

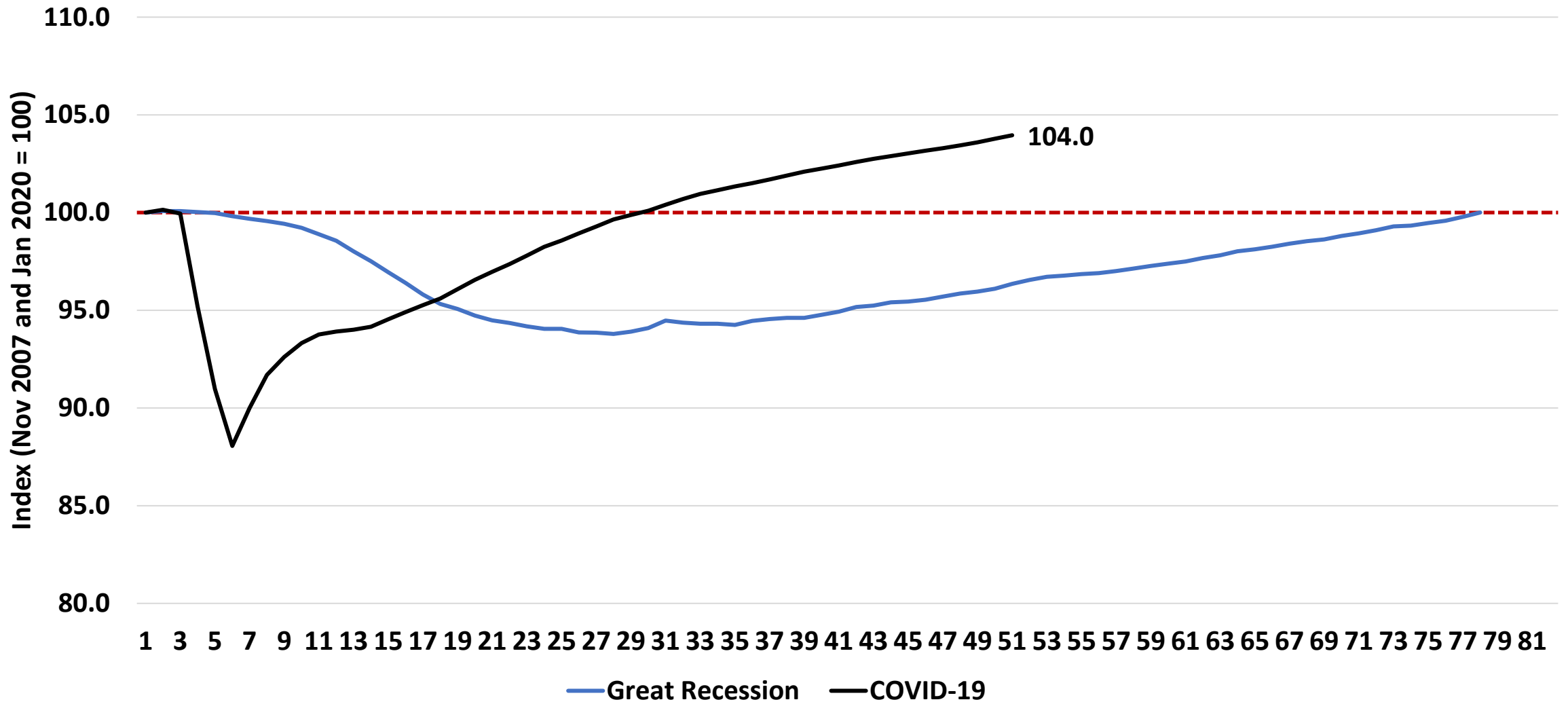


Marin Economic Briefing

MARIN ECONOMIC FORUM

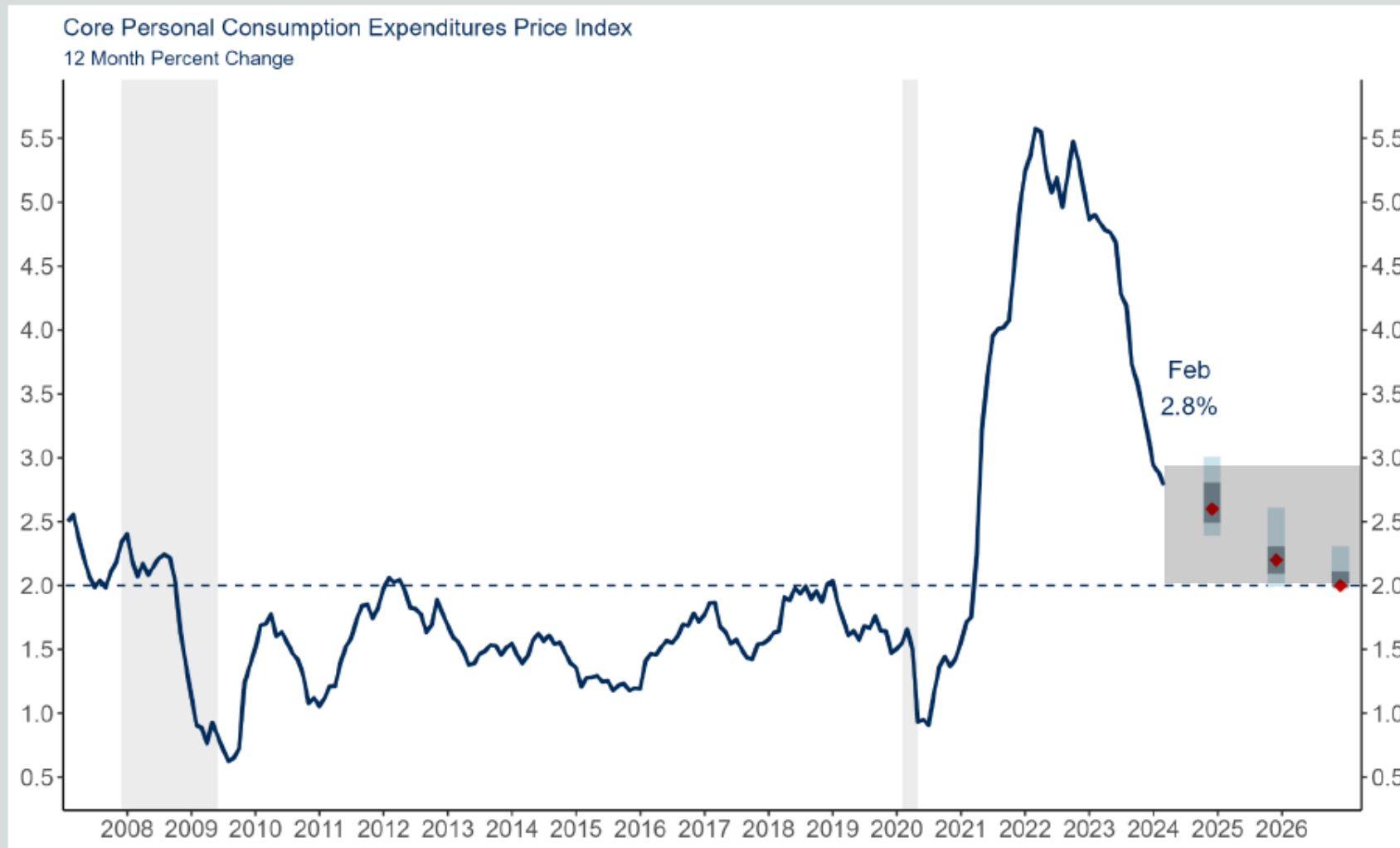
APRIL 22, 2024

Employment Recovery Comparison, United States, Great Recession and COVID-19 Recession, Months from Peak Employment, Index Nov 2007 and Jan 2020 = 100, to March 2024



Source: BLS and EFA

Core PCE Prices, 2007 to 2026 and beyond: Rate Cuts on Pause?



To consider:

Rate cuts to come when Federal Reserve believes their job is complete

Recent CPI data signals some pause in continued fall of Core PCE prices also

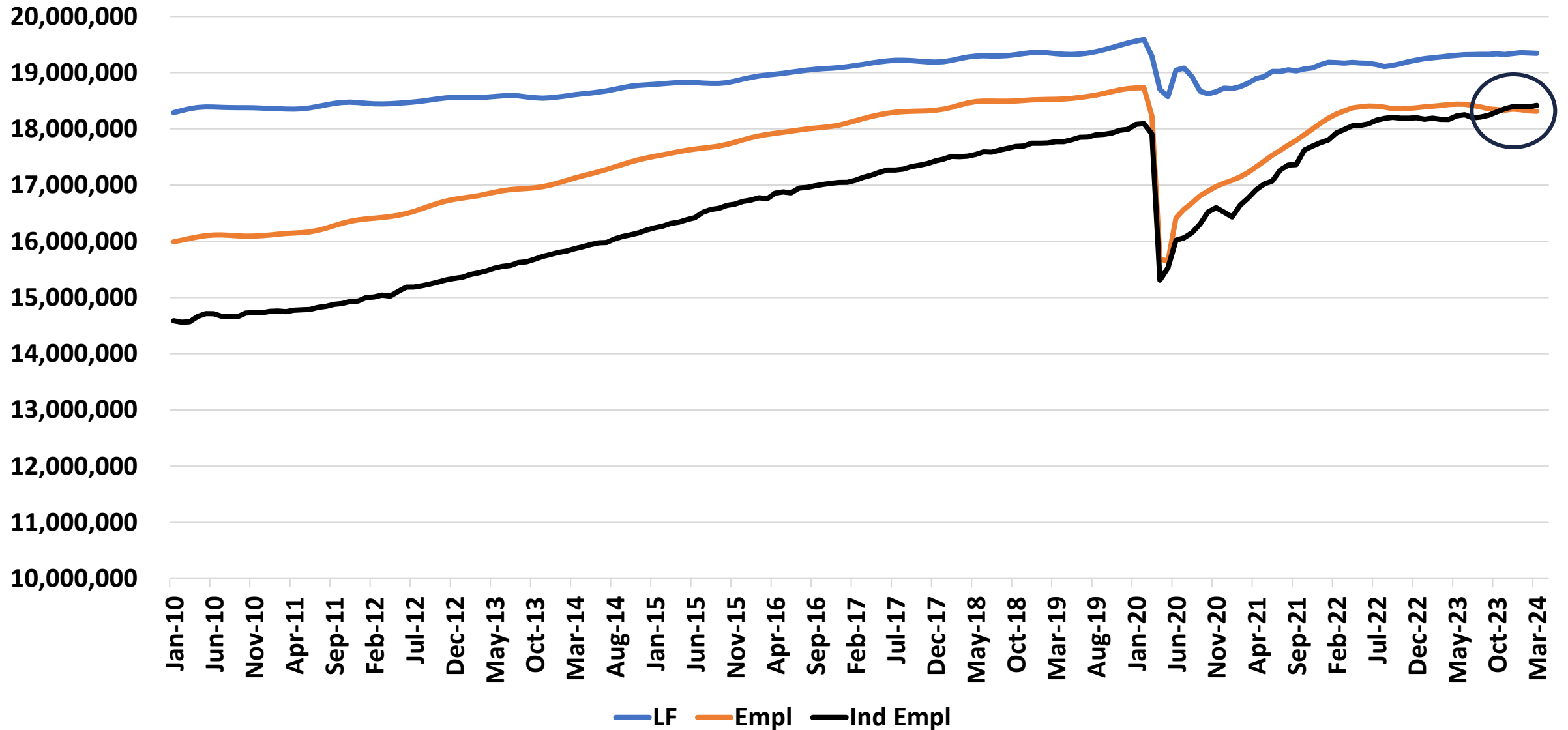
Notes: FOMC projection is the median, range, and central tendency for Q4/Q4 percent changes, from the March 2024 meeting. Red dots indicate median projections. Core PCE Price Index excludes expenditures on gasoline and food services.

IMF Forecast Q2 2024 to 2025: Global Overview

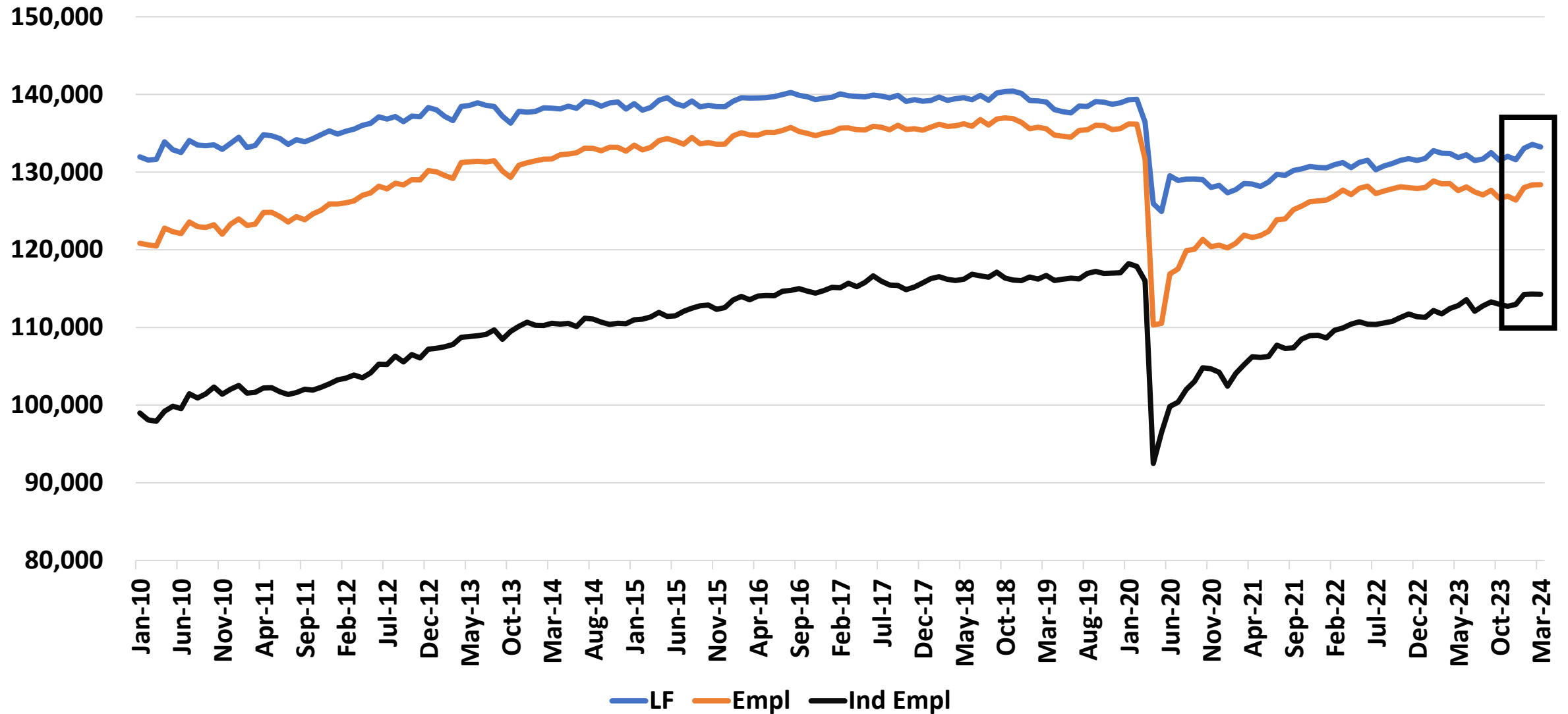
Income Growth after Inflation (% Change)

| (Real GDP, annual percent change) | PROJECTIONS | | |
|---|-------------|------|------|
| | 2023 | 2024 | 2025 |
| World Output | 3.2 | 3.2 | 3.2 |
| Advanced Economies | 1.6 | 1.7 | 1.8 |
| United States | 2.5 | 2.7 | 1.9 |
| Euro Area | 0.4 | 0.8 | 1.5 |
| Germany | -0.3 | 0.2 | 1.3 |
| France | 0.9 | 0.7 | 1.4 |
| Italy | 0.9 | 0.7 | 0.7 |
| Spain | 2.5 | 1.9 | 2.1 |
| Japan | 1.9 | 0.9 | 1.0 |
| United Kingdom | 0.1 | 0.5 | 1.5 |
| Canada | 1.1 | 1.2 | 2.3 |
| Other Advanced Economies | 1.8 | 2.0 | 2.4 |
| Emerging Market and Developing Economies | 4.3 | 4.2 | 4.2 |
| Emerging and Developing Asia | 5.6 | 5.2 | 4.9 |
| China | 5.2 | 4.6 | 4.1 |
| India | 7.8 | 6.8 | 6.5 |
| Emerging and Developing Europe | 3.2 | 3.1 | 2.8 |
| Russia | 3.6 | 3.2 | 1.8 |

Employment and Labor Force, California, Seasonally Adjusted January 2010 to March 2024, Number of Workers

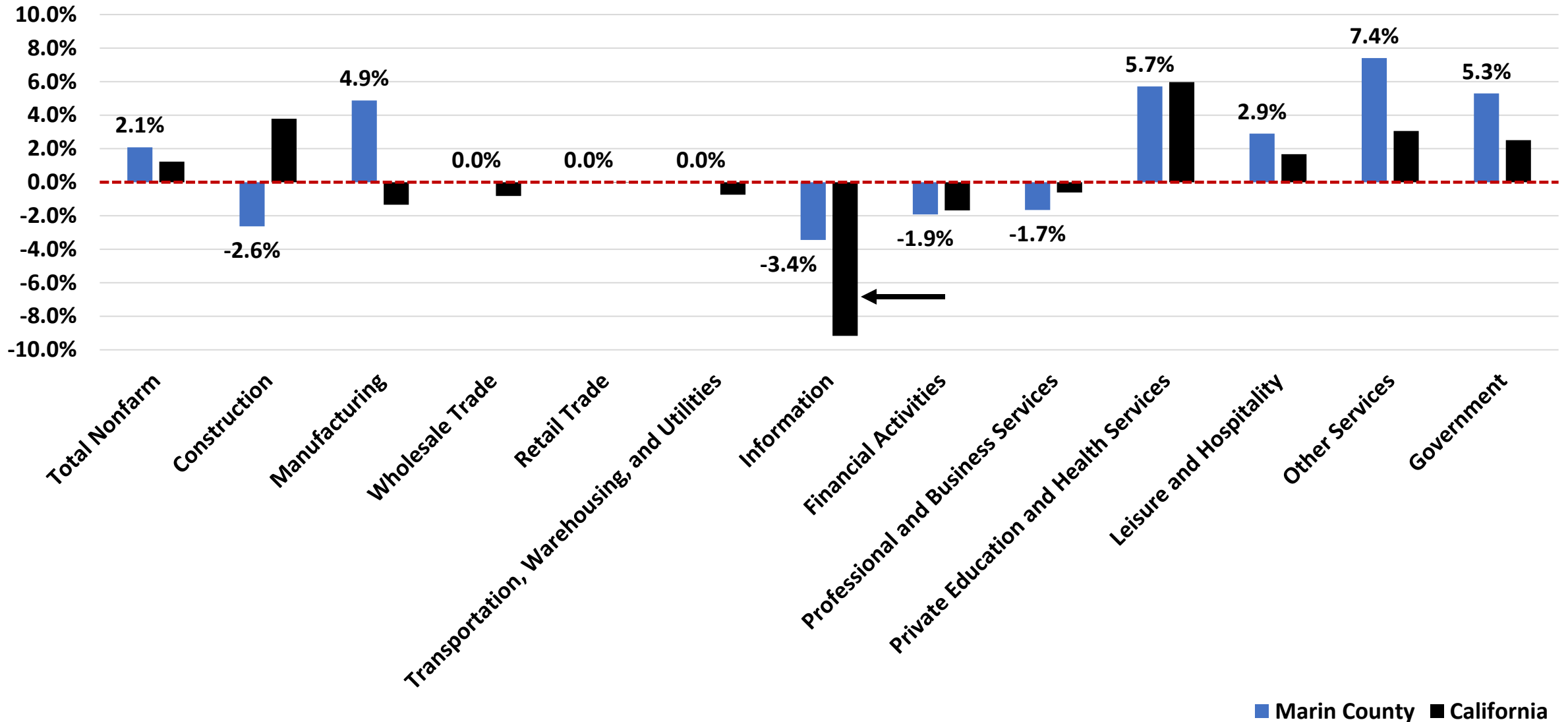


Employment at Marin County and California Employers, Seasonally Adjusted, January 2010 to March 2024, Number of Workers



Sources: California EDD and EFA

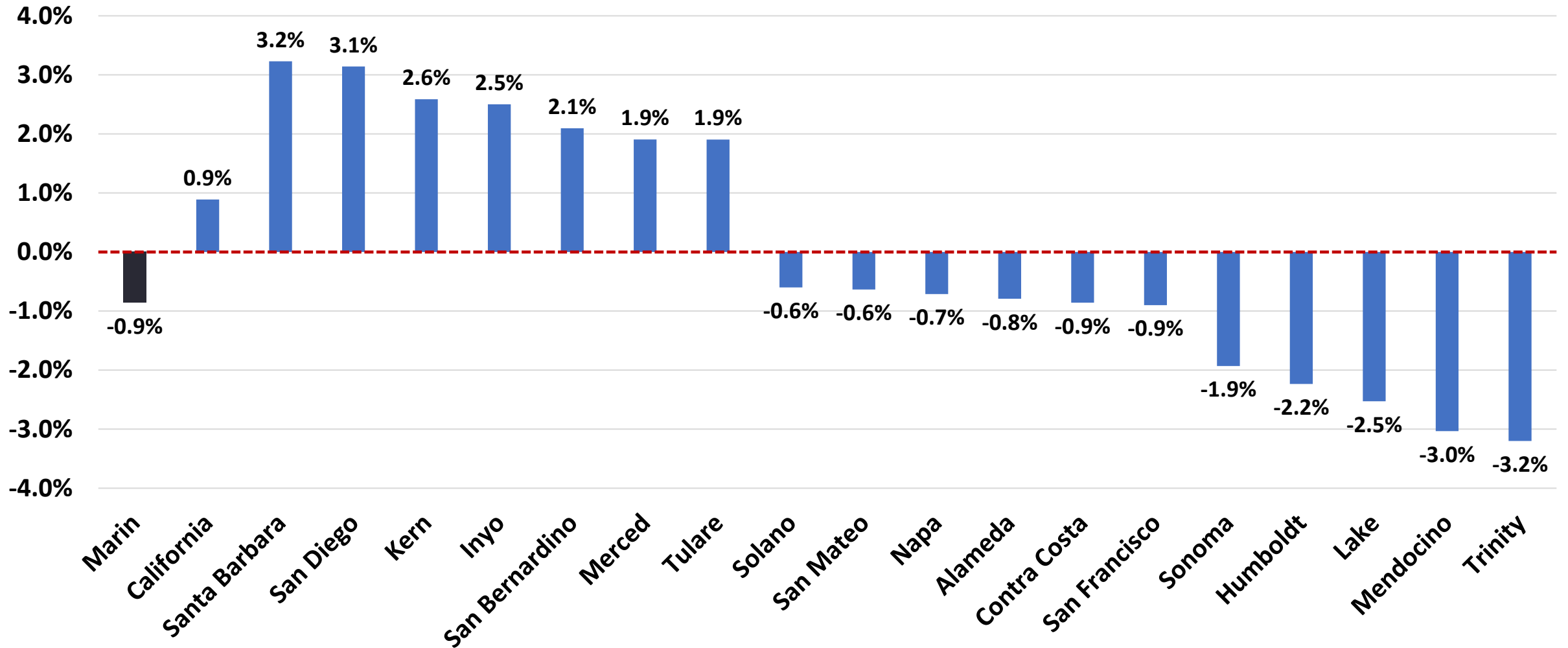
Employment at Marin County and California Employers, March 2023 to March 2024, % Change Number of Workers



Sources: California EDD and EFA

Housing Forecast, % Change from January 2024 to January 2025

Median Home Price Growth, Selected Areas



Commercial Real Estate Check

Office Space Metrics, San Francisco
Cushman-Wakefield
Q1 2024, 25.8% vacancy Q1 2023



Questions on Commercial Real Estate

1. Assume more pain is coming
2. Leases coming up, likely a forecast of larger problem or lender reactions
3. “Come back to office” may peak at 65-70% nationally, less in Bay Area
4. How will suburban (Marin) commercial and residential real estate markets change?

Issues to Watch

- Recession fading from forecasts
- Will price changes affect rate forecasts?
- Hiring may pick up later in 2024 for California
- Marin County's recent changes may be locally-owned businesses
- Geopolitical issues: Whoa!
- Domestic political issues: Whoa!
- "Whoa!" usually means concern in equity markets and business investment

Partner Program

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**CHAMPIONS FOR
SUSTAINABLE GROWTH
AND SOCIAL EQUITY**

The Marin Economic Forum provides direct value to the people of Marin by ensuring economic vitality, enabling people and businesses to thrive, increasing the quality of life and leveraging our assets and value. MEF leads a cross-county public-private dialogue through four themes:

