



# 2025 Green Industry Outlook

Tuesday, February 25, 2025

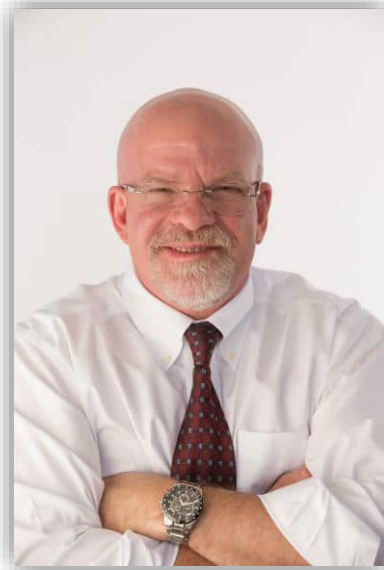


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# Dr. Charles Hall



Professor & Ellison Chair in  
International Floriculture



# The Current State of the Green Industry and the Outlook for 2025

Dr. Charlie Hall

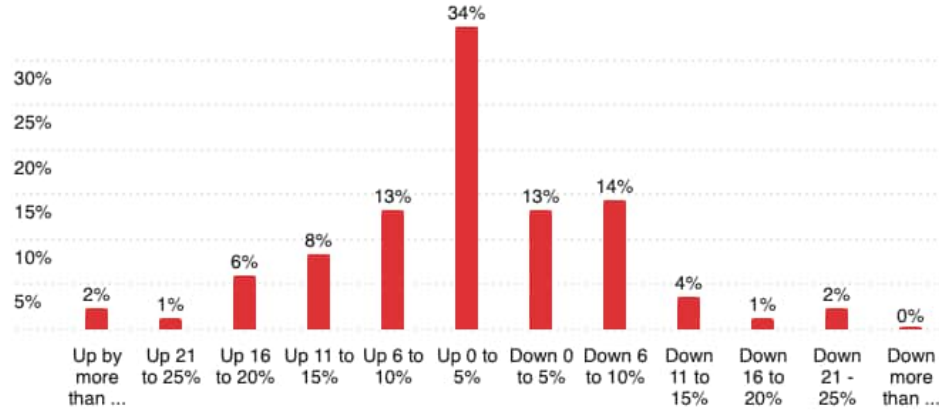


**EAGL** EXECUTIVE ACADEMY  
FOR GROWTH & LEADERSHIP

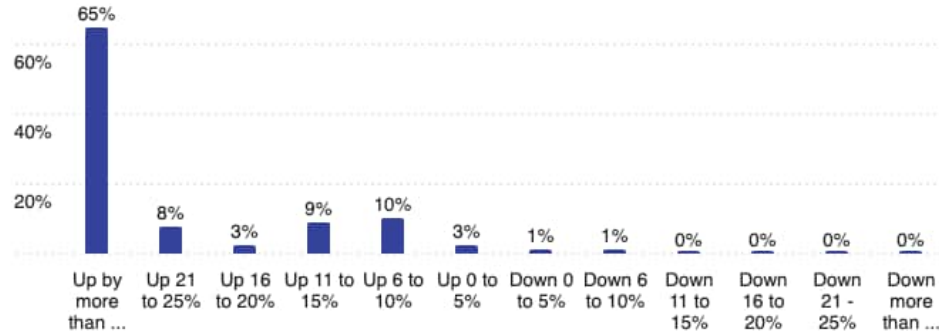


# 110 EAGL & YMM grower responses

Q1 - What are your top line GROSS SALES trending YTD as compared to Jan-June 2023?

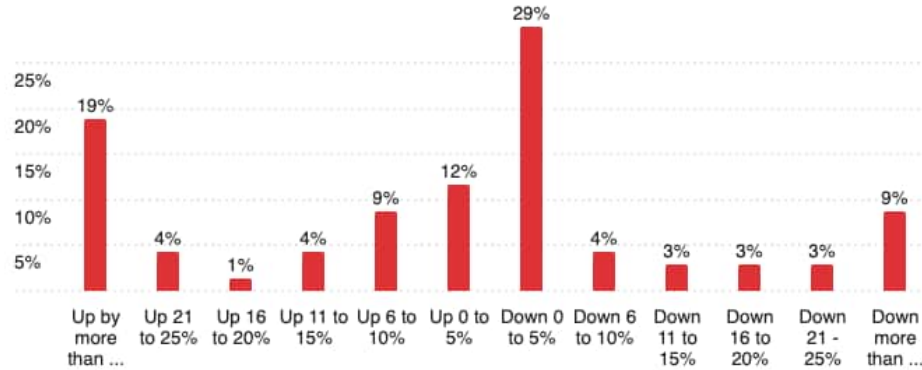


Q2 - Now, let's compare this year to the pre-pandemic period -- How do your YTD top line GROSS SALES compare to pre-pandemic Jan-June 2019?

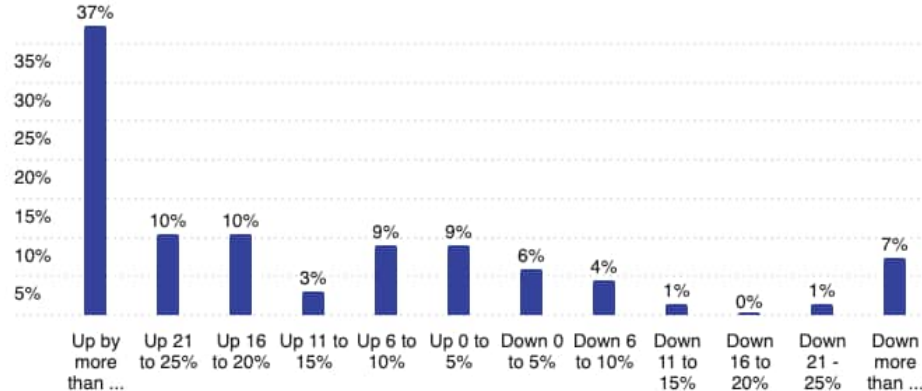


# 110 EAGL & YMM grower responses

Q3 - How is your bottom line NET PROFIT trending YTD as compared to Jan-June 2023?

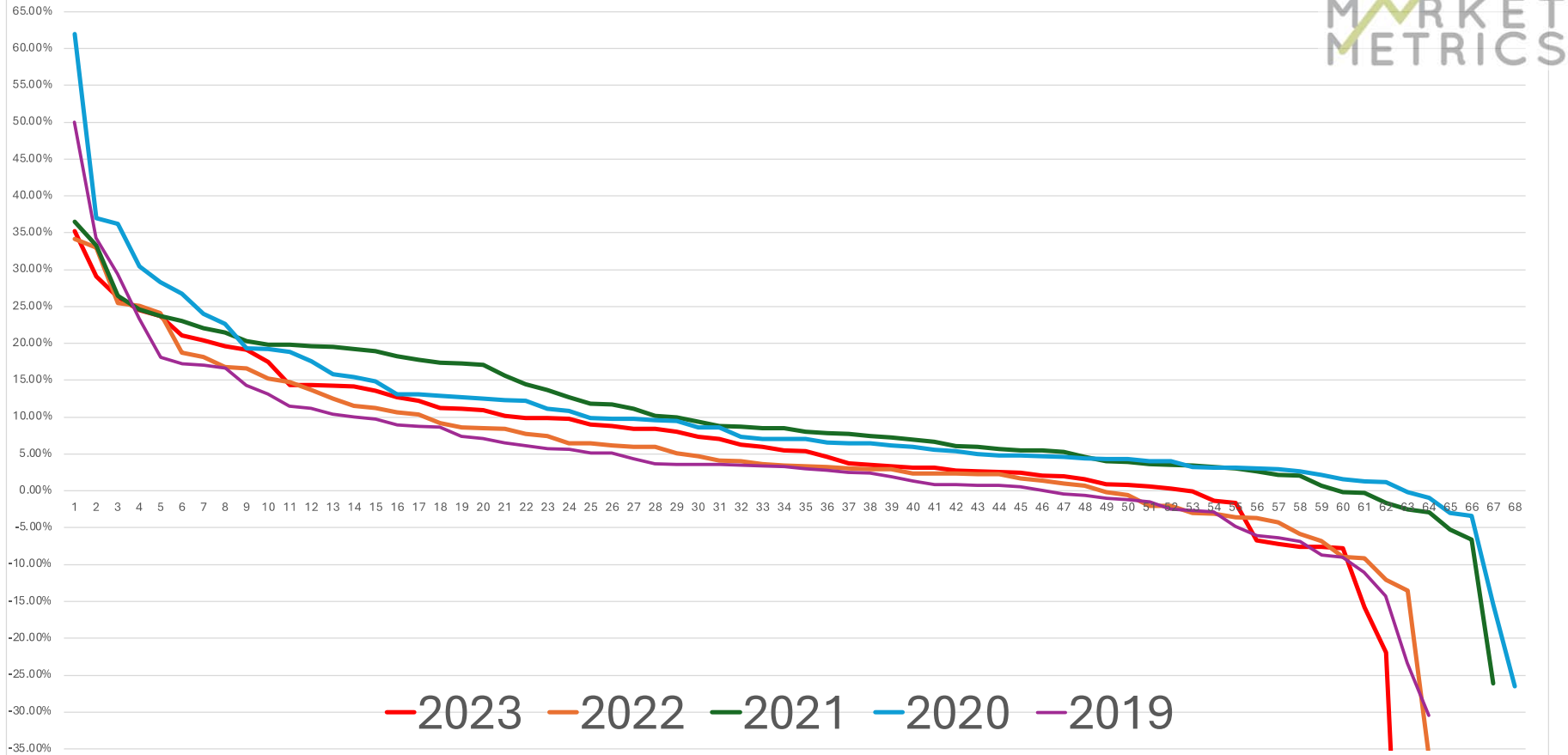


Q4 - Now, let's compare this year to the pre-pandemic period -- What is your YTD bottom line NET PROFIT percentage as compared to pre-pandemic Jan-June 2019?



# Range of Net Profit by Year

**Growers**



<b>Region</b>	<b>Revenues</b>	<b>Transaction Count</b>	<b>Average Sale</b>
Gulfcoast	-6.3%	-7.0%	0.8%
MidAtlantic	-3.9%	-3.9%	0.0%
MidWest	-2.6%	-2.4%	-0.2%
MtnsWest	-0.6%	3.3%	-3.8%
Northeast/NS	-4.8%	-5.1%	0.4%
Northwest/BC	2.7%	-0.2%	3.0%
Ohio	-5.9%	-6.6%	0.7%
SouthCentral	-11.3%	-11.3%	0.1%
SouthWest	-0.9%	3.2%	-3.9%
Southeast	-7.2%	-7.9%	0.8%
<b>Total Group</b>	<b>-4.9%</b>	<b>-4.9%</b>	<b>0.0%</b>

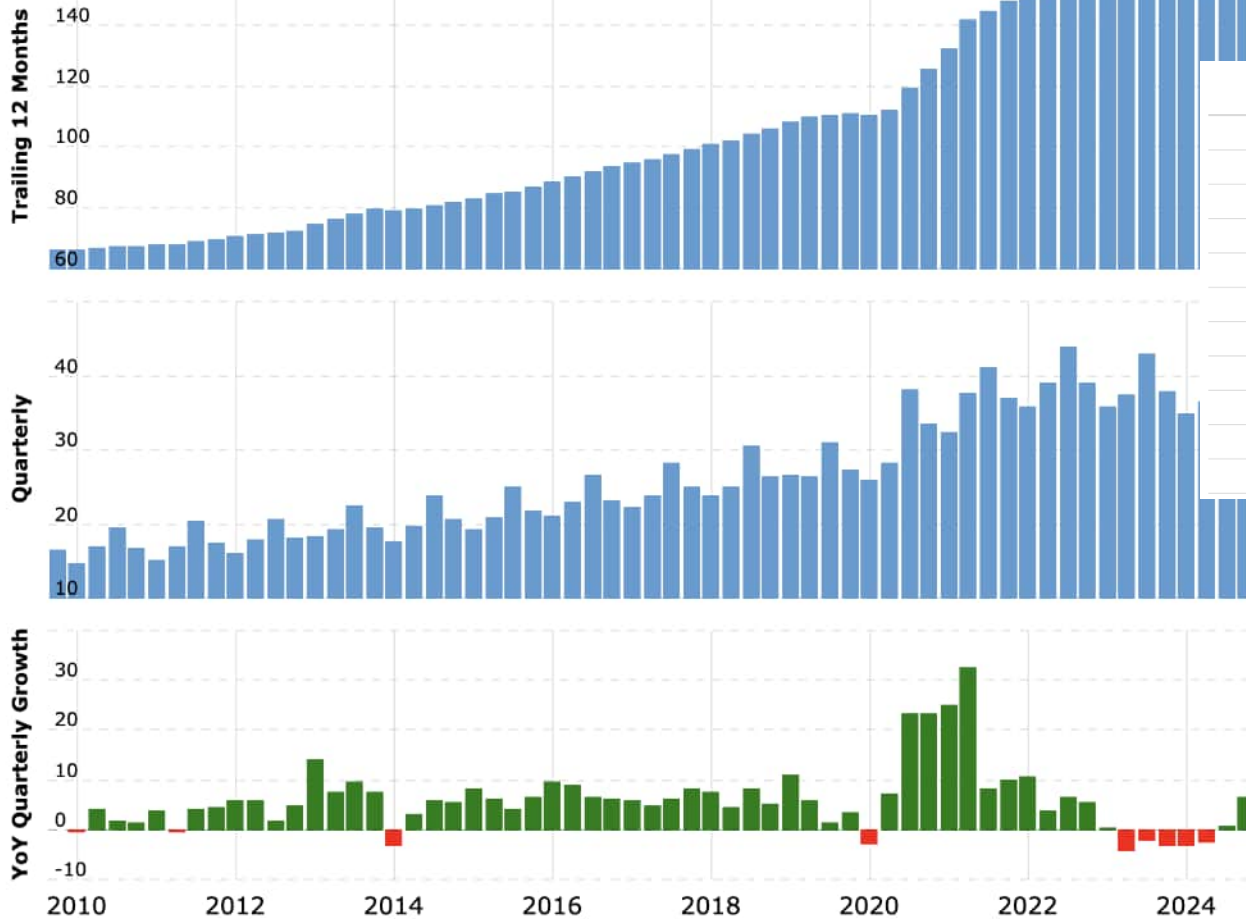


From: 10/31/2009 To: 11/01/2024

Zoom: 1Y 2Y 3Y 5Y All



### Home Depot Revenue 2010-2024 | HD



Home Depot Annual Revenue (Millions of US \$)

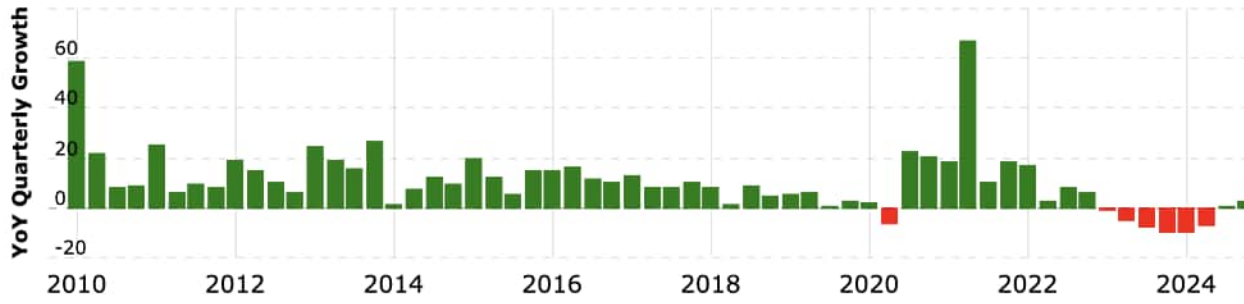
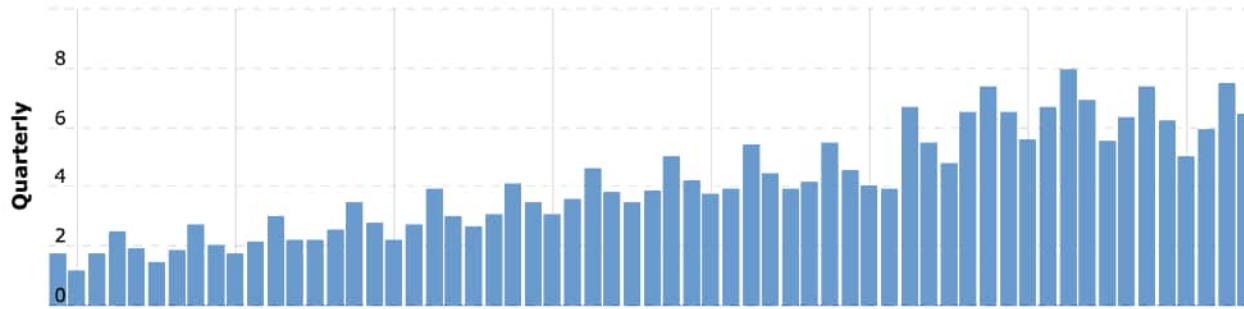
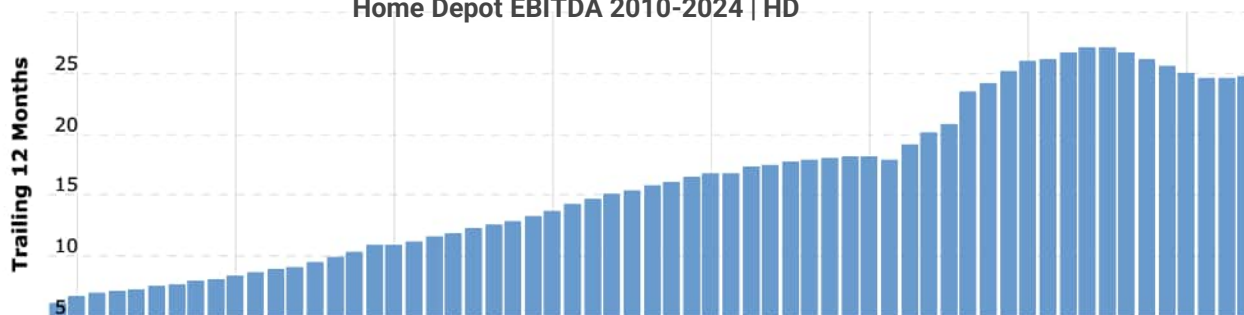
2024	\$152,669
2023	\$157,403
2022	\$151,157
2021	\$132,110
2020	\$110,225
2019	\$108,203
2018	\$100,904
2017	\$94,595
2016	\$88,519
2015	\$83,176
2014	\$78,812

From: 10/31/2009 To: 11/01/2024

Zoom: 1Y 2Y 3Y 5Y All



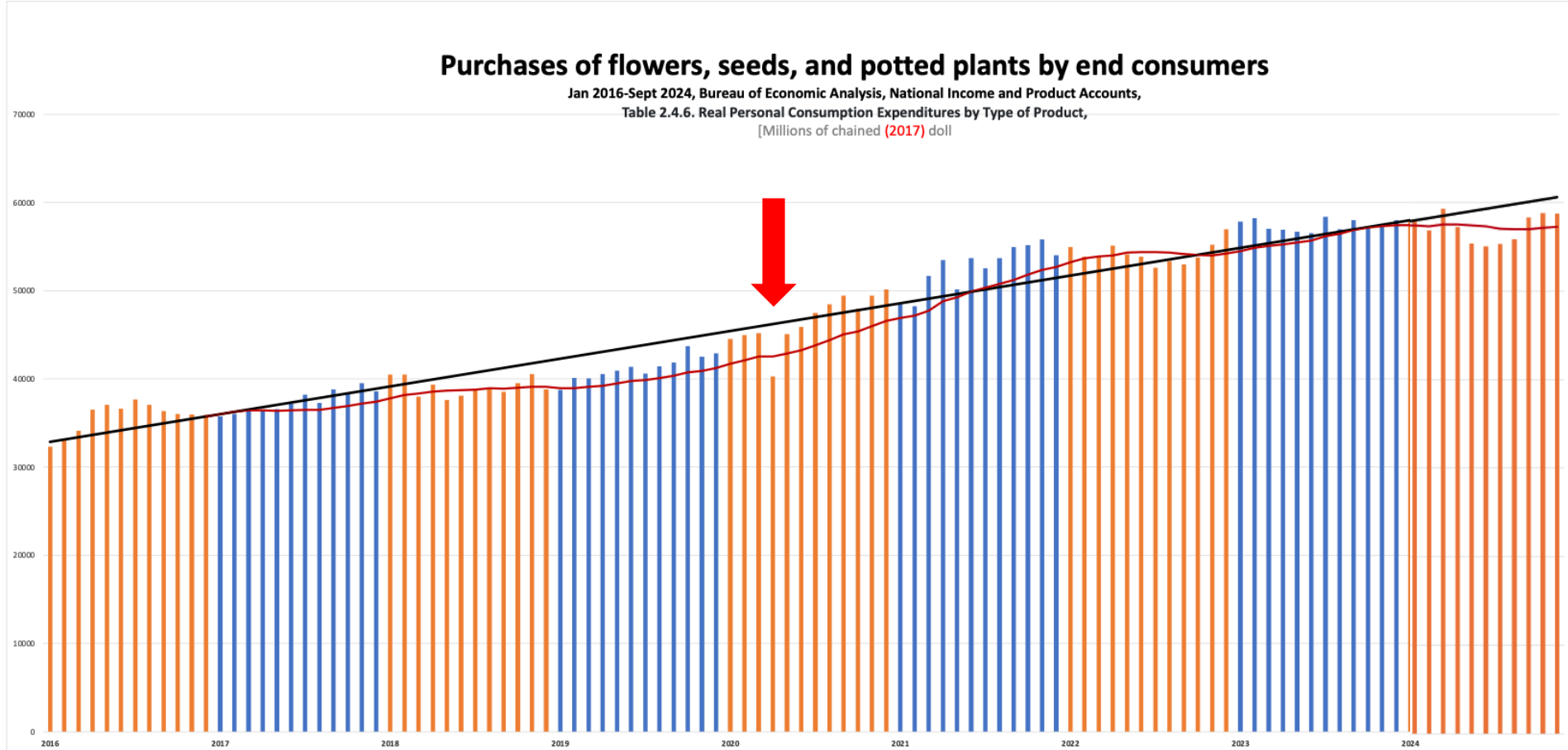
### Home Depot EBITDA 2010-2024 | HD



Year	EBITDA
2024	\$24,936
2023	\$27,014
2022	\$25,902
2021	\$20,797
2020	\$18,139
2019	\$17,682
2018	\$16,743
2017	\$15,400
2016	\$13,637
2015	\$12,255
2014	\$10,923
2013	\$9,450
2012	\$8,343

# Purchases of flowers, seeds, and potted plants by end consumers

Jan 2016-Sept 2024, Bureau of Economic Analysis, National Income and Product Accounts,  
Table 2.4.6. Real Personal Consumption Expenditures by Type of Product,  
[Millions of chained (2017) doll]







**What  
exactly is  
going on  
with  
consumers?**

***“Weather still impacts sales.”***

***“Lower demand. We are still a luxury, not an essential.”***

***“Election uncertainty. Consumers are in wait and see mode.”***

***“Inflation is biting into discretionary spending.”***

***“High interest rates are curbing credit spending.”***

***“Higher prices for our flowers & plants is softening demand.”***

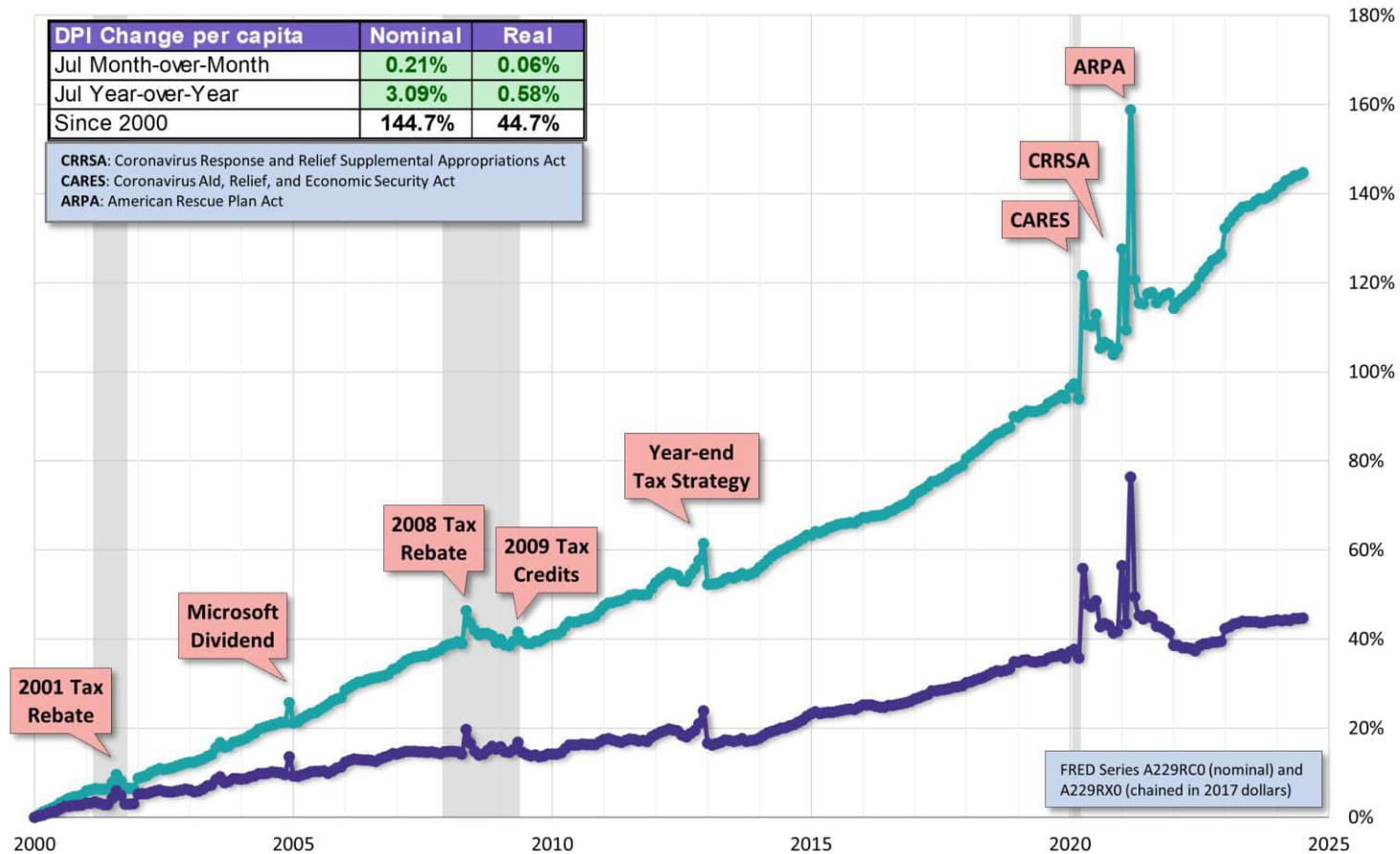


# Disposable Personal Income Per Capita Growth Nominal Versus Real

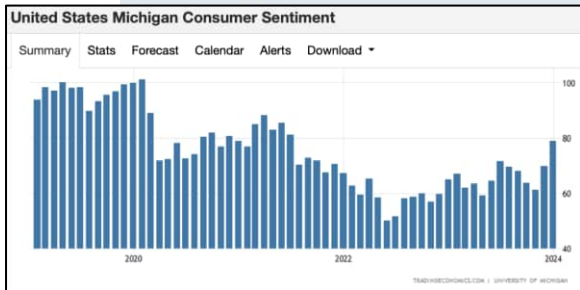
Recessions    Nominal DPI Per Capita Growth Since 2000    Real DPI Per Capita Growth Since 2000

DPI Change per capita	Nominal	Real
Jul Month-over-Month	0.21%	0.06%
Jul Year-over-Year	3.09%	0.58%
Since 2000	144.7%	44.7%

CRRSA: Coronavirus Response and Relief Supplemental Appropriations Act  
 CARES: Coronavirus Aid, Relief, and Economic Security Act  
 ARPA: American Rescue Plan Act



FRED Series A229RC0 (nominal) and A229RX0 (chained in 2017 dollars)



**Notice the disconnect about how we “feel” and how we “spend”**

Billions of Chained 2017 Dollars

14,000

13,000

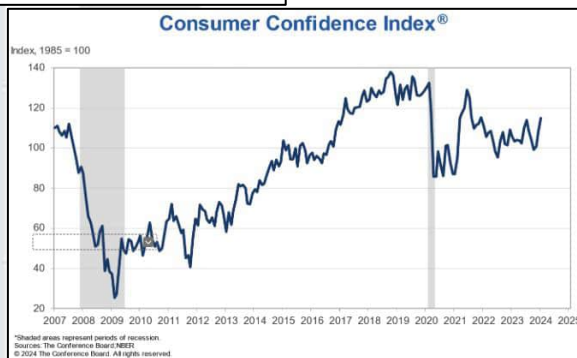


Table 2.4.6U. Real Personal Consumption Expenditures by Type of Product, Chained Dollars

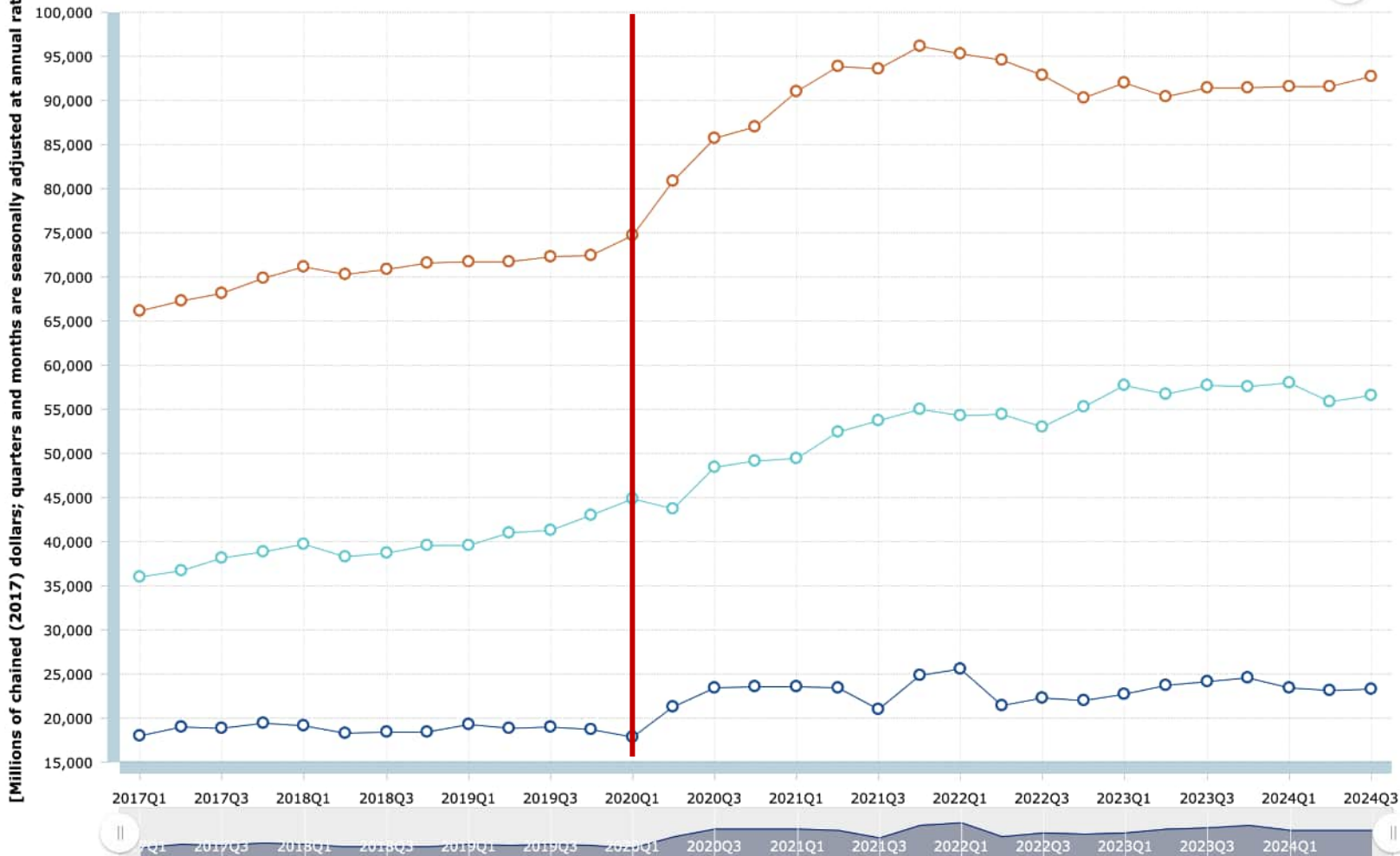
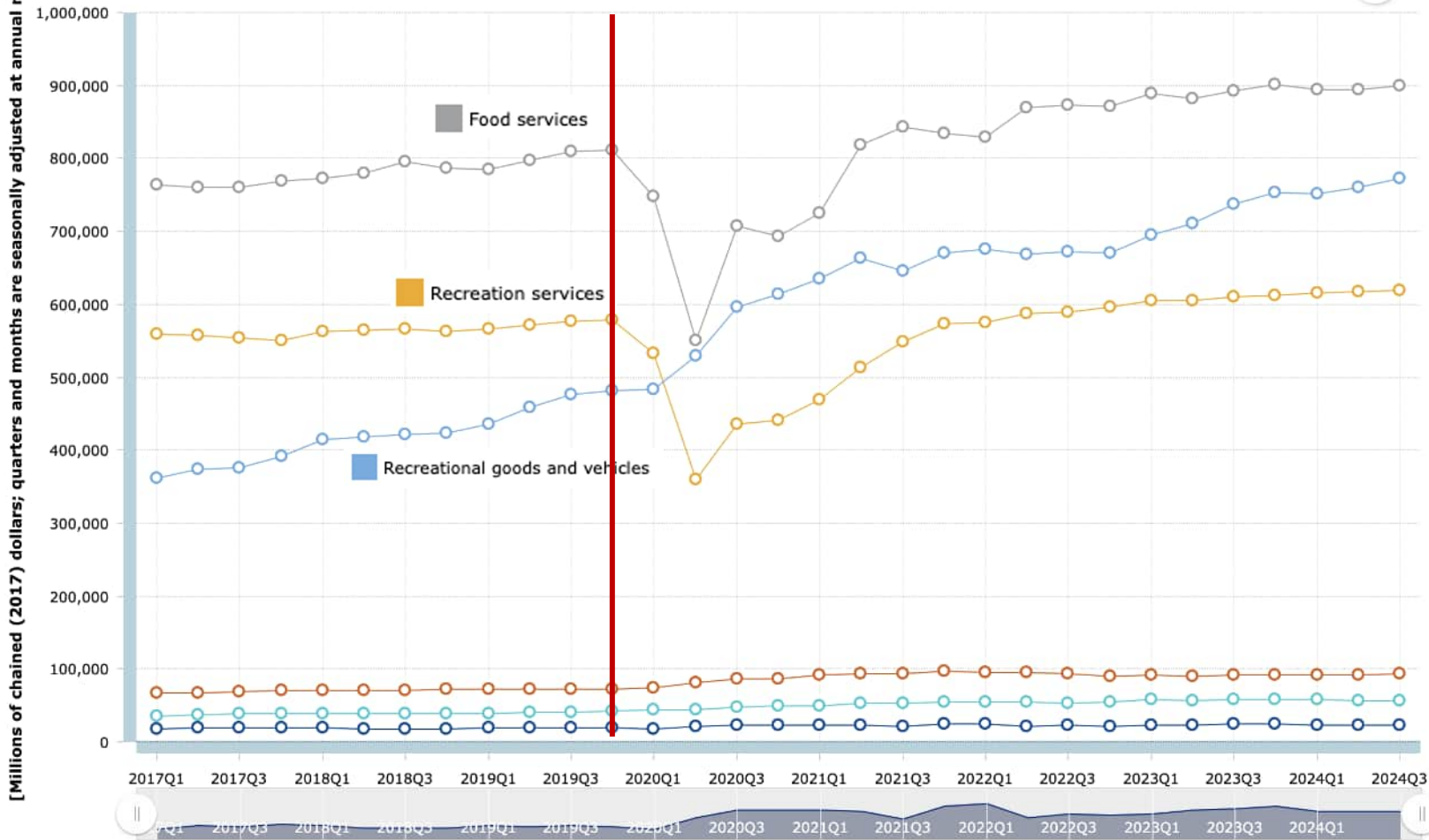




Table 2.4.6U. Real Personal Consumption Expenditures by Type of Product, Chained Dollars



Source: U.S. Bureau of Economic Analysis

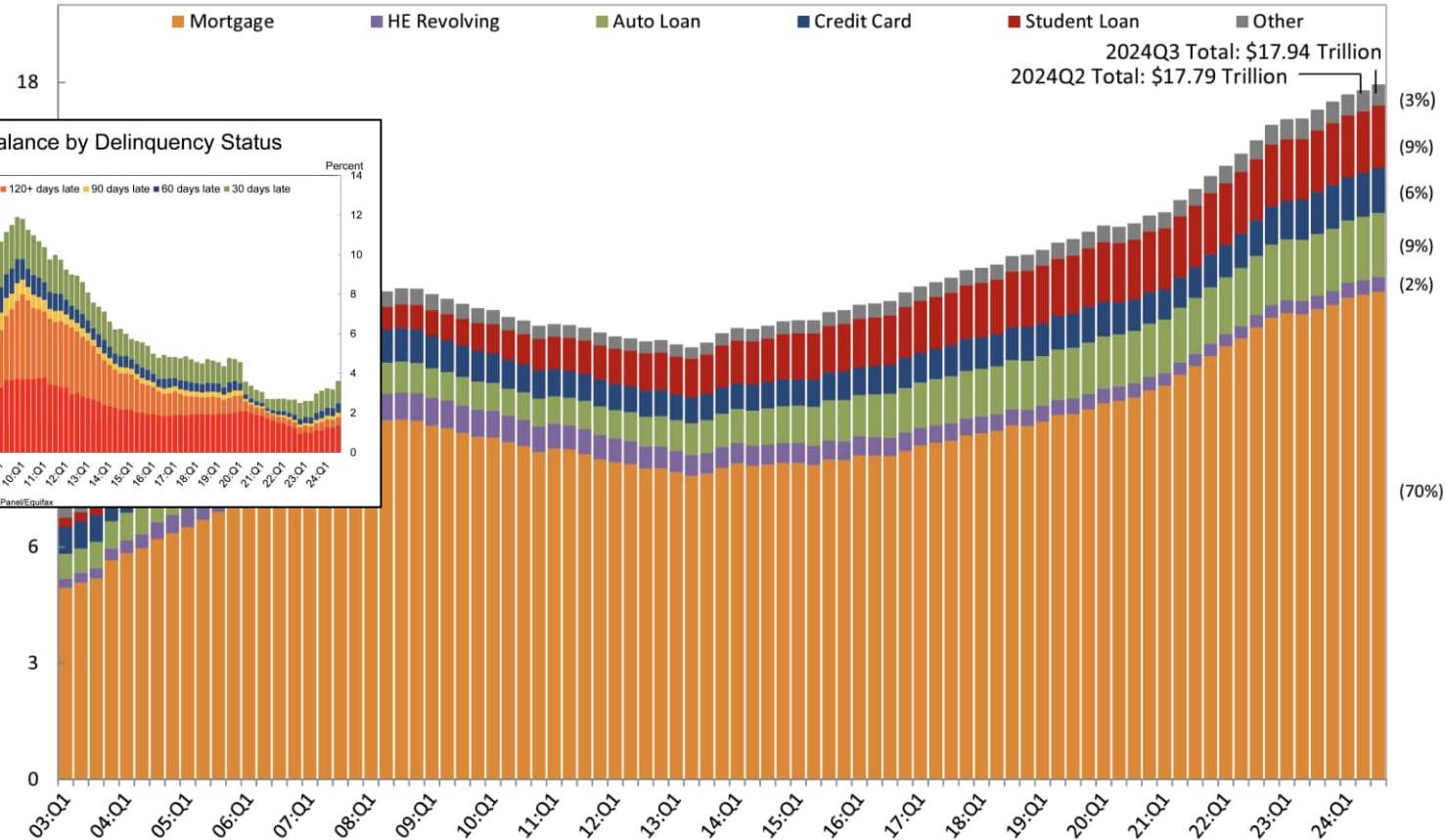
Pleasure boats

Pets and related products

Flowers, seeds, and potted plants

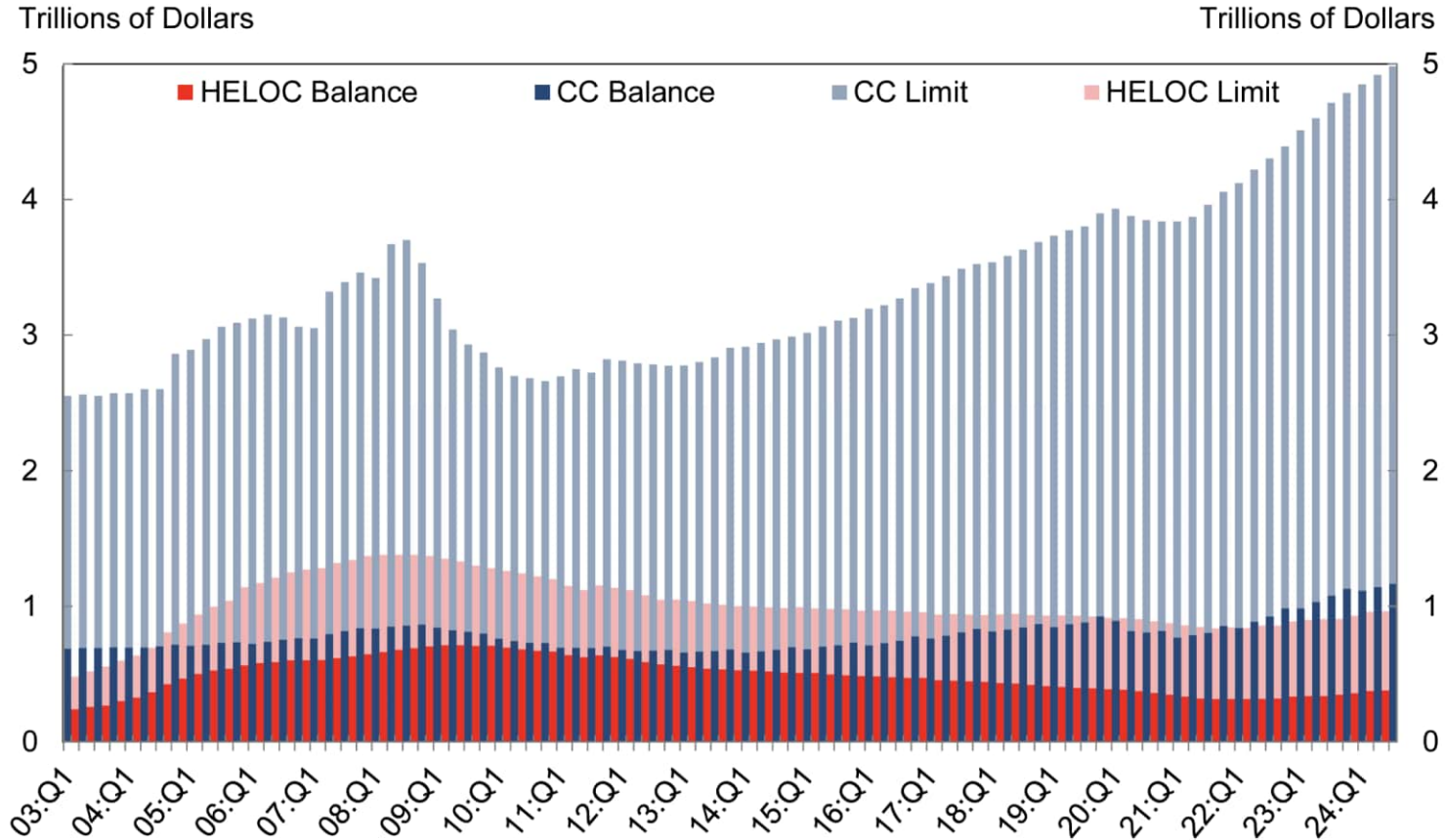
# Total Debt Balance and its Composition

Trillions of Dollars



Source: New York Fed Consumer Credit Panel/Equifax

# Credit Limit and Balance for Credit Cards and HE Revolving

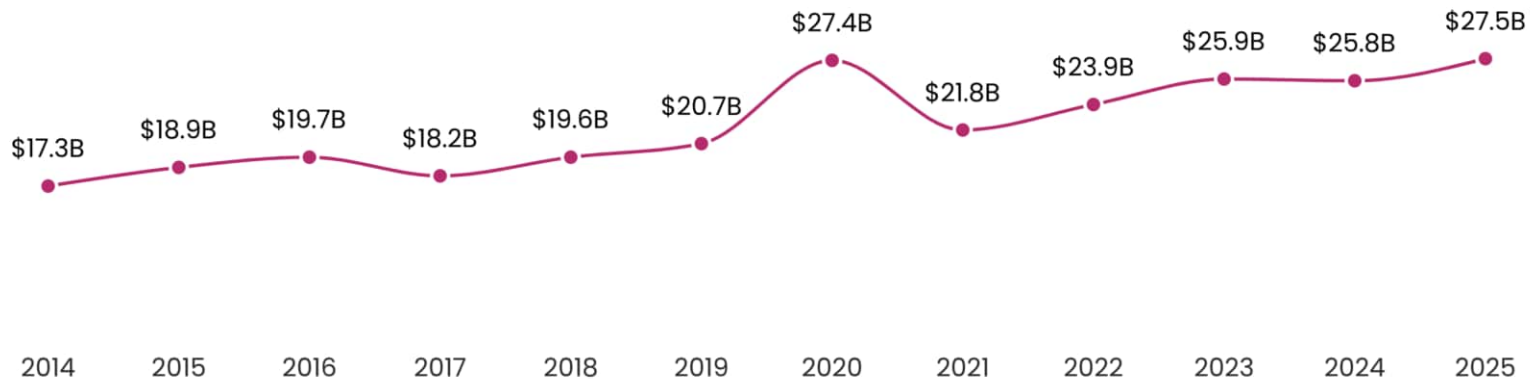


Source: New York Fed Consumer Credit Panel/Equifax





## Historical Valentine's Day Spending Plans



[Share](#)

Source: NRF's 2025 Valentine's Day Spending Survey, conducted by Prosper Insights & Analytics

**NRF** National  
Retail  
Federation

to be best

point of view

**GDP**

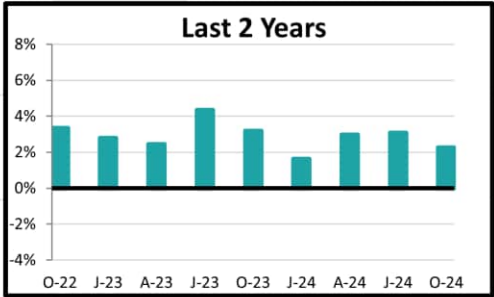
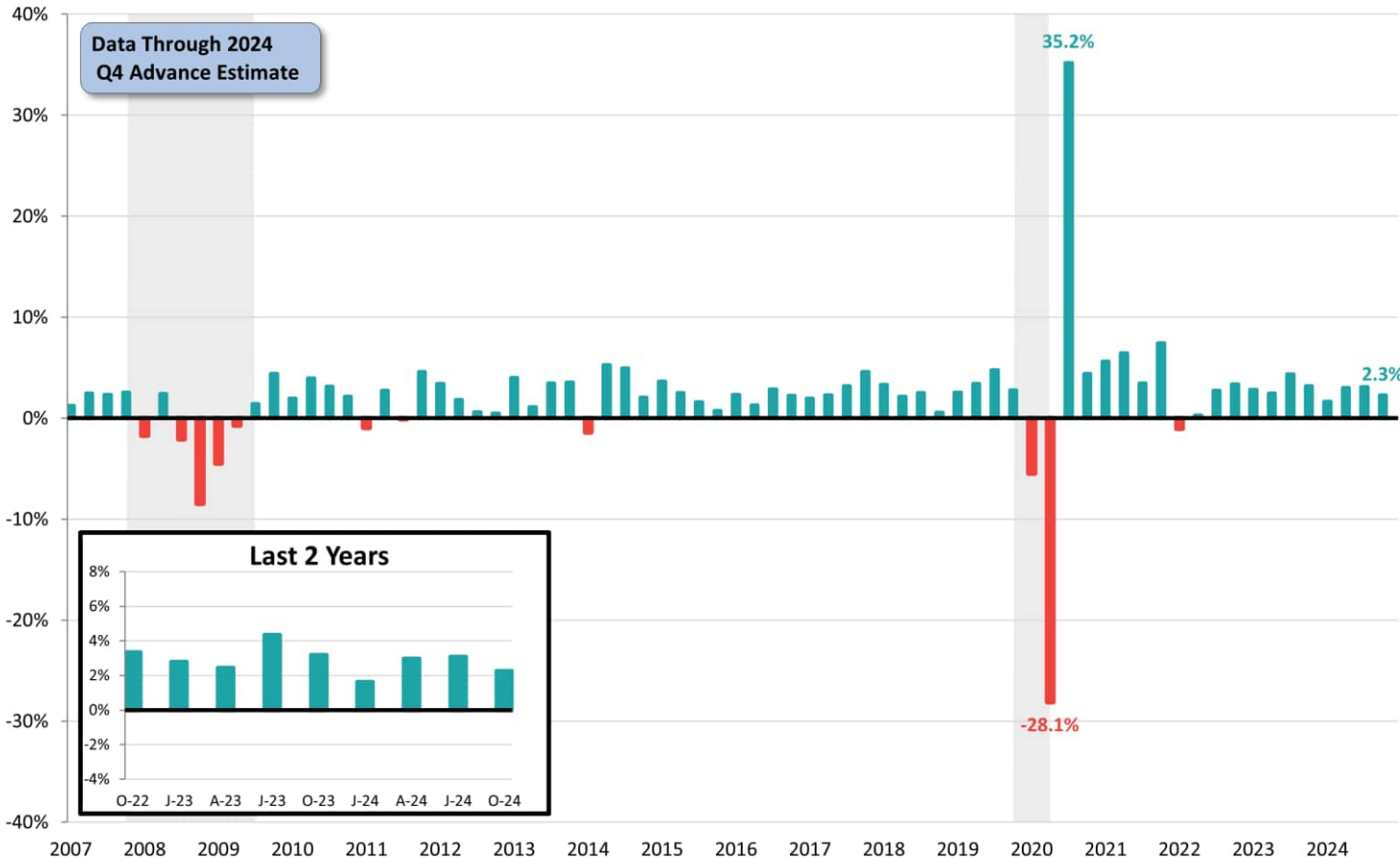
[ dʒi: dɪ ]

Gross Domestic

total market

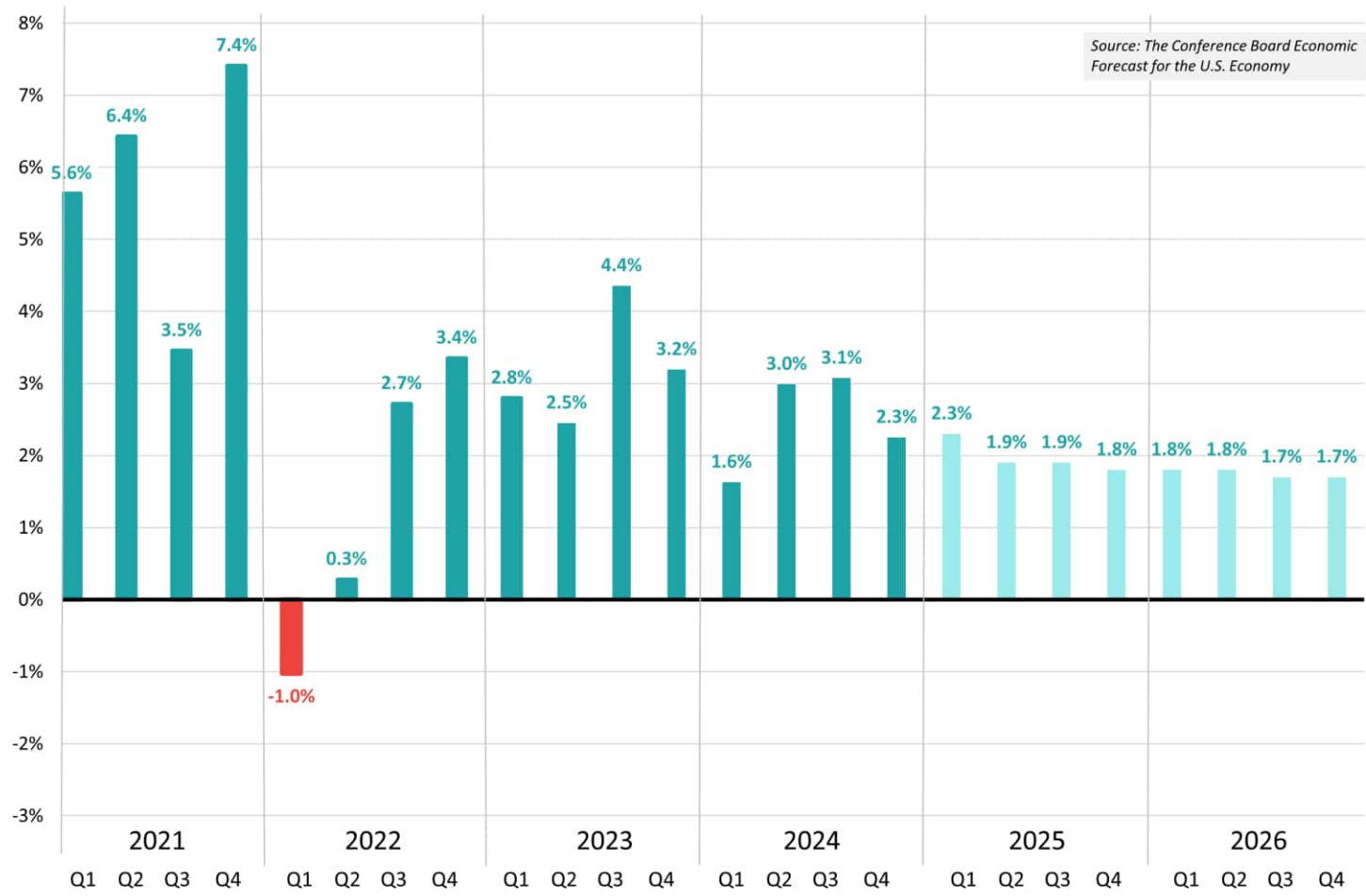
# Gross Domestic Product (GDP)

Recessions GDP Negative GDP



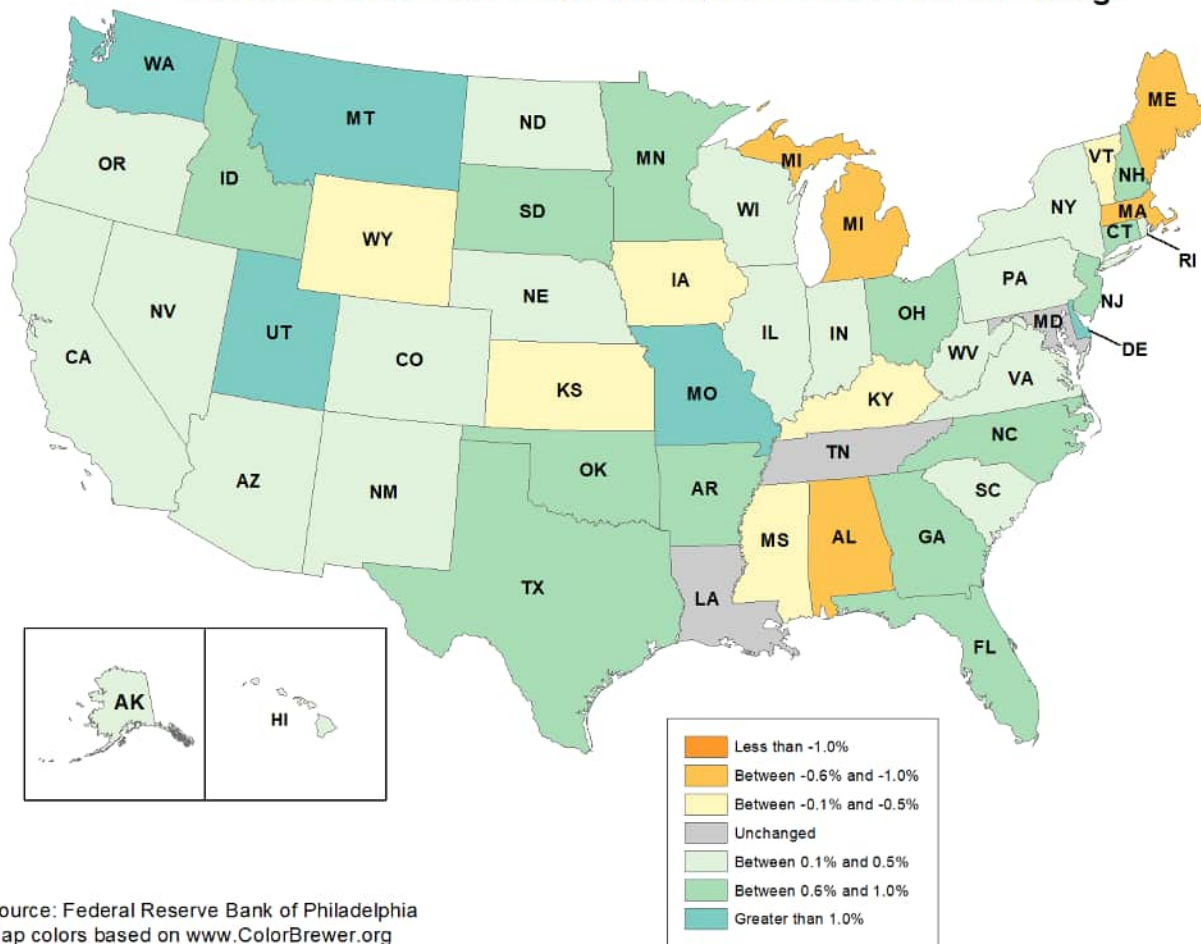
# Gross Domestic Product (GDP)

Source: The Conference Board Economic Forecast for the U.S. Economy





## December 2024 State Coincident Indexes: Three-Month Change



Source: Federal Reserve Bank of Philadelphia  
Map colors based on [www.ColorBrewer.org](http://www.ColorBrewer.org)

# SUPPLY CHAIN

Assets

DELIVER

PLANNING

PROCESS-LED

PRODUCT

MANUFACTURER

BUSINESS PLAN

STRATEGIC

SYSTEM

PARTNER

LIFECYCLE

NETWORK

DELIVERY

Activities

DISTRIBUTE

MANAGEMENT

STRATEGY

Procurement

SCM

STRATEGY

PLAN

MANAGE

Process

DISTRIBUTION

RESOURCES

Logistics

PLANNING

# Global Supply Chain Pressure Index (GSCPI)



OVERVIEW **GSCPI** FAQs

DOWNLOADS

## Estimates for December 2024

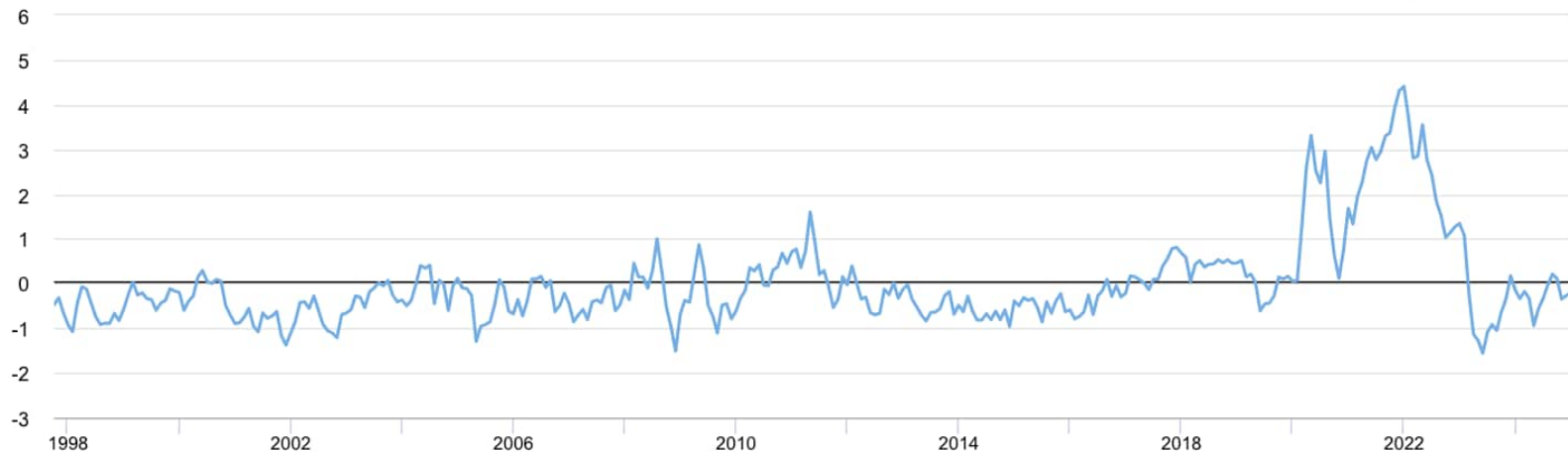
- The GSCPI rose to -0.22 in December, up from -0.27 in November (revised up from an initial reading of -0.32). GSCPI readings measure standard deviations from the index's historical average.

## Latest Update December 2024

Enter a date range to see monthly estimates or use the slider below to view a specific date range.

Standard deviations from average value

From  To



### Index of Prices Paid by Growers in the Green Industry (2007=100)

Cost category	Weight	2007	2018	2019	2020	2021	2022	2023	2024f	2025p
Containers & other plastics	8.90%	100.0	126.9	127.3	126.4	143.5	166.8	166.7	167.0	167.8
Media (soilless mixes)	4.37%	100.0	117.3	120.5	122.0	135.8	140.1	160.1	142.7	145.5
Propagative materials	18.97%	100.0	121.8	128.3	136.8	142.1	141.8	142.7	161.0	161.8
Plant protection products	1.629%	100.0	112.9	109.8	107.0	115.1	175.0	154.0	142.3	143.5
Fertilizers	1.626%	100.0	106.9	109.5	103.5	138.6	225.8	168.4	159.3	160.1
Labor	42.99%	100.0	136.7	144.2	149.6	158.1	169.8	179.1	185.1	194.8
Fuel & energy	4.57%	100.0	97.9	93.3	79.3	105.6	152.7	131.7	123.0	123.5
Supplies & repairs	2.95%	100.0	124.1	127.6	129.6	138.9	154.7	160.5	162.0	166.9
Freight & trucking	14.00%	100.0	130.0	130.5	124.9	138.9	151.1	136.1	131.8	134.4
Weighted index (2007=100)		100.0	128.2	132.8	135.2	146.1	160.1	160.9	165.0	170.1
YOY increase/decrease		---	5.7%	3.6%	1.8%	8.1%	9.5%	0.5%	2.5%	3.1%

f=EOY forecast; p=preliminary

# Pros of Tariffs

## 1. Protects Domestic Industries

Shields local businesses and industries from foreign competition, giving them time to grow and stabilize.

## 2. Boosts Government Revenue

Generates income for the government, which can be used for public goods and services.

## 3. Encourages Local Production

Incentivizes domestic production and job creation by making imported goods more expensive.

## 4. Reduces Trade Deficits

Helps reduce a country's trade deficits by discouraging imports and promoting local alternatives.

## 5. Supports National Security

Limits reliance on foreign suppliers for essential goods, especially during conflicts or crises.

# Cons of Tariffs

## 1. Higher Consumer Prices

Increases the cost of imported goods, leading to higher prices for consumers.

## 2. Retaliation by Other Countries

May trigger trade wars, as other countries impose their own tariffs in response.

## 3. Hampers Global Trade

Reduces overall trade efficiency and disrupts global supply chains.

## 4. Potential Economic Inefficiency

Protects less efficient domestic industries, leading to a misallocation of resources.

## 5. Negative Impact on Exporters

Domestic industries that rely on exporting may face reduced demand due to retaliatory tariffs or increased costs of imported inputs.

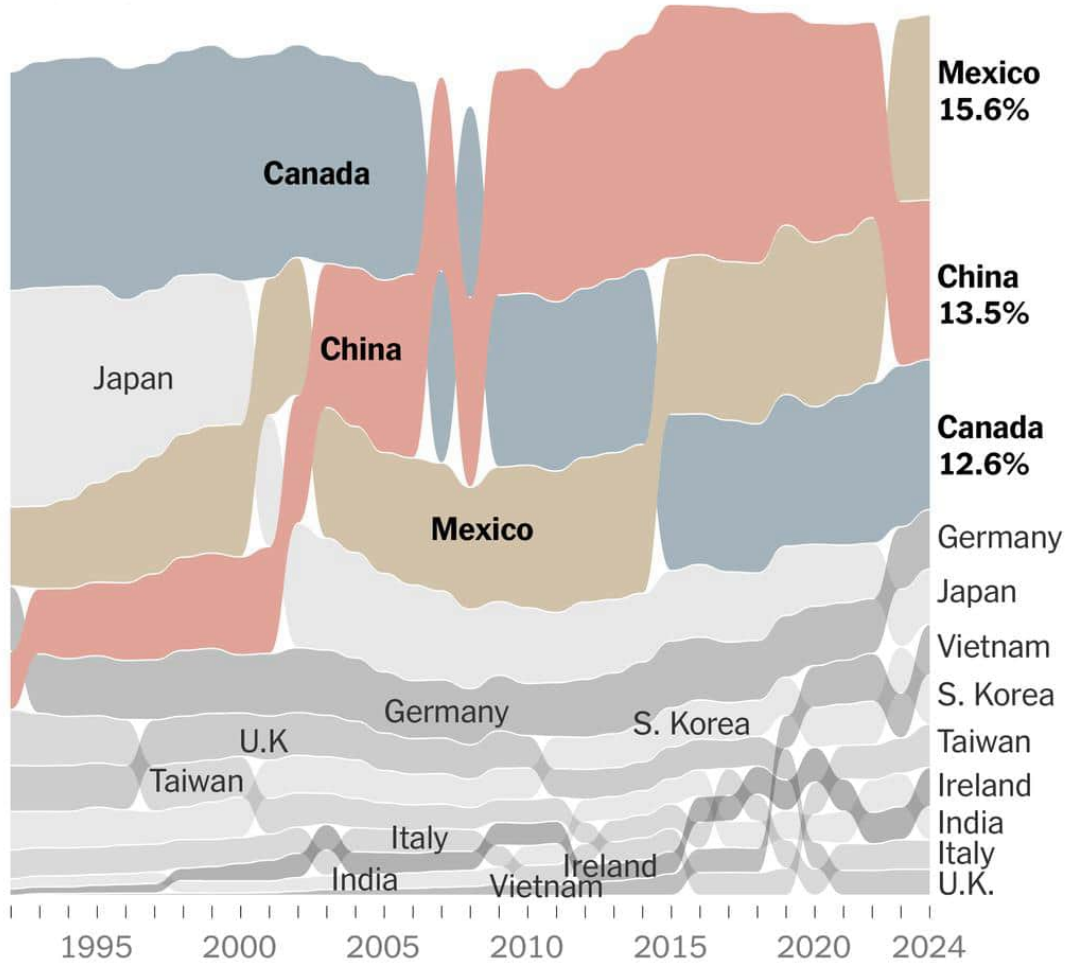
## 6. Limited Long-Term Effectiveness

Industries reliant on tariff protection may fail to become competitive over time, requiring ongoing support.



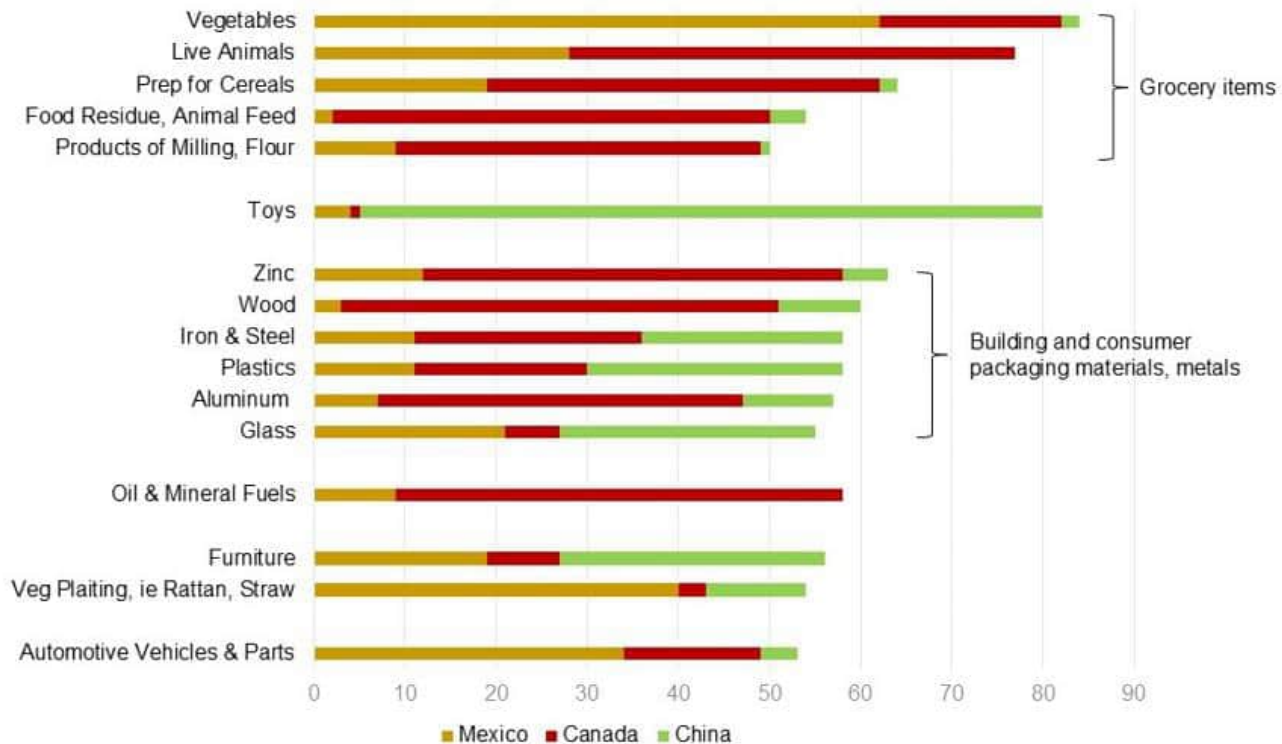
# Share of imports to the United States by country

1992-2024



## Products for which more than 50% of US imports come from the three countries of Mexico, Canada, and China

(% of total imported goods by product category into US in 2023)

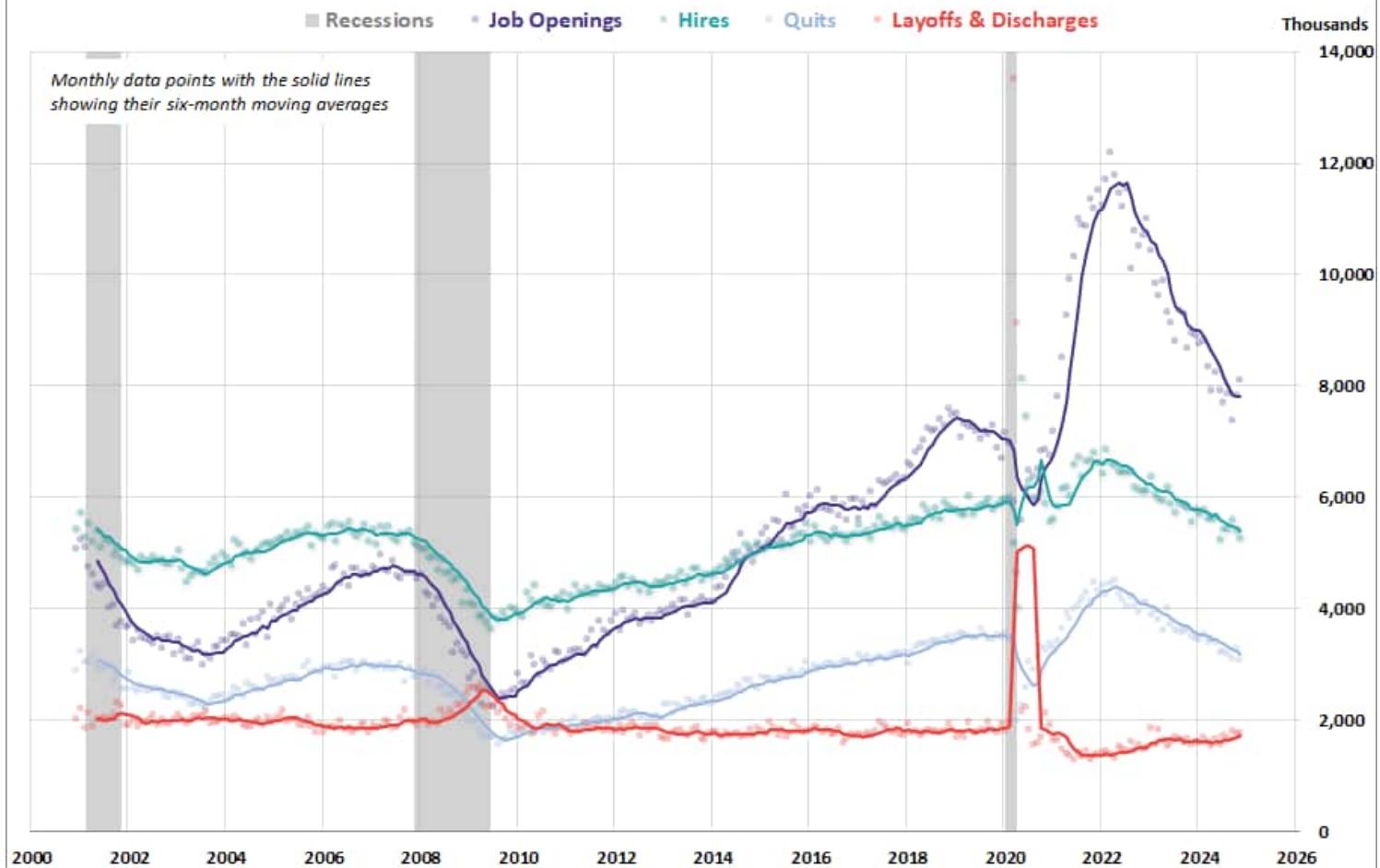


# LABOR



# JOLTS Report for Total Nonfarm Employment:

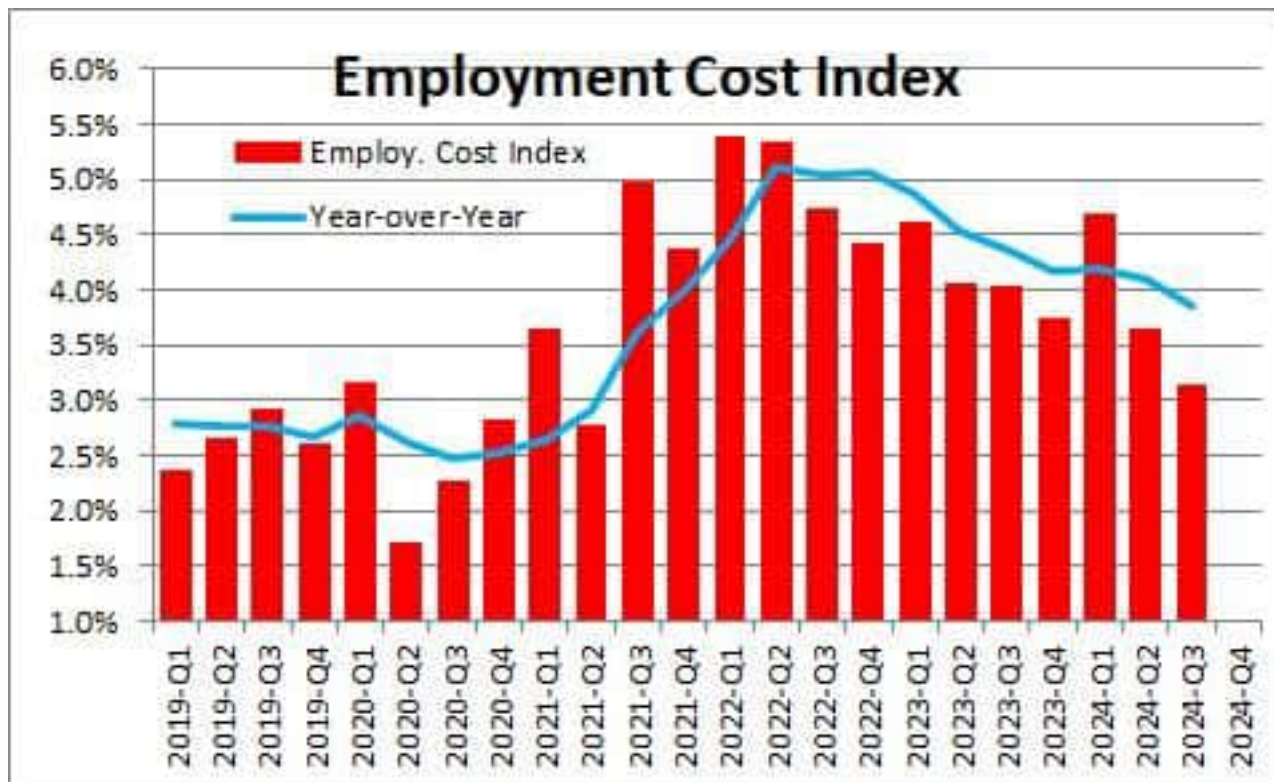
Job Openings and Labor Turnover



# Job Openings per Unemployed Worker









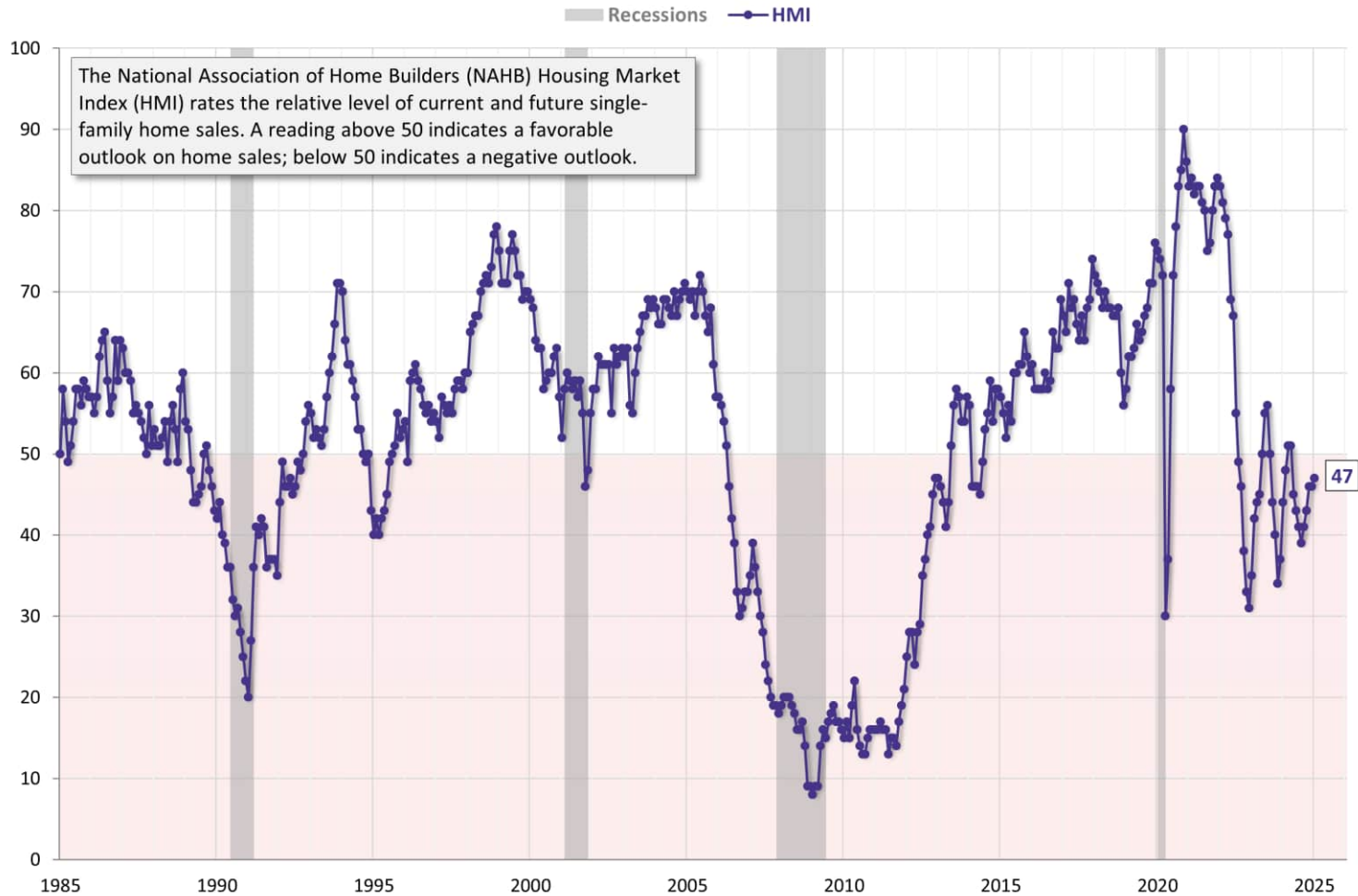
**Adverse Effect Wage Rates by Year, 2018-2025**

State	2019 AEWR	2020 AEWR	2021 AEWR	2022 AEWR	2023 AEWR	2024 AEWR	2025 AEWR	YOY increase 2024 to 2025	Percent increase from 2019 to 2025
(effective date)	1/9/19	1/1/20	2/23/21	12/29/21	1/1/23	1/1/24	1/1/25		
<b>Texas</b>	<b>12.23</b>	<b>12.67</b>	<b>13.03</b>	<b>13.88</b>	<b>14.87</b>	<b>15.55</b>	<b>15.79</b>	<b>1.5%</b>	<b>29.1%</b>
<b>National Average</b>	<b>\$12.96</b>	<b>\$13.68</b>	<b>\$14.28</b>	<b>\$15.03</b>	<b>\$16.13</b>	<b>\$16.98</b>	<b>\$17.78</b>	<b>4.7%</b>	<b>37.27%</b>
<b>YOY increase</b>	-----	5.6%	4.4%	5.3%	7.3%	5.3%	4.7%		
	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>		
<b>Median</b>	<b>\$13.25</b>	<b>\$14.26</b>	<b>\$14.72</b>	<b>\$15.54</b>	<b>\$16.55</b>	<b>\$17.20</b>	<b>\$17.96</b>		

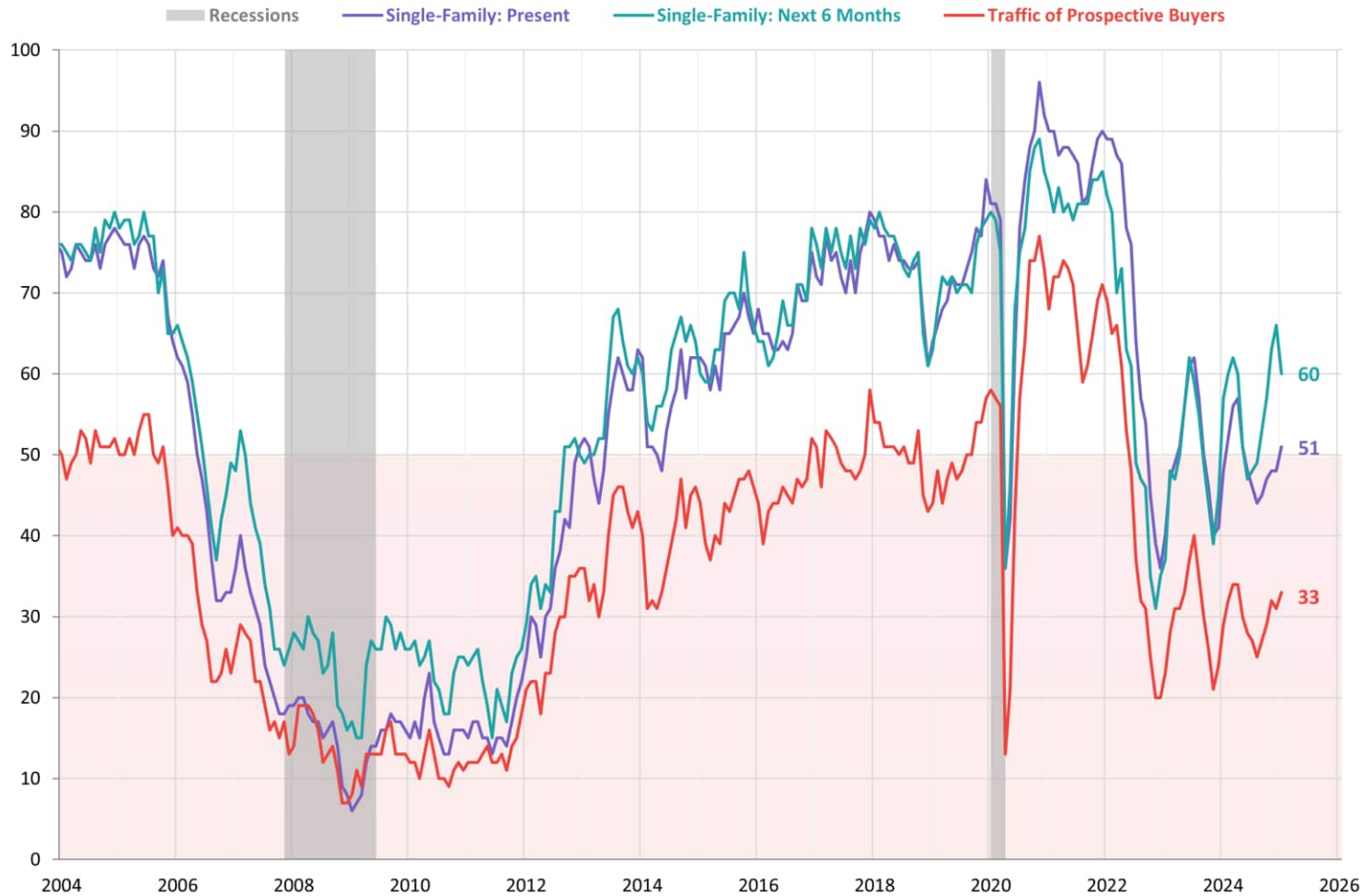


**FOR  
SALE**

# Housing Market Index (HMI)

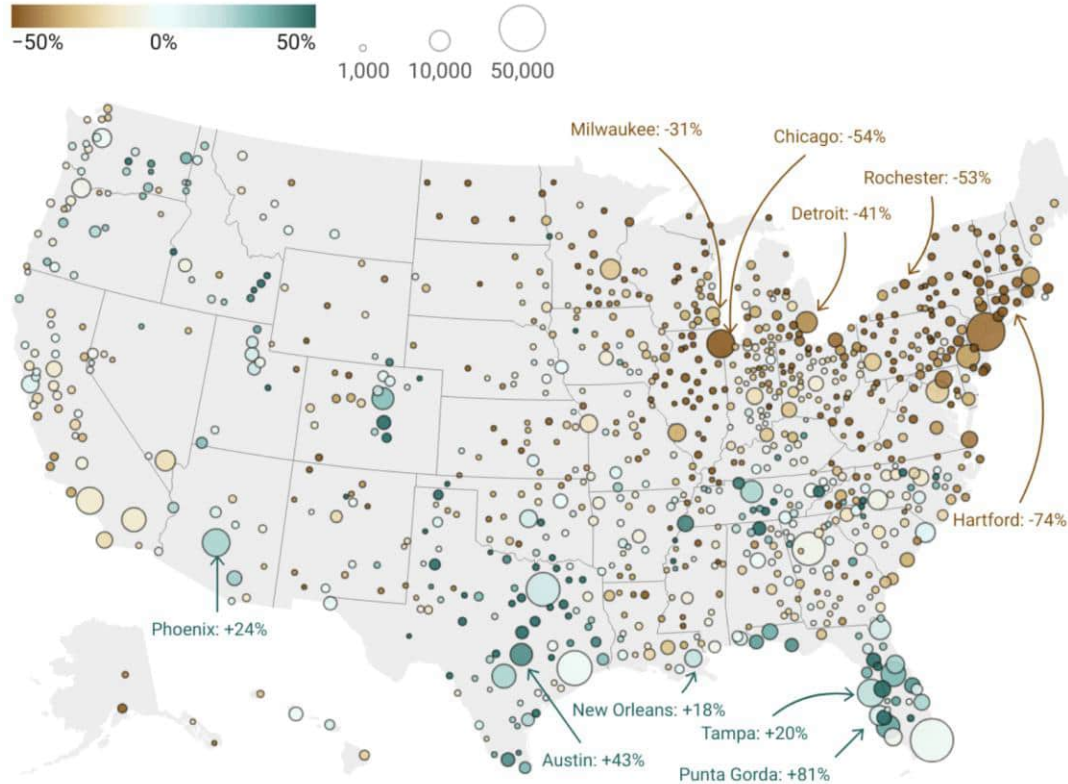


# Housing Market Index (HMI) - Components



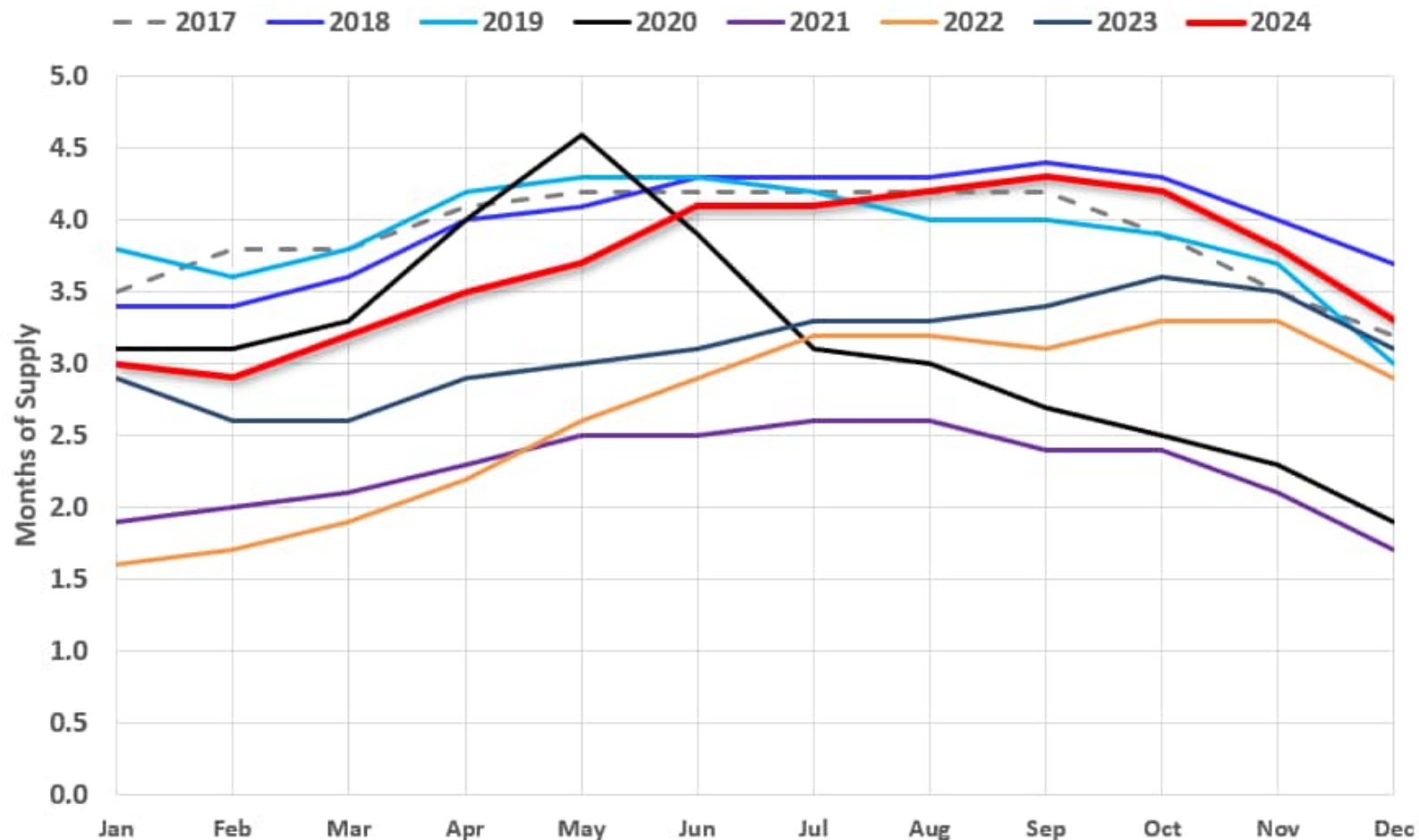
# Active housing inventory for sale compared to pre-pandemic levels: Metro shift between November 2019 and November 2024

Metro sized by number of active listings for sale





# Existing Home Months of Supply





## Monthly total U.S. existing home sales

Without seasonal adjustment

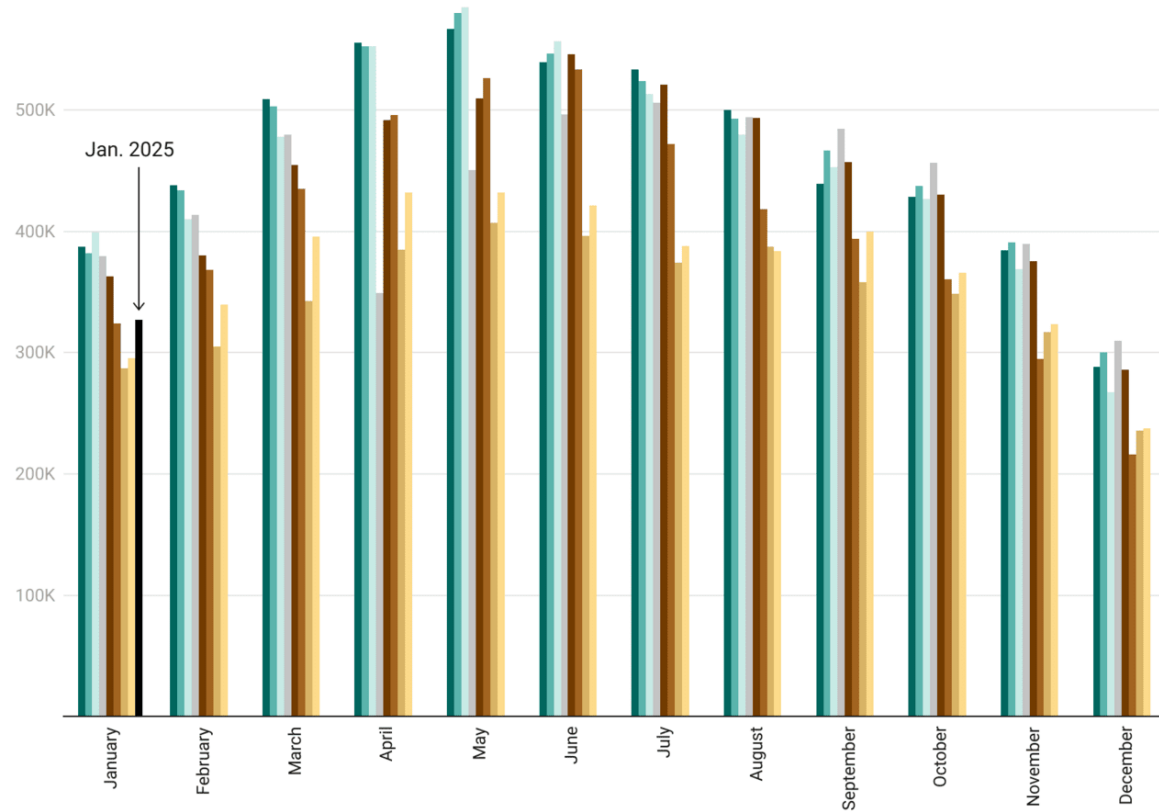
Year	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
2000	286K	310K	420K	432K	489K	541K	492K	533K	443K	434K	408K	385K
2001	295K	305K	438K	454K	506K	557K	535K	566K	420K	443K	405K	409K
2002	342K	344K	438K	502K	543K	542K	544K	549K	457K	481K	430K	459K
2003	352K	350K	446K	517K	565K	601K	632K	645K	566K	546K	446K	510K
2004	352K	378K	531K	606K	623K	725K	681K	677K	570K	557K	532K	546K
2005	382K	402K	556K	625K	669K	754K	690K	744K	630K	566K	530K	528K
2006	374K	402K	554K	560K	642K	699K	605K	654K	529K	518K	472K	469K
2007	324K	347K	436K	458K	511K	536K	499K	510K	365K	373K	343K	320K
2008	235K	262K	316K	364K	403K	421K	418K	409K	369K	349K	273K	305K
2009	218K	238K	304K	349K	376K	438K	442K	417K	392K	418K	395K	347K
2010	234K	258K	366K	443K	449K	472K	331K	352K	321K	307K	304K	345K
2011	247K	253K	347K	375K	391K	440K	385K	429K	369K	343K	335K	349K
2012	260K	287K	360K	400K	448K	463K	430K	476K	372K	401K	385K	374K
2013	291K	304K	387K	454K	514K	500K	519K	518K	427K	424K	362K	387K
2014	281K	282K	355K	422K	473K	506K	494K	479K	436K	443K	351K	413K
2015	281K	295K	405K	449K	495K	572K	551K	504K	471K	444K	351K	436K
2016	302K	314K	421K	470K	525K	582K	513K	539K	486K	445K	418K	437K
2017	319K	315K	455K	447K	555K	600K	513K	535K	462K	458K	425K	427K
2018	313K	319K	434K	460K	535K	570K	523K	539K	421K	446K	406K	377K
2019	285K	311K	400K	456K	542K	528K	540K	532K	450K	462K	404K	434K
2020	317K	335K	416K	373K	372K	507K	597K	560K	563K	573K	493K	538K
2021	366K	366K	484K	513K	528K	615K	584K	576K	546K	526K	503K	513K
2022	352K	352K	456K	463K	499K	525K	454K	474K	428K	371K	325K	327K
2023	231K	269K	359K	337K	408K	433K	372K	401K	348K	332K	300K	297K
2024	234K	271K	325K	360K	405K	376K	390K	379K	330K	348K	315K	329K
Average	299K	315K	416K	452K	499K	540K	509K	520K	447K	440K	396K	410K

Like clockwork, every year, the U.S. housing market experiences a seasonal swing. It happens in both good years and bad. And while the seasonal trend may vary slightly by market (e.g., snowbird markets), it remains consistent across most housing markets.

# Is the 'lock-in effect' easing?

U.S. new listings by month

2017 2018 2019 2020 2021 2022 2023 2024 2025



## Monthly shift in U.S. home prices

Zillow Home Value Index (ZHVI), without seasonal adjustment

Year	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
2000	-0.0%	0.1%	0.6%	1.0%	1.1%	1.2%	1.2%	0.8%	0.5%	0.3%	0.3%	0.1%
2001	-0.1%	0.1%	0.7%	1.0%	1.1%	1.2%	1.2%	0.8%	0.5%	0.3%	0.1%	-0.1%
2002	-0.1%	0.0%	0.6%	0.9%	1.2%	1.3%	1.3%	0.9%	0.6%	0.4%	0.2%	0.0%
2003	-0.1%	0.1%	0.7%	1.0%	1.3%	1.3%	1.3%	1.0%	0.7%	0.4%	0.2%	0.0%
2004	0.0%	0.3%	0.9%	1.2%	1.6%	1.7%	1.7%	1.2%	0.9%	0.6%	0.4%	0.3%
2005	0.2%	0.4%	1.0%	1.5%	1.6%	1.7%	1.8%	1.2%	0.9%	0.6%	0.3%	0.1%
2006	-0.1%	0.1%	0.7%	1.0%	1.1%	1.1%	1.0%	0.4%	0.0%	-0.2%	-0.5%	-0.6%
2007	-0.7%	-0.5%	0.1%	0.4%	0.5%	0.5%	0.4%	-0.1%	-0.5%	-0.7%	-1.0%	-1.1%
2008	-1.3%	-1.2%	-0.7%	-0.4%	-0.2%	-0.2%	-0.3%	-0.9%	-1.0%	-1.2%	-1.6%	-1.6%
2009	-1.6%	-1.2%	-0.6%	-0.3%	-0.1%	0.1%	0.1%	-0.3%	-0.5%	-0.6%	-0.5%	-0.7%
2010	-0.8%	-0.5%	0.2%	0.6%	0.6%	0.4%	0.1%	-0.4%	-0.8%	-1.0%	-1.1%	-1.2%
2011	-1.2%	-0.9%	-0.3%	-0.1%	0.1%	0.3%	0.3%	-0.2%	-0.4%	-0.7%	-0.7%	-0.8%
2012	-0.8%	-0.2%	0.4%	0.7%	1.0%	1.1%	1.0%	0.3%	0.4%	0.1%	-0.1%	-0.1%
2013	-0.1%	0.1%	0.8%	1.3%	1.5%	1.6%	1.1%	0.9%	0.6%	0.3%	-0.2%	-0.1%
2014	-0.3%	-0.0%	0.7%	1.0%	1.4%	1.1%	1.0%	0.4%	0.1%	-0.3%	-0.0%	-0.2%
2015	-0.4%	0.1%	0.7%	1.0%	1.4%	1.1%	1.1%	0.8%	0.4%	0.2%	-0.1%	-0.1%
2016	0.0%	0.1%	0.3%	1.1%	1.3%	1.1%	0.8%	0.5%	0.3%	0.2%	0.0%	-0.1%
2017	-0.2%	0.3%	0.8%	1.2%	1.2%	1.2%	0.9%	0.5%	0.3%	0.2%	0.0%	-0.1%
2018	-0.1%	0.1%	1.0%	1.0%	1.2%	1.0%	1.2%	0.4%	0.2%	-0.2%	-0.2%	-0.2%
2019	-0.2%	0.2%	0.7%	0.9%	1.0%	1.1%	0.8%	0.4%	0.1%	0.1%	0.1%	-0.1%
2020	0.0%	0.3%	0.8%	0.9%	0.6%	0.8%	1.2%	1.1%	1.5%	1.0%	1.0%	0.8%
2021	0.5%	1.2%	1.7%	2.0%	2.6%	2.4%	1.3%	0.5%	0.3%	0.5%	0.7%	0.5%
2022	1.4%	1.7%	2.2%	2.5%	2.0%	1.5%	0.2%	-0.7%	-0.8%	-0.5%	-0.9%	-1.0%
2023	-0.9%	-0.2%	0.8%	1.3%	1.3%	1.3%	0.7%	0.2%	-0.1%	-0.3%	-0.4%	-0.6%
2024	-0.4%	0.3%	1.1%	1.2%	0.8%	0.6%	0.3%	-0.0%	-0.2%	-0.3%	-0.4%	-0.3%
2025	-0.5%											
Average	-0.3%	0.0%	0.6%	1.0%	1.1%	1.1%	0.9%	0.4%	0.2%	-0.0%	-0.2%	-0.3%

## Where U.S. existing home sales are forecasted to go in 2025

Among the 16 resale forecasts tracked by ResiClub, the average forecast model expects U.S. existing home sales to be 4.22 million in 2025.

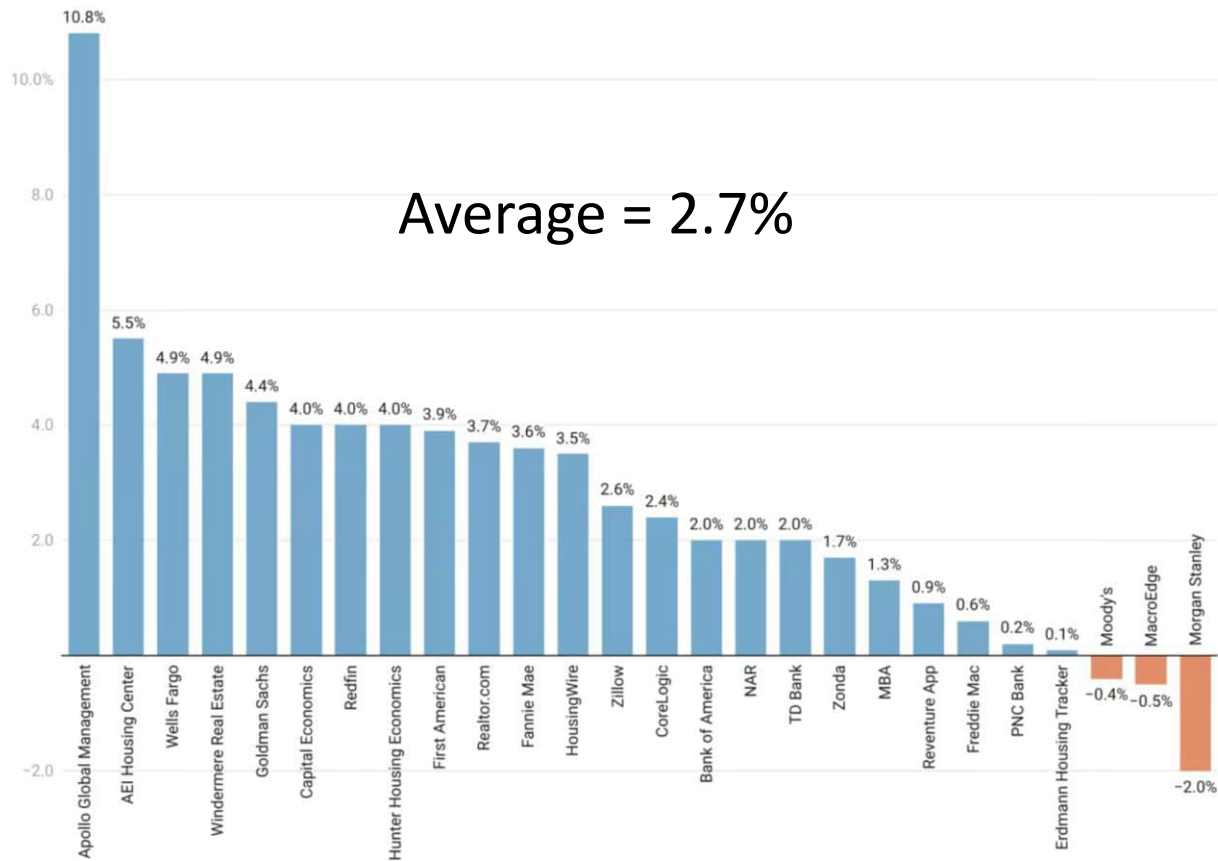


Historic chart displays the monthly seasonally adjusted annualized rate of U.S. existing home sales through November 2024

Chart: Lance Lambert • Source: ResiClub reporting • Created with Datawrapper

# U.S. home price forecasts for 2025

The average forecast tracked by ResiClub expects U.S. home prices to rise 2.7% in 2025



Final 2025 roundup published by ResiClub on December 30, 2025. MBA = Mortgage Bankers Association.

Chart: Lance Lambert • Source: ResiClub reporting • Created with Datawrapper

## Housing affordability is strained

The Atlanta Fed's 'qualified income' metric estimates the household income needed to afford a median-priced U.S. home without spending more than 30% of annual income. In simpler terms, it represents the income level to "afford" a typical U.S. home.

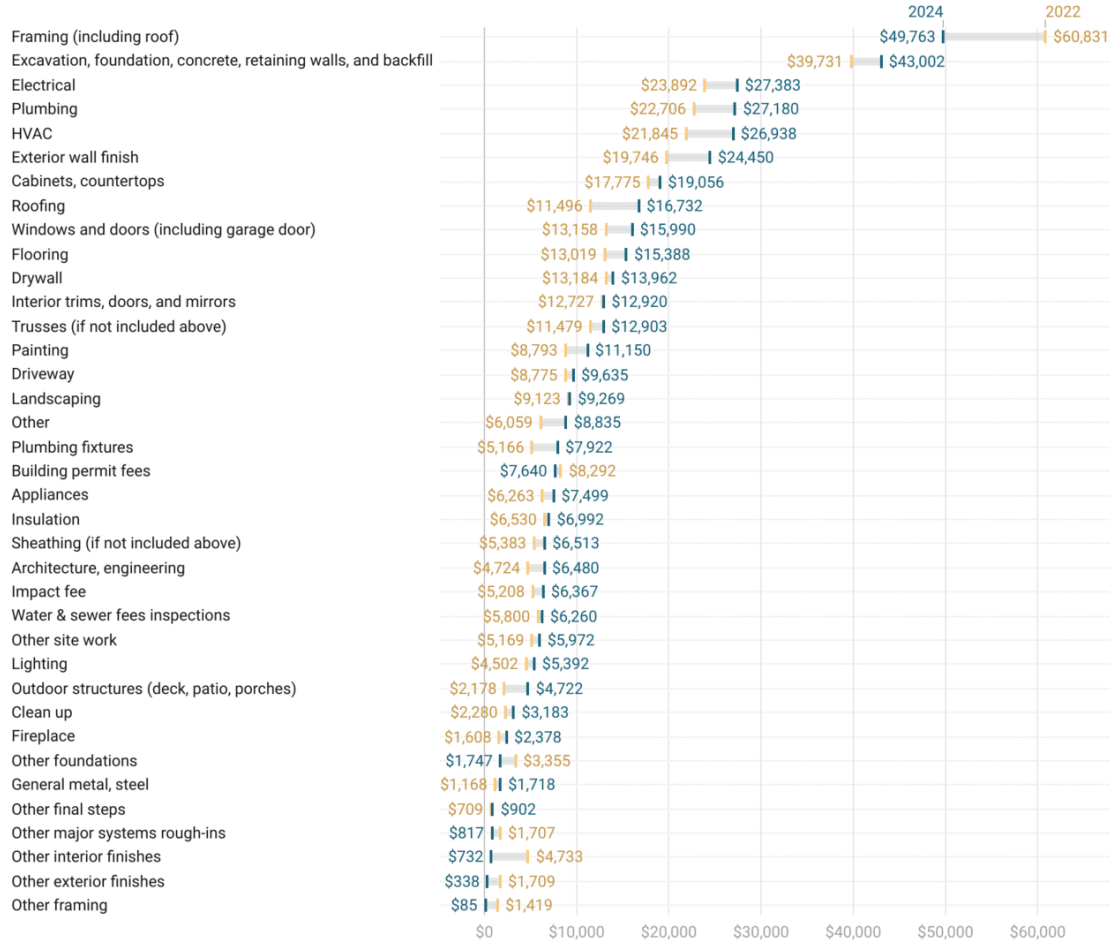
During the Pandemic Housing Boom, [housing demand surged](#) rapidly amid ultralow interest rates, stimulus, and the remote work boom. [Federal Reserve researchers estimate](#) "new construction would have had to increase by roughly 300% to absorb the pandemic-era surge in demand."

Unlike housing demand, [housing supply isn't as elastic](#) and can't quickly ramp up. As a result, the heightened demand drained the market of active inventory and overheated home prices, with [U.S. home prices](#) in July 2024 a staggering 53.4% above January 2020 levels.

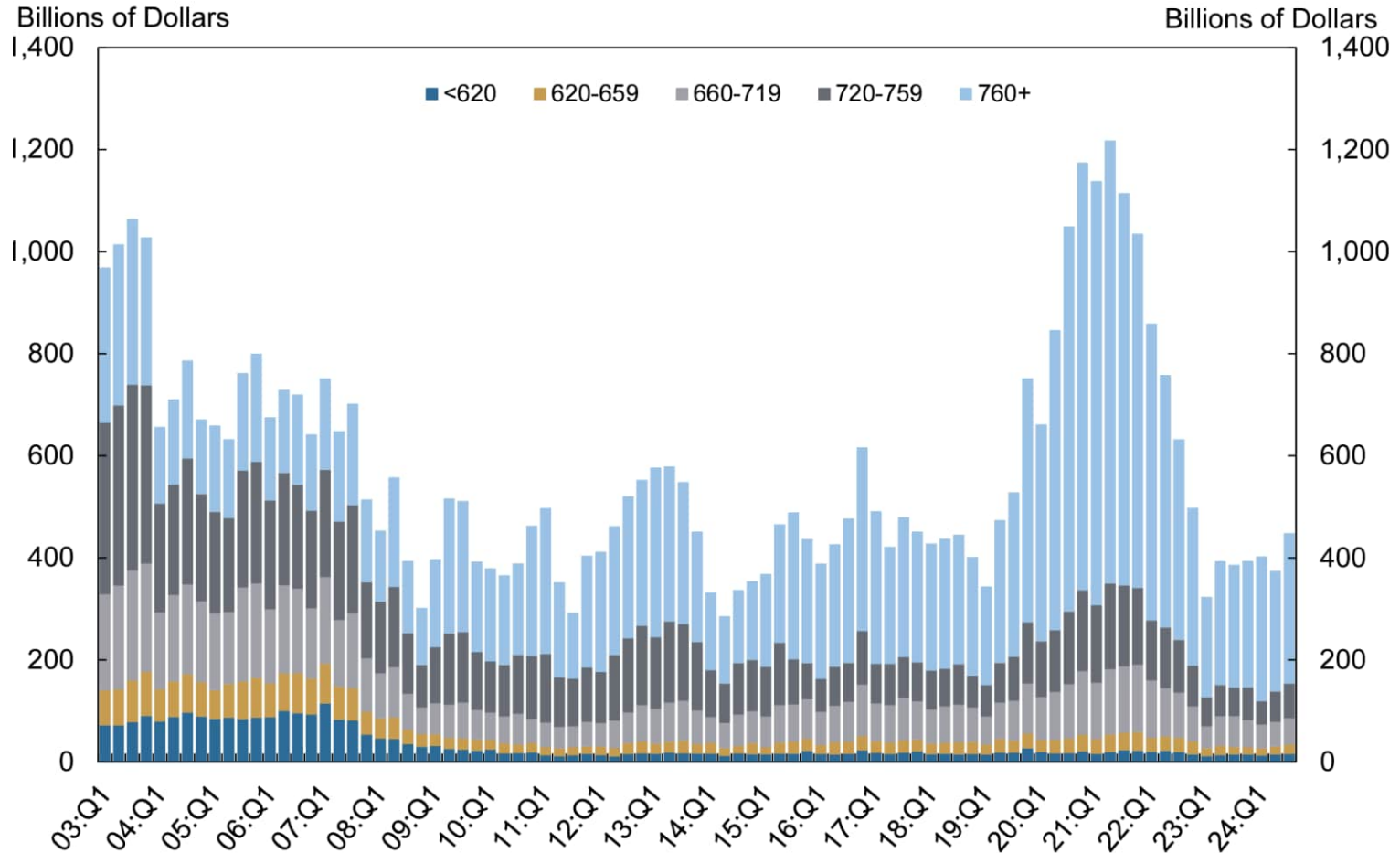




# The average itemized costs of constructing a typical new U.S. single-family home



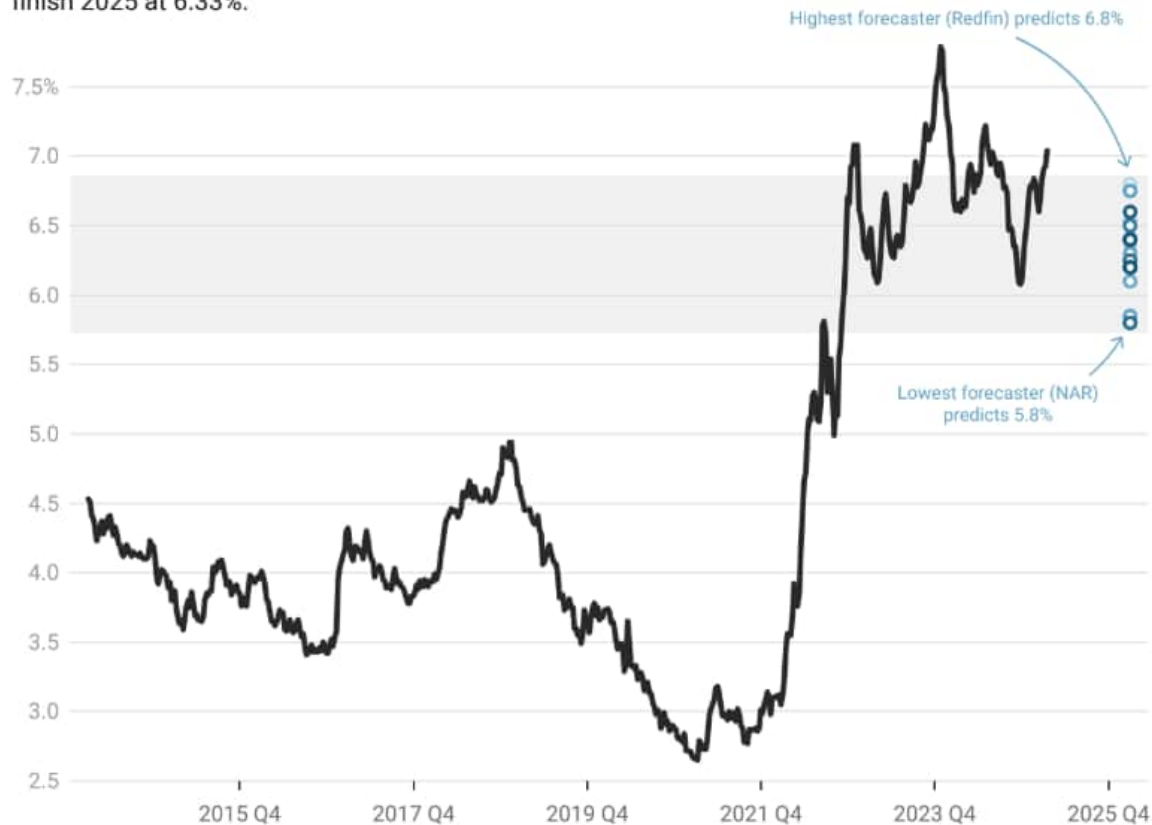
# Mortgage Originations by Credit Score\*



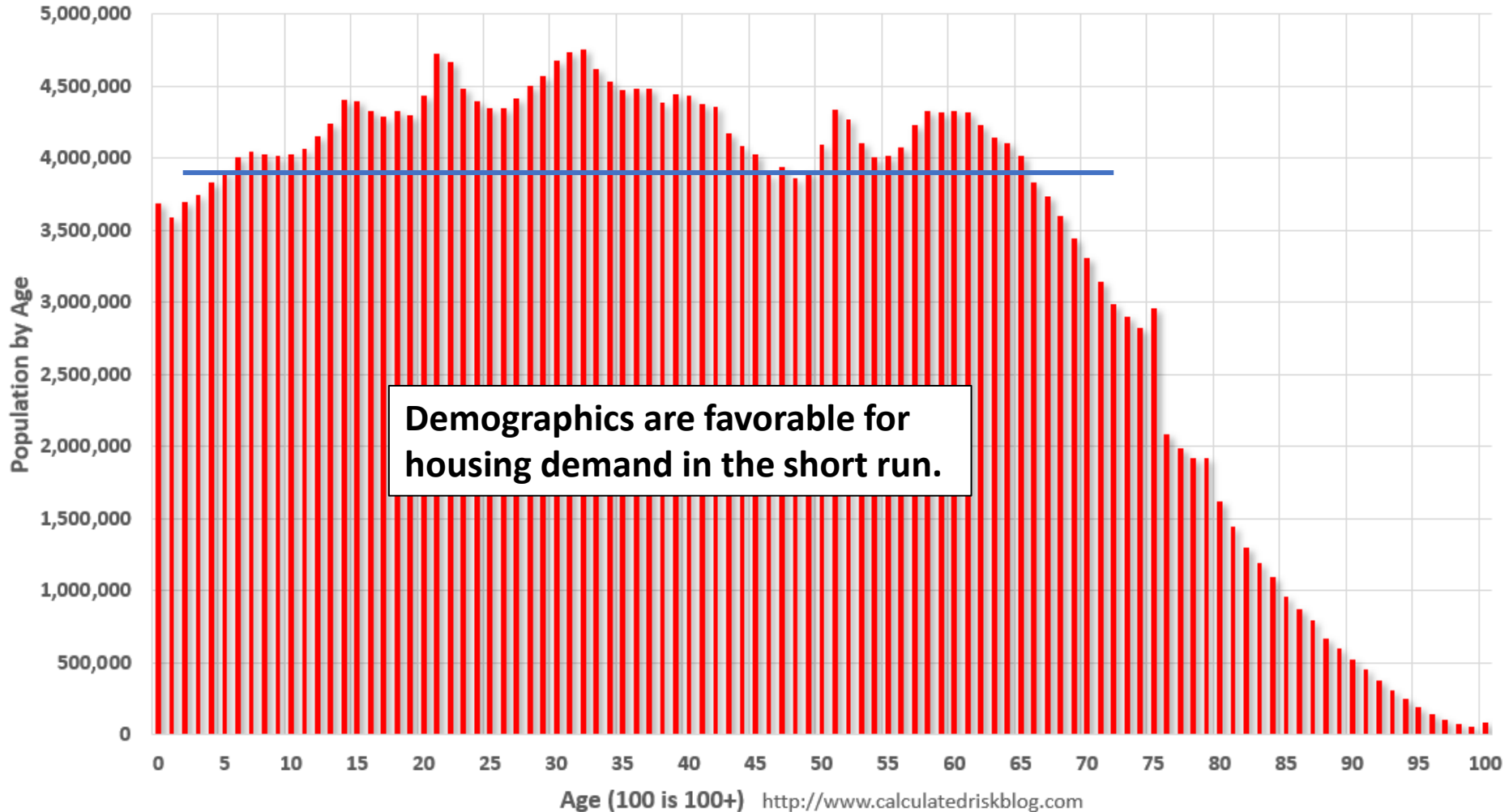
Source: New York Fed Consumer Credit Panel/Equifax

## Where mortgage rates are forecasted to go by the end of 2025

The average 30-year fixed mortgage rate was 7.04% on the week ending January 16, 2024. Among the 17 forecasts tracked by ResiClub, the average model expects the 30-year fixed mortgage rate to finish 2025 at 6.33%.



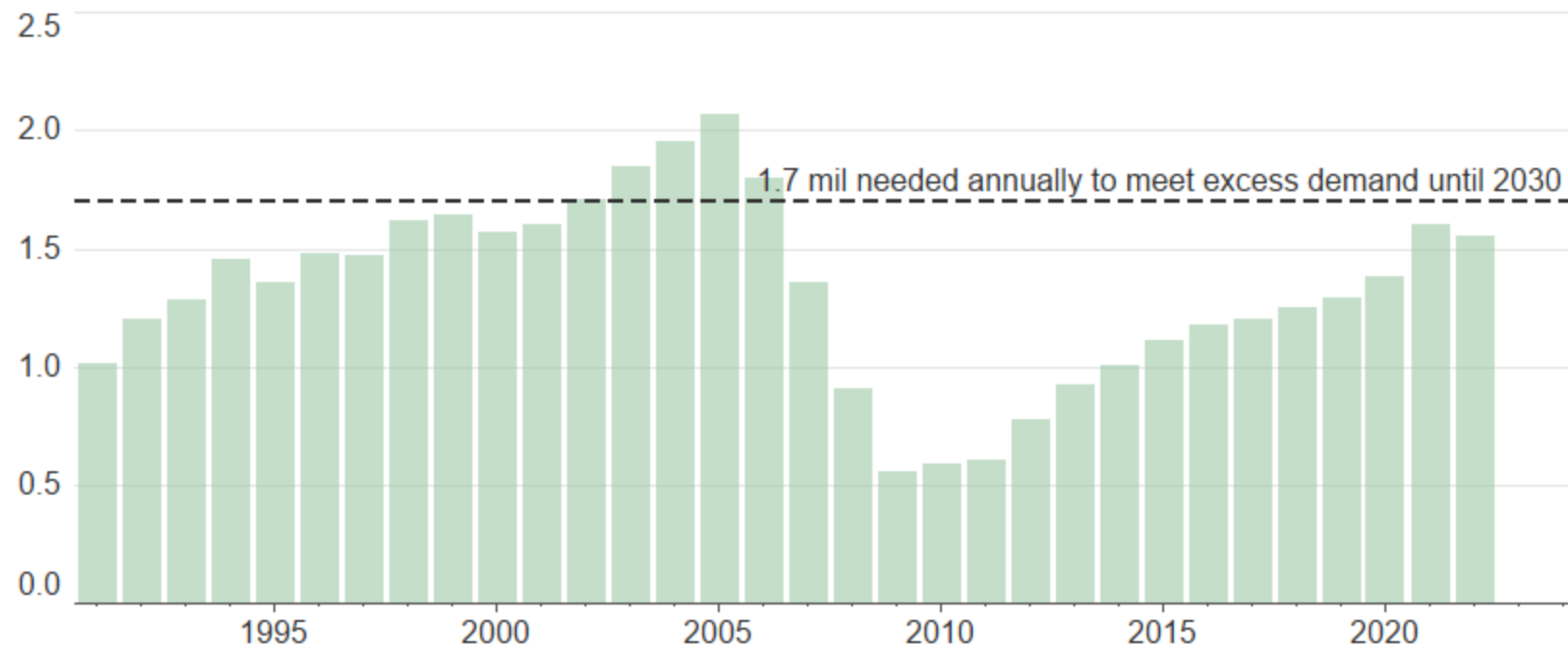
# U.S. Population by Age, 2022 Census Estimate



**Demographics are favorable for housing demand in the short run.**

# U.S. housing starts, annually

Millions



Source: Census Bureau, RSM US

# U.S. housing market is 1.5 million housing units below a "balanced market," finds Freddie Mac

Freddie Mac: "To bring the vacancy rate, both rental and homeowner, back in line with historical averages, the U.S. would need to add an additional 1.5 million vacant for-sale and for-rent homes"

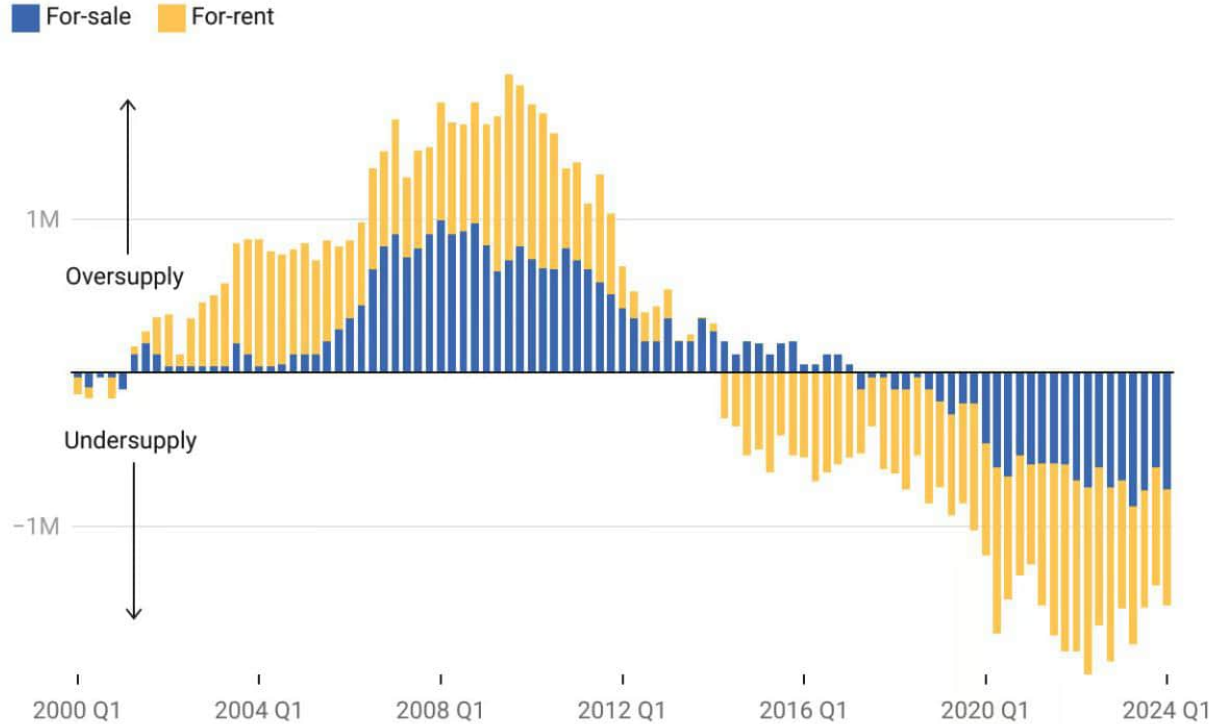


Chart: Lance Lambert • Source: Freddie Mac's analysis, published in May 2024, of U.S. Census Bureau data • Created with Datawrapper



# Where U.S. total housing starts are forecasted to go in 2025

Among the 11 construction forecasts tracked by ResiClub, the average model projects U.S. total housing starts to be 1.39 million in 2025



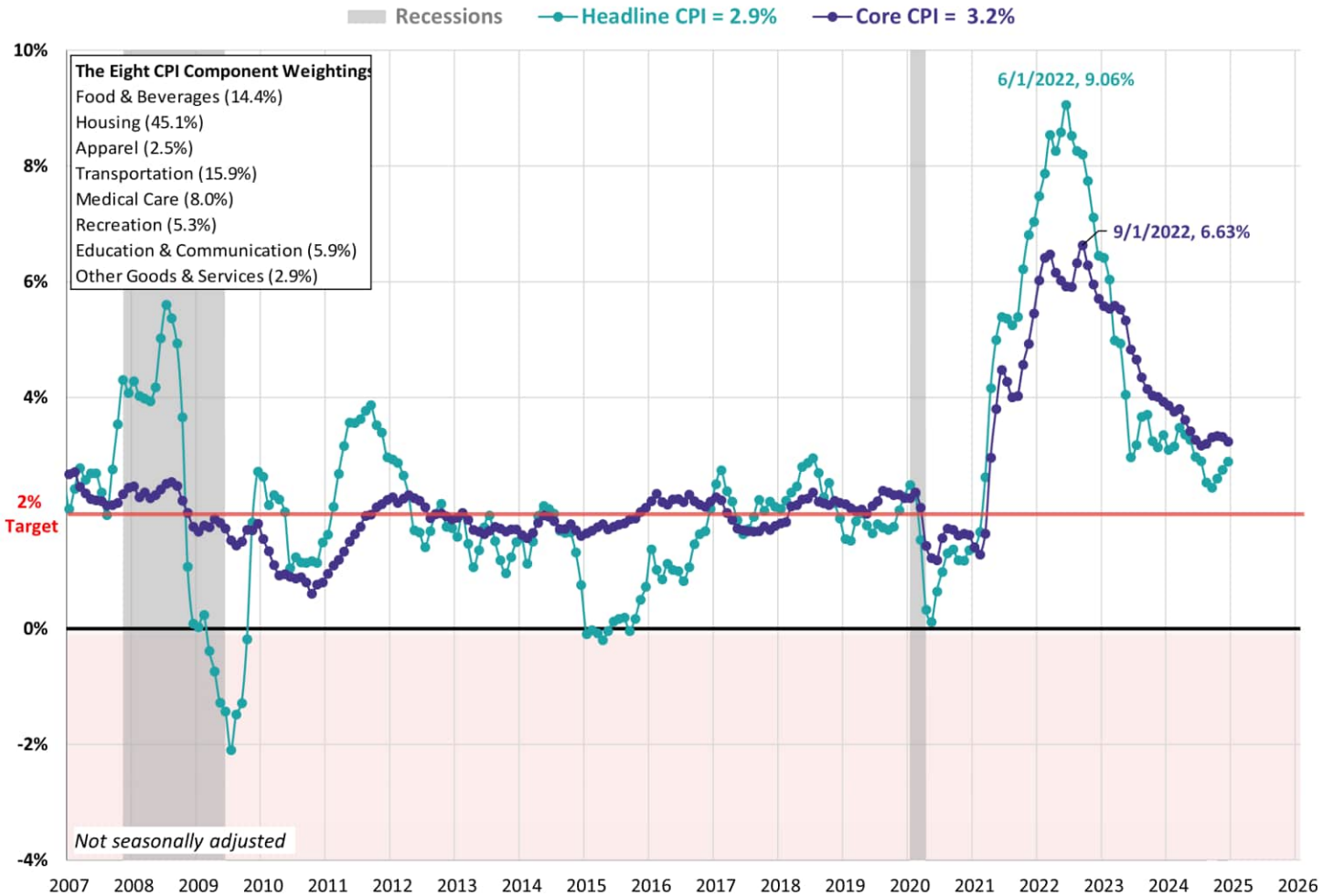
Historic chart displays the monthly seasonally adjusted annualized rate of U.S. total housing starts through November 2024

Chart: Lance Lambert • Source: ResiClub reporting; U.S. Census Bureau • Created with Datawrapper

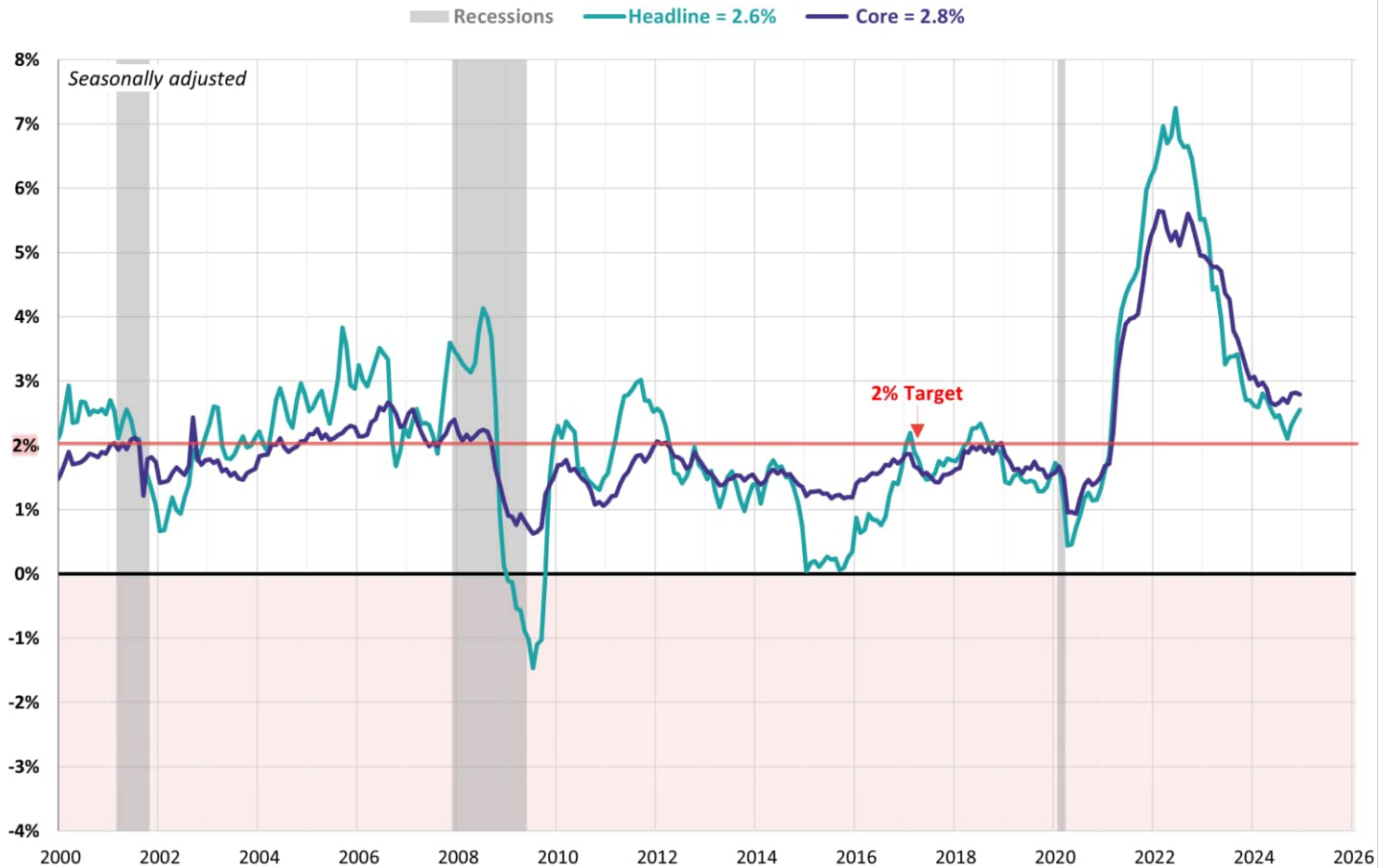
# Inflation?



# Consumer Price Index Since 2007



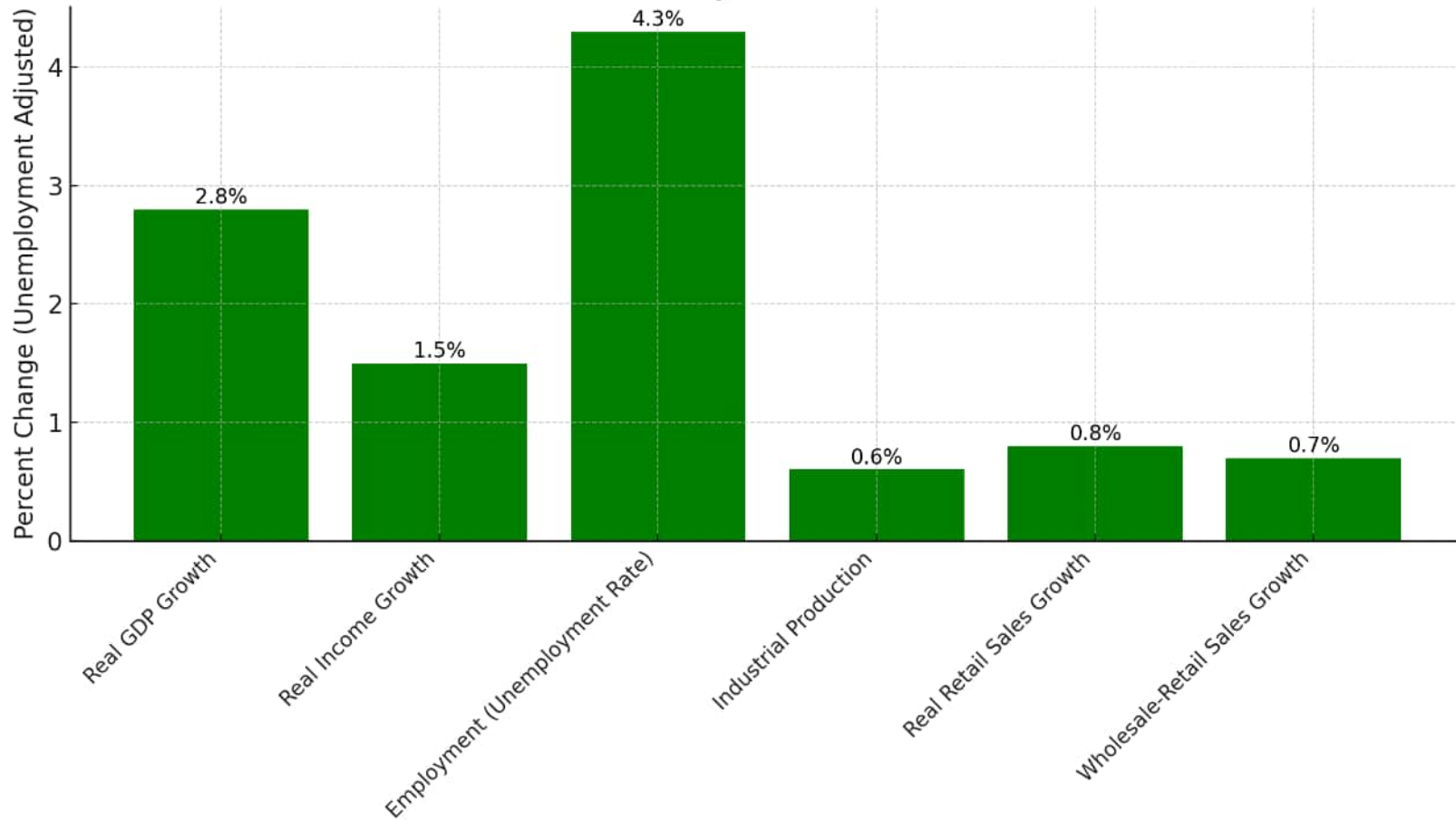
# Personal Consumption Expenditures (PCE) Price Index Year-Over-Year Since 2000



# recession?



Economic Indicators Used by NBER to Assess Recession Status





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