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
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
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
Economic Coincident Indicator

Index

Percent change: March-July 2020

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

Year-Over Percent Change August 2020

U.S. -7.0%

VT -10.8%
NH -8.0%
MA -10.6%
CT -6.9%
RI -7.3%
NJ -9.1%
WV -6.9%
MD -6.4%
DC -6.7%
DE -8.8%

Job Growth
-2.0% or Lower
-2.1% to -5.0%
-5.1% to -8.0%
-8.1% to -11.0%
-11.1% to -14.0%
-14.1% or Higher

Source: U.S. Bureau of Labor Statistics
Job Change: U.S. and Salt Lake County

Source: U.S. Bureau of Labor Statistics

Kem C. Gardner Policy Institute

David Eccles School of Business

University of Utah
Job Growth
August 2019-2020

U.S.: -7.0%
State: -1.6%
Utah Co.: Salt Lake: -1.1%, Davis: -2.0%, Weber: -1.6%

Source: Bureau of Labor Statistics
Unemployment Rate

Source: U.S. Bureau of Labor Statistics
Unemployment Rate

August 2020

U.S.  State  Utah Co.  Salt Lake  Davis  Weber

8.5%  4.1%  4.9%  4.7%

Source: Bureau of Labor Statistics
Utah Economic Forecast
Best 6-Months for New Housing Construction in Utah

Permitted Units Jan-Jun


Source: Kem C. Gardner Policy Institute
# Utah Job Change by Industry

**August 2019 – August 2020**

<table>
<thead>
<tr>
<th>Industry</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>-1.6%</td>
</tr>
<tr>
<td>Natural Resources</td>
<td>-11.5%</td>
</tr>
<tr>
<td>Construction</td>
<td>7.4%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>-0.9%</td>
</tr>
<tr>
<td>Trade/Transportation/Utilities</td>
<td>1.8%</td>
</tr>
<tr>
<td>Information</td>
<td>-3.9%</td>
</tr>
<tr>
<td>Financial Activities</td>
<td>1.5%</td>
</tr>
<tr>
<td>Professional/Business Services</td>
<td>-2.6%</td>
</tr>
<tr>
<td>Education/Health Services</td>
<td>-0.6%</td>
</tr>
<tr>
<td>Leisure/Hospitality Services</td>
<td>-16.8%</td>
</tr>
<tr>
<td>Other Services</td>
<td>3.4%</td>
</tr>
<tr>
<td>Government</td>
<td>-1.7%</td>
</tr>
</tbody>
</table>

Source: U.S. Bureau of Labor Statistics
Direct Relief Under CARES Act Stalls Out

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

- Paycheck Protection Program
- Economic Impact Payments
- Coronavirus Relief Fund
- Extra $600 to weekly UI
- Air carrier worker support

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
Cumulative Case Fatality Rate

September 29, 2020

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