4th 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
ENROLLING NOW FOR
FALL 2023

ONLINE

MBA@UGA

ENROLLING NOW FOR
FALL 2023
MAIN PREDICTIONS

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

% Change in Constant (2012) $
### 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
THREE MAIN REASONS FOR RECESSION

Federal Reserve Actions

Energy Price Shocks

Negative Wealth Effects
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
<table>
<thead>
<tr>
<th>Company</th>
<th>Location</th>
<th>Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>HYUNDAI MOTOR GROUP</td>
<td>Bryan County</td>
<td>8,100</td>
</tr>
<tr>
<td>HYUNDAI MOTOR GROUP &amp; SK</td>
<td>Bartow County</td>
<td>3,500</td>
</tr>
<tr>
<td>HYUNDAI MOBIS</td>
<td>Bryan County</td>
<td>1,500</td>
</tr>
<tr>
<td>JACK LINK’S</td>
<td>Perry</td>
<td>800</td>
</tr>
<tr>
<td>ARCHER AVIATION</td>
<td>Covington</td>
<td>1,000</td>
</tr>
<tr>
<td>AFB INTERNATIONAL</td>
<td>Columbus</td>
<td>100</td>
</tr>
</tbody>
</table>
US LIGHT VEHICLE SALES

(PERCENT CHANGE FROM PRIOR YEAR)
# Key Vehicle Manufacturing Projects

<table>
<thead>
<tr>
<th>Company</th>
<th>Location</th>
<th>Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hyundai Motor Group</td>
<td>Bryan County</td>
<td>8,100</td>
</tr>
<tr>
<td>Rivian</td>
<td>Stanton Springs</td>
<td>7,500</td>
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<tr>
<td>Aspen Aerogels</td>
<td>Statesboro</td>
<td>250</td>
</tr>
<tr>
<td>Duckyang</td>
<td>Braselton</td>
<td>285</td>
</tr>
<tr>
<td>KB Autosys</td>
<td>Lone Oak</td>
<td>180</td>
</tr>
<tr>
<td>Hyundai Transys</td>
<td>West Point</td>
<td>150</td>
</tr>
</tbody>
</table>
KEY TRANSPORTATION/DISTRIBUTION PROJECTS

<table>
<thead>
<tr>
<th>Company</th>
<th>Location</th>
<th>Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>PROCTER &amp; GAMBLE</td>
<td>Jackson</td>
<td>350</td>
</tr>
<tr>
<td>DULUTH TRADING COMPANY</td>
<td>Adairsville</td>
<td>300</td>
</tr>
<tr>
<td>RYDER SYSTEM</td>
<td>Locust Grove</td>
<td>250</td>
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<tr>
<td>WEBSTUARANTSTORE</td>
<td>Ellabell</td>
<td>213</td>
</tr>
<tr>
<td>NEWCOLD</td>
<td>McDonough</td>
<td>170</td>
</tr>
<tr>
<td>EAST JORDAN PLASTICS</td>
<td>Lyons</td>
<td>80</td>
</tr>
</tbody>
</table>
GEORGIA SINGLE-FAMILY HOME BUILDING PERMITS

Single Family Building Permits, Georgia
HOME PRICES COMPARED TO PRE-PANDEMIC LEVEL

% Change from Pre-Pandemic Levels (HPI)

- Gainesville
- Hinesville
- Athens
- Atlanta
- Georgia
- GA Non-metro
- Savannah
- Rome
- Brunswick
- Dalton
- US
- Augusta
- Warner Robins
- Macon
- Valdosta
- Albany
- Columbus

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 Early in 2024
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