

Economic Insights

Utah and Salt Lake County

Salt Lake County Council
June 7, 2022

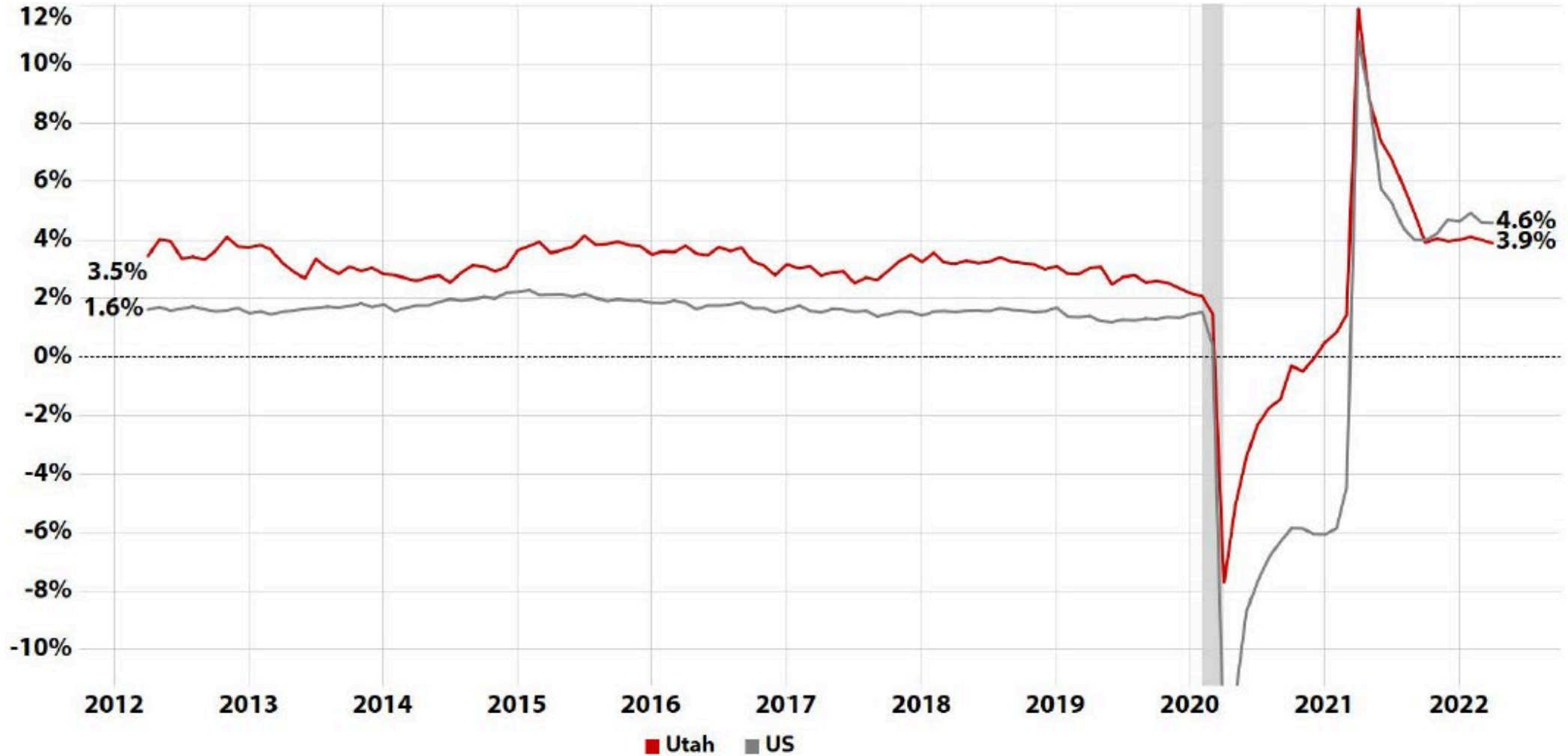
INFORMED DECISIONS™

Key Points

1. We have entered a **new economic environment**.
2. It's **serious** and **complicated**.
3. Utah and Salt Lake County are **favorably positioned**, but not immune.

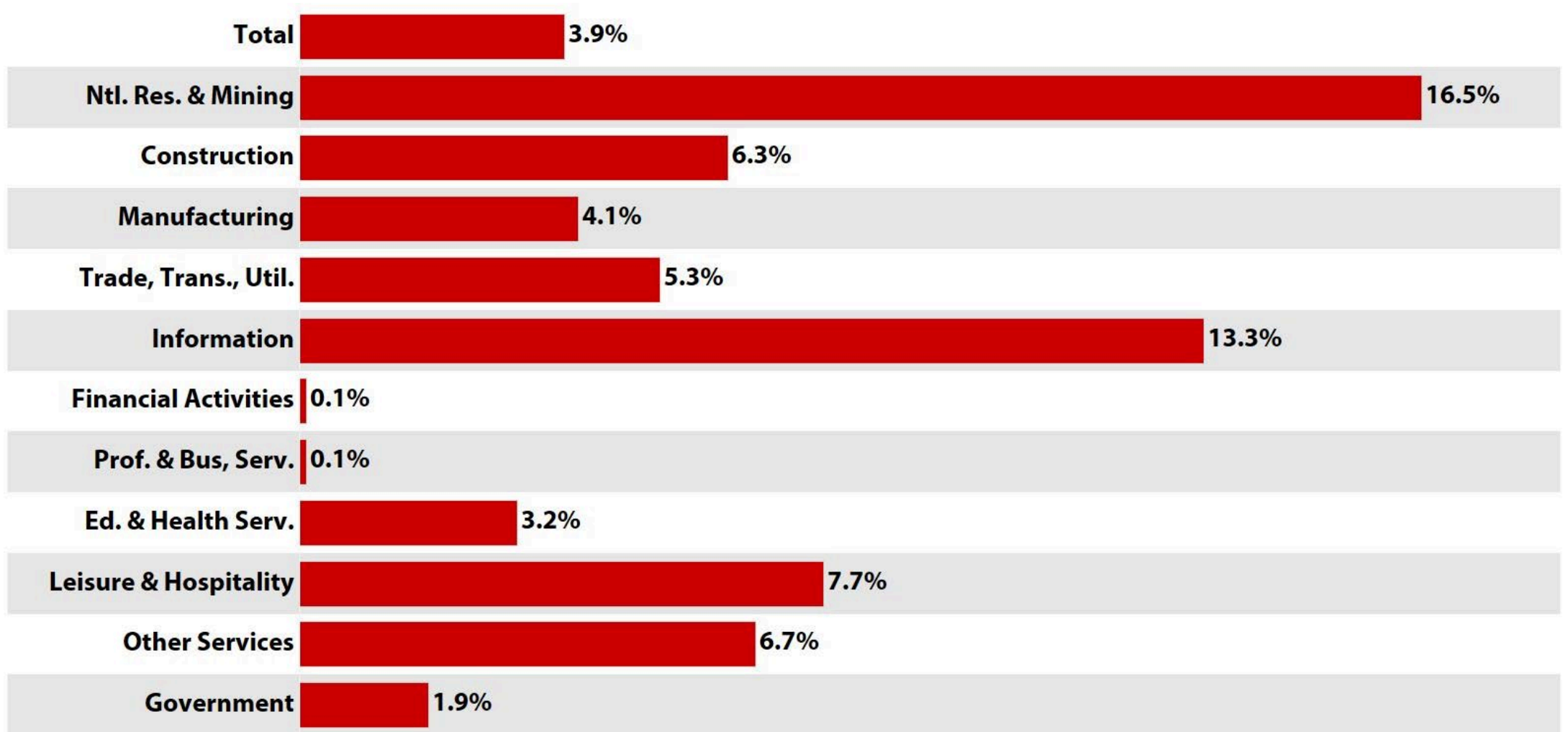
Job Growth

Year-Over Percent Change, Utah and U.S.



Source: U.S. Bureau of Labor Statistics

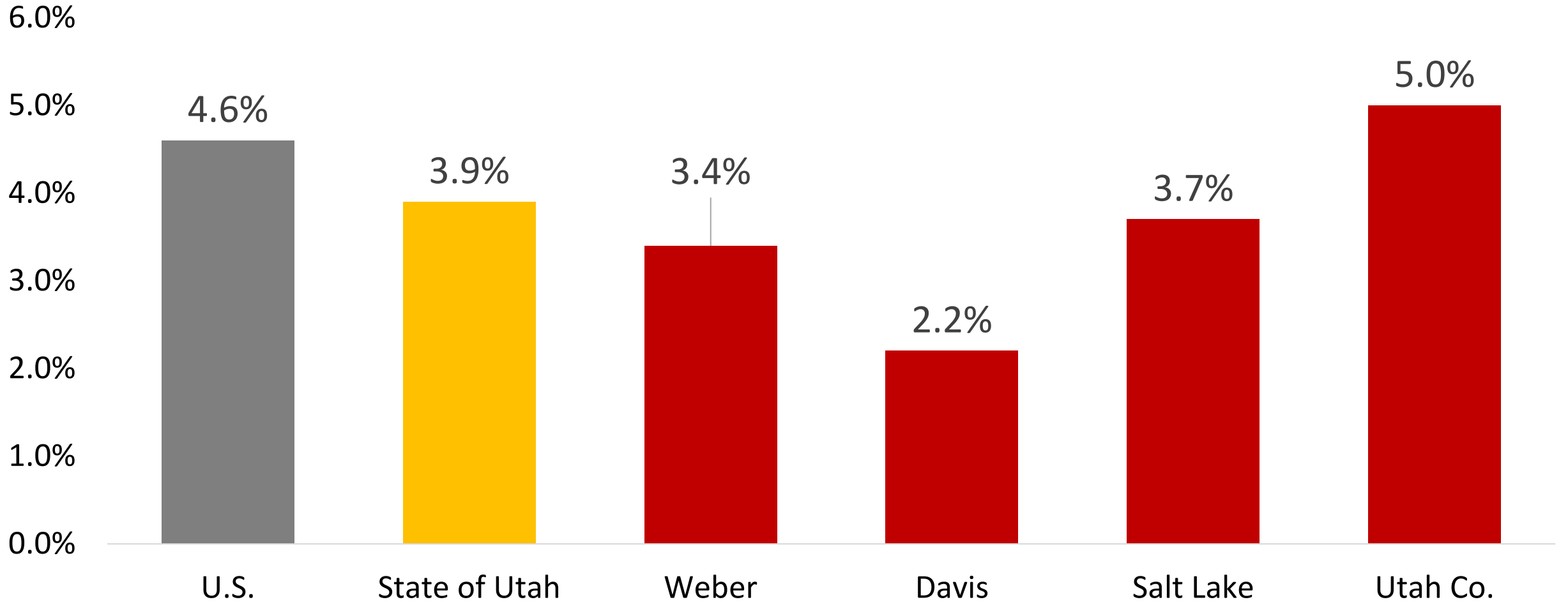
Utah Job Growth By Industry



Source: U.S. Bureau of Labor Statistics

Job Growth

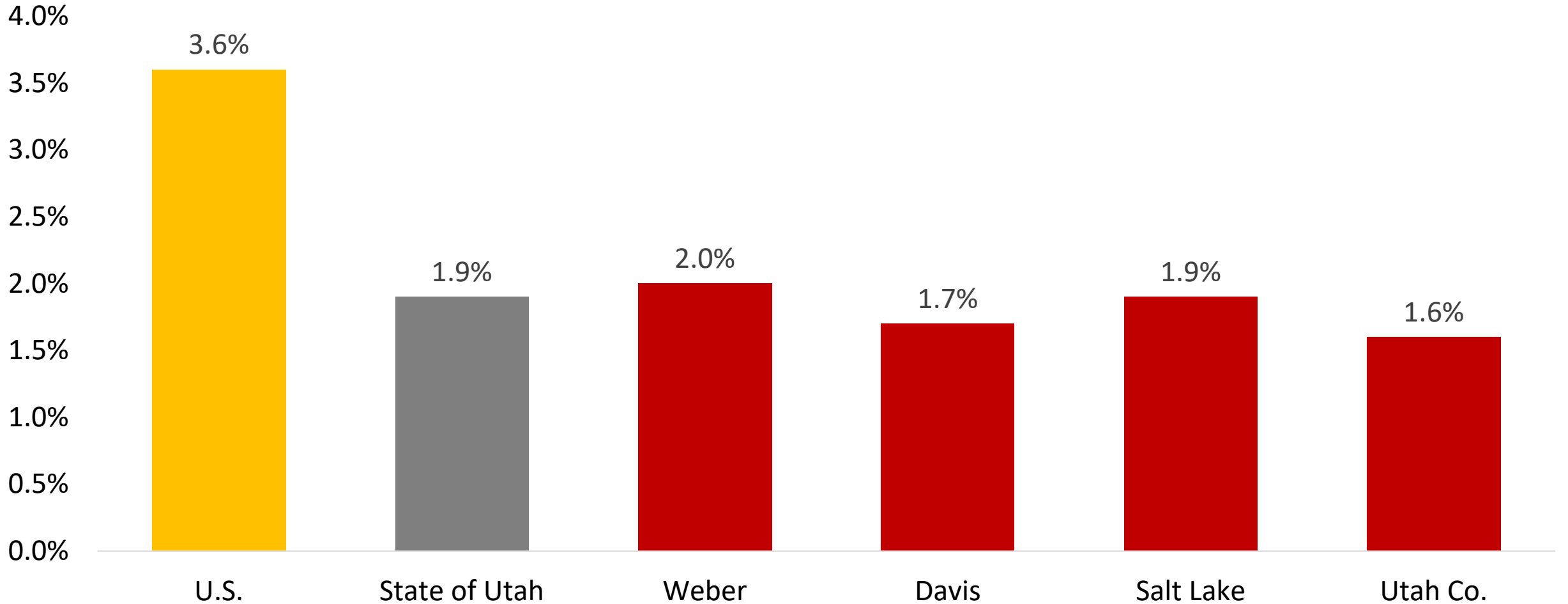
April 2021-2022, Not Seasonally Adjusted



Source: Bureau of Labor Statistics

Unemployment Rate

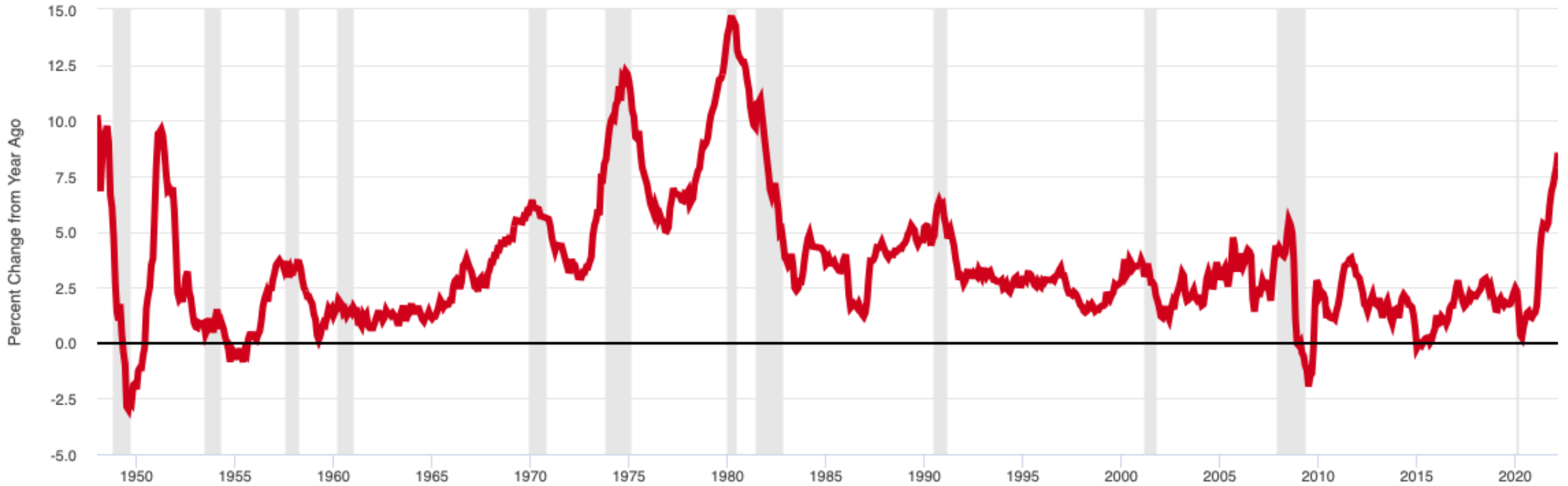
April 2022, Seasonally Adjusted



Source: Bureau of Labor Statistics

The Sting of Accelerating Inflation

Consumer Price Index for All Urban Consumers: All Items in U.S. City Average



Shaded areas indicate U.S. recessions.

Source: U.S. Bureau of Labor Statistics

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Recession Root Causes

1. Imbalances

- Shortages of goods, labor, and housing

2. Overheating

- High inflation

3. Exogenous shocks

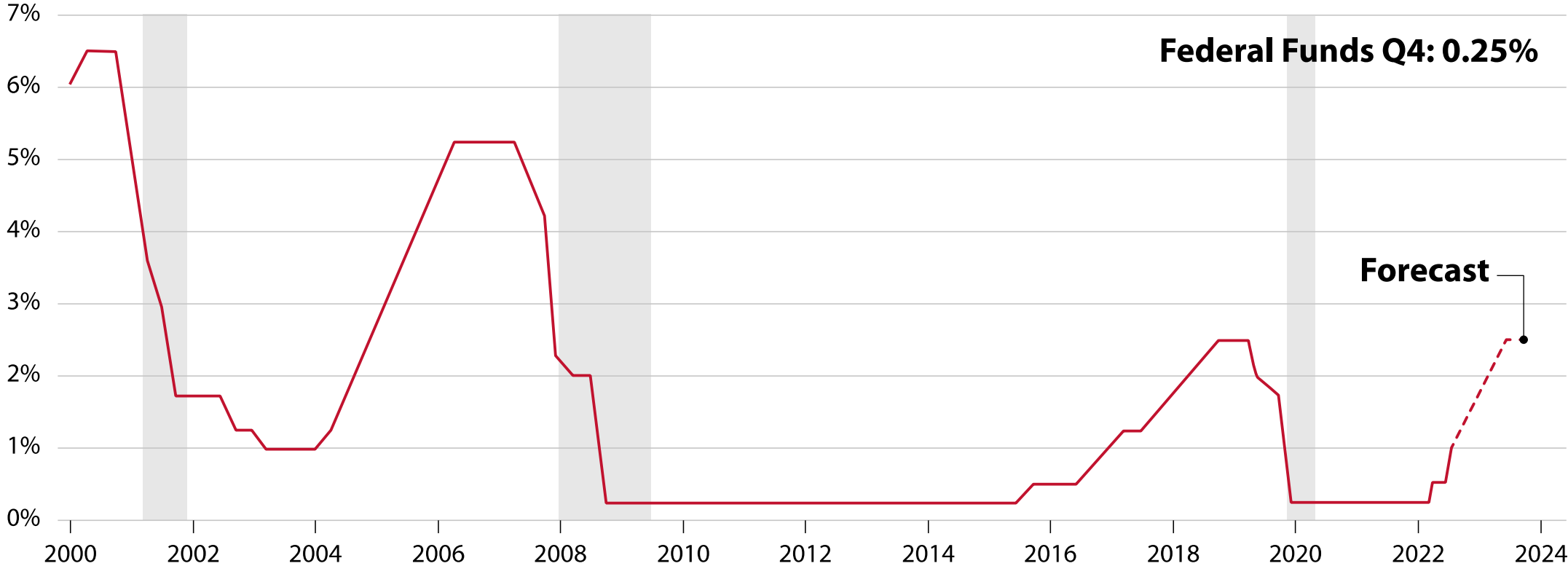
- Lingering pandemic and Putin's war

4. Policy errors

- Fiscal policy
- Monetary policy

Federal Funds Target Rate

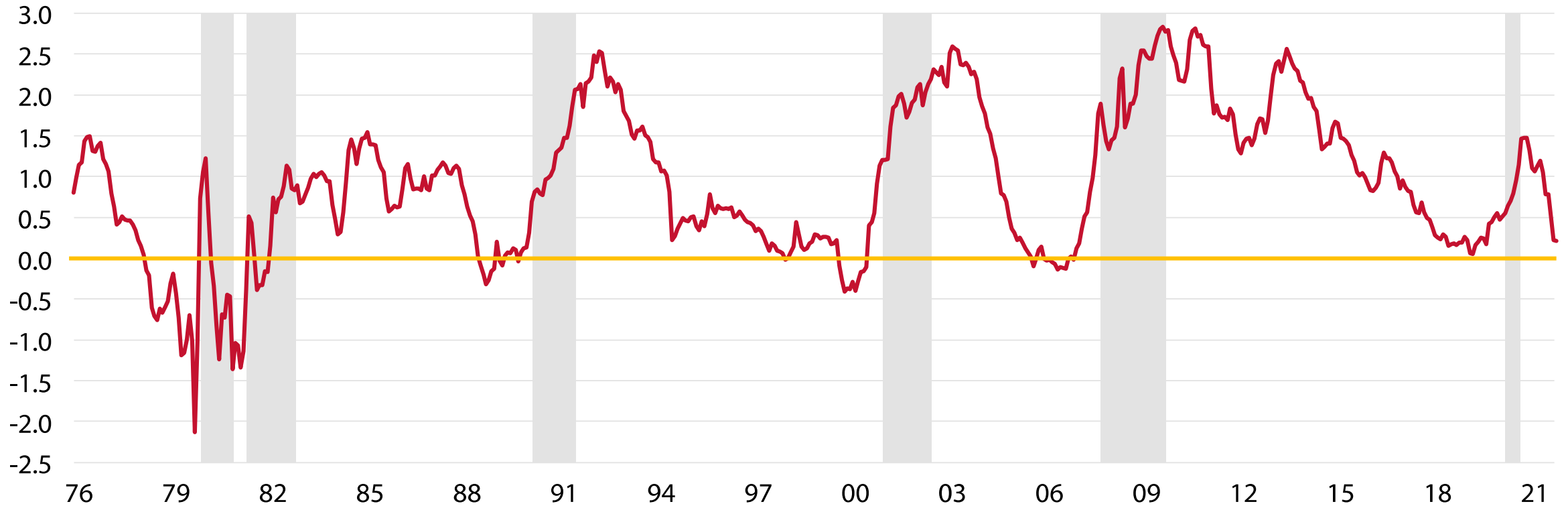
Upper Bound



Source: Federal Reserve Board and Wells Fargo Economics

Yield Curve

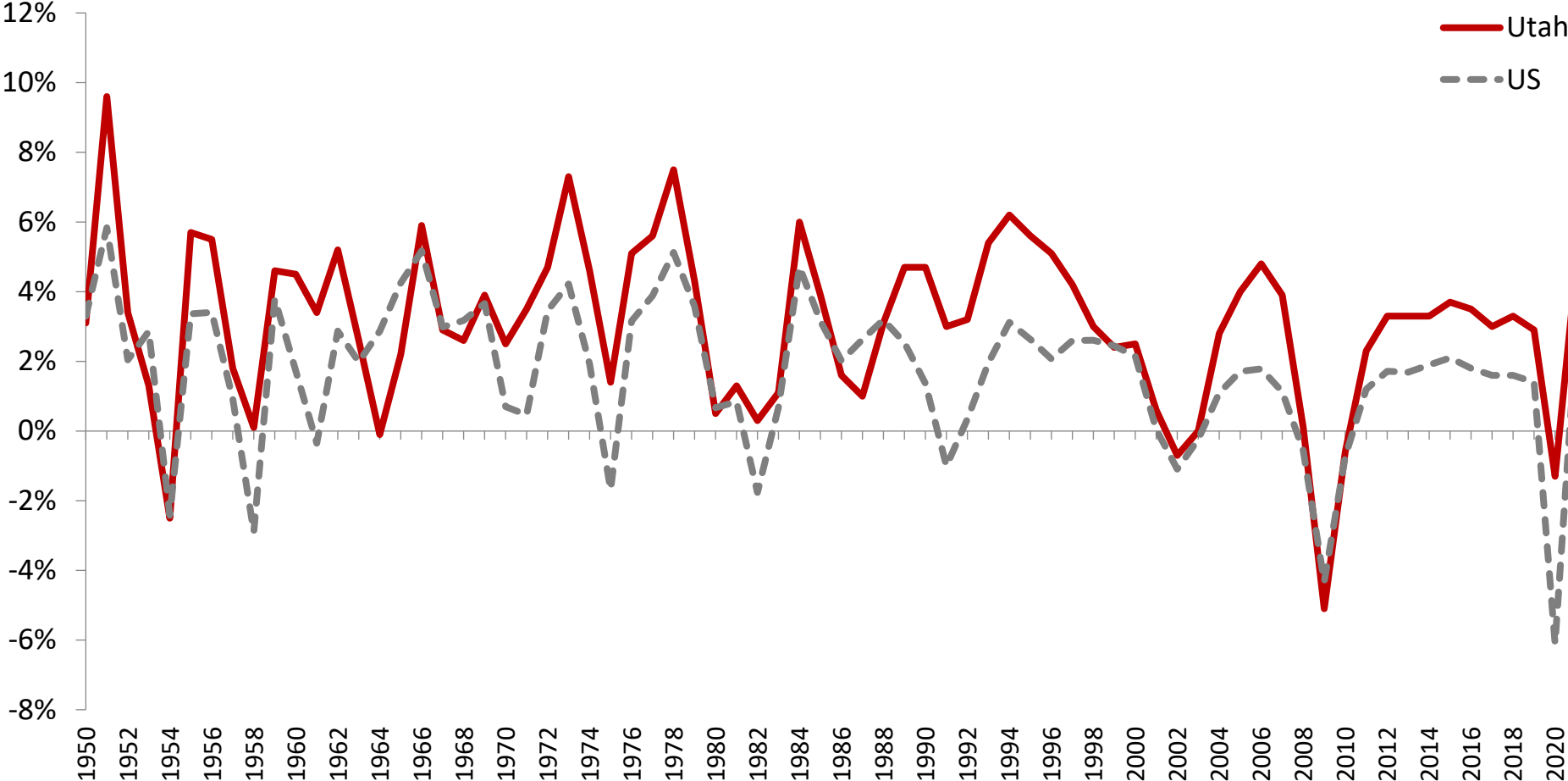
Difference between 10-yr Treasury and 2-yr Treasury yield, ppt



Sources: Federal Reserve, Moody's Analytics

Job Growth Rates

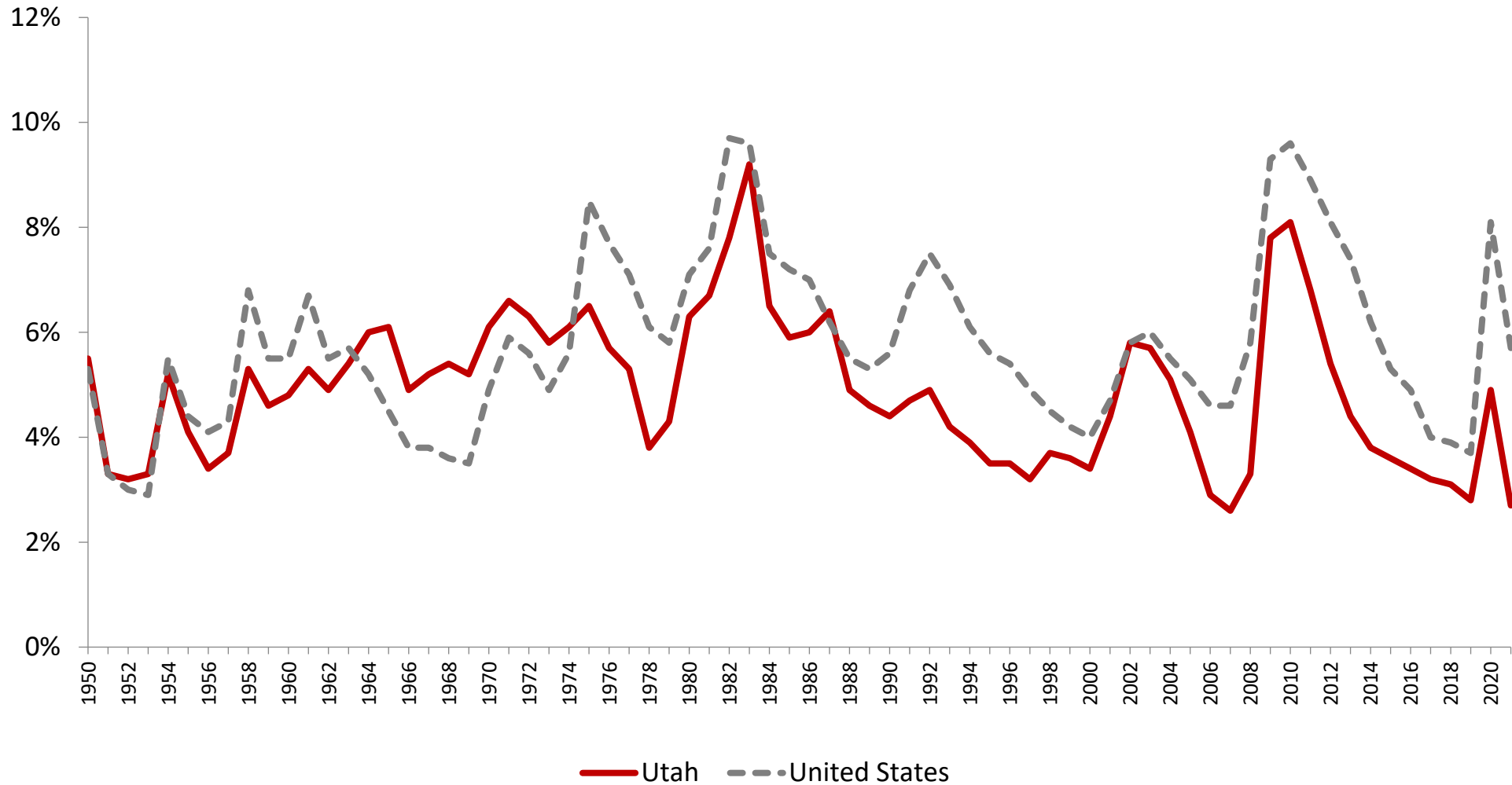
Utah and the U.S.



Source: U.S. Bureau of Labor Statistics

Unemployment Rates

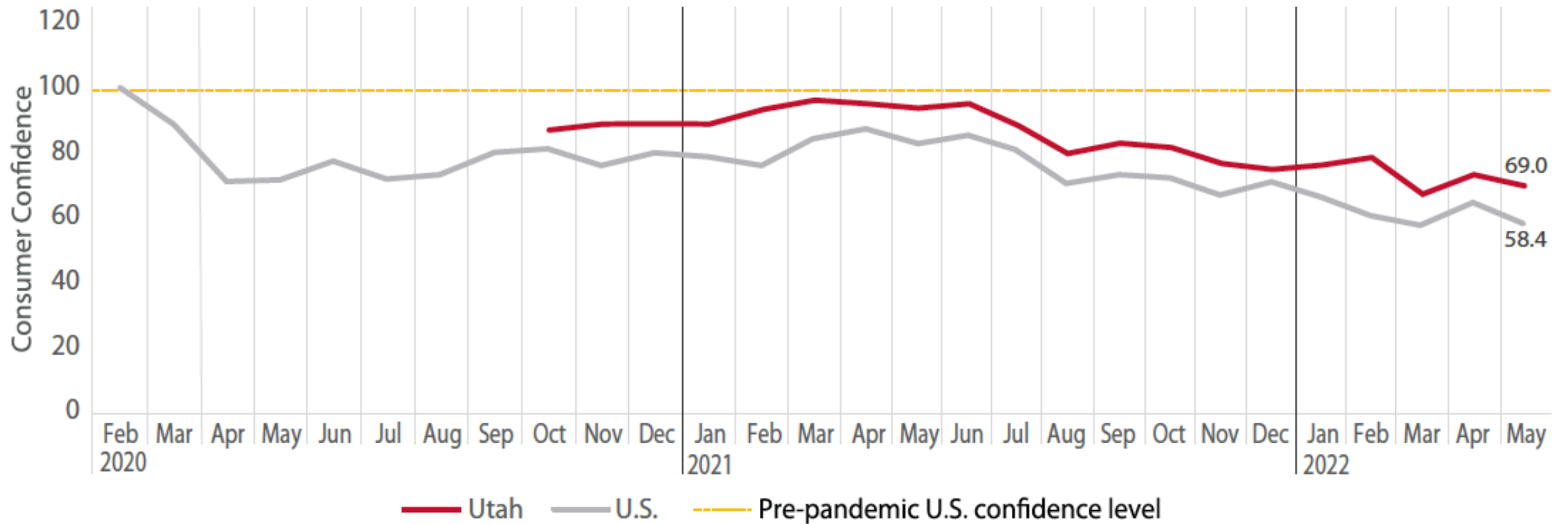
Utah and the U.S.



Source: U.S. Bureau of Labor Statistics

Consumer Sentiment

Utah and the U.S.



Source: Kem C. Gardner Policy Institute

Economic Tailwinds

1. Supply chain improving
2. Demand remains strong
3. Household budgets and balance sheets strong
4. Labor shortage cushion
5. Utah's relative economic positioning through COVID-19
6. Utah's well-diversified economy
7. Utah's status as an energy exporter
8. Utah's economic leadership

Economic Strategies

1. First, do no harm.
2. Recognize the economic re-sorting.
3. Take care of yourself and your people.
4. Care for those left behind.
5. Keep an eye on consumer confidence.
6. Adapt and lead.