

Local Economic Outlook

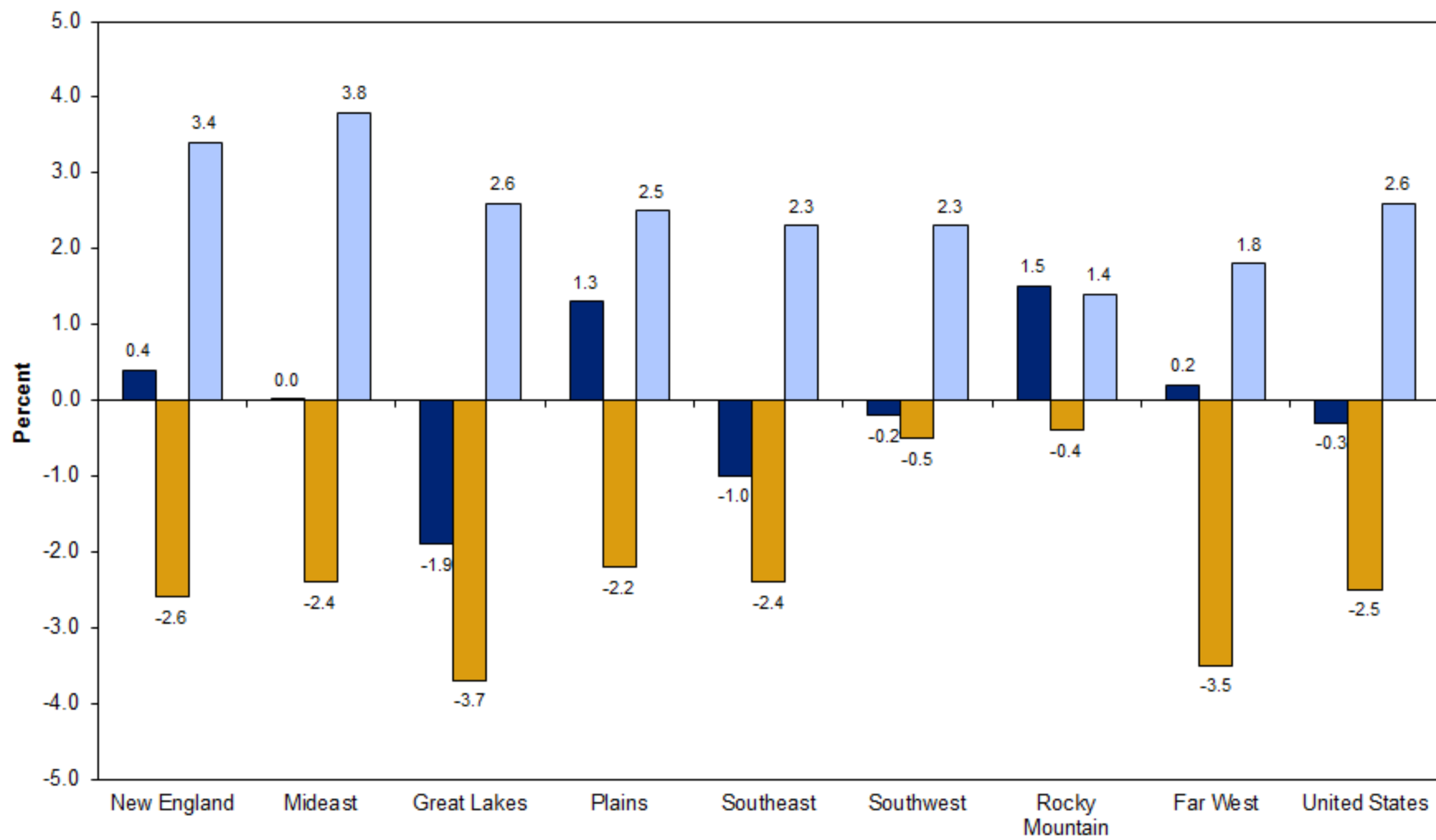
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- Healy Center Update:
 - Scholarships next semester, Director
 - Instructions to web page
- Local Economy?
 - ~3,000 new jobs in Pueblo County since January 2011
 - Low growth of region + ongoing housing market issues

Annual Percent Change in Real GDP



* Advance statistics

Source: U.S. Bureau of Economic Analysis

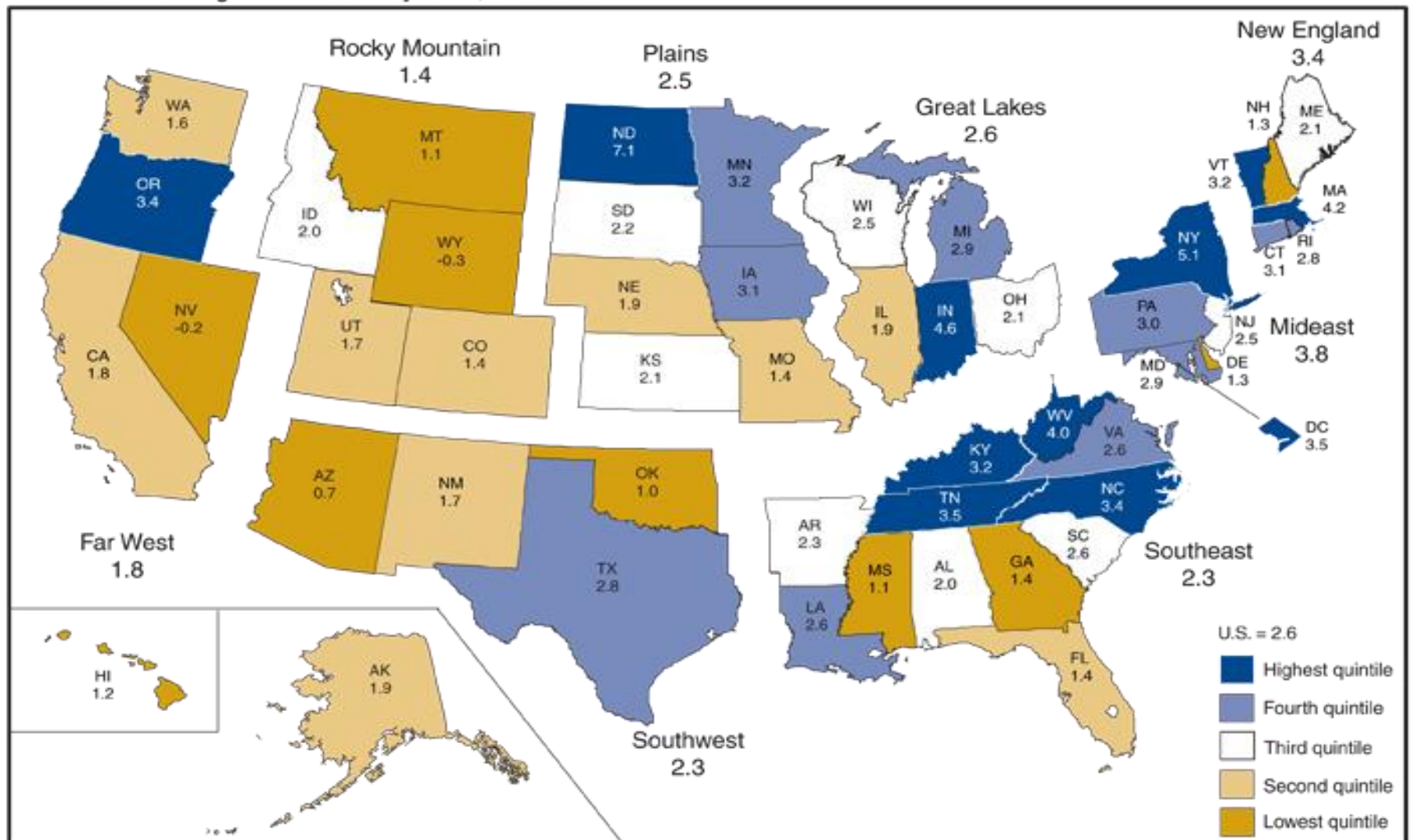
■ 2008 ■ 2009 ■ 2010*

U.S. Economic by Region

- Rocky Mountain region:
 - Lower growth, but lower dip during recession.
- Colorado in middle of Rocky Mountain region for 2010 growth.

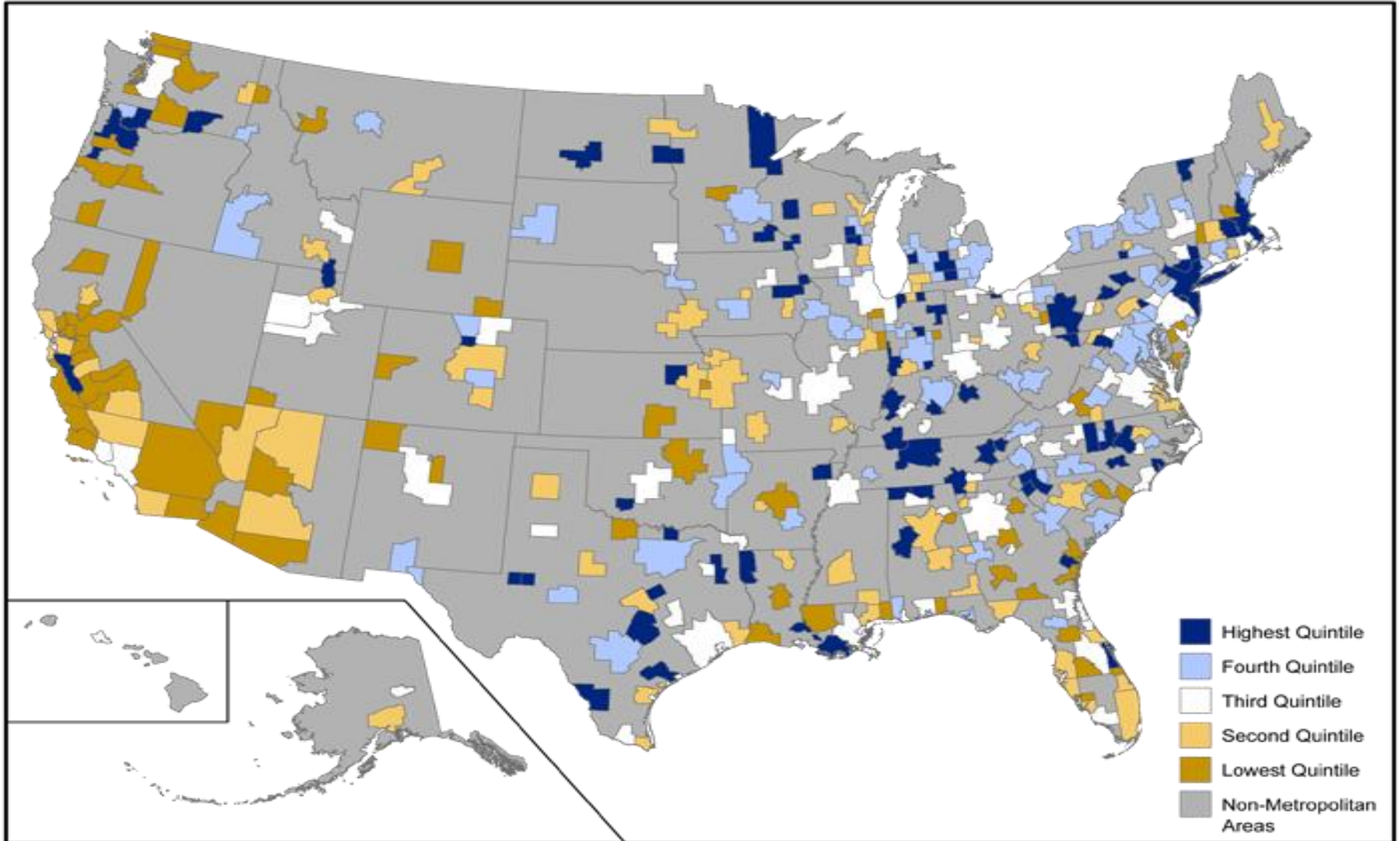
Percentage change in Real GDP

Chart 1. Percent Change in Real GDP by State, 2009-2010



Percentage change in Real GDP (Metropolitan)

Percent Change in Real GDP by Metropolitan Area, 2010



2010 GDP Growth by Metro Area, Colorado

- Data released September 13 provide information on recent economic growth.
- Pueblo is not always the low growth area.
 - 2007 & 2008, Pueblo in upper half of growth in state.
- High growth in Boulder because of sharp dip.
- Lower growth in Pueblo, lower dip during recession.

Economic Growth Rates by Region/Year

Source: BEA

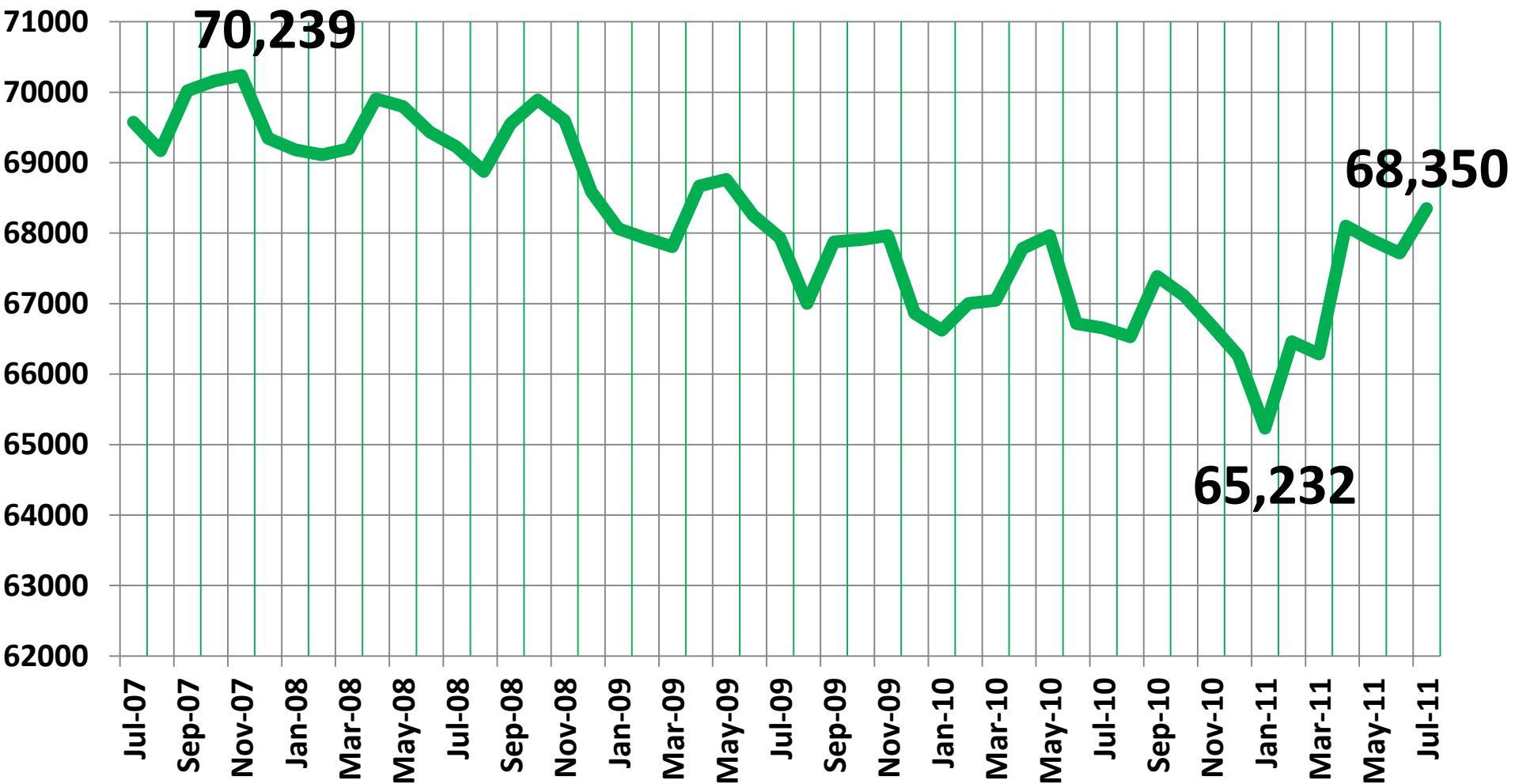
Region	2010	2009	2008	2007
U.S.	3.0	-3.5	-0.3	1.9
Colorado	1.4	-0.5	1.9	2.5
Pueblo	0.8	-0.6	4.4	2.8
Boulder	4.0	-3.0	0.6	5.3
Colorado Springs	3.5	1.7	1.0	2.1
Denver-Aurora-Broomfield	1.3	0.5	2.2	1.7
Grand Junction	-3.3	-6.3	8.4	9.3
Greeley	1.9	-3.5	1.1	3.3

Employment Trends for Pueblo County

- Employment peak in November 2007 (70,239)
- Employment trough in January 2011 (65,232)
- July Employment = 68,350
 - Over 3,000 jobs since January
 - July trend: usually a cyclical downturn
 - A particularly good sign

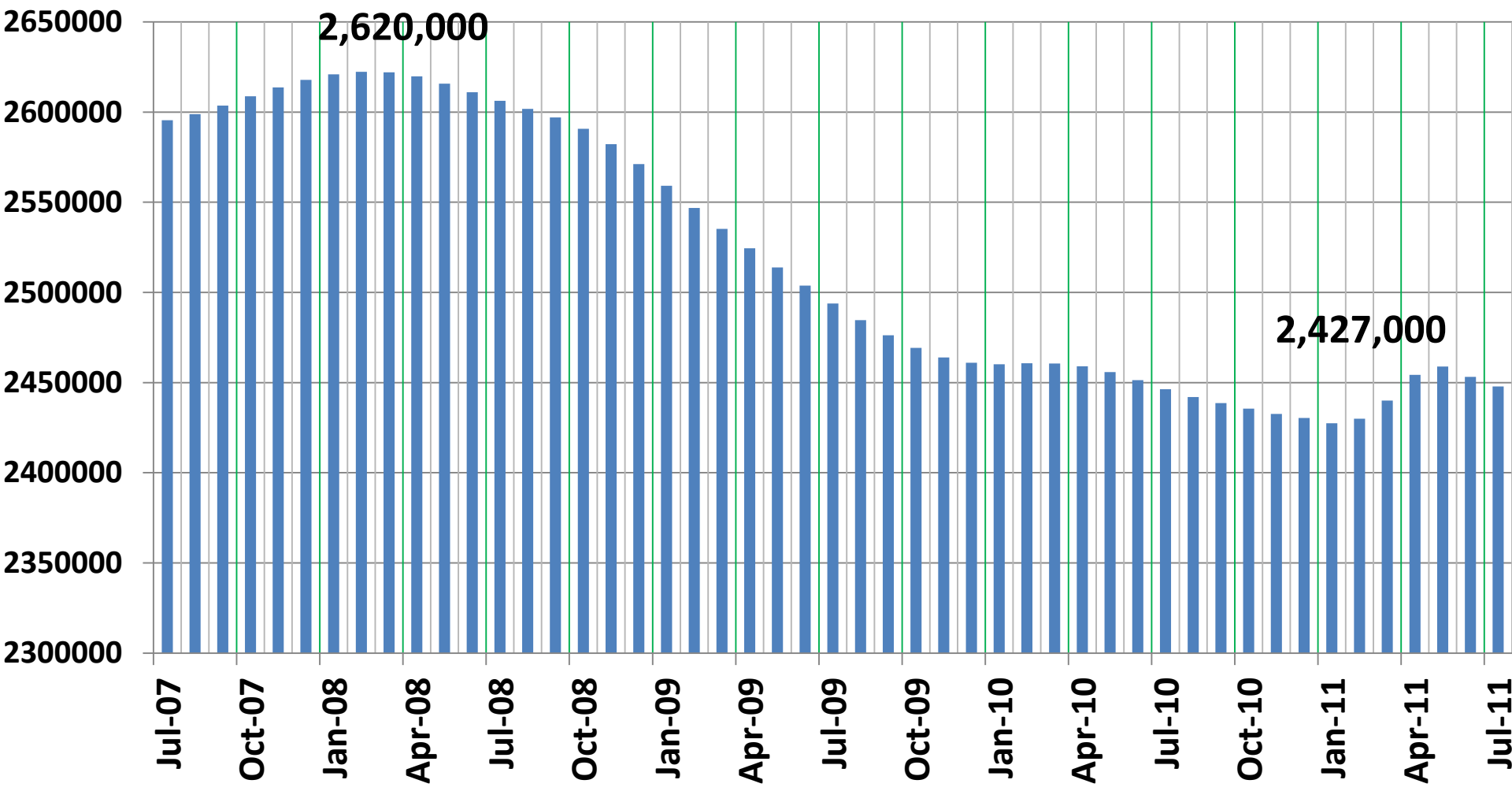
Pueblo County Employment

Monthly Employment (68,350 July) Source: BLS



Colorado State Monthly Employment

August 2011: 2,445,000 Source: BLS



Local Job Growth

- Industries included employ over 3,000
 - Account for 2,500 of new jobs since January
- Construction: Recovering from 2001-2011 low of 2,800, but still below recent peak of 4,400.
- Manufacturing: follows national trend.
 - Peaked at 4,800 in 2001.
 - Steady decline since, not recovering after recessions
- Professional & Business Services and Education and Health: Increased to recent peaks, both higher than pre-recession levels.

Local Job Growth

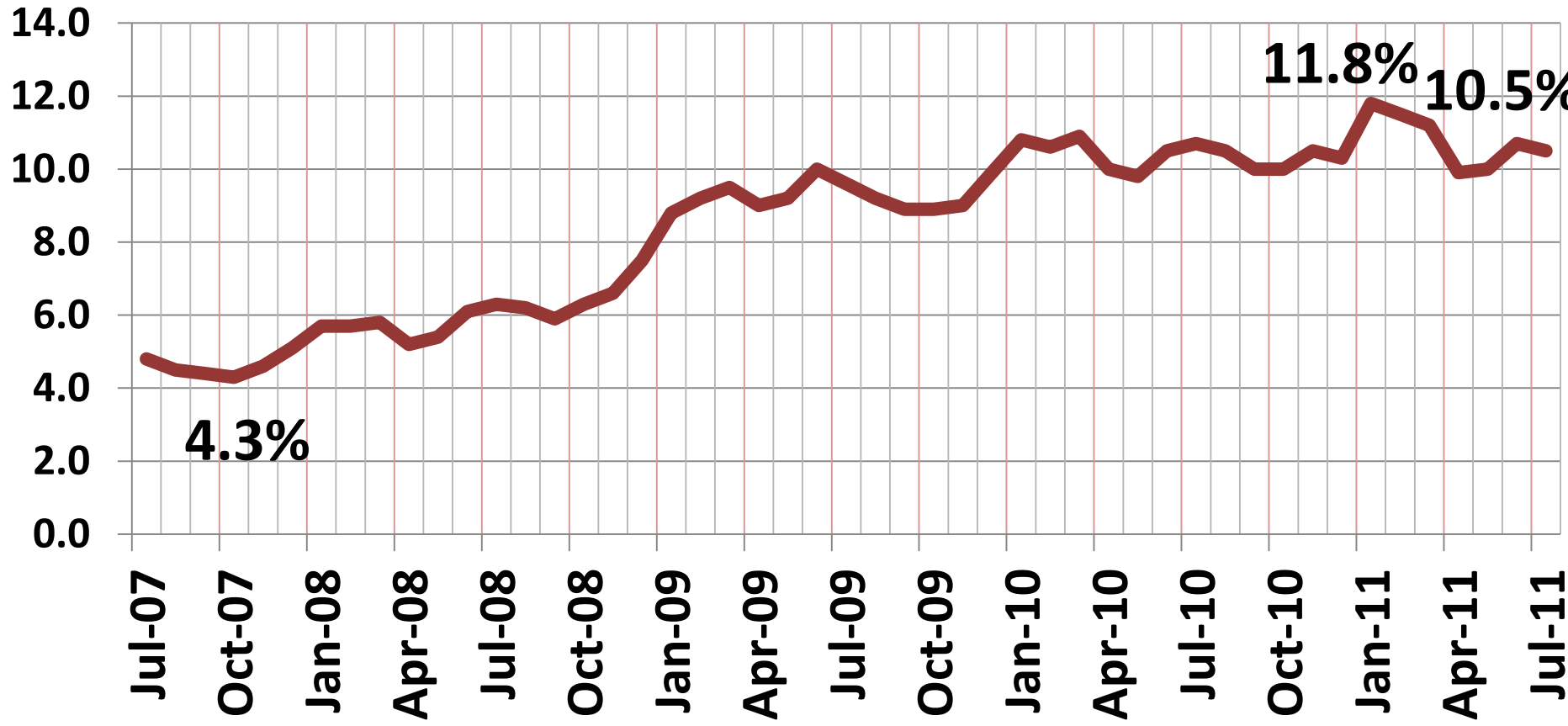
(selected industries, BLS)

Industry	August 2011	January 2011	August 2007
Mine, Log, Construction	3,400	2,800	4,400*
Manufacturing	4,300	4,000	4,400
Trade, Trans & Utilities	10,400	10,100	11,000*
Prof. & Bus. Services	6,200*	5,700	5,900
Ed & Health	11,100*	10,800	9,500
Leisure & Hospitality	6,500	6,000	6,600
			* = peak

Pueblo County Unemployment Rate

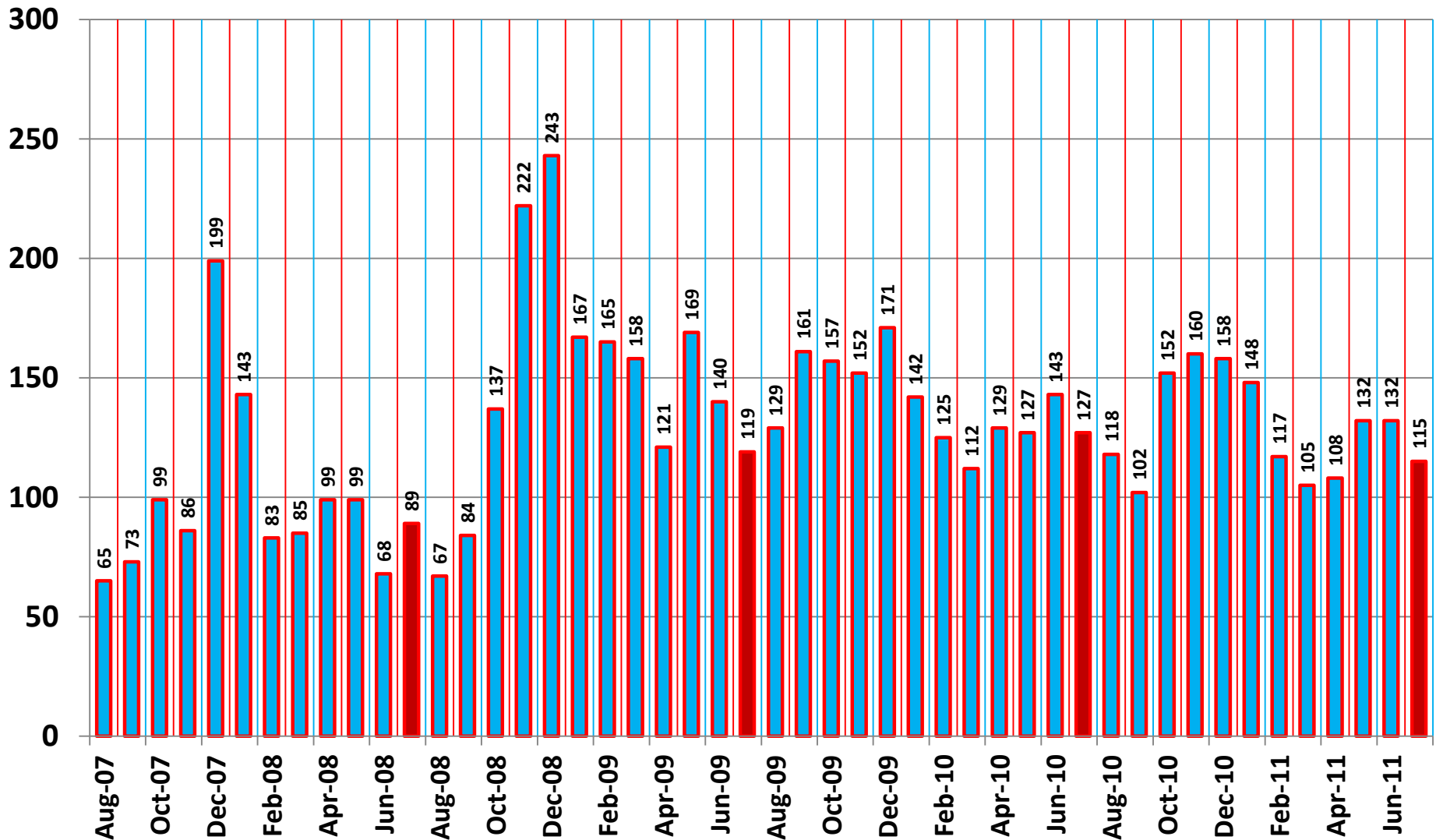
July 2007 to July 2011

Source: BLS



Initial Claims for Unemployment Insurance

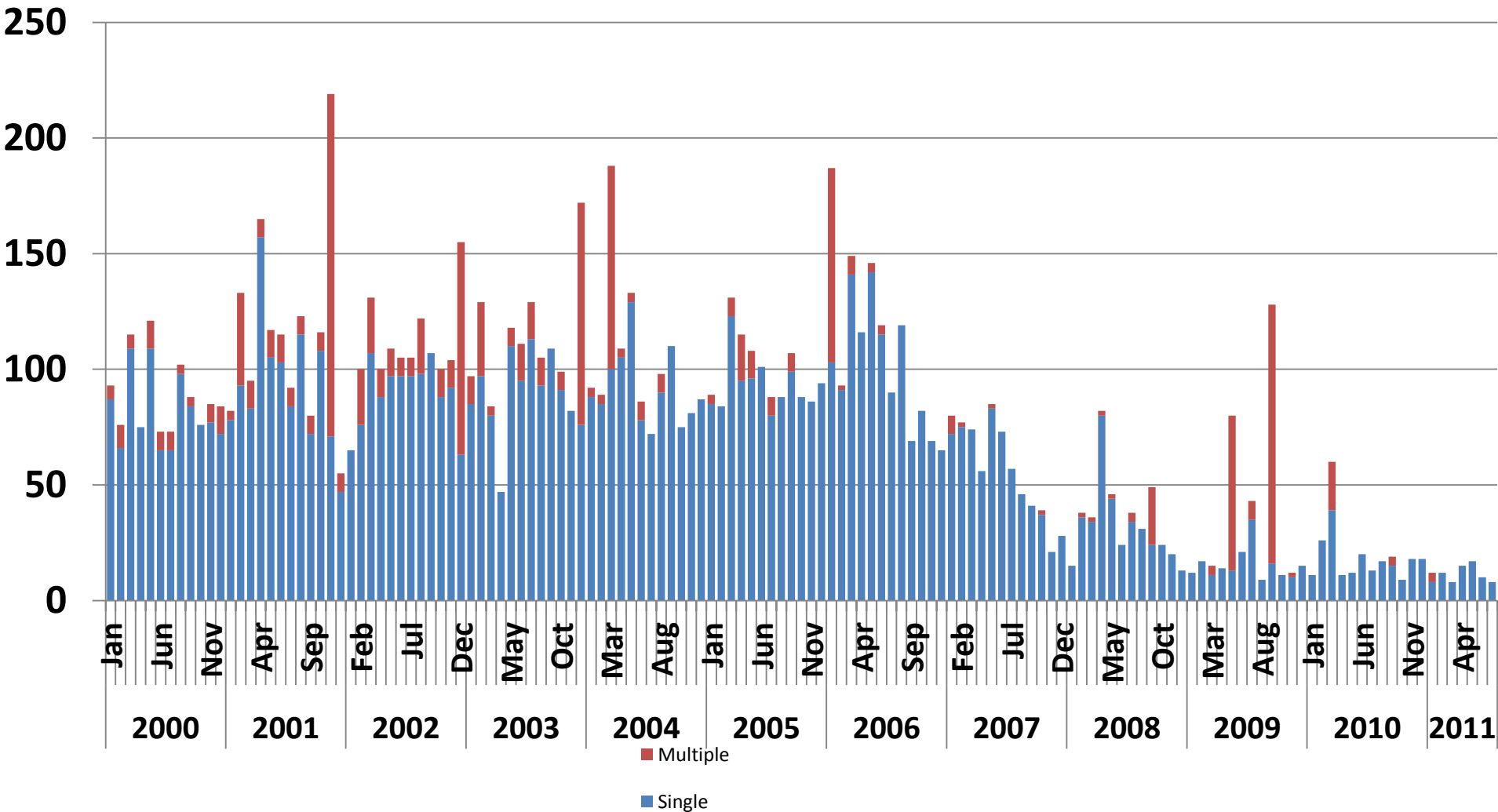
Source: CDLE



New Privately Owned Residential Building Permits

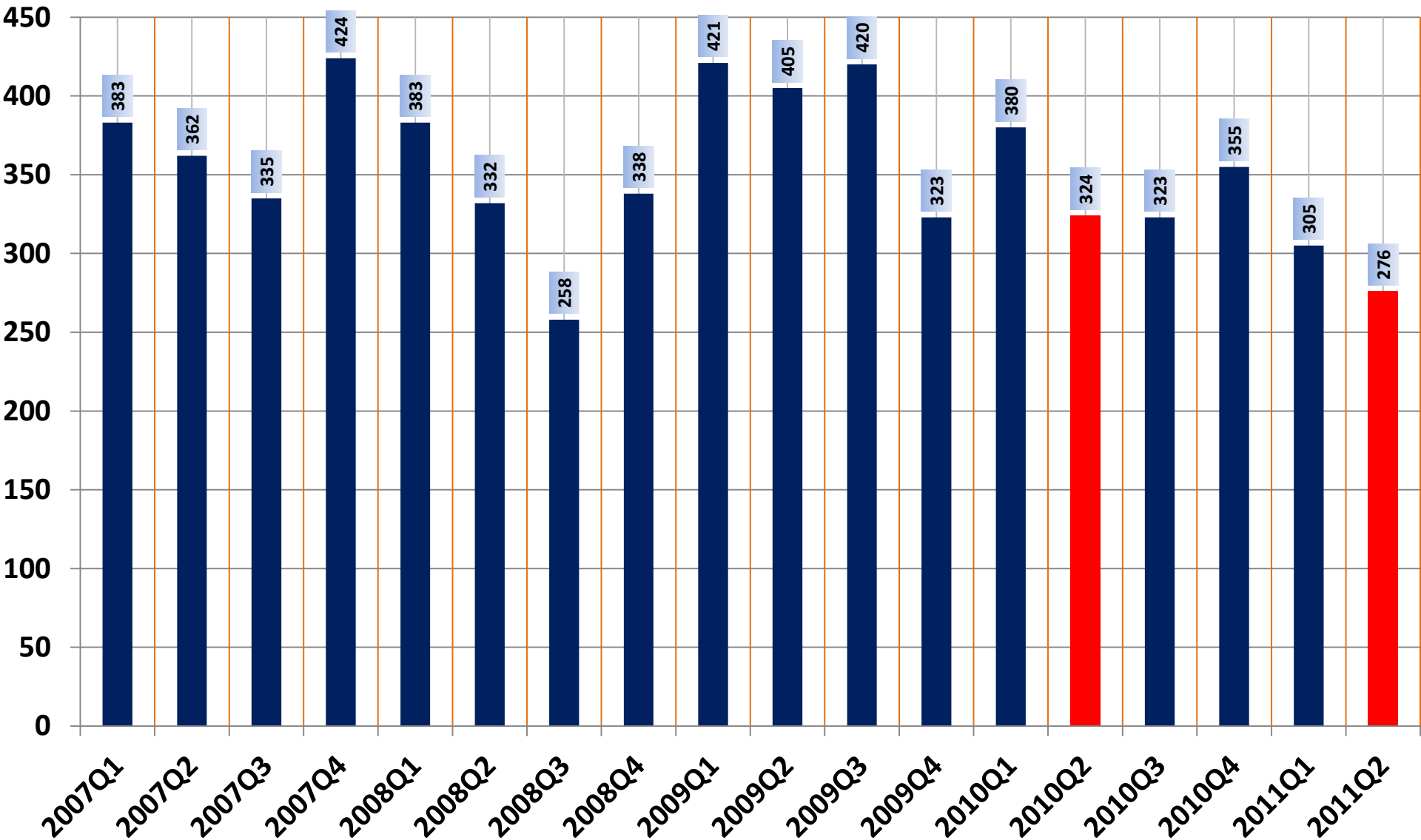
Source: Census Bureau

Less building, fewer loans into Pueblo



Pueblo County Foreclosure Filings

2004 and 2005: less than 300 per month

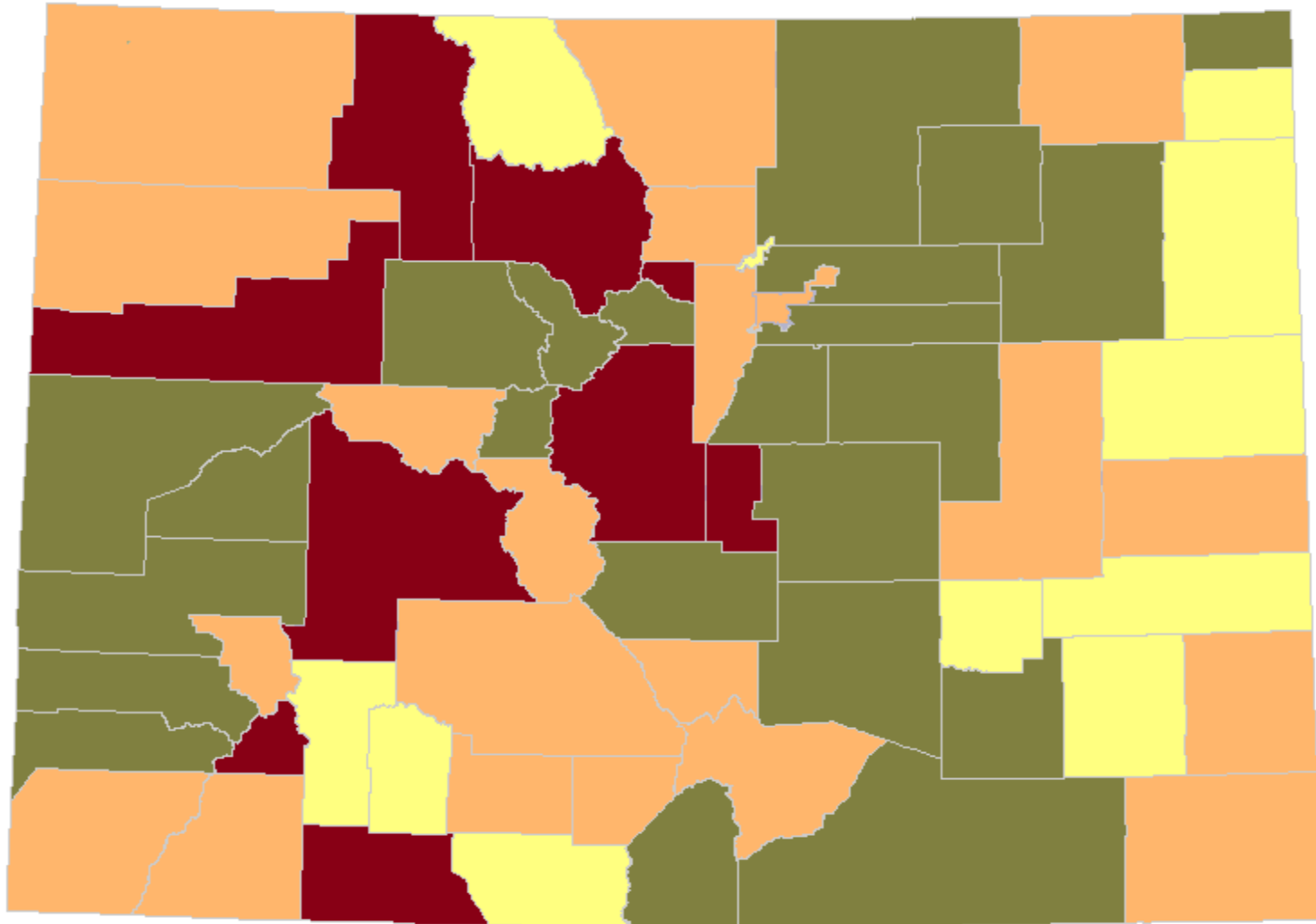


Foreclosure Filings for August

- US Average: 1 in 570 houses
- Vermont: 1 in 34,916 houses
- Nevada: 1 in 118 houses
- Colorado: 1 in 439 (labeled “hot” by Realty Trac).

Percentage County Households Completing Foreclosure Process

Source: DOLA



The Housing Market Problem

- A self-reinforcing cycle:
 - Weak housing market
 - Reduce consumer wealth and spending
 - Reduces economic activity and job creation
 - Reduces household formation
 - Weaken housing market...
- A headwind for the economy

Outlook?

- National economy is vulnerable to Japanese supply disruptions, high gas prices and European debt crises...
- Pueblo economy should hold steady.