2026 Green Industry Outlook

Monday, February 23, 2026

FARM CREDIT

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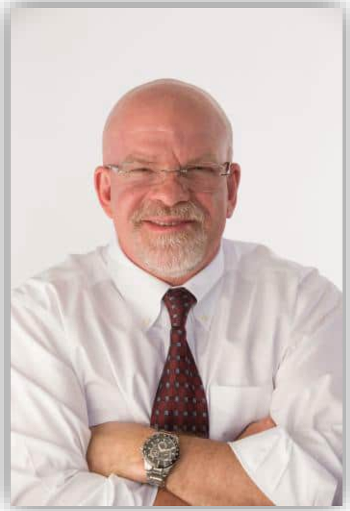
Dr. Charles Hall



Professor & Ellison Chair in International Floriculture

Texas A&M University

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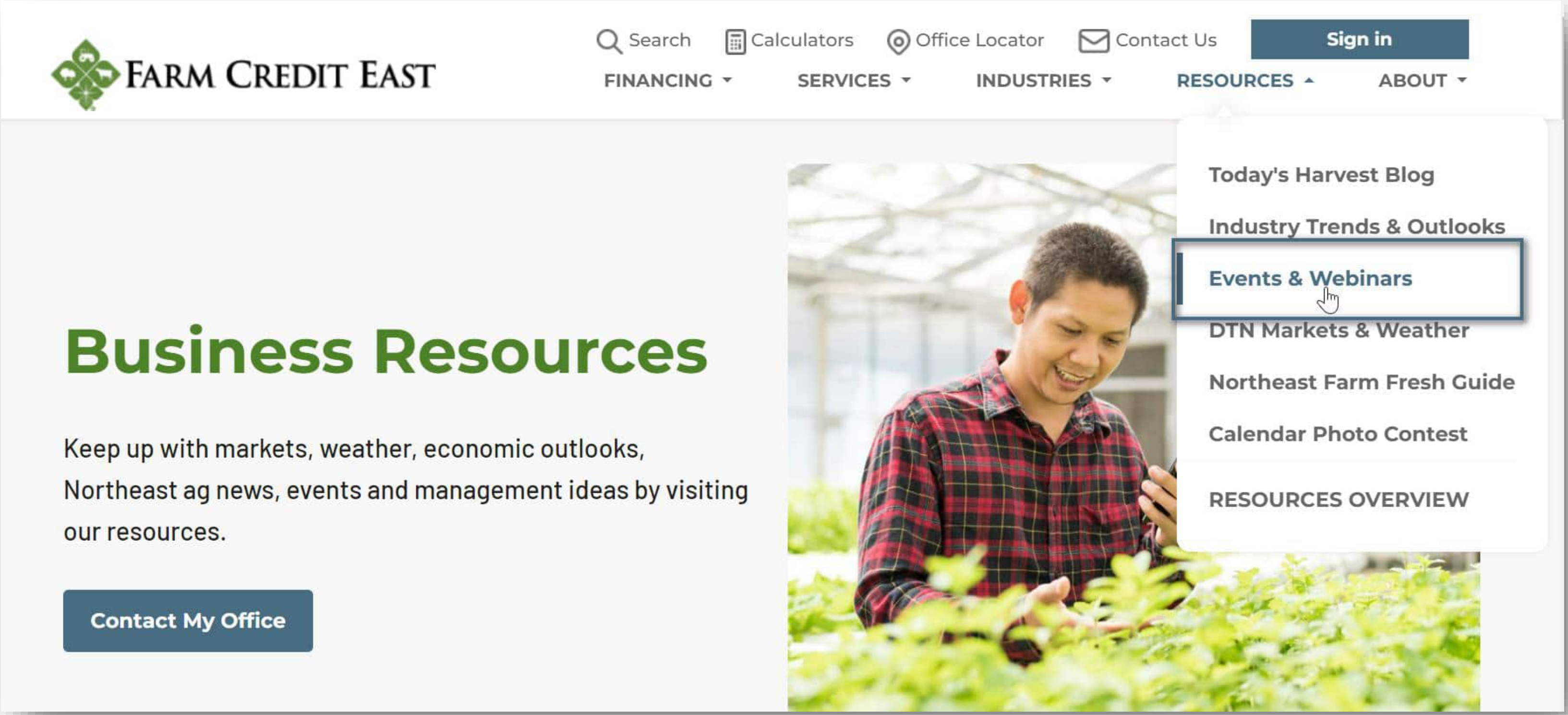


2026 Green Industry Outlook

- Dr. Charlie Hall, Professor & Ellison Endowed Chair in International Floriculture

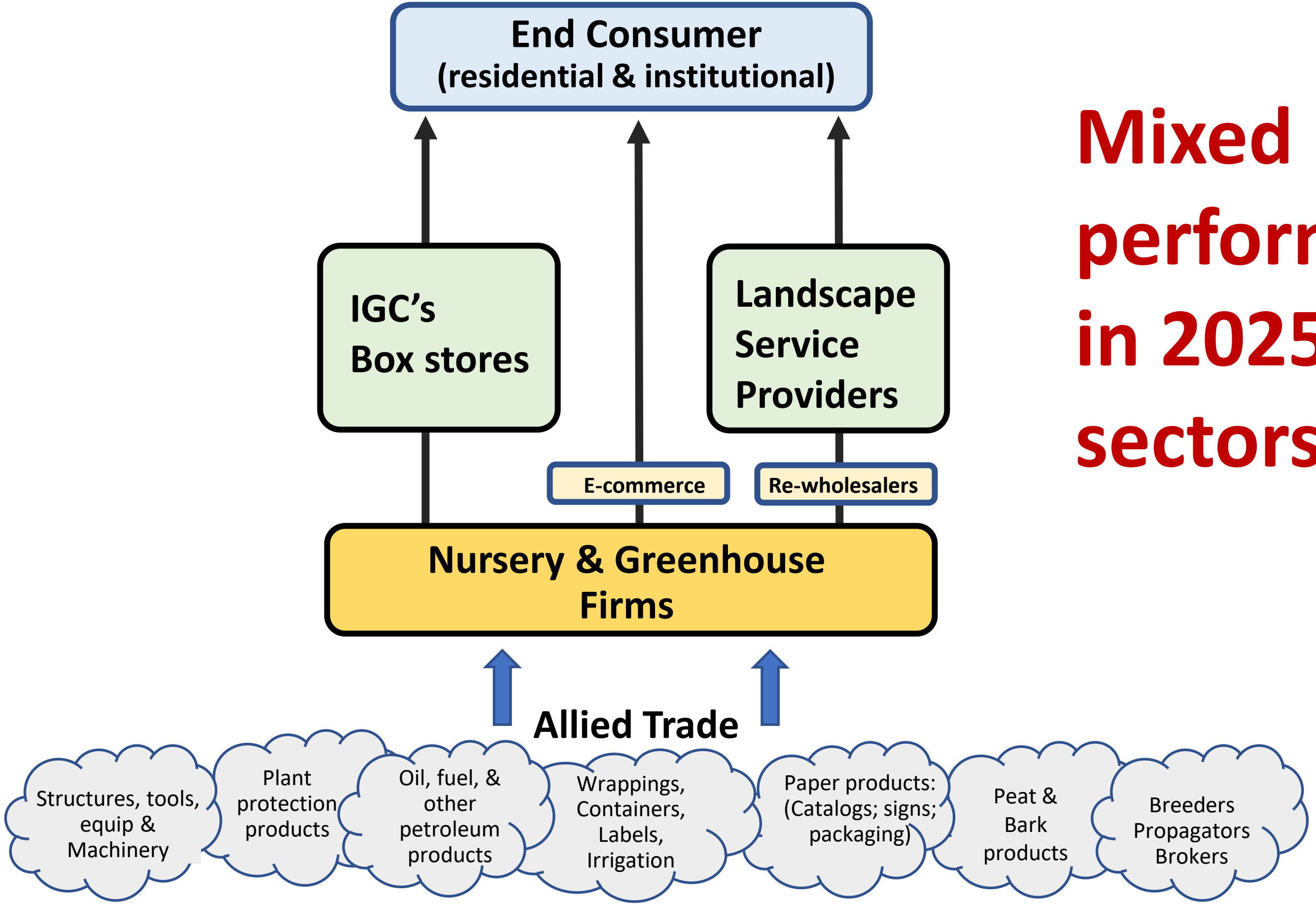
TEXAS A&M UNIVERSITY
Horticultural Sciences

YOUR MARKET METRICS

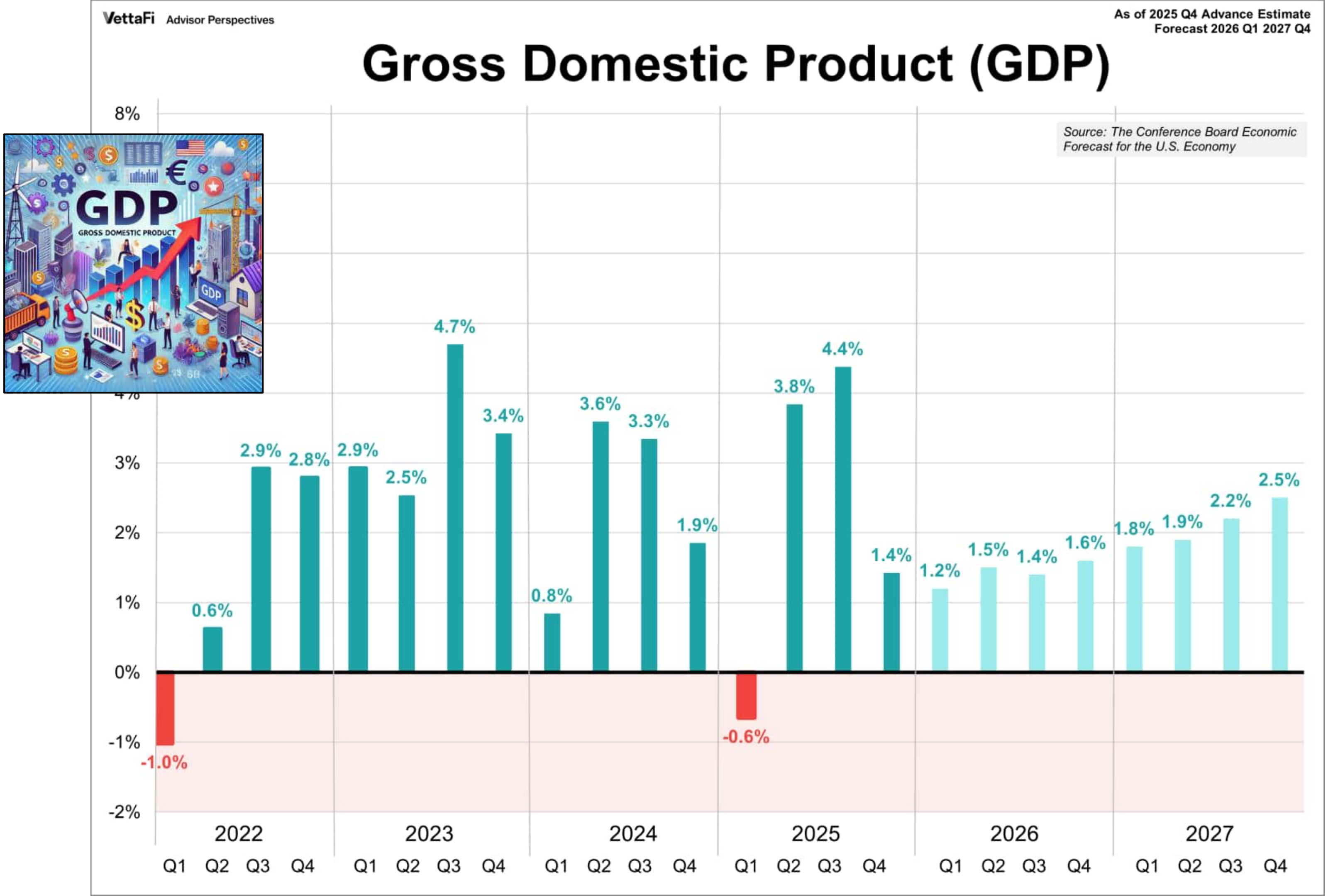
EAGL EXECUTIVE ACADEMY FOR GROWTH & LEADERSHIP

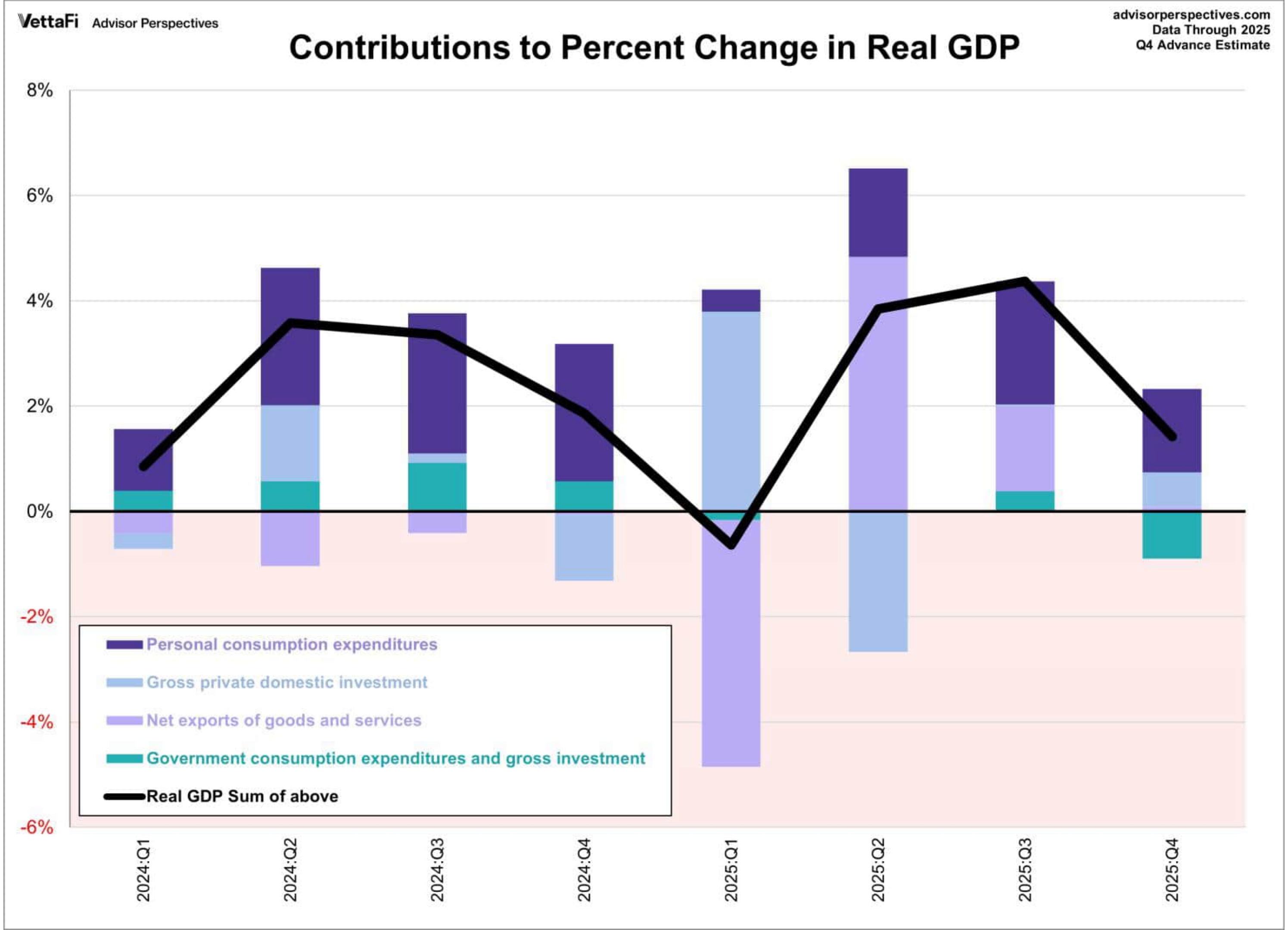
How will the economy impact the green industry in 2026?

- The green industry in 2025
- Overall growth of the economy
- Supply chain & inflation outlook
- Labor availability and cost of inputs
- Housing market dynamics
- Response of end consumer
- Economic growth or contraction?



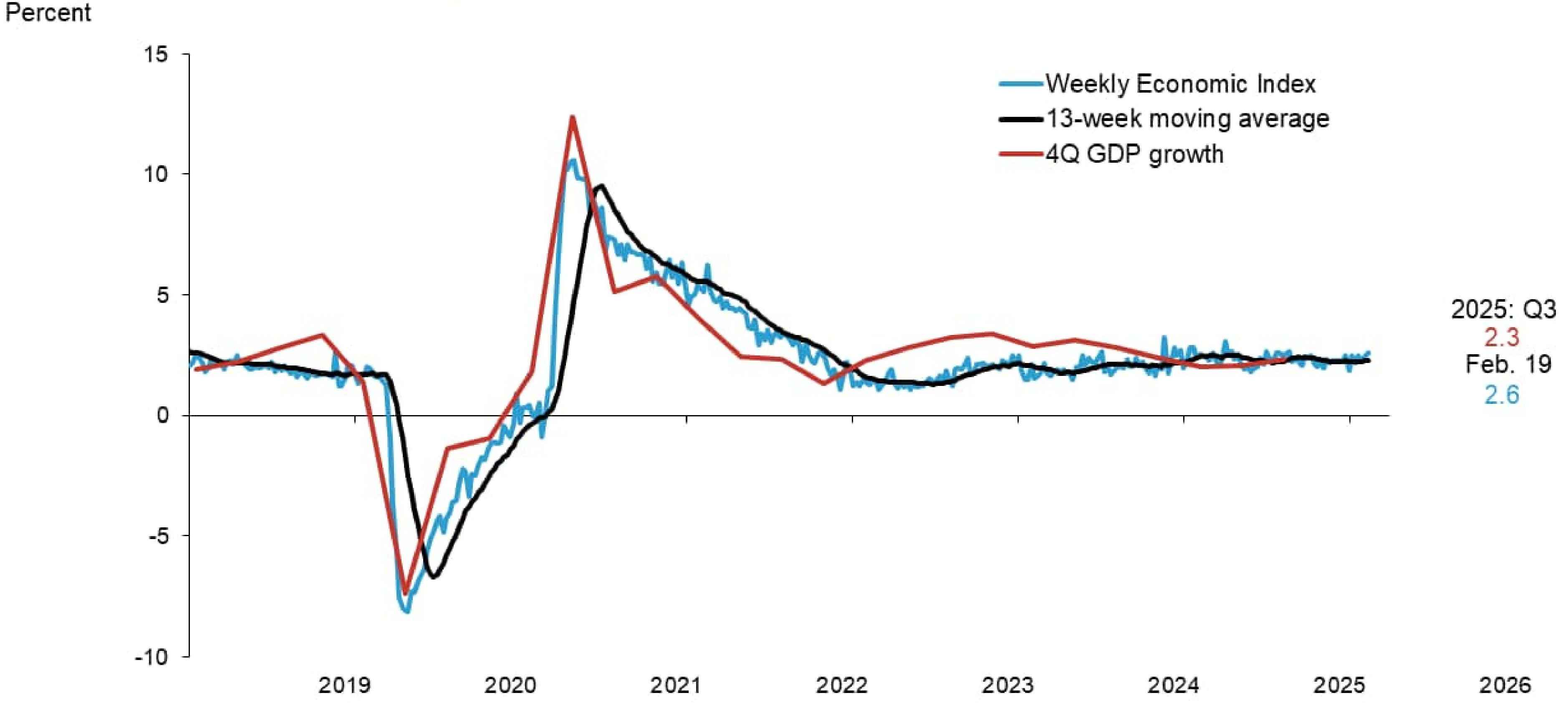
Mixed performance in 2025 in all sectors


VettaFi Advisor Perspectives
As of 2025 Q4 Advance Estimate
Forecast 2026 Q1 2027 Q4
Gross Domestic Product (GDP)
Source: The Conference Board Economic Forecast for the U.S. Economy
8%
3%
2%
1%
0%
-1%
-2%
-1.0%
0.6%
2.9%
2.8%
2.9%
2.5%
4.7%
3.4%
0.8%
3.6%
3.3%
1.9%
-0.6%
3.8%
4.4%
1.4%
1.2%
1.5%
1.4%
1.6%
1.8%
1.9%
2.2%
2.5%
2022
2023
2024
2025
2026
2027
Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4
GDP
GROSS DOMESTIC PRODUCT
GDP



VettaFi Advisor Perspectives
advisorperspectives.com
Data Through 2025
Q4 Advance Estimate
Contributions to Percent Change in Real GDP
8%
6%
4%
2%
0%
-2%
-4%
-6%
Personal consumption expenditures
Gross private domestic investment
Net exports of goods and services
Government consumption expenditures and gross investment
Real GDP Sum of above
2024:Q1
2024:Q2
2024:Q3
2024:Q4
2025:Q1
2025:Q2
2025:Q3
2025:Q4

Weekly Economic Index, 2019–present

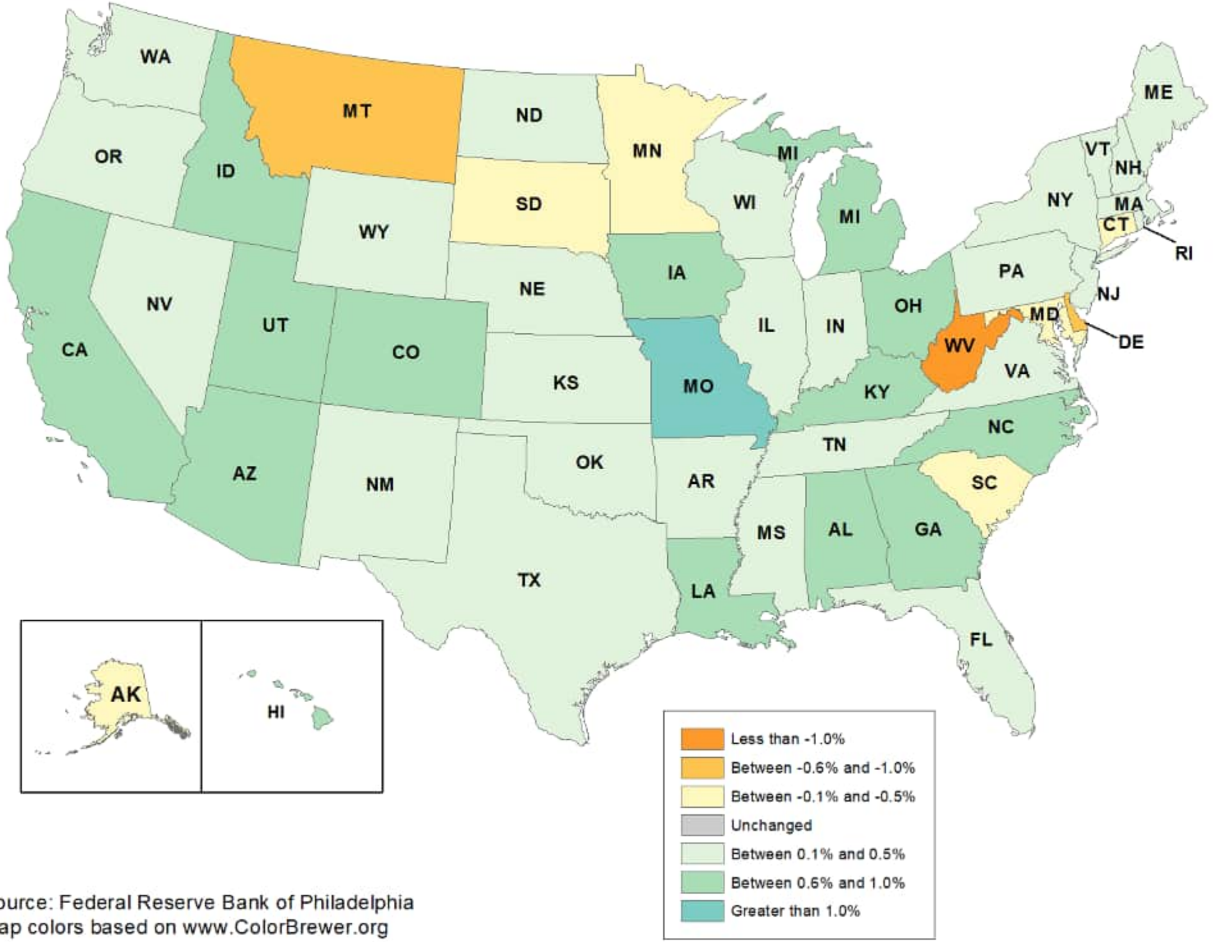


NOTE: Annual real GDP growth (four-quarter moving average) is based on the latest quarterly GDP data release from the Bureau of Economic Analysis.

SOURCES: Authors' calculations based on data from Haver Analytics, Redbook Research, Rasmussen Reports, the Association of American Railroads and Booth Financial Consulting.

Federal Reserve Bank of Dallas

December 2025 State Coincident Indexes: Three-Month Change



Source: Federal Reserve Bank of Philadelphia
Map colors based on www.ColorBrewer.org


SCM
STRATEGY
PLAN
MANAGE
Process
DISTRIBUTION
RESOURCES
Logistics
Procurement
SUPPLY CHAIN
PLANNING
Assets
DELIVER
PLANNING
PROCESS-LED
PRODUCT
MANUFACTURER
BUSINESS PLAN
STRATEGIC
SYSTEM
PARTNER
LIFECYCLE
NETWORK
DELIVERY
Activites
STRATEGY
DISTRIBUTE
MANAGEMENT


Inflation?

Global Supply Chain Pressure Index (GSCPI)

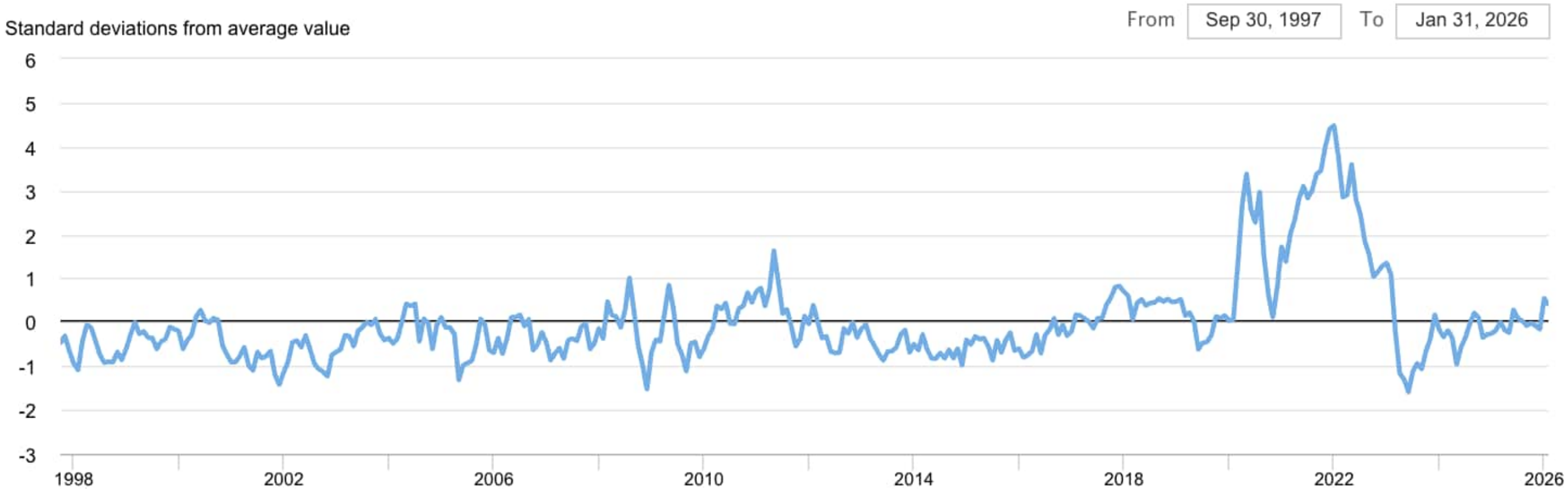
OVERVIEW | GSCPI | FAQS | DOWNLOADS

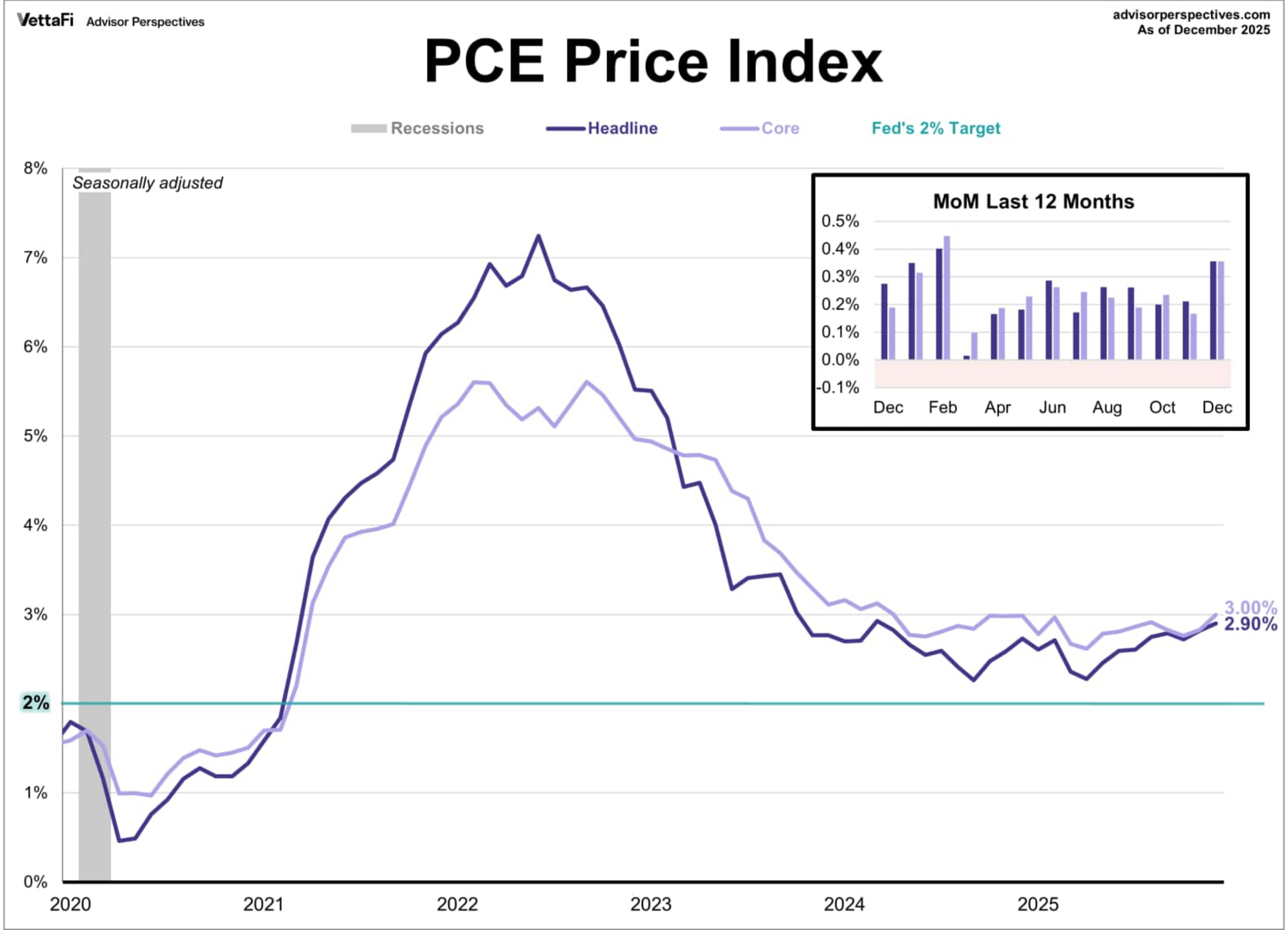
Estimates for January 2026

- The GSCPI fell to 0.41 in January, down from 0.54 in December (revised up from an initial reading of 0.51). GSCPI readings measure standard deviations from the index's historical average.

Latest Update January 2026

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

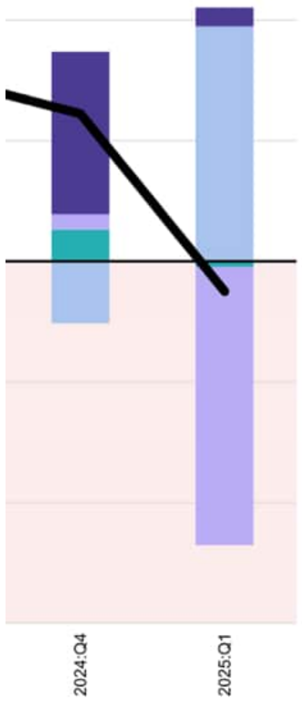




VettaFi Advisor Perspectives
advisorperspectives.com
As of December 2025
PCE Price Index
Recessions
Headline
Core
Fed's 2% Target
Seasonally adjusted
8%
7%
6%
5%
4%
3%
2%
1%
0%
2020
2021
2022
2023
2024
2025
3.00%
2.90%
MoM Last 12 Months
0.5%
0.4%
0.3%
0.2%
0.1%
0.0%
-0.1%
Dec
Feb
Apr
Jun
Aug
Oct
Dec

We are just beginning to feel the impacts of tariffs.

- Remember from earlier when I said that imports that were a drain on GDP in Q1?
- Those inventories are what are being sold now at pre-tariff price levels.
- As those inventories are drawn down, tariffs will show up more in the inflation #'s.



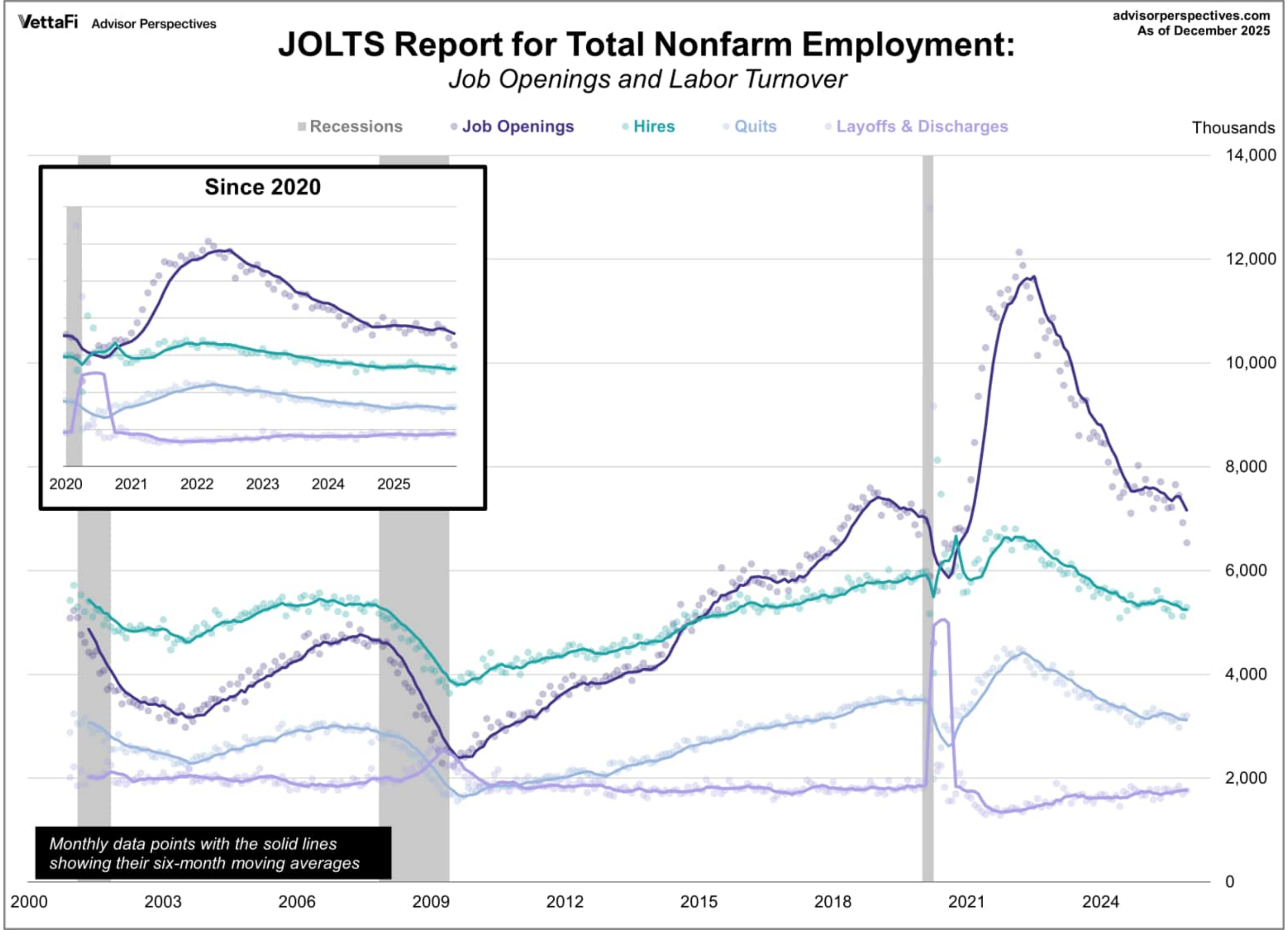
YOUR MARKET METRICS

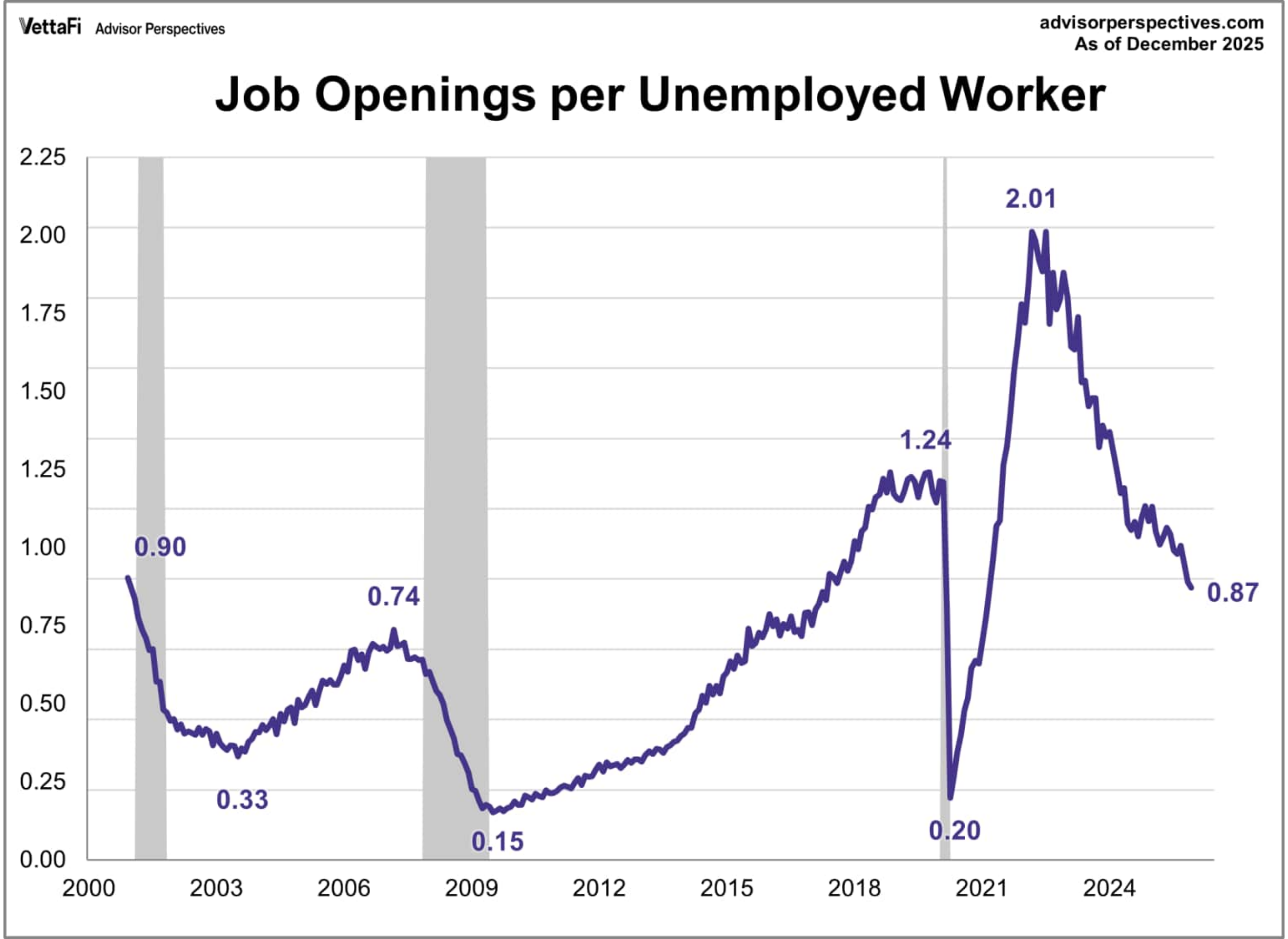
Index of Prices Paid by Growers in the Green Industry (2007=100)

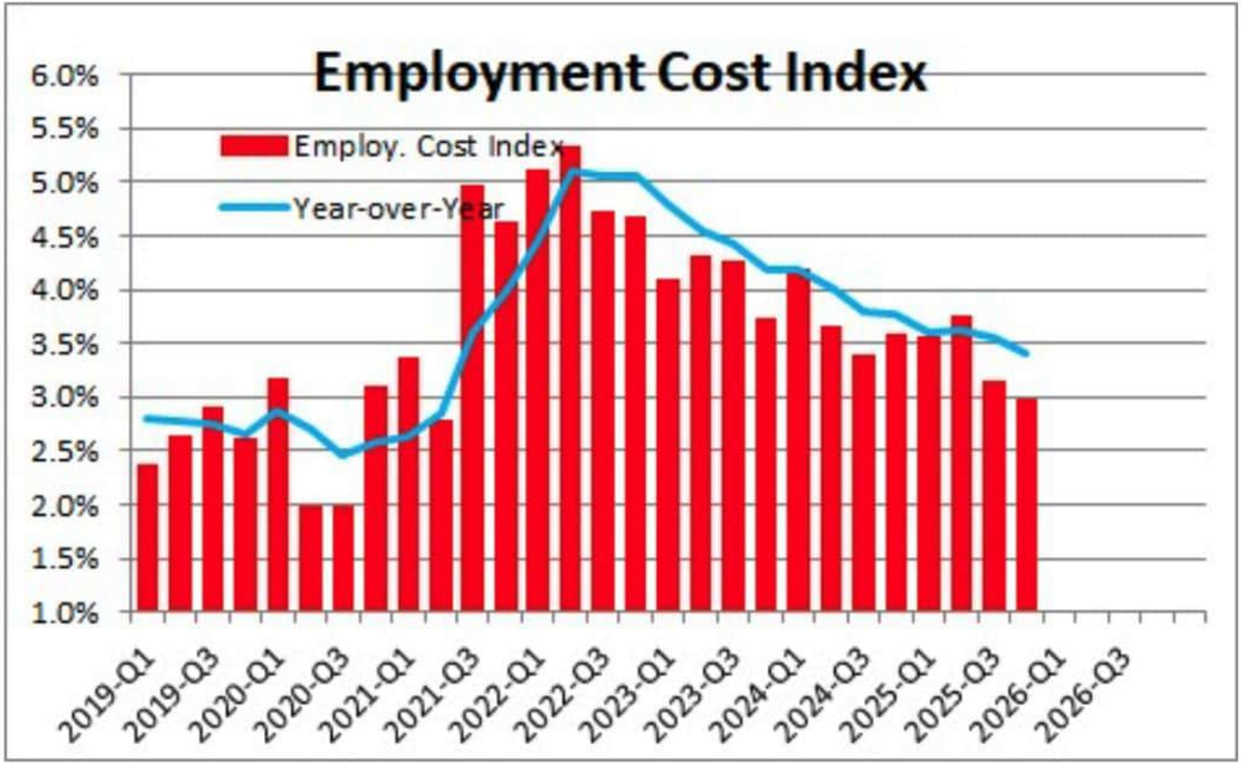
Cost category	Weight	2007	2019	2020	2021	2022	2023	2024	2025	2026f
Containers & other plastics	8.90%	100.0	127.3	126.4	143.5	166.8	166.7	167.0	167.8	169.7
Media (soilless mixes)	4.37%	100.0	120.5	122.0	135.8	140.1	160.1	142.1	144.9	146.4
Propagative materials	18.97%	100.0	128.6	128.6	142.9	142.9	142.9	157.1	157.9	170.6
Plant protection products	1.629%	100.0	109.8	107.0	115.1	175.0	154.0	131.2	130.8	137.4
Fertilizers	1.626%	100.0	109.5	103.5	138.6	225.8	168.4	154.3	167.2	173.9
Labor	42.99%	100.0	144.2	149.6	158.1	169.8	179.1	185.1	189.4	194.1
Fuel & energy	4.57%	100.0	93.3	79.3	105.6	152.7	131.7	123.0	118.8	119.4
Supplies & repairs	2.95%	100.0	127.6	129.6	138.9	154.7	160.5	162.1	165.6	170.6
Freight & trucking	14.00%	100.0	130.5	124.9	138.9	151.1	136.1	131.8	134.1	142.1
Weighted index (2007=100)		100.0	132.8	133.6	146.3	160.3	161.0	163.9	166.6	172.7
YOY increase/decrease		---	4.8%	0.6%	9.5%	9.6%	0.4%	1.8%	1.6%	3.7%

f=EOY forecast; p=preliminary with 10% tariffs

LABOR


VettaFi Advisor Perspectives
advisorperspectives.com
As of December 2025
JOLTS Report for Total Nonfarm Employment:
Job Openings and Labor Turnover
Recessions
Job Openings
Hires
Quits
Layoffs & Discharges
Thousands
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
2000
2003
2006
2009
2012
2015
2018
2021
2024
Since 2020
2020
2021
2022
2023
2024
2025
Monthly data points with the solid lines showing their six-month moving averages


VettaFi Advisor Perspectives
advisorperspectives.com
As of December 2025
Job Openings per Unemployed Worker
2.25
2.00
1.75
1.50
1.25
1.00
0.75
0.50
0.25
0.00
2000
2003
2006
2009
2012
2015
2018
2021
2024
0.90
0.33
0.74
0.15
1.24
0.20
2.01
0.87



The employment cost index rose 0.7% in the fourth quarter which works out to a 3.0% annual rate after gaining 3.8% in the third quarter.

Over the course of the past year, it has risen 3.4% but what is important is that it has been steadily slowing for the past couple of years.


FOR
SALE

U.S. existing-home sales totaled just 4.06 million in calendar year 2024—the lowest annual level since 1995, according to the National Association of Realtors. That's far below the 5.3 million in pre-pandemic 2019.

But here's the thing: Today's housing market is even more constrained when you consider that the U.S. now has 76.3 million more people and 33.2 million more households than it did in 1995.

Where U.S. existing home sales are forecasted to go in 2026

Among the 18 resale forecasts tracked by ResiClub, the average forecast model expects U.S. existing home sales to be 4.28 million in 2026

Published December 29, 2025. Historic chart displays the monthly seasonally adjusted annualized rate of U.S. existing home sales through November 2025. The Yale School of Management forecast was provided by professor Cameron LaPoint.

Chart: Lance Lambert • Source: ResiClub 2026 Housing Economist Survey • Created with Datawrapper

ResiClub

Seasonally adjusted annualized rate of U.S. total housing starts by August (due to the government shutdown, the most recent housing starts print is Aug. 2025)

August 2017 —> 1.16 million

August 2018 —> 1.29 million

August 2019 —> 1.38 million

August 2020 —> 1.40 million

August 2021 —> 1.60 million

August 2022 —> 1.52 million

August 2023 —> 1.31 million

August 2024 —> 1.39 million

August 2025 —> 1.31 million (1.38 million avg. pace for the year)

Where U.S. total housing starts are forecasted to go in calendar year 2026

Among the 12 construction forecasts tracked by ResiClub, the average model projects U.S. total housing starts to be 1.34 million in 2026

Published December 30, 2025. Historic chart displays the monthly seasonally adjusted annualized rate of U.S. total housing starts through August 2025. Total housing starts includes both single-family and multifamily unit starts. The Yale School of Management forecast was provided by professor Cameron LaPoint.

Chart: Lance Lambert • Source: ResiClub 2026 Housing Economist Survey; U.S. Census Bureau • Created with Datawrapper

ResiClub

Seasonally adjusted annualized rate of U.S. single-family housing starts by August (due to the government shutdown, the most recent housing starts print is Aug. 2025)

August 2017 —> 867K

August 2018 —> 900K

August 2019 —> 909K

August 2020 —> 1.05 million

August 2021 —> 1.11 million

August 2022 —> 915K

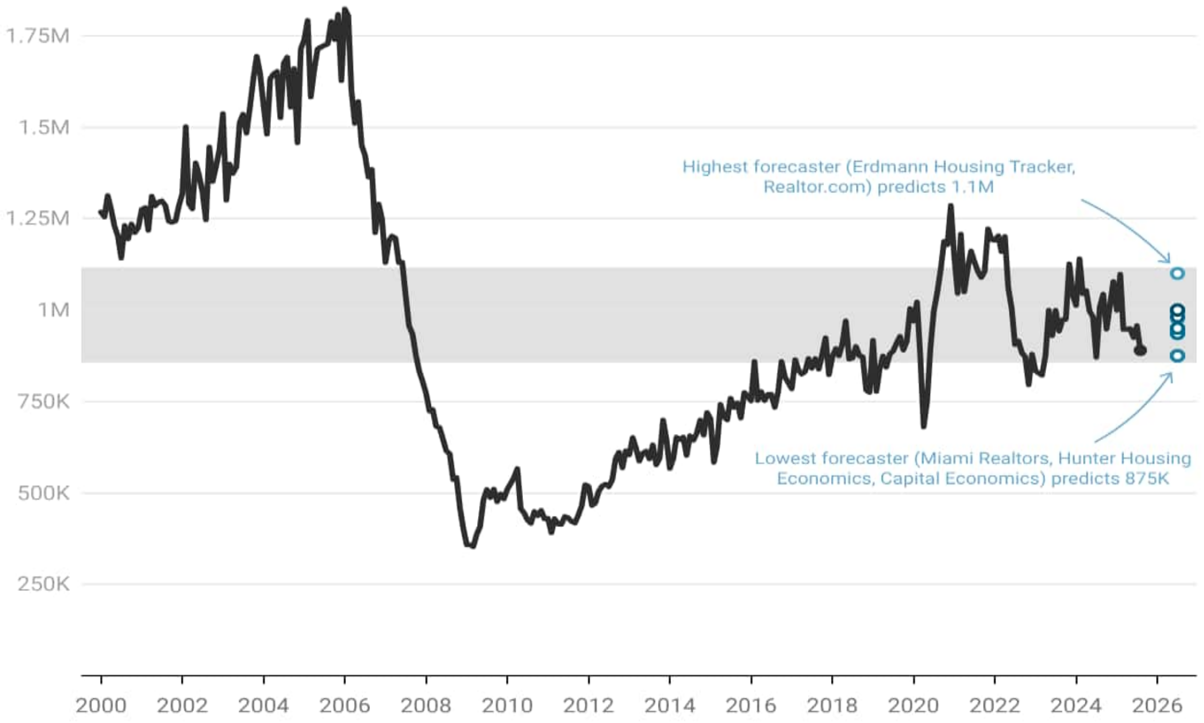
August 2023 —> 973K

August 2024 —> 1.01 million

August 2025 —> 890K (an abnormally low monthly print—964K avg. pace for the year)

Where U.S. single-family housing starts are forecasted to go in calendar year 2026

Among the 13 forecasts tracked by ResiClub that provide a single-family housing starts forecast, the average model projects U.S. single-family housing starts to be 965K million in 2026



Published December 30, 2025. Historic chart displays the monthly seasonally adjusted annualized rate of U.S. single-family housing starts through August 2025. The Yale School of Management forecast was provided by professor Cameron LaPoint.

Chart: Lance Lambert • Source: ResiClub 2026 Housing Economist Survey; U.S. Census Bureau • Created with Datawrapper

ResiClub

Seasonally adjusted annualized rate of U.S. multifamily housing starts by August (due to the government shutdown, the most recent housing starts print is Aug. 2025)

August 2017 —> 292K

August 2018 —> 388K

August 2019 —> 466K

August 2020 —> 355K

August 2021 —> 491K

August 2022 —> 610K

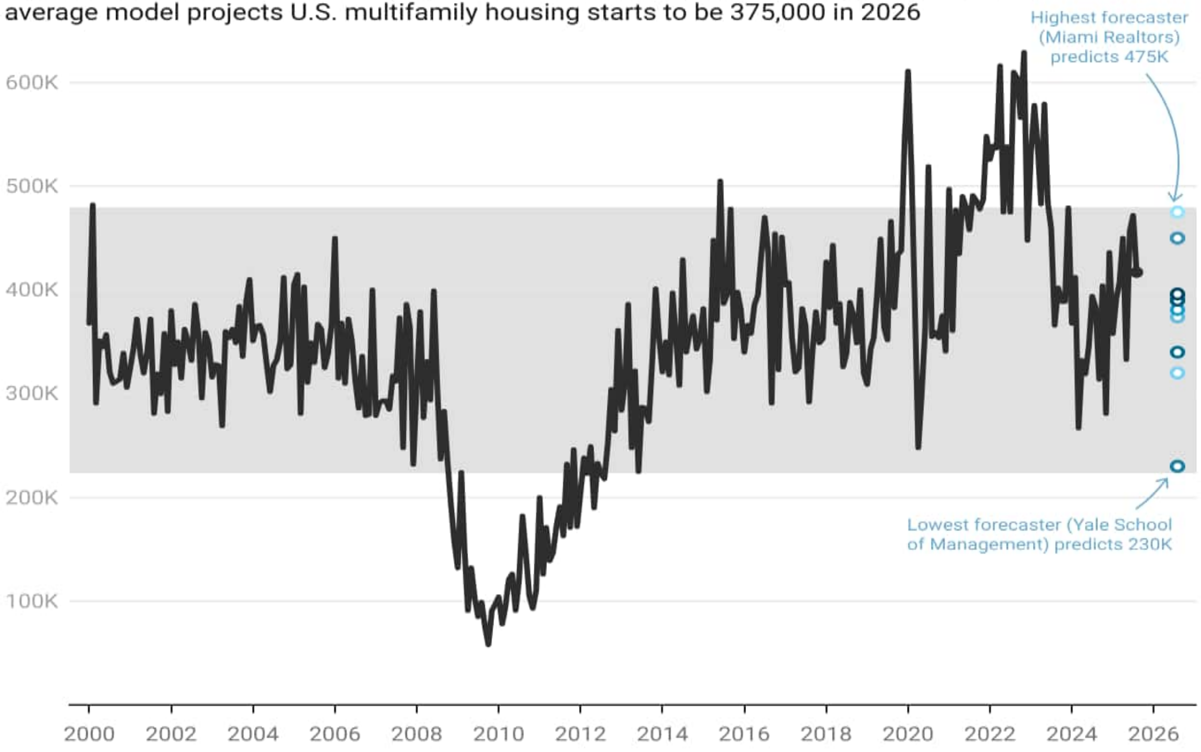
August 2023 —> 366K

August 2024 —> 383K

August 2025 —> 417K (411K pace avg. pace for the year)

Where U.S. multifamily housing starts are forecasted to go in calendar year 2026

Among the 10 forecasts tracked by ResiClub that provide a multifamily housing starts forecast, the average model projects U.S. multifamily housing starts to be 375,000 in 2026



Published December 30, 2025. Historic chart displays the monthly seasonally adjusted annualized rate of U.S. multifamily housing starts through August 2025. Multifamily starts include units in both 2–4 unit buildings and units in buildings with 5 units or more. The Yale School of Management forecast was provided by professor Cameron LaPoint.

Chart: Lance Lambert • Source: ResiClub 2026 Housing Economist Survey; U.S. Census Bureau • Created with Datawrapper

ResiClub

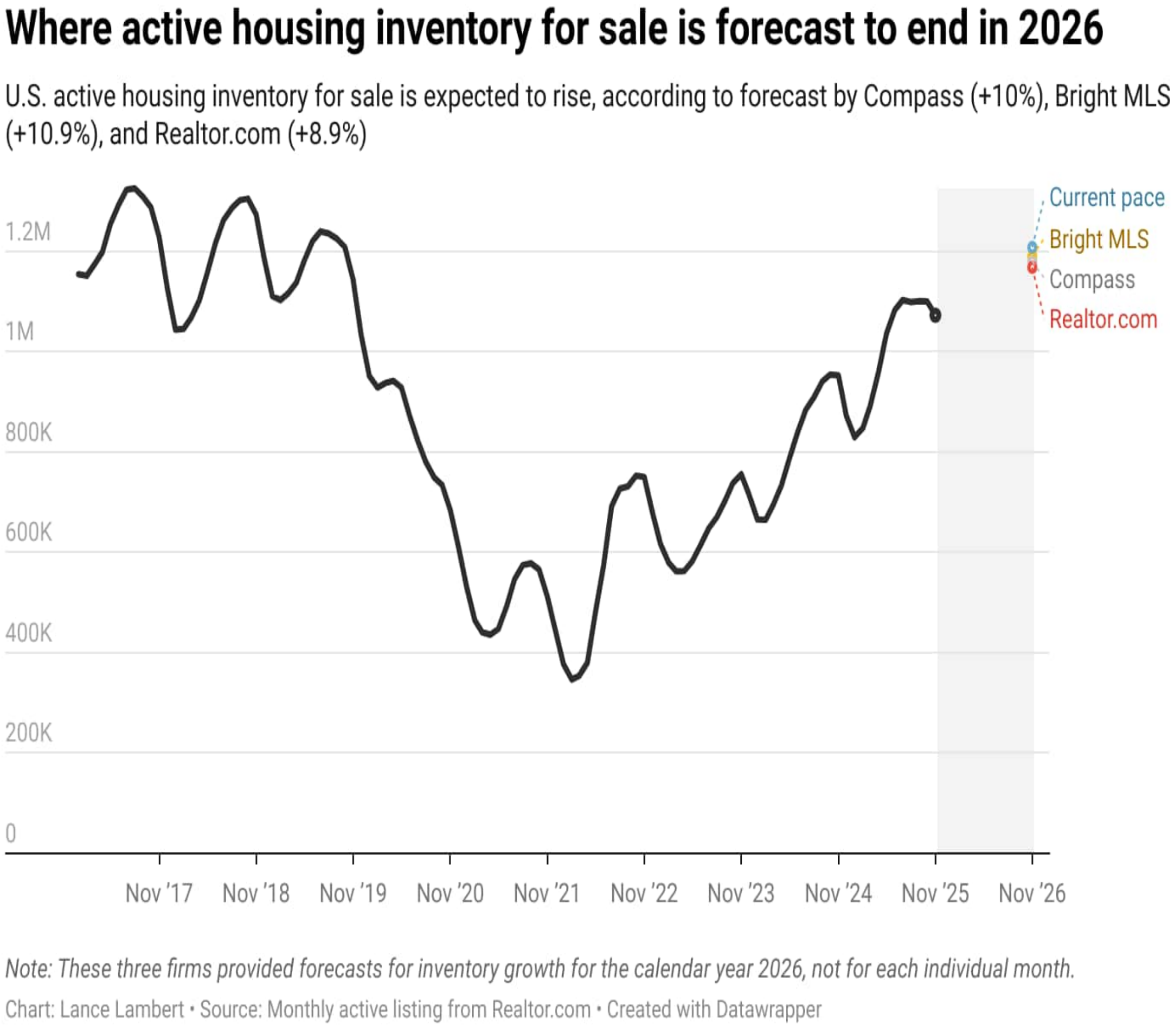
National housing inventory is forecast to tick up

U.S. housing inventory is increasing, but the pace of growth is slowing.

Between November 2023 and November 2024, U.S. active housing inventory for sale rose +26.1%.

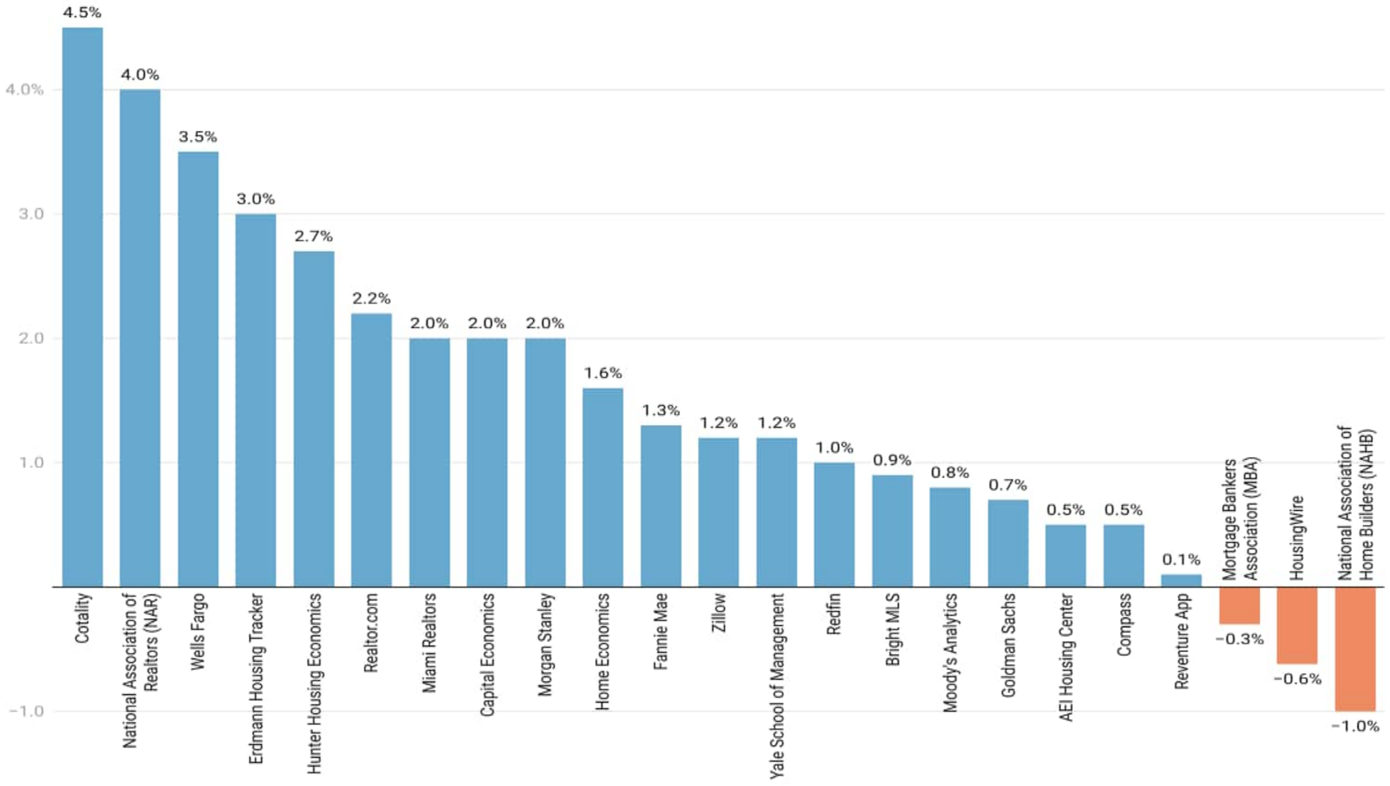
Between November 2024 and November 2025, U.S. active housing inventory for sale rose +12.6%.

Forecasters are predicting an inventory climb somewhere between +8.9% and +10.9% YoY in 2026



U.S. home price forecasts for calendar year 2026

The average forecast tracked by ResiClub expects U.S. home prices to rise 1.47% in 2026



Published December 30, 2025. The Yale School of Management forecast was provided by professor Cameron LaPoint. The HousingWire forecast was provided by Logan Mohtashami.

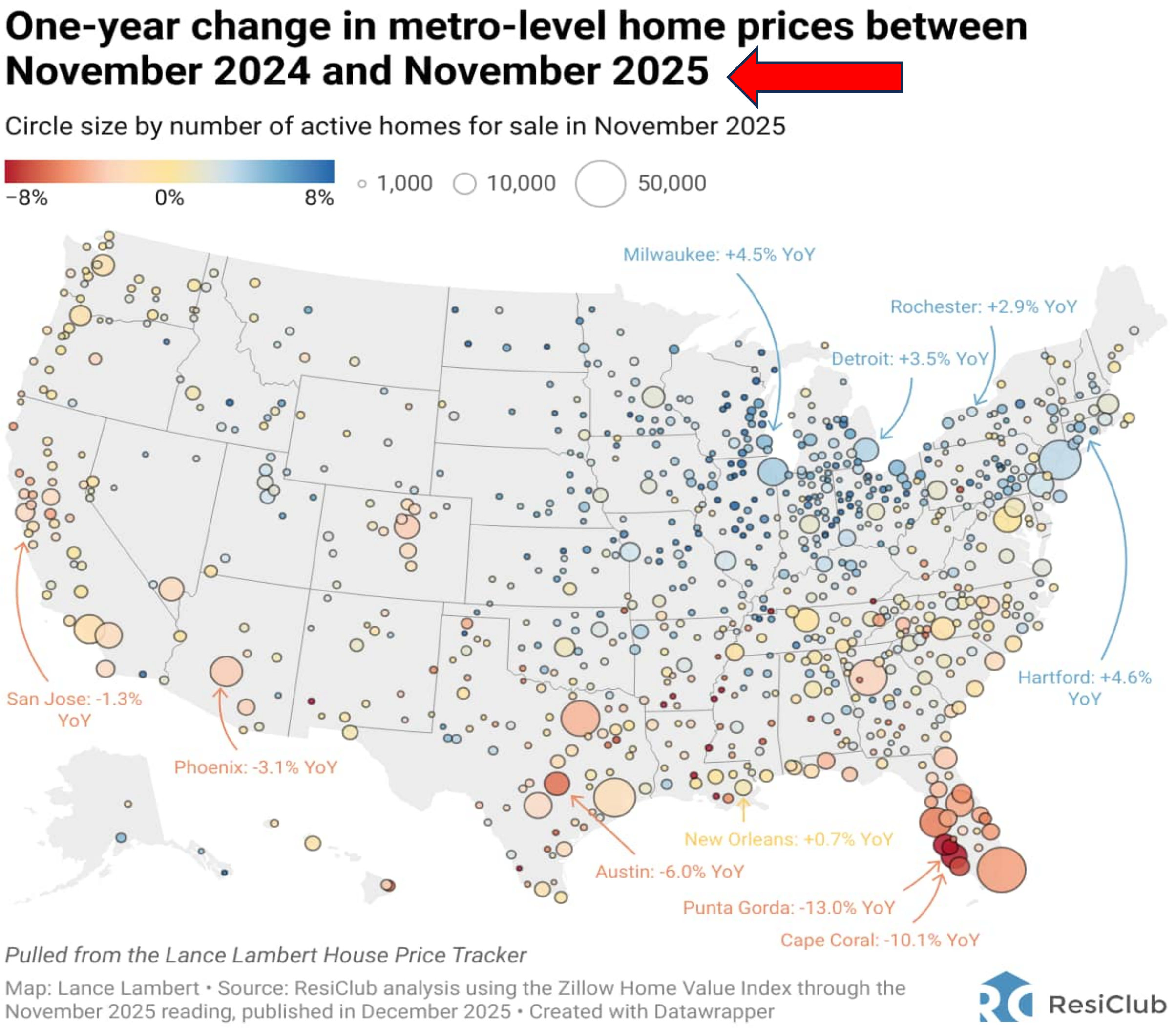
Chart: Lance Lambert • Source: ResiClub 2026 Housing Economist Survey • Created with Datawrapper

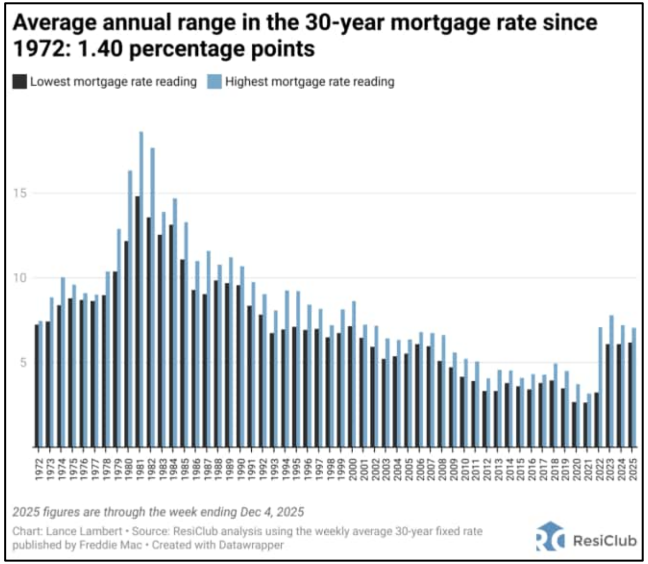
ResiClub

Expect regional bifurcation to continue in 2026

Using active inventory/months of supply as a guide, the greatest pricing resilience in 2025 were the Midwest and Northeast markets, while the greatest pricing softness was likely in Gulf markets such as Central Texas and Southwest Florida.

Although, it's possible the bifurcation eases a bit in 2026, given recent inventory trends.





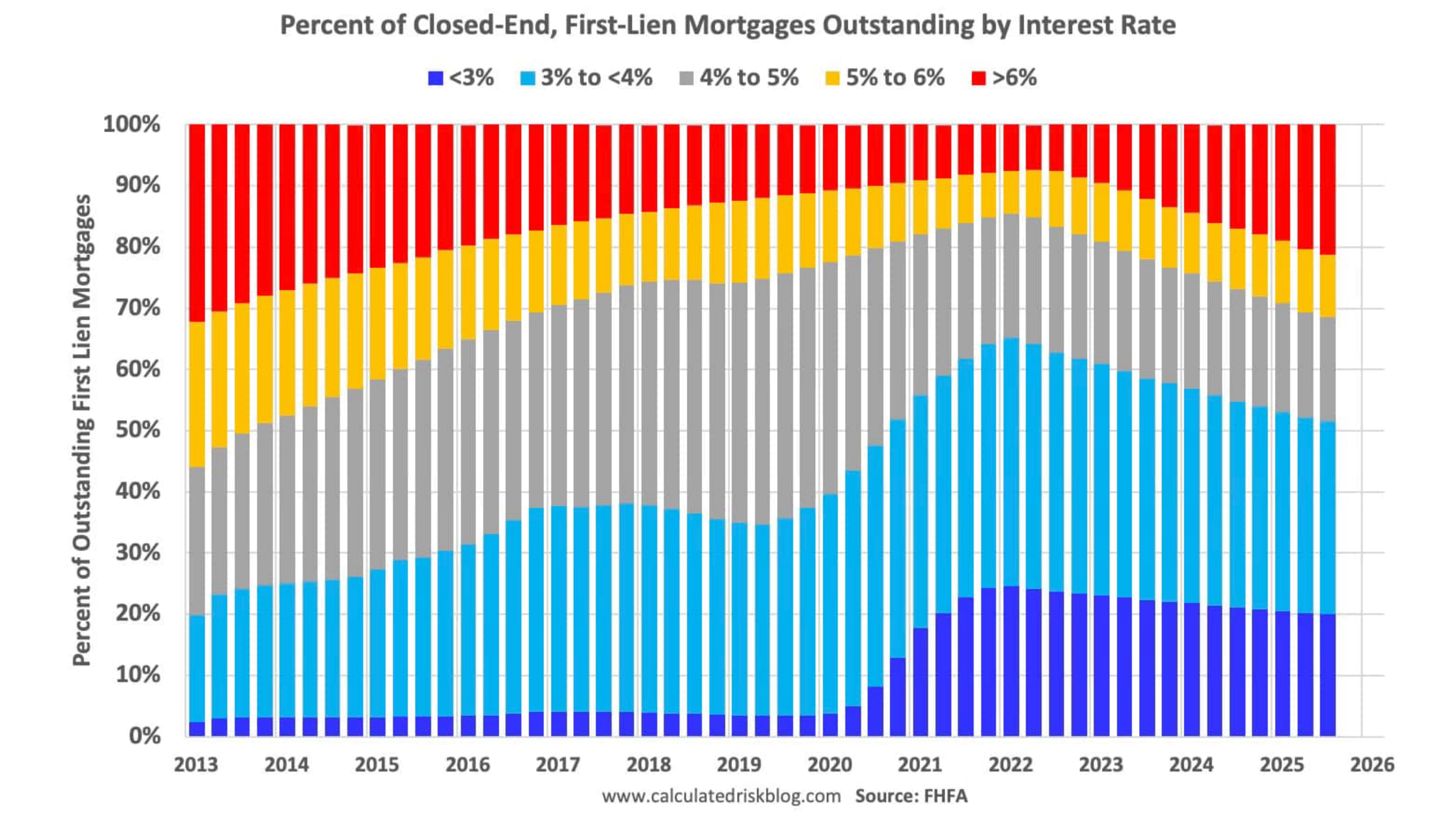
What mortgage rates are forecasted to average in 2026

The average 30-year fixed mortgage rate was 6.18% on the week ending December 24, 2025. The average of the 21 forecasts tracked by ResiClub predicts the 30-year fixed mortgage rate will average 6.18% in 2026.

Final 2026 roundup published by ResiClub on December 27, 2025. These forecasts pertain to full year 2026, except for those from Morgan Stanley, Bright MLS, and Capital Economics—which are forecast for Q4 2026. The Yale School of Management forecast was provided by professor Cameron LaPoint.

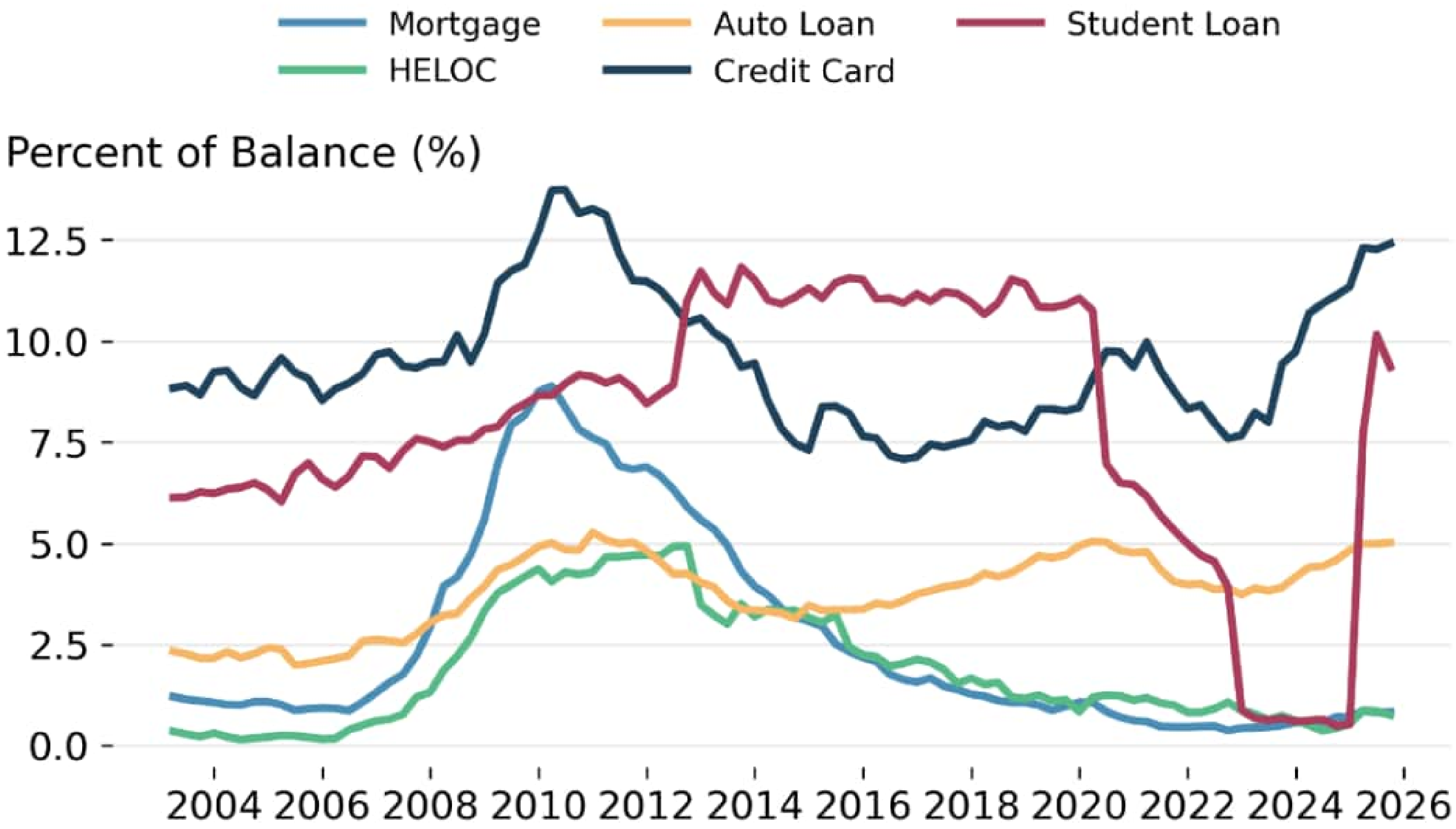
Chart: Lance Lambert • Source: ResiClub 2026 Housing Economist Survey • Created with Datawrapper

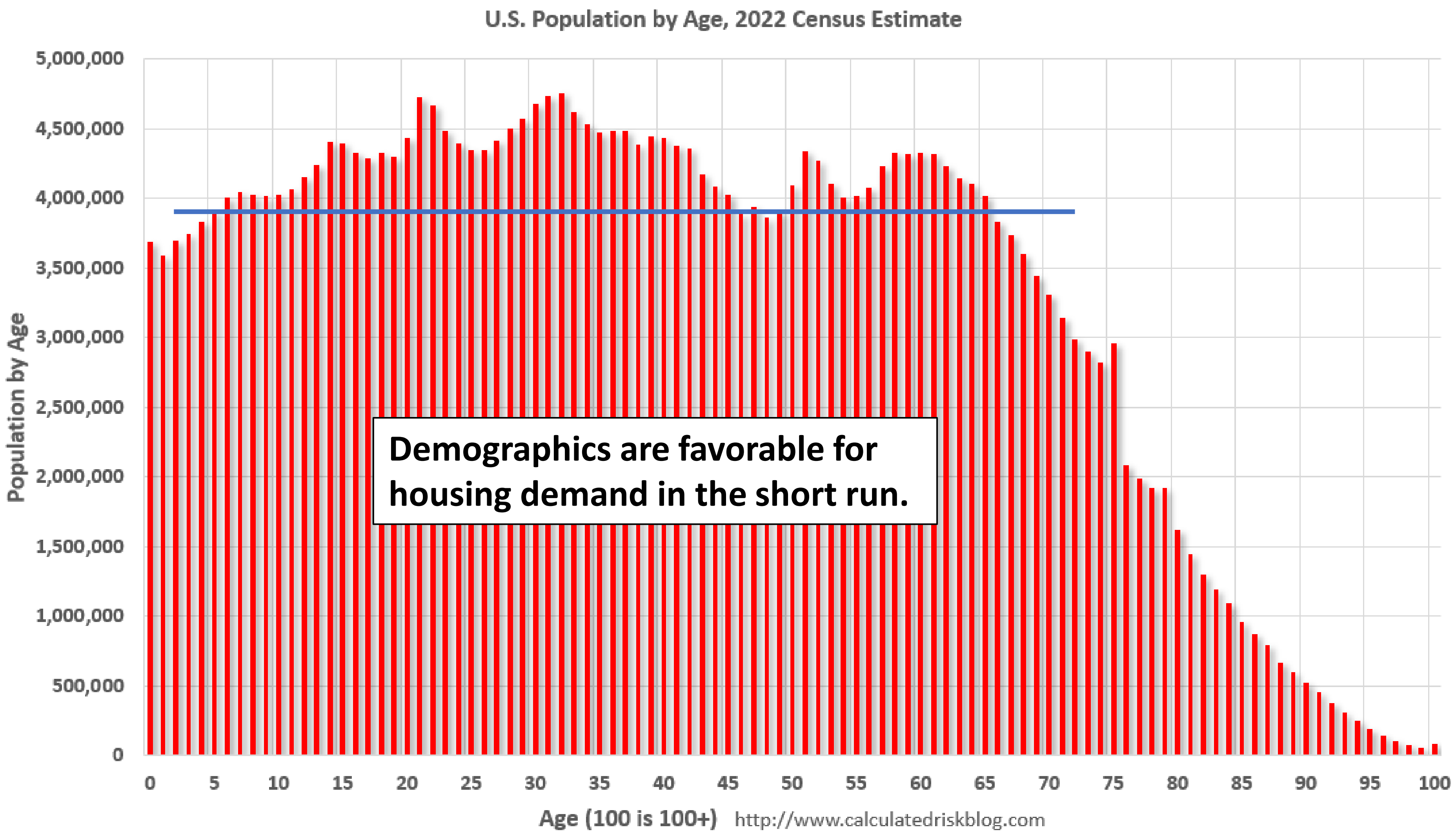
ResiClub

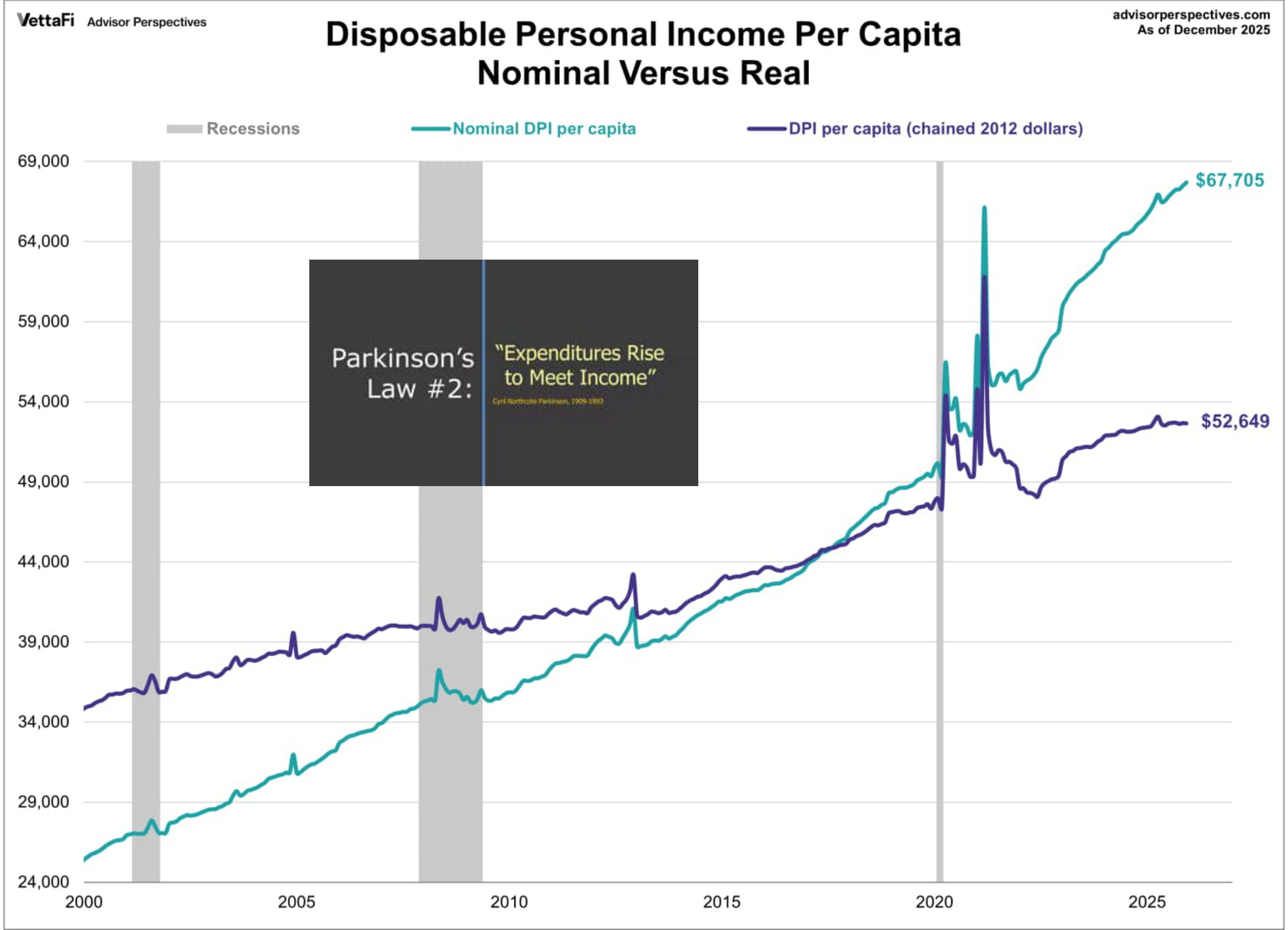


Percent of Closed-End, First-Lien Mortgages Outstanding by Interest Rate
<3%
3% to <4%
4% to 5%
5% to 6%
>6%
Percent of Outstanding First Lien Mortgages
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026
www.calculatedriskblog.com Source: FHFA

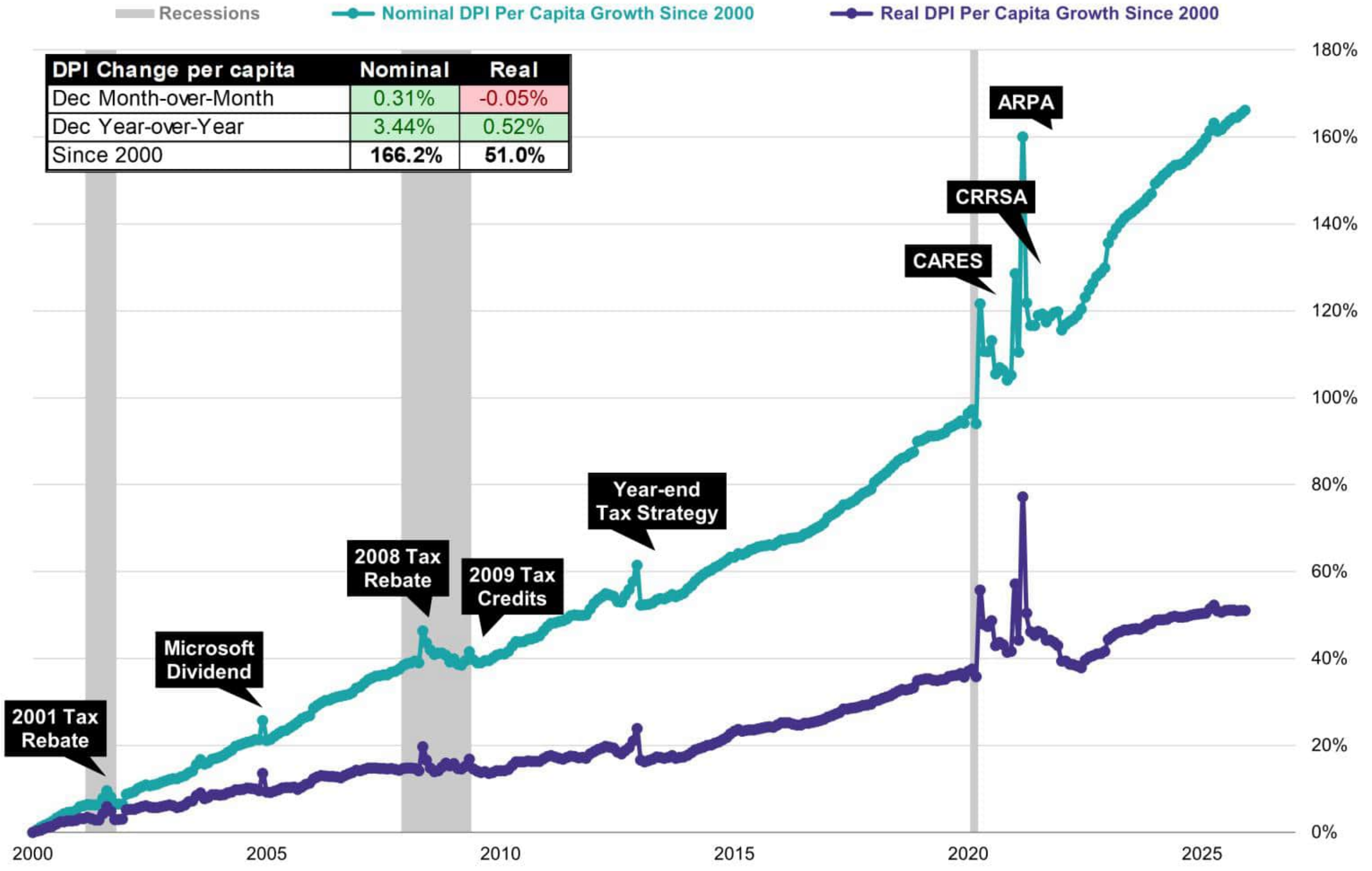
DELINQUENCY RATES VARY ACROSS DEBT CLASSES




U.S. Population by Age, 2022 Census Estimate
5,000,000
4,500,000
4,000,000
3,500,000
3,000,000
2,500,000
2,000,000
1,500,000
1,000,000
500,000
0
Population by Age
0
5
10
15
20
25
30
35
40
45
50
55
60
65
70
75
80
85
90
95
100
Age (100 is 100+)
http://www.calculatedriskblog.com
Demographics are favorable for housing demand in the short run.


VettaFi Advisor Perspectives
Disposable Personal Income Per Capita
Nominal Versus Real
advisorperspectives.com
As of December 2025
Recessions
Nominal DPI per capita
DPI per capita (chained 2012 dollars)
69,000
64,000
59,000
54,000
49,000
44,000
39,000
34,000
29,000
24,000
2000
2005
2010
2015
2020
2025
$67,705
$52,649
Parkinson's Law #2:
"Expenditures Rise to Meet Income"

Disposable Personal Income Per Capita Growth



DPI Change per capita	Nominal	Real
Dec Month-over-Month	0.31%	-0.05%
Dec Year-over-Year	3.44%	0.52%
Since 2000	**166.2%**	**51.0%**

Real Personal Consumption Expenditures (PCECC96)

Observations
Q4 2025: **16,682.486**
Updated: Feb 20, 2026 7:47 AM CST
Next Release Date: Mar 13, 2026

Units:
Billions of Chained 2017 Dollars, Seasonally Adjusted Annual Rate

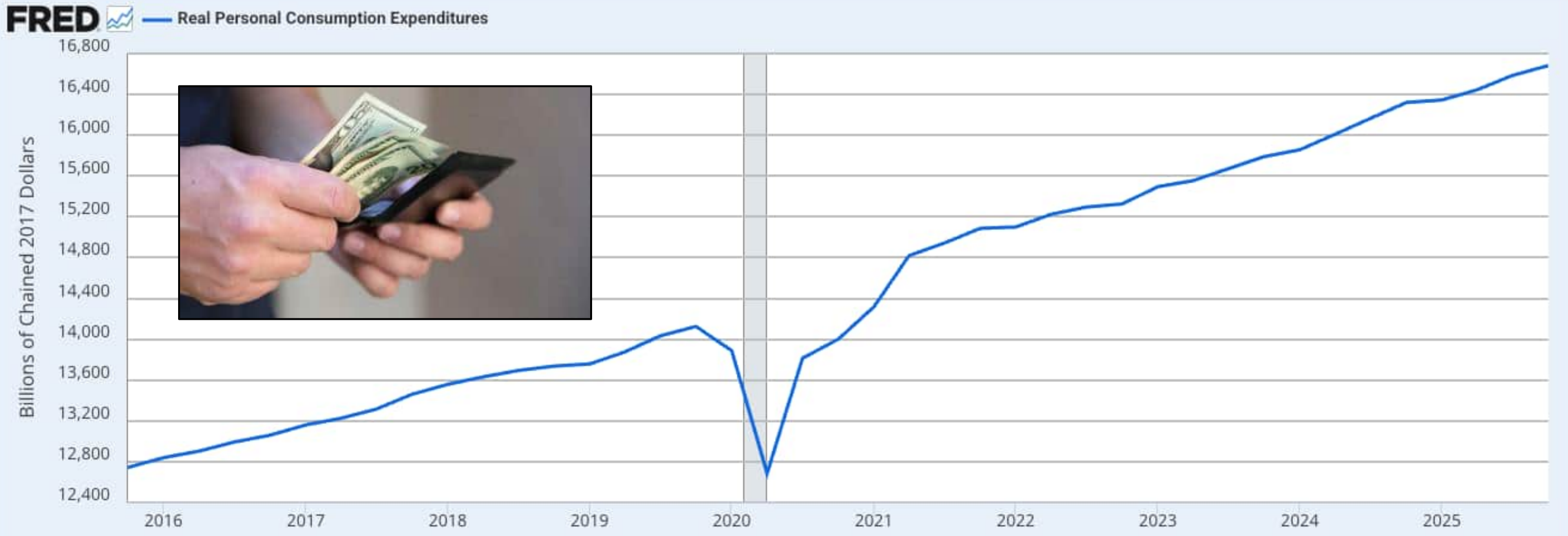
Frequency:
Quarterly

1Y | 5Y | 10Y | Max

2015-10-01 to 2025-10-01

Edit Graph

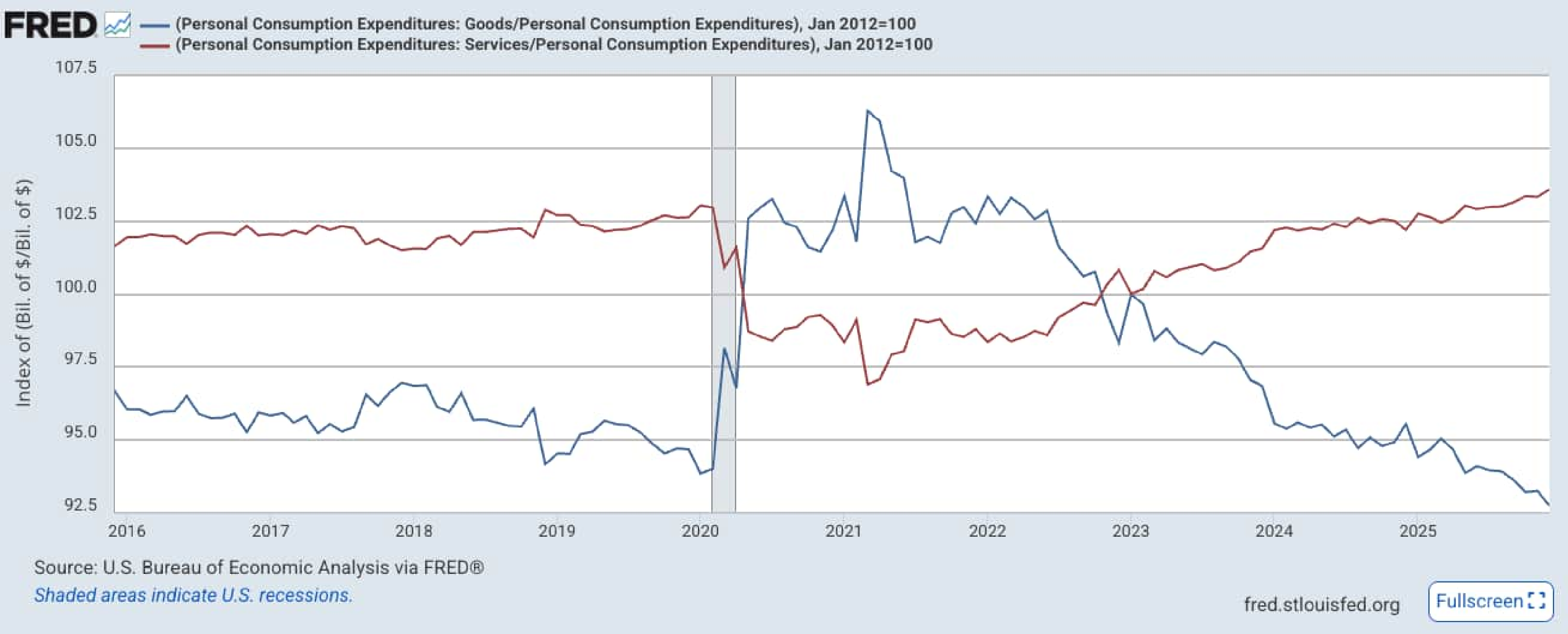
Download

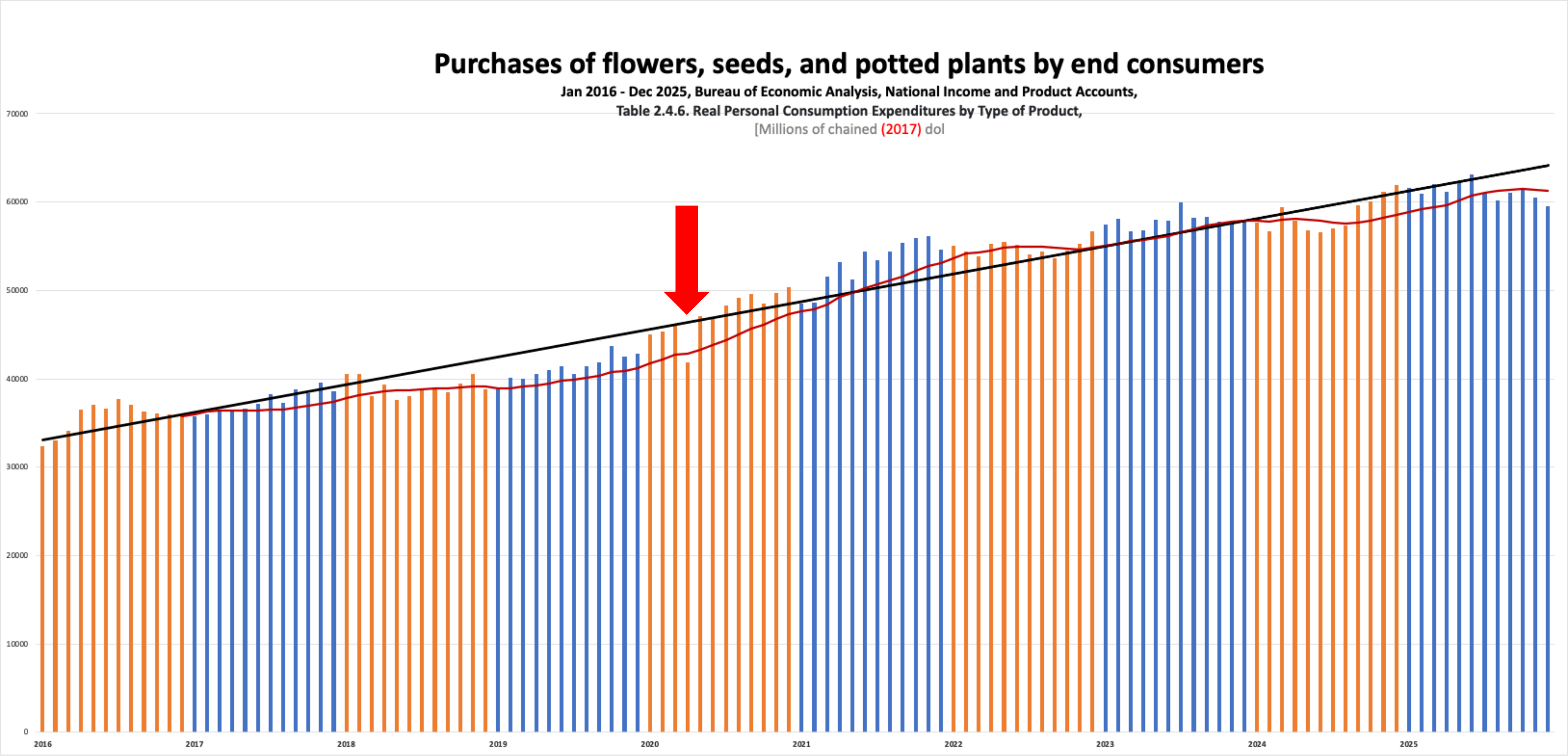


Source: U.S. Bureau of Economic Analysis via FRED®
Shaded areas indicate U.S. recessions.

fred.stlouisfed.org

Fullscreen


FRED
(Personal Consumption Expenditures: Goods/Personal Consumption Expenditures), Jan 2012=100
(Personal Consumption Expenditures: Services/Personal Consumption Expenditures), Jan 2012=100
107.5
105.0
102.5
100.0
97.5
95.0
92.5
Index of (Bil. of $/Bil. of $)
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
Source: U.S. Bureau of Economic Analysis via FRED®
Shaded areas indicate U.S. recessions.
fred.stlouisfed.org
Fullscreen


Purchases of flowers, seeds, and potted plants by end consumers
Jan 2016 - Dec 2025, 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) dol
70000
60000
50000
40000
30000
20000
10000
0
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025

Real Private Residential Fixed Investment (PRFIC1)

Observations
Q4 2025: **761.339**
Updated: Feb 20, 2026 7:46 AM CST
Next Release Date: Mar 13, 2026

Units:
Billions of Chained 2017 Dollars, Seasonally Adjusted Annual Rate

Frequency:
Quarterly

1Y | 5Y | 10Y | Max

2007-01-01 to 2025-10-01

Edit Graph

Download

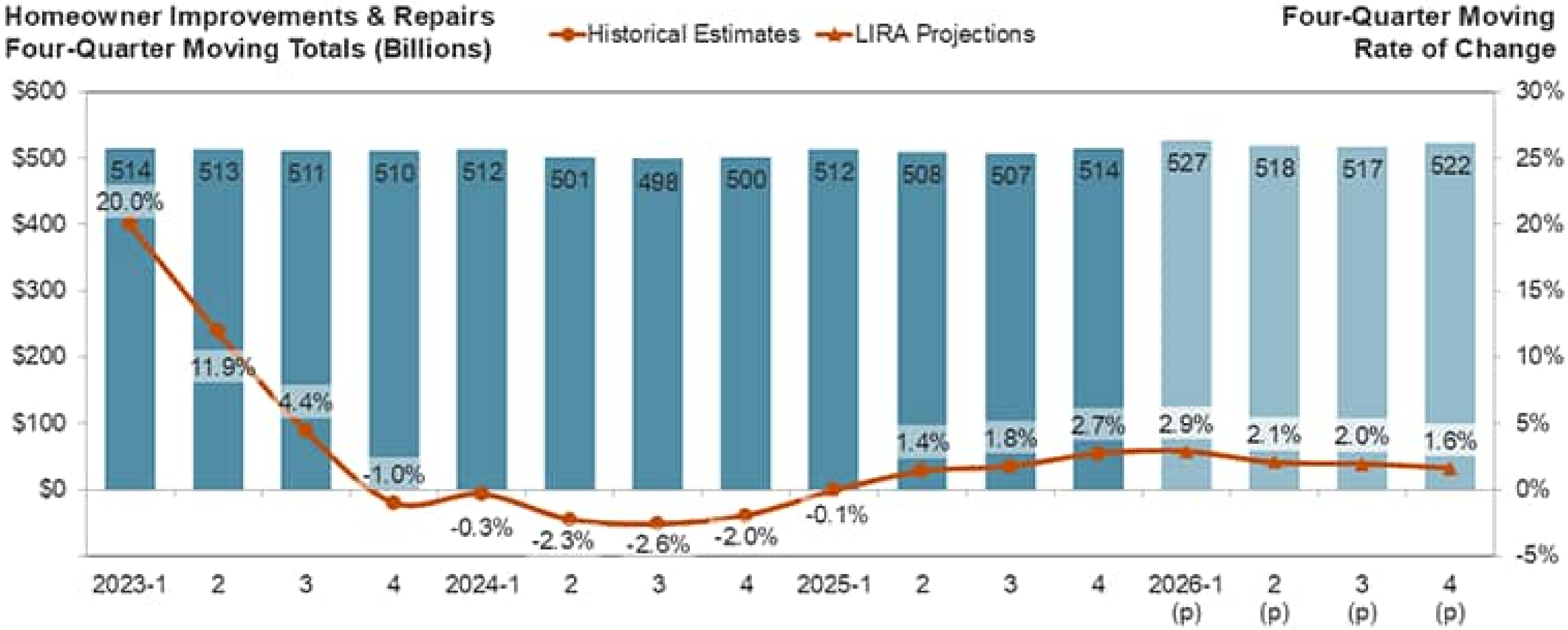
Source: U.S. Bureau of Economic Analysis via FRED®

Shaded areas indicate U.S. recessions.

fred.stlouisfed.org

Fullscreen

Leading Indicator of Remodeling Activity – Fourth Quarter 2025

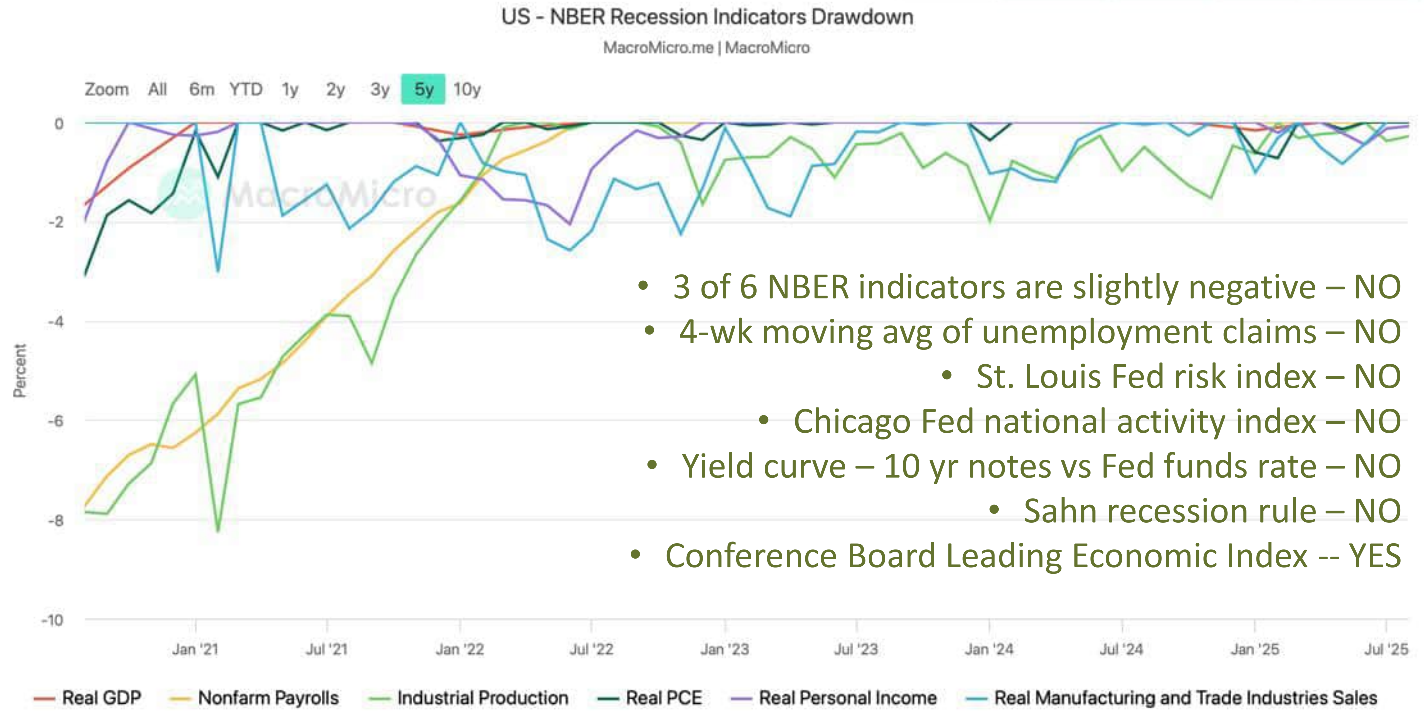


Notes: Improvements include remodels, replacements, additions, and structural alterations that increase the value of homes. Routine maintenance and repairs preserve the current quality of homes. Historical estimates since 2023 are produced using the LIRA model until American Housing Survey benchmark data become available.


recession?

Is a recession imminent? 25% - 40% likelihood

US - NBER Recession Indicators Drawdown



- 3 of 6 NBER indicators are slightly negative – NO
- 4-wk moving avg of unemployment claims – NO
- St. Louis Fed risk index – NO
- Chicago Fed national activity index – NO
- Yield curve – 10 yr notes vs Fed funds rate – NO
- Sahn recession rule – NO
- Conference Board Leading Economic Index -- YES

AI Definitions Bookmark

The National Bureau of Economic Research (NBER) Business Cycle Dating Committee, the official recession scorekeeper, assesses whether the U.S. economy has entered a recession by tracking various variables, including real GDP, real personal income minus government transfers, employment, various forms of real consumer spending, and industrial production.

When more indicators experience sustained declines or drop significantly, there's a greater chance that the U.S. economy is entering a recession.

The chart shows the 3-year drawdown of each indicator. Zero means the indicator has continued to hit new highs or remained at the same level as its peak over the past three years, while a negative value means that the indicator has fallen from its highest point in the last three years.

Common Themes Across Forecasts:

1. Growth will be well below the 2.5-3.0% historical trend.
2. Tariffs will continue pressuring inflation and business investment.
3. Labor and housing market weakness will persist into 2026.
4. Fed will likely continue gradual rate cuts (3.0-3.5% by EOY 2026).
5. AI-related investment remains a bright spot supporting business equipment spending, but...there will be a market correction.
6. Consumer spending will weaken as real wage growth stagnates.