

40^{th Anniversary}
GEORGIA
ECONOMIC
OUTLOOK

13 OF TERRY'S UNDERGRADUATE AND MASTER'S PROGRAMS ARE RANKED AMONG THE NATION'S BEST



ACCOUNTING

BACHELOR OF BUSINESS ADMINISTRATION

MANAGEMENT INFORMATION SYSTEMS

REAL ESTATE

RISK MANAGEMENT

EXECUTIVE MBA

FULL-TIME MBA

PROFESSIONAL MBA

MASTER OF BUSINESS AND TECHNOLOGY

MANAGEMENT

FINANCE

MARKETING

MASTER OF BUSINESS ANALYTICS

98%

**EMPLOYMENT RATE WITHIN 3
MONTHS OF GRADUATION**



**NEARLY 2,500 STUDENTS
GRADUATED FROM OUR
UNDERGRADUATE AND GRADUATE
PROGRAMS THIS YEAR**





ONLINE
MBA@UGA



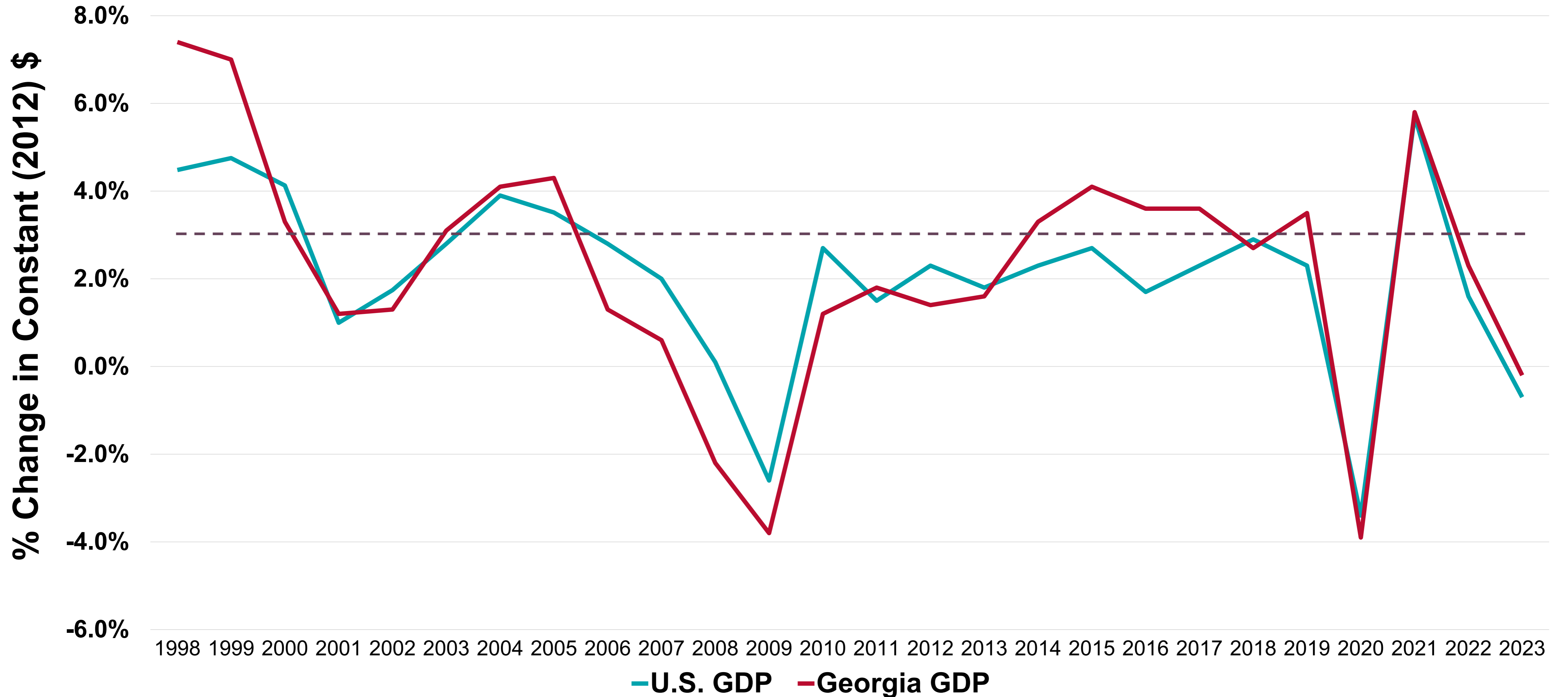
ENROLLING NOW FOR
FALL 2023

40^{th Anniversary}
GEORGIA
ECONOMIC
OUTLOOK

MAIN PREDICTIONS

- Post-Pandemic Expansion Ends
- Short, Mild Recession Begins
- 75% Probability of Recession
- Georgia Fares Better Than U.S.

GROSS DOMESTIC PRODUCT GROWTH



NEGATIVE AND POSITIVE CONTRIBUTORS TO GDP GROWTH

SUBTRACTIONS FROM GDP GROWTH

- ✓ Less Spending on Structures
- ✓ Less Spending for Equipment
- ✓ Inventory Changes

NEUTRAL

- ✓ Spending by Customers

ADDITIONS TO GDP GROWTH

- ✓ Government
- ✓ More Spending on Intellectual Property

JOB GROWTH BY INDUSTRY

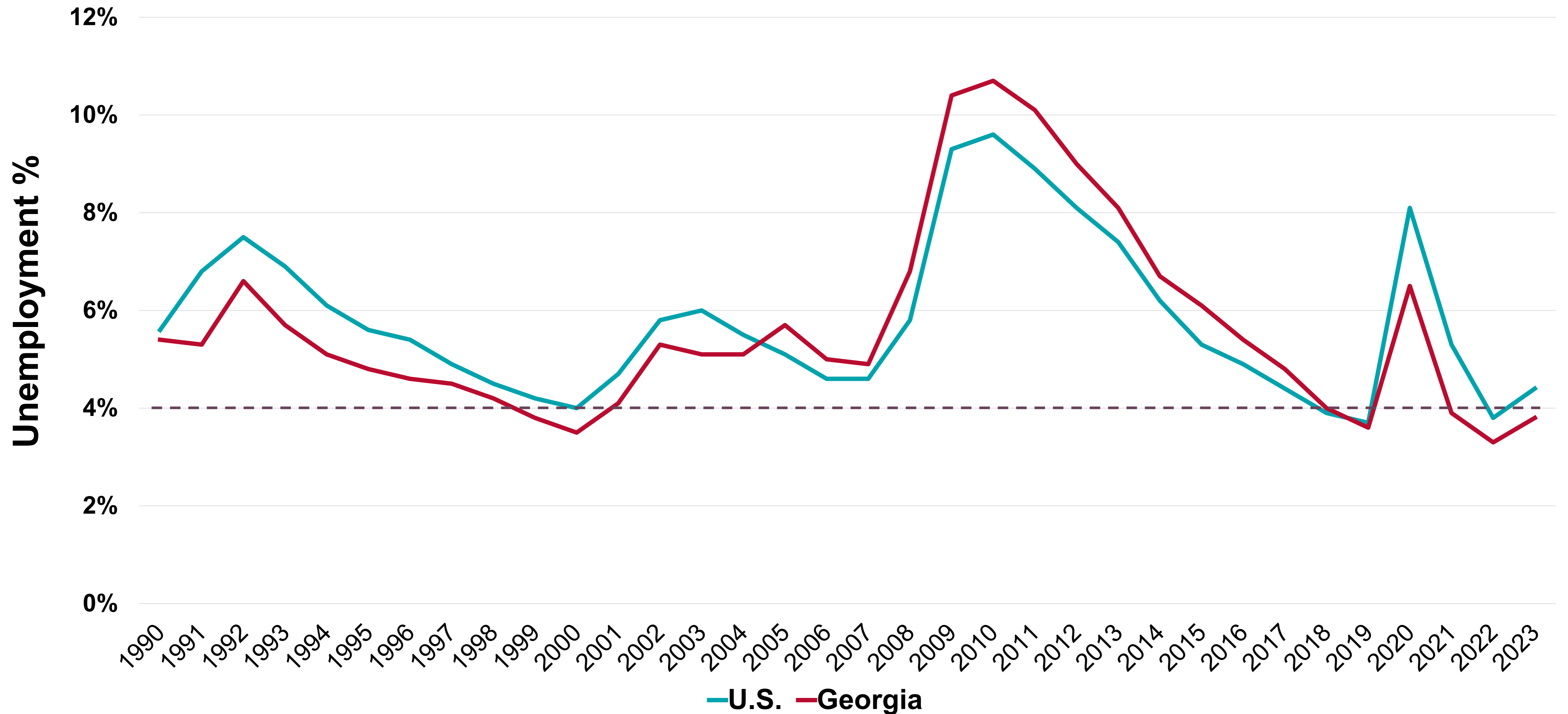
JOB LOSSES EXPECTED

- Construction
- Financial Activities
- Mining and Logging
- Some Manufacturing Industries

JOB GAINS EXPECTED

- Health Care & Education
- Tourism
- Transportation
- Most Manufacturing Industries
- Government

UNEMPLOYMENT RATE



THREE MAIN REASONS FOR RECESSION

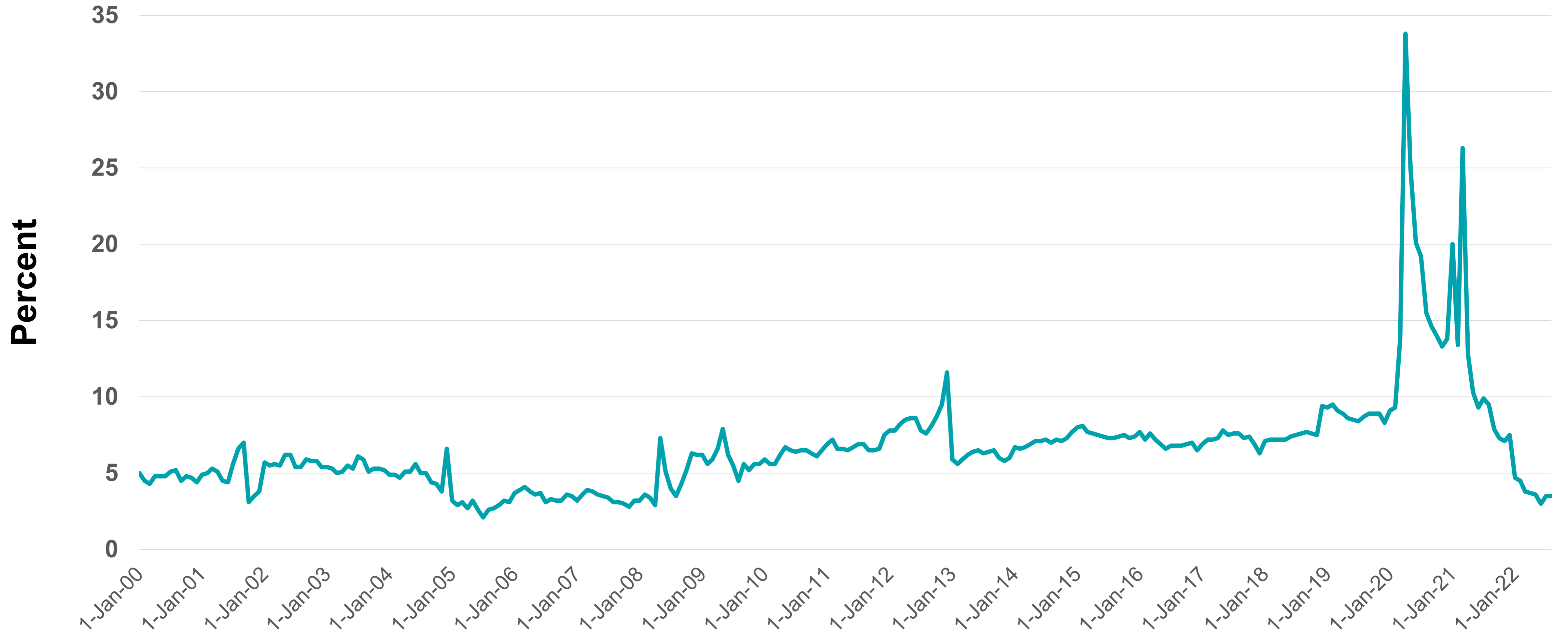
Federal Reserve Actions

Energy Price Shocks

Negative Wealth Effects

PERSONAL SAVINGS RATE

(FREQUENCY - MONTHLY)



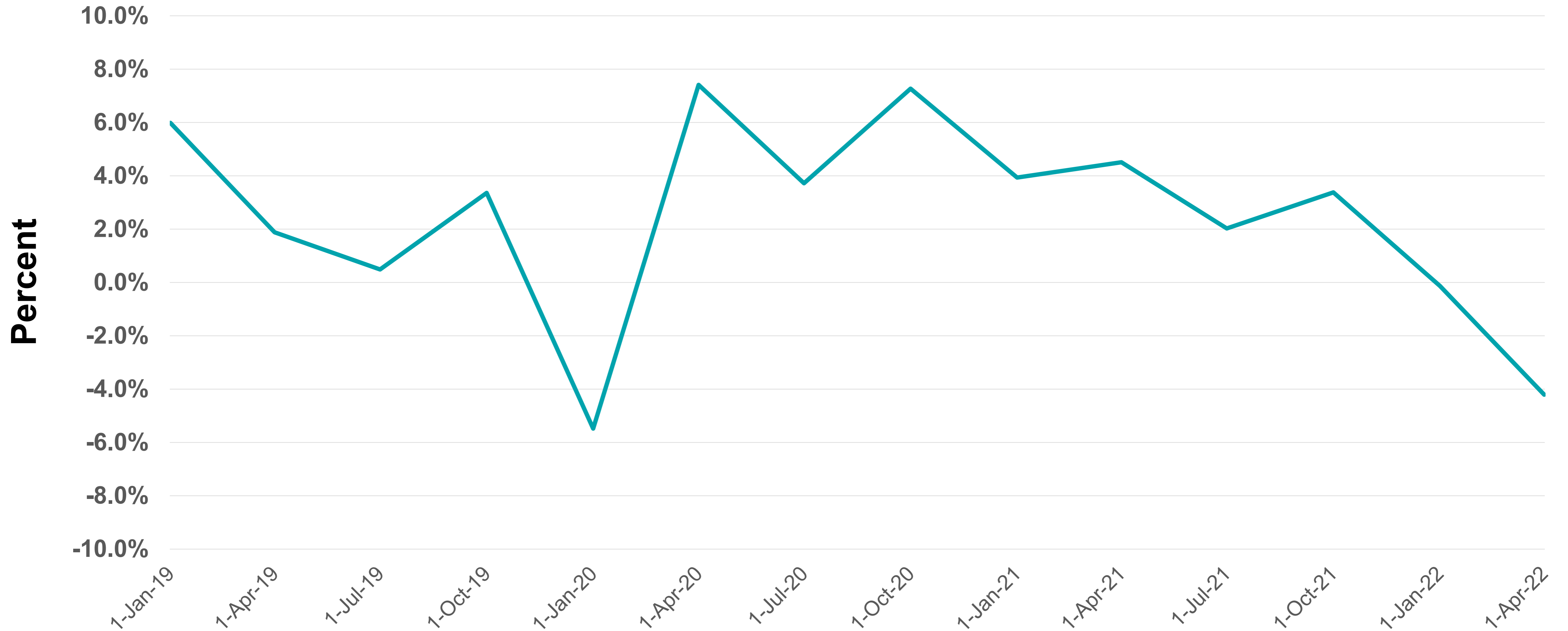
ENERGY PRICE SHOCKS

US GAS PRICES, REGULAR GRADE, IN DOLLARS PER GALLON (FREQUENCY - WEEKLY)



HOUSEHOLD WEALTH

(PERCENT CHANGE FROM PREVIOUS QUARTER)



WHY RECESSION WILL BE MILD & SHORT

- Labor Market is Strong
- Households' Balance Sheets in Decent Shape
- Some Sectors Rebounding from Pandemic
- Federal Reserve's Dual Mandate

TOP 2022 ECONOMIC DEVELOPMENT PROJECTS

HYUNDAI MOTOR GROUP

 **Bryan County**

 **8,100 Jobs**

JACK LINK'S

 **Perry**

 **800 Jobs**


ARCHER AVIATION

 **Covington**

 **1,000 Jobs**


FREYR BATTERY

 **Coweta County**

 **730 Jobs**


JOON GEORGIA

 **Statesboro**

 **630 Jobs**

HYUNDAI MOBIS

 **Bryan County**

 **1,500 Jobs**

US LIGHT VEHICLE SALES

(PERCENT CHANGE FROM PRIOR YEAR)



KEY VEHICLE MANUFACTURING PROJECTS


HYUNDAI MOTOR GROUP

 **Bryan County**

 **8,100 Jobs**

RIVIAN

 **Stanton Springs**

 **7,500 Jobs**


ASPEN AEROGELS

 **Statesboro**

 **250 Jobs**

DUCKYANG

 **Braselton**

 **285 Jobs**

KB AUTOSYS

 **Lone Oak**

 **180 Jobs**

HYUNDAI TRANSYS


 **West Point**

 **150 Jobs**

KEY TRANSPORTATION/DISTRIBUTION PROJECTS

PROCTER & GAMBLE

 Jackson

 350 Jobs

DULUTH TRADING COMPANY

 Adairsville

 300 Jobs


RYDER SYSTEM

 Locust Grove

 250 Jobs

WEBSTaurantSTORE

 Ellabell

 213 Jobs

NEWCOLD

 McDonough

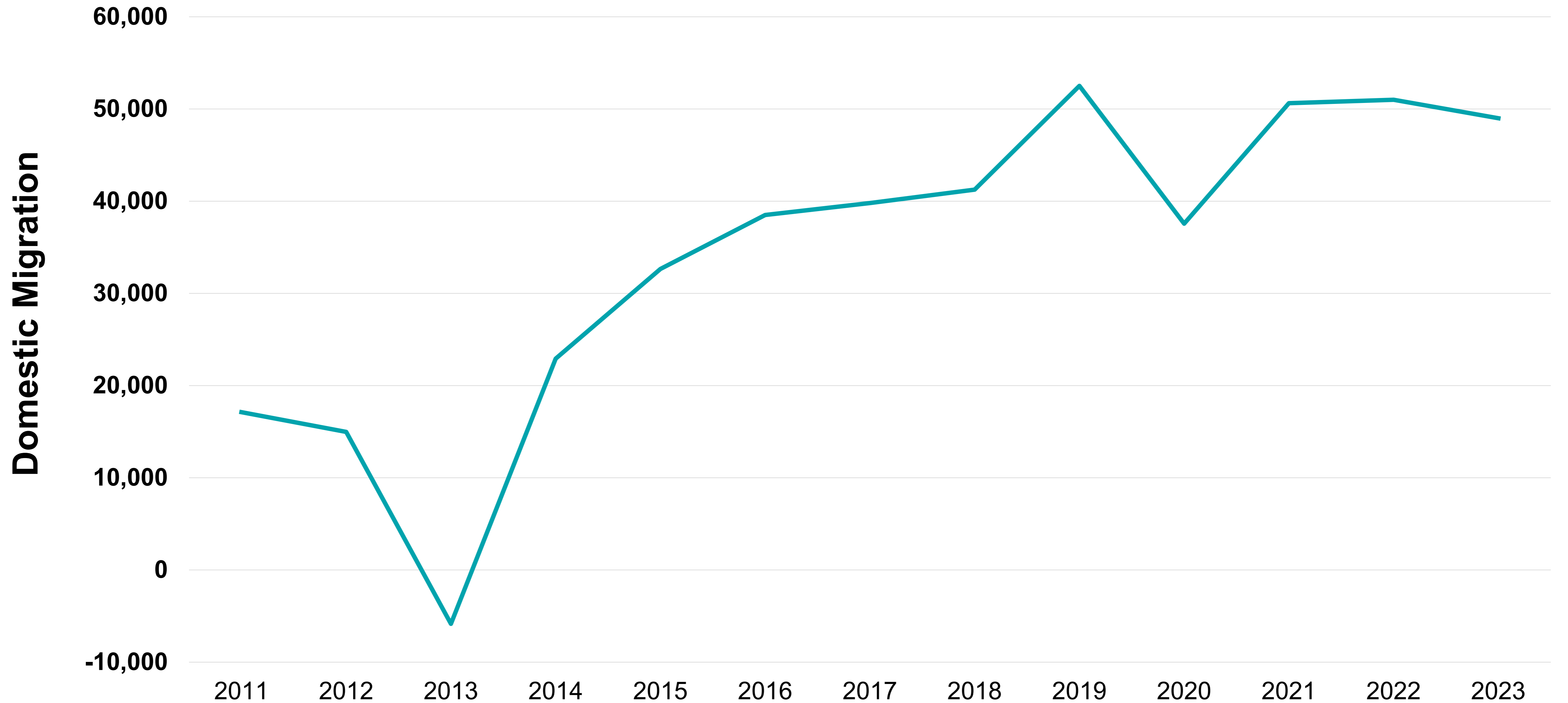
 170 Jobs

EAST JORDAN PLASTICS

 Lyons

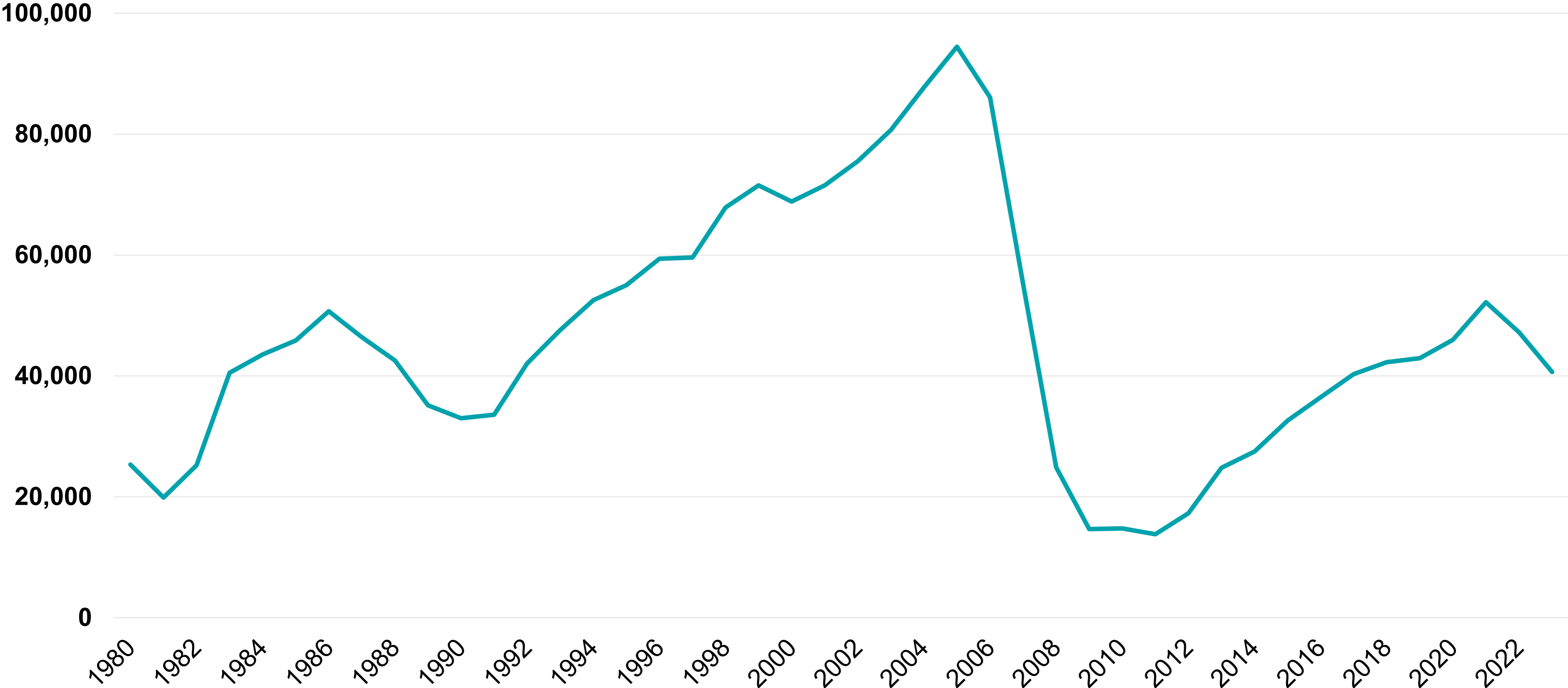
 80 Jobs

NET DOMESTIC MIGRATION TO GEORGIA



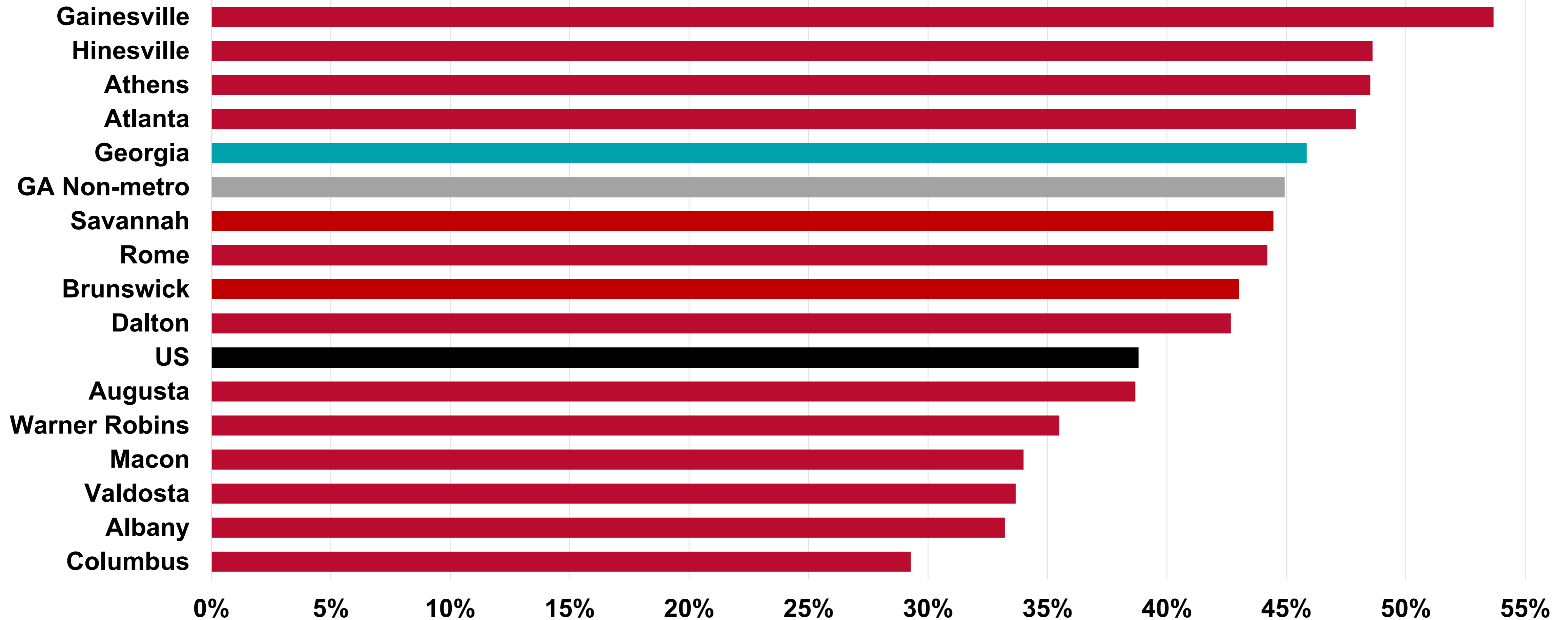
GEORGIA SINGLE-FAMILY HOME BUILDING PERMITS

Single Family Building Permits, Georgia



HOME PRICES COMPARED TO PRE-PANDEMIC LEVEL

% Change from Pre-Pandemic Levels (HPI)



Source: Federal Housing Finance Agency (FHFA)

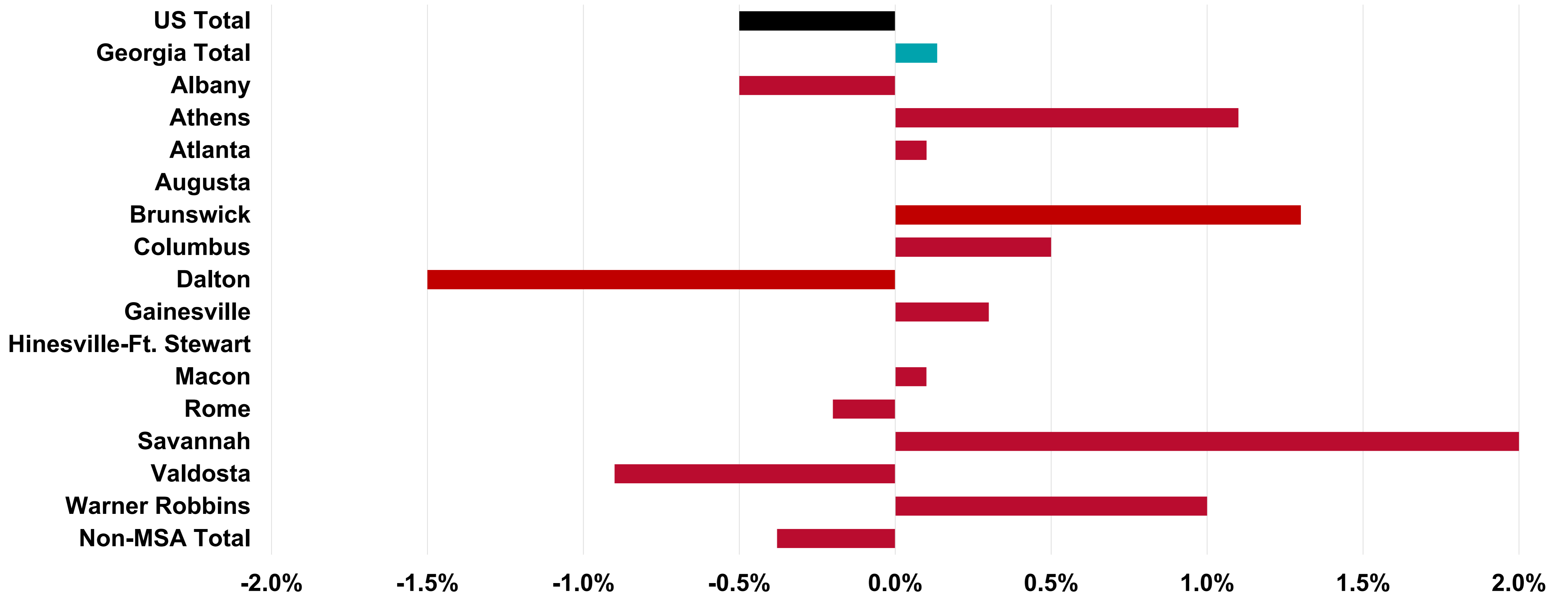
HOUSING WILL RECOVER ONCE RECESSION ENDS

- Solid Demographics
- Increased Importance of the Home
- Short Supply of Homes



MSA EMPLOYMENT GROWTH RATE

% Change from 2022



RISKS TO THE FORECAST

DOWNSIDE RISKS

- More Stubborn Inflation
- More Severe Energy Price Shock
- Worse Relations with China

UPSIDE RISKS

- Geopolitical Conflicts Ease Substantially
- Fiscal Stimulus
- Federal Reserve Threads the Needle Perfectly

MAIN TAKEAWAYS

- Recession Begins
- Federal Reserve Policy is the Trigger
- Housing Suffers the Most
- Labor Market Holds Up Relatively Well
- Recovery Begins Late in 2023

THANK YOU

Please leave completed survey cards at your table.

Visit **terry.uga.edu/selig** and use
promo code **23GEO40** for your free copy
of the 2023 Georgia Economic Outlook.



Terry College of Business

Selig Center for Economic Growth

UNIVERSITY OF GEORGIA