

Alaska's Economy 2018/2019

& Ask Me Anything!

A Presentation to

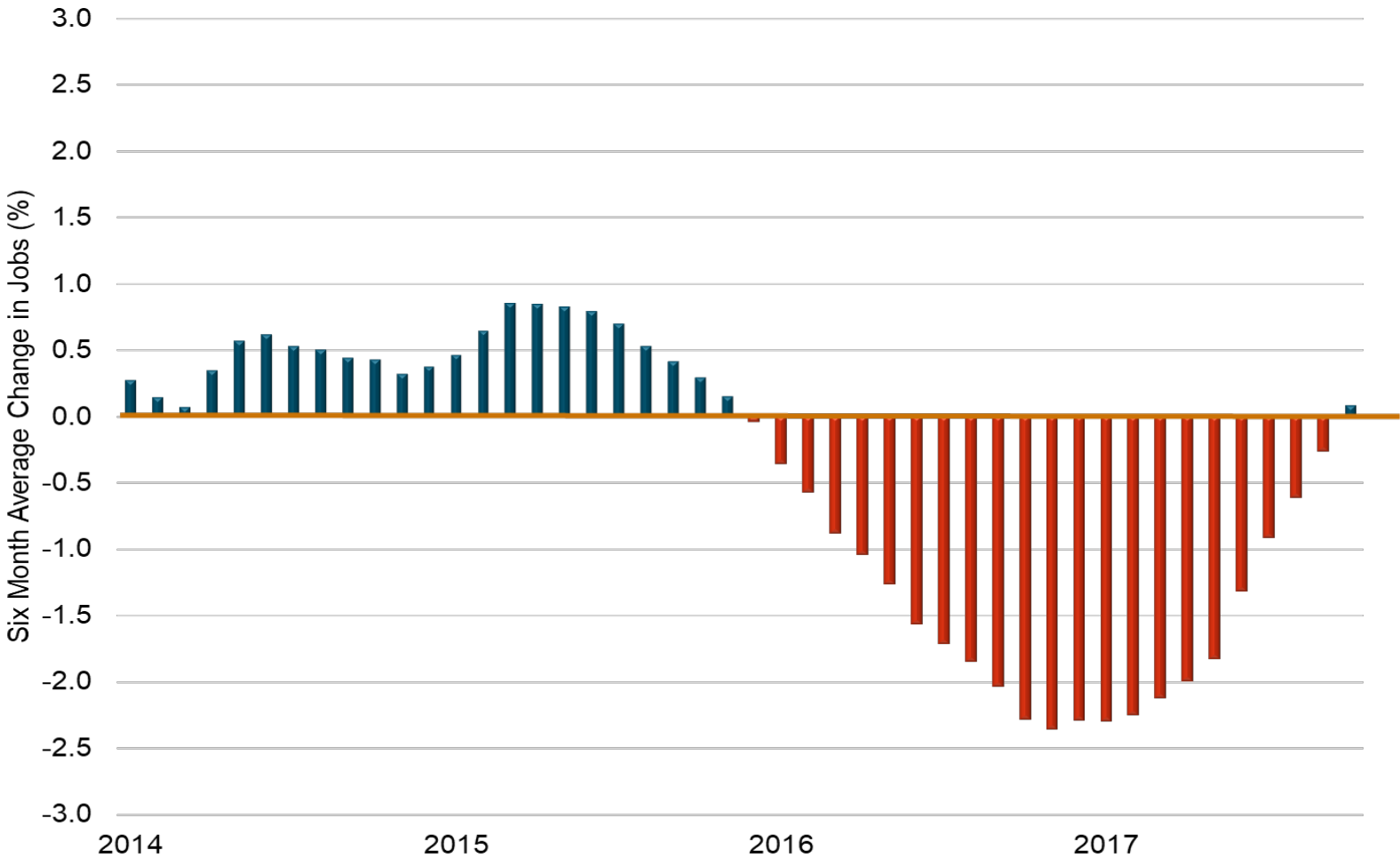
Alaska Government Finance Officers Association

November 13, 2018

FLY HIGHER
HALCYON



When We Last Left Our Story...



Source: Halcyon Consulting, 2017 from ADOLWD, 2017.

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When We Last Left Our Story...

The 2018 Economy

The patient is out of critical condition

- Aggregate employment losses slow completely or nearly completely (-0.2 percent to 0.2 percent employment growth)
- Growing: Tourism, Healthcare, Transportation
- Stabilizing: PBS, Oil & Gas, State Government (H1)
- Wildcards: State Government (H2), Construction, Hospitality

2019 and Beyond

Modest (sub-0.5%) growth depending on:

- Oil markets, spending and taxation, inflationary pressures

...And Then

✧ ADOLWD Revised 2017 Data

Uniformly downward

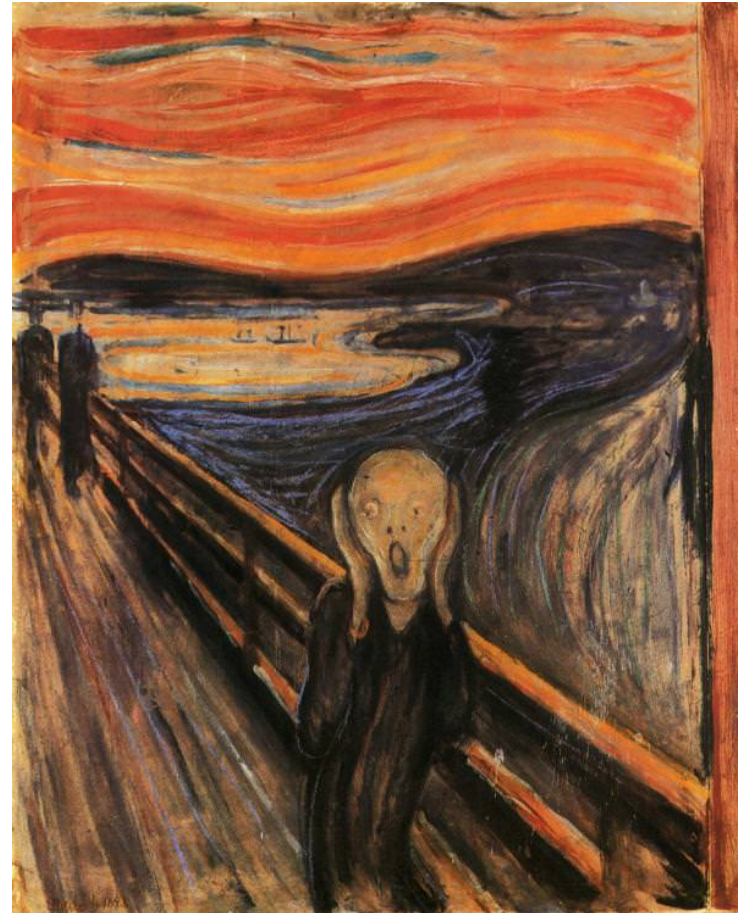
✧ Changed Their Model

Report the BLS model to
BLS

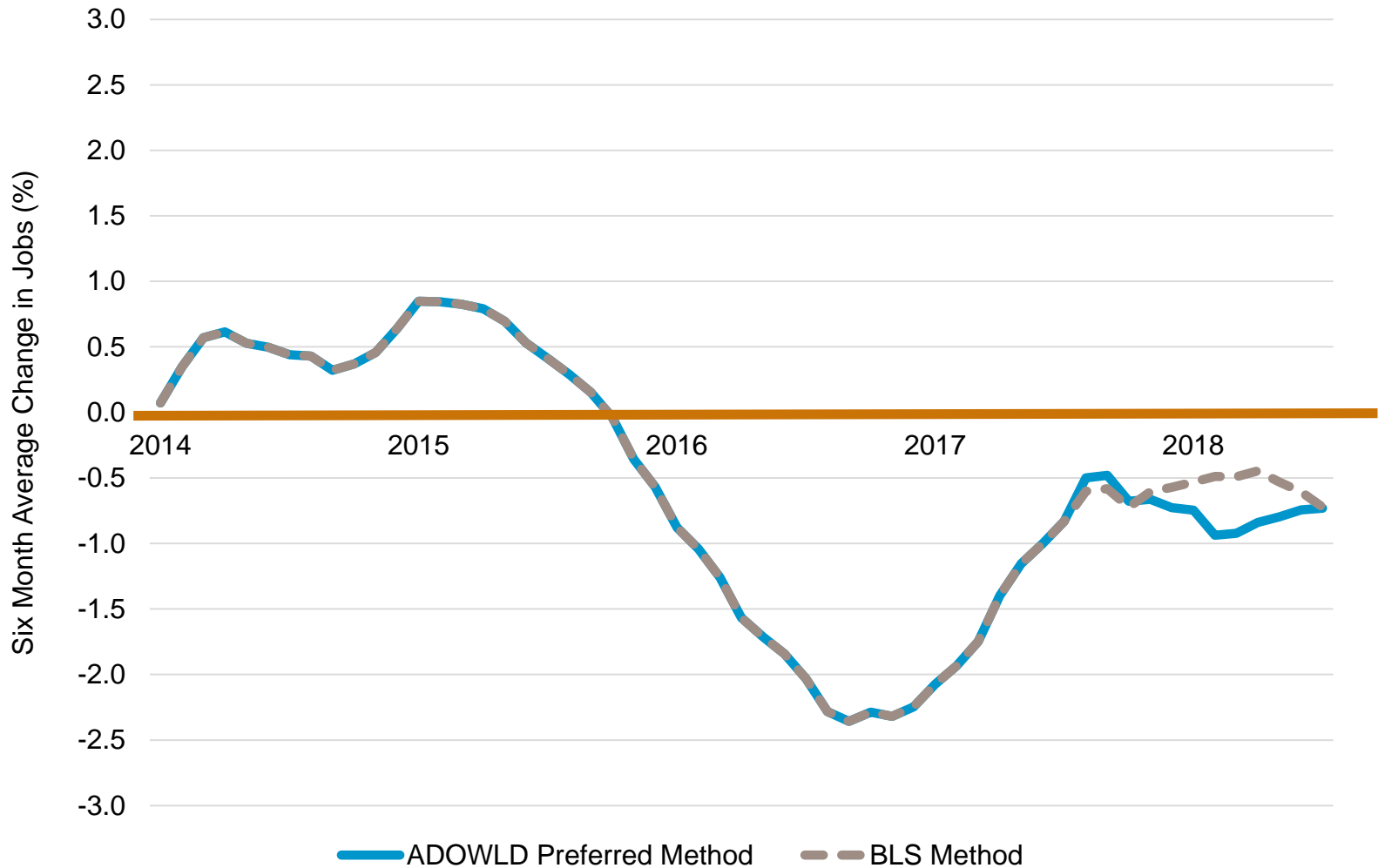
Report ADOWLD model to
Alaskans

Rectify between the two
when quarterly data become
available

✧ And the economy stalled out in Q4 2017.



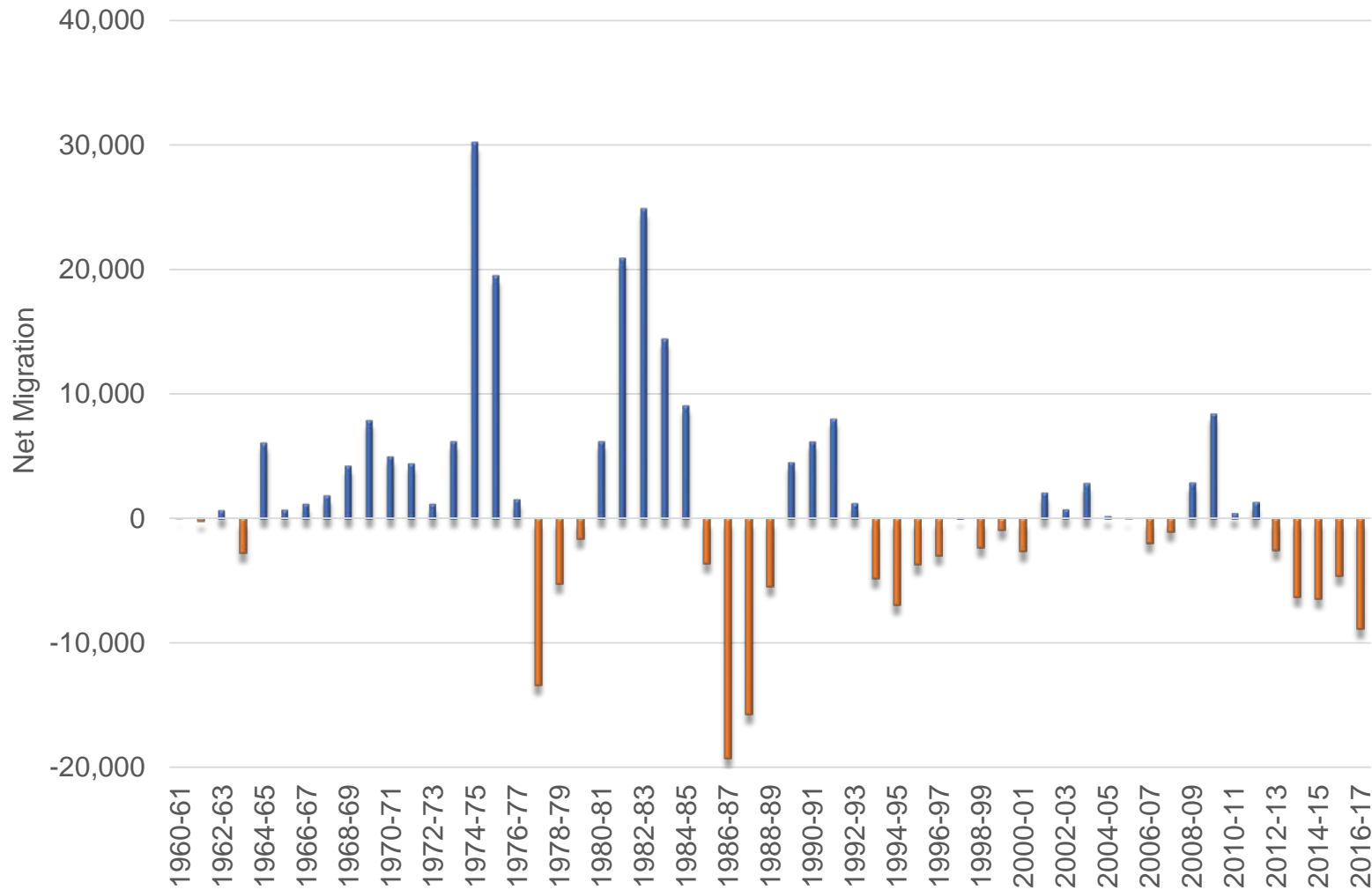
So, Here's Where We Are Right Now



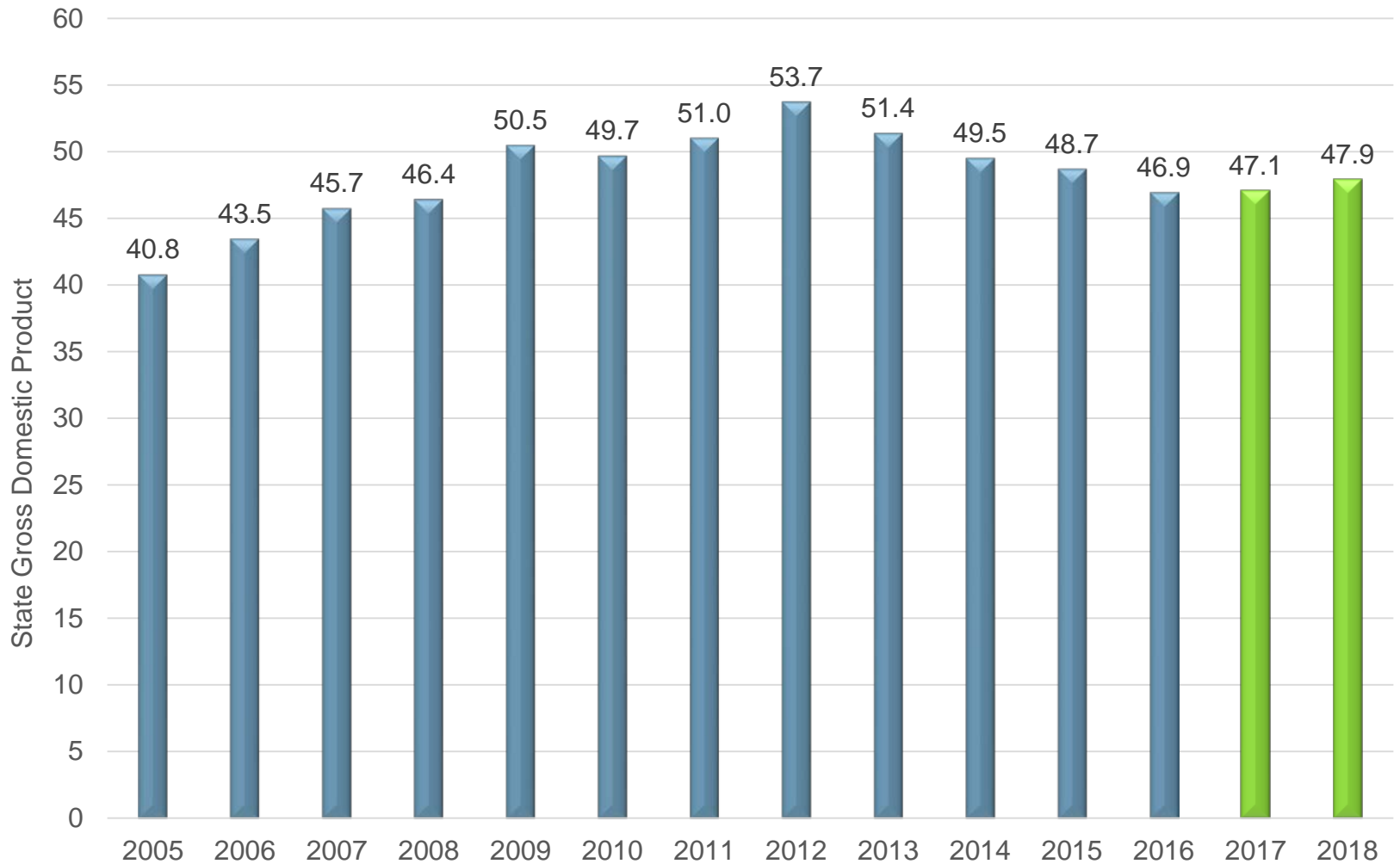
And Here is What's Happened in 2018

Sector	2017 Average Monthly Employment	Average Difference from 2017	
		YTD	Last Three Months
Total Nonfarm	333,011	-2,500	-2,033
Retail Trade	36,556	-856	-933
Government (incl Pub Ed)	80,878	-800	-533
Prof. & Business Svcs	28,144	-744	-667
Mining & Logging	13,222	-578	-467
Manufacturing	14,767	-411	-67
Information	6,022	-333	-267
Financial Activities	12,022	-200	-233
Wholesale Trade	6,378	44	0
Leisure and Hospitality	36,578	78	133
Construction	15,356	322	233
Trans/Warehouse/Utilities	22,333	378	367
Educational & Health Services	49,689	667	467

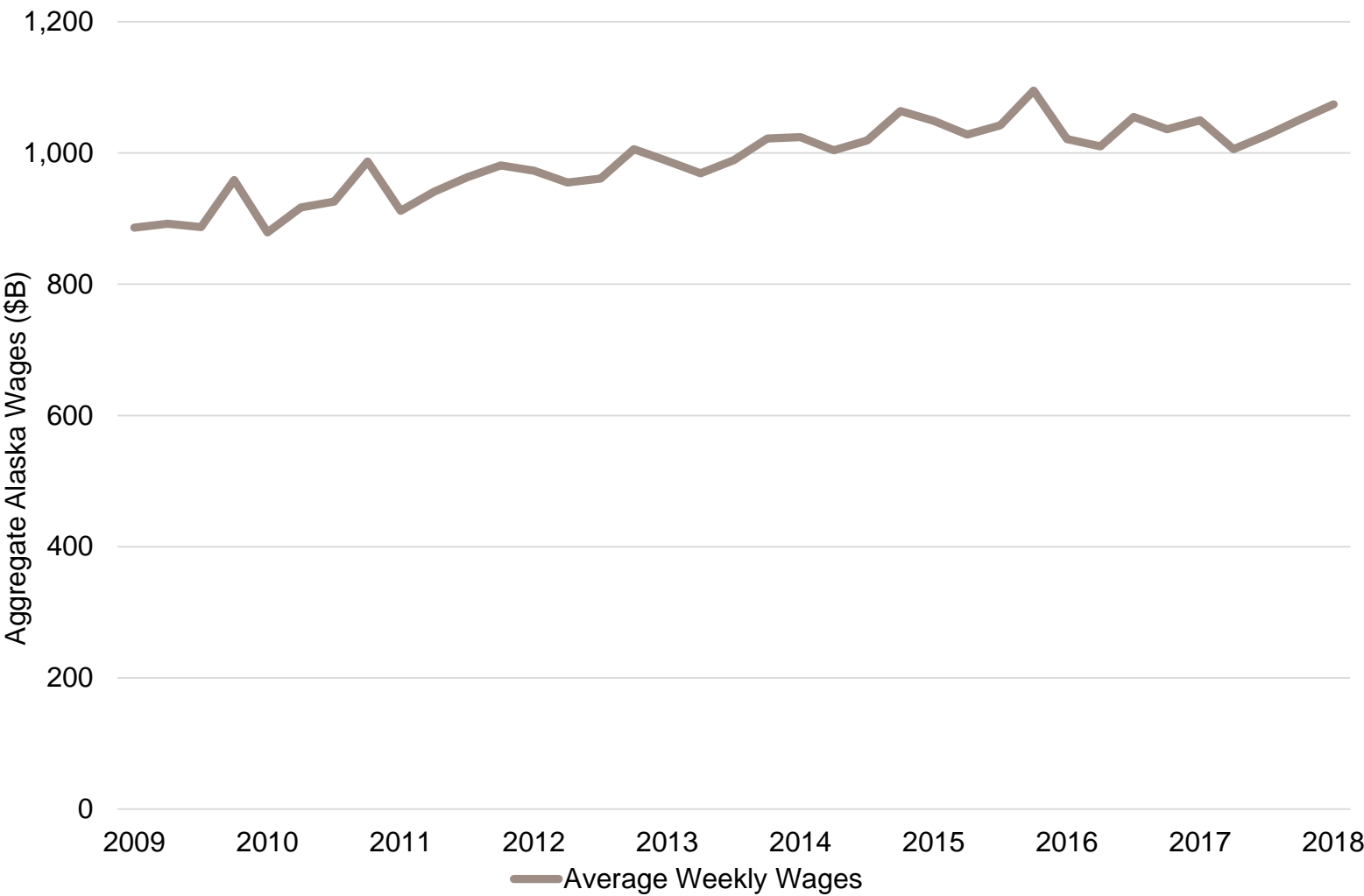
Net Migration Since 1960



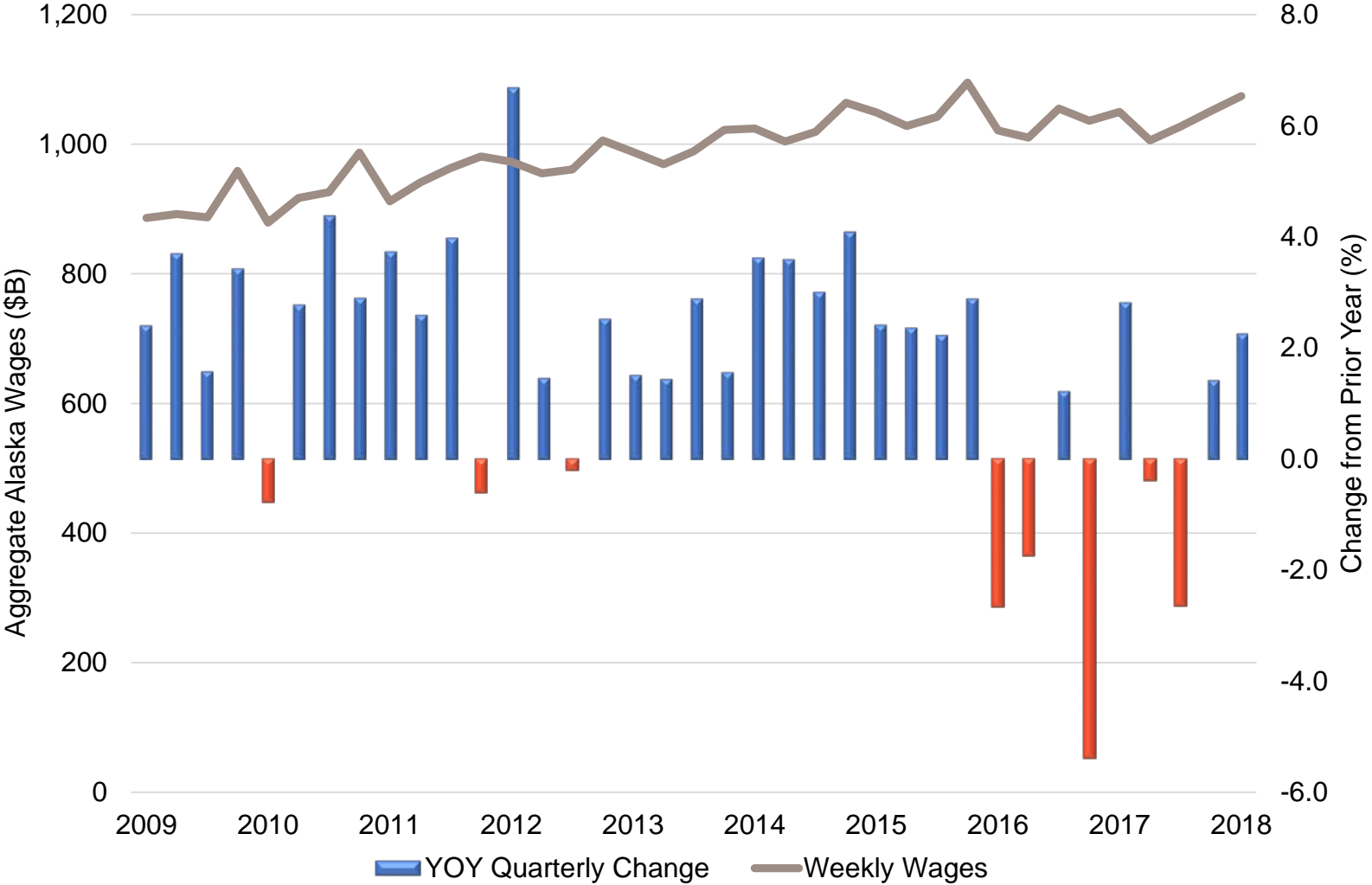
Good News: GDP Up!



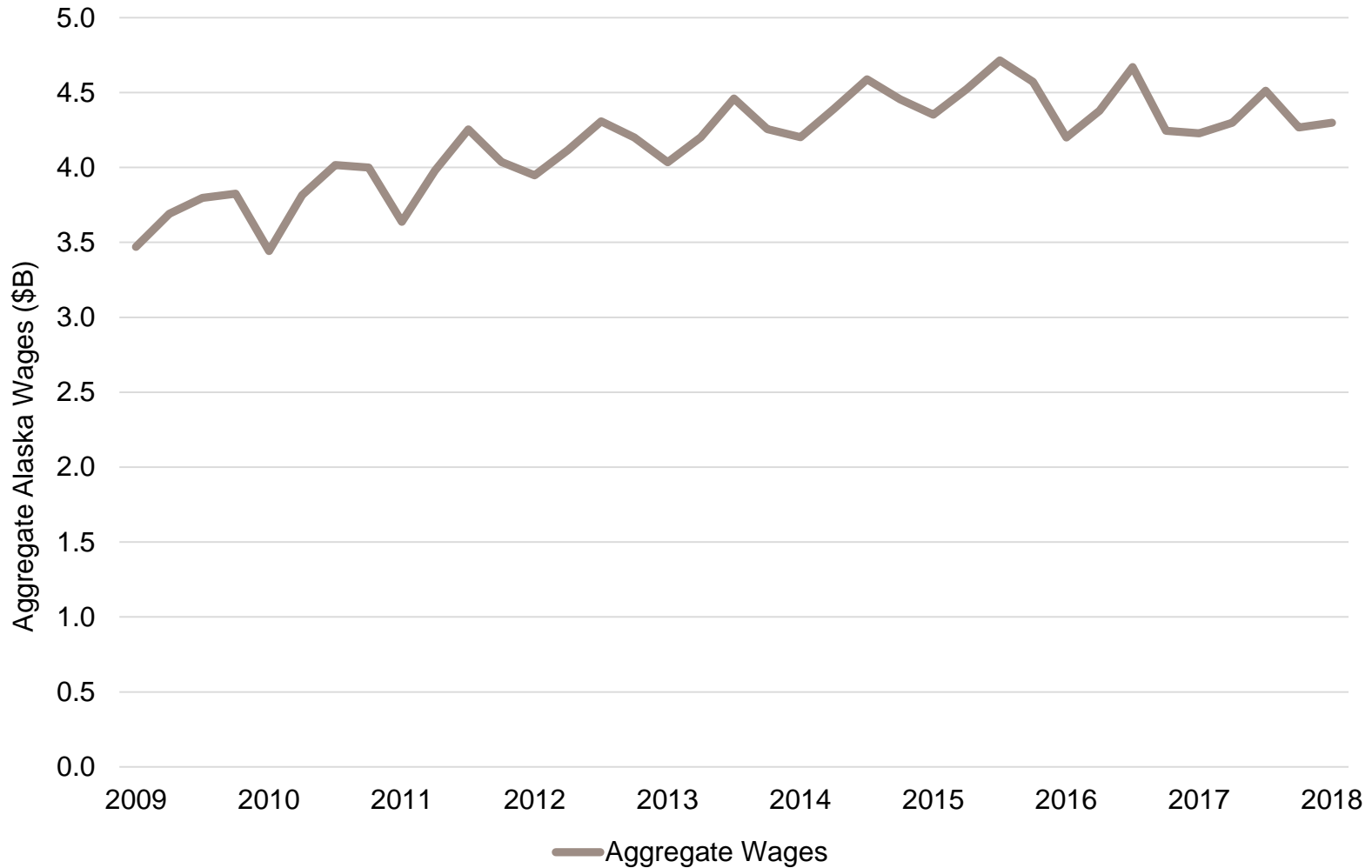
Alaska Average Weekly Wages



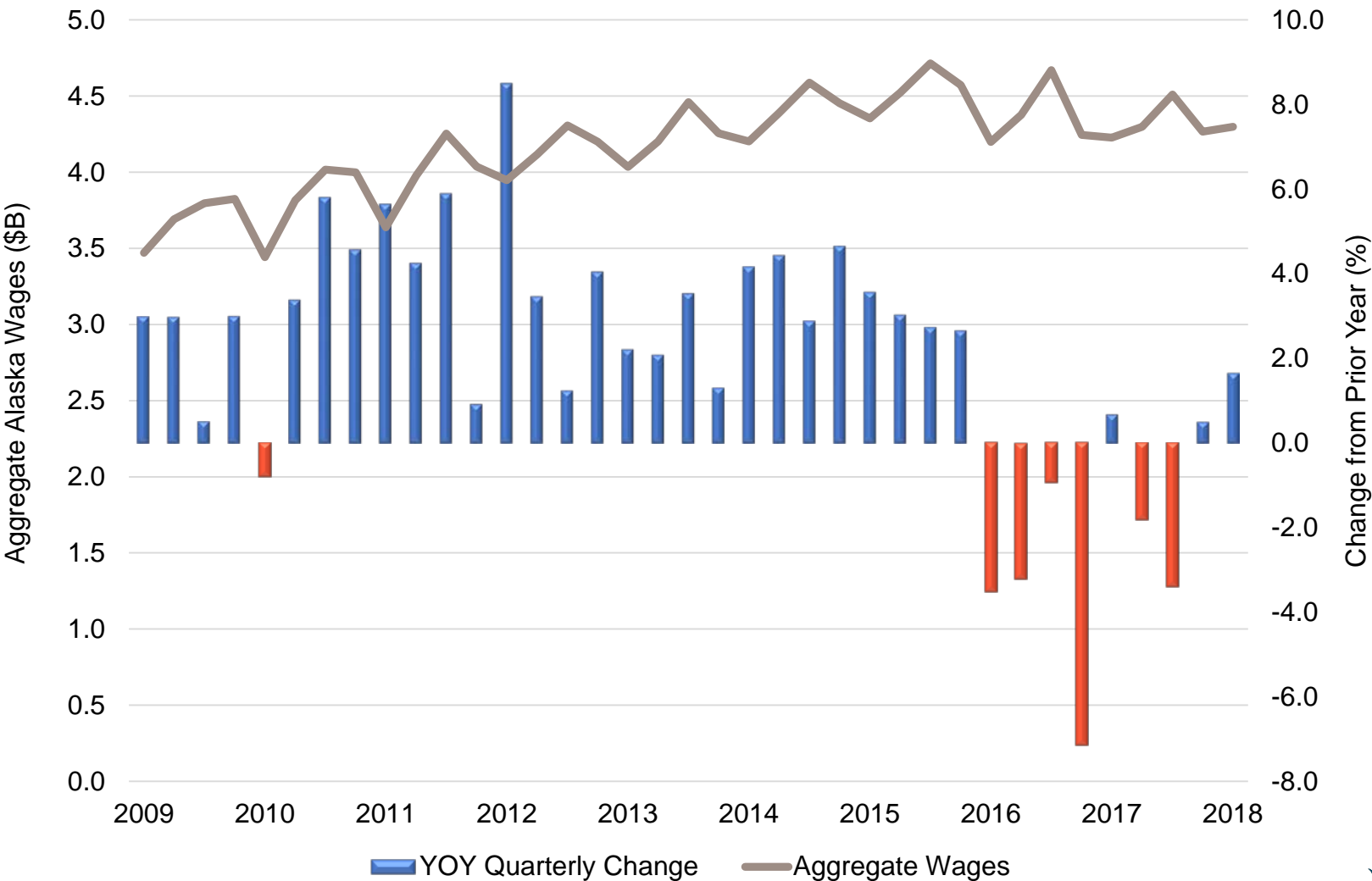
Alaska Average Weekly Wages



Aggregate Alaska Wages



Aggregate Alaska Wages



What to Watch 2019

The New Administration

“Enhanced PFD”

Additional cuts

Crime

National Policy Effects

Tariffs

National economy

2019 Expectations

Looks a lot like 2018, but with increased political risk.

Oil up or oil down?

Ask Me Anything!



Where do You think Alaska's
Economy is Headed?

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