

Economist Outlook



Anirban Basu

Chairman & Chief Executive Officer Sage
Policy Group, Inc.

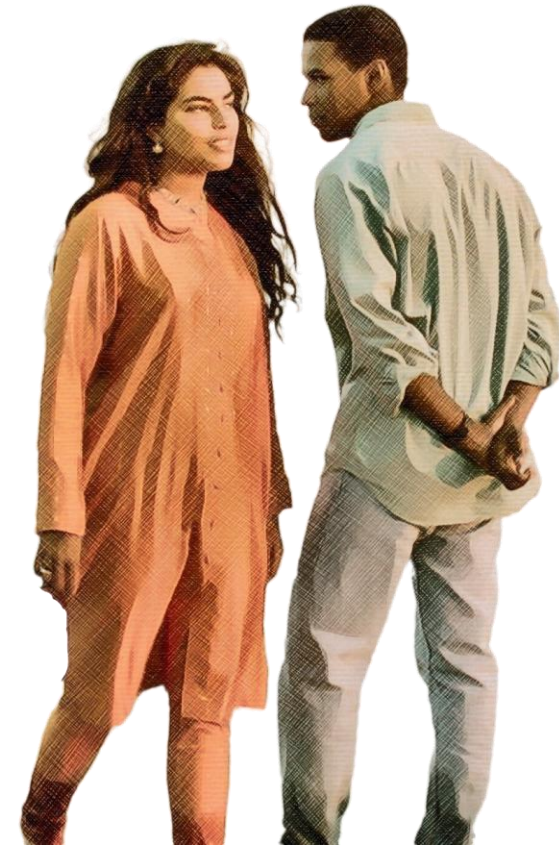


Monetary Masala

By: Anirban Basu
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Sage Policy Group, Inc.

On Behalf of
Society of Independent
Show Organizers

April 1, 2025



The Taking of Inflation 2.0

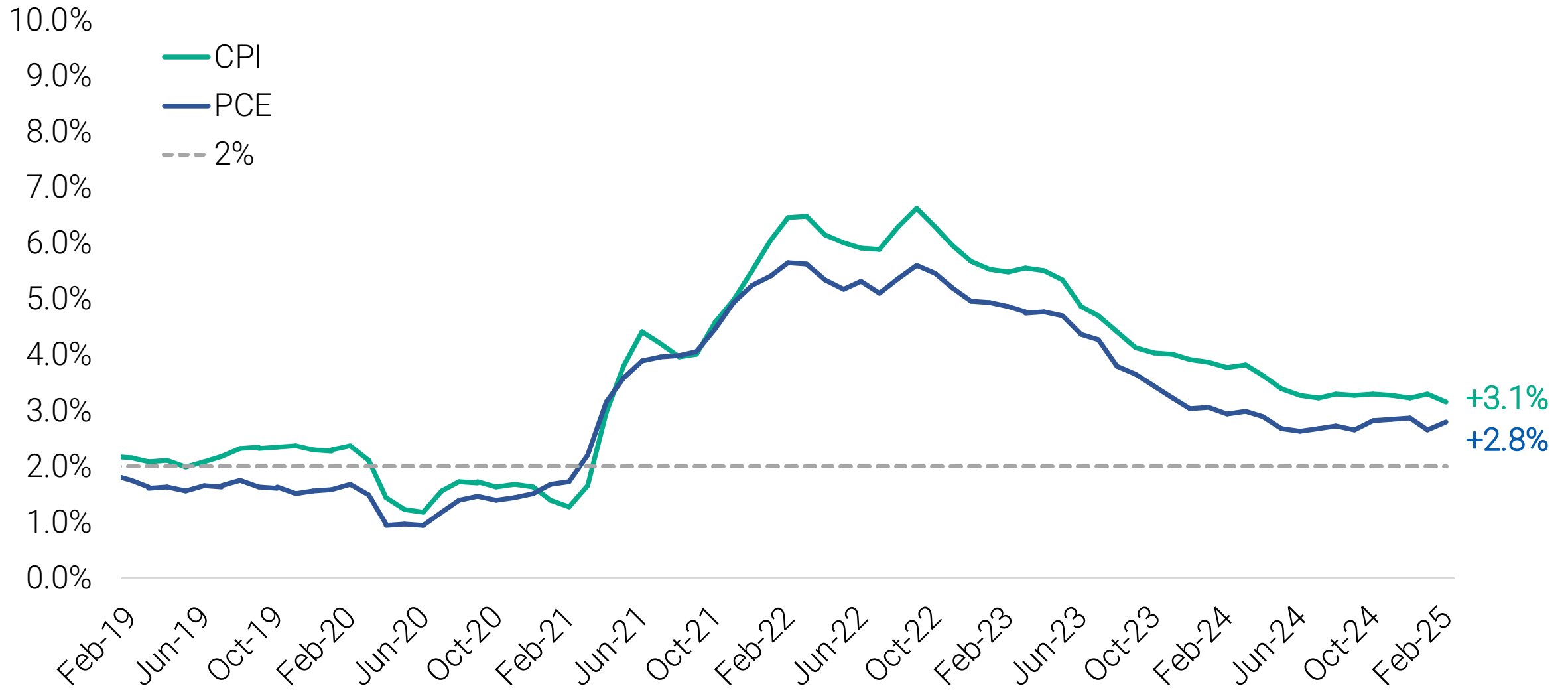


The Taking of Pelham 123 (2009)—Denzel Washington as Train Dispatcher



Core CPI & PCE, 12-Month % Change (SA)

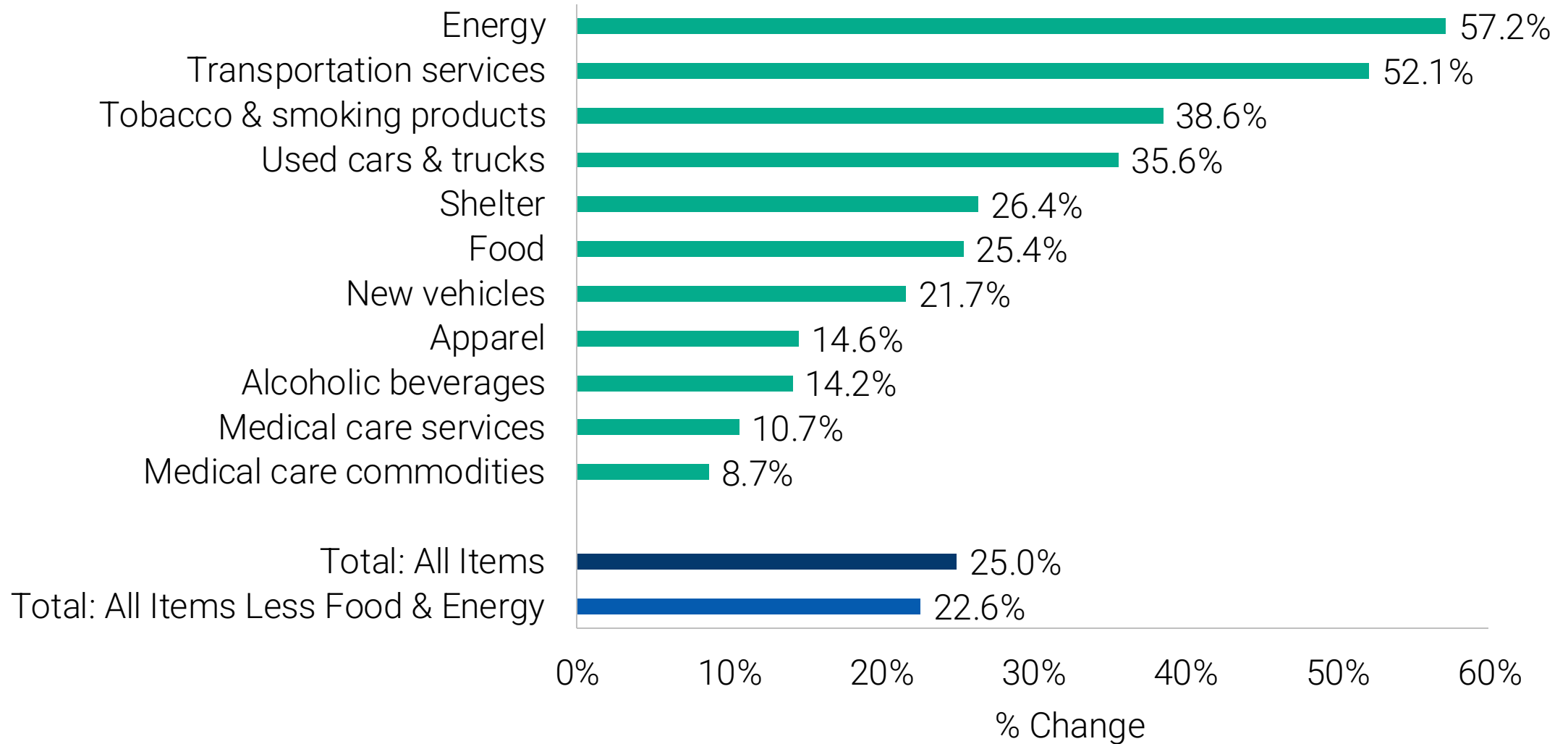
2019 – February 2025



Source: U.S. Bureau of Labor Statistics; U.S. Bureau of Economic Analysis *Core: All items less food and energy

Consumer Price Index, Select Categories (SA)

% Change May 2020 v. February 2025



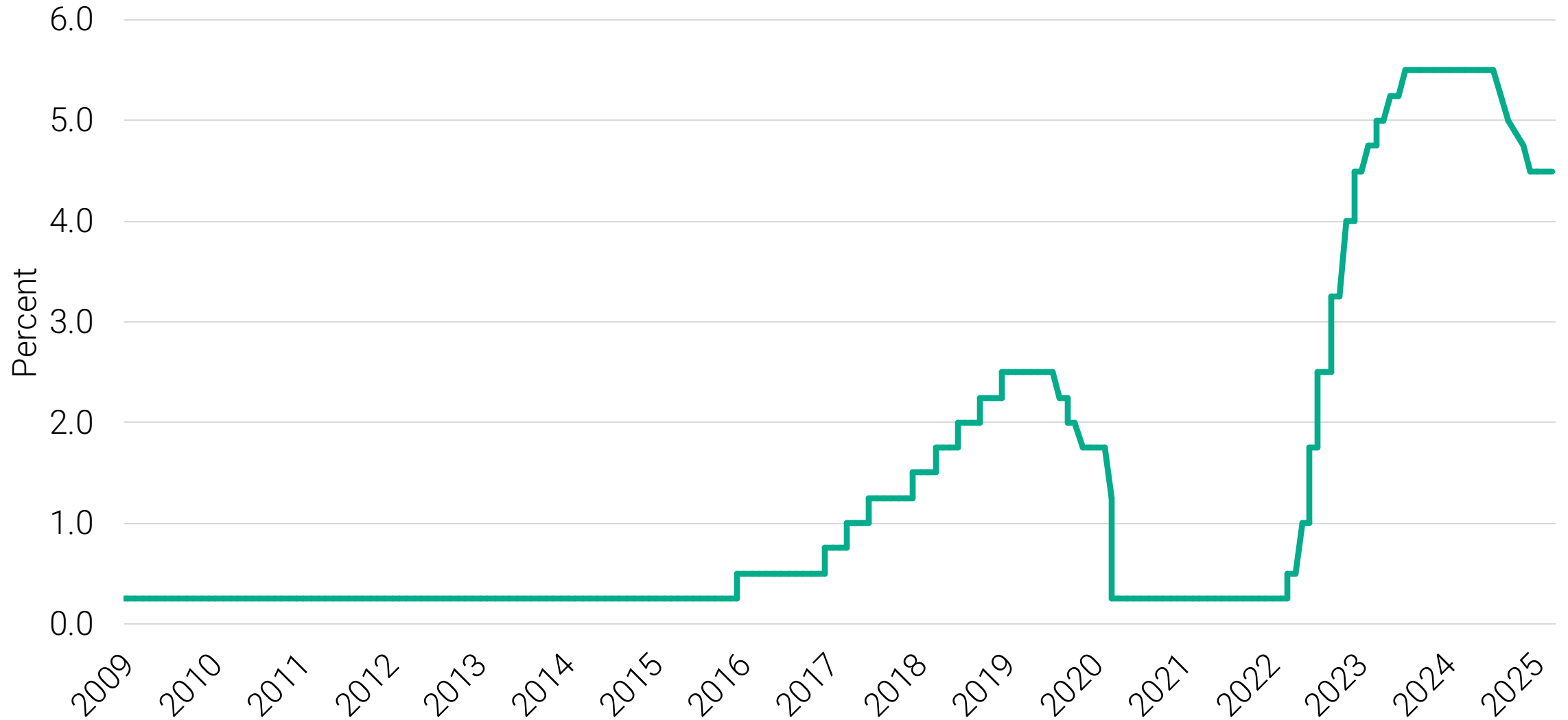
The Manhattan Candidate

2024 Trump Campaign Economic Policy Proposals

- Extend the expiring 2017 Tax Cuts and Jobs Act (TCJA) – *inflationary*
- Additional reduction in the corporate tax rate to 15% – *inflationary*
- Eliminate income taxes on Social Security benefits – *inflationary*
- Eliminate taxes on tips – *inflationary*
- 10% to 25% across-the-board tariff on imports – *inflationary*
- Mass deportation of all undocumented migrants – *inflationary*

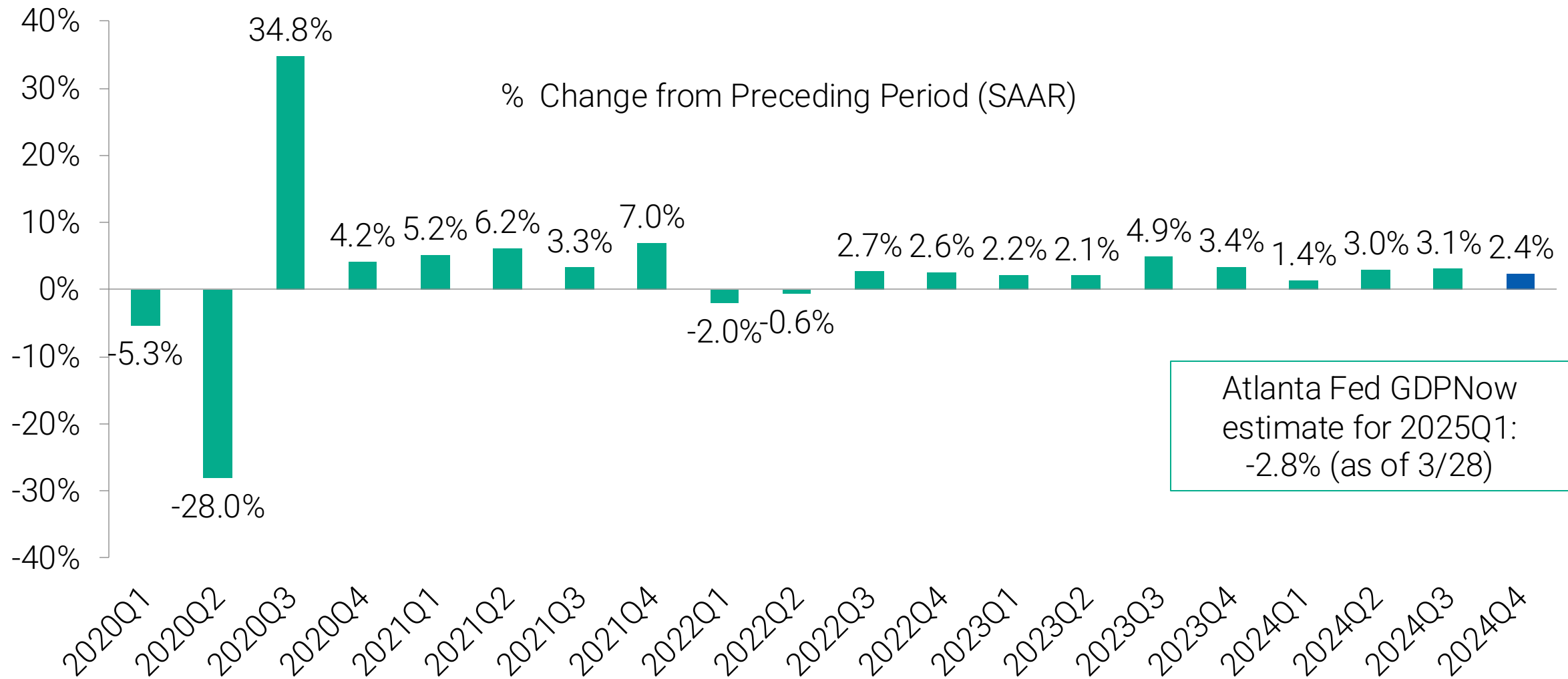
*The Manchurian Candidate (2004)—Denzel Washington as Major Bennett Marco

Federal Funds Rate, Target Rate Upper Limit, 2009 – 2025



Source: Board of Governors of the Federal Reserve System

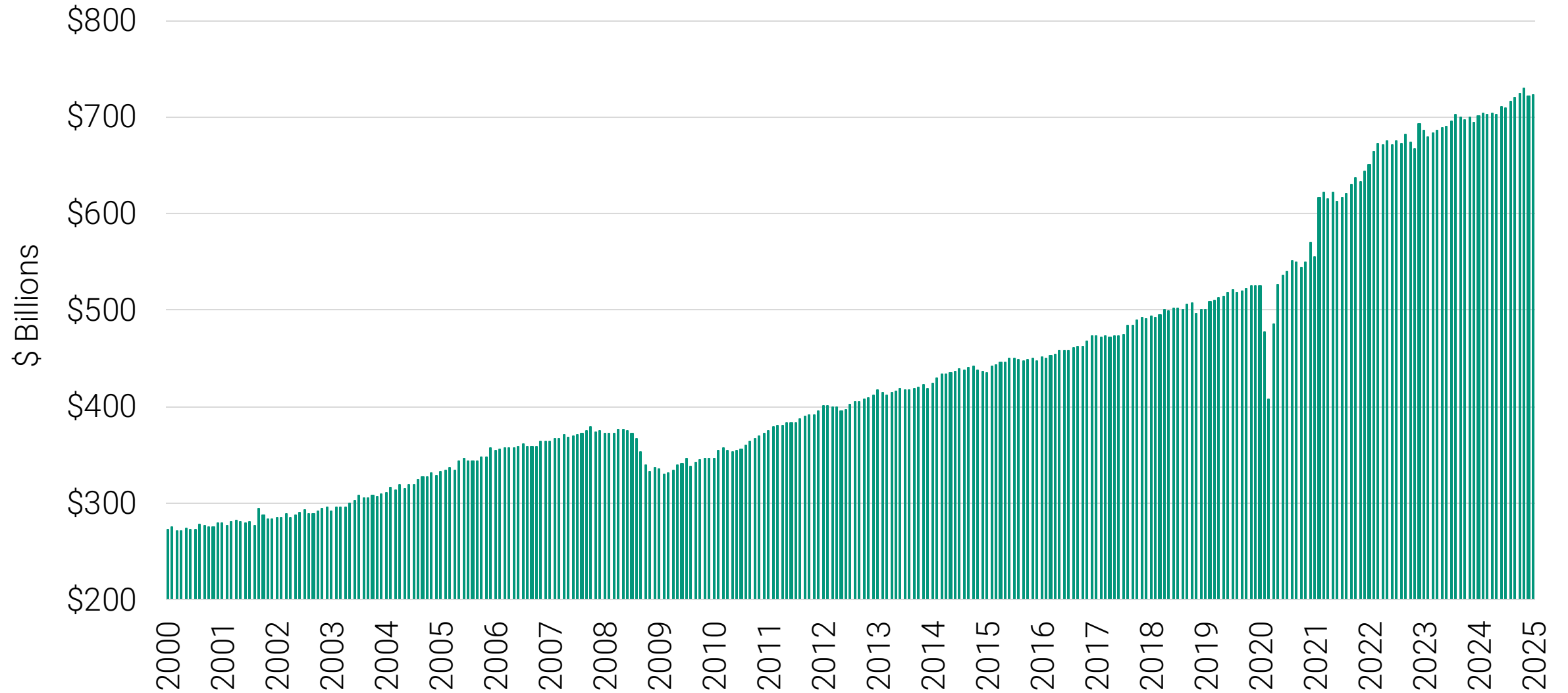
U.S. Gross Domestic Product Growth, 2020 – 2024Q4



Source: U.S. Bureau of Economic Analysis *2024Q4: 3rd (final) estimate

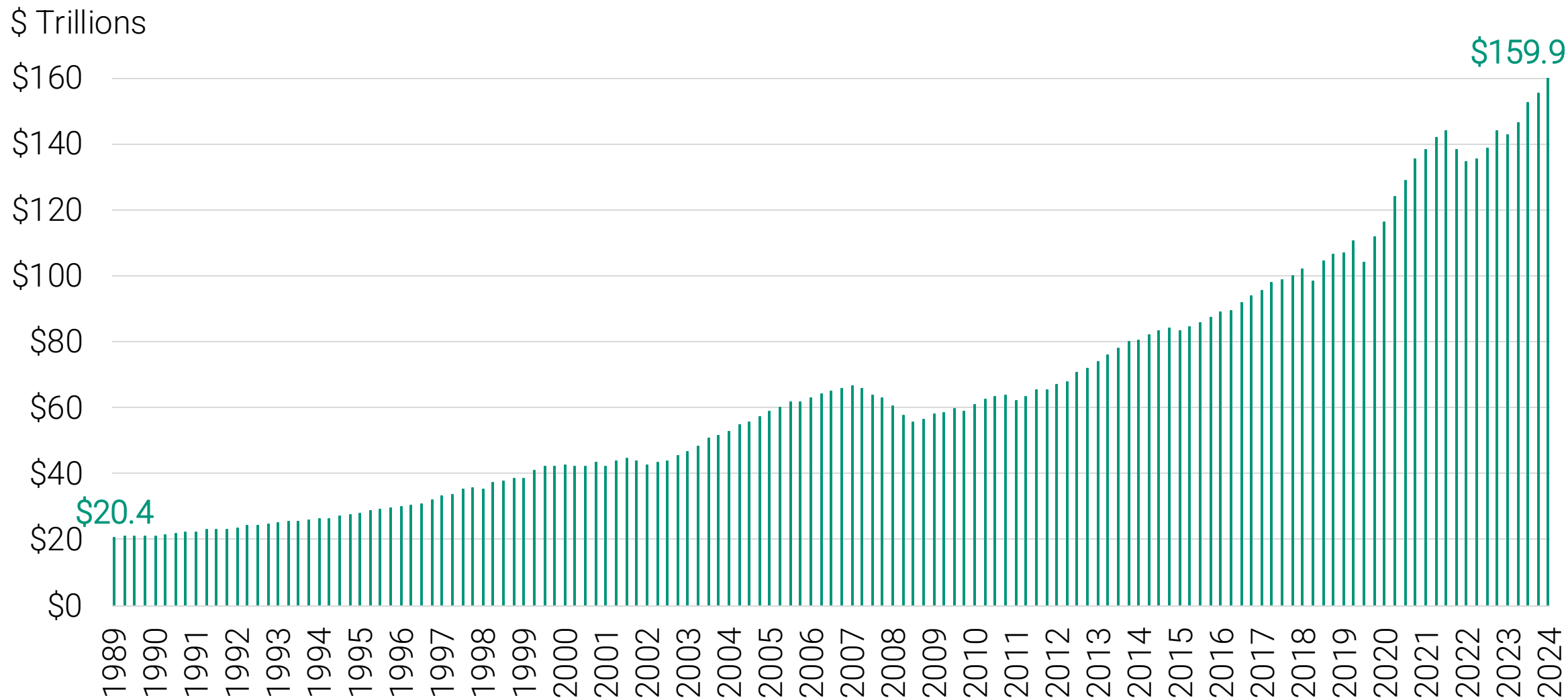
They Got Game

U.S. Retail Sales, 2000 – February 2025



Source: U.S. Census Bureau

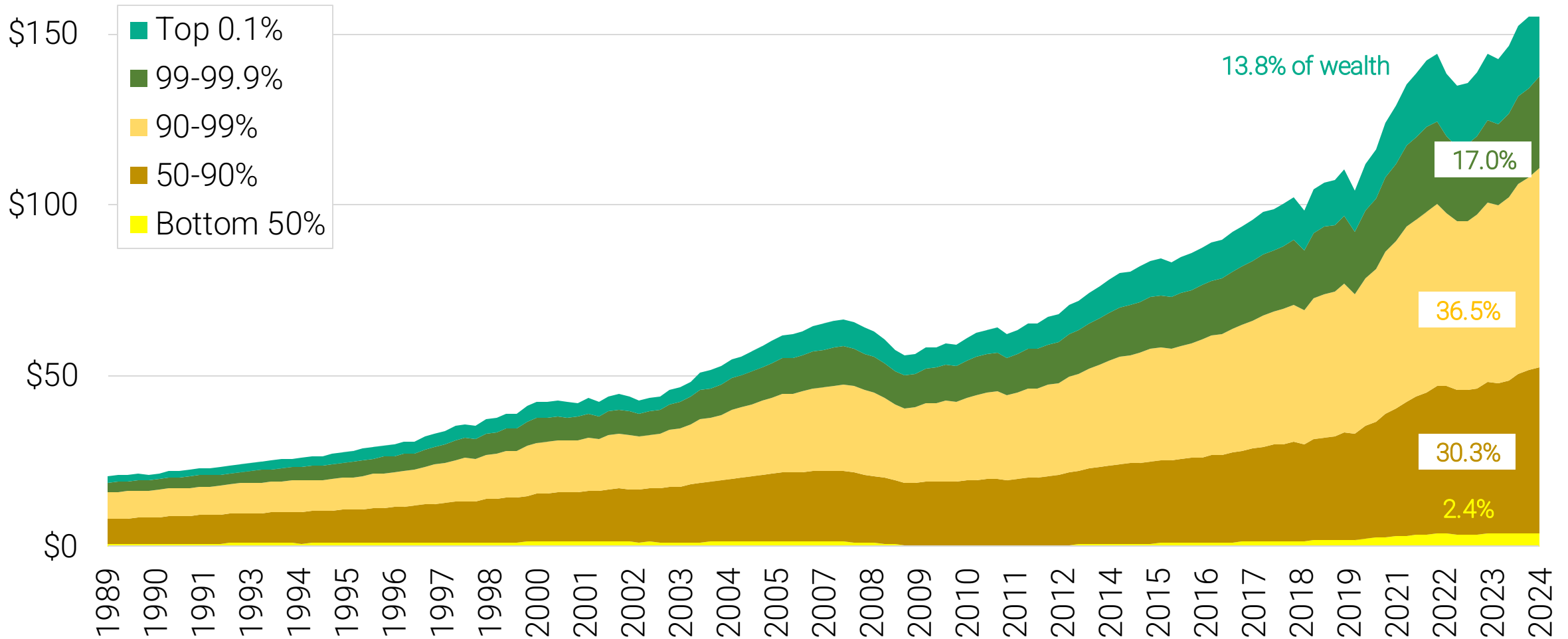
Total U.S. Household Wealth, 1989 – 2024



Source: Federal Reserve Board, Distributional Financial Accounts (DFAs)

U.S. Household Wealth by Wealth Percentile Group, 1989 – 2024

\$ Trillions



Source: Federal Reserve Board, Distributional Financial Accounts (DFAs)

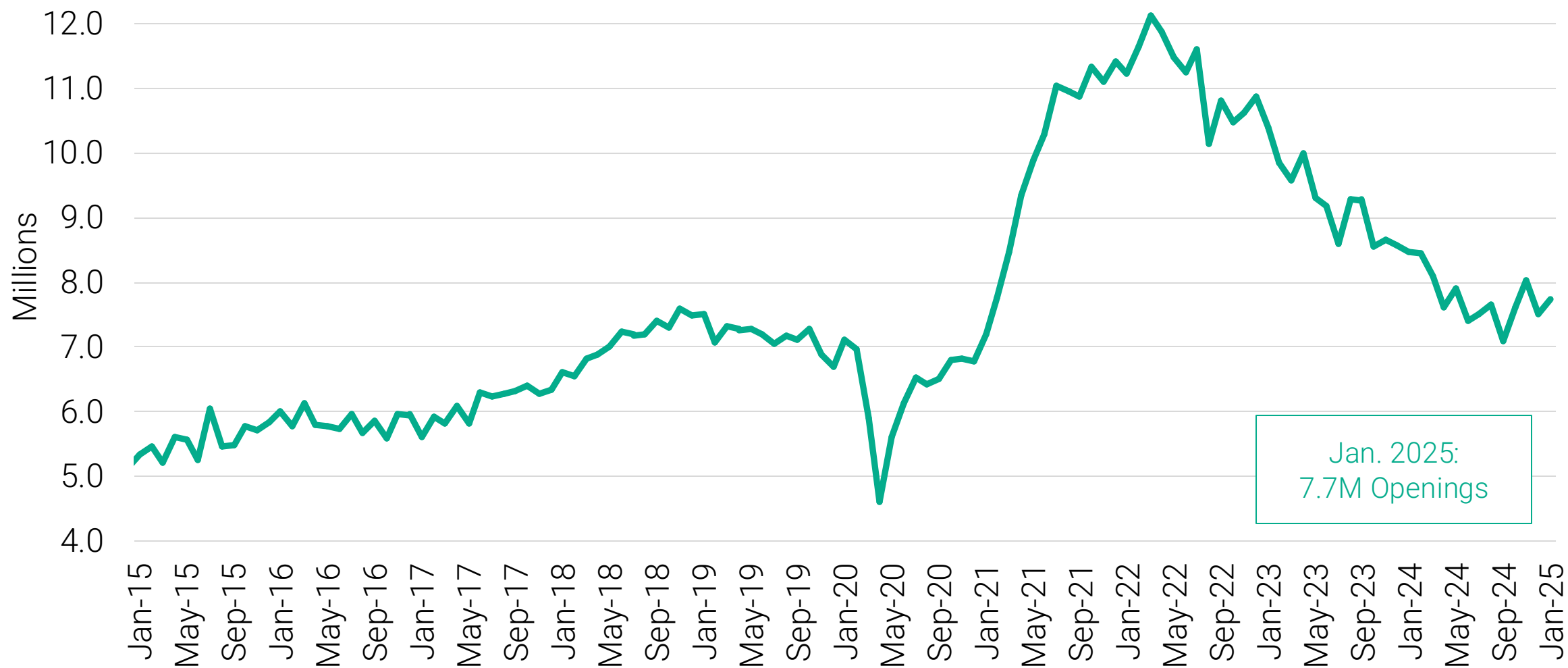


The Equalizer

The Equalizer (2014, 2018, and 2023)—Denzel Washington as mystery man Robert McCall



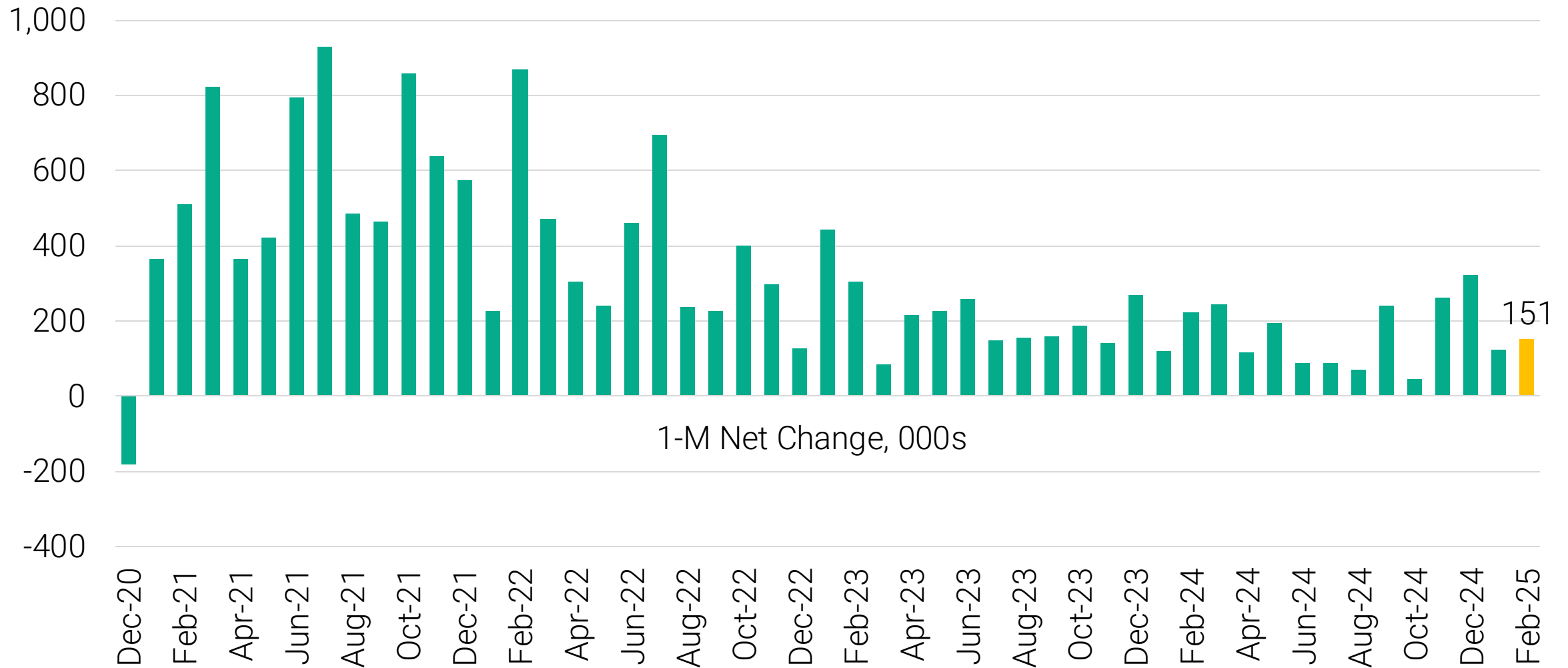
U.S. Job Openings, 2015 – January 2025



Jan. 2025:
7.7M Openings

U.S. Job Growth, Monthly

December 2020 – February 2025



Source: U.S. Bureau of Labor Statistics

Employment Growth, 25 Largest Metros

February 2020 v. February 2025 % Change

Rank	MSA	%
1	Austin-Round Rock-San Marcos, TX	19.2%
2	Orlando-Kissimmee-Sanford, FL	12.4%
3	Dallas-Fort Worth-Arlington, TX	12.0%
4	Tampa-St. Petersburg-Clearwater, FL	10.4%
5	Phoenix-Mesa-Chandler, AZ	10.2%
6	San Antonio-New Braunfels, TX	10.0%
7	Charlotte-Concord-Gastonia, NC-SC	9.4%
8	Houston-Pasadena-The Woodlands, TX	8.1%
9	Miami-Fort Lauderdale-West Palm Beach, FL	8.0%
10	Atlanta-Sandy Springs-Roswell, GA	7.3%
11	Riverside-San Bernardino-Ontario, CA	6.8%
12	Denver-Aurora-Centennial, CO	4.8%
13	Philadelphia-Camden-Wilm., PA-NJ-DE-MD	4.0%

Rank	MSA	%
14	San Diego-Chula Vista-Carlsbad, CA	2.9%
15	New York-Newark-Jersey City, NY-NJ	2.4%
16	Seattle-Tacoma-Bellevue, WA	1.5%
16	Washington-Arlington-Alexandria, DC-VA-MD-WV	1.5%
18	Baltimore-Columbia-Towson, MD	1.2%
19	St. Louis, MO-IL	1.0%
20	Chicago-Naperville-Elgin, IL-IN-WI	0.6%
21	Detroit-Warren-Dearborn, MI	0.5%
22	Minneapolis-St. Paul-Bloomington, MN-WI	-0.4%
23	Los Angeles-Long Beach-Anaheim, CA	-0.6%
24	Boston-Cambridge-Newton, MA-NH	-1.2%
25	San Francisco-Oakland-Fremont, CA	-3.7%

Source: Bureau of Labor Statistics

Current Employment Statistics (CES) Survey. Note: data are not seasonally adjusted.

U.S. % Change 2/2020 v. 2/2025: +4.5%



Unemployment Rates, 25 Largest Metros, January 2025

Rank	MSA	%
1	Baltimore-Columbia-Towson, MD	3.0%
1	Miami-Fort Lauderdale-West Palm Beach, FL	3.0%
3	Washington-Arlington-Alexandria, DC-VA-MD-WV	3.1%
4	Minneapolis-St. Paul-Bloomington, MN-WI	3.2%
5	Atlanta-Sandy Springs-Roswell, GA	3.4%
6	Austin-Round Rock-San Marcos, TX	3.5%
6	Phoenix-Mesa-Chandler, AZ	3.5%
8	Orlando-Kissimmee-Sanford, FL	3.6%
9	San Antonio-New Braunfels, TX	3.8%
9	Tampa-St. Petersburg-Clearwater, FL	3.8%
11	Charlotte-Concord-Gastonia, NC-SC	3.9%
11	Dallas-Fort Worth-Arlington, TX	3.9%

Rank	MSA	%
13	Seattle-Tacoma-Bellevue, WA	4.1%
14	Boston-Cambridge-Newton, MA-NH	4.2%
14	Philadelphia-Camden-Wilm., PA-NJ-DE-MD	4.2%
16	St. Louis, MO-IL	4.3%
17	Houston-Pasadena-The Woodlands, TX	4.4%
17	San Francisco-Oakland-Fremont, CA	4.4%
19	San Diego-Chula Vista-Carlsbad, CA	4.5%
20	New York-Newark-Jersey City, NY-NJ	4.7%
21	Denver-Aurora-Centennial, CO	4.9%
22	Chicago-Naperville-Elgin, IL-IN-WI	5.1%
23	Riverside-San Bernardino-Ontario, CA	5.3%
24	Los Angeles-Long Beach-Anaheim, CA	5.4%
25	Detroit-Warren-Dearborn, MI	5.6%

Source: Bureau of Labor Statistics
Local Area Unemployment Statistics (LAUS) program. Note: data are not seasonally adjusted

U.S. Unemployment Rate—Jan: 4.0% | Feb: 4.1%

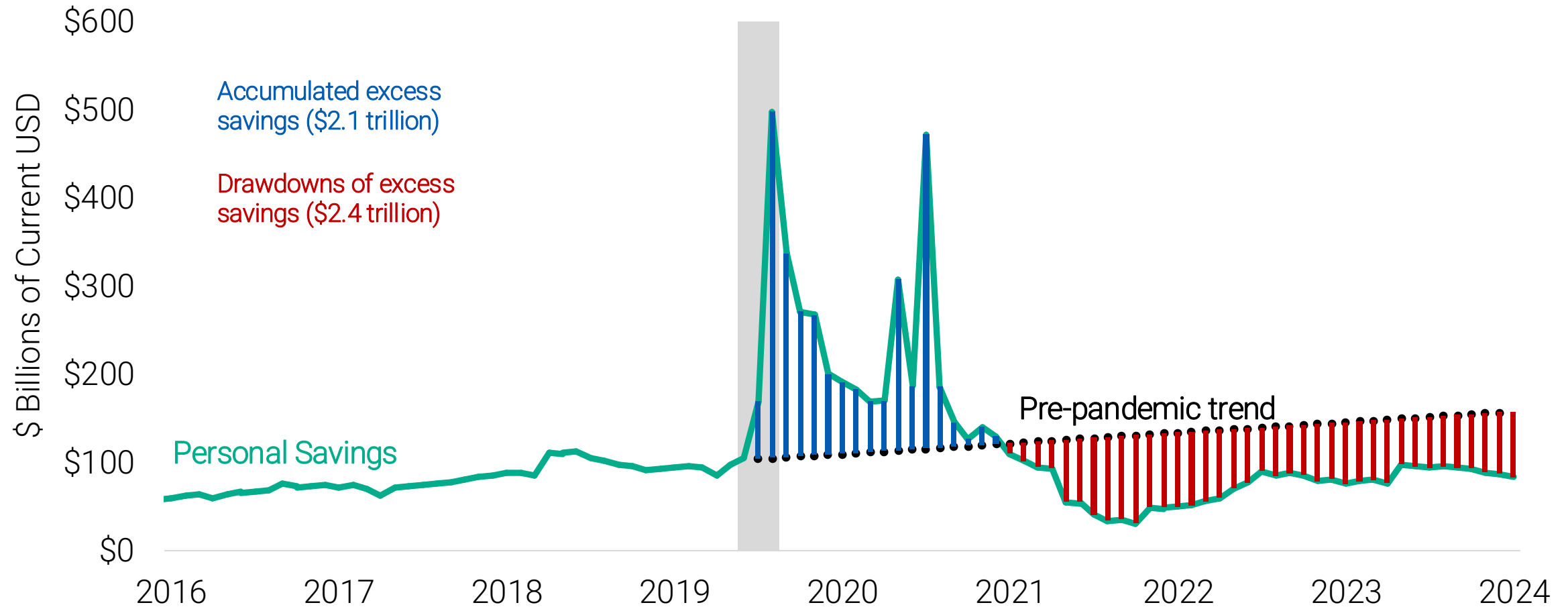


Devil in a Bunch of Data



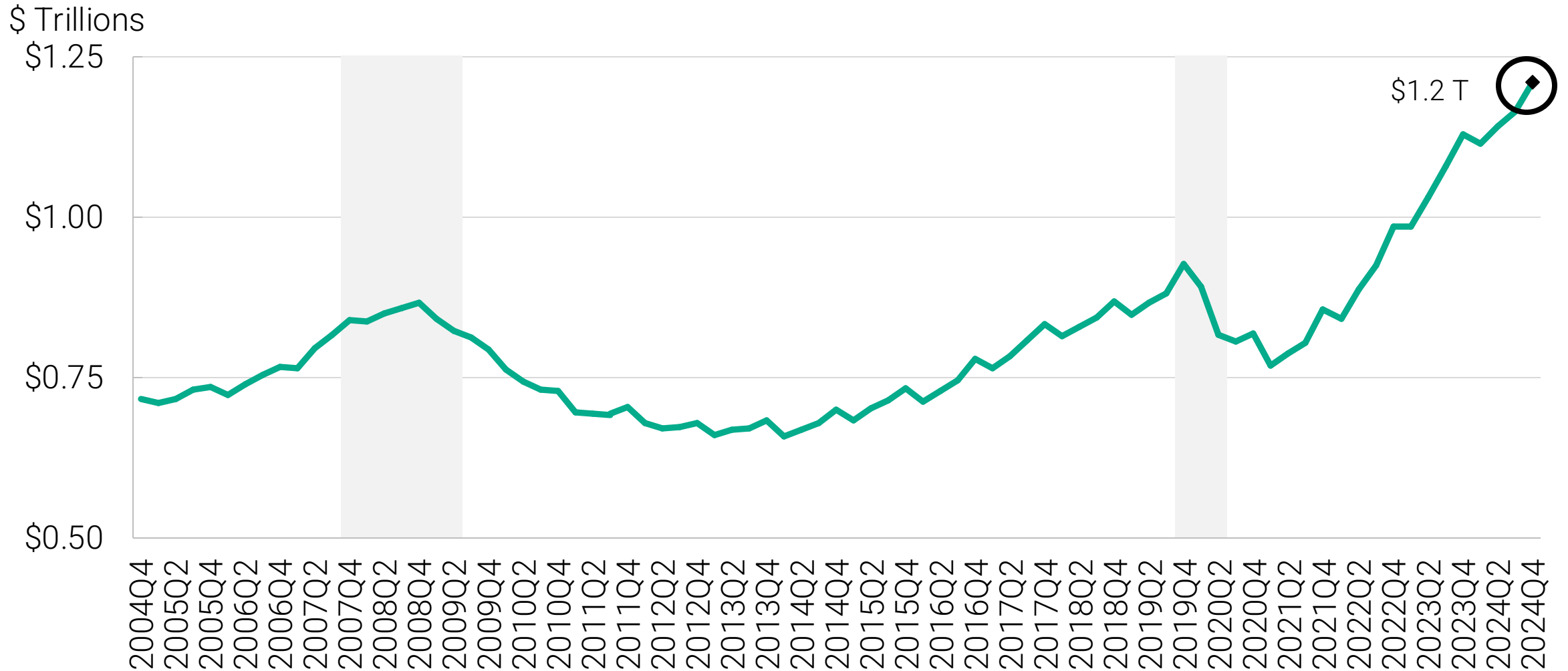
Drawdown of Pandemic Related Excess Savings

Aggregate Personal Savings Versus the Pre-pandemic Trend
(Abdelrahman and Oliveira, Federal Reserve Bank of San Francisco)



Source: Federal Reserve Bank of San Francisco

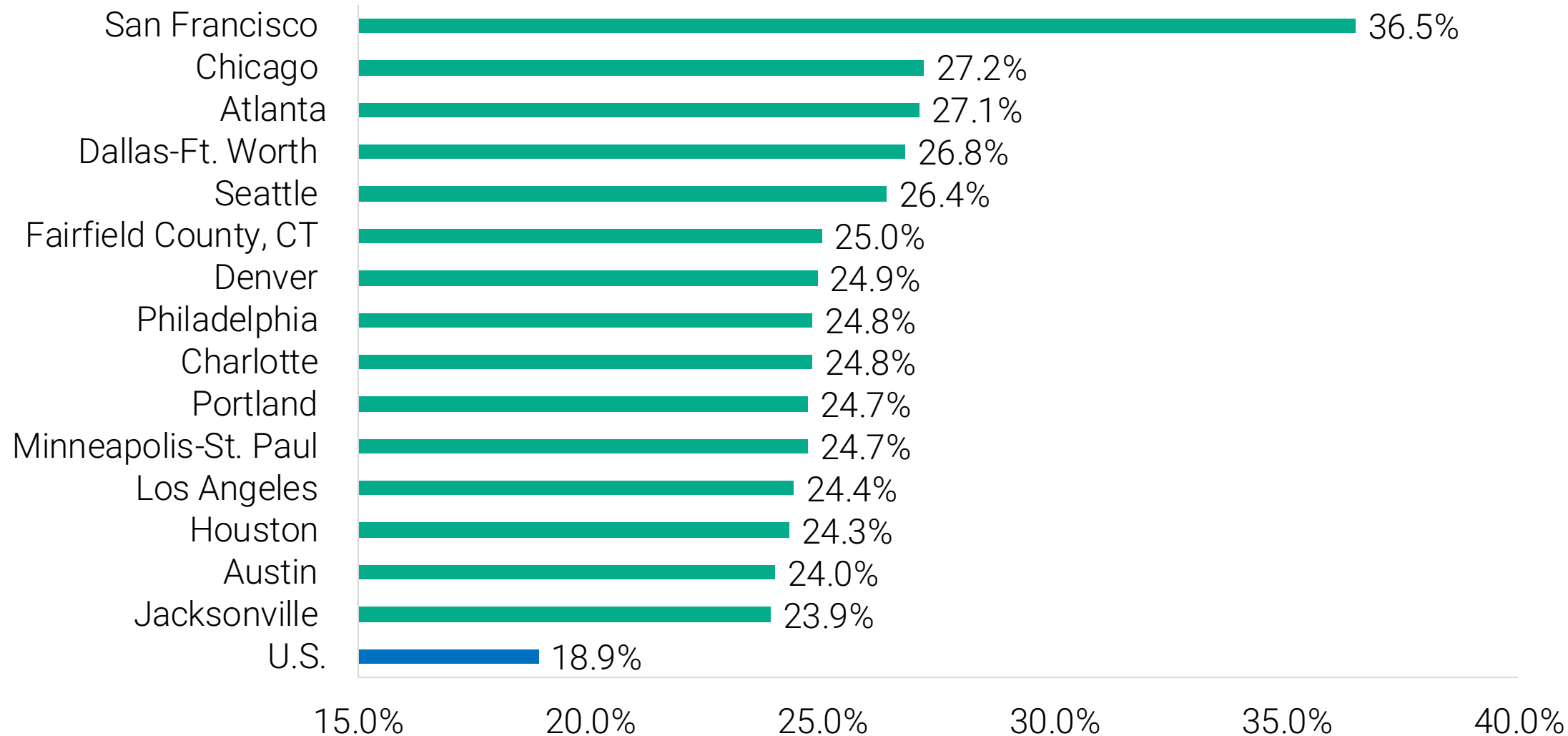
U.S. Credit Card Debt, 2004 – 2024



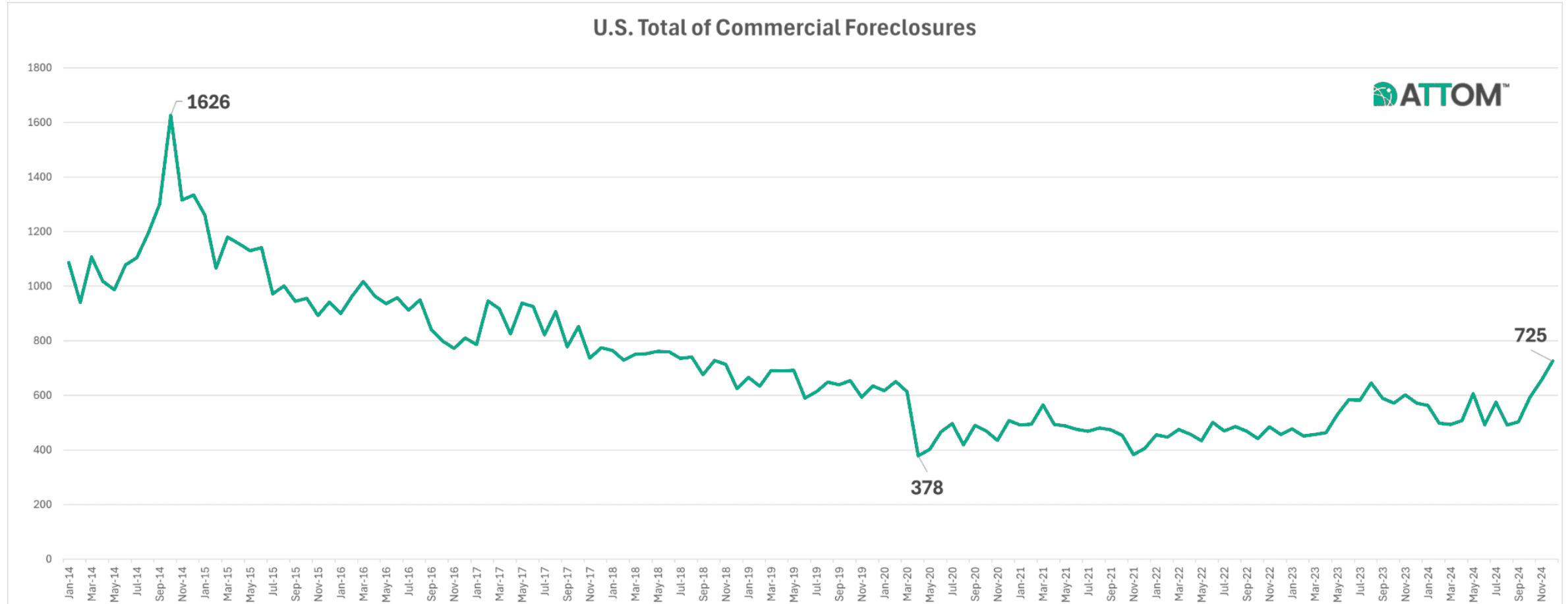
Shaded areas indicate U.S. recessions

Source: FRED; New York Fed Consumer Credit Panel/Equifax

Highest Office Vacancy Rates, 2024Q4

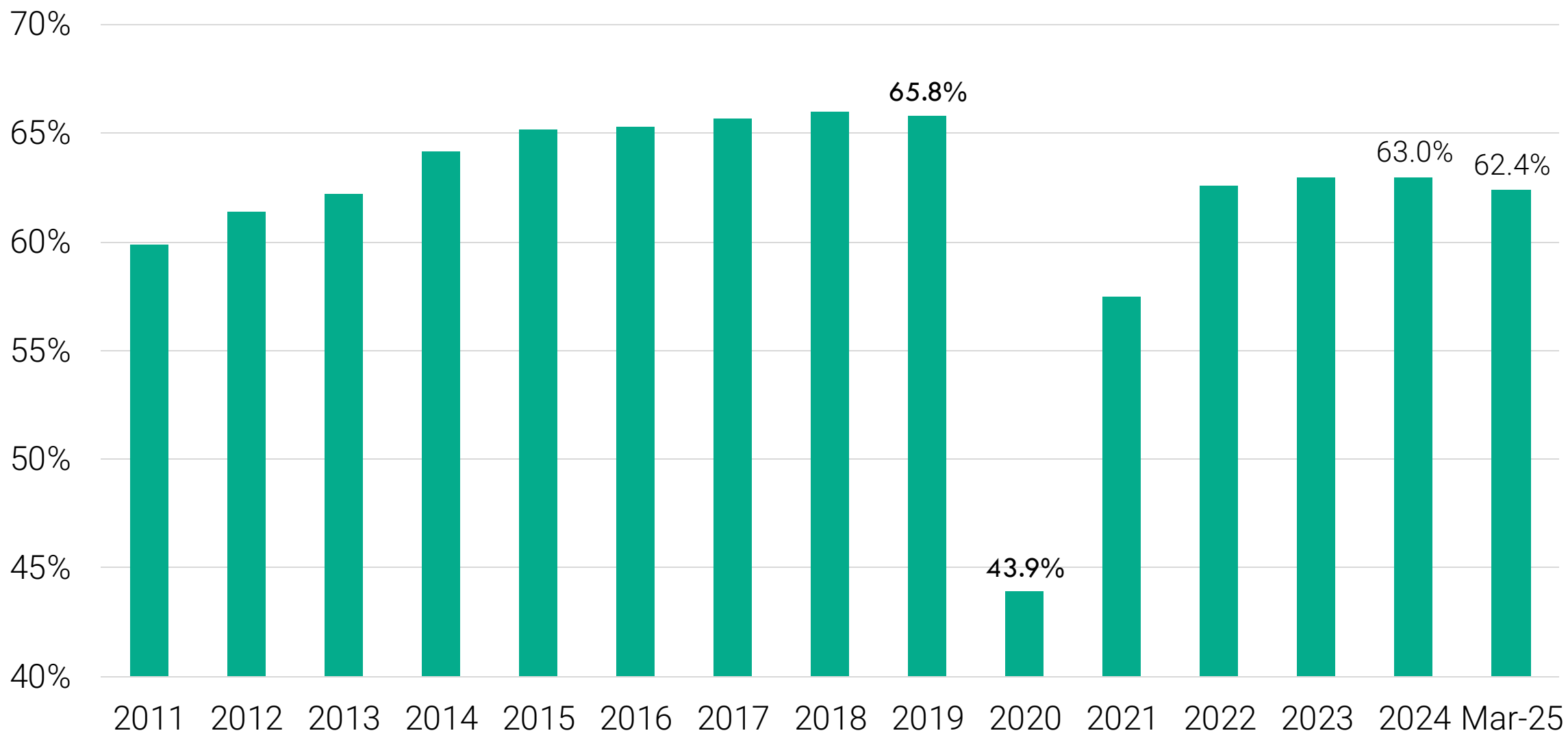


U.S. Commercial Foreclosures, 2014 – 2024



Source: ATTOM

U.S. Hotel Occupancy, 2011 – 2025



Source: Costar

Fences

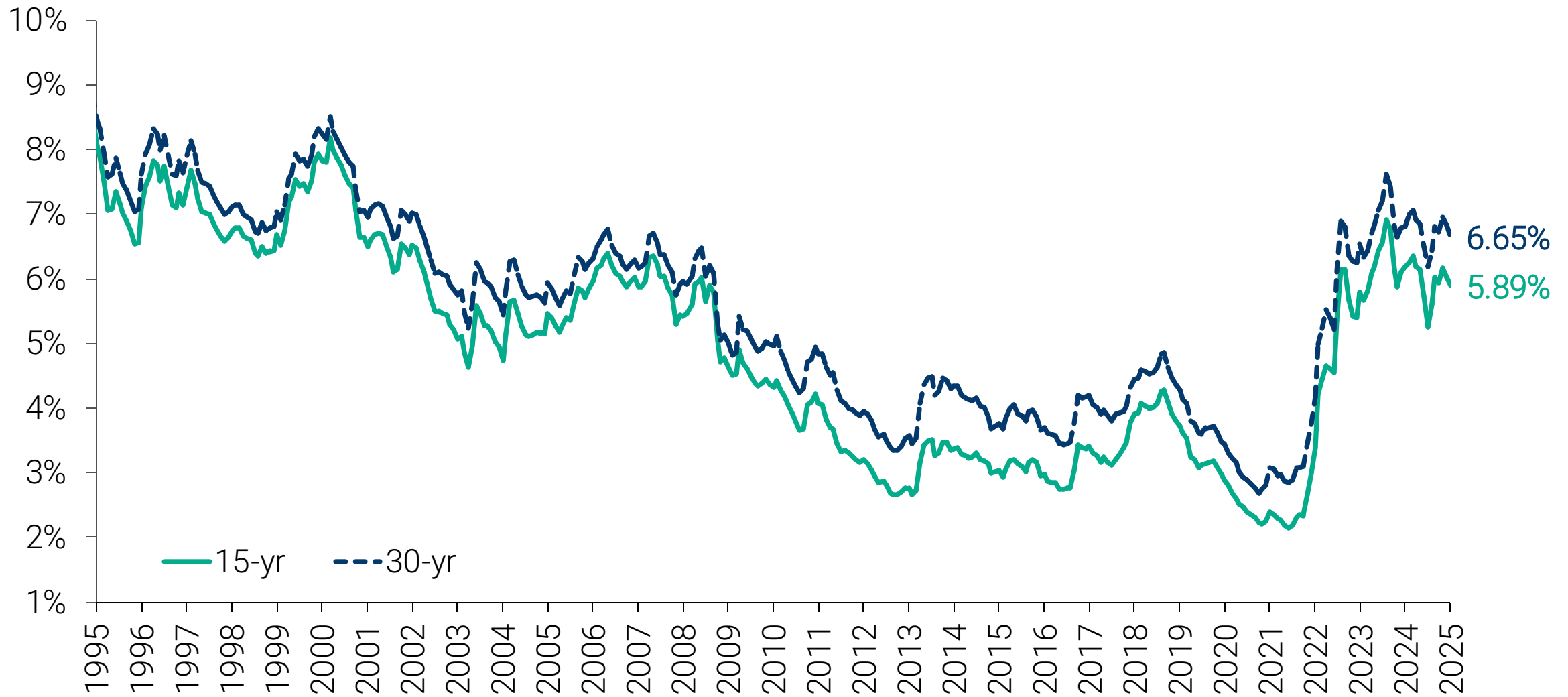


Fences (2016)—Denzel Washington as Troy Maxson, Pittsburgh sanitation worker



U.S. 15-Year & 30-Year Fixed Mortgage Rates

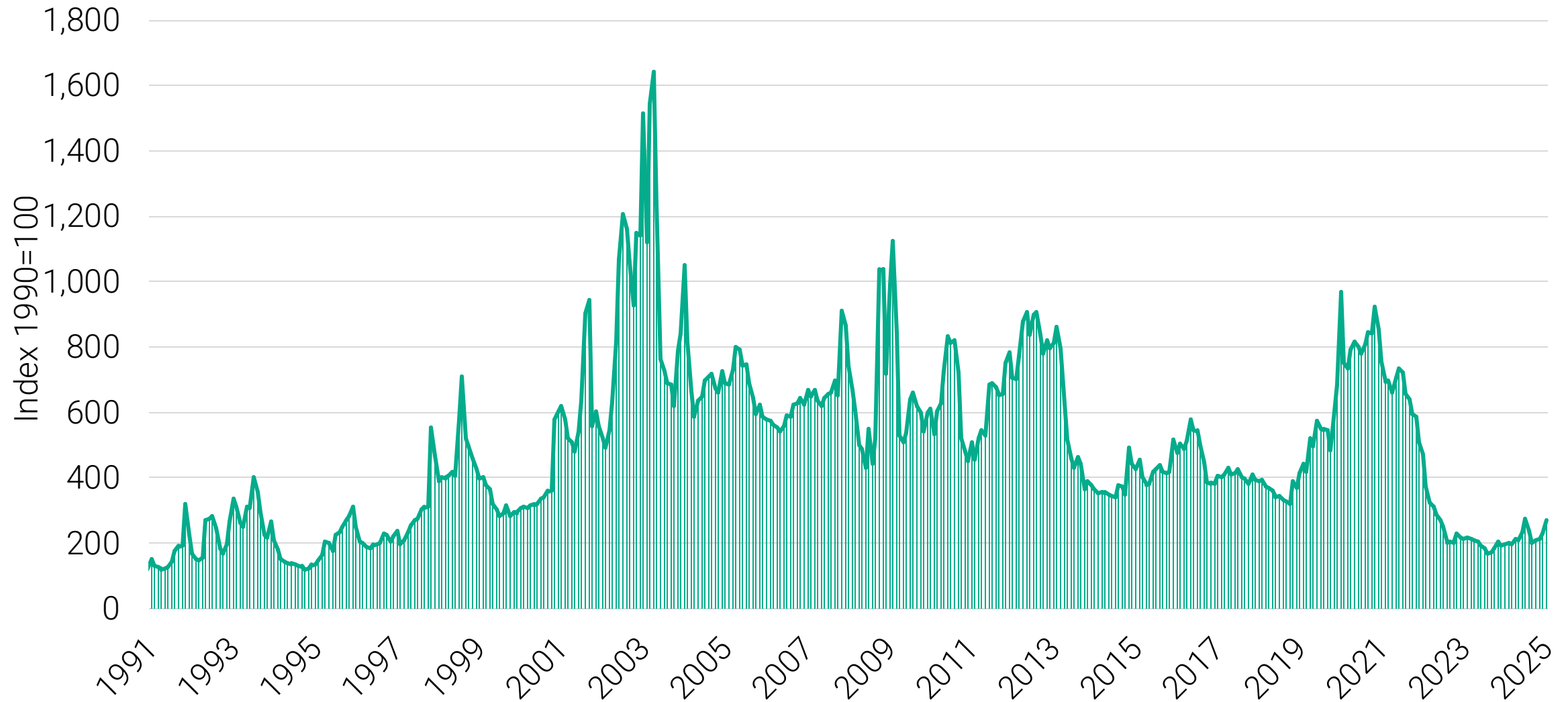
1995 – March 2025*



Source: Freddie Mac *Week ending 3/27/2025

U.S. Mortgage Loan Applications Composite Index

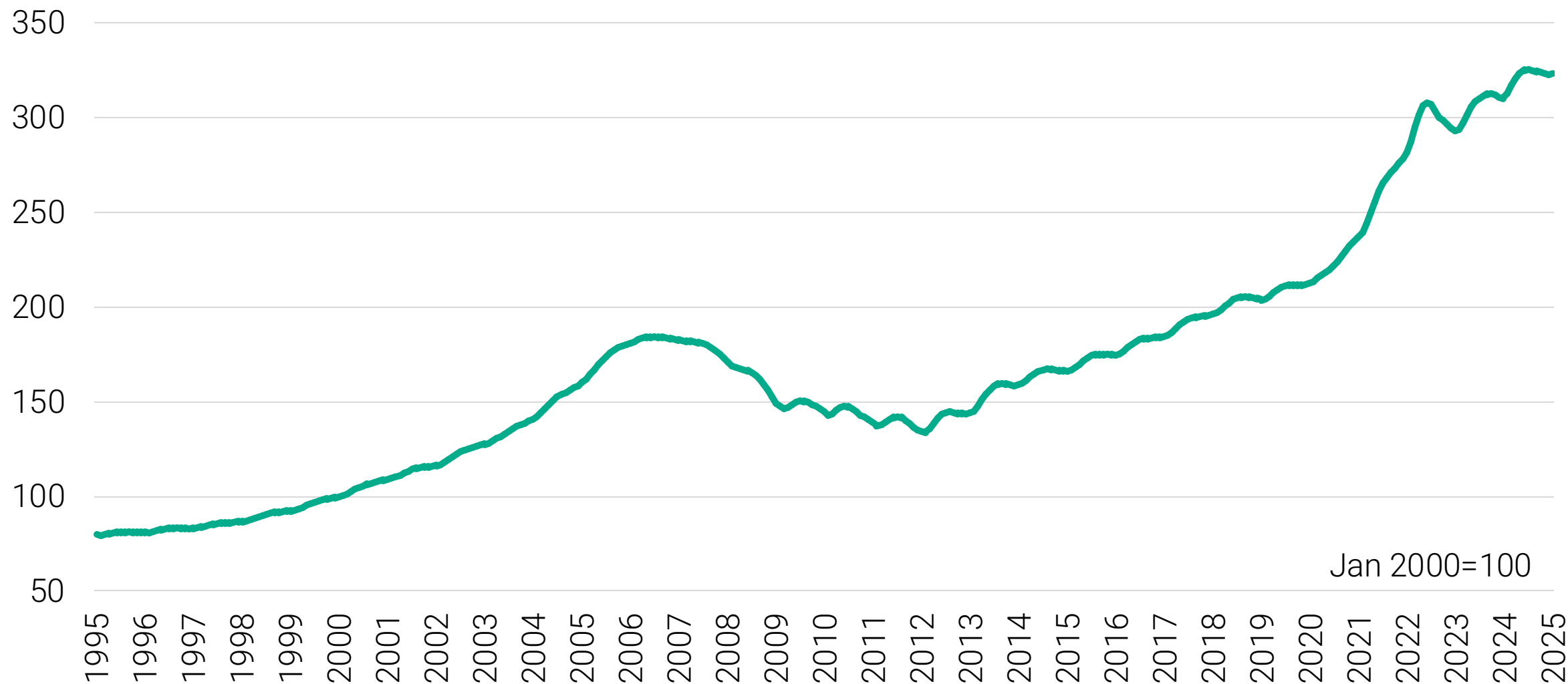
1991 – March 2025



Source: Mortgage Bankers Association (MBA)

S&P Case-Shiller Home Price Index

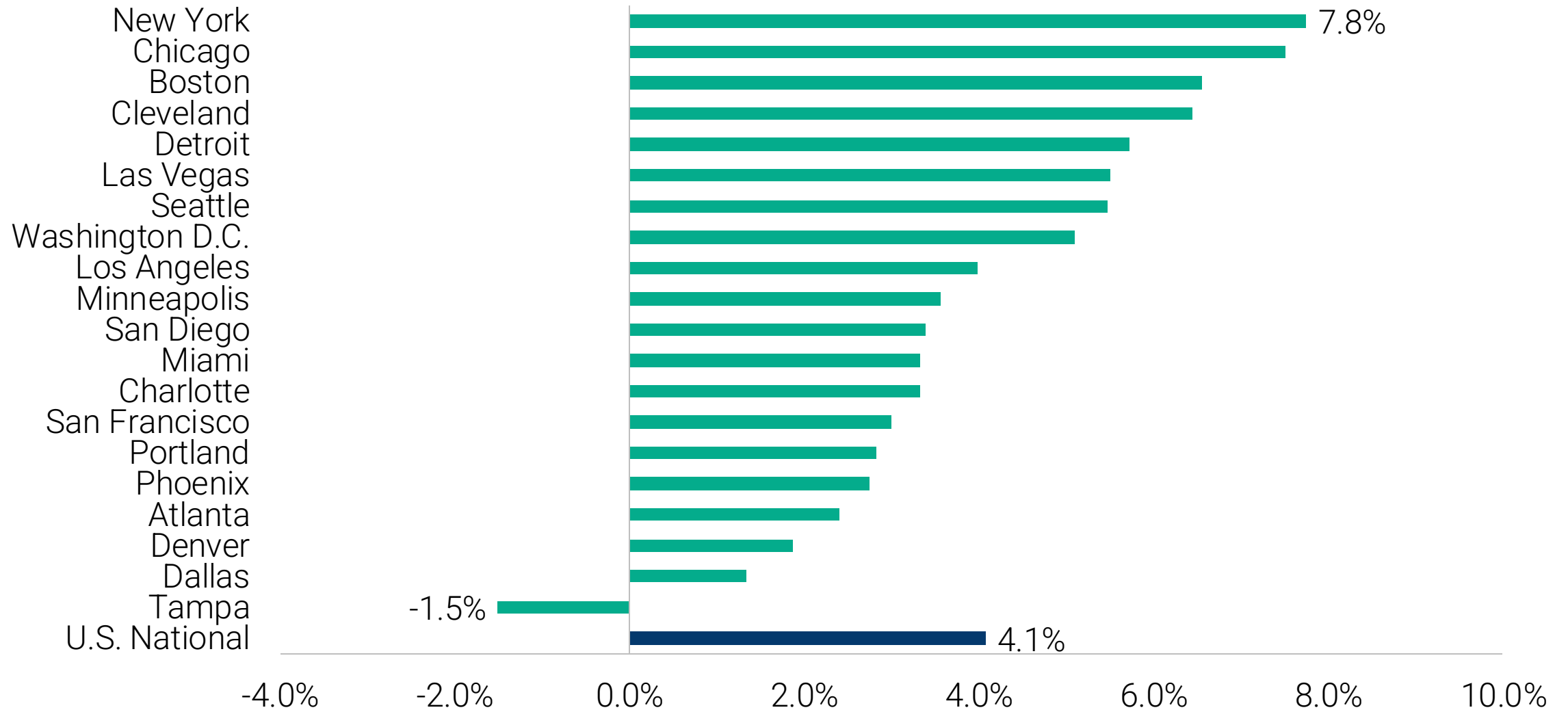
1995 – January 2025



Source: Standard & Poor's

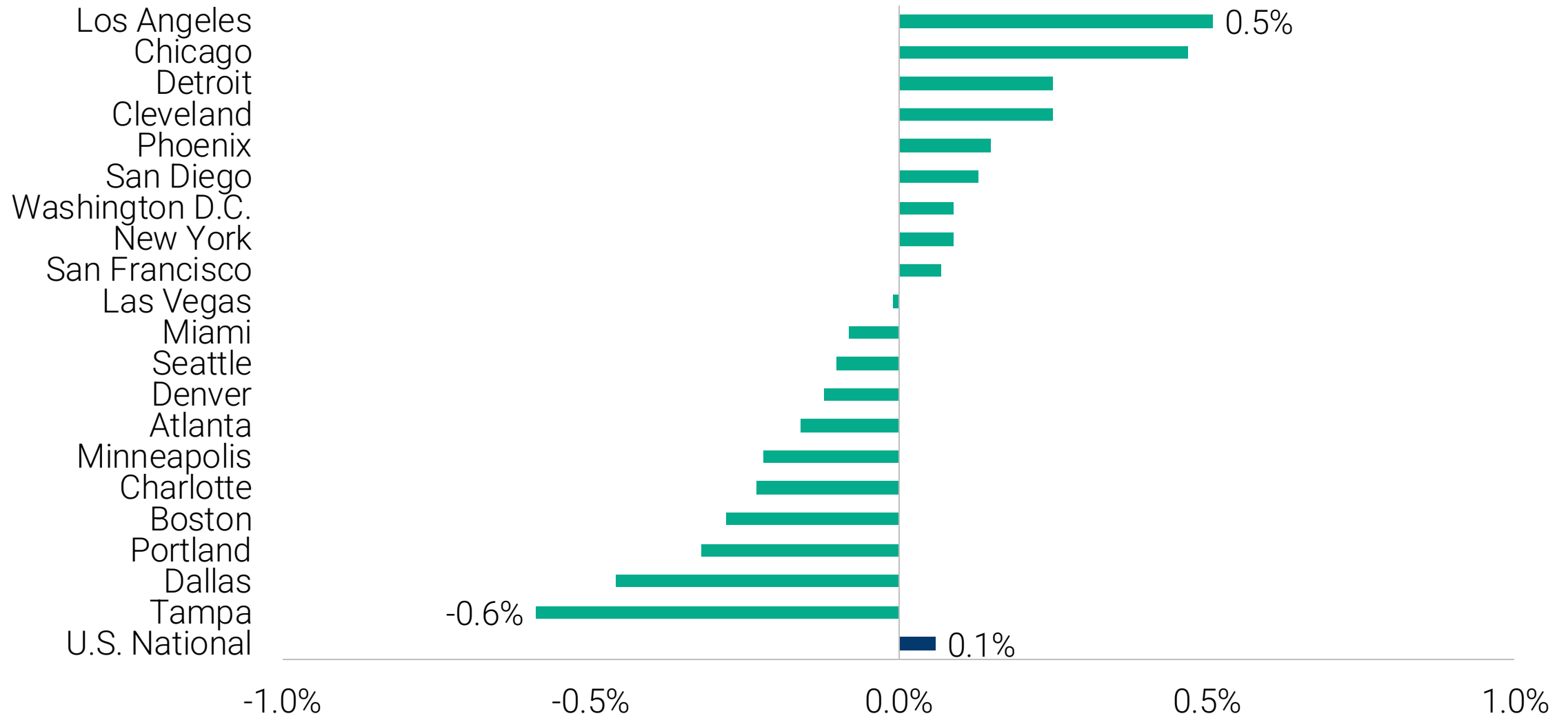
S&P Case-Shiller Home Price Index by Metro Area

12-Month % Change, January 2025



S&P Case-Shiller Home Price Index by Metro Area

1-Month % Change, January 2025





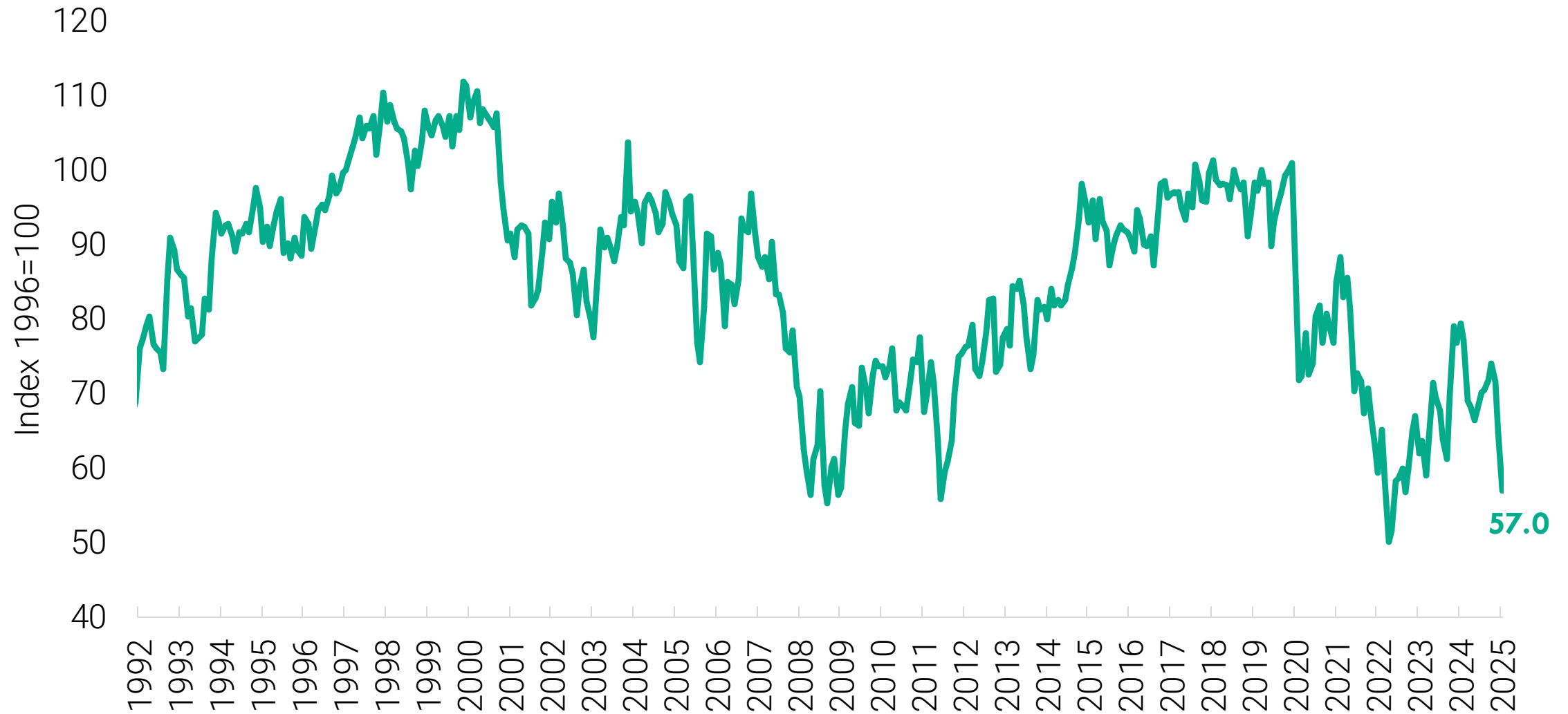
Glory

Glory (1989)—Denzel Washington as Trip, a member of the 54th Massachusetts infantry regiment



University of Michigan Index of Consumer Sentiment

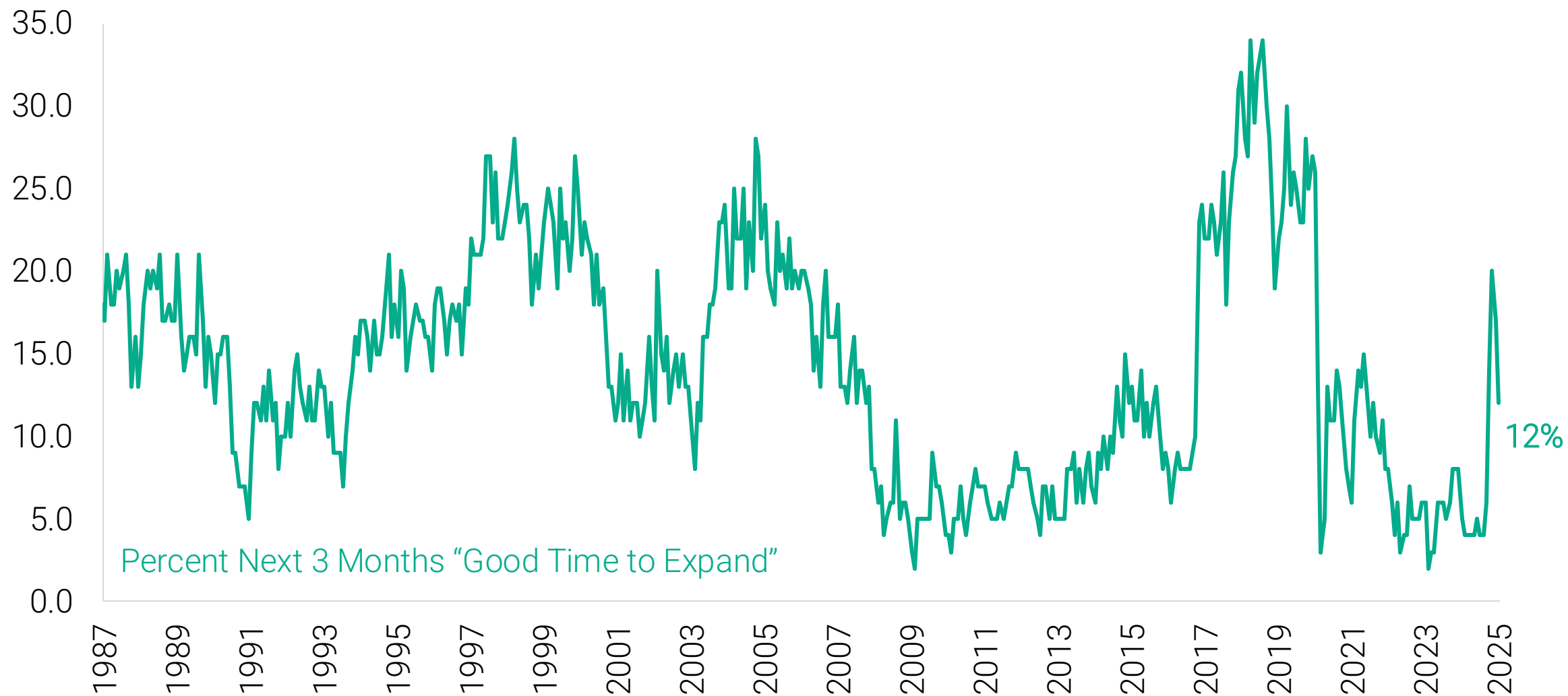
1992 – March 2025



Source: University of Michigan

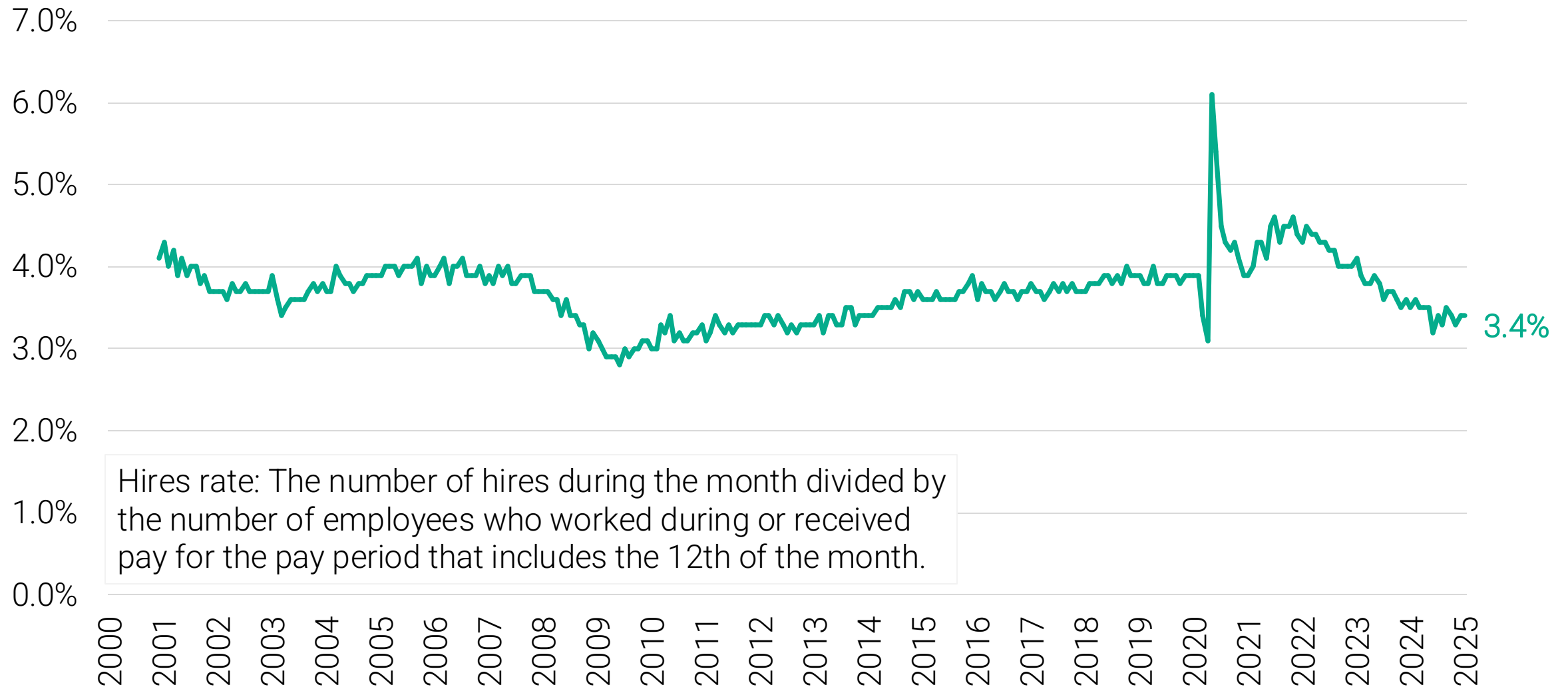
NFIB Index of Small Business Optimism

1987 – February 2025



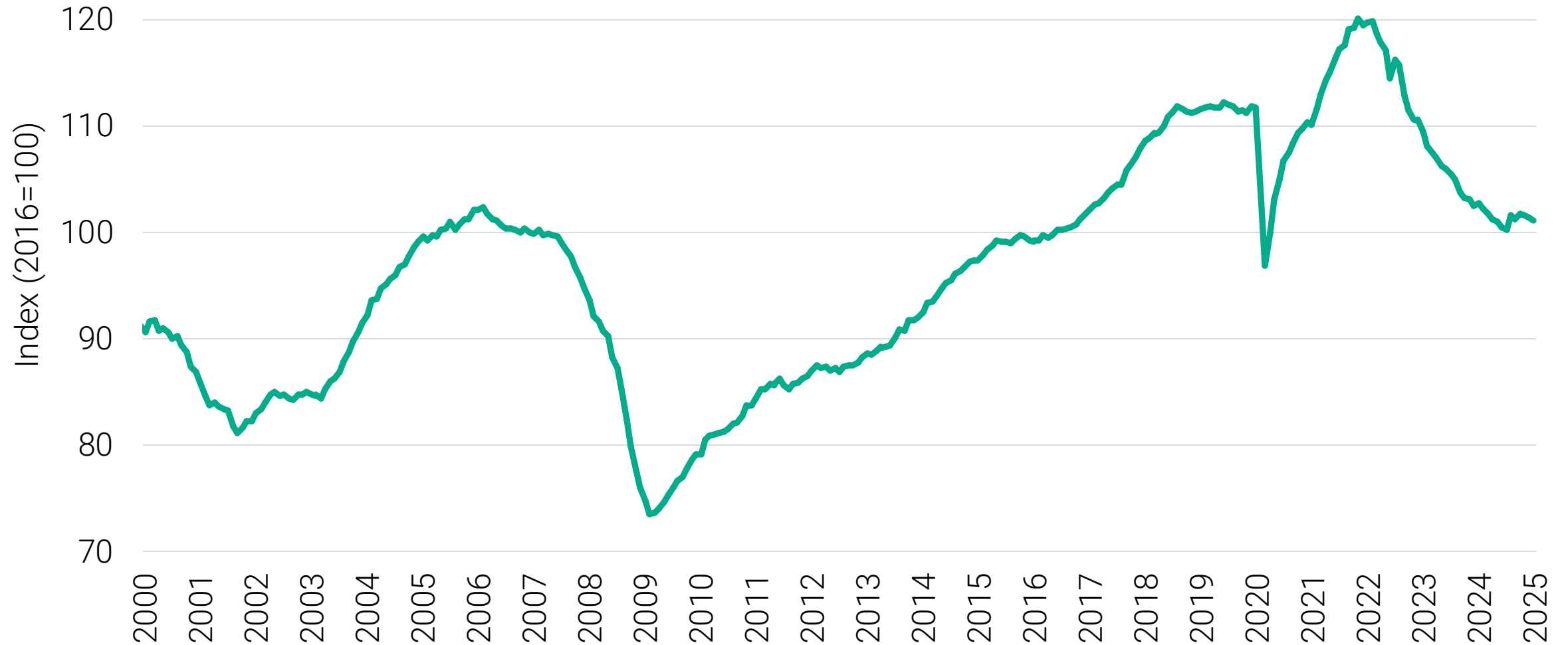
Source: National Federation of Independent Business (NFIB)

U.S. Hires Rate, 2000 – January 2025



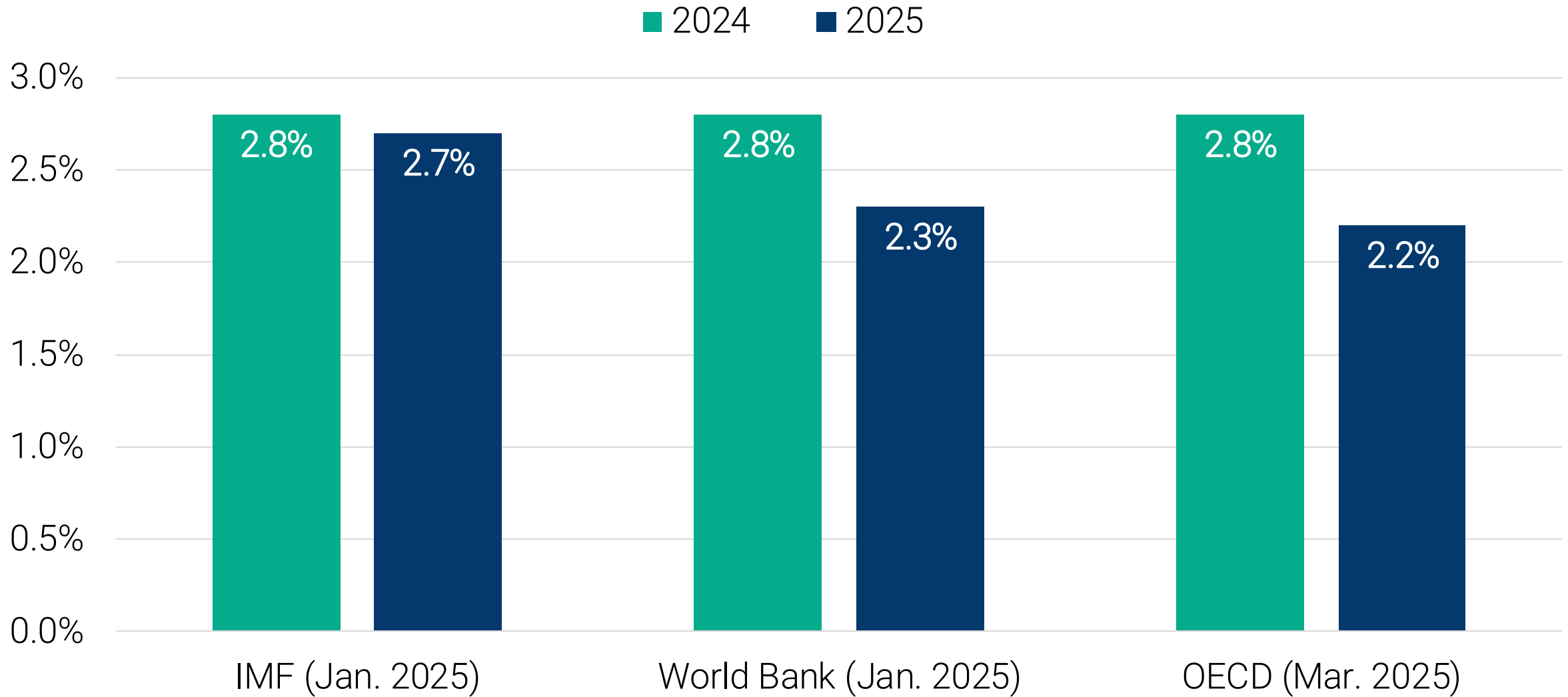
Conference Board: U.S. Leading Economic Index

2000 – February 2025



Source: The Conference Board

Major Economic Forecasts for U.S. GDP Growth



Source: IMF; OECD; World Bank

Out of Time

Could U.S. Economy Surprise to the Downside?

- Inflation poised to stage a comeback;
- Interest rates will be higher for longer;
- Many consumers now exhausted financially, and circumstances could worsen;
- Are asset prices overextended?
- So forecast is for growth in 2025, but there are risks, including rising interest rates and falling asset prices.

*Out of Time (2003)—Denzel Washington as police chief Matt Lee Whitlock

Thank You

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