

2021 Economic Outlook



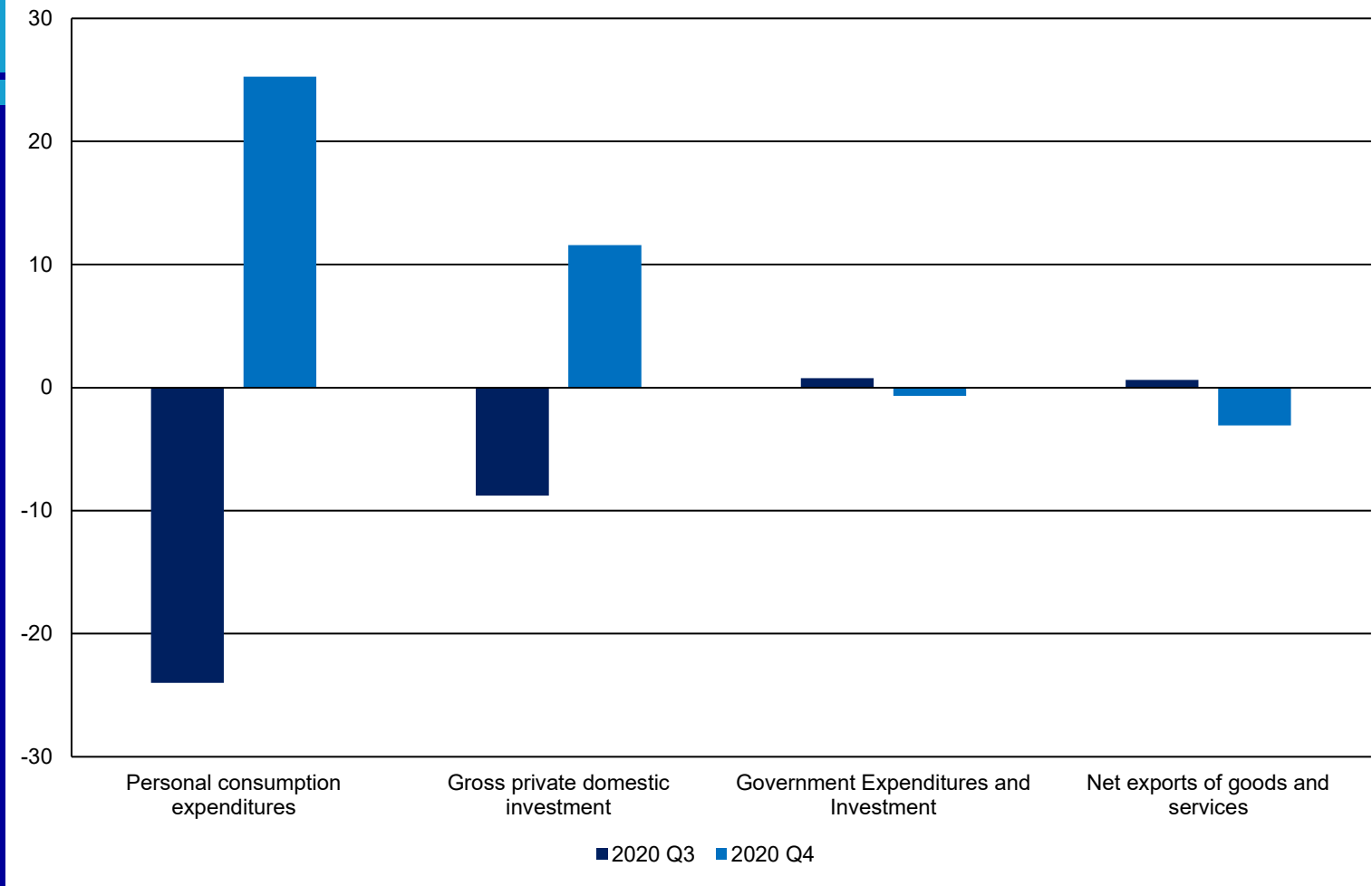
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2020 – 2021 Economic Forecast

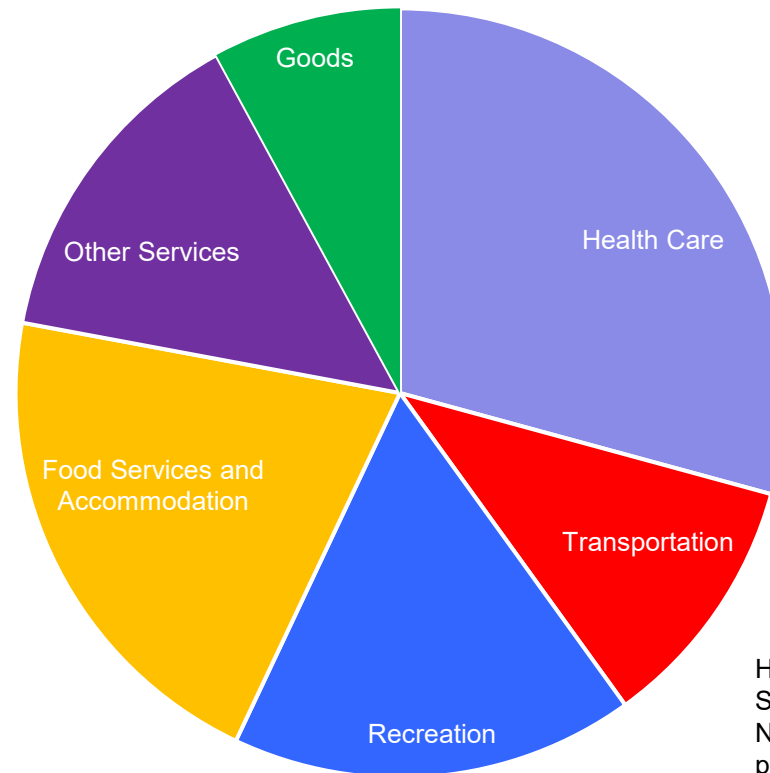
- Full recovery in San Diego's economy depends on recovery of national economy
 - GDP shrank by 31.4% in second quarter
 - "Advance" estimate for the third quarter was 33.1%
 - Slowing expected in the fourth quarter
 - GDP down for 2020 as a whole (~ -4.5%)
 - Growth in the 5% range expected in 2021
 - Depends on stimulus package passed by Congress in 2021
 - Solution to the pandemic needed for full recovery of economy

Contributions to Percent Change in GDP



Source: Bureau of Economic Analysis, University of San Diego

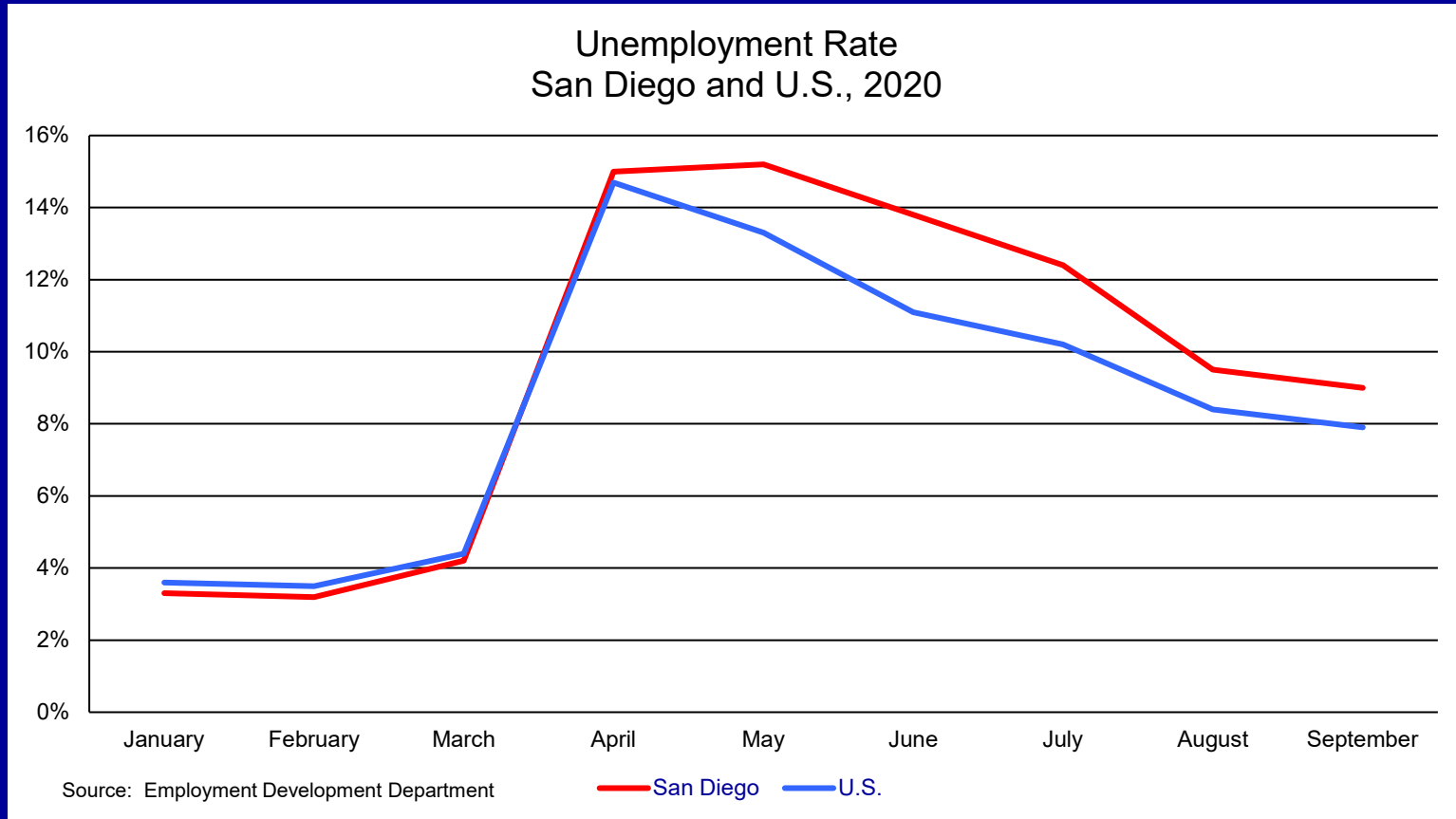
Contributions to Decline in Personal Consumption Expenditures 2020 Q3



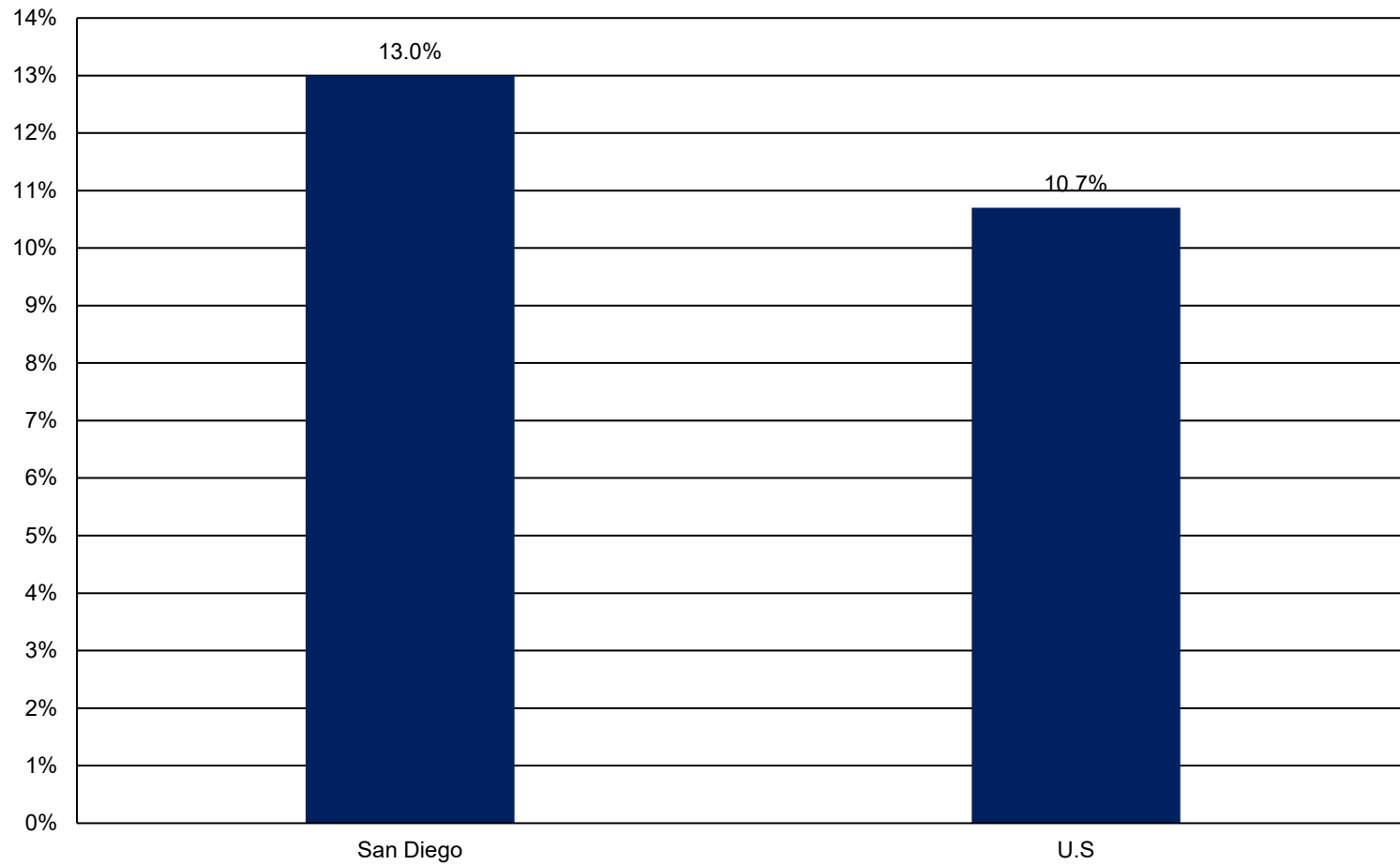
Housing Services, Financial Services and Insurance, Nonprofit Institutions were positive in the quarter

Source: Bureau of Economic Analysis, University of San Diego

Unemployment rate expected to remain high through 2021, not likely to reach pre-pandemic levels until 2024



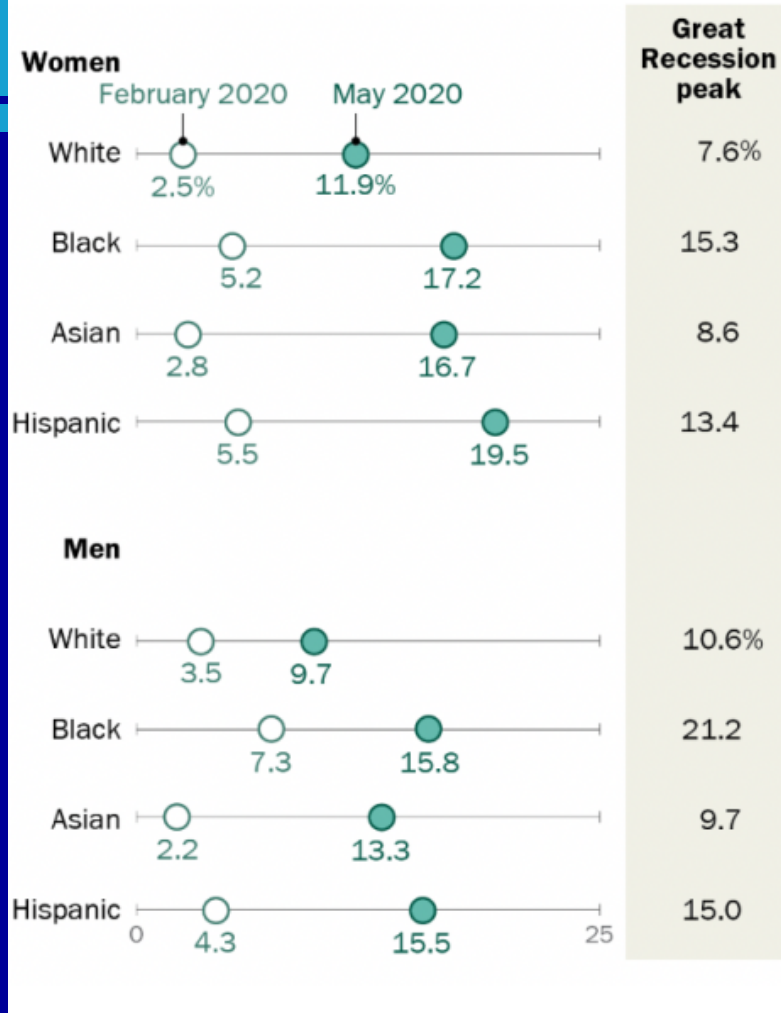
Pre-Pandemic Leisure and Hospitality Employment as a Percentage of Total Wage and Salary Employment



Economic impact of the pandemic has been uneven

- Job losses largely in lower wage, service jobs (leisure and hospitality, services, retail)
 - Jobs at high end are more conducive to remote working
- Communities of color more adversely impacted
 - Greater impact in terms of job loss
 - Disparity in health care and health issues (pollution, food access, high density living)
- “She-cession”
 - Women particularly impacted by job losses, childcare responsibilities

Unemployment rate (%)



Note: The unemployment rate is the share of workers in the labor force actively looking for work. Estimates refer to workers ages 16 and older, nonseasonally adjusted. Whites, blacks and Asians are non-Hispanic. Hispanics are of any race. Asians include Native Hawaiian and Other Pacific Islanders in the estimates for the Great Recession. Estimates for the Great Recession refer to the highest unemployment rate recorded for each group around that downturn; the earliest peak was June 2009 for Asian women and the latest July 2010 for white and Hispanic women.

Source: Bureau of Labor Statistics and Pew Research Center analysis of 2009 and 2010 Current Population Survey data.

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