

Economic Insights

Utah and Salt Lake County

October 13, 2020

INFORMED DECISIONS™

Today's Topics

1. COVID-19 insights
2. National context
3. It's different in Utah and Salt Lake County
4. Utah economic forecast

COVID-19 Insights

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COVID-19 Update

1. **Keep your knees bent** – The virus remains “in the wild.”
2. **Entering a new phase** – Schools, colder weather, indoors, virus fatigue, and seasonal flu season create flash points.
3. **Utah County/So. Salt Lake County problem** – “Unmanaged spread”
4. **The key** – Masks, distancing, and stay home if you are sick. Manage risk!
5. **Vaccines and therapeutics** – On their way, but adoption will take time. We will be managing this pandemic well into 2021.

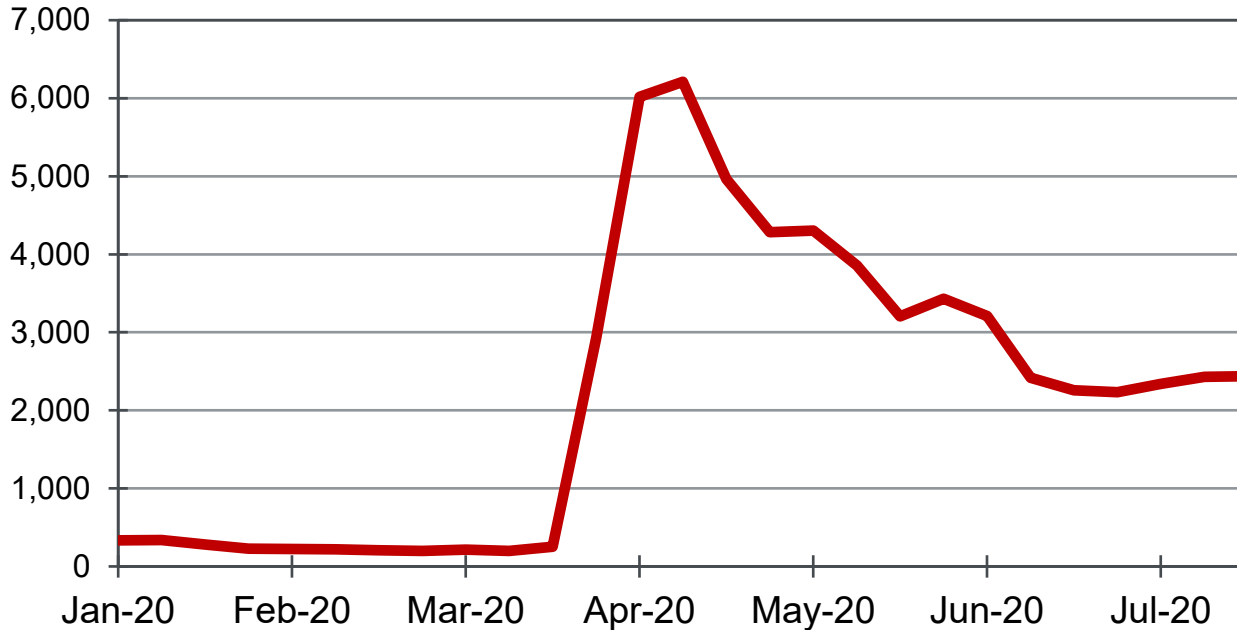
National Context

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U.S. Economy Moving Sideways

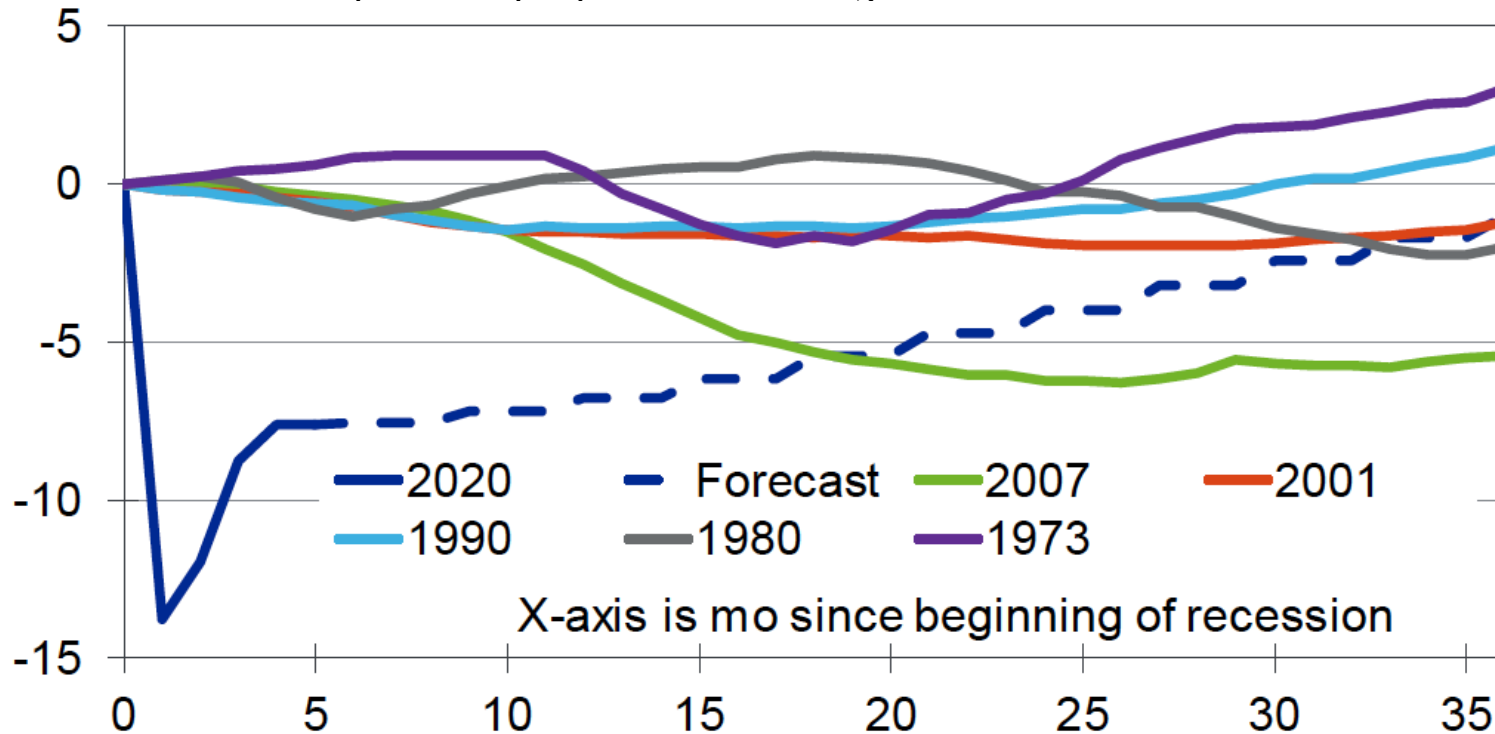
U.S. Initial UI claims, ths, NSA



Sources: BLS, Moody's Analytics

The Long Road Back

Nonfarm employment, % change since last recession

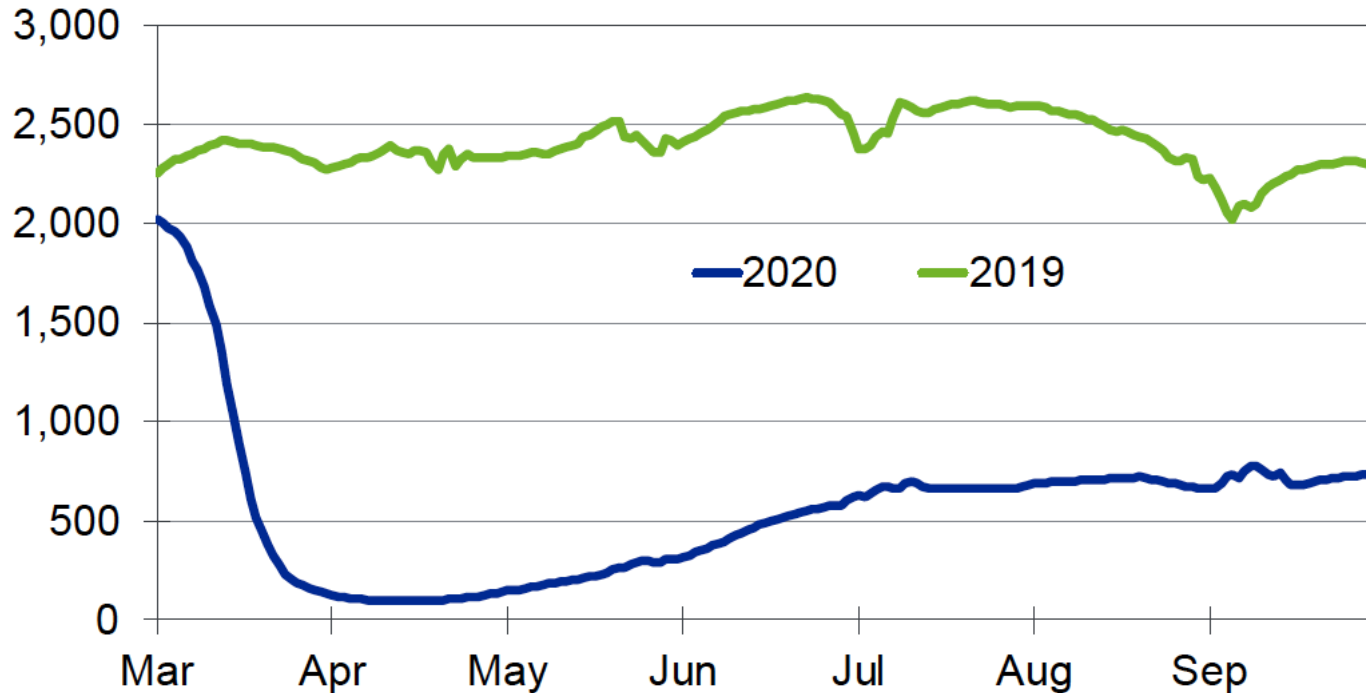


X-axis is mo since beginning of recession

Source: BLS, Moody's Analytics

Failing to Take Off

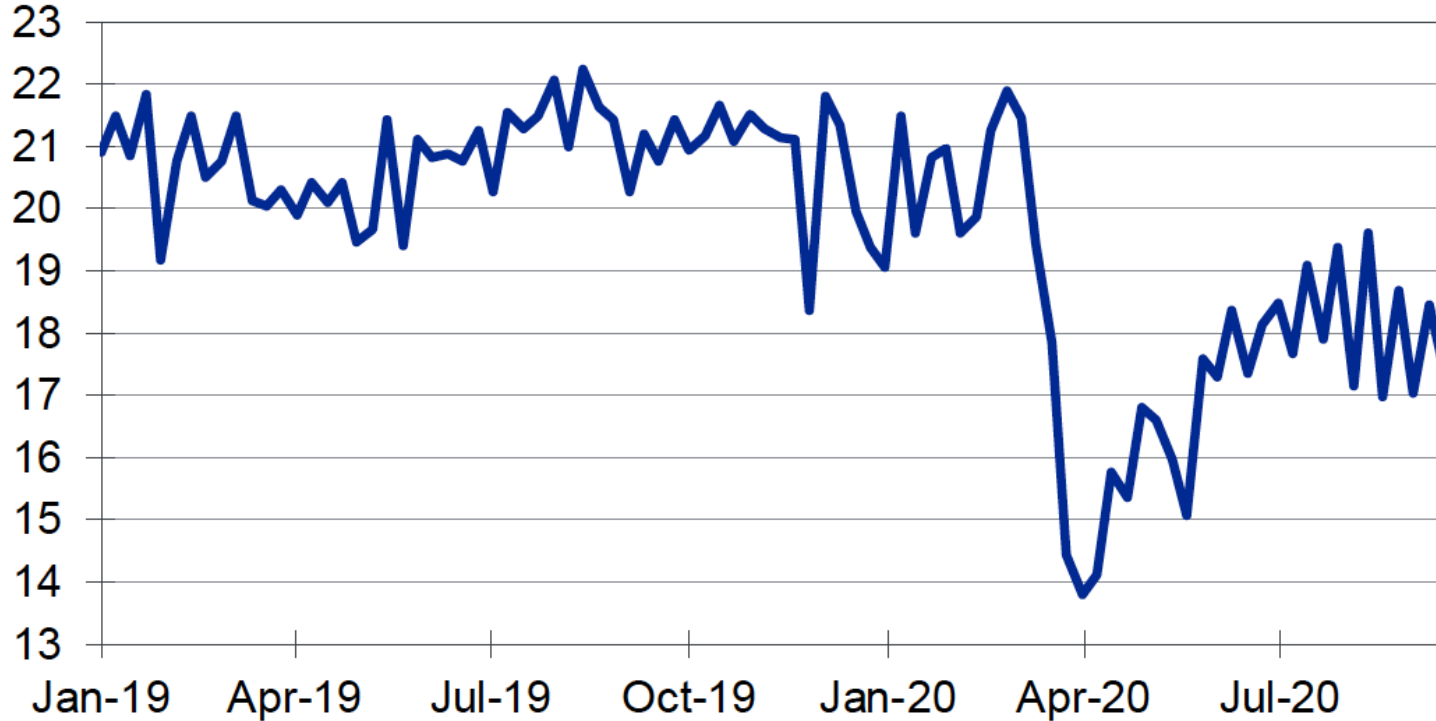
Passengers passing through TSA checkpoints, thousands, 7-day moving average



Source: TSA, Moody's Analytics

Oil Demand Remains Muted

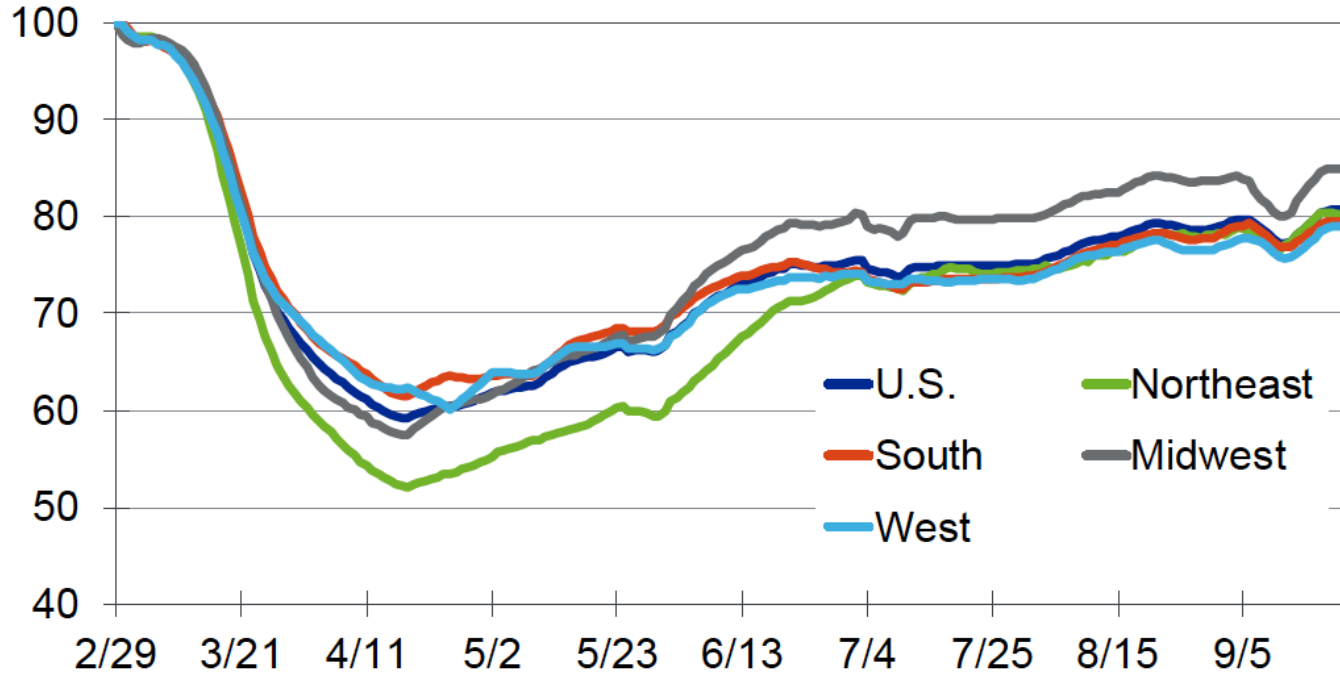
U.S. petroleum products supplied, average barrels per day, millions



Source: EIA, Moody's Analytics

Less Than Normal

Back-to-Normal Index, 2020



Source: CNN, Moody's Analytics

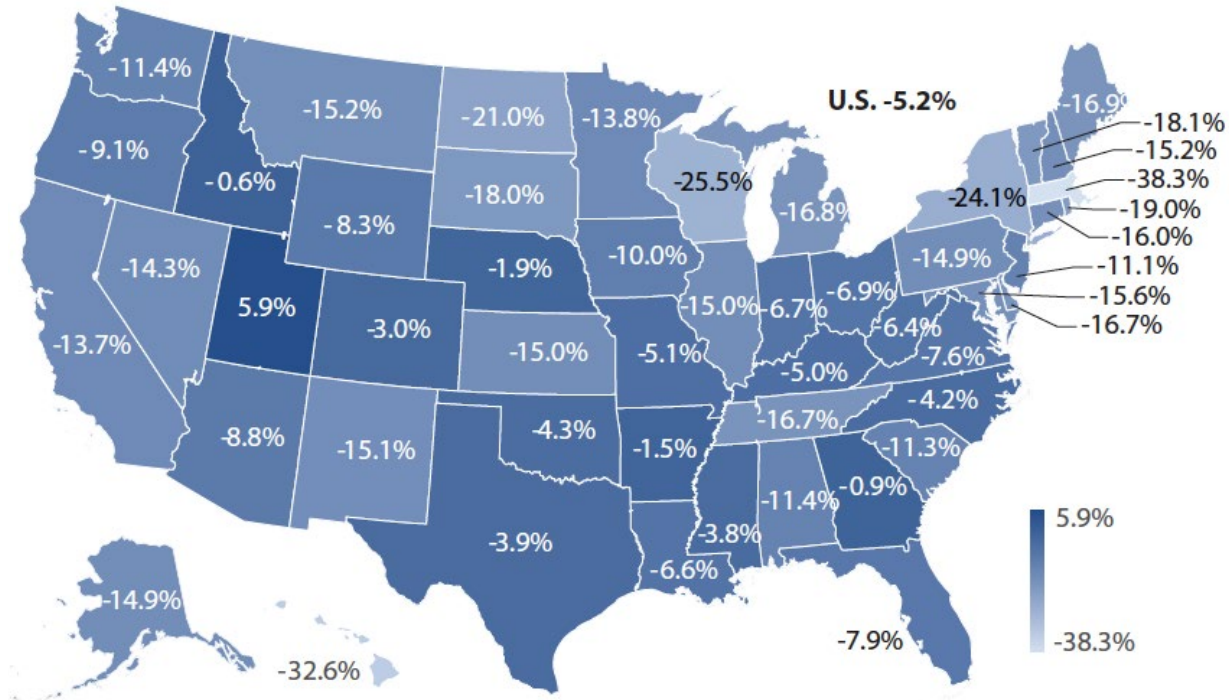
It's different in Utah and Salt Lake County

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Economic Coincident Indicator Index

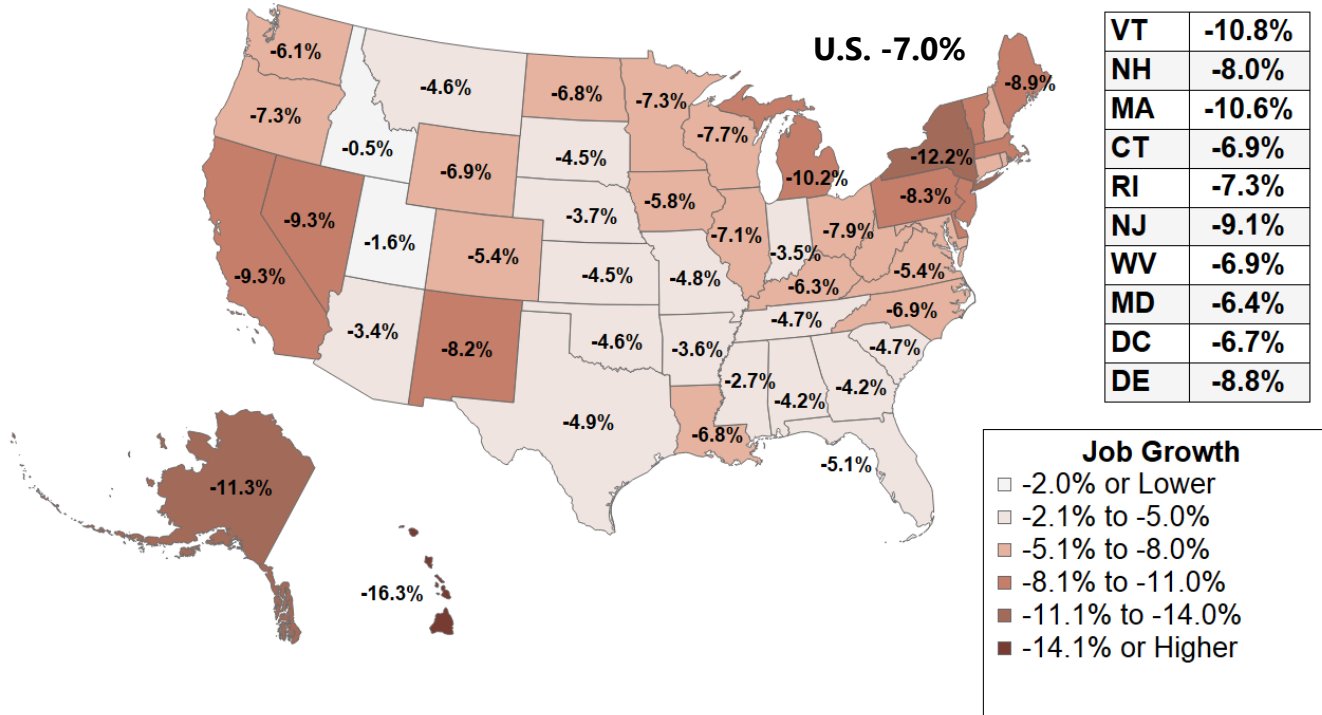
Percentage change March-July 2020



Source: Federal Reserve Bank of Philadelphia and and Kem C. Gardner Policy Institute

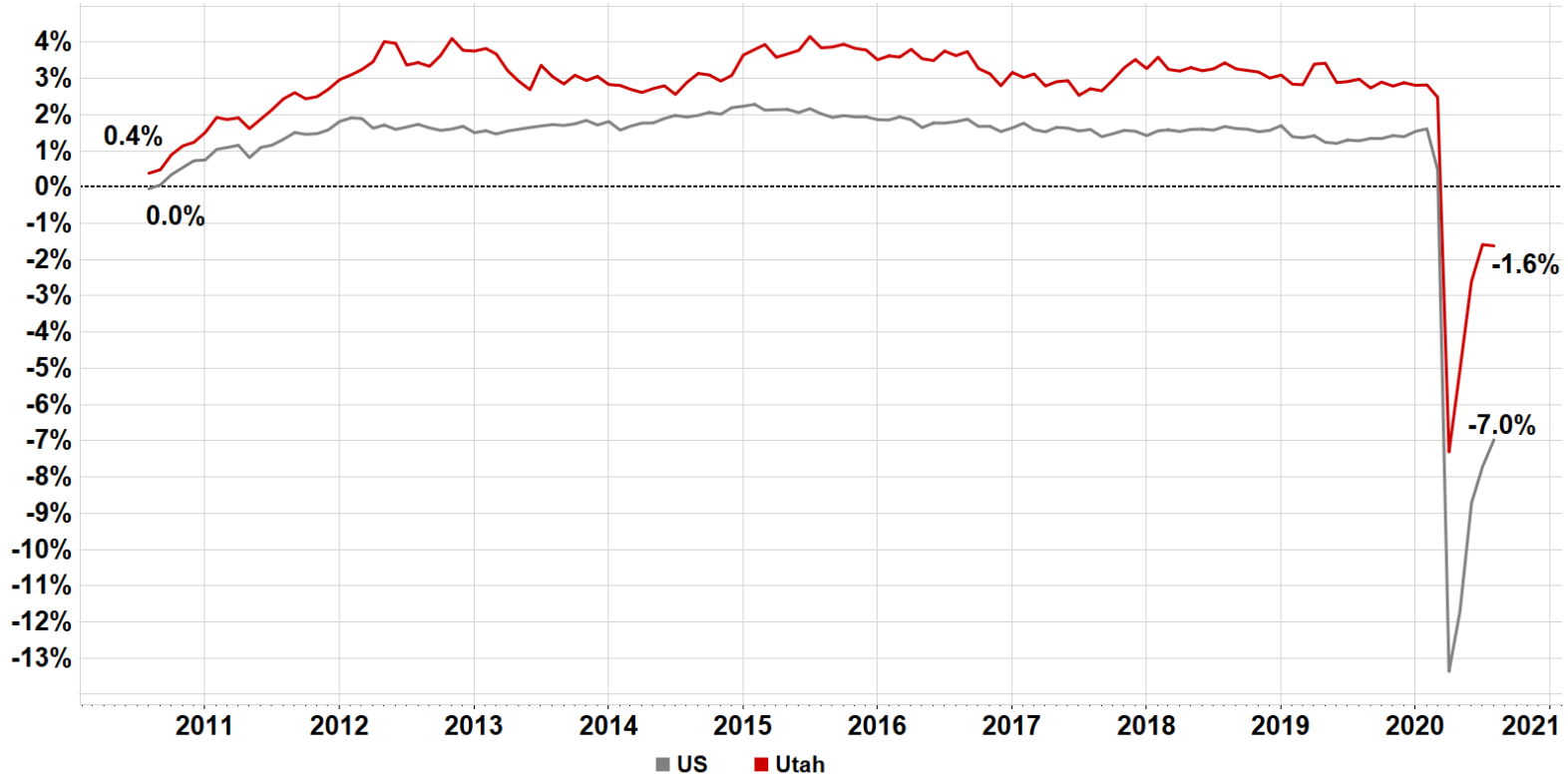
Job Change

Year-Over Percent Change August 2020



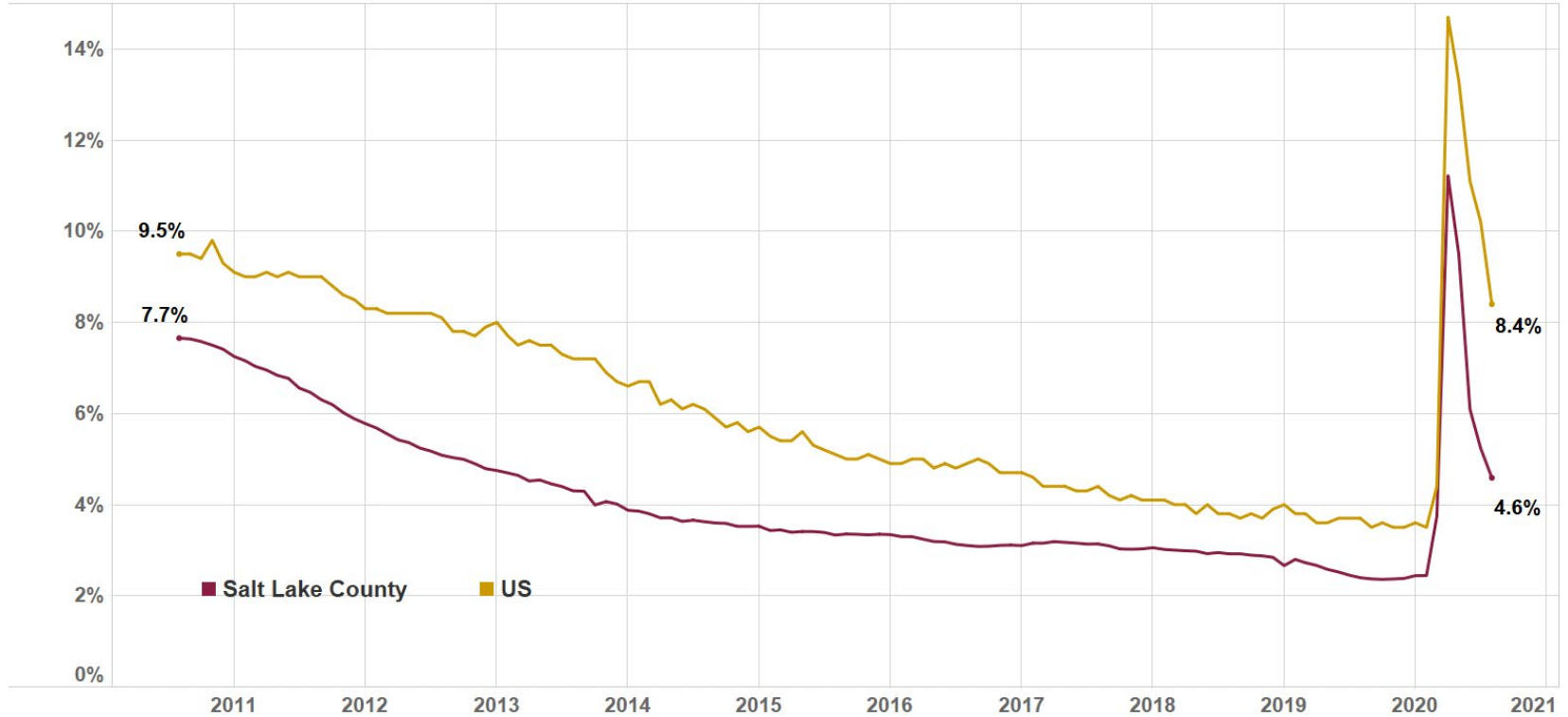
Source: U.S. Bureau of Labor Statistics

Job Change: U.S. and Utah



Source: U.S. Bureau of Labor Statistics

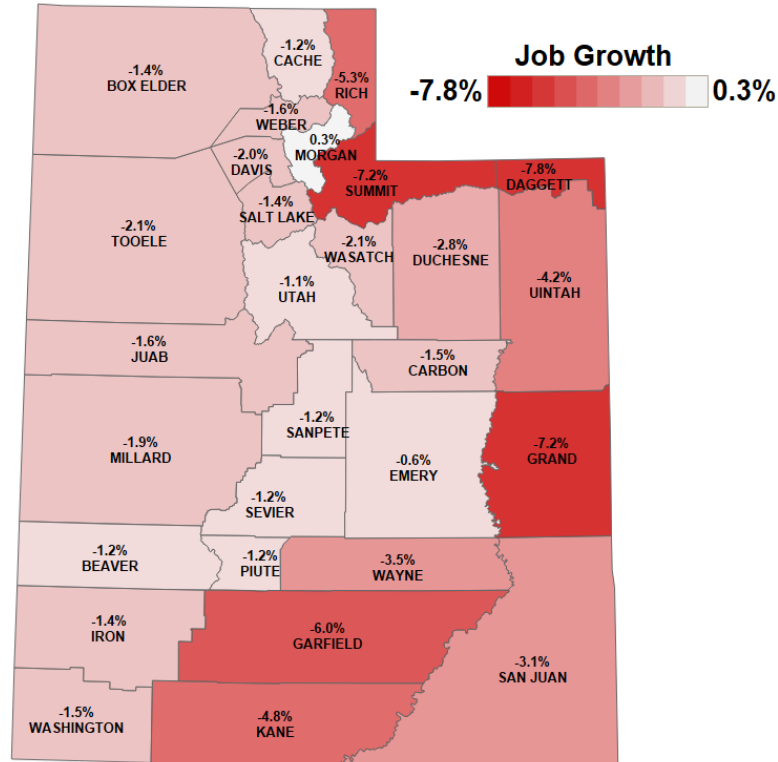
Job Change: U.S. and Salt Lake County



Source: U.S. Bureau of Labor Statistics

Job Change by County

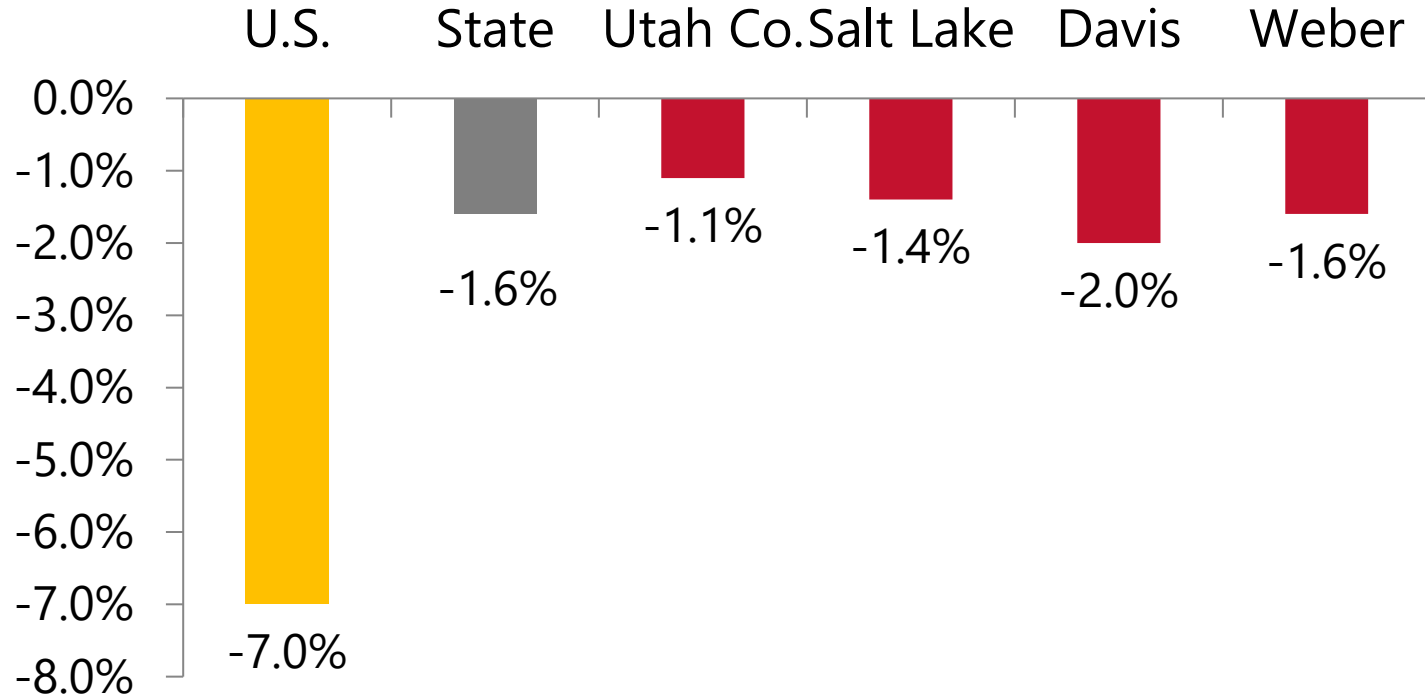
August 2019 – August 2020



Source: U.S. Bureau of Labor Statistics

Job Growth

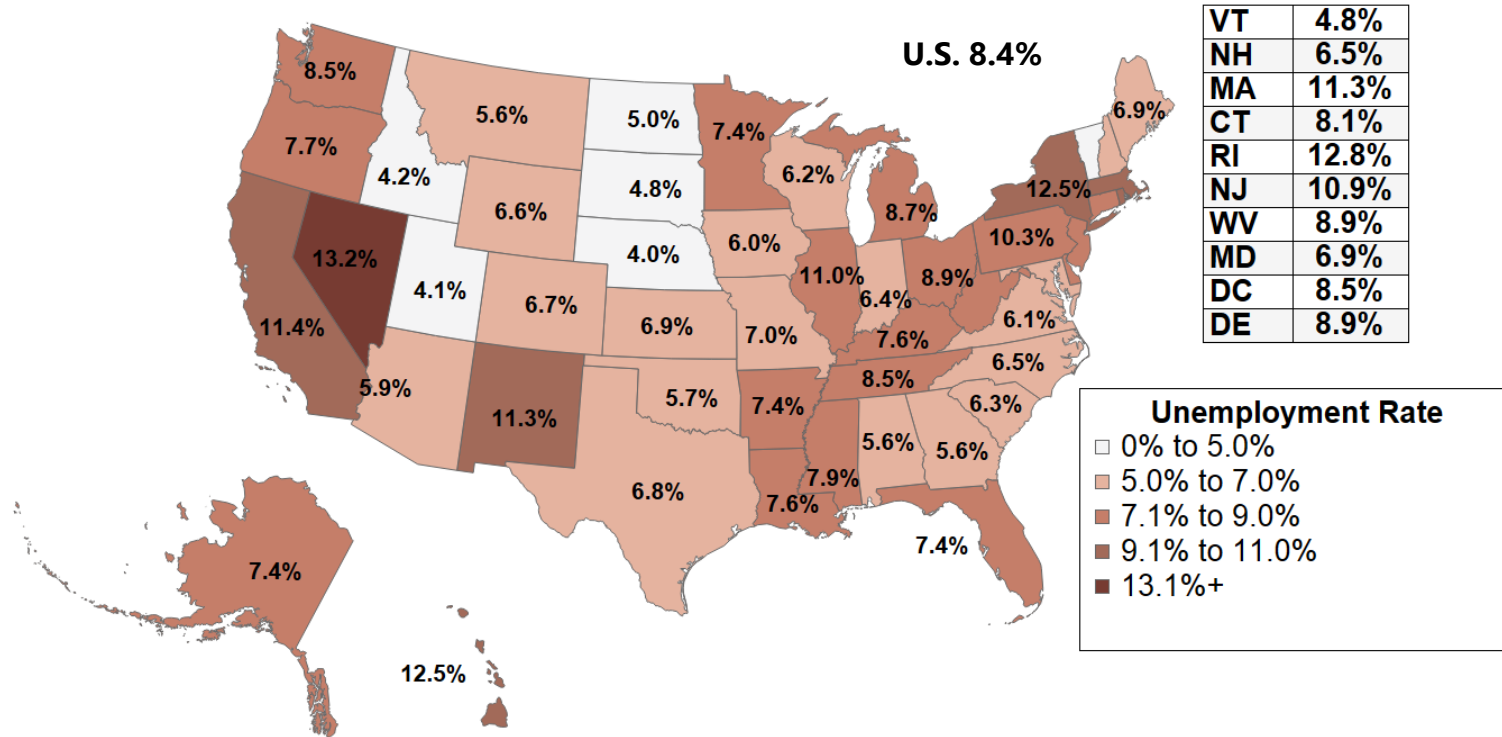
August 2019-2020



Source: Bureau of Labor Sta

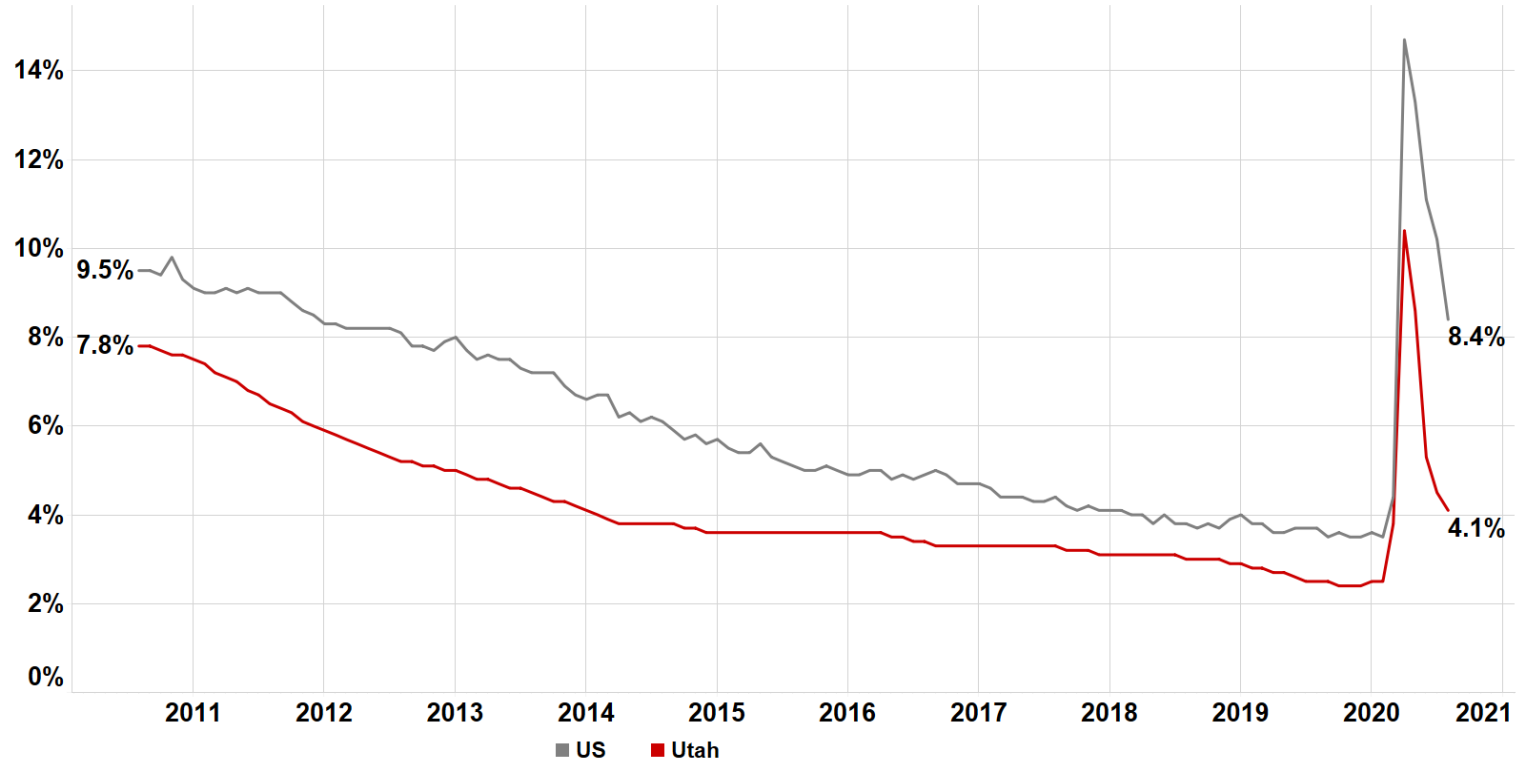
Unemployment Rate

August 2020



Source: U.S. Bureau of Labor Statistics

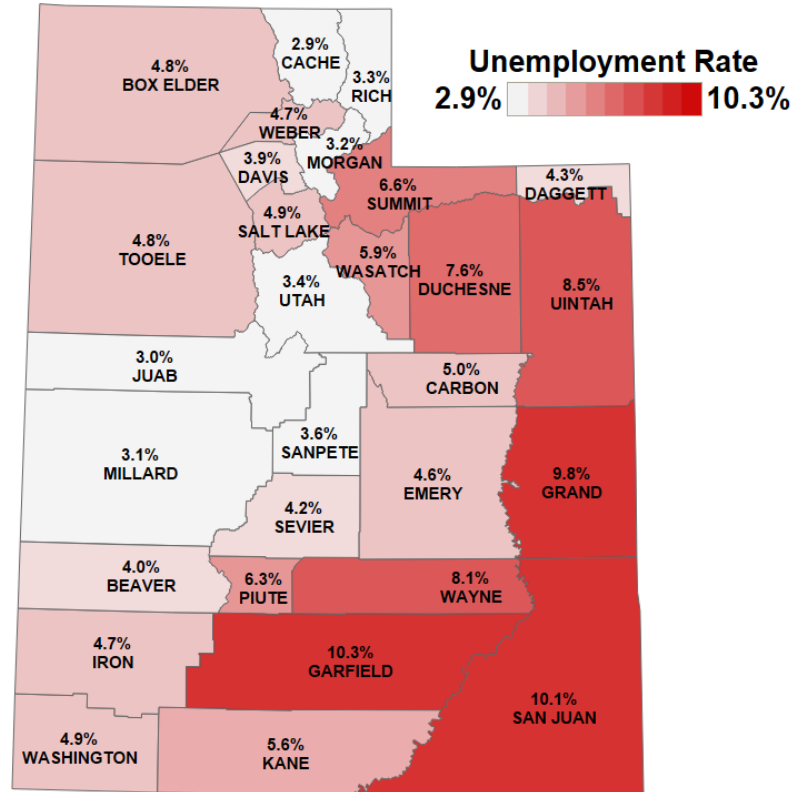
Unemployment Rate



Source: U.S. Bureau of Labor Statistics

Unemployment Rate by County

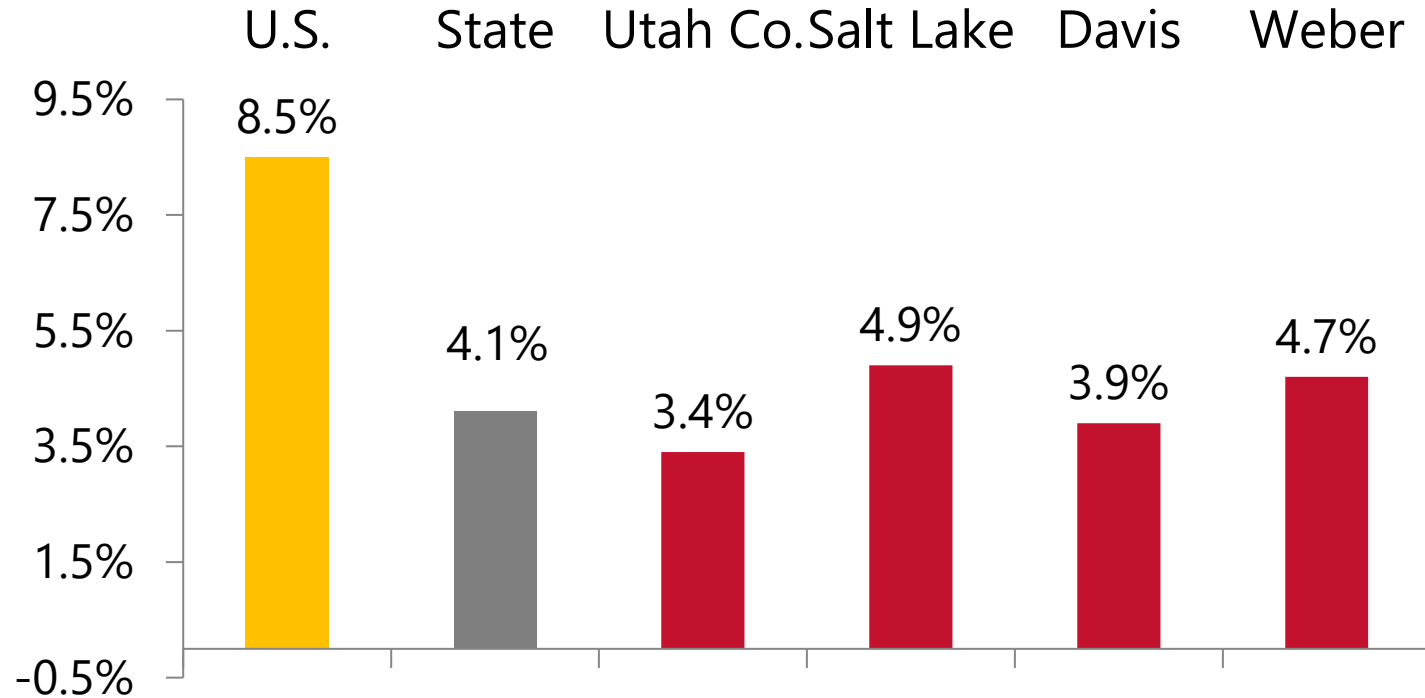
August 2020



Source: U.S. Bureau of Labor Statistics

Unemployment Rate

August 2020



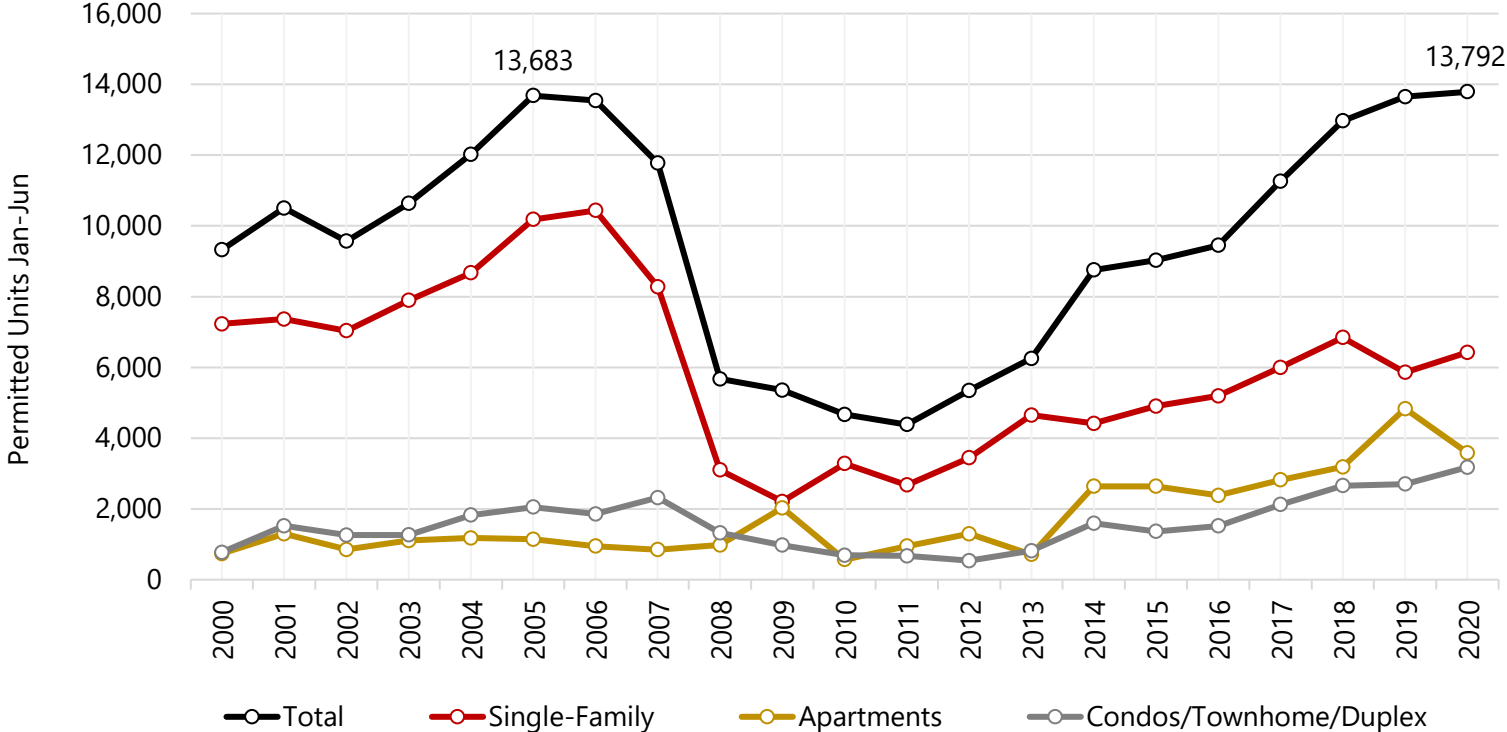
Source: Bureau of Labor Sta

Utah Economic Forecast

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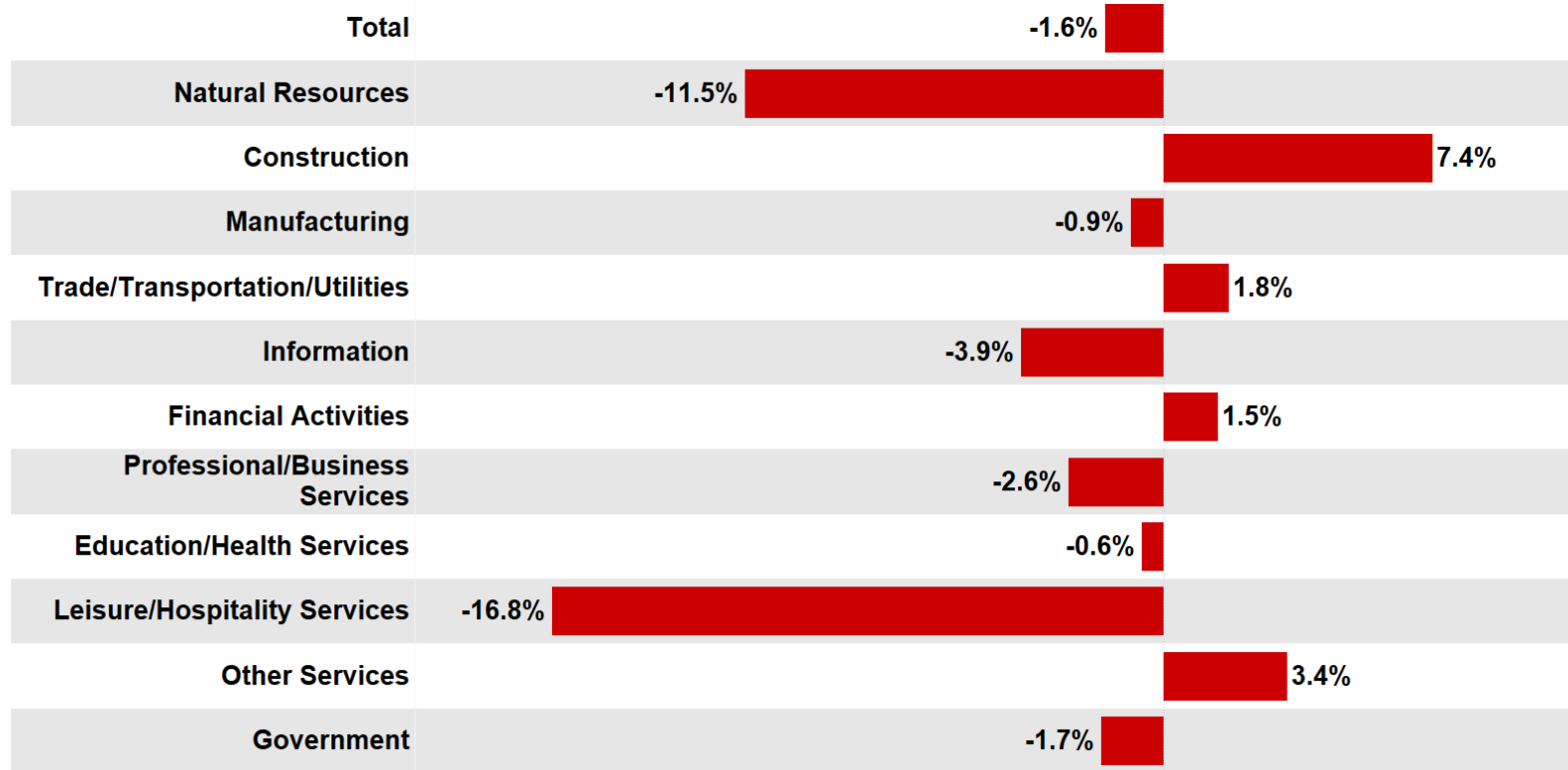
Best 6-Months for New Housing Construction in Utah



Source: Kem C. Gardner Policy Institute

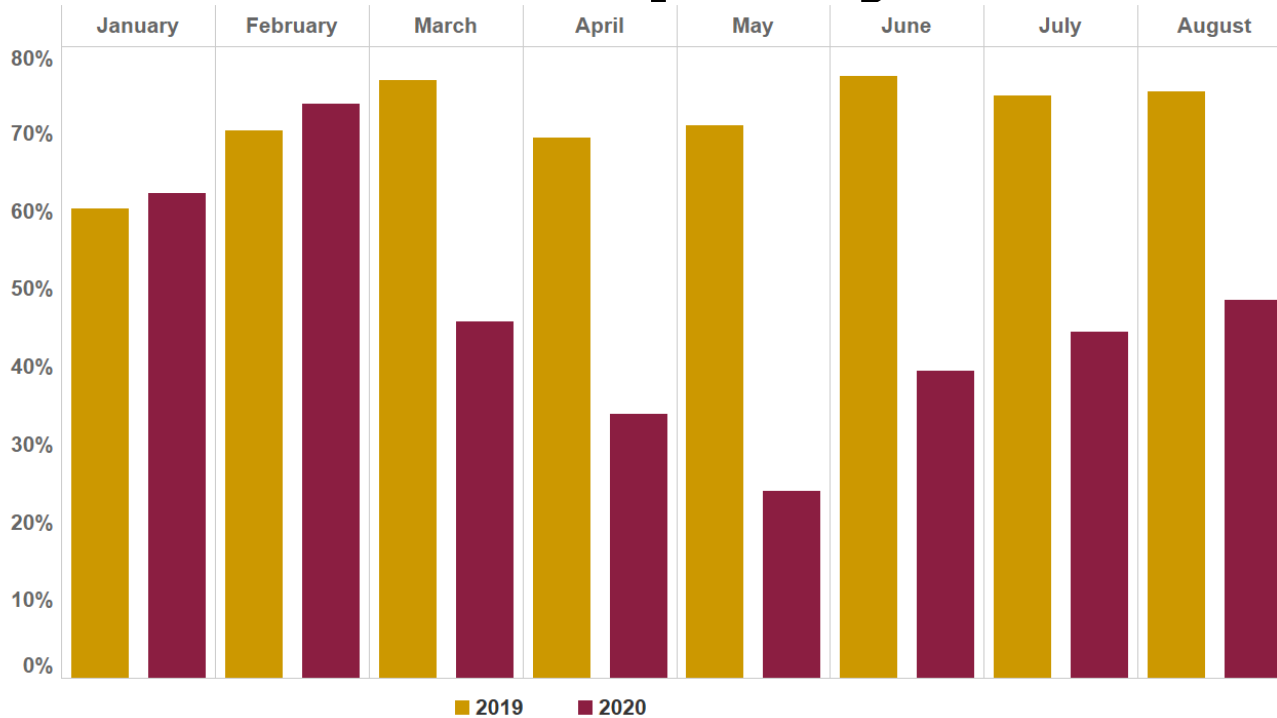
Utah Job Change by Industry

August 2019 – August 2020



Source: U.S. Bureau of Labor Statistics

Salt Lake County Hotel Occupancy

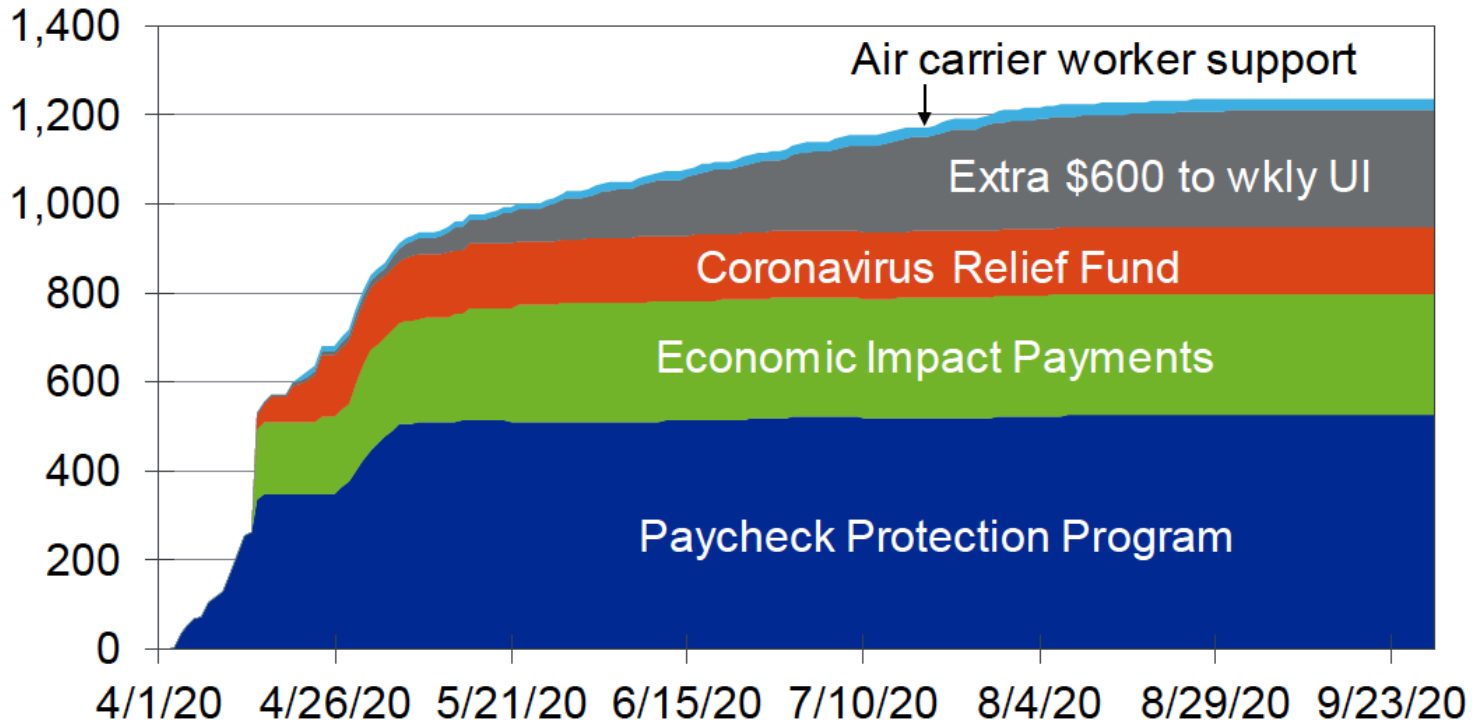


Source: STR, Inc.

Direct Relief Under CARES Act Stalls

Out

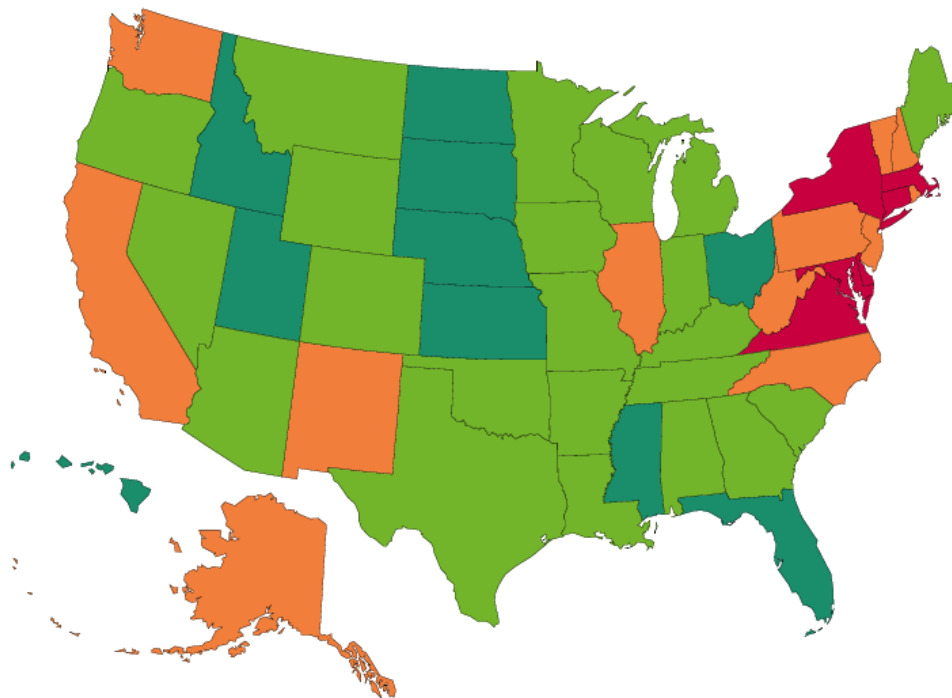
Cumulative estimate of U.S. pandemic relief, \$ billions



Source: CRFB, SBA, U.S. Treasury, Moody's Analytics

Utah in Top Tier for PPP Funds

PPP loan amounts, % of total annual payroll



Reflects both rounds of PPP and cancellations as of 8/8/20. Annual payroll is from 2017 and only for firms with <500 employees.

U.S. avg=19.4

■ ≥21

■ 19.4 - <21

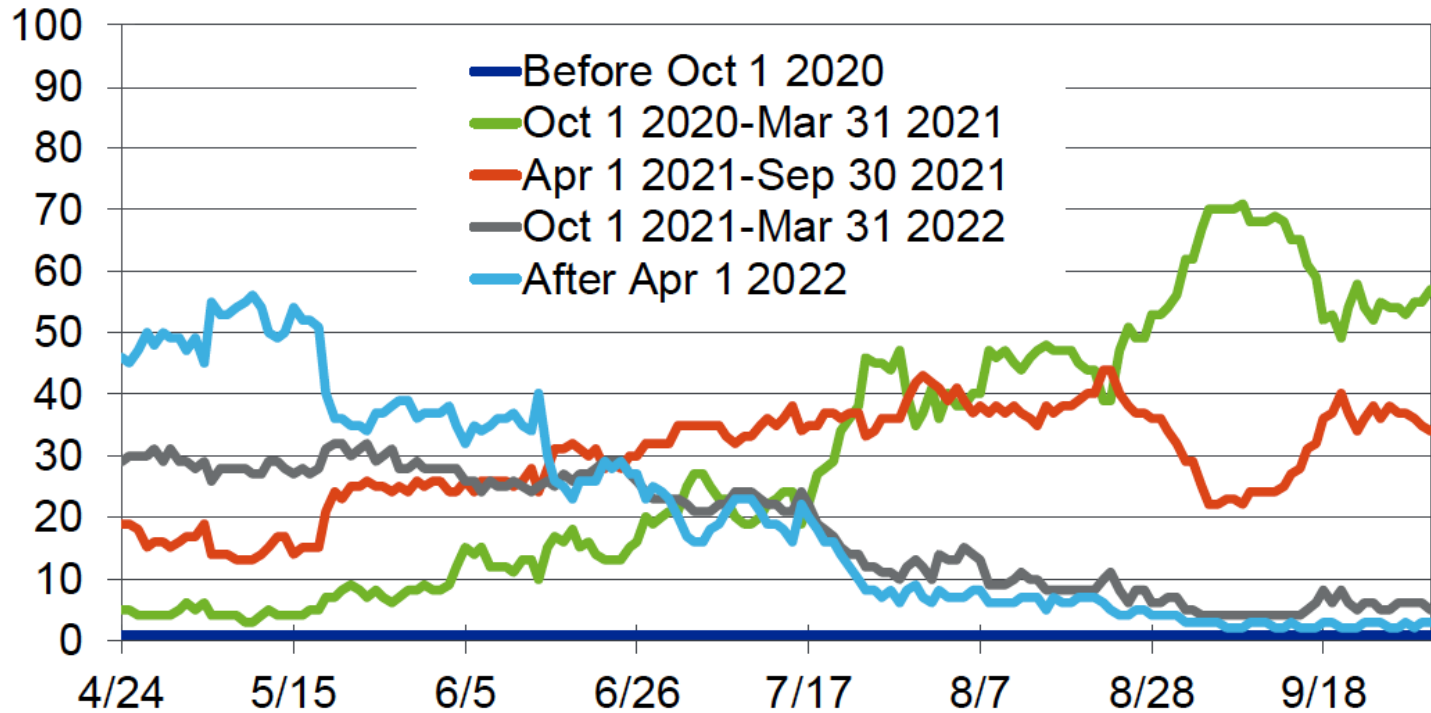
■ 18 - <19.4

■ <18

Source: Census Bureau, Small Business Administration, Moody's Analytics

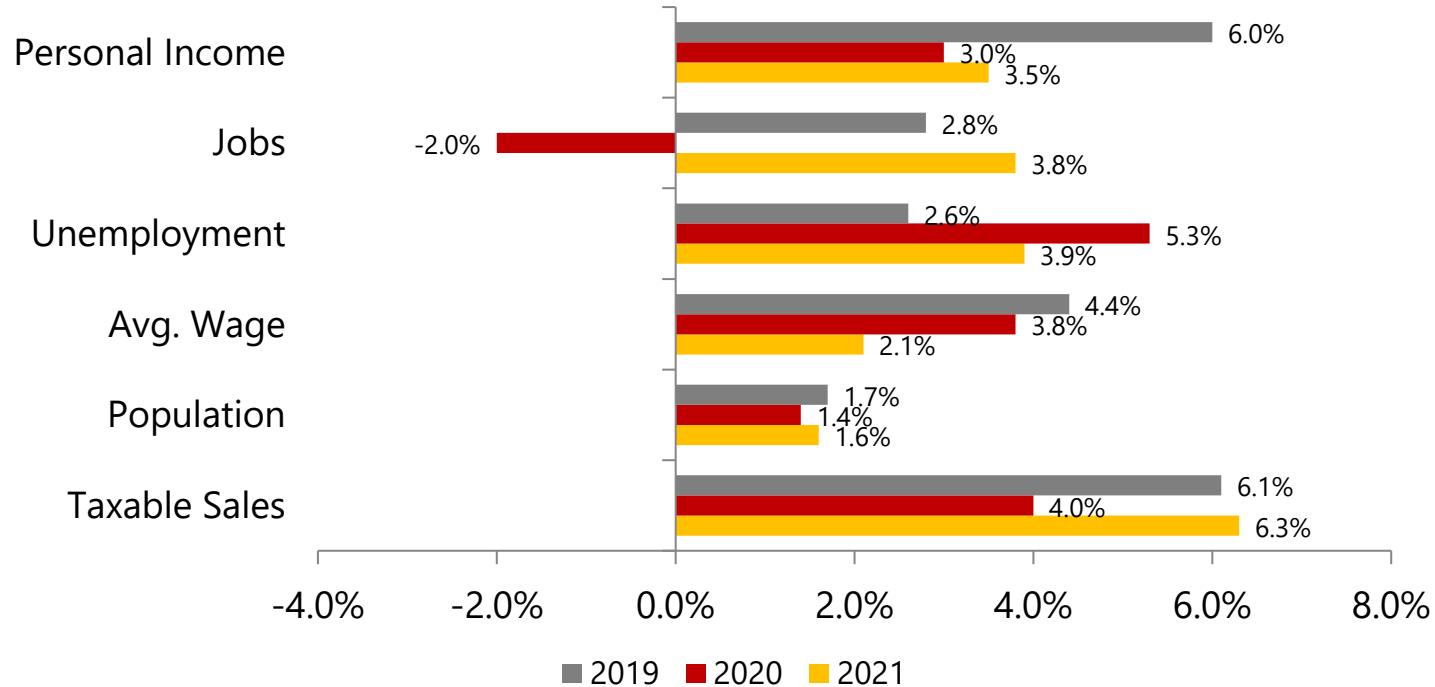
Vaccine Odds Have Stabilized

Probability, 25 million U.S. inoculations



Source: Good Judgement Project, Moody's Analytics

Utah Economic Forecast



Source: Kem C. Gardner Policy I

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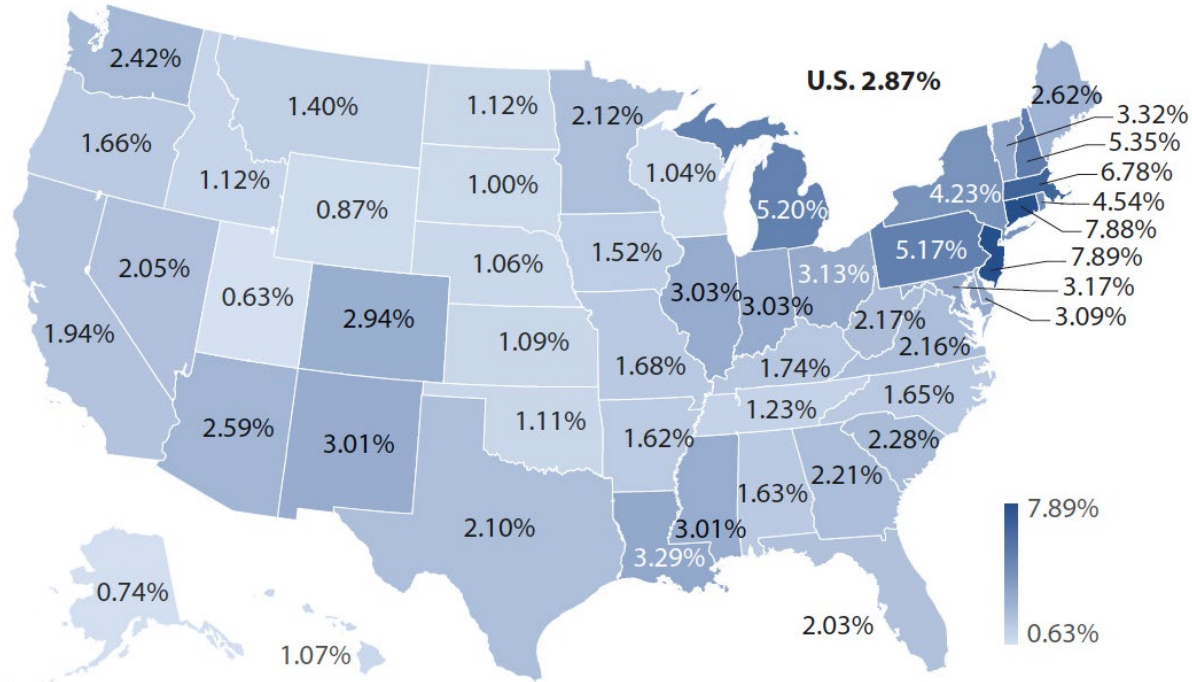
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DAVID ECCLES SCHOOL OF BUSINESS
UNIVERSITY OF UTAH



Cumulative Case Fatality Rate

September 29, 2020



Source: CDC, calculations by Governor's Office of Management and Budget