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## Uinta Basin Energy Summit

Economic Overview  
September 10, 2015

# Overview

- National Economic Conditions
- Utah Economic Conditions



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# National Economic Conditions



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How long will interest  
rates stay so low?...

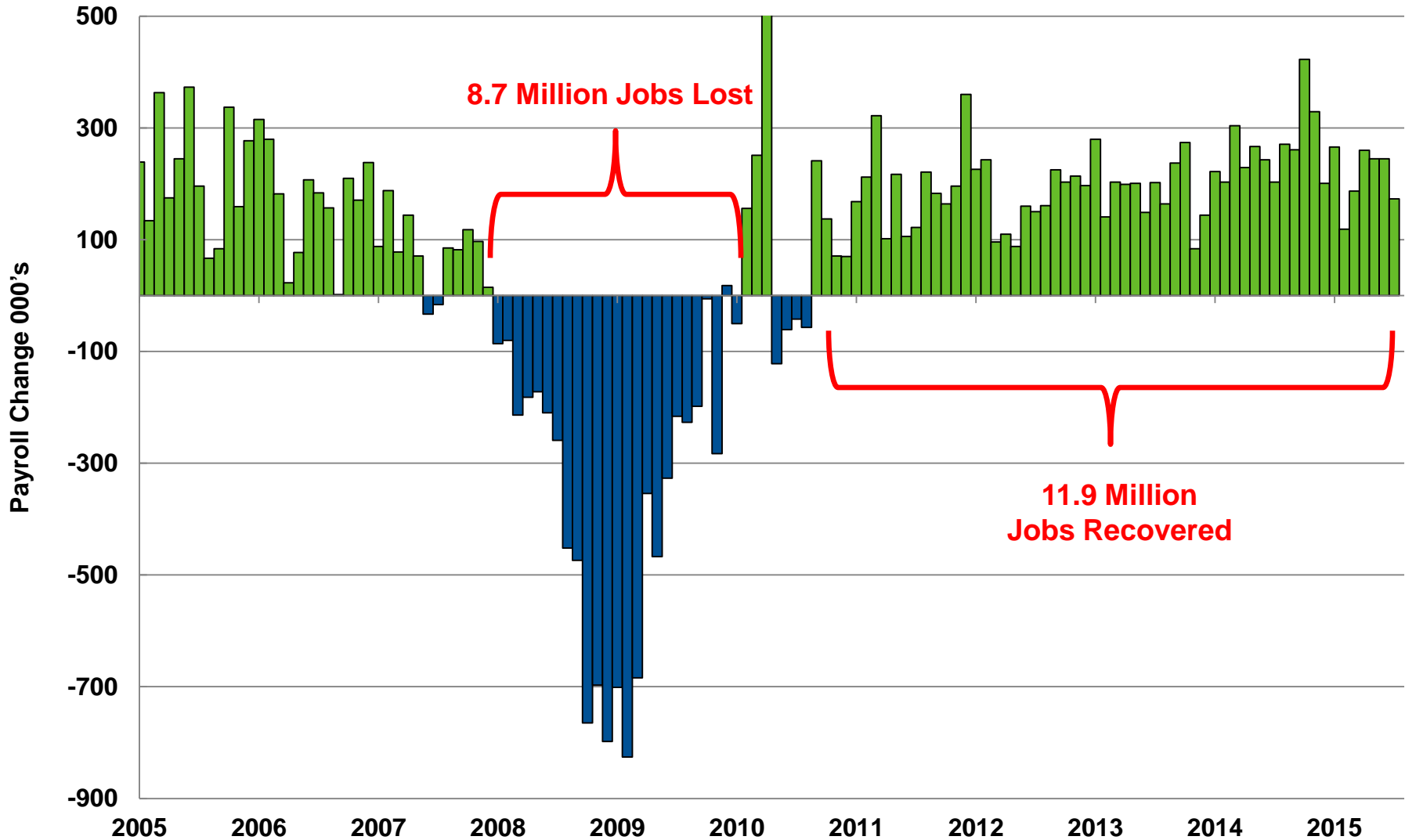
It's up to the Fed

A decorative graphic at the bottom of the slide consisting of several thin, parallel lines in shades of blue and green that curve across the width of the page.

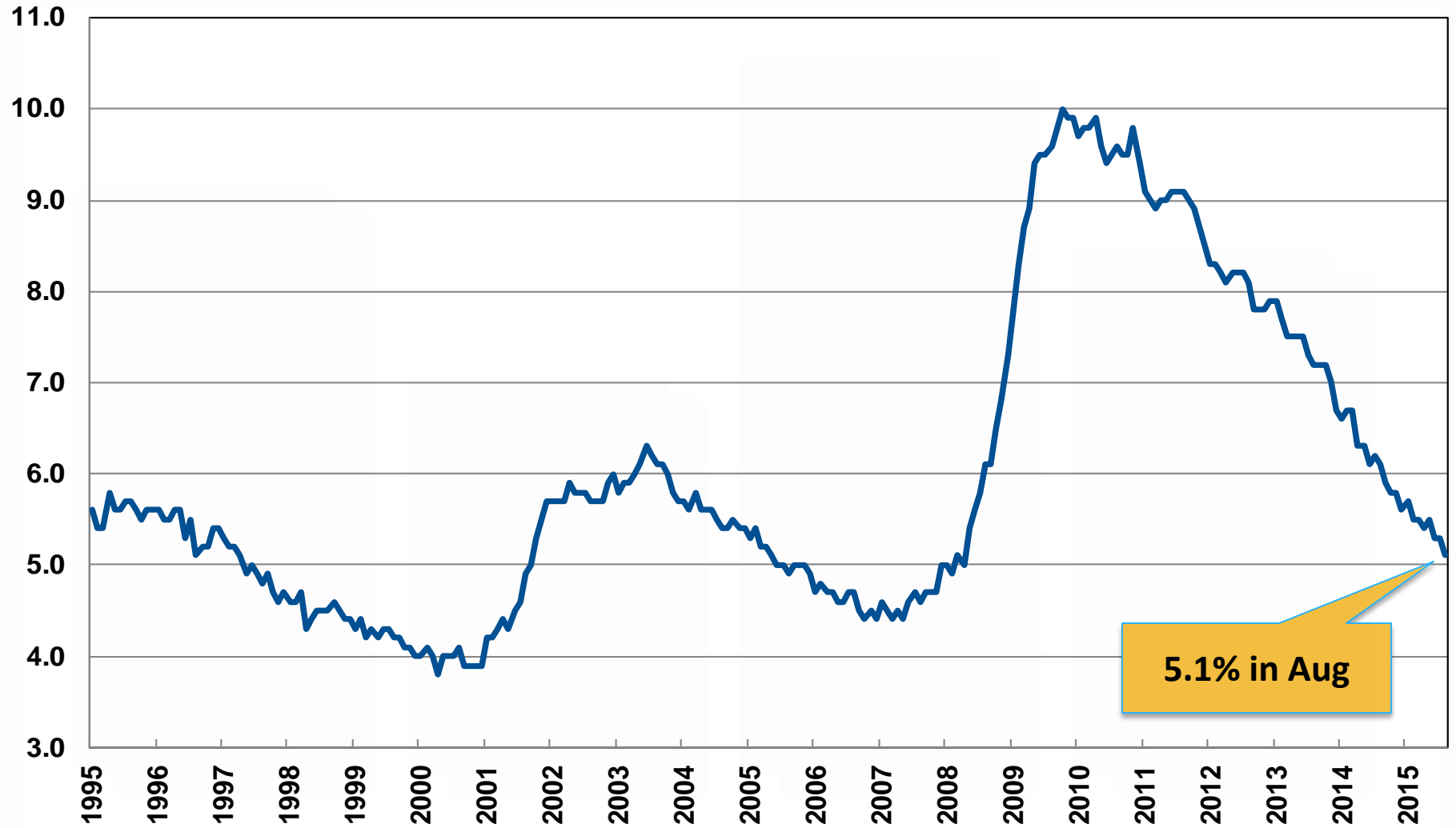
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# National Job Growth Improving

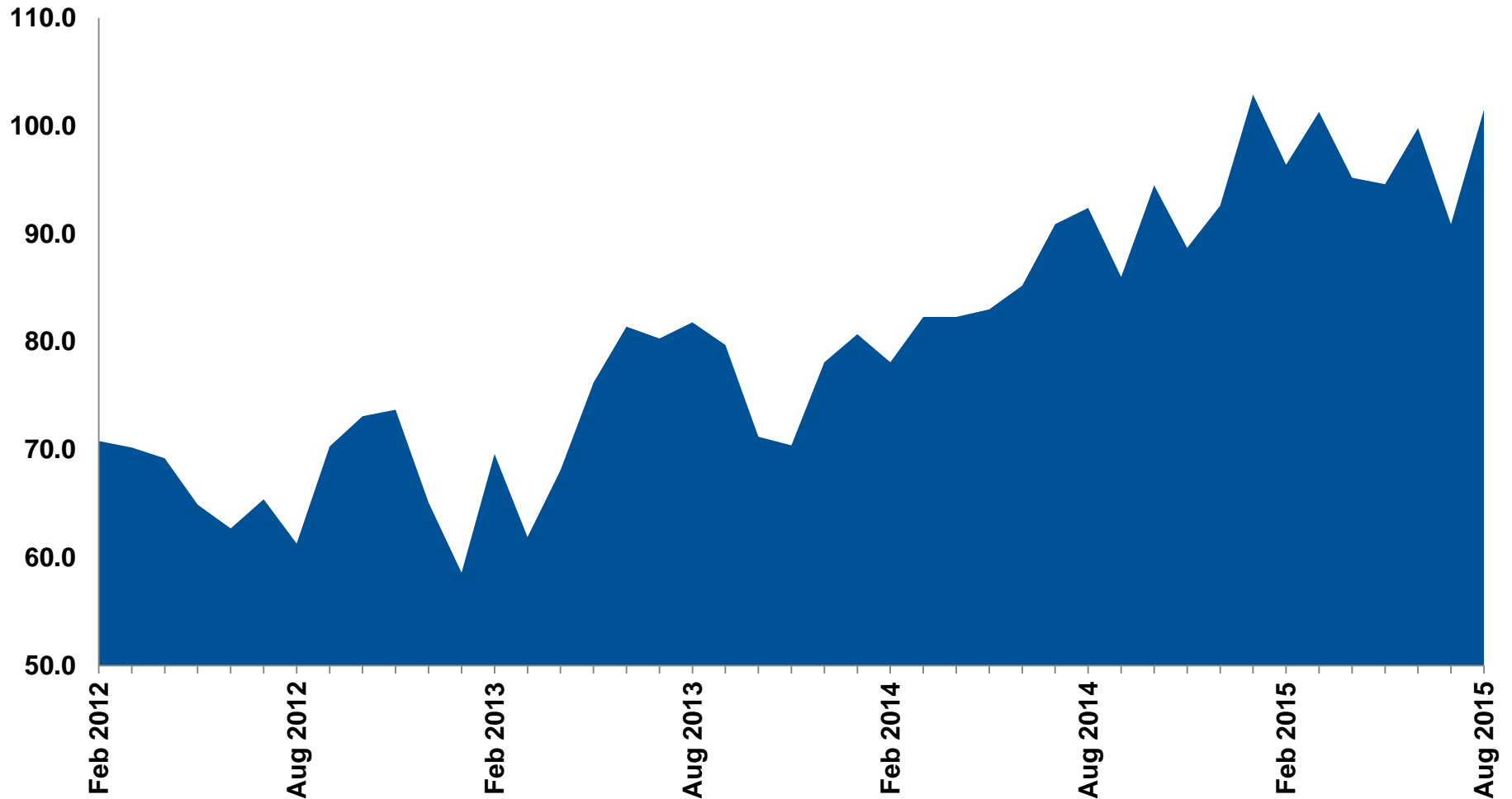


# U.S. Unemployment Rates Dropping



**5.1% in Aug**

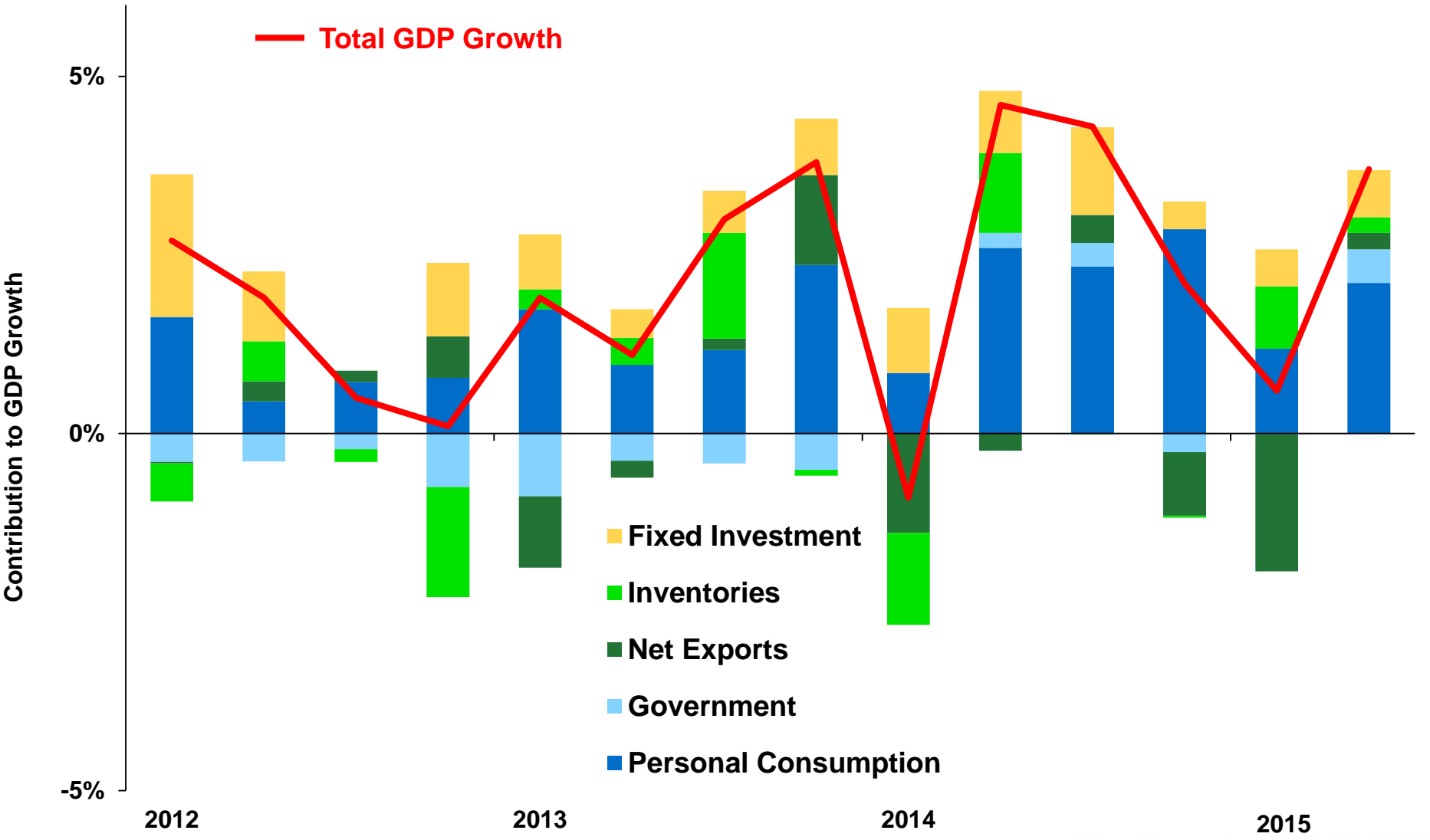
# Consumer Confidence is Rising, but Not Robust



Source: U.S. CCI from The Conference Board



# Consumption Drives Growth



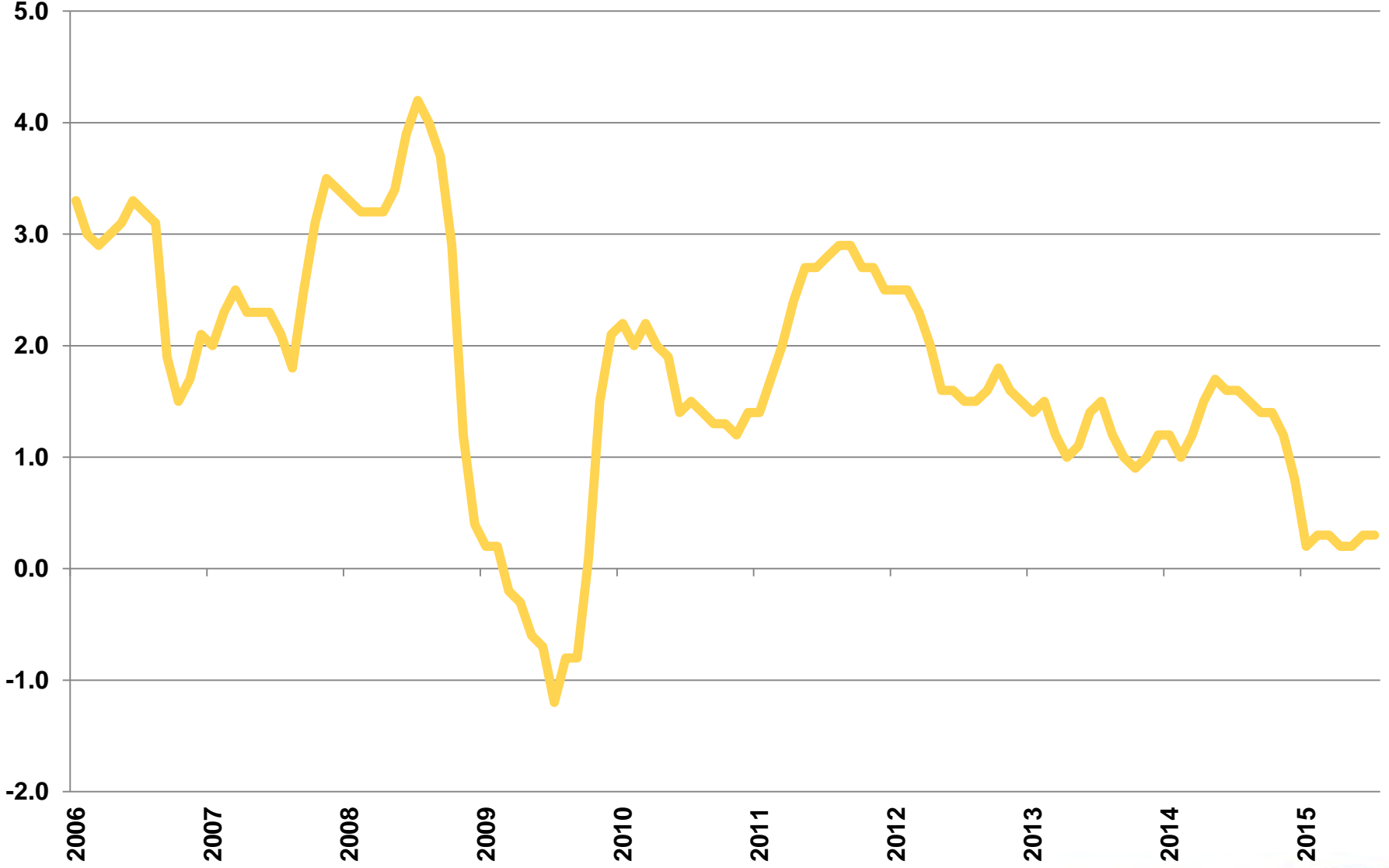
Source: Bureau of Economic Analysis





# Growth in Consumer Spending Remains Low

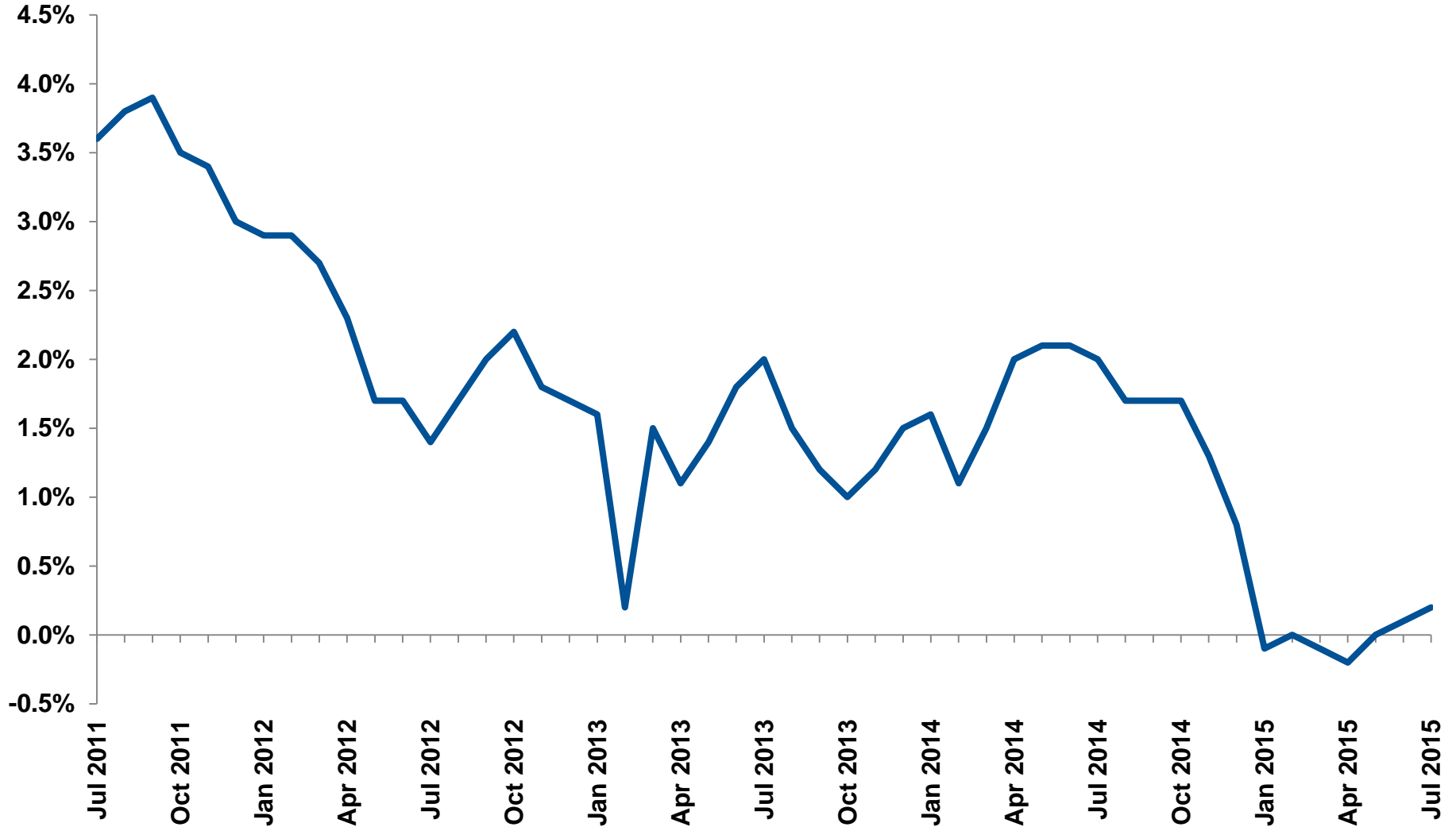
Personal Consumption Expenditure Yearly Percent Change



Source: Bureau of Economic Analysis

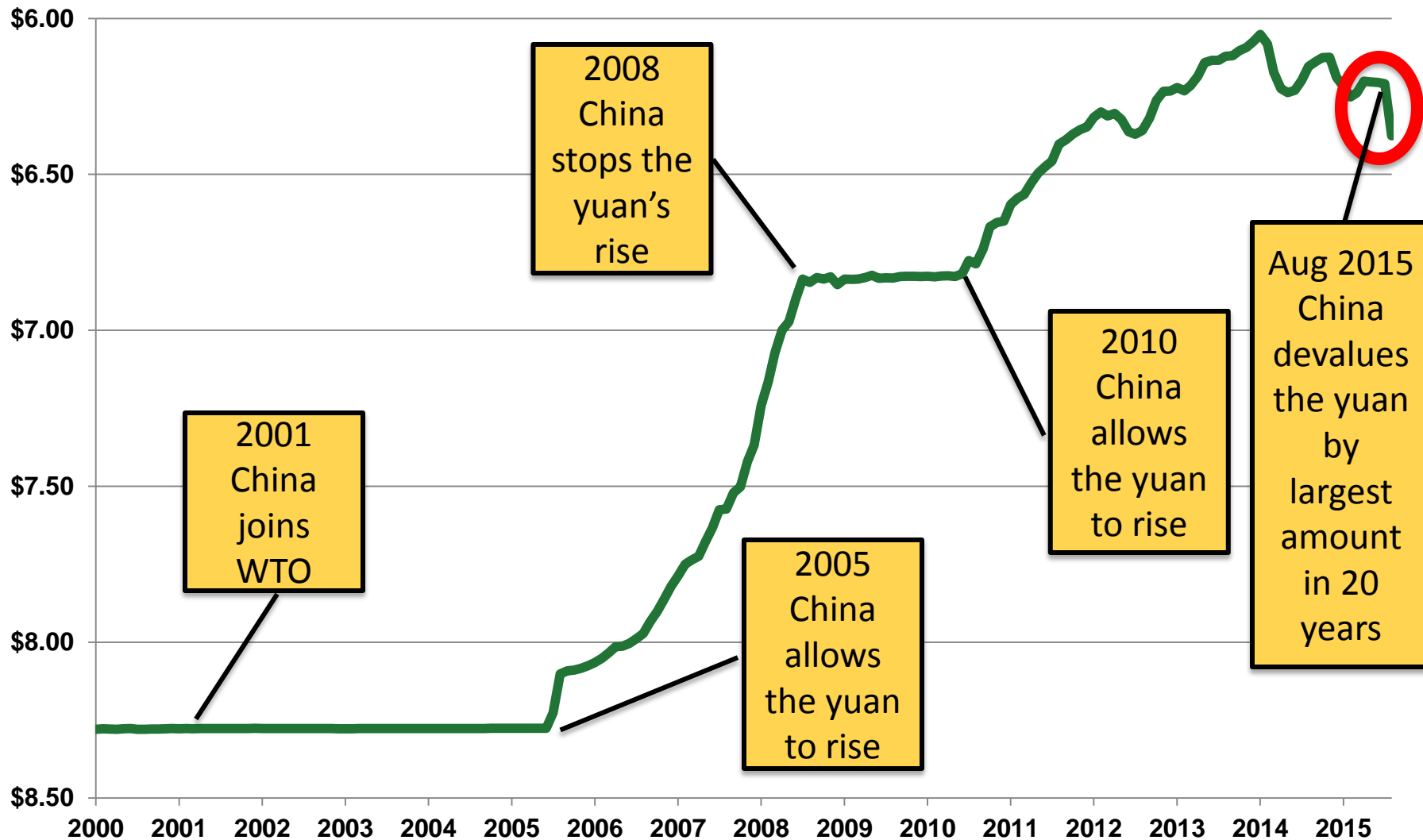


# Inflation Remains Very Low



# US Dollar Compared to Chinese Yuan

Inverted Scale



2001  
China  
joins  
WTO

2008  
China  
stops the  
yuan's  
rise

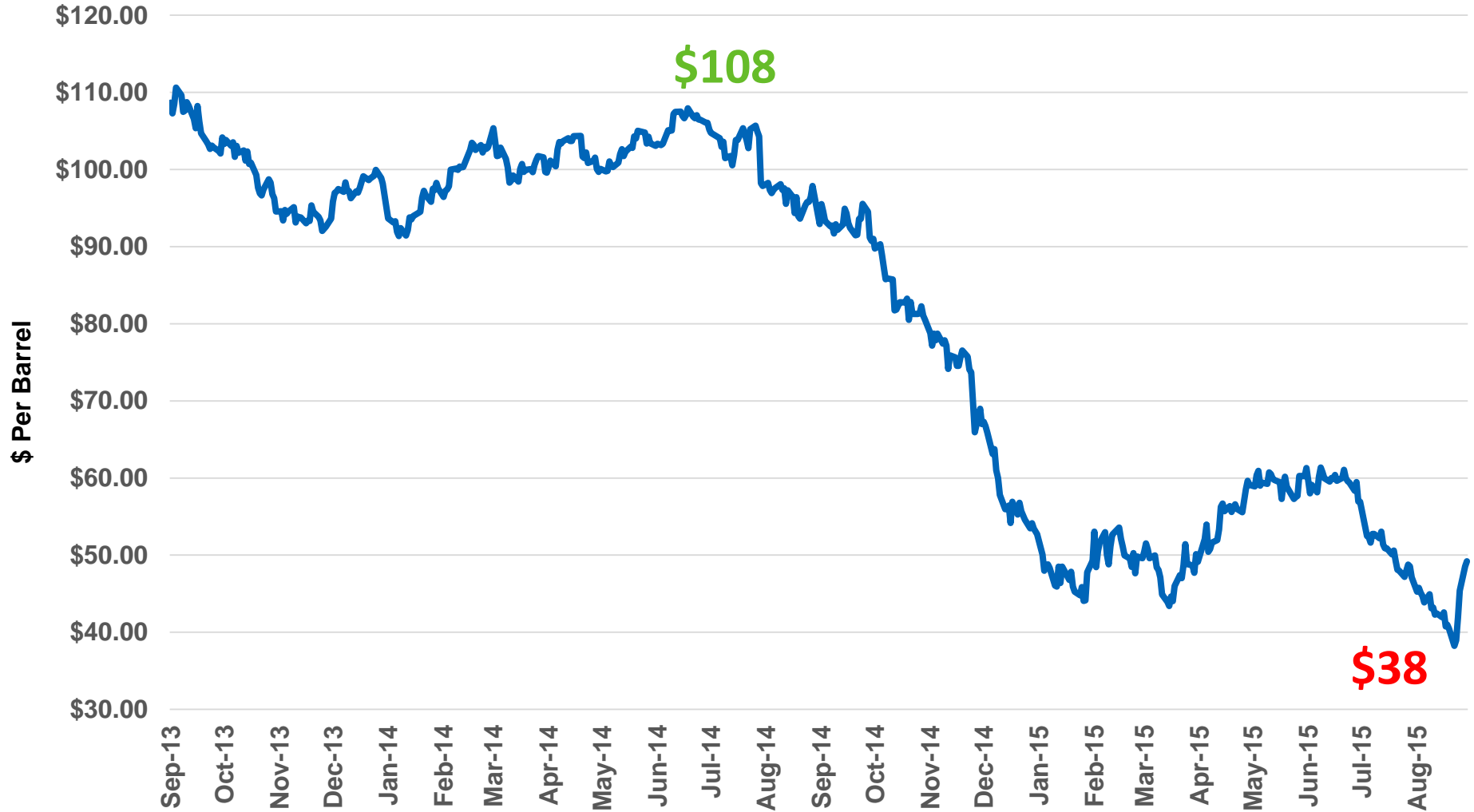
2005  
China  
allows  
the yuan  
to rise

2010  
China  
allows  
the yuan  
to rise

Aug 2015  
China  
devalues  
the yuan  
by  
largest  
amount  
in 20  
years

# Oil Prices Show Volatility After Recent Lows

West Texas Intermediate



**\$38**

**\$108**

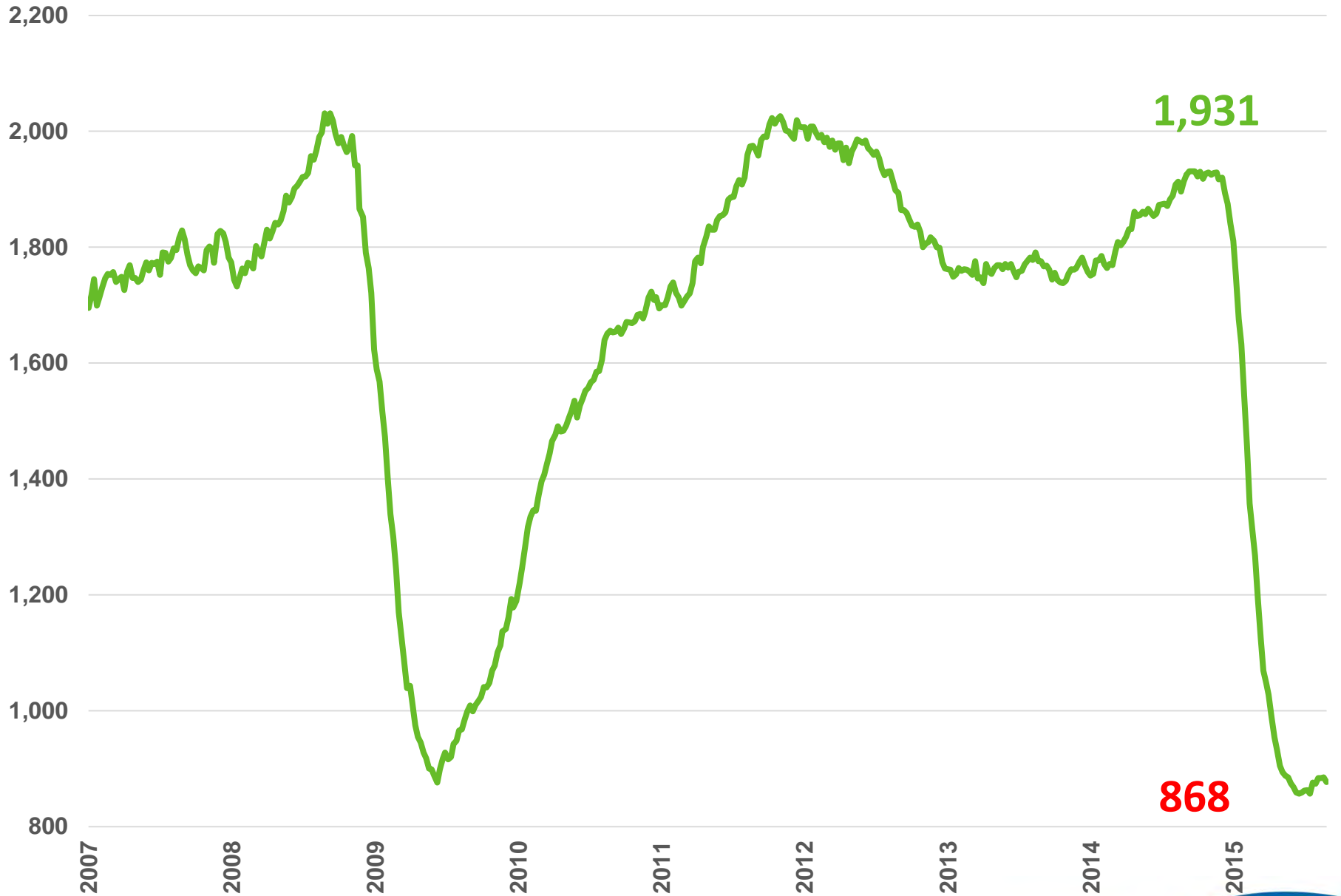
# Oil Prices Rising But Still Below Long Term Trend



Source: U.S. Federal Reserve



# Active U.S. Oil Rigs



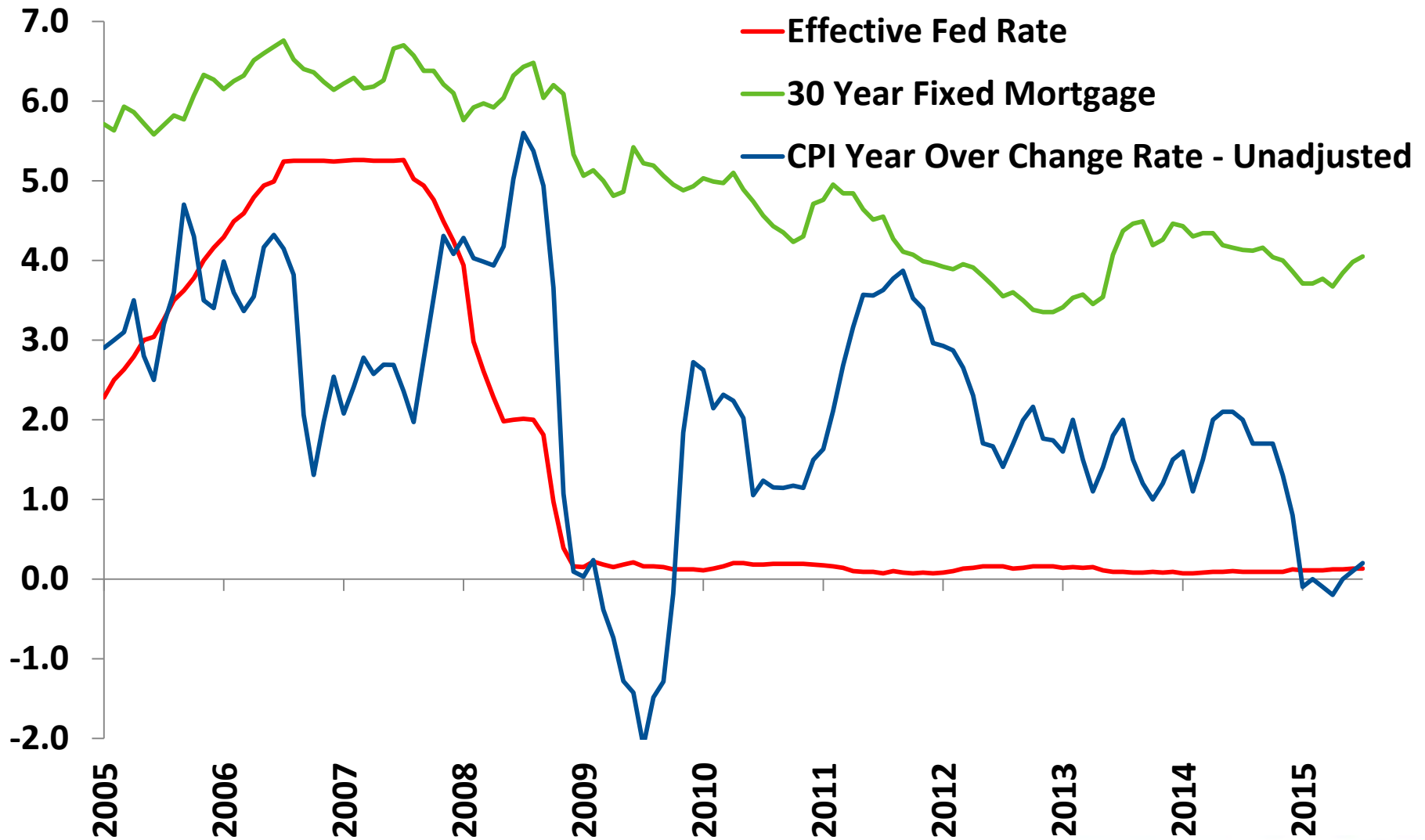
1,931

868

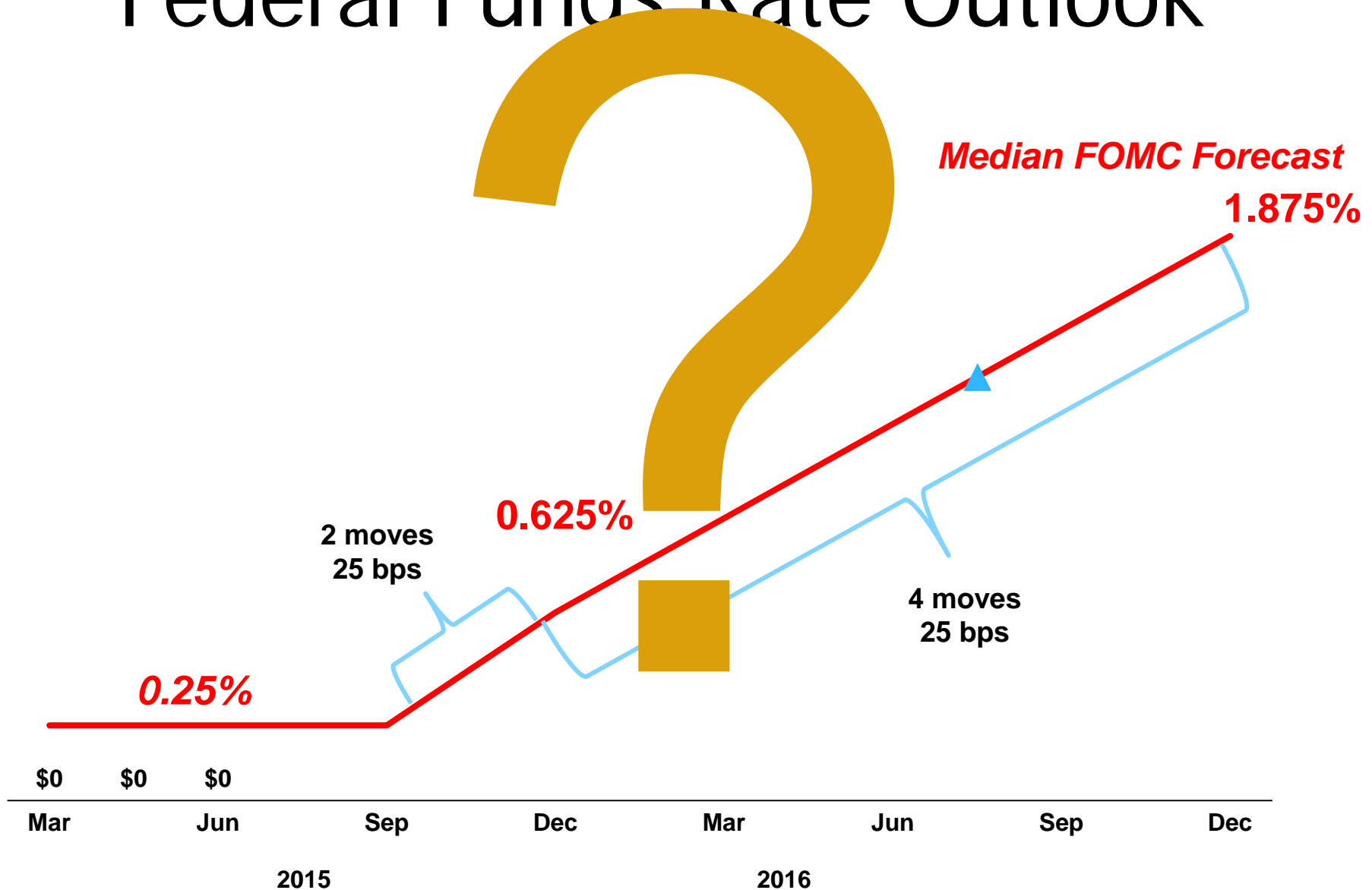
Sources: Baker Hughes



# 30 Year Mortgage Rate, Fed Rate and CPI



# Federal Funds Rate Outlook





How long will interest  
rates stay so low?...

Emotion vs  
Fundamentals

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# Utah Economic Conditions

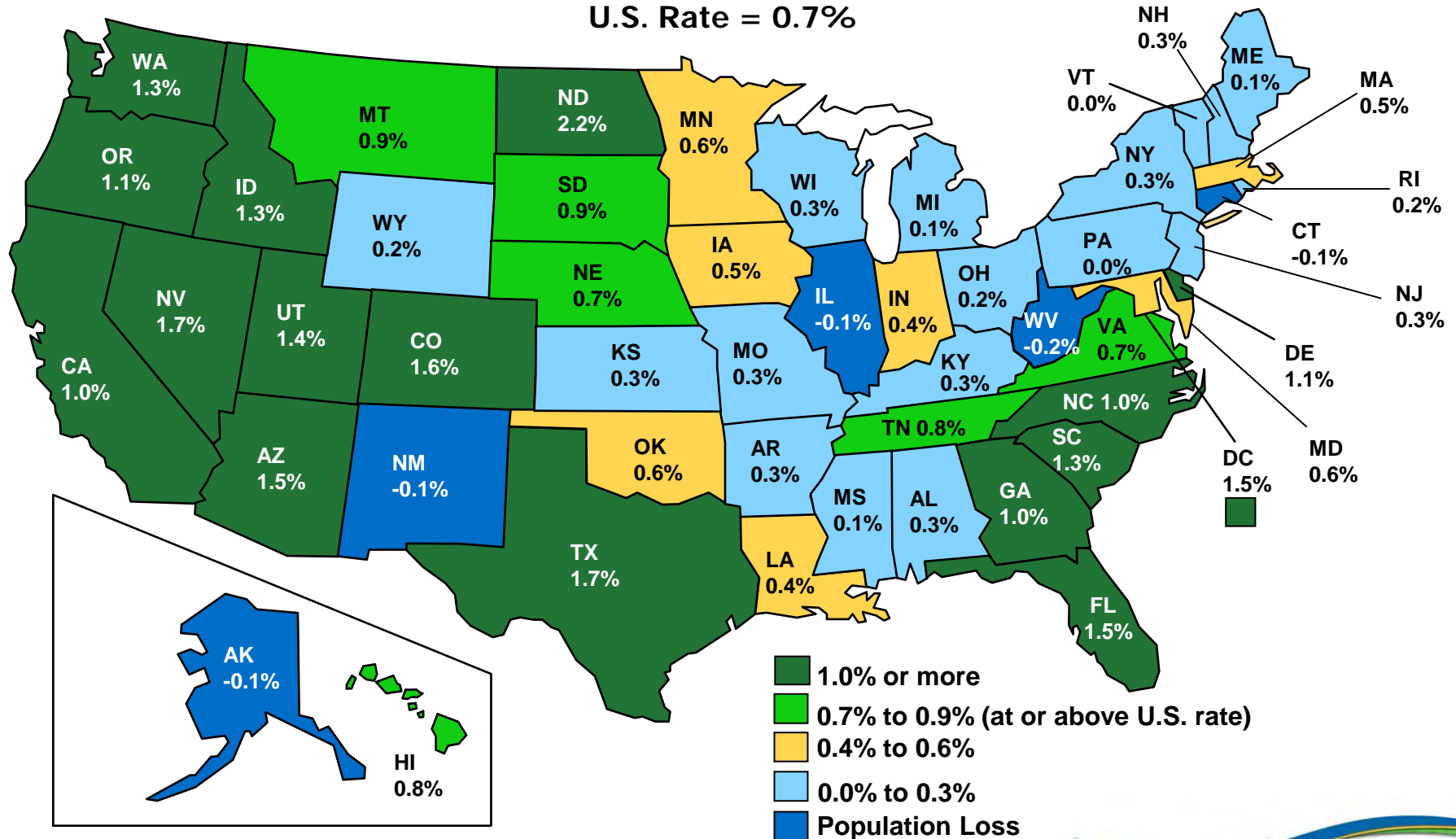


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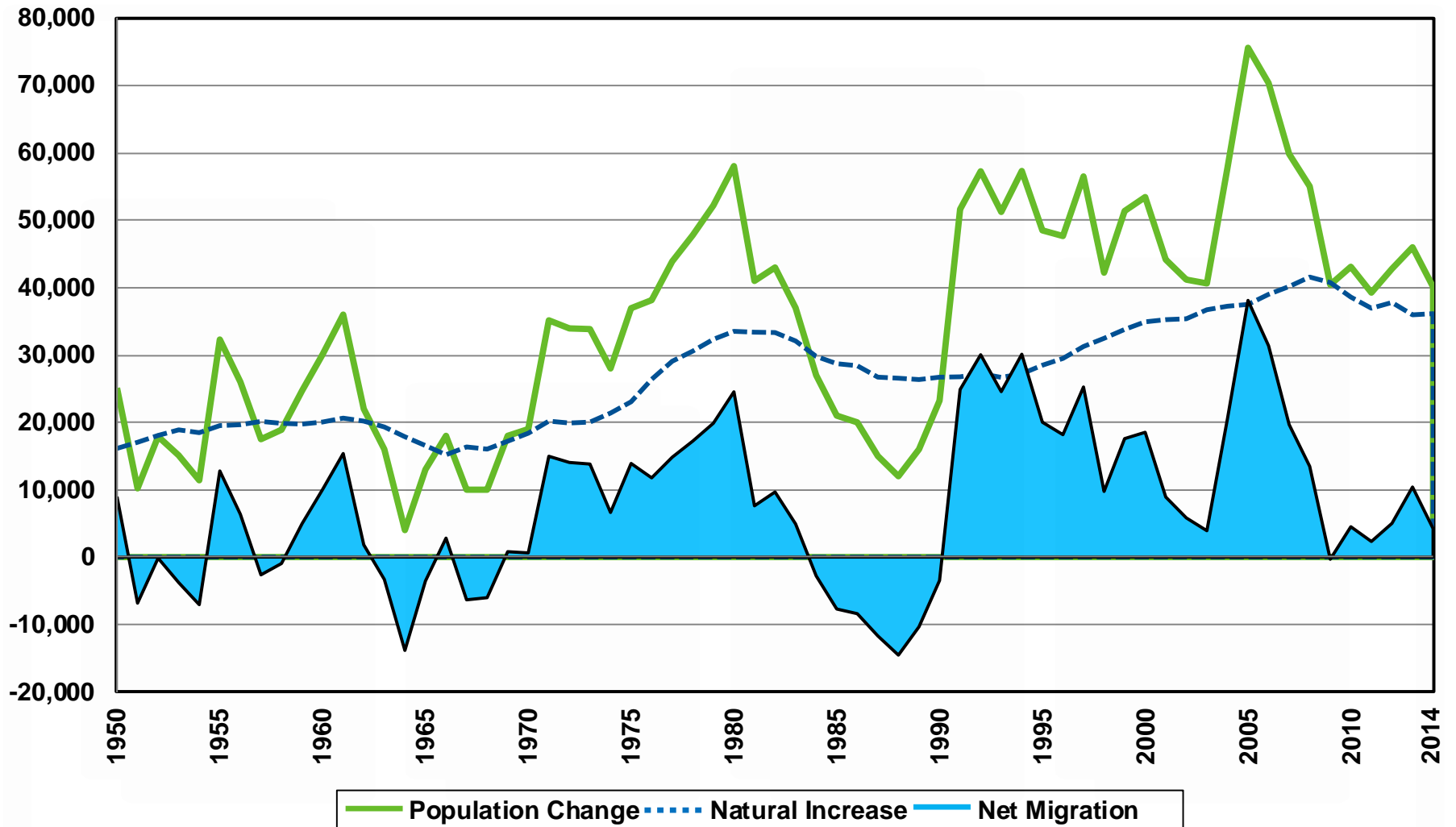
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# Utah Population 7<sup>th</sup> Fastest Growing in U.S.

Percent Change: 2013 to 2014  
U.S. Rate = 0.7%

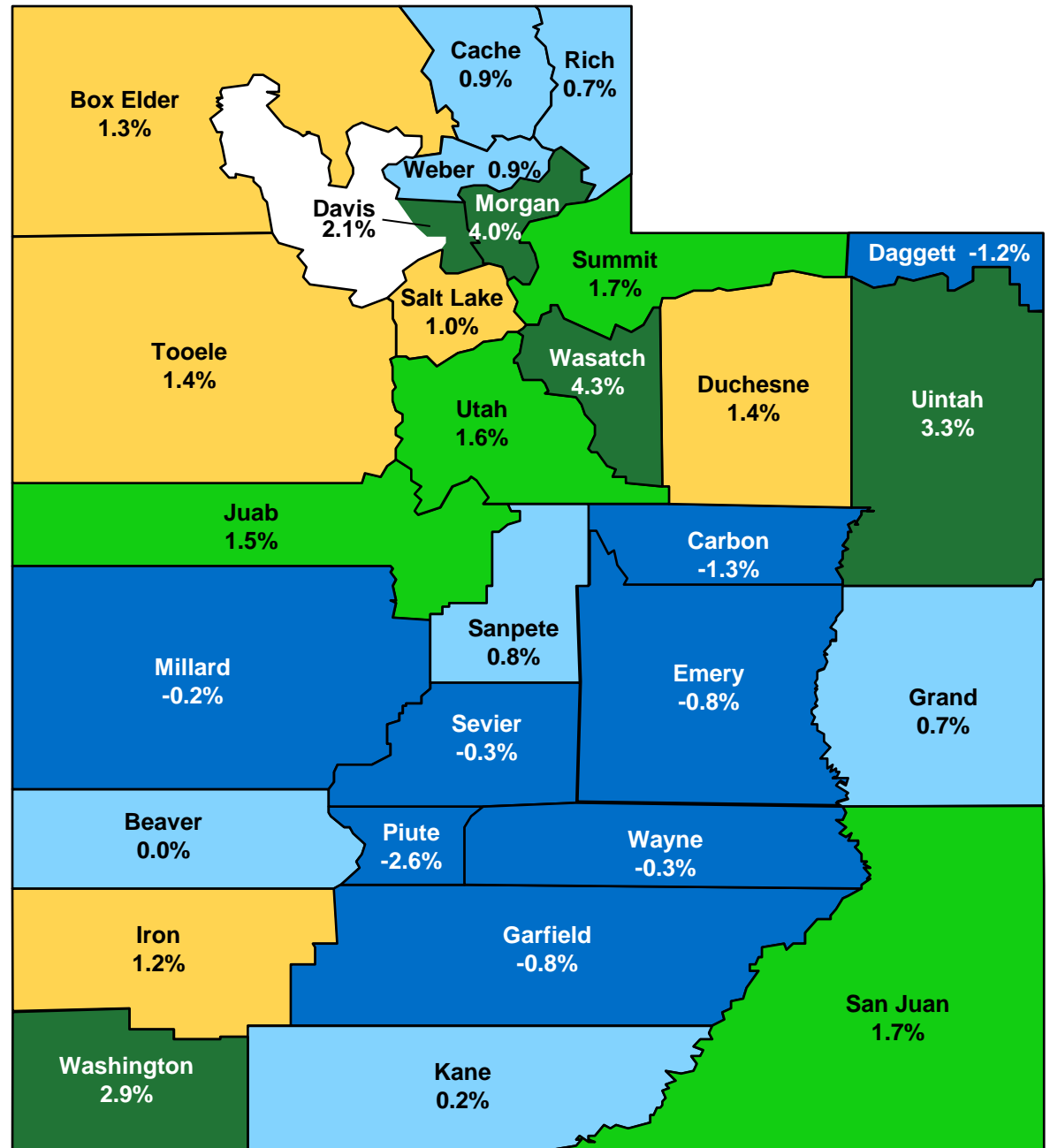
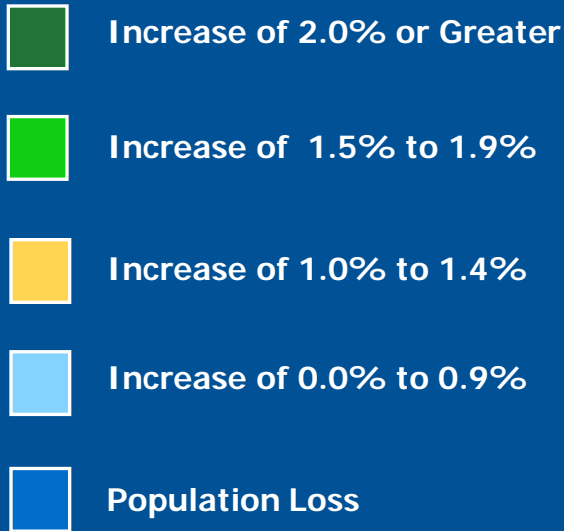


# Utah Components of Population Change



# Utah Population Growth Rates By County 2013 to 2014

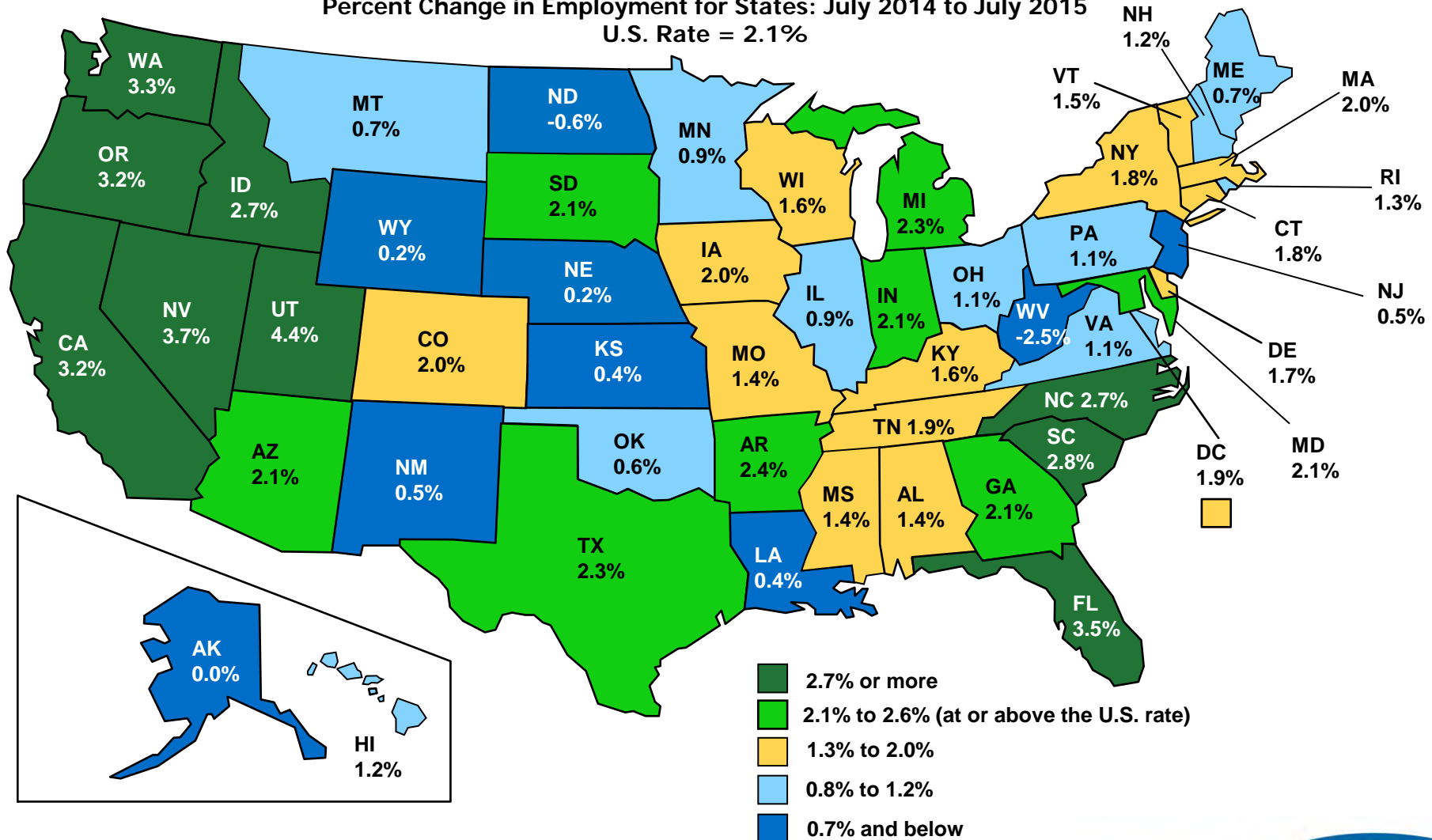
State Average = 1.4%



Source: U.S. Census Bureau

# Utah's Employment Growth Highest in the Country












Percent Change in Employment for States: July 2014 to July 2015  
U.S. Rate = 2.1%



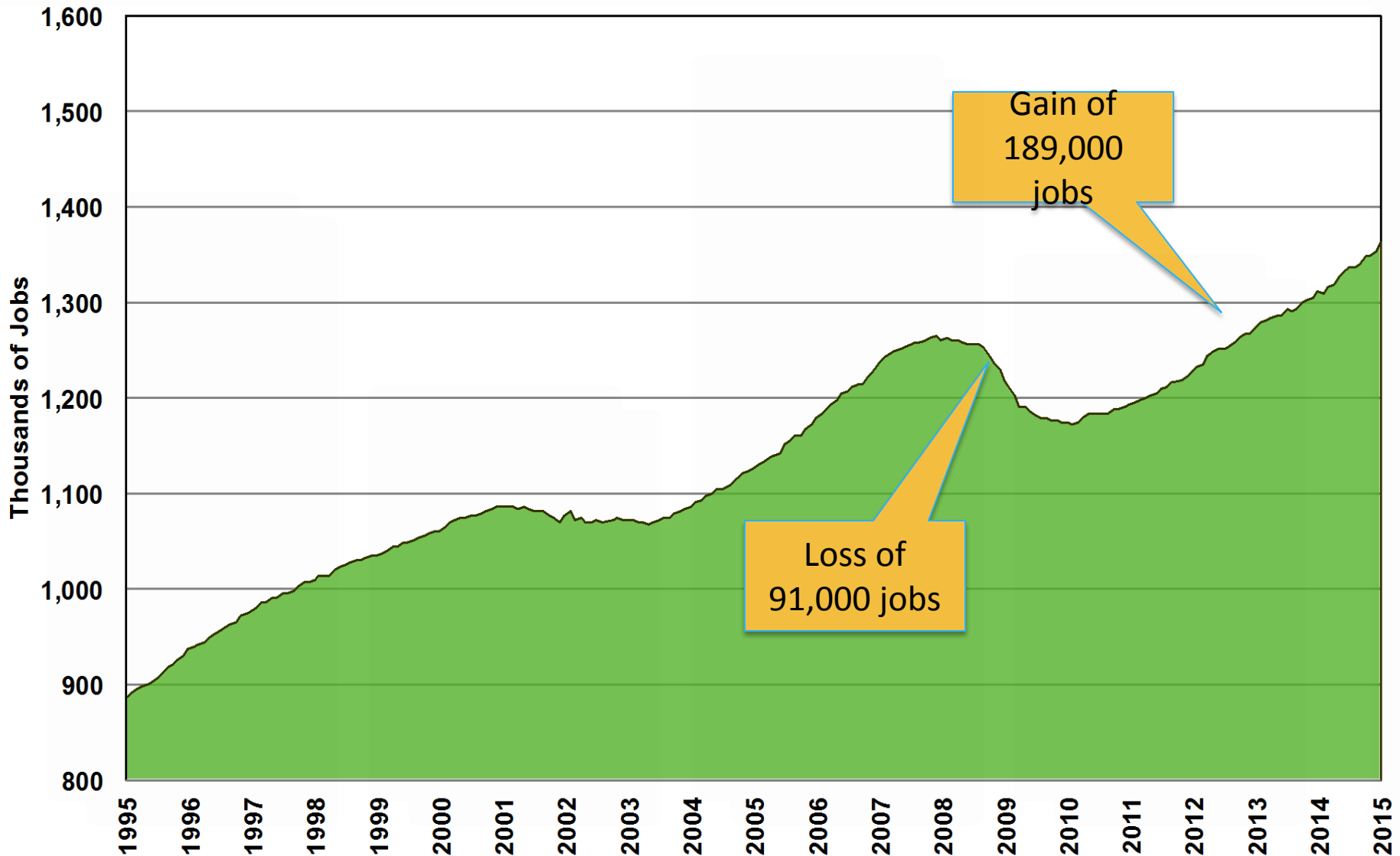
Note: Seasonally Adjusted  
Source: Bureau of Labor Statistics

# Top States for Employment Growth

July 2014 vs. July 2015

Top 10 July 2014	July 2015 Ranking
1. North Dakota	 49th
2. Nevada	 2nd
3. Utah	 1st
4. Texas	 11th
5. Colorado	 18th
6. Florida	 3rd
7. Delaware	 25th
8. Oregon	 6th
9. Arizona	 13th
10. Washington	 4th
31. Idaho	 8th

# Utah Total Employment at New Highs



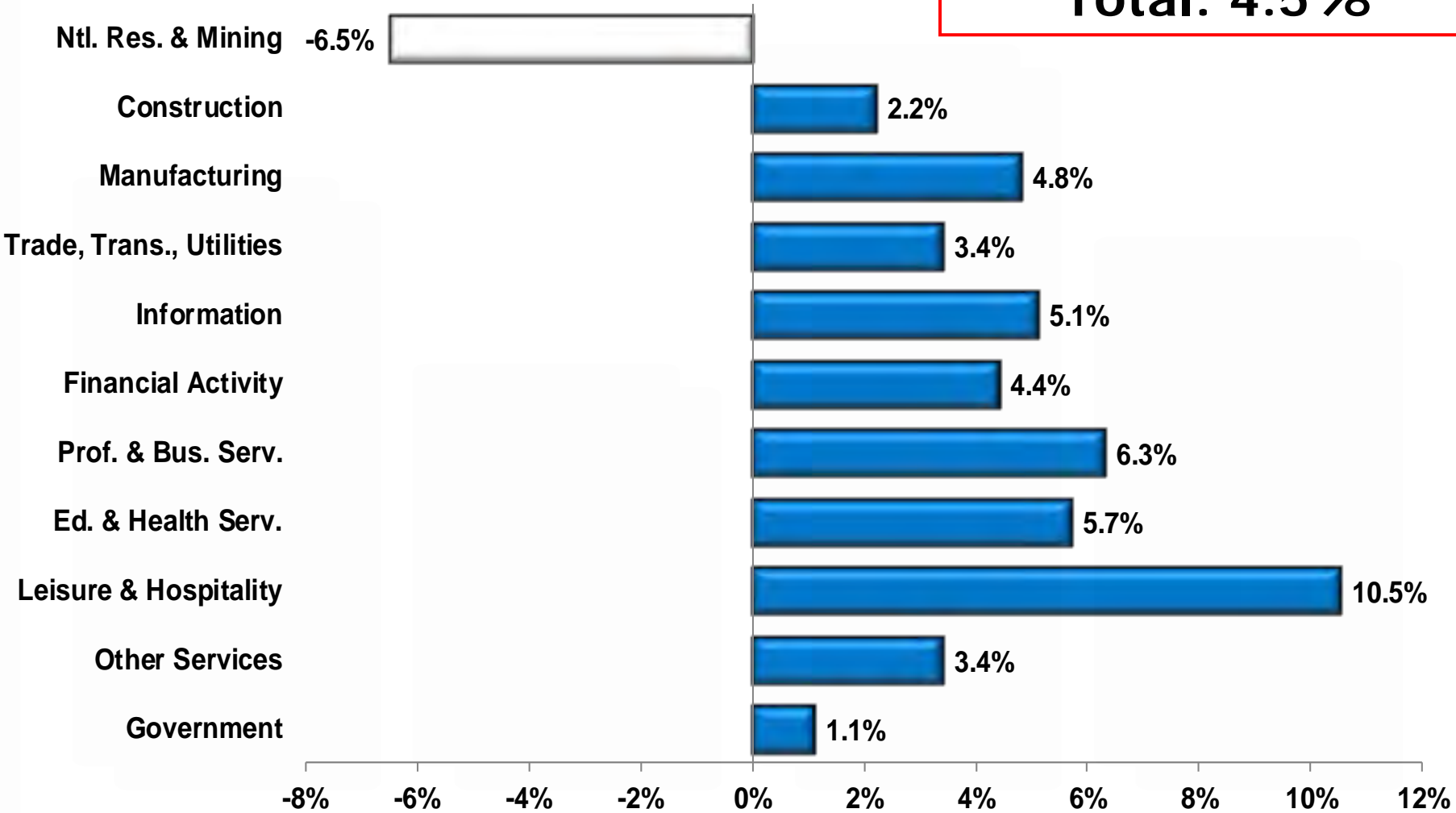
Source: U.S. Bureau of Labor Statistics  
Note: January 2015 (prediction)



# UT Industries - Employment Change

Percent Change in Utah Employment by Industry: July 2014 to July 2015

**Total: 4.5%**



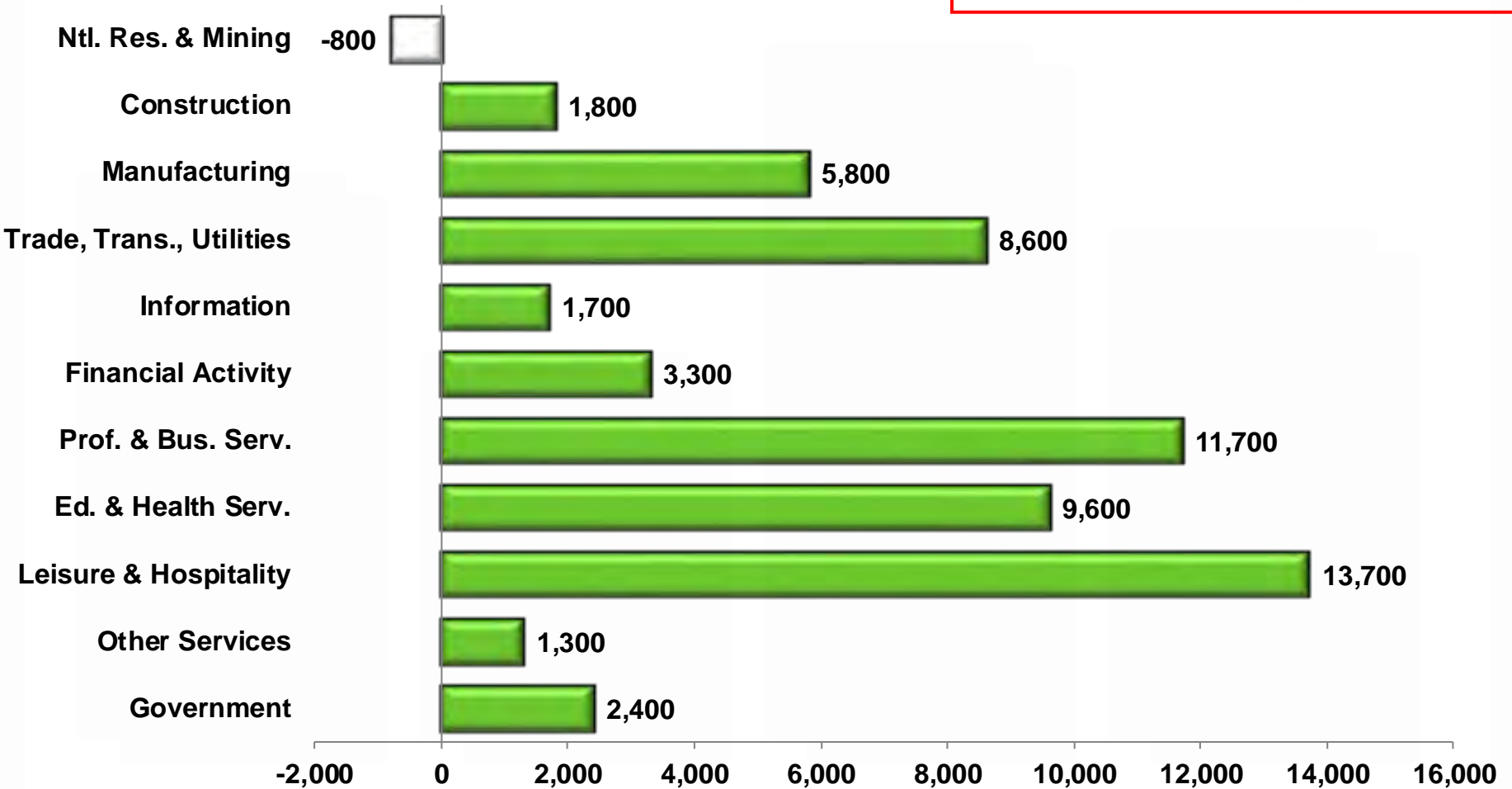
Source: Utah Department of Workforce Services



# Most UT Industries Seeing Growth

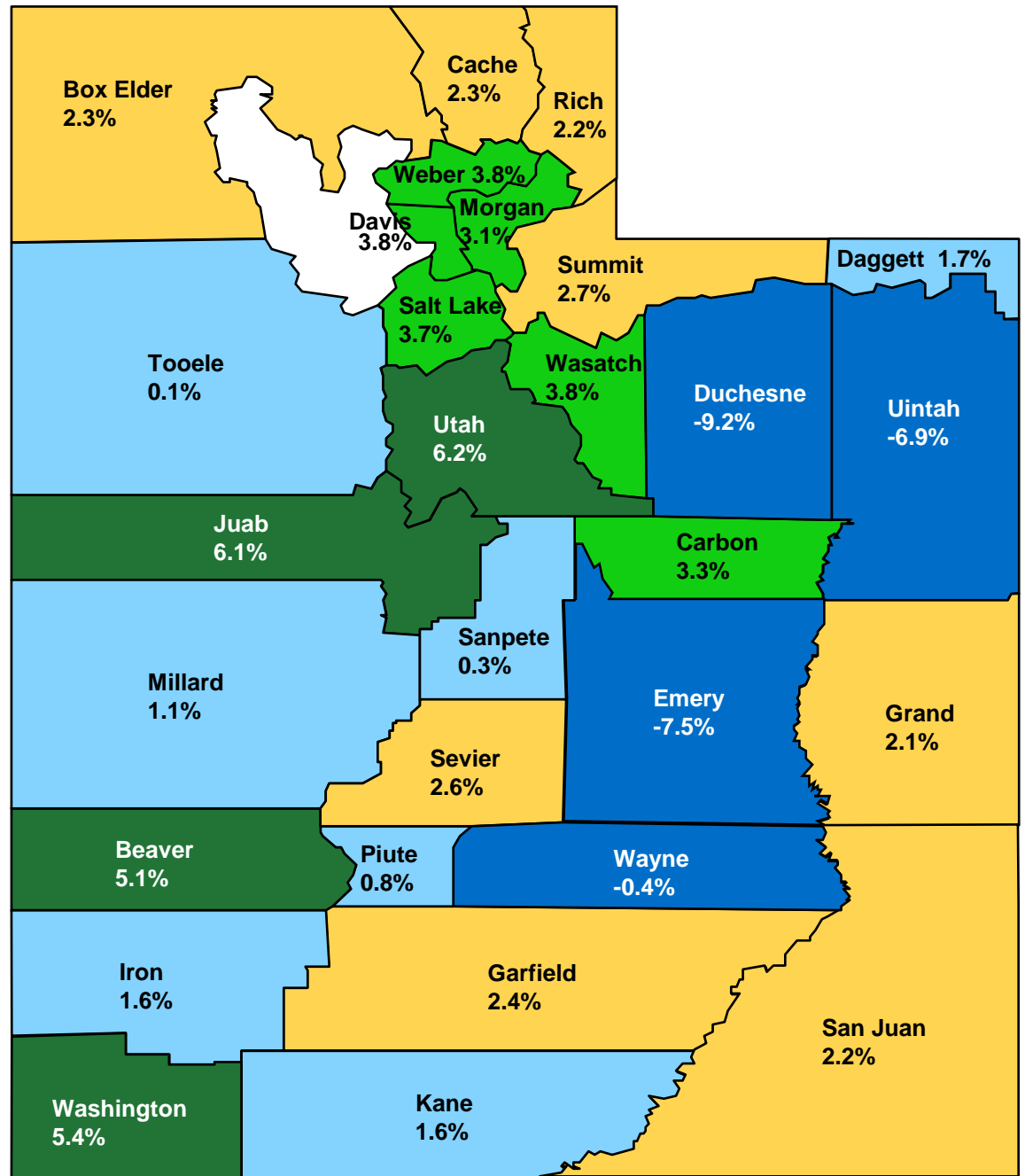
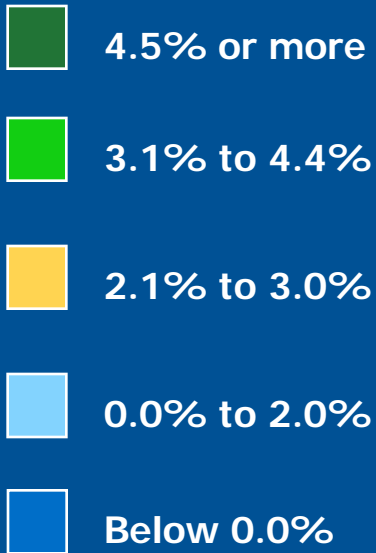
Total Change in Utah Employment by Industry: July 2014 to July 2015

**Total: 59,100**



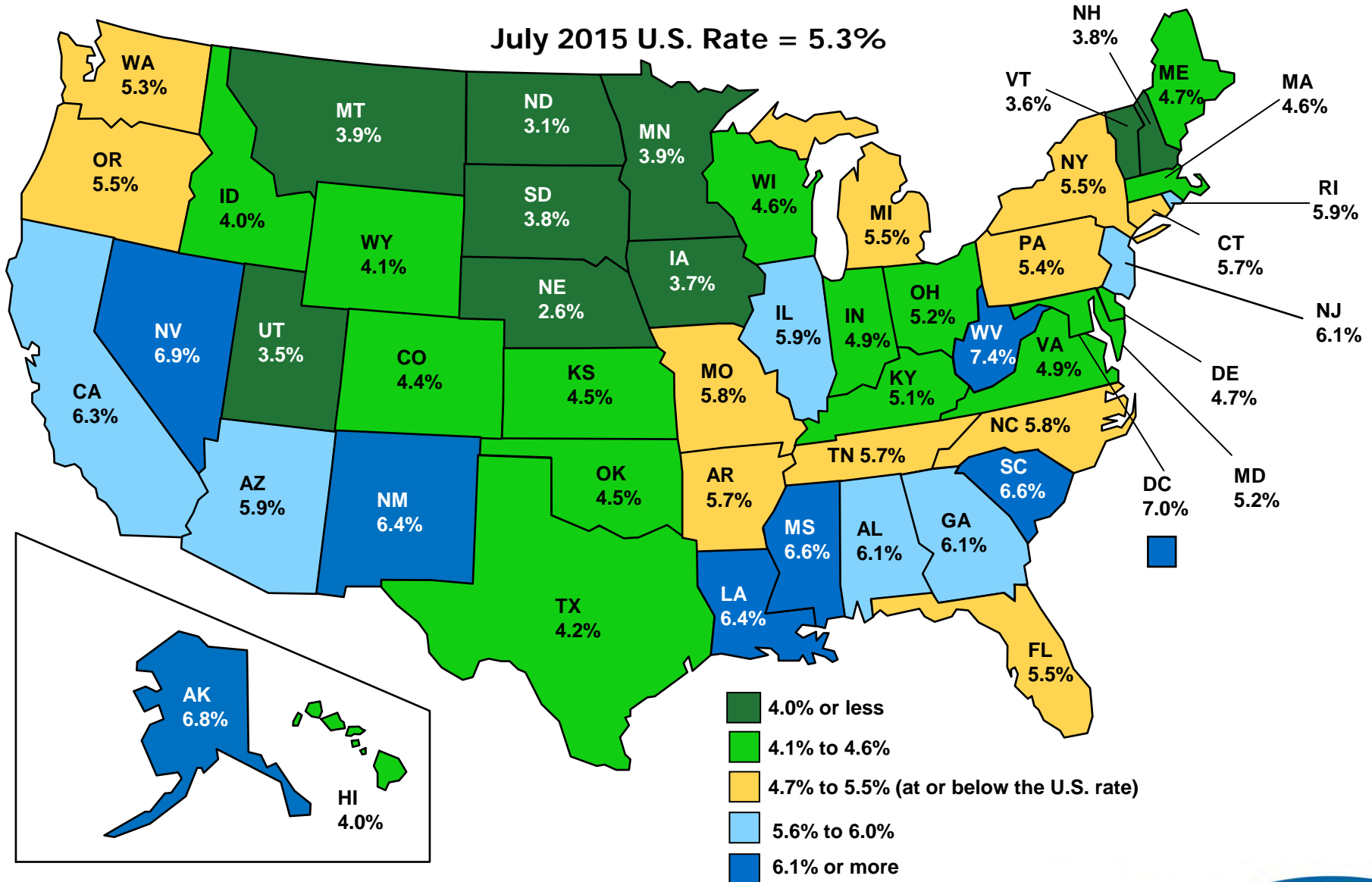
# Utah Employment Change Rates By County July 2014 to July 2015

State Rate = 4.5%



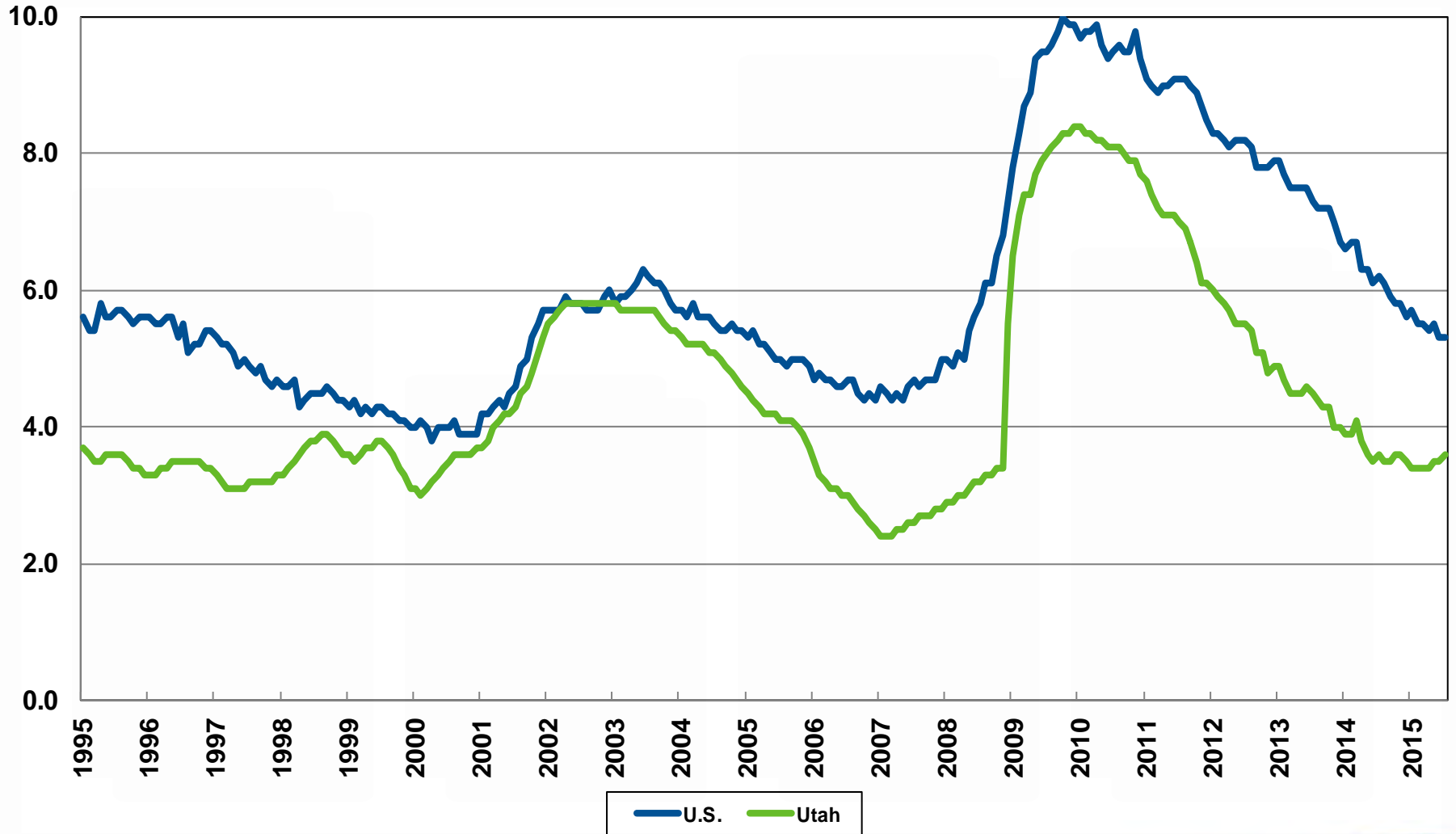
# Utah Has 3<sup>rd</sup> Lowest Unemployment Rate in the Country

July 2015 U.S. Rate = 5.3%



Note: Seasonally Adjusted  
Source: Bureau of Labor Statistics

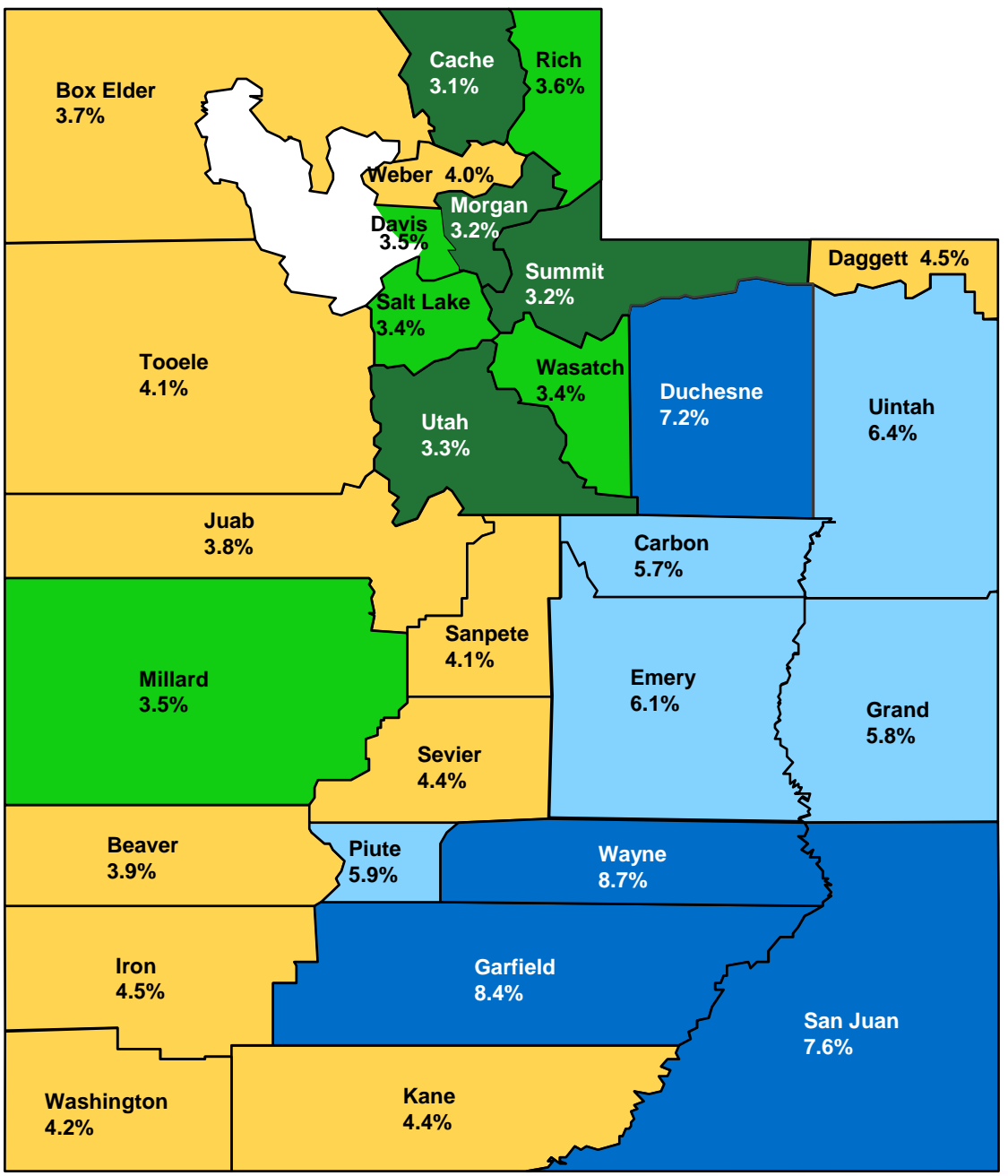
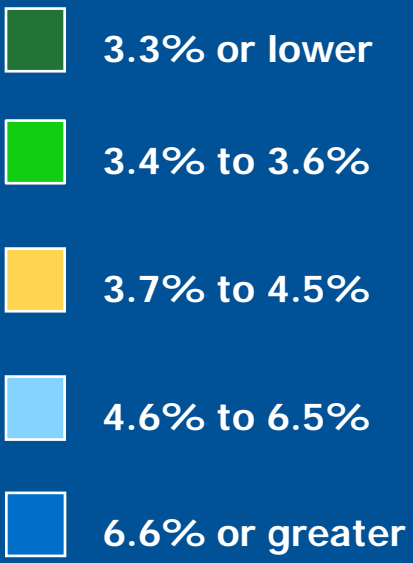
# Utah vs. U.S. Unemployment Rates



# Utah Unemployment Rates By County

July 2015

State Rate = 3.6%

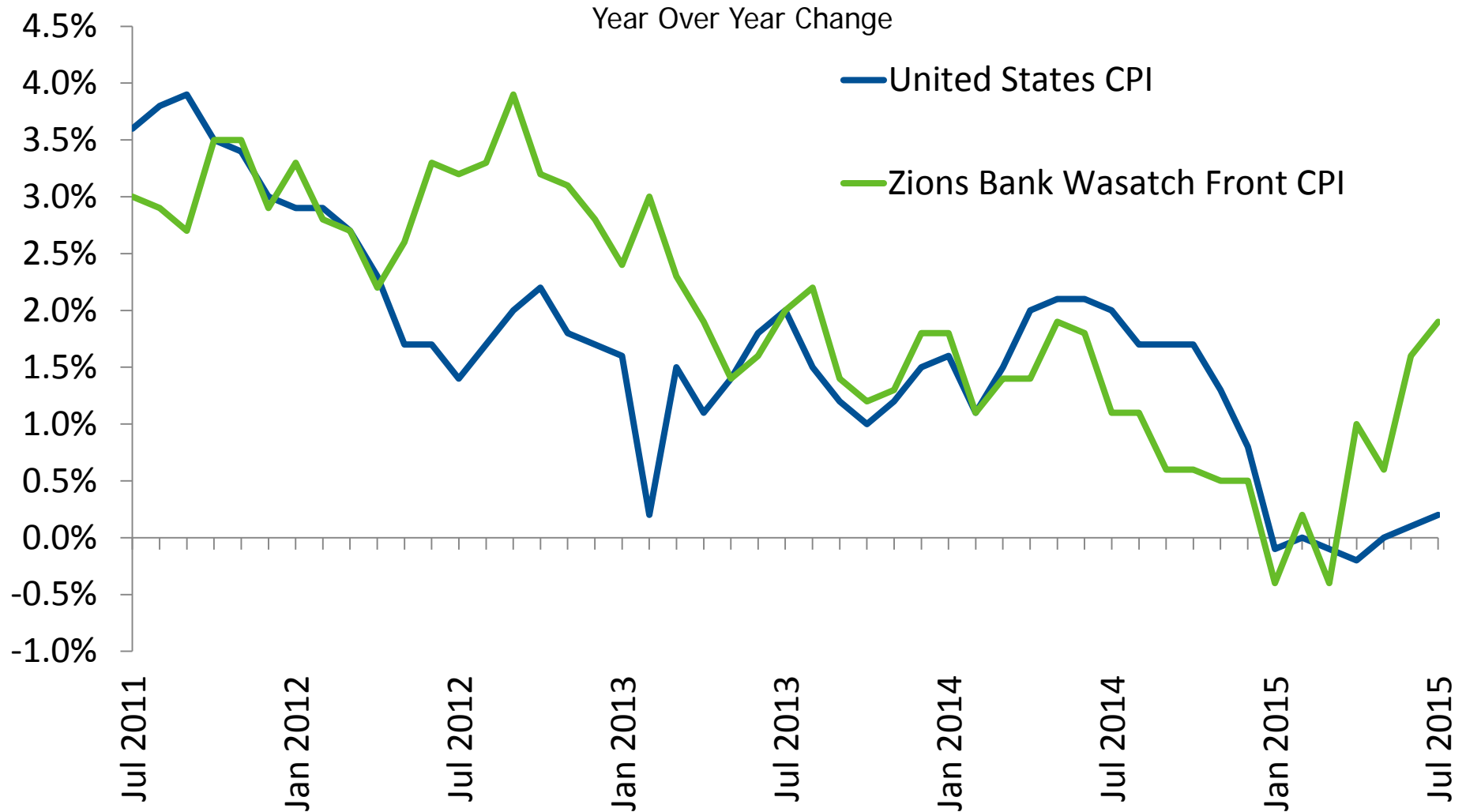


Source: Utah Department of Workforce Services

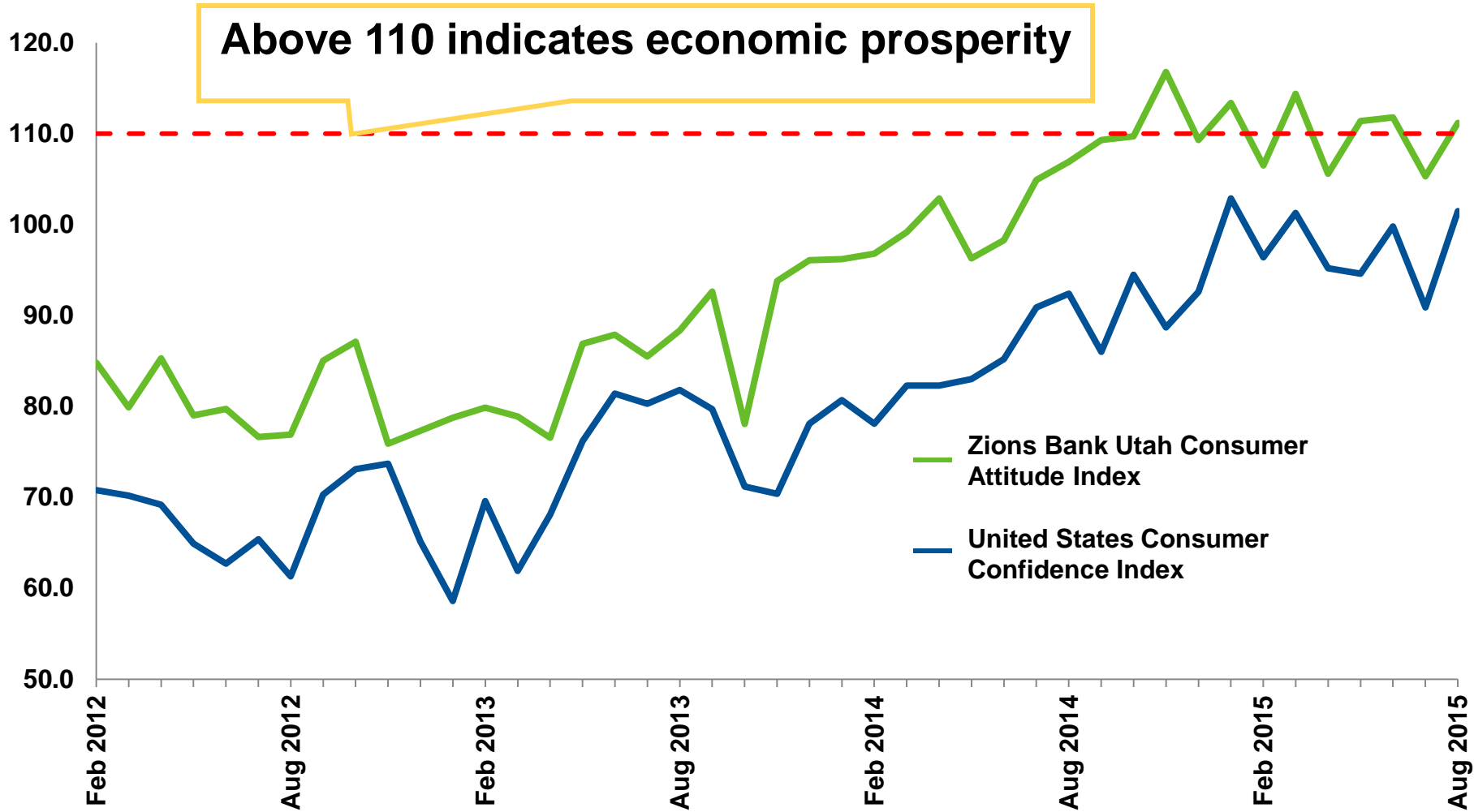


# Consumer Price Index

## Wasatch Front vs. United States



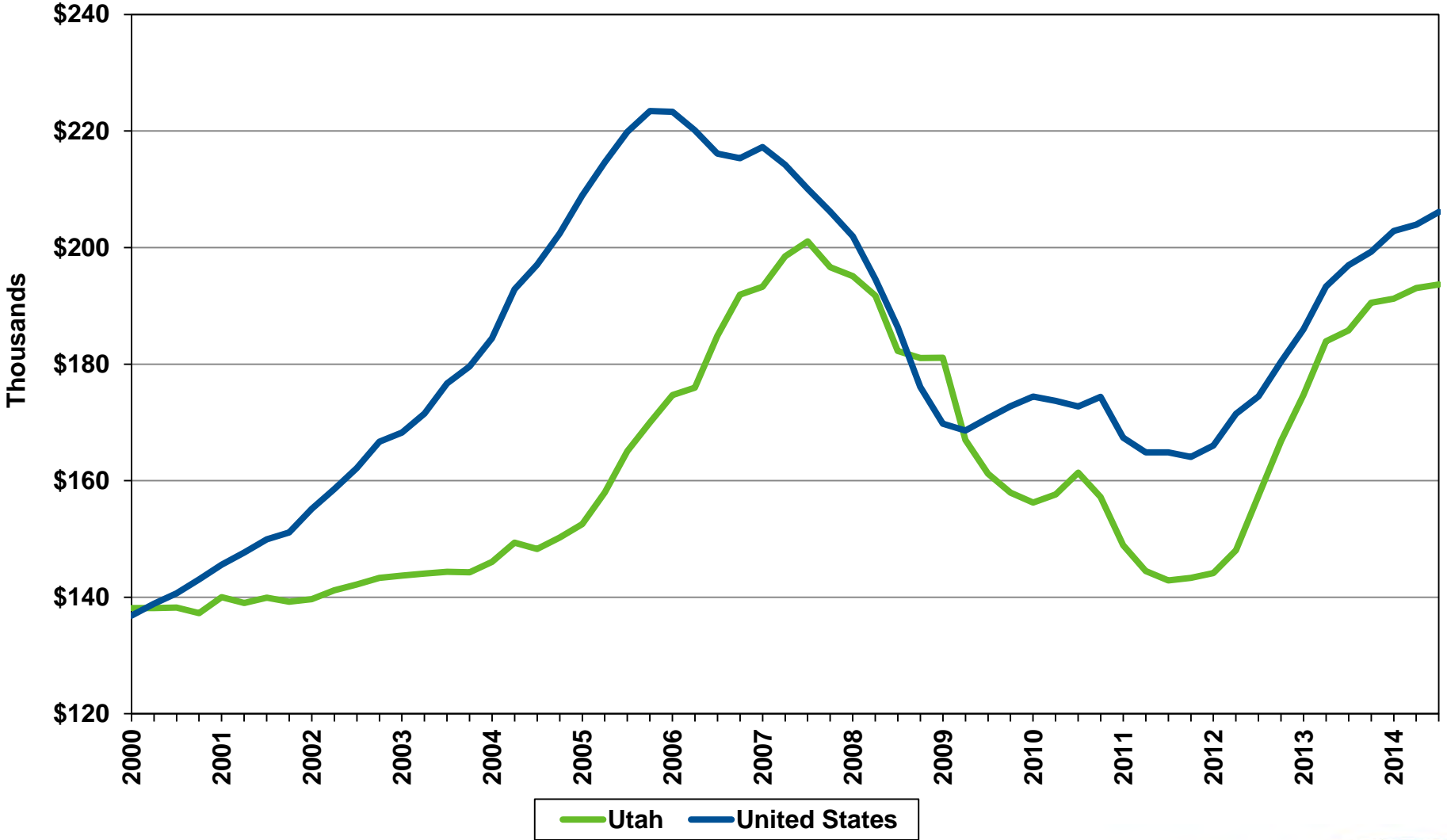
# US Consumer Confidence Index vs. UT Consumer Attitude Index





# U.S. vs. UT

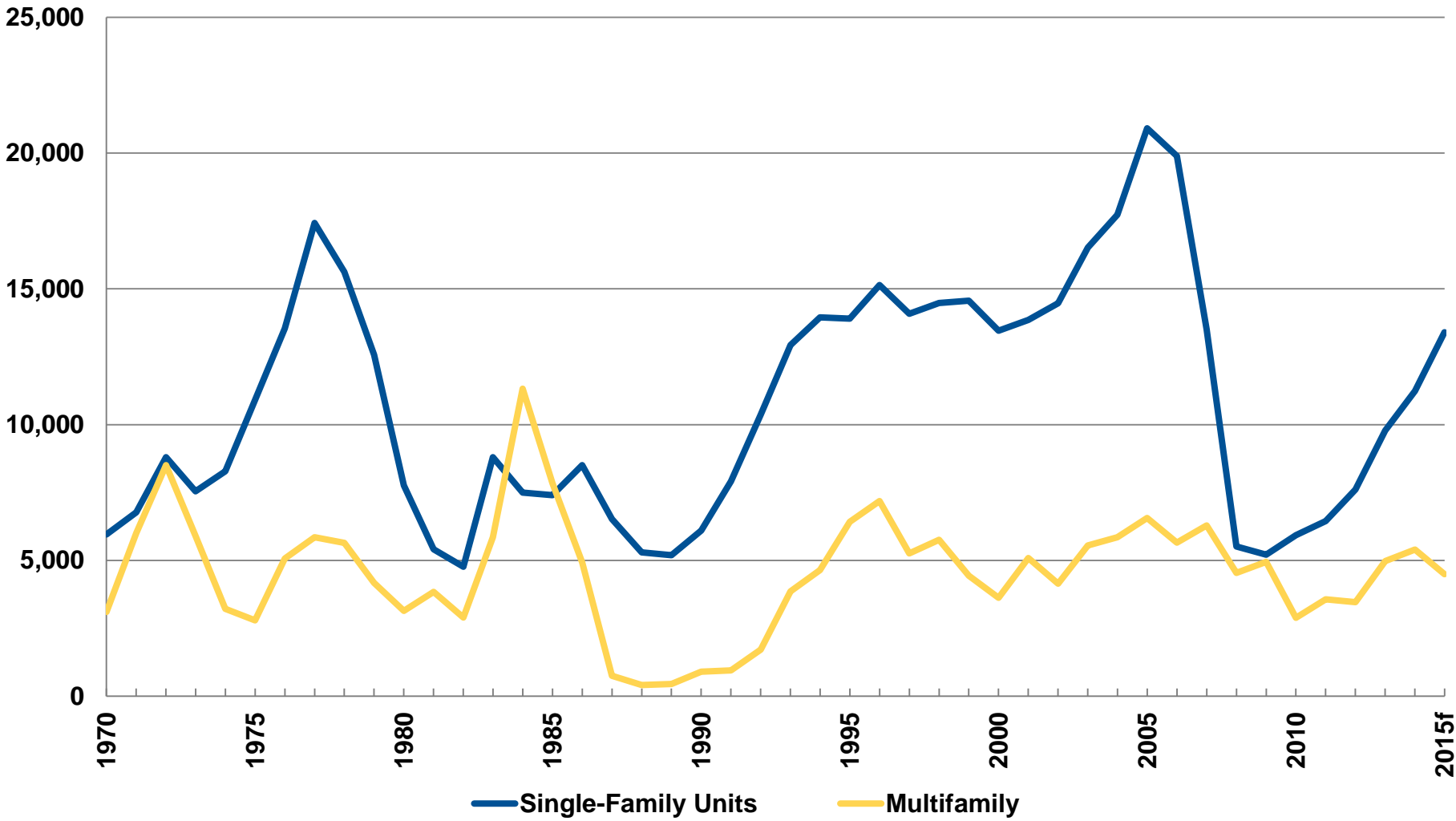
## Median Existing Home Prices



Source: Moody's Analytics



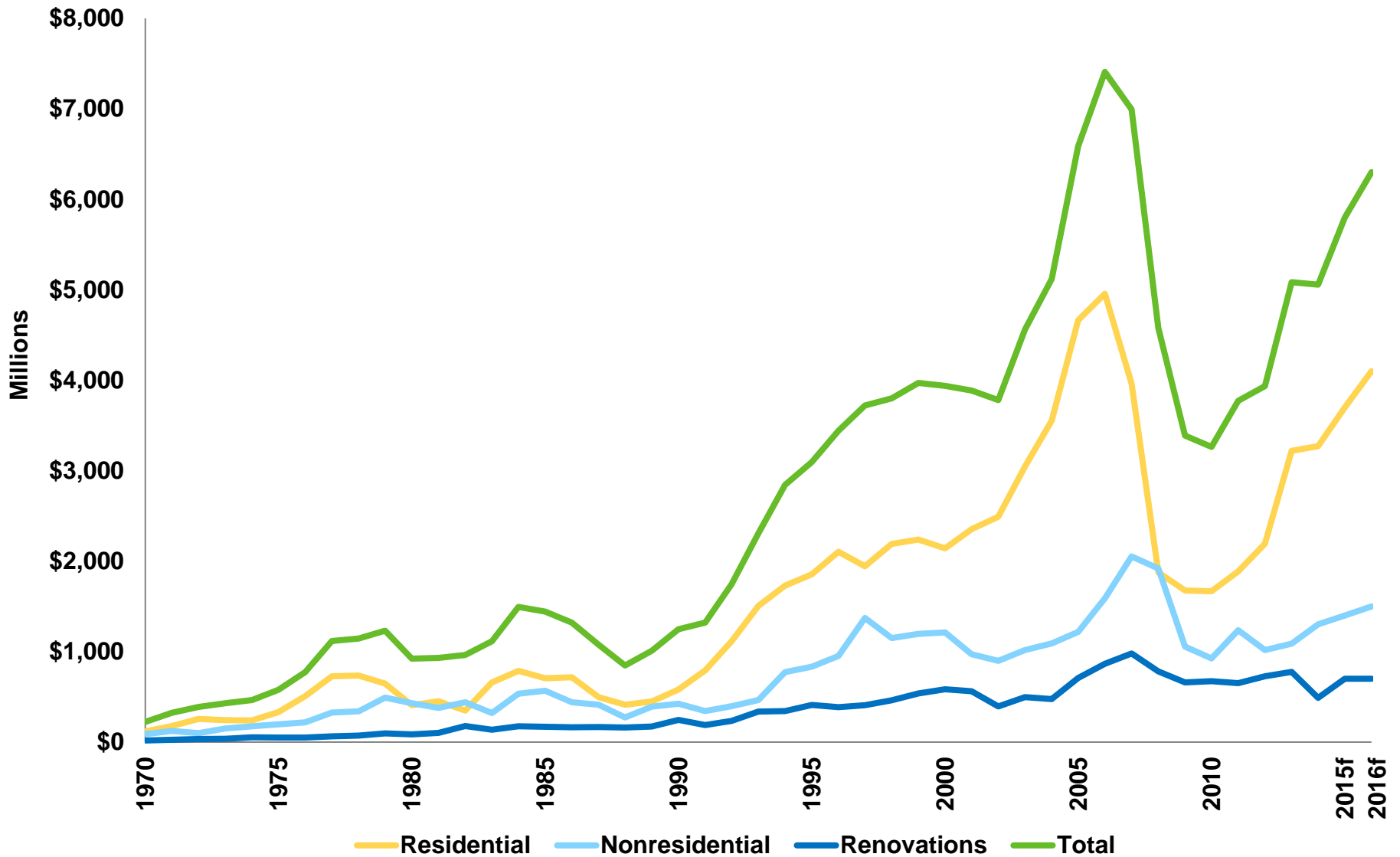
# Utah Residential Construction Activity



Source: University of Utah, David Eccles School of Business, Bureau of Economic and Business Research

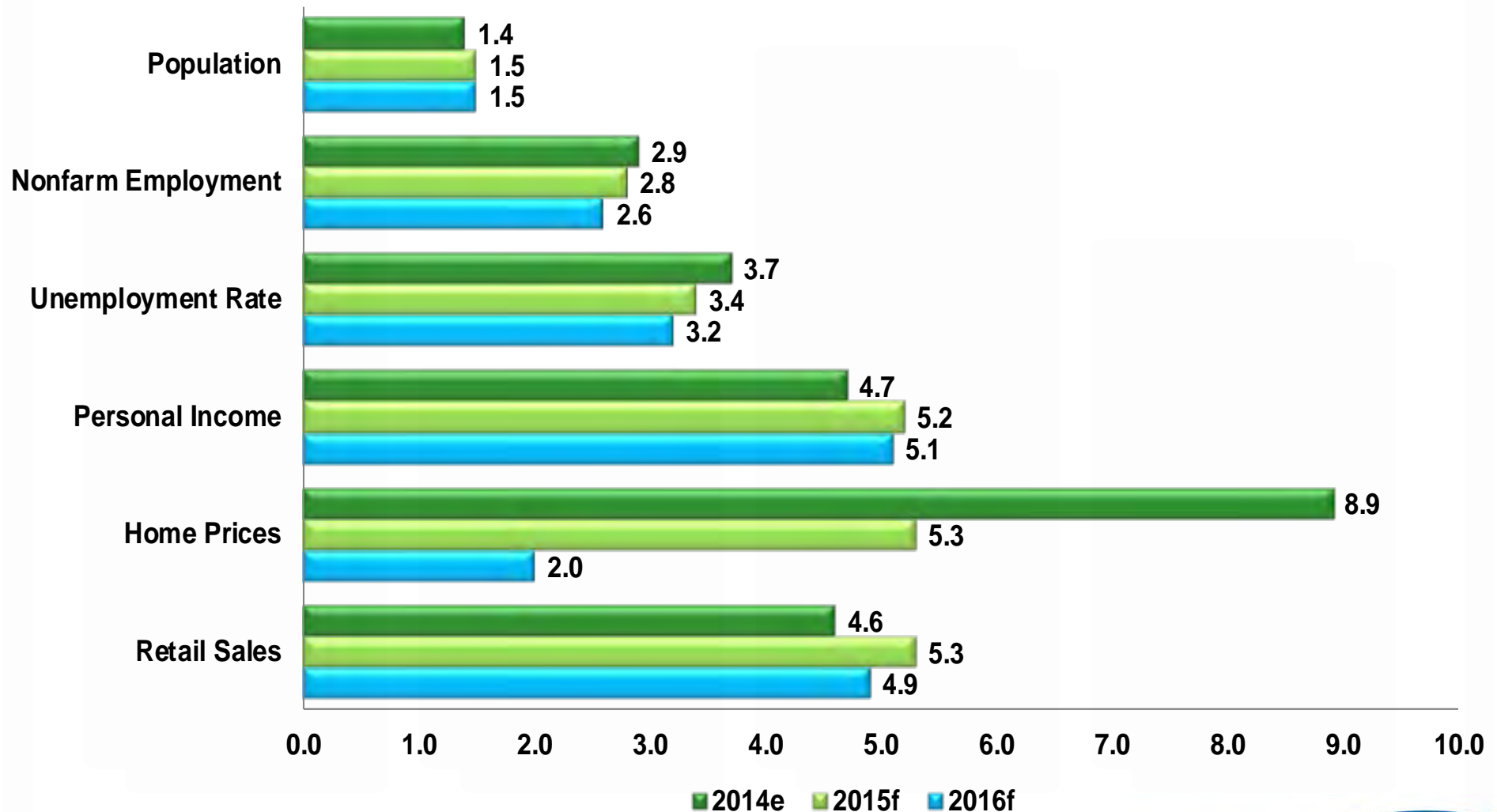


# UT Value of New Construction



# Utah Economic Indicators

2014 - 2016



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