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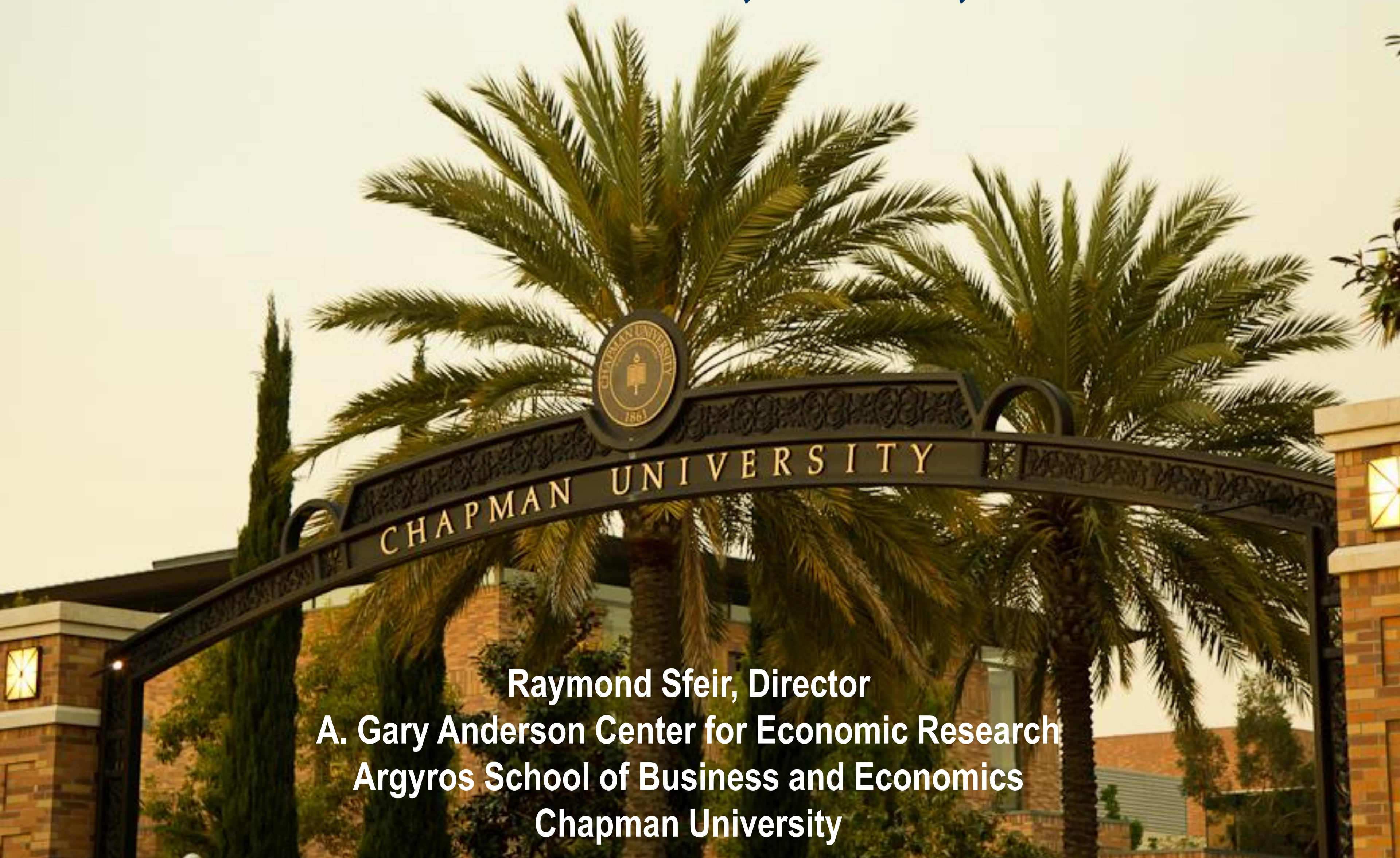
Economic Forecast, June 11, 2025



Raymond Sfeir, Director
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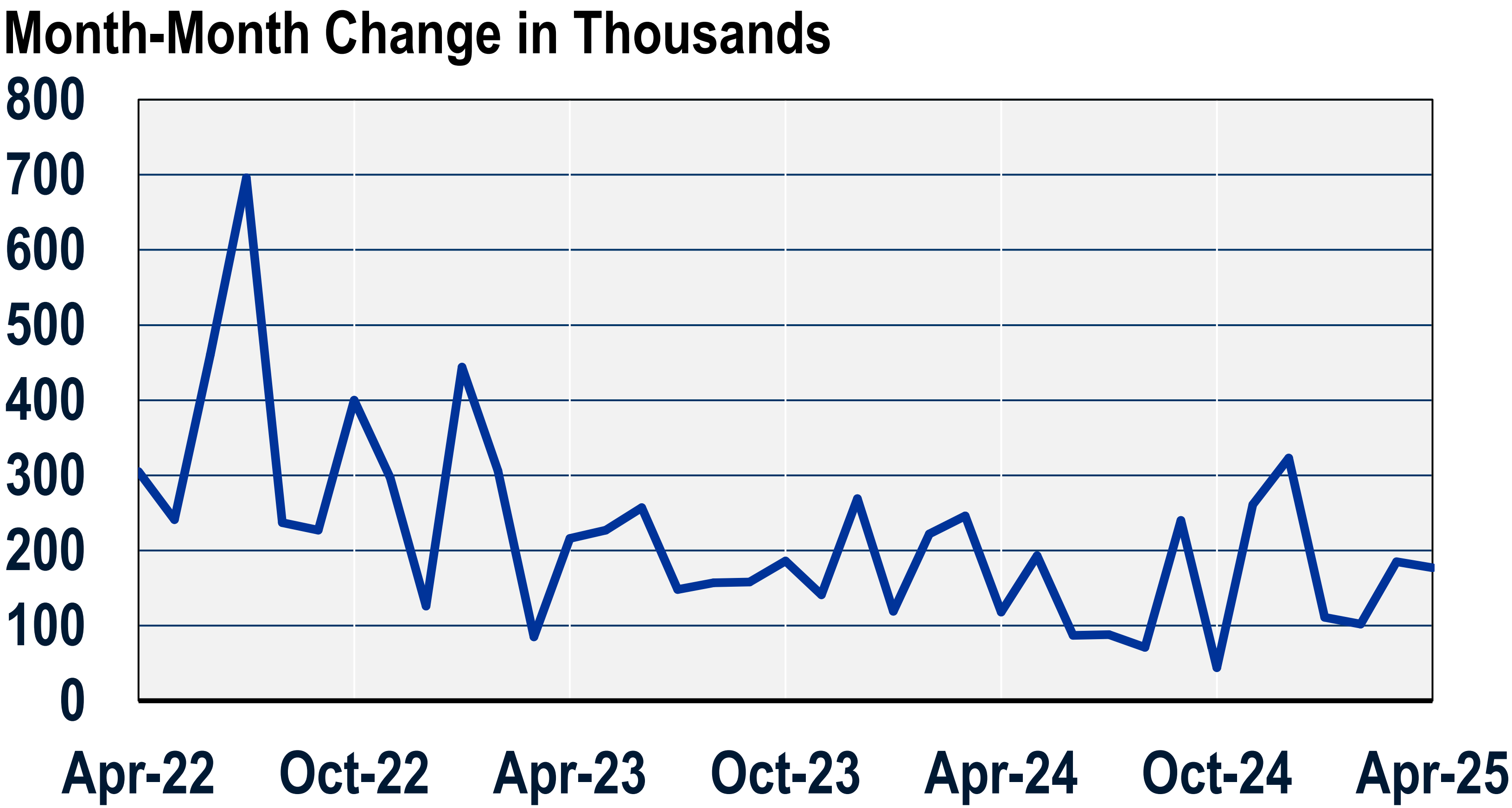
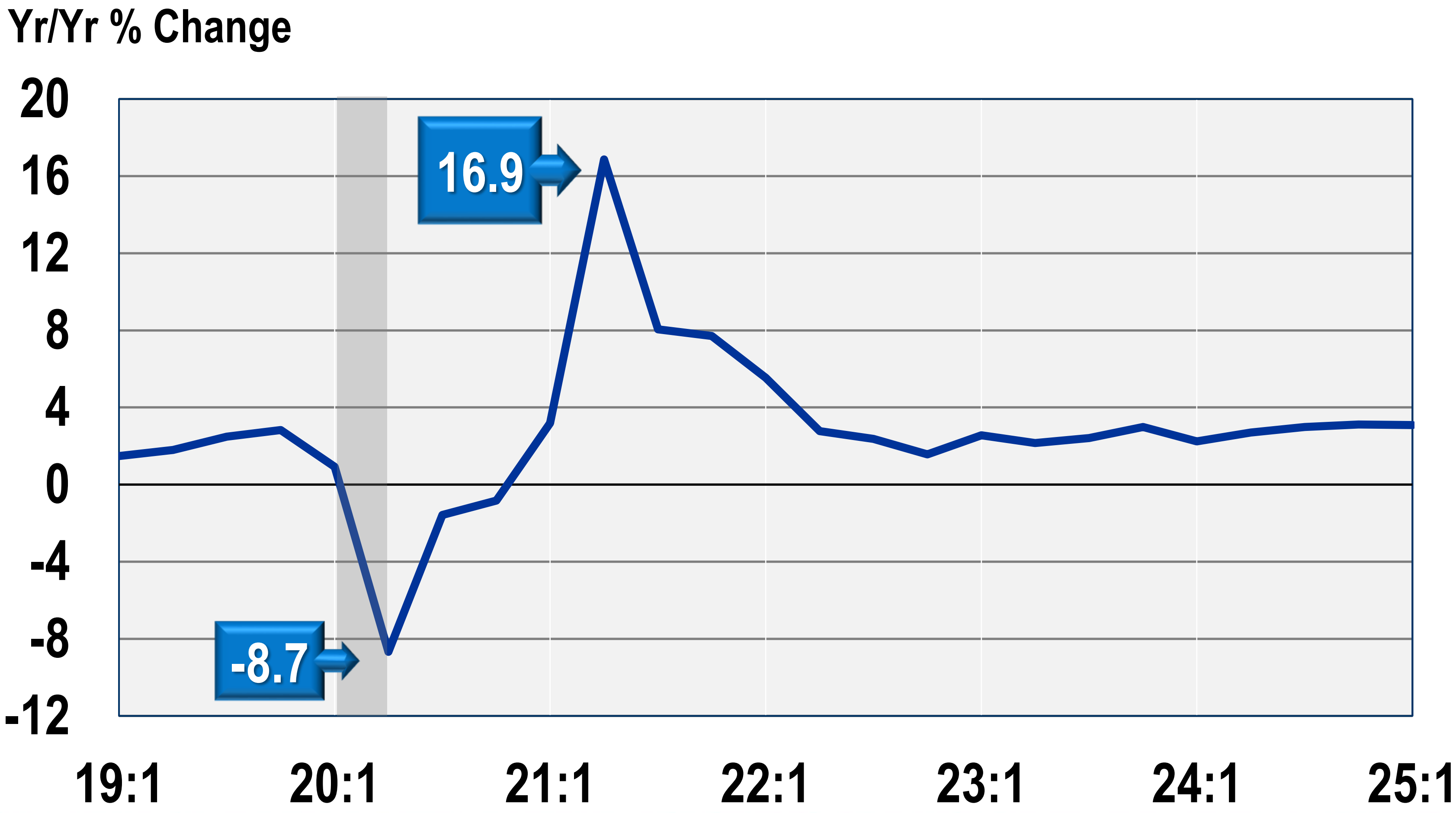
Chapman University

Change in Employment



Source: BLS

Real Consumption



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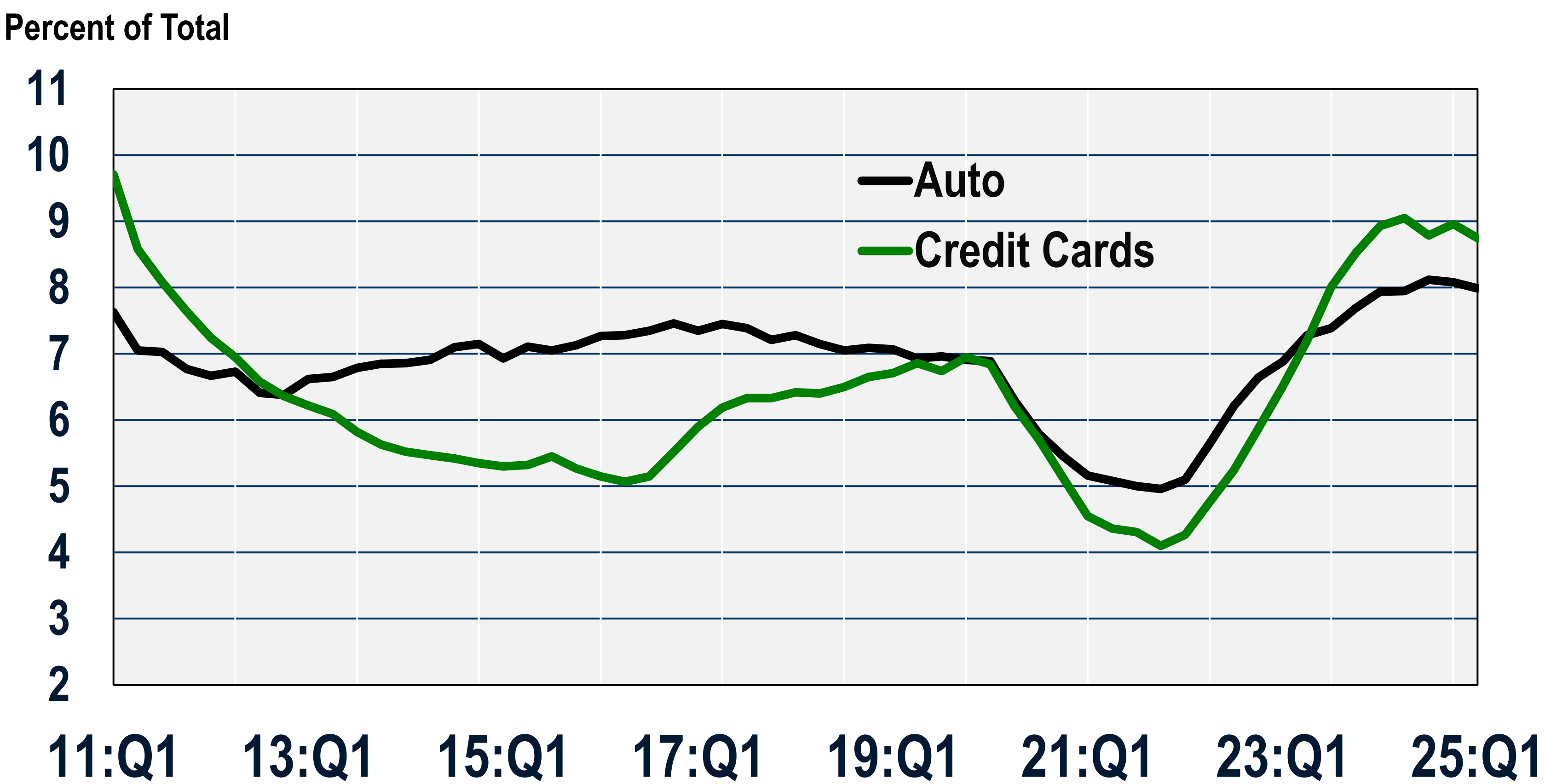
Delinquent Balances by Loan Type



Source: New York Fed Consumer Credit Panel/Equifax. Delinquent for 30 days or more

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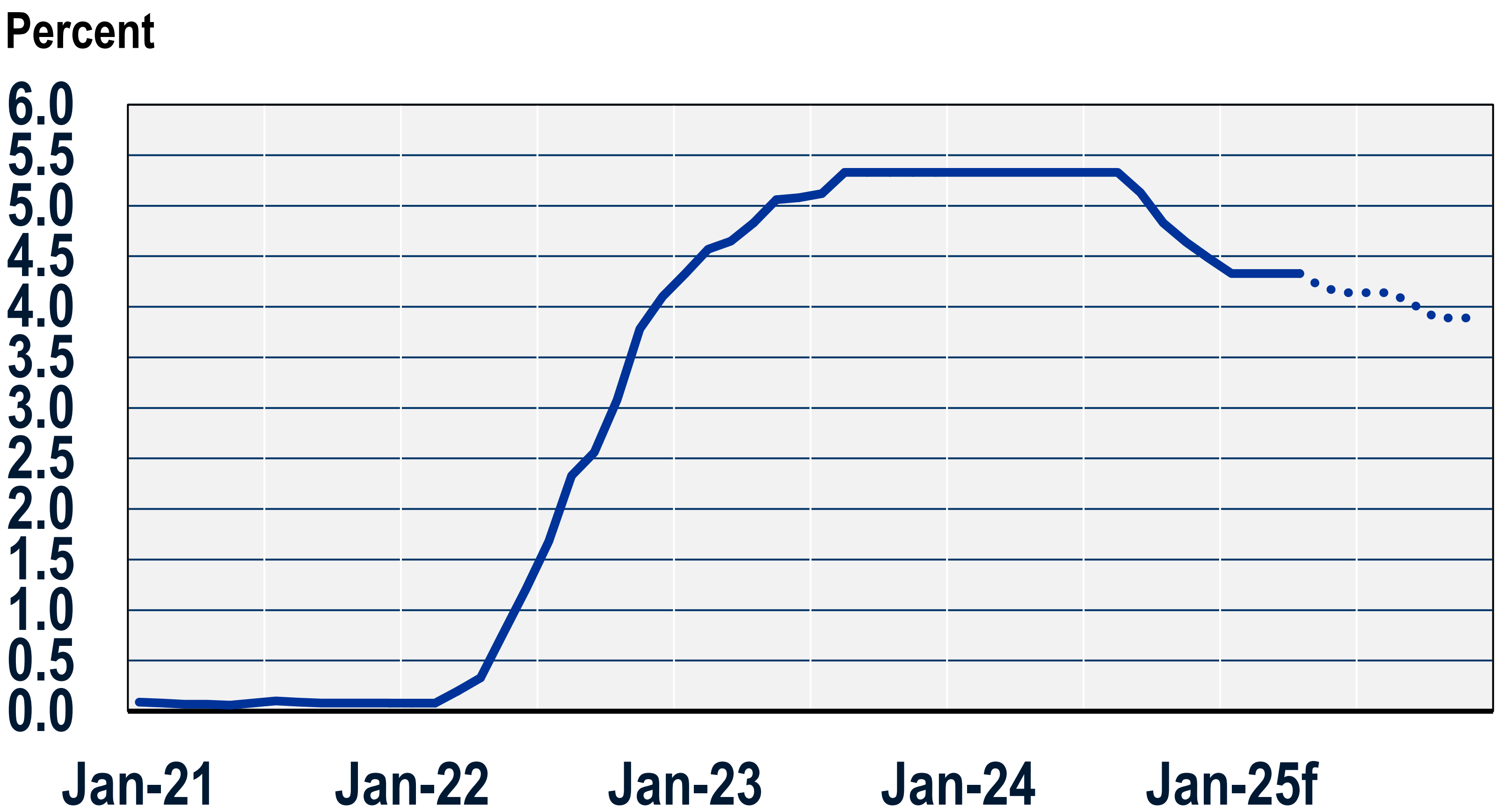
Federal Funds Rate



Source: FRED

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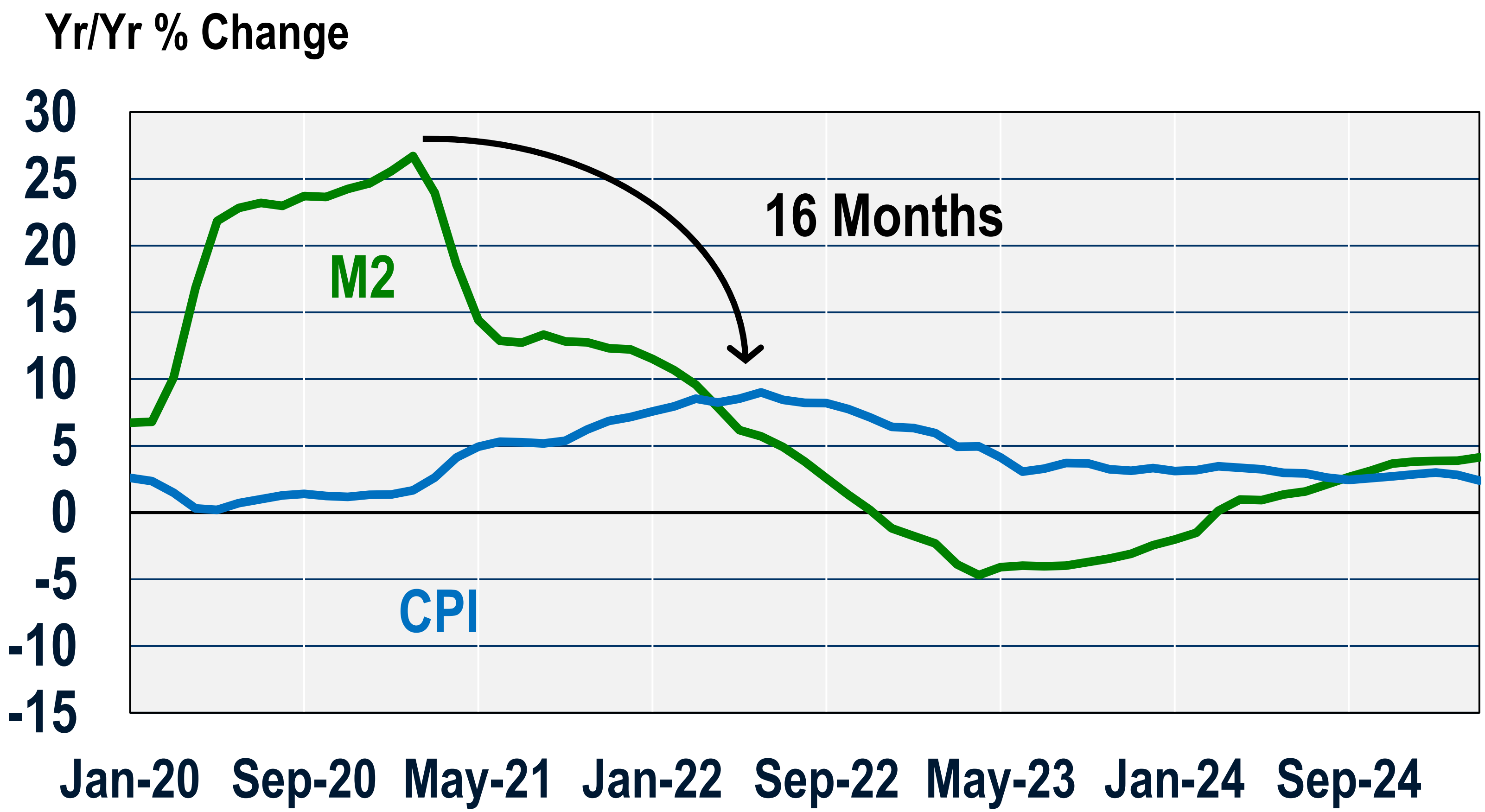
M2 and CPI



Source: FRED, BLS

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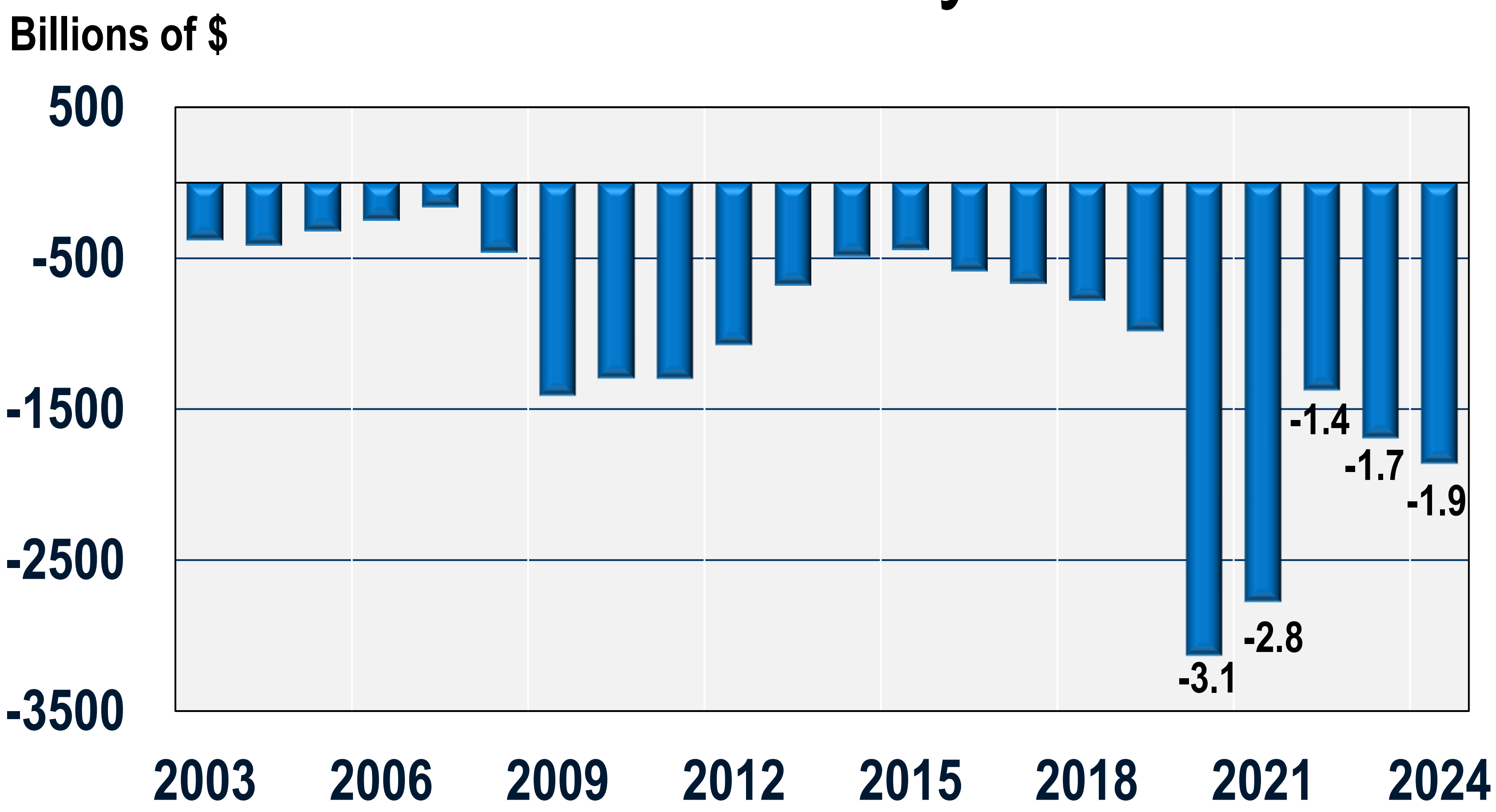
Federal Deficit by Year



Source: govinfo

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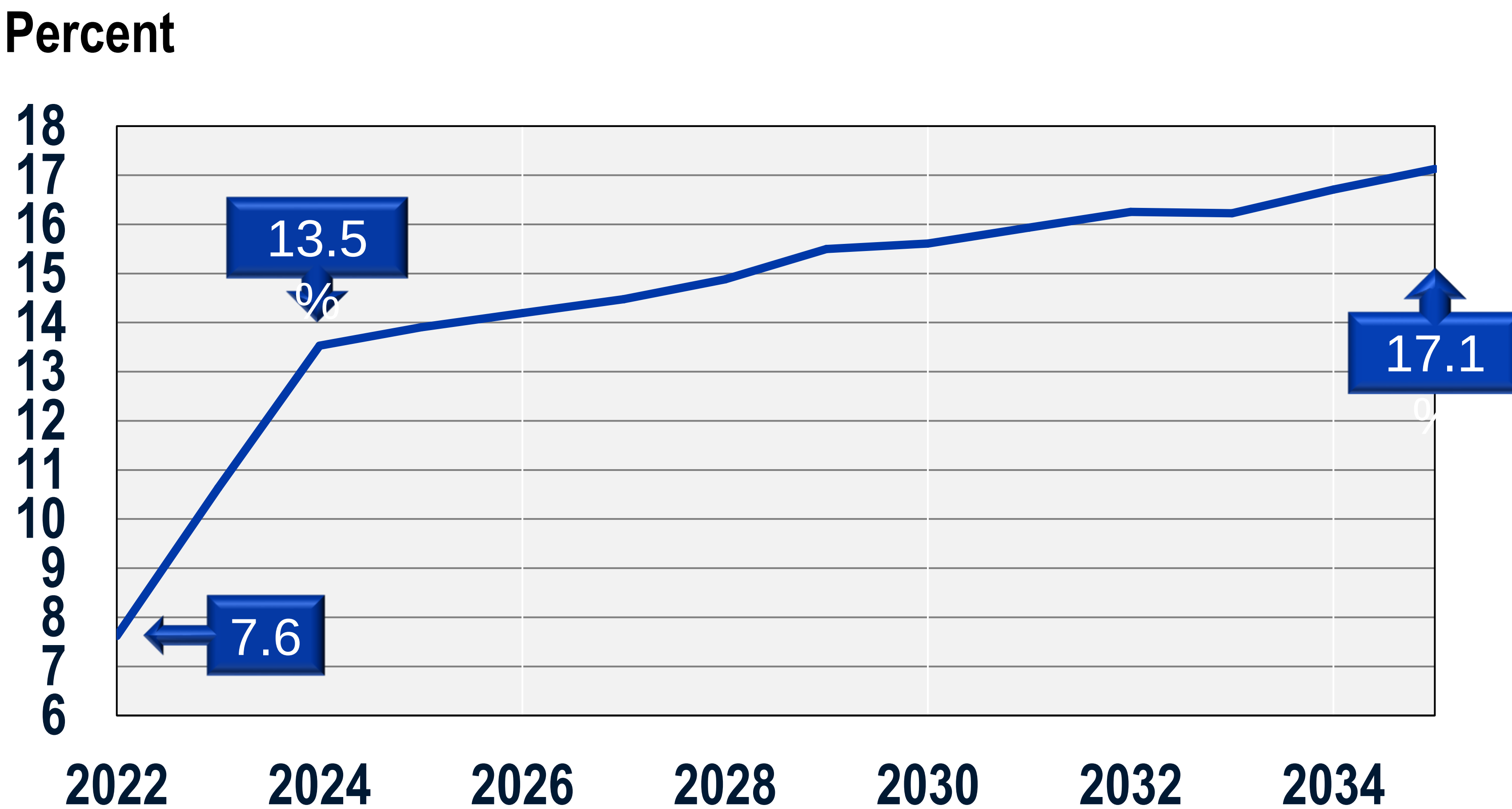
Interest Payments as a % of Total Outlays



Source: CBO, Budget of the United States Government, Anderson Center Computations

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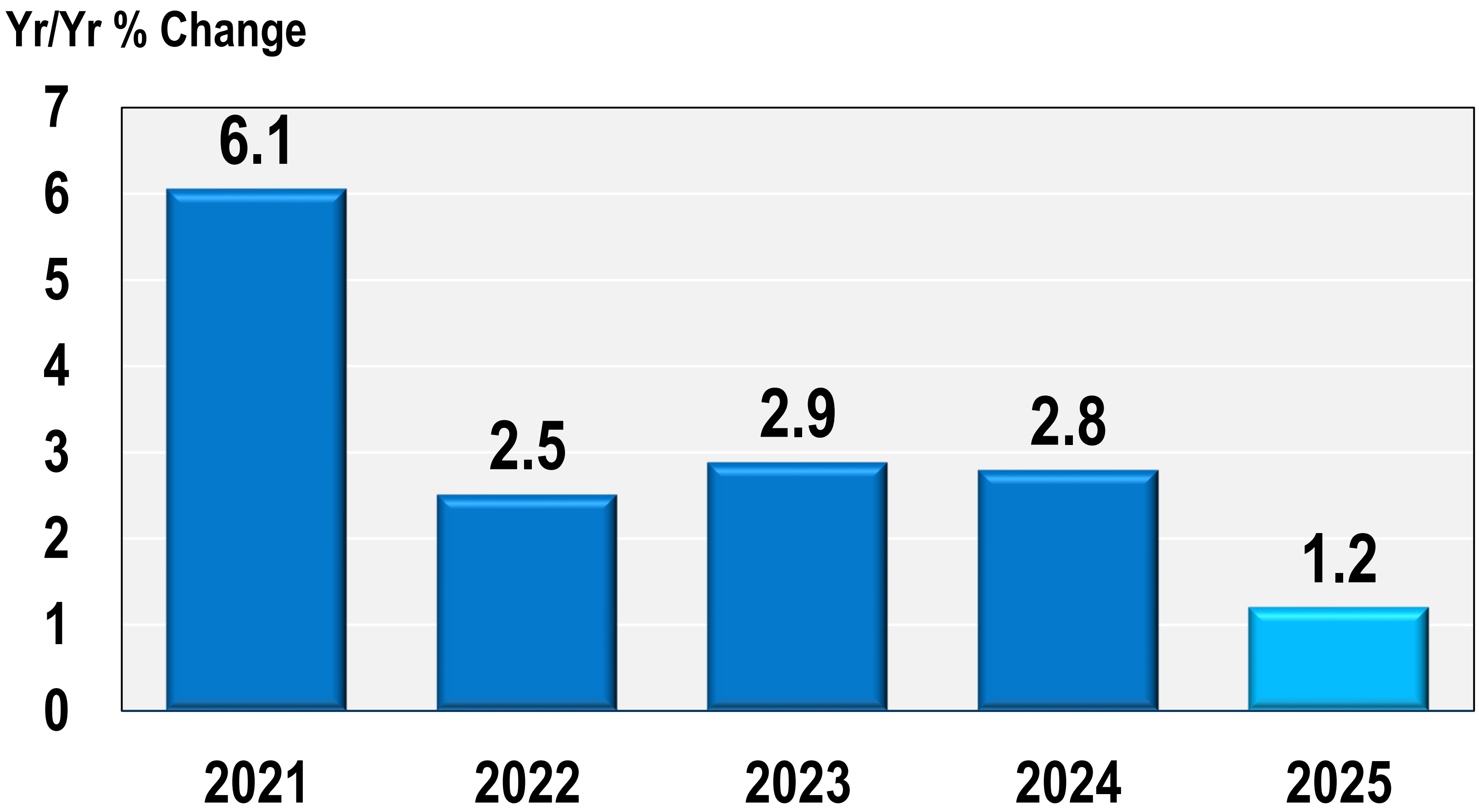
Real GDP



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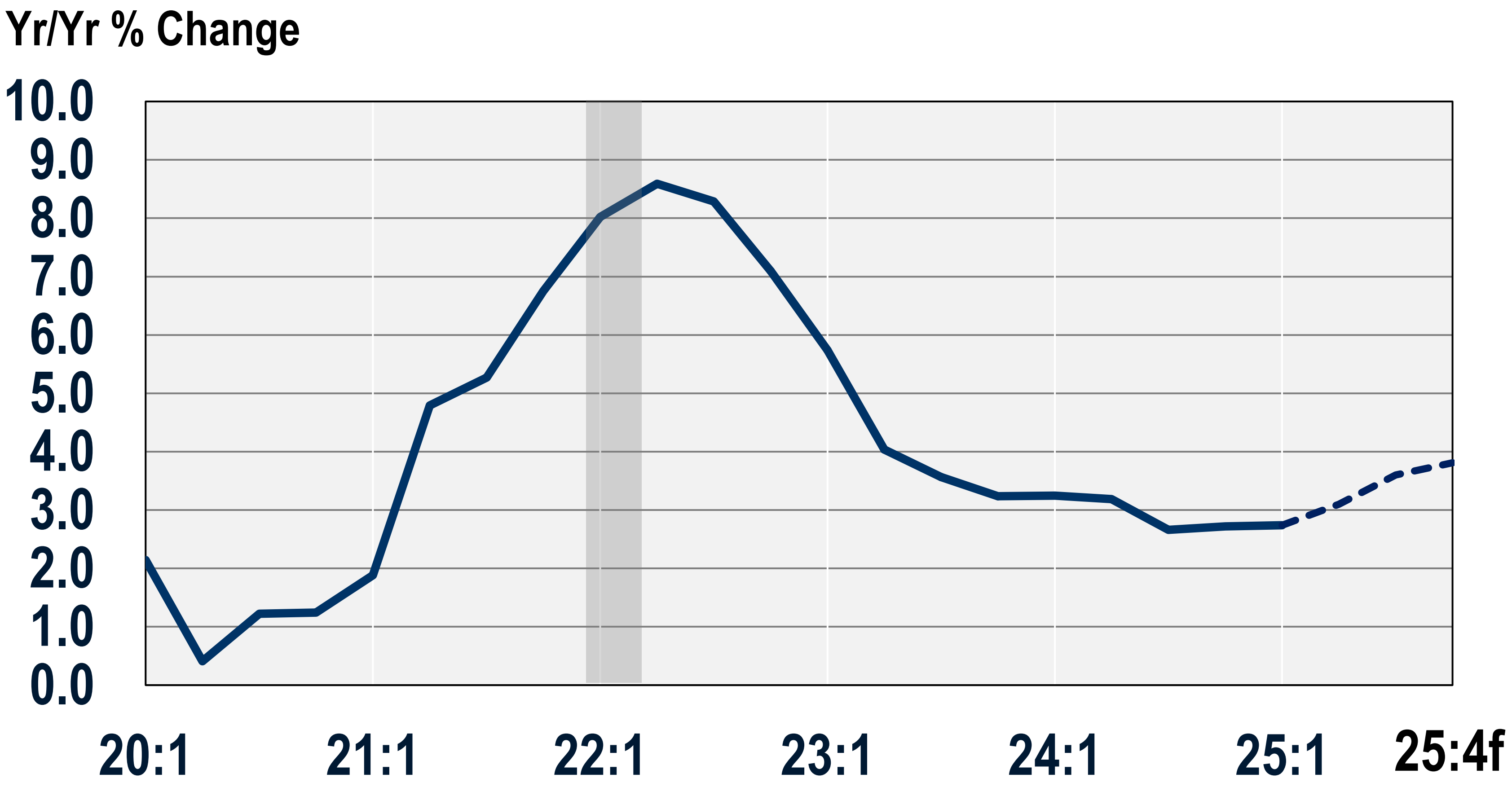
Consumer Price Index



Source: BLS

Average Hourly Earnings Production and Non-Supervisory

Source: BLS

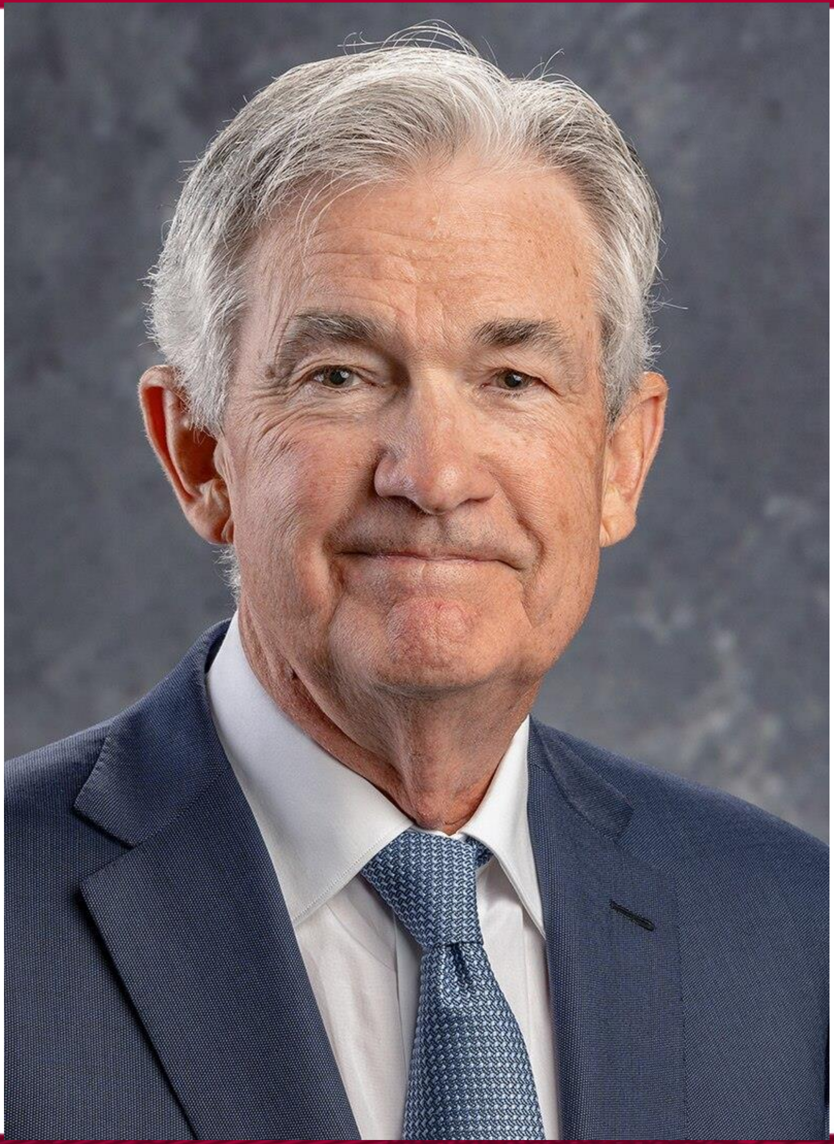
Immigration in a Trump Presidency

Tariffs

Tariffs

145% on Chinese goods (exception made for electronic products), then down to 30%
10% across the board
25% on cars
25% on steel and aluminum
Reciprocal tariffs are paused till July 9

"…economic effects which will include higher inflation and slower growth"



FEDERAL WORKFORCE

- Layoffs of Federal Employees

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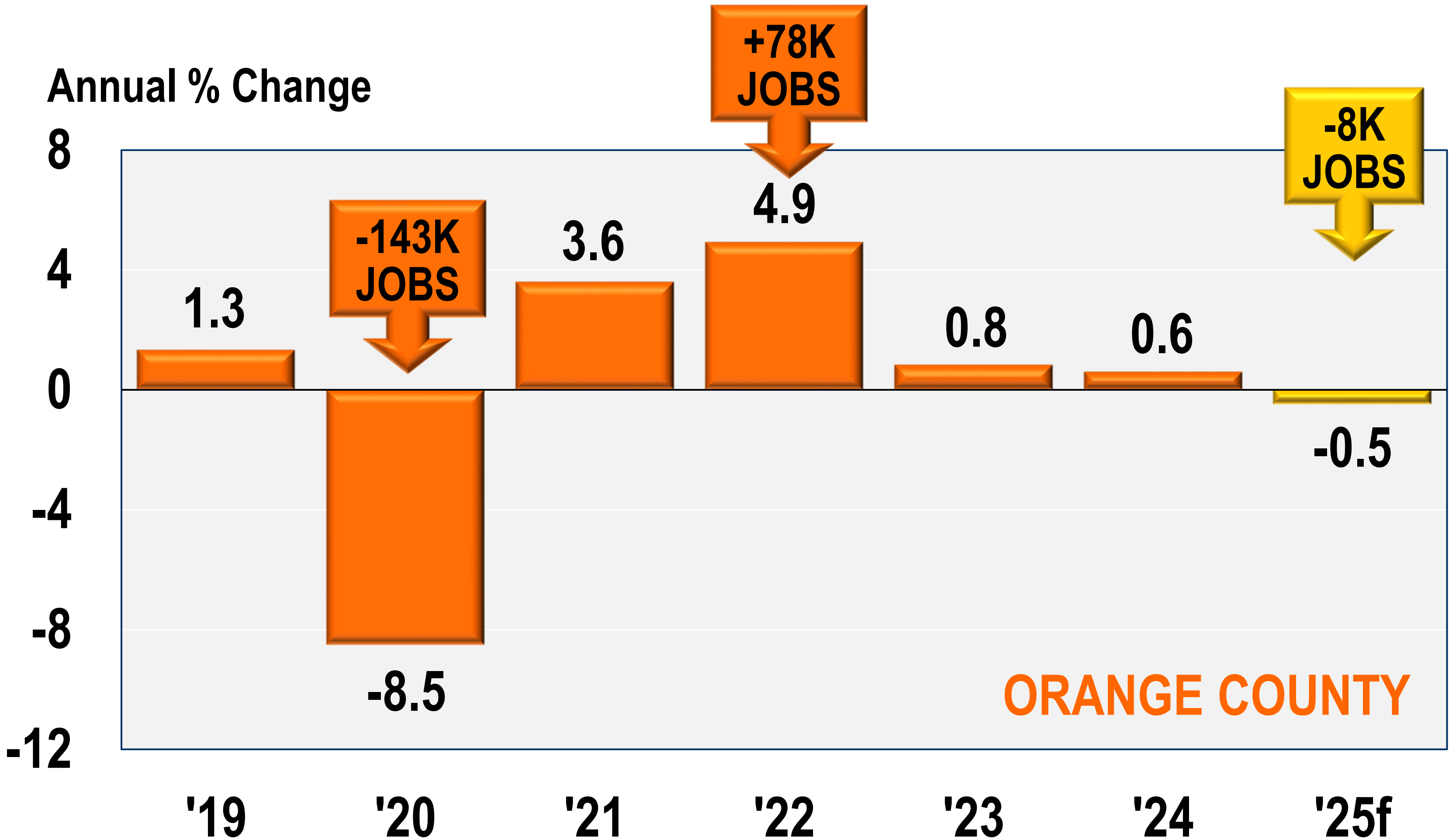
Orange County Economic Outlook

The Hilbert Collection, Phil Dike, "Westways Boats"

Job Growth



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Orange County Payroll Employment 2019Q4 – 2025Q1

↓ −15,567 Overall

- **Manufacturing ↓ -7,100**
- **Financial Activities ↓ -18,733**
- **Information ↓ -5,067**
- **Professional and Business ↓ -21,267**

Source: California Employment Development Department, Seasonally Adjusted

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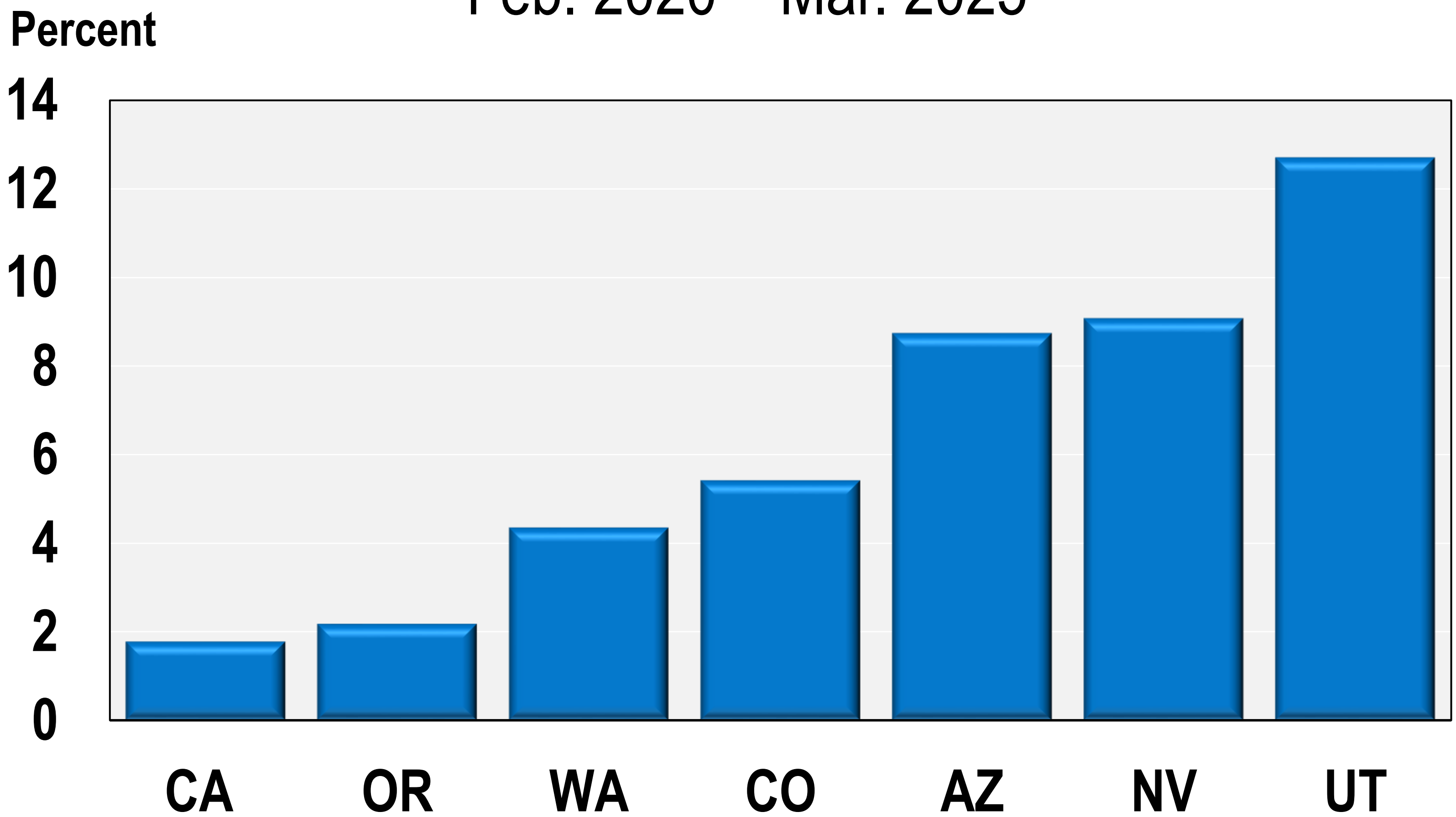
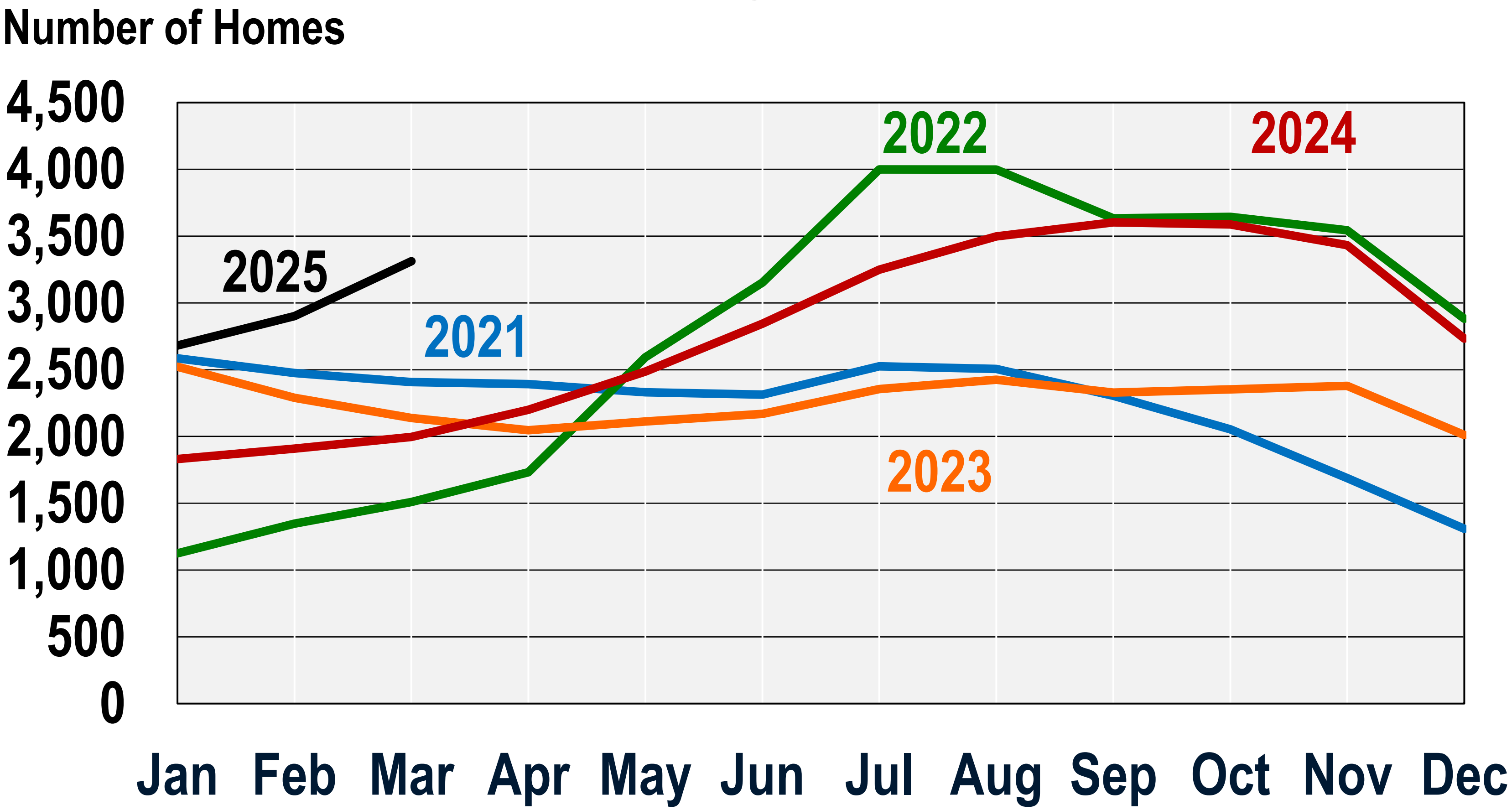
Change in Payroll Employment

Feb. 2020 – Mar. 2025



Source: BLS, Seasonally Adjusted

Active Listing Count – OC



Source: Realtor.com

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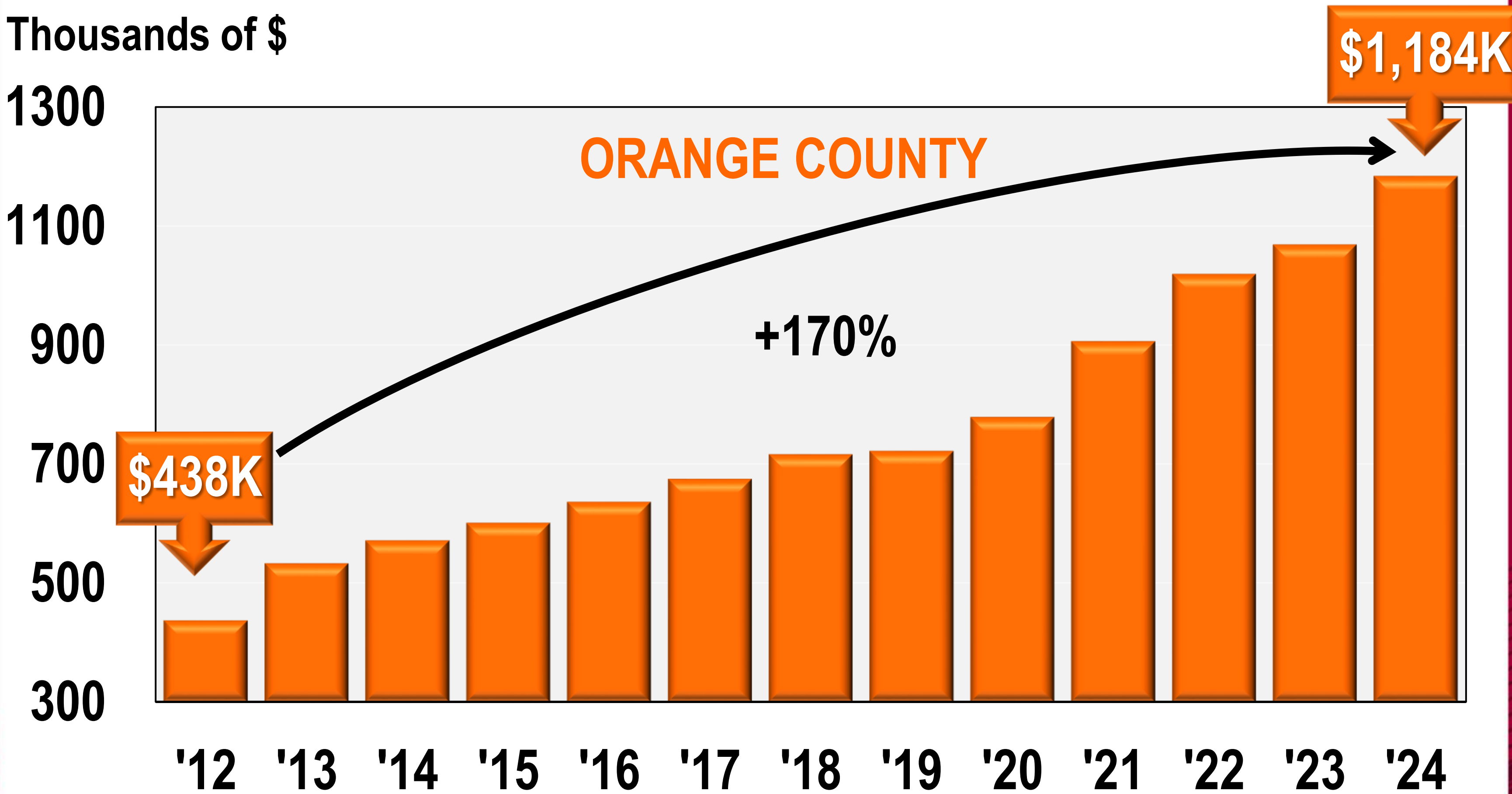
Median Home Price, All Homes



Source: California Association of Realtors

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Taxable Sales Forecast

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Economic Outlook

Stagnant California economy
Slower growth
Higher unemployment
Higher inflation
Fewer interest rate cuts

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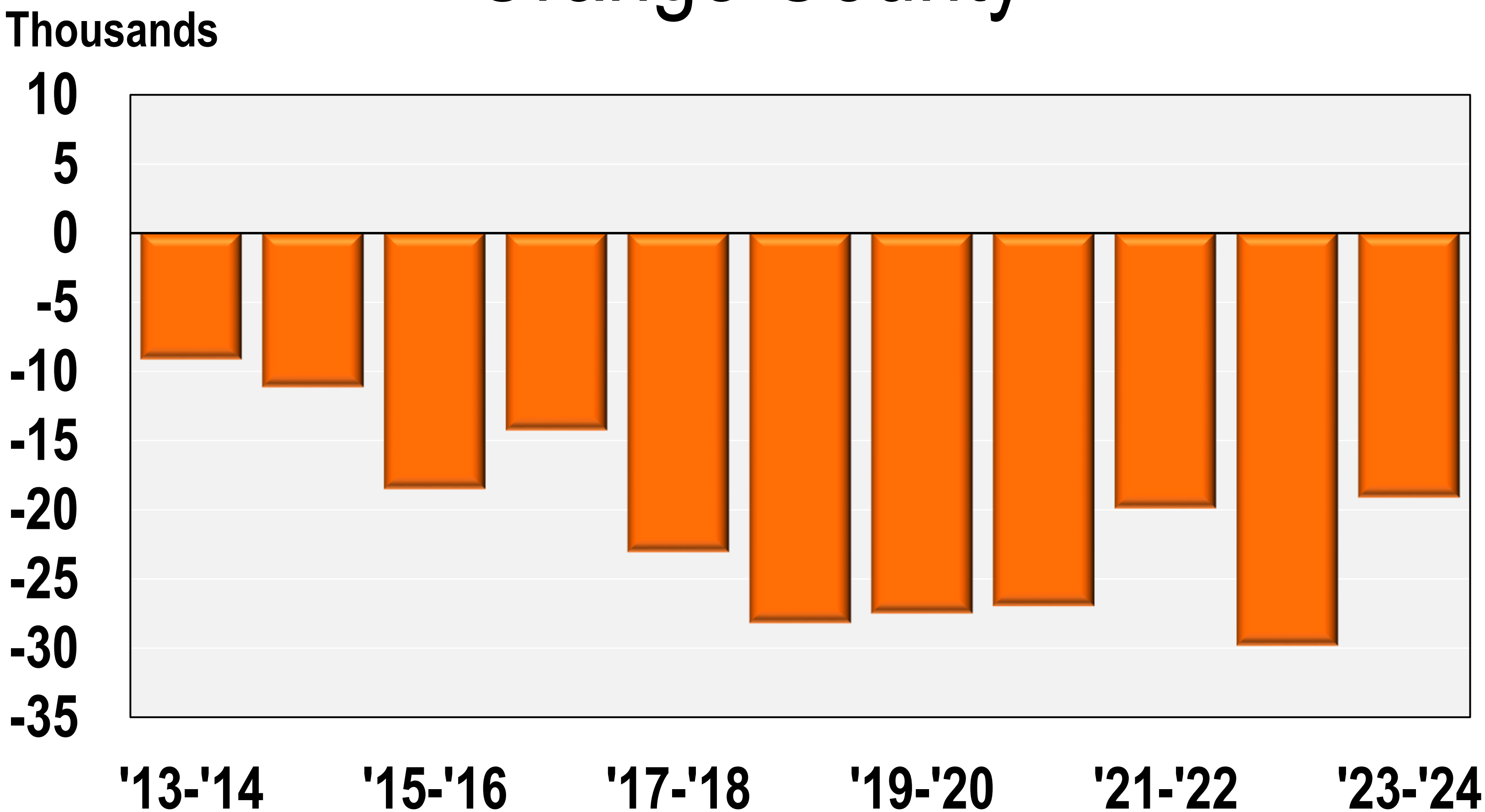
Net Domestic Migration
Orange County



Change in Taxable Sales

Year to Year Growth Rate

Year	U.S. Retail Sales	California Taxable Sales	Orange County Taxable Sales
2021	20.1%	22.1%	22.6%
2022	9.2%	10.3%	12.5%
2023	3.7%	-1.7%	-0.8%
2024	2.7%	-1.6%	-2.1%

Source: Census Bureau, California Department of Tax and Fee Administration

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EMPLOYMENT, PERCENTAGE CHANGE

	United States	California	Orange County	Riverside San Bernardino
2018	1.6	2.1	2.0	3.7
2019	1.3	1.5	1.3	3.1
2020	-5.8	-7.1	-8.5	-3.7
2021	2.9	3.5	3.6	5.3
2022	4.3	5.5	4.9	5.4
2023	2.2	0.9	0.8	1.3
2024	1.3	0.7	0.6	1.2

Source: EDD, BLS

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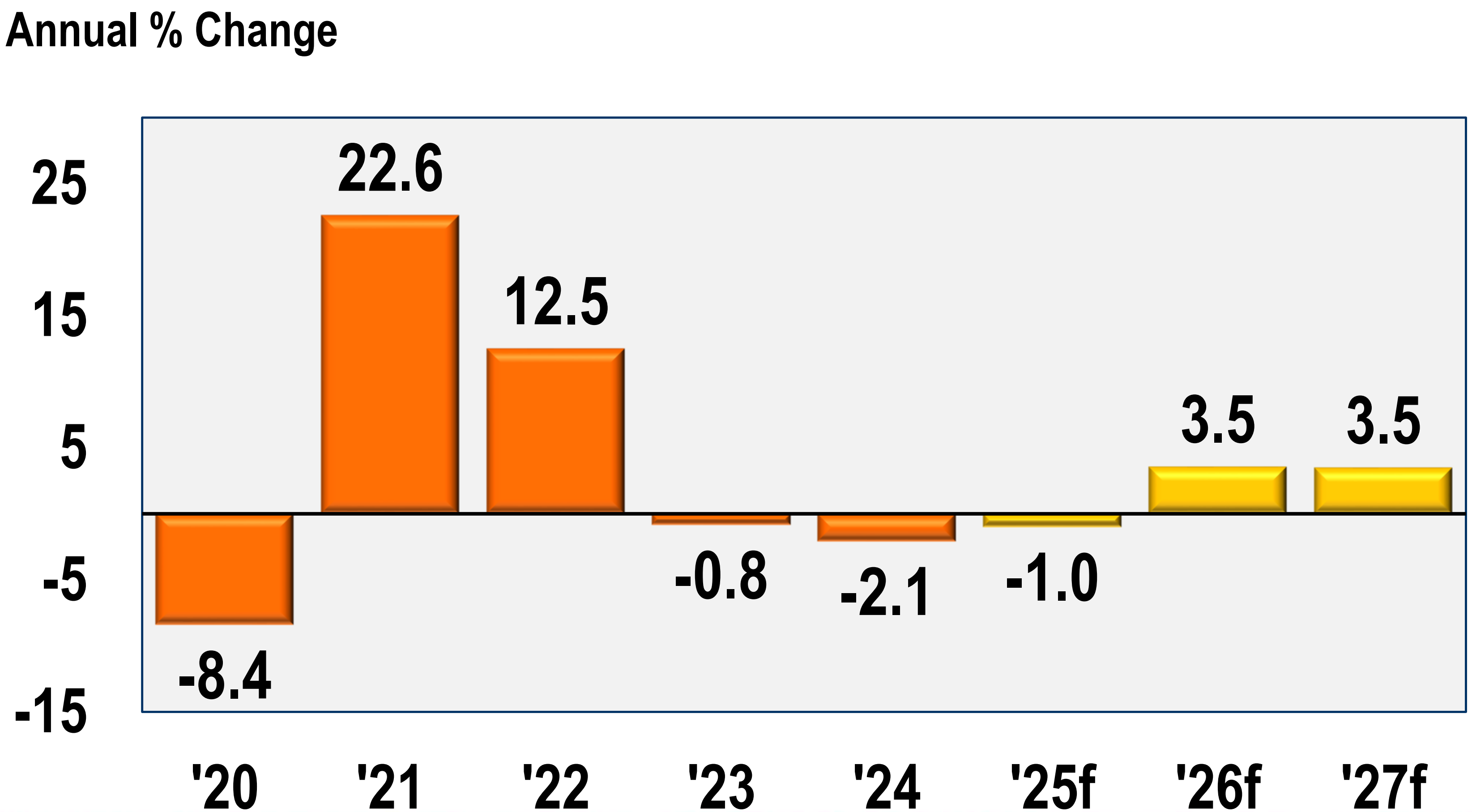
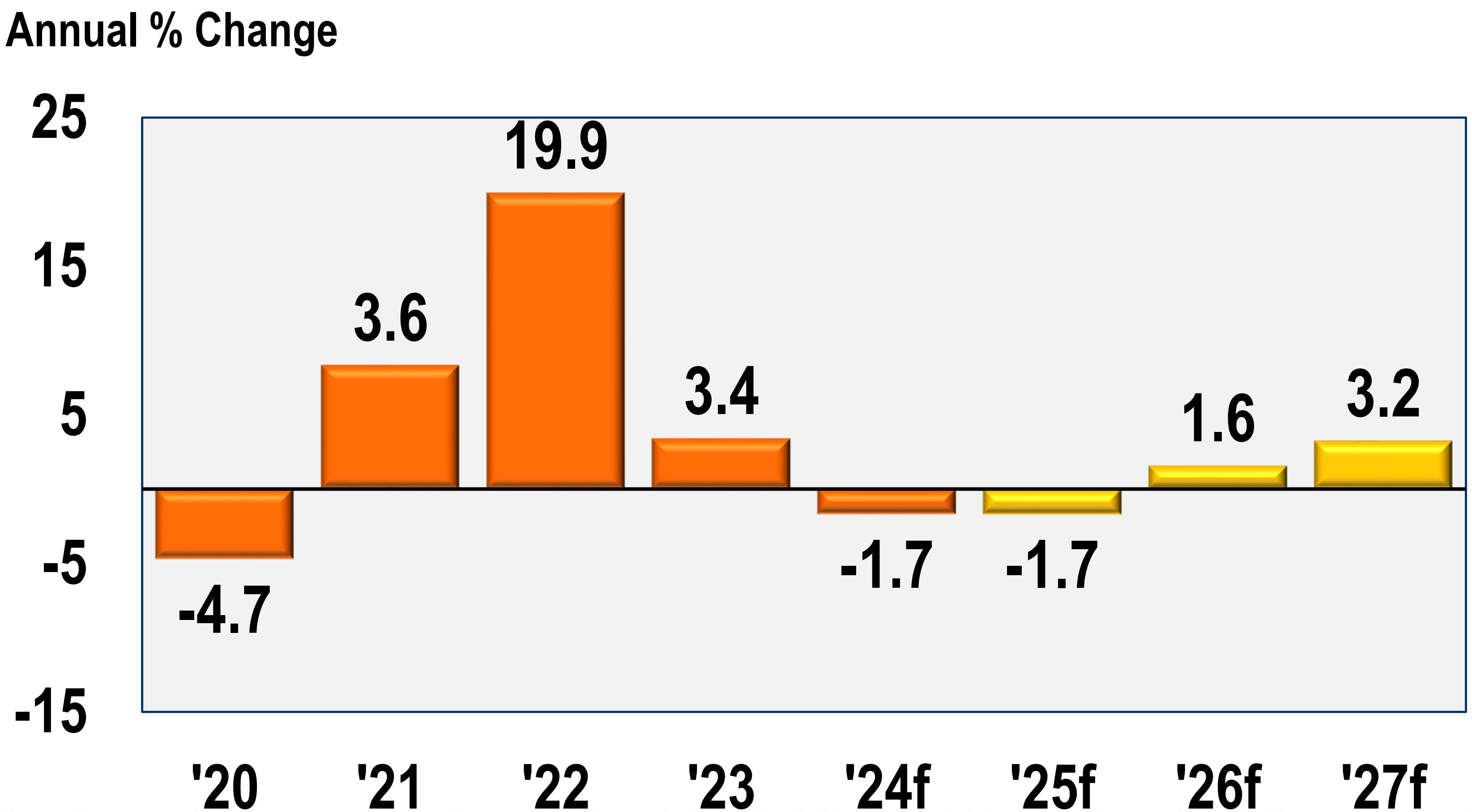
Taxable Sales, Calendar Year



Taxable Sales, Fiscal Year



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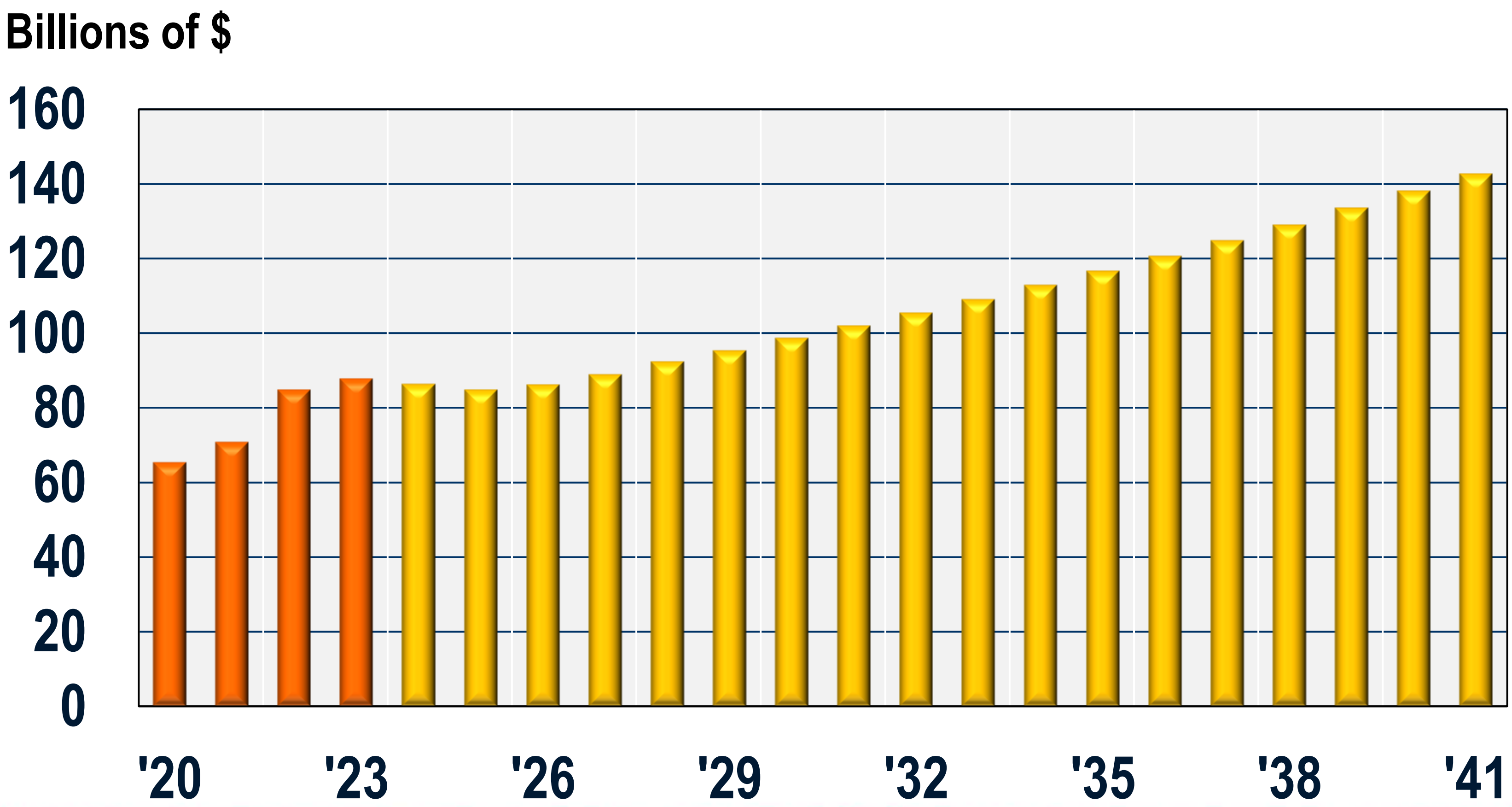
Taxable Sales, Fiscal Year



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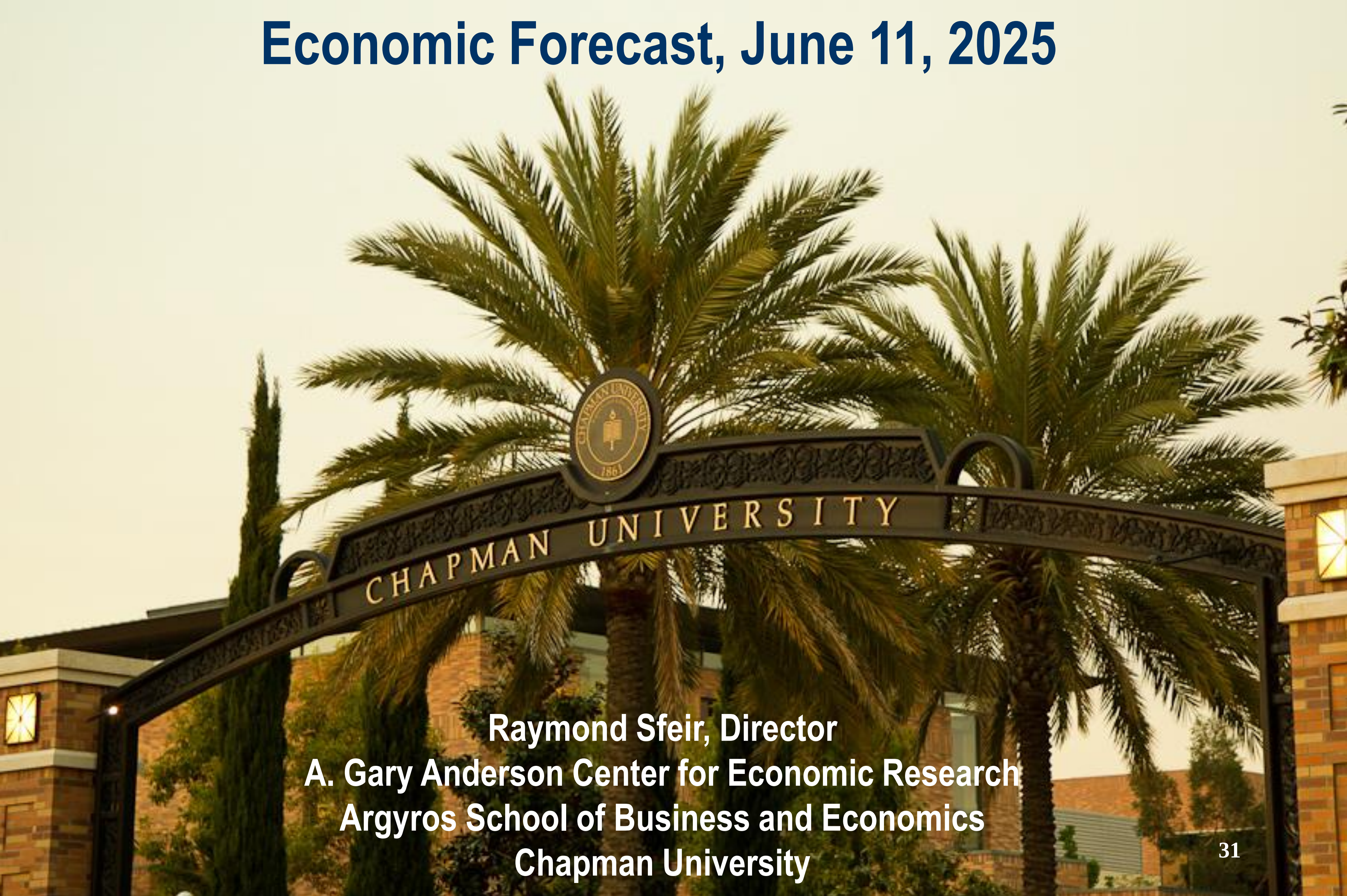

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