



2025

U.S. Latino GDP Report

Hard-Working.
Self-Sufficient.
Optimistic.

Dan Hamilton, Ph.D. and Matthew Fienup, Ph.D.
California Lutheran University

David Hayes-Bautista, Ph.D. and Paul Hsu, Ph.D.
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www.LatinoGDP.us

California
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UCLA Health

Center for the Study of
Latino Health and Culture



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Center for Economic Research & Forecasting (CERF)

CERF is a nationally recognized economic forecasting center. CERF economists Matthew Fienup and Dan Hamilton are members of the Wall Street Journal Economic Forecasting Survey, the National Association of Business Economics (NABE) Economic Outlook survey, and the Fannie Mae (formerly Case-Schiller) Home Price Expectations Survey. They were recipients of 2019, 2020, 2021 and 2024 Crystal Ball Awards for the Fannie Mae forecast survey. CERF's 2-year ahead forecast of U.S. home prices was the single most accurate among more than 100 competing forecasts. CERF is housed at California Lutheran University, a federally designated Hispanic Serving Institution.

Center for the Study of Latino Health & Culture (CESLAC)

Since 1992, CESLAC has provided cutting-edge research, education and public information about Latinos, their health and their impact on California's economy and society. CESLAC is a resource for community members, business leaders and policy makers who want to gain insightful research and information about Latinos. It offers unparalleled insight into Latino issues through an approach that combines cultural research, demographic trends, and historical perspective. In addition, it has helped the University of California meet its public service goal by increasing the effectiveness of their outreach to the Latino community.

History of the Latino GDP Project

The effort to calculate the Latino GDP began with David Hayes-Bautista around 2004. His idea was to use established government data programs to calculate a robust summary statistic for the economic performance of U.S. Latinos. The original U.S. Latino GDP algorithm was developed by Hayes-Bautista with Werner Schink, former Chief Economist of the California Labor Department. They produced the inaugural Latino Gross Domestic Product (GDP) Report in 2017. After Schink's untimely passing in 2018, Hayes-Bautista found new collaborators in Dan Hamilton and Matthew Fienup, of California Lutheran University. Hayes-Bautista, UCLA colleague Paul Hsu, Hamilton, and Fienup made refinements to the Latino GDP methodology and have produced annual U.S. Latino GDP Reports every year since 2019. With generous support from Bank of America, the Latino GDP Project was significantly expanded beginning in 2021 and now includes calculation of the Latino GDP for targeted states and major metropolitan areas as well as the inaugural U.S. *Latina* GDP Report. For more information and to access reports, visit www.LatinoGDP.us and www.LatinaGDP.us



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FOREWORD

The 2025 U.S. Latino GDP Report represents the 8th vintage of an annual series of reports which document the large and rapidly growing economic contribution of Latinos living in the United States. It is also the 29th full-length report that the Latino GDP team has produced as part of an ambitious research initiative which analyzes the contributions of Hispanic males and females across various geographies, including targeted states and major metropolitan areas. The current release follows closely on the heels of the inaugural [U.S. Latina GDP Report](#), which was released in Fall of 2024 and which was covered in more than 600 separate features across print, electronic and broadcast media.

Collectively, the 29 reports document substantial *economic premiums*, specifically growth premiums, enjoyed by Latinos relative to Non-Latinos in the United States. These premiums exist across a wide range of economic indicators – population and labor force, labor force participation rates, educational attainment, real income, consumption, and more. And Latino economic premiums are large – for example, U.S. Latino labor force growth is 7.9 times faster than Non-Latino labor force growth from 2010 to 2023. Educational attainment growth is 3.1 times faster than that of Non-Latinos, and real income growth is 2.9 times faster.

The participation of Latinos in the U.S. economy is more *active*, more *intense* than Non-Hispanic participation. The importance of rapid Latino growth rates, and the intensity of economic activity which they represent, cannot be overstated. The vitality of the *overall* U.S. economy *depends* on the intensity of the economic activity of U.S. Latinos.

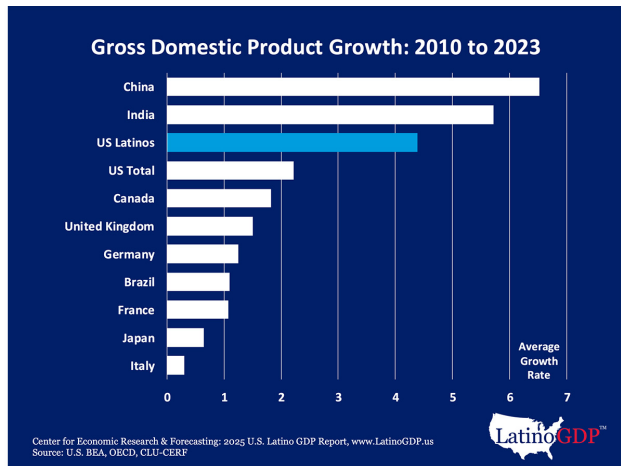
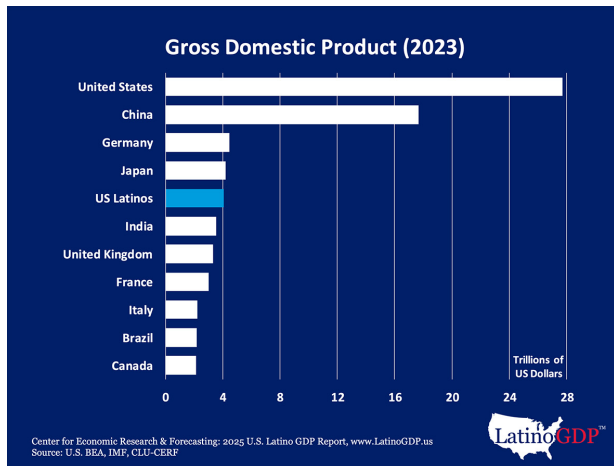
As a society, we benefit meaningfully from greater economic vitality, and we should understand and invest in the drivers of that vitality. Stronger economic growth, or GDP growth, is associated with rising wages, higher standards of living, and greater economic mobility across the economy. By driving economic growth in the United States, Latinos provide these benefits and opportunities for all. Understanding the drivers of growth and making the proper investments can secure even greater economic growth and the greater prosperity that it produces.

The 2025 U.S. Latino GDP Report marks a remarkable milestone in the eight years and 29 reports that comprise the full body of Latino GDP research. As documented in this report, in 2023, the U.S. Latino GDP surpassed \$4 trillion, up from just \$1.6 trillion in 2010. The economic contribution of U.S. Latinos remains the equivalent of the world's fifth largest economy and the single fastest growing among major economies. Larger than India and faster growing than China, the U.S. Latino GDP is a tremendous source of economic vitality that benefits all.

After reading about the world-leading and vitality sustaining growth of the U.S. Latino GDP documented in this report, we urge readers to visit www.LatinoGDP.us and to access reports for various states and major metropolitan areas. Surveying those reports will reinforce that the economic impact of U.S. Latinos touches every corner of the nation.

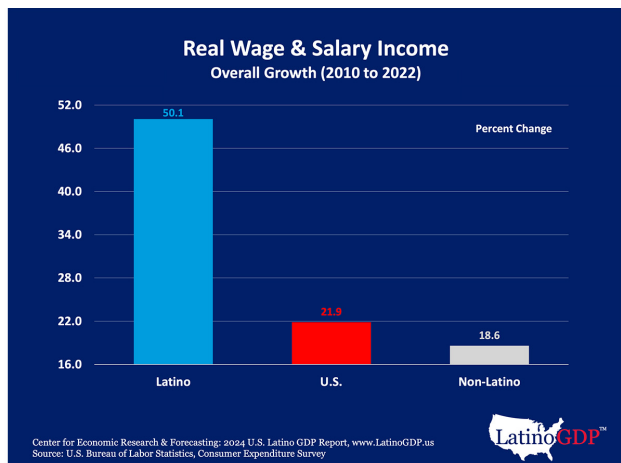
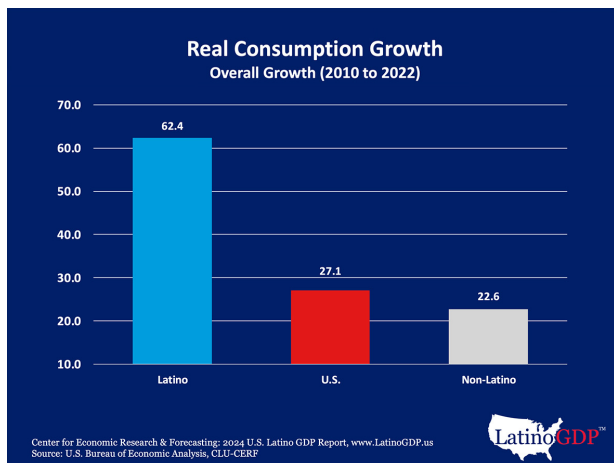
Executive Summary

The 2025 U.S. Latino GDP Report provides a factual view of the large and rapidly growing economic contribution of Latinos living in the United States. In this 8th annual publication, we again estimate the U.S. Latino GDP based on a detailed, bottom-up construction that leverages publicly available data from major U.S. agencies. At the time of writing, the most recent year for which the core data are available is 2023. Thus, this year’s report provides a snapshot of economic activity in that year.



As a summary statistic for the economic performance of U.S. Latinos, the 2023 U.S. Latino GDP is extraordinary. The total economic output (or GDP) of Latinos living in the United States in 2023 is \$4.1 trillion, up from \$2.8 trillion in 2019 and \$1.6 trillion in 2010. If Latinos living in the United States were an independent country, the U.S. Latino GDP would be the fifth largest GDP in the world. For the fourth consecutive year, U.S. Latino GDP is larger than the GDPs of India, the United Kingdom, or France.

While impressive for its size, the U.S. Latino GDP is truly remarkable for its rapid growth. Among the ten largest GDPs, the U.S. Latino GDP was the third fastest growing from 2010 to 2023. Over that period, real Latino GDP increased 2.7 times faster than Non-Latino.

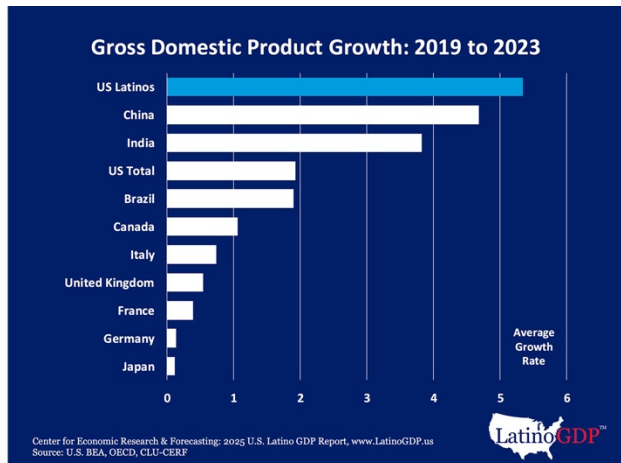
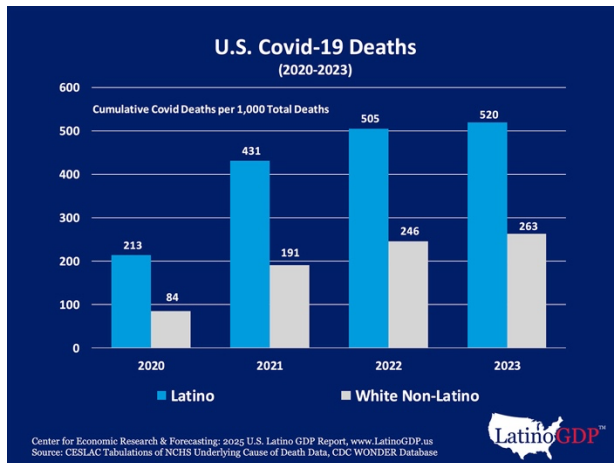


In 2023, Latino consumption stood at \$2.7 trillion. Latinos in the U.S. represent a consumption market 20 percent larger than the entire economy of Italy and 24 percent larger than Brazil. From 2010 to 2023, Latino real consumption grew 2.6 times faster than Non-Latino, driven by rapid gains in Latino income. Over the same period, Latino real incomes grew 2.9 times faster.

The Latino income growth premium naturally flows from Latinos’ rapid gains in educational attainment and strong labor force participation. From 2010-2023, the number of people earning a bachelor’s degree grew 3.1 times faster for Latinos than Non-Latinos. In 2023, Latinos were 6.7 percentage points more likely to be actively working or seeking work than their Non-Latino counterparts. This Latino labor force participation premium sits at an all-time high. Considered together, these patterns underscore the fact that Latinos are drivers of economic growth in the U.S.

Data since the start of the COVID-19 pandemic reveal that, beyond being drivers of economic growth, U.S. Latinos are an important source of resilience even when historic challenges impact the broader economy. When COVID-19 struck, observing the differential impacts to Latino health, many analysts predicted that earlier Latino economic gains would be erased. Despite being hit harder by COVID-19, the Latino GDP has roared back.

Across the years 2020 through 2023, the cumulative number of COVID deaths was nearly twice as high for Latinos (520 deaths per 1,000 Latino deaths) compared to Non-Hispanic Whites (only 263 per 1,000 Non-Latino deaths). Yet, the performance of Latinos during and after the pandemic is sufficient to make the U.S. Latino GDP the single fastest growing among the ten largest GDPs, faster even than China or India. The broader U.S. economy ranks a distant fourth.



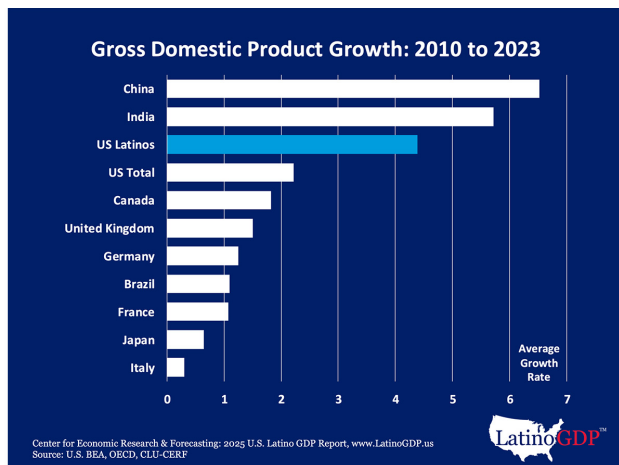
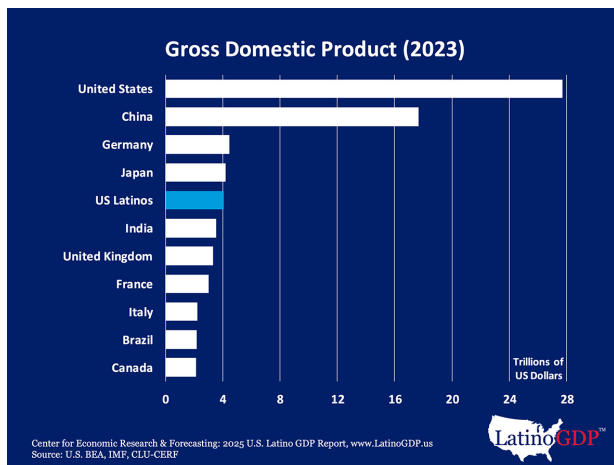
Juxtaposing data on the extraordinary growth of Latino GDP from 2019 to 2023 with data on health impacts for Latinos is an important exercise. It illustrates the extraordinary sacrifices made by Latinos during the pandemic. It also highlights just how vital and uplifting Latino strength and resilience are for the nation. Hard work, self-sufficiency, optimism, perseverance – these are the characteristics that underly the strength and resilience of U.S. Latinos. These same characteristics will continue to drive growth in the overall United States economy for years to come.

2025 U.S. LATINO GDP REPORT

Latino Gross Domestic Product (GDP)

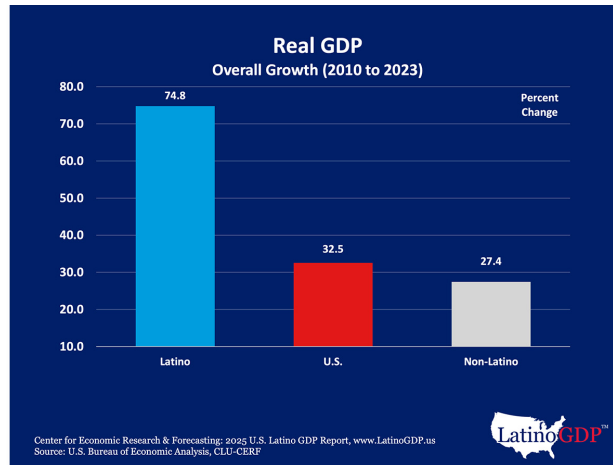
The U.S. Latino GDP Report provides a factual view of the large and rapidly growing economic contribution of Latinos living in the United States. Gross Domestic Product (GDP) is a broad measure of economic activity, representing the value of all finished goods and services produced within a geographic area in a given year. *GDP growth* is a nearly universal summary statistic for the performance of an economy. In addition to being an important summary statistic, we care about GDP growth for its own sake, as growing GDP, or economic growth, results in rising wages, higher standards of living and greater economic mobility.

In this 8th annual publication, we again estimate the U.S. Latino GDP by first making Latino-specific calculations of major GDP components decomposed across more than 70 sectors of economic activity. This is a detailed, bottom-up construction of the total economic impact of Latinos, one that leverages publicly available data from major U.S. agencies, including the U.S. Bureau of Economic Analysis (BEA), the Bureau of Census, and the Bureau of Labor Statistics. The core building block is the BEA’s Input-Output (I-O) Table, which is the foundation for the national income accounting system. At the time of writing, the most recent year for which the I-O Table is available is 2023. As such, this year’s report provides a snapshot of the total economic contribution of U.S. Latinos in that year. However, this report harnesses a wealth and wide variety of economic, demographic, financial, health, and geographic data to provide a comprehensive and detailed analysis of the contributions of U.S. Latinos.

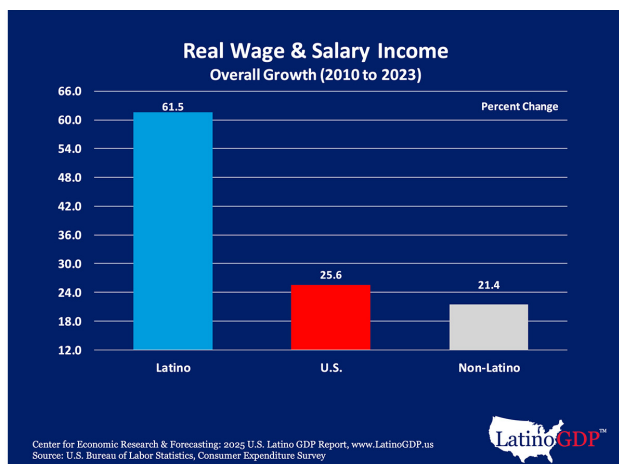
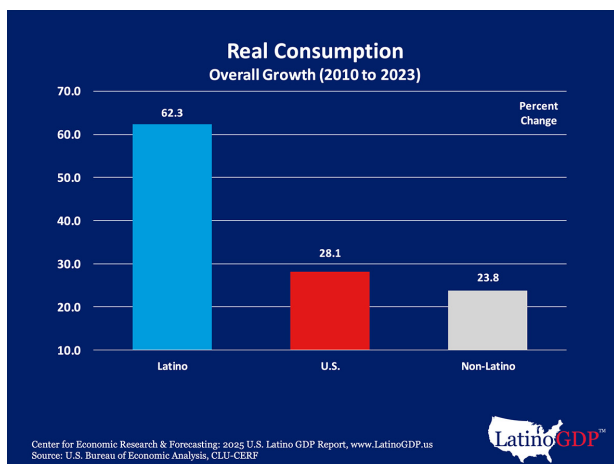


As a summary statistic for the economic performance of U.S. Latinos, the 2023 U.S. Latino GDP is extraordinary. The total economic output (or GDP) of Latinos living in the United States in 2023 is \$4.1 trillion, up from \$2.8 trillion in 2019 and \$1.6 trillion in 2010. If Latinos living in the United States were an independent country, the U.S. Latino GDP would be the fifth largest GDP in the world. For the fourth consecutive year, U.S. Latino GDP is larger than the GDPs of India, the United Kingdom, or France. Outside of the United States, only Germany, Japan, and China have a GDP which is larger.

While impressive for its size, the U.S. Latino GDP is truly remarkable for its rapid growth. Among the ten largest GDPs, the U.S. Latino GDP was the third fastest growing from 2010 to 2023. Over that entire period, the average annual growth of real U.S. Latino GDP is 4.4 percent, compared to only 2.2 percent for the broader U.S. economy. From 2010 to 2023, real Latino GDP increased a total of 74.8 percent compared to only 27.4 percent for Non-Latino GDP. In other words, the Latino GDP is growing 2.3 times faster than the broader U.S. GDP and 2.7 times faster than Non-Latino GDP.



In 2023, Latino consumption stood at a record \$2.7 trillion. Latinos in the United States now represent a consumption market 20 percent larger in size than the entire economy of Italy (2023 GDP of \$2.26 trillion) and 24 percent larger than Brazil (2023 GDP of \$2.17 trillion). In terms of domestic comparisons, Latino consumption is 5 percent larger than the entire economy of the state of Texas (2023 State GDP of \$2.58 trillion) and 25 percent larger than the entire economy of the state of New York (2023 GDP of \$2.17 trillion). From 2010 to 2023, Latino real consumption grew a total of 62.3 percent while Non-Latino consumption grew only 23.8 percent. In other words, Latino real consumption grew 2.6 times faster than Non-Latino.



The impressive growth of Latino consumption is driven by rapid gains in Latino income. From 2010 to 2023, Latino real wage and salary income grew a total of 61.5 percent while Non-Latino income grew only 21.4 percent. Over this period, Latino incomes grew 2.9 times faster than Non-Latino.

The Latino income growth premium naturally flows from Latinos’ rapid gains in educational attainment and strong labor force participation. As detailed in *Drivers of the Latino GDP* section, below, from 2010-2023, the number of people earning a bachelor’s degree grew 3.1 times faster for Latinos than Non-Latinos. In 2023, Latinos were 6.7 percentage points more likely to be actively working or seeking work than their Non-Latino counterparts. Latinos’ labor force participation premium currently sits at an all-time high. Considered together, these patterns underscore the fact that Latinos are drivers of economic growth in the United States.

Gross Domestic Product by Industry					
2023	Latino GDP		U.S. GDP		
	GDP	Industry Share	GDP	Industry Share	
	<i>billions of dollars</i>	<i>percent</i>	<i>billions of dollars</i>	<i>percent</i>	
Agricultural/Natural Resources	60.6	1.5	275.2	1.0	
Mining/Quarrying	67.2	1.7	388.4	1.4	
Construction	341.7	8.4	1,346.2	4.9	
Durables Manufacturing	168.0	4.1	1,355.0	4.9	
Non-Durables Manufacturing	199.9	4.9	1,242.5	4.5	
Wholesale Trade	238.1	5.9	1,605.1	5.8	
Retail Trade	267.8	6.6	1,664.6	6.0	
Transportation/Warehousing/Utilities	237.9	5.9	1,372.5	5.0	
Information/Technology	157.9	3.9	1,428.7	5.2	
Finance/Insurance/Real Estate	695.4	17.1	5,815.0	21.0	
Professional/Business Services	518.5	12.8	4,048.4	14.6	
Education/Healthcare/Social Assistance	303.7	7.5	2,269.9	8.2	
Leisure/Hospitality	299.5	7.4	1,276.1	4.6	
Personal/Repair/Maintenance Svcs	141.0	3.5	761.8	2.7	
Government Services	362.4	8.9	2,871.2	10.4	
Total All Industries	4,059.7	100	27,720.7	100	

Sources: U.S. Bureau of Economic Analysis, Cal Lutheran University-CERF

The U.S. Latino GDP’s top industry sector is Finance & Real Estate, representing \$695 billion of economic activity on the part of U.S. Latinos in 2023. This is followed by Professional & Business Services (\$518 billion), Government Services (\$362 billion), Construction (\$342 billion), and Education & Healthcare (\$304 billion). Excluding the small and highly volatile sector of resource extraction, the fastest growing sectors of the Latino economy since 2019 are Retail Trade, Transportation & Warehousing, Non-Durables Manufacturing, and Finance & Real Estate.

The \$4.1 trillion U.S. Latino economy is both deep and wide. In general, the U.S. Latino GDP represents an economy that is broader and more diverse than the overall U.S. economy. Thus, the Latino GDP is not only an engine of economic growth but also a broad foundation of support for the larger U.S. economy.

U.S. Latino GDP		
	Latino GDP Size	Real Growth
2023	\$4.06 Trillion	4.4%
2022	\$3.68 Trillion	4.2%
2019	\$2.75 Trillion	4.0%
2010	\$1.61 Trillion	n/a

*Sources: 2025 U.S. Latino GDP Report, www.LatinoGDP.us
Real Growth is avg. annual growth from 2010 to the specified year*

Given the breadth and depth of the U.S. Latino economy, its extraordinary growth, and other important demographic trends outlined below, we expect that the significant economic growth premium that Latinos enjoy relative to Non-Latinos in the U.S. will continue and that the Latino share of U.S. GDP will continue to expand for the foreseeable future.

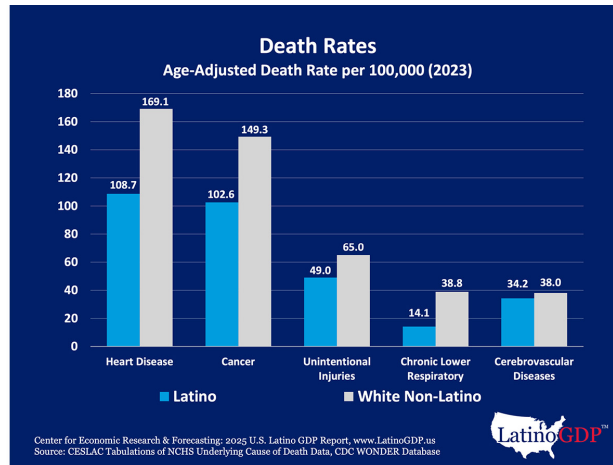
GDP Growth by Expenditure Type			
<i>expenditure type</i>	Real Growth Rates (Average Annual, 2010 to 2023)		
	<i>U.S. Economy percent change</i>	<i>Latino Economy percent change</i>	<i>Non-Latino Economy percent change</i>
Personal consumption	2.2	4.1	1.9
Residential investment	4.5	8.2	3.9
Business investment	4.4	7.4	4.1
Exports of goods and services	1.3	4.5	0.2
Imports of goods and services	2.0	4.9	1.2
Government expenditure	0.6	3.8	0.1
Gross domestic product	2.2	4.4	1.9

Sources: U.S. BEA; CERF, California Lutheran University

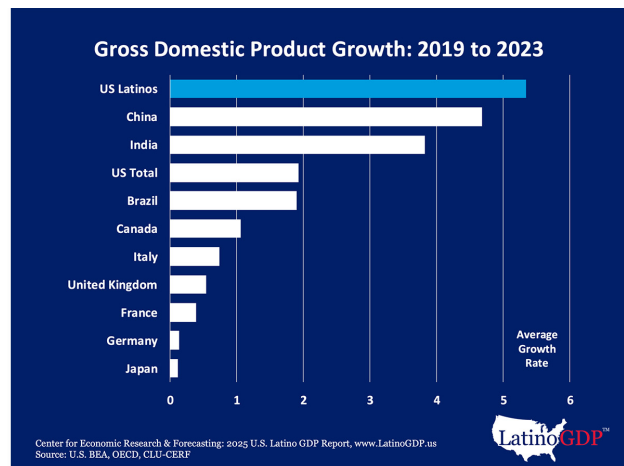
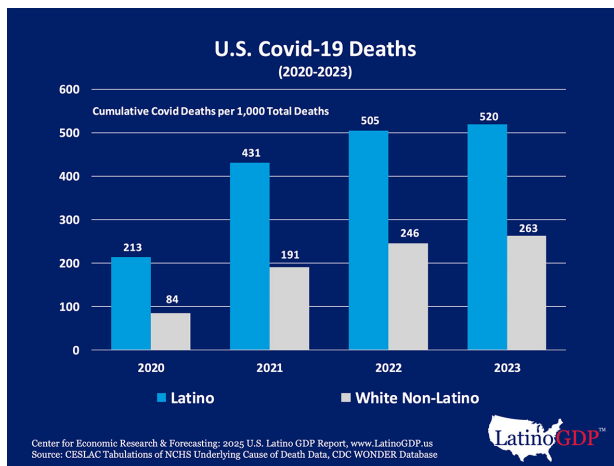
Hit Harder, Recovered Faster: COVID-19, Health, and the Latino GDP

Data since the start of the COVID-19 pandemic reveal that, beyond being drivers of economic growth, U.S. Latinos are an important source of resilience even when historic challenges impact the broader economy. For years leading up to the pandemic, Latinos enjoyed not only the various economic premiums detailed here and in previous reports, they also enjoyed superior health outcomes. When COVID-19 struck, observing the differential health impacts to Latinos, many analysts predicted that earlier Latino economic gains would be erased. Despite being hit harder by COVID-19, the Latino health advantage has been restored and the Latino GDP has roared back.

Prior to the pandemic, Latinos enjoyed lower age-adjusted mortality rates for all five leading causes of death: heart disease, cancer, unintentional injuries, chronic lower respiratory disease, and stroke. In the case of heart disease, the leading cause of death in 2019, Latinos exhibited a thirty percent lower age-adjusted mortality rate than non-Hispanic whites. In other words, Latinos enjoyed thirty percent fewer heart attacks. Substantially lower mortality rates for all five categories translated to a life expectancy that was more than three years longer. In 2019, life expectancy for U.S. Latinos was 81.9 years, compared to only 78.8 for White Non-Latinos.

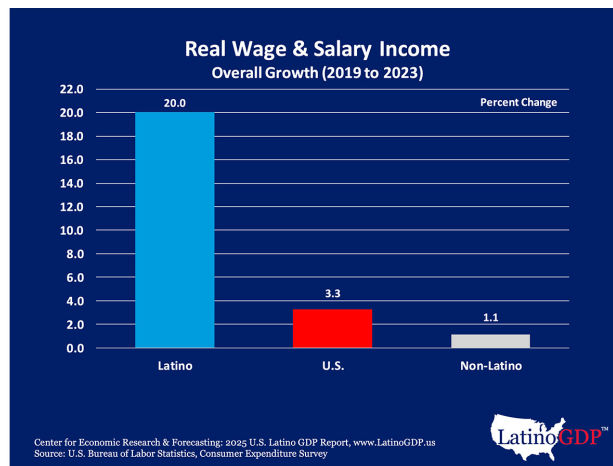


During the pandemic, COVID-19 spiked to become the number one cause of death for Latinos, whereas it was the number three cause of death for non-Latinos. In just one year, Latino life expectancy dropped to only six months longer than non-Hispanic whites on account of COVID-19. However, by 2023, deaths due to the coronavirus had dropped dramatically from 2020, to an age-adjusted rate less than that of Non-Hispanic Whites. In 2023, as in prior years, Latino death rates from other leading causes, such as heart disease, cancer, unintentional injuries, and chronic lower respiratory disease are far lower than Non-Hispanic Whites. Not surprisingly, the Latino life expectancy premium relative to non-Hispanic whites has nearly returned to the pre-Pandemic level.



Across the years 2020 through 2023, the cumulative number of COVID deaths was nearly twice as high for Latinos (520 deaths per 1,000 Latino deaths) compared to Non-Hispanic Whites (only 263 per 1,000 Non-Latino deaths). Yet, the performance of Latinos during and after the pandemic is sufficient to make the U.S. Latino GDP the single fastest growing among the ten largest GDPs, faster even than China or India. The broader U.S. economy ranks a distant fourth.

Examining the impacts of COVID-19 through the lens of the Latino GDP is truly revealing. During the COVID years of 2019 to 2023, the average annual growth of real U.S. Latino GDP is 5.3 percent, compared to only 2.3 percent for the broader U.S. economy. Despite being just 19.5 percent of the U.S. population, Latinos are responsible for 30.6 percent of the growth of real GDP since 2019.



The hard work and persistence of Latinos in the face of extraordinary COVID-era challenges caused Latino real wage and salary income to surge. From 2019 to 2023, the real wage and salary income of Latinos increased a total of 20.0 percent. During this same period, the real income of Non-Latinos increased by only 1.1 percent. In other words, Latino income grew more than 18 times faster than Non-Latino income.

As we’ve noted in previous reports, we believe strongly that juxtaposing data on the extraordinary growth of Latino GDP from 2019 to 2023 with data on health impacts for Latinos is an important exercise. It illustrates the extraordinary sacrifices made by Latinos during the pandemic. It also highlights just how vital and uplifting Latino strength and resilience are for the nation. Latinos held up the U.S. economy during the most challenging days of the pandemic in 2020, drove the nation’s economic recovery and are once again providing vitality to the overall U.S. economy.

Economic Drivers of the Latino GDP

Year in and year out and in every corner of the nation, the demographic and economic participation of U.S. Latinos exhibits greater vitality than the Nation’s economy as a whole and even more so compared to the Non-Latino economy. The intensity of economic activity that Latinos enjoy has proved enduring, including the extraordinary perseverance demonstrated through the health and

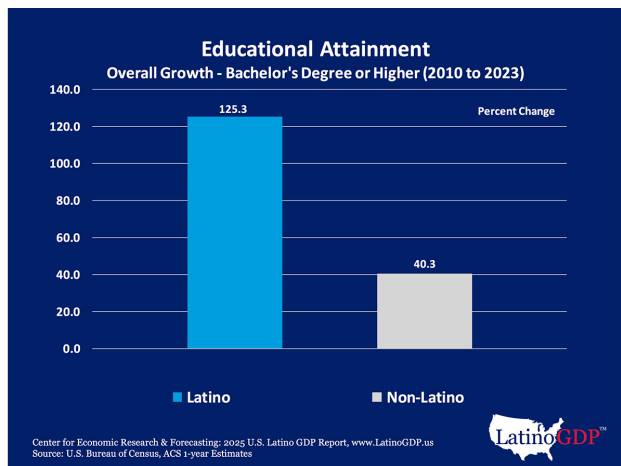
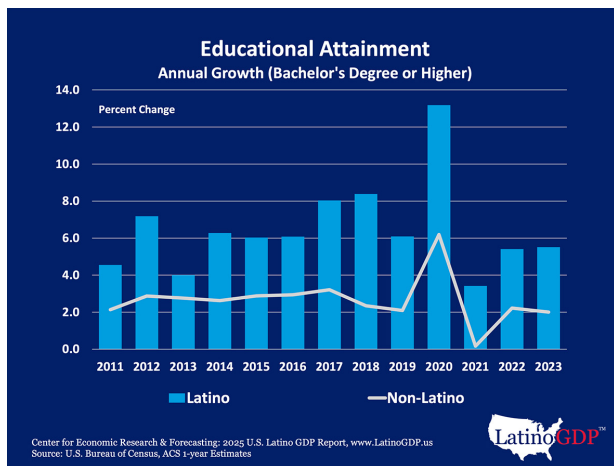
economic convulsions of the Covid-19 pandemic. There are a number of factors driving this remarkable pattern.

Educational Attainment

One of the most important drivers of rapid Latino income growth has been the significant accumulation of human capital by Latinos. One representation of this is the extraordinary growth of Latino educational attainment.

In every year from 2010 to 2023, Latino educational attainment has grown substantially more rapidly than that of Non-Latinos. During those years, the number of highly-educated Latinos more than doubled, increasing 125.3 percent, while the number of educated Non-Latinos rose by just 40.3 percent. In other words, the number of people with a bachelor’s degree or higher education grew 3.1 times more rapidly for Latinos than Non-Latinos.

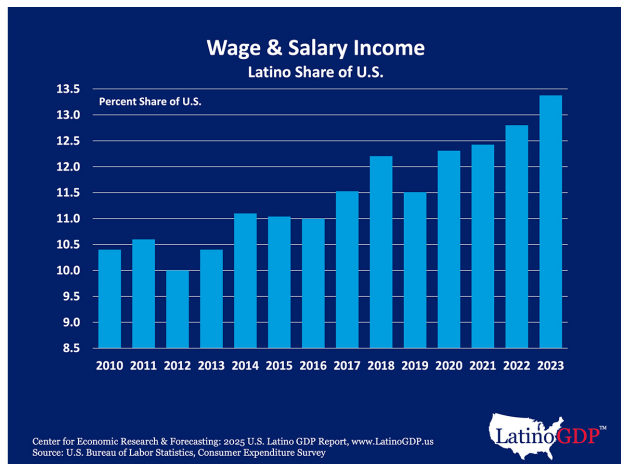
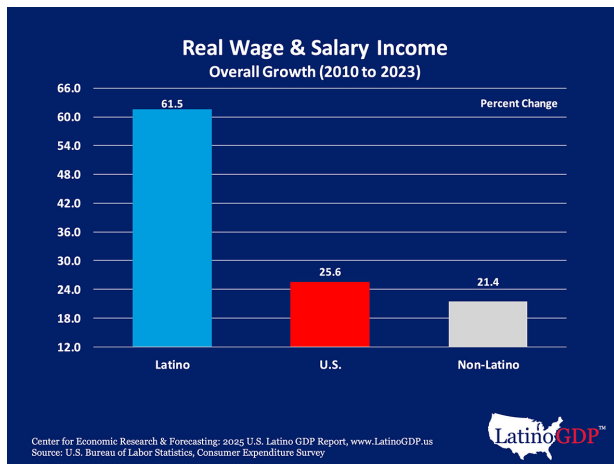
The annual gains in educational attainment by Latinos were greater than 6 percent in every year from 2014 to 2020. The rate of growth in educational attainment declined sharply in 2021 for all ethnicities as a result of the pandemic. Yet, the number of educated Latinos still increased by 3.4 percent in that year, compared to only 0.2 percent for Non-Latinos. Educational attainment growth rebounded significantly in 2022 and 2023, returning to a growth rate of 5.5 percent in 2023 compared to 2.0 percent for Non-Latinos.



As we have noted previously, attaining a college degree represents one of most important ways that an individual can accumulate human capital and, in doing so, increases the individual’s expected economic output and lifetime earnings. This increase in human capital explains much of Latinos’ rapid gains in income and the dramatic growth of Latino GDP documented across each of the various Latino GDP Reports. The investment that Latinos are making in education today will ensure that the Latino GDP continues to grow more rapidly than the broader U.S. economy.

Income

From 2010 to 2023, Latino real wage and salary income grew at an average compound annual rate of 3.8 percent per year, compared to only 1.5 percent for Non-Latinos. Over that period, Latino income grew a total of 61.5 percent while Non-Latino income grew only 21.4 percent. In other words, for more than a decade, Latino incomes have grown nearly 2.9 times faster than Non-Latino incomes.



While Latinos have per capita income that is lower than that of Non-Latinos, rapid accumulation of human capital has resulted in income growth and large increase in Latinos’ share of income. The Latino income share rose by 10.7 percent from 2010 to 2019. Latino gains in income during the pandemic are such that, from 2010 to 2023, Latino income share increased by 28.6 percent. Strong income growth is consistent with rapid growth of consumption and the size of U.S. Latino GDP reaching new heights in the years ahead.

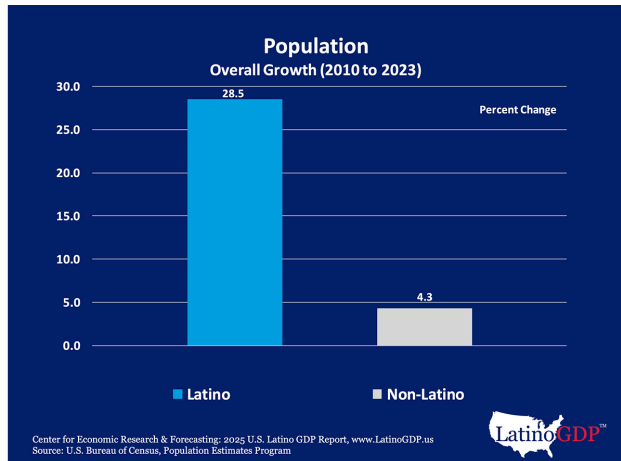
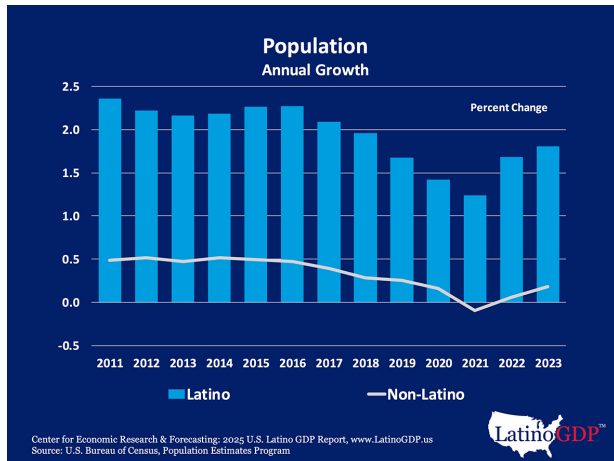
Population & Labor Force Growth

Latinos continue to make strong and consistent contributions to the nation’s population and labor force. These demographic trends amplify the economic impact of Latinos and reinforce the importance of Latino GDP growth to the continued growth of the U.S. economy in the decades ahead.

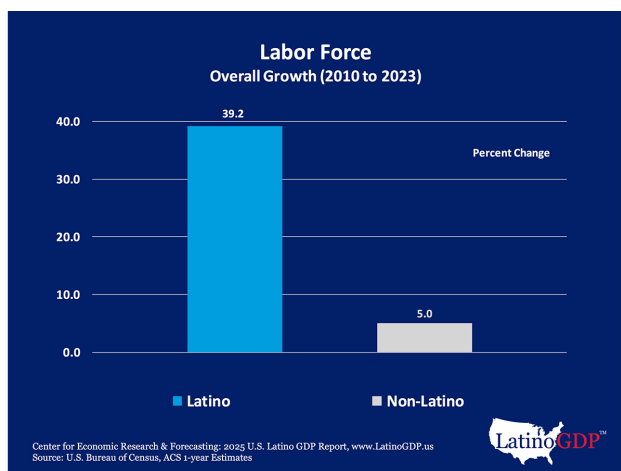
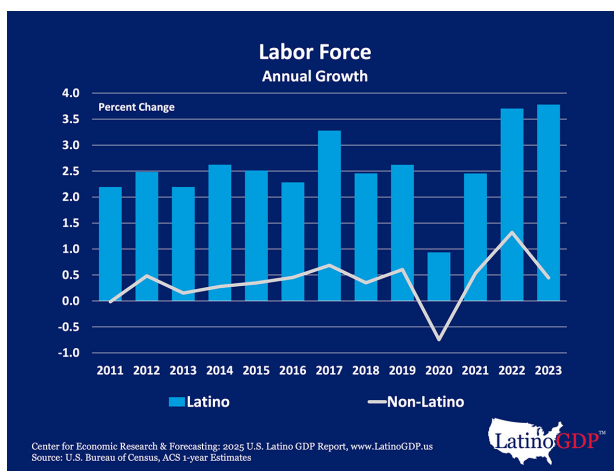
From 2010 to 2023, the Latino population grew a total of 28.5 percent, compared to only 4.3 percent for Non-Latinos. That is, Latino population growth was 6.7 times that of Non-Latinos. Despite being only 19.5 percent of the U.S. population, Latinos are responsible for more than half (56.7 percent) of U.S. population growth between 2010 and 2023.

In 2021, the second year of the pandemic, the Non-Latino population of the United States actually declined by more than 250 thousand people. In that same year, the U.S. Latino population increased by nearly 800 thousand. If it weren’t for Latinos, the U.S. population would have declined in 2021, providing a significant headwind to economic growth. In 2023, the U.S. Latino population increased

by nearly 1.2 million. In that same year, the Non-Latino population increased by 484 thousand, despite a total population-base that is five times larger. Examining the COVID-era years of 2020 to 2023 is especially revealing. Despite being just 19.5 percent of the U.S. population, Latinos are responsible for 88 percent of U.S. population growth during these years.

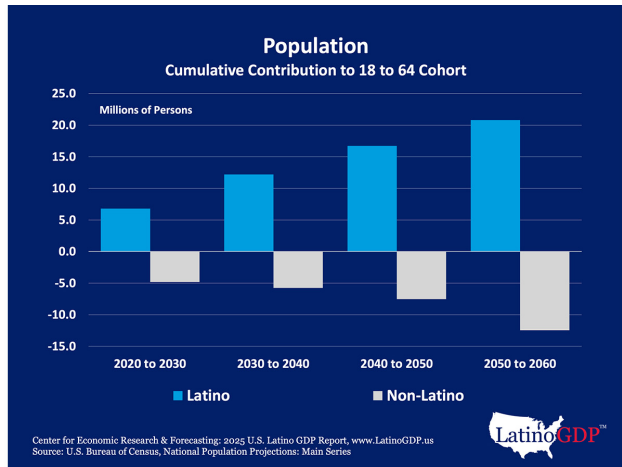
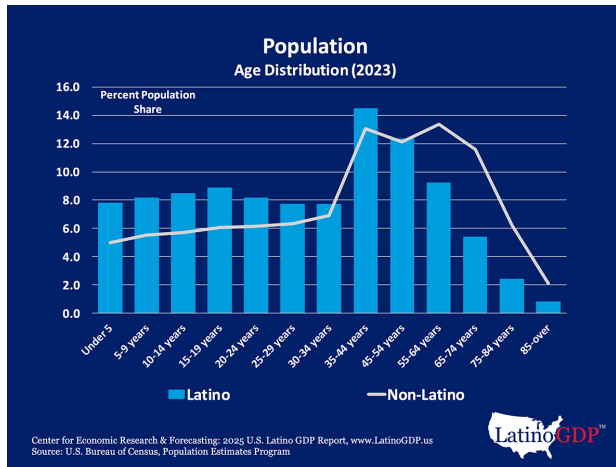


Latino additions to the U.S. labor force are, in some ways, even more impressive. Latinos contributed an average of 726 thousand workers per year to the U.S. labor force between 2010 and 2023. Non-Latinos contributed an average of only 510 thousand, despite a total population-base that is five times larger. From 2010 to 2023, the number of Latinos in the U.S. labor force increased a total of 39.2 percent compared to only 5.0 percent for Non-Latinos. In other words, Latino labor force growth is 7.9 times that of Non-Latinos. Despite being only 19.5 percent of the U.S. population, Latinos are responsible for 58.7 percent of the growth of the U.S. labor force since 2010.



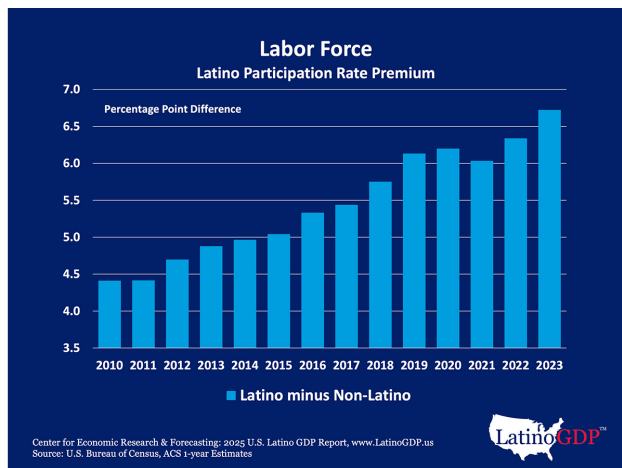
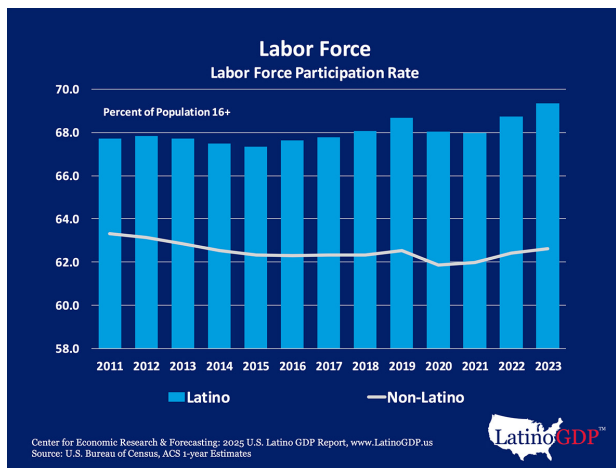
One factor which drives Latinos' strong contribution to the U.S. labor force is Latinos' younger age distribution. In 2023, the Median Age for Latinos was 31.0 years, compared to 41.3 years for Non-Latinos. Due to their relative youthfulness, Latinos are adding substantial numbers of people to the critical category of working age adults, defined as ages 16 to 64. Meanwhile, Non-Latinos are

experiencing a high concentration of population in the 55 and older age range, representing large numbers of retirees and near-retirees. According to the Census Bureau, by 2060, Latinos are projected to add over 20 million people to the working age population, whereas Non-Latinos will be subtracting more than 12 million people. With an already historically tight labor market and with a wave of retirements beginning to crest for the mostly Non-Hispanic Baby Boomers, Latino contributions to the U.S. labor force will only become more important in the years ahead, for both near-term growth and for long-term economic vitality.



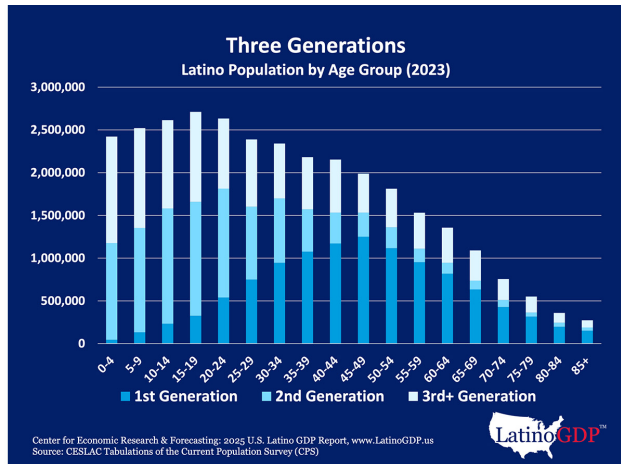
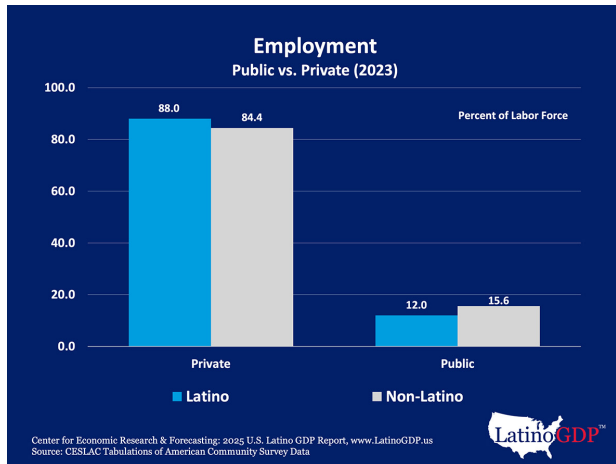
Labor Force Participation and Related Patterns

In addition to adding large numbers to the population of working age adults, working age Latinos are also significantly more likely to be actively working or seeking work than their non-Latino counterparts. In 2010, Latinos were 4.4 percentage points more likely to be working than Non-Latinos. In 2023, Latinos were 6.7 percentage points more likely to be actively working than Non-Latinos, an all-time high for the Latino labor force participation premium.



In addition to being younger on average, the composition of the Latino labor force in the United States is different in meaningful ways than the Non-Latino labor force. First, U.S. Latinos are

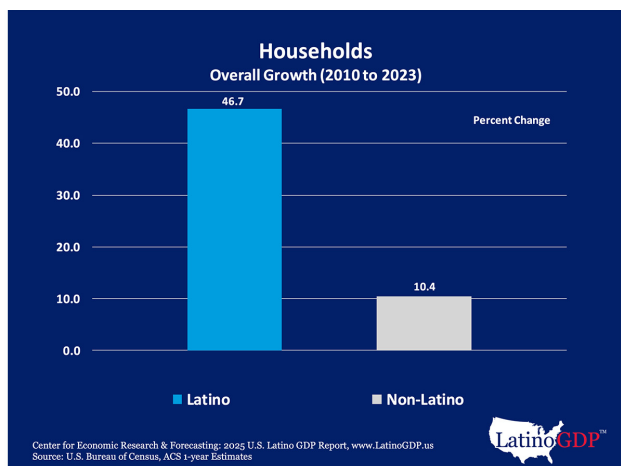
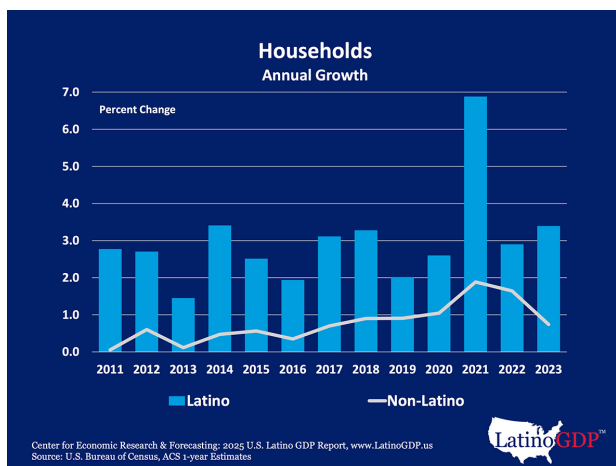
significantly more likely than Non-Latinos to choose work in the private sector compared to the government sector. While 84.4 percent of Non-Latinos worked in the private sector in 2023, 88.0 percent of U.S. Latinos worked in the private sector. Second, Latinos coming of age and entering the U.S. labor force are overwhelmingly second- and third-generation Americans. These children and grandchildren of immigrants are combining the extraordinary and selfless work ethic of their elders with rapid educational attainment to propel not just Latino GDP but overall GDP growth in the U.S.



On top of these dynamics, there are a number of demographic trends which represent a force multiplier for the impressive growth of Latinos' economic impact. These demographic trends indicate that the already critical contribution of Latinos to the U.S. economy will continue to be an engine of growth and a source of resilience for decades to come.

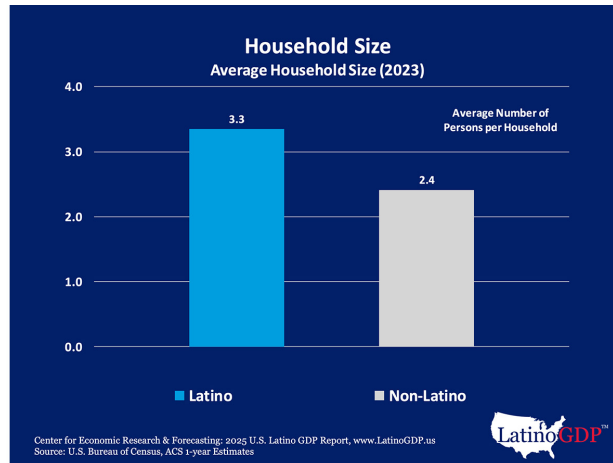
Household Formation & Home Ownership

Strong rates of Latino household formation represent one such demographic force multiplier. From 2010 to 2023, the number of Latino households grew 46.7 percent, while the number of Non-Latino households grew only 10.4 percent. That is, Latino household growth was 4.5 times faster.

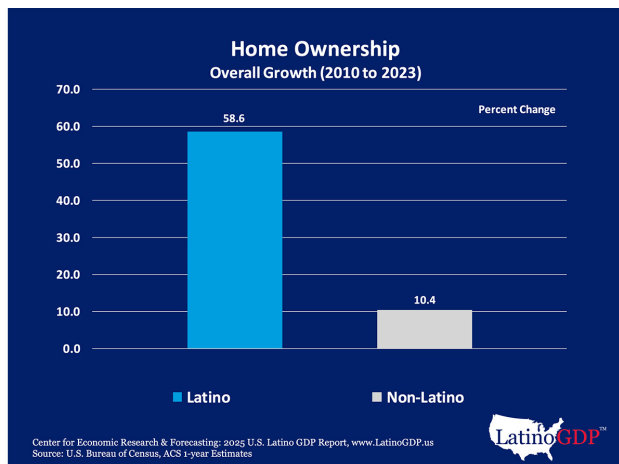
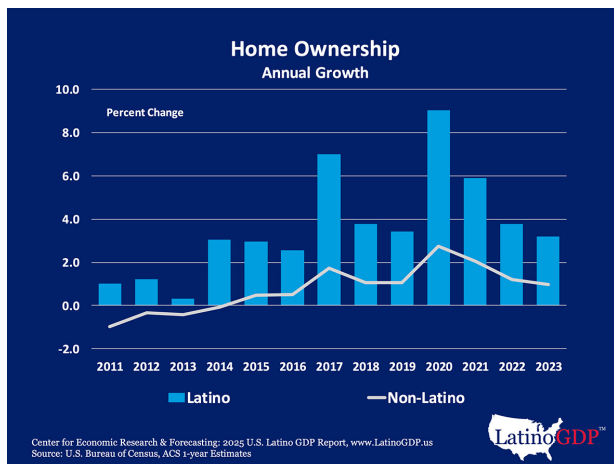


Despite being only 19.5 percent of the U.S. population, Latinos are responsible for 37 percent of the growth of U.S. households since 2010.

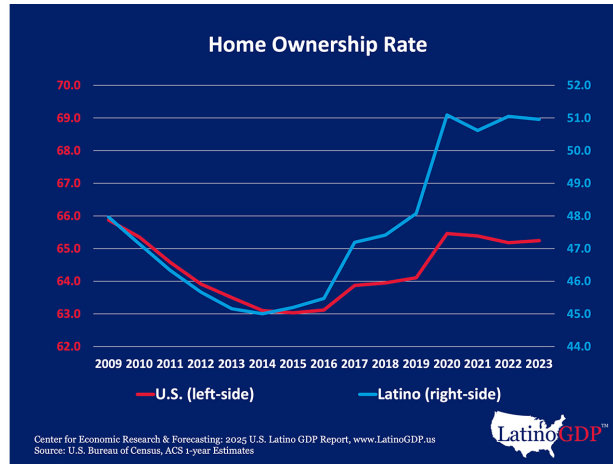
High rates of Latino household formation are no accident, stemming from both a younger age distribution and from the importance of the family in Latino society. A healthy rate of household formation is vital to economic growth, as new households increase current and future economic activity. With an average household size that is nearly one person larger than Non-Latino in 2023, each new Latino household provides an outsized economic impact for the U.S. economy.



Trends in income growth and household formation, not surprisingly, carry through to home ownership. The growth of Latino home ownership has significantly outpaced that of Non-Latinos in every year since 2010. Following a prolonged recovery from the Financial Crisis and Great Recession, the growth of Latino home ownership accelerated beginning in 2014 and has remained high in each year since. Latino home ownership grew by a remarkable 7.0 percent in 2017 and an astonishing 9.0 percent in the first year of the pandemic, 2020.



From 2010 to 2023, the number of Latino homeowners increased a total of 58.6 percent, compared to only 10.4 percent for Non-Latinos. In other words, over the entire period that we examine, Latino home ownership is growing 5.6 times more rapidly than that of Non-Latinos. Despite being only 19.5 percent of the U.S. population, Latinos are responsible for 34 percent of the growth of homeownership in the U.S. since 2010.



Historically low volumes of houses for sale and dramatic home price appreciation drove down home ownership growth for all Americans. Yet, Latino home ownership growth was still strong. From 2022 to 2023, Latino home ownership grew 3.2 percent compared to only 1.0 percent for Non-Latinos. The growth of Latino home ownership is one signal that Latino gains in human capital are increasing wealth as well as income.

METHODOLOGY

The United States Latino Gross Domestic Product estimates start with methods and data from Latino GDP reports that were published by Hamilton, Fienup, Hayes-Bautista, and Hsu in 2019, 2020, 2021, 2022, 2023, and 2024. Those calculations stand on the shoulders of the original Latino GDP report by Schink and Hayes-Bautista (2017). The calculations are based on publicly available national income and product accounts data for the U.S. economy, as well as a wide set of Latino-specific measures of demographics and economic activity from many sources. These are estimates, and are based on source data that are revised on a regular basis.

We use data from the U.S. Bureau of Economic Analysis (BEA) on GDP, income, expenditure, employment, and prices. We also utilize the U.S. Input-Output (I-O) table, the foundation for the national income accounting system that produces detailed GDP breakouts by expenditure and income type across 70 sectoral definitions of economic activity. Using these, we compute Hispanic-versions of seven major expenditure components decomposed into different commodity definitions of economic activity. As with the BEA’s GDP estimates, our Latino GDP estimates are based on a detailed, bottom-up calculation.

Table 1: U.S. Gross Domestic Product Sectors

70 U.S. GDP Sectors		
Farms	Petroleum and coal products	Housing and Real Estate
Forestry, fishing, and related activities	Chemical products	Rental and leasing services and lessors of intangible assets
Oil and gas extraction	Plastics and rubber products	Legal services
Mining, except oil and gas	Wholesale trade	Computer systems design and related services
Support activities for mining	Motor vehicle and parts dealers	Miscellaneous professional, scientific, and technical services
Utilities	Food and beverage stores	Management of companies and enterprises
Construction	General merchandise stores	Administrative and support services
Wood products	Other retail	Waste management and remediation services
Nonmetallic mineral products	Air transportation	Educational services
Primary metals	Rail transportation	Ambulatory health care services
Fabricated metal products	Water transportation	Hospitals
Machinery	Truck transportation	Nursing and residential care facilities
Computer and electronic products	Transit and ground passenger transportation	Social assistance
Electrical equipment, appliances, and components	Pipeline transportation	Performing arts, spectator sports, museums, and related
Motor vehicles, bodies and trailers, and parts	Other transportation and support activities	Amusements, gambling, and recreation industries
Other transportation equipment	Warehousing and storage	Accommodation
Furniture and related products	Publishing industries, except internet (includes software)	Food services and drinking places
Miscellaneous manufacturing	Motion picture and sound recording industries	Other services, except government
Food and beverage and tobacco products	Broadcasting telecommunications Internet	Federal general government (defense)
Textile mills and textile product mills	Federal Reserve banks, credit intermediation, and related	Federal general government (nondefense)
Apparel and leather and allied products	Securities, commodity contracts, and investments	Federal government enterprises
Paper products	Insurance carriers and related activities	State and local general government
Printing and related support activities	Funds, trusts, and other financial vehicles	State and local government enterprises
		Scrap, used and secondhand goods

Source: CLU-CERF

This effort also requires data on economic and demographic activity broken out by ethnicity, so that we can compute Latino shares of economic activity at a detailed sectoral or market-segment level. The Latino-specific data are sourced from the American Community Survey (BOC-ACS), integrated public use microdata series (BOC-UMN-IPUMS), the American Housing Survey (BOC-AHS), the Current Population Survey (BOC-CPS), the Population Estimates program (BOC-POPEST), the Housing Vacancy Survey (BOC-HVS), and the Consumer Expenditure Survey (BLS-CEX).

Using databases at a highly detailed 70-sector level, whenever possible, adds to the quality of the analysis by allowing for ethnicity-specific relative intensities of economic activity to manifest in the bottom-up GDP calculation.

Results

Previously Unpublished 2023 Estimates

This year's report releases never-before-seen 2023 U.S. Latino GDP estimates. The 2023 U.S. Latino GDP estimate is \$4.1 trillion dollars. This estimate implies a real growth rate of 7.2 percent from 2022's U.S. Latino GDP, and a real average annual growth rate of 4.4 percent since 2010. These estimates imply a much more rapid growth rate for the Latino economy than for the overall U.S. economy, whose 2022 to 2023 growth was 4.0 percent and whose 2010 to 2023 average annual growth was also 2.2 percent. These very large growth gaps, due to a much more rapidly growing Latino economy, tie directly to the *Latino Growth Premiums* documented earlier in this and in previous reports.

Revisions to Estimates

With revisions to the many and diverse data-sets that are utilized in our Latino GDP research, our Latino GDP estimates often change from the previous year's estimation. I highlight the years 2010, 2019, and 2022 in Table 2.

Table 2: Latino GDP versus a Year Ago

Latino GDP Estimates by Publication Vintage (Selected Years)				
	CERF Update (2024)		CERF Update (2025)	
	Size & Share	Real Growth	Size & Share	Real Growth
2010	1.609 Trillion \$ 10.7 % of U.S.	n/a	1.609 Trillion \$ 10.7 % of U.S.	n/a
2019	2.752 Trillion \$ 12.8 % of U.S.	3.96%	2.752 Trillion \$ 12.8 % of U.S.	3.96%
2022	3.681 Trillion \$ 14.3% of U.S.	4.16%	3.683 Trillion \$ 14.2% of U.S.	4.16%
2023			4.060 Trillion \$ 14.6% of U.S.	4.39%

Sources: U.S. Bureau of Economic Analysis, CERF @ Cal Lutheran University
All growth rates are average annual growth from 2010.

From Table 2 we see that the updated 2010 Latino GDP estimate has remained at \$1.609 trillion with an implied share of the U.S. of 10.7 percent. The 2019 Latino GDP estimate also remained the same, at an estimated 2.752 trillion. The 2022 Latino GDP estimate rose by \$2 billion. Both the 2010



to 2019 as well as the 2010 to 2022 average annual growth rates remained the same with the updated estimates, at 3.96 percent, and 4.16 percent, respectively. These updated growth figures are very strong, approximately double the corresponding growth rate of the overall U.S. economy.

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I N M E M O R I A M



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1945-2018

Co-Author, Co-Principal Investigator
*Latino Gross Domestic Product (GDP) Report:
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