

Economic Insights

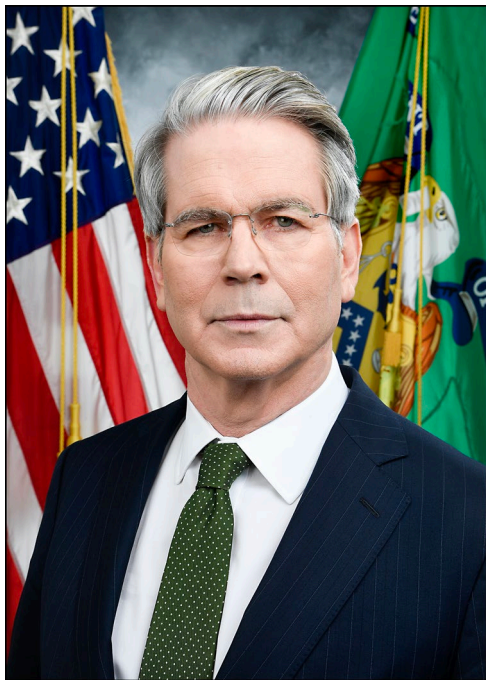
Salt Lake County Council
June 3, 2025

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.

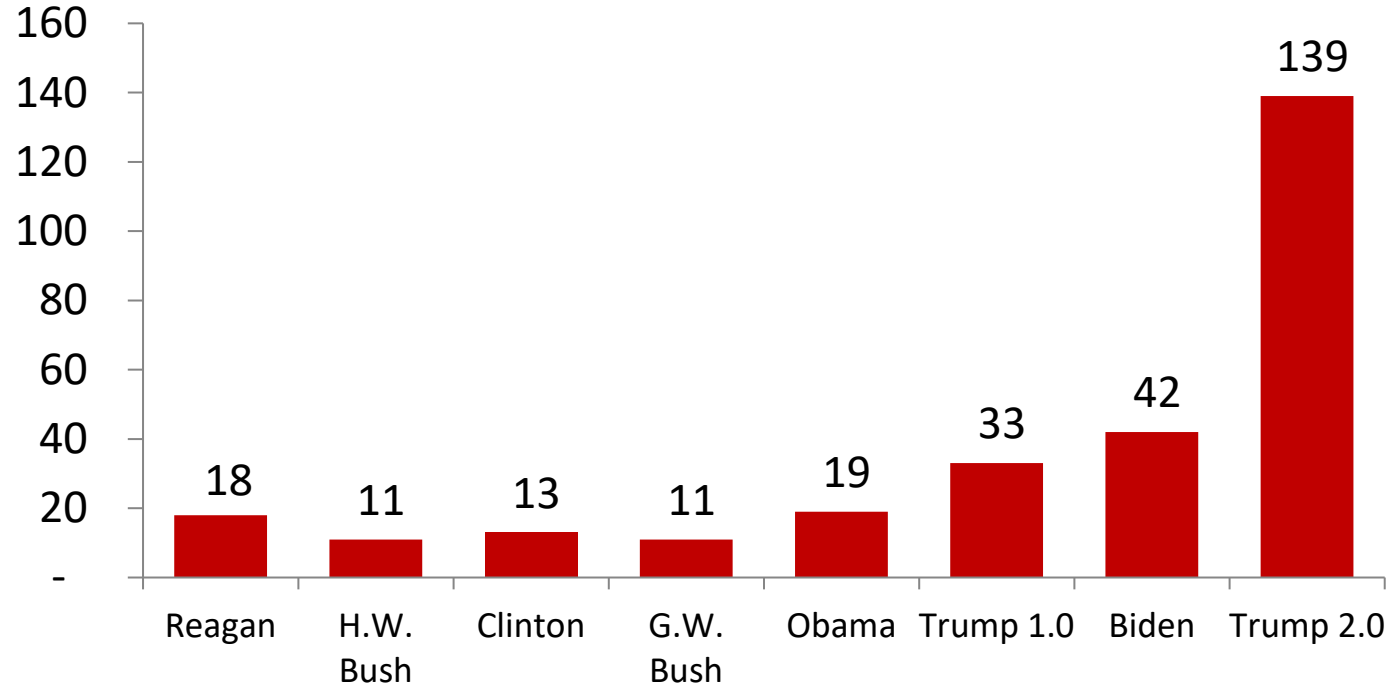
Source: *Scott Bessent*, Wall Street Journal, May 4, 2025

*“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

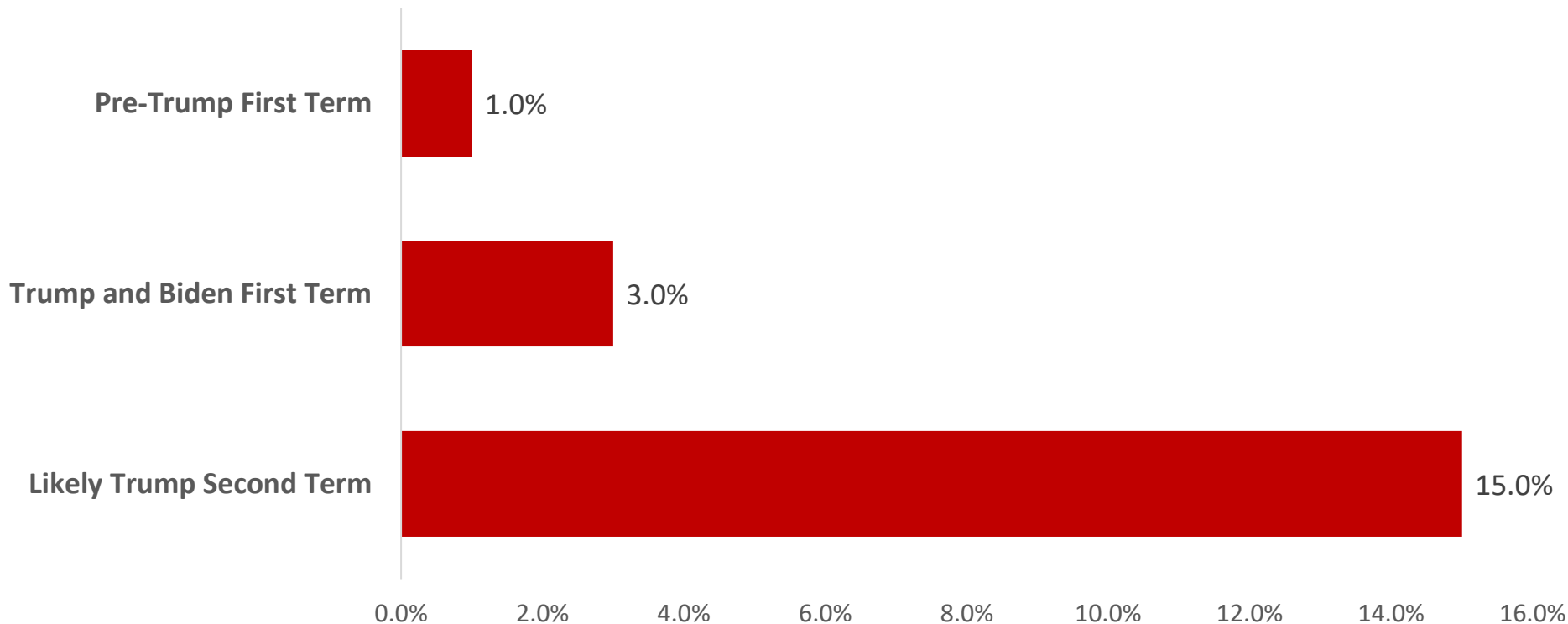
The Five Ds

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



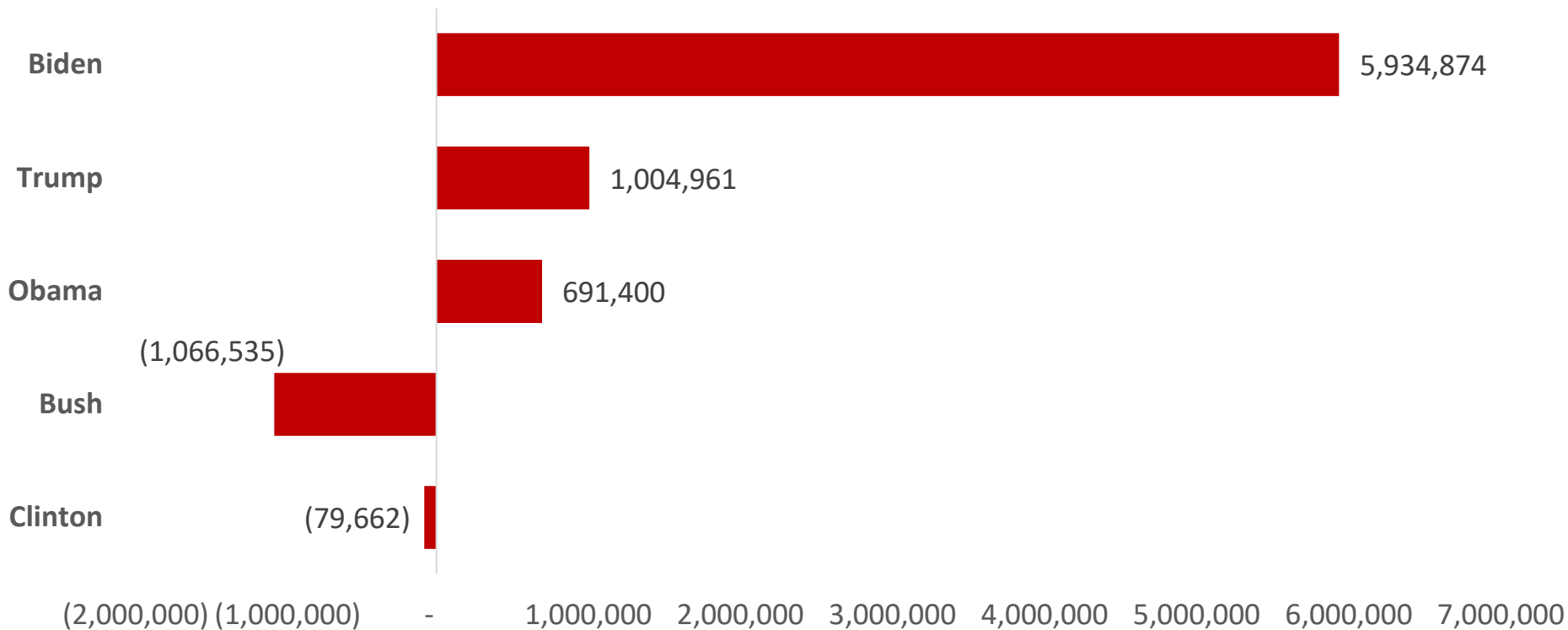
Source: Moody's Analytics, Gardner Institute

*“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

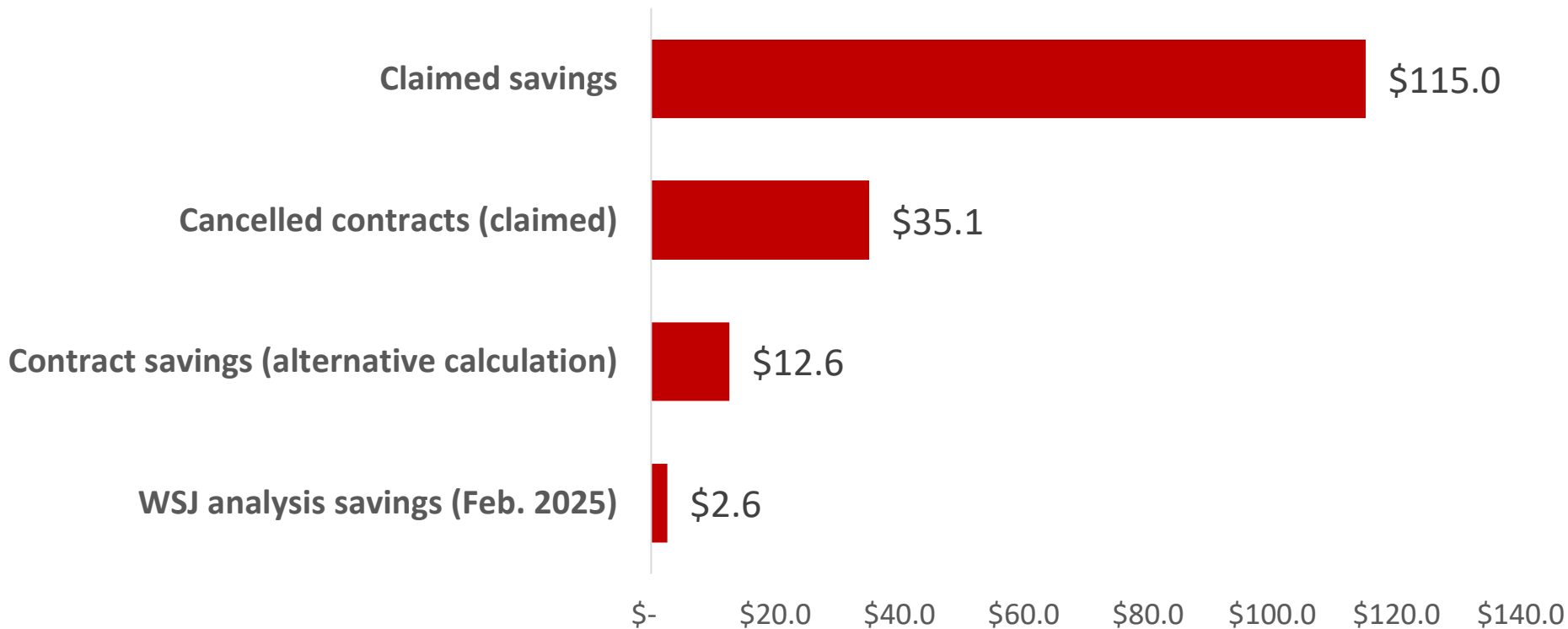
Difference between encounters and deportations



Source: Office of Homeland Security Statistics, PIMCO

DOGE Savings

Claimed and other estimates, billions of dollars



Source: Moody's Analytics, PIMCO

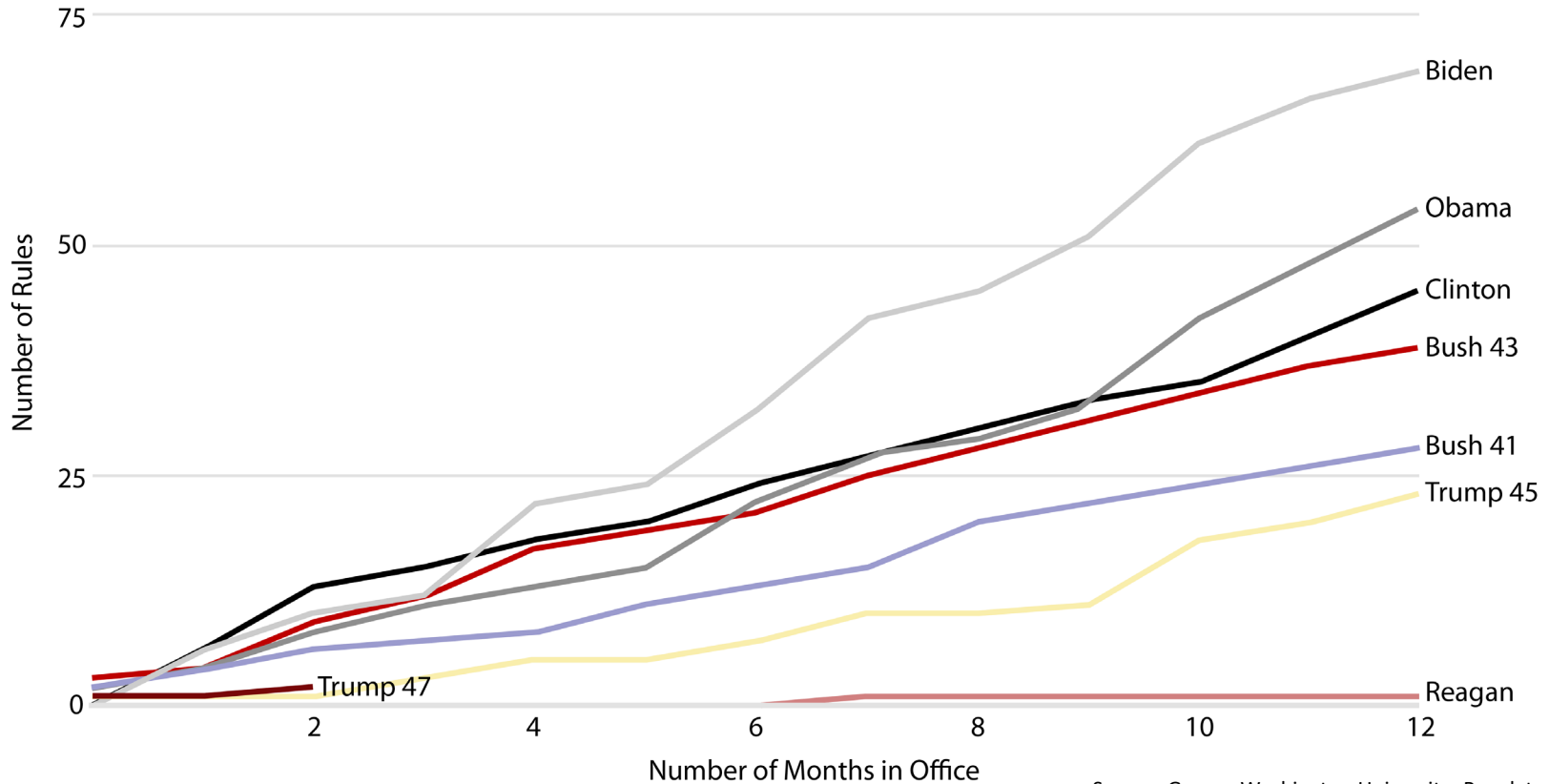
Deficit-financed Tax Cuts

Proposed Tax Cut	Estimated Amount
Expiring Trump Tax Cuts	
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
TOTAL (less deductions, exemptions, etc.)	\$4.2 trillion
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

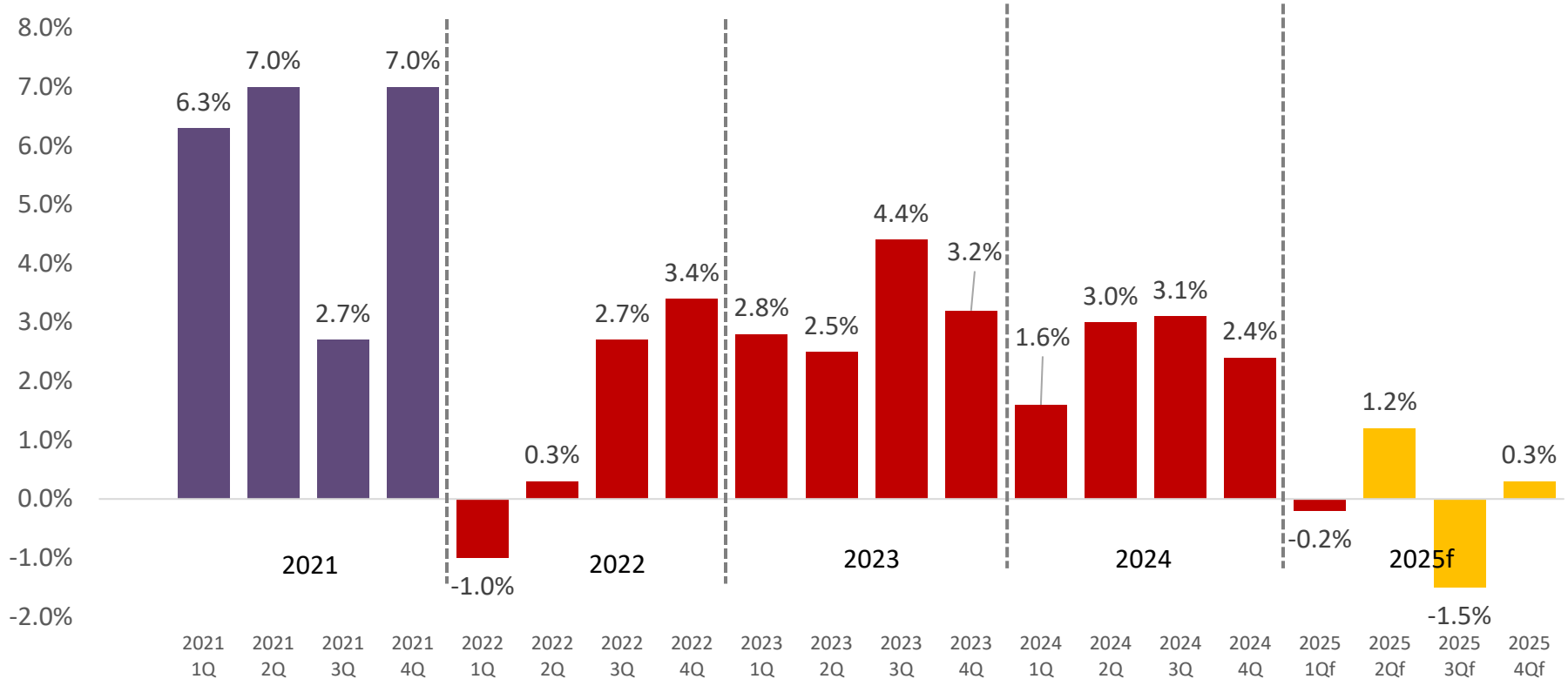
Cumulative Economically Significant Final Rules in First Year



Source: George Washington University, Regulatory Studies Center

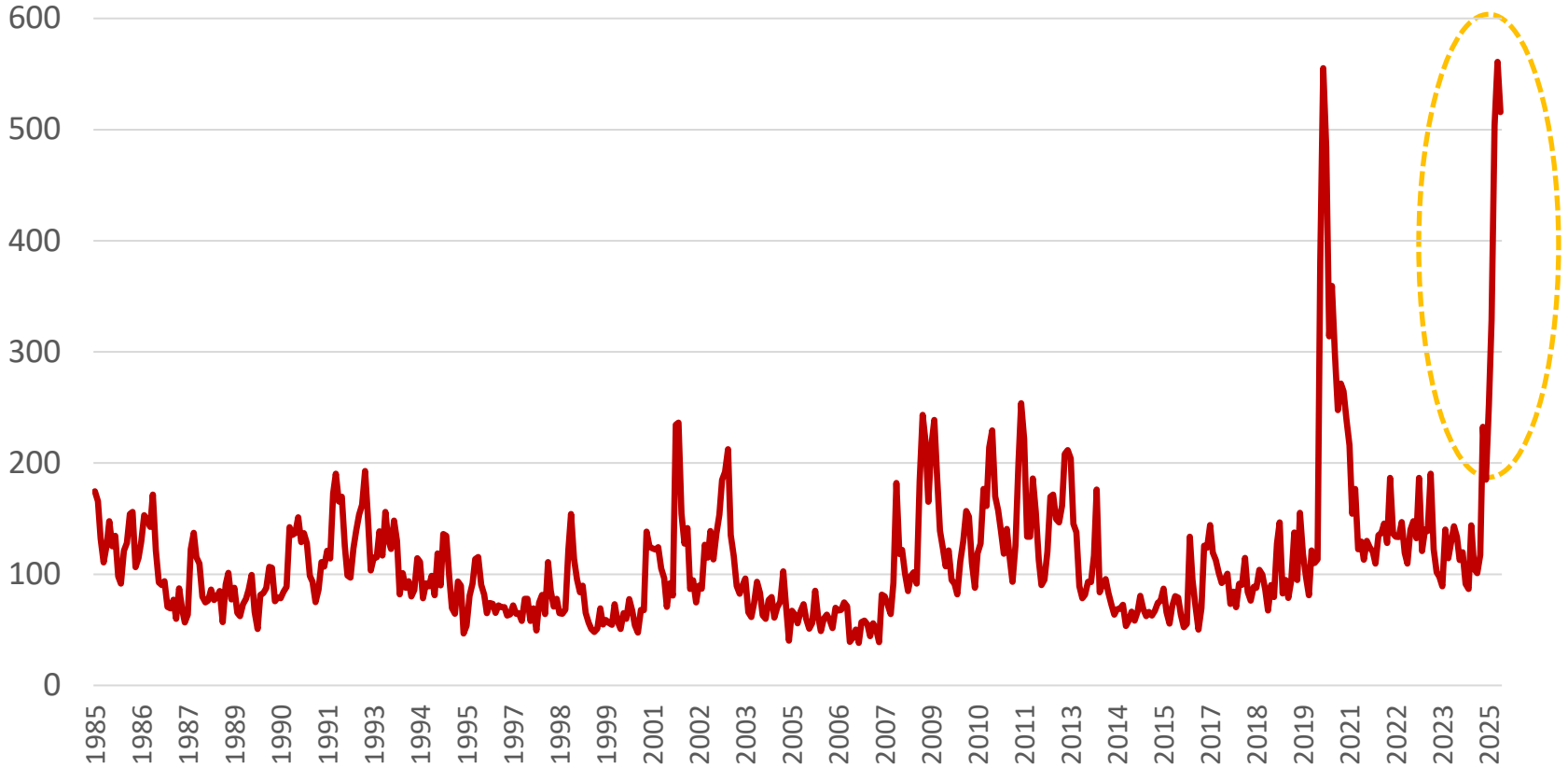
U.S. Real GDP Growth

Quarter-over, annual rate



Source: Bureau of Economic Analysis, Wells Fargo Economics

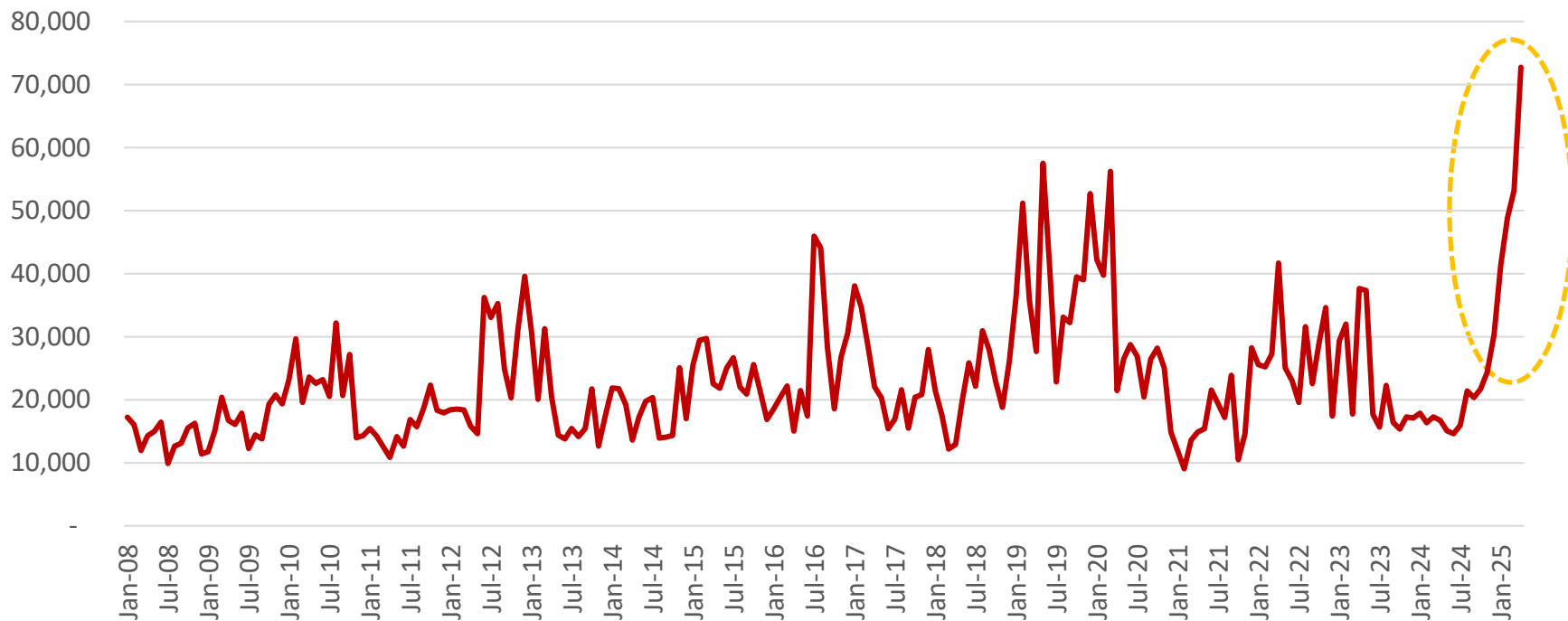
U.S. Economic Policy Uncertainty Index



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

World Uncertainty Index

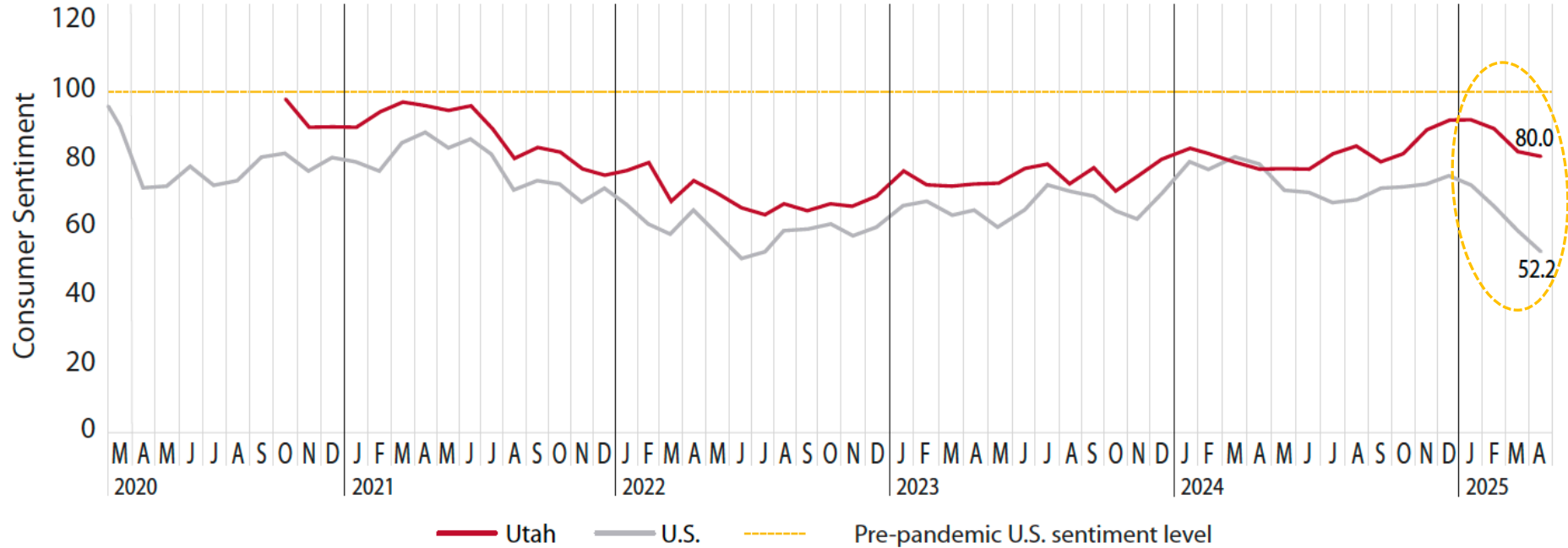
GDP Weighted Average



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

Consumer Sentiment Index

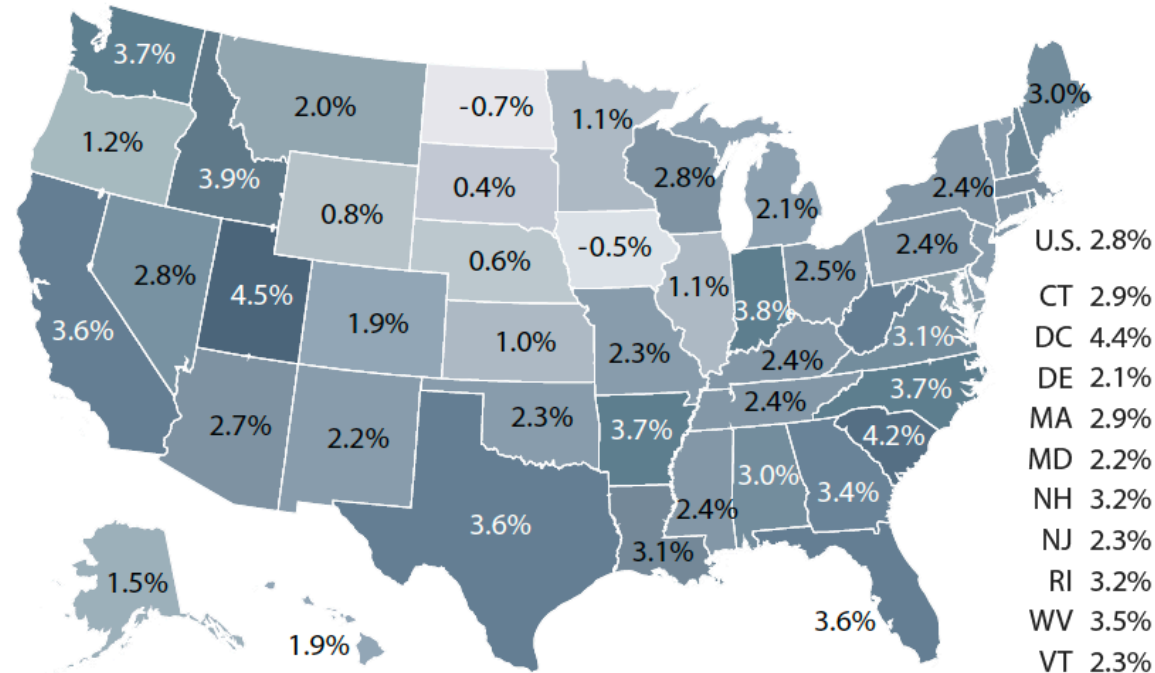
Personal outlays by income group, 1999Q4=100



Source: University of Michigan and Kem C. Gardner Institute

Real GDP Growth

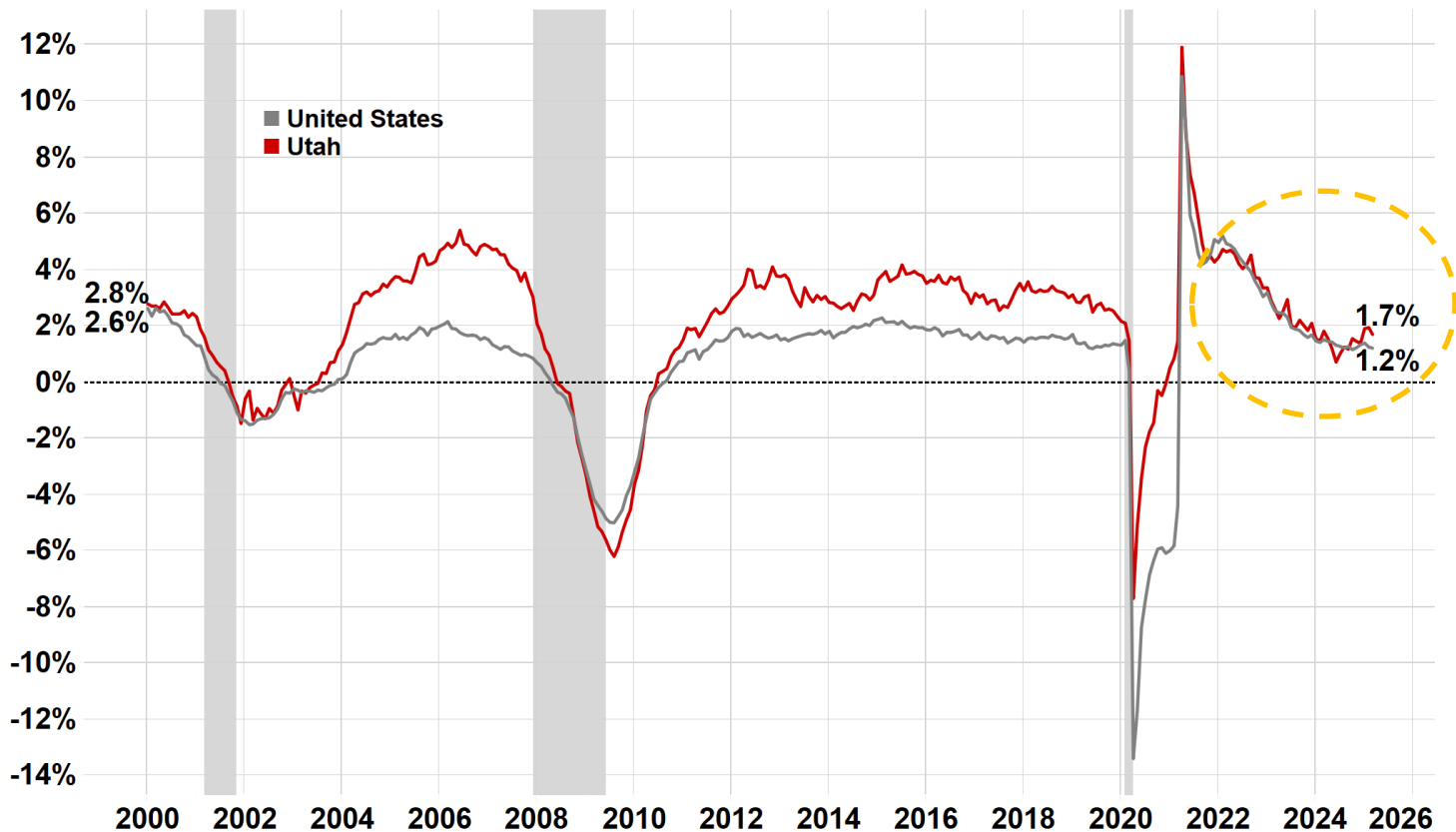
Year-over percent change, 2024



Source: U.S. Bureau of Economic Analysis

Job Growth

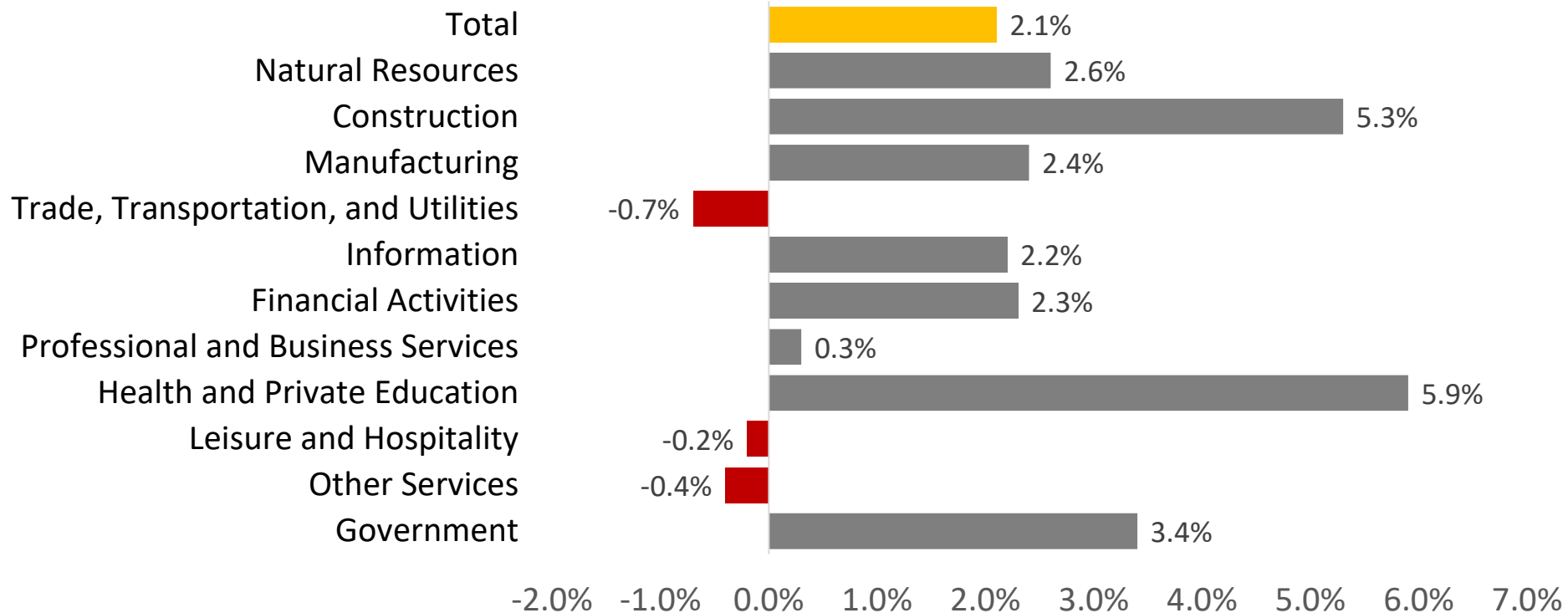
Utah and U.S.



Source: U.S. Bureau of Labor Statistics

Utah Job Growth

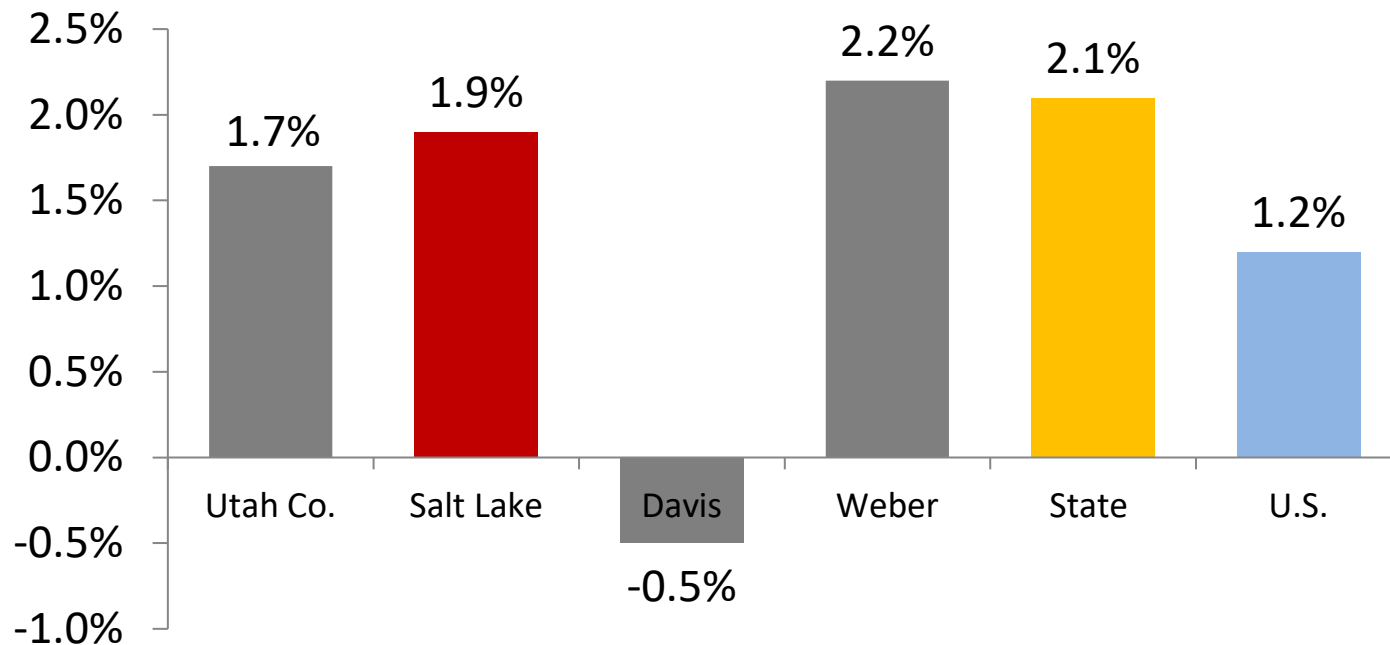
Year-over percent change, April 2025



Source: U.S. Bureau of Labor Statistics

Job Growth

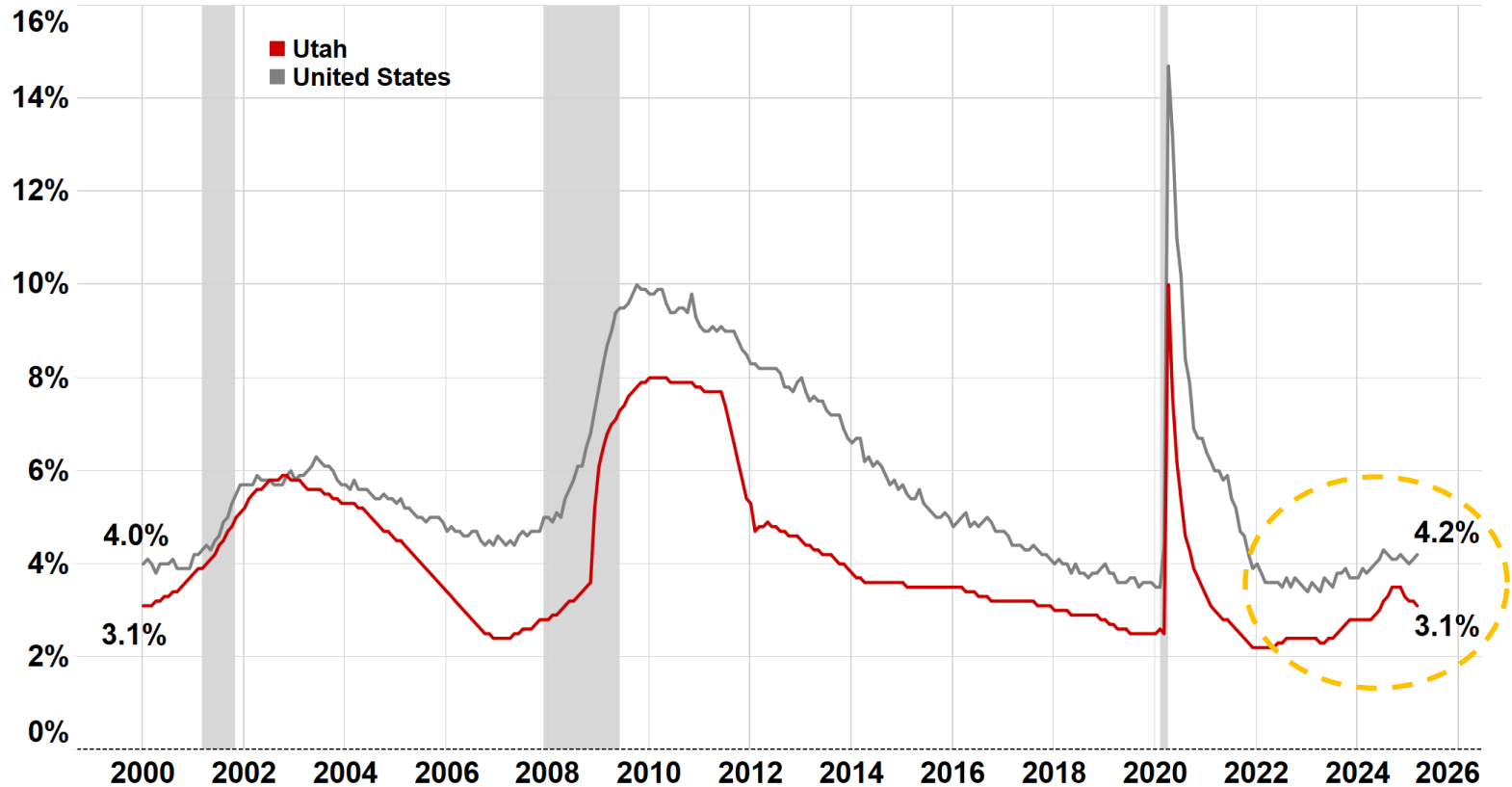
April 2024-2025



Source: Utah Dept. of Workforce Services

Unemployment

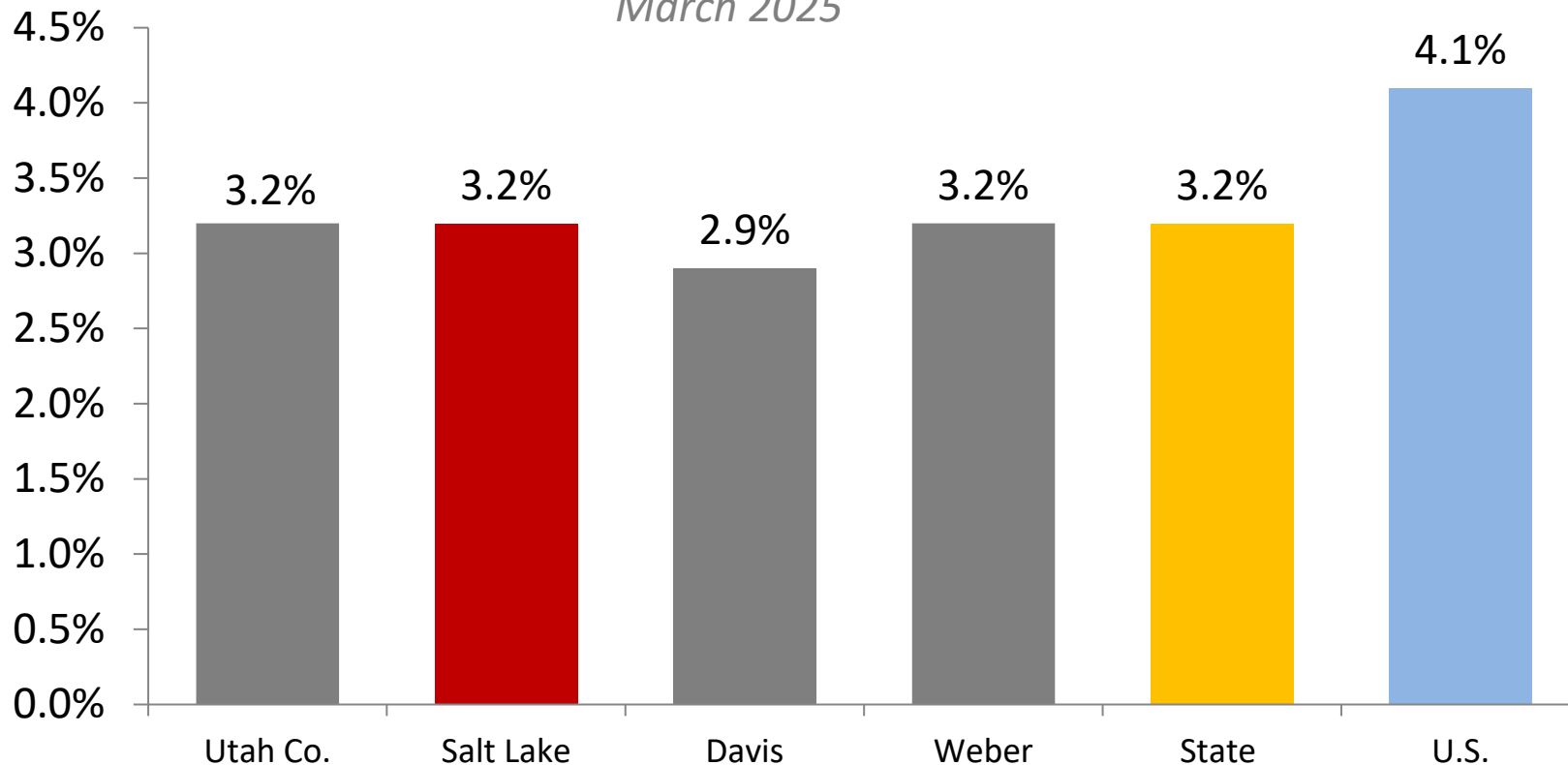
Utah and U.S.



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.