

# Economic Outlook and Trends Through November 2023

## United States and Colorado



cber.co  
Colorado-based Business and Economic Research  
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# Economic Outlook and Trend

## Purpose and Overview

The purpose of this chartbook is to review the outlook and performance of the Colorado and U.S. economies. The analysis focuses on available data for the eleven months of 2023 and tendencies for 2024.

Economists continue to have mixed opinions about the future of the U.S. and Colorado economies.

There are strong cases for each of the following scenarios.

- Solid economic growth
- Slowdown in economic activity and the labor market
- Slight recession or downturn
- In addition, there are mixed reviews for the performance of the equity markets – favorable and unfavorable.

We hope for the best, but slower economic activity is most likely.

## Contents

This chartbook focuses on the following topics.

- Key Issues
- Gross Domestic Product and Real Disposable Personal Income Per Capita.
- U.S. and Colorado Employment, Unemployment, and Earnings.
- Inflation
- Saving, Borrowing, Consumption, and the Wealth Effect
- U.S. Industry Indicators
- Colorado Industry Indicators
- Final 2023 Colorado Economic Outlook

# Key Issues

## United States and Colorado

### United States

- The impact of inflation outweighs the positive aspects of the economy for many consumers. The inflation rate is slowing; however, consumers feel its accumulated effect.
- Higher interest rates are impacting many sectors.
- The ISM indices show that manufacturing remains in contractionary mode and services are dangerously close.
- The economic outlook for small businesses is dismal.
- The U.S. labor market has slowed since Q2 2022, yet it remains resilient. There are labor shortages in many sectors.
- Retail sales are increasing at a decelerating rate.
- Energy policy and regulations are costly and often ineffective.
- The U.S. has allowed the war in Eastern Europe and the war in Israel and the Gaza Strip to be an expensive distraction.
- Federal investments (IRA and Chips Act) will benefit select sectors. There are currently not enough trained workers to fill jobs created by these investments.
- Government spending, such as IRA, is tapering off.

### Colorado

- On a bright note, 72 million passengers will travel through DIA in 2023. There is record passenger activity at the Colorado Springs airport.
- The Colorado inflation rate is higher than the U.S. rate. Inflation in rural Colorado may be greater than the urban rate.
- It is difficult for households to cover utility expenses because of rate hikes.
- Retail sales are increasing at a decelerating rate.
- Colorado oil production has stabilized.
- The slowdown in Colorado construction permits continues, yet there is demand. The state has a shortage of 100,000 housing units.
- The Colorado labor market is slowing. There are labor shortages in many sectors.
- The state's regulatory environment is unfriendly to businesses. Colorado is ranked 27<sup>th</sup> by the Tax Foundation (right-center) for its business climate.
- A recent report from Forbes lists Denver as the most desirable place to live in the U.S. Not all locals agree with that assessment.

## Gross Domestic Product and Disposable Income

# U.S. Real GDP – Economic Activity

## Economic Activity – The Conference Board (TCB) Forecast

### TCB Forecast

The Conference Board U.S. economic forecast (November) is the base for this forecast and analysis.

#### What Did Not Happen

- In the second half of 2022, TCB called for a shallow recession at the end of 2022 or early 2023. Instead, the economy had modest growth.
- The August 2023 forecast called for a mild recession in Q4 2023 and Q1 2024. The Q3 2023 economy was better than expected, and modest growth occurred in October and November.

#### What is Likely to Happen

- The September, October, and November forecasts called for a slowdown in Q4 2023 and a shallow recession in Q1 2024.
- The November forecast called for real GDP growth of +2.2% in 2023, better than expected at the start of the year. Real GDP growth will be +0.8% in 2024.

### Headwinds

The TCB forecast identified the following headwinds:

- Elevated inflation that is moderating
- High-interest rates have curtailed business investment
- Solid demand for residential construction
- High interest rates will diminish the number of housing permits issued
- A lower amount of government spending
- Reduced savings levels
- Mounting consumer debt
- Slower personal consumption
- Political volatility and uncertainty, nationally and internationally.



# U.S. Real GDP Growth

## The Conference Board Forecast (November 2023)

### Real GDP and Economic Growth

The Conference Board forecast projects real GDP growth of 2.2% in 2023 and weaker growth in 2024. Real Disposable Income will increase by 3.9%, and Real Personal Consumption will increase by 2.3%. Residential investment will change by -11.0% in 2023, and non-residential investment will increase by 4.0%. Government spending will increase by 3.4% in 2023. It will drop off in 2024.

### Other Economic Factors

There will be slower growth in exports in 2023 (2.7%) and similar growth in 2024 (3.0%). The U.S. unemployment rate will be 3.7% this year and increase to 4.1% in 2024. The annual PCE inflation rate will drop to 3.9%, and the core rate will be 4.2% in 2023. Inflation will approach the Fed's target rate in 2024. The Fed Fund rate will decline to 4.375% in 2024.

### Conference Board US Real GDP Growth Forecast

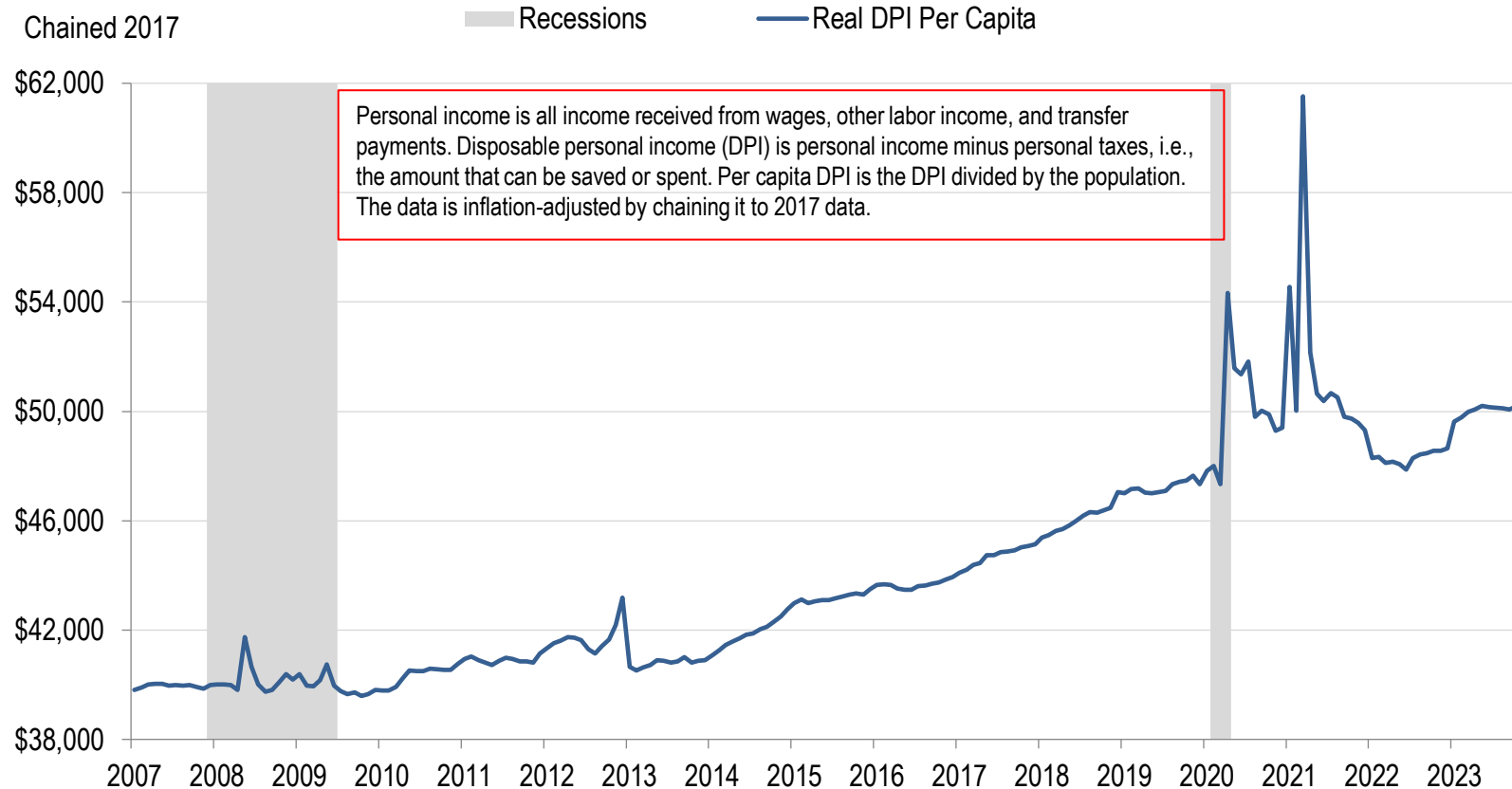
	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	2022	2023	2024
Real GDP (YOY)	3.6%	1.9%	1.7%	0.7%	1.7%	2.4%	2.9%	2.5%	1.9%	2.2%	0.8%
Real Disposable Income	-9.8%	-1.4%	3.6%	2.2%	10.8%	3.5%	-1.0%	-1.0%	-6.0%	3.9%	0.2%
Real Personal Consumption	0.0%	2.0%	1.6%	1.2%	3.8%	0.8%	4.0%	2.0%	2.5%	2.3%	0.7%
Residential Investment	-1.9%	-14.1%	-26.5%	-24.9%	-5.3%	-2.2%	3.9%	1.0%	-9.0%	-11.0%	1.5%
Nonresidential Investment	10.7%	5.3%	4.7%	1.7%	5.7%	7.4%	-0.1%	-1.1%	5.2%	4.0%	-0.7%
Total Gov't. Spending	-2.9%	-1.9%	2.9%	5.3%	4.8%	3.3%	2.4%	1.1%	-0.9%	3.4%	1.7%
Exports	-4.6%	10.6%	16.2%	-3.5%	6.8%	-9.3%	5.2%	5.0%	7.0%	2.7%	3.0%
Unemployment Rate	3.8%	3.6%	3.6%	3.6%	3.5%	3.6%	3.7%	3.9%	3.6%	3.7%	4.1%
PCE Inflation (%Y/Y)	6.6%	6.8%	6.6%	5.9%	5.0%	3.9%	3.4%	3.2%	6.5%	3.9%	2.4%
Core PCE Inflation (%Y/Y)	5.5%	5.2%	5.2%	5.1%	4.8%	4.6%	3.9%	3.5%	5.2%	4.2%	2.4%

Source: The Conference Board, <https://www.conference-board.org/publications/Economic-Forecast-US>, cber.co.

# Real Disposable Personal Income Per Capita

## United States

### Real Disposable Personal Income Per Capita



### Real DPI Per Capita (RDPIPC)

In November 2023, RDPIPC was \$50,360. It was 3.7% greater than November 2022.

#### Real Disposable Annual (Average)

Year	RDPIPC	% Change
2016	\$43,659	1.1%
2017	\$44,710	2.4%
2018	\$46,057	3.0%
2019	\$47,226	2.5%
2020	\$50,054	6.0%
2021	\$51,570	3.0%
2022	\$48,313	-6.3%

The RDPIPC behaved very differently in the COVID-19 recession than during the Great Financial Crisis. There was much more money in the system between 2020 and 2022. After peaking at \$61,512 in March 2021, it bottomed out at \$47,812 in June 2022. It increased through May of 2023, then flattened out.

Source: FRED, BEA, SAAR, chained on 2017 dollars cber.co. Note that the RDPIPC was previously chained on 2012 data.

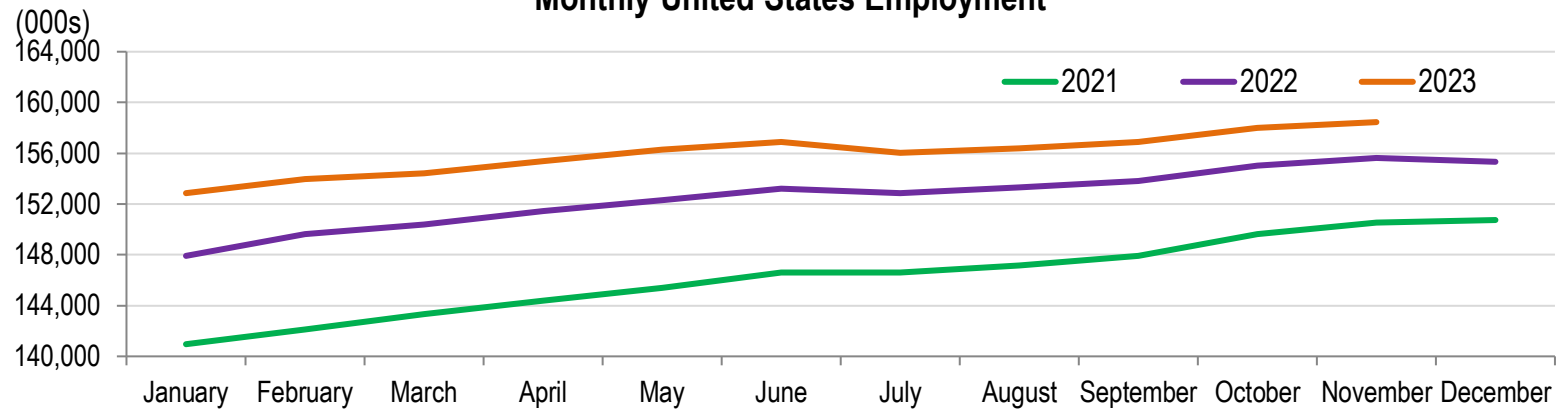
## U.S. and Colorado Employment and Unemployment



# Employment and Change in Employment

## United States

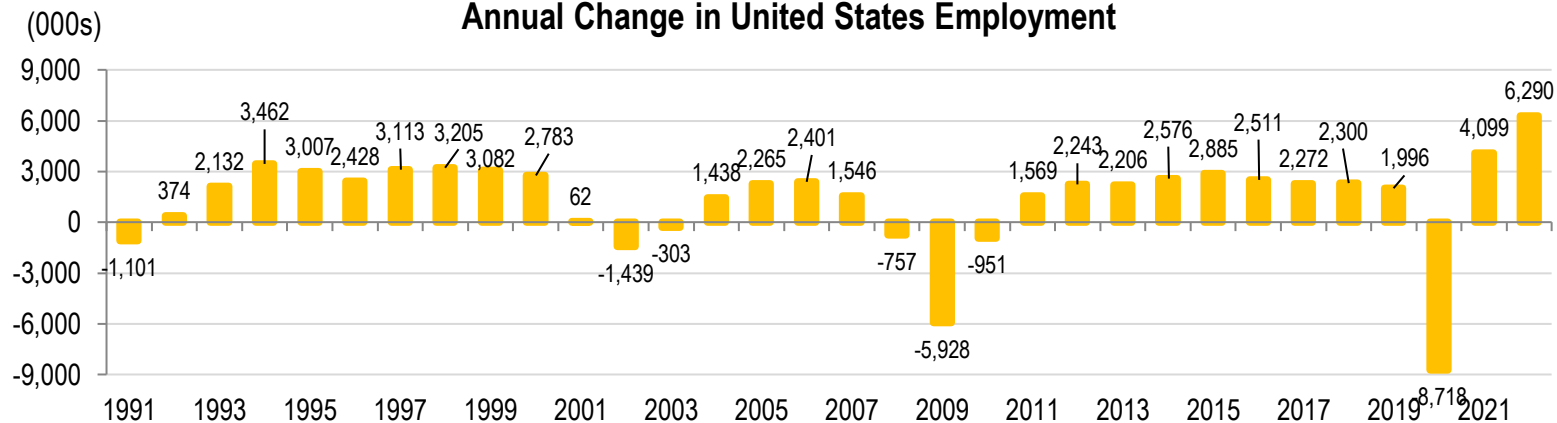
Monthly United States Employment



### U.S. Employment

The YOY November 2023 (orange) monthly change in employment was about 2.8 million more than November 2022 (purple). By comparison, the change in employment for January 2023 vs. 2022 was about 4.9 million. The YOY change in employment has slowed dramatically.

Annual Change in United States Employment



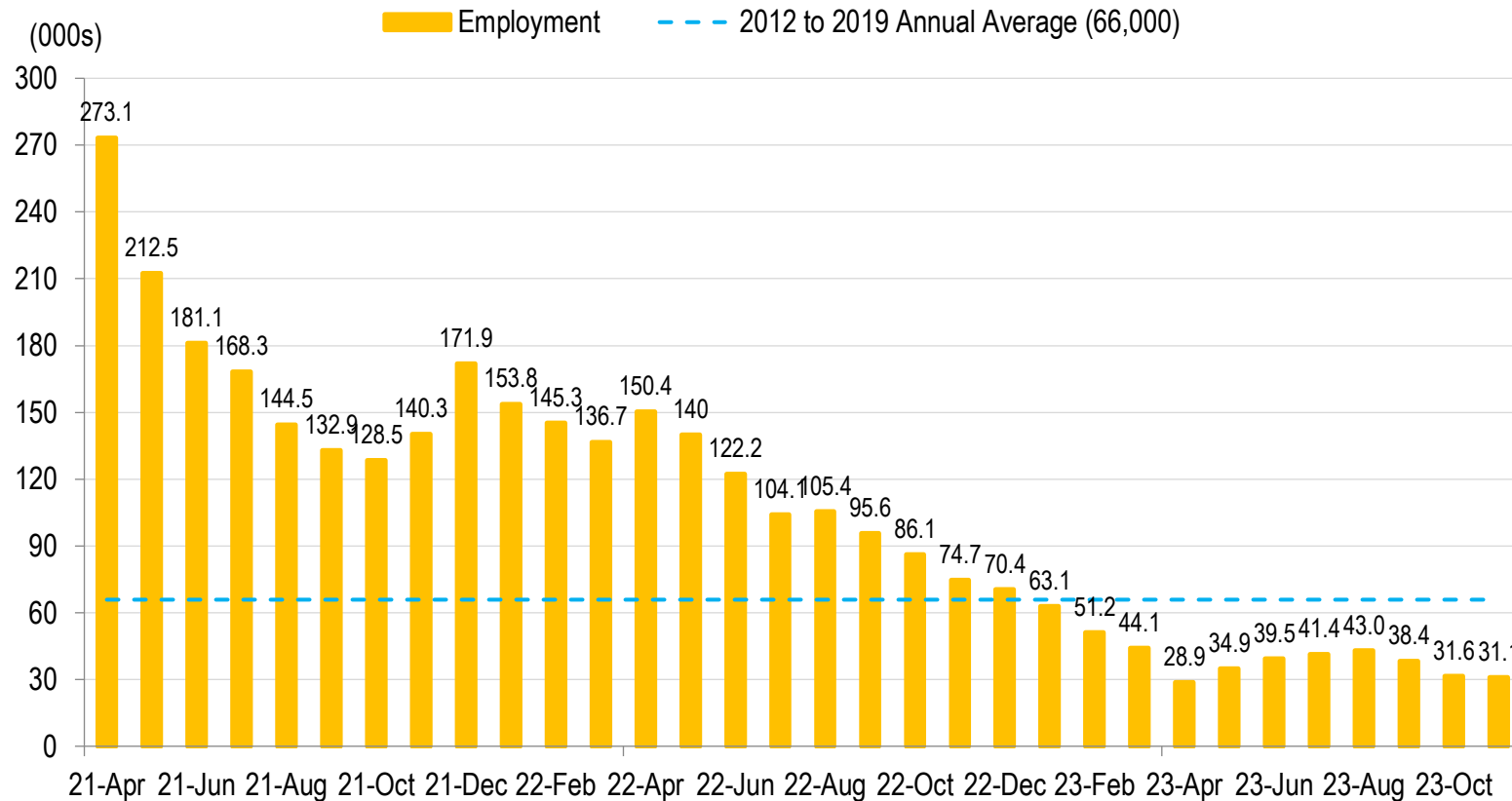
As seen in the annual comparisons to the left, YOY employment from 2012 to 2019 ranged from a low of 2.0 million in 2019 to 2.9 million in 2015. The estimated YOY difference in 2023 vs 2022 annual employment will be 3.7 million.

Source: Bureau of Labor Statistics, cber.co. Note: This data reflects changes made by BLS and LMI for Q4 2022 and Q1 2023 data.

# Change in Colorado Employment

Monthly (April 2021 through November 2023)

## YOY Change in Colorado Employment



Source: Bureau of Labor Statistics, cber.co.

Colorado-based Business and Economic Research <https://cber.co>

### Estimated Benchmark Revision for 2023

Colorado Labor Market Information (LMI) uses UI data to compile the QCEW employment numbers used by BLS as the foundation for its benchmark revisions to the CES employment data series. Official 2023 benchmark revisions will be published in Q1 2024.

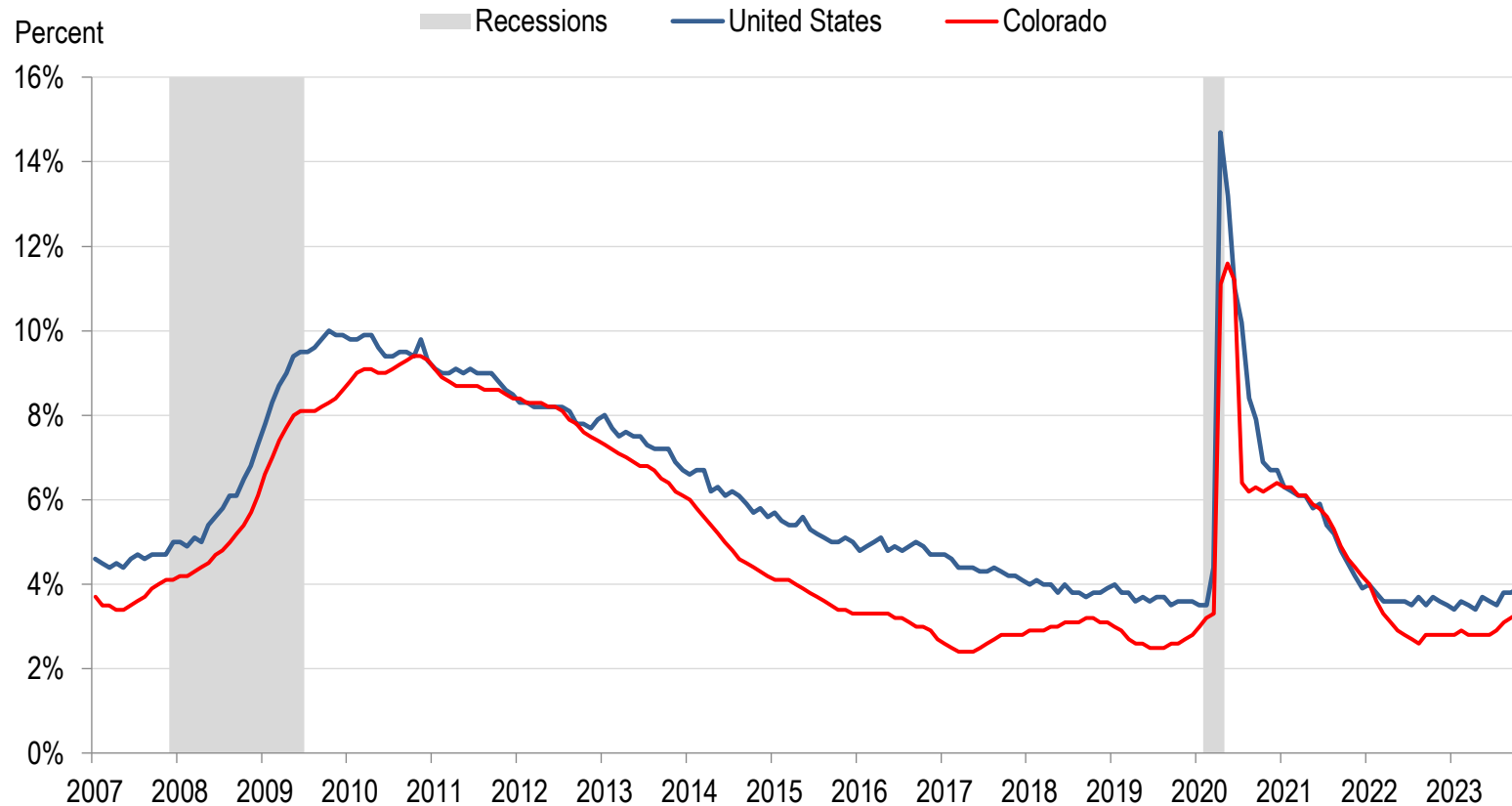
Colorado LMI recently released reports estimating that the current BLS data understates employment by 20,000 to 30,000 in Q1 and more than 40,000 in Q2.

In other words, the annual YOY change (2023 vs. 2022) will be between 50,000 and 60,000. The YOY change (2022 vs. 2021) was 114,000. Average annual Colorado employment between 2012 and 2019 was 66,000 (blue line), or an average of 5,500 per month.

# Unemployment Rate

## United States and Colorado

**U.S. and Colorado Unemployment**



Source: BLS, SA, cber.co.

### Unemployment Rate

The Colorado unemployment rate was 3.3% in November, and the U.S. rate was 3.7%. The economy operates inefficiently when the unemployment rate is this low.

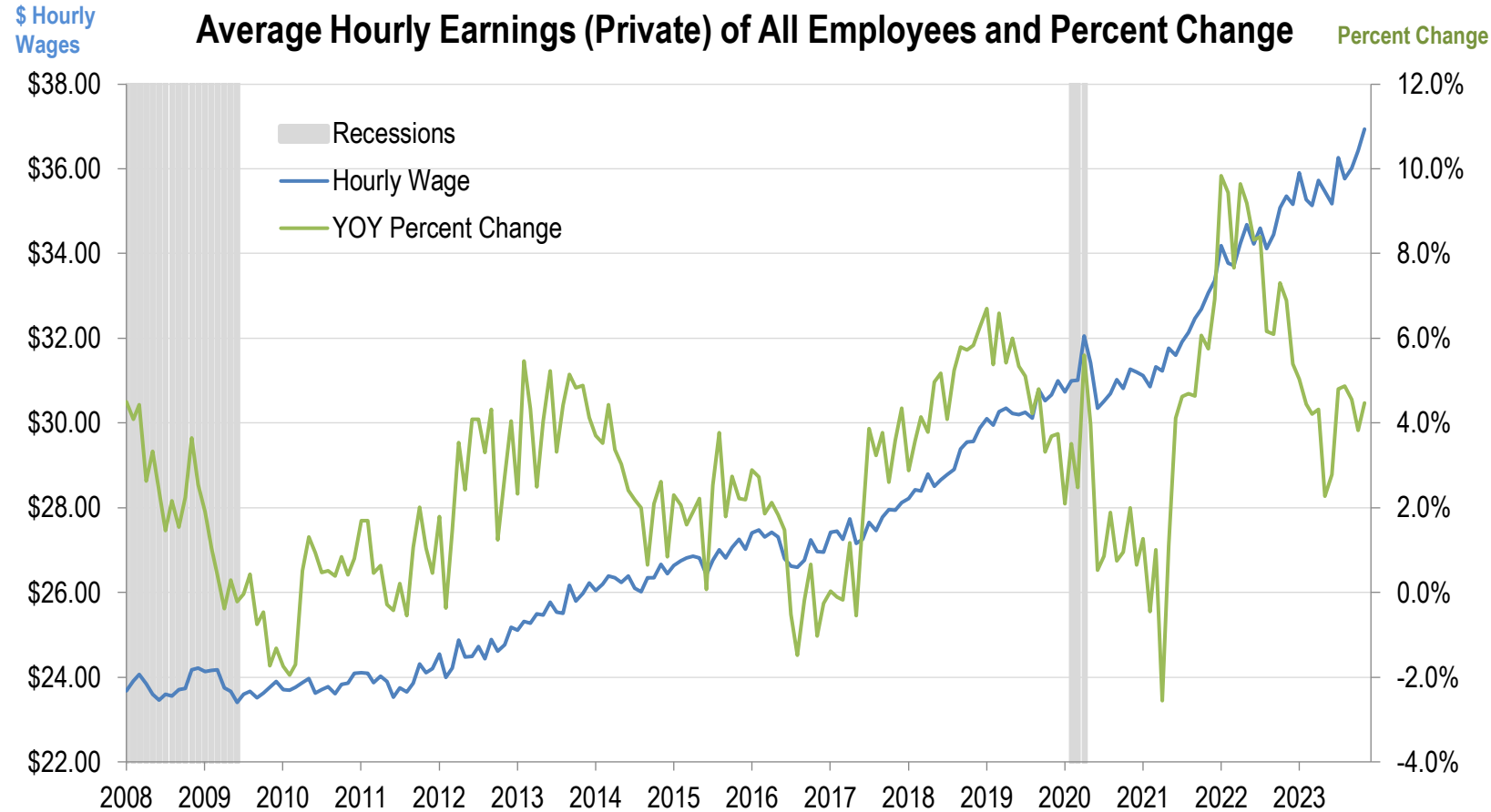
**Annual Unemployment Rate**

Year	United States	Colorado
2016	4.9%	3.1%
2017	4.4%	2.6%
2018	3.9%	3.0%
2019	3.7%	2.7%
2020	8.1%	6.8%
2021	5.3%	5.4%
2022	3.6%	3.0%

September data shows there were about 105,931 unemployed Coloradans to fill 203,000 job openings. Although there are about 1.92 openings per unemployed worker, companies fill most job openings from the pool of employed workers rather than unemployed workers.

# Average Hourly Earnings of All Employees (Private)

## Colorado



Source: BLS, NSA, cber.co.

**Hourly Earnings and Percent Change**  
 November private hourly wages for Colorado (blue) were \$36.93, a YOY increase of 4.5% (green). The current rate of YOY wage growth peaked at 9.4% in February 2022.

In 2023, YOY monthly hourly earnings were between 2.3% and 5.0% more than the same month in 2022. The YOY Colorado CPI was between 4.5% and 6.4%. The change in hourly earnings was less than the change in inflation.

Annual Earnings and Change			
Year	CO CPI	Earnings	Change
2017	3.4%	\$27.60	2.0%
2018	2.7%	\$28.92	4.8%
2019	1.9%	\$30.37	5.0%
2020	2.0%	\$30.99	2.0%
2021	3.5%	\$31.97	3.2%
2022	8.0%	\$34.47	7.8%

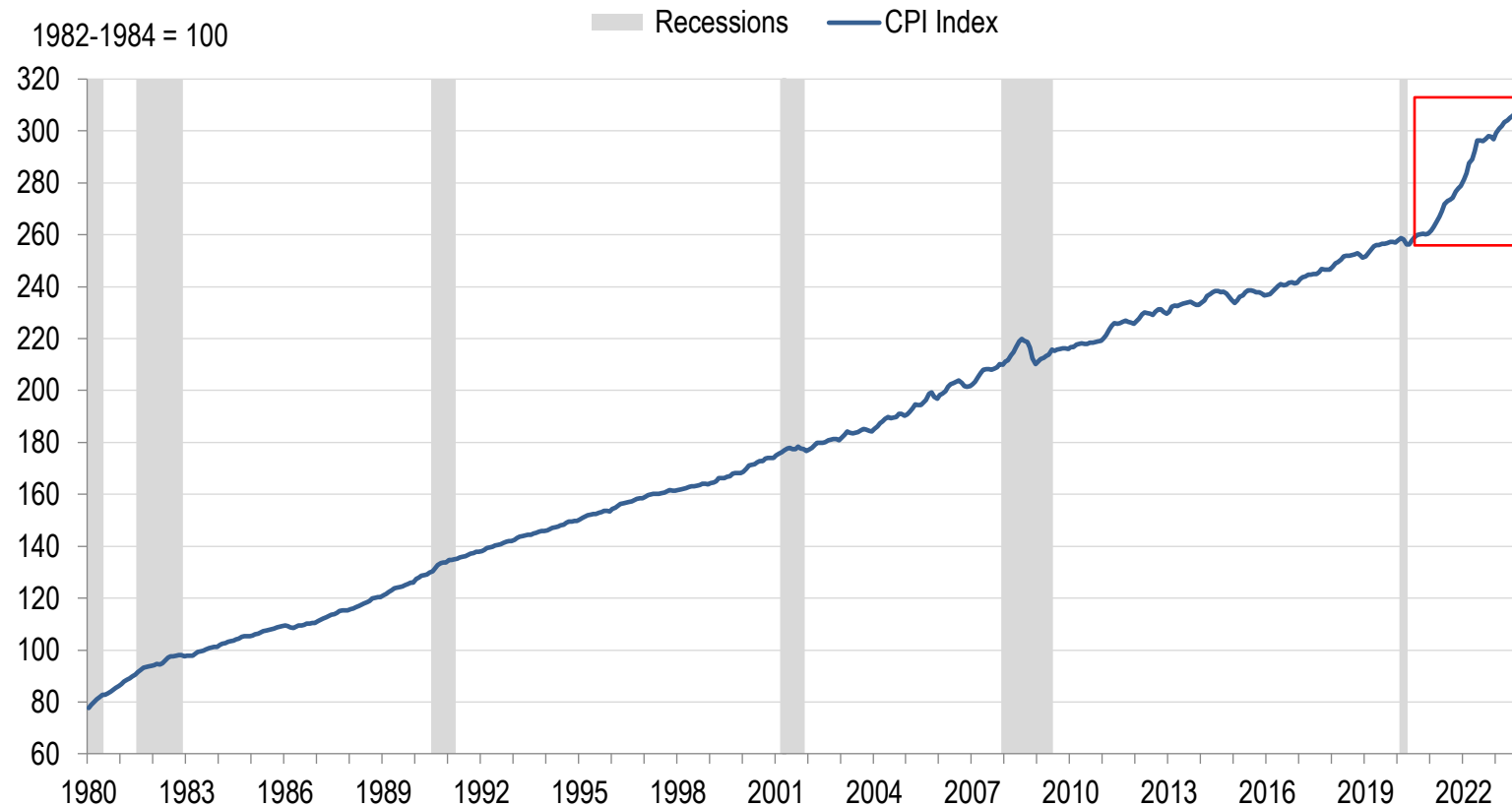
Source: BLS, cber.co

# Inflation

# CPI Inflation Index Value

## United States

### U.S. CPI Inflation Index (NSA)



### CPI Inflation Index

The chart shows the actual inflation data for the Consumer Price Index. The steep slope of the line in the red box shows the rapid increase since 2021. If a family had monthly expenses of \$10,000 in January 2021, their inflation-adjusted expenses would be \$11,738 in November 2023.

The change in the CPI data index can be tricky because of the base effect.

- The increase for November 2023 vs. November 2022 is 3.2%.
- The November annualized 2023 vs. November 2021 increase is 5.1%.
- The November annualized 2023 vs. 2020 increase is 5.7%.

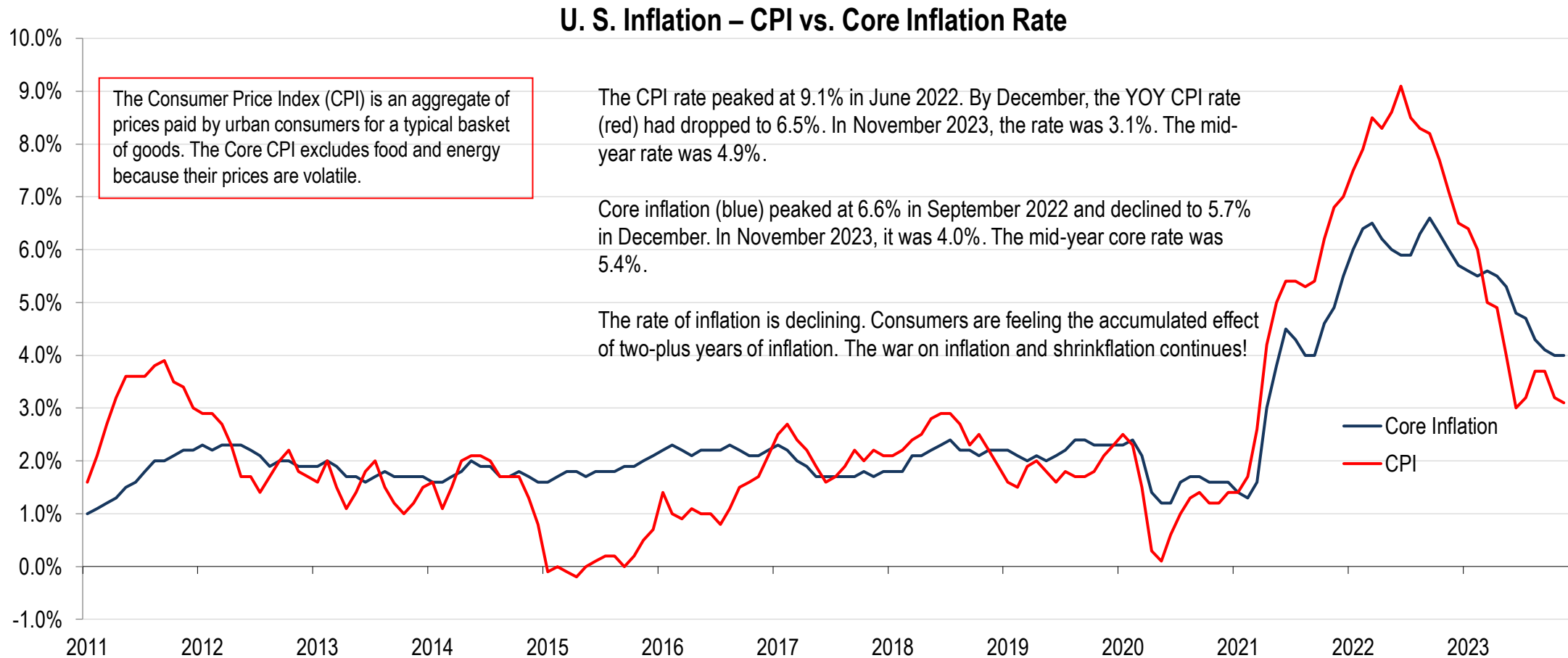
The accumulated effect is significant.

Source: BEA, FRED, NSA, CPI calculator, cber.co.



# CPI Inflation

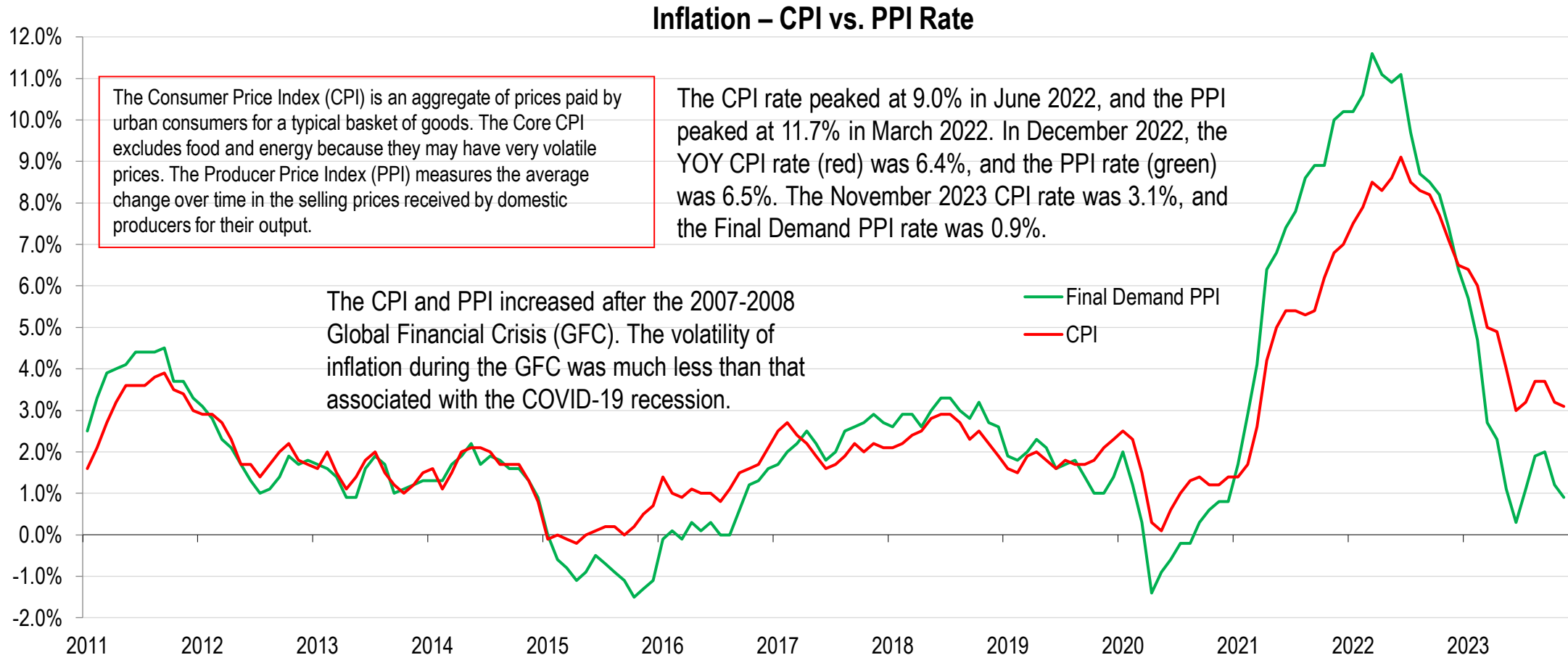
## U.S. CPI vs. Core Inflation



Source: Bureau of Labor Statistics, Core Inflation is the CPI less food and energy; CPI All Items City Average NSA, cber.co.  
 Colorado-based Business and Economic Research <https://cber.co>

# U.S. Inflation

## CPI vs. Producer Price Index (Final Demand)

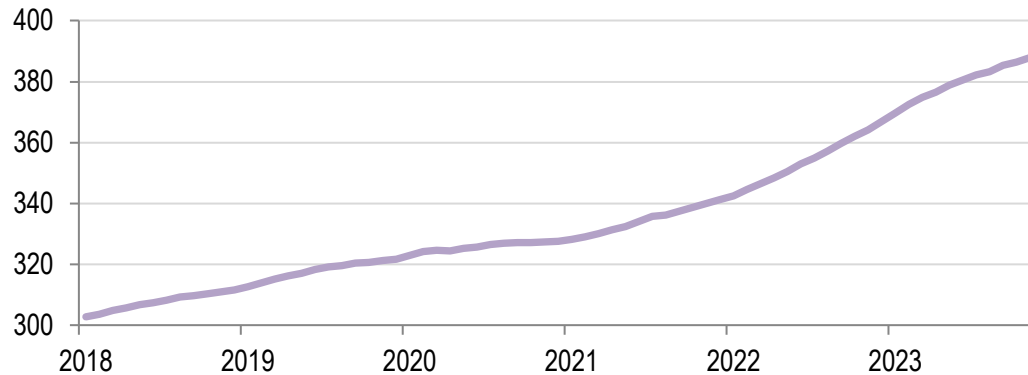


Source: Bureau of Labor Statistics, PPI Commodity Data, Final Demand NSA; CPI All Items City Average SA, cber.co.  
Colorado-based Business and Economic Research <https://cber.co>

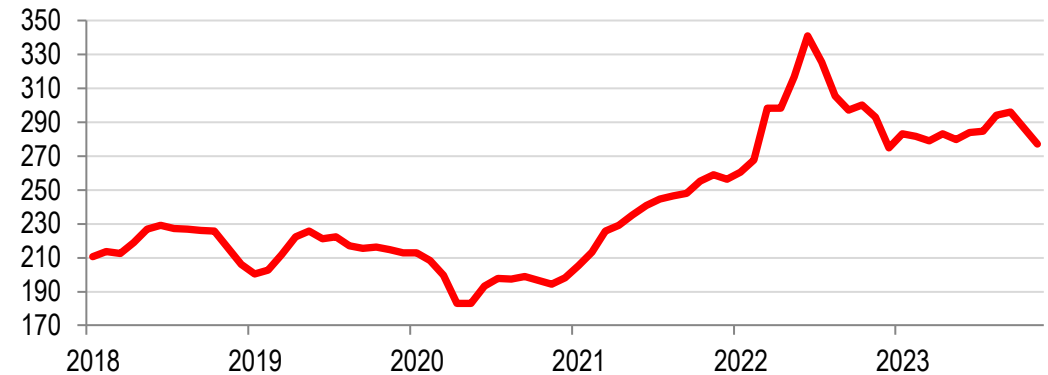
# United States CPI Index (Accumulated Effect of Inflation)

## Shelter, Food at Home, and Energy

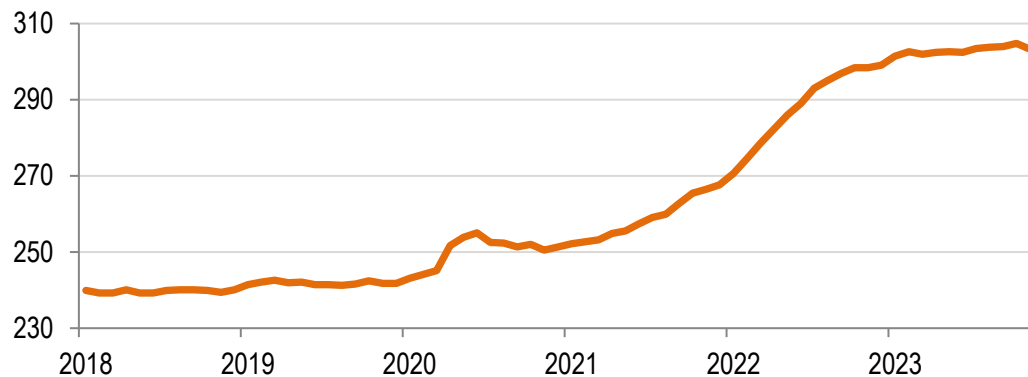
**United States Shelter CPI Index**



**United States Energy CPI Index**



**United States Food at Home CPI Index**



**United States CPI Index – Cumulative Effect**

The three charts show the actual CPI index numbers from 2018 to November 2023 for Shelter, Food-at-Home, and Energy. Takeaways are:

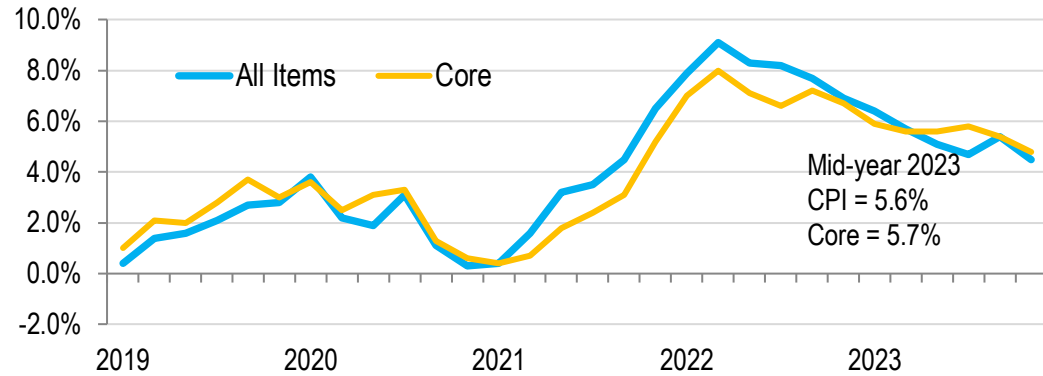
- (Not shown) Between January 2021 and November 2023, the CPI index increased from 262 to 308 or 17.4%.
- (Not shown) Between January 2021 and November 2023, the core CPI index increased from 270 to 311 or 15.5%.
- (Upper left - purple) Between January 2021 and November 2023, the shelter index increased from 328 to 388 or 18.1%.
- (Lower left - orange) Between January 2021 and November 2023, the food-at-home index increased from 252 to 303 or 20.3%.
- (Above - red) Between January 2021 and November 2023, the energy index increased from 205 to 277 or 34.9%.

Source: Bureau of Labor Statistics, NSA, cber.co.

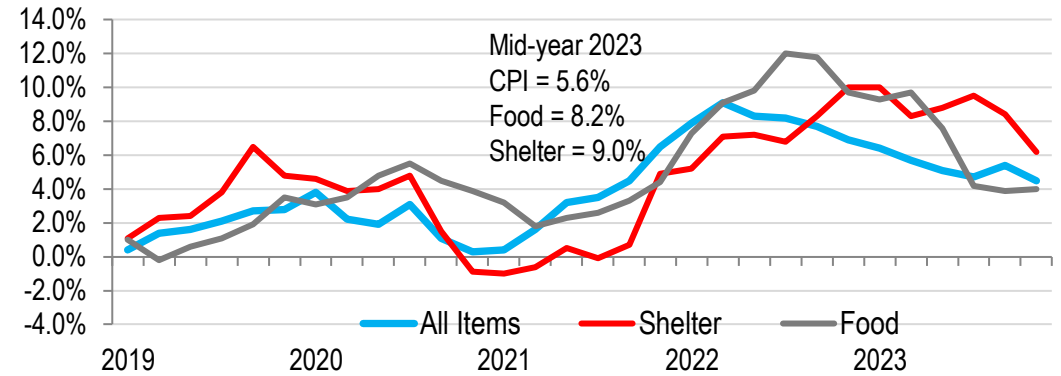
# Bi-Monthly Change in Colorado CPI (Accumulative Effect)

## All Items vs. Core, Food, Shelter, and Energy Services

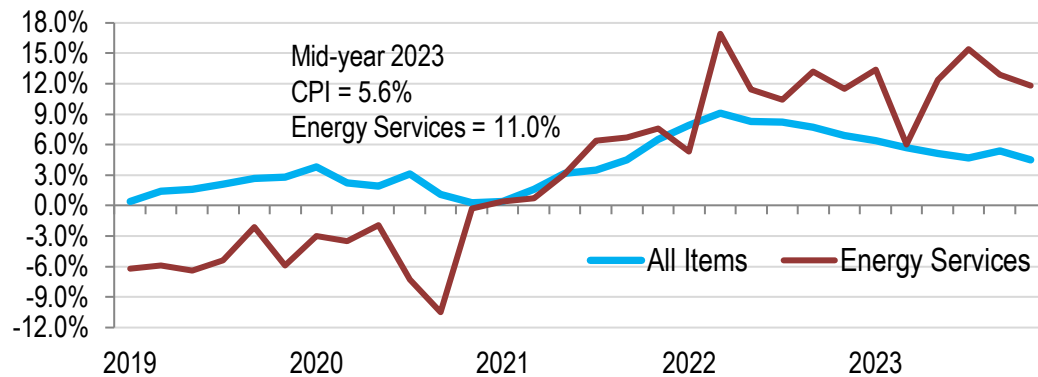
**Colorado All Items vs. Core (All less Food and Energy)**



**Colorado All Items vs. Food and Shelter**



**Colorado All Items vs. Energy Services**



**Colorado CPI – Cumulative Effect**

Inflation for most Colorado items is published bi-monthly. The charts illustrate three bi-monthly Colorado CPI comparisons. Mid-year inflation rates are also on the three charts.

Takeaways are:

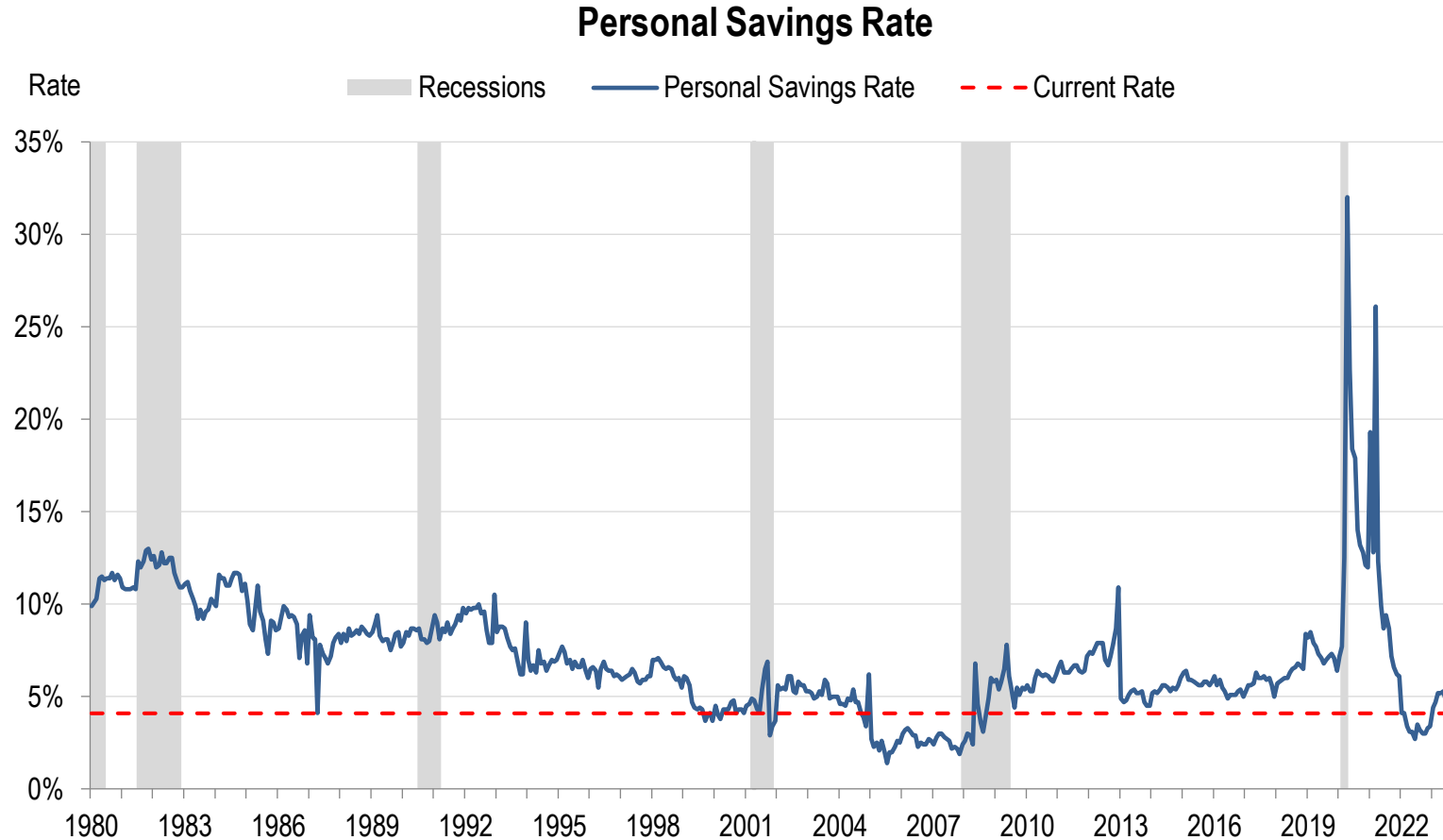
- (Upper left) Both rates are greater than the comparable U.S. CPI rates. They are slowly trending downward.
- (Lower left) Since mid-2021, inflation for energy services (gas and electricity) has been greater than for all items. In November, energy services (brown) inflation decreased to 11.8%. Higher energy inflation will continue, given energy-related policies and utility rate increases. The climate change agenda will be expensive and cause inflation to remain higher than usual.
- (Above) YOY Inflation for shelter (red) was 6.2% in November, down from 8.4% in September. Inflation for food (gray) was 4.0% in November, below the overall rate.

Source: Bureau of Labor Statistics, NSA, cber.co.

## Saving, Borrowing, Consumption, and the Wealth Effect

# U.S. Personal Savings Amount and Rate

## Percentage of Disposable Personal Income (DPI)



Source: Federal Reserve, FRED, cber.co.

Colorado-based Business and Economic Research <https://cber.co>

### Personal Savings Rate

The November 2023 personal savings rate was 4.1%, and savings were \$839.8 billion, down from \$6.0 trillion in April 2020. That month, the savings rate was 32.0%. Since then, Americans have spent their savings or invested in other assets.

#### Year End Personal Savings (Billions) and Rate

2017	\$748.0	5.0%
2018	\$1,338.9	8.4%
2019	\$1,051.4	6.4%
2020	\$2,085.0	12.0%
2021	\$1,115.2	6.1%
2022	\$561.9	3.4%

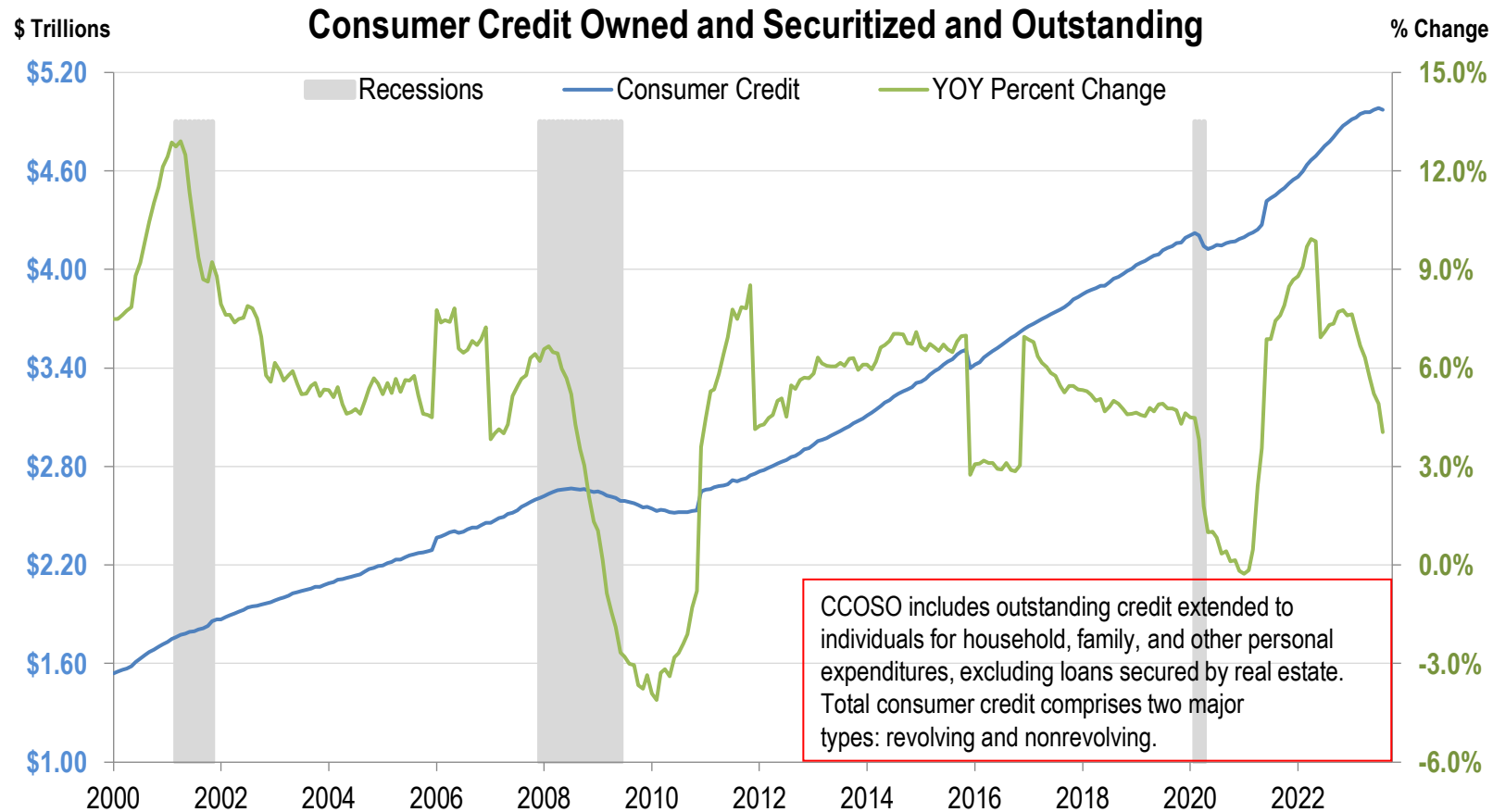
Source: BEA, cber.co

The personal savings rate jettisoned to a monthly high of 32.0% in the early stages of the pandemic. It fell to 12.0% in November 2020, then rose to 26.1% in March 2021. In June 2022, the personal savings rate bottomed out at 2.7%.



# U.S. Consumer Credit Outstanding

## United States



### Consumer Credit

In January 2023, the YOY rate of outstanding consumer credit (including consumer loan defaults) increased by 7.7% (green). The YOY rate has since declined and was 3.1% in October 2023. The amount of securitized credit was almost \$5.0 trillion in October 2023.

#### Outstanding Credit (Billions) and Percent Change

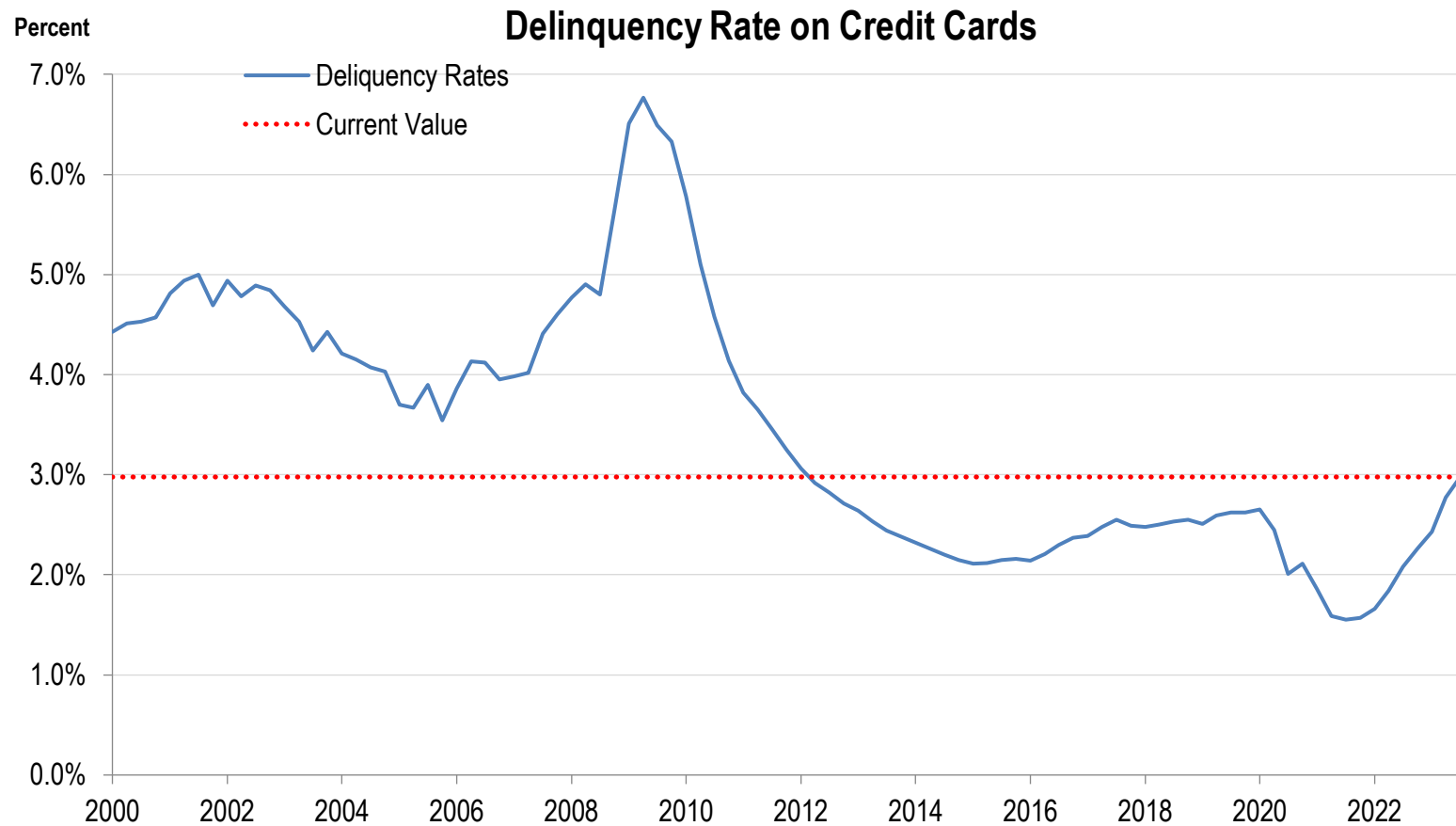
2017	\$3,830.8	5.3%
2018	\$4,007.0	4.5%
2019	\$4,192.2	4.6%
2020	\$4,184.9	-0.3%
2021	\$4,431.9	5.9%
2022	\$4,780.8	7.9%

Source: FRED, G-19, cber.co

From Q3 2008 to Q4 2010, consumers deleveraged and decreased the amount of consumer debt. The amount of credit authorized increased in 2018 and 2019 and declined in 2020 as consumers reduced expenditures and paid off debt during the pandemic (blue).

Source: FRED, Federal Reserve, G.19, SA.

# Delinquency Rate on Credit Cards

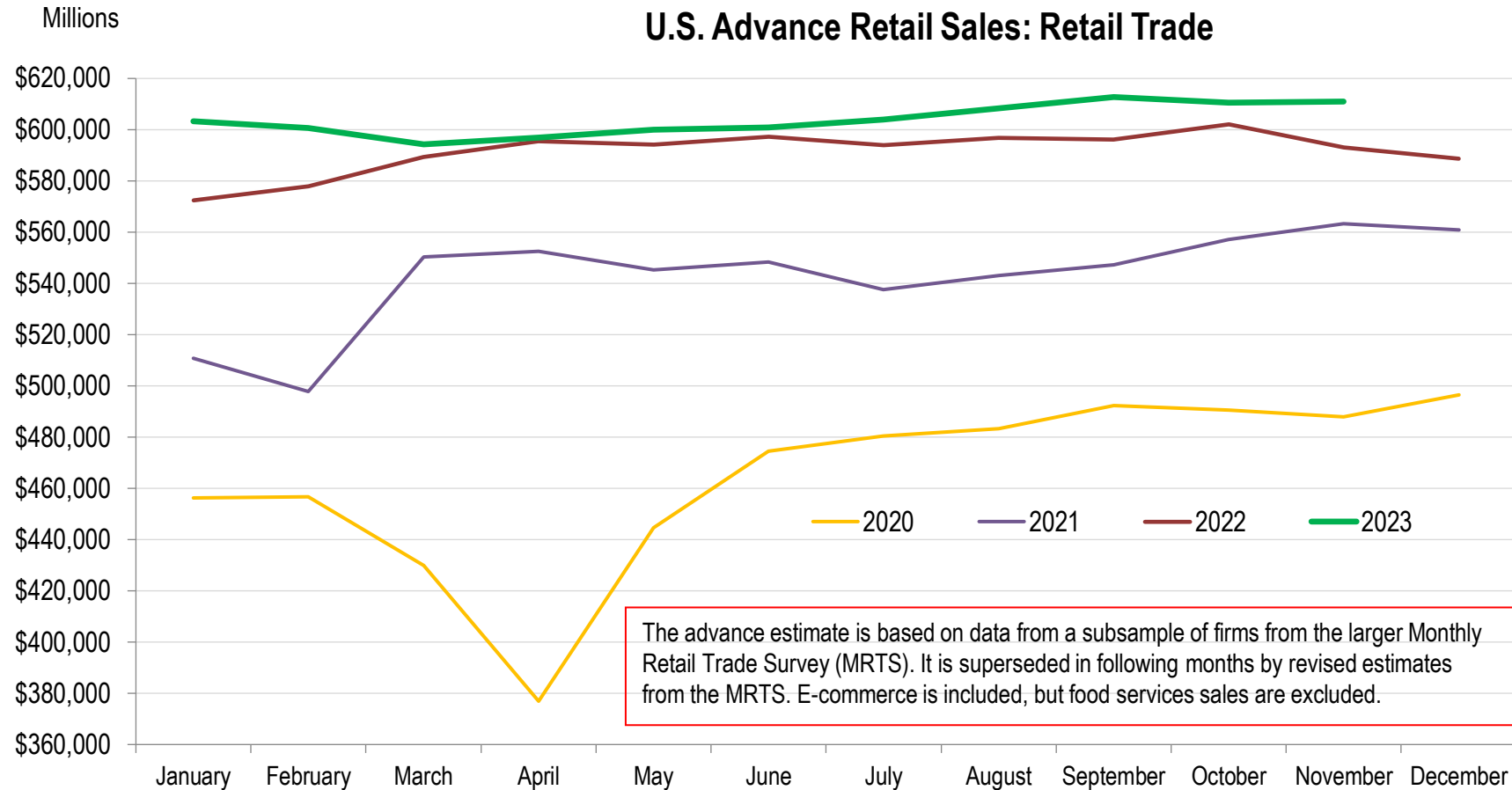


**Delinquency Rate on Credit Cards**  
In Q2 2023, the credit card delinquency rate rose to 2.98%, the highest rate since Q3 2012. The rate was the highest since Q1 2012 but well below the delinquency rate between 2000 and 2012.

Source: FRED, Federal Reserve, SA.

# U.S. Advance Retail Sales: Retail Trade

## Monthly



### Advance Retail Sales

Retail sales were flat in October and November. Total YTD sales through October 2023 (green) were 2.1% greater than YTD sales for the first eleven months in 2022 (burgundy).

The National Retail Federation projected that 2023 sales would be 4.0% to 6.0% greater than the 2022 total. NRF expects holiday sales to be up 3.0% to 4.0% compared to last year, in line with pre-pandemic sales. NRF is too optimistic on both marks.

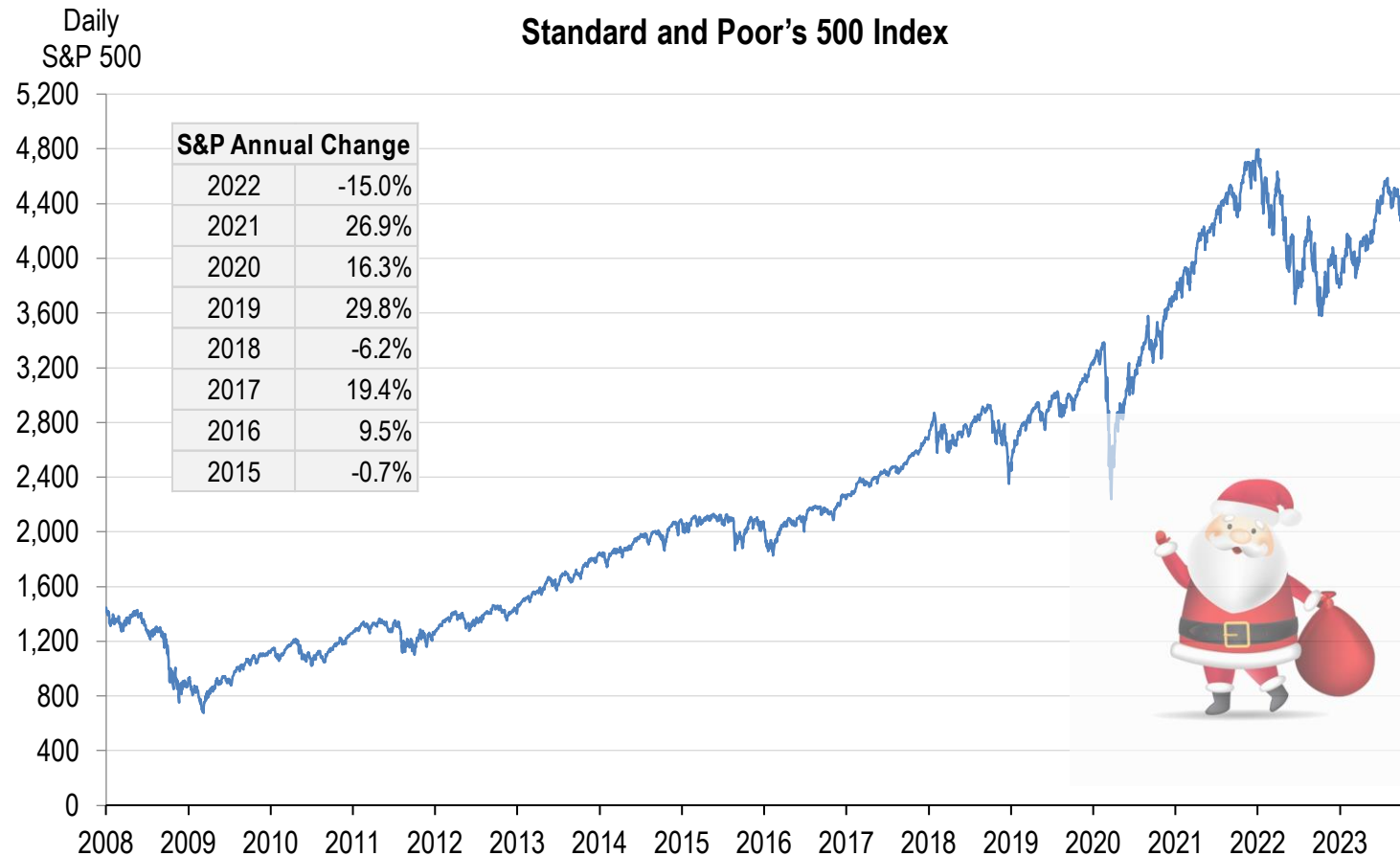
### Annual Retail Sales (Trillions)

2017	\$5.04	4.4%
2018	\$5.25	4.1%
2019	\$5.39	2.7%
2020	\$5.57	3.3%
2021	\$6.51	16.9%
2022	\$7.10	8.9%

Source: Census, cber.co

Source: U.S. Census Bureau, cber.co. Note: Not adjusted for inflation.  
 Colorado-based Business and Economic Research <https://cber.co>

# Standard and Poor's 500 Index



Source: FRED, S&P 500, cber.co.

Colorado-based Business and Economic Research <https://cber.co>

## Market Returns

### 2020 COVID-19 Policies

February 19, 2020 3,386  
 March 23, 2020 2,237 a change of **-34%** to 1,148  
 August 18, 2020 3,386 bear market was 149 days  
 2020 change was **+16.3%**

### Year-End 2021 Bull Market

For most of 2021 – steady growth  
 December 31, 2021 4,766, a change of **+26.9%**.

### 2022 Bear Market

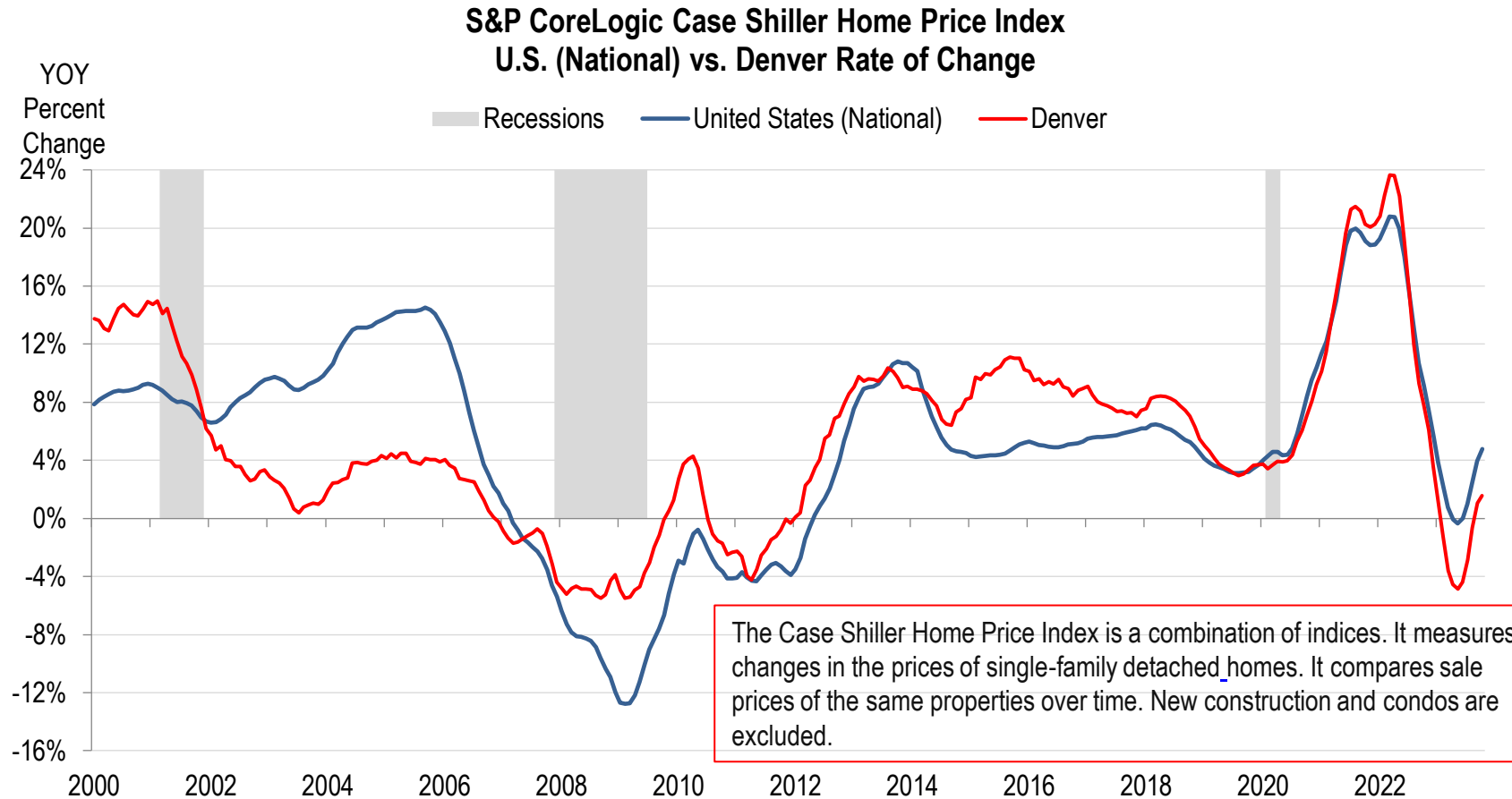
December 31, 2022 3,839, a change of **-15.0%**

**2023 Bull Market** with the help of a Santa Claus rally  
 December 29, 2023 4,739 YTD change **+24.2%**

The Santa Claus rally was real in this December! Will it crash in January?

# Case Shiller Home Price Index

## YOY National vs. Denver Rate of Change



### Change in S&P CoreLogic Case Shiller Index

In October 2023, the YOY change in the U.S. index was +4.8%, and the Denver index changed by 1.6%. Compared to a year ago, housing prices are accelerating.

In retrospect, the 2019 housing market favored buyers, and the U.S. YOY appreciation rate was about 4.0%.

In the summer of 2020, the market began to favor sellers. In August 2021, YOY appreciation for Colorado and the U.S. peaked above 20.0%.

In December 2022, the YOY appreciation for the U.S. was 5.8% (blue) and 3.5% (red) for Denver.

Source: S&P Case Shiller, cber.co.

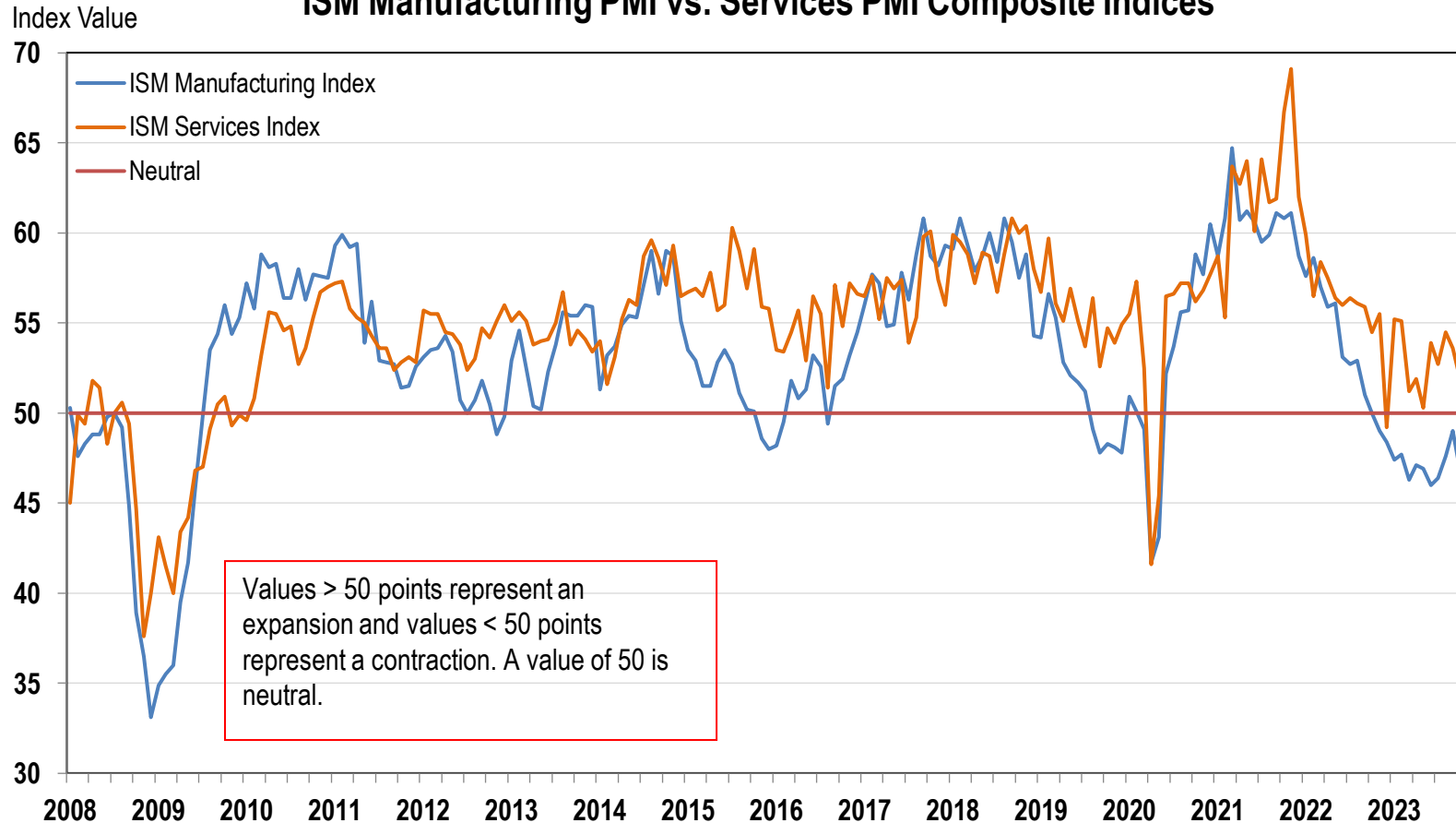
## U.S. Industry Indicators



# ISM Purchasing Managers Composite Indices

## Manufacturing vs. Services

### ISM Manufacturing PMI vs. Services PMI Composite Indices



### Manufacturing and Services PMI

The ISM manufacturing index (blue) trended downward after peaking at 64.7 in March 2021. It dropped below 50 in November 2022 and was 46.7 in October and November 2023. There is weak demand (new orders) and employment. ISM estimates that 65% of manufacturing GDP decreased in November.

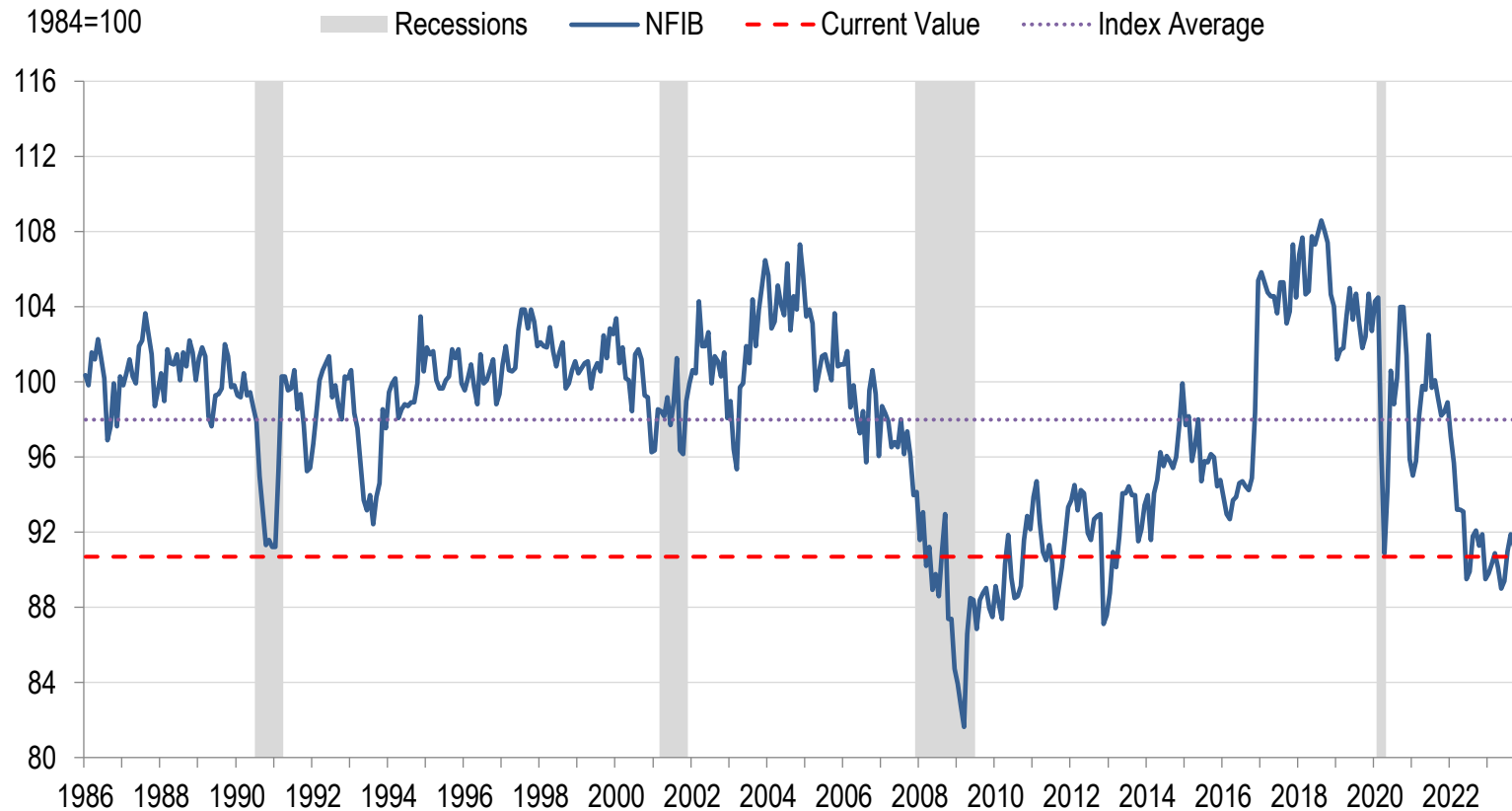
The ISM service index (orange) has trended downward since November 2021. It fell below 50 in December 2022 but has been above 50 during the first eleven months of 2023. It increased to 52.7 in November. Fifteen industries showed an increase in November. The three industries reporting a decrease in November were information, mining, and professional, scientific, and technical services.

Source: Institute of Supply Management, cber.co.

# NFIB Small Business Optimism Index

## United States

### NFIB Small Business Optimism Index



### NFIB Small Business Index

In November 2023, the NFIB index dropped slightly to 90.6 (red dotted line), the 23rd consecutive month below the 49-year average of 98.0 (purple dotted line).

According to NFIB, “Labor costs, energy costs, and most everything else small business owners pay for to operate their business are not falling, so firms continue to raise selling prices to keep up.” Despite a strong Q3, small businesses cannot find workers.

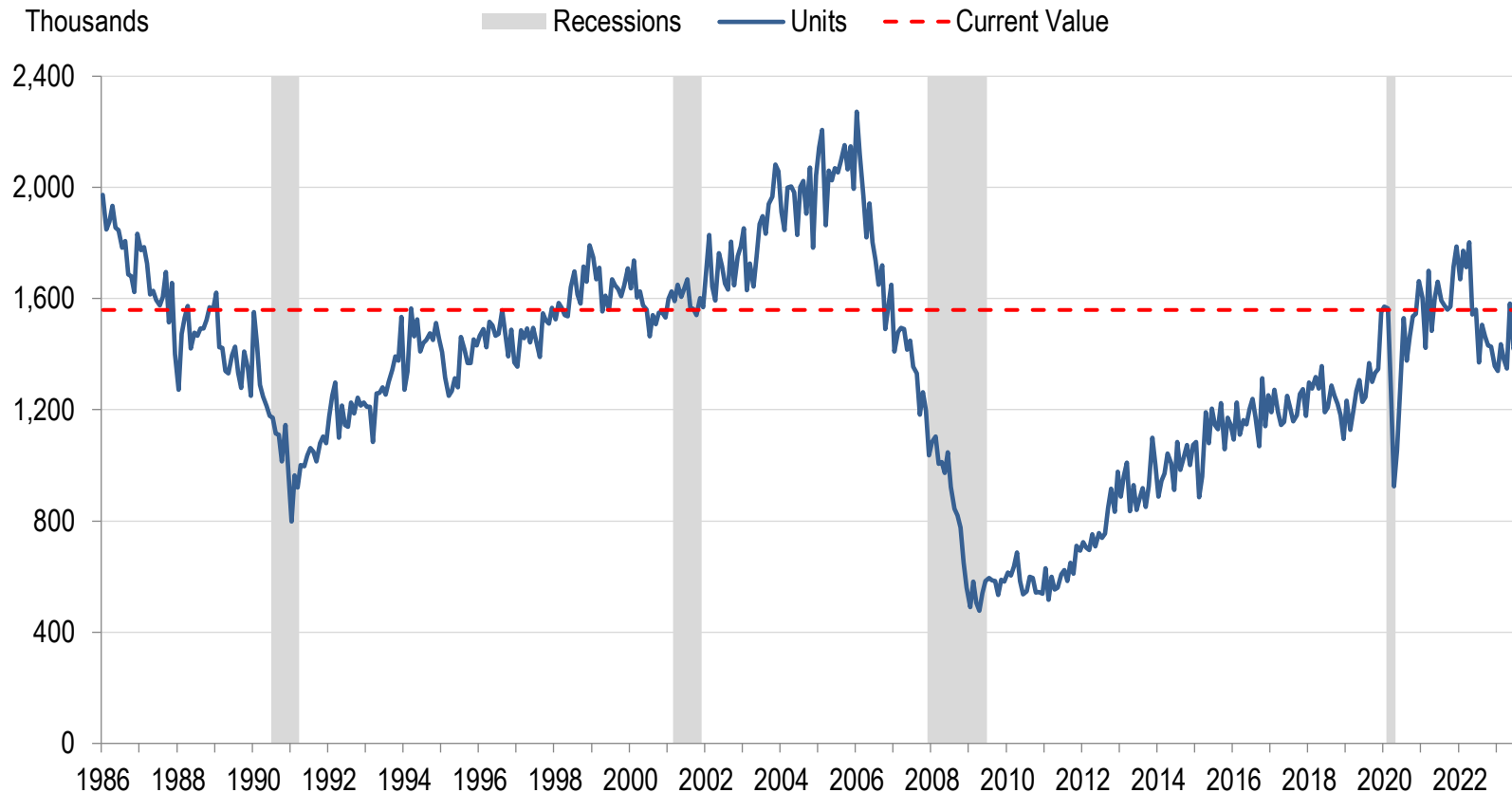
The NFIB monthly SBET report is available at <https://www.nfib.com/>.

Source: NFIB, cber.co.

# New Privately-Owned Housing Units Started

## United States

### New Privately Owned Housing Units Started



Source: U.S. Census Bureau, FRED, cber.co.

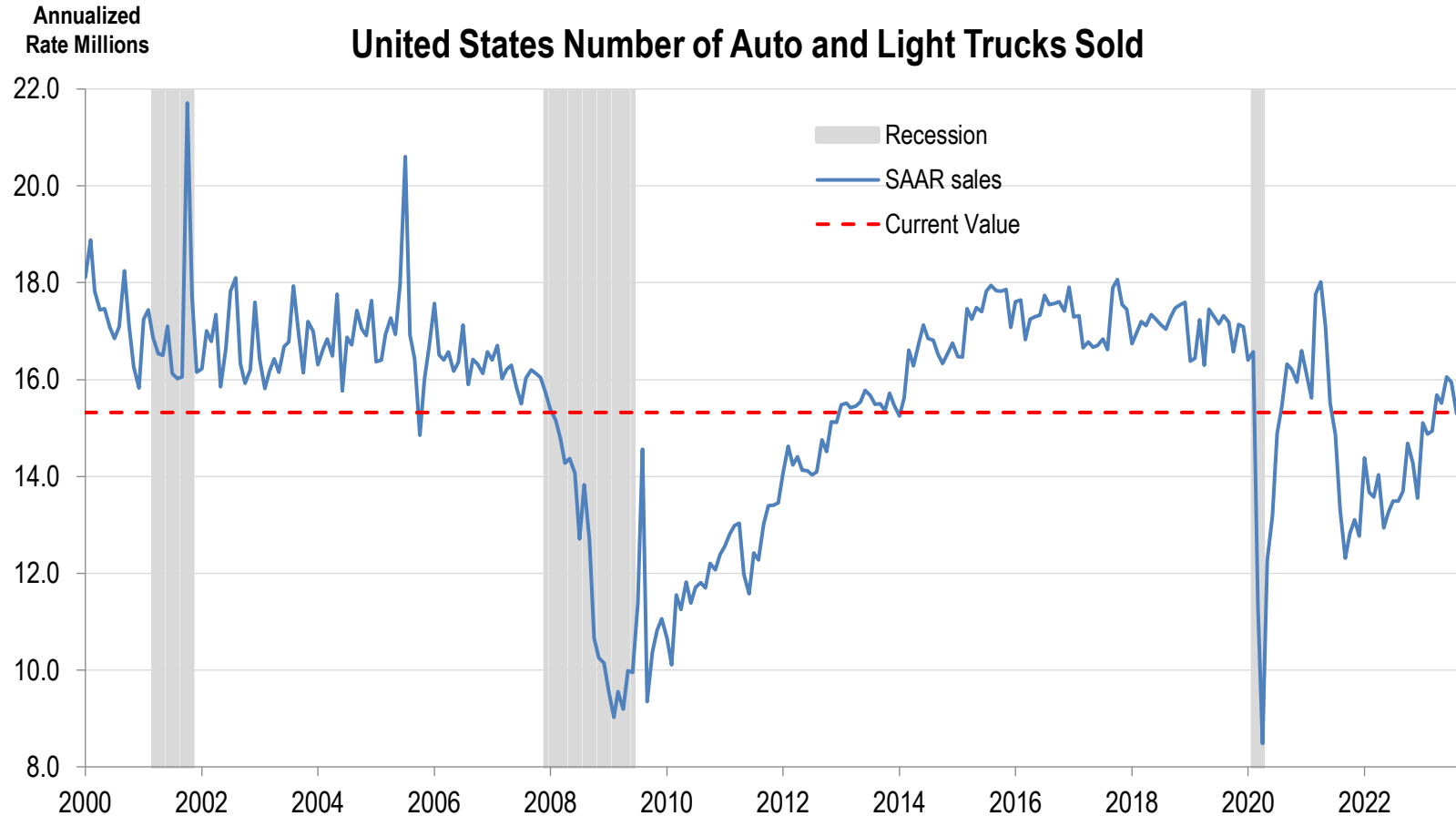
### New Privately Owned Housing Units Started

The number of housing starts has been volatile and below 1.6 million units since May 2022.

The sharp increase in November is a result of increased demand. The YTD number of starts is about 10% below a year ago.

# U.S. Auto and Light Truck (ALT) Sales

## Monthly (Seasonally Adjusted Annualized Rate in Millions)



### ALT Sales SAAR

Sales in 2023 have ranged from 14.8 to 16.1 million. In November, SAAR sales were 15.3 million (red dotted line). Sales are weak compared to the periods prior to the past two recessions. Interest rates are high, and EVs have lost their popularity.

#### ALT Unit Sales

Year	Units Sold (Millions)
2015	17.4
2016	17.5
2017	17.2
2018	17.2
2019	17.0
2020	14.5
2021	14.9
2022	13.8

Source: FRED, BEA, Seasonally Adjusted Annualized Rates (SAAR), cber.co.

Colorado-based Business and Economic Research <https://cber.co>

## Colorado Industry Indicators

# Crude Oil Prices

## West Texas Intermediate

Dollars per  
Barrel

### Crude Oil Prices: West Texas Intermediate, Cushing, Oklahoma

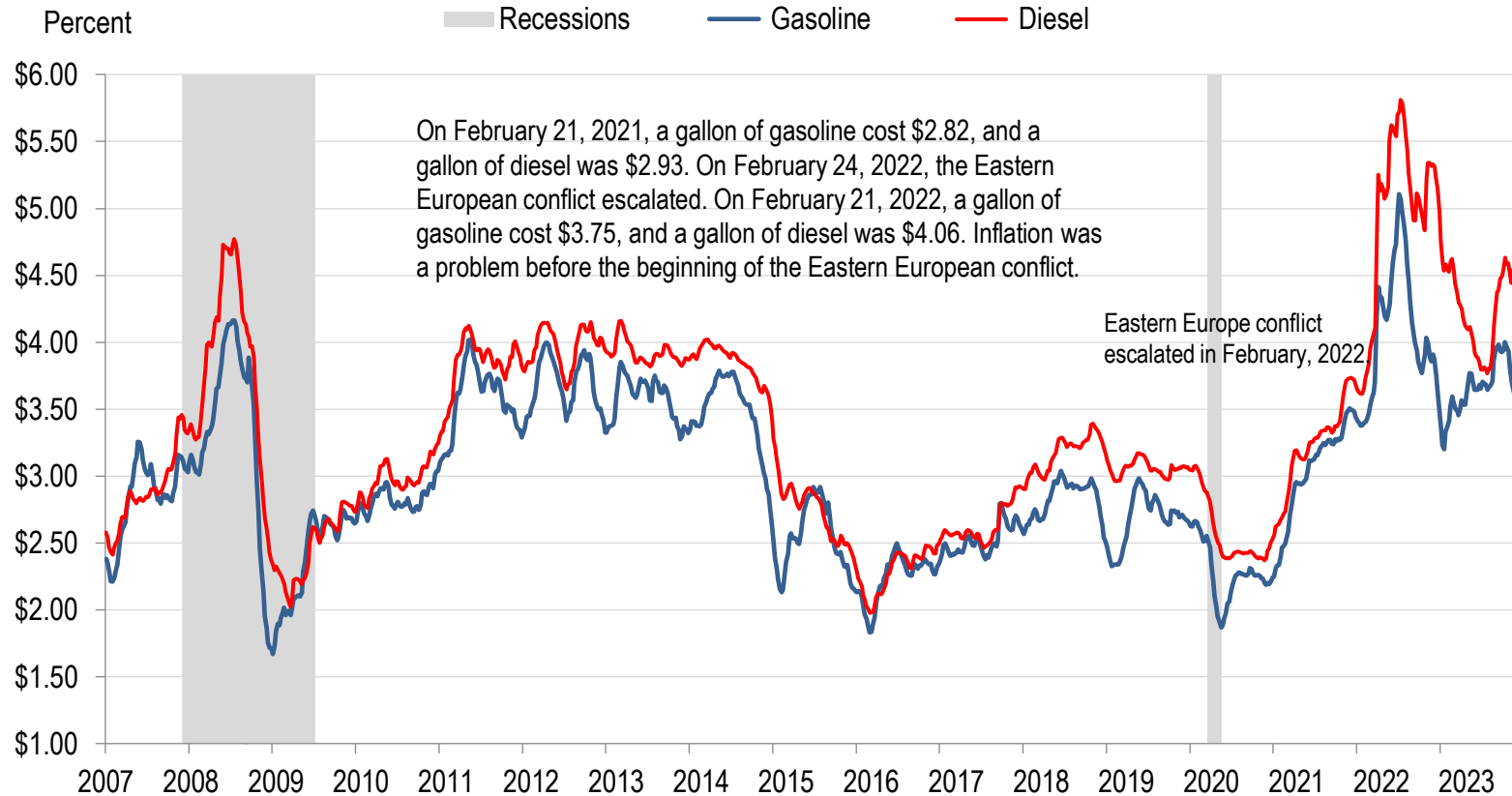


Source: FRED, EIA, cber.co, <https://www.eia.gov/outlooks/steo/#:~:text=U.S.%20crude%20oil%20production%20in,b%2Fd%20set%20in%202019>.



# Weekly Gasoline (Regular All Formulations) and Diesel Prices United States

**U.S. Gasoline Regular (All Grades, All Formulations) and Diesel Prices**



**Gasoline and Diesel Prices**

On December 25, 2023, a gallon of gasoline (blue) was \$3.24, down from a peak of \$5.11 on June 30, 2022. The price for a gallon on January 4, 2021 was \$2.34.

A gallon of diesel (red) was \$3.91 on October 16, 2023, compared to its peak of \$5.78 on June 13, 2022. On January 4, 2021, the price per gallon was \$2.64.

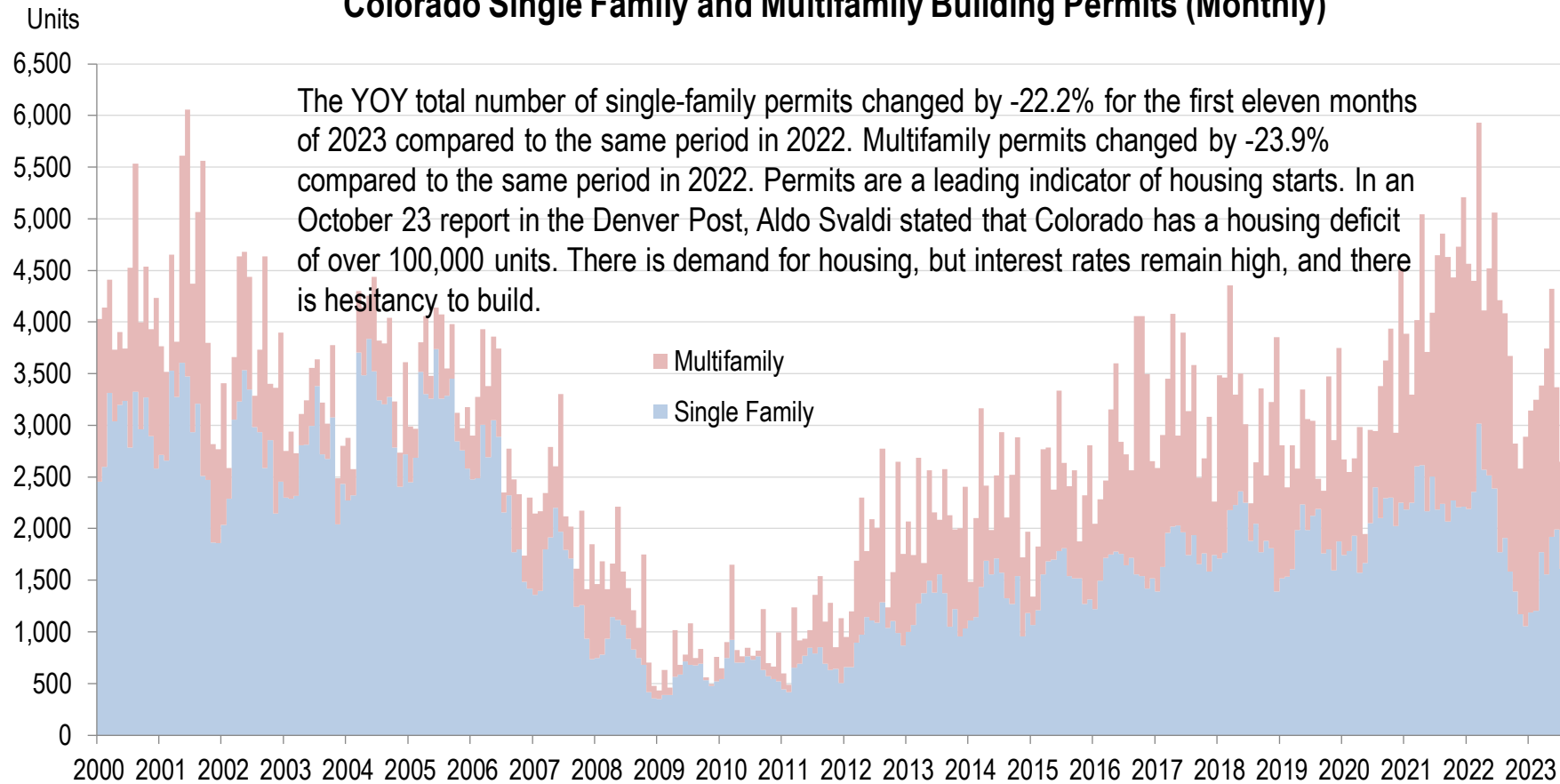
Average Annual		
Year	Diesel	Gasoline
2015	\$2.71	\$2.63
2016	\$2.30	\$2.30
2017	\$2.65	\$2.26
2018	\$3.18	\$2.90
2019	\$3.06	\$2.83
2020	\$2.55	\$2.37
2021	\$3.29	\$3.22
2022	\$4.99	\$4.27

Source: FRED, EIA, [https://www.eia.gov/dnav/pet/pet\\_pri\\_gnd\\_a\\_epd2d\\_pte\\_dpgal\\_w.htm](https://www.eia.gov/dnav/pet/pet_pri_gnd_a_epd2d_pte_dpgal_w.htm), [https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=EMM\\_EPM0\\_PTE\\_NUS\\_DPG&f=W](https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=EMM_EPM0_PTE_NUS_DPG&f=W), cber.co.

# Colorado Residential Building Permits

## Single Family and Multifamily Units

**Colorado Single Family and Multifamily Building Permits (Monthly)**



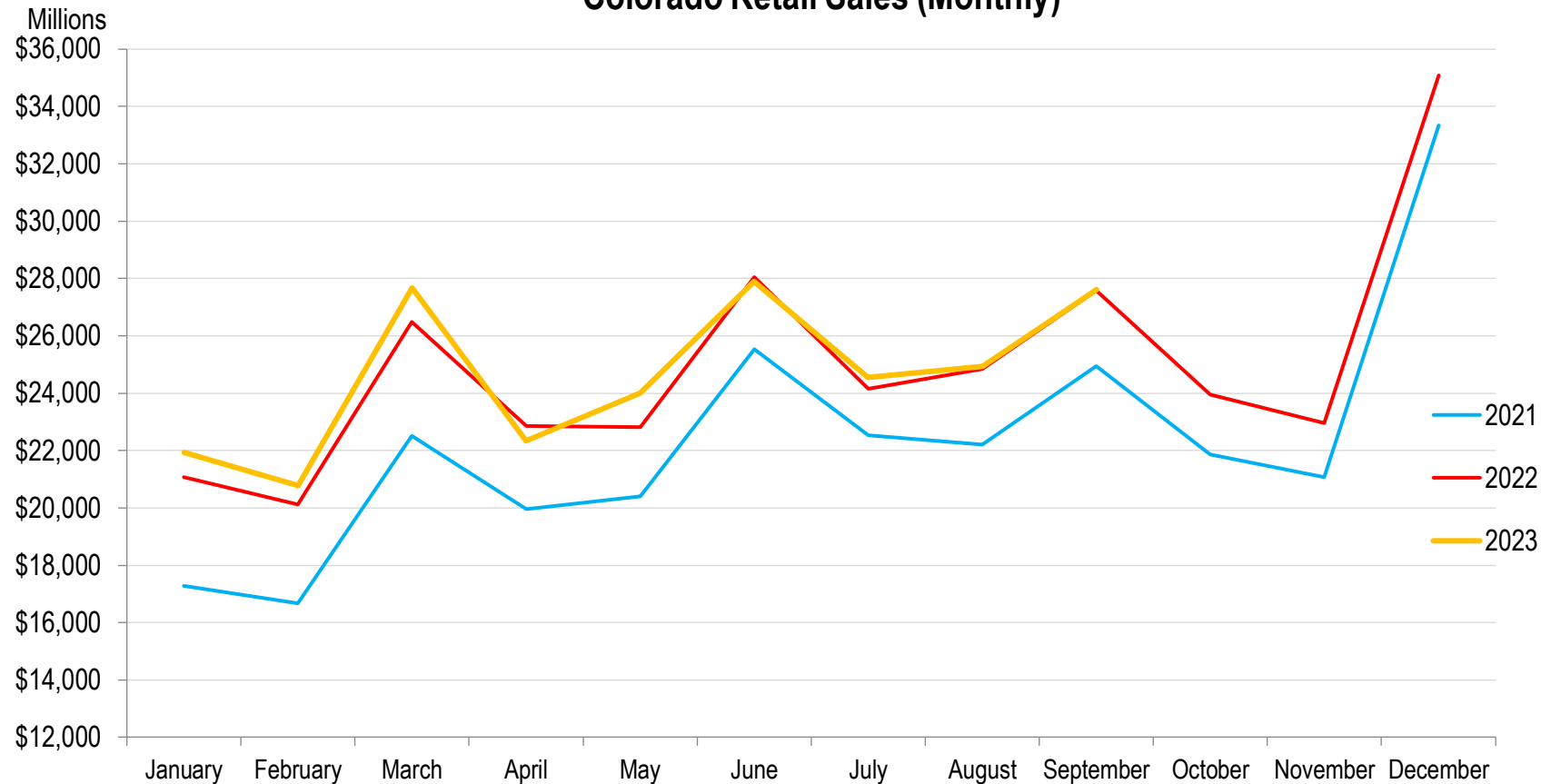
Annual Building Permits		
Year	Single Family	Multi-Family
2000	38,588	16,008
2001	36,437	18,570
2002	35,042	12,878
2003	33,894	5,732
2004	40,753	5,746
2005	40,018	5,732
2006	30,365	7,978
2007	20,516	8,938
2008	11,147	7,851
2009	7,261	2,094
2010	8,790	2,801
2011	8,729	4,779
2012	12,618	10,684
2013	15,773	11,745
2014	17,100	11,591
2015	20,025	11,846
2016	21,577	17,397
2017	24,338	16,335
2018	26,134	16,493
2019	24,756	13,877
2020	26,636	13,833
2021	30,246	26,278
2022	23,728	25,111

Source: TAMU Real Estate Center, U.S. Census Bureau, cber.co.

# Colorado Retail Sales

## Monthly

Colorado Retail Sales (Monthly)



**Colorado Retail Sales**  
Sales through September 2023 (yellow) are about 1.7% greater than during the same period in 2022.

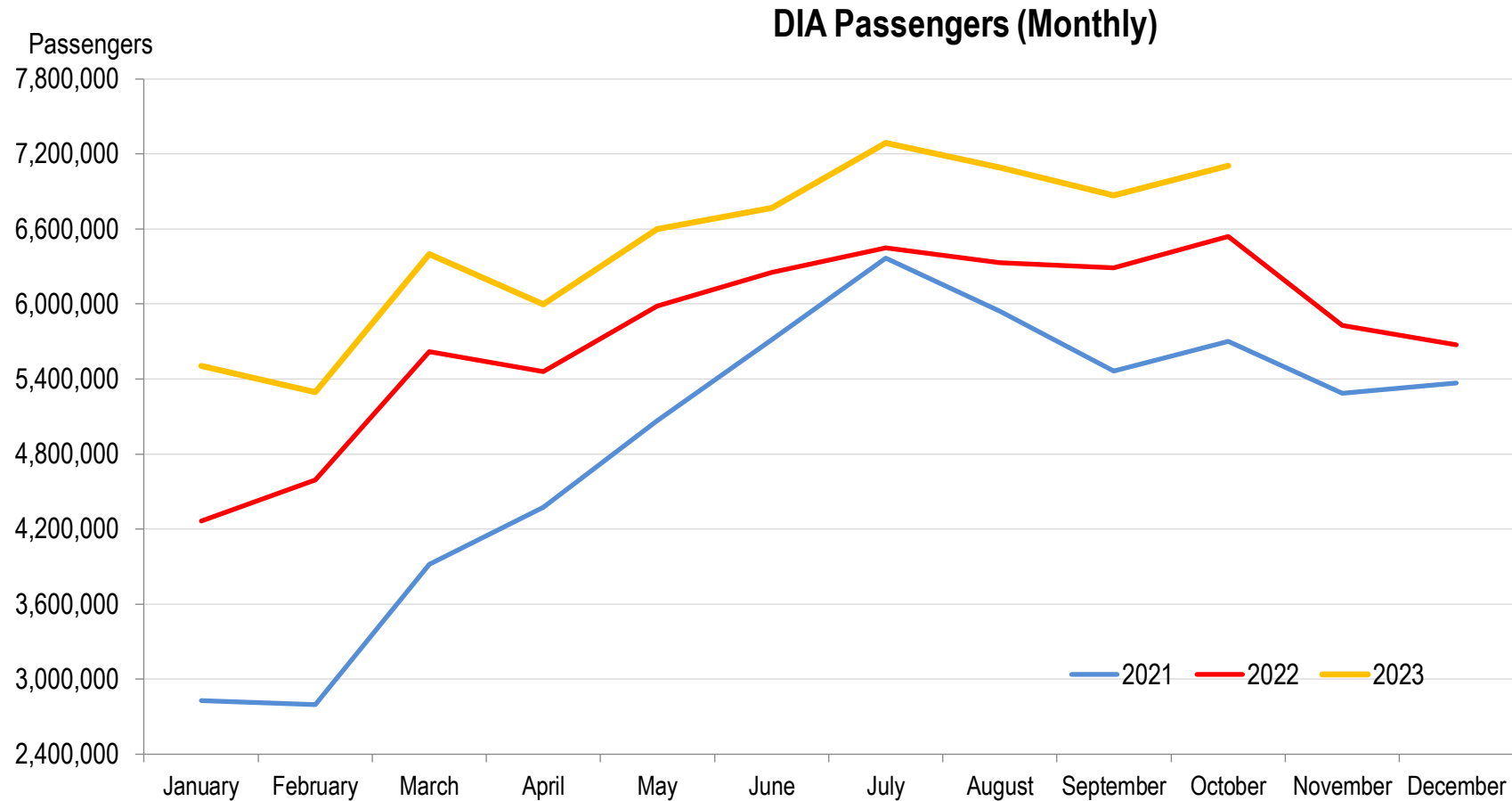
Annual Retail Sales (Billions)		
2017	\$194.6	5.4%
2018	\$206.2	5.9%
2019	\$224.6	9.0%
2020	\$228.8	1.9%
2021	\$268.3	17.3%
2022	\$299.9	11.8%

The slowdown in Colorado retail sales parallels the slowdown in U.S. retail sales. Retail sales for 2022 (red) were 11.8% greater than in 2021 (turquoise).

Source: Colorado Department of Revenue, <https://cdor.colorado.gov/retail-sales-reports>, cber.co. Note: Not adjusted for inflation.

# Denver International Airport Passengers

## Monthly



Source: flydenver.com, COS airport, cber.co.

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### Air Travel

The number of DIA passengers through October 2023 (yellow) was 12.3% above the October 2022 YTD total (red).

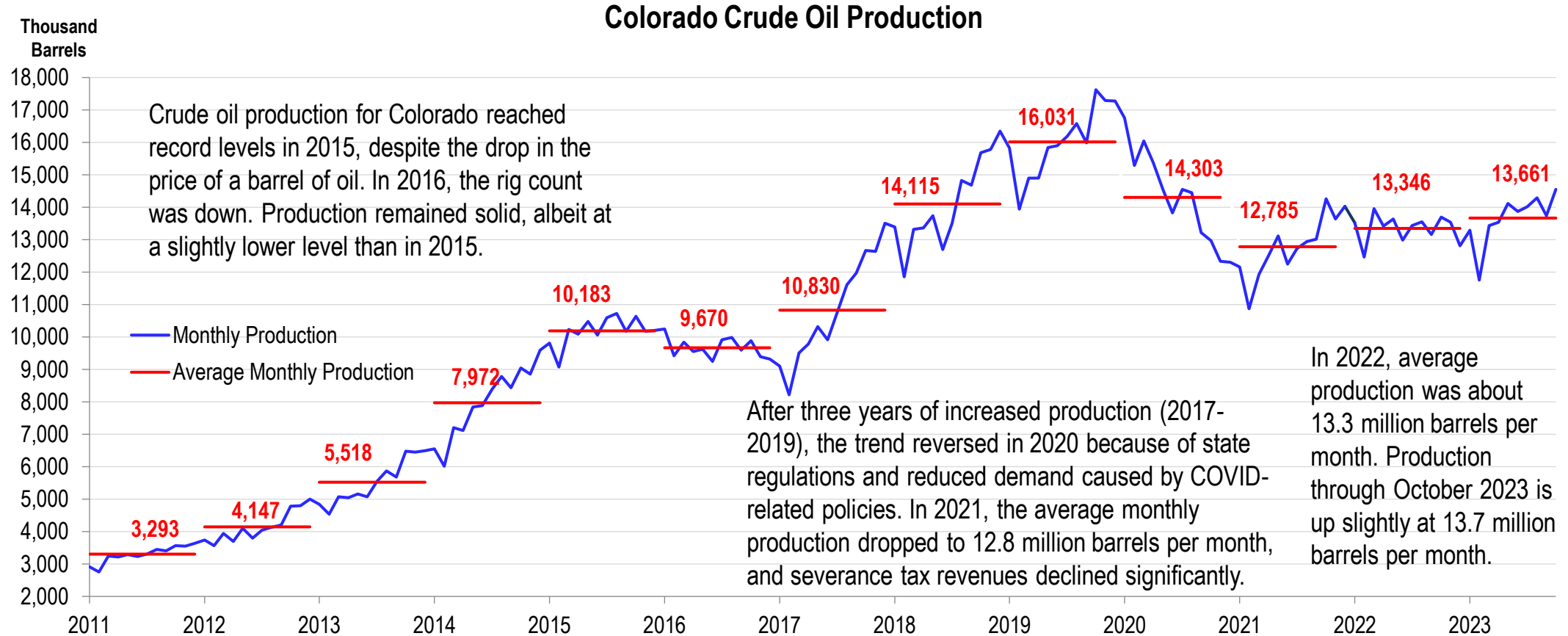
Approximately 72 million passengers will pass through DIA in 2023.

Total passengers through the Colorado Springs airport are up 8.2% YTD through November, at about 2.1 million passengers.

Year	Passengers	% Change
2022	69,286,461	17.8%
2021	58,828,552	74.4%
2020	33,741,129	-51.3%
2019	69,015,703	7.0%
2018	64,494,613	5.1%
2017	61,379,396	5.3%
2016	58,266,515	7.9%

# Colorado Field Production of Crude Oil

## 2011 to 2023 (Thousand Barrels)



Source: EIA, cber.co.

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## Colorado Economic Outlook

# Colorado Economic Forecast 2023

In 2023, the Colorado real GDP growth rate will be 2.6% compared to 2.2% for the U.S.

Colorado's job growth in 2023 will be more volatile and much weaker than in 2022, and the unemployment rate will remain lower than the U.S. rate.

Retail sales for 2023 will increase more slowly than during the past two years. Coloradans will face sticky inflation, high interest rates, high energy and housing costs, labor shortages, and tight credit conditions. Inflation has declined, but it is more of a problem in Colorado than in other states.

	Colorado Economic Forecast			
	2020	2021	2022	2023
Real GDP Value (billions) (chained 2012)	\$353.35	\$373.76	\$385.8	\$395.8
% Change Real GDP	-1.4%	5.8%	3.2%	2.6%
CES Employment (thousands)	2,652.7	2,750.9	2,864.9	2,924.9
Annual Change (thousands)	-137.4	98.2	114.0	60.0
% Change	-4.9%	3.7%	4.1%	2.1%
Unemployment Rate	6.8%	5.4%	3.0%	3.2%
Retail Sales (billions)	\$228.8	\$268.3	\$299.9	\$305.9
% Change	1.9%	17.3%	11.8%	2.0%
Consumer Price Index (CPI)	272.2	281.8	304.3	317.4
	2.0%	3.5%	8.0%	4.3%
DIA Passengers (millions)	33.0	59.0	69.0	72.0
Single Family Permits	26,636	30,246	24,000	19,000
Multi-family Permits	13,833	26,278	25,000	21,000
Oil Production (thousands) barrels	171,635	153,423	160,149	162,000

More than 72 million passengers will pass through DIA in 2023. There will be solid travel activity through the Colorado Springs airport.

The total number of SF and MF 2023 building permits will be significantly less than in 2022. The construction (housing) and real estate market will remain volatile in 2023.

Crude oil production declined in 2021 because of state regulations and reduced demand related to COVID-related policies. Production increased in 2022 and will be flat in 2023.

cber.co  
Economic Outlook and Trends Through November 2023  
Colorado and the United States

This analysis is for informational purposes only. Any opinions or interpretations of data are those of the presenter. As such, they do not represent the viewpoints of any group or particular organization.

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Gary Horvath has produced annual employment forecasts of the state economy for over 30 years. They have been supplemented by monthly economic updates and indices that track economic performance over the short term. In addition, he has directed three statewide analyses that included reviews of all 64 county economies.

Horvath was the principal investigator for a state and federally funded project to prepare a nanotechnology roadmap for Colorado. As well, he was a co-founder of the Colorado Photonics Industry Association, a trade group for Colorado’s Photonics cluster. Horvath has been an active board member of the group since its inception.

Horvath has also served on the Board of Directors for the Economic Development Council of Colorado, Northwest Denver Business Partnership, Adams County Regional Economic Partnership, and Broomfield Economic Development Corporation. Horvath has also been the chair of the photonics/electronics committee in the Governor’s Office of Economic Development and International Trade early stage and proof of concept Advanced Industries grant program, and he served on the 2021 Colorado Legislative Redistricting Commission.