Colorado’s business leader’s positive but tempered in the outlook for the economy

Richard Wobbekind

Colorado business leaders remain positive but optimism is cooling for the state and national economy in the fourth quarter, according to the University of Colorado Boulder Leeds Business Confidence Index survey released today.

CU Boulder economist Richard Wobbekind (WAH-Be-kin), says the lack of legislative action by Congress and the president this year is a cause of concern.

CUT 1 “We haven’t seen tax reform. We certainly haven’t seen very much regulatory reform. The health care proposal has gotten defeated several times. (:10) So we’re looking at a picture in terms of confidence where there’s more doubt now in terms of whether or not these things are actually going to happen or get done.” (:20)

But even with a lack of confidence in the government, Wobbekind says the overall confidence is still positive and is above the level from a year ago – up 3.5 points.

And he says there are several positive categories to point to.

CUT 2 “Business investment appears to be very strong. That’s really helping the national growth and the state growth. That’s clearly in the positive category. The employment growth is still solid and extremely low unemployment rates. (:14)

So we have really good labor markets and really good business investment. Retail spending continues to be solid. So those are the pieces that are clearly the strongest.” (:27)

The Leeds Business Confidence Index, or LBCI, which captures Colorado business leaders’ expectations for the national economy, state economy, industry sales, profits, hiring plans, and capital expenditures, is at 56.5 for Q4 2017 - down from 59.7 in Q3.