# U.S. ECONOMIC OUTLOOK: INDUSTRY AND ECONOMIC TRENDS


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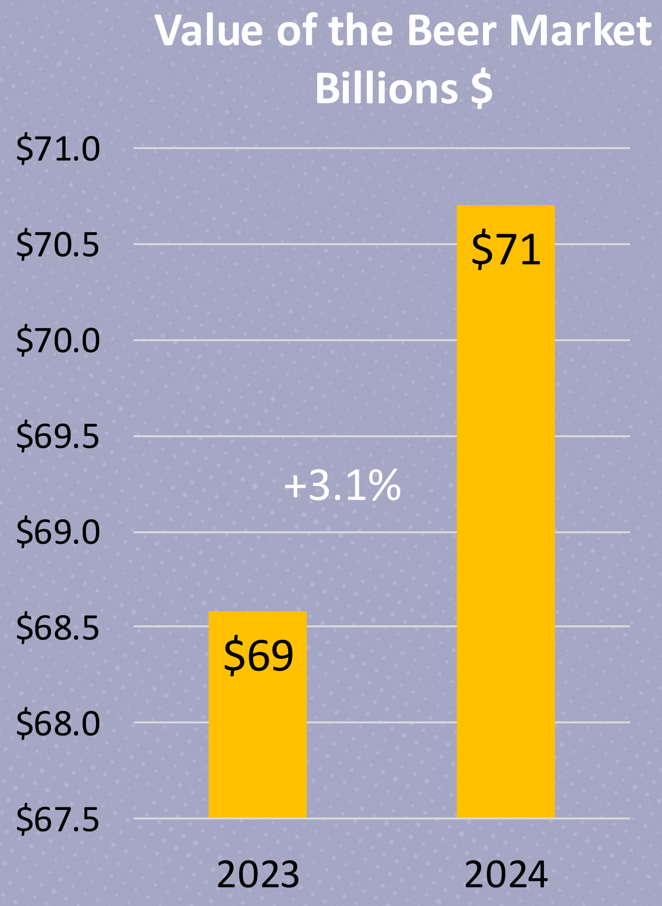
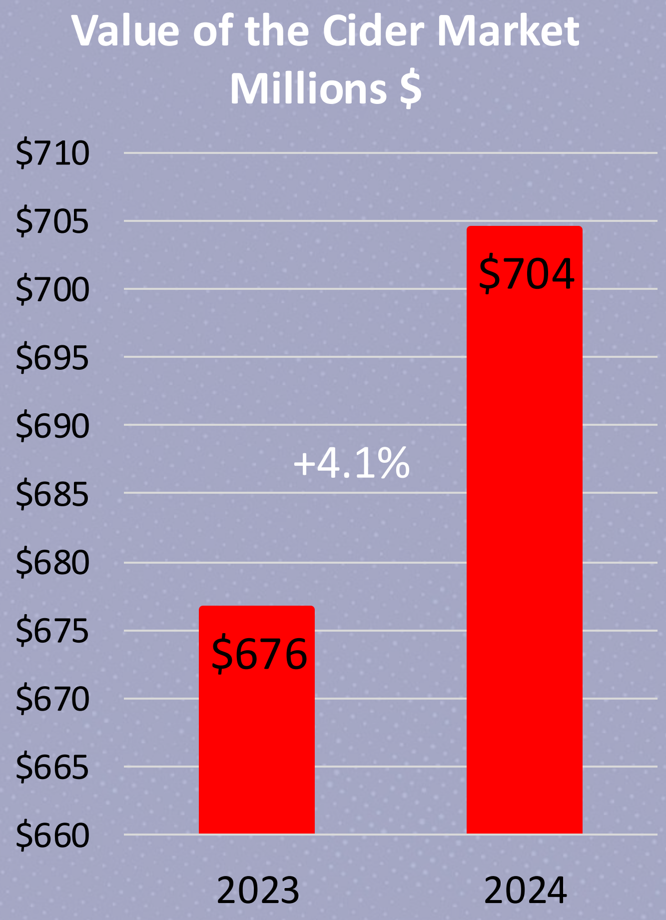
***Chief Economist and VP Analytics***

***National Beer Wholesalers Association***


***February 2025***

## Dollars Are More Important Than Volume
## Retailer $ Purchases of Beer and Cider




**The value of sales to retailers for Beer and Cider grew in 2024**
**Cider held its own at 1% of total "beer industry" sales.**

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# The Economy Remains Resilient

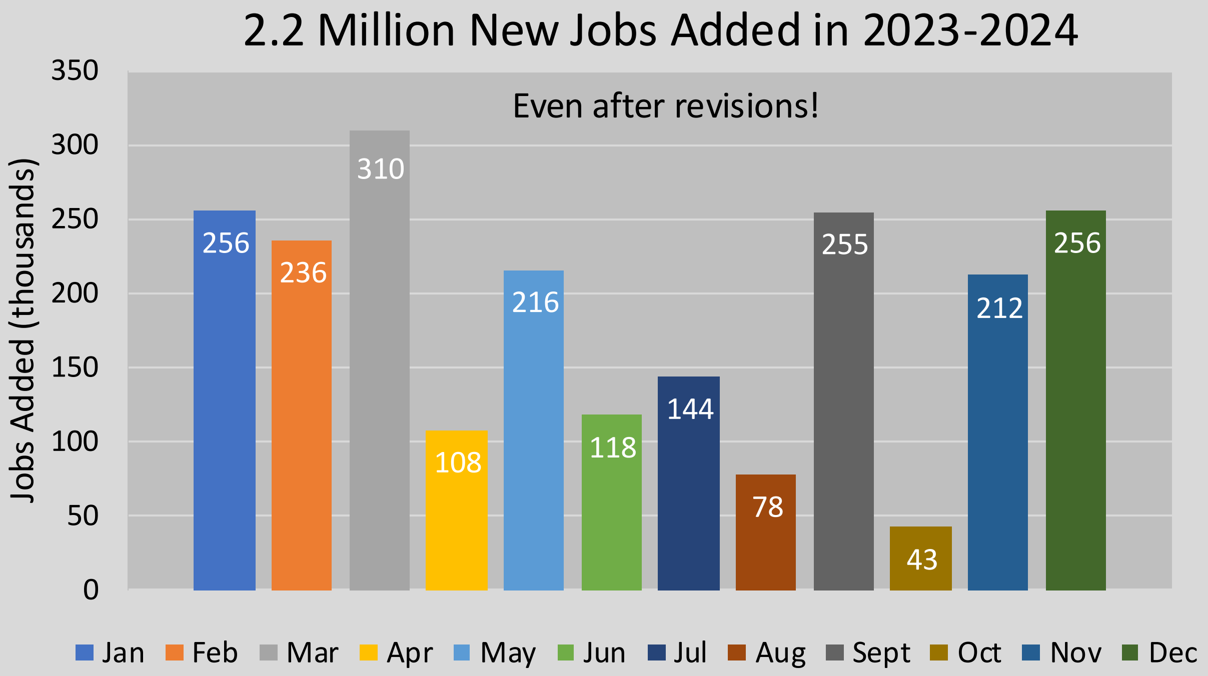
***Still struggles with:***

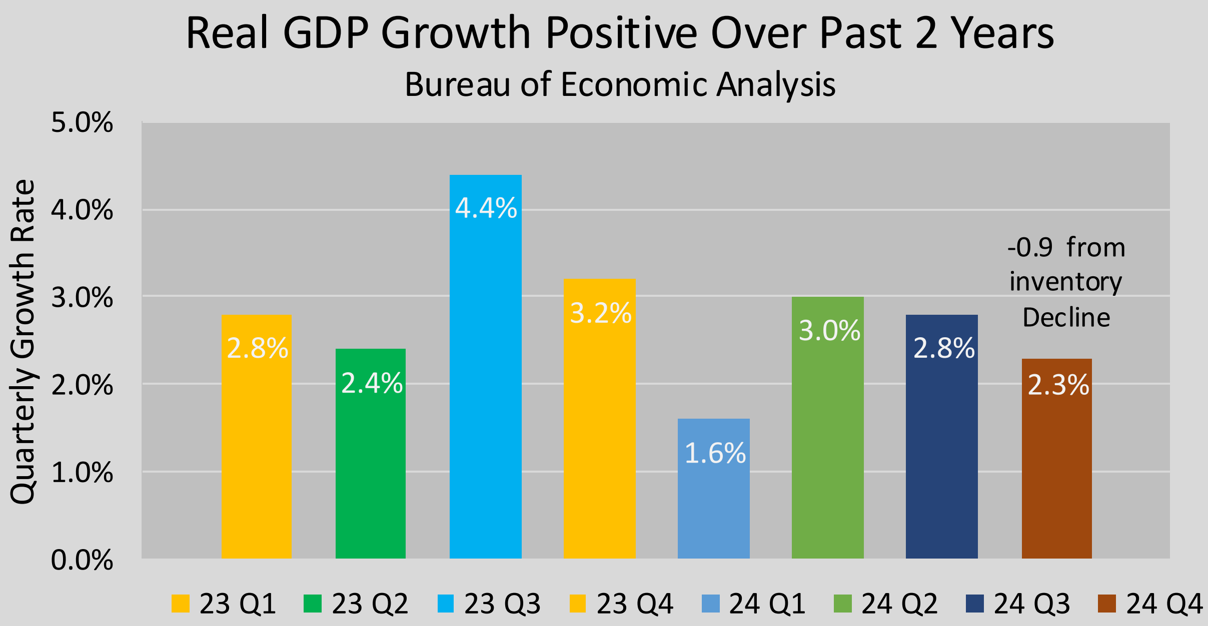
***Mixed Policy Signals,***

***Inflation/Deflation,***

***Productivity & Labor,***

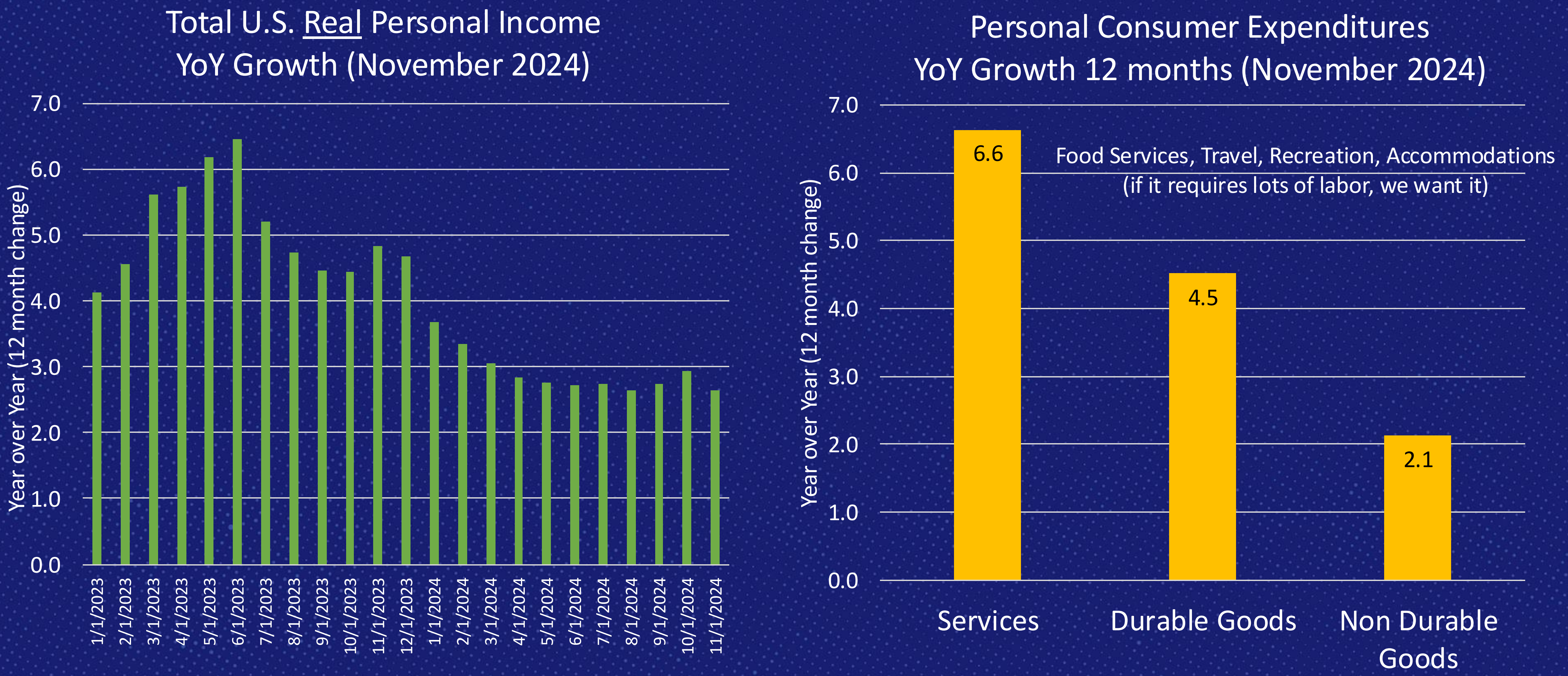
***And Crazy Comps!***



# Real Personal Income and Consumer Spending

## Households spending more than expected, just of different things




Source: https://fred.stlouisfed.org/series/DSPIC96#0

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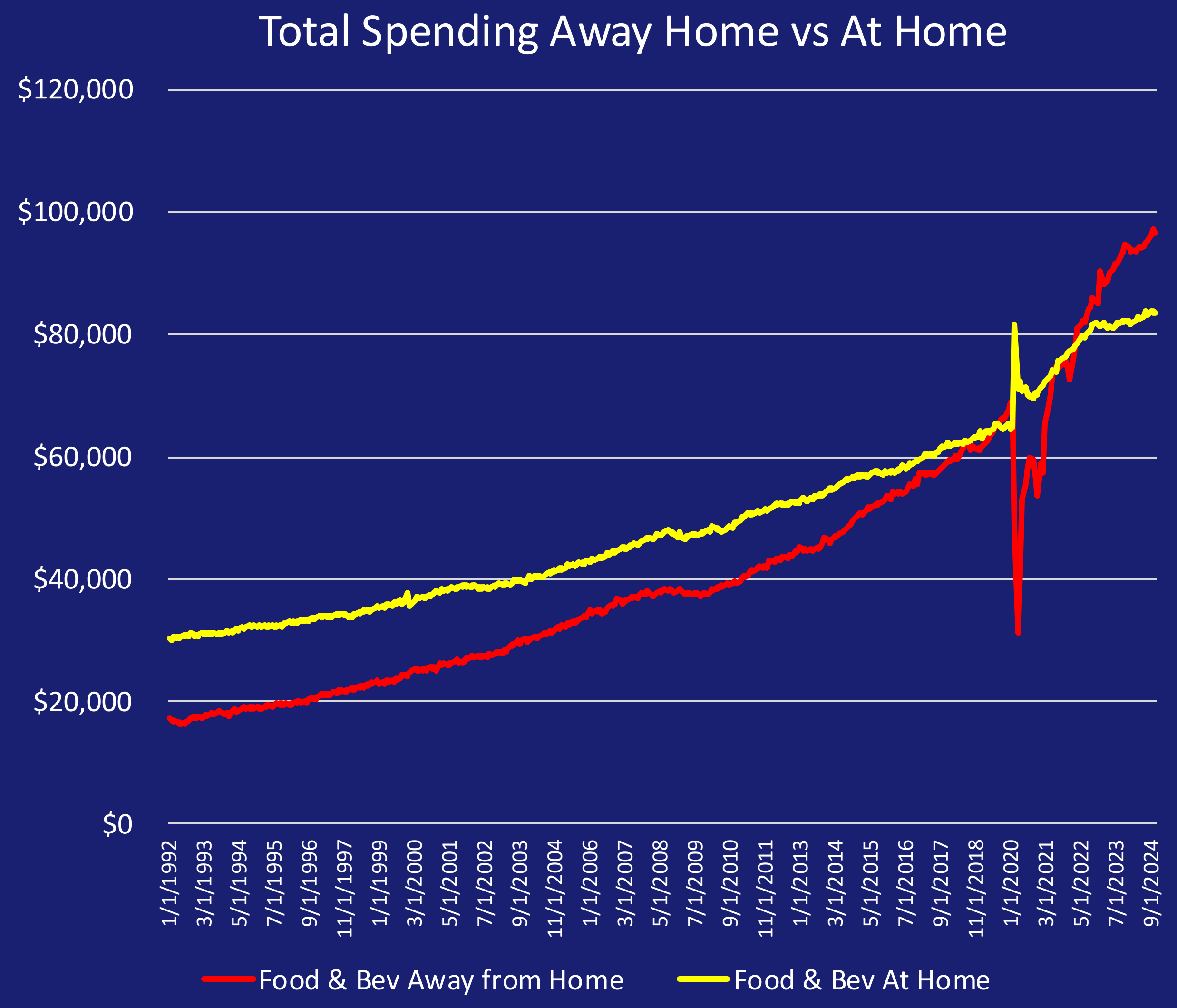
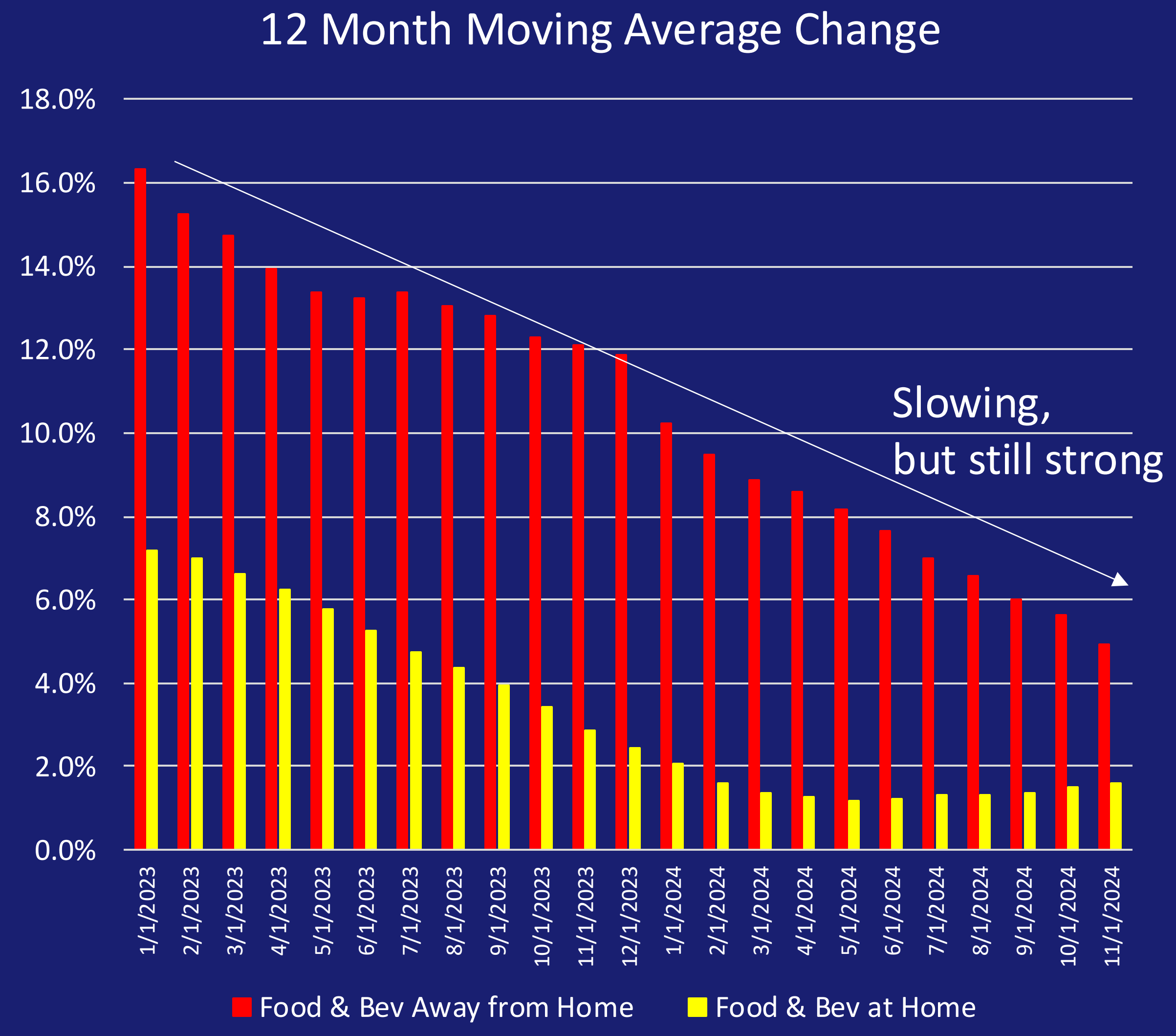
# Consumer Retail Sales Food and Beverages Away From Home Greater Than At Home Spending




Advance Retail Sales: Food Services and Drinking Places, Millions of Dollars, Monthly, Seasonally Adjusted, November 2024

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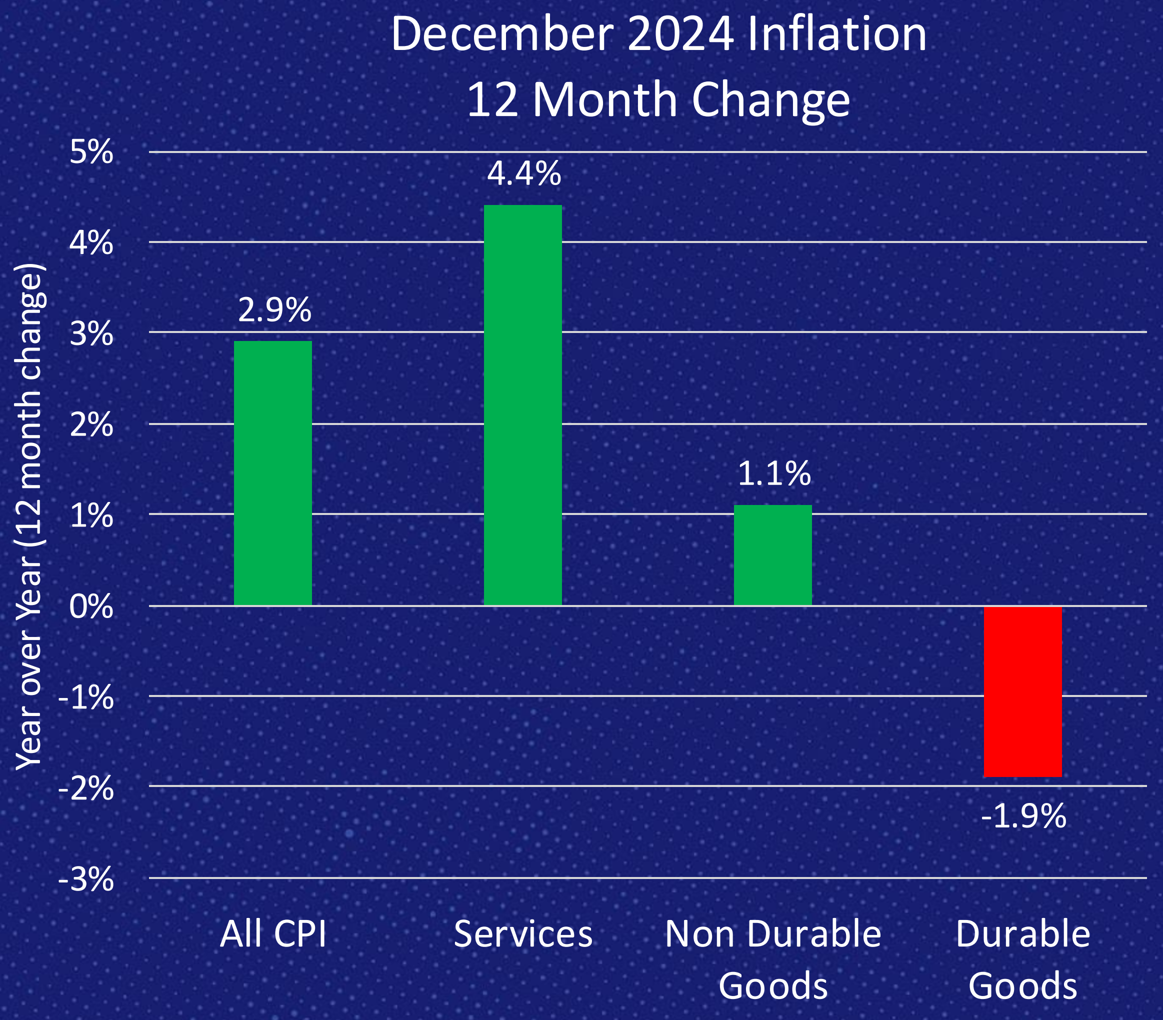
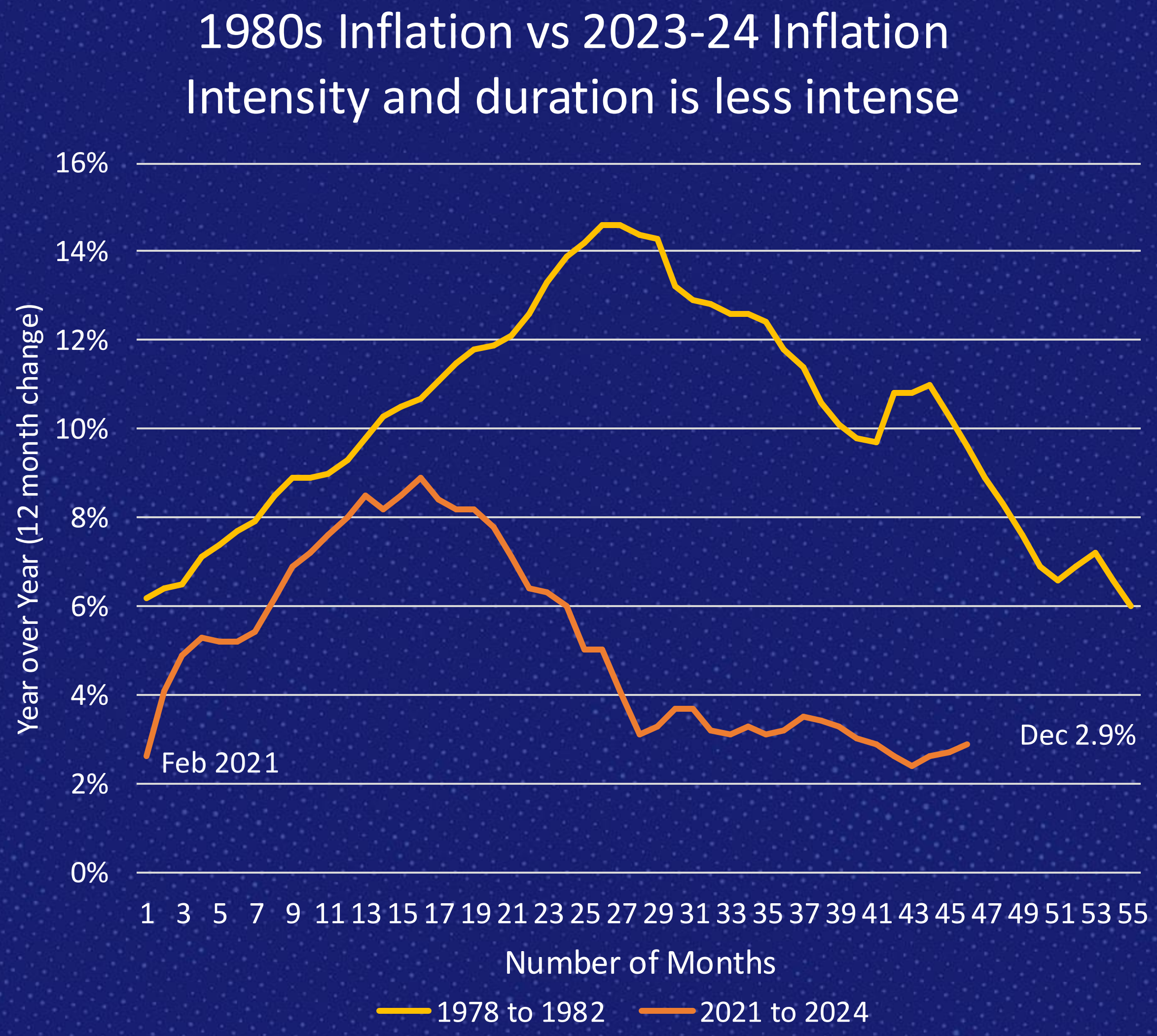
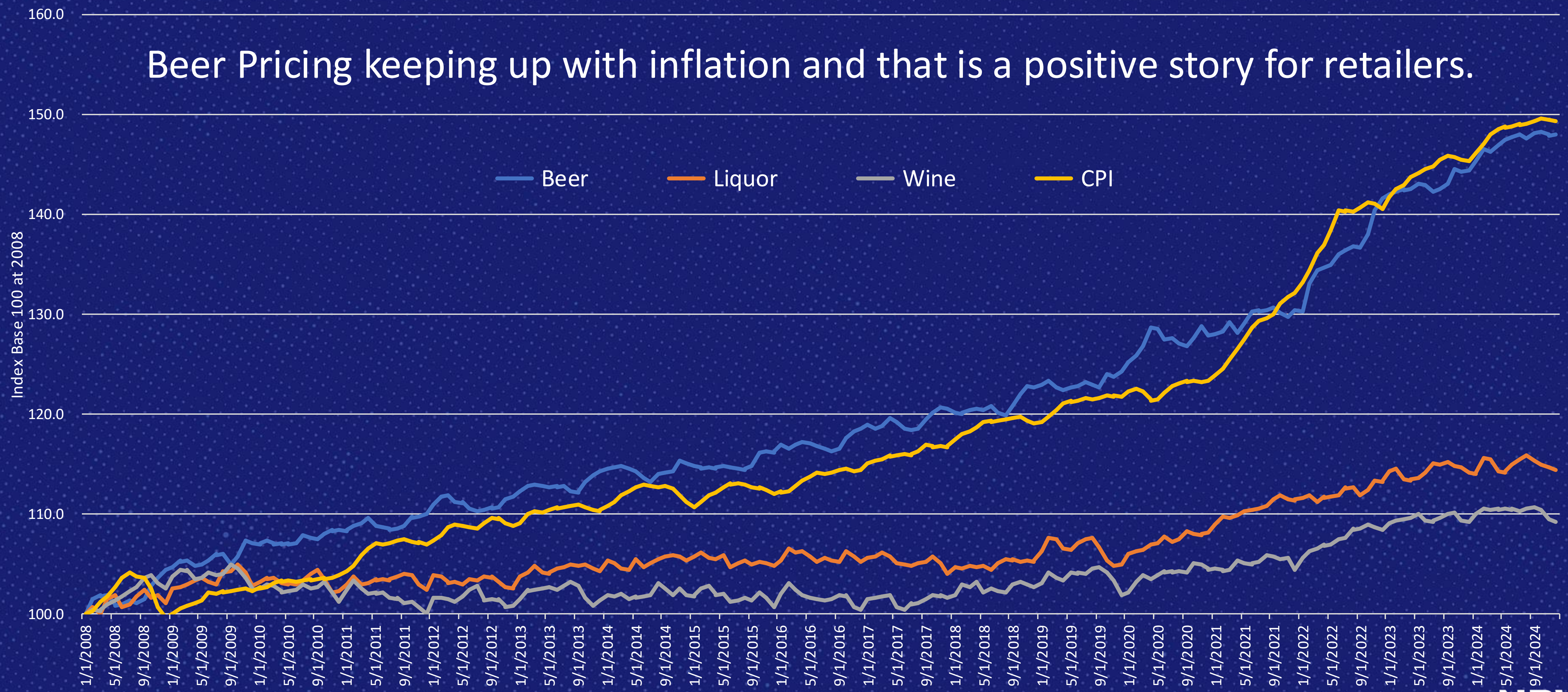
# The Economy's Struggle with Inflation Continues, With Some Deflation…




Source: https://www.bls.gov/cpi/data.htm

# Alcohol Beverage Inflation vs CPI Inflation
# At-Home (Off Premise) Consumer Price Index
# Jan 2008 to Dec 2024




Source: BLS-CPI and NBWA Industry Affairs, 2025

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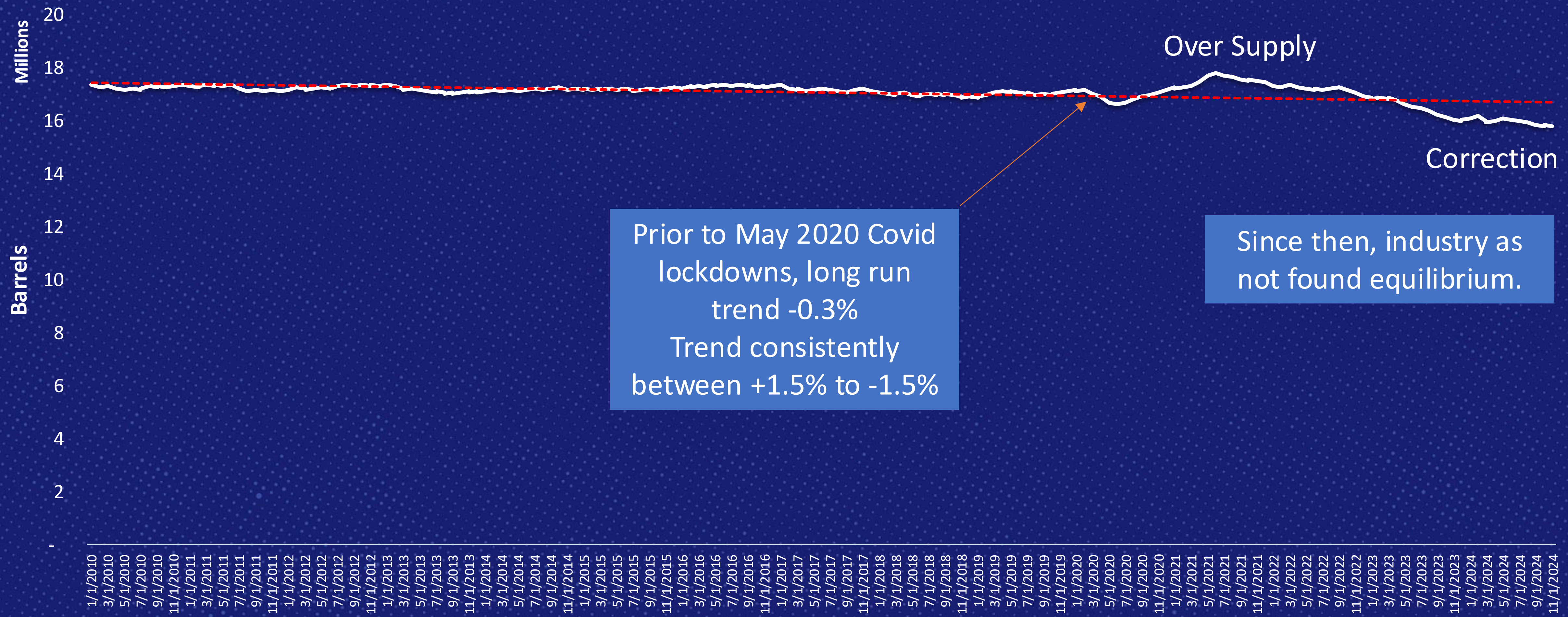
# Total Industry Supply of Beer Industry

## Four Years Later, Stability as Not Returned

### 12 Month Moving Average Volume - Monthly Jan 2010 to November 2024




Source: NBWA Industry Affairs, US Tax and Trade Bureau and US Dept of Commerce Imports

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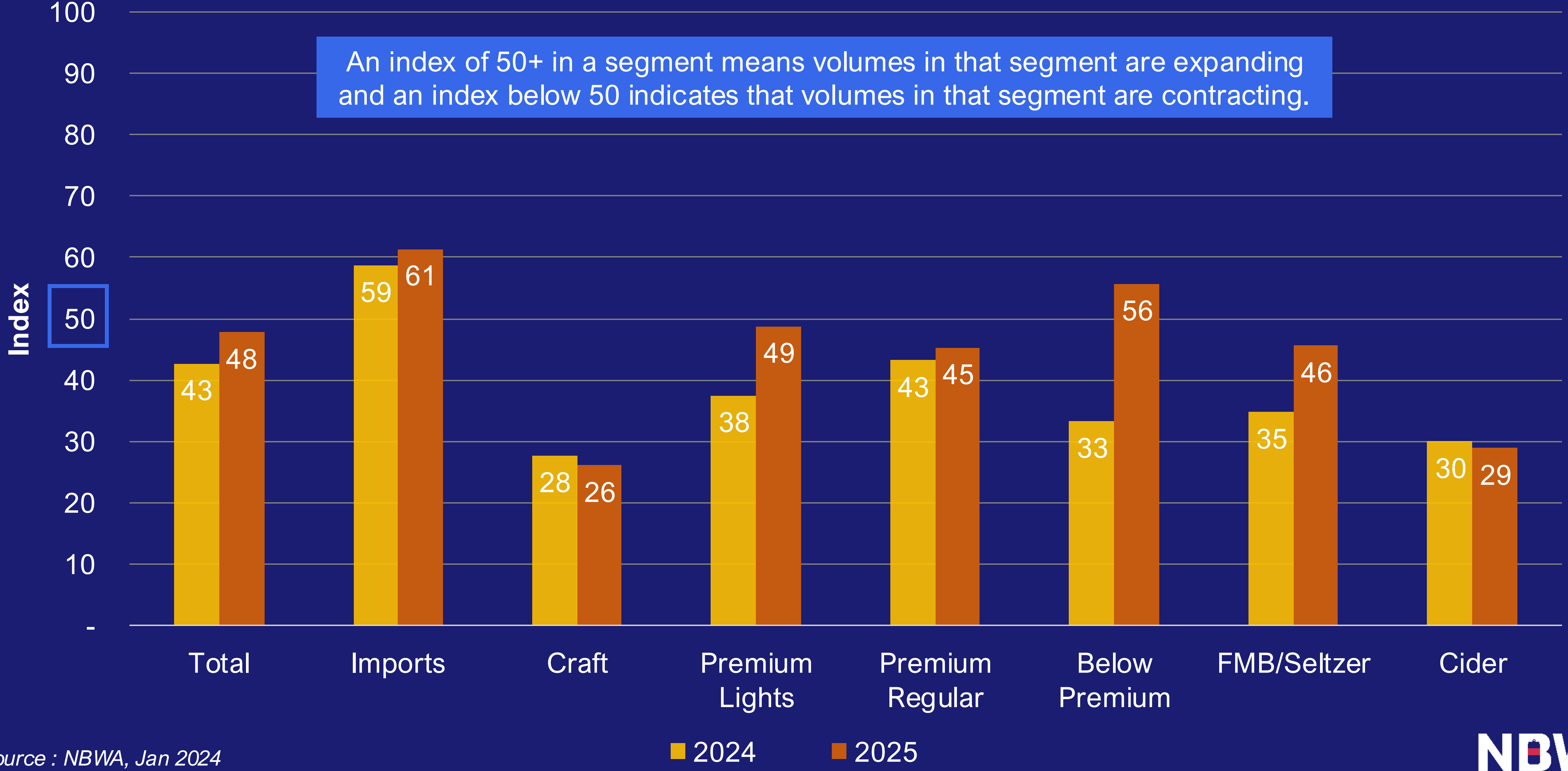
# NBWA Beer Purchasers' Index
## All Segments for Jan 2024 vs Jan 2025




*Source : NBWA, Jan 2024*

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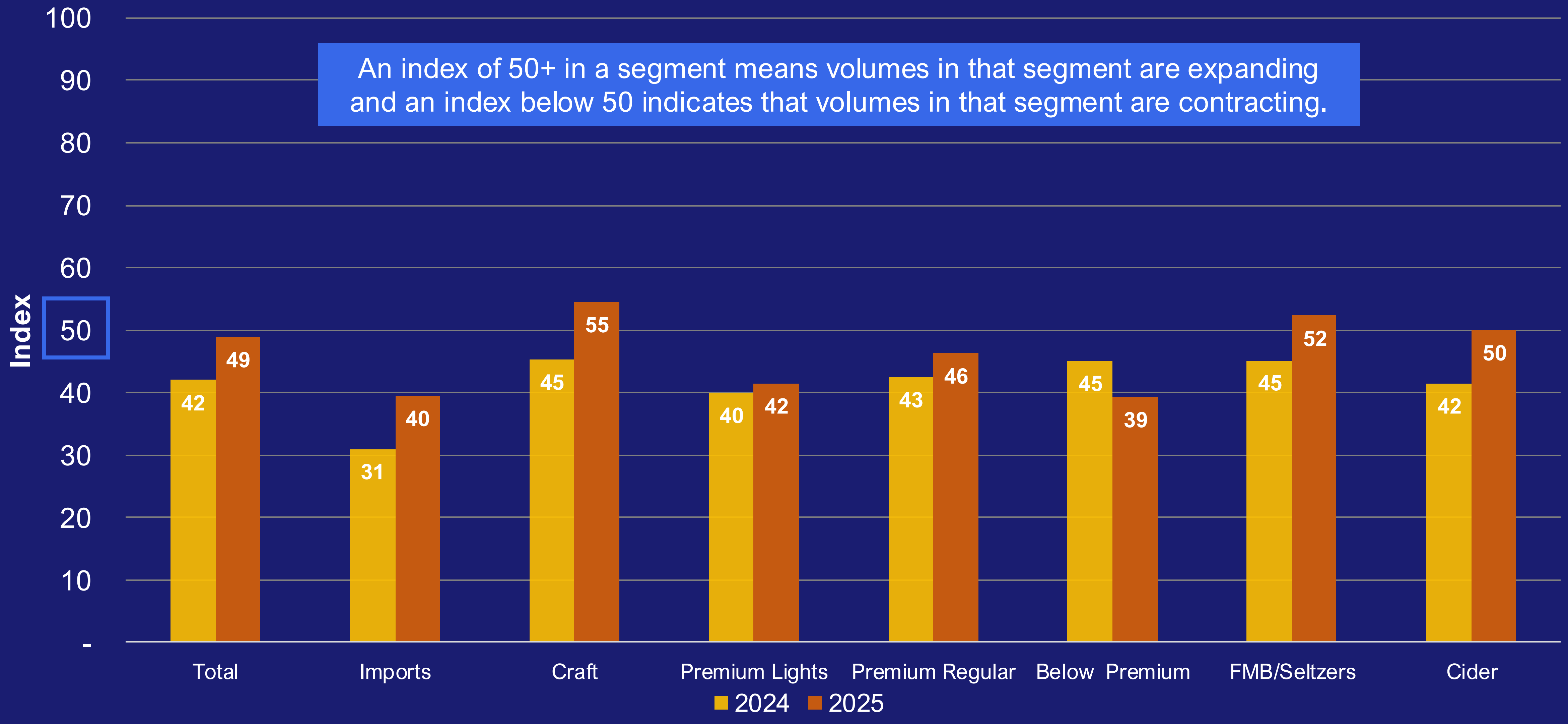
# “At-Risk” Inventory Index
## All Segments for Jan 2024 vs Jan 2025




*Source : NBWA, Jan 2025*

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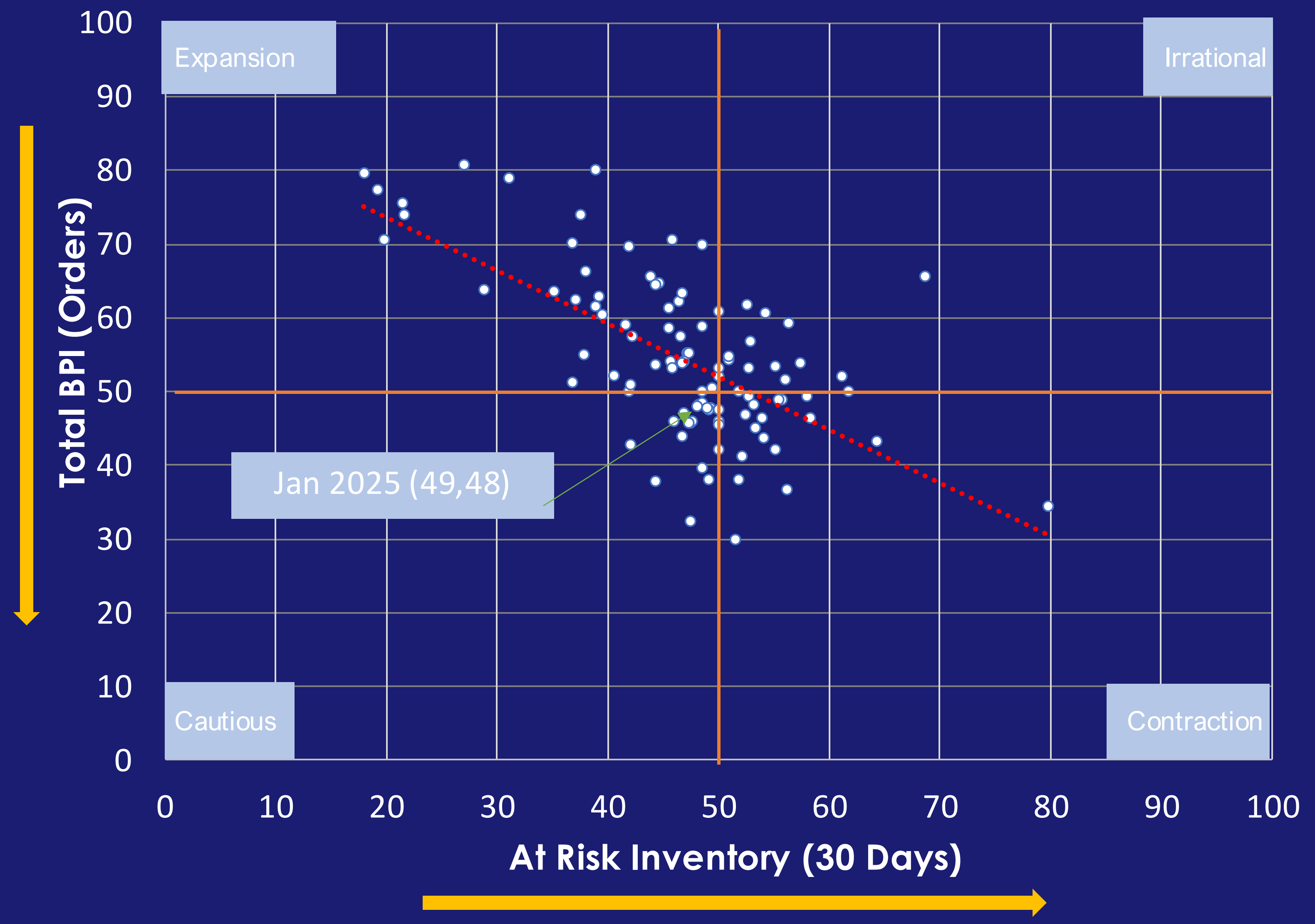
# Total At-Risk (ARI) vs Total Beer Purchasers (BPI)
## Distributor Sentiment Remains in Bullseye Territory 3 Month




- The BPI serves as a forward-looking measure of beer-retailer demand. The ARI serves as a measure of missed expectations of that beer demand.
- Plotted together, the industry exists in one of four “states”
  - Expansionary BPI>50, ARI<50
  - Contractionary BPI<50, ARI>50
  - Cautious BPI<50, ARI <50
  - Irrational BPI>50 and ARI >50
- The industry spends most of its time in the “expansionary” quadrant and focused around the 50/50 “bulls-eye.”

*Source : NBWA, Jan 2024*

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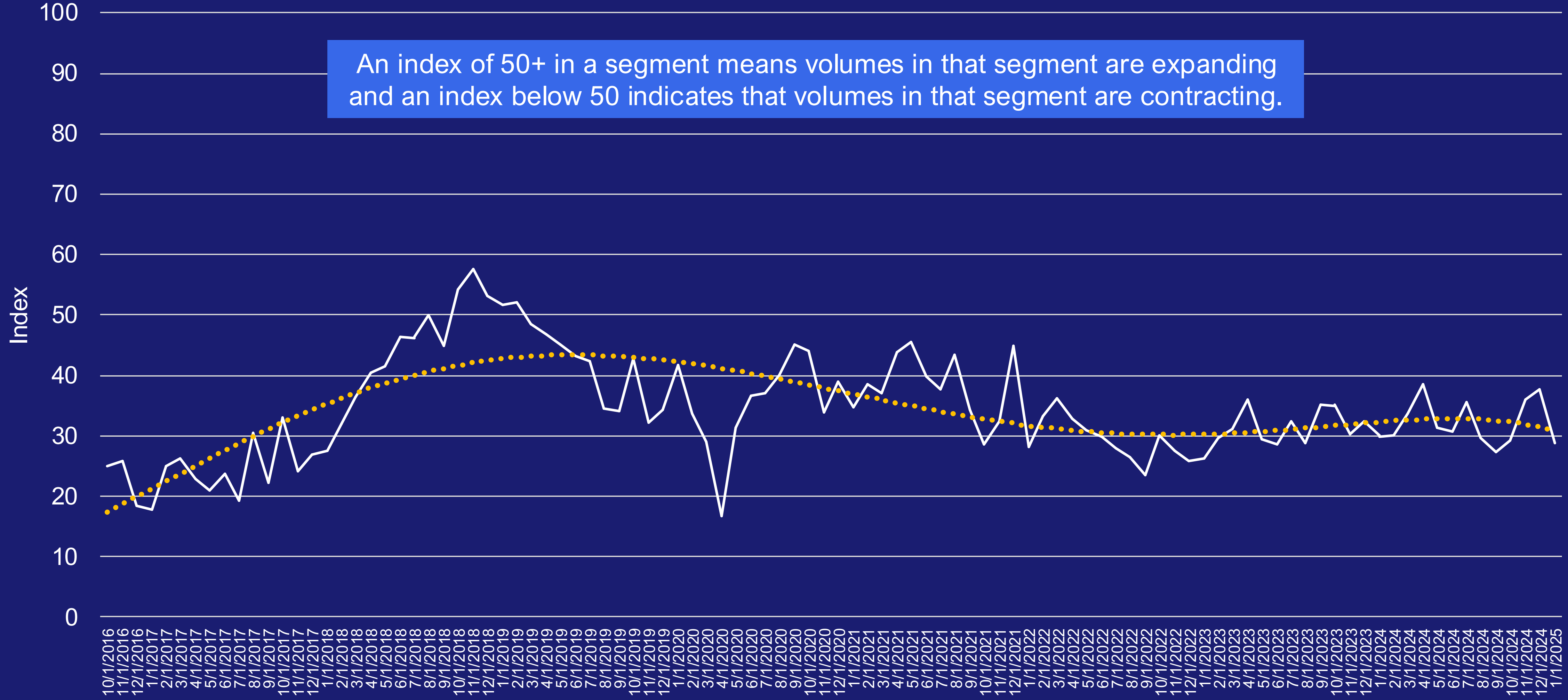
# NBWA Beer Purchasers' Index

## Cider Segment Oct 2016 to Jan 2025




*Source : NBWA, Jan 2025*

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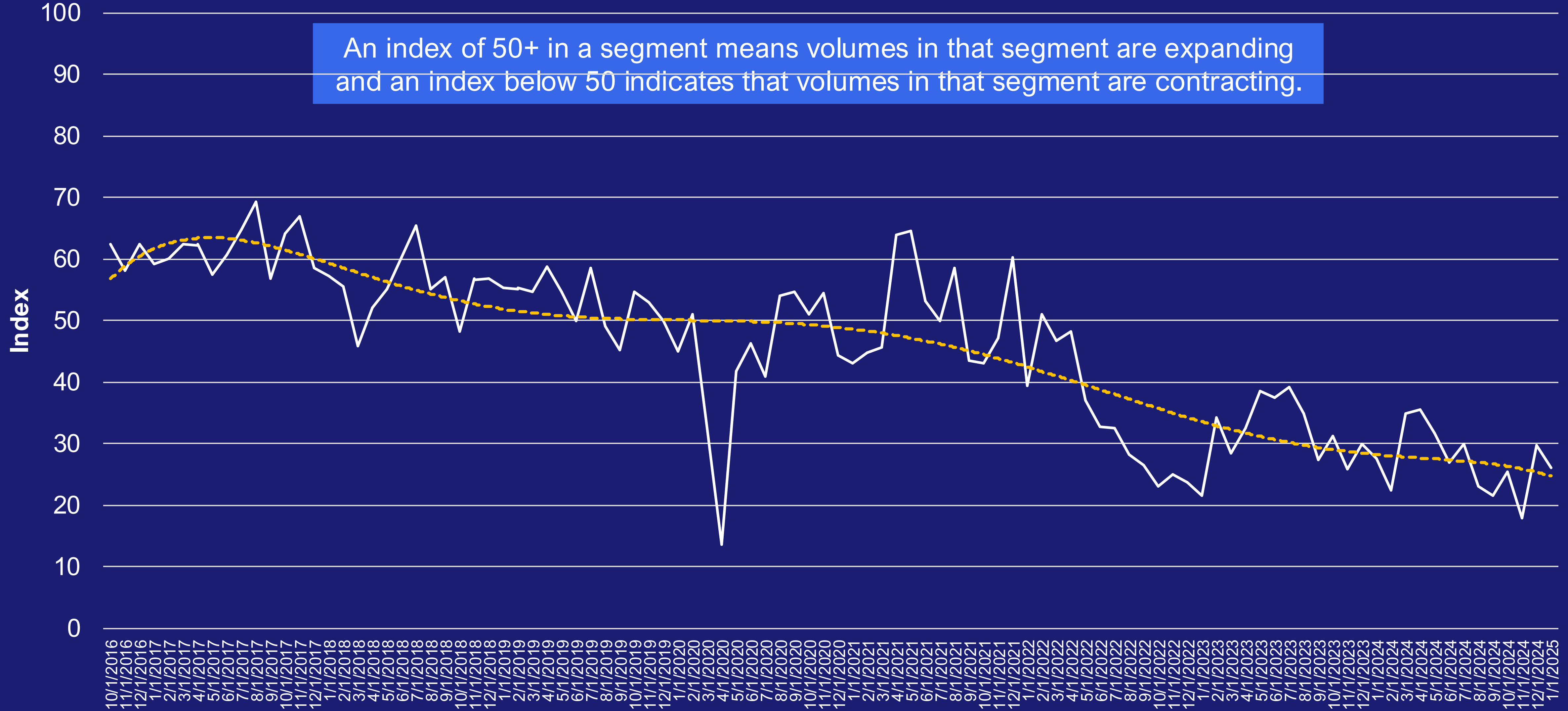
# NBWA Beer Purchasers' Index

## Craft Segment Oct 2016 to Jan 2025




*Source : NBWA, Jan 2025*

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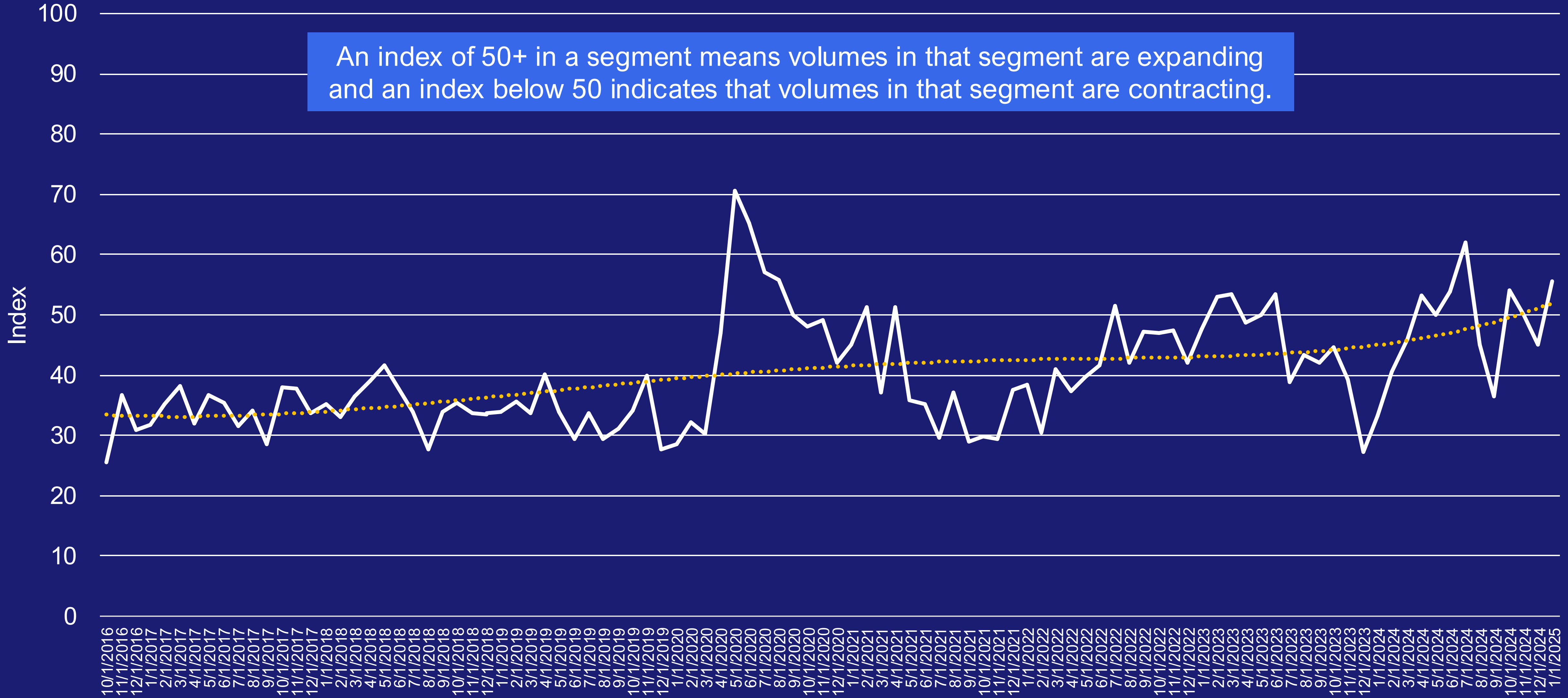
# NBWA Beer Purchasers' Index

## Below Premium Segment Oct 2016 to Jan 2025




*Source : NBWA, Jan 2025*

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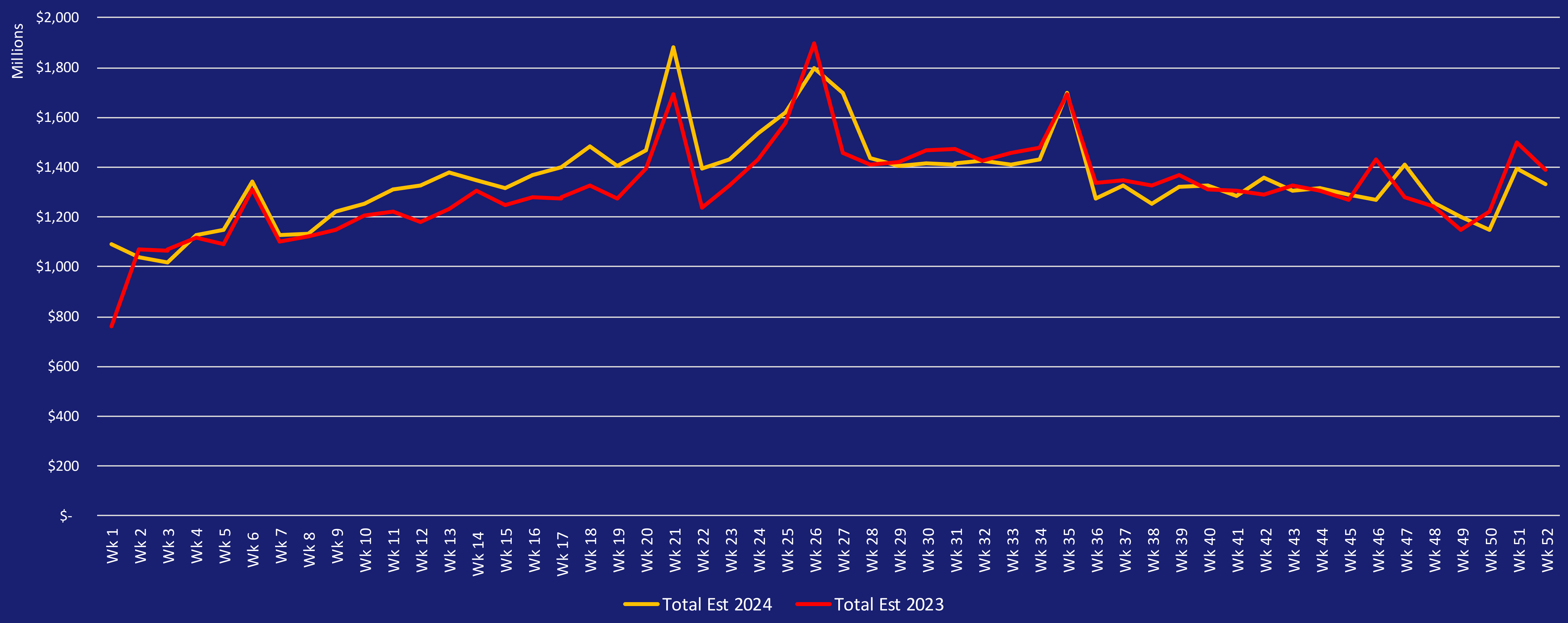
# 2023 and 2024 Retailer Beer Purchases $’s

## Retailers BUY Beer With Dollars

## $68. 6 Billion in CY 2023 and Estimated $70.7 Billion in CY 2024




*Total values estimated by NBWA, Industry Affairs using Fintech data and most recent total industry volumes available year-to-date.

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# NOAA: Climate at a Glance

Every state and region has a maximum temperature for beer consumption.

Knowing that maximum temperature needs to be part of your market assessments and planning.

Hint: Its Not Linear!

Parameter: Average Temperature

Year: 2024

Month: October

Update

*Please note,* **Palmer Drought Severity Index (PDSI), Palmer Hydrological Drought Index (PHDI),** *and* **Palmer Modified Drought Index (PMDI)** *are not offered for multiple-month time scales.*

## Contiguous U.S.

October 2024 Average Temperature Rankings

Download: CSV JSON XML

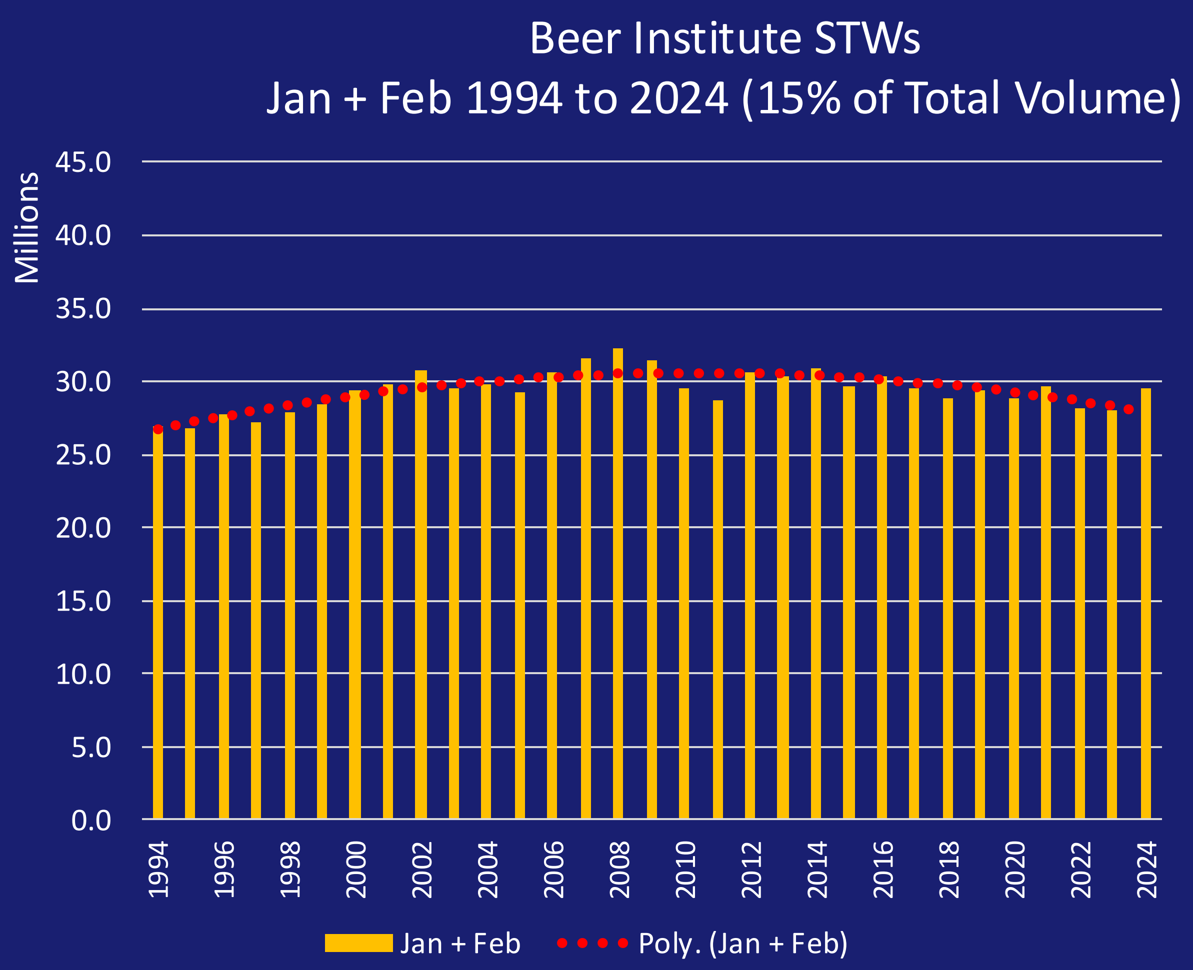
View Period (Months): All 1 2 3 4 5 6 7 8 9 10 11 12 18 24 36 48 60

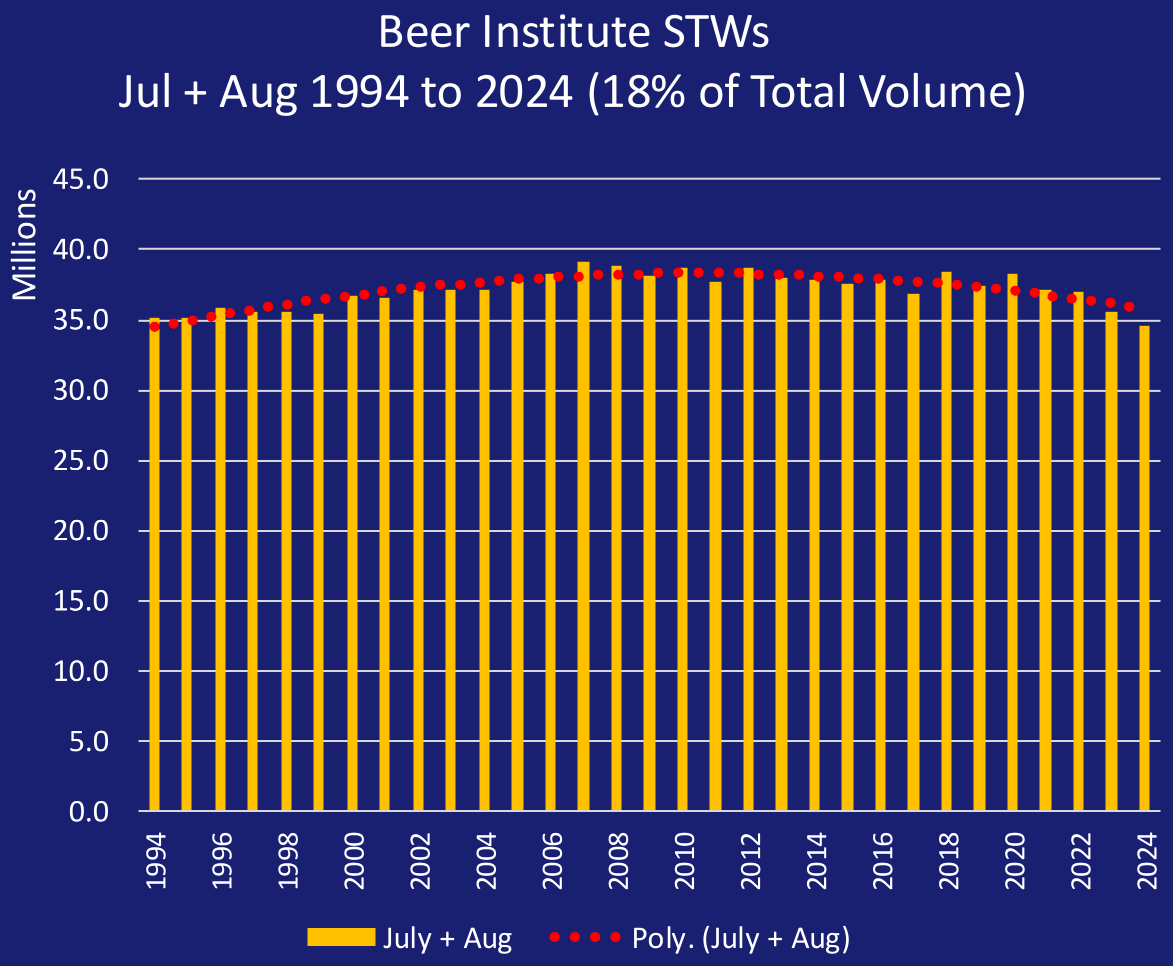
Record Coolest | Bottom ⅒ | Bottom ⅓ | Normal | Top ⅓ | Top ⅒ | Record Warmest

| Period | Value | 1901-2000 Mean | Anomaly | Rank (1895-2024) | Coolest/Warmest Since | | Record |
|---|---|---|---|---|---|---|---|
| October 2024 1-Month | 58.98°F (14.99°C) | 54.10°F (12.28°C) | 4.88°F | 129th Coolest | Coolest since: | 2023 | 1925 |
| | | | | 2nd Warmest | Warmest since: | 1963 | 1963 |
| Sep–Oct 2024 2-Month | 63.79°F (17.66°C) | 59.47°F (15.26°C) | 4.32°F | 130th Coolest | Coolest since: | 2023 | 1976 |
| | | | | 1st Warmest | Warmest to Date | | 2024 |
| Aug–Oct 2024 3-Month | 67.18°F (19.54°C) | 63.67°F (17.59°C) | 3.51°F | 130th Coolest | Coolest since: | 2023 | 1976 |
| | | | | 1st Warmest | Warmest to Date | | 2024 |
| Jul–Oct 2024 4-Month | 69.31°F (20.73°C) | 66.15°F (18.97°C) | 3.16°F | 130th Coolest | Coolest since: | 2023 | 1976 |
| | | | | 1st Warmest | Warmest to Date | | 2024 |
| Jun–Oct 2024 5-Month | 69.80°F (21.00°C) | 66.61°F (19.23°C) | 3.19°F | 130th Coolest | Coolest since: | 2023 | 1912 |
| | | | | 1st Warmest | Warmest to Date | | 2024 |
| May–Oct 2024 6-Month | 68.55°F (20.31°C) | 65.54°F (18.63°C) | 3.01°F | 130th Coolest | Coolest since: | 2023 | 1917 |
| | | | | 1st Warmest | Warmest to Date | | 2024 |

https://www.ncei.noaa.gov/access/monitoring/climate-at-a-glance/national/rankings

# A Hot & Dry Summer is Worse than Any Dry January
# US Shipments Winter vs Summer
# Beer Institute STWs 1994 to 2024

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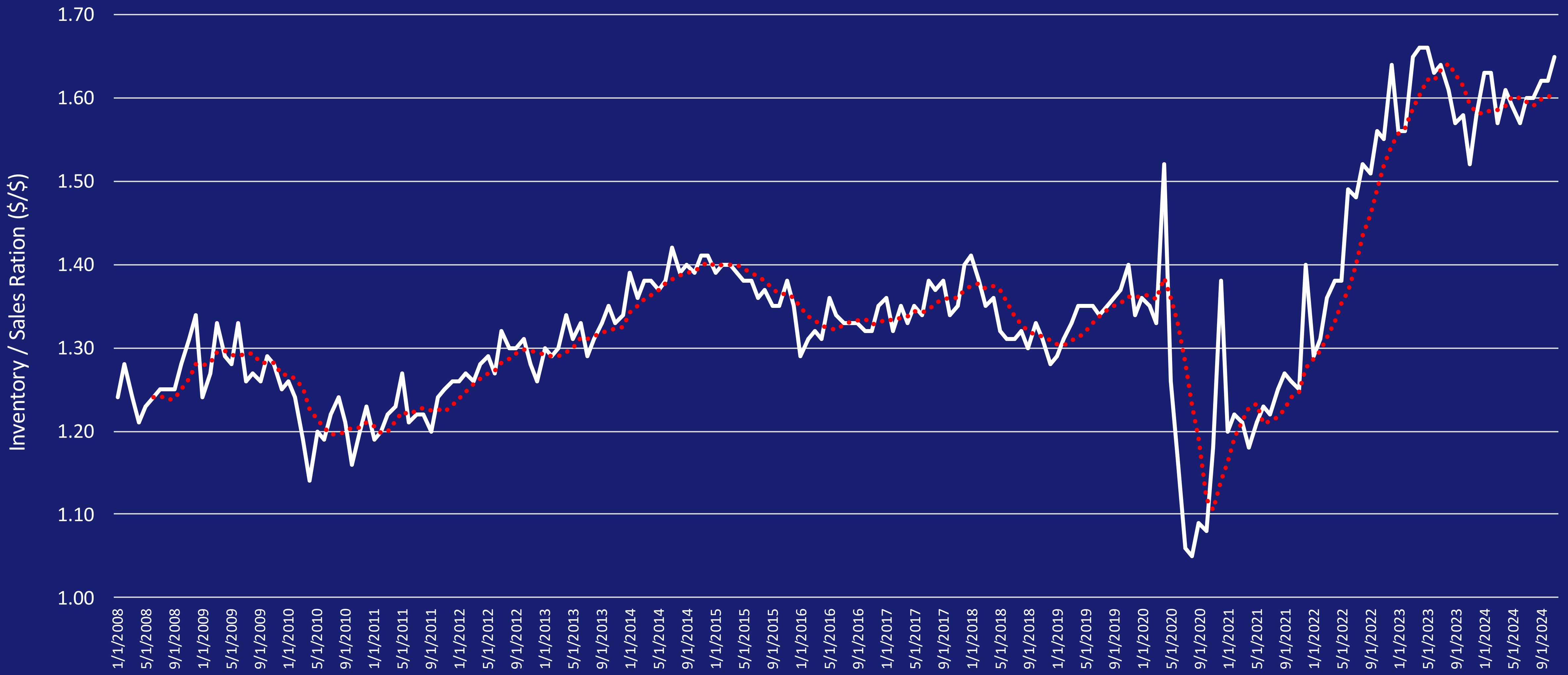
# U.S. Census of Wholesale Trade - Total Alcohol Beverage Distributors
# Alcohol Beverage Inventory/Sales Ratio
## January 2010 to November 2024 (red=12 month moving average)




Source: NBWA and US Census of Wholesale Trade. 2024

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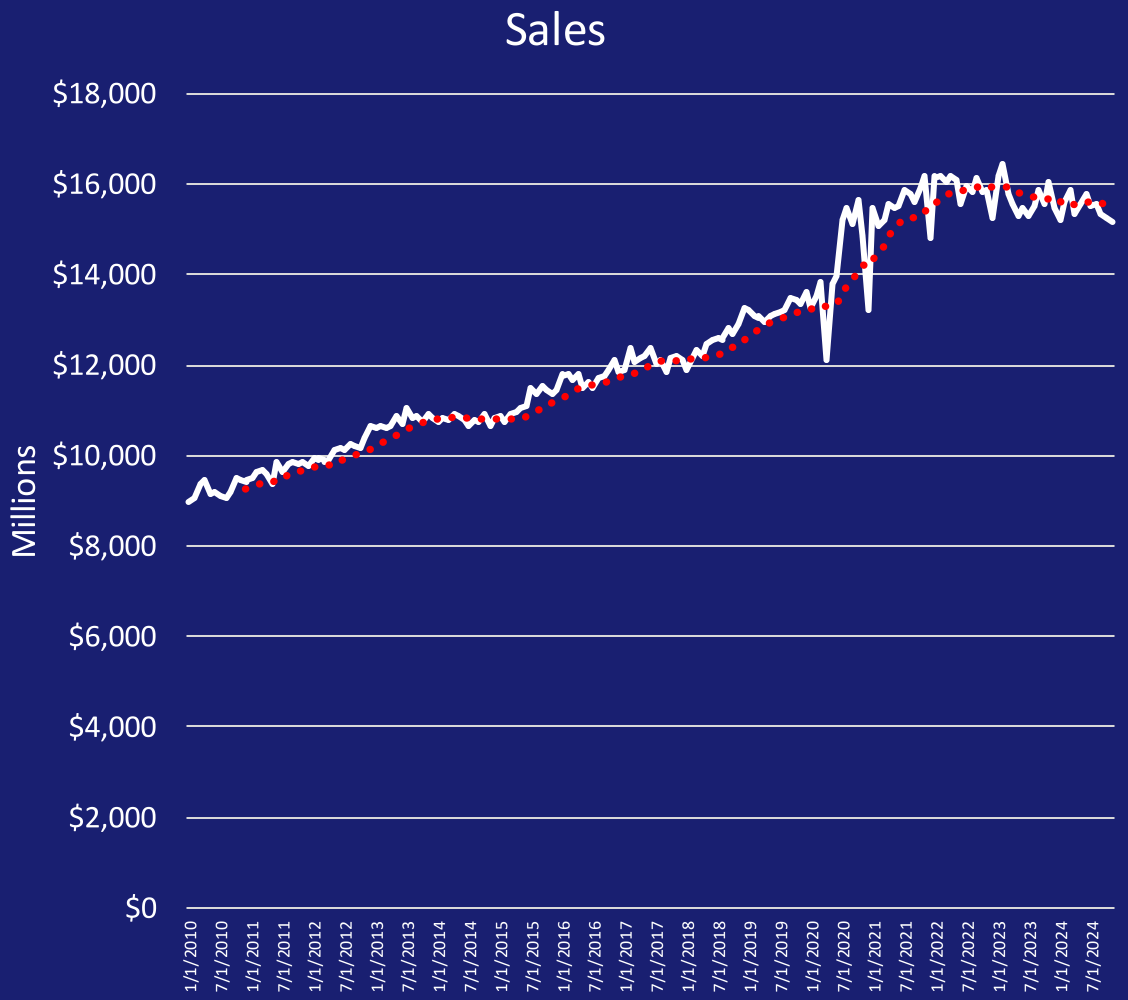
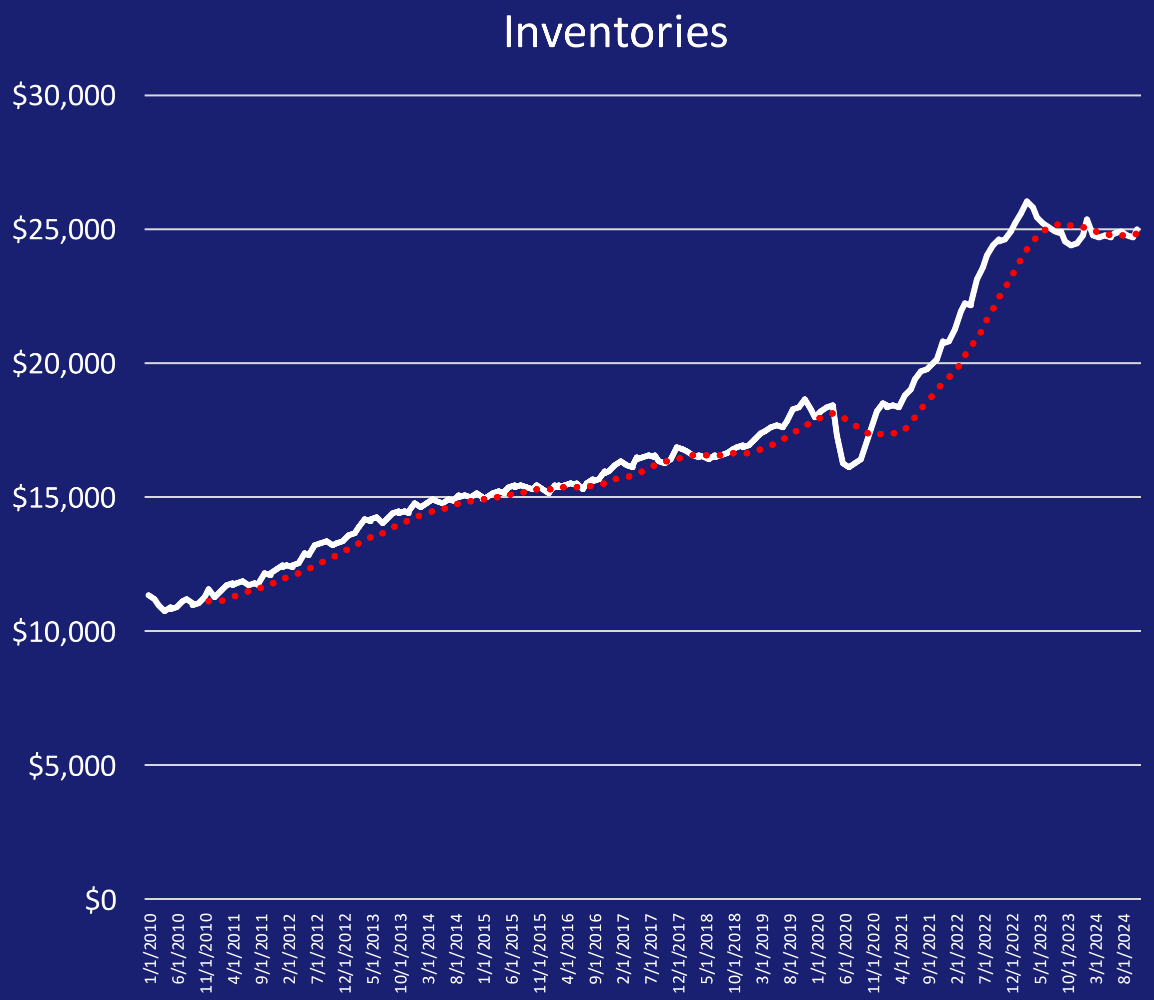
# Alcohol Beverages Sales vs Inventories 2010 to 2024 (November)




Source: NBWA and US Census of Wholesale Trade. 2024

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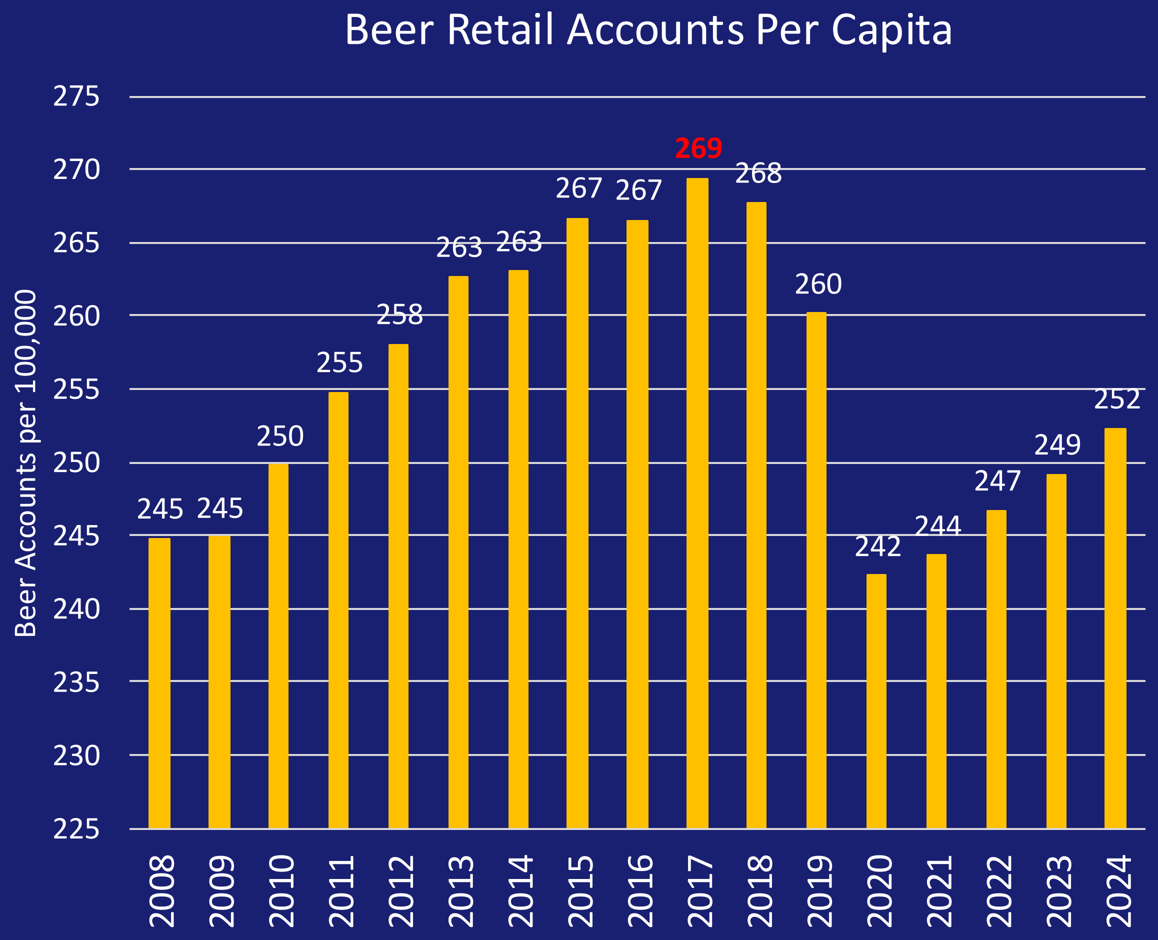
# Total U.S. Retail Establishments Selling Beer
# Yearly 2008 to November 2024


Source: TDLinx Account Tracker Report: Beer Selling Accounts, 2024.

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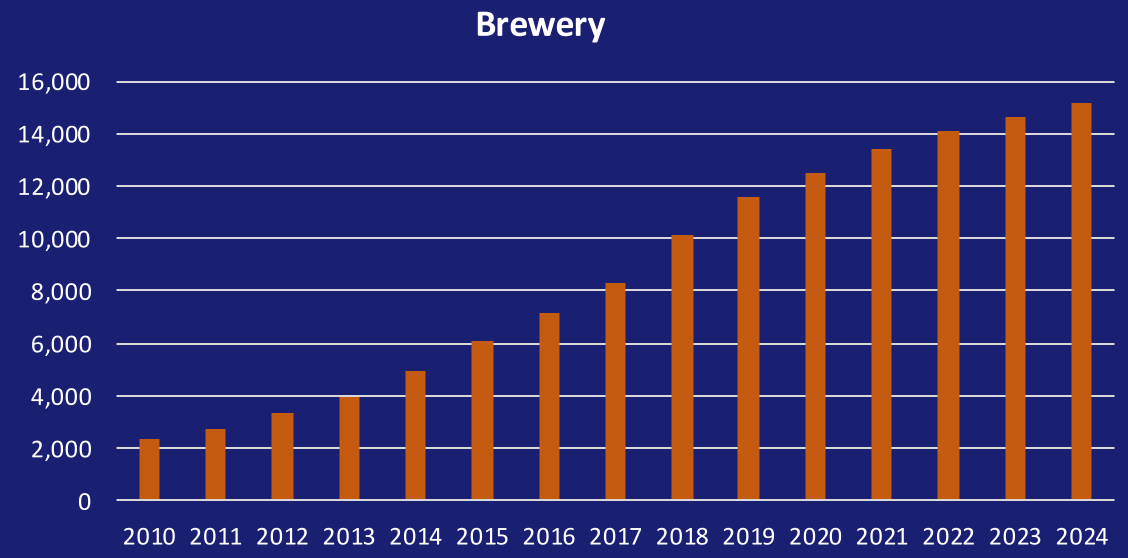
# Two Thirds of All New Beer Selling Establishments Are On-Premise in Both 2023 and 2024

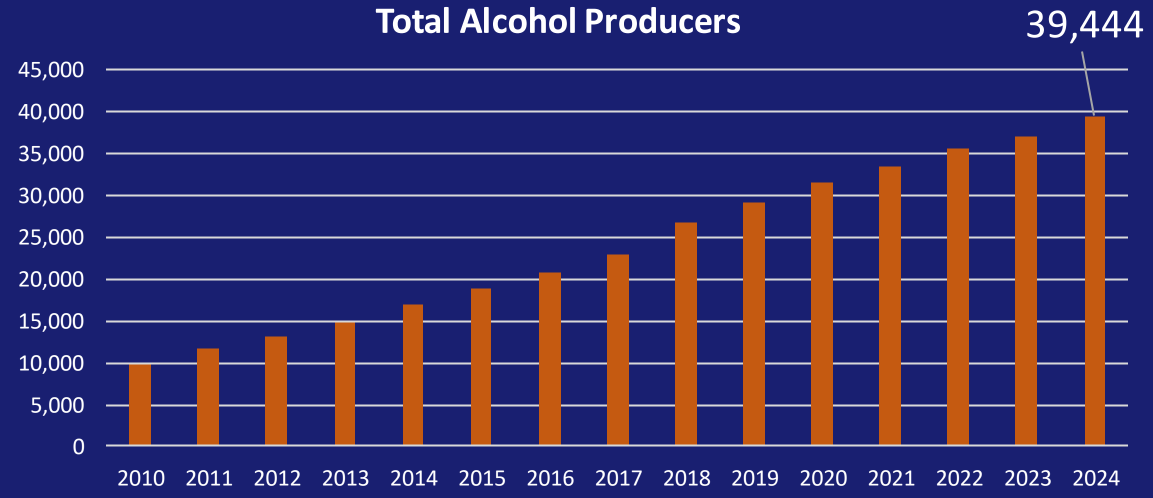
| CHANNEL- Establishments | Nov 2022 | Nov 2023 | Nov 2024 | Change 22-23 | Change 23-24 | Share of New Retail Accounts |
|---|---|---|---|---|---|---|
| Convenience Store | 122,755 | 124,833 | 125,836 | 2,078 | 1,003 | 10% |
| Liquor | 37,921 | 38,432 | 39,275 | 511 | 843 | 9% |
| Grocery | 36,405 | 36,423 | 36,485 | 18 | 62 | 1% |
| Mass Merchandiser | 16,471 | 17,361 | 18,370 | 890 | 1,009 | 10% |
| Drug | 14,166 | 13,622 | 12,720 | -544 | -902 | -9% |
| Cigarette Outlet | 2,340 | 2,509 | 2,758 | 169 | 249 | 3% |
| Wholesale Club | 1,192 | 1,209 | 1,243 | 17 | 34 | 0% |
| Category Killer | 383 | 417 | 429 | 34 | 12 | 0% |
| Off Premise Total | 231,633 | 234,806 | 237,116 | 3,173 | 2,310 | 24% |
| Restaurants | 213,187 | 218,084 | 221,838 | 4,897 | 3,754 | 38% |
| Bar/Nightclub | 80,184 | 82,417 | 83,076 | 2,233 | 659 | 7% |
| Recreation | 52,462 | 52,769 | 54,033 | 307 | 1,264 | 13% |
| Lodging | 21,748 | 22,090 | 23,178 | 342 | 1,088 | 11% |
| Caterer | 8,643 | 8,885 | 9,615 | 242 | 730 | 7% |
| Transportation | 650 | 668 | 682 | 18 | 14 | 0% |
| Military On-Premise | 622 | 602 | 578 | -20 | -24 | 0% |
| On Premise Total | 377,496 | 385,515 | 393,000 | 8,019 | 7,485 | 76% |
| Total Beer Selling Accounts | 609,129 | 620,321 | 630,116 | 11,192 | 9,795 | 100% |

Source: NBWA Industry Affairs and TDLinx, November 2024

# U.S. Tax and Trade Bureau Alcohol Permits/Approvals
# Total U.S. 2010 to 2024 (Sept) All Time High at 39,000+






Source: U.S. TTB, 2024

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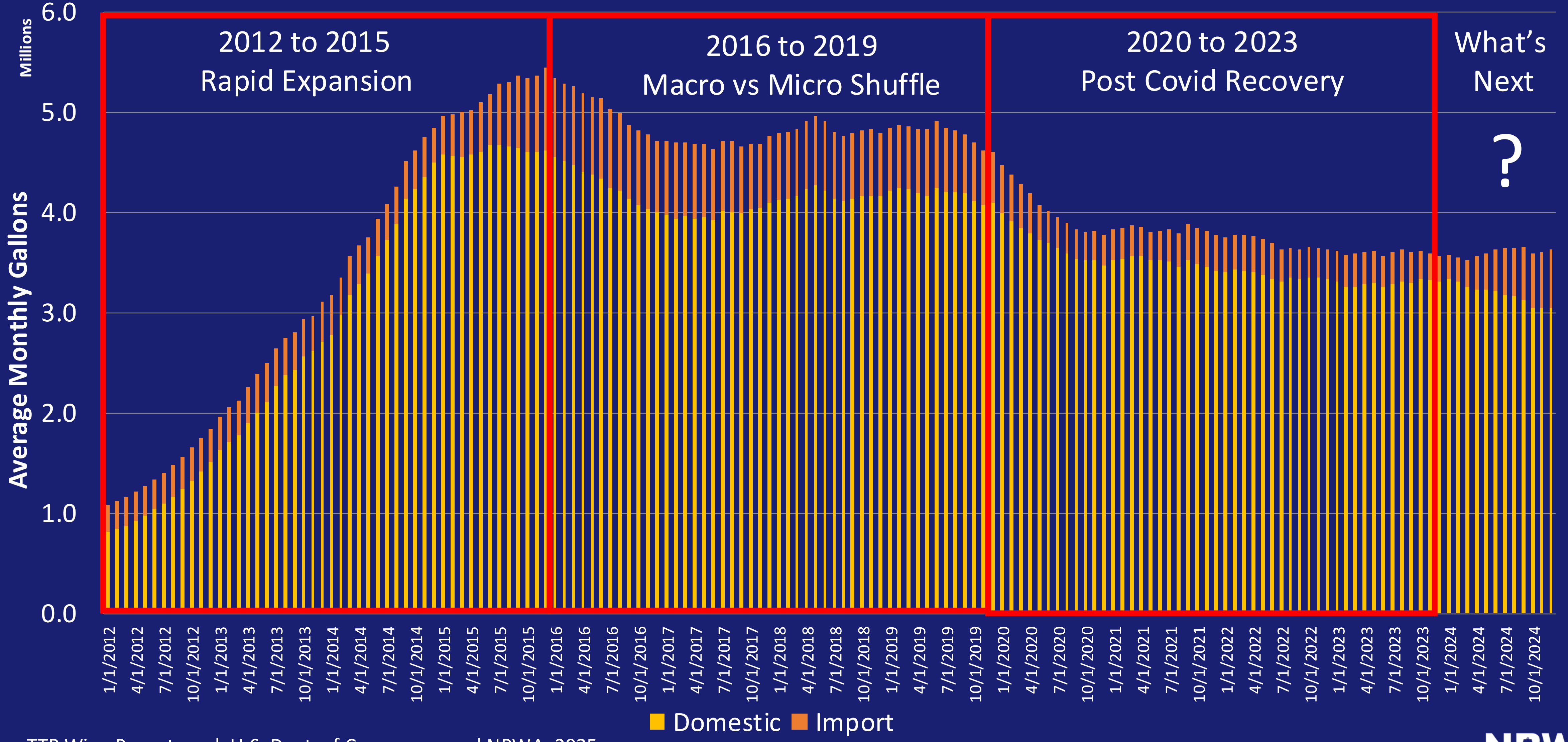
# Cider Volumes Gallons : TTB Domestic + Commerce Imports
# 12 Month Moving Average (stacked)




Source: TTB Wine Reports and, U.S. Dept. of Commerce, and NBWA, 2025.

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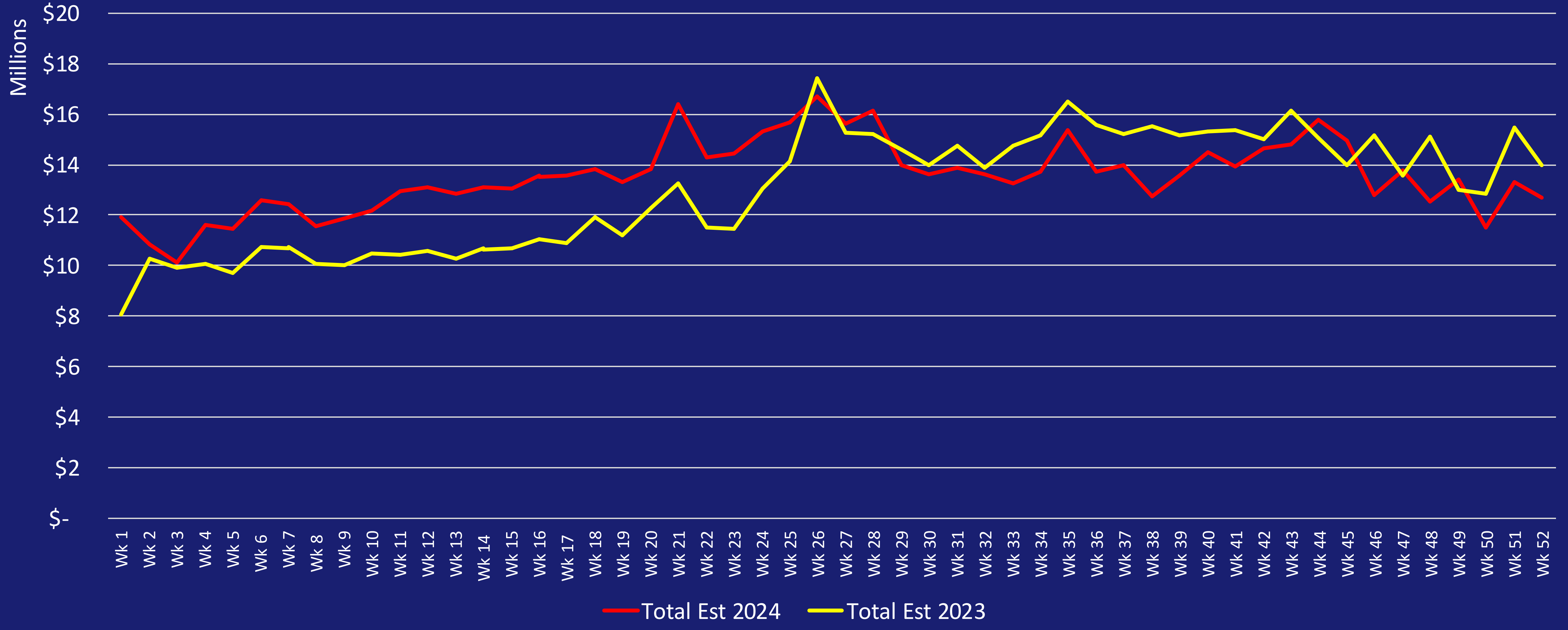
# Retailer $ Purchases of Cider

## $676million 2023 vs. $704 million 2024

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CY 2023 and CY 2024 based on 971K invoices per week from 253K retailers. About 1/3 of all licensed retailer (1/3 beer/cider sold)

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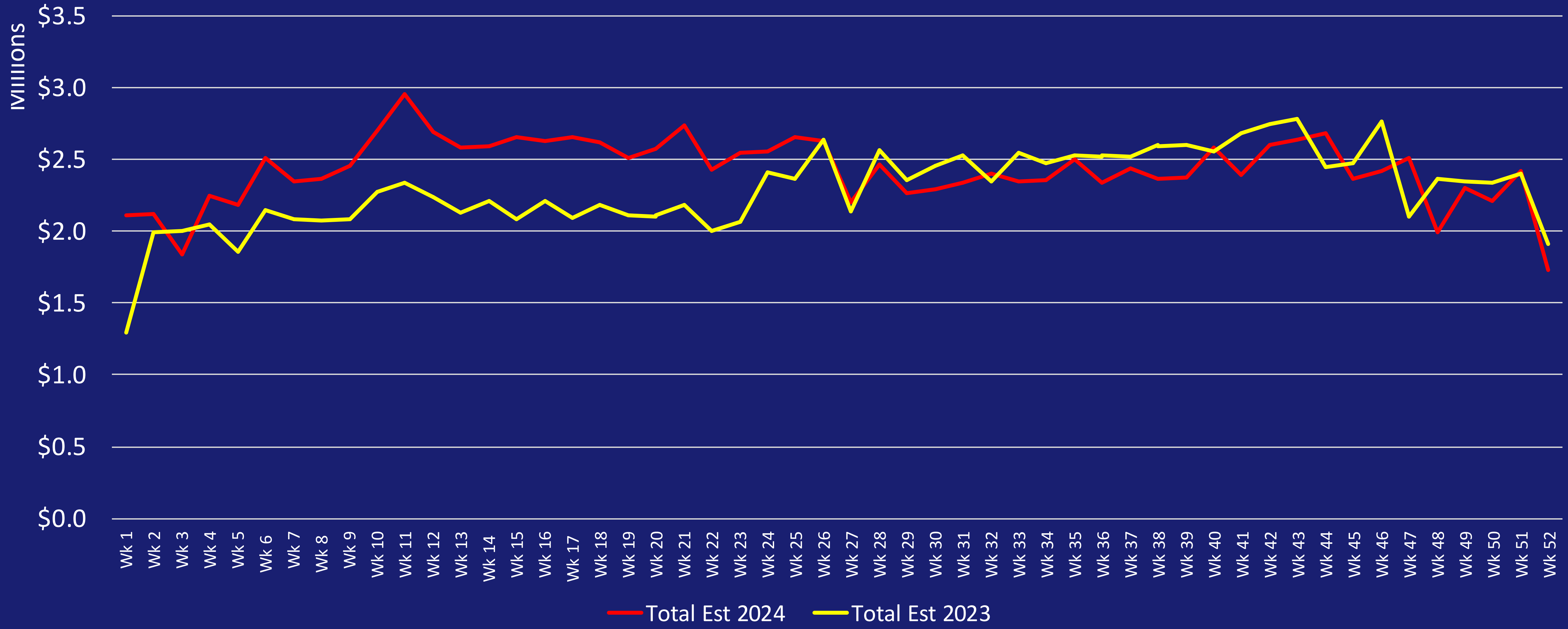
# On Premise Retailer Purchases of Cider

## $120 million in CY2023 vs. $127 million in CY2024




FINTECH

CY 2023 and CY 2024 based on 971K invoices per week from 253K retailers. About 1/3 of all licensed retailer (1/3 beer/cider sold)

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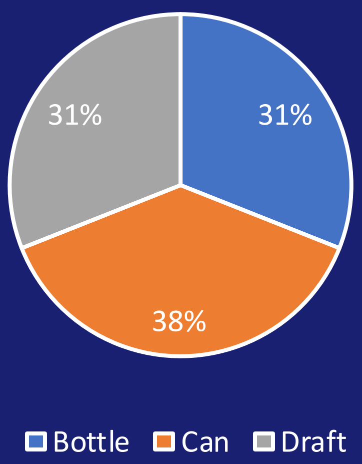
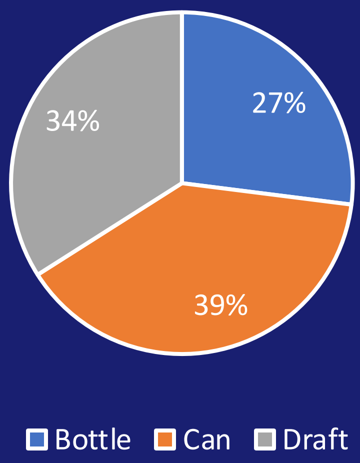
# Cider Package Mix On and Off Prem
# 2023 vs 2024

### 2023 On Prem

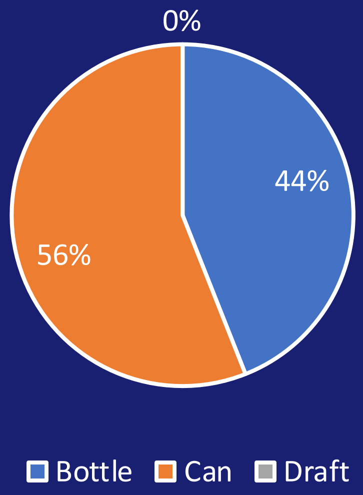



### 2024 On Prem

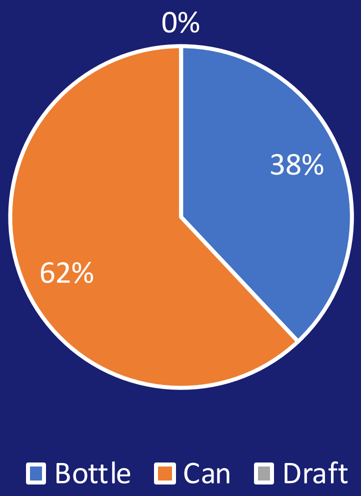



| Package | 2023 | 2024 | Change |
|---|---|---|---|
| Bottle | $ 37,029,620 | $ 34,164,728 | $ (2,864,892) |
| Can | $ 45,391,147 | $ 49,349,052 | $ 3,957,905 |
| Draft | $ 37,029,620 | $ 43,022,251 | $ 5,992,630 |
| Total | $ 119,450,388 | $ 126,536,031 | $ 7,085,644 |

### 2023 Off Prem




### 2024 Off Prem




| Package | 2023 | 2024 | Change |
|---|---|---|---|
| Bottle | $ 245,100,658 | $ 219,573,220 | $ (25,527,438) |
| Can | $ 311,946,293 | $ 358,251,043 | $ 46,304,751 |
| Draft | $ - | $ - | $ - |
| Total | $ 557,046,951 | $ 577,824,263 | $ 20,777,312 |

# TOP 20: Cider Brands Share of $ Sales On Premise vs Off Premise 2023 vs 2024

| | OFF PREMISE | | ON PREMISE | | SHARE CHANGE | |
|---|---|---|---|---|---|---|
| CIDER BRANDS | 2023 | 2024 | 2023 | 2024 | OFF PREMISE | ON PREMISE |
| ANGRY ORCHARD | 38.0% | 35.3% | 48.8% | 47.0% | (2.7) | (1.8) |
| BOLD ROCK | 9.3% | 10.1% | 6.7% | 7.4% | 0.8 | 0.7 |
| 2 TOWNS | 7.5% | 6.8% | 1.9% | 2.3% | (0.7) | 0.4 |
| SCHILLING CIDER | 5.9% | 6.2% | 1.4% | 1.3% | 0.3 | (0.1) |
| BLAKE'S HARD CIDER | 3.9% | 5.0% | 1.9% | 2.2% | 1.2 | 0.3 |
| AUSTIN EASTCIDERS | 2.4% | 2.0% | 6.4% | 5.9% | (0.4) | (0.5) |
| INCLINE CIDER | 3.0% | 3.4% | 0.3% | 0.3% | 0.4 | 0.0 |
| DOWNEAST CIDER HOUSE | 2.6% | 3.0% | 2.0% | 2.2% | 0.4 | 0.2 |
| CIDERBOYS | 3.1% | 2.8% | 1.4% | 1.3% | (0.3) | (0.1) |
| ACE CIDER | 2.8% | 1.7% | 4.0% | 3.9% | (1.0) | (0.1) |
| GOLDEN STATE CIDER | 1.3% | 1.5% | 1.5% | 1.1% | 0.2 | (0.4) |
| STRONGBOW CIDER | 1.2% | 1.0% | 1.3% | 1.8% | (0.2) | 0.5 |
| WOODCHUCK | 1.0% | 1.1% | 1.5% | 1.8% | 0.0 | 0.3 |
| SEATTLE CIDER | 0.9% | 1.3% | 0.9% | 1.0% | 0.3 | 0.1 |
| STELLA ARTOIS CIDRE | 1.2% | 1.0% | 0.9% | 0.7% | (0.2) | (0.2) |
| WOLFFER | 0.5% | 1.3% | 0.5% | 0.9% | 0.8 | 0.4 |
| CITIZEN CIDER | 1.1% | 0.6% | 1.0% | 0.3% | (0.5) | (0.7) |
| TIETON CIDER | 0.8% | 1.0% | 0.4% | 0.5% | 0.2 | 0.1 |
| ONE TREE HARD CIDER | 0.9% | 0.9% | 0.2% | 0.2% | (0.1) | 0.1 |
| PORTLAND CIDER | 0.7% | 1.0% | 0.3% | 0.4% | 0.3 | 0.1 |
| ALL OTHERS | 11.9% | 13.2% | 16.7% | 17.5% | 1.2 | 0.8 |
| TOTAL | 100.0% | 100.0% | 100.0% | 100.0% | - | - |

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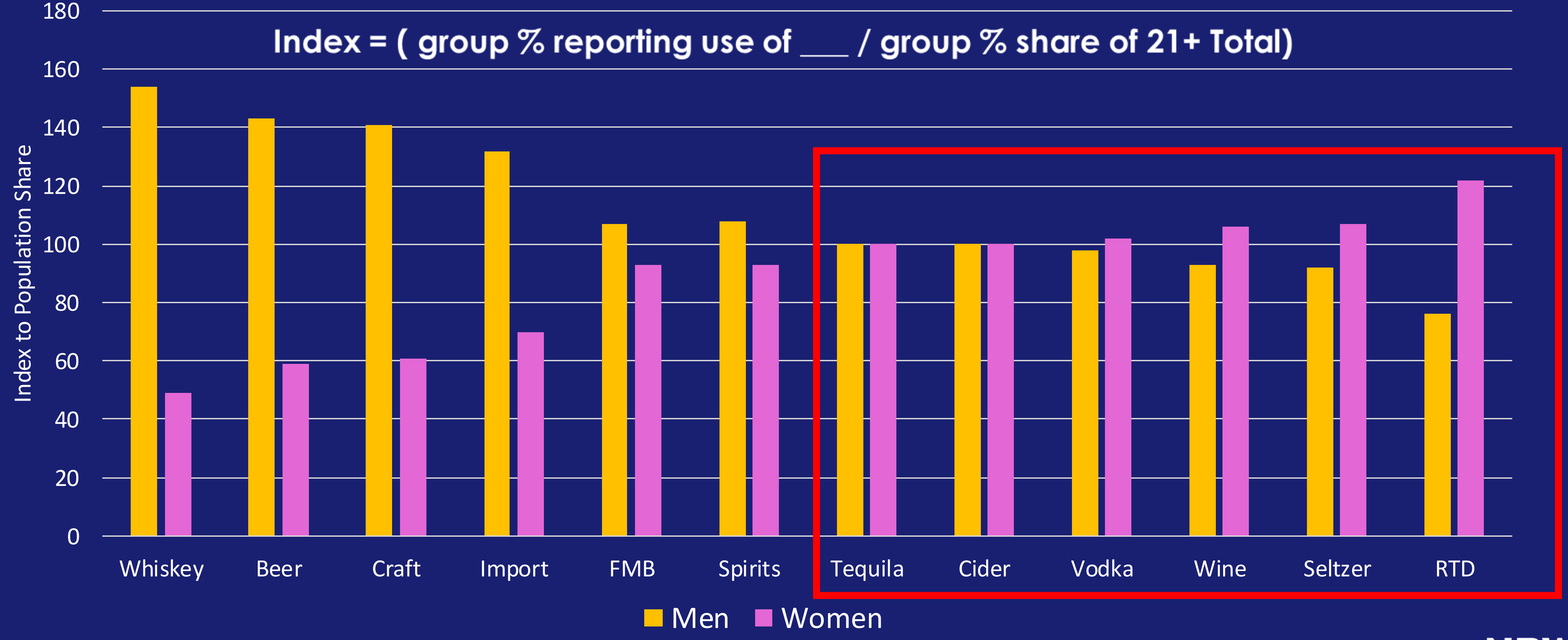
# Who Buys What with the Money the Earn?

## Gender differences across alcohol beverages segments




Market/Release: Scarborough USA+ 2023 Release 2 Total (Jun 2022 - Oct 2023)
Base: Projected: 261,511,943 Respondents: 199,993

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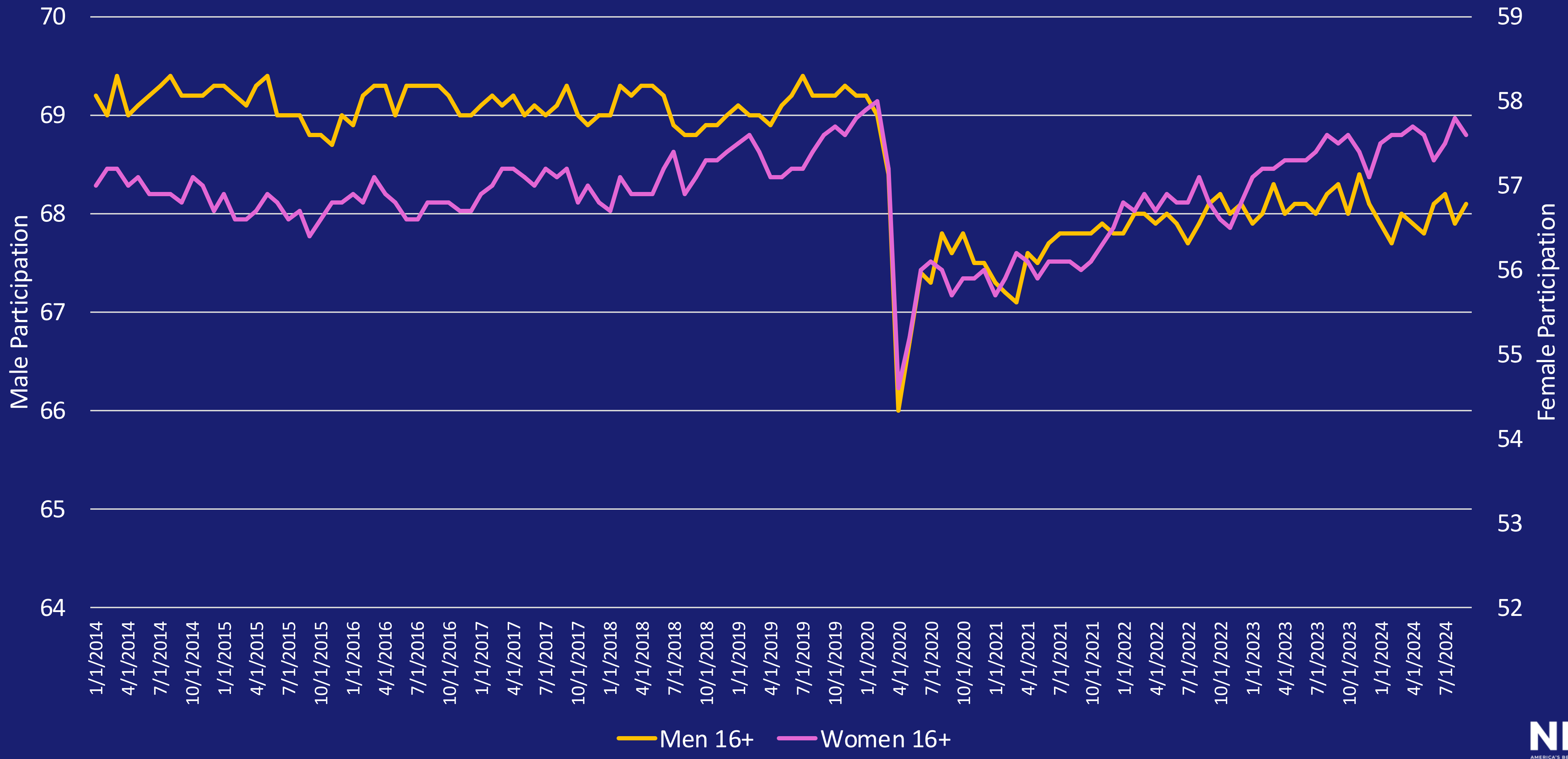
# Labor Force Participation

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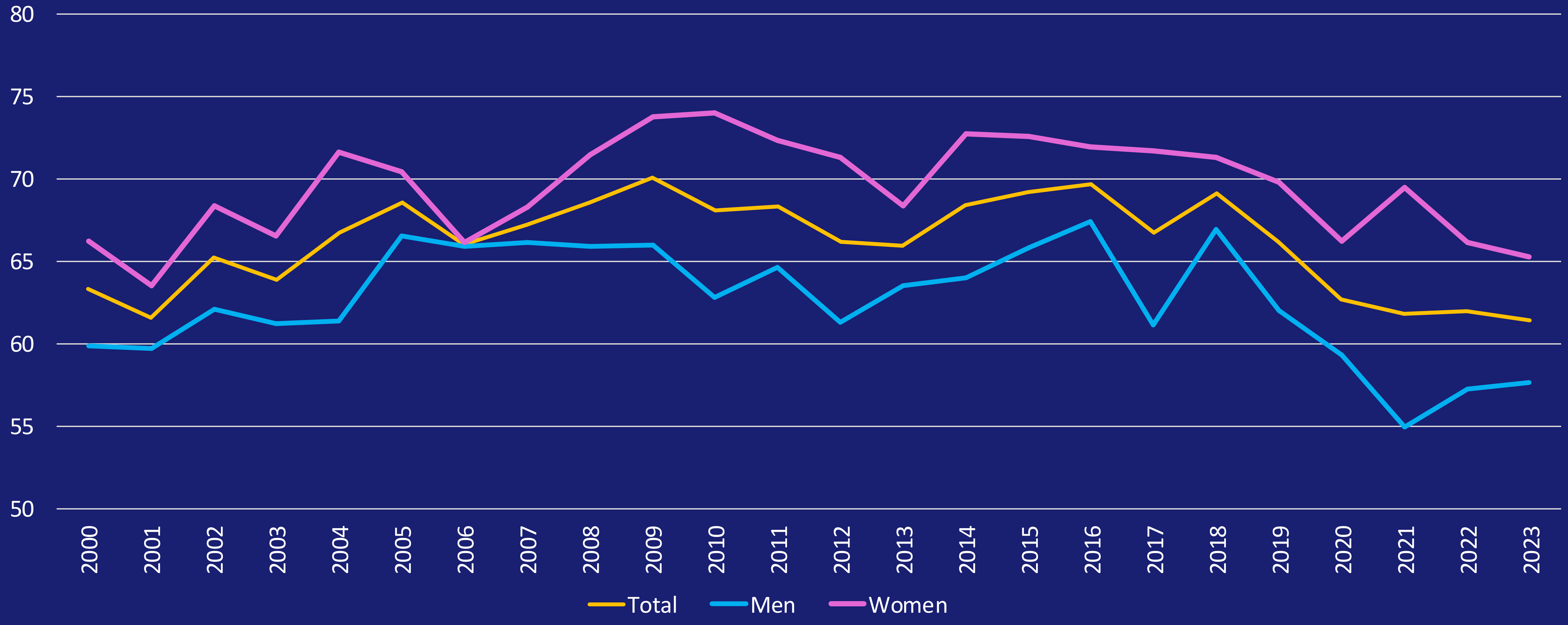
# College Enrollment Rates
## Share of 16 to 24 years old By Gender 2000 to 2023




BLS: College enrollment rates of recent high school graduates 16 to 24 years old by sex, race, and Hispanic or Latino ethnicity, 1993–2023

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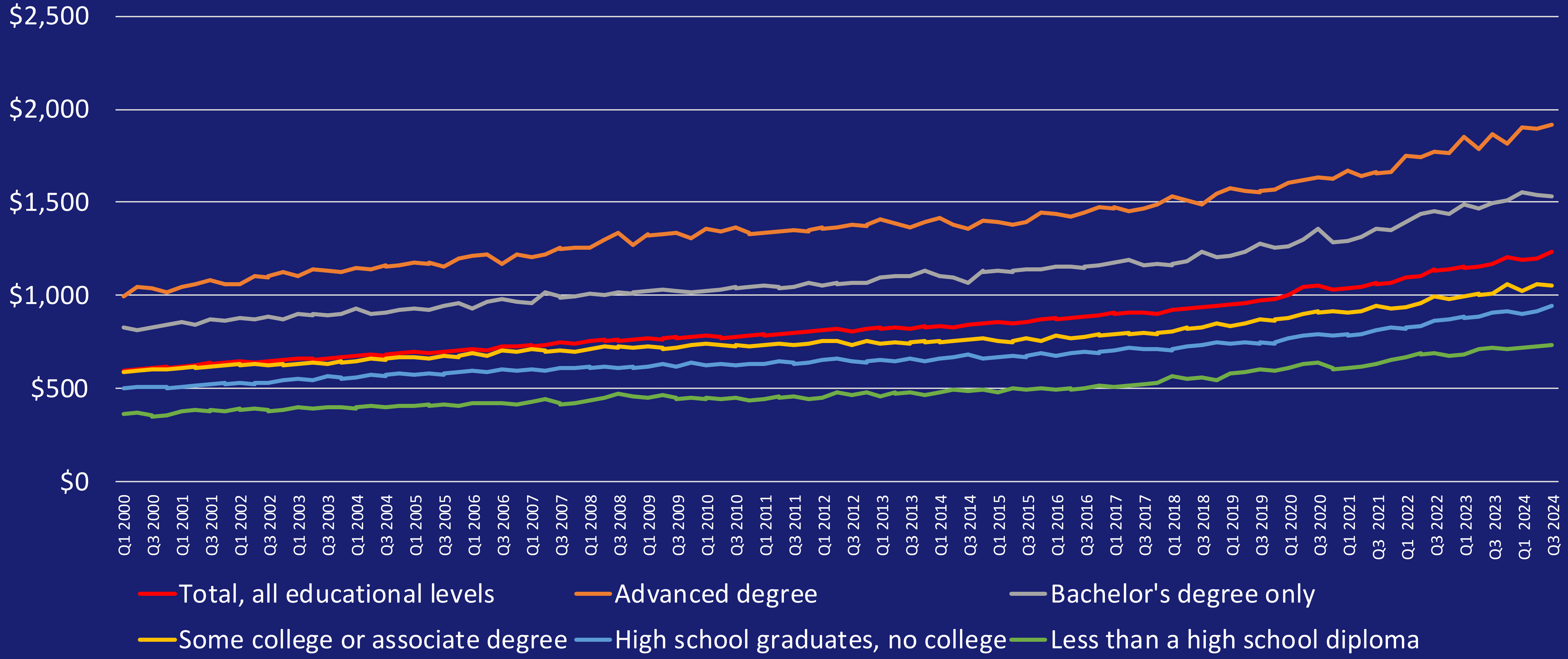
# Median weekly earnings $946 for workers with high school diploma, $1,533 for bachelor's degree

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# What’s in Your Wallet?

BANK OF AMERICA
INSTITUTE

BANK OF AMERICA

Consumer Morsel

## What’s the power of a woman’s wallet?

21 January 2025

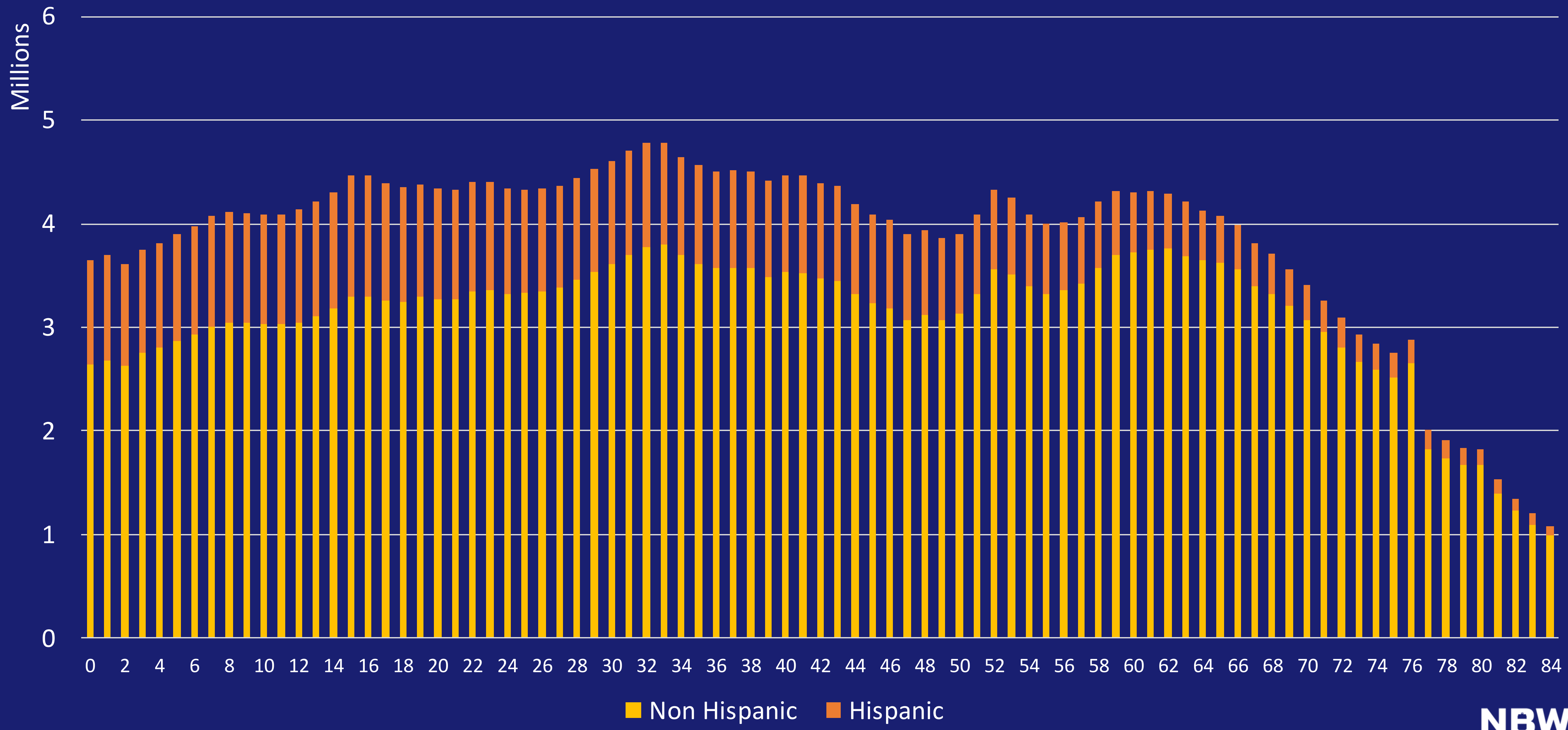
### Key takeaways

- Consumer spending remained resilient throughout 2024, and women played a key role. Their median discretionary spending was up 0.9% year-over-year in November, and has been growing faster than men's for the past two years, per Bank of America internal data.
- According to Bank of America small business account data, this partly reflects above-average payroll growth in women-intensive service sectors for the past two years. Plus, increased labor force participation rates among women - supported by higher numbers of graduates - suggest relative strength in 2025.
- Moreover, women's median annual income growth continues to outpace men's, helped by greater pay increases when changing jobs - a difference that increased to the highest level in over three years at the end of 2024.

https://institute.bankofamerica.com/content/dam/economic-insights/womens-financial-position.pdf

# U.S. Population 2023 By Single Age

## More Change is Ahead as Millennials and Boomers Age
## Race and Origin Dynamic Impacts as Well

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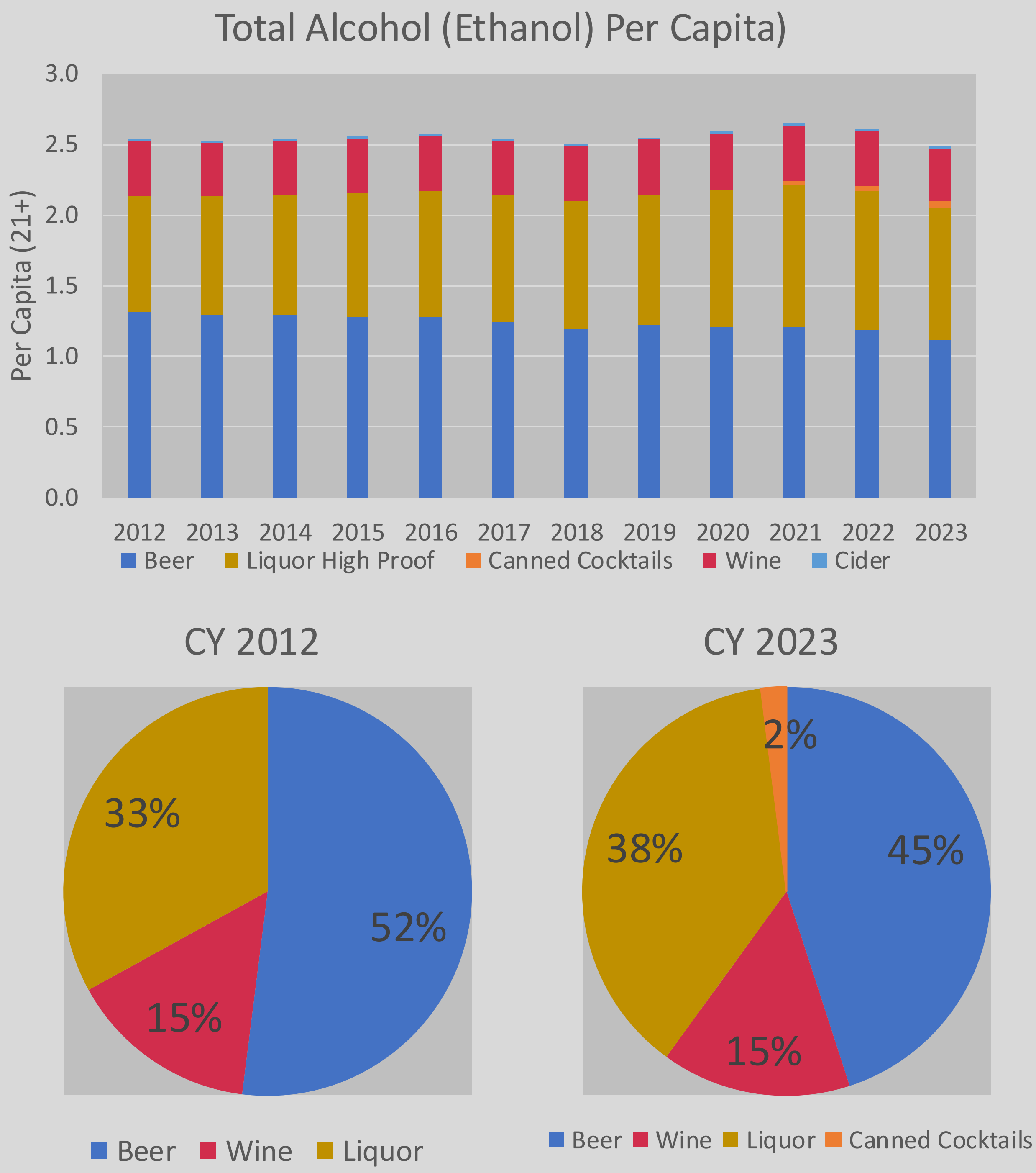
# Alcohol and Beer

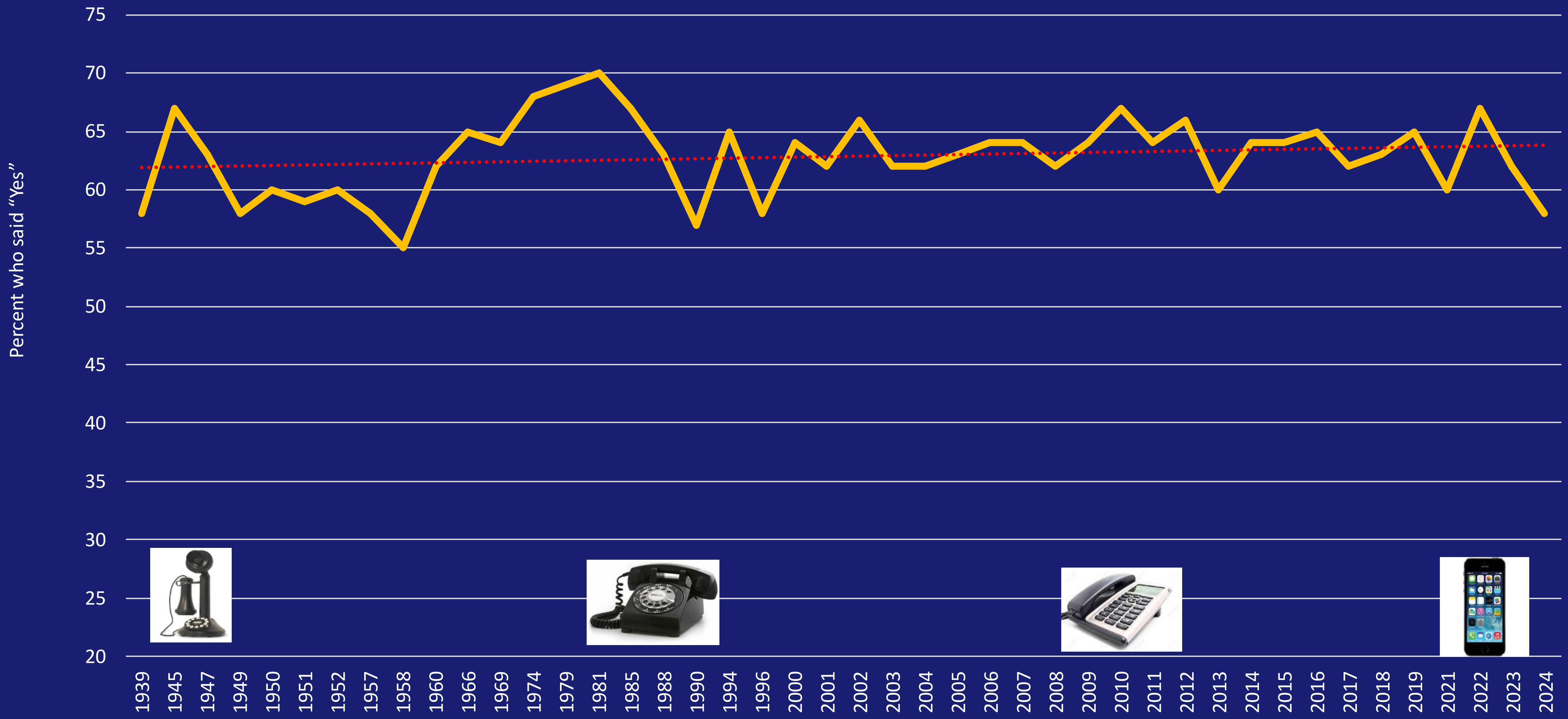
***Predictable Consumption***

***Dynamic Beverages***

***Beer Share Loss***



# Alcohol Is Consumption Is Consistent Over Time
# “Do You Have Occasion to Drink Alcohol?”




Source: Gallup Poll, July 2024.

**Results are based on telephone interviews conducted July 3-27, 2023, with a random sample of –1,015—adults, ages 18+, living in all 50 U.S. states and the District of Columbia. For results based on this sample of national adults, the margin of sampling error is ±4 percentage points at the 95% confidence level.**

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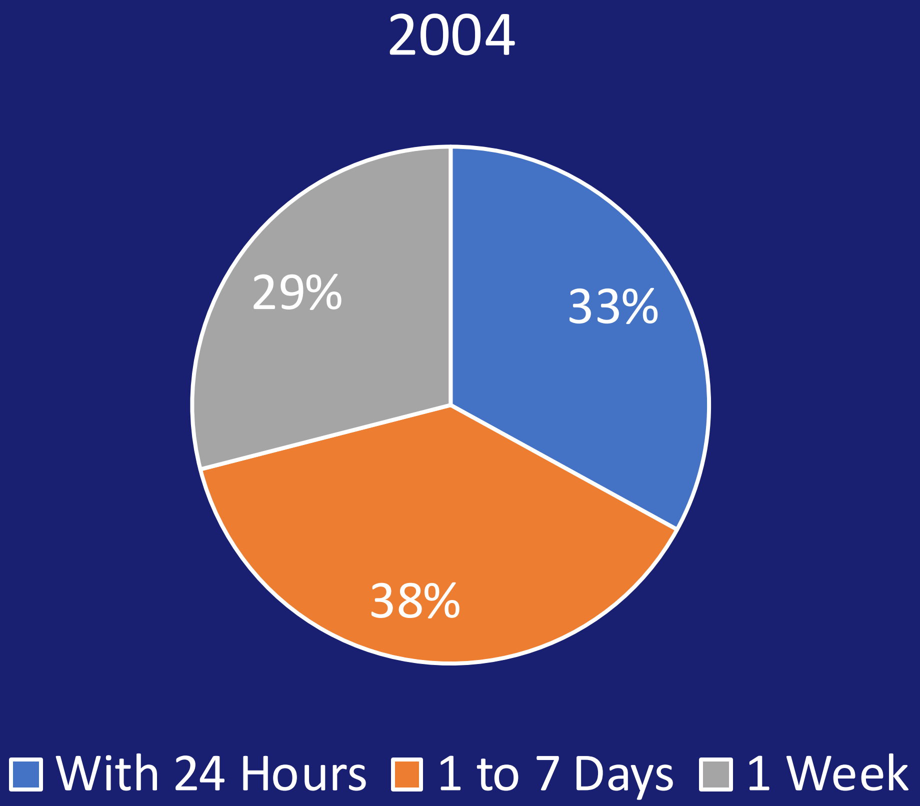
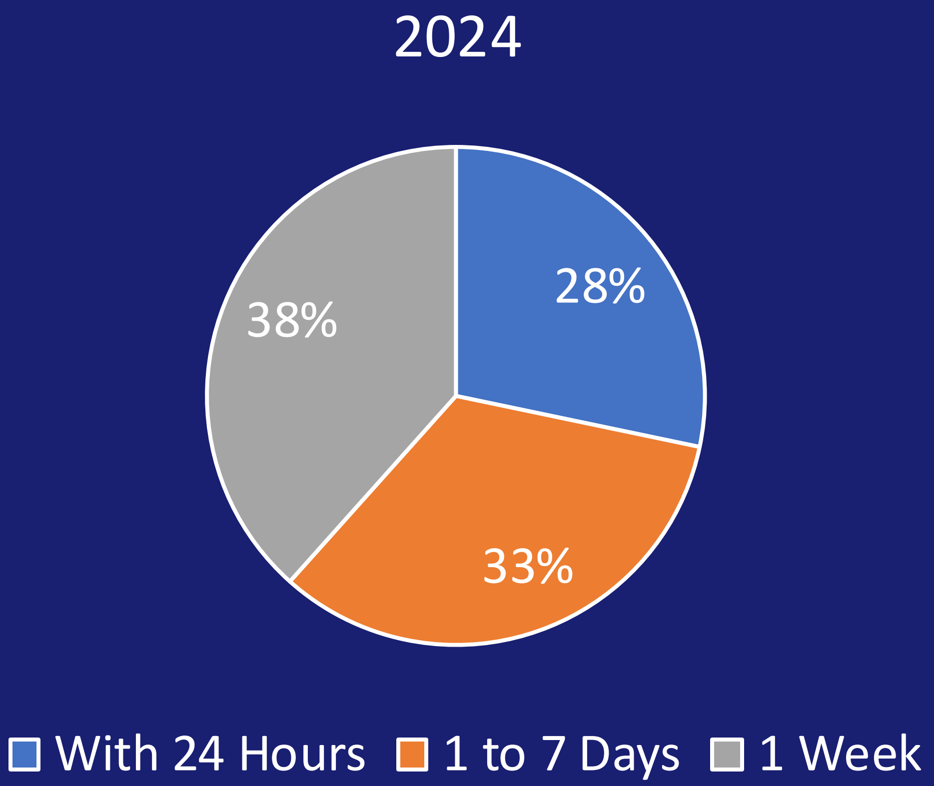
# When Was your Last Drink?
# Once Again, Consistency (some shift) in Drinking Behavior




Source: Gallup Poll, 2024: *(Asked of those who drink alcohol) When did you last take a drink of any kind of alcoholic beverage?*

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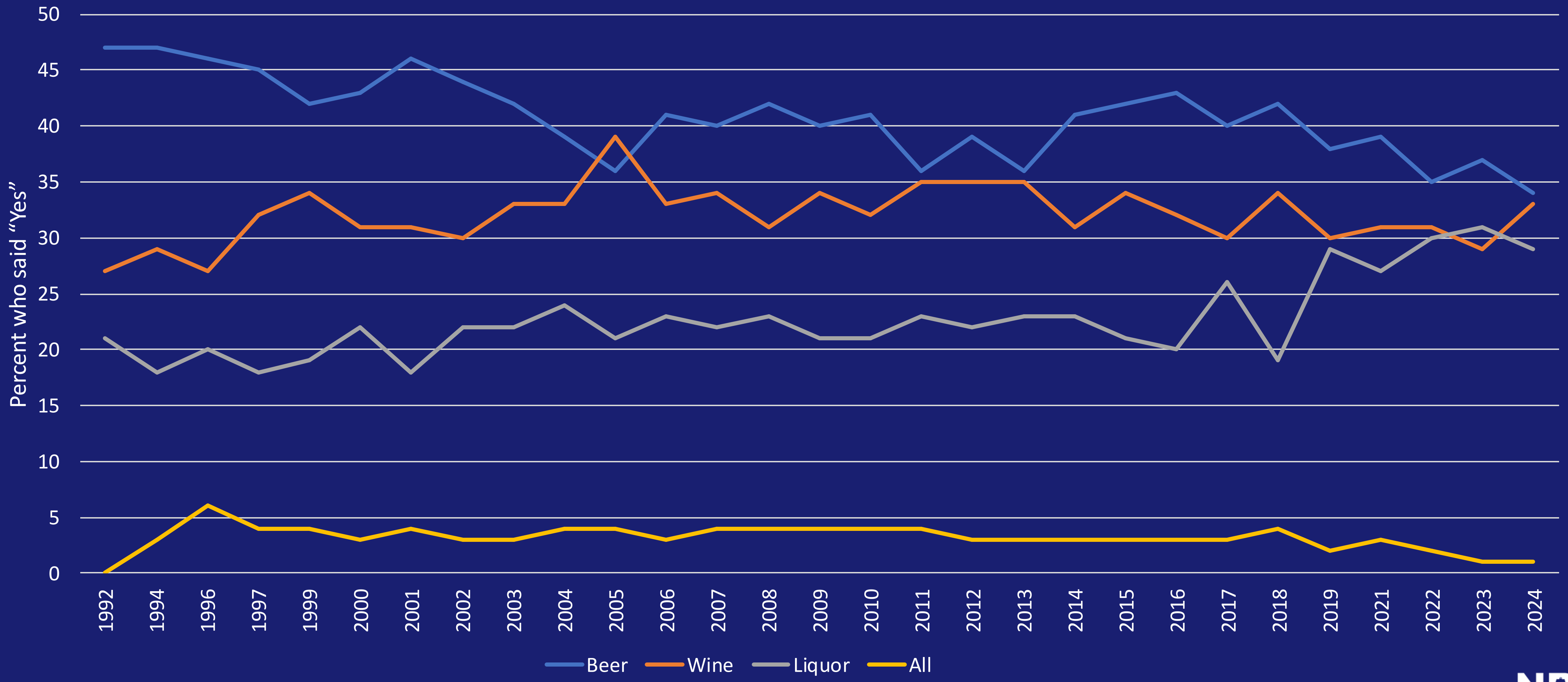
# Beer is the Preferred Beverage of Consumers But Lines are blurring (1992 to 2024)

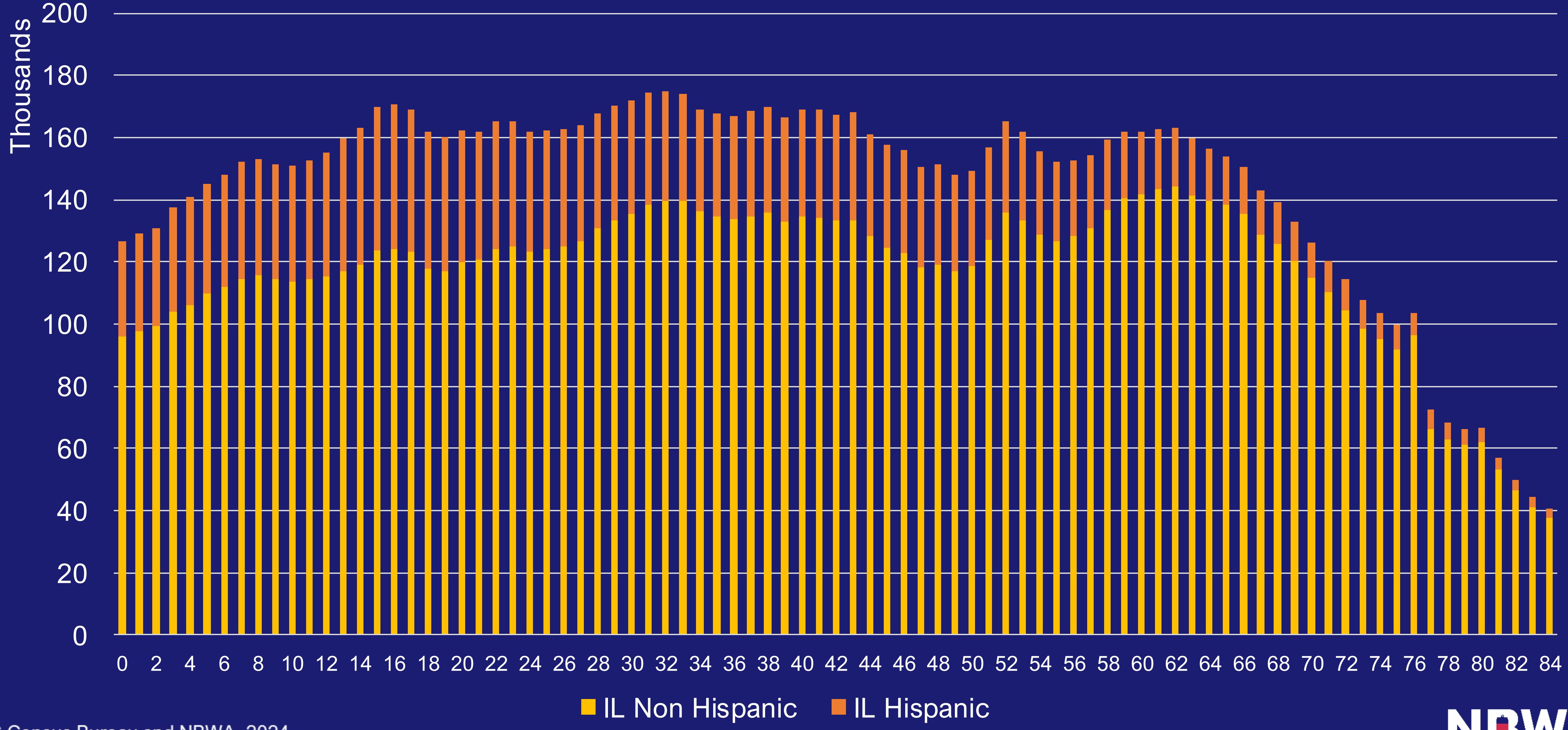
Beer continues to be preferred beverage of choice for US consumers of legal drinking age. (4 pts +/- margin of error)




Source: Gallup Poll, 2023: *Do you most often drink beer, wine, or liquor?*

# Illinois Population 2023 By Single Age

## More Change is Ahead as Millennials and Boomers Age
## Race and Origin Dynamic Impacts as Well




US Census Bureau and NBWA, 2024.

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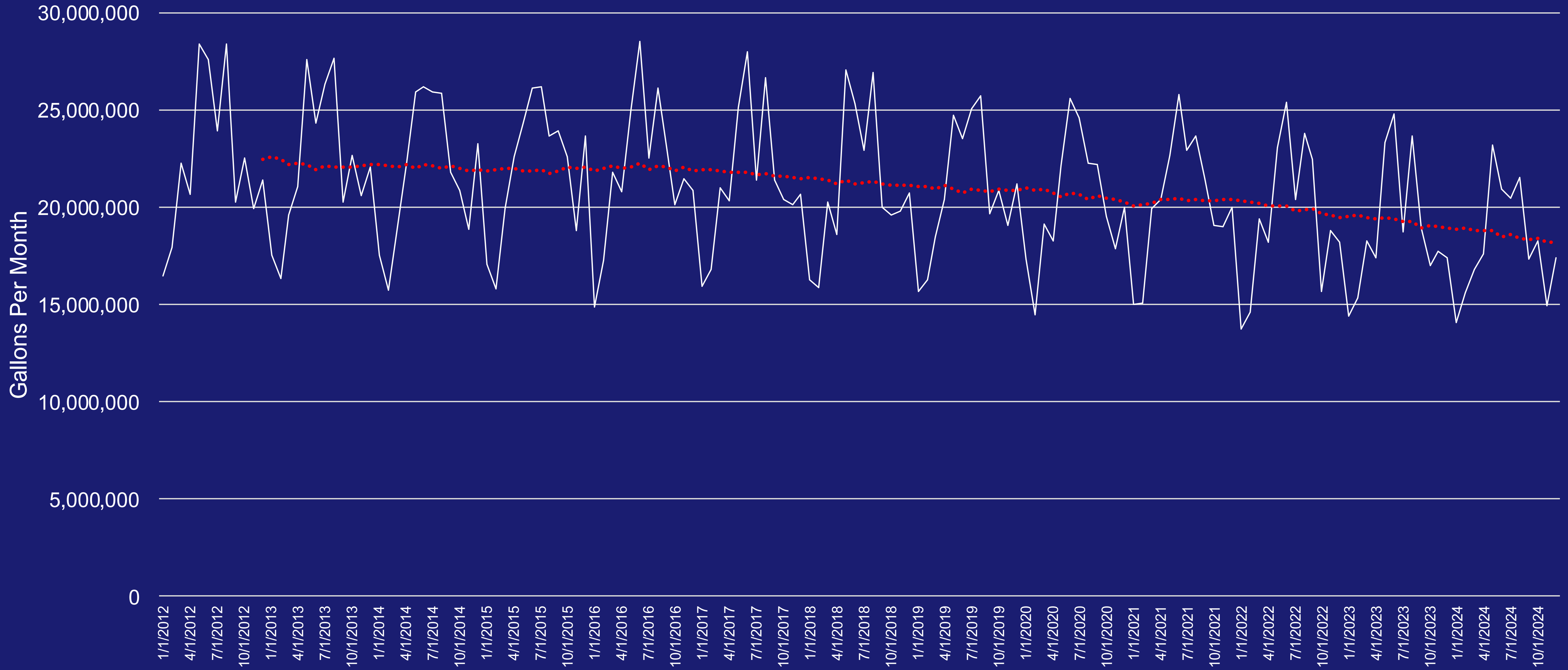
# Illinois Reported Beer Volumes
# January 2012 to November 2024




Source; Illinois Department of Revenue,, 2024.

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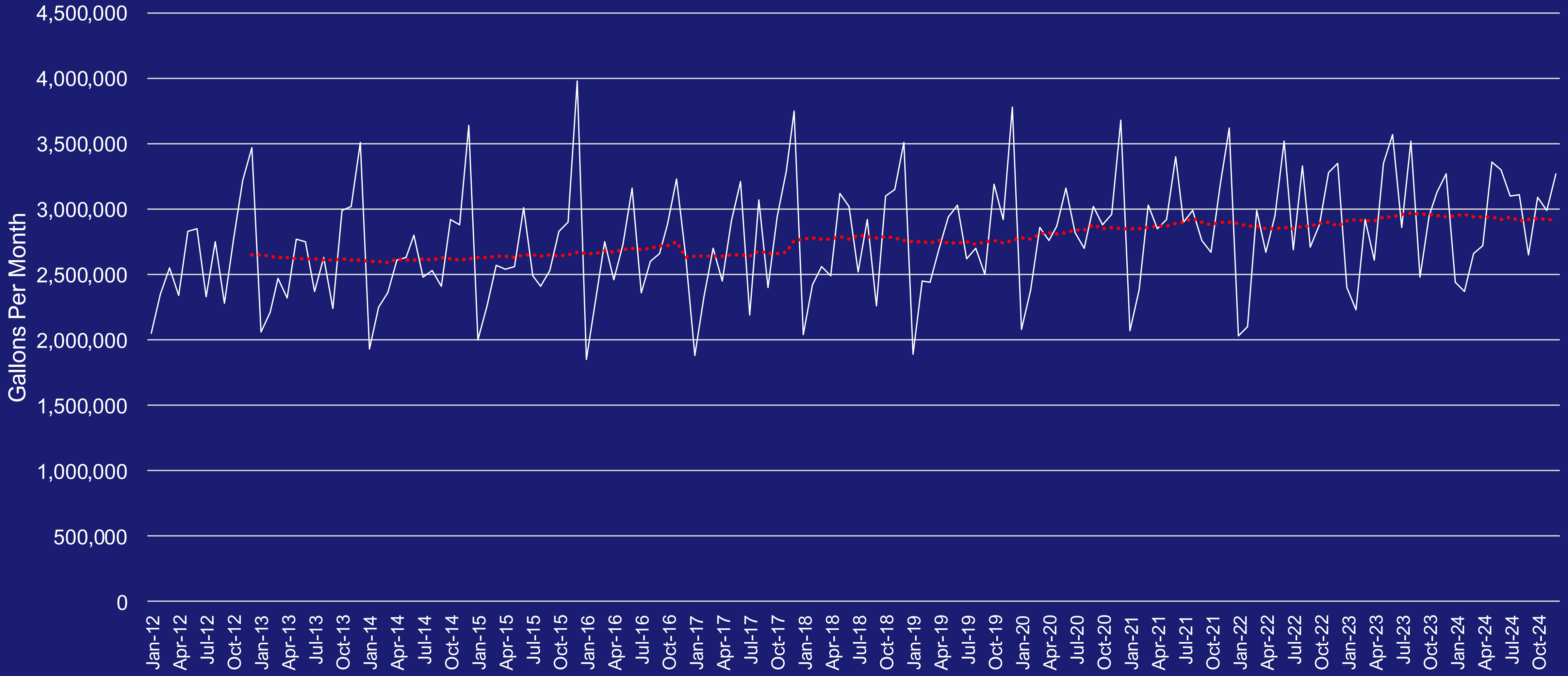
# Illinois Wine (< 14%) Volumes
# January 2012 to November 2024




Source; Illinois Department of Revenue,, 2024.

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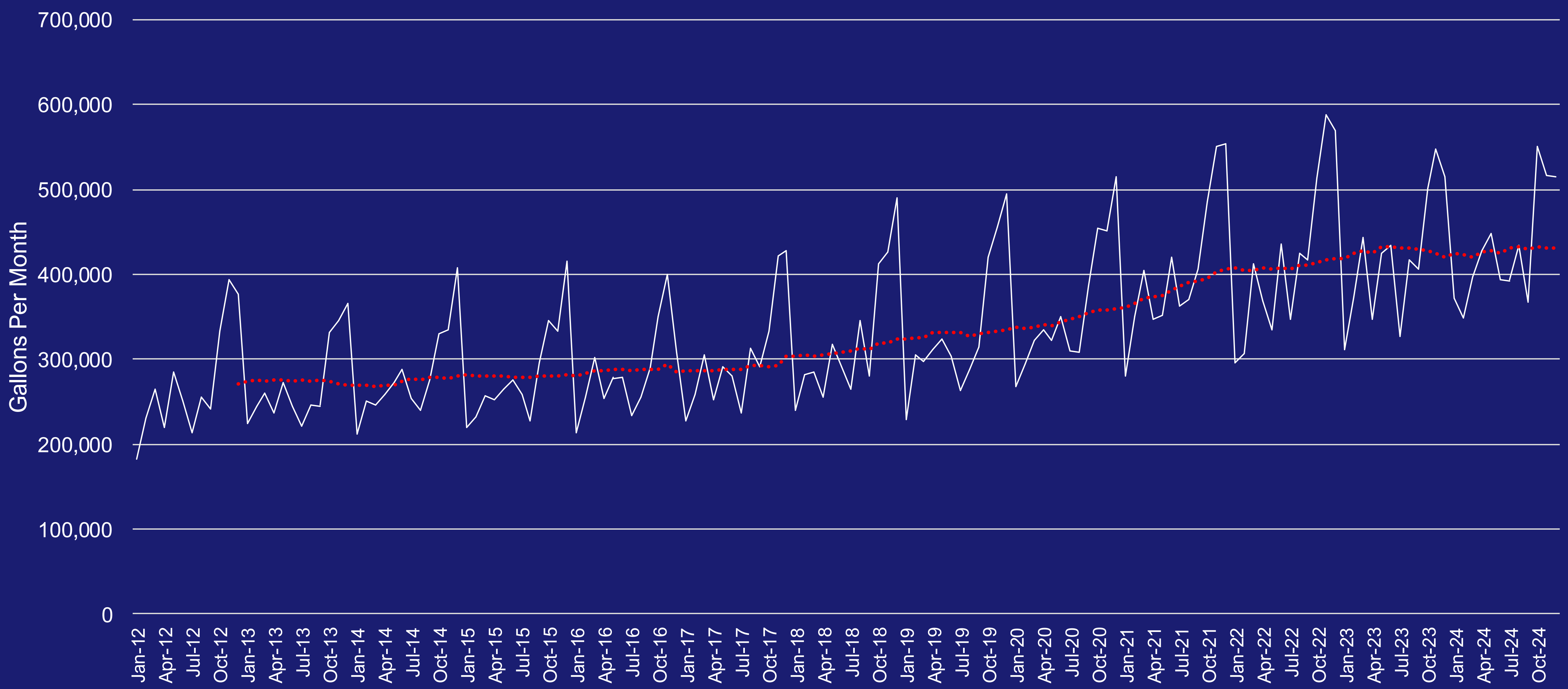
# Illinois Low Spirits (14% – 20%) Volumes
# January 2012 to December 2024




Source; Illinois Department of Revenue,, 2024.

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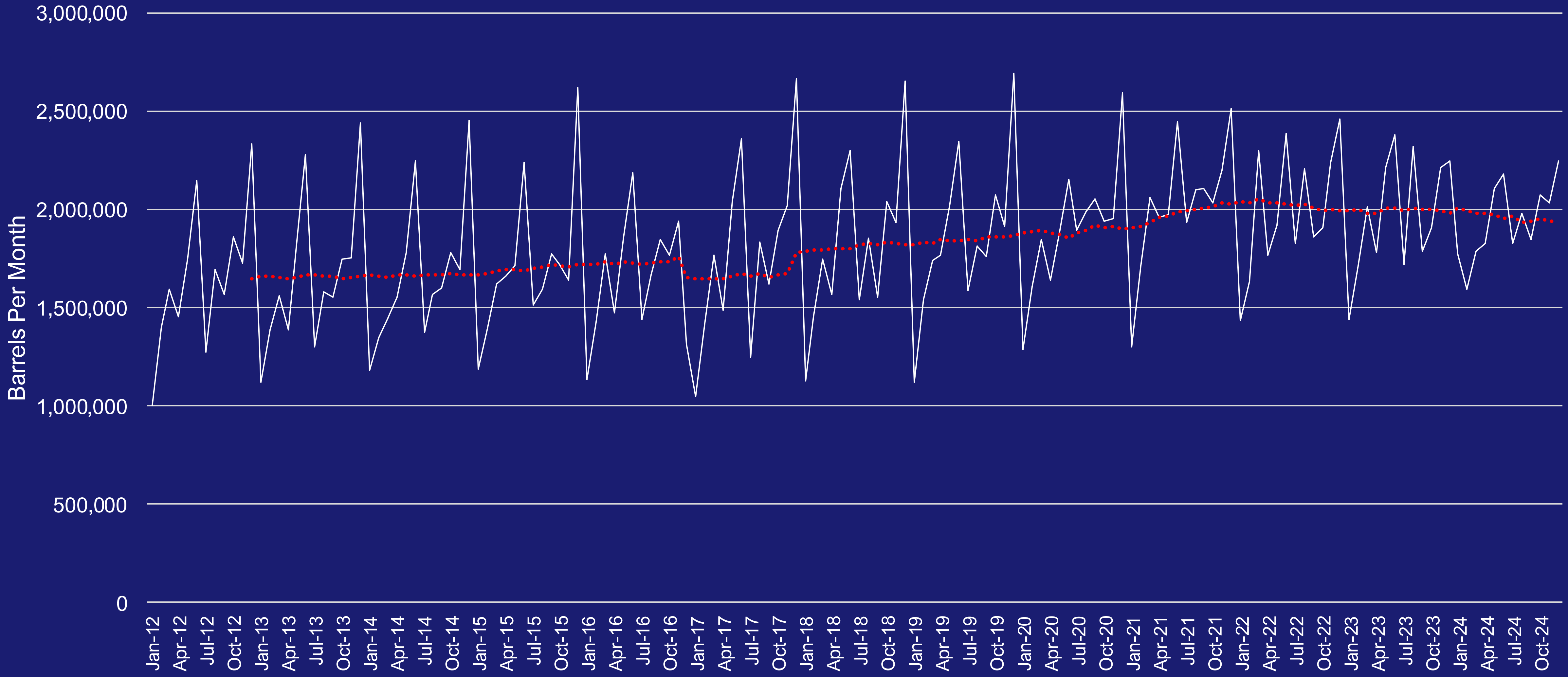
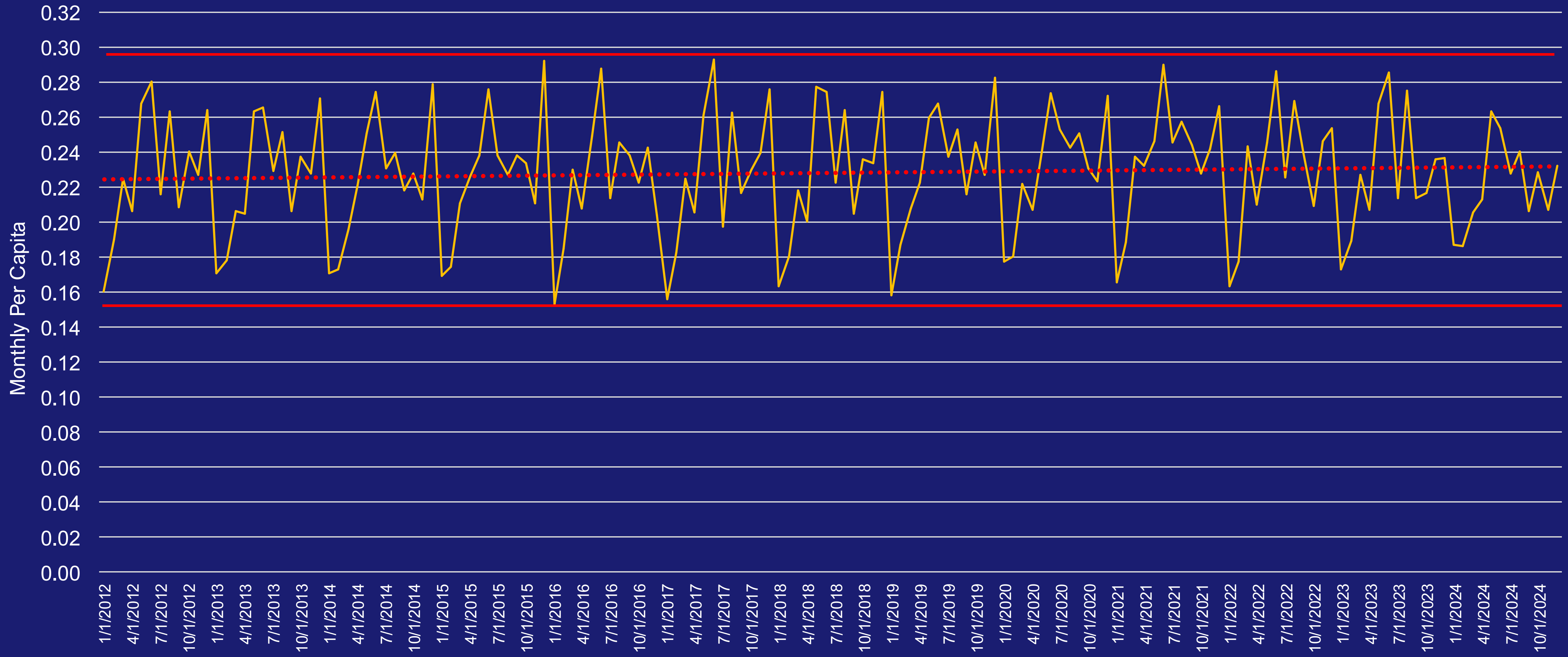
# Illinois Low Spirits (Over 20%) Volumes
# January 2012 to September 2024




Source; Illinois Department of Revenue,, 2024.

# Total Per Capita Ethanol Supply Apparent Consumption in Illinois
## Volume of Beer/Cider, Wine, Low Spirits and High Spirits Equalized by ABV
## January 2012 to December 2024




Source; Illinois Department of Revenue, US Census Bureau and NBWA, 2024.

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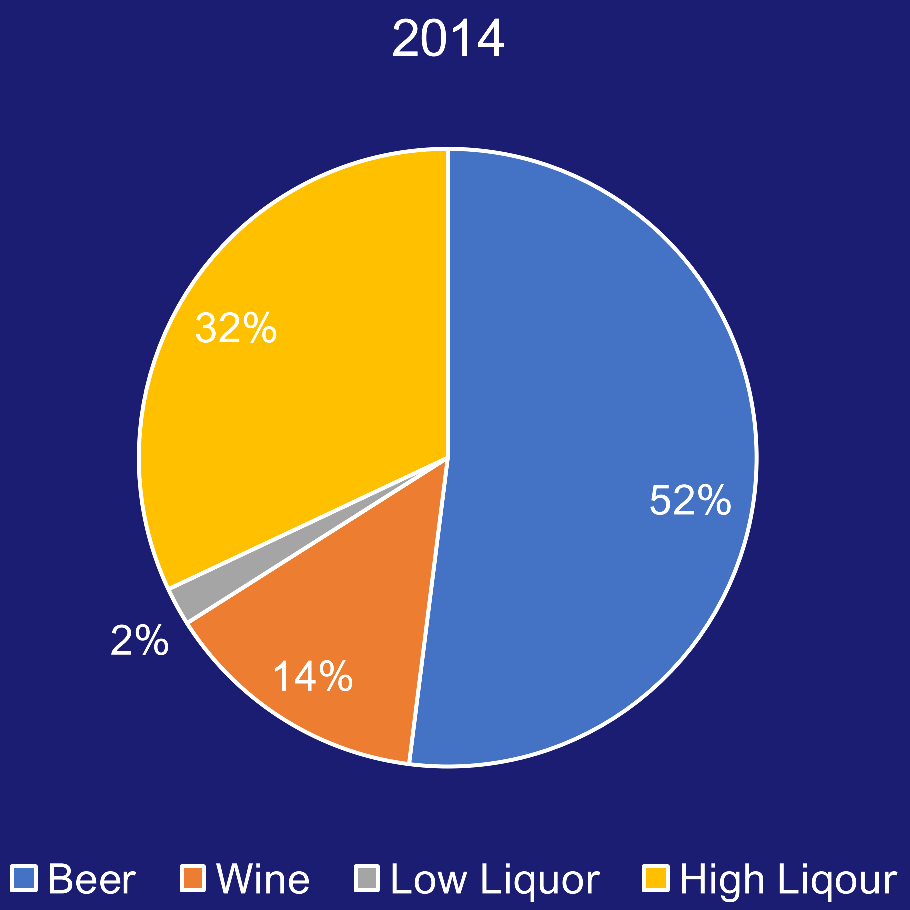
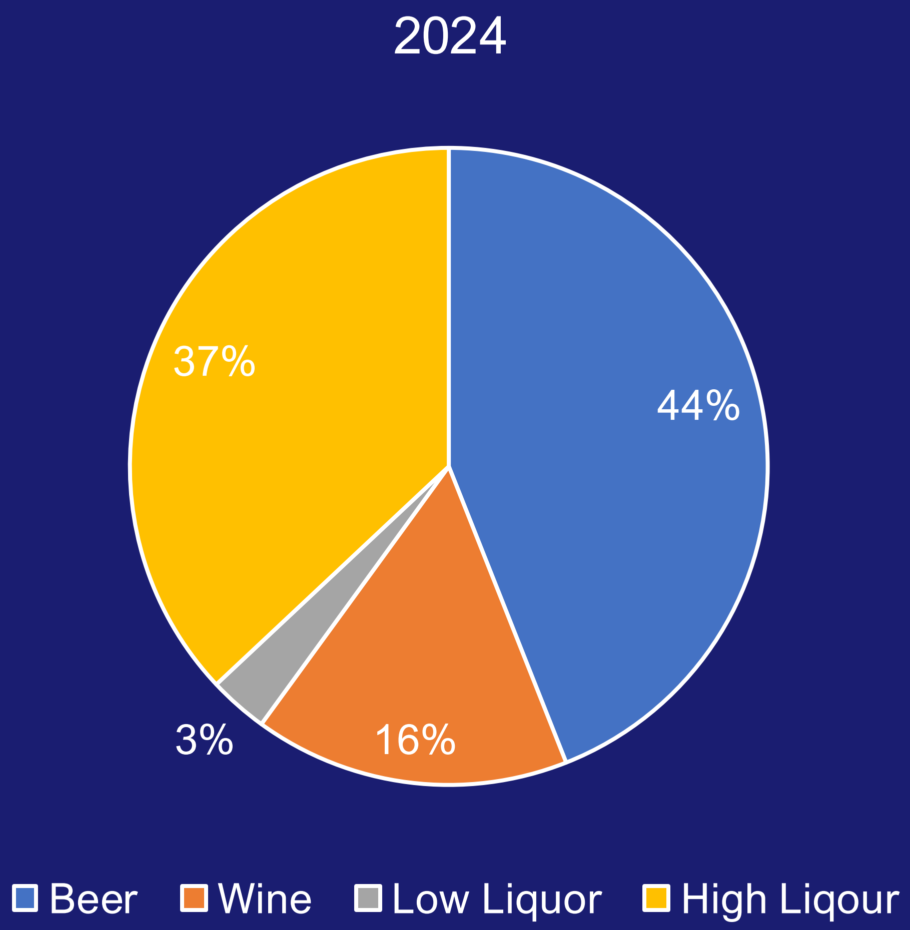
# Liquor Gains Share in Illinois 2014 vs 2024




Source; Illinois Department of Revenue, US Census Bureau and NBWA, 2024.

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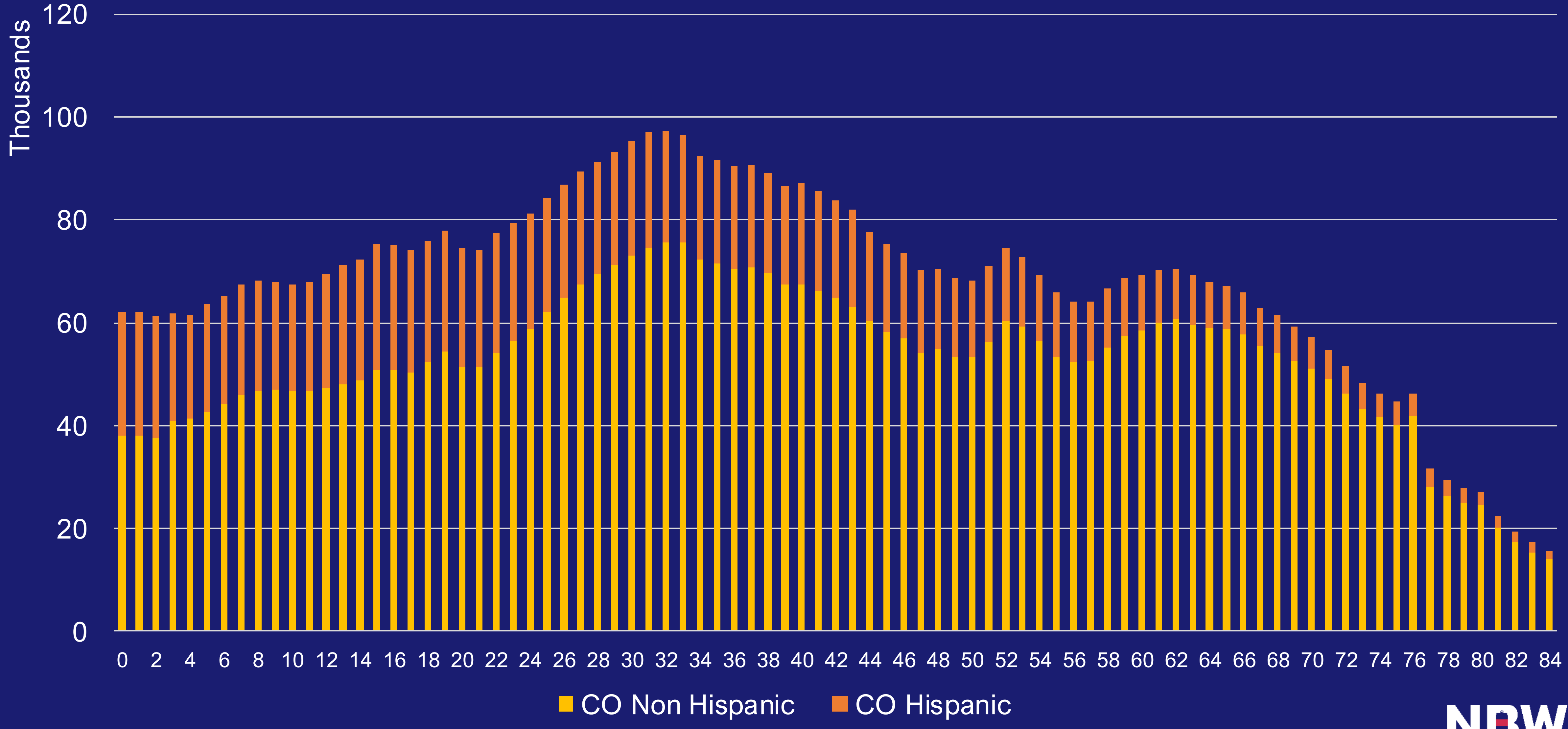
# Colorado Population 2023 By Single Age

## More Change is Ahead as Millennials and Boomers Age
## Race and Origin Dynamic Impacts as Well

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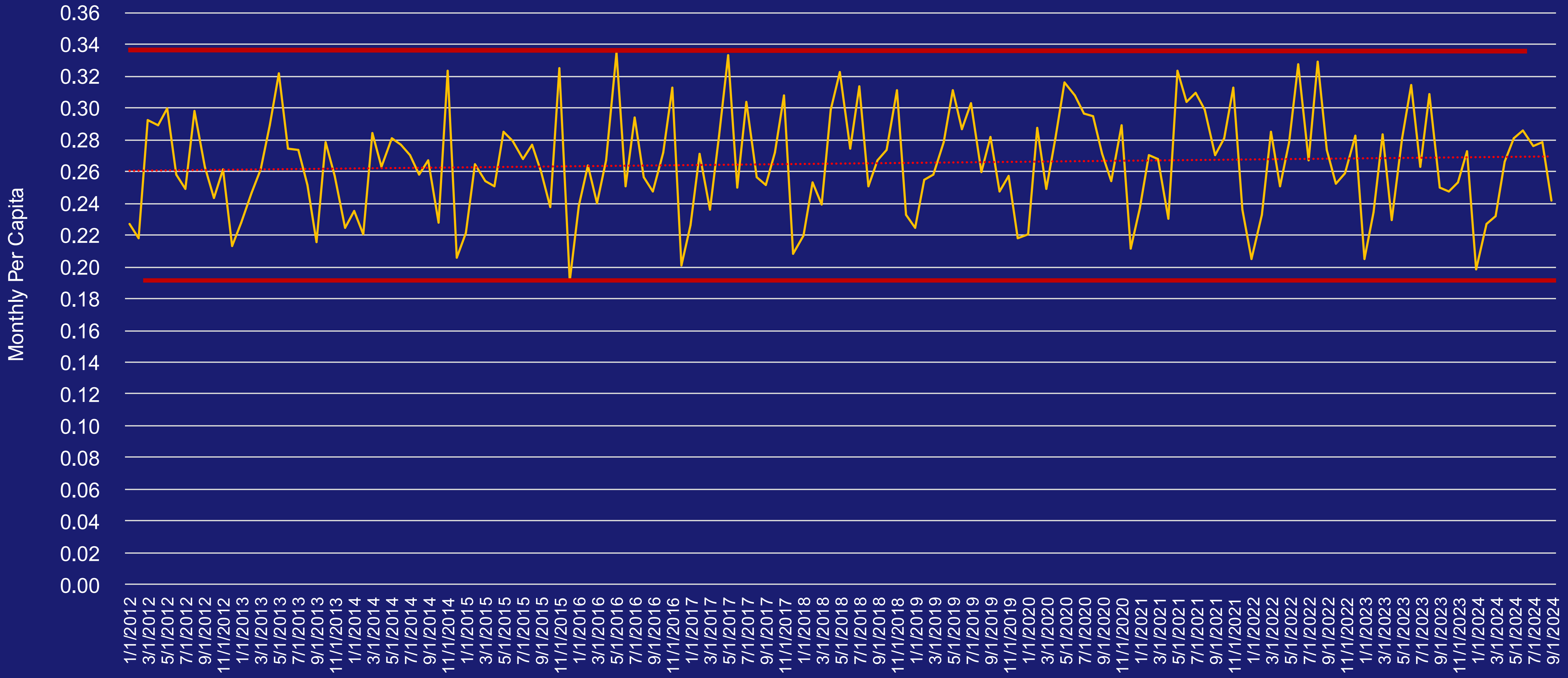
# Total Per Capita Ethanol Supply Apparent Consumption in Colorado
## Volume of Beer, Wine, Cider and Spirits Equalized by ABV
## January 2012 to September 2024




Source; Colorado Department of Revenue, US Census Bureau and NBWA, 2024.

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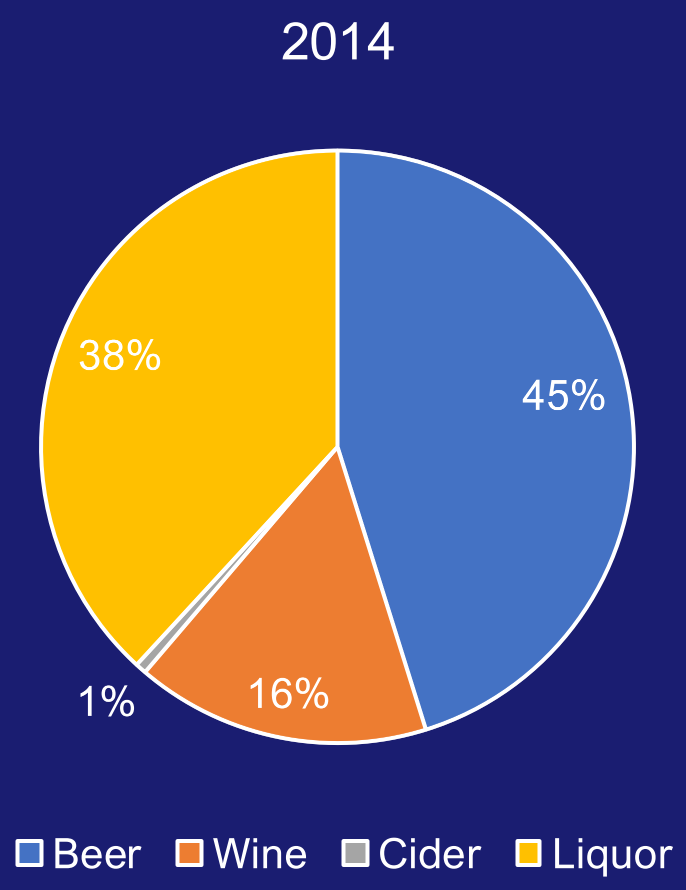
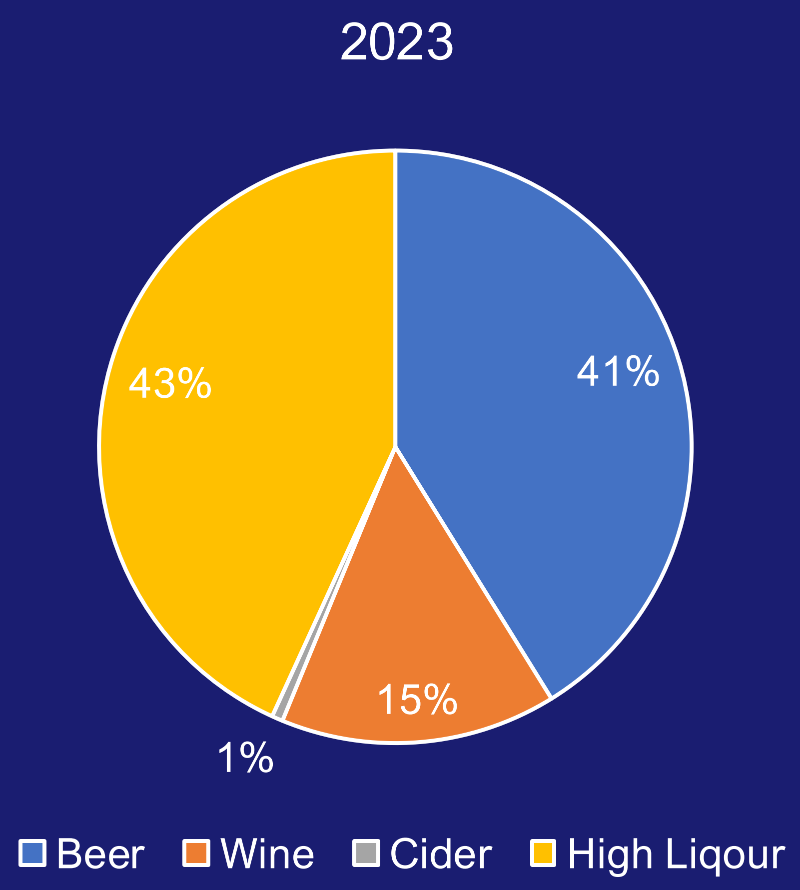
# Liquor Gains Share in Colorado




Source; Illinois Department of Revenue, US Census Bureau and NBWA, 2024.

# BEER IS GROWING ON OCCASIONS

# Thank You!

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