

FUTURE ECONOMY

C2C: Chaos to Confidence



chaos, disorder, anarchy, disarray, entropy, disorganization, confusion, mayhem,
bedlam, pandemonium, havoc, turmoil, tumult, commotion, disruption, upheaval,
furor, frenzy, uproar, chaos, disorder, anarchy, disarray, entropy,
disorganization, confusion, mayhem, bedlam, pandemonium, havoc, turmoil,
tumult, commotion, disruption, upheaval, furor, frenzy, uproar, chaos, disorder,
anarchy, disarray, entropy, disorganization, confusion, mayhem, bedlam,
pandemonium, havoc, turmoil, tumult, commotion, disruption, upheaval, furor,
frenzy, uproar, chaos, disorder, anarchy, disarray, entropy, disorganization,
confusion, mayhem, bedlam, pandemonium, havoc, turmoil, tumult, commotion,
disruption, upheaval, furor, frenzy, uproar, chaos, disorder, anarchy, disarray,



STRUCTURE

Economic Overview
Govt. Policies & Elections
Trends & Growth Opportunities

Download Today's Slides



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ECONOMIC PAST

SOUNDS

○

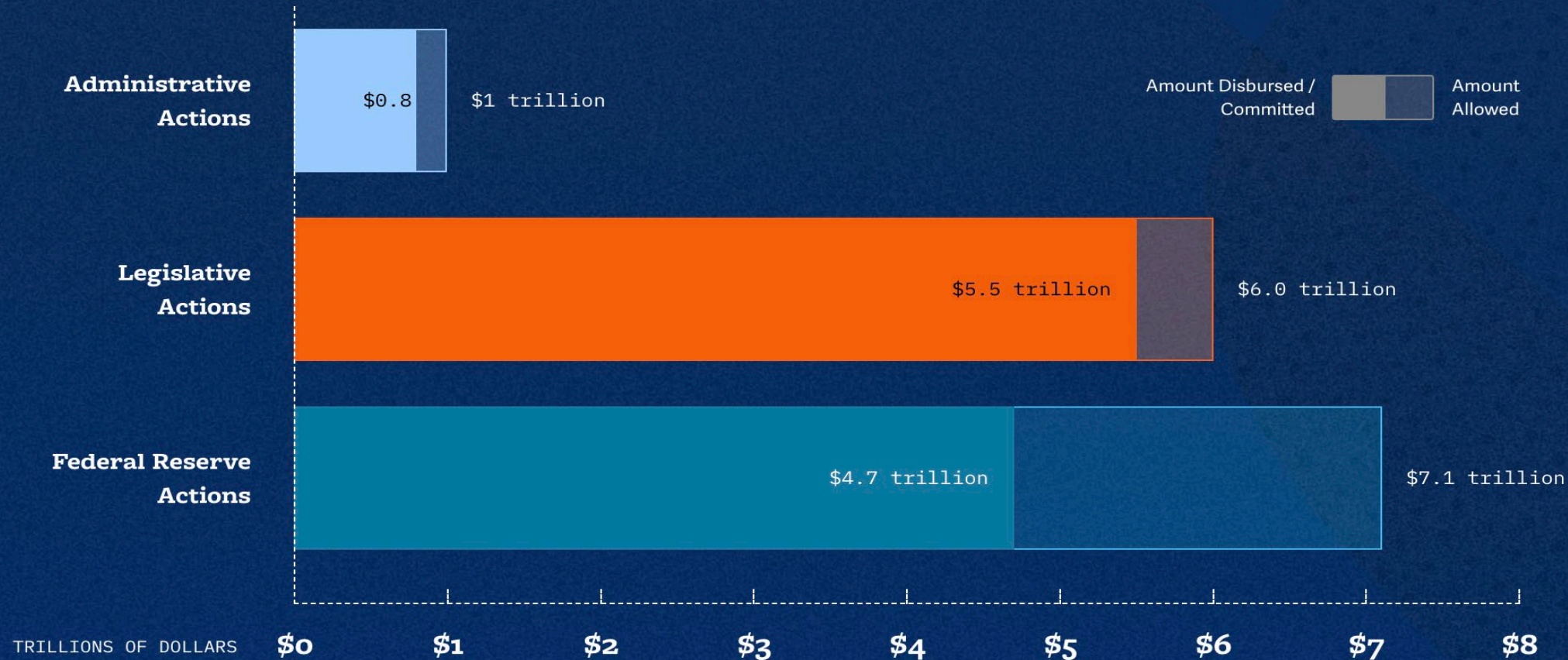
Silence



COVID Money Tracker

Explore the data and track the trillions of dollars of federal spending, tax cuts, loans, grants, and subsidies authorized and disbursed in the wake of the coronavirus pandemic and economic crisis.

Tracking the COVID Response



\$14T!

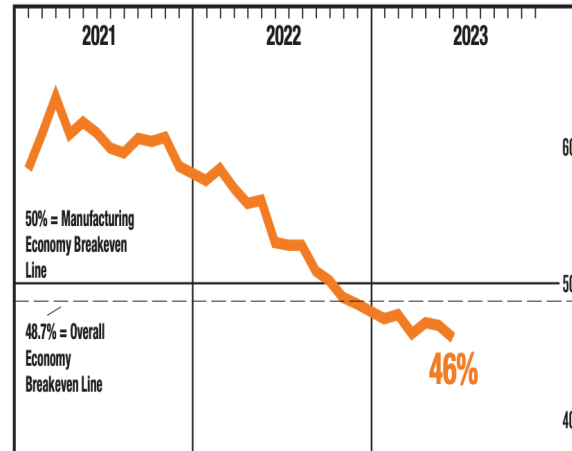


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ECONOMIC PRESENT
THE SHIFT

Rebalancing

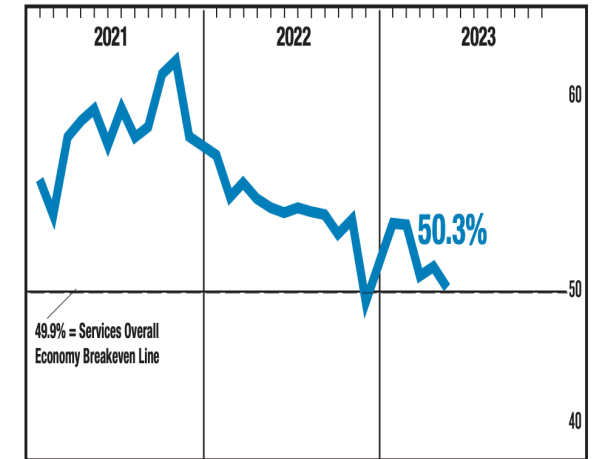
MANUFACTURING PMI® at 46%

The U.S. manufacturing sector contracted in June, as the Manufacturing PMI® registered 46 percent, 0.9 percentage point lower than the reading of 46.9 percent recorded in May. This is the eighth month of contraction and continuation of a downward trend that began in June 2022. That trend is reflected in the Manufacturing PMI's 12-month average falling to 48.8 percent. Of the five subindexes that directly factor into the Manufacturing PMI®, none are in growth territory. Of the six biggest manufacturing industries, only one (Transportation Equipment) registered growth in June.



SERVICES PMI® at 50.3%

In May, the Services PMI® registered 50.3 percent, a 1.6-percentage point decrease compared to the April reading of 51.9 percent. A reading above 50 percent indicates the services sector economy is generally expanding; below 50 percent indicates it is generally contracting. The past relationship between the Services PMI® and the overall economy indicates that the Services PMI® for May (50.3 percent) corresponds to a 0.2-percent increase in real gross domestic product (GDP) on an annualized basis.

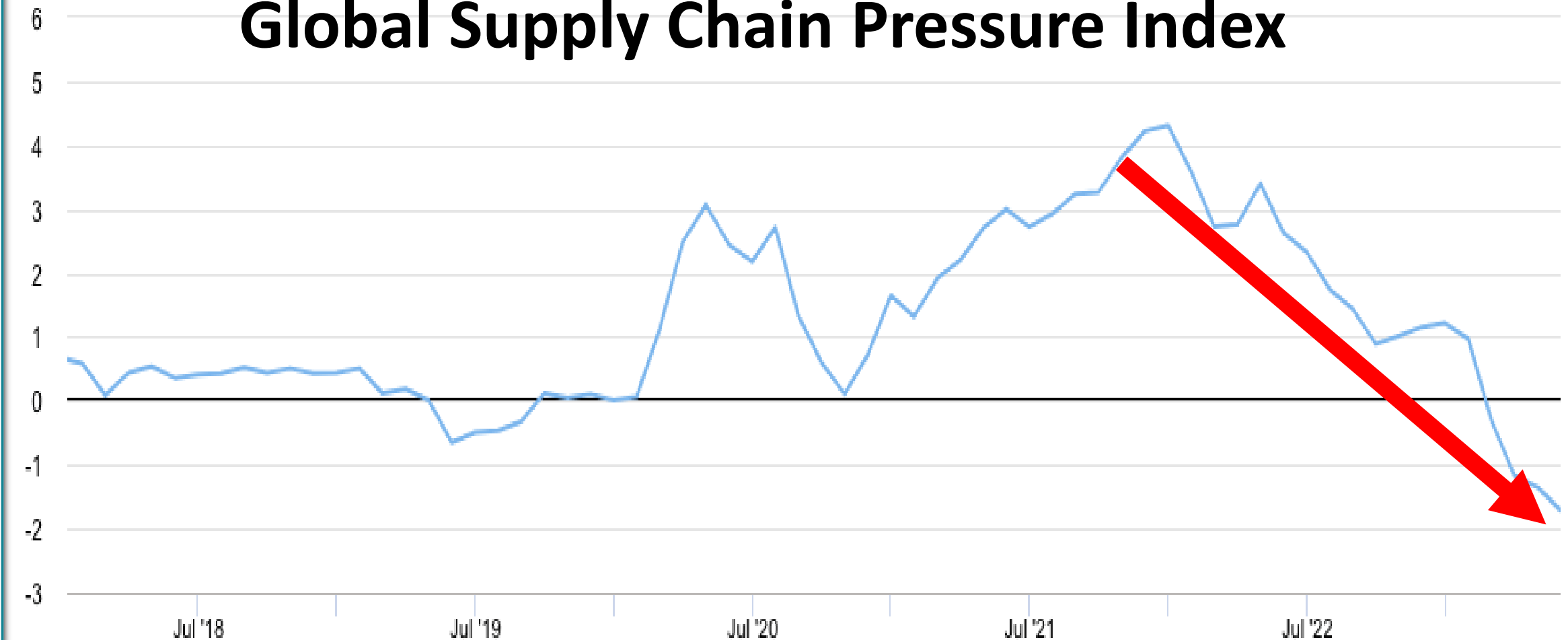


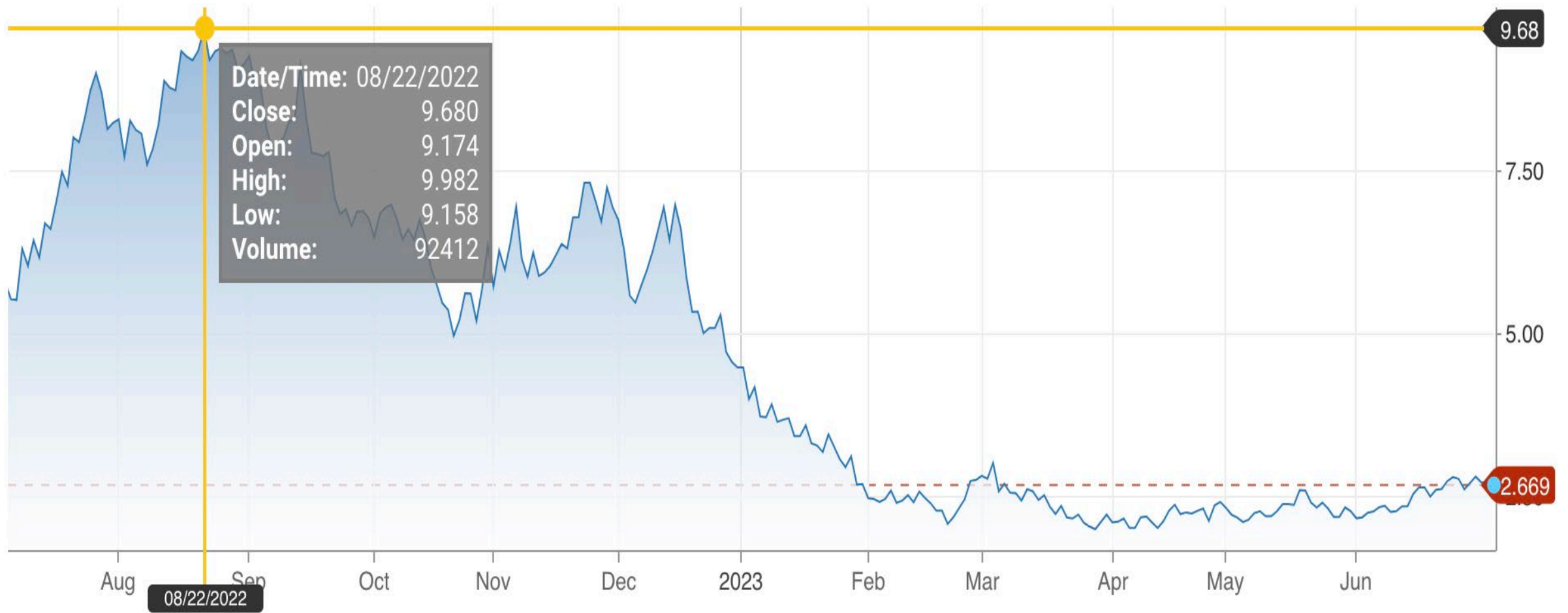
-140% from December 2021 Peak

Standard deviations from average value

From Jan 10, 2018 To May 31, 2023

Global Supply Chain Pressure Index



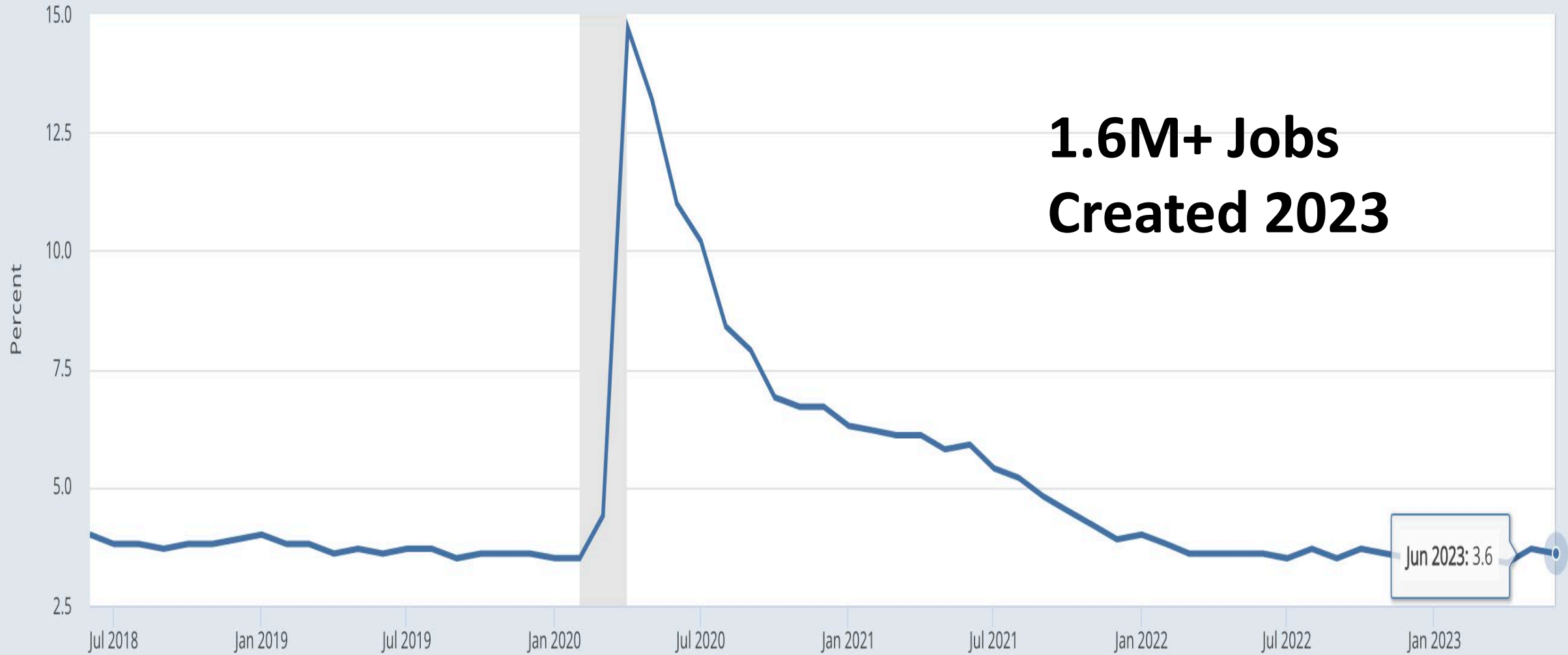


Nat Gas Slowly Bottoming

Best/Worst News: *Jobs!*

FRED

— Unemployment Rate

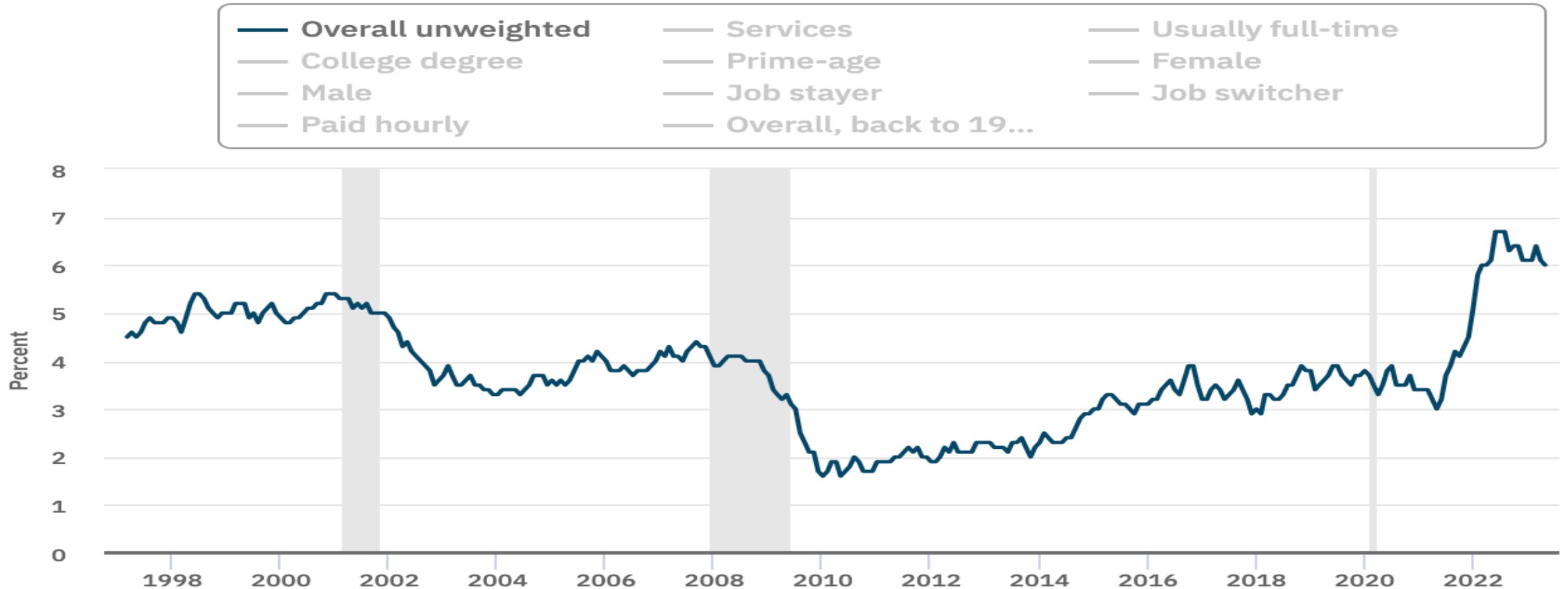


Labor Costs: 🔥 +6.0%

Wage Growth Tracker

≡ Export

three-month moving average of median wage growth, hourly data



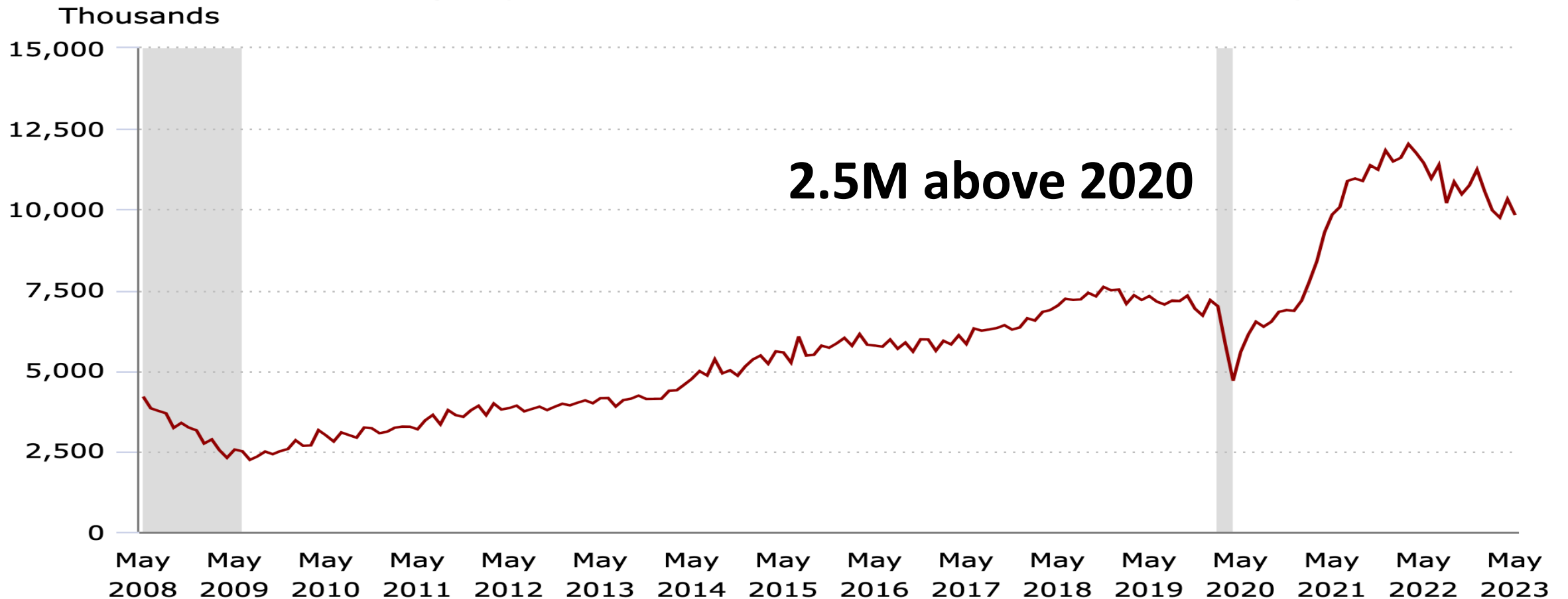
Sources: Current Population Survey, Bureau of Labor Statistics and author's calculations

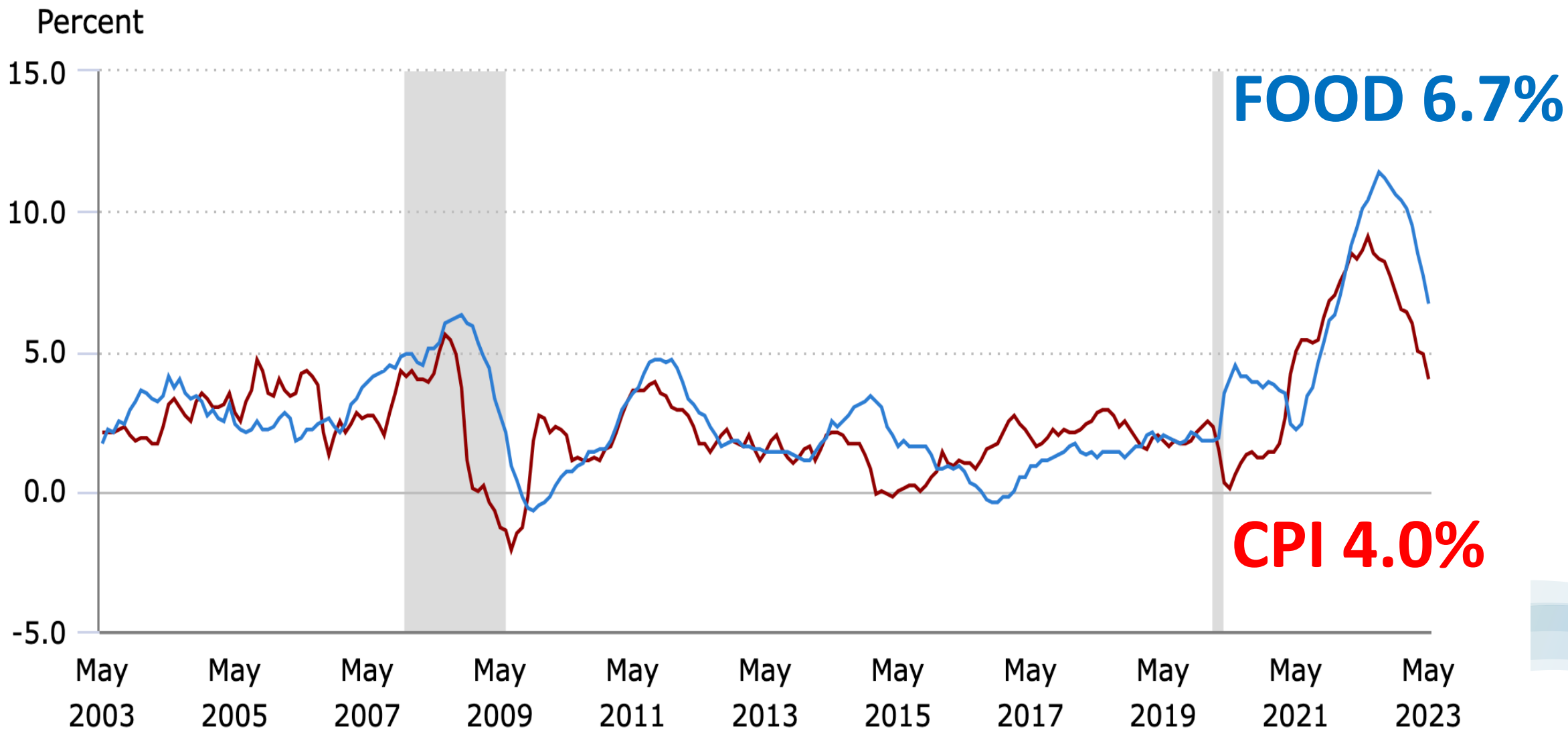
Workforce *Competition*

Job openings, hires, and separations levels, seasonally adjusted

Click and drag within the chart to zoom in on time periods

— Total nonfarm job op... - - Total nonfarm hires Total nonfarm separ...
— Total private job ope... - - Total private hires Total private separat...
— Government job ope... - - Government hires Government separati...





Source: BLS

Inflation Cooling

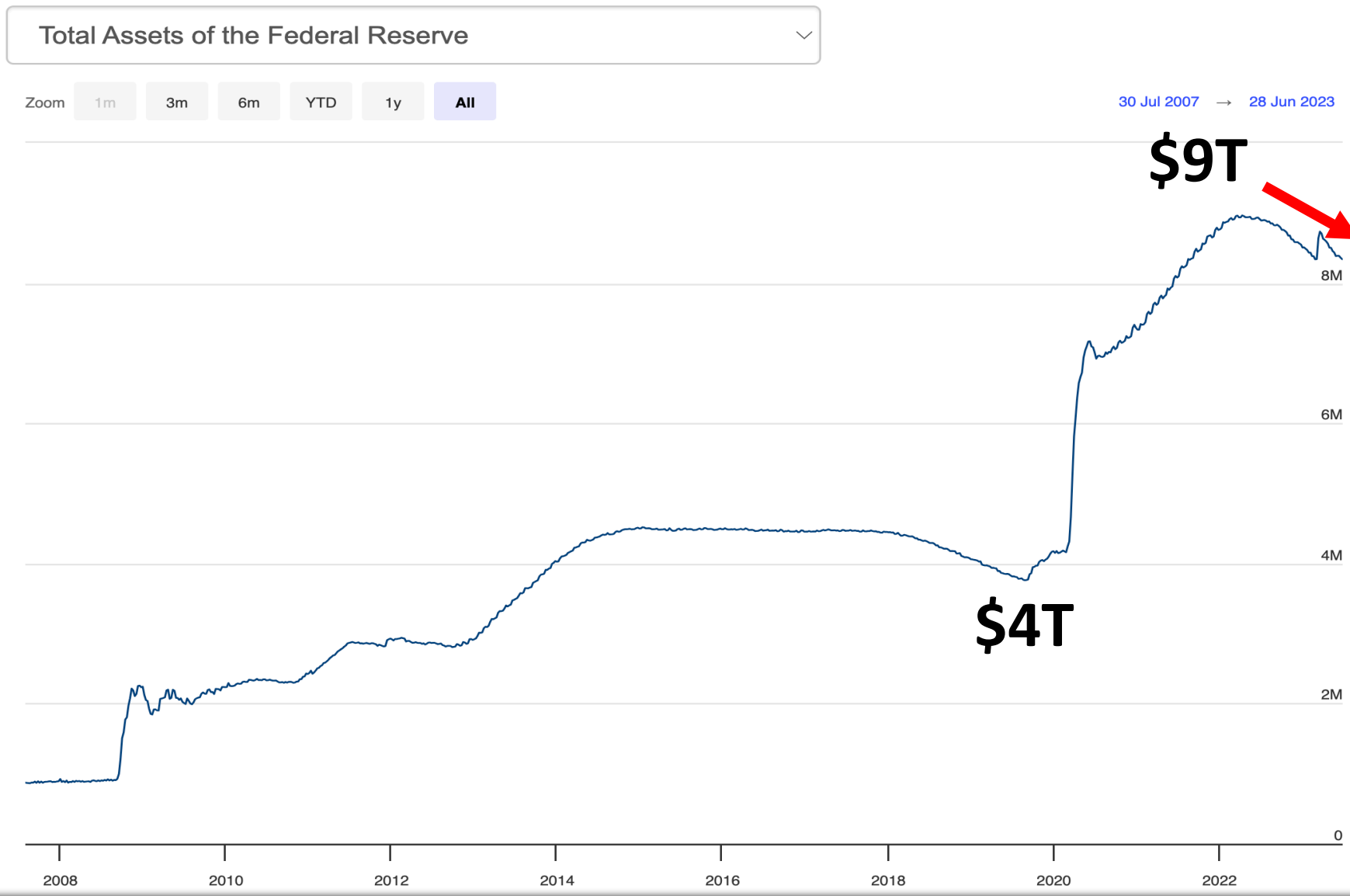
Stimulus Reduction Part 1: Rate Increases

FRED

Federal Funds Target Range - Upper Limit



Stimulus Reduction: BS Decrease



\$95B a month=
\$60B Treasury's
& \$35B GSE

Raises long
term rates

Credit *Crunch* Coming

Ross Perot Jr. warns of real estate recession

“If the industry can’t get a construction loan, real estate will have a recession”



Hillwood Urban's Ross Perot Jr. (Hillwood Urban, Getty)

Big Banks Face Billions in Extra FDIC Fees After SVB Failure

- FDIC to replenish fund after uninsured depositors made whole
- Banks with more than \$50 billion in assets to pay 95% of fees



Silicon Valley Bank headquarters in Santa Clara, California. Photographer: David Paul Morris/Bloomberg

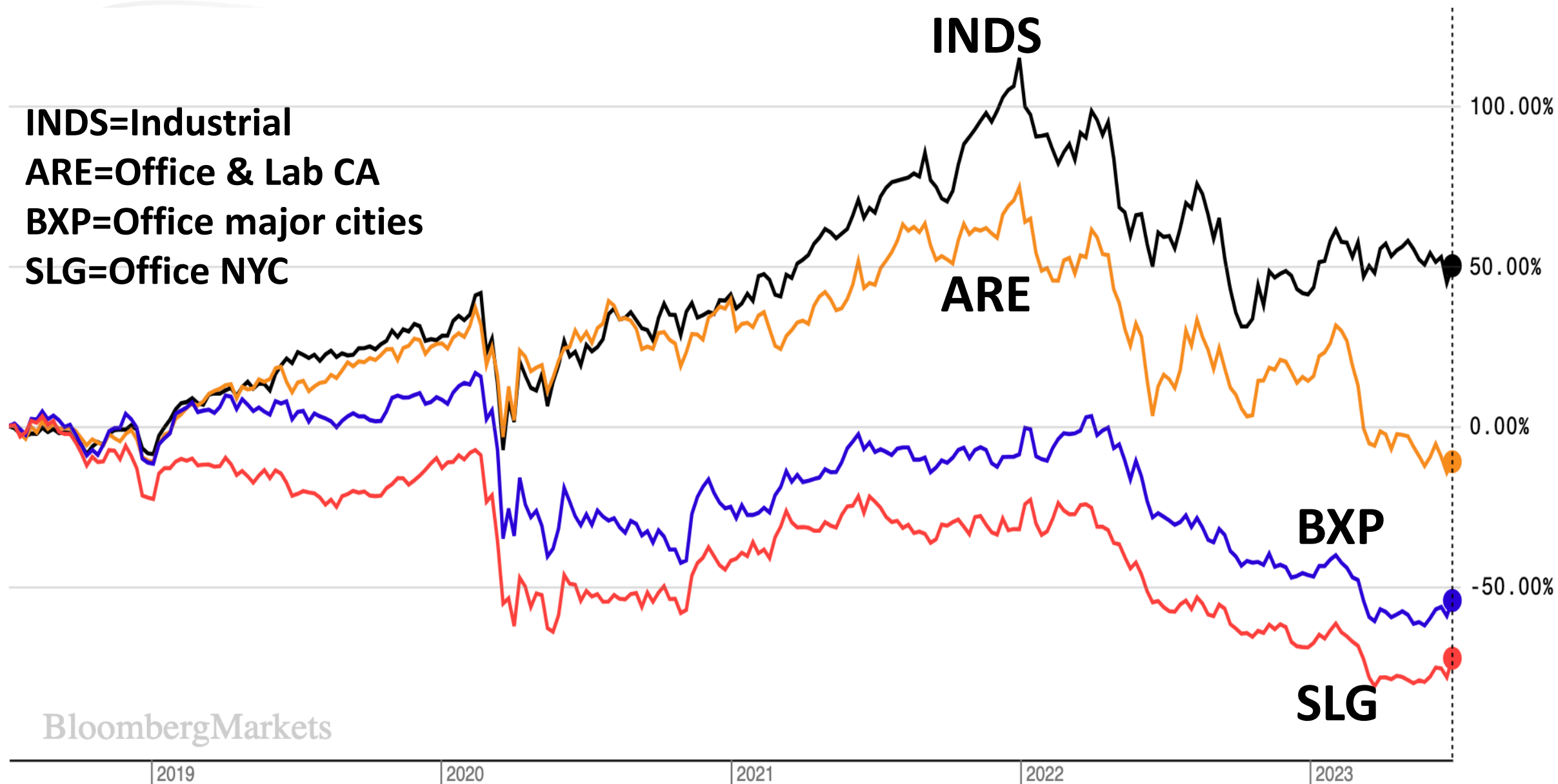
CRE ETFs/REITs

INDS=Industrial

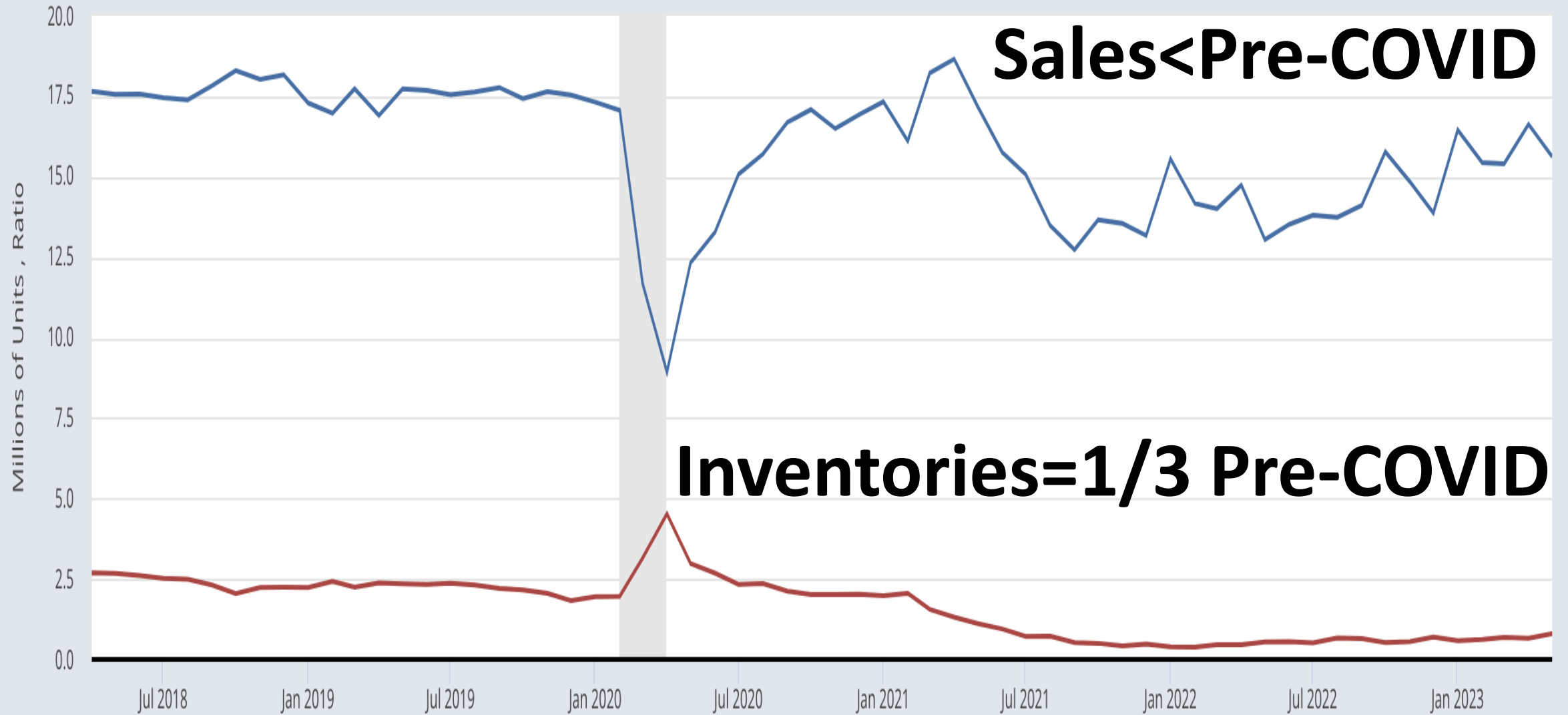
ARE=Office & Lab CA

BXP=Office major cities

SLG=Office NYC



Autos





INCENTIVES

+

BUILDINGS & SITES

+

WORKFORCE

+

INFRASTRUCTURE

+

INTERNATIONAL

+

COMPANIES IN GEORGIA DON'T JUST GROW
THEY CHANGE THE LANDSCAPE.



18 HEADQUARTERS
of Fortune 500 companies



5.3M WORKFORCE
Total population 10.6M



#1 INDUSTRIAL
Engineering program in the US

+ .

ECONOMIC FUTURE

SLOWING MOMENTUM

○

Big Economic Secret





- Nuclear plant attack
- Russia Uses Nukes
- Bird Flu Goes H2H
- Biden Health Incident
- China Takes Taiwan
- Iran/Israel War
- Severe Credit Crunch
- Cyber War
- AI Bioterrorism

Ukraine war live

Russia-Ukraine war: Zaporizhzhia situation 'tense' as both sides accuse each other of planning attack on nuclear plant – as it happened

This live blog has now closed, you can [read more about the war in Ukraine here](#)

Tom Ambrose (now); Martin Belam and Helen Sullivan (earlier)

Wed 5 Jul 2023 13.50 EDT



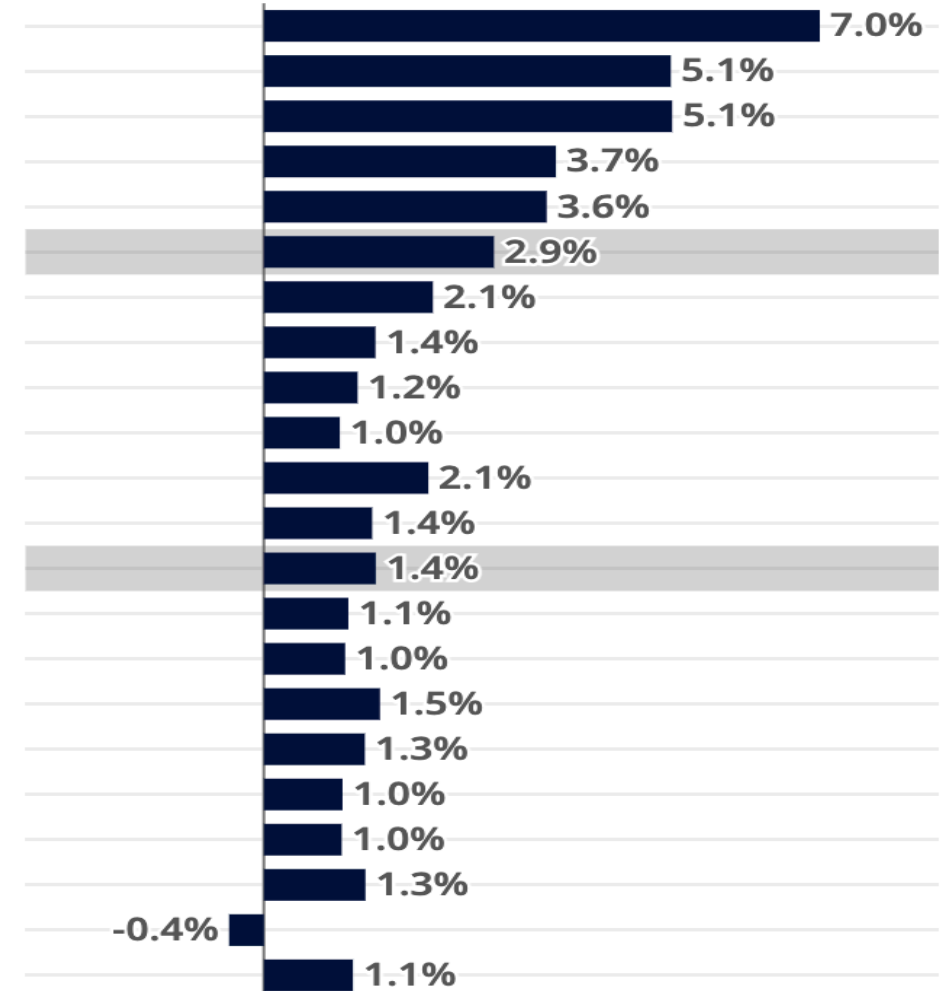
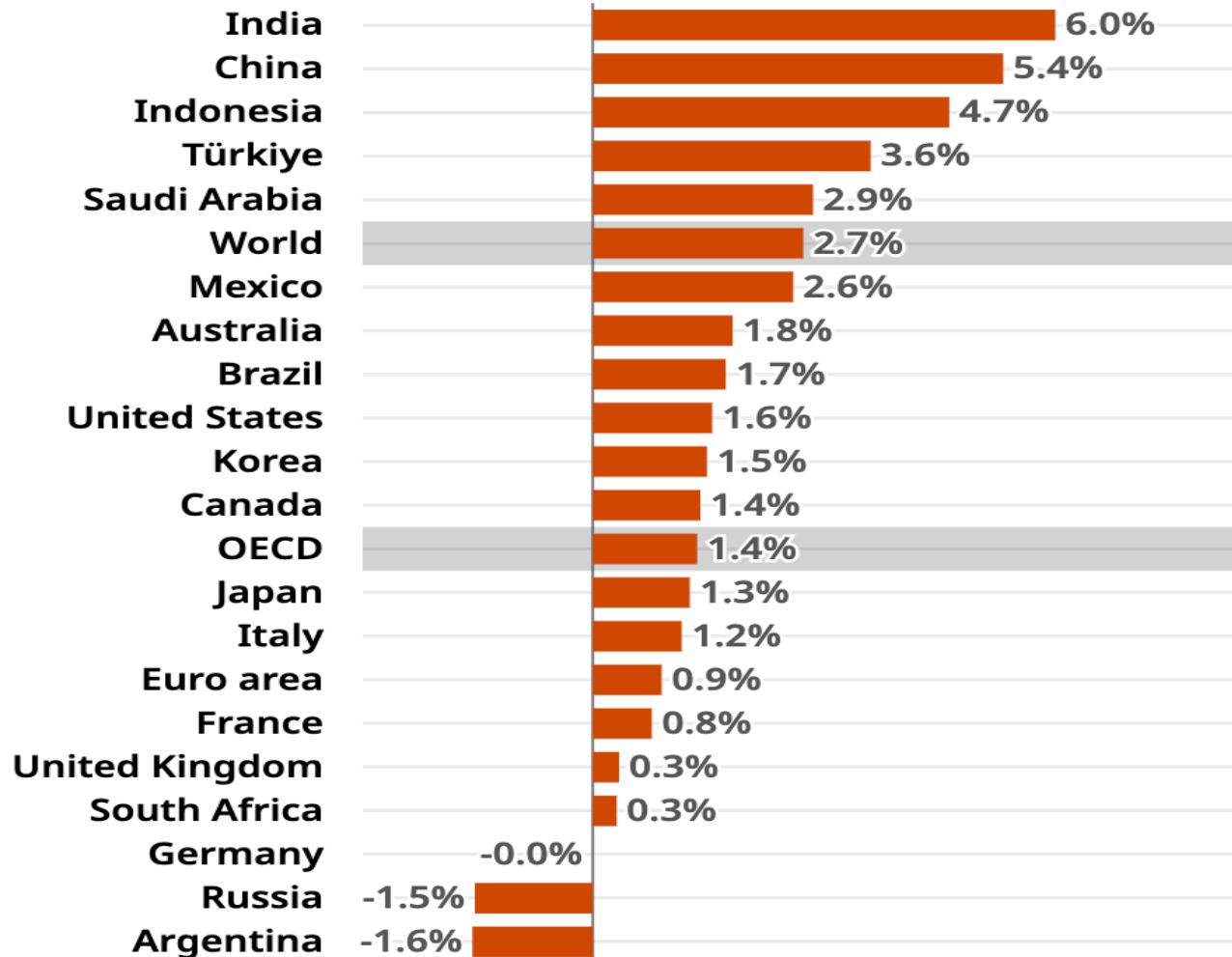
Real GDP growth projections for 2023 and 2024

%, year-on-year

OECD

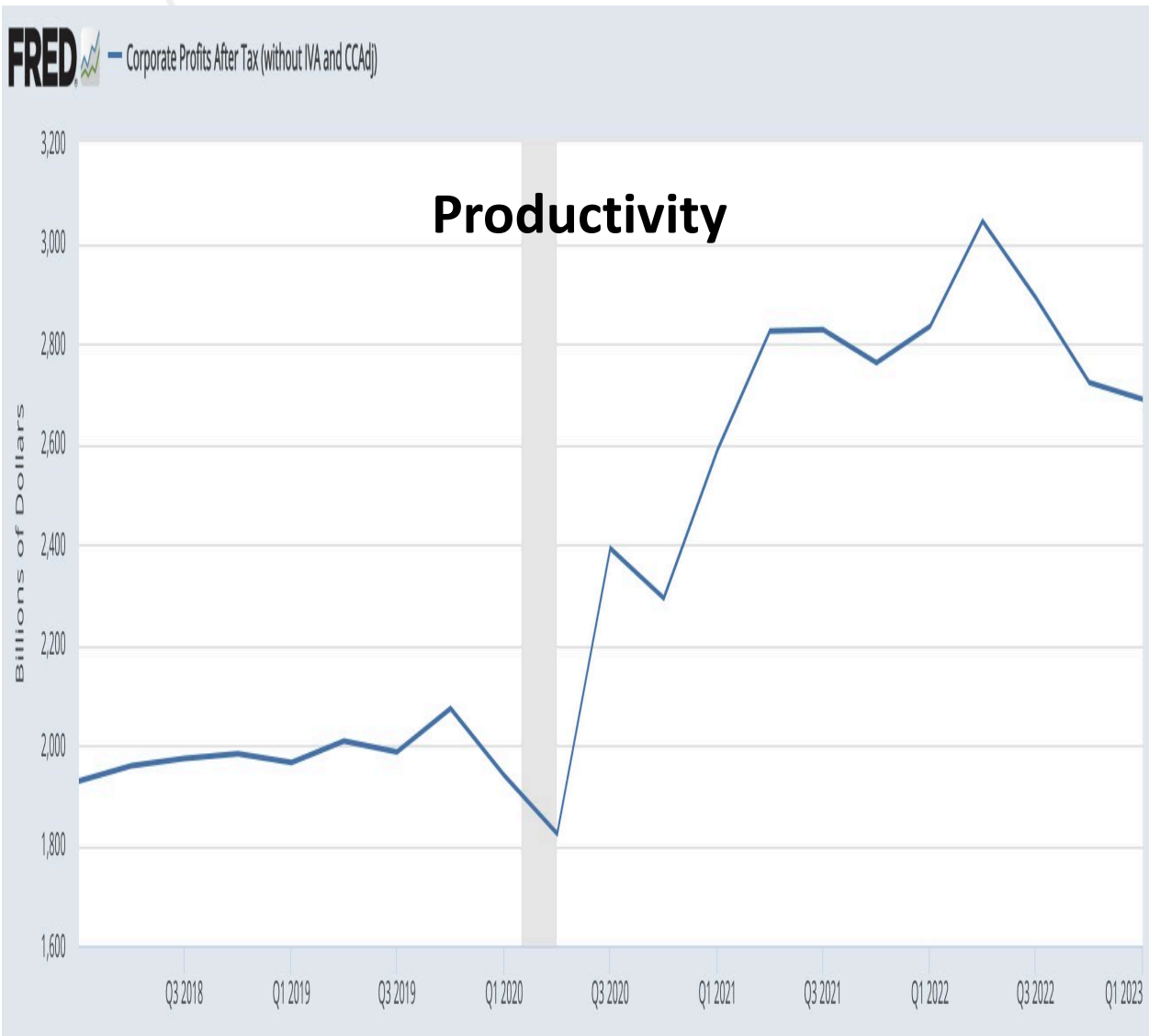
Major economies

OECD countries



Productivity vs. Profits: *labor hoarding*

Source: FRED



Source: FRED



Economic Takeaways

1. **2H 30% probability US recession,
inflation 3.5% EOY**
2. **Energy/Supply Chain/Labor
Supply/Climate remain volatile &
disruptive**
3. ***2H: 60% probability US recession
interest rate related industries:
single fam & CRE Office***

+ .

GOVT. POLICY

FOLLOW THE \$

\$ Just Getting Out The Door

\$1.2 trillion Infrastructure (IIJA)
\$369 billion Inflation Reduction Act
\$280 billion Chips & Science Act
\$1.7 trillion 2023 US budget



US 'won't tolerate' China's ban on Micron chips, commerce secretary says

By David Lawder ▾

May 27, 2023 9:28 PM EDT · Updated 2 days ago



The company logo is seen on the Micron Technology Inc. offices in Shanghai, China May 25, 2023. REUTERS/Aly Song

US Trade Policy: *Bitter Cold* China, *Warm* EU

China:

- *Conflict* Taiwan
- *Conflict* Russia
- *Conflict* AI

EU:

- NATO resurgence
- Cooperation on climate
- US supplies LNG & coal

Climate Change & *Regulatory* Change



- **FERC Focus:**
 - New power plant rules
 - Intr. transmission planning
 - Backstop siting
 - Extreme weather
- ***EPA MATS RTR 60% reduction***
- SCC court upheld
- SEC climate disclosure plan
- DOJ Environmental Justice Div.
- Lawsuits via Paris Accord?

2024⁺ [•] ELECTIONS
80'S RERUNS



Top 5 **2024** Contenders/Pretenders

1. Former President Trump
- 2. FL Gov. Ron DeSantis?**
3. Former Gov. Nikki Haley
4. Former VP Mike Pence
5. SC Sen. Tim Scott



1. President Joe Biden
2. VP Kamala Harris
3. Robert F. Kennedy
4. Marianne Williamson
5. CA Gov. Gavin Newsom



Biden's Priorities

- [\\$4.7T tax plan](#)
- Raise buyback tax from 1% to 4%
- 20% tax on unrealized capital gains
- Repeal 2018 Tax Cuts for Upper Income
- 25% Minimum Tax on Billionaires



President Biden delivers the State of the Union as Vice President Kamala Harris and House Speaker Kevin McCarthy show their approval. (Jacquelyn Martin/Pool via Getty Images)

End of *TCJA* 2025

Good News

Corporate Tax cuts Permanent

- 21% rate stays
- Territorial system stays

SALT Cap Disappears

Bad News

Individual Tax Cut Sunset:

- Higher Individual Rates
- Higher Pass Through Rates
- Higher Estate Taxes

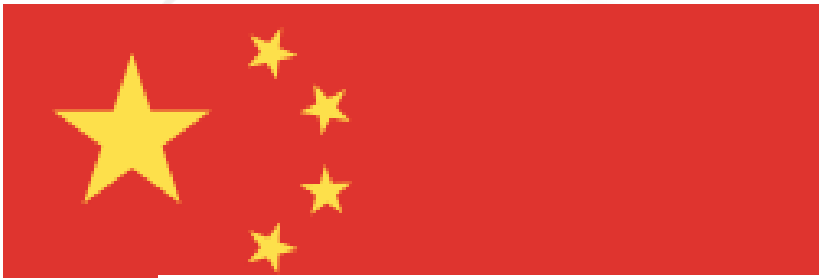
Biggest Future Problem:

US Debt *Soaring*

+
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TRENDS
SPEED OF CHANGE

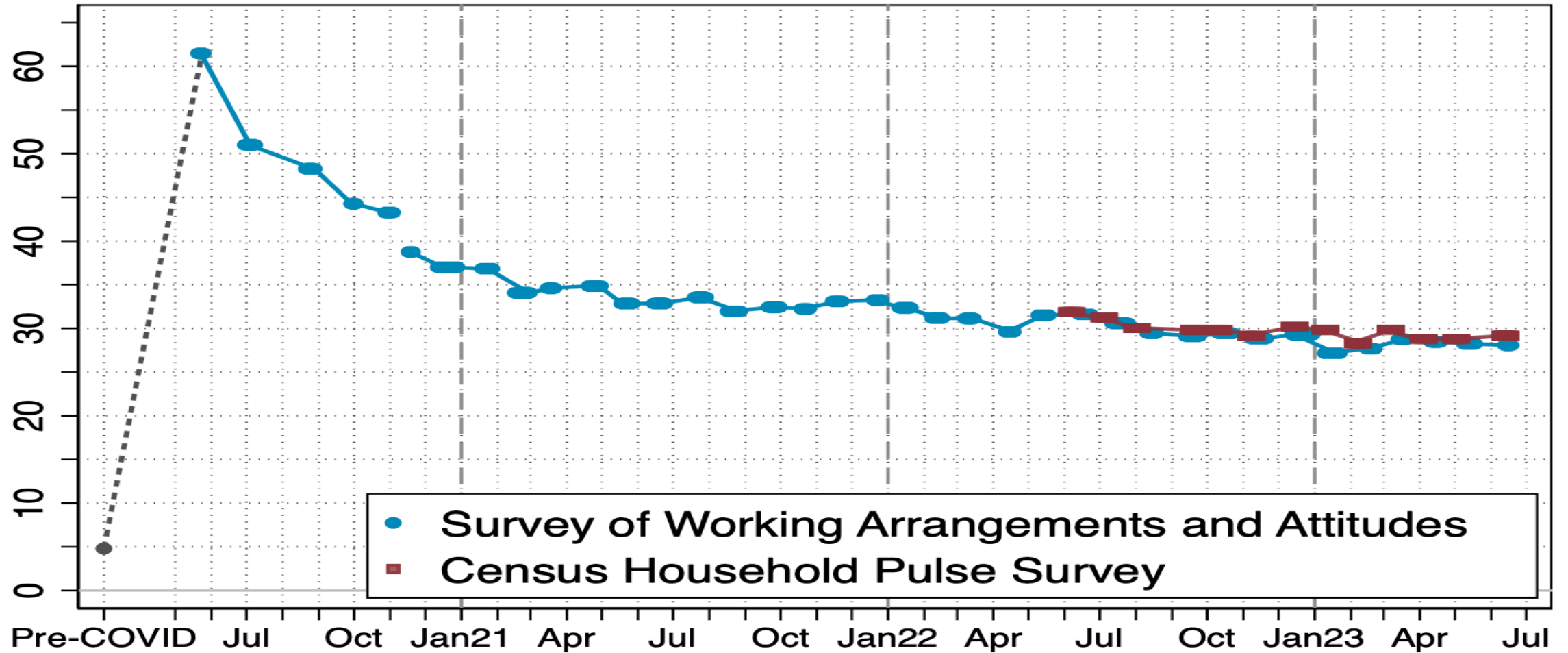


Global Realignment



WFH Stable at 1.4 Days Per Week

Percentage of paid full days worked from home



*Pre-COVID estimate taken from the 2017-2018 American Time Use Survey

*The break in the series in November 2020 reflects a change in the survey question.

US Population Migration Trends

Ten states with the most and least net domestic population migration from July 2021-July 2022

Bottom 10

California	-343,230
New York	-299,557
Illinois	-141,656
New Jersey	-64,231
Massachusetts	-57,292
Louisiana	-46,672
Maryland	-45,101
Pennsylvania	-39,957
Virginia	-23,952
Minnesota	-19,400

Top 10

Florida	318,855
Texas	230,961
North Carolina	99,796
South Carolina	84,030
Tennessee	81,646
Georgia	81,406
Arizona	70,984
Idaho	28,639
Alabama	28,609
Oklahoma	26,791

Source: Census Bureau

Top 10 States in Numeric Growth: 2021 to 2022

Rank	Geographic Area	April 1, 2020 (Estimates Base)	July 1, 2021	July 1, 2022
1	Texas	29,145,428	29,558,864	30,029,572
2	Florida	21,538,226	21,828,069	22,244,823
3	North Carolina	10,439,414	10,565,885	10,698,973
4	Georgia	10,711,937	10,788,029	10,912,876
5	Arizona	7,151,507	7,264,877	7,359,197
6	South Carolina	5,118,429	5,193,266	5,282,634
7	Tennessee	6,910,786	6,968,351	7,051,339
8	Washington	7,705,247	7,740,745	7,785,786
9	Utah	3,271,614	3,339,113	3,380,800
10	Idaho	1,839,092	1,904,314	1,939,033

Source: US Census Bureau

Weather *Volatility*



'That's going to be a problem': Summer 2023 is shaping up to be sweltering and smoky



Doyle Rice
USA TODAY

Published 9:30 a.m. ET July 1, 2023 | Updated 12:15 p.m. ET July 1, 2023



Heat wave ups pressure on Texas power grid

As a heat wave grips Texas, public appeals to stay hydrated and limit outdoor activities have come with another ask of the state's nearly 30 million residents: Conserve electricity if possible as demand on the power grid is stretched. (June 27) (AP Video: Kendria LaFleur) AP

OPPOR⁺TUNITIE_. S

THINK \$ FORWARD



#1 Climate *Adaptation* vs. Mitigation



#2 *Climate* Location, Location, Location

RISK
FACTOR

[Partnerships & Pricing](#) [Methodology](#)

What will climate change cost you?

Search an address to see its risk from flooding, wildfire, heat, and wind.



The Risk Factor model is designed to approximate risk and not intended for active events.

#3: VC \$ Climate & Weather Risk Analytics



06/03/21: **\$100M funding round**. Climavision's approach to climate technology weather solutions is poised to help reduce the economic risks of climate change on companies, governments, and societies alike. The firm's platform is powered by a private network of high-resolution radars, GPS-RO data, and proprietary software to vastly improve the timing and accuracy of weather forecasting and to fill low-level gaps in existing weather surveillance.



- Jupiter Intelligence



- Teren



- Climatex

#4 Friend/Near/Re-Shoring

Auto parts manufacturer breaks ground on Chatham County facility, set to hire 740 workers

Seoyon E-HWA, a global auto parts supplier, plans to invest almost \$76 million in a new manufacturing facility in Chatham County.

Share   

 Updated: 3:06 PM EDT Apr 17, 2023

Infinite Scroll Enabled ☒

 **Graham Cawthon**   

Digital Media Manager



Qcells to invest \$2.5B to build complete US solar supply chain, expand annual capacity to 8.4 GW

Georgia Sen. Jon Ossoff said the expansion is the largest clean energy manufacturing project in American history and will create 2,500 jobs in the state.

Published Jan. 11, 2023

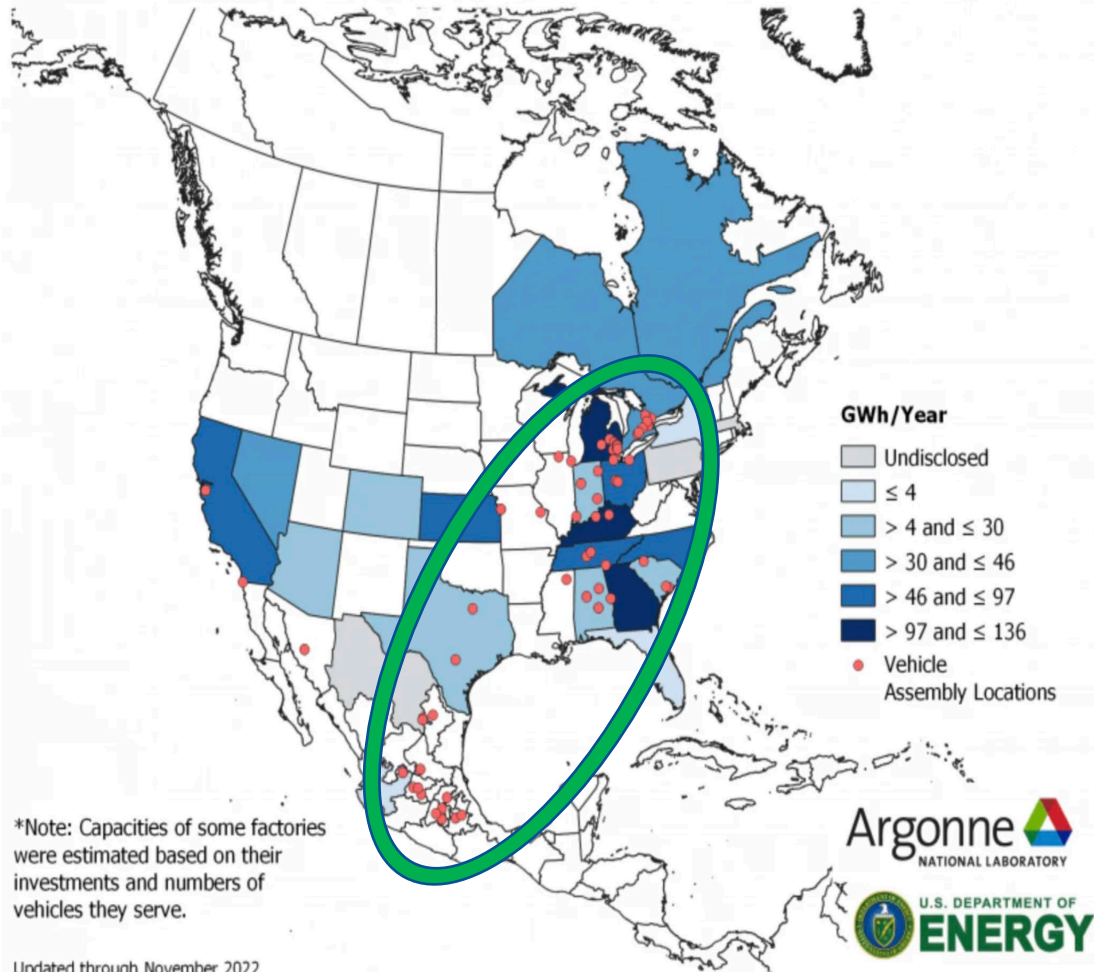
By [Diana DiGangi](#)
Reporter



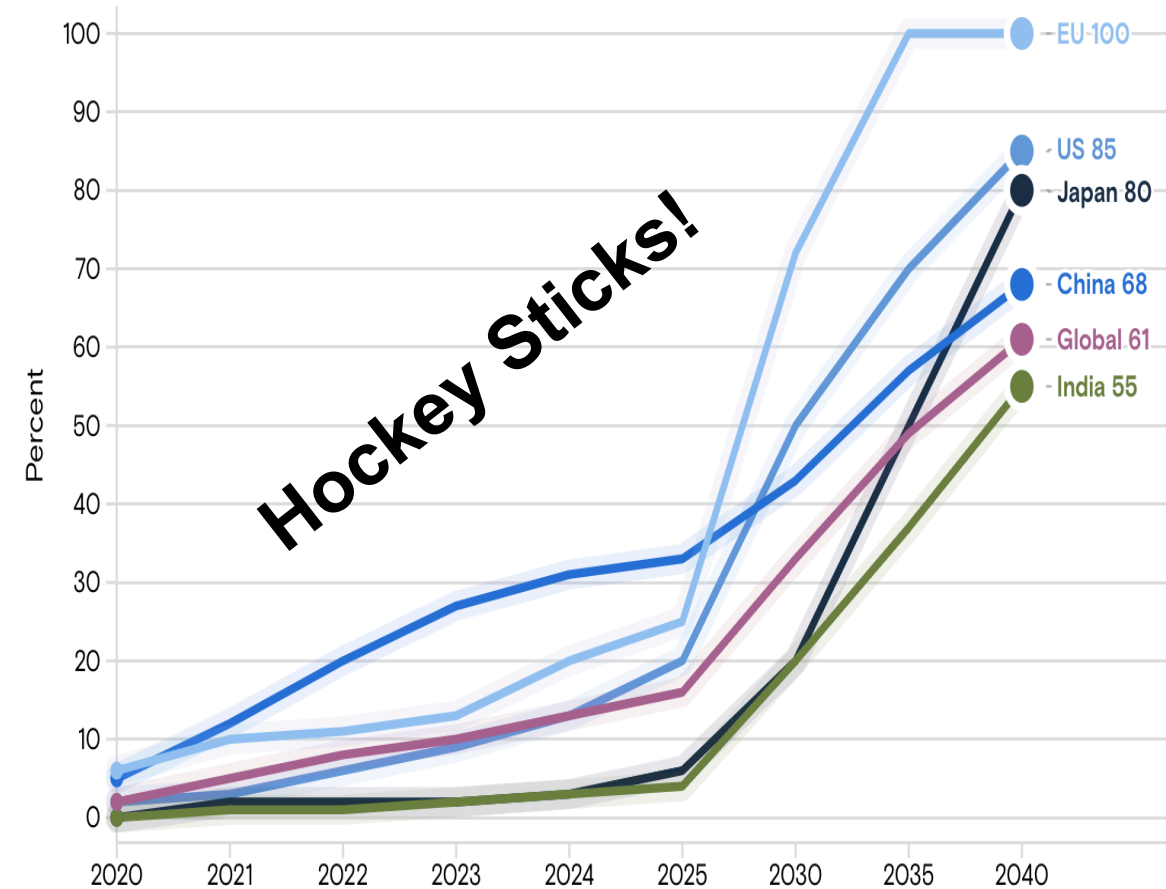
#5: ICE to EV *Accelerates*

Planned Battery Plant Capacity in North America by 2030



The shift to electric vehicles is forecast to accelerate

Electric vehicle sales ratio (%)



Amazon's Electric Delivery Vans



GA Fulfillment Centers

#PGA1 –Atlanta

#MGE1/MGE7 –Braselton

#ATL6 –East Point

#MGE3 –Jefferson

#ATL8 –Lithia Springs,

#SAV3 –Macon

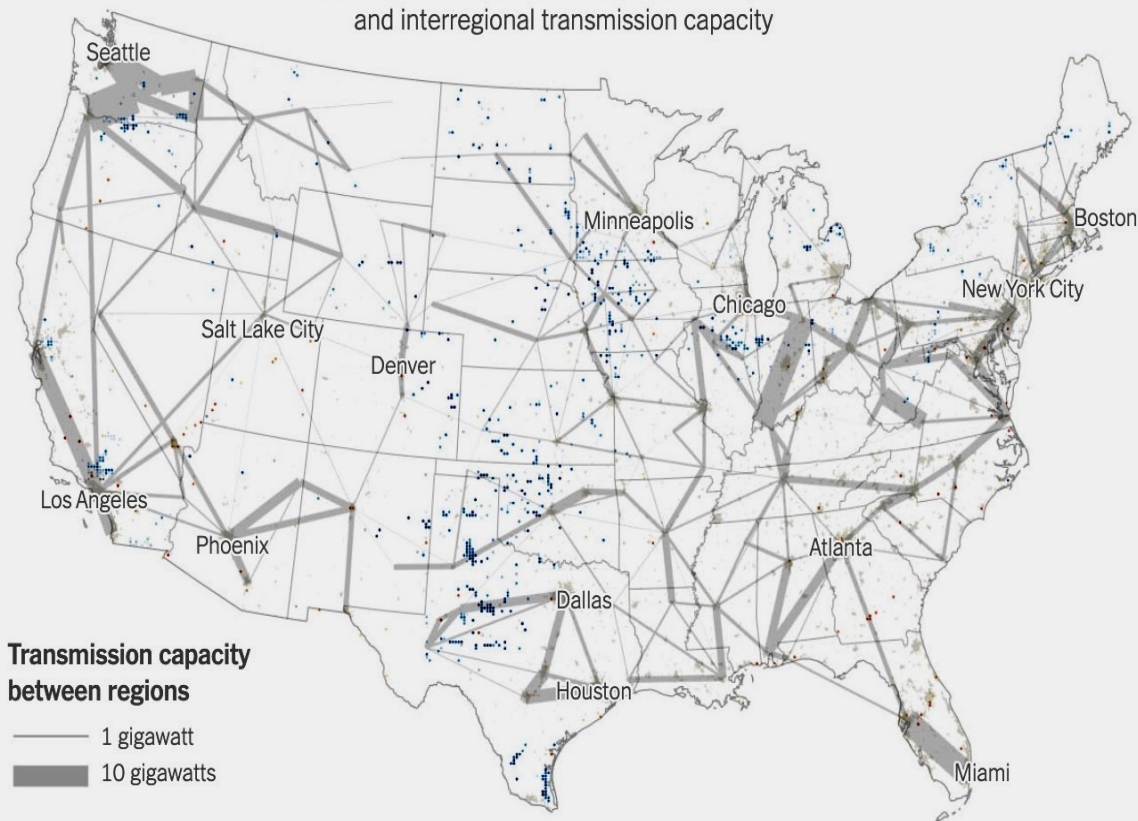
#ATL2 –Stone Mountain

#ATL7 –Union City

Transmission Needs to Double by 2030

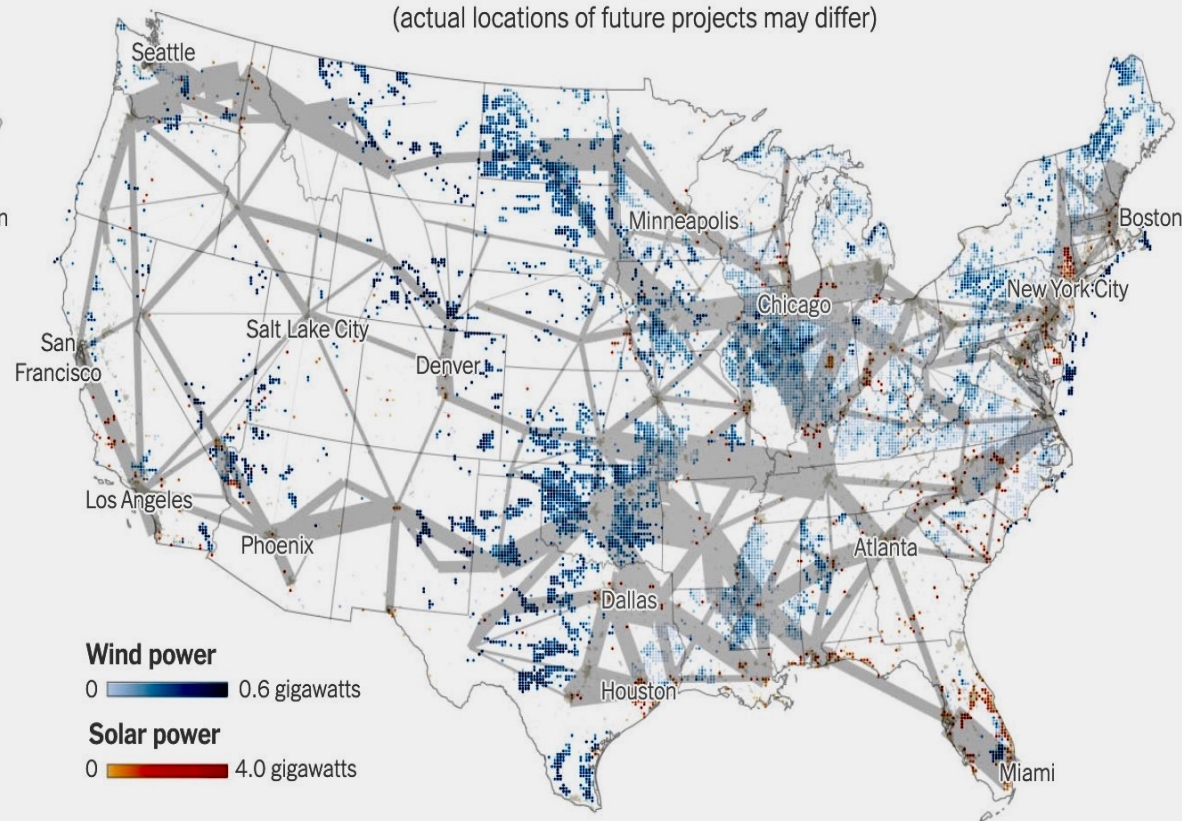
2020

Current large-scale renewable energy projects
and interregional transmission capacity



2035

Estimated need for reaching 100 percent clean power
(actual locations of future projects may differ)



Source: NYTimes

Source: National Renewable Energy Laboratory | The 2035 map is based on the “All Options” path from NREL’s [100% Clean Electricity by 2035 Study](#). Both maps show utility-scale renewable projects, but do not include distributed installations, like rooftop solar.

The US certifies the first small modular nuclear reactor design / The Nuclear Regulatory Commission gave an advanced reactor design its stamp of approval, but there is still a long road ahead before next-generation nuclear technologies get off the ground.

By [Justine Calma](#), a science reporter covering the environment, climate, and energy with a decade of experience. She is also the host of the Hell or High Water podcast.

Jan 23, 2023, 3:17 PM EST | [14 Comments](#) / [14 New](#)



An artist's rendering of NuScale Power's small modular nuclear reactor plant. Image: NuScale

#6: *SMRS*

- DOE and NuScale are currently working with utility Utah Associated Municipal Power Systems
- The first module is expected to come online in 2029
- Can generate up to 50 MW of electricity

#7: AI

***Artificial intelligence
is as revolutionary
as mobile phones and
the Internet.***

***Bill Gates
The Age of AI has begun***

Counties association forms group to explore AI risk, opportunity

The National Association of Counties formed a new committee to explore artificial intelligence through the lens of local government.

BY COLIN WOOD • MAY 24, 2023



AI *Improving & Enhancing* Operations

- Optimization for efficiency & productivity. Ex: My San Jose app
- Smart waste management systems
- Vehicle Traffic Information
- Citizen safety
- Cyber

SJ311 Turnaround Time report

Service Performance to Resolution Targets

July 2021 – June 2022

Service	Goal Resolution Time	% of Requests Meeting Goal
Abandoned Vehicles	≤14 Days	96.26%
Graffiti	≤3 Days	79.37%
Illegal Dumping	≤5 Days	90.70%
Other Issues	≤2 Days	96.17%
Pothole	≤2 Days	89.76%
Streetlight Outage	≤16 Days	72.57%

TARGET ≥ 80%
requests closed
within Goal
Resolution
Time

Workforce VC AI: *Talent Acquisition*

Paradox is an AI company that helps companies capture and screen candidates, improve conversions, and answer all candidate questions. They raised \$200M series C funding with the principal investor was Unilever, an enormous conglomerate that owns close to 500 brands and is indicative of a major shift in AI recruitment.

Eightfold.ai AI technology assists companies in recruiting, developing, and retaining top talent, reducing time and cost to hire significantly. They raised \$220M in a Series E funding round led by SoftBank's Vision Fund 2 in July 2023, reaching a valuation of \$2.1B.

SeekOut is an AI recruitment platform based in Washington. They provide companies a competitive edge in recruiting hard-to-find and diverse talent. They raised \$115M in January 2022 Series C financing.

AI VC\$: *SmartBuildings*

Verdigris Technologies: This company offers AI-powered energy management solutions for commercial buildings, enabling more sustainable and efficient operations. They recently raised \$17.7 million in a Series A funding round led by StartX.

Openpath: Focusing on smart access control, Openpath leverages AI to enhance security and user experience in commercial spaces. In a recent funding round, they raised \$36 million, led by Greycroft, with participation from Okta Ventures and LPC Ventures.

Cohesion: This smart building software provider is an information technology company that offers a vertically integrated smart building SaaS platform. They raised \$15 million in a Series A funding round.

AI VC\$: *Cyber*

Deep Instinct: This cybersecurity firm utilizes deep learning to predict and prevent cyber threats in real-time. In a recent funding round, they raised \$100 million, led by funds managed by BlackRock and Untitled Investments.

Cybeats Technologies: Cybeats SBOM Studio is an enterprise-class solution that helps you understand and track third-party components that are an integral part of your own software. They raised \$8 million in a post-IPO funding round.

QWERX: QWERX, Inc. is a software company that delivers secure, quantum-proof machine identity management and authentication to the enterprise. They recently raised \$1.7 million via angel investors and a convertible note.

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tumult, commotion, disruption, upheaval, furor, frenzy, uproar, chaos, disorder,
anarchy, disarray, entropy, disorganization, confusion, mayhem, bedlam,
pandemonium, havoc, turmoil, tumult, commotion, disruption, upheaval, furor,
frenzy, uproar, chaos, disorder, anarchy, disarray, entropy, disorganization,
confusion, mayhem, bedlam, pandemonium, havoc, turmoil, tumult, commotion,
disruption, upheaval, furor, frenzy, uproar, chaos, disorder, anarchy, disarray,
entropy, disorganization, confusion, mayhem, bedlam, pandemonium, havoc,

Confidence

Trust

Conviction

Faith

Courage

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