



MAY 2023

ECONOMIC SUMMARY



FROM THE DESK OF THE CEO

After concluding a successful 2022, GLI's economic development team started 2023 in a strong position. I am pleased to share where our economy stands after a successful first quarter, and the trends we are seeing in economic investment.

Key findings in the report include:

- The project pipeline industry mix remains similar to the past several quarters, with approximately 35% of projects in Manufacturing, 17% in Lifelong Wellness & Aging Care, 17% in Logistics, 10% in Food & Beverage, and 10% in Business Services.
- The national labor force finally exceeded pre-pandemic levels in Q1 2023, however the labor force participation rate remains lower than pre-pandemic levels.
- While discussion of a looming recession later this year continues, the economy is currently not showing signs of a major slowdown.
- Despite higher interest rates and a sustained period of above-normal inflation, both national and regional unemployment rates remained low at 3.5% in Q1 2023.

Our regional business attraction efforts continue to gain momentum and more stakeholders are investing in regionalism. We look forward to continuing to work with county partners across our region to grow our economy.

We appreciate your continued investment in GLI and support of our economic development efforts.



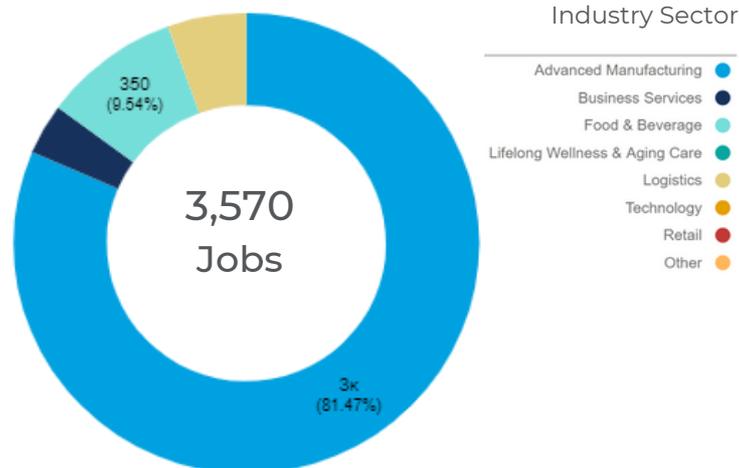
Sarah Davasher-Wisdom
President and CEO, GLI



Where we are
TODAY

ECONOMIC DEVELOPMENT PIPELINE

GLI, as the regional economic development organization, has 29 business attraction and expansion projects in our pipeline, including projects we are directly managing and those that have been or will be referred to our partners. These projects represent 3,570 potential new jobs for our region across a variety of industry sectors. The bulk of the jobs currently in our pipeline are in the Advanced Manufacturing and Food & Beverage industries.

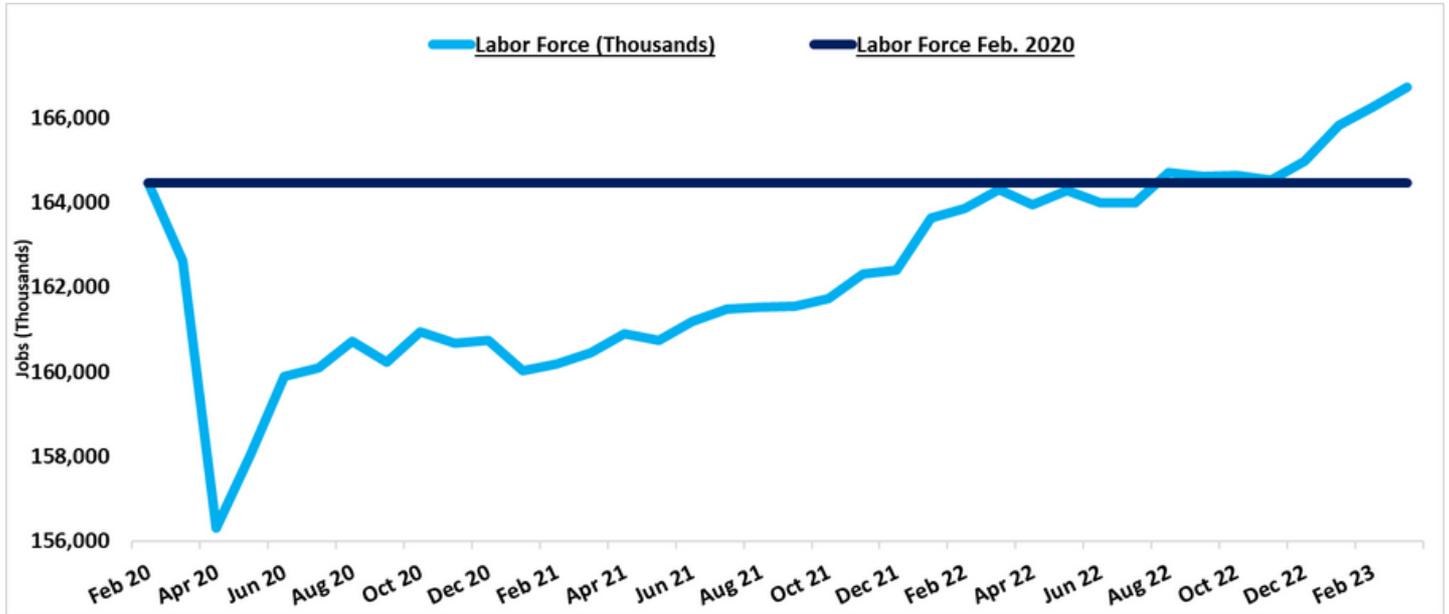


GLI's economic development team works with site consultants, brokers, utility partners, state officials, and companies directly to assist with business growth opportunities in Greater Louisville. If a company knows the specific county in our region in which they want to locate or expand, we make the introduction to the local economic developer, and provide support to close the deal. Below is GLI's current economic development project pipeline for prospective companies we've supported beyond a direct hand-off to a local partner.

Active Date	Industry Sector	Classification	Total Jobs	CapEx
1/21/2022	Advanced Manufacturing	Logistics & Distribution	TBD	TBD
8/22/2022	Advanced Manufacturing	Manufacturing	800	\$ 350,000,000
2/15/2023	Advanced Manufacturing	Manufacturing	50	TBD
11/14/2022	Advanced Manufacturing	Manufacturing	TBD	TBD
5/4/2023	Advanced Manufacturing	Manufacturing	TBD	TBD
8/2/2021	Advanced Manufacturing	Manufacturing	1550	\$ 536,000,000
11/17/2022	Advanced Manufacturing	Manufacturing	40	\$ 100,000,000
6/24/2022	Advanced Manufacturing	Manufacturing	40	TBD
9/3/2021	Advanced Manufacturing	Manufacturing	TBD	TBD
8/31/2021	Advanced Manufacturing	Manufacturing	510	\$ 300,000,000
2/1/2023	Business Services	HQ	TBD	TBD
10/19/2022	Business Services	Professional Services	30	TBD
10/10/2022	Business Services	HQ	TBD	TBD
11/7/2022	Food & Beverage	Other	TBD	TBD
1/10/2023	Food & Beverage	Logistics & Distribution	TBD	TBD
7/1/2022	Food & Beverage	Manufacturing	350	\$ 24,000,000
2/6/2023	Lifelong Wellness & Aging Care	Logistics & Distribution	TBD	TBD
2/17/2023	Lifelong Wellness & Aging Care	R&D	TBD	TBD
2/17/2023	Lifelong Wellness & Aging Care	Logistics & Distribution	TBD	TBD
12/16/2022	Lifelong Wellness & Aging Care	Technology	TBD	TBD
2/22/2023	Lifelong Wellness & Aging Care	Technology	TBD	TBD
12/1/2022	Logistics	Logistics & Distribution	25	\$ 75,000,000
1/4/2023	Logistics	Logistics & Distribution	TBD	TBD
7/9/2021	Logistics	Logistics & Distribution	120	TBD
1/13/2022	Logistics	Logistics & Distribution	15	TBD
3/21/2022	Logistics	Logistics & Distribution	40	\$ 15,000,000
2/16/2023	Other	R&D	TBD	TBD
2/25/2022	Other	Other	TBD	TBD
1/5/2022	Other	Other	TBD	TBD

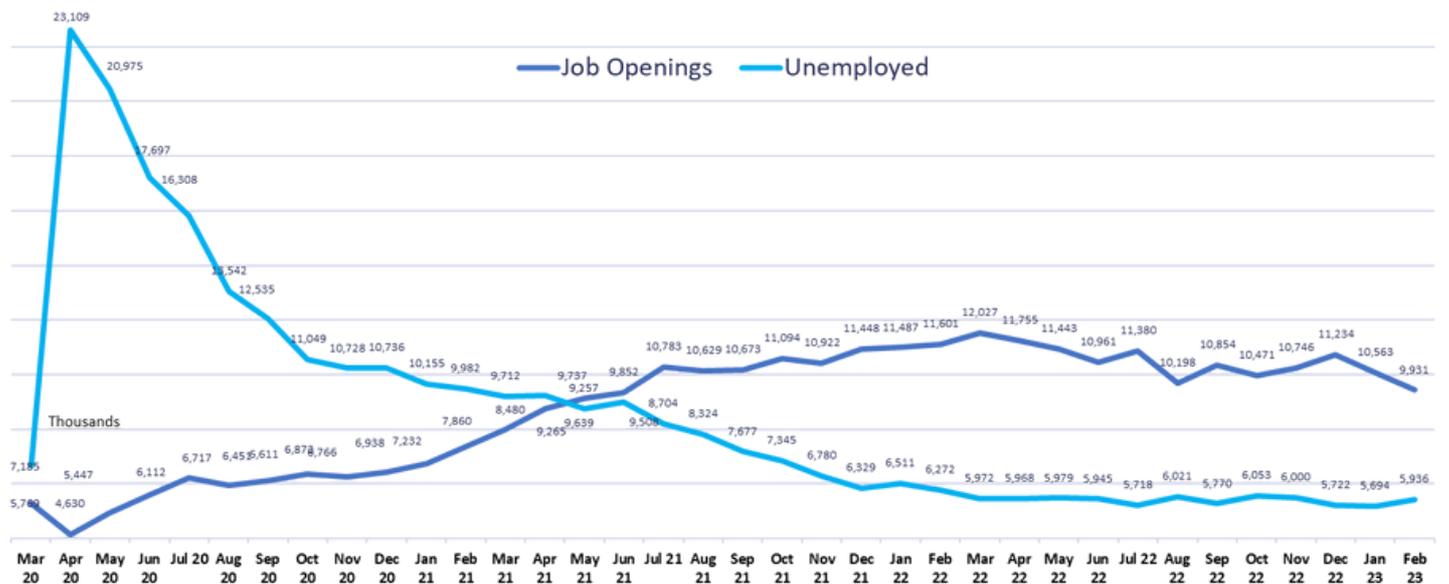
NATIONAL ECONOMIC INDICATORS

In Q1 2023 the national labor force finally exceeded pre-pandemic levels, however the labor force participation rate remains lower than pre-pandemic levels. If the national labor force participation rate today equaled that of February 2020, there would be 1.8 million more workers in the labor force. While discussion of a looming recession later this year continues, the economy is currently not showing signs of a major slowdown.



*Data and Graph from the U.S. Chamber of Commerce

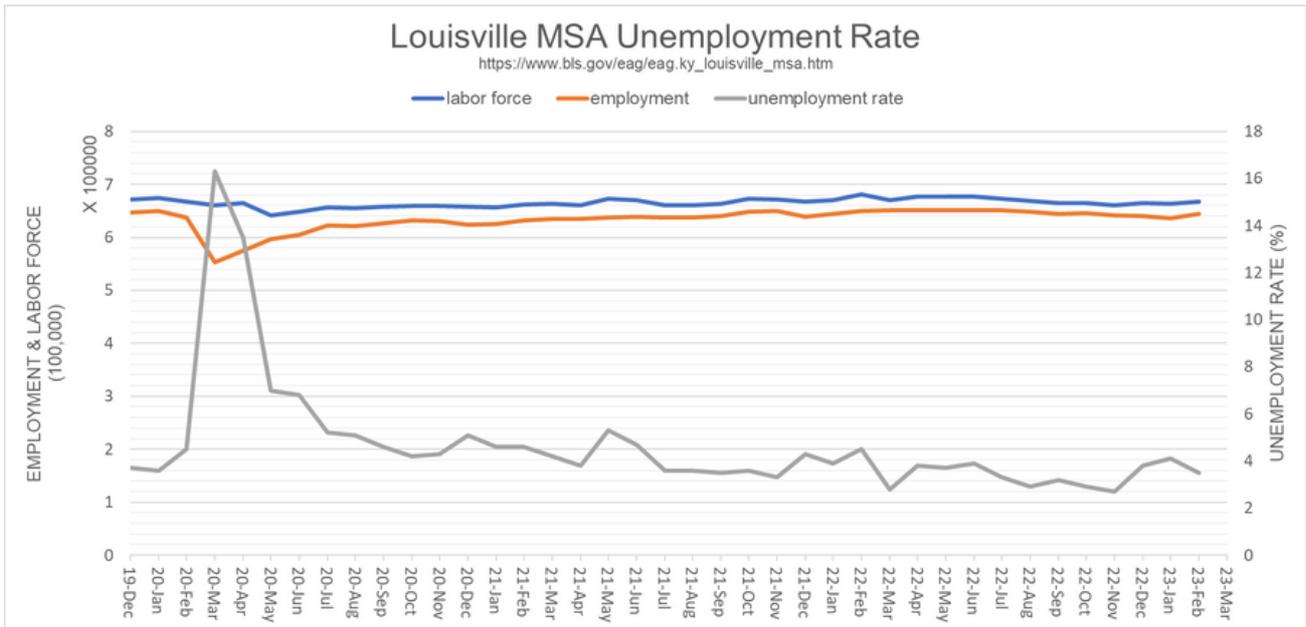
As interest rates have increased over the past five quarters, the national economy has begun to cool; this is causing job openings to decrease, albeit slowly. As a result, the national labor market remains tight. Businesses are still adding new workers but workers remain confident they can easily leave current positions for better opportunities.



*Data and Graph from the U.S. Chamber of Commerce

LOUISVILLE UNEMPLOYMENT RATE

The Bureau of Labor Statistics (BLS) reported that the national unemployment rate in March was 3.5%, a slight decrease compared to February. Louisville's unadjusted March unemployment rate was 3.5%, a slight increase compared to Q4 2022, but at parity with the national average.



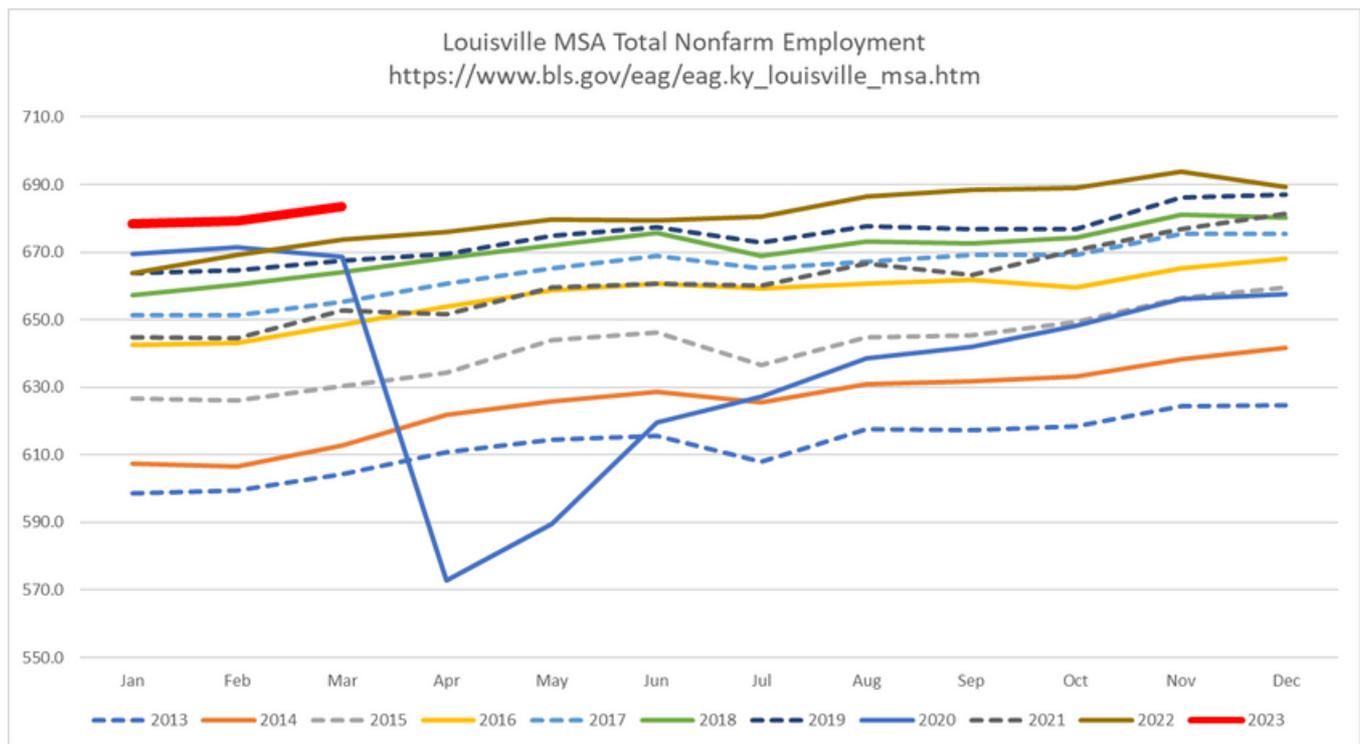
Louisville's post-pandemic economic recovery can be seen in the industry level 12-month change figures. With the exception of recent employment declines in financial activities and professional & business services, the city's industries have maintained healthy employment growth. The information industry led the way in Q1 2023 with 6.0% employment growth over the past 12 month period.

12 Month Employment % Change by Industry
(March 2023 Preliminary Numbers)
https://www.bls.gov/eag/eag.ky_louisville_msa.htm



LOUISVILLE EMPLOYMENT RATE

Louisville's total employment at the end of Q1 2023 was at the highest level of any point within the past ten years. This aligns with national employment trends and highlights the current health of the labor force. While this data paints an optimistic picture of the local economy, it is worth mentioning that on a national level there are currently four million more job openings than unemployed workers. As the Federal Reserve determines its next steps on how best to reign in inflation, it must contend with how increased employment and wages impact future interest rate levels.



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