

The Impact of Inflation

How it's Affecting Your Business and Employees

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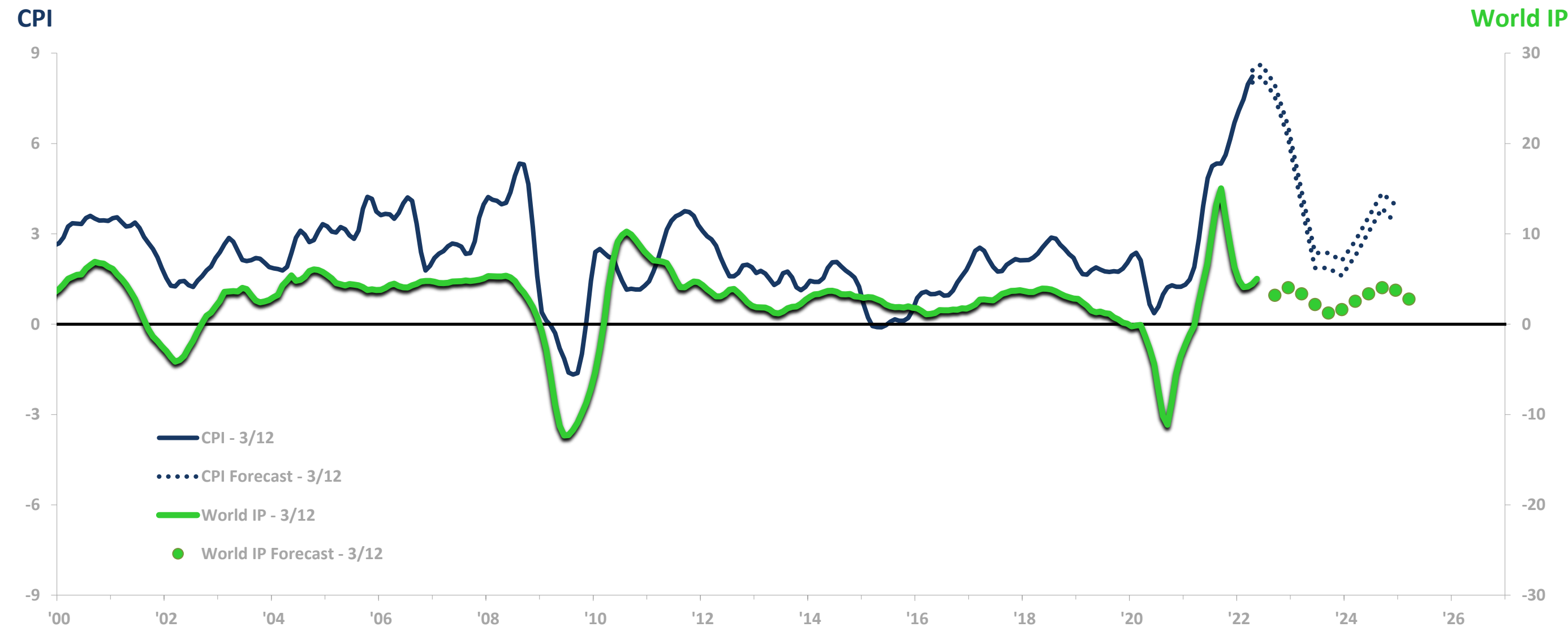


Inflation

Lower Inflation Ahead Indicated Pre-Invasion

Sources: BLS, CPB Netherlands Bureau For Economic Policy Analysis

US Consumer Price Index to World Industrial Production Index 3/12 Rates-of-Change





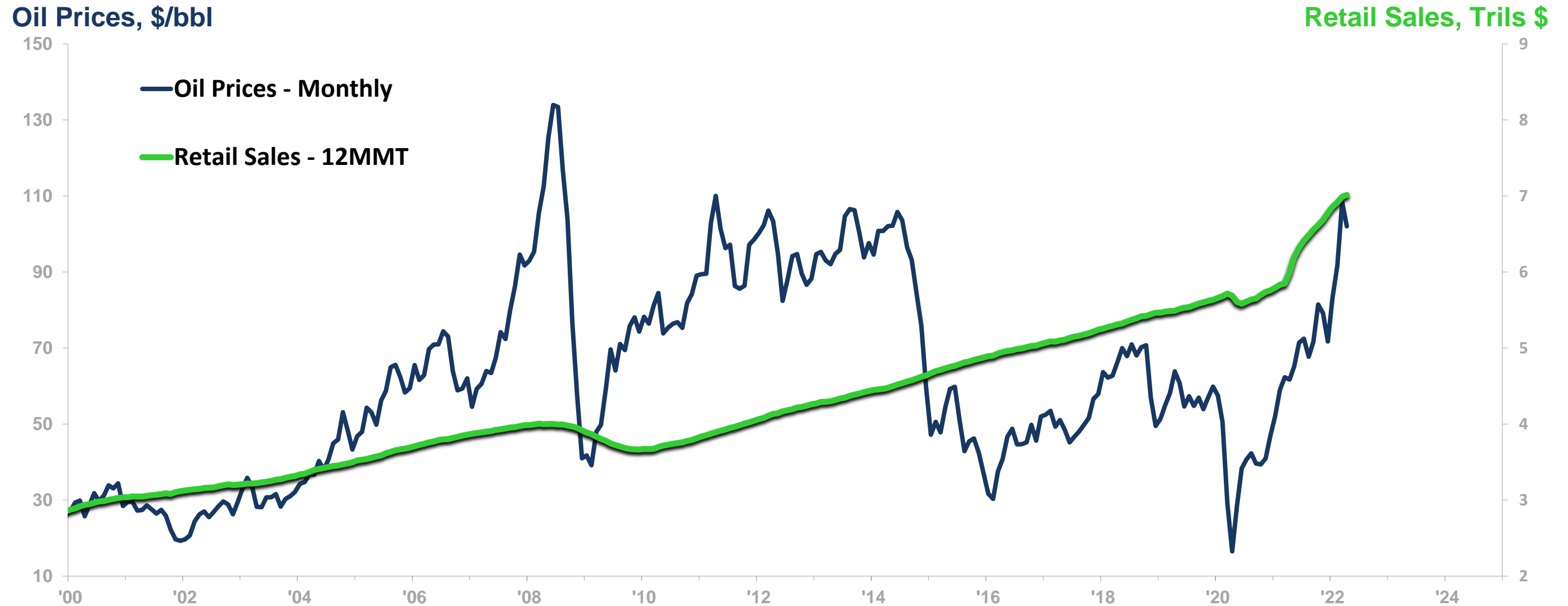
How Your Employees are Feeling Inflation

Retail Sales Can Climb Despite Higher Oil Prices

Sources: EIA, US BureauCensus

US Crude Oil Spot Prices to US Retail Sales (excluding gas stations)

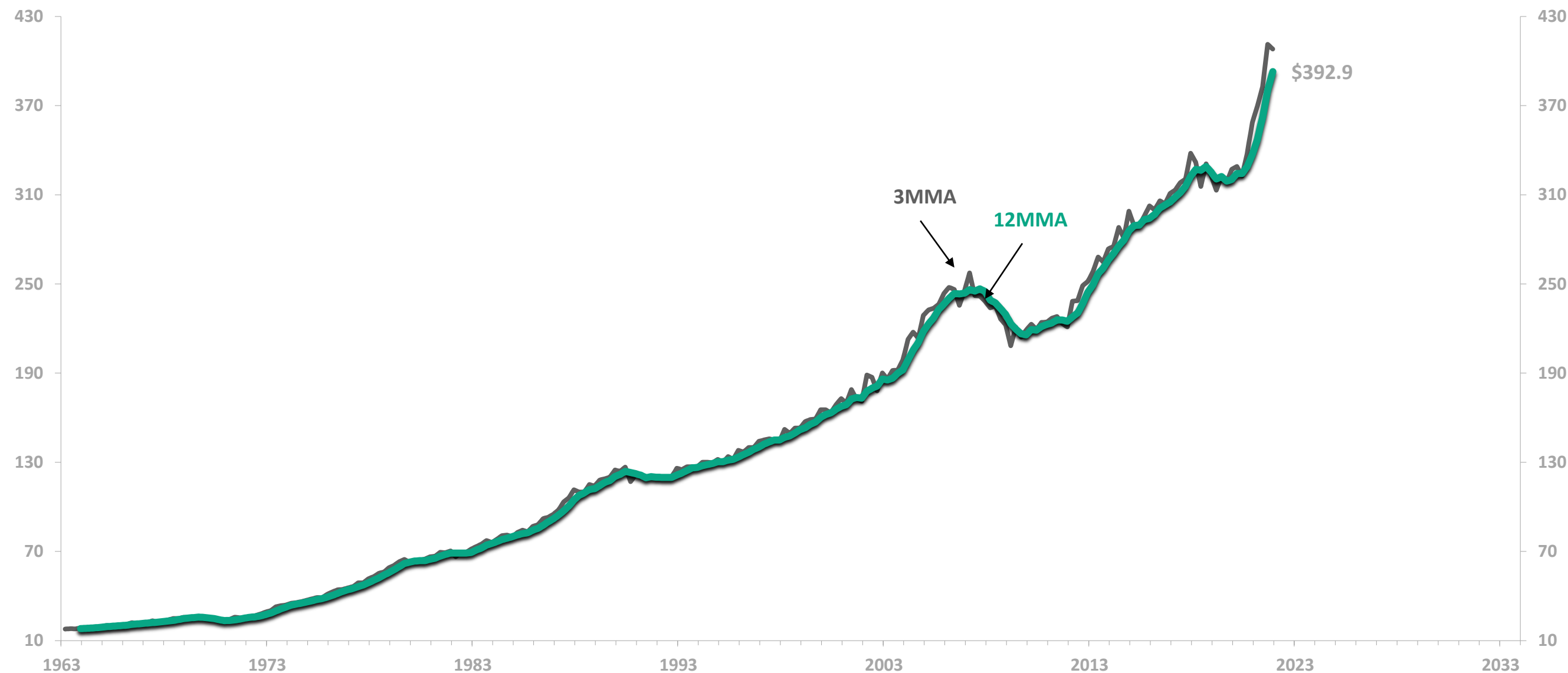
Data Trends



More Rise Ahead; Expect a Different Pace

Source: US Census Bureau

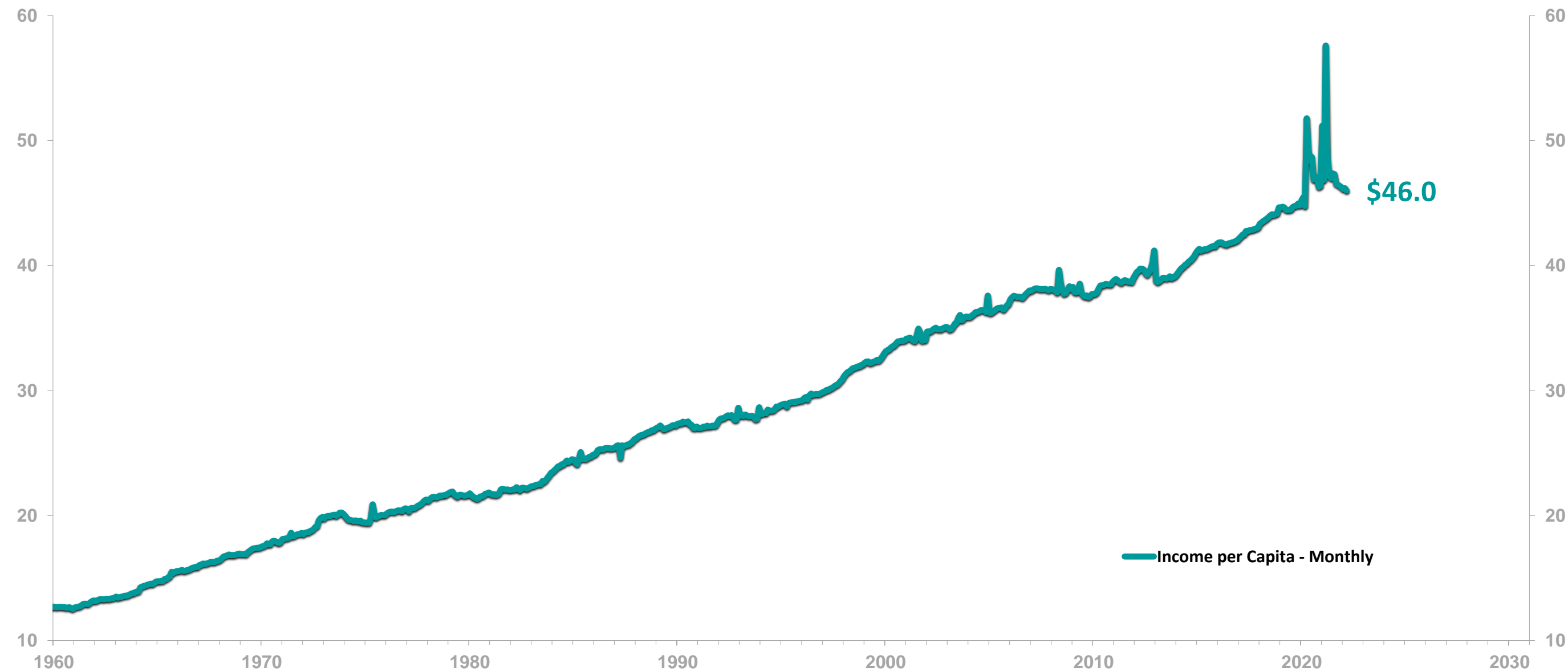
US Median New Home Sales Price
Thousands of Dollars



Income Trend Is Normalizing

Source: BEA

US Real Disposable Income Per Capita
Raw Data: Thousands of Chained 2012 Dollars

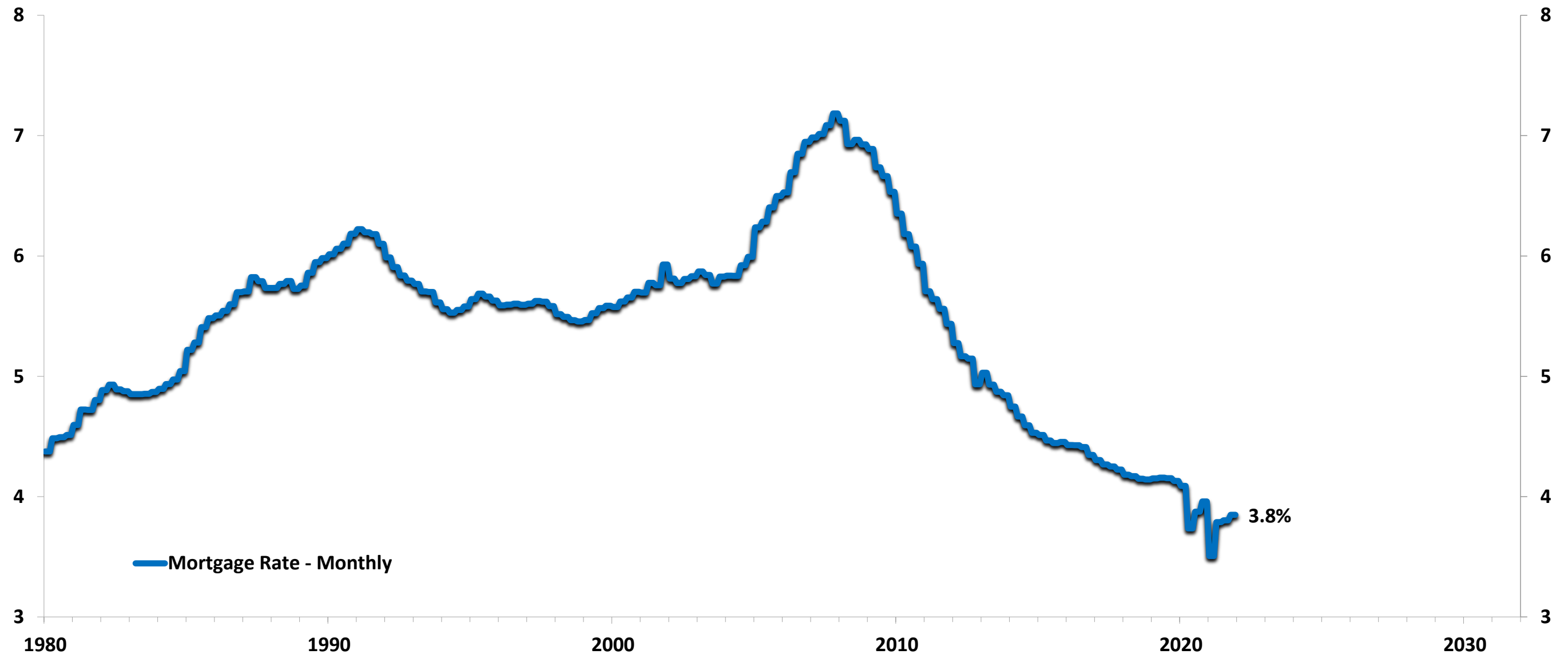


No Problem Making the Mortgage Payments...

Source: FRB

US Mortgage Debt Service Payments as a Percent of Disposable Personal Income

Raw Data, Percent

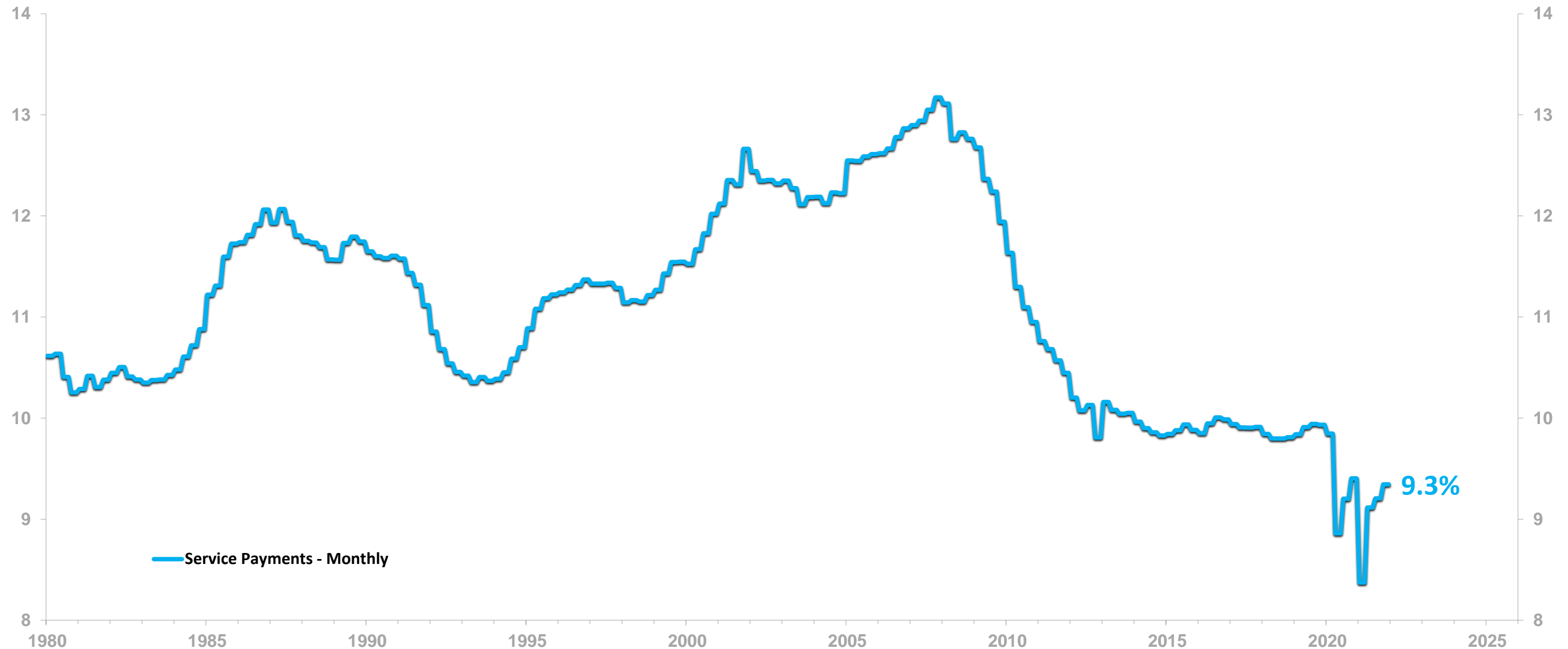


The Consumer Is In A Sound Financial Position

Source: FRB

US Household Debt Service Payments as a Percent of Disposable Personal Income

Raw Data: Percent



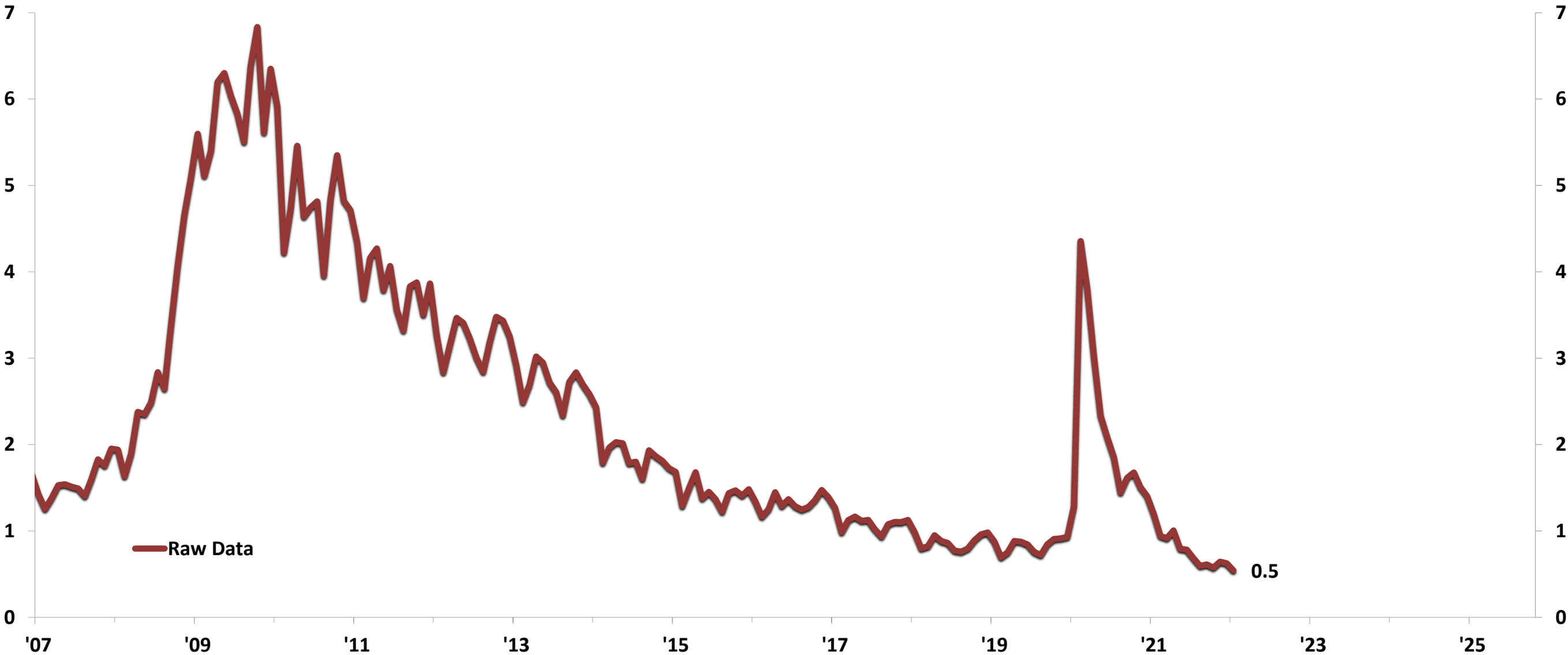


People

Employees Market

Source: BLS

US Number of Unemployed Persons per Job Opening
Raw Data, Number of Persons



People Summary

- Employees have the power
- Culture and retention are key
- Not all states offer the same growth opportunities

Next Steps

How positive is
your corporate
culture?

Opportunities
for skills growth
and
advancement
are critical

Take Aways

It's about the
employee experience!

Create a community
that is irresistible to
applicants!

Be as generous as
possible with
compensation ~ your
employees are
struggling

Questions?

Thank You!

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