

# Economic Insights

*U.S., Utah, and Salt Lake County*

**Salt Lake County Council**

October 15, 2024

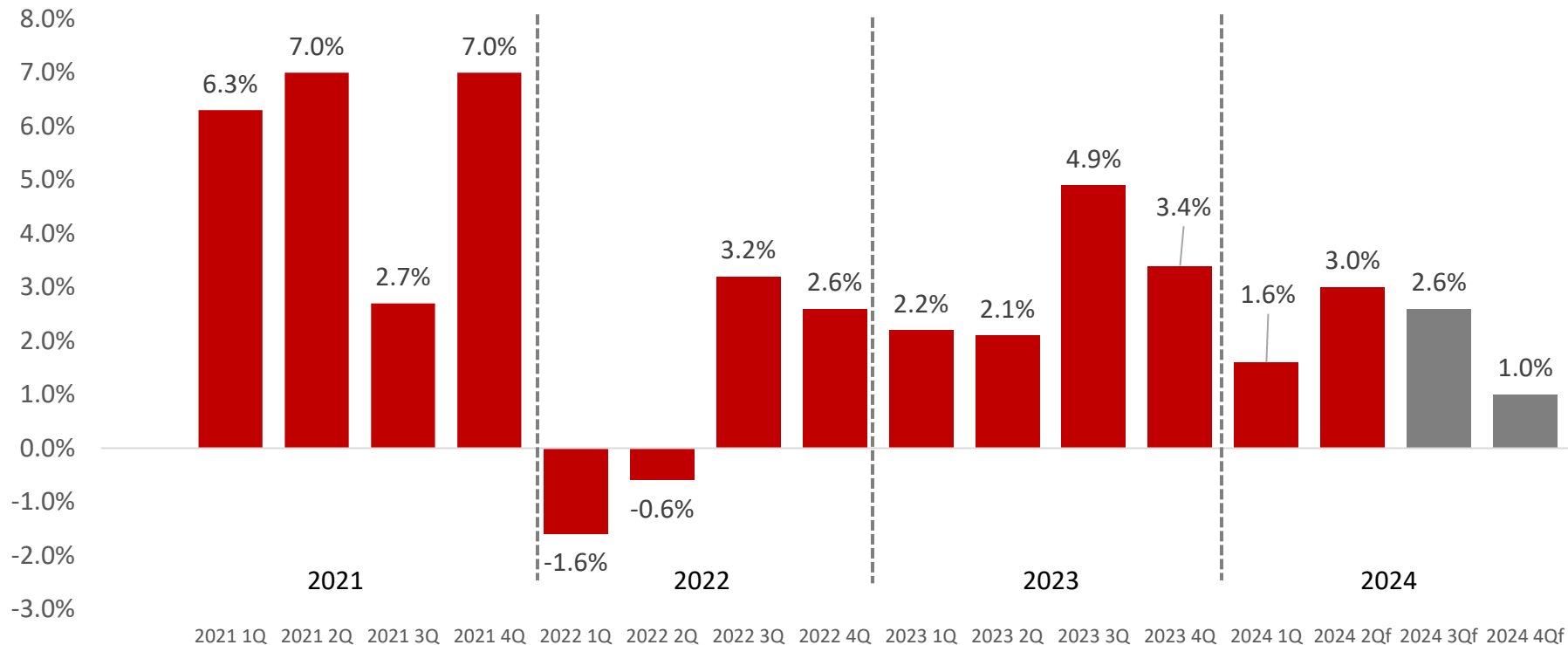
INFORMED DECISIONS™

# Summary

- **Economic expansion** – U.S. economy remains intact and is now on the other side of the interest rate curve.
- **Soft landing?** – Inflation and unemployment within or close to “target range.” The FED had to act even with “long and variable” lags. Probability of a recession in the next 12 months now below 30%.
- **Utah and SLCO outlook** – Utah economy strong but moderating. The state’s job growth now ranks seventh among states (August 2024). Four industries are flat or contracting. Salt Lake County follows a similar path.
- **Outlook** – Expect the Utah economy to avoid a recession, but slowdown in 2025.

# U.S. Real GDP Growth

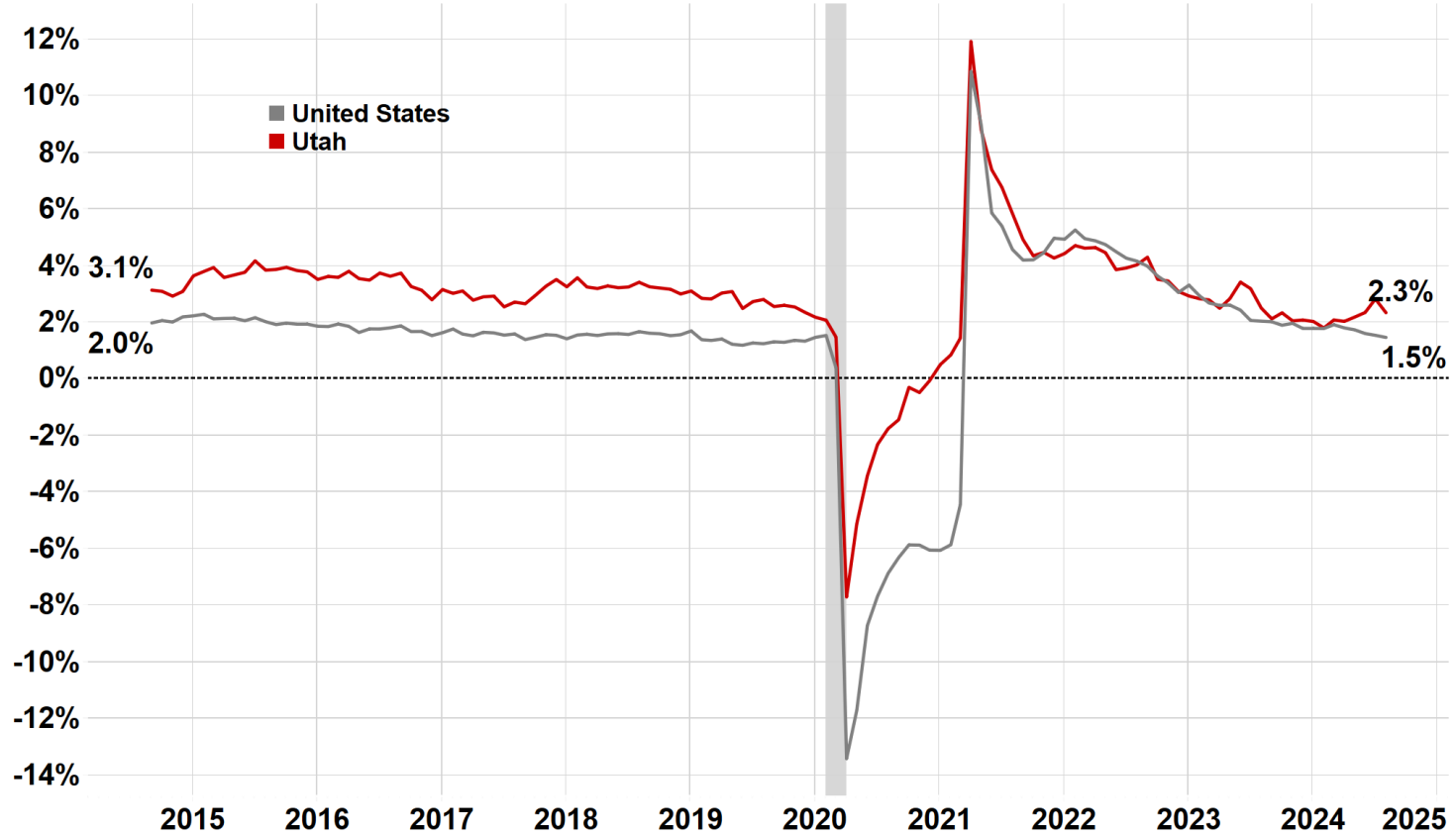
*Quarter-over, seasonally adjusted annual rate*



Source: Bureau of Economic Analysis, Gardner Institute, and Wells Fargo Economics

# Job Growth

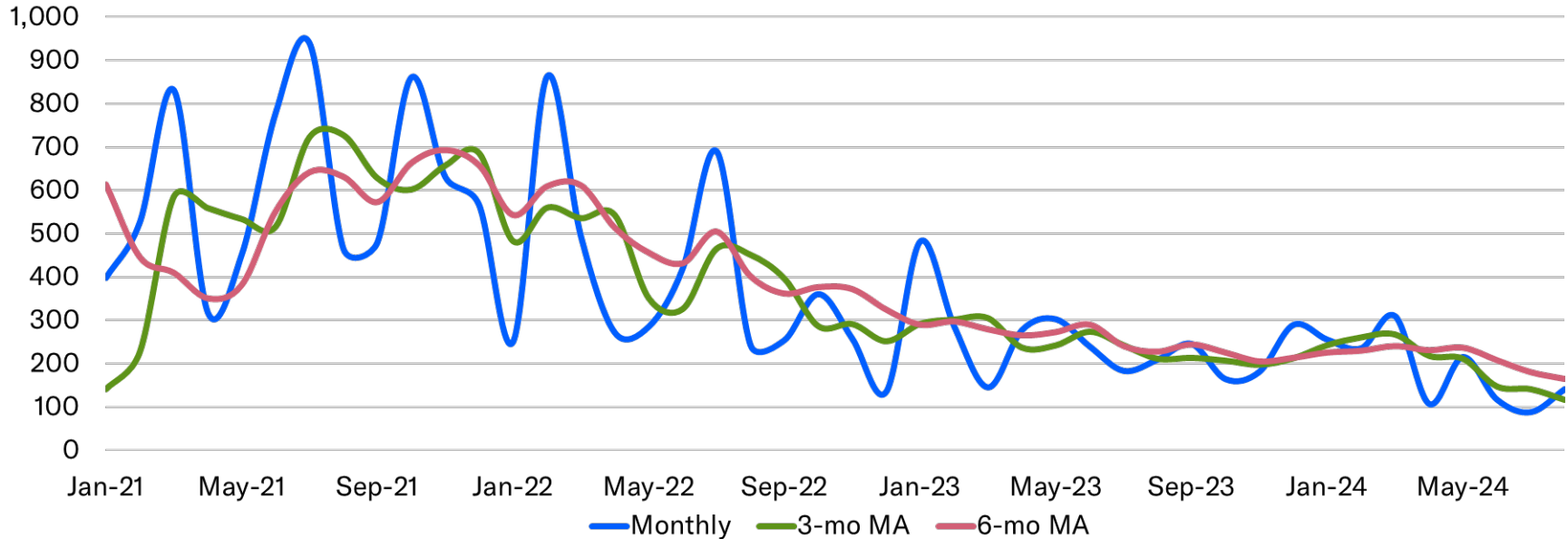
*U.S. and Utah*



Source: U.S. Bureau of Labor Statistics

# FED Had to Act

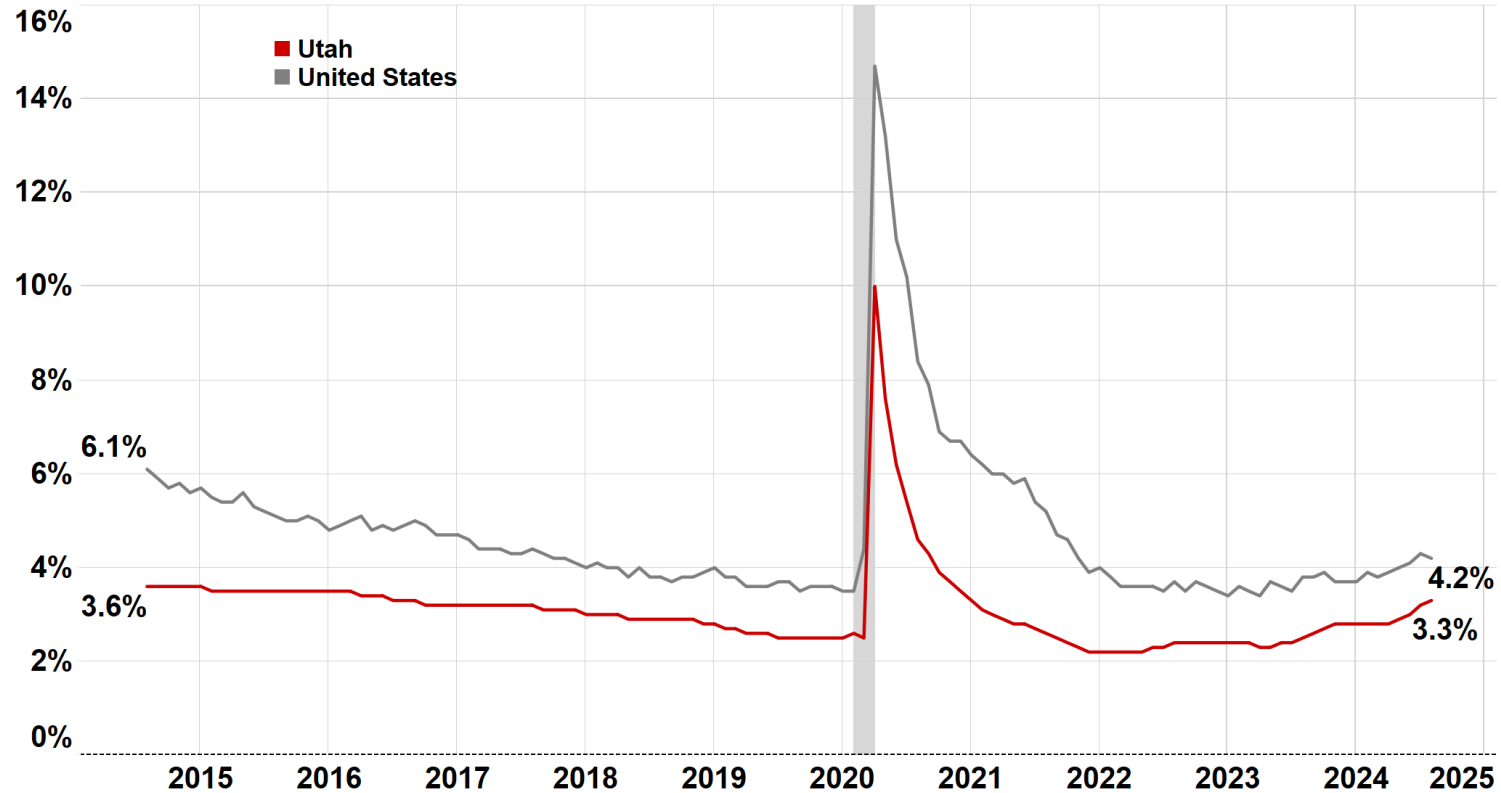
*Monthly change in U.S. nonfarm payroll employment, thousands*



Source: U.S. Bureau of Labor Statistics, Moody's Analytics

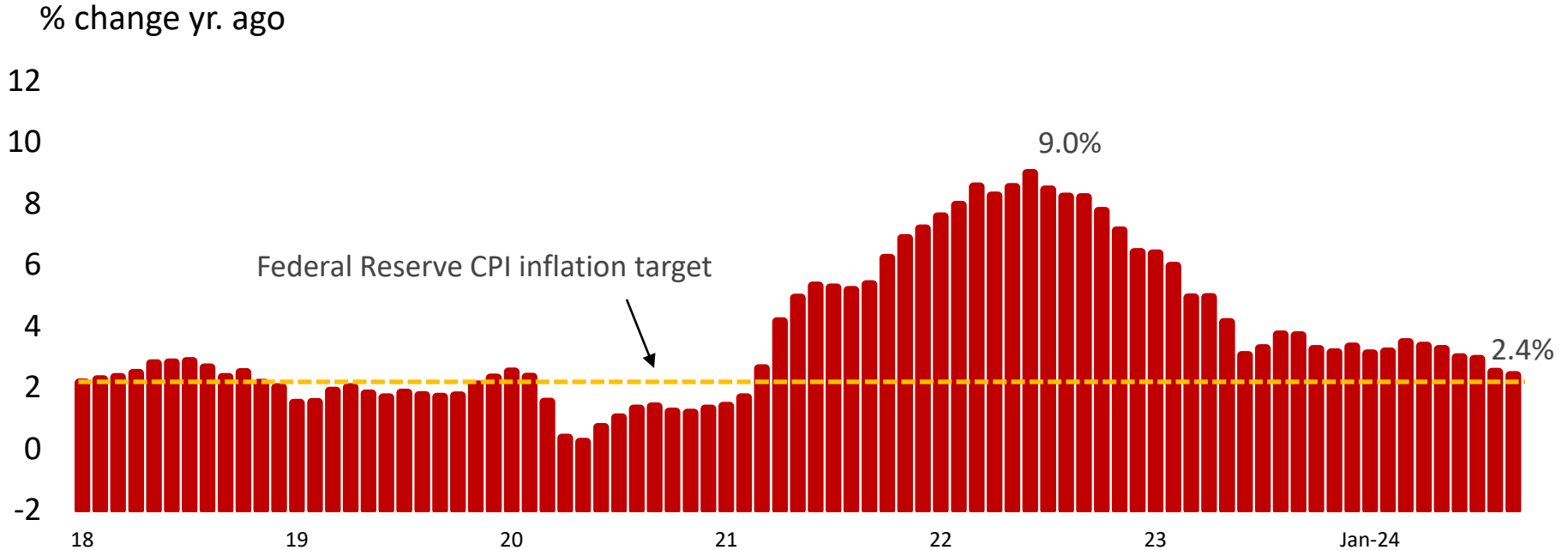
# Unemployment Rate

*U.S. and Utah*



Source: U.S. Bureau of Labor Statistics

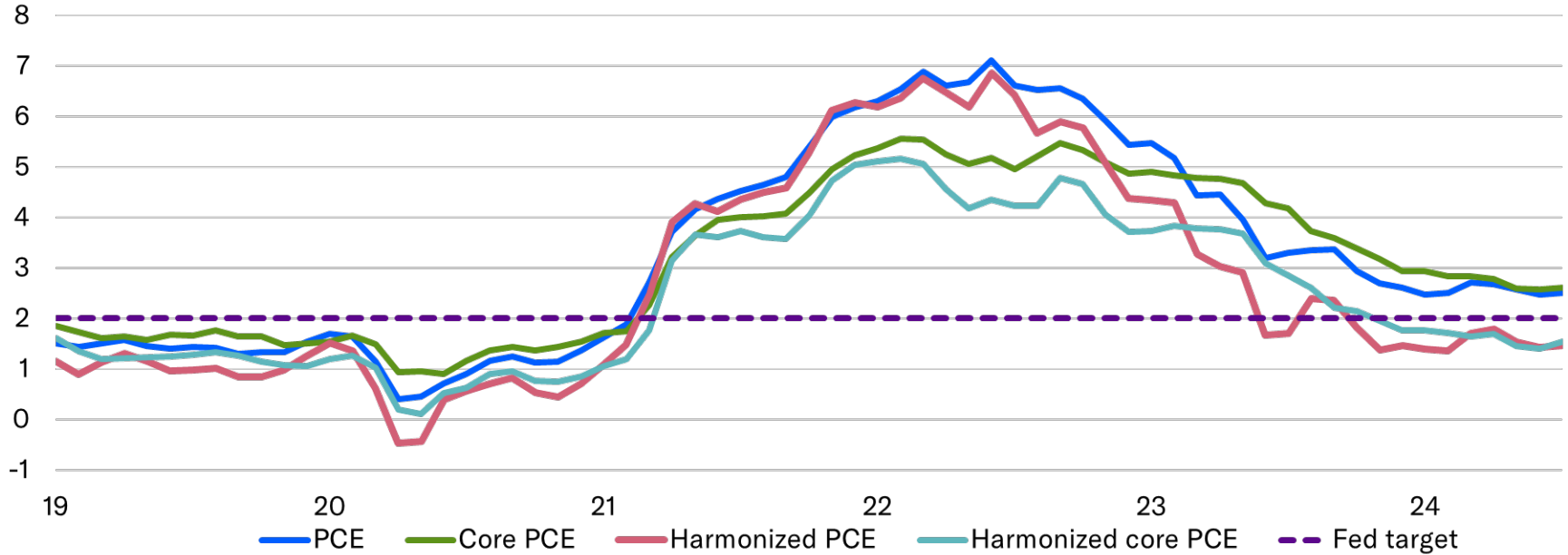
# U.S. Consumer Price Inflation



Source: U.S. Bureau of Labor Statistics

# Inflation Just About There

*Year-Over Percent Change*

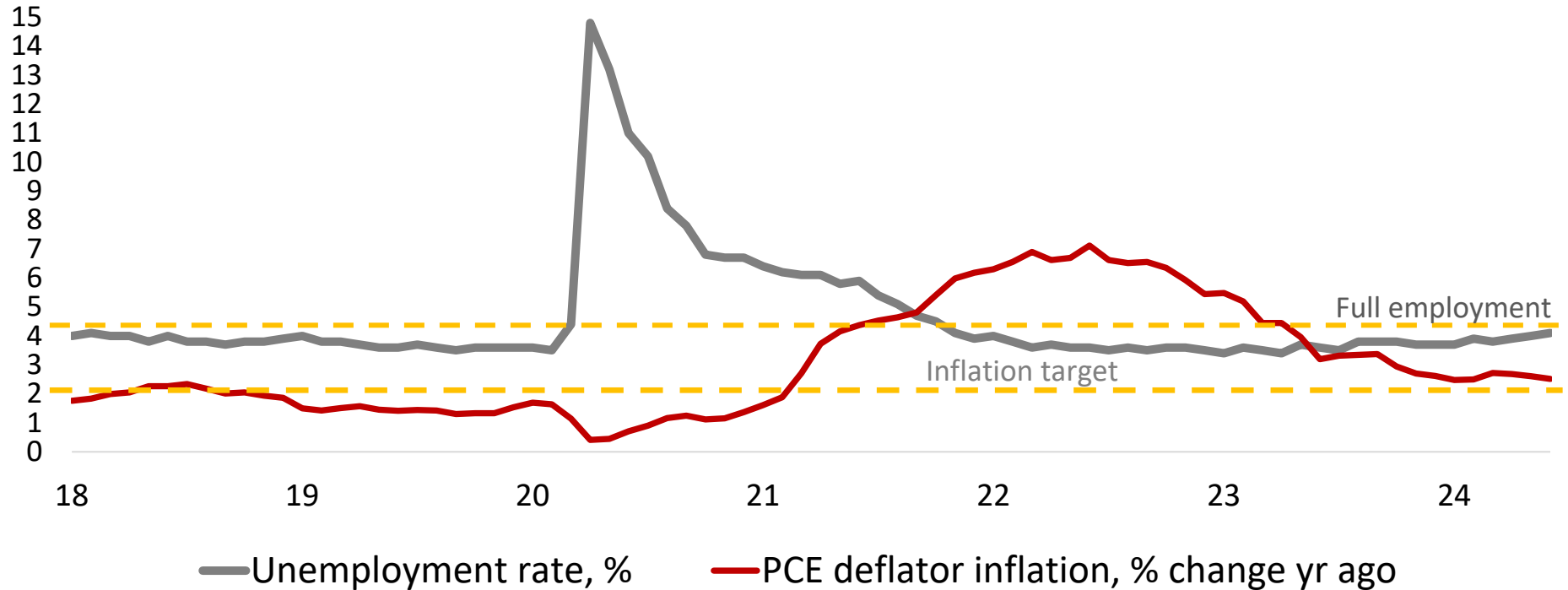


Sources: BEA, Moody's Analytics



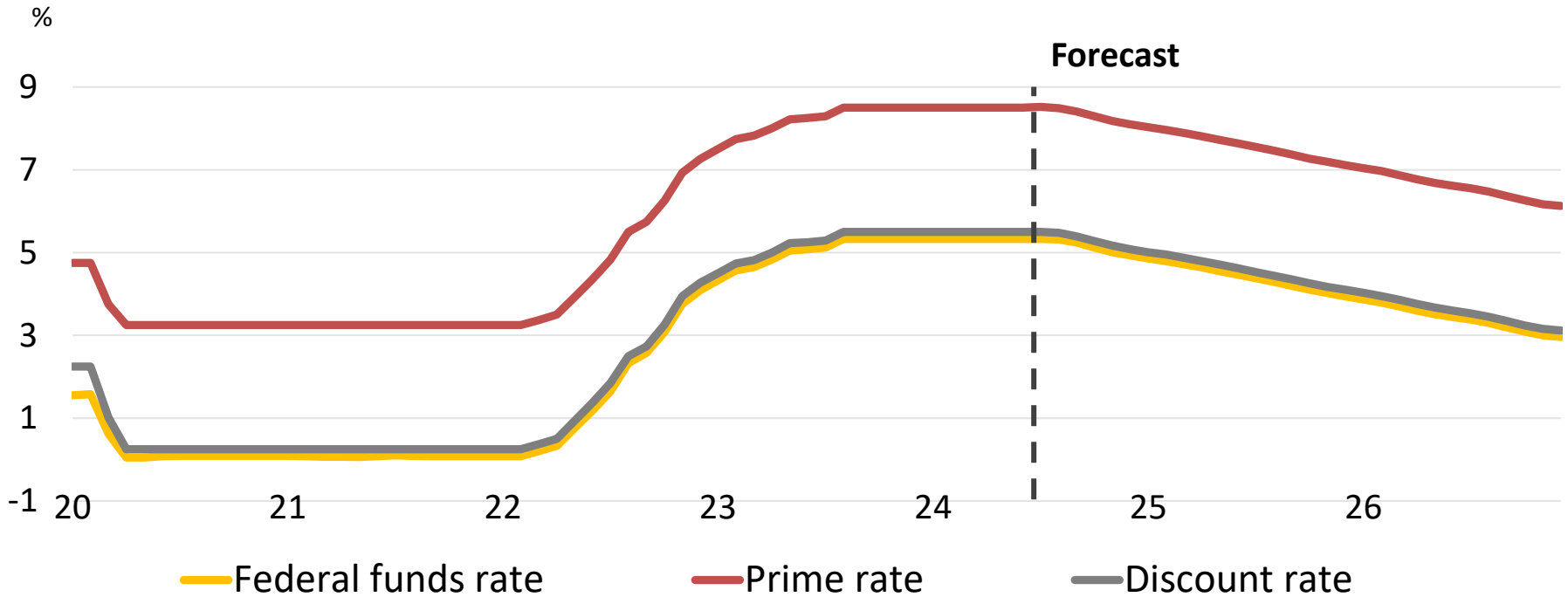
# Federal Reserve Dual Mandate

*Full Employment and ~2% Inflation*



Source: U.S. Bureau of Labor Statistics and Moody's

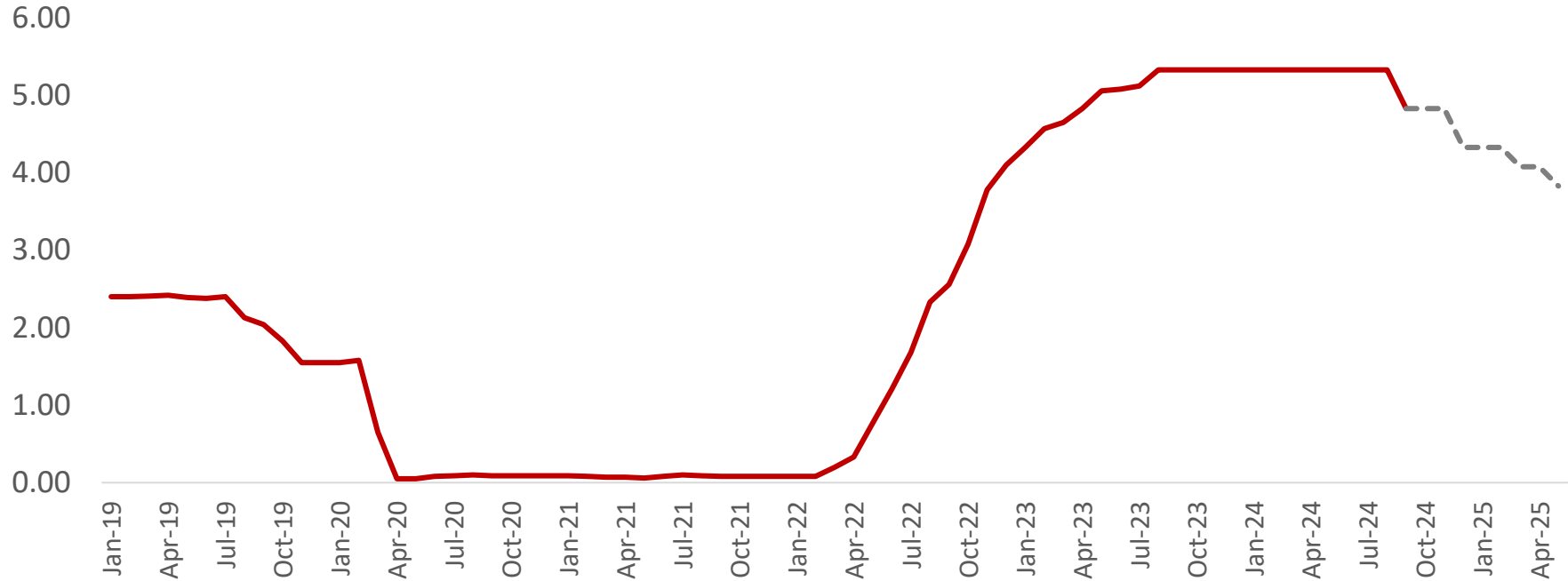
# Monetary Policy



Sources: Federal Reserve, Moody's Analytics

# Effective Federal Funds Rate

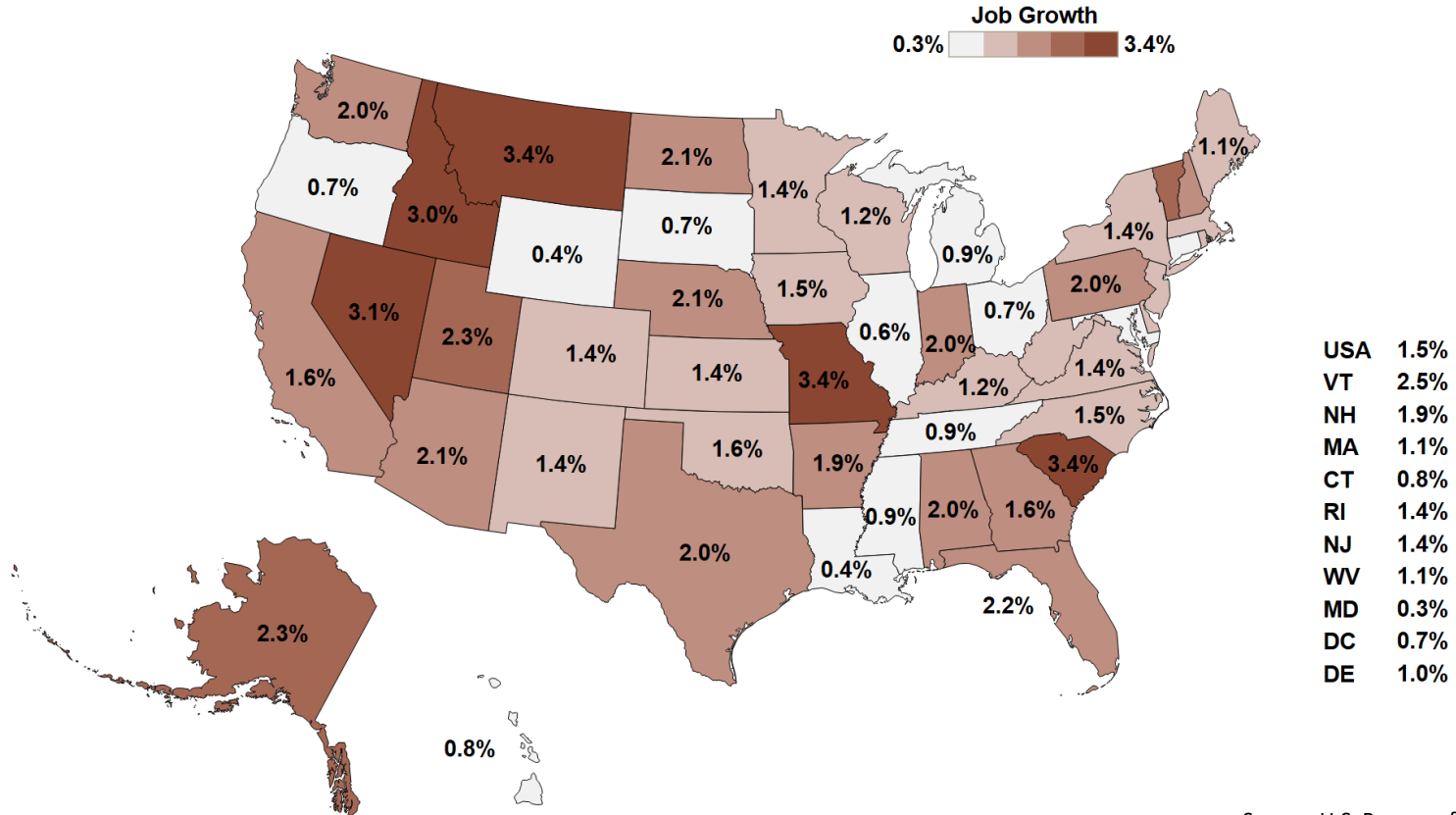
*Percent, Not Seasonally Adjusted, Including Forecast*



Source: Federal Reserve and Kem C. Gardner Policy Institute

# Job Growth

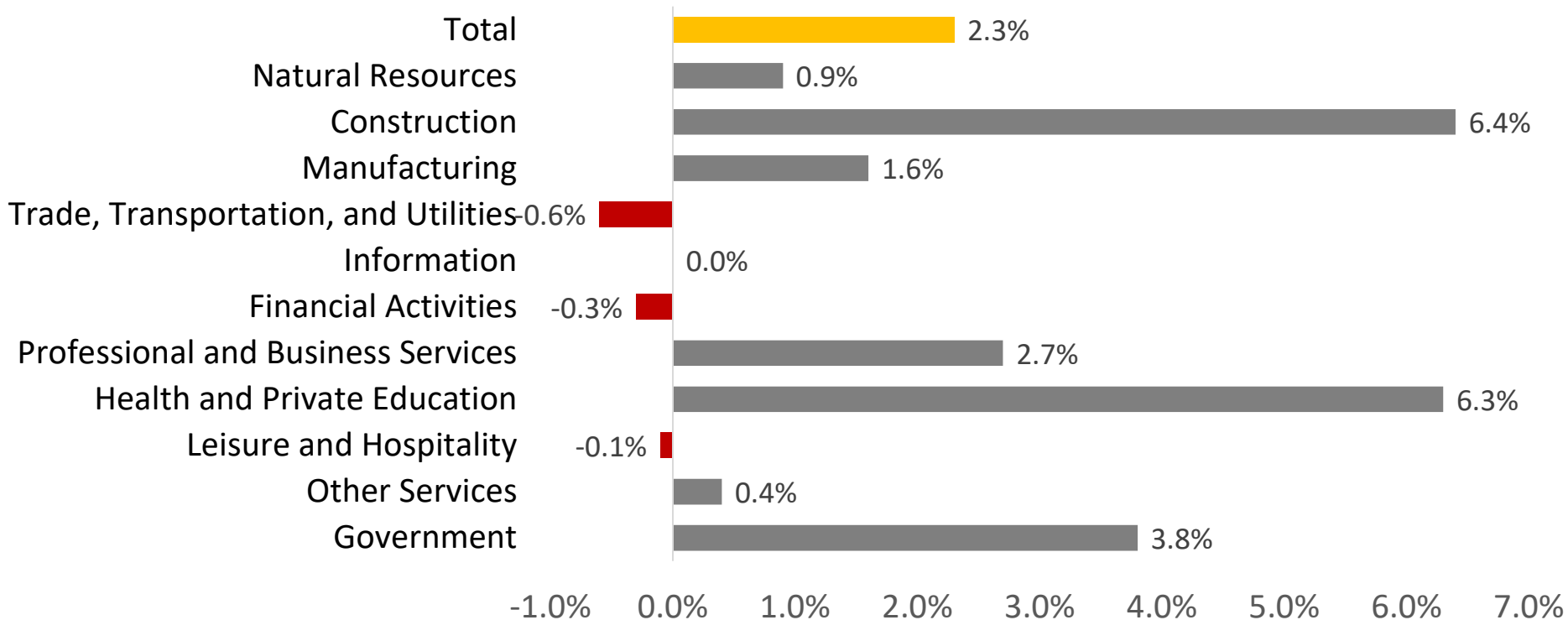
Year-over, August 2024



Source: U.S. Bureau of Labor Statistics

# Utah Job Growth

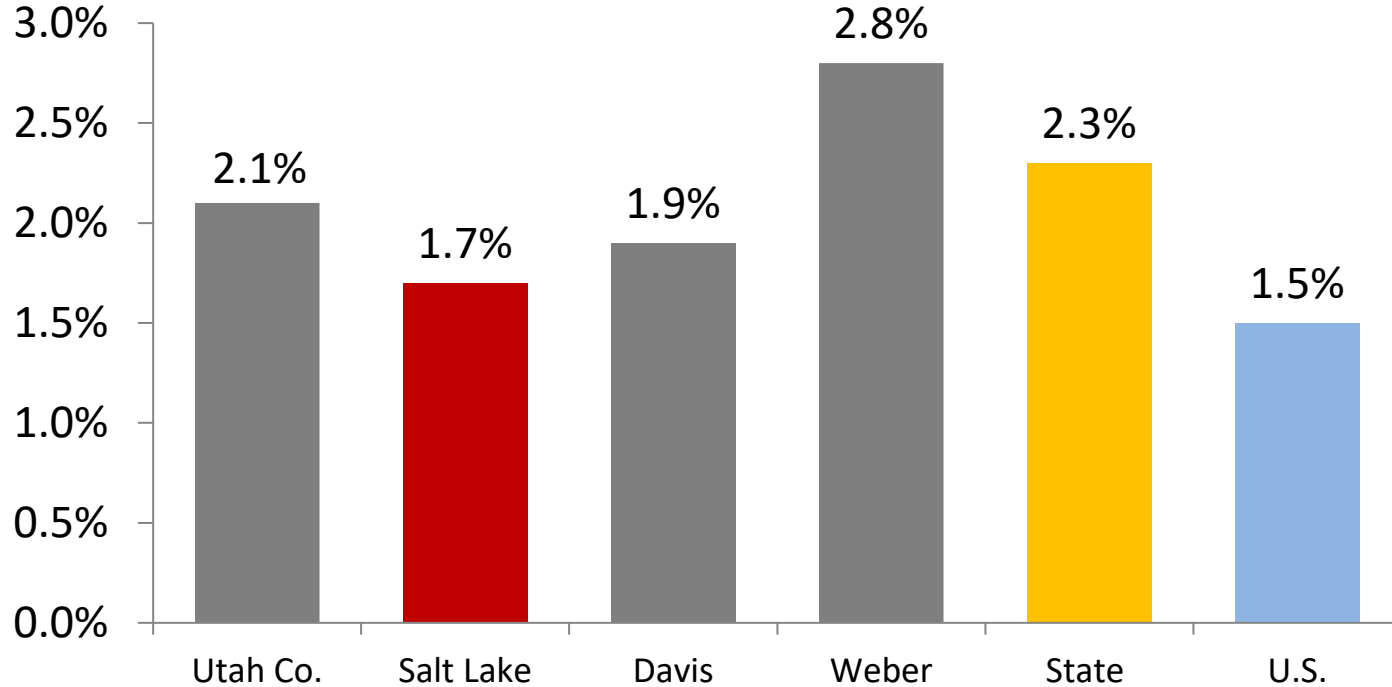
Year-over percent change, August 2024



Source: U.S. Bureau of Labor Statistics

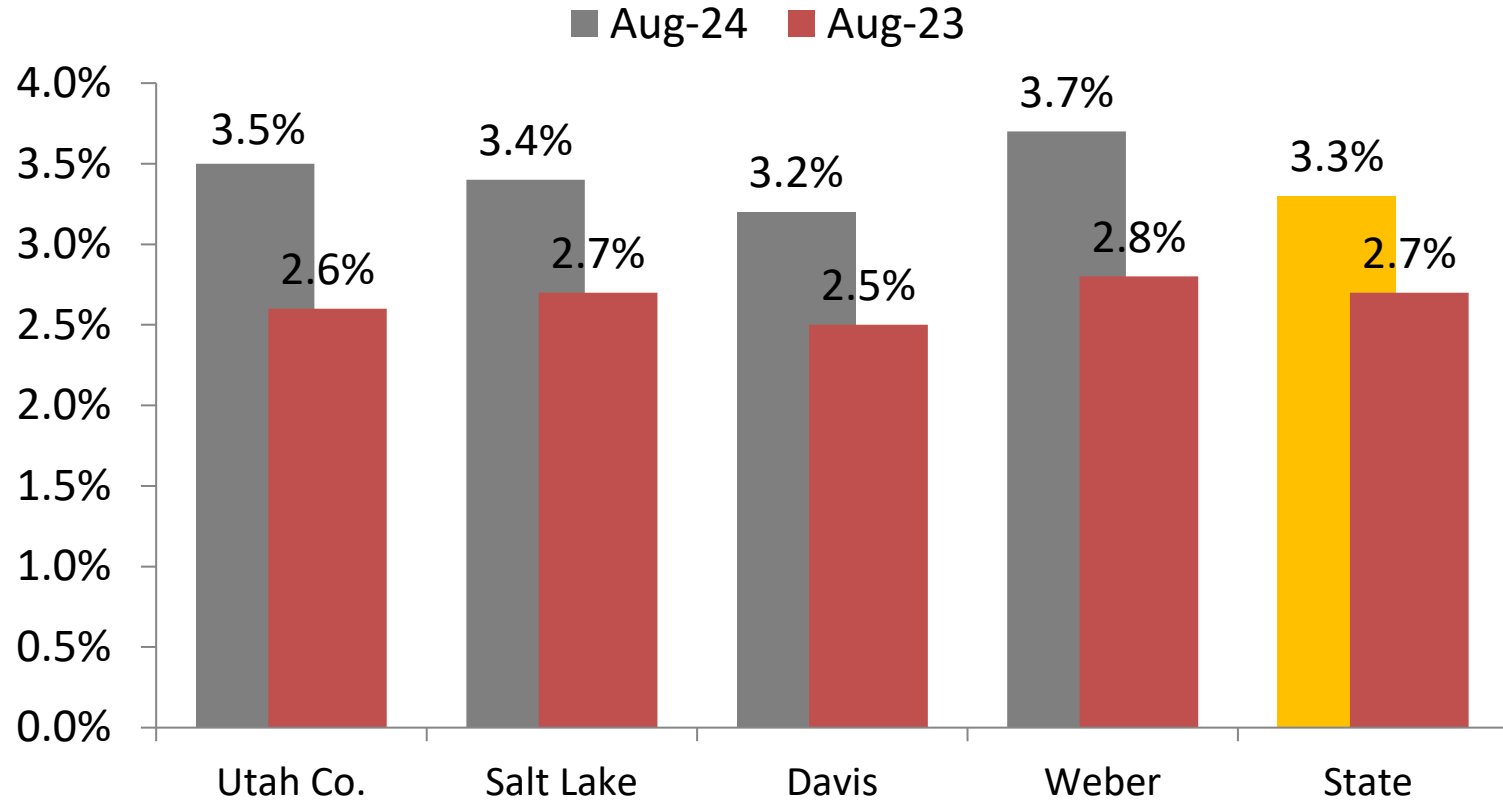
# Job Growth

August 2023-2024



Source: Utah Dept. of Workforce Services

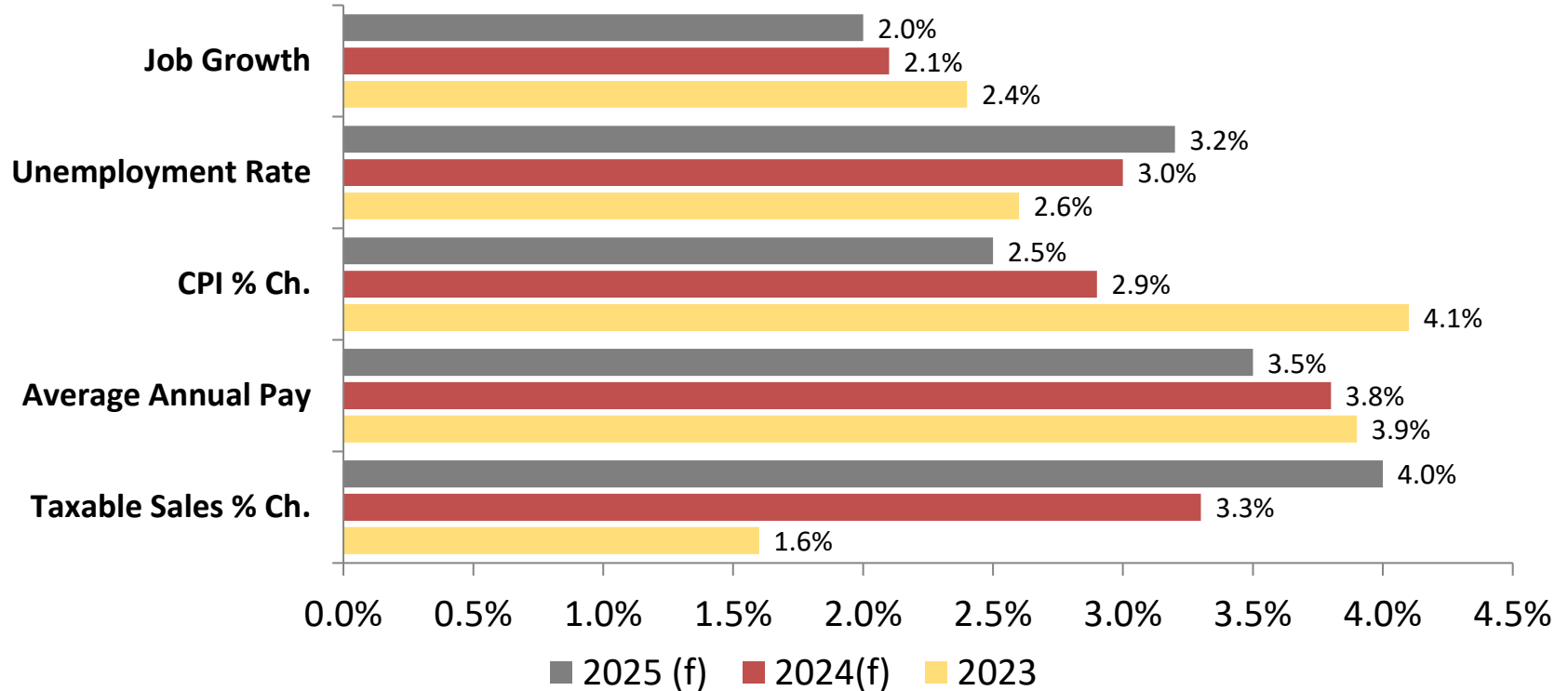
# Unemployment Rate



Source: Utah Dept. of Workforce Services

# Utah Economic Outlook

August 2023-2024



Source: Utah Economic Council



# Jamie Dimon, JPMorgan CEO



*Photo credit: Mike Segar | Reuters*

*“Geopolitical instability is  
my biggest concern.”*

- Jamie Dimon, CNBC, September 24, 2024

# In a Nutshell...

- **Inflation and interest rates** – Move from headwinds to tailwinds.
- **Utah's decelerating growth** – The Beehive State no longer has the nation's best economy, but avoids a recession.
- **Salt Lake County** – Performing at about the state average. Expect moderating growth moving forward.
- **Issues** – Keep an eye on monetary policy, housing, and consumer sentiment. Be mindful of social unrest and geopolitical conflicts.