



## BELK COLLEGE *of* BUSINESS UNC CHARLOTTE

### **Economic Forecast: Continued growth for 2020**

**CHARLOTTE, N.C.** (Dec. 11, 2019) — The economy of the United States and North Carolina has expanded for 10 consecutive years, the longest economic expansion since 1854.

Dr. John Connaughton, Barings professor of financial economics in UNC Charlotte's Belk College of Business, says the growth will continue in 2020.

"Despite the projected slowing of both the U.S. and North Carolina economies in 2020, the prospect of a recession is still slight," Connaughton said. "Consumer confidence still remains high, despite the politics in Washington."

Connaughton forecasts 14 of the state's 15 economic sectors will experience output increases in 2020. Sectors with the strongest growth include:

- Agriculture: 8.9%
- Information: 4.1%
- Durable goods: 2.9%
- Business and professional services: 2.4%

Connaughton presented his quarterly forecast to members of the Charlotte business community and the media at a luncheon held at UNC Charlotte Center City. The event is sponsored by Barings.

He said for 2019, the state is expected to add 107,700 net jobs. The two strongest sectors are TWU (6.6%) and hospitality and leisure services (5.1%).

"With the national unemployment rate consistently below 4.0%, more job openings than job seekers, and lower gasoline prices than last year at this time, consumers have the discretionary income to continue to spend," he said. "In addition, the Fed has lowered interest rates by 75 basis points since July, making business investment and consumer big-ticket items less costly."

For 2020, Gross State Product (GSP) is expected to reach \$611.2 billion, up from \$587 billion in 2019. Real inflation is expected to increase by 2% over 2019.

The full report is available at [belkcollege.uncc.edu/forecast](http://belkcollege.uncc.edu/forecast). A new forecast video will be posted by Friday, Dec. 13. Connaughton will release the next Barings/UNC Charlotte Economic Forecast report on March 11, 2020.

Dr. Connaughton is considered one of the top economists in North Carolina. He joined the UNC Charlotte faculty in 1978 and has served as director of the quarterly Barings/UNC Charlotte Economic Forecast since 1981.

### **About Barings**

Barings is a global financial services firm with more than \$335 billion\* in assets under management and over 2,000 associates who are dedicated to meeting the evolving investment and capital needs of the firm's clients and customers. Through active asset management and direct origination, Barings provides innovative solutions and access to differentiated opportunities across public and private capital markets. The firm's global headquarters is located at 300 South Tryon, and it maintains a strong international presence with business and investment professionals in offices throughout North America, Europe and Asia Pacific.

\*As of Sept. 30, 2019

### **About the Belk College of Business**

Accredited by AACSB International, the Belk College of Business at UNC Charlotte offers outstanding business education programs at the undergraduate, master's, doctoral and executive levels. The Belk College is committed to building strong partnerships in the greater Charlotte region and beyond as a vital part of our mission as North Carolina's urban research business school. Find the Belk College of Business online at [belkcollege.uncc.edu](http://belkcollege.uncc.edu).

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