

# Economic Insights

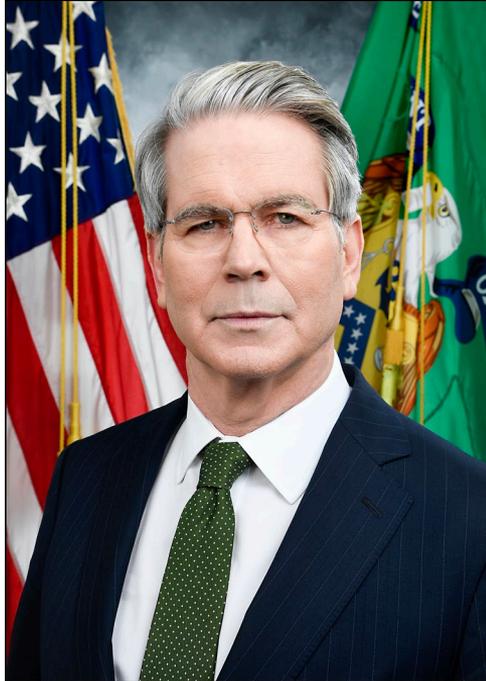
Salt Lake County Council  
June 3, 2025

INFORMED DECISIONS™

# Economic Summary

1. **National economic policies** – The Trump Administration is pursuing a bold domestic agenda to rebalance trade, lower taxes, and reduce regulation.
2. **Uncertainty** – The implementation of these policies creates glaring and growing uncertainty.
3. **Recession watch** – Recession outlook changes week to week based on policy choices. If a recession does occur, it will likely be short and mild.
4. **Utah and SLCO outlook** – Utah economy remains resilient, but is moderating. Three major industries, including tourism, are contracting. Salt Lake County tallies about half the state's total jobs.
5. **Outlook** – Expect the Utah and SLCO economies to avoid a recession, but slow down in 2025.

# Trump Administration Economic Agenda



Scott Bessent, Secretary of Treasury

1. Rebalance **global trade**.
2. Restore America's **industrial base**.
3. Help **Wall Street** and **Main Street** rise together.

Source: Wall Street Journal, May 4, 2025

# Trump Economic Policies

1. **Trade policy** – Renegotiate global trade.
2. **Tax policy** – Make 2017 tax cuts permanent and adopt new tax priorities (no tax on tips, overtime and social security).
3. **Regulatory policy** – Build again and establish energy dominance. We need more homes, factories, power plants, semiconductors, data centers, and more.

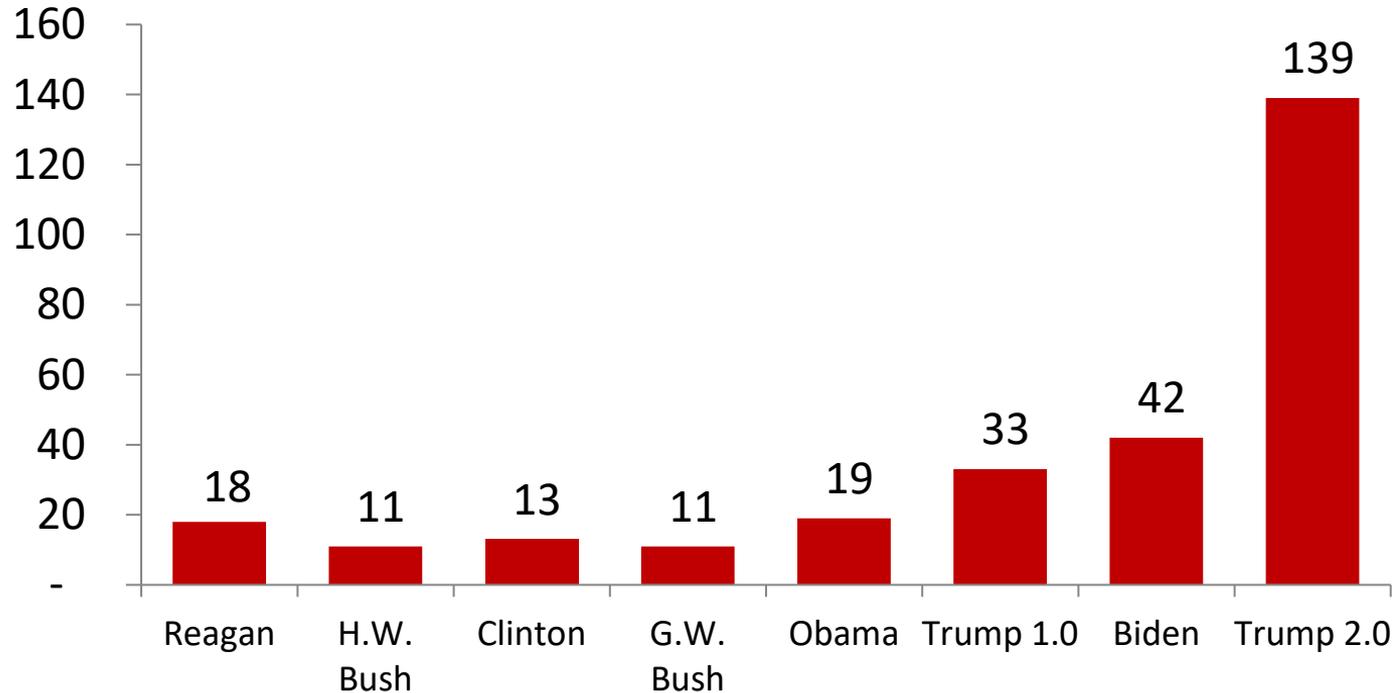
Source: *Scott Bessent*, Wall Street Journal, May 4, 2025

*“Critics of the Trump economic agenda **attack individual policies in isolation**. This cherry-picking tactic ignores how these **policies are interconnected**. Trade, tax cuts and deregulation aren’t stand-alone measures, but **interlocking parts** of an engine designed to **drive economic growth and domestic manufacturing**.”*

- Scott Bessent, *Wall Street Journal*, May 4, 2025

# Executive Orders: First 100 Days

*A Maximalist Approach*



Source: NBC News analysis of Federal Register data, PIMCO

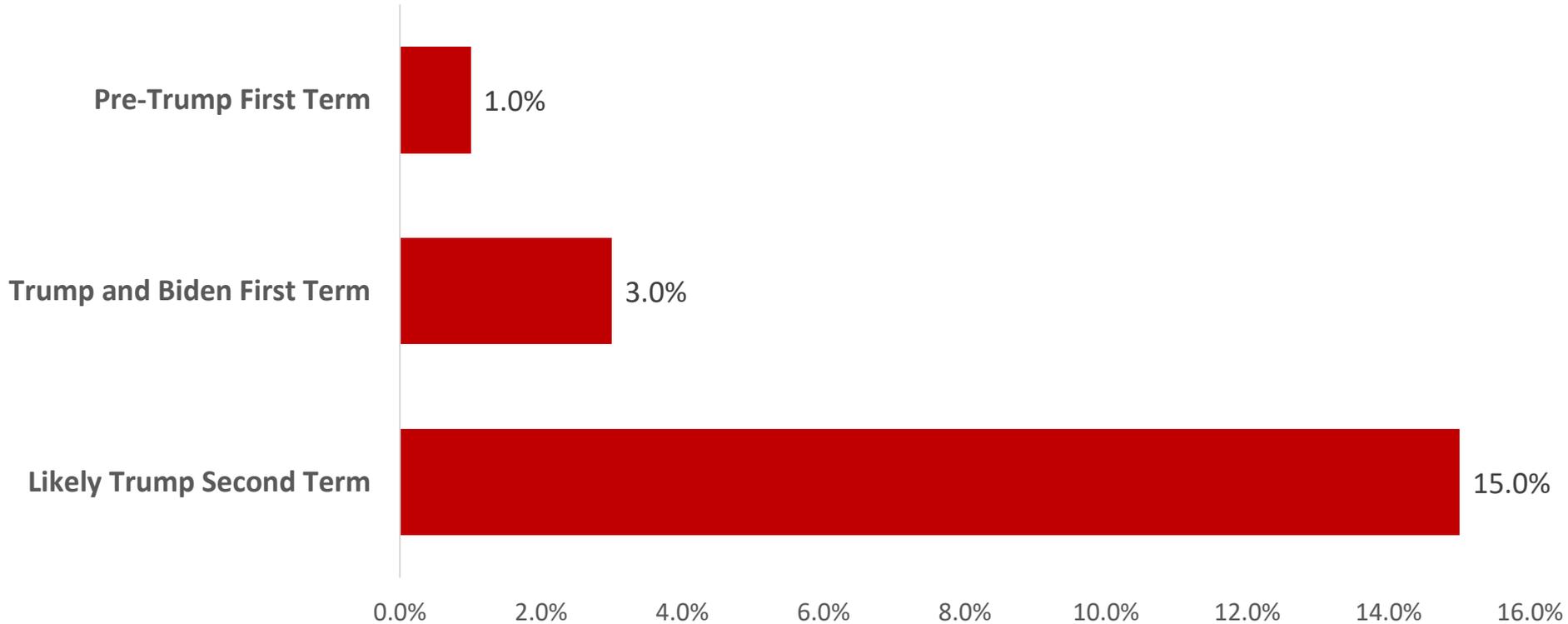
# The Five Ds

1. **Deglobalization**
2. **Deportation**
3. **DOGE**
4. **Deficit-financed tax cuts**
5. **Deregulation**

Source: *Libby Cantrill, PIMCO*

# Effective Tariff Rate

*Customs revenues from imports divided by total value of imports*



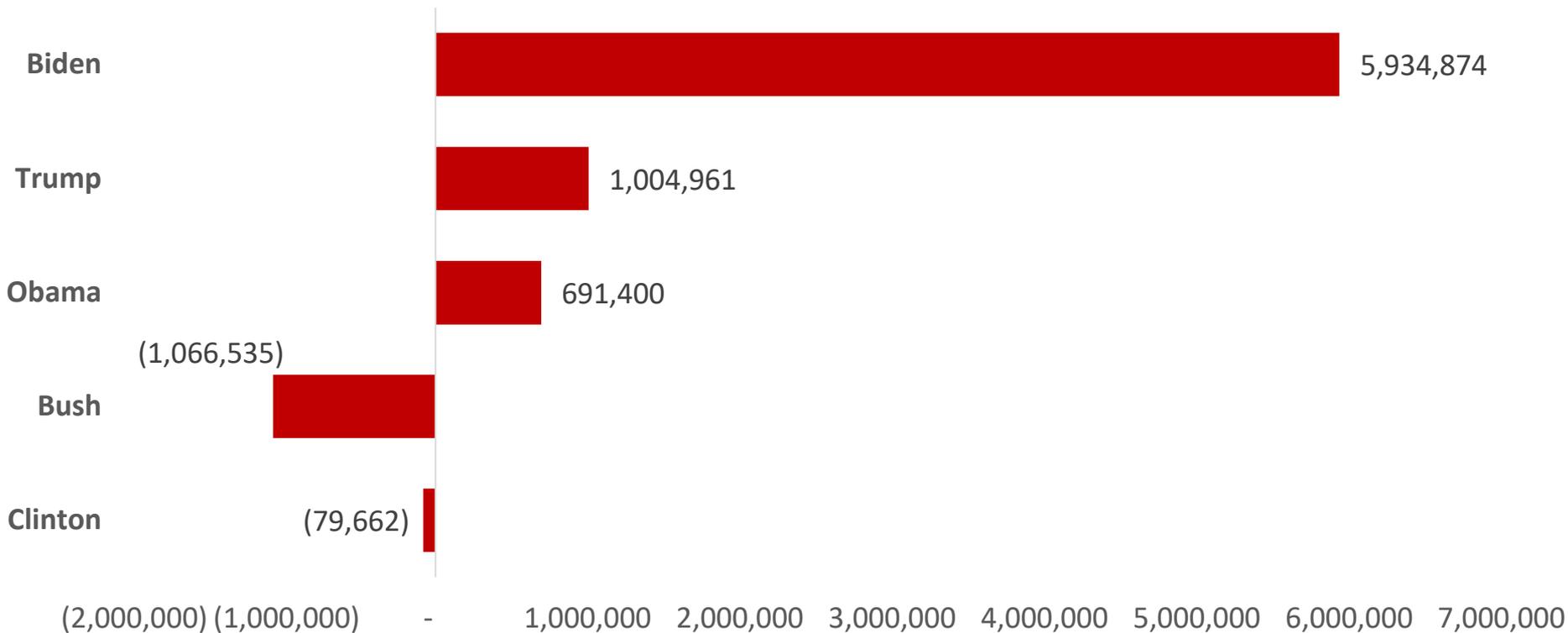
Source: Moody's Analytics, Gardner Institute

*“Overwhelming economic **evidence shows** that **freedom to trade** is associated with **higher per-capita incomes**, faster rates of economic growth, and enhanced **economic efficiency.**”*

- Anti-tariff Declaration, Reaffirming American Prosperity

# Immigration Net Flows

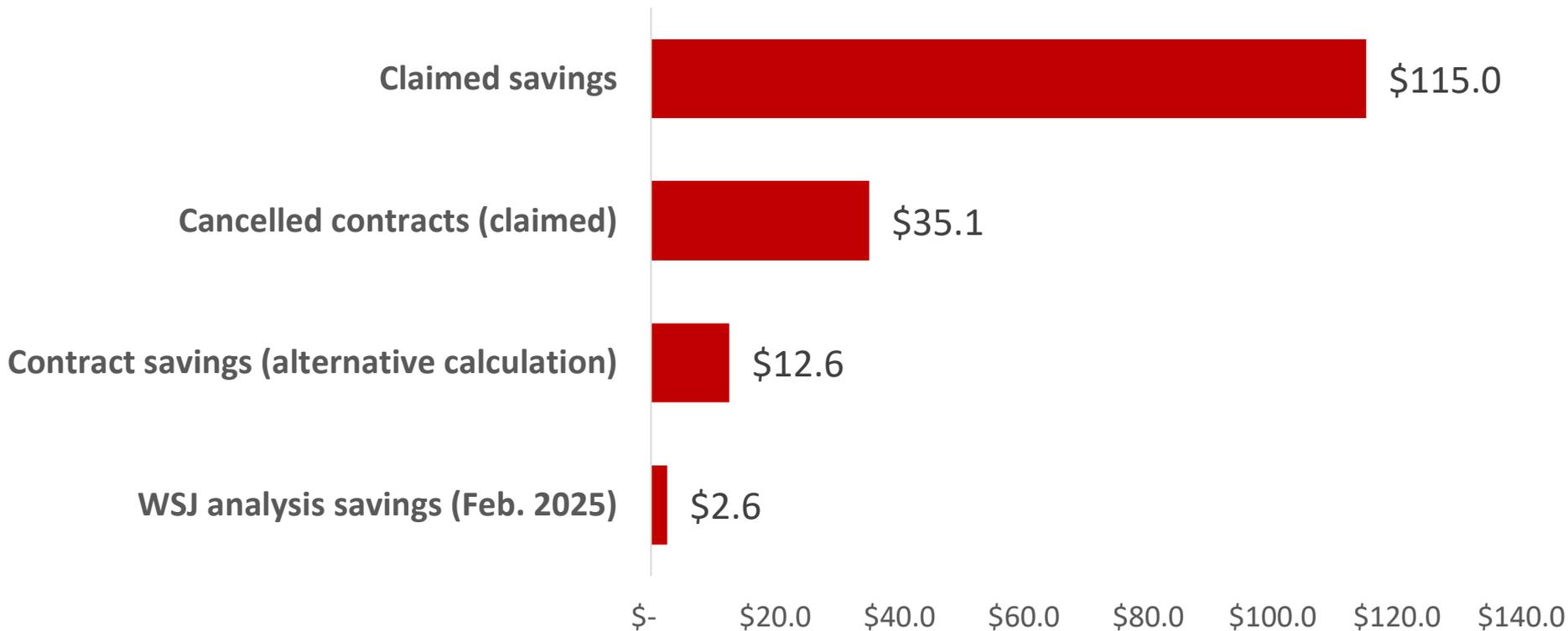
*Difference between encounters and deportations*



Source: Office of Homeland Security Statistics, PIMCO

# DOGE Savings

*Claimed and other estimates, billions of dollars*



Source: Moody's Analytics, PIMCO

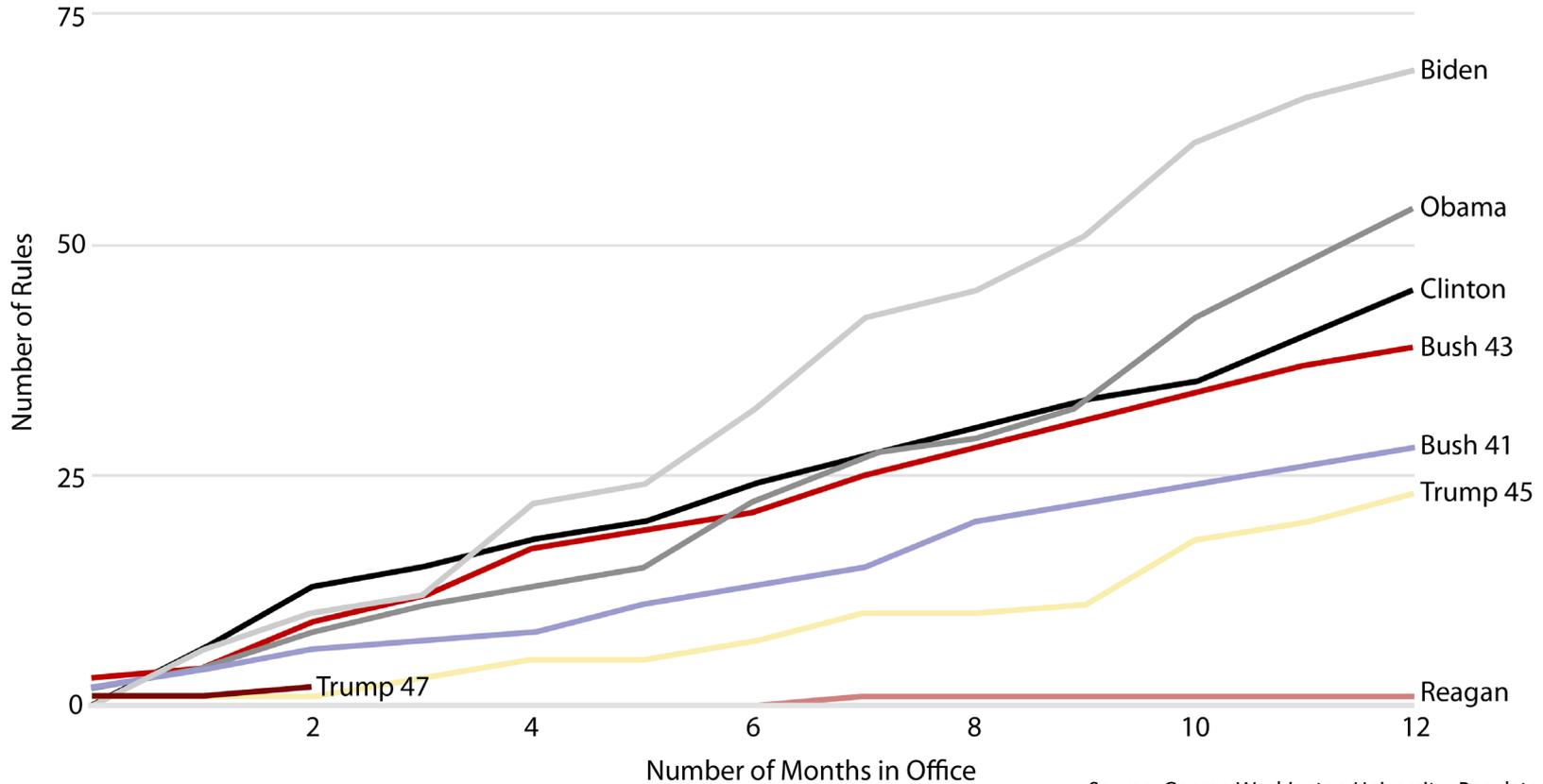
# Deficit-financed Tax Cuts

Proposed Tax Cut	Estimated Amount
<b>Expiring Trump Tax Cuts</b>	
Extend individual income tax cuts	\$2.2 trillion
Extend expansion of standard deduction	\$1.2 trillion
Extend expansion of child tax credit	\$750 billion
Extend pass through tax cuts @ 20%	\$685 billion
Restore R&D expensing	\$600 billion
Extend estate tax exemption increase	\$190 billion
<b>TOTAL (less deductions, exemptions, etc.)</b>	<b>\$4.2 trillion</b>
Lift SALT cap	\$175 billion - \$1.3 trillion
Exempt overtime pay from income tax	\$750 billion
15% corporate rate for “Made in America”	\$360 billion
Exempt tips from income tax	\$120 billion

Source: CBO, AEI, Tax Foundation, Piper Sandler, and PIMCO

# Deregulation

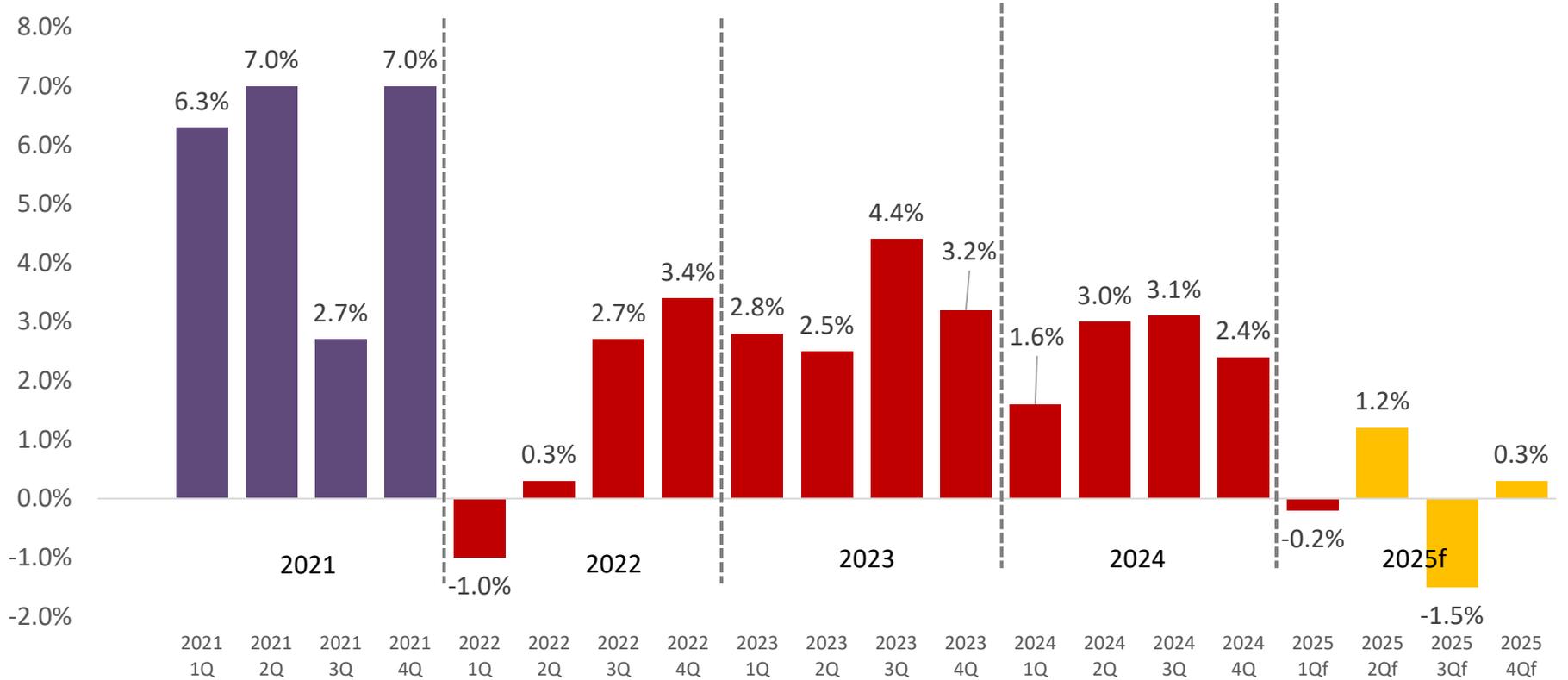
*Cumulative Economically Significant Final Rules in First Year*



Source: George Washington University, Regulatory Studies Center

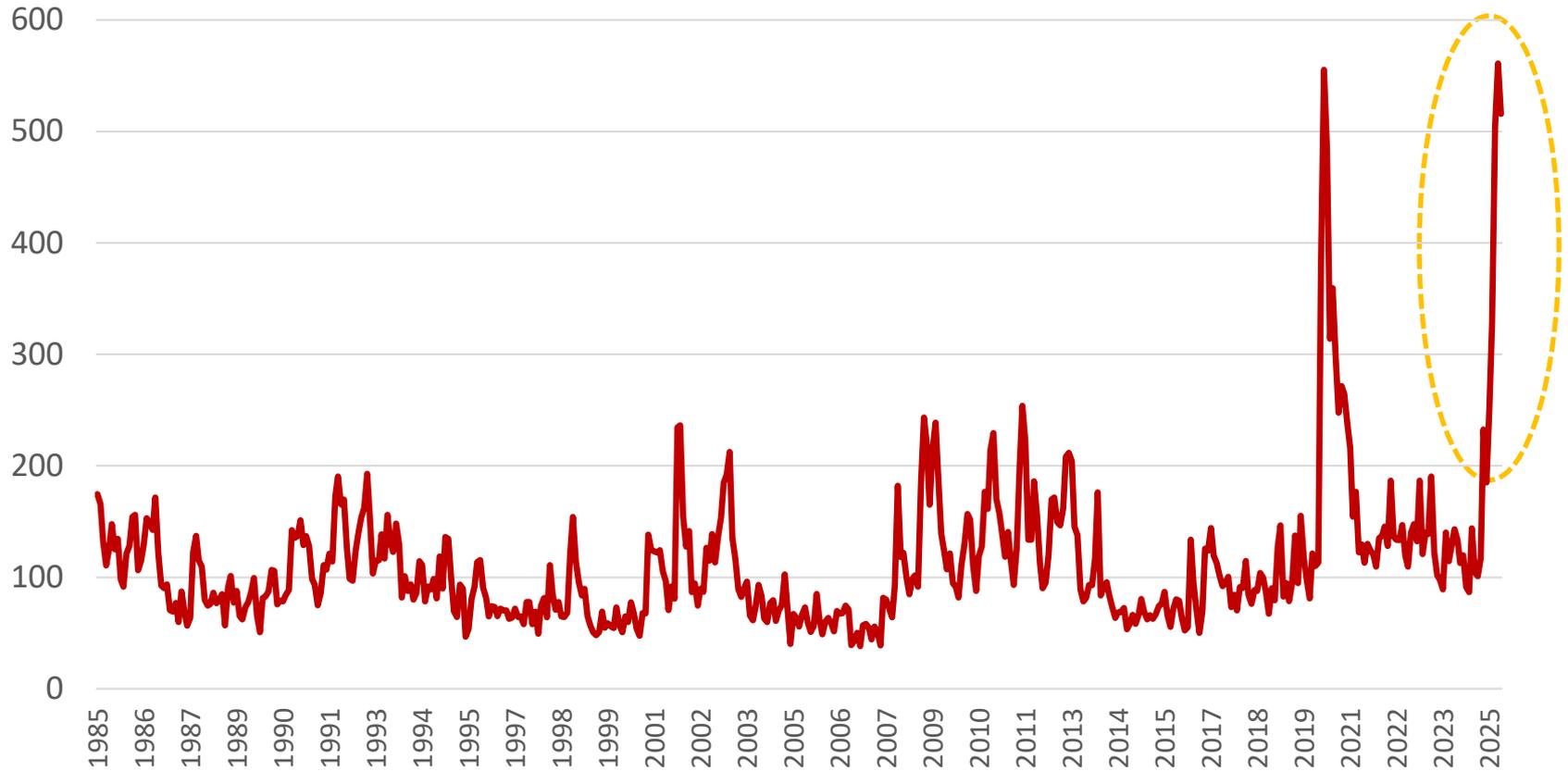
# U.S. Real GDP Growth

*Quarter-over, annual rate*



Source: Bureau of Economic Analysis, Wells Fargo Economics

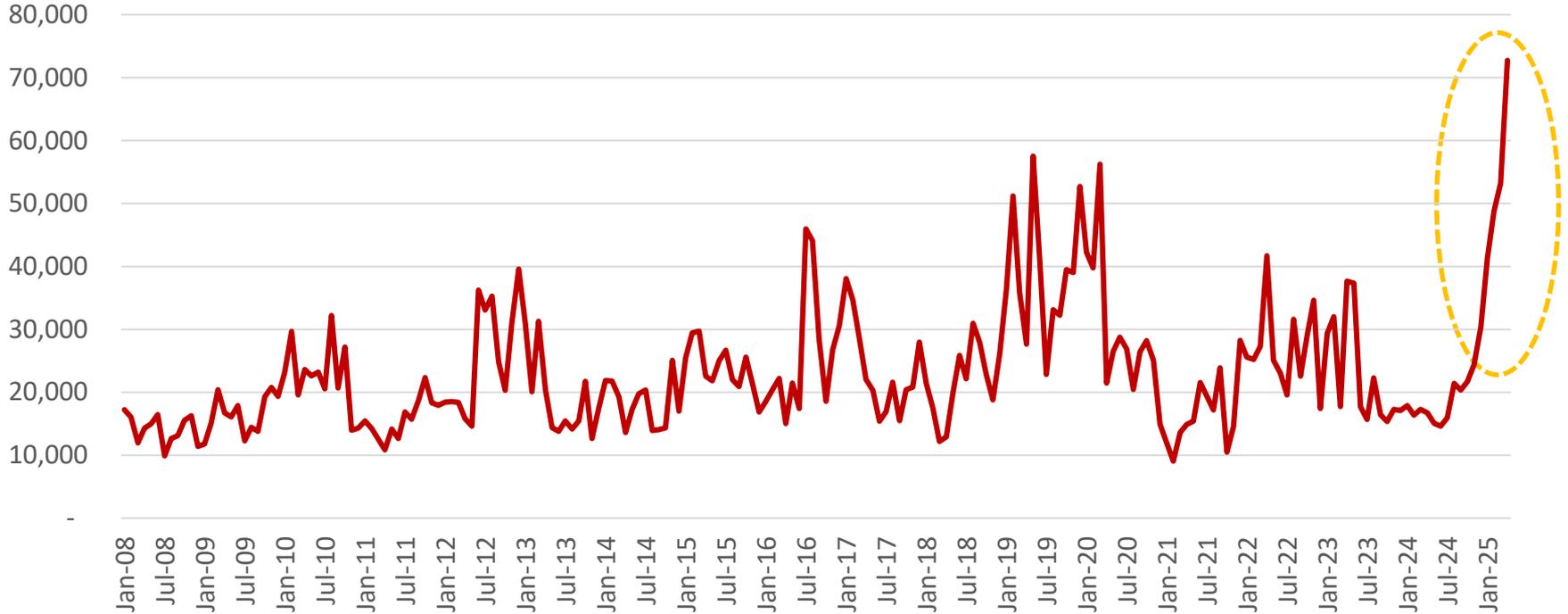
# U.S. Economic Policy Uncertainty Index



Sources: Baker, Scott R.; Bloom, Nick; Davis, Stephen J. via FRED®

# World Uncertainty Index

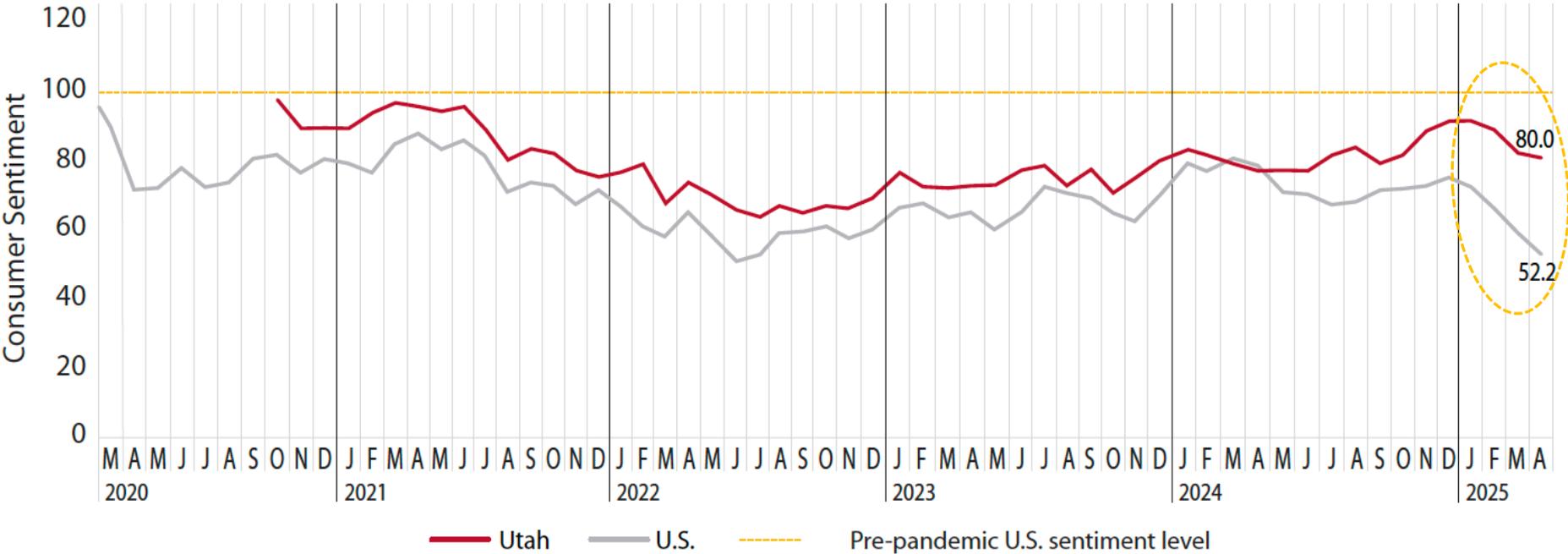
*GDP Weighted Average*



Source: Calculated based on the use of the word "uncertain" (or its variant) in the Economist Intelligence Unit Country Reports

# Consumer Sentiment Index

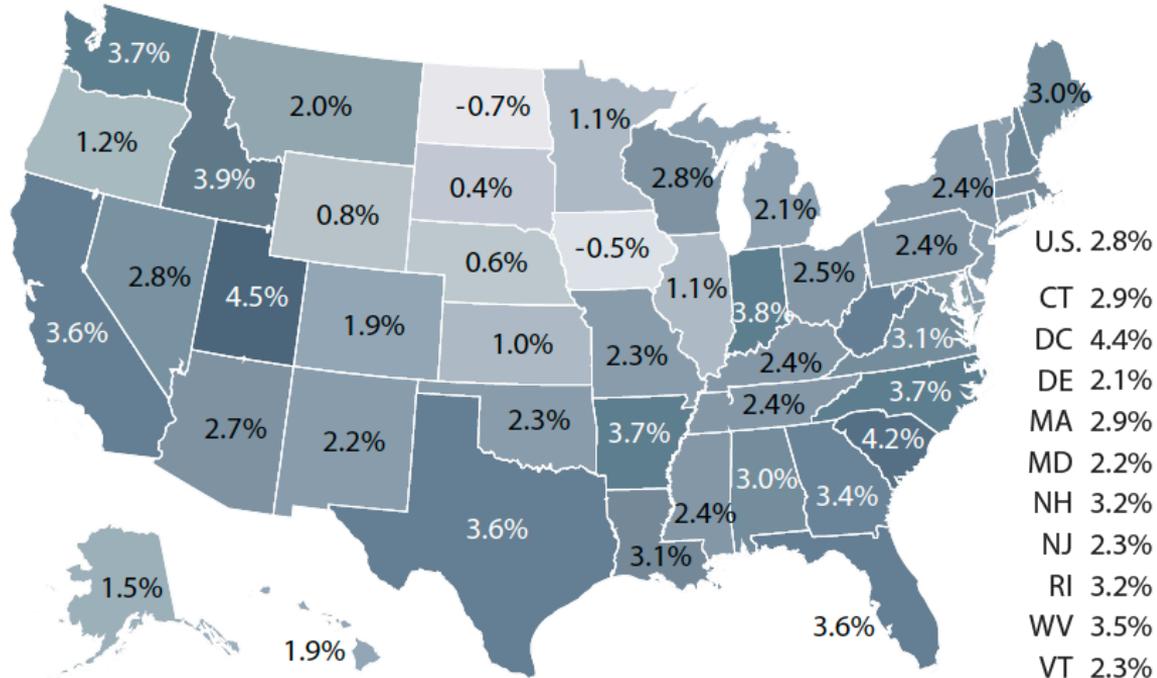
*Personal outlays by income group, 1999Q4=100*



Source: University of Michigan and Kem C. Gardner Institute

# Real GDP Growth

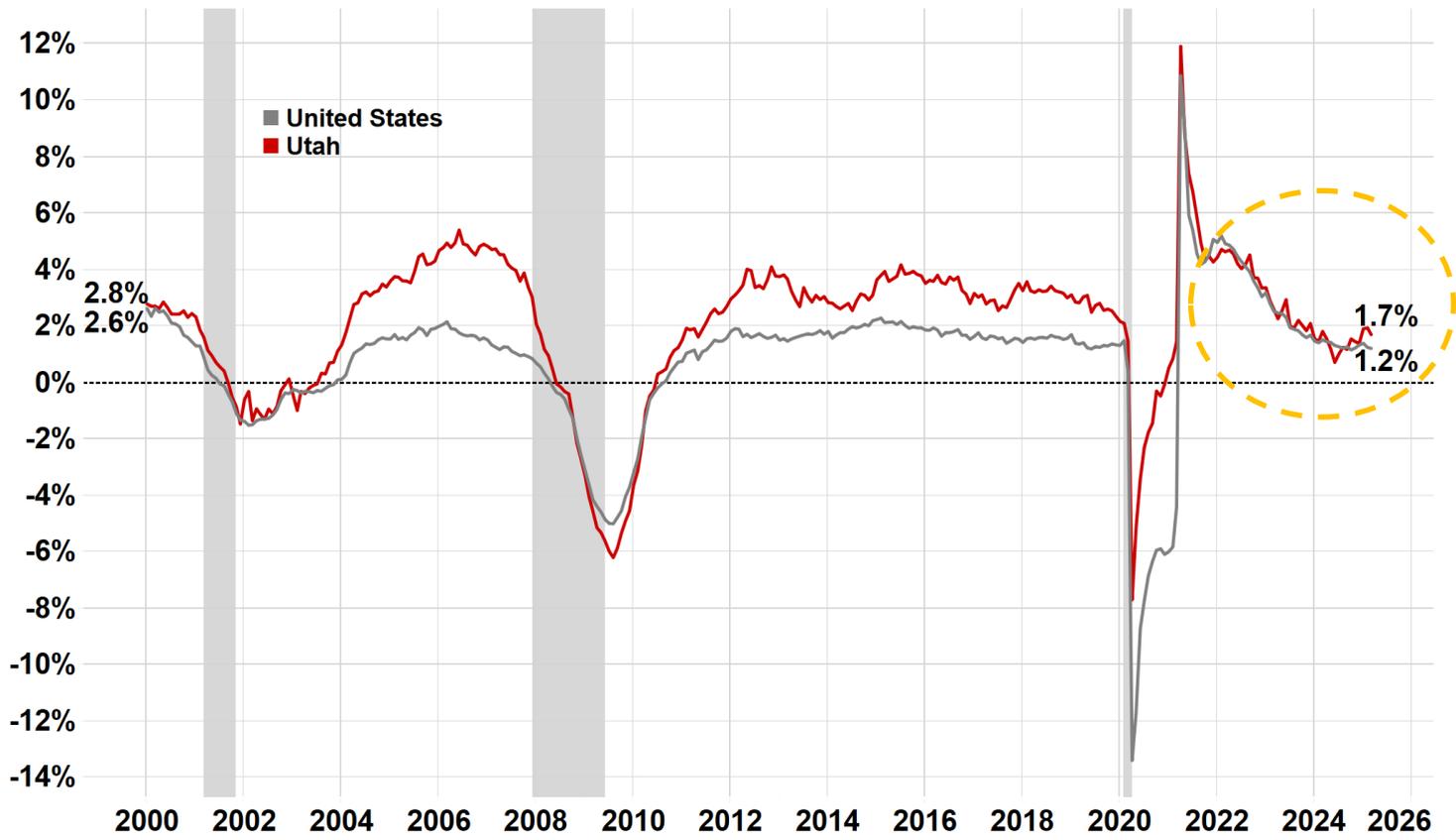
*Year-over percent change, 2024*



Source: U.S. Bureau of Economic Analysis

# Job Growth

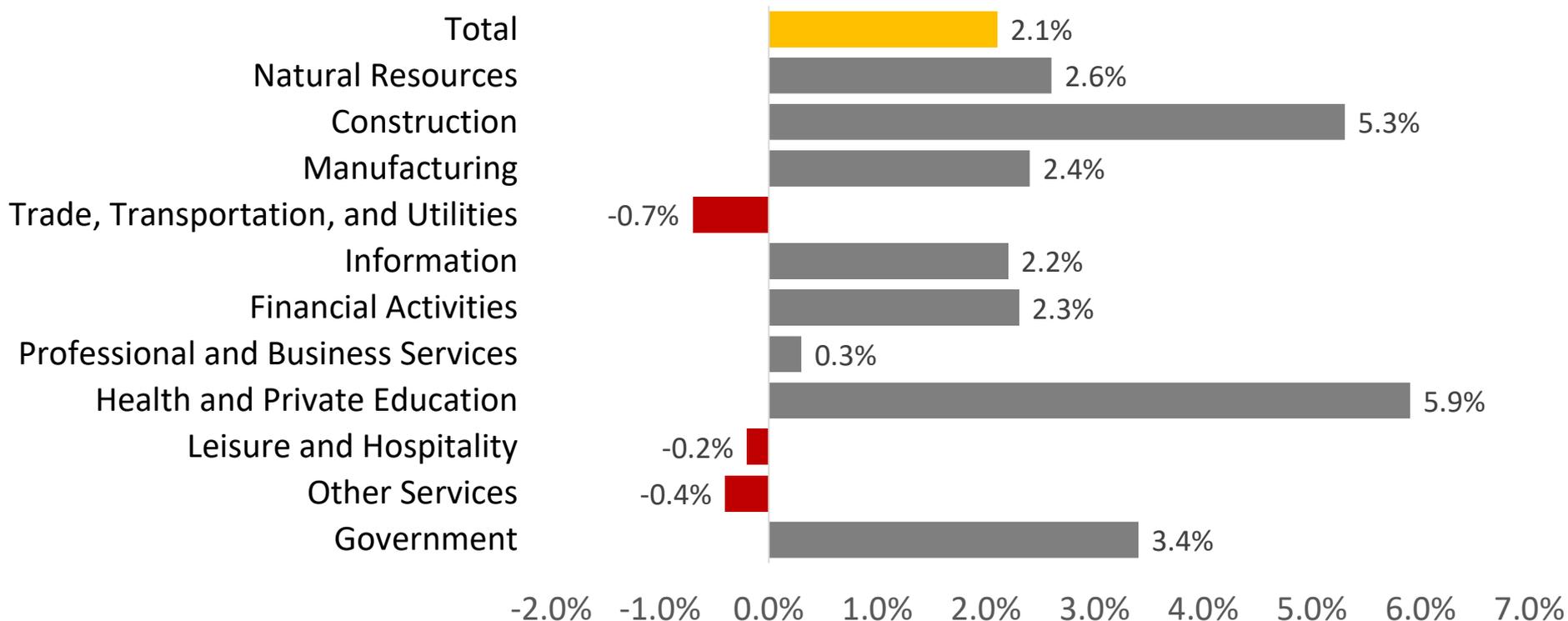
*Utah and U.S.*



Source: U.S. Bureau of Labor Statistics

# Utah Job Growth

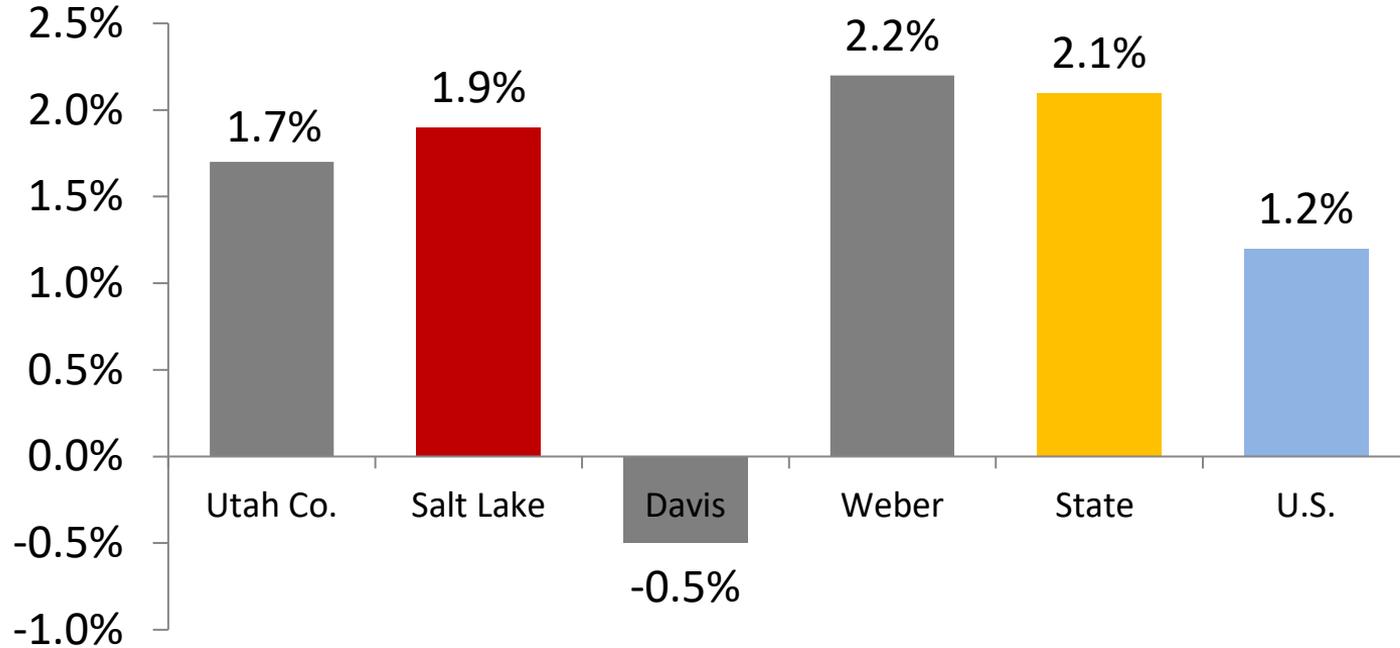
*Year-over percent change, April 2025*



Source: U.S. Bureau of Labor Statistics

# Job Growth

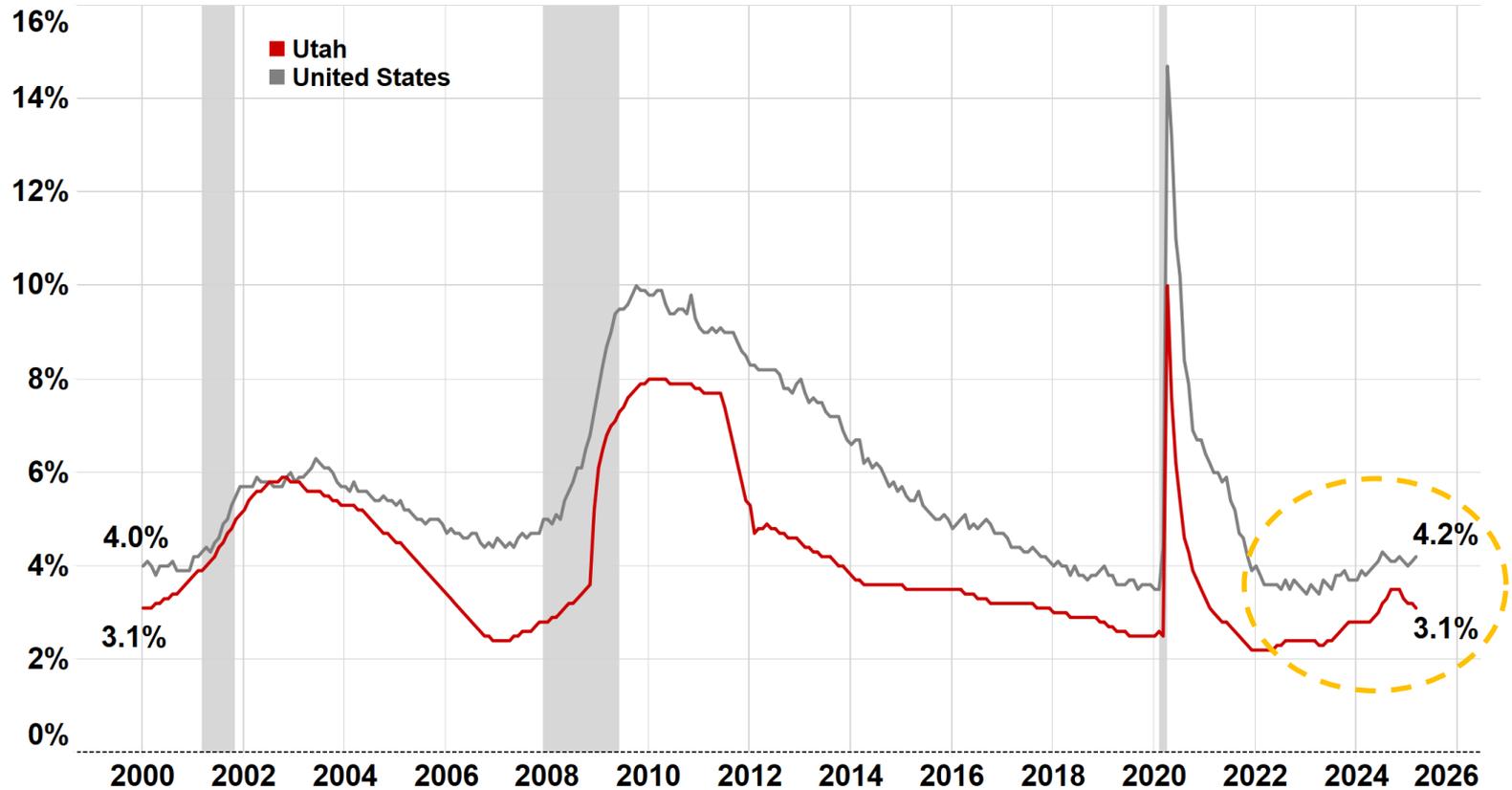
April 2024-2025



Source: Utah Dept. of Workforce Services

# Unemployment

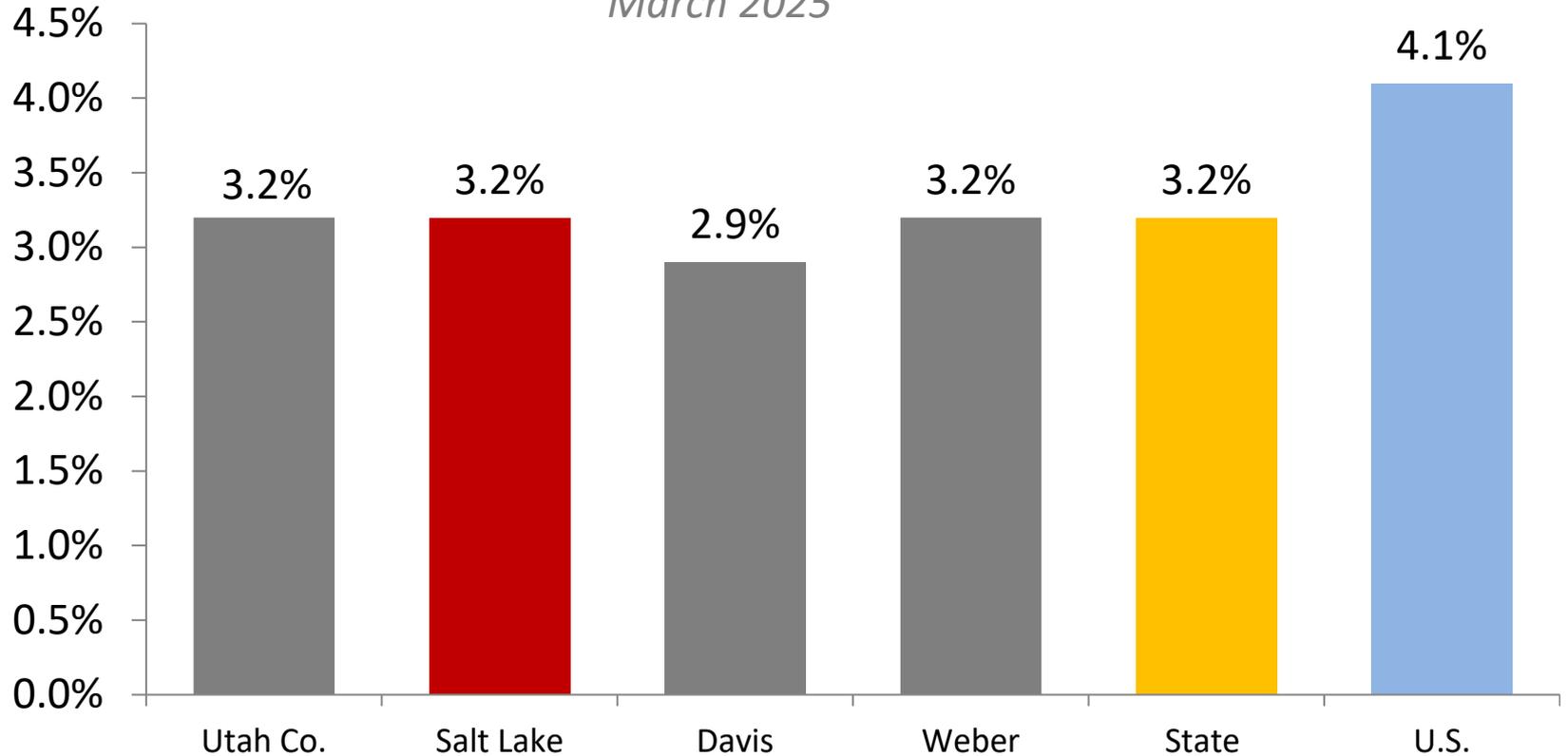
*Utah and U.S.*



Source: U.S. Bureau of Labor Statistics

# Unemployment Rate

March 2025



Source: Utah Dept. of Workforce Services

# Economic Outlook: A Mixed Bag

1. **Uncertainty** – Uncertainty prevails, particularly on the maximalist policy front. A mix of “veggies and dessert” exist.
2. **Recession nerves** – Outlook changes week to week. If a recession does occur, it will likely be short and mild.
3. **Resilience** – The resiliency of the U.S. and Utah economies continues to amaze. Labor market continues to be surprisingly strong.
4. **Utah and SLCO moderating outlook** – The economy is moderating. Three major industries, including tourism, are contracting. Salt Lake County tallies about half the state’s total jobs.
5. **Outlook** – Expect the Utah and SLCO economies to avoid a recession, but slow down in 2025.