



# Economic Summary: 2Q2025



Wyoming Department of Administration & Information

Economic Analysis Division

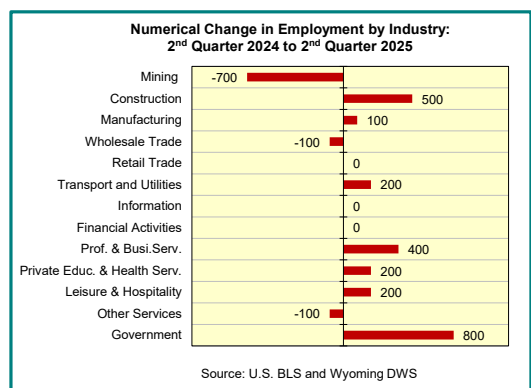
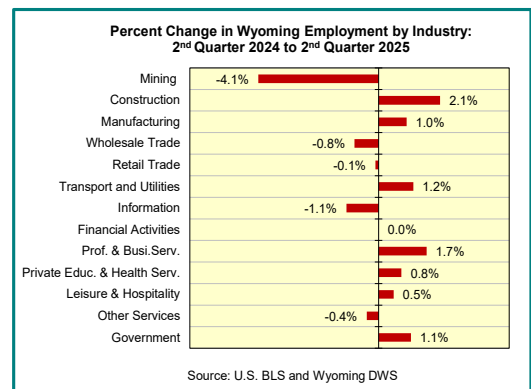
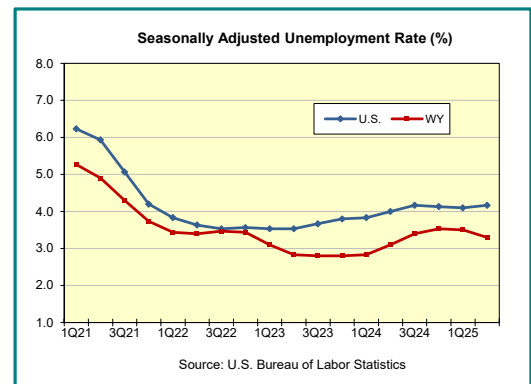
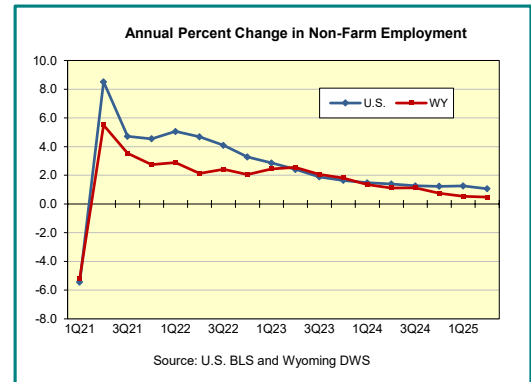
## Current Global and U.S. Economy

Tariff escalation between the U.S. and China is just one front in the global trade war as the current administration has raised tariffs on nearly all countries. Tensions between the world's two largest economies have repercussions for the rest of the world. Economies in Europe, North America, Asia, and Latin America find themselves caught between higher U.S. tariffs and increased competition from low-cost Chinese goods. With the U.S.-China trade truce extended, trade and diplomatic negotiations are resuming, making the likelihood of a new cold war seem less imminent. Despite decoupling efforts, these two economies are more intertwined today than they were before China joined the World Trade Organization in 2001. The world economy looks increasingly fragile and global GDP growth is expected to slow to 2.2 percent in 2025 and 2026, down from close to 3.0 percent in 2024, according to Moody's Analytics. The outlook risk remains on the downside. High tariffs, increased trade and geopolitical friction are major concerns.

The U.S. economy may be experiencing a stretch of stagflation (high inflation, high unemployment, and stagnant economic growth), as higher tariffs and highly restrictive immigration policy both work to lift inflation and weigh on growth. The Federal Reserve is prioritizing concerns about the weakening economy over rising inflation and is resuming cuts to interest rates. While the baseline outlook from Moody's Analytics does not feature a recession, the U.S. real GDP is projected to grow 1.8 percent in 2025 and 1.5 percent in 2026, respectively. The labor market slows down, averaging 125,000 payroll jobs per month in 2025 and only 33,000 in 2026. The unemployment rate is expected to be around 4.2 percent in 2025 but raise to 4.6 percent in 2026. The U.S. consumer price index will fall to 2.8 percent in 2025 but reaccelerate to 3.4 percent in 2026. However, the corporate and individual income tax cut will support growth in the future.

## Employment

Benefiting from economic activities across multiple sectors, Wyoming's labor market continued to expand moderately in the second quarter, with job growth similar to the previous quarter. Total employment increased 0.5 percent (or 1,500 jobs) compared to the previous year, while the U.S. rate decelerated to 1.1 percent. The state's unemployment rate dropped to 3.3 percent, significantly lower than the U.S. rate of 4.2 percent. Payroll jobs increased in most sectors, with construction leading the way, growing 2.1 percent annually. Wyoming's pivotal industry, mining, decreased 4.1 percent. Compared to the pre-COVID period in the second quarter of 2019, total employment was 1.6 percent higher, but the mining industry was down by 26.6 percent, or 5,600 jobs.



## Personal Income and Earnings

Wyoming's total personal income increased 4.4 percent in the second quarter of 2025 compared to the second quarter of 2024. This growth rate was the same as in the previous quarter. U.S. personal income increased 5.1 percent during the same period. Personal income is the income received by all residents from all sources. It is the sum of wage, salary, and proprietors' earnings; property income (dividends, interest, and rent); and personal transfer receipts such as Social Security income, Medicare and Medicaid benefits, unemployment insurance compensation, and other income benefits and assistance. Total earnings in the state grew 4.8 percent annually in the quarter, while dividends, interest, and rent grew 2.2 percent, but transfer receipts grew 8.4 percent. Earnings in nearly all major industries demonstrated expansions from a year ago, led by farm sector (68.9%) and financial activities (19.1%). The only decline was in the mining (-1.7%) and utilities (-0.3%).

## Housing

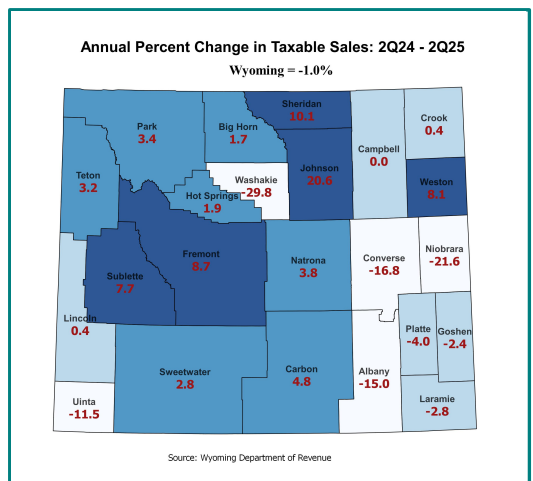
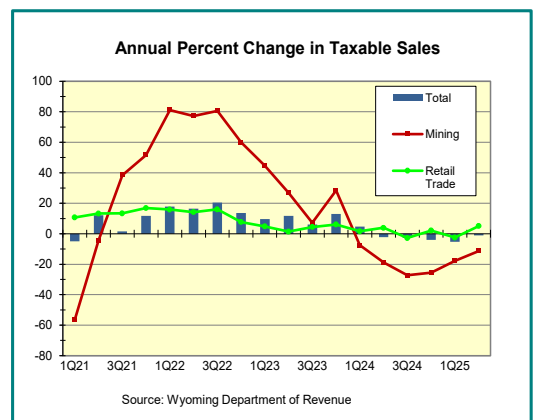
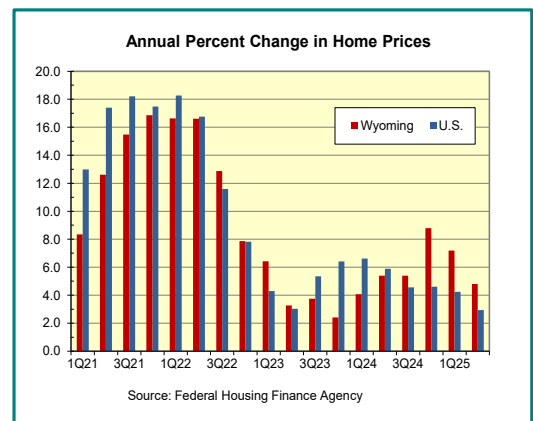
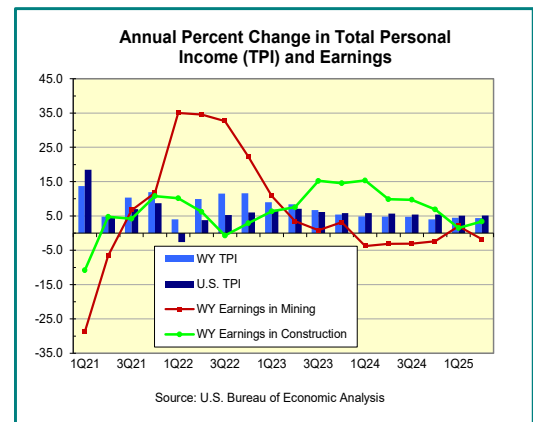
The statewide single-family home price increased 4.8 percent in the second quarter of 2025 compared to one year ago, slower than the previous quarter. In contrast, the national average price appreciation also decelerated to 2.9 percent during the same period. Additionally, single-family building permits for new privately-owned residential construction in Wyoming were 5.4 percent higher than the previous year, while multi-family units decreased by 12.0 percent.

U.S. housing prices continued to climb, but at a slower speed, and the overall housing market remains overpriced. Existing-home sales fell as low affordability and rising economic uncertainty weigh on housing demand. Meanwhile, the inventory of homes for sale, which was a significant headwind to the market, has climbed over 20 percent, year-over-year, in recent months. As a result, potential buyers were offered more options. However, with decades-low affordability due to the stubbornly high mortgage rate and high-priced market, the existing-home sales are among the slowest since the 2008 financial crisis. Overheated valuation and increasing inventory are exerting downward pressure on prices. Home affordability is expected to improve over time through gradual income increases, reduced interest rates, and lower home prices.

## Taxable Sales

Based on sales and use tax collections, total taxable sales in the state decreased by 1.0 percent to \$5.8 billion in the second quarter of 2025 compared to the previous year. This marks the fifth consecutive year-over-year decline. The weak performance was primarily caused by contractions in the construction (-33.5%), wholesale trade (-25.2%), and mining (-11.3%) industries, where the decrease in wholesale trade mostly reflects the reduction in wind power projects. However, increases still occurred in a majority of economic sectors, led by utilities, 8.7 percent. Retail trade and leisure & hospitality services experienced moderate increases, with annual rates of 5.0 and 4.7 percent, respectively.

Across the state, 14 out of 23 counties experienced increases in



taxable sales in a year-over-year comparison, led by Johnson (20.6%), followed by Sheridan (10.1%). Washakie (-29.8%) and Niobrara (-21.6) counties showed the largest decreases. Converse (-16.8%), Albany (-15.0%), and Uinta (-11.5%) also suffered double-digit declines.

## Tourism

The number of recreational visitations to Yellowstone National Park reached 1,573,142 in the second quarter of 2025, representing a 4.3 percent increase from the previous year. In comparison, Grand Teton National Park recorded 1,099,556 visits, showing a growth of 5.2 percent. The visitation figure for Yellowstone was the highest for the second quarter, while the number for Grand Teton was only lower than the second quarter of 2021. Lodging sales for the second quarter were 4.2 percent higher than a year ago in Teton County, while the state as a whole experienced an increase of 3.2 percent. In general, the primary reasons for the fluctuation in lodging sales are visits to the national parks and mineral activities. But the change of sales in Teton County's winter season mainly depends on recreational activities such as skiing, snowmobiling, snow coaching, or ice fishing.

## Agriculture

After falling to its lowest level in nearly 10 years, the index of prices received by farmers for all U.S. livestock and products rebounded quickly and has been surging since the third quarter of 2020. In the second quarter of 2025, the index jumped to 173.6, setting a new record, and was 8.8 percent higher than the previous quarter. After a short period of weakness in 2024 and early 2025, farm earnings in Wyoming demonstrated a substantial expansion in the second quarter. Helped by the strong livestock prices, earnings were 44.3 percent higher than the previous quarter, and 68.9 percent higher than the prior year.

According to the Federal Reserve Bank of Kansas City, conditions in the U.S. agricultural economy remained tenuous as relatively low crop prices continued to limit profit opportunities. However, strong revenues in livestock industries supported farm finances in some regions and distribution of ad hoc government assistance is likely to provide modest support to some growers.

## Revenue

In the second quarter of 2025, the amount of investment income distributed to the state general fund reached a record-breaking \$647.6 million. This includes income from the Permanent Wyoming Mineral Trust Fund (PWMTF) and state agency pooled income accounts, representing a substantial increase of 125.6 percent from the amount recorded a year ago. It is important to note that the boosts in the second quarters were due to net realized capital gains. These gains are distributed at the end of each fiscal year, which is on June 30. In contrast, the \$161.3 million in mineral severance taxes generated in the second quarter was the lowest amount since the second quarter of 2021, primarily reflecting the decrease in crude oil prices, which more than offset the increase in natural gas prices.

