

Economic Outlook and Trends

Overview

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

This analysis focuses on employment data and metrics that drive economic change. Nationally, the U.S. labor market was solid for the first five months of 2025, then it dropped off, and YOY growth was more modest.

Colorado has been in a precarious position for at least a year. It has a weak labor market, and the state legislature (government) and the cities of Denver and Boulder are facing financial challenges. The legislature balanced a budget with a \$1.2 billion shortfall in May. It will hold a special session beginning August 21 to address a shortfall caused by recent Federal legislation. In addition, there will likely be a significant shortfall in the 2026-2027 budget.

Despite its many assets, Colorado is currently not in a position of strength to deal with uncertainty and federal policies that may reduce economic activity and undermine the labor market.

Contents

This chartbook addresses the following topics.

- How Will the Economy Perform?
- United States Forecast, Real Disposable Personal Income Per Capita, and Colorado Gross Domestic Product
- United States and Colorado Inflation
- United States Employment
- Colorado Population
- Colorado Employment, Size Class, Unemployment, and Wages
- U.S. Savings, Borrowing, Consumption, and Equities
- United States Indicators
- Colorado Indicators
- 2025 Colorado Economic Forecast Summary

How Will the Economy Perform?

There is More Clarity, But Still Uncertainty

The Conference Board (TCB) U.S. economic forecast (August 8, 2025) is the base for this analysis. Uncertainty and speculation about federal policy and tariffs are driving concerns about the economy. TCB expects tariffs to short-circuit economic activity and the labor market in the second half of 2025 into 2026. TCB expects the Fed to begin cutting interest rates in the final months of the year. For the remainder of the year, inflation will be higher than desired (above the target rate). The cycle of uncertainty, speculation, and more uncertainty will continue. For the first half of 2025, the U.S. economy has outperformed Colorado's economy - SIGNIFICANTLY.

National and International

- The U.S. labor market has been resilient. There were steady gains through May, with weaker growth in June and July. Job growth will remain positive. It will increase at a slower rate in the second half of the year.
- Uncertainty remains a problem, although some leaders believe there is more clarity than earlier in the year.
- Retail sales are increasing at a faster rate than last year, but consumers are reportedly "buying down."
- Through June, real disposable personal income per capita has increased at a slower rate than last year.
- The international situation remains tenuous.

State and Local

- Colorado Real GDP for 2024 was 1.9%. It was weaker in the first quarter of 2025.
- Employment growth was weak in the second half of 2024. It has been weaker in 2025, despite strong employment growth in March and April.
- Net migration will be +30,000. The natural rate of change will be +19,800.
- Through the first six months, retail trade sales are growing at a faster rate than last year; however, the rate is historically slow.
- In the last session, the state legislature had to deal with a \$1.2 billion shortfall for fiscal year 2025-2026. A special session of the state legislature will address an additional shortfall of another \$1.0 billion caused by reductions in federal funding. A shortfall for the fiscal year 2026-2027 is also likely.
- On August 18, Mayor Johnstone announced that he had laid off 171 employees to reduce Denver's spending by \$100 million, closing about half the gap.

U.S. GDP Forecast, Real Disposable Personal Income Per Capita, Colorado GDP

U.S. Real GDP Growth

The Conference Board (TCB) Forecast (August 8, 2025)

Real GDP and Economic Growth

The Conference Board Forecast projects real GDP growth of 1.6% in 2025. Real disposable income will increase by 2.0%, and real personal consumption will increase by 1.9%. There will be a decline in residential investment (-1.5%) and an increase in nonresidential investment (3.6%). There will be a slower rate of government spending than last year (1.4%).

Other Economic Factors

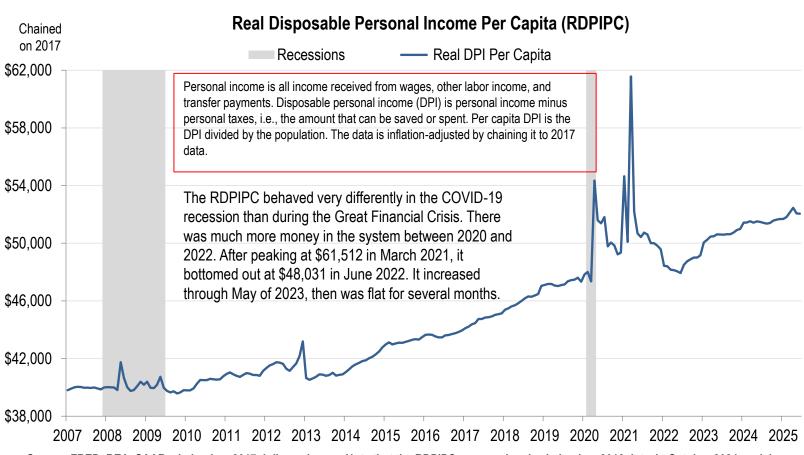
Export growth will be slower in 2025 (0.6%) with an unemployment rate of 4.2%. The projected PCE inflation rate is 2.8%, and the core rate is 3.0%. The forecast for the Fed Funds rate is 4.125% by year-end. *Note that most of the 2025 yearly indicators that should trend upward in a healthy economy are flat or 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%	2.4%	-0.5%	3.0%	0.5%	0.7%	2.8%	1.6%	1.3%
Real Disposable Income	5.6%	1.0%	0.2%	2.5%	2.5%	3.0%	1.7%	1.7%	2.7%	2.0%	2.1%
Real Personal Consumption	1.9%	2.8%	3.7%	4.0%	0.5%	1.4%	1.1%	0.1%	2.8%	1.9%	1.1%
Residential Investment	13.7%	-2.8%	-4.3%	5.5%	-1.3%	-4.6%	-3.0%	-3.0%	4.2%	-1.5%	-1.5%
Nonresidential Investment	4.5%	3.9%	4.0%	-3.0%	10.3%	1.9%	3.3%	2.2%	3.6%	3.6%	2.7%
Total Gov't. Spending	1.8%	3.0%	5.1%	3.1%	-0.6%	0.5%	0.2%	0.6%	3.4%	1.4%	0.5%
Exports	1.9%	1.0%	9.6%	-0.2%	0.4%	-1.8%	-2.0%	-1.0%	3.3%	0.6%	-0.4%
Unemployment Rate	3.8%	4.0%	4.2%	4.1%	4.1%	4.2%	4.3%	4.4%	4.0%	4.2%	4.3%
PCE Inflation (%Y/Y)	2.7%	2.6%	2.3%	2.5%	2.5%	2.4%	3.1%	3.2%	2.5%	2.8%	2.9%
Core PCE Inflation (%Y/Y)	3.0%	2.7%	2.7%	2.8%	2.8%	2.7%	3.2%	3.3%	2.8%	3.0%	3.1%

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

In June 2025, RDPIPC was \$52,044. It was 1.1% greater than May 2024.

The monthly YOY change was between 1.4% and 2.7% in 2024. It has been between 0.5% and 2.0% in 2025.

	RDPIPC (Averag	je)
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.

Colorado GDP by Major Sectors

Colorado GDP (Millions), Percent of Total					
Industry Sector	GDP 2024 (Millions)	Percent of Total			
PRIVATE SECTOR	,				
Financial Activities (FA)	\$118,438	21.4%			
Prof., Scientific, and Tech, Services (PST)	\$61,339	11.1%			
Healthcare and Social Assistance (HCSA)	\$33,362	6.0%			
Construction	\$32,976	6.0%			
Retail Trade	\$31,633	5.7%			
Information	\$31,631	5.7%			
Wholesale Trade	\$30,429	5.5%			
Manufacturing	\$28,705	5.2%			
Accommodation and Food Services (APS)	\$22,005	4.0%			
Administrative Services	\$16,120	2.9%			
Transp., Warehousing, and Utilities (TWU)	\$26,329	4.8%			
Extractive Industries	\$15,918	2.9%			
Other Services (Personal)	\$12,961	2.3%			
Mgmt. of Corporations/Enterprises (MCE)	\$11,455	2.1%			
Arts, Entertainment, Recreation (AER)	\$8,877	1.6%			
Education (Private)	\$4,503	0.8%			
Agriculture, Forestry, and Fishing	\$3,185	0.6%			
TOTAL PRIVATE SECTOR	\$489,868	88.5%			
TOTAL GOVERNMENT	\$63,455	11.5%			
TOTAL COLORADO GROSS GDP 2024	\$553,323	100.00%			
Source: BEA, cber.co, Note: GDP is not inflation adjusted.					

Sector Contributions To Colorado GDP

The private sector contributes approximately 88.5% to the 2024 GDP.

The top two sectors account for almost one-third of the 2024 GDP.

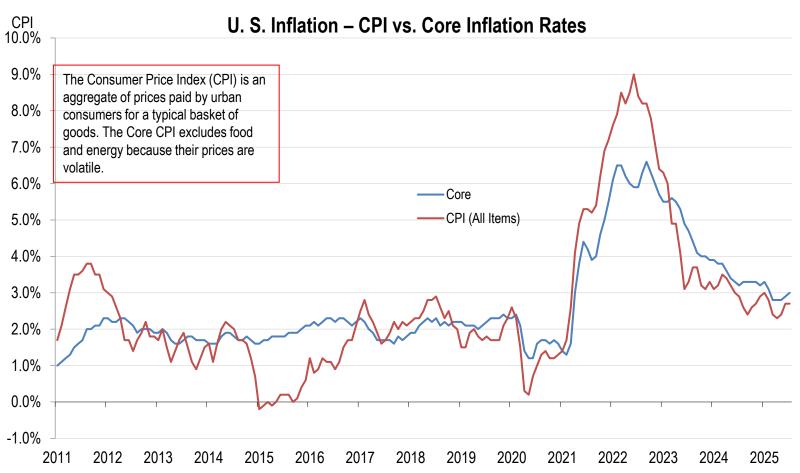
The following six sectors have similar GDP values, \$28.7 billion to \$33.4 billion. Their total is slightly more than one-third of the 2024 GDP.

The other nine private sectors contribute 22.0% to the 2024 GDP.

The government sector GDP is 11.5% of the 2024 GDP.

United States and Colorado Inflation

CPI Inflation U.S. CPI vs. Core Inflation



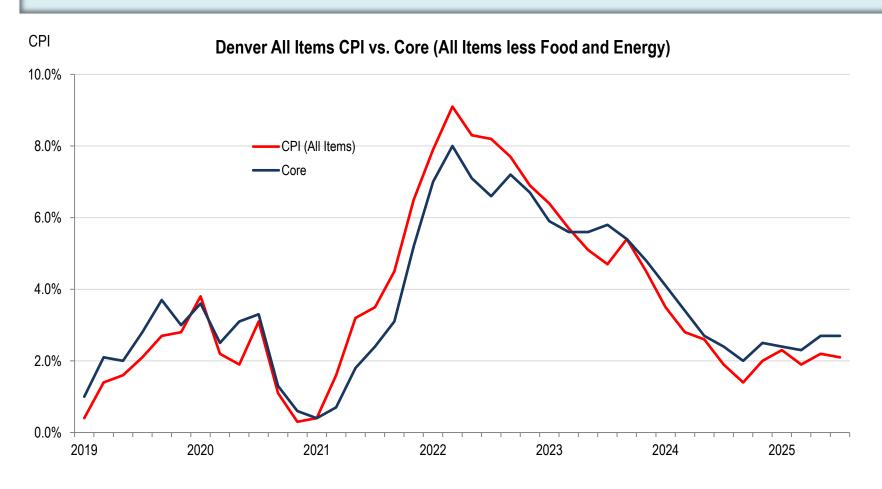
U.S. CPI vs. Core Inflation

In July 2025, the U.S. CPI rate was 2.7% (red), and the core rate was 3.0% (blue). Both rates are below their January values.

Mid-year values are 2.6% for the U.S. CPI rate and 2.9% for the core rate.

	U.S. and Denver Annual CPI and Core						
Year	U.S.	U.S. Core	Denver	Denver Core			
2015	0.1%	1.8%	1.2%	3.3%			
2016	1.3%	2.2%	2.8%	4.0%			
2017	2.1%	1.8%	3.4%	3.1%			
2018	2.4%	2.1%	2.7%	2.5%			
2019	1.8%	2.2%	1.9%	2.5%			
2020	1.2%	1.7%	2.0%	2.3%			
2021	4.7%	3.6%	3.5%	2.5%			
2022	8.0%	6.2%	8.0%	7.1%			
2023	4.1%	4.8%	5.2%	5.4%			
2024	2.9%	3.4%	2.3%	2.7%			
Source: I	BLS, cber.c	0	-				

Bi-Monthly Change in Denver-Aurora-Lakewood CPI All Items vs. Core



Denver-Aurora-Lakewood CPI vs. Core Inflation

The Denver inflation rate has generally been higher than the U.S. rate, but the trend reversed in 2024 (not shown). The Denver CPI was the same or greater than the U.S. rate in 8 of 10 years (2015 and 2024).

The Denver CPI rate was 2.1% in July 2025, and the core rate was 2.7%.

The mid-year rate for the Denver CPI was 2.3% and the core rate was 2.7%

The mid-year CPI rate for the United States was 2.6%, and core inflation was 2.9%.

Note that the Colorado rate is only published <u>bi-monthly</u> and is NSA.

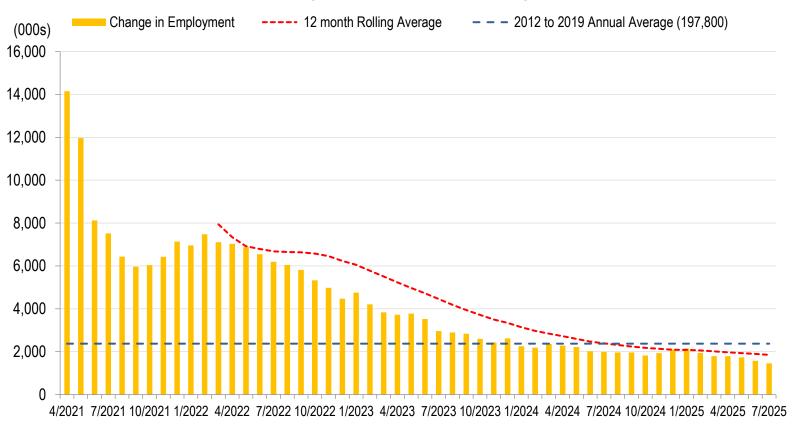
Source: Bureau of Labor Statistics, CPI All Items, NSA, Note: Colorado NSA data is only available on a bi-monthly basis since 2019, cber.co.

United States Employment

YOY Change in Employment

United States

YOY Change in United States Employment



Change in U.S. Employment

From 2012 to 2019, the average annual change in employment was 2,373,900 (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). It trended downward to 1.46 million in July 2025.

The <u>12-month rolling average</u> (red dotted line) reached its peak at 7.9 million in March 2022. The 12-month rolling average was 1.85 million in July 2025.

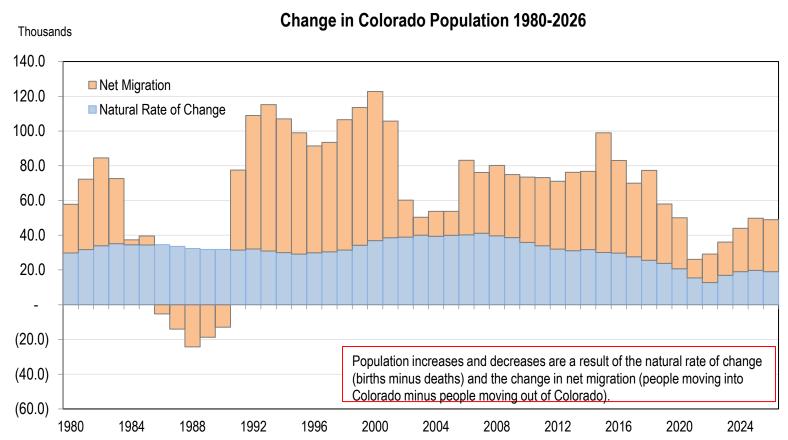
The projected yearly job growth (average) in 2025 will be 1.6 million (annually) or 133,000 (monthly).

Source: Bureau of Labor Statistics, NSA cber.co. Note: NSA data used in chart.

Colorado Population

Colorado Population

Components of Change



Components of Change

Since 2000, the population of Colorado has increased at a decreasing rate. There have been higher death rates, lower fertility rates, altered migration patterns, pandemic-related policies, and the aging of the baby boomers. In 2020 and 2021, significant population changes occurred.

In 2025, there will be increases in net migration (30,000) and the natural rate (19,800). The total gain is 49,800 to 5,970,100 in 2025. It will be 6,019,100 in 2026.

The population growth between 2021 and 2025 is its lowest since the period 1985 to 1990. During that time, there were five years of negative net migration.

Low population growth translates into low job growth.

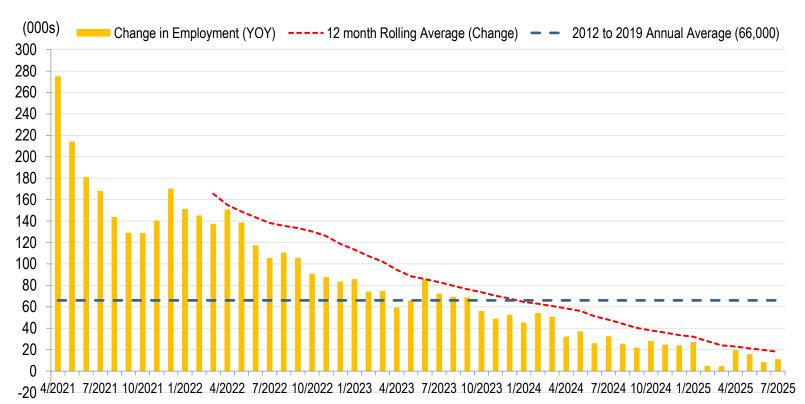
Sources: State Demography Office and cber.co.

Colorado Employment, Unemployment, and Wages

YOY Change in Employment

Colorado

YOY Change in Colorado Employment



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

Change in Colorado Employment

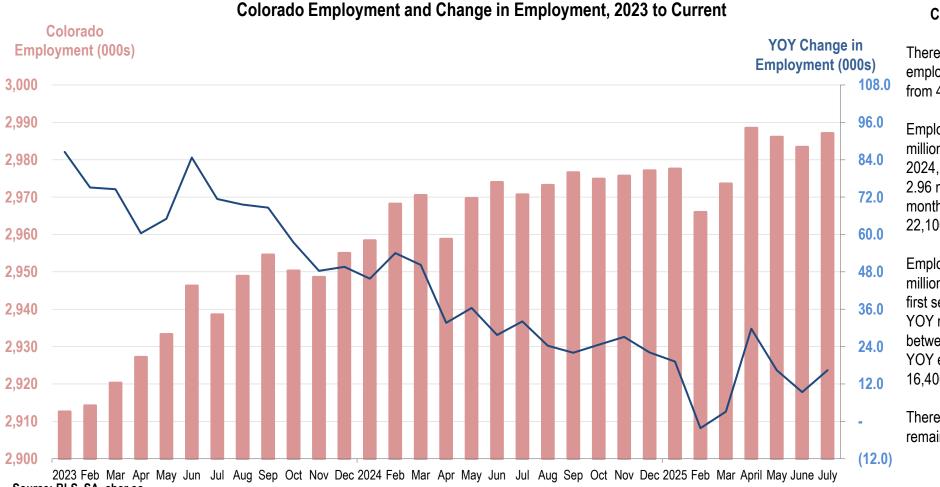
The blue dotted line represents the average annual NSA employment from 2012 to 2019 (66,000). The average monthly change was 5,500.

April 2021 was the first month after the pandemic that the change in YOY employment was positive (275,200 – yellow bars). Since then, the YOY monthly employment has trended downward. In June 2025, the YOY NSA employment was 11,200.

The <u>12-month rolling average</u> (red dashed line) reached a peak in March 2022 at 166,020. It has since trended downwards and was 18.0 in July 2025.

The Colorado labor market is growing at a slower rate than the labor market in the United States. It will continue to underperform the U.S. in the months ahead.

Colorado Employment 2023 to Current



Colorado Employment and Change in Employment

There was strong monthly YOY employment growth in 2023, ranging from 48,300 to 86,500 (blue line).

Employment was between 2.91 million and 2.96 million (pink bars).In 2024, the employment range was 2.96 million to 2.99 million. The YOY monthly changes were between 22,100 and 54,000.

Employment was between 2.96 million and 3.00 million during the first seven months of 2025. The YOY monthly changes have been between -2,200 and 29,700. In July, YOY employment increased by 16,400.

There will be weak job growth for the remainder of 2025.

Colorado Employment and Change in Employment Private vs. Government Employment

Colorado Employment YOY Change (000s), YOY Percent Change				
Industry Sector	Employ	ment and	I YOY C	hange
	July 2024	July 2025	YOY	Percent
Private vs. Government employees	(000s)	(000s)	Change	YOY
Total Employment	2,970.7	2,987.1	16.4	0.6%
Private Employment	2,483.1	2,488.6	5.5	0.2%
Government Employment	487.6	498.5	10.9	2.2%

Source: BLS, SA, cber.co.

Highlights Private vs. Government

In July 2025, 16.7% of employment was in the Government Sector, and 83.3% was in the Private Sector.

YOY July employment for the Government Sector increased by 10,900, and the Private Sector changed by 5,500.

Overall employment increased by 16,400 or 0.6%.

Colorado Employment and Change in Employment

Sectors with more than 145,000 Employees

Colorado Employment YOY Change (000s), YOY Percent Change					
Industry Sector	Em	ployment ar	nd YOY Char	nge	
				Percent	
Sectors with more than 145,000 employees	(000s)	(000s)	Change	YOY	
Healthcare	333.6	342.8	9.2	2.8%	
Accommodation and Food (AFS)	289.4	297.4	8.0	2.8%	
Local Government	290.4	293.4	3.0	1.0%	
Prof., Scientific, and Tech, Services (PST)	291.2	290.3	-0.9	-0.3%	
Retail Trade	275.6	271.5	-4.1	-1.5%	
Construction	187.4	186.7	-0.7	-0.4%	
Financial Activities	179.5	177.1	-2.4	-1.3%	
Administrative Services	154.2	152.1	-2.1	-1.4%	
State Government	140.3	150.5	10.2	7.3%	
Manufacturing	148.4	149.4	1.0	0.7%	
Total Sectors >145,000 Employees	2,290.0	2,311.2	21.2	0.9%	

Source: BLS, SA, cber.co.

Highlights

Sectors with > 145,000 Employment (Sorted by Size – 2025) YOY employment for the ten largest sectors increased by 21,200 or 0.9%. Employment increased in five of the ten industries in this category.

The leaders in absolute job growth were state government, AFS, healthcare, and local government. Total YOY employment in these four sectors increased by 30,400. These sectors are critical to a well-rounded economy; unfortunately, they will not drive sustained economic growth.

In addition, manufacturing employment increased by 1,000.

The employment for the other five sectors changed by -10,200.

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

Colorado Employment YOY Change (000s), YOY Percent Change					
Industry Sector	Em	ployment ar	nd YOY Char	nge	
				Percent	
Sectors with less than 145,000 employees	(000s)	(000s)	Change	YOY	
Other Services (Personal)	133.3	132.5	-0.8	-0.6%	
Transportation, Warehousing, and Utilities (TWU)	118.7	122.4	3.7	3.1%	
Wholesale Trade	117.1	113.5	-3.6	-3.1%	
Information	73.6	75.8	2.2	3.0%	
Arts, Entertainment, Recreation (AER)	63.4	62.0	-1.4	-2.2%	
Federal Government	56.9	54.6	-2.3	-4.0%	
Mgmt. of Corporations/Enterprises (MCE)	47.4	48.3	0.9	1.9%	
Education (Private)	48.5	45.0	-3.5	-7.2%	
Extractive Industries	21.8	21.8	0.0	0.0%	
Total Sectors <145,000 Employees	680.7	675.9	-4.8	-0.7%	

Source: BLS, SA, cber.co.

Highlights

Sectors with < 145,000 Employment (Sorted by Size - 2025) YOY employment for these nine sectors changed by -4,800, or -0.7%. Employment increased in four of these nine areas.

TWU, Information, and MCE were the leading sectors (private) in absolute job growth. Employment in these three sectors increased by 6,800.

Employment in the other five sectors changed by -11,600.

QCEW Private Industry Size Class Report

	QCEW Private Industry Size Class Report - 4th Quarter 2024						
Employment Range	Reporting Units	Pct Units	3rd Month Employment	Pct Employment	Total Quarterly Wages	Pct Wages	Average Weekly Wage
0	28,560	12.3%	0	0.0%	\$342,575,065	0.7%	N/A
1-4	126,493	54.3%	218,657	8.9%	\$5,253,283,012	10.2%	\$1,854
5-9	30,843	13.2%	205,224	8.4%	\$3,907,868,706	7.6%	\$1,464
10-19	22,237	9.5%	302,114	12.3%	\$5,431,227,004	10.6%	\$1,384
20-49	16,272	7.0%	489,212	20.0%	\$8,742,185,283	17.0%	\$1,382
50-99	4,984	2.1%	342,090	14.0%	\$6,951,826,916	13.5%	\$1,569
100-249	2,634	1.1%	391,790	16.0%	\$8,444,443,602	16.5%	\$1,666
250-499	583	0.3%	199,519	8.2%	\$4,912,787,996	9.6%	\$1,916
500-999	169	0.1%	112,436	4.6%	\$2,889,194,898	5.6%	\$2,006
1000+	102	0.0%	185,610	7.6%	\$4,440,688,164	8.7%	\$1,906
-	232,877	100.0%	2,446,652	100.0%	\$51,316,080,646	100.0%	\$1,618

Source: https://cdle.colorado.gov/dlss/labor-market-information-lmi/quarterly-census-of-employment-and-wages-qcew/private-industry, cber.co

Summary by Size

Colorado is an entrepreneurial state. That has advantages and disadvantages. For example, there are 854 private firms with 250 or more employees. Only 102 have 1,000+ employees.

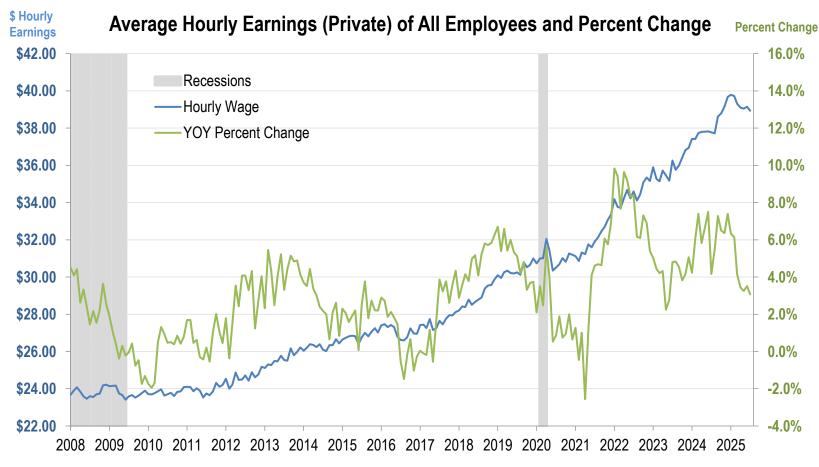
89.3% of reporting units (companies) have fewer than 20 employees.

70.4% of employees work at companies with 20 or more employees.

Companies with 20 or more employees pay 70.9% of the wages.

Companies with 250 or more employees and 1-4 employees pay the highest wages.

Average Hourly Earnings of All Employees (Private) Colorado



Source: BLS, NSA, cber.co.

Hourly Earnings, Percent Change, and CPI Hourly earnings decreased in February, March, April, and May. The July 2025 private hourly earnings for Colorado (blue) were \$38.93, a YOY increase of 3.1% (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 2025 wage rates is

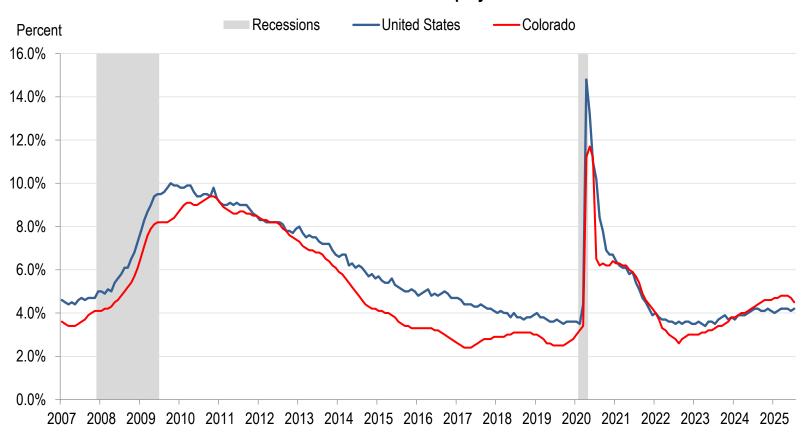
above the Colorado inflation rate.

Colora	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: E	BLS, cber.co					

Unemployment Rate

United States and Colorado

U.S. and Colorado Unemployment



Unemployment Rate

The Colorado unemployment rate (red line) was 4.7% in June 2025. It dropped to 4.5% in July. The U.S. rate (blue line) was 4.2% in July.

Since 2007, in about 90% of the months, the Colorado unemployment rate was less than the U.S. rate. That was not the case in 2024, and it is not the case in 2025.

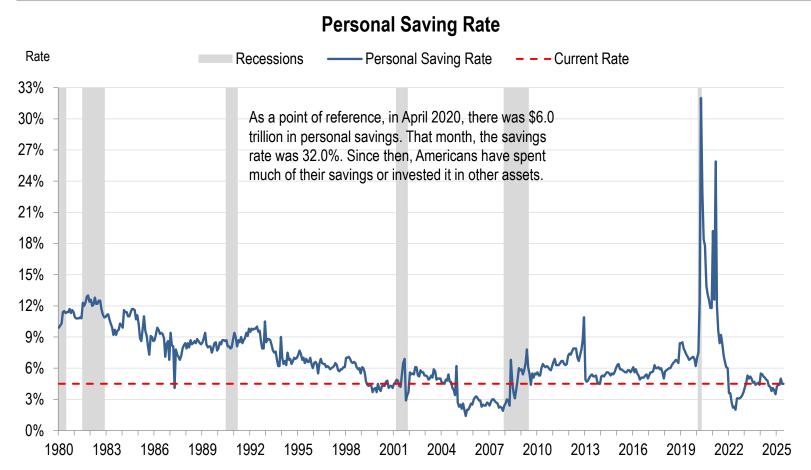
Annual Unemployment Rate					
Year	United States	Colorado			
2016	4.9%	3.1%			
2017	4.4%	2.6%			
2018	3.9%	3.0%			
2019	3.7%	2.7%			
2020	8.1%	6.8%			
2021	5.3%	5.5%			
2022	3.6%	3.1%			
2023	3.6%	3.3%			
2024	4.0%	4.3%			

Source: BLS, SA, cber.co.

U.S. Saving, Borrowing, Consumption, and Equities

U.S. Personal Saving Amount and Rate

Percentage of Disposable Personal Income (DPI)



Personal Saving Rate

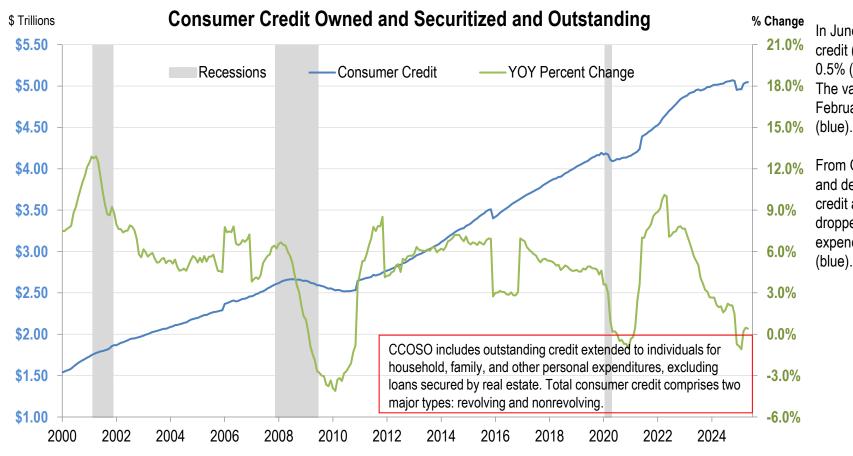
In June 2025, the saving rate was 4.5%. Savings were \$1,007.8 billion. The rate is below the prepandemic rate.

The saving rate peaked in April 2020 at 32.0%. By June 2022, Americans had drained their savings account as the rate dropped to 2.0%. The rate was 5.5% in January 2024, and it fell to 3.5% in December 2024.

Year End Personal Savings (Billions) and Rate					
2017	\$748.0	5.0%			
2018	\$1,338.9	8.4%			
2019	\$1,020.1	6.2%			
2020	\$2,038.0	11.8%			
2021	\$1,119.6	6.0%			
2022	\$715.8	3.7%			
2023	\$919.9	4.4%			
2024	\$724.1	3.3%			
Source: BEA, cber.co					

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

U.S. Consumer Credit Outstanding United States



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

Consumer Credit

In June 2025, the YOY rate of outstanding consumer credit (including consumer loan defaults) changed by 0.5% (green). Securitized credit is below \$5.1 trillion. The value declined from December 2024 through February 2025 but has risen slightly since then (blue).

From Q3 2008 to Q4 2010, consumers deleveraged and decreased their consumer debt. The amount of credit authorized increased in 2018 and 2019, then dropped in 2020 as consumers reduced expenditures and paid off debt during the pandemic (blue). It also declined in 2024.

Outstanding Credit (Billions)						
and Percent Change						
2017	\$3,830.8	5.3%				
2018	\$4,007.0	4.6%				
2019	\$4,192.2	4.6%				
2020	\$4,184.9	-0.2%				
2021	\$4,548.5	8.7%				
2022	\$4,894,3	7.6%				
2023	\$5,02317	2.6%				
2024	\$4,998.9	-0.7%				
Source: Ff	RED, G-19, Year-	end, cber.co				

U.S. Advance Retail Sales: Retail Trade Monthly



Advance Retail Sales

Retail sales were weak in 2023 and 2024. YTD 2025 sales through July (red) were \$4.35 trillion, 4.14% greater than for the same period in 2024 (green).

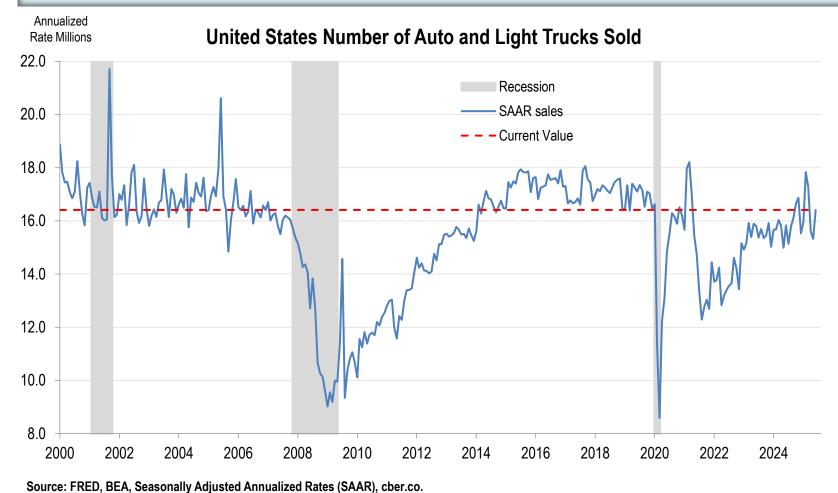
Consumers are spending despite the uncertainty. In many cases, they are buying down.

Annual	Retail Sales ((Trillions)
2017	\$4.13	4.5%
2018	\$4.30	4.2%
2019	\$4.42	2.8%
2020	\$4.55	3.0%
2021	\$5.33	17.0%
2022	\$5.76	8.2%
2023	\$5.90	2.4%
2024	\$6.04	2.3%
Source: Ce	nsus, cber.co	

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

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

Monthly (Seasonally Adjusted Annualized Rate in Millions)

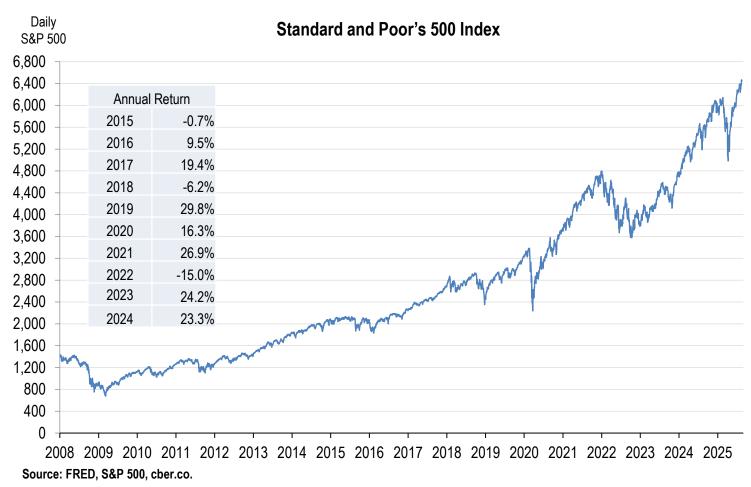


Auto and Light Truck Sales SAAR

In July 2025, auto and light truck sales rose to 16.4 million (red dotted line). Sales accelerated in March as consumers purchased vehicles to avoid higher prices caused by tariffs. This level of growth was not sustainable. The industry faces challenges from high insurance costs, tariffs, 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				
2024	15.8				

Standard and Poor's 500 Index



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

December 31, 2024 5,882, YTD change **+23.3%**.

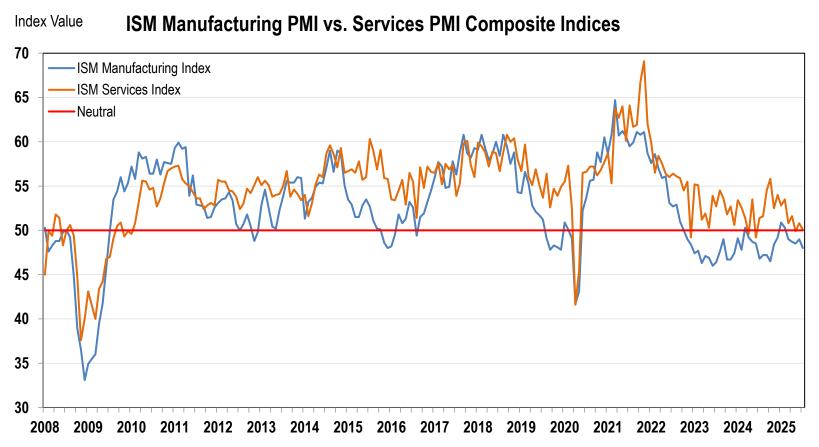
2025

August 18, 2025 6,449, YTD change +9.65%

U.S. Indicators

ISM Purchasing Managers Composite Indices

Manufacturing vs. Services



Manufacturing and Services PMI

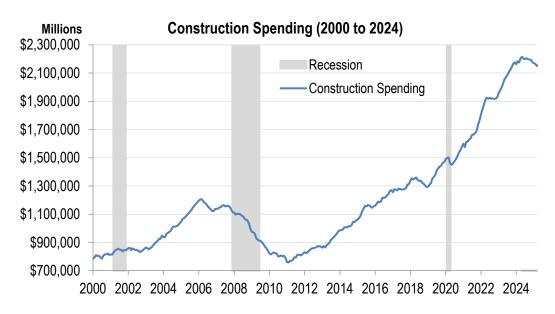
The ISM manufacturing index (blue) value for July was 48.0. Businesses that comprise about 79% of manufacturing GDP declined in July.

None of the six largest industries posted gains. Seven industries gained and 10 contracted in July. Manufacturers are not hiring workers. In July, new orders declined for the sixth consecutive month.

In November 2021, the ISM service index (orange) reached a peak of 69.1. For 2024 and 2025, the index has been between 49.2 and 55.8.

In July, the service index fell to 50.1 from 50.8. Business activity and new orders were in expansionary territory while employment was in a contractionary mode.

Construction Spending United States

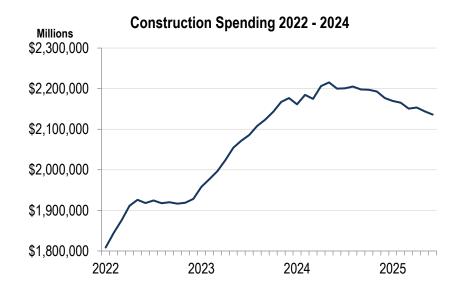


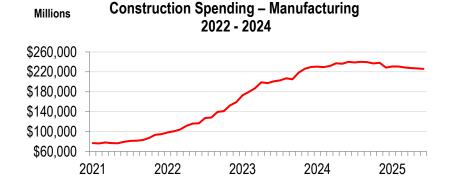
Construction Spending

Upper Left: Between 2006 and 2011, construction spending declined. It then trended upward through early 2024. It has declined in 10 of the past 13 months since May 2024. **Upper Right**: This chart shows construction spending beginning in May 2022. It peaked in May 2024 and declined in 9 of the following months.

Lower Right: Federal funds have supported the construction of manufacturing facilities since 2022. Spending began trending downward starting in August 2024.

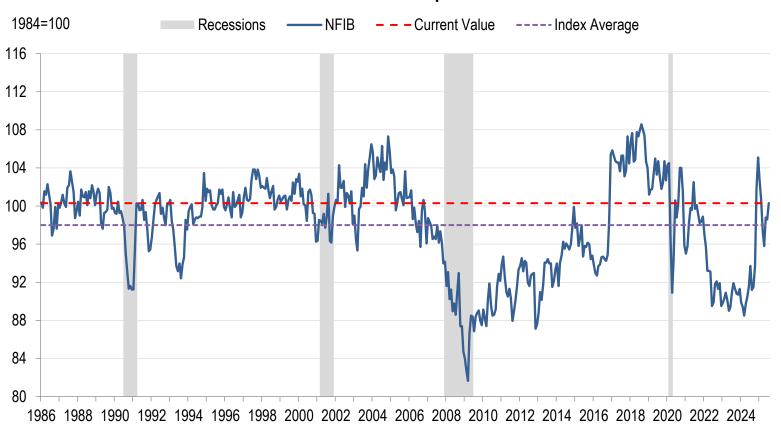
Source: FRED, U.S. Census Bureau, cber.co.
Colorado-based Business and Economic Research https:cber.co





NFIB Small Business Optimism Index United States

NFIB Small Business Optimism Index



NFIB Small Business Index

In July 2025, the NFIB index rose slightly to 100.3 (red dotted line). It is slightly above the purple dotted line, the 51-year average of 98.0 for the index.

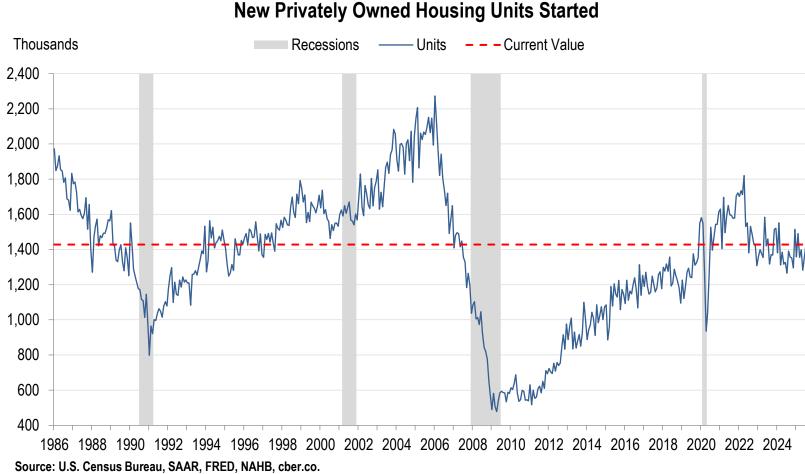
Business owners identified poor sales and labor as some of their top problems. Uncertainty remains a concern, and owners are worried about inflation, global unrest, and the impact tariffs will have on their business.

On a positive note, this past month, business owners were more optimistic about the health of their businesses.

For more details, 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

The demand for housing is high. There were 1.43 million starts in July 2025 (red-dotted line). Starts have been below 1.83 million units SAAR since April 2022.

Despite the need for housing, NAHB projects there will be market uncertainty and relatively flat growth in 2025. The housing market is forecasted to improve in 2026.

Units Started (Annual)1							
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	1,394			
2010	586		2021	1,605			
2011	612		2022	1,552			
2012	784		2023	1,421			
2013	928		2024	1,368			
2014	1,000						
2015	1,107						

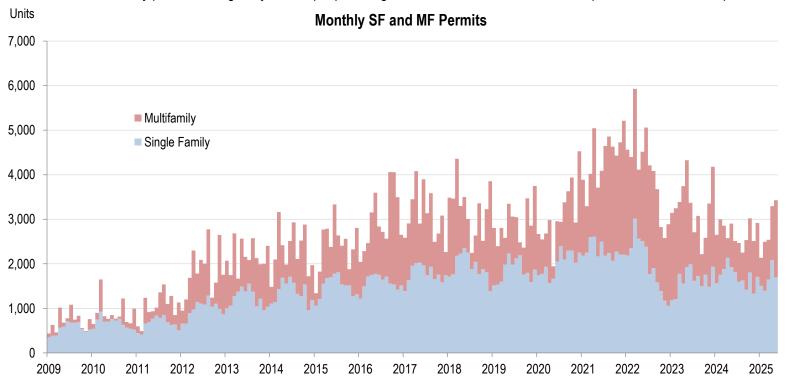
Colorado Indicators

Colorado Residential Building Permits

Single Family and Multifamily Units

Total Colorado Single Family and Multifamily Building Permits (Monthly) – Permits are Stacked Showing Total Permits

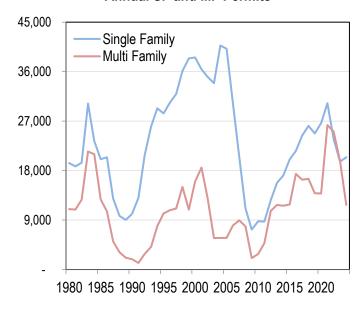
The total number of single-family permits for the first six months of 2025 changed by -10.8% (blue) compared to the same period in 2024, and multifamily permits changed by 24.8% (red). Through six months, there were 9,870 SF permits and 6,771 MF permits.



Annual SF and MF Permits

The total number of SF and MF permits increased from 2010 to 2021. They trended downward from 2022 through 2024.

Annual SF and MF Permits



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

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

Colorado Single Family Market Review Colorado Statewide Report

Colorado Single Family Market Review70												
Jul	y 2024	July	2025	% Chang	ge		YTD 2024		YTD 2025		% Change	
	8,856		9,391	6	6.0%	New Listings		57,755		65,854	14.0%	
	5,843		6,411	9	.7%	Pending/Under Contract		40,695		42,910	5.4%	
	6,178		6,221	0).7%	Sold Listings		38,226		39,751	4.0%	
\$	589,000	\$	590,000	0).2%	Median Sales Price	\$	585,000	\$	587,200	0.4%	
\$	729,964	\$	755,304	3	3.5%	Average Sales Price	\$	747,327	\$	756,980	1.3%	
	98.8%		98.6%	-0).2%	Percent of List Price Received		99.1%		98.8%	-0.3%	
	44		50	13	3.6%	Days on Market Until Sale		50		57	14.0%	
	69		70	1	.4%	Housing Affordability Index		70		70	0.0%	
	21,243		25,086	18	3.1%	Inventory Active Listings						
	4.0		4.5	12	2.5%	Months Supply of Inventory						

Colorado Single Family Market Review

The YTD data through July reports increased new listings, pending contracts, and sold listings compared to the same period in 2024.

YTD average sales prices were higher than a year ago, though median prices for June and July were only slightly higher.

There were 4.5 months of inventory in July 2025. The market is balanced.

New Listings – Measures new supply coming onto the market.

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

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

Median Sales Price – It is the midpoint. Half of the activity is above the median, and half is below this value.

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

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

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

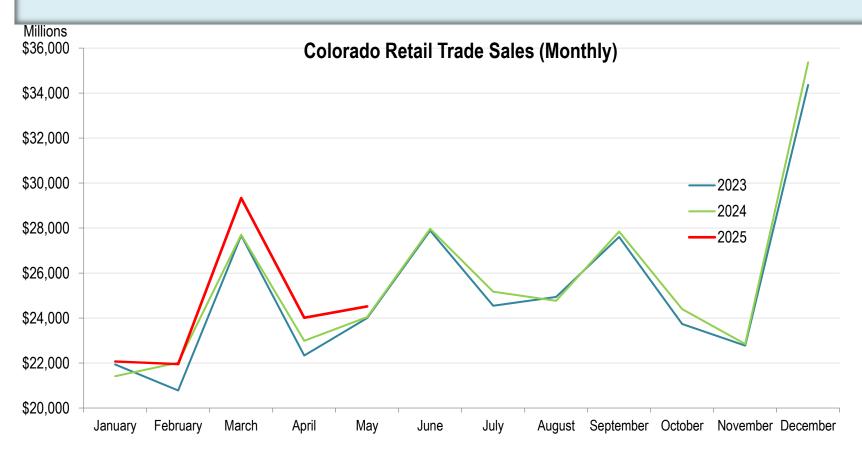
Affordability Index – A higher number means greater affordability.

Inventory of Active Listings – The number of homes available for sale at a given time. The inventory level 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 Retail Trade Sales Monthly



Colorado Retail Trade Sales

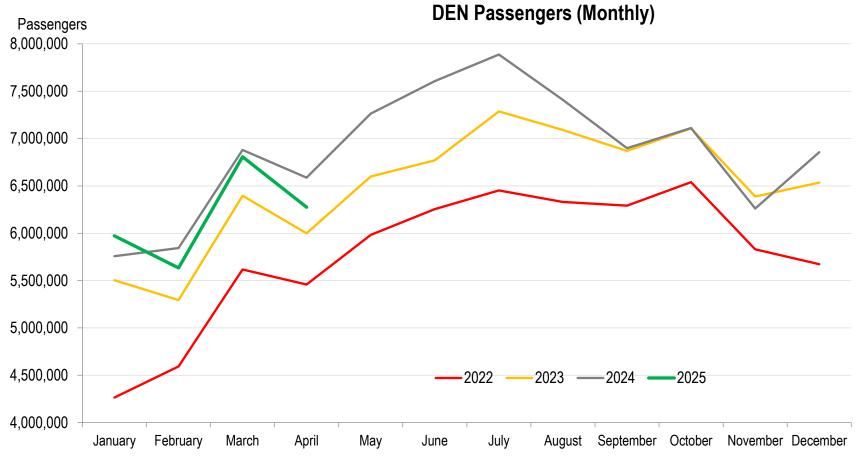
YTD sales through May are 3.2% greater than the same period in 2024. The spike in March and April sales is likely an anomaly caused by purchases to avoid higher prices from tariffs.

Sales in 2025 are expected to be 2.5% to 3.0% higher than in 2024.

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%			
2024	\$306.5	1.3%			

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

DEN and COS Passengers Monthly



Air Travel

There were 82.4 million passengers through DIA in 2024 (grey line), a YOY increase of 5.8%. Through the first four months of 2025, there were 24.7 million passengers, about 400,000 fewer than the same period in 2024.

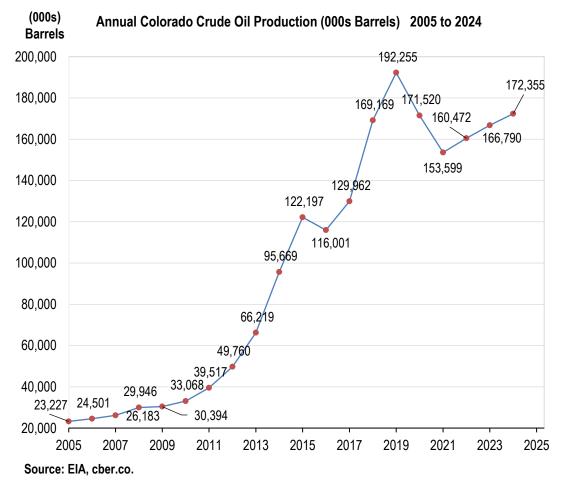
There were 2.47 million passengers through COS in 2024. Through June 2025, there have been 1.14 million passengers, compared to 1.19 million during the same period in 2024.

Year	DIA Passenge
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
2024	82,358,744
	2016 2017 2018 2019 2020 2021 2022 2023

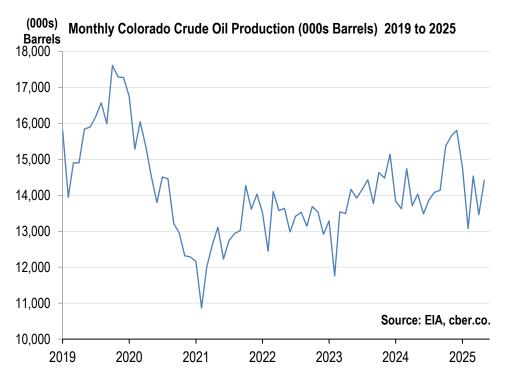
Source: flydenver.com, https://www.flydenver.com/about-den/governance/reports-and-financials/, administration/governance, COS airport, https://coloradosprings.gov/flycos/monthly-traffic-reports, cber.co.

Colorado Field Production of Crude Oil

2005 to 2025 (Thousand Barrels)



Colorado-based Business and Economic Research https://doi.org/10.1001/j.com/10.1001/j.



Above (Monthly): Production dropped in 2020 and increased at a steady rate between 2021 and 2024. So far in 2025, monthly production has been between 13,000 and 14,800 thousand barrels. The number of barrels produced so far in 2025 is similar to that of 2024.

Left (Annual): Over the past 20 years, oil production has become a critical part of the Colorado economy. The downturn in 2020 was a result of state energy regulations and reduced demand from COVID-related policies. In 2021, the annual monthly production hit a low point. There has been steady growth through 2024.

40

Colorado Economic Forecast Summary

Colorado Economic Forecast 2025 Summary

Real GDP growth (Colorado) slowed in
2024. There will be a slower growth rate in
2025.

The population (Colorado) will increase by 49,800 people in 2025, or 0.8%.

Expect Colorado employment to increase by 31,000 in 2025 and remain weak through 2027. Colorado's unemployment rate is forecasted to be higher than the U.S. rate in the months ahead.

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. Colorado inflation is forecasted to be 2.8% in 2025, lower than the rates observed from 2021 through 2023.

Colorado Economic Forecast						
	2022	2023	2024	2025		
Real GDP Value (billions) (chained 2017)	\$418.8	\$437.1	\$445.3	\$453.3		
% Change Real GDP	3.0%	4.4%	1.9%	1.8%		
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		
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%		
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	23,728	19,641	20,500	18,000		
Multi-family (MF) Permits	25,111	19,763	11,600	14,000		
Oil Production (thousands) barrels	160,472	166,790	172,355	175,000		

In 2024, 82.3 million passengers flew through DIA. The YTD number of passengers is fewer than in 2024; however, officials project it might be possible to have 100 million passengers by 2027. More than 2.5 million passengers will travel through the Colorado Springs (COS) airport in 2025. The number of YTD passengers in 2025 is slightly less than in 2024.

The total number of unit building permits declined in 2024. In 2025, the number of permits issued will be similar (18,000 SF and 14,000 MF). The volatility in housing and real estate markets may ease if interest rates are more favorable in 2025.

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

cber.co Economic Outlook and Trends For 2025 Colorado and the United States, Through July 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.

For further information contact Colorado-based Business and Economic Research (cber.co).

© Copyright 2025 by cber.co.

Data contained in the tables, charts, and text of this presentation is from sources in the public domain. With appropriate credit, it may be reproduced and shared without permission. Please reference, "Colorado-based Business and Economic Research" (cber.co). Additional presentations are available at https://cber.co.

For additional information contact cber.co at cber@cber.co , gary@garyhorvath.com, or garyhorvath@hotmail.com.

ACKNOWLEDGEMENTS

A special thank you to Ana and Allyson Horvath for their review and comments on this publication.

ABOUT THE AUTHOR

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 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.