



(<https://lnkd.in/ef9Bh7jq>)

## **The Lodging Conference 2023: Women on the Scene with Insights, Economic Outlook and 2024 Projections**

**This year, the 28th Annual Lodging Conference hosted at the luxurious JW Marriott Desert Ridge in Phoenix drew a record-breaking crowd, Stacy Silver reports.**

### **Economic Outlook and Predictions by Bernie Baumohl, chief global economist, The Economist Outlook Group, LLC**

During the 'Economic Outlook' session, Bernie Baumohl, chief global economist, The Economist Outlook Group, LLC, provided an insightful update on the economy and its implications for our industry. Baumohl predicts a challenging conclusion to 2023. However, unless an unforeseen 'black swan' event occurs, which he estimates to have a one in three chance of happening, we should witness signs of a recovery, especially in the latter half of 2024. These potential Black Swan events include:

#### **Internal United States risks:**

1. Federal Reserve over-tightening, causing the economy to stumble.
2. Deepening financial stress in commercial real estate triggering a broader banking crisis
3. Emergence of a new, faster-spreading COVID strain immune to current treatments and immunities.
4. The 2024 Presidential Election escalating into political gang warfare, resulting in widespread social unrest and violence.

## **External risks:**

1. Ongoing Russian-Ukraine war worsening and involving NATO countries.
2. China intensifying aid to Russia, diverting U.S. and NATO focus towards Ukraine, with intentions to annex Taiwan by 2027.
3. Looming catastrophic cyber event threat, highlighted in a recent Global Security Outlook Survey where over 90% of cyber security experts warned of a catastrophic cyber event within the next two years.

Baumohl emphasized that the Federal Reserve will continue to pause interest rates while watching oil prices as they could potentially cause further increases. The staggering \$1.5 trillion commercial real estate debt coming due by the end of 2025 might also impact the economy. Delinquencies are on the rise across all real estate sections except industrial. Moreover, Baumohl discussed the record-breaking consumer credit card debt exceeding \$1 trillion for the first time. While acknowledging potential impacts on spending for hotel stays and travel overall, he remains positive about the economy, citing the current state of the job market and the continued purchasing power of consumers. He said it is hard to have a full-employment recession.

###