

# U.S. and Oklahoma Economic Outlook

University of Tulsa Student Finance Association and Student  
Economics Association

February 18, 2026

**Cortney Cowley**

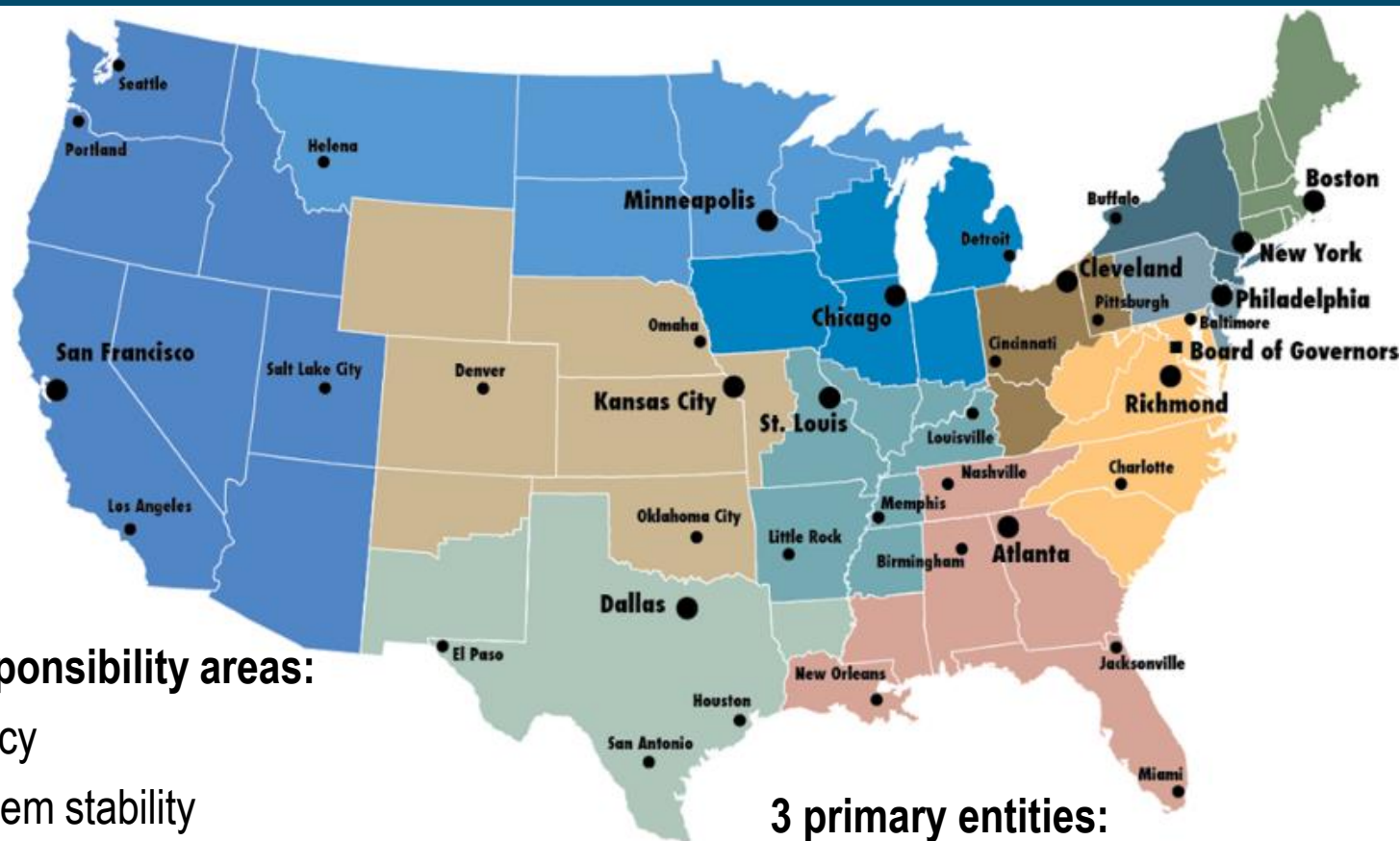
*Oklahoma City Branch Executive and AVP*

\*The views expressed herein are those of the presenter only and do not necessarily reflect the views of the Federal Reserve Bank of Kansas City or the Federal Reserve System.



Denver / Oklahoma City / Omaha

# Structure & Functions of the Federal Reserve



## 5 primary responsibility areas:

- Monetary policy
- Financial system stability
- Bank supervision & regulation
- Payment system safety & efficiency
- Consumer protection & community development

## 3 primary entities:

- Board of Governors: 7 members appointed by U.S. President
- Federal Reserve Banks: 12 total; semi-independent
- Federal Open Market Committee: 19 members; 12 voting



# The Oklahoma City Branch of the Federal Reserve Bank of Kansas City

[www.kansascityfed.org/oklahomacity](http://www.kansascityfed.org/oklahomacity)

- **Functions and purposes ~ 50 staff**

- Research on U.S. and Oklahoma economies; energy sector and business survey focus
- Examinations of Oklahoma financial institutions (~45 banks, ~175 holding cos.)
- Risk analysis and IT development for bank exams; exam assistance for other Fed offices
- Community development and economic education programming for low/moderate income groups and students

- **2025 OKC Branch Board of Directors**

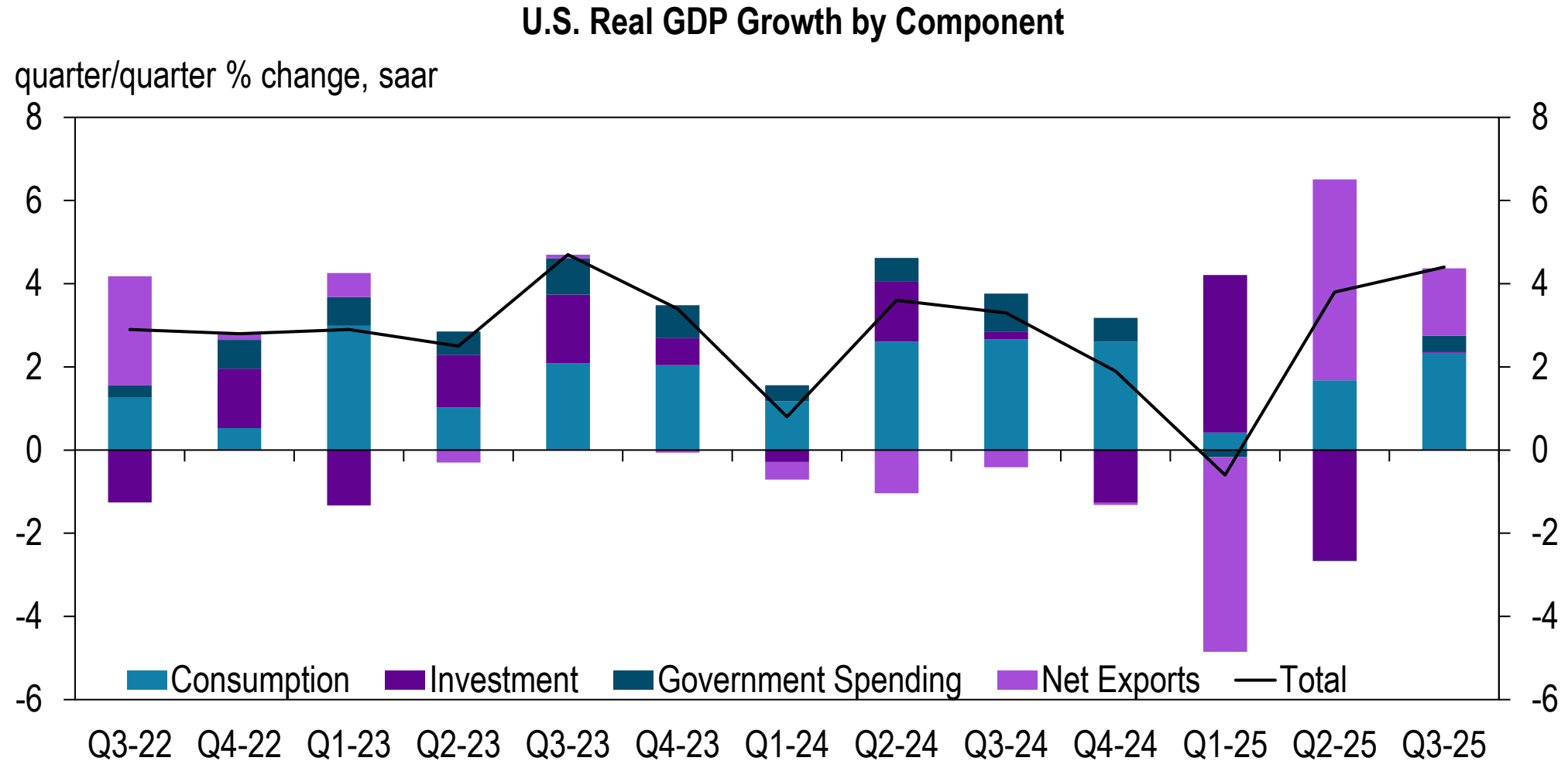
- **Rhonda Hooper (chair)**, President & CEO, Jordan Advertising, OKC
- **Mark Burrage**, CEO, FirstBank, Antlers/Atoka
- **Scott Case**, President, Case & Associates Properties, Tulsa
- **Jason A. Garner**, President, Crawley Petroleum Corporation, OKC
- **Terry Salmon**, President, Computer System Designers, OKC
- **Brady Sidwell**, Principal, Sidwell Enterprises, Enid
- **Rebecca Thompson**, CFO, Treasurer, & VP Finance, AAON, Inc., Tulsa



# Overview

- U.S. economic growth remains solid, but is concentrated in certain sectors and segments of the population
- The labor market is balanced, but softening, as labor supply and demand fall together. Unemployment is up slightly but remains near long-term averages.
- Inflation has come closer to the Fed's target, but goods inflation has risen
- Oklahoma job growth is solid but leveling off, and unemployment ticked up but remains low

# U.S. GDP growth grew 4.4% in Q3 as consumption remained strong

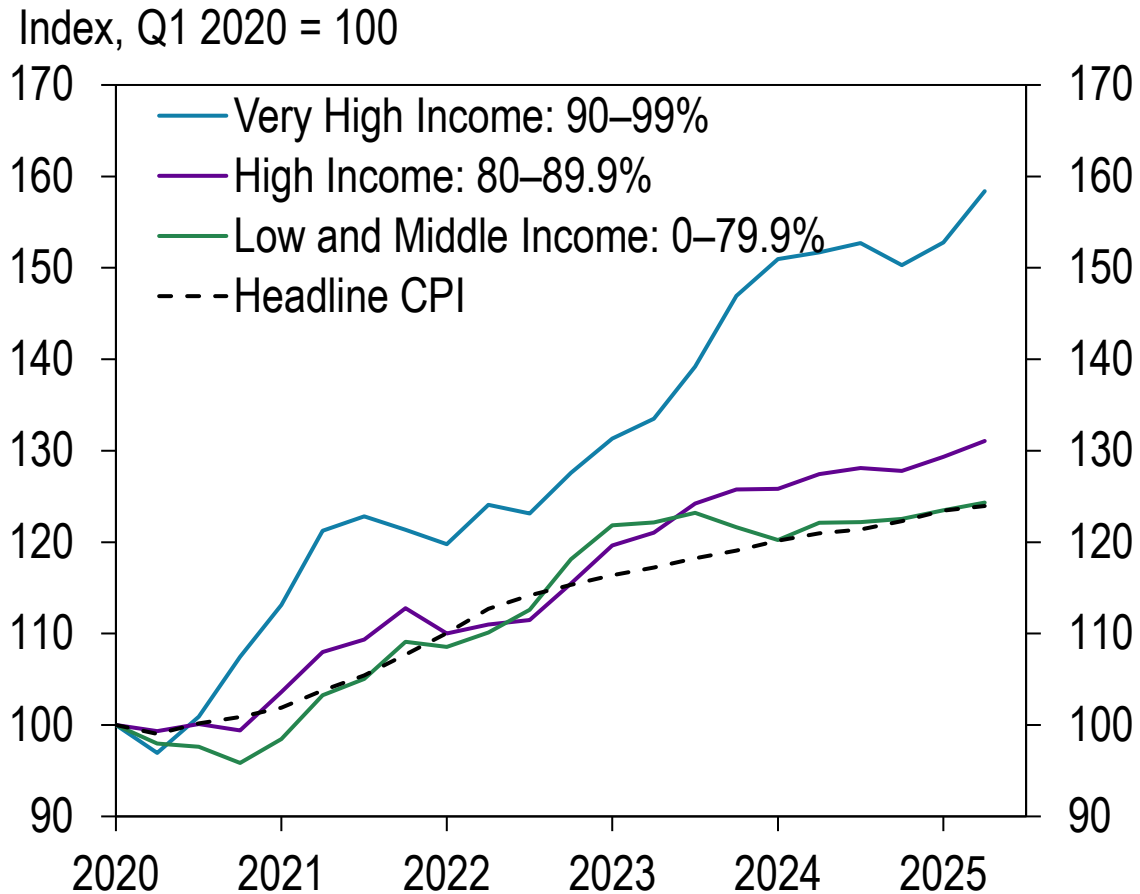


# GDP accelerated in Q3 and employment growth has slowed considerably

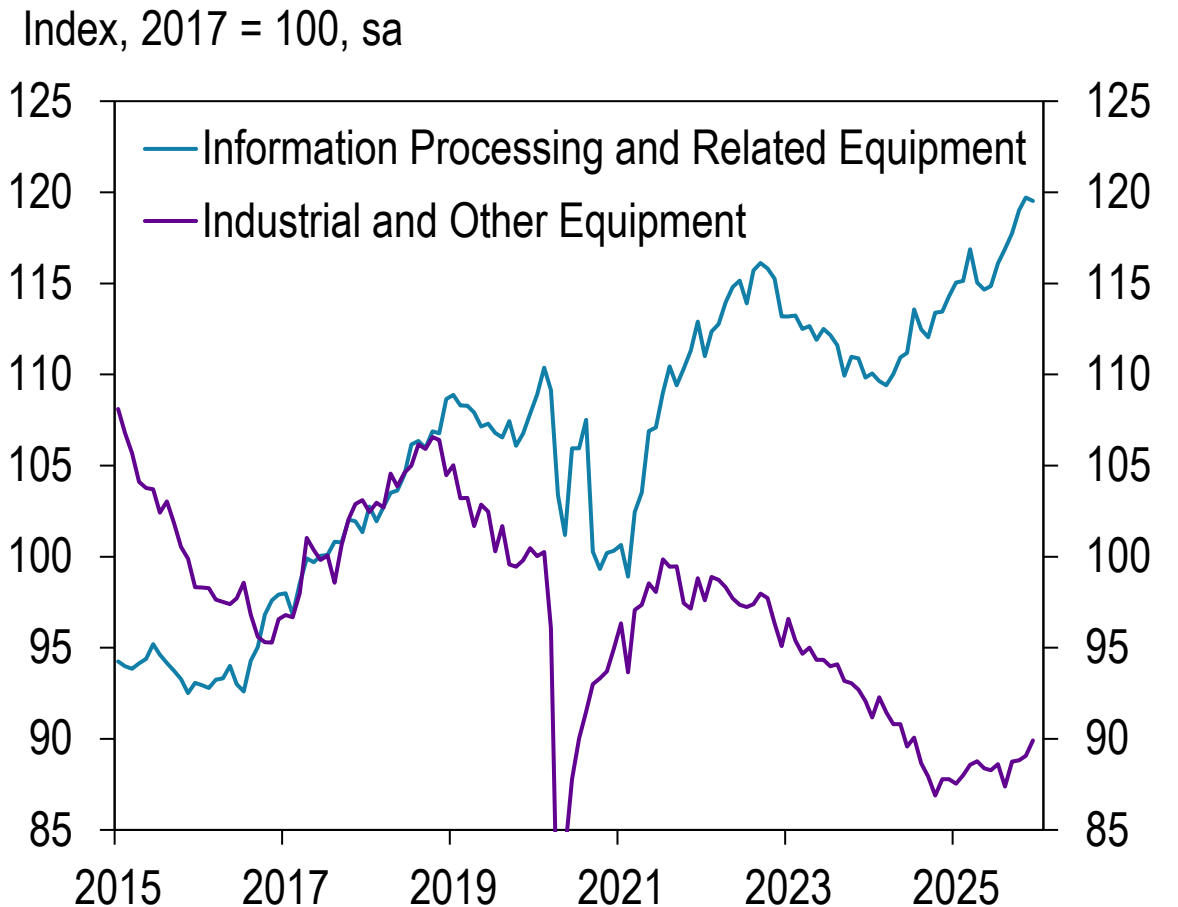


# Current economic growth is supported by consumer spending from high earners and investment in tech-related sectors

## U.S. Consumer Spending by Income

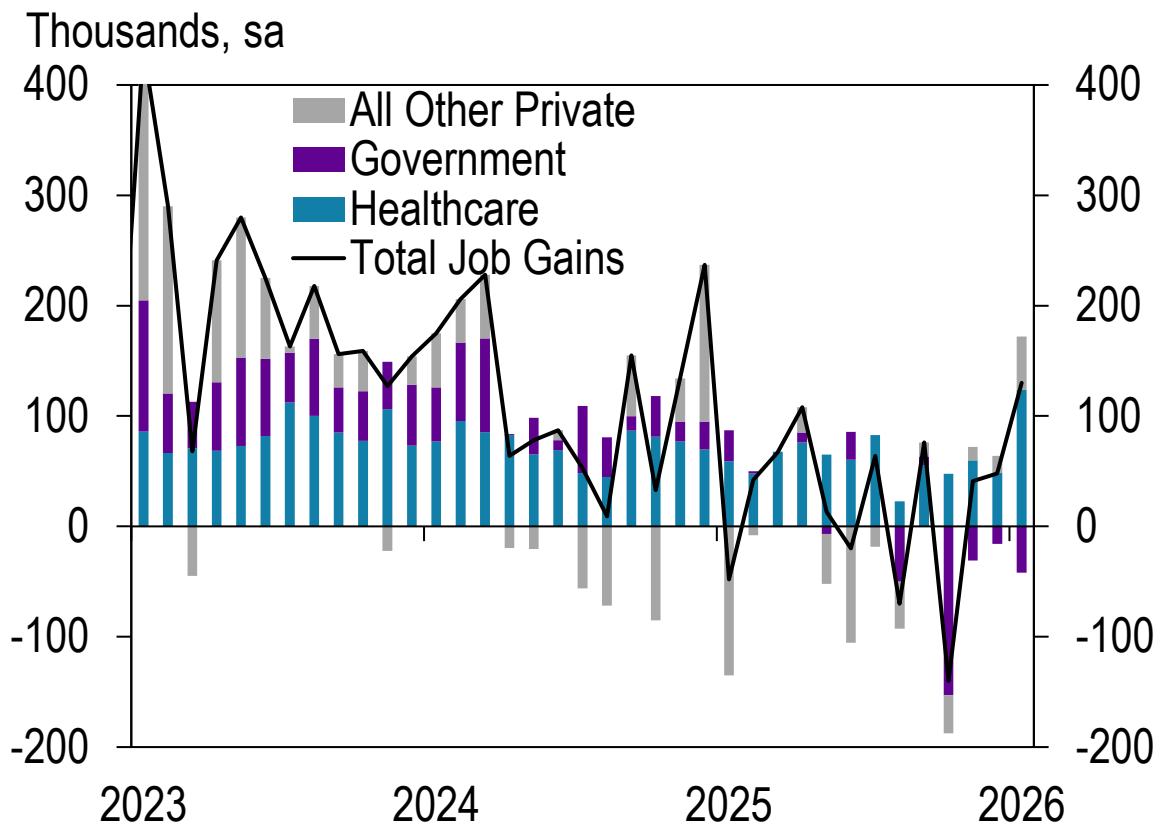


## U.S. Industrial Production

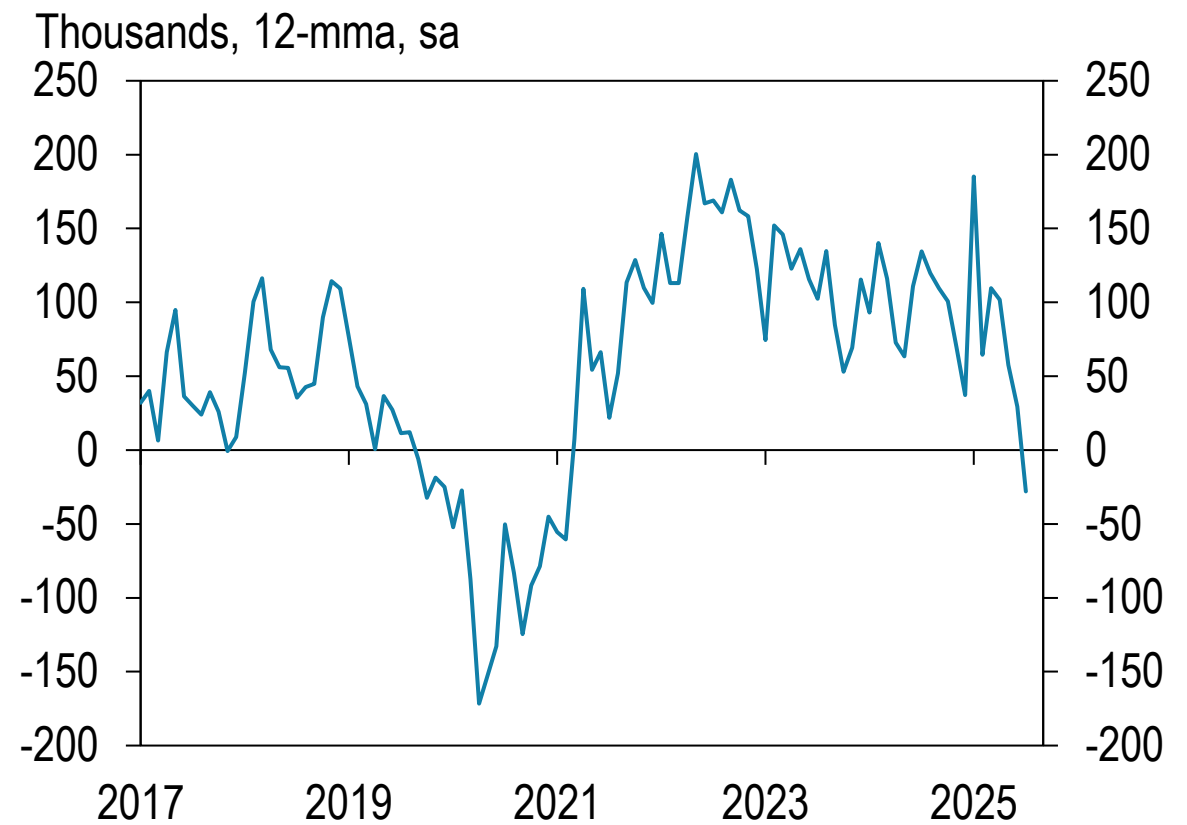


# U.S. job gains have slowed in recent months and are largely concentrated in healthcare, partially due to reduced labor supply from immigration

## U.S. Net Monthly Job Gains

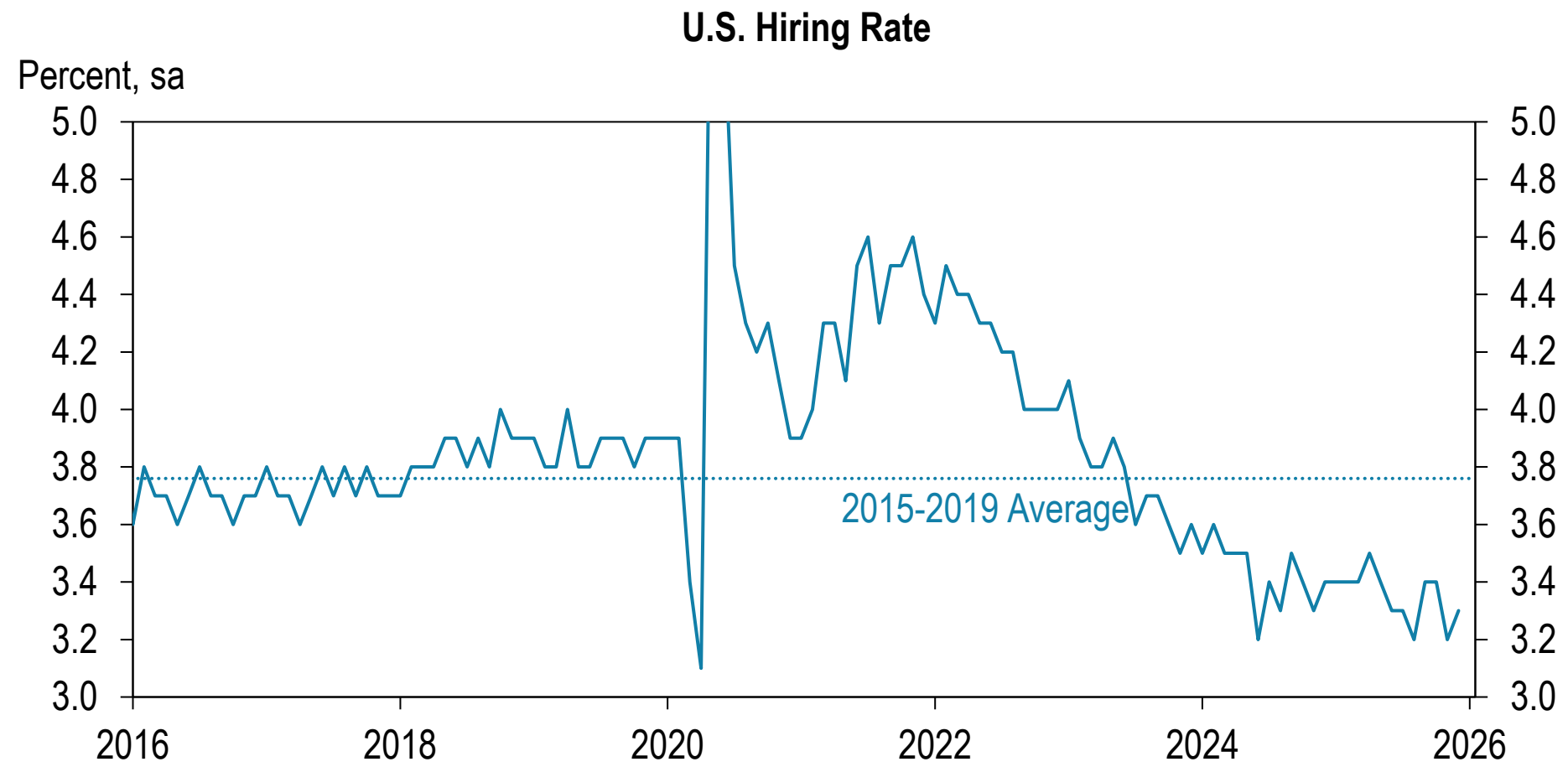


## U.S. Net Immigration





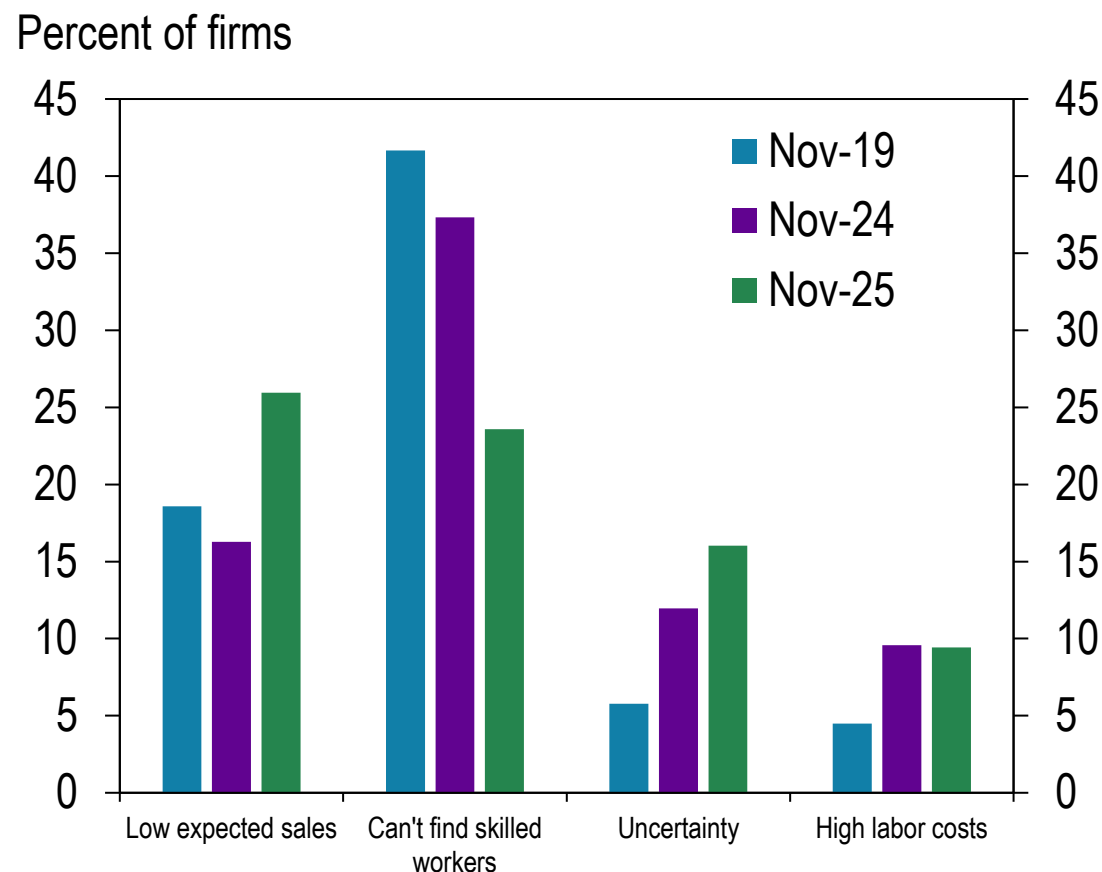
# U.S. hiring has stayed below pre-pandemic levels over the last year



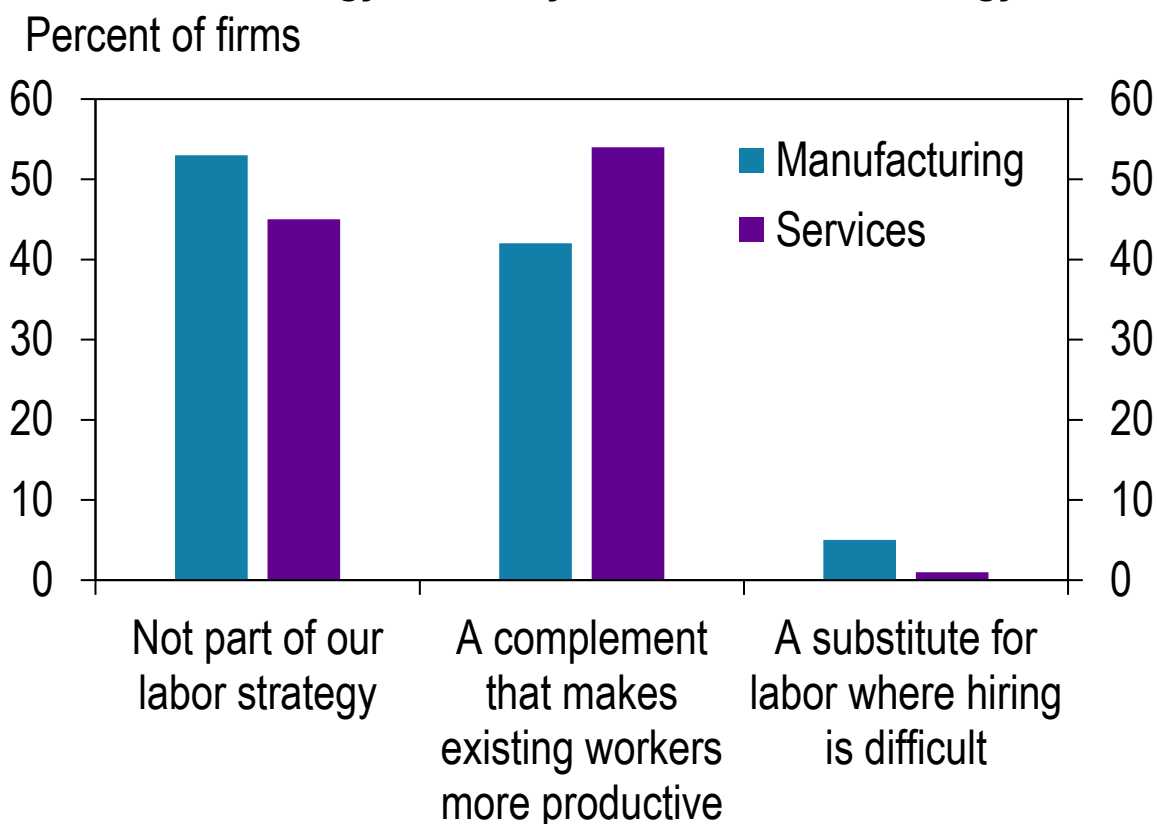
Sources: BLS/Haver Analytics

# Low expected demand and uncertainty have increased as the top factor restraining hiring, and firms do not cite AI as a replacement for labor

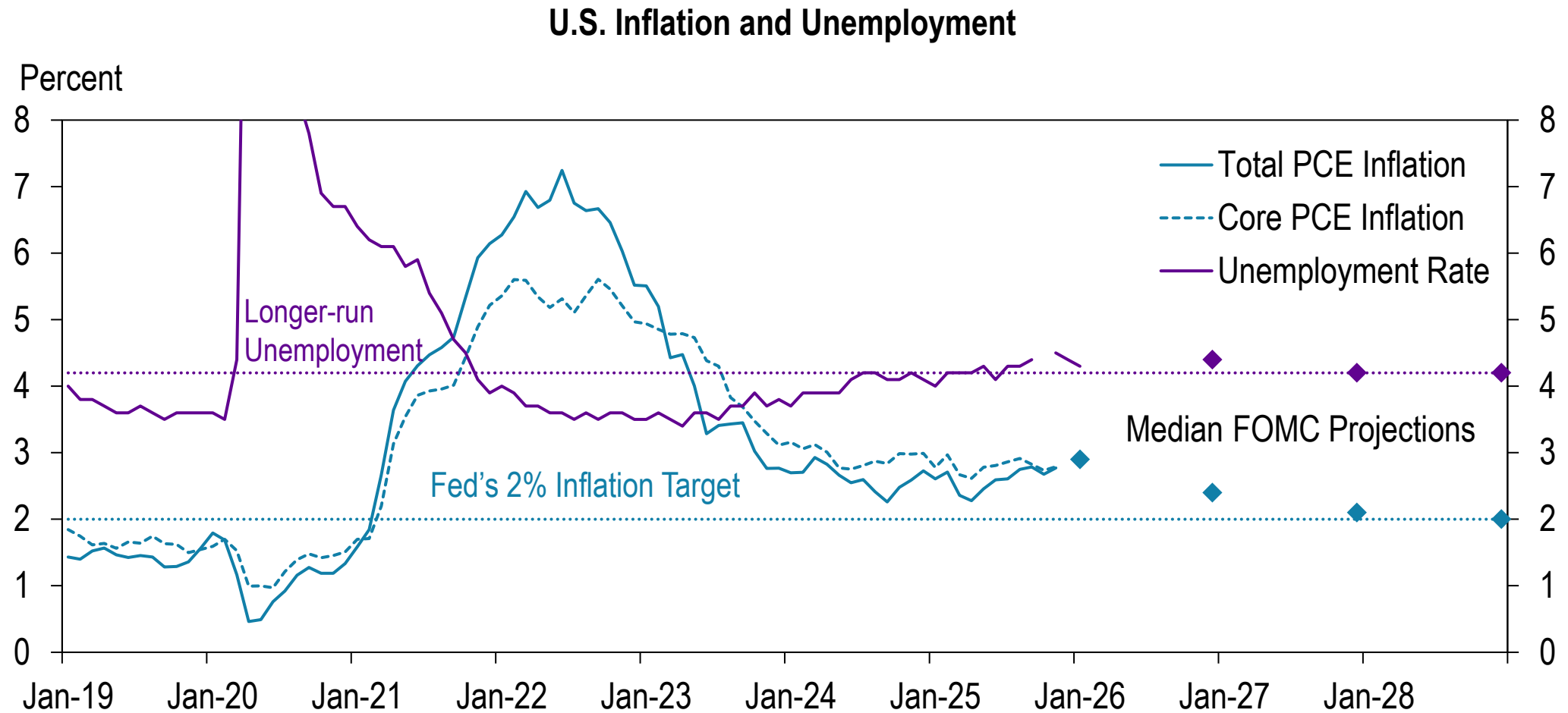
**Tenth District Firms' Top Factors Restraining Hiring**



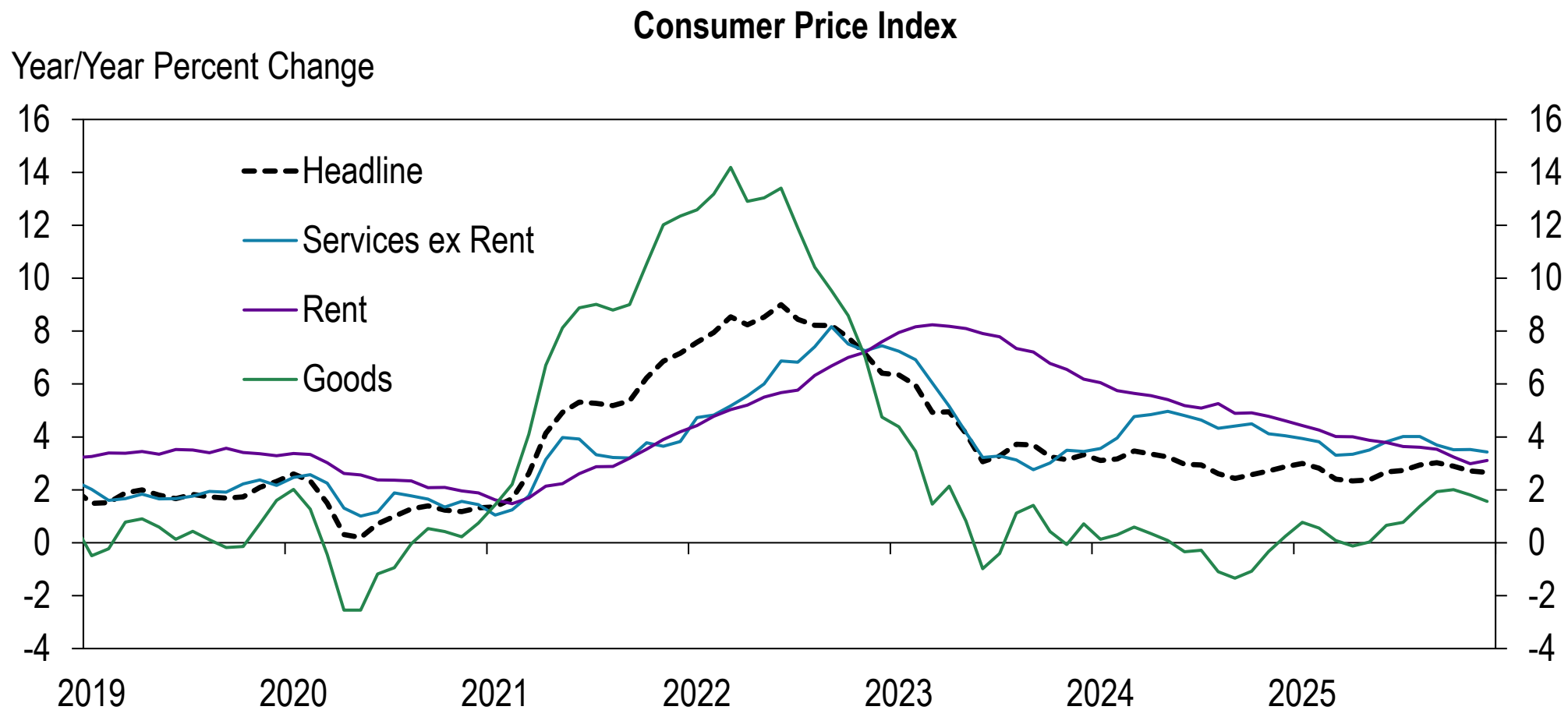
**Jan. 2026: Which best describes how AI or technology fits into your firm's labor strategy?**



# Inflation and unemployment have come closer to the Fed's targets, but there are upside risks to both

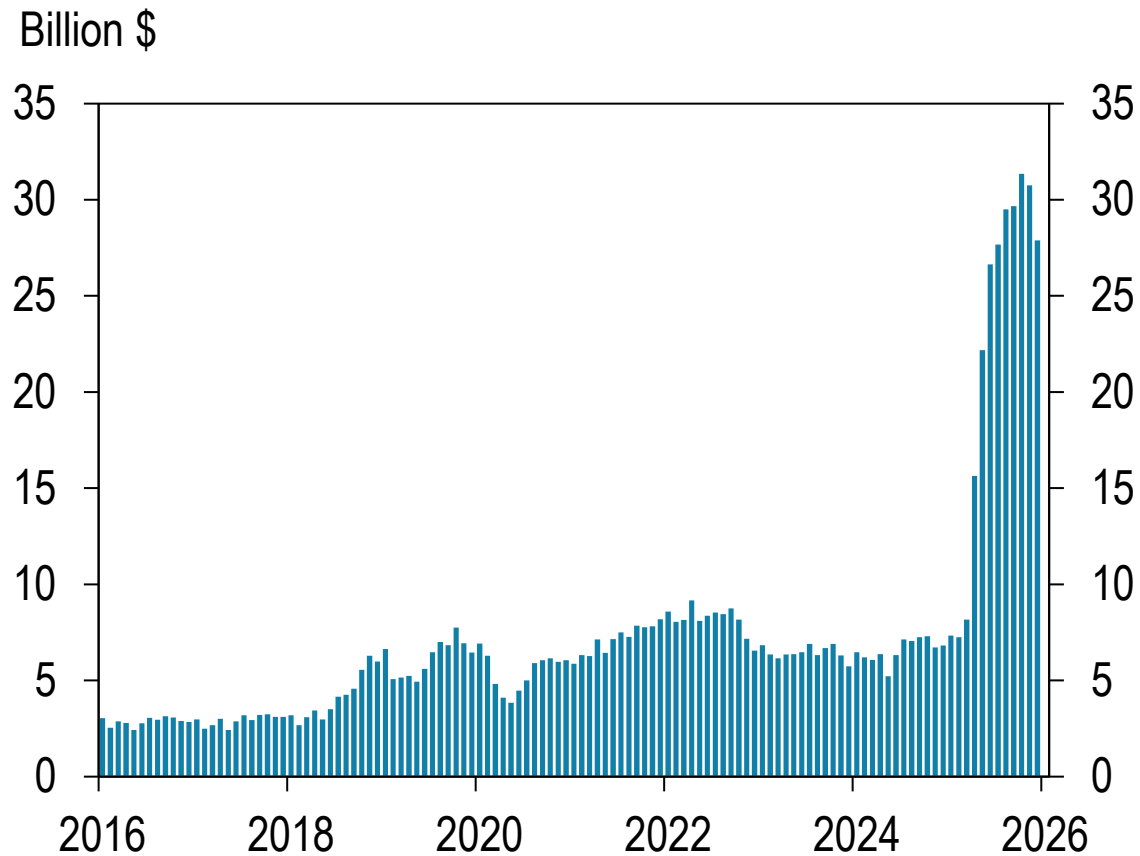


# CPI inflation stayed at 2.7% in December, as goods inflation remains elevated

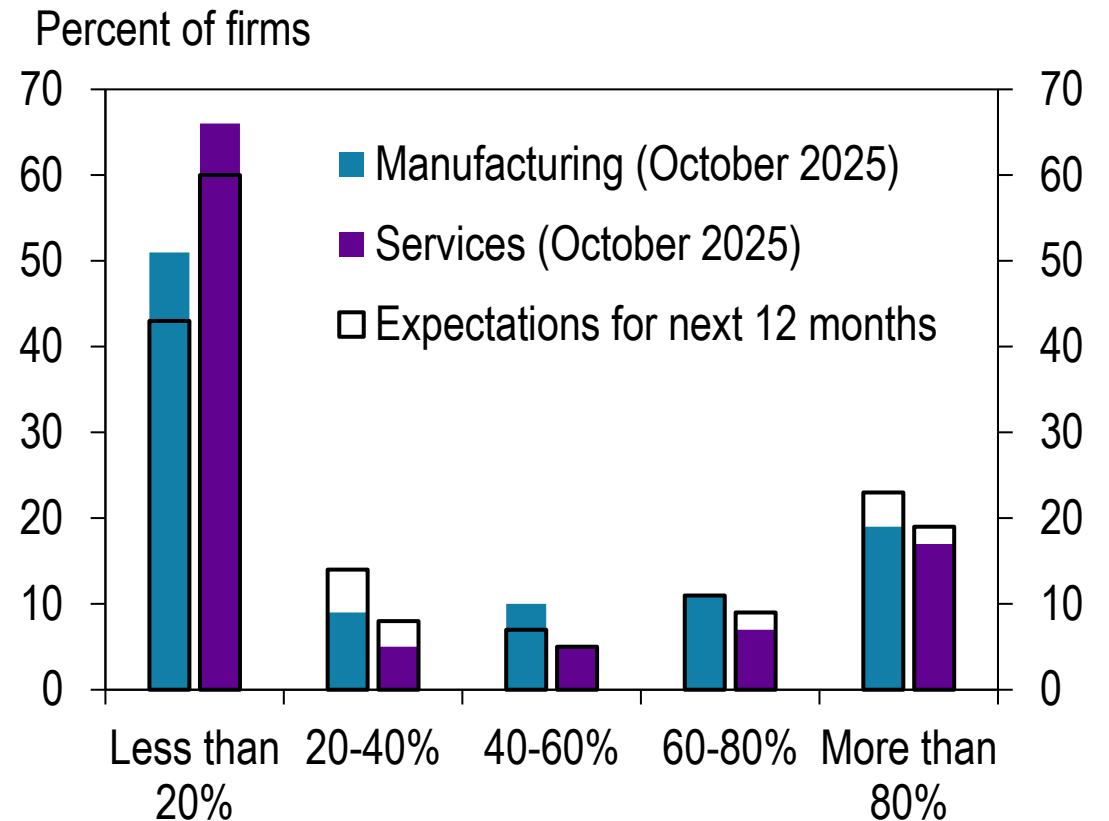


# Someone is paying the tariffs, but their impact on consumer prices depends on the extent to which firms pass through cost increases

U.S. Customs Taxes Collected

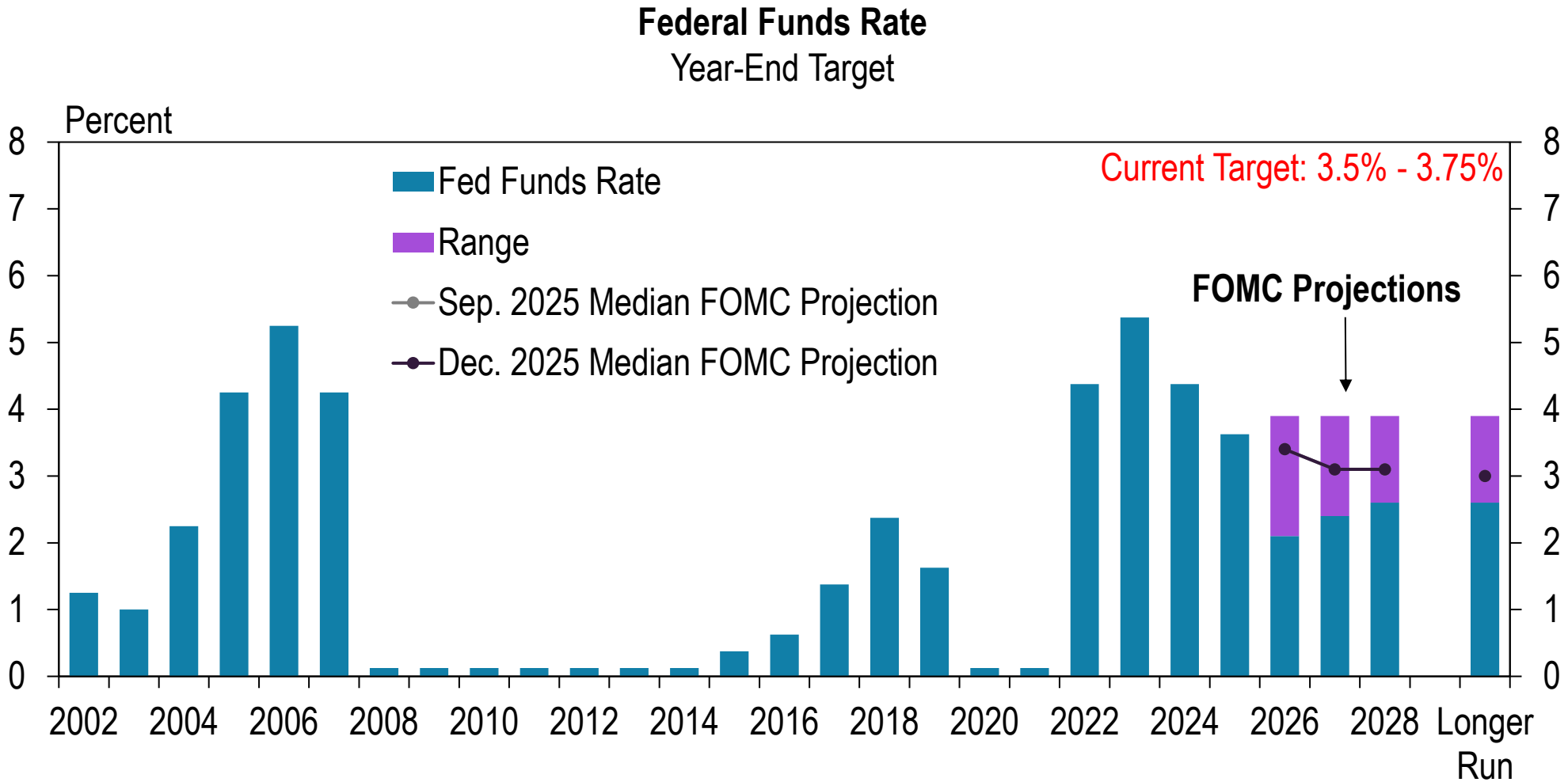


Oct-25: If your firm is facing rising input costs, how much are you able to pass through to the customer?





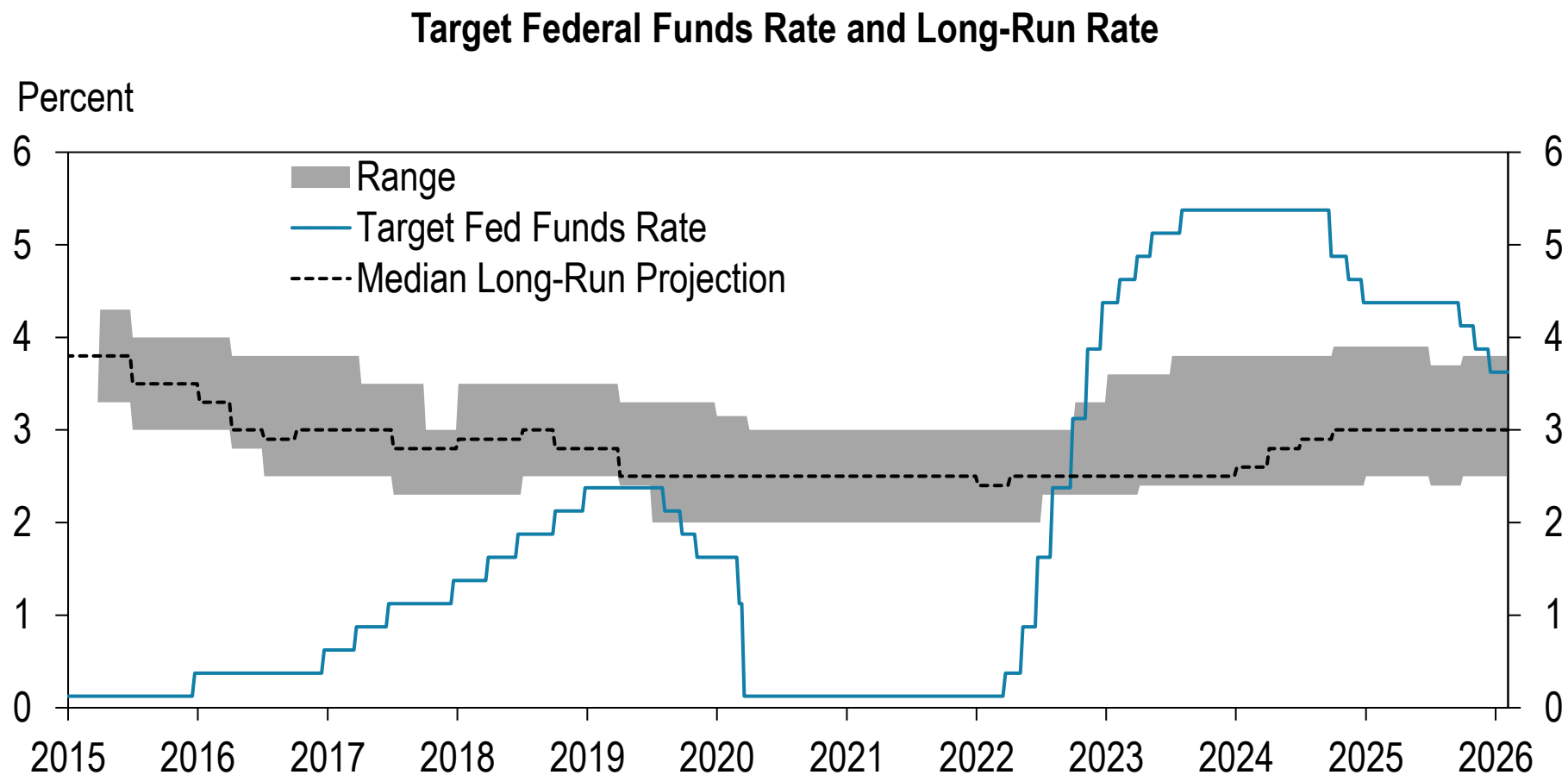
# The Fed held the federal funds rate steady in January and the latest projections are shown



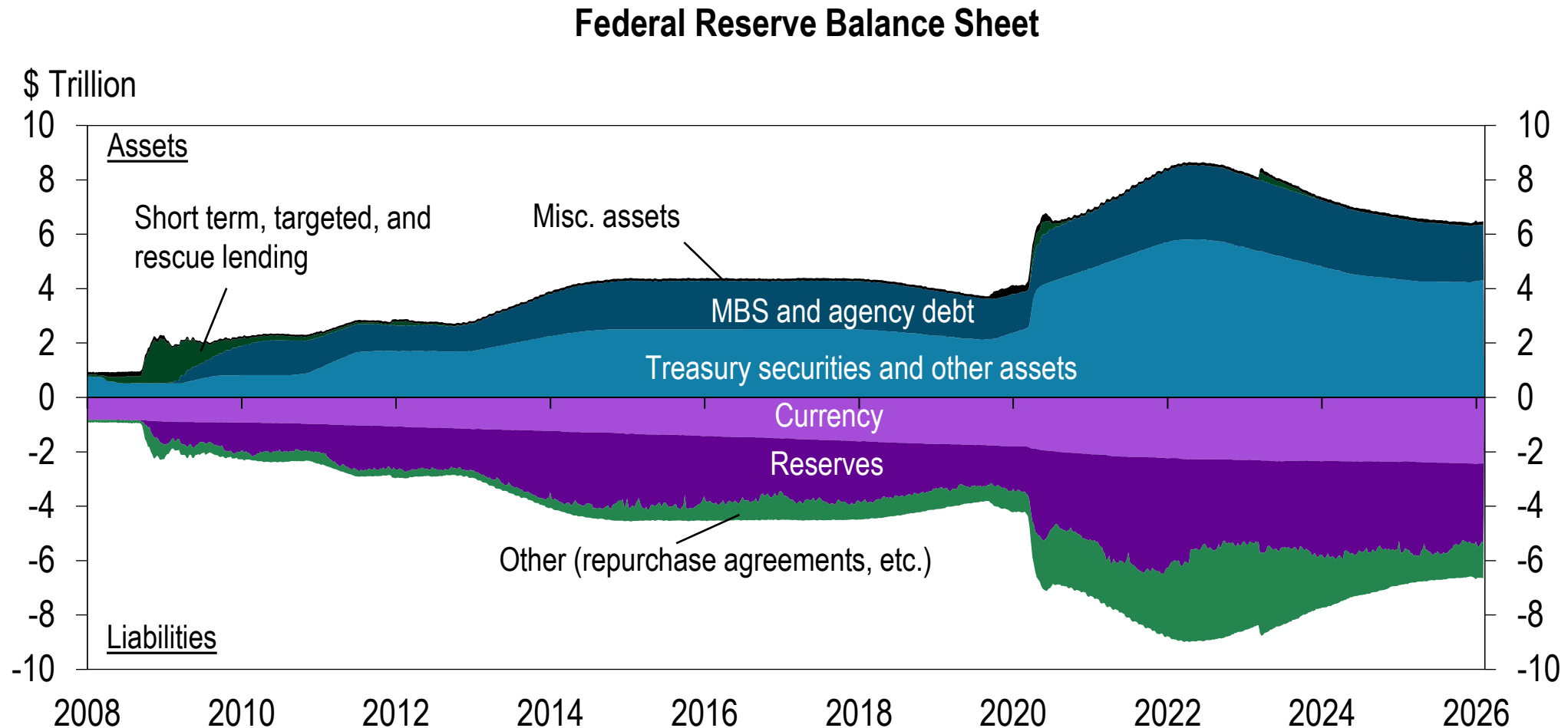
Note: Data and FOMC projections are for year-end.

Source: FOMC

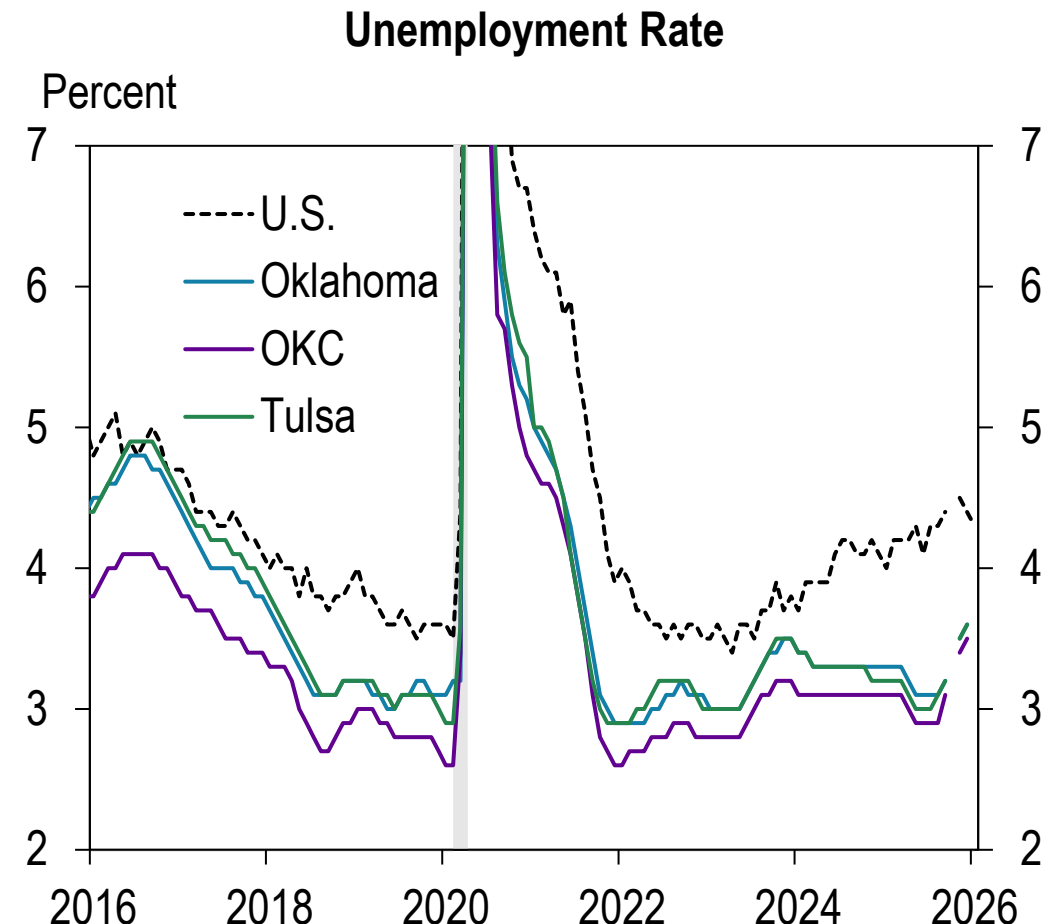
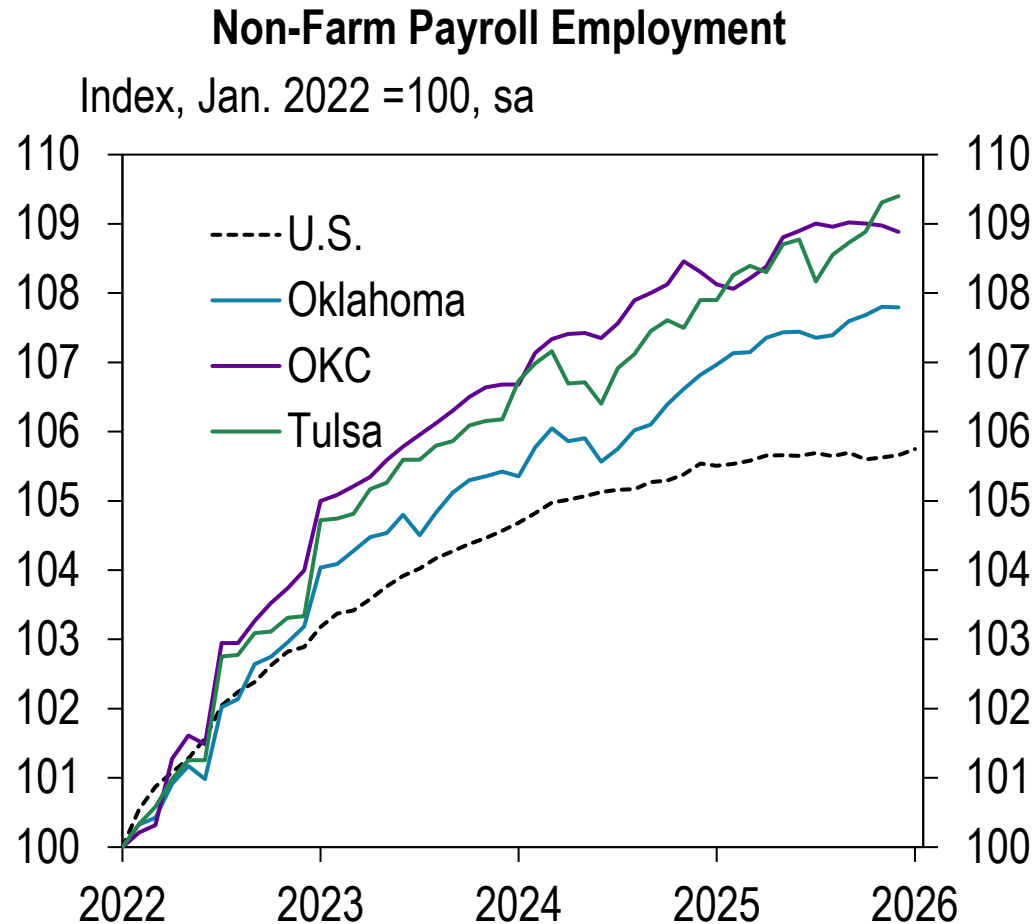
# Monetary policy is likely restrictive, but perhaps only modestly



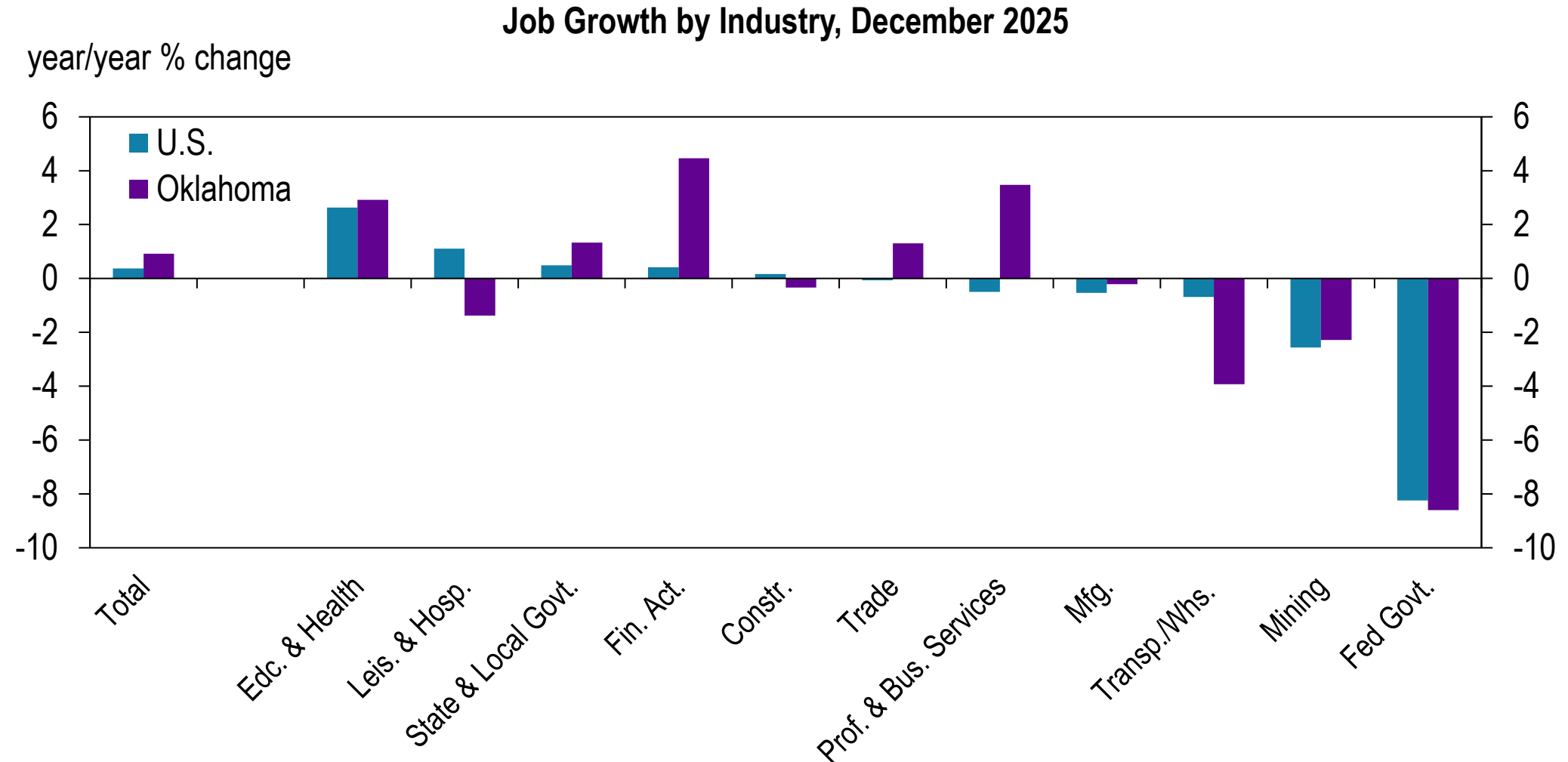
# The FOMC also started purchases of short-term Treasury securities to maintain an ample supply of bank reserves



# Jobs in Oklahoma have grown, but gains are leveling off, and unemployment remains very low



# Oklahoma's job growth slightly outperformed the nation's over the past year, driven by construction, business services, and retail





# Questions?

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