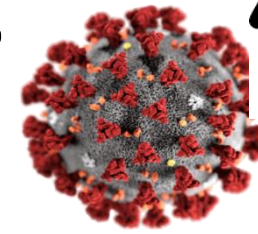


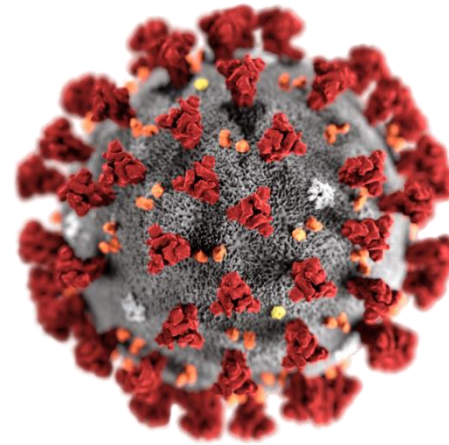


# Anchorage's Economy, It All Changed In An Instant





# Alaska's Economy and 2020 Outlook

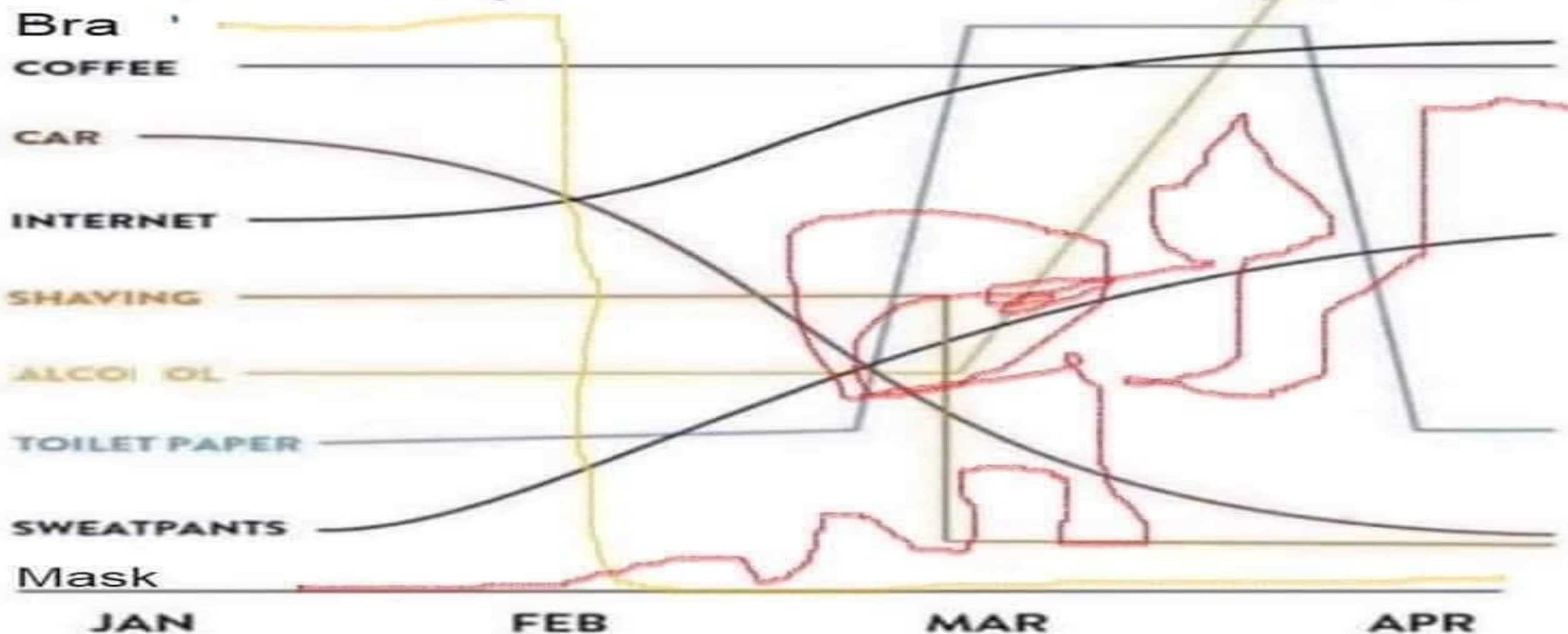


**“All bets  
are off. At  
least for a  
little  
while.....”**

**March 6<sup>th</sup>, 2020**



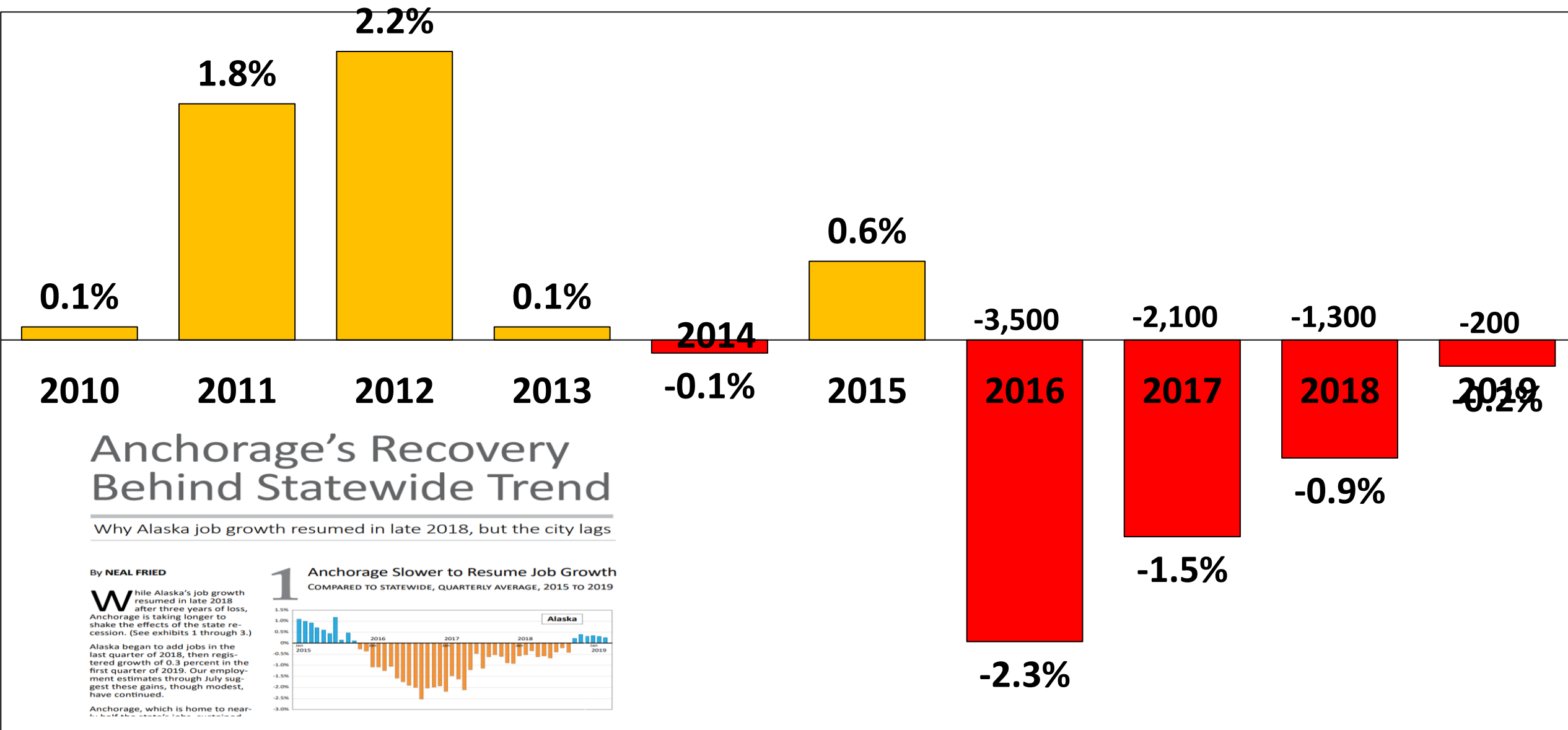
# Relative importance in 2020, so far



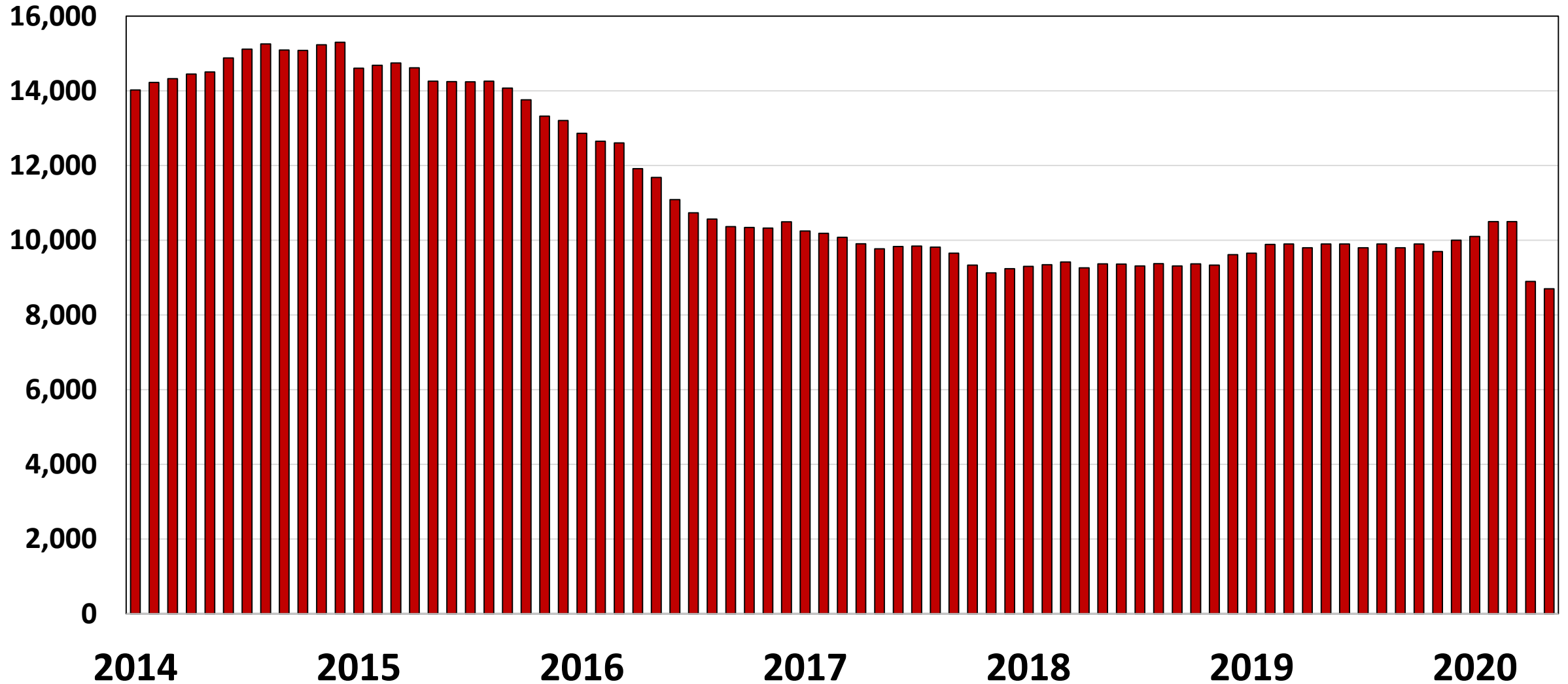
The most accurate  
graph I've seen so far  
during this pandemic



# Anchorage's Workforce Change Was Very "Flat" In 2019



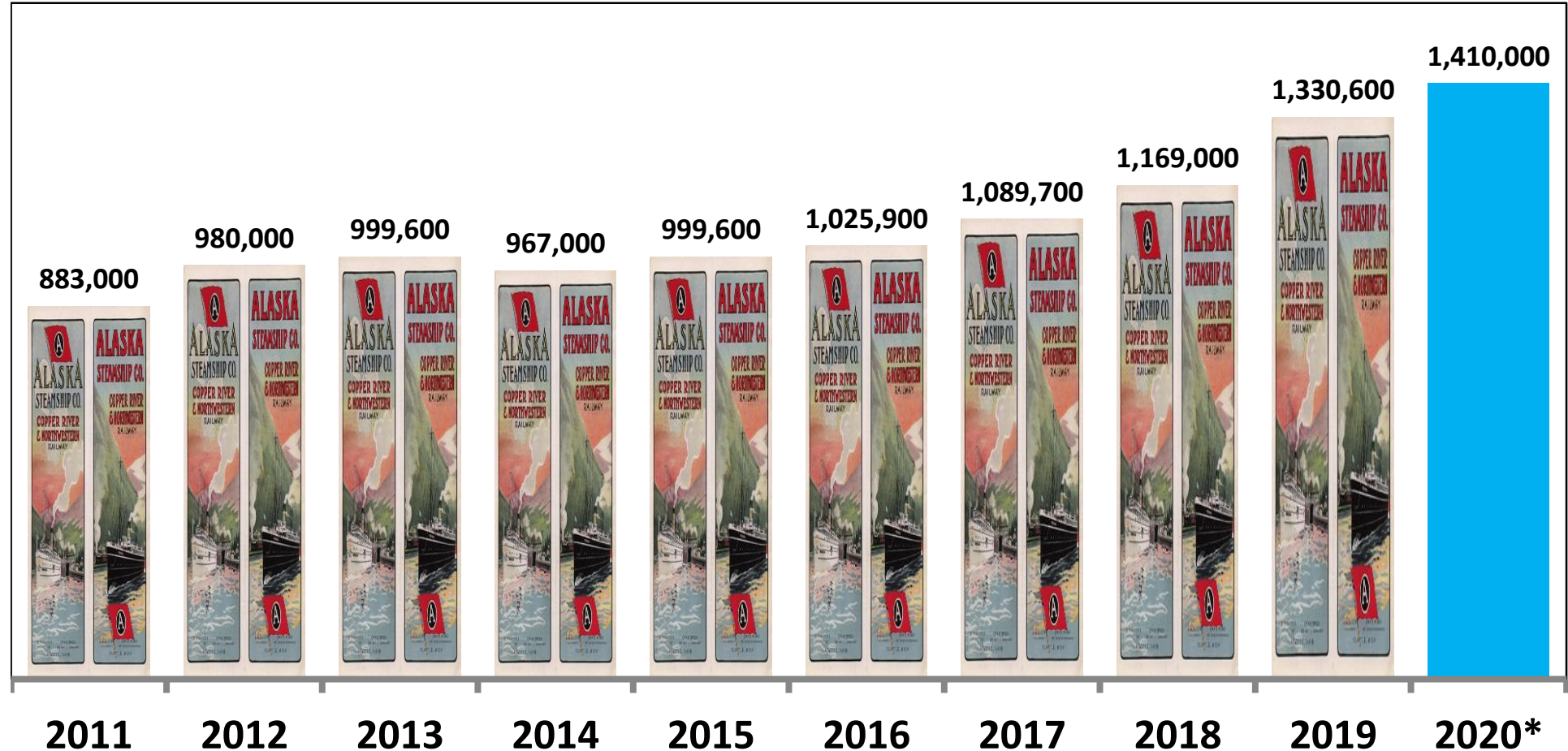
# Alaska Oil Industry Employment Began To Turn Positive Again





# Cruise Ship Passengers Are Coming Back In Boatloads- Over A Half A Million Gain In A Decade

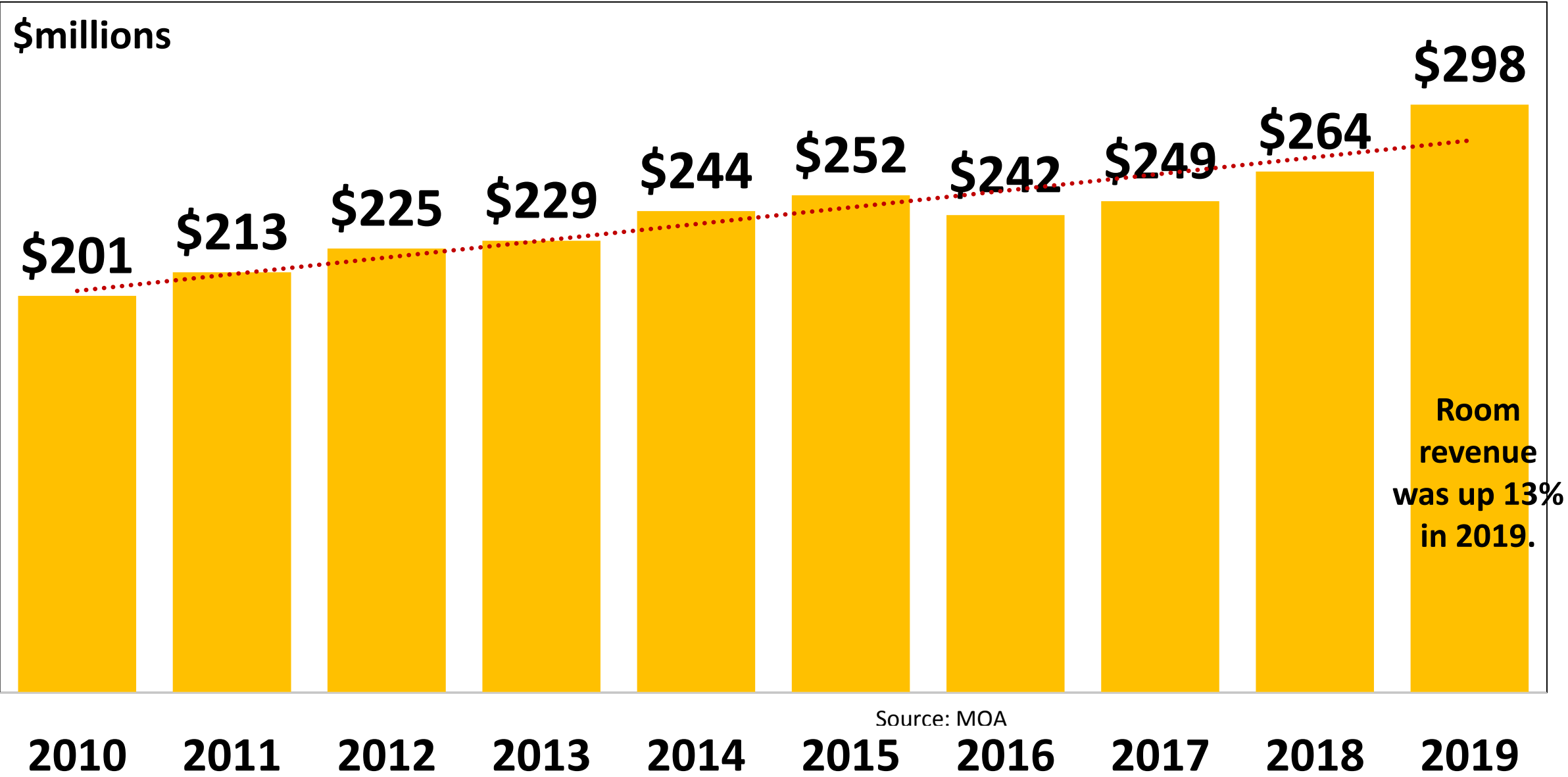
Number of cruise ship passengers in AK



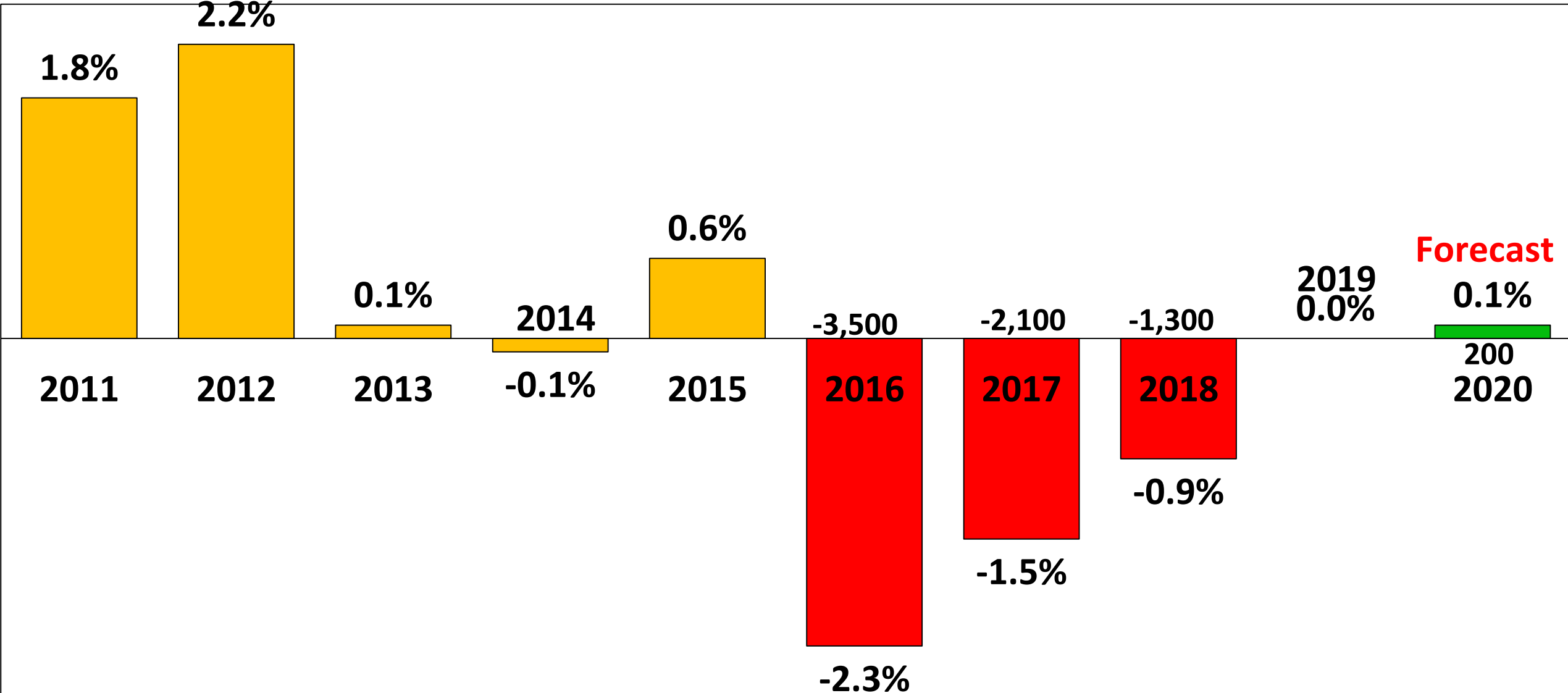
\*was projected—now never to be

Source: CILA

# **Anchorage Room Tax Returns-Gross Rentals** (first quarter 2020 room rentals was \$39 million compared to \$48 million for 2019)



# The Change In The Size Of Anchorage's Workforce Is Forecasted To Be Very Little In 2020

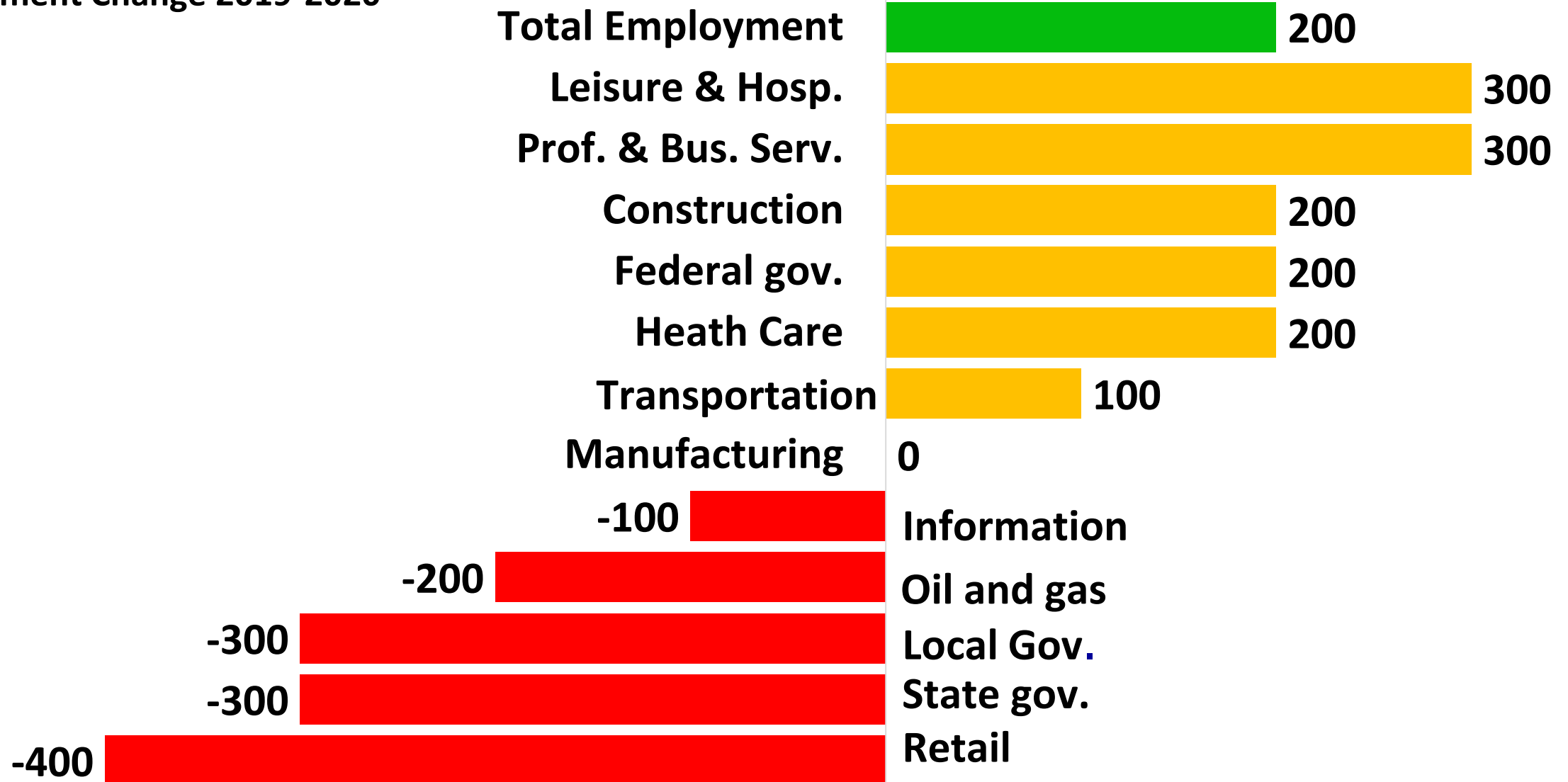


\*Preliminary

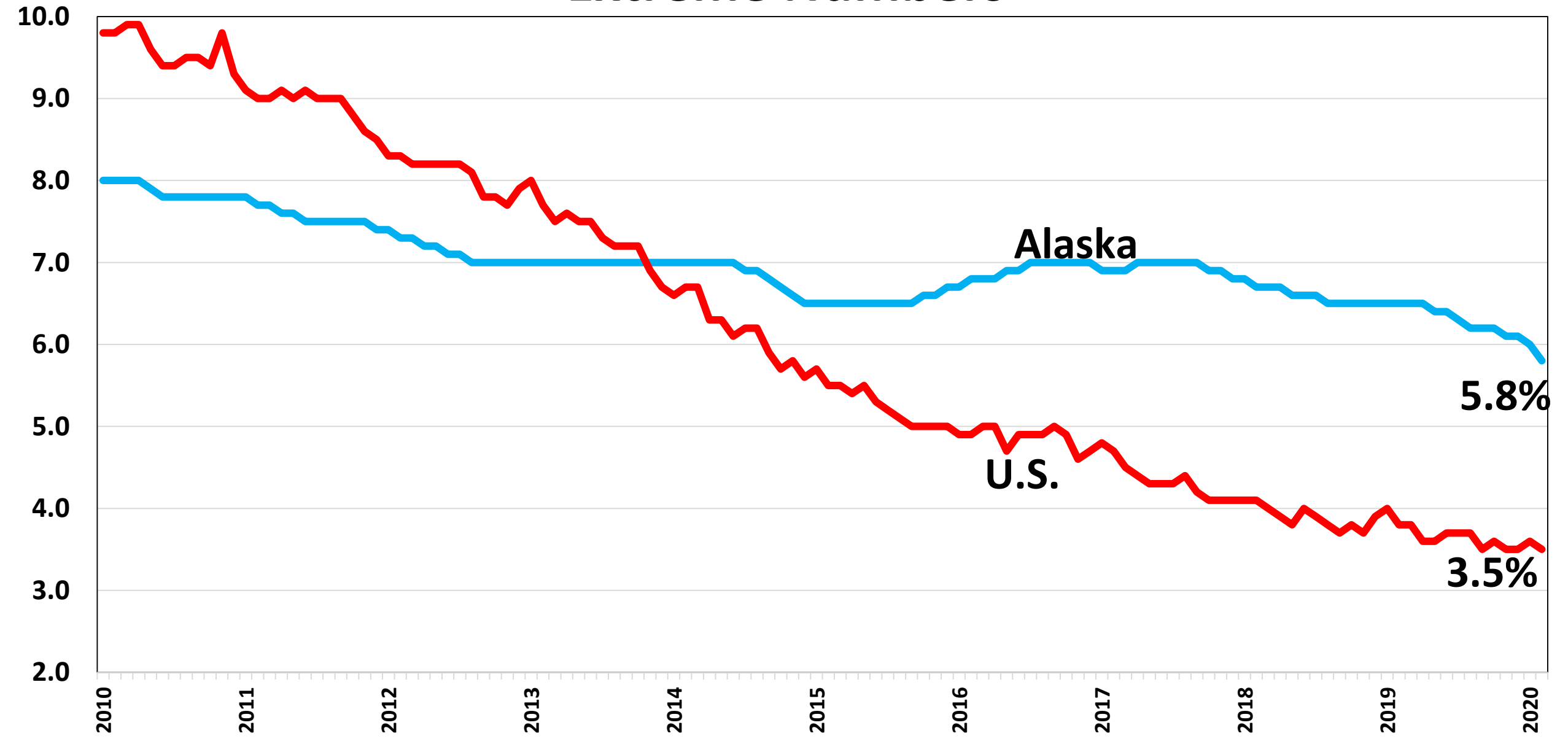


# Jobs Forecasted To Be Lost And Gained In Anchorage In 2020

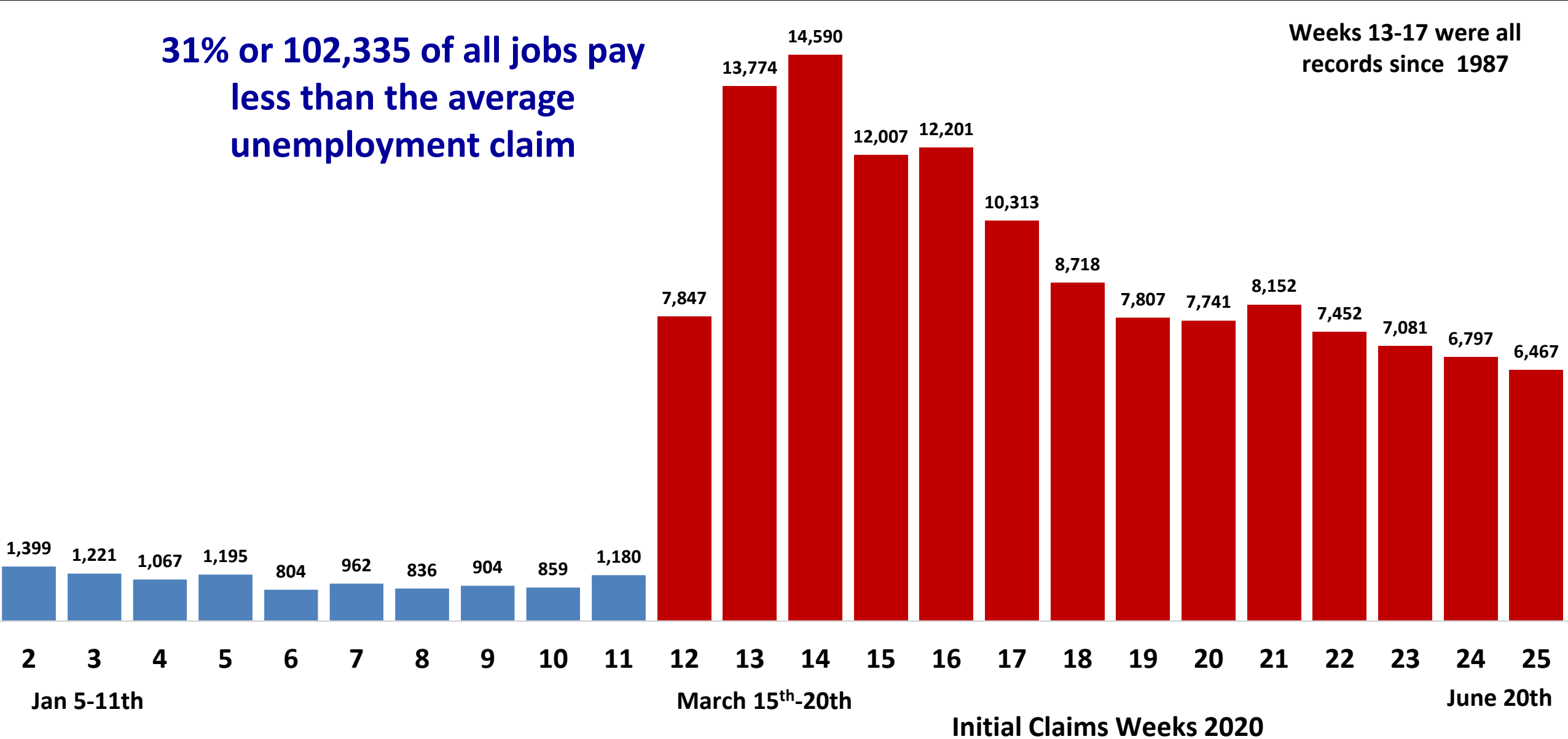
Employment Change 2019-2020



# Unemployment Rates, Alaska and U.S.—Pretty Extreme Numbers



# Goes From Record Low Unemployment Claims To Record High-All In One Month! And Remains High



# Anchorage Municipality unemployment benefit claims in May

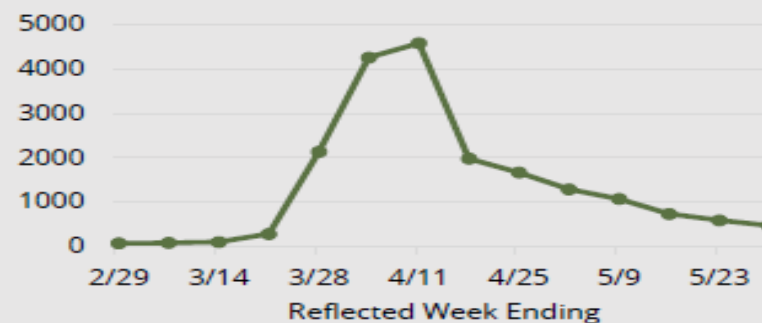
## Claims by Industry

Food Services	3,770
Retail & Wholesale Trade	3,444
Health Care & Social Assistance	2,669
Accommodation	1,572
Transportation	1,498
Construction	1,398
Administrative Services	1,225
Other & Unclassified	1,388
Professional & Bus. Services	651
Education	640

## Anchorage at a glance

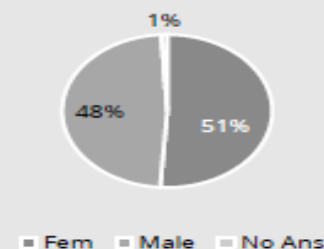
Share of state population	39.9%
Share of state claims, May	38.6%
Total May claims	21,231
Increase from May 2019	1,049%
Increase from April 2020	9%
Average wage replacement	67%
Average weekly payment	\$838
Share with Dependents	27%

## When Anchorage claimants received their first payment



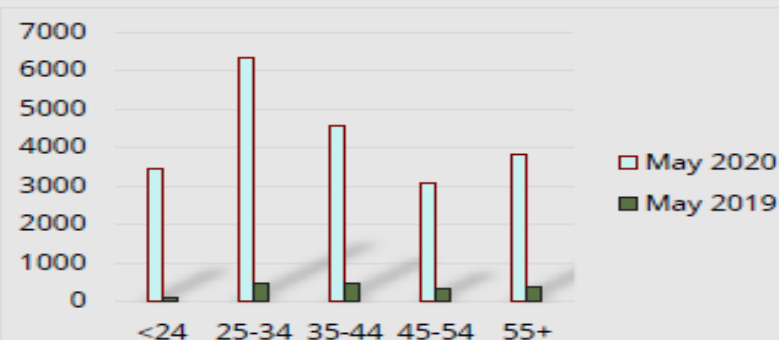
89% of Anchorage claimants received their first payment on or after 3/28

## Female-male split



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

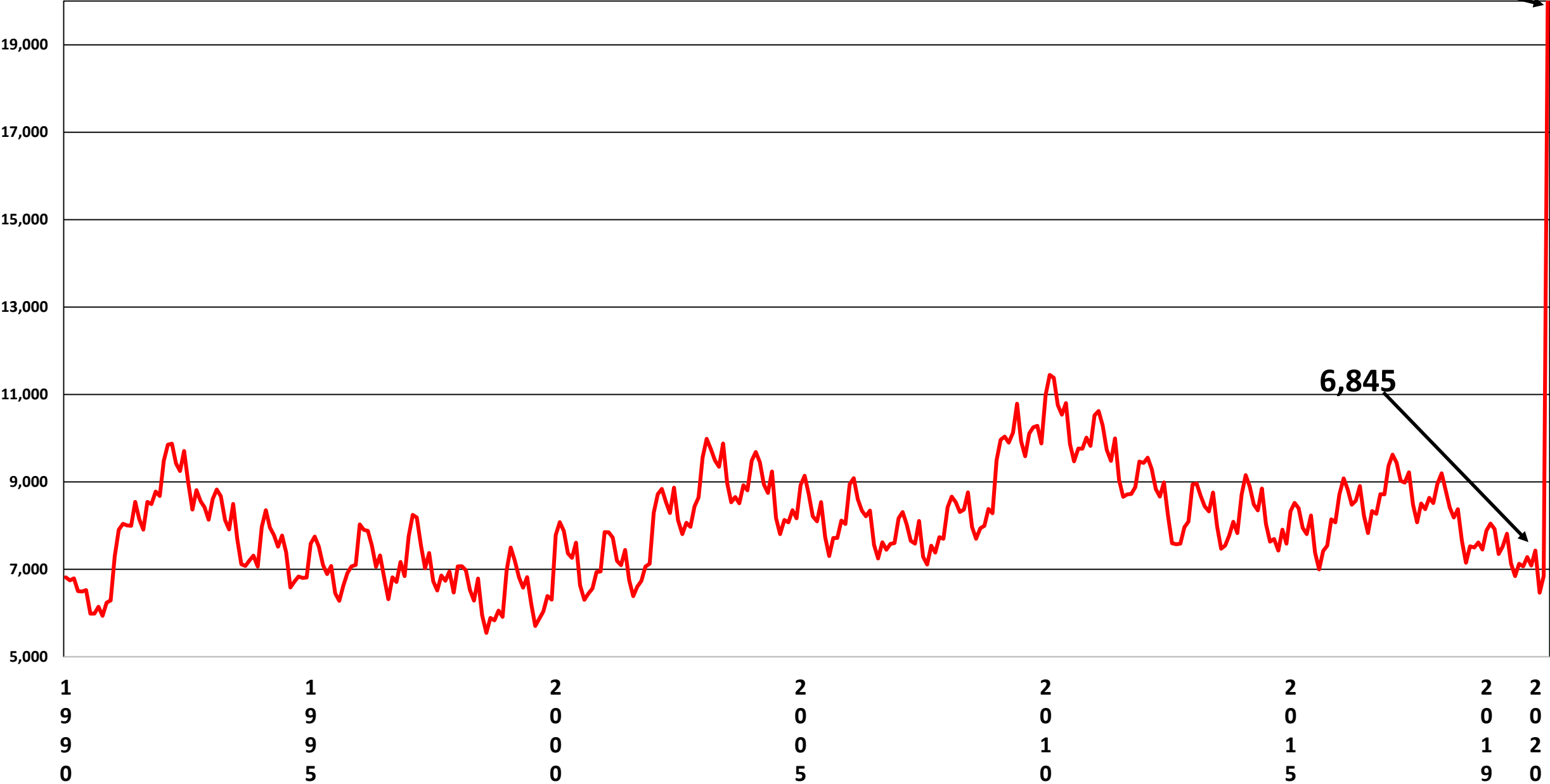
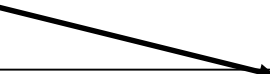
## Anchorage claimants by age group





# The Number Of Unemployed In Anchorage

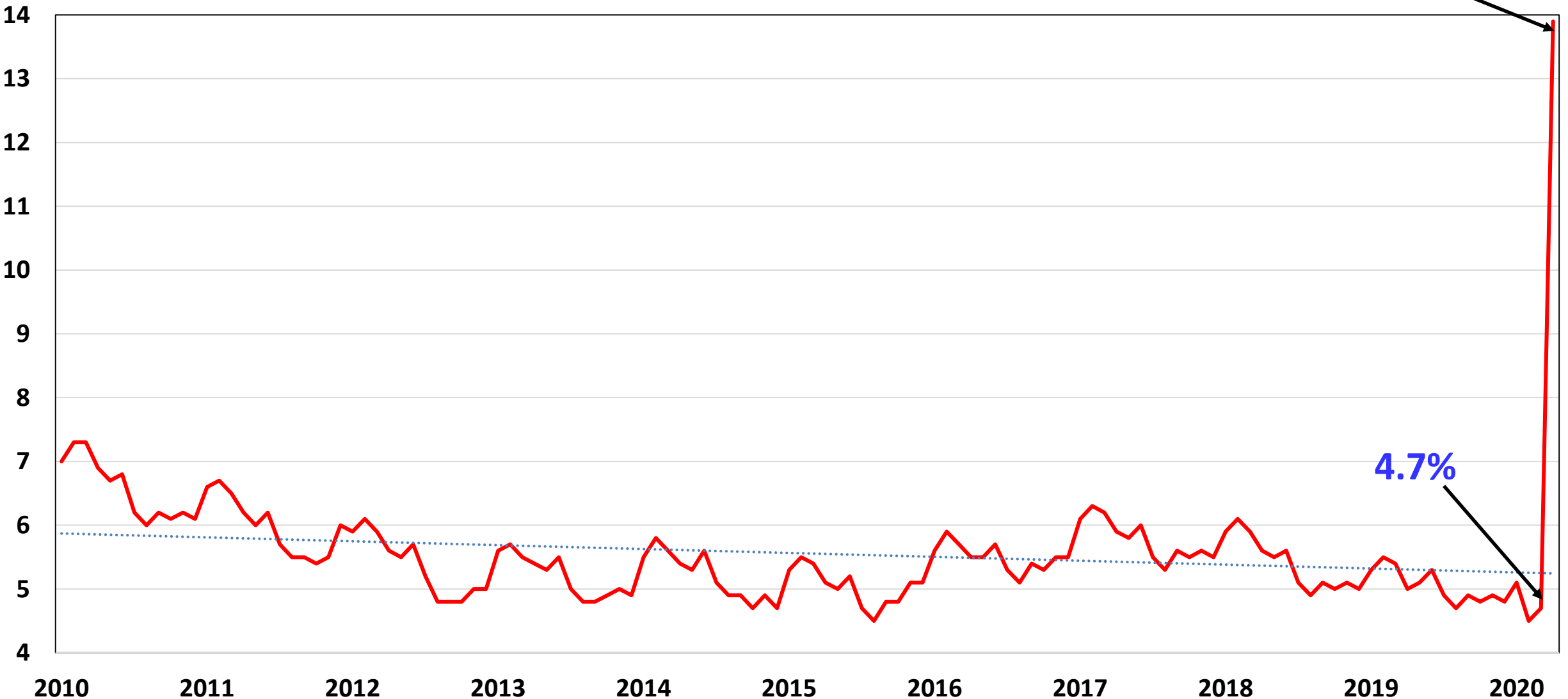
19,995



# From Near Record Low Unemployment Rates In Anchorage To Record High

13.9% in April,  
12.3% in May

Percent

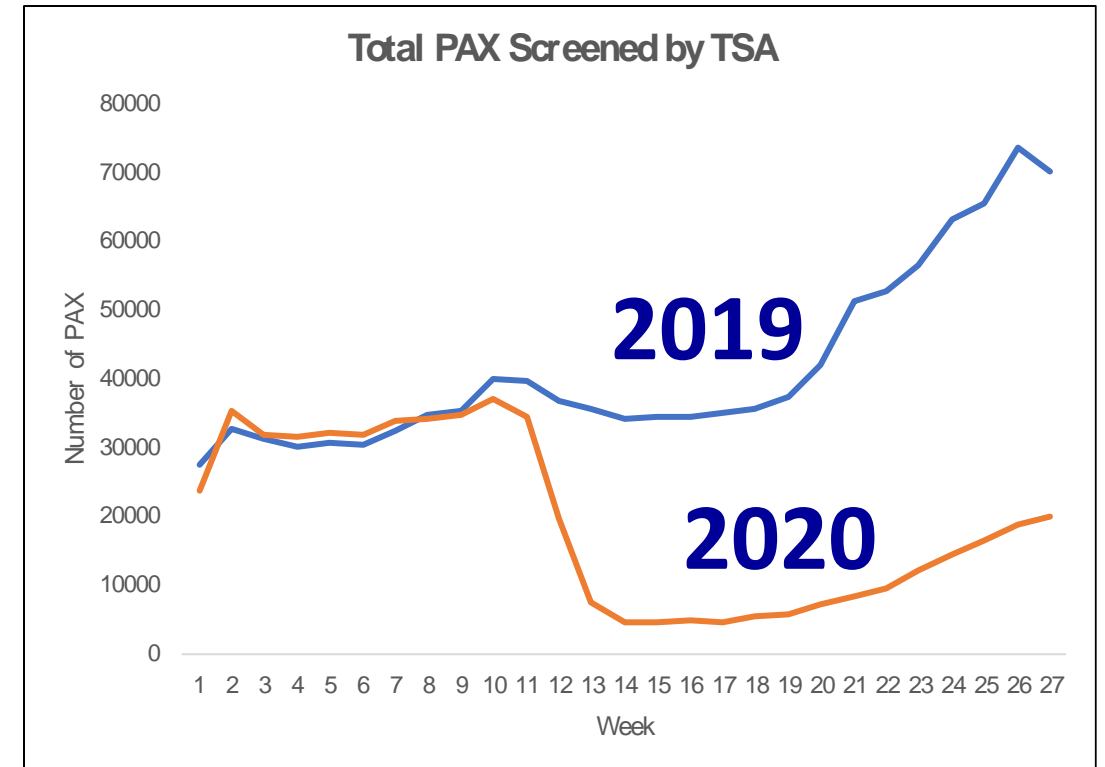


4.7%

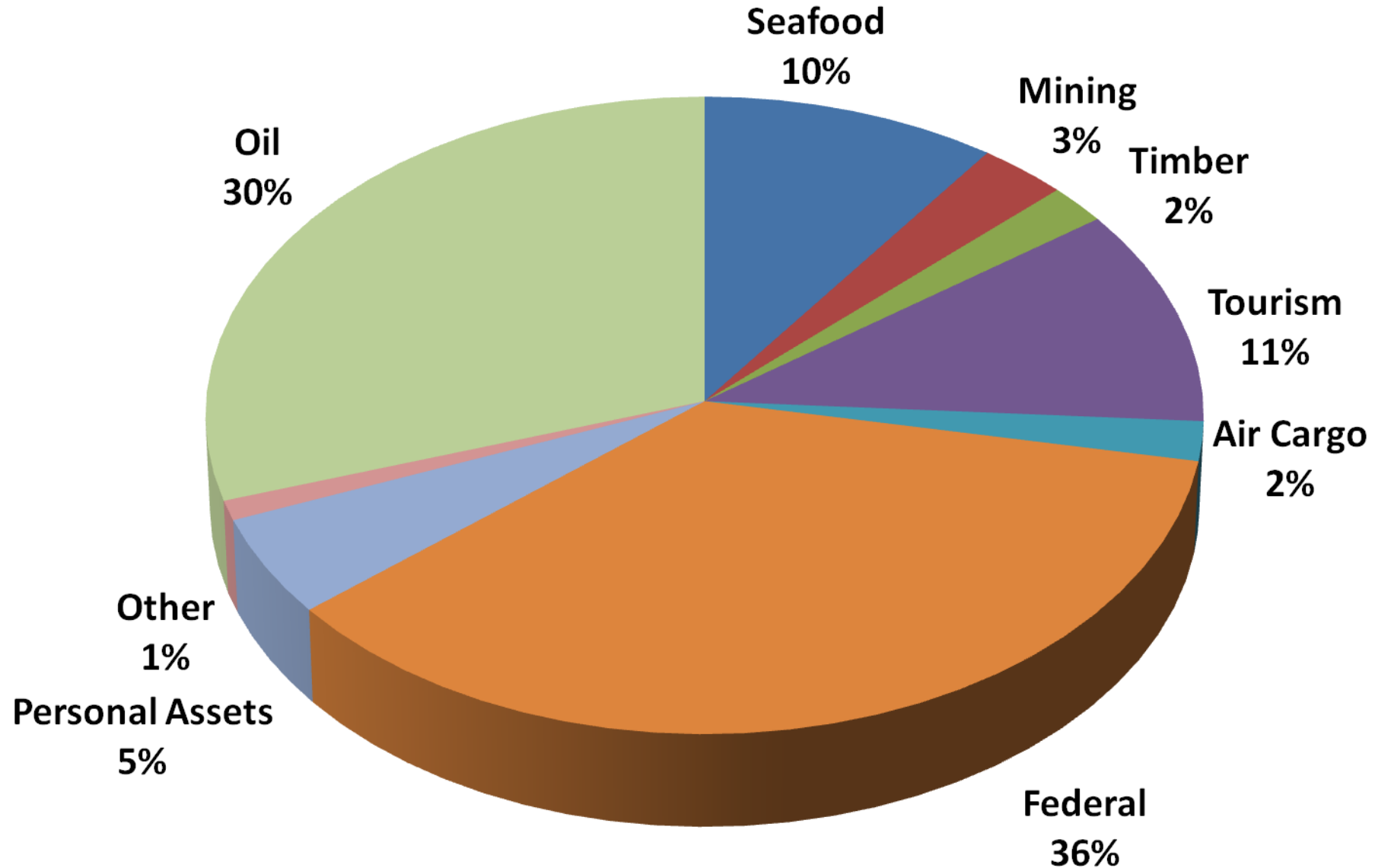
## Total PAX Screened per Week

	2019	2020		
	PAX Screened	PAX Screened	% Change YoY	
1	27586	23699	▼	-14.09%
2	32906	35479	▲	7.82%
3	31496	31998	▬	1.59%
4	30146	31665	▲	5.04%
5	30724	32201	▬	4.81%
6	30490	31900	▬	4.62%
7	32450	34010	▬	4.81%
8	34908	34181	▬	-2.08%
9	35388	34786	▬	-1.70%
10	40043	37113	▼	-7.32%
11	39681	34702	▼	-12.55%
12	36942	19695	▼	-46.69%
13	35883	7434	▼	-79.28%
14	34181	4645	▼	-86.41%
15	34591	4472	▼	-87.07%
16	34644	4791	▼	-86.17%
17	35062	4658	▼	-86.71%
18	35882	5408	▼	-84.93%
19	37381	5904	▼	-84.21%
20	42233	7133	▼	-83.11%
21	51437	8394	▼	-83.68%
22	52908	9654	▼	-81.75%
23	56629	12288	▼	-78.30%
24	63469	14451	▼	-77.23%
25	65842	16594	▼	-74.80%
26	73749	19011	▼	-74.22%
27	70283	19938	▼	-71.63%
<b>Grand Total</b>	<b>1126934</b>	<b>526204</b>	▼	<b>-53.31%</b>

# Your claims data!



# Alaska's Economic Drivers-Warning This Is Dated But Possibly Still Useful





Wow!

2000

Anchorage Employment Estimates						
	Average	Monthly	Employment	Compared to May 2019		
					Percent	
	May 2020	April 2019	May 2019	Change	Change	
Total Employment	134,749	131,506	153,414	(18,665)	-12.2%	
Mining & Logging	2,257	2,340	2,726	(469)	-17.2%	
Oil & Gas	2,159	2,236	2,523	(364)	-14.4%	
Construction	7,062	6,457	8,167	(1,105)	-13.5%	
Manufacturing	1,766	1,593	2,132	(366)	-17.2%	
Wholesale	15,187	14,526	16,587	(1,400)	-8.4%	
Retail	9,926	9,886	11,457	(1,531)	-13.4%	
Trans, Warehousing & Utilities	2,932	3,008	3,246	(314)	-9.7%	
Information	6,945	6,885	7,338	(393)	-5.4%	
Financial Activities	16,859	16,142	18,197	(1,338)	-7.4%	
Professional & Business Services	24,328	24,077	26,834	(2,506)	-9.3%	
Education & Health	19,205	18,764	20,922	(1,717)	-8.2%	
Health Care	19,205	18,764	20,922	(1,717)	-8.2%	
Leisure & Hospitality	11,154	9,858	17,731	(6,577)	-37.1%	
Accommodations	1,997	1,519	3,495	(1,498)	-42.9%	
Eating & Drinking	8,357	7,402	11,793	(3,436)	-29.1%	
Other Services	4,898	4,391	5,508	(610)	-11.1%	
Government	26,819	27,697	28,266	(1,447)	-5.1%	
Federal	8,322	8,382	8,366	(44)	-0.5%	
State	9,143	9,411	9,442	(299)	-3.2%	
Local	9,354	9,904	10,458	(1,104)	-10.6%	

# Anchorage Recessions

1975-1976

1985-1988

2008-2009

2015-2019

2020-Covid

**-5,000**

**-6%**

**-14,300**

**-12%**

**-900**

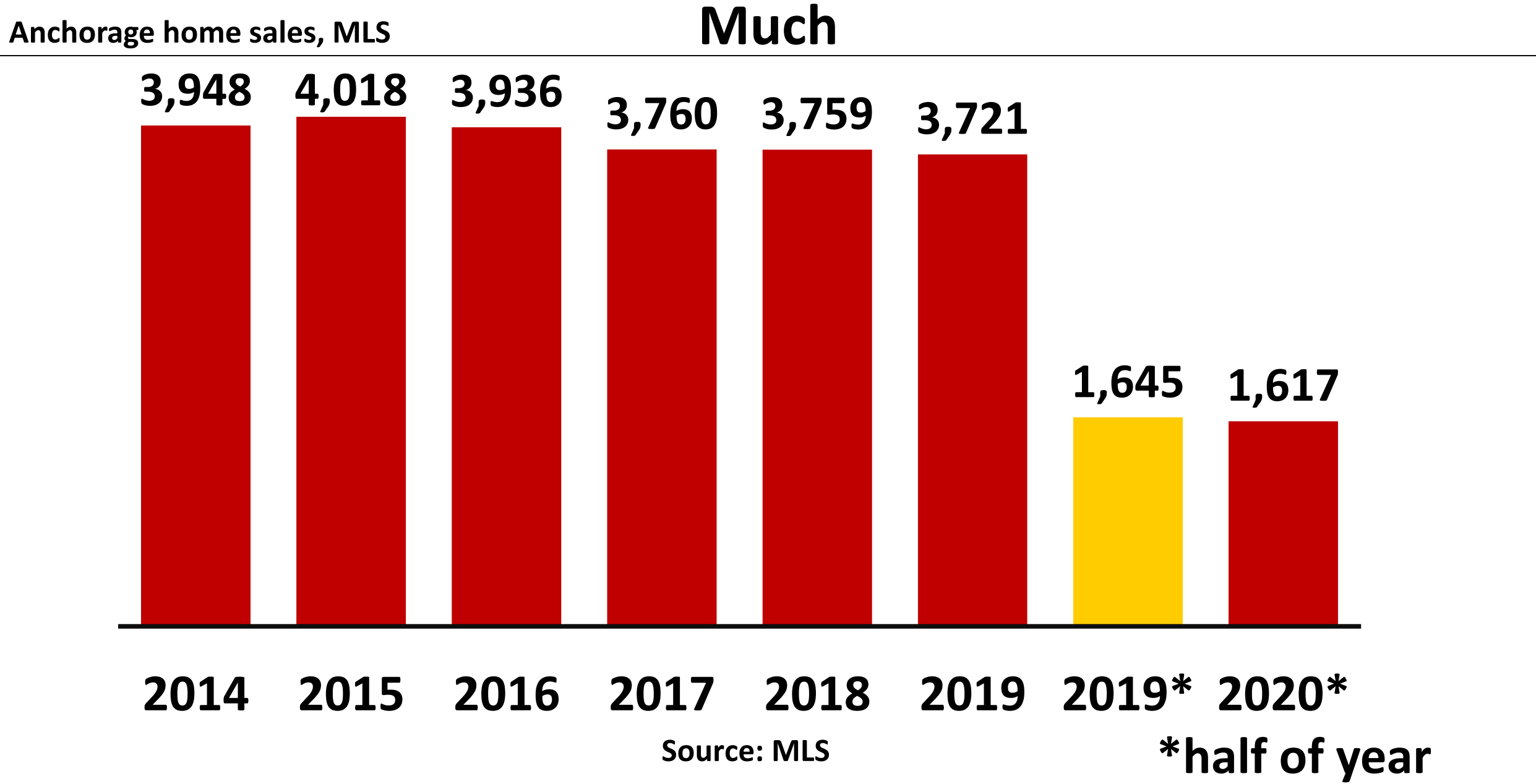
**-1.0%**

**-6,000**

**-4%**

**Don't  
know  
yet. But  
not  
looking  
pretty.**

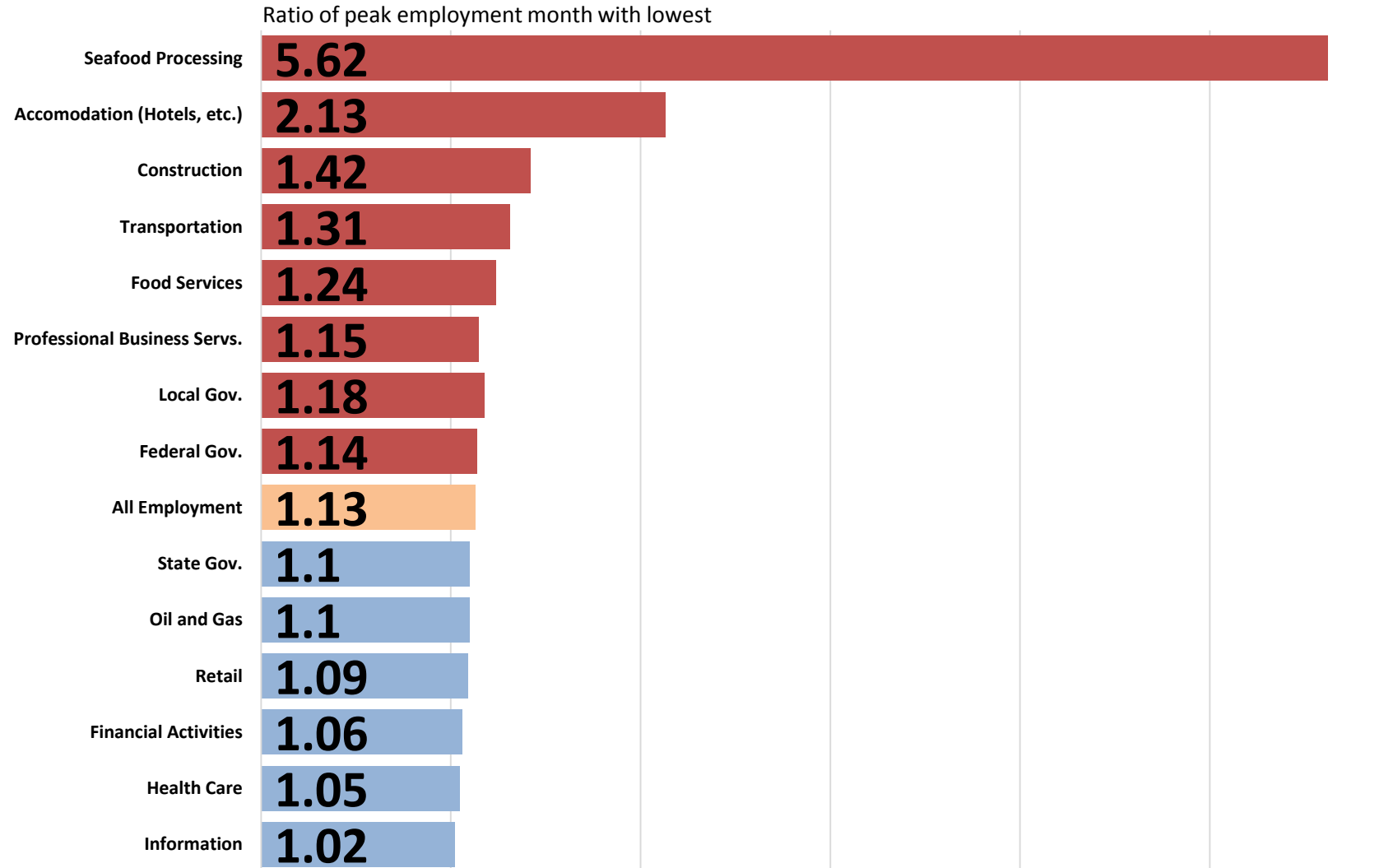
# Number Of Home Sales In Anchorage Has Not Changed



**And then timing was lousy!**

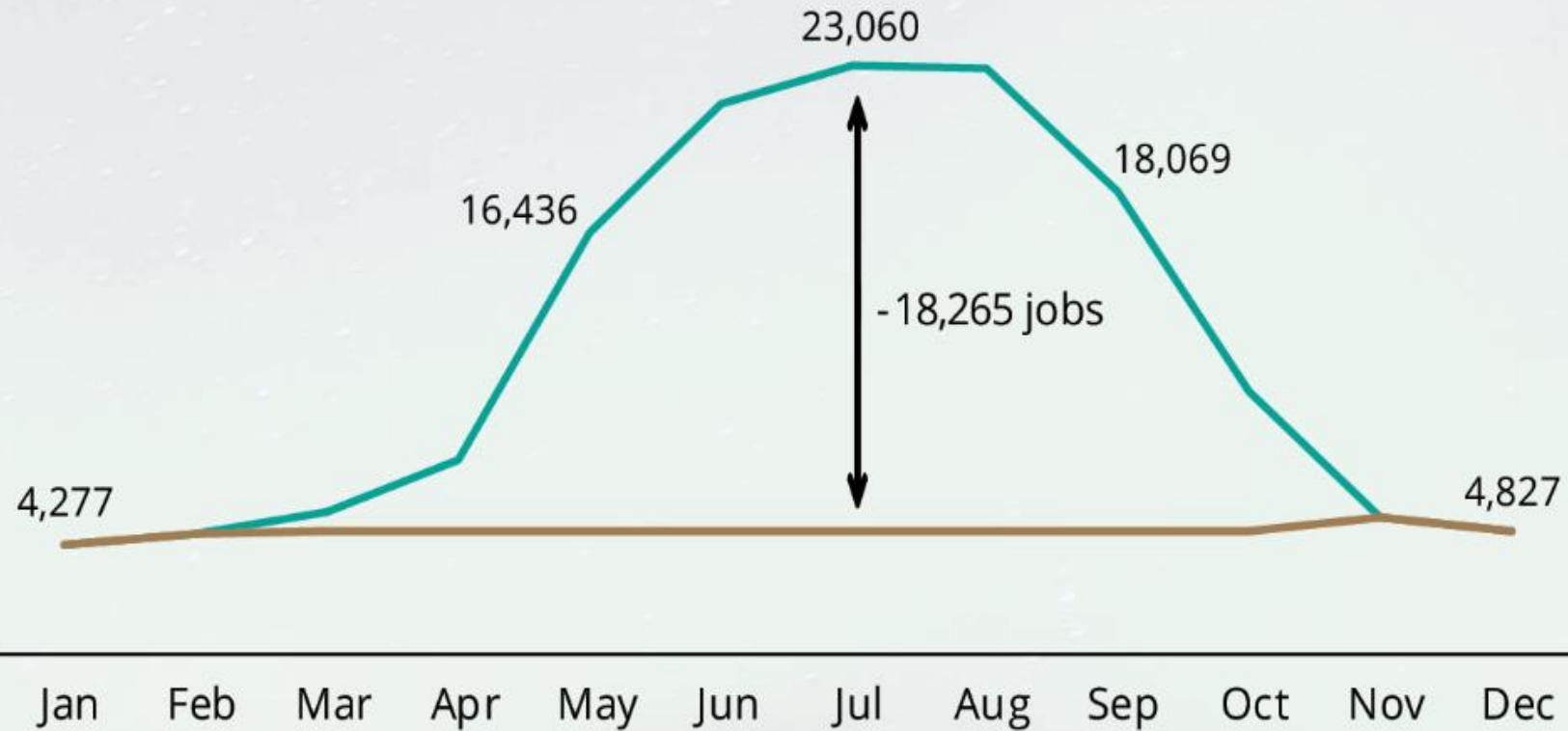
# There Are The Jobs That Simply Are Not Going To Show Up

Seafood, Top Seasonal Industry, Health Care, Not So Much





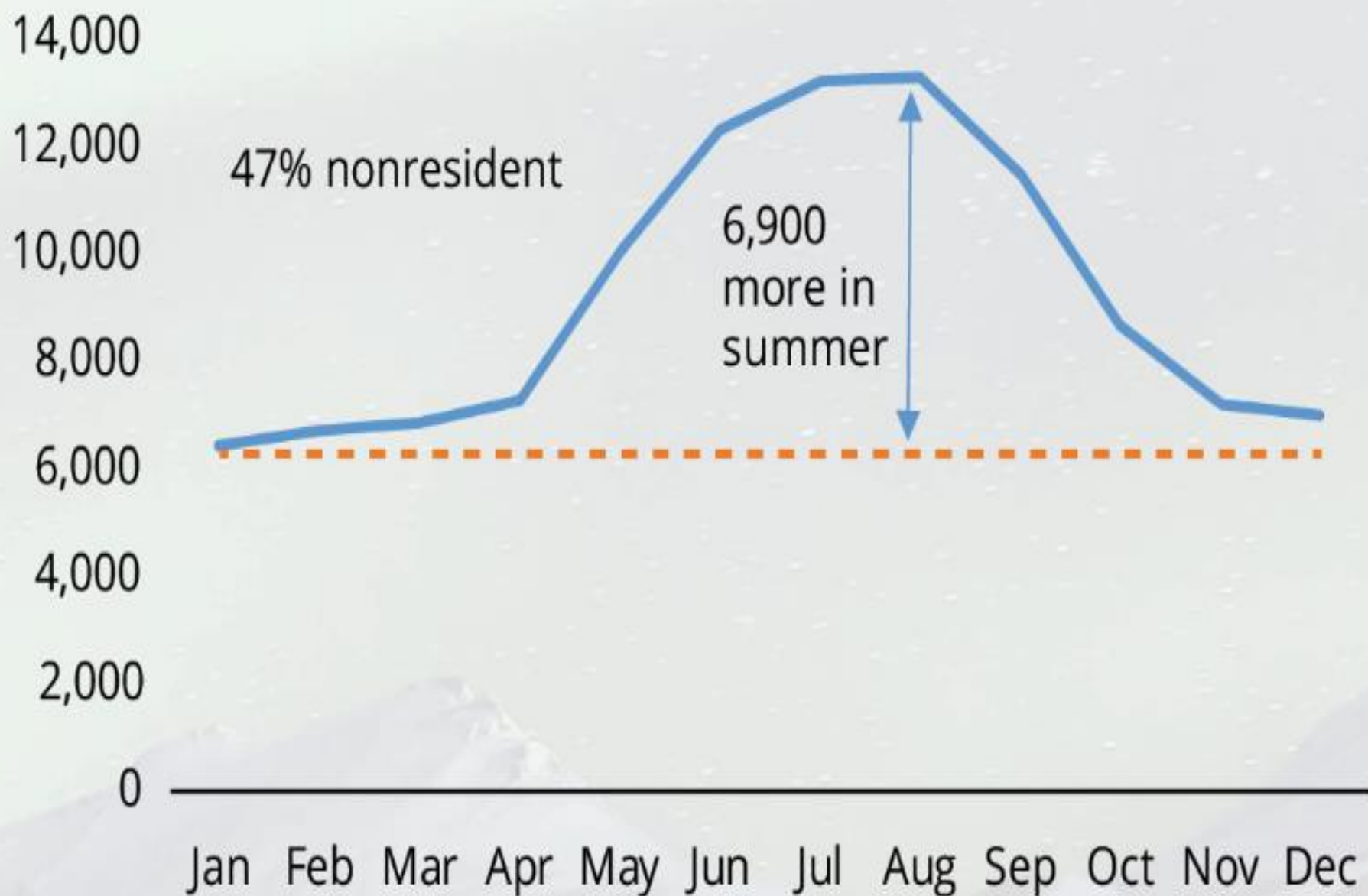
# Monthly jobs\* with and without tourism



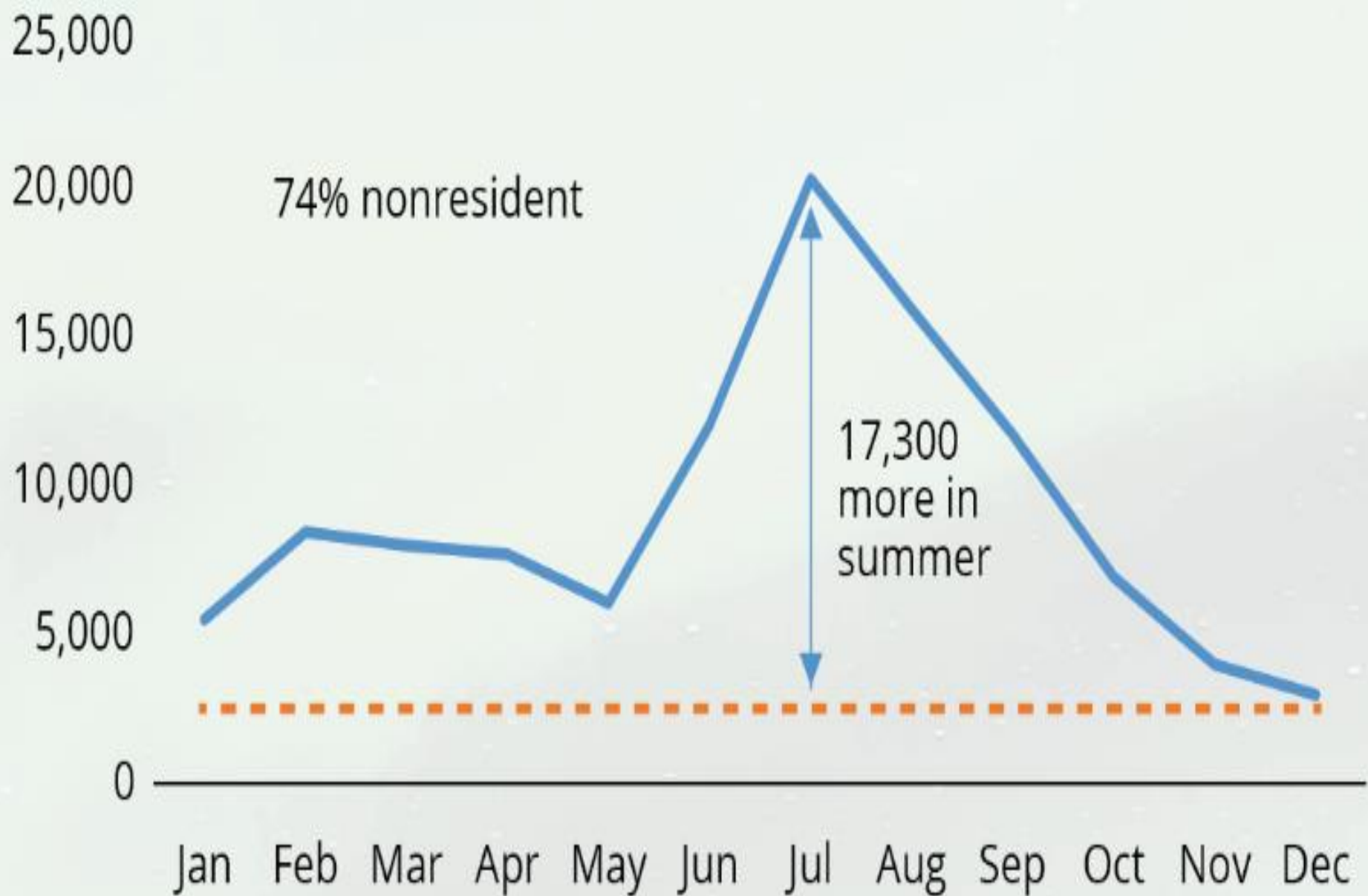
\*Baseline data from 2018 for businesses directly tied to tourism; does not include the self-employed

**Source:** Alaska Department of Labor and Workforce Development, Research and Analysis Section


## Accommodation

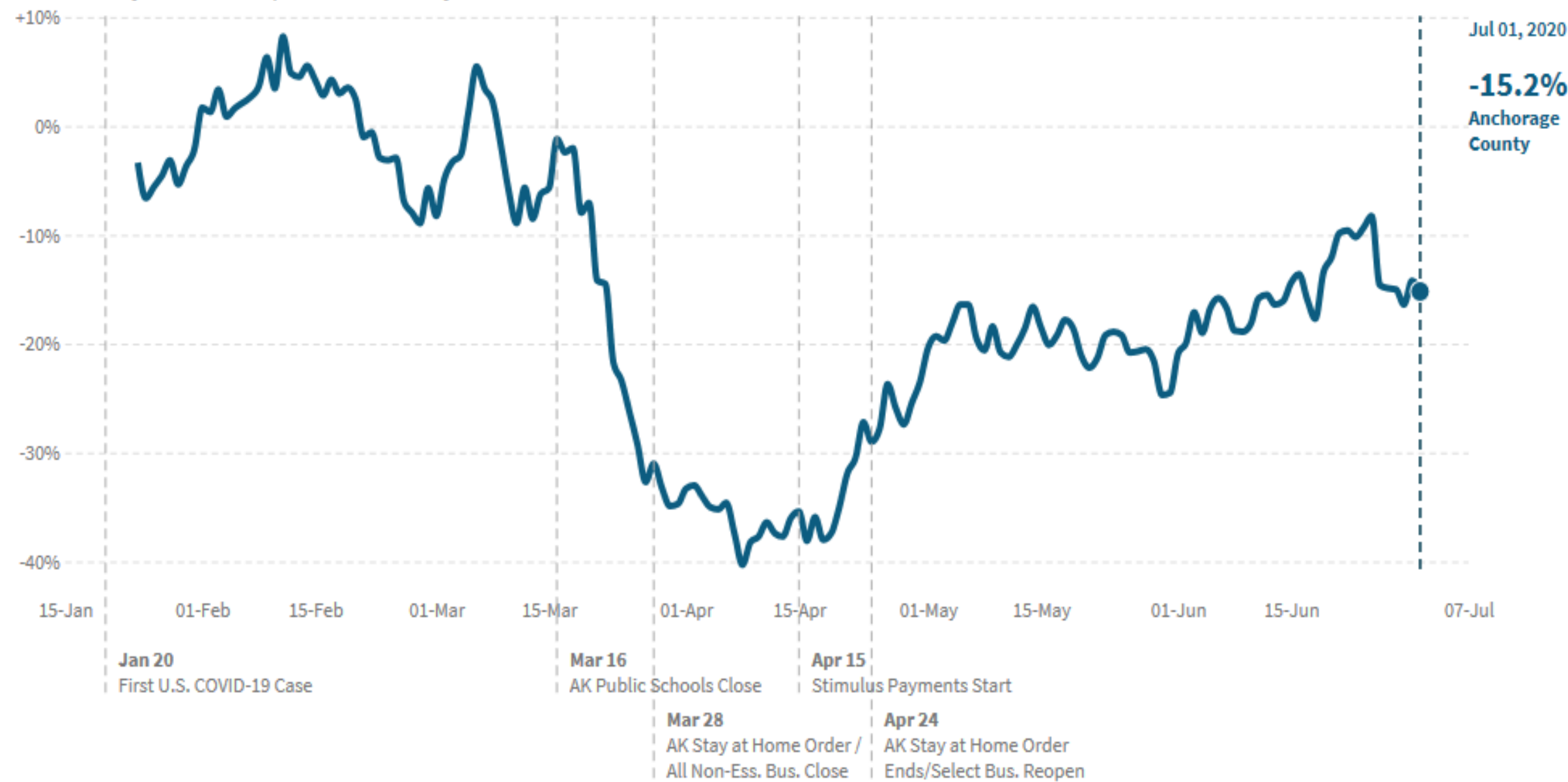


## Seafood processing



In **Anchorage County**, as of July 01 2020, total spending by all consumers decreased by **15.2%** compared to January 2020.

[DOWNLOAD CHART](#) 





## Alaska businesses received more than \$1.2 billion in federal PPP loans. Here's who they are.

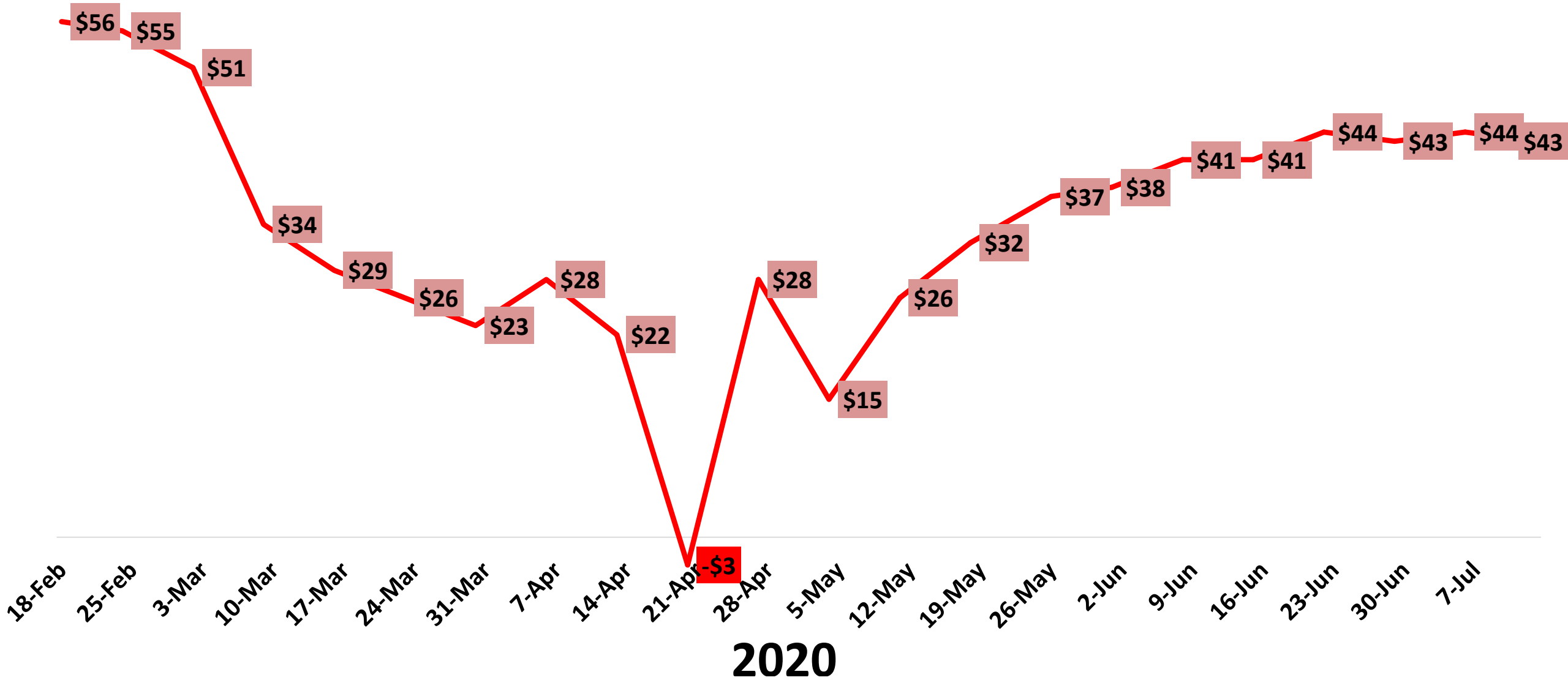
✍ Author: [James Brooks](#) ⌚ Updated: 11 hours ago 📅 Published 13 hours ago



**It is estimated that so far, approximately \$4 billion Covid dollars have flowed into AK. What does that mean?**

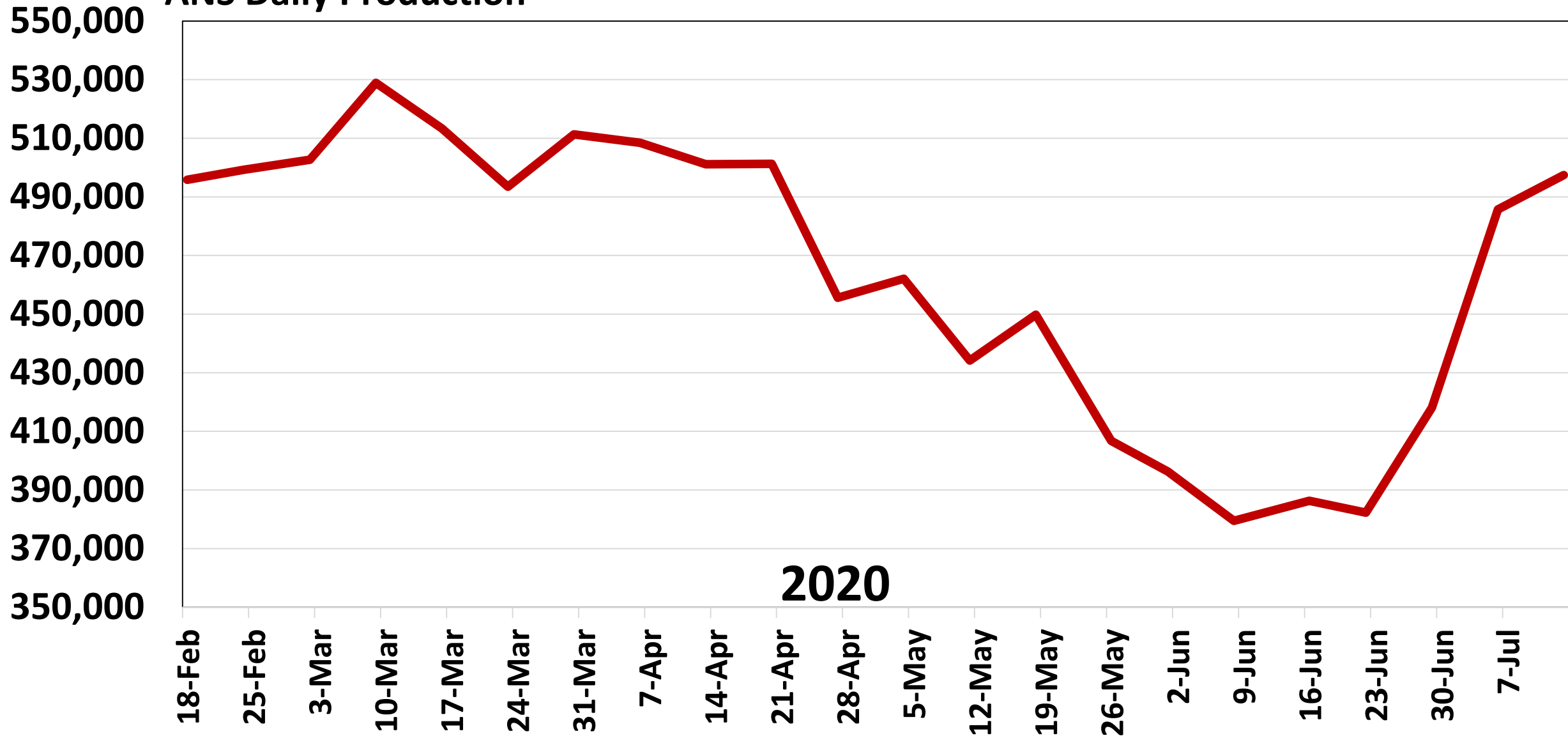
**Sent out about \$600 million this year in PFD's**  
**AK's oil and gas payroll in 2019= \$1.5 billion**  
**AK's total payroll in 2019= \$19 billion**  
**AK's total personal income in 2020 = \$46 billion**

# Oil Prices, A Rough Ride-- Looking A Little Better









# And Production Was An Added Challenge But Looking Much Better

ANS Daily Production

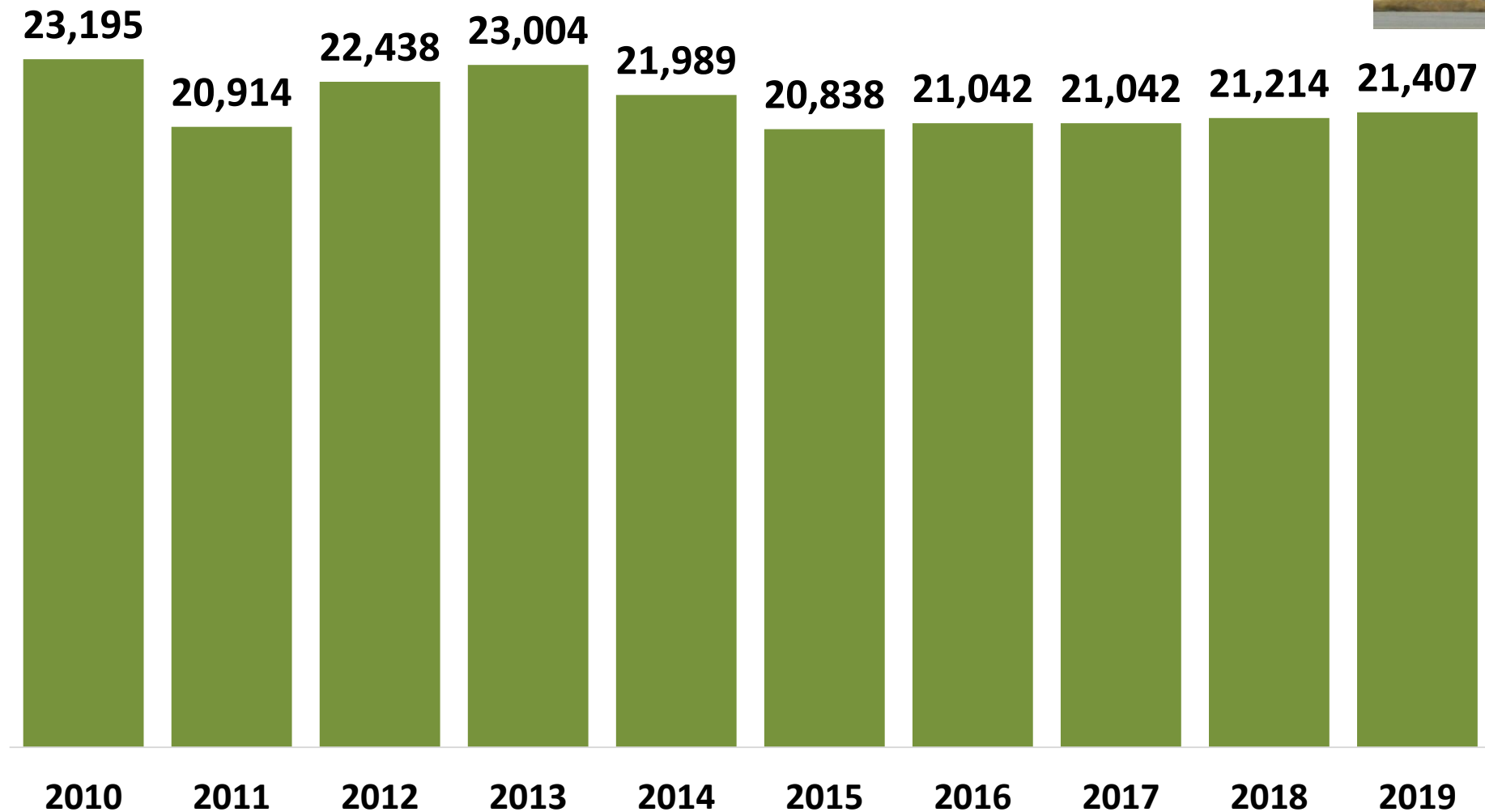


# Reported Cargo

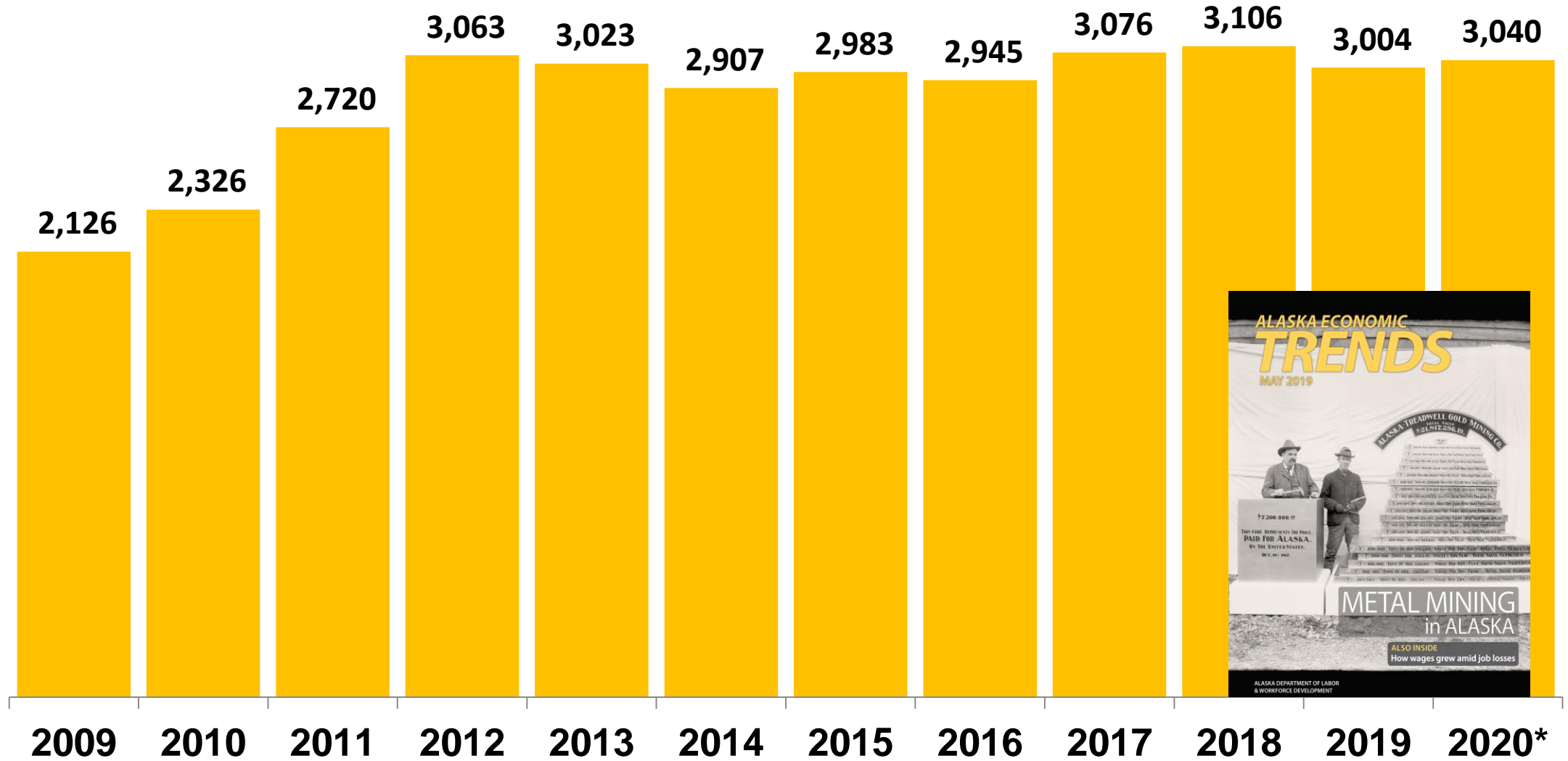
2019		2020			
	Sum of Metric Tonnes	Sum of Metric Tonnes		% Difference	
Jan	212,769	189,772		-10.81%	
Feb	158,452	147,770		-6.74%	
Mar	241,747	253,900		5.03%	
Apr	223,962	261,691		16.85%	
May	236,672	274,590		16.02%	
<b>Grand Total</b>	<b>1,073,602</b>	<b>1,127,723</b>		<b>5.04%</b>	

# Military Numbers Are Stable And Should Grow

Uniformed military in AK



# Mining Employment Very Stable In Alaska

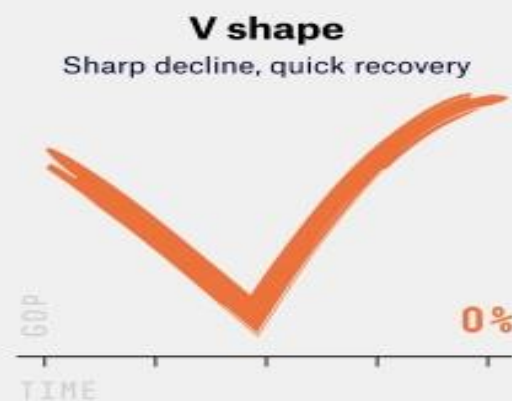
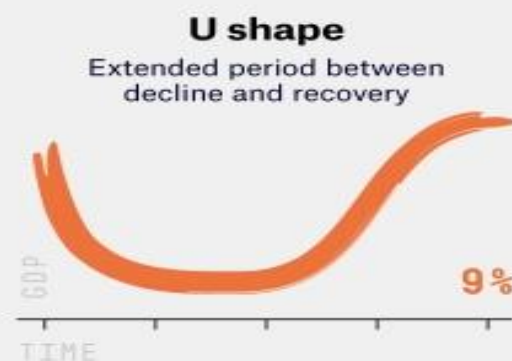
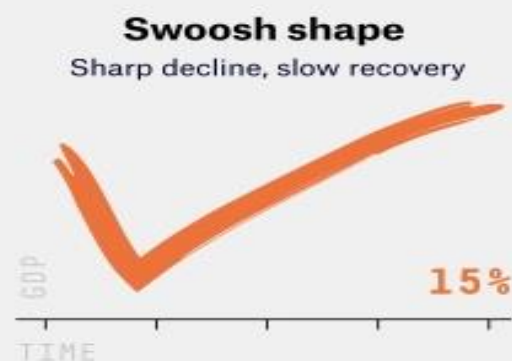
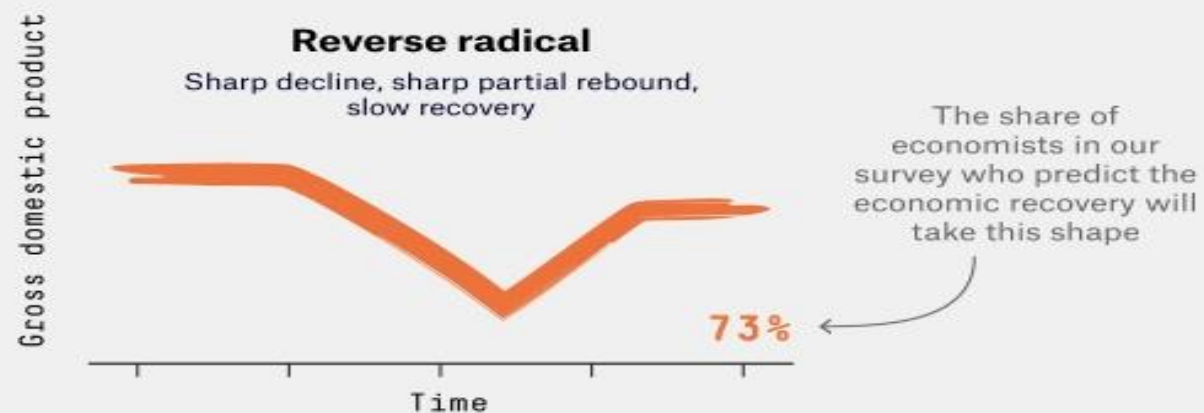


\*very preliminary



## Economists in our survey expect an uneven recovery

Expert predictions for the shape of the U.S. economic recovery



June 17th, 2020

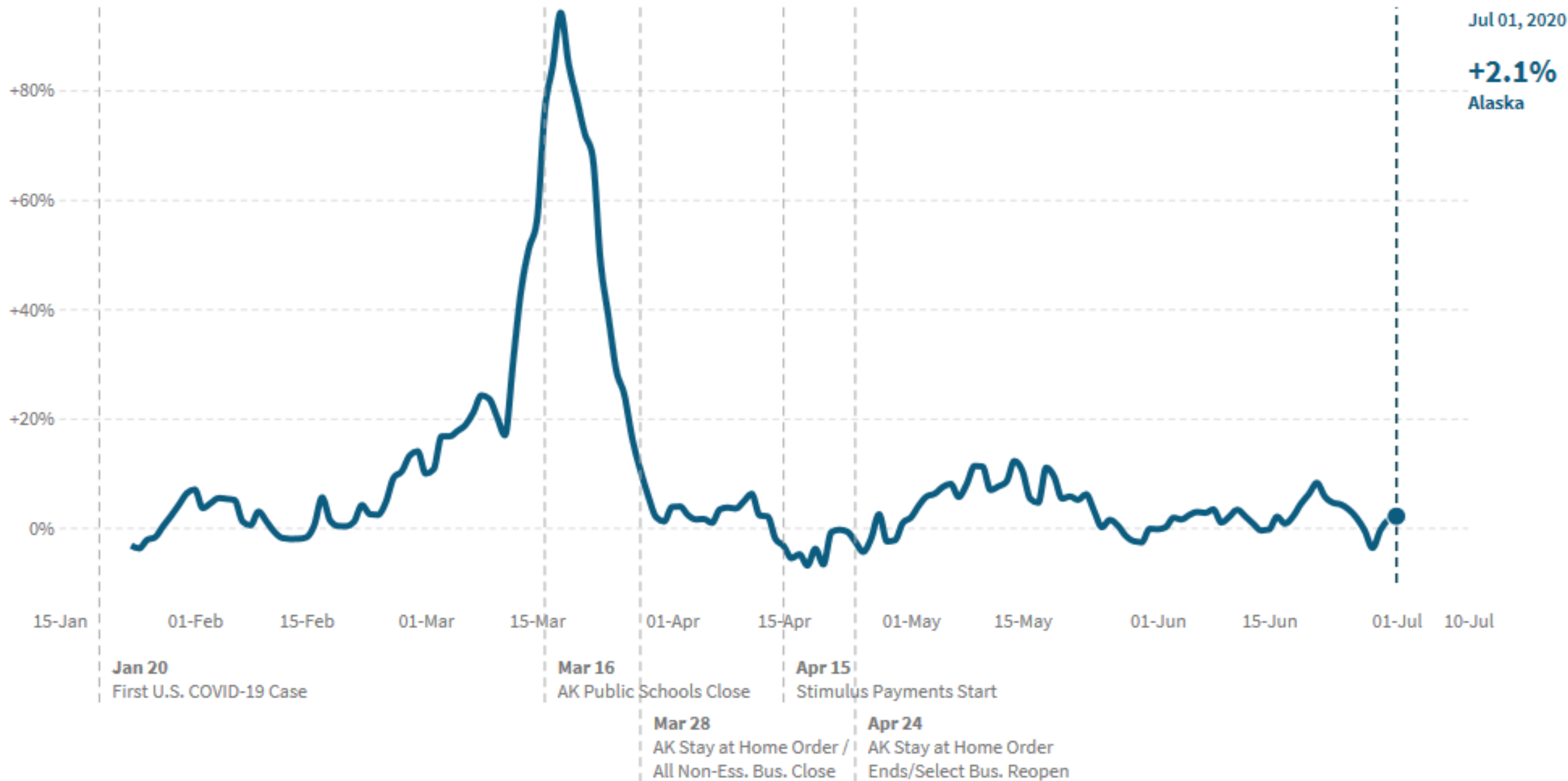
---

## Where do we see things going?

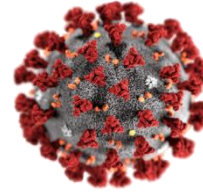
- ▶ The state's economy was expected to grow at between 0.4 and 0.7% pre-COVID. As a result of the decline in activity, we will very likely see significant employment declines for 2020.
- ▶ Employment will turn positive positive in 2021 but we do not expect returning to pre-COVID employment levels until 2023.
- ▶ It will be important to think in terms of year over year comparisons rather than month over month.
- ▶ Of course, the recovery completely hinges on virus containment and people's willingness to congregate and resume spending.

In **Alaska**, as of July 01 2020, grocery spending by all consumers increased by **2.1%** compared to January 2020.

[DOWNLOAD CHART](#)

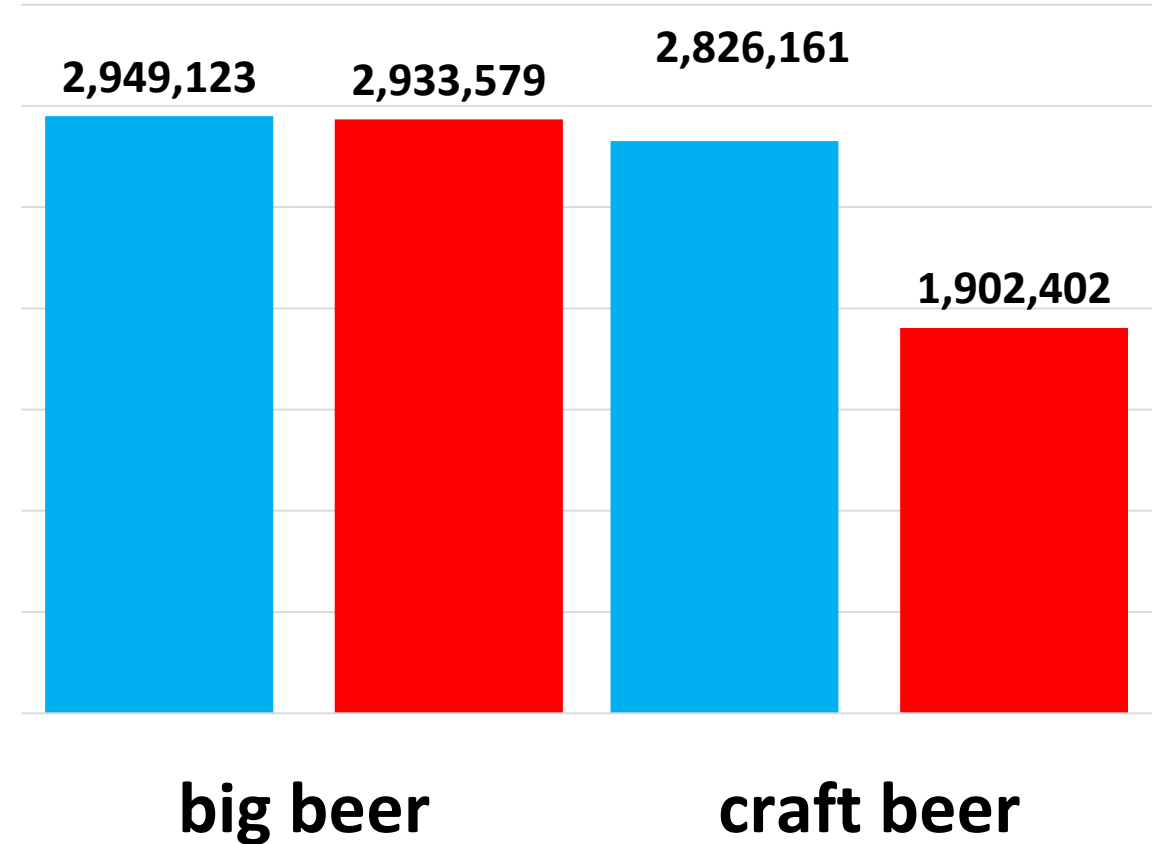
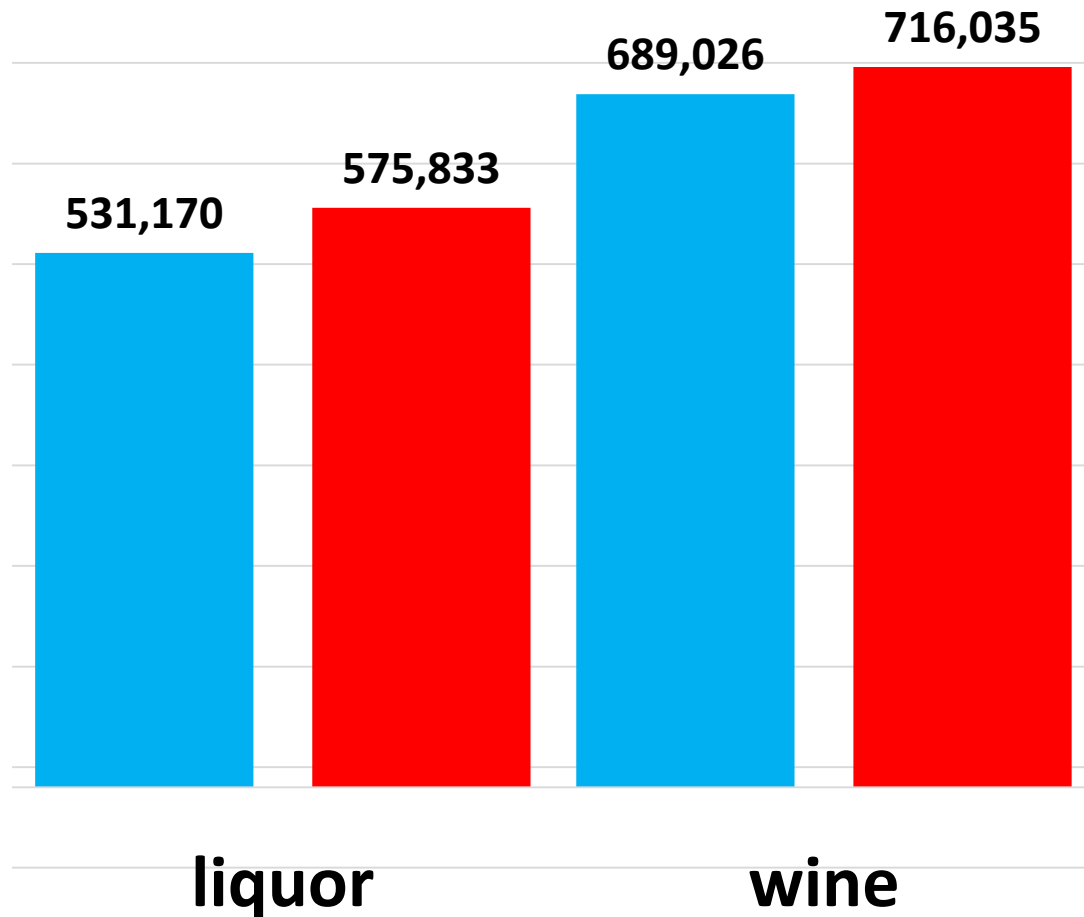


# Hard liquor and wine became more popular-craft beer took a big hit with



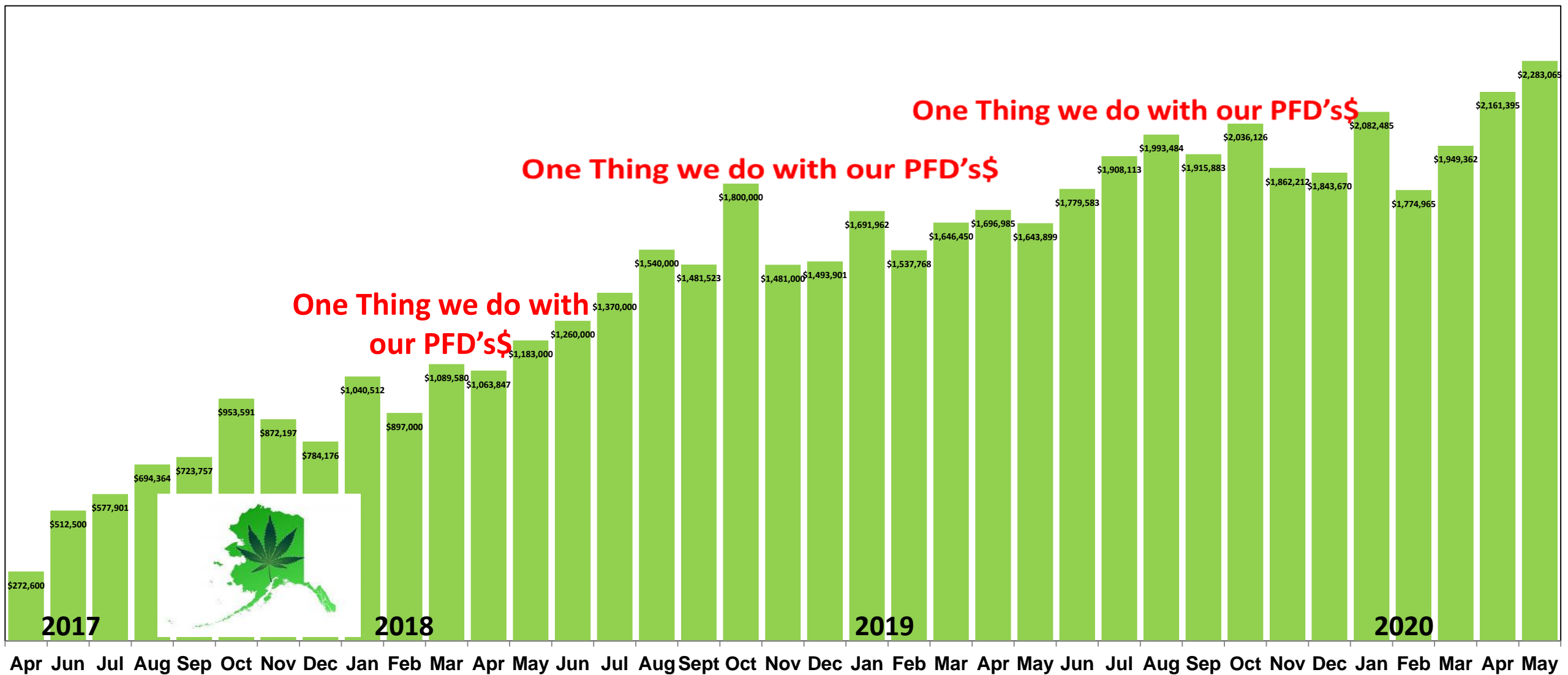
■ 2019 Jan-Apr ■ 2020 Jan-Apr

Gallons



# Sales Continue To Go Higher—Looks Like Covid Is Giving It An Extra Boost

Monthly cannabis taxes collected by State of AK



Source: AK Department of Revenue