

Making Sense of Economic and Demographic Trends in the US

Dr. Don Bruce, Director
October 2024



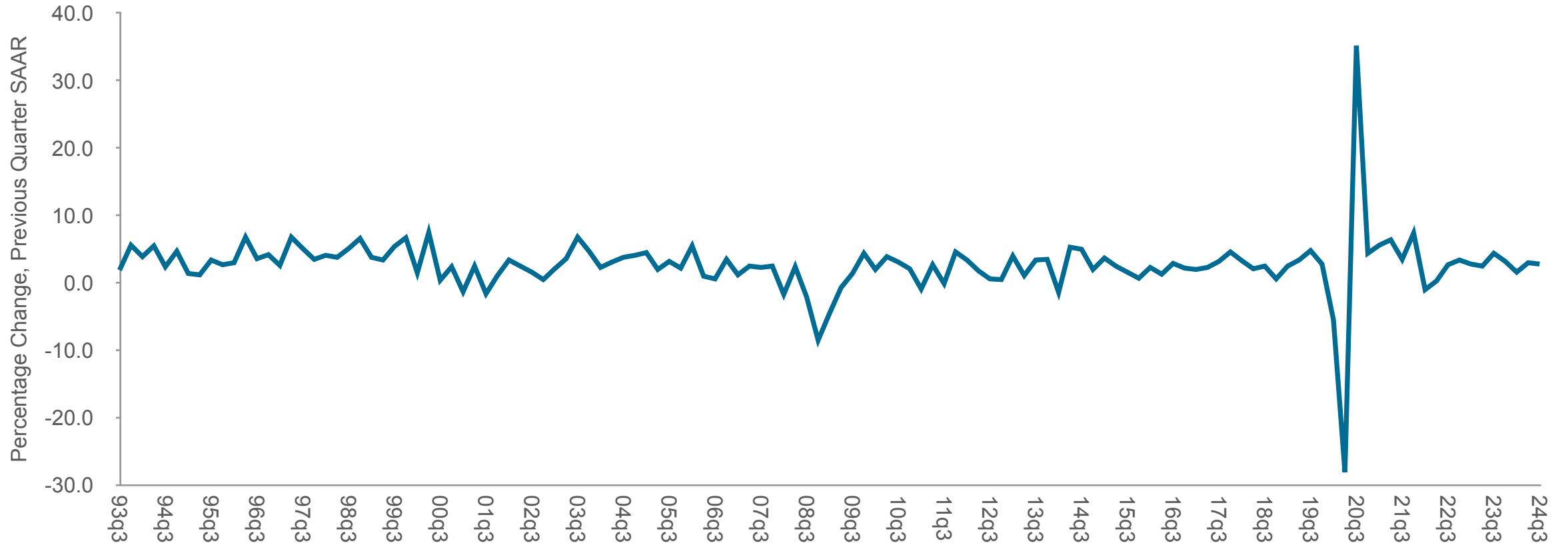
THE UNIVERSITY OF
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The National Economy Remains Strong

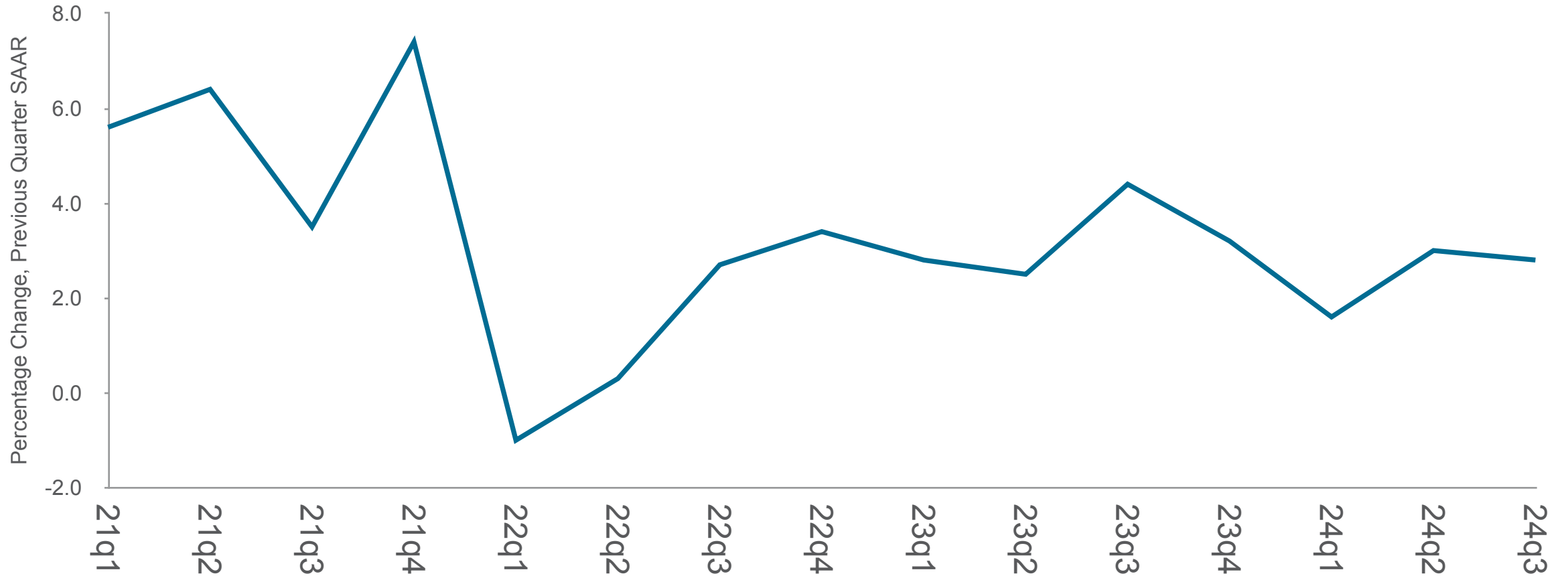
Real GDP Growth Rates Remain Positive



Source: BEA

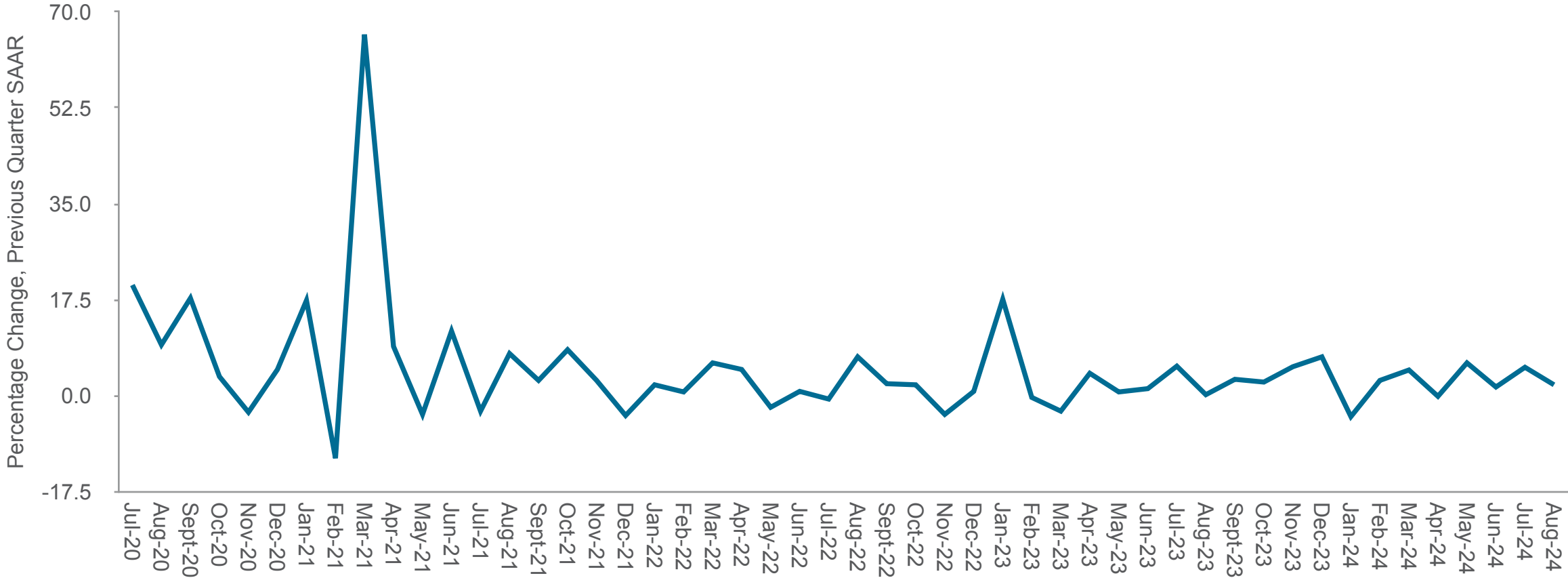
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Real GDP Growth Rates Remain Positive



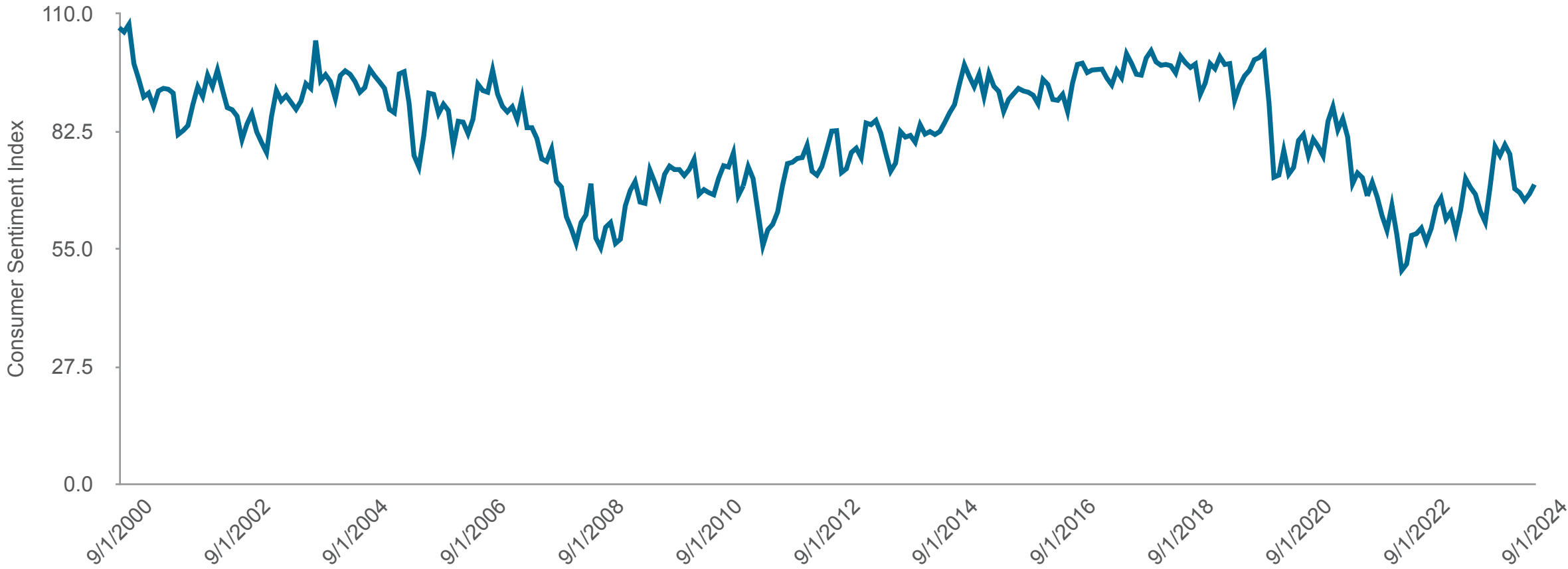
Source: BEA

Real Personal Consumption Expenditures



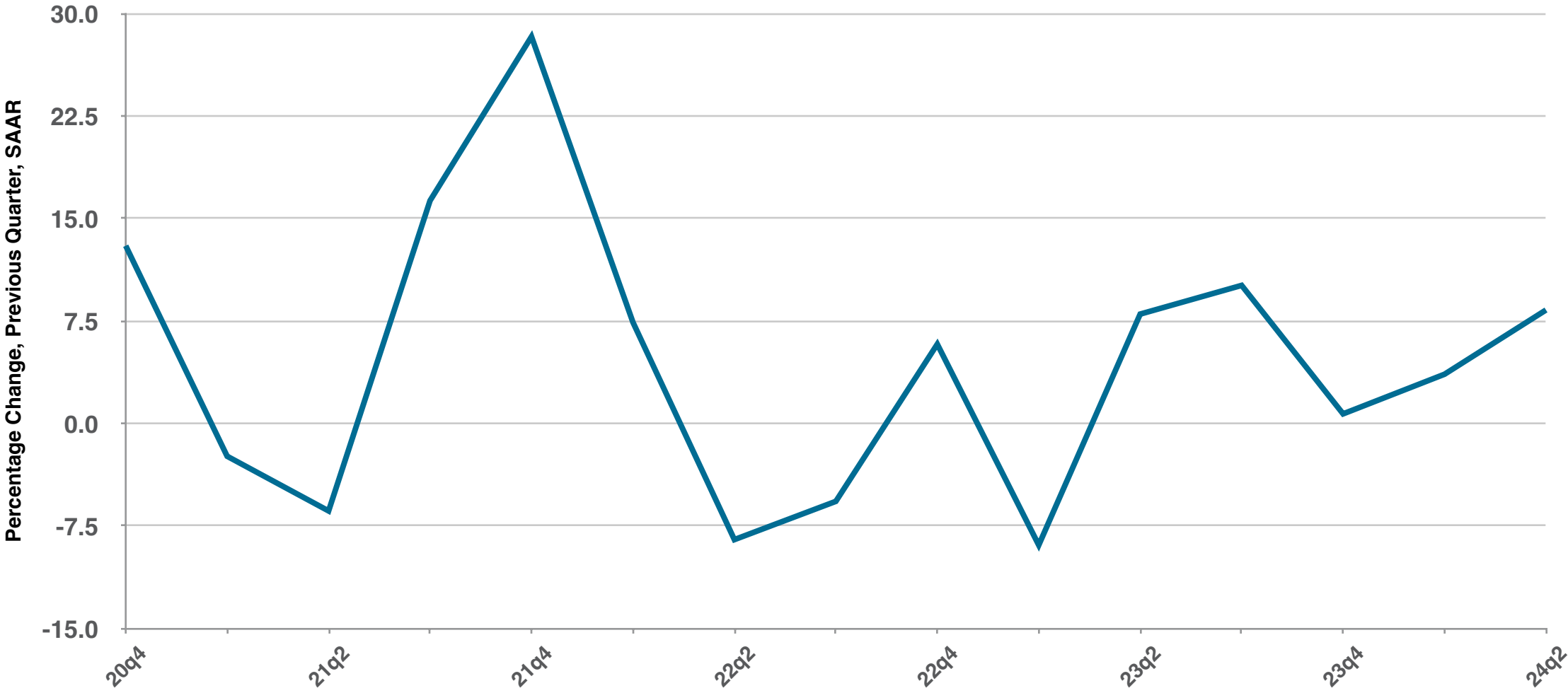
Source: BEA

Consumer Sentiment Remains Low, But Rising



Source: University of Michigan

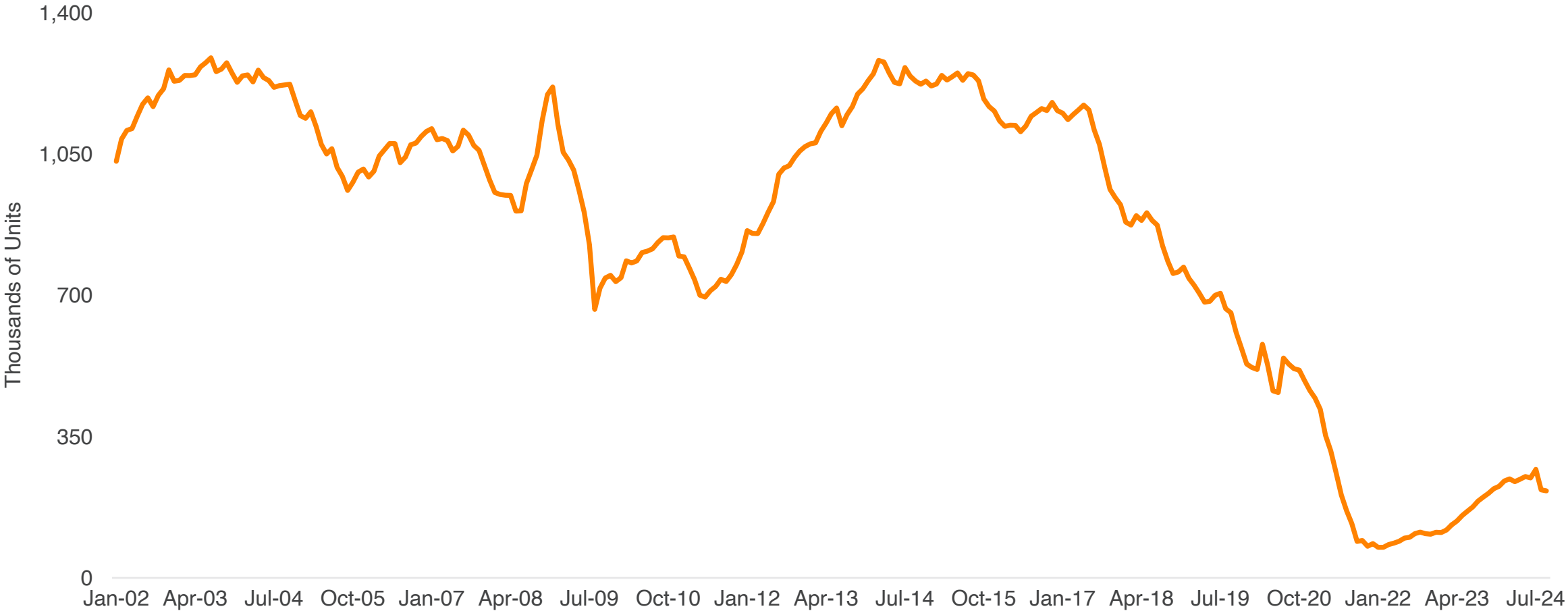
Real Gross Private Domestic Investment



Source: BEA

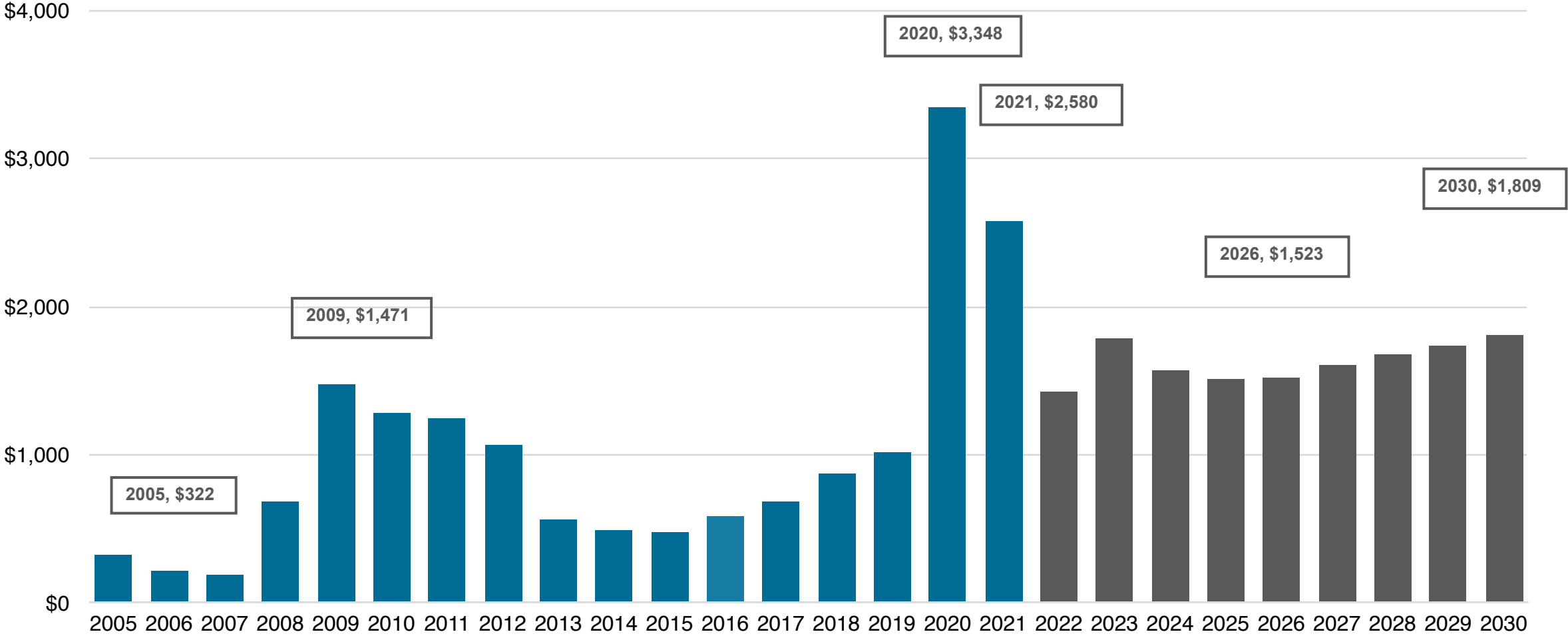
Source: BEA

Domestic Auto Inventories



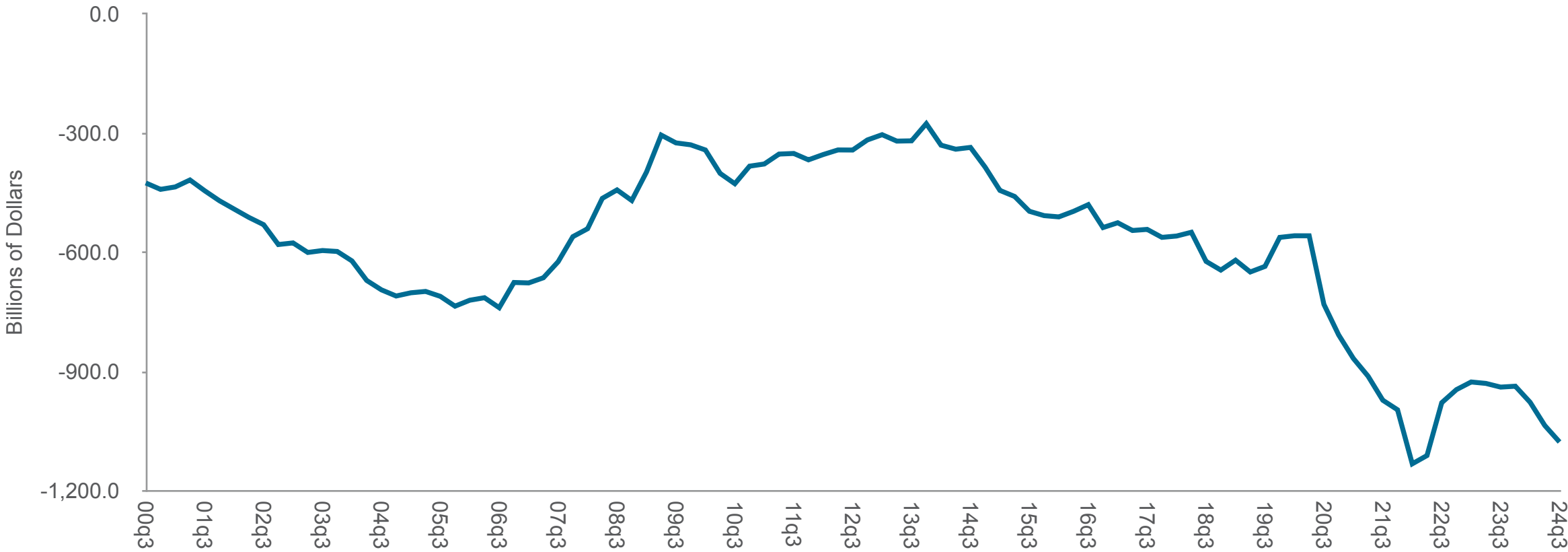
Source: BEA

Deficits Are at Historic Levels and will Remain High



Source: IHS

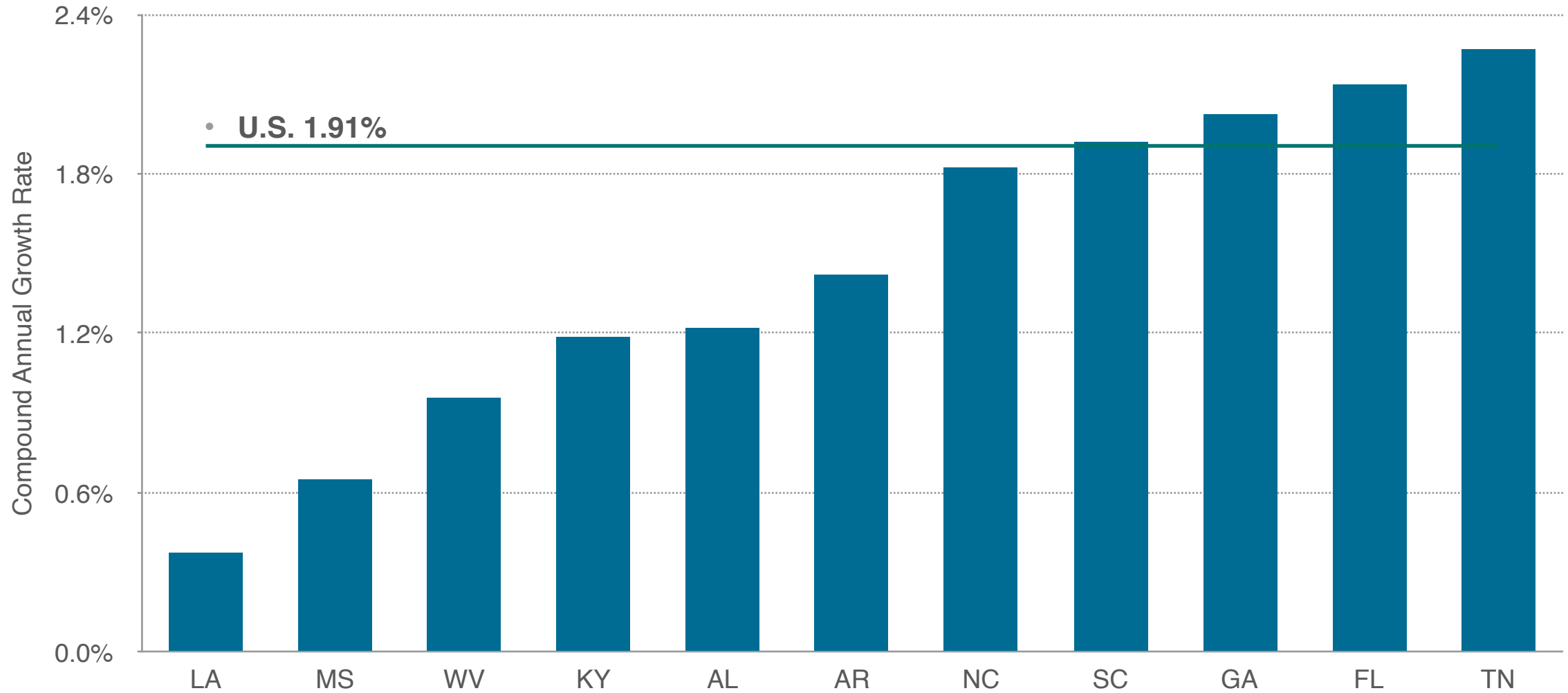
Real Net Exports of Goods and Services



Source: BEA

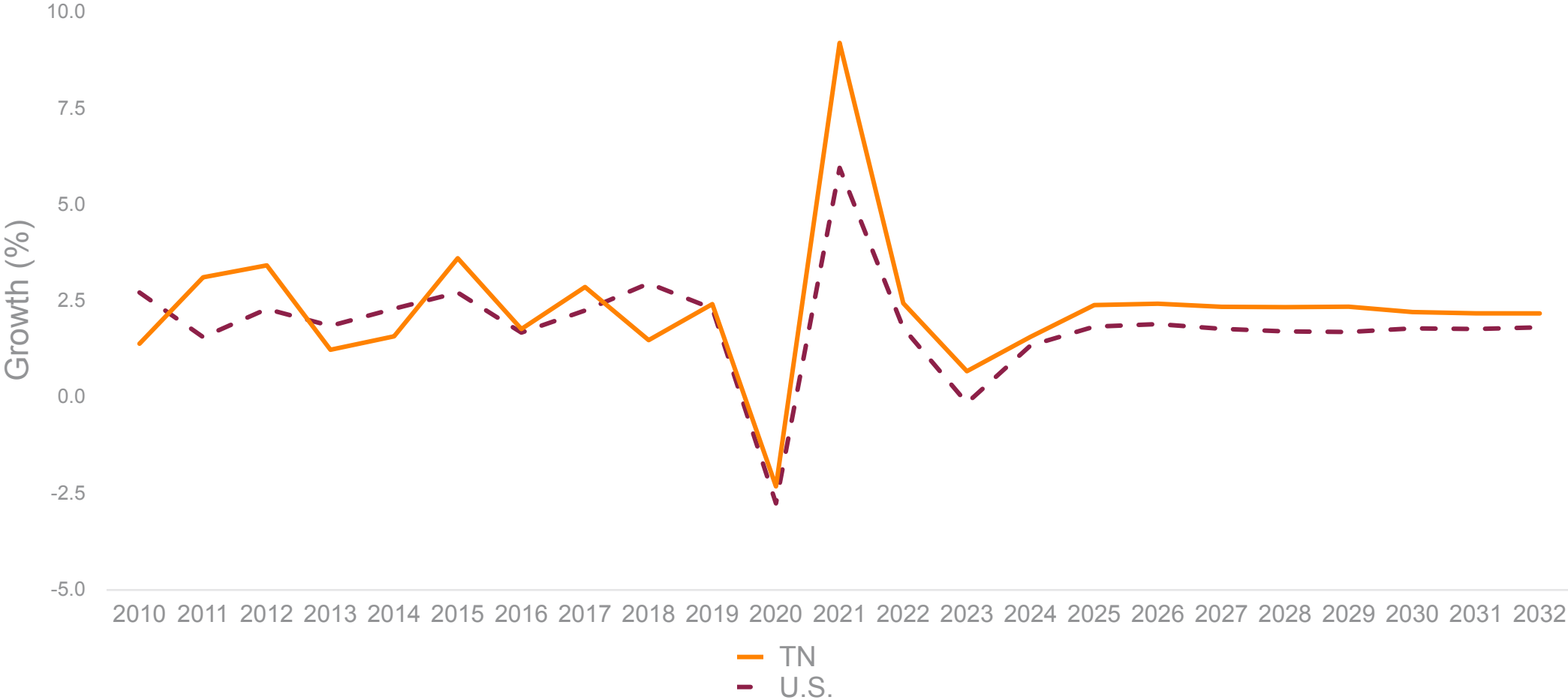
Tennessee Is Helping to Lead the Nation

State GDP Growth Rates, 2007 to 2023



Source: BEA

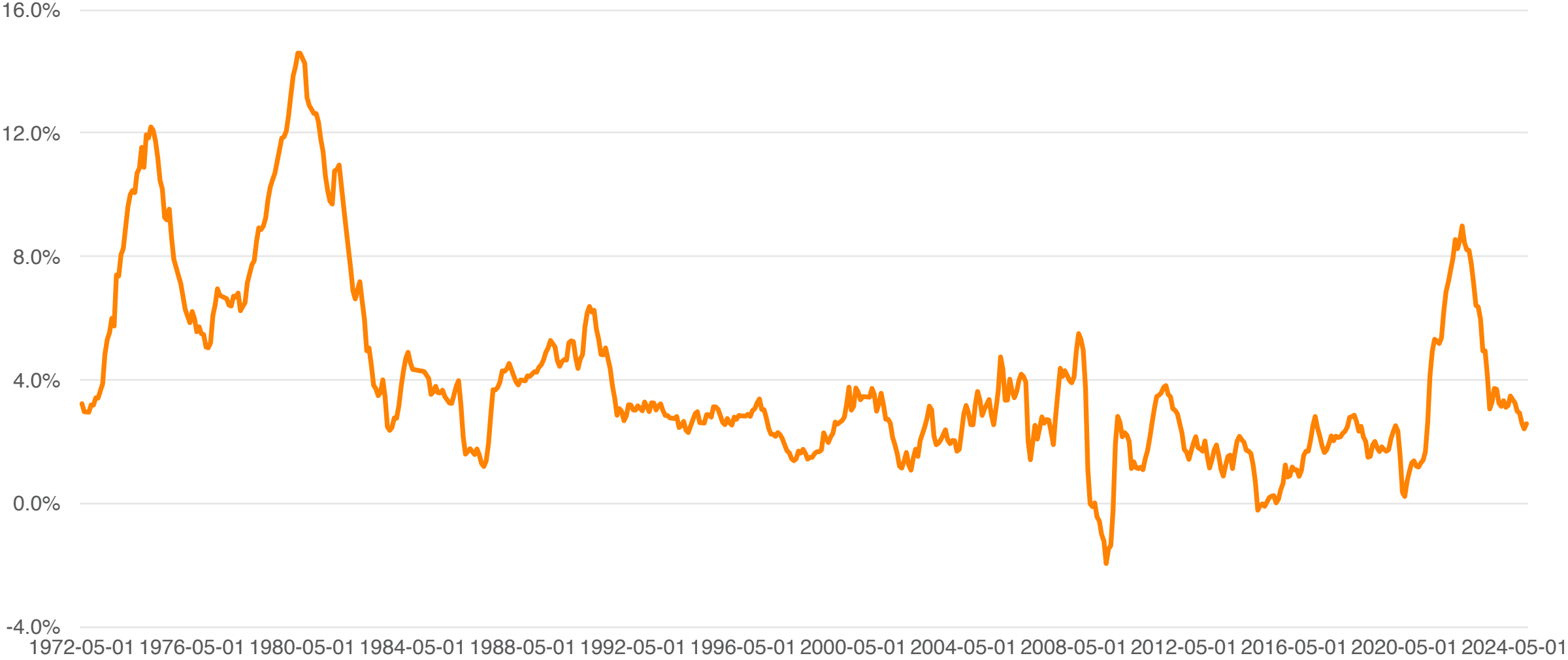
Boyd Center Forecast: More of the Same



Source: BEA & ERG

The Gorilla in the Room: Inflation

U.S. Consumer Price Index Growth Rate



Source: BLS

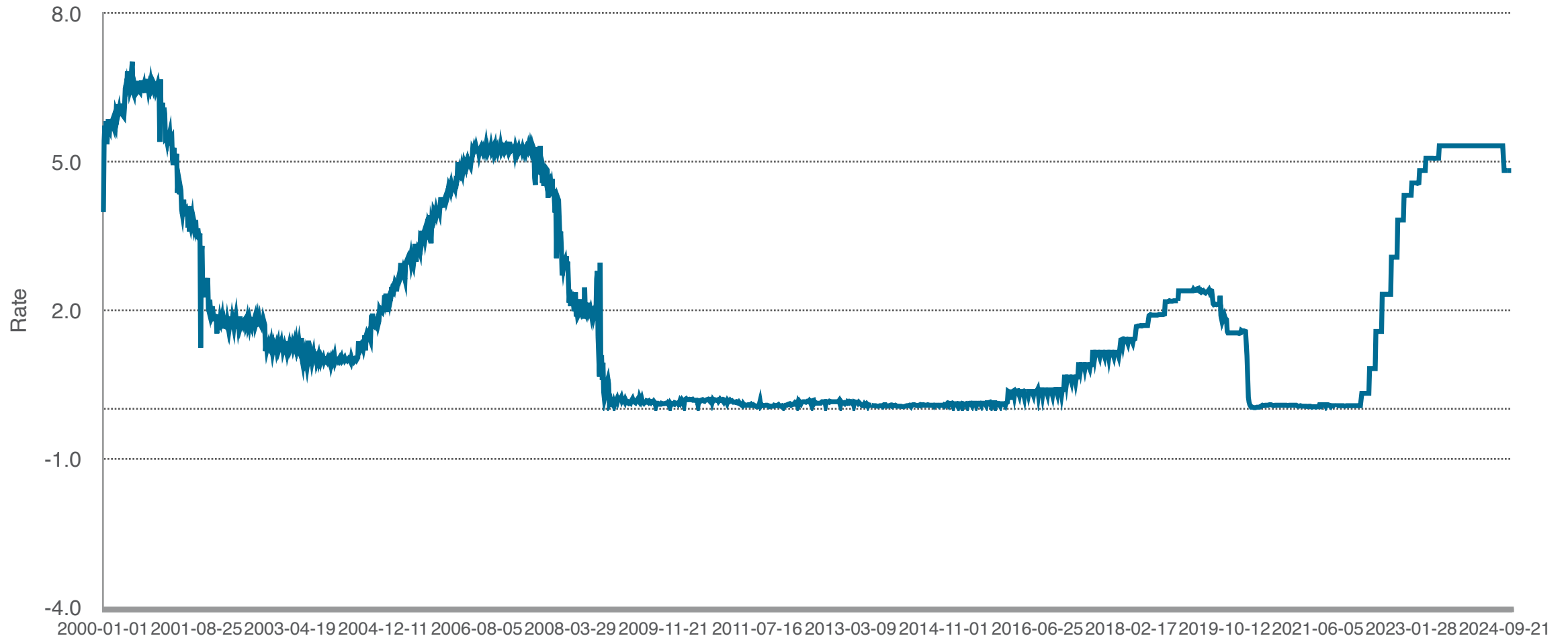
Still Watching Oil Prices:

WTI Spot Price in U.S. Dollars (Per Barrel)



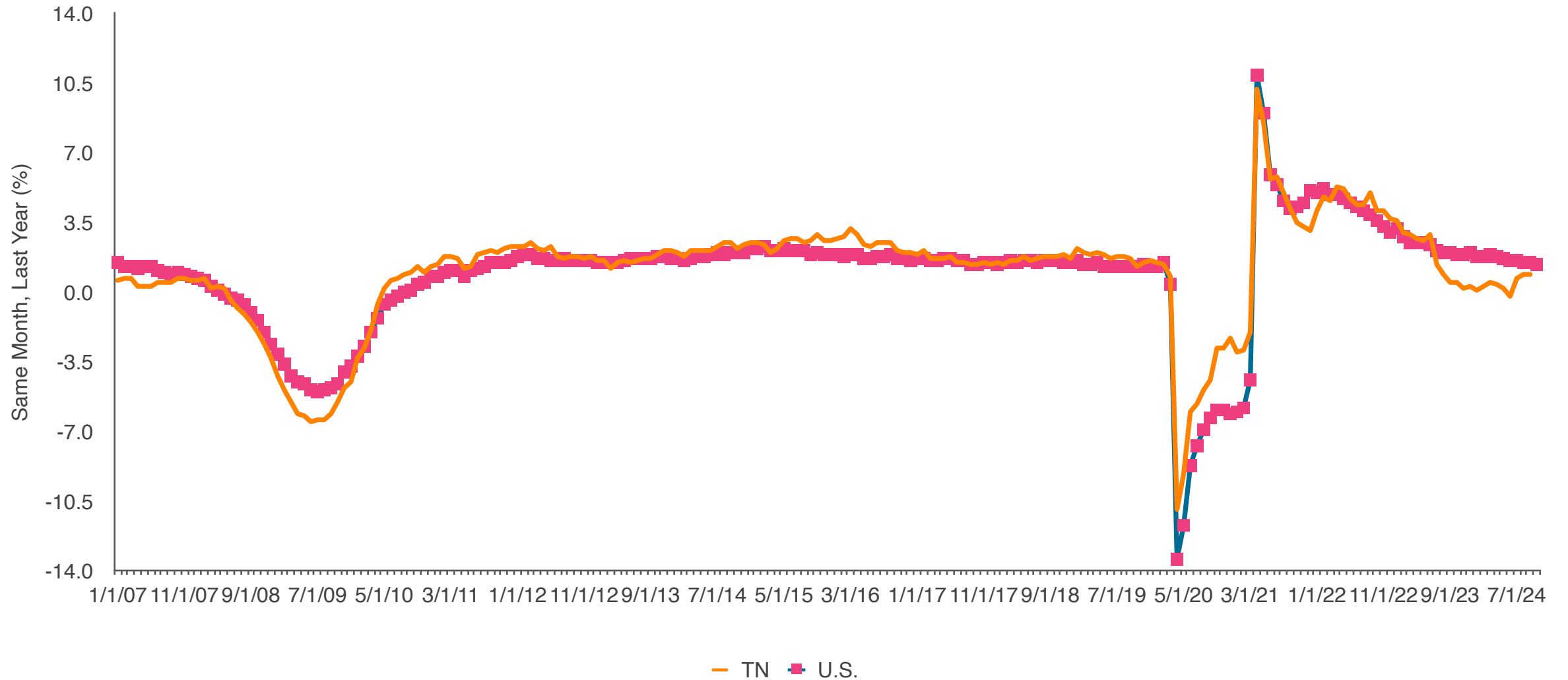
Source: EIA

The Fed has Begun Lowering Interest Rates



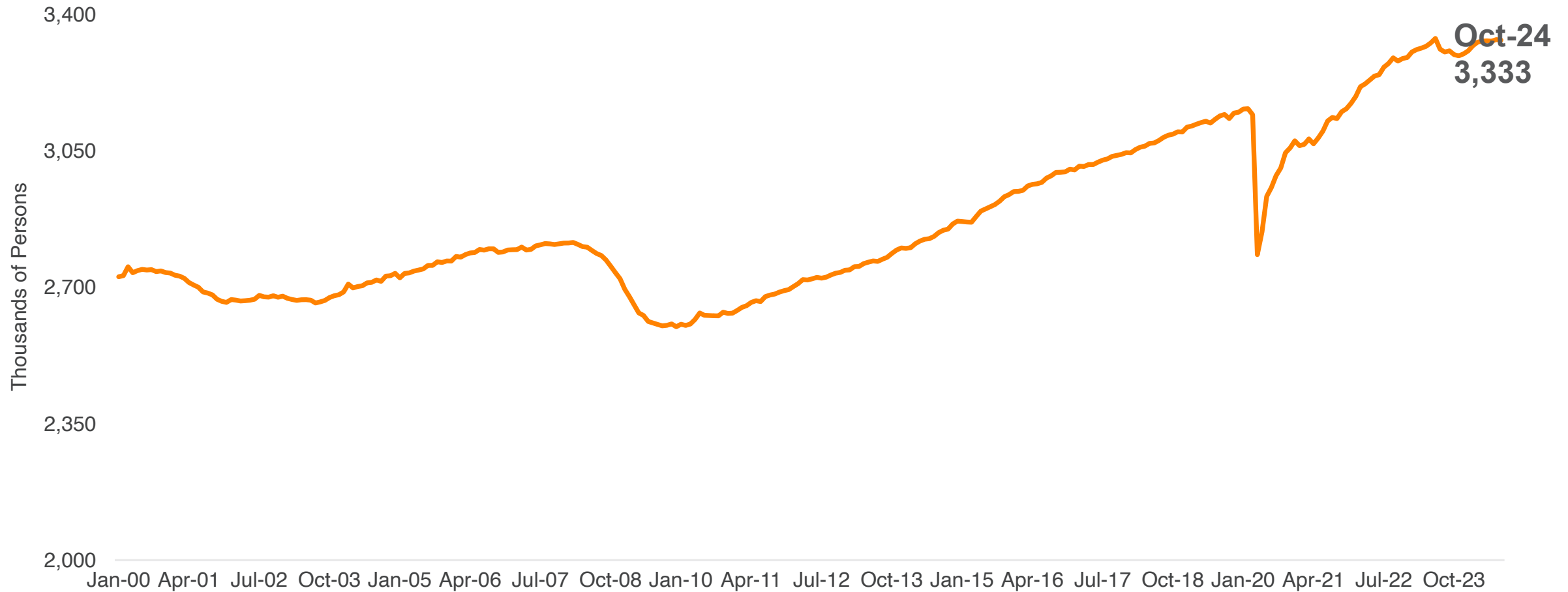
Source: Board of Governors of the Federal Reserve System (US)

TN and the U.S. Continue to See Strong Job Growth



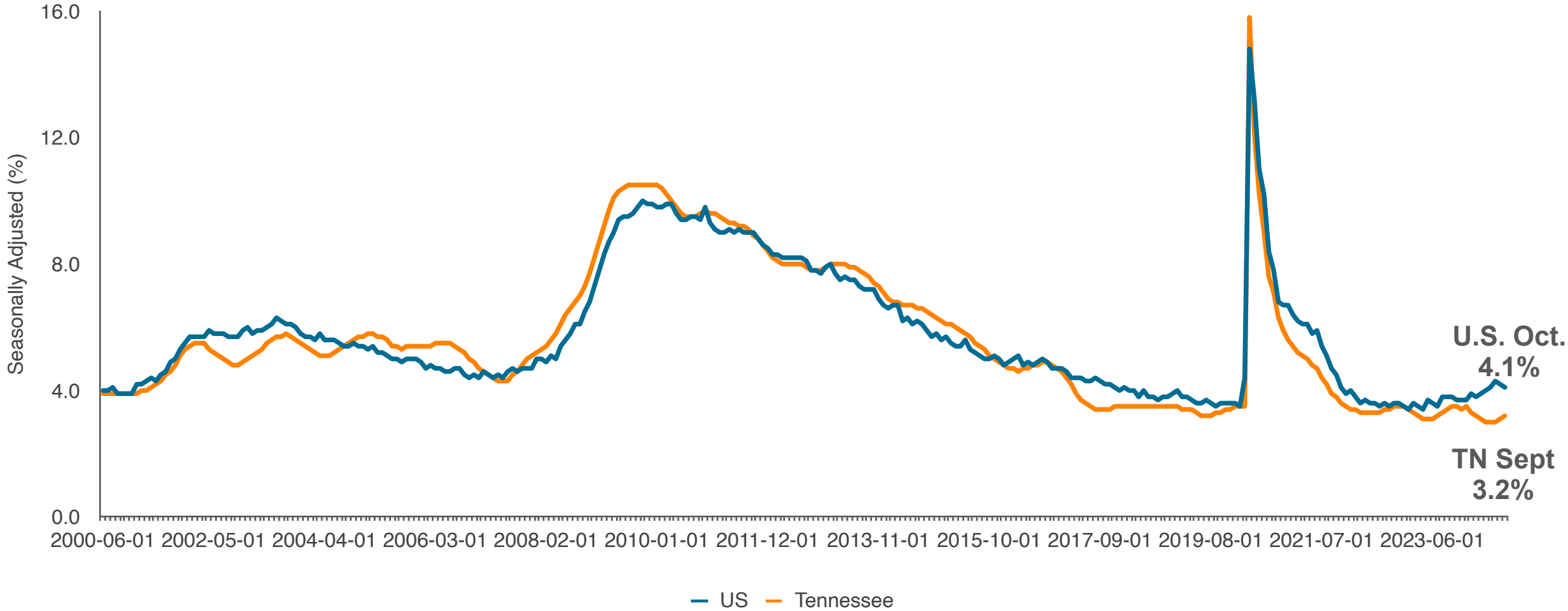
Source: Bureau of Labor Statistics

Tennessee Employment Up 190,000 Since March 2020



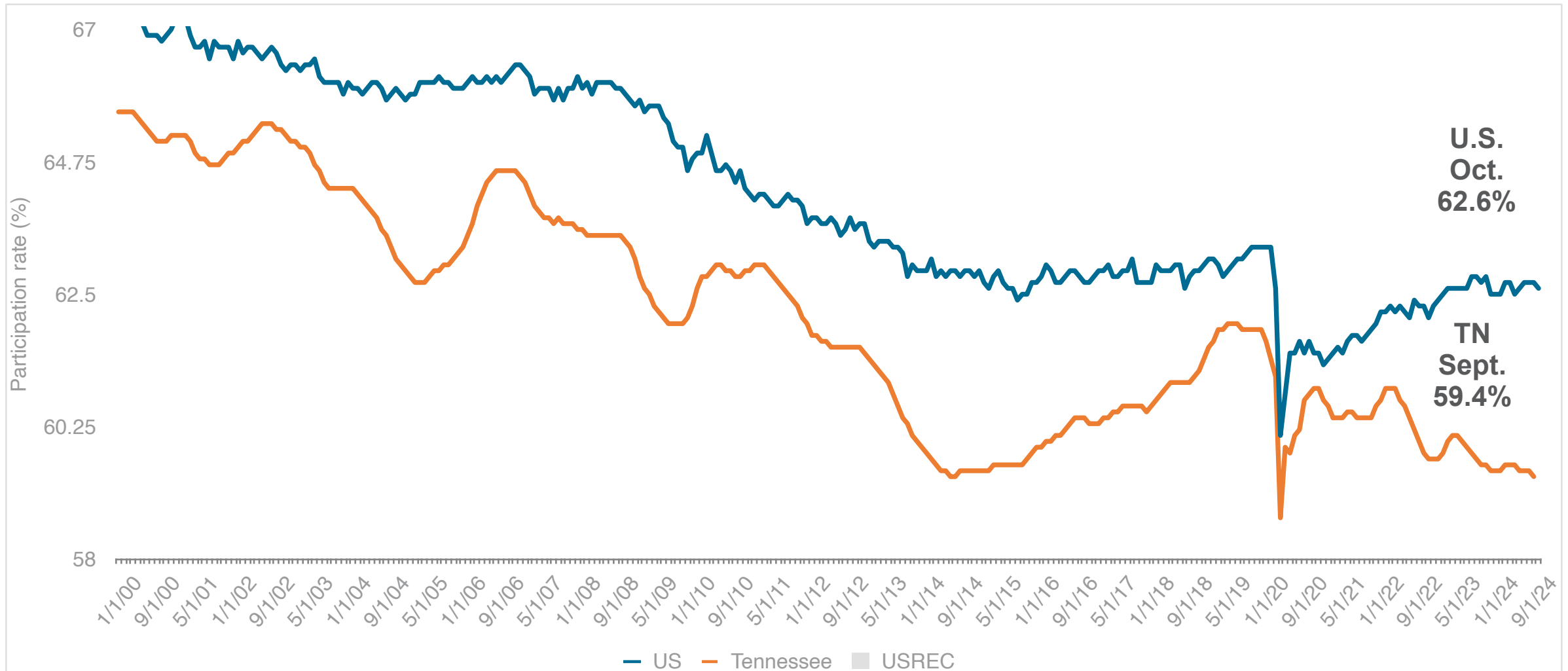
Source: Bureau of Labor Statistics

Unemployment Rates Remain Very Low



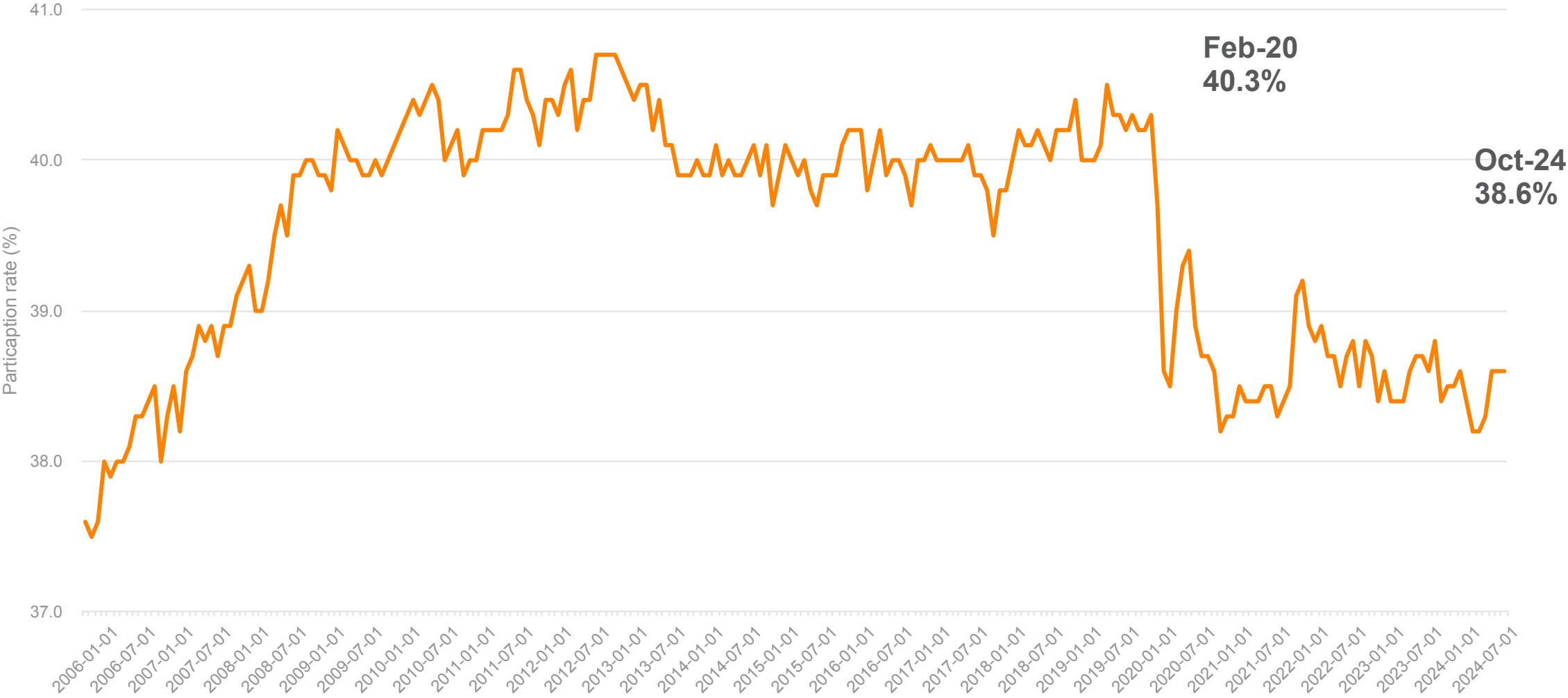
Source: Bureau of Labor Statistics

Labor Force Participation is Still Depressed



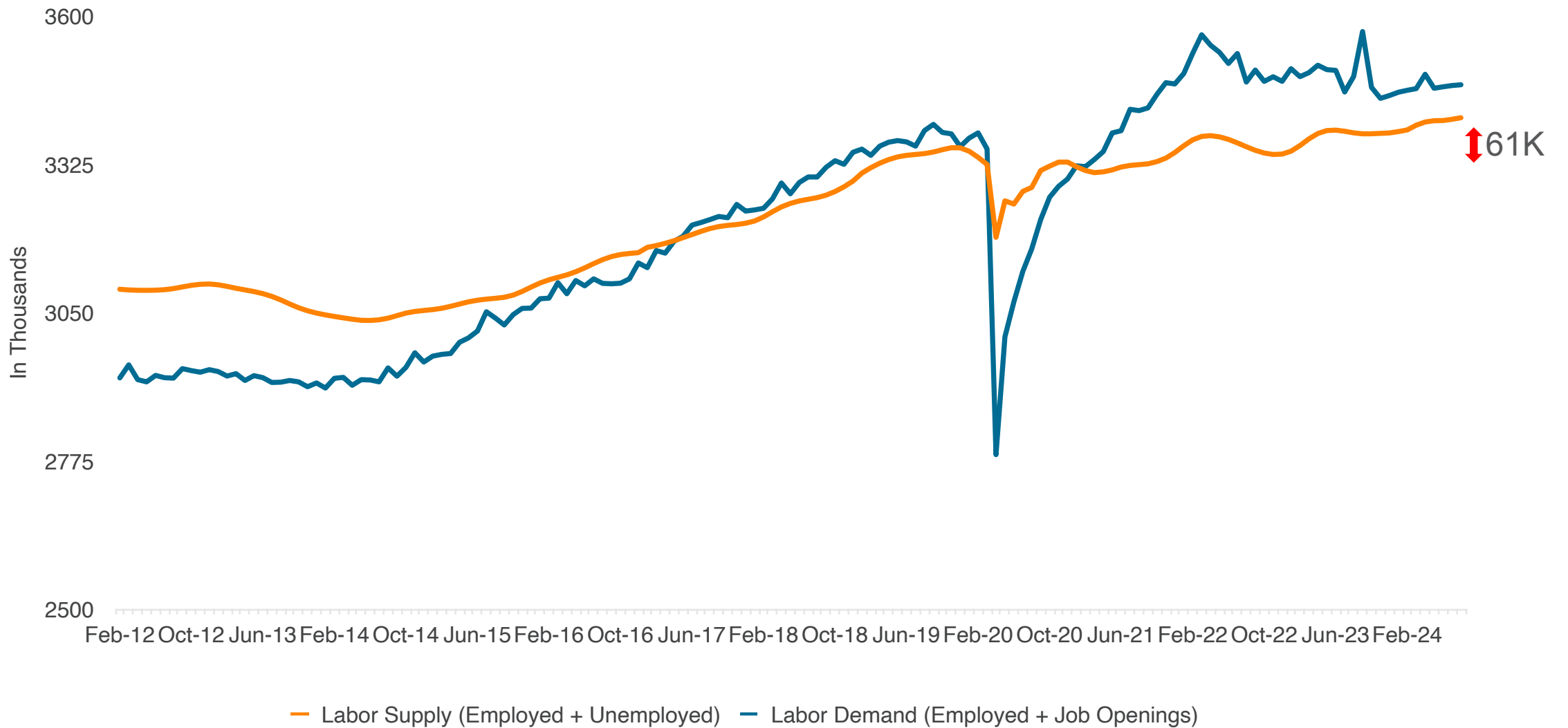
Source: Bureau of Labor Statistics

U.S. Labor Force Participation Aged 55+



Source: Bureau of Labor Statistics

Worker Shortage in Tennessee

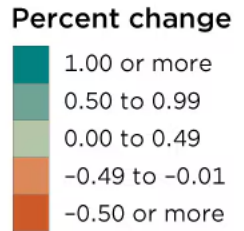
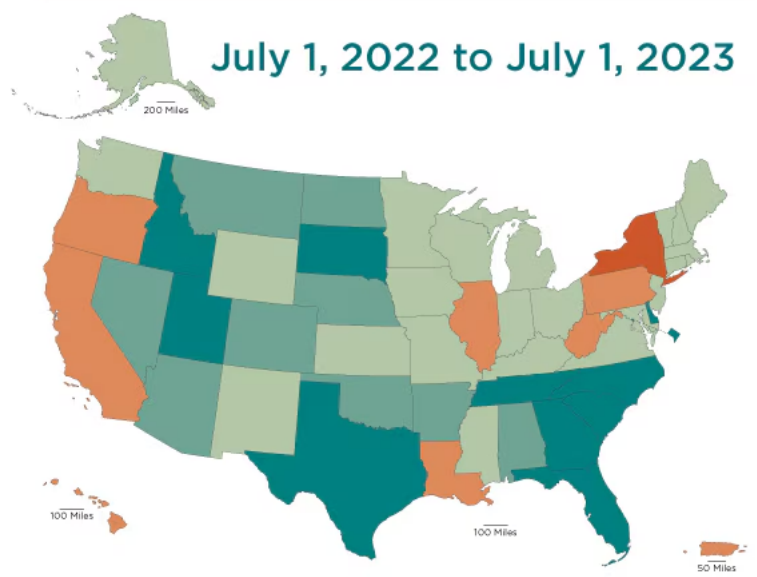
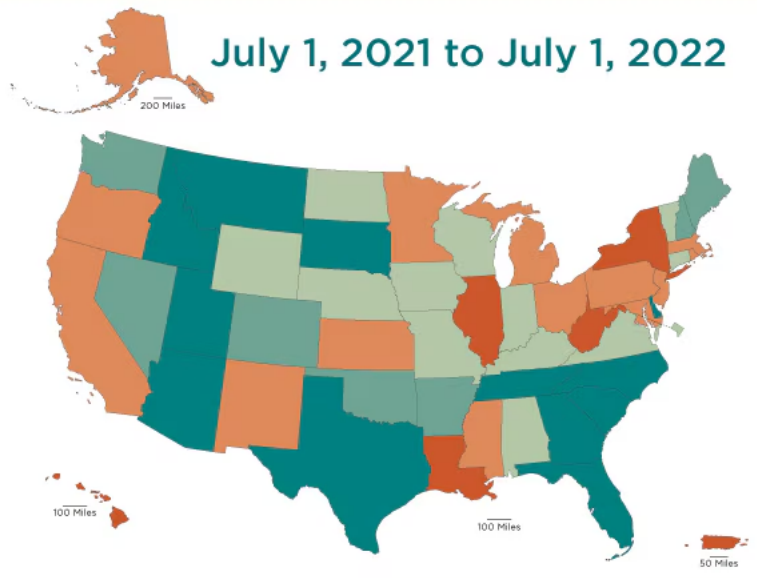


Source: Bureau of Labor Statistics

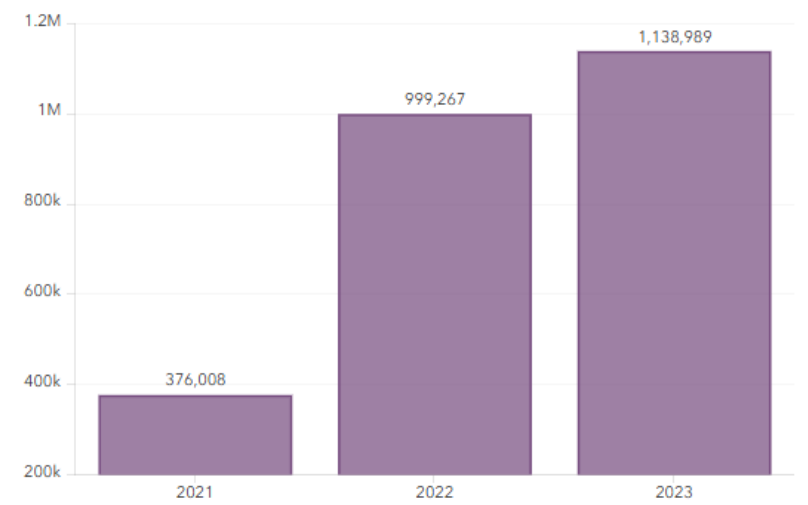
Long-Run Employment Forecast, TN and the U.S.

Sources: Bureau of Labor Statistics, IHS Markit, and Boyd CBER UT

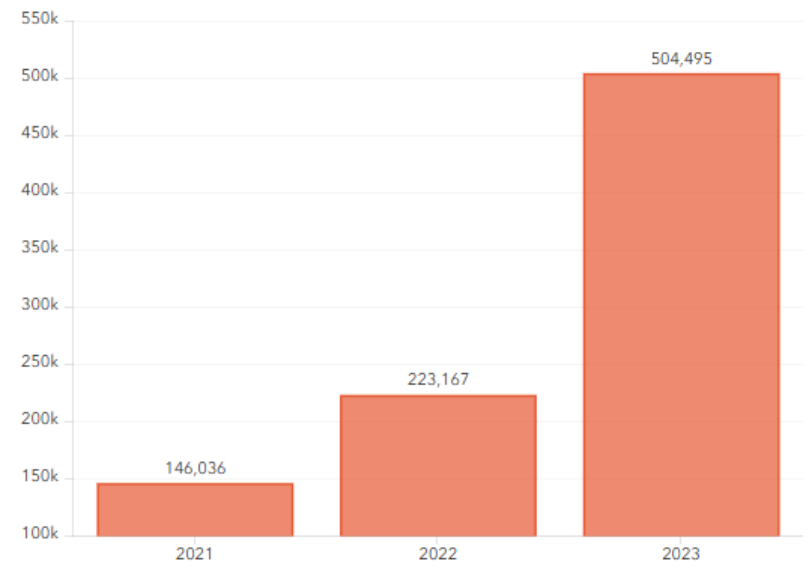
Percent Change in State Population



Net Migration by Year



Natural Population Change by Year



**2022: 1.2% one-year increase was the largest since 2007,
and eighth-largest in state history**

Natural Pop. Growth (Births - Deaths) Turned Negative in '21

Where Are They Coming From?

- State-to-state movers
 - Bordering states
 - Big states
 - Other states in region
 - Other states

State	Region	2022
Florida	South	25,318
California	West	22,565
Georgia	South	14,770
Texas	South	12,862
Illinois	Midwest	12,602
Mississippi	South	9,491
Virginia	South	9,450
Alabama	South	9,375
Kentucky	South	8,227

Source: U.S. Census Bureau

Source: American Community Survey, State-to-State Migration Flows

How Old Are They?

Source: U.S. Census Bureau

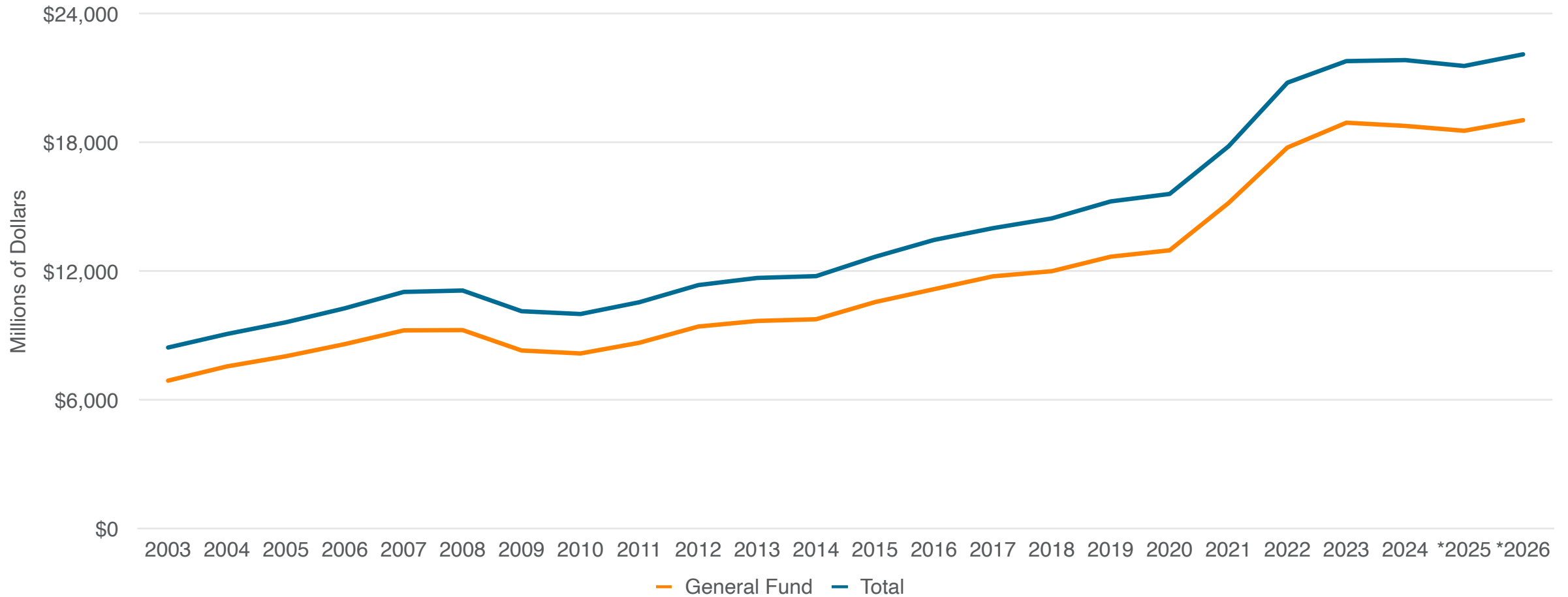
Total Tax Revenue Growth Will Slow Due to Policy Changes



Source: TN Department of Revenue
* 2025 & 2026 are Boyd Center Estimates

Collections Remain Above Pre-COVID Trend

Nominal General Fund and Total Revenues



Source: TN Department of Revenue
* 2025 & 2026 are Boyd Center Estimates

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