Economic Outlook and Trends Through August 2026

United States and Colorado

Photo by Anastasia L. Horvath

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cber.co
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Economic Outlook and Trends

Purpose

This chartbook reviews the performance of the U.S. and Colorado economies. It primarily focuses on trends in Colorado's labor market.

Summary of U.S. and Colorado Economies

- There is concern that the U.S. real disposable income per capita is flat.
- Real GDP growth is modest in the U.S. and Colorado.
- Inflation has tapered off, more so in the U.S. than in Colorado. It is more than 2%. That means the Federal Reserve is concerned that it is too high.
- The ISM indices for manufacturing and services are positive.
- Colorado retail sales have improved; however, the rate of growth is less than the U.S. rate.
- Colorado employment growth has been weak, in part because of slow population growth.
- The S&P 500 has posted solid gains in 2026.
- The number of Colorado housing permits issued is greater than in 2025.
- In Q2, there were signs the slowdown has bottomed out. Change might be on the horizon. Colorado employment is expected to increase by 20,000 in 2026.
- Coloradans are still struggling to understand the pros and cons of AI and data centers.

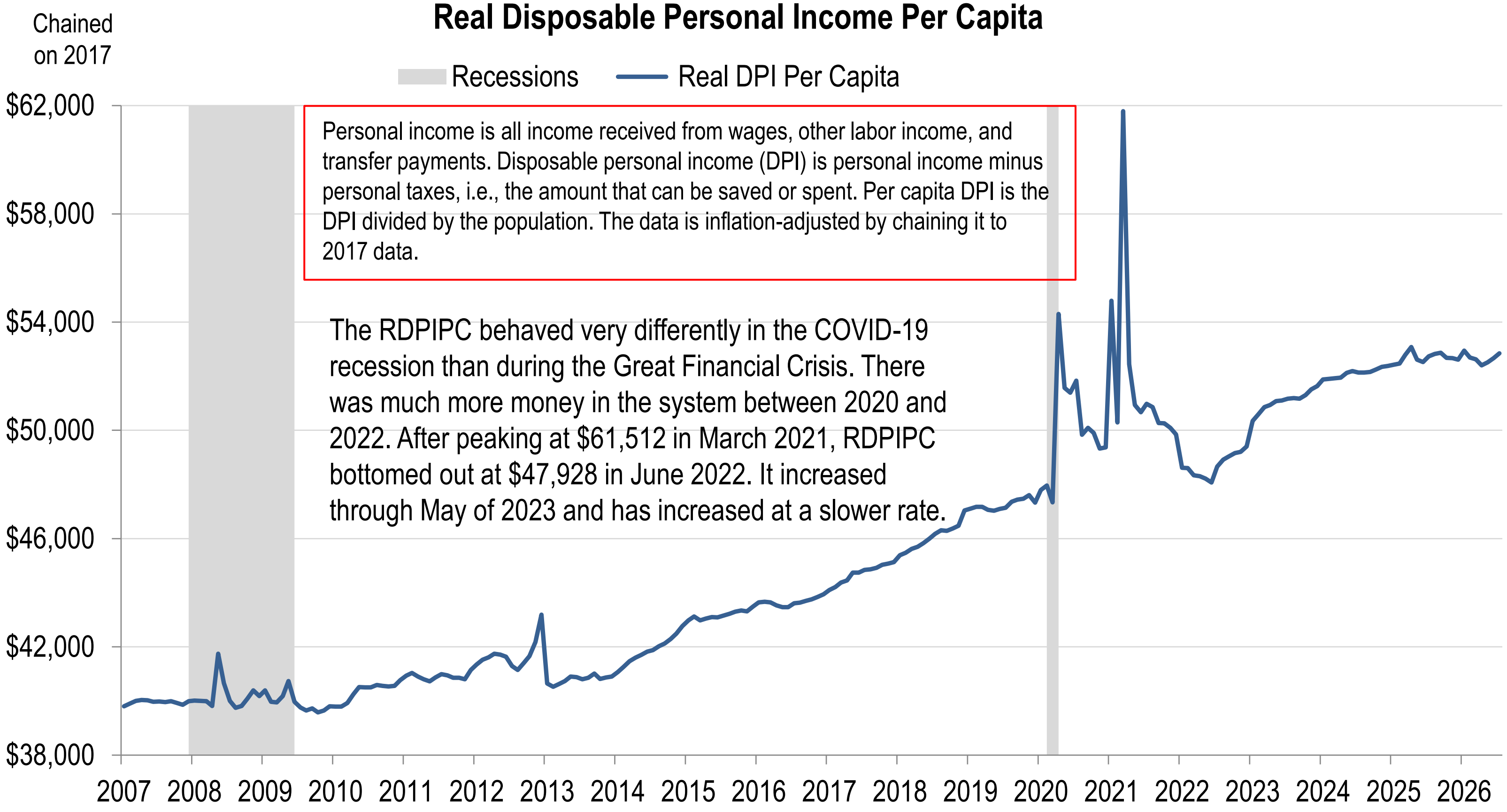
Contents

This chartbook addresses the following topics.

U.S. and Colorado Data

Real Disposable Personal Income Per Capita

United States



Real Disposable Personal Income Per Capita (RDPIPC)

In July 2026, the RDPIPC was $52,849. It was 0.2% better than the same period in 2025.

The monthly YOY change ranged from 0.4% to 2.1% in 2025 and -1.3% to 1.0% in 2026. Essentially, the change has been flat for two years. This is cause for concern.

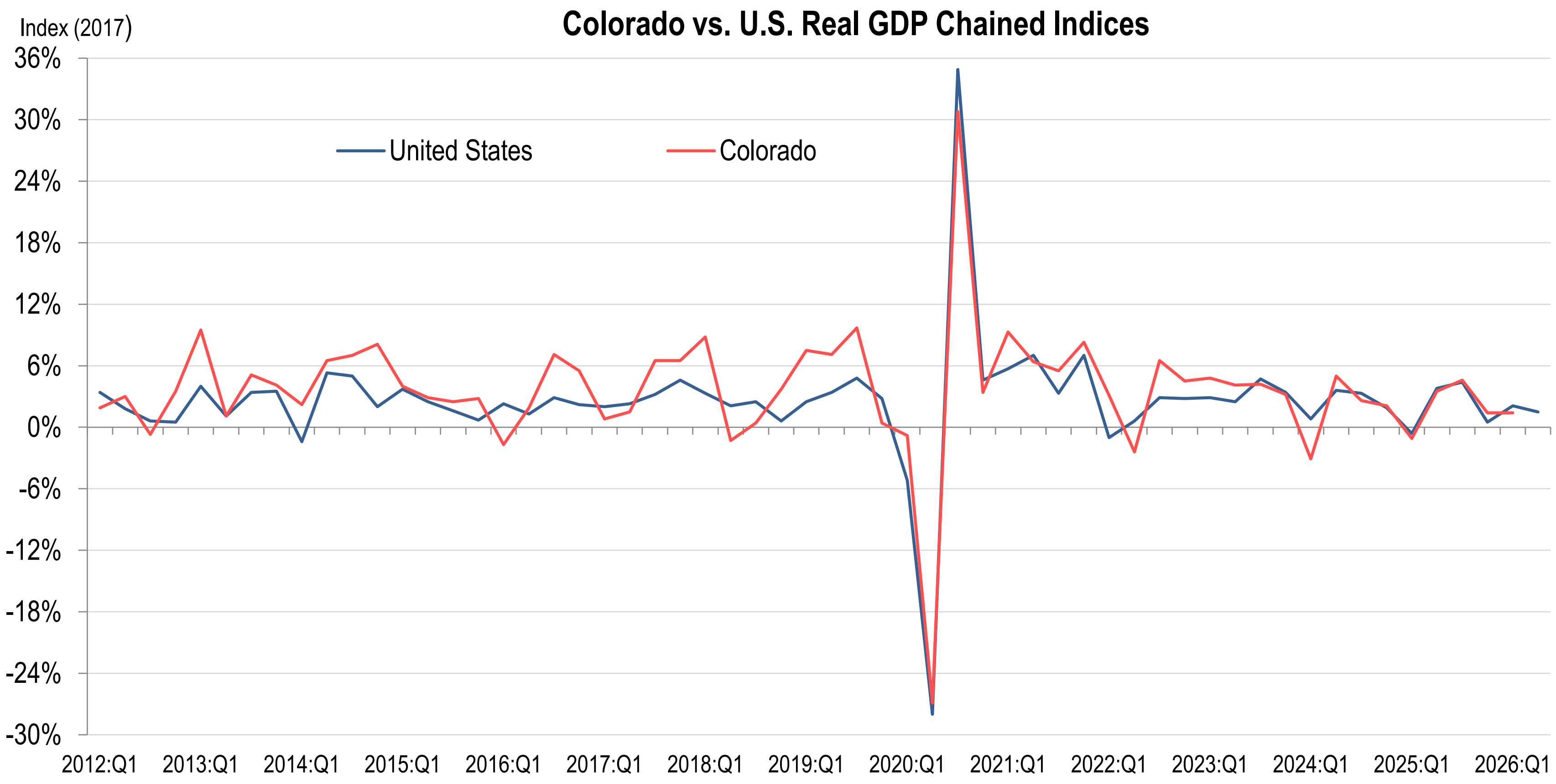
RDPIPC (Average)

Year	RDPIPC	% Change
2016	$43,659	1.1%
2017	$44,710	2.4%
2018	$46,057	3.0%
2019	$47,251	2.6%
2020	$50,062	5.9%
2021	$51,936	3.3%
2022	$48,714	-6.1%
2023	$51,077	4.2%
2024	$52,114	1.8%
2025	52,691	1.1%

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.

Real Gross Domestic Product

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



Source: BEA, cber.co.

Colorado and U.S. Quarterly GDP Rate of Change

U.S. Real GDP growth for Q1 was 2.1%. It dropped to 1.5% in Q2. Real Q1 GDP for Colorado was 1.4%. Q2 Colorado data will be released later.

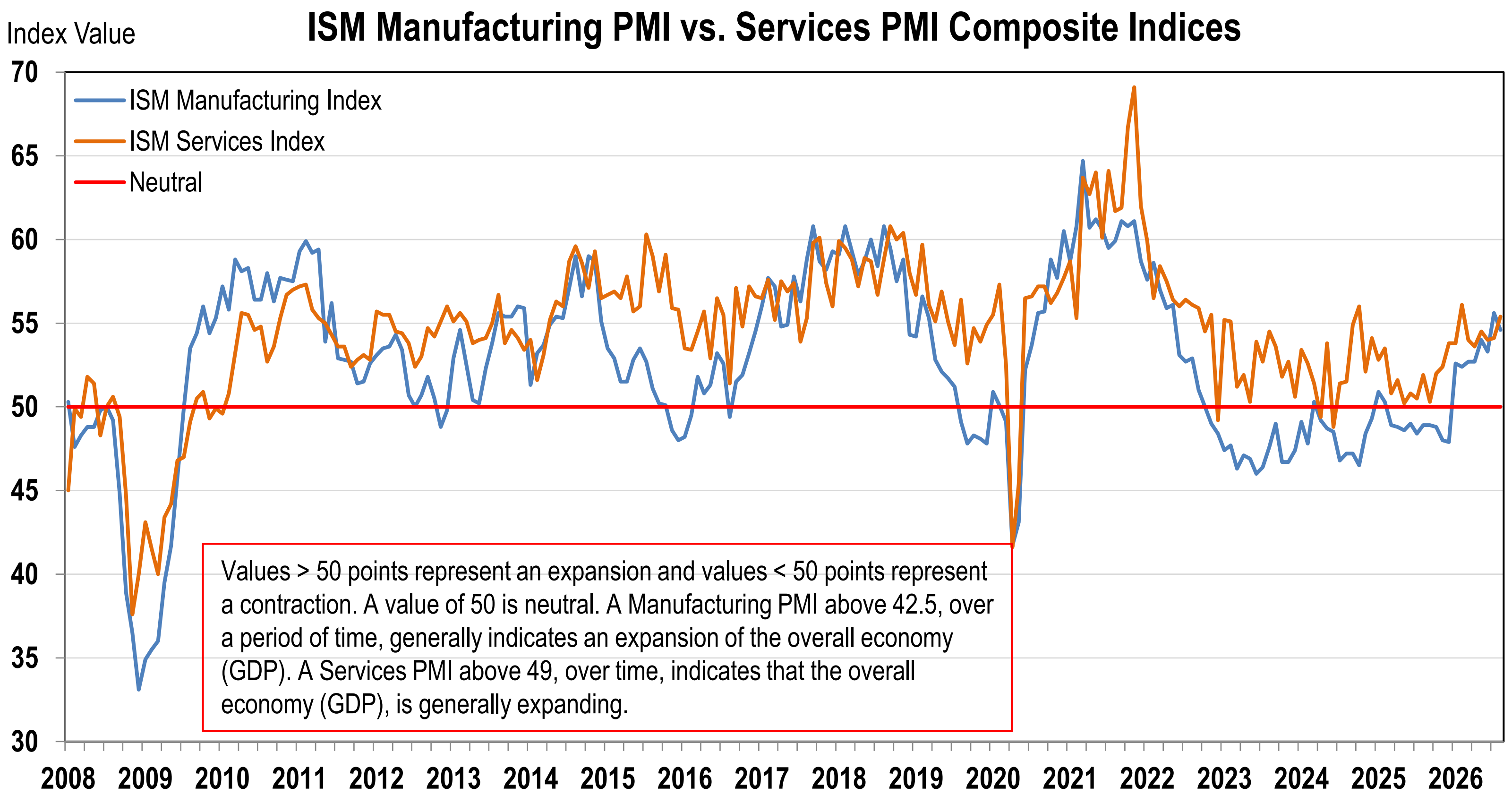
Between 2012 and 2019, the U.S. Real GDP rate (blue) exceeded the Colorado GDP rate (red) in 8 of 31 quarters. This occurred because Colorado had a solid labor market and a diverse mix of industries. Things changed in 2020!

Since 2020, the U.S. Real GDP growth rate has been higher than Colorado's in 11 of the past 25 quarters. In many quarters, their growth rates were similar.

This raises the question, "Did COVID-19-related policies bring about structural changes in the Colorado economy?"

ISM Purchasing Managers Composite Indices

Manufacturing vs. Services



Source: Institute of Supply Management, cber.co.

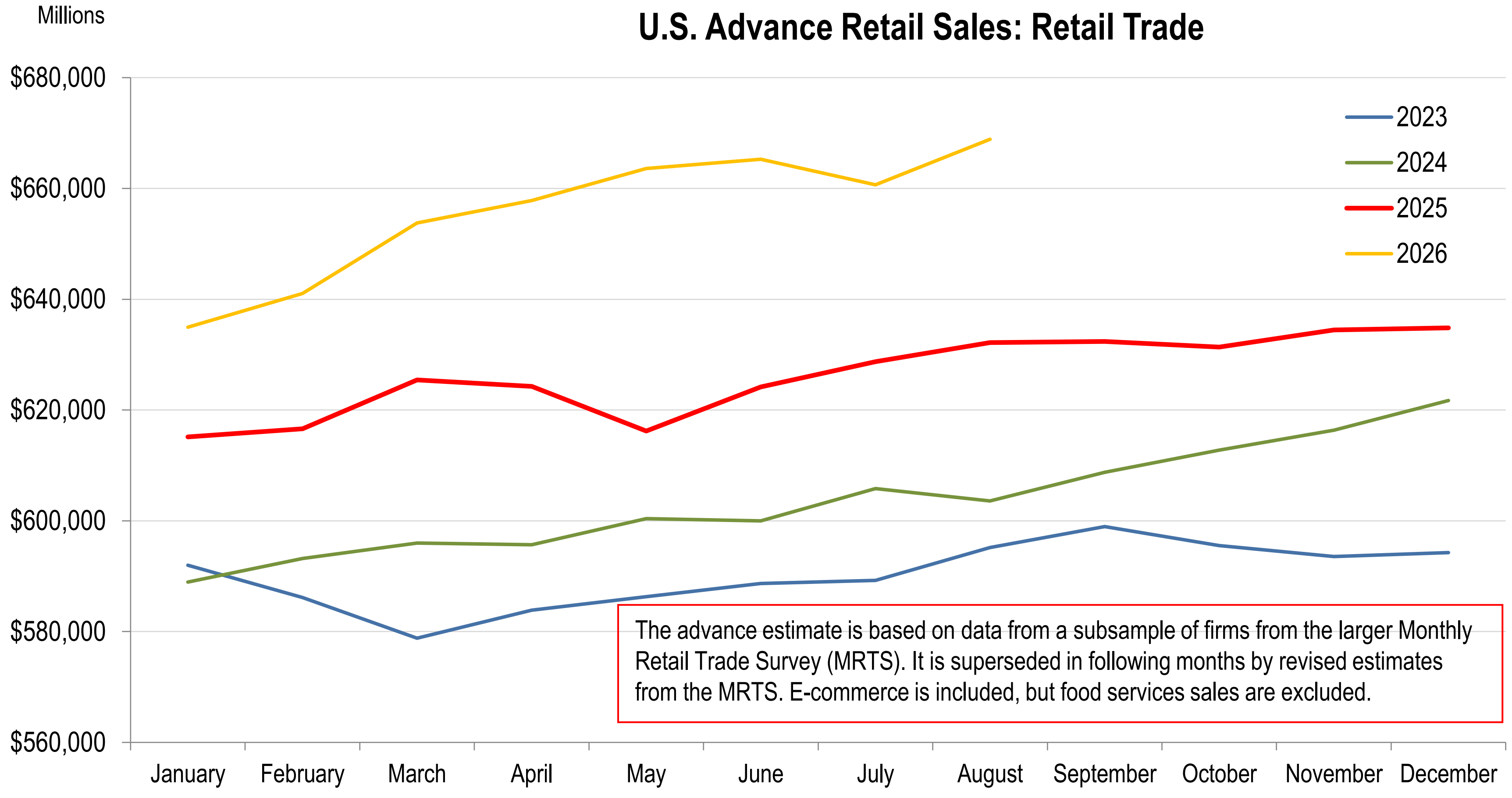
Manufacturing and Services PMI

The ISM manufacturing index (blue) has been above 50 for eight consecutive months. ISM officials reported that "Of the six largest manufacturing industries, five expanded in August. (Transportation Equipment; Petroleum and Coal Products; Computer & Electronic Products; Machinery; and Food, Beverage& Tobacco Products)."

In August, the services index was 55.4%, or 1.3 percentage points above July. ISM reported that the 12 services industries reporting growth in August were: Mining; Real Estate, Rental & Leasing; Accommodation & Food Services; Wholesale Trade; Arts, Entertainment & Recreation; Educational Services; Retail Trade; Information; Professional, Scientific & Technical Services; Utilities; Transportation & Warehousing; and Public Administration. Five industries reported contractions: Agriculture, Forestry, Fishing & Hunting; Construction; Management of Companies & Support Services; Finance & Insurance; and Health Care & Social Assistance.

U.S. Advance Retail Sales: Retail Trade

Monthly



Advance Retail Sales

Retail sales were weak in 2023 and 2024 but were much stronger in 2005. For the first eight months of 2026, sales are 5.28% above the same period last year.

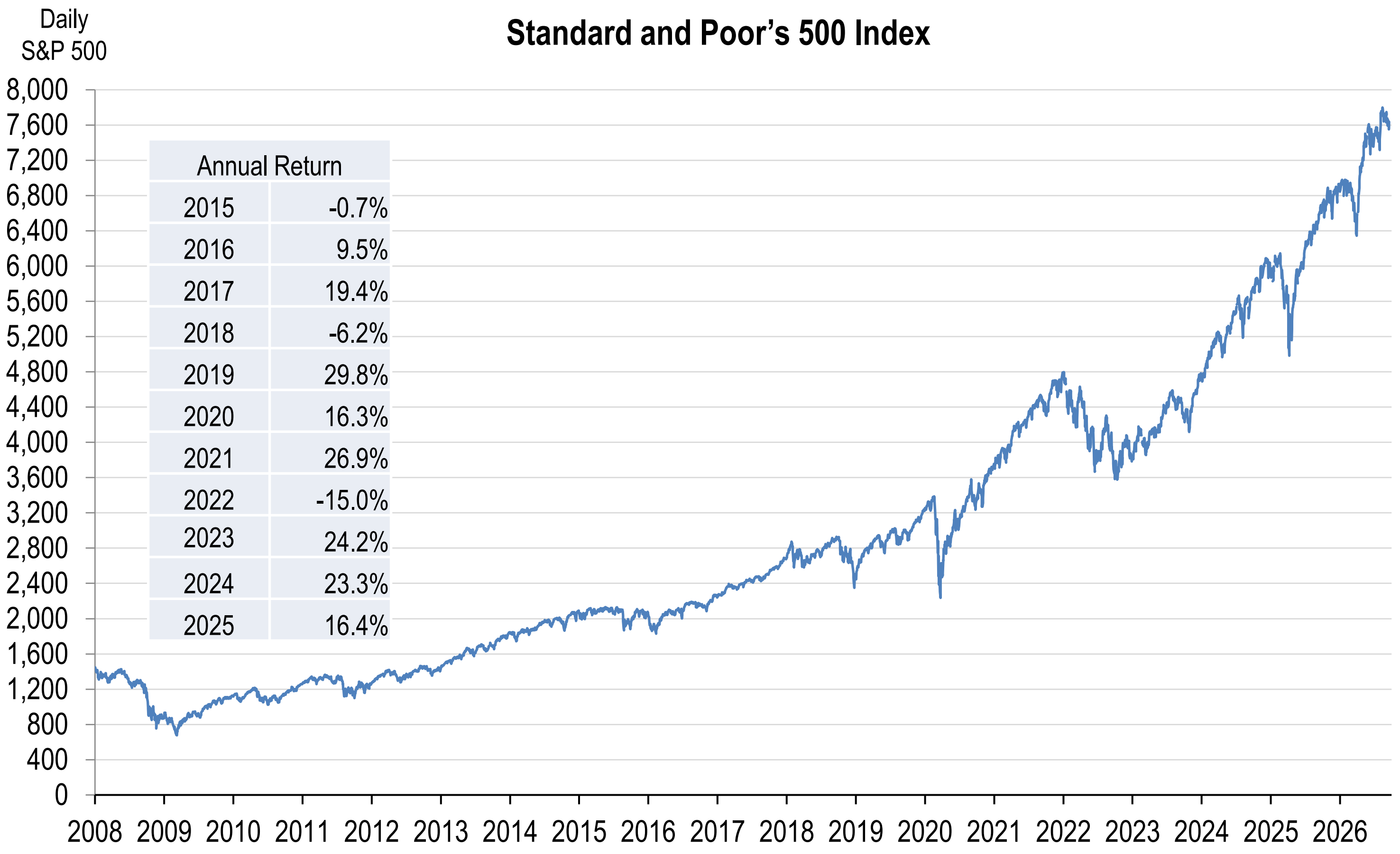
Consumers are willing to spend more money on retail goods in 2026.

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%
2025	$6.26	3.8%

Source: Census, cber.co

Source: U.S. Census Bureau, RXSFS, FRED, cber.co. Note: Not adjusted for inflation.

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%**

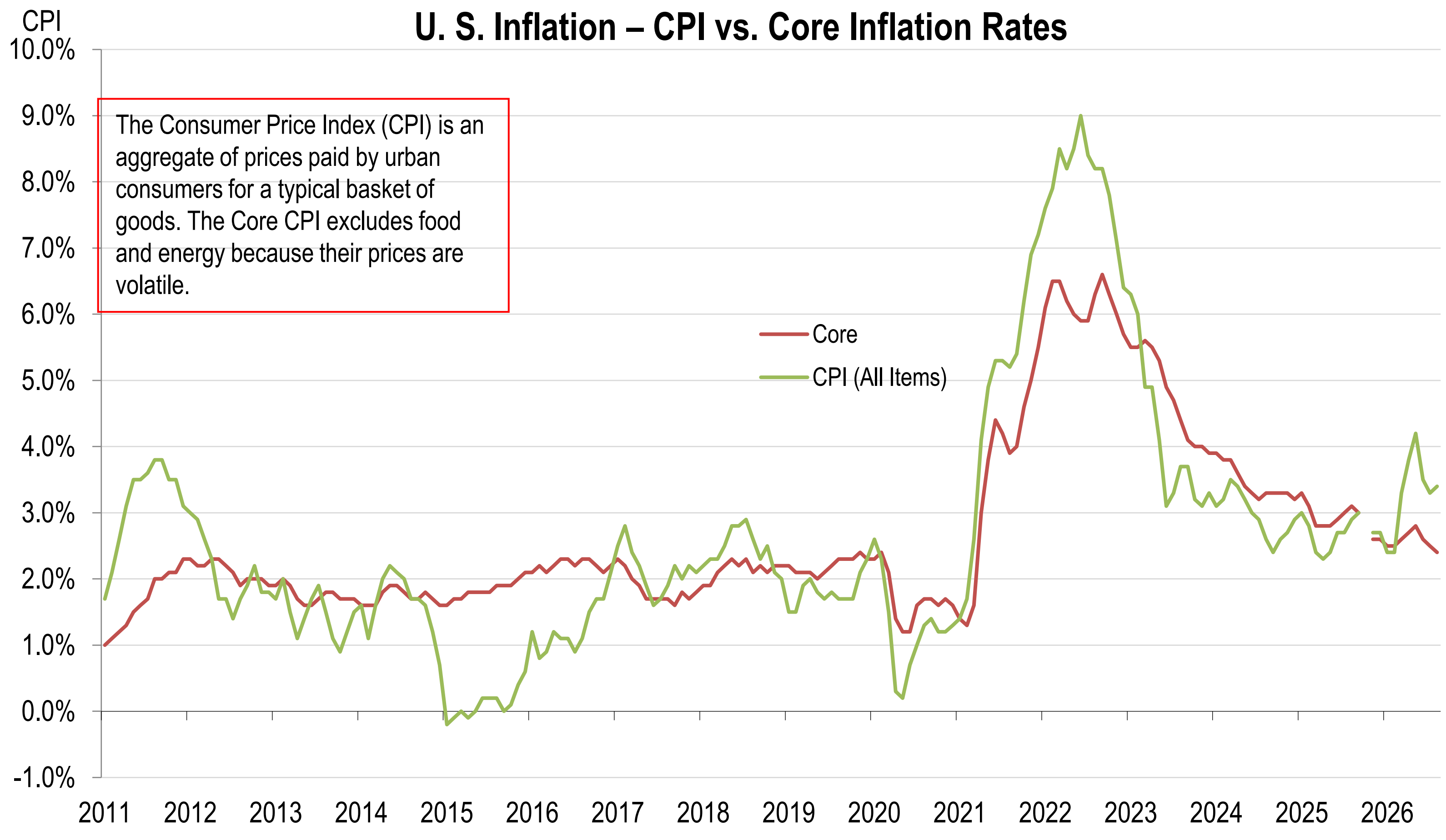
2023 Bull Market
Helped by a Santa Claus rally in December
December 29, 2023 4,739, a change of **+24.2%**

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
September 17, 2026 7,638, a change of **+11.6%**

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 August 2026 U.S. CPI rate was 3.4%. The core rate was 2.4%. As a result, the Federal Reserve raised interest rates by 25 basis points for the first time since July 2023.

The October 2025 rates were not reported because of the government shutdown.

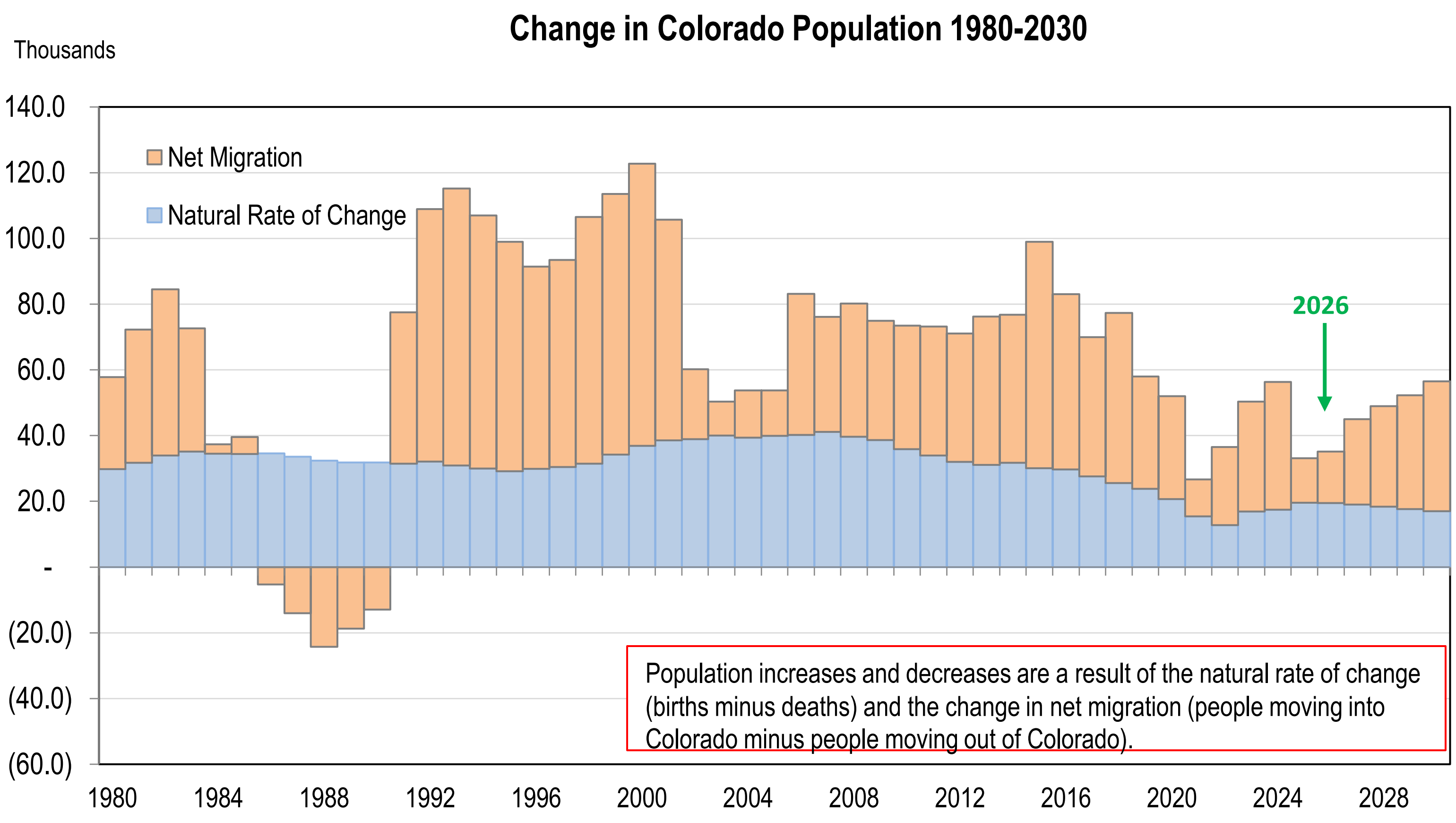
U.S. and Denver Annual CPI and Core

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

Colorado Population

Components of Change



Components of Change

Since 2000, the Colorado population 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.

In 2021, the population only increased by 26,400. International immigration decreased in 2025. In 2026, net migration will increase by 15,654. The natural rate of change (births less deaths) will be 19,458. The total gain will be 35,112. Total population will be 6,024,996.
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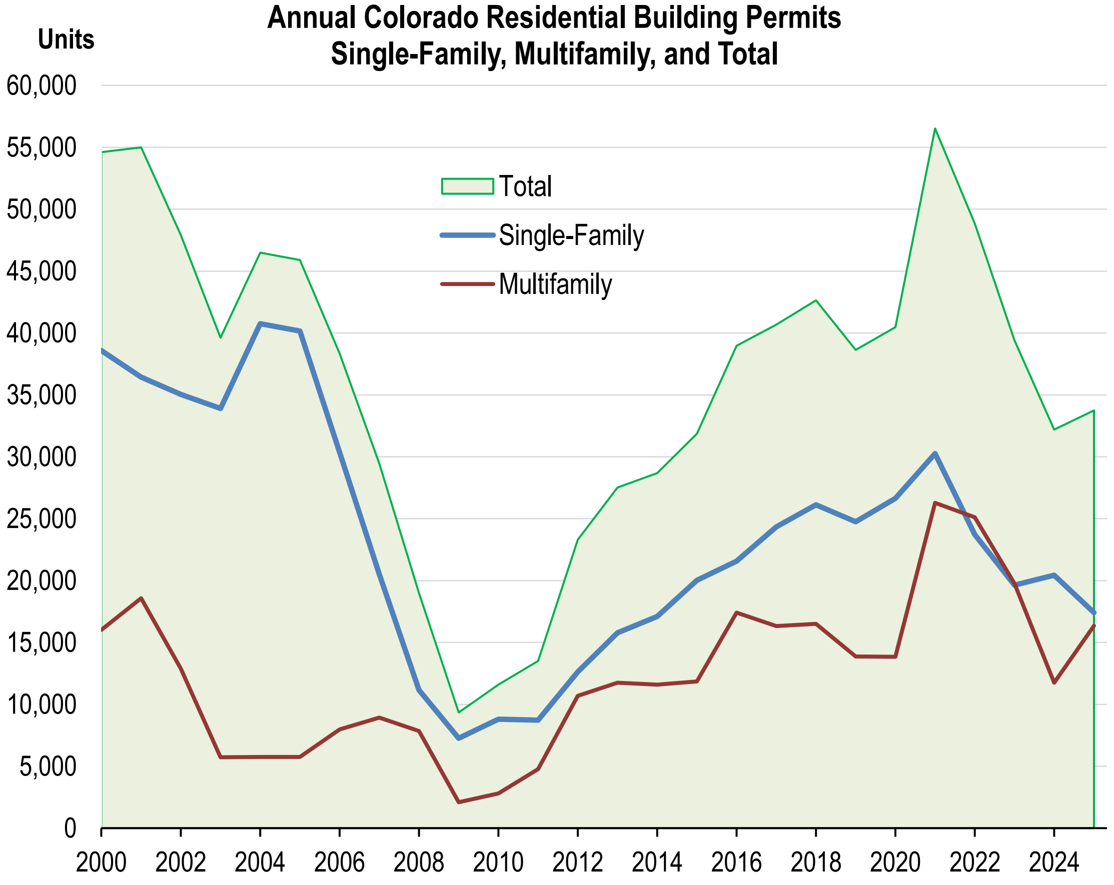
Between 1985 and 1990, the population actually decreased because of negative net migration.

Currently, the slower population growth is one of several causes of slower job growth.

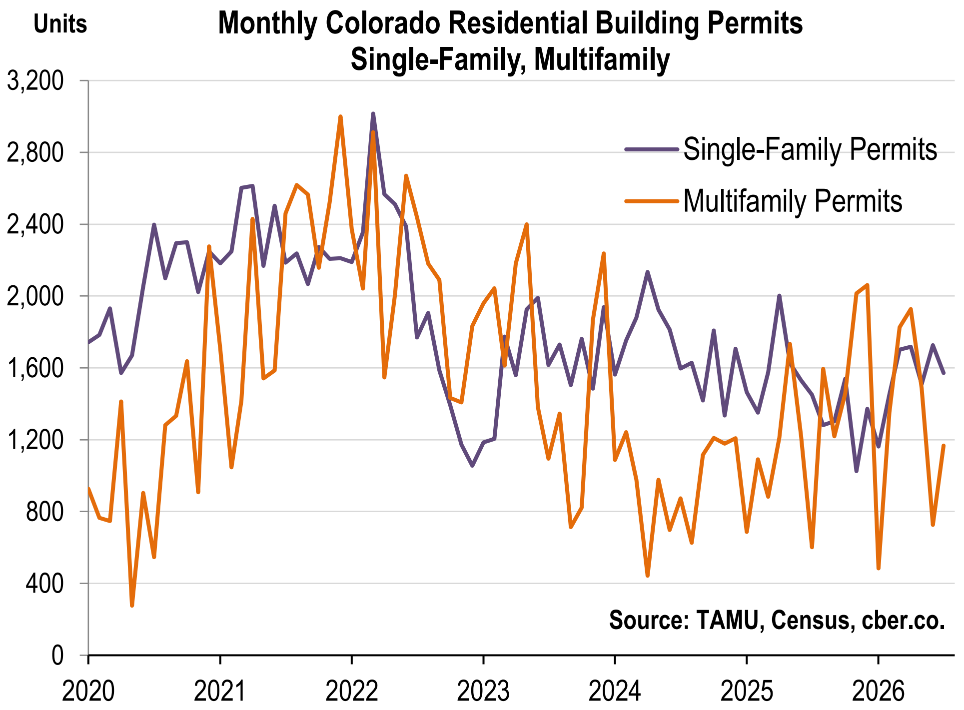
Sources: State Demography Office, January 2026, and cber.co. Note: The data reflects changes released at the 2025 Demography Summit.

Colorado Residential Building Permits

Single Family and Multifamily Units



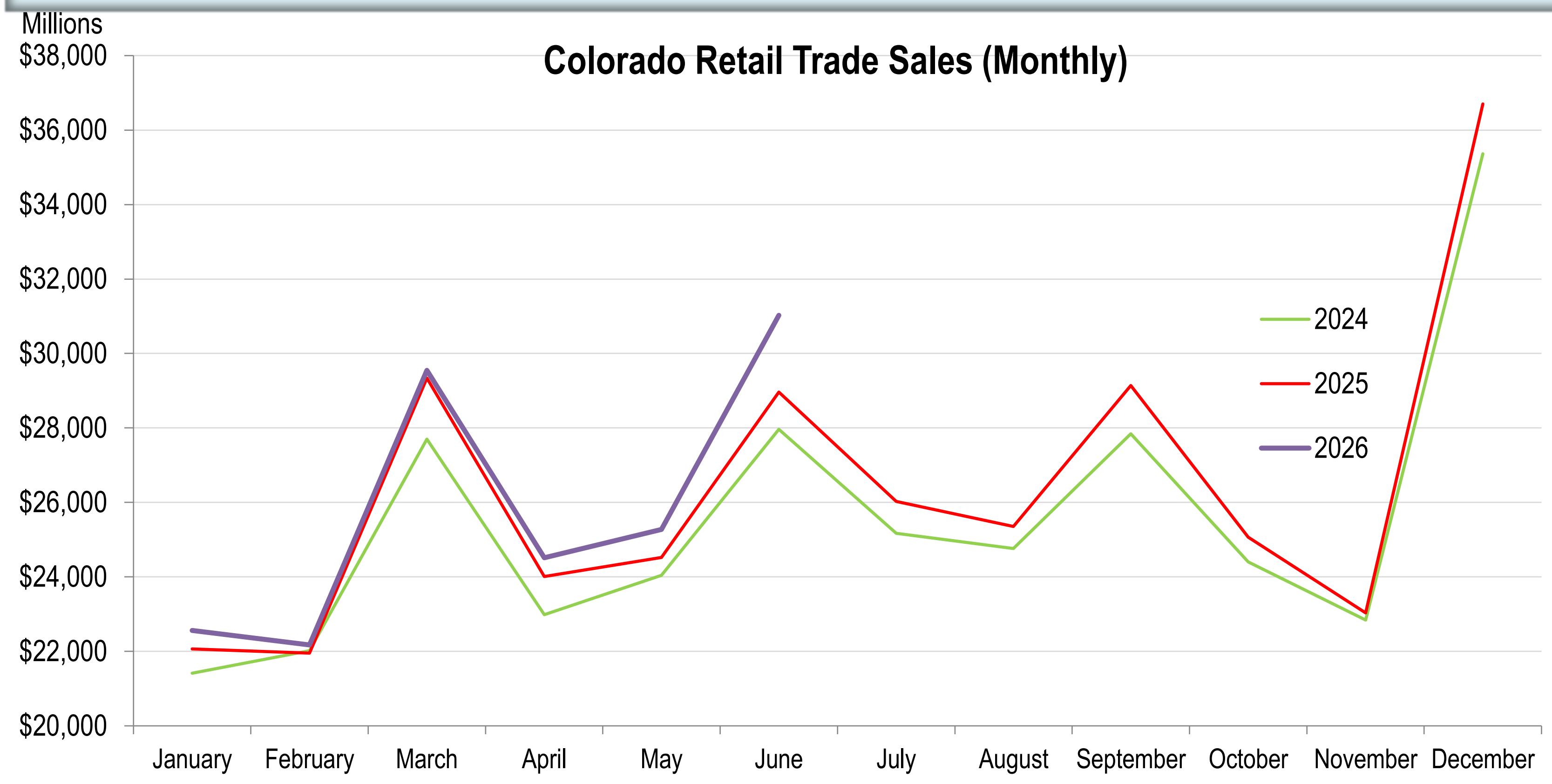
Source: TAMU, Census Bureau, cber.co.



Above (Monthly): The total single-family permits for the first 7 months of 2026 changed by –1.5% (purple) compared to the same period in 2024. Multifamily permits changed by +20.7% (orange). Total unit permits for 2026 were 19,809, up 7.5% compared to the same period in 2025

Left (Annual): Over the past 25 years, the total sf and mf permits (green) have ranged from 9,355 units in 2009 to 56,524 in 2021. The current number of permits issued is not enough to meet the housing demand.

Colorado Retail Trade Sales
Monthly



Colorado Retail Trade Sales

Retail sales growth was comparatively weak in 2023 and 2024. In 2025 (red), retail sales were 3.2% greater than in 2024.

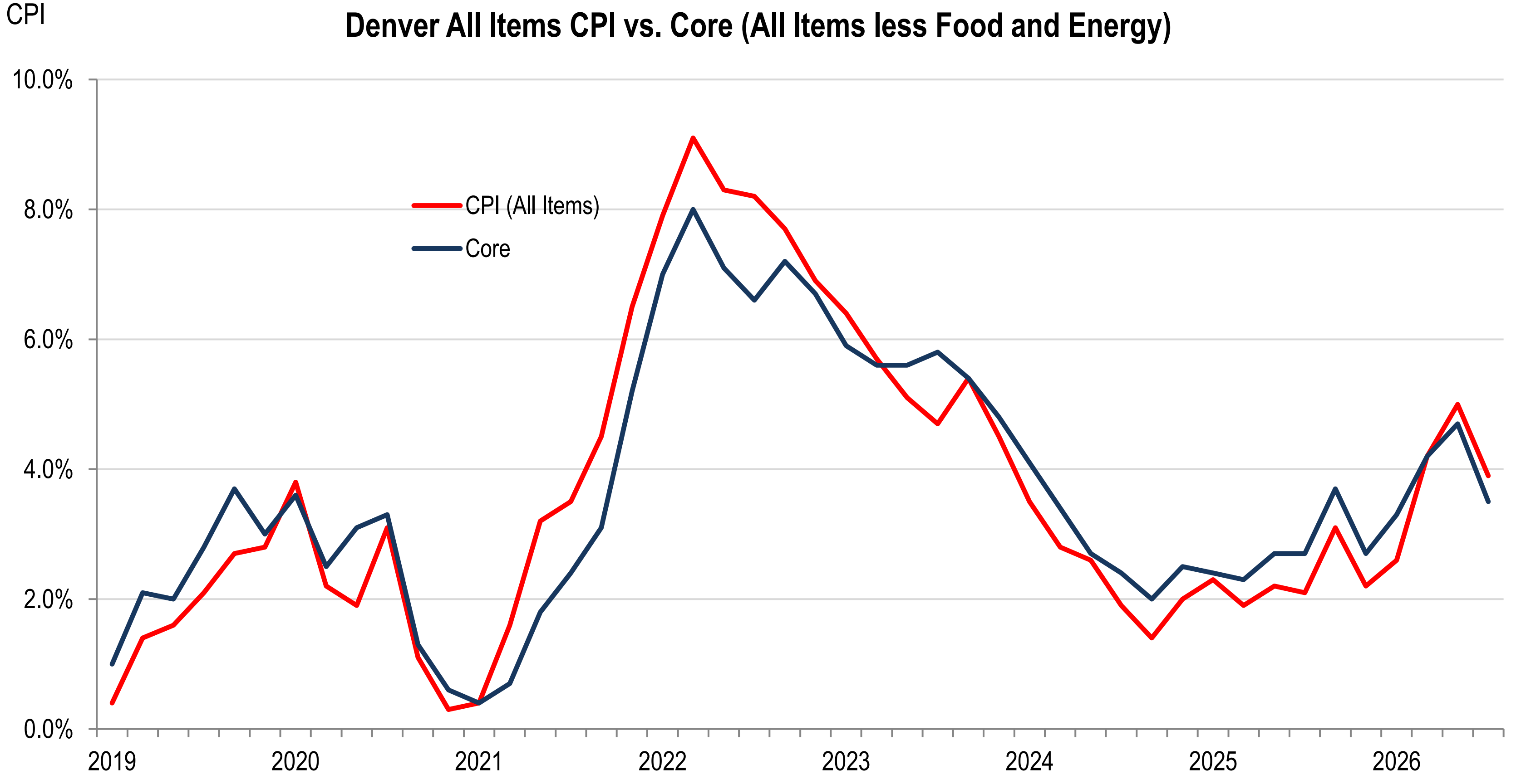
Sales through June 2026 were 2.82% greater than the same period in 2025 (purple).

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.

Bi-Monthly Change in Denver-Aurora-Lakewood CPI

All Items vs. Core



Denver-Aurora-Lakewood CPI vs. Core Inflation

The Denver CPI rate for July 2026 (red) was 3.9%, and the core rate was 3.5%. The rate slowed in July.

On a positive note, the inflation rate is lower than in 2021 and 2022.

Energy costs declined; however, housing and medical costs remained high.

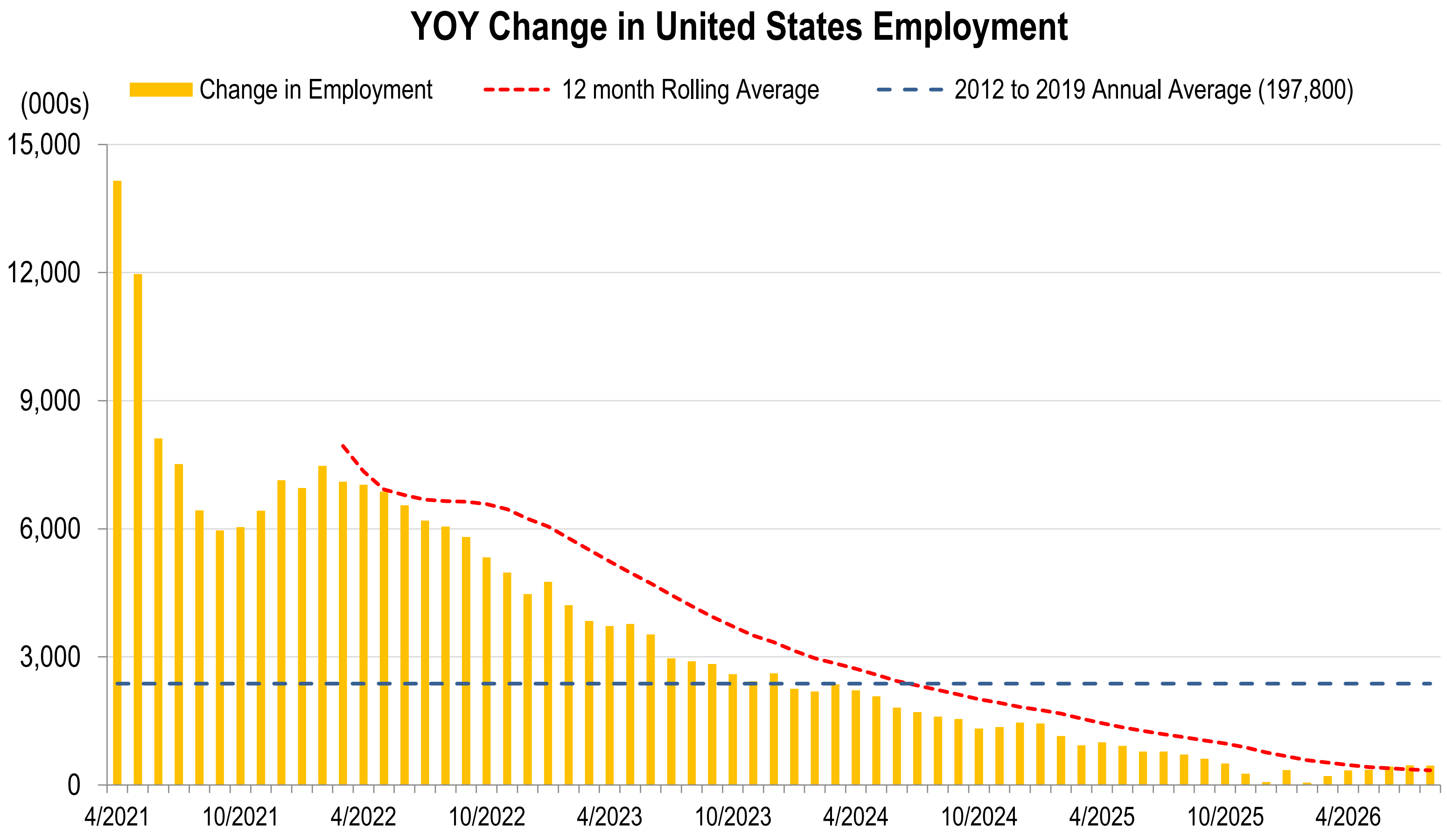
Note that the Denver rate is only published bimonthly and is NSA.

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

U.S. and Colorado Employment and Unemployment

YOY Change in Employment

United States



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

Change in U.S. Employment

From 2012 to 2019, average annual U.S. employment changed by 2,373,900 (blue dotted line), and the average monthly change was 197,800.

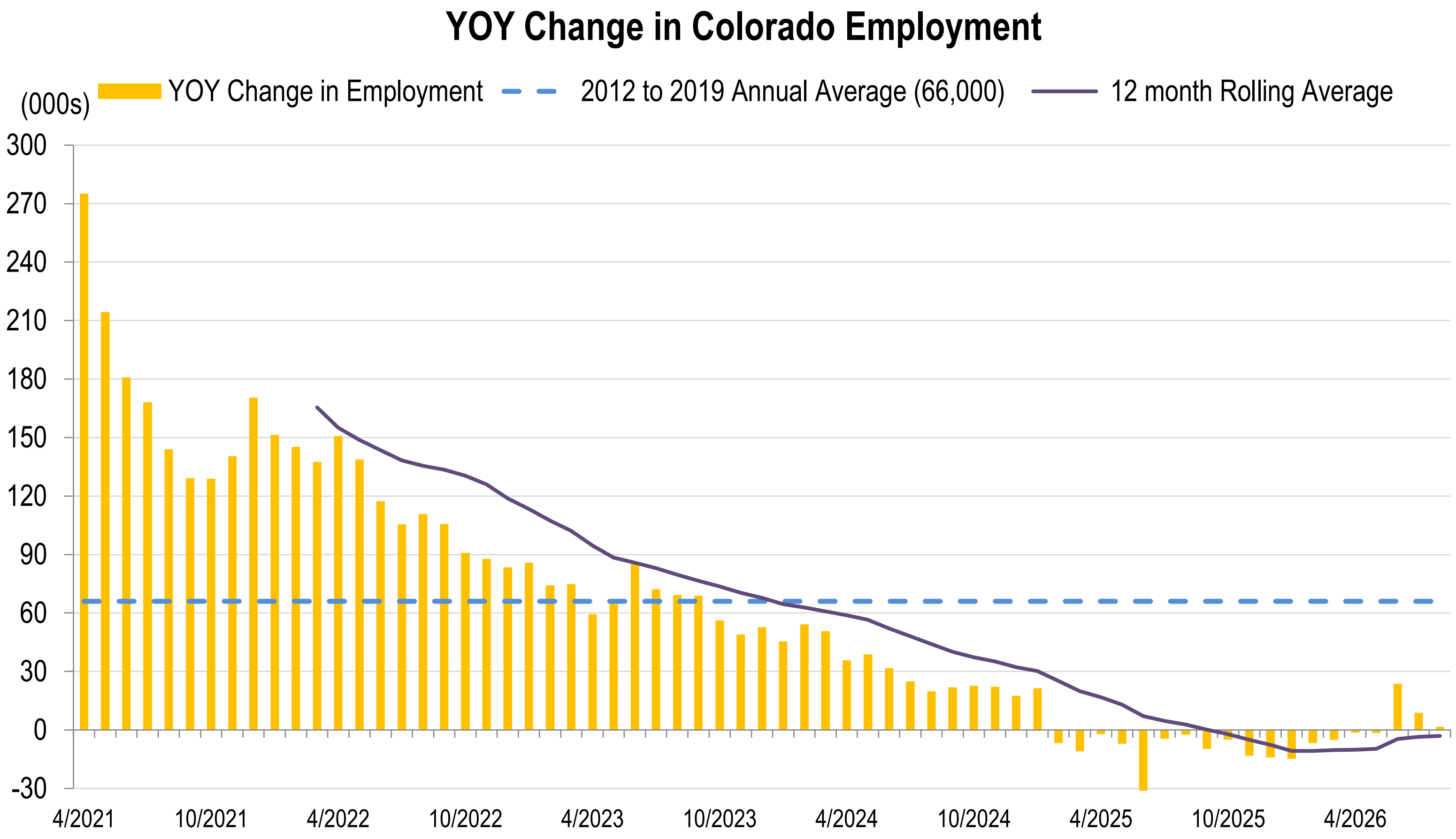
In April 2021, the YOY change in annual employment was positive for the first time after the pandemic (yellow bars). It was 14.1 million. It trended downward to 456,000 in August 2026.

The 12-month rolling average (red dotted line) peaked at 7.9 million in March 2022. It has trended downward to 343,000 in August 2026. Based on that value, average monthly employment growth has been 28,583.

No matter how you look at it, the U.S. employment situation is weak. Some will say it is resilient or steady. Hopefully, the labor market has bottomed out. The tide may be turning.

YOY Change in Employment

Colorado



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

Change in Colorado Employment

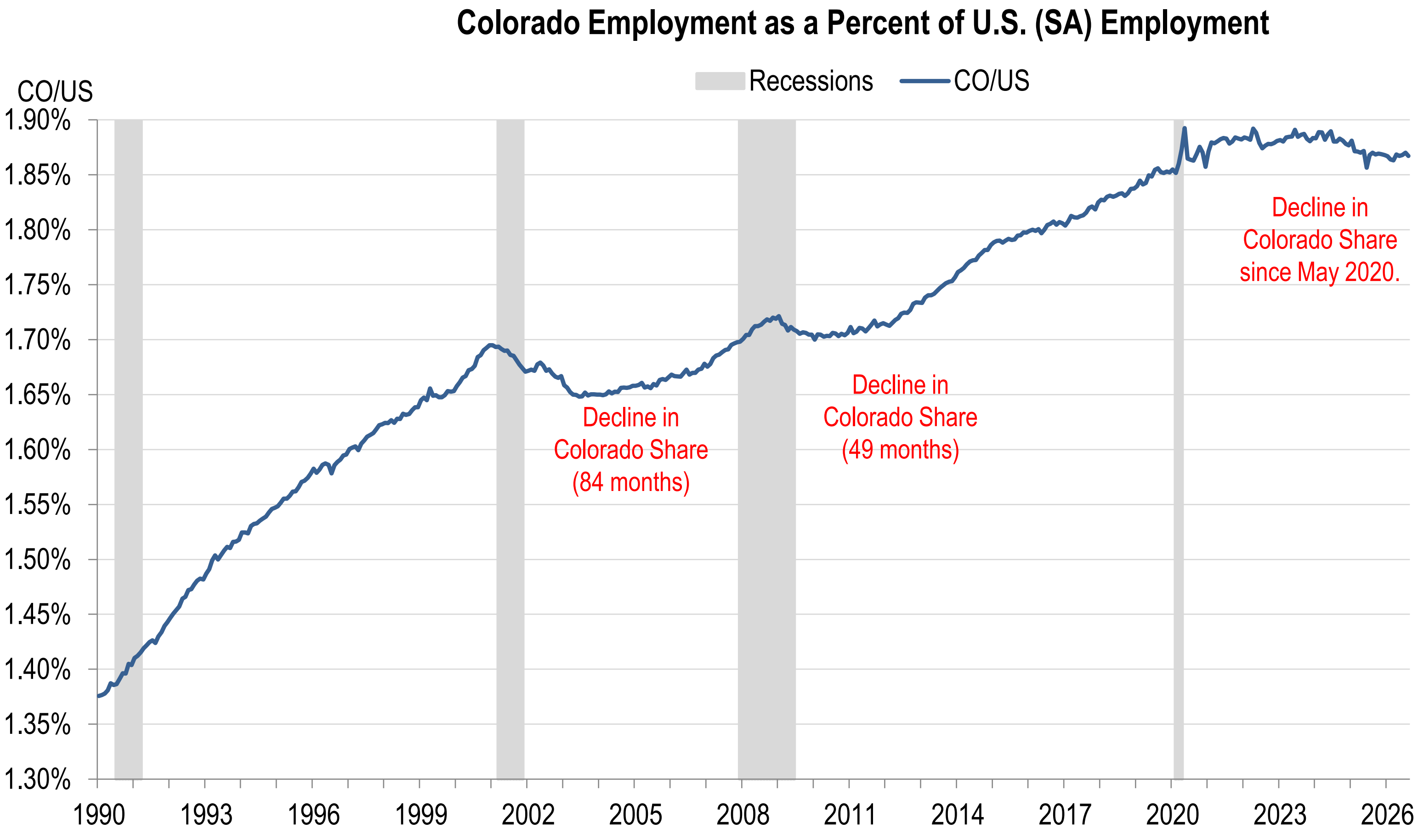
From 2012 to 2019, average annual NSA employment in Colorado was 66,000 (blue dotted line). The average monthly change was 5,500.

April 2021 was the first month after the pandemic when the YOY change in employment was positive. It was 275,200.

The YOY value (yellow bars) was negative between February 2025 and May 2026. It was 23,700 in June 2026, 8,800 in July, and 1,500 in August.

In March 2022, the 12-month rolling average (purple solid line) peaked at 165,475. It trended downward until it reached -10,700 in January and February 2026. It has since improved and was -4,600 in June, -3,400 in July, and -3,100 in August.

Colorado Employment as a Percent of U.S. Employment



Source: BLS, S.A. cber.co.

Colorado Employment as a Percent of U.S. Employment

Colorado's share of U.S. employment declined during the 2001 Recession, the Great Financial Crisis, and after the COVID-19 recession. When the percentage declines, it indicates the Colorado labor market is growing more slowly than the U.S. labor market. Since May 2020, Colorado employment has grown more slowly than the U.S. economy.

The first trough began at 1.69%. It was at or below that value for 84 months, from September 2000 to August 2007.

The second trough began at 1.72%. It was at or below that value for 49 months, from August 2008 to August 2012.

The third trough began at 1.89% (May 2020). Since then, Colorado's share has been at or below that value. In August 2026, Colorado's employment was 1.867% of U.S. employment.

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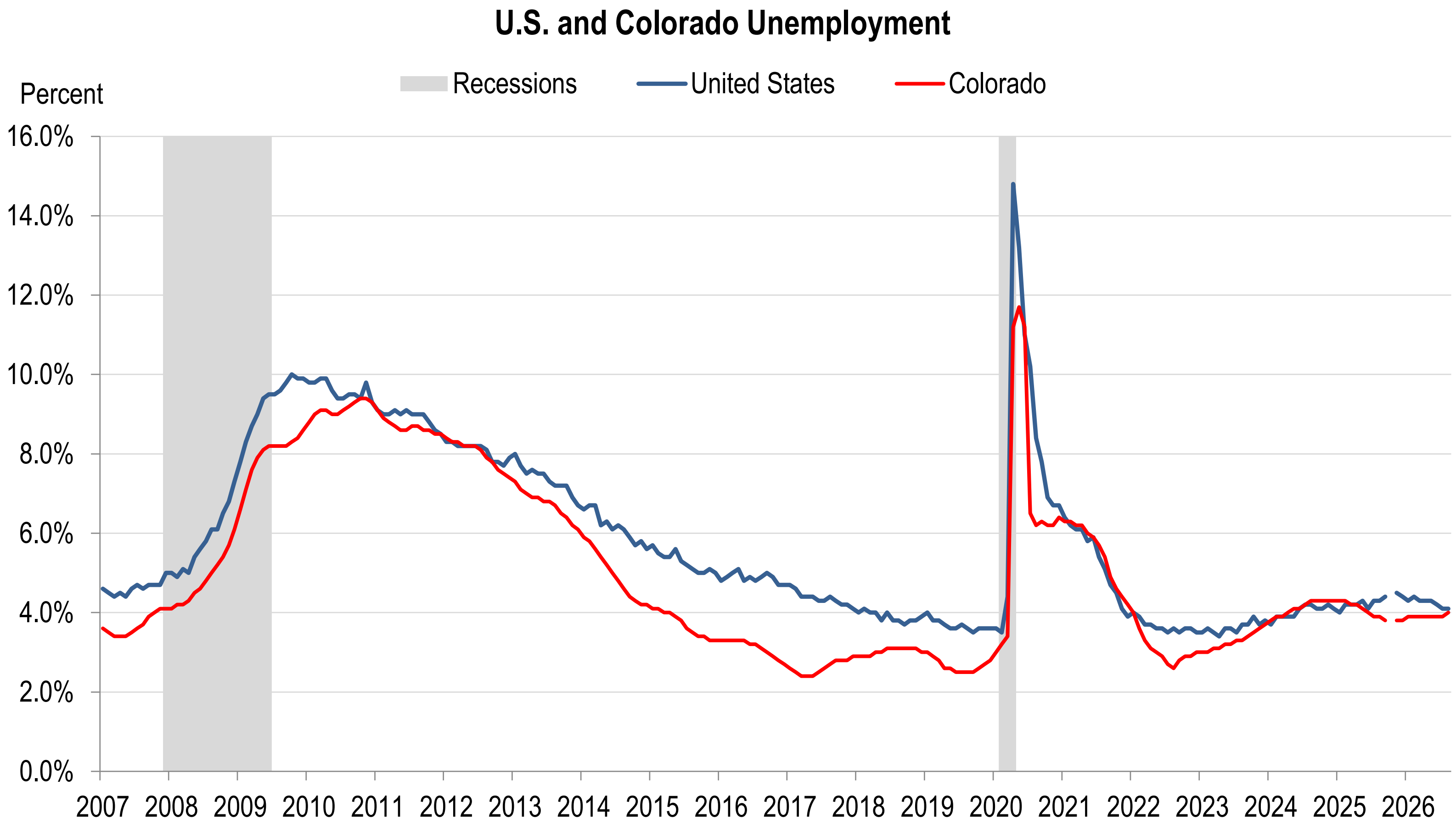
Unemployment Rate

United States and Colorado



Source: BLS, SA, cber.co.

Unemployment Rate

The Colorado unemployment rate (red line) ticked up to 4.0% in August 2026. The U.S. rate (blue line) remained steady at 4.1%.

Since 2007, Colorado's unemployment rate has been below the U.S. rate about 90% of the time.

Colorado's annual unemployment rate was lower than the U.S. rate every year between 2016 and 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%	4.1%
2025	4.3%	4.0%

Summary of Colorado Employment by High, Medium, and Low Wages

Summary of High Wages, Mid Wages, and Low Wages (000s)

The charts on the following pages show employment changes in the following 19 NAICS categories from January 2019 through the most recent month. The tables below summarize YOY changes for the most recent month. Employment increased for 8 of the 19 sectors for this period.

High Wages NAICS	Aug 2026 (000s)	YOY Change
Extractive Industries	20.0	-0.5
Wholesale Trade	114.5	0.6
Information	64.4	-5.6
Financial Activities	176.0	-4.3
PST	293.9	3.7
MCE	47.7	0.9
Federal Government	49.9	-4.7
Total	766.4	-9.9

Mid Wages NAICS	Aug 2026 (000s)	YOY Change
Construction	186.4	2.2
Manufacturing	145.0	-1.0
TWU	117.5	-1.6
Healthcare	362.6	10.2
State Government	145.2	3.6
Local Government	288.7	-4.2
Total	1,245.4	9.2

Low Wages NAICS	Aug 2026 (000s)	YOY Change
Retail Trade	270.4	-0.1
Administrative Services	147.9	-2.7
Education (Private)	50.6	2.2
AER	62.4	-2.2
AFS	296.4	11.2
Other Services (Personal)	130.8	-1.1
Total	958.5	7.3

High Wages NAICS
25.8% of all employees

3 categories with growth	5,200
4 categories with declines	-15,100
Category change	-9,900

There is not broad-based job growth.

Mid Wages NAICS
41.9% of all employees

3 categories with growth	16,000
3 categories with declines	-6,800
Category change	9,200

There is modest job growth.

Low Wages NAICS
25.8% of all employees

2 categories with growth	13,400
4 categories with declines	-6,100
Category change	7,300

There is not broad-based job growth.

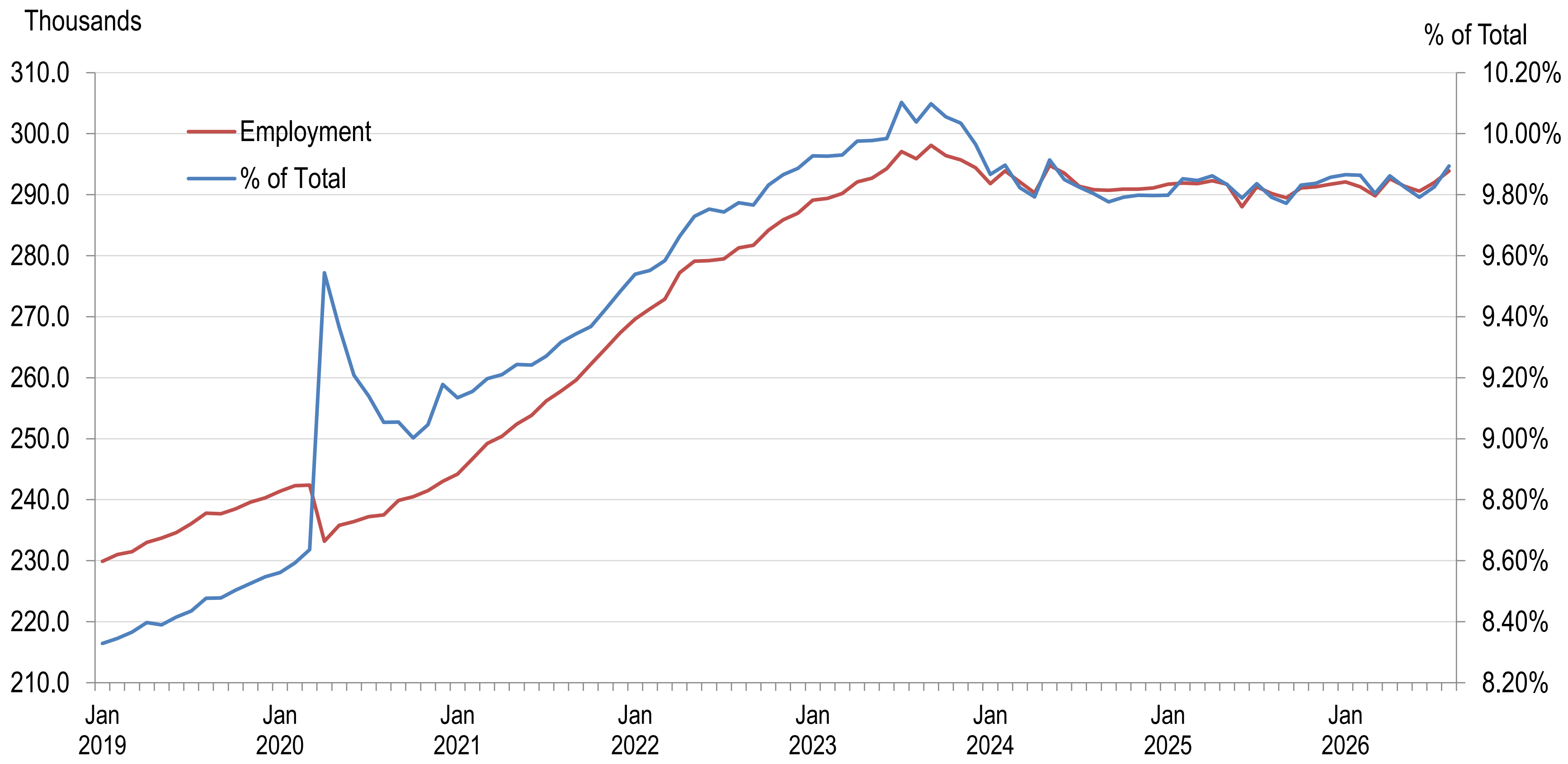
Source: BLS, cber.co.

Summary of Colorado Employment by High, Medium, and Low Wages

Colorado Professional, Scientific, and Technical Services

Employment and Percent of Total Employment

PST Employment and Percent of Total Employment



Source: BLS, monthly SA, cber.co.

PST Employment

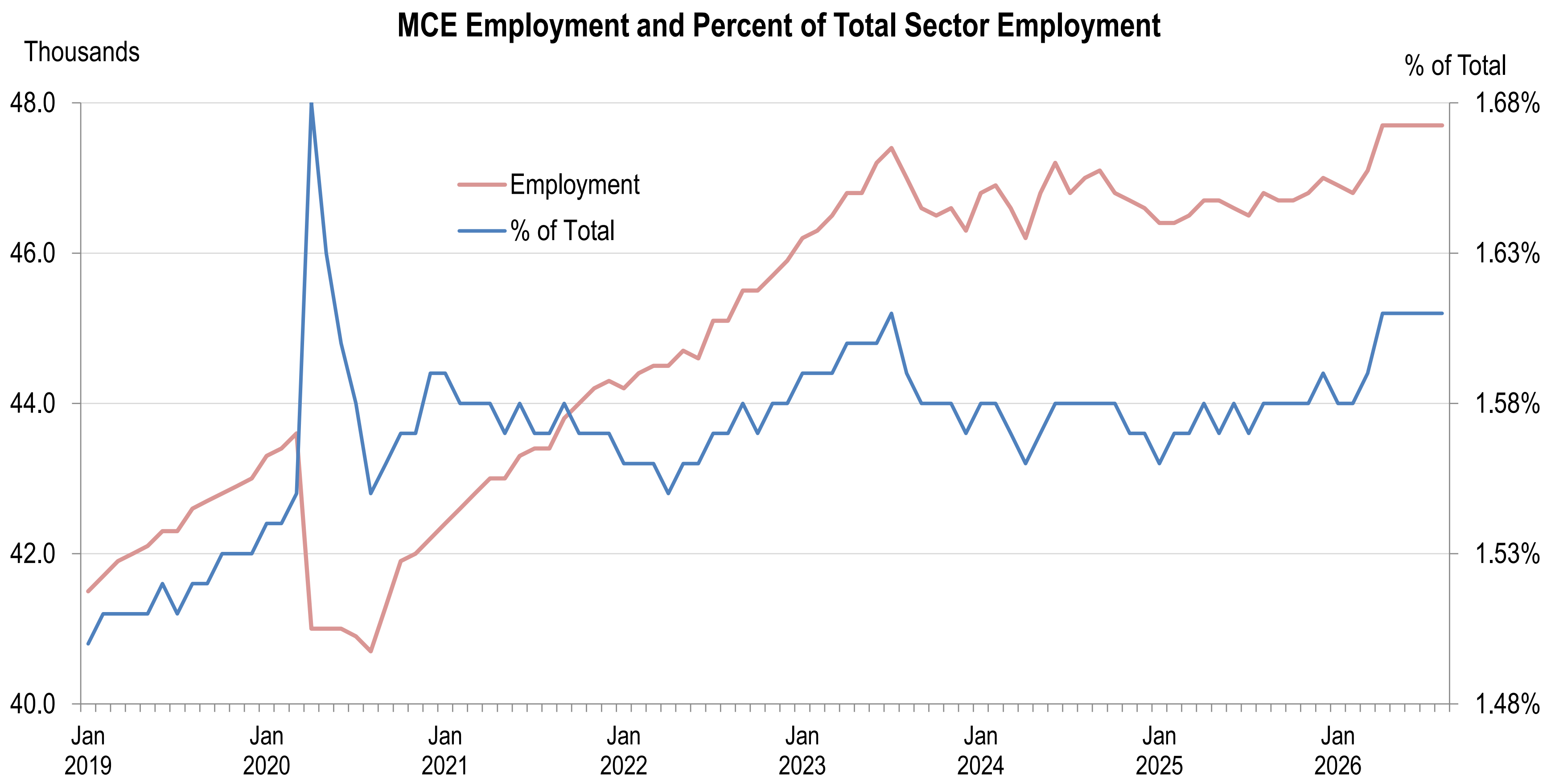
Employment increased from 229,900 in January 2019 to 293,900 in August 2026. It peaked in September 2023 at 298,100, then tapered off and has been flat since Q1 2024.

PST employment is critical to Colorado. Many PST companies are part of the Colorado high-tech clusters.

In January 2019, sector employment was 8.33% of total employment (blue). It rose to 10.10% of total employment in July 2023. It was 9.89% in August 2026.

Colorado Management of Companies and Enterprises

Employment and Percent of Total Employment



Source: BLS, monthly SA, cber.co.

MCE Employment

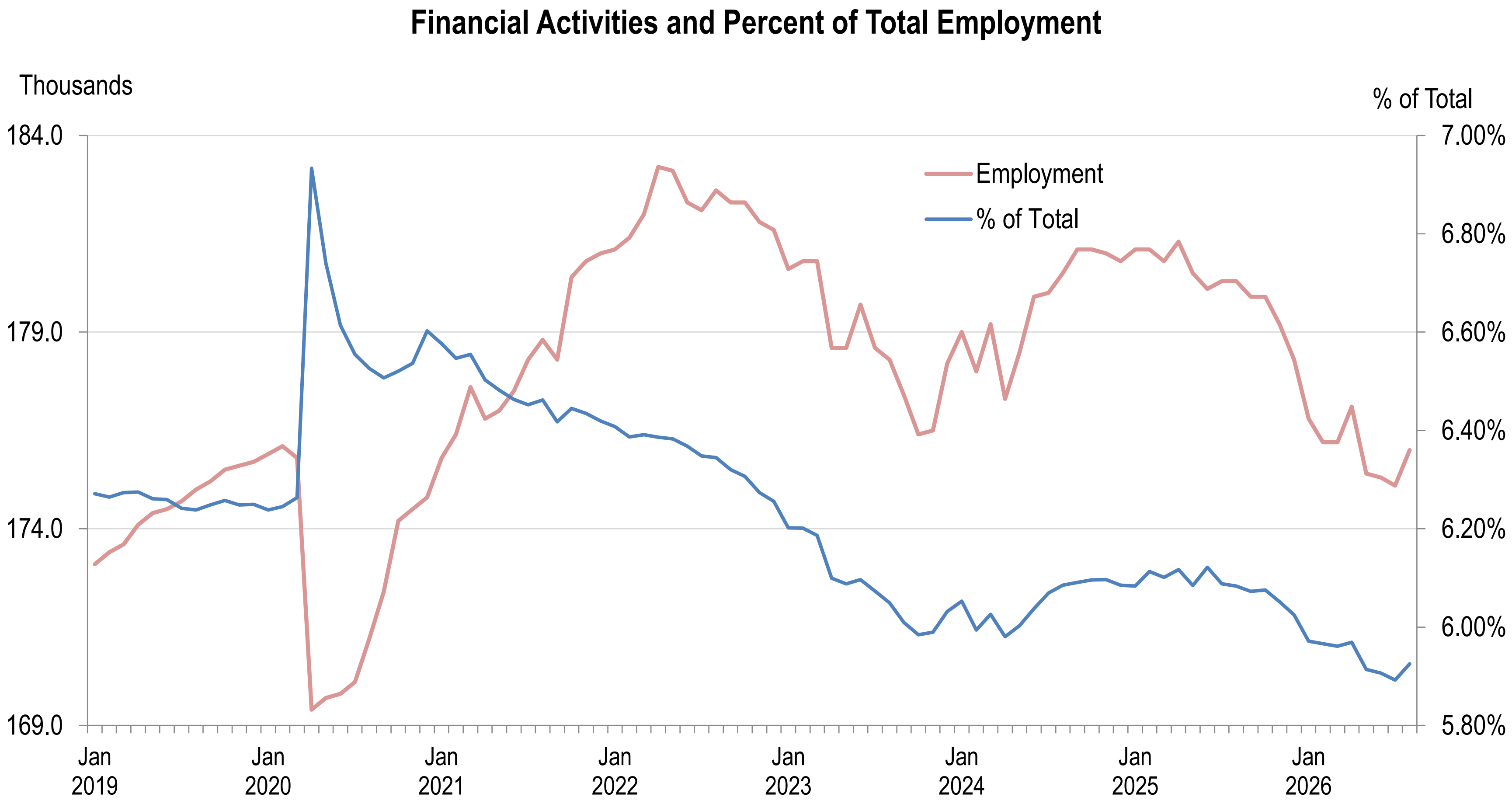
Employment increased from 41,500 in January 2019 to 47,700 in August 2026 (red).

In January 2019, sector employment was 1.50% of total employment (blue). It was 1.61% in August 2026.

Since August 2020, MCE employment has ranged from 1.54% to 1.68% of total employment.

Colorado Financial Activities

Employment and Percent of Total Employment



Source: BLS, monthly SA, cber.co.

Financial Activities Employment

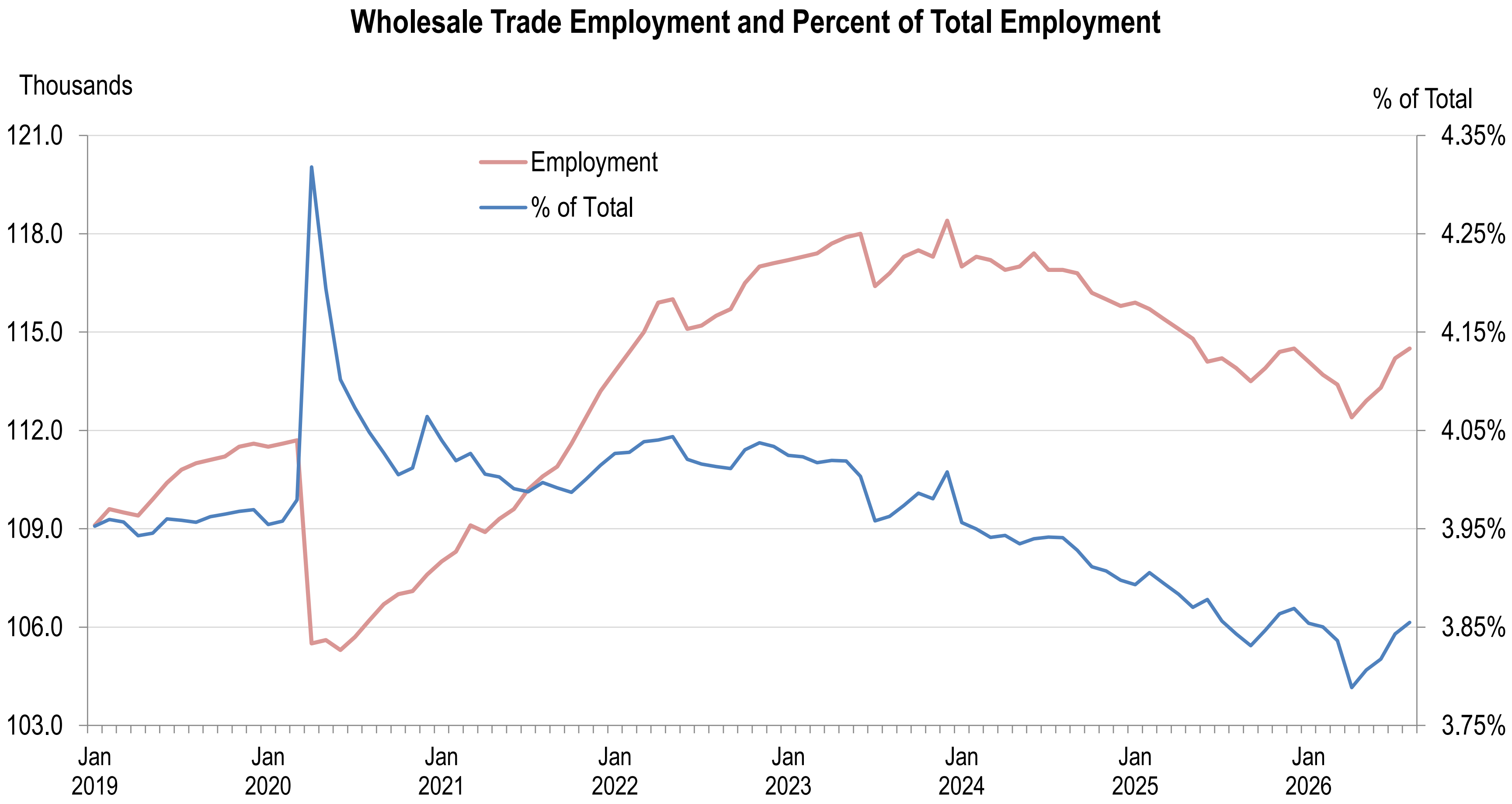
Employment increased from 173,100 in January 2019 to 176,000 in August 2026 (red). Current employment is below the 2022 peak of 183,100 in May 2022.

In January 2019, sector employment was 6.27% of total employment (blue). It rose to 6.90% in April 2020. It was 5.93% in August 2026.

Employment for this category has decreased as a percent of total employment since the COVID-19 recession.

Colorado Wholesale Trade

Employment and Percent of Total Employment



Source: BLS, monthly SA, cber.co.

Wholesale Trade Employment

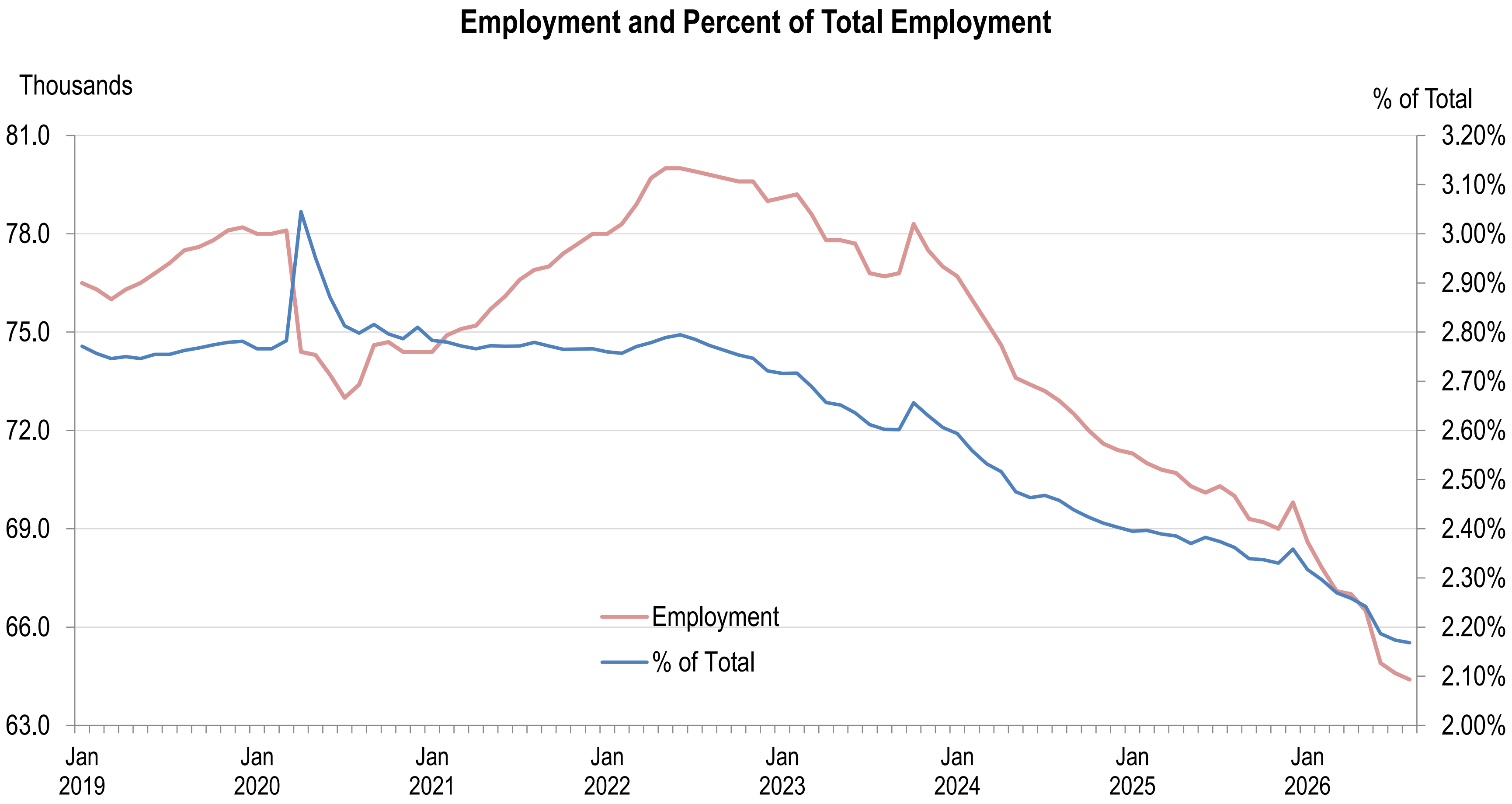
Employment increased from 109,100 in January 2019 to 114,500 in August 2026 (red). It peaked at 118,400 in December 2023.

In January 2019, sector employment was 3.95% of total employment (blue). It peaked at 4.32% in April 2020 and was 3.85% in August 2026.

Wholesale trade has decreased as a percent of total employment since the COVID-19 recession.

Colorado Information

Employment and Percent of Total Employment



Source: BLS, monthly SA, cber.co.

Information Employment

Employment decreased from 76,500 in January 2019 to 64,400 in August 2026 (red). It peaked at 80,000 in June 2022.

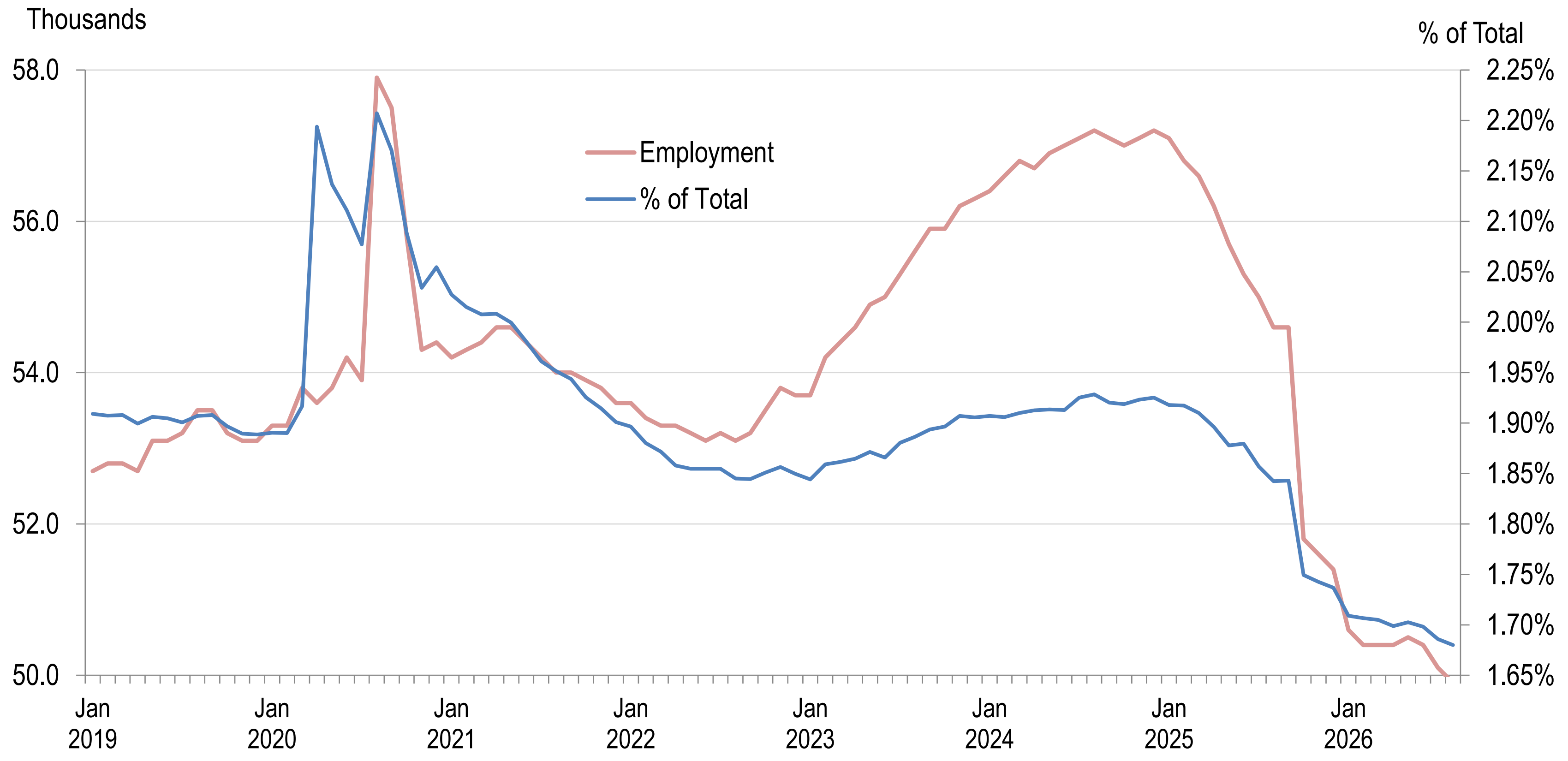
The decline is a concern because some high-technology companies are in this sector.

In January 2019, sector employment was 2.77% of total employment (blue). It peaked at 3.05% in April 2020. It was 2.17% in August 2026.

Colorado Federal Government

Employment and Percent of Total Employment

Federal Government and Percent of Total Sector Employment



Source: BLS, monthly SA, cber.co.

Federal Government Employment

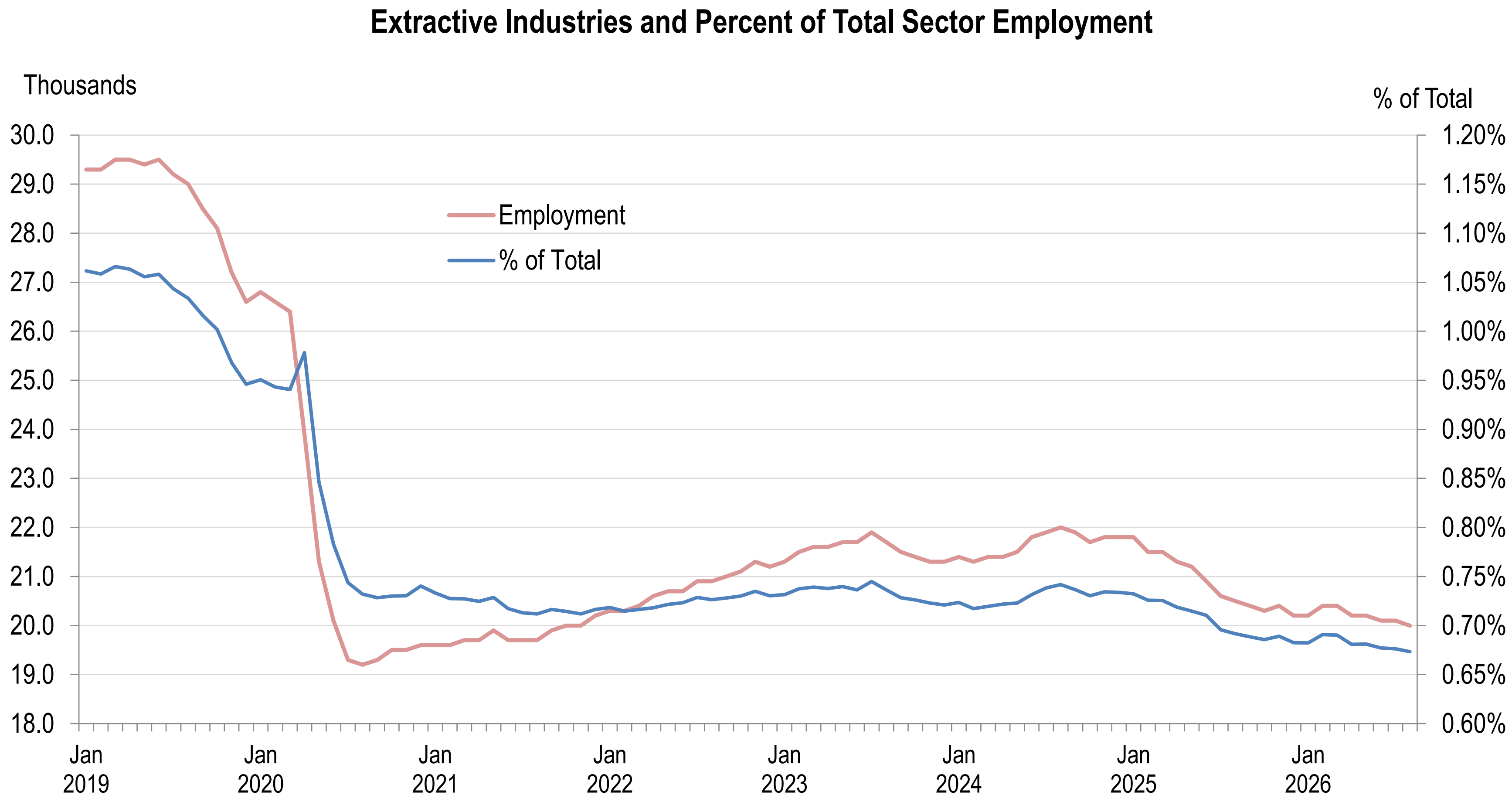
Employment decreased from 52,700 in January 2019 to 49,900 in August 2026 (red). It peaked at 57,900 in August 2020.

Historically, federal government employment is volatile. Recent declines were caused by reduced federal funding.

In January 2019, sector employment was 1.91% of total employment (blue). It was 1.68% in August 2026. It peaked at 2.21% in August 2020.

Colorado Extractive Industries

Employment and Percent of Total Employment



Source: BLS, monthly SA, cber.co.

Extractive Industries Employment

Employment decreased from 29,300 in January 2019 to 20,000 in August 2026 (red).

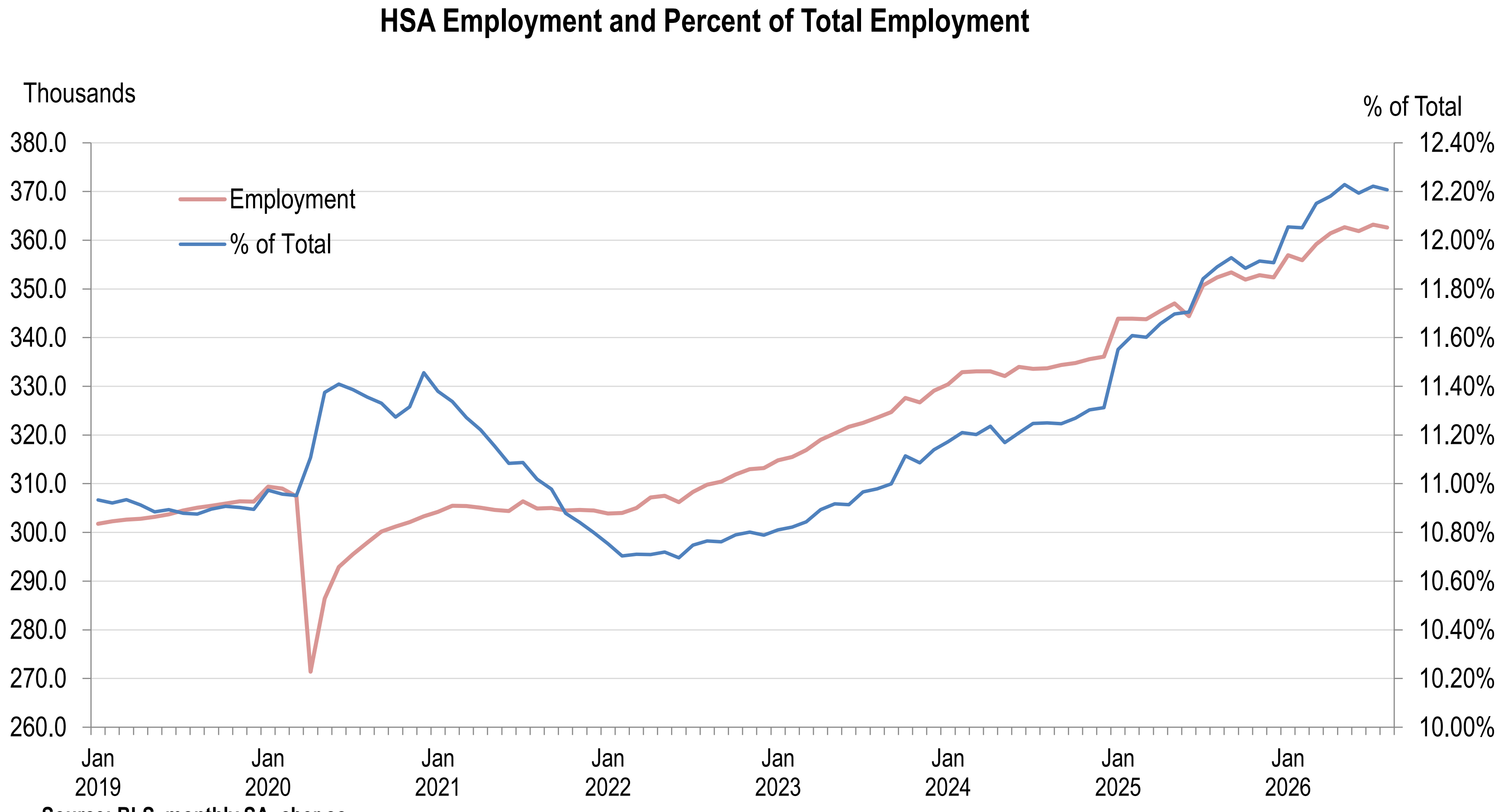
Employment in the sector declined because of state regulations and legislative policy. In addition, COVID-19-related policies caused reduced travel.

In January 2019, sector employment was 1.06% of total employment (blue). It was 0.67% in August 2026.

Colorado Employment by Sectors with Medium Average Wages

Colorado Healthcare and Social Assistance

Employment and Percent of Total Employment



Source: BLS, monthly SA, cber.co.

HSA Employment

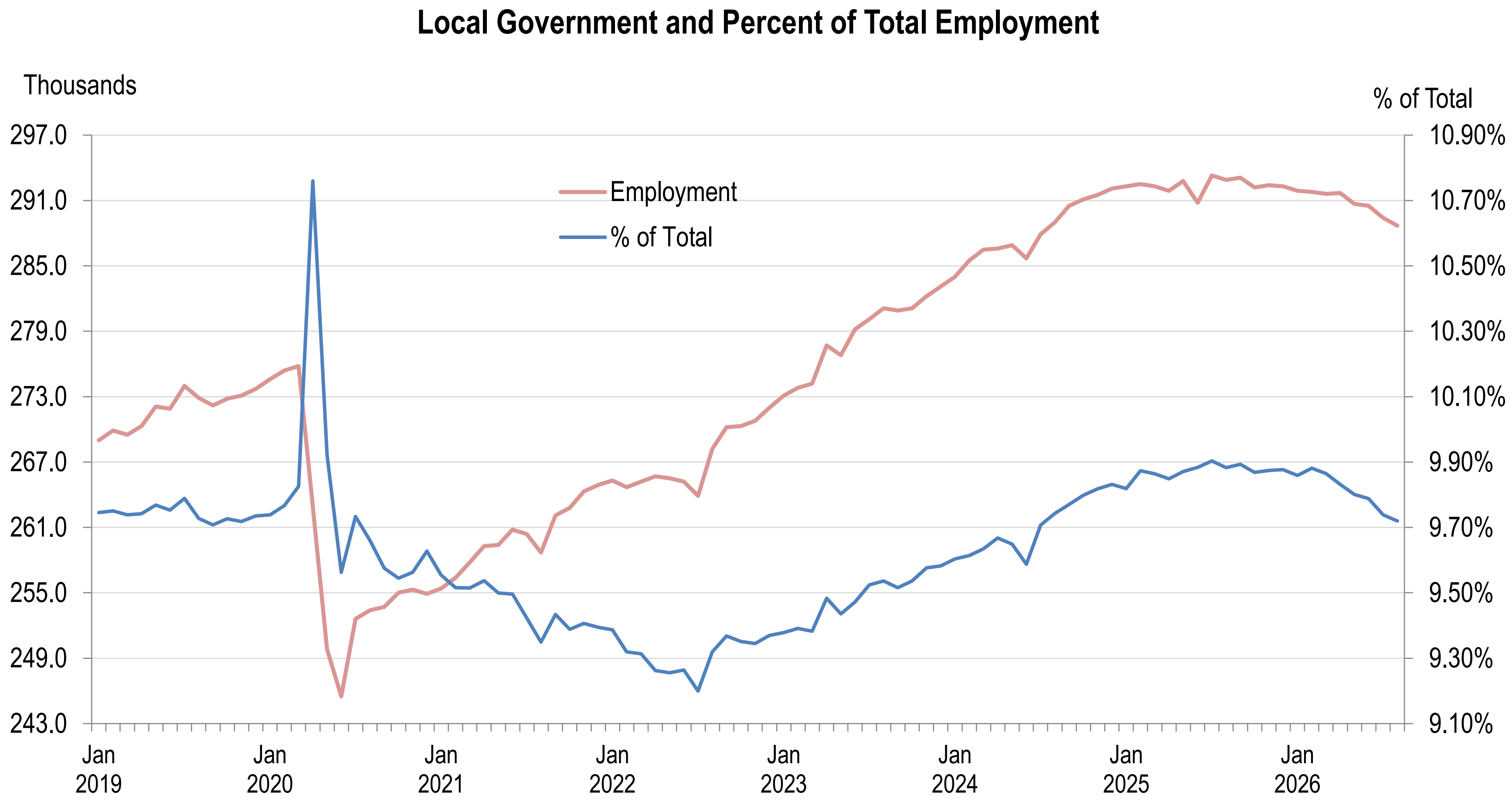
Healthcare and social assistance employment increased from 301,800 in January 2019 to 362,600 in August 2026 (red).

Aging boomers have created demand for health care.

In January 2019, sector employment was 10.93% of total employment (blue). It rose to 11.46% of total employment during the COVID-19 period. It reversed direction and bottomed out at 10.70% in 2022. It has since increased to 12.21% in August 2026.

Colorado Local Government

Employment and Percent of Total Employment



Source: BLS, monthly SA, cber.co.

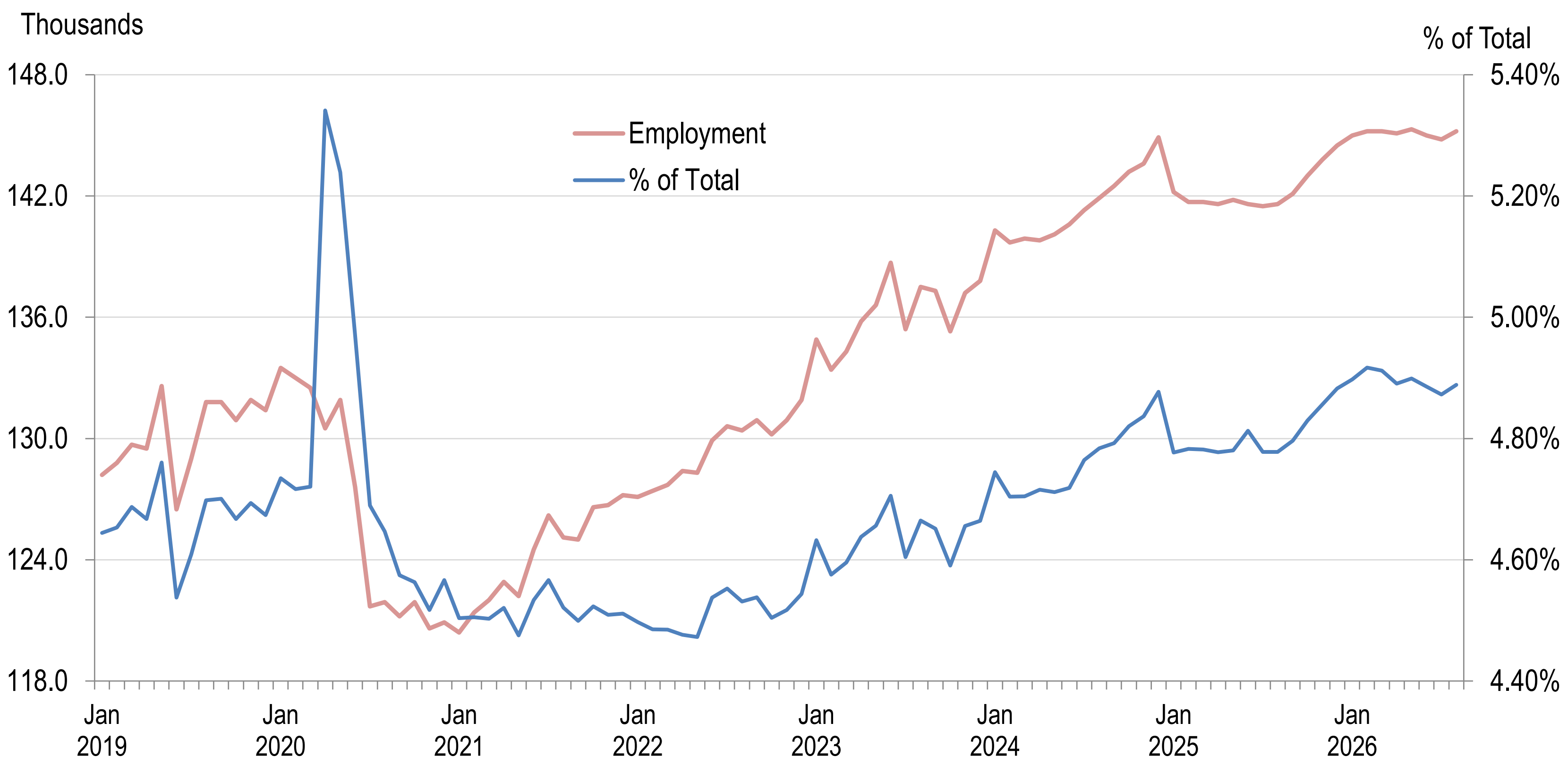
Local Government Employment

Employment increased from 269,000 in January 2019 to 288,700 in August 2026 (red). It peaked at 293,300 in August 2025. PK-12 education employment will see lower enrollment and "less than desired" funding. Many local governments are also experiencing budget shortfalls.

In January 2019, sector employment was 9.75% of total employment (blue). It peaked at 10.76% in April 2020. It then bottomed out in July 2022, at 9.20%. It was 9.72% in August 2026.

Colorado State Government

Employment and Percent of Total Employment



Source: BLS, monthly SA, cber.co.

State Government Employment

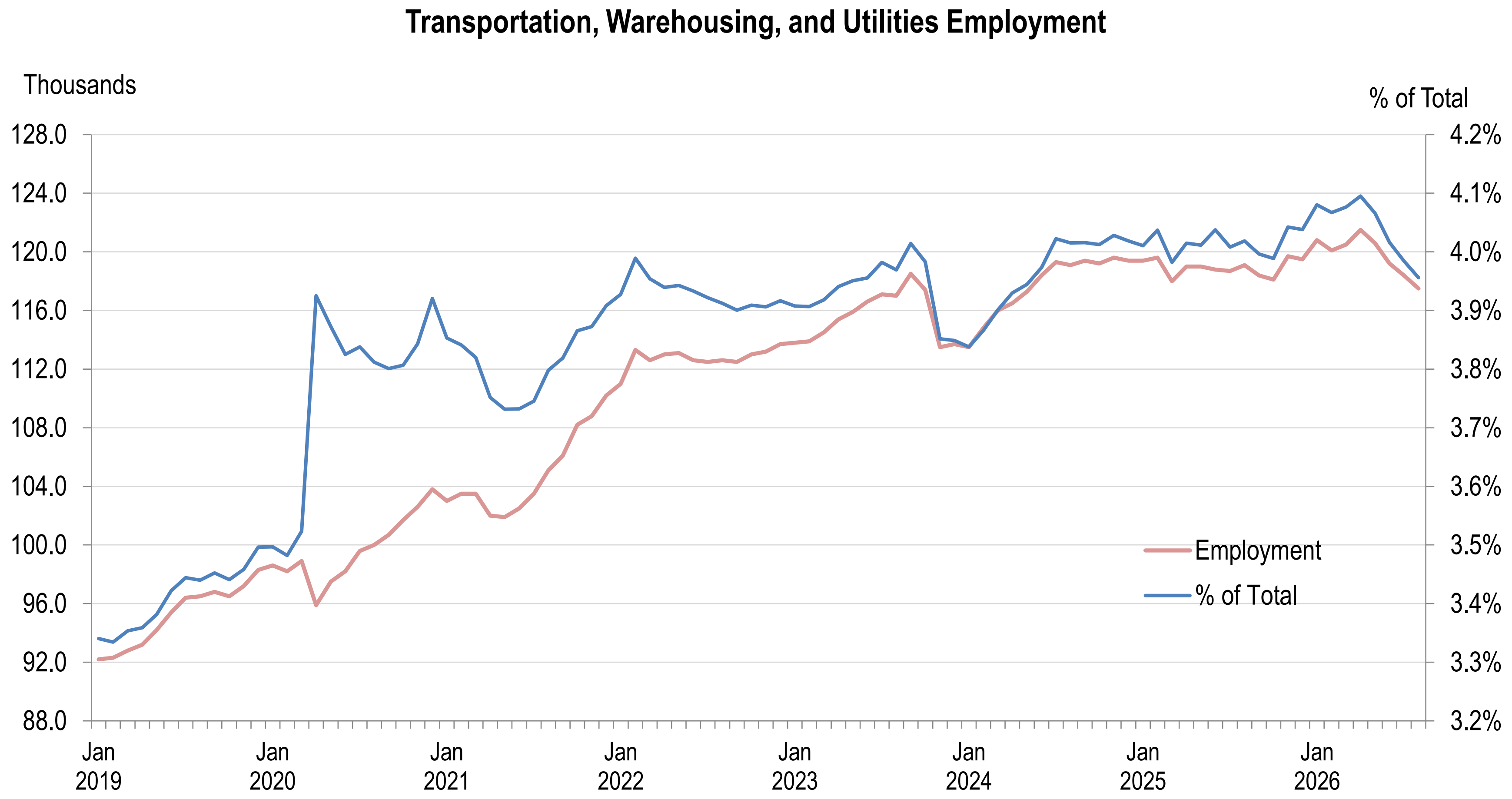
Employment increased from 128,200 in January 2019 to 145,200 in August 2026 (red).

This increase reflects gains in both state government and higher education.

In January 2019, sector employment was 4.64% of total employment (blue). It peaked at 5.34% in April 2020. It was 4.89% in August 2026.

Colorado Transportation, Warehousing, and Utilities

Employment and Percent of Total Employment



Source: BLS, monthly SA, cber.co.

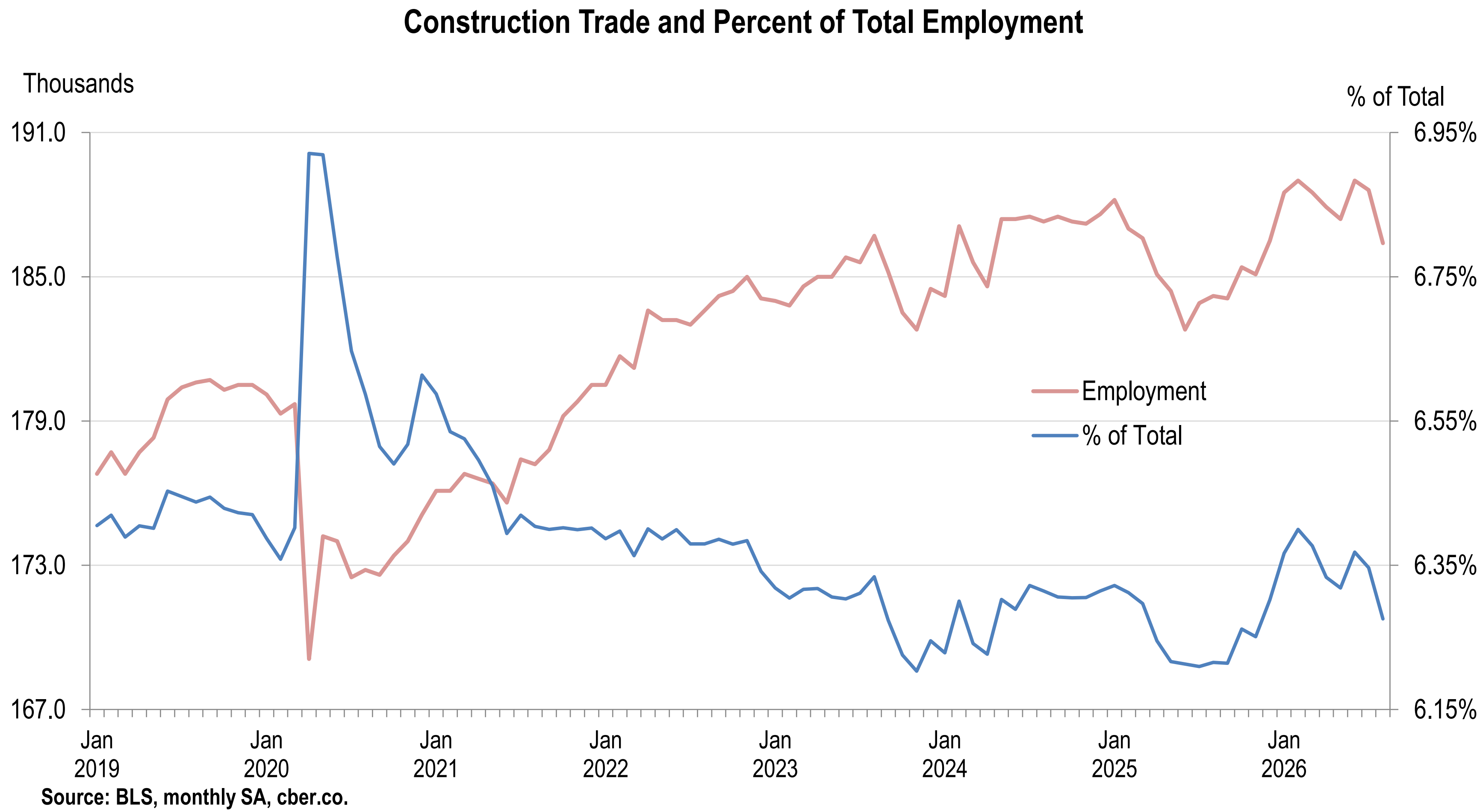
TWU Employment

Employment increased from 92,200 in January 2019 to 117,500 in August 2026 (red).

Employment has increased as Denver has become a more prominent transportation hub.

In January 2019, sector employment was 3.34% of total employment (blue). It was 3.96% in August 2026.

Colorado Construction
Employment and Percent of Total Employment



Construction Employment

Employment increased from 176,800 in January 2019 to 186,400 in August 2026 (red).

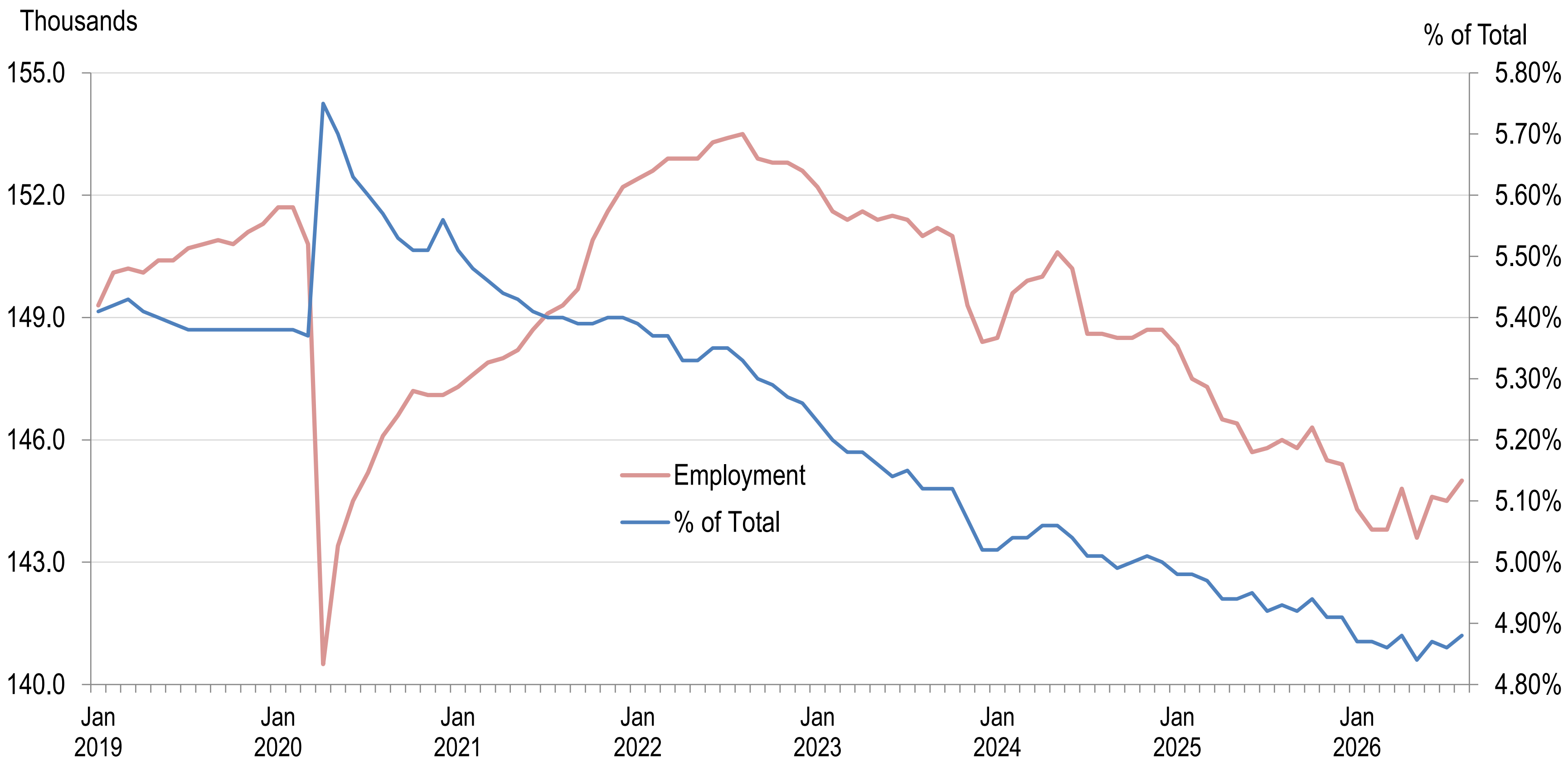
Despite the increase in construction employment, Colorado has a housing shortage for many reasons.

In January 2019, sector employment was 6.41% of total employment (blue). It rose to 6.92% in April 2020. It was 6.28% in August 2026.

Colorado Manufacturing

Employment and Percent of Total Employment

Manufacturing and Percent of Total Employment



Source: BLS, monthly SA, cber.co.

Manufacturing Employment

Employment decreased from 149,300 in January 2019 to 145,000 in August 2026 (red). It previously peaked at 153,500 in August 2022.

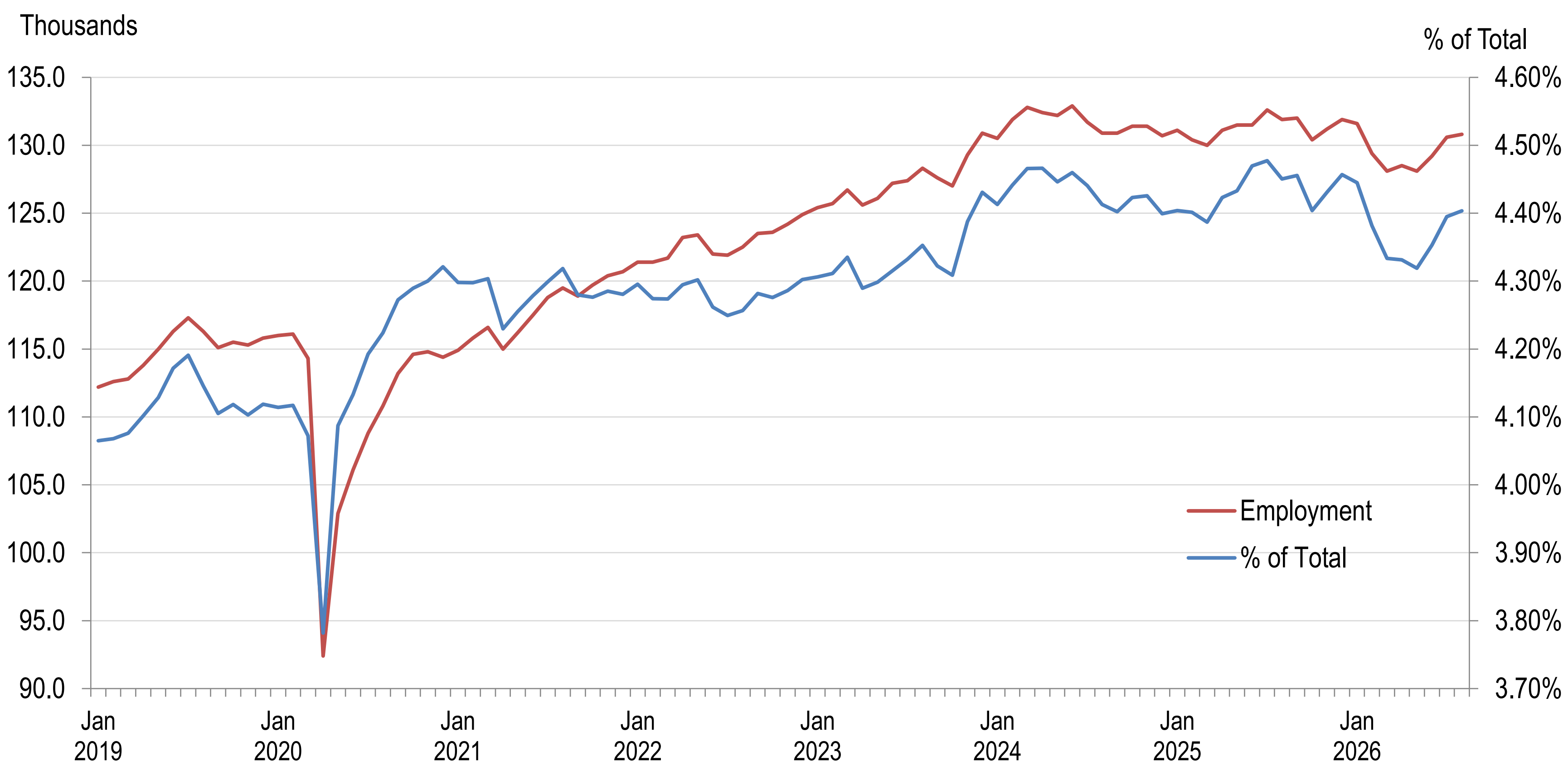
Some manufacturing companies are part of Colorado's high-tech clusters. As a result, leaders are concerned about declines in manufacturing employment.

In January 2019, sector employment was 5.41% of total employment (blue). It peaked at 5.75% in April 2019. It was 4.88% in August 2026.

Colorado Employment by Sectors with Low Average Wages

Colorado Other Services

Employment and Percent of Total Employment



Source: BLS, monthly SA, cber.co.

Other Services Employment

Employment increased from 112,200 in January 2019 to 130,800 in August 2026 (red). It previously peaked at 132,900 in June 2024.

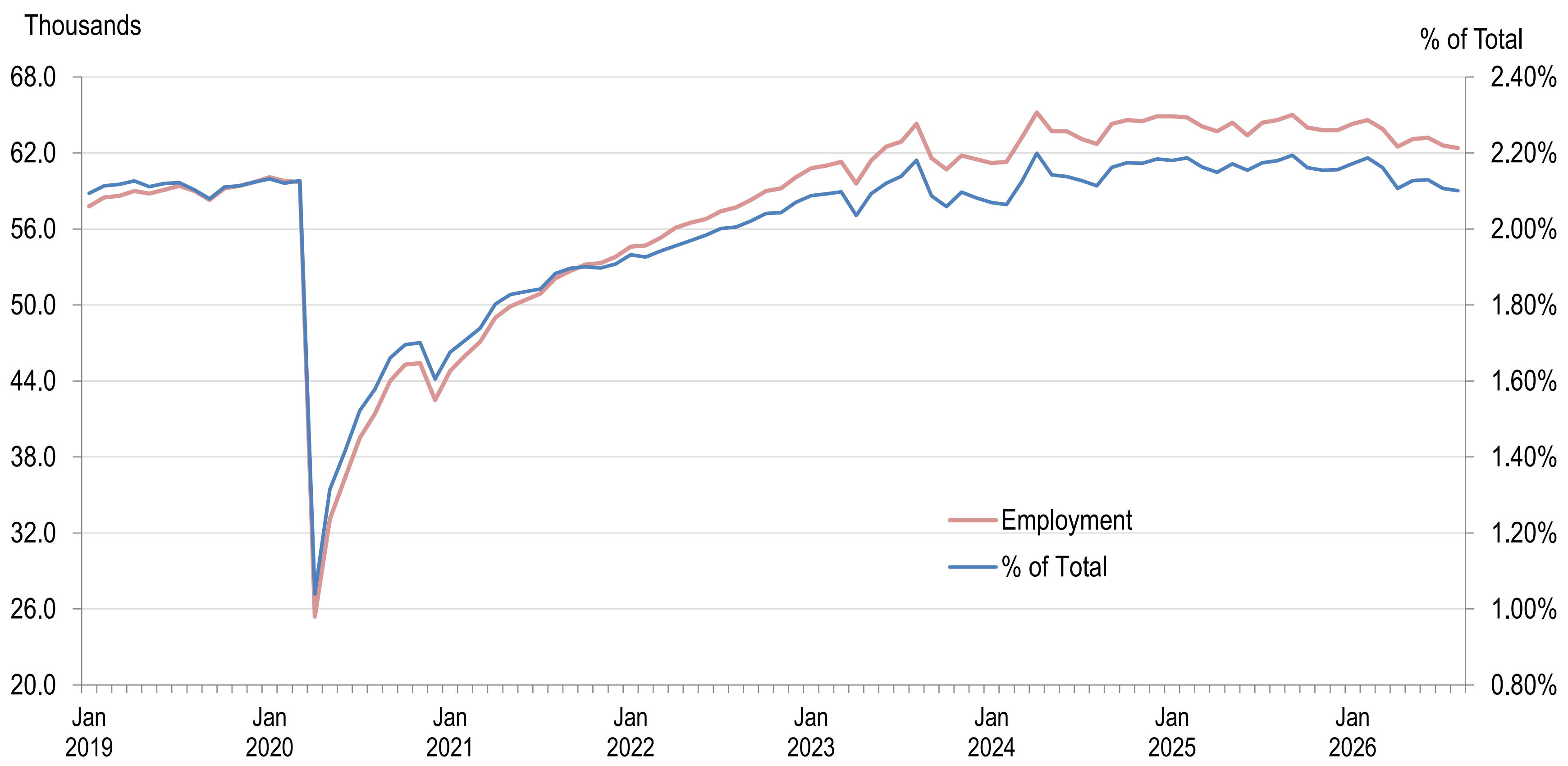
Demand for other (personal) services has increased as the population has grown.

In January 2019, sector employment was 4.06% of total employment (blue). It peaked at 4.48% in July 2025 and was 4.40% in August 2026.

Colorado Arts, Entertainment, and Recreation (AER)

Employment and Percent of Total Employment

AER Employment and Percent of Total Employment



Source: BLS, monthly SA, cber.co.

AER Employment

Employment increased from 57,800 in January 2019 to 62,400 in August 2026 (red).

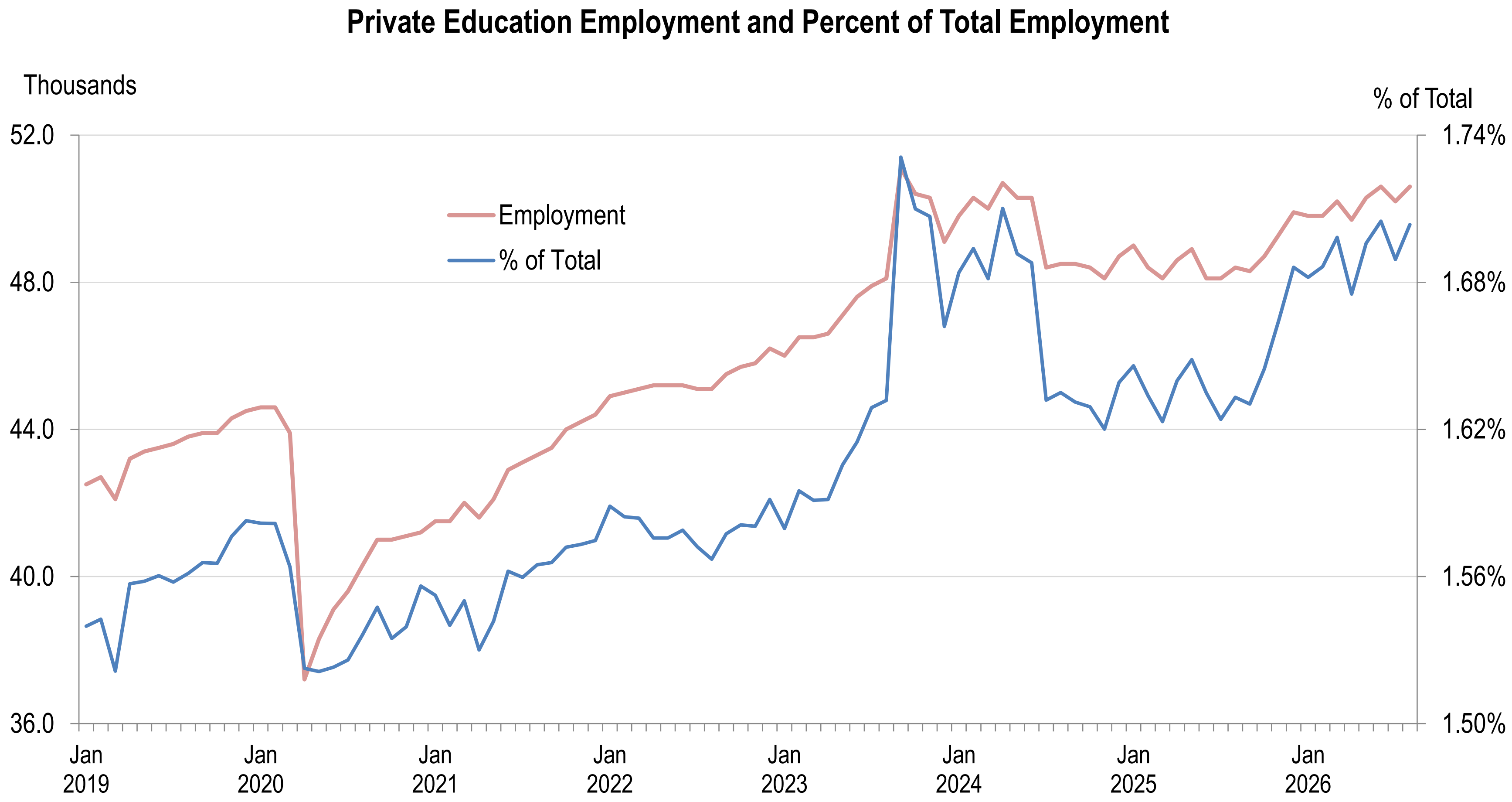
In January 2019, sector employment was 2.09% of total employment (blue). It was 2.10% in August 2026.

The AER sector is paired with AFS to comprise the Leisure and Hospitality Supersector.

Before the COVID-19 recession, the L&H Supersector was a primary source of job creation. That has not been the case since 2019.

Colorado Private Education

Employment and Percent of Total Employment



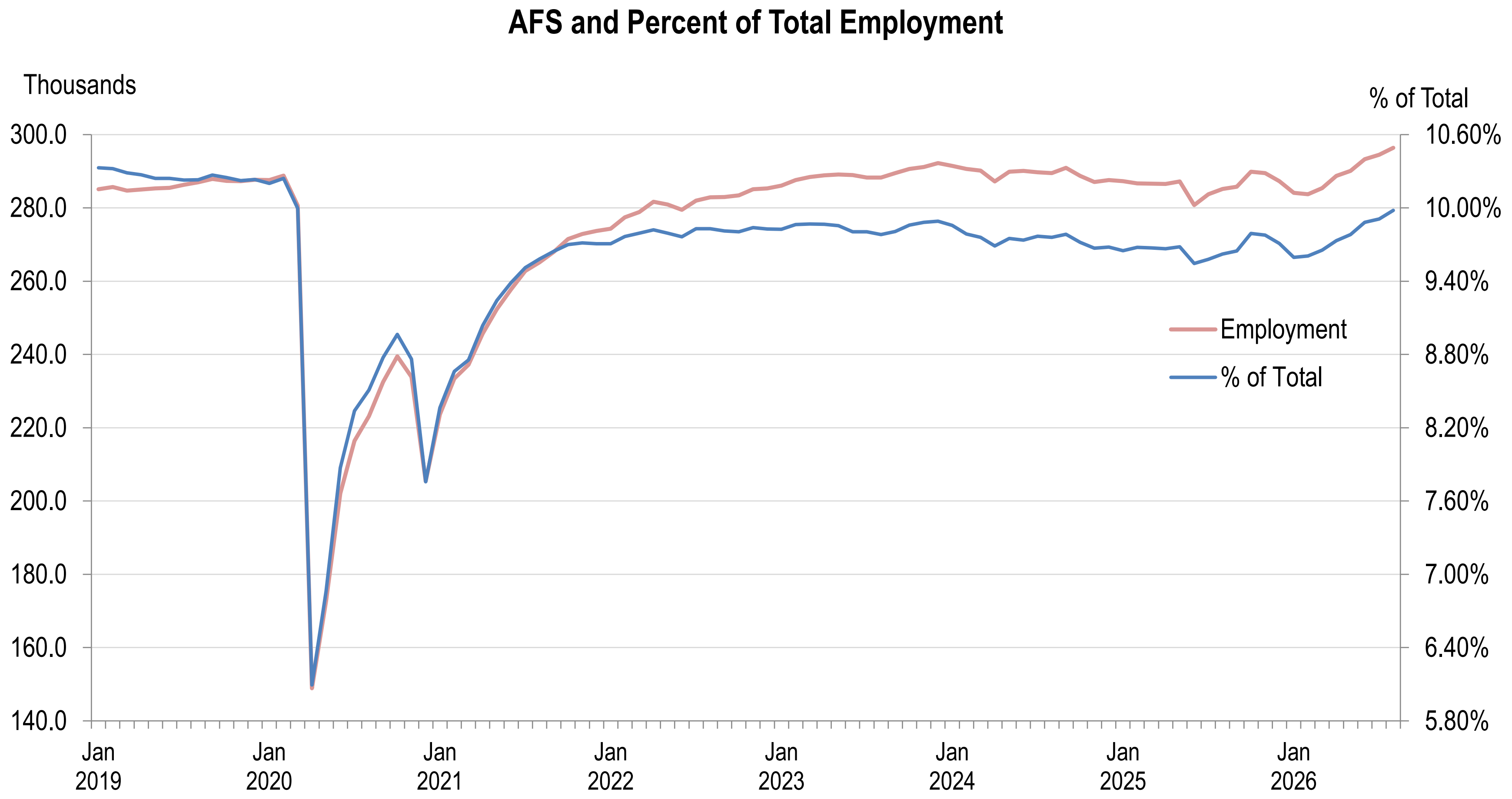
Source: BLS, monthly SA, cber.co.

Private Education Employment
Employment increased from 42,500 in January 2019 to 50,600 in August 2026 (red). Employment peaked in September 2023 at 51,100.

In January 2019, sector employment was 1.54% of total employment (blue). It was 1.73% in September 2023 and 1.70% in August 2026.

Colorado Accommodation and Food Service

Employment and Percent of Total Employment



Source: BLS, monthly SA, cber.co.

AFS Employment

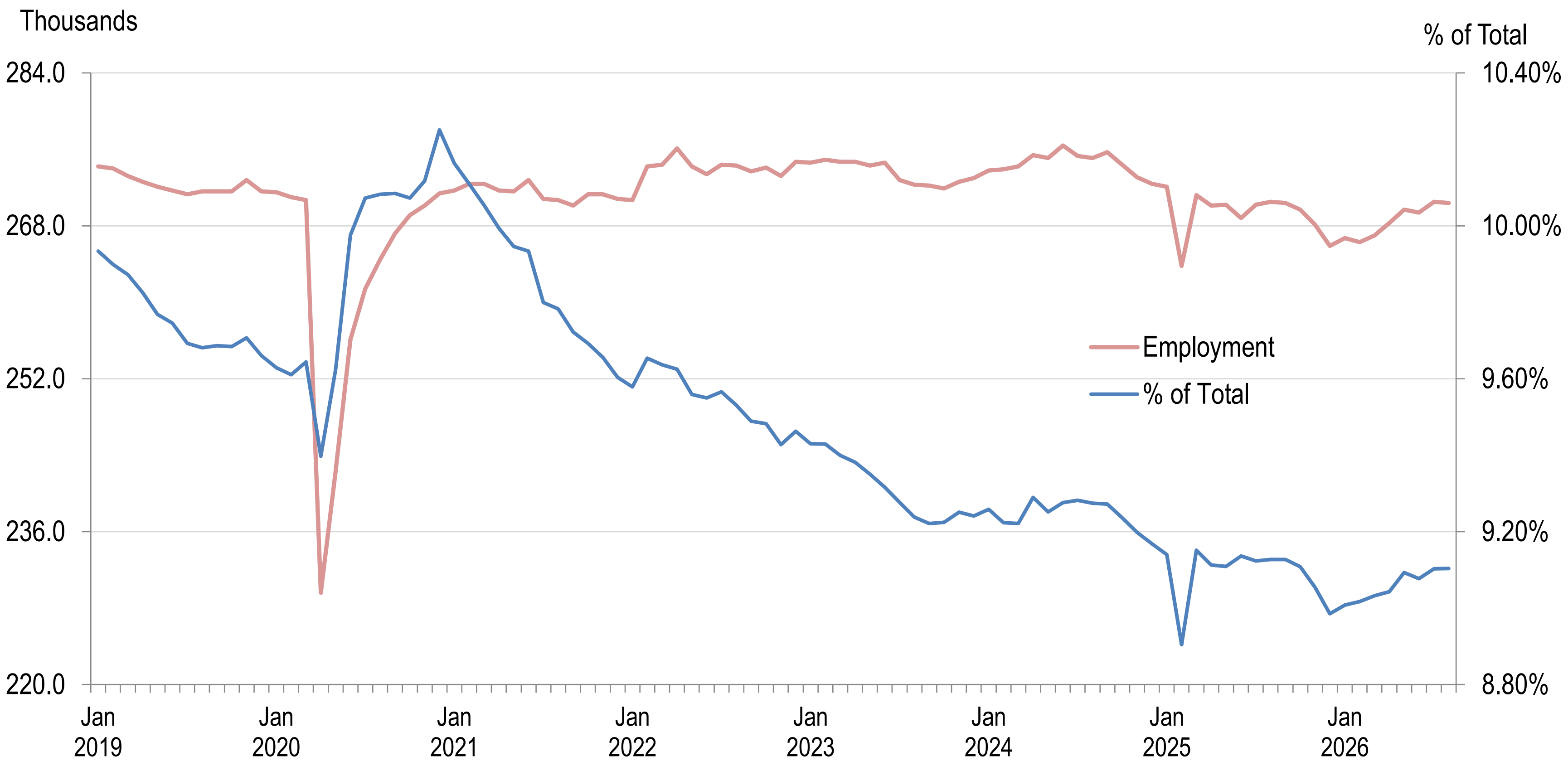
Employment increased from 285,100 in January 2019 to 296,400 in August 2026 (red).

In January 2019, sector employment was 10.33% of total employment (blue). It declined during the COVID-19 recession and did not return to pre-COVID levels. It was 9.98% in August 2026.

Colorado Retail Trade

Employment and Percent of Total Employment

Retail Trade and Percent of Total Employment



Source: BLS, monthly SA, cber.co.

Retail Employment

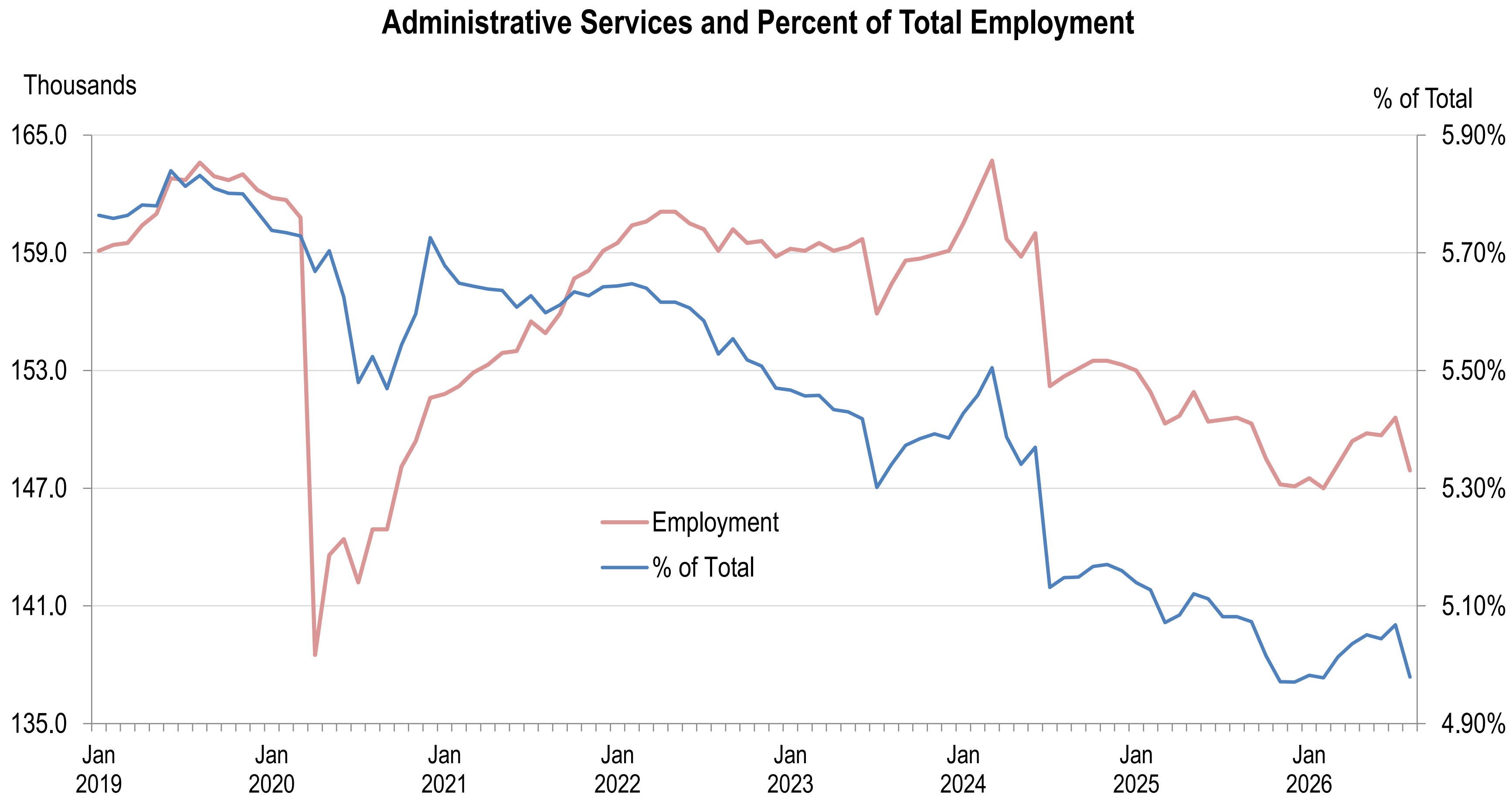
Employment decreased from 274,200 in January 2019 to 270,400 in August 2026 (red). The sector peaked at 276,400 in June 2024. It has declined since then.

The Retail sector showed strong employment growth from 2010 to 2019. The sector has changed because e-commerce has increased and consumer habits have changed.

In January 2019, sector employment was 9.93% of total employment (blue). It was 9.10% in August 2026.

Colorado Administrative Services

Employment and Percent of Total Employment



Source: BLS, monthly SA, cber.co.

Administrative Services Employment

Employment decreased from 159,100 in January 2019 to 147,900 in August 2026 (red). It peaked at 163,700 in March 2024.

In January 2019, sector employment was 5.76% of total employment (blue). It peaked at 5.84% in June 2019. It was 4.98% in August 2026.

The decline in employment is attributed to automation and corporate restructuring.

Summary and Forecast

Change in Colorado Employment

Colorado 1980 to 2026 Booms and Busts by Years and Decades

Colorado Booms

Colorado's strongest decade of growth, the tech boom, was during the 1990s. Between 2012 and 2019, average annual employment increased by 66,600. Between 2020 and 2026, the recovery from the COVID-19 recession looked like it might be a boom. Growth tapered off quickly in 2024 and 2025.

Colorado Busts

In the 1980s, there was an oil and gas bust and the Silverado Savings and Loan debacle.

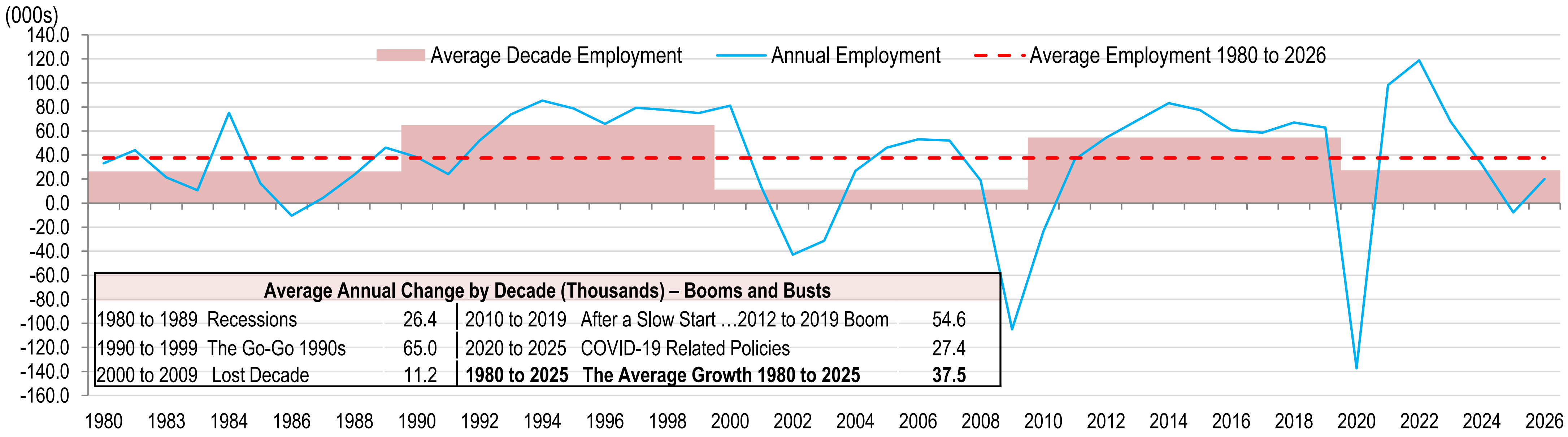
The Lost Decade, between 2000 and 2009, included natural disasters, bad decisions, and two recessions.

The COVID-19 Recession and recovery were between 2020 and 2026.

Colorado Average

Between 1980 and 2026, the average annual employment was 37,500. Annual employment was below that average for 27 of 47 years. Annual employment was negative (<0) on seven occasions. Six of these times were between 2002 and 2026.

Change in Colorado Employment (Annual)



Average Annual Change by Decade (Thousands) – Booms and Busts			
1980 to 1989 Recessions	26.4	2010 to 2019 After a Slow Start …2012 to 2019 Boom	54.6
1990 to 1999 The Go-Go 1990s	65.0	2020 to 2025 COVID-19 Related Policies	27.4
2000 to 2009 Lost Decade	11.2	**1980 to 2025 The Average Growth 1980 to 2025**	**37.5**

Source: BLS, NSA, cber.co.

Colorado Economic Forecast 2026 Summary

Colorado is projected to have modest real GDP growth (Colorado) in 2026.

The population will increase by 35,200 people in 2026. Net migration will account for about 16,000 people.

Colorado employment is expected to increase by 20,100 in 2026 and remain weak through 2027. Colorado's unemployment rate will remain fairly stable.

Consumers will be resilient, but cautious. Retail sales improved in 2025. Sales will be even stronger in 2026.

CPI inflation has declined from its peak (2021 to 2023). The accumulated effect of those high rates can still be felt. Colorado inflation is expected to be 2.7% in 2026.

Colorado Economic Forecast

	2023	**2024**	**2025**	**2026**
Real GDP Value (billions) (chained 2017)	$440.2	$448.8	$458.1	$467.2
% Change Real GDP	4.0%	2.0%	2.1	2.0%
Colorado Population	5,900.4	5,956.7	5,989.8	6,025.0
Annual Change (thousands)	50.3	56.3	33.1	35.2
CES Employment (thousands)	2,937.5	2,969.6	2,961.9	2.982.0
Annual Change (thousands)	67.8	32.1	-7.7	20.1
% Change	2.4%	1.1%	-0.3%	0.7%
Unemployment Rate	3.3%	4.1%	4.0%	4.0%
Retail Sales (billions)	$302.6	$306.5	$316.6	$327.1
% Change	0.9%	1.3%	3.2%	3.3%
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	85.0
Single Family (SF) Permits	19,641	20,534	17,406	17,500
Multi-family (MF) Permits	19,763	11,751	16,352	17,500
Oil Production (thousands) barrels	166,905	170,289	170,515	172,000

In 2024 and 2025, 82.3 million passengers flew through DIA. The number will increase in 2026. Passenger traffic at the Colorado Springs (COS) airport will be slightly lower than in 2025. The traffic at both airports has been strong.

In 2025, 33,758 total permits were issued, of which 52% were SF permits. In 2026, Colorado will issue 35,000 total permits (SF and MF). The shortage of housing suggests there might be demand to issue more permits.

Colorado's crude oil production has increased each year since 2021. Fossil fuels will play an integral role in the state and country's economies in the future.

The tone of the primary elections was contentious. The midterms will likely be worse, thus negatively impacting the economy in 2027 and beyond.

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cber.co
Economic Outlook and Trends Through August (data), September 2026 Update.
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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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 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.