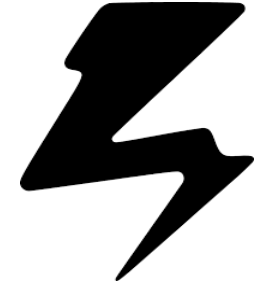


Alaska's Economy- It All Changed In An Instant



Alaska's Recessions

1976-1977

1985-1988

2008-2009

2015-2018

Jan-July 2020

-8,900

-20,600

-1,100

-11,400

-22,400

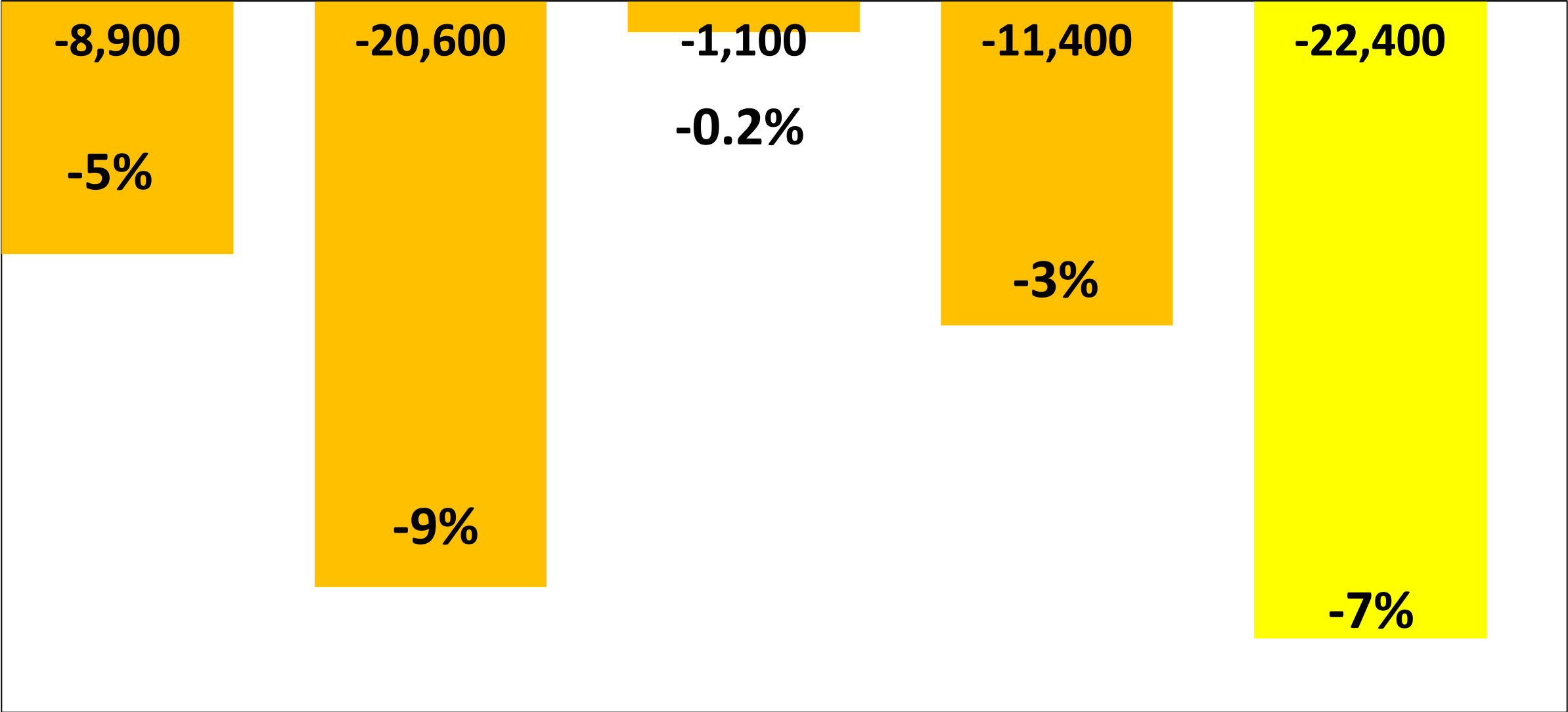
-5%

-0.2%

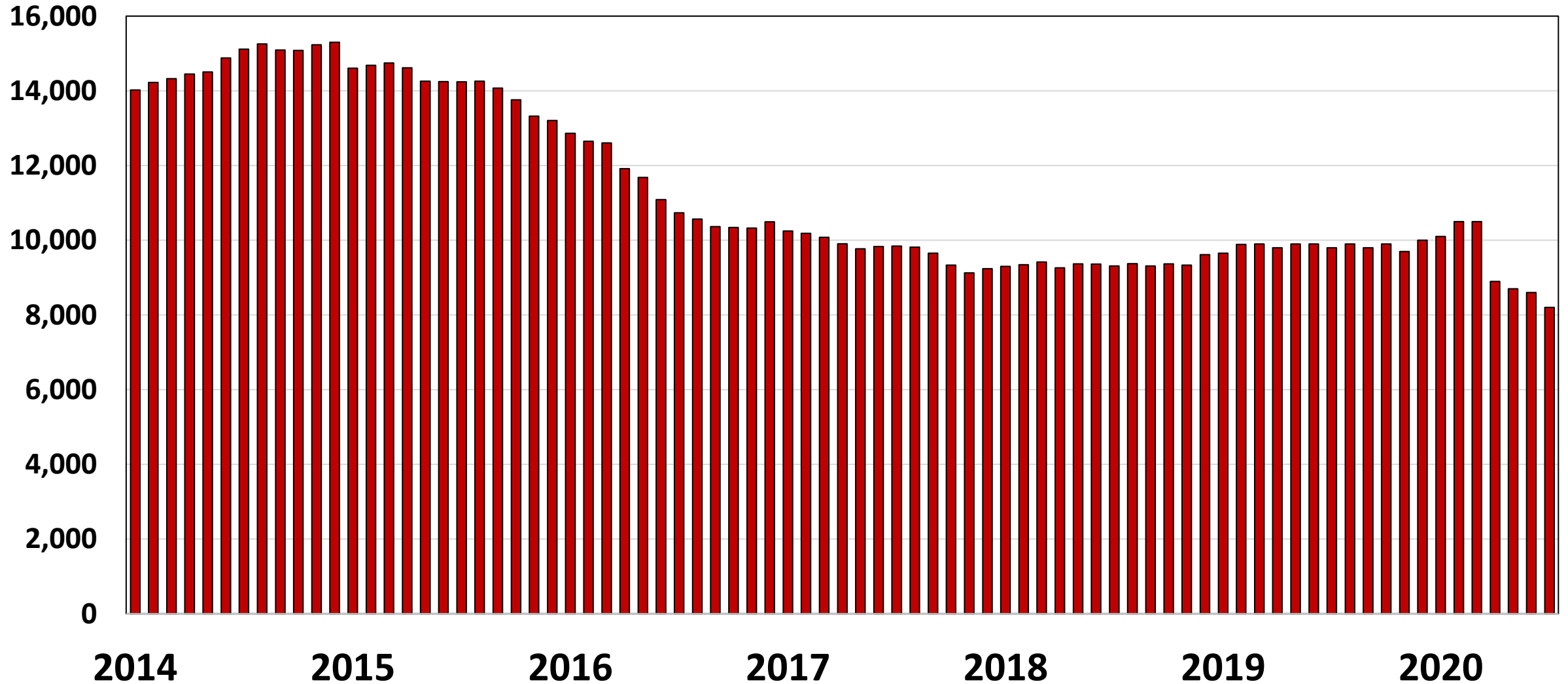
-3%

-9%

-7%

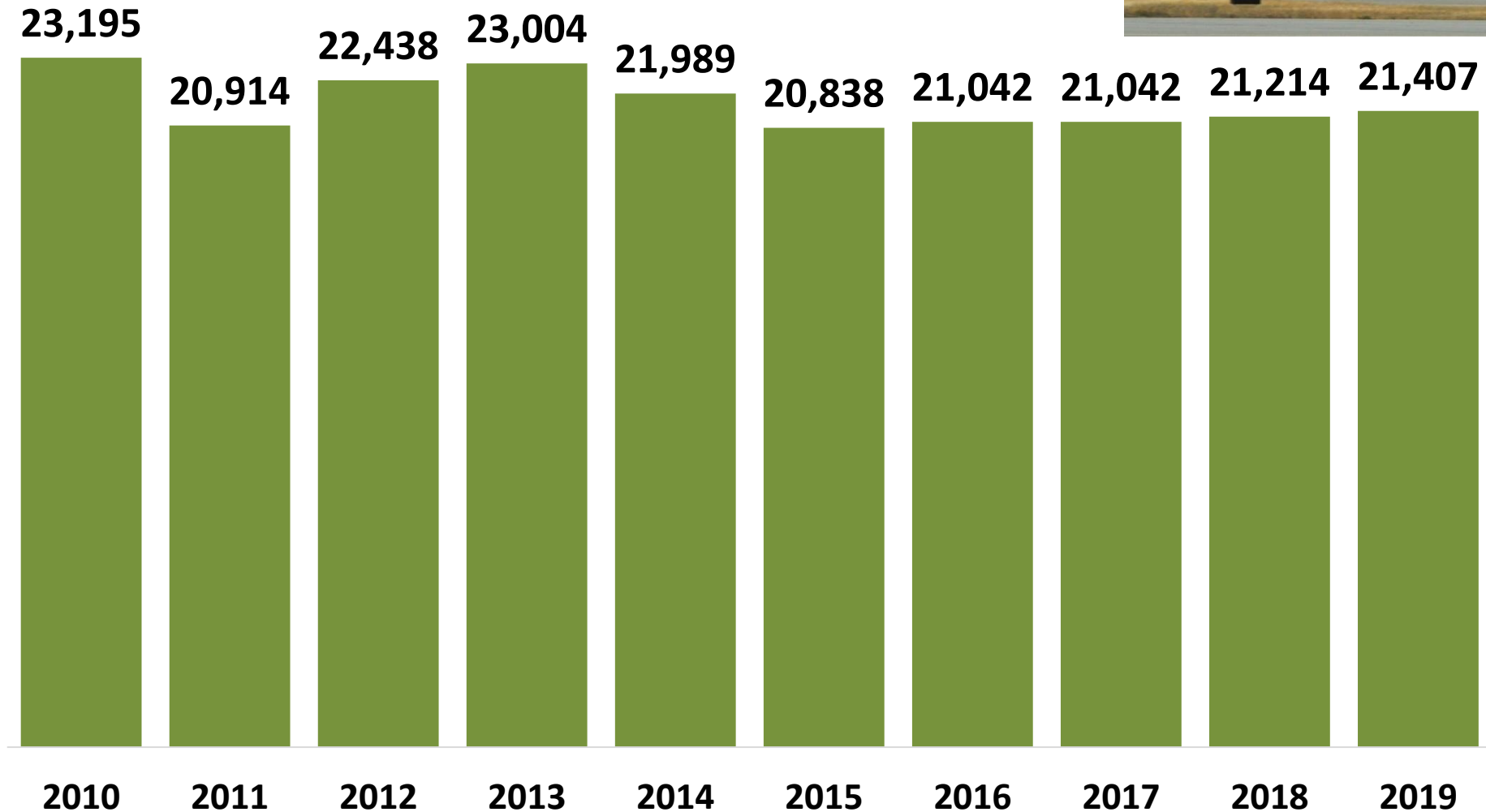


Alaska Oil Industry Employment Began To Turn Positive Again And Then

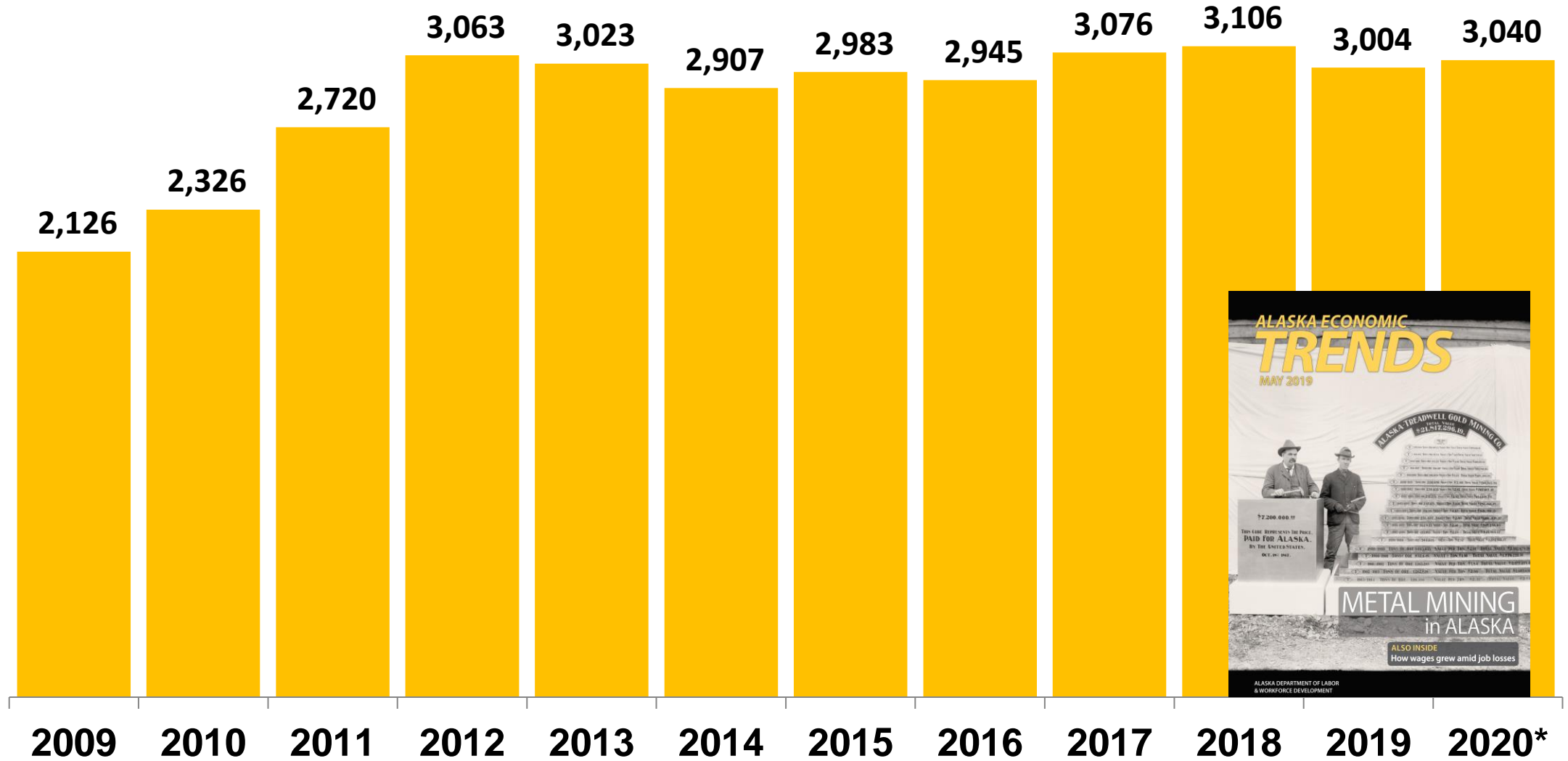


Military Numbers Are Stable

Uniformed military in AK



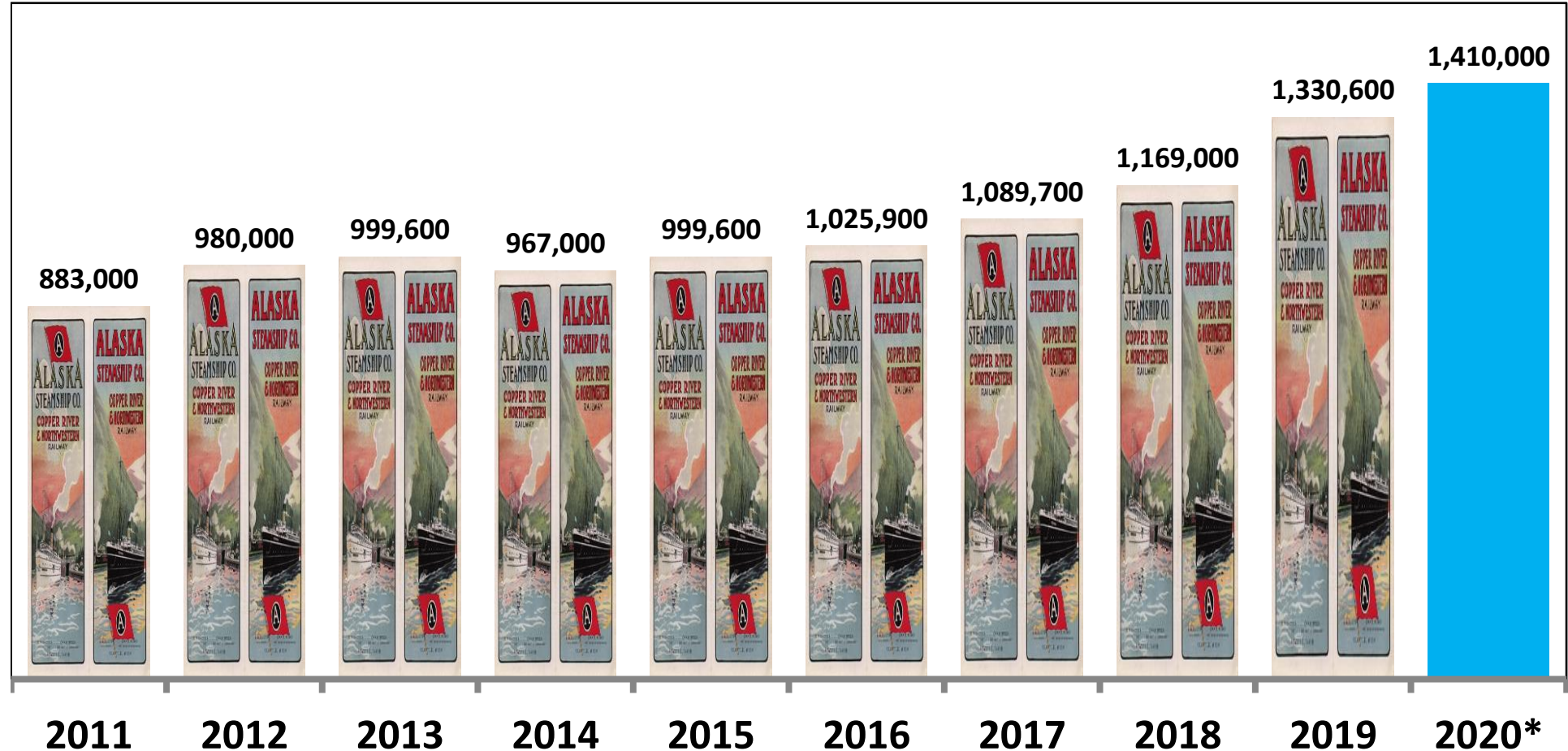
Mining Employment Very Stable In Alaska



*very preliminary

Cruise Ship Passengers Are Coming Back In Boatloads- Over A Half A Million Gain In A Decade

Number of cruise ship passengers in AK



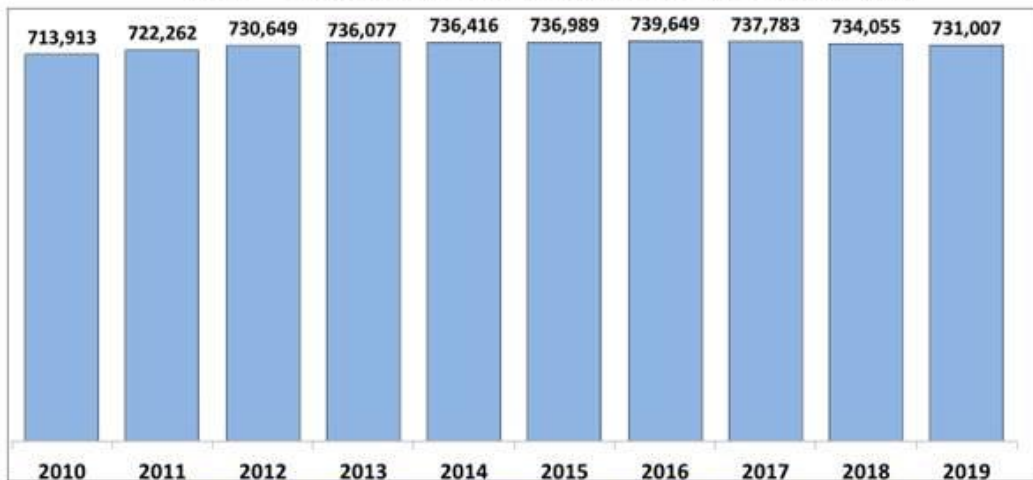
*was projected—now never to be

Source: CILA

More People Left Than Came the Last 7 Years

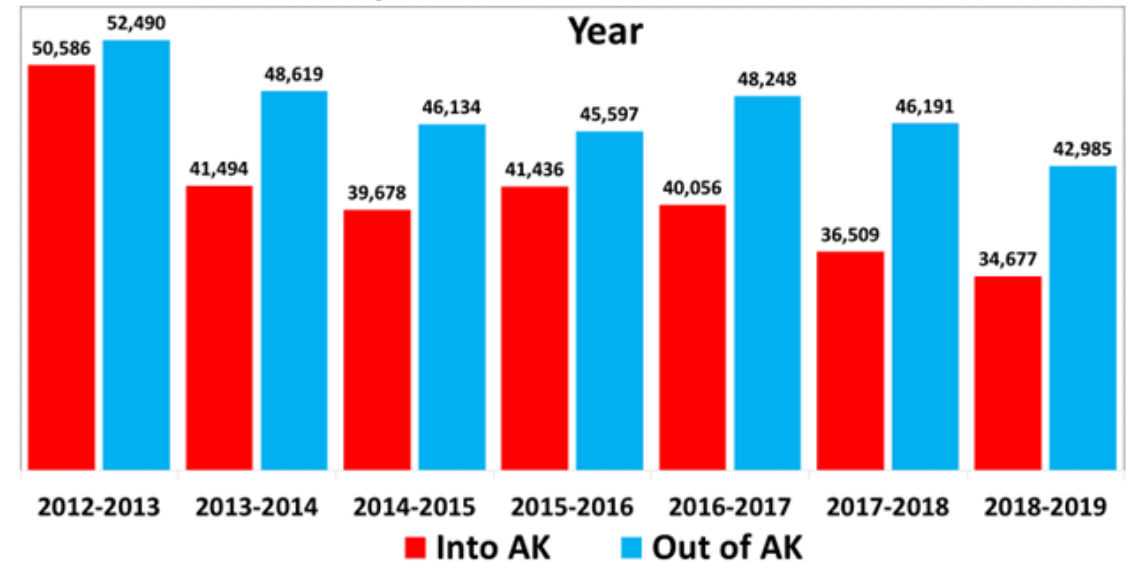
The Last Three Years, the Population Declined

Alaska's Population Fell Slightly In 2017, 2018 and 2019—Combined Loss A Little More Than A Percent



The details. In 2019, there were 9,885 births minus 4,625 deaths, plus net migration of -8,308 that leads to a total population loss of 3,048.

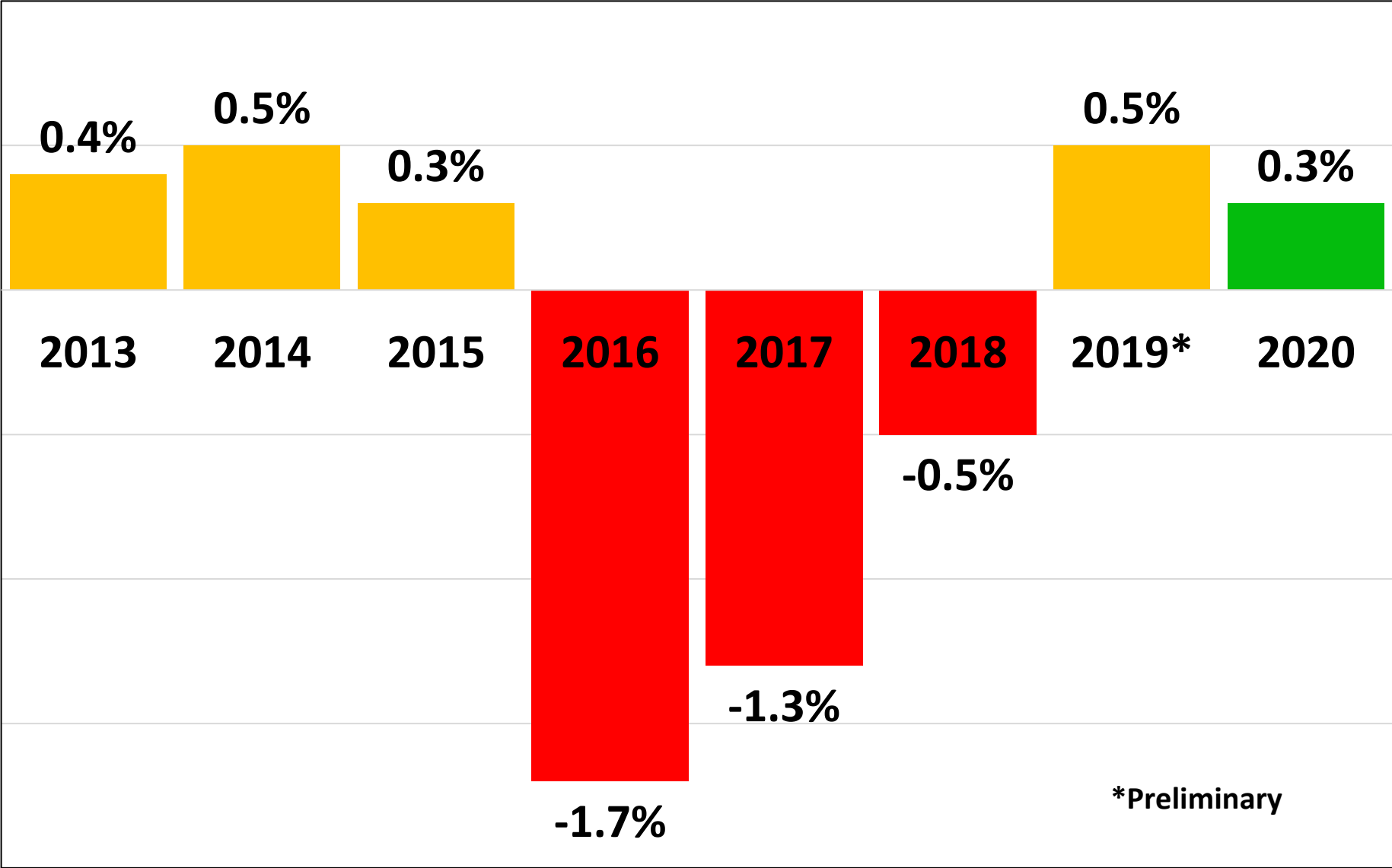
Lots of People Move Into and Out of Alaska Each



Post Recession We Forecasted Growth

(Albeit Slight)

AK Jobs

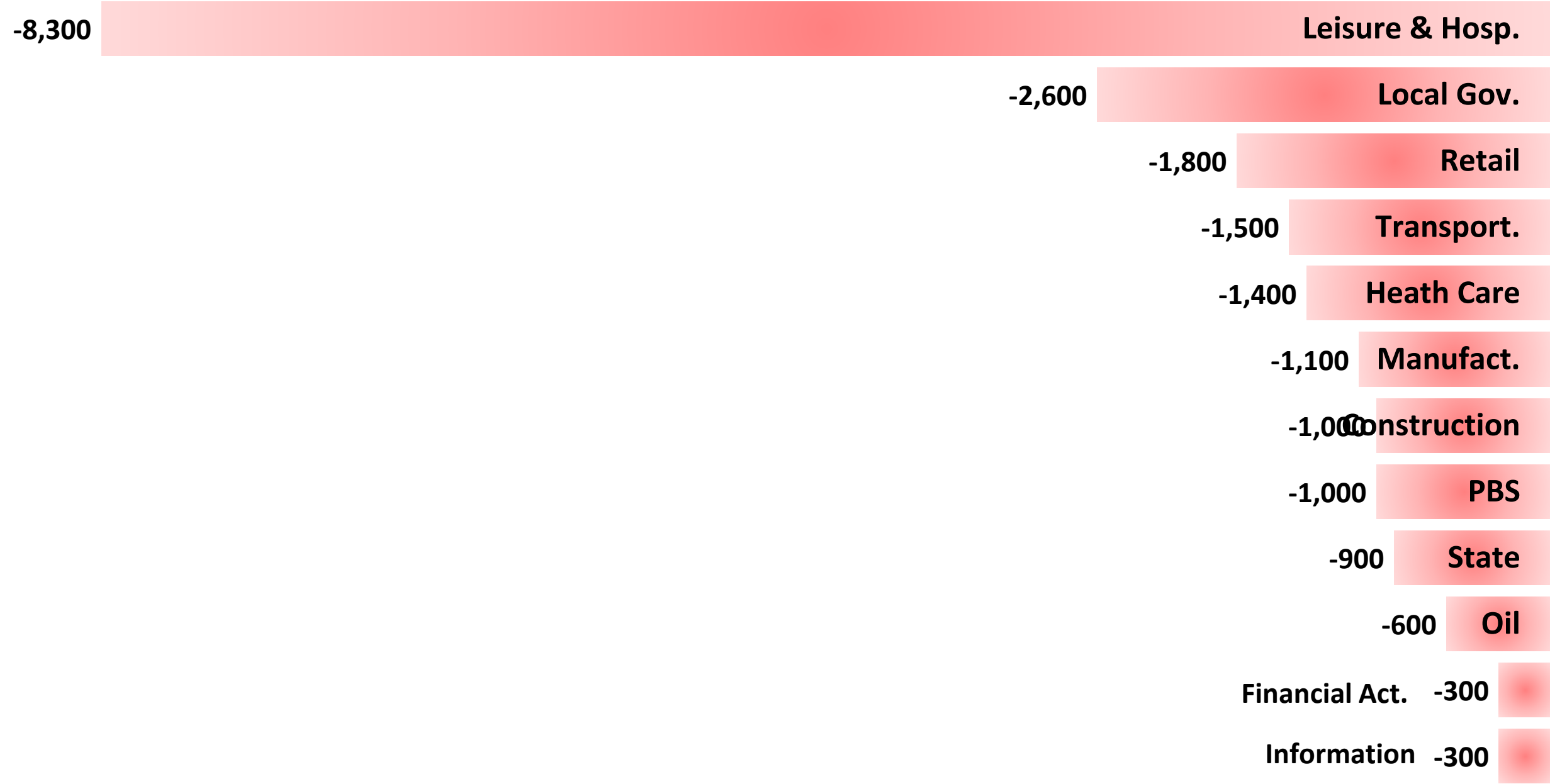


The Pandemic Hit Hard and Fast

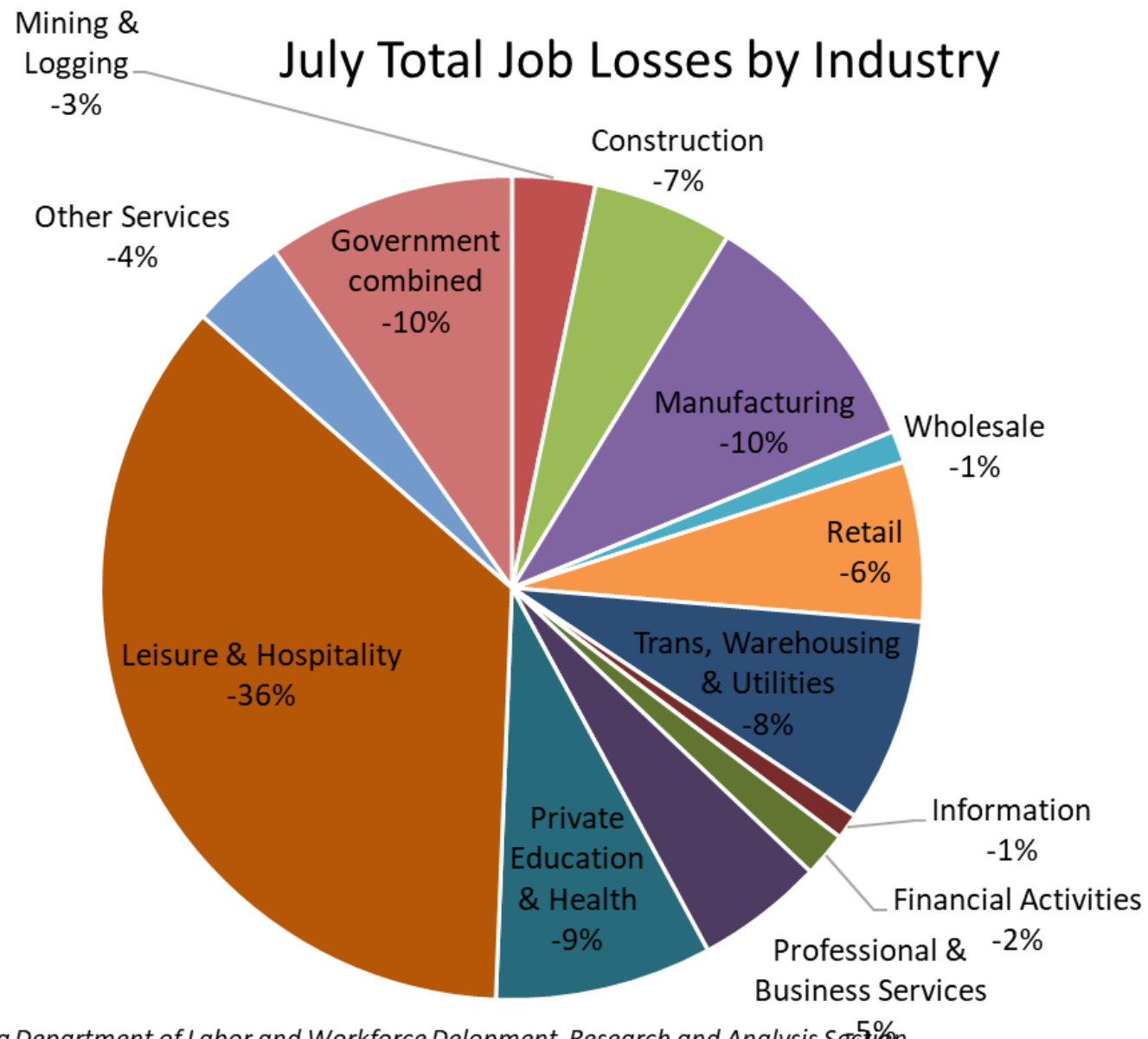


Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

There Are 22,400 Fewer Jobs In AK Between Jan-July 2019 and 2020



July Total Job Losses by Industry



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Regional Employment

July 2019-July 2020

-11%

Alaska

-39,900

-10%

Anc/Mat-Su

-17,400

-9%

Interior

-4,200

-18%

Southeast

-7,800

-13%

Northern

-2,400

-8%

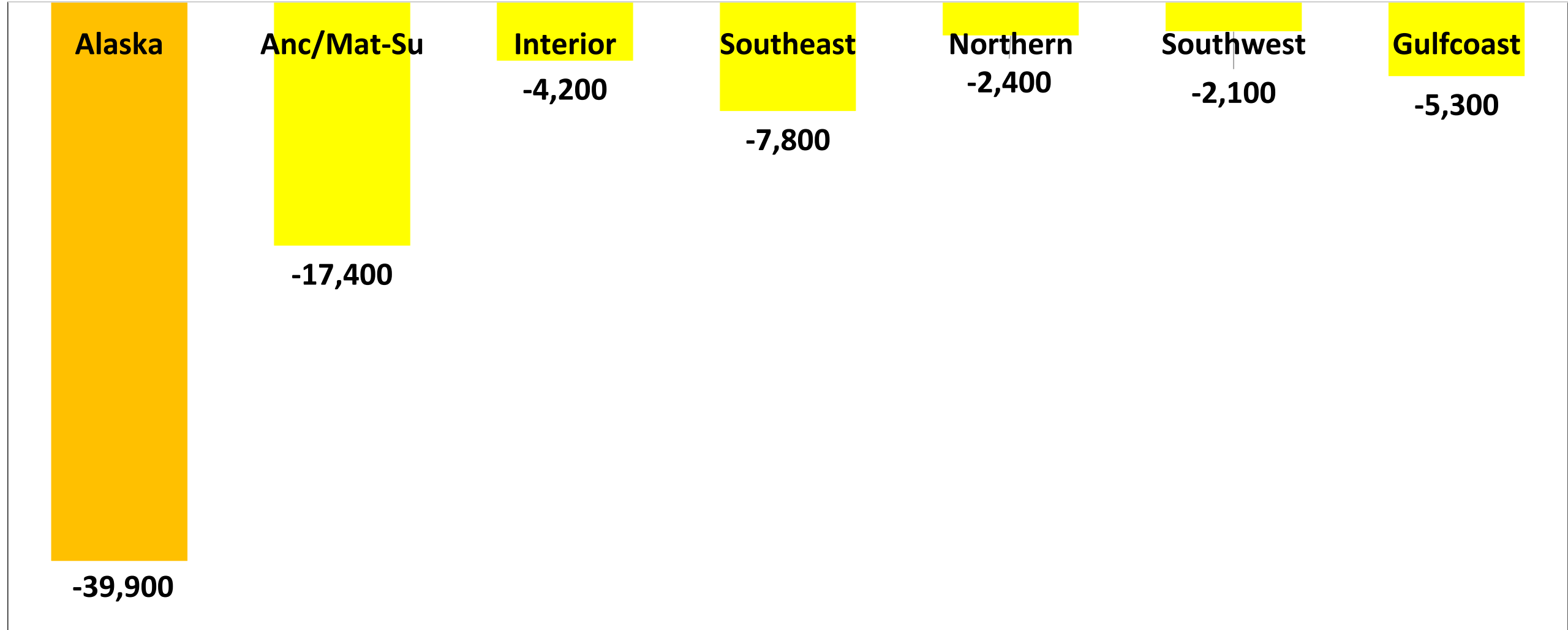
Southwest

-2,100

-15%

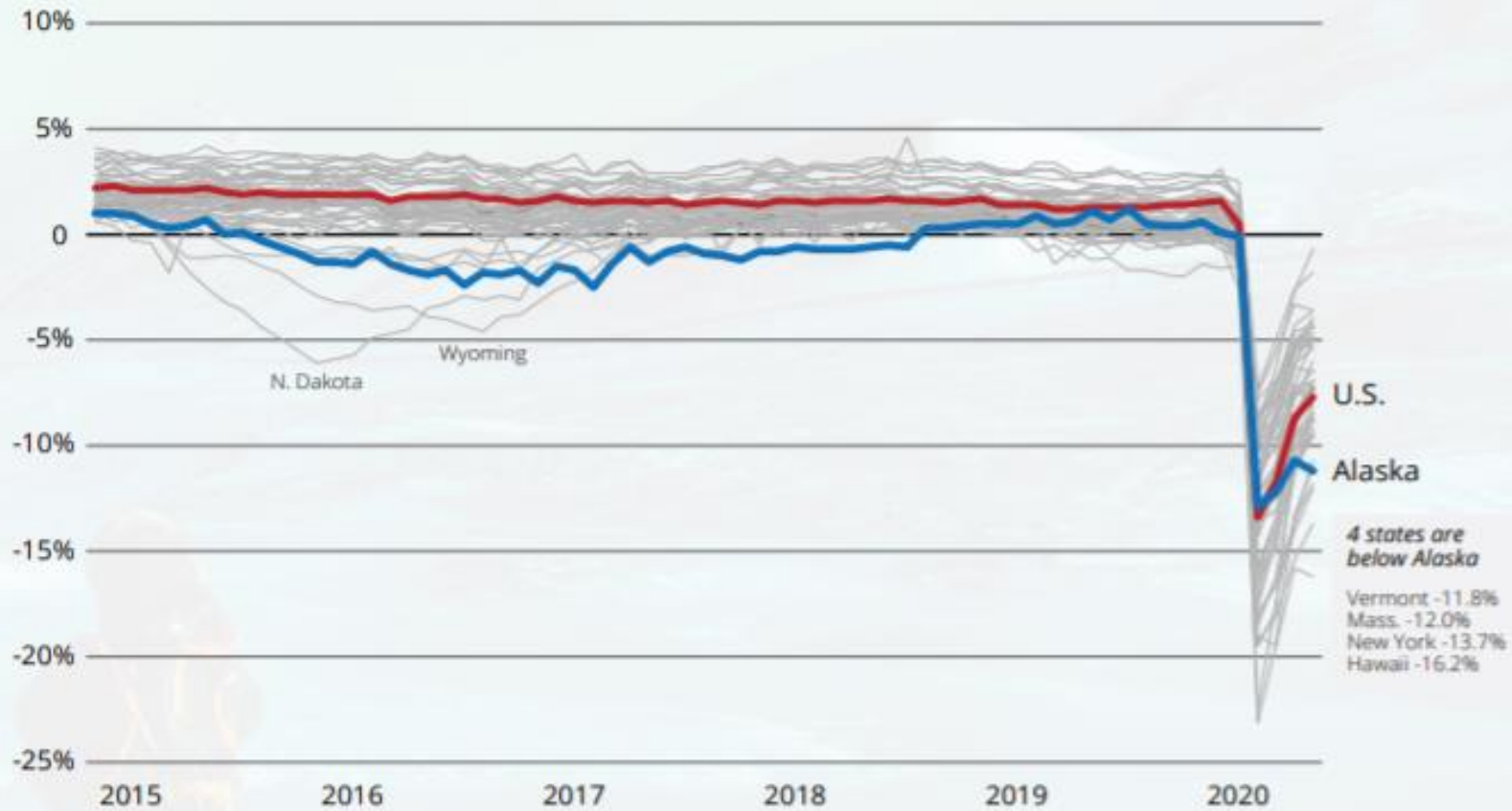
Gulfcoast

-5,300



We Are All In This Together

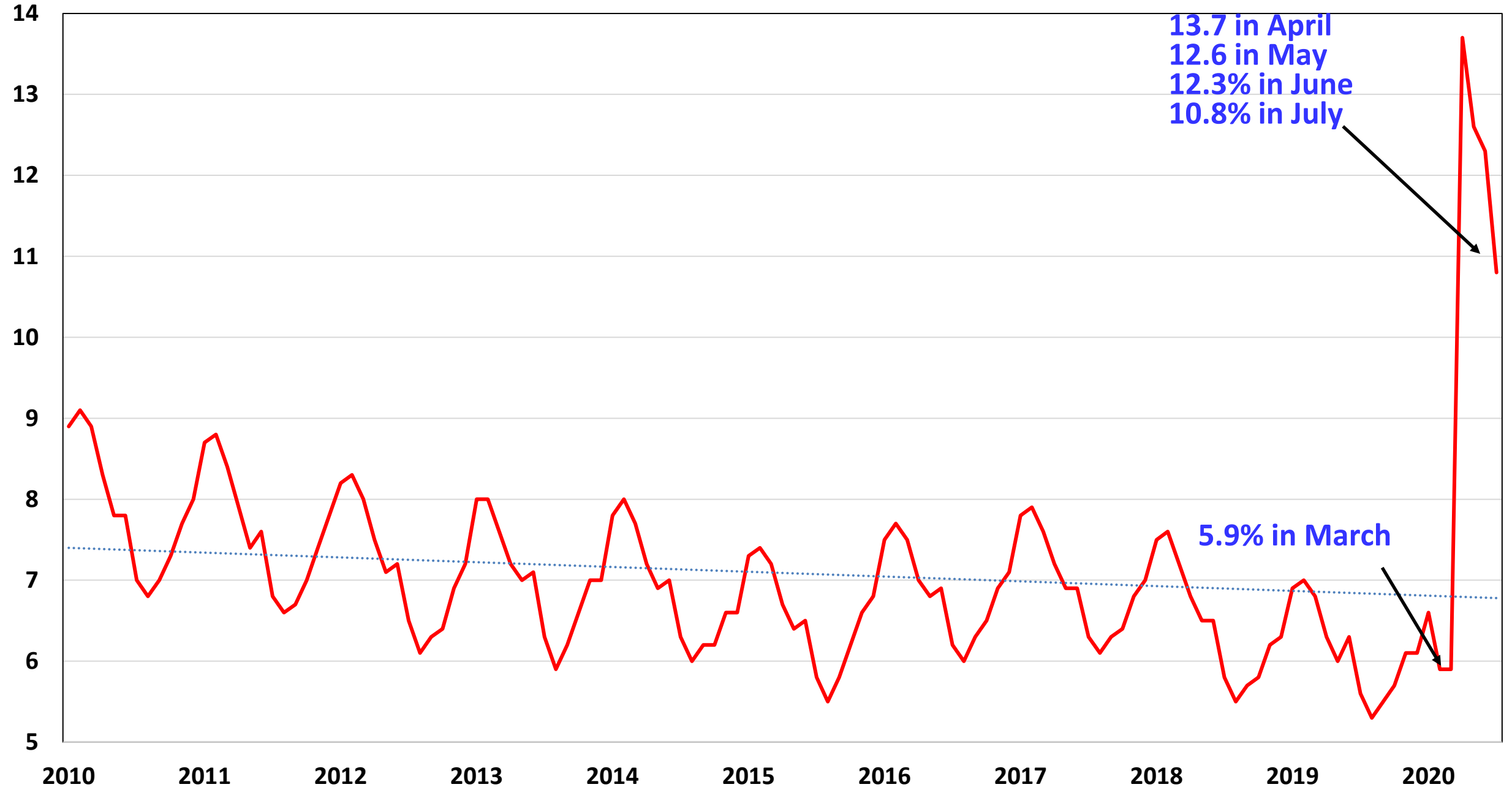
Percent total job growth or loss by state, 2015 to 2020



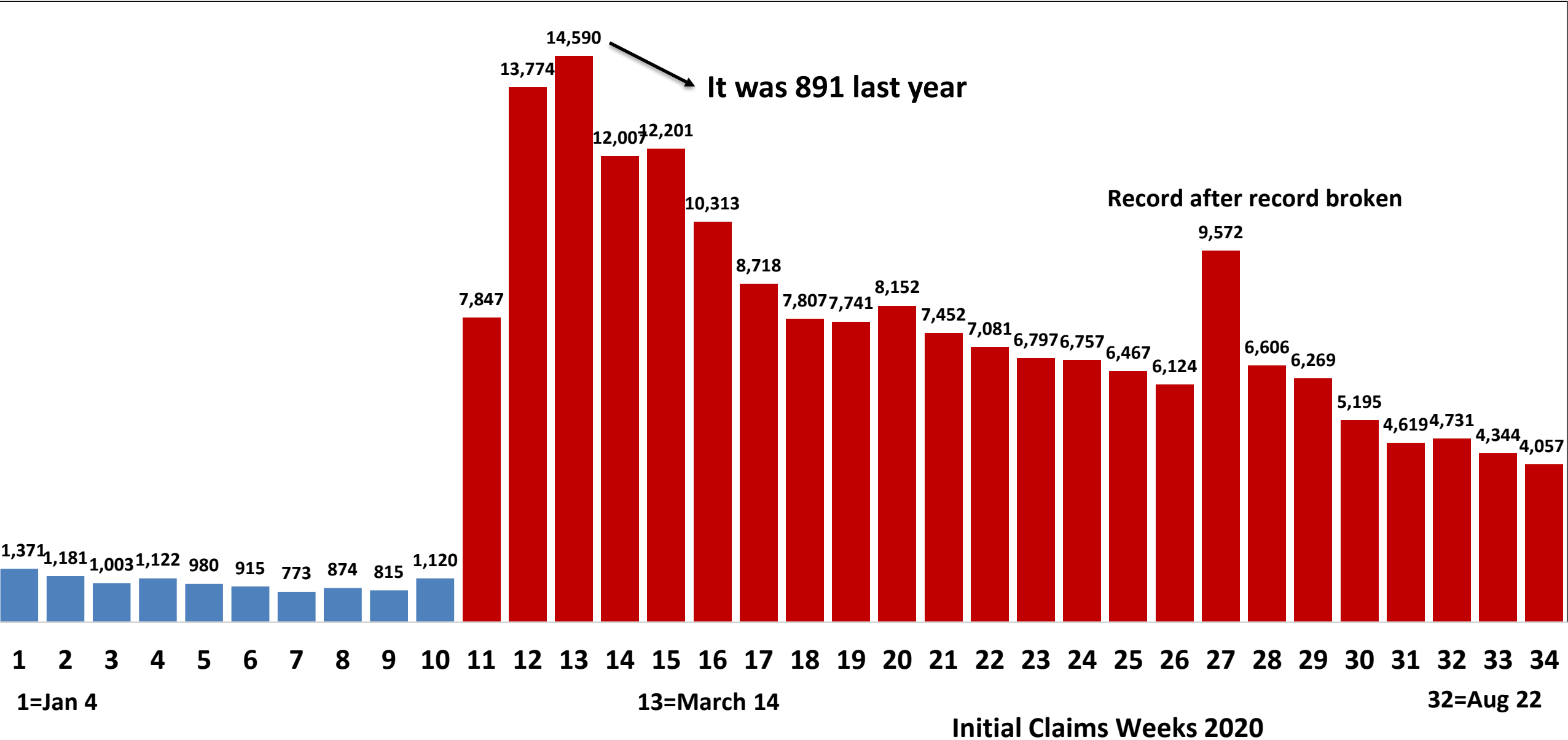
Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section; and U.S. Department of Labor, Bureau of Labor Statistics

From Record Low AK Unemployment Rates To Record High

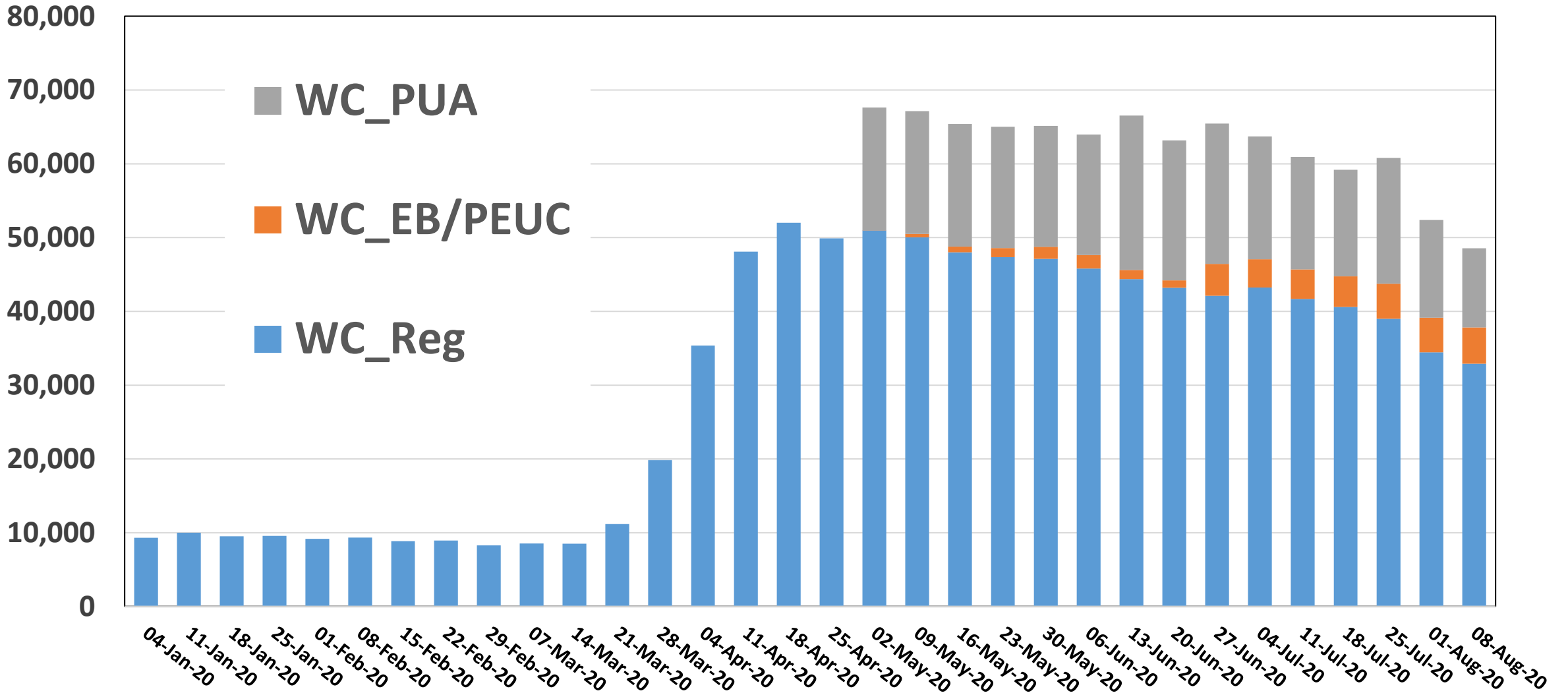
Percent



Goes From Record Low Unemployment Claims To Record High-All In One Month! And Remains High

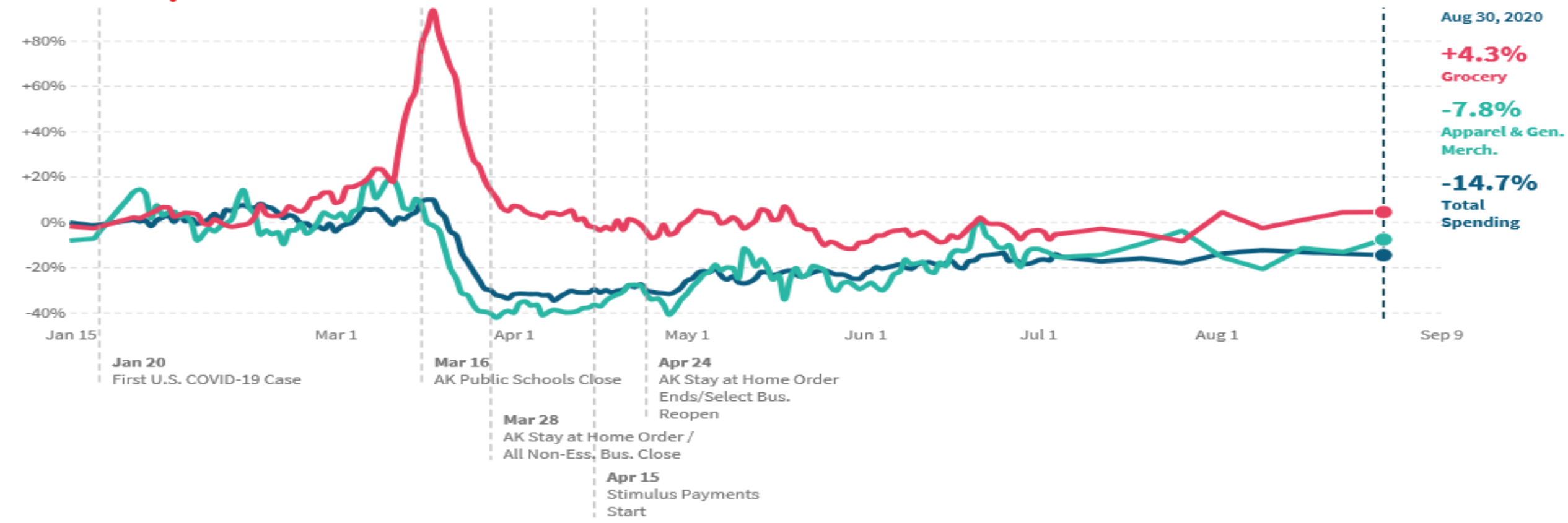


Weeks Claimed, Total includes Reg UI, EB and PUA



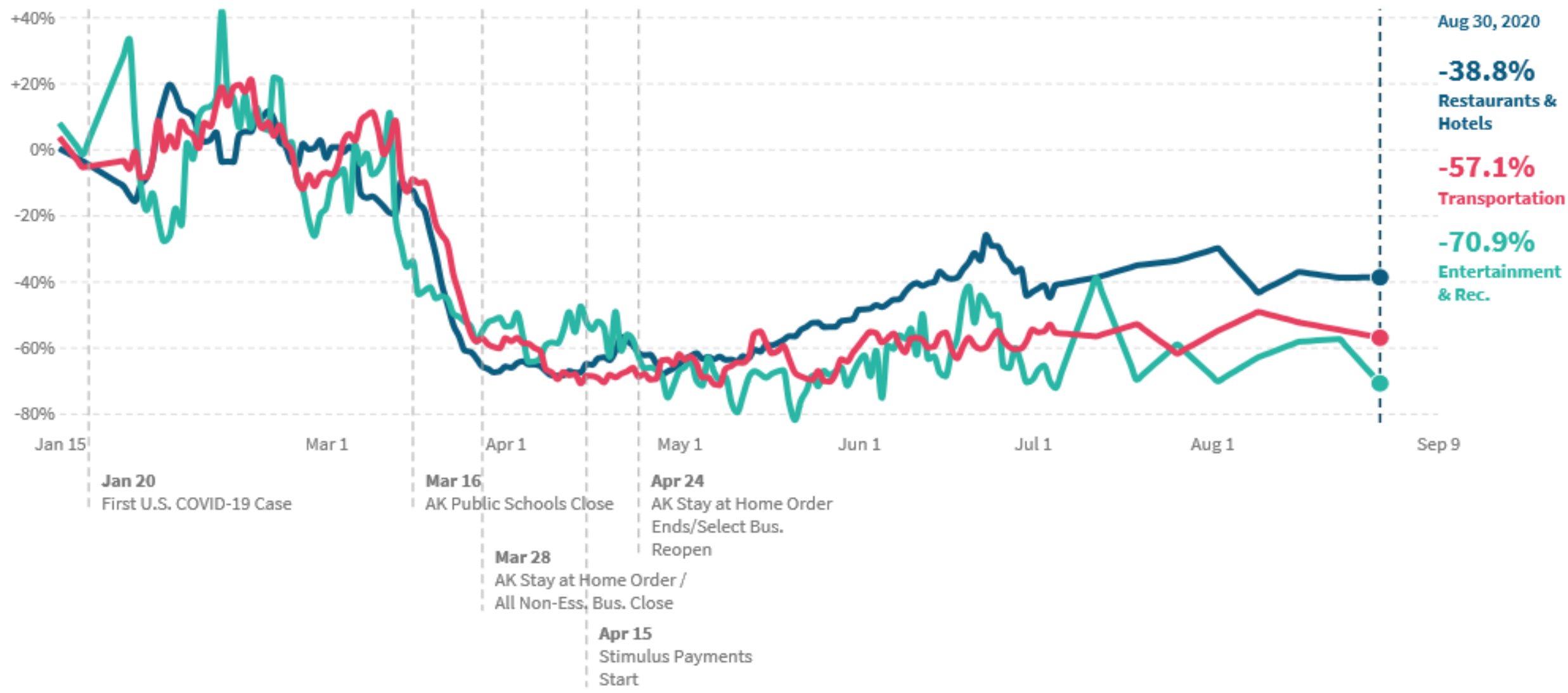
In **Alaska**, as of August 30, 2020, total spending by all consumers decreased by **14.7%** compared to January 2020.

DOWNLOAD CHART



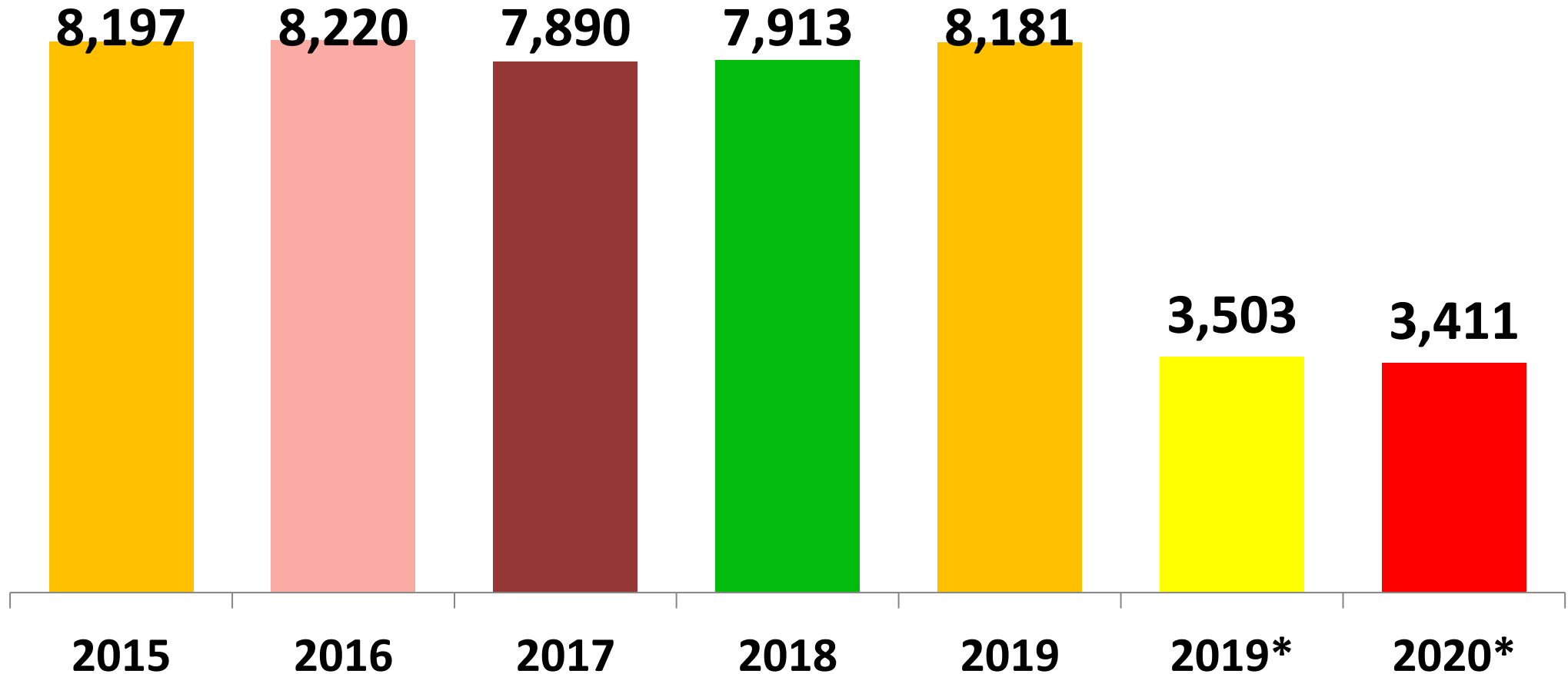
In **Alaska**, as of August 30 2020, restaurant and hotel spending by all consumers decreased by **38.8%** compared to January 2020.

[DOWNLOAD CHART](#)



Number Of Home Sales In Alaska Has Not Changed Much

Statewide home sales, MLS

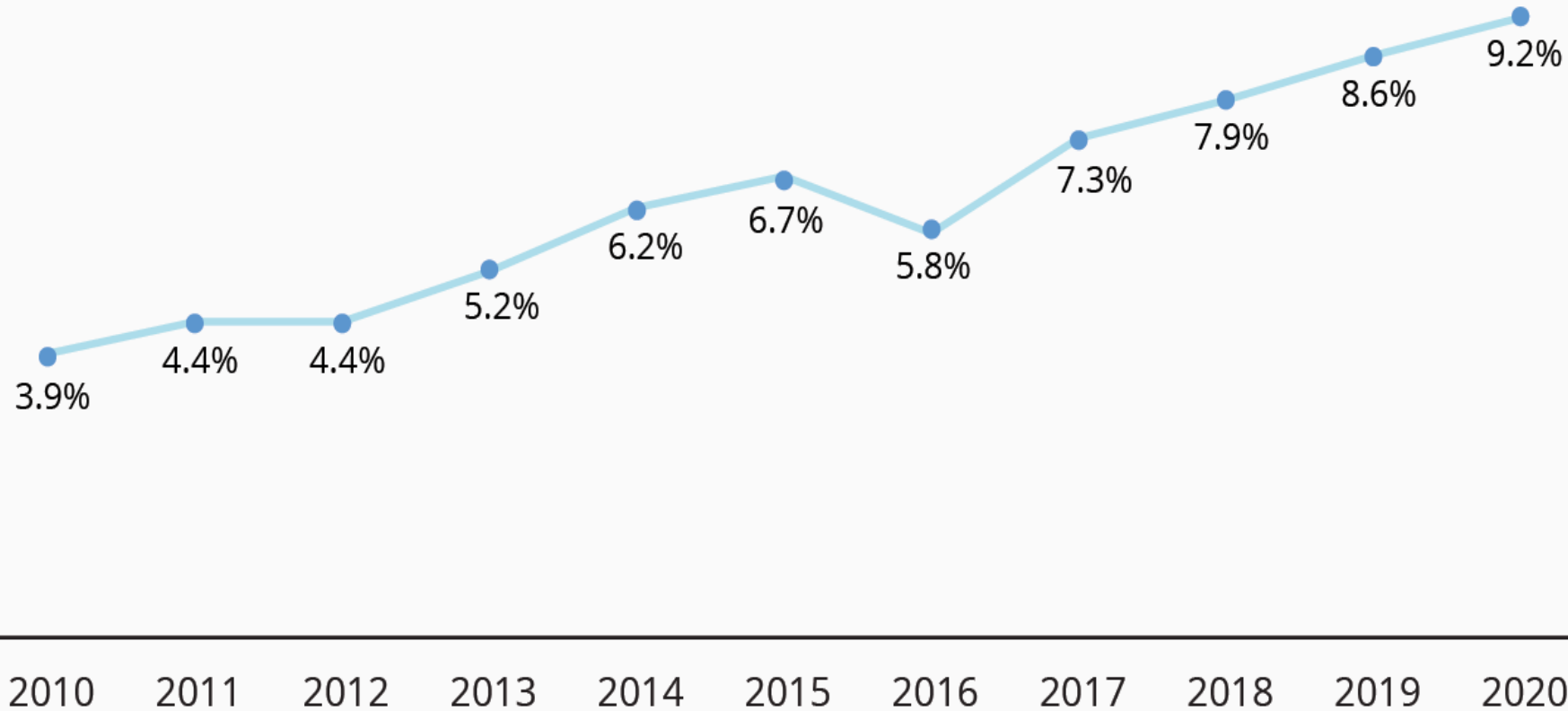


Includes Anchorage, Fairbanks, Mat-Su, Kenai P, Juneau, Kodiak B: Includes single family and condo where reported.

Source: MLS

***1st half**

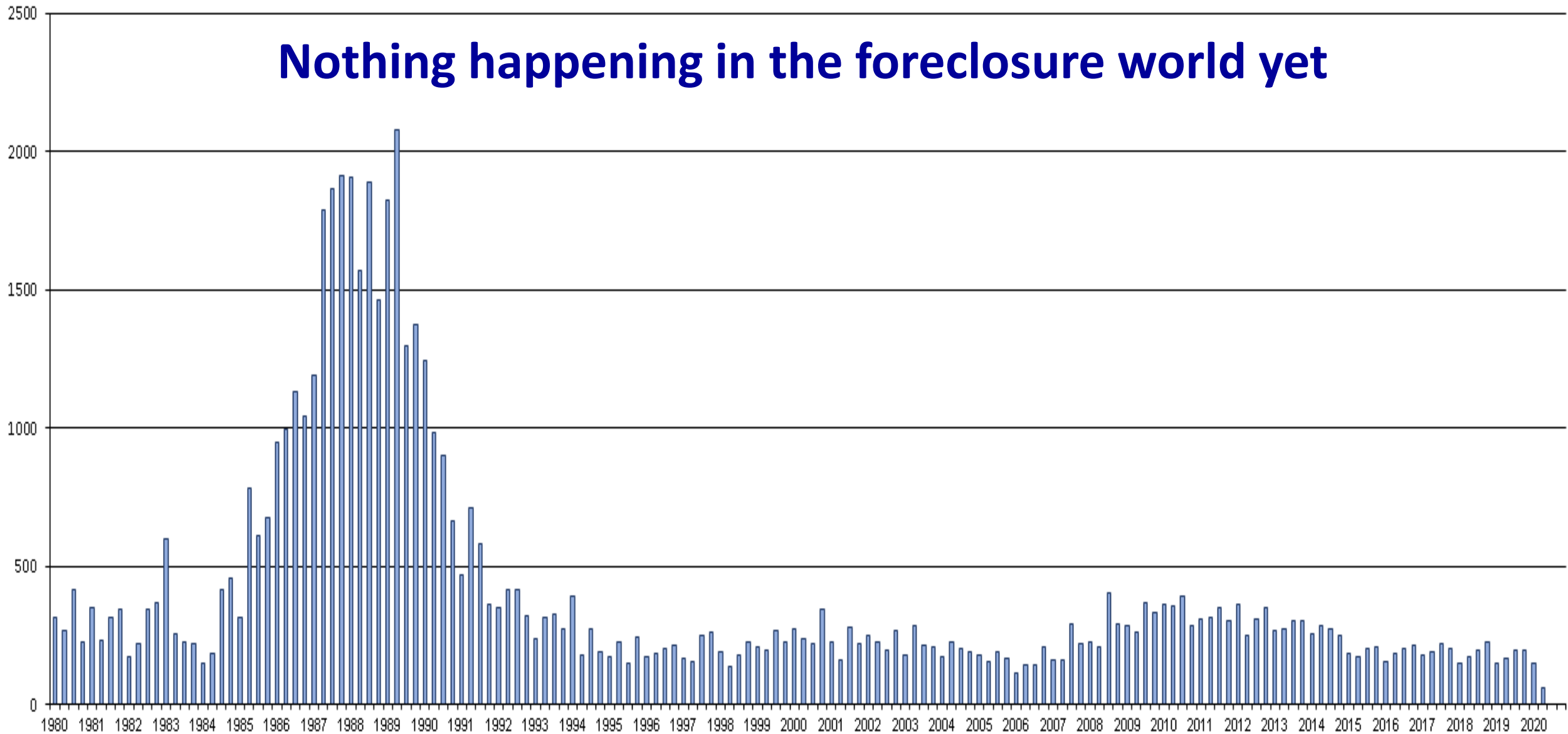
Alaska's total vacancy rate has been on the rise



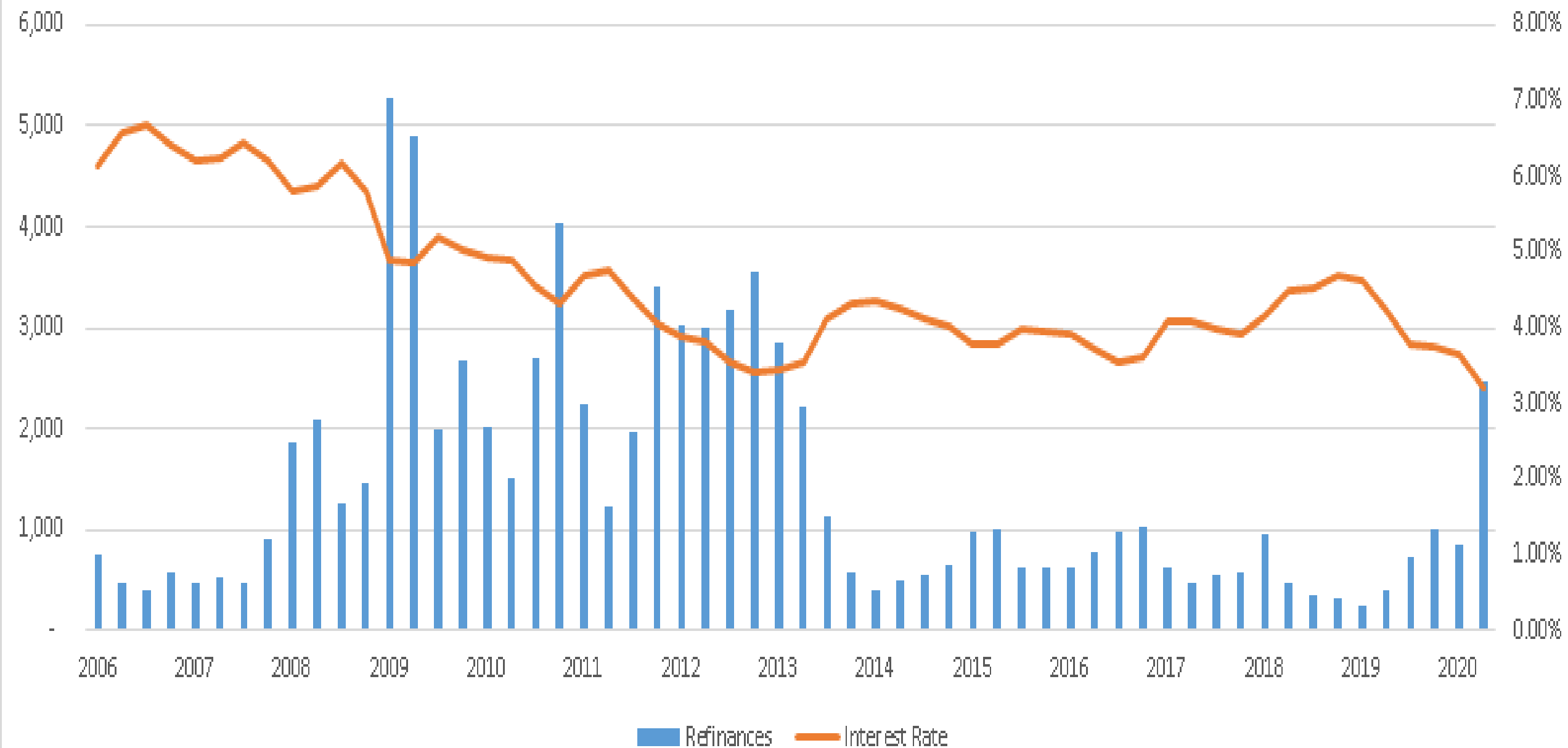
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section, and Alaska Housing Finance Corporation: 2020 Rental Market Survey



Nothing happening in the foreclosure world yet



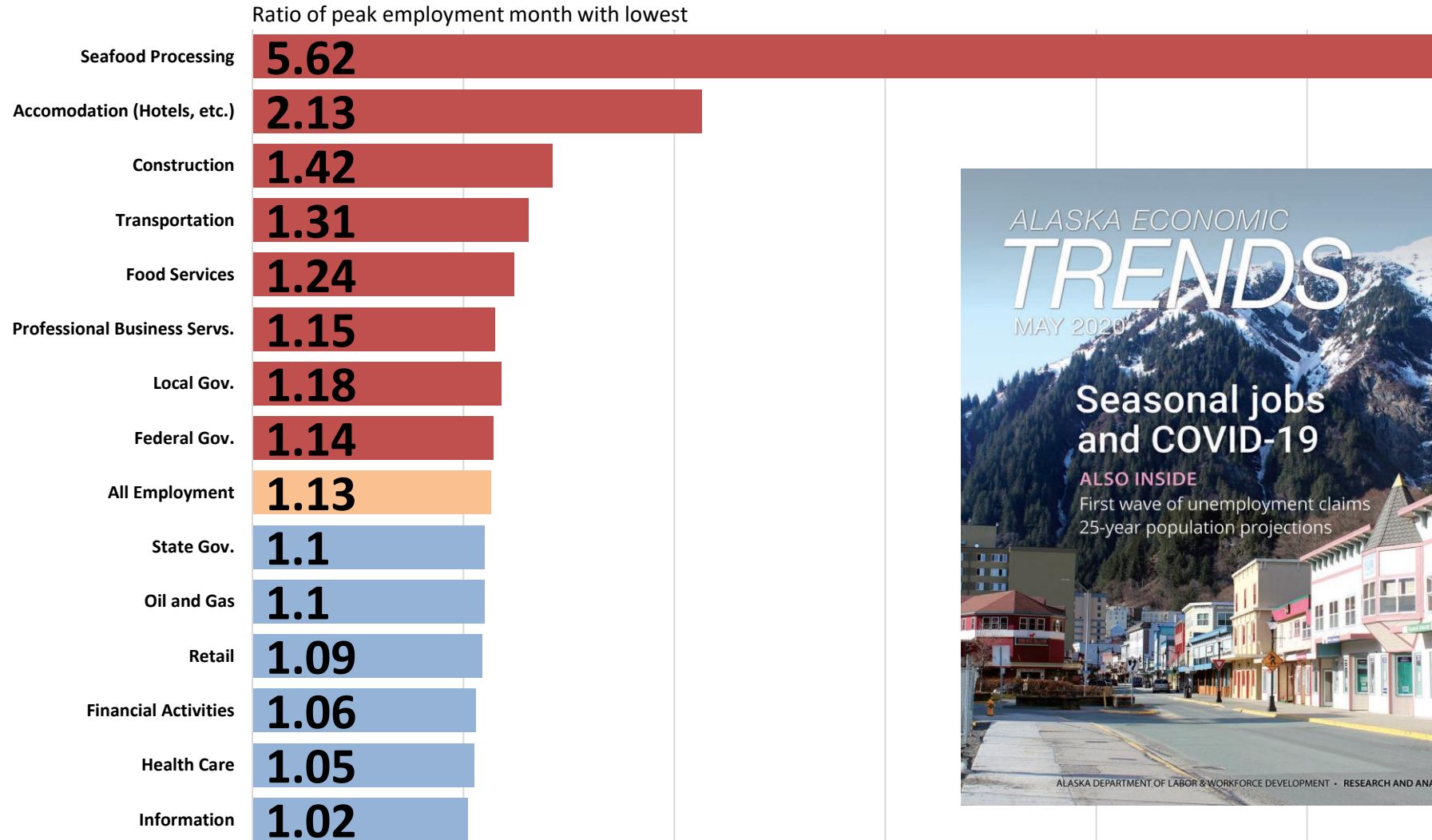
Interest Rates and Refinance Activity, 1st Quarter 2006 to Present



Really Poor Timing!—And Extra Challenge For Recovery

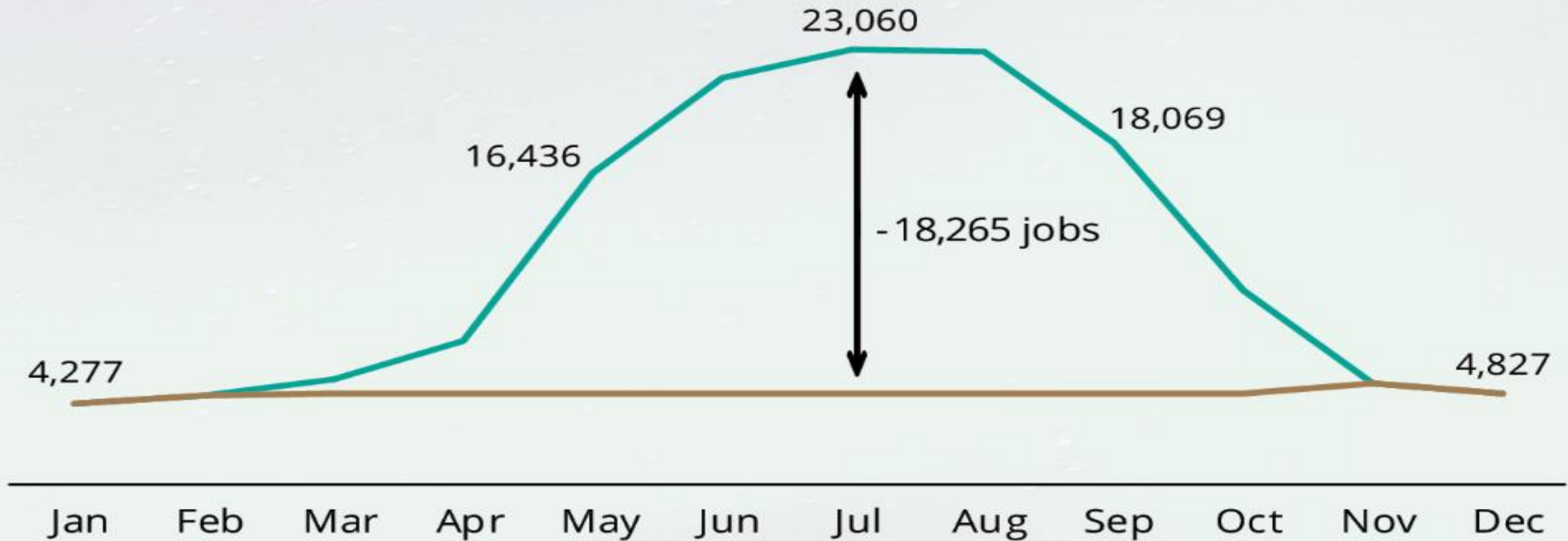
Then There Are Jobs That Simply Are Not Going To Show Up

Seafood, Top Seasonal Industry, Health Care, Not So Much



Monthly jobs* with and without tourism

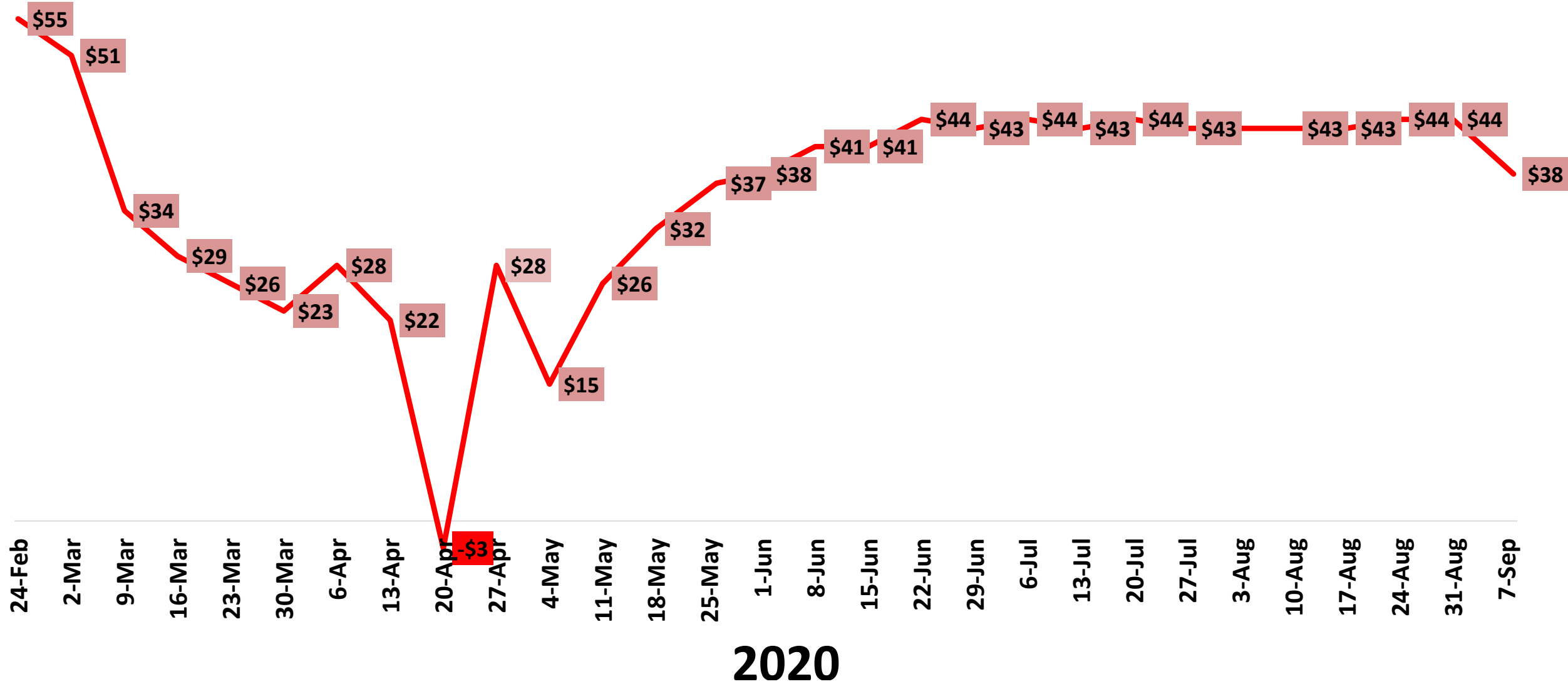
The Year That Tourist Wasn't



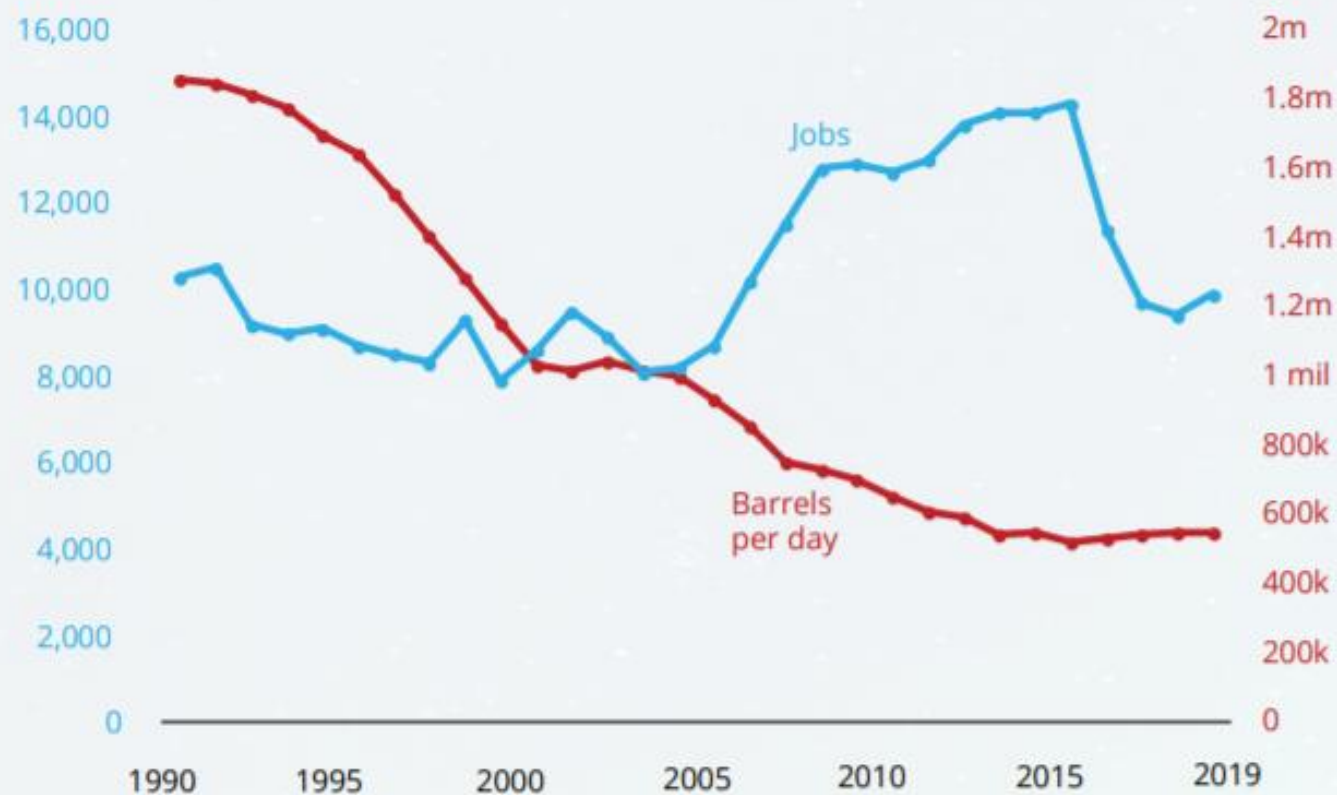
*Baseline data from 2018 for businesses directly tied to tourism; does not include the self-employed

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Oil Prices, A Rough Ride-- Looking A Little Better



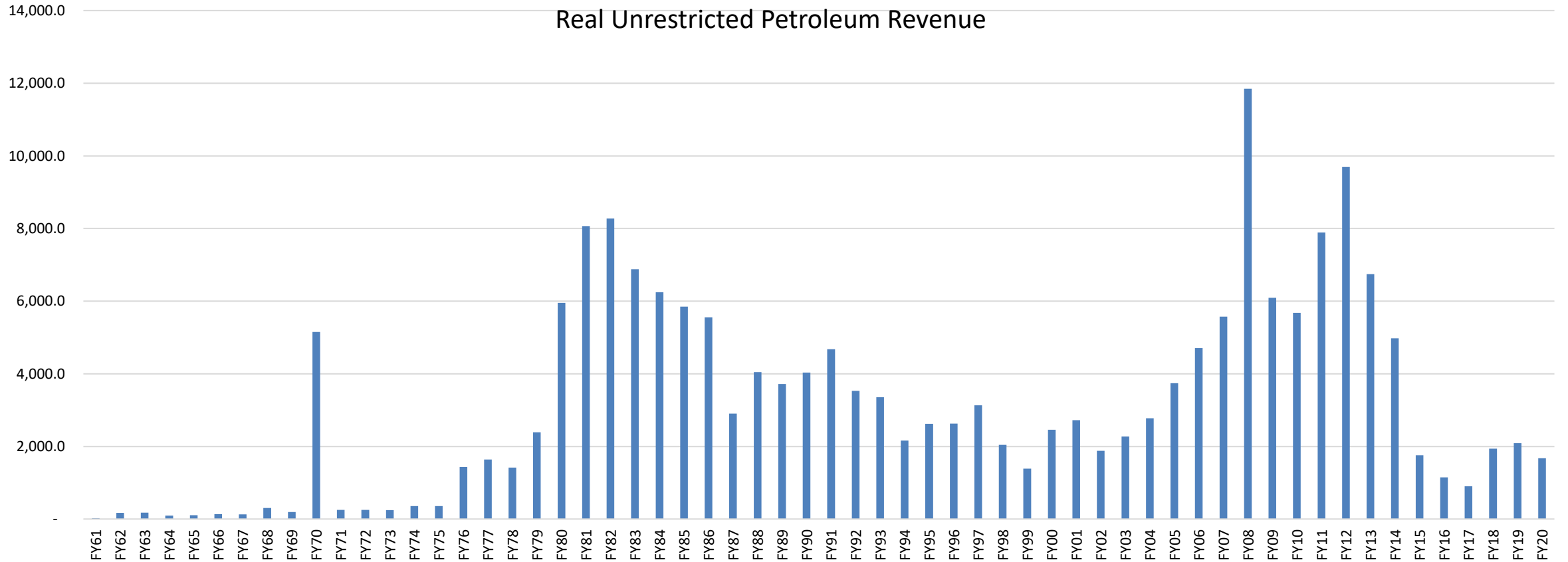
Production and jobs don't always track



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

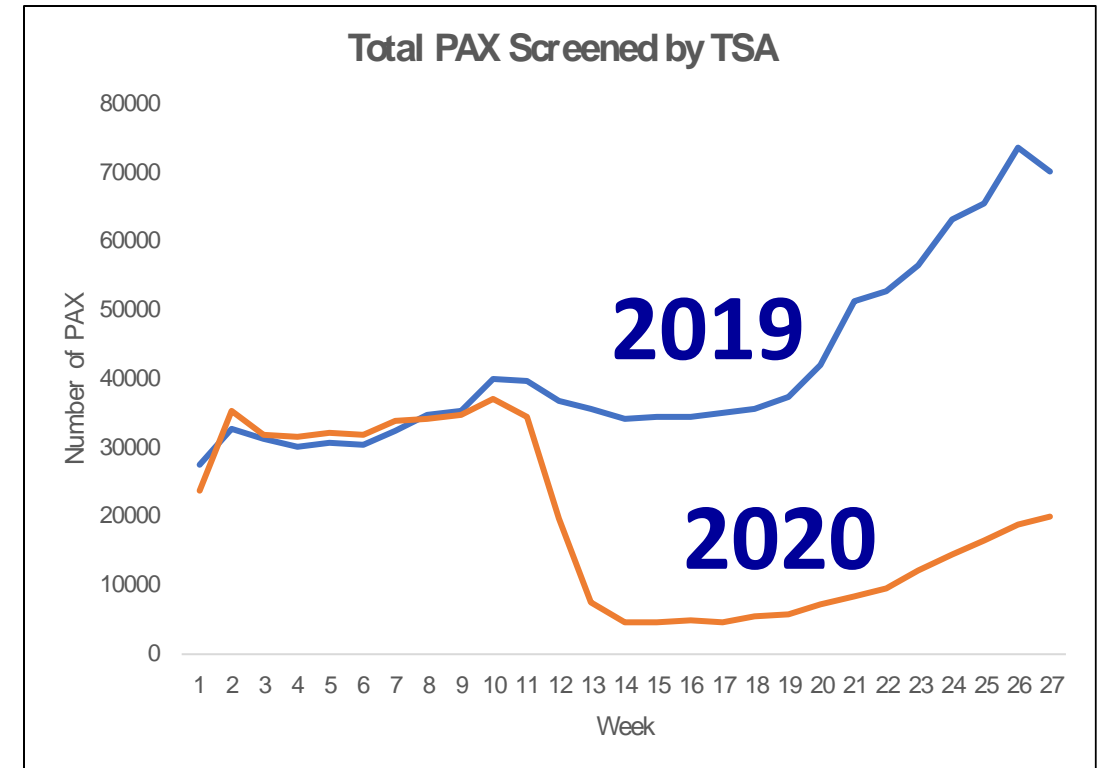
Petroleum Revenues Are Low

And a Decreasing Part of the State Budget



Total PAX Screened per Week

	2019 PAX Screened	2020 PAX Screened	% Change YoY
1	27586	23699	▼ -14.09%
2	32906	35479	▲ 7.82%
3	31496	31998	▲ 1.59%
4	30146	31665	▲ 5.04%
5	30724	32201	▲ 4.81%
6	30490	31900	▲ 4.62%
7	32450	34010	▲ 4.81%
8	34908	34181	▼ -2.08%
9	35388	34786	▼ -1.70%
10	40043	37113	▼ -7.32%
11	39681	34702	▼ -12.55%
12	36942	19695	▼ -46.69%
13	35883	7434	▼ -79.28%
14	34181	4645	▼ -86.41%
15	34591	4472	▼ -87.07%
16	34644	4791	▼ -86.17%
17	35062	4658	▼ -86.71%
18	35882	5408	▼ -84.93%
19	37381	5904	▼ -84.21%
20	42233	7133	▼ -83.11%
21	51437	8394	▼ -83.68%
22	52908	9654	▼ -81.75%
23	56629	12288	▼ -78.30%
24	63469	14451	▼ -77.23%
25	65842	16594	▼ -74.80%
26	73749	19011	▼ -74.22%
27	70283	19938	▼ -71.63%
Grand Total	1126934	526204	▼ -53.31%



Widebody Landings per Week					
	2019 Landings	2020 Landings	% Change YoY		
1	275	237	▼	-13.82%	
2	461	416	▼	-9.76%	
3	494	445	▼	-9.92%	
4	491	458	▼	-6.72%	
5	505	277	▼	-45.15%	
6	343	309	▼	-9.91%	
7	311	356	▲	14.47%	
8	436	433	▬	-0.69%	
9	456	460	▬	0.88%	
10	440	494	▲	12.27%	
11	468	539	▲	15.17%	
12	485	560	▲	15.46%	
13	496	585	▲	17.94%	
14	508	632	▲	24.41%	
Grand Total	6169	6201	▬	0.52%	

Data courtesy of Ted Stevens International Airport


Nope



Alaska International Airport System
Ted Stevens Anchorage International Airport
Fairbanks International Airport

6450 Airport Way, Suite 1
Fairbanks, Alaska 99709
Main: 907.474.2500
Fax: 907.474.2513

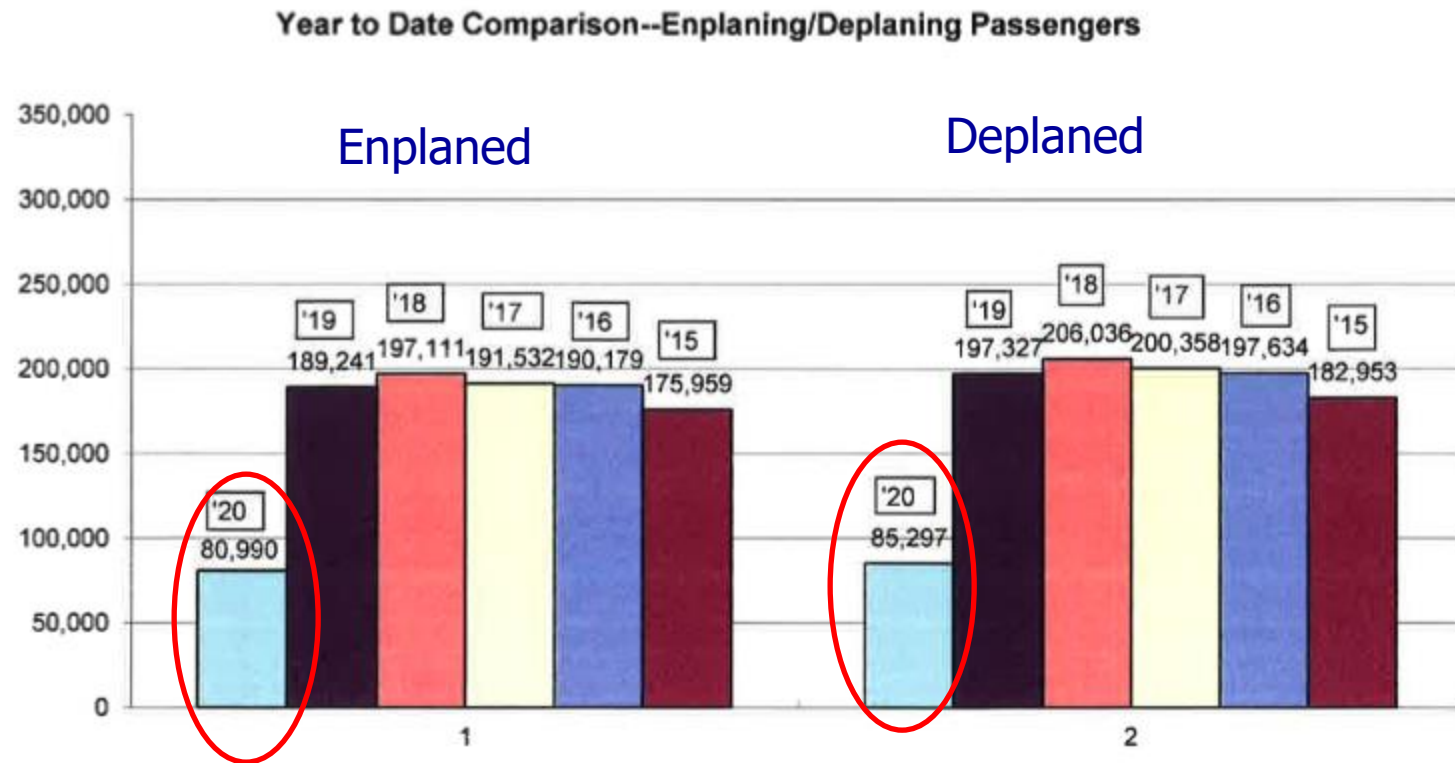
FOR IMMEDIATE RELEASE: Feb. 7, 2020

Contact: Melissa Stepovich, 907-474-2522 , melissa.stepovich@alaska.gov

Fairbanks International Airport Preparing for Record Passenger Numbers in Summer 2020

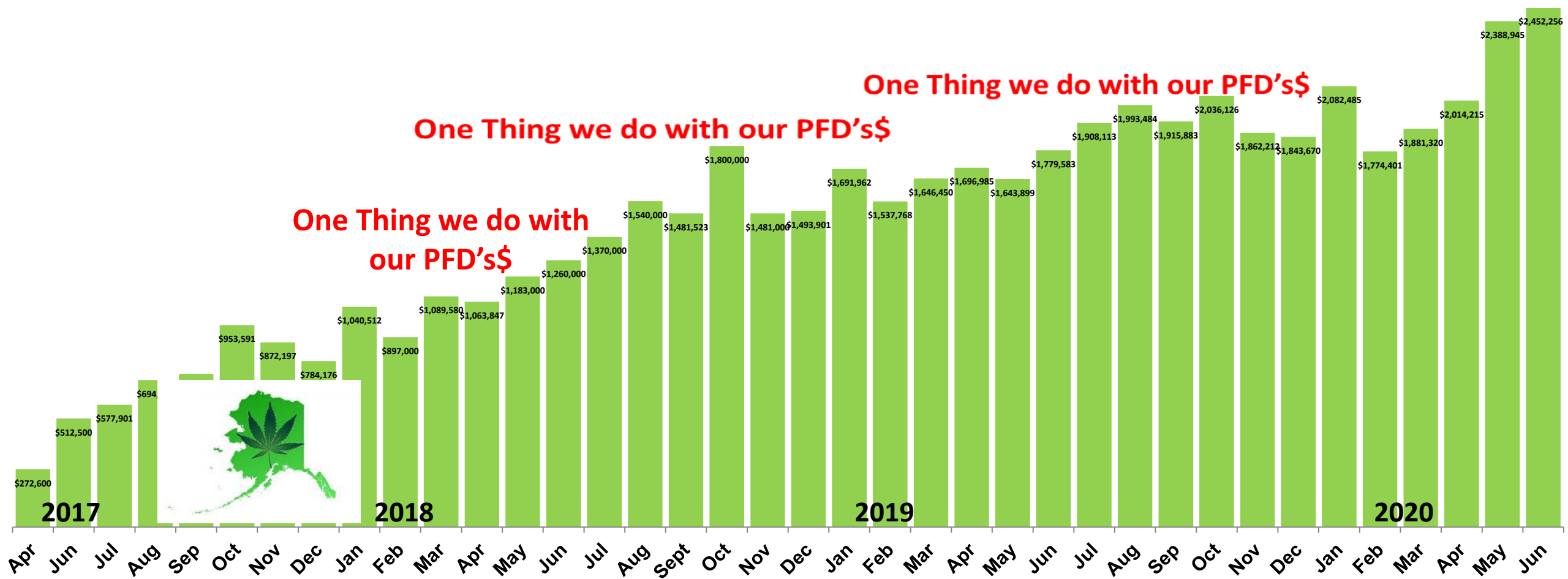
(Fairbanks, Alaska) – Fairbanks International Airport (FAI) is preparing for record high passenger numbers this summer season. The increase in flights during the months of May – Sept. 2020, is up 26% from last season. This increase is due to new American Airlines (AA) flights, as well as additional seats being offered by all the major carriers in the shoulder months of May and Sept.

Juneau Airport Passenger Numbers Less than Half of Last Year



Sales Continue To Go Higher—Looks Like Covid Is Giving It A Big Extra Boost!

Monthly cannabis taxes collected by State of AK



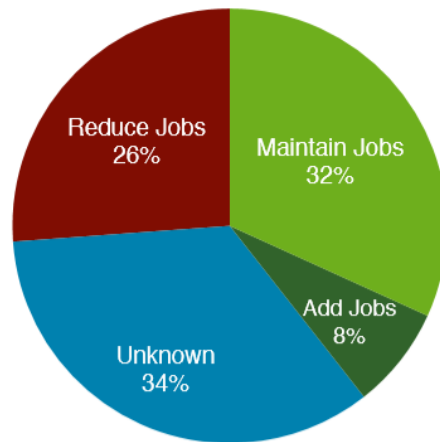
Source: AK Department of Revenue

Glum Outlook In Southeast

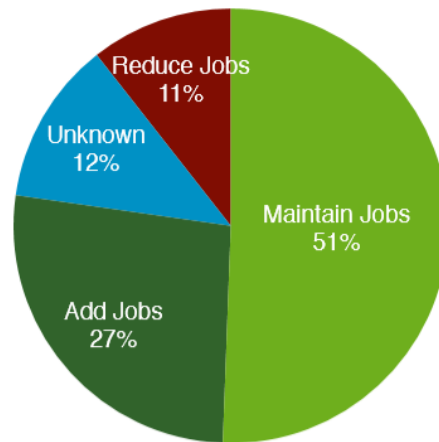
Decreasing Jobs in 2020 and 2021

Over the next 12 months, do you expect your organization to add jobs, maintain jobs, reduce jobs, or are you unsure?
(For those business with staff)

2020: Jobs Outlook



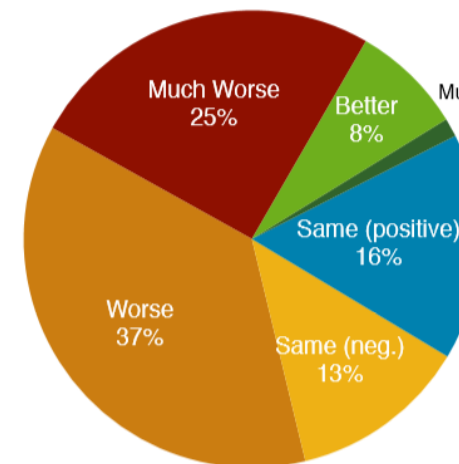
2019: Jobs Outlook



Southeast Economic Outlook

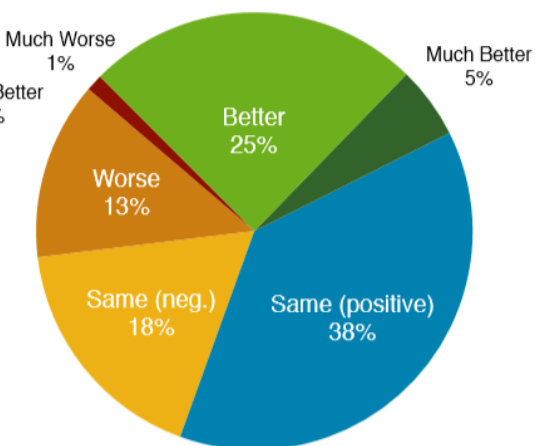
2020: What is the economic outlook for your business or industry?

25% Positive / 75% Negative

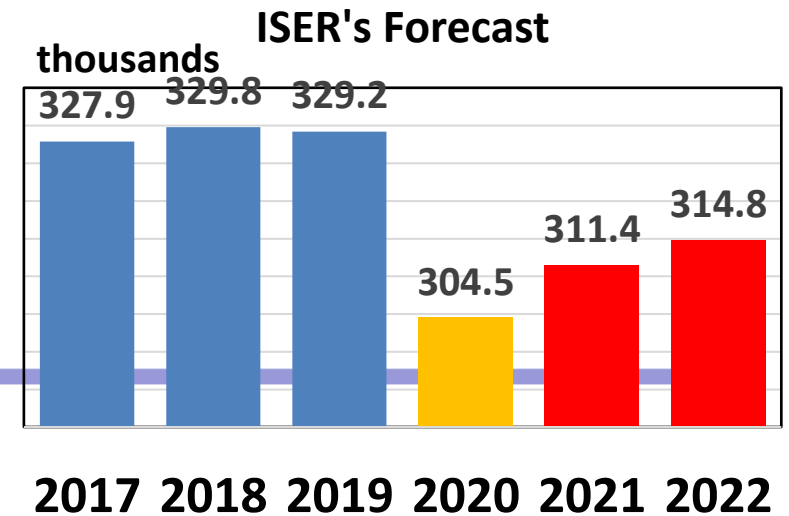


2019: What is the economic outlook for your business or industry?

68% Positive / 32% Negative



June 17th, 2020



Where do we see things going?

- ▶ The state's economy was expected to grow at between 0.4 and 0.7% pre-COVID. As a result of the decline in activity, we will very likely see significant employment declines for 2020.
- ▶ Employment will turn positive positive in 2021 but we do not expect returning to pre-COVID employment levels until 2023.
- ▶ It will be important to think in terms of year over year comparisons rather than month over month.
- ▶ Of course, the recovery completely hinges on virus containment and people's willingness to congregate and resume spending.

What To Expect...

- The effects of the pandemic will likely last for several years
- Some industries were on the decline before the pandemic
- Industries related to tourism will have to survive a year without visitors and likely several more years of reduced visitors
- The oil industry depends on global demand, which has fallen
- State finances are in rough shape with declining oil revenues and rapidly diminishing savings
- Consumers and businesses dislike uncertainty, and there is a lot of it
- **Take away- next year is a big question mark and recovery could take several years**