

Panel Discussion on Economic Conditions

July 15, 2021 – Colorado Chamber of Commerce

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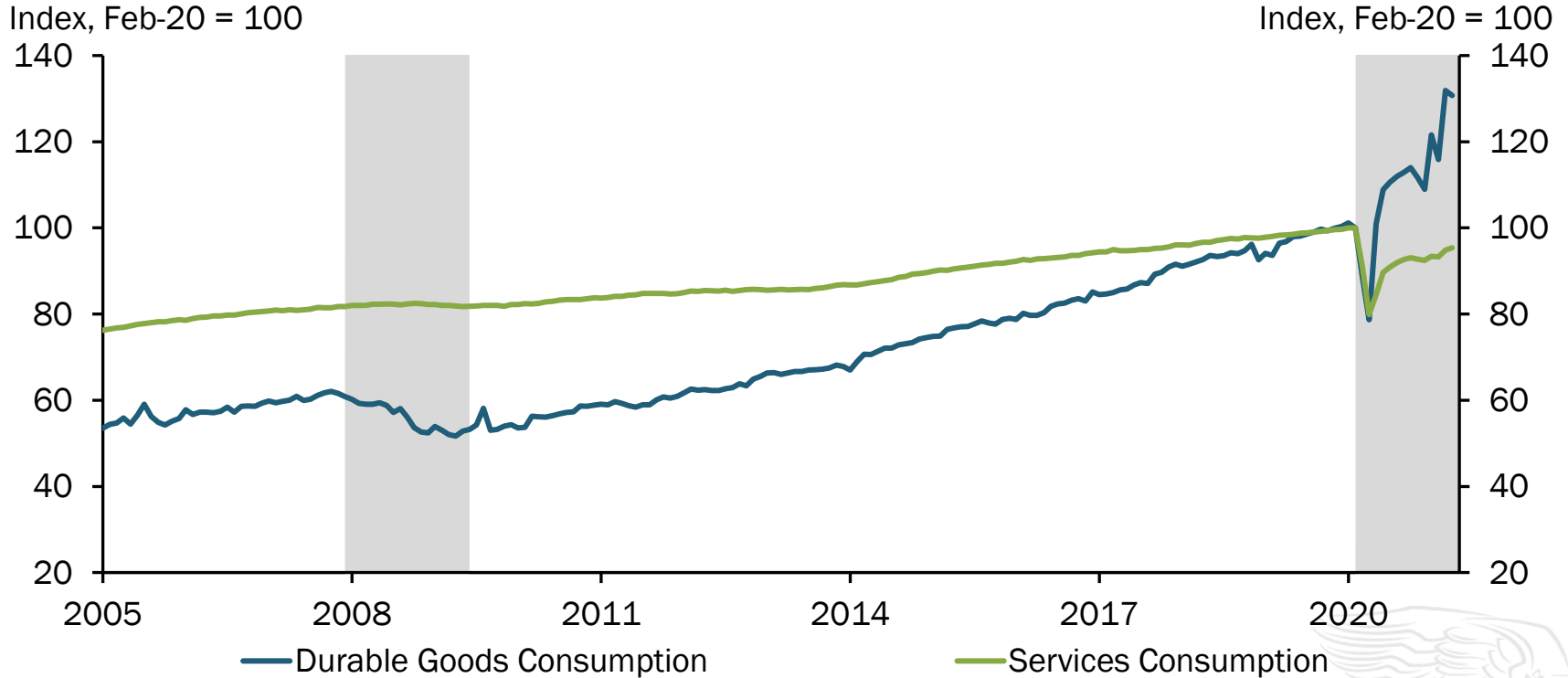
Assistant Vice President, Economist and Denver Branch Executive



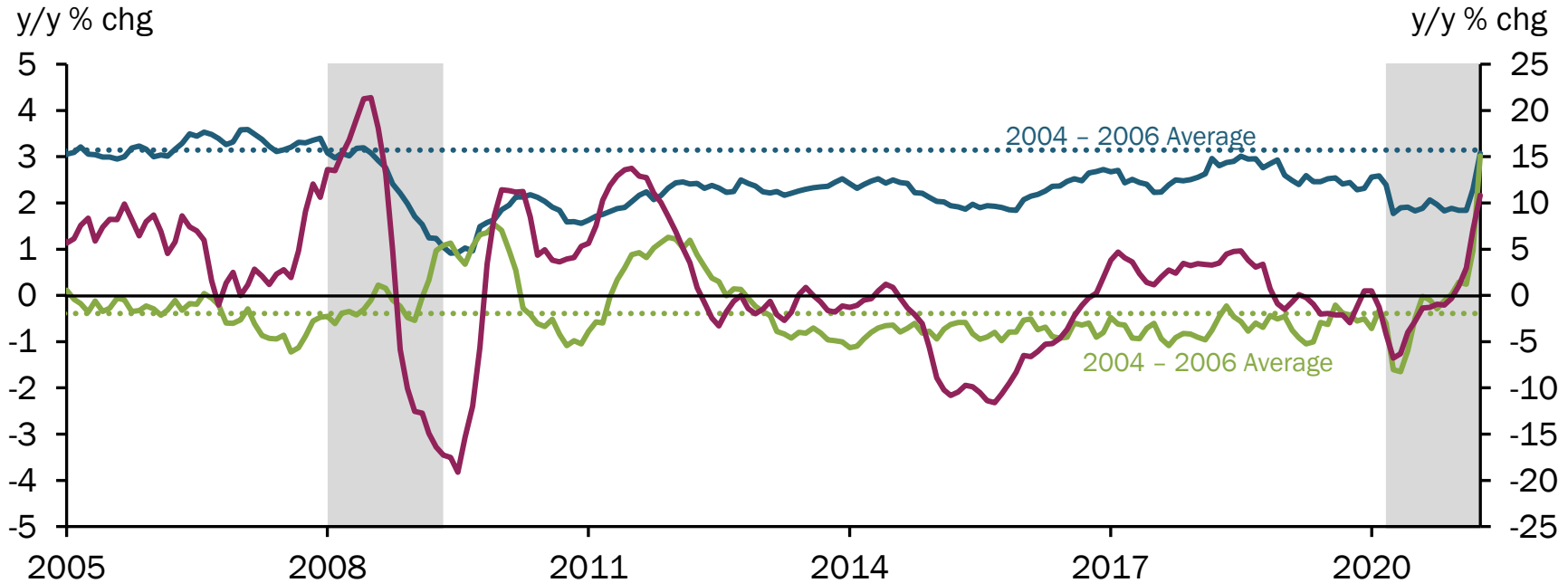
Consumer spending now exceeds pre-pandemic levels



The composition of spending remains shifted more towards goods than is typical, especially during economic downturns



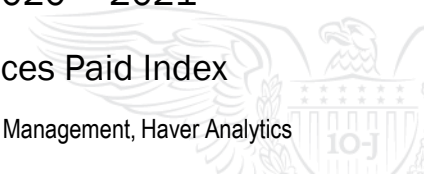
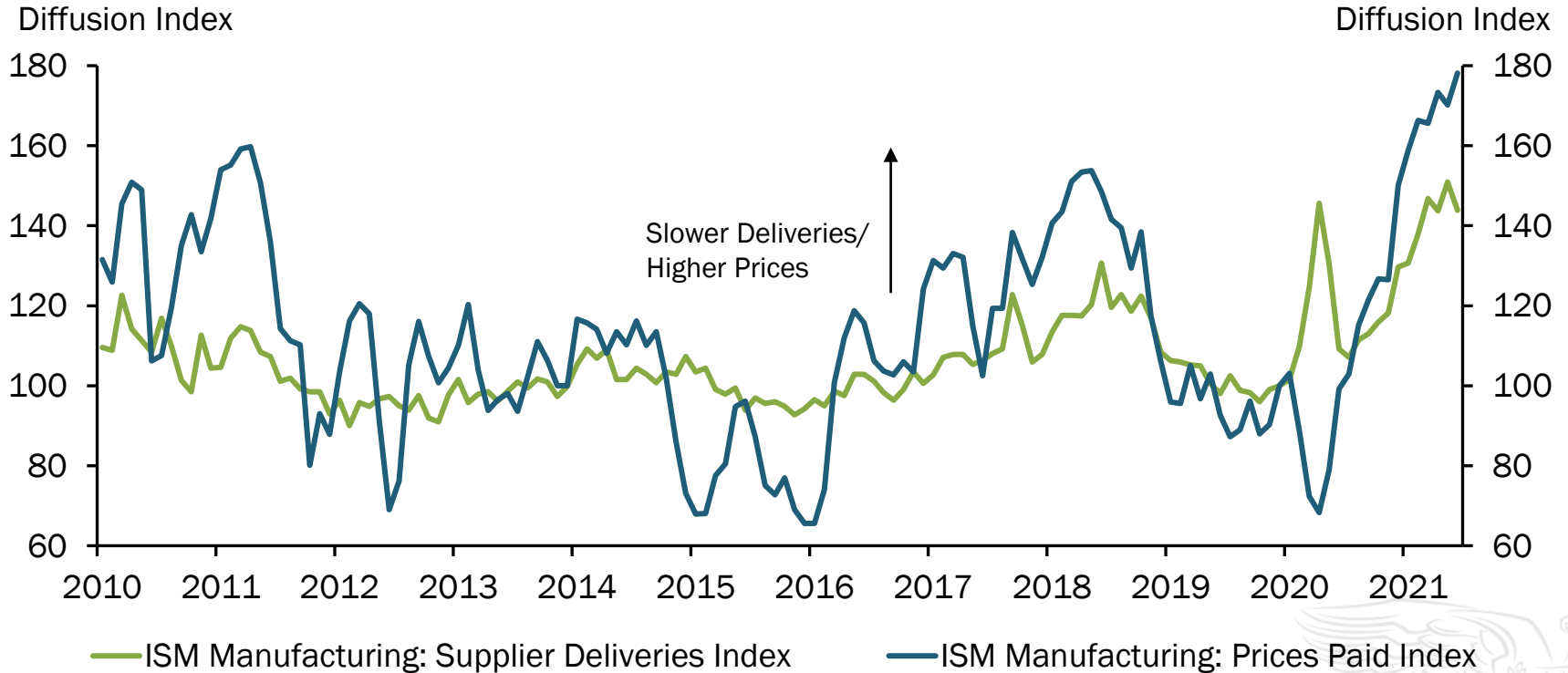
Services prices are typically the primary driver of overall inflation rates, but goods and import prices are making outsized contributions currently



— Core PCE: Services Inflation (Left) — Core PCE: Goods Inflation (Left) — Import Price Index (Right)



Supply of many goods and services are having trouble keeping pace with demand, leading to delays and cost pressures



Recent projections from the FOMC for the median participant indicate expectations for stability in the rate environment through 2022

