



Idaho Economic Forecast

Lori Wolff, Administrator DIVISION OF FINANCIAL MANAGEMENT

2025q3

JULY 31, 2025

Idaho Economic Forecast 2025–2029

State of Idaho
BRAD LITTLE
Governor

| | |
|------------------------------------------------|----|
| Introduction | 3 |
| Overview | 4 |
| Opening graph | 4 |
| US summary | 4 |
| Global Conditions | 5 |
| Current economic conditions and outlook | 7 |
| US GDP | 7 |
| Population | 9 |
| Employment | 10 |
| Personal Income | 11 |
| Average Wage Rate | 12 |
| Wage Bill | 13 |
| Idaho Housing | 14 |
| Idaho News | 15 |

Introduction

This document summarizes Idaho’s economic forecast for 2025 through 2029. The primary national forecast in this report is the April baseline forecast for the US economy by Moody’s Analytics. The Idaho economic model takes the national forecast as an input.

Idaho’s Department of Labor provides monthly historical employment data. Employment data is now used at the monthly frequency, and seasonal adjustment is not performed perfunctorily. Data is complete through 2024m12. Wage data is also supplied by the Idaho Department of Labor. This data is only collected at the quarterly frequency. This is adjusted by DFM to monthly data consistent at the quarterly level.

Historical and forecast data for Idaho are available via [THIS LINK](#)¹. The linked file includes data for broad sectors and narrower sectors of the Idaho economy at the monthly frequency.

With this publication, DFM is streamlining the contents. Additional materials are provided via a [supplementary pdf](#).² These materials include discussions of our typical sources of data, some about modeling changes, forecast analysis sections, looking-ahead, and the appendix materials.

The Federal Reserve Bank of San Francisco, the regional federal reserve bank covering Idaho, publishes general economic interest articles through its *Economic Letters*³. Recent articles discuss [tariffs and inflation](#) in the US economy and [basic economic forces and inflation](#) as well as revisiting [tariffs](#) late in July.

The FRBSF provides many publications, and other research letters can be found at their [publications website](#).⁴ Overall views of the economy are also published by the FRBSF. Those are published in their *Fed Views*⁵ series, and one was just published on [July 17](#), updating the view from [June 5](#).

Readers with any questions should contact Greg Piepmeyer or Erin Phipps at (208) 334-3900 or via email using greg.piepmeyer@dfm.idaho.gov or erin.phipps@dfm.idaho.gov.

Idaho Division of Financial Management

304 N. 8th St.
P.O. Box 83720
Boise, ID 83720-0032

Economic Analysis Bureau

Greg Piepmeyer, Chief Economist
Erin Phipps, Economist
(208) 334-3900

¹ We duplicate the main links in full for screen readers here:

https://dfm.idaho.gov/wp-content/uploads/publications/eab/ief/ief_jul2025.xlsx

² https://dfm.idaho.gov/wp-content/uploads/publications/eab/ief/ief_jul2025_supplements.pdf

³ <https://www.frbsf.org/research-and-insights/publications/economic-letter/>

⁴ <https://www.frbsf.org/research-and-insights/publications/>

⁵ <https://www.frbsf.org/research-and-insights/publications/fedviews/>

Overview

Opening graph.

US summary. The following data tables quickly describe a lot about the national and state economies.

The first tables record variables key to the national economy. All of the forecast data in the national table is due to Moody's; historical data in the table that is reported by US statistical agencies such as the Census Bureau, Bureau of Labor Statistics, or Bureau of Economic Analysis.

| US rates | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|---------------------|------|------|------|------|------|------|------|------|------|------|
| inflation, CPI rate | 1.3 | 4.7 | 8 | 4.1 | 3 | 2.8 | 3.2 | 2.2 | 1.8 | 1.8 |
| Federal Funds rate | 2.2 | 0.4 | 0.1 | 1.7 | 5 | 5.1 | 4.2 | 3.4 | 3 | 3 |
| mortgage rates | 3.9 | 3.1 | 3 | 5.3 | 6.8 | 6.7 | 6.7 | 6.3 | 6.3 | 6.3 |

DFM uses multiple sources of information and data when looking at projections for the economy. While the Moody's forecast is officially used in the model, we also consider other projections as an understanding for how other experts are considering future economic conditions. One of those is the Federal Open Market Committee (FOMC). The FOMC releases a publication four times a year, called the dot-plot, that shows the members projections as they compare to the last release of the publication. The most recent [dot-plot](#)⁶ was released in June, with the March dot-plot as the comparison.

Moody's tends to accept the Federal Reserve's statements about long-term federal funds rates as implying 'in a few years', and generally follows the FOMC guidance.

| US growth | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|-------------------|------|------|------|------|------|------|------|------|------|------|
| real GDP growth | -2.2 | 6 | 2.5 | 2.9 | 2.8 | 1.5 | 1.3 | 1.7 | 2.3 | 2.4 |
| employment growth | -5.8 | 2.9 | 4.3 | 2.2 | 1.3 | 1.1 | 0.3 | 0.2 | 0.5 | 0.6 |

Moody's also revises their forecast monthly, so we are able to compare changes in key economic measures based on the economic climate of certain months. The Moody's forecast used in the April IEF was the one published mid-April, and similarly, the July IEF is using the mid-July published forecast.

A summary of the FOMC and Moody's forecast changes for four key economic variables are

FOMC Projections Summary:
Revision direction for 2025 and 2026 between the June 2025 publication and March 2025 publication.

| | 2025 | 2026 |
|--------------------|------|------|
| Real GDP | ↓ | ↓ |
| Unemployment | ↑ | ↑ |
| Headline Inflation | ↑ | ↑ |
| FFR | ↑ | ↑ |

Moody's Projections Summary:
Revision direction for 2025 and 2026 between the July 2025 forecast and April 2025 forecast.

| | 2025 | 2026 |
|--------------------|------|------|
| Real GDP | ↑ | ↑ |
| Unemployment | ↓ | ↓ |
| Headline Inflation | ↓ | ↓ |
| FFR | ↑ | ↑ |

⁶ These are available from the links under "Projection Materials" on <https://www.federalreserve.gov/monetarypolicy/fomccalendars.htm>

Since the April IEF, there have been three releases for inflation and unemployment.

| Unemployment rate | | | |
|-------------------|-------|------|------|
| | April | May | June |
| US | 4.2% | 4.1% | 4.1% |
| Idaho | 3.7% | 3.6% | 3.6% |

| Inflation* | | | |
|-----------------|-------|------|------|
| | April | May | June |
| Headline | 0.2% | 0.1% | 0.3% |
| Core | 0.2% | 0.2% | 0.1% |

*compared to same month in previous year

DFM has a dashboard that shows how the Idaho Economic Forecast (IEF) for key economic indicators, published [HERE](#).⁷ On the dashboard, you can filter through the following indicators at the state level:

- Average Annual Wage per Job
- Total Employment
- Housing Completions
- Monthly Wage Bill
- Personal Income

There are three forecast lines shown on the dashboard, each representing a different forecast published quarterly in the IEF. The main take-aways from these indicators are:

| Key Indicator Changes from previous IEF: July 2025 compared to April 2025 | | |
|------------------------------------------------------------------------------|------|------|
| Idaho Forecast | 2025 | 2026 |
| Average Annual Wage | ↑ | ↑ |
| Employment | ↓ | ↑ |
| Housing Completions | ↑ | ↑ |
| Monthly Wage Bill | ↑ | ↑ |
| Personal Income | ↓ | ↓ |

Global Conditions. The OECD's⁸ June publication cited major risks to the global economy:

- Increases or changes in trade barriers
- Businesses and consumers increasing caution
- Households' expectations of rising inflation
- Financial stability risks in the equity market

The OECD revised their global growth projections. Their main reason was trade barriers affecting economic and trade uncertainty that has led to lower business and consumer confidence. The downward revision for GDP is mainly affecting the US, Canada, and Mexico, with other countries seeing smaller declines in projections. The OECD expects a slowing in income and jobs growth globally due to the lower growth and less trade.

The inflation outlook from OECD was also revised, with many countries expected to see higher inflation. Higher inflation would slow progress towards normalization of policy rates set by central

⁷ the url is <https://dfm.idaho.gov/about-dfm/about-the-economic-analysis-bureau/key-indicators-dashboard/>

⁸ Material discussing sources, including the OECD, is available in a [supplement](https://dfm.idaho.gov/wp-content/uploads/publications/eab/ief/ief_jul2025_supplement.pdf)
https://dfm.idaho.gov/wp-content/uploads/publications/eab/ief/ief_jul2025_supplement.pdf

banks. Consequently, interest rates for bank loans would remain higher for longer. The OECD does note that if trade tensions do not escalate, and inflation does not increase due to the projected effects of tariffs, then policy rates could be reduced based on inflation projections.

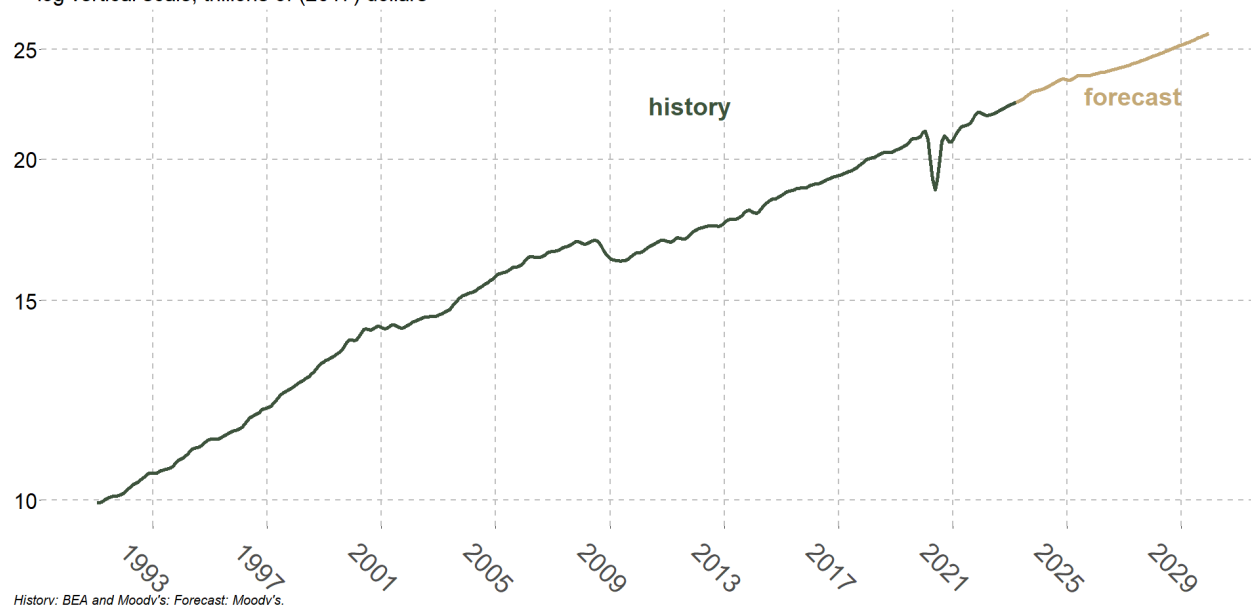
The OECD also warns on the effects of debt, both for households and national economies. As national debt rises, debt service costs are also rising. They caution countries to revise budgets to ensure that the debt held is sustainable going forward.

Current economic conditions and outlook

US GDP. The graph gives Moody's forecast for real US GDP growth.

US real GDP

log vertical scale, trillions of (2017) dollars



- The FOMC projects a lower GDP for 2025 and 2026 in their June meeting than they did at their March meeting.
- Moody's projects higher GDP in their July release than in their April release.
- Moody's projects positive real GDP growth, but is below the 2% seen as sustainable for real GDP growth.
- Note the low growth for real GDP per capita in 2025 and 2026.

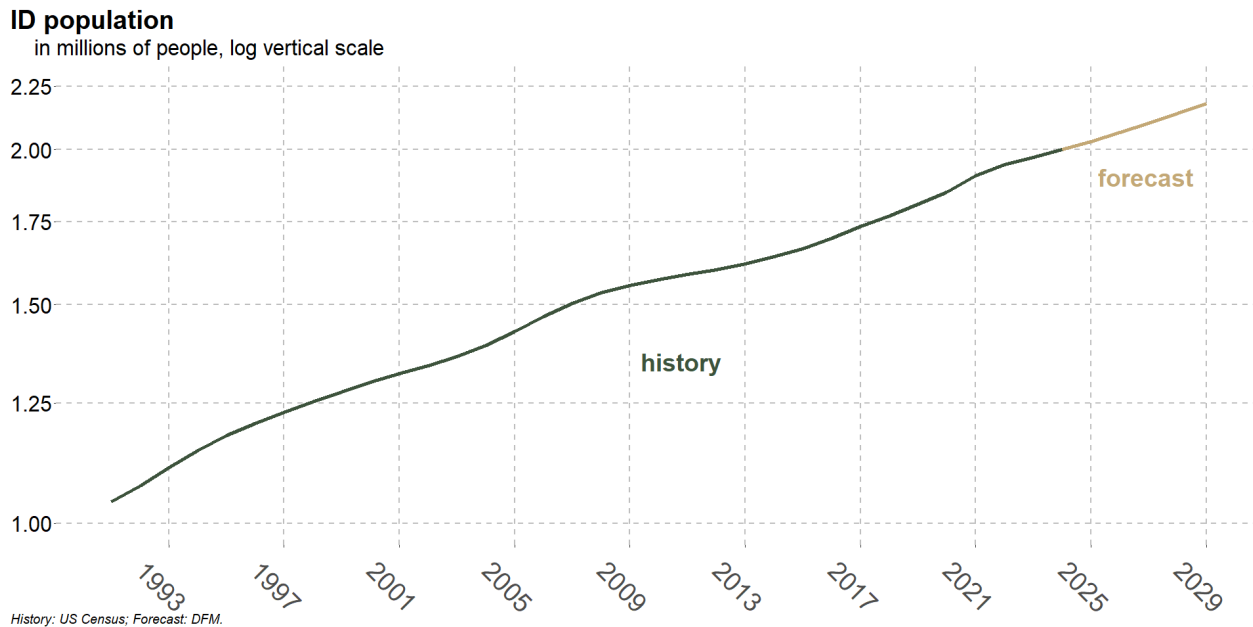
| US (in 2017 dollars) | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|-------------------------|---------|-------|-------|-------|-------|-------|-------|-------|-------|
| Real GDP (in trillions) | \$21.50 | 22.03 | 22.67 | 23.31 | 23.67 | 23.97 | 24.38 | 24.93 | 25.53 |
| Change from Prior Year | 6.0% | 2.5% | 2.9% | 2.8% | 1.5% | 1.3% | 1.7% | 2.3% | 2.4% |

| | | | | | | | | | |
|------------------------|----------|--------|--------|--------|--------|--------|--------|--------|--------|
| Real GDP per capita | \$68,861 | 70,033 | 71,509 | 72,925 | 73,465 | 73,824 | 74,601 | 75,843 | 77,261 |
| Change from Prior Year | 5.2% | 1.7% | 2.1% | 2.0% | 0.7% | 0.5% | 1.1% | 1.7% | 1.9% |

The first quarter of real GDP in 2025 was revised from a 0.2% decline in the preliminary reading, with the second reading now showing a 0.5% decline from the previous quarter. The second quarter preliminary GDP report will be released on the last day of July 2025. The advance estimate, delivered July 30, for 2025q2 GDP came in at 3.0%. This largely matched the Atlanta Fed's Nowcast value of 2.9% released a day prior.

The OECD's US GDP prediction was revised down in their June publication to 1.6% growth in 2025 and 1.5% in 2026. Compared to the March OECD report, this is a decrease of 1.5 percentage points in 2025 and 2026. The OECD projection sits slightly above the Moody's forecast.

Population. The graph gives Idaho's population forecast through 2029.



- Population in Idaho passed 2 million people in 2024.
- The projected increase in population in 2025 is almost 28,000 people.
- In 2026, the projected population will increase just over 35,000 people.
- Between 2003 and 2023, Idaho's population grew 44%.

| US | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Population (m) | 309.7 | 312.2 | 314.6 | 317.0 | 319.6 | 322.1 | 324.6 | 326.9 | 328.7 | 330.4 |
| Change from Prior Year | 0.8% | 0.8% | 0.8% | 0.8% | 0.8% | 0.8% | 0.8% | 0.7% | 0.6% | 0.5% |

| Idaho | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|------------------------|------|------|------|------|------|------|------|------|------|------|
| Population (m) | 1.85 | 1.90 | 1.94 | 1.97 | 2.00 | 2.03 | 2.06 | 2.10 | 2.14 | 2.18 |
| Change from Prior Year | 2.3% | 3.0% | 2.1% | 1.4% | 1.5% | 1.4% | 1.7% | 1.8% | 1.8% | 1.9% |

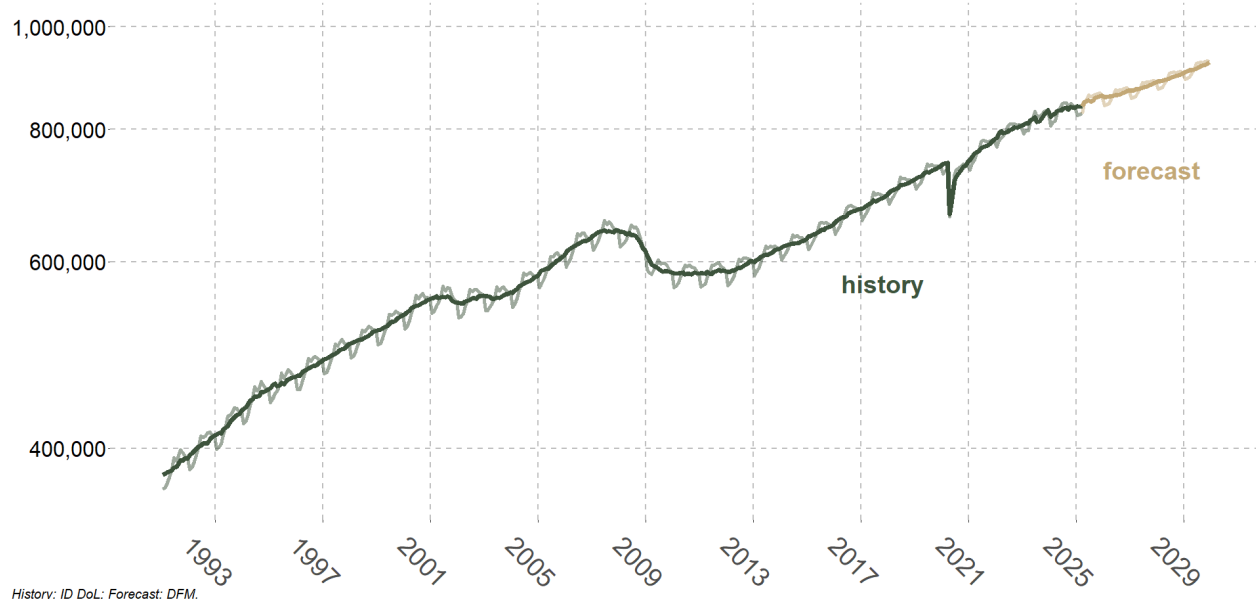
When projecting population change, four values are needed: previous year population, births, deaths, and migration. The factor most affecting Idaho lately has been migration. The Idaho Department of Labor [released](#) a profile on Idaho's population based on urban or rural residence. The urban population has grown and, while the rural population has also grown, a majority of people migrating to Idaho are choosing to live in urban areas. Just between 2020 and 2023, the state almost gained as many people as moved to the state between 2010 and 2019.

As was anticipated in the April *IEF* publication, the July projection was indeed revised down.

Employment. This graph gives Idaho's employment forecast.

Idaho nonfarm jobs

not seasonally adjusted in background, log vertical scale



- The forecast shows consistent job growth across the forecast period.
- While the growth is positive and consistent, the growth from year to year is lower than what the state has experienced in recent years.
- The US job growth outlook shows a slowdown in 2026, but still results in positive growth for that year.
- The FOMC projected a higher unemployment rate in 2025 and 2026.

| US | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|------------------------|--------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Nonfarm jobs (m) | 130.3 | 131.9 | 134.2 | 136.4 | 138.9 | 141.8 | 144.3 | 146.6 | 148.9 | 150.9 |
| Change from Prior Year | -12.7% | 1.2% | 1.7% | 1.6% | 1.9% | 2.1% | 1.8% | 1.6% | 1.6% | 1.3% |

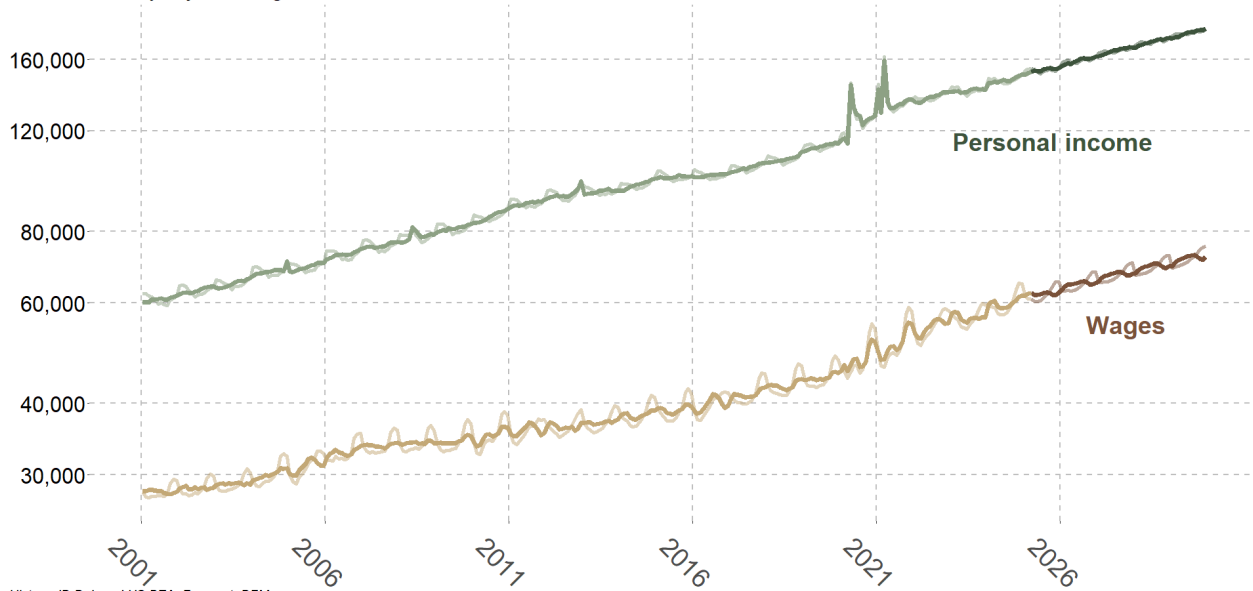
| Idaho | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Nonfarm jobs (k) | 725.0 | 767.2 | 798.1 | 818.5 | 834.1 | 851.3 | 863.2 | 877.4 | 894.9 | 915.1 |
| Change from Prior Year | -0.6% | 5.8% | 4.0% | 2.6% | 1.9% | 2.1% | 1.4% | 1.6% | 2.0% | 2.3% |

The July employment forecast in Idaho differs slightly from the April forecast. The April forecast saw a revision down in total employment when compared to January, but employment growth remained positive year over year. The July forecast stays mostly in-line with April through this year and then starts to deviate from April starting in 2026. The July forecast is more optimistic than April, but still below the January projection.

Personal Income. The graph shows average annual personal income and wages per job in the state. The table shows personal income per capita.

Idaho personal income and average yearly wages per job

not seasonally adjusted, log vertical scale, dollars



- Personal income per job (green line) and wages per job (brown line) are both forecast to increase over the outlook period.
- When compared to April, the wages per job was revised upwards.
- The July personal income forecast for Idaho was revised down from the April publication.
- The Moody's personal income forecast for the nation was revised up from their April forecast.

| US | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|-------------------------------|----------|--------|--------|--------|--------|--------|--------|--------|--------|
| Per capita personal income | \$68,629 | 70,207 | 73,815 | 77,195 | 80,892 | 83,938 | 86,922 | 89,819 | 93,054 |
| <i>Change from Prior Year</i> | 8.3% | 2.3% | 5.1% | 4.6% | 4.8% | 3.8% | 3.6% | 3.3% | 3.6% |
| Idaho | | | | | | | | | |
| Total personal income | \$54,912 | 56,415 | 58,601 | 61,367 | 64,219 | 66,528 | 69,154 | 71,856 | 74,732 |
| <i>Change from Prior Year</i> | 11.8% | 2.7% | 3.9% | 4.7% | 4.6% | 3.6% | 3.9% | 3.9% | 4.0% |

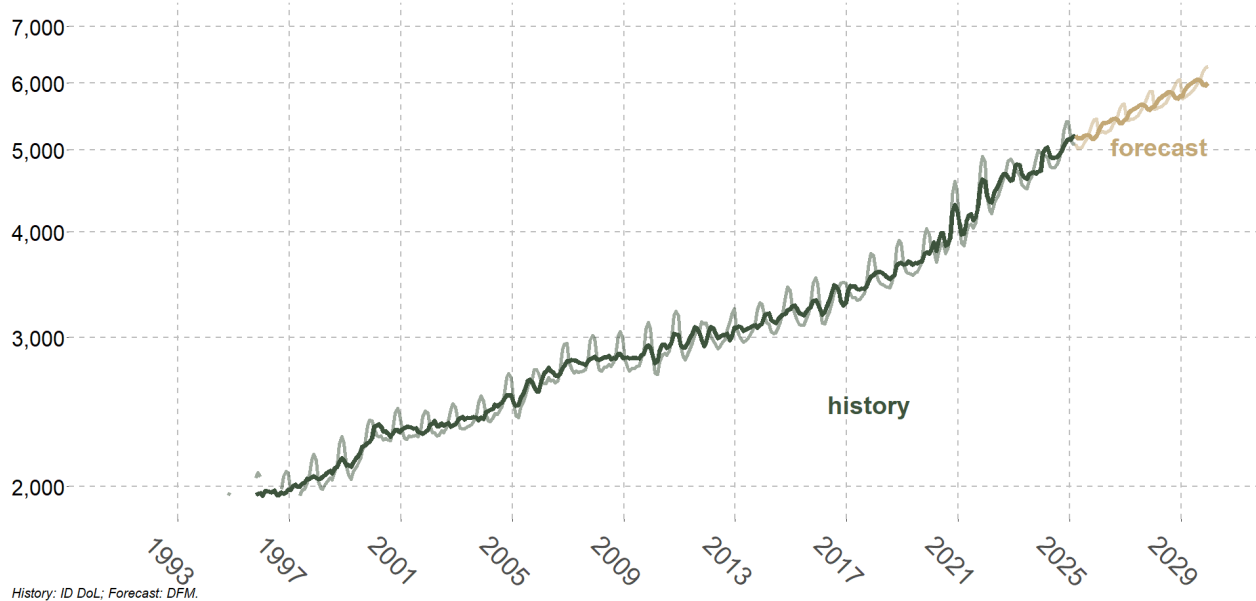
This graph shows personal income and wages on a “per job” basis, even though personal income is a much broader concept than earnings from work. The graph illustrates this by accompanying the personal income per job figure with the average yearly wage per nonfarm job.

During the Covid-19 stimulus, transfer payment went up, causing the large increase in personal income per capita in 2021 for both the US and Idaho as shown on the table.

Average Wage Rate. The graph and table show average wages per job, with the graph being at the monthly frequency and the table being on an annual frequency.

Idaho average wage rate

dollars monthly per job, log vertical scale, not seasonally adjusted in background



- ➔ The monthly wages paid out per job have increase across history and is expected to increase over the forecast period.
- ➔ Right before the forecast period, average monthly wages rose above \$5,000.
- ➔ Following Covid-19, wages rose at a higher rate than was typically seen in history. This growth is projected to slow but remain positive.
- ➔ Idaho wages are projected to grow at a higher rate than US wages.

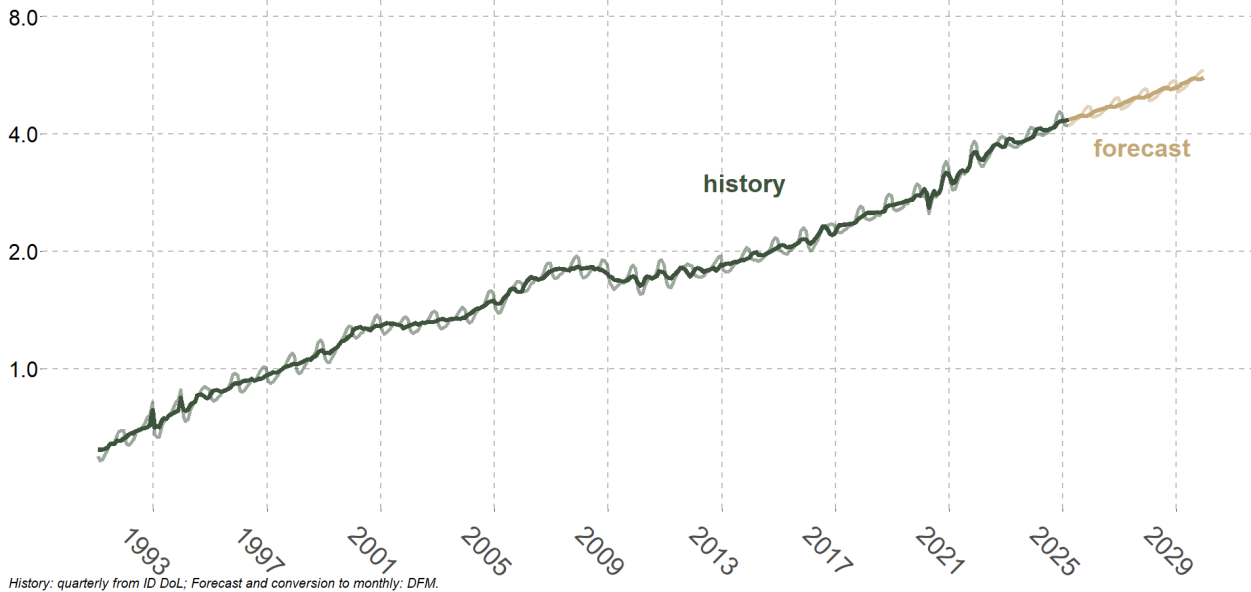
| US | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|-------------------------------|----------|--------|--------|--------|--------|--------|--------|--------|--------|
| Wage and salary per job | \$78,199 | 82,914 | 85,988 | 89,267 | 91,653 | 93,854 | 95,848 | 97,373 | 99,434 |
| <i>Change from Prior Year</i> | 7.7% | 6.0% | 3.7% | 3.8% | 2.7% | 2.4% | 2.1% | 1.6% | 2.1% |
| Idaho | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
| Wage and salary per job | \$50,980 | 54,497 | 56,578 | 59,915 | 62,168 | 64,685 | 67,121 | 69,343 | 71,715 |
| <i>Change from Prior Year</i> | 6.4% | 6.9% | 3.8% | 5.9% | 3.8% | 4.1% | 3.8% | 3.3% | 3.4% |

The graph shows monthly average wages per job. By showing wages per job, the inherent growth of wages can be separated from the growth in wages due to additional jobs on the market.

Wage Bill. The graph and table show the total average monthly wages paid out to all workers in Idaho.

Idaho wage bill

not seasonally adjusted in background, in billions of dollars per month, log vertical scale



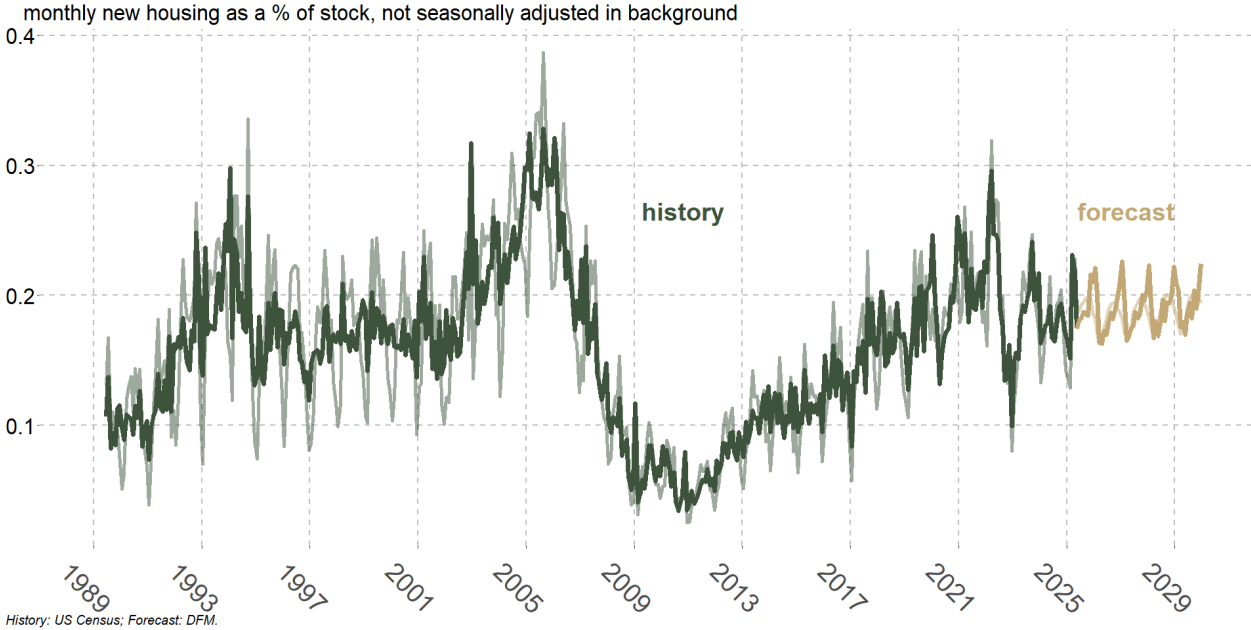
- An average monthly wage of \$5,000 would result in annual wages of \$60,000.
- When considering all of the covered jobs in Idaho, this means nearly \$50 b in wages paid out in Idaho in 2024.
- Forecast monthly wages are growing mid- to high-5% per year between 2025 and 2029.
- Wages grew at a faster rate than is typical in 2021 and 2022.

| Total Monthly Wage Bill: total annual average wages paid out monthly in wages in Idaho | | | | | | | | | | |
|----------------------------------------------------------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Year | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
| Wages | \$2.90 b | \$3.26 b | \$3.63 b | \$3.86 b | \$4.17 b | \$4.41 b | \$4.65 b | \$4.91 b | \$5.17 b | \$5.47 b |
| % chng | 7.2% | 12.6% | 11.1% | 6.4% | 7.9% | 5.9% | 5.5% | 5.5% | 5.4% | 5.8% |

This data is the source for the previous page. The Department of Labor provides quarterly wage bills and monthly employment. By dividing the calculated monthly wage bill by monthly employment, we have average monthly wages paid out per job in Idaho. This shows the average monthly amount paid out in wages to workers in Idaho. Each month, an average of over \$4 b is paid out in wages in Idaho. The forecast period shows that average monthly wages are projected to increase, surpassing \$5 b in 2028.

Idaho Housing. The graph shows the monthly percent of new housing stock out of total housing stock. The table shows housing permits, starts, and completions. Both single family homes and multifamily homes (like apartment complexes) are shown. When a building permit is approved, not all but most become housing starts, meaning that the builder broke ground to build the house. Most, but not all, housing starts become a finished unit that can be occupied.

Idaho housing additions



- ➔ In the chart, a steady level of new housing as a percent of housing stock indicates that the new home completions are growing at a rate similar to the rate of growing total housing stock.
- ➔ The forecast predicts housing completions in 2025 to be slightly below the level seen in 2024, but to grow yearly.
- ➔ There is also a lag between the permit being approved and the building beginning, and again a lag on the building beginning and the home being ready for occupancy.

| ID housing units | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|------------------|-------|-------|-------|-------|--------|--------|--------|--------|--------|
| permits | 5,466 | 7,517 | 9,121 | 9,173 | 10,543 | 11,794 | 14,567 | 14,528 | 16,658 |
| starts | 4,747 | 6,845 | 8,473 | 8,613 | 9,632 | 10,989 | 13,528 | 14,081 | 15,475 |
| completions | 5,466 | 7,517 | 9,121 | 9,173 | 10,543 | 11,794 | 14,567 | 14,528 | 16,658 |

| ID housing units | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| permits | 19,005 | 21,216 | 15,327 | 18,578 | 18,858 | 21,268 | 22,323 | 23,255 | 23,948 |
| starts | 17,346 | 19,341 | 15,793 | 17,069 | 17,928 | 19,751 | 20,518 | 21,350 | 22,097 |
| completions | 19,005 | 21,216 | 15,327 | 18,578 | 18,211 | 18,862 | 19,282 | 19,922 | 20,659 |

Idaho News.

Commerce.

- Resolution Minerals, an Australian company, received approval to drill for gold, antimony, and tungsten near Yellow Pine on the Horse Heaven Project.
- Amazon is expanding in the Bosie area through its subsidiary company named Eero.
- Micron plans on building a second memory fabrication plant at its headquarters in Boise.
- The federal administration announced “Critical Mining Production Projects” focused on lithium, aluminum, and gold. Two projects will occur in Idaho: the Stibnite Gold Project and the Caldwell Canyon Mine Project.

Construction and Infrastructure.

- The Idaho Transportation Department is performing many construction projects in North Idaho this summer, including bridge repairs, resurfacing, and improving traffic flow.
- Nampa City Council approved almost 1,500 homes to be built in a new development off of Ustick Road.
- Idaho highway 55 is set for five summer road projects including bridge work, chip sealing, and digital signage, totaling \$11.7 million in costs.
- Valley Regional Transit, Boise’s bus system, performed a system overhaul in 2024 and increased ridership by 1.3% and reached 1.46 million rides in their previous fiscal year.
- Maintenance on the Rainbow Bridge connecting Boise and McCall began in May and is expected to last until the fall.

Grants.

- Idaho approved a \$15 million dollar grant to upgrade the emergency 911 system from analog to Next Generation 911. The project will cover 42 of Idaho’s 44 counties and will take about 18 months.
- Orofino High School is starting a forestry trade program after securing a state grant. The grant focuses on addressing workforce shortages in the forestry industry.

Education.

- Idaho State University and the College of Eastern Idaho have partnered to expand access to in-demand careers, focusing on nursing.
- The CWI had broken ground on a Boise campus building, near the Boise River and green-belt. The campus is expected to serve around 4,500 students. The development is estimated to cost \$180 million.
- The University of Idaho’s Idaho Center for Agriculture, Food and the Environment (Idaho CAFE), which is under construction near Rupert and set to begin milking operations in 2026, will house the nation’s largest research dairy. The research will focus on efficiency, automation, and sustainability.

- A new career technical education center opened in the Pocatello/Chubbuck school district offering 21 pathways and a focus on workforce development.
- A career technical education center is under construction in the Lake Pend Oreille school district.

Stewardship.

- A four-year forest management project began in the Boise National Forest near Bogus Basin. The goal of the project is to improve forest health, reduce wildfire risk, and enhance recreation areas.

Demographics.

- According to the Idaho Department of Labor's Rural Profile of Idaho publication, more of the Idaho population is living in an urban area, with 140 people per urban square mile and 7 people per rural square mile. Urban population per square mile increased almost 54% between 2003 and 2023, while the rural population per square mile only increased 16.7%. Additionally, the average age of an urban resident (37) is lower than the average age of a rural resident (42).