



The Economy



Growth



Employment



Inflation



The Future

- The economy was resilient in 2025 overall, led by consumer spending
- State economic performance was more varied
- Forecasters predict another resilient year of growth, led by productivity gains

- Employment barely grew in 2025; it was concentrated in one sector
- The labor market remains in balance as both demand and supply have cooled
- Early signs of labor market strengthening in 2026

- Inflation softened in 2025 but remained stubbornly above target
- Tariff impacts have been muted
- Energy prices are accelerating inflation in early 2026; stagflation risks are low

- The labor force has been impacted by technological change for centuries
- The types of work done will continue to evolve around technology
- Technologies of today will continue to expand relational sectors