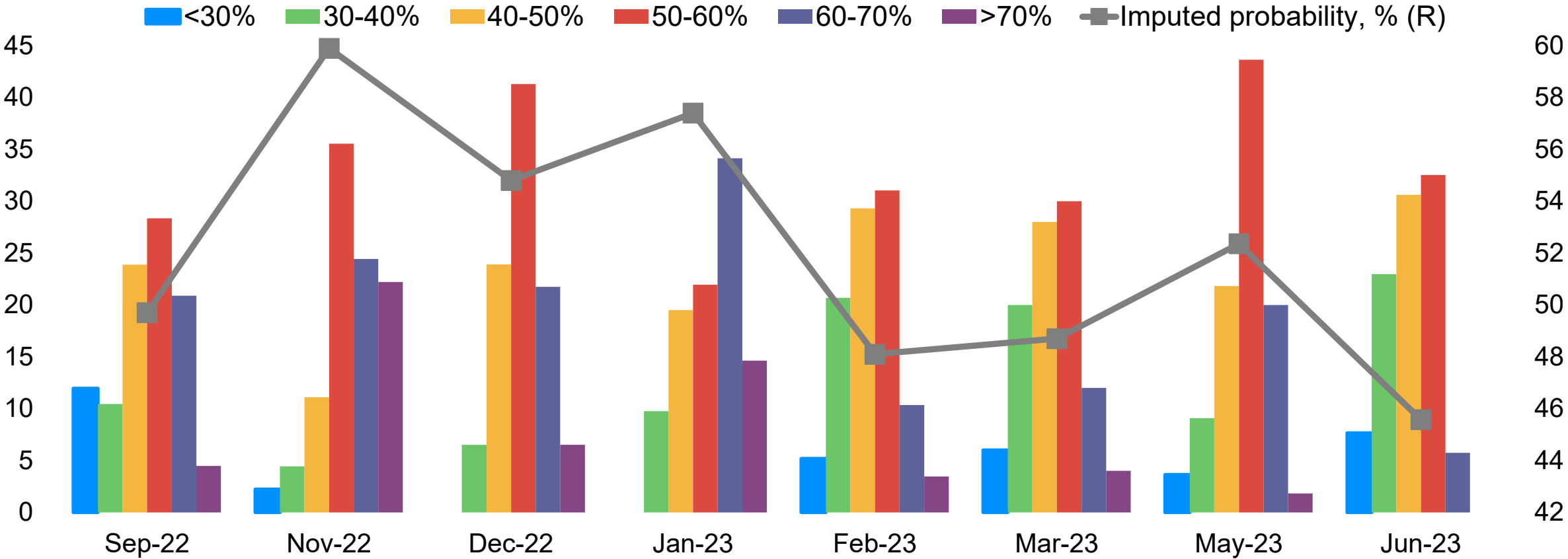


Are We Out of the Woods?

Concerns Are Easing, but Risks Remain Elevated

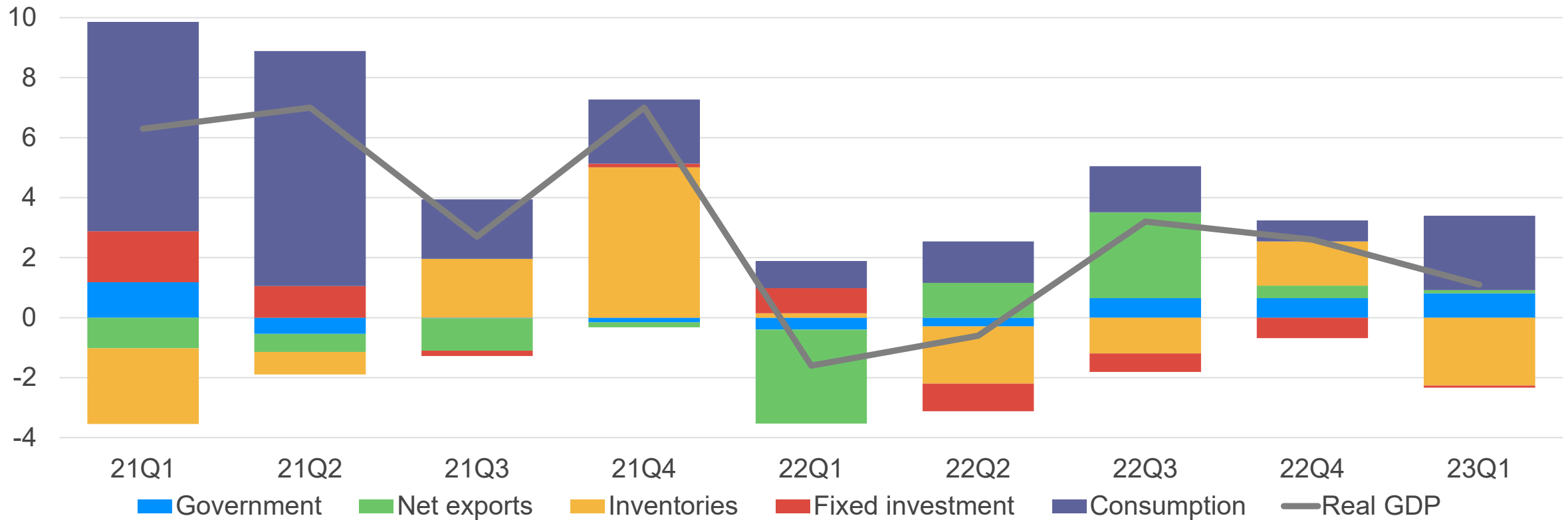
Moody's Analytics economists' subjective probability of a U.S. recession in 12 mo, % of total



Source: Moody's Analytics

The Year Started Off on a Slow Note...

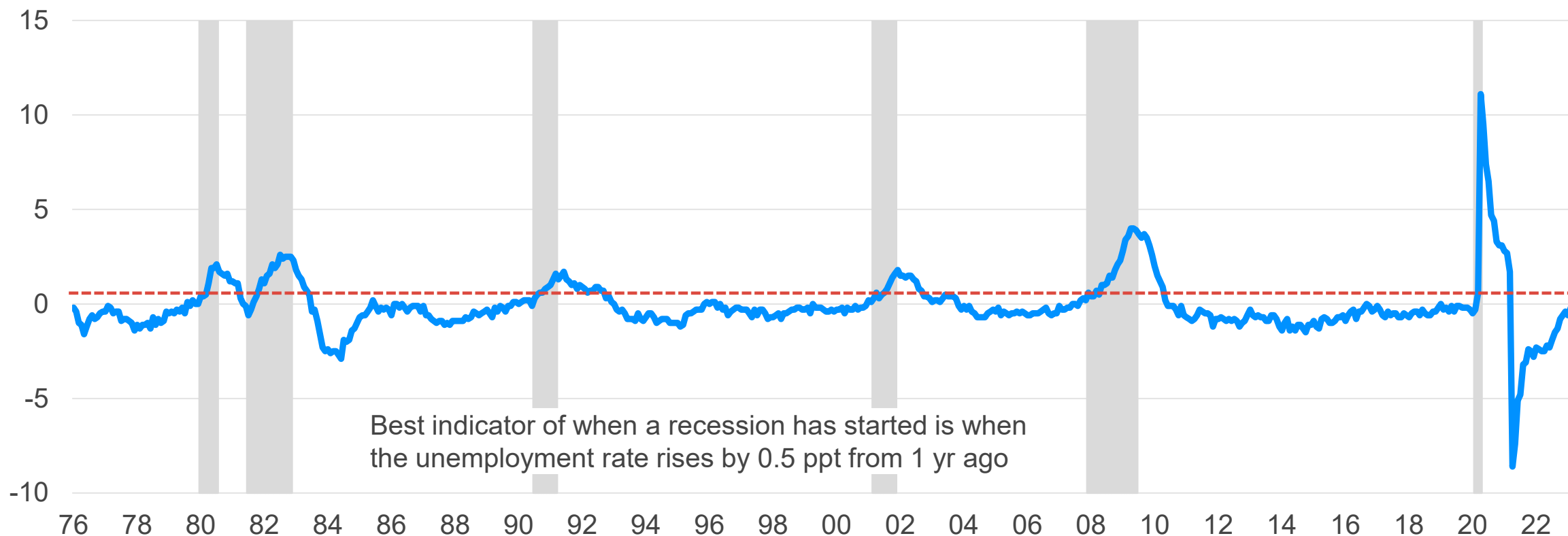
U.S. real gross domestic product, % annualized growth



Sources: BEA, Moody's Analytics

...But We Are Nowhere Near a Recession Yet

Unemployment rate, diff vs. one yr ago, ppt

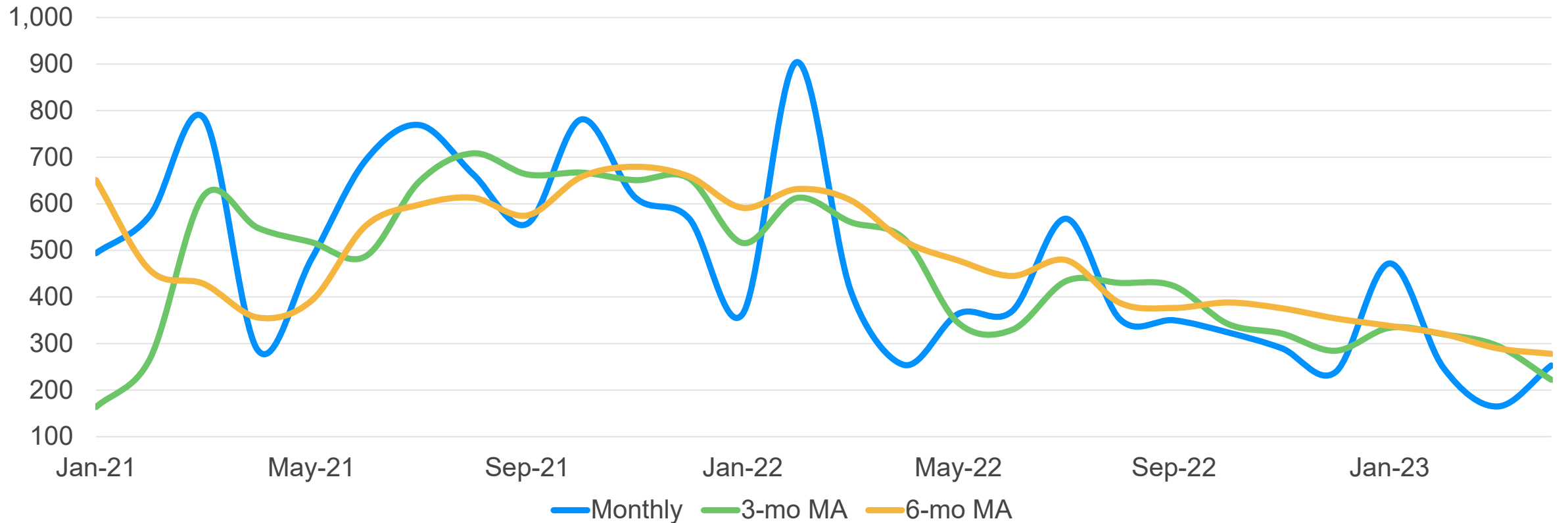


Best indicator of when a recession has started is when the unemployment rate rises by 0.5 ppt from 1 yr ago

Sources: BLS, Moody's Analytics

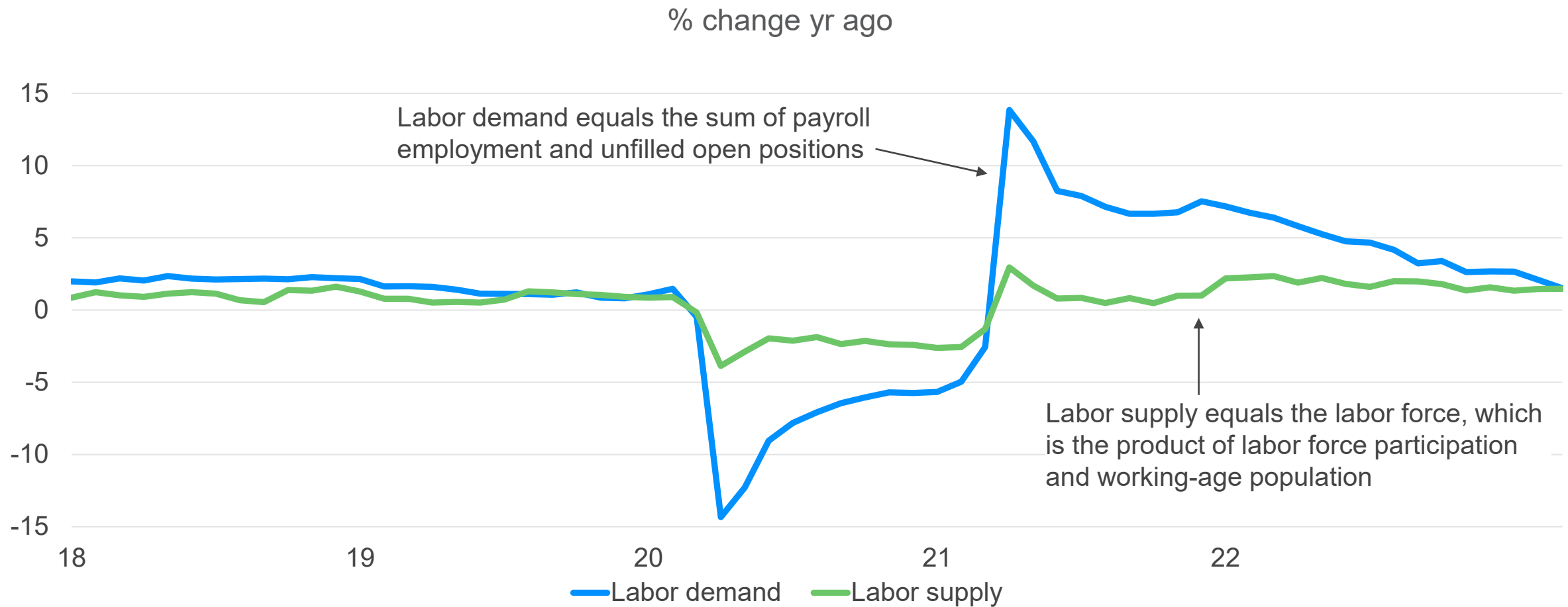
Underlying Job Growth Is Around 225,000 and Will Slow Further

Monthly change in nonfarm payroll employment, ths



Sources: BLS, Moody's Analytics

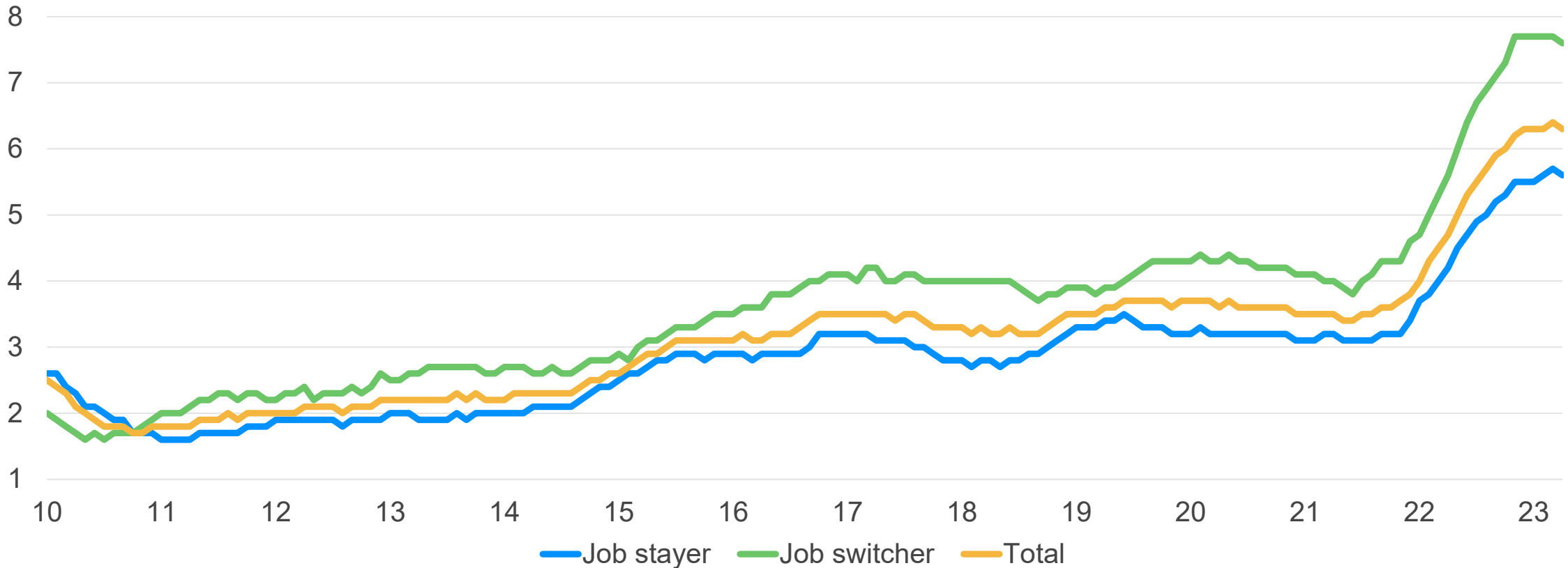
Labor Market Is Finally Coming Into Balance



Sources: BLS, Moody's Analytics

Wage Pressures Have Risen, Especially for Job Switchers

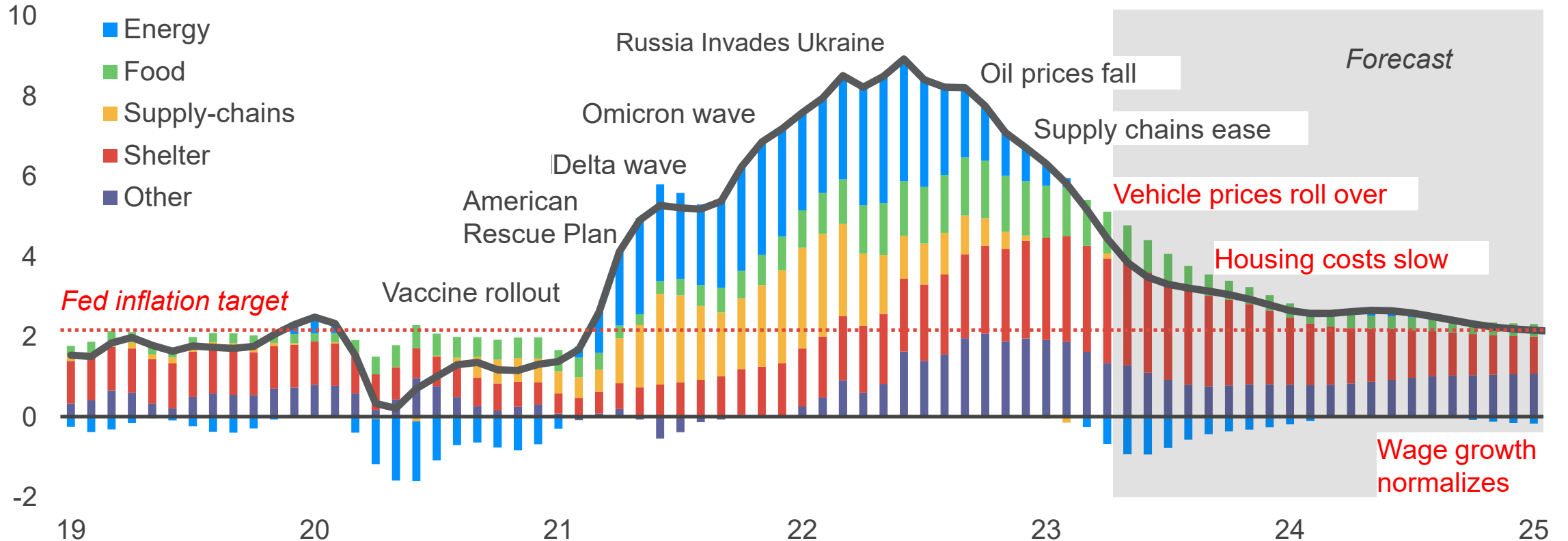
Median hourly wage growth, % change, 12-mo MA



Sources: Atlanta Fed, Moody's Analytics

Inflation Remains High, but Is Moderating...

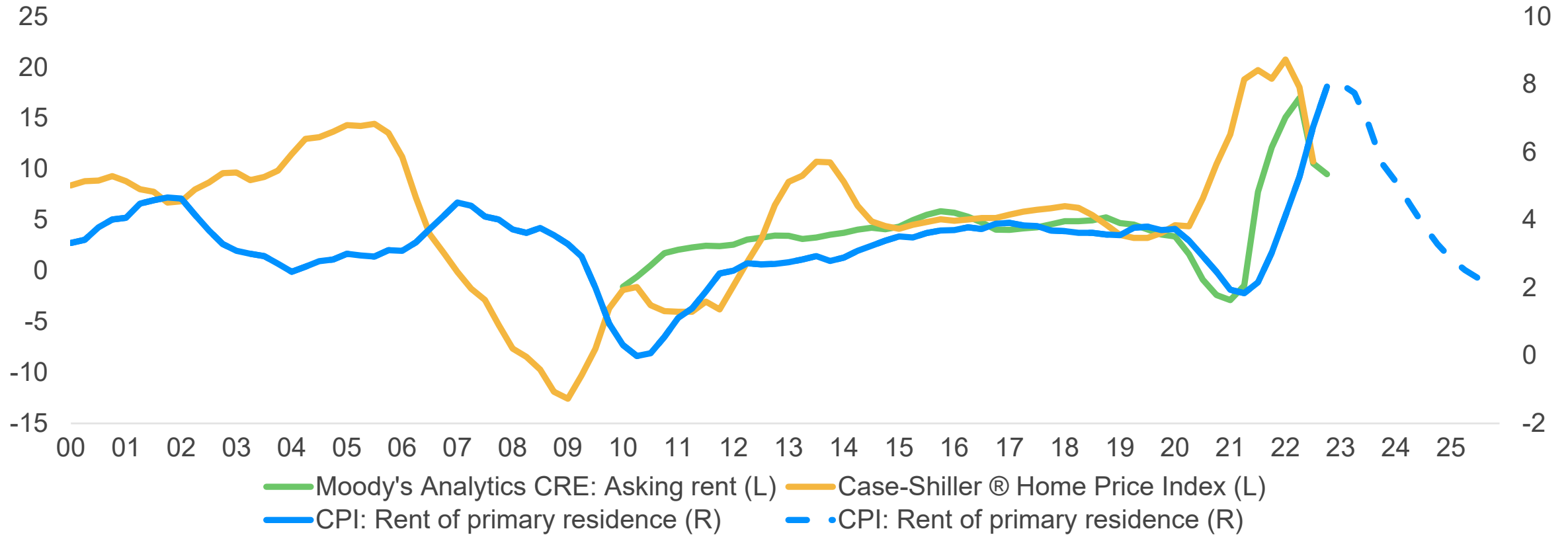
Contribution to yr-over-yr growth in consumer prices, ppt



Sources: BLS, Moody's Analytics

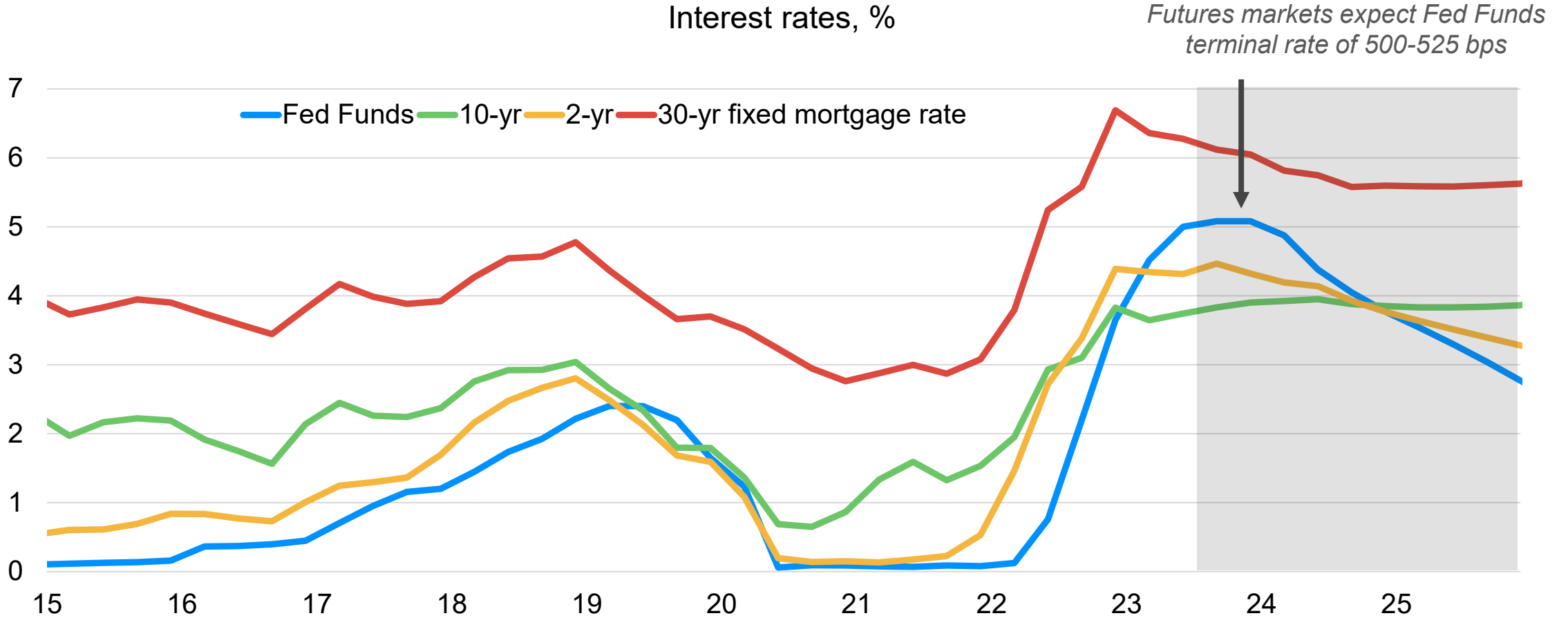
...And Slowing Rent Growth Signals More Moderation to Come

% change yr ago



Sources: BLS, CoreLogic, Moody's Analytics

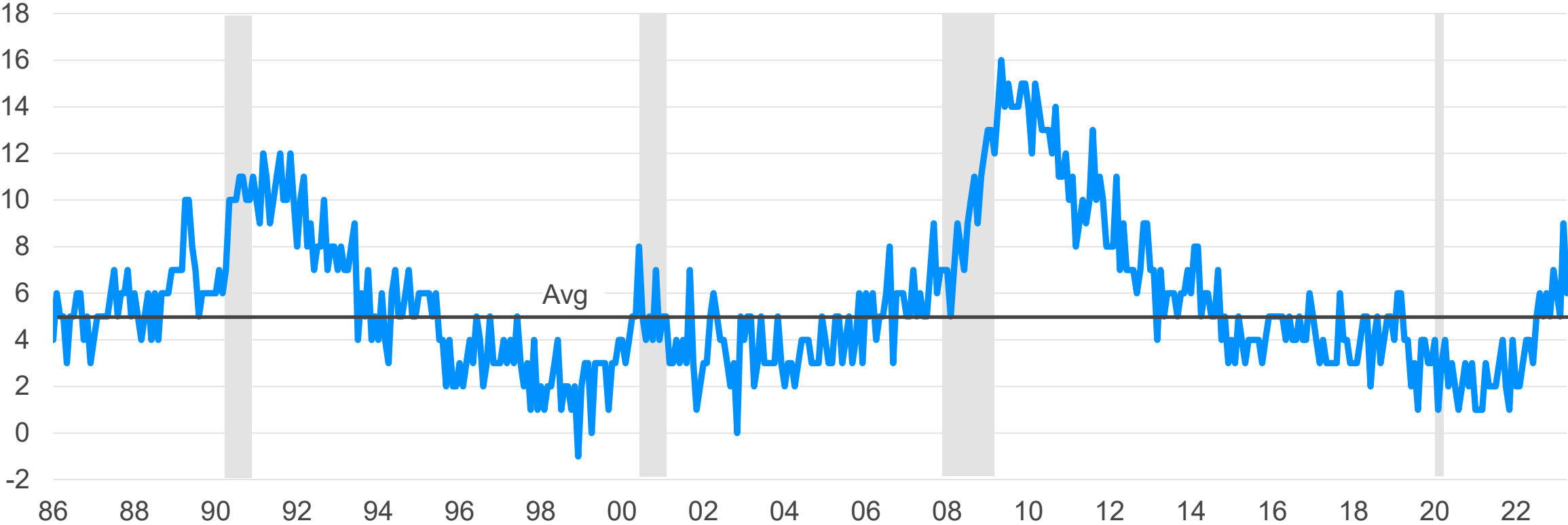
Fed Is Likely to Pause



Source: Federal Reserve, Freddie Mac, Moody's Analytics

Small Businesses Struggle to Receive Financing

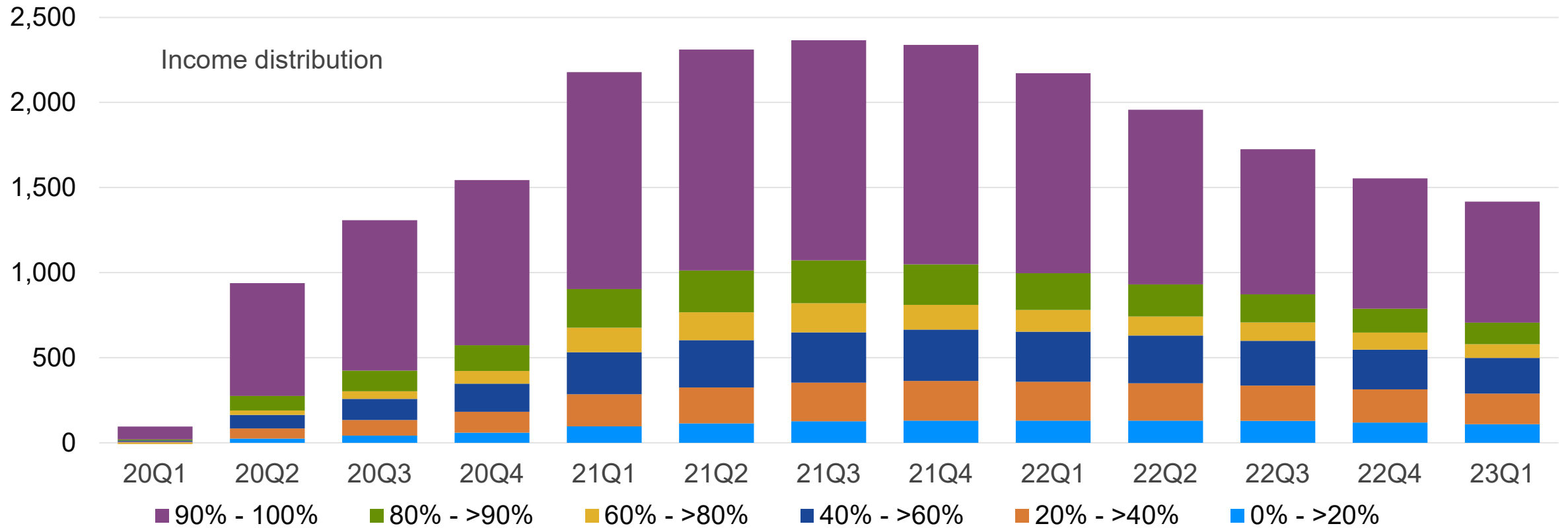
Net % of respondents saying credit is hard to get



Sources: NFIB, Moody's Analytics

Consumers Remain a Sturdy Economic Firewall

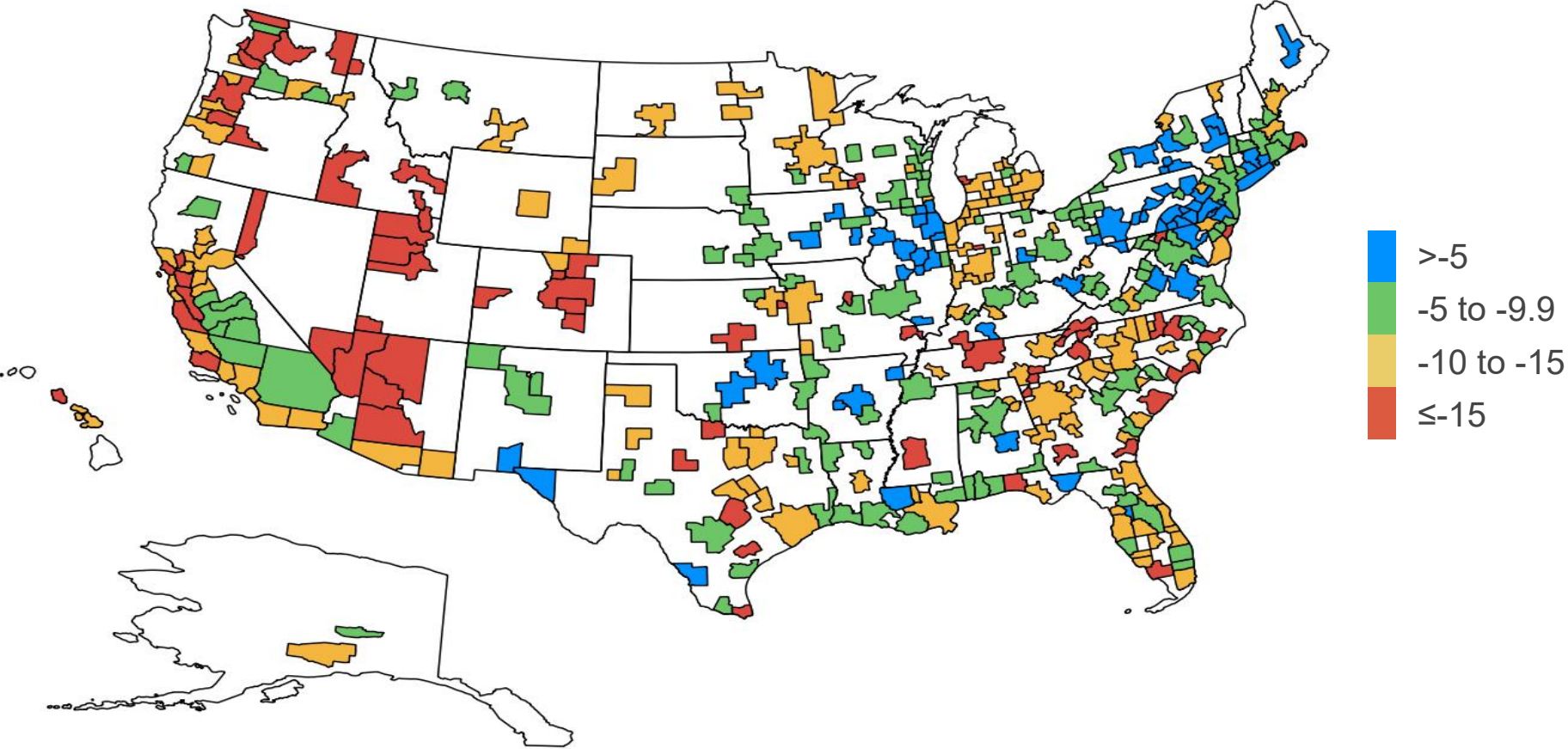
Excess household saving, \$ bil



Sources: BEA, Moody's Analytics

Largest House Price Declines Are in Unaffordable West Coast Markets

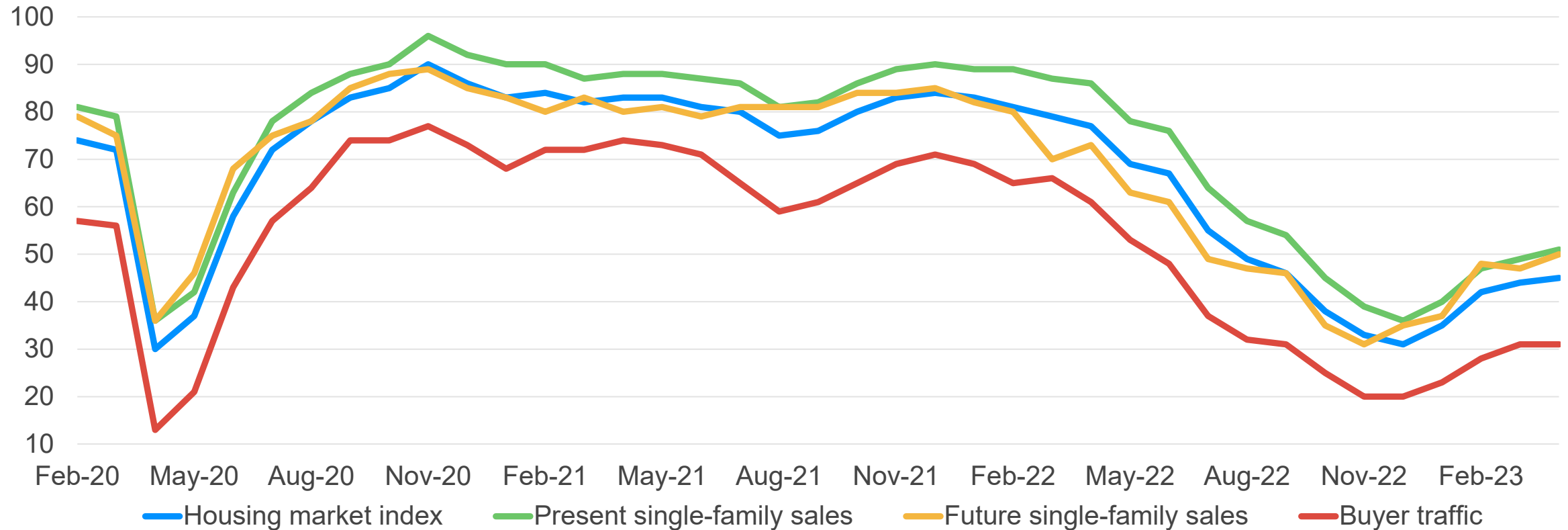
Moody's Analytics House Price Index, % change peak to trough



Source: Moody's Analytics

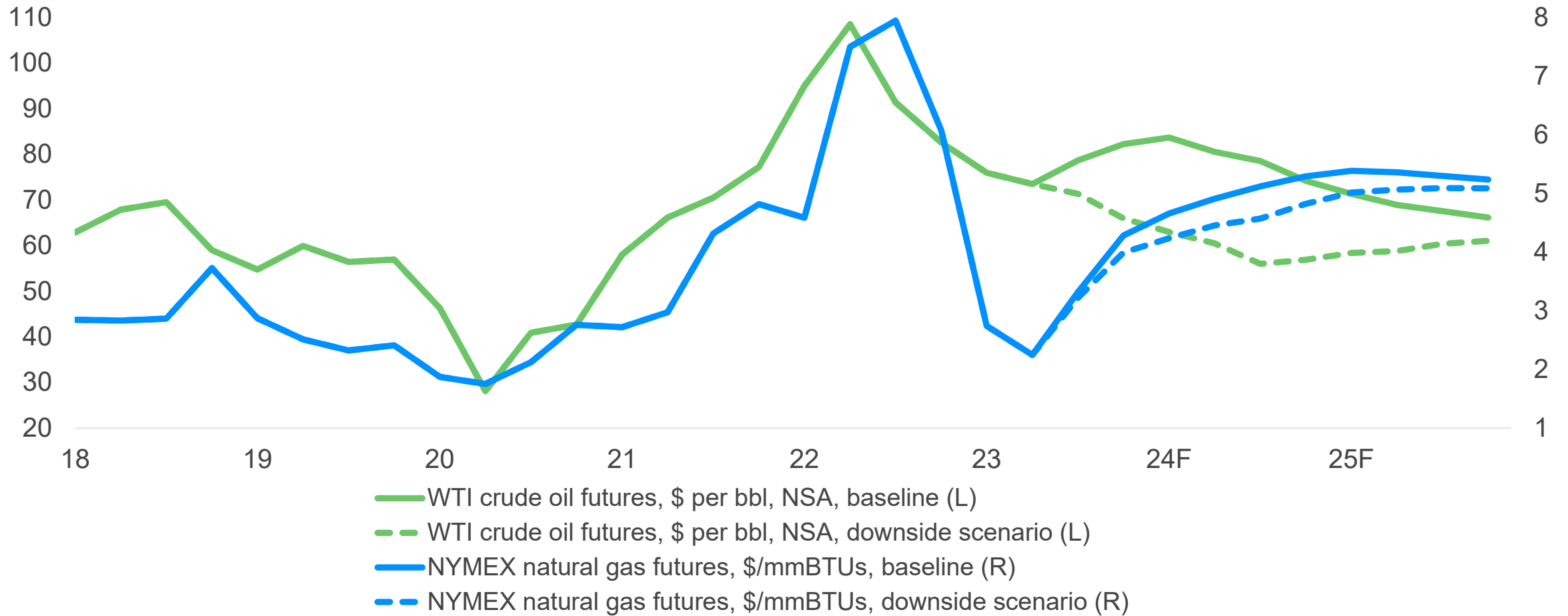
Homebuilder Sentiment May Have Bottomed

Index, >50 indicates more builders view conditions as good



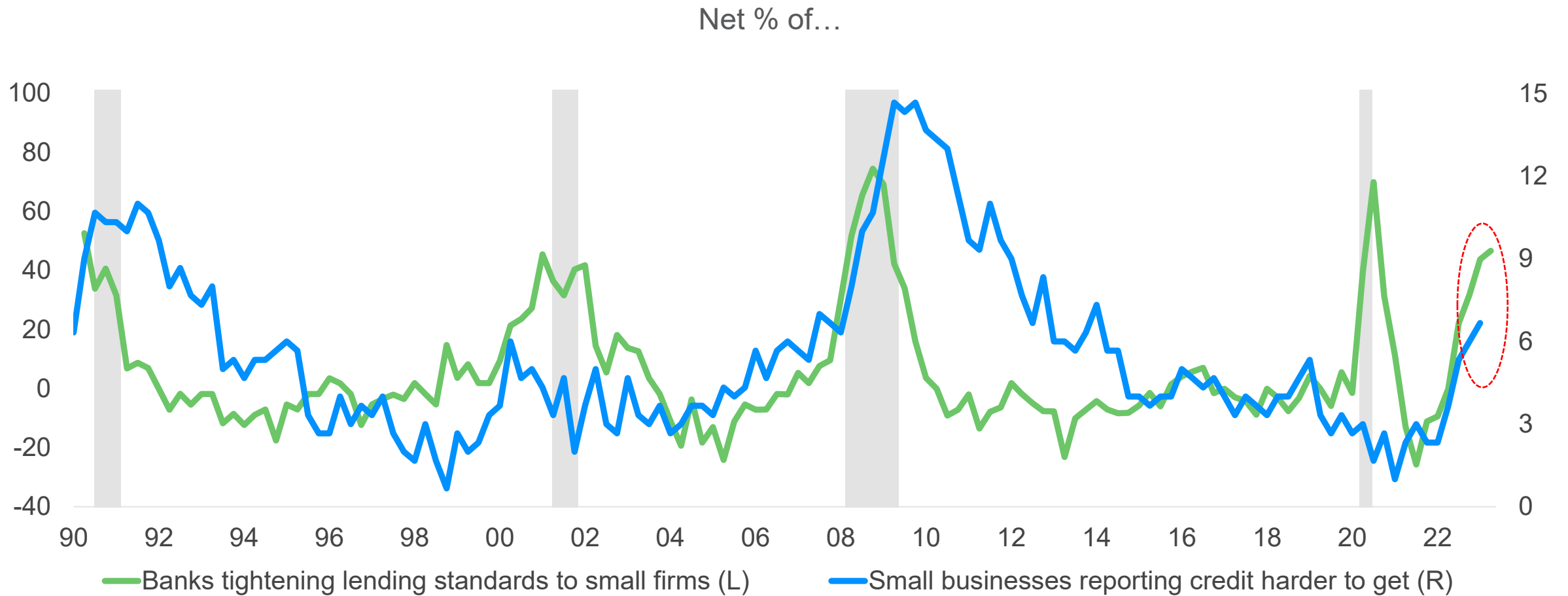
Sources: NAHB, Moody's Analytics

Outlook for Energy Prices Comes Into Clearer Focus



Sources: EIA, Moody's Analytics

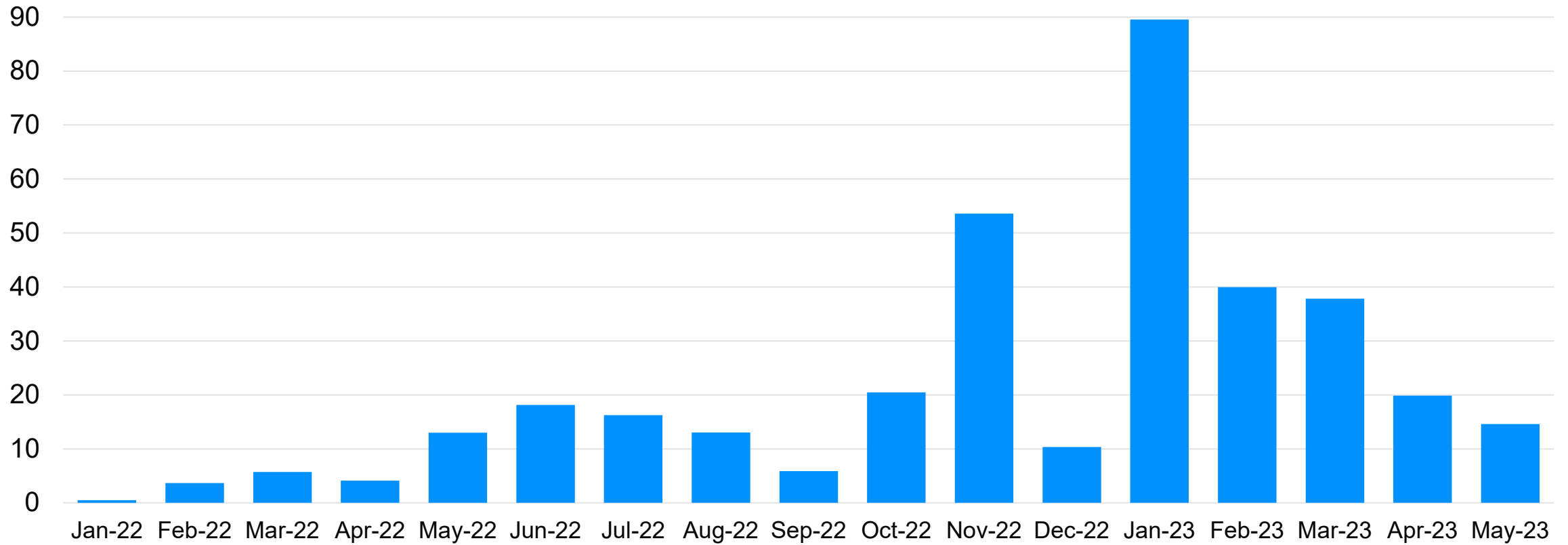
Banking Crisis Puts Small Businesses Under Pressure



Sources: Federal Reserve, NFIB, Moody's Analytics

The Worst of the Tech Crunch May Be Over

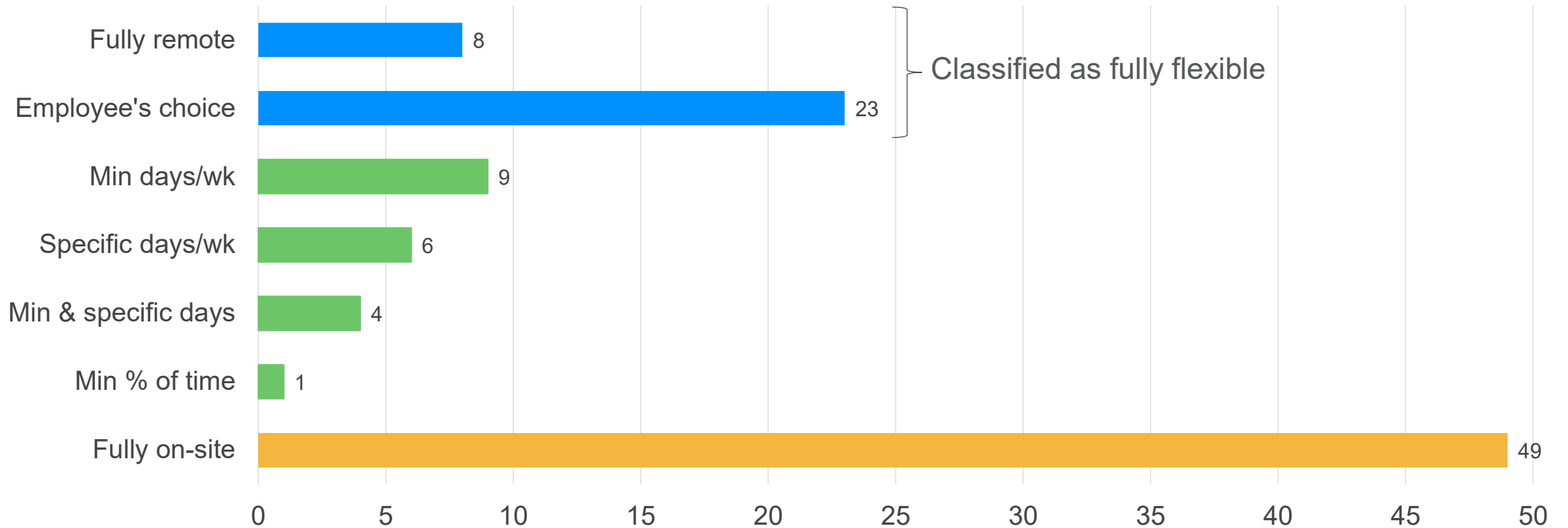
Crowdsource number of tech layoffs, ths



Sources: Layoffs.fyi, Moody's Analytics

Remote Work Arrangements Are Here to Stay

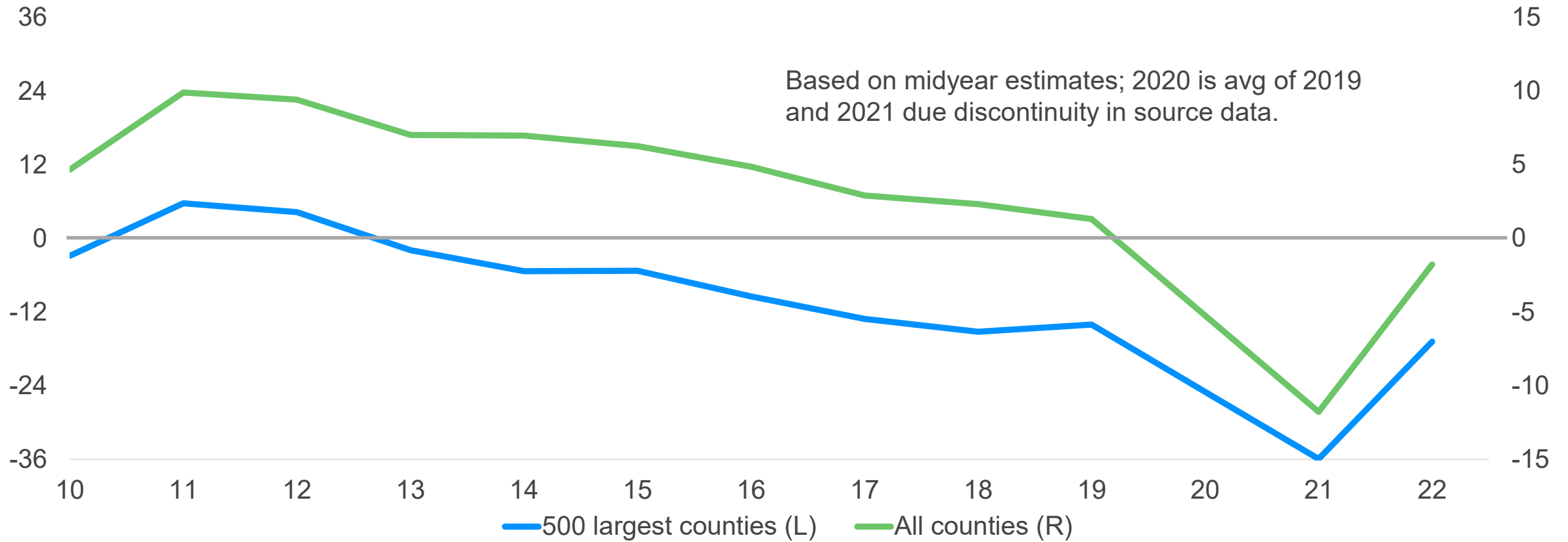
Share of companies by office requirement, 23Q1, %



Sources: Scoop, Moody's Analytics

Steep Urban Out-Migration Is Starting to Abate

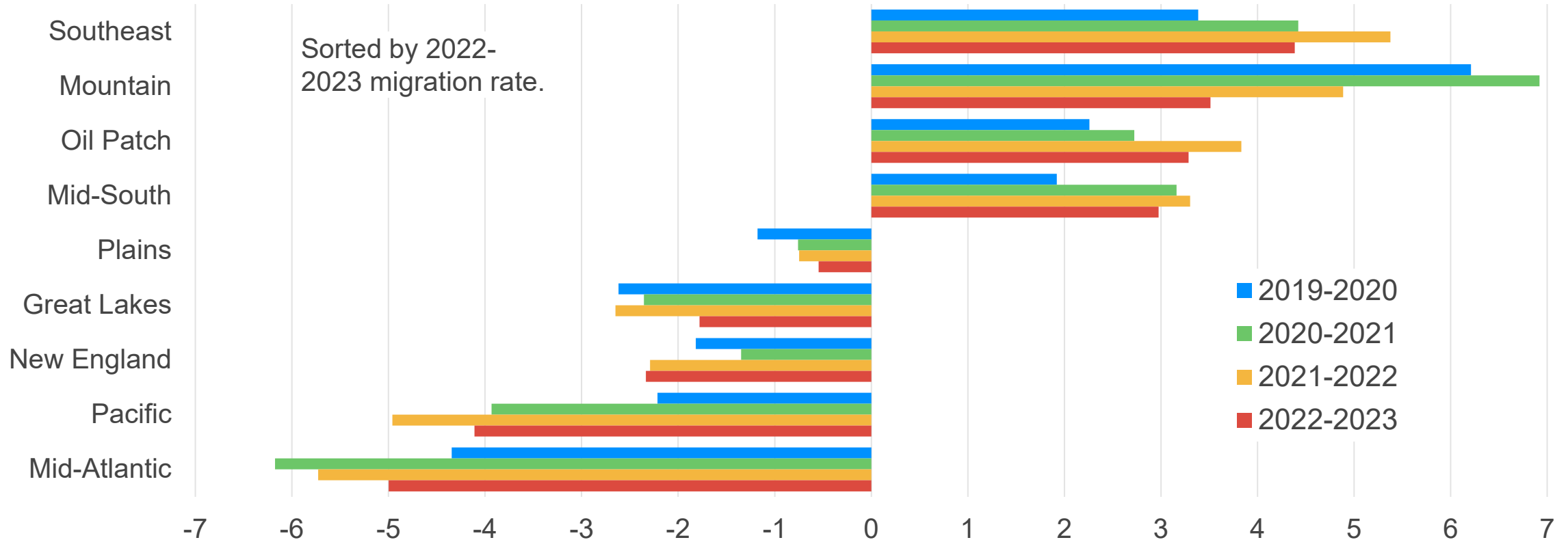
Correlation between population density and one-yr change in population, %



Sources: Census Bureau, Moody's Analytics

Regional Demographic Variation Narrows, but Southeast Pads Lead

Net domestic migration per ths residents, Jul to Jun...



Sources: Equifax, Moody's Analytics

Q&A

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