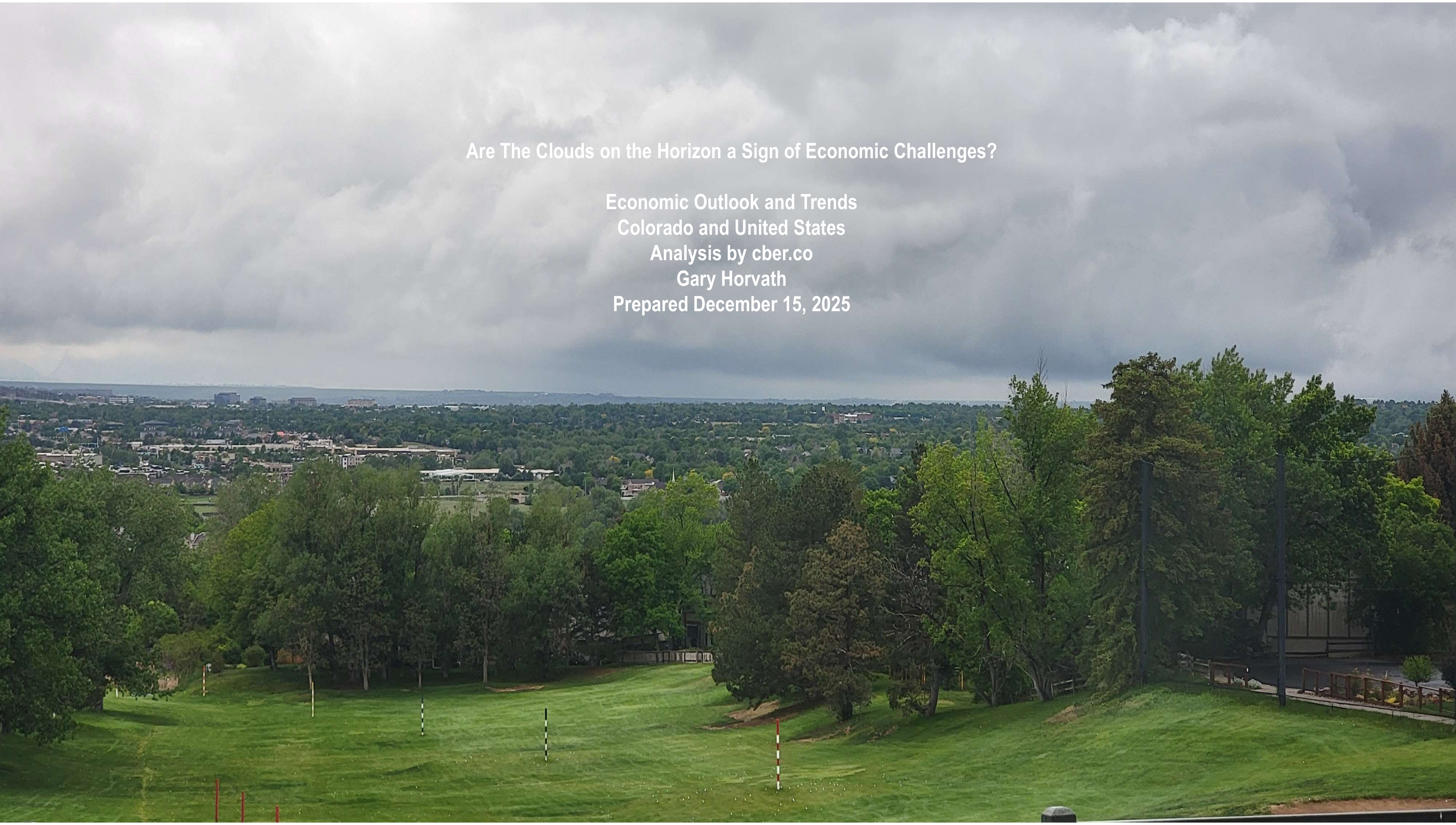

Are The Clouds on the Horizon a Sign of Economic Challenges?

Economic Outlook and Trends
Colorado and United States
Analysis by cber.co

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Prepared December 15, 2025

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 is more unusual than past reviews because of the lag in the data caused by the government shutdown.

This analysis focuses on employment data and metrics that drive economic change. Nationally, the U.S. labor market was solid for the first four months of 2025. It has dropped off since then. YOY growth has been positive, but much weaker.

Colorado has been in a precarious position for at least a year. It has a weaker labor market than the U.S. The state legislature and most major cities have experienced budget shortfalls. In May, the legislature balanced a budget that originally had a $1.2 billion gap. It held a special session beginning August 21 to address a shortfall caused by H.R.1. The session was viewed as a success or unnecessary, based on your perspective.

On the horizon lies a significant shortfall, the 2026-2027 budget. It will likely be a contentious session!

Contents

This chartbook addresses the following topics.

How Will the Economy Perform?

There are Clouds on the Horizon. The Ride will be Bumpy. A Recession in the Near Term is Unlikely.

The Conference Board (TCB) U.S. economic forecast (December 12, 2025) is the base for this analysis. TCB expects tariffs to short-circuit economic activity and the labor market in the second half of 2025 into 2026. For the remainder of the year, inflation will be higher than desired (above the target rate). The Federal Reserve will struggle to find the balance in its policy-making between a slowing labor market and inflation that is near 3.0%. As 2025 has progressed, the U.S. economy, in particular the labor market, has slowed. On a positive note, many business leaders and consumers are dealing with the uncertainty that has plagued the economy in 2025.

National and International

- The U.S. labor market has been resilient. There were steady gains through April, with weaker growth in the subsequent four months. There was a slower rate of increase in employment through September.
- Inflation remains higher than desired; however, it is much lower than previous highs.
- There is more clarity than earlier in the year. Uncertainty and the changing source of uncertainty remain a problem; however, businesses are adapting to it.
- Retail sales are increasing at a faster rate than last year. Consumers may be "buying down," but they are spending. The NFR projects holiday sales of $1 trillion this year.

State and Local

- Employment growth was weak in the second half of 2024. It has been slower in 2025, despite strong employment growth in March and April.
- In 2025, immigration has increased at a slower rate. Therefore, population growth will be only 35,112.
- Colorado retail trade sales are growing at a faster rate than last year; however, the rate is historically slow. It is also less than the U.S. rate of growth.
- 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 "addressed" an additional shortfall of another $1.0 billion caused by reductions in federal funding. Another shortfall of similar magnitude is expected for the fiscal year 2026-2027.
- Many of Colorado's major cities are experiencing budget shortfalls.

U.S. GDP Forecast and Real Disposable Personal Income Per Capita

U.S. Real GDP Growth

The Conference Board (TCB) Forecast (December 12, 2025)

Real GDP and Economic Growth

The Conference Board Forecast projects real GDP growth of 1.9% in 2025. Real disposable income will increase by 2.1%, and real personal consumption will increase by 2.5%. There will be a decline in residential investment (-1.9%) and an increase in nonresidential investment (4.3%).

Other Economic Factors

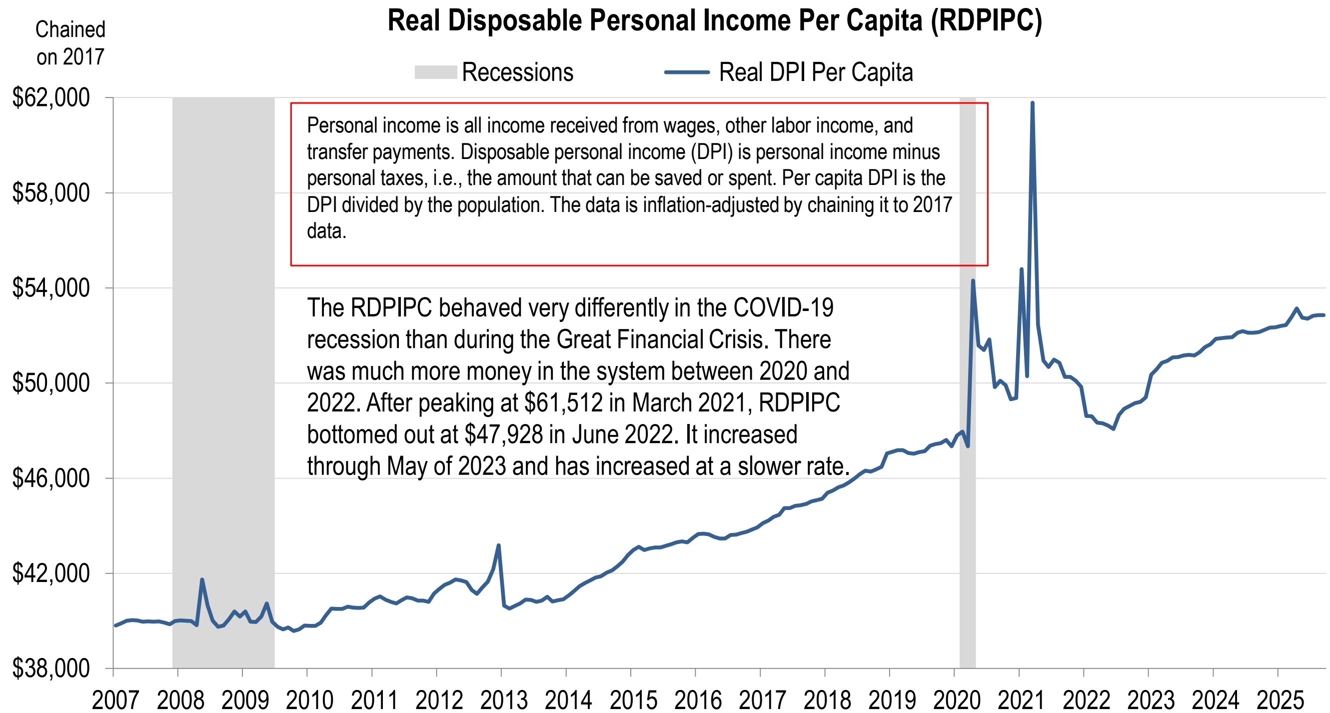
There will be a slower rate of government spending than last year (1.5%). Export growth will be slower in 2025 (0.7%) with an unemployment rate of 4.2%. The projected PCE inflation rate is 2.8%, and the core rate is 3.0%. The forecast for the Fed Funds rate is 3.625% by year-end.

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%	-0.6%	3.8%	2.6%	1.2%	2.8%	1.9%	1.5%
Real Disposable Income	5.6%	1.0%	0.2%	2.5%	2.3%	3.1%	1.7%	1.7%	2.9%	2.1%	1.7%
Real Personal Consumption	1.9%	2.8%	3.7%	4.0%	0.6%	2.5%	2.7%	1.3%	2.9%	2.5%	1.6%
Residential Investment	13.7%	-2.8%	-4.3%	5.5%	-1.0%	-5.1%	-5.0%	-2.0%	3.2%	-1.9%	-2.2%
Nonresidential Investment	4.5%	3.9%	4.0%	-3.0%	9.5%	7.3%	4.3%	3.0%	2.9%	4.3%	3.1%
Total Gov't. Spending	1.8%	3.0%	5.1%	3.1%	-1.0%	-0.1%	2.4%	0.5%	3.8%	1.5%	0.6%
Exports	1.9%	1.0%	9.6%	-0.2%	0.2%	-1.8%	0.5%	-0.7%	3.6%	0.7%	0.3%
Unemployment Rate	3.8%	4.0%	4.2%	4.1%	4.1%	4.2%	4.3%	4.5%	4.0%	4.2%	4.5%
PCE Inflation (%Y/Y)	2.7%	2.6%	2.3%	2.5%	2.6%	2.4%	2.7%	2.9%	2.6%	2.8%	2.6%
Core PCE Inflation (%Y/Y)	3.0%	2.7%	2.7%	2.8%	2.8%	2.7%	2.9%	3.0%	2.9%	3.0%	2.6%

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 September 2025, RDPIPC was $52,856. It was 1.4% greater than the same period in 2024.

The monthly YOY change was between 1.4% and 2.7% in 2024. It has been between 1.0% and 2.3% in 2025.

RDPIPC (Average)

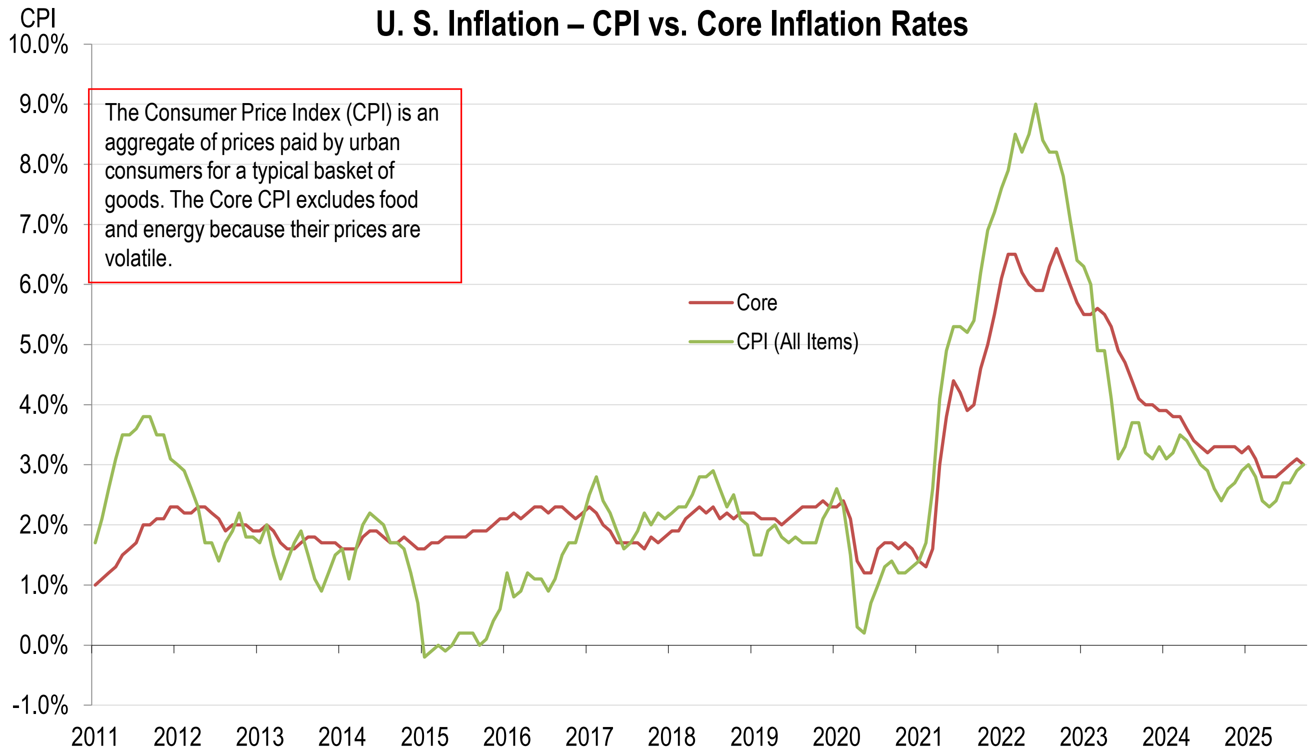
Year	RDPIPC	% Change
2016	$43,659	1.1%
2017	$44,710	2.4%
2018	$46,057	3.0%
2019	$47,251	2.6%
2020	$50,056	5.9%
2021	$51,698	3.3%
2022	$48,534	-6.1%
2023	$50,579	4.2%
2024	$51,491	1.8%

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.

United States and Colorado Inflation

CPI Inflation

U.S. CPI vs. Core Inflation



Source: Bureau of Labor Statistics, Core Inflation is the CPI less food and energy; CPI All Items City Average SA, cber.co.

U.S. CPI vs. Core Inflation

In September 2025, the U.S. CPI rate was 3.0% (red), and the core rate was 3.0% (blue). A year ago, the CPI was 2.4% and the core was 3.3%.

2025 mid-year values were 2.6% for the U.S. CPI rate and 2.9% for the core rate.

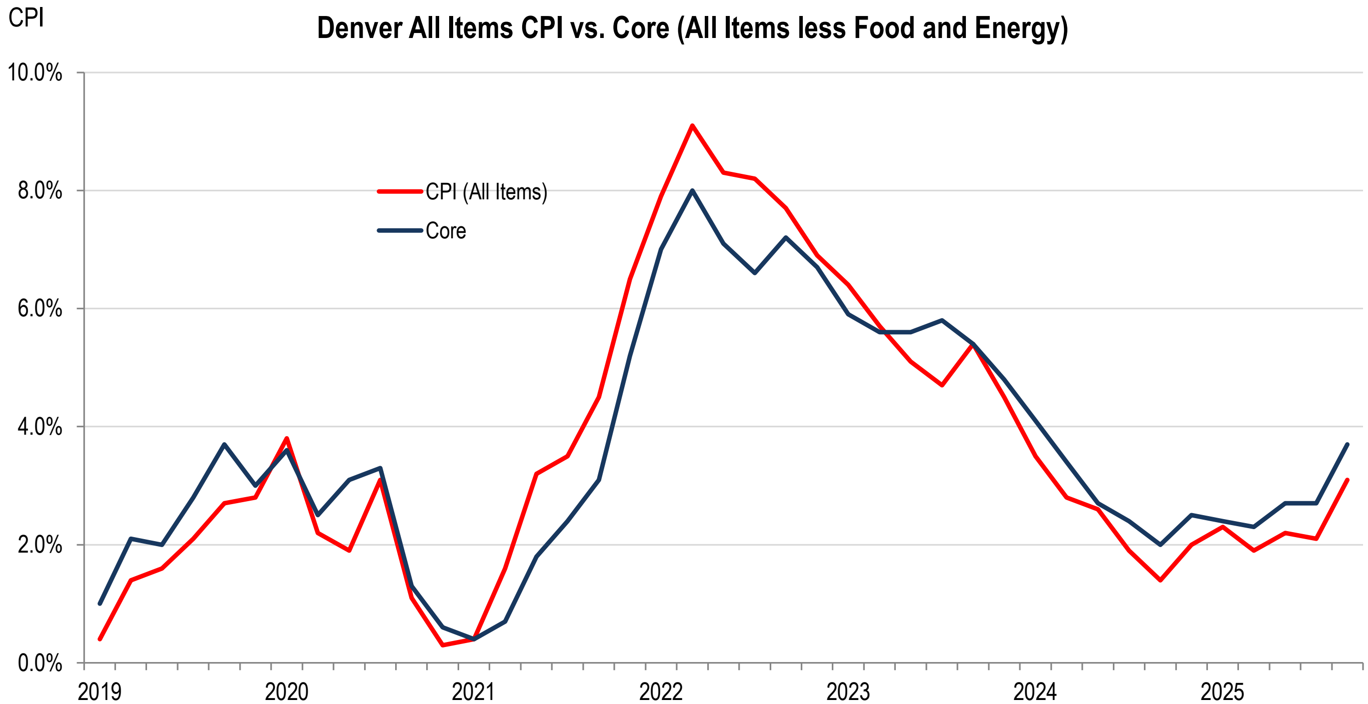
U.S. and Denver Annual CPI and Core

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: BLS, cber.co

Bi-Monthly Change in Denver-Aurora-Lakewood 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.

Denver-Aurora-Lakewood CPI vs. Core Inflation

The Denver CPI rate was 3.1% in September 2025, and the core rate was 3.7%.

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%.

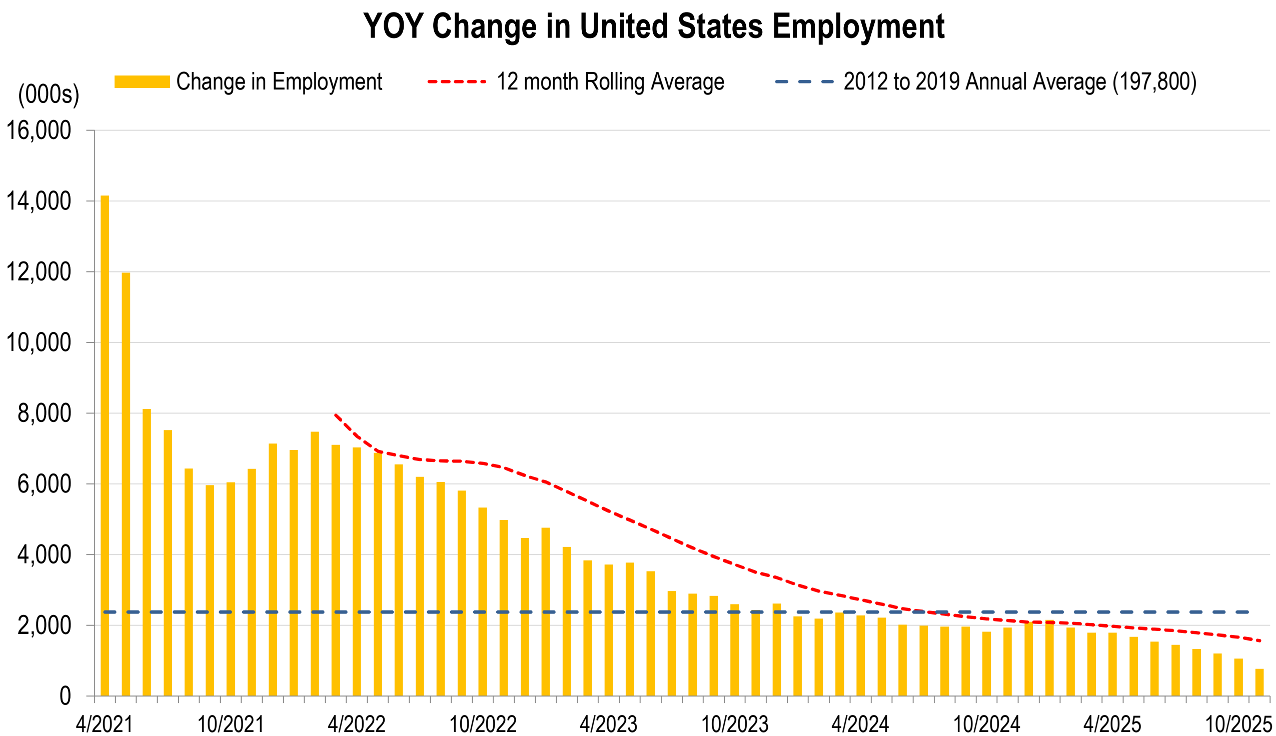
The Denver inflation rate has generally been higher than the U.S. rate, but the trend reversed in 2024 (not shown). The Denver CPI was the same or greater than the U.S. rate in 8 of 10 years (2015 and 2024). In September, both rates are again greater than the U.S. rate.

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

United States Employment

YOY Change in Employment

United States



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 1.2 million in September 2025.

The 12-month rolling average (red dotted line) reached its peak at 7.9 million in March 2022. The 12-month rolling average was 1.73 million in September 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.

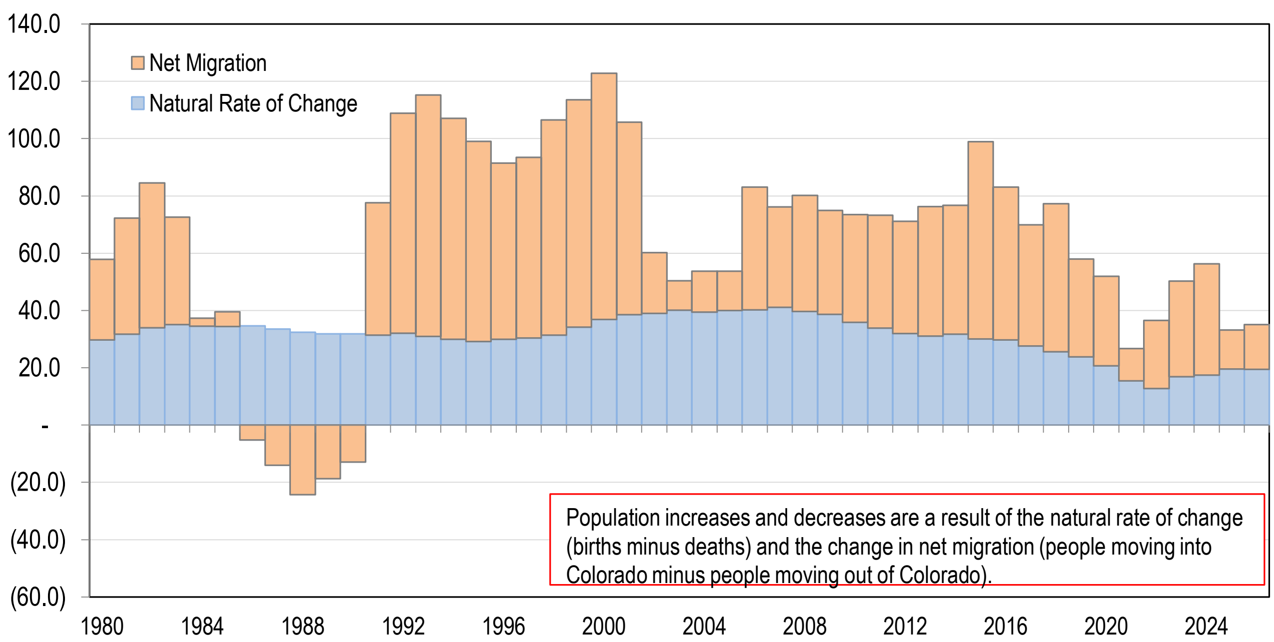
Colorado Population

Colorado Population

Components of Change

Change in Colorado Population 1980-2026

Thousands



Components of Change

Since 2000, the population of Colorado has increased at a decreasing rate. Changes have occurred because of higher death rates, lower fertility rates, altered migration patterns, pandemic-related policies, and the aging of the baby boomers. Significant declines occurred in 2020 and 2021. International immigration decreased in 2025 and 2026.

In 2026, there will be increases in net migration (15,654) and the natural rate (19,458). The total gain is 35,112 to 6,024,996.

Despite the decrease in the natural rate of change and immigration, the population growth between 2021 and 2024 is positive. Between 1985 and 1990, there were five years of negative net migration.

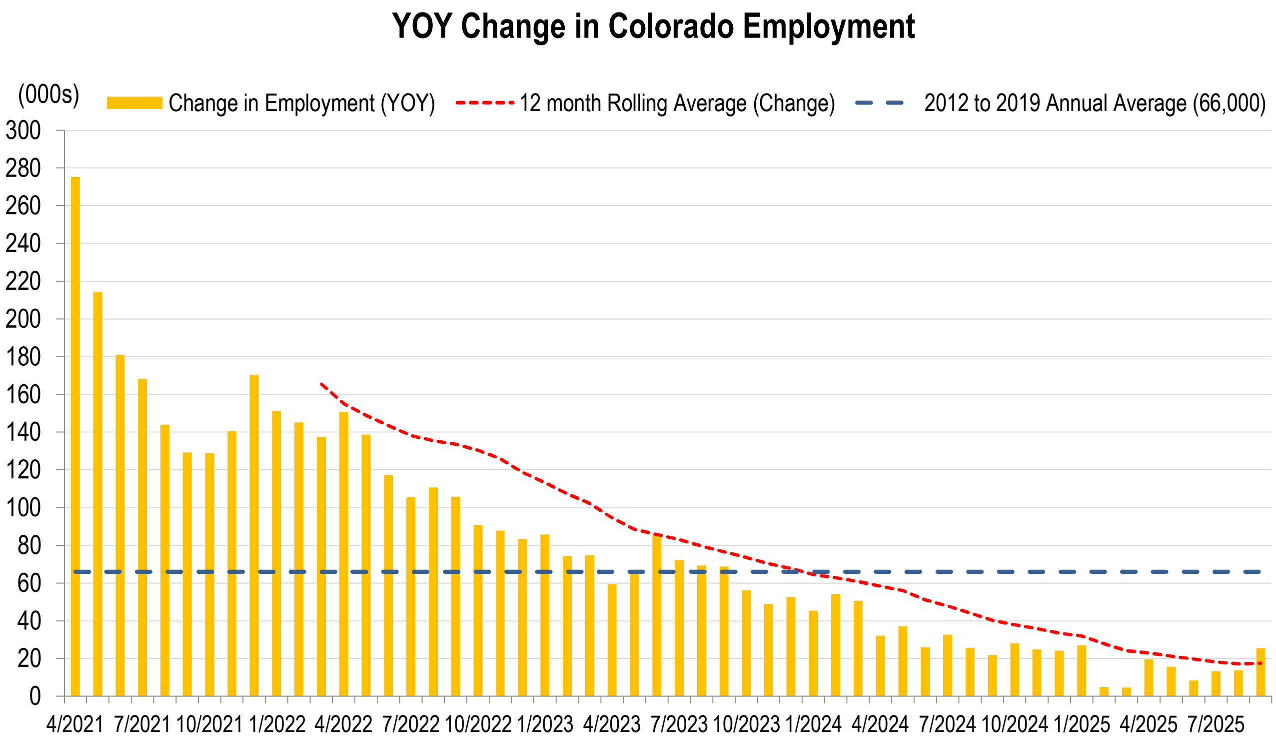
Low population growth translates into low job growth.

Sources: State Demography Office, September 2025, and cber.co. Note: The data reflects changes released at the 2025 Demography Summit.

Colorado Employment, Unemployment, and Wages

YOY Change in Employment

Colorado



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

Change in Colorado Employment

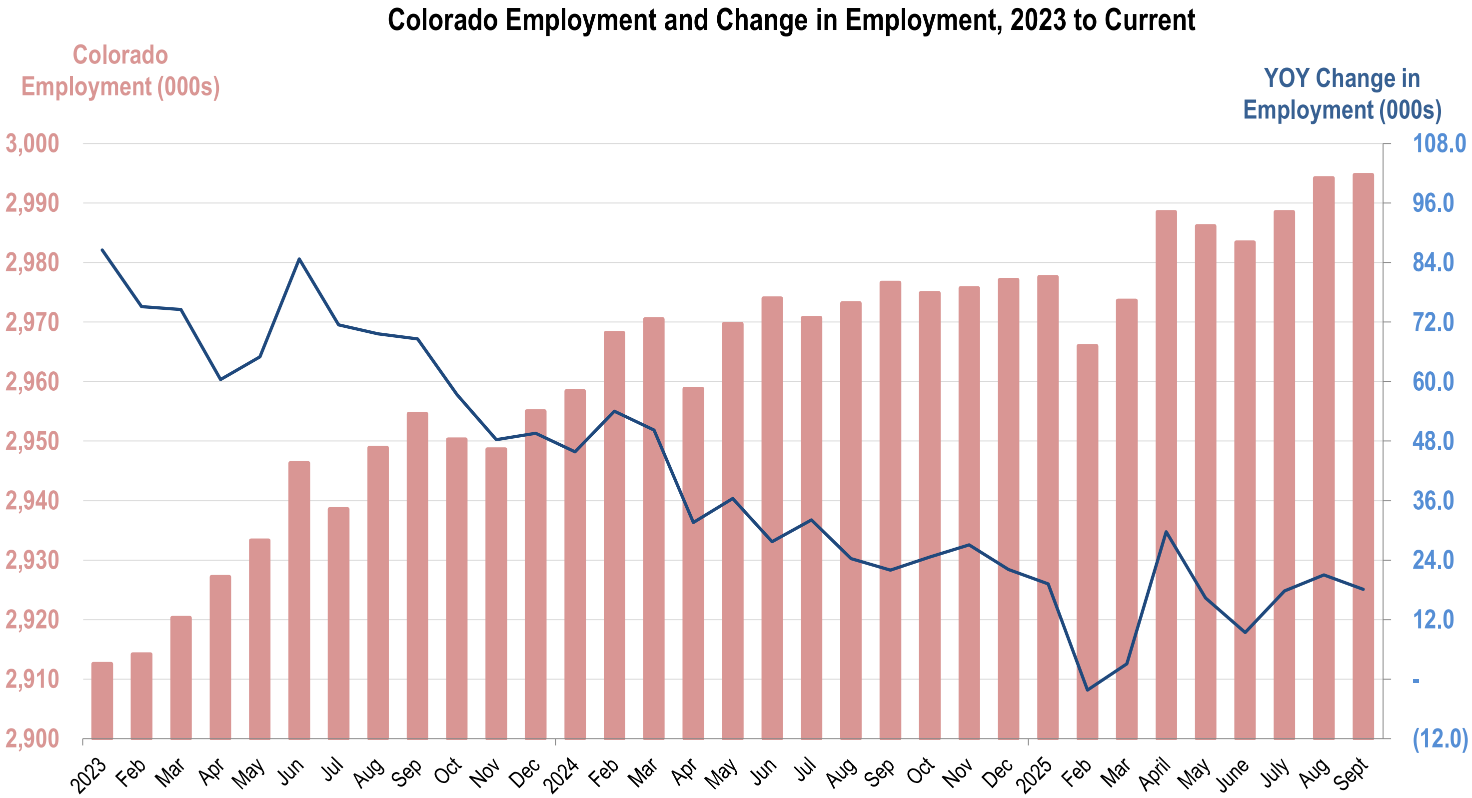
The blue dotted line represents the average annual NSA employment from 2012 to 2019 (66,000). The average monthly change was 5,500.

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 September 2025, the YOY NSA employment was 25,500.

The 12-month rolling average (red dashed line) reached a peak in March 2022 at 165,500. It has since trended downwards and was 17,500 in September 2025.

The Colorado labor market has grown at a slower rate than the labor market in the United States. Weak growth will likely continue in the months ahead.

Colorado Employment
2023 to Current



Source: BLS, SA, cber.co.

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

Colorado Employment and Change in SA 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 nine months of 2025. The YOY monthly changes have been between -2,200 and 29,700. In September, YOY employment increased by 18,300.

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	**Employment and**		**YOY Change**	
Private vs. Government employees	**Sep. 2024 (000s)**	**Sep. 2025 (000s)**	**YOY Change**	**Percent YOY**
Total Employment	2,976.6	2,994.7	18.1	0.6%
Private Employment	2,485.3	2,495.7	10.4	0.4%
Government Employment	4891.3	499.0	7.7	1.6%
Source: BLS, SA, cber.co				

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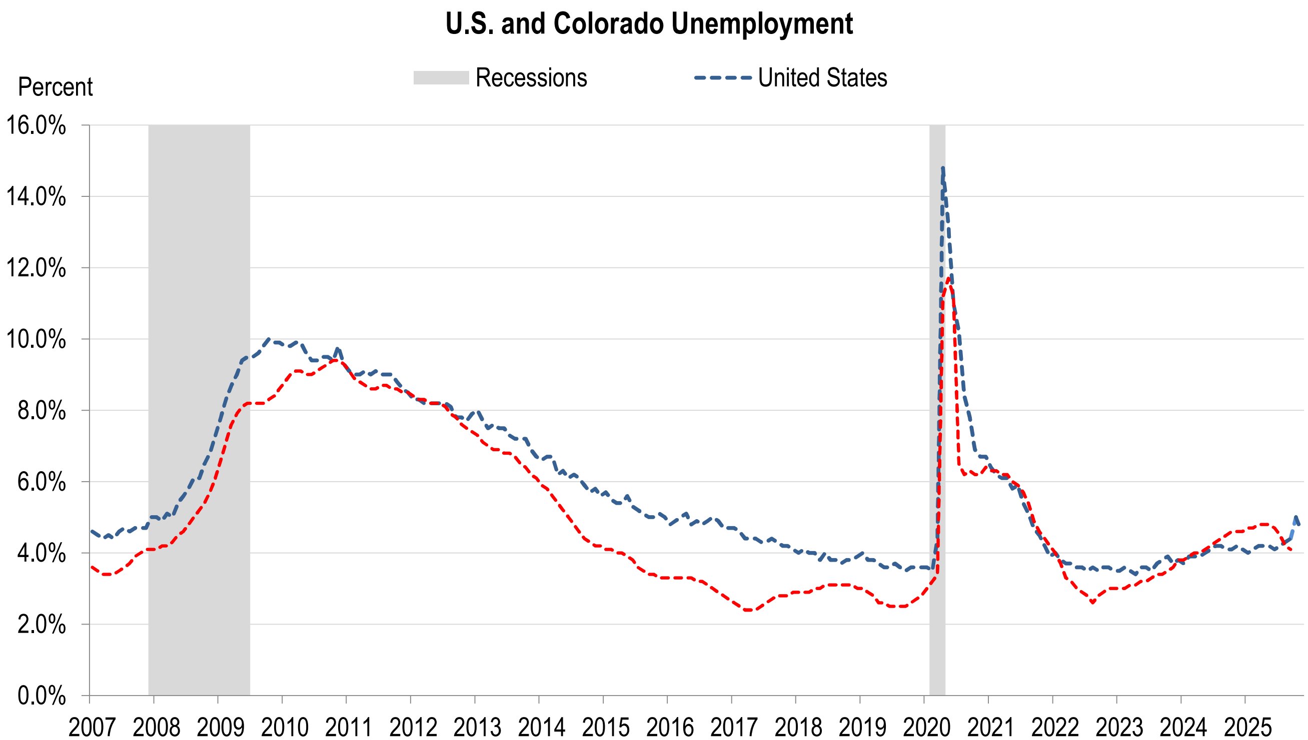
Highlights
Private vs. Government

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

YOY September employment for the Government Sector increased by 9,500, and the Private Sector changed by 8,800.

Overall employment increased by 18,300 or 0.6%.

Unemployment Rate
United States and Colorado



Source: BLS, SA, cber.co.

Unemployment Rate

The Colorado unemployment rate (red line) was 4.4% in September 2025. The U.S. rate (blue line) was 4.1% in September and 4.6% in November.

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 was not the case in 2025 until August.

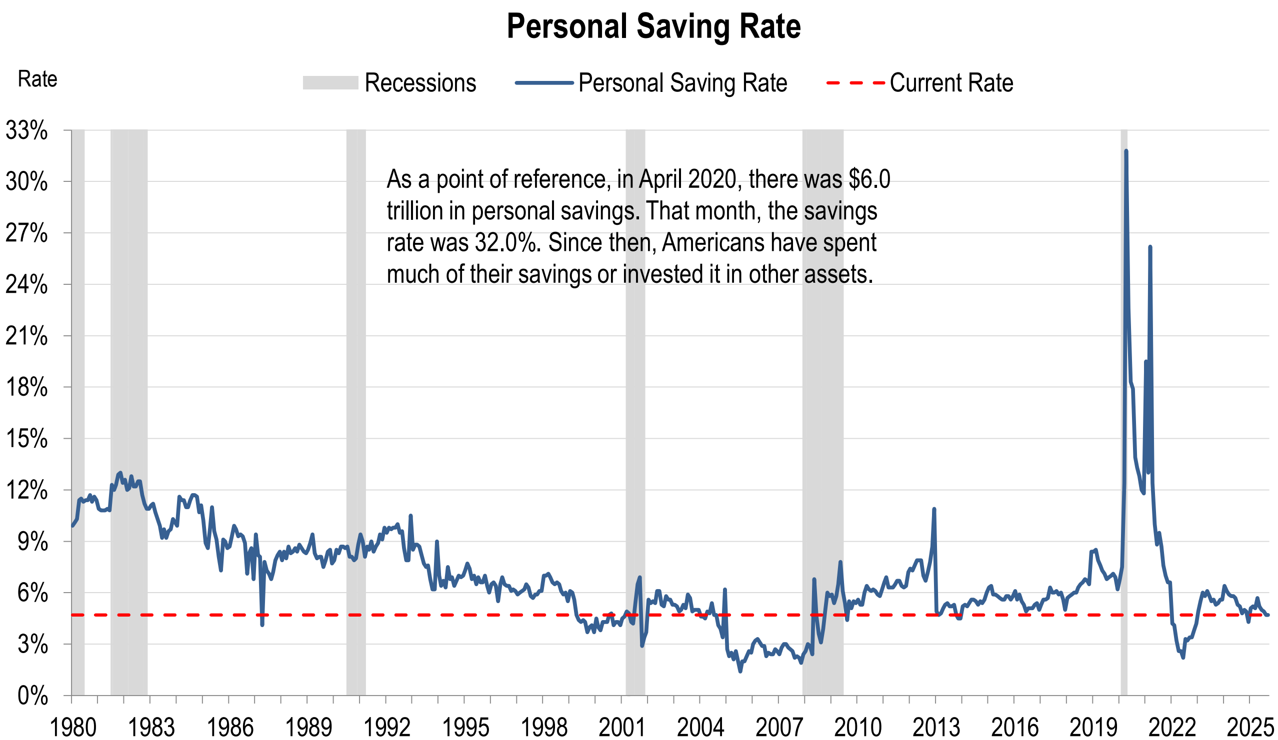
Annual Unemployment Rate

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%

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

U.S. Personal Saving Amount and Rate

Percentage of Disposable Personal Income (DPI)



Source: Federal Reserve, FRED, cber.co. Note: In October 2024 the data was updated, going back to 2019. It was revised again in December 2025.

Personal Saving Rate

In September 2025, the saving rate was 4.7%. Savings were $1,090.1 billion. The rate is below the pre-pandemic 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 6.4% in January 2024, and it fell to 4.3% in December 2024.

Year End Personal Savings (Billions) and Rate

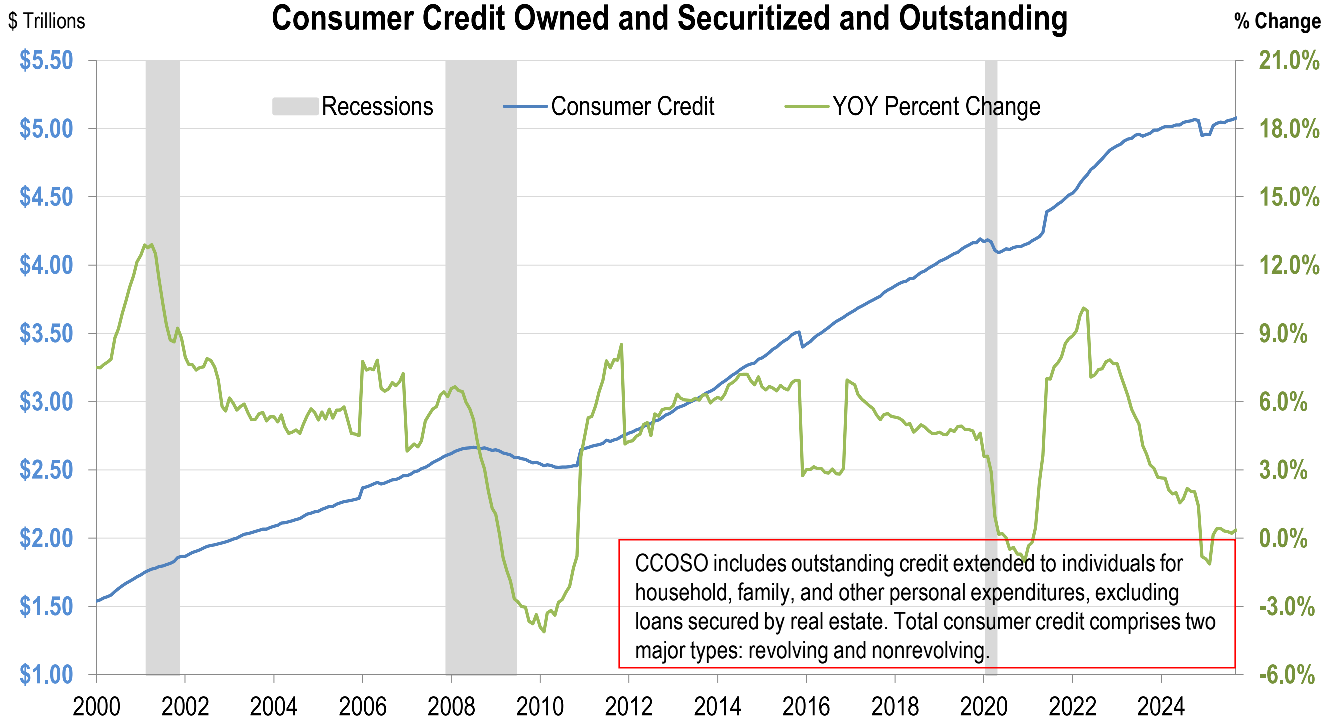
2017	$748.0	5.0%
2018	$1,338.9	8.4%
2019	$1,020.1	6.2%
2020	$2,038.0	11.8%
2021	$1,119.6	6.0%
2022	$715.8	3.7%
2023	$919.9	4.4%
2024	$724.1	3.3%

Source: BEA, cber.co

U.S. Consumer Credit Outstanding

United States

Consumer Credit Owned and Securitized and Outstanding



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

Consumer Credit

In October 2025, the YOY rate of outstanding consumer credit (including consumer loan defaults) changed by 0.3% (green). Securitized credit is slightly below $5.1 trillion (blue). The value declined from December 2024 through February 2025 but has risen slightly since then.

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. It also declined in late 2024.

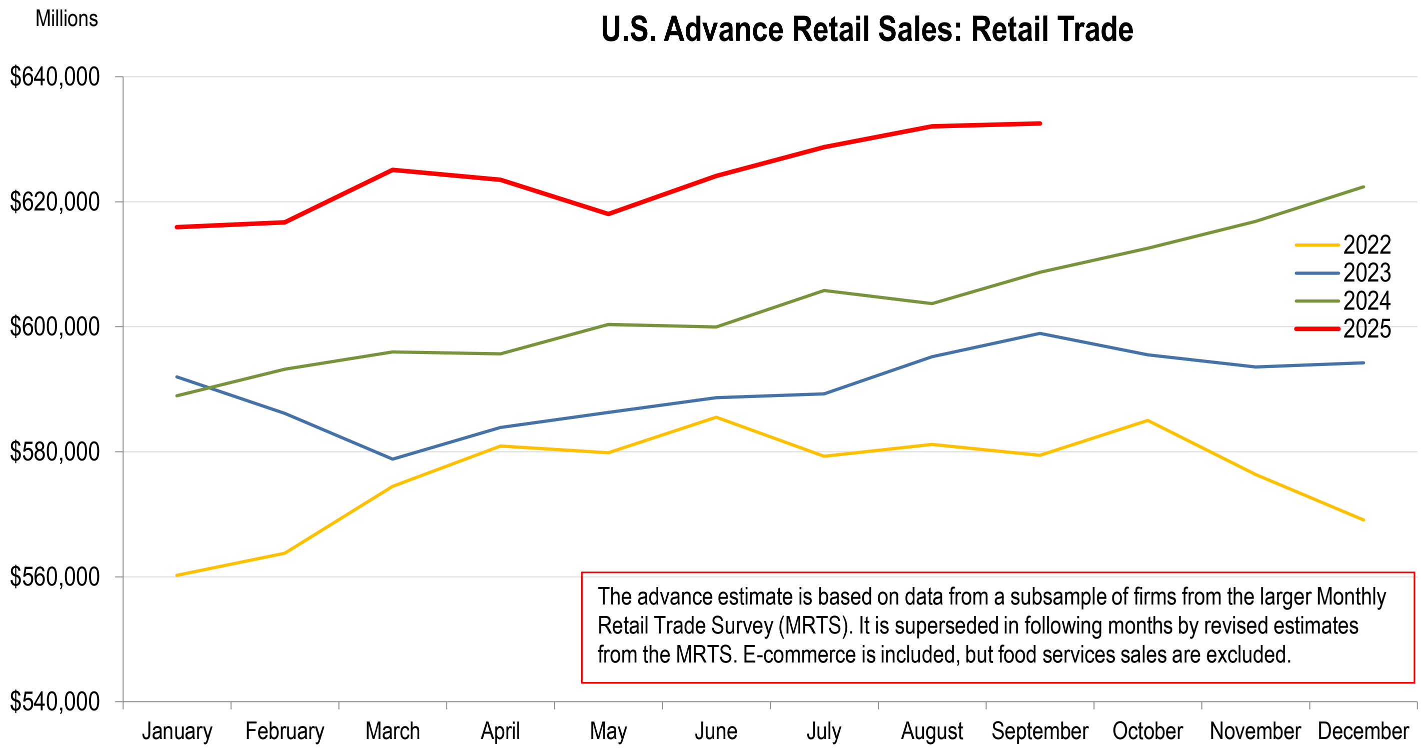
Outstanding Credit (Billions) and Percent Change

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	$5,023l7	2.6%
2024	$4,998.9	-0.7%

Source: FRED, 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 September (red) were $5.6 trillion, 4.2% greater than for the same period in 2024 (green).

Consumers are spending. They are learning to deal with the uncertainty. In many cases, they are buying down.

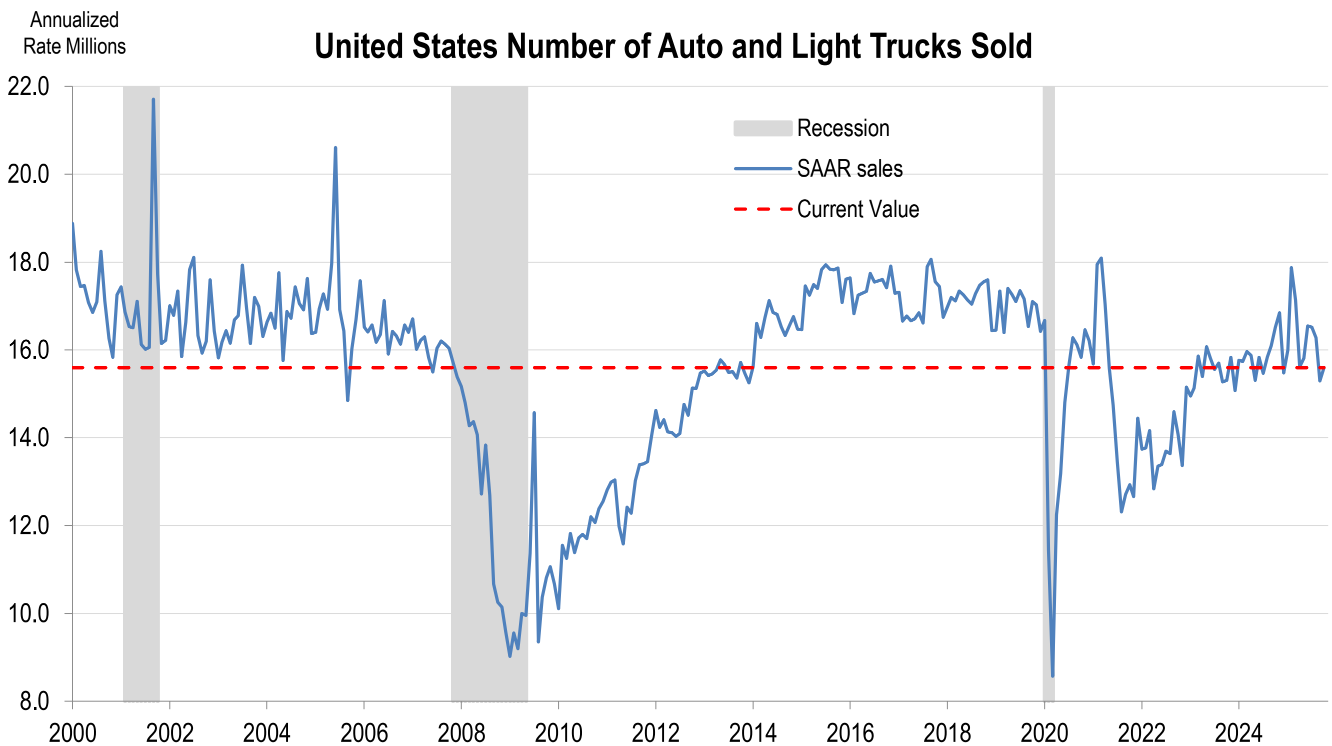
Annual Retail Sales (Trillions)		
2017	$4.13	4.5%
2018	$4.30	4.2%
2019	$4.42	2.8%
2020	$4.55	3.0%
2021	$5.33	17.0%
2022	$5.76	8.2%
2023	$5.90	2.4%
2024	$6.04	2.3%

Source: Census, 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)



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

Auto and Light Truck Sales SAAR

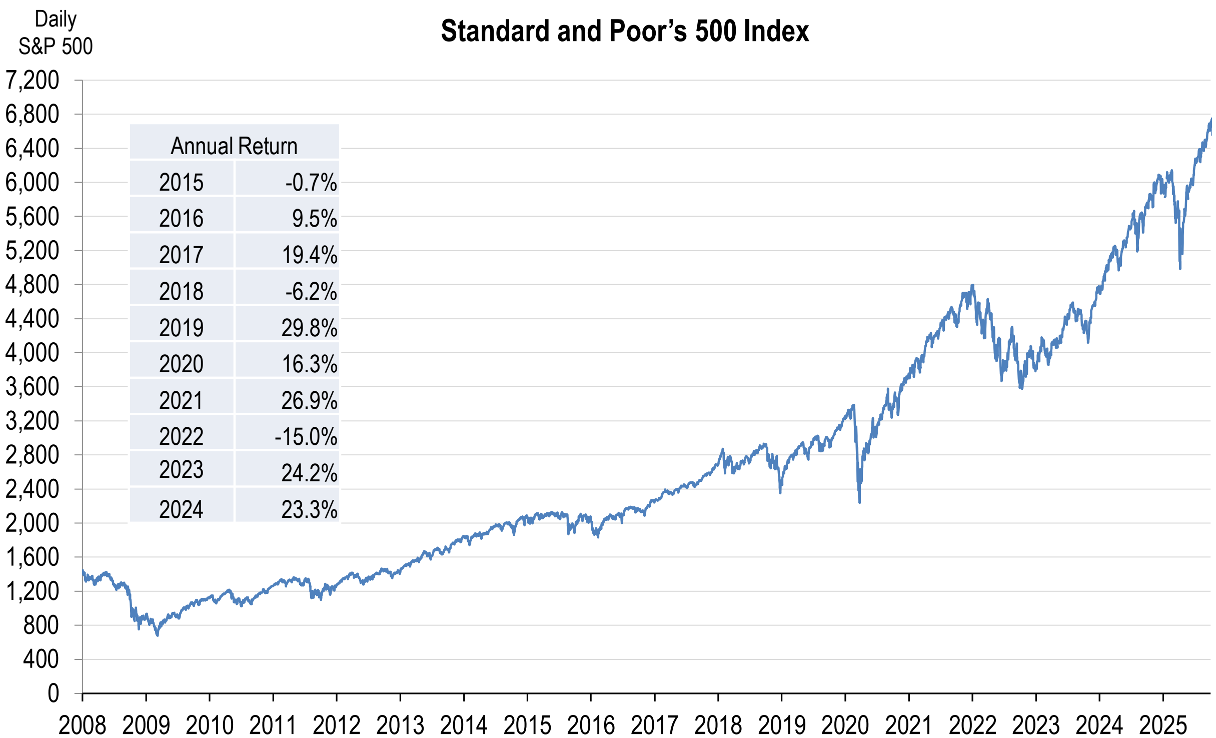
In November 2025, auto and light truck sales were 15.6 million (red dotted line).

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



Annual Return	
2015	-0.7%
2016	9.5%
2017	19.4%
2018	-6.2%
2019	29.8%
2020	16.3%
2021	26.9%
2022	-15.0%
2023	24.2%
2024	23.3%

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

Market Returns

2020 COVID-19 Policies

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

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%.**

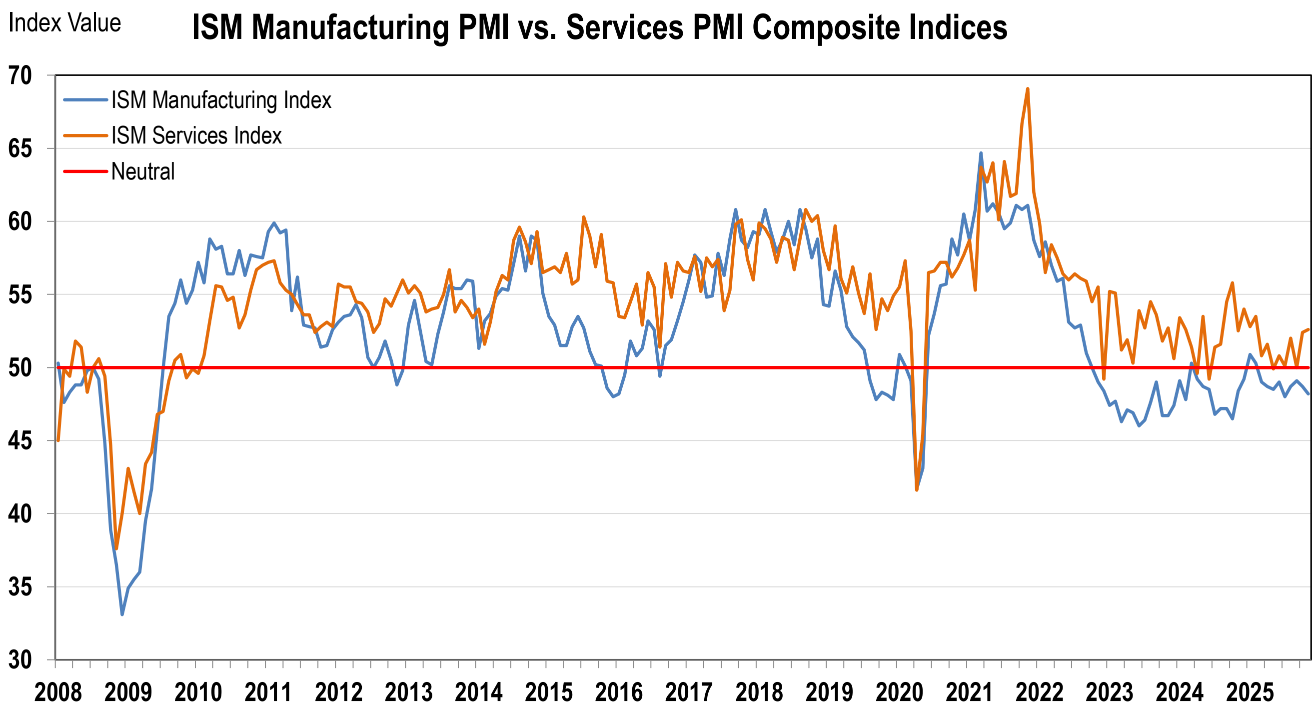
2025

December 12, 2025 6,827, YTD change **+16.08%**

U.S. Indicators

ISM Purchasing Managers Composite Indices

Manufacturing vs. Services



Manufacturing and Services PMI

The ISM manufacturing index (blue) value for November was 48.2. Businesses that comprise about 58% of manufacturing GDP declined in November.

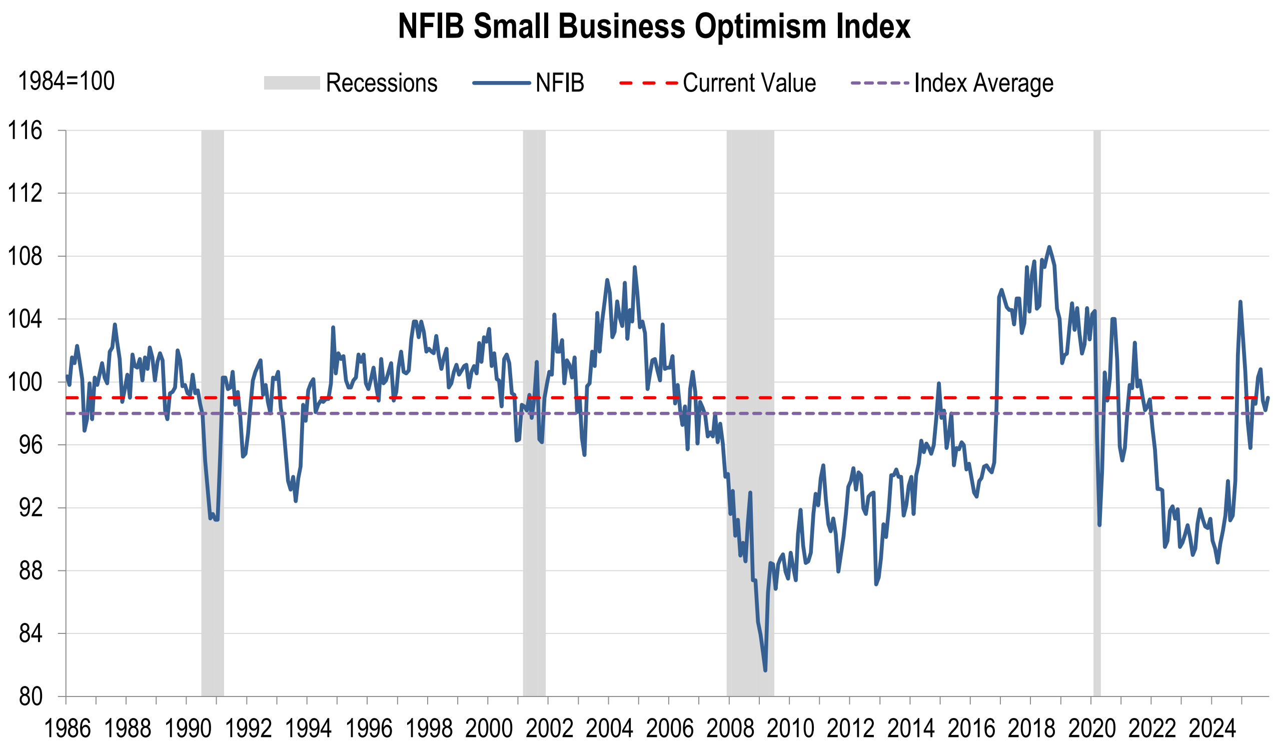
ISM stated that the four manufacturing industries reporting growth in November are: Computer & Electronic Products; Food, Beverage & Tobacco Products; Miscellaneous Manufacturing; and Machinery. Eleven industries contracted in November.

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 September, the service index was 50.0. It rose to 52.4 in October and edged up to 52.6 in November.

Both indices were relatively flat during the shutdown.

NFIB Small Business Optimism Index

United States



Source: NFIB, cber.co.

NFIB Small Business Index

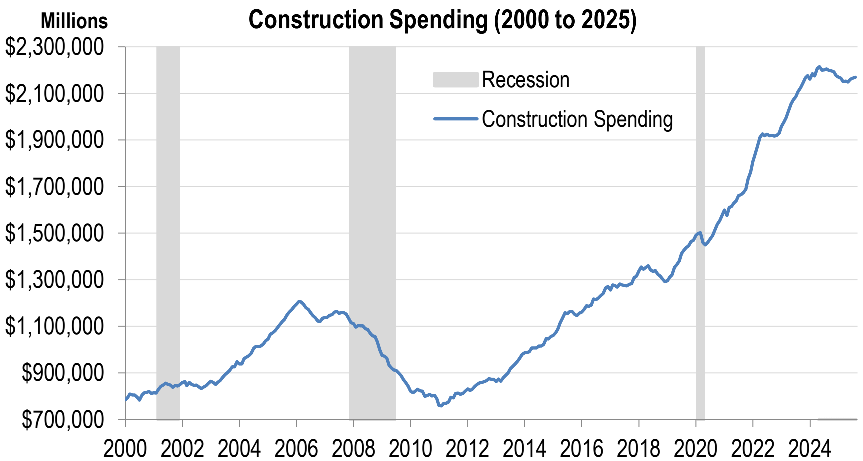
In November 2025, the NFIB index was 99.0 (red-dotted line). It is above the purple dotted line, the 52-year average of 98.0 for the index. Six indices increased, three declined, and one remained unchanged.

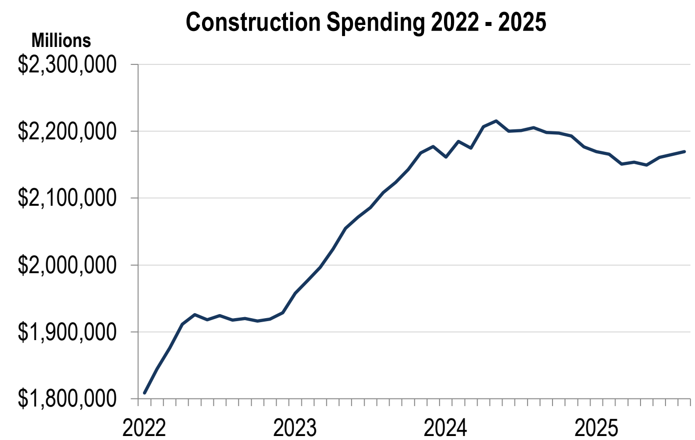
Those expecting real sales to be higher contributed most to the rise in the index. At the same time, the level of uncertainty declined. Most labor metrics improved. Sales metrics were also a bright spot for business owners.

About 52% of business owners reported capital outlays in the past six months.

For more details, the NFIB monthly SBET report is available at https://www.nfib.com/.

Construction Spending
United States



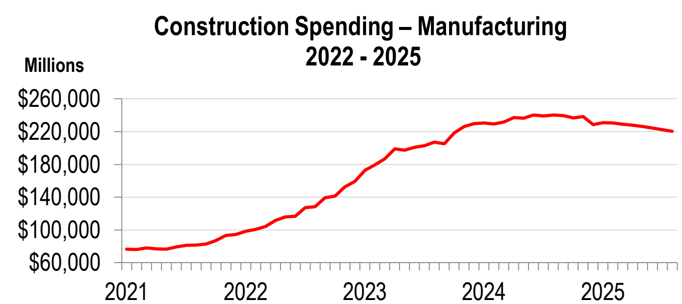


Construction Spending

Upper Left: Between 2006 and 2011, construction spending declined. It then trended upward through early 2024. For the first 8 months of 2025, construction spending is 1.5% less than the same period in 2024.

Upper Right: This chart shows construction spending beginning in May 2022. It peaked in May 2024 and has since trended downward.

Lower Right: Federal funds have supported the construction of manufacturing facilities since 2022. Through 8/25, YTD spending is 3.9% below the same period in 2024.



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

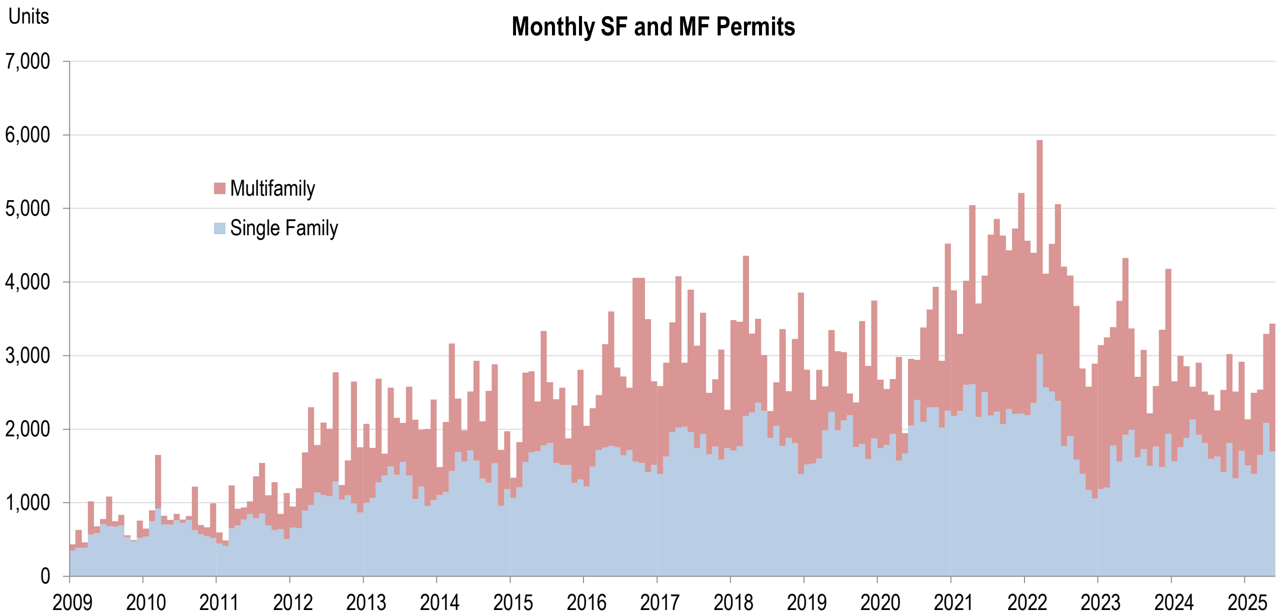
Colorado Indicators

Colorado Residential Building Permits

Single Family and Multifamily Units

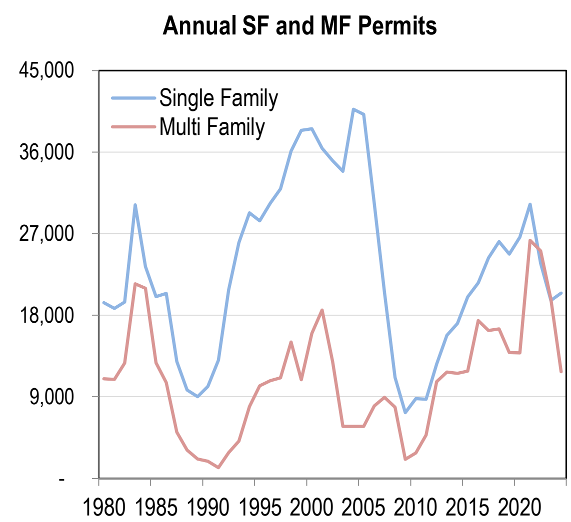
Total Colorado Single Family and Multifamily Building Permits (Monthly) – Permits are Stacked to Show Total Permits

The total number of single-family permits for the first eight months of 2025 changed by -11.1% (blue) compared to the same period in 2024, and multifamily permits changed by 29.3% (red). Through eight months, there were 12,709 SF permits and 8,986 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.



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

Colorado Single Family Market Review

Colorado Statewide Report

Colorado Single Family Market Review						
November 2024	November 2025	% Change		YTD 2024	YTD 2025	% Change
4,626	4,535	-2.0%	**New Listings**	86,242	94,053	9.1%
4,396	5,028	14.4%	**Pending/Under Contract**	62,076	64,727	4.3%
5,073	4,673	-7.9%	**Sold Listings**	60,646	62,424	2.9%
$ 579,945	$ 570,000	-1.7%	**Median Sales Price**	$ 583,000	$ 585,000	0.3%
$ 769,042	$ 792,152	3.0%	**Average Sales Price**	$ 753,051	$ 767,871	2.0%
98.2%	97.9%	-0.3%	**Percent of List Price Received**	98.8%	98.5%	-0.3%
61	71	16.4%	**Days on Market Until Sale**	52	59	13.5%
70	75	+7.1%	**Housing Affordability Index**	70	73	4.3%
19,437	19,652	1.1%	**Inventory Active Listings**			
3.6	3.5	-2.8%	**Months Supply of Inventory**			

Colorado Single Family Market Review

The YTD data through November 2025 reports increased new listings, pending contracts, and sold listings compared to the same period in 2024.

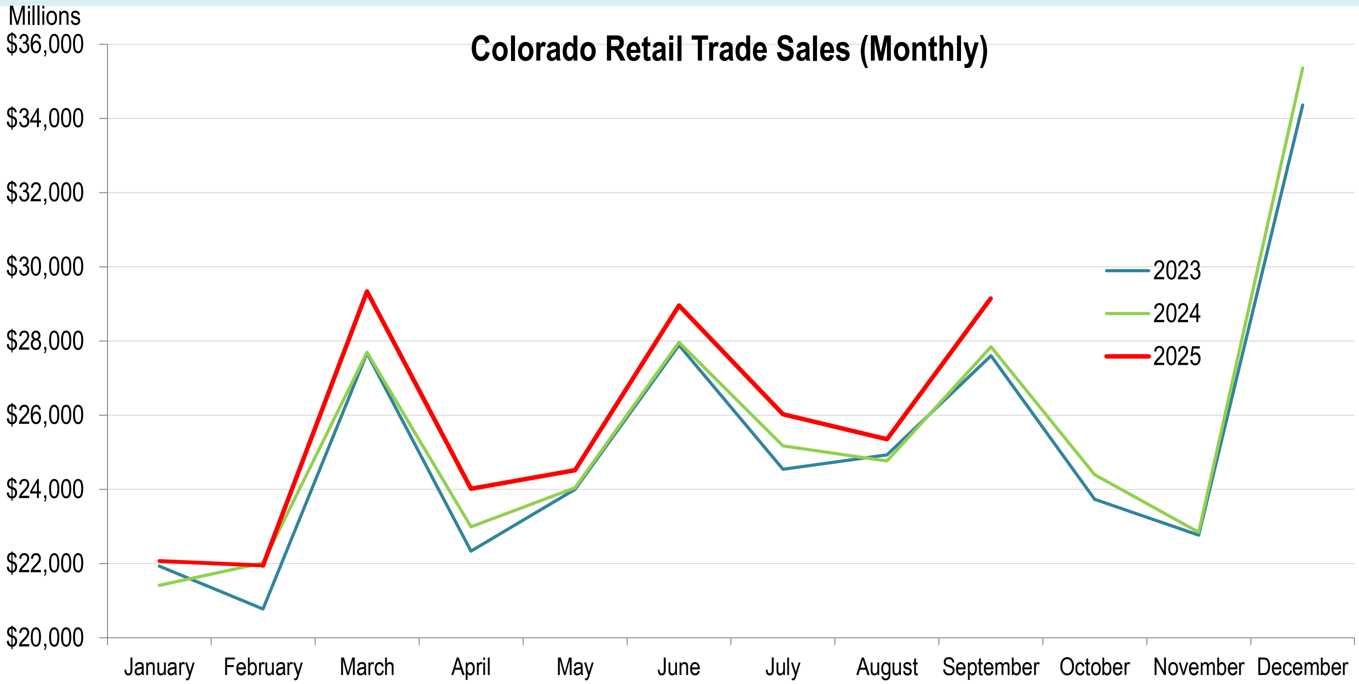
YTD 2025 average sales prices were higher than a year ago. YTD 2025 median prices were about the same as a year ago.

There were 3.5 months of inventory in November 2025. The market slightly favors the seller.

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 of all prices. 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



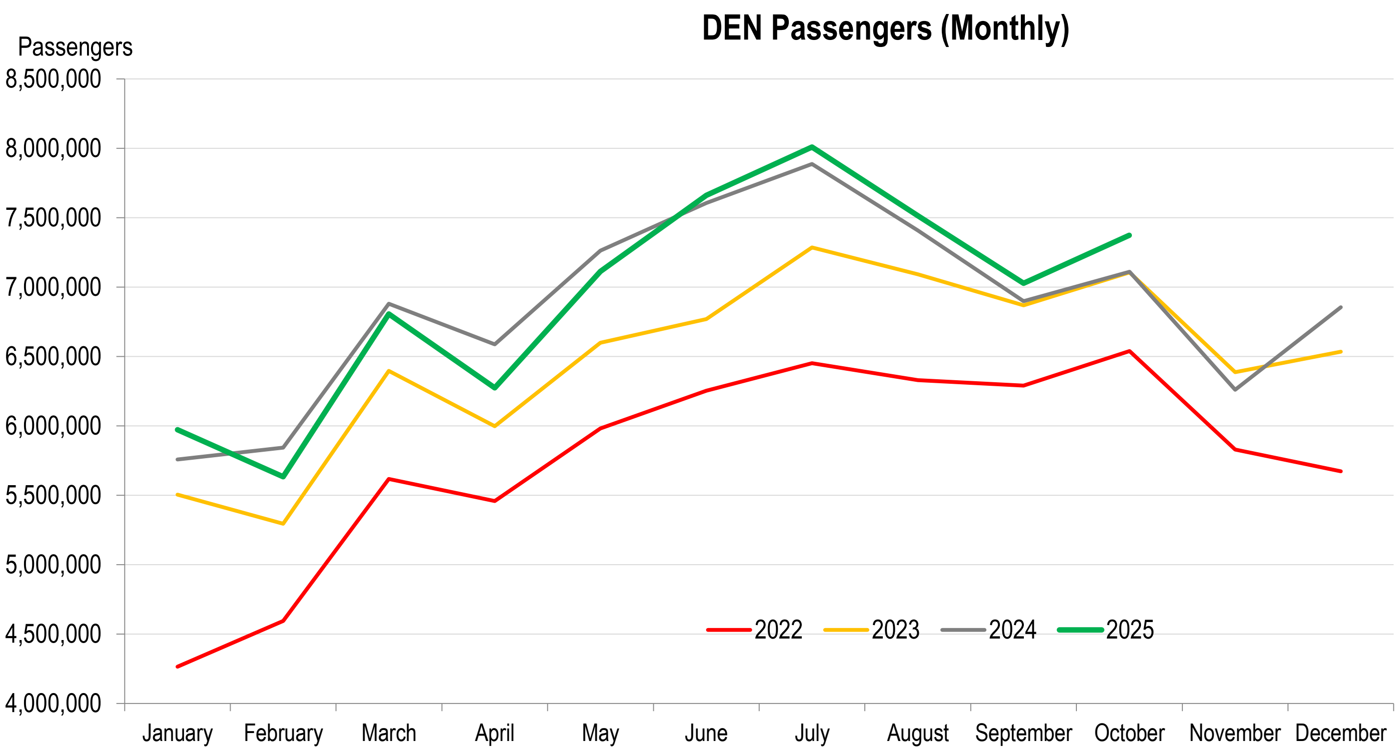
Colorado Retail Trade Sales

YTD sales through September 2025 were 3.3% greater than the same period in 2024. The magnitude of the spike in March and April 2025 sales appeared to be an anomaly caused by purchases to avoid higher prices from tariffs. Retail trade sales for 2025 are likely to be 3.0% to 3.5% higher than in 2024. Consumers are spending.

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 ten months of 2025 (green line), there were 69.4 million passengers, 0.2% more than the same period in 2024.

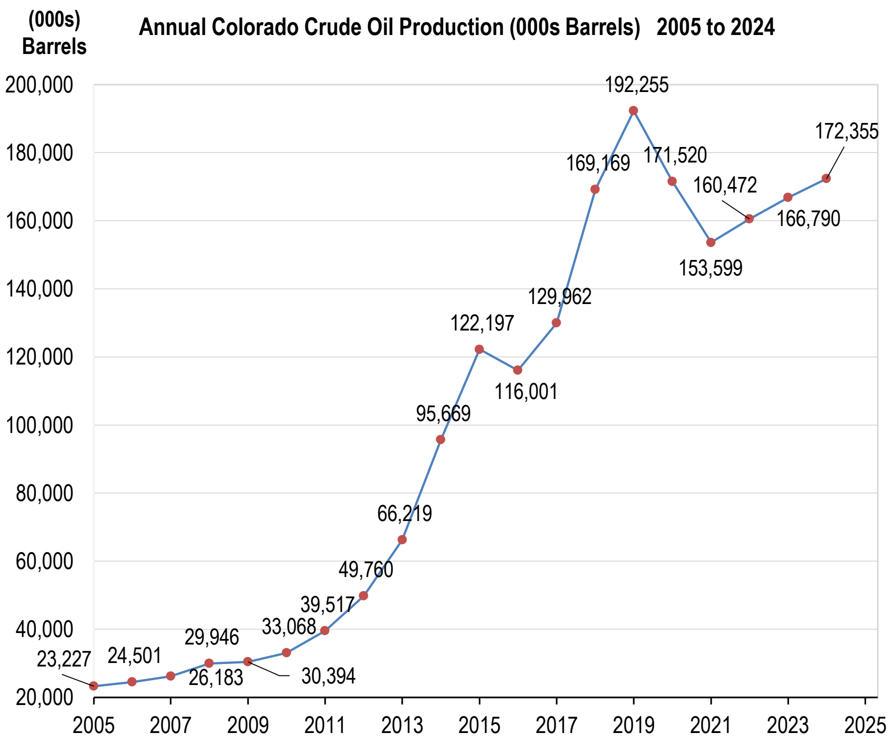
There were 2.47 million passengers through COS in 2024. Through July 2025, there have been 1.39 million passengers, compared to 1.44 million during the same period in 2024.

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
2024	82,358,744

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.

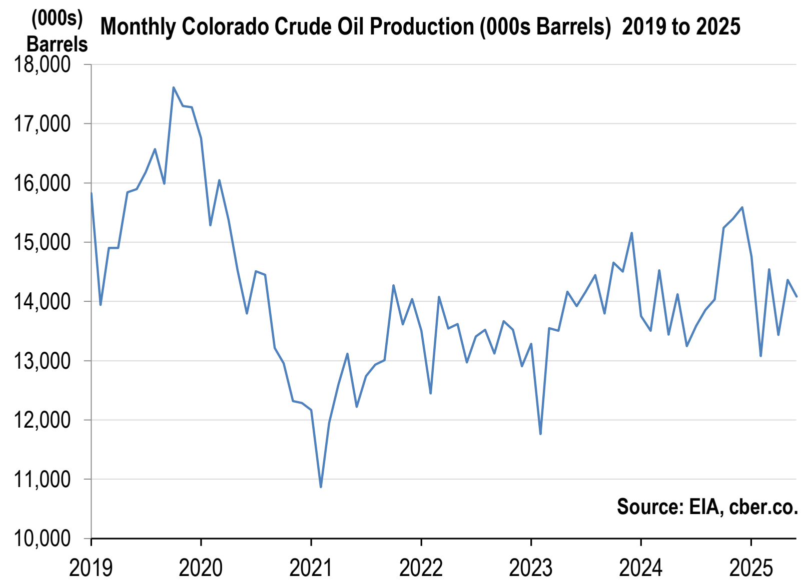
Colorado Field Production of Crude Oil

2005 to 2025 (Thousand Barrels)



Source: EIA, cber.co.

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



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 through nine months in 2025 is 2.7% greater than the same period in 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 was steady growth from 2022 through 2024.

Colorado High-Tech Employment

Colorado HT Employment

Key Points

- In 2022, half of the US HT employees work in seven states (CA, TX, NY, VA, FL, MA, and WA). Colorado was ranked 13th among all states with 191,868 HT employees.
- In 2001, HT employment was 8.2% of total Colorado employment (HT + non-HT employment). In 2022, HT employment was 7.8% of the total.
- Colorado HT employment initially peaked in 2001 at 159,810 employees. Colorado HT employment increased to 191,868 in 2022, an increase of 32,058 from the previous peak in 2001.

In 2022, about 92% of tech employment and 84% of tech establishments were in the Denver, Boulder, Colorado Springs, and Fort Collins MSAs. The breakdown by MSA follows:

- Denver has 58% of the HT employees but 53% of the HT establishments.
- Boulder has 16% of the HT employees and 13% of the HT establishments.
- Colorado Springs has 12% of the HT employees and 11% of the HT establishments.
- Fort Collins has 6% of the HT employees and 7% of the HT establishments.

For information about the data, For details, go to https://www.census.gov/data/experimental-data-products/bds-high-tech.html#accordion-bd794b571f-item-50d27511b6. For more details about Colorado, *two reports* are available at https://cber.co/economic-updates/.

Top States by Number of HT Employees 2022

Top States by Number of HT Employees					
Rank	**FIPS**	**State**	**Establishments**	**HT Employees**	**Avg. Employees/Establishments**
1	6	CA	45,615	1,412,055	31.0
2	48	TX	25,154	633,803	25.2
3	36	NY	16,745	398,371	23.8
4	51	VA	13,353	381,624	28.6
5	12	FL	21,621	349,690	16.2
6	25	MA	9,085	343,438	37.8
7	53	WA	8,307	264,710	31.9
8	17	IL	10,555	252,079	23.9
9	42	PA	10,426	239,802	23.0
10	34	NJ	10,084	228,969	22.7
11	24	MD	8,404	228,303	27.2
12	13	GA	9,133	223,980	24.5
13	8	CO	9,264	191,868	20.7
14	37	NC	8,282	191,447	23.1
15	39	OH	7,585	188,998	24.9
16	26	MI	6,983	179,106	25.6
17	4	AZ	5,665	144,679	25.5
18	27	MN	5,116	134,051	26.2
19	29	MO	3,775	121,192	32.1
20	9	CT	3,157	111,266	35.1

Top States by Number of HT Employees

In 2022, the top two states in HT employment were California and Texas. They had 2,045,858 HT employees. The following five states had 1,737,833 HT employees. The top seven states had 3,783,691 HT employees. About half of all HT employees worked in these states.

The remaining states and the District of Columbia employed a total of 3,780,607 HT employees.

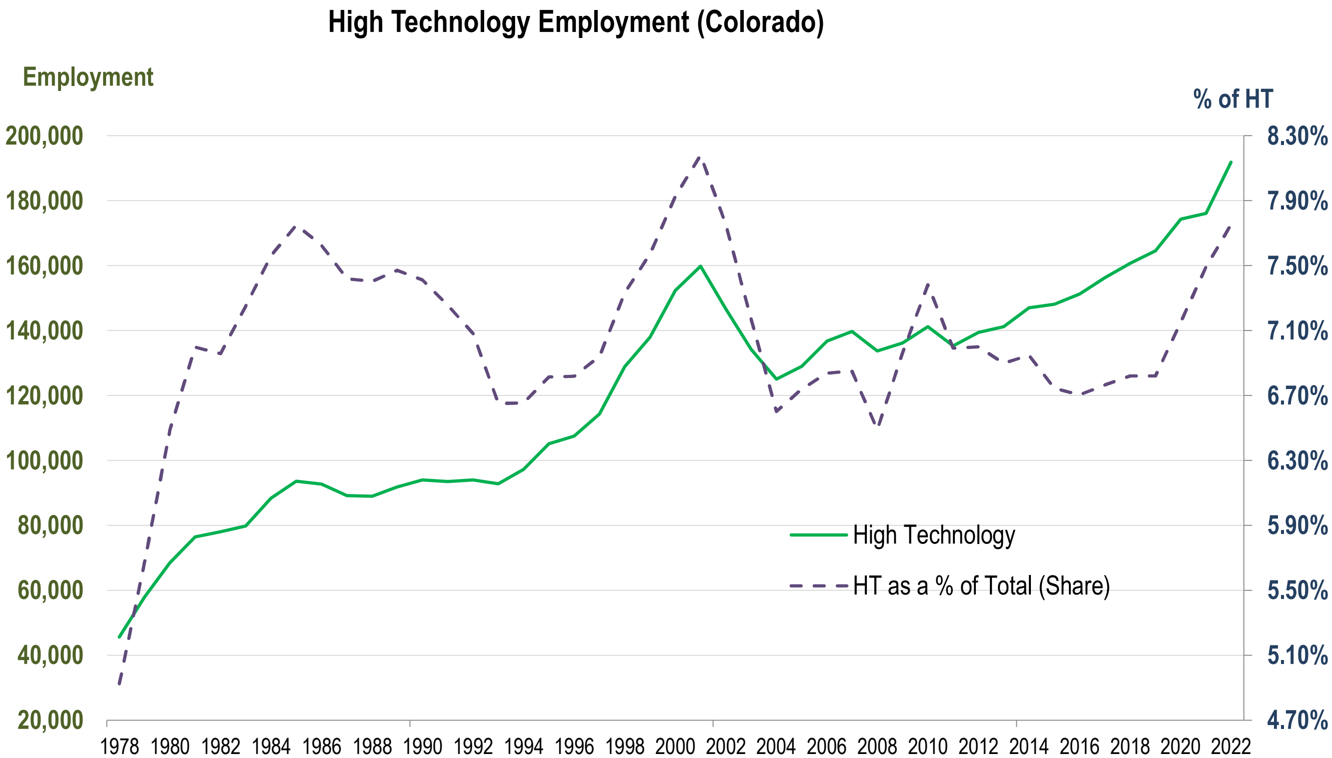
Colorado was ranked 13th for the number of HT employees. It was ranked 21st for the number of non-HT employees (not shown).

Colorado has a competitive advantage in the number of HT employees. That advantage is in smaller, specific clusters, such as aerospace, defense, bioscience, quantum, and cybersecurity.

The Colorado HT industry is a small but critical part of the Colorado and U.S. economies.

Source: https://www.census.gov/programs-surveys/ces/data/public-use-data/experimental-bds/bds-high-tech/definitions.html, cber.co.

High Technology
1978-2022 Colorado



High Tech Employment

HT employment (green) has had periods of strong growth, stagnation, and decline.

There were four periods of growth

- 1978 to 1985
- 1993 to 2001 – Colorado tech boom.
- 2005 to 2007 – A growth spurt occurred after the downturn following the 2001 recession.
- 2011 to 2022 – Employment growth occurred after the Great Financial Crisis. There was growth during and after the pandemic

HT employment share increased significantly between 1978 and 2001, from 4.9% to 8.2%.

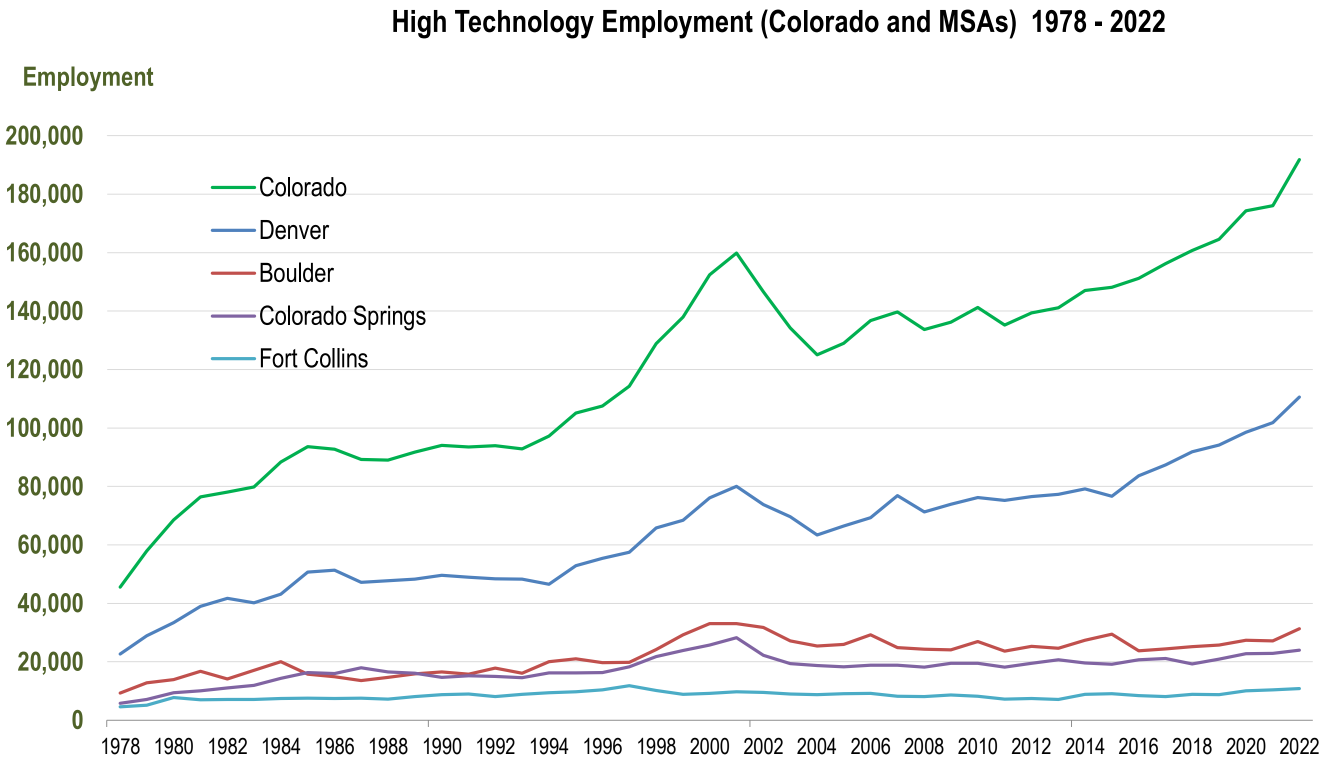
There were periods of stagnation and decline:

- 1986 to 1992 – lost market share
- 2002 to 2004 – lost market share
- 2010 to 2019 – lost market share.

Each downturn or period of limited growth followed a recession. Note that during a period of strong growth after the Great Financial Crisis, HT employment increased, but it lost market share.

Source: https://www.census.gov/programs-surveys/ces/data/public-use-data/experimental-bds/bds-high-tech/definitions.html, cber.co.

High Technology Colorado and MSAs
1978-2022 Colorado



High Tech Employment

HT employment increased from 45,594 in 1978 to 159,810 in 2001 and 191,868 in 2022 (green).

- The increase was driven by Denver MSA (blue) employment of 22,636 in 1978 to 80,067 in 2001 and 110,627 in 2022.
- The job creation and destruction rates for Denver were similar to the state, i.e., Denver dictates state HT growth.

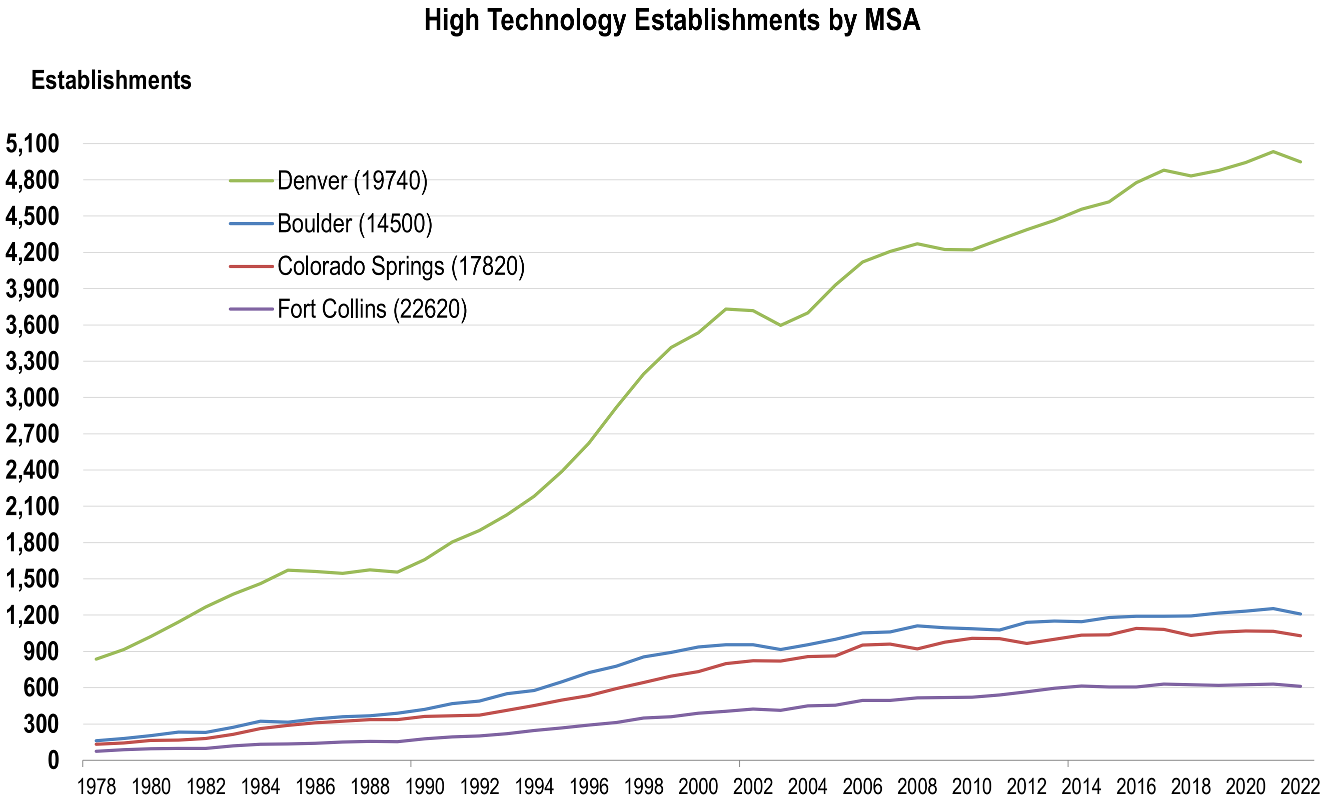
HT employment has been flat in Boulder, Colorado Springs, and Fort Collins for the past 25 to 30 years.

- Boulder peaked at 33,056 in 2000.
- Colorado Springs topped out at 28,253 in 2001.
- Fort Collins peaked at 11,860 in 1997.

Companies such as Amgen, Novartis, Intel, Hewlett-Packard, StorageTek, Sun Microsystems, Level 3, and Exabyte are examples of job destruction that has occurred in the Boulder, Colorado Springs, and Fort Collins MSAs. Both sides of the equation have been impacted as major companies have also moved to these areas.

Source: https://www.census.gov/programs-surveys/ces/data/public-use-data/experimental-bds/bds-high-tech/definitions.html, cber.co.

High Technology Colorado
1978-2022 Number of Establishments



Source: https://www.census.gov/programs-surveys/ces/data/public-use-data/experimental-bds/bds-high-tech/definitions.html, FIPS code included for MSA, cber.co.

Number of Establishments

The number of Denver establishments was flat in the late 1980s.

Employment for the Boulder, Colorado Springs, and Fort Collins MSAs spiked around 2000 (the end of the tech boom).

Colorado HT changed at that time, and the mix of companies by primary NAICS codes shifted away from Manufacturing to the Professional, Scientific, and Technical sector.

- HT employment for Boulder peaked at 33,056 in 2000. At that time, there were 936 establishments. There were 1,209 in 2022.
- Colorado Springs HT employment topped out at 28,253 in 2001. There were 800 establishments. In 2022, there were 1,029.
- Fort Collins HT peaked at 11,860 in 1997. There were 312 establishments. In 2022, there were 612.

There was growth in the number of establishments. There was extreme job destruction that affected employment in Boulder, Fort Collins, and Colorado Springs.

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 25,000 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 inflation rates 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	5,850.1	5,900.4	5,956.7	5,989.8
Annual Change (thousands)	36.6	50.3	56.3	33.2
CES Employment (thousands)	2,869.7	2,937.5	2,971.0	2,996.0
Annual Change (thousands)	118.7	67.8	33.5	25.0
% Change	4.3%	2.4%	1.1%	0.8%
Unemployment Rate	3.1%	3.2	4.3%	4.5%
Retail Sales (billions)	$299.9	$302.6	$306.4	$317.0
% Change	11.8%	0.9%	1.3%	3.5%
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	85.0
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 in 2025 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 as interest rates have become more favorable.

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 November 2025

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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 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.