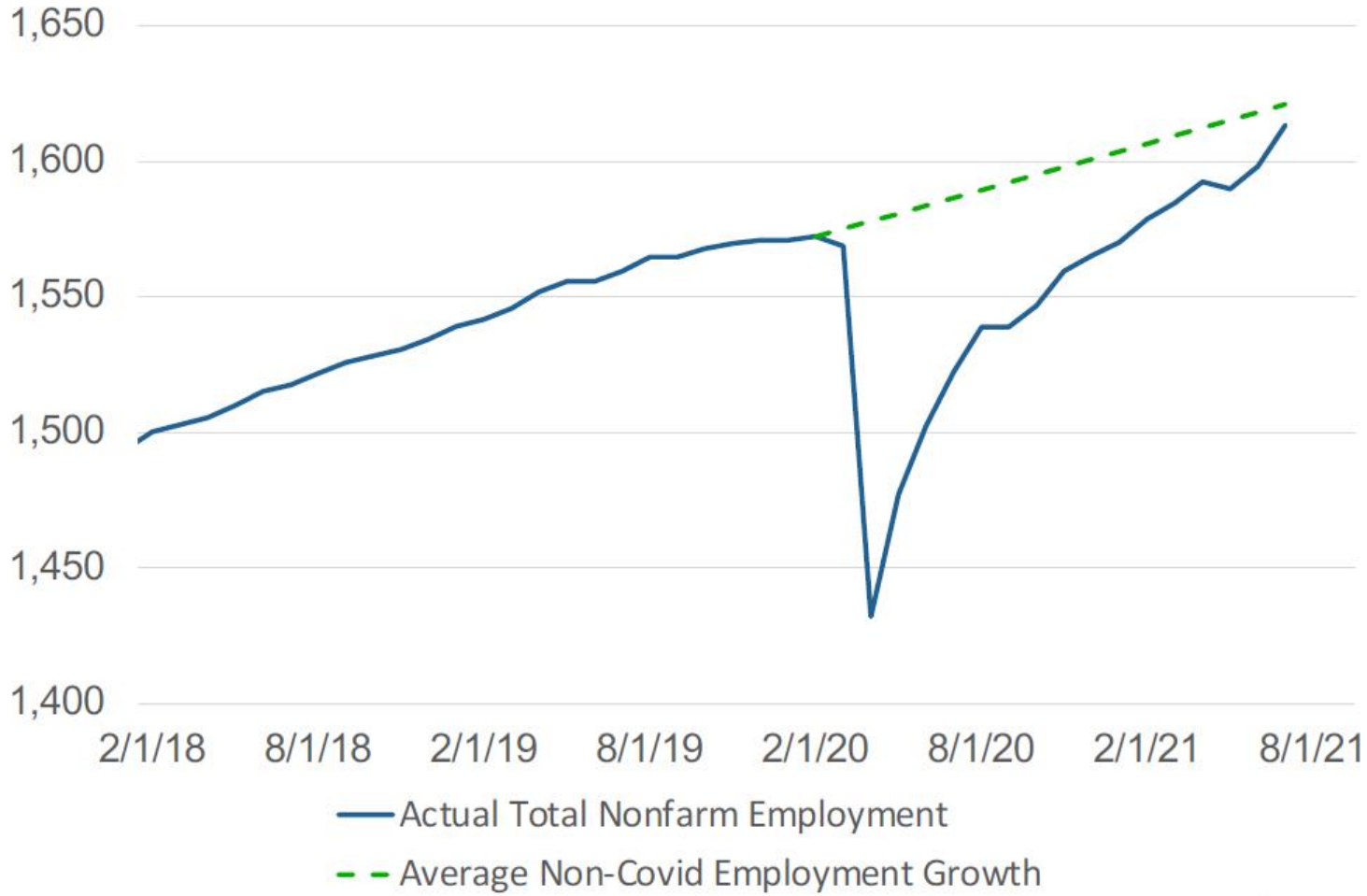
Released On 9/14/2021 8:30:00 AM For Aug, 2021

	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 %**

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

Utah Employment Approaches Long-Term Trendline



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