

Selected U.S. and Kentucky Economic Variables
IHS Markit: Control Scenario
December 2021

	FY20	FY21	FY22	FY23	FY24
OUTPUT					
US Real GDP (Bil 2012\$)	18,631	18,938	19,803	20,547	21,082
	-0.9%	1.6%	4.6%	3.8%	2.6%
Industrial Production Index, Total	-5.4%	0.0%	4.7%	4.1%	2.4%
Industrial Production Index, Durables	-3.6%	0.1%	4.6%	3.5%	2.4%
INCOME					
KY Personal Income (Mil\$)	206,076	220,346	219,865	227,661	237,334
	7.2%	6.9%	-0.2%	3.5%	4.2%
KY Wage & Salary Income (Mil\$)	96,491	100,760	108,376	114,830	119,789
	1.4%	4.4%	7.6%	6.0%	4.3%
KY Supplements to W&S (Mil\$)	24,462	25,805	27,271	28,938	30,440
	2.5%	5.5%	5.7%	6.1%	5.2%
KY Proprietors' Income (Mil\$)	13,310	14,675	14,640	14,780	15,130
	6.2%	10.3%	-0.2%	1.0%	2.4%
KY Dividend, Interest, & Rent (Mil\$)	33,102	32,728	33,570	34,586	35,904
	1.2%	-1.1%	2.6%	3.0%	3.8%
KY Transfer Payments (Mil\$)	57,279	66,559	57,026	56,625	59,078
	24.7%	16.2%	-14.3%	-0.7%	4.3%
KY Social Insurance (Mil\$)	15,941	17,247	18,516	19,553	20,419
	3.3%	8.2%	7.4%	5.6%	4.4%
US Personal Income (Bil\$)	19,076	20,440	20,706	21,639	22,725
	5.4%	7.2%	1.3%	4.5%	5.0%

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	FY20	FY21	FY22	FY23	FY24
EMPLOYMENT					
KY Nonfarm Employment (Thous)	1,890.9 -2.4%	1,850.1 -2.2%	1,917.4 3.6%	1,973.4 2.9%	1,988.9 0.8%
US Nonfarm Employment (Mil)	147.1 -1.9%	143.0 -2.8%	149.4 4.5%	153.7 2.9%	155.5 1.2%
KY Manufacturing Employment (Thou)	242.5 -3.9%	240.4 -0.9%	249.0 3.6%	255.0 2.4%	257.4 0.9%
US Manufacturing Employment (Mil)	12.5 -2.1%	12.2 -2.5%	12.5 2.6%	12.5 0.1%	12.6 0.2%
OTHER KEY MEASURES					
Consumer Sentiment Index (Michigan)	90.4	80.3	80.6	95.1	94.8
Rate of Inflation (%)	1.6%	2.3%	5.0%	2.2%	2.2%
US Retail Sales (%)	0.1%	13.2%	9.6%	0.3%	2.5%
US Corporate Profits(%)	-8.9%	30.0%	4.7%	0.9%	5.4%
Three-month Treasury Bills (%)	-46.8%	-94.1%	-20.7%	153.8%	298.2%
Oil Price, West Texas (\$/barrel)	46.72	51.83	75.06	70.91	65.85

MAK: Macromodel of Kentucky
Governor's Office for Economic Analysis
Office of State Budget Director

Selected U.S. and Kentucky Economic Variables
IHS Markit: Optimistic Scenario
December 2021

	FY20	FY21	FY22	FY23	FY24
OUTPUT					
US Real GDP (Bil 2012\$)	18,631	18,938	19,986	20,951	21,564
	-0.9%	1.6%	5.5%	4.8%	2.9%
Industrial Production Index, Total	-5.4%	0.0%	5.4%	5.4%	2.7%
Industrial Production Index, Durables	-3.6%	0.1%	5.5%	5.0%	2.8%
INCOME					
KY Personal Income (Mil\$)	206,076	220,346	221,072	230,720	241,532
	7.2%	6.9%	0.3%	4.4%	4.7%
KY Wage & Salary Income (Mil\$)	96,491	100,760	109,077	116,051	121,306
	1.4%	4.4%	8.3%	6.4%	4.5%
KY Supplements to W&S (Mil\$)	24,462	25,805	27,427	29,285	30,889
	2.5%	5.5%	6.3%	6.8%	5.5%
KY Proprietors' Income (Mil\$)	13,310	14,675	14,822	15,492	16,181
	6.2%	10.3%	1.0%	4.5%	4.5%
KY Dividend, Interest, & Rent (Mil\$)	33,102	32,728	33,827	35,381	37,017
	1.2%	-1.1%	3.4%	4.6%	4.6%
KY Transfer Payments (Mil\$)	57,279	66,559	57,043	56,830	59,417
	24.7%	16.2%	-14.3%	-0.4%	4.6%
KY Social Insurance (Mil\$)	15,941	17,247	18,621	19,774	20,689
	3.3%	8.2%	8.0%	6.2%	4.6%
US Personal Income (Bil\$)	19,076	20,440	20,842	22,044	23,285
	5.4%	7.2%	2.0%	5.8%	5.6%

Selected U.S. and Kentucky Economic Variables
IHS Markit: Optimistic Scenario
December 2021

	FY20	FY21	FY22	FY23	FY24
EMPLOYMENT					
KY Nonfarm Employment (Thous)	1,890.9 -2.4%	1,850.1 -2.2%	1,924.3 4.0%	1,982.6 3.0%	1,996.3 0.7%
US Nonfarm Employment (Mil)	147.1 -1.9%	143.0 -2.8%	149.9 4.9%	154.3 2.9%	155.8 1.0%
KY Manufacturing Employment (Thou)	242.5 -3.9%	240.4 -0.9%	250.1 4.1%	257.3 2.9%	259.7 0.9%
US Manufacturing Employment (Mil)	12.5 -2.1%	12.2 -2.5%	12.6 2.8%	12.5 -0.2%	12.5 -0.5%
OTHER KEY MEASURES					
Consumer Sentiment Index (Michigan)	90.4	80.3	83.3	96.7	96.0
Rate of Inflation (%)	1.6%	2.3%	5.1%	2.5%	2.3%
US Retail Sales (%)	0.1%	13.2%	10.9%	2.2%	3.1%
US Corporate Profits(%)	-8.9%	30.0%	8.3%	3.9%	4.9%
Three-month Treasury Bills (%)	-46.8%	-94.1%	62.5%	226.6%	107.4%
Oil Price, West Texas (\$/barrel)	46.72	51.83	76.57	72.82	67.30

MAK: Macromodel of Kentucky
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Selected U.S. and Kentucky Economic Variables
IHS Markit: Pessimistic Scenario
December 2021

	FY20	FY21	FY22	FY23	FY24
OUTPUT					
US Real GDP (Bil 2012\$)	18,631	18,938	19,639	20,270	20,863
	-0.9%	1.6%	3.7%	3.2%	2.9%
Industrial Production Index, Total	-5.4%	0.0%	3.7%	4.0%	3.0%
Industrial Production Index, Durables	-3.6%	0.1%	3.5%	3.2%	3.2%
INCOME					
KY Personal Income (Mil\$)	206,076	220,346	218,802	224,310	232,233
	7.2%	6.9%	-0.7%	2.5%	3.5%
KY Wage & Salary Income (Mil\$)	96,491	100,760	107,898	113,240	117,174
	1.4%	4.4%	7.1%	5.0%	3.5%
KY Supplements to W&S (Mil\$)	24,462	25,805	27,134	28,414	29,596
	2.5%	5.5%	5.1%	4.7%	4.2%
KY Proprietors' Income (Mil\$)	13,310	14,675	14,408	14,365	14,846
	6.2%	10.3%	-1.8%	-0.3%	3.3%
KY Dividend, Interest, & Rent (Mil\$)	33,102	32,728	33,257	33,738	35,002
	1.2%	-1.1%	1.6%	1.4%	3.7%
KY Transfer Payments (Mil\$)	57,279	66,559	57,014	56,268	58,044
	24.7%	16.2%	-14.3%	-1.3%	3.2%
KY Social Insurance (Mil\$)	15,941	17,247	18,406	19,170	19,839
	3.3%	8.2%	6.7%	4.2%	3.5%
US Personal Income (Bil\$)	19,076	20,440	20,554	21,178	22,091
	5.4%	7.2%	0.6%	3.0%	4.3%

Selected U.S. and Kentucky Economic Variables
IHS Markit: Pessimistic Scenario
December 2021

	FY20	FY21	FY22	FY23	FY24
EMPLOYMENT					
KY Nonfarm Employment (Thous)	1,890.9 -2.4%	1,850.1 -2.2%	1,912.6 3.4%	1,960.4 2.5%	1,974.5 0.7%
US Nonfarm Employment (Mil)	147.1 -1.9%	143.0 -2.8%	149.2 4.3%	152.7 2.4%	154.3 1.0%
KY Manufacturing Employment (Thou)	242.5 -3.9%	240.4 -0.9%	247.8 3.1%	251.2 1.4%	253.2 0.8%
US Manufacturing Employment (Mil)	12.5 -2.1%	12.2 -2.5%	12.6 2.9%	12.4 -1.2%	12.4 -0.5%
OTHER KEY MEASURES					
Consumer Sentiment Index (Michigan)	90.4	80.3	77.4	91.9	93.8
Rate of Inflation (%)	1.6%	2.3%	4.8%	1.4%	1.1%
US Retail Sales (%)	0.1%	13.2%	8.1%	-0.2%	1.7%
US Corporate Profits(%)	-8.9%	30.0%	1.7%	0.0%	3.8%
Three-month Treasury Bills (%)	-46.8%	-94.1%	-12.8%	34.6%	6.3%
Oil Price, West Texas (\$/barrel)	46.72	51.83	75.43	71.58	66.83

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Selected U.S. and Kentucky Economic Variables
Forecast Comparison
December 2021

	FY22	FY23	FY24	FY22	FY23	FY24	FY22	FY23	FY24	FY22	FY23	FY24	FY22	FY23	FY24	FY22	FY23	FY24
	Global Insight: Dec 21 Control			Global Insight: Dec 21 Optimistic			Global Insight: Dec 21 Pessimistic			Global Insight: Oct 21 Control			Global Insight: Oct 21 Optimistic			Global Insight: Oct 21 Pessimistic		
US Real GDP (Bil 2012\$)	19,803 4.6%	20,547 3.8%	21,082 2.6%	19,986 5.5%	20,951 4.8%	21,564 2.9%	19,639 3.7%	20,270 3.2%	20,863 2.9%	19,911 5.1%	20,591 3.4%	21,154 2.7%	20,203 6.7%	21,106 4.5%	21,719 2.9%	19,641 3.7%	20,208 2.9%	20,828 3.1%
Industrial Production Index, Total	4.7%	4.1%	2.4%	5.4%	5.4%	2.7%	3.7%	4.0%	3.0%	5.1%	3.6%	2.4%	6.7%	4.3%	2.5%	3.8%	4.0%	2.9%
Industrial Production, Durables	4.6%	3.5%	2.4%	5.5%	5.0%	2.8%	3.5%	3.2%	3.2%	5.2%	3.2%	2.4%	7.3%	4.2%	2.4%	3.5%	3.4%	3.1%
KY Personal Income (Mil\$)	219,865 -0.2%	227,661 3.5%	237,334 4.2%	221,072 0.3%	230,720 4.4%	241,532 4.7%	218,802 -0.7%	224,310 2.5%	232,233 3.5%	219,526 0.3%	227,276 3.5%	236,797 4.2%	221,205 1.0%	230,211 4.1%	240,624 4.5%	217,747 -0.5%	223,494 2.6%	231,416 3.5%
KY Wage & Salary Income (Mil\$)	108,376 7.6%	114,830 6.0%	119,789 4.3%	109,077 8.3%	116,051 6.4%	121,306 4.5%	107,898 7.1%	113,240 5.0%	117,174 3.5%	109,335 8.3%	115,048 5.2%	119,707 4.1%	110,172 9.1%	116,017 5.3%	121,077 4.4%	108,472 7.4%	112,963 4.1%	116,620 3.2%
US Personal Income (Bil\$)	20,706 1.3%	21,639 4.5%	22,725 5.0%	20,842 2.0%	22,044 5.8%	23,285 5.6%	20,554 0.6%	21,178 3.0%	22,091 4.3%	20,608 0.8%	21,506 4.4%	22,602 5.1%	20,797 1.8%	21,906 5.3%	23,100 5.5%	20,389 -0.2%	21,058 3.3%	21,993 4.4%
KY Nonfarm Employment ('000)	1,917.4 3.6%	1,973.4 2.9%	1,988.9 0.8%	1,924.3 4.0%	1,982.6 3.0%	1,996.3 0.7%	1,912.6 3.4%	1,960.4 2.5%	1,974.5 0.7%	1,922.1 3.9%	1,964.4 2.2%	1,985.1 1.1%	1,934.1 4.5%	1,972.5 2.0%	1,992.9 1.0%	1,915.4 3.5%	1,951.7 1.9%	1,970.7 1.0%
US Nonfarm Employment (Mil)	149.4 4.5%	153.7 2.9%	155.5 1.2%	149.9 4.9%	154.3 2.9%	155.8 1.0%	149.2 4.3%	152.7 2.4%	154.3 1.0%	149.0 4.2%	152.6 2.5%	154.7 1.3%	149.8 4.8%	153.1 2.2%	155.0 1.2%	148.6 3.9%	151.6 2.0%	153.4 1.2%
CPI, Rate of Inflation	5.0%	2.2%	2.2%	5.1%	2.5%	2.3%	4.8%	1.4%	1.1%	4.2%	1.6%	2.0%	4.4%	1.9%	2.1%	3.9%	0.6%	0.9%
US Retail Sales	9.6%	0.3%	2.5%	10.9%	2.2%	3.1%	8.1%	-0.2%	1.7%	7.3%	0.6%	3.0%	9.5%	2.0%	3.2%	5.1%	-0.9%	2.3%
US Corporate Profits	4.7%	0.9%	5.4%	8.3%	3.9%	4.9%	1.7%	0.0%	3.8%	5.9%	1.8%	5.4%	12.2%	6.0%	4.9%	-0.4%	-3.0%	4.4%
Oil Price, WTI (\$/barrel)	75.06	70.91	65.85	76.57	72.82	67.30	75.43	71.58	66.83	65.34	62.08	62.00	66.88	63.81	63.43	66.31	63.10	63.33