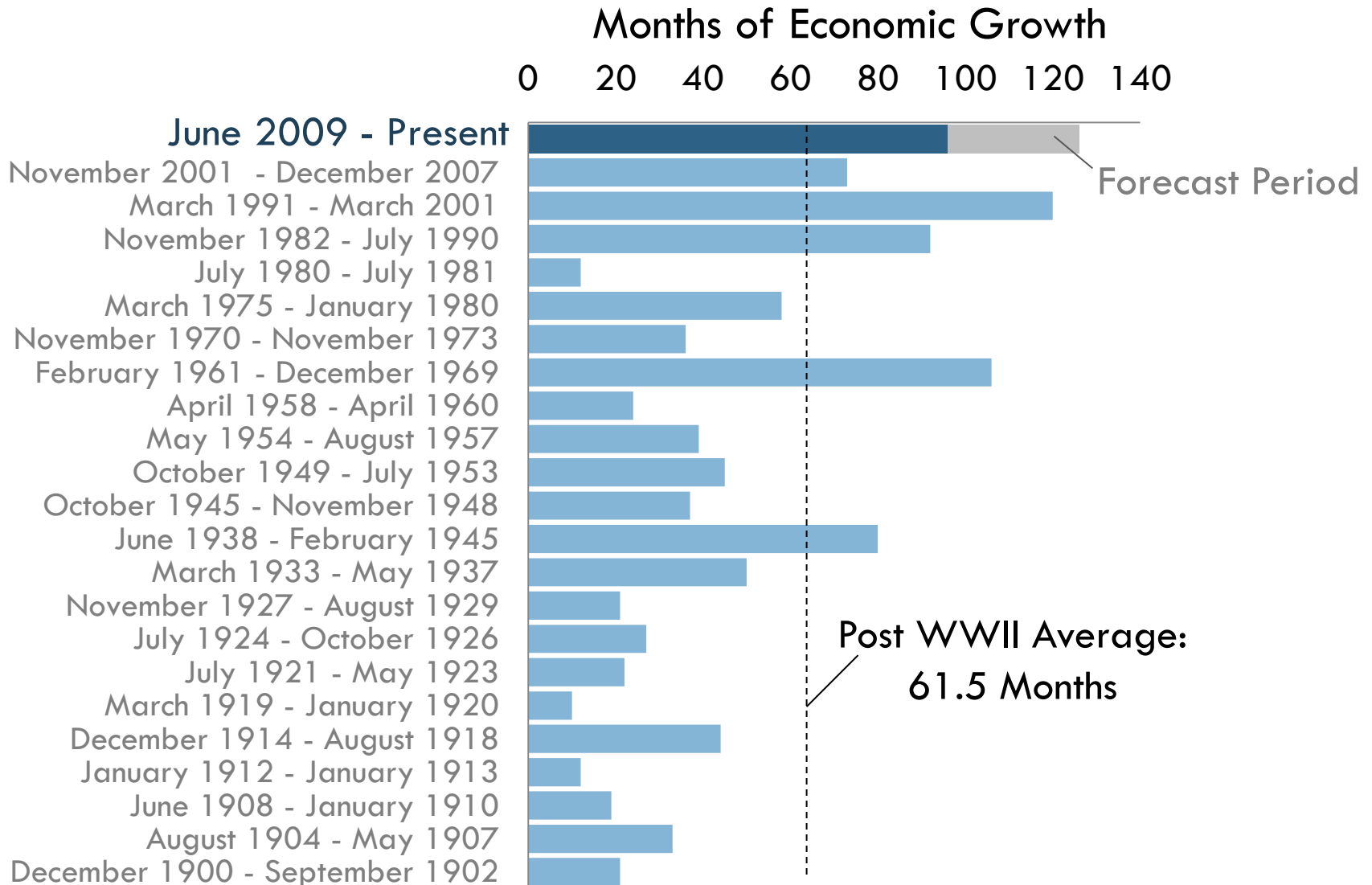


10 County Budget Conference

September 14, 2017

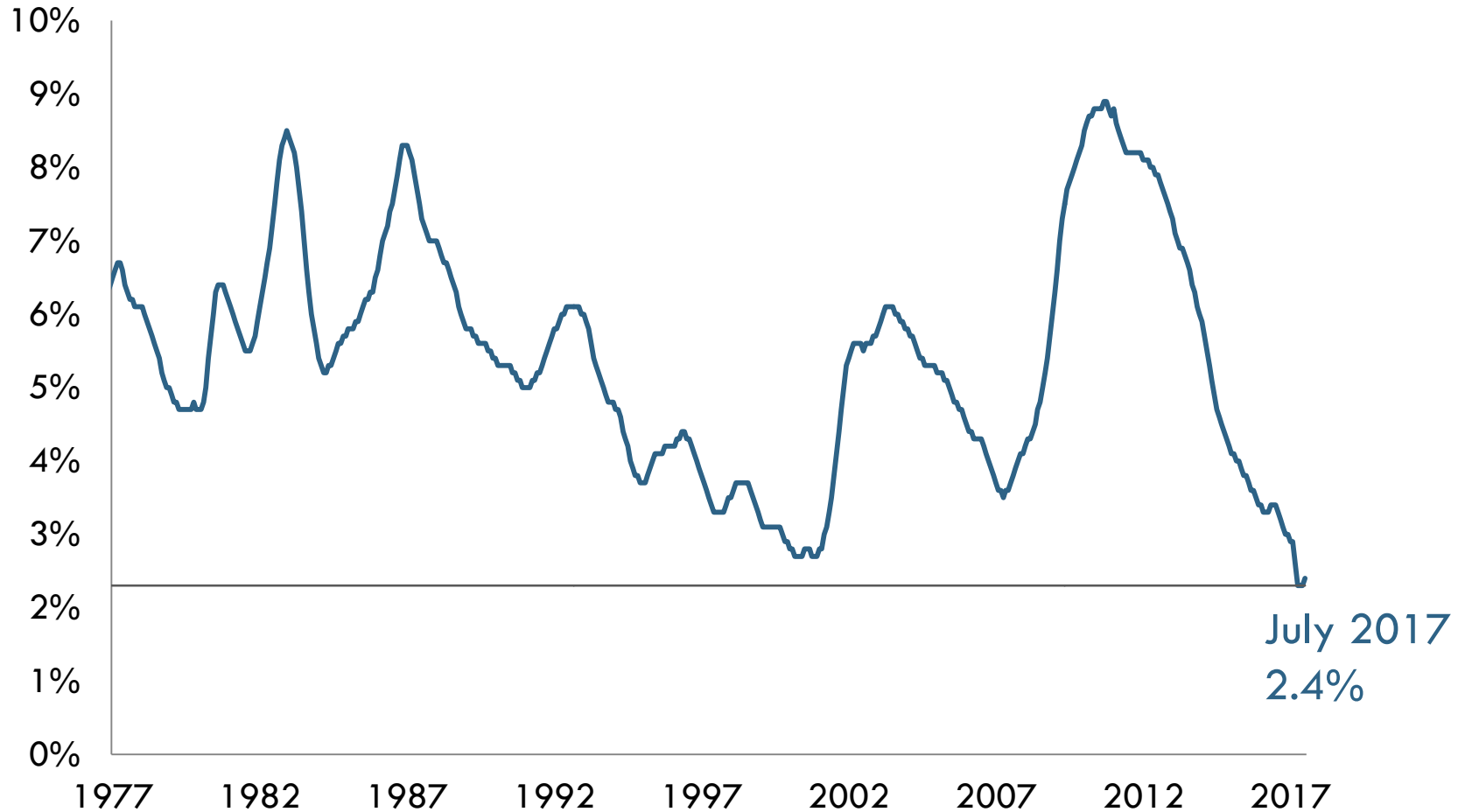


The U.S economy continues to expand.



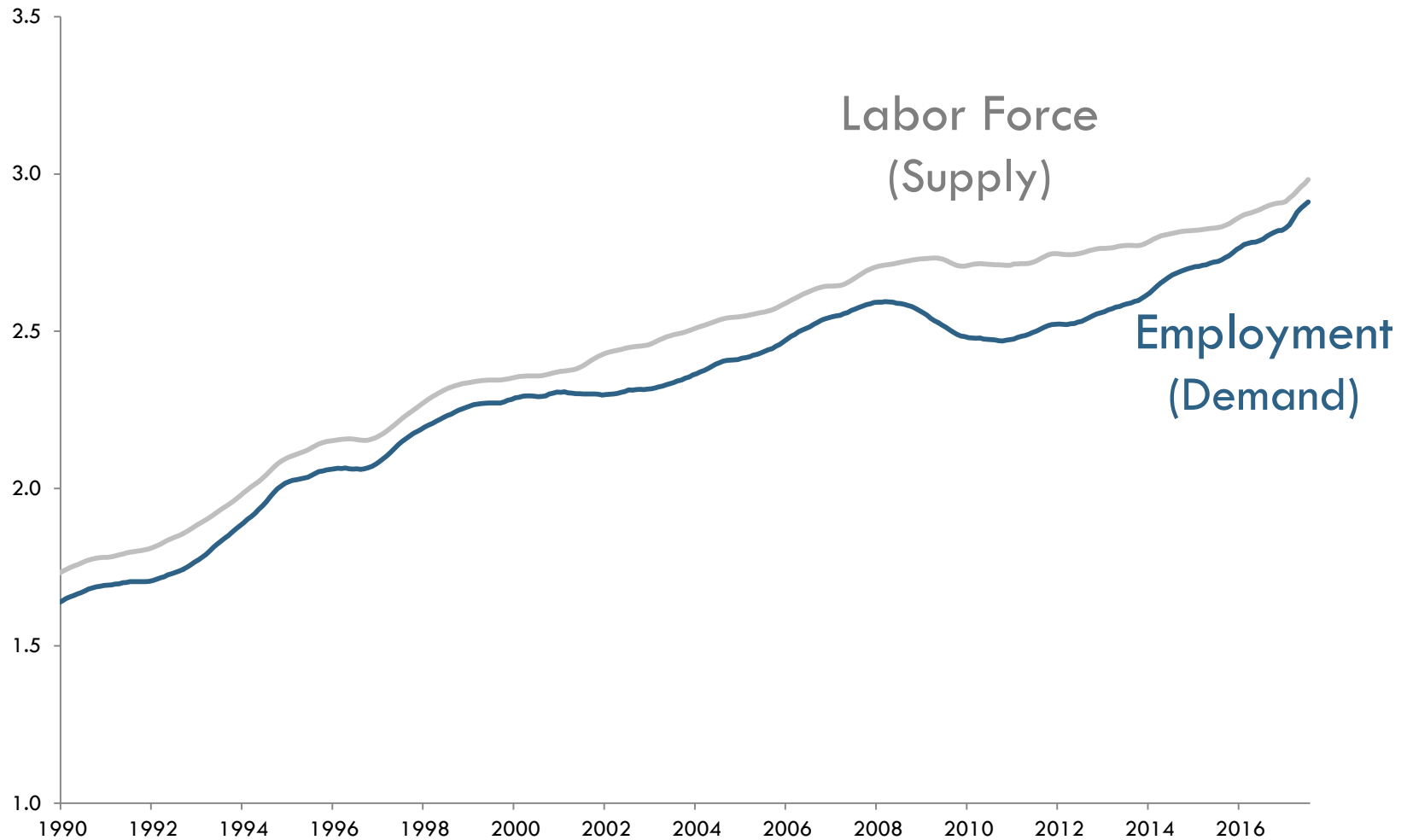
Colorado's unemployment rate is historically low.

Unemployment Rate



Colorado Labor Supply and Demand

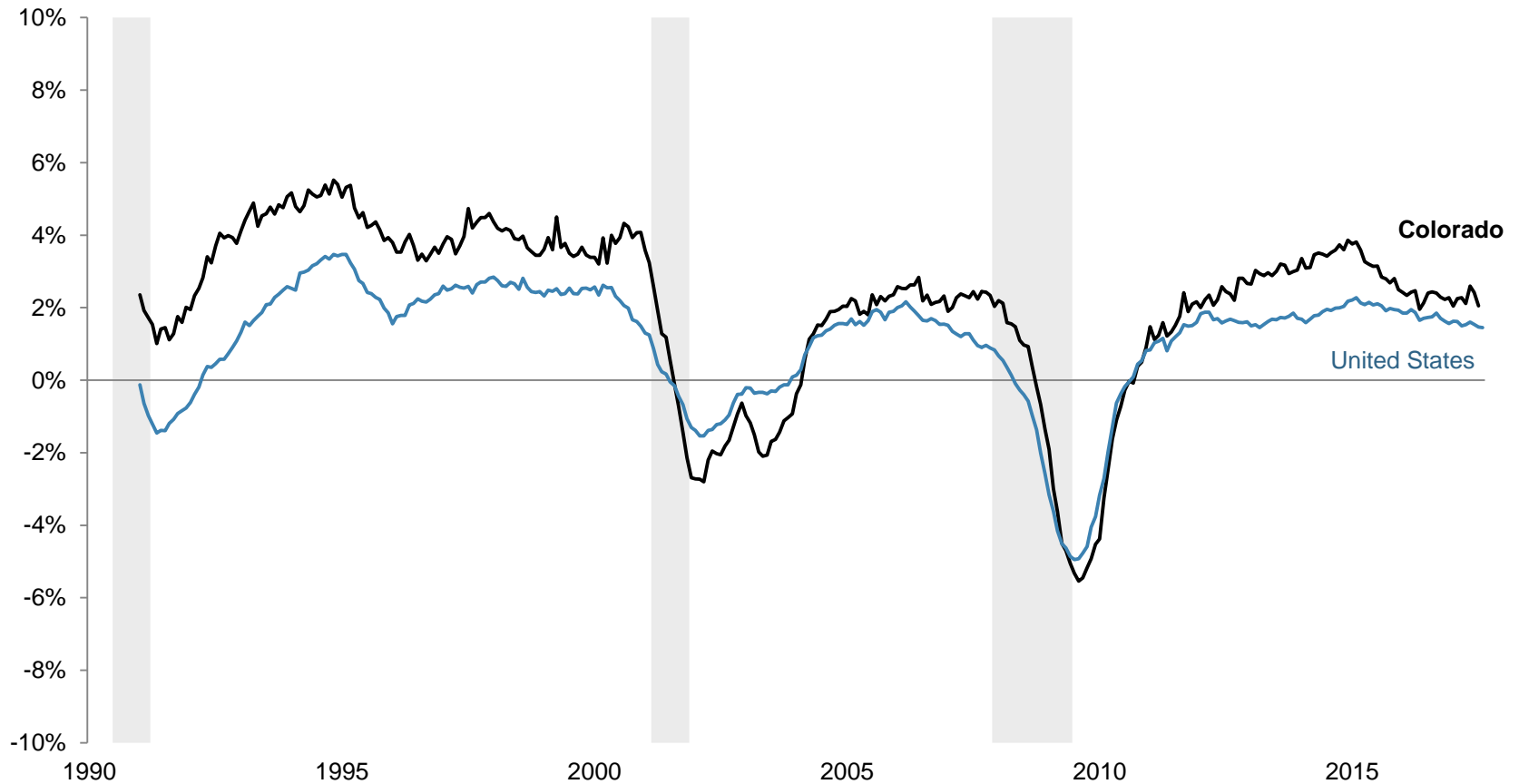
Millions of Workers



Source: U.S. Bureau of Labor Statistics. Seasonally adjusted.

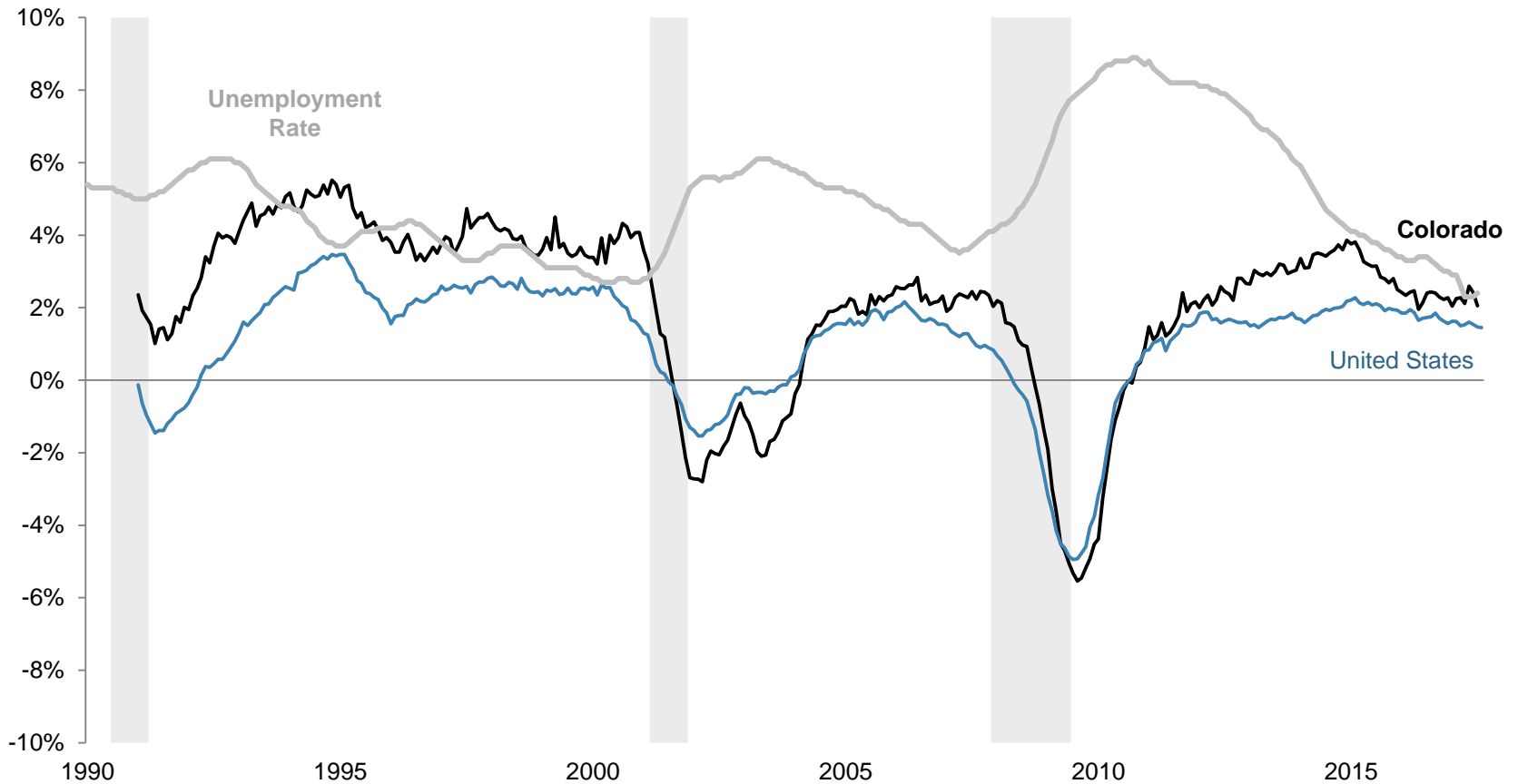
Nonfarm Employment Growth

Year-over-Year Percent Change



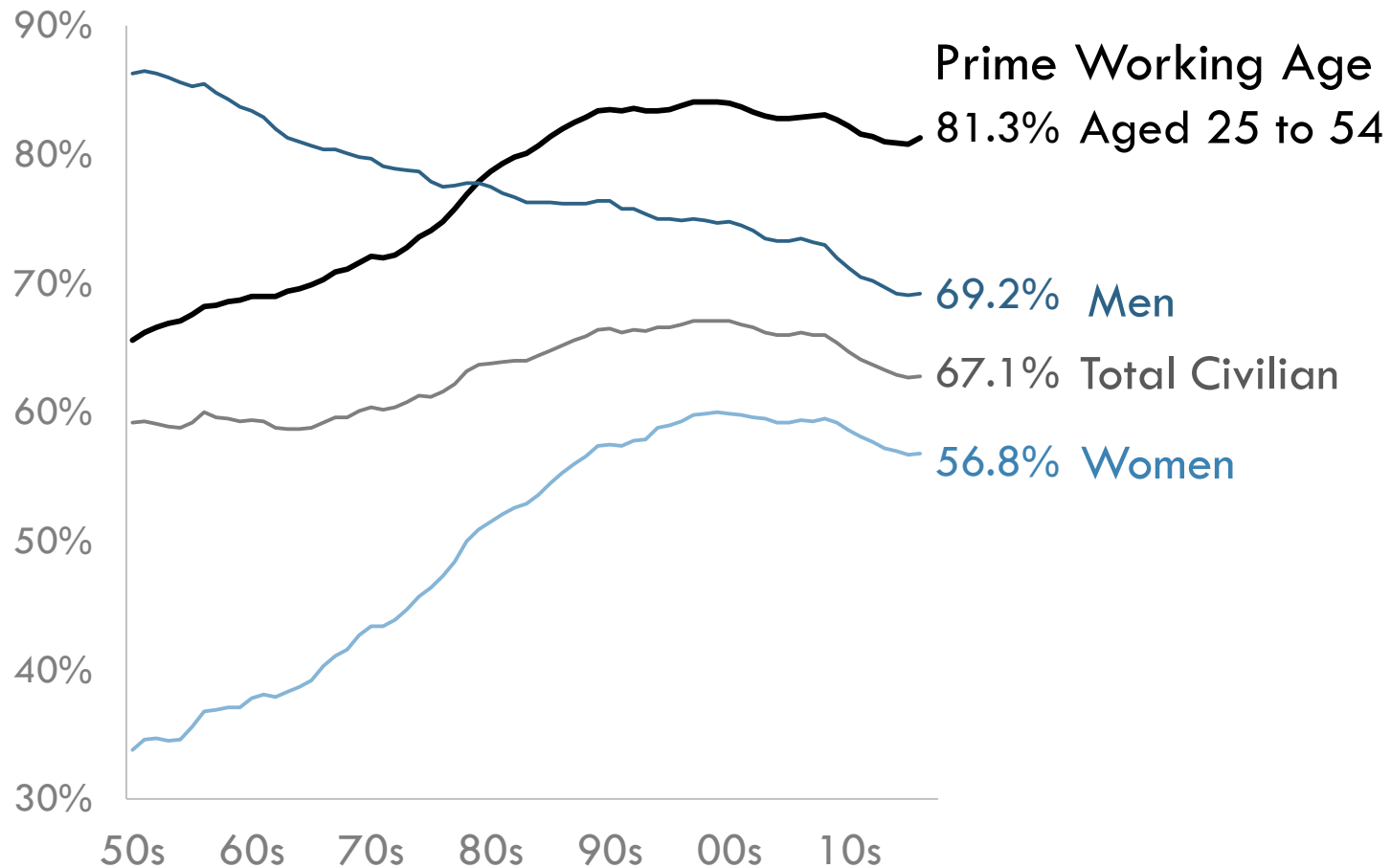
Nonfarm Employment Growth

Year-over-Year Percent Change



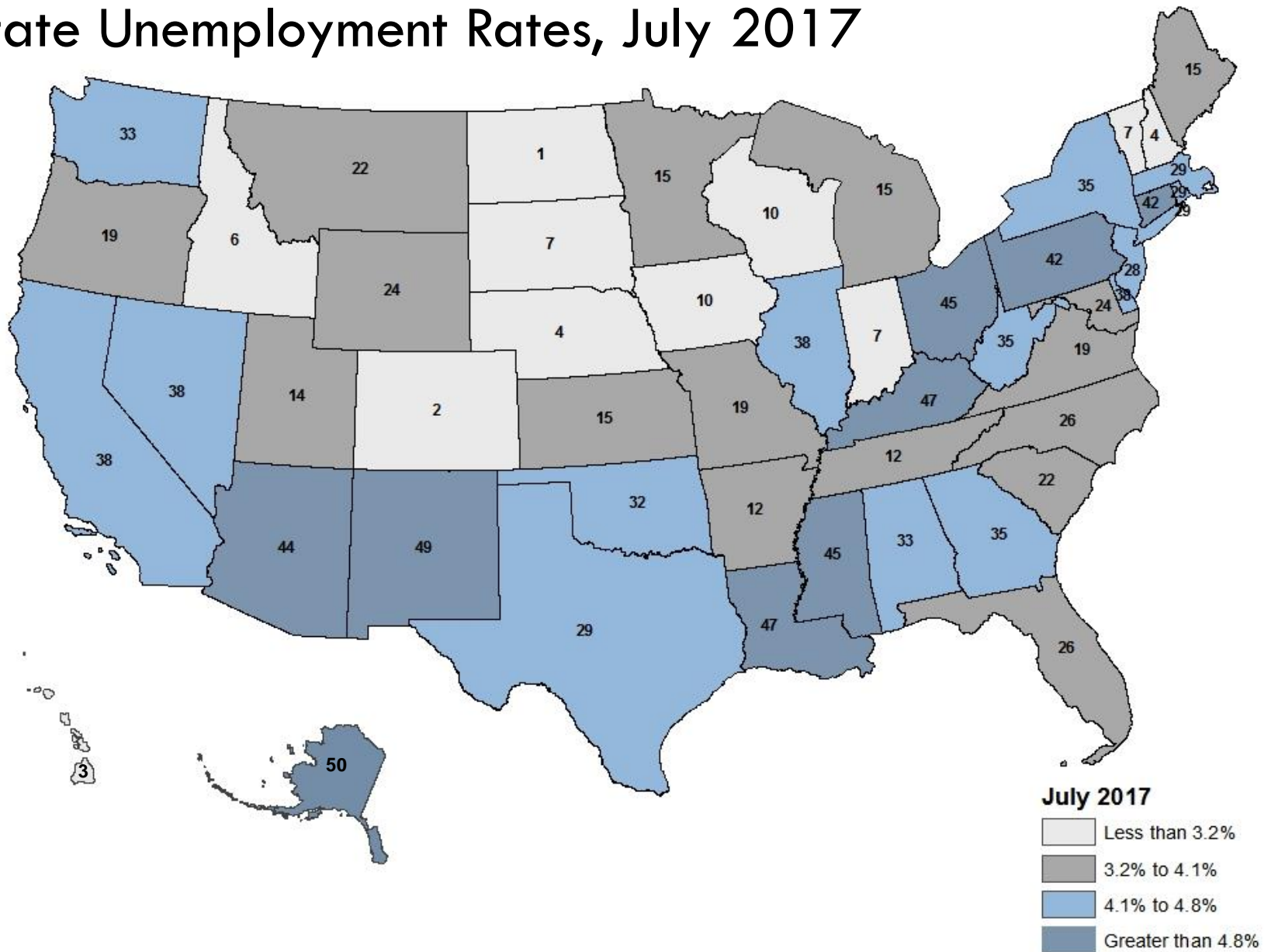
U.S. Labor Force Participation Rate

Share of the Civilian Population



Source: Source: U.S. Bureau of Labor Statistics. Data are seasonally adjusted.

State Unemployment Rates, July 2017

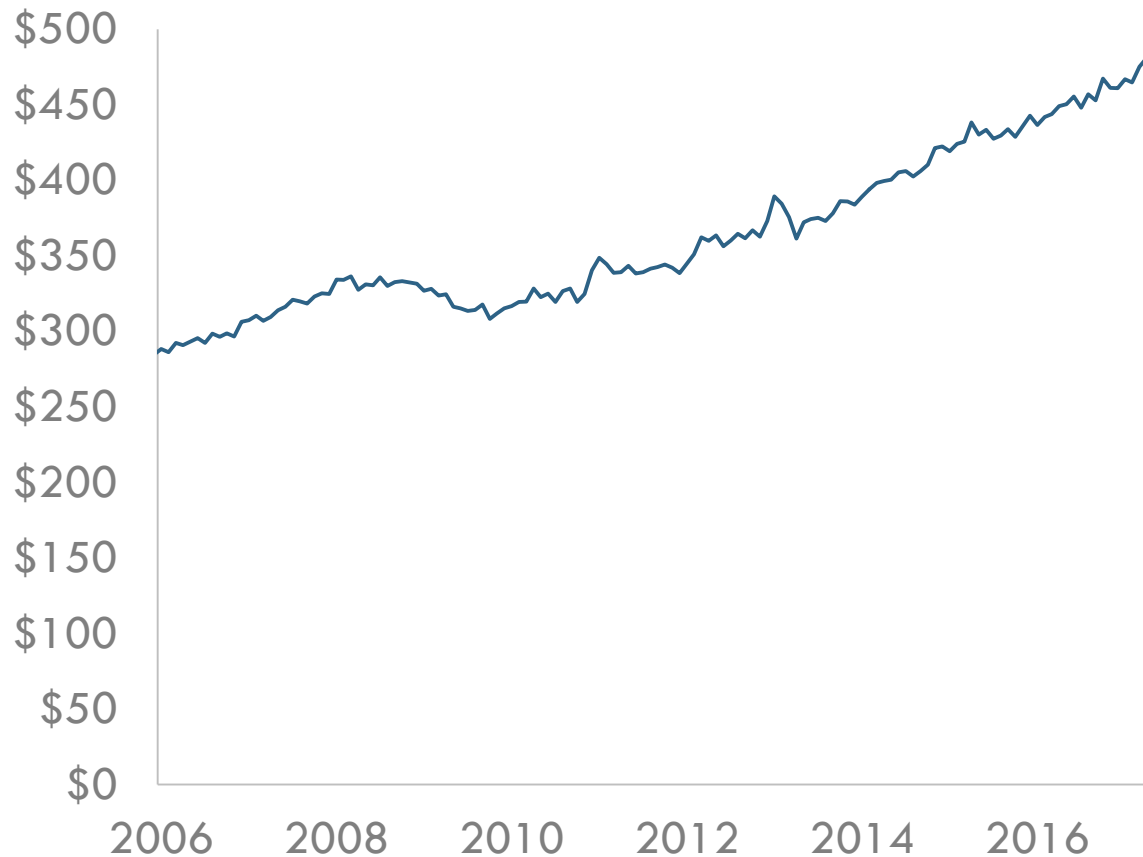


Prepared by: Colorado Legislative Council Staff

Source: Bureau of Labor Statistics. Seasonally adjusted. Map prepared by Legislative Council Staff.

Wage Withholding

Millions in Monthly Collections

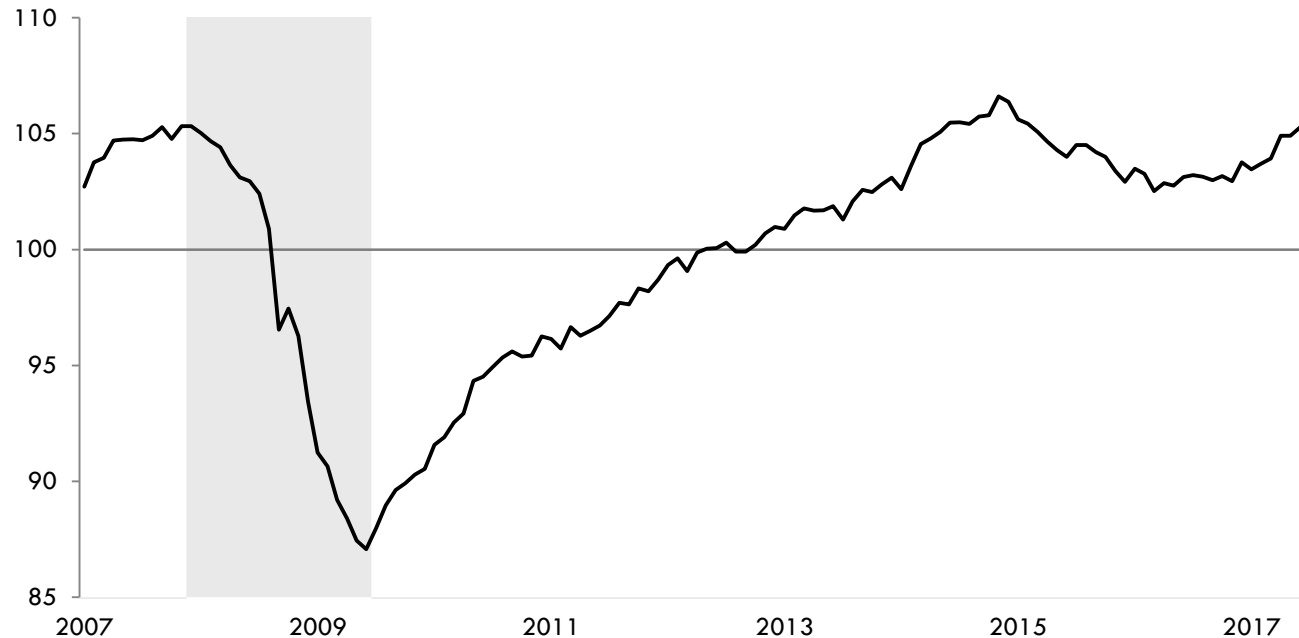


Source: Office of the State Controller and Colorado Department of Revenue with Legislative Council Staff seasonal adjustments. Data through May 2017.

Manufacturing Activity Expanding

Industrial Production Index

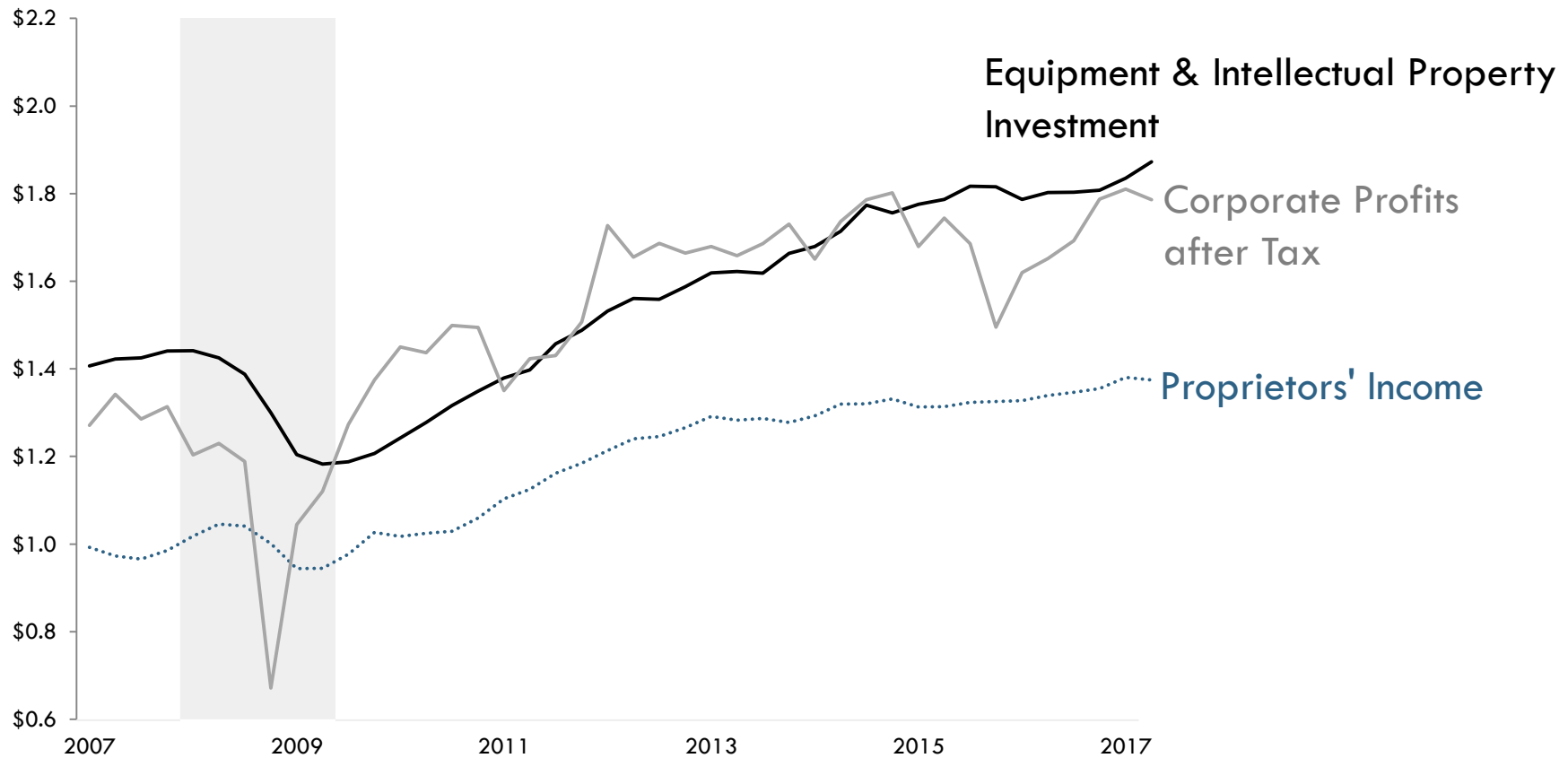
Index 2012 = 100



Business Income

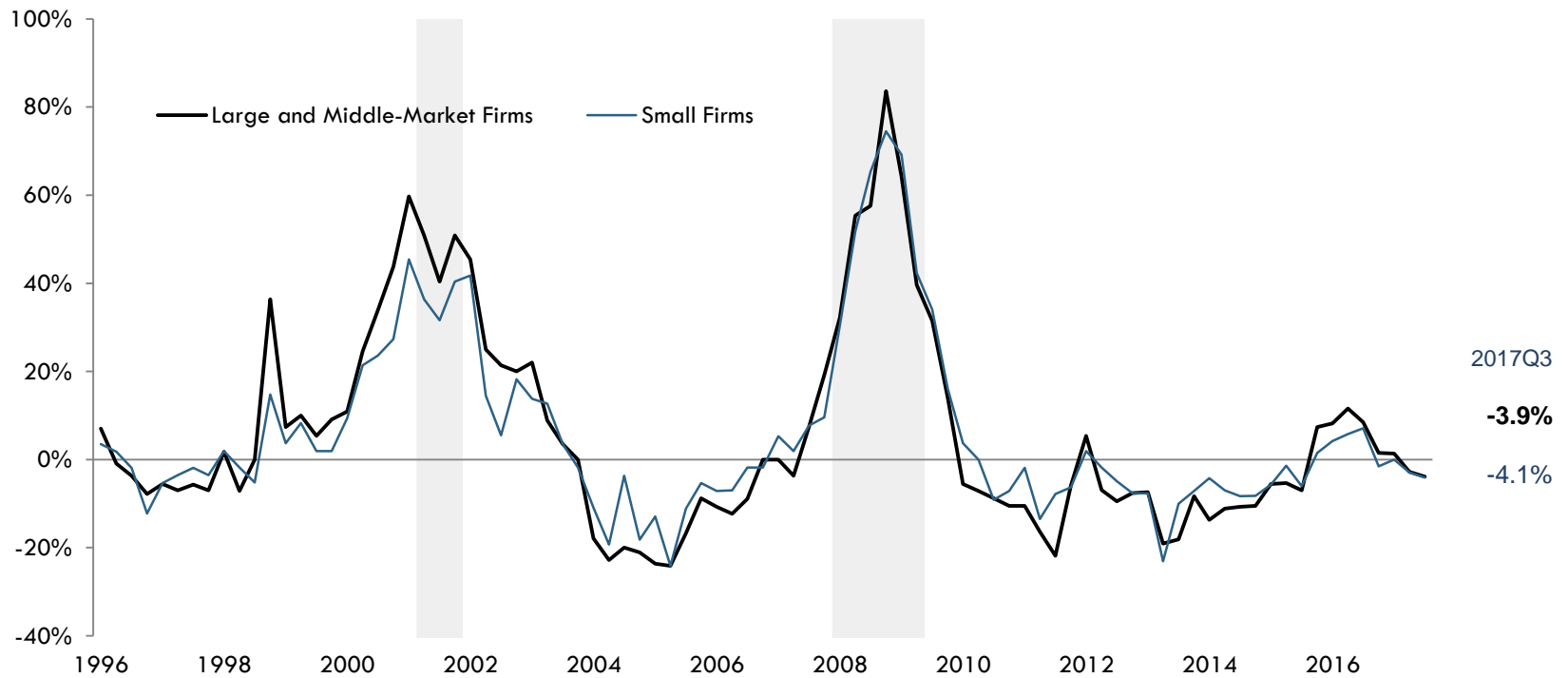
Business Investment, Income and Profits

Trillions of Dollars



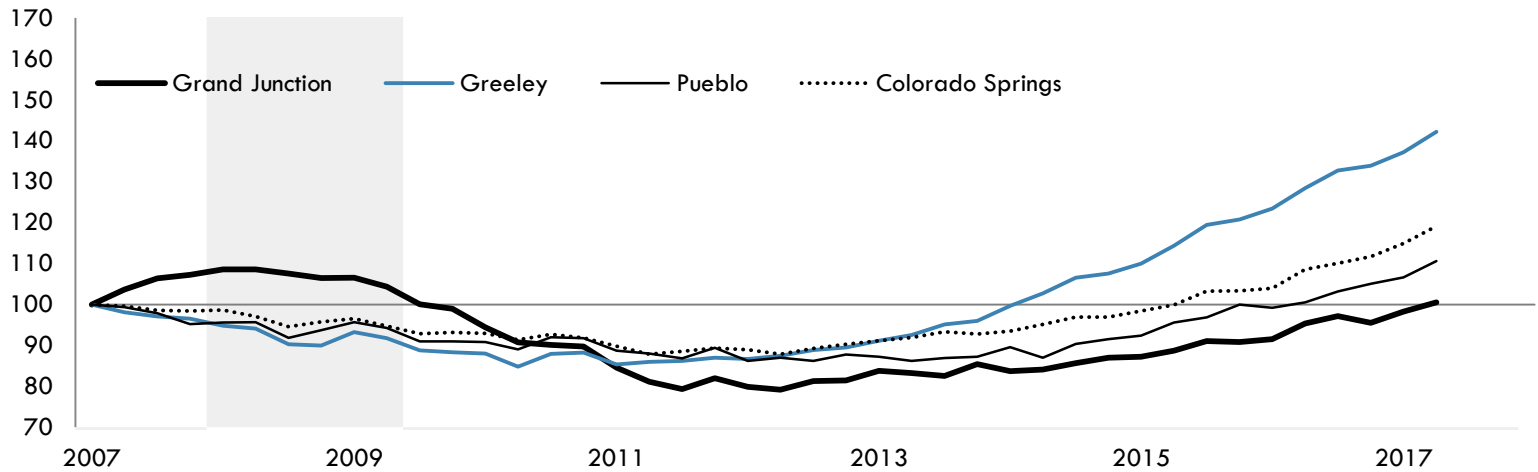
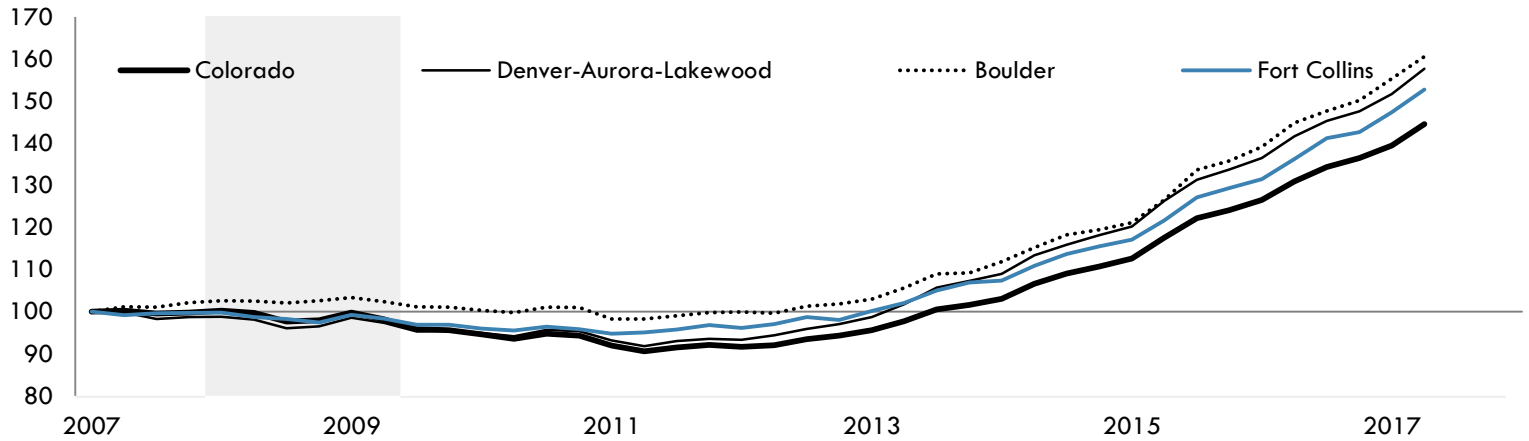
Lending Conditions

Net Percentage of Domestic Banks Tightening Standards for Commercial and Industrial Loans



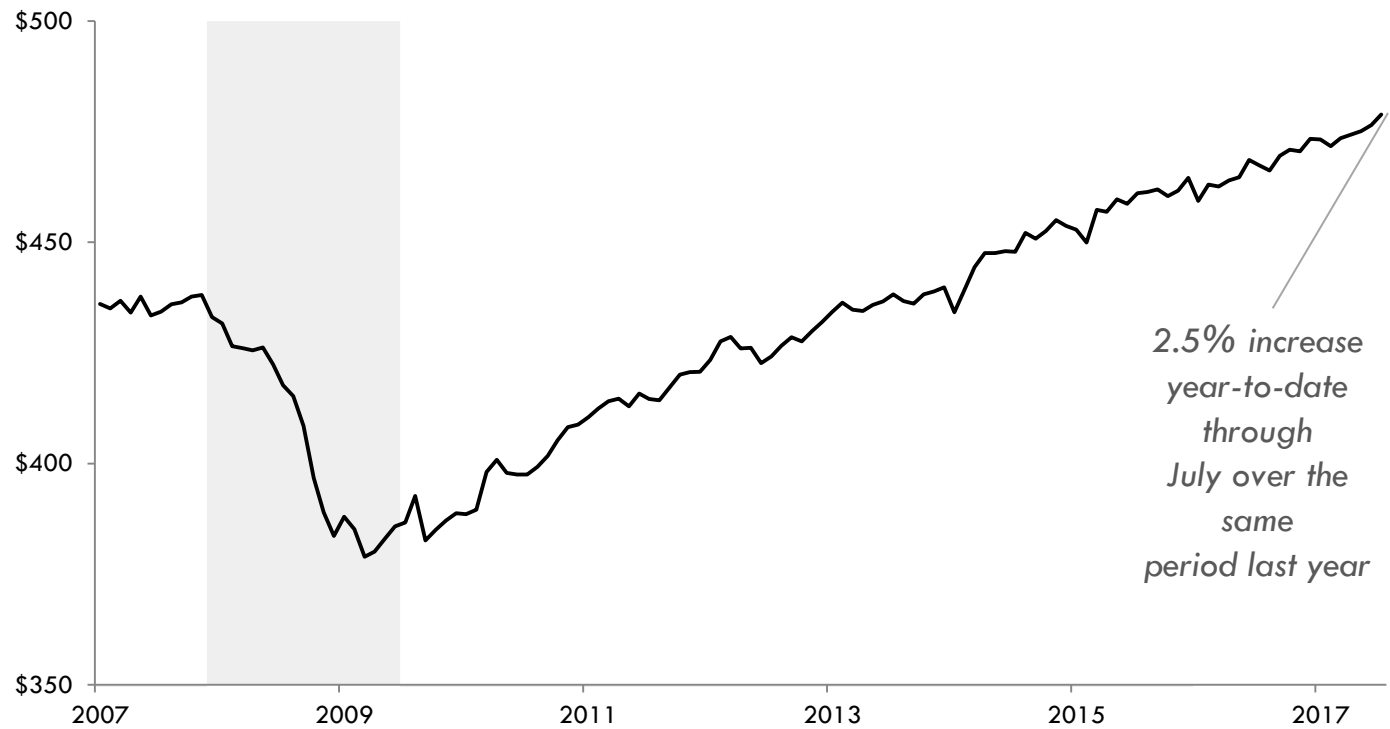
Home Prices

Index 2007=100



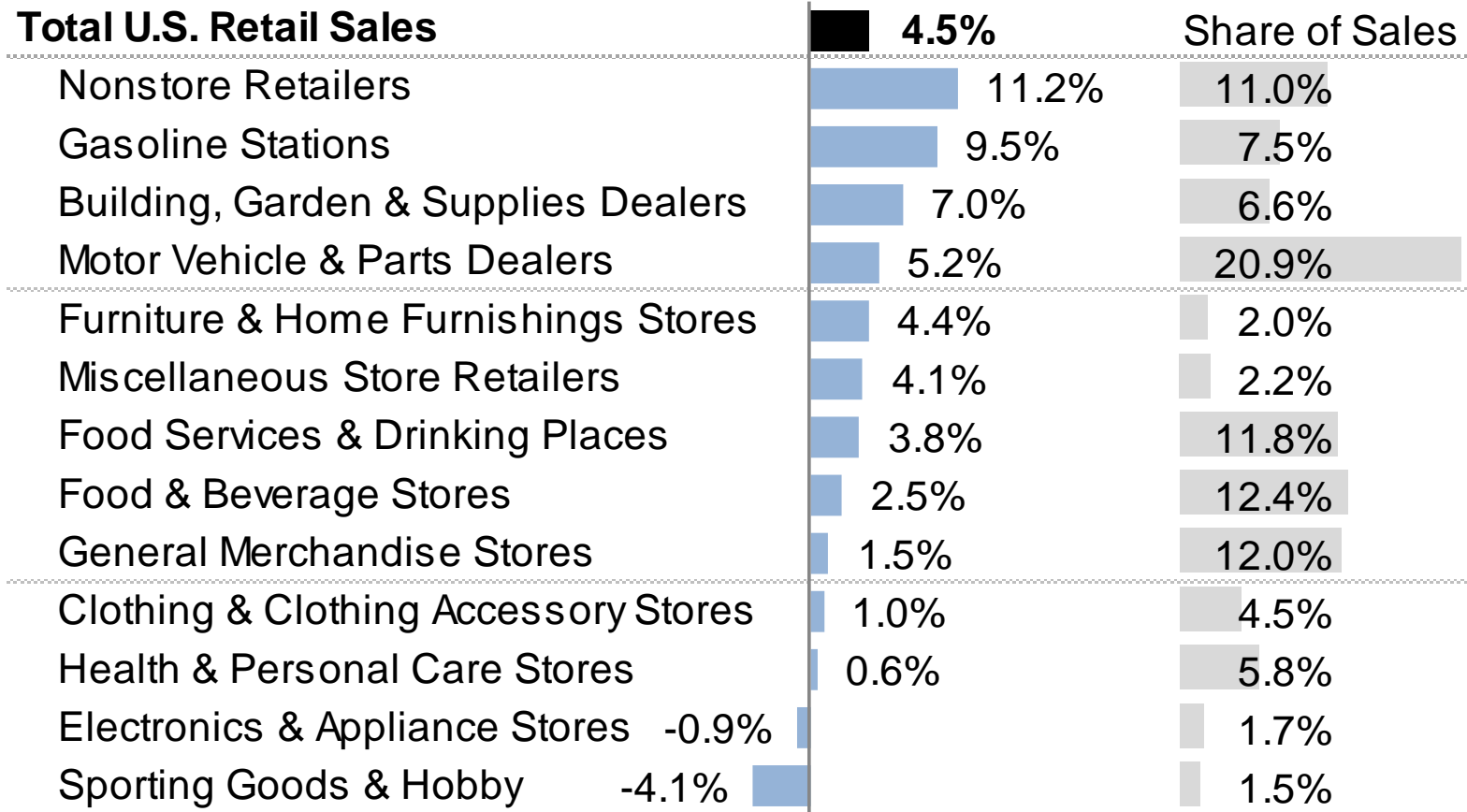
Retail Trade

Real U.S. Retail and Food Service Sales
Billions of 2017 Dollars



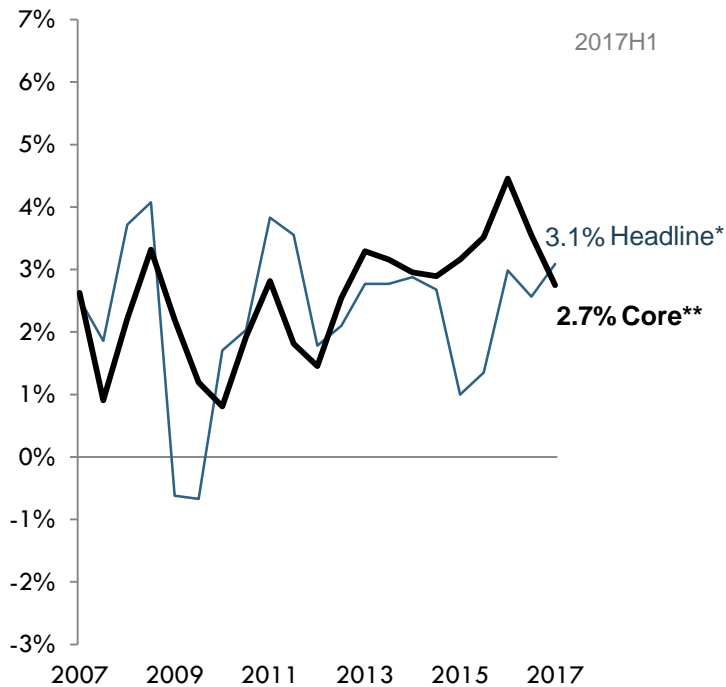
Retail Trade

Change in U.S. Retail Sales, Year-to-Date through July



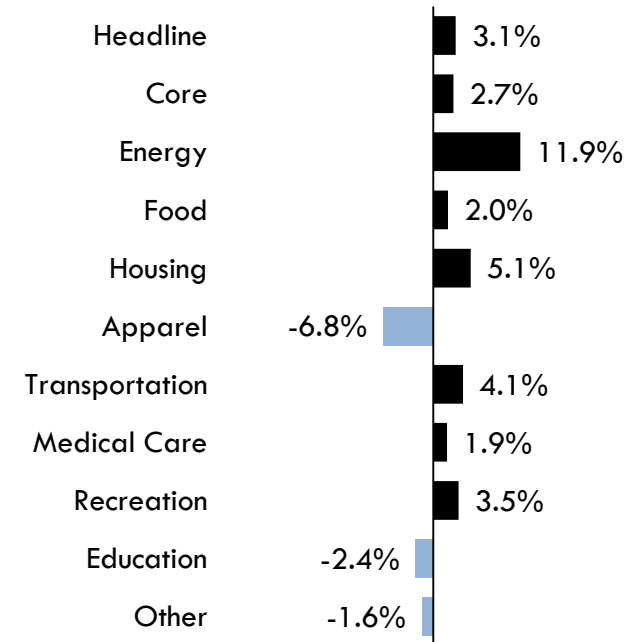
Will wages show up in prices?

Denver-Boulder-Greeley CPI-U Inflation Year-over-Year Change in Prices



First Half 2017 over First Half 2016

Selected Components



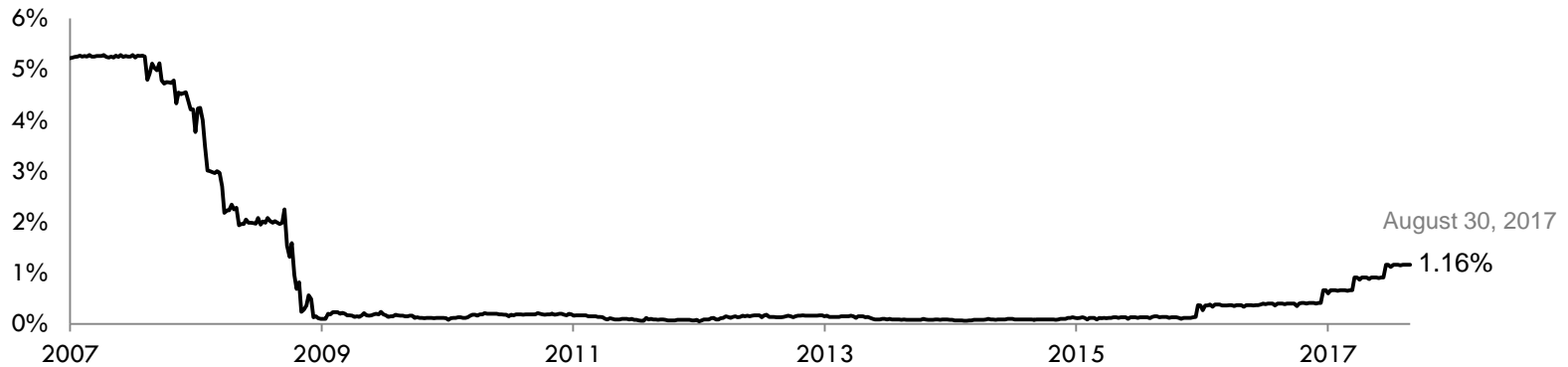
Source: U.S. Bureau of Labor Statistics.

Inflation is calculated as the growth in urban area prices in a given period relative to the same period in the prior year.

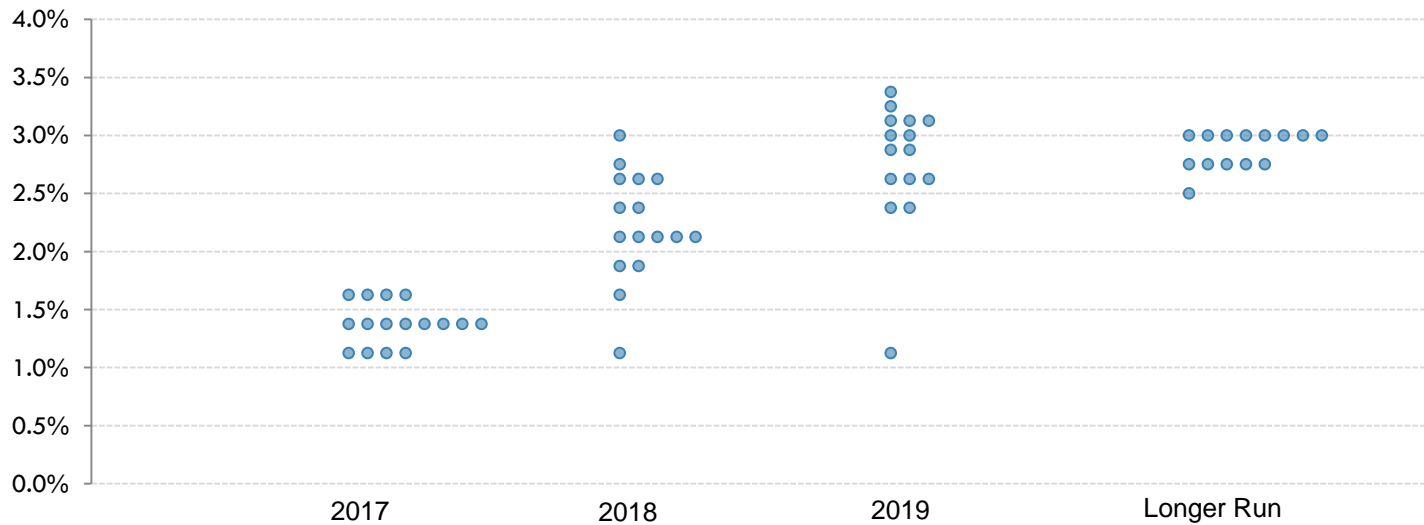
*Headline inflation includes all products and services. **Core inflation excludes food and energy prices.

Federal Reserve

Effective Federal Funds Rate

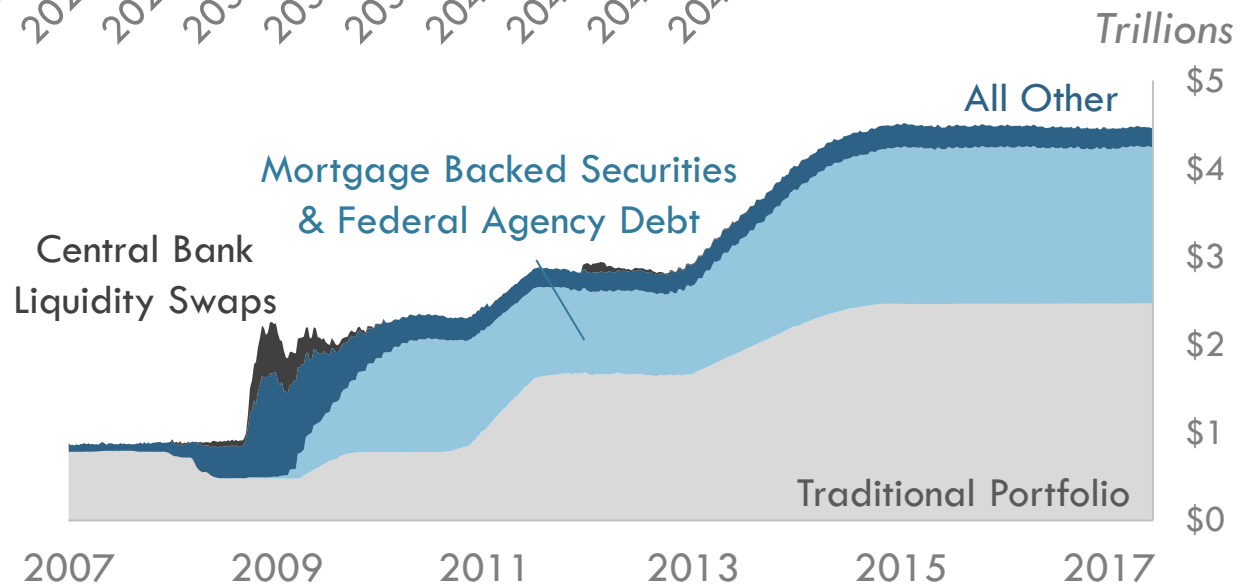
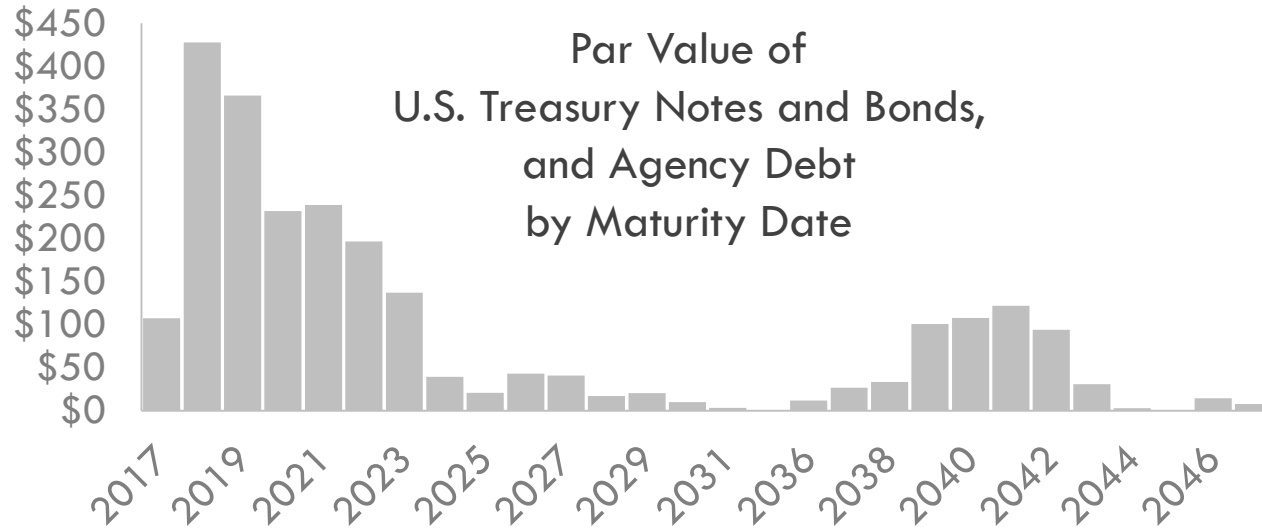


June 2017 FOMC Participants Assessments of Appropriate Monetary Policy *Mid-Point of Target Range or Target Level for the Federal Funds Rate*



Federal Reserve Balance Sheet

Billions



Forecast

Legislative Council Staff Forecast

Calendar Years	2015	2016	2017	2018	2019
Real GDP (Billions)	\$16,397	\$16,662	\$17,012	\$17,386	\$17,699
Percent Change	2.6%	1.6%	2.1%	2.2%	1.8%
Population (Thousands, as of July 1) ¹	5,448.8	5,540.5	5,634.7	5,730.5	5,822.2
Percent Change	1.9%	1.7%	1.7%	1.7%	1.6%
Nonfarm Employment (Thousands) ²	2,541.8	2,599.6	2,646.4	2,691.4	2,737.1
Percent Change	3.1%	2.3%	1.8%	1.7%	1.7%
Unemployment Rate ²	3.8	3.3	2.6	2.6	2.5
Personal Income (Millions) ³	\$277,732	\$287,620	\$302,864	\$321,945	\$341,583
Percent Change	4.2%	3.6%	5.3%	6.3%	6.1%
Wage and Salary Income (Millions) ³	\$146,574	\$152,594	\$161,444	\$171,777	\$182,255
Percent Change	5.7%	4.1%	5.8%	6.4%	6.1%
Retail Trade Sales* (Millions) ⁴	\$94,920	\$99,097	\$104,052	\$108,942	\$114,171
Percent Change	4.7%	4.4%	5.0%	4.7%	4.8%
Housing Permits (Thousands) ¹	30.4	36.9	42.5	43.6	45.7
Percent Change	4.2%	21.6%	14.9%	2.8%	4.8%
Nonresidential Construction (Millions) ⁵	\$4,886	\$5,673	\$5,253	\$5,789	\$5,957
Percent Change	13.1%	16.1%	-7.4%	10.2%	2.9%
Denver-Boulder-Greeley Inflation ²	1.2%	2.8%	3.0%	2.6%	2.6%

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