

2024

WYOMING'S  
**ECONOMIC OUTLOOK**



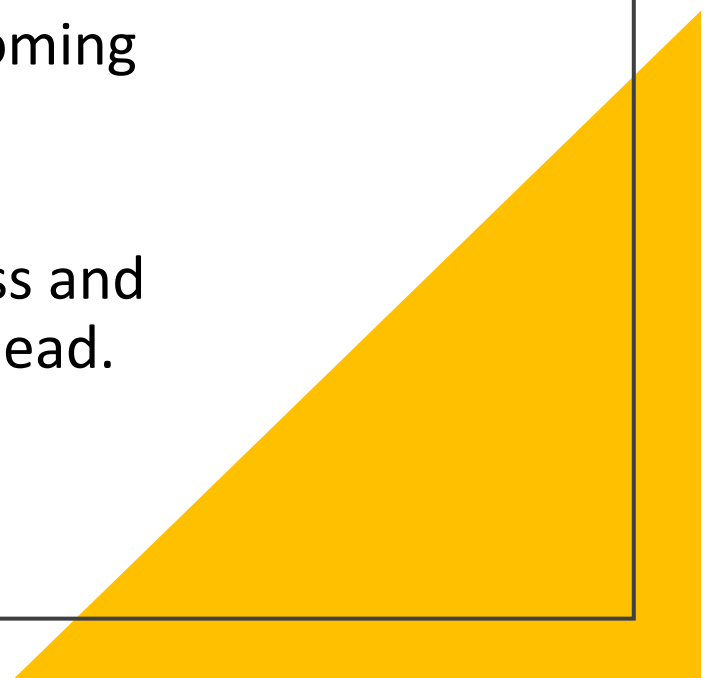
**Wyoming Business Alliance  
Governor's Business Forum  
November 15, 2023**

Presented by Dr. Anne Alexander  
Director of Outreach and Engagement, Center for  
Business and Economic Analysis


# Inaugural Wyoming Economic Forecast

The University of Wyoming Center for Business and Economic Analysis (UW CBEA) is proud to present our inaugural Wyoming Economic Forecast, the first annual of what we hope will become a tradition in the Cowboy State.

We hope this information will prove useful in your business and policy decision-making process as you plan for the year ahead.



# Methodology

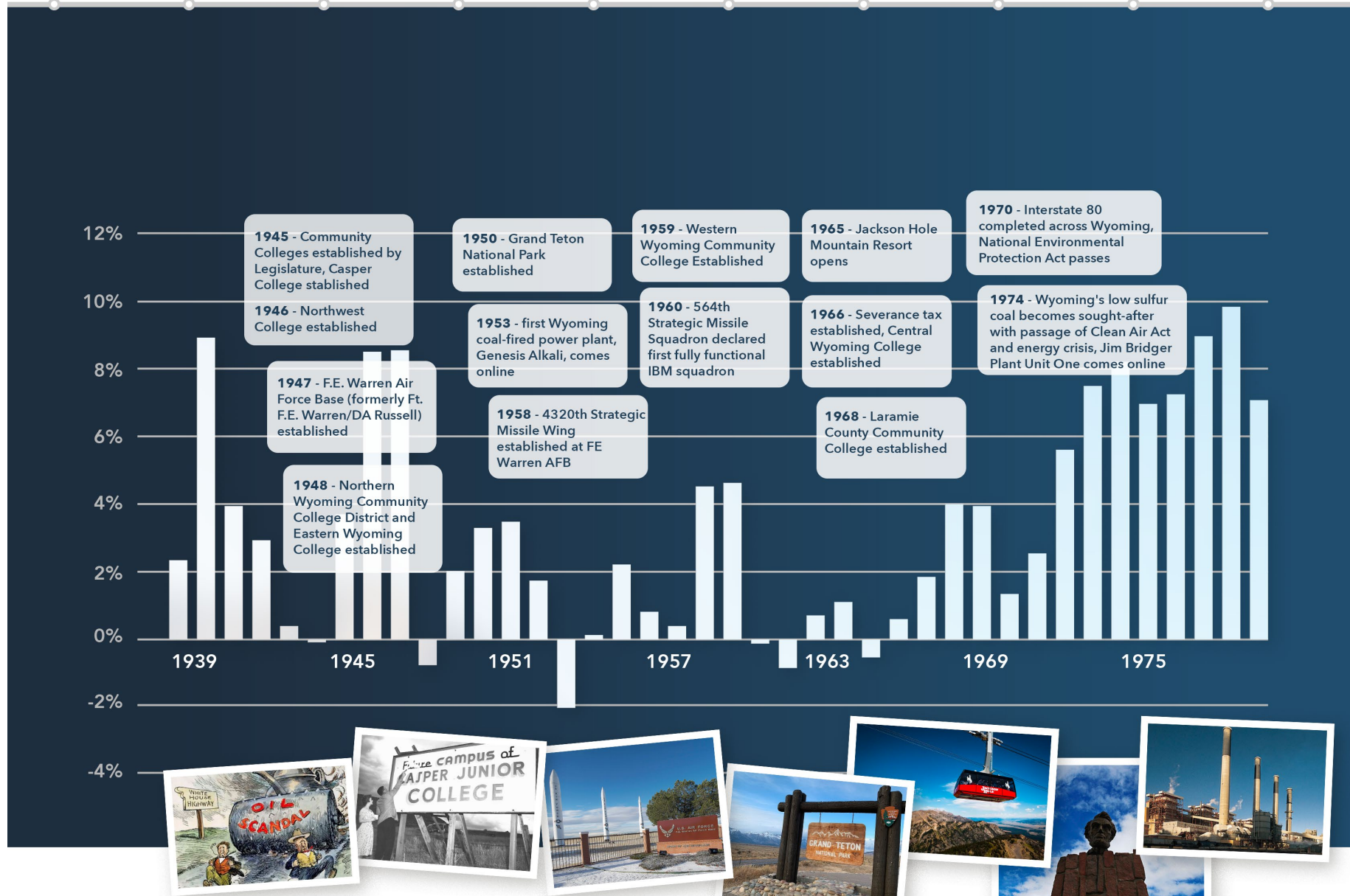
- We used a large-scale structural economic forecasting model which simulates the economic interactions of both the U.S. and Wyoming economies.
    - The forecasts also include various scenarios which may play out in the economy.
  - Current data from a variety of state and federal sources are also included in the report to show the current state of the economy and the economic health of the state.
  - We also interviewed several Wyoming and regional business leaders from a variety of industries to understand what they expect to see as challenges and opportunities for 2024. These interviews informed our forecasts and helped us choose appropriate scenarios based on on-the-ground intelligence.
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- A large yellow triangle is positioned in the bottom right corner of the slide, pointing towards the top right.



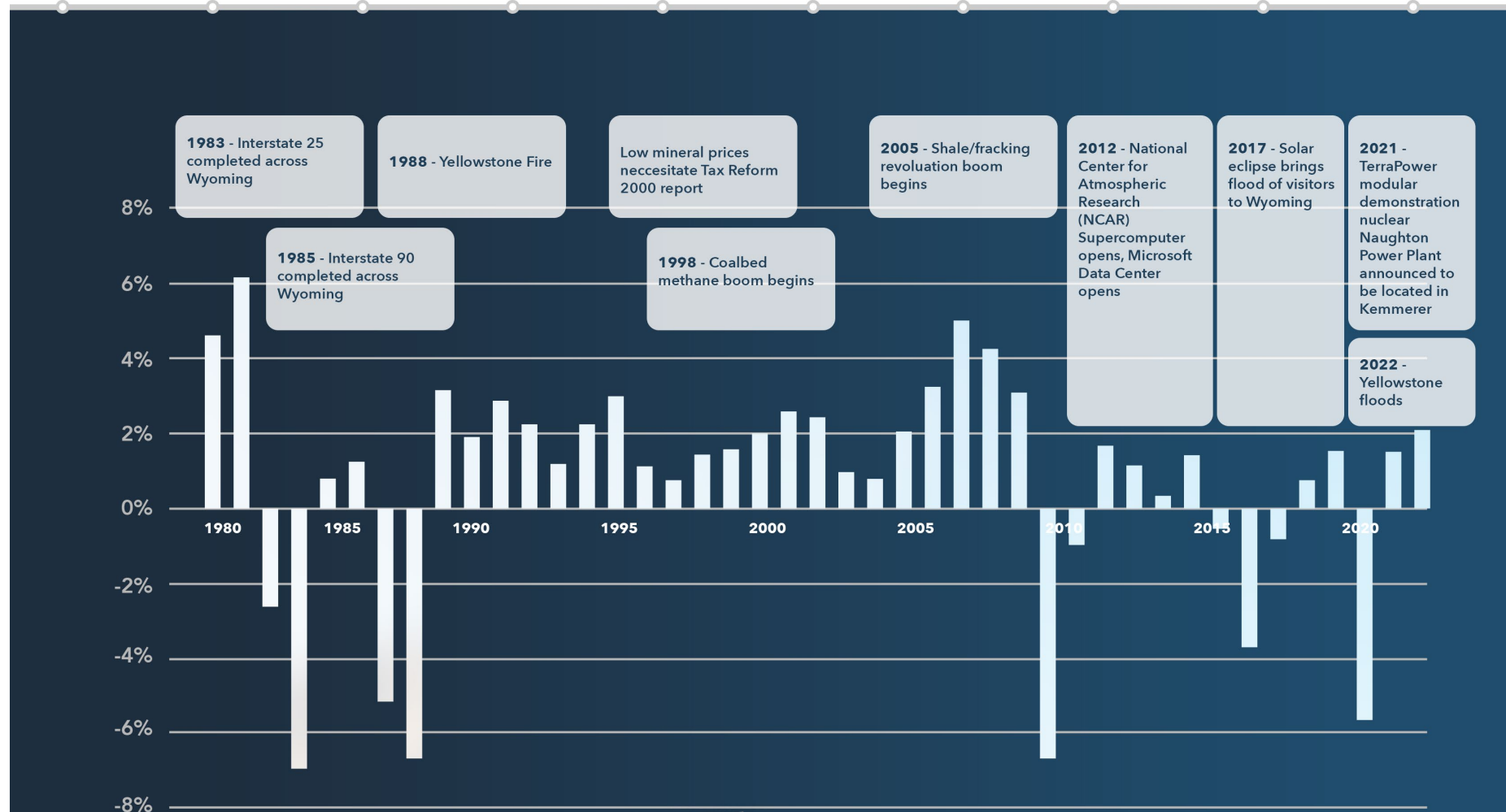
## Timeline of Wyoming Economic Milestones

- The timeline on the next slides provides a glimpse into Wyoming's past, showing major economic milestones in Wyoming's economic history mapped, post-1939, to the annual change in nonfarm employment.

# "THEN AND NOW" Timeline of major economic milestones in Wyoming, total employment changes



# "THEN AND NOW" Timeline of major economic milestones in Wyoming, total employment changes



# U.S. Economic Outlook



- Inflation beginning to moderate. Supply chains less tangled.
- BUT:
  - Q3 GDP growth hot
  - Labor market still very strong – part of this is “catch up” hiring.
  - Housing market is still wild
  - International geopolitical and national political environment are volatile

# U.S. Economy

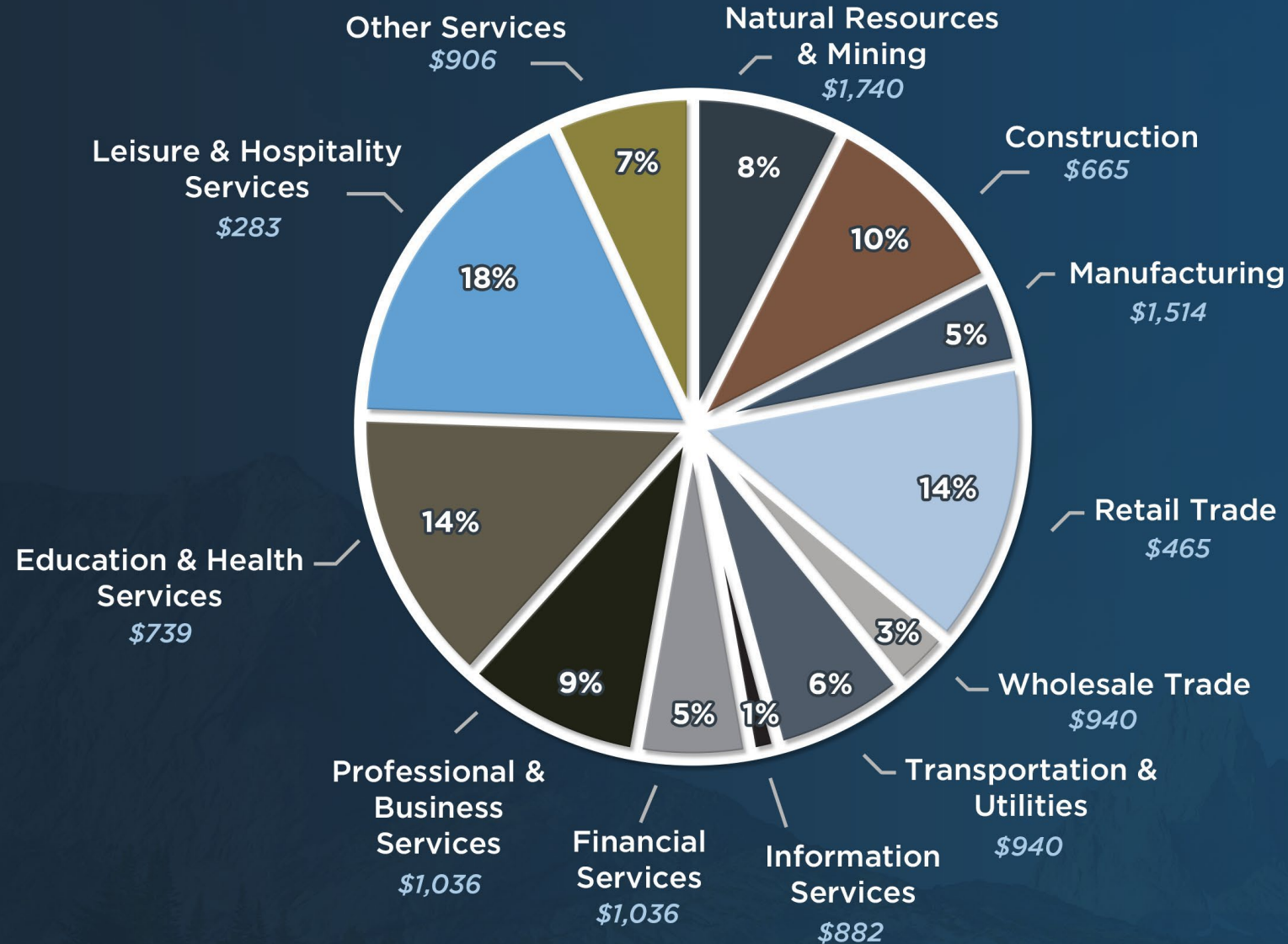
U.S. economy overperformed in 2023 relative to expectations.

Overall, we expect that growth will slow in the U.S. in 2024, but that the economy will not fall into a deep technical recession.

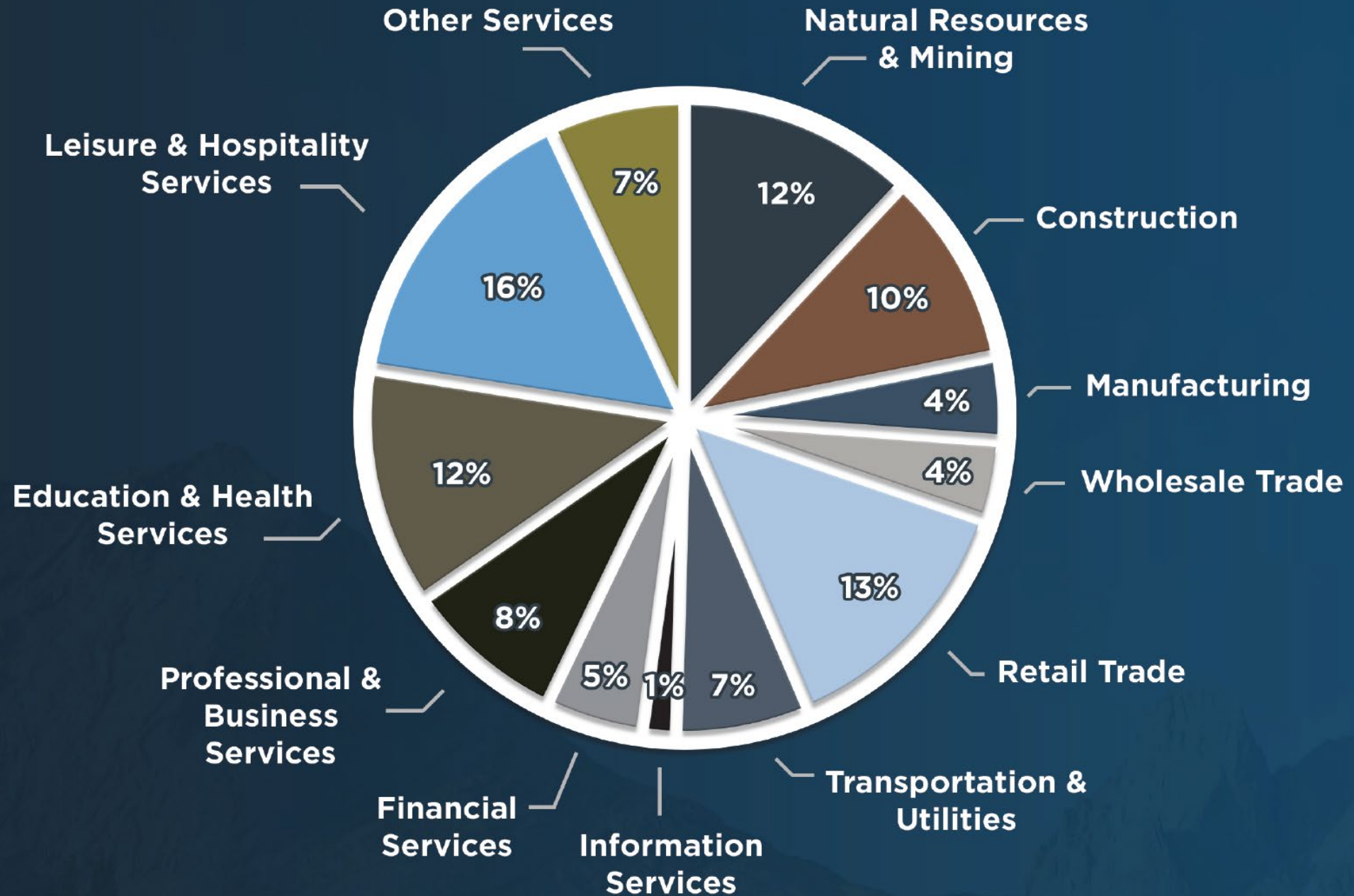


# Private Nonfarm Employment by Sector, Estimated 2024

Average Weekly Wage, \$/week, not seasonally adjusted



# Private Nonfarm Employment by Sector 2013

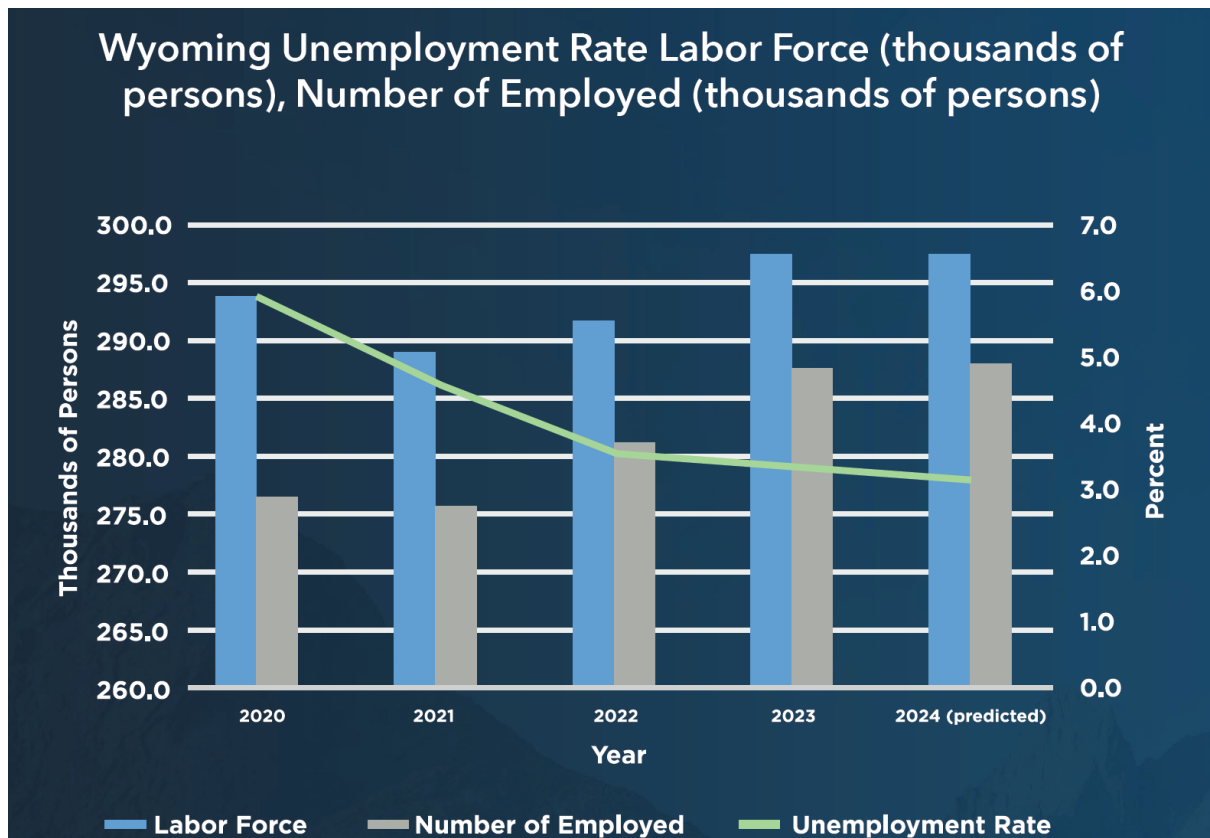




- Natural Resources and Mining employment is expected to rebound in 2024 to above pre-pandemic levels; however, employment in this sector has contracted by ~34% in the past decade.
- Employment in the construction, wholesale trade, transportation and utilities sectors is expected to remain steady,
- Manufacturing, retail trade, financial services, professional and business services, education and health services, leisure and hospitality, and other services have experienced a steady increase. We expect this to continue in 2024.



- The number of people in the Wyoming labor force is expected to remain steady in 2024, and the number of people employed is expected to tick up slightly.
- The unemployment rate is expected to be around 3.1% in 2024, a slight increase. Wyoming's unemployment rate is so low as to be challenging for employers.

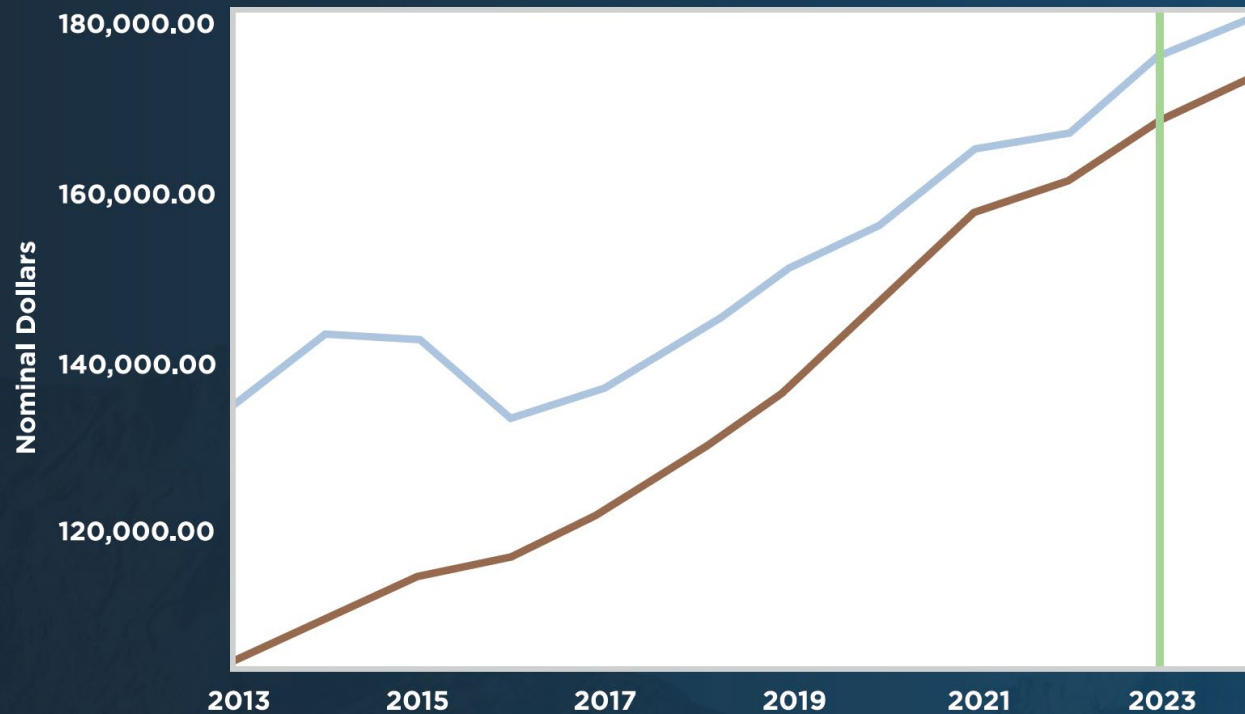




- Wyoming's average household income continues to outpace the Mountain Region.
- Inflation adjusted per capita income is also high relative to our neighboring states - with the exception of Colorado, Wyoming income outperforms the region (next slide).

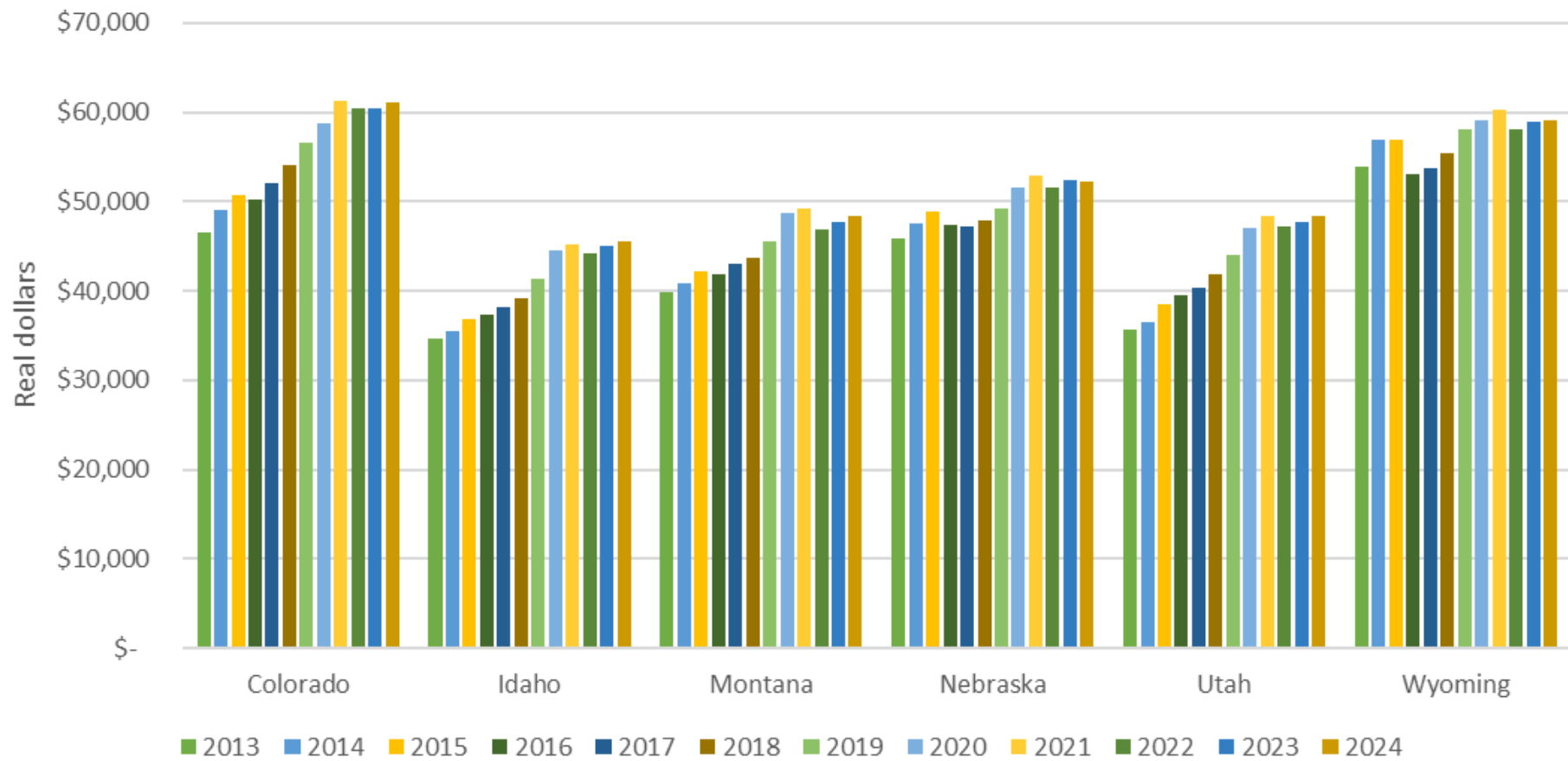
Average Household Nominal Income for Wyoming, 2013-2024 (predicted)

Average Household Nominal Income for Mountain Region, 2013-2024 (predicted)





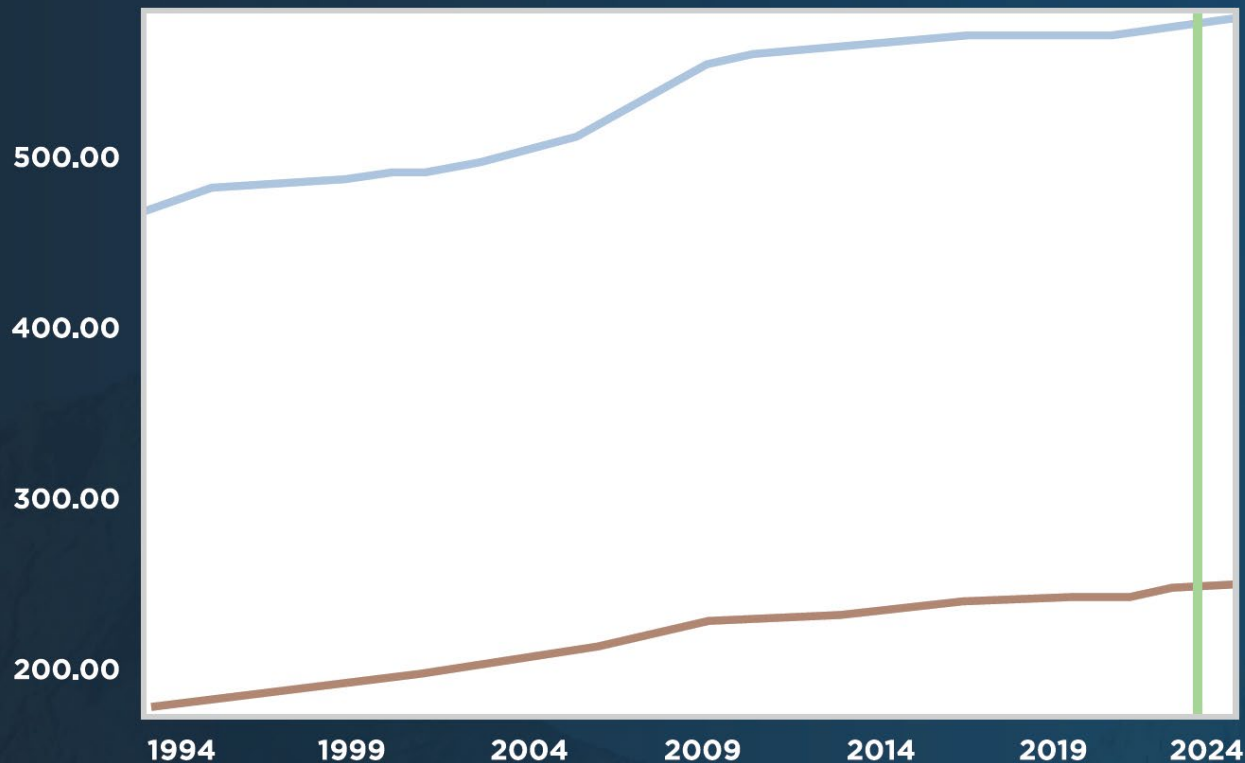
Inflation Adjusted Per Capita Income





Total Population (Thousands) for Wyoming, 1993-2024 (predicted)

Households (Thousands) for Wyoming, 1993-2024 (predicted)



- Wyoming's population is expected to slightly increase in 2024.
- The number of older Wyoming residents (65 years old and over) is expected to drive that growth, while the populations of residents 0-4, 5-19, 20-24, and 25-44, and 45-64 years old are expected to decline.
- The implications of our aging population are broad reaching.
  - The K-12 school age student population will be impacted in both the near- and long-term;
  - The workforce necessary for economic growth and the number of potential entrepreneurs and small business owners will decline.



## Opportunities and Challenges for Wyoming in 2024

Technology, R&D, and business formation

Outmigration, thin labor market, and workforce sufficiency

Housing stock sufficiency and affordability (including property taxes)

Physical and technological connectivity





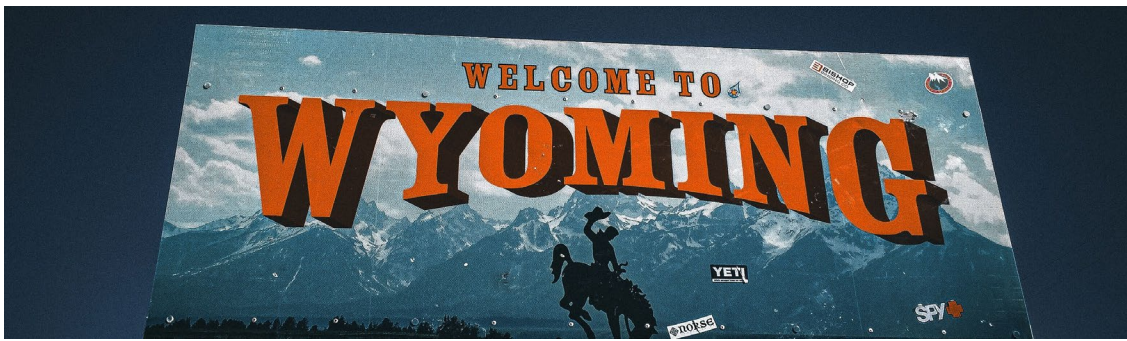
## Outlook for Wyoming in 2024

Most business leaders are very optimistic about the “right now” – primarily because things were so much less bad than expected in 2023.

However, there’s a sense that “we’re waiting for the other shoe to drop.”

Volatility across many dimensions – political, geopolitical, capital markets, consumers’ potential overreliance on credit, interest rates - are keeping people up at night.

The national economy’s likelihood of falling into a recession also poses a downside risk for Wyoming’s economic outlook.



## Outlook for Wyoming in 2024

Projects such as Project West, Minutemen III replacement with Sentinels, the Rare Element Resources pilot, and Terra Power bring possibilities for economic growth, if sufficient infrastructure is there to help them succeed.

The continued decline in employment, wage and income contribution, and contribution to gross state product in the coal mining industry is offset somewhat by high oil and gas prices and a strong and growing outlook for trona.

Pockets of manufacturing clusters, notably in Sheridan and Casper, along with strong business startup numbers, point to potential positives for the state.

Fin-tech and digital innovation are interesting but not likely to lead to an increase in domiciled businesses and enough employment to offset the structural decline of coal.

## Outlook for Wyoming in 2024



Continued, systemic problems such as

- Lack quality, affordable housing;
- Lack of agglomeration economies due to low population numbers;
- Challenges in accessing childcare for workers;
- Brain drain among our college graduate population and a decline in the prime-working age population;
- Low college-going numbers; and
- Connectivity challenges, including road, air, and internet connectivity,

Significantly cloud Wyoming's mid- and long-term growth prospects.



## Wyoming Sector Outlooks

### Strong/Stable outlook:

Agriculture

Leisure, Hospitality, Tourism

Construction

Manufacturing

Wholesale and Retail Trade, Transportation and Utilities

### Mixed/Complex:

Natural Resources and Mining

Financial Services

# Thank You's and Partners

- The UW CBEA is indebted to our partners in this inaugural economic outlook for Wyoming.
  - The Wyoming Business Council for commissioning this outlook.
  - The Wyoming Business Alliance for providing us with a forum to present the summary findings.
  - Interviewees including Florian Hermann of Hermann Global, Dallin Cooper of DallinCooper.com, Mike Peck of First Interstate Bank, Beth Worthen of the Natrona Collective Health Trust, Tori Campbell of Mizzen Energy Solutions, Lisa Burrige of Lisa Burrige & Associates Real Estate, Greg Dixson of Hilltop Bank, Dixie Johnson of the Sheridan County Chamber of Commerce, Stu McRae of the City of Sheridan, and others.

And now, our  
distinguished  
panel

