

Colorado's Economy

Office of State Planning and Budgeting

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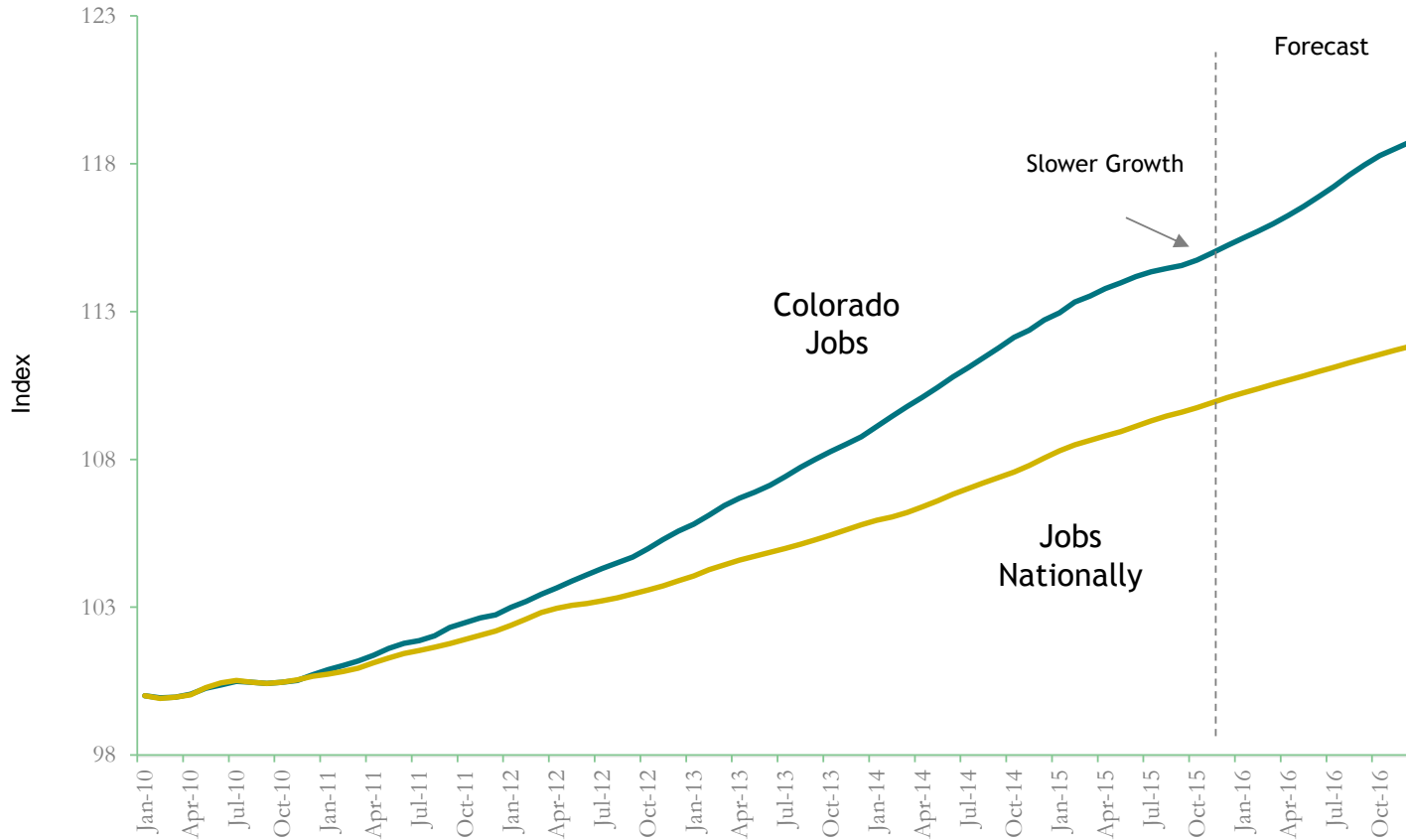
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Summary

- Colorado's economic growth slowed during the course of 2015.
- The core of the state's economy remains resilient.
- Colorado's economy expected to continue to post stronger levels of growth than the nation overall, but remain slower than in prior years of the current expansion.
- Downside risks are currently higher.
- Increases in home prices and rents for parts of Colorado have been among the highest in the nation. Higher housing costs constrain growth and have other less visible costs.

U.S and Colorado Jobs (2010 to 2016)



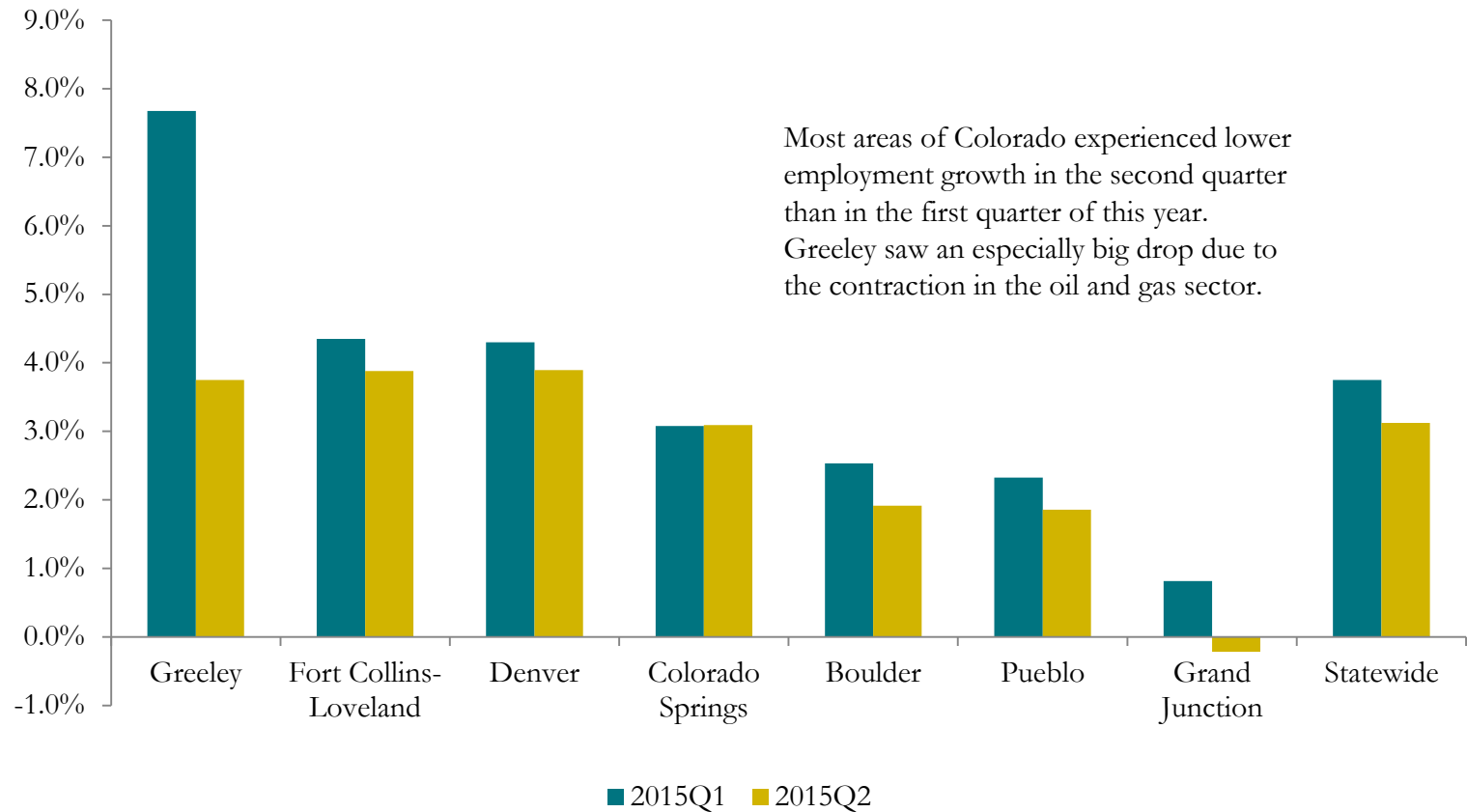
The graph compares the change in the number of jobs nationally and in Colorado since January of 2010 using a three month moving average.

Index: January 2010=100

Source: U.S. Bureau of Labor Statistics. OSPB December 2015 Forecast. Includes OSPB's estimates of forthcoming revisions to jobs data that are currently not published. The jobs figures will be benchmarked based on Quarterly Census of Employment and Wage data to more accurately reflect the number of jobs in the state than what was estimated based on a survey of employers.



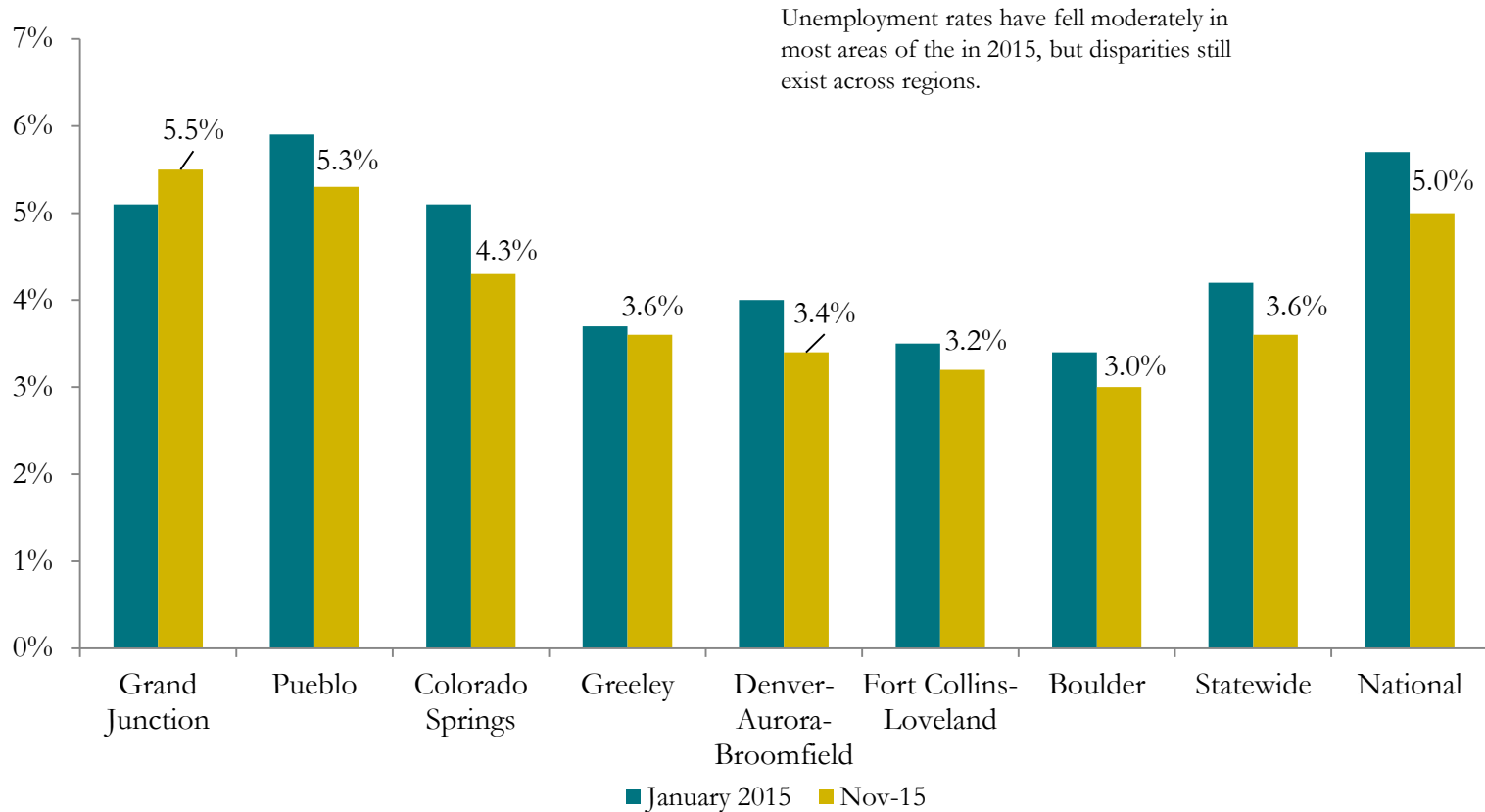
Year-over-Year Employment Growth in Colorado Regions



Source: Colorado Department of Labor and Employment, OSPB Calculations



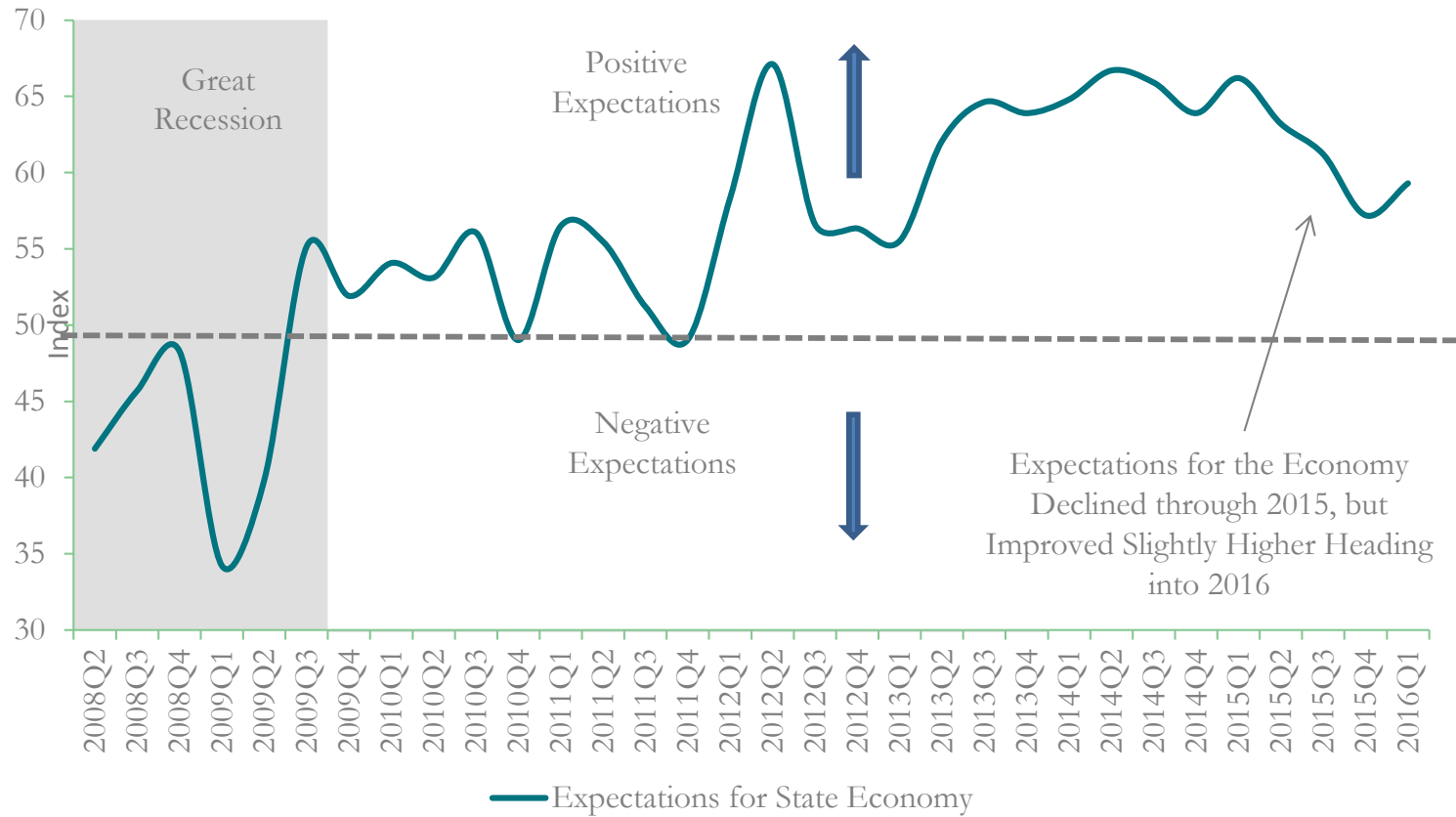
Unemployment Rates by Colorado Metro Area



Source: Bureau of Labor Statistics



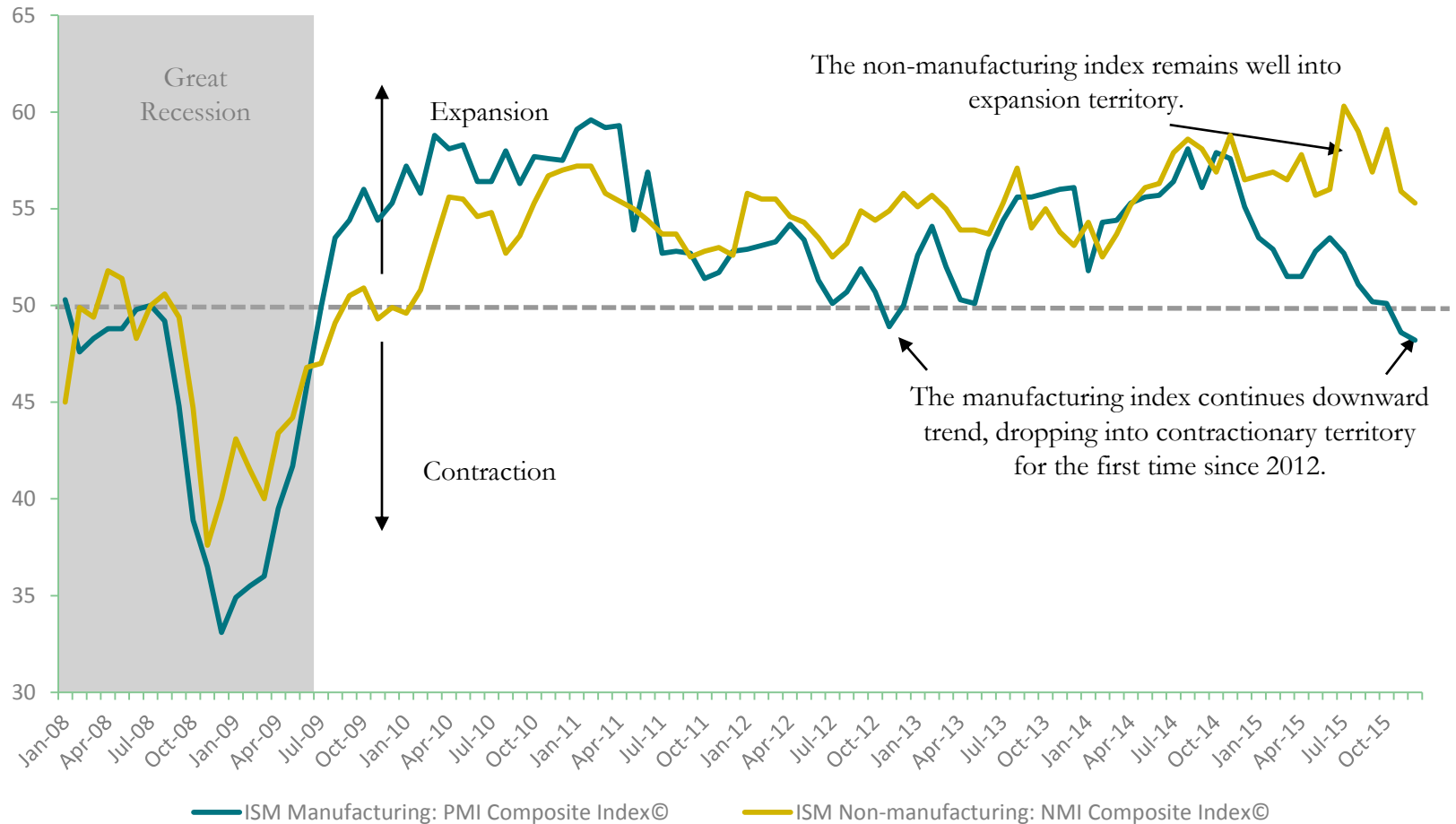
Colorado Business Expectations



Source: CU Leeds School of Business



ISM Manufacturing and Non-Manufacturing Indices*

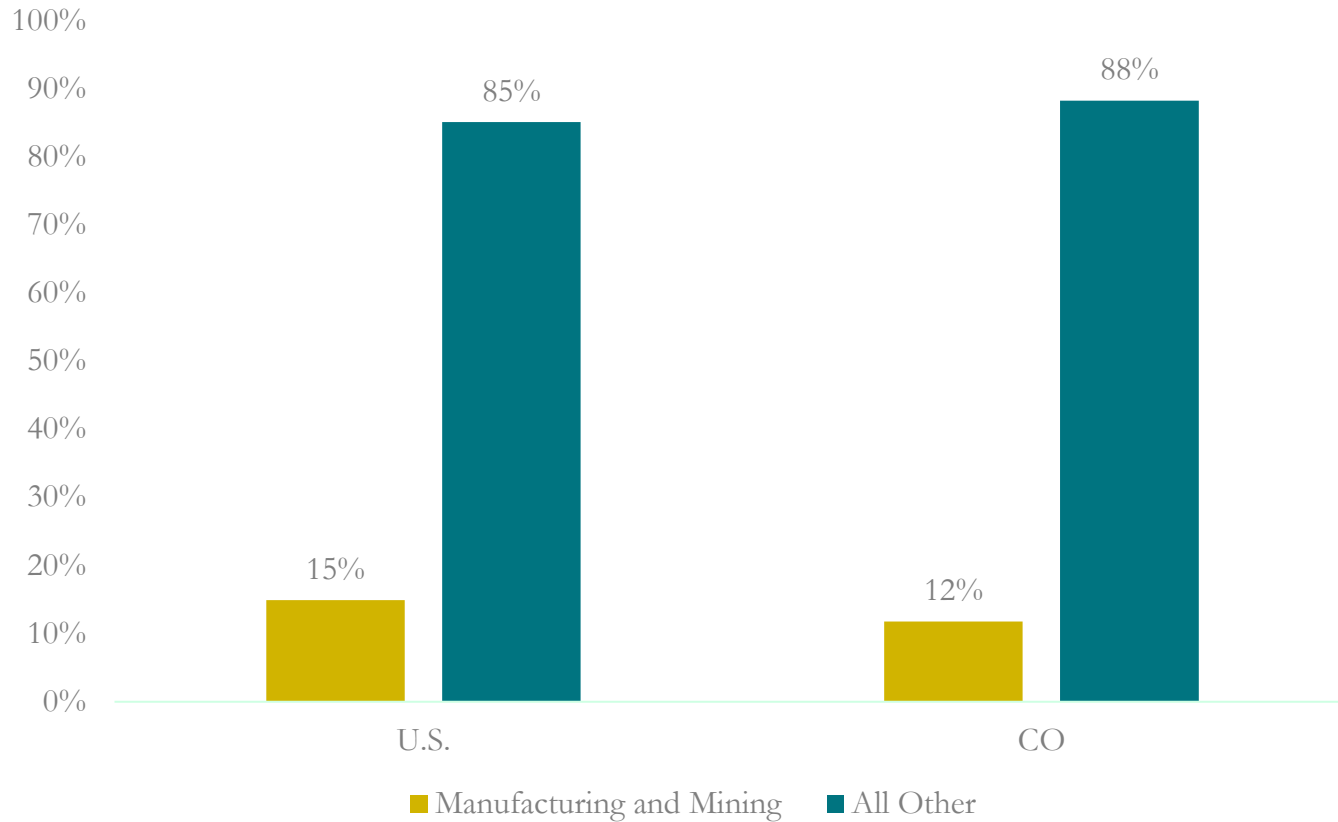


*Readings above 50 indicate expansion in the industry while readings below 50 indicate contraction.

Source: Institute for Supply Management



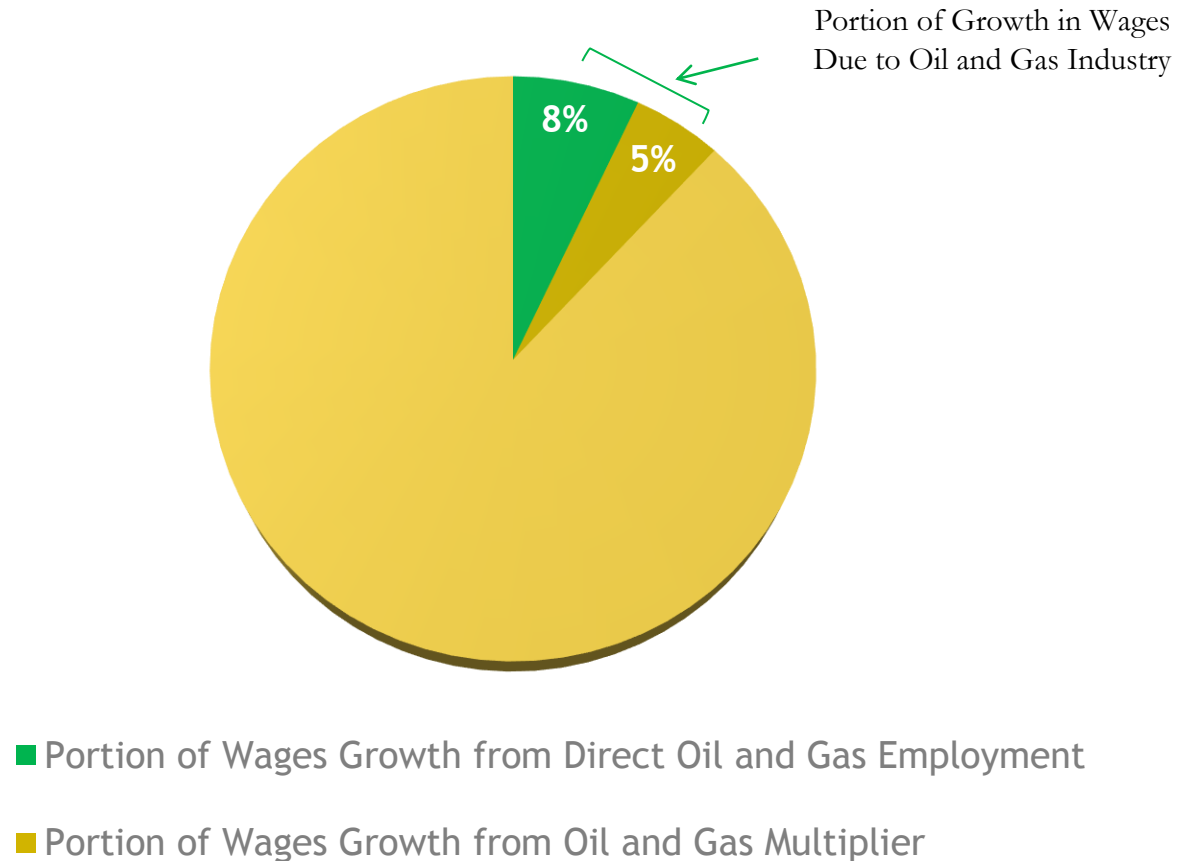
Manufacturing and Mining Portion of GDP



Average portion of gross domestic product from 2000-2014
Source: U.S. Bureau of Economic Analysis



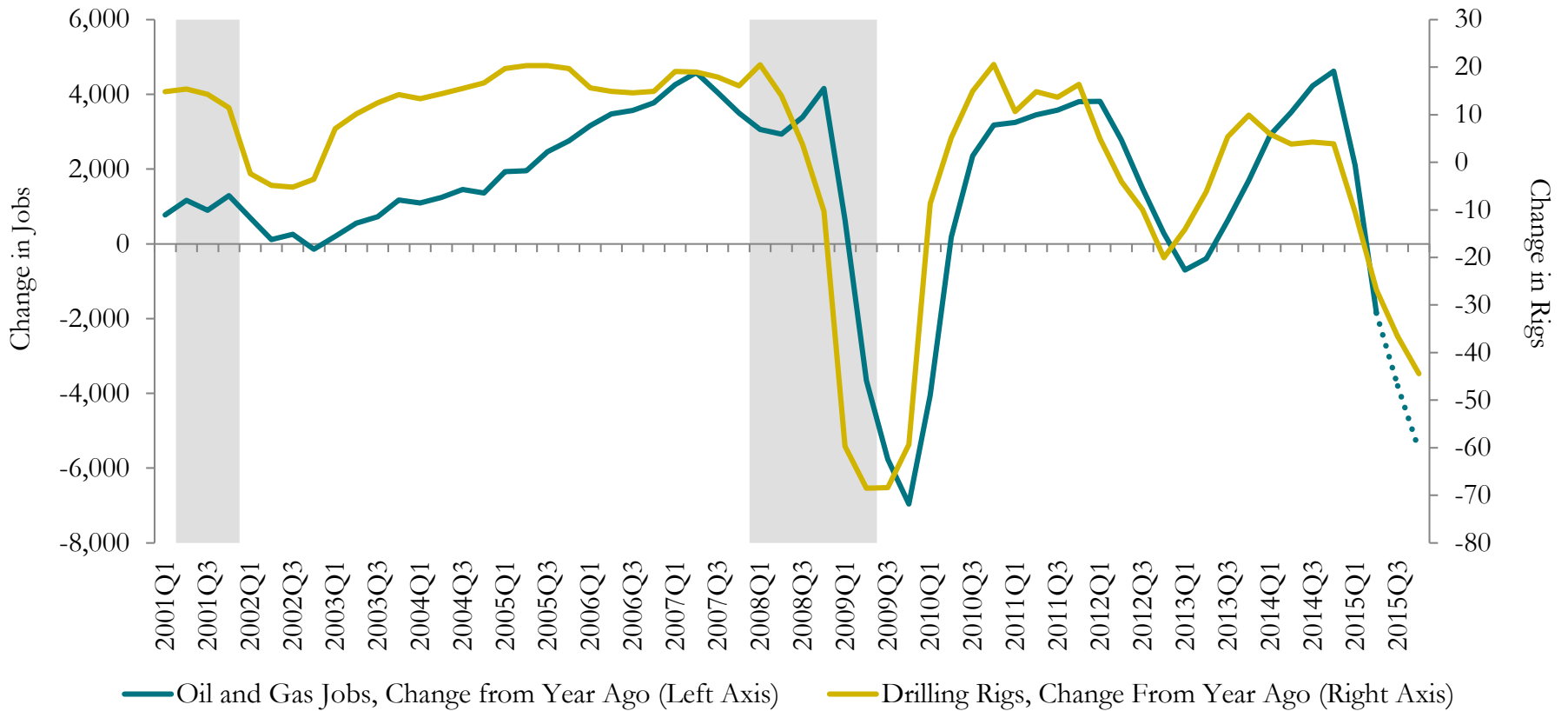
Portion of Growth in Wages in Colorado Resulting from Oil and Gas Industry, First Half of 2009 to First Half of 2014



Source: Colorado Department of Labor and Employment, EMSI; OSPB Calculations



Oil and Gas Employment and Drilling Rigs in Colorado*

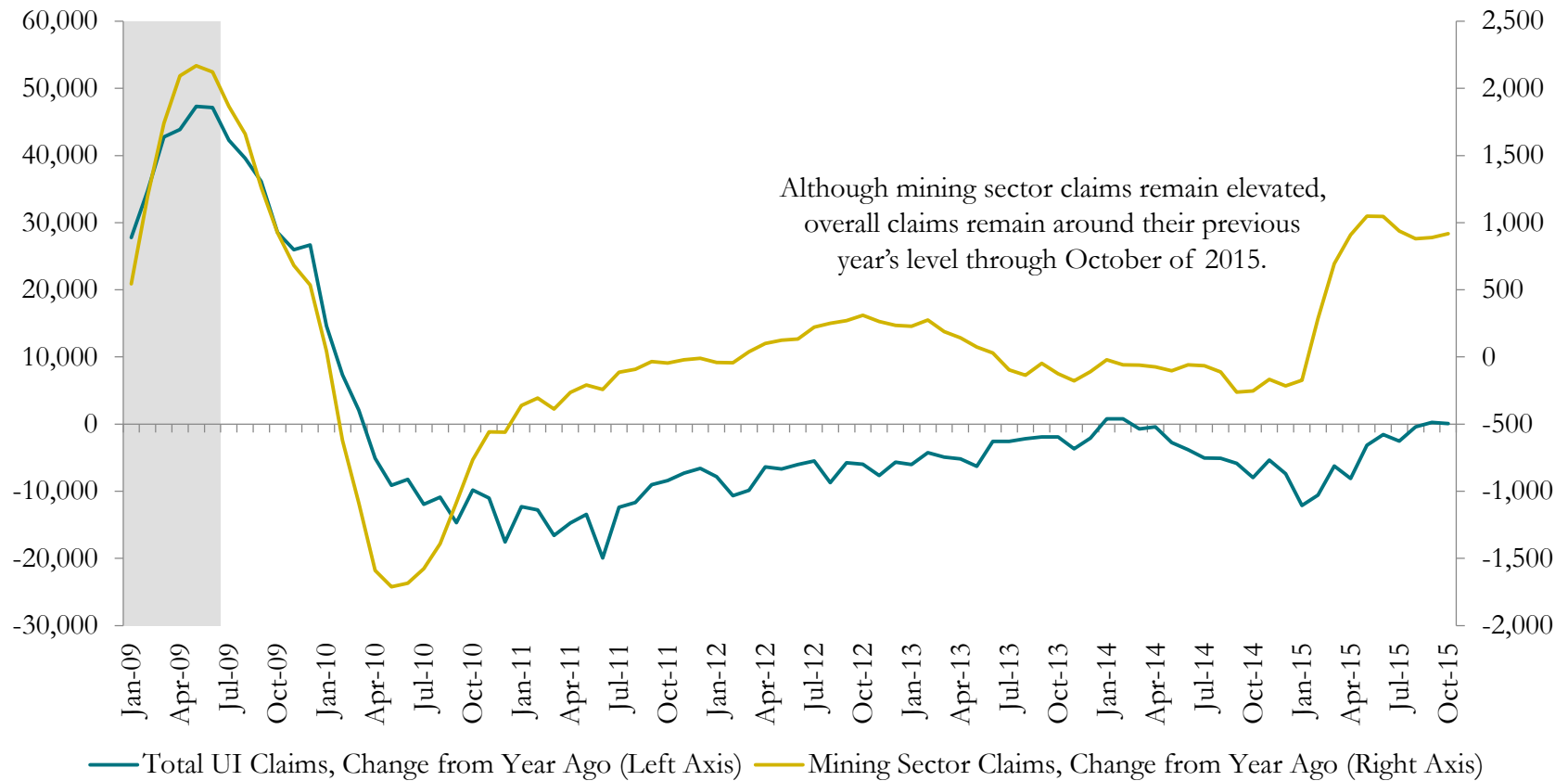


*Actual data on drilling rigs through the fourth quarter of 2015, actual employment data through the second quarter of 2015. The dotted line shows third and fourth quarter projections for industry employment.

Source: Colorado Department of Labor and Employment; Baker Hughes



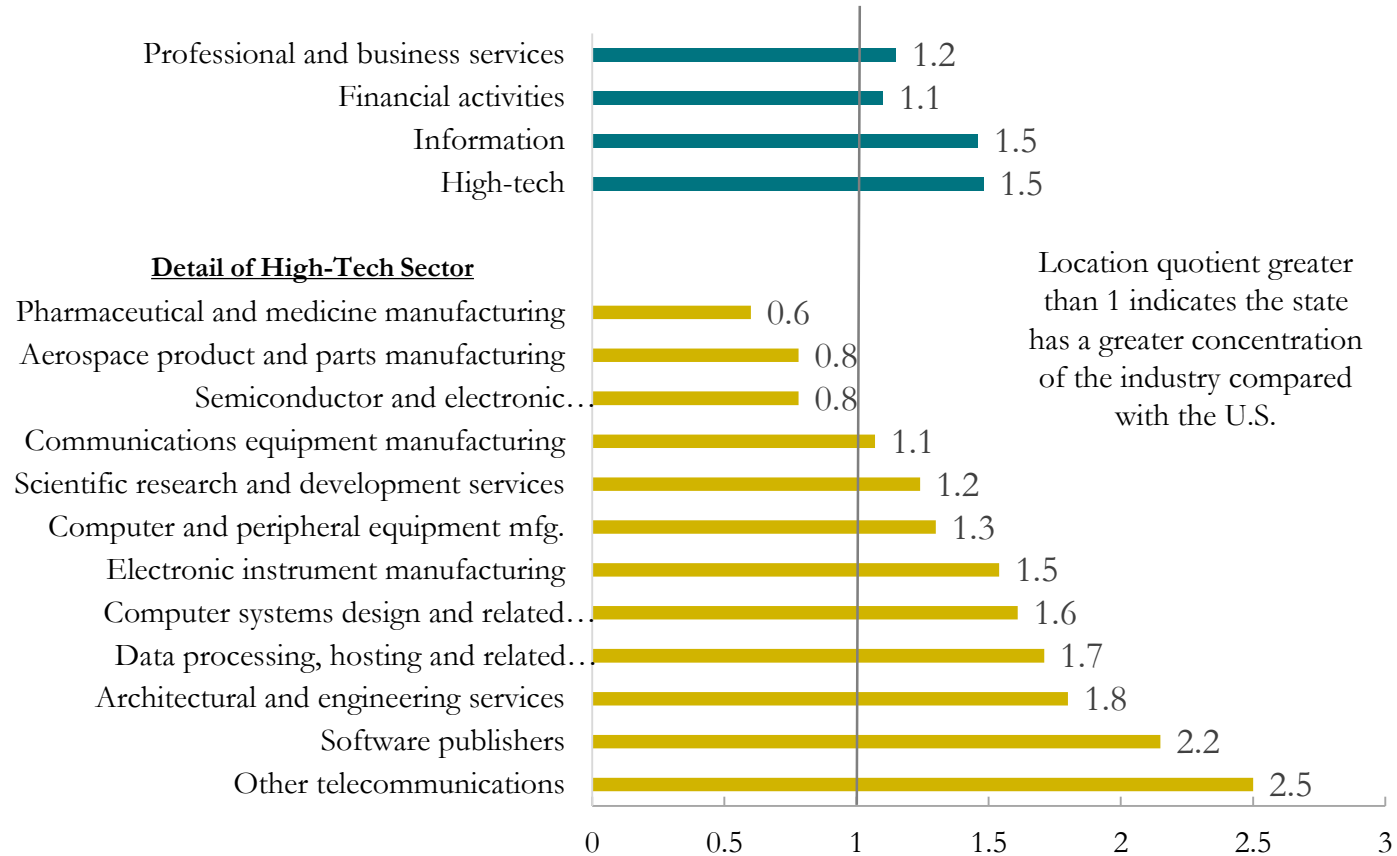
Colorado Unemployment Claims



Source: Colorado Department of Labor and Employment



Colorado's Concentration (Location Quotient) of High-Tech, Knowledge, and Services-related Industries*



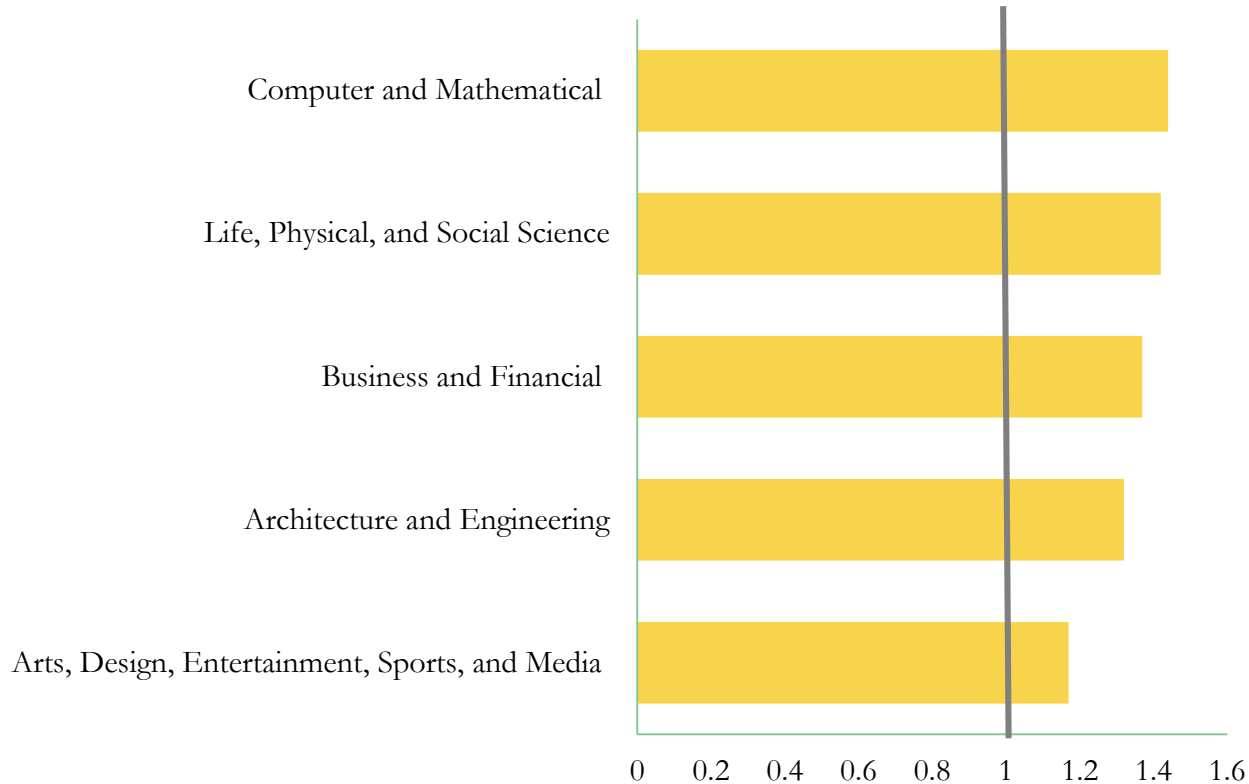
* The location quotient is the ratio of an industry's employment to total employment in Colorado divided by the ratio of the industry's employment to total employment for the U.S. overall. Some of the detailed high-tech industries listed are also part of the broader professional and business services and information sectors.

Source: U.S. Bureau of Labor Statistics



Colorado's Skilled and Talented Workforce

Location Quotient for STEM and Creative Class Occupations



Source: Bureau of Labor Statistics



Entrepreneurship - New Business Formation in Colorado

2007 through the 3rd Quarter of 2015



Source: Colorado Secretary of State's Office, OSPB

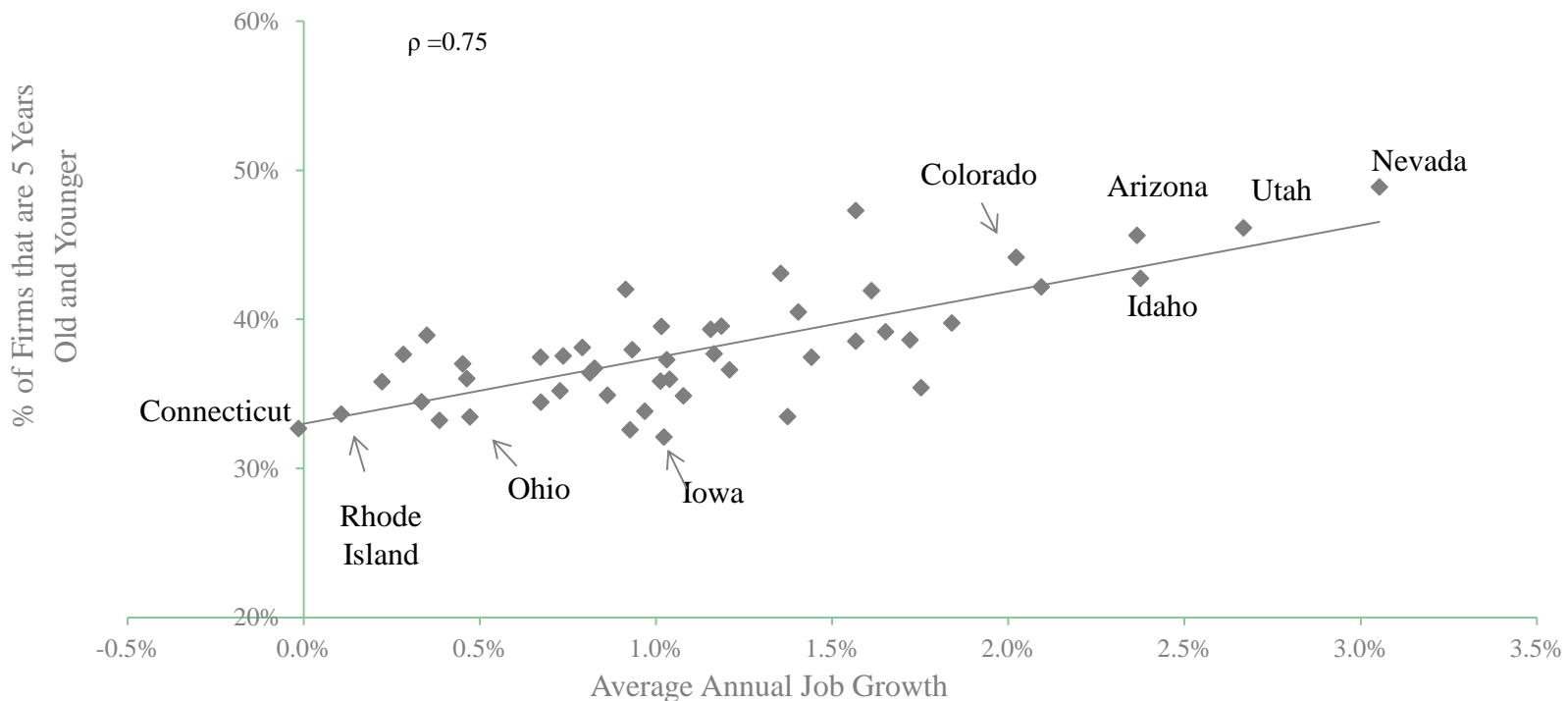


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Young Firms in State and Average Annual Job Growth

1990-2013*

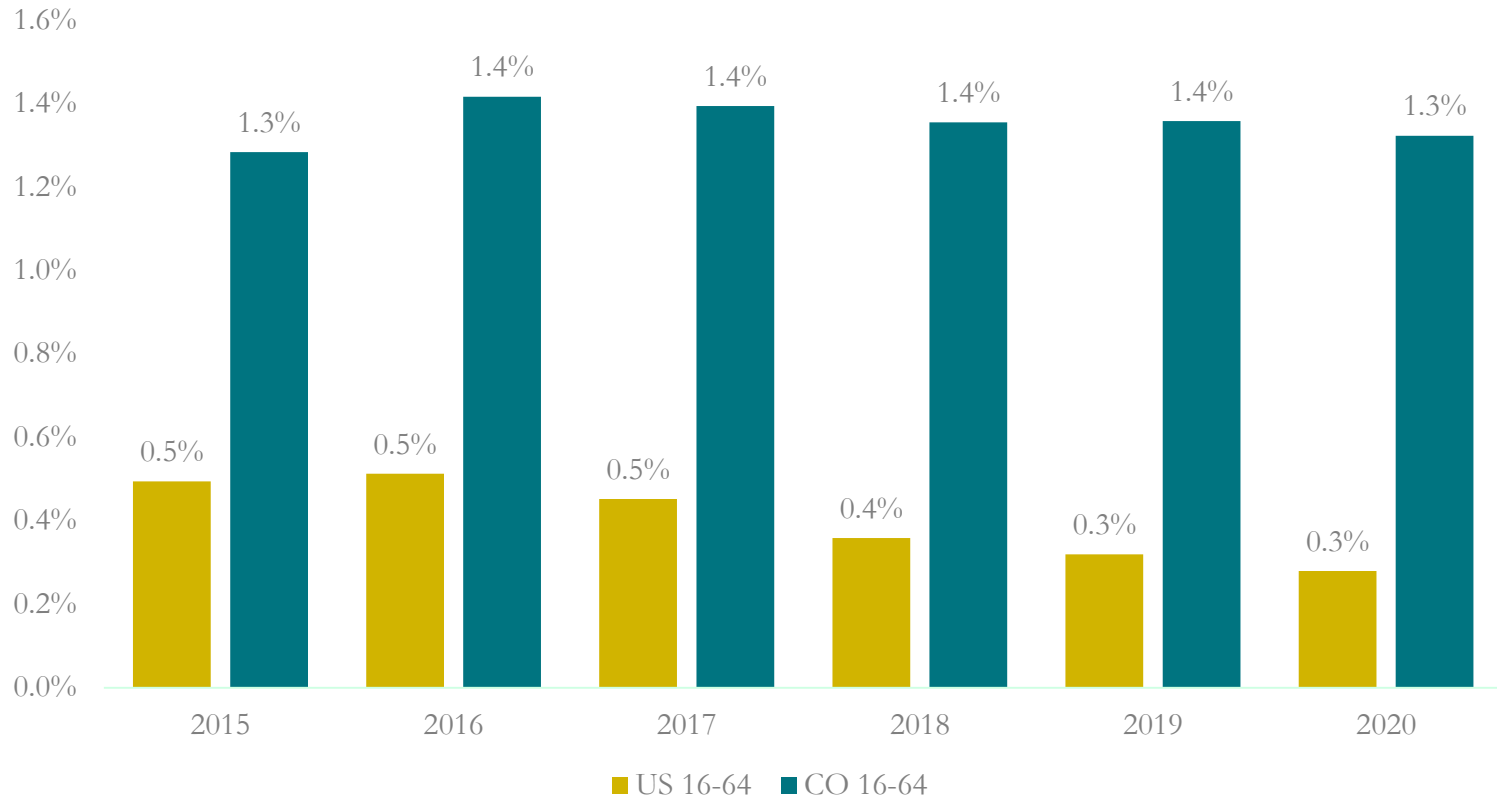


*Excludes North Dakota because of the unique circumstance of its job growth in recent years.

Source: U.S. Census Bureau, Business Dynamic Statistics and U.S. Bureau of Labor Statistics



Working Age Population Growth



Source: Colorado Demographer; Federal Reserve

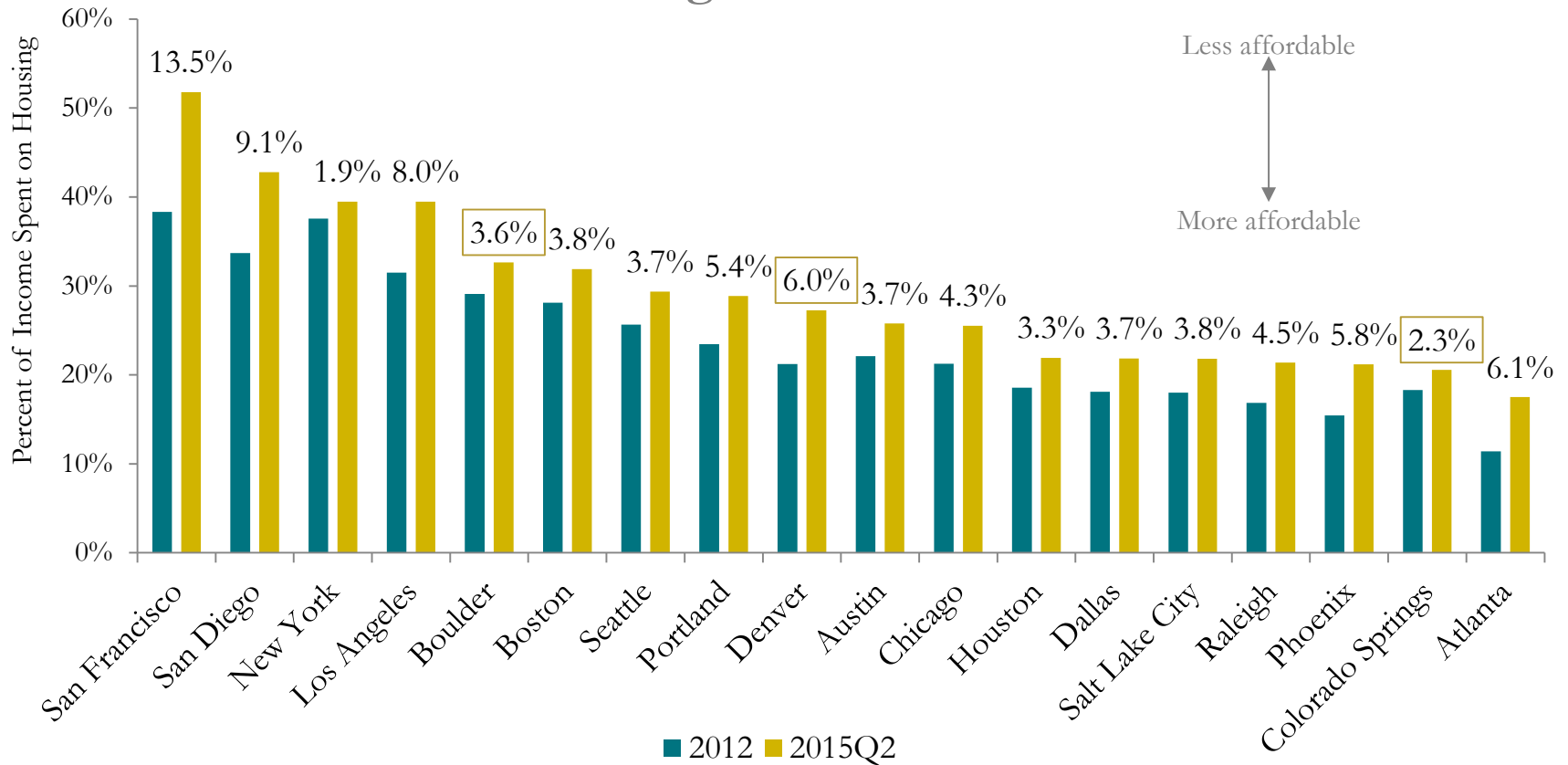


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Purchased Home Affordability Index for Select Metro Areas, 2012 and 2015Q2

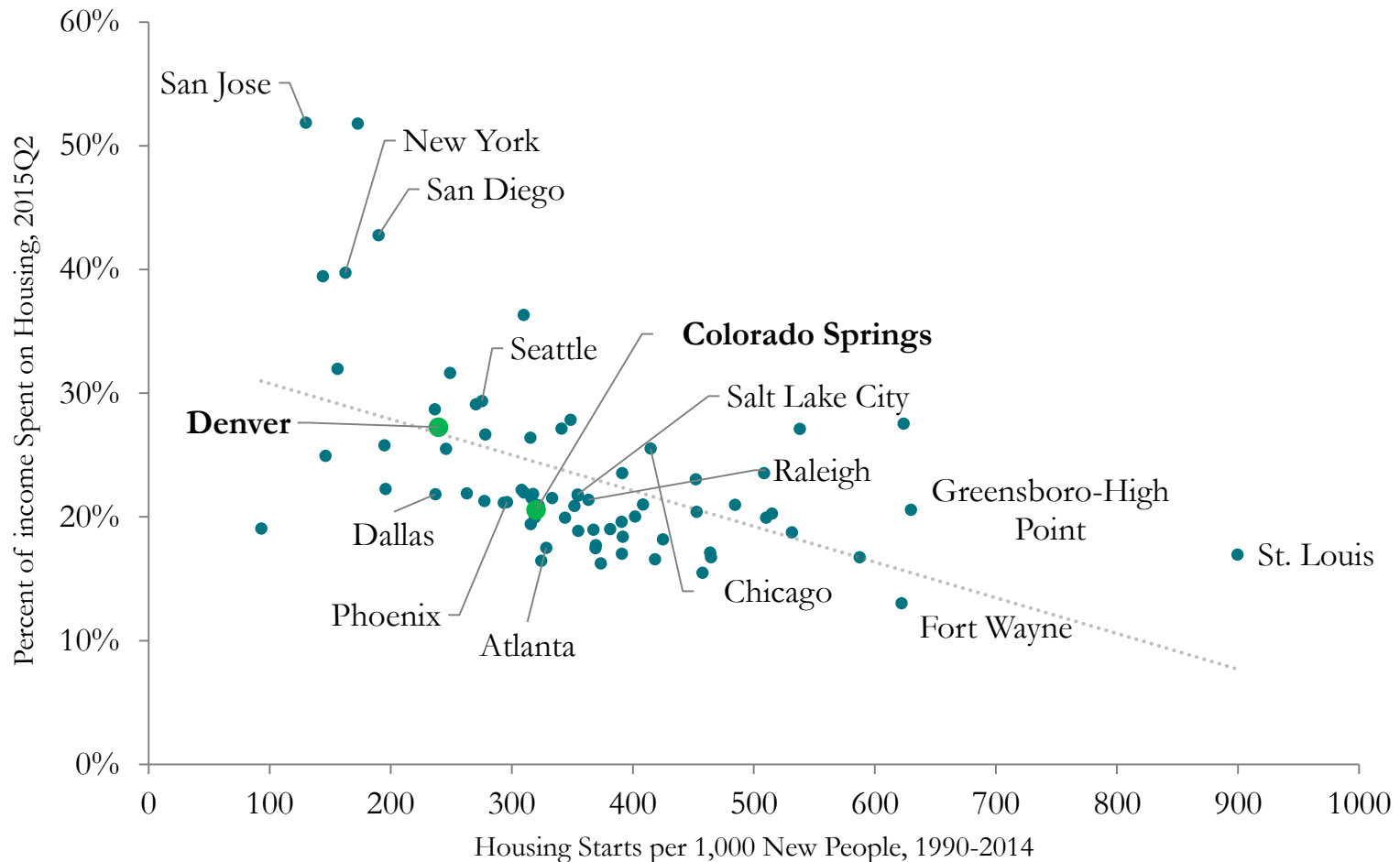
Percent Change Shown Above Bars



Source: National Association of Realtors, American Community Survey (U.S. Census Bureau), Bureau of Economic Analysis



Affordability, 2015Q2, and Housing Starts, 1990-2014

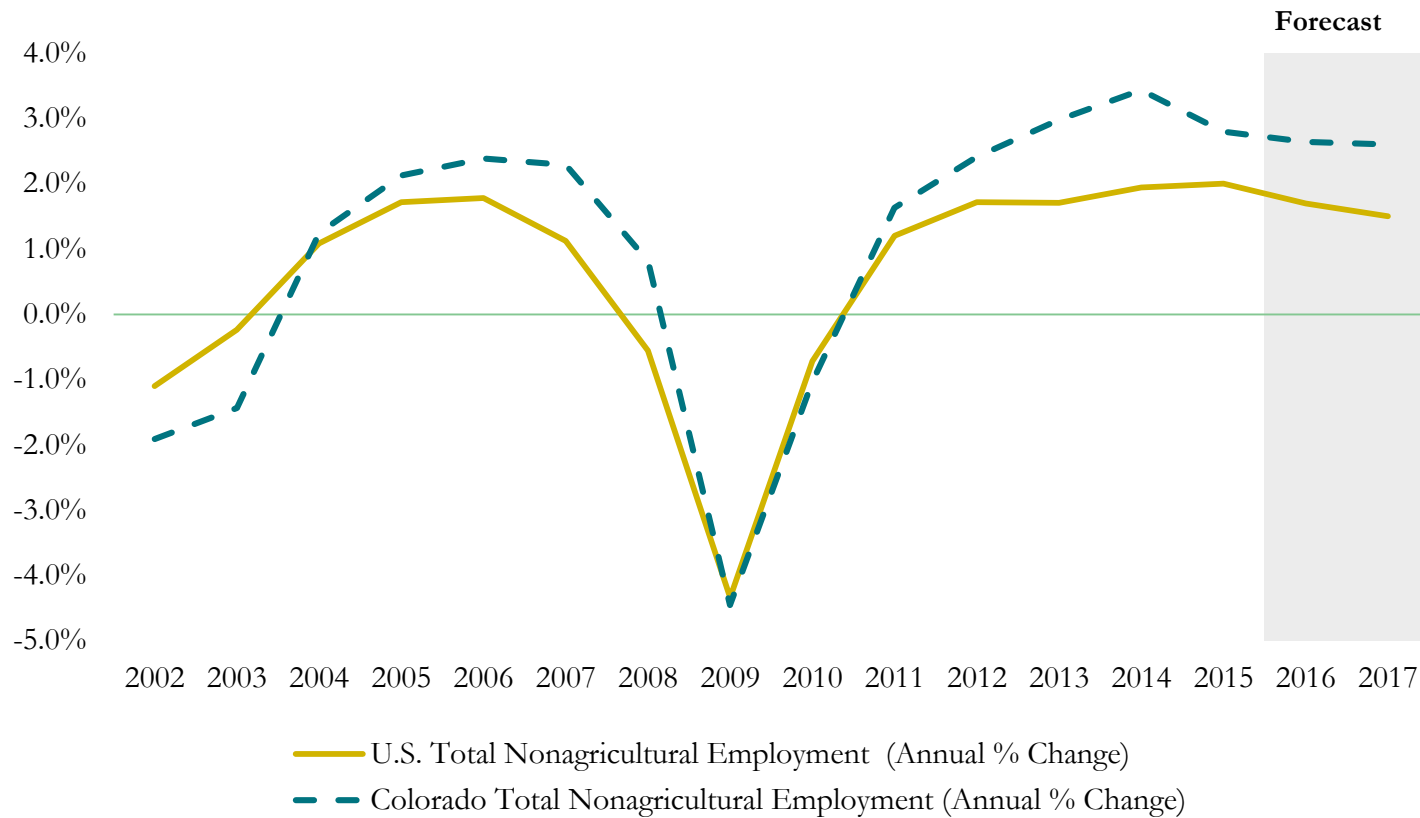


Source: Source: National Association of Realtors, Federal Housing Finance Agency, American Community Survey (U.S. Census Bureau), Bureau of Economic Analysis, Federal Reserve Bank of St. Louis, OSPB calculations



Colorado's Growth will Continue to Outpace Nation

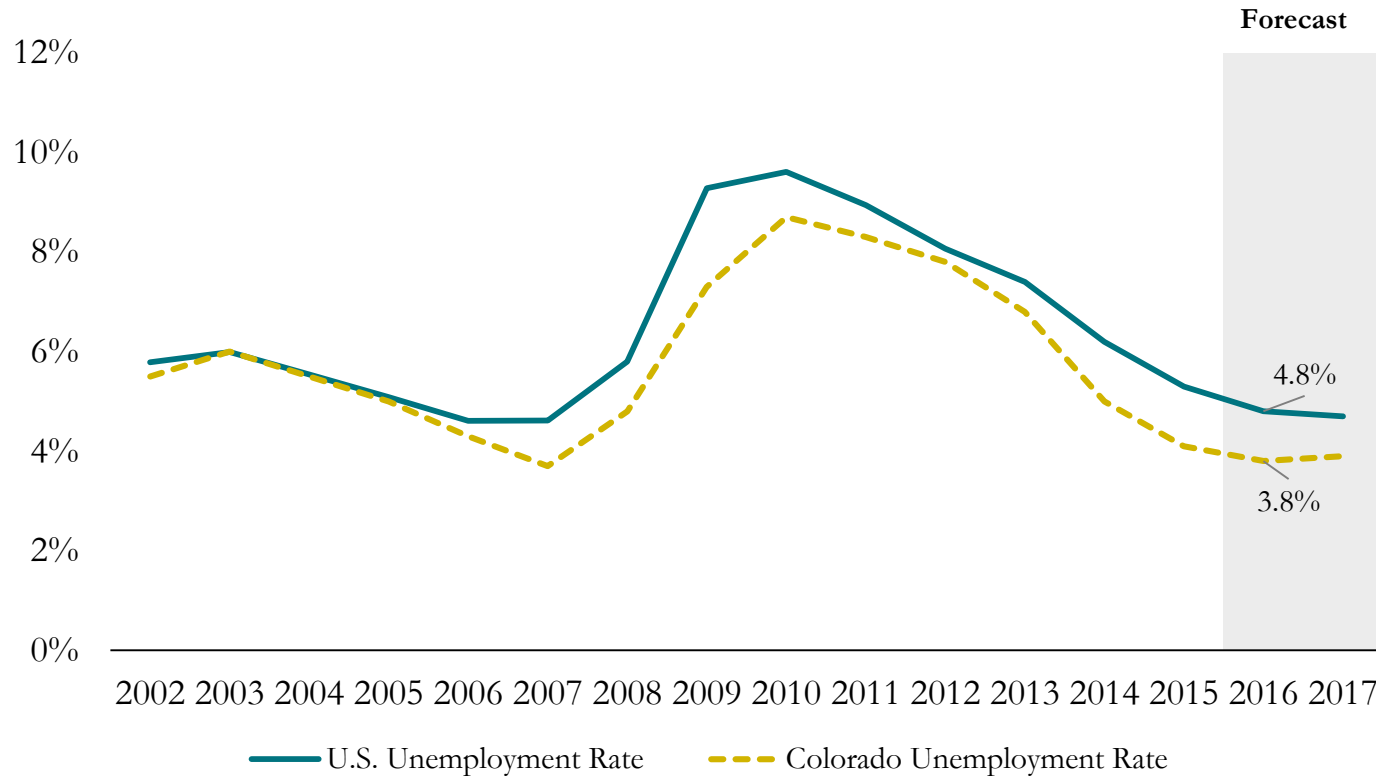
(Annual Change in Jobs)



Source: Bureau of Labor Statistics; OSPB March 2015 Forecast



Colorado will Continue to Have Lower Unemployment



Source: Bureau of Labor Statistics; OSPB March 2015 Forecast



Thank You

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