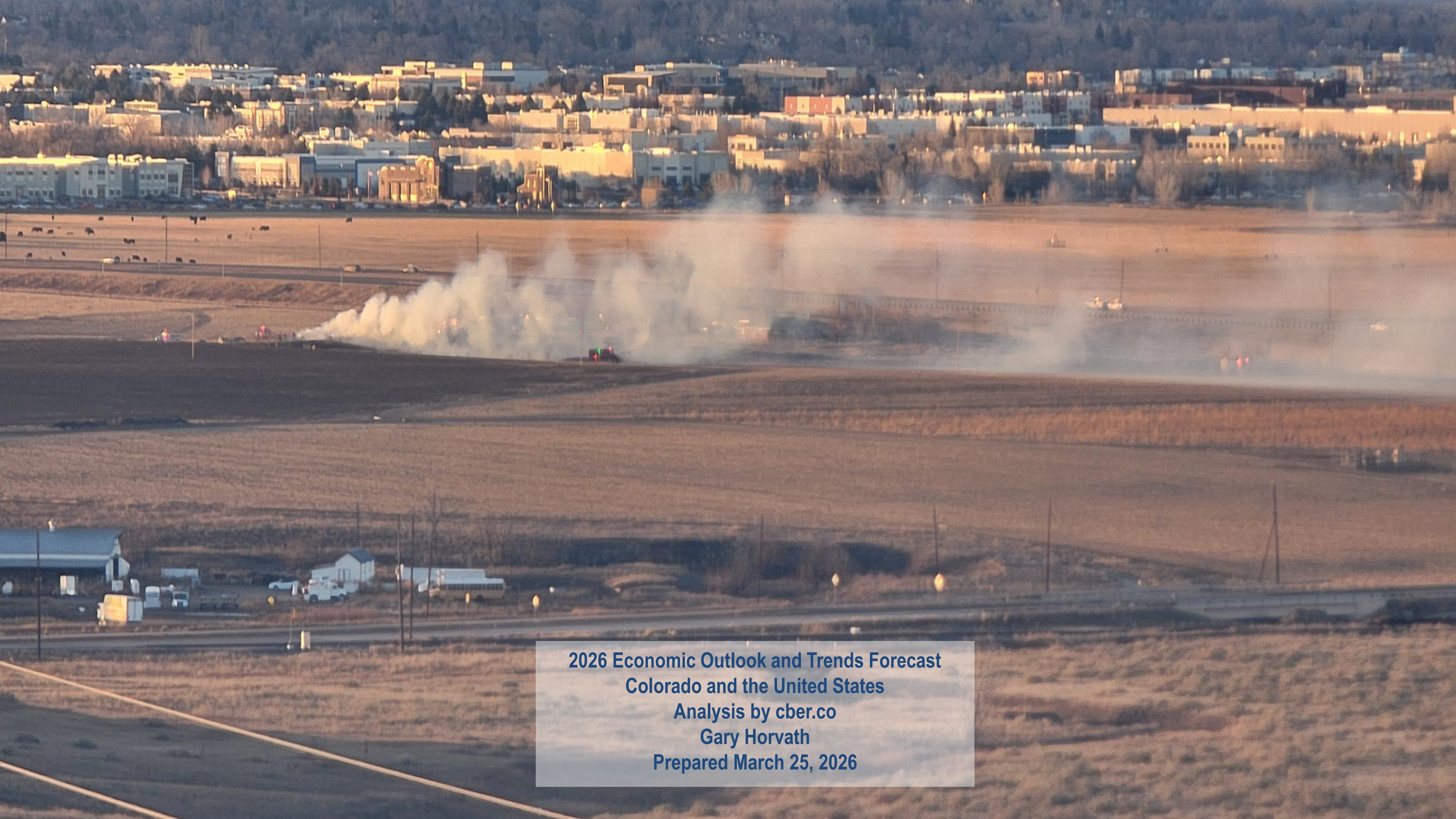


2026 Economic Outlook and Trends Forecast
Colorado and the United States

Analysis by cber.co
Gary Horvath

Prepared March 25, 2026

Economic Outlook and Trends

Overview

- The purpose of this chartbook is to review the performance and outlook of the U.S. and Colorado economies. The primary datasets are from government agencies. All data is available in the public domain.
- The focus is on the U.S. economy because the benchmark employment data for Colorado will not be released until next month. The quarterly forecasts published by the Colorado Legislative Council and the Governor's Office of State Planning and Budgeting were considered because of the lack of BLS data. Also, labor data from Revelio Labs was included.
- The forecast prepared by the Conference Board serves as the foundation for this analysis. Slower growth is anticipated in 2026 due to uncertainty caused by upside and downside risks related to tariffs, changing policy decisions, and the war in Iran.
- Mother Nature has added to the challenges facing companies. They have lost revenue and faced higher costs associated with the lack of snow during the winter and the increased wildfires this spring.
- Colorado has incredible assets, yet the state struggles because of regulatory and financial issues. It has evolved into a polarized state, which makes it more difficult to function efficiently.

Contents

This chartbook focuses on the following topics.

U.S. and Colorado GDP, Inflation, and Real Disposable Personal Income per Capita

U.S. Real GDP Growth

The Conference Board (TCB) Forecast (March 11, 2026)

Real GDP and Economic Growth

The Conference Board Forecast projects real GDP growth of 2.0% in 2026 and 1.8% in 2027. Real disposable income will increase by 1.7%, and real personal consumption will increase by 1.9% in 2026. There will be a decline in residential investment (-2.3%) and an increase in nonresidential investment (3.5%).

Other Economic Factors

In 2026, government spending is projected to increase at 1.0%. This is a slower rate than in 2025. Exports will expand by 1.3%. The unemployment rate is projected to increase to 4.6%. The forecast for the PCE inflation rate is 2.9%, and the core rate is 2.7%. The year-end Fed Funds rate will be 3.125%.

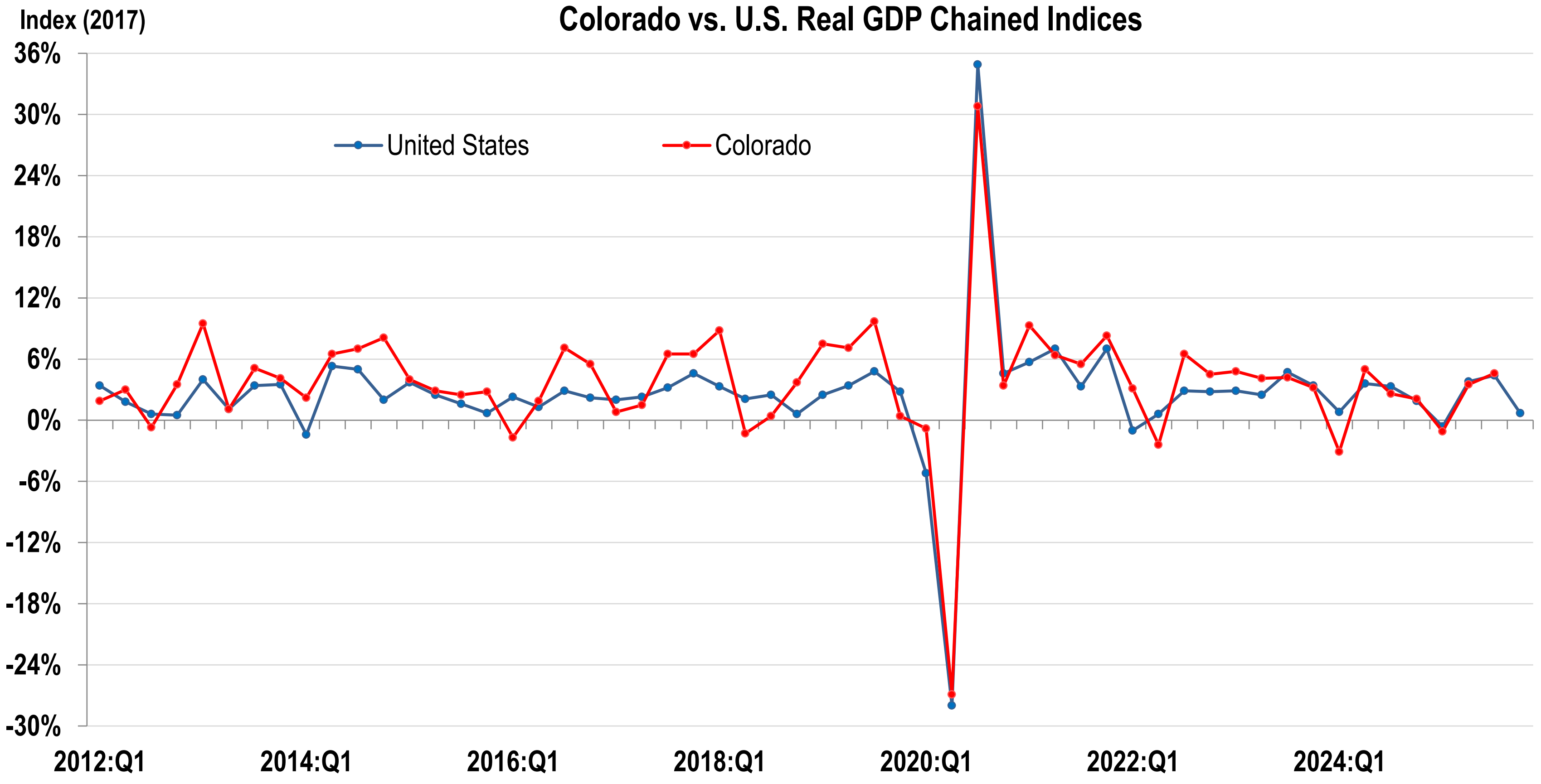
Conference Board US Real GDP Growth Forecast

	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026	Q4 20265	2025	2026	2027
Real GDP	-0.6%	3.8%	4.4%	1.4%	2.0%	1.2%	1.4%	1.8%	2.2%	2.0%	1.8%
Real Disposable Income	2.3%	1.8%	0.0%	0.1%	0.5%	0.3%	1.1%	1.1%	1.6%	1.7%	1.7%
Real Personal Consumption	0.6%	2.5%	3.5%	2.4%	1.7%	1.1%	1.2%	1.9%	2.7%	1.9%	1.9.0%
Residential Investment	-1.0%	-5.1%	-7.1%	-1.5%	-2.0%	-1.0%	-1.0%	1.0%	-2.2%	-2.3%	0.3%
Nonresidential Investment	9.5%	7.3%	3.2%	3.7%	1.8%	3.8%	4.3%	4.1%	4.2%	3.5%	3.9%
Total Gov't. Spending	-1.0%	-0.1%	2.2%	-5.1%	4.9%	1.0%	1.5%	1.6%	1.2%	1.0%	0.7%
Exports	0.2%	-1.8%	9.6%	-0.9%	0.6%	0.6%	1.0%	1.0%	1.7%	1.3%	1.0
Unemployment Rate	4.1%	4.2%	4.3%	4.5%	4.5%	4.6%	4.7%	4.6%	4.3%	4.6%	4.4%
PCE Inflation (%Y/Y)	2.6%	2.4%	2.7%	2.8%	3.0%	3.1%	2.9%	2.7%	2.6%	2.9%	2.2%
Core PCE Inflation (%Y/Y)	2.8%	2.7%	2.9%	2.9%	3.1%	2.9%	2.5%	2.4%	2.8%	2.7%	2.2%

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

Real Gross Domestic Product

Colorado GDP vs. U.S. GDP Quarterly Growth Rate



Source: BEA, cber.co.

Colorado/U.S. GDP

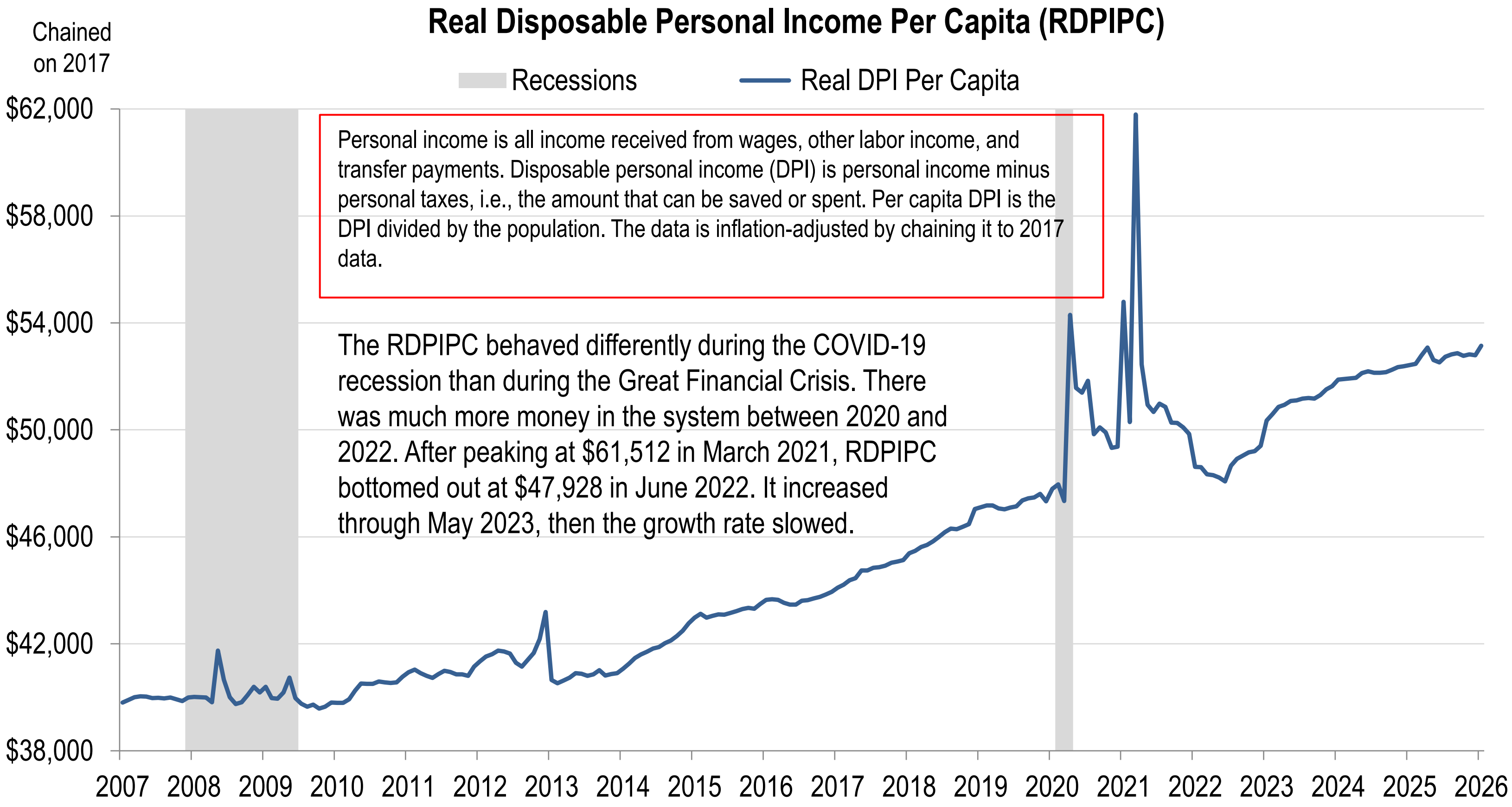
In Q3 2025, the growth rate for the U.S. Real GDP was 4.4%. It was 4.6% for Colorado. The U.S. rate for Q4 dropped to 0.7%, and the rate for Colorado was not available.

Between Q1 2012 and Q2 2025, the YOY change in the U.S. Real GDP Index (blue) outperformed the Colorado Index (red) in 18 of 54 quarters.

For six of the last nine quarters, the U.S. real GDP rate has been slightly more than the Colorado rate.

Real Disposable Personal Income Per Capita

United States



Real Disposable Personal Income Per Capita

In January 2026, RDPIPC was $53,142. It was 1.4% greater than the same period in 2025.

The monthly YOY change was between 1.4% and 2.7% in 2024. It has been between 0.4% and 2.1% in 2025 and early 2026. The increase in January was an encouraging sign for purchasing power.

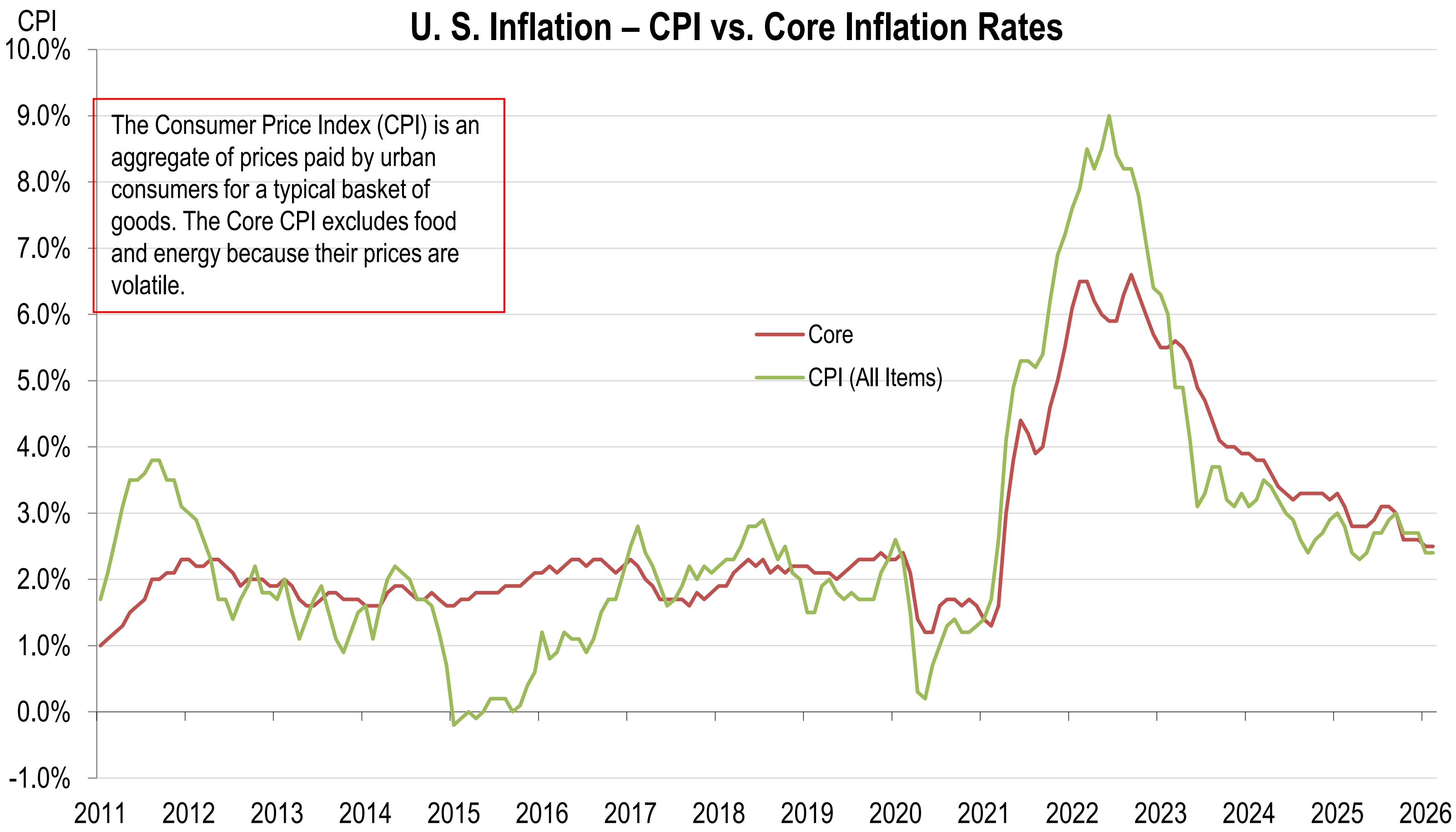
RDPIPC (Average)

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.

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

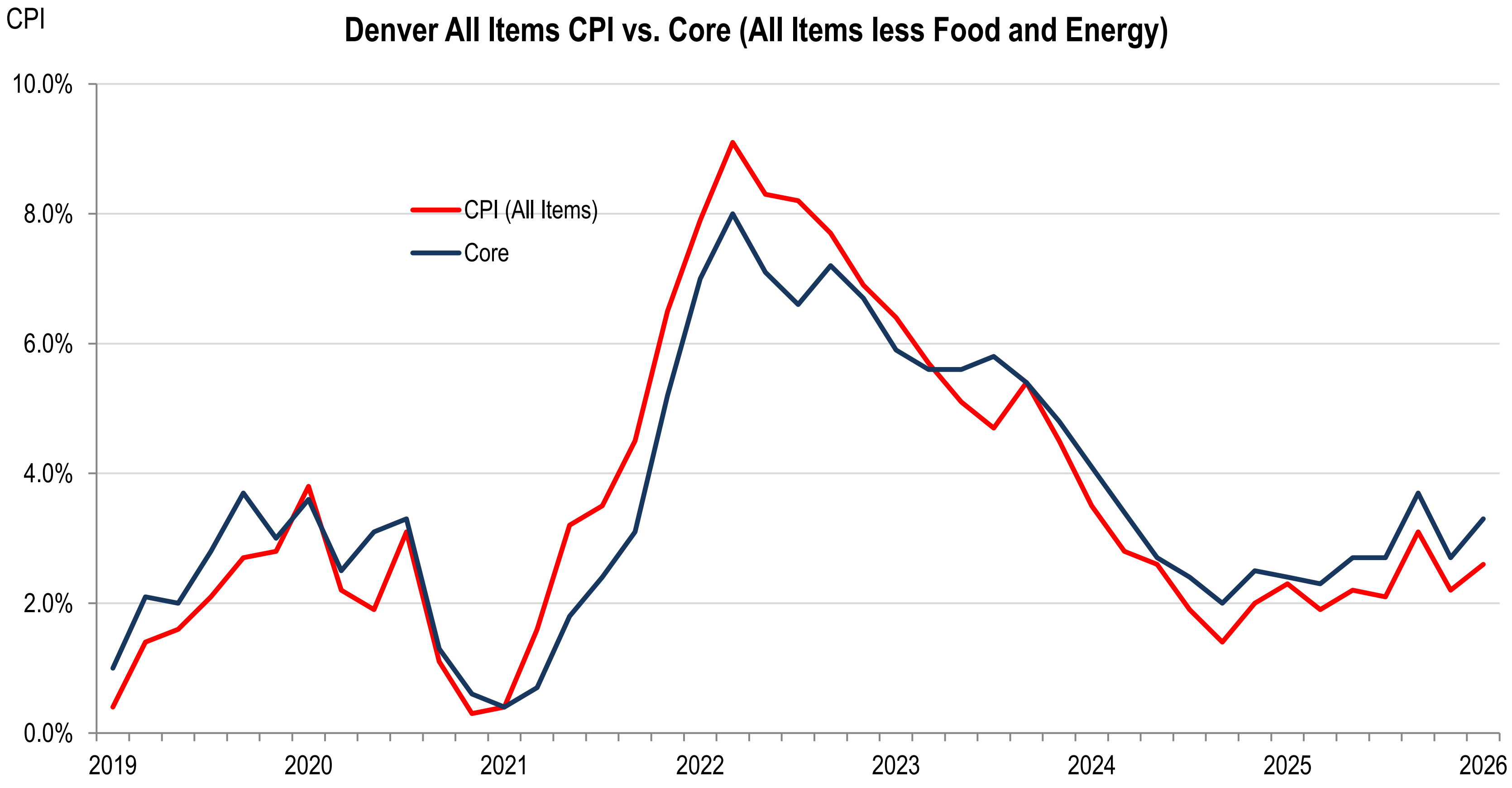
The February 2026 CPI rate for the U.S. was 2.4%. The core rate was 2.5%. The CPI for October 2025 was not calculated because of the government shutdown. The annual Denver CPI was greater than the U.S. CPI in 7 of the past 11 years.

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%
2025	2.6%	2.7%	2.3%	2.7%

Source: BLS, cber.co

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



Denver-Aurora-Lakewood CPI vs. Core Inflation

The Denver CPI rate for 2025 was 2.3%, and the core rate was 2.7%.

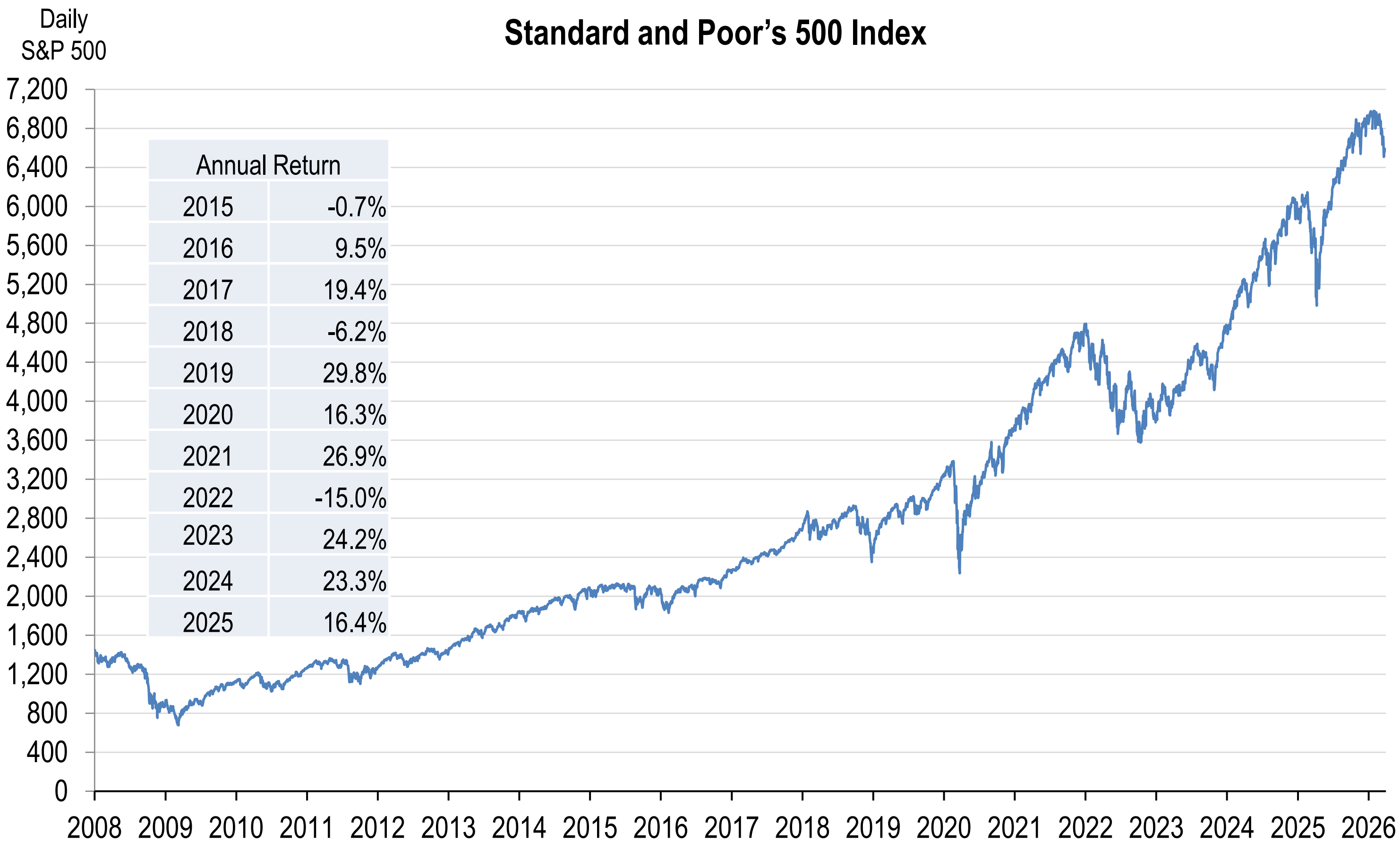
In January 2026, the Denver CPI rose to 2.7%, and the core rate increased to 3.3%.

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

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

U.S. Indicators

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%
2025	16.4%

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

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, a change of +23.3%.

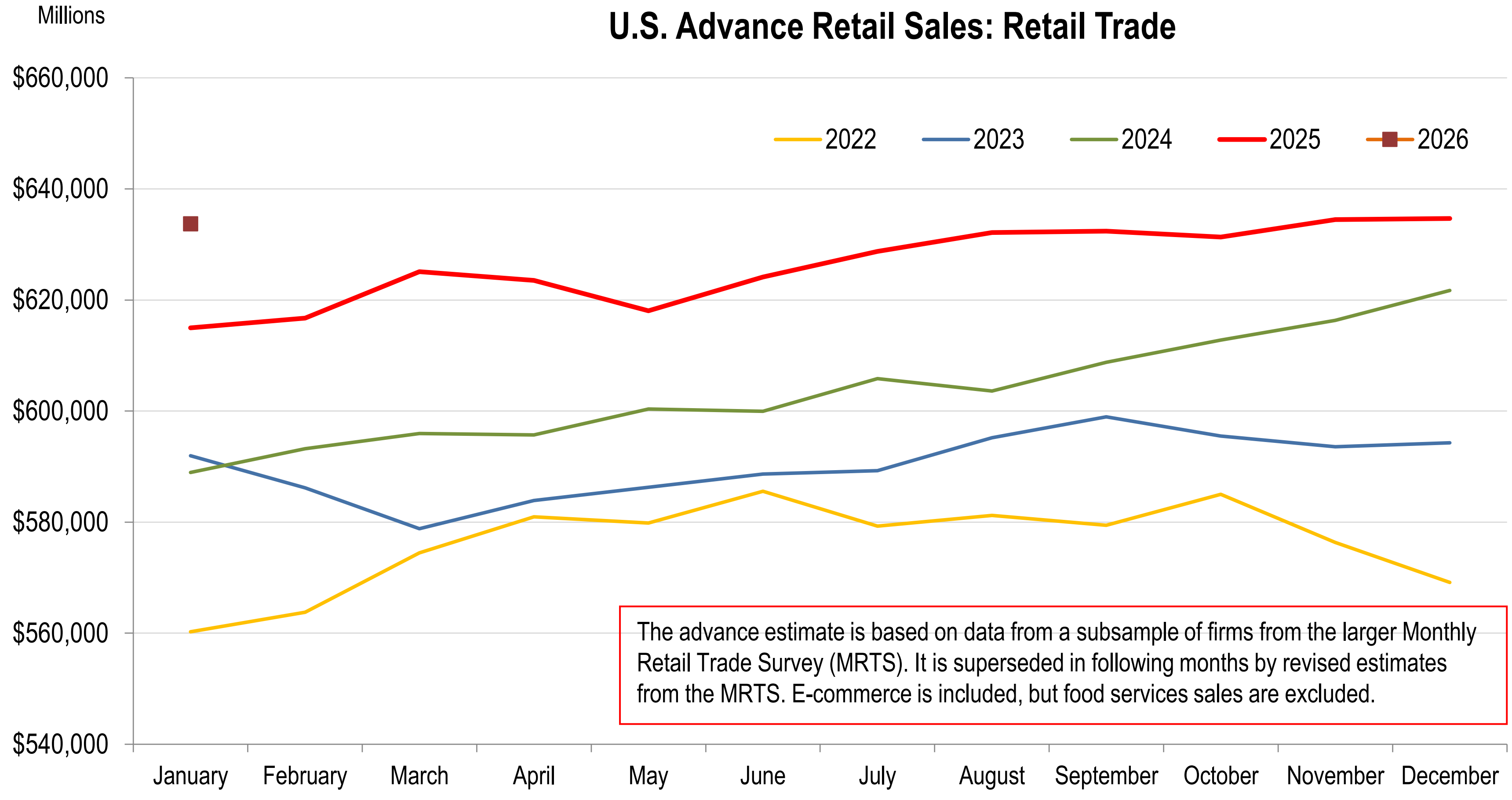
2025 Bull Market

December 31, 2025 6,845, a change of +16.4%

2026 Bull Market

Mar 25, 2026 6,591, a change of -3.7%

U.S. Advance Retail Sales: Retail Trade
Monthly



Advance Retail Sales

YOY retail sales growth was weak in 2024 (2.3%). YTD 2025 sales increased at a faster rate (3.8%), but they tailed off as the year progressed.

January 2026 sales were 3.0% more than the same period in 2025 (burgundy dot).

Annual Retail Sales (Trillions)

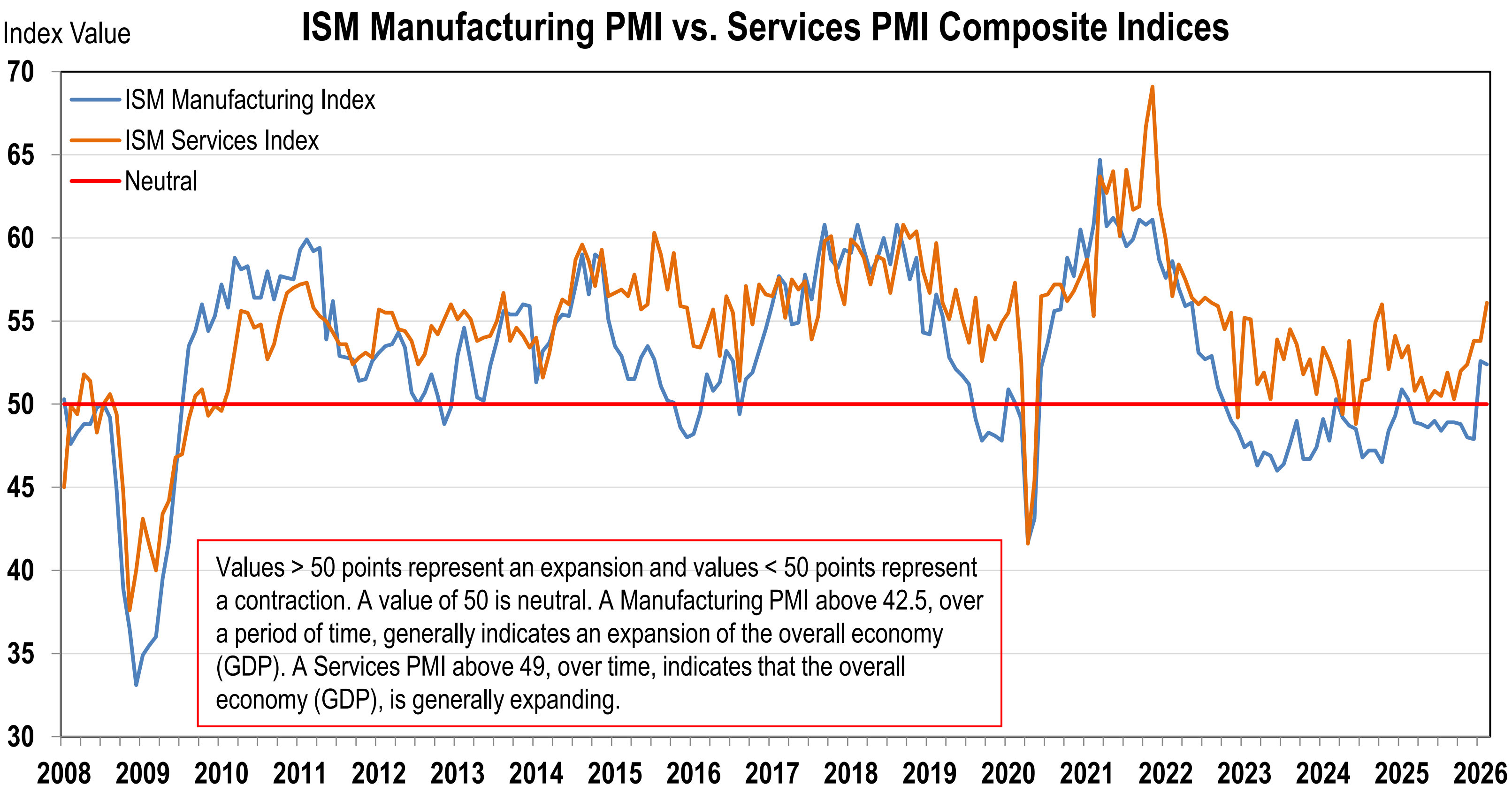
2017	$4.96	4.5%
2018	$5.16	4.2%
2019	$5.30	2.8%
2020	$5.46	3.0%
2021	$6.39	17.0%
2022	$6.92	8.2%
2023	$7.08	2.4%
2024	$7.24	2.3%
2025	$7.52	3.8%

Source: Census, cber.co

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

ISM Purchasing Managers Composite Indices

Manufacturing vs. Services



Source: Institute of Supply Management, cber.co.

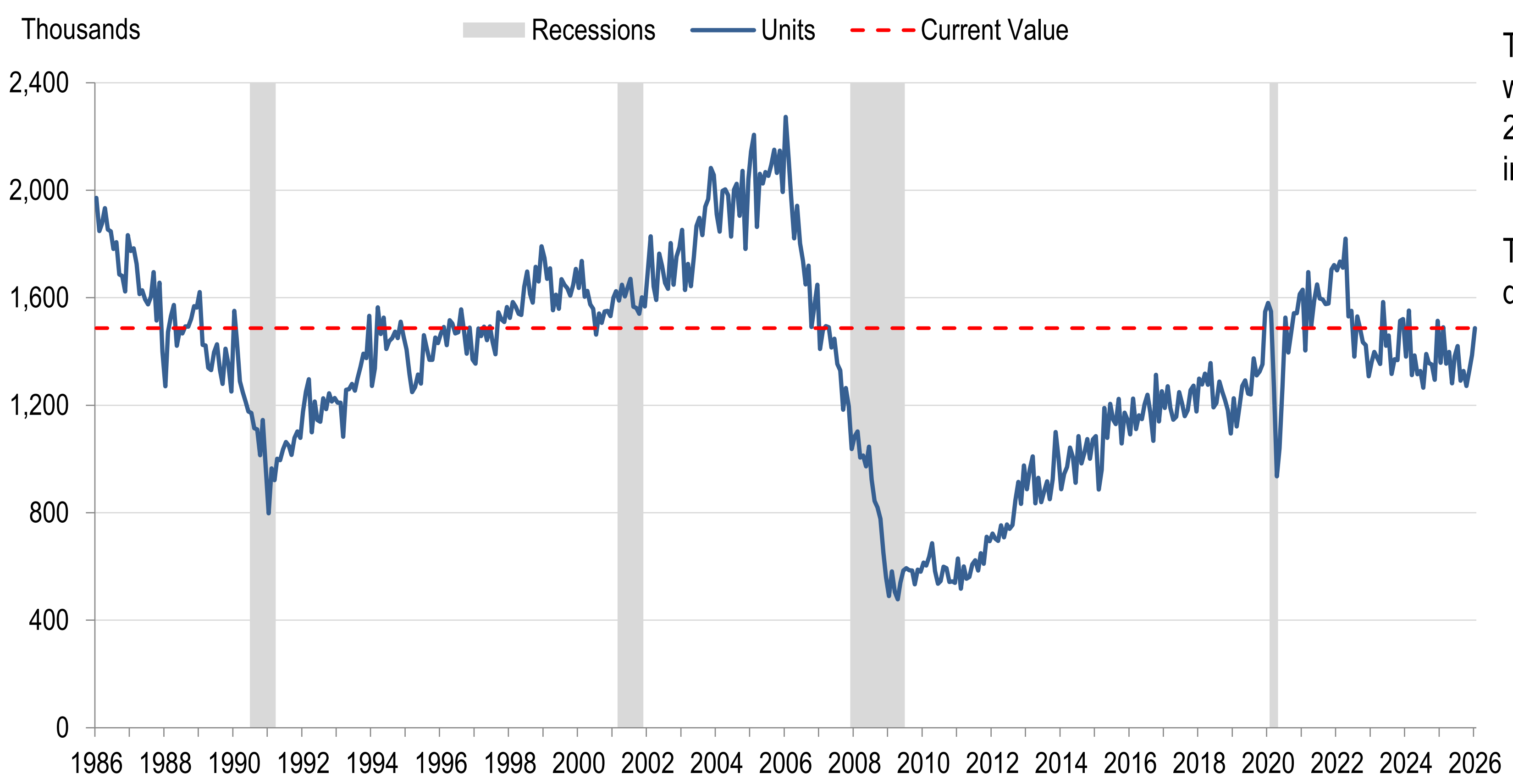
Manufacturing and Services PMI

The ISM manufacturing index (blue) has been above 50 for two consecutive months, January and February 2026. ISM officials reported "Of the six largest manufacturing industries, four (Chemical Products; Machinery; Transportation Equipment; and Computer & Electronic Products) expanded in February."

The Services index (orange) was 56.1 in February. ISM officials reported that the 14 services industries that increased in February were: Mining; Information; Real Estate, Rental & Leasing; Agriculture, Forestry, Fishing & Hunting; Accommodation & Food Services; Wholesale Trade; Finance & Insurance; Utilities; Professional, Scientific & Technical Services; Construction; Management of Companies & Support Services; Public Administration; Health Care & Social Assistance; and Educational Services. The three industries reporting a contraction in February are: Retail Trade, Arts, Entertainment & Recreation, and Transportation & Warehousing.

New Privately-Owned Housing Units Started

United States



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

New Privately Owned Housing Units Started, SAAR

The demand for housing is high. There were almost 1.5 million starts in January 2026 (red line). This was the highest level in the past eleven months.

The average number of monthly units declined from 2022 through 2025.

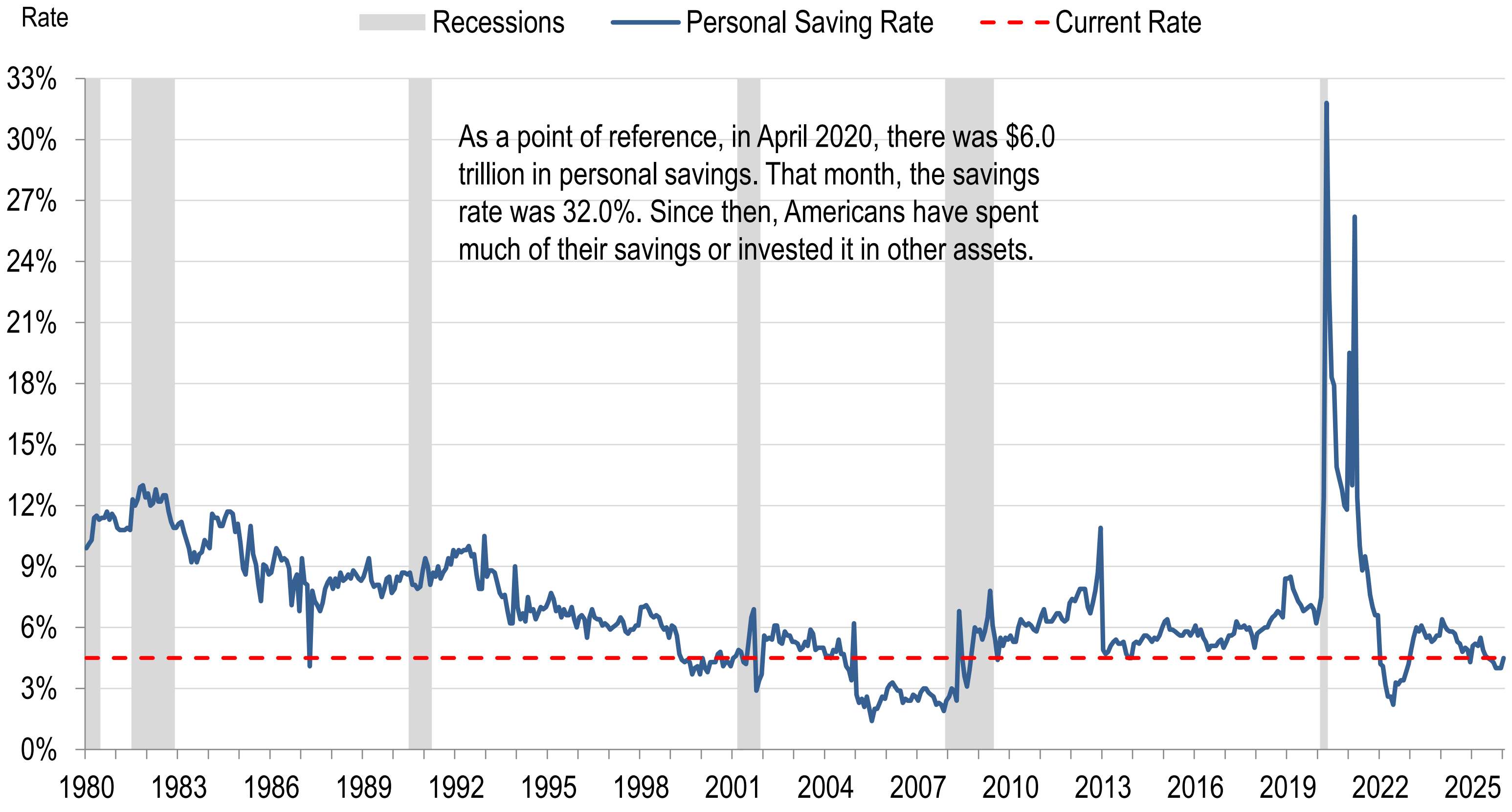
Average Monthly Units Started By Year

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	1,603
2011	612		2022	1,552
2012	784		2023	1,421
2013	928		2024	1,371
2014	1,000		2025	1,357
2015	1,107			

U.S. Personal Saving Amount and Rate

Percentage of Disposable Personal Income (DPI)

Personal Saving Rate



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 January 2026, the saving rate was 4.5%. The rate is below the pre-pandemic rate. Savings were $1,0545.7 billion.

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.

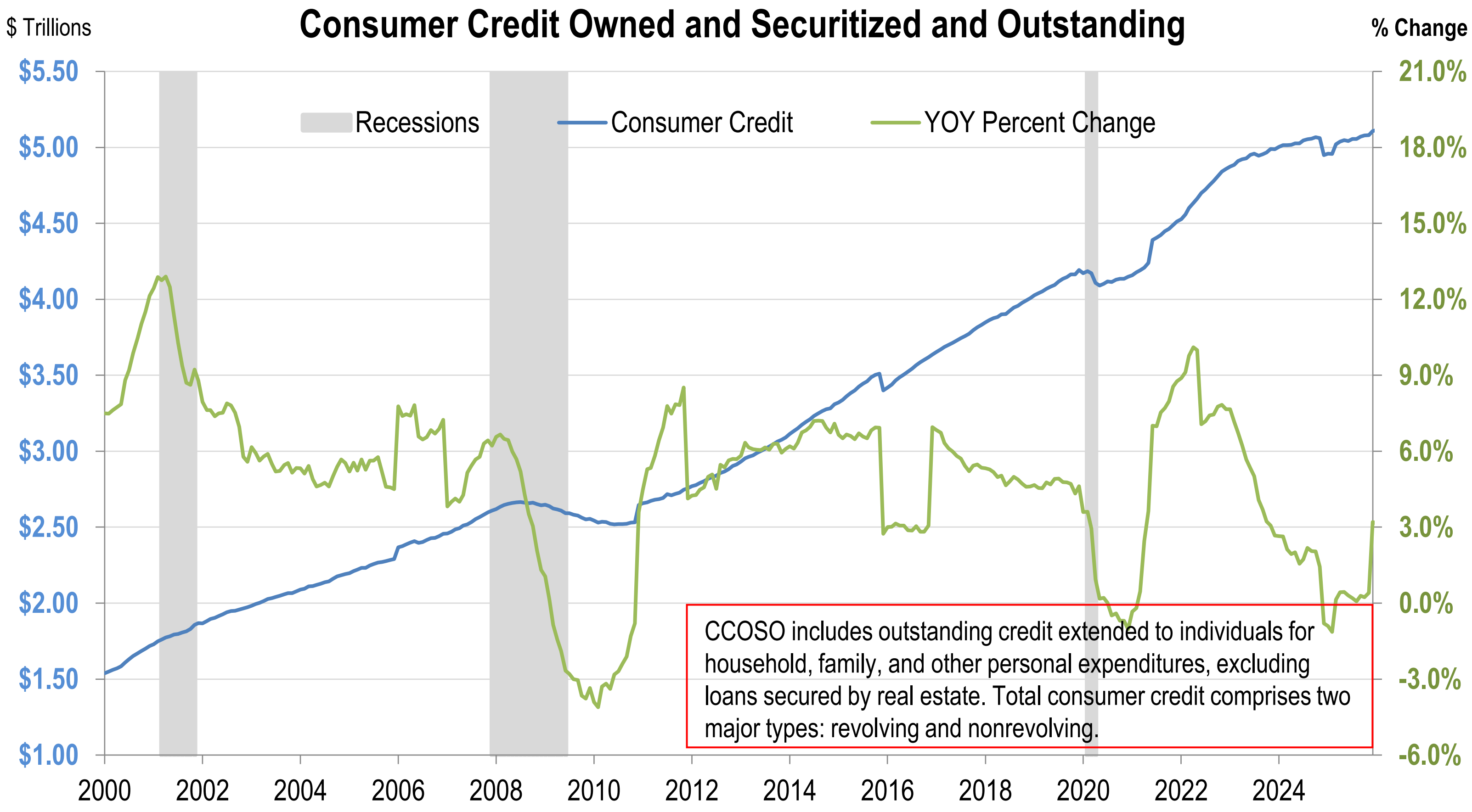
Year End Personal Savings (Billions) and Rate

2017	$748.0	5.0%
2018	$1,338.9	8.4%
2019	$1,020.1	6.2%
2020	$2,051.8	11.8%
2021	$1,224.7	6.6%
2022	$826.3	4.2%
2023	$1,194.4	5.6%
2024	$970.5	4.3%
2025	$920.5	4.0%

Source: BEA, cber.co

U.S. Consumer Credit Outstanding

United States



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

Consumer Credit

In January 2026, the YOY rate of outstanding consumer credit (including consumer loan defaults) changed by 3.2% (green). Securitized credit is slightly above $5.1 trillion (blue). The value declined from December 2024 to February 2025, but has since risen.

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.

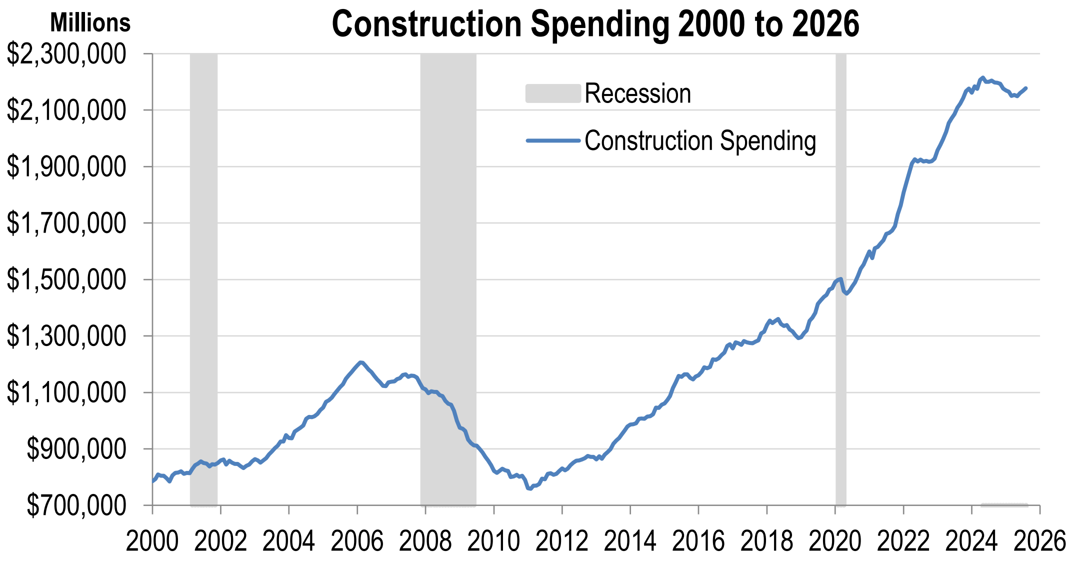
Outstanding Credit (Billions) and Percent Change

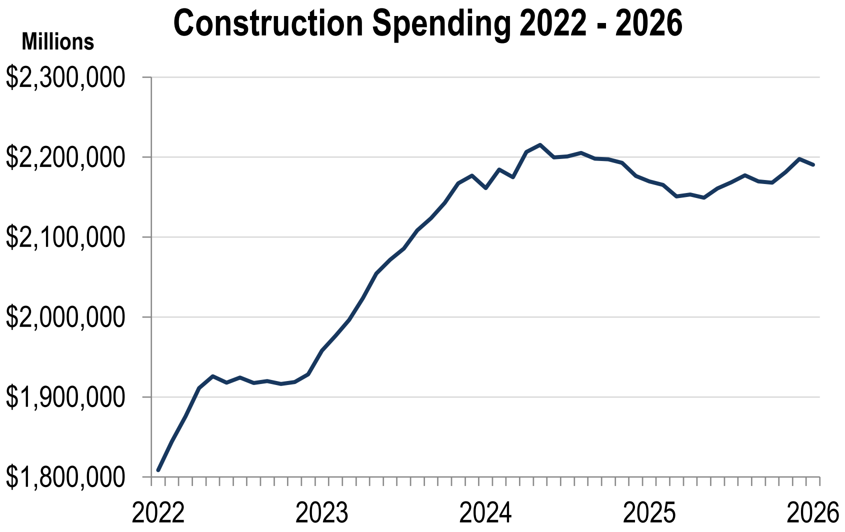
2017	$3,830.8	5.3%
2018	$4,007.0	4.6%
2019	$4,192.2	4.6%
2020	$4,149.0	-1.0%
2021	$4,512.3	8.8%
2022	$4,858.3	7.7%
2023	$4,988.2	2.7%
2024	$4,948.1	-0.8%
2025	$5,106.6	3.2%

Source: FRED, G-19, Year-end, cber.co

Construction Spending

United States



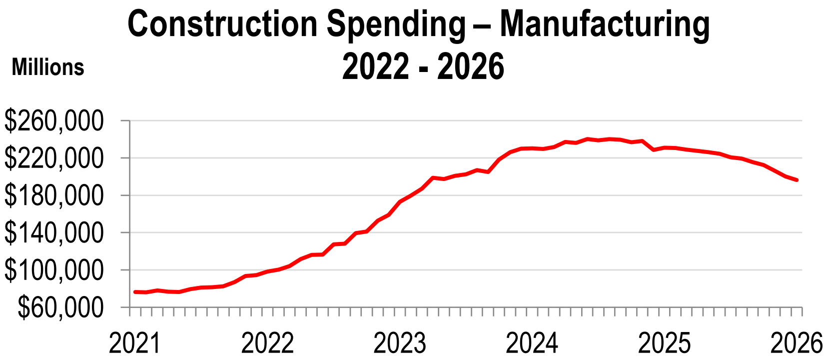


Construction Spending

Upper Left: Between 2006 and 2011, construction spending declined. It then trended upward through early 2024. Construction spending in 2025 was 1.1% less than in the same period in 2024. January 2026 was slightly greater than the prior January.

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 supported the construction of manufacturing facilities starting in 2022. Spending peaked in June 2024.

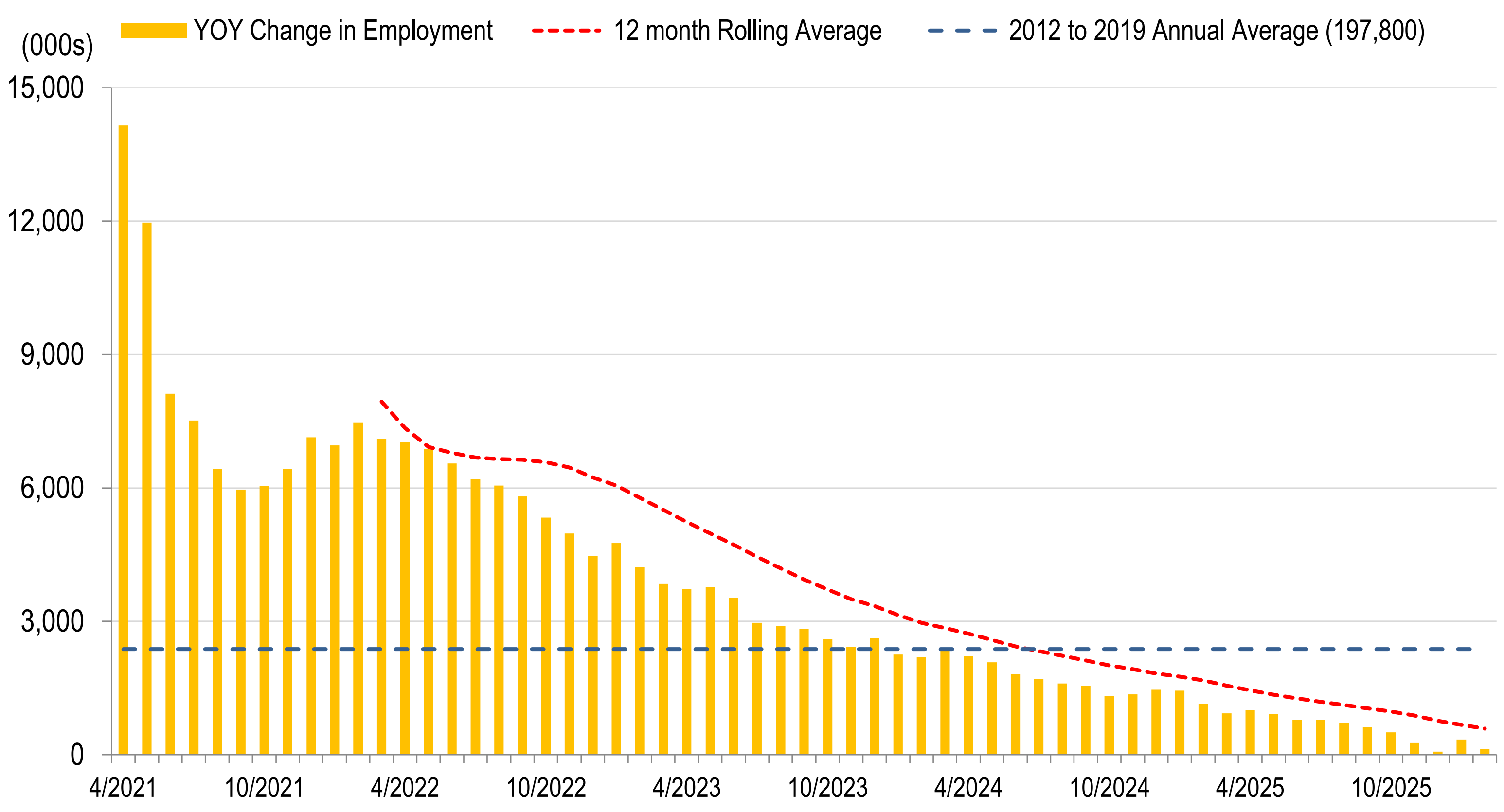


Source: FRED, U.S. Census Bureau, cber.co.

U.S. Employment

YOY Change in Employment

United States



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

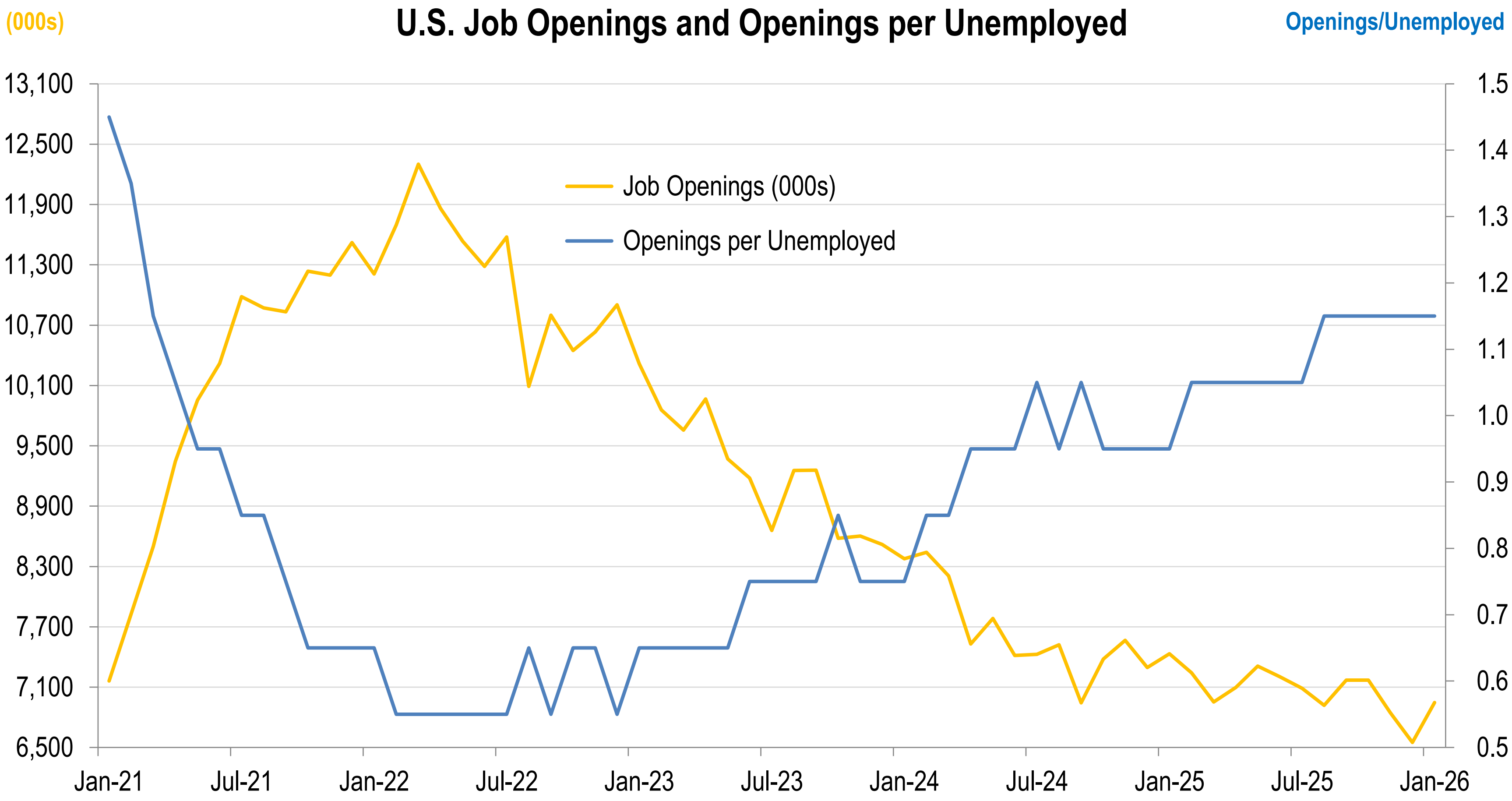
Change in U.S. Employment

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 was positive (yellow bars). It was 14.1 million. It trended downward to 129,000 in February 2026.

The 12-month rolling average (red dotted line) reached its peak at 7.9 million in March 2022. It has fallen to 587,000 in February 2026. The average annual monthly employment growth was 48,900.

U.S. Job Openings and Openings per Unemployed



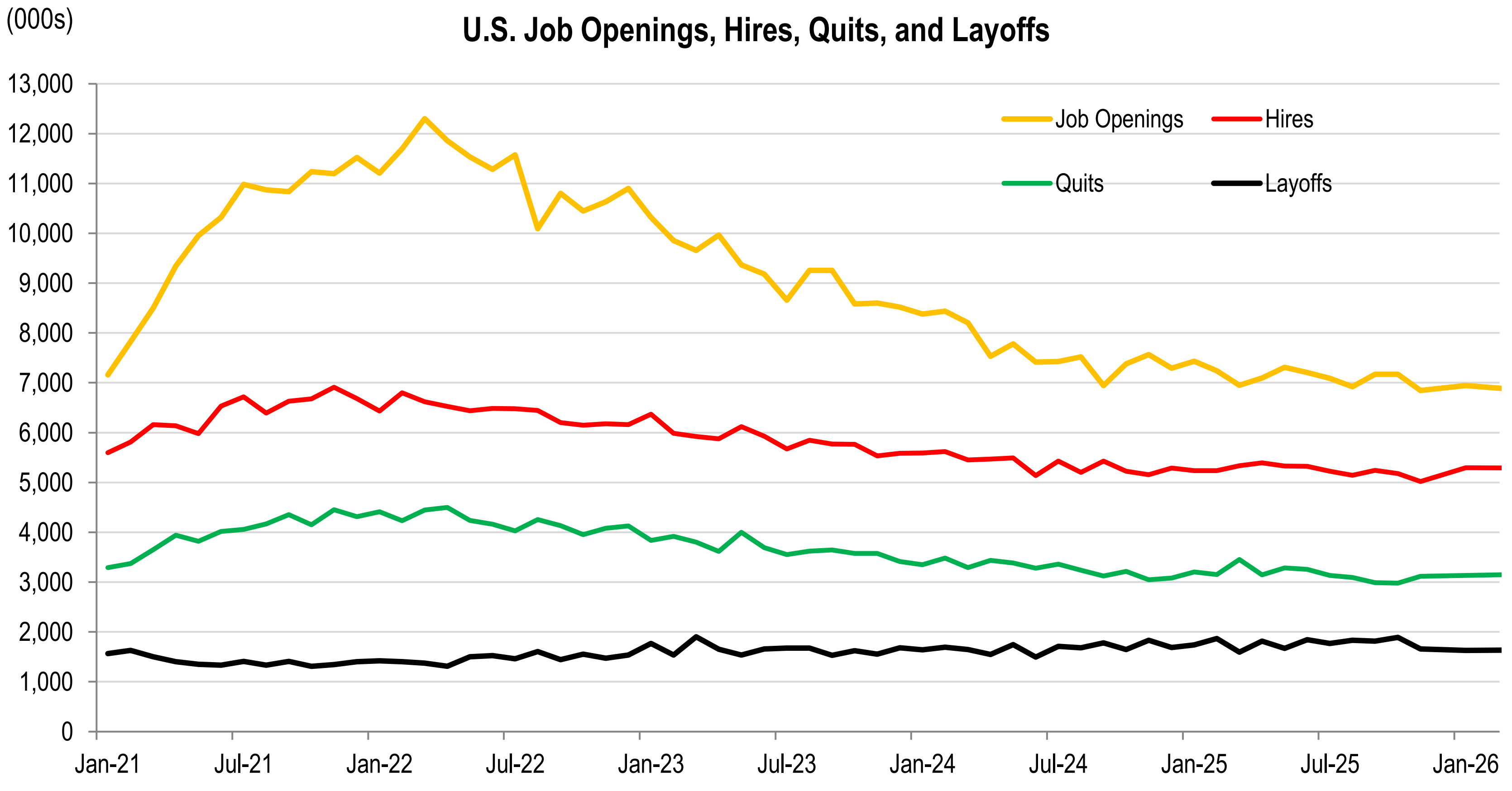
U.S. Job Openings

In January 2026, the number of job openings (yellow) was 6.9 million. Job openings are defined as the unfilled positions on the last business day of the month.

Since Q1 2023, the number of unemployed has increased, and hiring has decreased slightly. In other words, the openings per unemployed ratio (blue) has increased.

Source: BLS, JOLTS, SA, cber.co. Note: Openings per Unemployed not collected in October 25 because of government shutdown.

Job Openings, Hires, Quits, and Layoffs



Source: BLS, JOLTS, SA, cber.co.

U.S. Job Openings, Hires, Quits, and Layoffs

Since Q2 2022, the number of job openings has decreased.

More recently, the number of openings, hires, quits, and layoffs has been fairly constant.

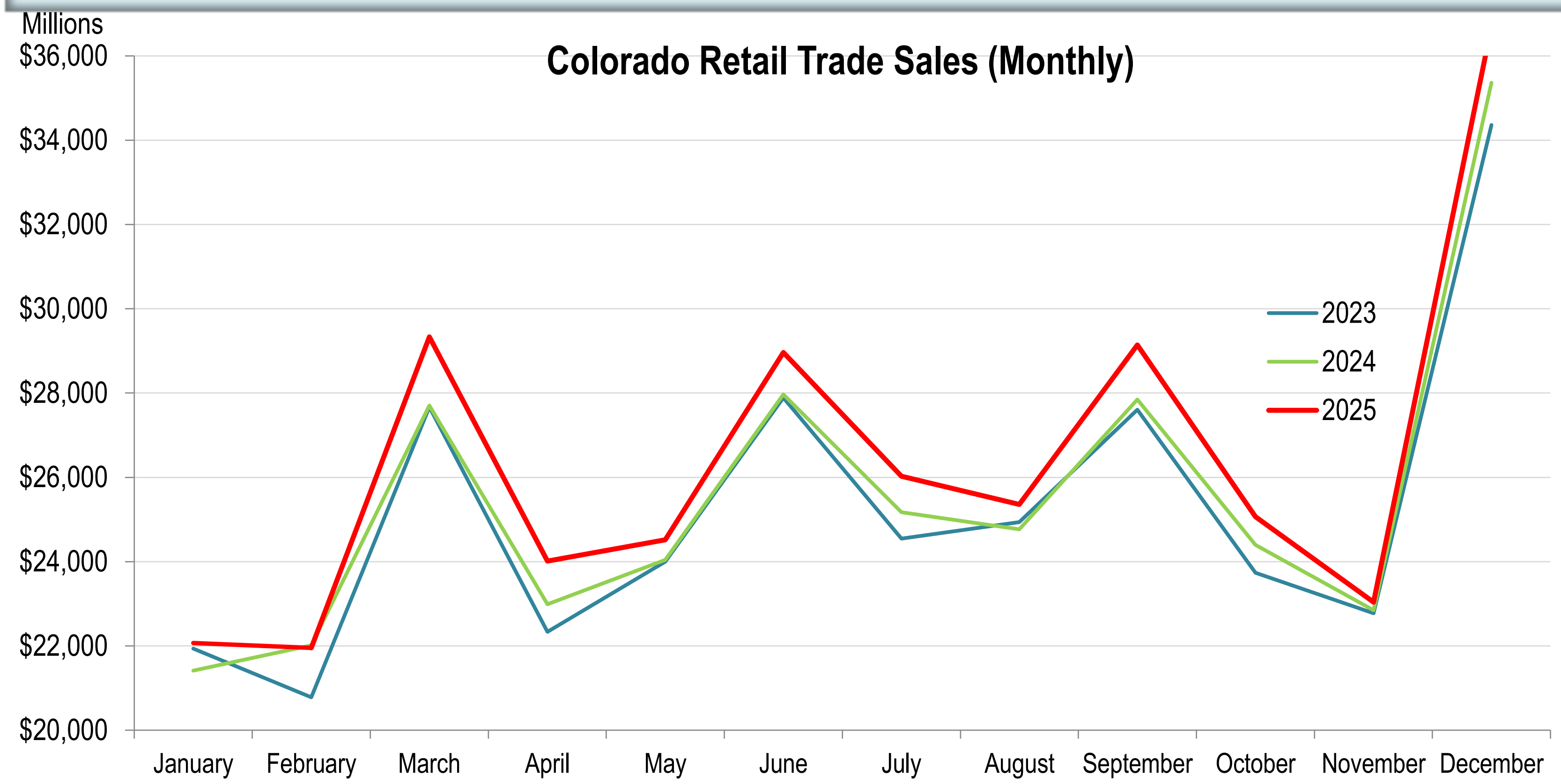
Without significant changes in the hires and separations, the number of employees is changing slowly.

Nationally, it is not a good time to be in the market for a new job.

Colorado Indicators

Colorado Retail Trade Sales

Monthly



Colorado Retail Trade Sales

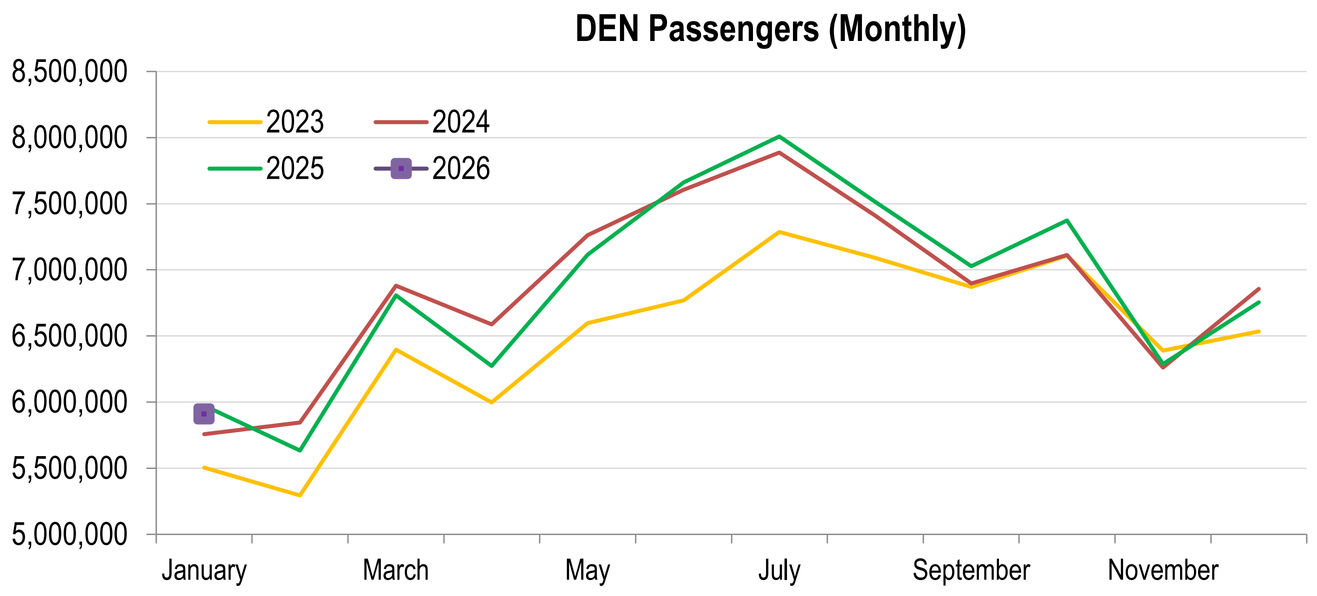
Retail sales for 2025 were 3.2% greater than in 2024. This was the fastest rate of growth since 2022.

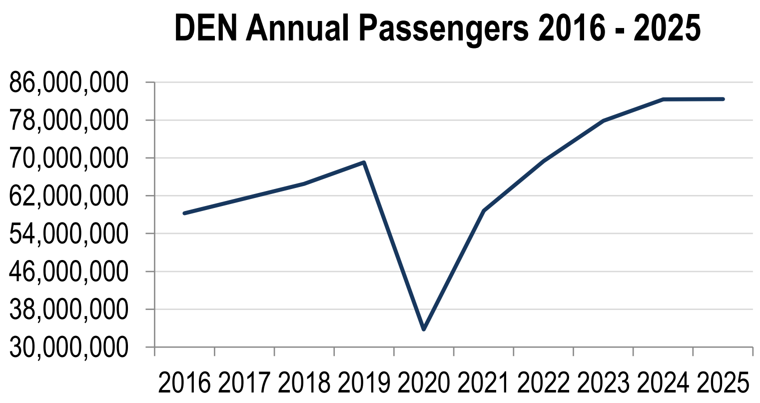
Retail trade sales are likely to increase at a slower rate in 2026.

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%
2025	$316.2	3.2%

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

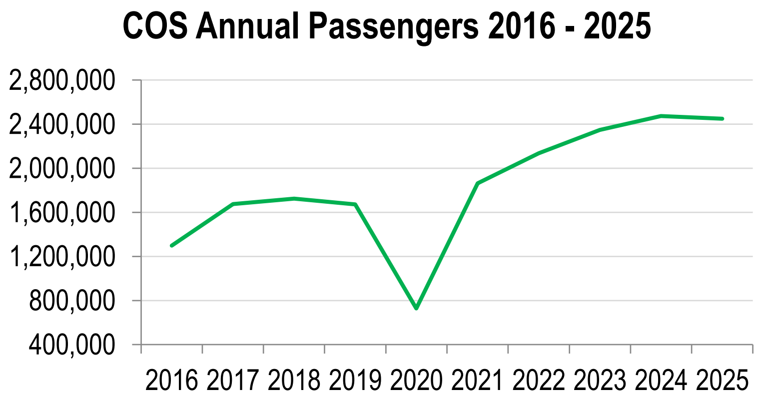
DEN and COS Passengers





Denver and Colorado Springs Passengers

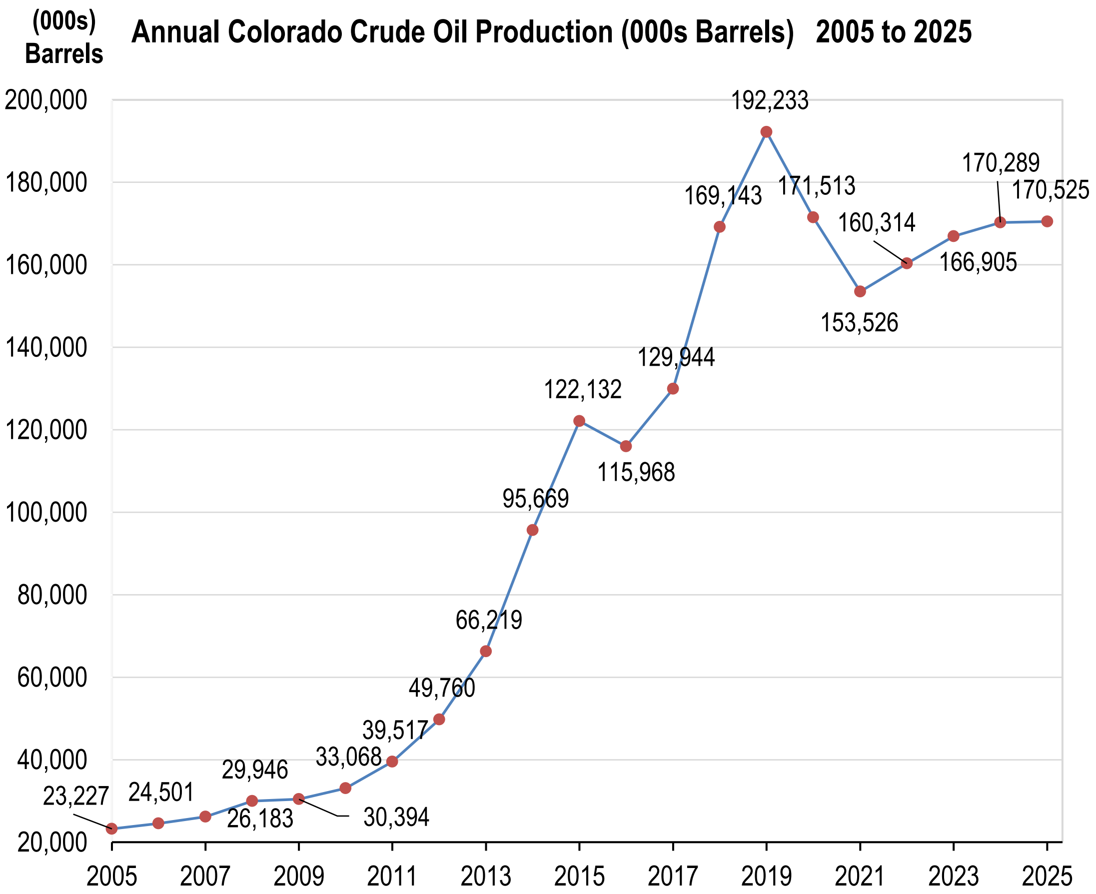
Above: The number of DEN passengers in January 2026 (purple square) was 63,877 fewer than in January 2025 (-1.1%). The number of COS passengers was 2,863 fewer than in January 2025 (-1.8%).
Upper Right: There were 69,218 more DEN passengers in 2025 than in 2024 (+0.1%).
Lower Right: There were 25,374 fewer COS passengers in 2025 than in 2024 (-1.0%).



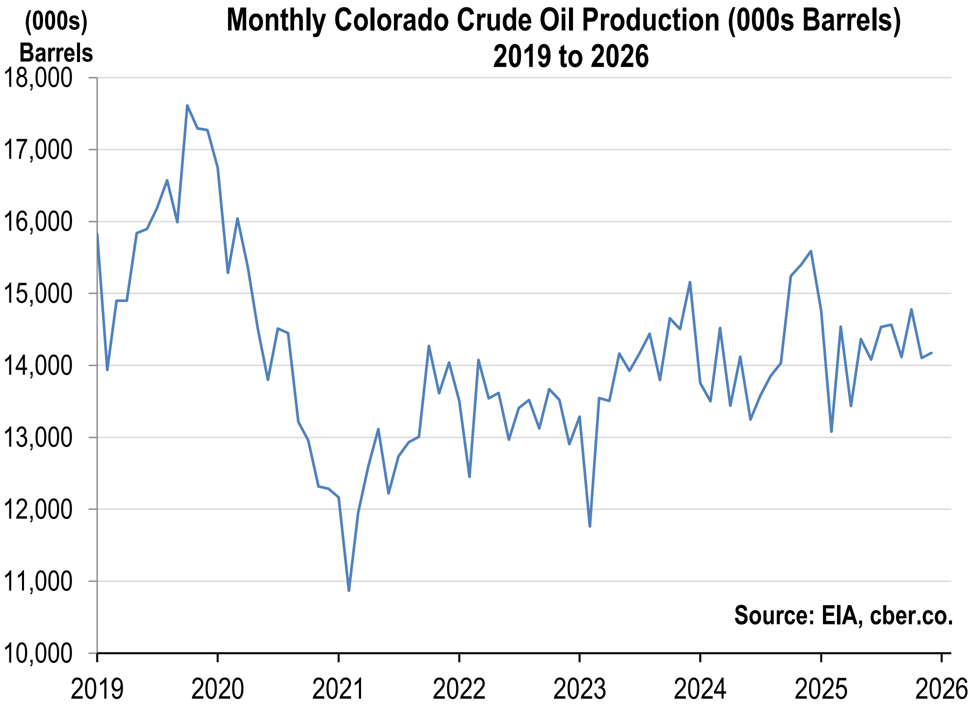
Source: flydenver.com, https://www.flydenver.com/about-den/governance/reports-and-financials/, administration/governance, COS airport, https://coloradosprings.gov/flycos/monthly-traffic-reports, cber.co.

Colorado Field Production of Crude Oil

2005 to 2026 (Thousand Barrels)



Source: EIA, cber.co.

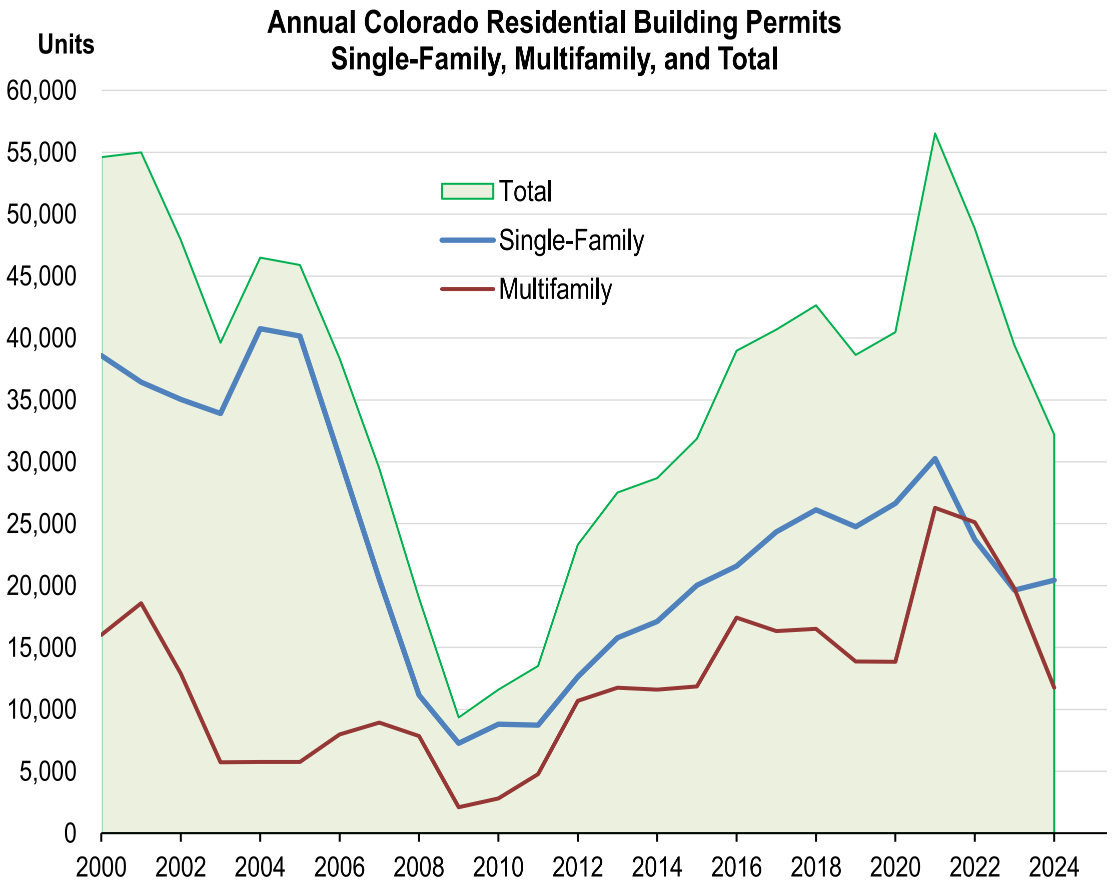


Above (Monthly): Production dropped in 2020 and increased at a steady rate between 2021 and 2024. So far in 2025, monthly production has been between 13,000 and 14,800 thousand barrels. The number of barrels produced in 2025 was similar to production in 2024.

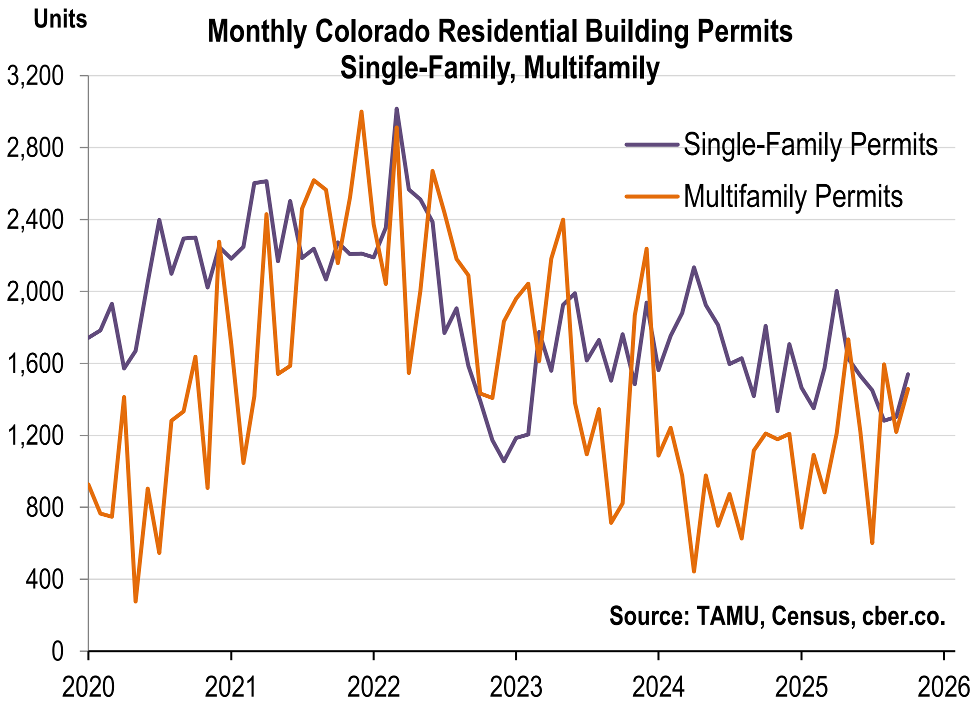
Left (Annual): Over the past 20 years, oil production has become a critical part of the Colorado economy. The downturn in 2020 was a result of state energy regulations and reduced demand from COVID-related policies. In 2021, the annual monthly production hit a low point. There was steady growth from 2022 through 2024. Production in 2024 and 2025 was similar.

Colorado Residential Building Permits

Single Family and Multifamily Units



Source: TAMU, Census Bureau, cber.co.

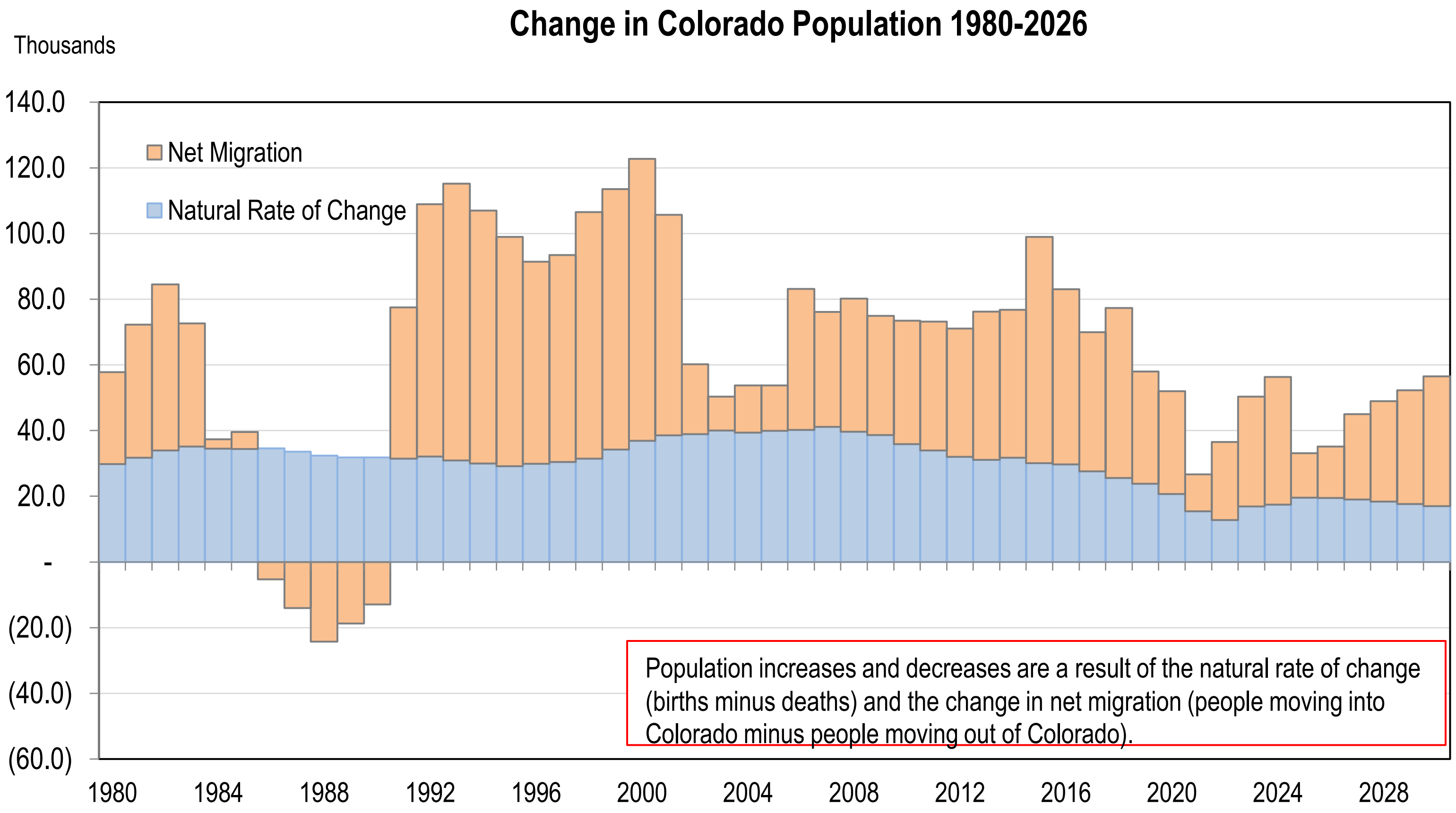


Above (Monthly): About 33,300 unit permits were issued in 2025 compared to 32,200 in 2024, an increase of 3.4%. About 52.6% were SF permits (blue) in 2025 compared to 64.05% in 2024.

Left (Annual): Over the past 25 years, the total number of permits(green) has ranged from 9,355 units in 2009 to 56,524 in 2021. There is currently a shortage of affordable housing,. Despite significant construction, the demand is not being met. Some leaders are beginning to question the mix of units constructed. Some data is delayed because of the government shutdowns.

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

Colorado Population
Components of Change



Sources: State Demography Office, January 2026, and cber.co. Note: The data reflects changes released at the 2025 Demography Summit.

Components of Change

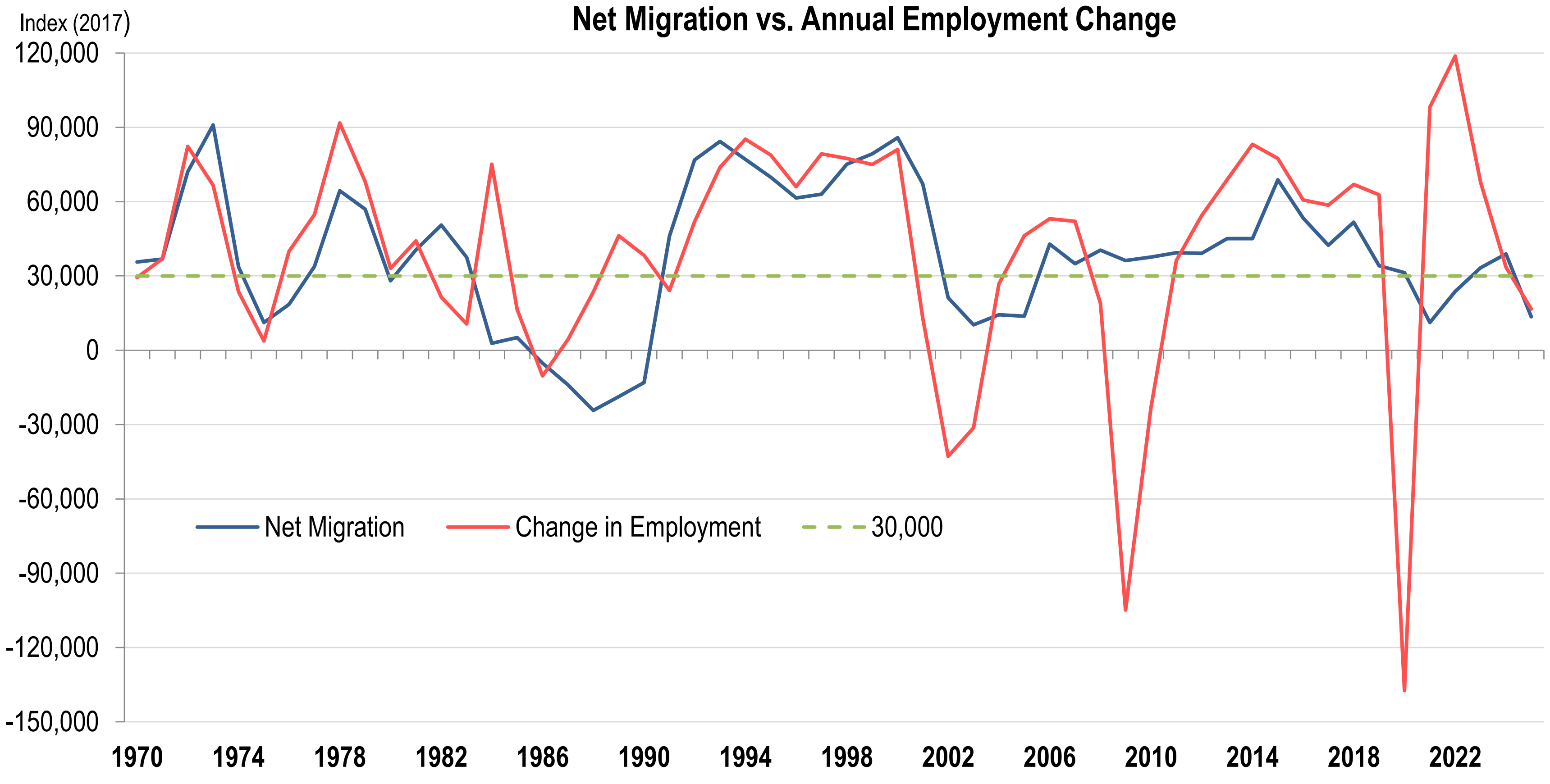
Since 2000, the population of Colorado has increased at a decreasing rate. Changes have occurred because of higher death rates, lower fertility rates, altered migration patterns, pandemic-related policies, and the aging of the baby boomers. Significant declines occurred in 2020 and 2021. International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

Reduced job growth is often a function of low population growth.

Net Migration and Annual Employment Change



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

Net Migration vs. Annual Employment Change

Every job starts with a person!

Population change is dictated by the change in net migration and the natural rate of change (births minus deaths). Net migration is more volatile.

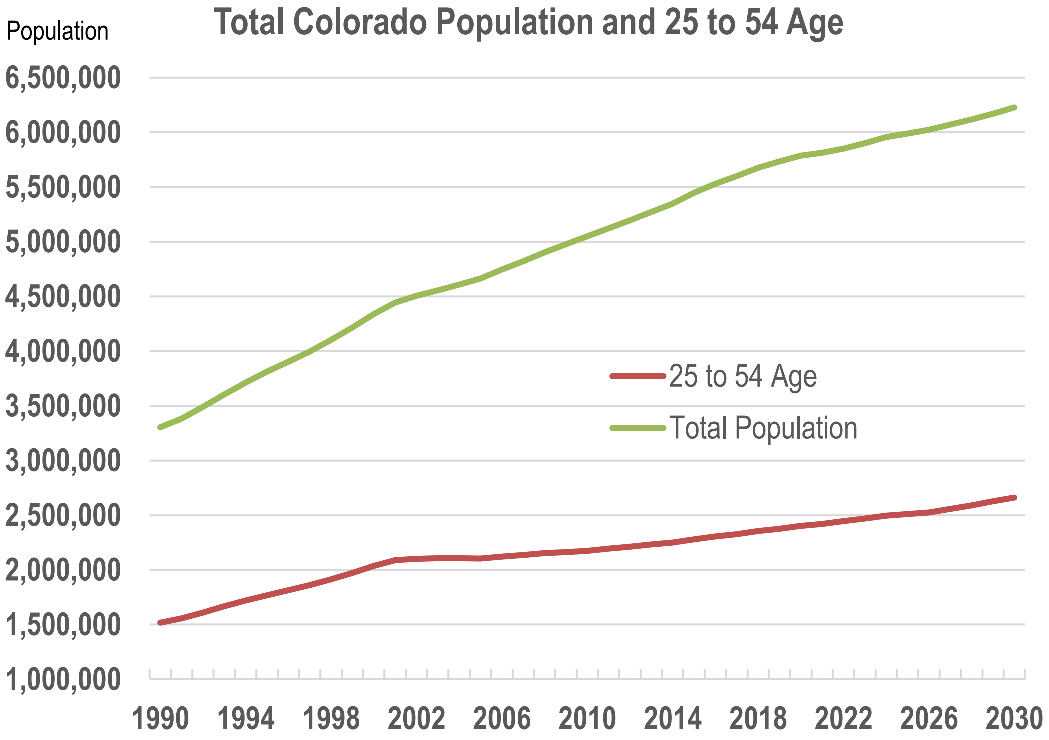
When net migration (blue line) drops below 30,000 (green dotted line), there is usually a decline in employment (red line).

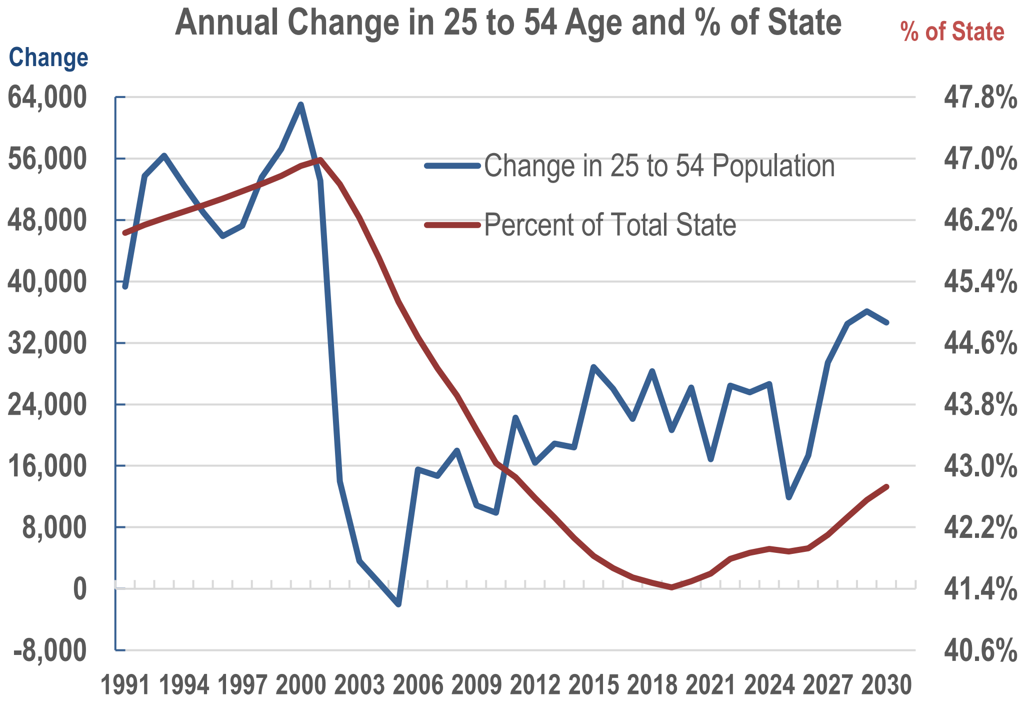
The most notable decline in net migration occurred during the second half of the 1980s. In 1982, Exxon abruptly shut down its Colony oil shale project in Parachute, laying off over 2,000 workers. This was followed by the collapse of Silverado Savings and the savings and loan debacle.

Colorado Population
25 to 64 Age

Primary Market - The primary age category of the workforce is 25-54 years (burgundy line). Between 1990 and 2030, the size of this age group increased at a slower rate than the overall population (green line), from 1.5 million to 2.7 million in 2030. The population increased from 3.3 million to 6.2 million over that same period.

Change in Age Category - From 1991 to 2030, the change in the 25-54 age category was volatile (blue). The smallest change was -2,000 in 2005, and the largest change was 63,000 in 2000. In 1991, the age category was 46.0% of the population (burgundy). It is projected to be 42.7% in 2030.

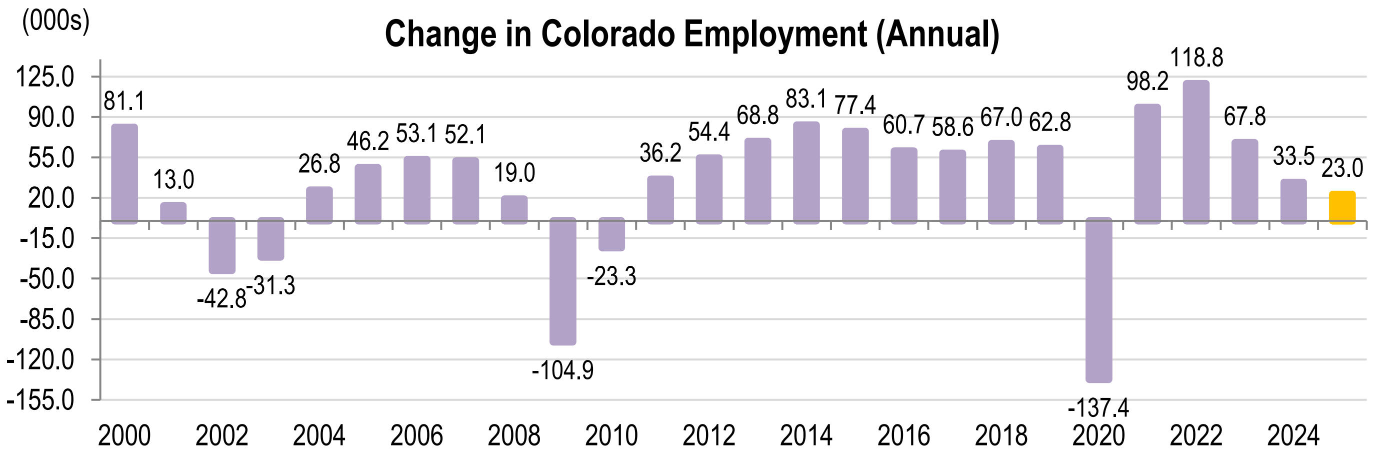




Sources: State Demography Office, January 2026, and cber.co. Note: The data reflects changes released at the 2025 Demography Summit.

Colorado Employment

Change in Colorado Employment
OSPB vs Colorado Legislative Council



Change in Colorado Employment

The above chart shows the annual change in employment from 2000 to 2025. The period includes three recessions. They occurred in the five years when the change in employment was negative.

The total for 2025 is 23,000, the year-over-year employment for December 2025. This does not include the benchmark revisions. They were delayed by the government shutdown in October and will be published in April.

The recent budgets and forecasts released by the Governor's Office of State Planning and Budgeting (OSPB) and the Colorado Legislative Council (CLC) suggest the benchmark revisions will be downward. Their near-term outlook for the economy is not positive.

Change in Colorado Economy – OSPB vs. CLC

The OSPB and CLC economic forecasts for Colorado are on the following two pages. They call for weak economic growth through 2028.

The data in the tables show that OSPB is less optimistic than CLC about both employment and wages and salaries.

OSPB	2025	2026	2027	2028
Population (000)	6,011.4	6,027.9	6,061.4	6,103.8
Employment (000)	2,955.1	2,969.9	2,978.8	2,981.7
Wage & Salary Income (Bil)	$ 260.6	$ 270.8	$ 280.8	$ 290.9
Housing Permits (000)	33.6	34.7	36.1	37.5
Value of Non Res. Const. (Bil)	$ 6,710.2	$ 6,696.7	$ 6,582.9	$ 6,708.0

CLC is less optimistic than OSPB about the number of housing permits issued and the value of non-residential construction.

CLC	2025	2026	2027	2028
Population	6,012.6	6,027.9	6,061.4	6,103.8
Employment	2,987.6	3,006.6	3,021.3	3,042.8
W&S Income	$ 260.6	$ 270.8	$ 283.3	$ 297.1
Housing Permits	33.6	31.1	30.6	31.7
Value of Non Res	$ 6,690.2	$ 5,913.8	$ 5,813.2	$ 6,193.0

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

Colorado Legislative Council Economic Forecast March 20, 2026

Table 20
Colorado Economic Indicators

						Legislative Council Staff Forecast		
Calendar Years	2021	2022	2023	2024	2025	2026f	2027f	2028f
Population (Thousands, as of July 1)	5,814.4	5,853.4	5,912.2	5,988.5	6,012.6	6,027.9	6,061.4	6,103.8
Percent Change in Population	0.5%	0.7%	1.0%	1.3%	0.4%	0.3%	0.6%	0.7%
Nonfarm Employment (Thousands)	2,750.9	2,869.7	2,937.5	2,970.7	2,987.6	3,006.6	3,021.3	3,042.8
Percent Change in Nonfarm Employment	3.7%	4.3%	2.4%	1.1%	0.6%	0.6%	0.5%	0.7%
Unemployment Rate	5.5%	3.1%	3.3%	4.3%	4.4%	4.0%	4.1%	4.1%
Personal Income (Millions)	$418,190	$448,677	$473,105	$494,799	$517,150	$537,196	$562,783	$590,663
Percent Change in Personal Income	11.7%	7.3%	5.4%	4.6%	4.5%	3.9%	4.8%	5.0%
Wage and Salary Income (Millions)	$205,550	$225,417	$238,971	$250,130	$260,617	$270,785	$283,285	$297,148
Percent Change in Wage and Salary Income	9.5%	9.7%	6.0%	4.7%	4.2%	3.9%	4.6%	4.9%
Retail Trade Sales (Millions)	$131,528	$144,145	$145,707	$145,993	$148,646	$151,281	$155,837	$162,247
Percent Change in Retail Trade Sales	17.0%	9.6%	1.1%	0.2%	1.8%	1.8%	3.0%	4.1%
Housing Permits (Thousands)	56.5	48.3	39.4	32.2	33.6	31.1	30.6	31.7
Percent Change in Housing Permits	39.7%	-14.5%	-18.5%	-18.3%	4.5%	-7.5%	-1.5%	3.6%
Nonresidential Construction (Thousands)	$5,681.0	$6,610.9	$6,539.5	$4,741.8	$6,690.2	$5,913.8	$5,813.2	$6,193.0
Percent Change in Nonresidential Construction	1.3%	16.4%	-1.1%	-27.5%	41.1%	-11.6%	-1.7%	6.5%
Denver-Aurora-Lakewood Inflation	3.5%	8.0%	5.2%	2.3%	2.3%	2.6%	2.5%	2.4%

Sources:
Employment and inflation data from U.S. Bureau of Labor Statistics. Inflation shown as the year-over-year change in the consumer price index.
Income data from U.S. Bureau of Economic Analysis. Personal income and wages and salaries not adjusted for inflation.
Retail trade sales data from Colorado Department of Revenue.
Nonresidential construction data from F.W. Dodge.

Governor's Office of State Planning and Budgeting Economic Forecast March 20, 2026

Table 1: Colorado Economic Variables – History and Forecast

	Income	Actual 2020	Actual 2021	Actual 2022	Actual 2023	Actual 2024	Actual 2025	Forecast 2026	Forecast 2027	Forecast 2028
1	Personal Income (Billions) /A	$374.4	$418.2	$448.7	$473.1	$494.8	$517.6	$539.3	$559.8	$580.5
2	Change	6.5%	11.7%	7.3%	5.4%	4.6%	4.6%	4.2%	3.8%	3.7%
3	Wage and Salary Income (Billions)	$187.8	$205.5	$225.4	$239.0	$250.1	$260.6	$270.8	$280.8	$290.9
4	Change	2.6%	9.5%	9.7%	6.0%	4.7%	4.2%	3.9%	3.7%	3.6%
5	Per-Capita Income ($/person) /A	$64,707.0	$71,925.0	$76,658.0	$80,028.0	$82,636.0	$86,096.0	$89,467.0	$92,353.0	$95,105.0
6	Change	5.6%	11.2%	6.6%	4.4%	3.3%	4.2%	3.9%	3.2%	3.0%
	Population & Employment	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**
7	Population (Thousands)	5,786.9	5,814.2	5,853.0	5,911.8	5,987.7	6,011.4	6,027.9	6,061.4	6,103.8
8	Change	0.9%	0.5%	0.7%	1.0%	1.3%	0.4%	0.3%	0.6%	0.7%
9	Net Migration (Thousands)	31.3	11.4	26.0	41.9	58.5	3.5	($2.0)	15.0	25.0
10	Unemployment Rate	6.8%	5.5%	3.1%	3.3%	4.3%	4.5%	4.1%	4.3%	4.5%
11	Total Nonagricultural Employment (Thousands)	2,652.7	2,750.9	2,869.7	2,937.5	2,961.0	2,955.1	2,969.9	2,978.8	2,981.7
12	Change	-4.9%	3.7%	4.3%	2.4%	0.8%	-0.2%	0.5%	0.3%	0.1%
	Construction Variables	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**
13	Total Housing Permits Issued (Thousands)	40.5	56.5	48.8	39.4	32.2	33.6	34.7	36.1	37.5
14	Change	4.8%	39.7%	-13.6%	-19.3%	-18.3%	4.5%	3.2%	3.9%	4.1%
15	Nonresidential Construction Value (Millions) /B	$5,607.5	$5,681.0	$6,610.9	$6,539.5	$4,891.8	$6,710.2	$6,696.7	$6,582.9	$6,708.0
16	Change	8.6%	1.3%	16.4%	-1.1%	-25.2%	37.2%	-0.2%	-1.7%	1.9%
	Price Variables	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**
17	Retail Trade (Billions) /C	$228.8	$268.3	$299.9	$302.6	$306.5	$316.2	$324.7	$333.2	$343.5
18	Change	1.9%	17.3%	11.8%	0.9%	1.3%	3.2%	2.7%	2.6%	3.1%
19	Denver-Aurora-Lakewood Consumer Price Index (1982-84=100)	272.2	281.8	304.4	320.3	327.6	335.1	344.8	353.8	362.6
20	Change	2.0%	3.5%	8.0%	5.2%	2.3%	2.3%	2.9%	2.6%	2.5%

/A Personal Income as reported by the federal Bureau of Economic Analysis includes: wage and salary disbursements, supplements to wages and salaries, proprietors' income with inventory and capital consumption adjustments, rental income of persons with capital consumption adjustments, personal dividend income, personal interest income, and personal current transfer receipts, less contributions from government social insurance.
/B Nonresidential Construction Value is reported by Dodge Analytics (McGraw-Hill Construction) and includes new construction, additions, and major remodeling projects predominately at commercial and manufacturing facilities, educational institutions, medical and government buildings. Nonresidential does not include non-building projects (such as streets, highways)
/C Retail Trade includes motor vehicles and automobile parts, furniture and home furnishings, electronics and appliances, building materials, sales at food and beverage stores, health and personal care, sales at convenience stores and service stations, clothing, sporting goods / books / music, and general merchandise found at warehouse stores and internet purchases.

What is the Employment Situation in Colorado?

The labor market is a key indicator when measuring changes in the economy. Most people have participated in the labor market, and they understand its fundamentals. Under normal conditions, BLS employment data is released about every 30 days. Data is revised periodically and with a well-defined process. The schedule of the Colorado employment release got off track as a result of the 43-day government shutdown in the fall of 2025.

What to Expect When BLS Data is Released (April 8 and April 22)
Recently, Colorado has lacked a broad base of industries to drive the economy.

Based on the recent QCEW data, the benchmark revisions will be downward. The forecasts by OSPB and CLC suggest the annual 2025 data will be revised to a value between -5,000 and +16,000. Typically, total employment is not negative unless there is a recession.

If the annual revision is negative, then it is likely that most sectors will show job losses in 2025, with the exception of health care and state and local government. The greatest number of job losses will occur in the PBS, trade, and financial activities. It is possible that information and manufacturing jobs will be shed in 2025.

An alternate source of data, Revelio Labs, https://www.reveliolabs.com/public-labor-statistics/employment/, shows that seasonally adjusted Colorado data has declined since April 2024. Colorado employment for February 2026 was 17,600 less than in February 2025. It will be interesting to see how this compares to the BLS reports.

Revelio Labs also showed that the number of Colorado jobs lost through layoffs (WARN Letters) had ticked upward between October 2025 and February 2026.

Issues Affecting Colorado Economy
On a positive note, utility companies are quietly spending billions to address the demand for artificial intelligence. On a related note, the Data Center Map indicates that Colorado has 60 data centers. There are 49 in the Denver area and seven in Colorado Springs. The legislature is currently evaluating AI and data center legislation. This is an extremely contentious topic.

The U.S. labor market has slowed. The Colorado labor market has stalled, in part because of slower in-migration. The Common Sense Institute recently released its annual competitiveness update. Colorado continues to be in the upper third of states. It has slipped in the rankings for the following criteria: grid reliability, Medicaid spending, housing, road conditions, crime rate, homelessness, drug overdoses, and the number of jobs added by state and local government organizations.

Colorado is recognized for the development off its aerospace and bioscience industries, and its efforts to create a world-class quantum cluster. On the other hand, the recent exit of Palantir raises the question of whether Colorado is capable of maintaining a regulatory environment that serves both high-tech companies and residents.

The state legislature had significant budget shortfalls in 2025. The current shortfall is $1.5 billion. Efforts will be made to dismantle the TABOR amendment to pay the shortfall. At the same time, the legislature has allocated $4 million to file lawsuits against the Trump administration. Right or wrong, over 60 lawsuits have been filed. This effort has had mixed impacts on the labor market, economy, and credibility of state leaders.

Colorado Economic Forecast Summary

Colorado Economic Forecast 2026 Summary

Real GDP growth for Colorado slowed in 2024. It was subdued in Q1 2025 but was stronger in Q2 and Q3.

The Colorado population will increase by 35,200 people in 2026, or 0.6%.

Colorado employment is expected to increase by 20,000 in 2025 and remain weak through 2027. As a result, Colorado's unemployment rate is expected to increase.

Consumers will be resilient, but careful. Retail sales improved in 2025. Sales will be slower in 2026.

The inflation CPI rate has declined from the high point between 2021 and 2023. The accumulated effect of those high rates can still be felt. Colorado inflation is forecasted to be 2.7% in 2026.

Colorado Economic Forecast

	2023	**2024**	**2025**	**2026**
Real GDP Value (billions) (chained 2017)	$440.2	$448.8	$458.5	$467.9
% Change Real GDP	4.0%	2.0%	2.2%	2.1%
Colorado Population	5,900.4	5,956.7	5,989.8	6,025.0
Annual Change (thousands)	50.3	56.3	33.2	35.2
CES Employment (thousands)	2,937.5	2,971.0	2,99100	3,011.0
Annual Change (thousands)	67.8	33.5	20.0	20.0
% Change	2.4%	1.1%	0.7%	0.7%
Unemployment Rate	3.2	4.3%	4.5%	4.8%
Retail Sales (billions)	$302.6	$306.4	$316.6	$324.2
% Change	0.9%	1.3%	3.3%	2.4%
Consumer Price Index (CPI)	320.3	327.6	335.1	344.1
% Change	5.2%	2.3%	2.3%	2.7%
DIA Passengers (millions)	77.8	82.3	82.3	82.0
Single Family (SF) Permits	19,641	20,534	18,100	17,500
Multi-family (MF) Permits	19,763	11,751	14,100	13,500
Oil Production (thousands) barrels	166,905	170,289	170,525	172,000

In 2024, 82.3 million passengers flew through DIA. The number of passengers in 2025 was slightly higher. Passenger traffic at the Colorado Springs (COS) airport was slightly lower than in 2025. The traffic at both airports has been strong.

In 2025, the number of building permits issued was slightly higher than in 2024 (18,100 single-family and 14,100 multi-family in 2025). Despite demand for more affordable housing, the number of permits issued is expected to remain flat in 2026.

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, March 2026 Update for 2026,
Colorado and the United States

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

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

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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.