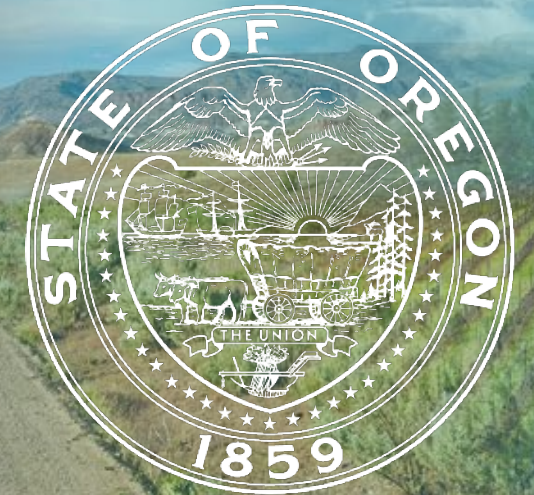


Oregon Economic Outlook 2026: Resilience underpins, but risks abound



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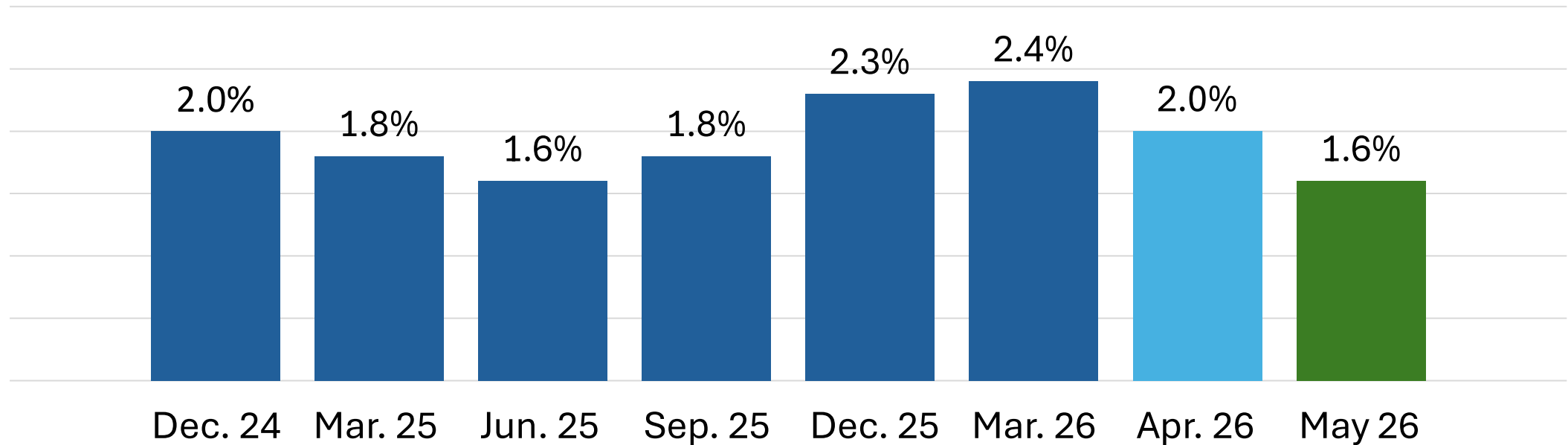
Disclaimer: The views expressed here are solely those of the presenter, they do not represent official State of Oregon policies or positions

Key Themes for 2026

- Mid-cycle refresh (tax cuts, interest rate cuts, tariff stability)
- AI (jobs disrupter and dominant financial market force)
- Commercial Real Estate rerating
- Fiscal dominance (i.e. Federal debt burden)
- Geopolitics & Energy

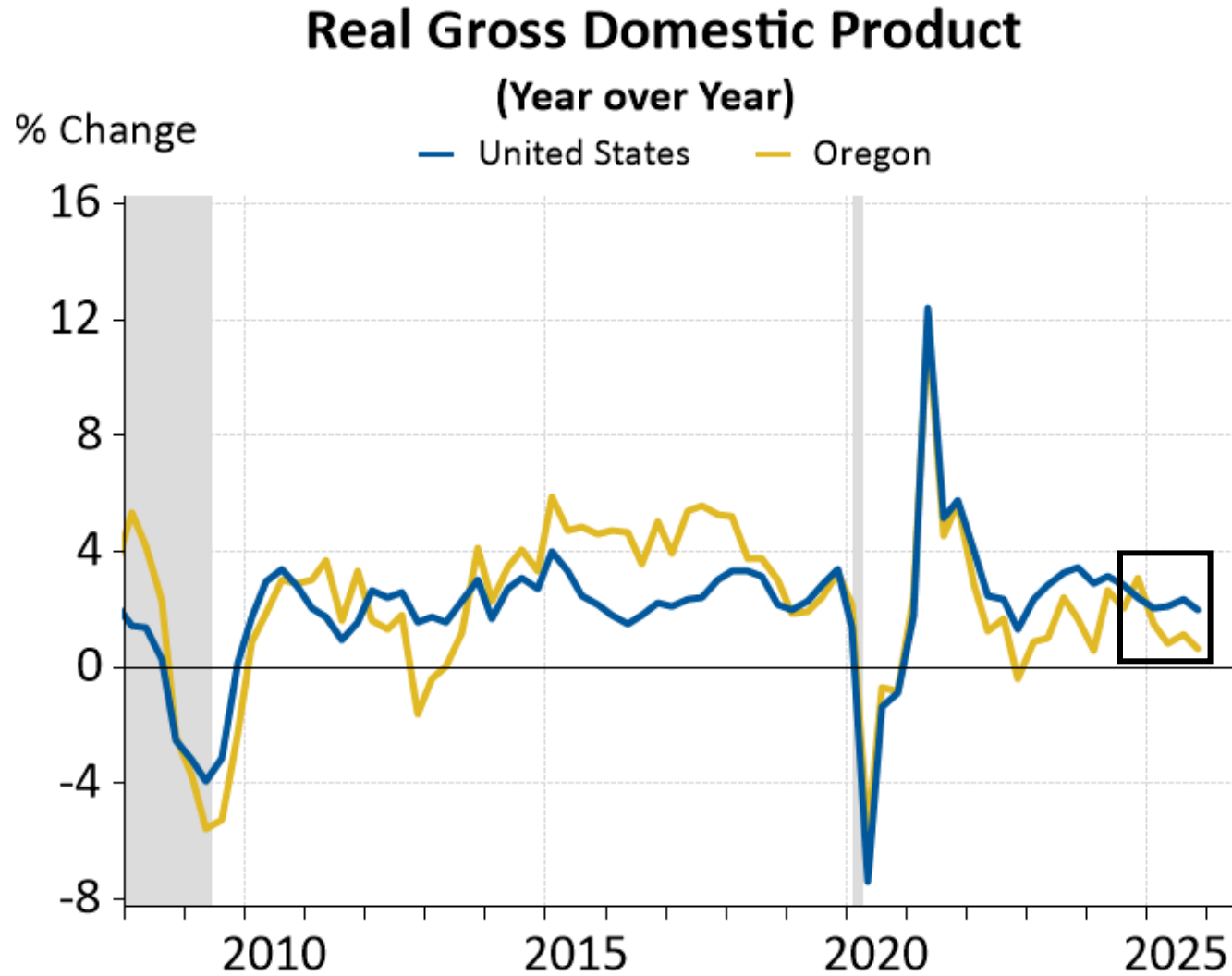
Forecasters Remain Constructive, But Oil Price Shock Mutes Upside Potential

U.S. 2026 GDP Growth Forecasts (Percent Change Q4/Q4)



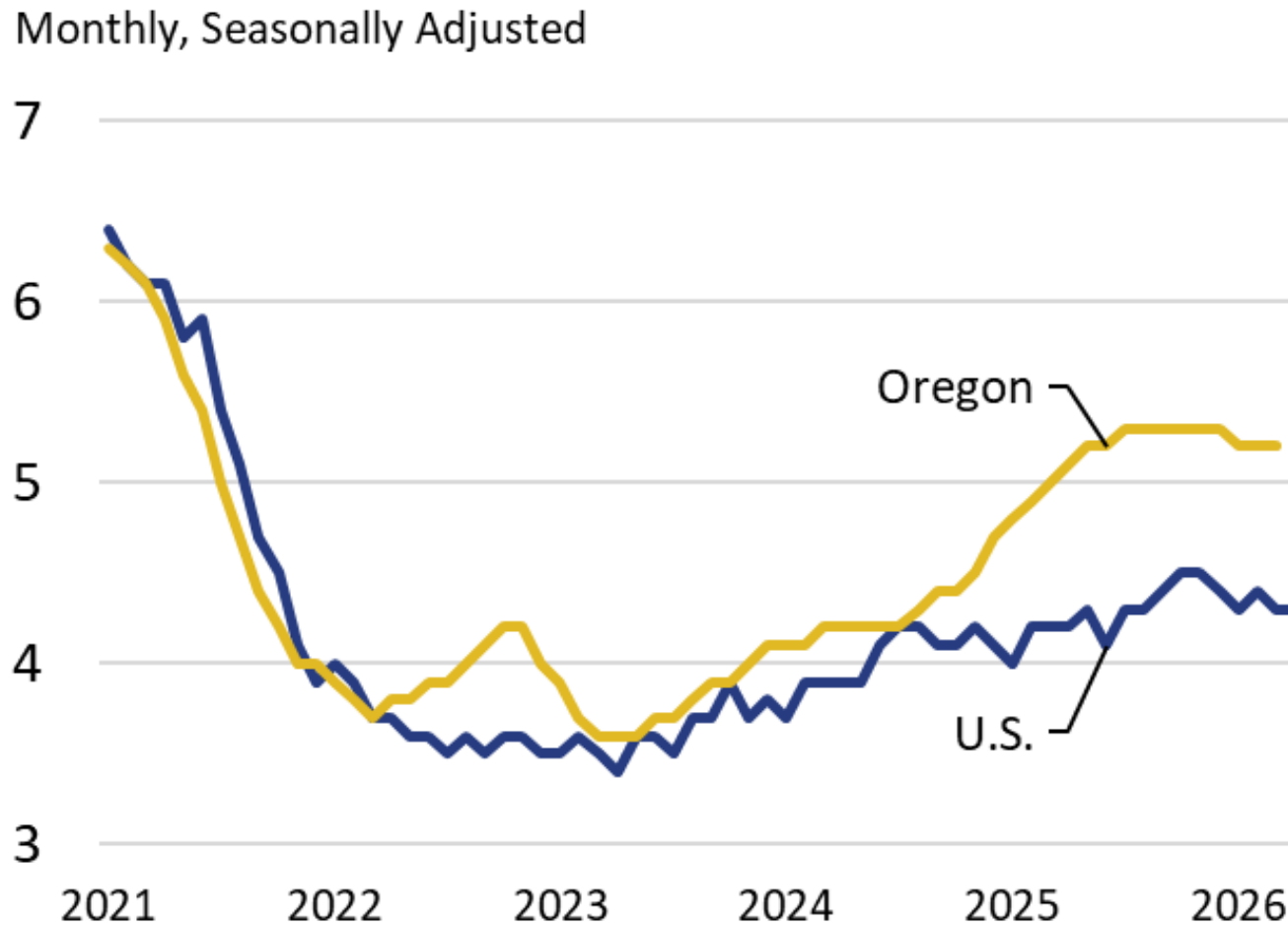
■ Federal Reserve S.E.P. ■ Bloomberg Private-Sector Survey Consensus ■ Standard & Poor's Forecast

Oregon Economy Lagging the US



Over the last year, Oregon GDP growth has trailed the U.S. by 1.1 percentage points.

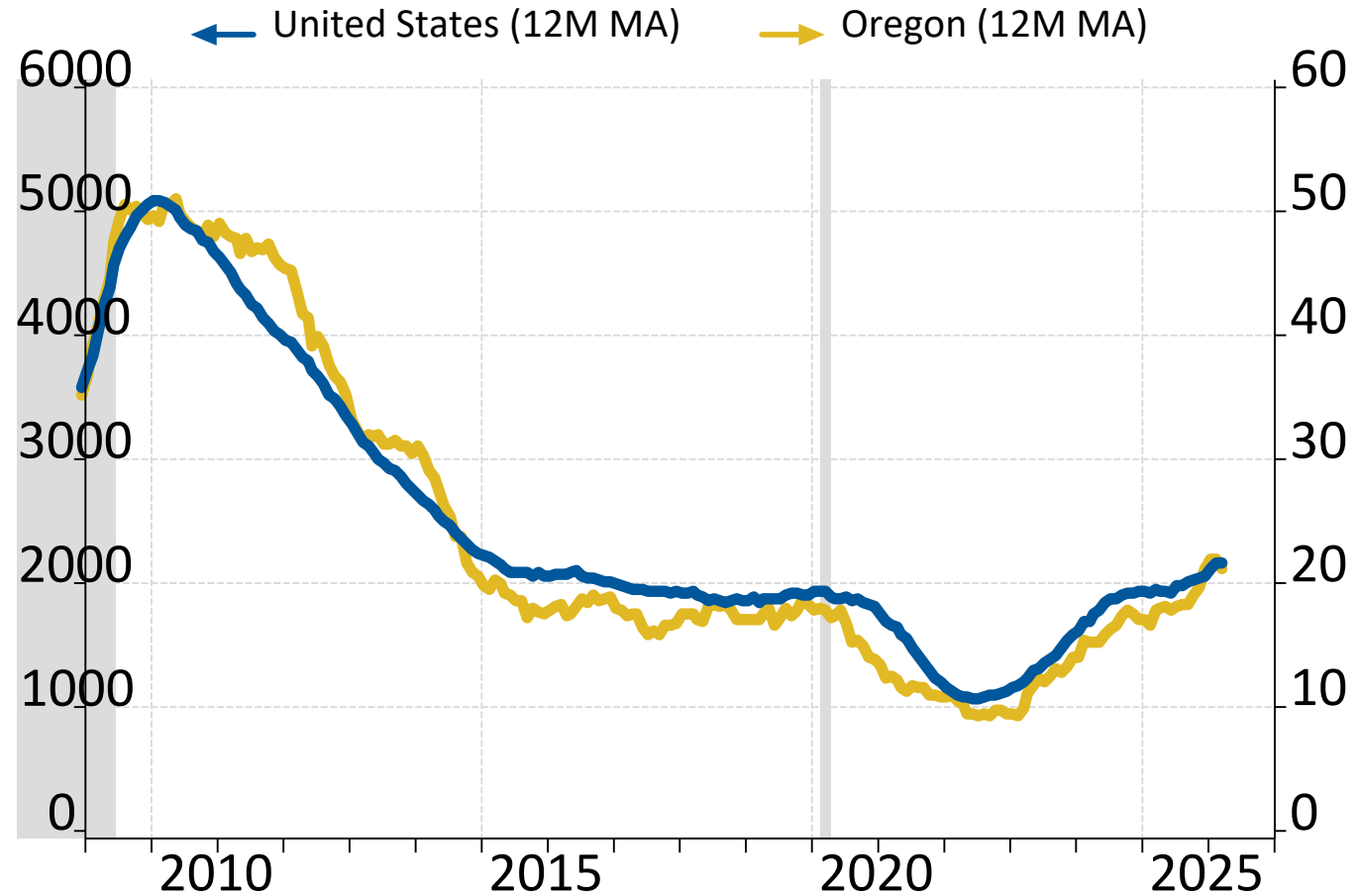
US and Oregon Unemployment Rates Appear to be Stabilizing



Latest: Oregon March 2026, U.S. April 2026 | Source: Oregon Employment Department, OEA

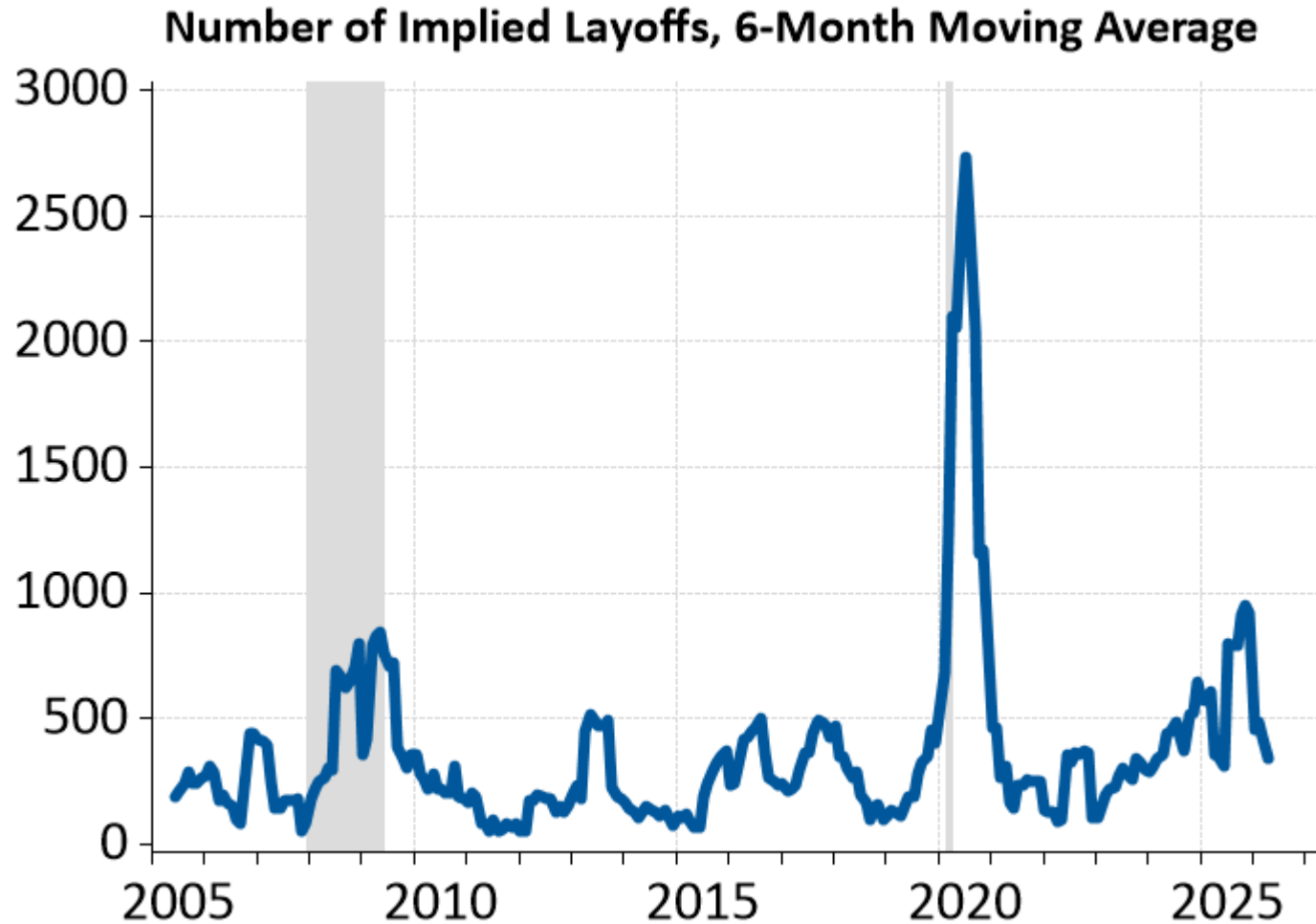
Business Distress Tracking With National Trend

Business Bankruptcy Filings



Source: Administrative Office of the U.S. Courts/Haver Analytics/OEA

Worker Adjustment and Retraining Notifications Sharply Off 2025 Peak

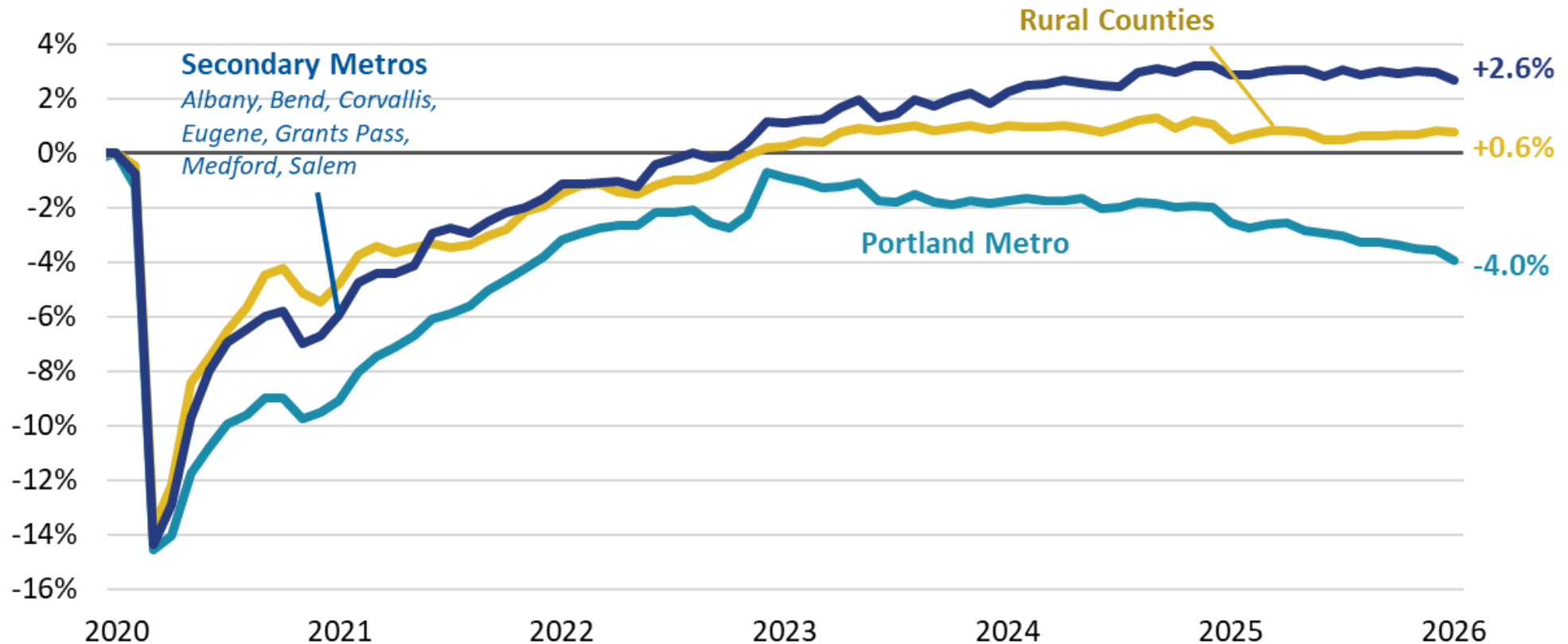


Source: Federal Reserve Bank of Cleveland/Haver Analytics/OEA

Secondary Metros Continue to Drive Job Creation

Oregon Employment: Urban and Rural

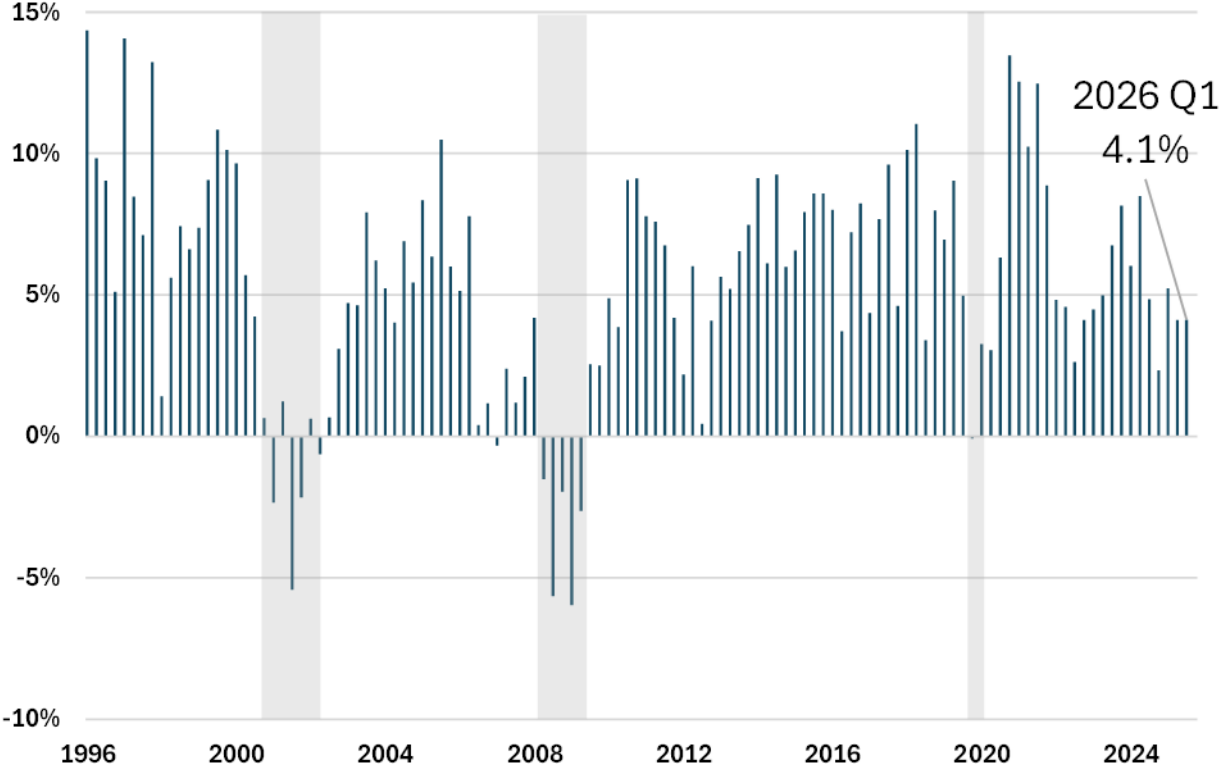
Percent change from February 2020



Real-time Revenue Indicators

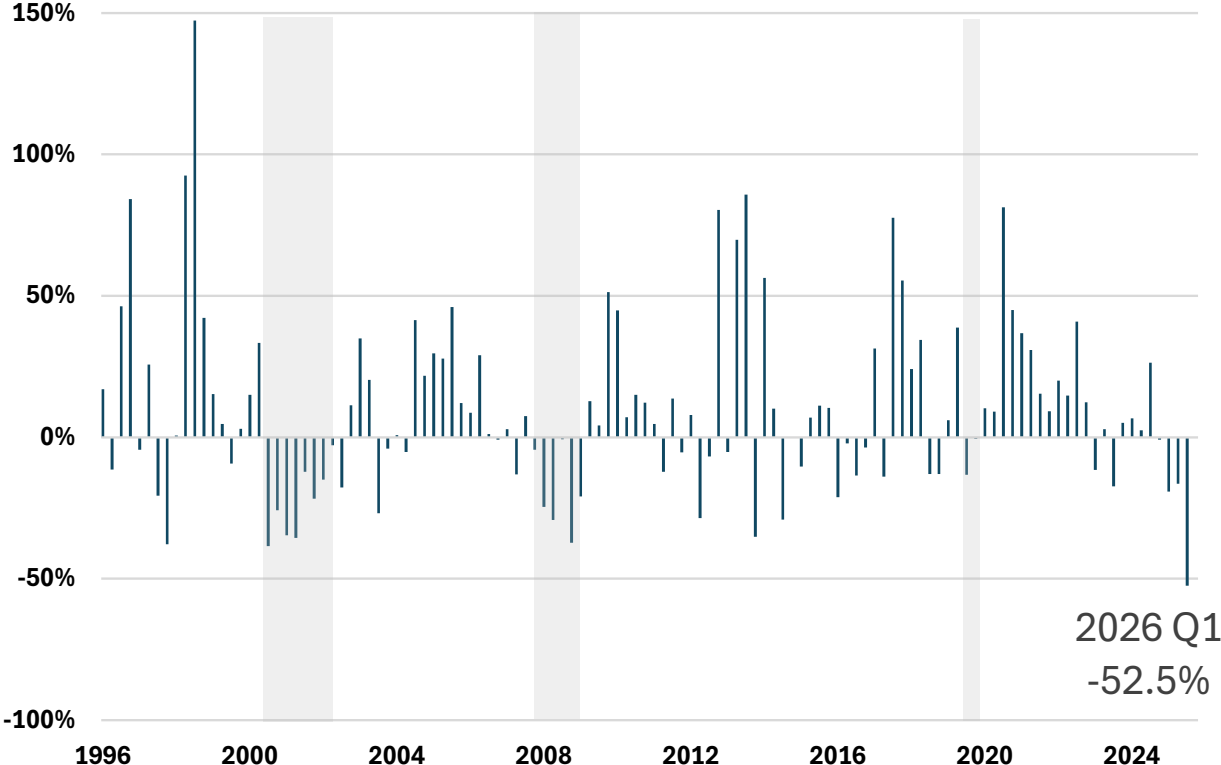
Withholding

(Quarterly Data, Year-over-year change)



Corporate Estimated Payments

(Quarterly Data, Year-over-year change)

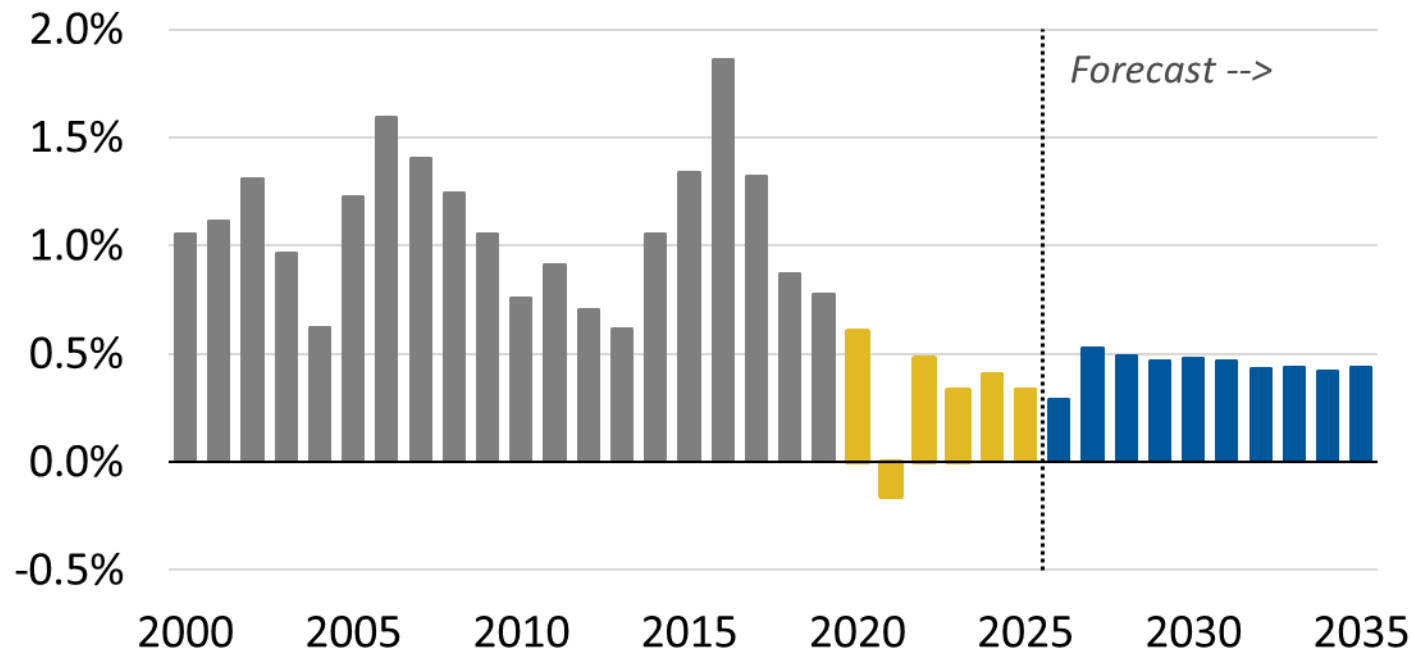


Longer-Term Demographic Outlook Depends On Employment

Oregon Population Growth

Annual change in total state population

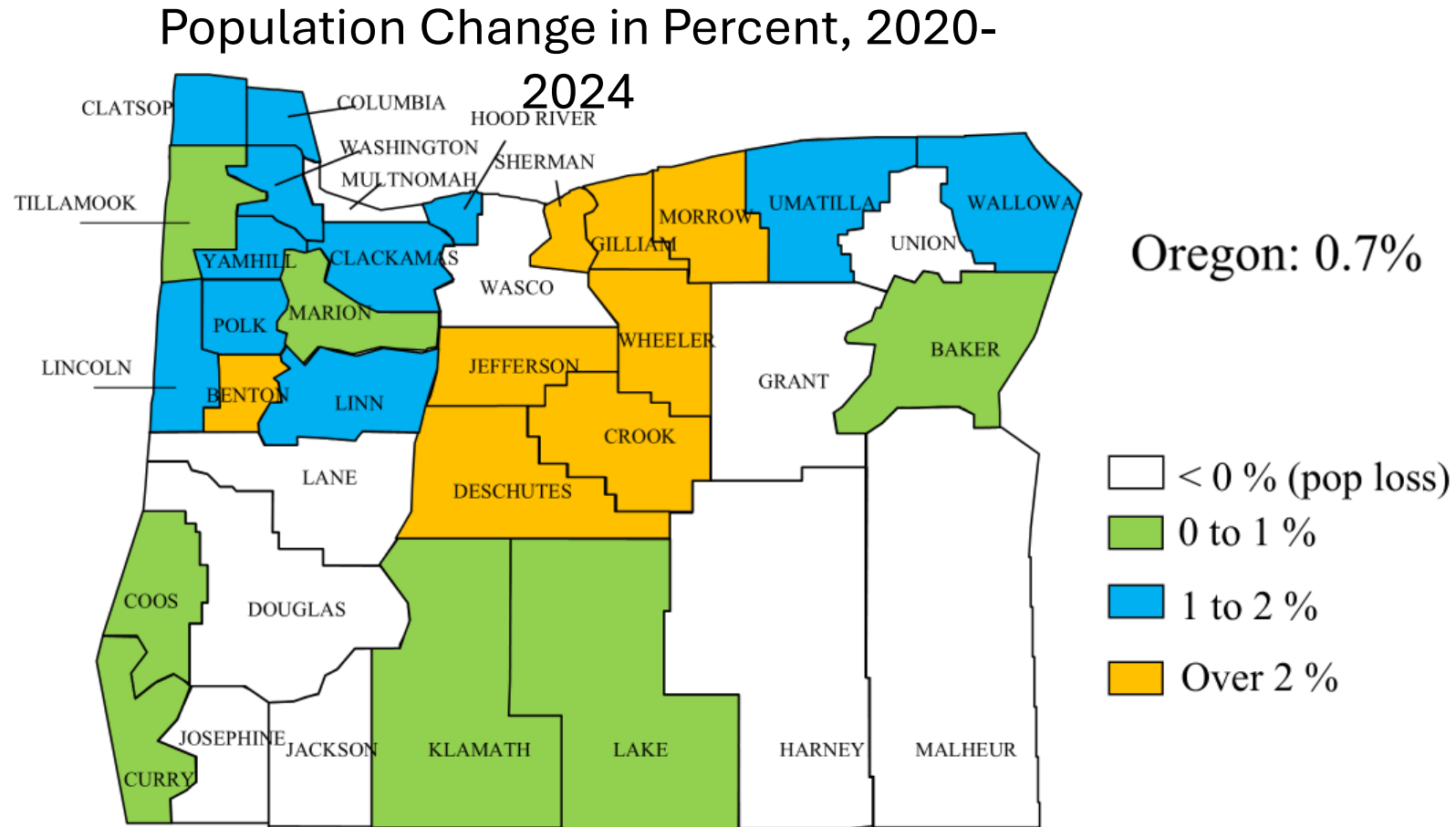
History, PSU Estimates, and Forecast



Oregon is growing slower than U.S.

- Oregon's entire population growth will come from net migration.
- Population expected to grow by average of 0.4% through 2035.

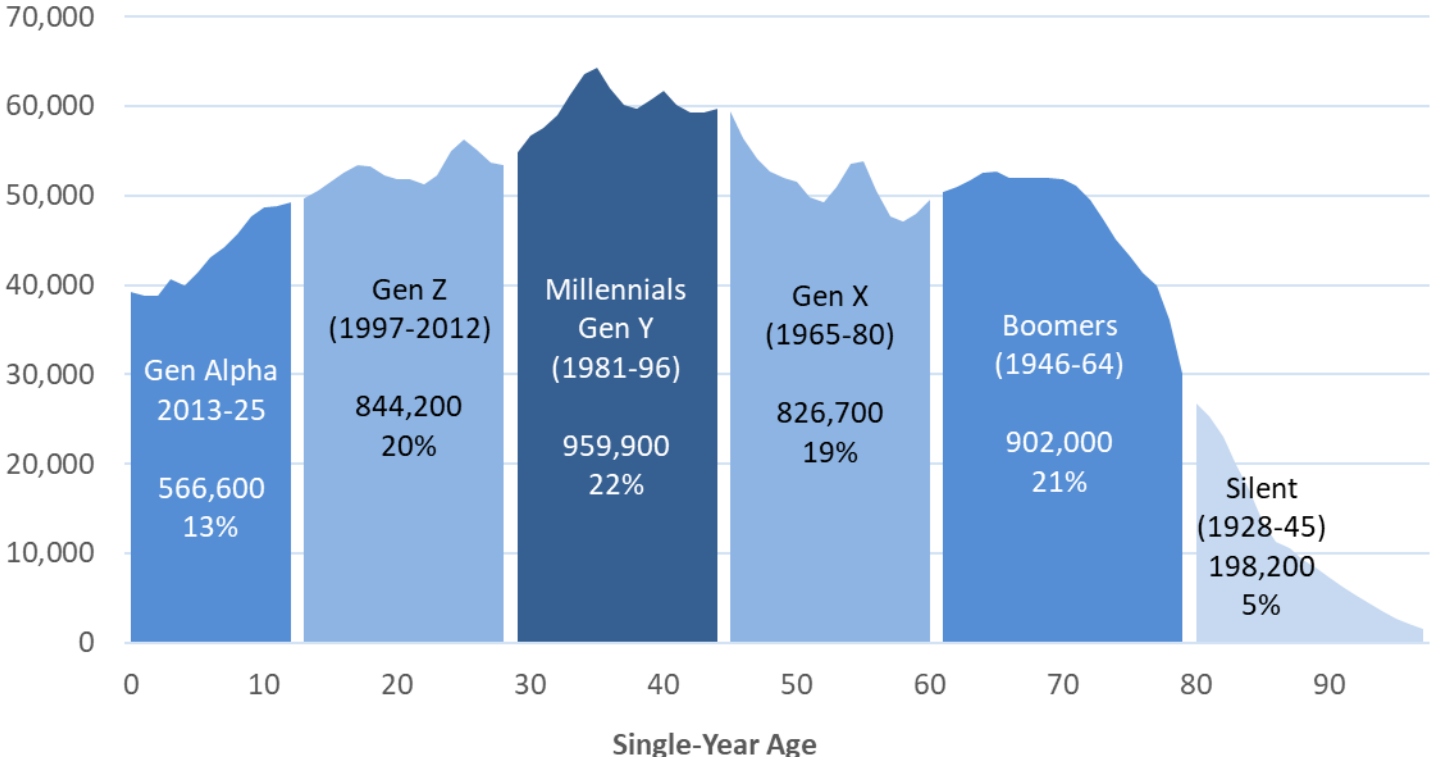
Oregon Population Change by County



- High growth in the Central and mid- Columbia River counties.
- Slow or negative growth concentrated in southern and southeast Oregon.
- 10 counties experienced population loss.

Looming Oregon Demographics Challenge

Oregon Population and Generations



Data: 2025 Estimates | Source: Oregon Office of Economic Analysis

Millennials

- Largest generation alive
- Now middle-age, key economic force
- Huge homeownership demand

Boomers

- Entering traditional retirement years
- 2020s: decent savings, good health
- 2030s: downsizing and health needs

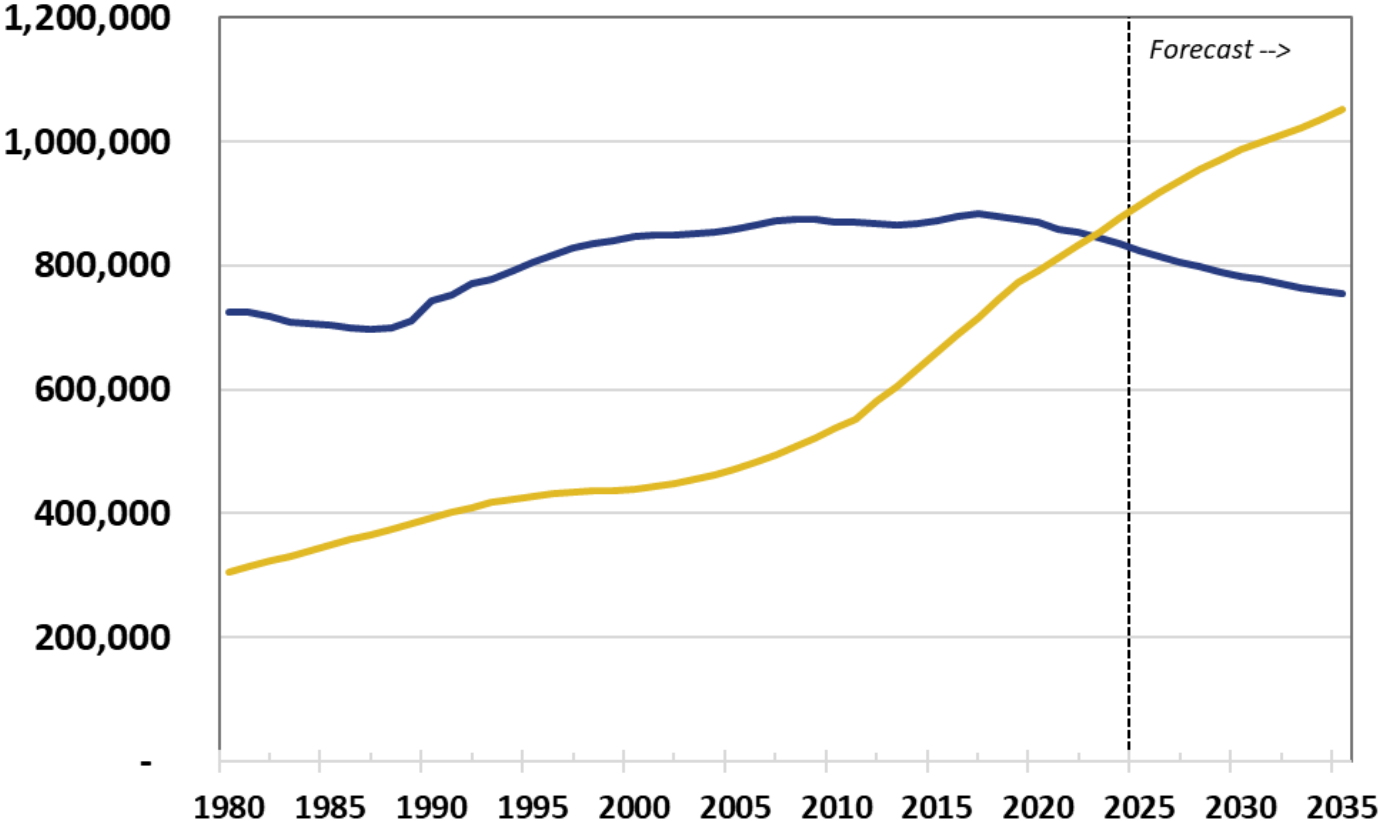
Gen Z

- Oregon needs Gen Z migration to help balance future demographics
- Economic driver in the 2040s

The Graying of Oregon

Oregon Demographic Shift

Children <18 and 65+ Population



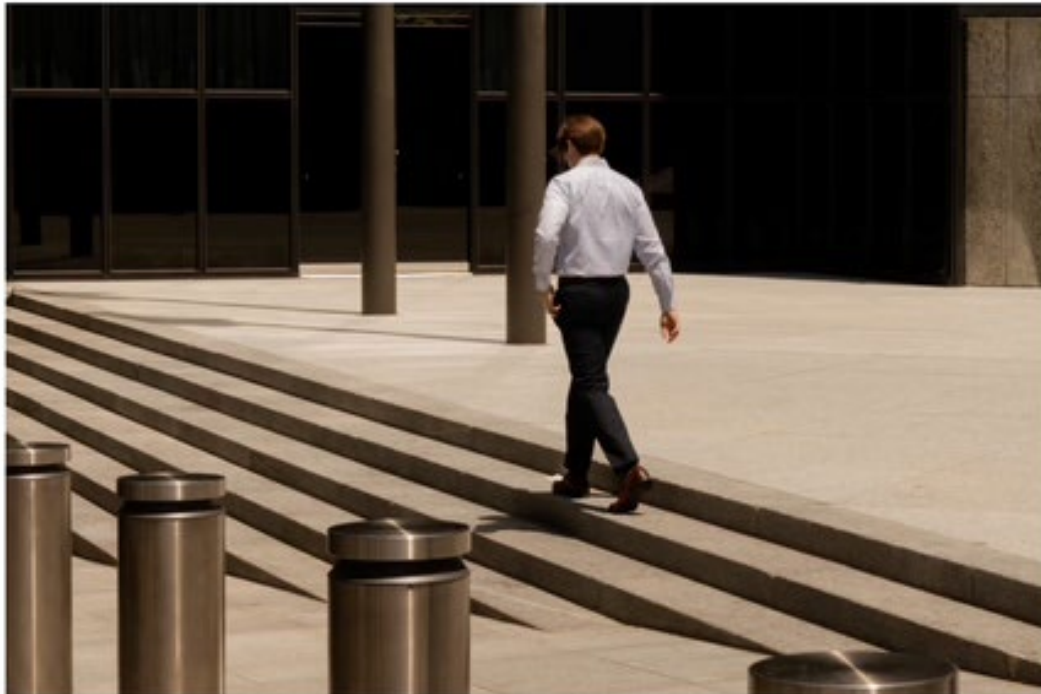
Source: U.S. Census Bureau; Oregon Office of Economic Analysis

AI as a Disruptive Force...But Not Quite Yet?

BUSINESS

Tens of Thousands of White-Collar Jobs Are Disappearing as AI Starts to Bite

Layoffs at companies ranging from Amazon to Target are sending young and experienced workers alike into unwelcoming market

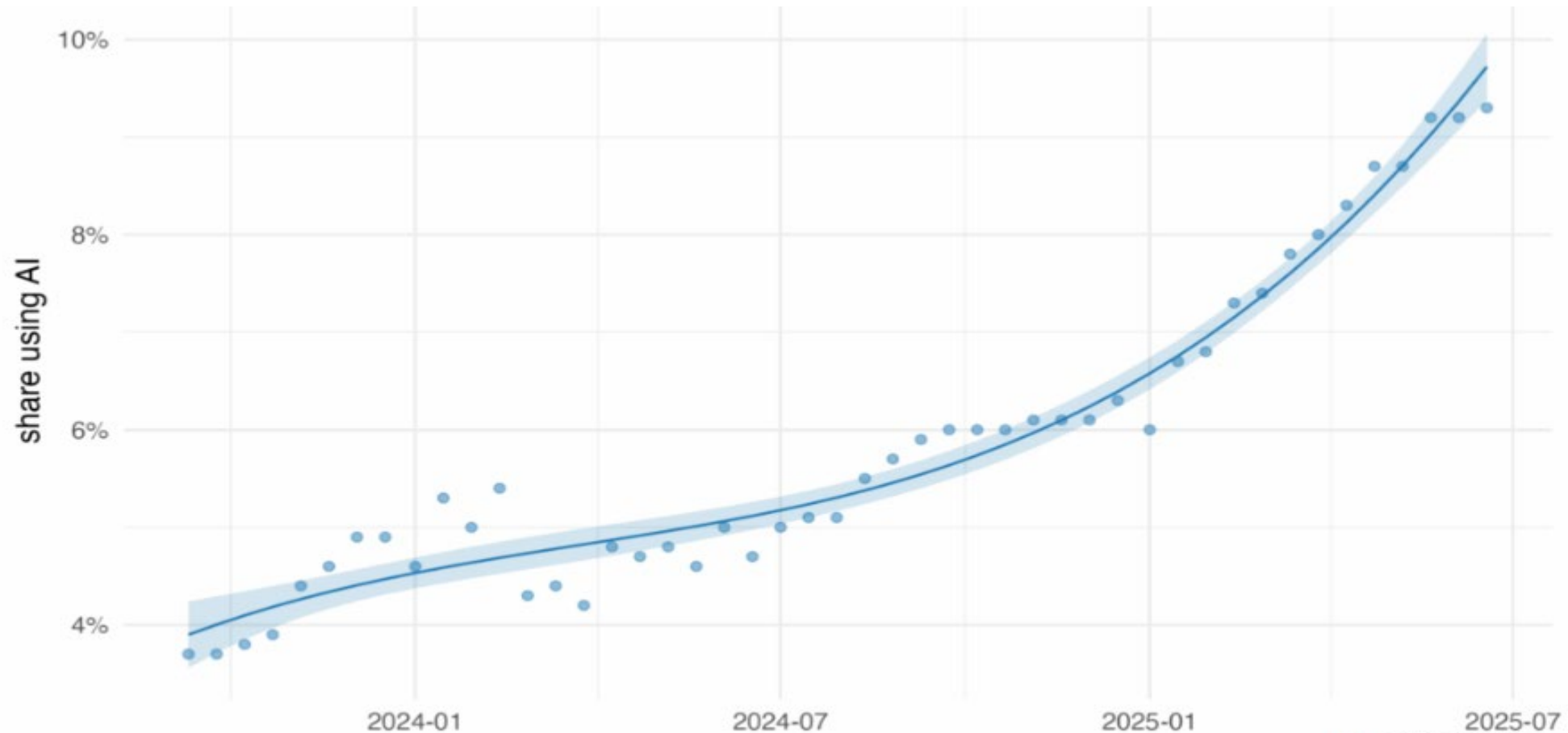


White-collar opportunities in America are becoming harder to find. PHOTO: MATT GENOVESE FOR WSJ

The nation's largest employers have a new message for office workers: help not wanted.

Amazon.com said this week that it would cut 14,000 corporate jobs, with plans to eliminate as much as 10% of its white-collar workforce eventually. United Parcel Service said Tuesday that it had reduced its management workforce by about 14,000 positions over the past 22 months, days after the retailer Target said it would cut 1,800 corporate roles.

Share of Businesses Using AI



Source: Business Trends and Outlook Survey



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