



ECONOMIC
LEADERSHIP



Is there anyone that thinks you, your company, or our community will have less disruption, less information complexity or that the pace of change will slow in 2022?



How is the economy?

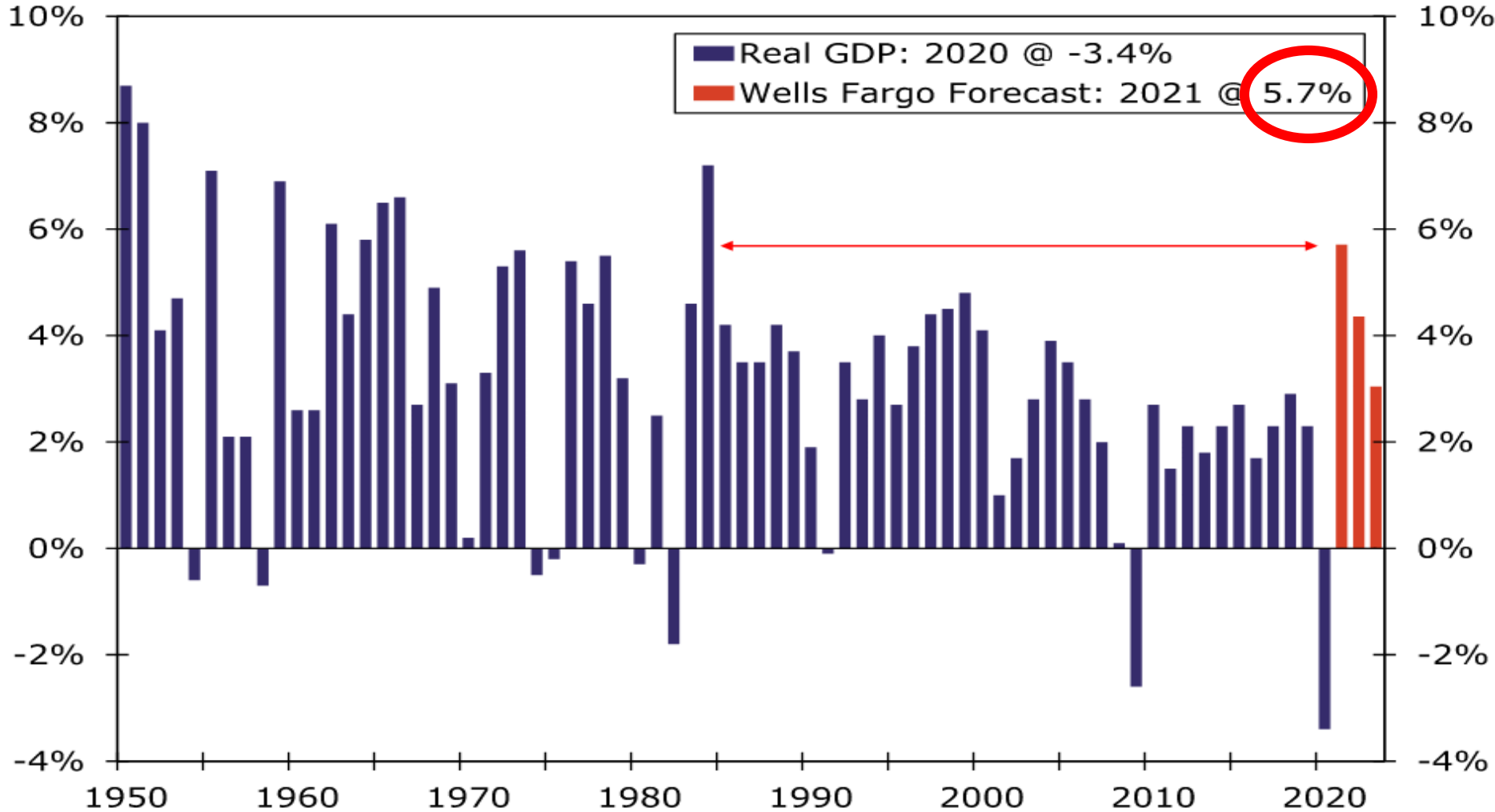
- Record business formations
- Record stock market
- Record corporate profits
- More jobs than we can fill
- Record household wealth & savings
- Rising wages



- Record inflation (40/Yr)
- Record trade deficits
- Record national debt
- Record inequity
- Record low birth rates
- Low labor force participation

U.S. Real GDP Growth

Year-over-Year Percent Change



GDP 10 Year Projected Growth 2020-2030

US average 28.1%

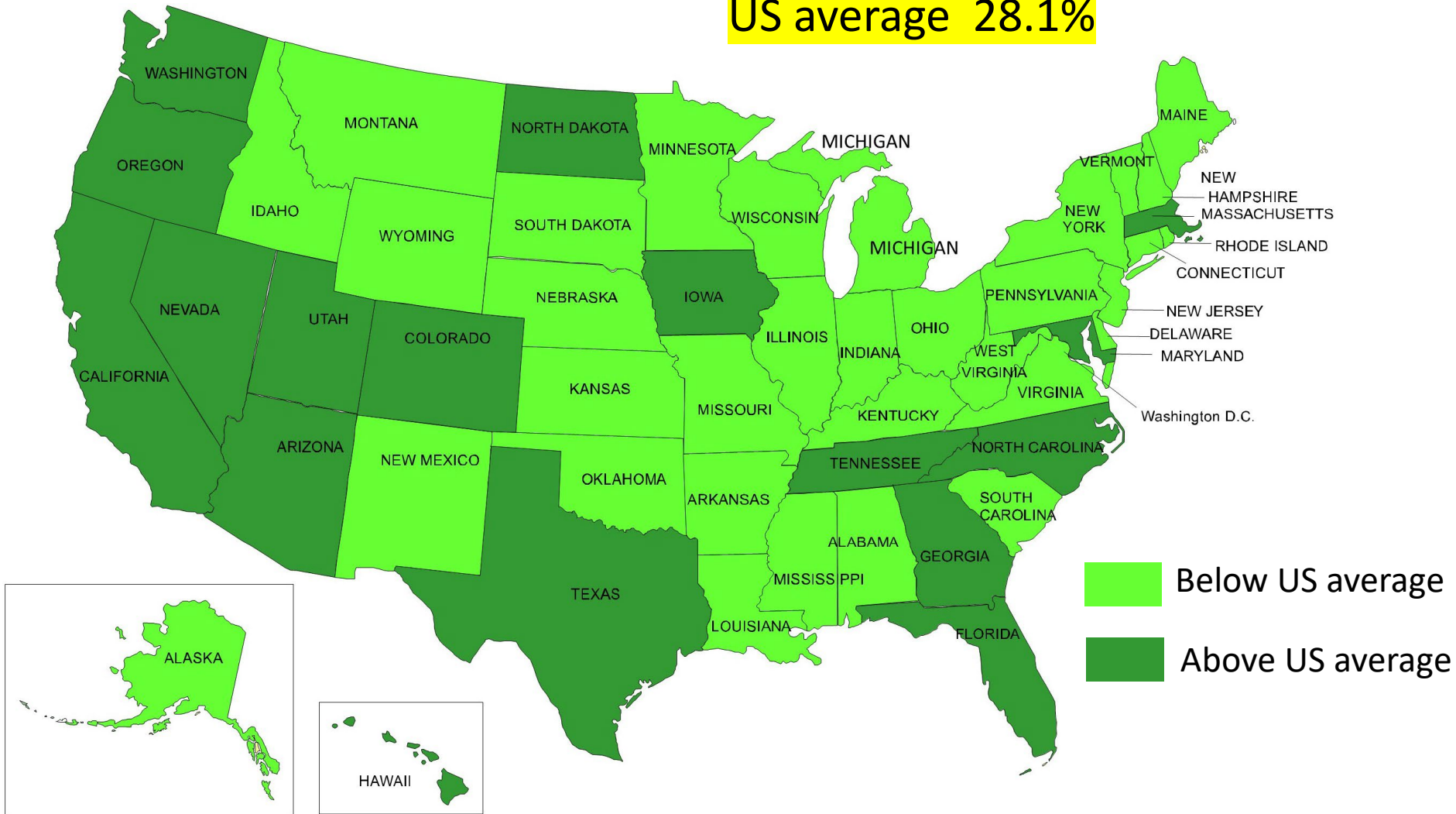
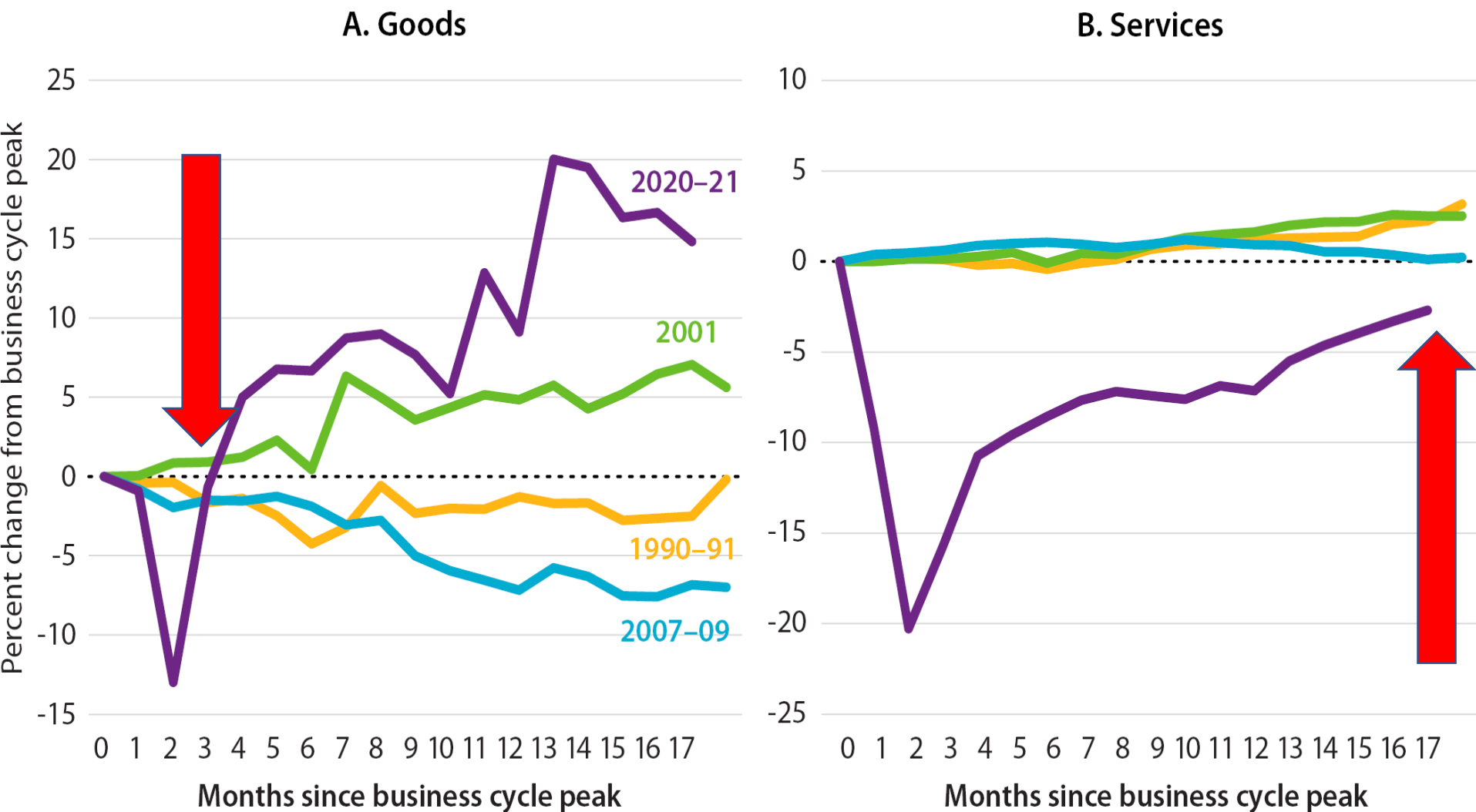


FIGURE 9.
 Percent Change in Real Personal Consumption Expenditures from
 Business Cycle Peaks, 1990–2021

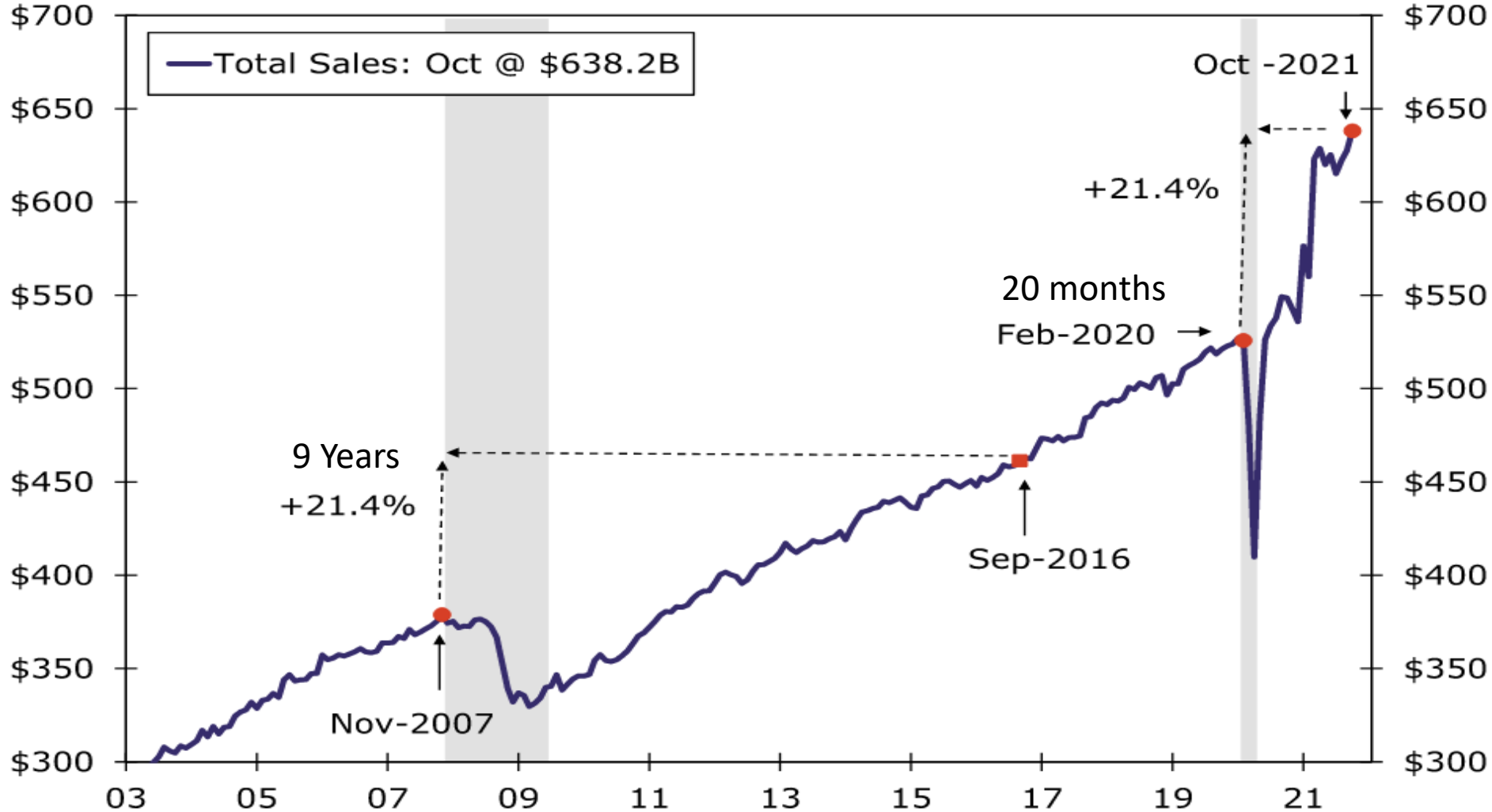


Source: Bureau of Economic Analysis 2021c; National Bureau of Economic Research n.d.; authors' calculations.

Note: Figure shows the percent change from the peak month of each business cycle in seasonally-adjusted real personal consumption expenditures.

U.S. Total Retail Sales

Billions of Dollars, Seasonally Adjusted



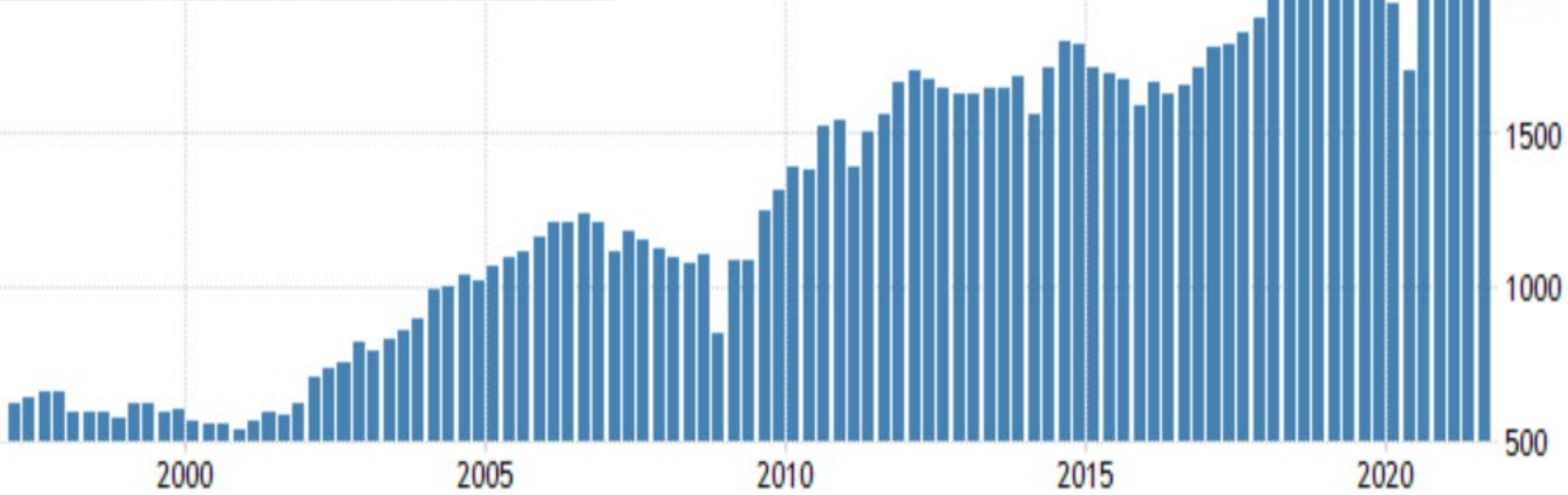
Corporate Profits



Corporate profits in the United States jumped 9.7 percent to a record high of **USD 2.42 trillion** in the second quarter of 2021, following a 4.5 percent rise in the previous period.

Up 66% over the past 10 years

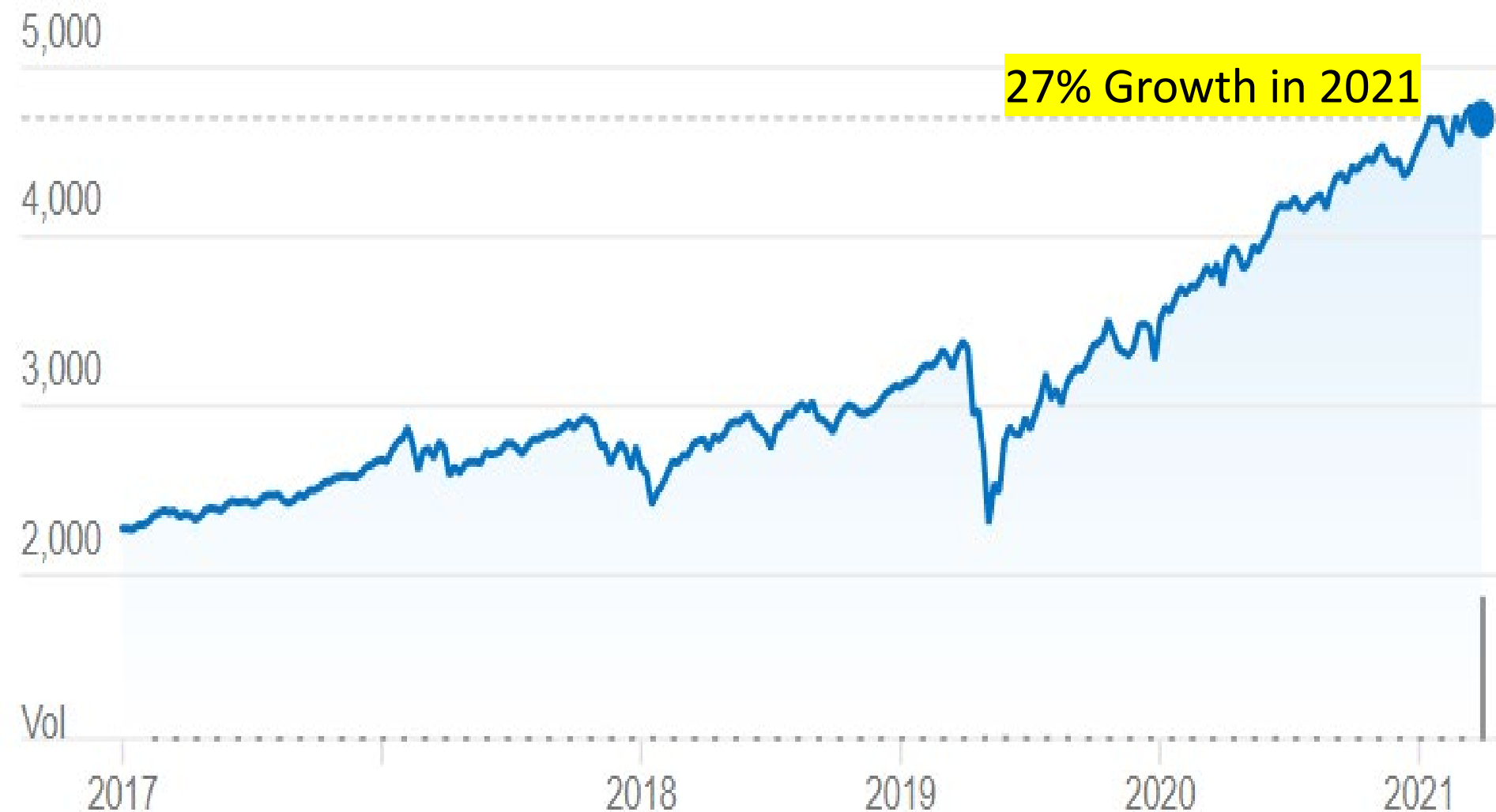
3000
2500
2000
1500
1000
500



SOURCE: [TRADINGECONOMICS.COM](https://tradingeconomics.com) | U.S. BUREAU OF ECONOMICS ANALYSIS

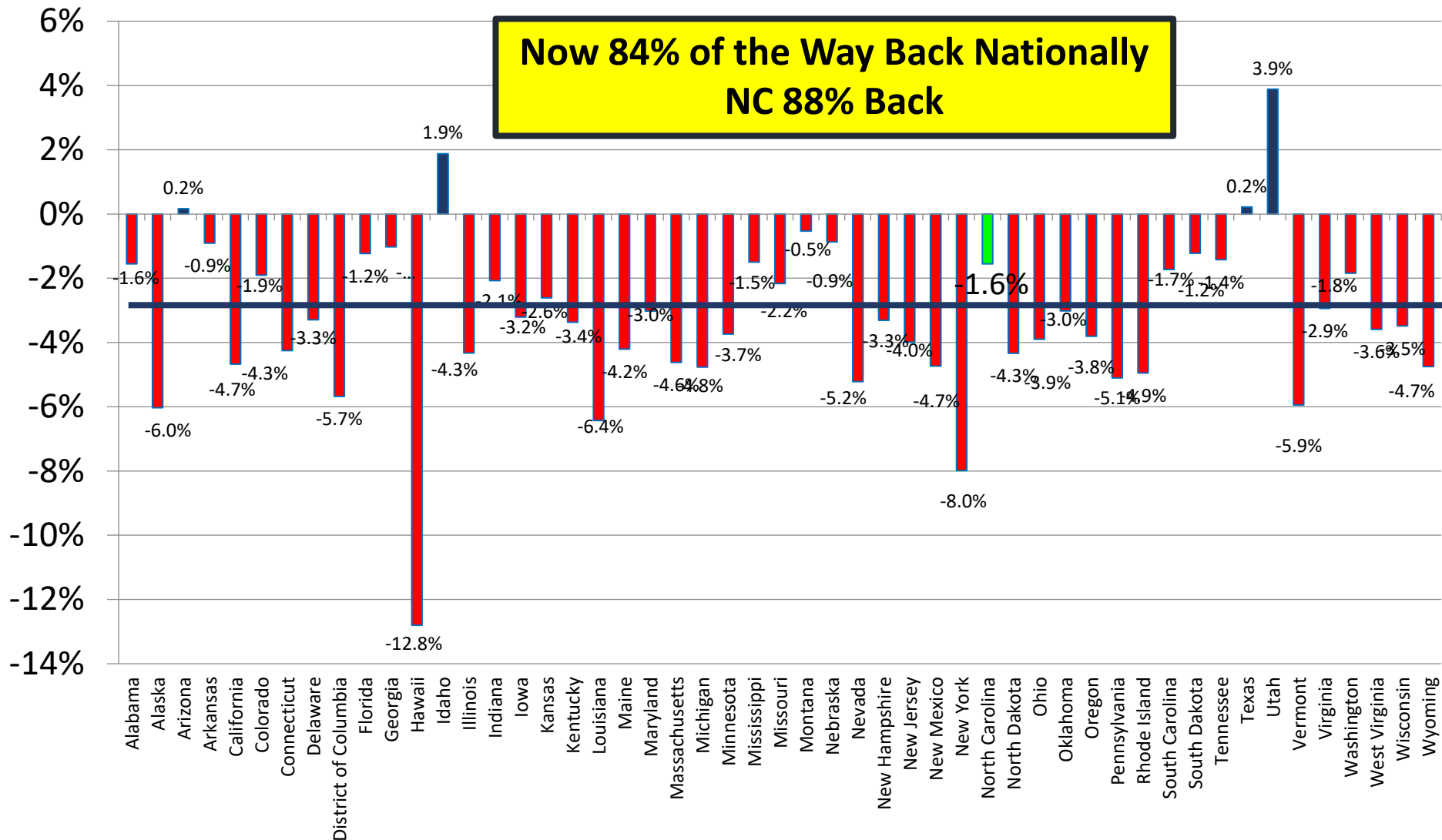
Source: Trading Economics

S & P 500 Index – Five Year



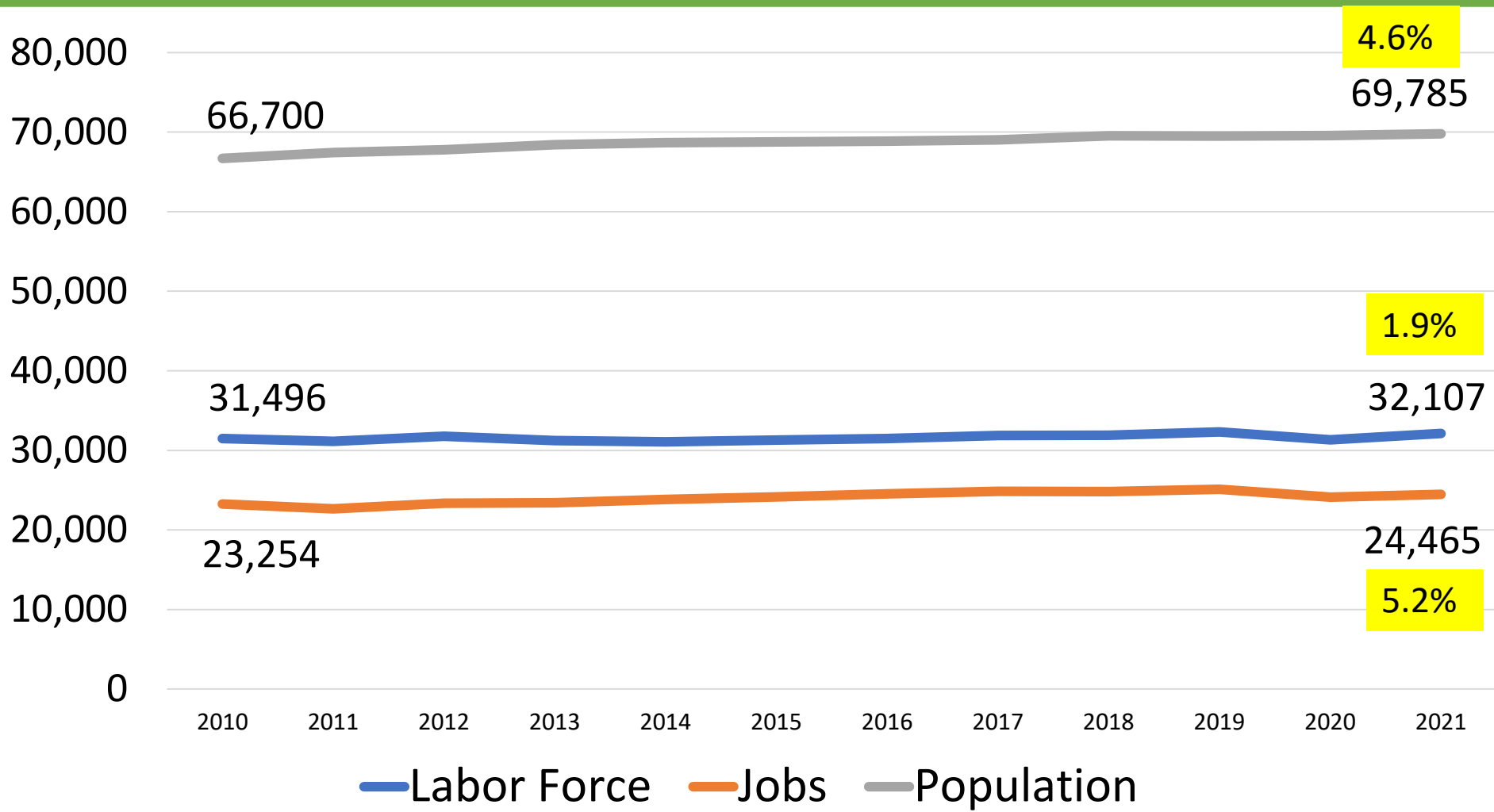
All States Since Start of Covid

Total Non-Farm Employment Percentage Change Feb 2020 to Nov 2021

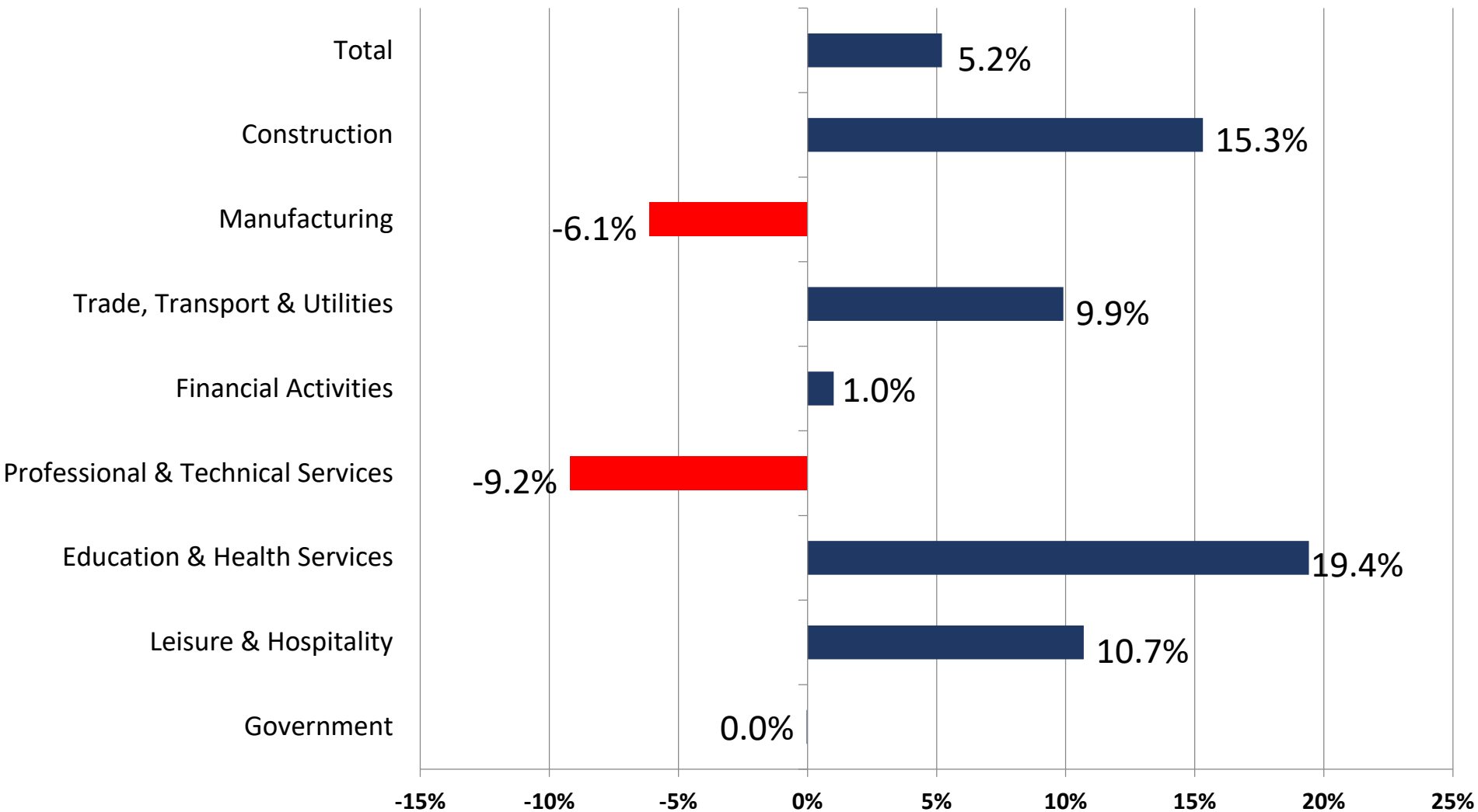


Carteret County

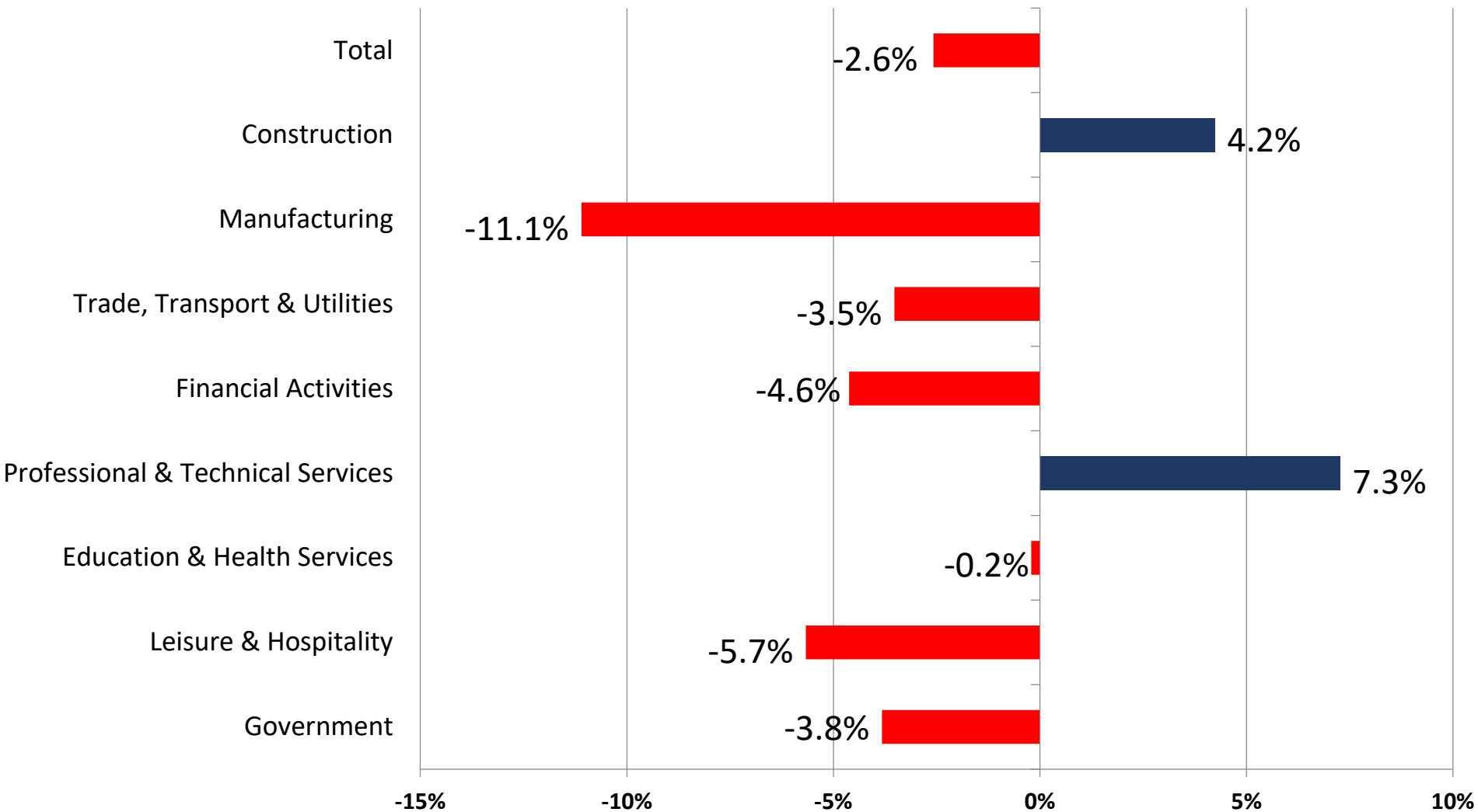
Labor Force – Population - Jobs



Jobs Percentage Change by Sector for Carteret Co. 2010 – 2021



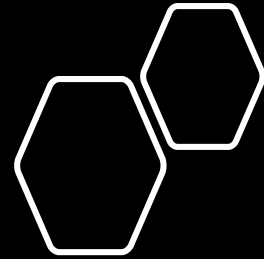
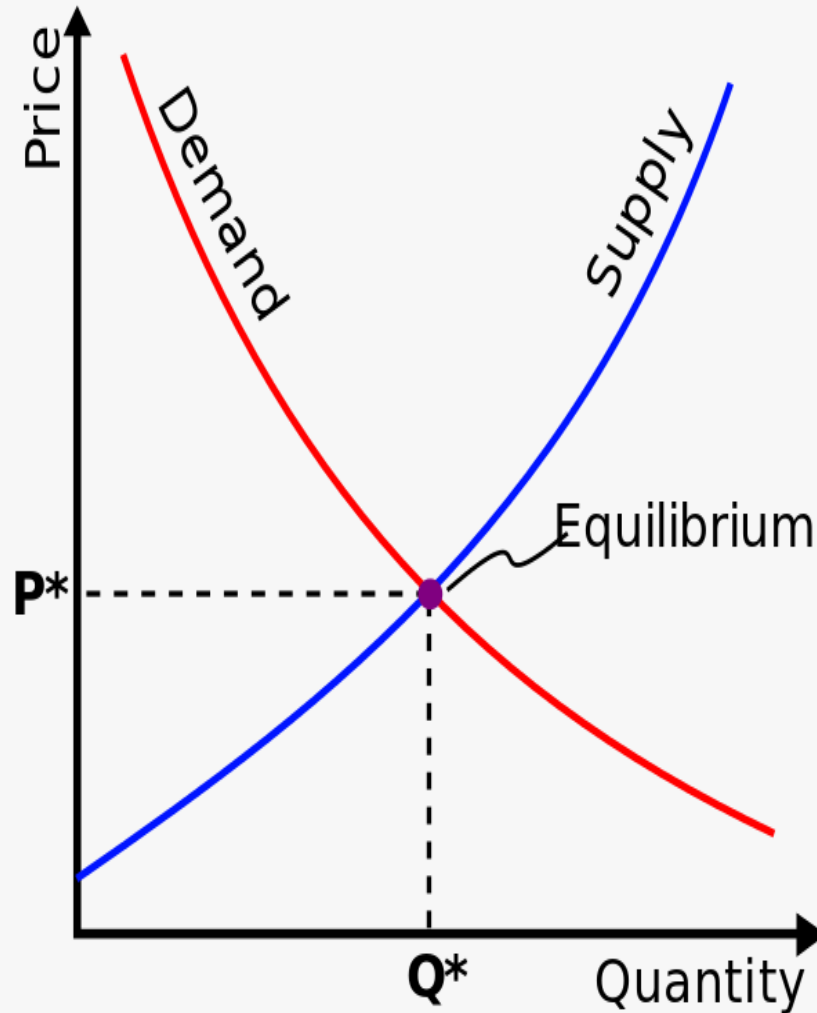
Jobs Percentage Change by Sector for Carteret Co. 2019 – 2021



Inflation



ECON 101



United States Inflation Rate (Past 25 Years)

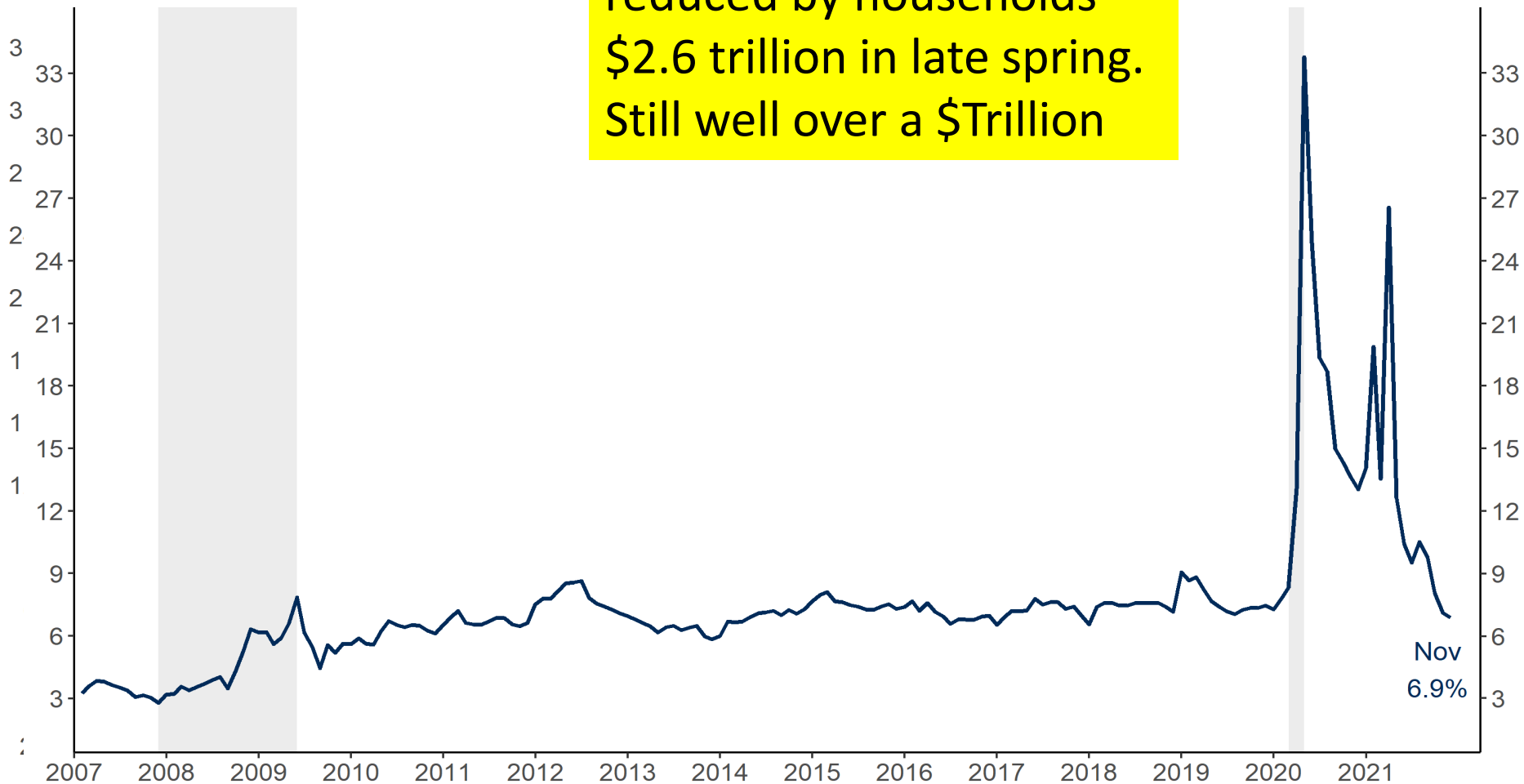
Too many dollars chasing too few goods



SOURCE: [TRADINGECONOMICS.COM](https://tradingeconomics.com) | U.S. BUREAU OF LABOR STATISTICS

Personal Savings Rate

Percent of Disposable Personal Income
Personal Saving Rate
Personal Saving Rate
Percent of Disposable Personal Income



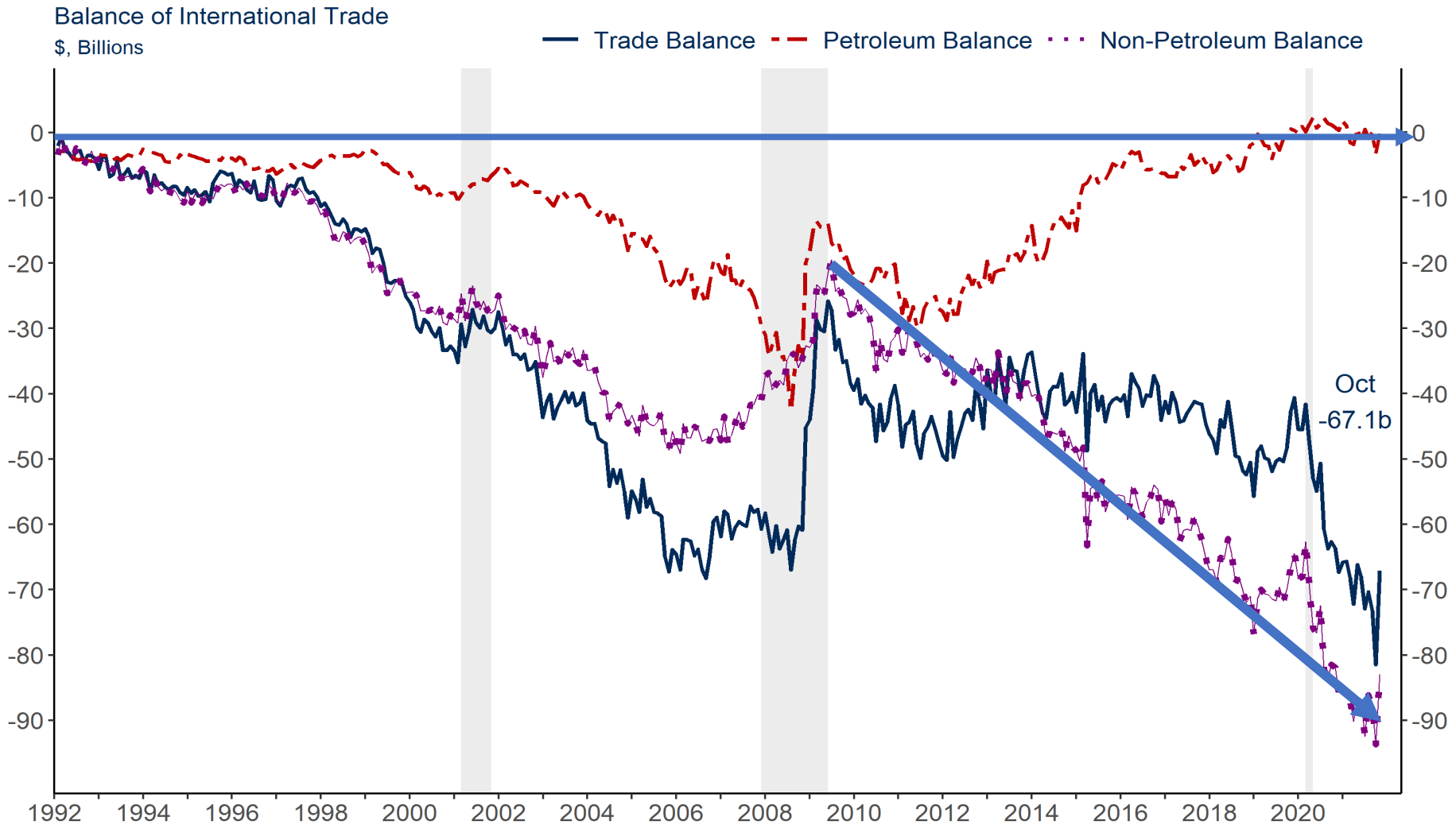
Excess saving is being reduced by households- \$2.6 trillion in late spring. Still well over a \$Trillion

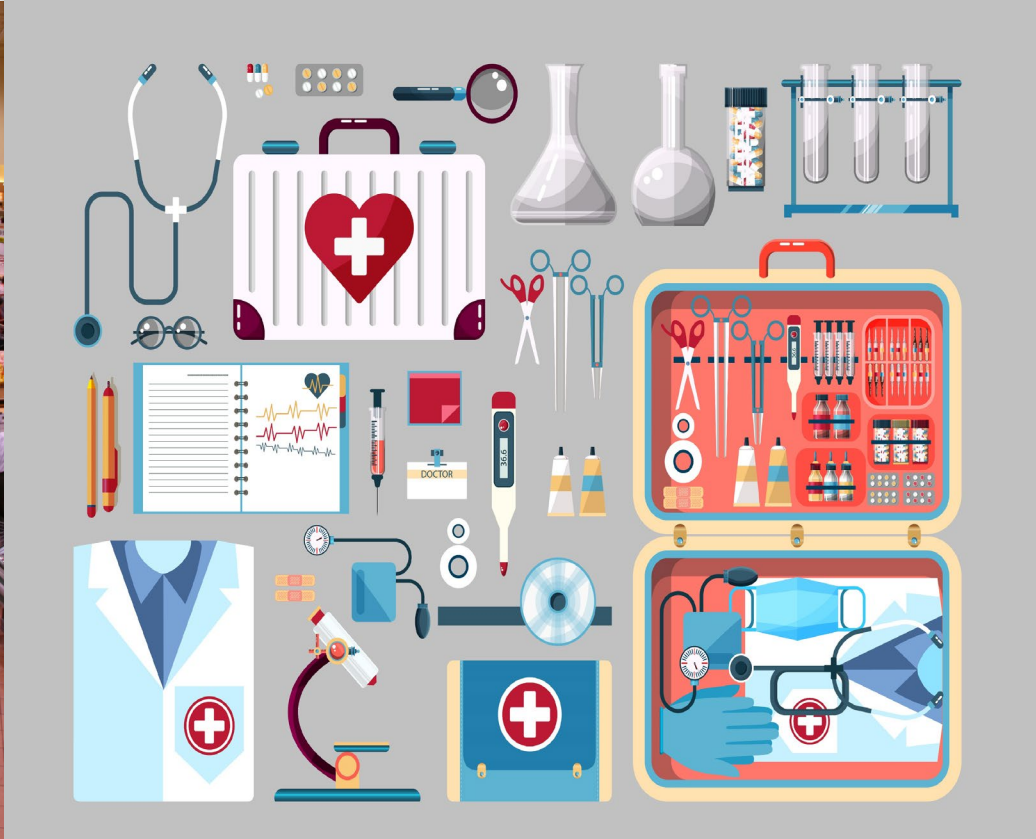


67% of Manufacturers say they cannot meet demand due to lack of inputs, 66% are having trouble finding labor, & 50% experiencing shipping delays



Balance of International Trade

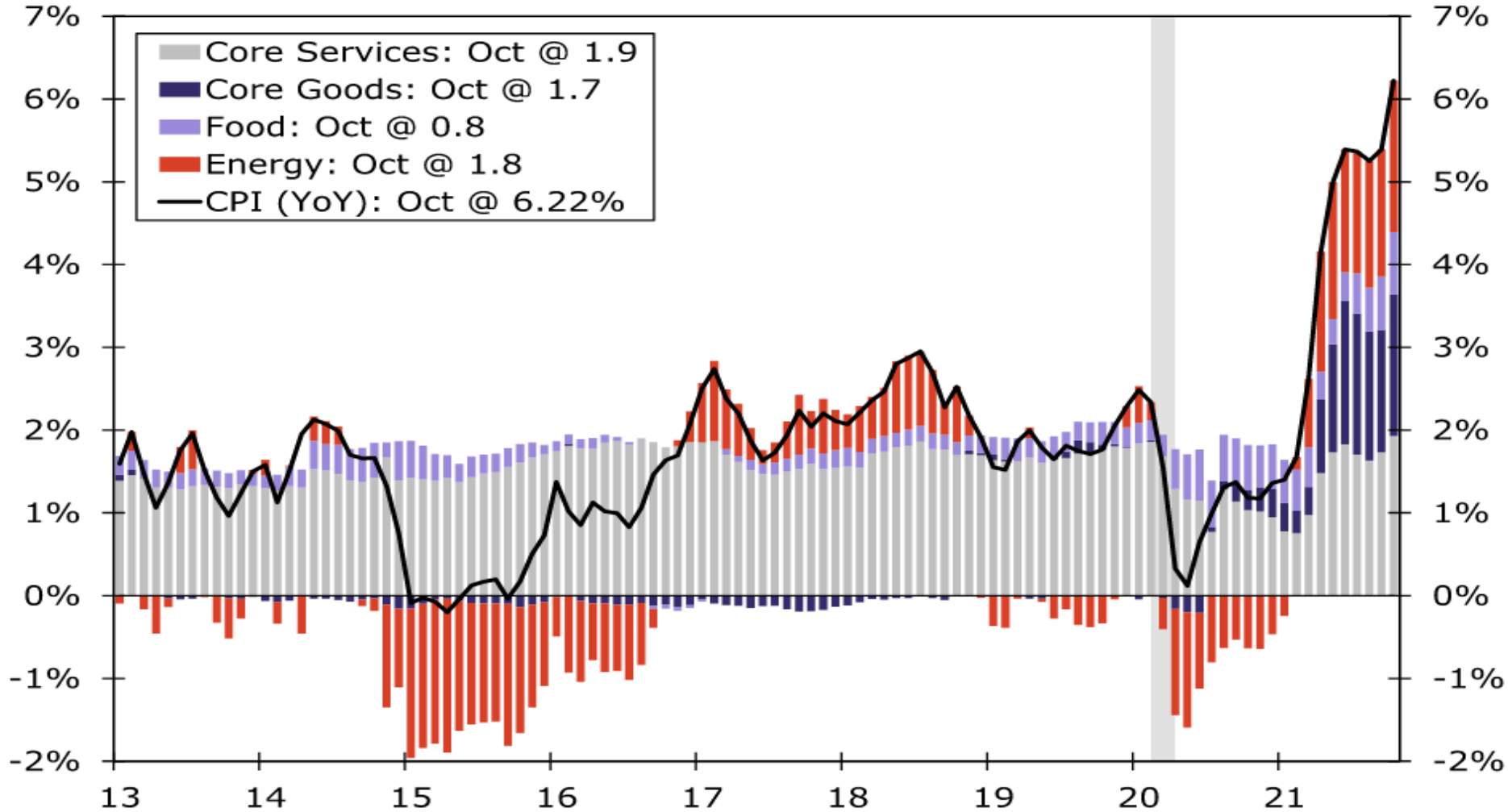






Consumer Price Index

Percentage Point Contribution to Year-over-Year Change



U.S. 25 Year % Wage Growth

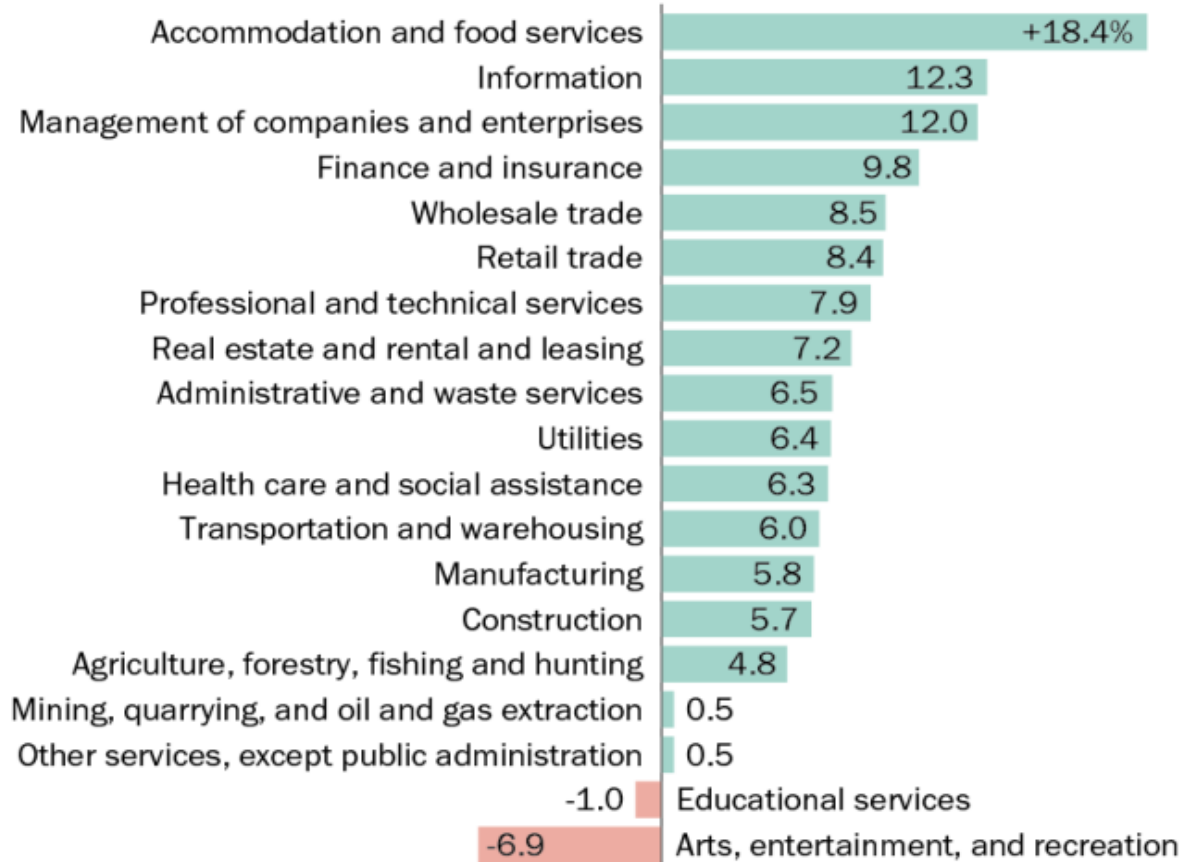
percentage growth over same month from previous year



SOURCE: TRADINGECONOMICS.COM | U.S. BUREAU OF ECONOMIC ANALYSIS

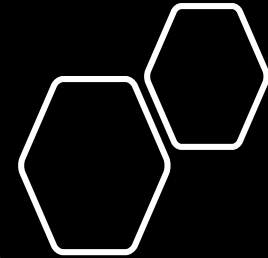
Since lockdown spring of 2020, hospitality sector wages have risen the most of all industries

% change in average weekly wage for private sector workers between second quarter of 2020 and second quarter of 2021



Note: Jobs unclassified to any industry or sector not shown.

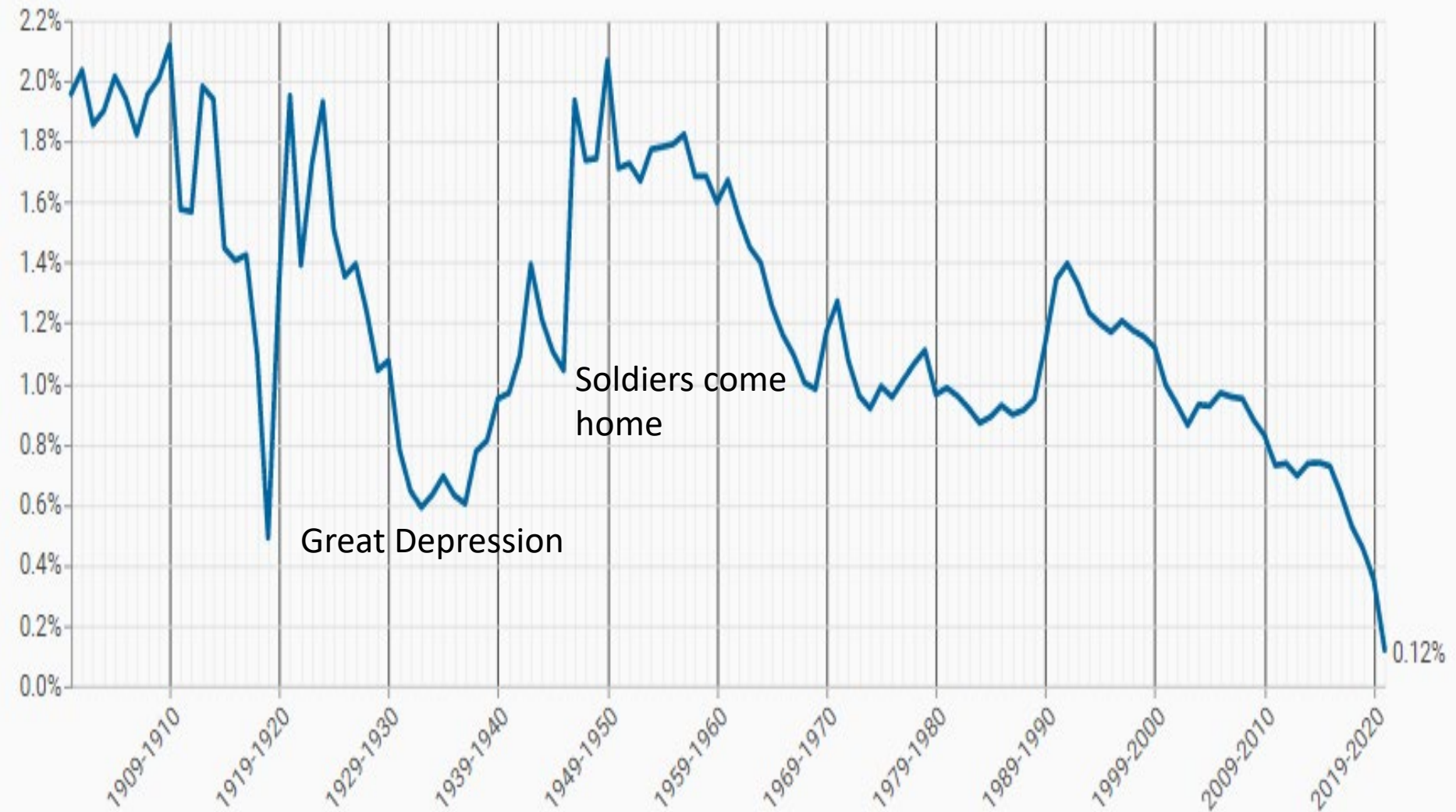
Source: Pew Research Center analysis of Quarterly Census of Employment and Wages.



Parsing the Workforce Crisis

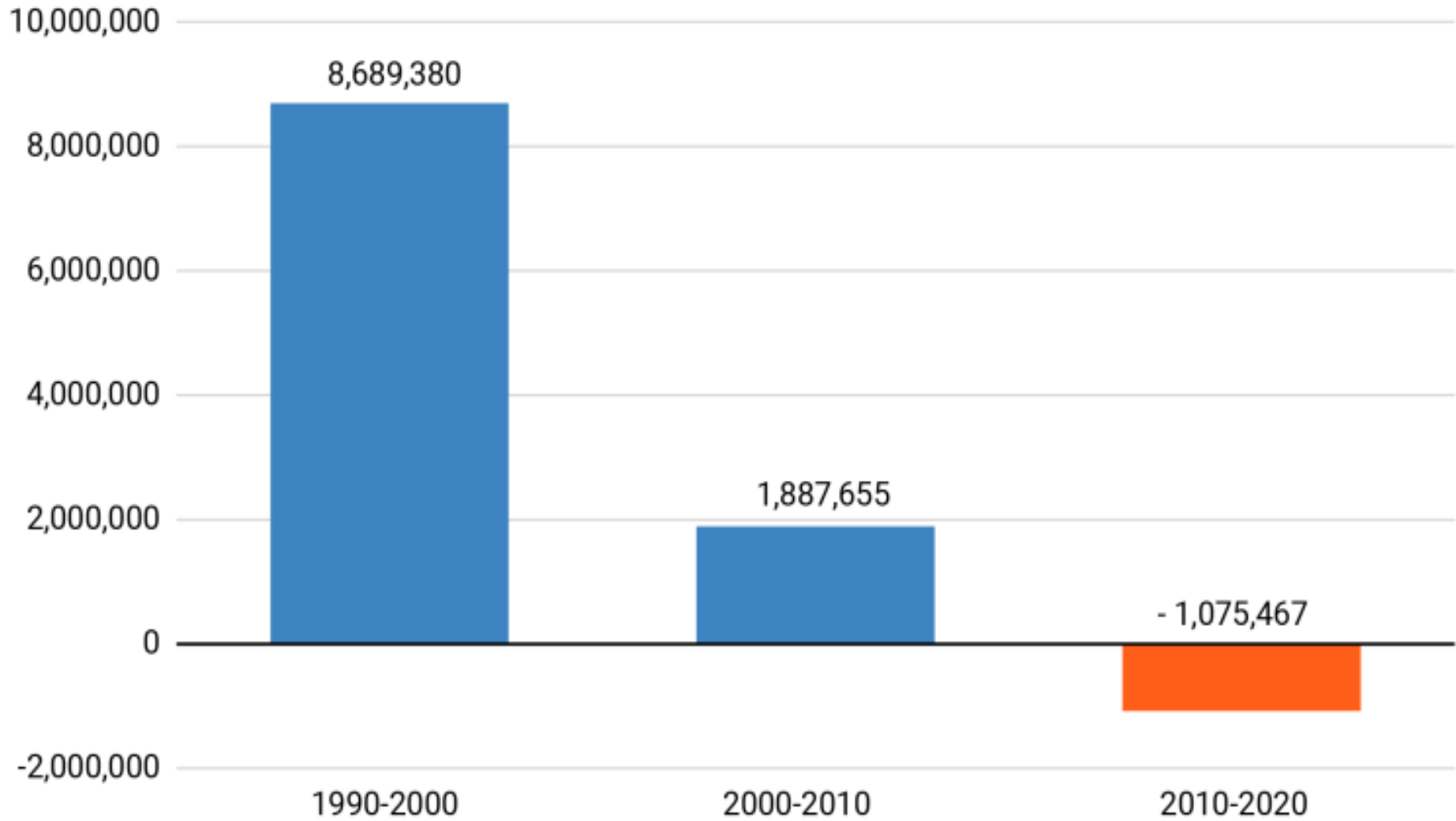


U.S. Annual Population Growth



Source: William H. Frey analysis of US Census Bureau historical estimates, including 2010-2021 annual estimates, released 12/21/2021

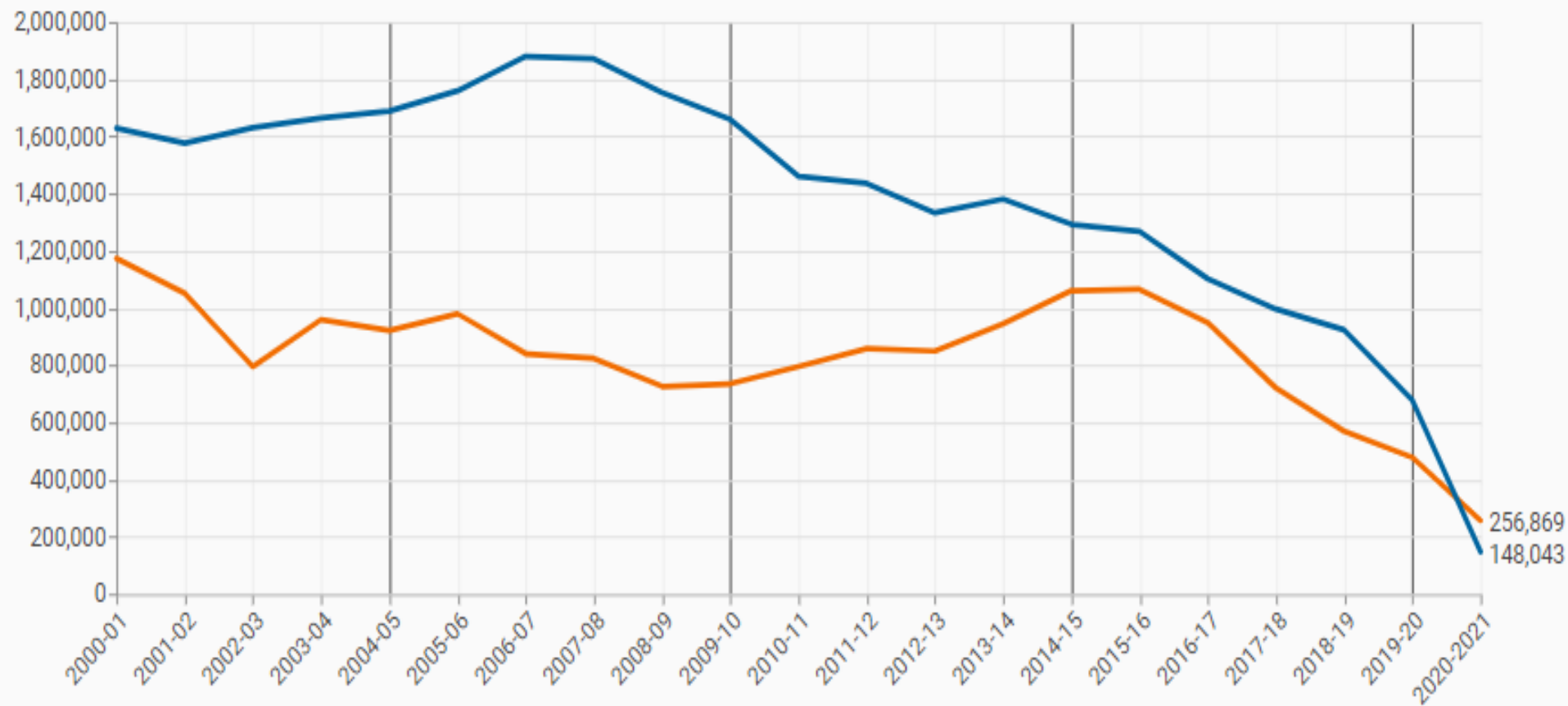
U.S. Under 18 Age Population Change by Decade



Source: William H. Frey analysis of 1990 and 2020 U.S. decennial censuses.

U.S. Components of Population Growth

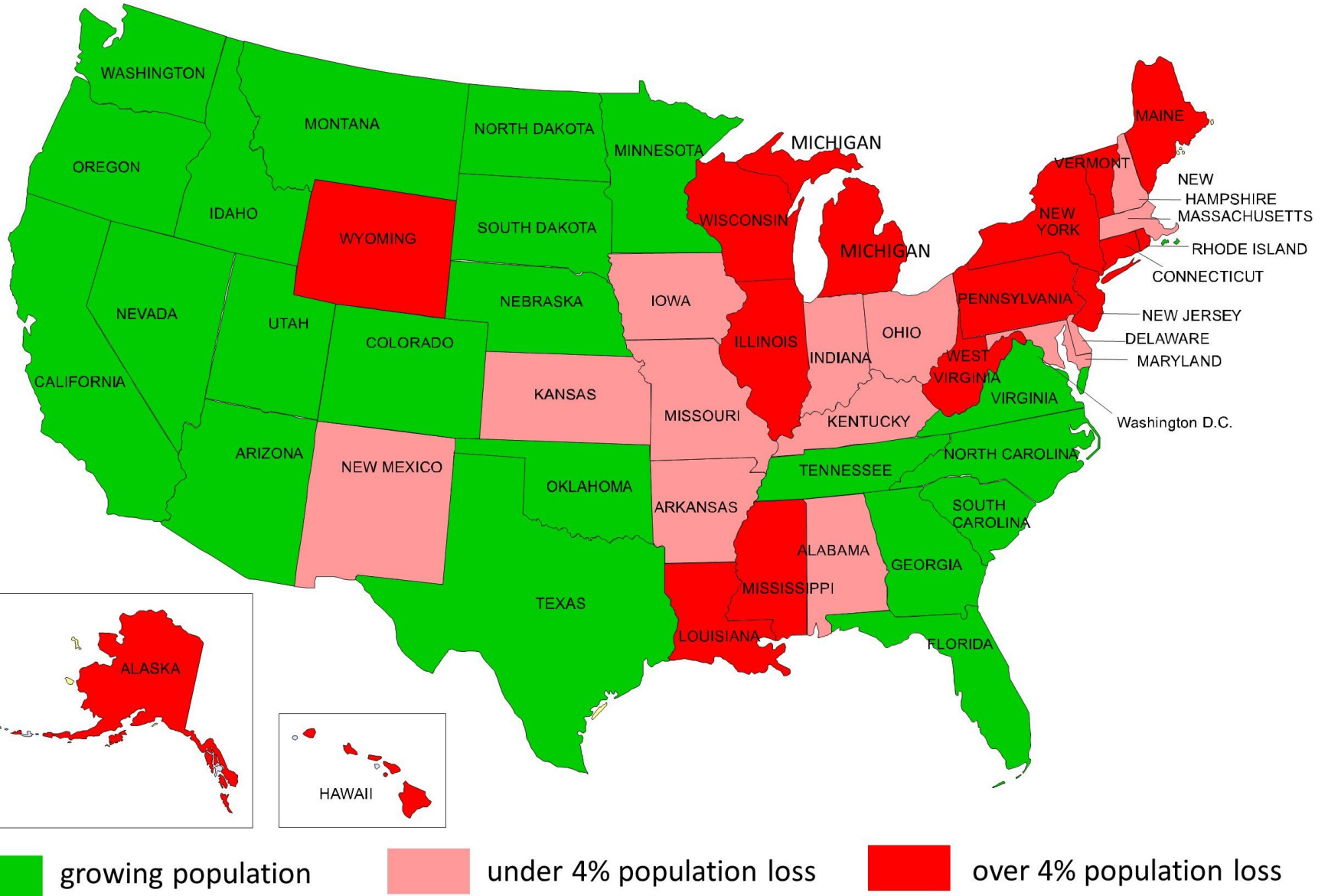
● Natural increase ● Net international migration



Note: Annual estimates pertain to July 1 to July 1 of successive years
Source: William H. Frey analysis of US Census Bureau estimates, released 12/21/2021

B | Brookings Metro

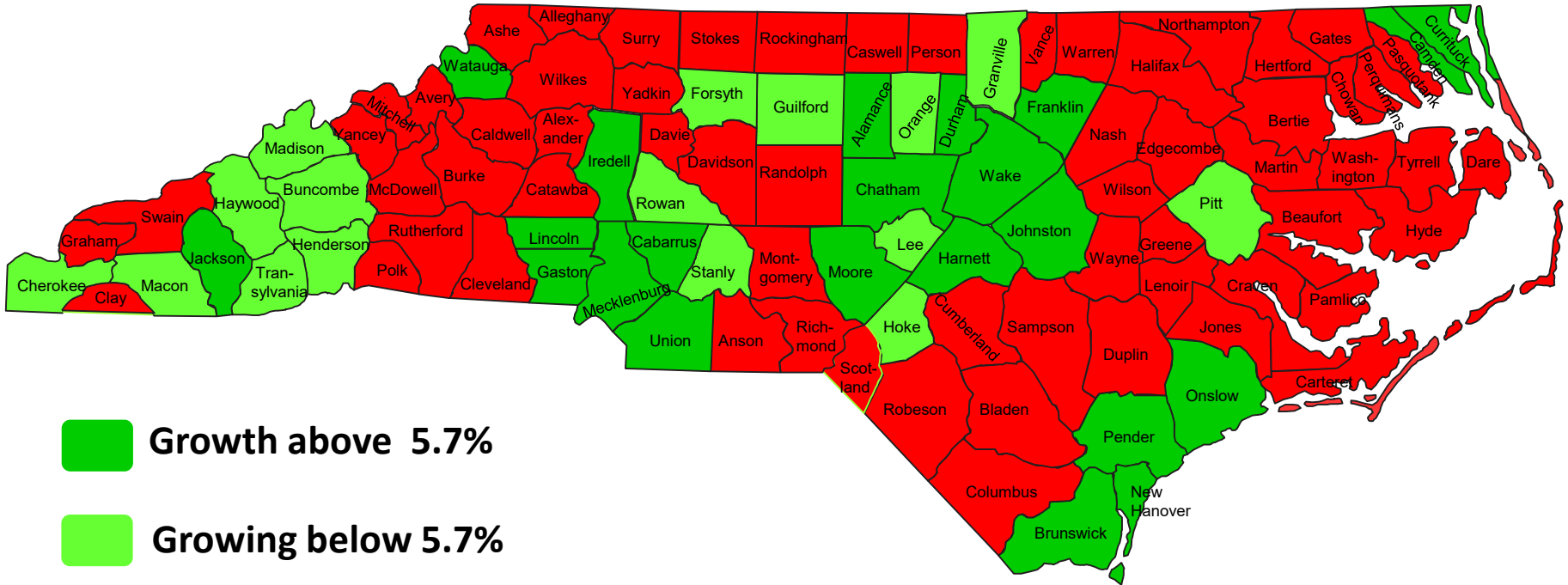
Projected Population Change 2020 – 2030 Ages 25-64 (Working Age)






PROJECTED CHANGE IN LABOR FORCE AGE POPULATION

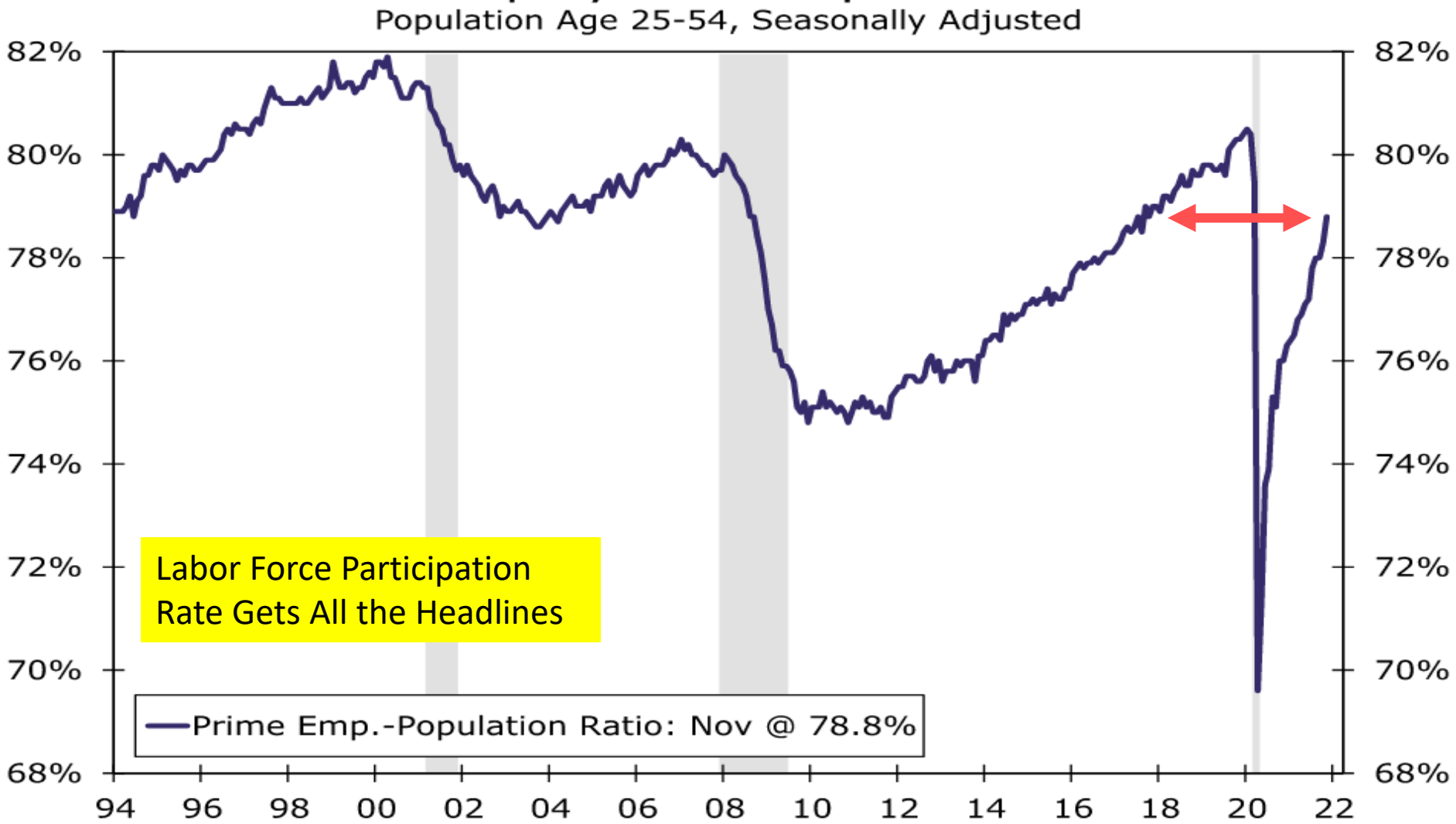
Ages 25 – 64 2020 - 2030

North Carolina state average 5.7%



-  **Growth above 5.7%**
-  **Growing below 5.7%**
-  **Losing Labor Force**

Prime Employment-Population Ratio





Childcare Services Employment is
10.4% less than Pre-Pandemic

In 2020 42 million
self-employed



Large numbers of early retirements



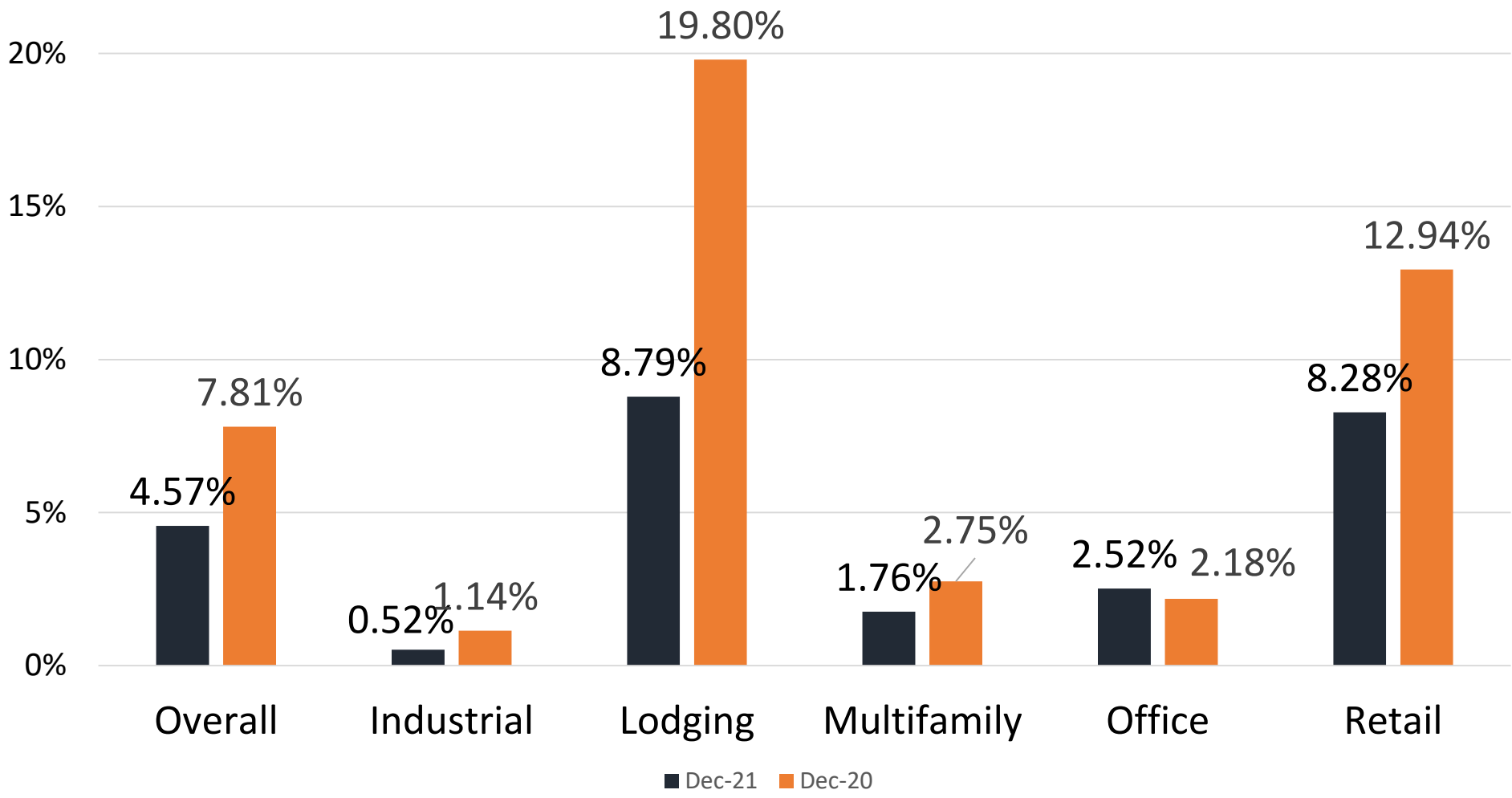
Among adults not working and not
looking, 45% due to physical health, 20%
due to mental health.



Real Estate & Housing

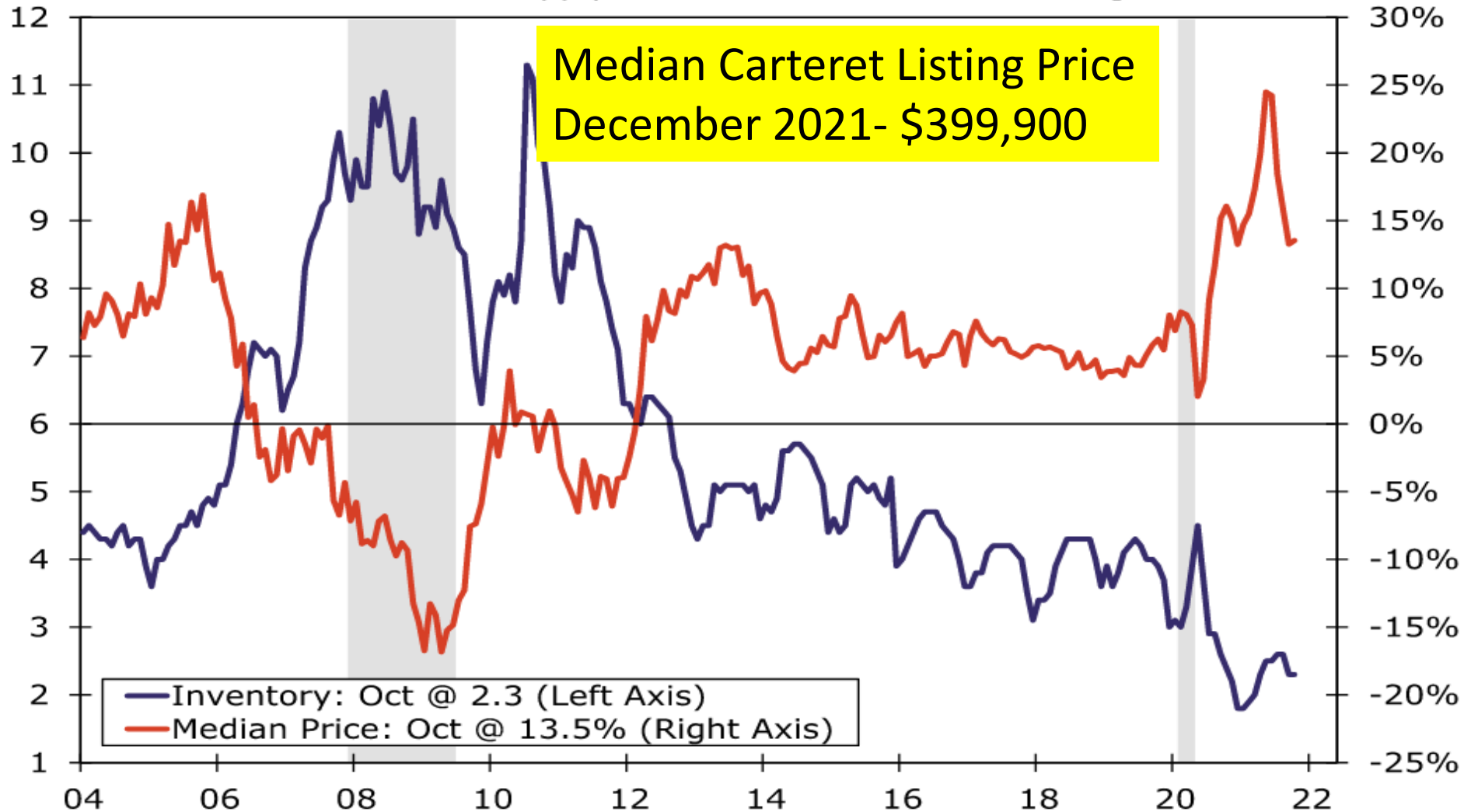
Delinquency Rate by Property Type

percent 30 days or more

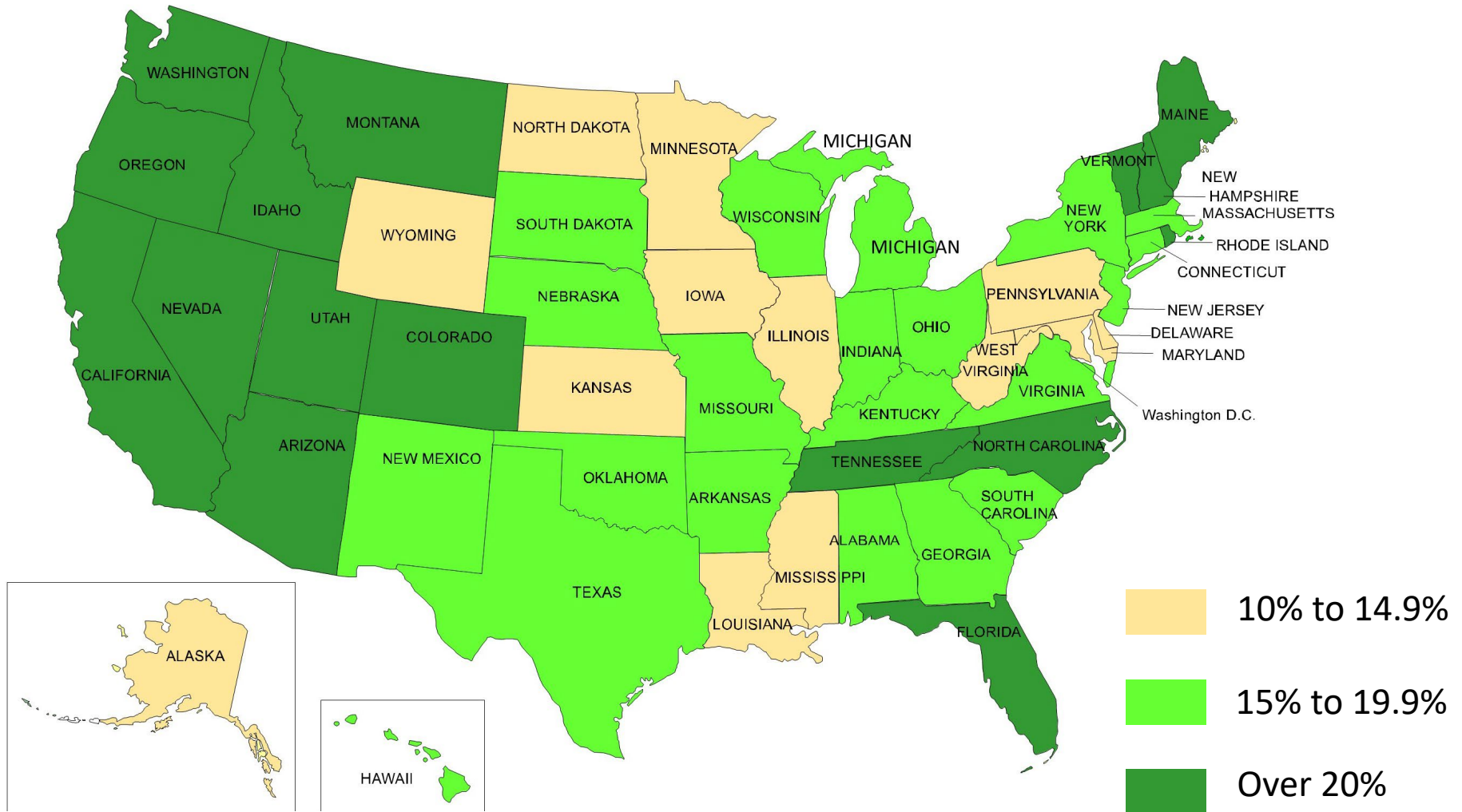


Existing SF Home Market

In Months Supply; Year-over-Year Percent Change



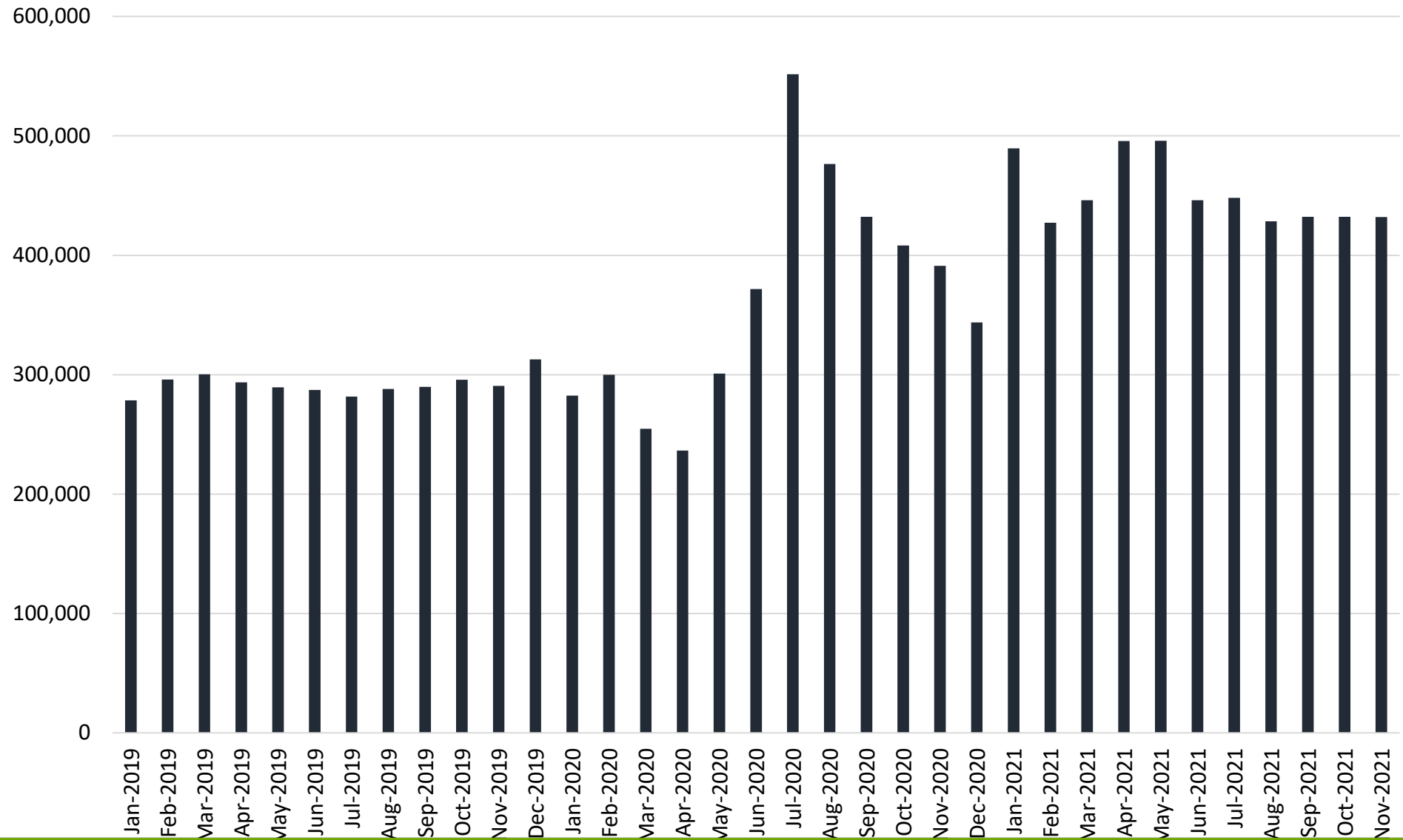
Housing Price Increase 2020Q3 to 2021Q3



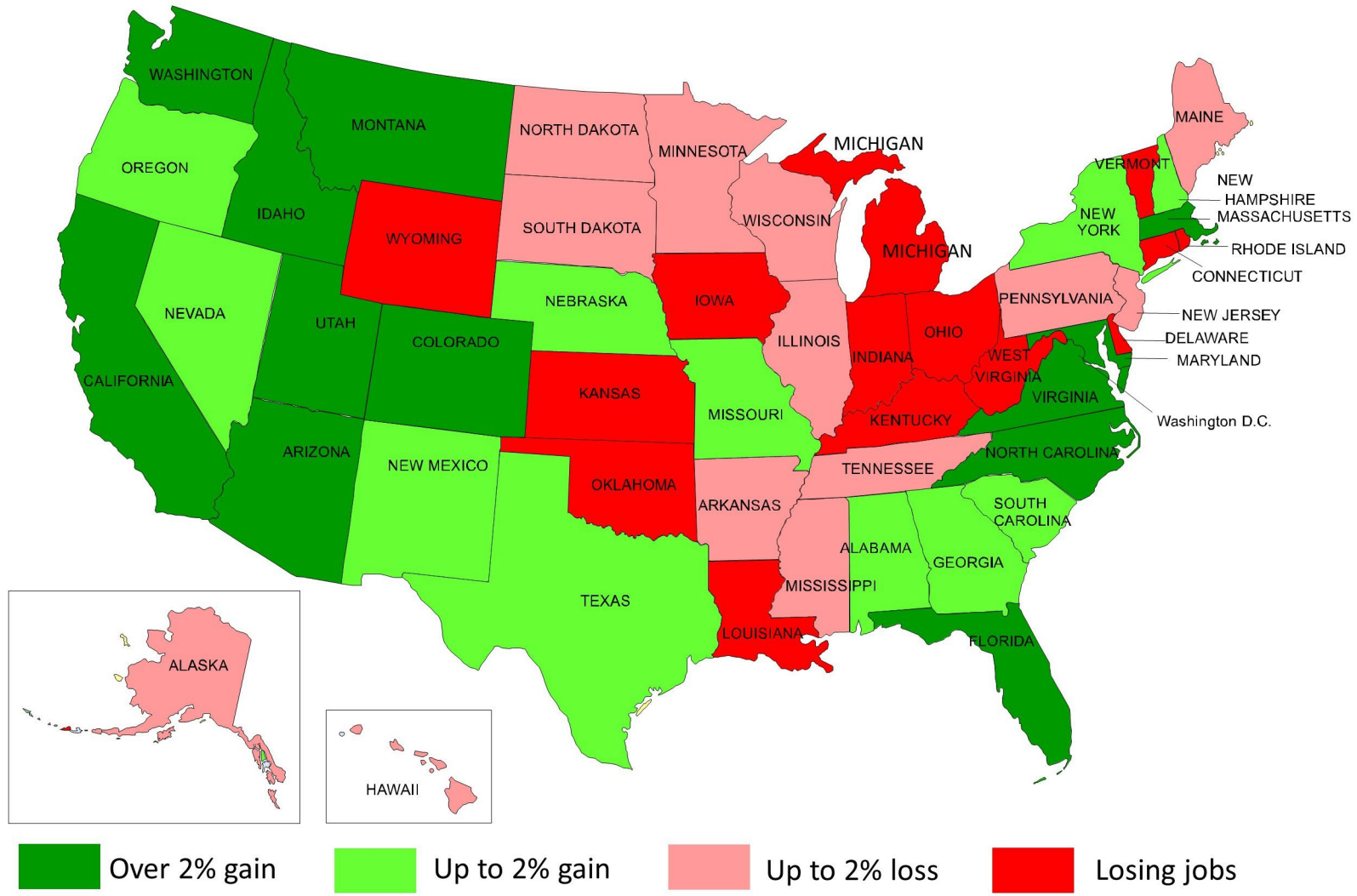


Business Growth

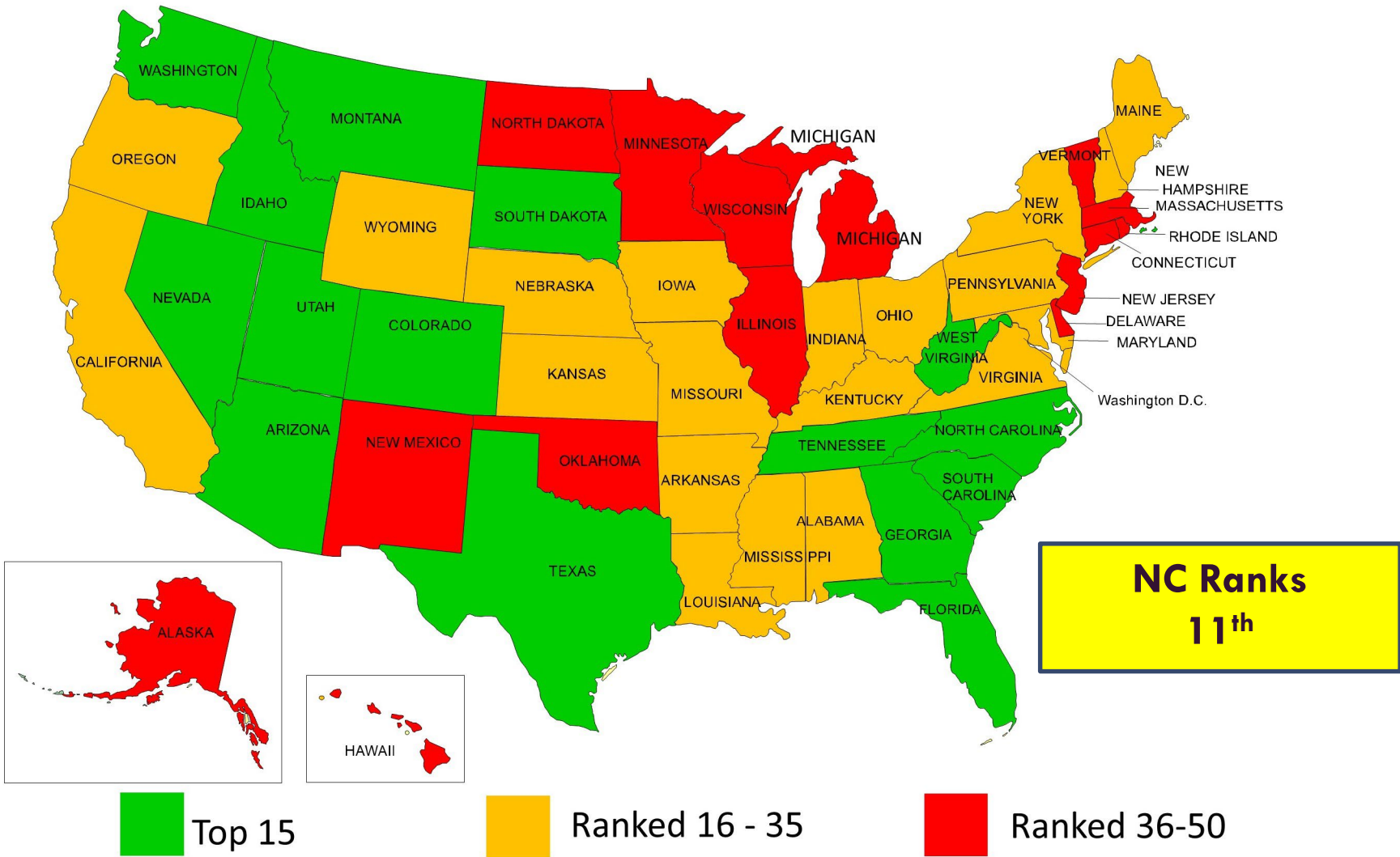
U.S. Business Formations



% Change Advanced Industry Jobs 2019-2021

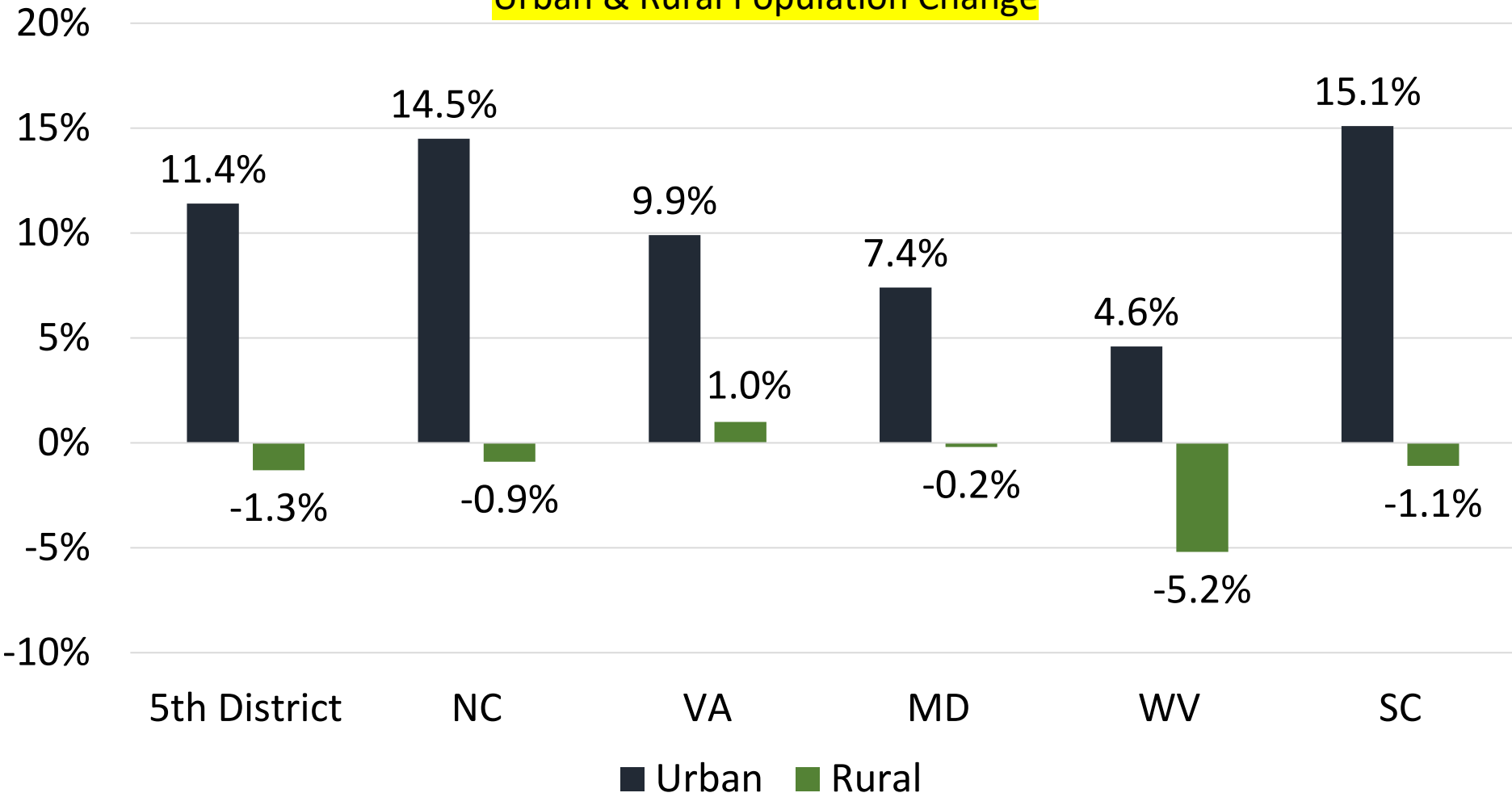


Expected Tech Occupations Growth, 2020-2025



Population Change 2010-2020

Urban & Rural Population Change



2022



Technological Advancement is a Sure Bet



Between Now and 2030

Tech Marches On

- ✓ AR/VR into consumer use
- ✓ Autonomous vehicles
- ✓ AI continues to improve
- ✓ Cloud everything
- ✓ Batteries keep getting better
- ✓ Off the grid energy
- ✓ More wearables
- ✓ Medical implants



Remote Service

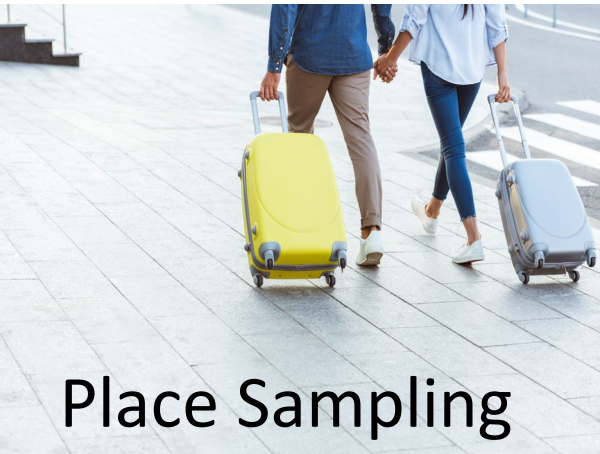


Rental Neighborhoods



Metaverse

Ghost Kitchens



Place Sampling



Electric Trucks

So...In 2022
the economy



- ✓ strong GDP growth (4% or so)
- ✓ more inflation (3-4%)
- ✓ bidding wars for talent (wages 4-6%)
- ✓ unemployment in the 3.5% range
- ✓ stable but slow real estate markets
- ✓ housing mania might cool a little
- ✓ energy prices moderate
- ✓ Fed raises interest rates 2 or 3 times
- ✓ global tensions rise

