

**Selected U.S. and Kentucky Economic Variables**  
**S&P IHS Global: Control Scenario**  
**December 2025**

	FY23	FY24	FY25	FY26	FY27	FY28
<b>OUTPUT</b>						
US Real GDP (Bil 2012\$)	22,356 2.2%	23,061 3.2%	23,596 2.3%	24,099 2.1%	24,603 2.1%	24,991 1.6%
Industrial Production Index, Total	1.5%	-0.2%	0.3%	0.2%	0.0%	0.2%
Industrial Production Index, Durables	-0.7%	-0.5%	1.0%	0.3%	0.6%	-0.3%
<b>INCOME</b>						
KY Personal Income (Mil\$)	244,000 4.8%	257,758 5.6%	269,220 4.4%	281,593 4.6%	295,234 4.8%	307,415 4.1%
KY Wage & Salary Income (Mil\$)	117,803 7.4%	124,664 5.8%	128,526 3.1%	134,079 4.3%	139,999 4.4%	145,350 3.8%
KY Supplements to W&S (Mil\$)	27,882 4.3%	29,496 5.8%	30,712 4.1%	32,344 5.3%	33,928 4.9%	35,339 4.2%
KY Proprietors' Income (Mil\$)	17,763 0.5%	17,931 0.9%	18,430 2.8%	18,773 1.9%	20,497 9.2%	21,518 5.0%
KY Dividend, Interest, & Rent (Mil\$)	40,607 8.9%	43,542 7.2%	44,481 2.2%	45,628 2.6%	47,527 4.2%	49,605 4.4%
KY Transfer Payments (Mil\$)	63,422 0.1%	66,837 5.4%	72,397 8.3%	77,280 6.7%	80,960 4.8%	84,413 4.3%
KY Social Insurance (Mil\$)	19,468 6.6%	20,336 4.5%	20,828 2.4%	21,543 3.4%	22,373 3.9%	23,166 3.5%
US Personal Income (Bil\$)	22,910 6.3%	24,262 5.9%	25,532 5.2%	26,799 5.0%	28,355 5.8%	29,782 5.0%

**Selected U.S. and Kentucky Economic Variables**  
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**December 2025**

	FY23	FY24	FY25	FY26	FY27	FY28
<b>EMPLOYMENT</b>						
KY Nonfarm Employment (Thous)	1,997.3 3.2%	2,028.8 1.6%	2,046.2 0.9%	2,053.5 0.4%	2,064.5 0.5%	2,069.6 0.2%
US Nonfarm Employment (Mil)	154.5 3.2%	157.0 1.6%	158.8 1.2%	159.8 0.6%	160.7 0.6%	161.2 0.3%
KY Manufacturing Employment (Thou)	255.1 3.3%	258.2 1.2%	258.0 -0.1%	256.0 -0.8%	253.7 -0.9%	253.4 -0.1%
US Manufacturing Employment (Mil)	12.9 2.6%	12.9 -0.1%	12.8 -0.6%	12.7 -0.8%	12.4 -1.7%	12.4 -0.5%
<b>OTHER KEY MEASURES</b>						
Consumer Sentiment Index (Michigan)	60.5	71.1	64.9	59.0	61.7	65.2
Rate of Inflation (%)	6.3%	3.3%	2.6%	2.9%	2.8%	2.3%
US Retail Sales (%)	5.5%	2.9%	3.7%	3.7%	3.2%	2.8%
US Corporate Profits(%)	2.2%	10.1%	2.4%	1.3%	0.4%	-0.8%
Three-month Treasury Bills (%)	4.1%	5.3%	4.5%	3.7%	3.0%	2.8%
Oil Price, West Texas (\$/barrel)	81.45	79.90	70.84	58.67	56.72	61.74

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

**Selected U.S. and Kentucky Economic Variables**  
**S&P IHS Global: Optimistic Scenario**  
**December 2025**

	FY23	FY24	FY25	FY26	FY27	FY28
<b>OUTPUT</b>						
US Real GDP (Bil 2012\$)	22,356 2.2%	23,061 3.2%	23,596 2.3%	24,273 2.9%	24,918 2.7%	25,343 1.7%
Industrial Production Index, Total	1.5%	-0.2%	0.3%	0.9%	0.7%	0.2%
Industrial Production Index, Durables	-0.7%	-0.5%	1.0%	1.3%	1.2%	-0.2%
<b>INCOME</b>						
KY Personal Income (Mil\$)	244,000 4.8%	257,758 5.6%	269,206 4.4%	282,442 4.9%	298,598 5.7%	312,911 4.8%
KY Wage & Salary Income (Mil\$)	117,803 7.4%	124,664 5.8%	128,535 3.1%	134,278 4.5%	140,637 4.7%	146,819 4.4%
KY Supplements to W&S (Mil\$)	27,882 4.3%	29,496 5.8%	30,709 4.1%	32,264 5.1%	34,031 5.5%	35,744 5.0%
KY Proprietors' Income (Mil\$)	17,763 0.5%	17,931 0.9%	18,443 2.9%	19,448 5.5%	22,132 13.8%	23,652 6.9%
KY Dividend, Interest, & Rent (Mil\$)	40,607 8.9%	43,542 7.2%	44,469 2.1%	45,782 3.0%	48,437 5.8%	50,710 4.7%
KY Transfer Payments (Mil\$)	63,422 0.1%	66,837 5.4%	72,378 8.3%	77,165 6.6%	81,102 5.1%	84,993 4.8%
KY Social Insurance (Mil\$)	19,468 6.6%	20,336 4.5%	20,829 2.4%	21,527 3.4%	22,435 4.2%	23,365 4.1%
US Personal Income (Bil\$)	22,910 6.3%	24,262 5.9%	25,532 5.2%	26,873 5.2%	28,699 6.8%	30,340 5.7%

**Selected U.S. and Kentucky Economic Variables**  
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**December 2025**

	FY23	FY24	FY25	FY26	FY27	FY28
<b>EMPLOYMENT</b>						
KY Nonfarm Employment (Thous)	1,997.3 3.2%	2,028.8 1.6%	2,046.2 0.9%	2,057.5 0.6%	2,072.2 0.7%	2,079.0 0.3%
US Nonfarm Employment (Mil)	154.5 3.2%	157.0 1.6%	158.8 1.2%	159.9 0.7%	161.2 0.8%	161.8 0.3%
KY Manufacturing Employment (Thou)	255.1 3.3%	258.2 1.2%	258.0 -0.1%	256.2 -0.7%	254.4 -0.7%	253.4 -0.4%
US Manufacturing Employment (Mil)	12.9 2.6%	12.9 -0.1%	12.8 -0.6%	12.6 -1.5%	12.4 -1.7%	12.2 -1.0%
<b>OTHER KEY MEASURES</b>						
Consumer Sentiment Index (Michigan)	60.5	71.1	64.9	60.1	64.6	68.3
Rate of Inflation (%)	6.3%	3.3%	2.6%	2.8%	3.0%	2.8%
US Retail Sales (%)	5.5%	2.9%	3.7%	4.6%	4.5%	3.7%
US Corporate Profits(%)	2.2%	10.1%	2.4%	4.0%	3.0%	-0.2%
Three-month Treasury Bills (%)	4.1%	5.3%	4.5%	3.6%	2.8%	2.7%
Oil Price, West Texas (\$/barrel)	81.45	79.90	70.84	61.22	59.28	63.46

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**Selected U.S. and Kentucky Economic Variables**  
**S&P IHS Global: Pessimistic Scenario**  
**December 2025**

	FY23	FY24	FY25	FY26	FY27	FY28
<b>OUTPUT</b>						
US Real GDP (Bil 2012\$)	22,356 2.2%	23,061 3.2%	23,596 2.3%	23,893 1.3%	23,968 0.3%	24,216 1.0%
Industrial Production Index, Total	1.5%	-0.2%	0.3%	-0.7%	-1.9%	-0.3%
Industrial Production Index, Durables	-0.7%	-0.5%	1.0%	-0.8%	-1.6%	-0.9%
<b>INCOME</b>						
KY Personal Income (Mil\$)	244,000 4.8%	257,758 5.6%	269,222 4.4%	281,105 4.4%	291,061 3.5%	300,293 3.2%
KY Wage & Salary Income (Mil\$)	117,803 7.4%	124,664 5.8%	128,537 3.1%	134,247 4.4%	138,626 3.3%	142,179 2.6%
KY Supplements to W&S (Mil\$)	27,882 4.3%	29,496 5.8%	30,717 4.1%	32,388 5.4%	33,340 2.9%	34,005 2.0%
KY Proprietors' Income (Mil\$)	17,763 0.5%	17,931 0.9%	18,449 2.9%	18,235 -1.2%	19,202 5.3%	20,002 4.2%
KY Dividend, Interest, & Rent (Mil\$)	40,607 8.9%	43,542 7.2%	44,476 2.1%	45,330 1.9%	45,937 1.3%	47,656 3.7%
KY Transfer Payments (Mil\$)	63,422 0.1%	66,837 5.4%	72,372 8.3%	77,422 7.0%	81,343 5.1%	84,660 4.1%
KY Social Insurance (Mil\$)	19,468 6.6%	20,336 4.5%	20,830 2.4%	21,549 3.5%	22,080 2.5%	22,566 2.2%
US Personal Income (Bil\$)	22,910 6.3%	24,262 5.9%	25,532 5.2%	26,723 4.7%	27,773 3.9%	28,872 4.0%

**Selected U.S. and Kentucky Economic Variables**  
**S&P IHS Global: Pessimistic Scenario**  
**December 2025**

	FY23	FY24	FY25	FY26	FY27	FY28
<b>EMPLOYMENT</b>						
KY Nonfarm Employment (Thous)	1,997.3 3.2%	2,028.8 1.6%	2,046.2 0.9%	2,047.4 0.1%	2,032.3 -0.7%	2,020.5 -0.6%
US Nonfarm Employment (Mil)	154.5 3.2%	157.0 1.6%	158.8 1.2%	159.2 0.2%	157.7 -1.0%	156.5 -0.7%
KY Manufacturing Employment (Thou)	255.1 3.3%	258.2 1.2%	258.0 -0.1%	254.6 -1.3%	247.2 -2.9%	244.3 -1.1%
US Manufacturing Employment (Mil)	12.9 2.6%	12.9 -0.1%	12.8 -0.6%	12.6 -1.0%	12.1 -4.4%	11.8 -2.3%
<b>OTHER KEY MEASURES</b>						
Consumer Sentiment Index (Michigan)	60.5	71.1	64.9	52.3	51.3	55.6
Rate of Inflation (%)	6.3%	3.3%	2.6%	3.0%	2.6%	2.0%
US Retail Sales (%)	5.5%	2.9%	3.7%	3.0%	1.1%	1.3%
US Corporate Profits(%)	2.2%	10.1%	2.4%	-1.5%	-3.8%	0.3%
Three-month Treasury Bills (%)	4.1%	5.3%	4.5%	3.5%	2.1%	2.0%
Oil Price, West Texas (\$/barrel)	81.45	79.90	70.84	55.36	51.07	57.75

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