

Economic Outlook

September 2025

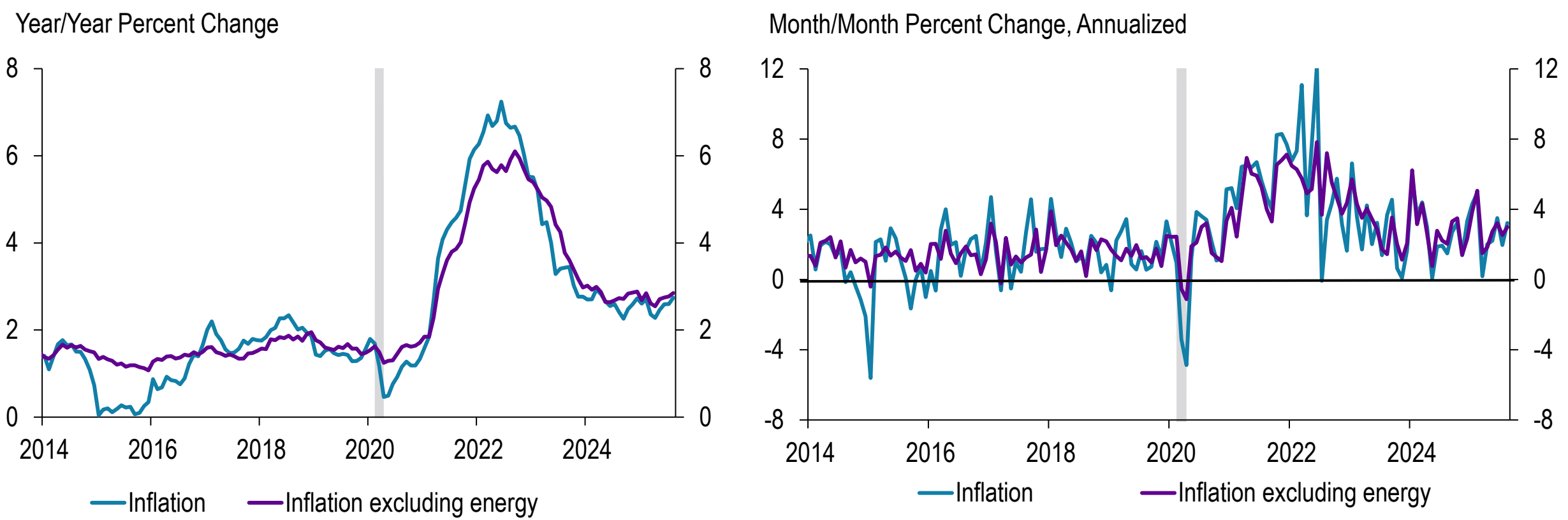
Joe Gruber

Executive Vice President and Director of Research



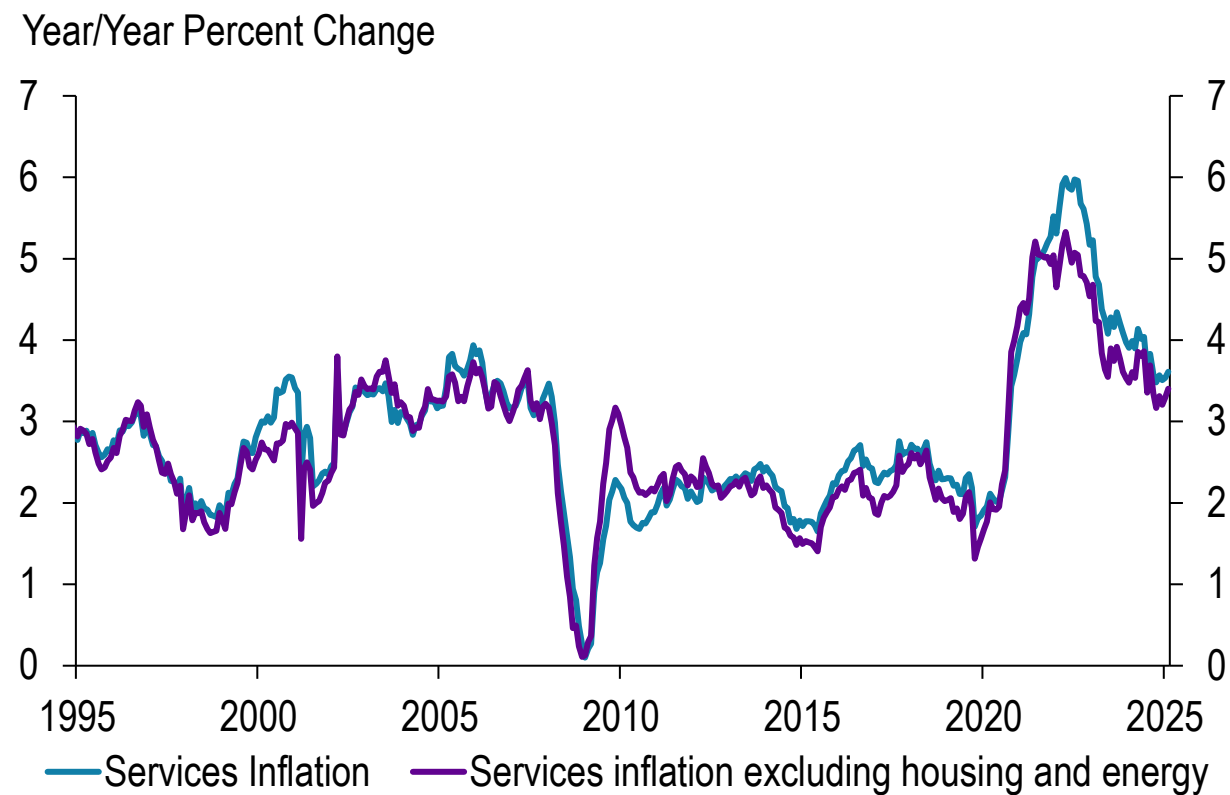
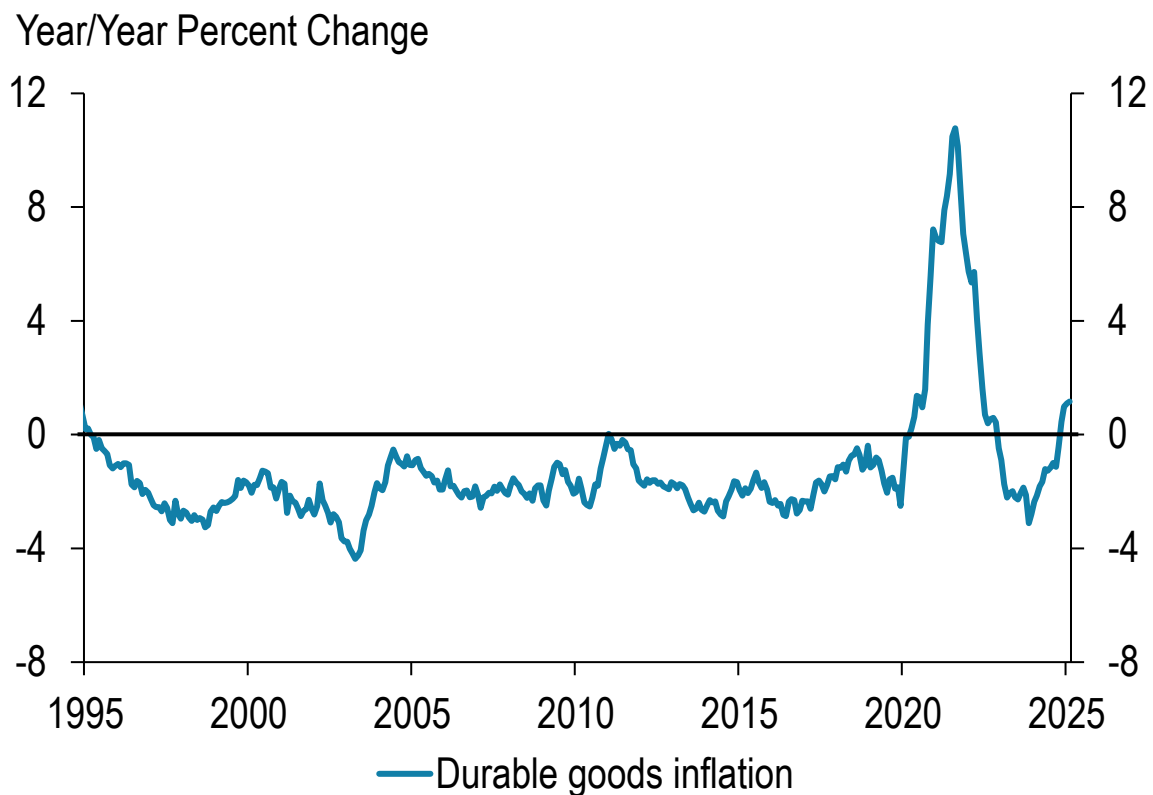
Denver / Oklahoma City / Omaha

Inflation is high and sticky

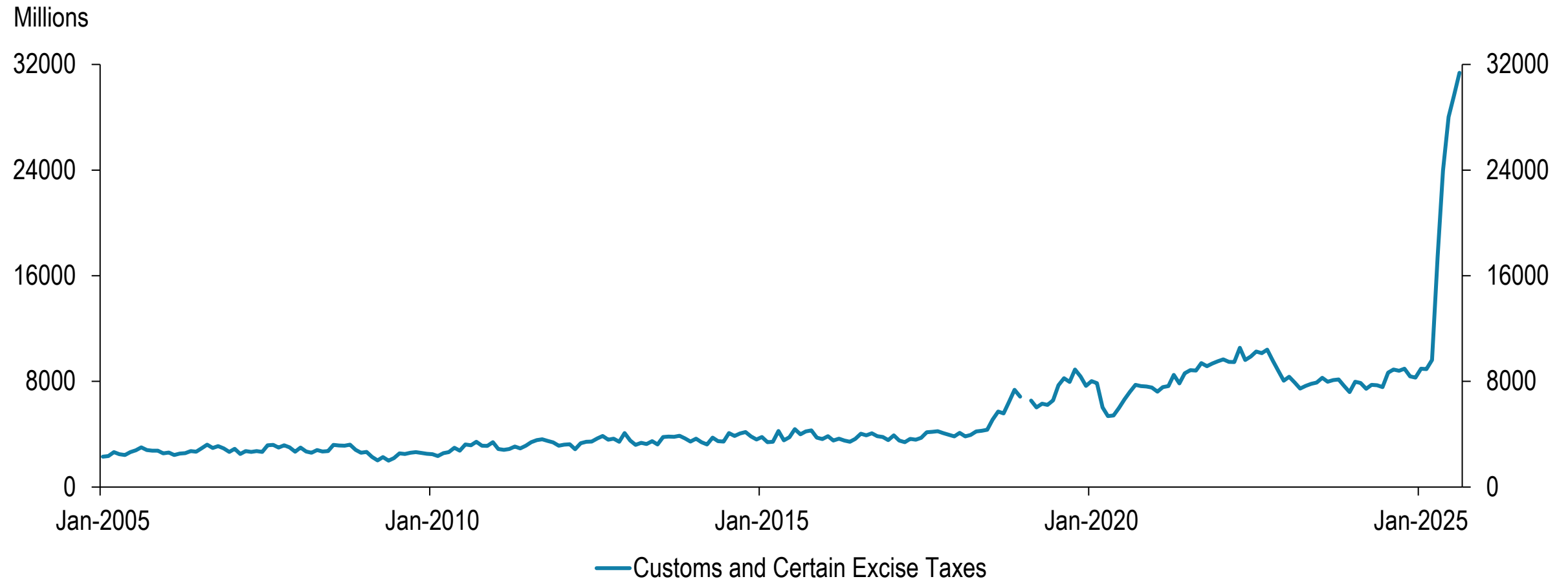


Sources: BEA, Haver Analytics

Both goods and services inflation running hot

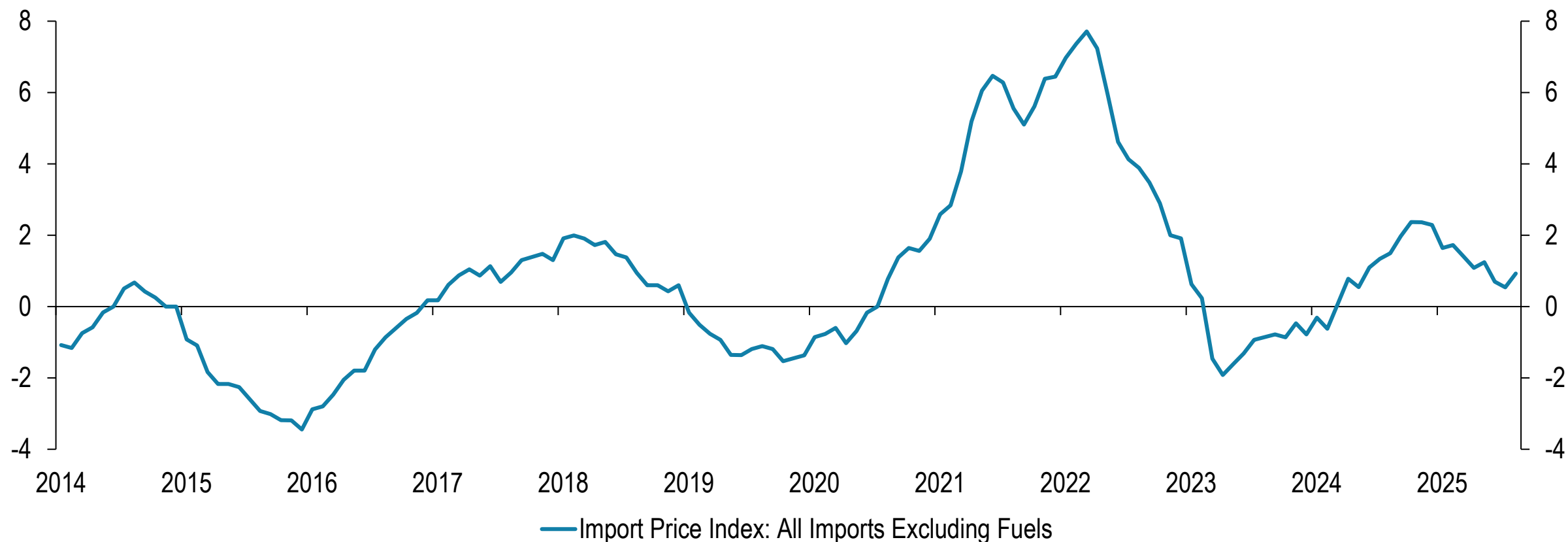


Someone is paying the tariff

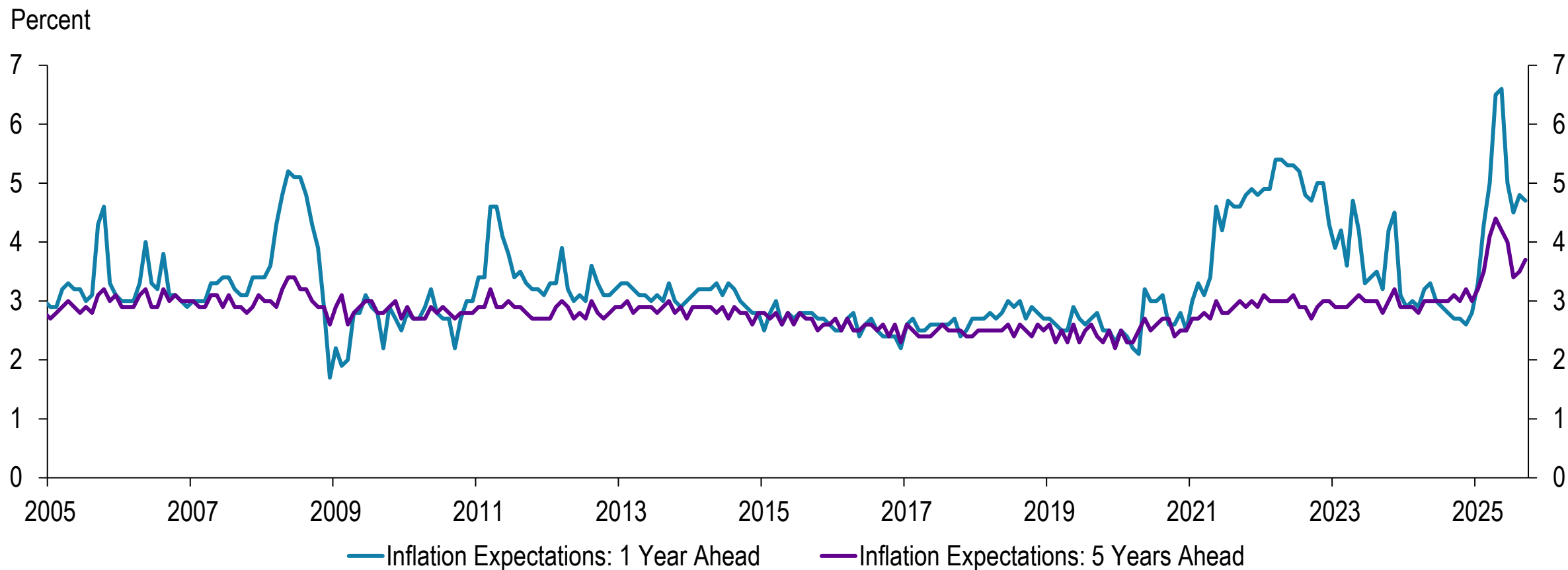


Little sign that foreign suppliers are paying

Year/Year Percent Change

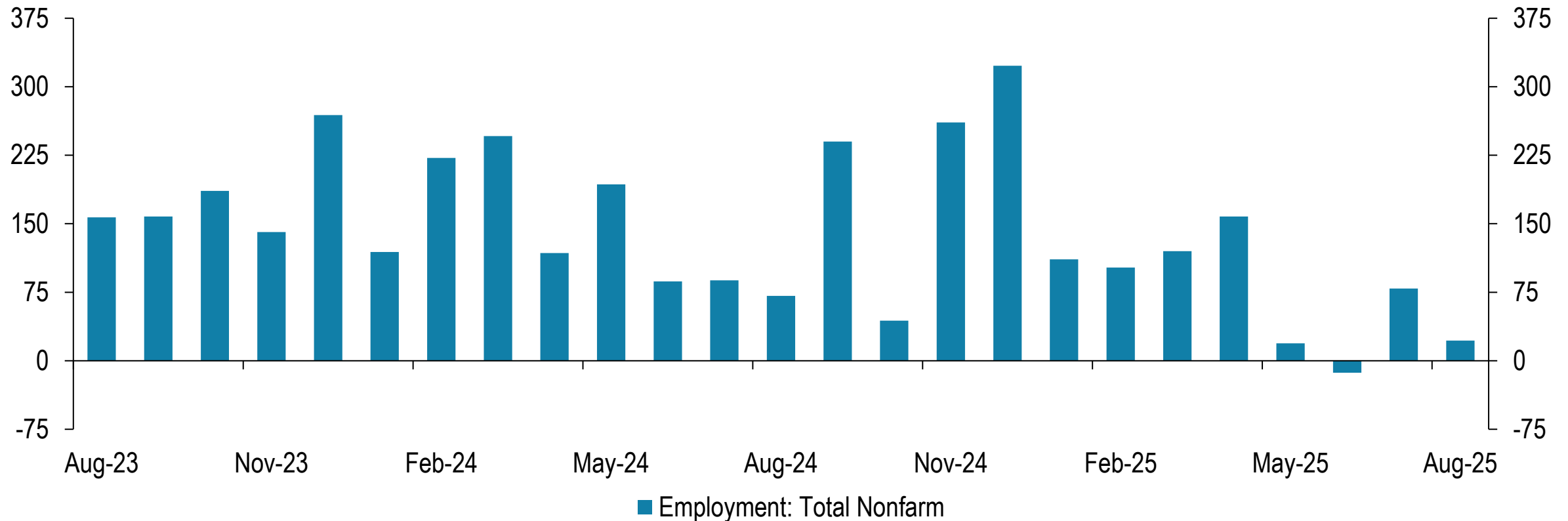


Rising concern about inflation expectations

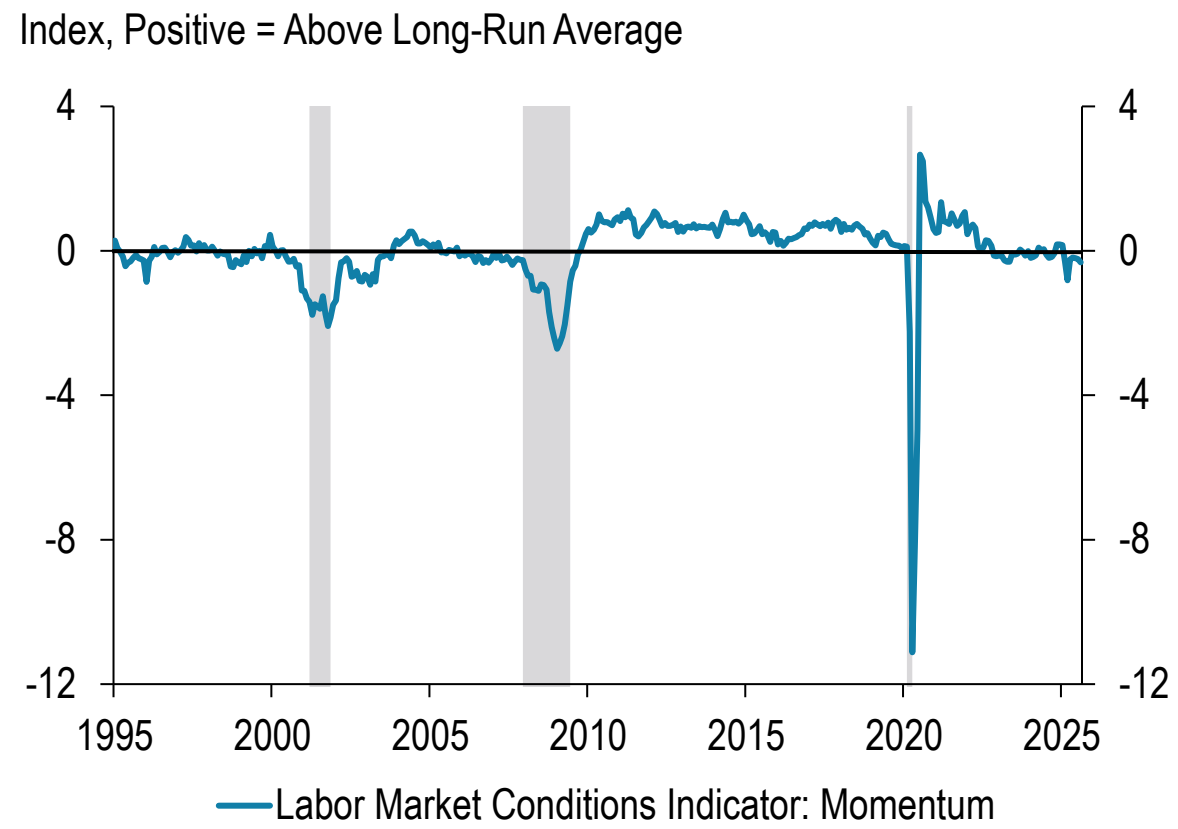
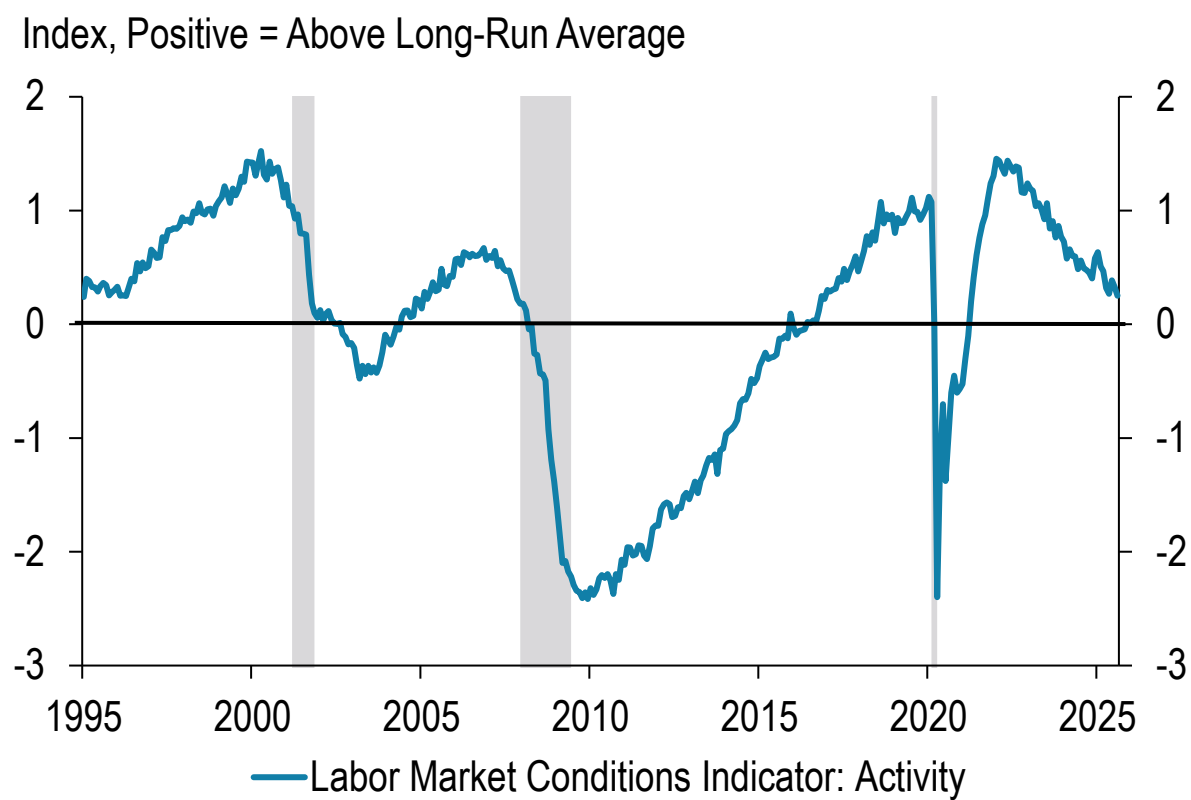


Increasing worry about cracks in the labor market

Month-to-Month Change, Thousands

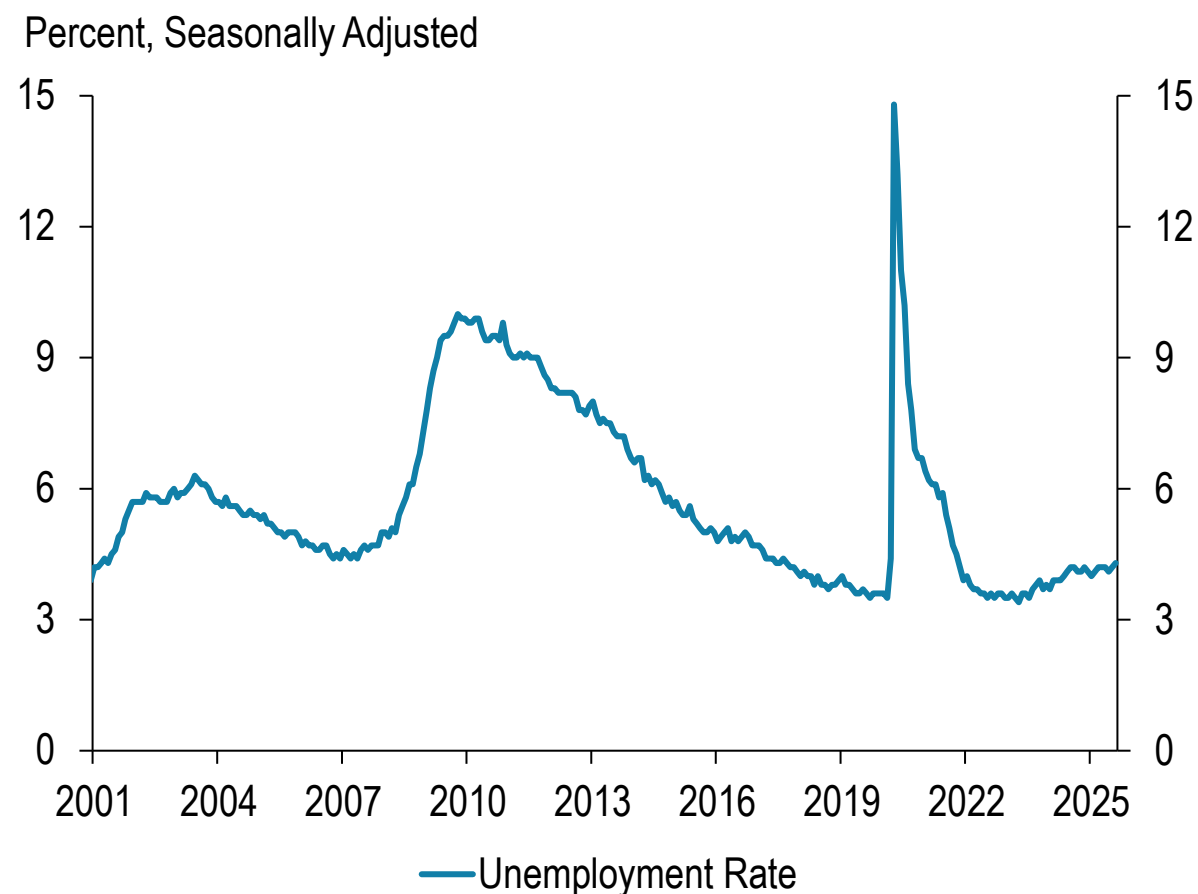


The labor market has cooled...



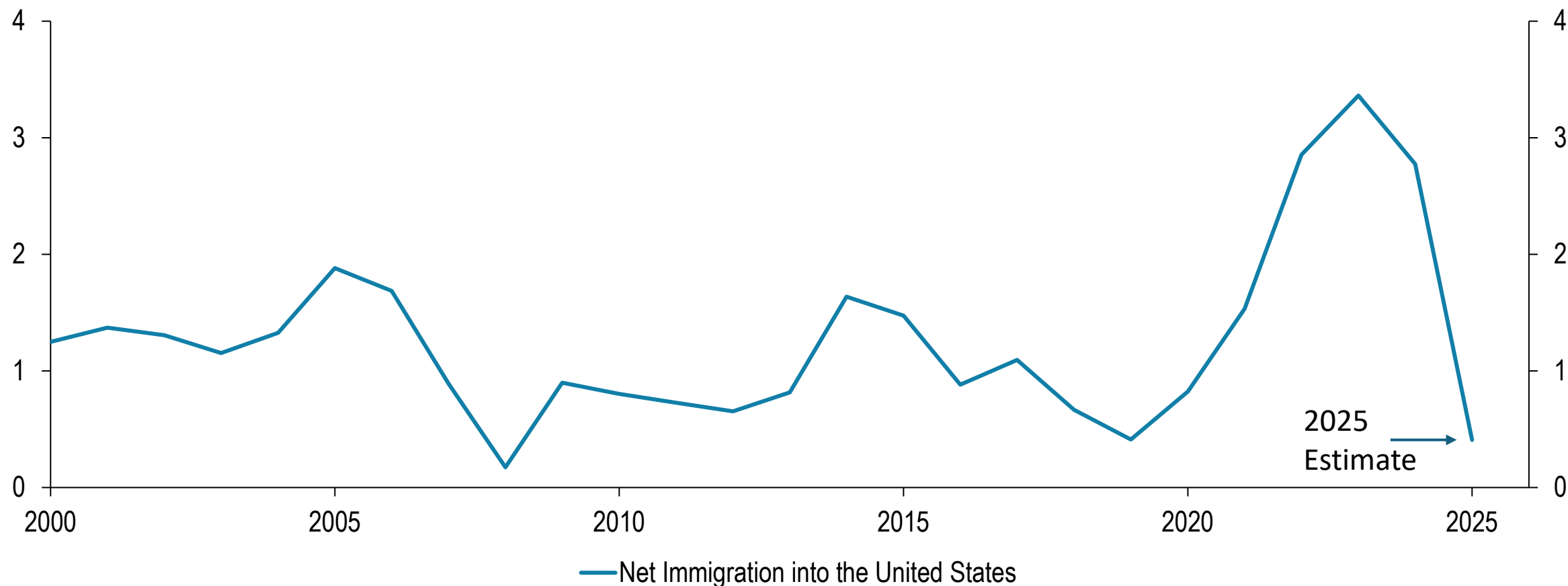
Sources: Federal Reserve Bank of Kansas City, Haver Analytics

...but appears to be balanced

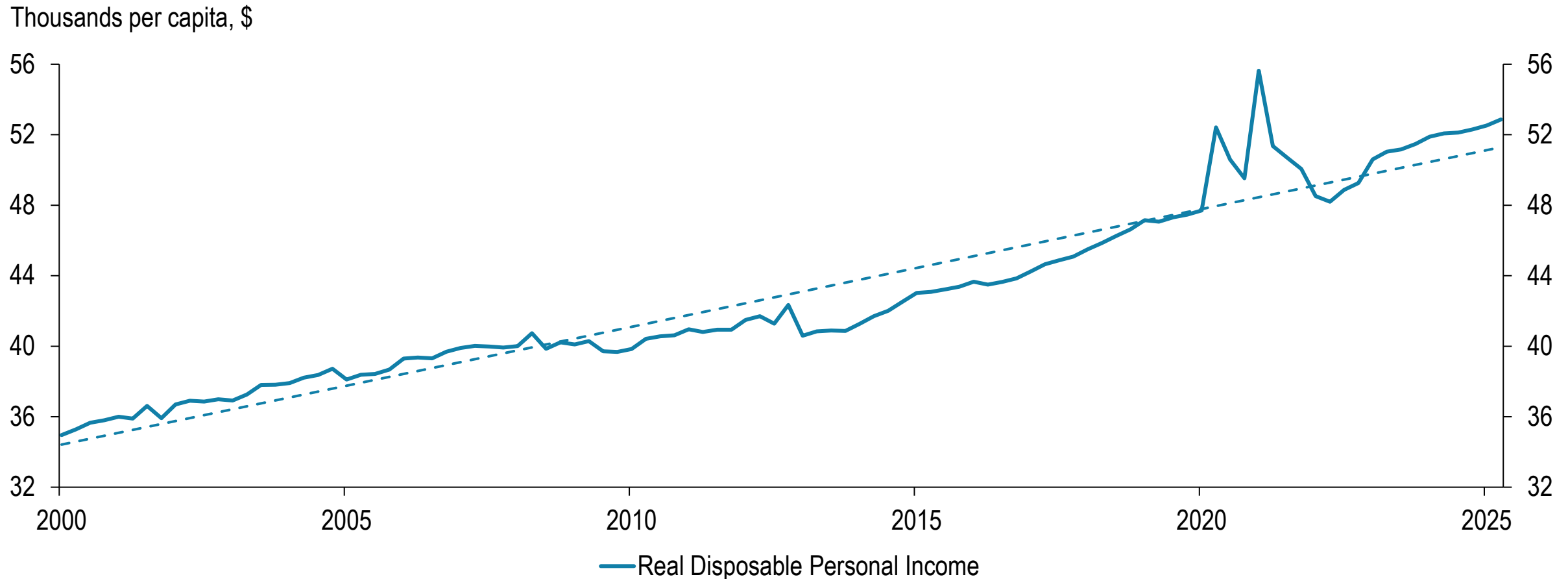


A reduction in immigration is likely reducing the available supply of labor

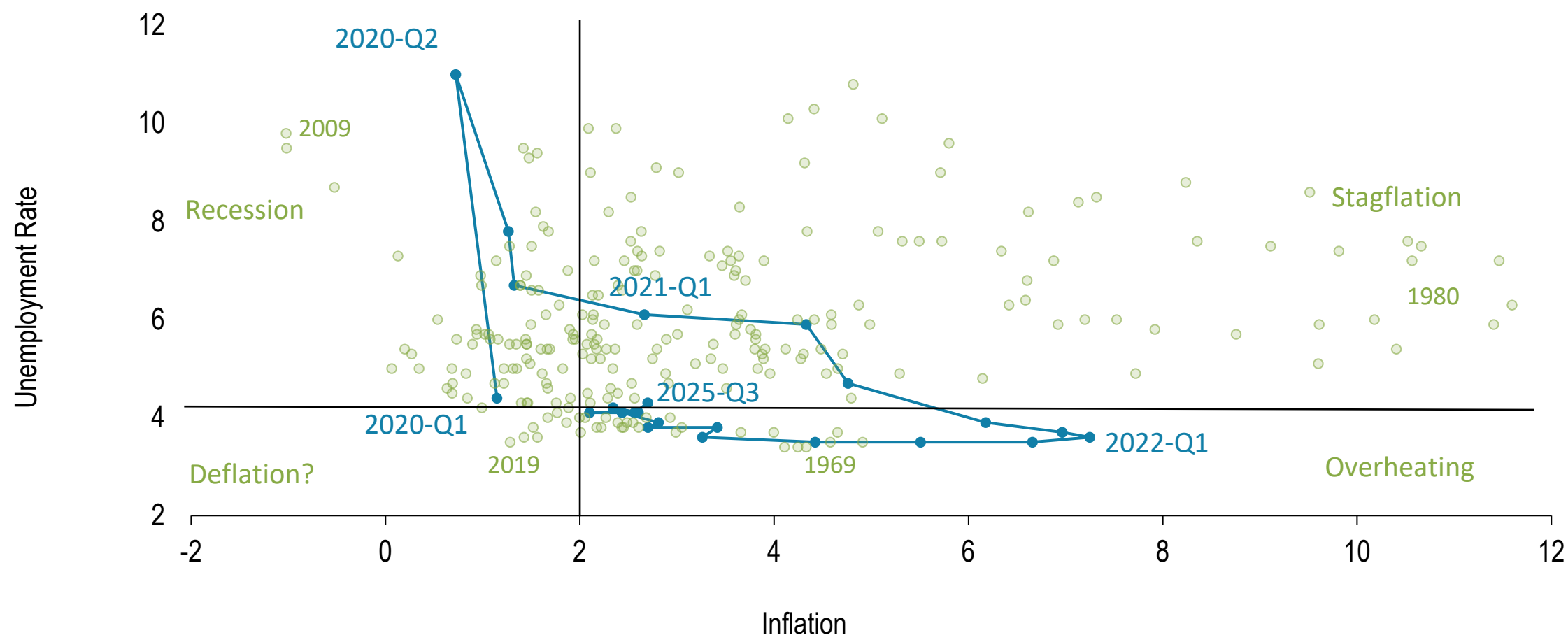
Millions of people



Demand boosted by spike in disposable income

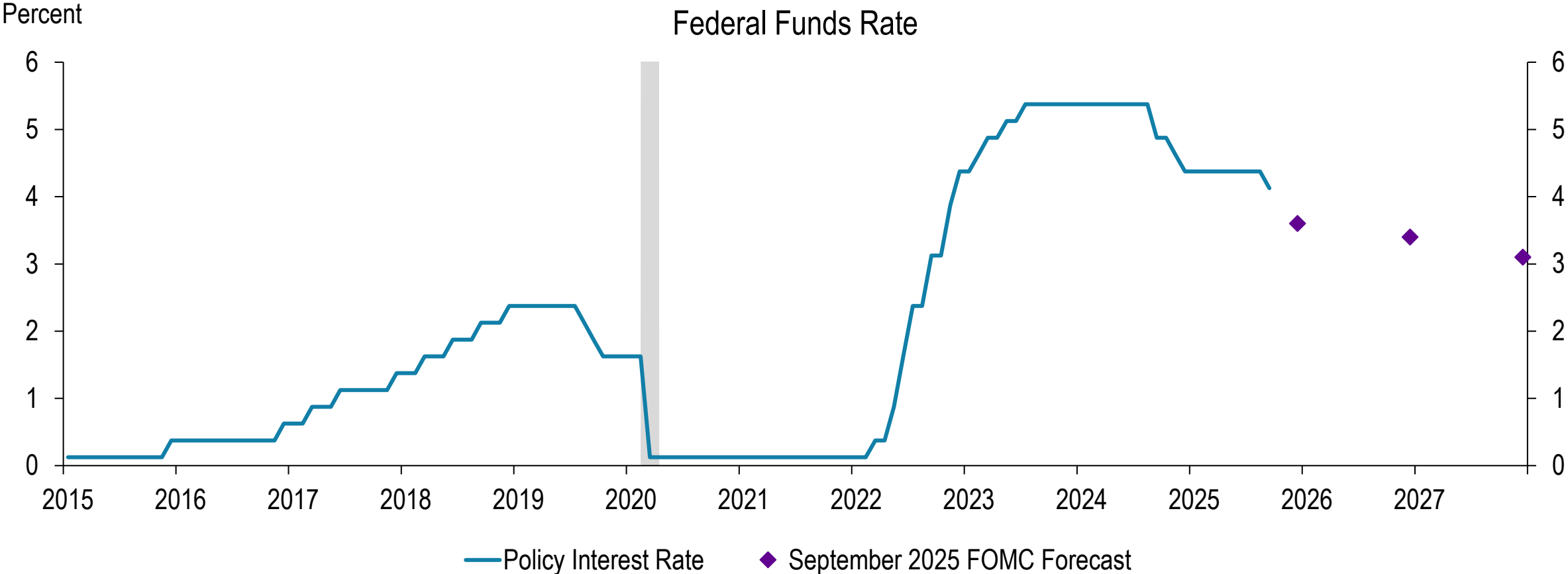


The economy is currently operating near the Fed's dual mandate

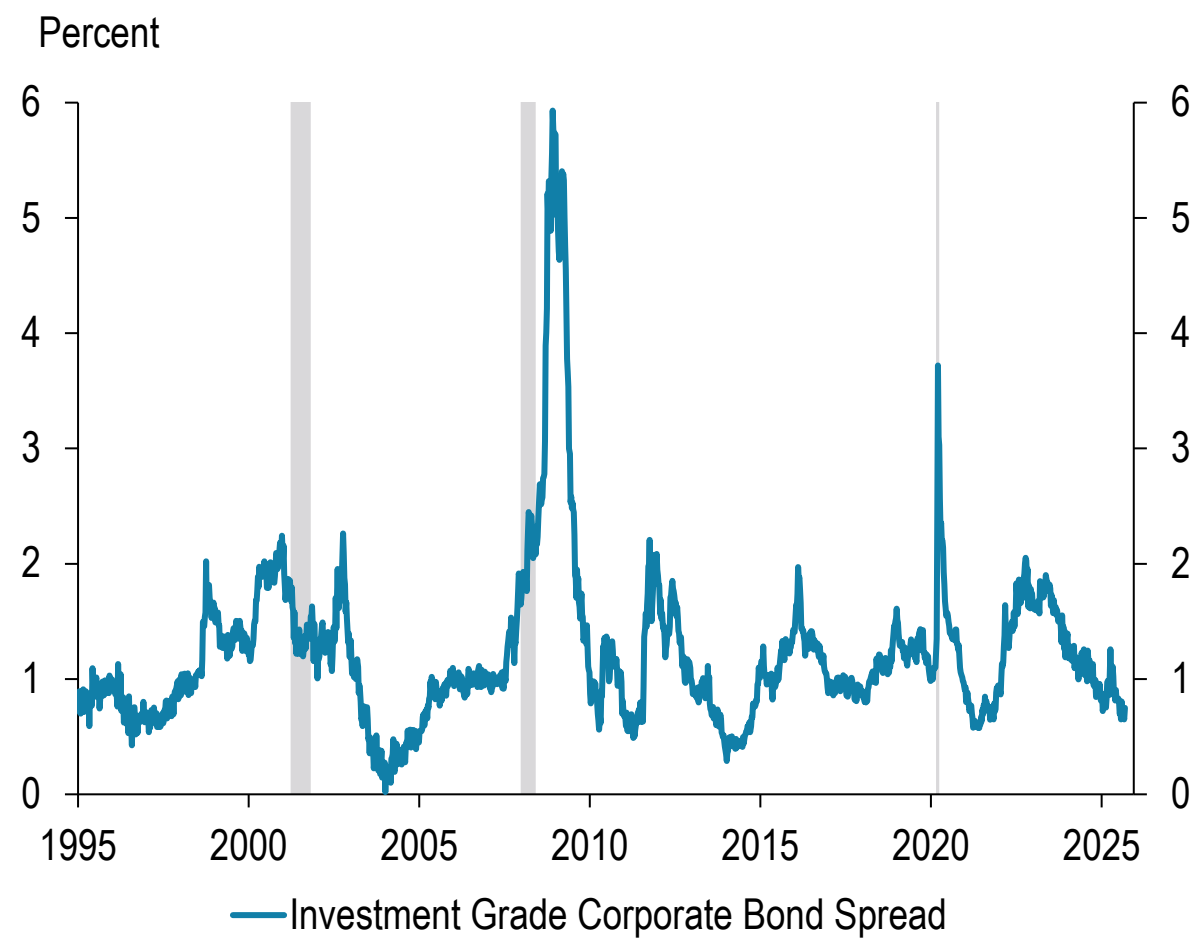


Sources: Bureau of Labor Statistics, Bureau of Economic Analysis, Federal Reserve Board, Haver Analytics.
Notes: 2025-Q3 value denotes August data, PCE estimates from Federal Reserve Chair Powell's FOMC press conference.

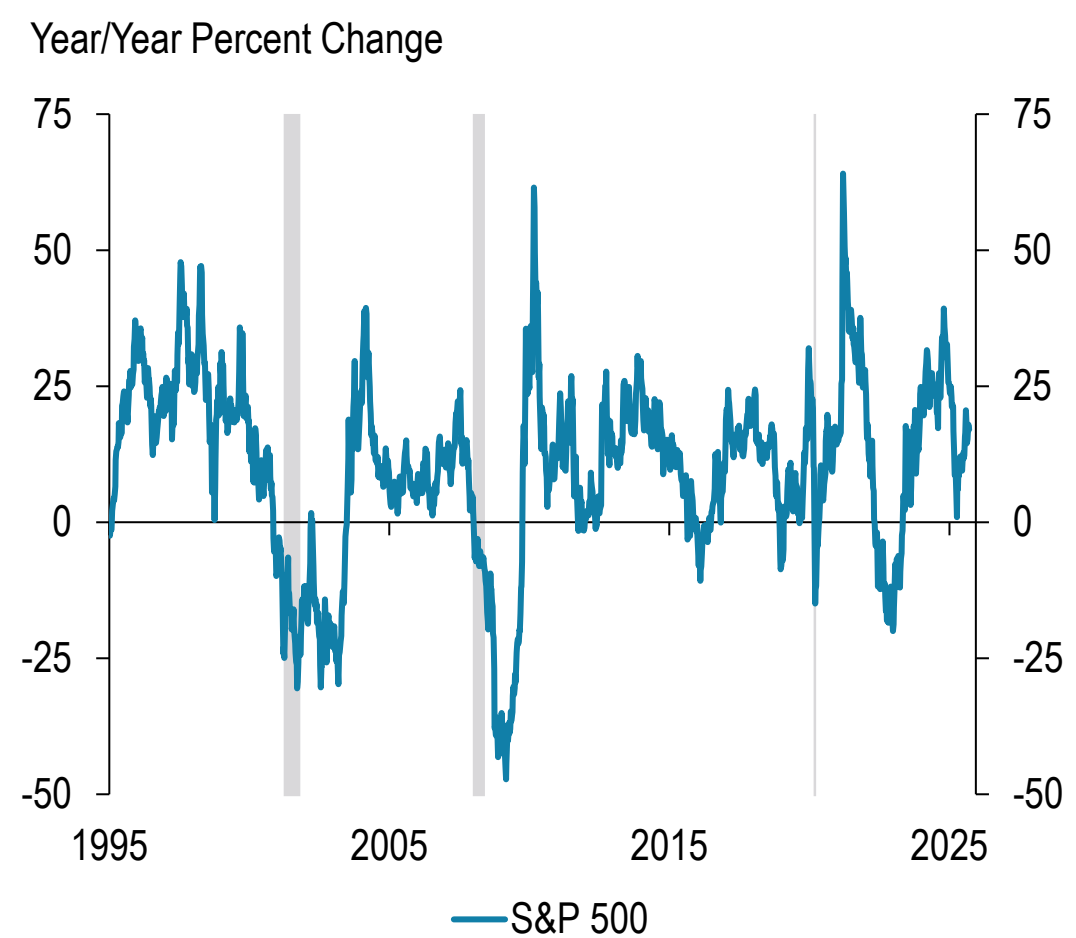
How Restrictive is Policy?



Financial market conditions are supportive of growth



Sources: ICE/Bank of America Merrill Lynch, Haver Analytics



Sources: S&P, Haver Analytics

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