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“Promising Outlook” from NatCon Economist

At HMA’s recent National Conference and Expo, ITR Economist and Senior Forecaster, Connor Lokar, was not only a breath of fresh air, but the bearer of good news - the U.S. economy is in recovery! In his virtual presentation “Moving Forward,” Lokar expounded on the how and why of that good news, and also encouraged his listeners to use this time well ... because nothing lasts forever.

Recovery in progress!

Consumers are spending. Retail Sales continue to trend upward. Housing, the dominant driver for demand of wood products, is on a ‘tear,’ with Single-family Housing building permits UP across the board. And so, it’s full steam ahead. And ITR’s Leading Indicators are signaling continued growth into 2022.

Lokar’s Guidance to Business Owners

- As you think recovery, ask yourself how you can position your business to leverage and maximize this growing business cycle.
- As you focus and think growth, abandon the reactive mindset and assume a proactive management style.
- Analyze your business so that you are pulling operational levers early, rather than trying to play catch-up.
- Be on good terms with a banker. You will need cash now to make opportunistic capital and business acquisitions.
- Invest in workplace development by hiring key people and implementing company-wide training programs.
- Anticipate/implement wage increases to retain good employees. (The cost of Living is up for everyone.)

Before ending his presentation ...

Lokar discussed the unintended consequences of the Government stimulus payments and extended Unemployment Benefits. The direct Stimulus payments to American families did indeed boost the U.S. economy. However, the “long-term issue” is the massive U.S. government debt that will manifest itself at the end of this decade and into the 2030’s. And the extended Unemployment Benefits, also part of the Stimulus package, are discouraging a return to work and delaying the rebound of the labor market.

Founded in 1948, ITR Economics is the oldest, privately held, continuously operating economic research and consulting firm in the United States. Senior Forecaster, Connor Lokar has been with ITR since 2014 and can be reached at clokar@itreconomics.com.

