

# Ask an Economist

## Economic Update

February 2024 Webinar



### Robert Eyler, PhD

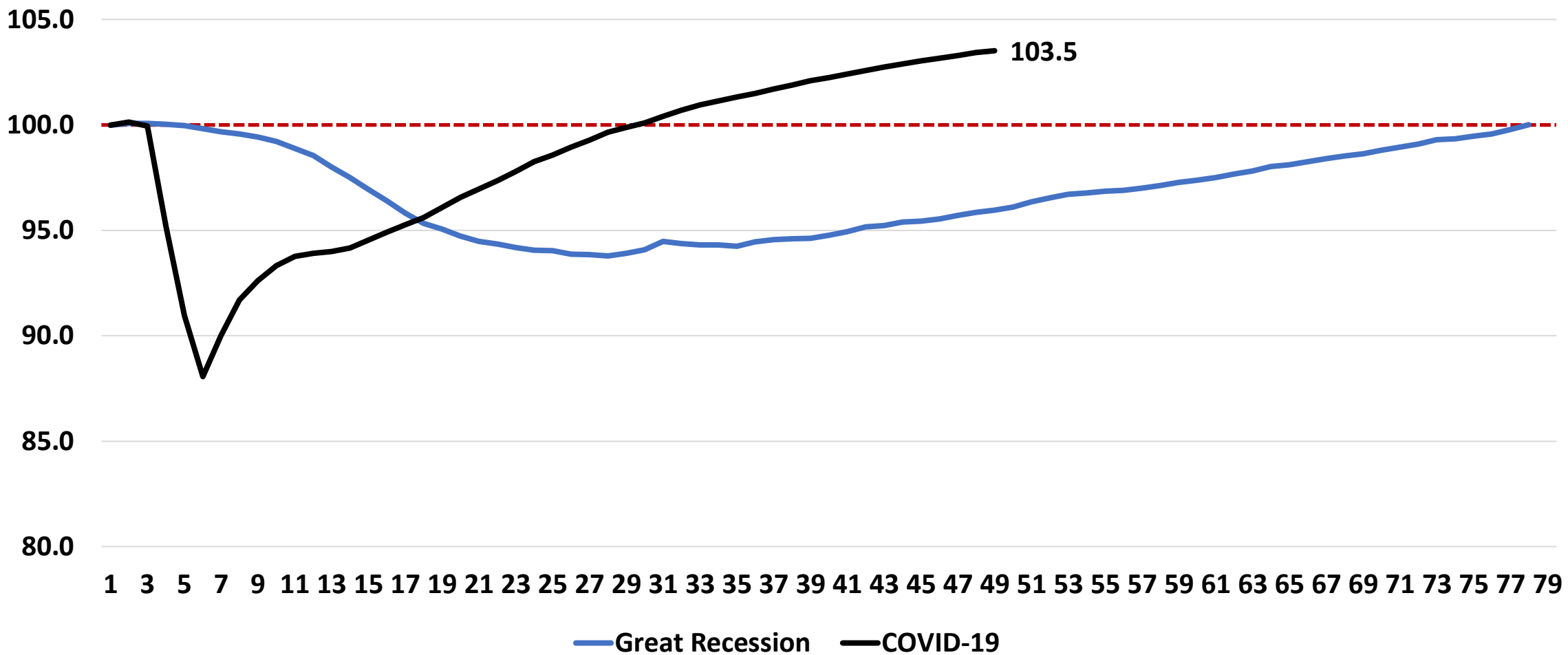
President, Economic Forensics and Analytics  
Professor, Economics, Sonoma State University  
[eyler@econforensics.com](mailto:eyler@econforensics.com)





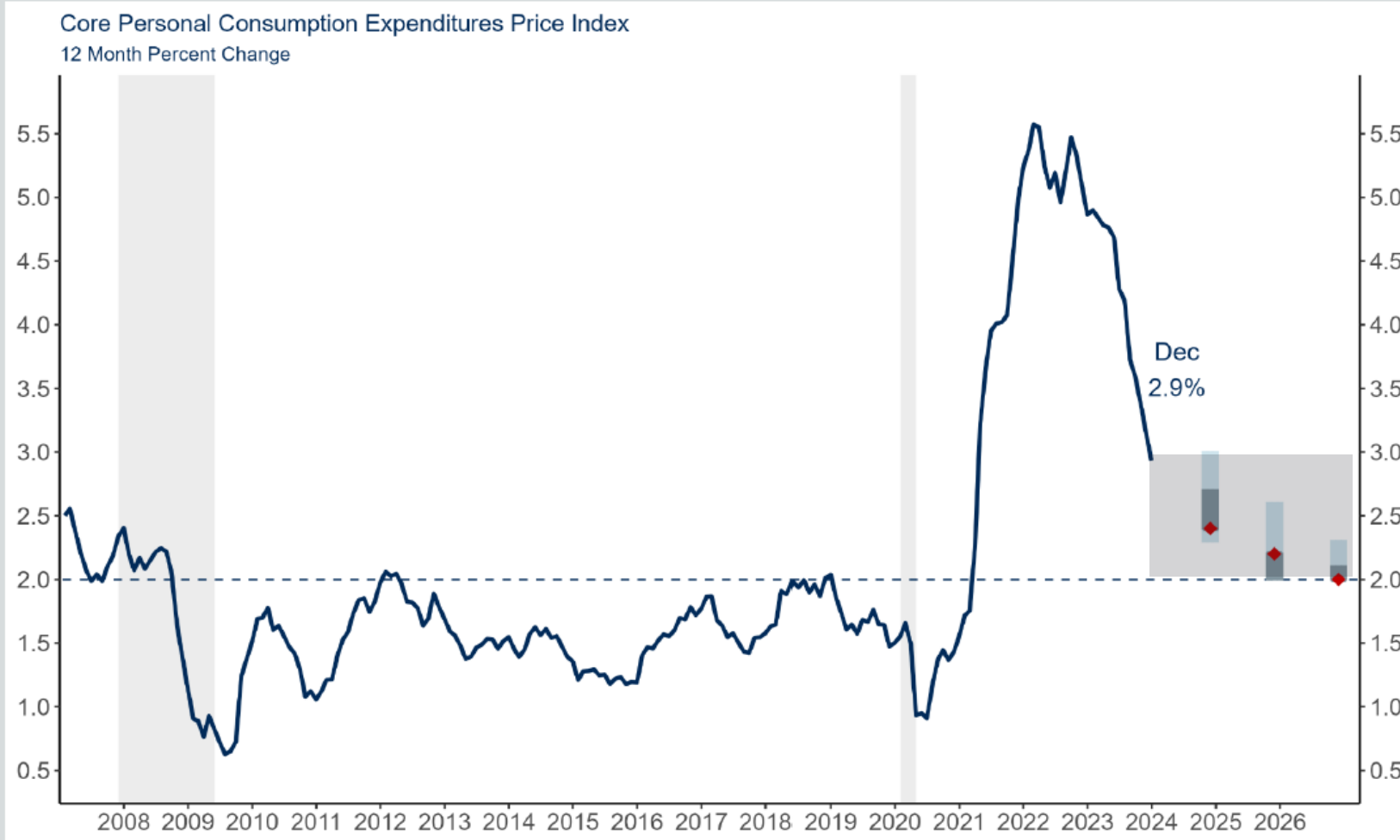
# Employment Recovery Comparison, United States, Great Recession and COVID-19 Recession, Months from Peak Employment, Index

Nov 2007 and Jan 2020 = 100, to January 2024



Source: BLS and EFA

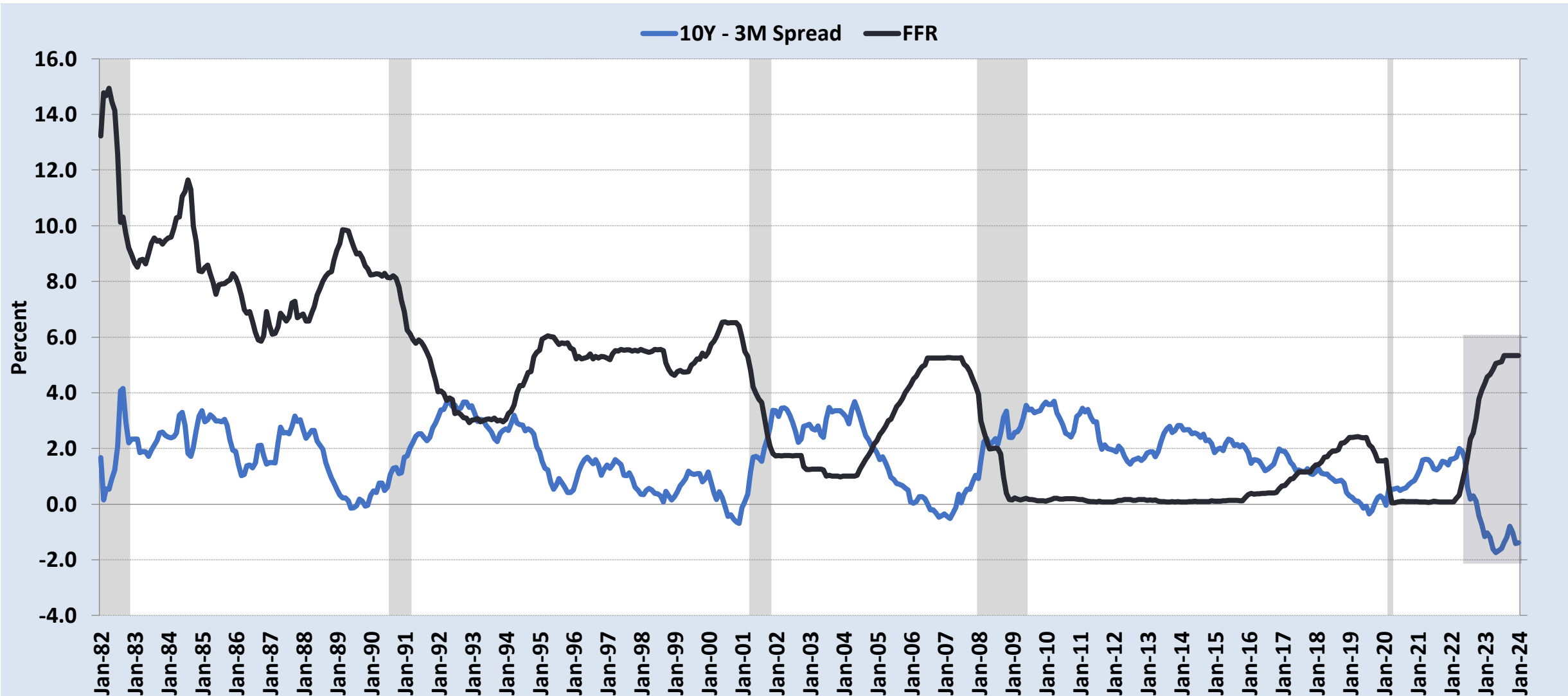
# Core PCE Prices, 2007 to 2026 and beyond: Will rates finally fall?



## What to Watch

- Slow fall through forecasted inflation to 2026
- Signal for rates to fall in 2024: think rates to fall between 0.75% and 1.25% in 2024

# 10-Year 3-Month Treasuries Spread and Effective Federal Funds Rate, Jan 1982 to Jan 2024



Source: Federal Reserve Bank of St. Louis/FRED

# Federal Reserve Philadelphia

## Forecast, Survey of Professional Forecasters

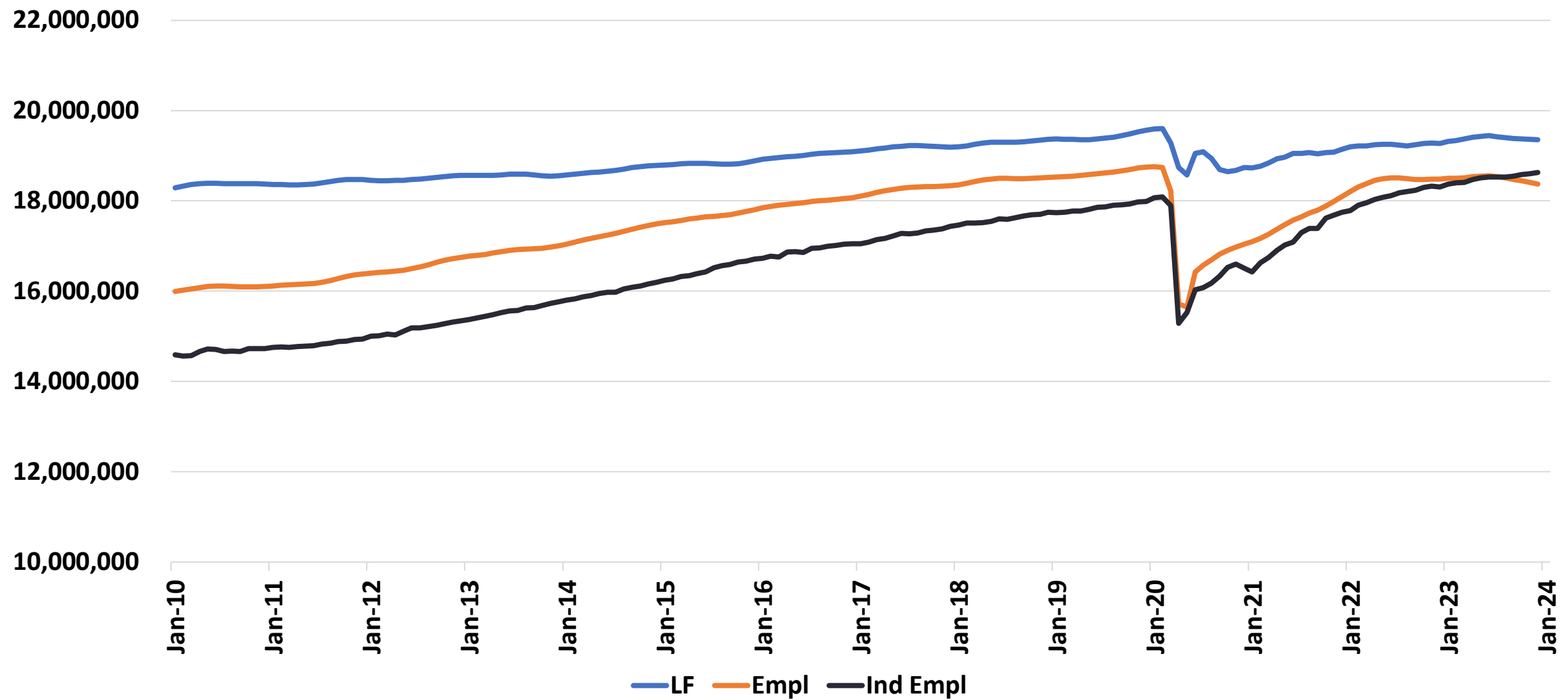


These data are from November 2023

**Bottom Line:** Economy more resilient than previous forecasts, inflation beginning its descent; relatively high interest rates will continue to pressure economy to 2025

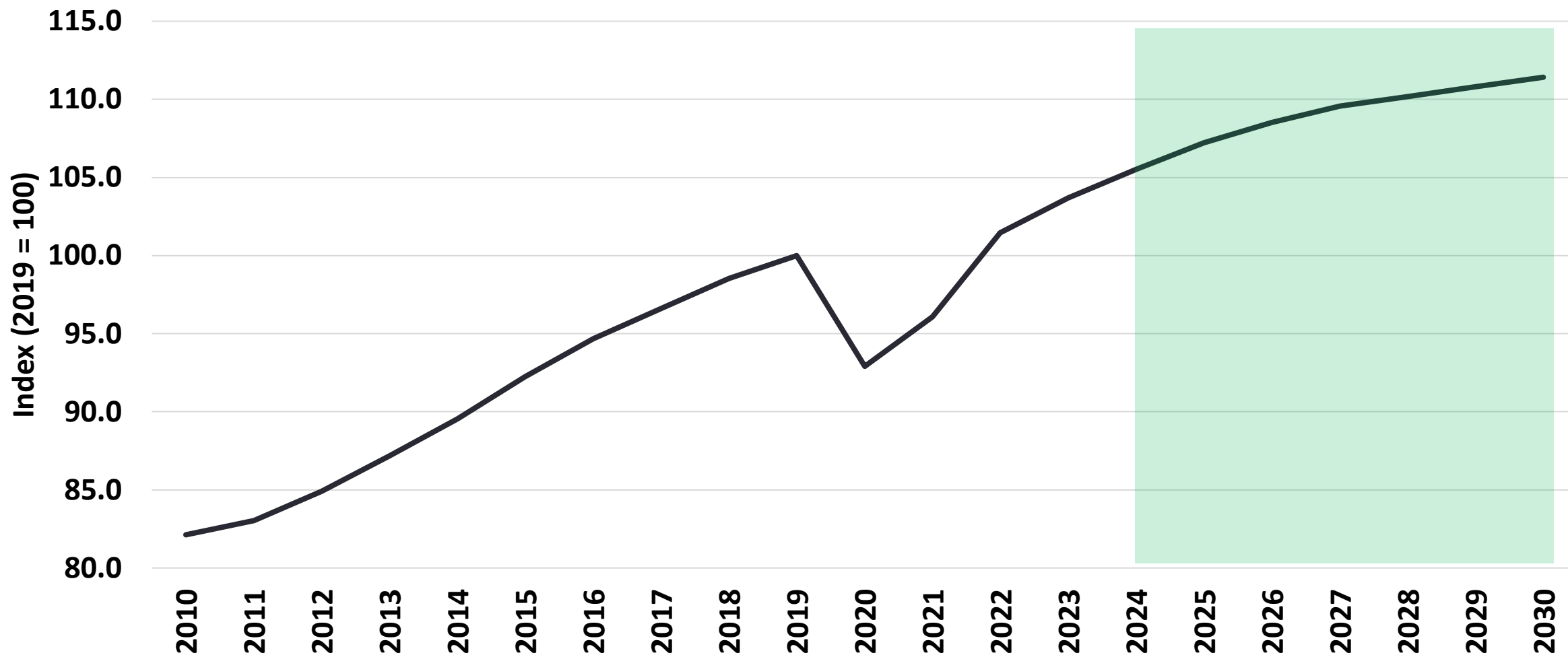
	Real GDP (%)		Unemployment Rate (%)		Core PCE Inflation (%)	
Annual data (projections based on annual-average levels):	Previous	New	Previous	New	Previous	New
2023	2.1	2.4	3.6	3.7	3.7	3.5
2024	1.3	1.7	4.0	4.1	2.4	2.4
2025	2.1	1.8	4.2	4.2	2.1	2.1
2026	1.7	2.1	4.1	4.0	N/A	N/A

# Employment and Labor Force, California, Seasonally Adjusted January 2010 to December 2023, Number of Workers

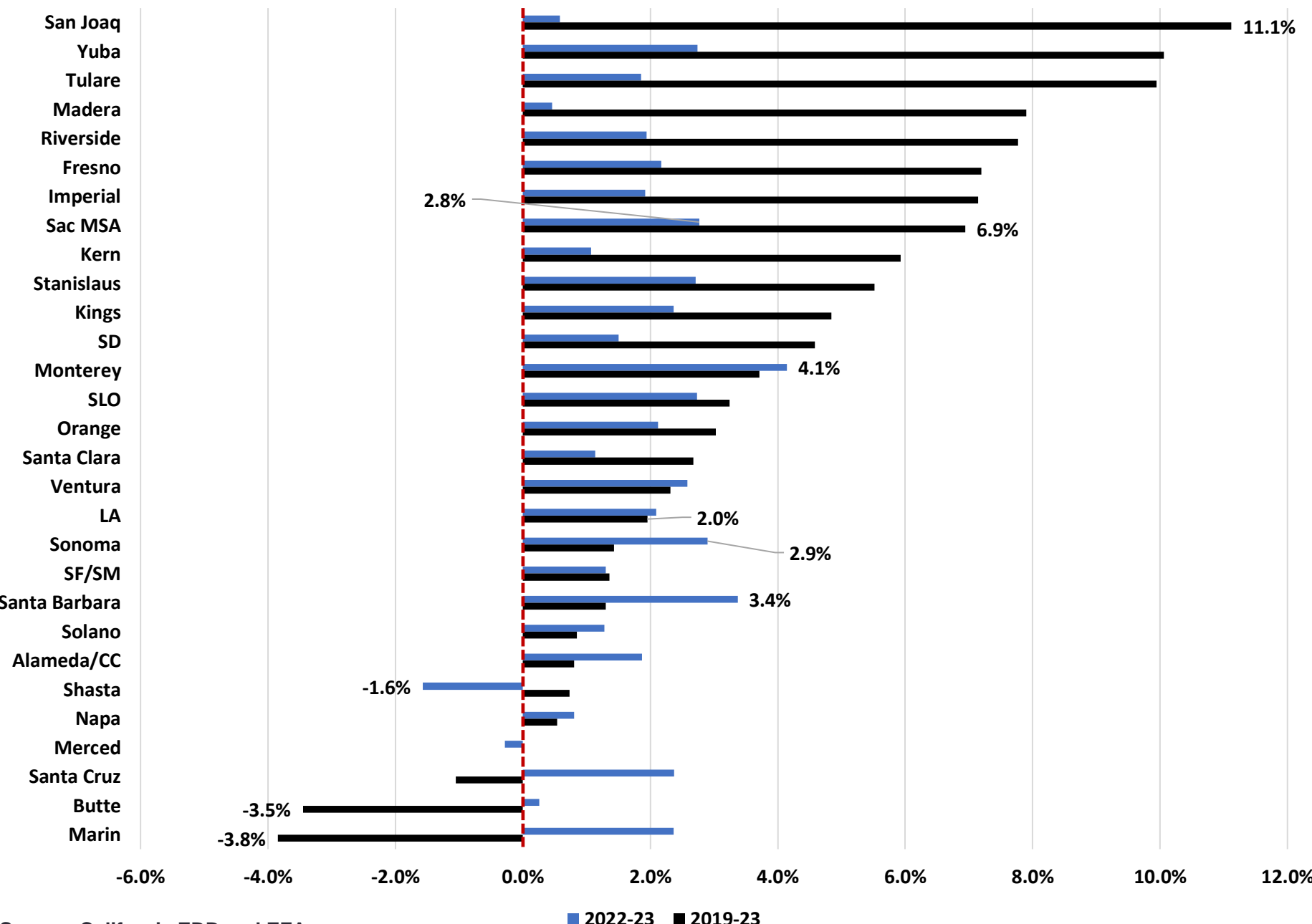


Sources: California EDD and MEF

# Actual and Forecasted Employment for Selected Counties and California, 2010-2030 Annual, Index (2019 = 100), Shaded Area = Forecast



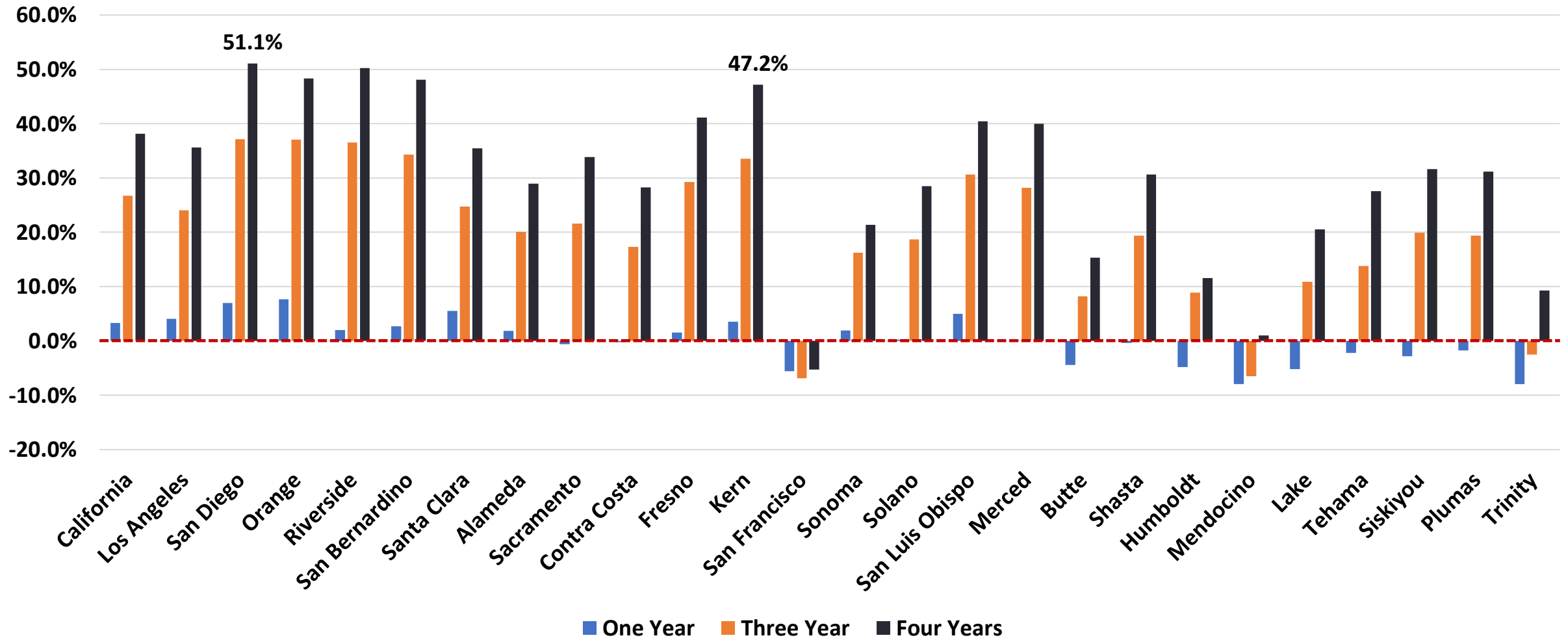
Jobs Growth by MSA, % Change Since Dec 2022 and Dec 2019, as of December 2023, Selected MSAs in California



Source: California EDD and EFA

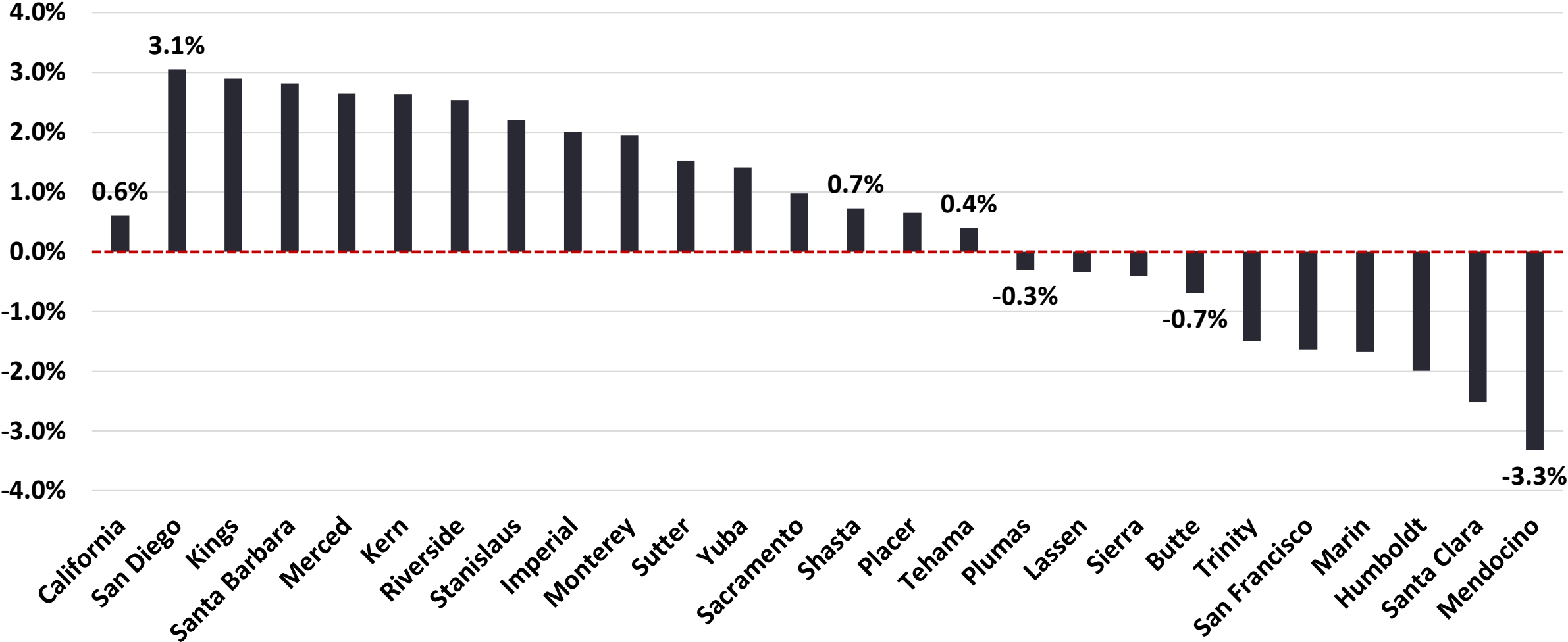


# Median Housing Price Growth, December 2023, Percent Change, Selected Areas, Since December (Dec) 2019, Dec 2020 and Dec 2022



# Housing Forecast, % Change from Dec 2023 to Dec 2024

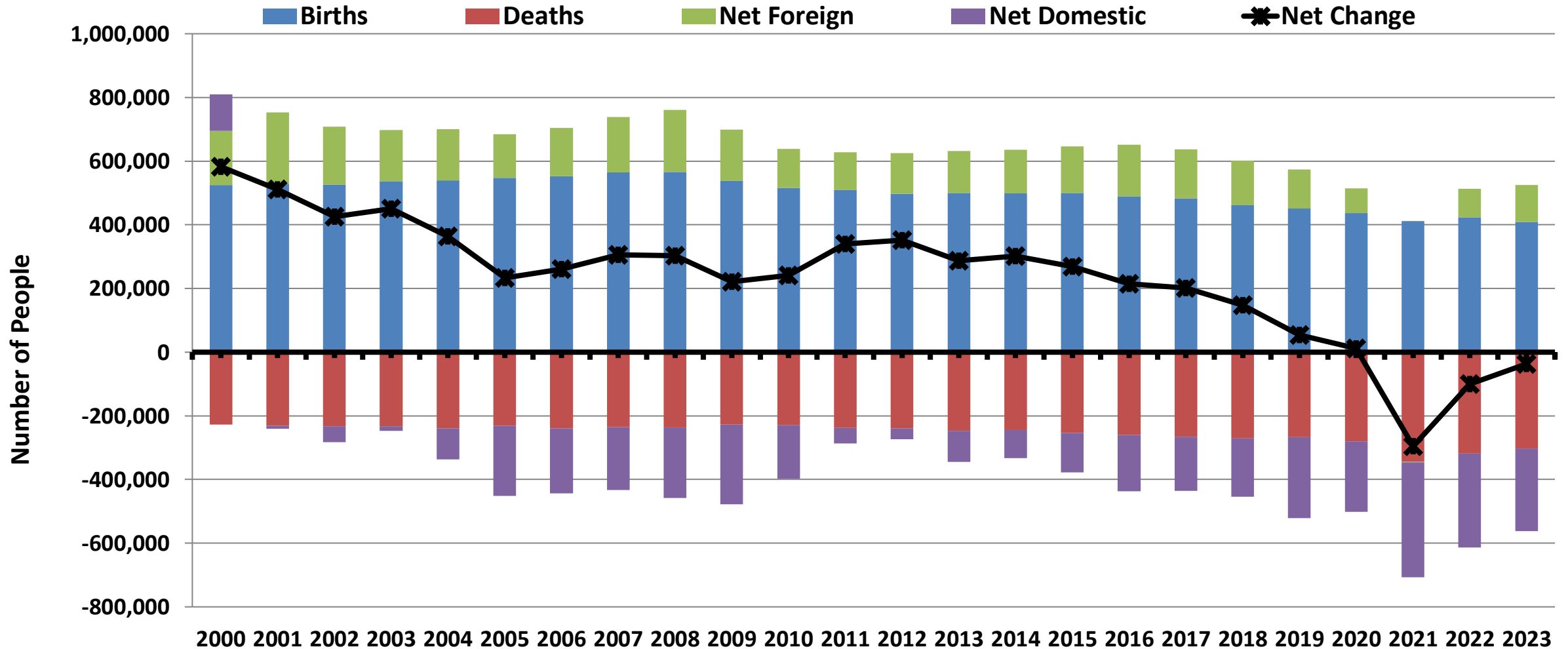
## Median Home Price Growth, Selected Areas



Source: Zillow™ Research

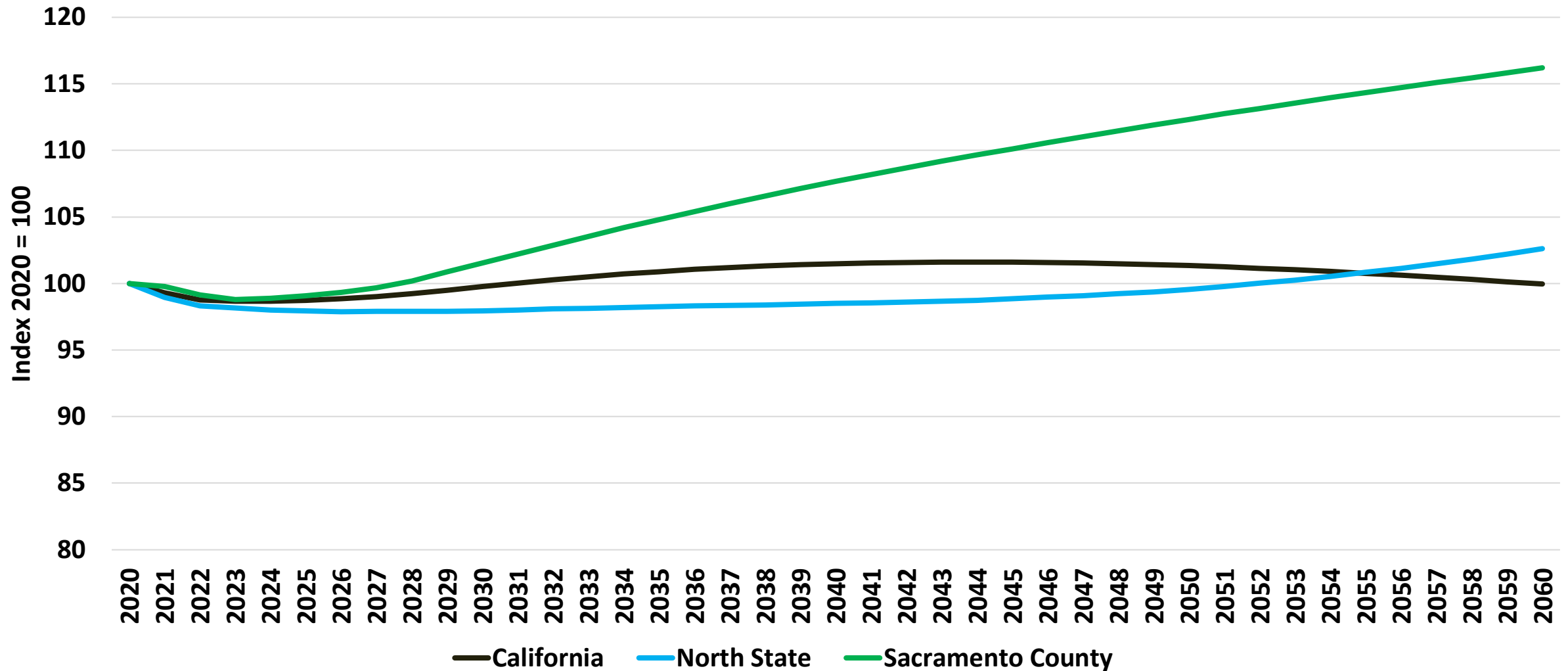
# Population Change, Main Components

## FY 1999-2000 to 2022-23, California, Number of People



# Population Change, 2020 – 2060, Index 2020 = 100

## 2023 Version, Selected Regions and CA



# A Wild 2024 Ahead

- National labor market providing support for US economy
- Interest rate relief coming, assume it will be slow
- Housing market likely another flat year, but lower interest rates may change that
- Things to watch
  - Elections and uncertainty
  - Geopolitical issues
  - Continued pinch on lower-income households and smaller businesses
  - Commercial real estate, lending and deposits chase

# Thanks for attending!

A recording of this webinar will be posted at  
**chabinconcepts.com**



Robert Eyler, PhD  
eyler@econforensics.com  
Twitter: @bobby7007



chabinconcepts.com  
audrey@chabinconcepts.com  
530.345-0364 ext. 27