

First



Brood

One Presentation by One Man

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On Behalf of
Exhibition Services and
Contractors Association

ESCA Summer Educational
Conference

June 30, 2026

Judge Dread

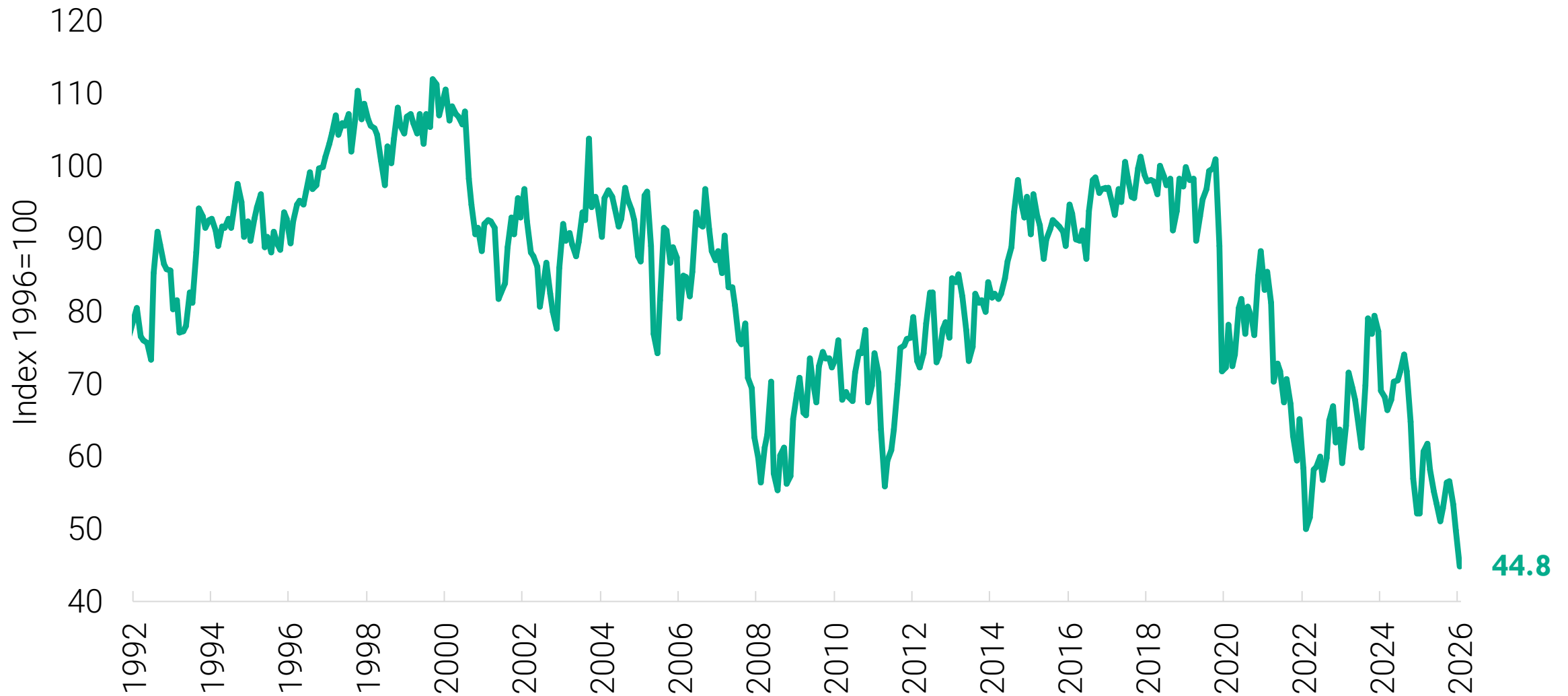
SAGE | policy group



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

University of Michigan Index of Consumer Sentiment

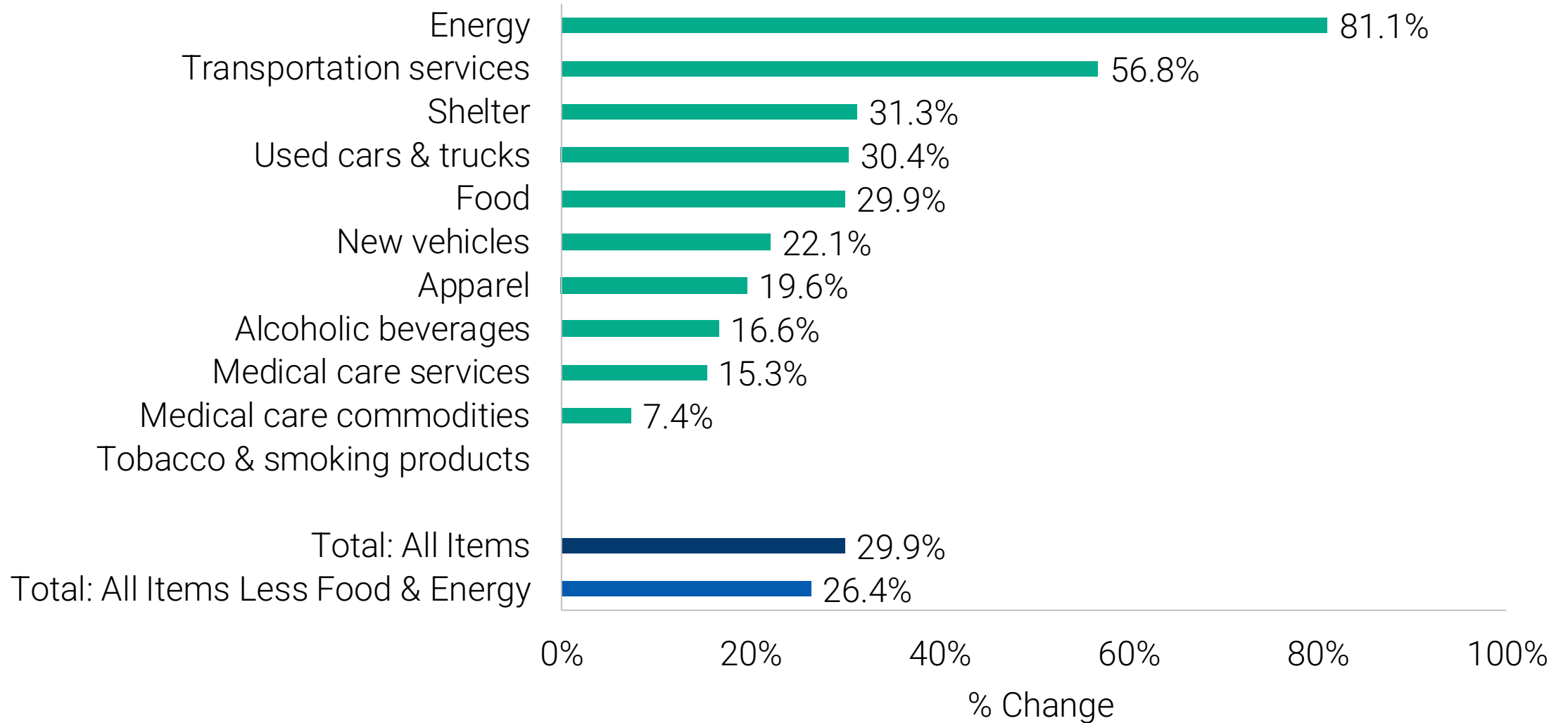
1992 – May 2026



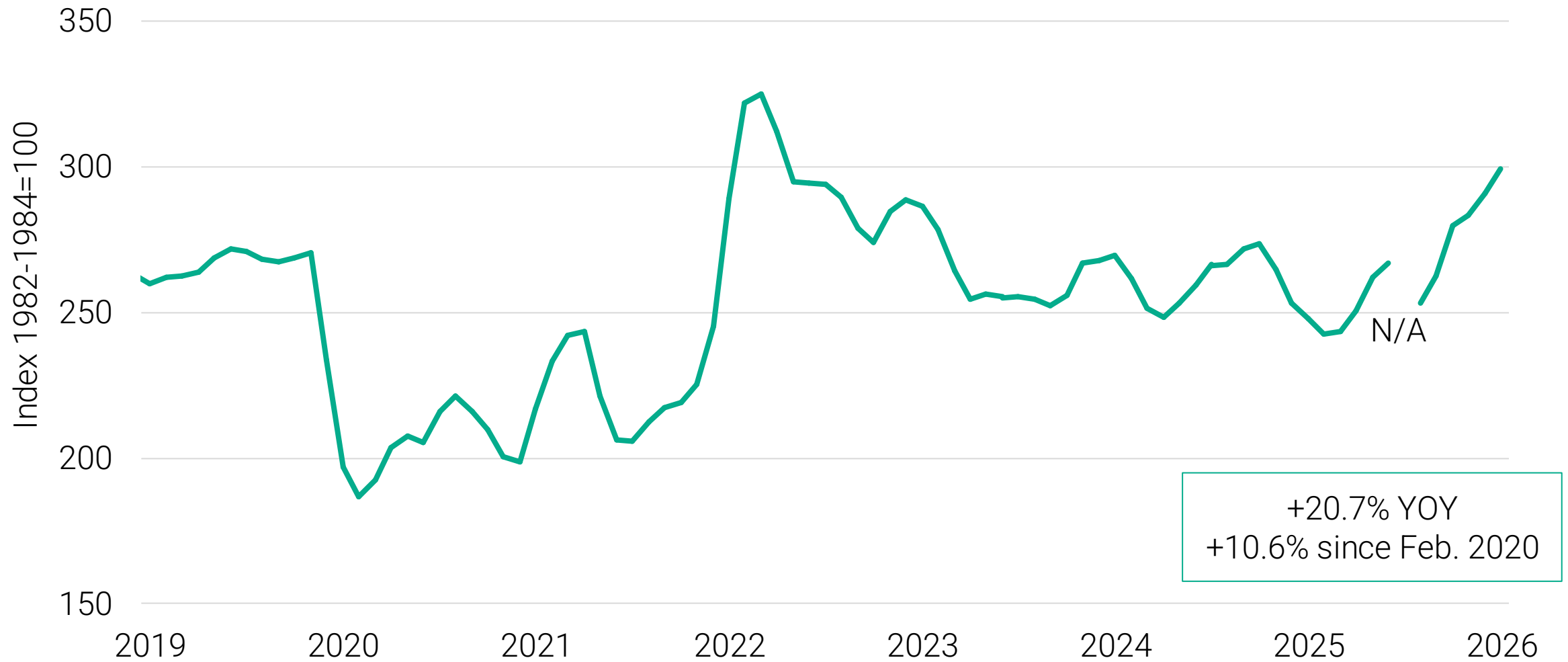
Source: University of Michigan Survey of Consumers

Consumer Price Index, Select Categories (SA)

% Change May 2020 v. April 2026



Consumer Price Index for U.S. Airline Fares, 2019 – Apr. 2026



Frustration with High Prices Persists

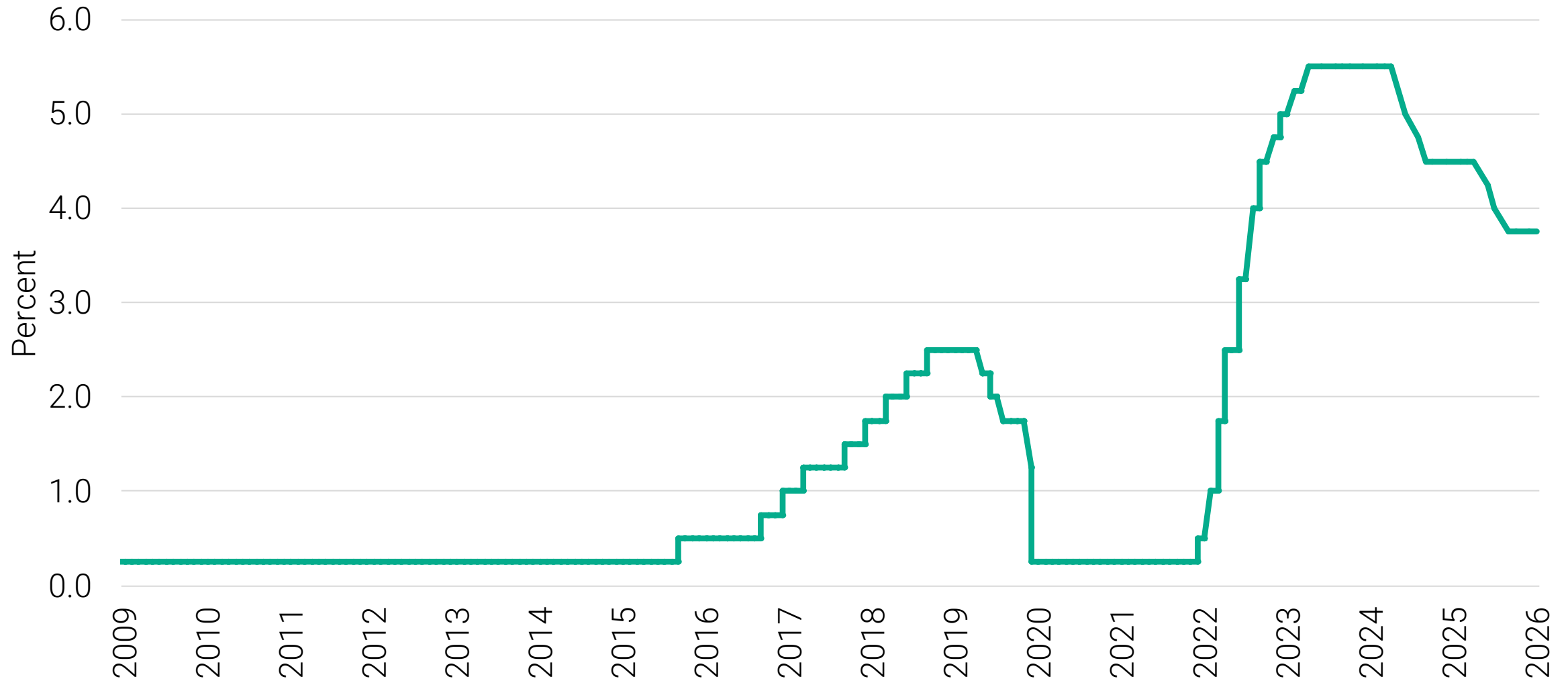
% of Consumers Blaming High Prices for Poor Personal Finances
(3-Month Moving Average), 1992 – 2026



Source: University of Michigan Survey of Consumers

Federal Funds Rate, Target Rate Upper Limit

2009 – 2026



Source: Board of Governors of the Federal Reserve System

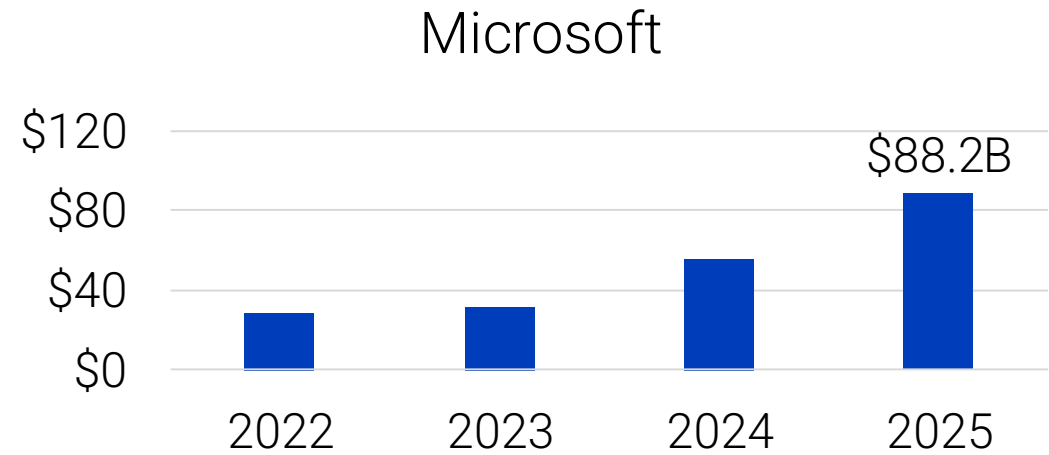
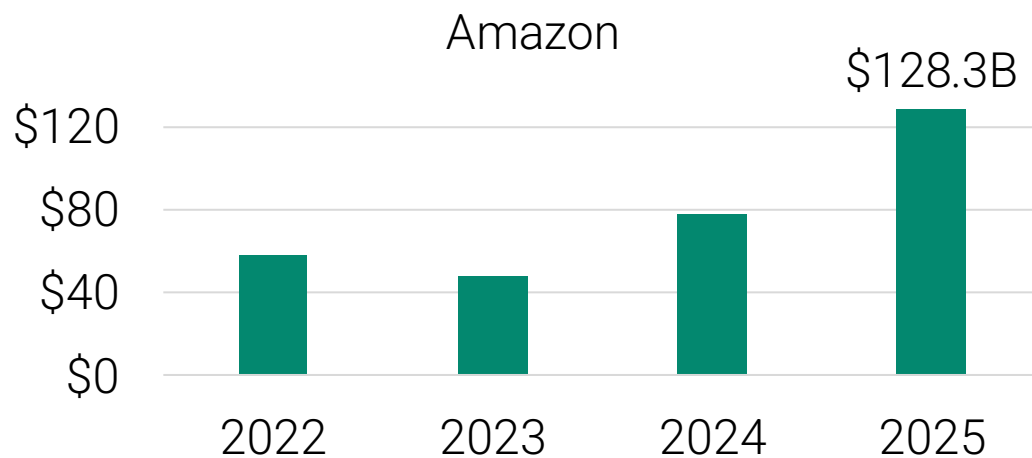
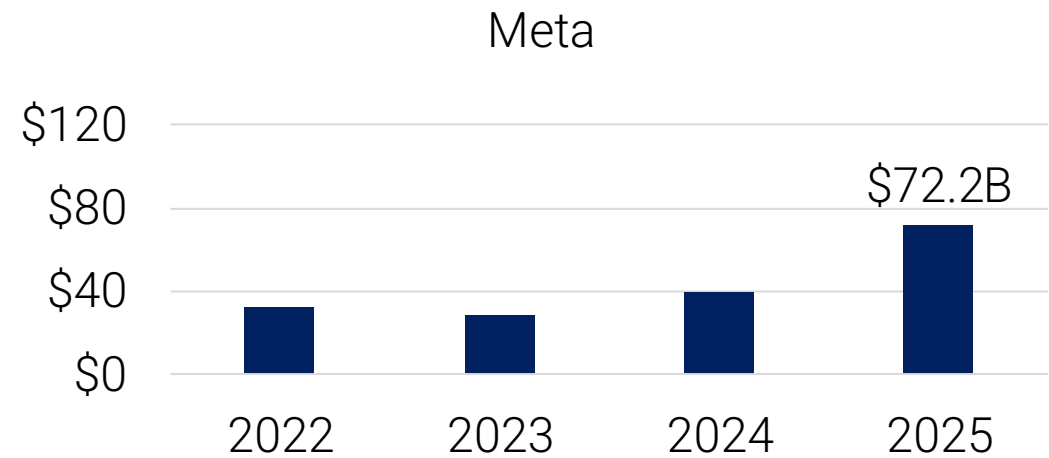
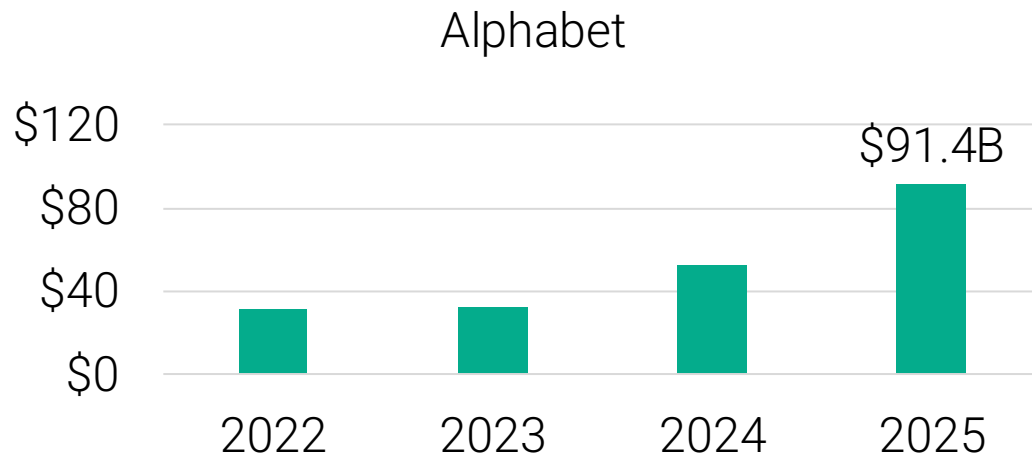
Over the Top



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

Big Tech's AI-Fueled Spending Surge

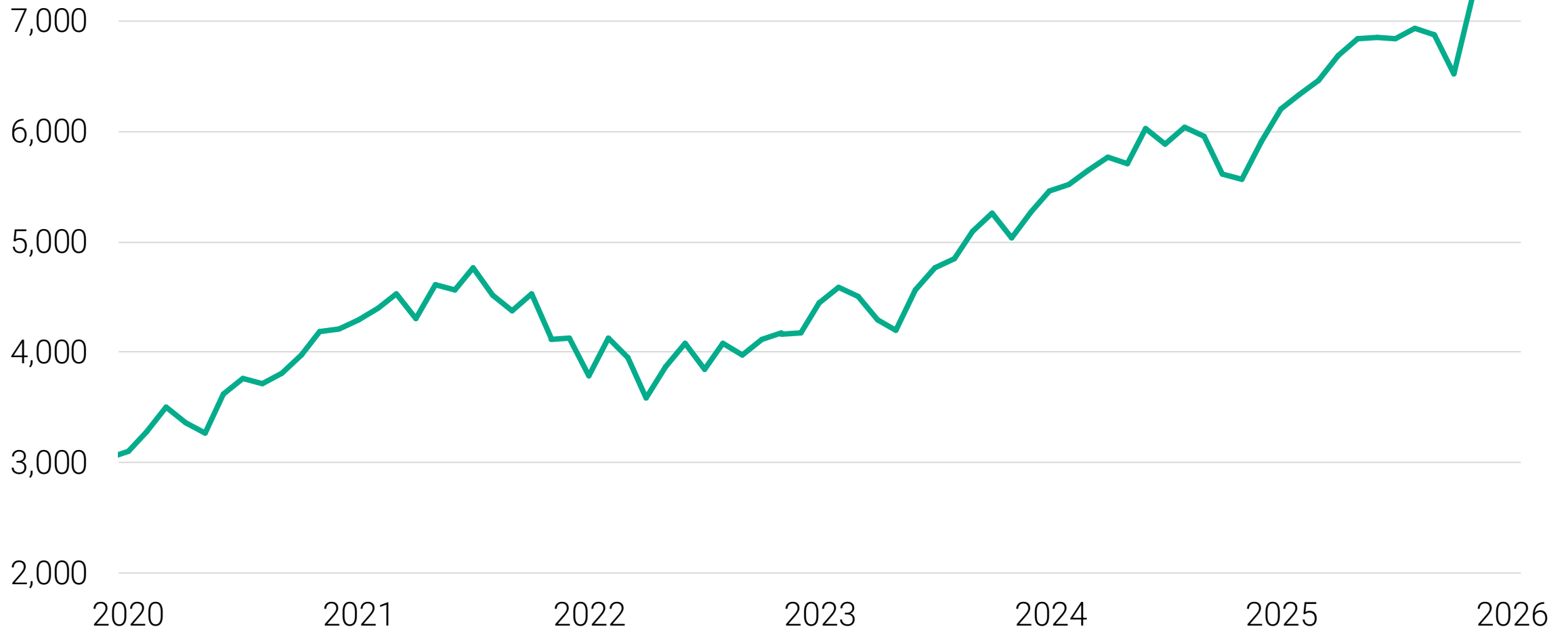
Annual Capital Expenditures (\$Billions), 2022 – 2025



Source: Company financial statements

S&P 500

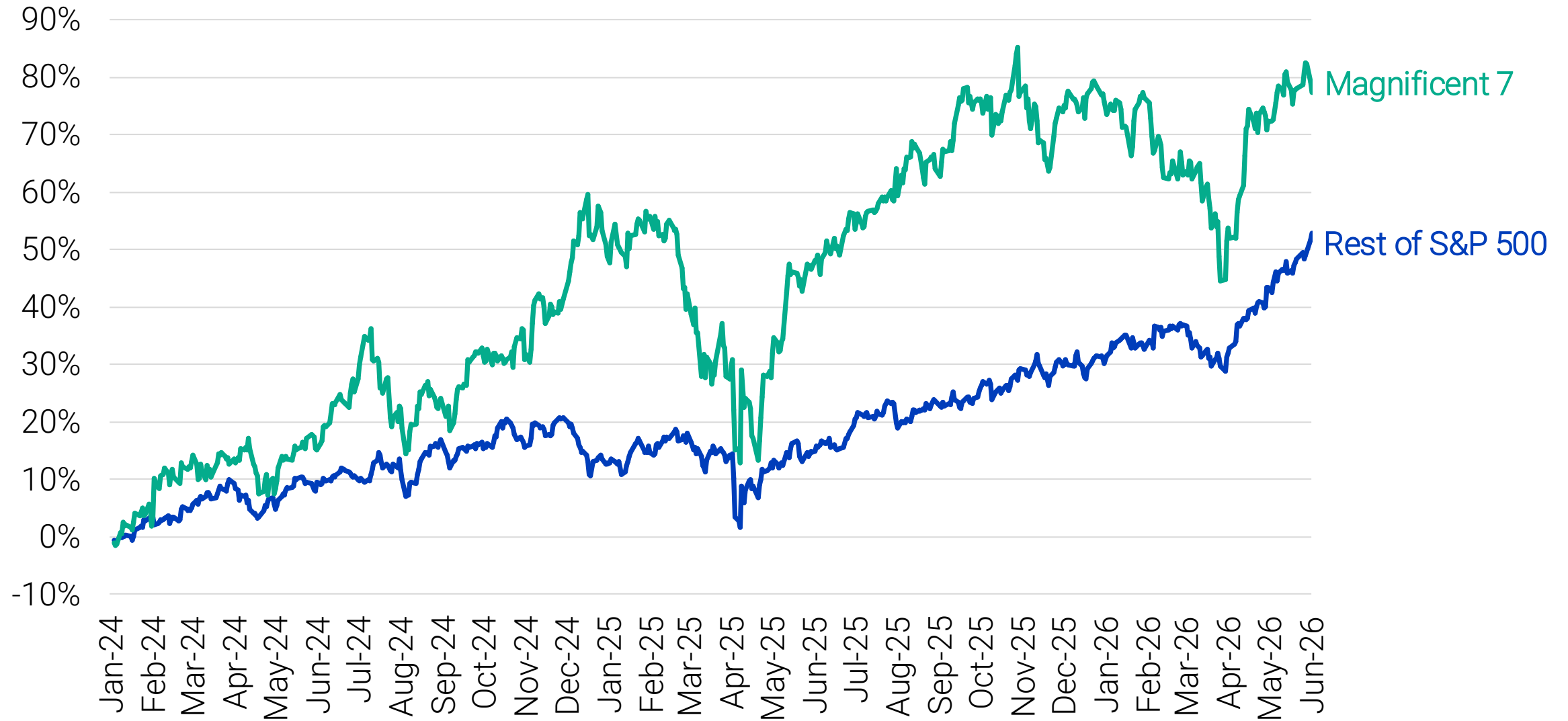
2020 – June 2026



Source: FRED, Federal Reserve Bank of St. Louis

Magnificent 7 v. Rest of S&P 500

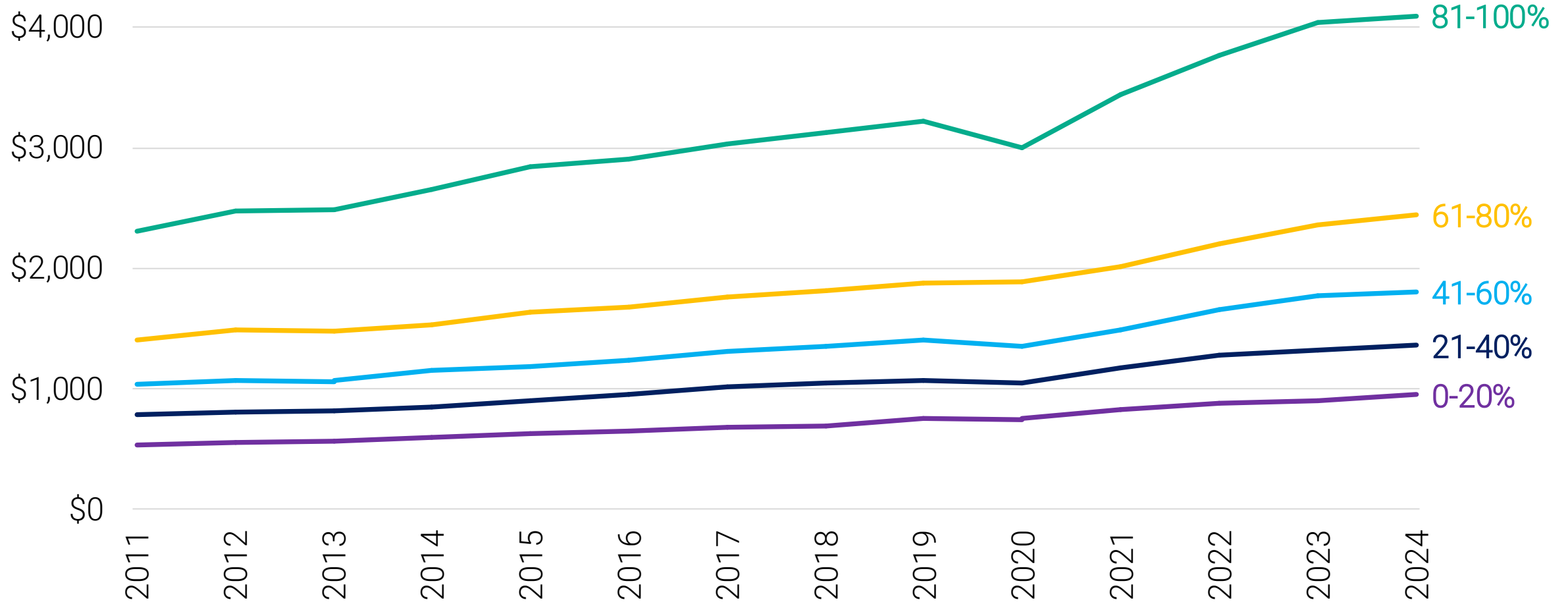
% Change in Close Price Since January 2024



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

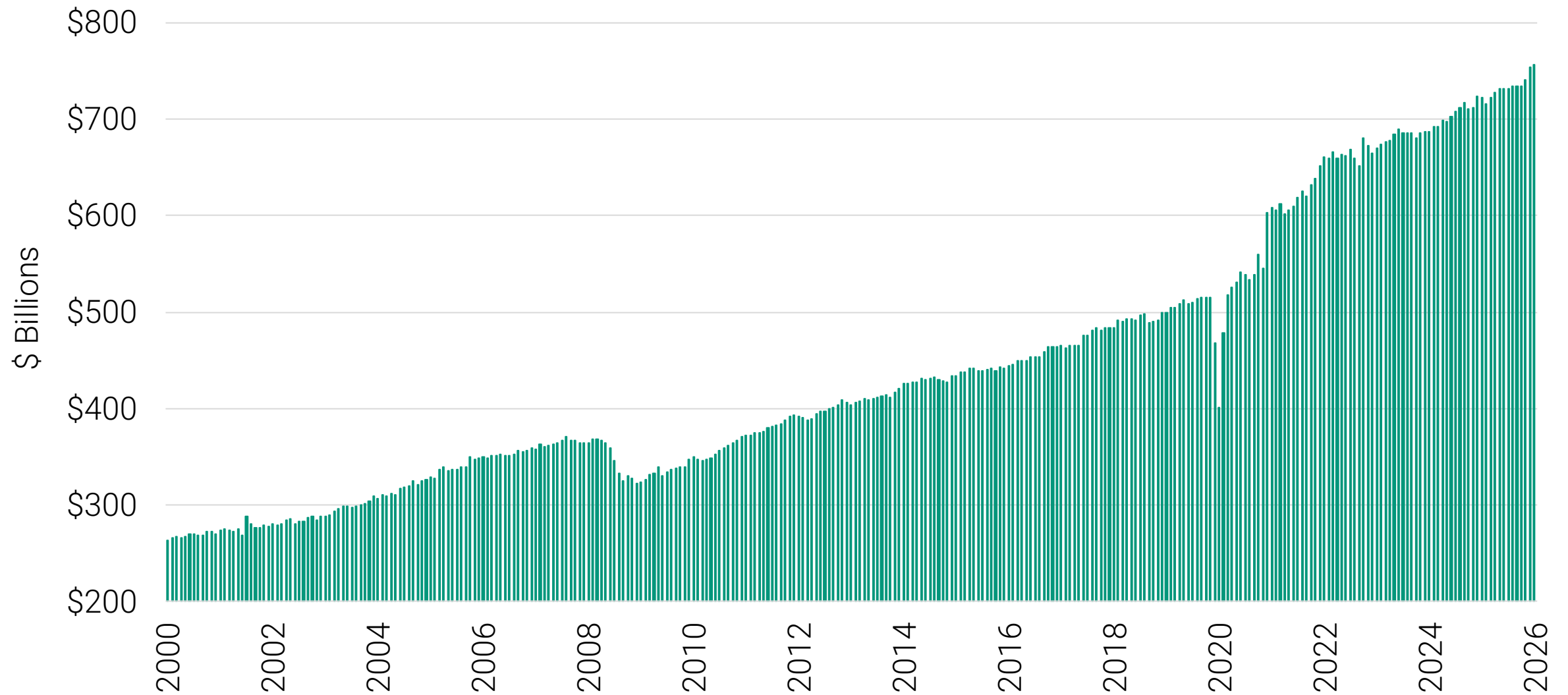
The Spendables



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

Tango With Cash

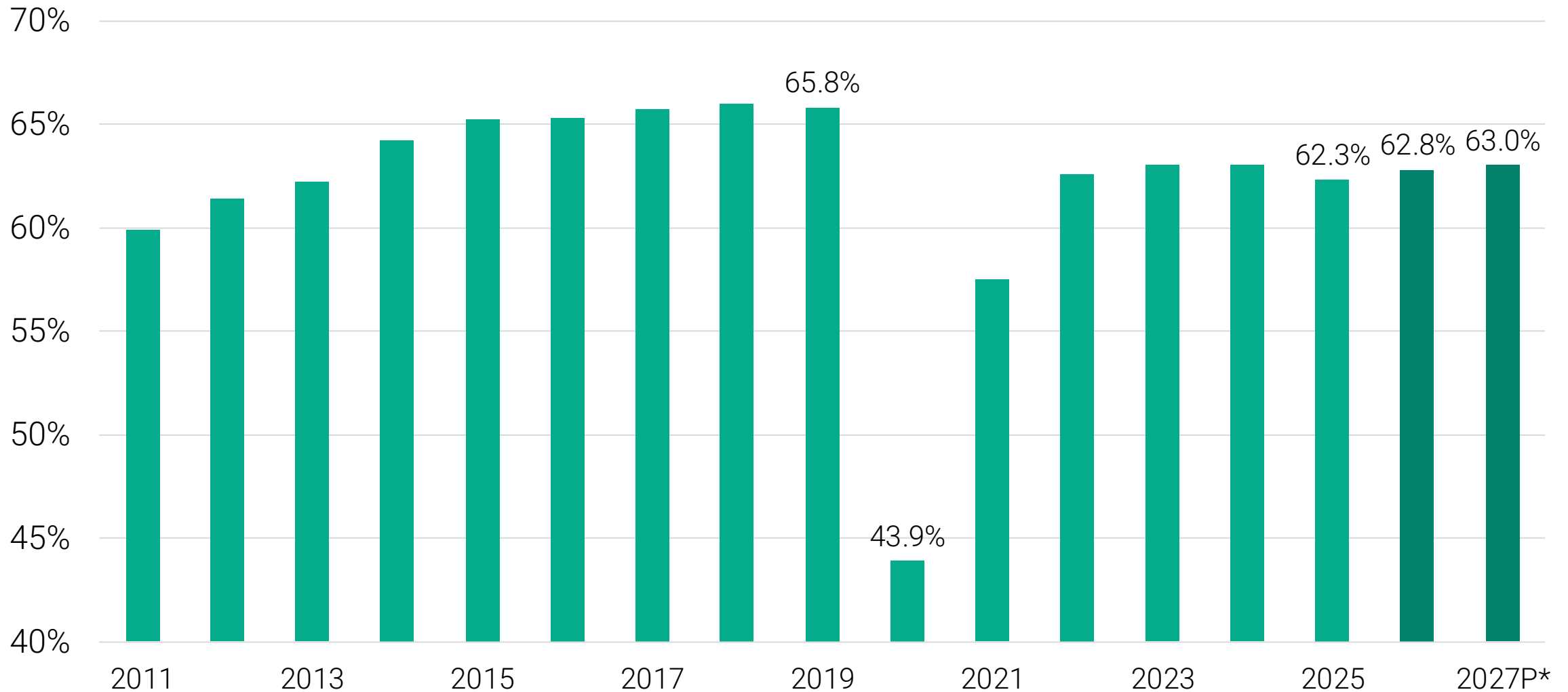
U.S. Retail Sales, 2000 – April 2026



Source: U.S. Census Bureau

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

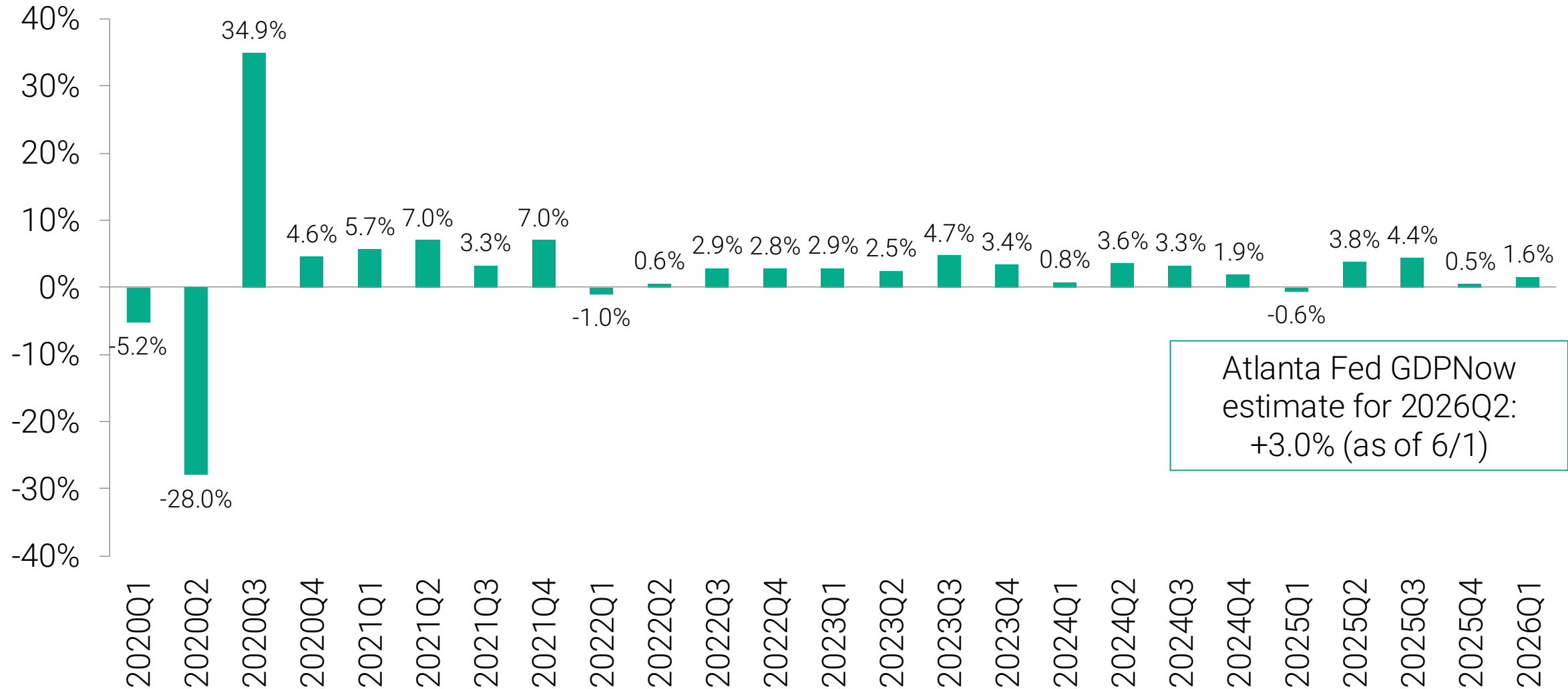
U.S. Hotel Occupancy, 2011 – 2027 Projected



*CoStar and Tourism Economics Forecast

U.S. Gross Domestic Product Growth

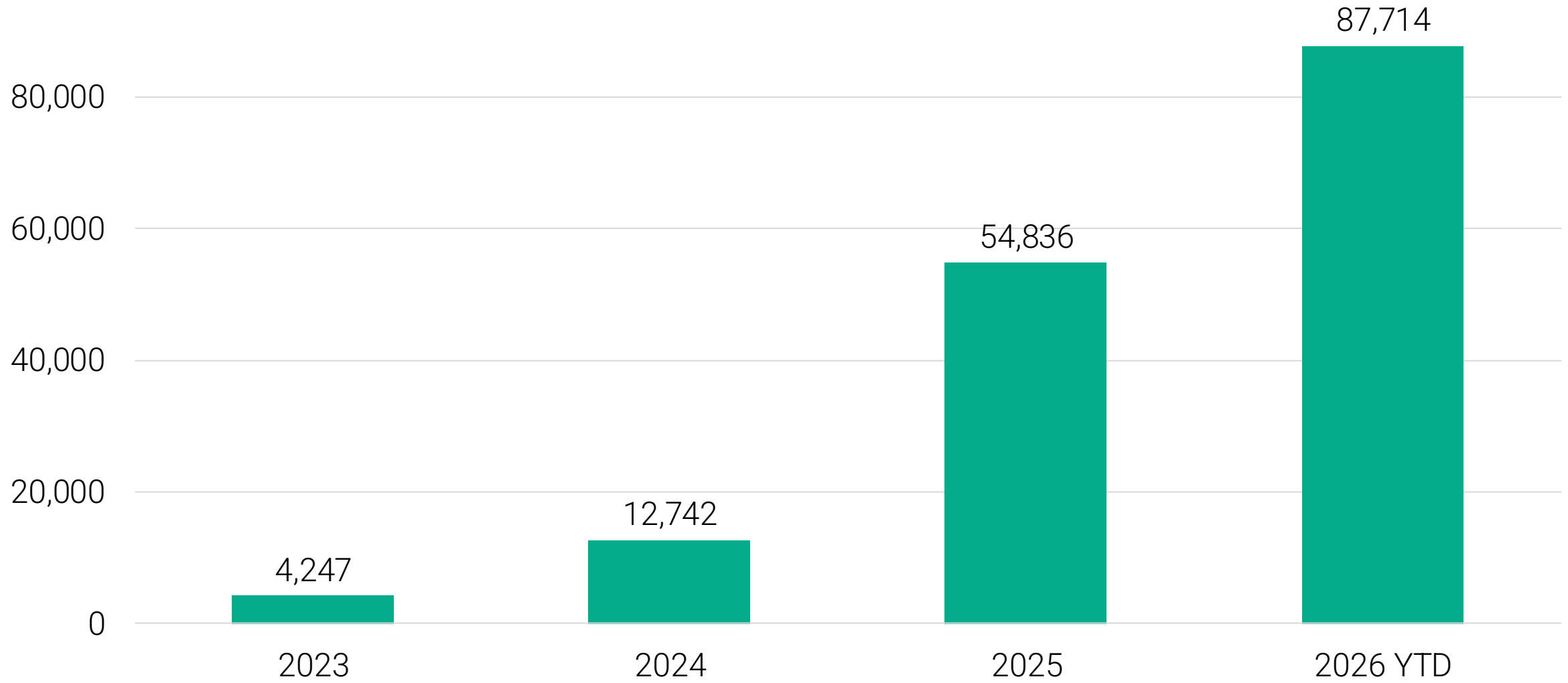
% Change from Preceding Period (SAAR), 2020 – 2026Q1



Source: U.S. Bureau of Economic Analysis *2026Q1: 2nd estimate

The Rise of AI-Driven Job Cuts

U.S. layoffs attributed to artificial intelligence



Source: Challenger, Gray & Christmas, Inc. Job Cut Announcement Report

U.S. Job Openings

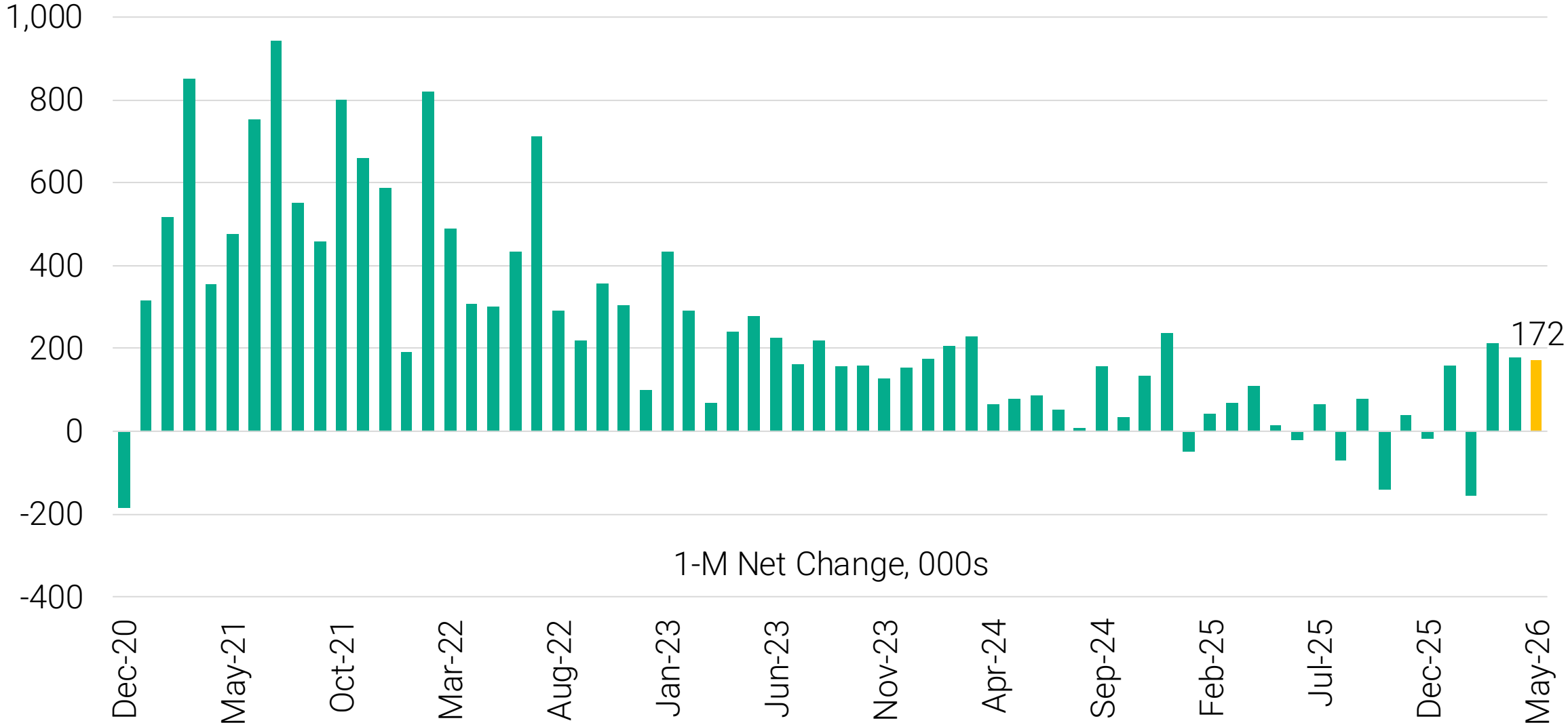
2002 – April 2026



Apr. 2026:
7.62M Openings

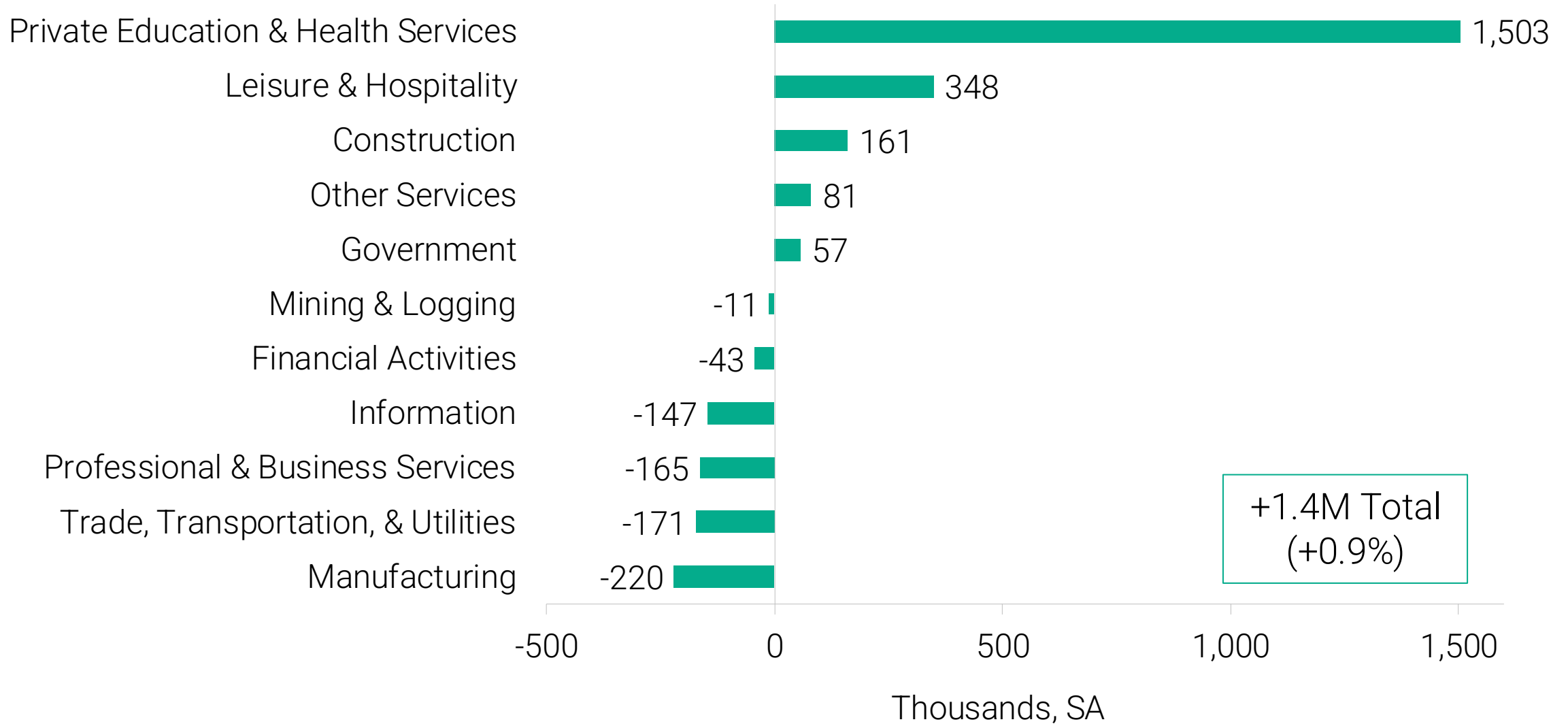
U.S. Job Growth, Monthly

December 2020 – May 2026



Source: U.S. Bureau of Labor Statistics

U.S. Job Growth by Industry Sector, May 2024 v. May 2026



U.S. Wage Growth v. Inflation

YOY % Change, 2008 – 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)	36	VIRGINIA (17)
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)	44	PENNSYLVANIA (46)
11	OREGON (34)	28	HAWAII (26)	45	MARYLAND (42)
12	MONTANA (24)	29	MISSOURI (28)	46	MASSACHUSETTS (49)
13	ARKANSAS (12)	30	WYOMING (36)	47	NEW YORK (47)
14	OKLAHOMA (11)	31	LOUISIANA (44)	48	NEW JERSEY (48)
15	MAINE (13)	32	NEW HAMPSHIRE (33)	49	ILLINOIS (45)
16	UTAH (9)	33	DELAWARE (21)	50	CALIFORNIA (50)
17	KENTUCKY (25)	34	WEST VIRGINIA (30)		

*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)

April 2024 v. April 2026 Absolute Change

Rank	MSA	%
1	Austin-Round Rock-San Marcos, TX	3.1%
2	Charlotte-Concord-Gastonia, NC-SC	2.1%
2	Dallas-Fort Worth-Arlington, TX	2.1%
4	Houston-Pasadena-The Woodlands, TX	1.7%
5	Orlando-Kissimmee-Sanford, FL	1.6%
6	Riverside-San Bernardino-Ontario, CA	1.5%
7	San Antonio-New Braunfels, TX	1.3%
8	Philadelphia-Camden-Wilm., PA-NJ-DE-MD	1.1%
8	Phoenix-Mesa-Chandler, AZ	1.1%
10	New York-Newark-Jersey City, NY-NJ	1.0%
11	Chicago-Naperville-Elgin, IL-IN-WI	0.9%
11	Miami-Fort Lauderdale-West Palm Beach, FL	0.9%
13	San Diego-Chula Vista-Carlsbad, CA	0.8%

Rank	MSA	%
13	Tampa-St. Petersburg-Clearwater, FL	0.8%
15	Atlanta-Sandy Springs-Roswell, GA	0.6%
15	Minneapolis-St. Paul-Bloomington, MN-WI	0.6%
17	Denver-Aurora-Centennial, CO	0.5%
18	Los Angeles-Long Beach-Anaheim, CA	0.3%
19	Seattle-Tacoma-Bellevue, WA	0.1%
20	St. Louis, MO-IL	-0.4%
21	San Francisco-Oakland-Fremont, CA	-0.6%
22	Baltimore-Columbia-Towson, MD	-0.8%
22	Boston-Cambridge-Newton, MA-NH	-0.8%
24	Detroit-Warren-Dearborn, MI	-1.2%
25	Washington-Arlington-Alex., DC-VA-MD-WV	-2.3%
-	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 Rates, 25 Largest Metros (NSA), April 2026

Rank	MSA	%
1	Atlanta-Sandy Springs-Roswell, GA	2.8%
2	Austin-Round Rock-San Marcos, TX	3.4%
3	Charlotte-Concord-Gastonia, NC-SC	3.5%
3	Denver-Aurora-Centennial, CO	3.5%
5	St. Louis, MO-IL	3.6%
6	Boston-Cambridge-Newton, MA-NH	3.8%
6	Dallas-Fort Worth-Arlington, TX	3.8%
6	Minneapolis-St. Paul-Bloomington, MN-WI	3.8%
6	Phoenix-Mesa-Chandler, AZ	3.8%
6	San Antonio-New Braunfels, TX	3.8%
11	Miami-Fort Lauderdale-West Palm Beach, FL	3.9%
11	Philadelphia-Camden-Wilm., PA-NJ-DE-MD	3.9%
11	San Francisco-Oakland-Fremont, CA	3.9%

Rank	MSA	%
11	Washington-Arlington-Alex., DC-VA-MD-WV	3.9%
15	San Diego-Chula Vista-Carlsbad, CA	4.1%
16	New York-Newark-Jersey City, NY-NJ	4.2%
17	Baltimore-Columbia-Towson, MD	4.3%
17	Houston-Pasadena-The Woodlands, TX	4.3%
19	Detroit-Warren-Dearborn, MI	4.4%
20	Orlando-Kissimmee-Sanford, FL	4.5%
21	Tampa-St. Petersburg-Clearwater, FL	4.7%
22	Los Angeles-Long Beach-Anaheim, CA	4.8%
23	Chicago-Naperville-Elgin, IL-IN-WI	4.9%
23	Riverside-San Bernardino-Ontario, CA	4.9%
25	Seattle-Tacoma-Bellevue, WA	5.1%
-	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)



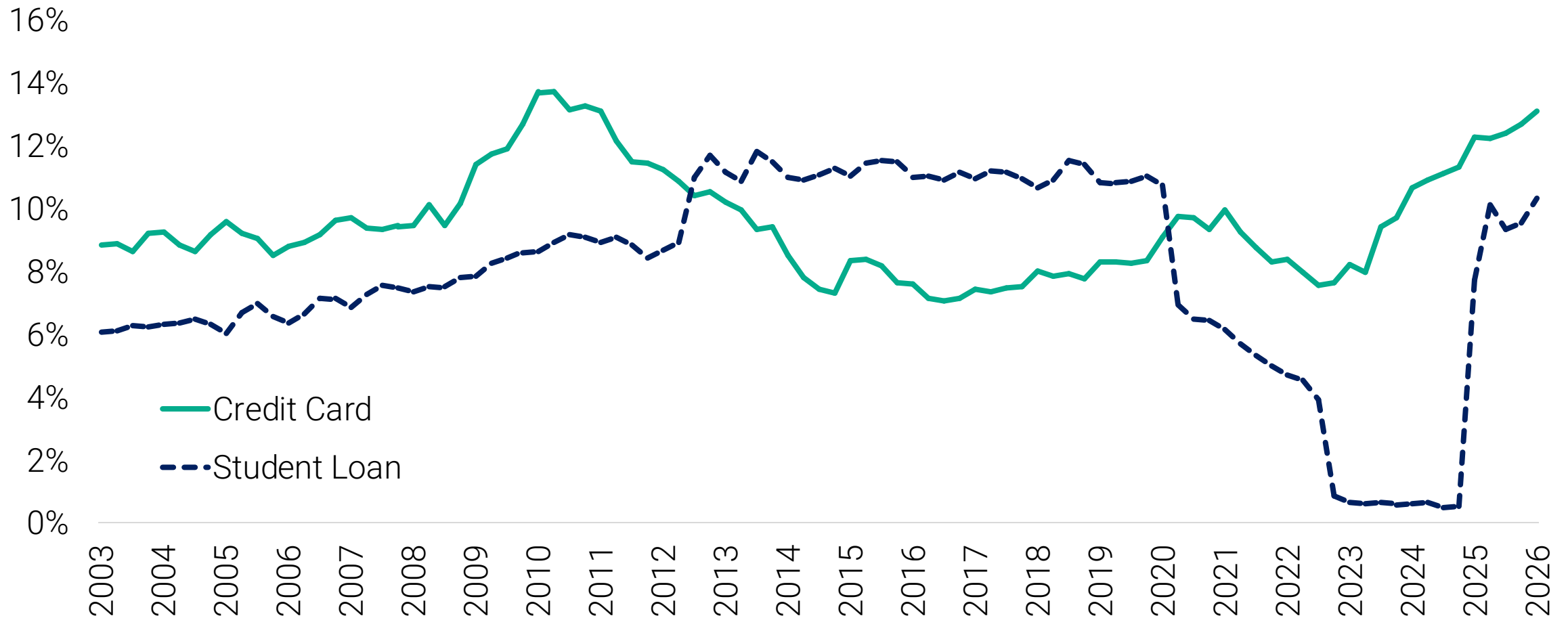
A Little Rocky



Rocky (1976)—Sylvester Stallone as boxer Rocky Balboa

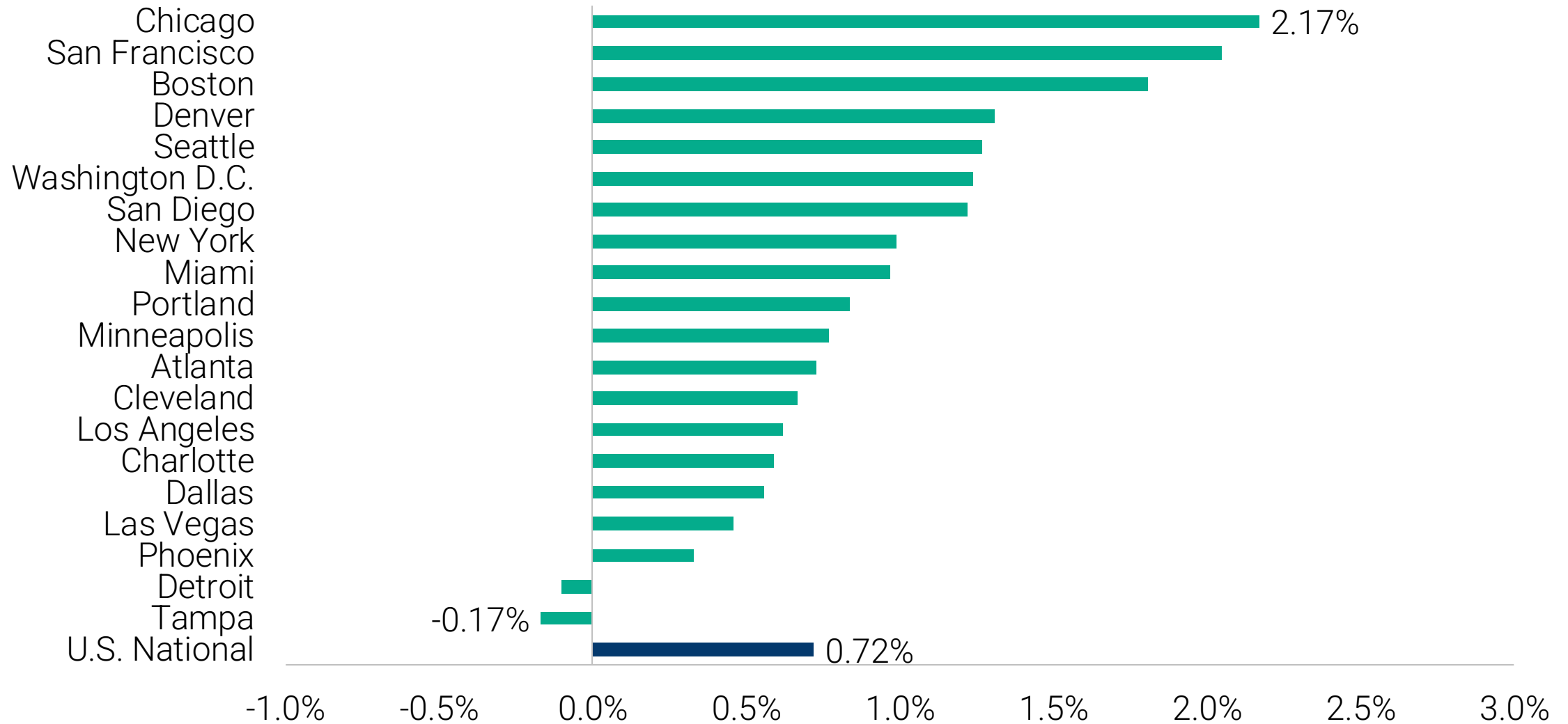
Rocky I: Loan Delinquency Surges

Severe Delinquency by Loan Type, 2003 – 2026
% of Balance 90+ Days Delinquent



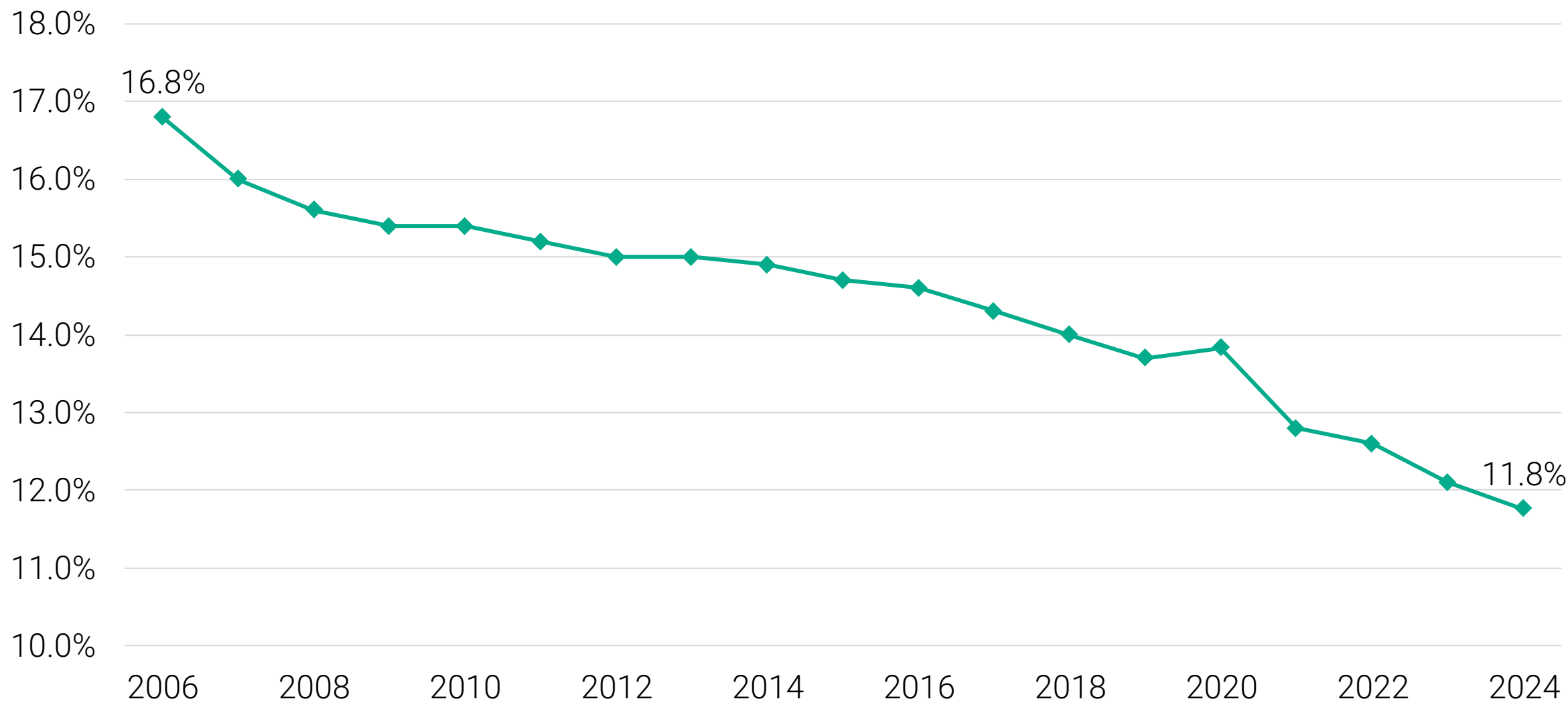
Rocky II: S&P Case-Shiller Home Price Index

1-Month % Change, March 2026



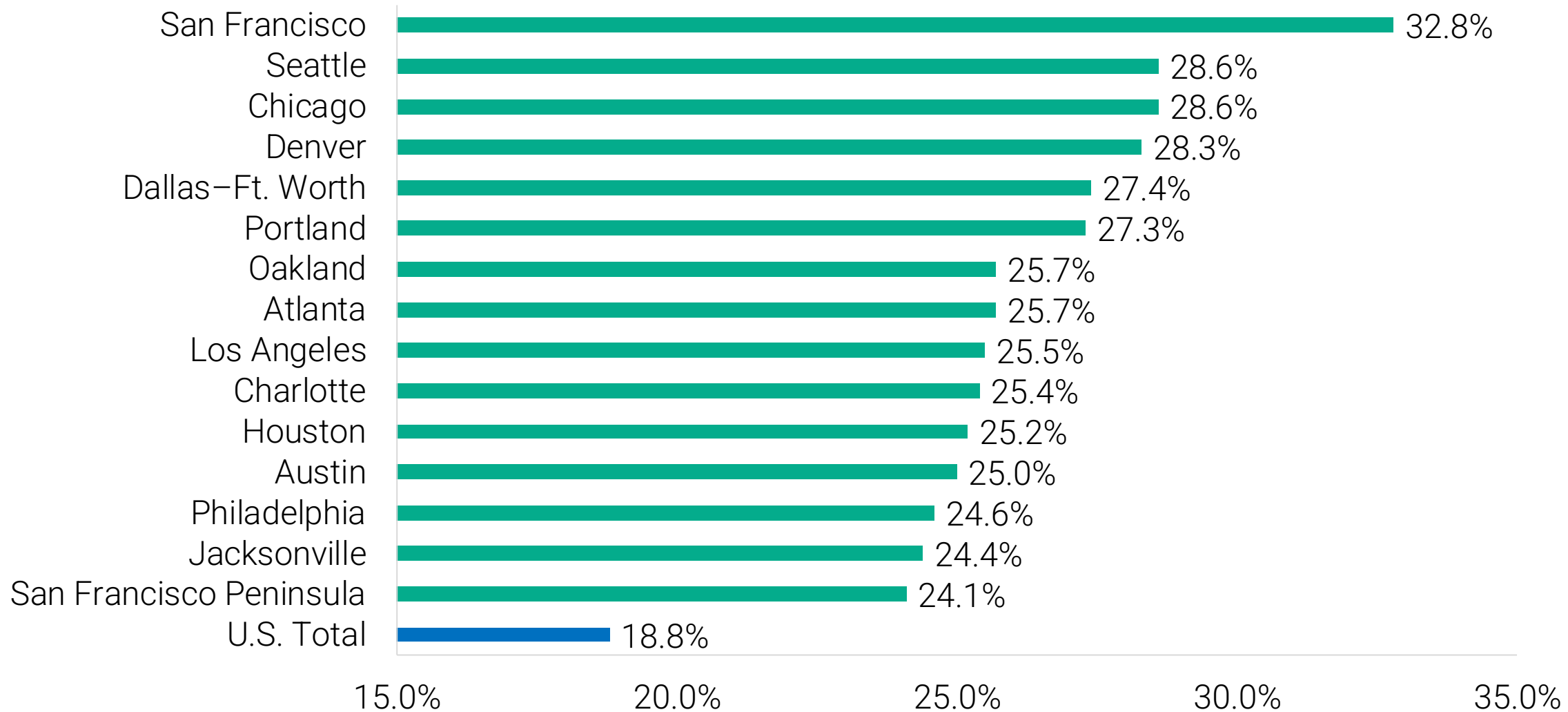
Americans are Increasingly Staying Put

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



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

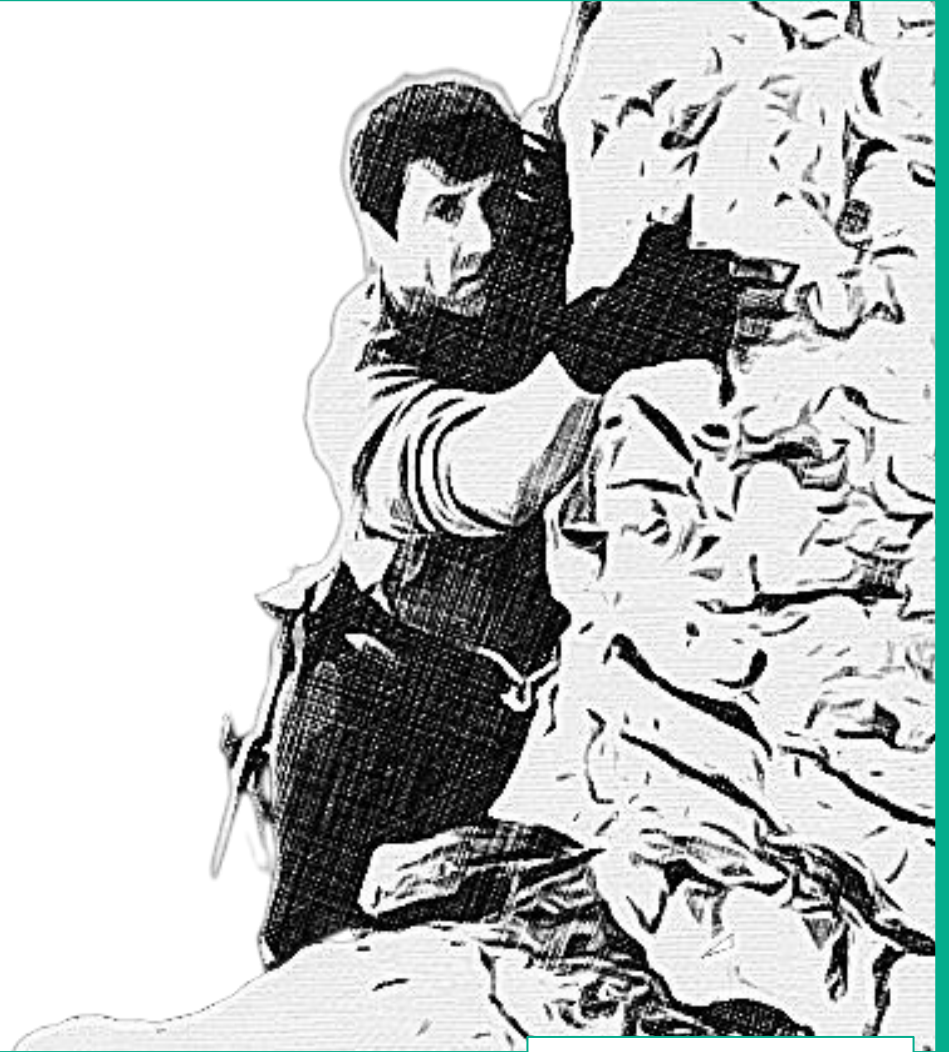
Rocky III: Highest Office Vacancy Rates, 2025Q4



Rocky IV: U.S. Cities Face Fiscal Stress

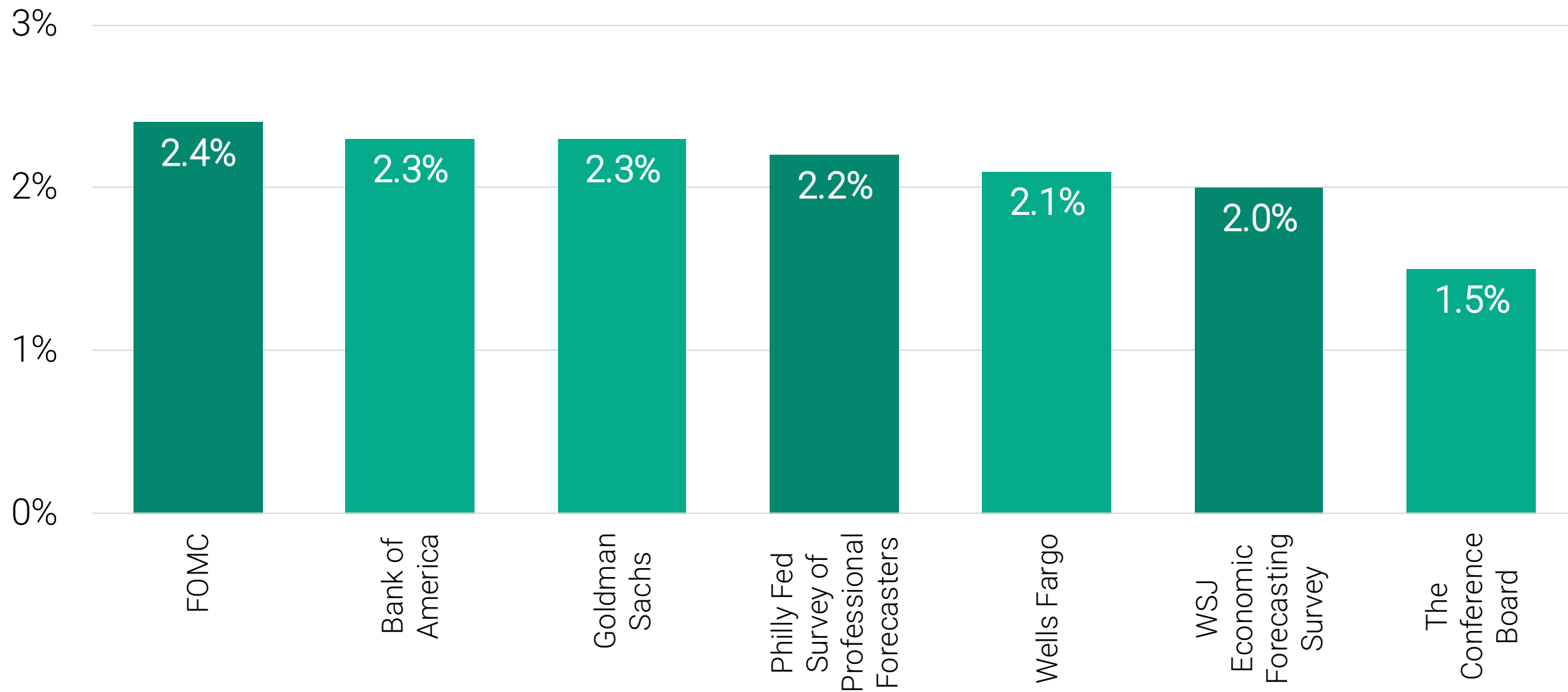
- With the city facing a projected \$1.12 billion shortfall in 2026 Chicago Mayor Brandon Johnson said recently, “We have reached a point of no return”.
- Between December 2024 and April 2025, Chicago, Los Angeles, San Francisco, and Washington all experienced credit rating downgrades.
- According to 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.

Cliffhanger



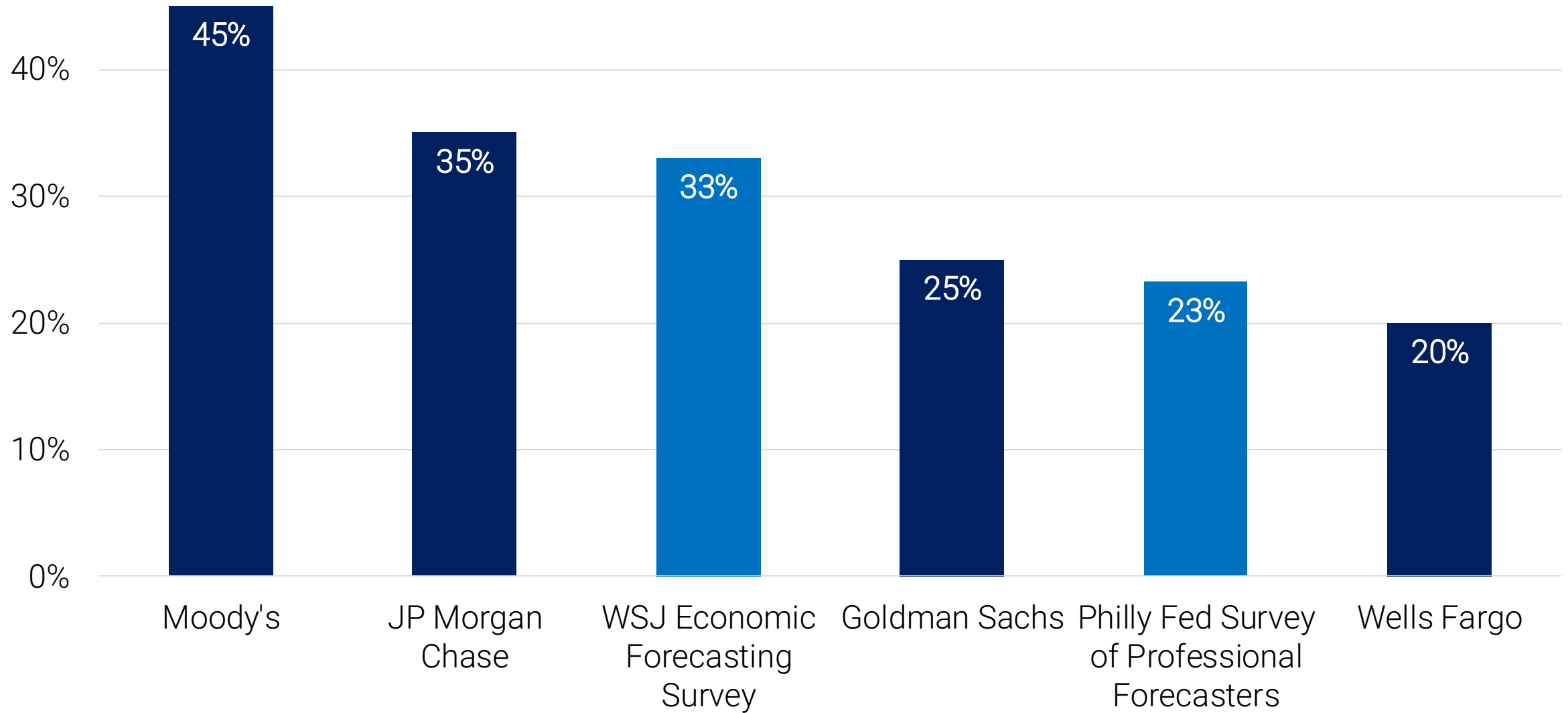
Cliffhanger (1993) — Sylvester Stallone as mountain climber Gabe Walker

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