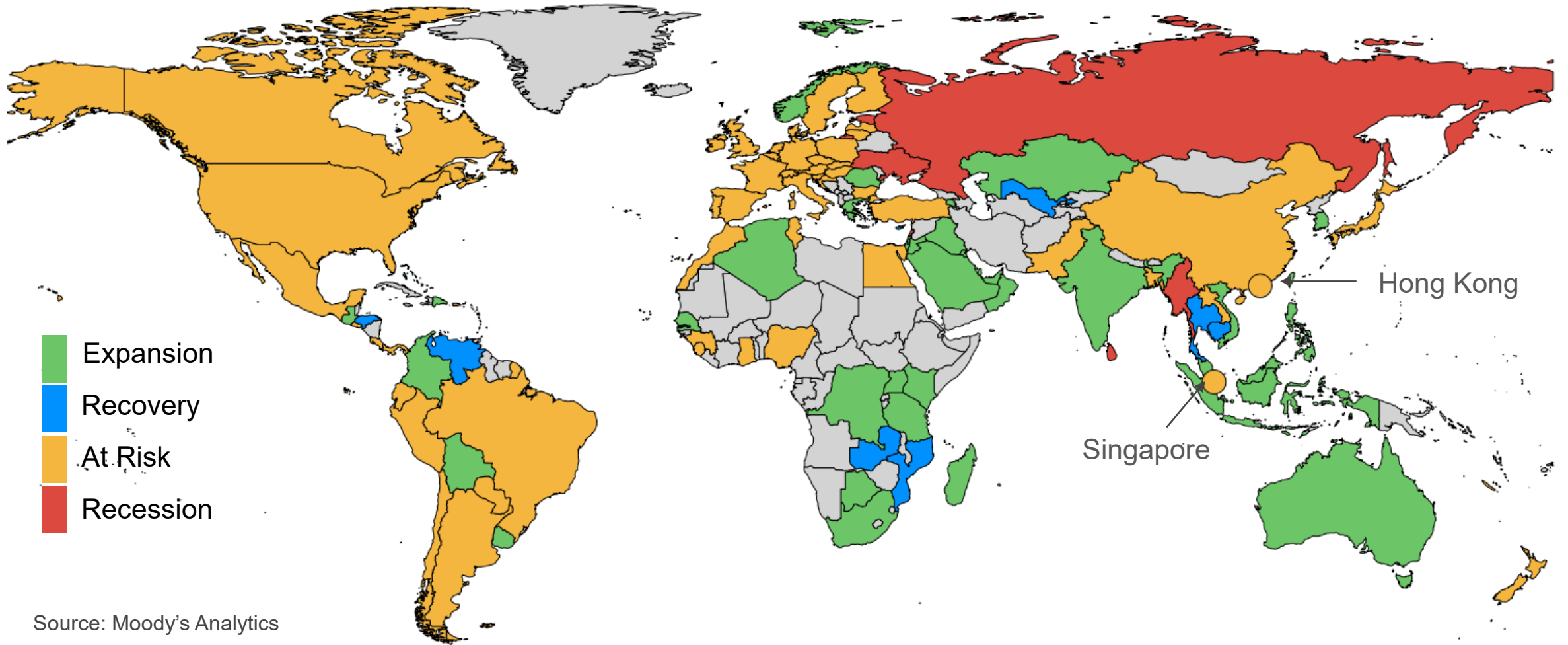


Tricky Economic Times

Supply Shocks Slam the Global Economy

Current business cycle status



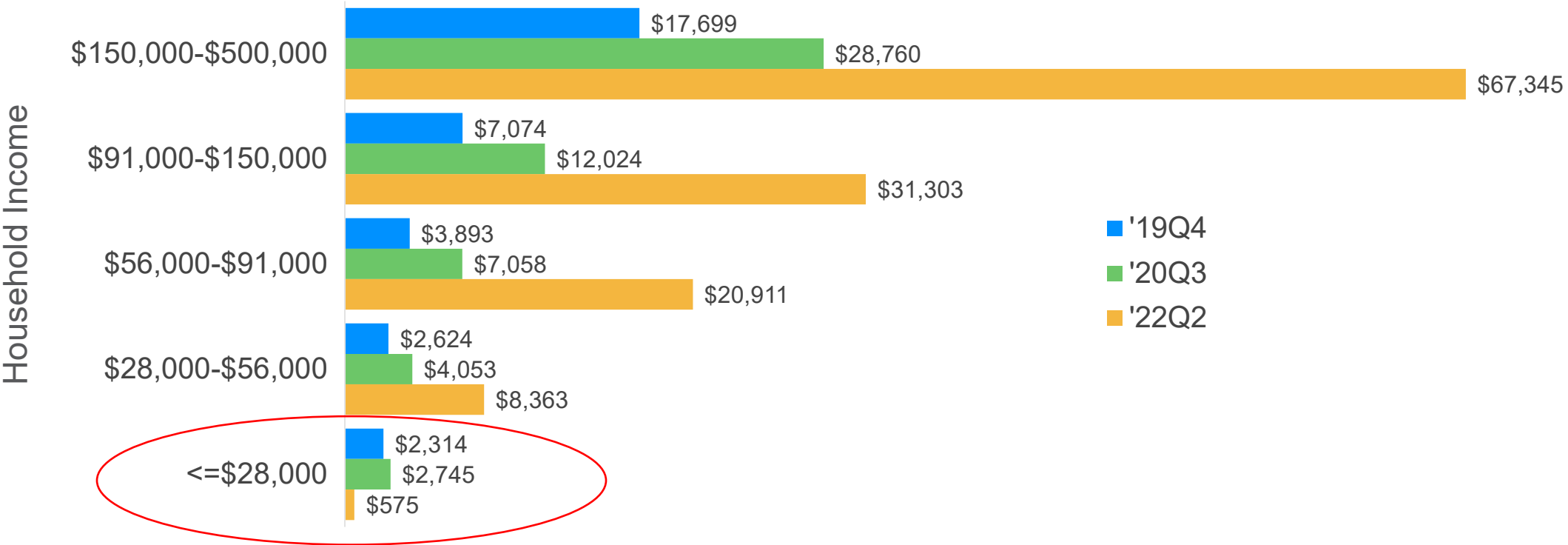
Source: Moody's Analytics

1

Soft Landing
50% Probability

Consumers Are a Strong Economic Firewall...

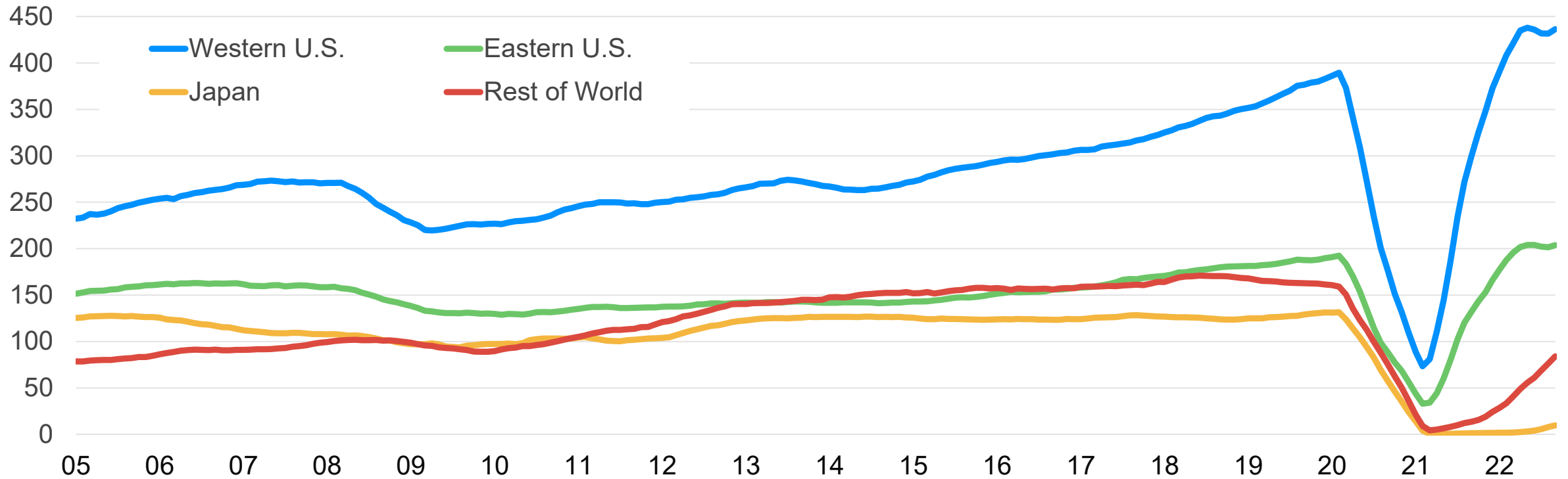
Average checkable deposits and currency by income group, \$



Sources: Federal Reserve, Moody's Analytics

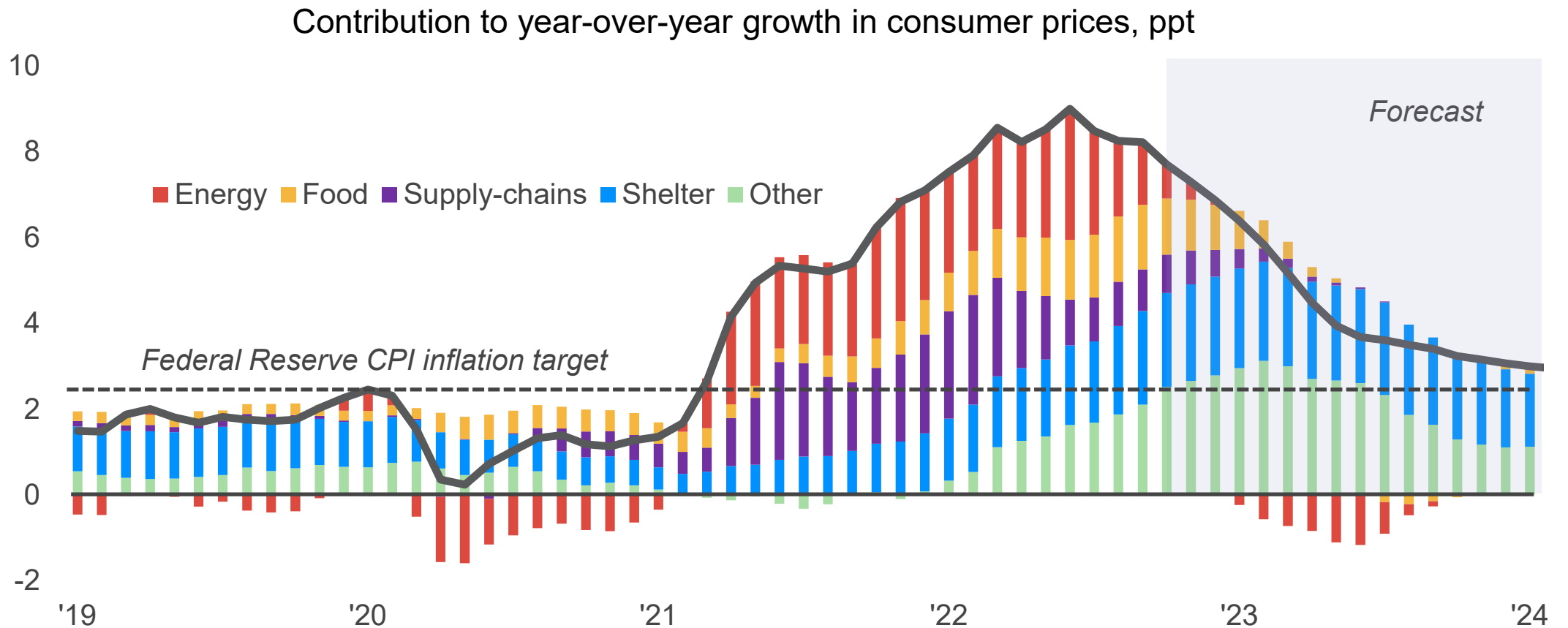
...Which Is Critical For Hawaiian Tourism

Arrivals to Hawaii by region of origin, ths, 12-mo MA



Sources: Hawaii Tourism Authority, Moody's Analytics

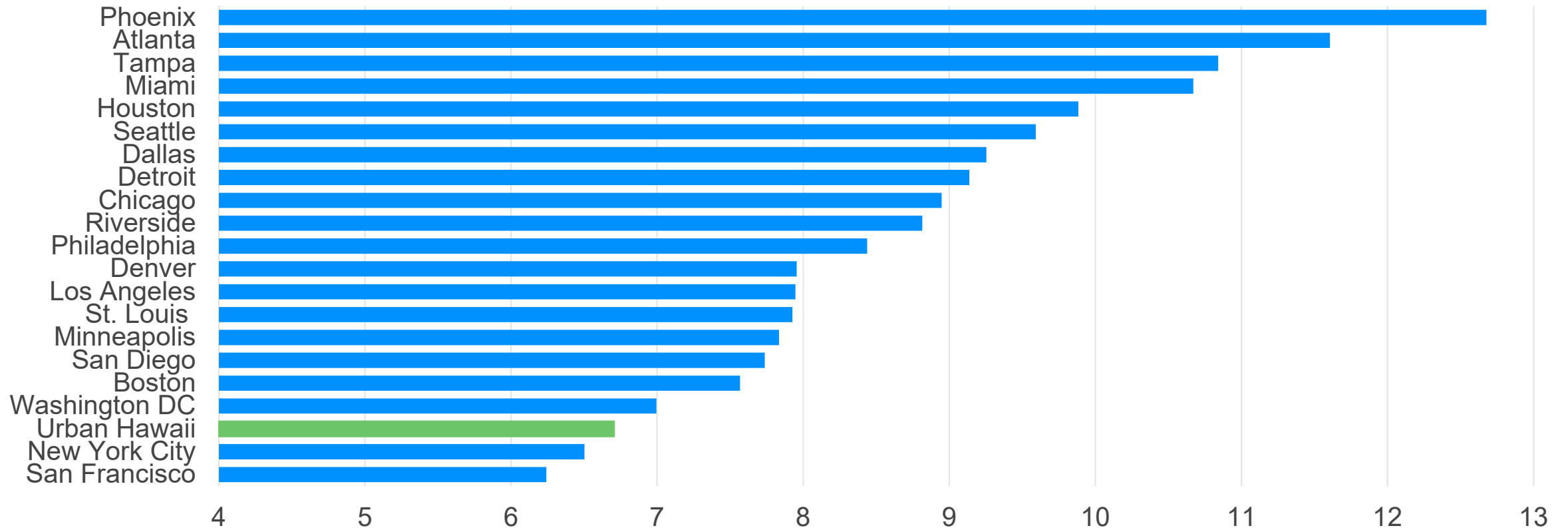
Inflation Will Moderate As Supply-Shocks Abate...



Sources: BLS, Moody's Analytics

...Although Inflation Will Vary Considerably Across the Country

Consumer Price Inflation, September 2022, % change year ago

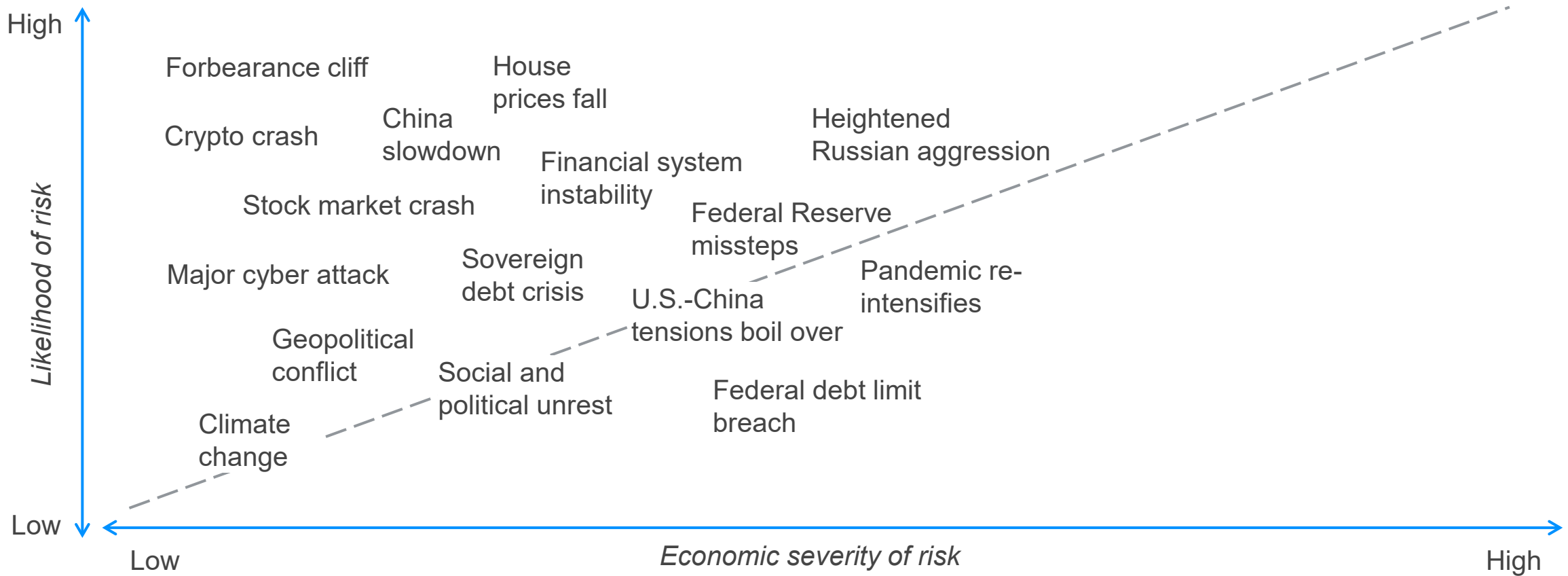


Sources: BLS, Moody's Analytics

2

Moderate Recession
50% Probability

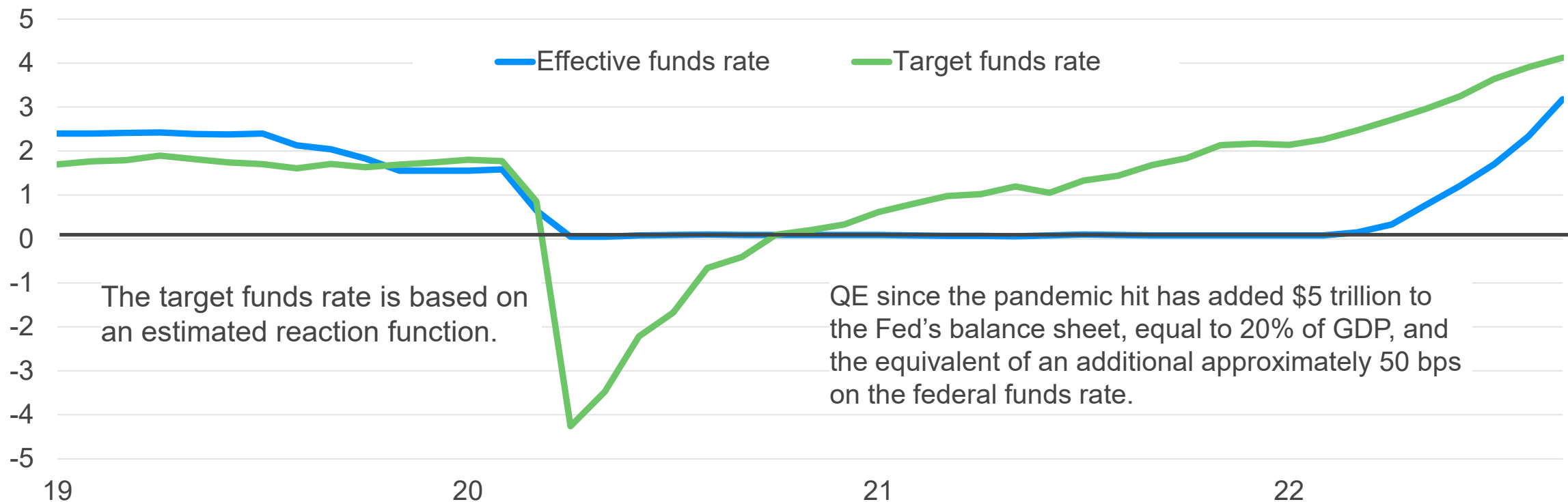
What Could Go Wrong?



Source: Moody's Analytics

Federal Reserve Scrambles To Catch Up

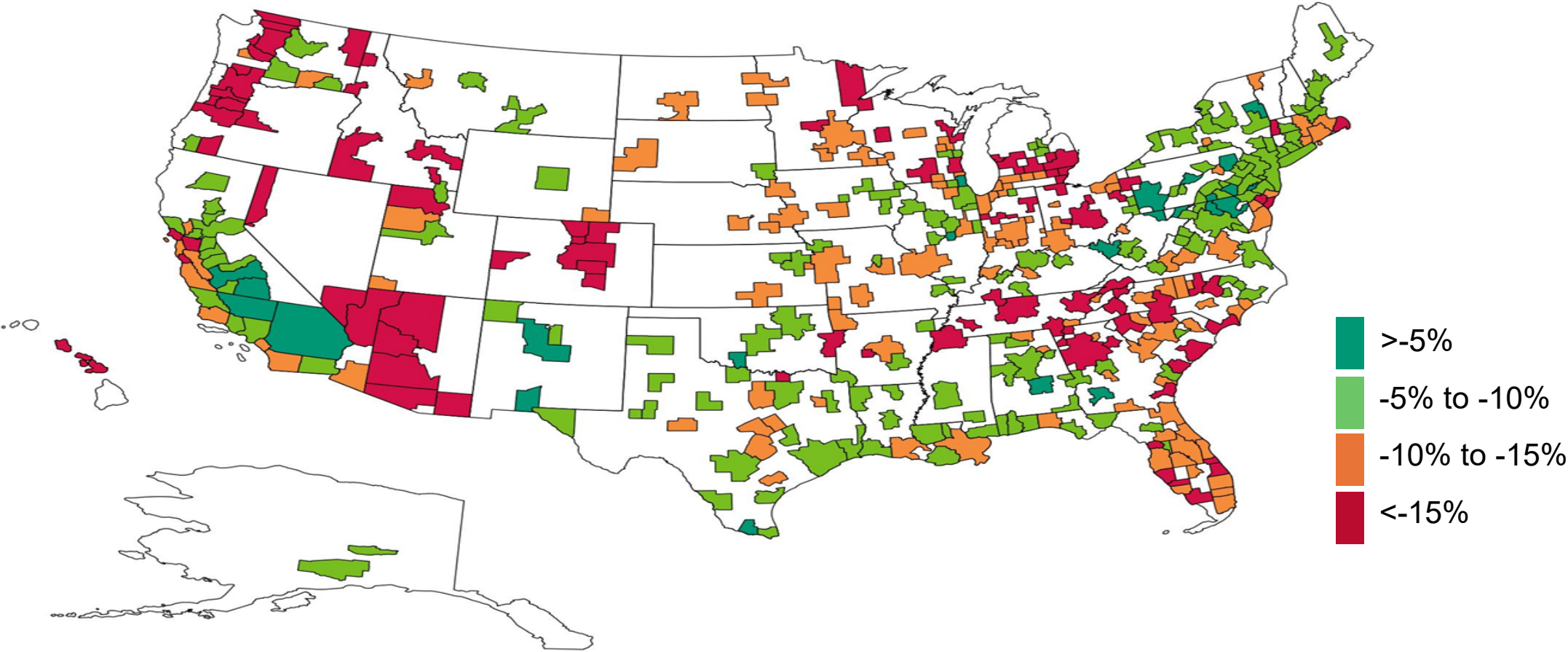
%



Sources: Federal Reserve, Moody's Analytics

Housing Gets Hit Hard

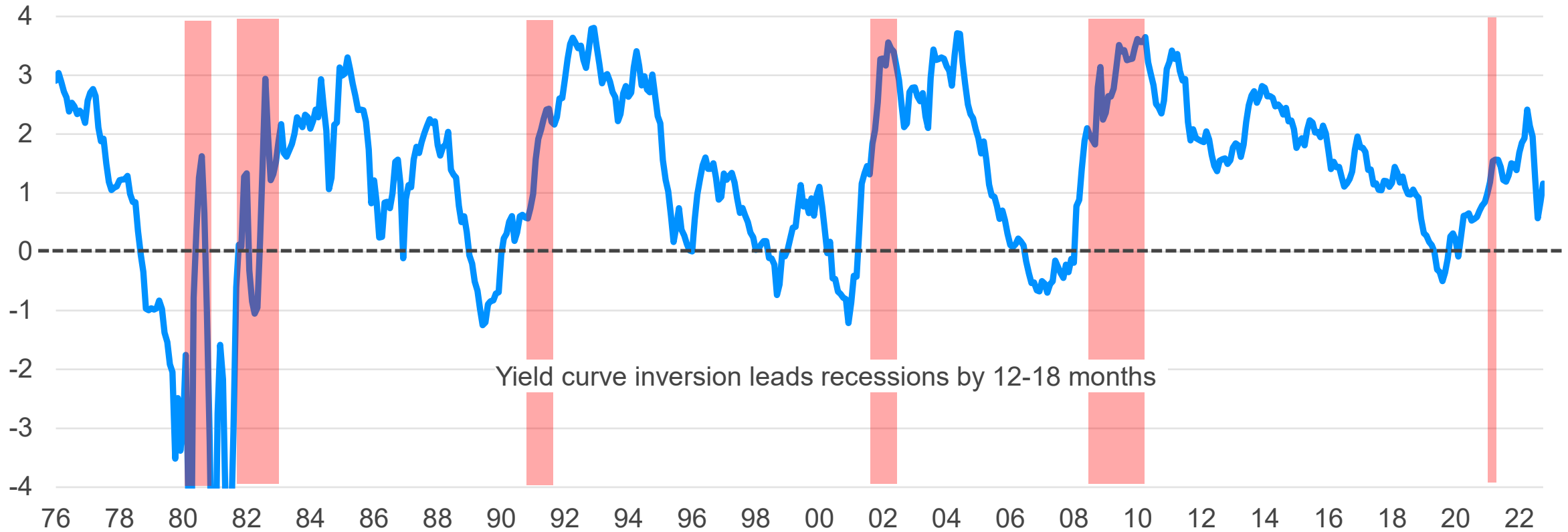
Peak-to-trough House Price Declines, U.S. = 10%



Sources: Moody's Analytics

Policy Yield Curve Sounds the Recession Alarm

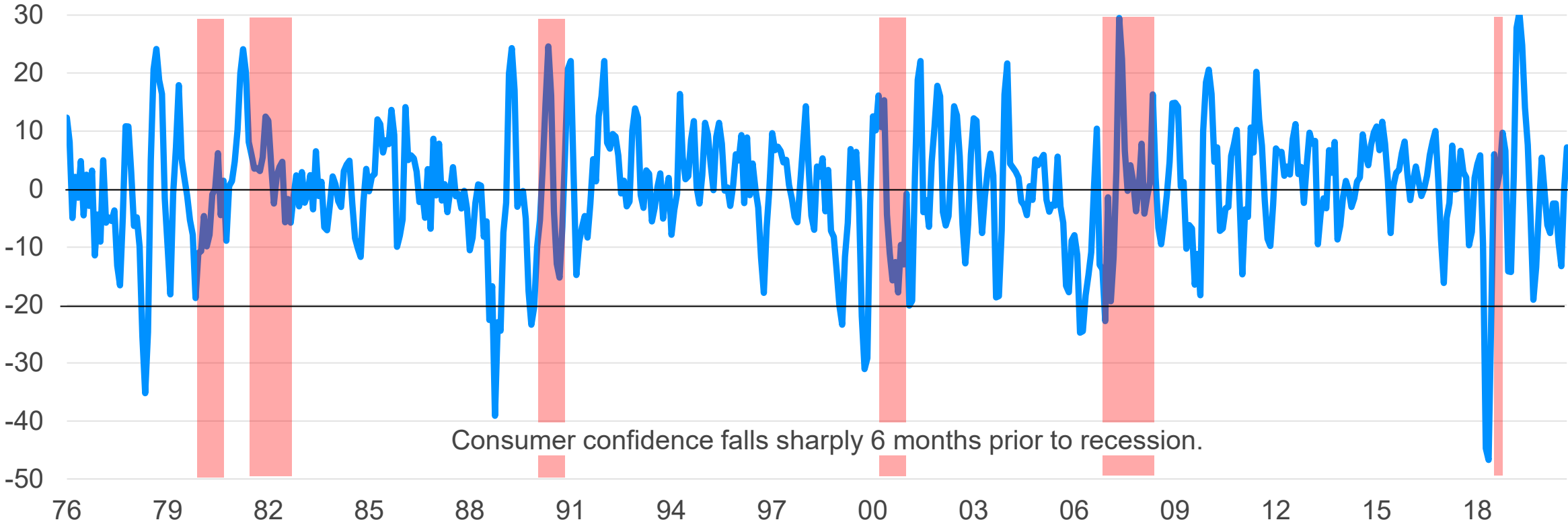
Difference between 10-yr Treasury and Federal Funds Rate, ppt



Sources: Federal Reserve Board, Moody's Analytics

Consumers Are Anxious, But Haven't Lost Faith

Consumer confidence, 3-month change



Sources: Conference Board, Moody's Analytics

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