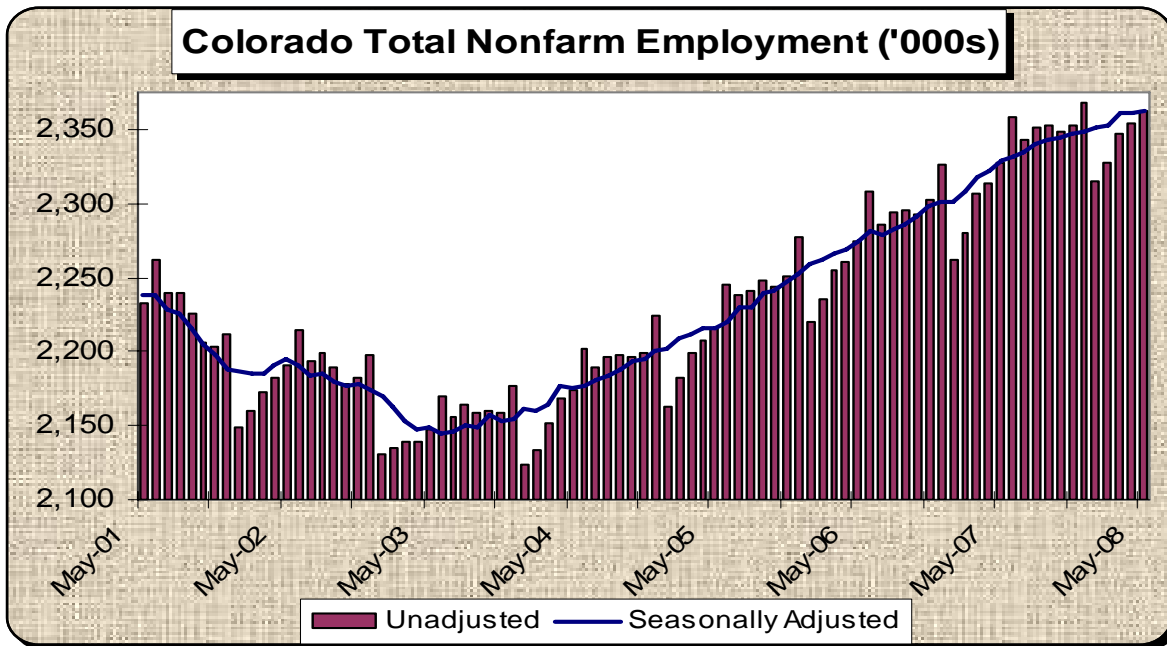


**Colorado Preliminary Estimates By: Chris Akers**

**Total Nonfarm Wage and Salary Employment: + 700 (0.0%)**

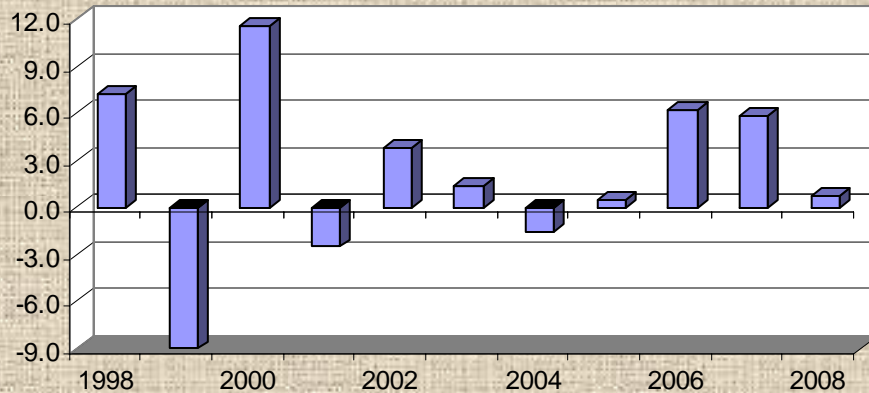
Seasonally adjusted



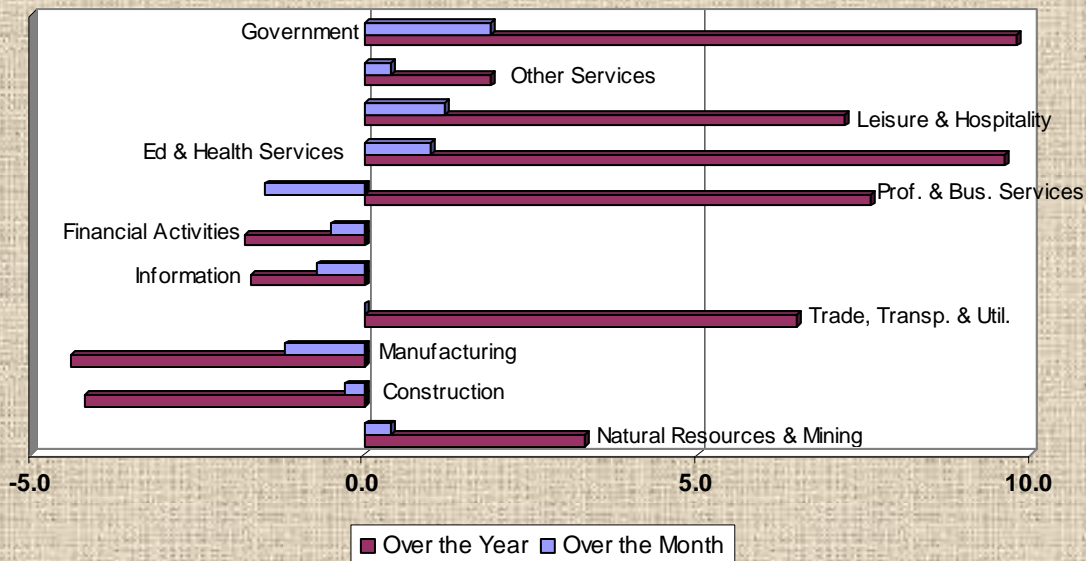
Colorado employers added 700 positions to their payrolls in May. Employment changes in the major industries were mixed, with five supersectors gaining positions, five suffering moderate declines, and trade, transportation & utilities (TTU) remaining unchanged. Most new hires were found in the public sector as government payrolls rose 1,900. Leisure & hospitality employment grew by 1,200 as employers ramped up for the summer recreation and tourism season. Education & health services trended up 1,000, with the gains concentrated in health care & social assistance. Other services and natural resources & mining each added 400 workers this month to round out the gainers. Professional & business services pared 1,500 positions to suffer its largest monthly loss in more than five years. Similarly, manufacturing experienced its largest decline since March 2003 with the loss of 1,200 jobs. Information payrolls fell for the seventh consecutive month, declining by 700 in May. Financial activities trended down 500 positions and construction pared 300.

Since last May, payrolls have risen 33,800. This marks the smallest twelve-month increase since the summer of 2004 and this 1.5% growth is about 32% slower than the prior year average. Natural resources & mining continued to expand at a rapid pace (13.1%) and contributed 3,300 positions to the State's advance. Education & health services was the next fastest expanding industry, with a 4.0% rate of growth on the strength of 9,600 new hires. Government employment rose 9,800 and professional & business services added 7,600 new workers over the past twelve months. Leisure & hospitality payrolls gained up 7,200, TTU employment rose by 6,500, and other services trended up 1,900. The two largest goods-producing industries continued to pare workers. Manufacturing payrolls have edged down 4,400 and construction employment has fallen 4,200 over the year. Information and financial activities combined to shed 3,500 positions, with the losses about evenly split between the two industries.

**Colorado Total Nonfarm May Over the Month Changes ('000s, seasonally adjusted)**

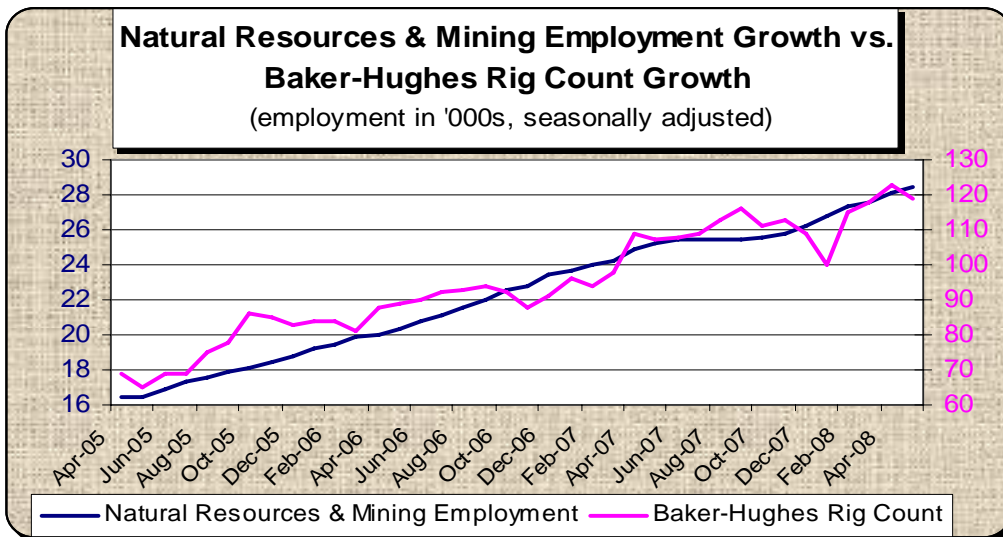


**Colorado Supersectors: May Over the Month and Over the Year Changes ('000s, seasonally adjusted)**



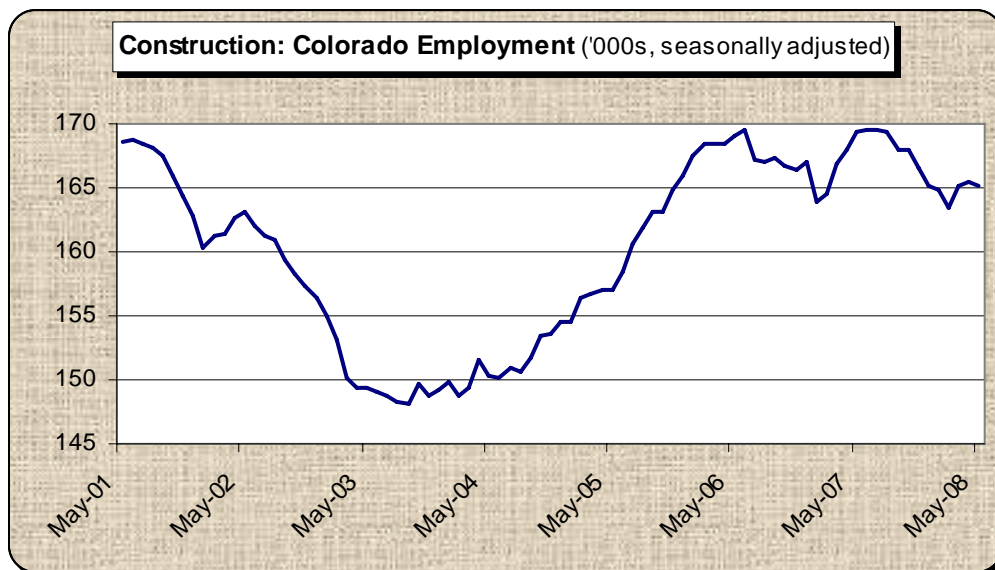
### Natural Resources & Mining: + 400 (1.4%)

Natural resources & mining gained 400 positions in May, matching its average advance over the past six months. However, the average growth over the past twelve months has been slightly lower as the industry has added 3,300 positions since last May. This 13.1% rate of growth is in line with the previous six month trend, but it is 18.6% slower than the prior year average. A sustained period of high oil and gas prices has led to substantial growth in this industry during since the beginning of 2004. In the past five years, the number of people working in natural resources & mining has more than doubled from 13,100 to 28,100. Most of this growth has occurred in support activities for mining, a component that includes drilling for oil and gas wells. The number of Baker-Hughes rigs drilling in the state is 3.2 times greater than May 2003, but the count of rigs declined 3.3% in May from last month's peak of 123\*.



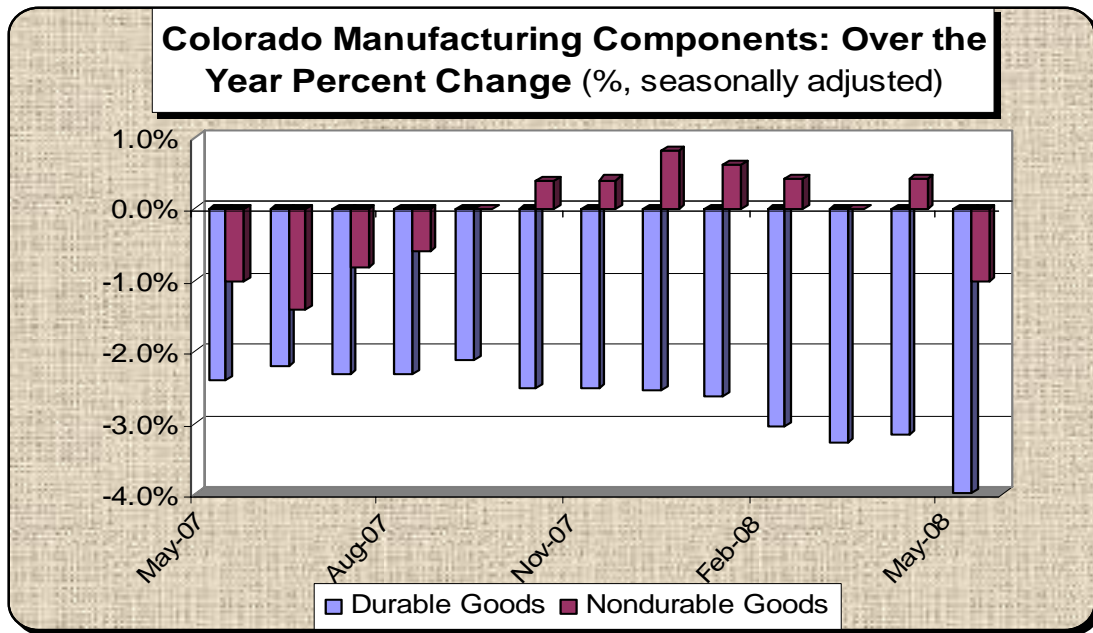
### Construction: - 300 (0.2%)

Construction payrolls relinquished last month's small gain by paring 300 in May. Employment in this industry has shown little change in 2008 and is at the same level as December 2007. On an unadjusted basis, construction of buildings experienced an anemic 600 position advance after having gained 1,600 jobs last May. Conversely, heavy & civil engineering experienced its largest May payroll increase since 2000 with the addition of 1,400 new hires. Specialty trade contractors, on the other hand, added only 1,200 workers to match its smallest unadjusted May advance since 1999. Since this time last year, construction payrolls have fallen 4,200, or 2.5%. This represents the industry's largest year over year decline since February 2004 and it represents a stark departure from the flat average twelve-month growth over the past year. Statewide, new home building permits have declined substantially over the first five months of 2008 from their year ago levels, with total permits falling 29% and single family permits down 43%, according to data from the Census Bureau. Construction of buildings had been insulated from the weakness in housing due to stable non-residential construction; however, the weakness in residential building now appears to be swamping non-residential as this component experienced an unadjusted year over year decline of 3,100 jobs (9.0%). Heavy & civil engineering pared 300 positions over the past twelve months, for a 1.4% rate of decline. Specialty trade contractors shed 1,000 jobs since last May for a 0.9% contraction.



## Manufacturing: - 1,200 (0.8%)

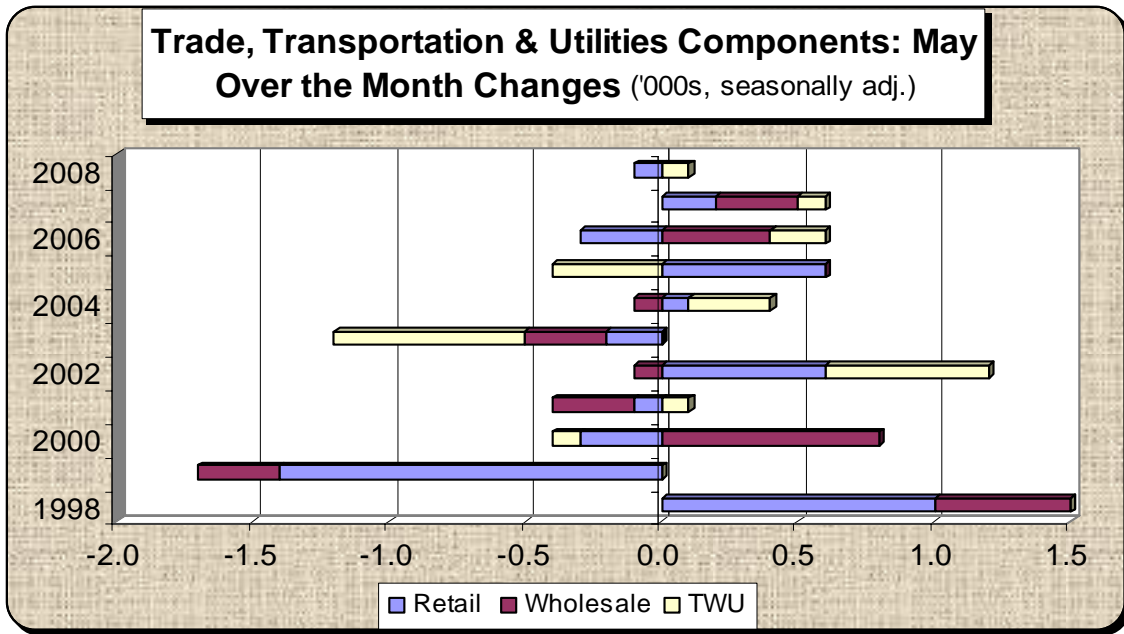
Manufacturing payrolls declined for the eighth consecutive month, falling by 1,200 in May. Non-durable goods experienced their first decline in the past nine months by shedding 500 workers. The weakness in durable goods continued with this sector paring 700 employees. Over the year, supersector employment has fallen by 4,400 (3.0%), marking the largest annual contraction in slightly more than four years. With 3,900 (4.0%) fewer employees than last May, durable goods posted its largest twelve-month employment decline since February 2004. This is due mostly to a 1,600 (6.1%) position unadjusted drop in computer & electronic product manufacturing and the loss of 900 (8.8%) workers in transportation manufacturing. Non-durables experienced its first year over year contraction since August 2007 by paring 500 (1.0%) workers. Manufacturing has shed 48,100 jobs, or one-quarter of its payroll employment from the December 2000 peak. Computer & electronic product manufacturing accounted for a disproportionate 47.6% (22,900 jobs) of this decline.



## Trade, Transportation, & Utilities (TTU): Unchanged

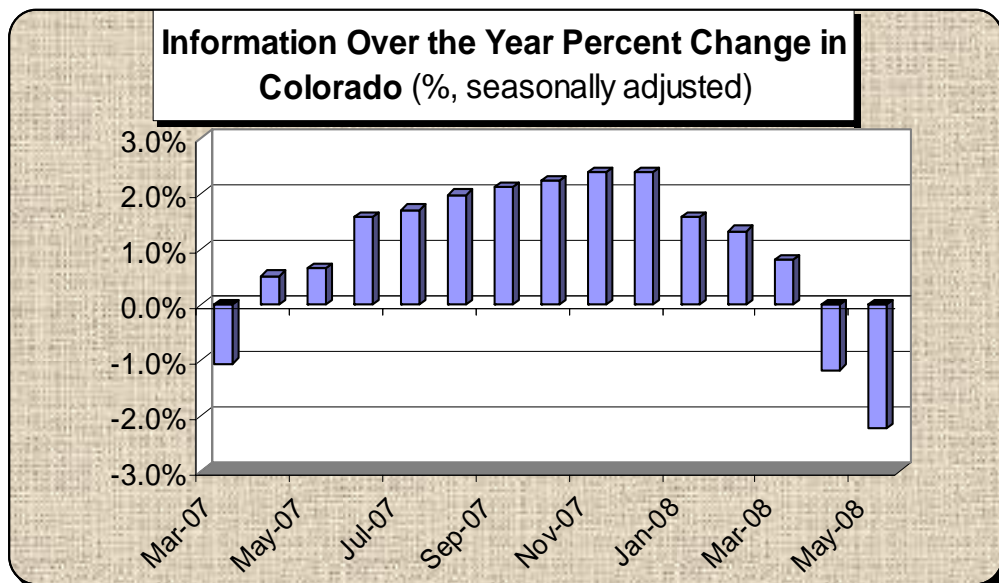
Employment in TTU remained unchanged in May. Wholesale trade payrolls remained at the same level as last month, while a 100 position increase in transportation, warehousing & utilities (TWU) was negated by the loss of 100 workers in retail trade. On an unadjusted basis, general merchandise stores and food & beverage stores both trended up 300 positions; truck transportation edged up 400.

In the past twelve months, employment in this industry has risen 6,500. May's annual growth of 1.5% is the weakest in more than three years and it is only 38% of the prior year trend. Retail trade bears responsibility for the slower growth as it posted a twelve-month rate of increase that mirrored the supersector with 3,900 new hires. Wholesale trade lagged the industry's growth rate with a 1.3% advance that added 1,300 workers. Most of these workers came from nondurable and electronic wholesalers as the durable goods wholesalers pared an unadjusted 200 jobs since last May. TWU overcame a small decline in warehousing & storage to add 1,300 (1.7%) new hires, with an unadjusted 700 (5.0%) of them coming from air transportation. Food & beverage stores added 1,000 unadjusted positions, for growth of 2.3%, general merchandise stores remained unchanged, and motor vehicle & parts dealers pared 300 positions since last May.



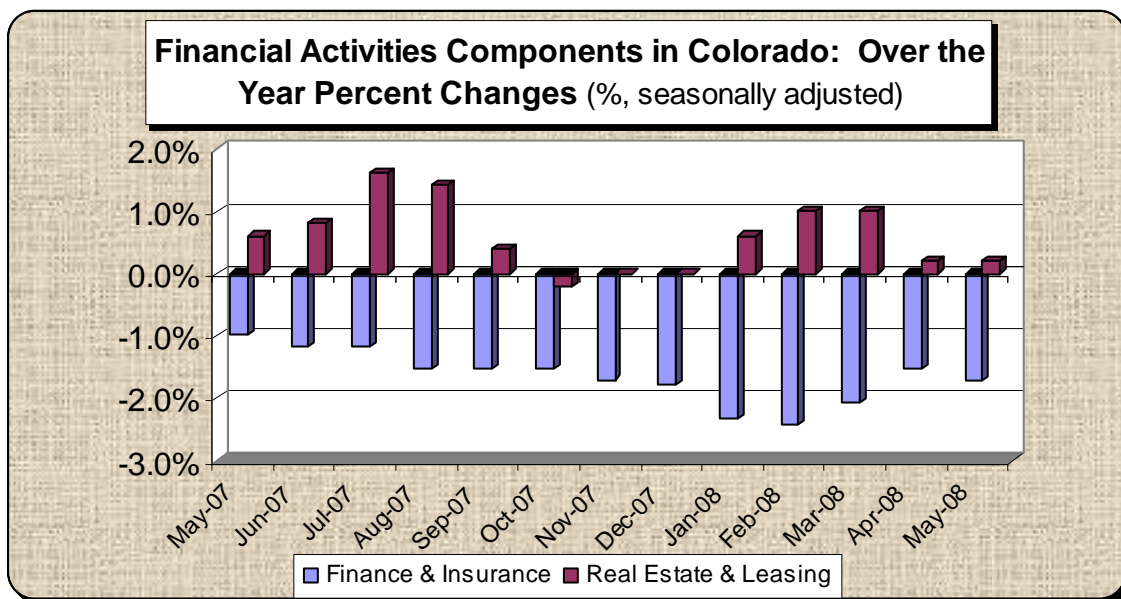
**Information: - 700 (0.9%)**

Payrolls in information fell for the seventh consecutive month, dropping 700 in May. Much of this decline occurred in sectors that are not published at a higher level of detail such as broadcasters and internet service providers. Publishing industries payrolls were unchanged over the month, but telecommunications experienced an unadjusted 200 decline. There are 1,700 (2.2%) fewer people working in this supersector than at this time last year, representing the largest contraction information has experienced in just over two years. Publishing industries experienced an unadjusted 700 position year over year decline; this was in line with its trend over the prior twelve months. Telecommunications experienced its first year over year contraction since September 2006, paring 200 positions. This is a departure from the 1,400 position average year over year gain over the previous twelve months, but much of that growth came as the result a non-economic code change that occurred in the first quarter of 2007.



## Financial Activities: - 500 (0.3%)

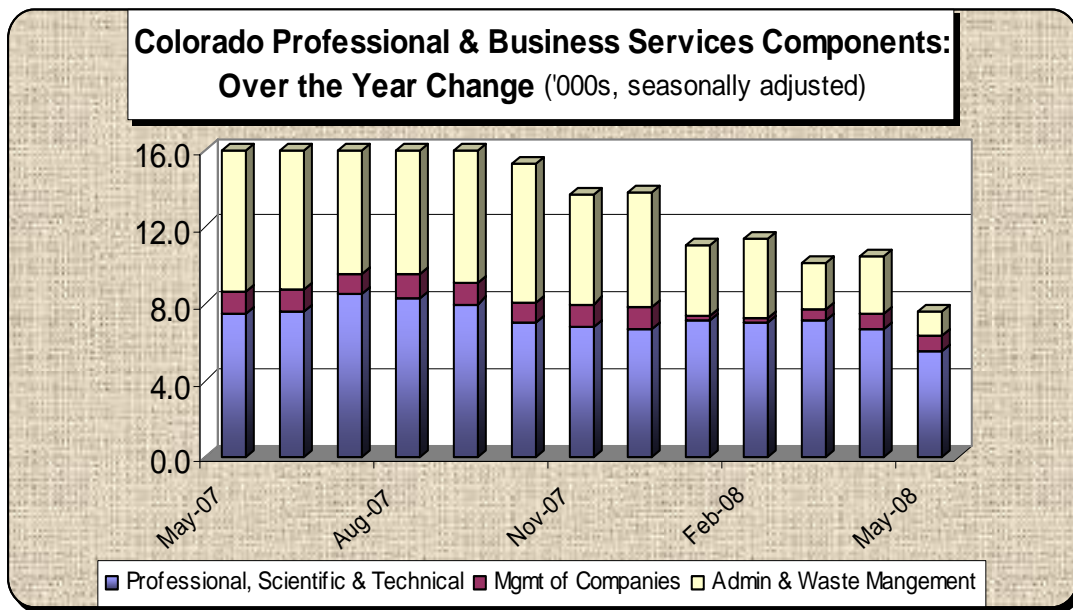
Financial activities relinquished most of the positions it added over the previous three months when it pared 500 jobs in May. Finance & insurance accounted for the entire loss and it saw a 300 worker unadjusted decrease in its credit intermediation component. Real estate, rental & leasing remained unchanged despite the loss of an unadjusted 200 jobs in real estate. Since last May, industry payrolls have contracted by 1,800. This 1.1% decline is marginally weaker than the prior year trend, and the industry has now shown year over year losses for the past thirteen months. However, real estate, rental & leasing has seen positive twelve-month growth throughout this period, although it is anemic at only 100 jobs. Finance & insurance now has 1,900 fewer workers on its payrolls than last May, a loss that is consistent with the average over the prior twelve months.



## Professional & Business Services: - 1,500 (0.4%)

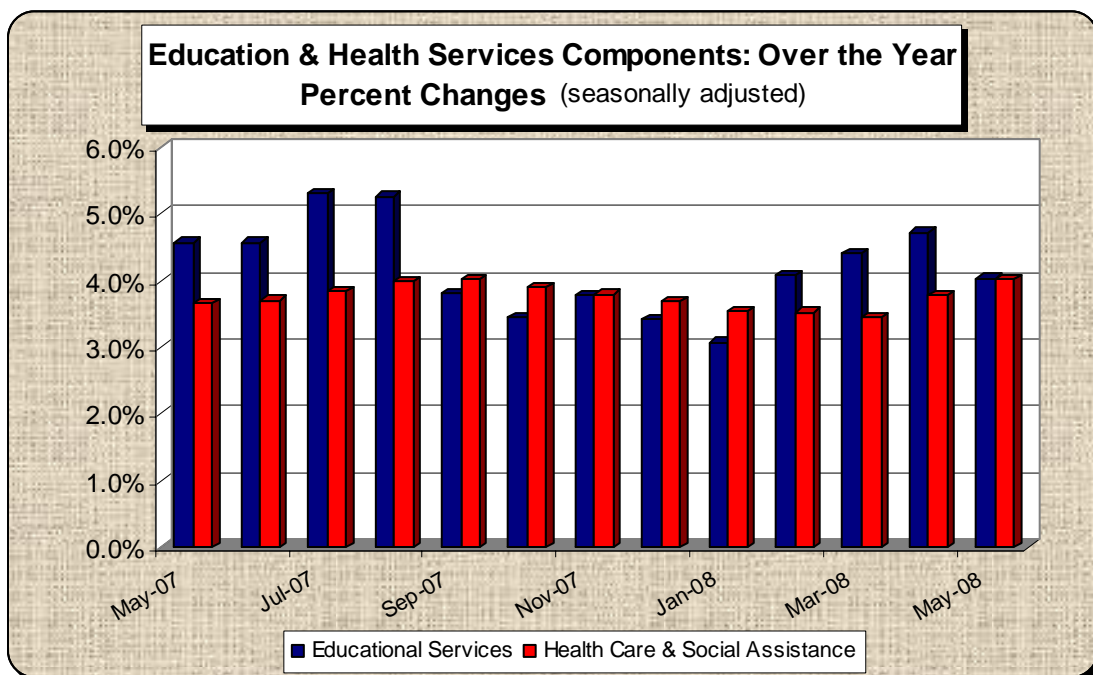
Professional & business services suffered its first over the month decline in seven months, and the 1,500 positions it shed mark the largest monthly drop in more than five years. The catchall administrative, support, waste management & remediation sector pared 900 due to smaller than normal changes in employment services and business support services. Professional, scientific & technical services shed 500 positions, matching this sector's largest monthly drop in the past six years. Similarly, management of companies saw its payrolls inch down 100.

Since this time last year, 7,600 positions have been created in this supersector. Annual growth of 2.2% is two percentage points or 48% slower than the previous twelve-month average. Throughout 2007, professional & business services was the second fastest growing industry in the state but it experienced slower growth than education & health services over the first five months of 2008. Professional, scientific & technical services was the pace setter for the components, growing by 3.2% on the strength of 5,500 new hires. Management of companies matched its fastest twelve-month increase of 2008 at 2.8% (800 jobs); however this is only 82% of the prior year trend. The catchall administrative sector added 1,300 workers in the past twelve months, a 0.9% advance. Business support services added an unadjusted 1,000 employees, but this gain was largely offset by the loss of 900 jobs in employment services since last May.



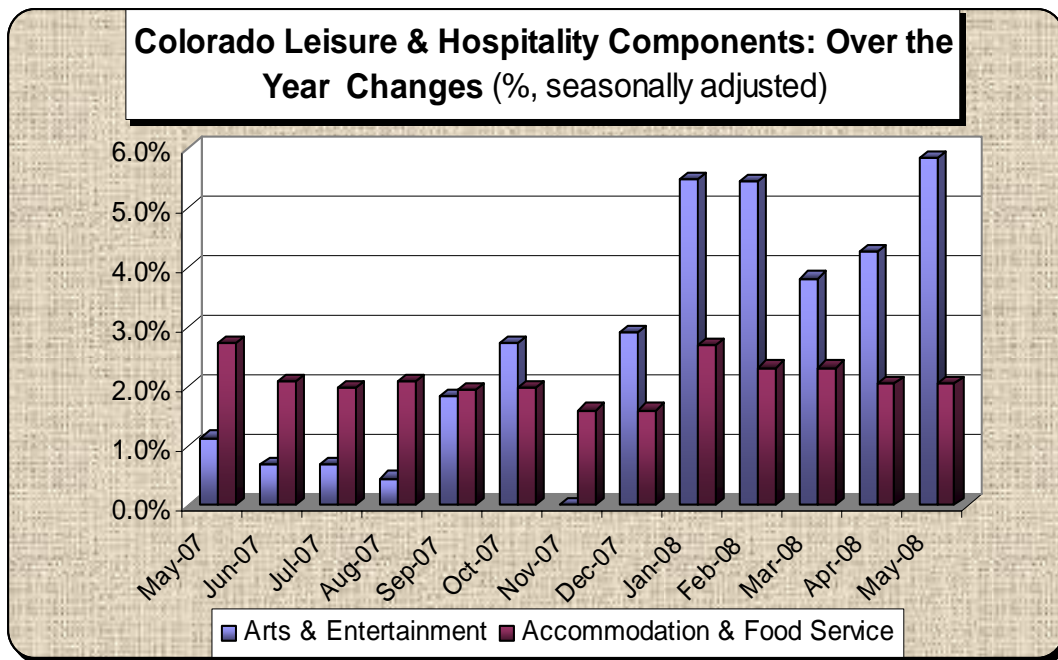
### Education & Health Services: +1,000 (0.4%)

With the addition of 1,000 jobs in May, education & health services has added more than 1,000 workers in each of the past four months. Health care & social assistance gained 1,100 positions, with substantial unadjusted growth in ambulatory care. Educational services saw employment fall by 100 this month. Nine thousand six hundred positions have been added in this supersector over the last twelve months, growth of 4.0%. This annual expansion is the fastest in eight months and it is 5% greater than the prior year trend. Both health care & social assistance and educational services mirrored the supersector growth rate by adding 8,400 and 1,200 positions, respectively. Similarly, both ambulatory care, up 3,700, and hospitals, up 2,200, had unadjusted payroll growth of 4.3%. Private education has added 1,200 jobs since last May.



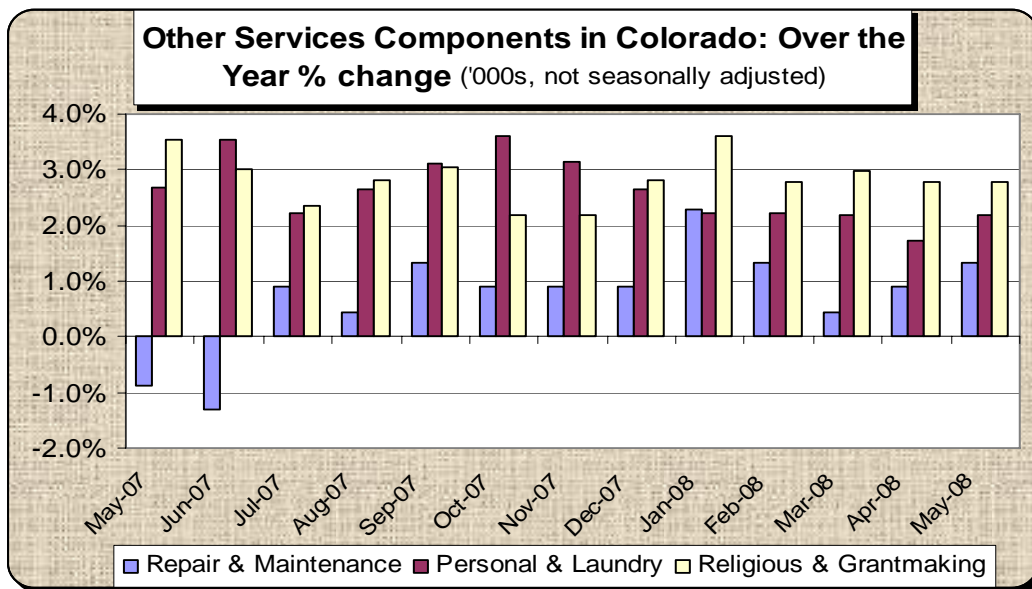
## Leisure & Hospitality: + 1,200 (0.4%)

Leisure & hospitality experienced the largest increase among the private supersectors in May with a 1,200 job increase. Arts, entertainment & recreation had a normal unadjusted drop, but it was smaller than last year and resulted in a 500 position seasonally adjusted increase. Accommodation & food services partially enjoyed a 700 position gain, but limited service eating places was the only component to post an unadjusted over the month employment increase. Over the year, supersector employment has risen 7,200. Year over year growth of 2.7% is the fastest in the past three months and it is 23% faster than the prior year trend. Arts, entertainment & recreation was responsible for this above average growth as its payrolls rose by 2,600. This 5.9% advance over the past twelve months is the most vibrant since January 2001 and it is nearly 2.5 times faster than the previous year average. Conversely, accommodation & food service posted year over year growth of 4,600, but this 2.0% advance was marginally slower than trend. Accommodation payrolls have inched up an unadjusted 300 since last May, while employment in food services & drinking places rose 3,400 with half of these new positions coming from limited service eating places.



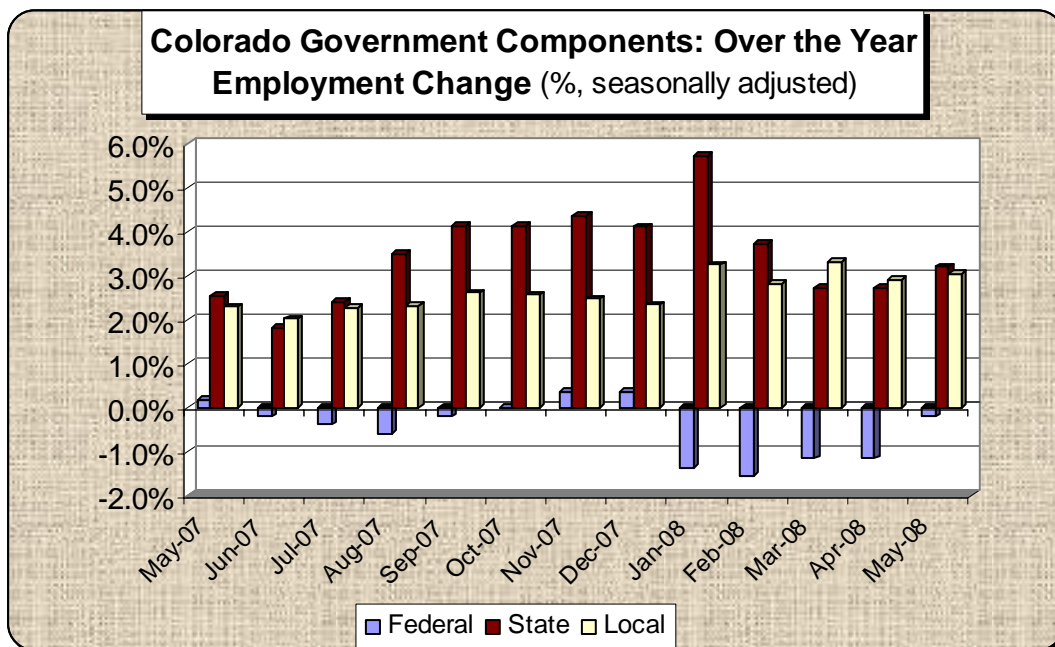
## Other Services: +400 (0.4%)

Payrolls in other services trended up 400 in May, with each of its three component industries posting unadjusted increases of 100 workers. Since this time last year, industry employment has risen 1,900 (2.0%). Its religious, grant making, civic, professional & other similar organizations sector outpaced the industry by adding 1,300 unadjusted positions for growth of 2.8%. Personal & laundry services has seen payroll growth of 500, or 2.2%, while repair & maintenance employment has inched up 300 (1.3%) over the previous twelve months.



**Government: + 1,900 (0.5%)**

Employment in the public sector rose by 1,900 in May. Local government accounted for the lion's share of this advance with 800 new hires. The Federal and State government components added 600 and 500 positions, respectively. On an unadjusted basis, State government education employment fell 900 as the college school year came to an end, while local education payrolls rose 900. Since this time last year, government employment has increased by 9,800, growth of 2.6%. This matches last month as the fastest year over year advance since January 2008 and it is marginally stronger than the prior year trend. State government displaced local as the fastest growing component as its employment has grown by 3.2%, or 2,700 jobs, since last May. However, local government continued to expand faster than the supersector, with 2.8% growth (3,500 jobs). Federal government has pared 100 jobs over the year; this decline is only half of its previous twelve-month average. Education payrolls grew by an unadjusted 3,500 (2.8%) at the local level and 1,400 (2.5%) at the State level.



\*Source: Colorado Oil & Gas Conservation Commission

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