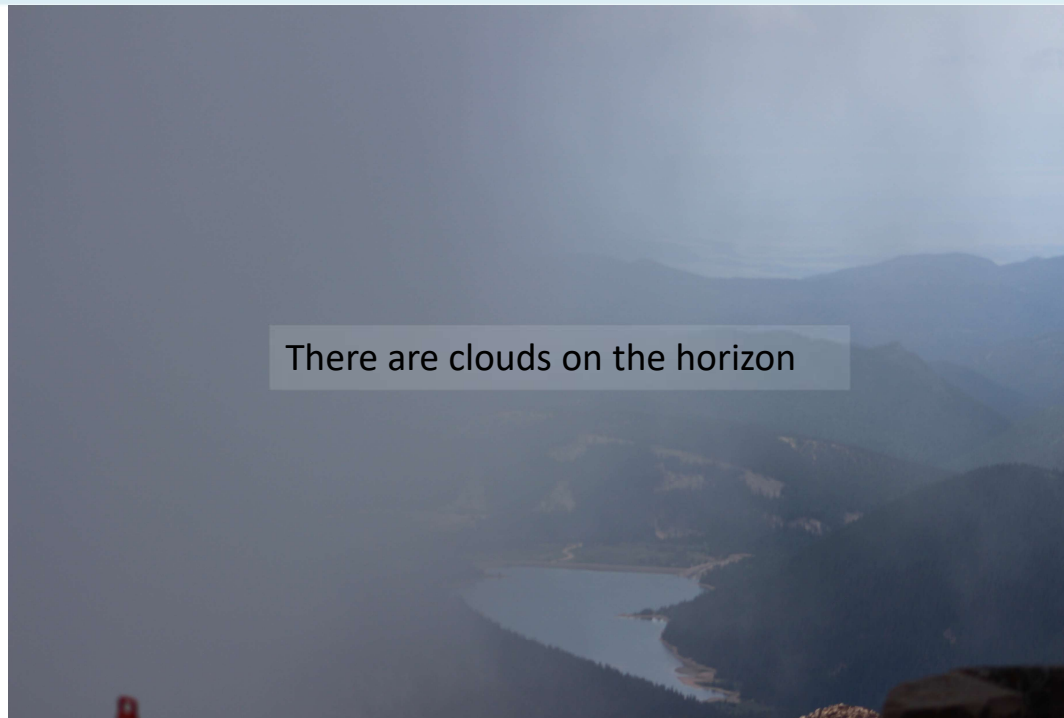


Economic Outlook and Trends Through January 2025 United States and Colorado



Prepared March 19, 2025

Economic Outlook and Trends

Overview - There are clouds on the horizon!

The purpose of this chartbook is to review the outlook and performance of the U.S. and Colorado economies utilizing data available in the public domain.

At a recent National Association for Business Economics policy conference, the consensus was that the labor market was solid, that growth will be slower, and debt was a concern. There was no agreement about how to reduce the debt. As a result, economists have developed viewpoints about the economy that range from optimistic to pessimistic. The stock market is a wildcard.

This analysis is the first for Colorado employment data for 2025. BLS benchmarked the employment data in January and February. The data released on March 17 includes revisions for 2020 through 2024 and data for January 2025. Data for February will be released in about two weeks.

This analysis focuses primarily on the benchmark data. The remainder of the reports for the year will focus on 2025 data. The upcoming report will be in about two weeks. With the benchmark data, it is clear that the forecast produced two months ago was too optimistic. *There are clouds on the horizon. At the moment, the clouds are dark, but they are an indicator of a recession.*

Contents

This chartbook focuses on the following topics.

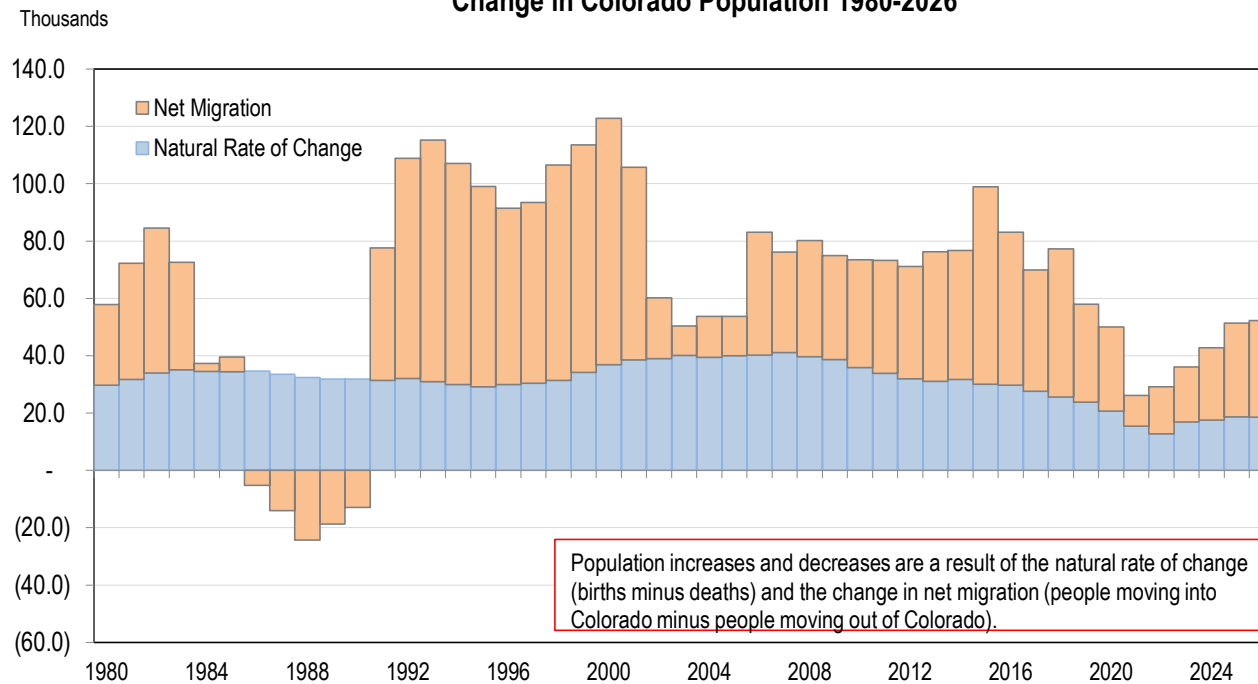
- Colorado Population
- U.S. Forecast, Gross Domestic Product, and Real Disposable Personal Income Per Capita
- Inflation
- U.S. Employment
- Colorado Employment
- 2025 Colorado Economic Outlook

Population – The Economy – It Begins with a Job and a Person for the Job

Colorado Population

Components of Change

Change in Colorado Population 1980-2026



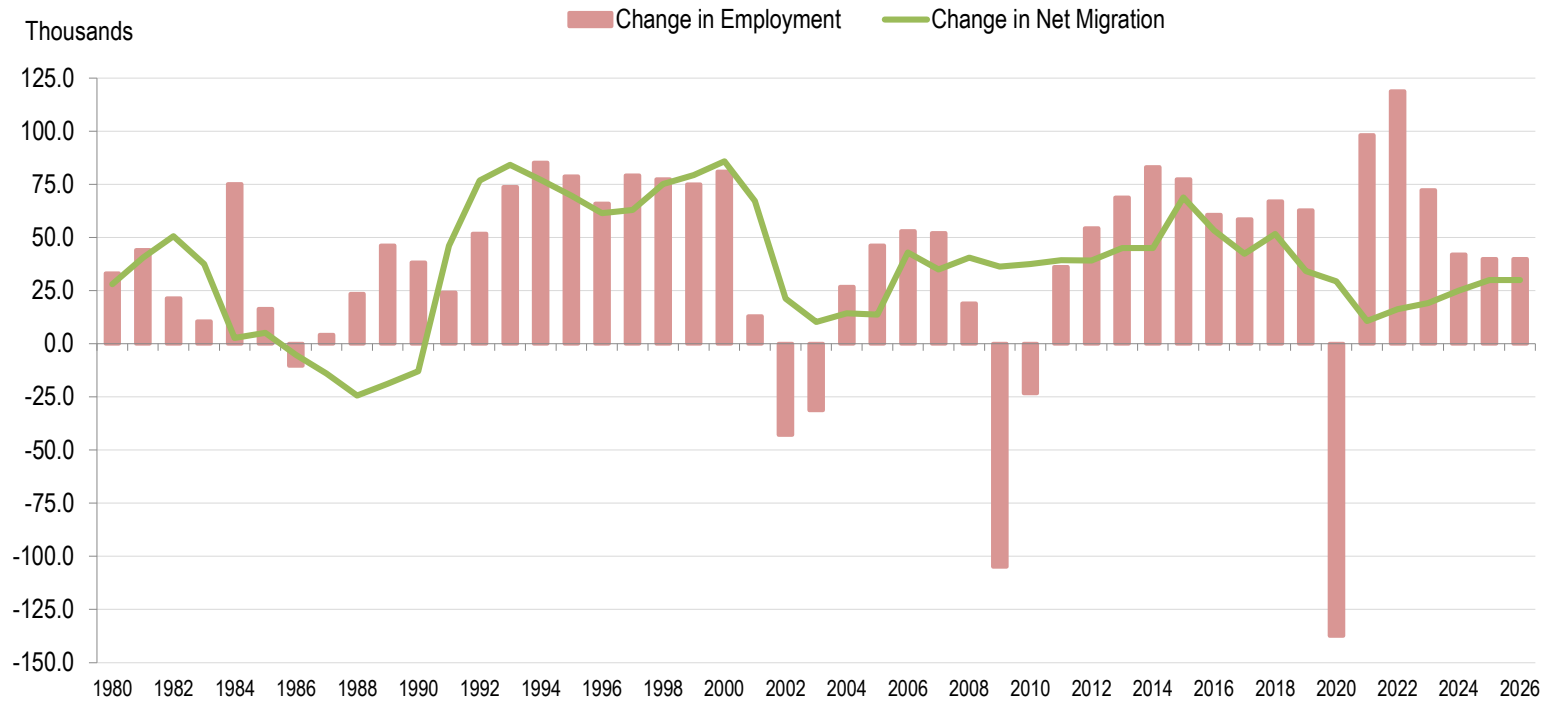
Components of Change

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 2025, the net migration (orange) will increase by 32,700, the natural rate (blue) will add 18,700, and the population will increase by 51,400. The total Colorado population will be 5,970,544 in 2025 and 6,022,777 in 2026.

Change in Colorado Net Migration and Employment

Change in Colorado Net Migration and Employment



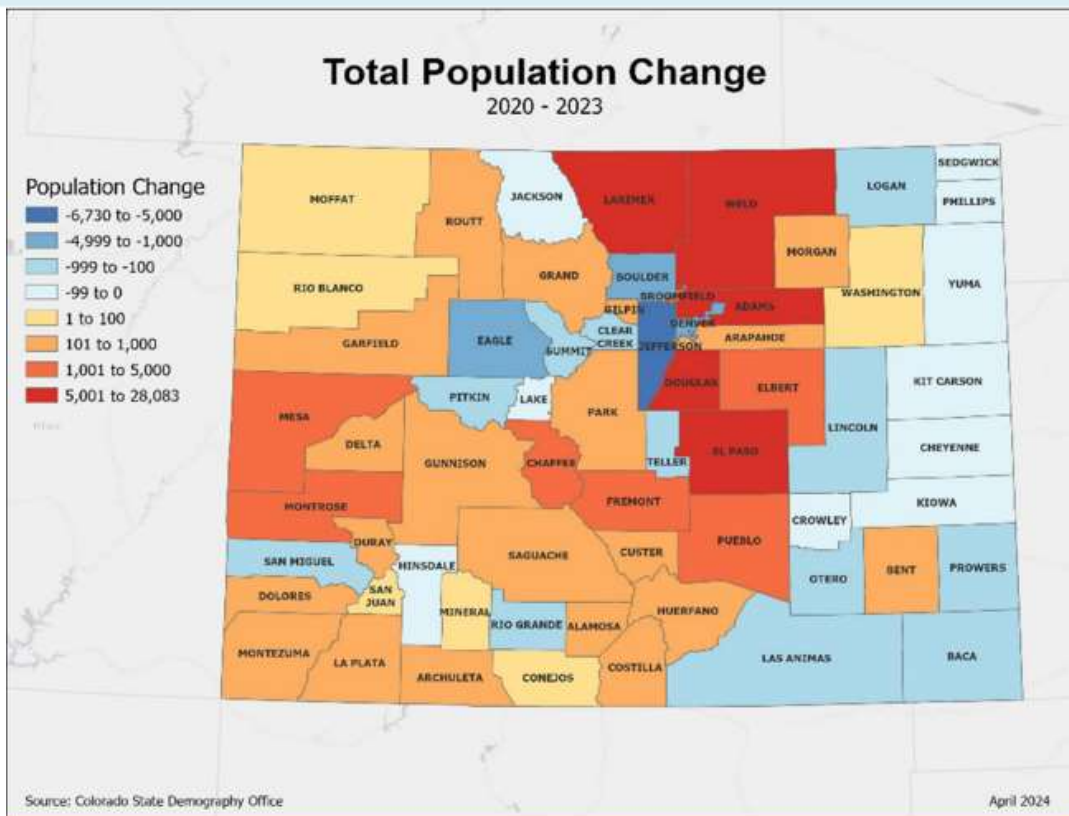
Source: BLS, SDO, cber.co.

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

There is a loose correlation between the change in net migration (green line) and the change in employment (red bars). The correlation coefficient is 0.3.

In-migration is necessary to fill job openings. Affordable housing, crime rates, congestion, business climate, incredible scenery, and great snow are negative and positive factors that affect net migration.

Change in Colorado Population 2020 to 2023



Change in Colorado Population

For this period, the most significant increases were in Weld, Douglas, Adams, El Paso, and Larimer Counties (red).

The population in 26 of 64 counties decreased (shades of blue).

The population in Jefferson, Boulder, and Denver (dark blue) Counties declined the most. There were declines in most counties in the eastern third of the state.

Rank	County	Change
1	Weld	28,107
2	Douglas	23,639
3	Adams	13,147
4	El Paso	11,787
5	Larimer	10,719
6	Mesa	3,644
7	Elbert	2,575
8	Broomfield	2,359
9	Fremont	1,478
10	Montrose	1,357
11	Chaffee	1,120
12	Pueblo	1,116
57	Otero	-553
58	Summit	-555
59	Logan	-596
60	Pitkin	-713
61	Eagle	-1,256
62	Denver	-1,909
63	Boulder	-4,260
64	Jefferson	-6,682

Slide is from SDO Annual Summit, Nancy Gedeon presentation, Updates to Colorado's Population Estimates file
<https://demography.dola.colorado.gov/assets/html/summit.html>

The Base of Power is Changing

Population Growth in Adams County and Northern Colorado (2020-2030)

Population matters because a person fills every job. As the population increases, the population and employment are more concentrated along the Front Range. It will be necessary for communities to work together, and regional economies will become more prominent.

The following changes will occur over the next decade (2025-2035):

- The share of Front Range counties will increase from 83.7% to 84.3%.
- The population share in Boulder, Pueblo, Jefferson, and Denver counties will decline.
- In 2035, the counties with the largest population will be El Paso, Denver, Arapahoe, and Adams.
- In 2035, Adams and the combined population of Larimer and Weld (Northern Colorado) will exceed 1.5 million.

Change in Colorado Population - Top 11 Front Range Metro Counties - The Base of Power is Changing

County	July 2010	July 2020	July 2025	July 2035	2035-2025	CAGR	% of State 2025	% of State 2035
Adams	443,711	520,433	544,501	639,198	94,697	1.6%	9.1%	9.6%
Larimer	300,532	359,920	377,114	427,134	50,019	1.3%	6.3%	6.4%
Weld	254,230	331,423	376,012	468,139	92,127	2.2%	6.3%	7.0%
	998,473	1,211,776	1,297,628	1,534,471	236,843	1.7%	21.7%	23.0%
Boulder	295,605	330,923	326,965	347,968	21,003	0.6%	5.5%	5.2%
Broomfield	56,107	74,494	84,021	103,190	19,169	2.1%	1.4%	1.5%
Jefferson	535,651	583,063	578,017	608,146	30,129	0.5%	9.7%	9.1%
	887,363	988,480	989,003	1,059,305	70,301	0.7%	16.6%	15.8%
El Paso	627,232	732,366	758,150	867,406	109,256	1.4%	12.7%	13.0%
Pueblo	159,496	168,311	170,238	180,833	10,595	0.6%	2.9%	2.7%
	786,728	900,677	928,388	1,048,239	119,851	1.2%	15.5%	15.7%
Denver	604,879	717,545	725,871	799,308	73,437	1.0%	12.2%	12.0%
Arapahoe	574,819	655,212	663,225	739,921	76,696	1.1%	11.1%	11.1%
Douglas	287,124	360,272	393,899	439,429	45,530	1.1%	6.6%	6.6%
	861,943	1,015,484	1,057,125	1,179,350	122,226	1.1%	17.7%	17.7%
Total Metro Counties	4,139,386	4,833,962	4,998,014	5,620,673	622,658			
Colorado	5,050,332	5,784,584	5,970,544	6,667,744	697,199		83.7%	84.3%

Source: State Demography Office, cber.co.

U.S. Forecast, Gross Domestic Product, and Disposable Income

United States Forecast

The Conference Board Forecast

The Conference Board (TCB) U.S. Forecast

TCB United States Forecast

The Conference Board U.S. economic forecast (March 12, 2025) is the base for this analysis. The following drivers and headwinds will affect the economy in 2025.

Economic Drivers 2025

- The labor market was steady entering 2025, and there were concerns about a shortage of workers.
- Government spending will be less than expected, but it will be sufficient to support GDP growth.
- Consumers will continue spending.
- Deregulation will extend the current economic momentum.
- Tariffs can be a form of taxation. They can be beneficial or detrimental. In time we will understand how they impact inflation and economic activity.
- At the start of the year, prospects for a recession were low. Uncertainty has increased, but most economists are projecting slower but positive Real GDP growth.

Economic Headwinds 2025

- The election uncertainty has morphed into speculation about the impact of the administrative policies regarding regulations, tariffs, trade wars, tax and industrial policies, and proposed spending cuts.
- At times, the speculation is forward-looking and valuable. Other times, it causes concerns and is a distraction.
- There is uncertainty about the tariffs placed on specific products. For example, residential construction businesses might experience increased material costs from tariffs.
- Business leaders have geopolitical concerns. For example, the situations in Ukraine and the Middle East are tenuous.
- Inflation will continue to be sticky. It will remain volatile. It will approach the 2.0% target rate in 2026 or 2027. The inflation rate is likely to remain lower than it was between 2021 and 2023.

U.S. Real GDP Growth

The Conference Board Forecast (March 12, 2025)

Real GDP and Economic Growth

The Conference Board Forecast projects real GDP growth of 2.0% in 2025. Real disposable income will increase by 1.8%, and Real personal consumption will increase by 2.5%. Residential investment will change by -0.2% in 2025 (high material costs), and non-residential investment will change by 2.2%. Government spending will be 1.7% in 2025, down from 3.4% in 2024.

Other Economic Factors

Export growth will be slower in 2025 (2.4%). The U.S. unemployment rate will also rise slightly in 2025 to 4.3%. The annual PCE inflation rate will be 2.5% in 2025, and the core rate will be 2.6%.
Note that most of the 2025 annual indicators that should trend upward in a good economy, are trending downward.

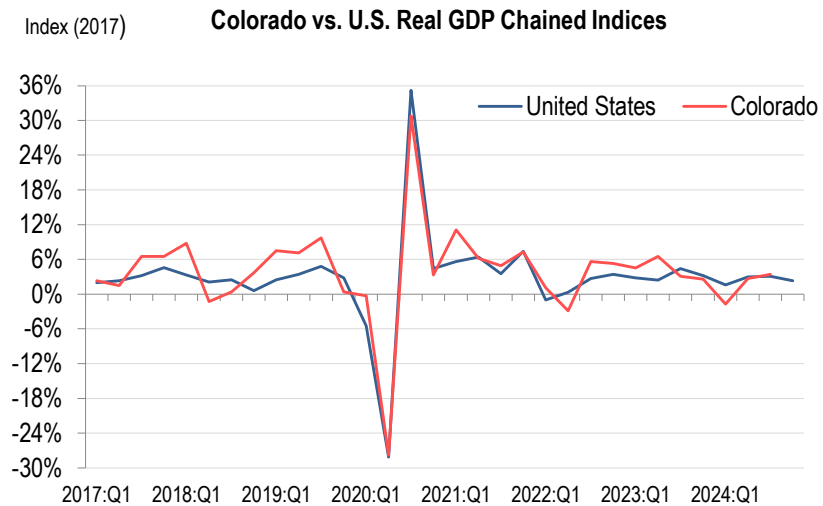
Conference Board US Real GDP Growth Forecast

	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	2024	2025	2026
Real GDP	1.6%	3.0%	3.1%	2.3%	1.8%	1.5%	1.3%	1.4%	2.8%	2.0%	1.6%
Real Disposable Income	5.6%	1.0%	0.2%	2.5%	2.0%	2.0%	1.7%	1.7%	2.7%	1.8%	1.8%
Real Personal Consumption	1.9%	2.8%	3.7%	4.2%	1.0%	2.5%	2.0%	1.6%	2.8%	2.5%	1.9%
Residential Investment	13.7%	-2.8%	-4.3%	5.4%	0.0%	-2.0%	-1.0%	0.0%	4.2%	-0.2%	2.1%
Nonresidential Investment	4.5%	3.9%	4.0%	-3.2%	4.3%	2.7%	2.9%	2.8%	3.6%	2.2%	3.3%
Total Gov't. Spending	1.8%	3.0%	5.1%	2.9%	0.8%	0.4%	0.8%	0.4%	3.4%	1.7%	0.3%
Exports	1.9%	1.0%	9.6%	-0.5%	2.5%	2.0%	2.0%	1.0%	3.2%	2.4%	1.4%
Unemployment Rate	3.8%	4.0%	4.2%	4.1%	4.1%	4.2%	4.3%	4.4%	4.0%	4.3%	4.3%
PCE Inflation (%Y/Y)	2.7%	2.6%	2.3%	2.5%	2.4%	2.5%	2.5%	2.4%	2.5%	2.5%	2.4%
Core PCE Inflation (%Y/Y)	3.0%	2.7%	2.7%	2.8%	2.6%	2.7%	2.6%	2.4%	2.8%	2.6%	2.4%

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

GDP

Colorado GDP Index vs. U.S. GDP Index and Contribution to GDP



Source: BEA, SQGDP8, Chain-type quantity indexes for real GDP by State, cber.co.

Colorado/U.S. GDP

Between Q1 2017 and Q3 2024, the YOY change in the Colorado Real GDP Index (red) outperformed the U.S. Index (blue) in 17 of 31 quarters. The Colorado Real GDP growth rate was lower than the United States for the four quarters (Q3 2023 to Q4 2024).

Colorado Chain-type Quantity Indexes for Real GDP by MSA (2017 to 2023)

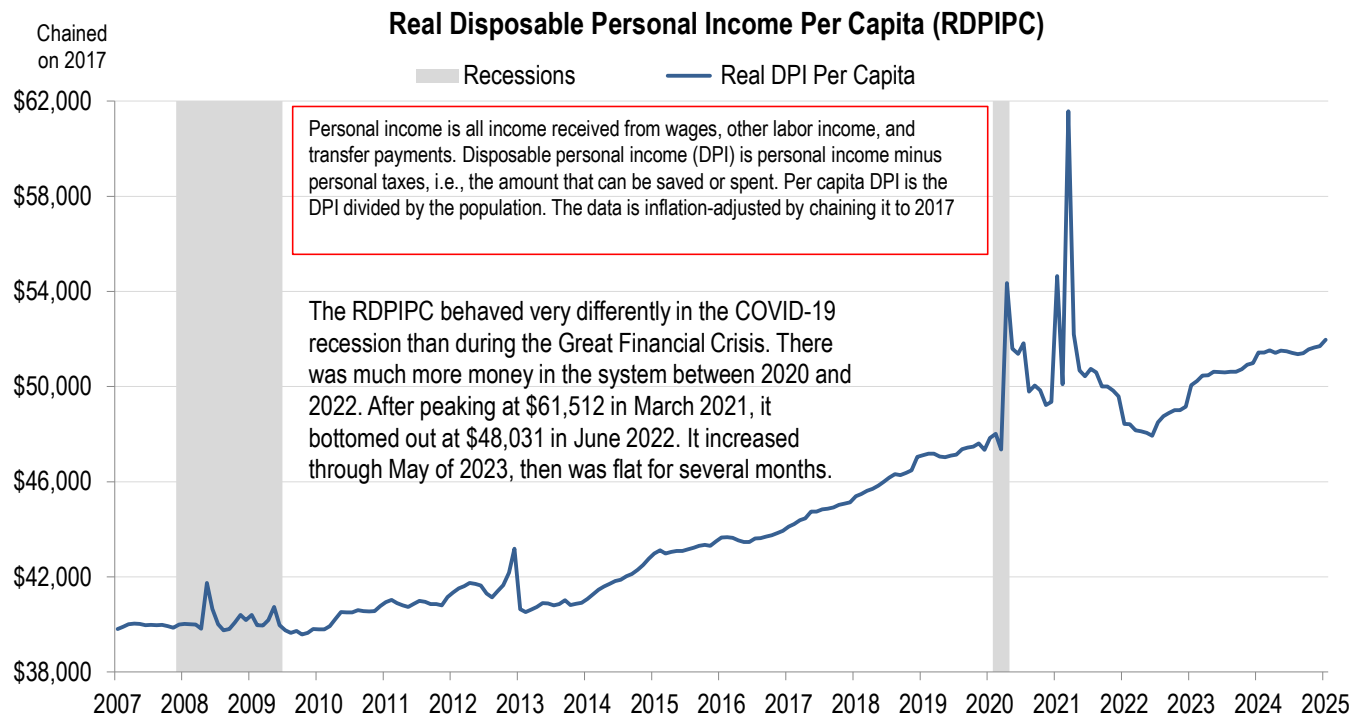
Between 2017 and 2023, the Denver and Boulder MSAs led real GDP growth in Colorado. The growth rates for both areas were higher than the state. The Colorado Springs MSA growth rate was slightly below the rate for the state. Greeley and Pueblo had strong growth during 2023.

Year	2017	2018	2019	2020	2021	2022	2023
Denver-Aurora-Lakewood	100	104.442	110.029	110.186	118.224	123.788	128.079
Boulder	100	103.668	112.955	110.811	119.073	121.318	125.425
COLORADO	100	104.282	109.57	108.561	116.06	119.591	124.799
Colorado Springs	100	103.291	107.582	110.674	117.049	119.014	124.306
Greeley	100	111.107	117.284	107.406	110.121	103.423	122.508
Fort Collins	100	104.764	109.418	108.392	114.728	116.857	118.408
Pueblo	100	103.425	107.615	103.722	110.569	108.111	115.240
Grand Junction	100	104.408	106.421	103.190	108.228	112.080	115.043
Non-Metro	100	101.199	103.646	98.029	106.488	109.074	113.548

Source: BEA, Index (2017) CABDP8B, cber.co.

Real Disposable Personal Income Per Capita

United States



Real Disposable Personal Income Per Capita

In January 2025, RDPIPC was \$51,966. It was 1.1% greater than January 2024.

The monthly YOY change has been positive since January 2023. It was between 1.4% and 2.7% in 2024. The change in RDPIPC in 2024 was more than 2022 and 2016.

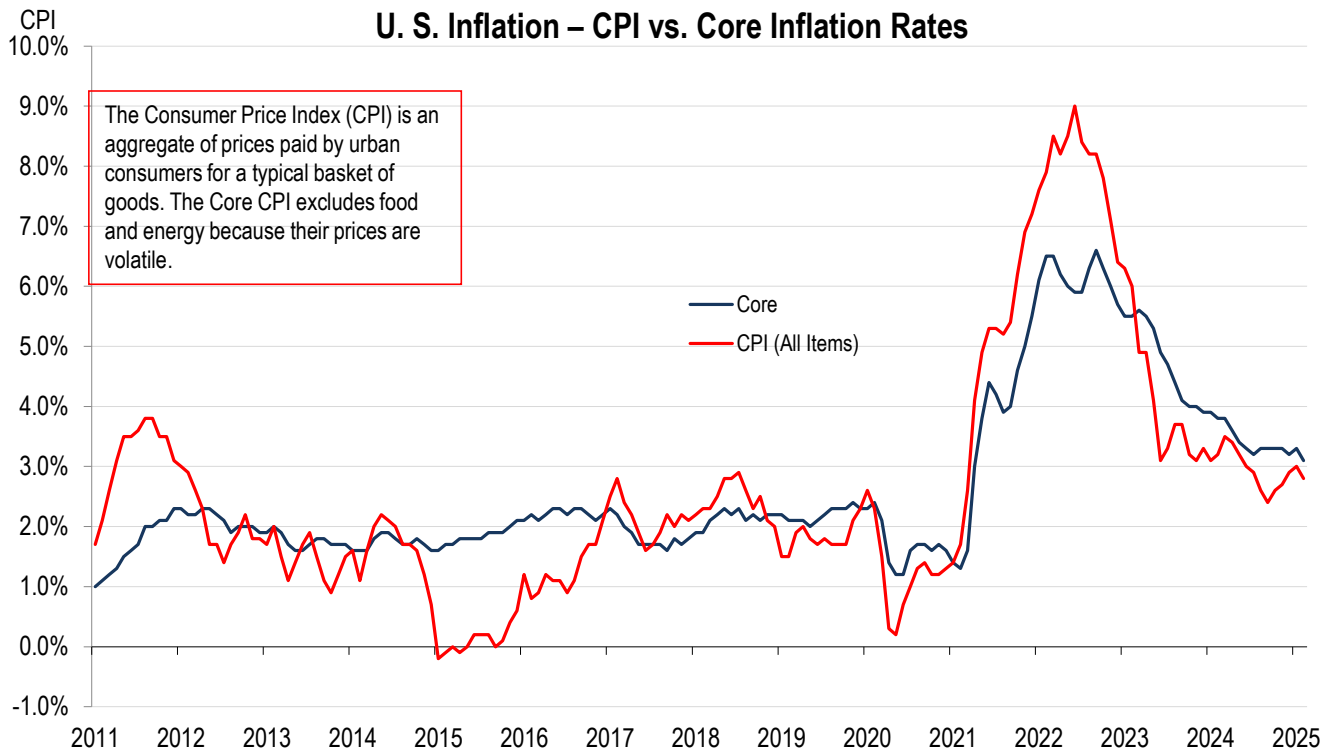
RDPIPC (Average)		
Year	RDPIPC	% Change
2016	\$43,659	1.1%
2017	\$44,710	2.4%
2018	\$46,057	3.0%
2019	\$47,251	2.6%
2020	\$50,056	5.9%
2021	\$51,698	3.3%
2022	\$48,534	-6.1%
2023	\$50,579	4.2%
2024	\$51,491	1.8%

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.

Inflation

CPI Inflation

U.S. CPI vs. Core Inflation



U.S. CPI vs. Core Inflation
 In February 2025, the CPI rate was 2.8% and the core rate was 3.1%. Both are down slightly from the 2024 annual total.

In 2024, the annual CPI rate (red) was 2.9%, and the core rate (blue) was 3.4%.

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

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.

Annual CPI		
Year	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%
2024	2.9%	3.4%

Source: BLS, cber.co

Annual U.S. vs. Denver 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.

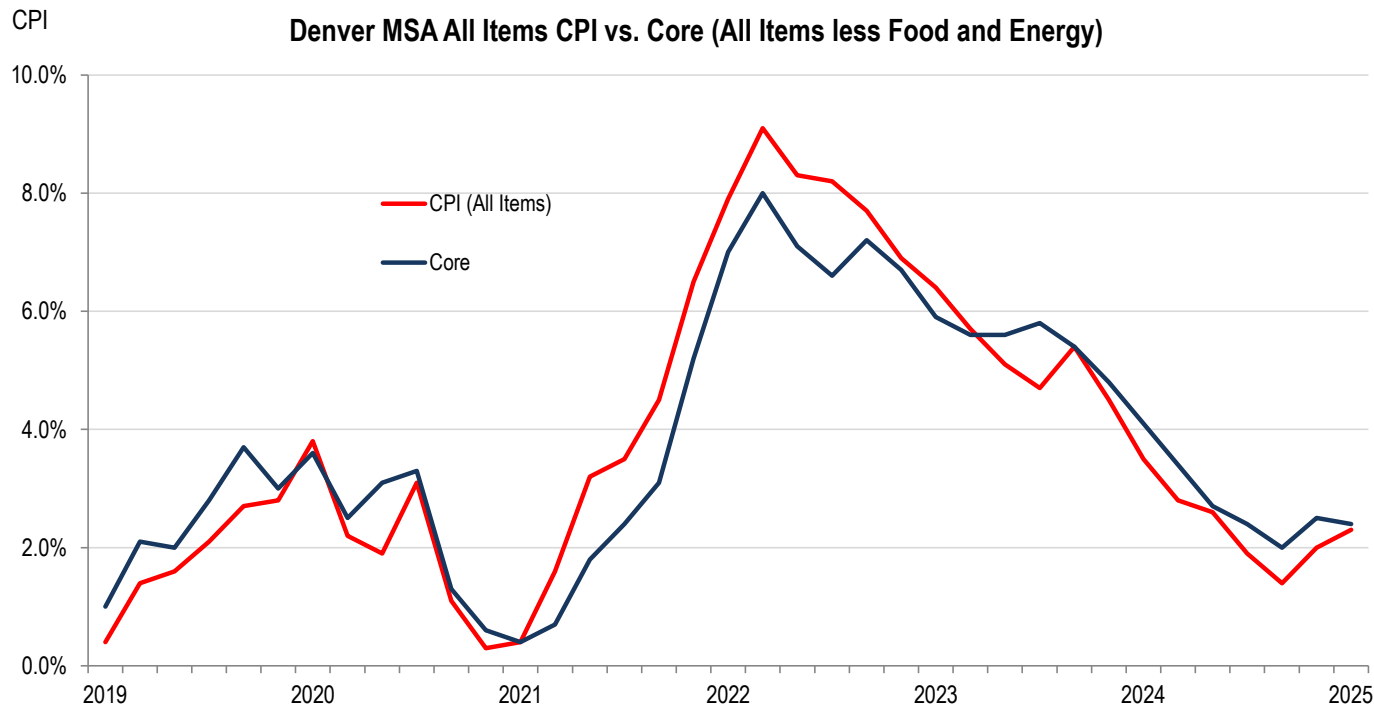
Annual and Accumulated Rate of Inflation – United States and Colorado 2021 to 2023								
United States				Components	Colorado			
2021	2022	2023	All Years		2021	2022	2023	All Years
4.7%	8.0%	4.1%	17.7%	CPI	3.5%	8.0%	5.2%	17.7%
3.6%	6.2%	4.8%	15.2%	Core	2.5%	7.1%	5.4%	15.7%
3.8%	9.6%	5.7%	20.2%	Food 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



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.

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

Denver MSA CPI vs. Core Inflation

The Denver MSA inflation rate is generally higher than the U.S. rate, but the trend reversed in 2024 (not shown).

The Denver MSA rate was 2.7% for H1 2024 and 1.9% for H2 2024. It was 2.3% for 2024. It was 2.3% in January 2025.

Core inflation was 3.1% in H1 2024 and 2.4% in H2 2024. The core inflation rate for 2024 was 2.7%. It was 2.4% for January 2025.

The most recent CPI rate for the United States was 2.8%, and core inflation was 3.1% in February 2025.

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

United States Employment

Employment and Change in Employment

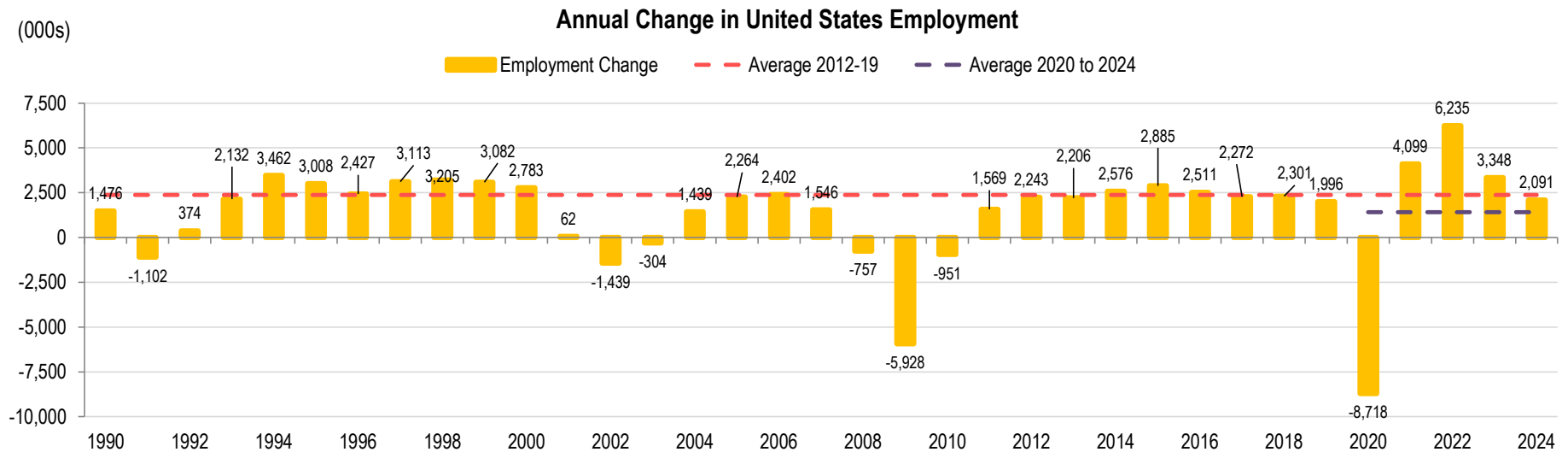
United States

Change in United States Employment – 2012 to 2019

The average annual change in United States employment was 2,373,900 from 2012 to 2019 (red dotted line). The average monthly change from 2012 to 2019 was 197,800. The estimated annual change for 2025 is 1,600,000, or 1.0%. In 2025, the average monthly change will be 133,000.

Change in United States Employment – 2020 to 2024

The United States had a solid recovery in employment from the COVID-related policies; however, the estimated average annual change in employment for 2020 to 2024 was 1,411,000 (short purple line). The average monthly change in employment for this period is 117,600, well below the average for 2012 to 2019.

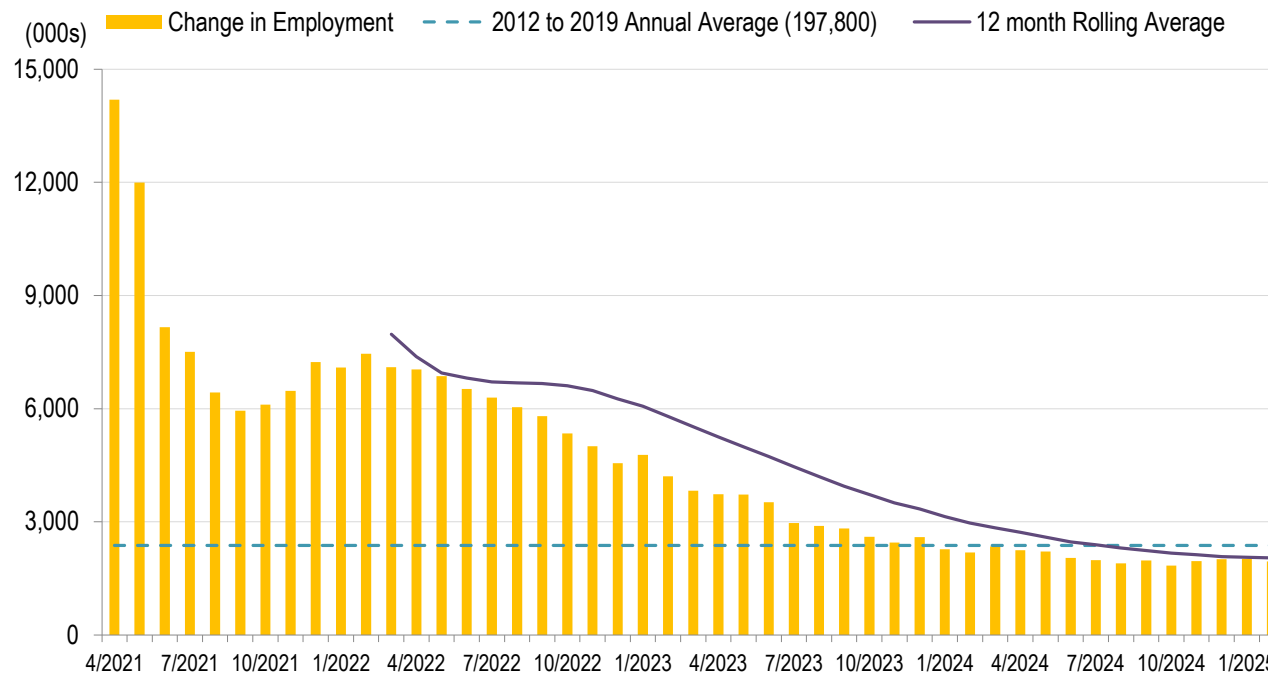


Source: Bureau of Labor Statistics, NSA, cber.co.

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), and the average monthly change was 197,800.

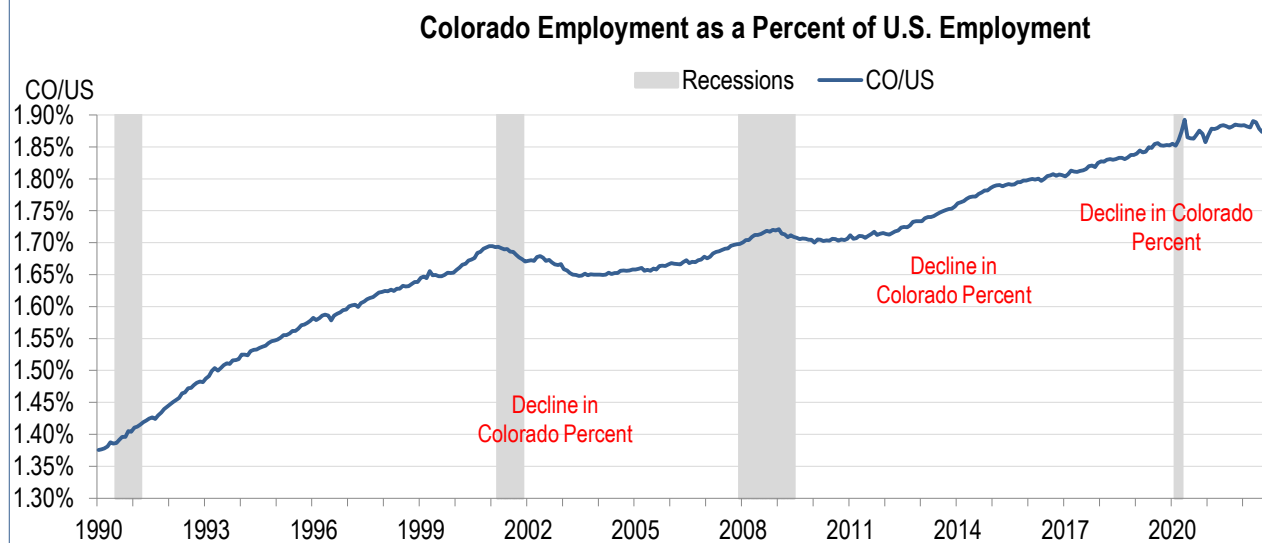
April 2021 was the first month after the pandemic that the change in YOY employment (yellow bars) was positive (14.1 million). Since then, it has trended downward. In December 2024, the monthly value was 2.0 million and slightly below that in January 2025.

In March 2022, the 12-month rolling average (purple solid line) peaked at 7.9 million. It has since trended downward and was 2.0 million in January and February 2025. The average annual job growth for 2025 will be below 1.6 million annually or 133,000 monthly.

Source: Bureau of Labor Statistics, NSA cber.co.
Colorado-based Business and Economic Research <https://cber.co>

Colorado Employment and Unemployment

Colorado Employment as a Percent of U.S. Employment



Colorado/U.S. Employment

Another way to look at Colorado employment is to view it as a share of U.S. employment. Colorado's share of U.S. employment declined during the regional recession of the 1980s, during the Great Financial Crisis, and it did not increase during the COVID-19 recession.

The first trough lasted 84 months from September 2000 to September 2007. The second trough lasted 44 months, from August 2008 to March 2012. The third trough peaked at 1.89% in May 2020. The share has been at or below that value for the past 57 months.

Change in Colorado Employment – 55 Years		Average Annual Change by Decade (Thousands)	
For the 55 years between 1970 and 2024, the average annual employment is 41,100. There is significant volatility by decade (see table to the right).		1970 to 1979	49.7
		1980 to 1989	26.4
		1990 to 1999	65.0
		2000 to 2009	11.2
		2010 to 2019	54.6
		2020 to 2024	36.2

Source: BLS, cber.co.

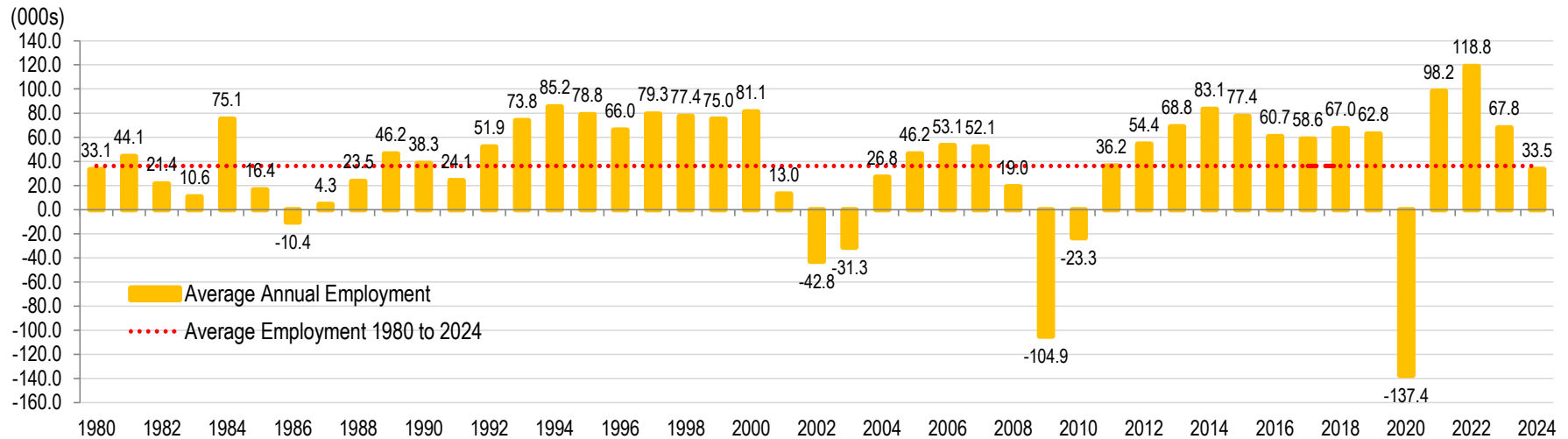
Change in Colorado Employment

Colorado 1970 to 2024

Change in Colorado Employment – Booms and Busts – 2020 to 2024

Colorado has a boom-and-bust economy. During the past 45 years, Colorado employment was less than 41,100 (red-dotted line) on 23 occasions. It has been negative six times. Five of those times were between 2002 and 2020. Annual employment was above the average for nine consecutive years between 1992 and 2000 and eight back-to-back years between 2012 and 2019, and average annual employment increased by 66,600 during that time. Annual employment has increased about 90% of the time. The average annual growth for 2020 to 2024 was 36,200.

Change in Colorado Employment (Annual)

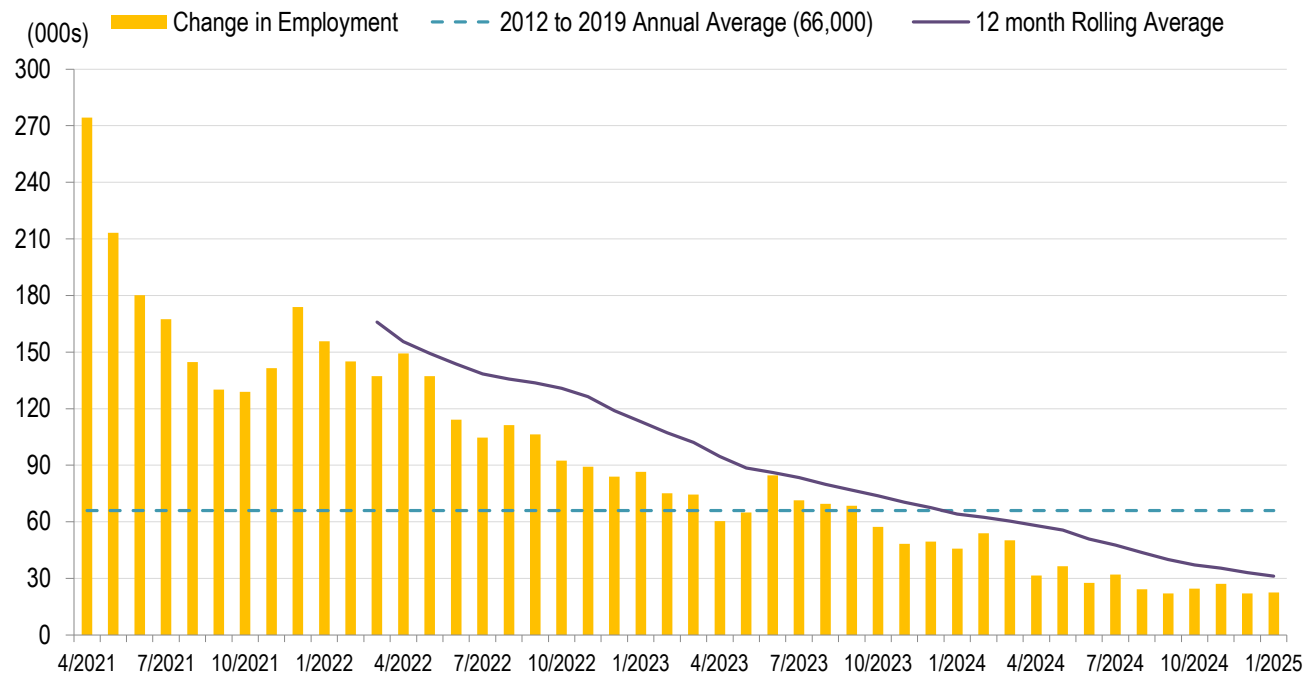


Source: Bureau of Labor Statistics, cber.co. Note: This data reflects changes made by BLS and LMI for Q4 2022 and Q1 2023 data.

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.

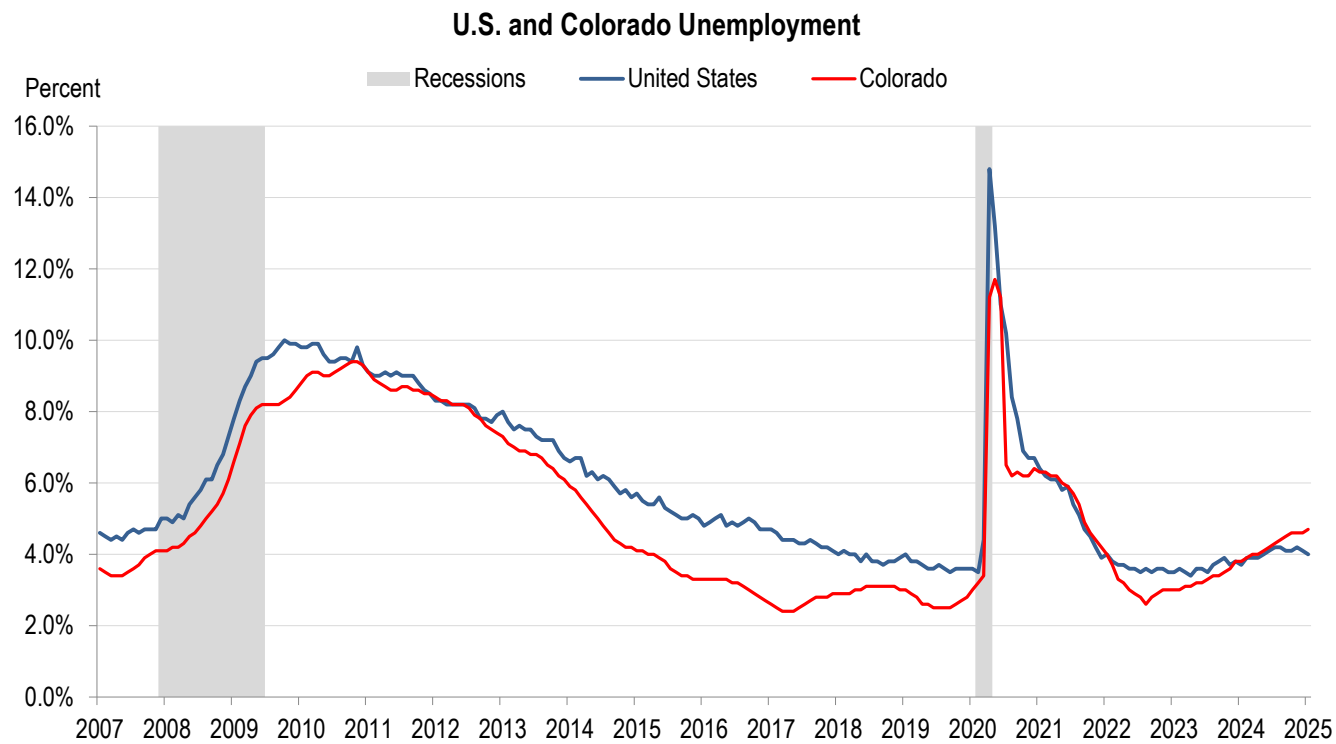
April 2021 was the first month after the pandemic that the change in YOY employment was positive (274,300). Since then, the YOY monthly employment has trended downward. In January 2025, it was 22,600.

In March 2022, the 12-month rolling average (purple solid line) peaked at 166,020. It has since trended downwards and was 31,200 in January 2025.

The Colorado labor market is growing at a slower rate than the U.S.

Unemployment Rate

United States and Colorado



Unemployment Rate

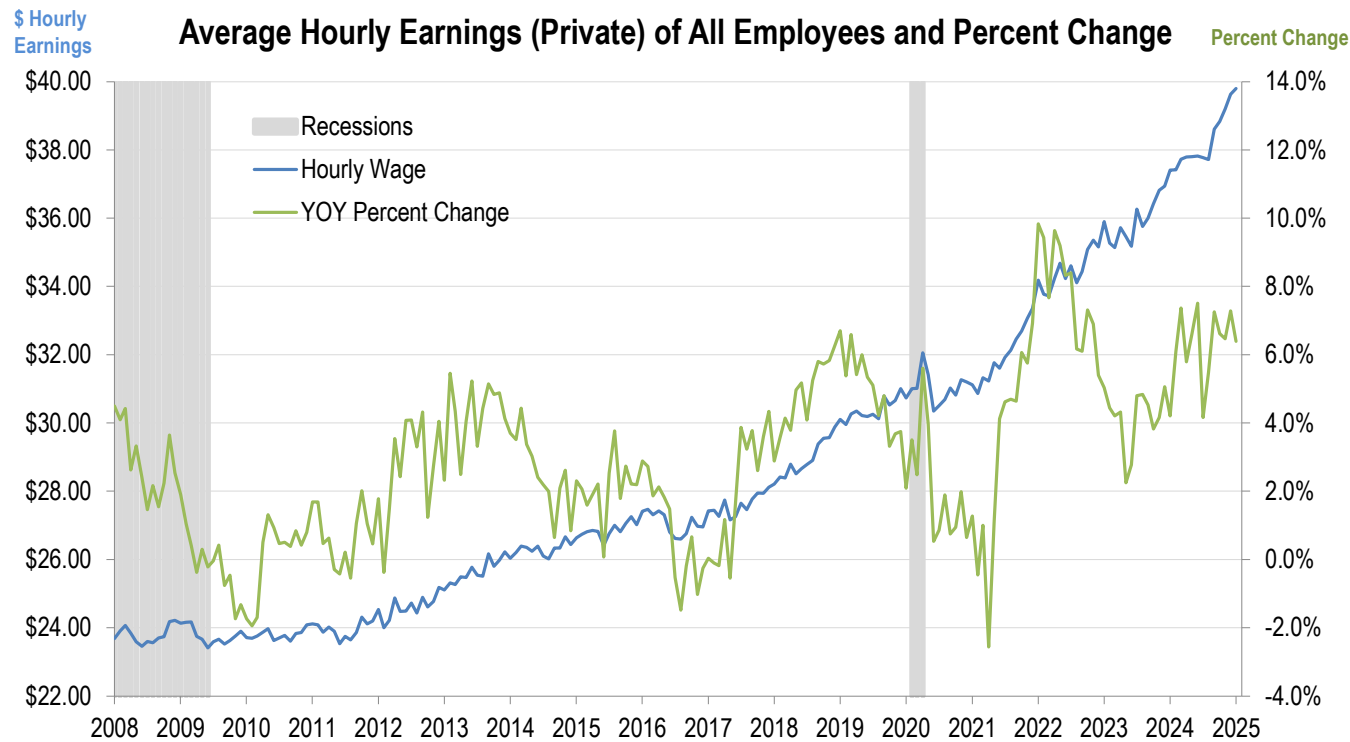
The Colorado unemployment rate was 4.7% in January 2025, and the U.S. rate was 4.0%. About 90 percent of the time since 2007, the Colorado unemployment rate was less than the U.S. rate. That was not the case in 2024.

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%	5.5%
2022	3.6%	3.1%
2023	3.6%	3.3%
2024	4.0%	4.3%

Source: BLS, SA, cber.co.

Average Hourly Earnings of All Employees (Private) Colorado



Source: BLS, NSA, cber.co.

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

Hourly Earnings, Percent Change, and CPI
The January 2025 private hourly earnings for Colorado (blue) were \$39.80, a YOY increase of 6.4% (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%
2024	2.3%	\$38.10	6.1%

Source: BLS, cber.co

Colorado Employment and Change in Employment

Private vs. Government Employment

Colorado Employment YOY Change (000s), YOY Percent Change				
Industry Sector	Employment and YOY Change			
	2023	2024	YOY Change	Percent YOY
Private vs. Government employees				
Total Employment	2,937.5	2,971.0	33.5	1.1%
Private Employment	2,467.5	2,483.8	16.3	0.7%
Government Employment	470.0	487.2	17.2	3.7%

Highlights

Private vs. Government

In 2024, 16.4% of employment was in the Government Sector, and 83.6% was in the Private sector.

The Government sector accounted for 51.3% of the change in total employment in 2024, and the Private sector accounted for 48.7%.

Over this period, Private sector employment increased by 0.7%, and Government employment increased by 3.7%. Overall employment increased by 1.1%.

Source: BLS, SA, cber.co.

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Colorado Employment and Change in Employment

Sectors with more than 145,000 Employees

Colorado Employment YOY Change (000s), YOY Percent Change				
Industry Sector	Employment and YOY Change			
	2023	2024	YOY Change	Percent YOY
Sectors with more than 145,000 employees				
Healthcare	321.9	333.8	11.9	3.7%
Prof., Scientific, and Tech, Services (PST)	293.8	291.4	-2.4	-0.8%
Food and Accommodation (F&A)	289.1	289.9	0.8	0.3%
Local Government	278.6	288.4	9.8	3.5%
Retail Trade	273.5	274.3	0.8	0.3%
Construction	184.7	186.6	1.9	1.0%
Financial Activities	178.7	178.5	-0.2	-0.1%
Administrative Services	158.7	157.6	-1.1	-0.7%
Manufacturing	151.0	149.1	-1.9	-1.3%
State Government	136.2	141.9	5.7	4.2%
Total Sectors > 145,000 Employees	2,266.2	2,291.5	25.3	1.1%

Highlights

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

YOY employment for the ten largest sectors increased by 25,300 or 1.1%. Employment increased in six of the largest sectors.

The leaders in absolute job growth were healthcare, local government, and state government. Employment in these three sectors increased by 27,400.

Unfortunately, employment in PST declined by 2,400, Manufacturing decreased by 1,900, and Administrative Services dropped by 1,100. The decline in these three sectors was 5,400.

Source: BLS, SA, cber.co.

Colorado Employment and Change in Employment Sectors with less than 145,000 Employees

Colorado Employment YOY Change (000s), YOY Percent Change				
Industry Sector	Employment and YOY Change			
	2023	2024	YOY Change	Percent YOY
Sectors with less than 145,000 employees				
Other Services (Personal)	127.3	132.3	5.0	3.9%
Transp., Warehousing, and Utilities (TWU)	115.6	118.0	2.4	2.1%
Wholesale Trade	117.4	116.9	-0.5	-0.4%
Information	77.8	74.3	-3.5	-4.5%
Arts, Entertainment, Recreation (AER)	61.6	63.5	1.9	3.1%
Federal Government	55.2	57.0	1.8	3.3%
Education (Private)	48.1	48.8	0.7	1.5%
Mgmt. of Corporations/Enterprises (MCE)	46.7	47.3	0.6	1.3%
Extractive Industries	21.5	21.7	0.2	0.9%
Total Sectors <145,000 Employees	671.2	679.8	8.6	1.3%

Highlights

Sectors with < 145,000 Employment (Sorted by Size)
YOY employment for these nine sectors changed by 8,600, or 1.3%. Employment increased in seven of these areas.

The leading sectors (private) in absolute job growth were Other Services, TWU, and AER. Employment in these three sectors increased by 9,300. Employment in the Information sector declined by 3,500, and Wholesale Trade decreased by 500.

Source: BLS, SA, cber.co.

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Colorado Federal Employees by County

Colorado Federal Employees by County				
County	2001	2023	Change	Avg. Annual Pay
Denver	15,248	13,340	(1,908)	\$105,770
El Paso	10,320	12,835	2,515	\$89,915
Jefferson	8,577	7,391	(1,186)	\$112,104
Adams	2,724	3,598	874	\$111,947
Arapahoe	2,565	3,236	671	\$100,726
Larimer	2,292	2,630	338	\$103,513
Boulder	2,654	2,042	(612)	\$131,545
Mesa	1,158	1,928	770	\$92,763
Pueblo	682	1,060	337	\$79,607
Douglas	186	668	482	\$103,324
Weld	591	636	45	\$83,208
Broomfield	0	171	171	\$92,705
Total 12 County	46,997	49,535	2,497	
Colorado Federal	52,910	55,211	2,301	\$100,903
Colorado Total (Private)	1,872,850	2,432,875	560,025	\$78,321

Source: BLS, cber.co. Note QCEW data is used.

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County Federal Employees by County

The table on the left contains annual data for annual federal employment from the 2001 and 2023 QCEW data series. It provides an estimate of the county where most federal employees are working. It does not reflect contract workers.

Key insights from the data follow.

- In 2023, about 55,000 workers in Colorado, and about 90% are in the 12 counties.
- About 40,000 federal employees are in Denver, El Paso, Jefferson, Adams, and Arapahoe counties.
- Federal workers have higher average annual pay than most workers.
- Denver and Adams counties have the highest volatility in employment, as measured by the coefficient of variation for employment.
- The counties that had the most decreases in employment for this period were Denver, Jefferson, and Boulder.

Colorado Initial Claims Data declined from January 11, 2025, through March 10, 2025. It is difficult to measure the number of federal layoffs in Colorado. They may show up in employment or unemployment data in April and May.

Colorado Forecast

Colorado Economic Forecast 2025

Colorado Economic Forecast

		2022	2023	2024	2025
Real GDP growth (Colorado) slowed in 2024. It will increase at a slower rate in 2025.	Real GDP Value (billions) (chained 2017)	\$418.8	\$437.1	\$447.10	\$455.5
	% Change Real GDP	3.0%	4.4%	2.3%	1.9%
The population (Colorado) will increase by only 49,800 people in 2025, or 0.8%.	Colorado Population	5,840.2	5,876.3	5,920.3	5,970.1
	Annual Change (thousands)	29.1	36.1	44.0	49.8
Colorado employment will increase by about 31,000 in 2025. Unemployment will be weak through 2027. The unemployment rate increase may be higher than the U.S. rate.	CES Employment (thousands)	2,869.7	2,937.5	2,971.0	3,002.0
	Annual Change (thousands)	118.7	67.8	33.5	31.0
	% Change	4.3%	2.4%	1.1%	1.0%
	Unemployment Rate	3.1%	3.2	4.3%	4.6%
Consumers will continue to be resilient. Retail sales for 2024 were sluggish. Sales for 2025 will improve. The inflation rate has declined, but the accumulated effect is problematic for many. Inflation for Colorado will be 2.8% in 2025, a rate much lower than 2021 through 2023.	Retail Sales (billions)	\$299.9	\$302.6	\$306.4	\$314.1
	% Change	11.8%	0.9%	1.3%	2.5%
	Consumer Price Index (CPI)	304.4	320.3	327.6	336.7
	% Change	8.0%	5.2%	2.3%	2.8%
	DIA Passengers (millions)	69.3	77.8	82.3	86.0
	Single Family (SF) Permits	24,000	20,000	20,000	20,000
	Multi-family (MF) Permits	25,000	19,000	12,000	14,000
	Oil Production (thousands) barrels	160,472	166,790	170,000	175,000

In 2024, 82.3 million passengers flew through DIA. Officials now say, it might be possible to have 100 million passengers by 2027. More than 2.5 million passengers are expected at the Colorado Springs (COS) airport in 2025.

In 2023, there were 19,600 SF permits and 19,800 MF unit permits. In 2024, the total number of permits declined (20,000 SF permits and 11,500 MF unit permits). There will be 20,000 SF permits in 2025 and only 14,000 MF unit permits. The volatility in the construction (housing) and real estate markets may ease if interest rates continue to be lower in 2025.

Annual production of crude oil has increased since 2021. Fossil fuels will play an integral role in the U.S. and Colorado economies in the future.

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Economic Outlook and Trends For 2025
Colorado and the United States, January 2025

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.