

TODAY'S GUEST SPEAKERS



Rachael Aiken
VP, Senior Investment Officer
Cape Cod Five



Curtis Dubay
Chief Economist
Economic Policy Division at the
U.S. Chamber of Commerce

WELCOME TO THE

2024 Economic Forecast Breakfast



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Confidence.

About Fidelity Bank

At Fidelity Bank, our mission states: "Like smart friends, we care deeply about your well-being and will use our hearts and our heads to help you get where you want to be." Based on our foundation of care, we developed a unique approach that we call LifeDesign Banking. It's how we get you the clarity you need to make informed decisions, so you can always move forward with confidence.

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Fidelity Bank serves families, individuals, and businesses in 13 locations across Central and Eastern Massachusetts and full-service Client Care Center. **You deserve a bank that cares!** Connect with one of our caring Bankers today.

For further information, visit fidelitybankonline.com.



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TODAY'S AGENDA

7:30 am Registration/Networking Breakfast

7:45 am Program

WELCOME

Ed Manzi
Chairman & CEO
Fidelity Bank

ECONOMIC OUTLOOK SURVEY RESULTS

Joseph Silva
Chief Lending Officer
Fidelity Bank

ECONOMIC FORECAST SPEAKERS

Rachael Aiken
VP, Senior Investment Officer
Cape Cod Five

Curtis Dubay
Chief Economist
Economic Policy Division at the
U.S. Chamber of Commerce

9:30 am Program Concludes



2024 Massachusetts/Regional Economic Outlook Survey

SURVEY OF 515 CONSUMERS/EMPLOYEES

1. Thinking about the state of Massachusetts overall over the next 12 months, how do you think the economy will be in comparison to today?

Much better shape	4%
Somewhat better shape	22%
About the same	40%
Somewhat worse shape	22%
Much worse shape	10%

2. Thinking only about your region over the next 12 months, how do you think the economy will be in comparison to today?

Much better shape	3%
Somewhat better shape	22%
About the same	43%
Somewhat worse shape	22%
Much worse shape	9%

3. Thinking about the coming year, what do you see as the single greatest threat to economic growth for the region?

Inflation	19%
Overall cost of living	19%
Immigration	15%
Cost of fuel and energy	7%
Government effectiveness	6%
Cost of health care	5%
Employment outlook/job creation	4%
Cost of government	4%
Increasing interest rates/cost of borrowing	4%
Real estate prices/market	4%
Availability of skilled labor	3%
Other (please specify)	3%
Effects of COVID-19	3%
Taxes	2%
Transportation/infrastructure	1%
Identity protection	<1%
Quality of public education	<1%
International competition	<1%

4. Thinking about the coming year, what do you see as the single greatest opportunity for economic growth for the region?

Cost of living	23%
Affordable housing	20%
Low interest rates	10%
Availability of skilled labor	9%
Changes brought about by President Biden and his administration	9%
Real estate prices/market	7%
Other (please specify)	6%
Advanced manufacturing	6%
Transportation/infrastructure	5%
Quality of public education	5%

5. Which of the following best describes your personal spending plan in 2024?

Significant increase	5%
Slight increase	21%
No change	37%
Slight decrease	24%
Significant decrease	12%

6. Thinking only about your job opportunities over the next 12 months, how do you think they will be in comparison to today?

Much better shape	6%
Somewhat better shape	18%
About the same	52%
Somewhat worse shape	9%
Much worse shape	5%

7. Thinking only about your job security over the next 12 months, how do you think it will be in comparison to today?

Much better shape	6%
Somewhat better shape	15%
About the same	54%
Somewhat worse shape	10%
Much worse shape	5%

8. Thinking only about your advancement opportunities at work or in a new job over the next 12 months, how do you think they will be in comparison to today?

Much better shape	5%
Somewhat better shape	17%
About the same	48%
Somewhat worse shape	9%
Much worse shape	5%

9. Which of the following best describes your total family income level over the next year?

Significant increase	4%
Slight increase	37%
No change	36%
Slight decrease	13%
Significant decrease	5%

10. What is your single greatest financial priority for the year?

Save more	33%
Pay off debt	31%
Set a budget and stick to it	15%
Other (please specify):	6%
Pay for education/tuition	5%
Get a retirement plan	4%
Buy a home	4%
Refinance mortgage to a shorter term	1%

11. On a scale of 1 - 10 (Where 1 means "Extremely worried" and 10 means "Not worried at all") how worried are you about the potential impact of a recession this year?

Extremely worried (1)	14%
2	6%
3	17%
4	16%
5	13%
6	9%
7	8%
8	9%
9	4%
Not worried at all (10)	3%

12. Thinking about your shopping habits over the past 12 months, which do you give the most preference to?

Best price/value	68%
Convenience	11%
Online shopping	9%
Supporting local businesses	8%
Safety protocols	4%

SURVEY OF 165 OWNERS, PRESIDENTS, OR MANAGERS

1. Thinking about Massachusetts overall, over the next 12 months how do you think the economy will be in comparison to today?

Much better shape	3%
Somewhat better shape	22%
About the same	40%
Somewhat worse shape	27%
Much worse shape	7%

2. Thinking only about your region over the next 12 months, how do you think the economy will be in comparison to today?

Much better shape	2%
Somewhat better shape	24%
About the same	39%
Somewhat worse shape	28%
Much worse shape	5%

3. Thinking about the coming year what do you see as the single greatest threat to economic growth for the region?

Overall cost of living	22%
Availability of skilled labor	16%
Political climate	12%
Inflation	9%
Increasing interest rates/cost of borrowing	8%
Real estate prices/market	7%
Other (please specify):	7%
Government effectiveness	5%

Cost of health care	4%
Cost of government	2%
Not sure	2%
Job creation/employment outlook	2%
Personal taxes	1%
All remaining answers were less than 1%	

4. Thinking about the coming year, what do you see as the single greatest opportunity for economic growth for the region?

Low interest rates	18%
Not sure	16%
Affordable housing	15%
Cost of living	10%
Other (please specify):	9%
Advanced manufacturing	7%
Real estate prices/market	7%
Availability of skilled labor	5%
Transportation/infrastructure	5%
Changes brought about by President Biden and his administration	5%
Quality of public education	4%

5. Thinking about your business over the next 12 months, how do you think it will be in comparison to today?

Much better shape	9%
Somewhat better shape	35%
About the same	38%
Somewhat worse shape	14%
Much worse shape	1%

6. Thinking about your business, what is the most challenging issue you expect to face in the next two years?

Availability of skilled labor	25%
Overall cost of living	13%
Inflation	10%
Real estate prices/market	7%
Other (please specify)	6%
Government effectiveness	5%
Job creation/employment outlook	4%
Obtaining credit	4%
Cost of health care	4%
Corporate taxes	3%
New government regulation	3%
Cost of fuel and energy	2%
Not sure	2%
Flexible/hybrid workforce	2%
Immigration	2%
Pressure from larger competitors	2%
All remaining answers were 1% or less	

7. Which of the following best describes your hiring plan for your business in 2024?

Significant increase	7%
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Slight increase	39%
No change	43%
Slight decrease	7%
Significant decrease	1%

8. Which of the following best describes your capital investments plan for your business in 2024?

Significant increase	10%
Slight increase	31%
No change	42%
Slight decrease	8%
Significant decrease	2%

9. Where do you anticipate spending in 2024?

New hires	39%
Training	37%
Equipment	37%
Other (please specify):	25%
Expansion	24%

10. Compared to 2023, how will your business's investment in workforce/employee development change?

Significant increase	10%
Slight increase	38%
No change	42%
Slight decrease	7%
Significant decrease	1%

11. Thinking about your business over the next 12 months compared to 2022, how do you think your spending will change?

We plan to spend more	21%
We plan to spend about the same	45%
We plan to cut expenses	30%
Not Sure	4%

12. Technology continues to change the way business is conducted. Do you think technology will impact the way you do business even more in 2024?

Yes, significantly	18%
Yes, somewhat significantly	29%
Yes, slightly	33%
Not at all	18%

13. As you address technology-related issues in 2024, which of the following will you consider? (Check all that apply.)

Enhance the company website	49%
Invest in workflow automation	36%
Upgrade IT systems	35%
Enhance fraud and cybercrime prevention tools and systems	24%
Invest in AI-based solutions	21%
Invest in payments technologies	16%

Other (please specify)	10%
Enhance call center capabilities	8%
Invest more to support remote workers	8%
Invest in eCommerce	7%

14. On a scale of 1 - 10 (Where 1 means "Extremely worried" and 10 means "Not worried at all") how worried are you about the potential impact to your business of a recession this year?

Extremely worried (1)	7%
2	4%
3	10%
4	19%
5	17%
6	9%
7	10%
8	12%
9	4%
Not worried at all (10)	8%

15. How has your staffing model changed since the pandemic in 2020/21? (Check all that apply.)

It hasn't changed	41%
We have returned to the workplace	26%
We moved to a hybrid model	19%
We have increased the use of contract or part-time employees	12%
Other (please specify)	7%
We are now fully remote	5%
We have replaced staff with technology	3%
We have reduced our physical office/manufacturing space	2%

16. As you address staffing issues in 2024, which of the following will you consider? (Check all that apply.)

Increase pay	41%
Increase employee training	39%
Accommodate flexible work schedules	36%
Accommodate working remotely	24%
Not sure	22%
Increase employee benefits (e.g. insurance, vacation, tuition, etc.)	21%
Use online job search sites	21%
Increase the advertising of open positions	17%
Outsource certain company functions to outside firms	13%
Offer signing bonuses to new employees	12%
Use professional recruiters	12%
Look to replace workers or job functions with technology	12%
Increase campus hiring efforts	7%
Offer paid childcare or childcare credits to employees	2%