

**By: Anirban Basu**  
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**Sage Policy Group, Inc.**

**On Behalf of**  
**MBCEA & MBMA**

**April 23, 2026**

# **First** **Brood**

**One Presentation by One Man**



# Judge Dread

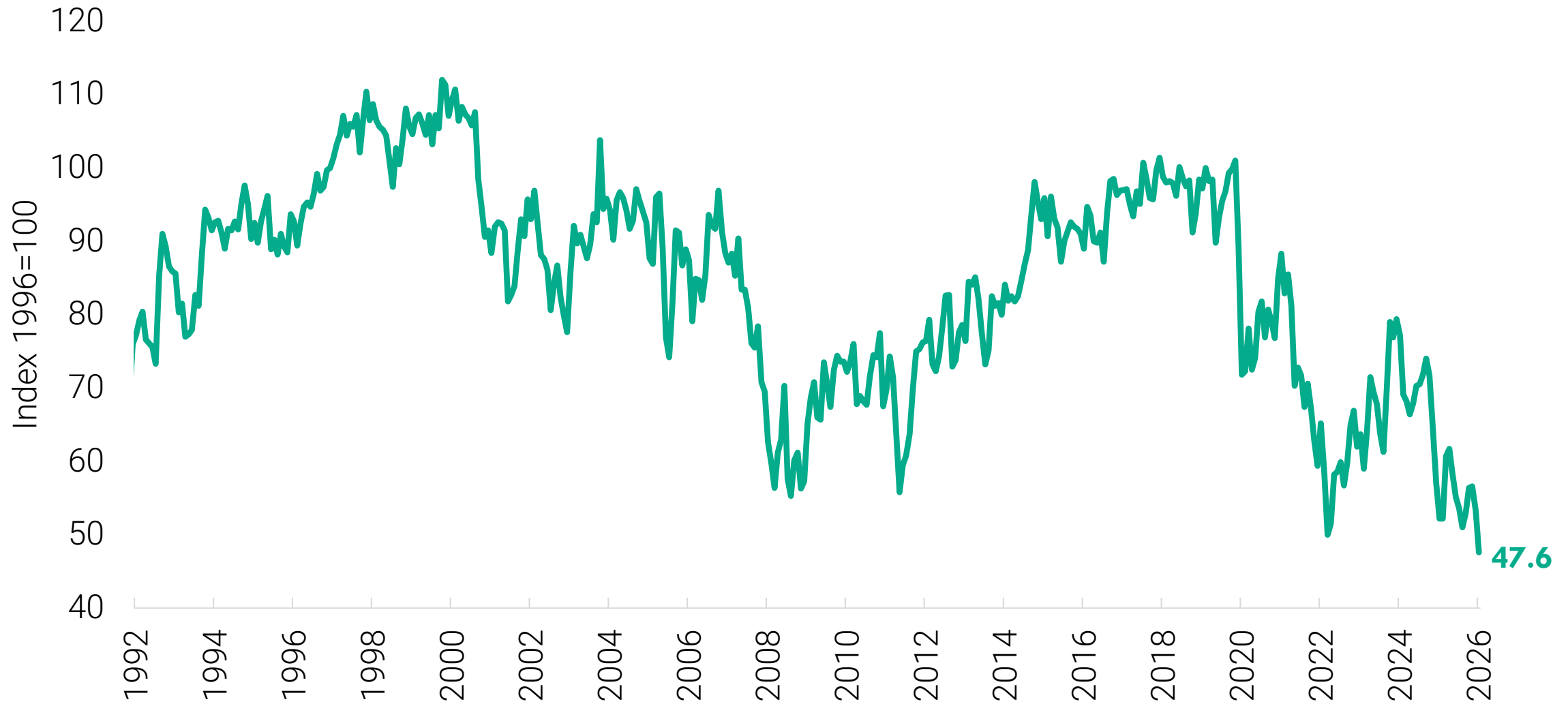
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Judge Dredd (1995) — Sylvester Stallone as Judge Joseph Dredd

# University of Michigan Index of Consumer Sentiment

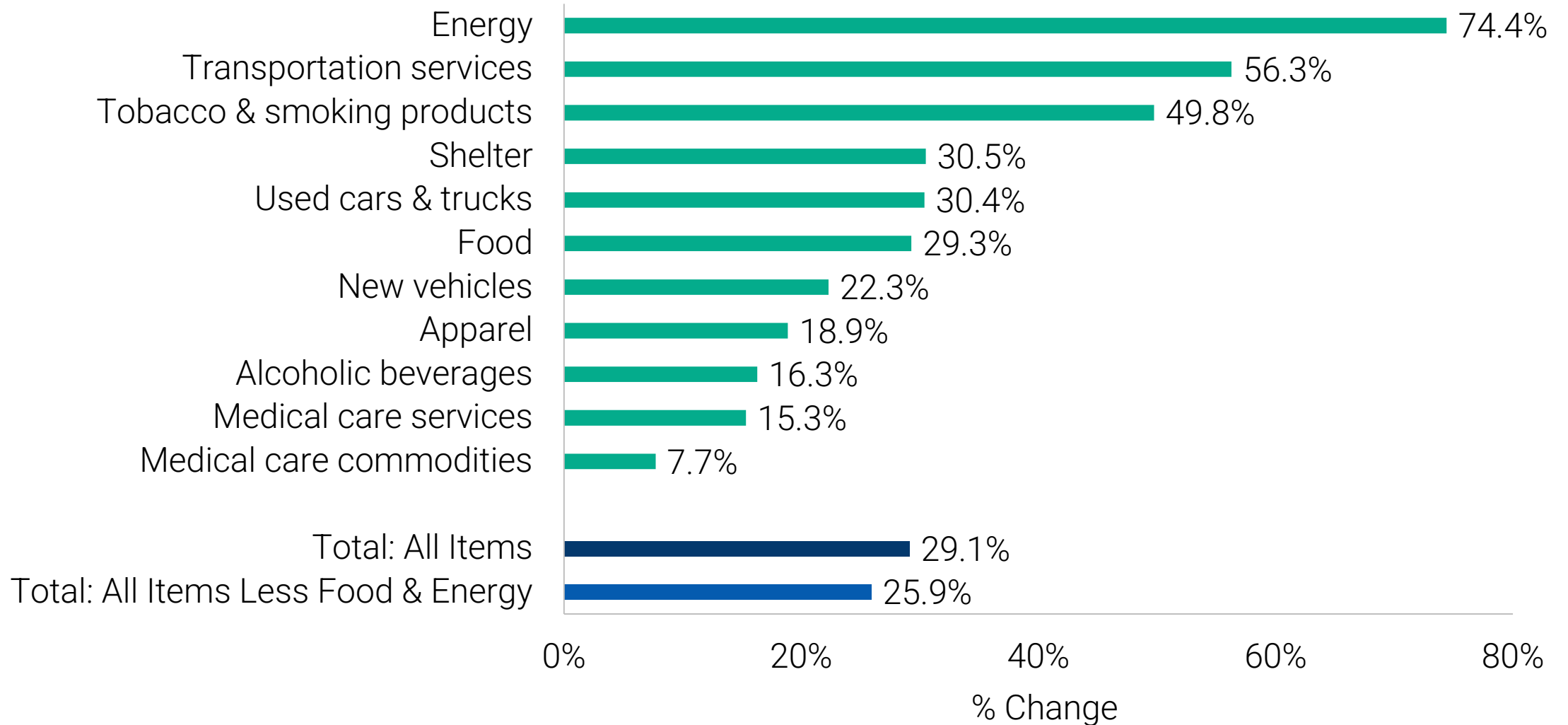
1992 – April 2026



Source: University of Michigan Survey of Consumers

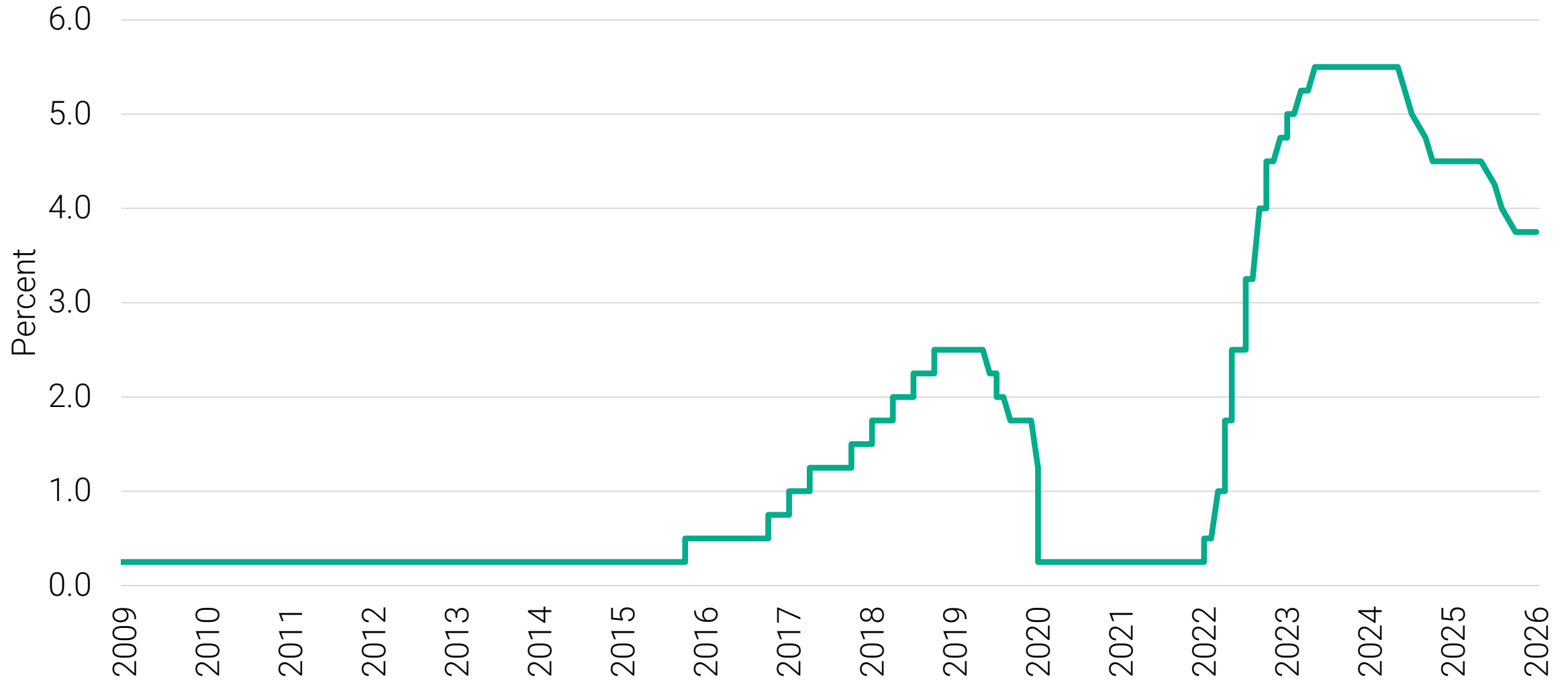
# Consumer Price Index, Select Categories (SA)

% Change May 2020 v. March 2026



# Federal Funds Rate, Target Rate Upper Limit

2009 – 2026



Source: Board of Governors of the Federal Reserve System

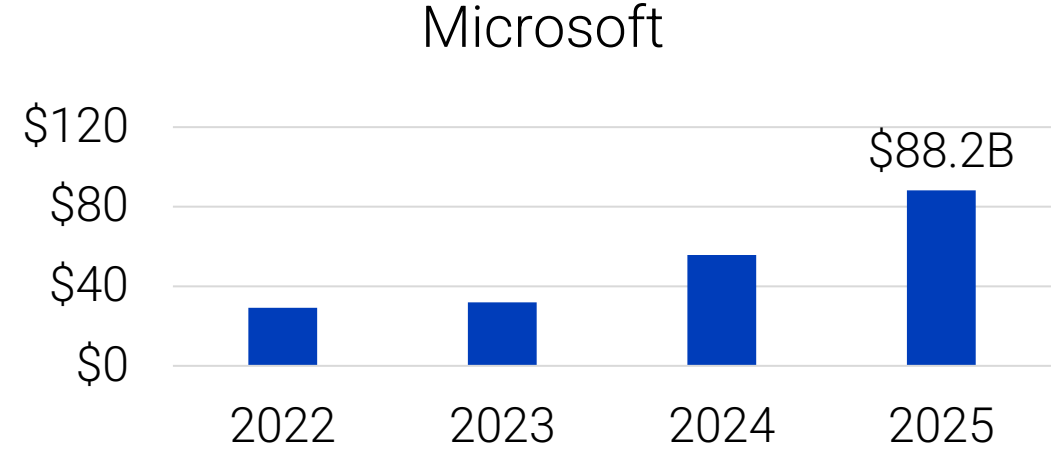
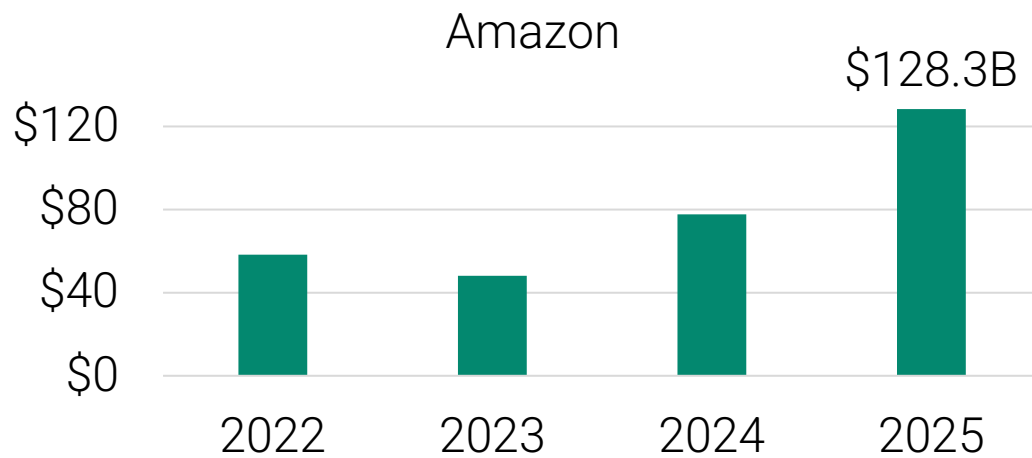
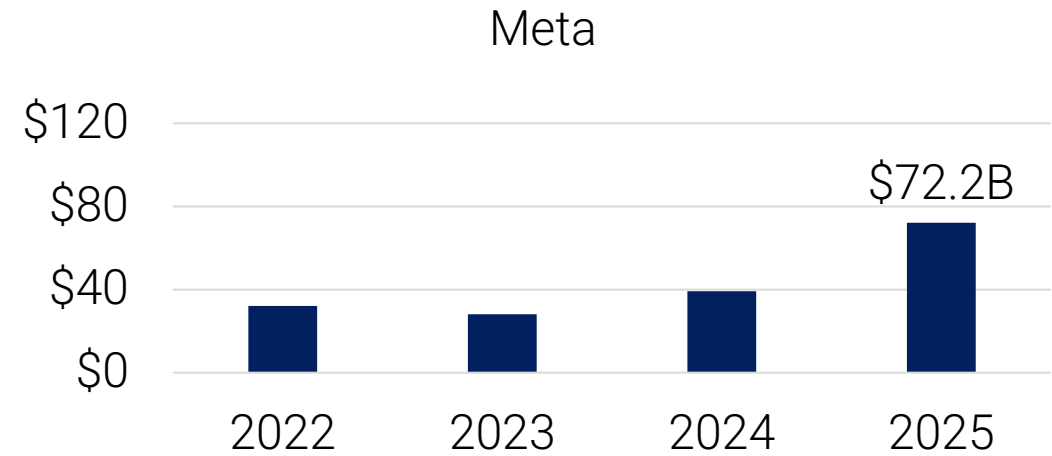
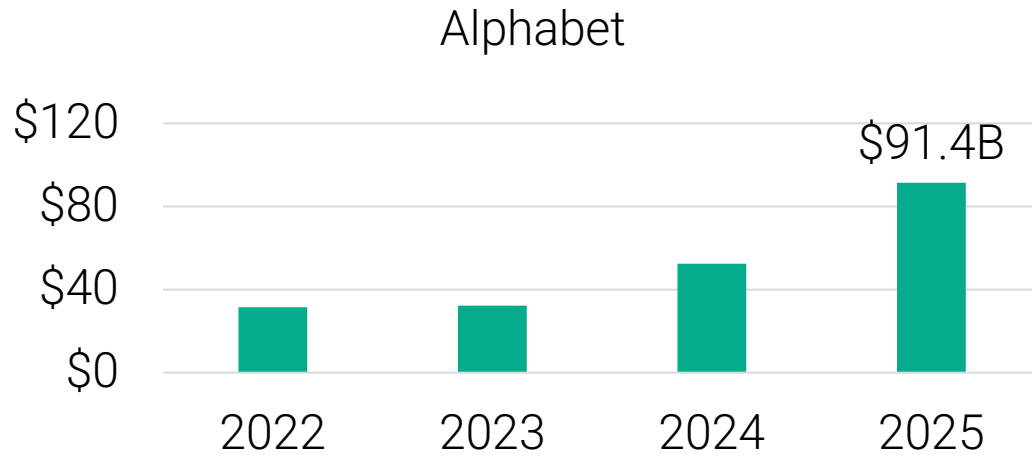
# Over the Top



Over the Top (1987)—Sylvester Stallone as long-haul truck driver Lincoln Hawk

# Big Tech's AI-Fueled Spending Surge

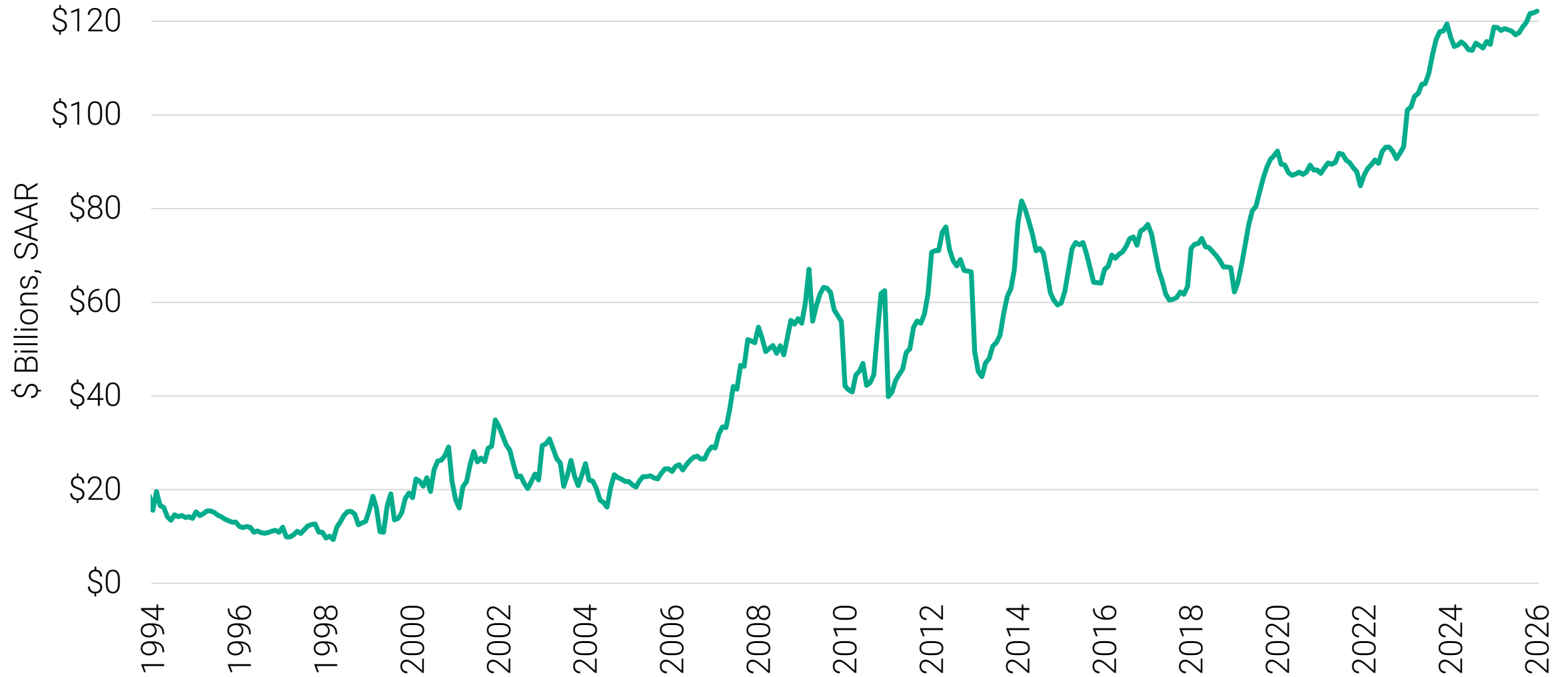
Annual Capital Expenditures (\$Billions), 2022 – 2025



Source: Company financial statements

# Private Construction Spending on Electric Power Generation & Distribution

1994 – January 2026



Source: U.S. Census Bureau

# Magnificent 7 v. Rest of S&P 500

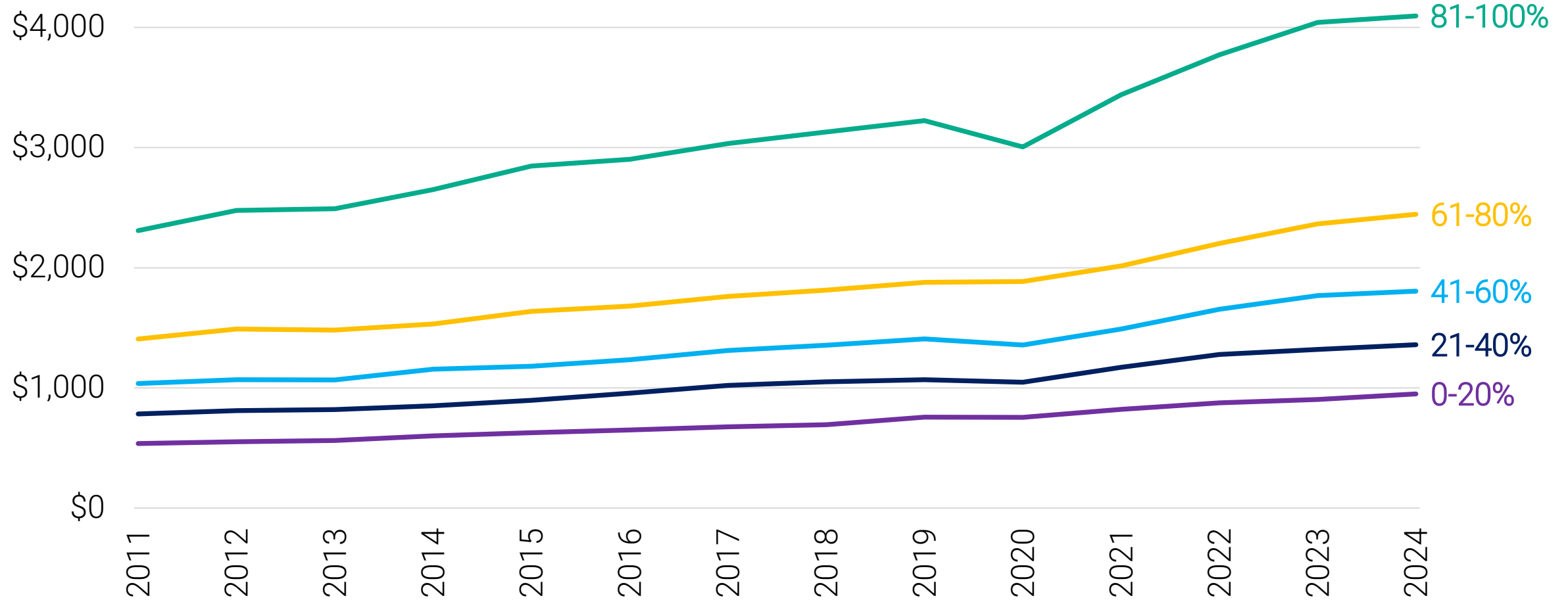
% Change in Close Price Since January 2024



Source: Yahoo! Finance

# Top 20% of Earners Do Almost 40% of Spending

Aggregate Spending (\$ Billions) by Income Quintile



Source: U.S. Bureau of Labor Statistics.

Mean Income Before Taxes, 2024—Lowest 20%: \$16,658; Second 20%: \$42,925; Third 20%: \$74,474; Fourth 20%: \$121,548; Highest 20%: \$264,510; All Consumer Units: \$104,207

# The Spendables

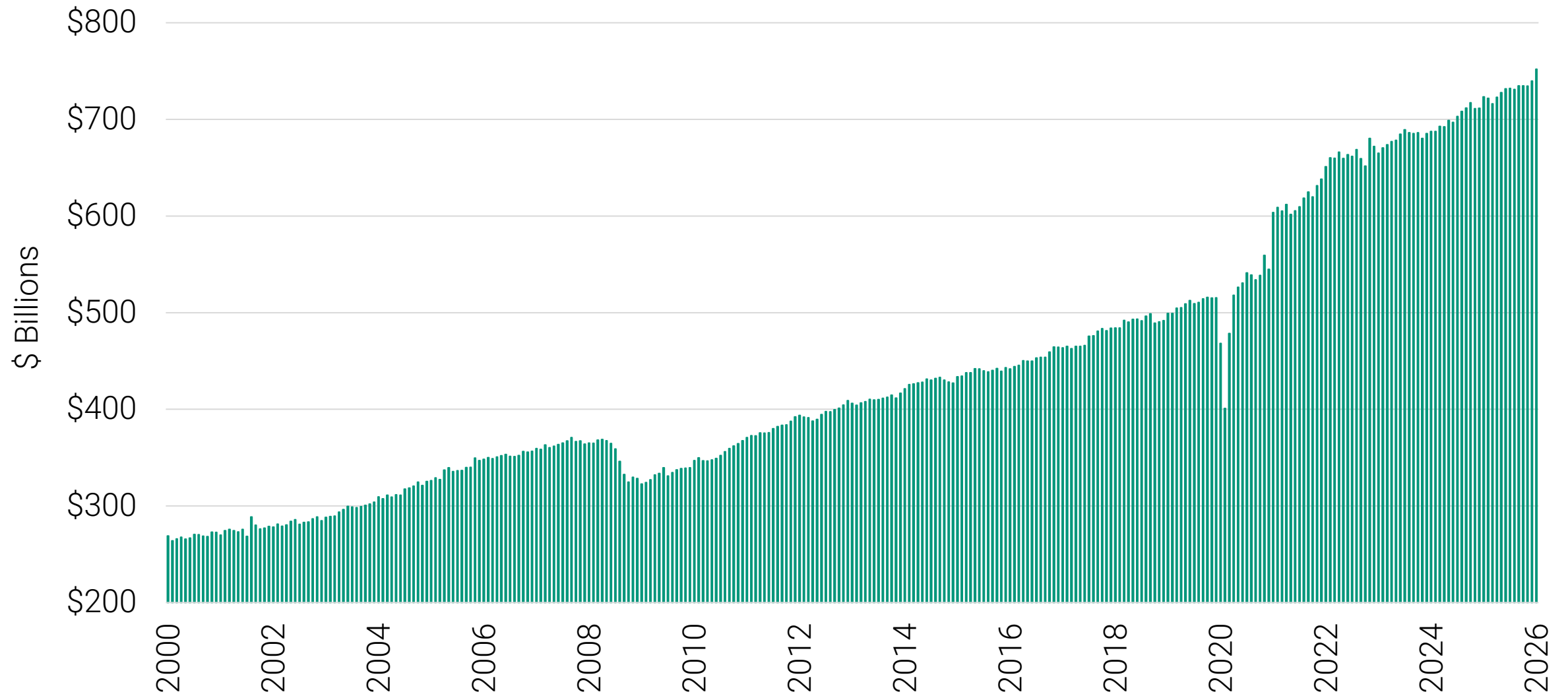


The Expendables (2010) — Sylvester Stallone as mercenary Barney Ross

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# Tango With Cash

U.S. Retail Sales, 2000 – March 2026

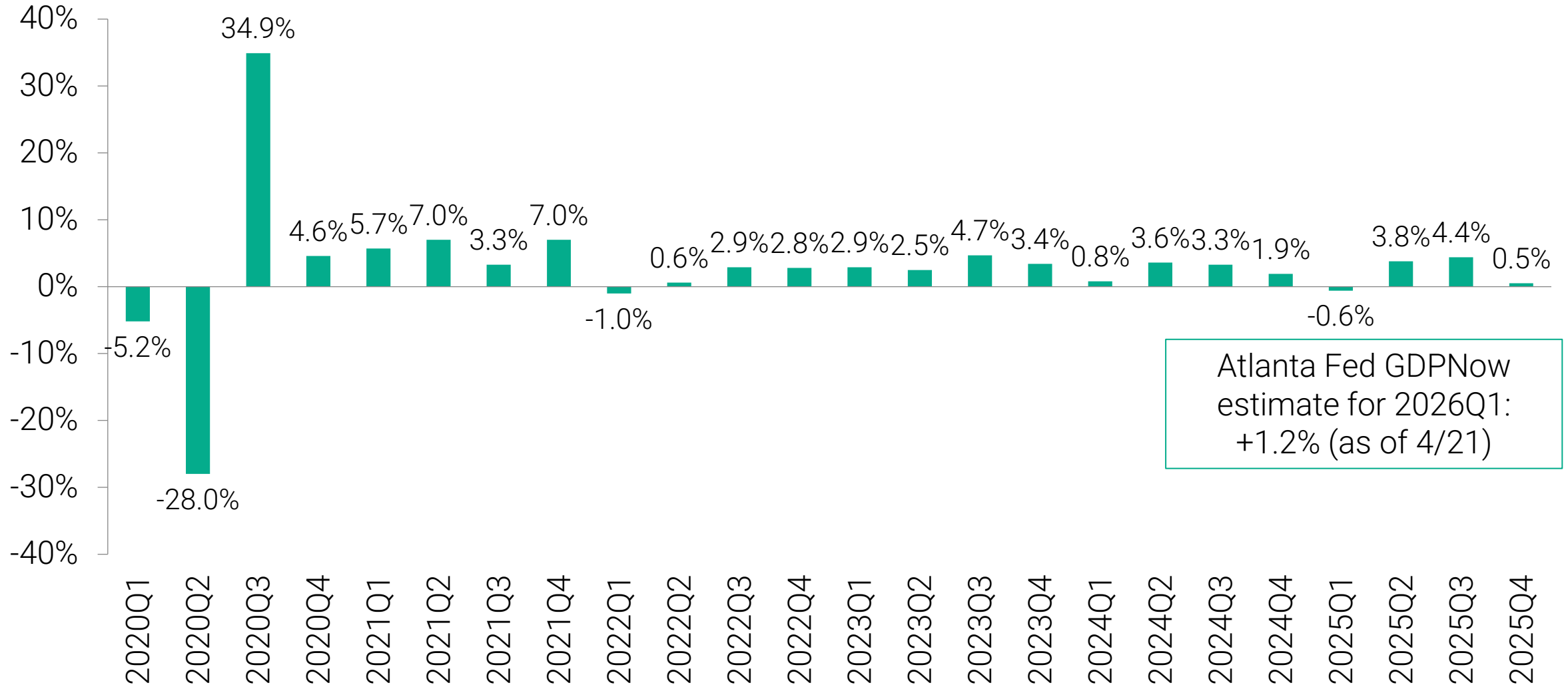


Source: U.S. Census Bureau

Tango & Cash (1989)—Sylvester Stallone as police officer Ray Tango

# U.S. Gross Domestic Product Growth

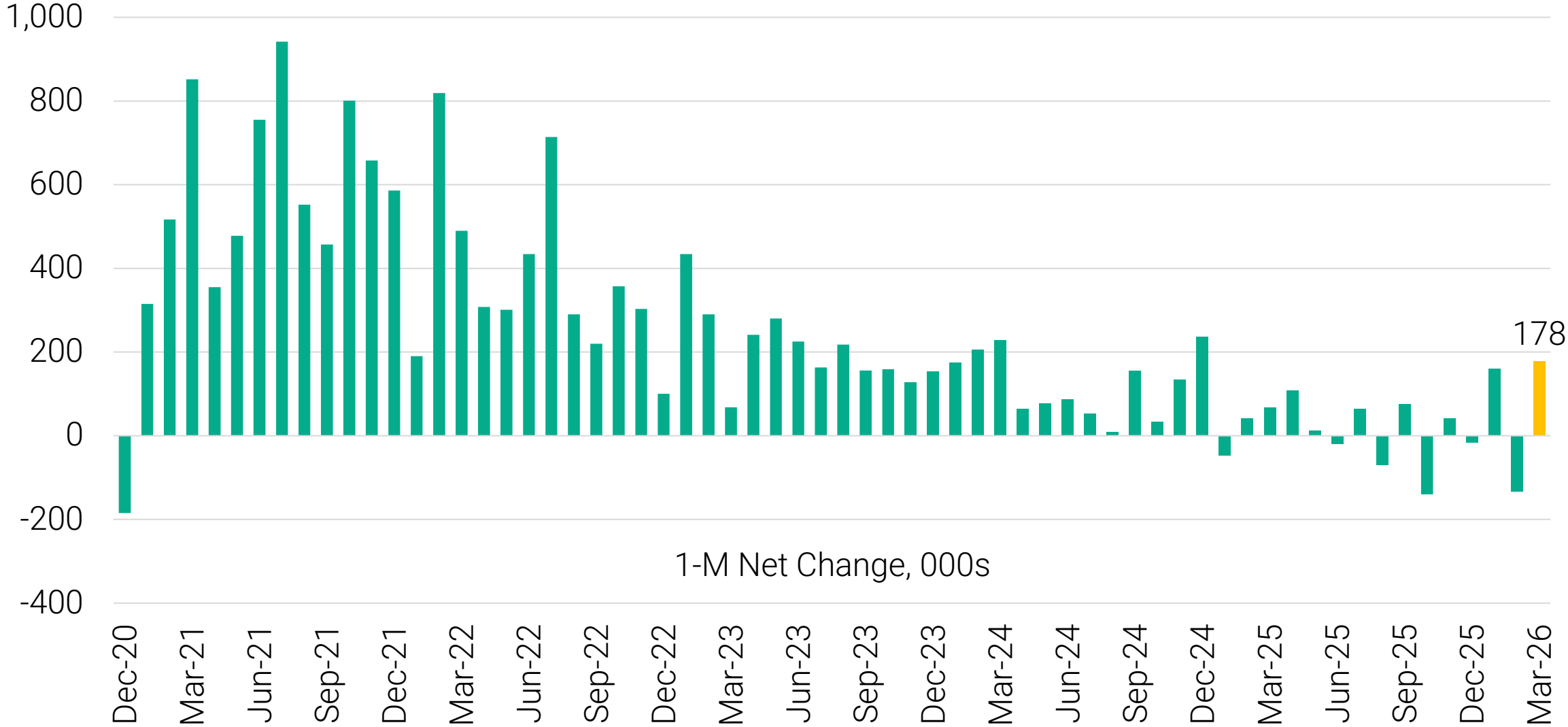
% Change from Preceding Period (SAAR), 2020 – 2025Q4



Source: U.S. Bureau of Economic Analysis \*2025Q4: 3<sup>rd</sup> (final) estimate

# U.S. Job Growth, Monthly

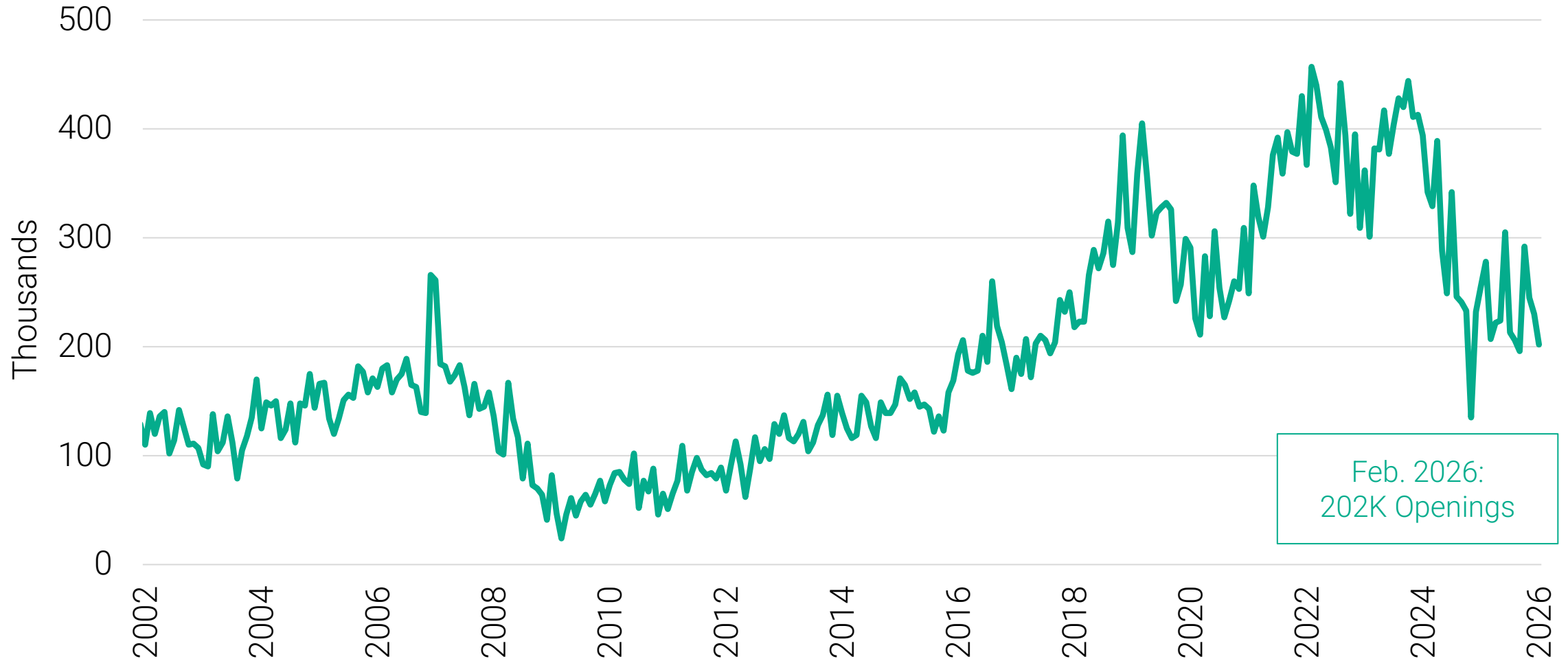
December 2020 – March 2026



Source: U.S. Bureau of Labor Statistics

# U.S. Construction Job Openings

2002 – February 2026



Source: U.S. Bureau of Labor Statistics

# U-Haul Growth Index, 2025 State Rankings

Rank	State	Rank	State	Rank	State
1	TEXAS (2)	18	SOUTH DAKOTA (19)	35	IOWA (23)
2	FLORIDA (4)	19	MINNESOTA (18)	<b>36</b>	<b>VIRGINIA (17)</b>
3	NORTH CAROLINA (3)	20	NEVADA (35)	37	KANSAS (32)
4	TENNESSEE (5)	21	MISSISSIPPI (39)	38	NORTH DAKOTA (31)
5	SOUTH CAROLINA (1)	22	NEW MEXICO (37)	39	NEBRASKA (29)
6	WASHINGTON (7)	23	COLORADO (40)	40	RHODE ISLAND (38)
7	ARIZONA (6)	24	VERMONT (20)	41	MICHIGAN (43)
8	IDAHO (10)	25	INDIANA (8)	42	CONNECTICUT (41)
9	ALABAMA (16)	26	WISCONSIN (22)	43	OHIO (14)
10	GEORGIA (15)	27	ALASKA (27)	<b>44</b>	<b>PENNSYLVANIA (46)</b>
11	OREGON (34)	28	HAWAII (26)	<b>45</b>	<b>MARYLAND (42)</b>
12	MONTANA (24)	29	MISSOURI (28)	46	MASSACHUSETTS (49)
13	ARKANSAS (12)	30	WYOMING (36)	<b>47</b>	<b>NEW YORK (47)</b>
14	OKLAHOMA (11)	31	LOUISIANA (44)	<b>48</b>	<b>NEW JERSEY (48)</b>
15	MAINE (13)	32	NEW HAMPSHIRE (33)	49	ILLINOIS (45)
16	UTAH (9)	<b>33</b>	<b>DELAWARE (21)</b>	50	CALIFORNIA (50)
17	KENTUCKY (25)	<b>34</b>	<b>WEST VIRGINIA (30)</b>		

\*2024 rankings in parenthesis. U-Haul ranks states by their net gain (or loss) of customers who rented a one-way truck, trailer or U-Box® moving containers in one state and dropped off their equipment in another state.

Source: U-Haul



# Employment Growth, 25 Largest Metros (NSA)

February 2024 v. February 2026 Absolute Change

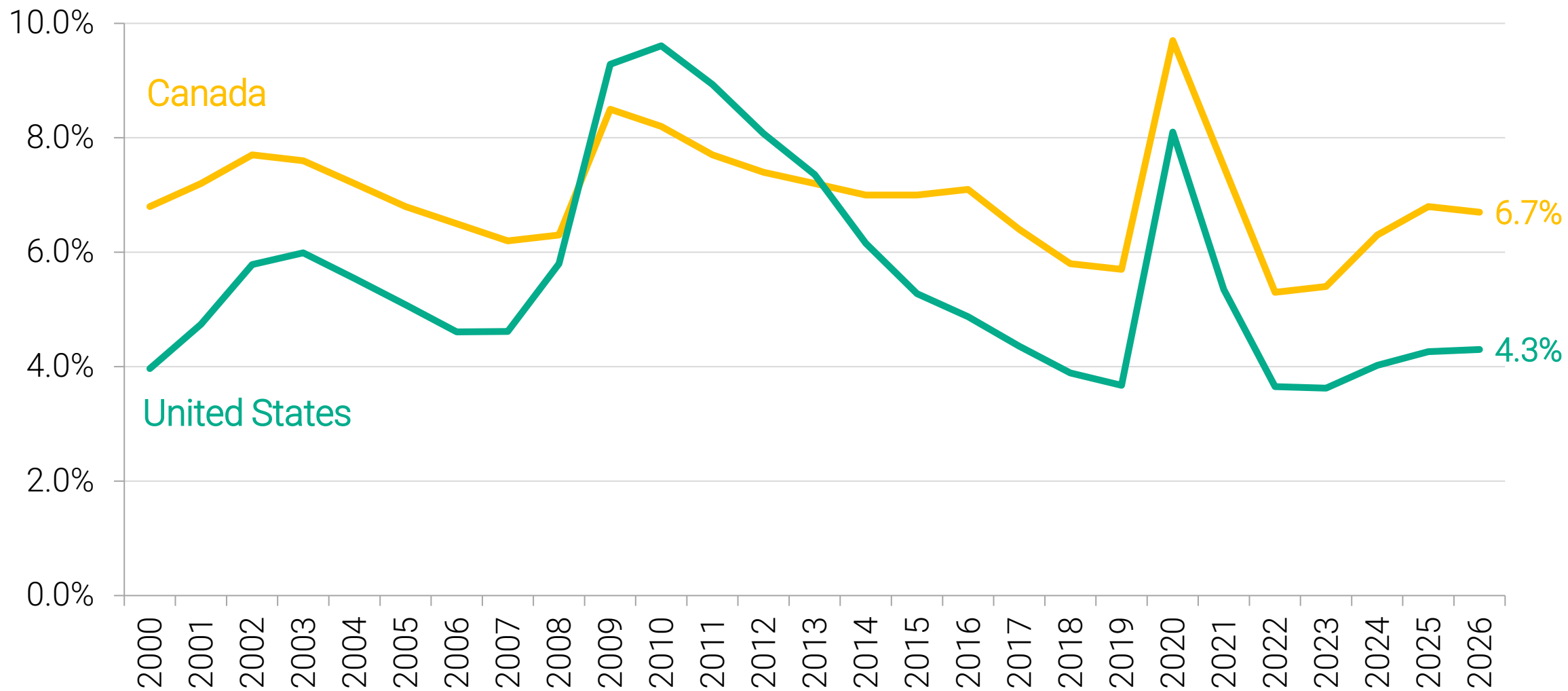
Rank	MSA	%
1	Austin-Round Rock-San Marcos, TX	3.4%
2	Dallas-Fort Worth-Arlington, TX	1.9%
<b>3</b>	<b>Charlotte-Concord-Gastonia, NC-SC</b>	<b>1.8%</b>
3	Houston-Pasadena-The Woodlands, TX	1.8%
5	Riverside-San Bernardino-Ontario, CA	1.4%
<b>6</b>	<b>New York-Newark-Jersey City, NY-NJ</b>	<b>1.3%</b>
6	San Antonio-New Braunfels, TX	1.3%
8	Chicago-Naperville-Elgin, IL-IN-WI	0.8%
8	Miami-Fort Lauderdale-West Palm Beach, FL	0.8%
<b>8</b>	<b>Philadelphia-Camden-Wilm., PA-NJ-DE-MD</b>	<b>0.8%</b>
8	Phoenix-Mesa-Chandler, AZ	0.8%
12	Orlando-Kissimmee-Sanford, FL	0.7%
13	Atlanta-Sandy Springs-Roswell, GA	0.6%

Rank	MSA	%
13	Minneapolis-St. Paul-Bloomington, MN-WI	0.6%
15	San Diego-Chula Vista-Carlsbad, CA	0.5%
15	Tampa-St. Petersburg-Clearwater, FL	0.5%
17	Denver-Aurora-Centennial, CO	-0.1%
17	Seattle-Tacoma-Bellevue, WA	-0.1%
19	Los Angeles-Long Beach-Anaheim, CA	-0.2%
20	San Francisco-Oakland-Fremont, CA	-0.8%
21	St. Louis, MO-IL	-1.0%
22	Detroit-Warren-Dearborn, MI	-1.1%
23	Boston-Cambridge-Newton, MA-NH	-1.3%
<b>24</b>	<b>Baltimore-Columbia-Towson, MD</b>	<b>-1.5%</b>
<b>25</b>	<b>Washington-Arlington-Alex., DC-VA-MD-WV</b>	<b>-2.6%</b>
-	U.S. Total (SA)	0.8%

Source: Bureau of Labor Statistics

Note: MSA data are not seasonally adjusted (NSA);  
U.S. data are seasonally adjusted (SA)

# Unemployment Rate, U.S. & Canada, 2000 – Mar. 2026



Source: U.S. Bureau of Labor Statistics; Statistics Canada; International Monetary Fund

# Unemployment Rate by Canadian Province/Territory, Mar. 2026

Province/Territory	Unemployment Rate
Saskatchewan	5.0%
Quebec	5.4%
Manitoba	5.6%
Alberta	6.5%
Nova Scotia	6.6%
British Columbia	6.7%
New Brunswick	7.0%
Prince Edward Island	7.3%
Ontario	7.6%
Newfoundland and Labrador	9.5%
<b>Canada</b>	<b>6.7%</b>

Source: Statistics Canada  
Note: data are seasonally adjusted



# Unemployment Rates, 25 Largest Metros (NSA), Jan. 2026

Rank	MSA	%
1	Atlanta-Sandy Springs-Roswell, GA	3.6%
2	Austin-Round Rock-San Marcos, TX	3.7%
3	Miami-Fort Lauderdale-West Palm Beach, FL	3.9%
4	Dallas-Fort Worth-Arlington, TX	4.2%
4	Denver-Aurora-Centennial, CO	4.2%
<b>6</b>	<b>Charlotte-Concord-Gastonia, NC-SC</b>	<b>4.3%</b>
6	San Antonio-New Braunfels, TX	4.3%
8	Phoenix-Mesa-Chandler, AZ	4.4%
8	San Francisco-Oakland-Fremont, CA	4.4%
<b>8</b>	<b>Washington-Arlington-Alex., DC-VA-MD-WV</b>	<b>4.4%</b>
11	Baltimore-Columbia-Towson, MD	4.5%
11	Philadelphia-Camden-Wilm., PA-NJ-DE-MD	4.5%
13	St. Louis, MO-IL	4.6%

Rank	MSA	%
14	San Diego-Chula Vista-Carlsbad, CA	4.7%
15	Boston-Cambridge-Newton, MA-NH	4.8%
15	Minneapolis-St. Paul-Bloomington, MN-WI	4.8%
<b>15</b>	<b>New York-Newark-Jersey City, NY-NJ</b>	<b>4.8%</b>
18	Houston-Pasadena-The Woodlands, TX	4.9%
18	Orlando-Kissimmee-Sanford, FL	4.9%
20	Los Angeles-Long Beach-Anaheim, CA	5.1%
20	Tampa-St. Petersburg-Clearwater, FL	5.1%
22	Chicago-Naperville-Elgin, IL-IN-WI	5.3%
22	Detroit-Warren-Dearborn, MI	5.3%
24	Riverside-San Bernardino-Ontario, CA	5.4%
25	Seattle-Tacoma-Bellevue, WA	5.9%
-	U.S. Total (SA)	4.3%

Source: Bureau of Labor Statistics

Note: MSA data are not seasonally adjusted (NSA);  
U.S. data are seasonally adjusted (SA)



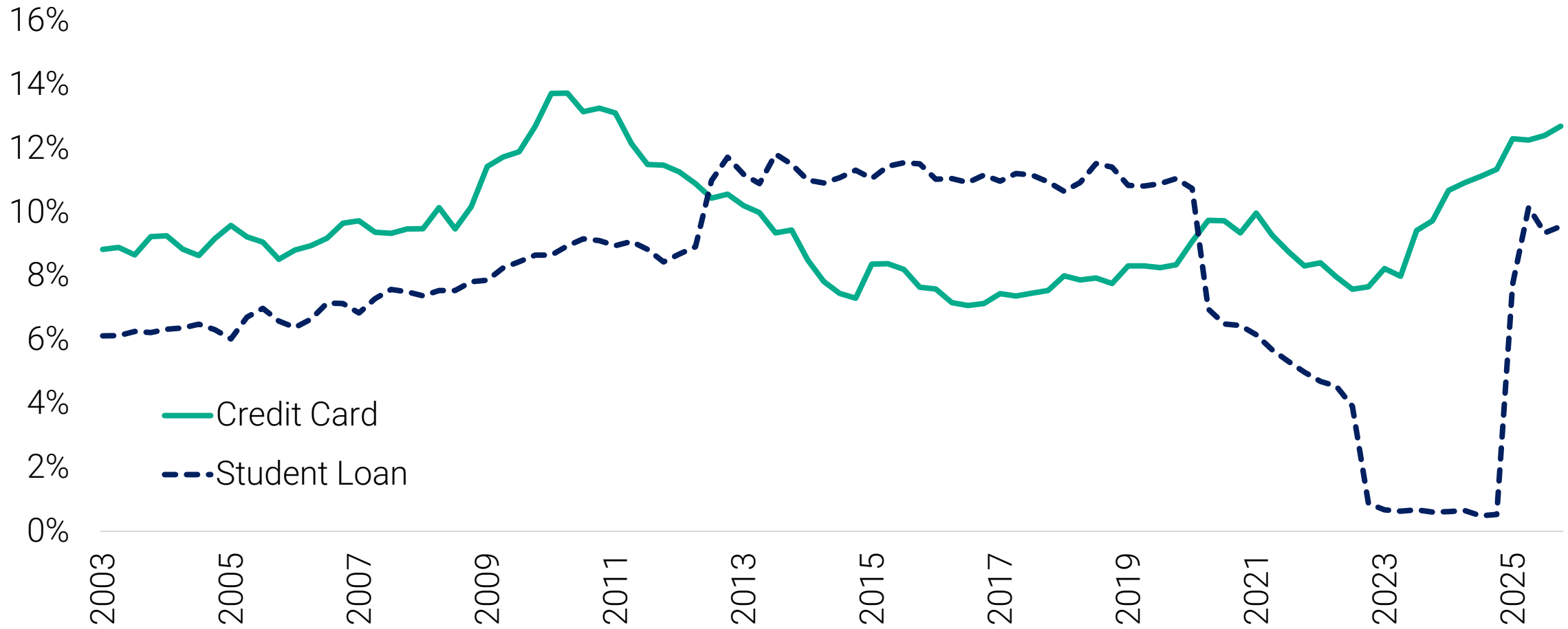
# A Little Rocky



Rocky (1976)—Sylvester Stallone as boxer Rocky Balboa

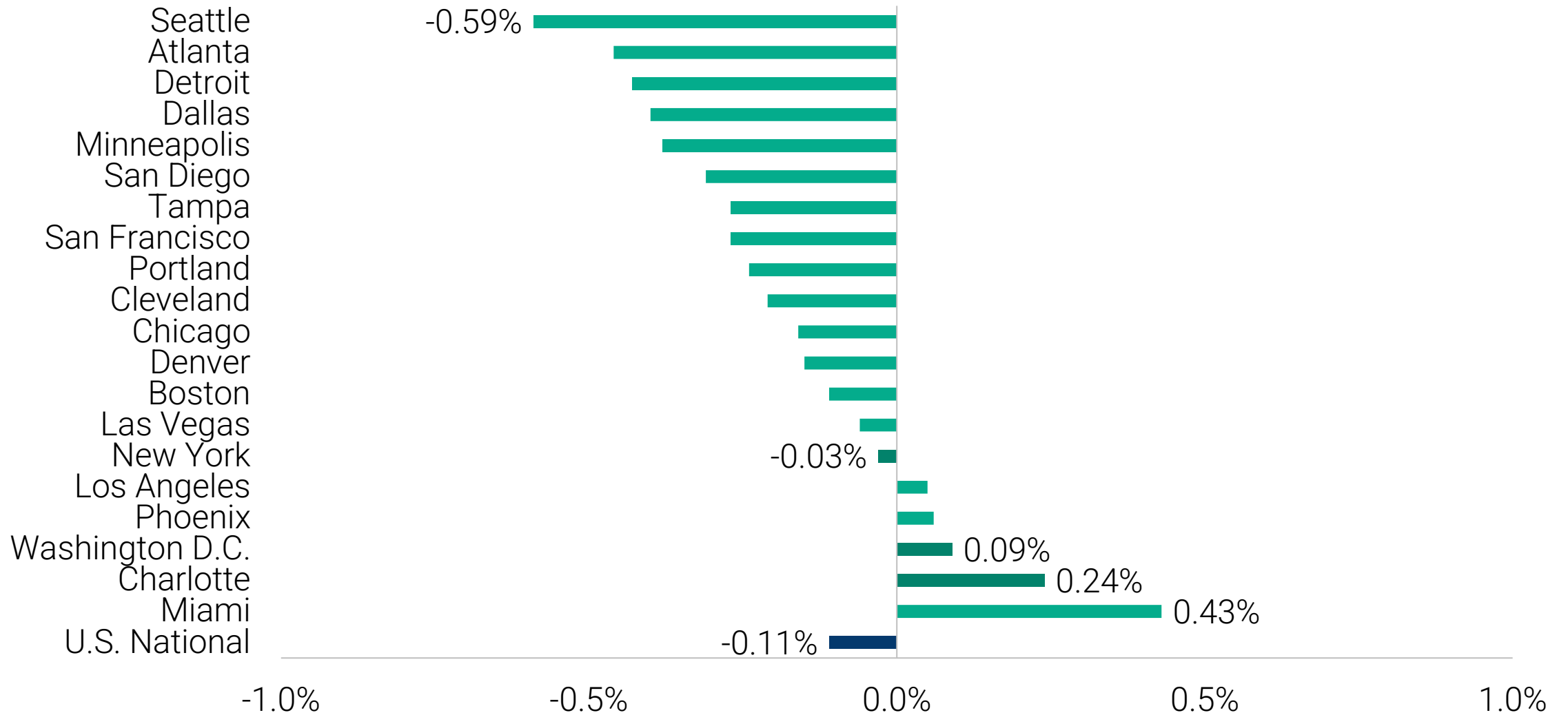
# Rocky I: Loan Delinquency Surges

Severe Delinquency by Loan Type, 2003 – 2025  
% of Balance 90+ Days Delinquent



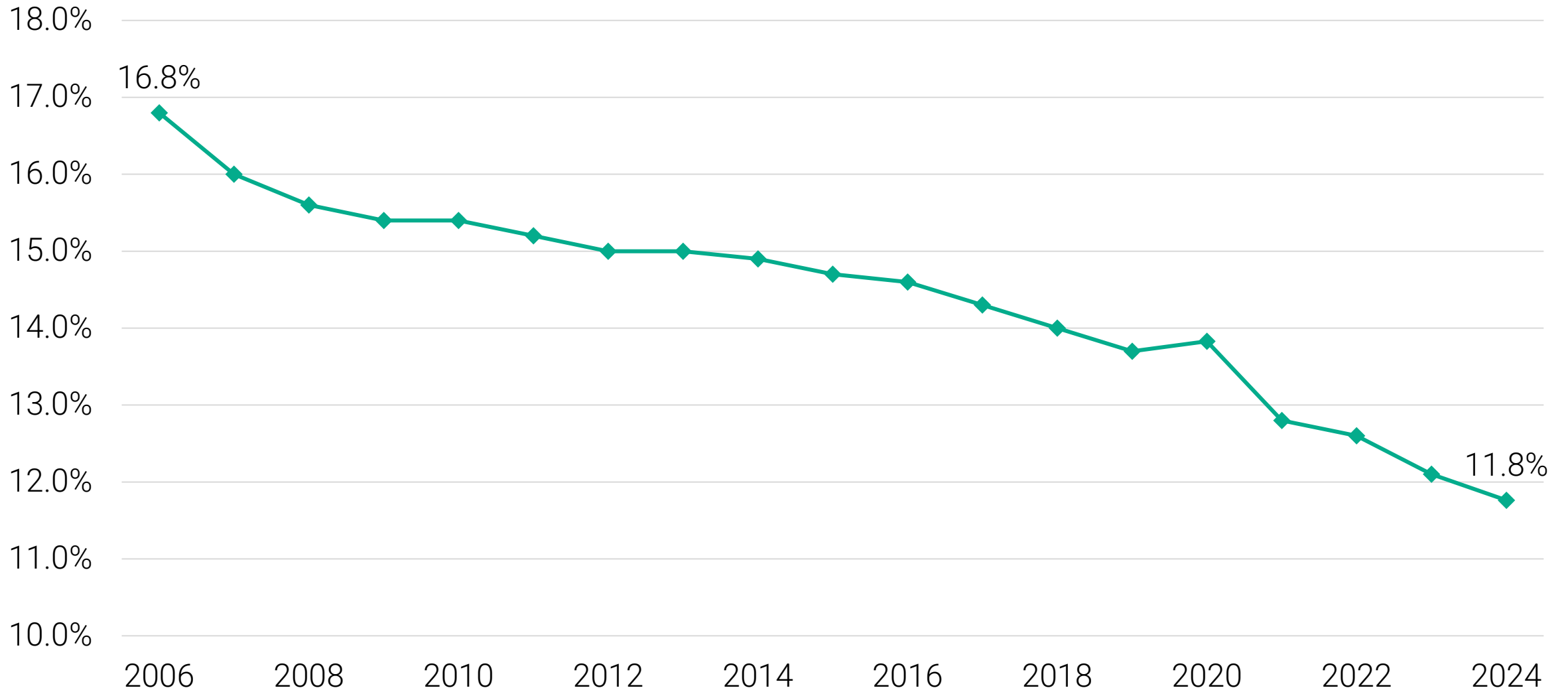
# Rocky II: S&P Case-Shiller Home Price Index

1-Month % Change, January 2026



# Americans are Increasingly Staying Put

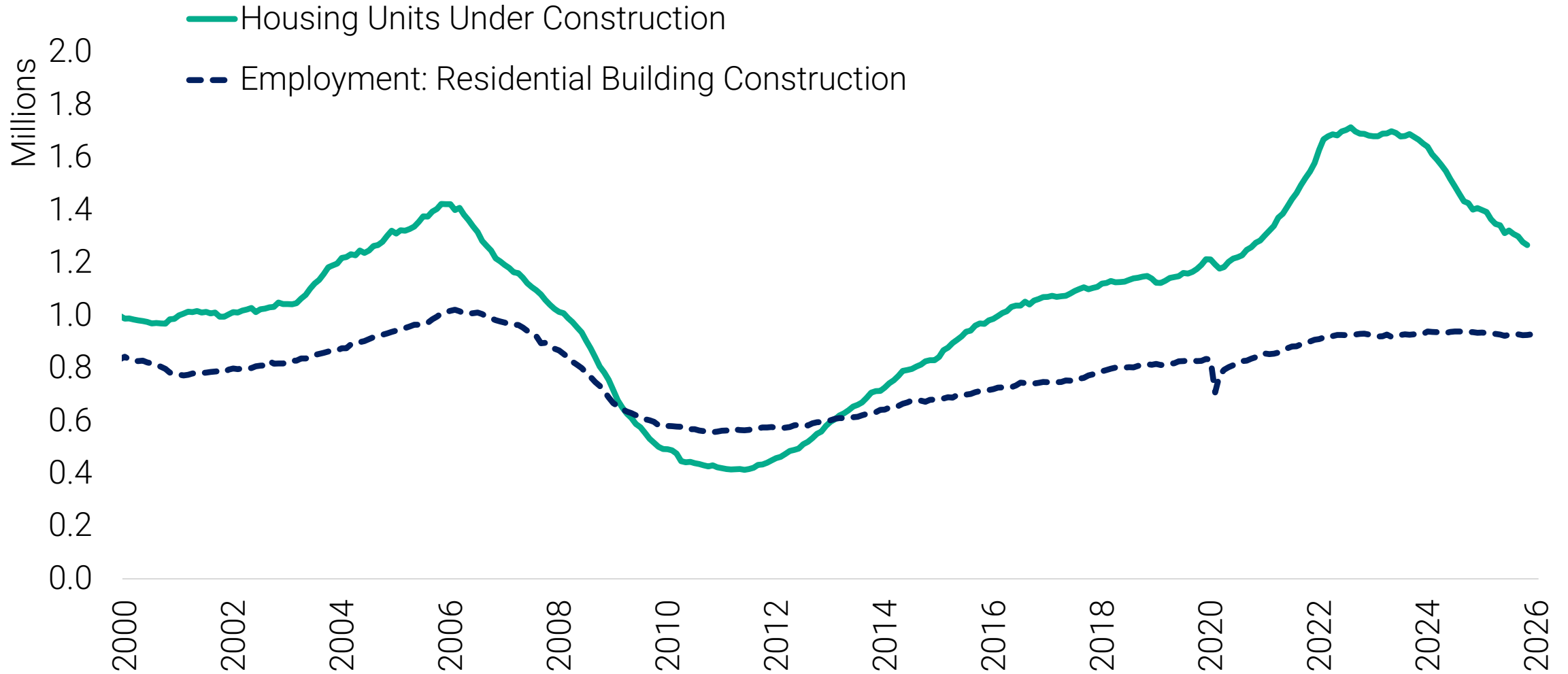
Percentage of U.S. Population that Moved in the Past Year



Source: U.S. Census Bureau, American Community Survey

# Housing Units Under Construction vs. Residential Employment

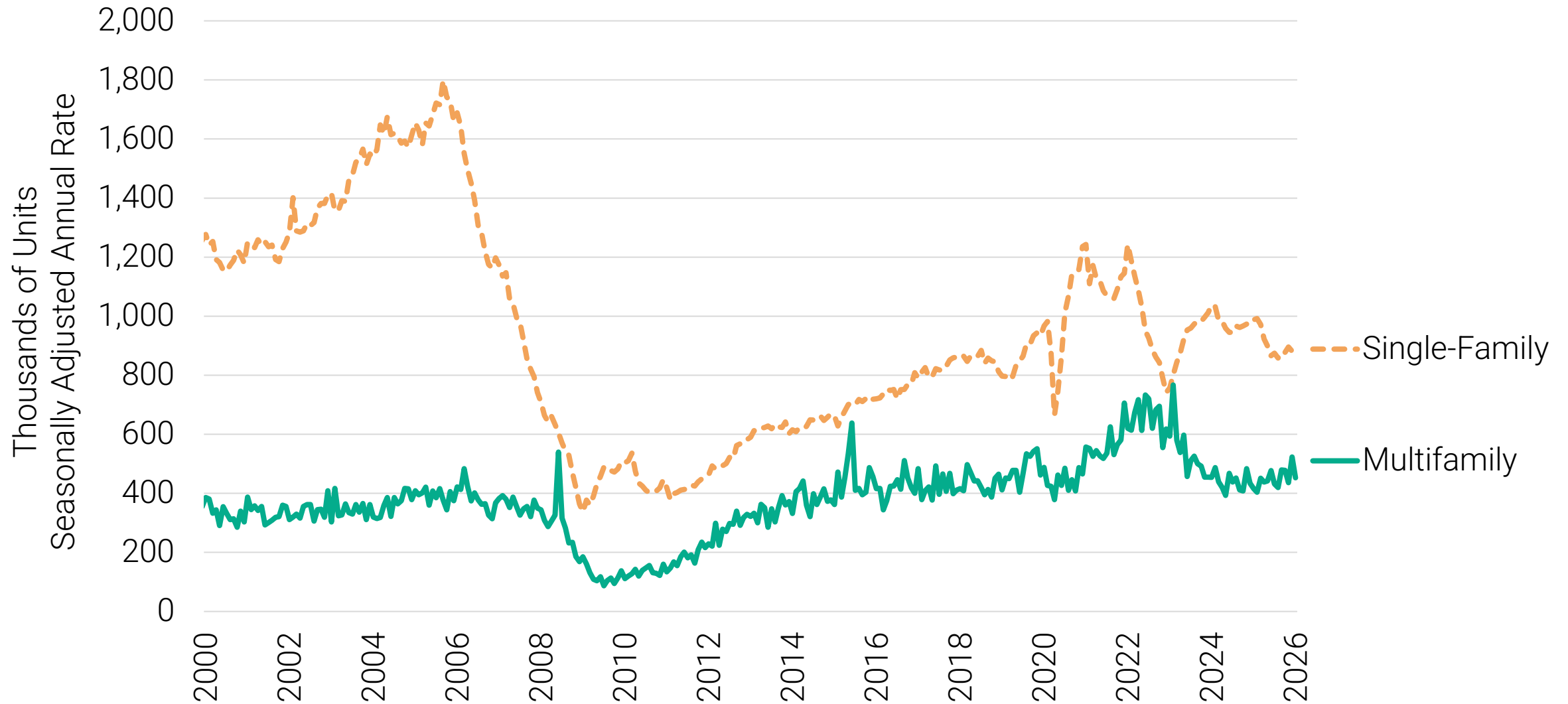
2000 – 2026



Source: U.S. Census Bureau; U.S. Bureau of Labor Statistics

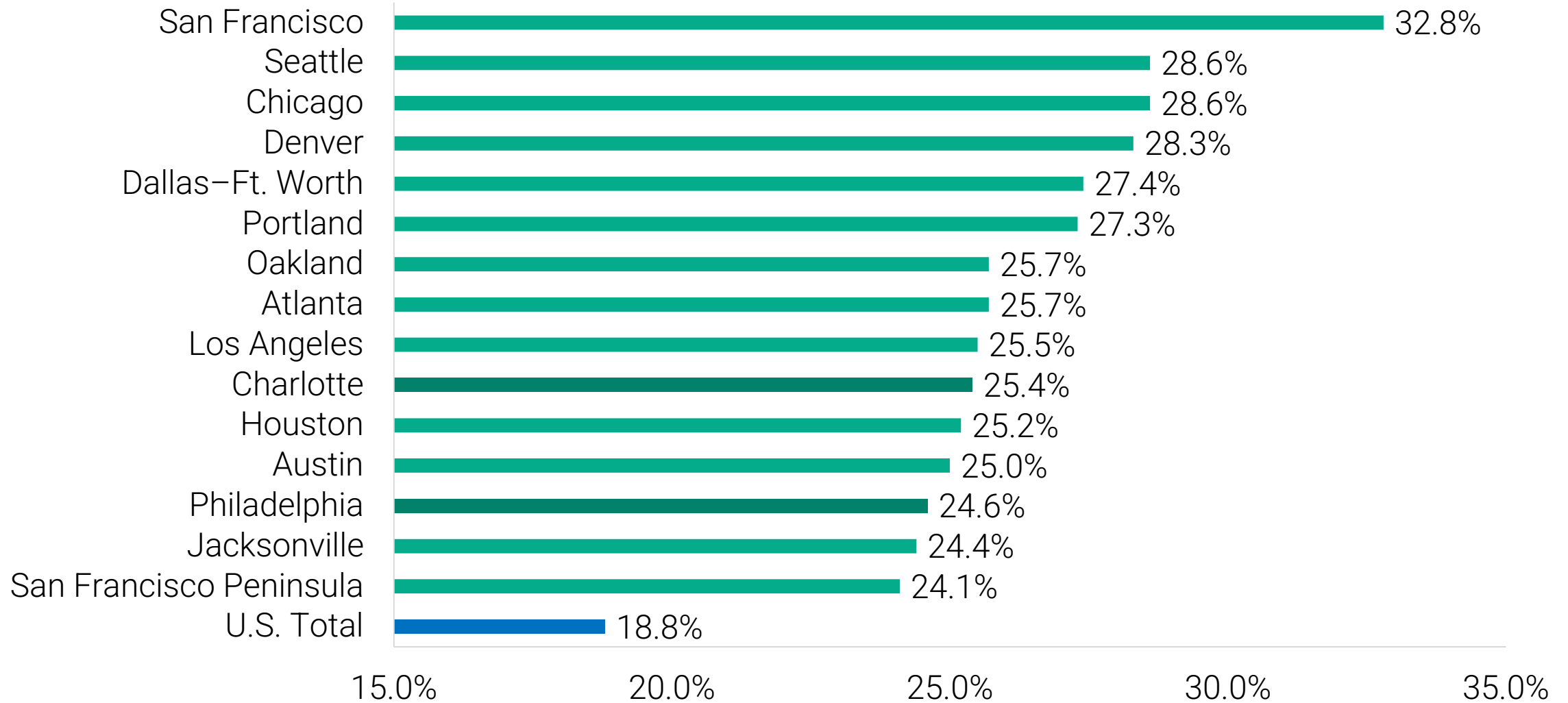
# U.S. Residential Building Permits

2000 – January 2026



Source: U.S. Census Bureau

# Rocky III: Highest Office Vacancy Rates, 2025Q4



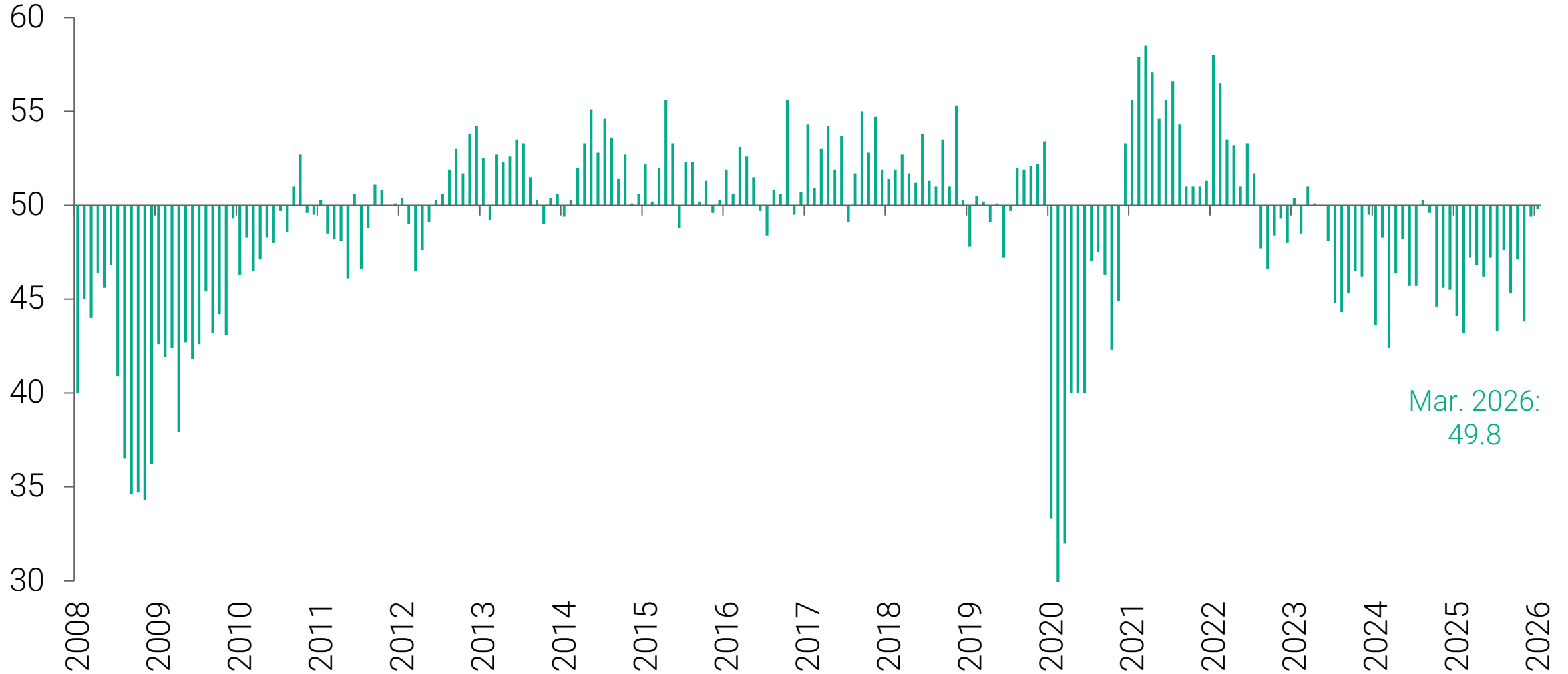
Source: CBRE

## Rocky IV: U.S. Cities Face Fiscal Stress

- With the city facing a projected \$1.12 billion shortfall in 2026 Chicago Mayor Brandon Johnson said recently, “We have reached a point of no return”.
- Between December 2024 and April 2025, Chicago, Los Angeles, San Francisco, and Washington all experienced credit rating downgrades.
- According to research conducted by The Pew Charitable Trusts, at least 20 of the nation’s 25 most populous cities have reported budget gaps for fiscal year 2026—and often beyond.

# Rocky V: Design Work in Retreat

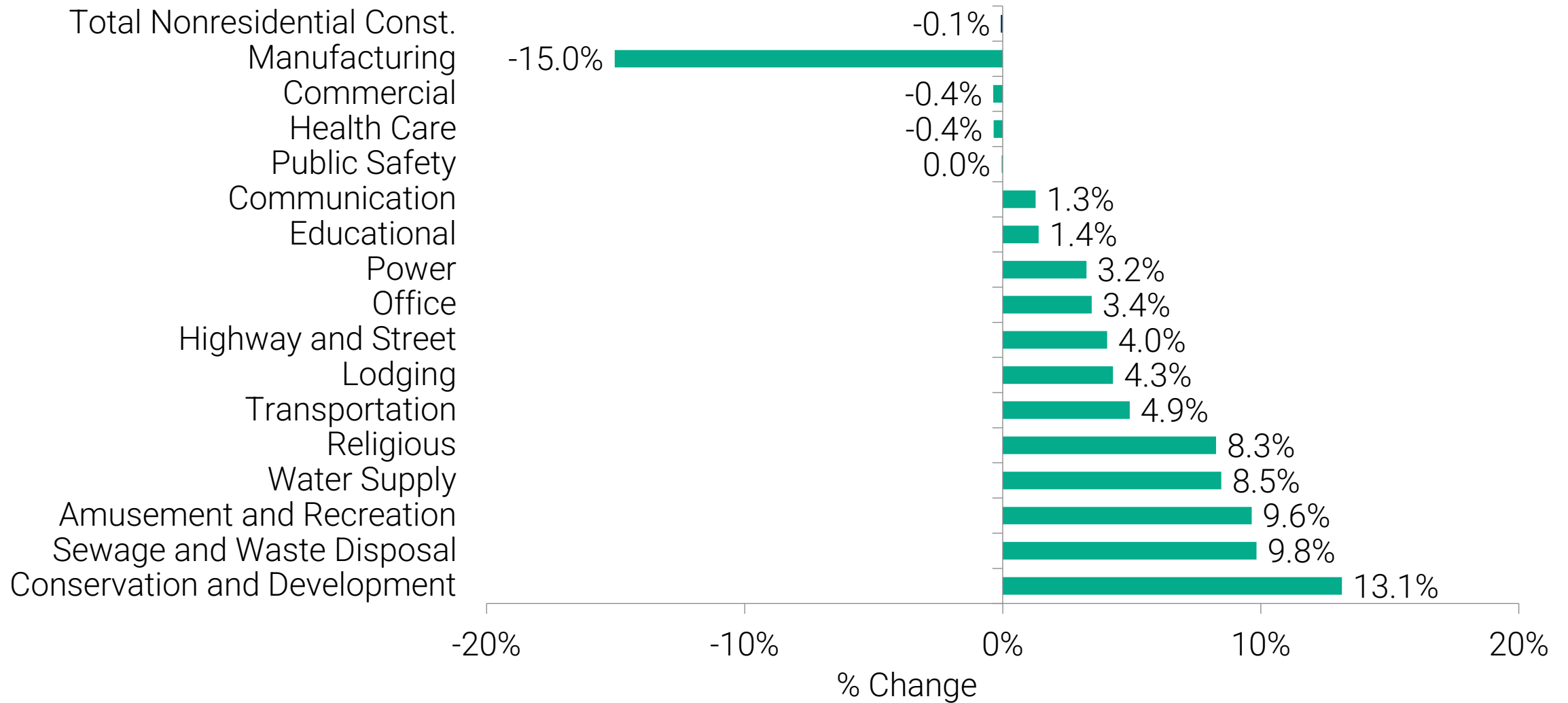
Architecture Billings Index: 2008 – March 2026



Mar. 2026:  
49.8

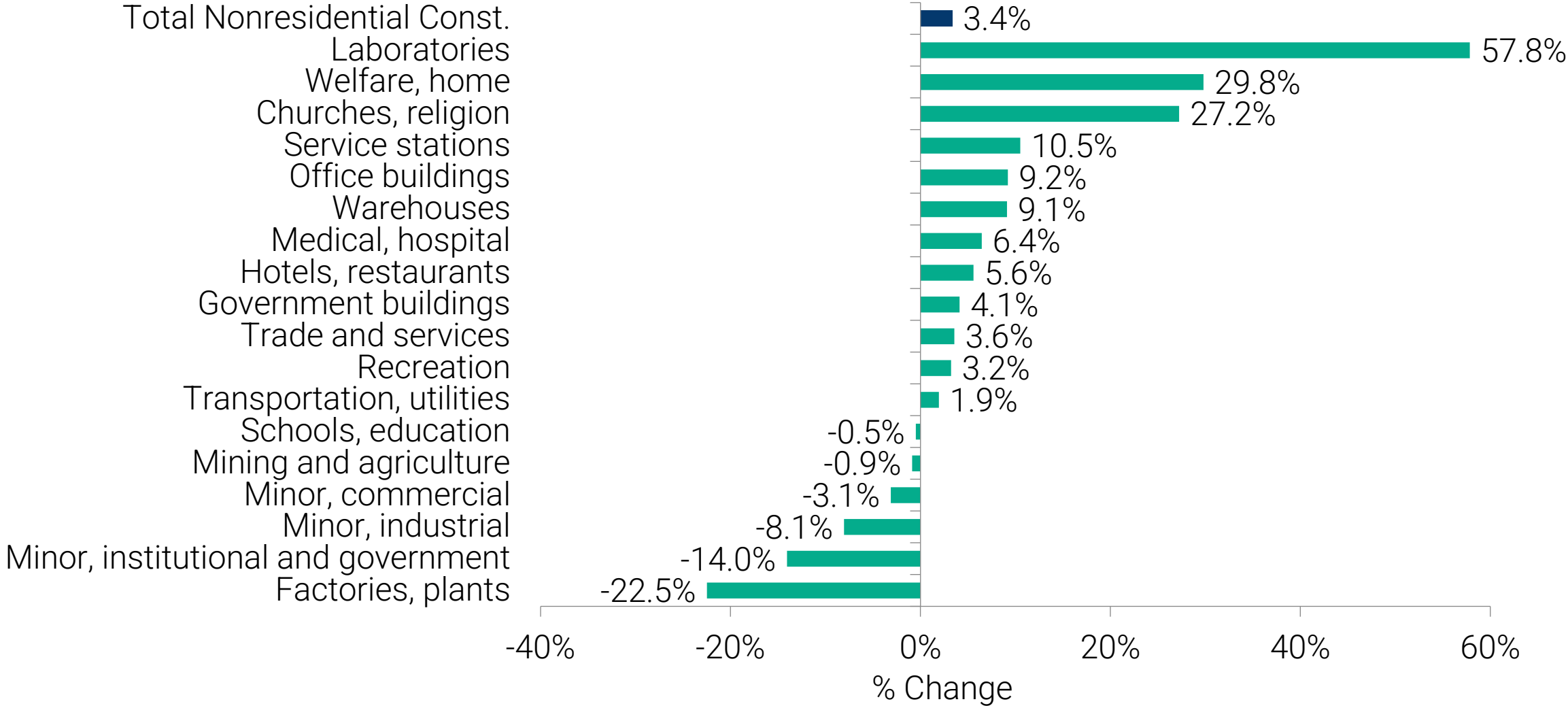
# Rocky VI: Nonresidential Construction Spending Declines

January 2025 v. January 2026 (Current \$)



# Canada Nonresidential Construction Spending by Subsector

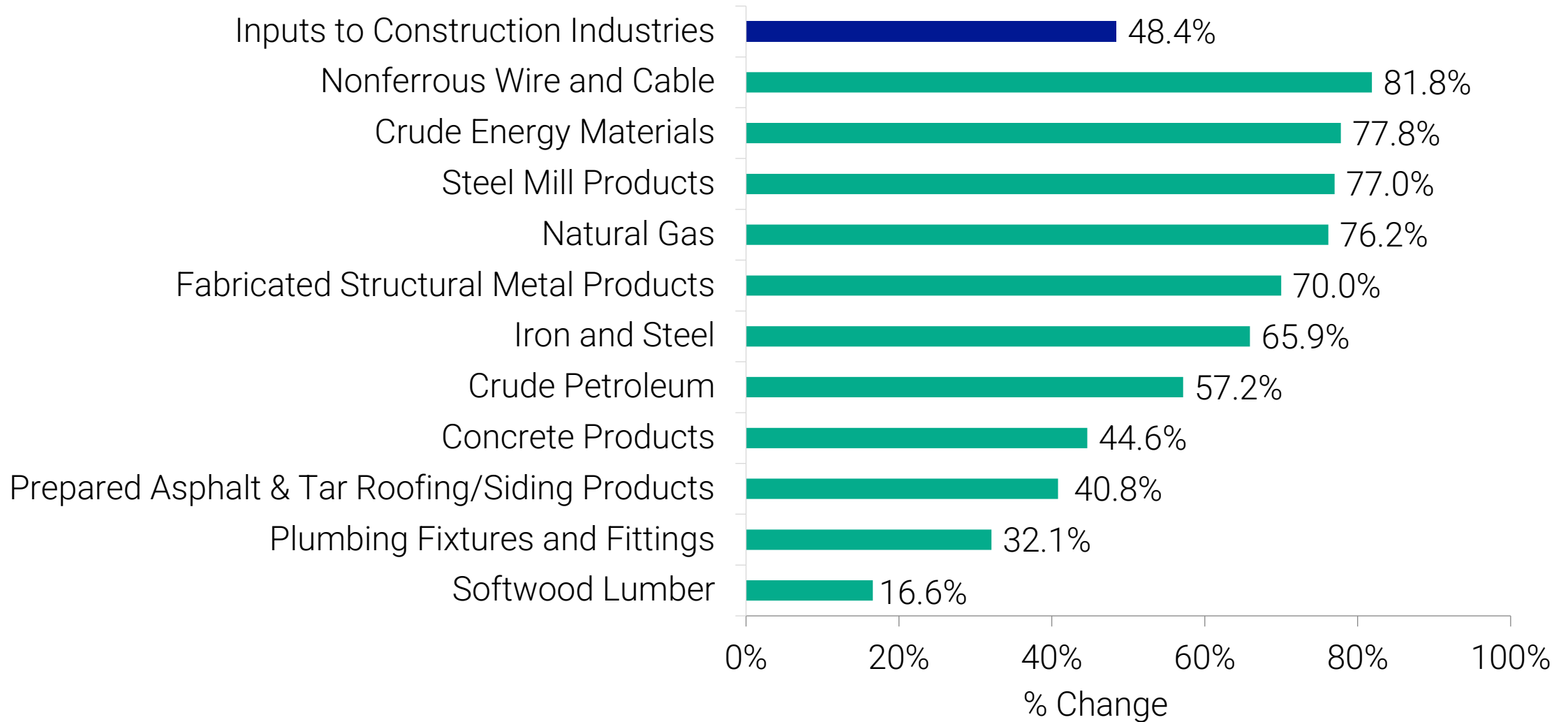
February 2025 v. February 2026 (NSA, Current \$)



Source: Statistics Canada. Table 34-10-0293-01 Investment in Building Construction

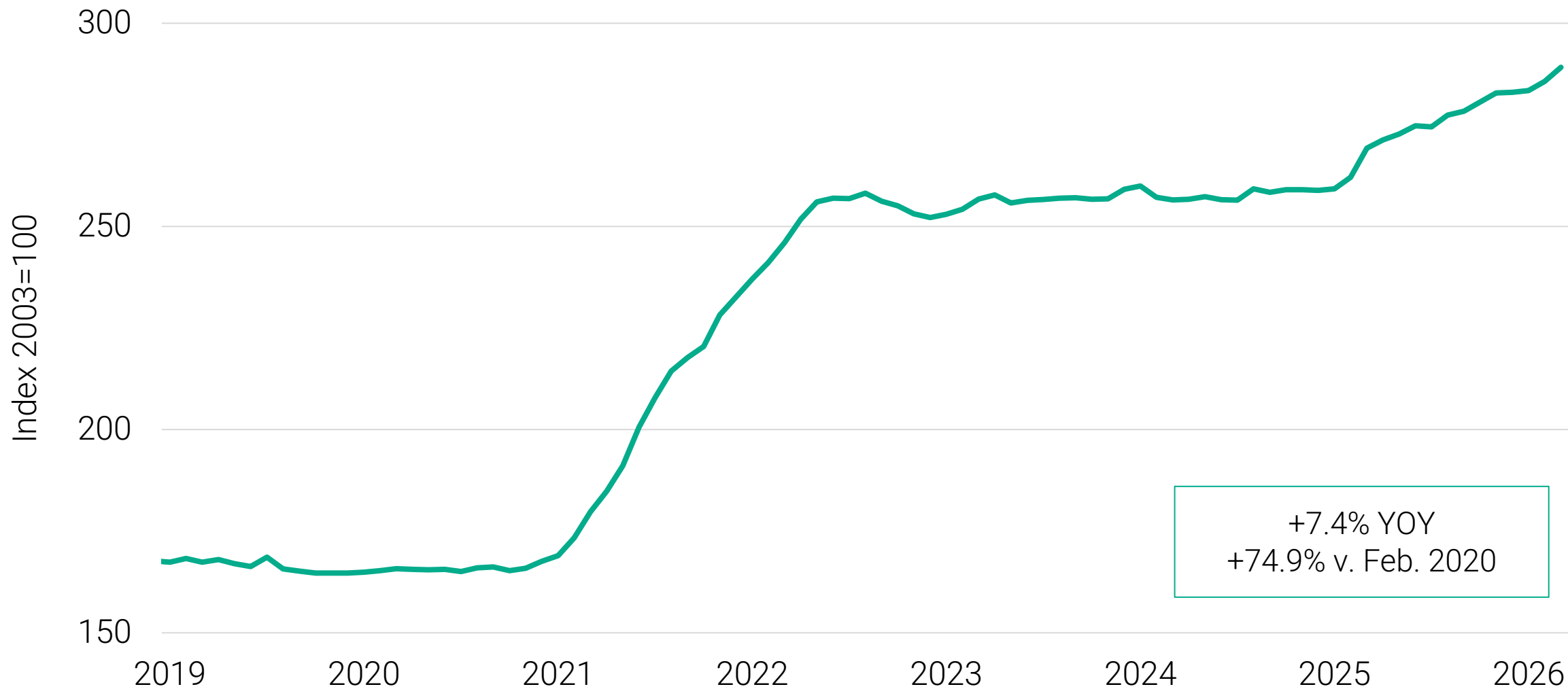
# Construction Materials PPI (NSA)

February 2020 v. March 2026



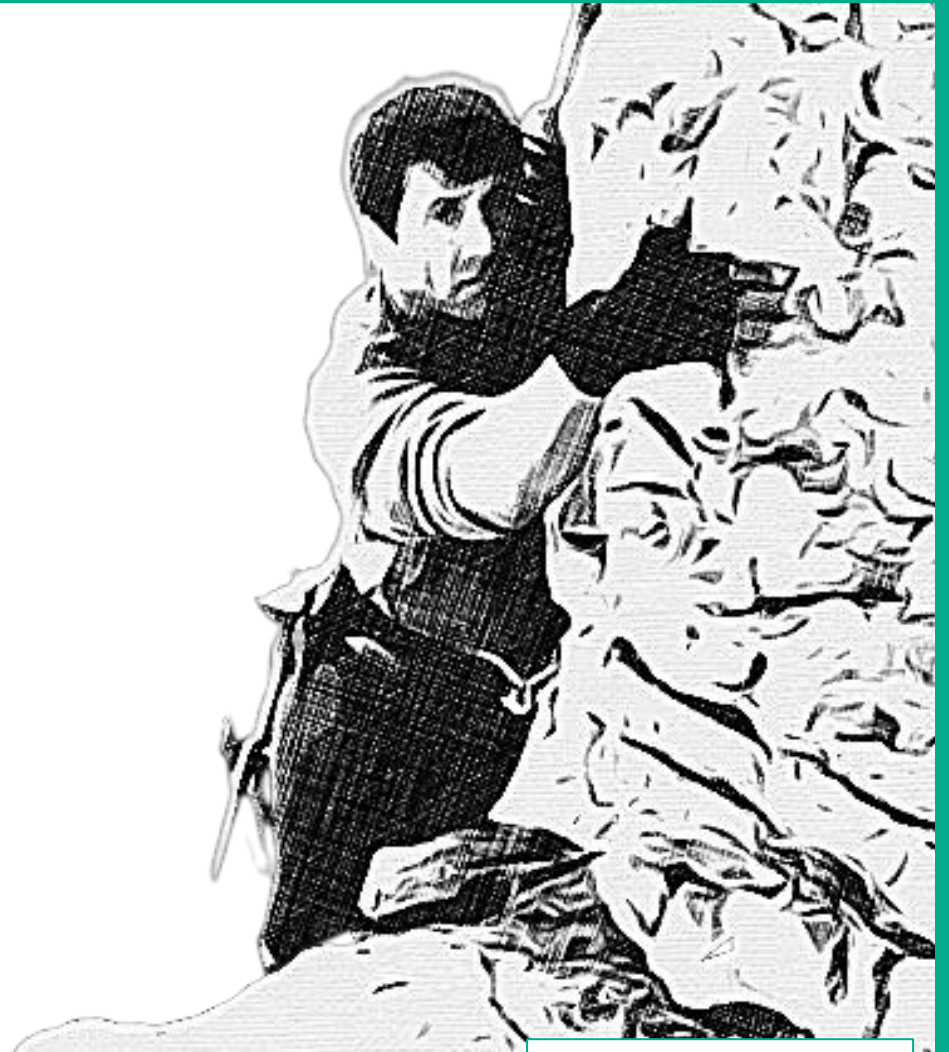
# PPI by Industry: Architectural & Structural Metals Manufacturing

January 2019 – March 2026



Source: U.S. Bureau of Labor Statistics

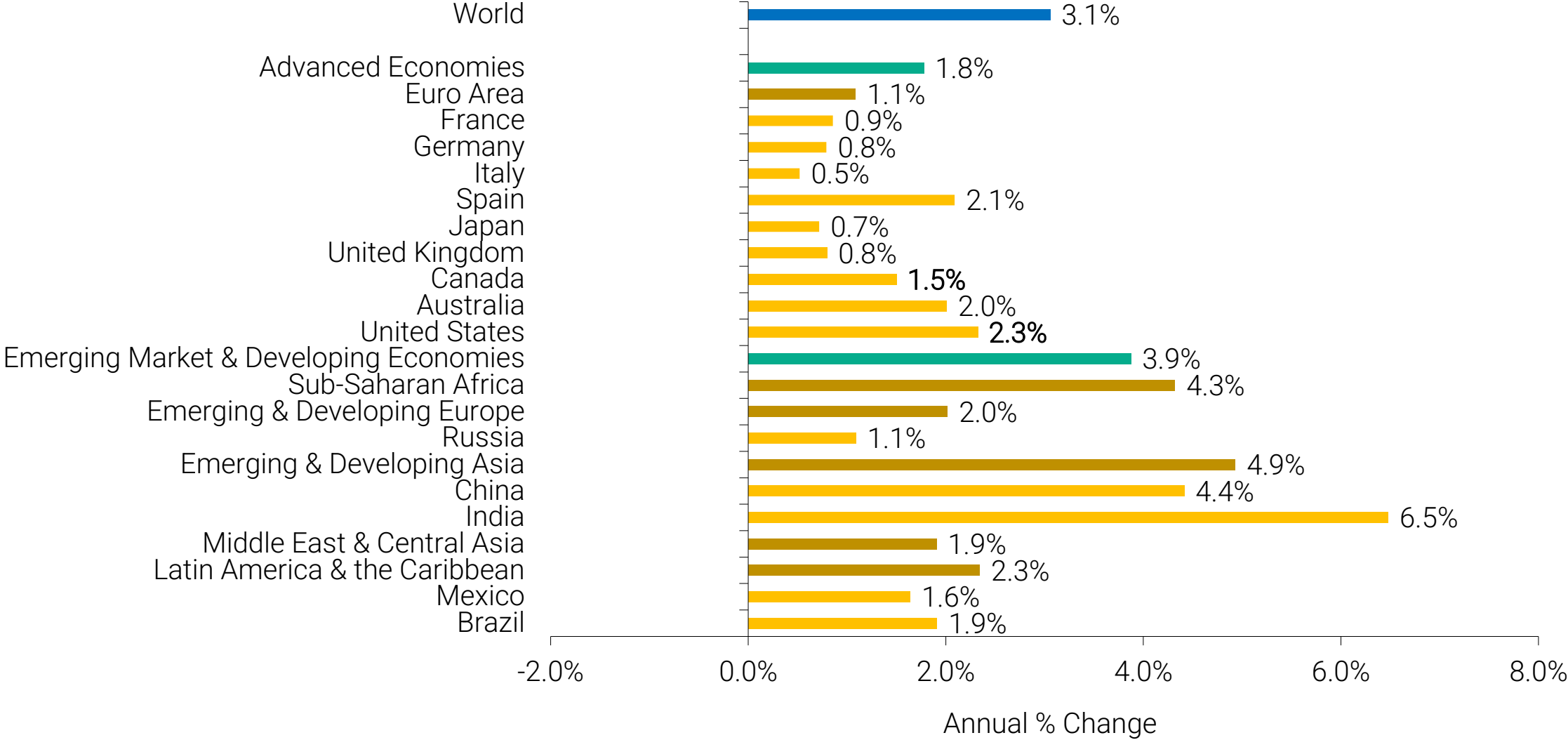
# Cliffhanger



Cliffhanger (1993) – Sylvester Stallone as mountain climber Gabe Walker

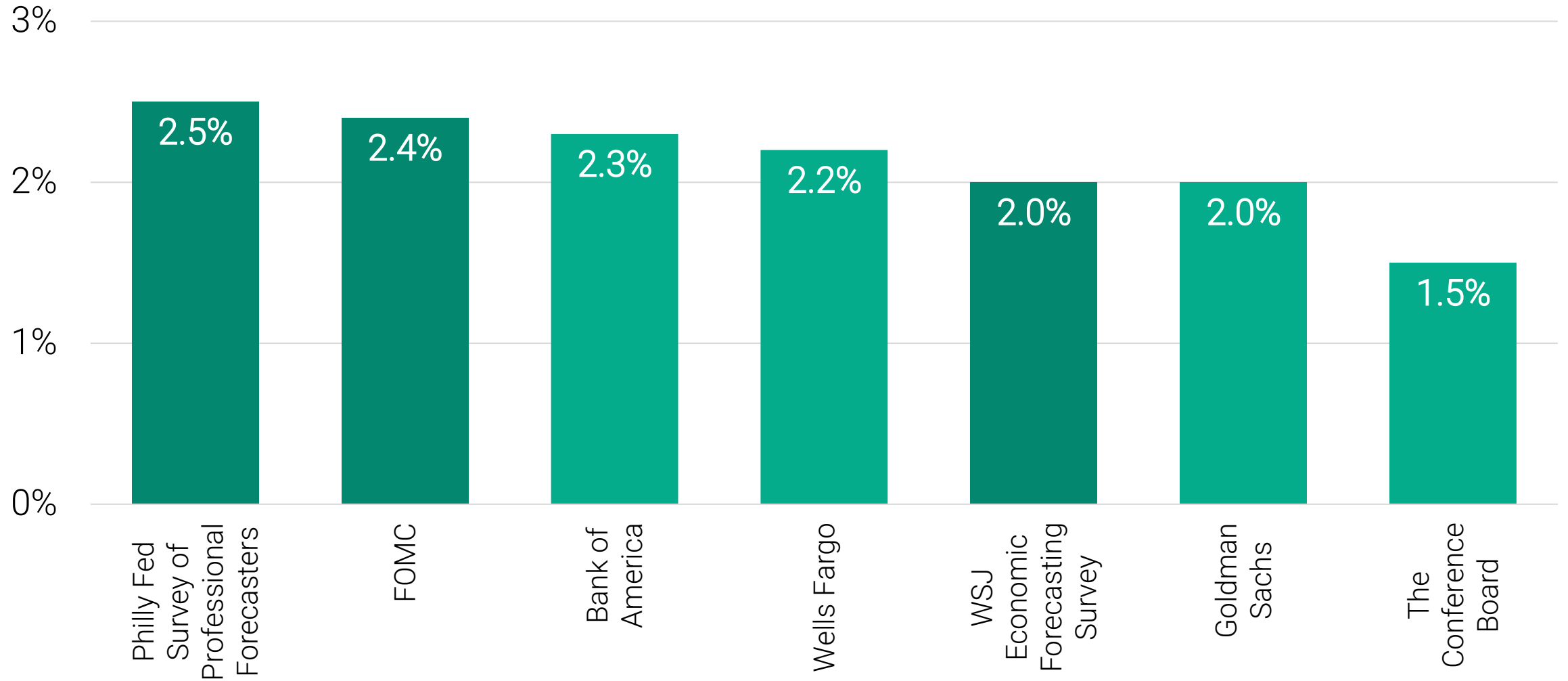
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# Projected Growth in Output by Select Global Areas, 2026



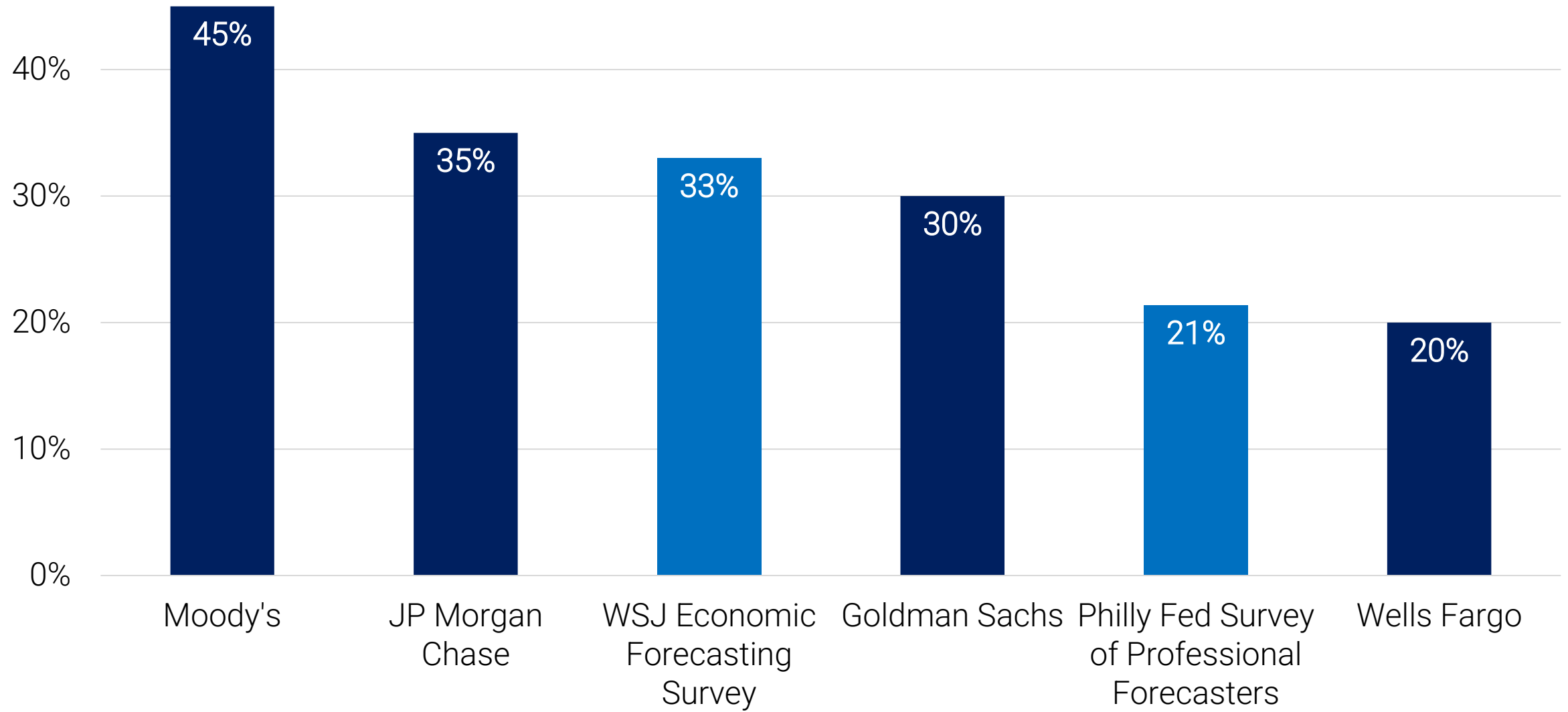
Source: International Monetary Fund, World Economic Outlook, April 2026

# Major Forecasts for U.S. GDP Growth in 2026



Source: Brokerage and media reports

# 2026 Recession Probability, Major Forecasts



Source: Brokerage and media reports

# The **Alarum** has Sounded

- Inflation poised to stage a comeback – tariffs/immigration/war;
- Interest rates will be higher for longer – ditto;
- Many consumers now exhausted financially, and circumstances could worsen;
- Are asset prices overextended?
- So forecast is for growth in 2026, but there are risks, including rising interest rates and falling asset prices, and that's because of . . . well you know.

# Thank You



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# Q&A