The Outlook for Yellowstone County

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Bureau of Business and Economic Research
University of Montana
What is *your* economic outlook?

1. Go to pollev.com/bber297 to respond

or,

2. Text BBER297 to 22333 once to join
Then text A, B, or C to vote
In terms of sales, what kind of year did your business or organization have last year?

- Better than 2016
- About the same as 2016
- Worse than 2016
Again in terms of sales, what kind of year do you expect for your business or organization this year?

<table>
<thead>
<tr>
<th>Option</th>
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<tr>
<td>Better than 2017</td>
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# Yellowstone County Profile

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>State Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Population, 2016</td>
<td>158,437</td>
<td>1</td>
</tr>
<tr>
<td>Percent change since 2010</td>
<td>7.1%</td>
<td>10</td>
</tr>
<tr>
<td>Median age</td>
<td>38.2</td>
<td>46</td>
</tr>
<tr>
<td>Percent Aged 65 or Older</td>
<td>15.4%</td>
<td></td>
</tr>
<tr>
<td>Percent with Bachelors Degree or Higher (Age 25+)</td>
<td>29.2%</td>
<td>8</td>
</tr>
<tr>
<td>Percent without Health Insurance Coverage, 2015</td>
<td>12.4%</td>
<td>46</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau
### Yellowstone County Profile

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<tr>
<td>Earnings per Job, 2016</td>
<td>$52,721</td>
<td>3</td>
</tr>
<tr>
<td>Mining</td>
<td>$163,824</td>
<td>2</td>
</tr>
<tr>
<td>Utilities</td>
<td>$115,482</td>
<td>7</td>
</tr>
<tr>
<td>Construction</td>
<td>$64,327</td>
<td>3</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>$86,180</td>
<td>1</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>$32,300</td>
<td>13</td>
</tr>
<tr>
<td>Transportation and Warehousing</td>
<td>$63,097</td>
<td>9</td>
</tr>
</tbody>
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Source: U.S. Bureau of Economic Analysis
Drivers of Economic Activity
Percent Share of Income in Basic Industries, Yellowstone County

- Mining, 16%
- Health Care, 12%
- Selected Manufacturing, 16%
- Trade Ctr. Retail Wholesale, 11%
- Other Services, 11%
- Transportation, 10%
- Higher Ed. and State Govt., 7%
- Nonresident Travel, 5%
- Ag. & Related, 2%

Source: U.S. Bureau of Economic Analysis and BBER
What Has Grown Since 2007
Inflation Corrected Earnings in 2016 as Percent of 2007

100 110 120 130 140 150 160

State & Loc Govt
Health Care
Construction
Mining
Ret. Trade
Fed Civilian
Transp. & Warehousing
Accommodation
Other Services
Prof. Services
Whol. Trade
Manufacturing

Source: U.S. Bureau of Economic Analysis
Growth Slowdown in 2016 Widespread
Percent Growth in Real Nonfarm Earnings, 2014-16

Source: U.S. Bureau of Economic Analysis
Earnings Reversal in 2016 Was Widespread

Growth in Inflation-Corrected Earnings, Yellowstone County ($ Millions)

- Construction and Manufacturing
- Retail & Whol. Trade
- Finance and Bus. Serv.
- Health Care
- Accommodations & Food
- Government
- Mining
- Other

Source: U.S. Bureau of Economic Analysis
Erratic Wage Growth Since 2016
Inflation-Corrected Covered Wages, Index 2007=100

Seasonally adjusted by BBER
Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages
Outlook for Job Growth is Measured
Employment Growth, Yellowstone County 2014-21

Source: IHS Markit
In-Migration to Yellowstone County
by Source, 2009-13

Usmigrationflowmapper.com
Looking Ahead to 2018

• 2016 not quite as bad as earnings data suggest
• Construction, manufacturing did better in 2017
• Energy and agriculture woes in a four state area being felt in Billings
• Consolidation and uncertainty ahead for health care
• Growth not likely to exceed state average in years ahead
Growth in Nonfarm Earnings, Yellowstone County, 2015-2021

Source: BBER and U.S. Bureau of Economic Analysis
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Questions?