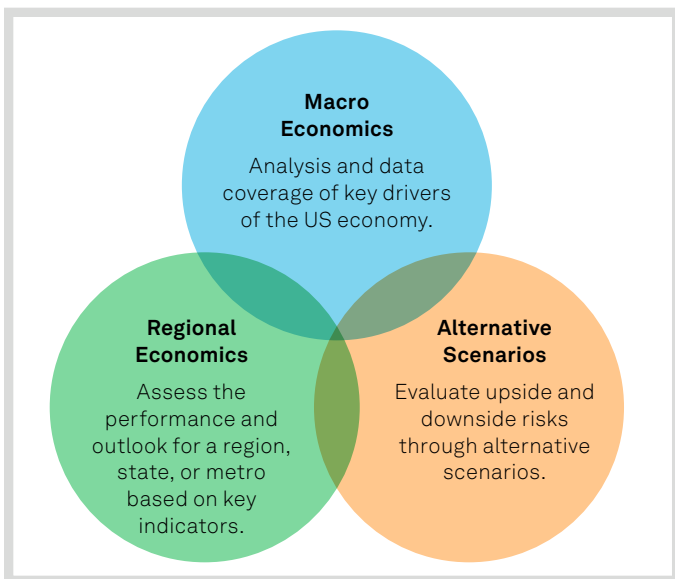


Economic Data & Analysis

Arm your bank or credit union with the economic data and analysis you need to make better business decisions.

With the integration of IHS Markit, S&P Global now offers industry leading economic data and analysis with the Economics & Country Risk group. Our team consists of 200 economists—all monitoring, analyzing, and forecasting developments in over 200 countries and regions across over 100 industries. We support these efforts with a vast range of data—both historical and forecast—and have been helping financial institutions for over 20 years.

IHS Markit, now part of S&P Global Market Intelligence is consistently recognized as the most accurate forecaster for the U.S. outlook. We enable users across your organization to collaborate on forecasts and reports. Our platform is designed for all business professionals, not just specialist economists. All of our data is supported by regular analysis from our team of economists who you have access to as part of your subscription. Access the data in a format that's best for you, whether that be via a desktop platform, feeds or API.

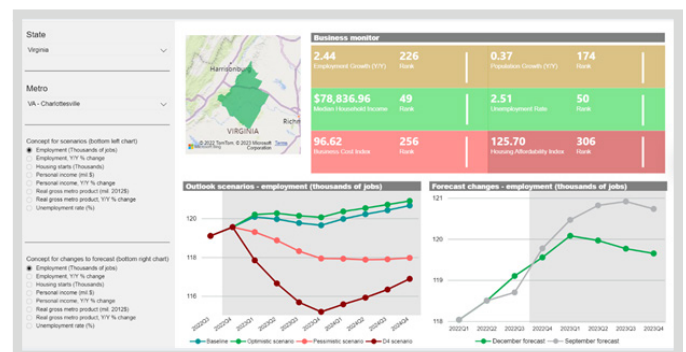


Are you looking to better understand the macroeconomic environment in the U.S. including key economic indicators and market-leading forecasts?

- **U.S. Macro:** We offer comprehensive analysis covering 2,000 economic variables, 10-year and 30-year economic outlooks, including alternate scenarios, risk analysis, and comprehensive sector outlooks.

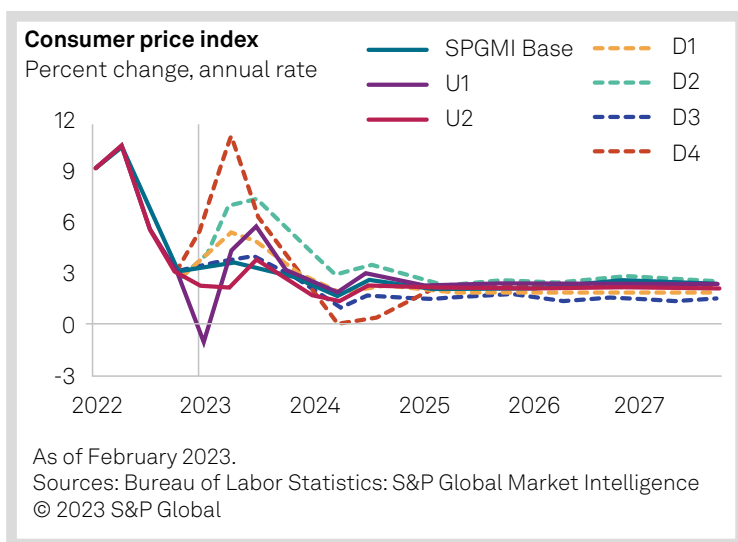
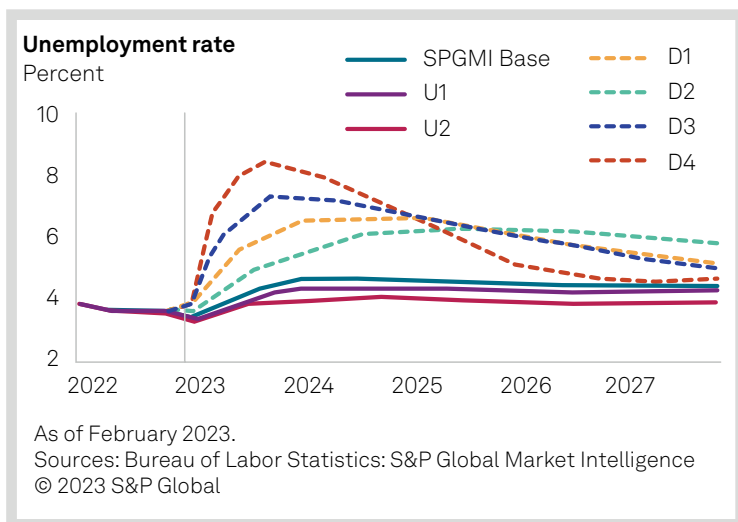
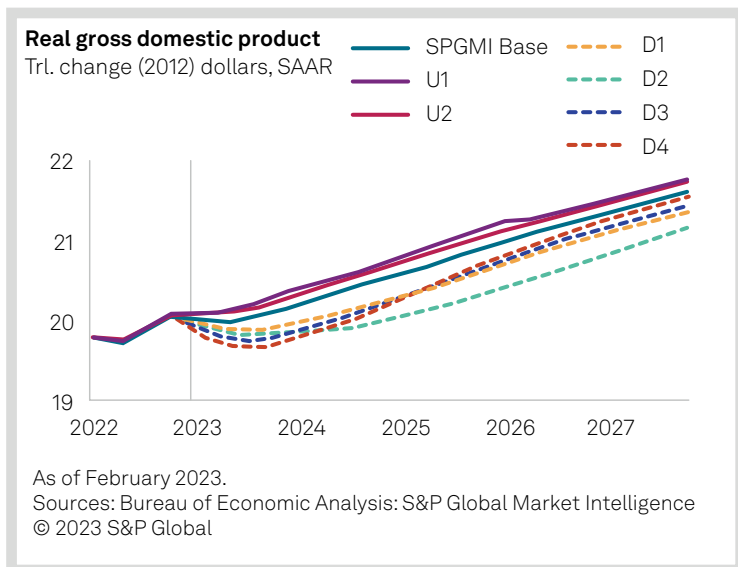
Do you want to evaluate the economic conditions in the regions, states, counties, and metros where you operate, or in which markets you are looking to expand, to make better strategic decisions?

- **U.S. Regional:** We offer short-term and 30-year detailed economic forecasts for 9 regions, 50 states, 380+ metropolitan areas, 3,100+ counties, and detailed level analysis of the housing and mortgage markets. We cover over 150 indicators per Metro/State including foreclosures, industry employment, house prices, and gross production.



In this time of economic uncertainty, having access to different economic scenarios to explain your financial projections, reserve and provision expectations is critical.

- **Economic Scenarios:** Our team of economists delivers a set of alternative macro/financial scenarios using our proprietary model of the U.S. economy, representing a range of plausible alternative outcomes for the U.S. and global economy that are essential for financial institutions for CECL compliance and overall financial projection and budgeting credibility.



- The **Base Forecast** is the S&P Global Market Intelligence short-term forecast, originally published on 6 February 2023. In this scenario, real GDP growth slows from 1.0% in 2022 to 0.2% in 2023.¹ Weak growth this year reflects a mild two quarter recession beginning in the first quarter. Growth then averages 1.8% over 2024–2027. The unemployment rate rises from 3.6% in fourth quarter 2022 to 4.6% by mid-2023, 0.2 percentage point above the CBO’s estimate of the NAIRU.² We believe core PCE inflation peaked in the first quarter of 2022 at 5.3% (4-quarter change basis) and is expected to slow to 2.0% by late 2025. After a record fourth-quarter 2021 close, the S&P 500 declined 19.4% over 2022 as markets shifted their expectations towards an earlier and more aggressive tightening of monetary policy than previously anticipated. We expect the S&P 500 to rebound somewhat in 2023 but gains remain soft through the forecast. The Fed continues raising the funds rate, reaching 5–5¼% by May 2023 and holds there until March 2024. Reflecting the anticipated pause in rate hikes, term yields fall; the 10-year Treasury note yield declines unevenly from 3.83% in fourth quarter 2022 to 3.54% by fourth quarter 2023 and further to 3.19% by fourth quarter 2027.
- **U1:** The **Optimistic** scenario is characterized by stronger growth of consumer spending and by stronger productivity relative to the baseline, with GDP growth remaining positive throughout and rising 1.2% in 2023 and 2.0% in 2024. We assume the consumer and business response to the Infrastructure Investment and Jobs Act is more robust than in the baseline, while a cessation of kinetic warfare in the Russia–Ukraine conflict allows for a lower path of energy prices in the near future. Furthermore, we assume that firms are able to effect larger productivity gains than in the base forecast which improves corporate profitability. Consumer spending rises more sharply than the baseline, increasing 1.5% over the four quarters of 2023. The unemployment rate declines to 3.3% in the first quarter of 2023 before beginning a gradual ascent. The Fed’s monetary tightening follows the baseline through 2023, but continues at a faster pace thereafter as core inflation remains elevated. As a result of the stronger growth, the S&P 500 index remains above the baseline, and ends up 5.4% higher by the end of 2027. The price of Brent oil remains on average \$3 below baseline during the first half of 2023 before then converging to the baseline.

¹ Unless otherwise noted, all quarterly growth rates are expressed as compound annual rates, all expenditure components of GDP are chained 2012 dollars, and all annual growth rates are stated as fourth quarter over fourth quarter.

² The NAIRU is the Non-Accelerating Inflation Rate of Unemployment, i.e., The rate of unemployment and labor market tightness consistent with a steady inflation rate.

We support critical workflows:

- Develop long-term strategies impacting loan portfolio mix, concentration mix, growth strategies, new product development, and market penetration.
- Assess both the competition and market opportunities on a regular basis to identify local strengths, opportunities, weaknesses, and threats.
- Understand the impact of national policies on local economies.
- Monitor local, regional, and national economic, financial, and industry events and trends.
- Evaluate potential risks based on alternate scenarios.
- Manage risk exposure from regional and macro-economic trends to investment portfolio.
- Build and benchmark economic forecasting models.

Executive coverage of key drivers of the US economy

The US Executive Summary includes a 10–12-page monthly newsletter that covers our forecast for the U.S. economy in brief, reviews any changes to the forecast, explains our forecast assumptions, and highlights recent developments and their impact on the overall direction of the economy. Gain access to 30-year history and monthly updated 10-year Forecast Summary bank of 250+ key concepts which provide a complete view of all facets within the U.S. economy (all concepts covered at a basic, summary level):

- Detailed composition of GDP
- Consumer Spending
- Business Investment
- Government Spending
- Exports and Imports
- Prices and wages
- Industrial Production by sector
- Interest rates, yield curves
- Housing and Construction
- Employment by sector
- Energy prices, production
- Personal income

Understand the implications and analysis of data releases, economic events, and policy shifts needed to interpret the impact of macro events on local decisions. US Monitor provides daily, weekly, monthly, and quarterly economic commentary including risks to the forecast, perspectives, GDP Index, and weekly economic commentary.

Add-ons

Does your bank or credit union want to analyze consumer markets to gauge the health of this important segment in the U.S.?

- **Consumer Markets:** We have 10- year US consumer spending forecasts by detailed category as well as retail sales for 40+ categories, spending forecasts for 371 categories, income distribution, consumer credit data for auto loans and credit card debt, and demographic information for 20 ethnicities.

When making strategic decisions about what industries to lend to, does your bank or credit union need access to economic forecasts for the specific industries in the markets you serve?

- **U.S. Comparative Industry Service:** analyzes all industries which contribute to the GDP of a country—providing unique insight into specific industries. We have 20-year forecasts for key economic indicators and can help you examine the forecasts in the markets you serve or in markets in which you are looking to expand.

Do you lend to the construction industry?

- **The U.S. Infrastructure and Construction Outlook:** provides construction spending forecasts for 50 states plus Washington, DC, 381 MSAs and 30 structure types, updated quarterly with a 15-year outlook. This data is augmented by an Executive Summary that enables companies to understand the context around the infrastructure construction forecasts.

About S&P Global Market Intelligence

At S&P Global Market Intelligence, we understand the importance of accurate, deep and insightful information. Our team of experts delivers unrivaled insights and leading data and technology solutions, partnering with customers to expand their perspective, operate with confidence, and make decisions with conviction.

S&P Global Market Intelligence is a division of S&P Global (NYSE: SPGI). S&P Global is the world's foremost provider of credit ratings, benchmarks, analytics and workflow solutions in the global capital, commodity and automotive markets. With every one of our offerings, we help many of the world's leading organizations navigate the economic landscape so they can plan for tomorrow, today. For more information, visit www.spglobal.com/marketintelligence.

Copyright © 2023 by S&P Global Market Intelligence, a division of S&P Global Inc. All rights reserved. No content, including by framing or similar means, may be reproduced or distributed without the prior written permission of S&P Global Market Intelligence or its affiliates. The content is provided on an "as is" basis.

spglobal.com/marketintelligence

0423ISPGMI1826