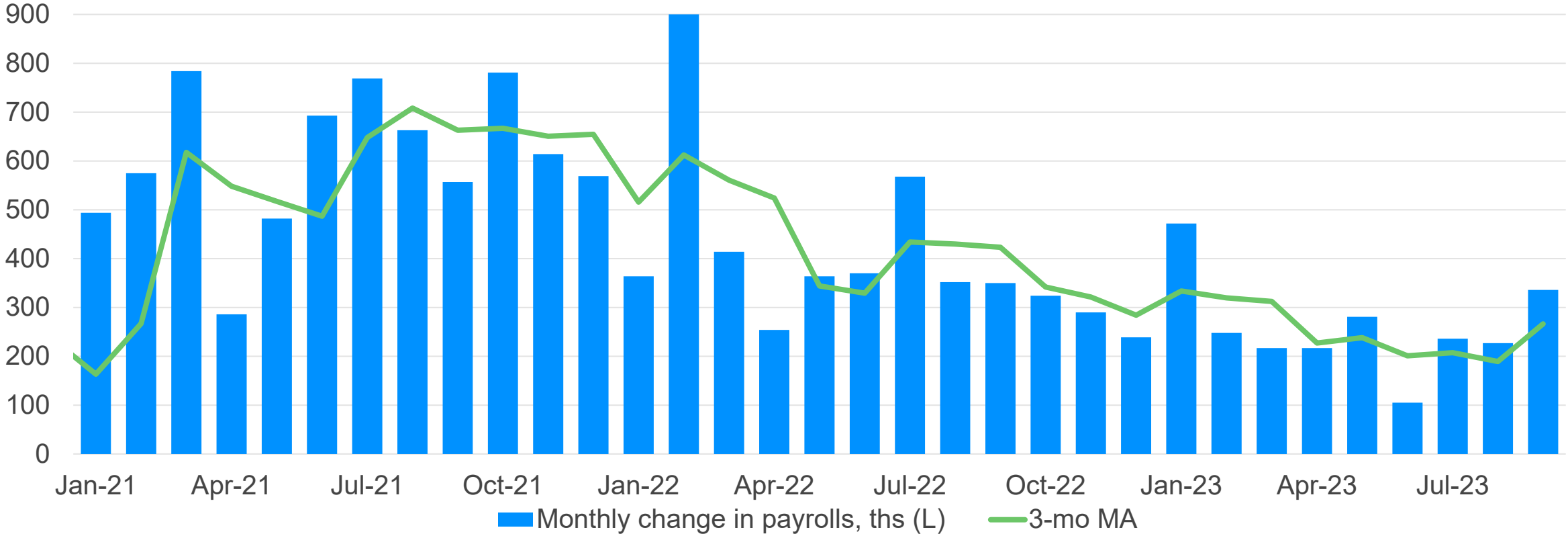


# Bending, but Not Breaking

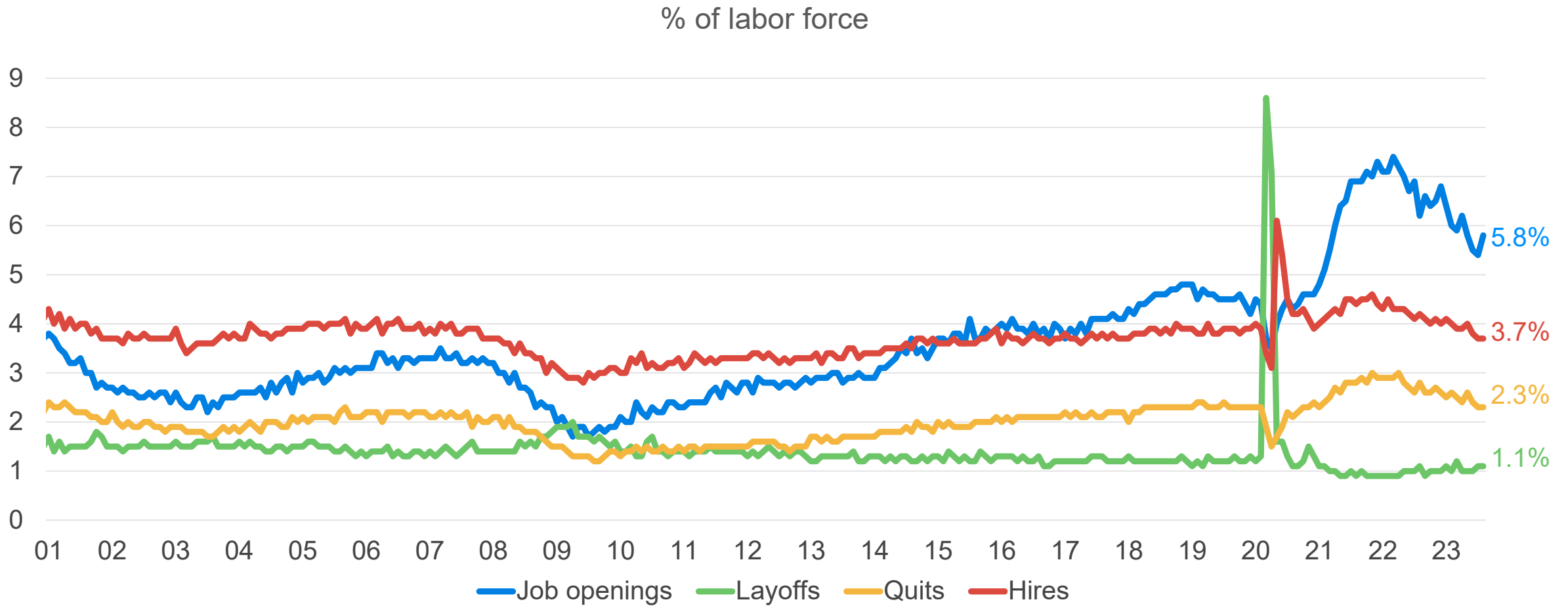
# Labor Market Is (a Little Too?) Resilient

Monthly change in payrolls, ths



Sources: BLS, Moody's Analytics

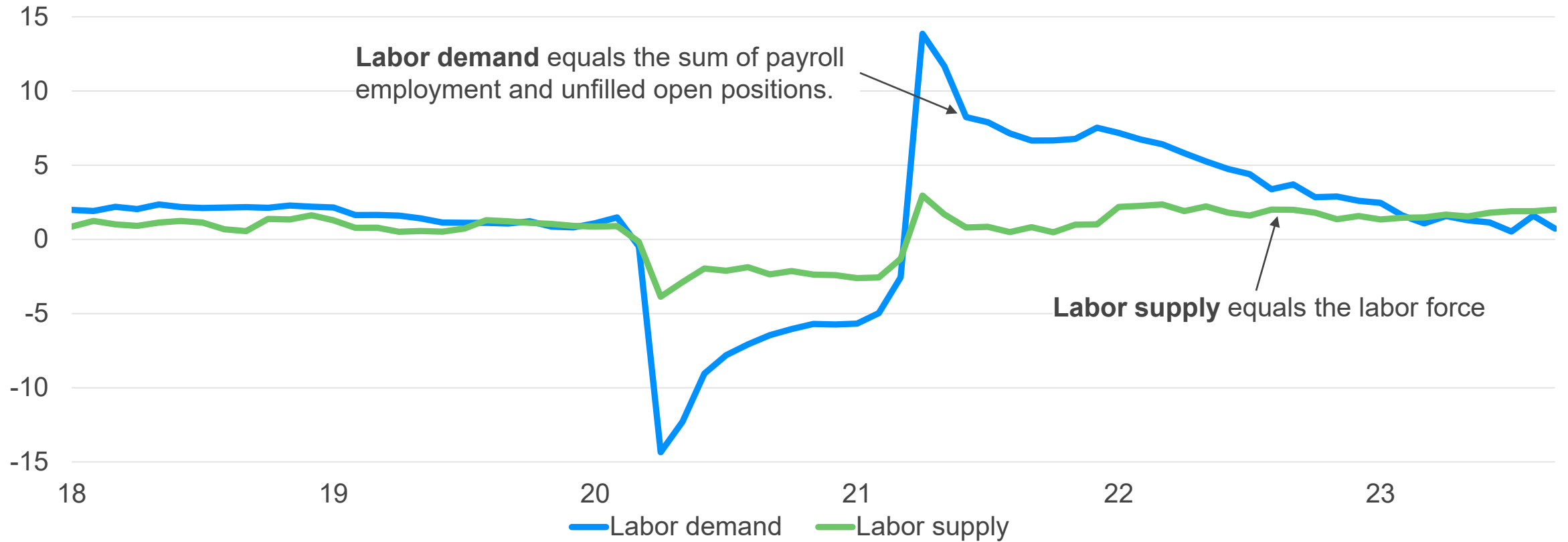
# Mass Layoffs Are Uncommon, but Firms Hire Less Aggressively...



Sources: BLS, Moody's Analytics

# ...Helping the Supply of Workers to Catch Up With Labor Demand

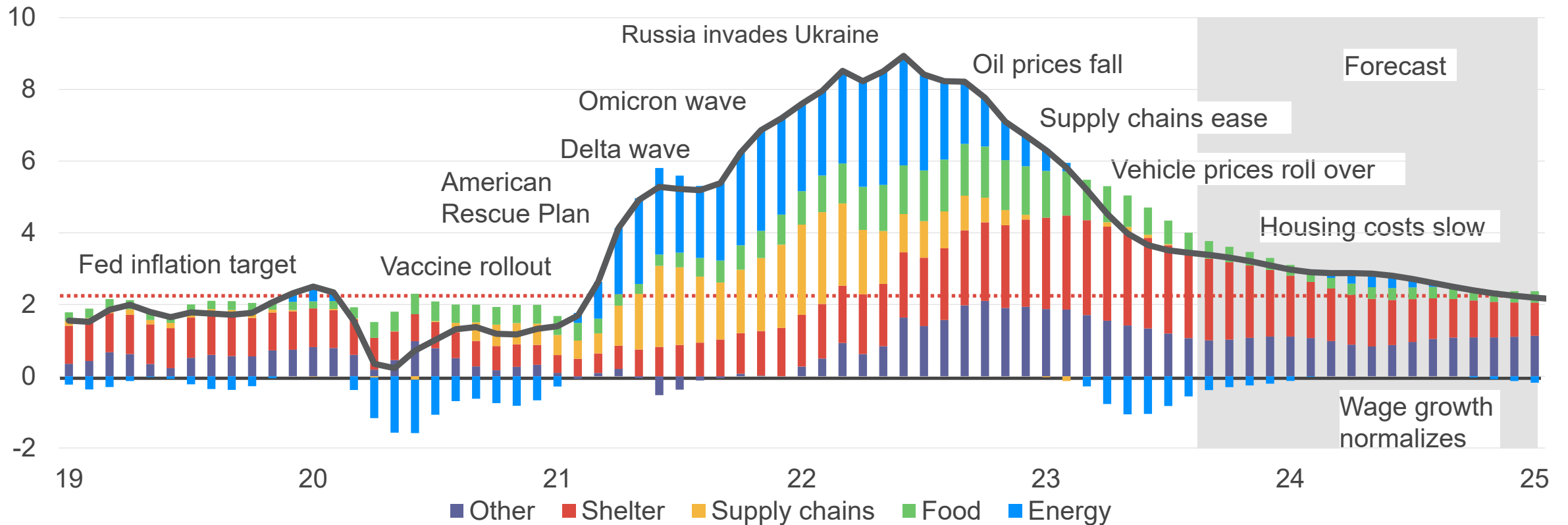
% change yr ago



Sources: BLS, Moody's Analytics

# Inflation Gradually Normalizes

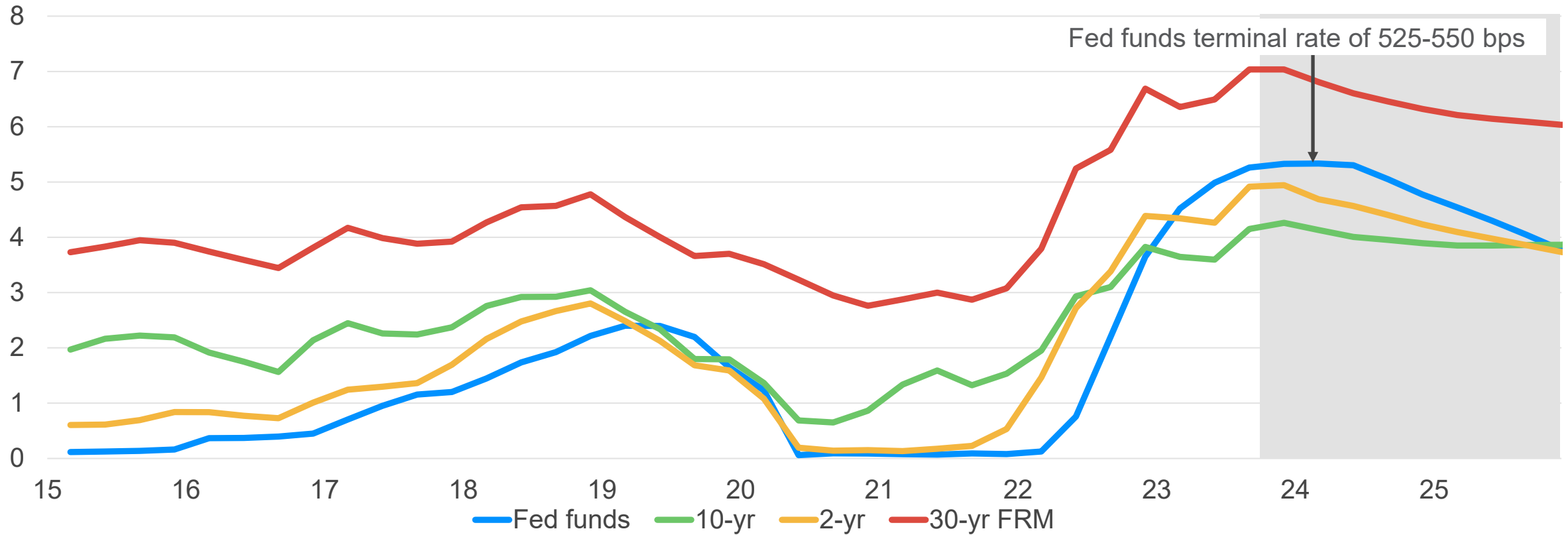
Contribution to yr-over-yr growth in consumer prices, ppt



Sources: BLS, Moody's Analytics

# Fed's Tightening Cycle Is Drawing to a Close

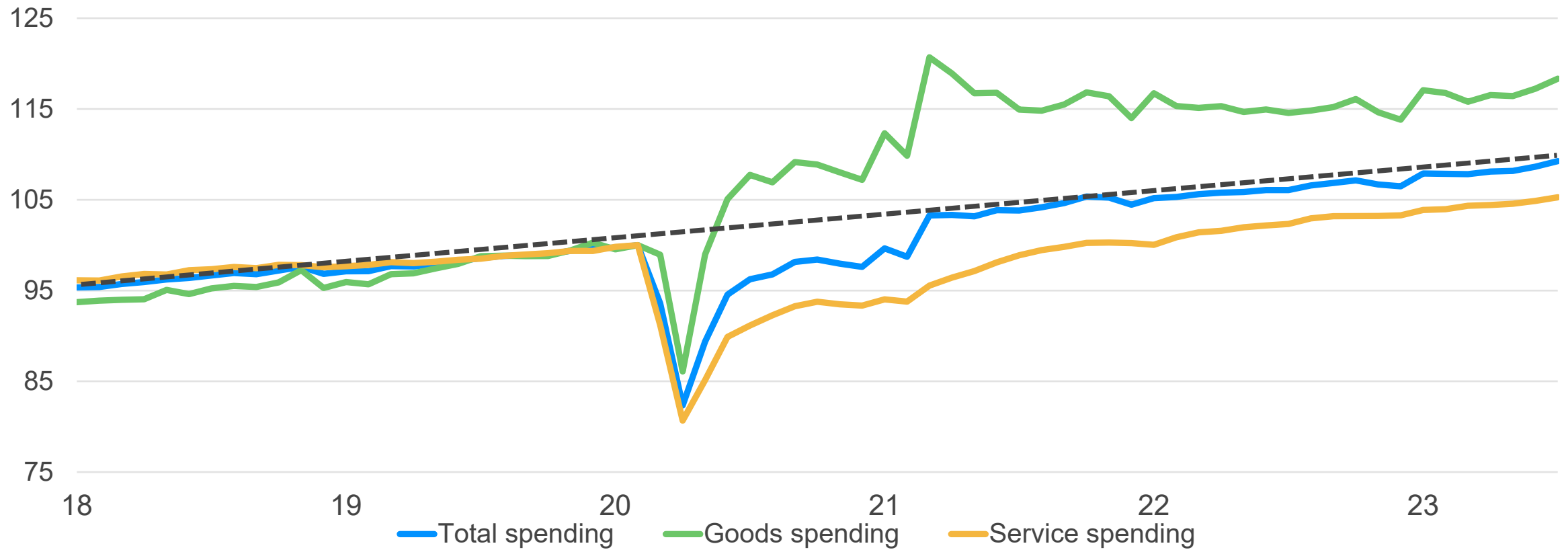
Interest rates, %



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

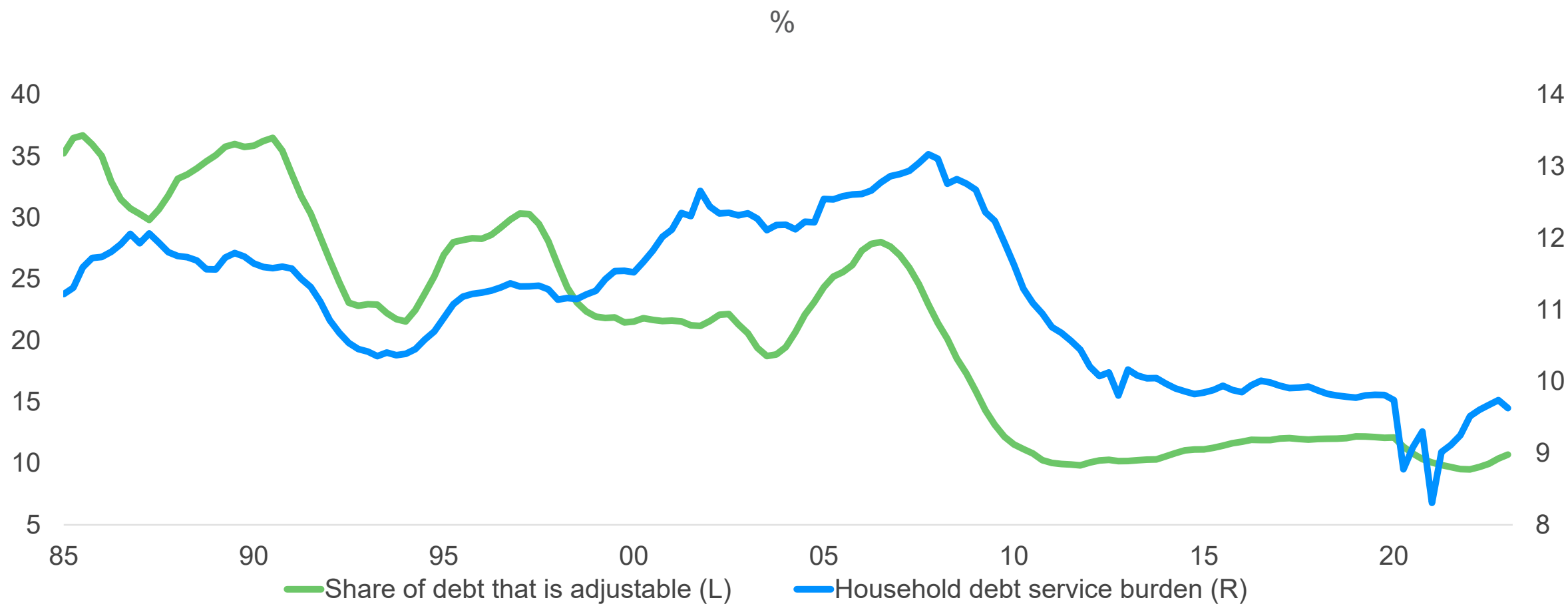
# Consumers Remain a Resilient Firewall...

Real consumer spending, Feb 2020=100



Sources: BLS, Moody's Analytics

## ...Insulated From Higher Interest Rates

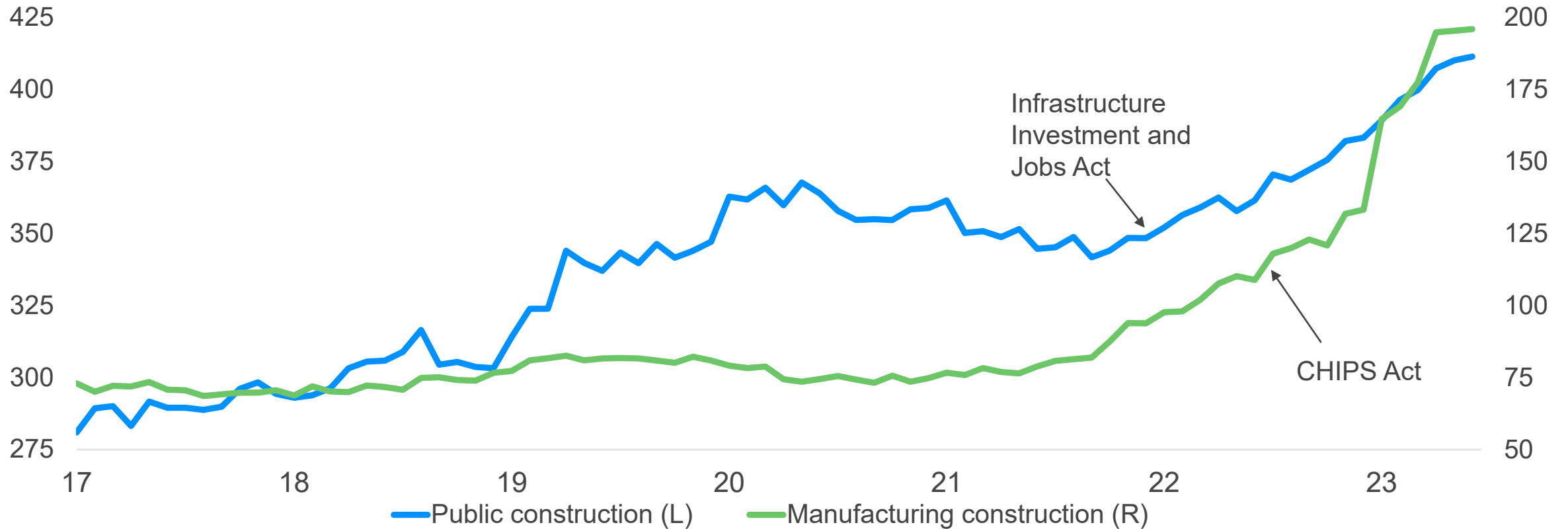


Sources: Federal Reserve, Moody's Analytics



# Fiscal Policy Provides a Tailwind

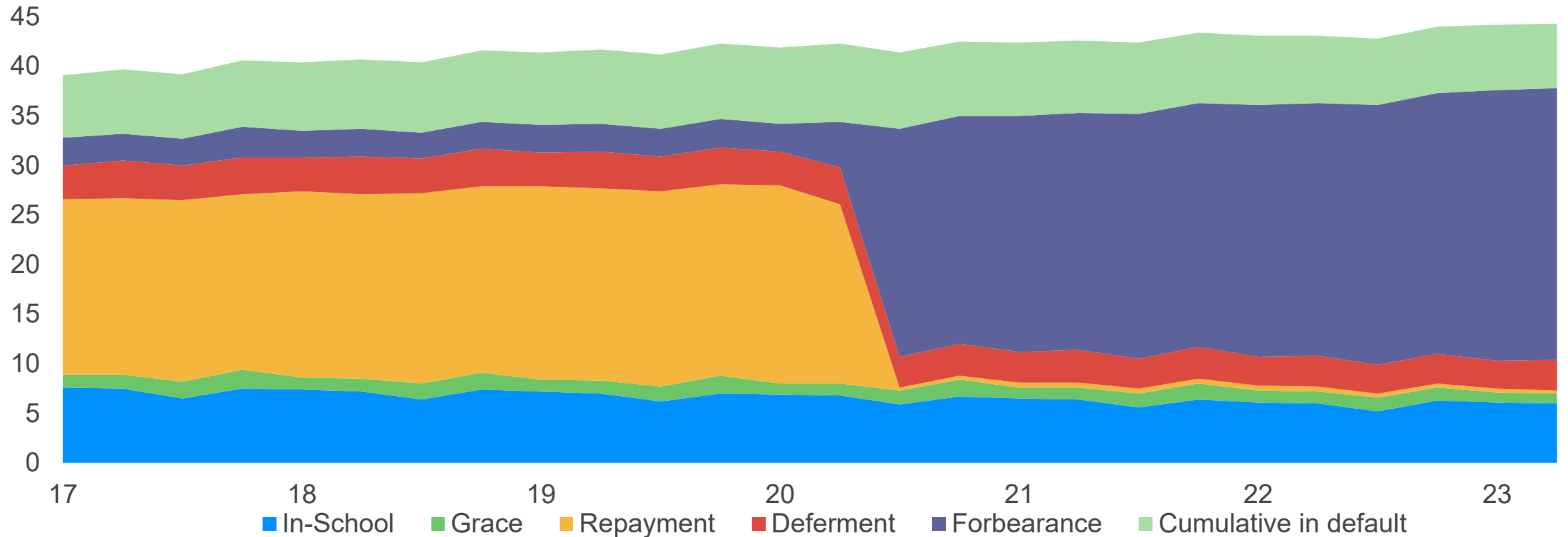
Construction spending, \$ bil, SAAR



Sources: Census Bureau, Moody's Analytics

# Resumption of Student Loan Payments Is a Concern...

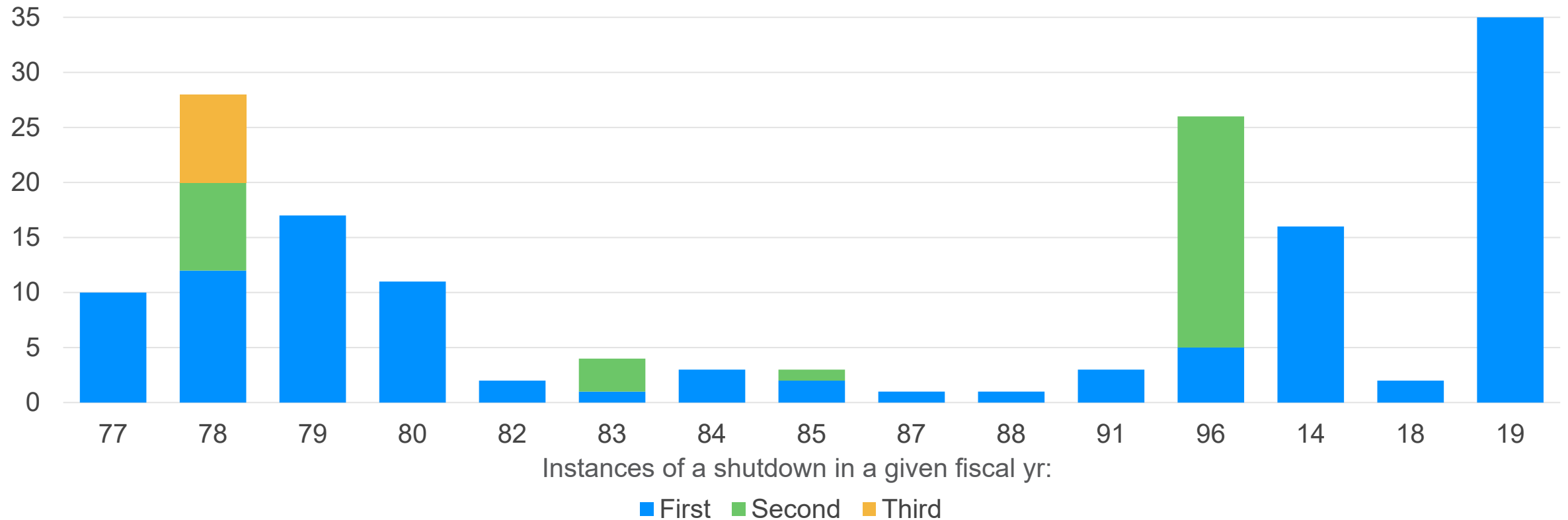
Number of recipients across federally managed student loan programs, mil



Sources: Dept of Education, Moody's Analytics

## ...As Is a Potential Government Shutdown

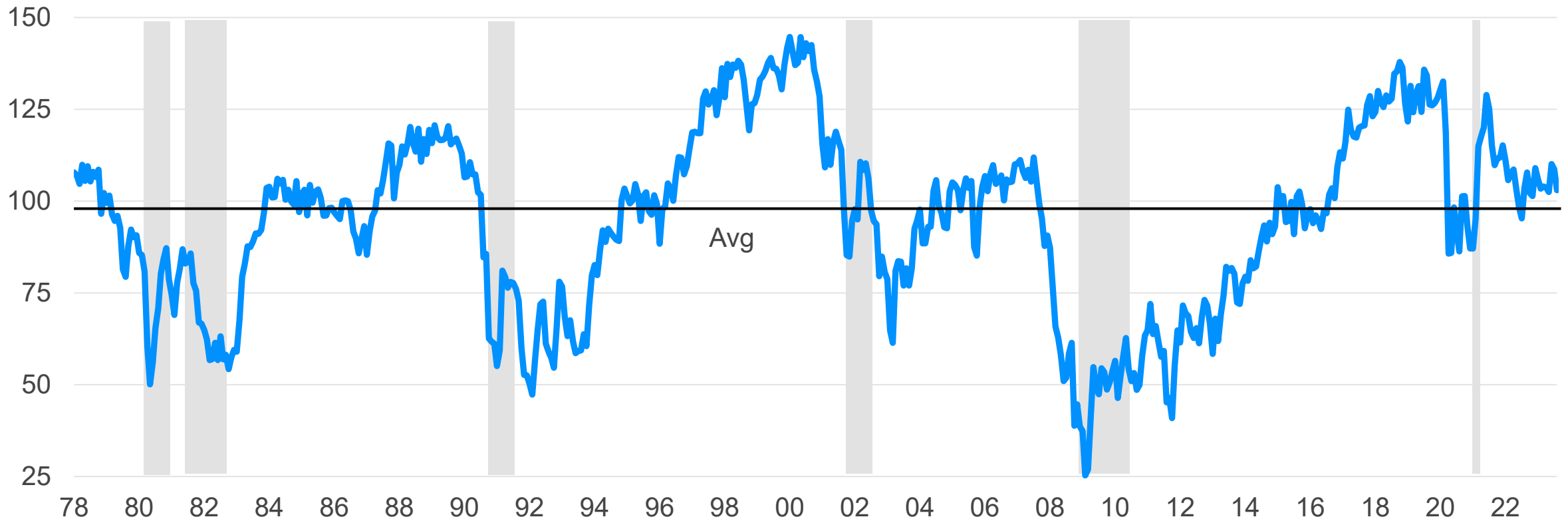
Full days of funding gaps by fiscal yr



Sources: Congressional Research Service, Moody's Analytics

# Consumers Are Anxious, but Haven't Lost Faith

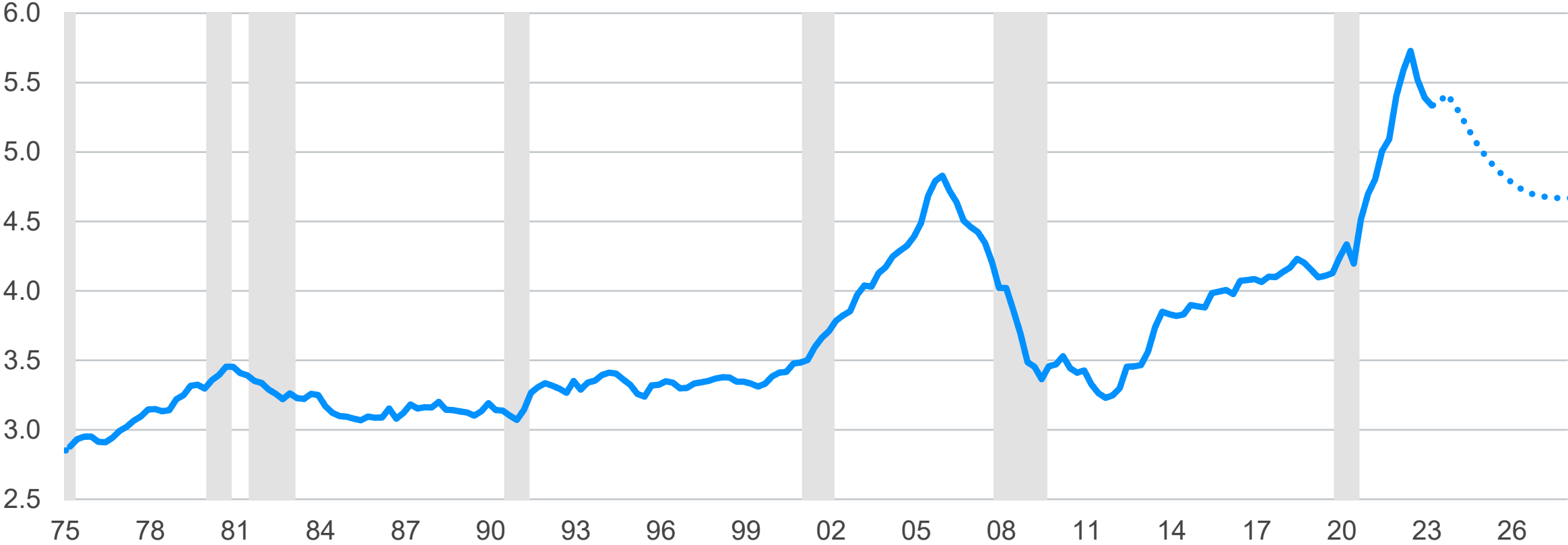
Conference Board consumer confidence index



Sources: The Conference Board, Moody's Analytics

# House Price Correction Is Not Over Yet

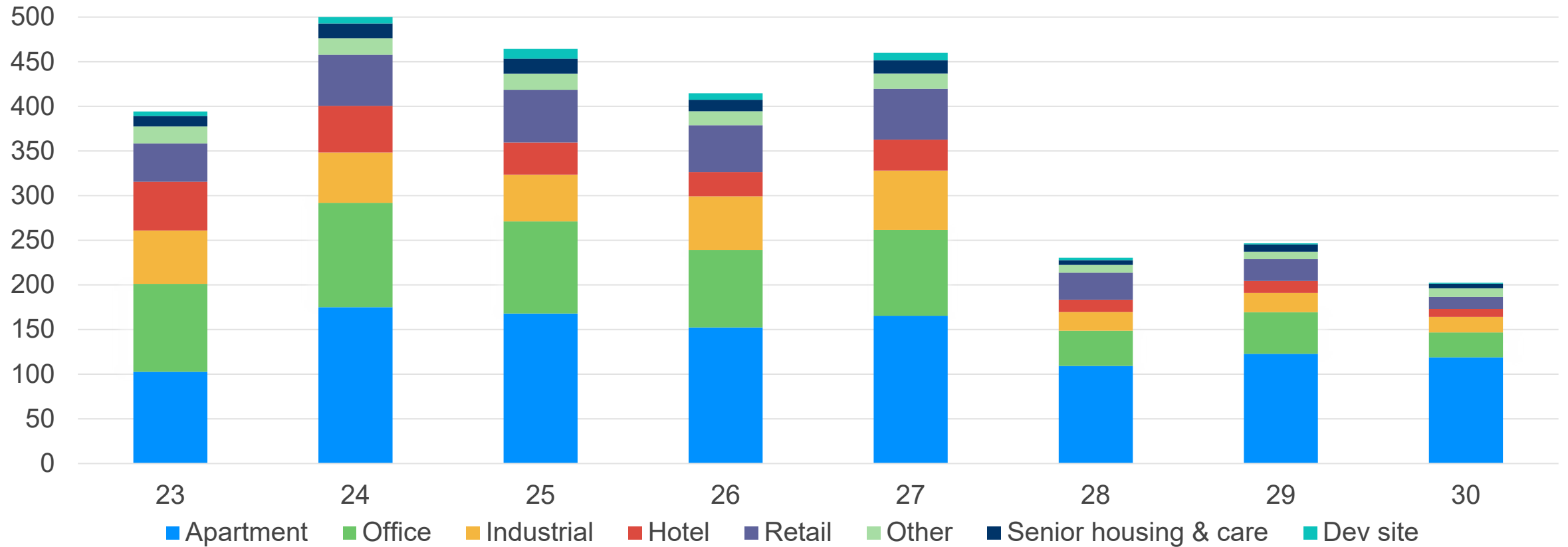
House price-to-income ratio



Sources: NAR, BEA, Census Bureau, Moody's Analytics

# Commercial Real Estate Weakness May Metastasize to Banks...

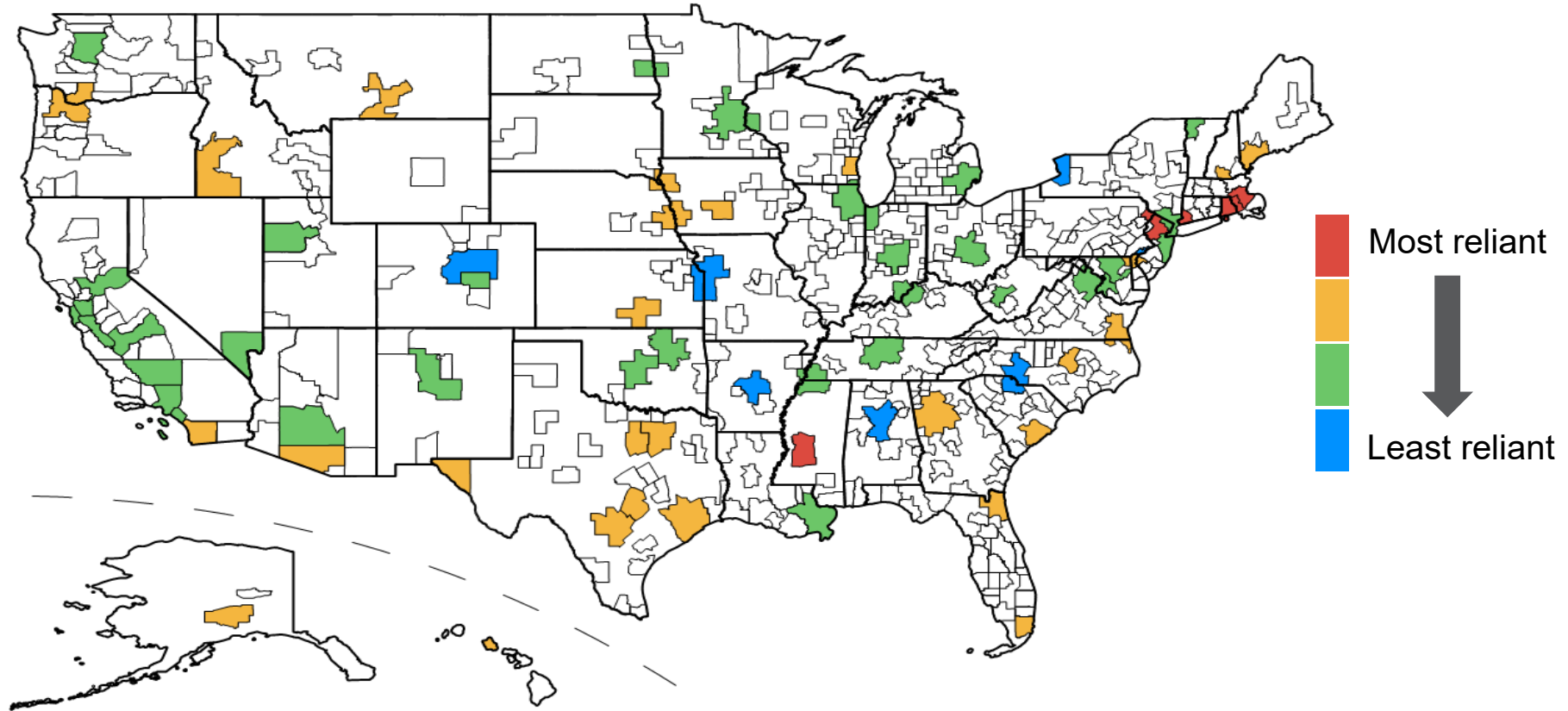
Loan maturities by CRE property type, \$ bil



Source: Moody's Analytics

# ...And Create Risk to State and Local Governments, Especially in Northeast

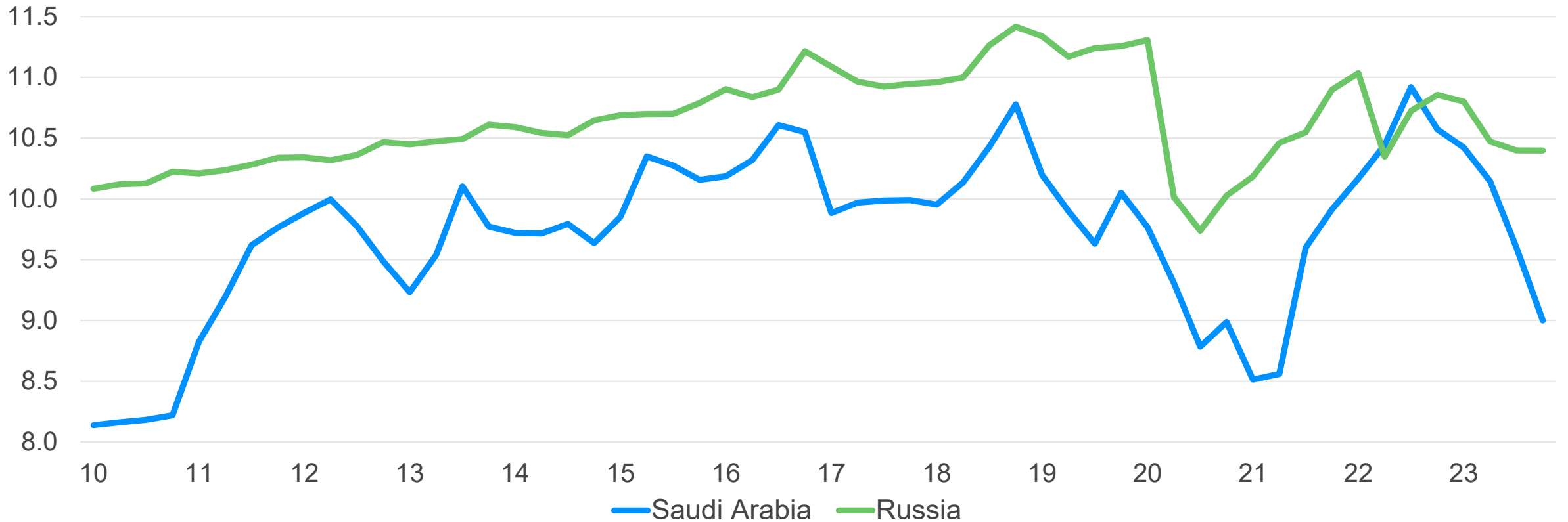
Reliance on commercial property taxes for largest city



Sources: Lincoln Institute, Minnesota Center for Fiscal Excellence, Moody's Analytics

# Saudi Arabia's Production Cuts Put Pressure on Oil Market

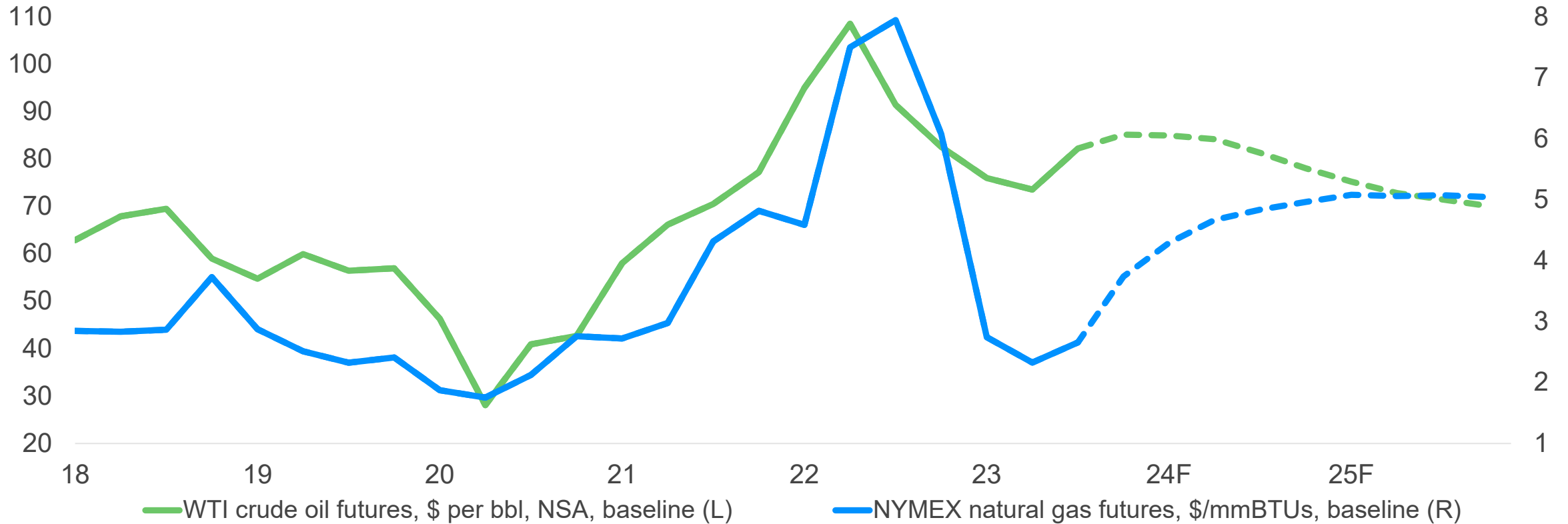
Crude oil output, mil bpd



Sources: IEA, Moody's Analytics



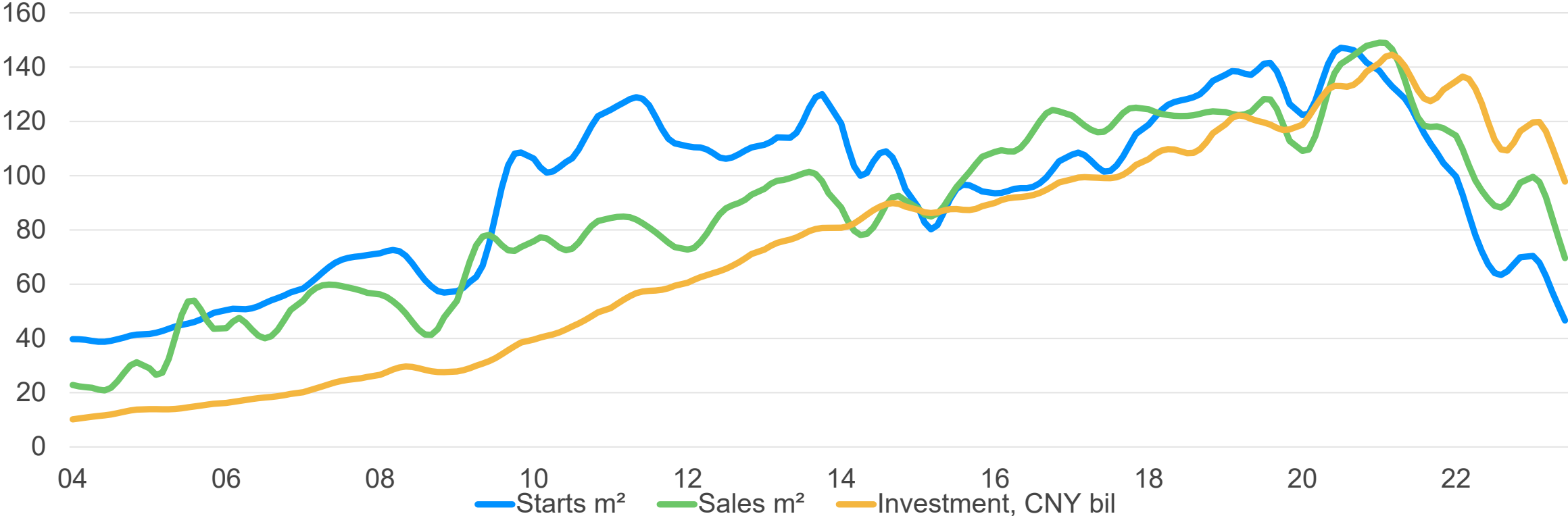
# Oil Prices Will Stay North of \$80, Natural Gas Will Close Gap



Sources: EIA, Moody's Analytics

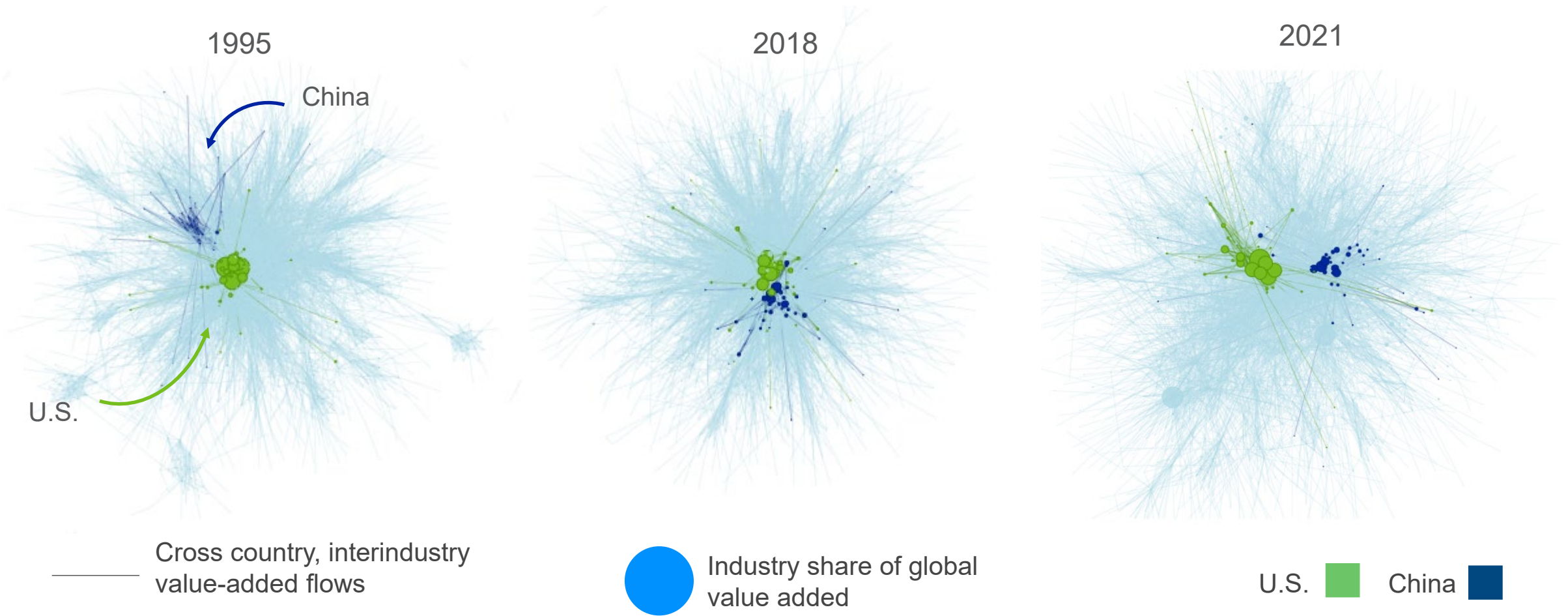
# China's Property Market Is in Turmoil

Real estate measures, trended



Sources: China National Bureau of Statistics, Moody's Analytics

# U.S. and Chinese Economies Decouple and Tensions Rise



Sources: OECD, Moody's Analytics

# Q&A

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