

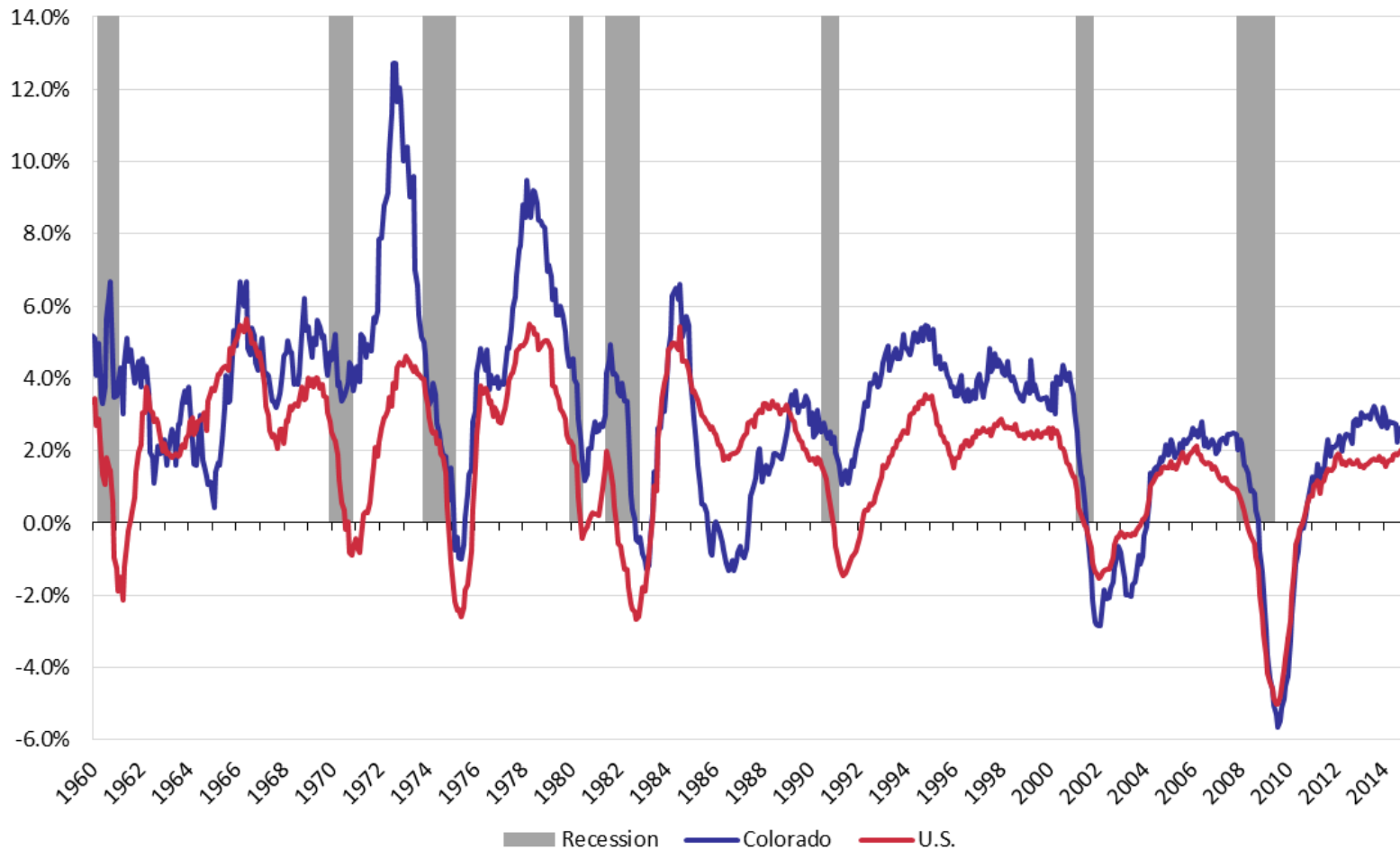
Colorado Then and Now: 50 Years of Jobs History



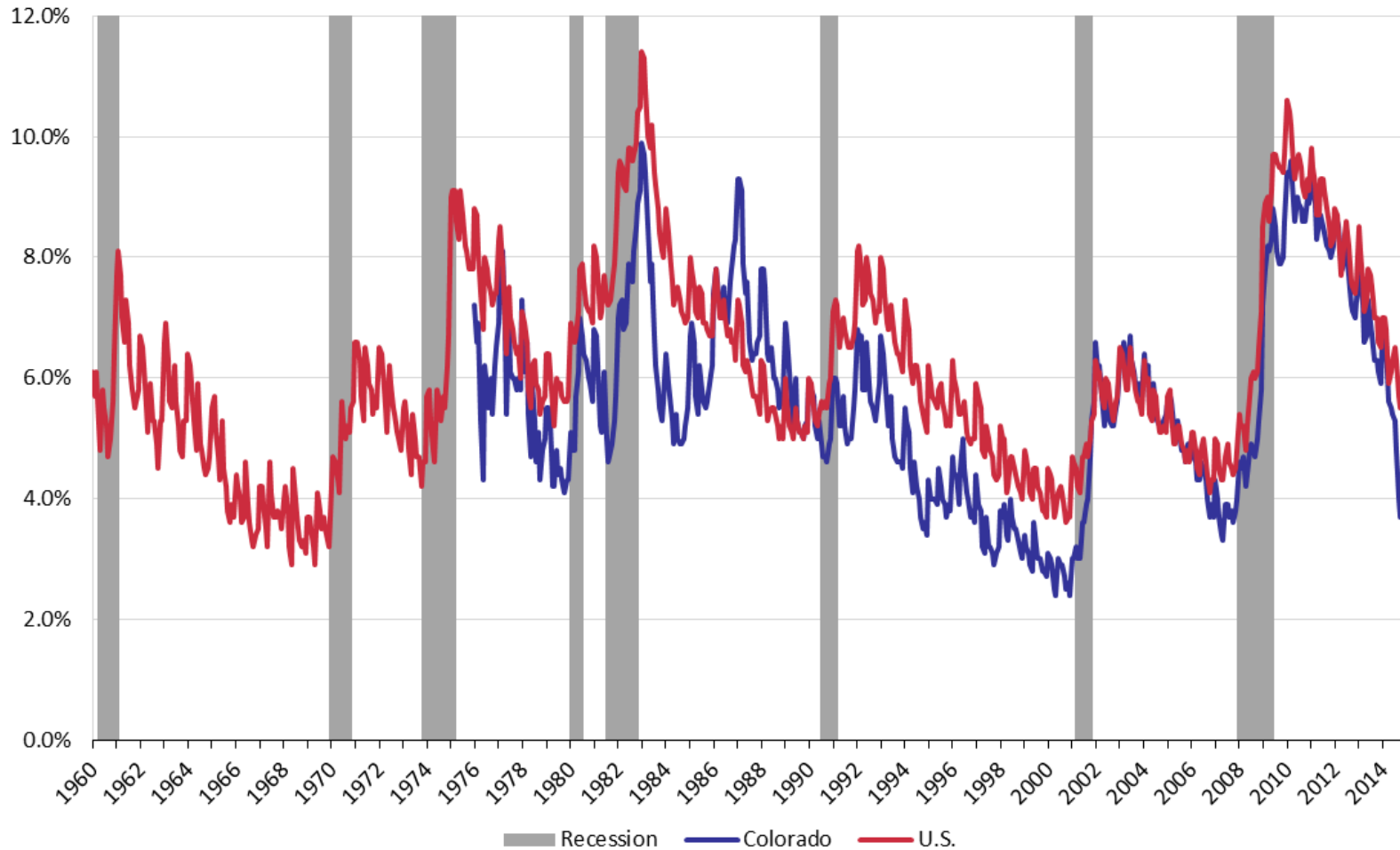
Colorado Business Economic Outlook
December 8, 2014



Nonfarm Job Growth Rates (Y/Y % ch)

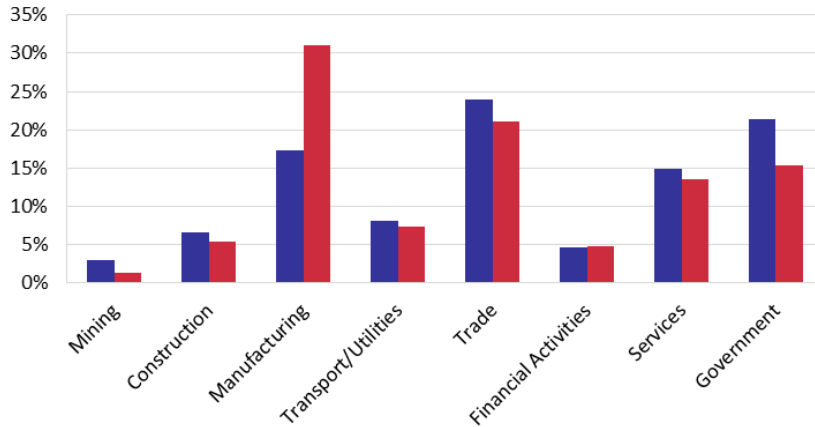


Unemployment Rates (not seasonally adjusted)

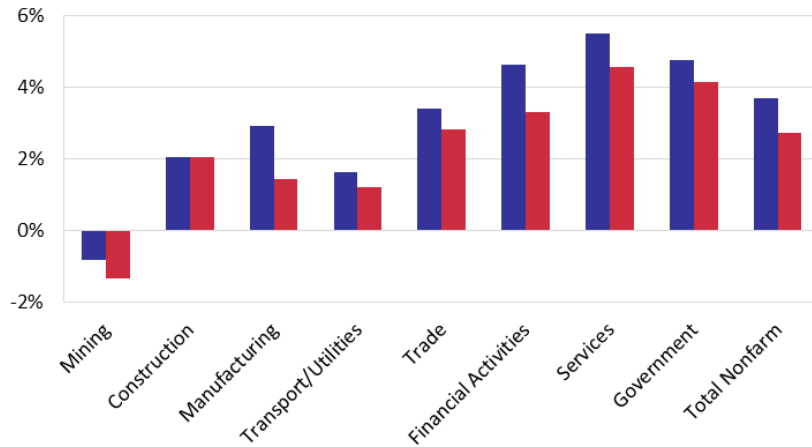


The 1960s: War & Space

Nonfarm Employment by Sector



Average Annual Employment Growth Rate



Colorado U.S.

	U.S.	Colorado
Employment (1960)	54.3 M	0.5 M
Emp AAGR*	2.7%	3.7%
Unemployment Rate	2.9% - 8.1%	Not Available
Per Capita Personal Income (1960)	\$2,323	\$2,432
PCPI AAGR*	6.1%	5.7%
Months of Recession**	10	0

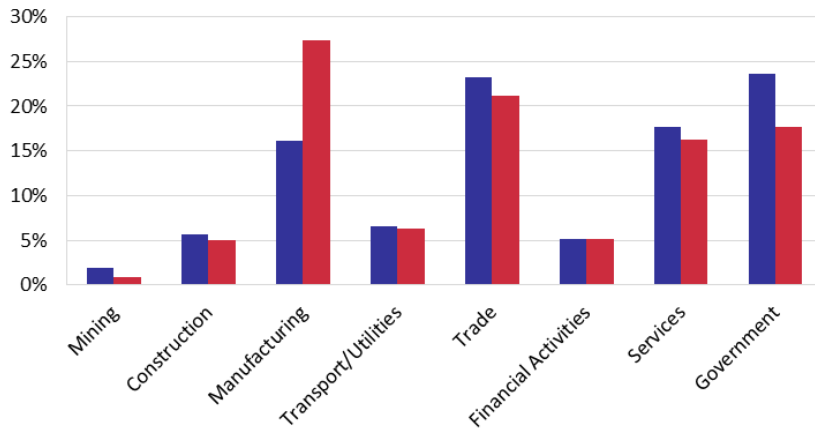
- Pre-1960s defense buildup followed by Martin Marietta downsizing
- Popularity of skiing, Colorado tourism

*AAGR=Average Annual Growth Rate, based on average annual data from 1960 to 1970.

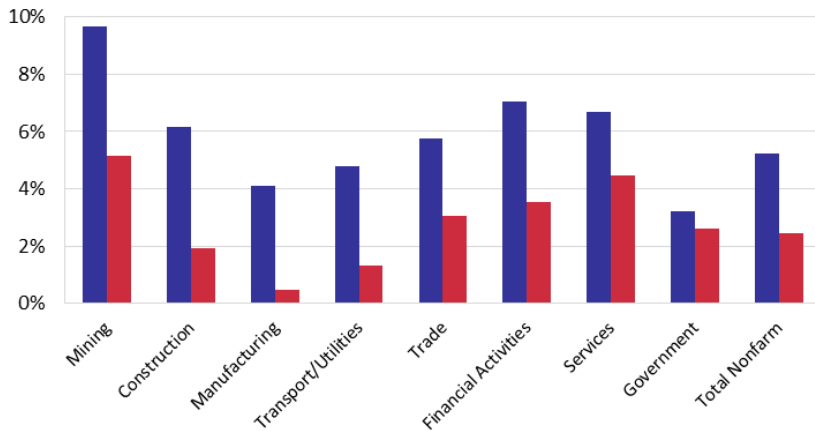
**U.S. Months of Recession from NBER. CO Months of Recession based on year-over-year employment decline.

The 1970s: Boom & Bust

Nonfarm Employment by Sector



Average Annual Employment Growth Rate



Colorado U.S.

	U.S.	Colorado
Employment (1970)	71.0 M	0.8 M
Emp AAGR*	2.5%	5.2%
Unemployment Rate	4.1% - 9.1%	4.1% - 8.1%
Per Capita Personal Income (1970)	\$4,196	\$4,248
PCPI AAGR*	9.2%	9.9%
Months of Recession**	27	5

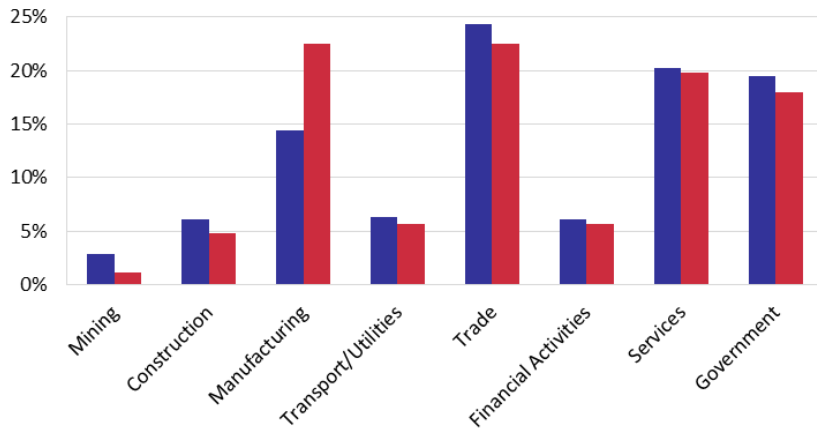
- Quadrupling of OPEC oil prices
- Stagflation
- Influx of boomers leads to strong residential construction

*AAGR=Average Annual Growth Rate, based on average annual data from 1970 to 1980.

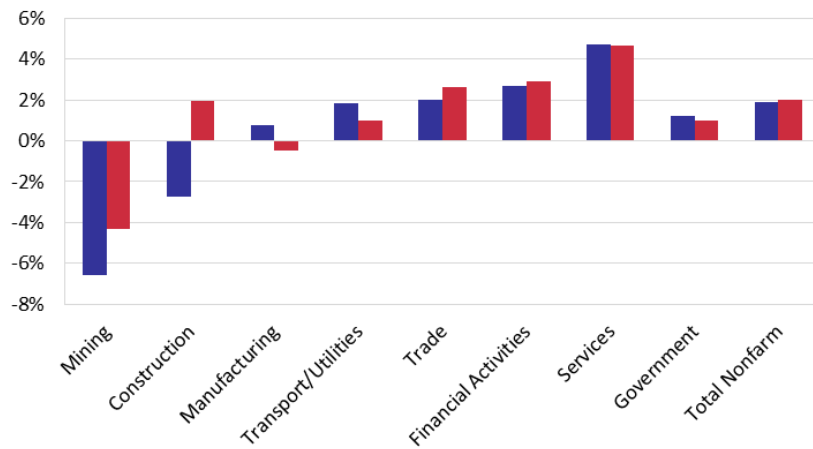
**U.S. Months of Recession from NBER. CO Months of Recession based on year-over-year employment decline.

The 1980s: Oil, Tech, & Real Estate

Nonfarm Employment by Sector



Average Annual Employment Growth Rate



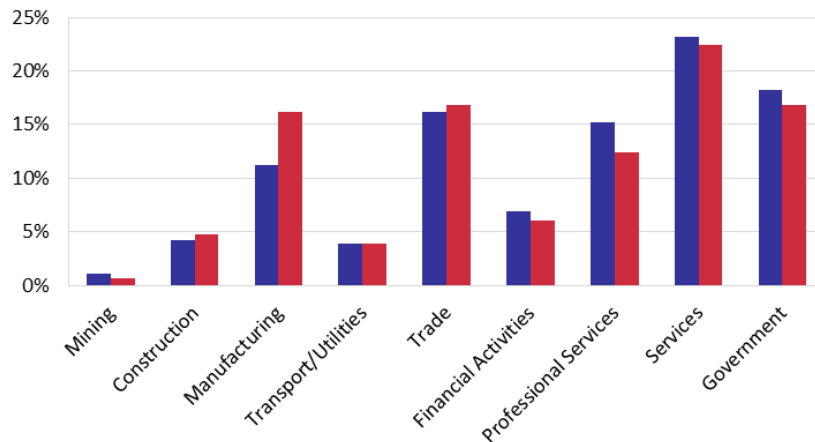
Colorado U.S.

	U.S.	Colorado
Employment (1980)	90.5 M	1.3 M
Emp AAGR*	2.0%	1.9%
Unemployment Rate	5.0% - 11.4%	4.6% - 9.9%
Per Capita Personal Income (1980)	\$10,150	\$10,885
PCPI AAGR*	6.8%	6.1%
Months of Recession**	22	29

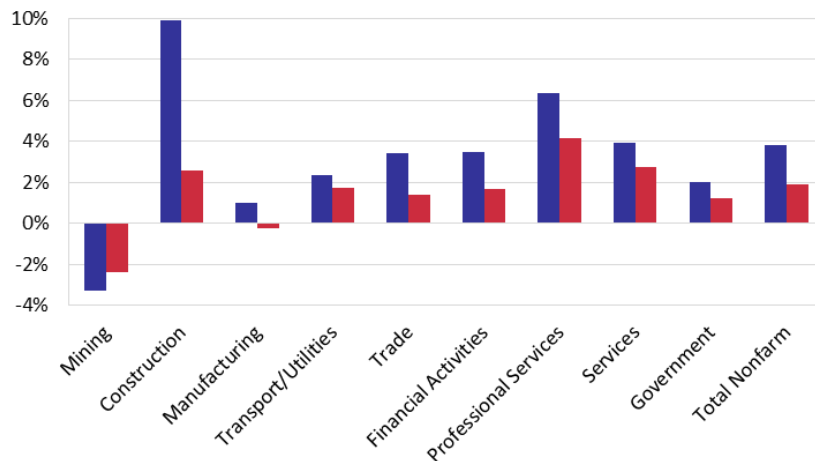
- Boom and bust in oil prices
- HUD homes and high vacancy rates
- Eco devo efforts focus on tech

The 1990s: The New Economy

Nonfarm Employment by Sector



Average Annual Employment Growth Rate



Colorado

U.S.

	U.S.	Colorado
Employment (1990)	109.5 M	1.5 M
Emp AAGR*	1.9%	3.8%
Unemployment Rate	3.7% - 8.2%	2.7% - 6.8%
Per Capita Personal Income (1990)	\$19,584	\$19,604
PCPI AAGR*	4.6%	5.7%
Months of Recession**	8	0

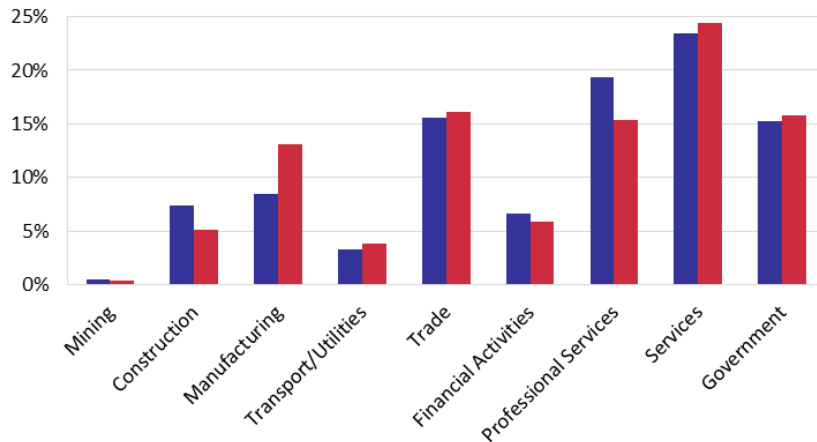
- Growth spread throughout state
- Dot.com boom – tech & telecomm
- Public infrastructure projects

*AAGR=Average Annual Growth Rate, based on average annual data from 1990 to 2000.

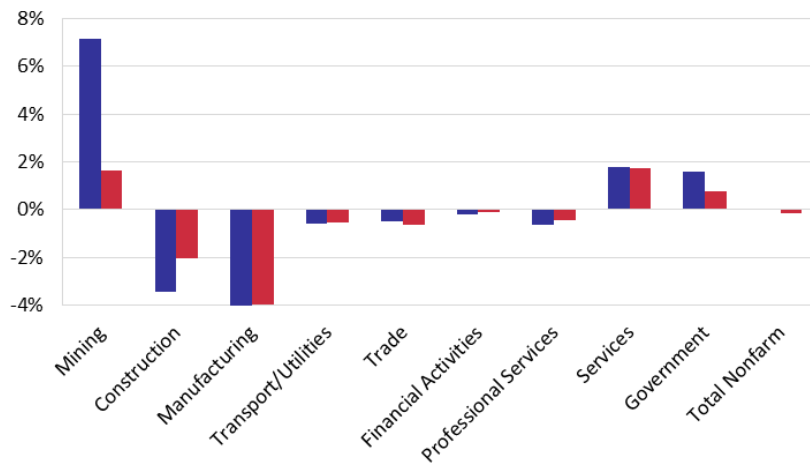
**U.S. Months of Recession from NBER. CO Months of Recession based on year-over-year employment decline.

The 2000s: The Lost Decade

Nonfarm Employment by Sector



Average Annual Employment Growth Rate



Colorado

U.S.

	U.S.	Colorado
Employment (2000)	132.0 M	2.2 M
Emp AAGR*	-0.1%	0.0%
Unemployment Rate	3.6% - 9.7%	2.4% - 8.8%
Per Capita Personal Income (2000)	\$30,587	\$34,227
PCPI AAGR*	2.8%	2.0%
Months of Recession**	26	44

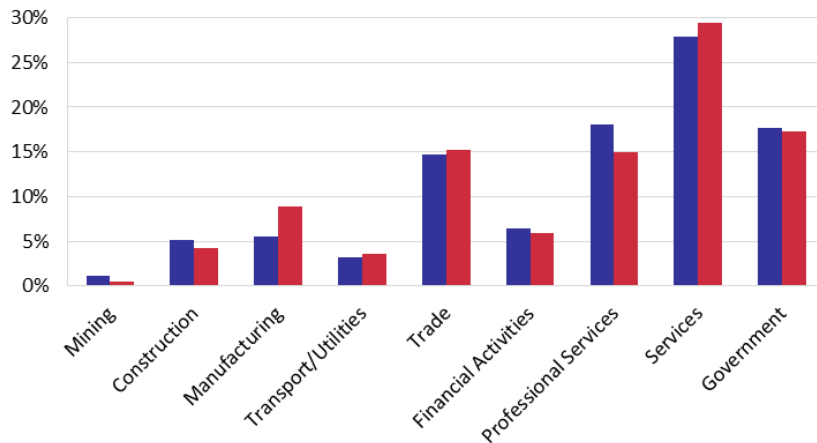
- 9/11, dot.bomb, housing bubble
- Mild 2001 recession followed by Great Recession
- Widespread sector, region losses

*AAGR=Average Annual Growth Rate, based on average annual data from 2000 to 2010.

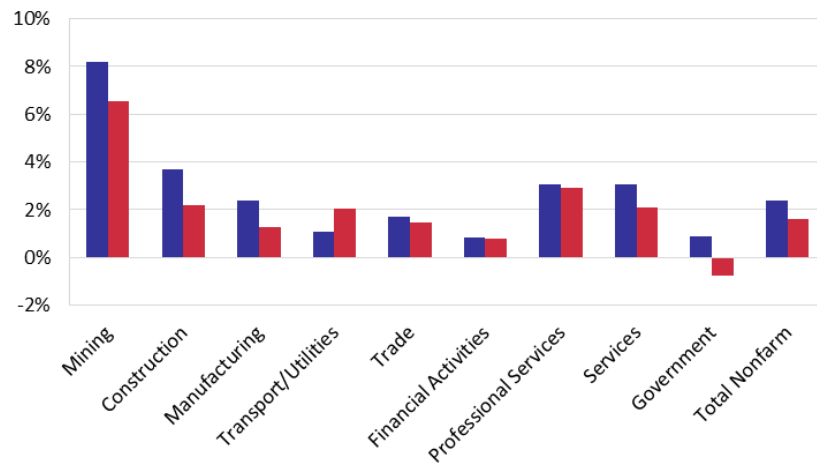
**U.S. Months of Recession from NBER. CO Months of Recession based on year-over-year employment decline.

2010-2014: The New Growth Path

Nonfarm Employment by Sector



Average Annual Employment Growth Rate



	U.S.	Colorado
Employment (2010)	130.3 M	2.2 M
Emp AAGR*	1.6%	2.4%
Unemployment Rate	5.5% - 10.6%	3.7% - 9.6%
Per Capita Personal Income (2010)	\$40,163	\$41,717
PCPI AAGR*	3.5%	3.8%
Months of Recession**	0	9

- CO #3 in job growth in 2013
- Inconsistent recovery across state
- Front Range oil boom

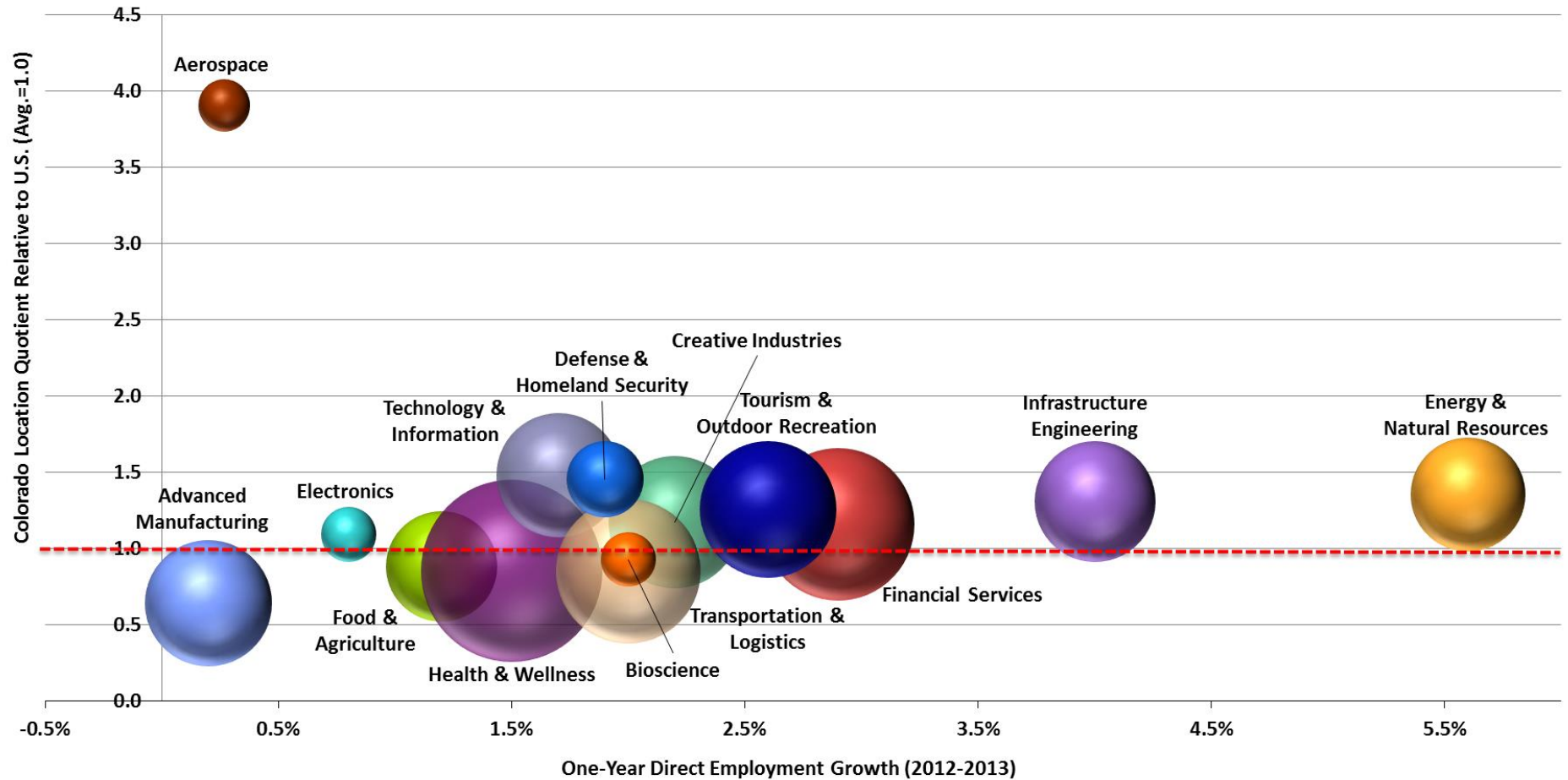
*AAGR=Average Annual Growth Rate, based on average annual data from 2010 to current.

**U.S. Months of Recession from NBER. CO Months of Recession based on year-over-year employment decline.

Looking Ahead: Colorado Key Industries

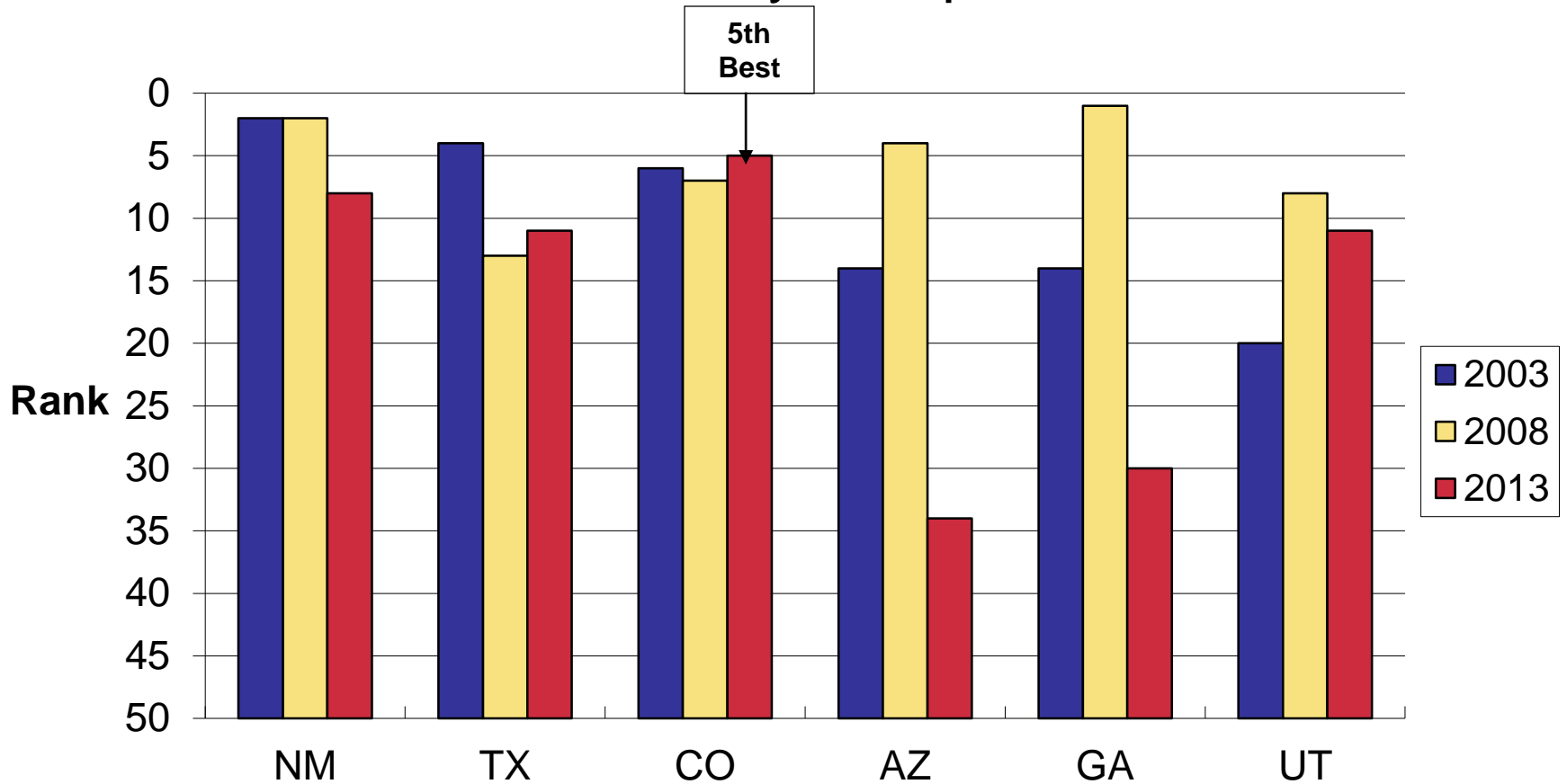
- ◆ Advanced Manufacturing
- ◆ Aerospace
- ◆ Bioscience
- ◆ Creative Industries
- ◆ Defense & Homeland Security
- ◆ Electronics
- ◆ Energy & Natural Resources
- ◆ Financial Services
- ◆ Food & Agriculture
- ◆ Health & Wellness
- ◆ Infrastructure Engineering
- ◆ Technology & Information
- ◆ Tourism & Outdoor Recreation
- ◆ Transportation & Logistics

Colorado Key Industries 2012-2013



Entrepreneurial Activity Index

Colorado vs. Key Competitor States



Source: Ewing Marion Kauffman Foundation.

Questions?

Development Research Partners

10184 West Belleview Avenue, Suite 100

Littleton, Colorado 80127

(303) 991-0070

www.DevelopmentResearch.net

Patricia Silverstein, President

Patty@DevelopmentResearch.net