

Economic Outlook and Trends through October 2024  
United States and Colorado  
Colorado-based Business and Economic Research cber.co  
Prepared November 19, 2024



Summer 2024 Taiwan Trade Delegation to Colorado for Quantum and Semiconductors

# Economic Outlook and Trends

## Purpose and Overview

The purpose of this chartbook is to review the outlook and performance of the U.S. and Colorado economies. Much of the uncertainty associated with the election has passed.

- The labor market and real GDP growth have been more resilient than expected.
- Consumers continue to spend, although personal debt has increased.
- Government debt is the unmentioned elephant in the room.
- Many Americans feel the cumulative effect of inflation (2021-2023). They are cautious spenders.
- Businesses will continue to face workforce shortages.
- There is a shortage of affordable and attainable housing in many parts of the country.
- Significant geopolitical risks still exist.
- The mix of the U.S. population is changing. It is increasing at a decelerating rate.

## Contents

This month, the chartbook highlights the following topics.

- U.S. Forecast, U.S. Real GDP, Real Disposable Personal Income Per Capita
- Population U.S. and Colorado
- U.S. and Colorado Employment, Unemployment, and Earnings
- U.S. and Colorado Inflation
- Saving, Borrowing, Consumption, and the Wealth Effect
- U.S. Indicators
- Colorado Indicators
- Overview of Colorado Forecast
- Colorado Economic Development Projects

### ***Economic Development - Fostering Growth of the Statewide Economy***

*The Economic Development slides at the end of the chartbook highlight two of many great economic development efforts to stimulate the Colorado economy – the OEDIT Advanced Industries Early-Stage Grant Program and the regional Elevate Quantum Tech Hub program. Both programs support communities throughout the state.*

## Gross Domestic Product, and Real Disposable Income

# U.S. Real GDP Growth

The Conference Board Forecast (October 23, 2024)

## Real GDP and Economic Growth

The Conference Board Forecast projects real GDP growth of 2.6% in 2024. Real disposable income will increase by 3.3%, and Real personal consumption will increase by 2.6% in 2024. Residential investment will increase by 4.7%, and non-residential investment will change by 4.1%. Government spending will be solid in 2024 (3.0%), down from 3.9% in 2023.

## Other Economic Factors

There will be slower growth in exports in 2024 as they will increase by 2.4%, down from 2.8% in 2023. The U.S. unemployment rate will be 4.1% in 2024. The annual PCE inflation will be 2.4% in 2024, and the core rate will be 2.7%. The Fed Funds rate will decline to 4.375% in 2024. Rates will reach 3.125% in 2025.

## Conference Board US Real GDP Growth Forecast

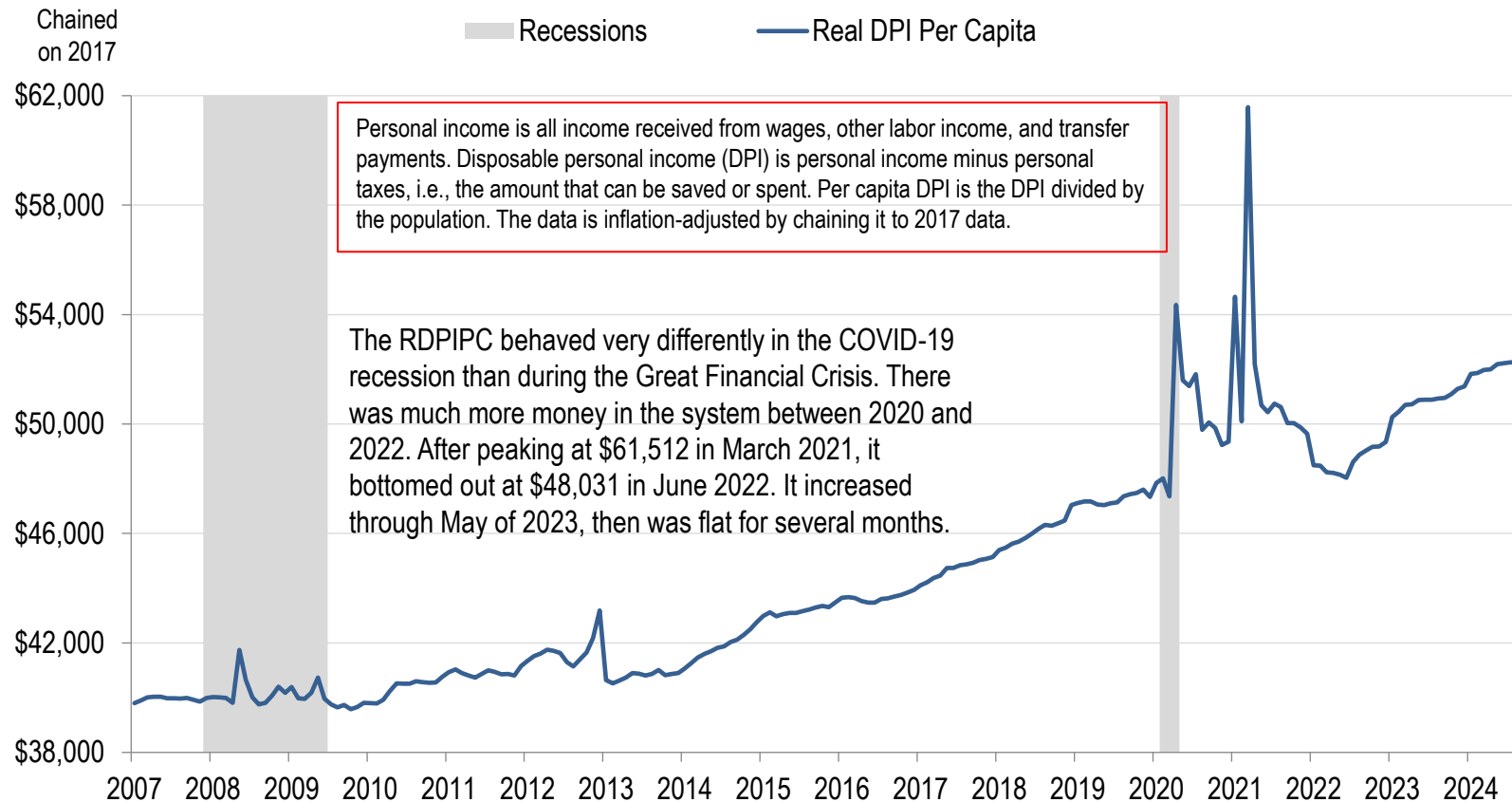
	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	2023	2024	2025
<b>Real GDP</b>	2.8%	2.5%	4.4%	3.2%	1.6%	3.0%	2.5%	0.9%	2.9%	2.6%	1.7%
<b>Real Disposable Income</b>	10.9%	3.4%	1.4%	3.2%	5.6%	2.4%	2.5%	2.2%	5.1%	3.3%	2.1%
<b>Real Personal Consumption</b>	4.9%	1.0%	2.6%	3.5%	1.9%	2.8%	3.5%	2.1%	2.5%	2.6%	2.2%
<b>Residential Investment</b>	-4.3%	4.5%	7.7%	2.6%	13.7%	-2.8%	1.0%	2.5%	-8.3%	4.7%	2.7%
<b>Nonresidential Investment</b>	5.3%	9.9%	1.1%	3.8%	4.5%	3.9%	5.9%	1.3%	6.0%	4.1%	2.6%
<b>Total Gov't. Spending</b>	5.1%	2.9%	5.7%	3.6%	1.8%	3.0%	2.4%	2.4%	3.9%	3.0%	2.4%
<b>Exports</b>	2.0%	-4.8%	4.9%	6.2%	1.9%	1.0%	2.0%	1.5%	2.8%	2.4%	2.0%
<b>Unemployment Rate</b>	3.5%	3.6%	3.7%	3.7%	3.8%	4.0%	4.2%	4.3%	3.6%	4.1%	4.1%
<b>PCE Inflation (%Y/Y)</b>	5.0%	3.9%	3.4%	2.8%	2.7%	2.6%	2.3%	2.2%	3.8%	2.4%	2.0%
<b>Core PCE Inflation (%Y/Y)</b>	4.9%	4.6%	3.9%	3.2%	3.0%	2.7%	2.5%	2.4%	4.1%	2.7%	2.0%

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 (RDPIPC)**



### Real Disposable Personal Income Per Capita

In September 2024, RDPIPC was \$52,278. It was 2.6% greater than September 2023.

The monthly YOY increase has been positive since January 2023. The monthly rate has been between 2.5% and 3.1% in 2024.

RDPIPC (Average)		
Year	RDPIPC	% Change
2016	\$43,659	1.1%
2017	\$44,710	2.4%
2018	\$46,057	3.0%
2019	\$47,251	2.6%
2020	\$50,056	5.9%
2021	\$51,719	3.3%
2022	\$48,652	-5.9%
2023	\$50,871	4.6%

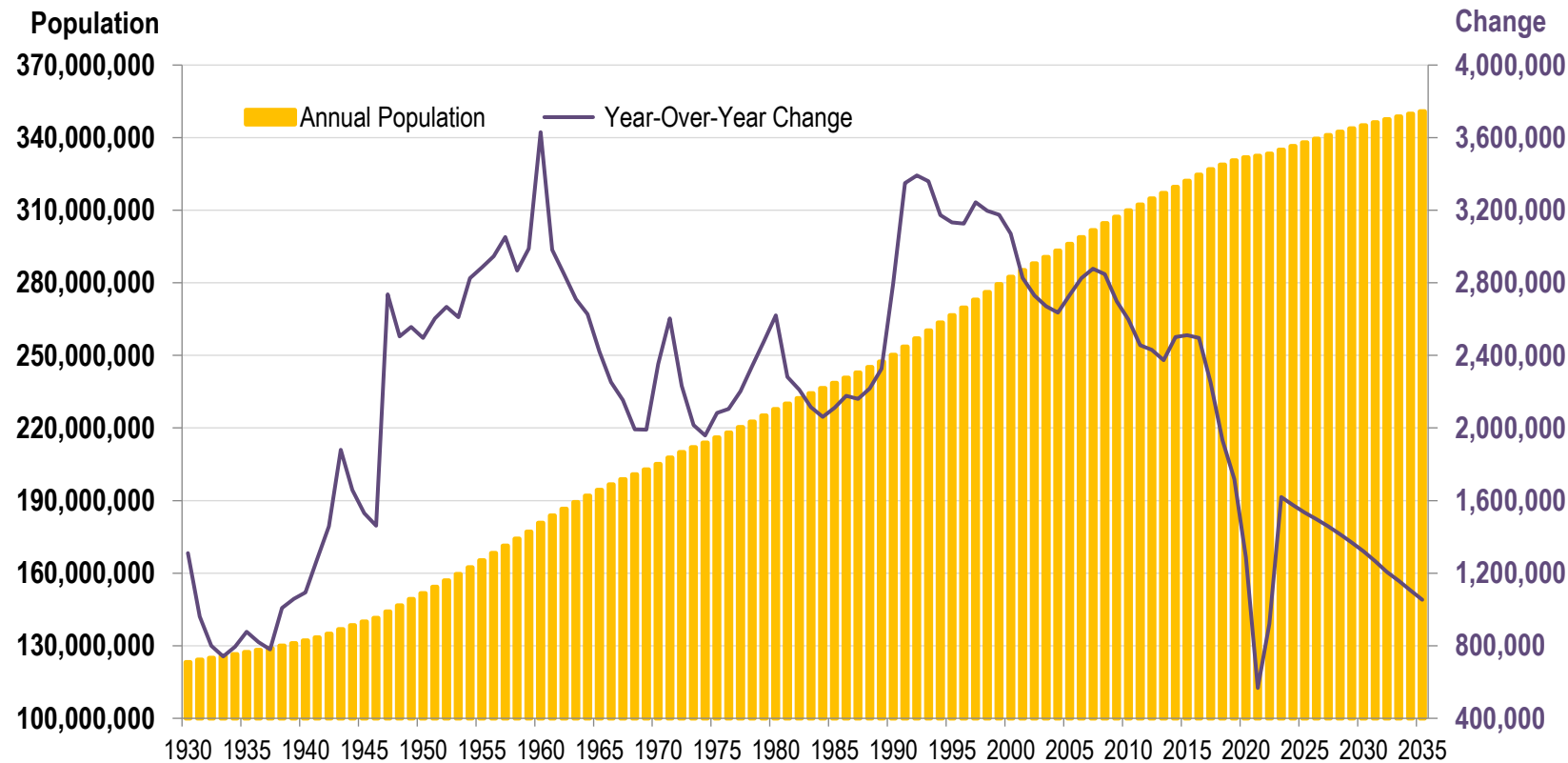
Source: FRED, BEA, SAAR, chained on 2017 dollars, cber.co. Note that the RDPIPC was previously chained on 2012 data. In October 2024, revisions were made to data after 2019.

## Population – U.S. and Colorado

# Estimated and Projected U.S. Population (All Ages)

1930 to 2035

United States Population and Year-Over-Year Changes (All Ages) 1930 to 2035



## Over a Century of Change

At first glance, the U.S. population over the past century (yellow bars) appears to have increased at a steady rate.

A closer look at the year-over-year change (purple line – scale on the right side) shows the strong growth of the Baby Boomers (1946 to 1964). There was slower growth of Gen X (1965 to 1980) and slightly faster growth for the Millennials generation (1980 to 1994).

Since 1993, the year-over-year population has increased at a decreasing rate (Gen Z and the Alpha Generation).

These changes in growth carry forward as generations mature.

- Birth Years of Generations**  
**Silent Generation:** 1925–1945  
**Baby Boomers:** 1946–1964  
**Gen X:** Born 1965–1979  
**Millennials:** 1980–1994  
**Gen Z:** 1995–2012  
**Alpha:** 2013–2025

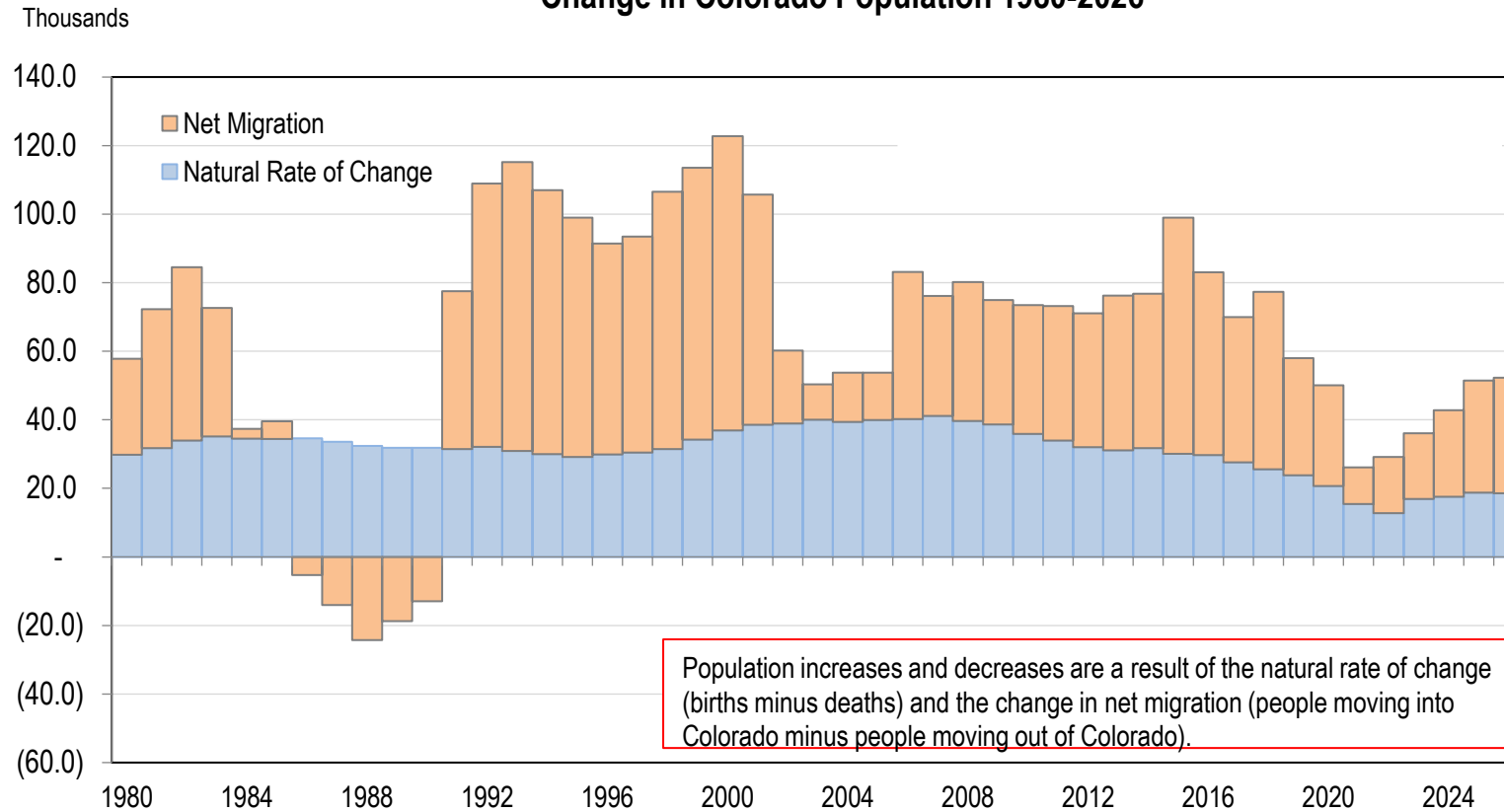
Source: Census Bureau, cber.co. Note: the years for 2023 to 2035 are projected by the U.S. Census Bureau.

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# Colorado Population

## Components of Change

Change in Colorado Population 1980-2026



### Components of Change

Since 2000, the population of Colorado has increased at a decreasing rate. There are fewer than anticipated people because of higher death rates, a lower fertility rate, and lower net migration. In 2020 and 2021, more significant population changes occurred because of pandemic-related policies, such as altered migration patterns and fewer births.

In 2024, the level of net migration (orange) will increase by 25,300, the natural rate (blue) will increase by 17,500, and the population will increase by 42,800. The total Colorado population will be 5,919,130 in 2024 and 6,022,777 in 2026.

Sources: State Demography Office and cber.co.

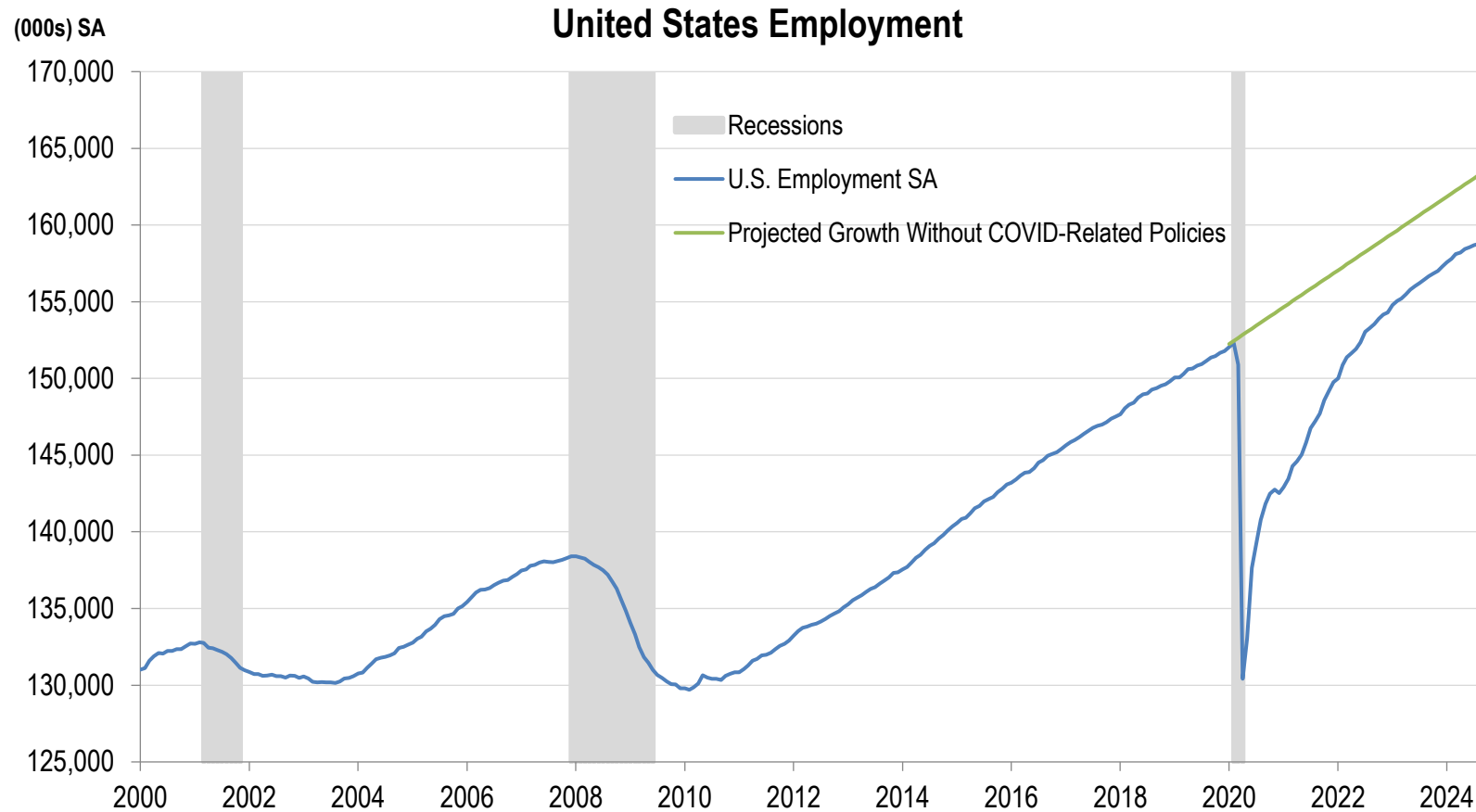
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## U.S. and Colorado Employment, Unemployment, and Earnings

# Employment

## United States



**U.S. Employment**

Between 2012 and 2019, average monthly U.S. employment increased by 197,800. The green line projects what employment would have been if that rate had continued through 2024. The actual monthly change in employment from 2020 to 2024 averaged about 122,200 per month. The range of the change in employment was -20.2 million to 14.2 million.

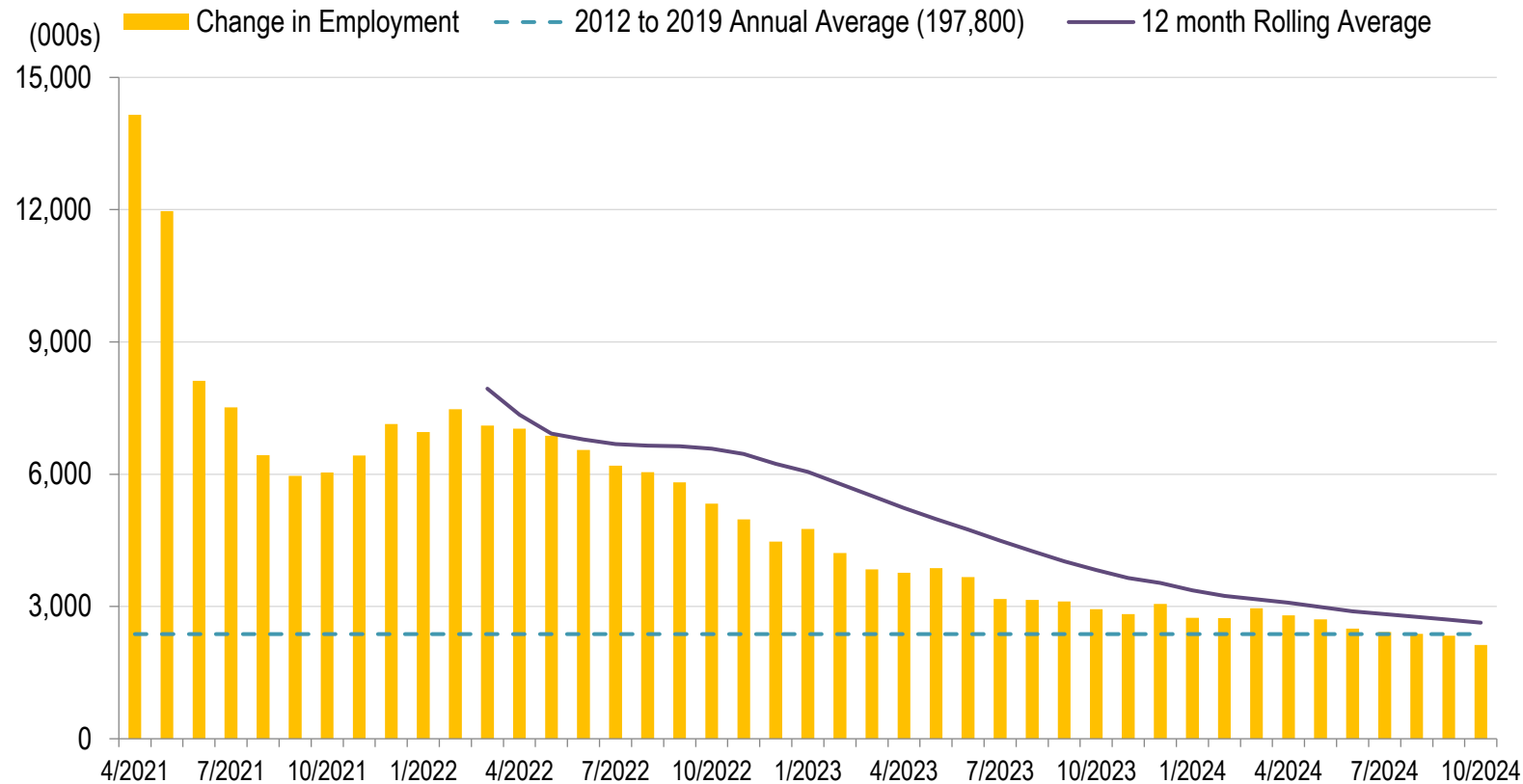
Average YTD employment through October 2024 (blue line) was 158.4 million, 1.6% more than for the same period last year. The average monthly change in employment through October 2024 is 213,700.

Source: BLS, SA, cber.co.

# YOY Change in Employment

United States

### YOY Change in United States Employment



### Change in Employment

From 2012 to 2019, average annual employment was 2,374,000 (blue dotted line). The average monthly change was 197,800.

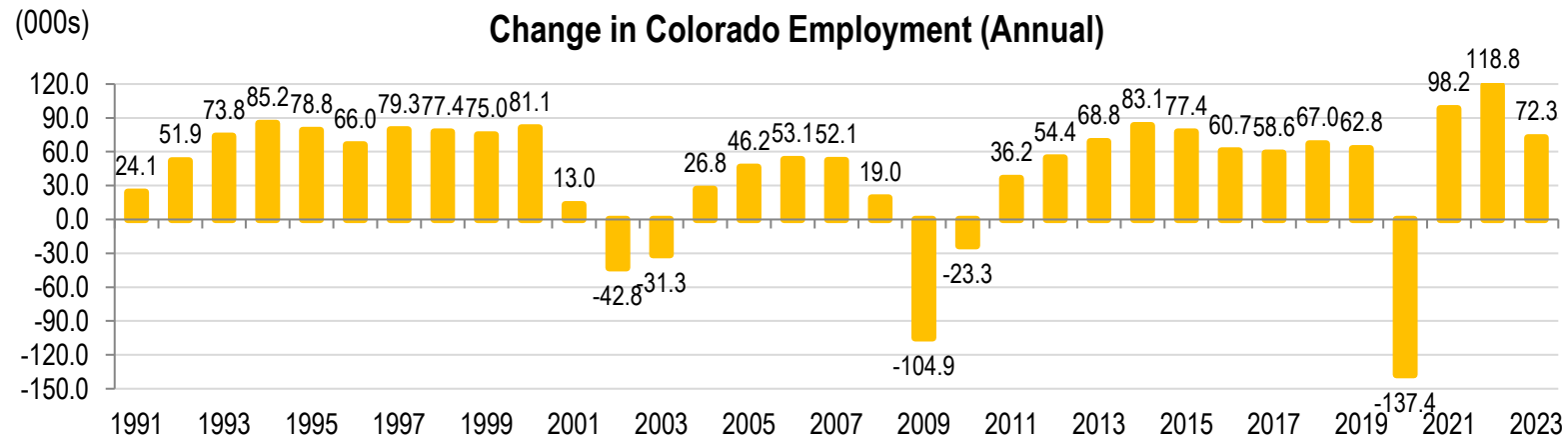
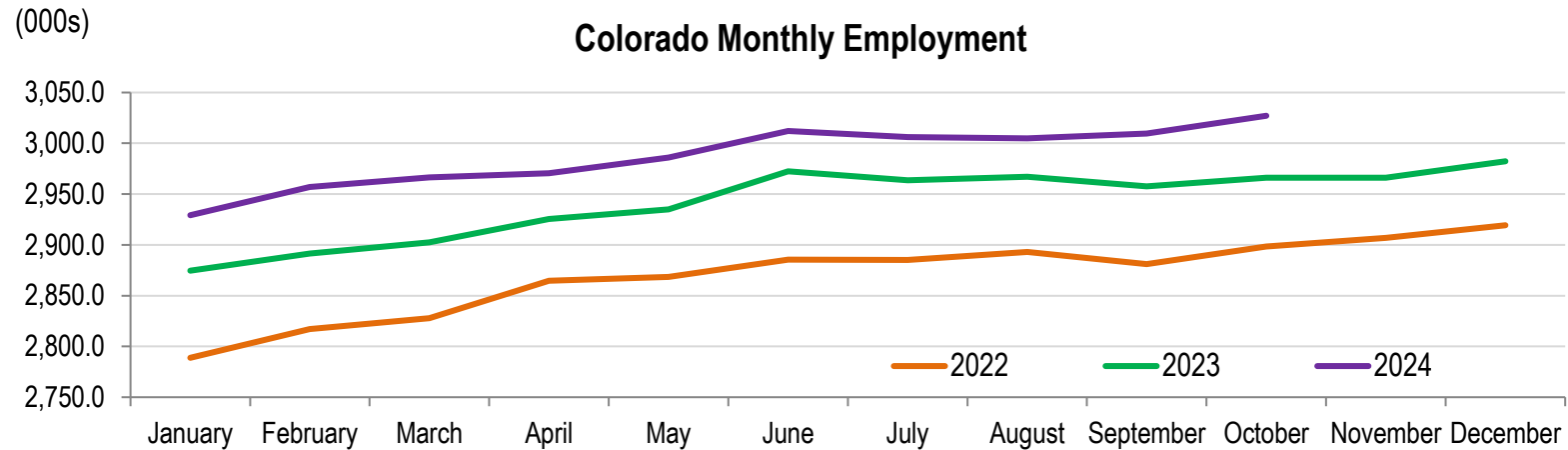
April 2021 was the first month after the pandemic that the change in YOY employment was positive (14.1 million). Since then, it has trended downward. In October 2024, it was 2.1 million.

In March 2022, the 12-month rolling average (purple solid line) peaked at 7.9 million. It has since trended downwards and was 2.6 million in October 2024.

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

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# Employment and Change in Employment Colorado



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

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

### Colorado Employment and Change

Through October 2024, the average total Colorado employment was 2,986,900. The average YOY change in annual employment through September 2024 was 51,300.

Based on benchmark revisions to U.S. wage and salary employment (CES) earlier in the year, it is likely that Colorado 2024 employment will be revised downward in the March 2025 benchmark revisions.

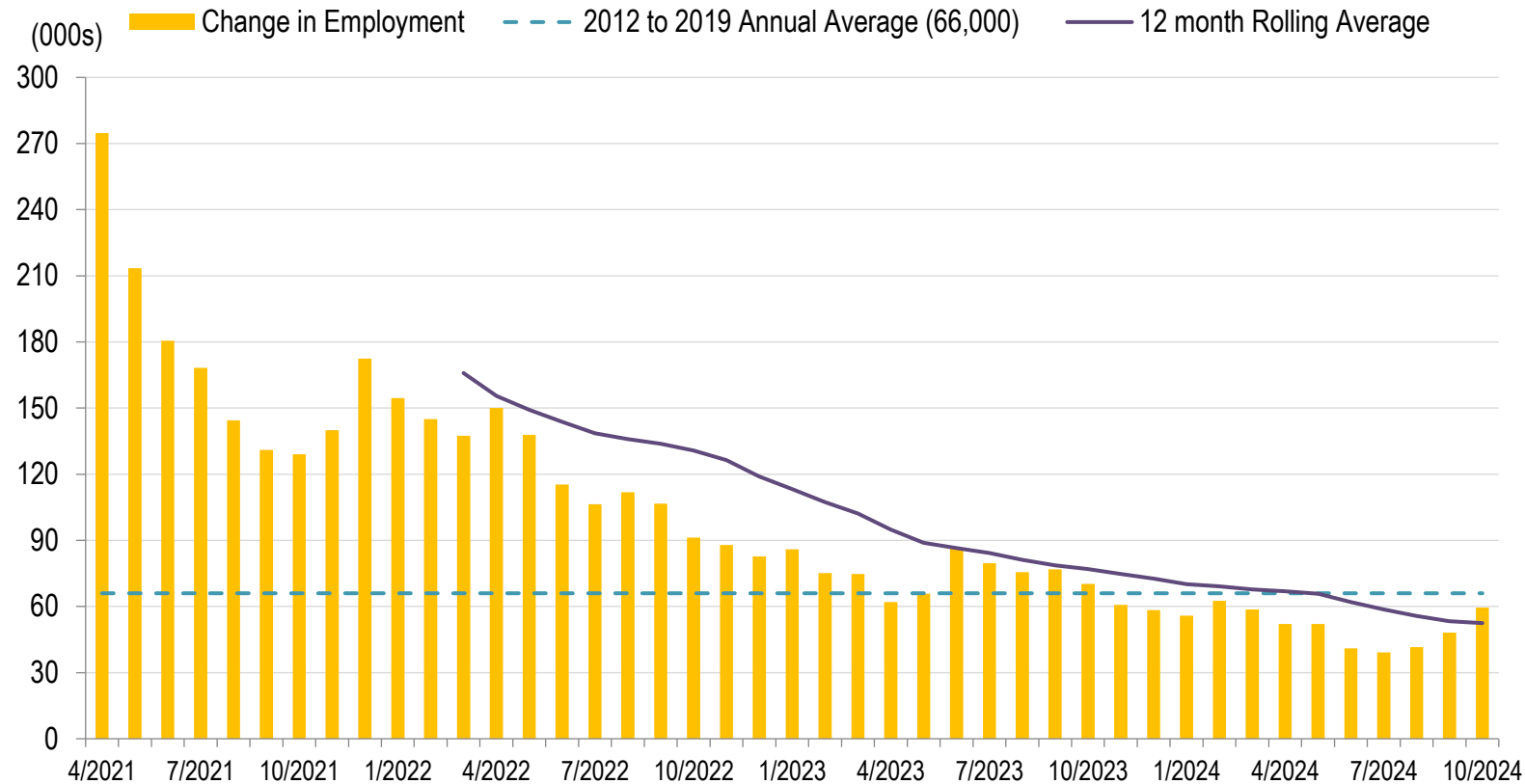
The average YOY change in monthly employment for 2024 is 4,278 per month. Employment is solid.

By comparison, the change in the average monthly employment from 2012 to 2019 was 5,500 and 6,025 per month in 2023.

# YOY Change in Employment

Colorado

## YOY Change in Colorado Employment



## Change in Employment

From 2012 to 2019, average annual employment was 66,000 (blue dotted line). The average monthly change was 5,500.

April 2021 was the first month after the pandemic that the change in YOY employment was positive (274,700). Since then, the YOY monthly employment has trended downward. In October 2024, it was 59,500.

In March 2022, the 12-month rolling average (purple solid line) peaked at 165,475. It has since trended downwards and was 52,500 in October 2024.

Either way, the change in Colorado employment is returning to a more sustainable rate of growth.

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

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# Colorado Employment and Change in Employment

Colorado Employment YOY Change (000s), YOY Percent Change			
Industry Sector	Emp. vs. YOY		
	October 2024	YOY Change	Percent YOY
Private vs. Government employees			
Total Employment	3,019.8	59.5	2.0%
Private Employment	2,520.1	40.0	1.6%
Government Employment	499.7	19.5	4.1%

## Highlights

### Private vs. Government

In October 2024, 16.5% of employment was in government jobs, and 83.5% were in the Private sector.

The Government sector accounted for 32.8% of the change in total employment through October 2024, and the Private sector accounted for 67.2%.

Over this period, Private sector employment increased by 1.6%, and Government employment increased by 4.1%. Overall employment increased by 2.0%.

On a YOY basis, employment increased in fifteen of the nineteen private and public sectors used in this analysis.

Source: BLS, SA, cber.co.

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Colorado Employment YOY Change (000s), YOY Percent Change			
Industry Sector	Emp. vs. YOY		
	October 2024	YOY Change	Percent YOY
Sectors with more than 145,000 employees			
Healthcare	335.8	10.3	3.2%
Prof., Scientific, and Tech, Services (PST)	302.9	5.9	2.0%
Food and Accommodation (F&A)	300.0	3.6	1.2%
Local Government	293.8	10.7	3.8%
Retail Trade	274.7	2.6	1.0%
Construction	186.2	4.7	2.6%
Financial Activities	185.5	5.4	3.0%
Administrative Services	156.9	-2.0	-1.3%
Manufacturing	149.9	-1.4	-0.9%
State Government	148.9	7.6	5.4%
Total Sectors > 145,000 Employees	2,334.6	47.4	2.1%

## Highlights

### Sectors with > 145,000 Employment (Sorted by Size)

YOY employment for the ten largest sectors increased by 47,400, or 2.1%. Employment increased in eight of these sectors. The leaders in absolute job growth were local government, healthcare, and state government. Employment in these three sectors increased by 28,600.

Colorado Employment YOY Change (000s), YOY Percent Change			
Industry Sector	Emp. vs. YOY		
	October 2024	YOY Change	Percent YOY
Sectors with less than 145,000 employment			
Other Services (Personal)	131.8	6.2	4.9%
Transp., Warehousing, and Utilities (TWU)	118.6	1.7	1.5%
Wholesale Trade	117.0	-1.3	-1.1%
Information	73.6	-3.8	-4.9%
Arts, Entertainment, Recreation (AER)	63.7	3.4	5.6%
Federal Government	57.0	1.2	2.2%
Education (Private)	51.7	1.1	2.2%
Mgmt. of Corporations/Enterprises (MCE)	49.0	2.5	5.4%
Extractive Industries	22.8	1.1	5.1%
Total Sectors <145,000 Employees	685.2	12.1	1.8%

## Highlights

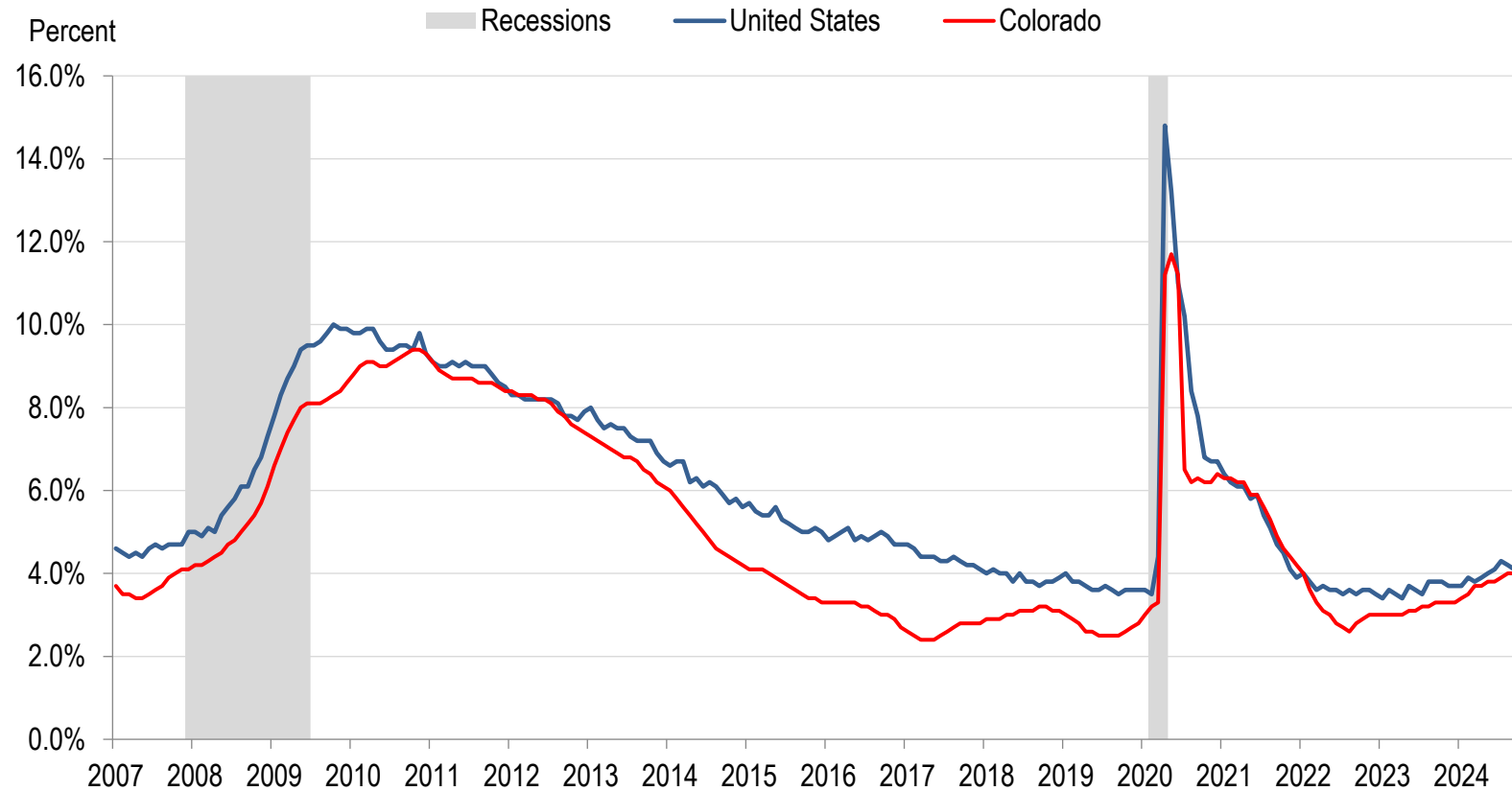
### Sectors with < 145,000 Employment (Sorted by Size)

YOY employment for these nine sectors changed by 12,100, or 1.8%. Employment increased in seven of these areas. The leading sectors in absolute job growth were other services, AER, and MCE. Employment in these three sectors increased by 12,100.

# Unemployment Rate

## United States and Colorado

**U.S. and Colorado Unemployment**



Source: BLS, SA, cber.co.

### Unemployment Rate

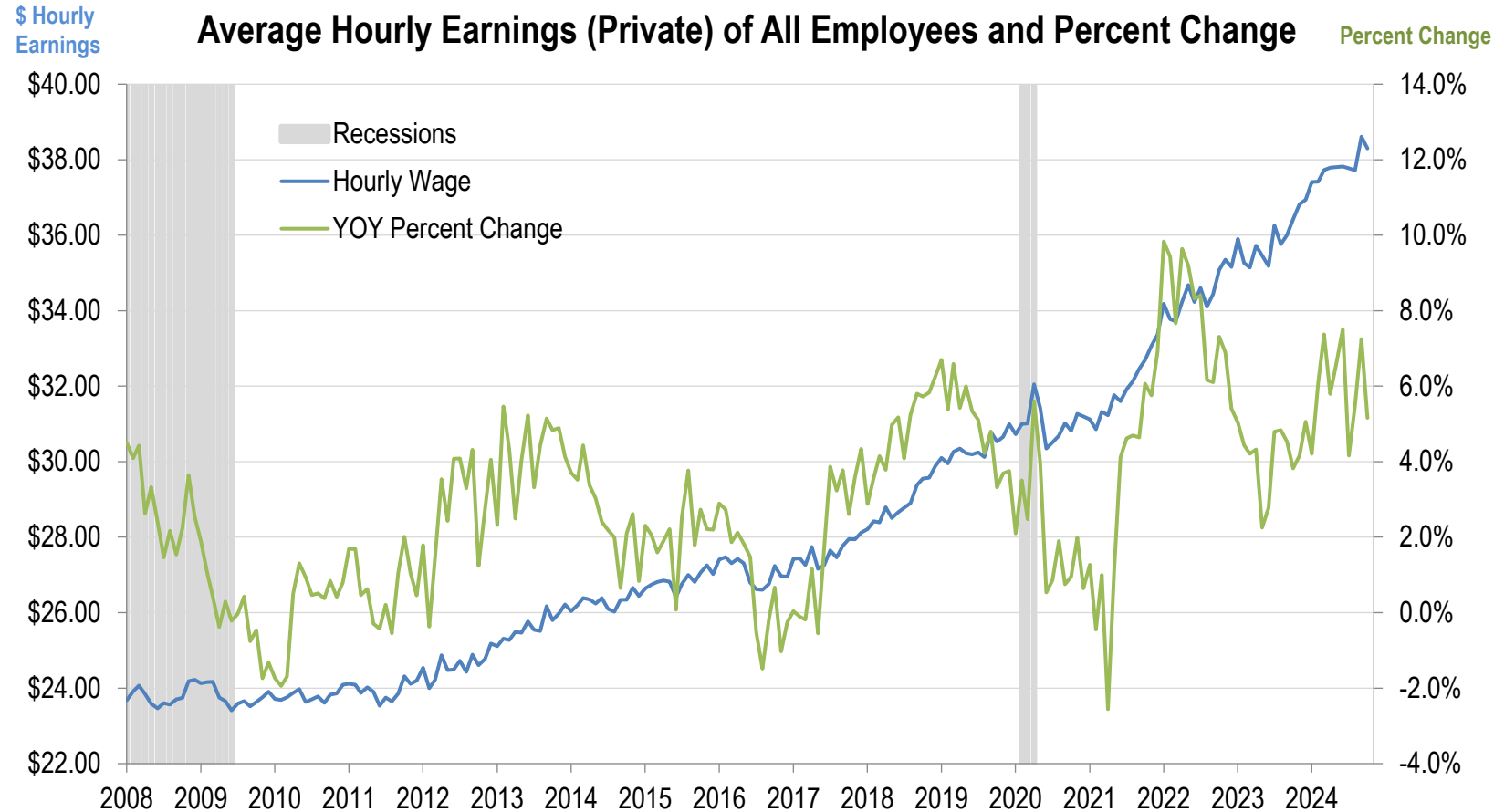
The unemployment rates were 4.1% in Colorado (red) and United States (blue) in October 2024. Both rates have risen significantly since January 2023. Historically, the current rates are low.

For the most recent year, the Colorado unemployment rate for men was 4.3% and 3.8% for women. It was 2.7% for individuals with some college education, 2.5% for a college degree, 4.4% for a high school diploma, and 8.6% for less than a high school diploma.

**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%
2023	3.6%	3.2%

# Average Hourly Earnings of All Employees (Private) Colorado



**Hourly Earnings, Percent Change, and CPI**  
The September 2024 private hourly earnings for Colorado (blue) were \$38.30, a YOY increase of 5.2% (green).

The rate of YOY earnings growth peaked at 9.4% in February 2022. For 2021 through 2023, the change in YOY hourly earnings was less than the increase in inflation. The increase in recent wage rates is above the inflation rate.

**Colorado Hourly 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%
2023	5.2%	\$35.91	4.2%

Source: BLS, cber.co

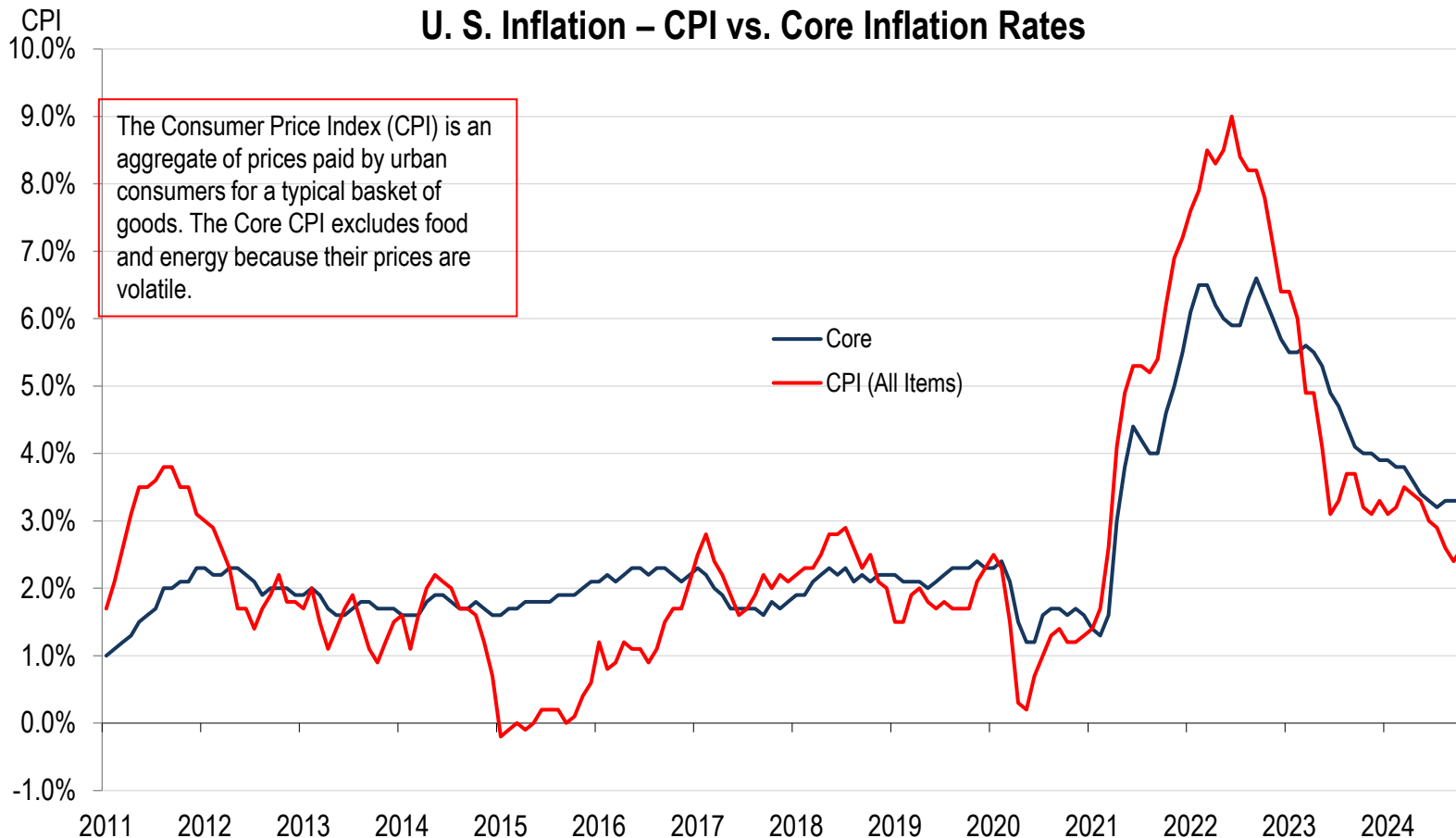
Source: BLS, NSA, cber.co.



## U.S. and Colorado Inflation

# CPI Inflation

## U.S. CPI vs. Core Inflation



### U.S. CPI vs. Core Inflation

In October 2024, the CPI rate (red) was 2.4%, and the core rate (blue) was 3.3%. Neither rate has been below 2.0% since Q1 2021.

The CPI rate peaked at 9.0% in June 2022. By December 2022, the YOY CPI rate had dropped to 6.4%. In December 2023, the rate was 3.3%.

Core inflation peaked at 6.6% in September 2022 and declined to 5.7% in December 2022. In December 2023, it was 3.9%.

The inflation rate is declining; however, consumers have struggled with the accumulated effects of inflation that began in 2021.

# From “Transitory Inflation” to “Accumulated Rate of Inflation”

## Annual Accumulated Rate of Inflation

### Higher for Longer Interest Rates

In 2021, some economists thought inflation was transitory. Next, they thought it would return to the Federal Reserve target rate of 2.0% before December 2023. Instead, consumers have had to deal with the accumulated effects of inflation from 2021 to 2023.

Year	Annual CPI	
	U.S.	Denver MSA
2014	1.5%	2.8%
2015	-0.4%	1.2%
2016	1.0%	2.8%
2017	2.1%	3.4%
2018	2.5%	2.7%
2019	1.7%	1.9%
2020	1.2%	2.0%
2021	5.3%	3.5%
2022	8.5%	8.0%
2023	3.8%	5.2%

Source: BLS, cber.co

### Annual U.S. vs. Colorado CPI Rates

The table above shows the annual Denver MSA CPI was more than the U.S. CPI for eight of the past ten years.

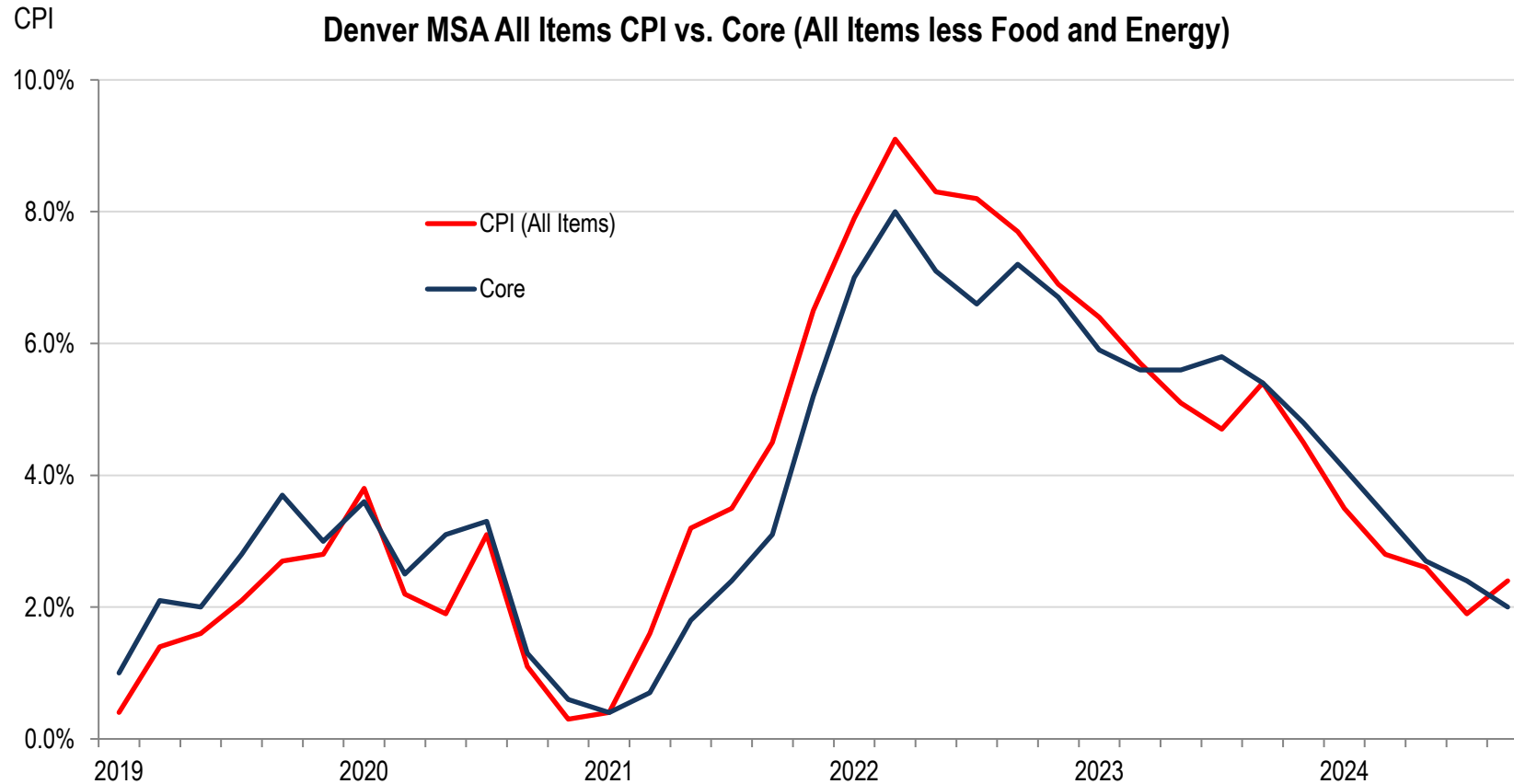
Annual and Accumulated Rate of Inflation – United States and Colorado 2021 to 2023									
United States				Components	Colorado				
2021	2022	2023	All Years		2021	2022	2023	All Years	
4.7%	8.0%	4.1%	17.7%	CPI	3.5%	8.0%	5.2%	17.7%	
3.6%	6.2%	4.8%	15.2%	Core	2.5%	7.1%	5.4%	15.7%	
3.8%	9.6%	5.7%	20.2%	Food and Beverage	2.9%	9.9%	5.9%	19.7%	
3.5%	11.4%	5.0%	21.1%	Food at Home	1.8%	11.1%	4.8%	18.5%	
4.5%	7.7%	7.1%	20.5%	Food Away From Home	4.4%	9.1%	8.0%	23.0%	
3.3%	7.2%	6.4%	17.8%	Housing	1.6%	7.6%	7.8%	17.9%	
7.9%	17.7%	1.6%	28.9%	Household Energy	4.4%	12.3%	11.4%	30.6%	
6.8%	14.5%	2.4%	25.2%	Fuels and Utilities	2.5%	9.8%	10.5%	24.4%	
14.6%	15.5%	0.2%	32.6%	Transportation	13.0%	12.7%	2.2%	30.2%	
13.7%	11.9%	-0.4%	26.8%	New and Used Motor Vehicles	8.2%	13.4%	-0.1%	22.6%	
35.8%	32.1%	-10.6%	60.4%	Motor Fuel	41.9%	21.1%	-5.6%	62.3%	

### Accumulated Rate of Inflation

Inflation had a different impact on the various CPI components. For example, there was a temporary increase in sporting goods and appliance prices. The price increases for medical care, professional services, recreation, and wireless phone services were minimal. Price increases in many essential components, such as food, housing, and fuel, are shown in the table above. U.S. motor vehicle insurance increased by 31.5% for all years. The primary reasons were the integration of artificial intelligence, advanced technology, and the high costs of electric vehicles. Sometimes, deflation occurs, and prices decrease. Disinflation is more likely to occur. Prices will continue to increase but at a slower rate.

# Bi-Monthly Change in Denver MSA CPI

## All Items vs. Core



### Denver MSA CPI vs. Core Inflation

The Denver MSA inflation rate is generally higher than the U.S. rate, but the trend reversed recently.

The U.S. CPI September rate was 2.4%, and the Denver MSA rate was 1.4%. The U.S. September core rate was 3.3% compared to 2.0% for the Denver MSA.

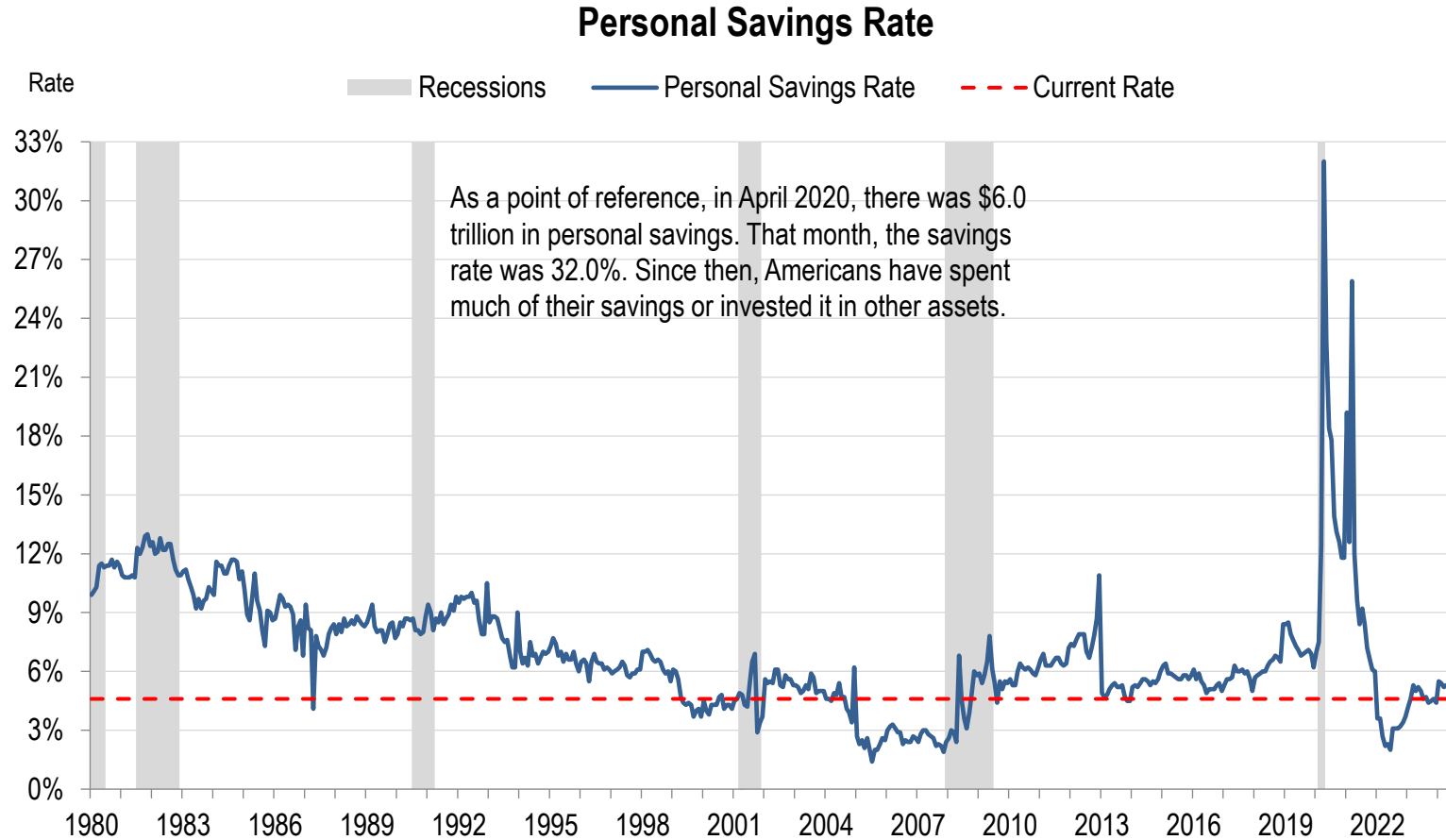
Note that the Denver MSA rate is only published bi-monthly and is NSA.

Source: Bureau of Labor Statistics, CPI All Items, NSA, Note: Colorado NSA data is only available on a bi-monthly basis since 2019, cber.co.

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

# U.S. Personal Saving Amount and Rate

## Percentage of Disposable Personal Income (DPI)



### Personal Saving Rate

Americans have cleared out their savings accounts. The September 2024 personal savings rate was 4.6%, and savings were \$1,000.1 billion.

Since 2022, the highest level of savings was in January 2024. Savings were \$1,173.5 billion, and the savings rate was 5.3%.

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

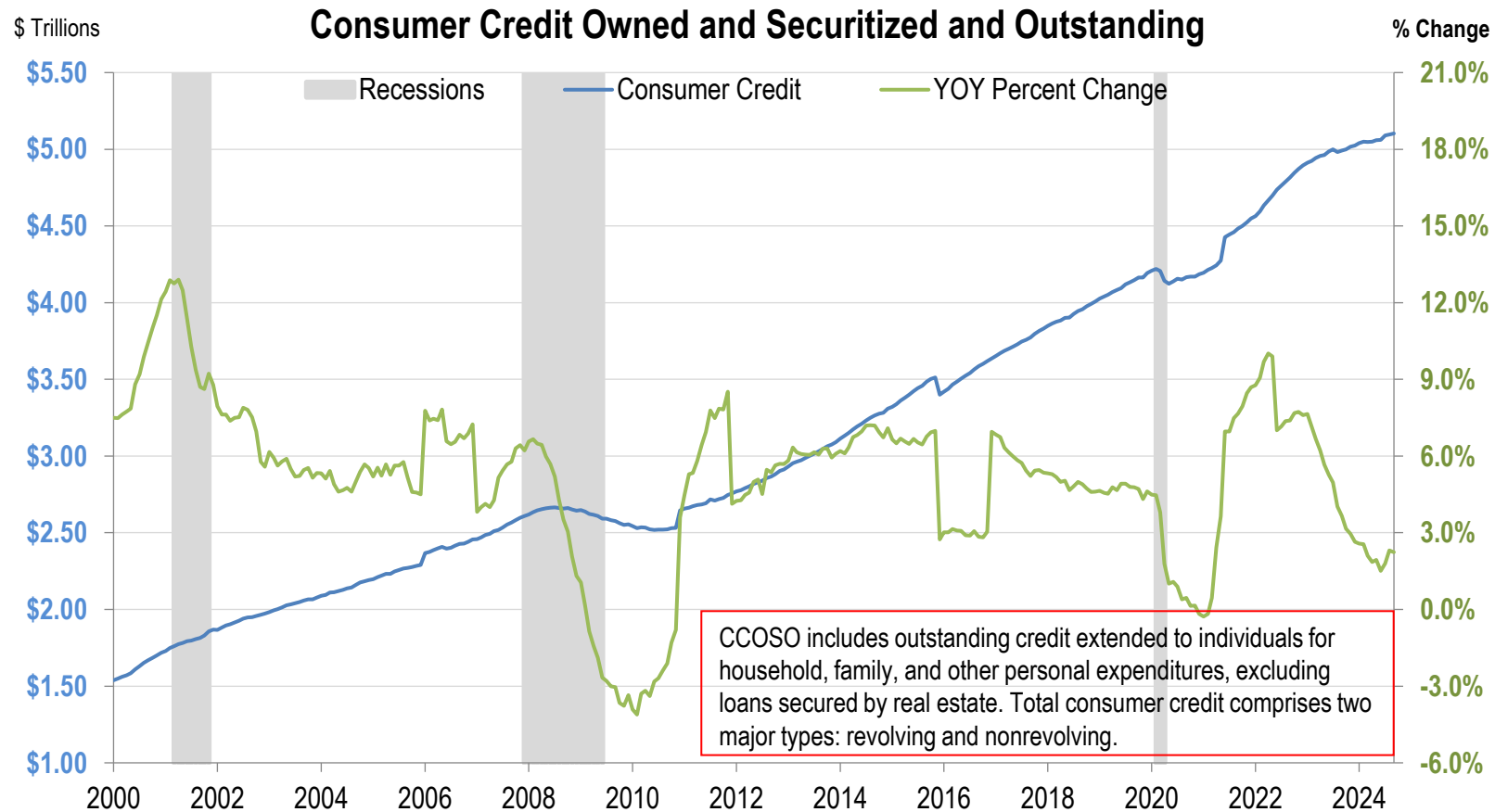
2017	\$748.0	5.0%
2018	\$1,338.9	8.4%
2019	\$1,051.4	6.4%
2020	\$2,085.0	12.0%
2021	\$1,115.2	6.1%
2022	\$561.9	3.4%
2023	\$766.0	3.7%

Source: BEA, cber.co

Source: Federal Reserve, FRED, cber.co. Note: In October 2024 the data going back to 2019 was updated.

# U.S. Consumer Credit Outstanding

## United States



### Consumer Credit

In September 2024, the YOY rate of outstanding consumer credit (including consumer loan defaults) increased by 2.2% (green). Securitized credit is more than 5.1 trillion. It has been above \$5.0 trillion since November 2023 (blue).

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).

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

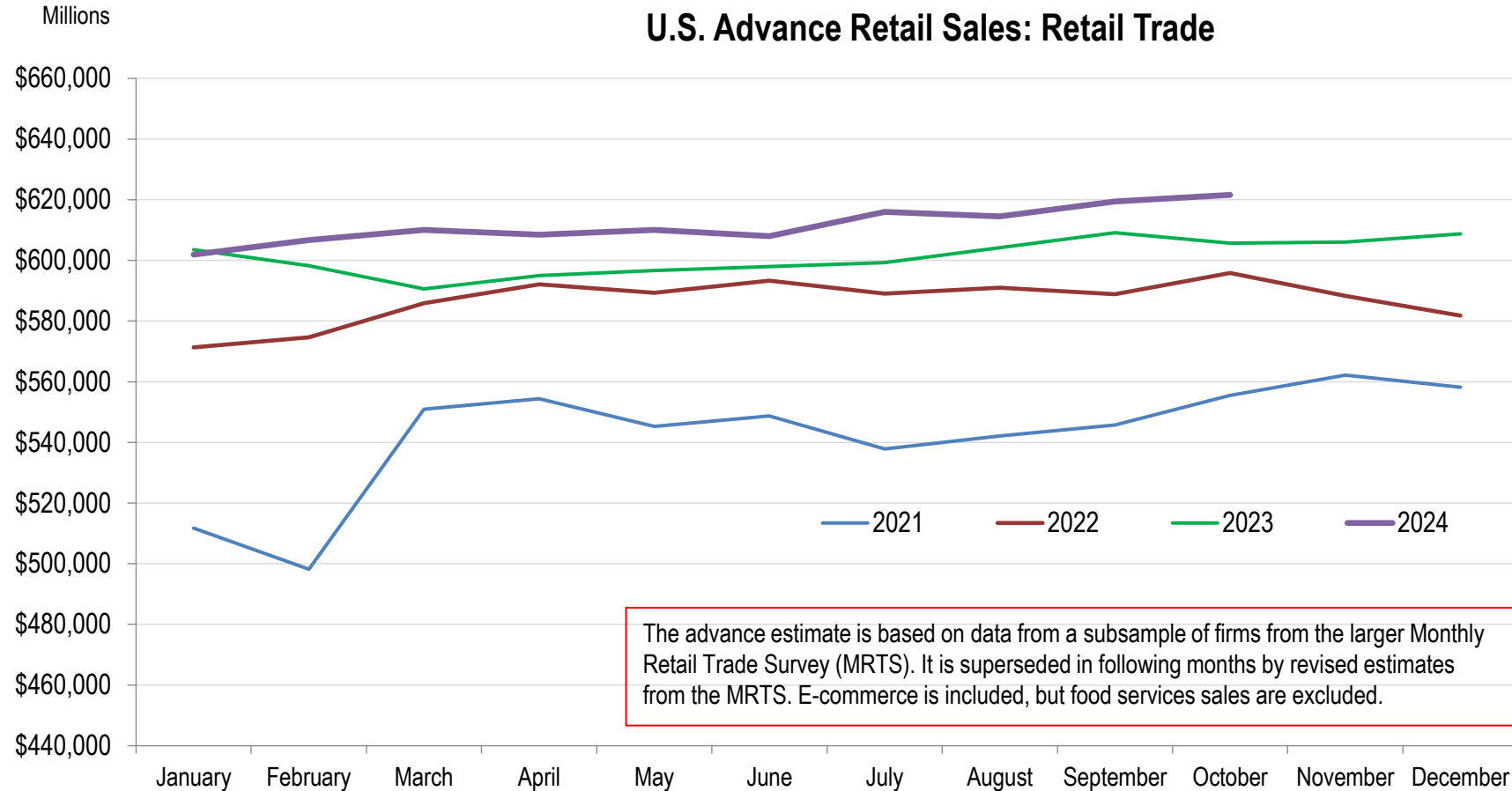
2017	\$3,738.3	5.9%
2018	\$3,922.6	4.9%
2019	\$4,106.3	4.7%
2020	\$4,168.2	1.5%
2021	\$4,375.6	5.0%
2022	\$4,735.8	8.2%
2023	\$4,969.9	4.9%

Source: FRED, G-19, cber.co

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

# U.S. Advance Retail Sales: Retail Trade

## Monthly



### Advance Retail Sales

Retail sales were weak in 2023 and the first quarter of 2024. YTD sales through October (purple) were 1.9% greater than for the same period in 2023 (green).

Consumers are spending, but they are selective in their purchases.

### Annual Retail Sales (Trillions)

2017	\$5.04	4.4%
2018	\$5.25	4.2%
2019	\$5.40	2.8%
2020	\$5.56	3.0%
2021	\$6.51	17.0%
2022	\$7.04	8.2%
2023	\$7.21	2.4%

Source: Census, cber.co

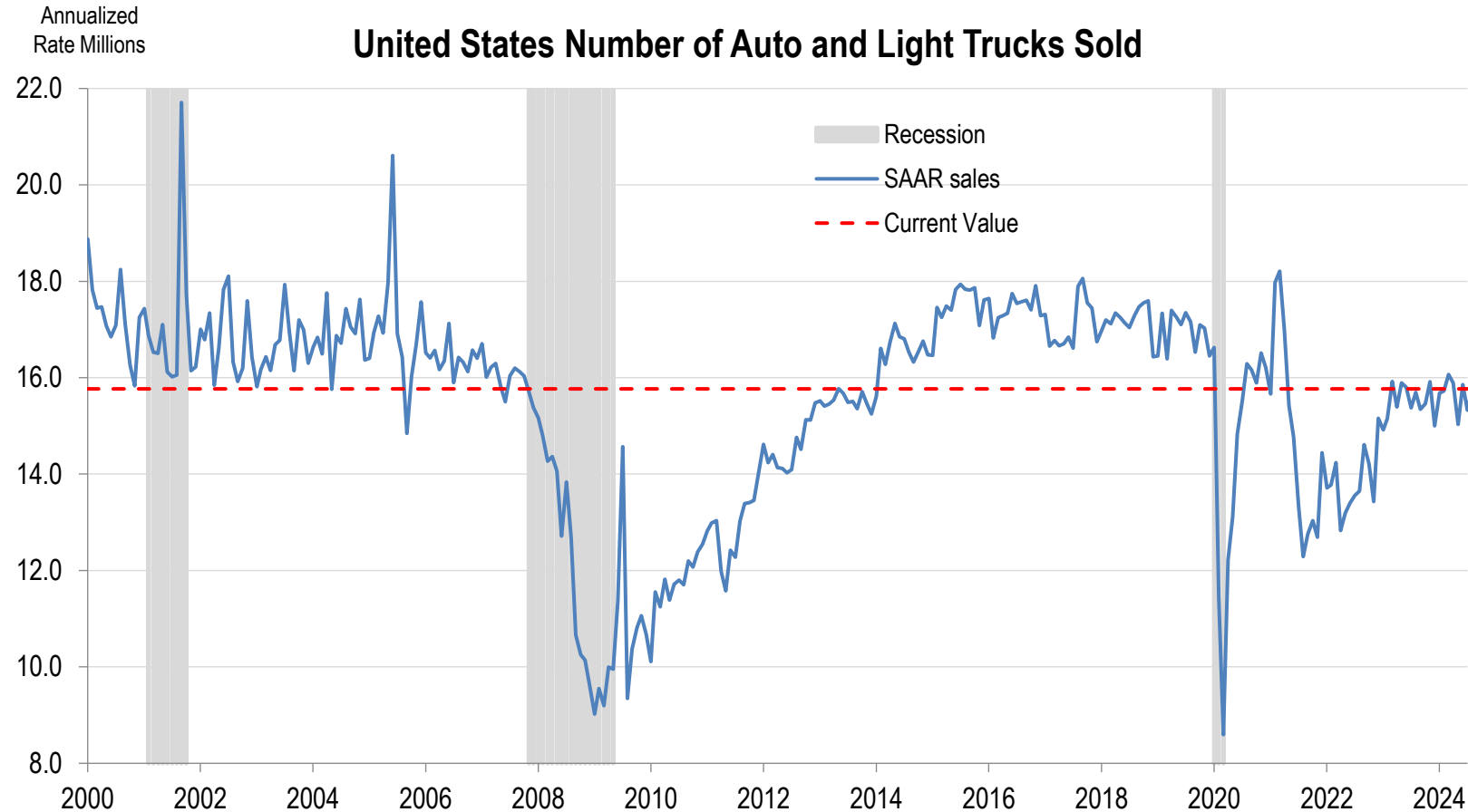
Source: U.S. Census Bureau, FRED, cber.co. Data updated in April 2024. Note: Not adjusted for inflation.

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

## Monthly (Seasonally Adjusted Annualized Rate in Millions)



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

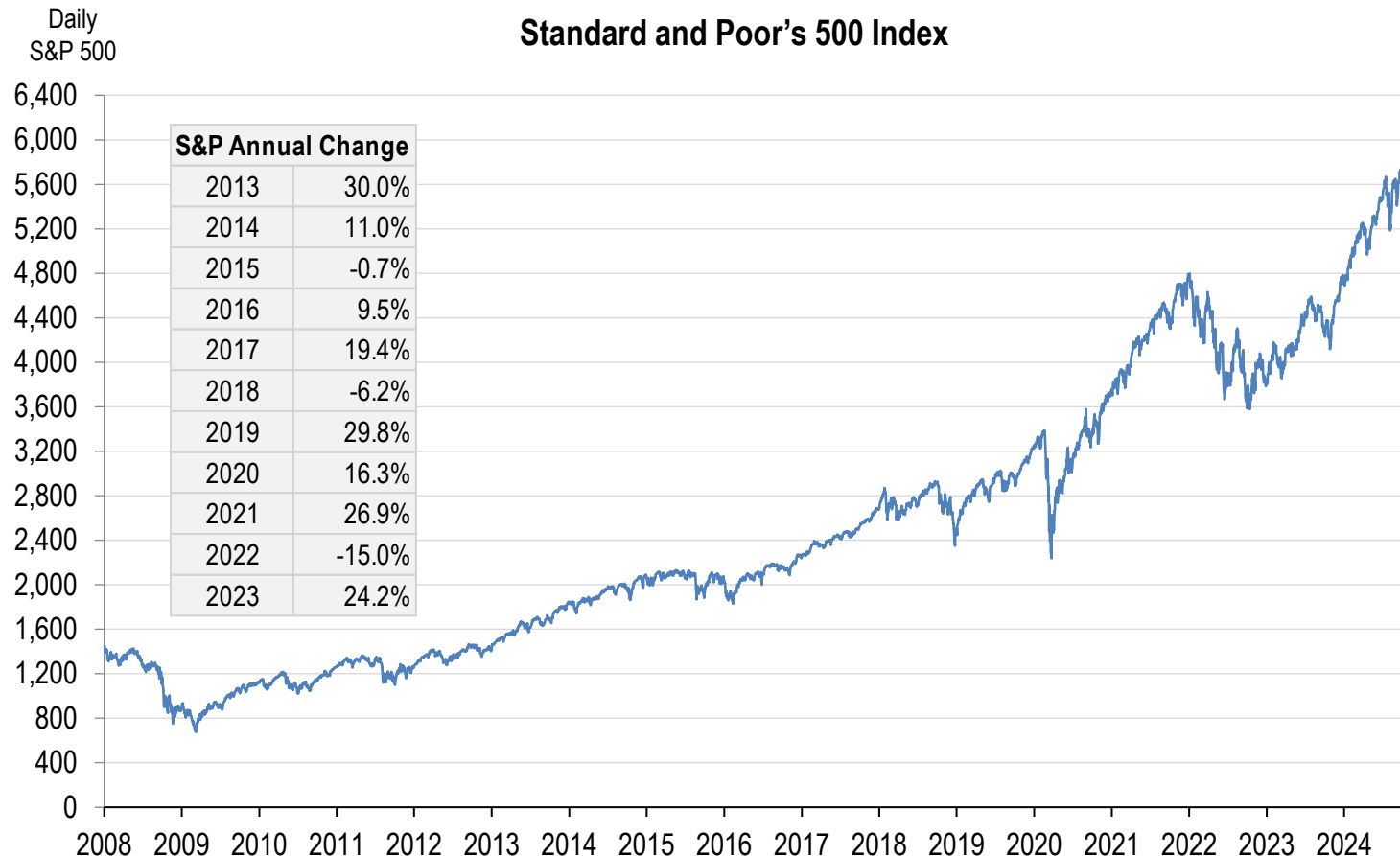
Colorado-based Business and Economic Research <https://cber.co>

### Auto and Light Truck Sales SAAR

In September 2024, auto and light truck sales increased to 15.8 million (red dotted line). Monthly unit sales in 2023 and 2024 are flat. They have been between 14.8 and 16.2 million. The industry faces challenges from elevated interest rates, high prices, high insurance costs, and a lack of enthusiasm for electric vehicles.

ALT Unit Sales	
Year	Units Sold (Millions)
2016	17.5
2017	17.2
2018	17.2
2019	17.0
2020	14.5
2021	14.9
2022	13.8
2023	15.5

# Standard and Poor's 500 Index



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

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## 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%**

### 2021 COVID Recovery 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

Helped by a Santa Claus rally in December  
 December 29, 2023 4,739, a change of **+24.2%**

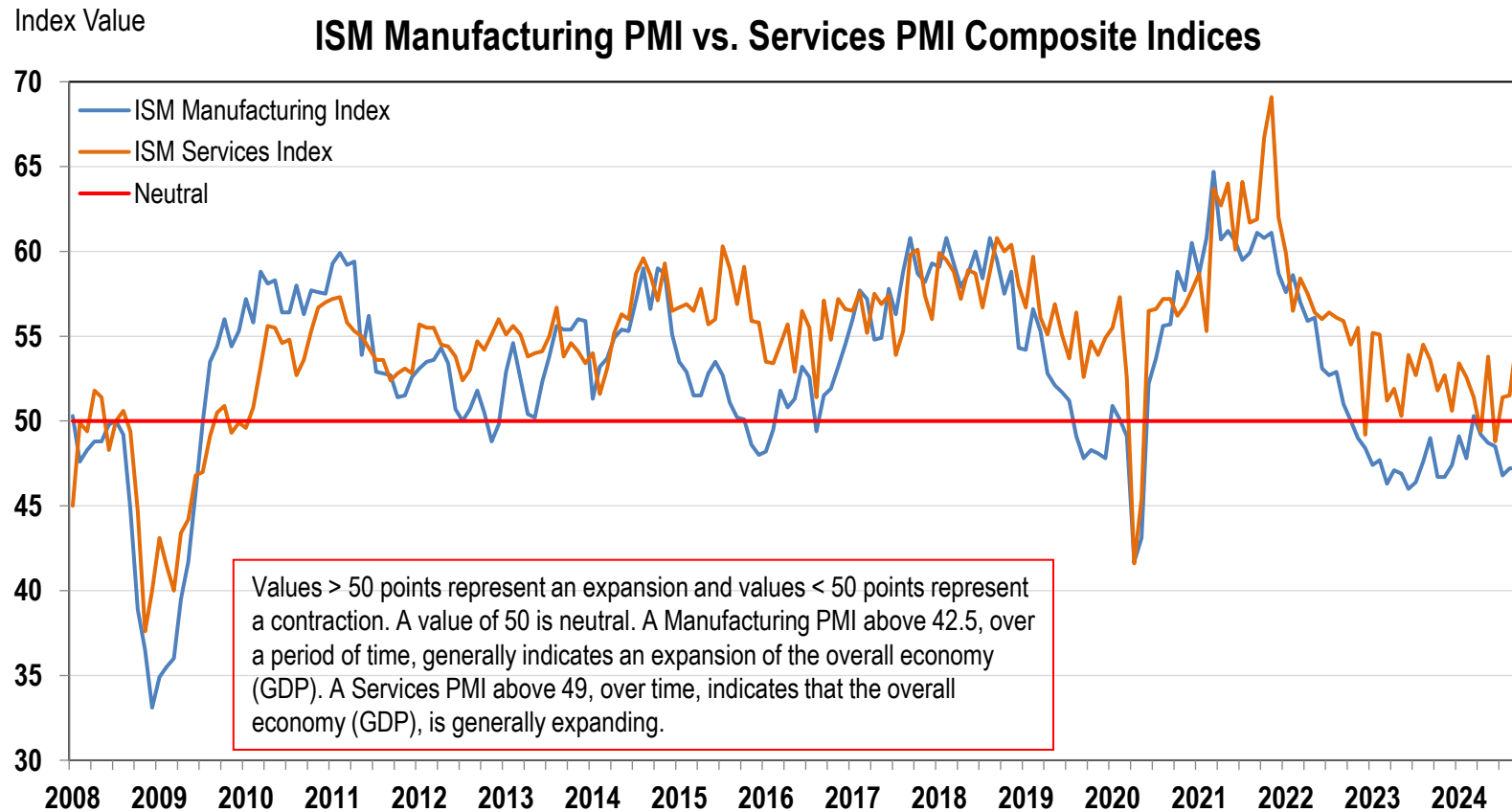
### 2024 Bull Market

November 18, 2024 5,894, YTD change **+23.6%**.

## U.S. Indicators

# ISM Purchasing Managers Composite Indices

## Manufacturing vs. Services



### Manufacturing and Services PMI

The ISM manufacturing index (blue) was below 50 for 16 months before posting 50.2 in March 2024.

Since April, it has been below 50 and was 46.5 in October. Demand continued to be weak, outputs declined, and inputs pointed to more growth in the future.

In November 2021, the ISM service index (orange) peaked at 69.1. In 2024, the index has been between 48.8 and 56.0. In October, it rose to 56.0. It has been above 50 for 50 of the past 53 months.

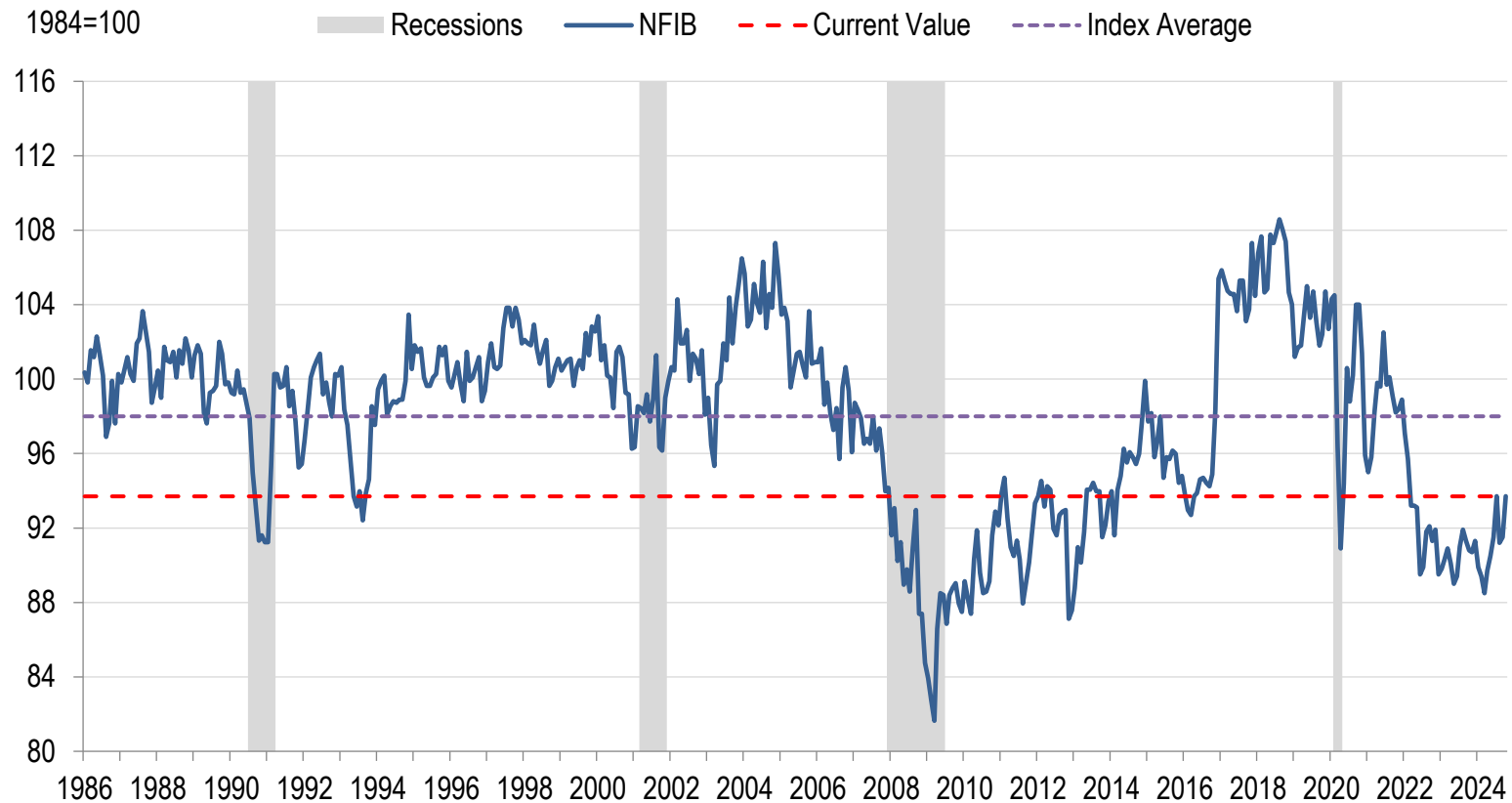
In October, fourteen service industries posted gains, and two reported declines. Business activities, new orders, and employment were solid in October.

Source: Institute of Supply Management, cber.co.

# NFIB Small Business Optimism Index

## United States

### NFIB Small Business Optimism Index



Source: NFIB, cber.co.

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

### NFIB Small Business Index

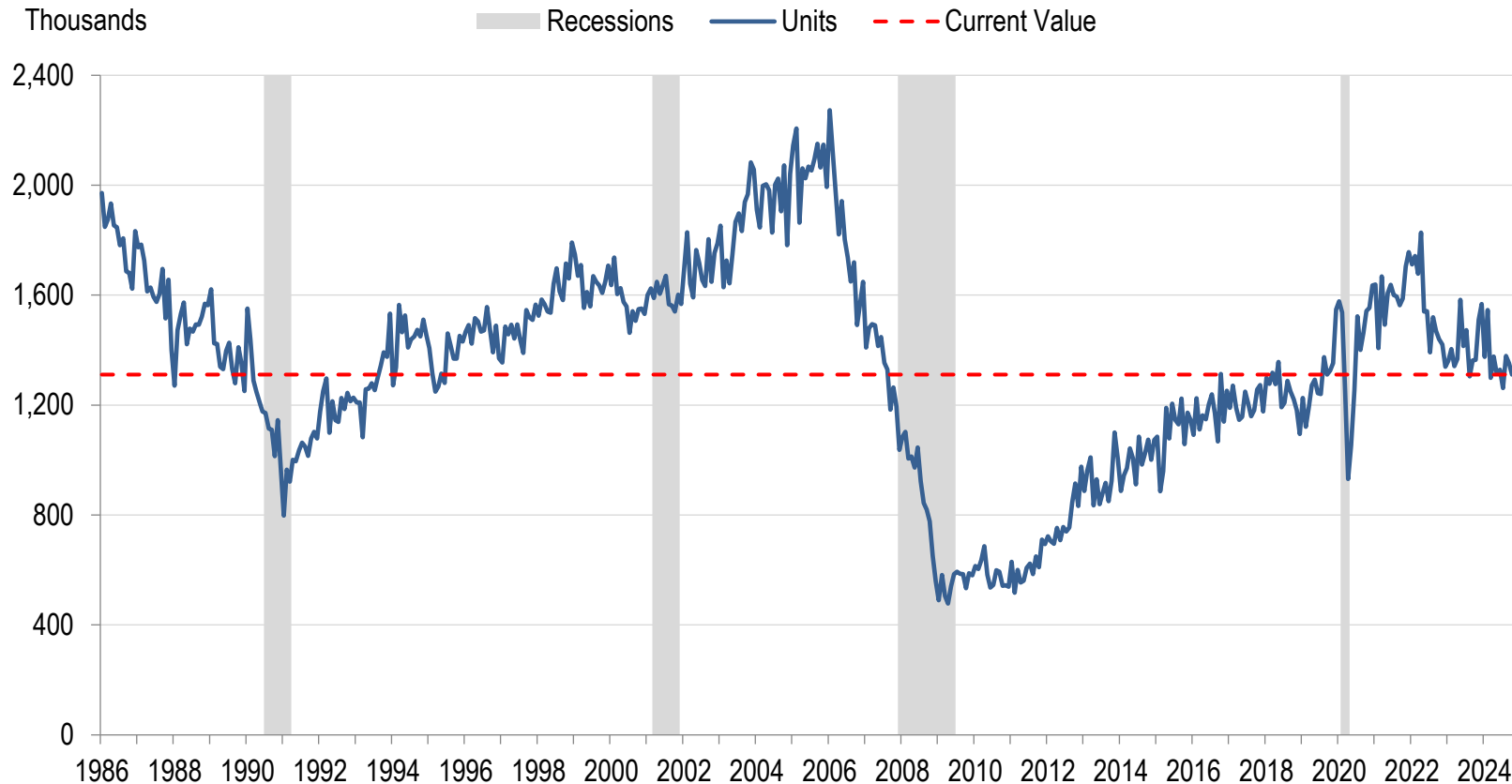
In October 2024, the NFIB index rose slightly to 93.7 (red dotted line), the 34<sup>th</sup> consecutive month below the 50-year average of 98.0 (purple dotted line). Nine of the ten index optimism components increased, zero decreased, and one was unchanged.

Uncertainty has been at a record-high level. That will change now that the election is over. There is concern about government spending and increased government employment. Demand for workers is high, but the supply of qualified workers is weak. For more details, the NFIB monthly SBET report is available at <https://www.nfib.com/>.

# New Privately-Owned Housing Units Started

## United States

**New Privately Owned Housing Units Started**



**New Privately Owned Housing Units Started**

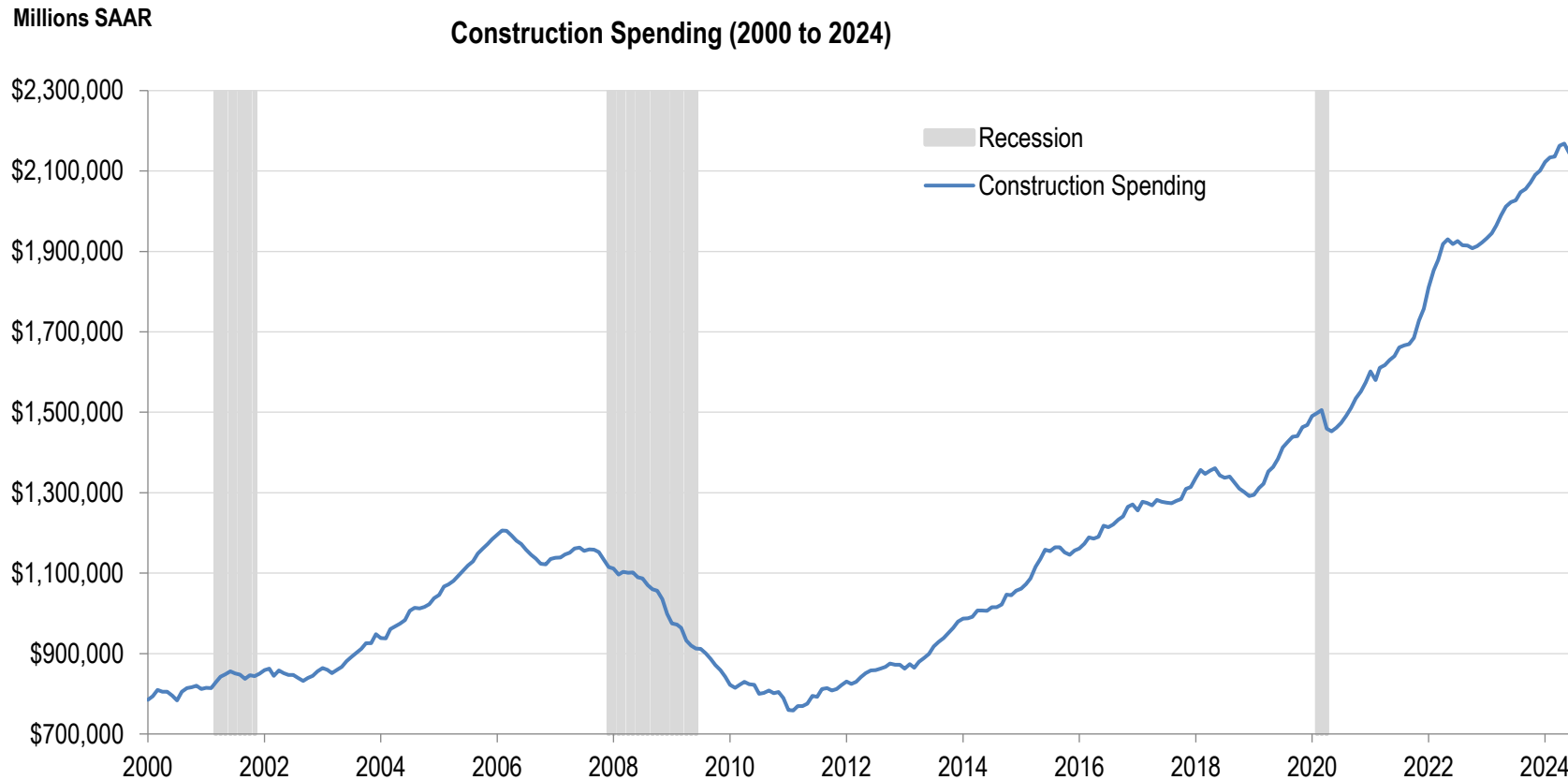
The demand for housing is high. The number of units will be impacted by changes in interest rates and the hurricanes in the South, There were only 1.31 million starts in October 2024 (red-dotted line). Since 2019, the number of housing starts has been volatile. Starts have been below 2.3 million units SAAR since July 2006. The peak since that date was 1.8 million units in April 2022.

Units Started (Annual)			
Year	Units	Year	Units
2005	2,073	2016	1,177
2006	1,812	2017	1,205
2007	1,342	2018	1,247
2008	900	2019	1,292
2009	554	2020	1,397
2010	586	2021	1,606
2011	612	2022	1,551
2012	784	2023	1,415
2013	928		
2014	1,000		
2015	1,107		

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

# Construction Spending

## United States



### Construction Spending

Construction spending for September 2024 was \$2.15 trillion.

A portion of this spending represents Federal funds that have supported the construction of manufacturing facilities (CHIPS Act) since 2022.

Construction spending trended down beginning in May 2022 and remained stagnant through the end of the year. Spending was solid in 2023 but turned flat in mid-2024.

Source: FRED, U.S. Census Bureau, Note: Spending is Seasonally Adjusted Annualized Rate, cber.co.

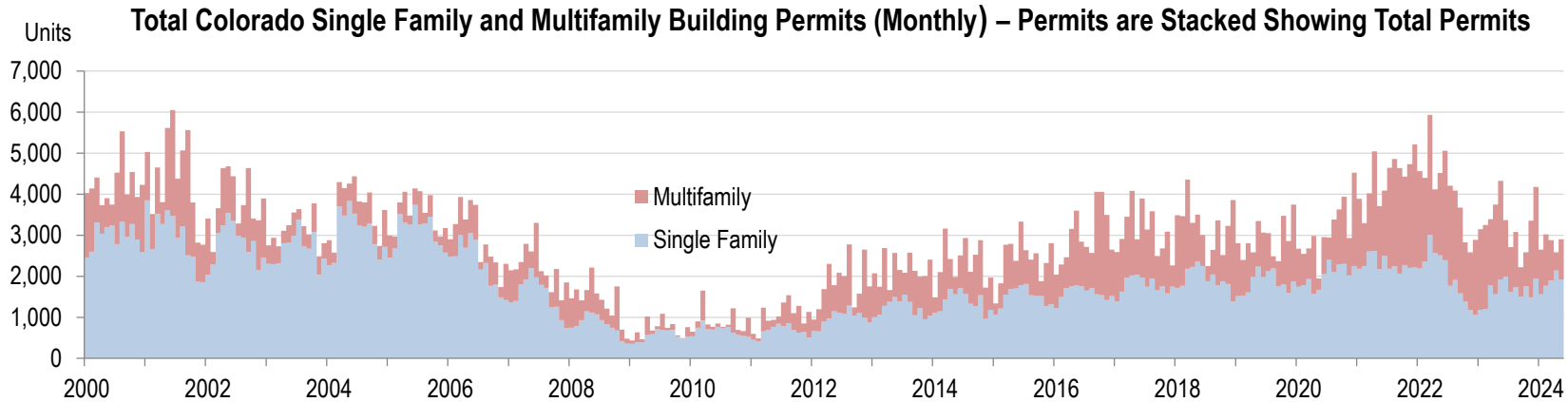
Colorado-based Business and Economic Research <https://cber.co>

## Colorado Indicators

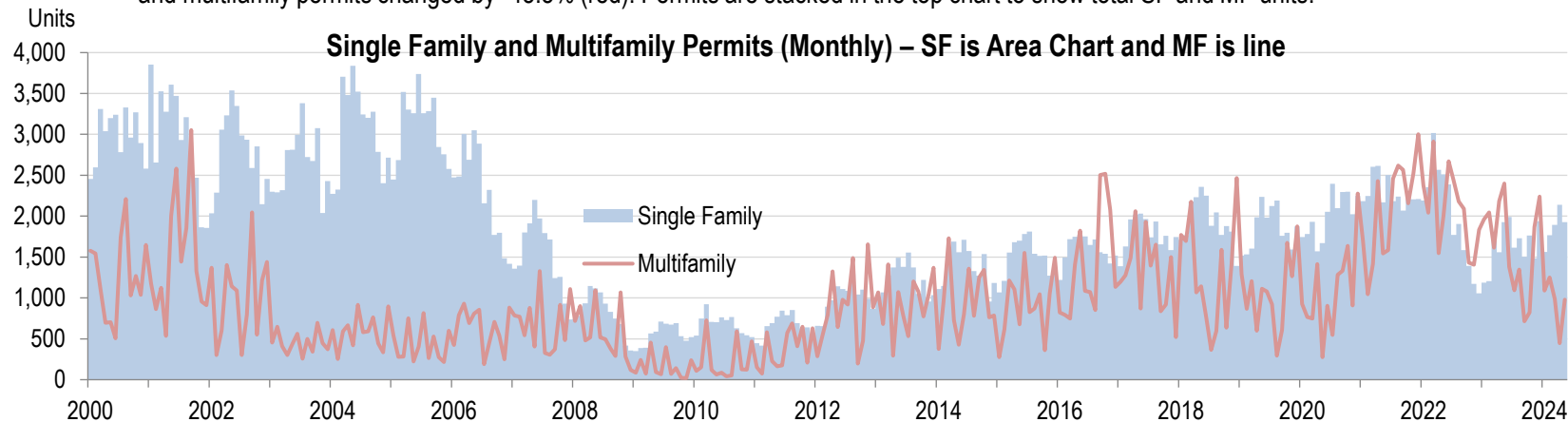


# Colorado Residential Building Permits

## Single Family and Multifamily Units



The total number of single-family permits for the first nine months of 2024 changed by +8.1% (blue) compared to the same period in 2023, and multifamily permits changed by -45.5% (red). Permits are stacked in the top chart to show total SF and MF units.



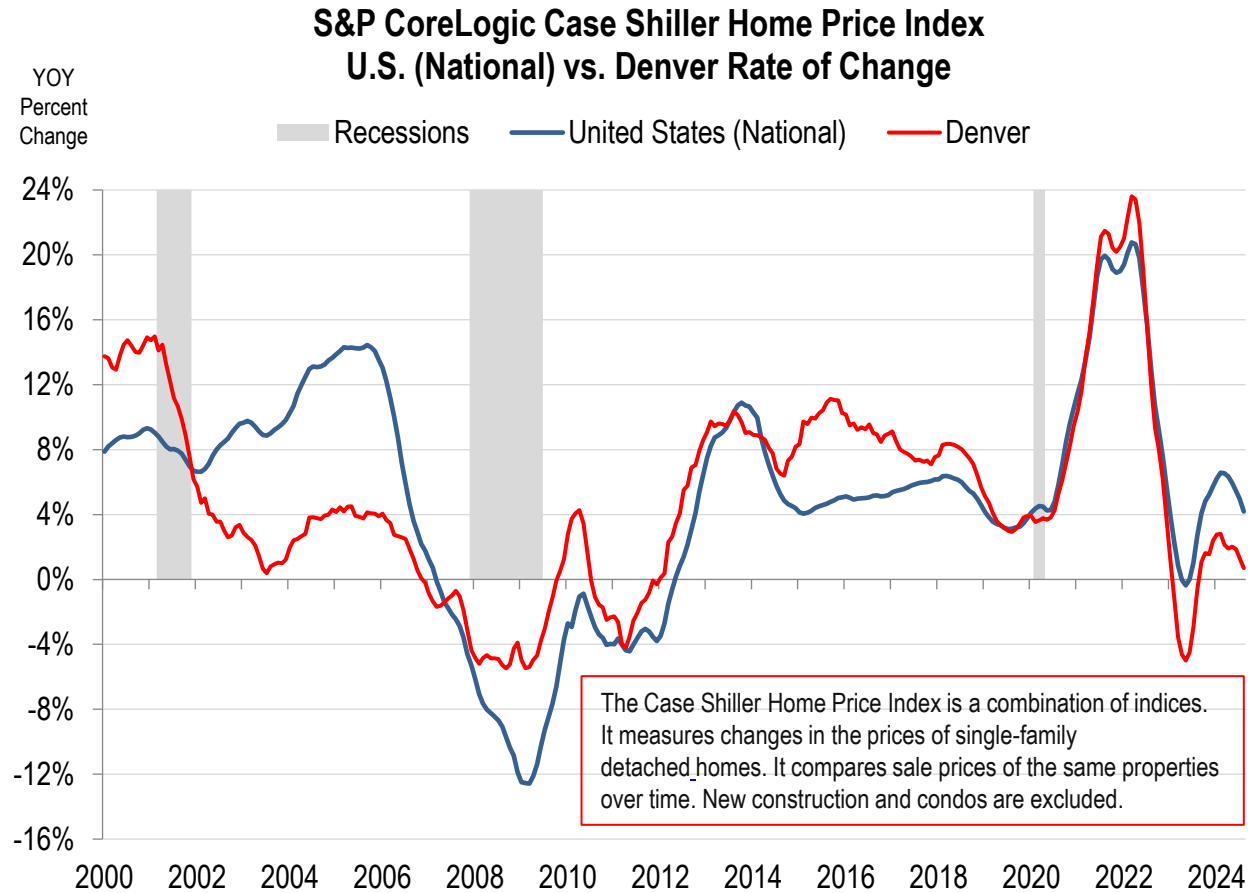
Annual Building Permits		
Year	Single Family	Multi-Family
2000	38,588	16,008
2001	36,437	18,570
2002	35,042	12,878
2003	33,894	5,732
2004	40,753	5,746
2005	40,018	5,732
2006	30,365	7,978
2007	20,516	8,938
2008	11,147	7,851
2009	7,261	2,094
2010	8,790	2,801
2011	8,729	4,779
2012	12,618	10,684
2013	15,773	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-based Business and Economic Research <https://cber.co>

# Case Shiller Home Price Index

## YOY National vs. Denver Rate of Change



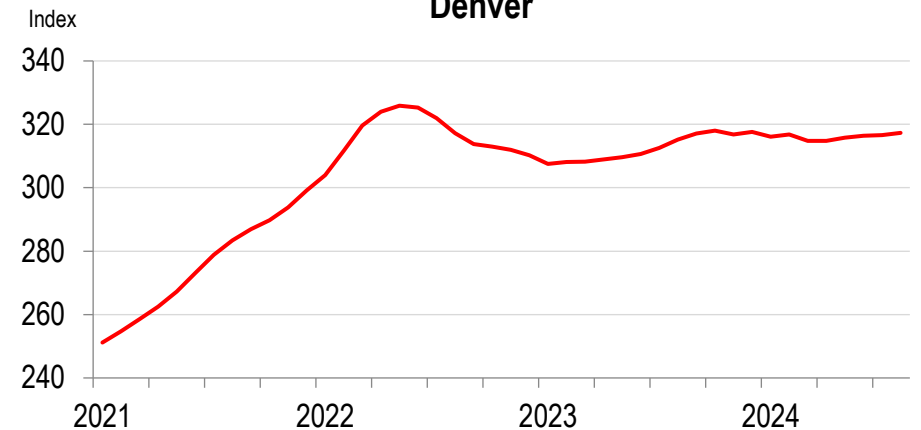
Source: FRED, S&P Case Shiller, cber.co.

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

In August 2024, the YOY change in the U.S. index (blue) was +4.2%, and the Denver index (red) changed by 0.7%. (The Denver index is in the chart below). Note that the value for August 2024 is lower than the peak in May 2022.

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 Denver and the U.S. peaked above 20.0%.

### S&P CoreLogic Case Shiller Home Price Index - Denver



# Colorado Single Family Market Review

## October

Colorado Single Family Market Review						
October 2023	October 2024	% Change		YTD 2023	YTD 2024	% Change
6,239	7,496	20.1%	<b>New Listings</b>	73,637	82,234	11.7%
4,566	5,949	30.3%	<b>Pending/Under Contract</b>	56,543	58,799	4.0%
4,995	5,850	17.1%	<b>Sold Listings</b>	55,611	55,985	0.7%
\$ 570,000	\$ 583,000	2.3%	<b>Median Sales Price</b>	\$ 565,400	\$ 580,000	2.6%
\$ 765,399	\$ 770,088	0.6%	<b>Average Sales Price</b>	\$ 724,529	\$ 748,480	3.3%
98.4%	98.3%	-0.1%	<b>Percent of List Price Received</b>	99.1%	98.9%	-0.2%
51	59	15.7%	<b>Days on Market Until Sale</b>	48	52	8.3%
66	72	9.1%	<b>Housing Affordability Index</b>	67	72	7.5%
17,294	19,153	12.9%	<b>Inventory Active Listings</b>			
3.2	3.6	12.5%	<b>Months Supply of Inventory</b>			

### Colorado Single Family Market Review

The YTD new listings and pending contracts have risen in 2024, although sold listings are flat. Median sales prices are higher than a year ago. In October 2024, there were 3.6 months of inventory.

Lower interest rates are likely to improve the performance of the Colorado residential real estate market.

**New Listings** – Measures new supply coming onto market.

**Pending/Under Contract** – A leading indicator of buyer demand.

**Sold Listings** – Home sales that are closed during the period.

**Median Sales Price** – Half of the activity is above the median and half of the activity is lower than this price point.

**Average Sales Price** – The sum of all home sales prices divided by the number of houses sold.

**Percent of List Price Received** – The percent difference from the last list price and the sales price.

**Days on Market Until Sale** – The average number of days it takes homes to sell.

**Affordability Index** – A higher number means greater affordability.

**Inventory of Active Listings** – The number of homes available for sale at a given time. This may affect home prices.

**Supply of Inventory** – Measure of the balance between buyers and sellers. A balanced market ranges from four to seven months. A buyer's market has a higher number.

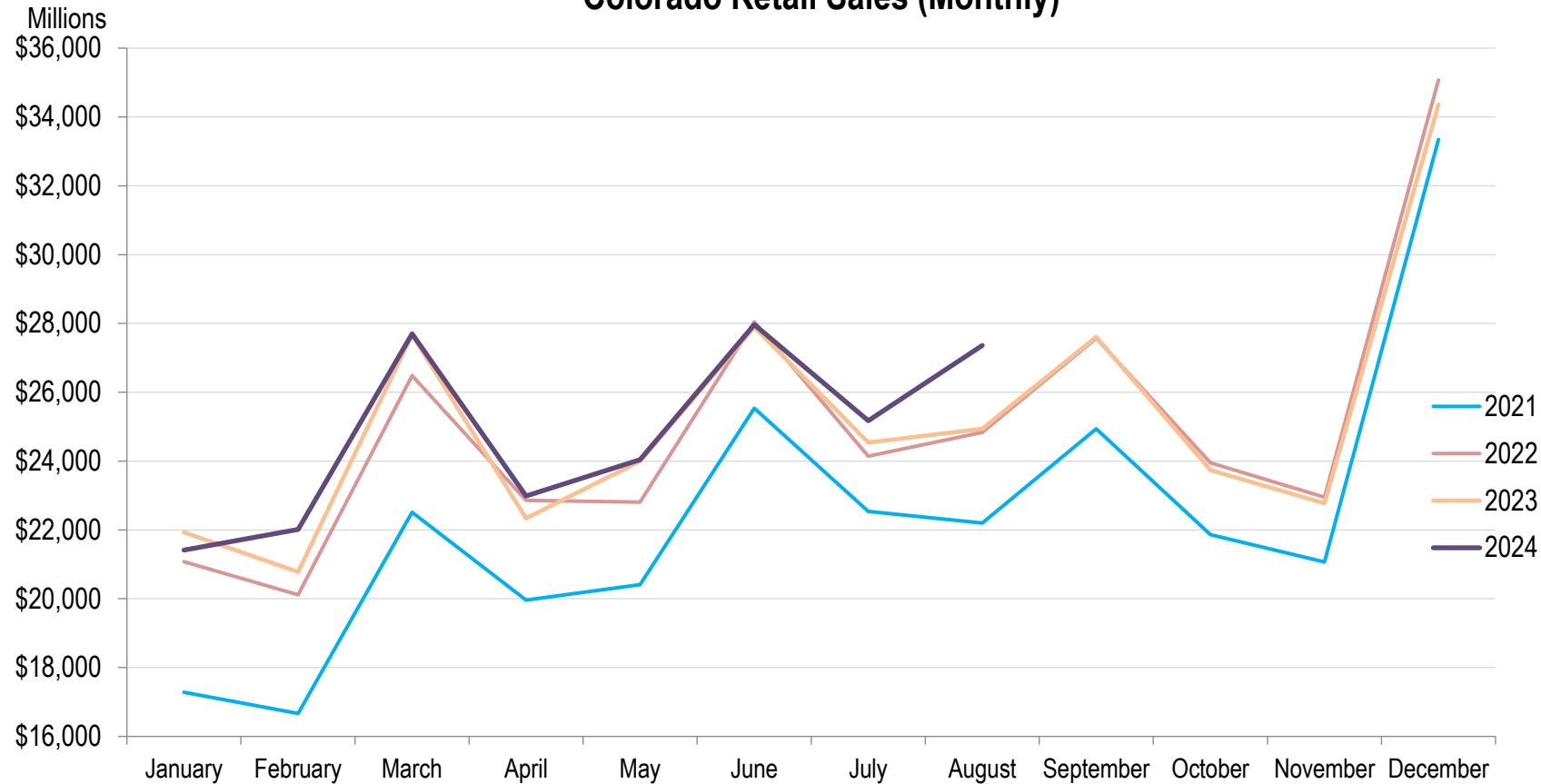
Source: CAR, <https://coloradorealtors.com/cber.co>.

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

# Colorado Retail Sales

## Monthly

Colorado Retail Sales (Monthly)



**Colorado Retail Sales**  
 Year-over-year retail sales through August 2024 (dark purple) were 2.3% greater than the same period in 2023.

August 2024 sales were 9.7% greater than August 2023.

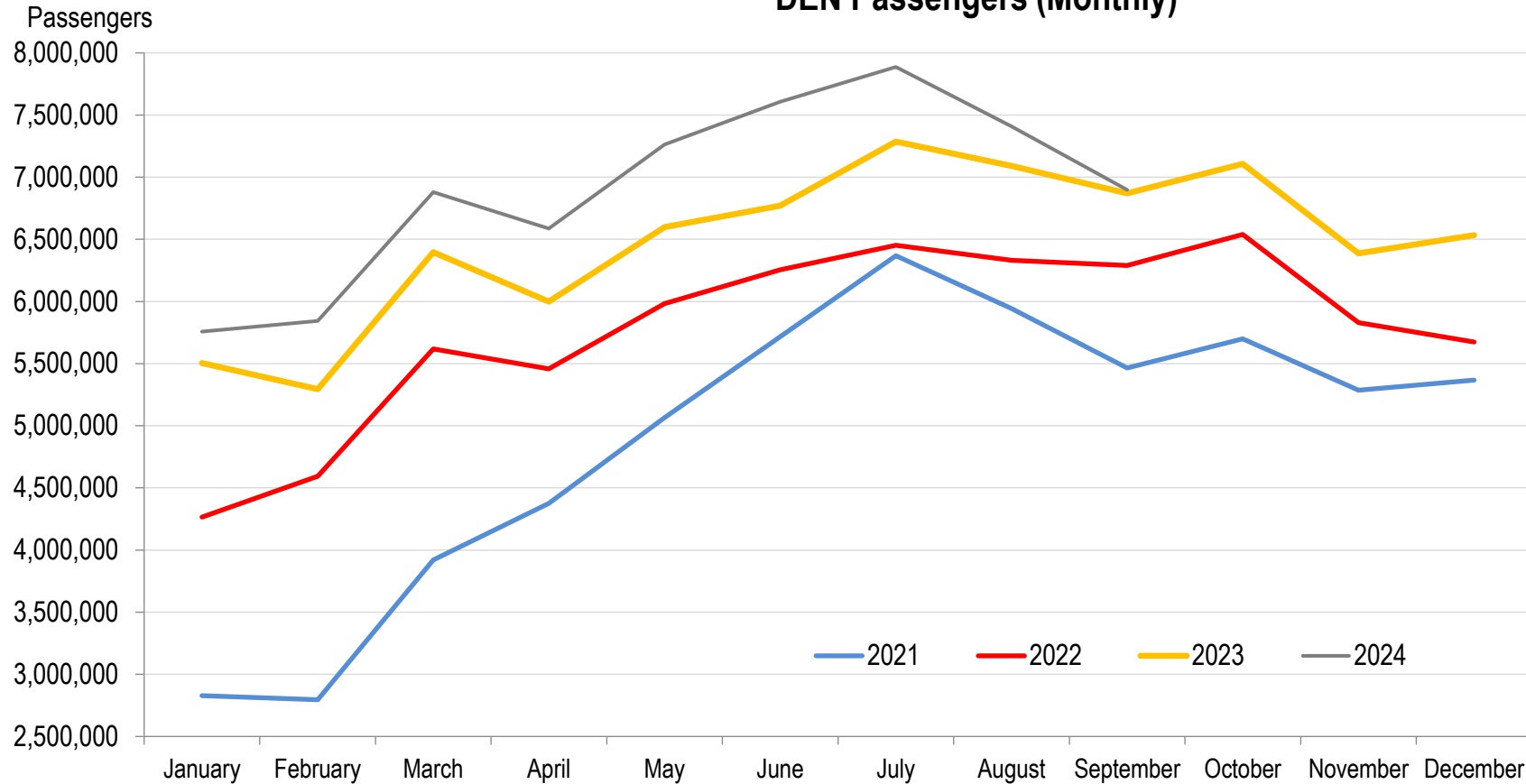
Annual Retail Sales (Billions)		
2017	\$194.6	5.4%
2018	\$206.2	5.9%
2019	\$224.6	9.0%
2020	\$228.8	1.9%
2021	\$268.3	17.3%
2022	\$299.9	11.8%
2023	\$302.6	0.9%

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

# DEN and COS Passengers

## Monthly

**DEN Passengers (Monthly)**



**Air Travel**

There were 62.1 million passengers through DIA in the first nine months of 2024 (grey line), an increase of 7.5% compared to the first nine months of last year.

There were 2.3 million passengers through COS in 2023. Through nine months in 2024, there were 1.86 million passengers, a YOY increase of 9.6%.

In September, there was a slowdown in the number of passengers at both airports.

Year	DIA Passengers
2016	58,266,515
2017	61,379,396
2018	64,494,613
2019	69,015,703
2020	33,741,129
2021	58,828,552
2022	69,286,461
2023	77,837,917

Source: flydenver.com, <https://www.flydenver.com/about-den/governance/reports-and-financials/>, administration/governance, COS airport, <https://coloradosprings.gov/flycos/monthly-traffic-reports>, cber.co.

## Colorado Forecast

# Colorado Economic Forecast 2024

In 2024, Colorado's Real GDP growth will increase by 2.5%, similar to the U.S. rate.

The job market will taper off to about 44,000 in 2024. The unemployment rate will increase significantly but remain lower than the U.S. rate.

Consumers will continue to be resilient. Retail sales for 2024 will improve, but they will remain sluggish. The inflation rate has declined, but the accumulated effect is problematic for many. Other challenges include high energy costs, lack of affordable housing, and labor shortages.

<b>Colorado Economic Forecast</b>					
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	
Real GDP Value (billions) (chained 2017)	\$406.96	\$416.11	\$430.20	\$441.00	
% Change Real GDP	6.8%	2.2%	3.4%	2.5%	
CES Employment (thousands)	2,750.9	2,869.7	2,942.0	2,986.0	
Annual Change (thousands)	98.2	118.8	72.3	44.0	
% Change	3.7%	4.3%	2.5%	1.5%	
Unemployment Rate	5.5%	3.1%	3.2	3.7%	
Retail Sales (billions)	\$268.3	\$299.9	\$302.6	\$308.8	
% Change	17.3%	11.8%	0.9%	2.0%	
Consumer Price Index (CPI)	281.8	304.4	320.3	331.0	
	3.5%	8.0%	5.2%	3.3%	
DIA Passengers (millions)	59.0	69.0	77.8	82.0	
Single Family (SF) Permits	30,246	24,000	20,000	20,000	
Multi-family (MF) Permits	26,278	25,000	19,000	12,000	
Oil Production (thousands) barrels	153,423	160,149	163,932	165,000	

More than 80 million passengers will pass through DIA in 2024. There will be increased travel activity at the Colorado Springs (COS) airport.

The total number of SF and MF 2024 building permits will be less than in 2023. There will be much weaker MF growth. The construction (housing) and real estate markets will remain volatile in 2024. Office vacancies will remain at high levels.

Annual production of crude oil has stabilized at more than 160 million barrels. Fossil fuels will play an integral role in the U.S. and Colorado economies in the future.

## Economic Development in Colorado



# Economic Development in Colorado

## OEDIT Advanced Industries Early-Stage Capital and Retention Grant Program

### OEDIT Advanced Industries Program

The Advanced Industries Early-Stage Grant Program was established in 2011 to drive innovation, accelerate commercialization, encourage public-private partnerships, increase access to early-stage capital, and create a solid foundation that increases the competitiveness of advanced industries in Colorado. The industries are listed below:

- advanced manufacturing
- aerospace
- bioscience
- electronics
- energy and natural resources
- infrastructure engineering
- technology and information.



### OEDIT Program Success Stories

[May 18, 2023 – AI Grants awarded to 43 Colorado Startups and Researchers Across the State](#)

[November 16, 2023 – AI Grants to 32 Colorado Startups and Researchers](#)

[May 16, 2024 – AI Grants to 42 startups and Researchers](#)

November 2024 – Results from the most recent cycle will be released soon and will be available on the OEDIT website.

### OEDIT AI Program Details

Applicants may receive up to \$250,000. The amount may be more than \$250,000 if the proposal impacts multiple advanced industries. The program is intended to fill a gap in funding and does not compete against existing programs. Applications are open twice a year.

**The upcoming application will open on January 1, 2025. It will remain open through March 2025.**

<https://oedit.colorado.gov/advanced-industries-early-stage-capital-retention-grant>

Source: OEDIT website, cber.co.

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

# Economic Development in Colorado

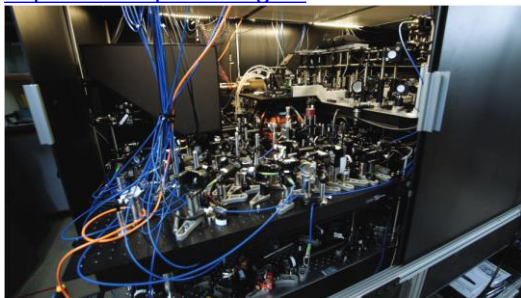
## Elevate Quantum

### National Quantum Initiative

The National Quantum Initiative Act was signed into law by President Trump to accelerate quantum research and development for the economic and national security of the United States.

The NQI Act provided a coordinated federal effort to advance quantum science and technology and develop the infrastructure (research, education, and workforce development) to support the growth of the technology.

Additional information about NQI can be found at <https://www.quantum.gov/>



### Quantum in the Mountain West

Elevate Quantum website

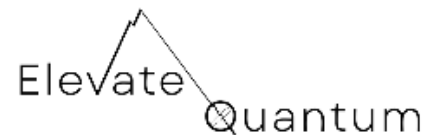
<https://www.elevatequantum.org/about/>

Workforce Development Plan

[https://www.colorado.edu/initiative/cubit/sites/default/files/attached-files/2024\\_quantum\\_roadmap.pdf](https://www.colorado.edu/initiative/cubit/sites/default/files/attached-files/2024_quantum_roadmap.pdf)

CUbit Quantum Initiative

<https://www.colorado.edu/initiative/cubit/>



### Elevate Quantum

Between May 2023 and the summer of 2024, Elevate Quantum navigated a state and federal process that led to its designation by the Economic Development Administration as a Regional Technology and Innovation Hub4. With federal, state, private sector, and non-profit funding and a partnership with New Mexico and Wyoming, the region will soon have access to over \$120 million (plus federal funding) for quantum programs, infrastructure, and capacity building.

There are currently 3,000 quantum employees and at least 30 quantum companies in the region. Through the cooperative effort of Elevate Quantum, there will be more than 50 new quantum companies and at least 10,000 quantum jobs in the Mountain West region.

cber.co  
Economic Outlook and Trends through October 2024  
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. He has 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 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.