

Utah Economic Insights

Natalie Gochnour, Kem C. Gardner Policy Institute
May 10, 2022

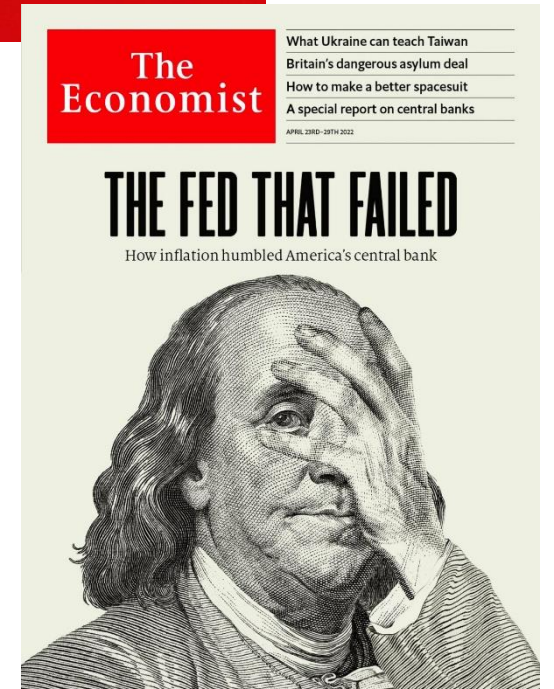
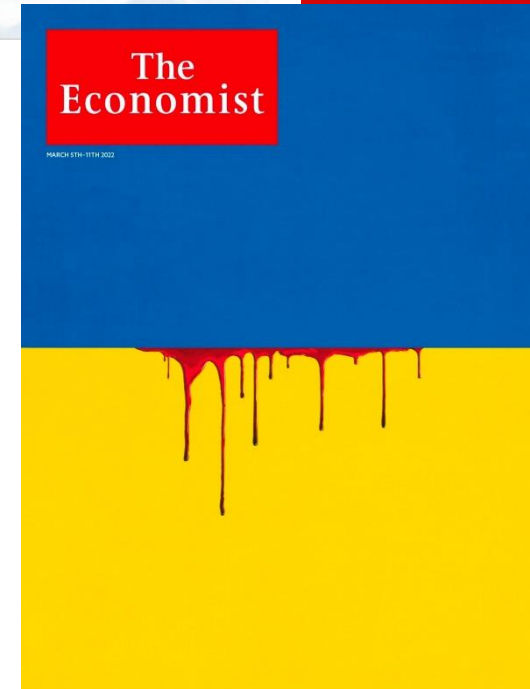
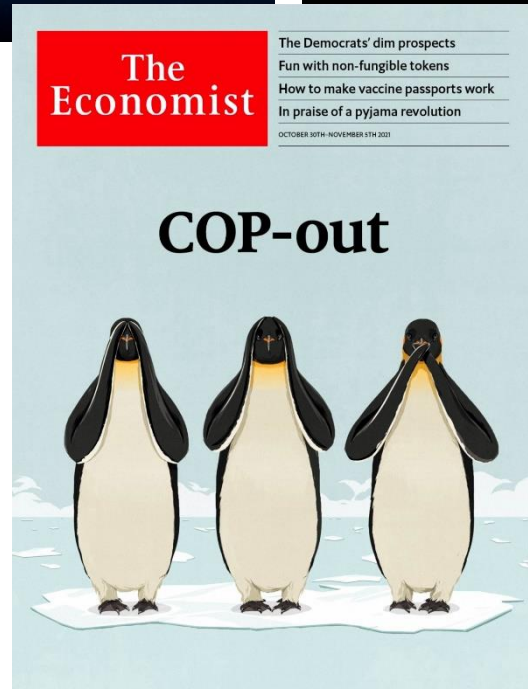
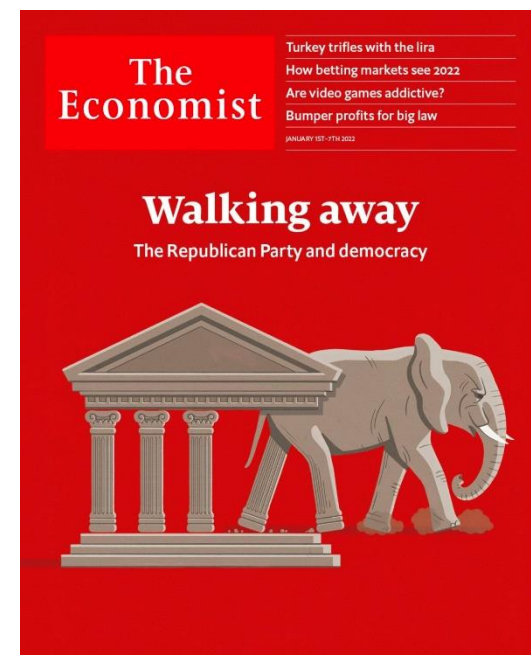
INFORMED DECISIONS™

The Utah Economy...



Utah Economy 2022

1. We are entering a new economic environment.
2. It's serious and complicated.
3. Utah can build from a favorable position.
4. Our actions matter.



The *Utah* Economist

Zero Fatalities: Let's do this!

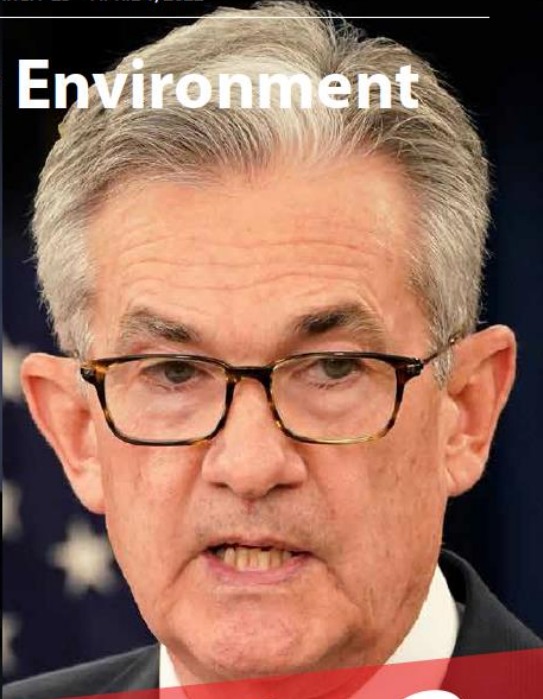
The new Utah House (and Senate)

Excitement at the Utah Jazz

Zion in the City

MARCH 25 – APRIL 1, 2022

New Economic Environment

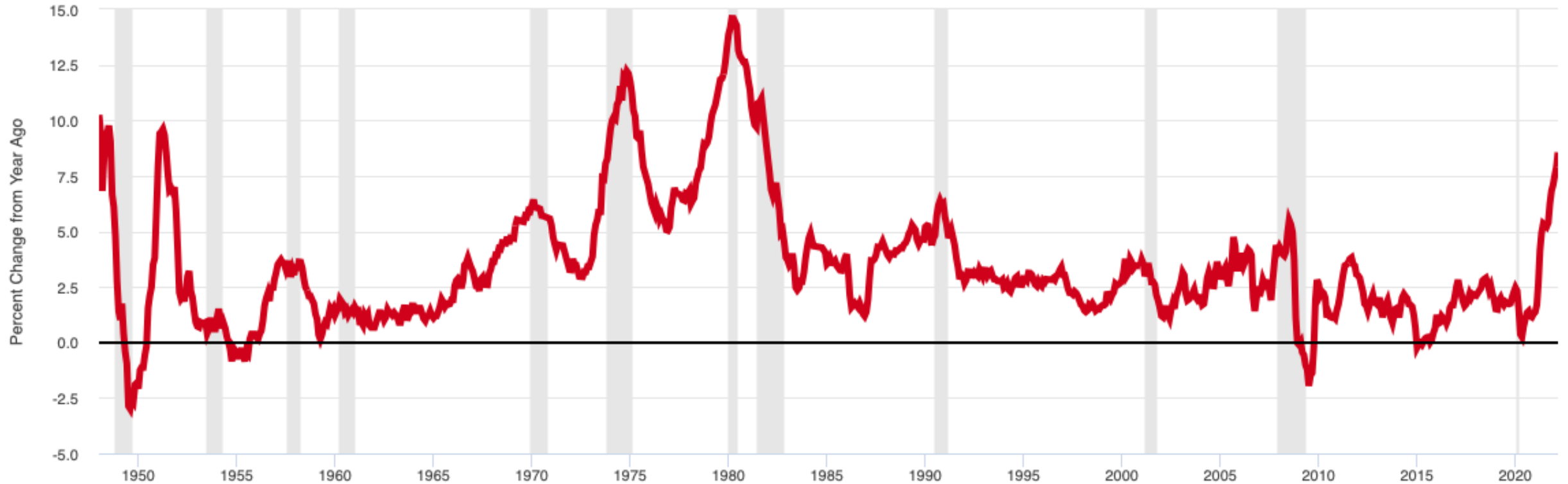


Who's Right?

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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

fred.stlouisfed.org

No thank you California!

Gasoline prices approach \$10/gallon in the Bear State



Source: Lew Cramer, CEO, Colliers International-Utah

Larry Summers, *Washington Post*

March 15, 2022

The Fed has not internalized the **magnitude of its errors** over the past year, is operating with an **inappropriate and dangerous framework**, and needs to **take far stronger action** to support price stability...The Fed's current policy trajectory is likely to lead to **stagflation**, with average unemployment and inflation both averaging over 5 percent over the next few years — and ultimately to a **major recession**.

Jerome Powell, Federal Reserve Chairman

May 4, 2022

We need to do everything we can to restore stable prices as quickly and effectively as we can...We think we have a **good chance** to do it **without a significant increase in unemployment or a really sharp slowdown.**

The *Utah* Economist

A 29-county approach to economic development

Mitt happens!

A tribute to Hill Air Force Base

Ivins: the new St. George

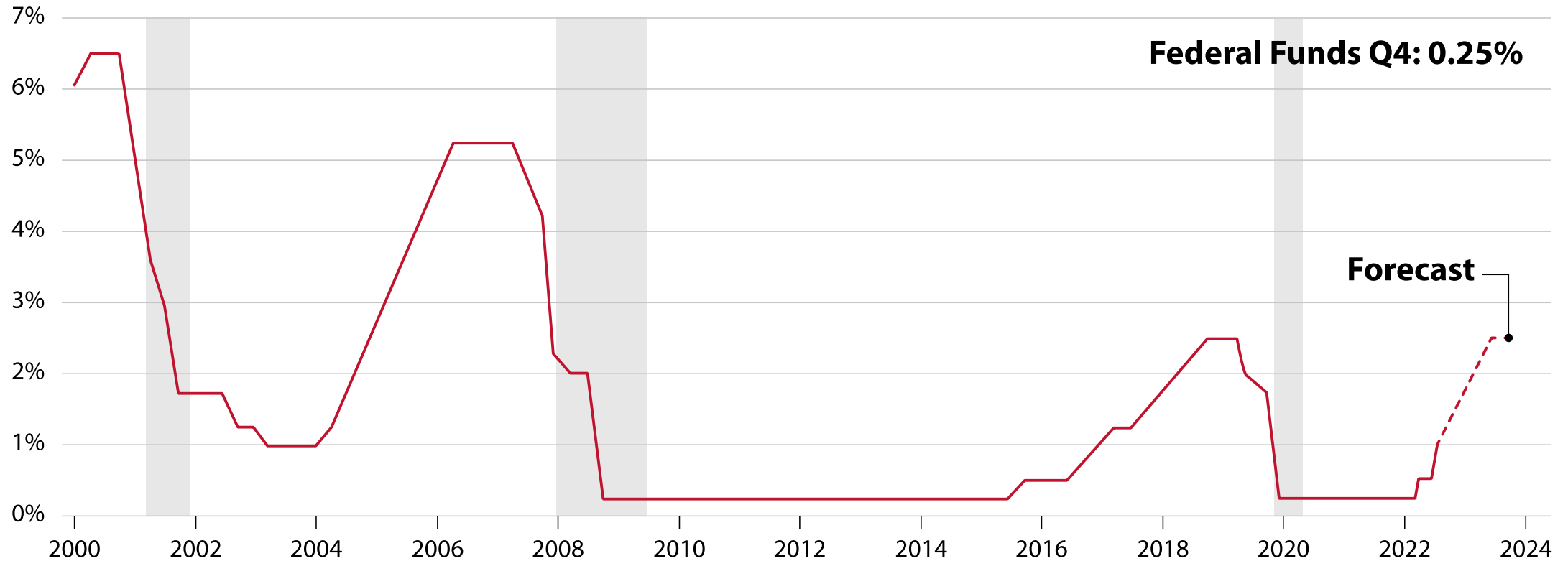
APRIL 2 - 8, 2022

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Federal Funds Target Rate

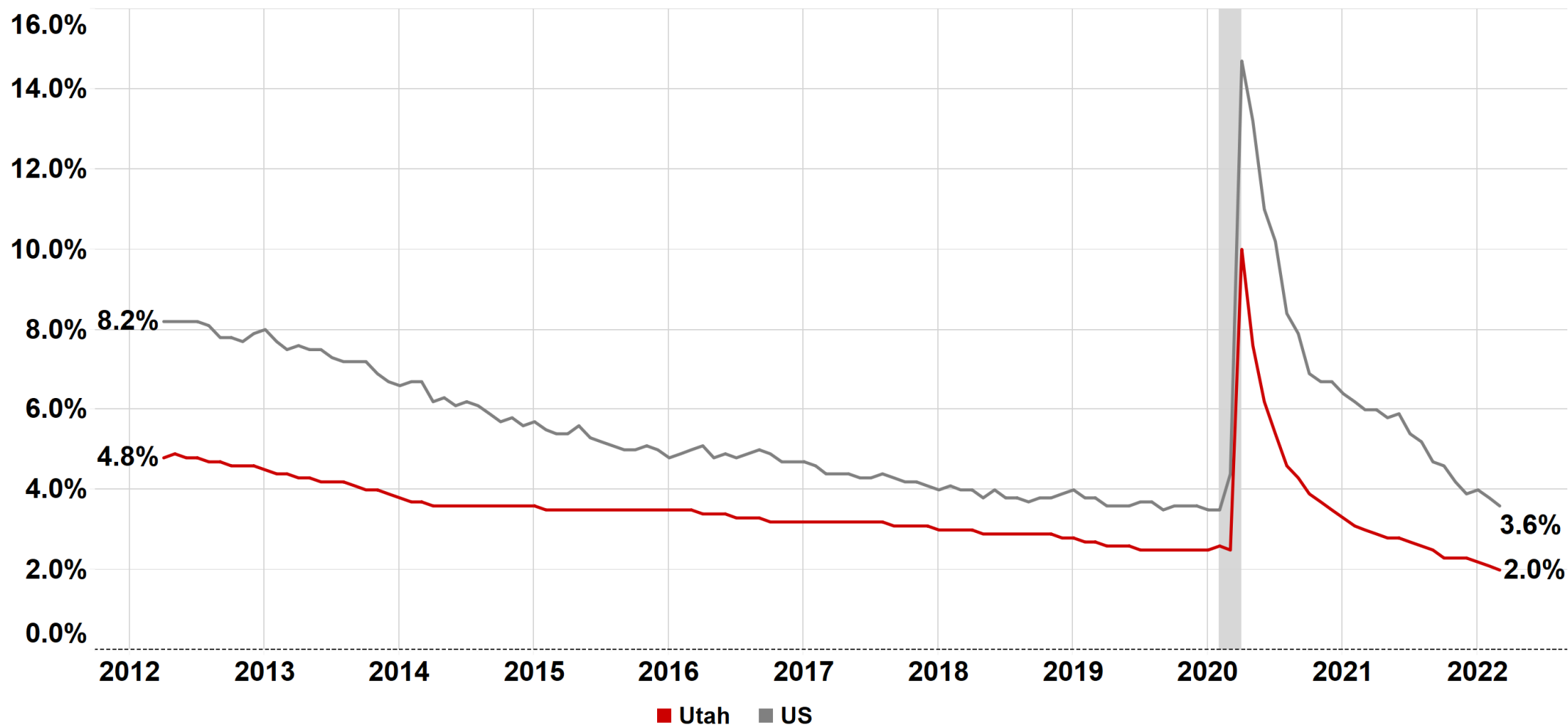
Upper Bound



Source: Federal Reserve Board and Wells Fargo Economics

Labor Shortages Present a Huge Challenge

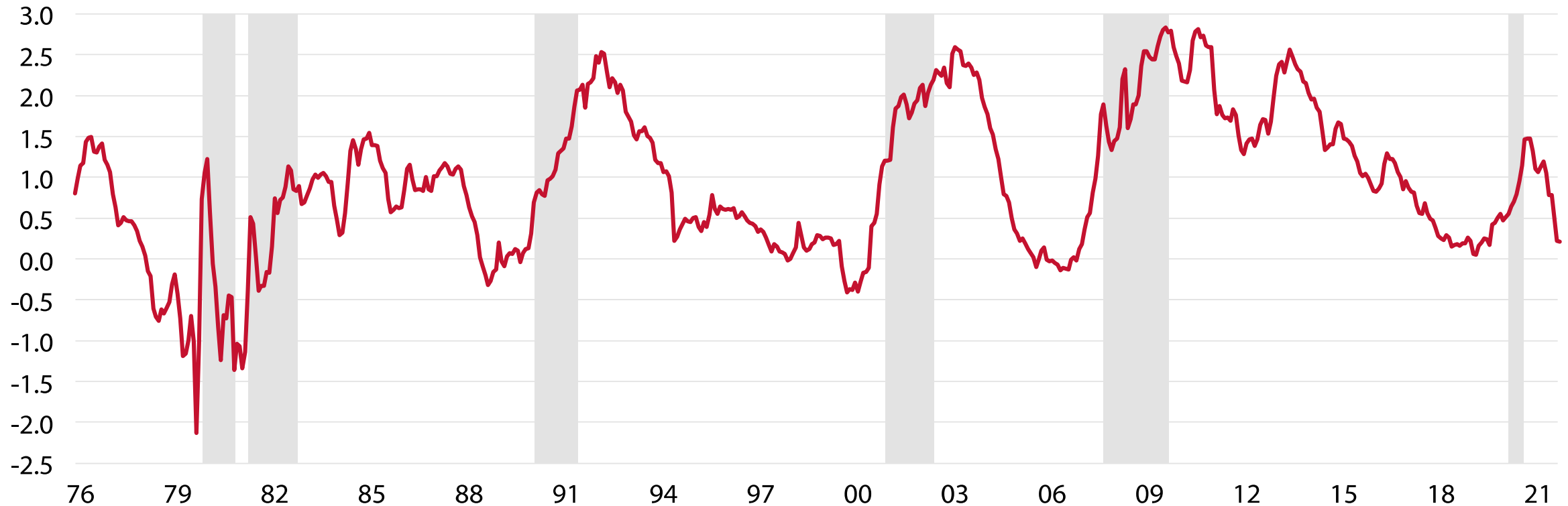
Seasonally adjusted unemployment rate: Utah and U.S.



Source: U.S. Bureau of Labor Statistics

Gracefully Normalizing Rates Will Be Tricky

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



Sources: Federal Reserve, Moody's Analytics

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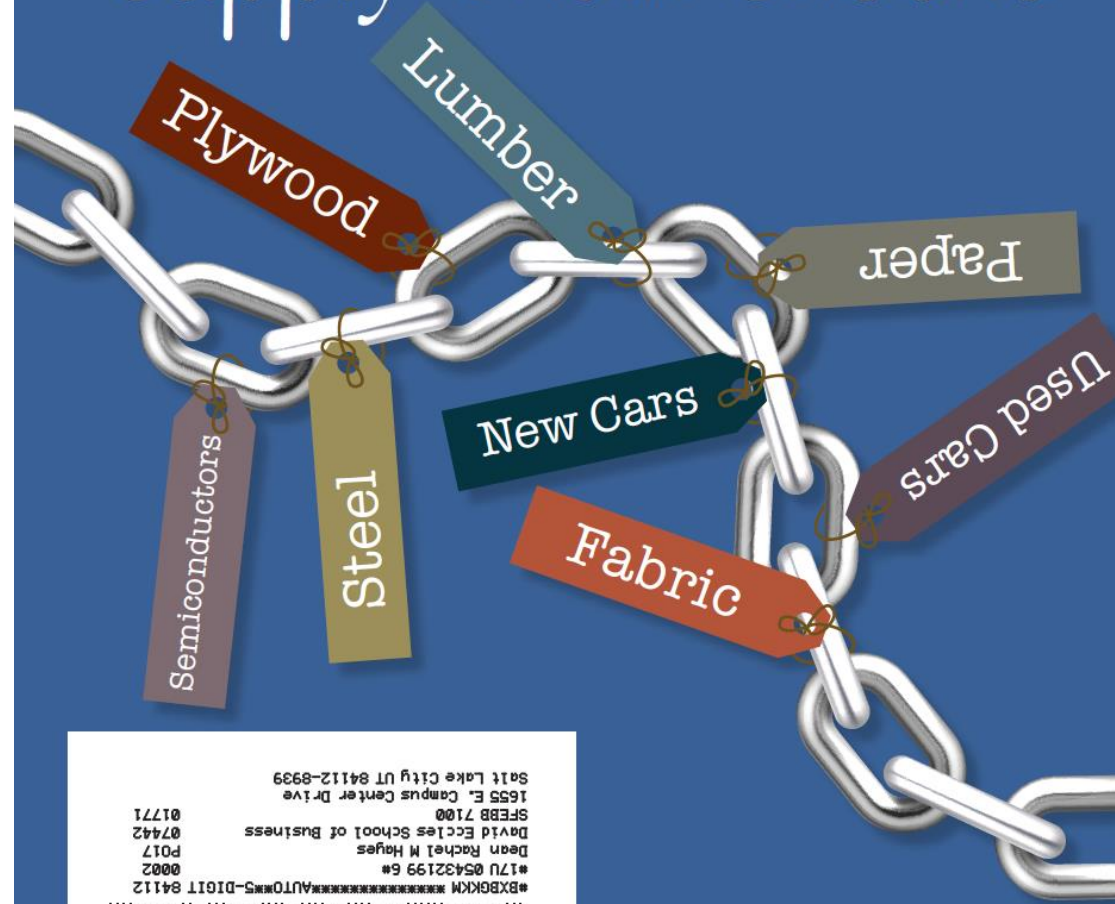
Cloud seeding: does it work?

Crime trends upward

Development-ready sites in rural Utah

MARCH 12 – 18, 2022

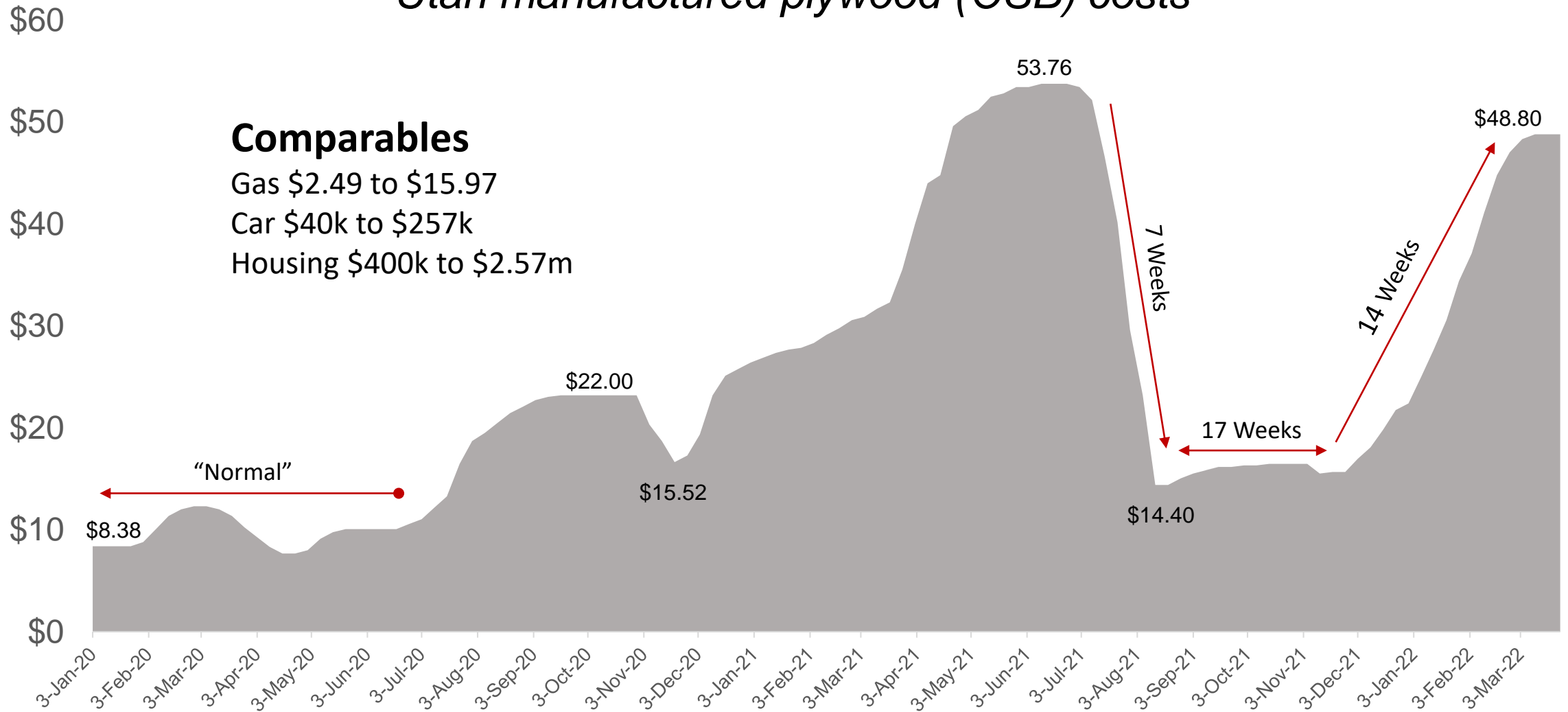
Supply Chain Shocks



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Wildly Fluctuating Costs Wreak Havoc

Utah manufactured plywood (OSB) costs



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The Utah Way FORWARD

Speaker Wilson's policy pillars

What is rural anyway?

Unaffordable Utah

FEBRUARY 19–25, 2022

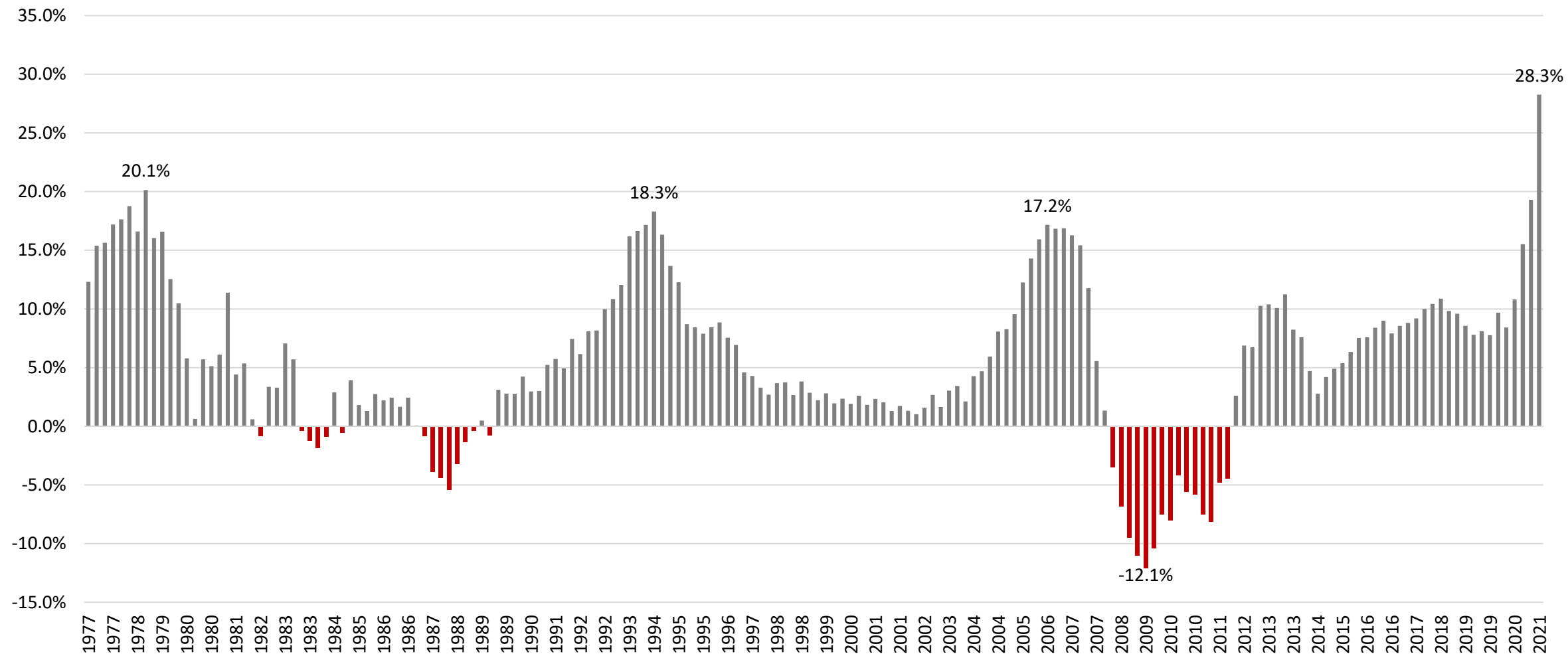
Out of Reach



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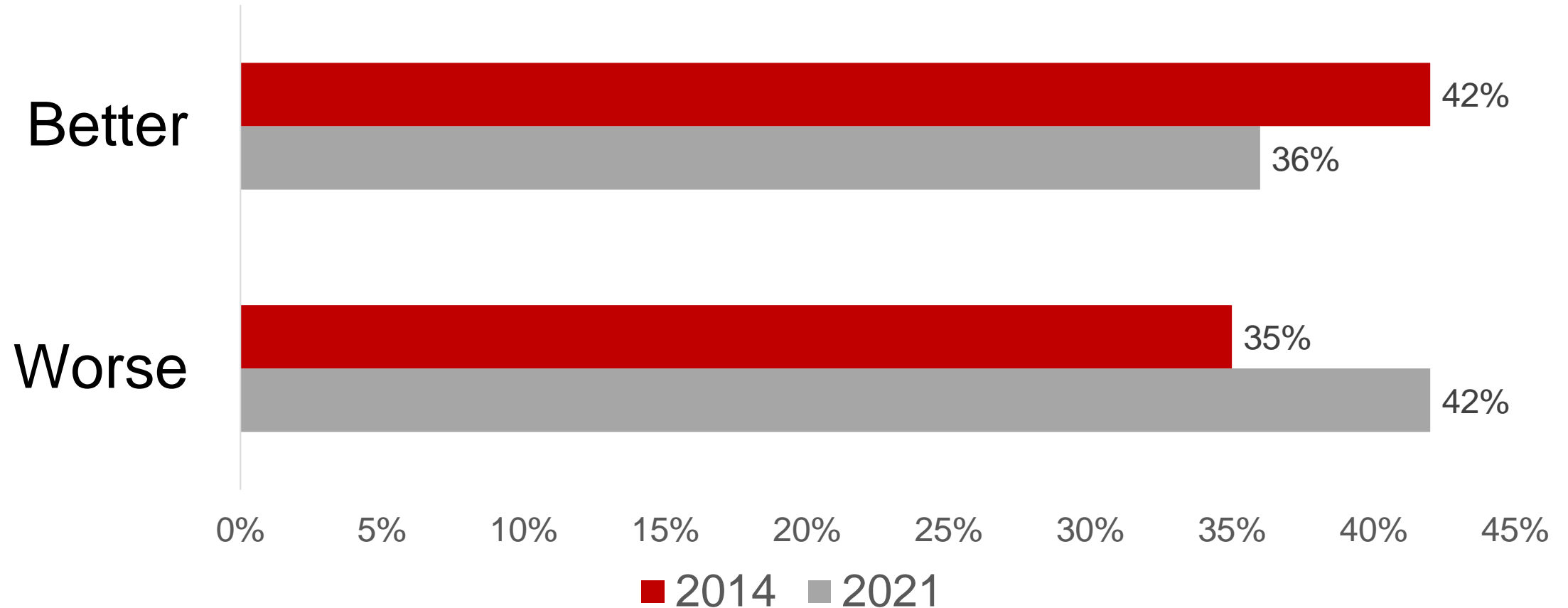
Utah's Housing Price Index

Year-Over Quarterly Percent Change



Source: FHFA

Do you believe future growth in Utah will make things better or worse?

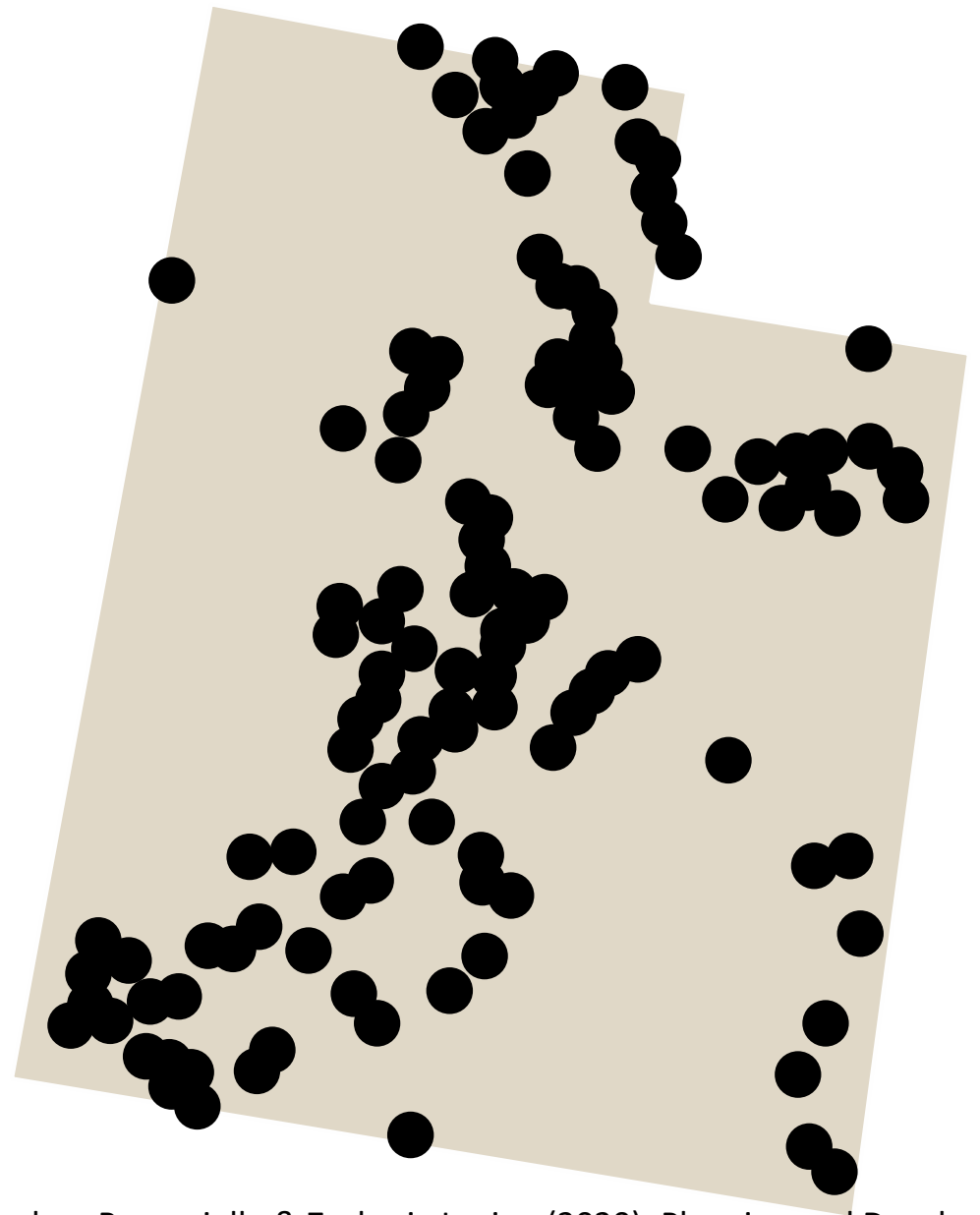


Source: Envision Utah and Heart and Mind Strategies

Welcome to Zoom Town, Utah

Utah's Gateway Communities

- Approximately 165 in Utah.
- Defined as communities...
 - 150 to 25,000 people.
 - Within 10 miles from the boundary of a national park, national monument, national forest, state park, or major water feature.
 - More than 15 miles from an urbanized area



Source: "Philip Stoker , Danya Rumore , Lindsey Romaniello & Zacharia Levine (2020): Planning and Development Challenges in Western Gateway Communities, Journal of the American Planning Association

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Local government: One size misfits all

The gift of being a knowledge worker

Make history, not money

Utah's new economic geography

APRIL 30 – MAY 6, 2022

Utah's Balanced COVID-19 Response

WALL STREET JOURNAL

OPINION | REVIEW AND OUTLOOK

States of Covid Performance

A new study compares outcomes on economy, education, and health

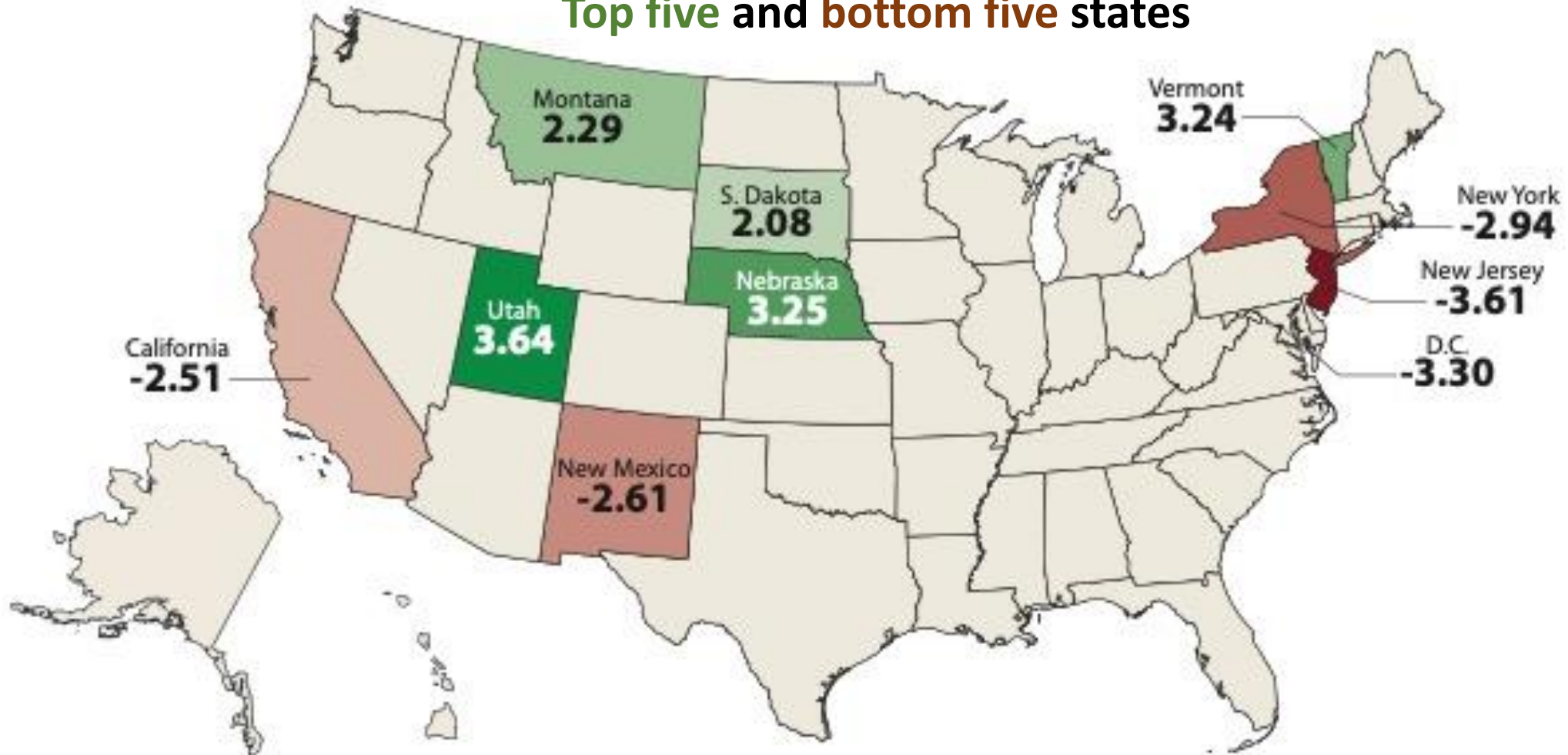
"...**Utah ranks first by a considerable margin**...The Beehive State scored well across all three categories: fourth on the **economy**, fifth in **education** (as measured by lost days in school), and eighth in Covid **mortality** adjusted for a state population's age and the prevalence of obesity and diabetes (leading co-morbidities for Covid deaths)..."

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Utah's Balanced COVID-19 Response

Utah ranks highest in combined score of health, education, and economy

Top five and bottom five states



Source: "A Final Report Card on the States' Response to COVID-19," National Bureau of Economic Research

Taylor Randall

University of Utah President

Co-chair, Utah's COVID-19 economic response

When you focus on one problem, you lose perspective.

UTAH'S ECONOMIC OUTLOOK: NUMERO UNO...



...15 YEARS RUNNING

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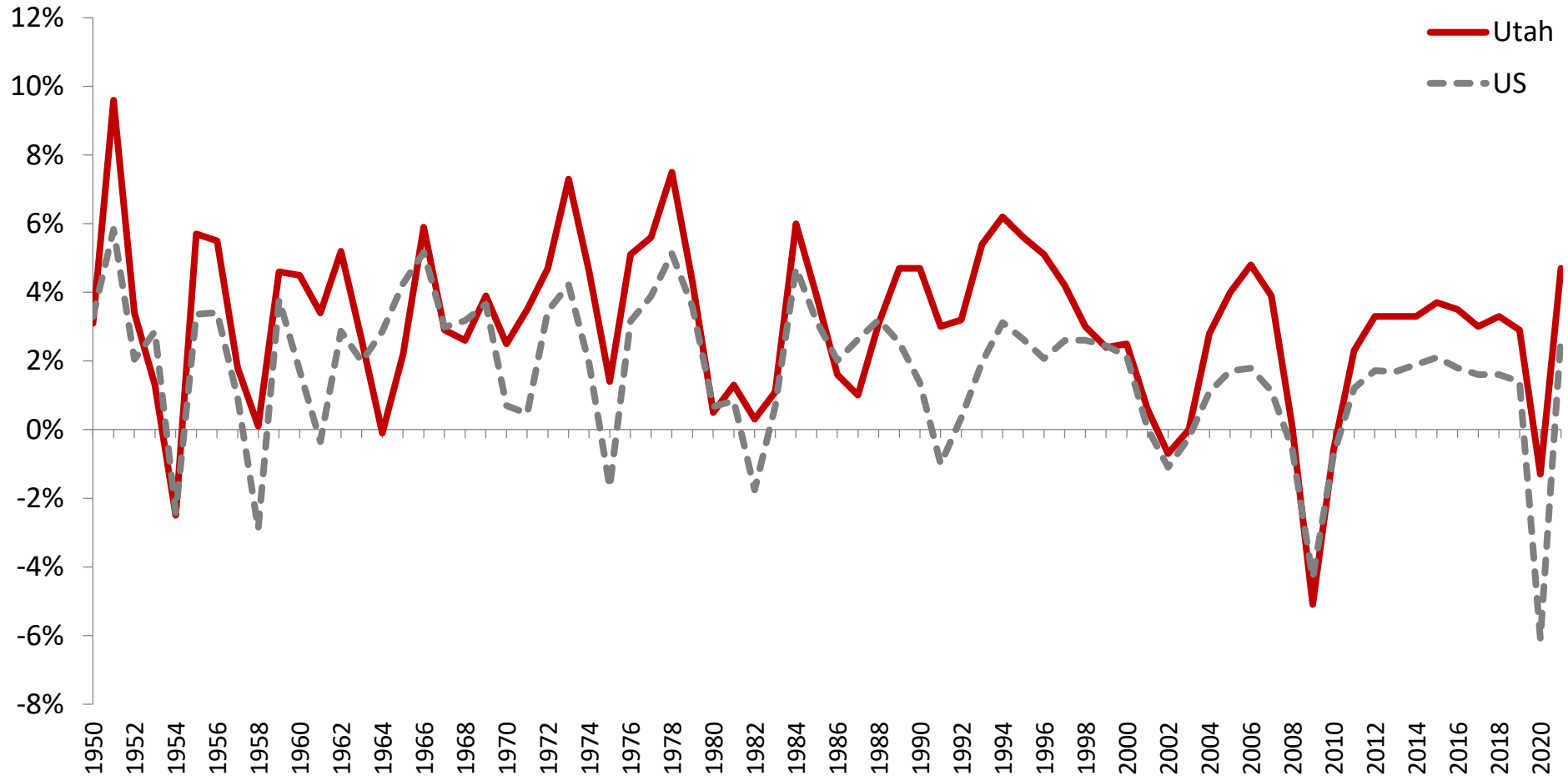
Clark Ivory

May 3, 2022, Salt Lake Chamber Board of Directors' retreat

We understand the connection
between social good and economic
good.

Job Growth Rates

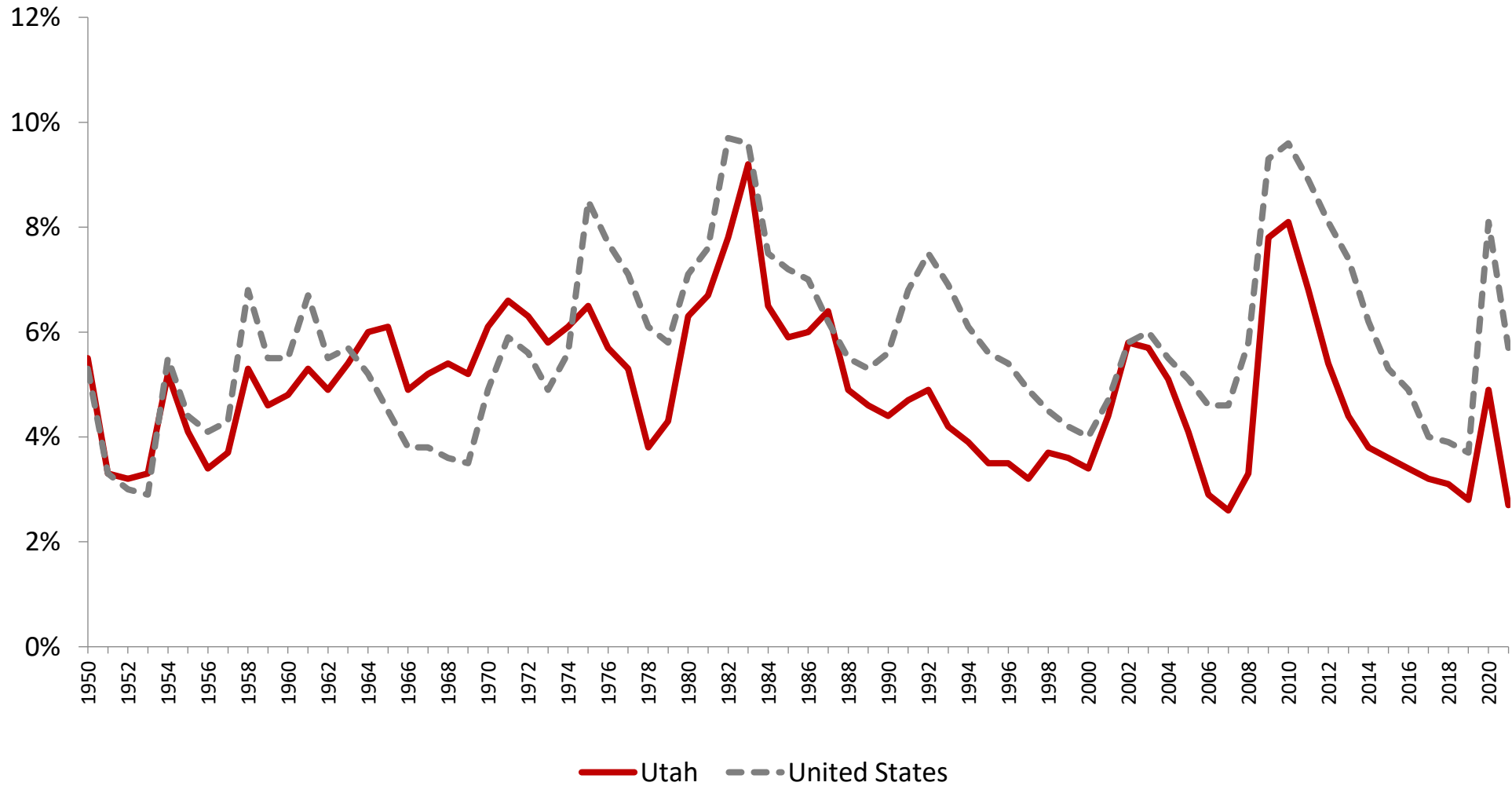
Utah and the U.S.



Source: U.S. Bureau of Labor Statistics

Unemployment Rates

Utah and the U.S.



Source: U.S. Bureau of Labor Statistics

Economic Strategies

1. First, do no harm.
2. Prepare for an 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. Invest wisely.

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Rose Bowl...again!

Provo Airport soars

Reservations at Bear Lake

Quilts to Ukraine

APRIL 9 – 15, 2022



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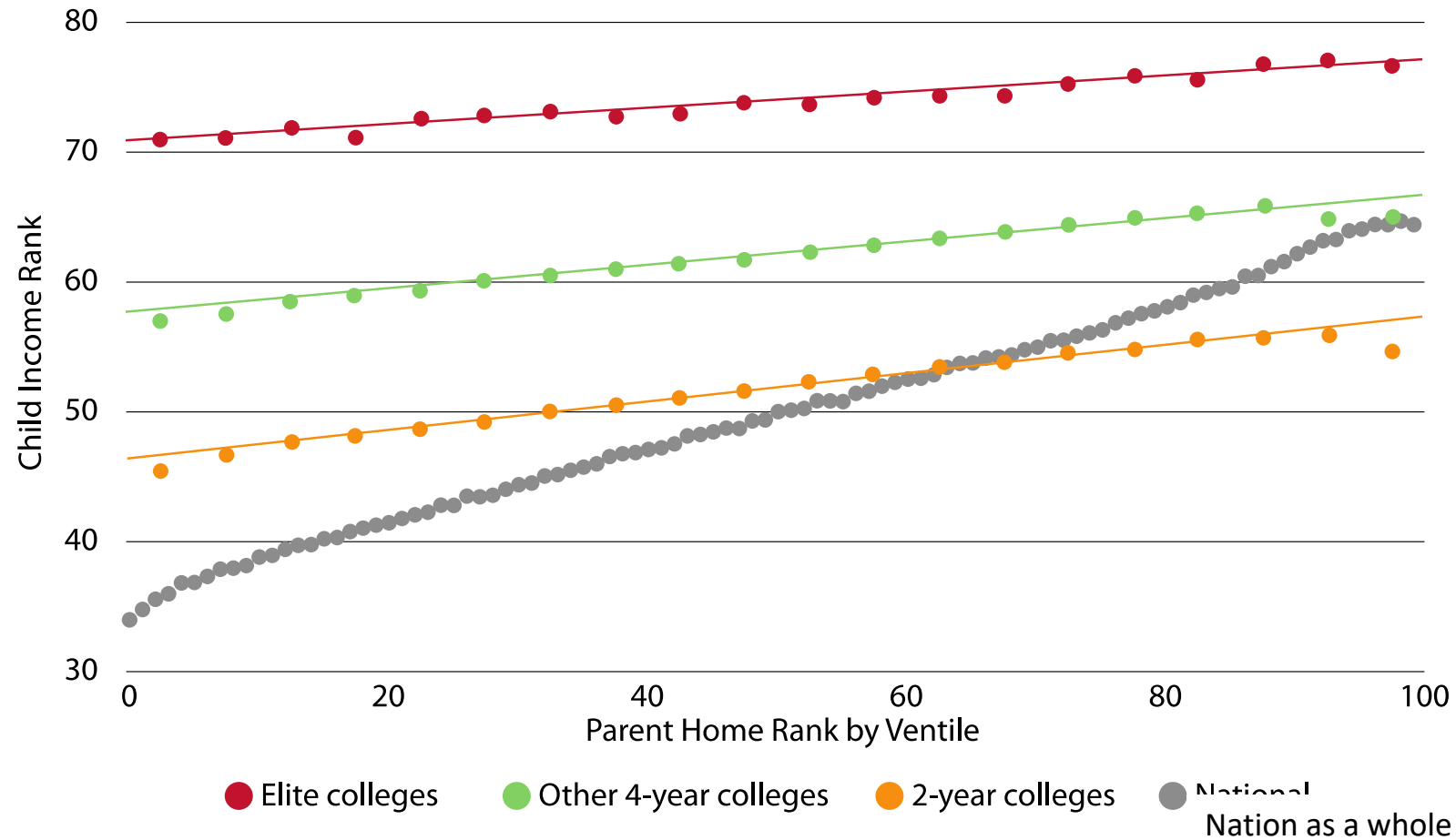
George Herbert Walker Bush

April 18, 1991, Address to the nation on a national education strategy

Think about every problem, every challenge, we face. The solution to each starts with education.

College Education Levels the Playing Field

U.S. mean child income rank at age 34 compared to parent's rank: 1980-82 birth cohort



Source: Chetty et al., "Mobility report cards: The role of colleges in intergenerational mobility."

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What to expect when no one is expecting

Don't over engineer your life

Hawks at the FED

To be perfect is to change often

APRIL 23 – 29, 2022



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*Gratitude unlocks
the fullness of life.*

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Zero Fatalities: Let's do this!

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MARCH 25 – APRIL 1, 2022

New Economic Environment

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The new Hogle Zoo

The Utah Innovation Lab

A business vision for Utah's energy economy

Pres. Adams profile

APRIL 16 – 22, 2022

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APRIL 23 – 29, 2022

Thank You

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The Utah House opens in D.C.

IKON pass beats records

Payson comes alive

A tale of two crops: alfalfa and cherries

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MARCH 19-25, 2022

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The Utah Dream

Gov. Spencer Cox

Be a state where residents are happy, safe, healthy, and successful. A place where we can grow old surrounded by the people we love and live peaceably in the most beautiful state in America. A place where we realize the good that comes from doing things together as ONE UTAH.