Economic Forecast 2026

Bank of Utah
Ogden-Weber Chamber of Commerce

Michael Jeanfreau, Senior Economist
Department of Workforce Services

February 2026
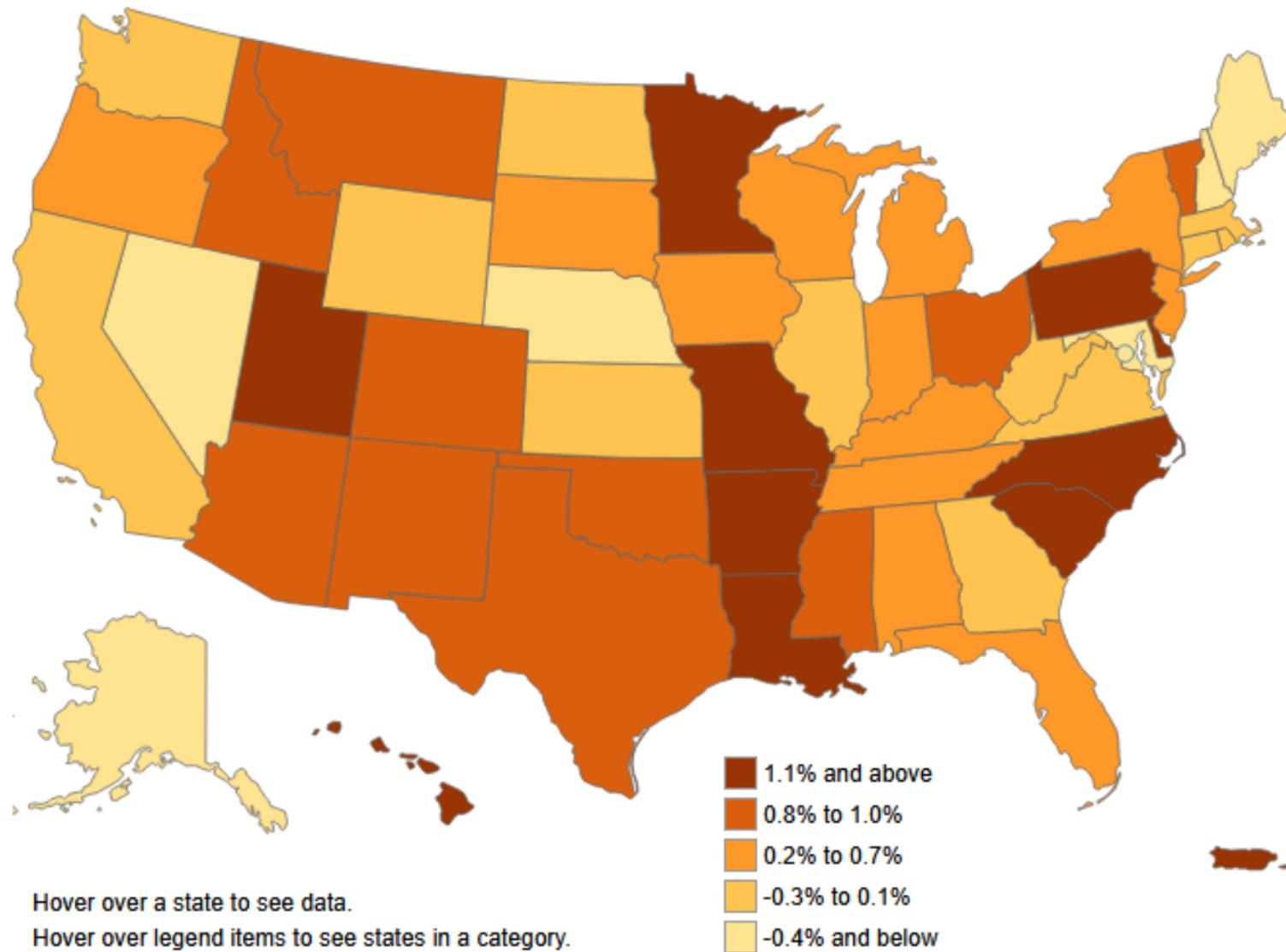
Overview

Photograph from VisitOgden.com

Labor Force and Job Market

- **Utah continues to outperform national metrics**
- **Labor market cooling**
- **Zoom-in on Northern Utah**

December 2025 YoY % Change in Nonfarm Employment

Change in nonfarm employment by state, December 2024 to December 2025, seasonally adjusted

Legend:
- 1.1% and above
- 0.8% to 1.0%
- 0.2% to 0.7%
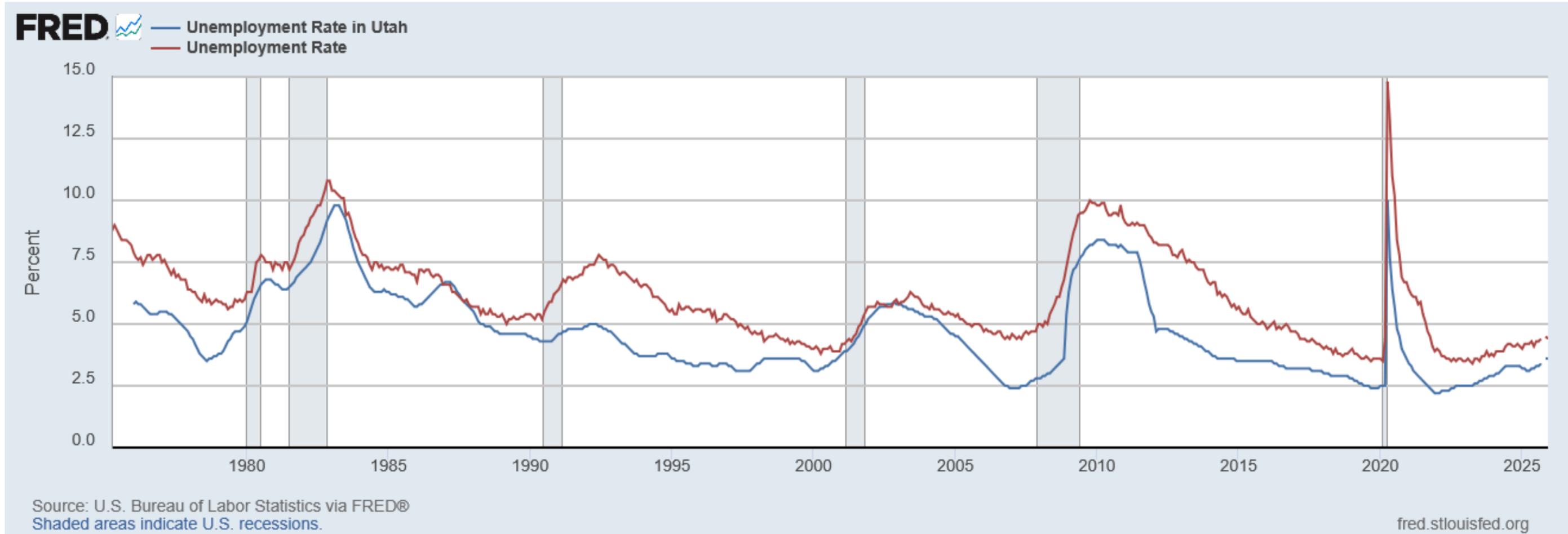- -0.3% to 0.1%
- -0.4% and below

Hover over a state to see data.
Hover over legend items to see states in a category.
Source: U.S. Bureau of Labor Statistics.

State	Percent change	December 2024 employment (thousands)	December 2025 employment (thousands)	Net change (thousands)
Missouri	1.8	3,000.00	3,052.80	52.8
North Carolina	1.6	5,044.30	5,125.00	80.7
South Carolina	1.4	2,383.70	2,417.30	33.6
Louisiana	1.2	1,989.50	2,012.40	22.9
Pennsylvania	1.2	6,180.80	6,257.40	76.6
Utah	**1.2**	**1,764.00**	**1,784.60**	**20.6**
Arkansas	1.1	1,377.20	1,392.90	15.7
Delaware	1.1	490.8	496.1	5.3
Hawaii	1.1	645.8	653.2	7.4
Minnesota	1.1	3,034.40	3,068.50	34.1

U.S. Average = 0.4%

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Unemployment Rate, Seasonally Adjusted

December 2025
-Utah: 3.6%
-U.S.: 4.3%

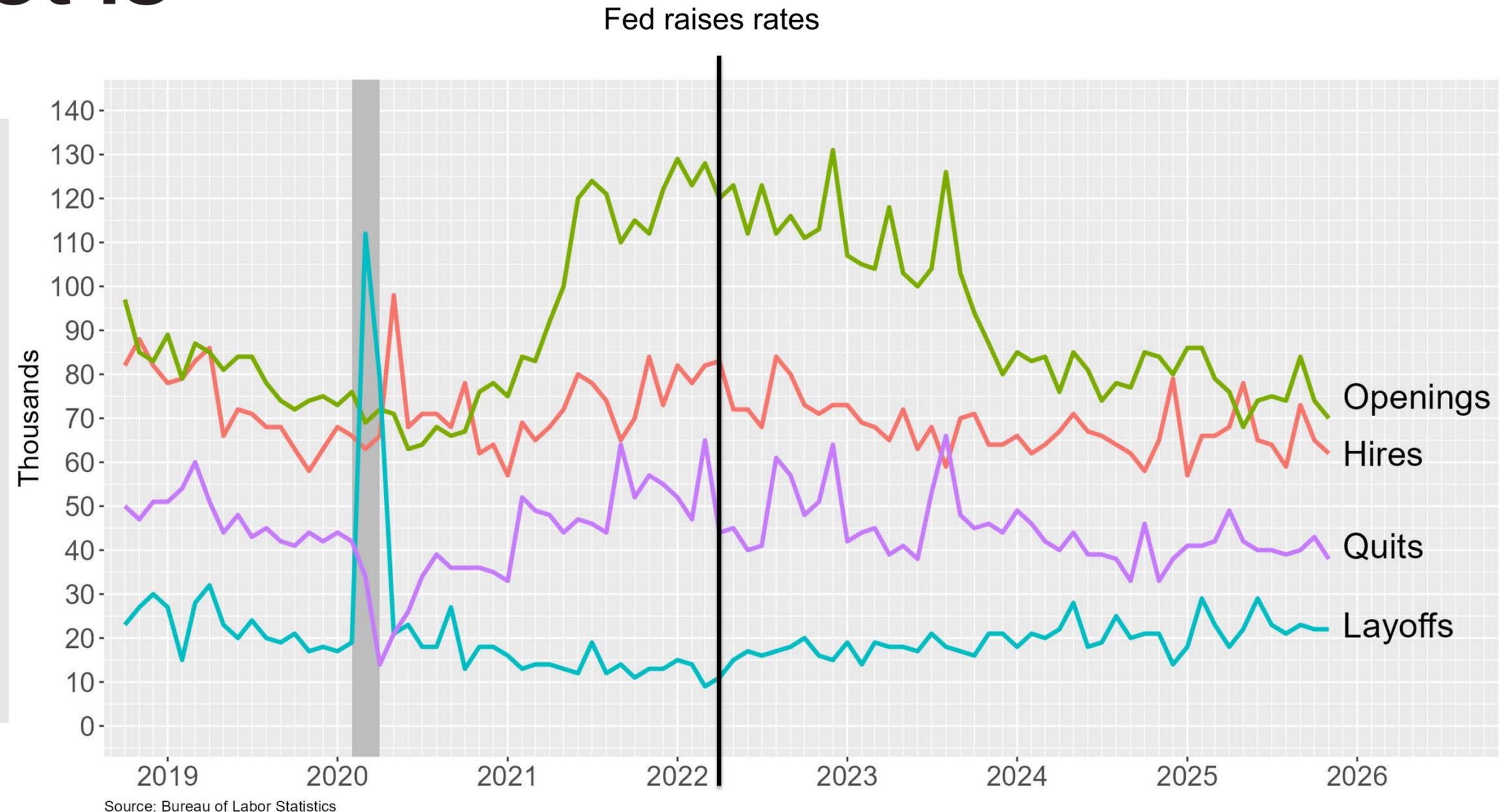WORKFORCE
SERVICES
RESEARCH & ANALYSIS

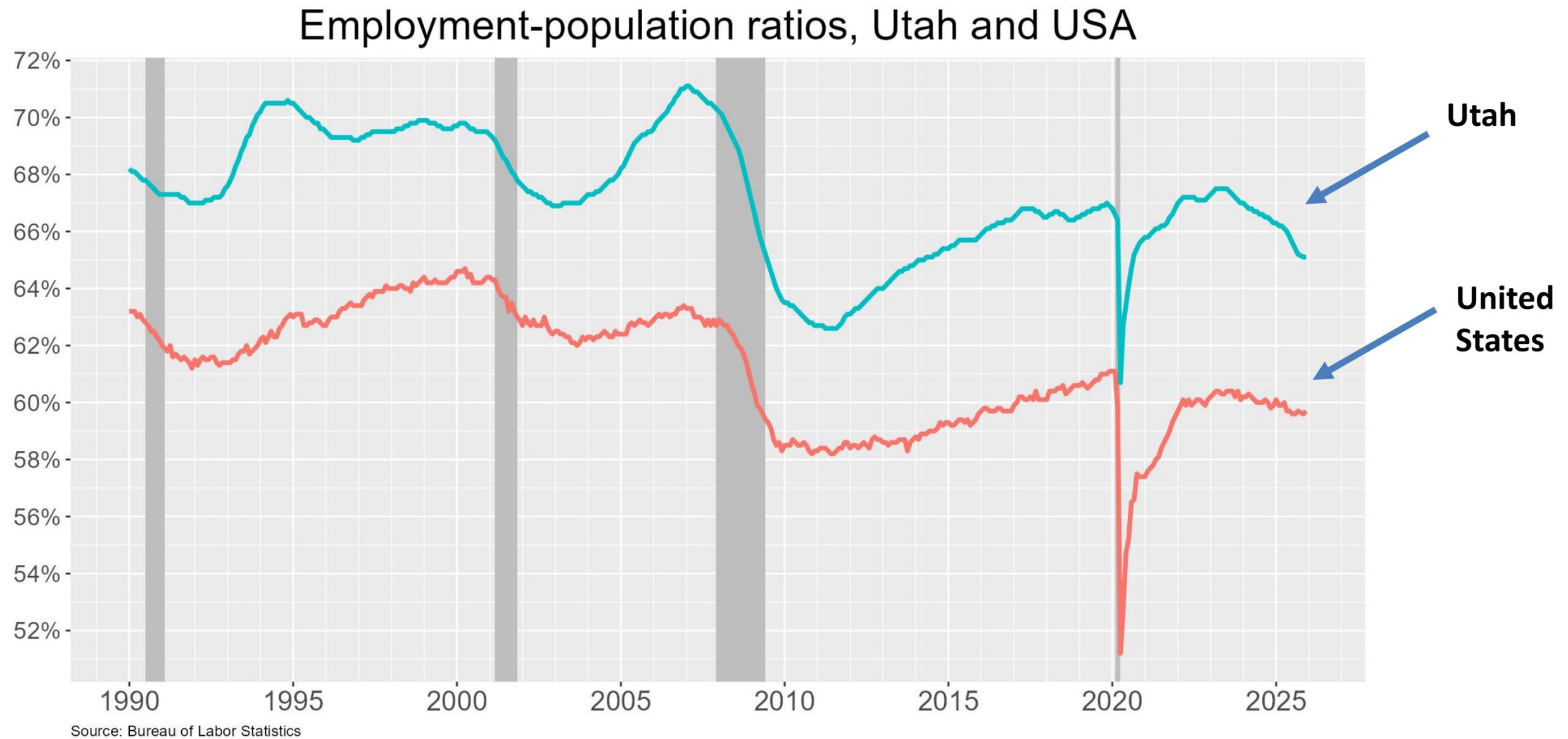# Underemployment Rates Expanded, Seasonally Adjusted
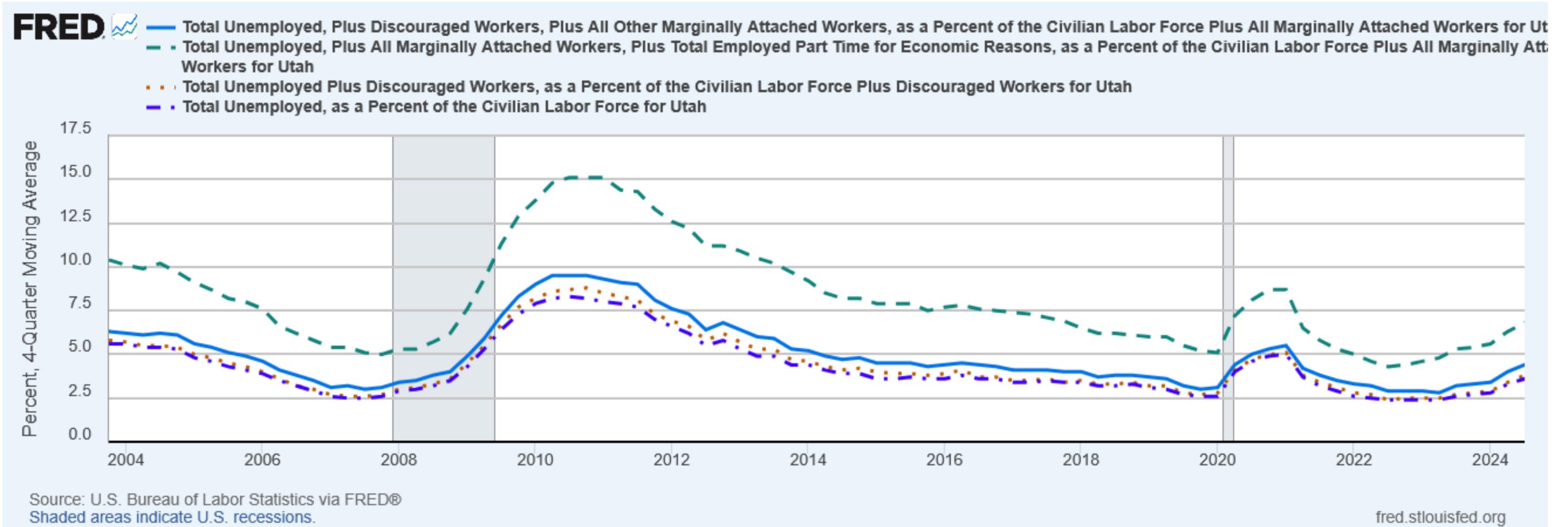
Utah's
Labor Market is Cooling

- As the economy slows from the heightened levels seen in 2022, job openings decline.

- Similarly, the quit rate declines as the certainty of finding another job decreases.

- Layoffs, which were low following the pandemic have begun to increase.

- Job openings and hires begin to equalize in 2025.

Fed raises rates

Thousands

Openings
Hires
Quits
Layoffs

Source: Bureau of Labor Statistics

Employment – Population Ratio

Employment-population ratios, Utah and USA
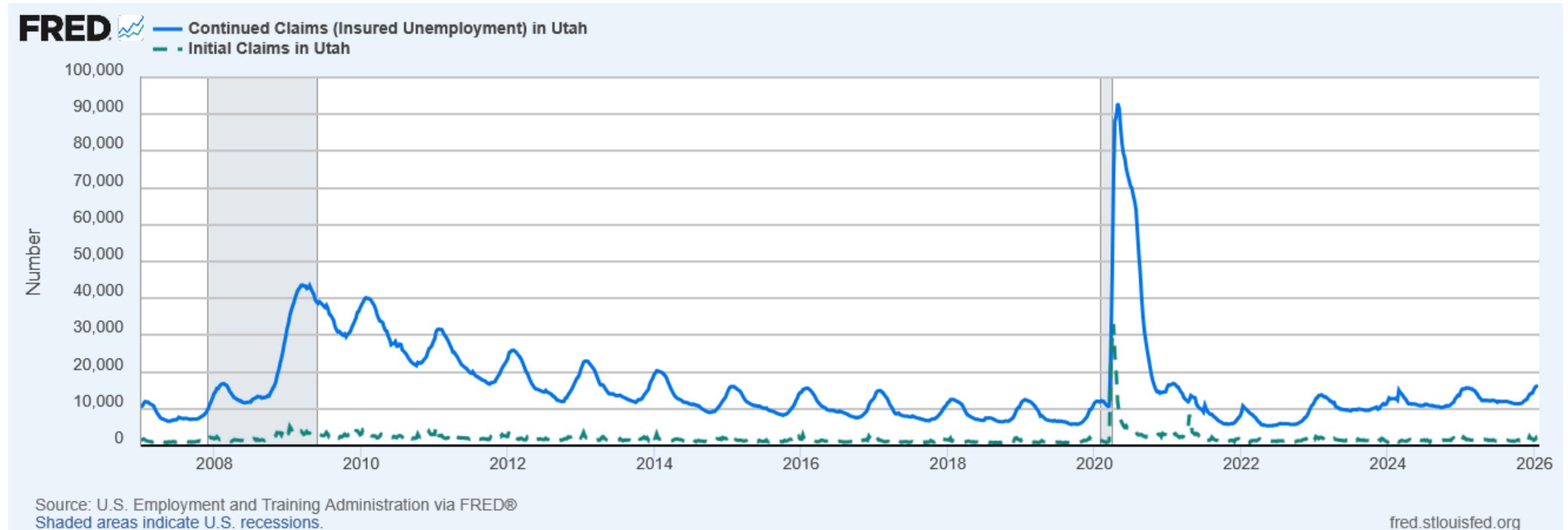
Utah

United States

Source: Bureau of Labor Statistics

Unemployment Insurance Claims

Low hire, low fire.

Retention over expansion.

CC now at highest levels since pandemic.

FRED Continued Claims (Insured Unemployment) in Utah
— · Initial Claims in Utah

Source: U.S. Employment and Training Administration via FRED®
Shaded areas indicate U.S. recessions.

fred.stlouisfed.org

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Nonfarm Job Growth, September '25

Northern Utah
Nonfarm Job Growth, September '25

1. Ed / Health / Social Services (+1.7% / +800 Jobs)
- Demographic Push.
- Institutional Stability.

2. Leisure/Hospitality (+1.1% / +384 Jobs)
- Utah's Amusement Capital
- The "Staycation"

3. Government (+0.3% / +239 Jobs)
- Strong Federal presence
- Public Universities

4. Financial Activities (+1.9% / +251 Jobs)
- Back-Office Hub.
- Real Estate Resilience.

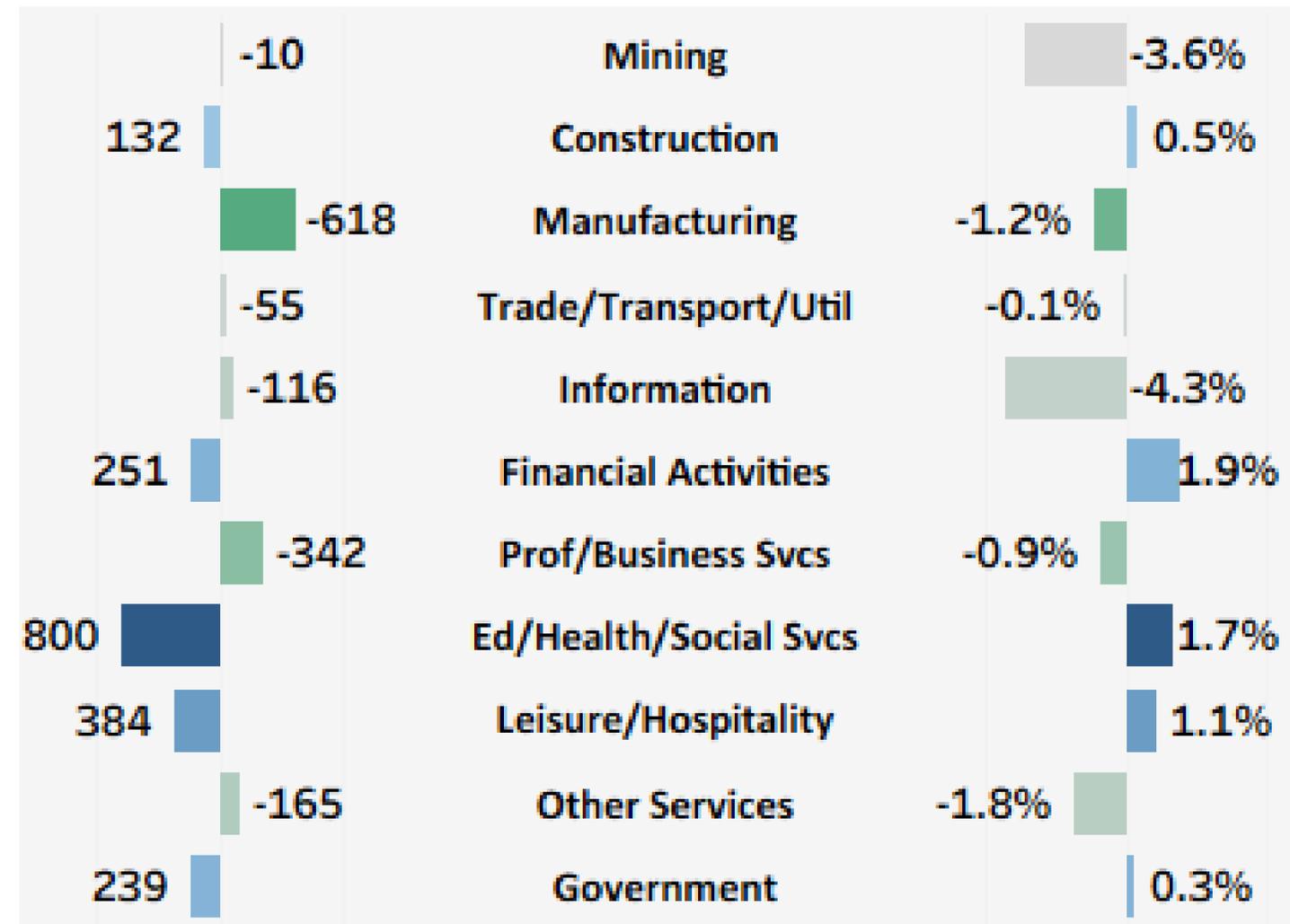**5. Other Services (-1.8% / -165 Jobs)**
- Delayed automotive repairs.
- Discretionary cutbacks on personal care.

6. Prof. & Business Services (-0.9% / -342 Jobs)
- "Retention" Phase.
- Support Sector Cooling.

7. Manufacturing (-1.2% / -618 Jobs)
- Automation vs. Headcount.
- National Inventory Correction.

Jobs	Industry	Percent
-10	Mining	-3.6%
132	Construction	0.5%
-618	Manufacturing	-1.2%
-55	Trade/Transport/Util	-0.1%
-116	Information	-4.3%
251	Financial Activities	1.9%
-342	Prof/Business Svcs	-0.9%
800	Ed/Health/Social Svcs	1.7%
384	Leisure/Hospitality	1.1%
-165	Other Services	-1.8%
239	Government	0.3%

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Photograph by Utah News Dispatch

Housing
Hurdles

- **Income vs. House Price**
- **Homeownership Rates**
- **Housing Burden**
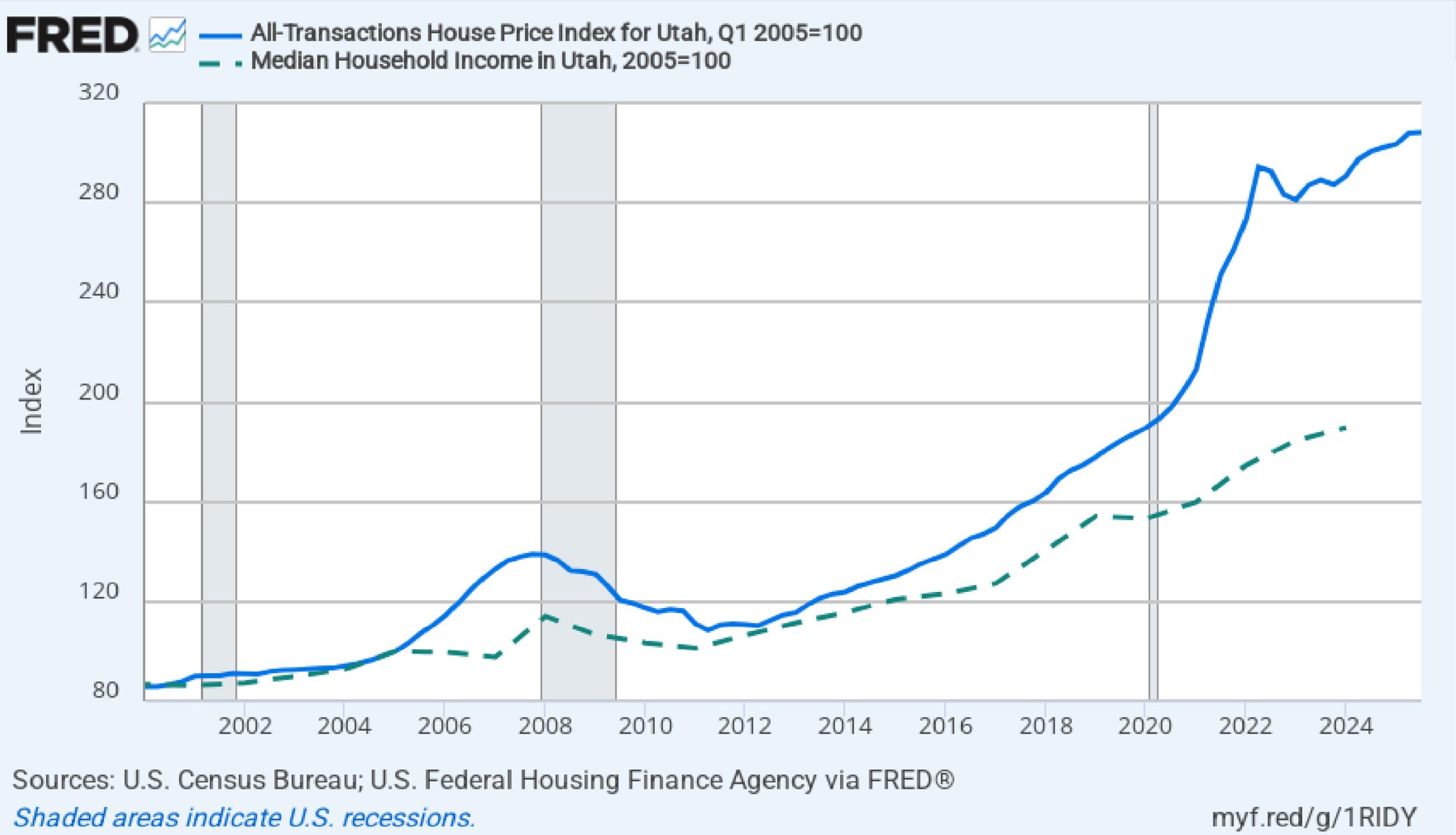
Household Income and HPI

2.7% annual inflation rate, all items (Dec. 2024 to Dec. 2025)

3/5 of the inflation rate was driven by price changes in housing.

Sources: U.S. Census Bureau; U.S. Federal Housing Finance Agency via FRED®
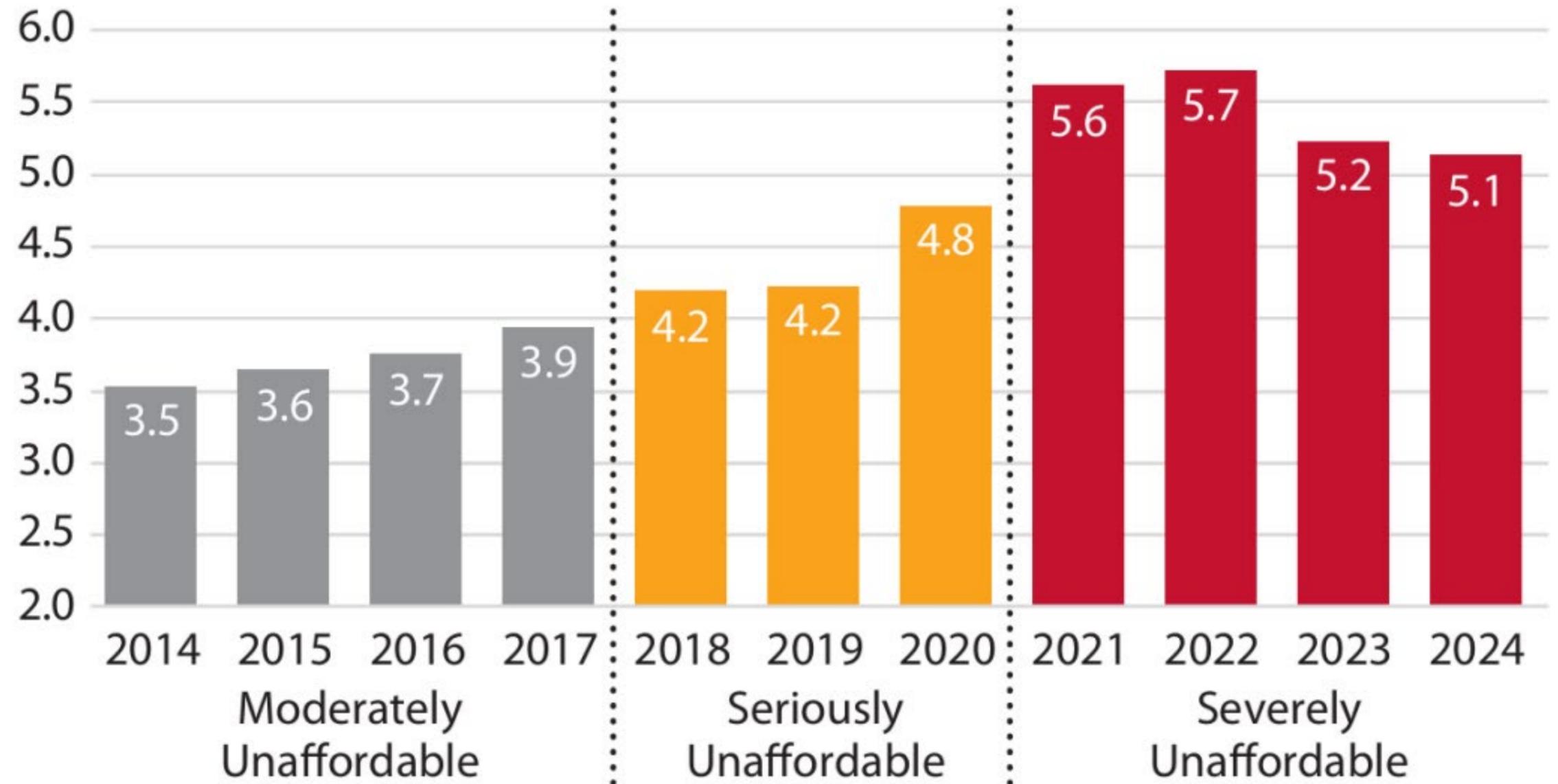*Shaded areas indicate U.S. recessions.*

myf.red/g/1RIDY

Source: U.S. Census Bureau and National Association of Realtors

Ratio of Utah Median Home Price to Median Household Income
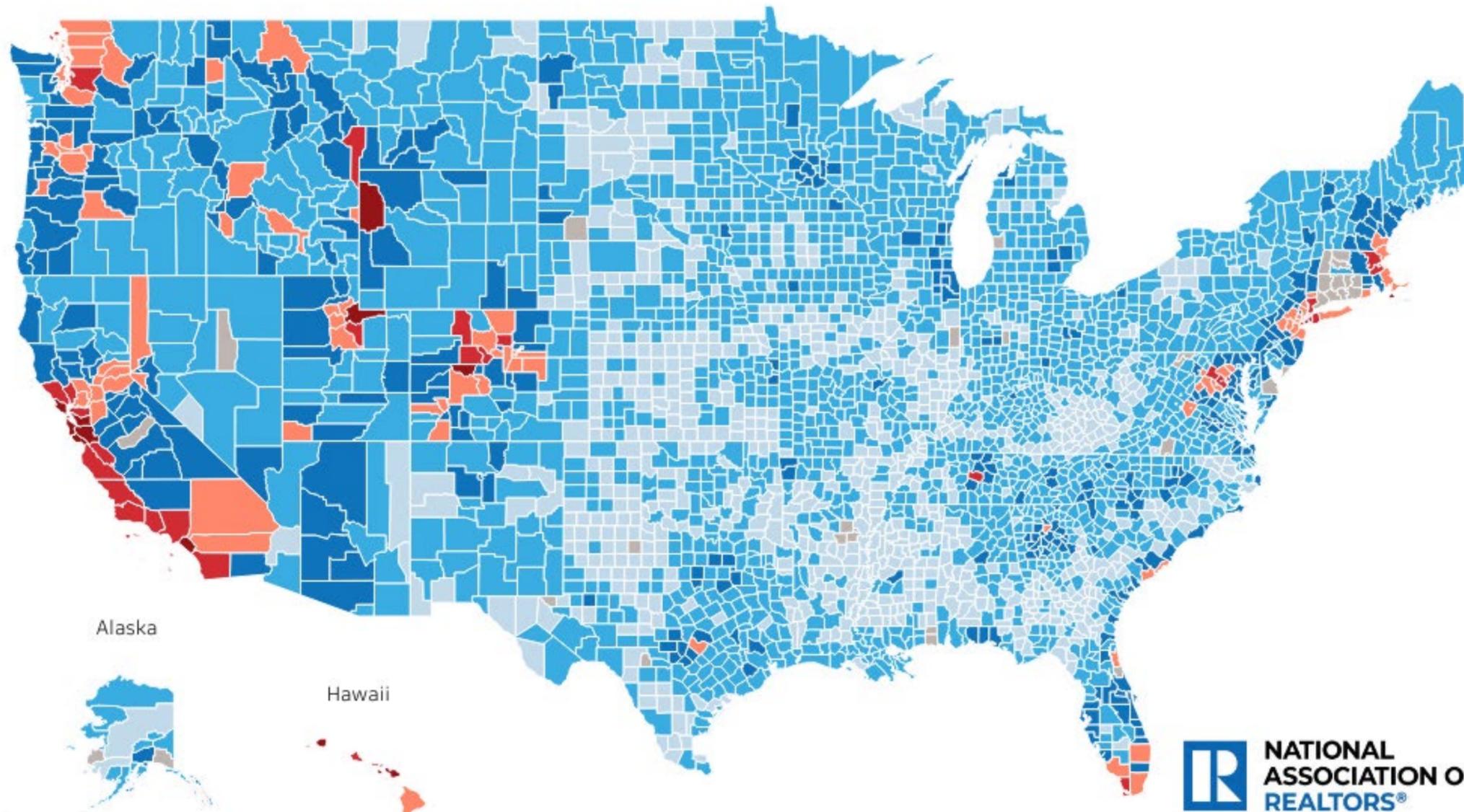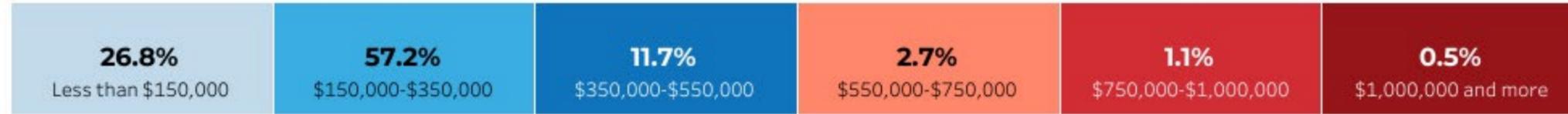
2017 to 2024

- Ratio of median home price to median household income – metric for affordability

- Since 2019, the median listing price of homes in Utah has risen 49%

- In 2024, the ratio was 5.8

- Peaked in 2021 at 6.4

**Moderately Unaffordable:** 2014: 3.5, 2015: 3.6, 2016: 3.7, 2017: 3.9
Seriously Unaffordable: 2018: 4.2, 2019: 4.2, 2020: 4.8
Severely Unaffordable: 2021: 5.6, 2022: 5.7, 2023: 5.2, 2024: 5.1

Source: U.S. Census Bureau, National Association of Realtors, Kem C. Gardener Policy Institute

County Median Home Prices

Q2 2025

Hover over the bar to highlight. **Click** to filter. Press **ESC** to clear selection

26.8% Less than $150,000	57.2% $150,000-$350,000	11.7% $350,000-$550,000	2.7% $550,000-$750,000	1.1% $750,000-$1,000,000	0.5% $1,000,000 and more

Alaska

Hawaii

National Association of Realtors®

Click below to download the map in pdf

Homeownership in the US and Utah

FRED 📈 — Homeownership Rate in the United States
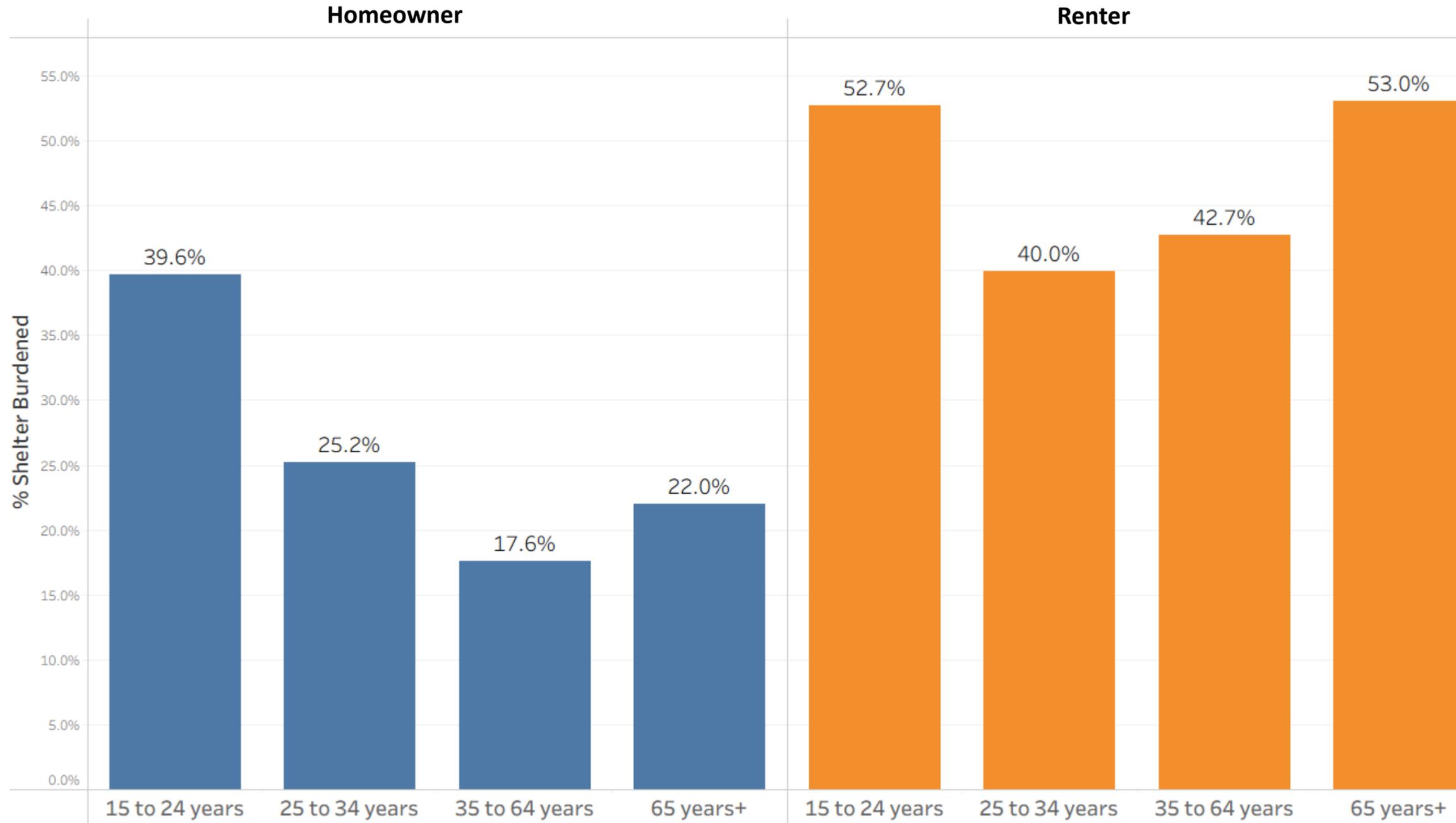— Homeownership Rate for Utah
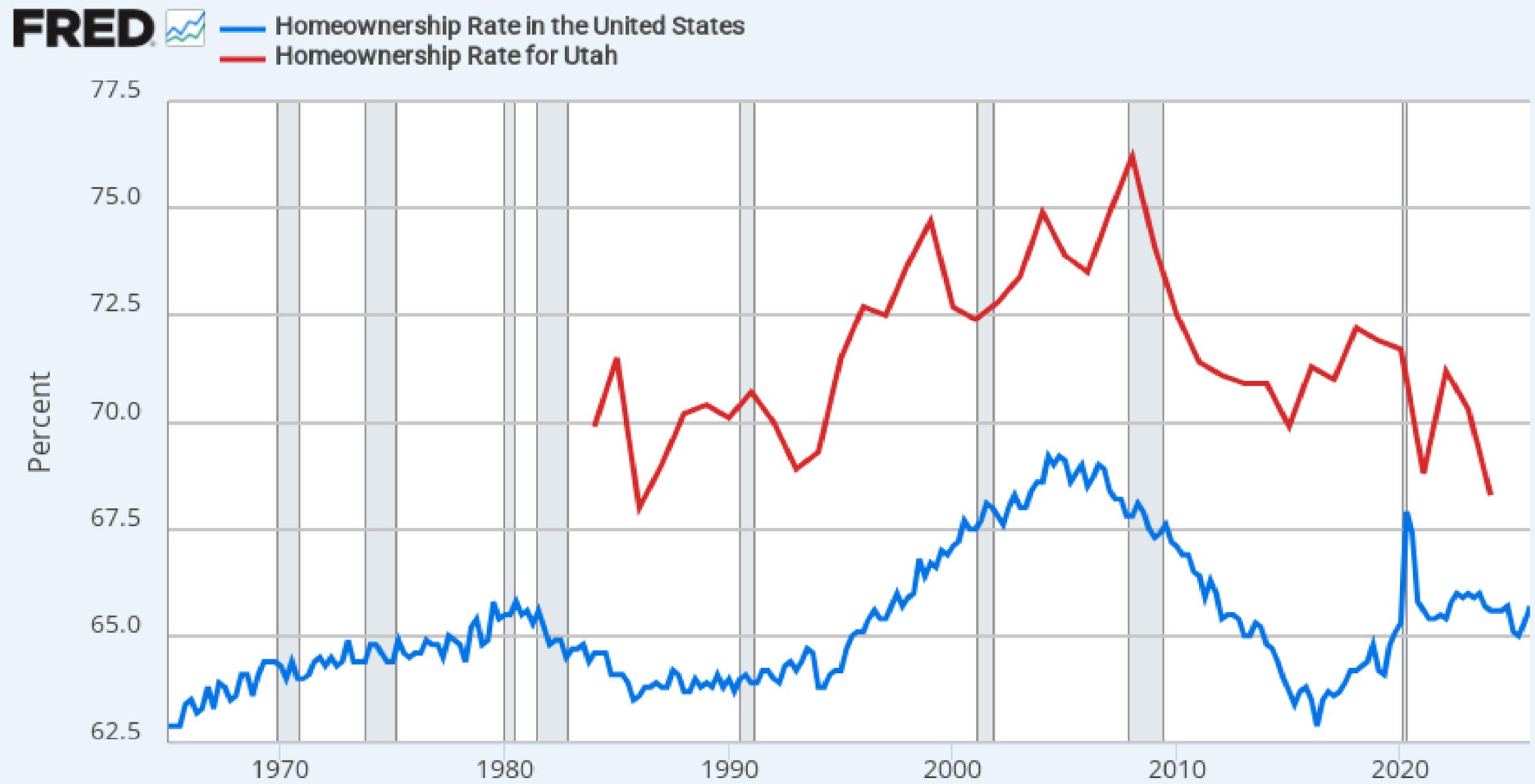
Source: U.S. Census Bureau via FRED®
Shaded areas indicate U.S. recessions.

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Housing Burden

Share of households with housing cost burden above 30% income by age

Source: American Community Survey, 5-Year, 2024

Photograph by EnvisionUtah

What does the future hold?

Forecasts and Expectations

- **Technology Flux**
- **State Strengths**
- **2026 Predictions**

ATM's and Tellers/Bankers

"The Rise of Robots"

Tellers vs. ATM Installations (1990s –Today)

- **ATM Explosion:** ~400,000 ATMs installed; assumed to eliminate tellers —but teller jobs rose.

- **Branch Strategy Shift:** ATMs cut average tellers/branch from 21 to 13, making branches cheaper to run. Banks opened more branches, netting more teller positions overall.

- **Evolving Job Role:** Tellers now focus on marketing and customer relations, often requiring higher skills and offering better wages.

- **General Trend:** Similar outcomes seen with scanning tech (cashiers) and e-discovery (paralegals) —tech often reshapes jobs rather than eliminating them.
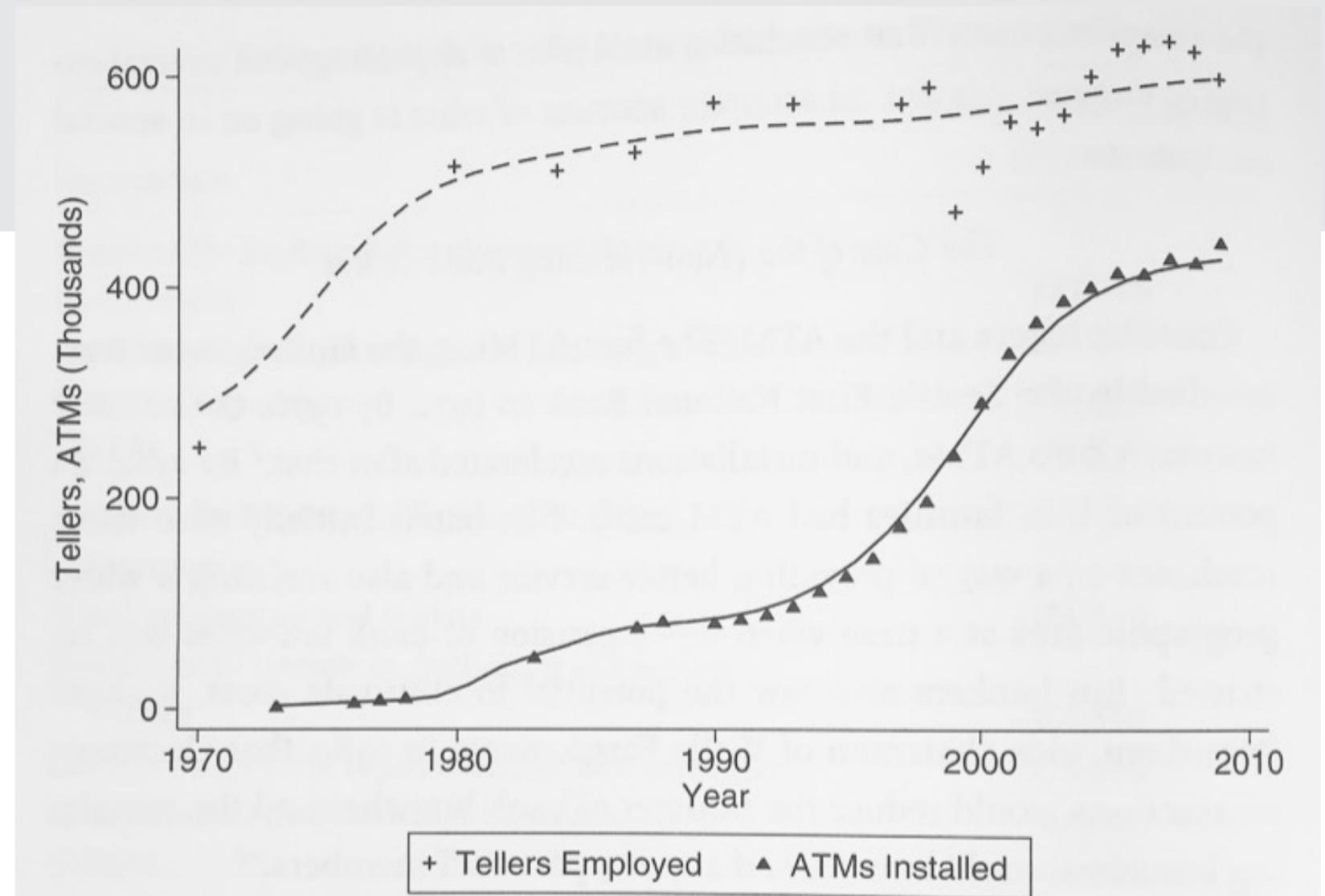
Figure 7.1. Adoption of automated teller machines did not reduce teller jobs. (Ruggles et al., Integrated Public Use Microdata Series: Version 5.0; Bureau of Labor Statistics, Occupational Employment Survey, http://www.bls.gov/oes/; Bank for International Settlements, Committee on Payment and Settlement Systems, various publications [see p. 243, note 9]).

Source: AEIDeas, "Learning by Doing: The Real Connection between Innovation, Wages, and Wealth" by James Bessen

AI and Productivity in Utah
Regulatory Relief Plan

Dentacor

Using AI to responsibly expand access to essential dental care
Dentacor Mitigation Agreement ⧉

Dentacor is addressing one of the most overlooked gaps in healthcare: access to oral health for Utah's most vulnerable populations. Many individuals experiencing homelessness or financial hardship live for years with untreated dental disease — not because treatment is complex, but because access is limited.

Dentacor's mobile dental hygiene model brings care directly to shelters, recovery programs, and transitional housing. Through a pilot with the Utah Office of Artificial Intelligence Policy (OAIP), Dentacor is testing whether AI can safely support this work by increasing clinical capacity without compromising patient safety.

The Approach

OAIP granted Dentacor a 12-month regulatory mitigation under the AI Learning Laboratory program to test a narrowly defined use of an AI-assisted radiograph diagnostic tool.

Under this pilot:

- Licensed dental hygienists may use AI to assist in diagnosing specific dental conditions

- Diagnoses must be confirmed by both the hygienist and the AI system

- Any disagreement is escalated to a licensed dentist

- Only a limited set of procedures is permitted

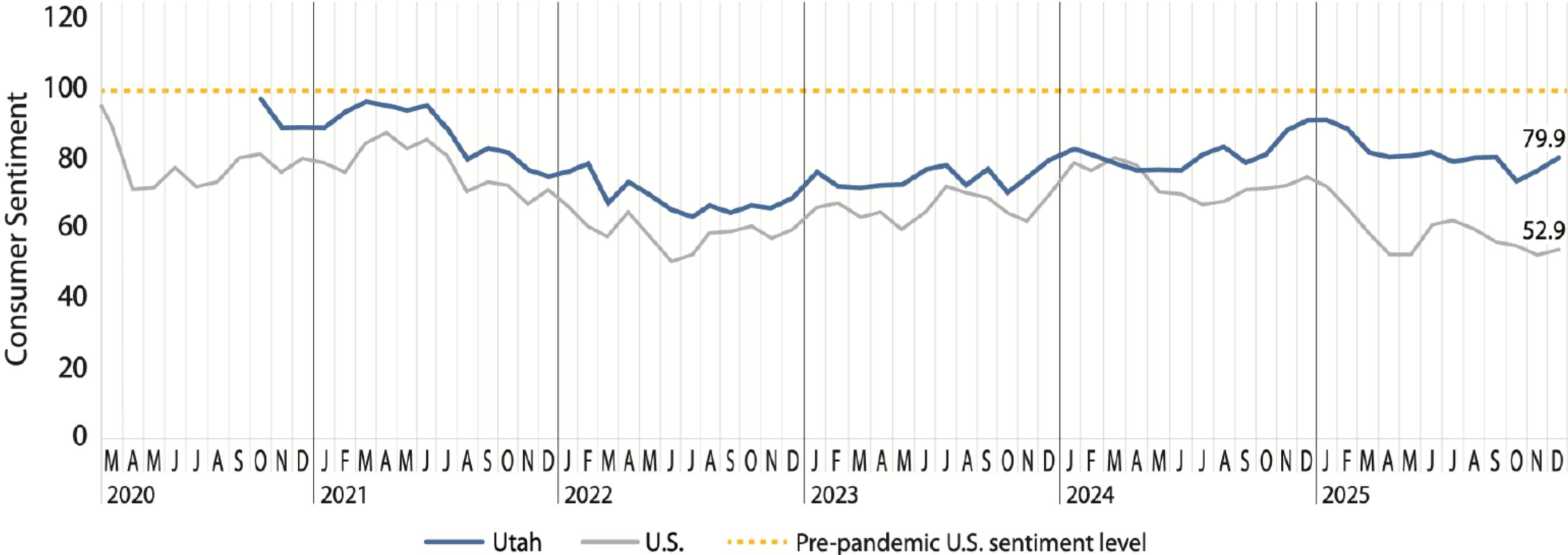- All patients provide informed consent and receive full transparency

AI functions as a clinical support tool, not a replacement for professional judgment.

Source: Utah Department of Commerce, Office of Artificial Intelligence Policy
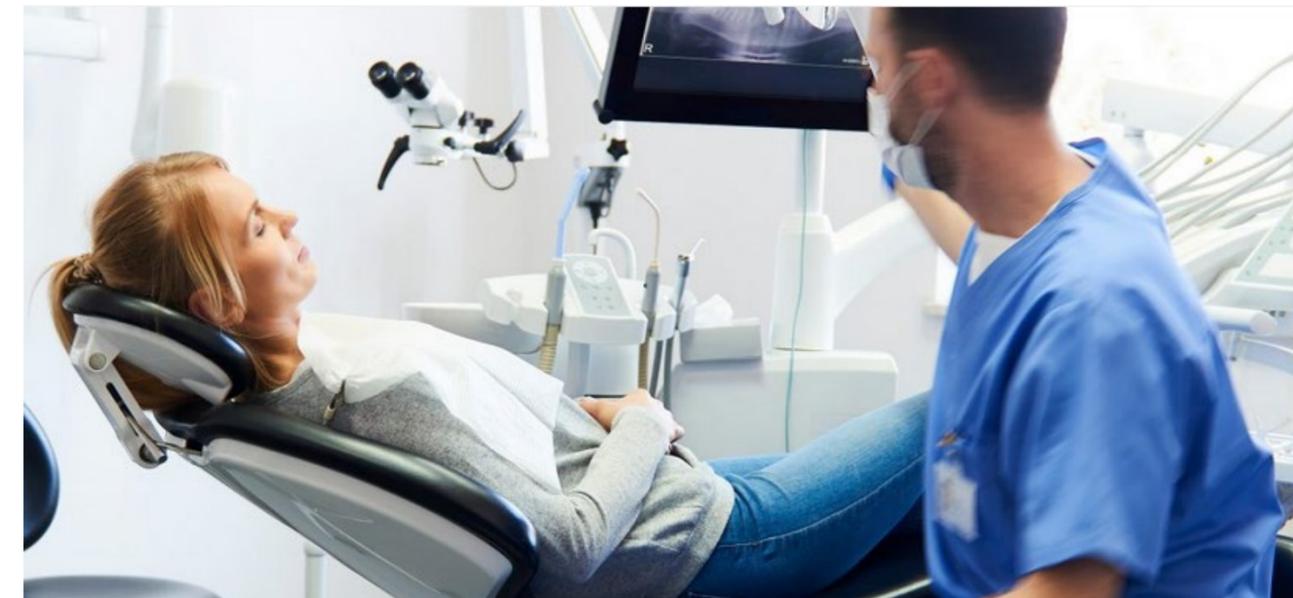
Anxiety
Utah and U.S. Consumer Sentiment Index

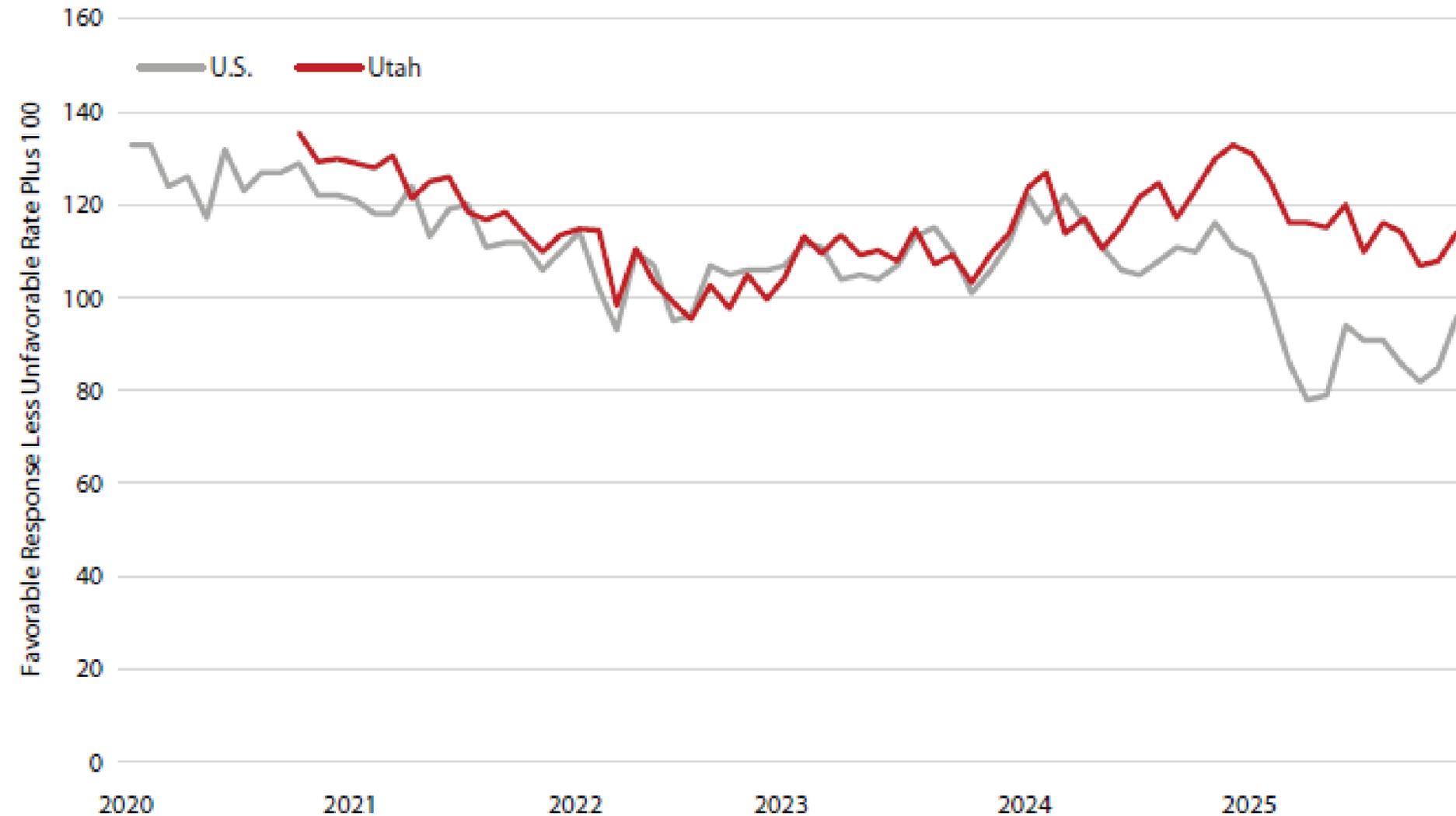**Consumer Sentiment Index: Utah and U.S.**

Source: Zions Bank, University of Michigan, and Kem C. Gardner Institute

# Expected Family Financial Situation Change in One Year, 2020 - 2025e

Utah's favorable positioning:
- Age advantage
- Highly credentialed
- Economic Diversity

Note: *e=estimate for U.S. survey component (December 2025 for Michigan's component measure).
Source: University of Michigan Surveys of Consumers and Zions Bank Consumer Sentiment Survey

Economic Outlook

Source: Utah Economic Council
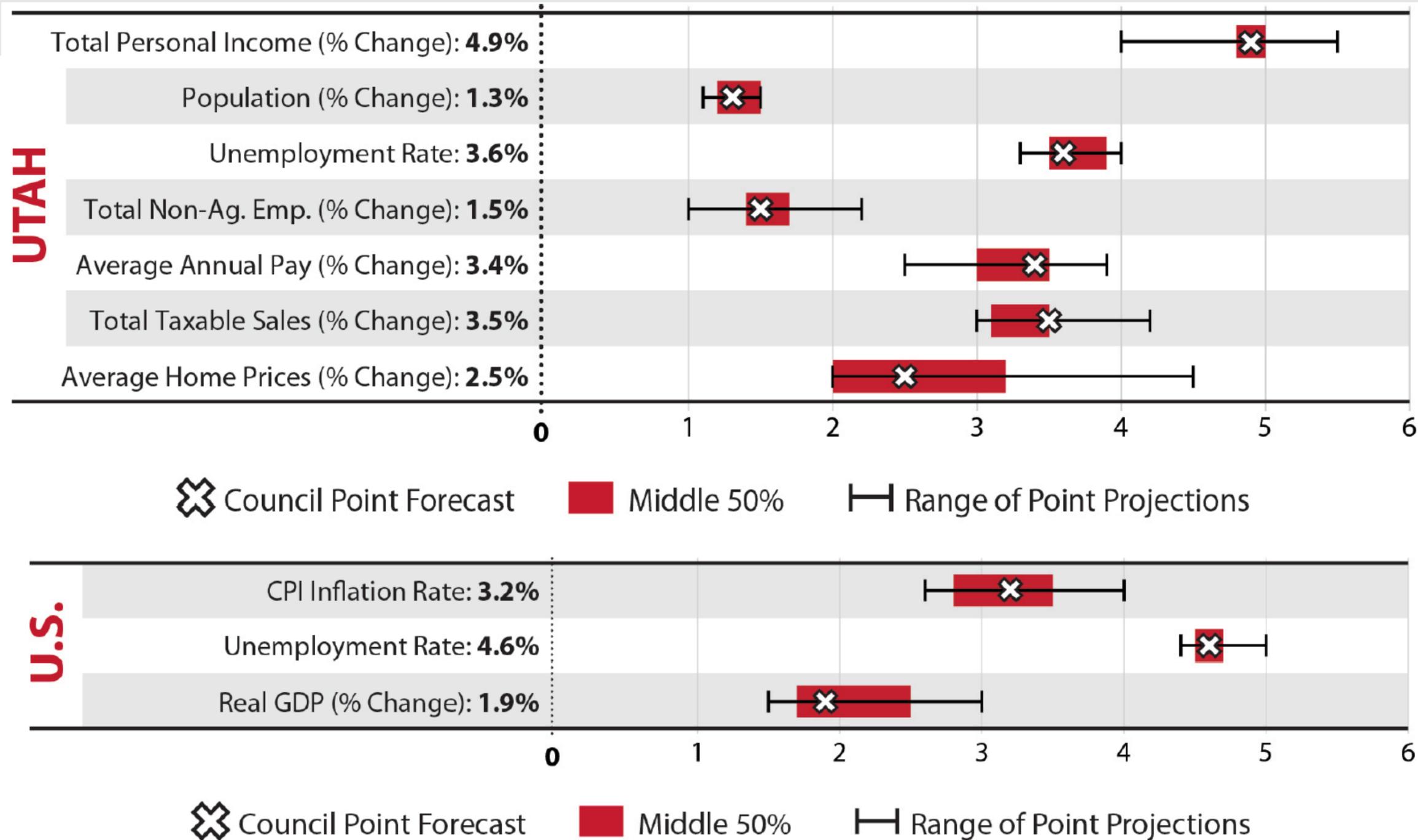
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