

U.S. and Nebraska Economic Outlook

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Denver / Oklahoma City / Omaha

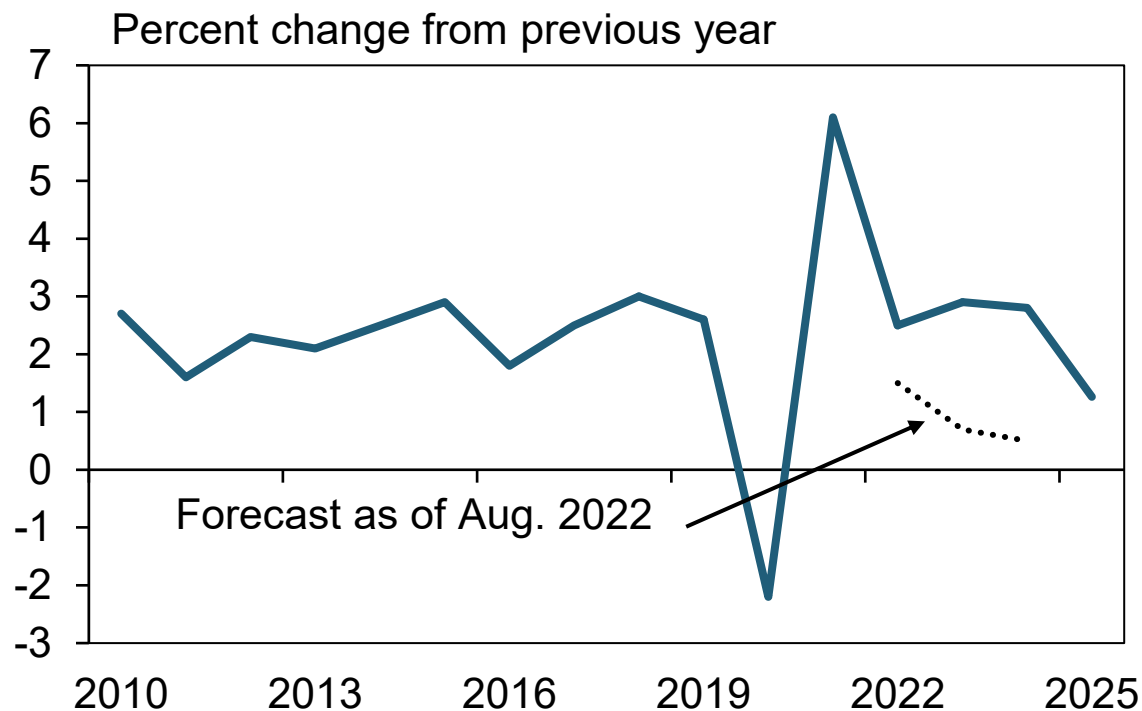
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Outlook Themes

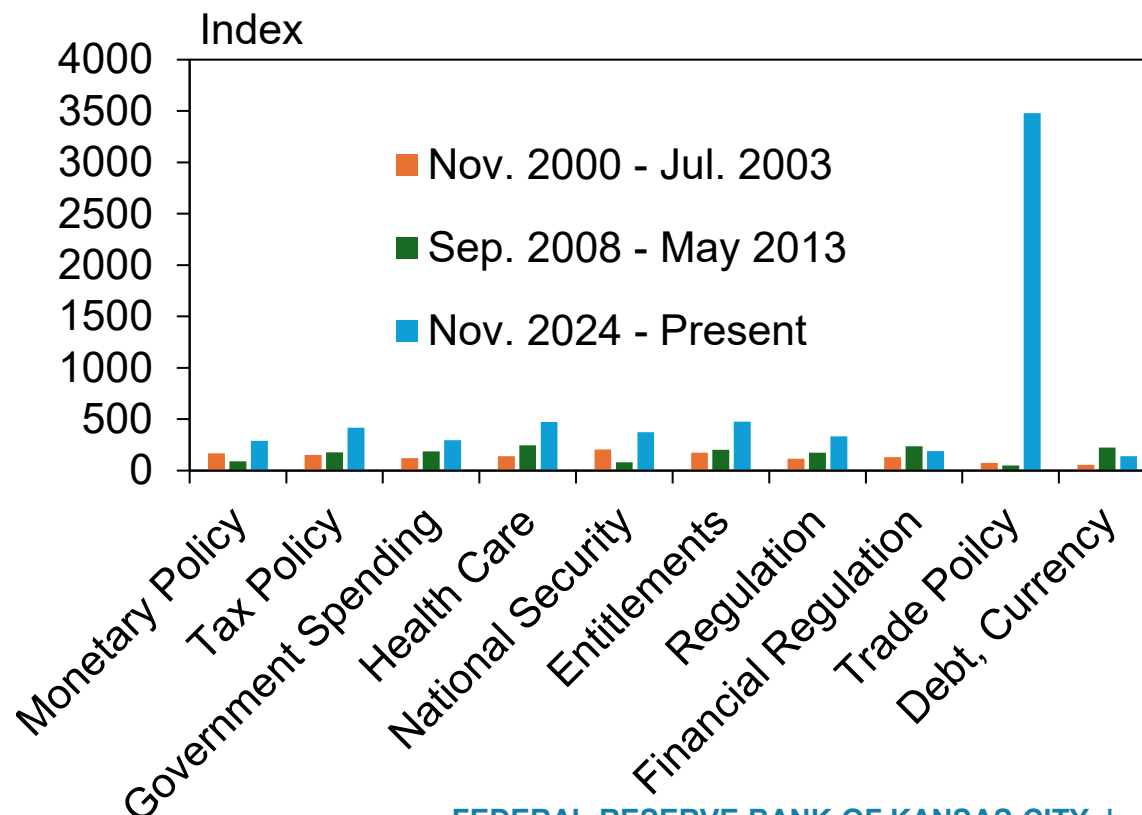
- Economic growth has been resilient despite a variety of potential risks and uncertainties.
- Nebraska's economy has also remained steady, with the exception of weaker conditions in agriculture.
- The job market has cooled somewhat, but unemployment remains low and inflation has also eased in recent months.

Economic growth has been resilient despite significant uncertainty related to policy.

U.S. Real GDP Growth



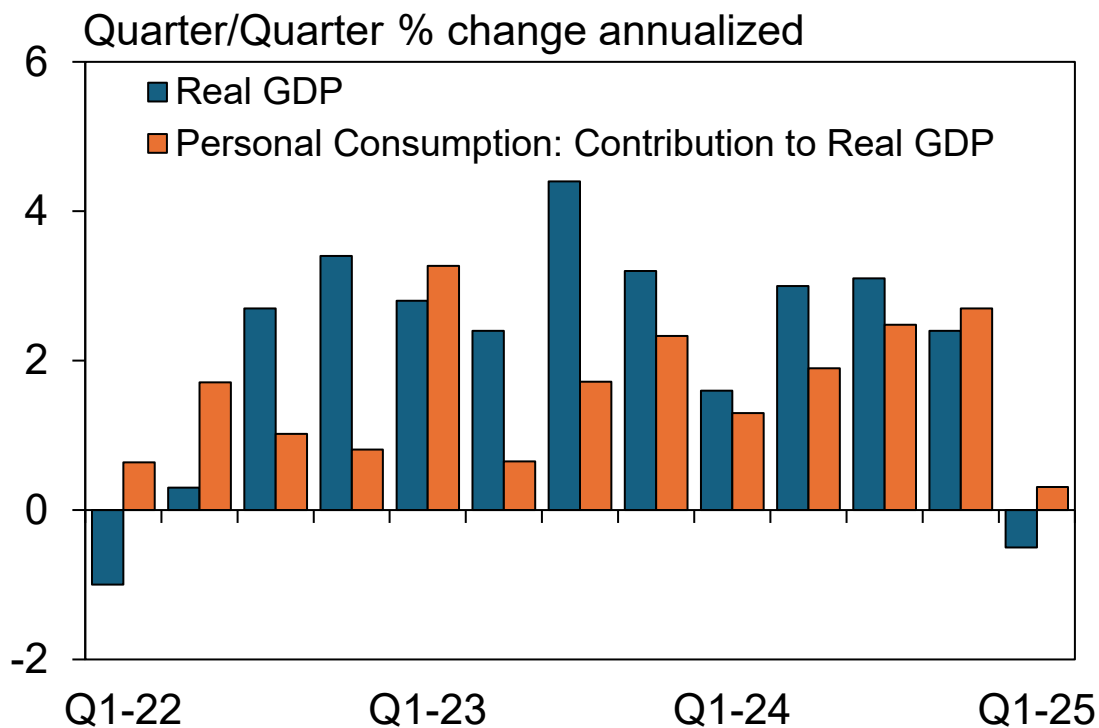
Drivers of Economic Policy Uncertainty



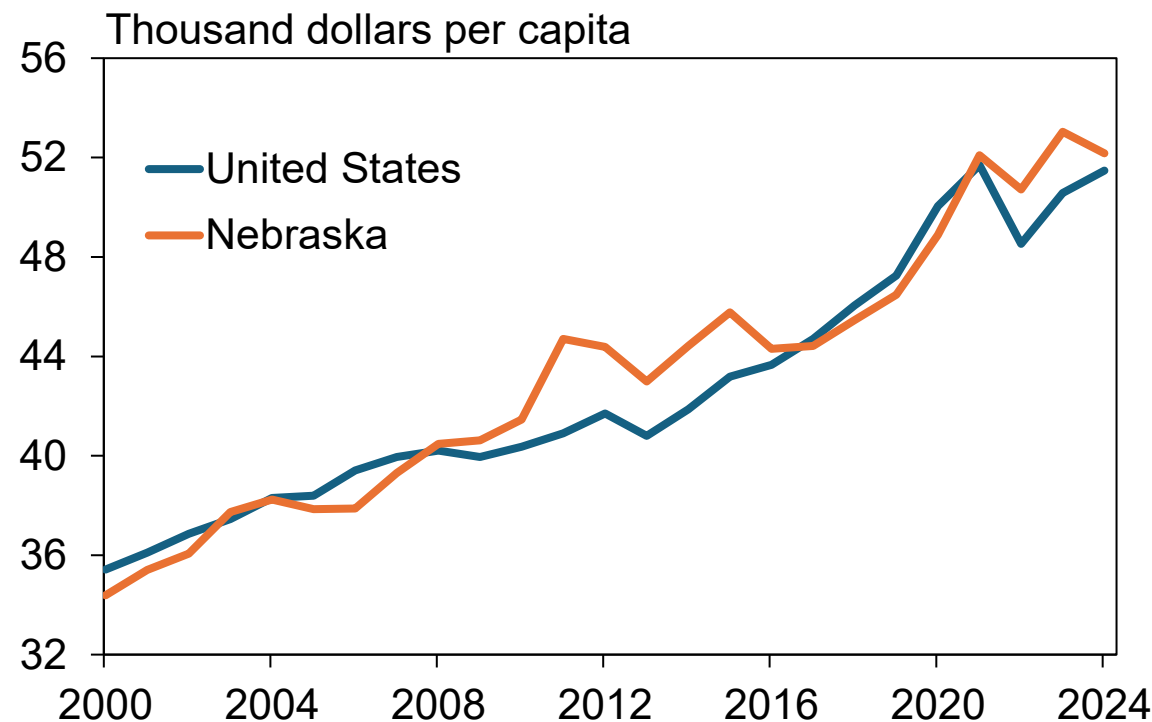
Note: 2025 GDP annualized using data through Q2.
Sources: BEA, Haver Analytics, PolicyUncertainty.com

Growth has been powered by the strength of consumers.

Contribution to U.S. Real GDP

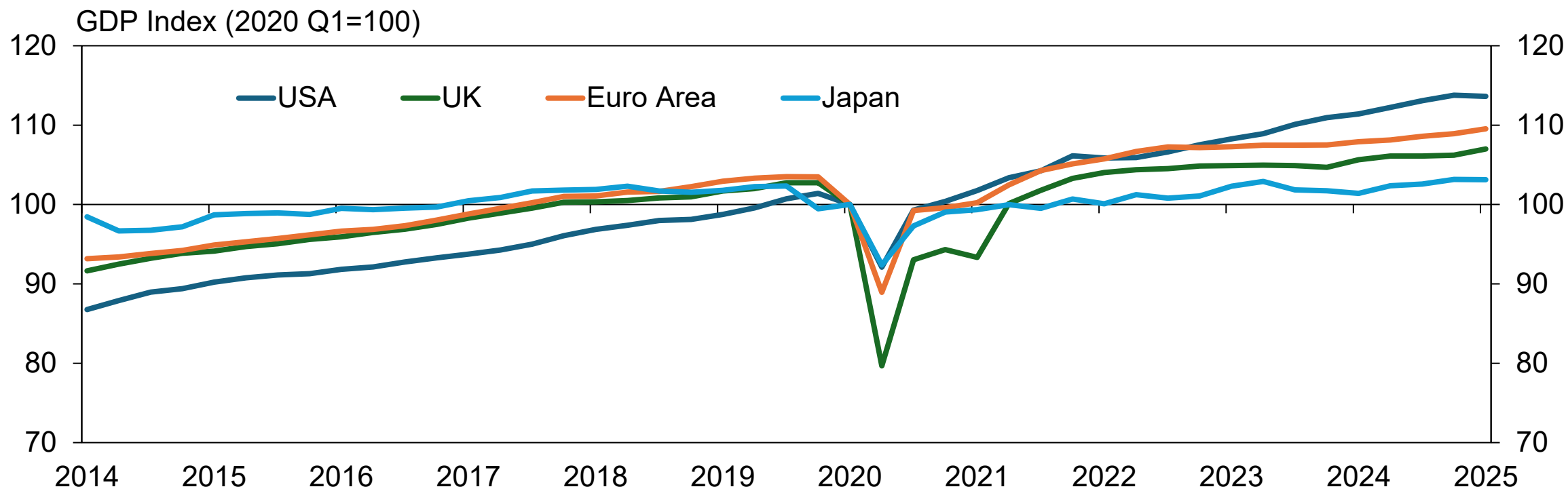


Real Disposable Personal Income



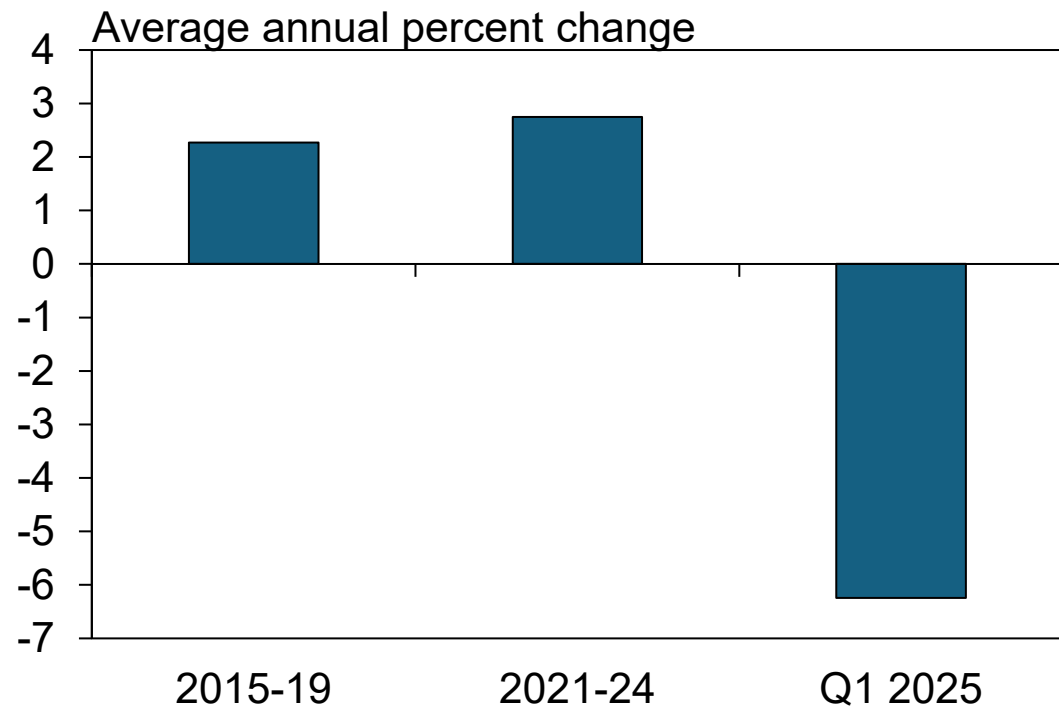
The U.S. economy has outperformed relative to growth in other countries.

Real Gross Domestic Product

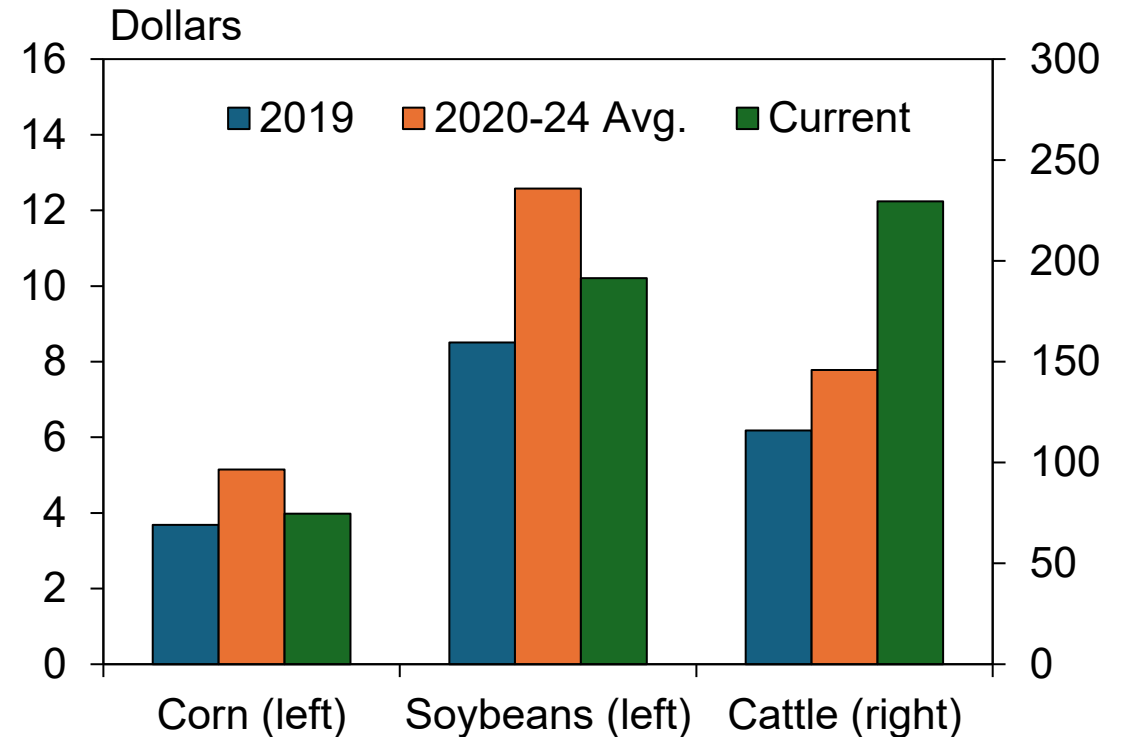


Economic growth in Nebraska has also been strong, with the exception of agriculture recently.

Nebraska GDP

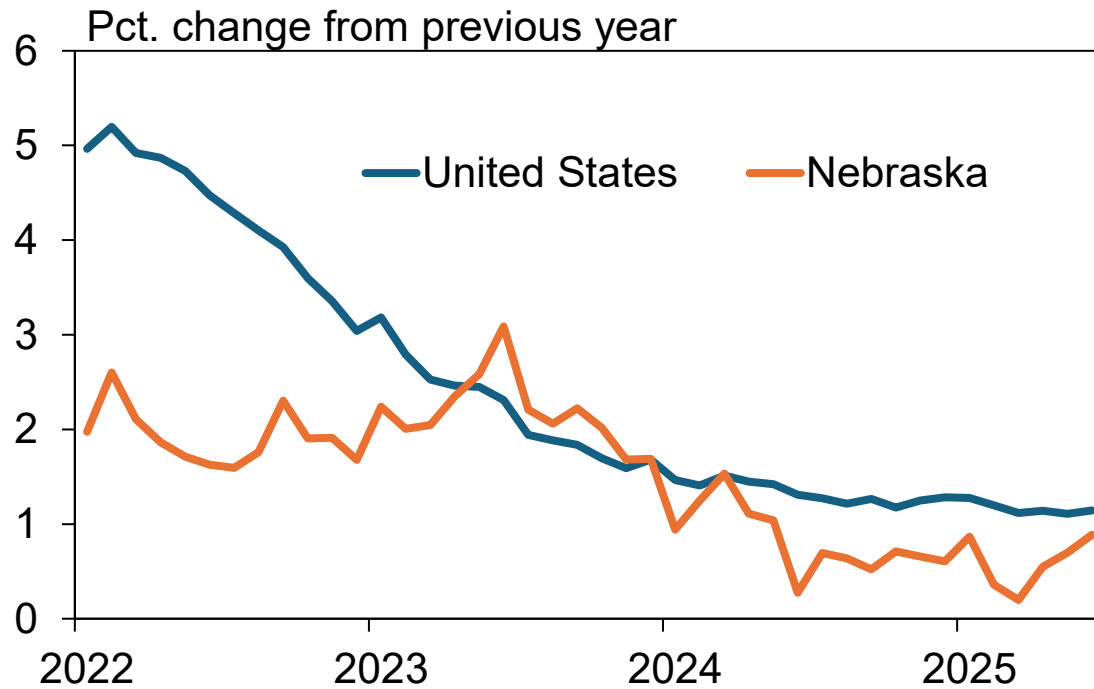


Commodity Prices

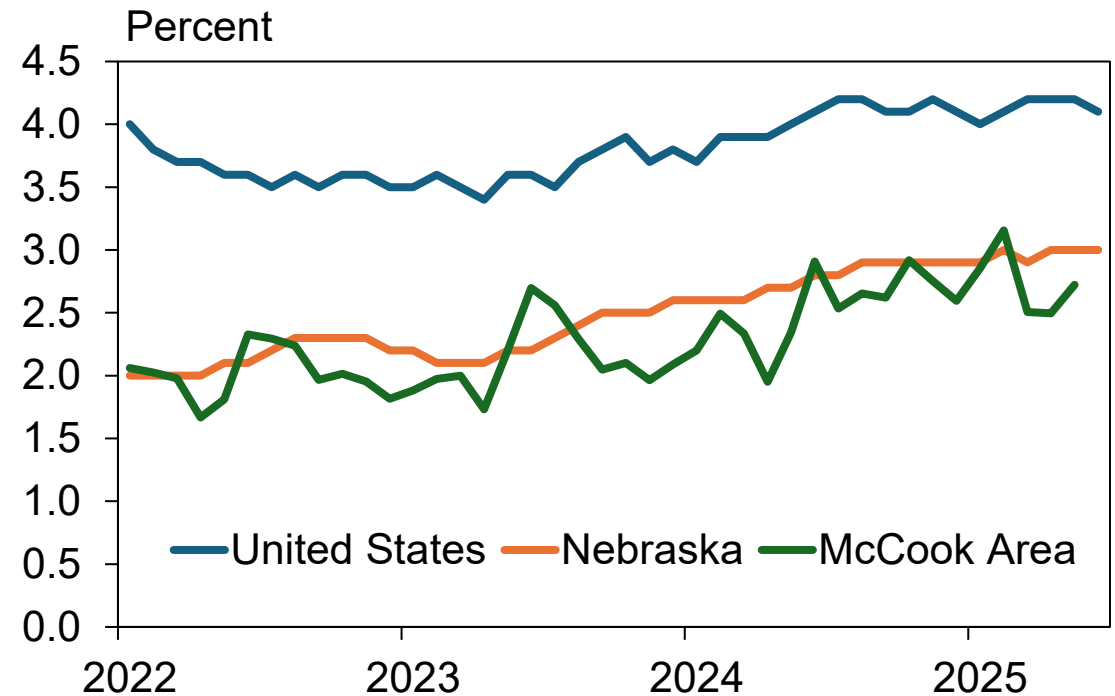


Although job growth has softened, unemployment still remains historically low.

Job Growth



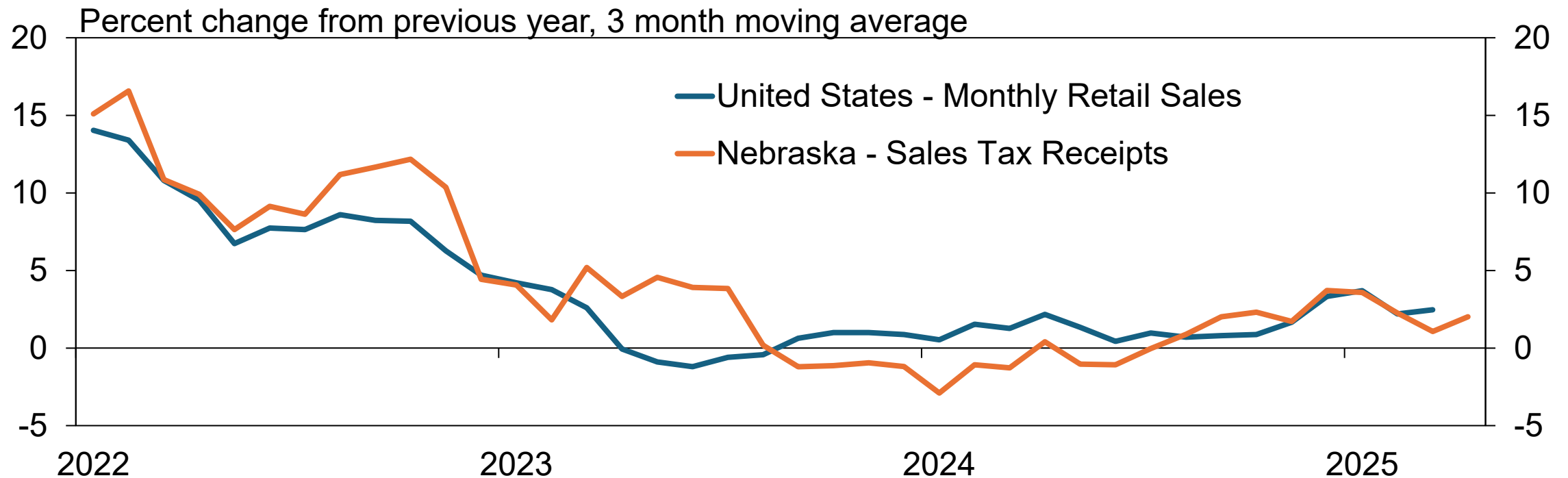
Unemployment Rate



Note: The "McCook Area" includes Frontier, Furnas, Gosper, Hayes, Hitchcock, and Red Willow Counties.
Sources: BLS, Haver Analytics.

A softer job market has not yet led to a meaningful pullback in consumer spending.

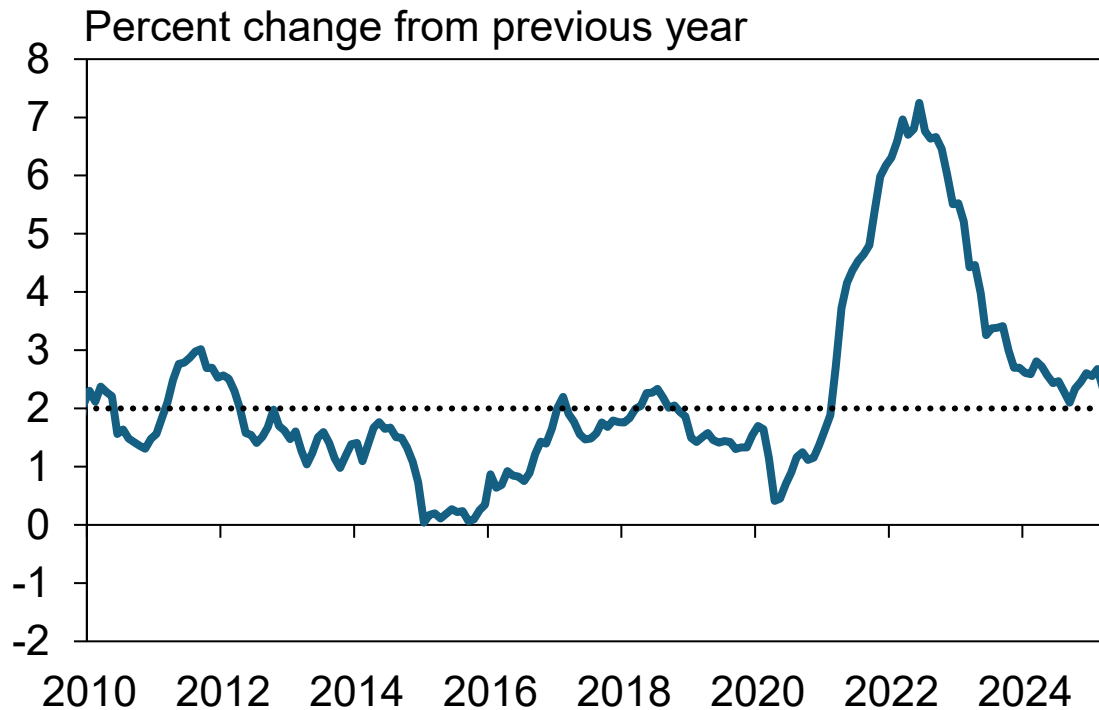
Consumer Spending



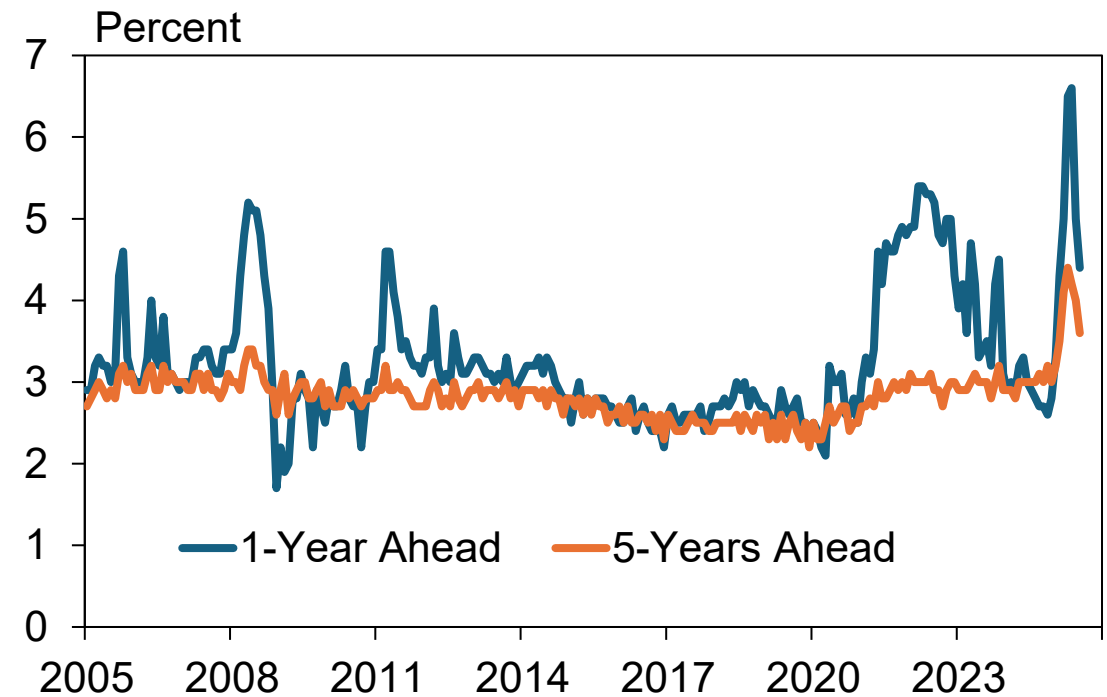
Note: US monthly retail sales excludes non-store retailers.
Sources: Census Bureau, Nebraska Department of Revenue, Haver Analytics.

Inflation has moved closer to the Fed's target, with some uncertainty about the coming years.

U.S. Inflation

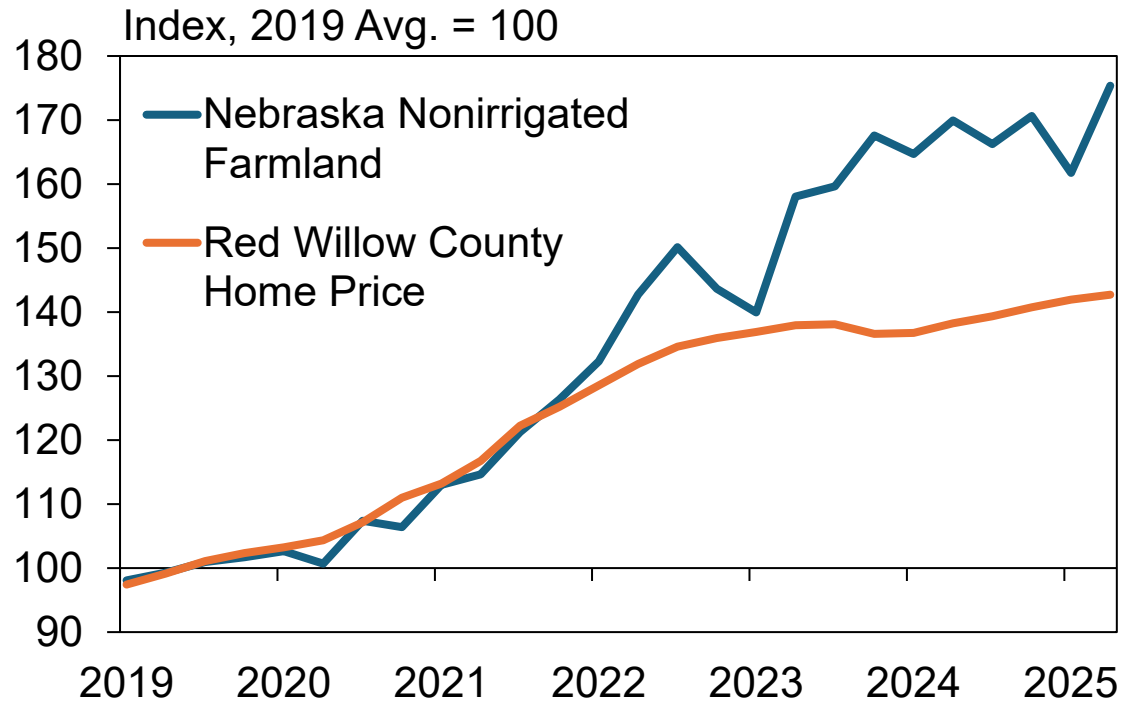


Inflation Expectations

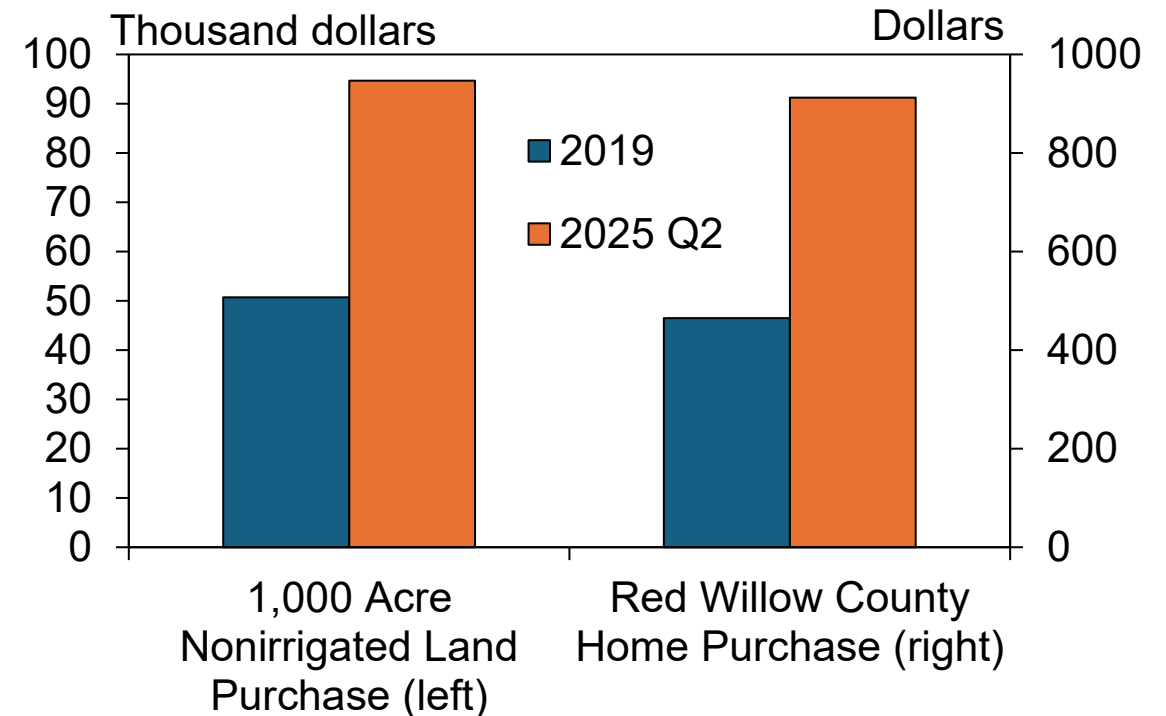


Real estate markets have also remained strong, but with implications for aspiring buyers.

Real Estate Values



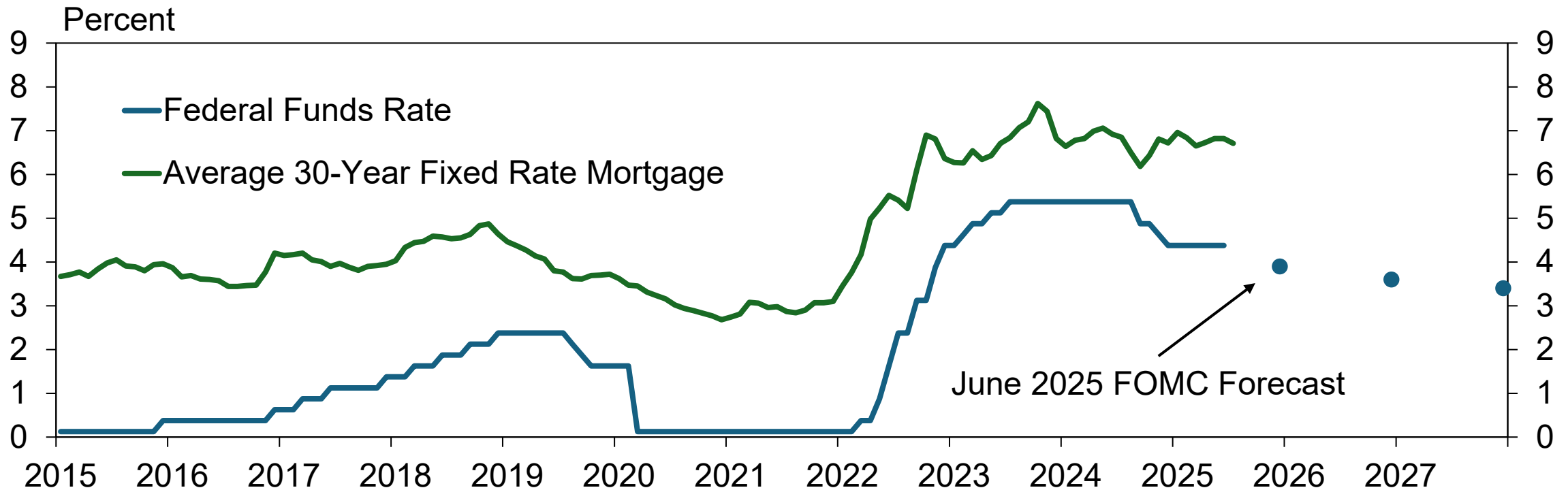
Monthly Mortgage Payments



Notes: Mortgage payments assume a 20% downpayment. Home mortgages use the average national 30-year fixed mortgage rate. Land mortgages use the national average real estate loan interest rate and average maturity length.
Sources: Zillow, Federal Reserve Banks of Kansas City and St. Louis, Freddie Mac.

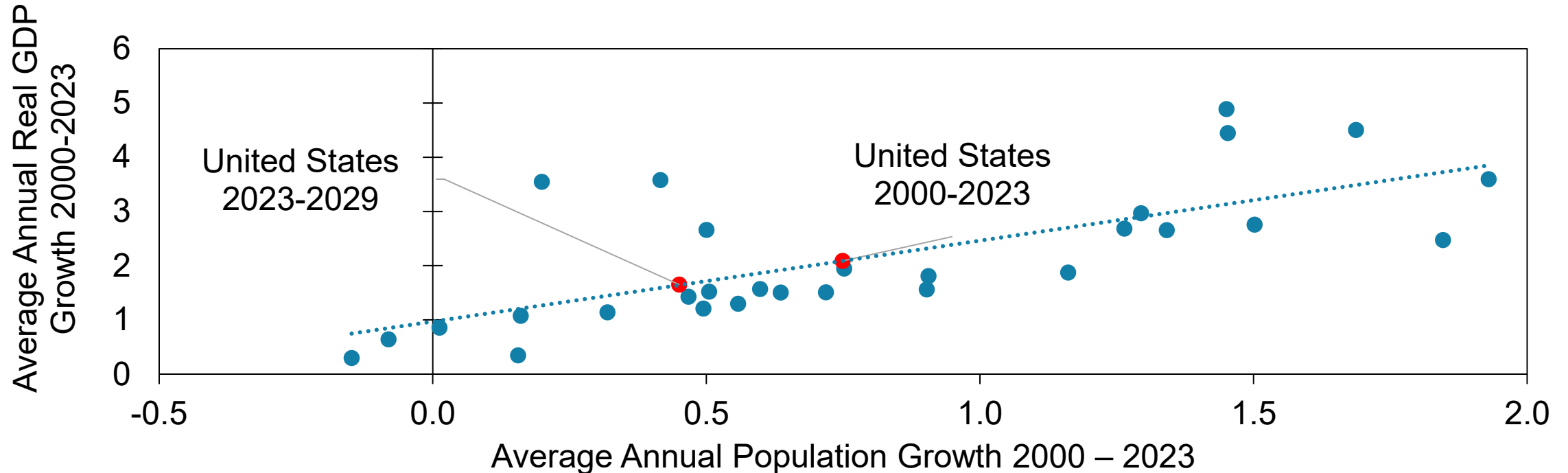
Interest rates have moved lower over the past year, but remain elevated alongside the Fed's dual mandate.

Interest Rates



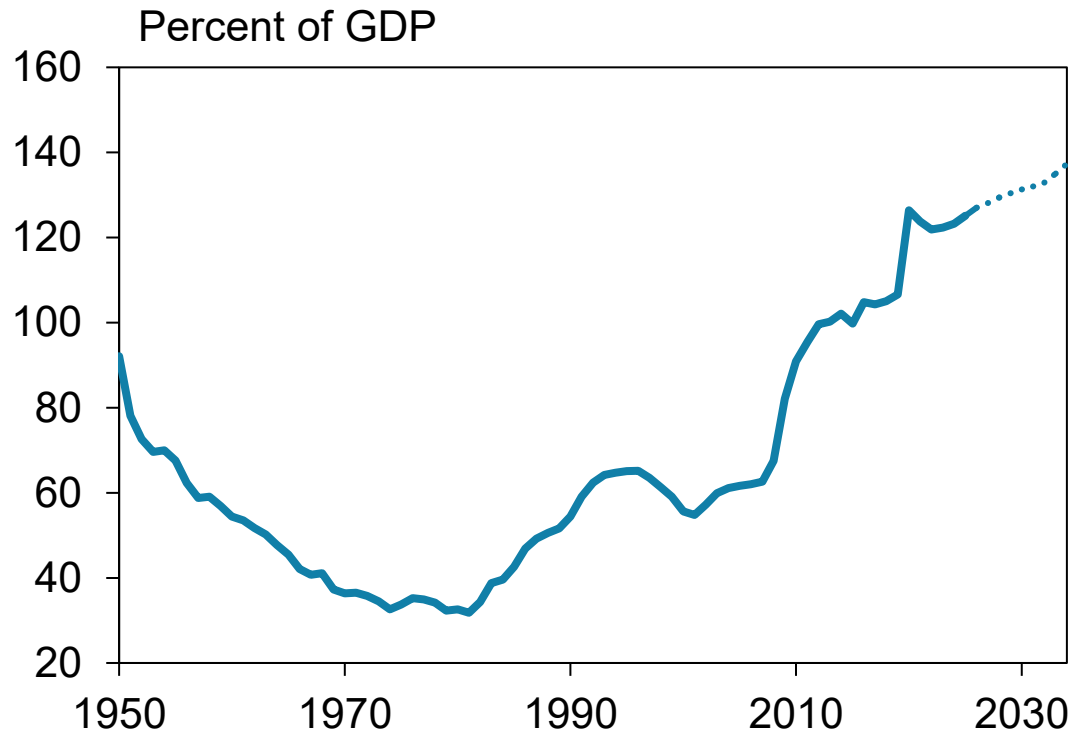
In the longer-term, demographics will be an important determinant of economic growth and interest rates.

GDP Growth vs. Population Growth Across Countries

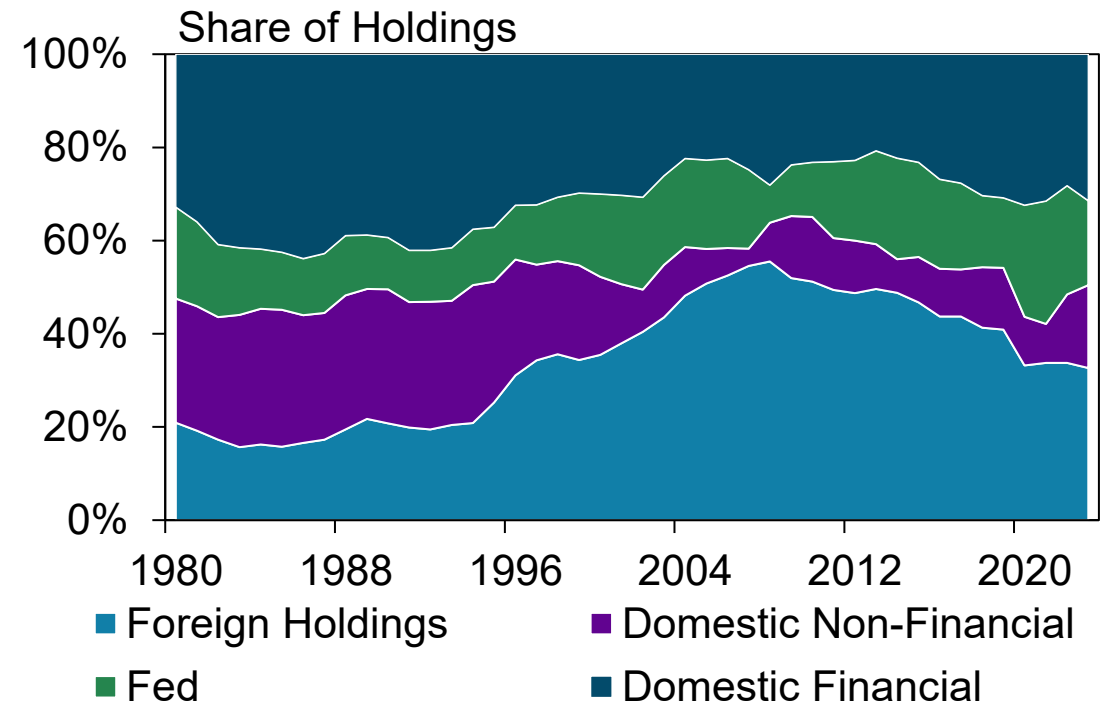


Government debt and demand for U.S. treasuries will also have implications for long-term economic conditions.

U.S. Federal Debt



U.S. Treasury Holdings



Concluding Remarks

- The U.S. economy remains in a strong position, despite some disparities and significant uncertainties.
- Nebraska's economy, with low unemployment and steady gains, also remains solid.
- Risks among crop producers, however, have increased over the past year and will be important to monitor.