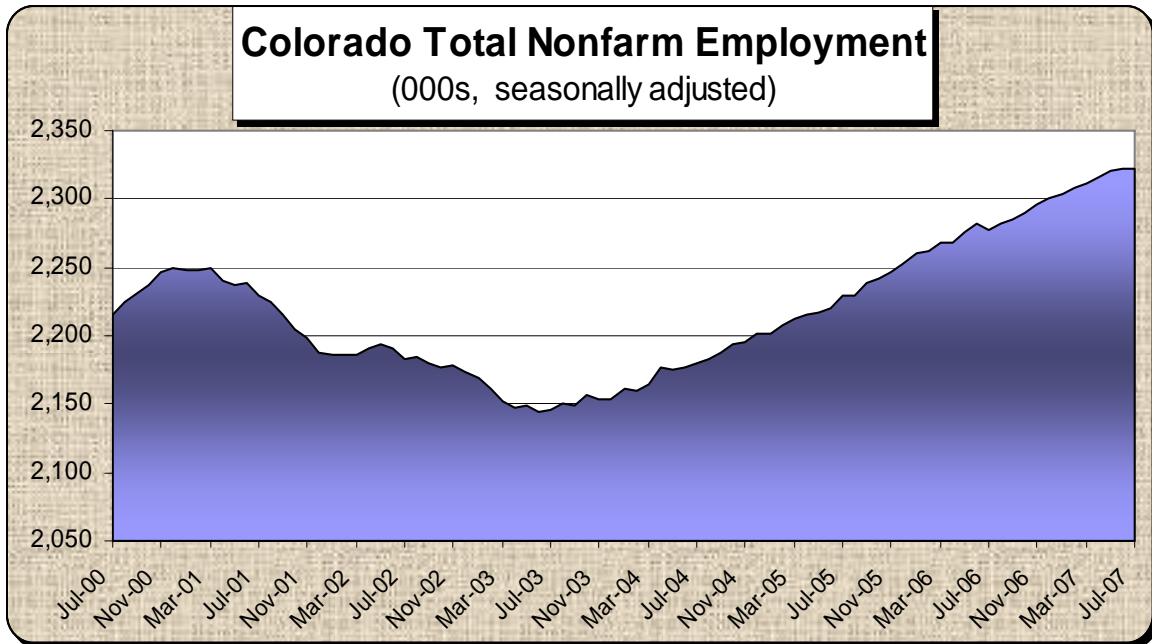


Colorado Preliminary Estimates By: Chris Akers

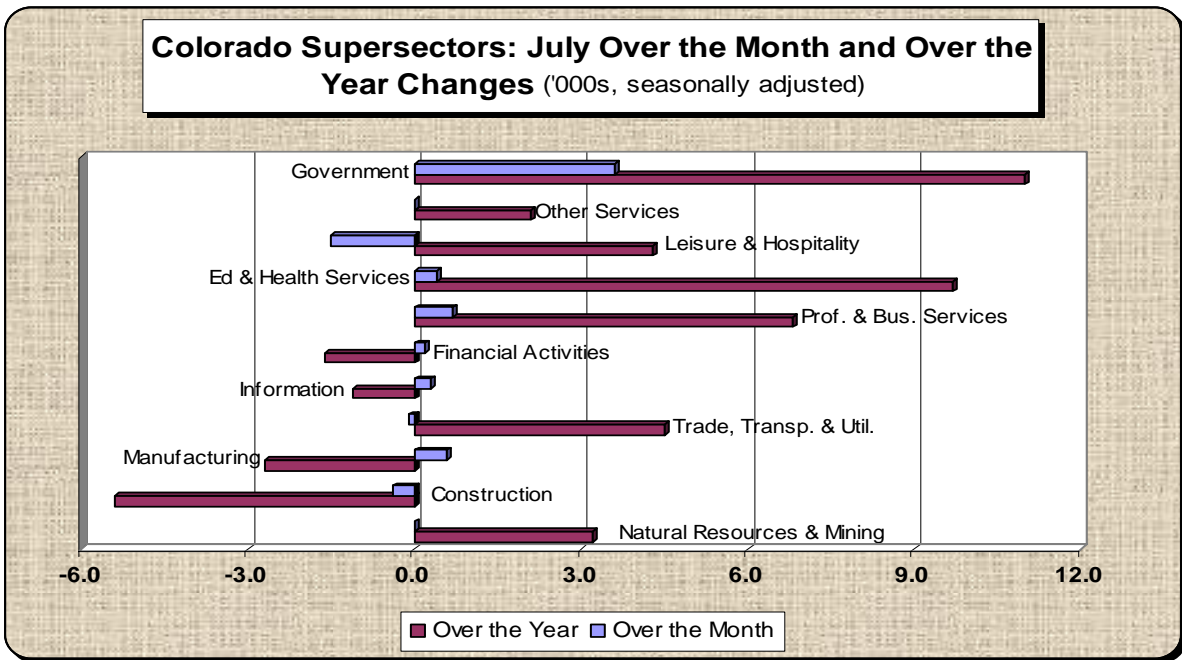
Total Nonfarm Wage and Salary Employment: + 3,800 (0.2%)

Seasonally adjusted



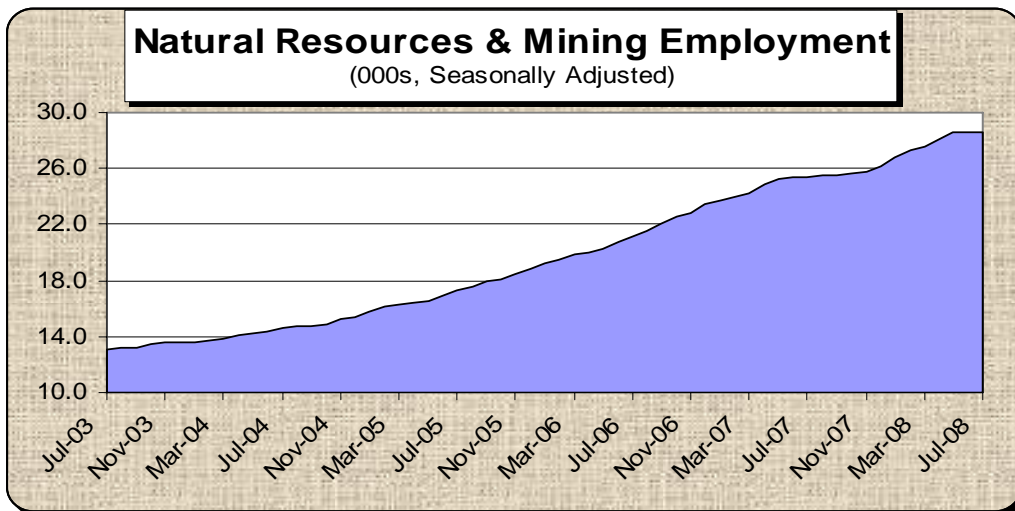
Following two months of anemic gains, total nonfarm employment in Colorado rose by 3,800 in July. Government accounted for the majority of this increase as it realized 3,600 new jobs. Small increases were the norm in the private sector with six major industries seeing job growth, two remaining unchanged and three posting declines. No industry beside government added more than 1,000 jobs, but professional & business services had 700 new hires and was followed by a 600 position gain in manufacturing. Education & health services added 400 workers, information employment grew by 300, and financial activities trended up 200. Leisure & hospitality pared 1,500 positions with the majority of the decline occurring in accommodation & food services. Construction had a 400 job decline, while trade, transportation & utilities (TTU) inched down 100. Employment in both natural resources & mining and other services remained unchanged from the previous month.

Since this time last year, 30,800 have been added to the state's payrolls, growth of 1.3%. Over one-third of these new hires have come the public sector as government employment is up 11,000. Education & health services has gained 9,700 jobs, and professional & business services has seen growth of 6,800 since last July. The number of people working in TTU has risen 4,500 over the year, while leisure & hospitality employment has increased by 4,300. Natural resources & mining has added 3,200 jobs and its 12.6% expansion is more than 3 times greater than the next fastest growing industry, education & health services. Other services has grown by 2,100 positions. Four industries have pared workers since last July. Construction and financial activities, two industries that were susceptible to the turmoil in the housing and credit markets, have shed 5,400 and 1,600 positions, respectively. Manufacturing payrolls have trended down 2,700 jobs over the year and information now has 1,100 fewer workers than last July.



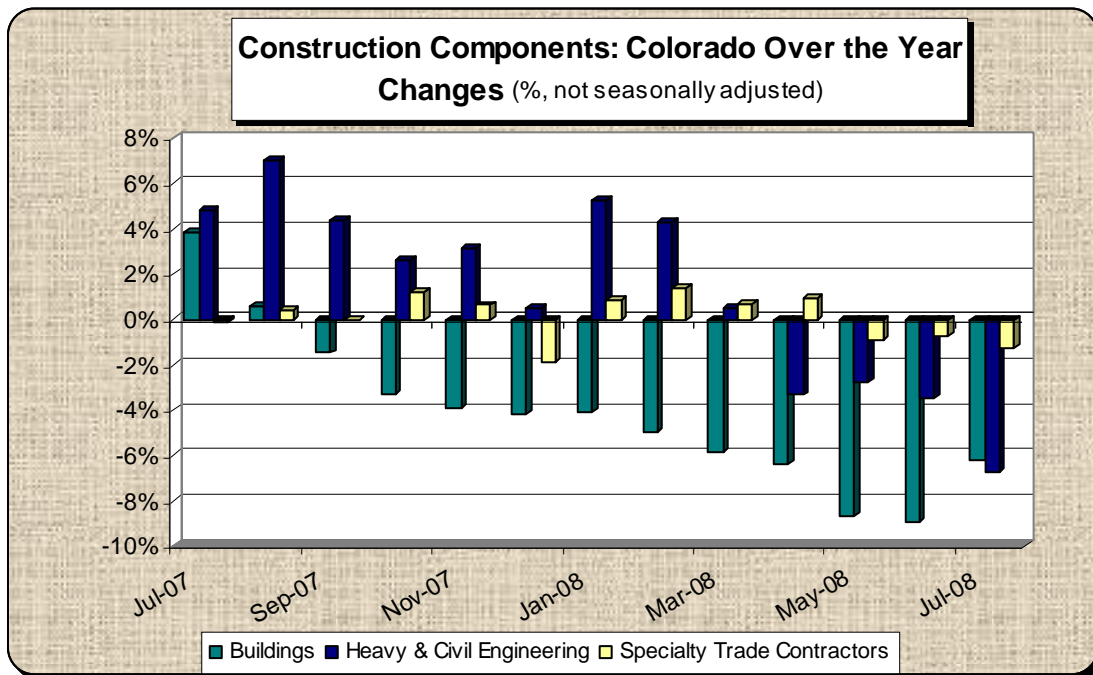
### Natural Resources & Mining: Unchanged

Employment in natural resources & mining remained unchanged for the second consecutive month. While this industry has been enjoying a strong expansion since November 2002 and has enjoyed the strongest annual growth of all supersectors since October 2003, it appears to have reached a summer time plateau. A sustained period of high oil and gas prices has led to substantial growth in this industry during the past few years. In 2005, a record 4,364 Applications for Permits-to-Drill (APDs) were approved, representing a 50% increase over 2004; growth continued unabated in 2006 with another record 5,904, a 35% expansion from 2005. In 2007, the APD growth was only 8% as 6,368 were issued. Growth is still continuing in 2008, but annualized pace of growth is similar to 2007 at about 9%. This slowing growth in permits is reflected in slowing twelve-month growth rates in natural resources & mining. In the third quarter of 2007, natural resources & mining payrolls inched up only 100 jobs and growth is again abating in midsummer 2008. Despite this recent slowing, industry payrolls have expanded by 3,200 in the last twelve months; however, year over year growth of 12.6% is nearly forty percent slower than one year ago. While the rate of growth has slowed, the magnitude of twelve-month employment increase has remained constant as the previous year average is 3,300.



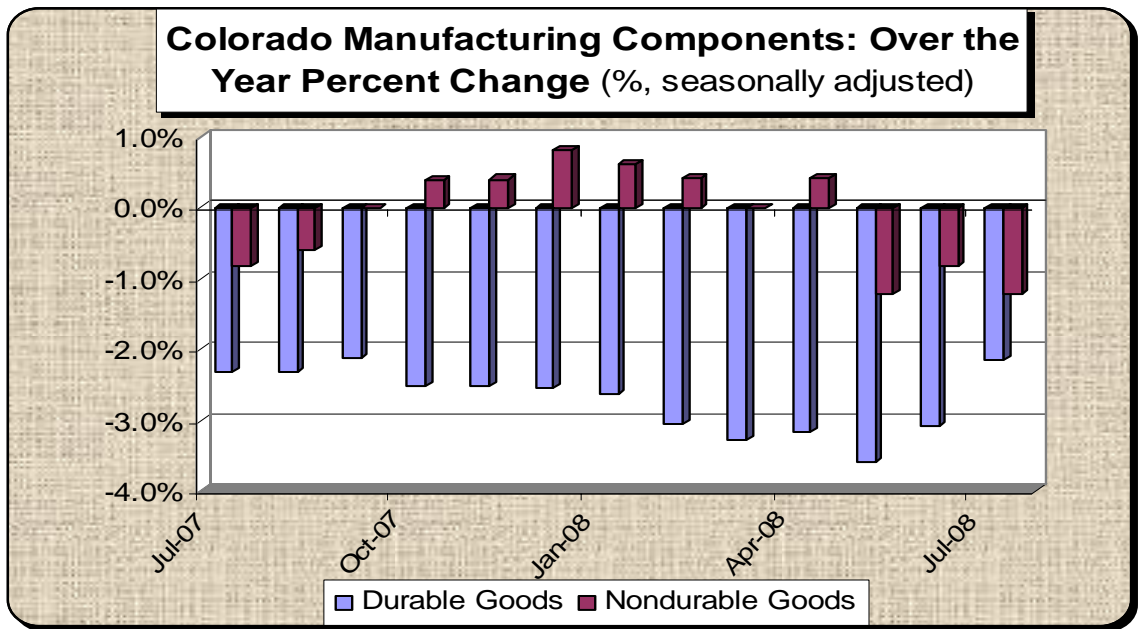
## Construction: - 400 (0.2%)

For the second consecutive month, construction payrolls trended down 400. All three components posted unadjusted gains for the month, but the 200 position increase in specialty trade contractors and the 100 job rise in heavy & civil engineering were both only about one-quarter the normal increase for the month. Construction of buildings partially countered this weakness by adding a greater than normal 600 workers. Over the last twelve months, construction has pared 5,400 workers. This 3.2% decline marks the most severe year over year contraction since the economy was emerging from the last recession in January 2004. Much of this drop has occurred in construction of buildings as this industry now has 2,200 (6.2%) fewer employees than last July. Likewise, heavy & civil engineering payrolls have contracted by 6.7% over the past twelve months with a 1,600 employment decrease. Specialty trade contractors seem thus far to be the least impacted component by the downturn in residential housing; 1,500 (1.3%) fewer people are working in this component than last July.



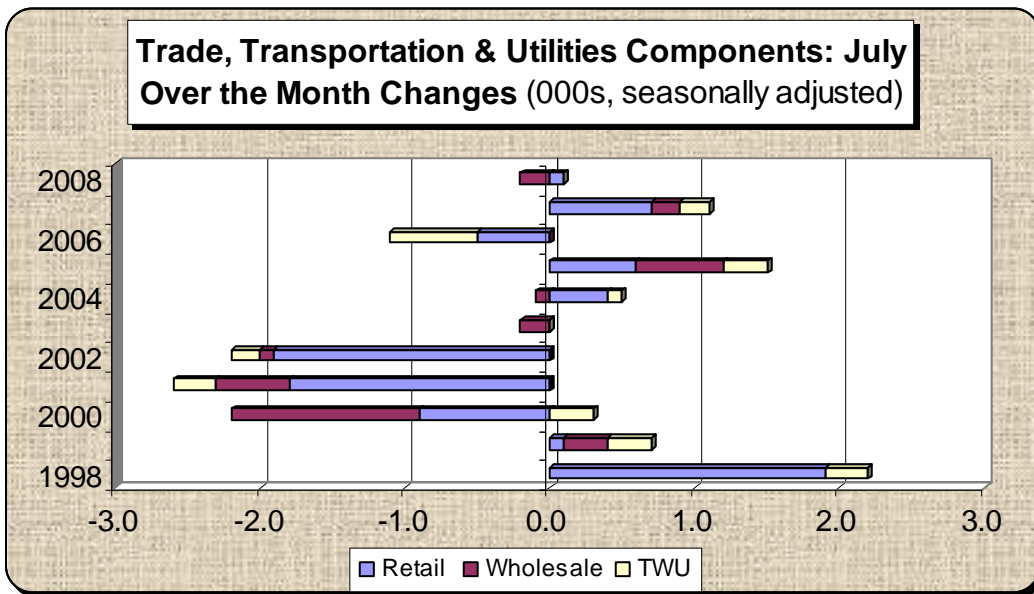
## Manufacturing: + 600 (0.4%)

Manufacturing built on last month's advance by adding 600 positions in July. Similar to June, this entire increase occurred in durable goods as its employment rose 700. Payrolls in nondurable goods edged down 100. On an unadjusted basis, computer & electronic product manufacturing, transportation equipment, and beverage manufacturing each gained 100 positions. Supersector payrolls have fallen 2,700 (1.8%) over the year. This represents the smallest twelve-month contraction manufacturing has experienced since January 2008 and it mirrors the average over the previous year. This relative improvement is attributable to improving fortunes in durable goods. The 2,100 (2.2%) positions pared since last July matches its smallest year over year decline in the past twelve months, and this drop is 22% smaller than the prior year trend. Conversely, the nondurable sector matched its largest twelve-month decline in the past year, with a 600 (1.2%) job contraction. Computer & electronic product manufacturing and transportation equipment manufacturing experienced unadjusted employment declines of 1,500 (5.8%) and 700 (6.9%), respectively.



### Trade, Transportation, & Utilities (TTU): - 100 (0.0%)

After increasing by 500 last month, TTU payrolls were little changed in July. Retail trade inched up 100 positions and was the only component industry to show growth. General merchandise stores, food & beverage stores, and motor vehicle & parts dealers all experienced unadjusted 100 worker gains. Employment in transportation, warehousing & utilities (TWU) remained at the same level as last month, while wholesale trade edged down 200.

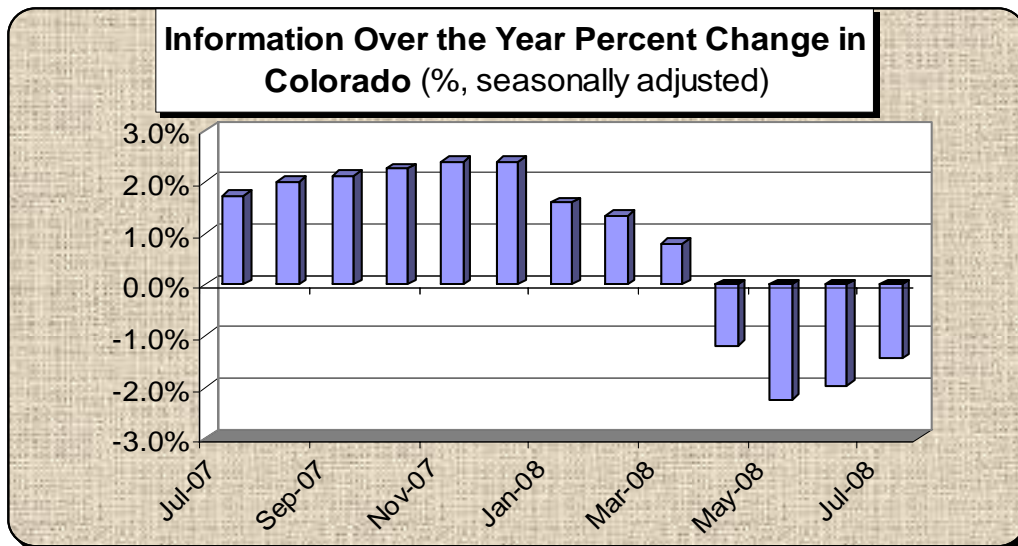


In the last twelve months, supersector employment has increased by 4,500 or 1.0%. This represents a considerable slowing from the end of 2007 to the beginning of 2008; accordingly, the year over year growth rate is 54.5% slower than the average over the previous twelve months. Retail trade bears responsibility for much of this slow down as payrolls in this industry has only grown by 1,400 (0.5%) since last July. This compares to twelve-month growth of 7,200 (2.9%) posted one year ago. On an unadjusted basis, employment in food & beverage stores and general merchandise stores is little

changed over the year, while motor vehicle & parts dealers have trended down 300. TWU experienced the fastest increase of the sectors, at 2.6%. The 2,000 jobs added in this sector mark its largest twelve-month expansion in 2008. Wholesale trade matched its smallest year over year job increase since the end of 2004, adding a mere 1,100 positions. This 1.1% growth lags the prior year trend by nearly fifty percent. Durable goods wholesalers pared an unadjusted 300 (0.5%) workers over the past year to account for much of this weakness.

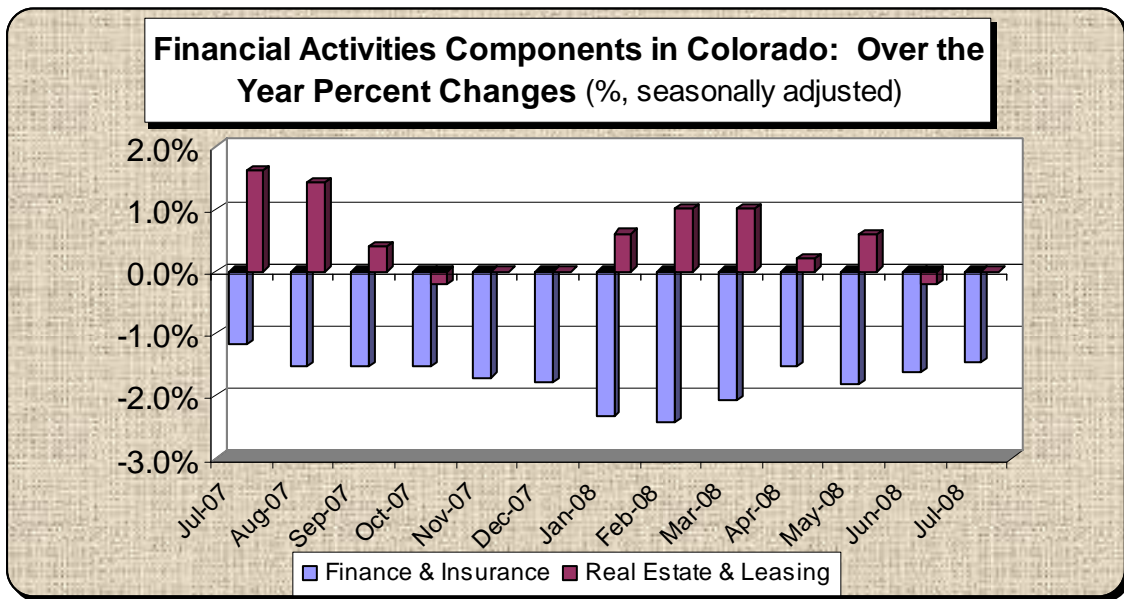
**Information: + 300 (0.4%)**

Information payrolls rose for the second consecutive month, edging up 300 in July. Publishing industries pared an unadjusted 100 positions and telecommunications employment trended down 200. Since last July, 1,100 workers have been trimmed from information payrolls. This 1.4% contraction is a marginal improvement over than the previous two months, but it signifies a departure from the prior year trend of a 0.9% increase. Unlike this month when much of the growth occurred outside of telecommunications and publishing industries, these two components posted unadjusted payroll declines of 300 and 500, respectively.



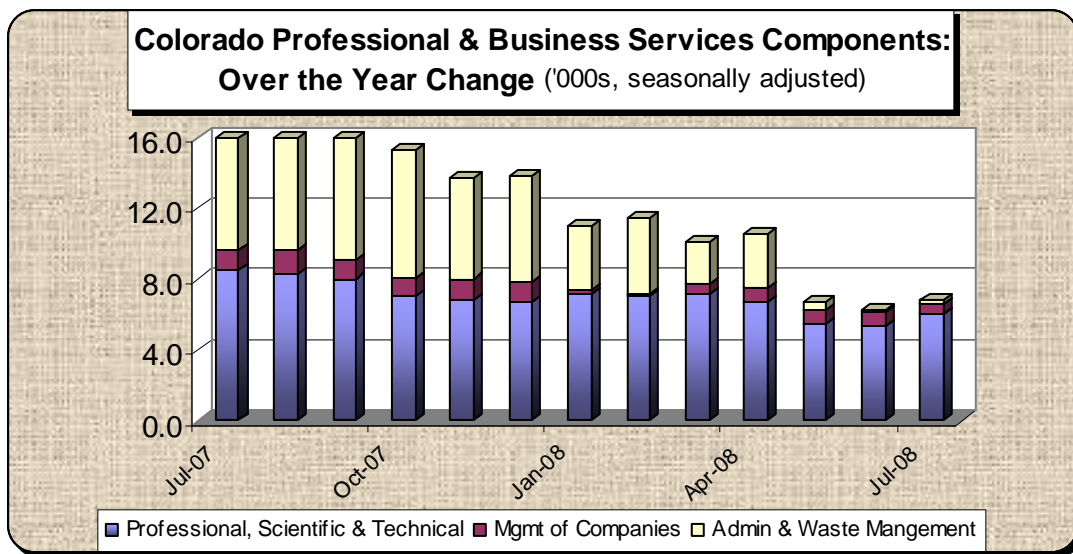
**Financial Activities: + 200 (0.1%)**

Employment in financial activities inched up 200 in July. Finance & insurance remained at the same level as last month (108,400), while real estate, rental & leasing made up for the lack of growth in its larger counterpart by adding 200 new hires. Over the year, financial activities has shed 1,600 positions. This 1.0% drop matches the slowest year over year contraction in the past ten months and it mirrors the average over the prior year. Real estate, rental & leasing payrolls are unchanged from last July, but its real estate component shed an unadjusted 1,000 positions during the past twelve months. Finance & insurance, still suffering from the credit crunch that began last summer, pared 1,600 jobs. Credit intermediation has been the catalyst for this decline, paring an unadjusted 2,400 (4.6%) workers over the past year. Insurance carriers & related shed 300 workers, while the securities, commodities & other financial investments component experienced job growth of 600.



### Professional & Business Services: + 700 (0.2%)

Professional & business services had 700 new hires in July. Professional, scientific & technical consulting services was the only component industry to add jobs this month. The 1,600 positions it added offset the loss of 800 jobs in the catchall administrative, support, waste management & remediation services sector and the 100 positions pared from management of companies. On an unadjusted basis, architecture, engineering & related and computer systems design & related each added 800 positions, while employment services trimmed 1,400 from its payrolls.

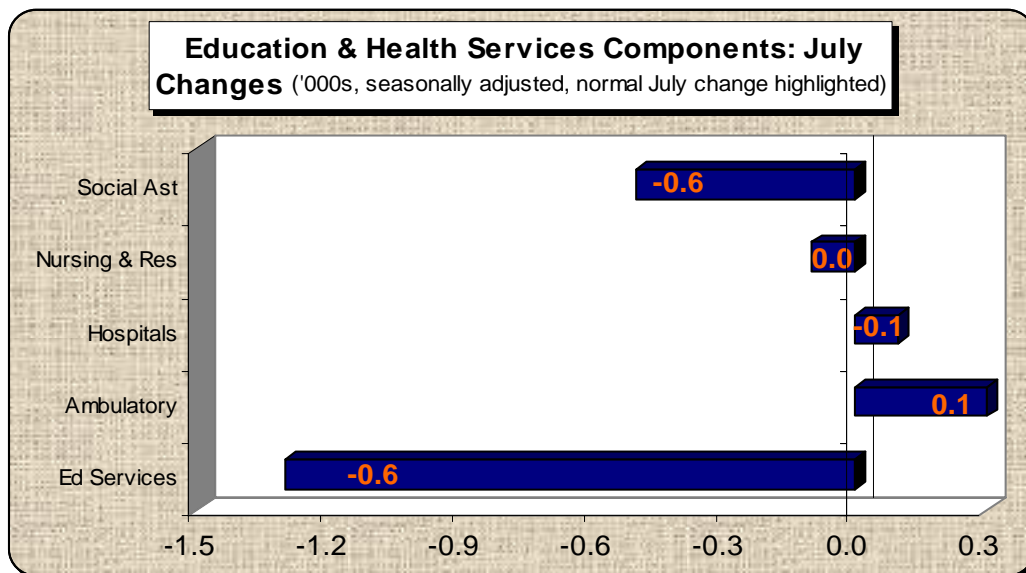


Waning growth in this supersector is one of the causes of the slowing growth of total nonfarm employment. When the state was experiencing more robust growth, this industry accounted for nearly one-third of the positions created over the year, but its contribution to the state's growth has now fallen to less than one-quarter. Growth is still continuing unabated in professional, scientific & technical services and 6,000 of the 6,800 positions added in professional & business services since last July have come from this component. While the 3.5% year over year increase in this component is about 17% slower than its prior year trend, the 1.9% twelve-month expansion in the supersector is

about half the pace of the previous year average. Growth in the catchall administrative sector has slowed to a crawl. This component employs only 200 more people than one year ago and its year over year growth rate has fallen to 0.1% from 5.2% last July. An unadjusted 1,200 (2.7%) position drop in employment services is the main culprit behind the weakness in the administrative sector. Management of companies has added 600 employees since this time last year; however, it is also experiencing slower growth and its 2.1% expansion is about one-third slower than the average year over year increase during the past twelve months.

### Education & Health Services: + 400 (0.2%)

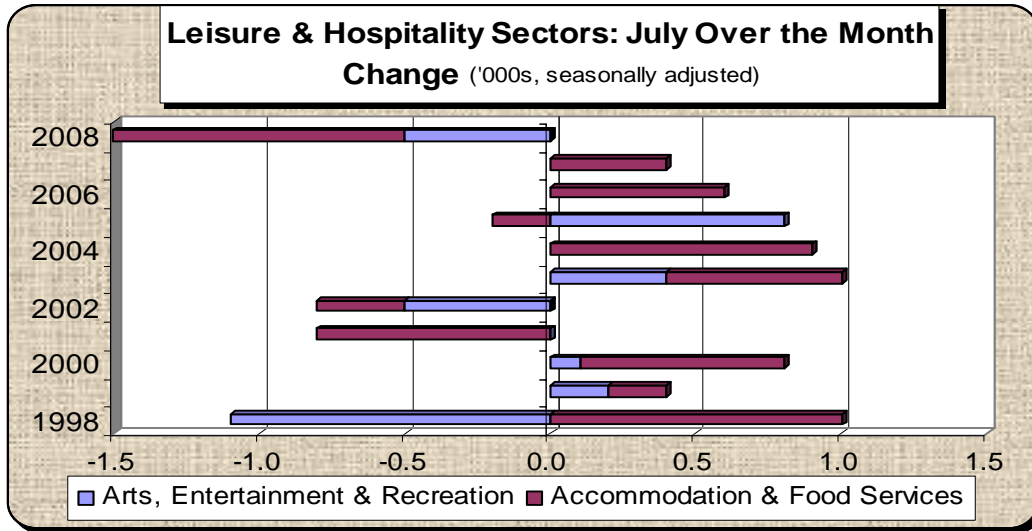
Following five months with payroll growth exceeding 1,000, employment in education & health services edged up 400 in July. Educational services experienced a seasonal decline of 400 with most schools out of session for the entire month. The health care & social assistance sector offset this decline with the addition of 800 positions. On an unadjusted basis, ambulatory care realized growth of 300 and hospitals inched up 100, while nursing and residential care and social assistance shed 100 and 500 jobs, respectively. Since last July, education & health services payrolls have risen by 9,700. Growth of 4.0% is marginally faster than the prior year trend and it is the second fastest in the state, trailing only natural resources & mining. Educational services lagged the supersector with a 3.4% year over year increase. This sector's 1,000 position growth in the past twelve months is about one-sixth less than the previous year average. The larger health care & social assistance sector matched its most rapid advance in the past six years with a 4.1% increase on the strength of 8,700 new hires. Ambulatory care and hospitals were the largest contributors to this expansion with unadjusted employment gains of 3,500 and 2,300, respectively. Social assistance had 1,900 net hires, for growth of 5.5%, while nursing & residential care facilities has added 800 (2.2%) positions.



### Leisure & Hospitality: - 1,500 (0.5%)

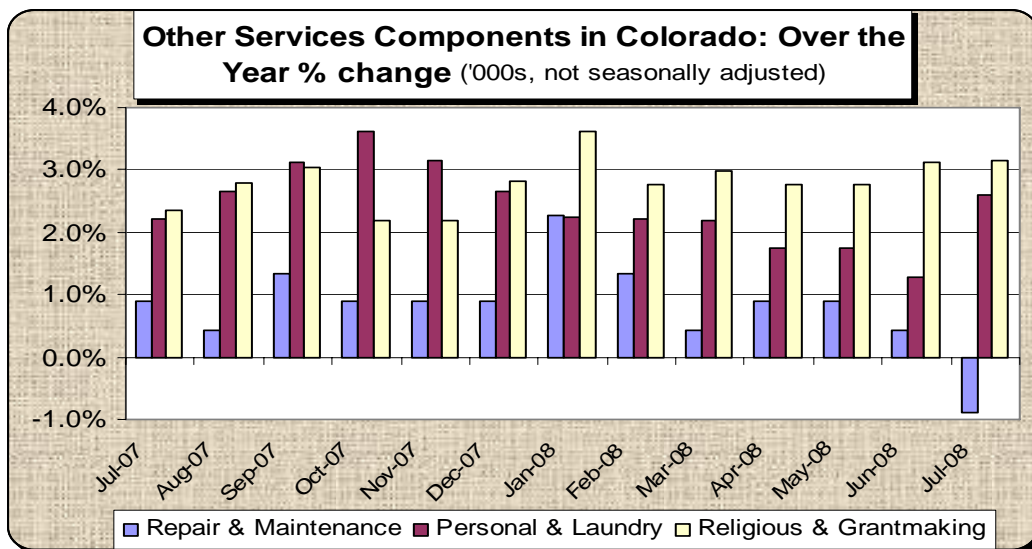
Leisure & hospitality pared 1,500 workers in July to experience its largest over the month employment decline since January 2007. Arts, entertainment & recreation pared 500 positions for the second consecutive month, accounting for a disproportionate amount of the monthly drop. Accommodation & food services matched its largest monthly drop since March 2003 by shedding 1,000 workers. Accommodation realized an unadjusted increase of 1,500, but this was considerably less than normal and it equals the smallest July increase in the past ten years. Payrolls in food services & drinking places remained unchanged from the previous month. Similar to TTU, the twelve-month growth rate in leisure & hospitality has tapered off since the beginning of the year. The 4,300 new hires in leisure

& hospitality since last July represent the smallest year over year advance in the past fifty three months, and this 1.6% expansion is less than three-quarters of the prior year trend. Arts, entertainment & recreation has continued to grow at a faster rate than the supersector, but its 3.6% (1,600 jobs) increase marks its slowest rate of expansion in 2008. Accommodation & food services overcame an unadjusted 300 position decline in accommodation to add 2,700 (1.2%) employees. Both limited service eating places and full service restaurants gained an unadjusted 1,200 jobs, for growth of 1.6% and 1.2%, respectively.



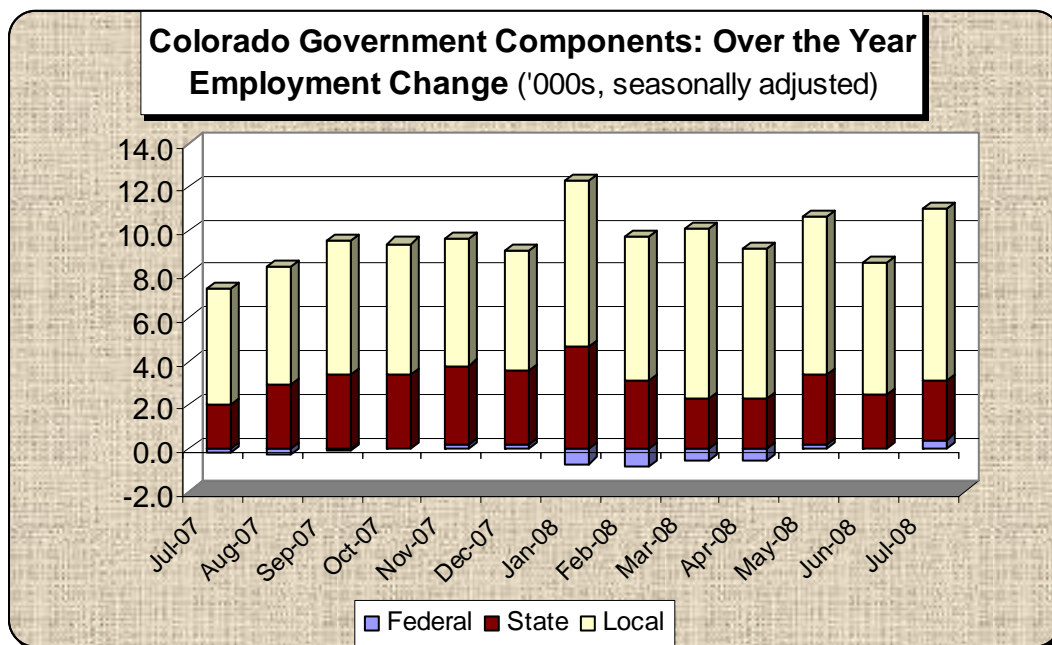
### Other Services: Unchanged

The number of people working in other services remained unchanged from June. On an unadjusted basis, all of the component industries experienced successively larger losses with personal & laundry services paring 100 jobs, the catchall religious, grant making, civic, professional & other similar organizations sectors trimming 200 positions, and repair & maintenance trending down 300. Since last July, 2,100 new hires have been added to supersector payrolls. Year over year growth of 2.3% matches the most rapid pace in the past six months and is marginally faster than the prior twelve month trend. Personal & laundry services and the catchall organizations sector have added an unadjusted 600 and 1,500 new hires, respectively. Repair & maintenance employment has fallen by 200 (0.9%) jobs since last July, representing the sector's first twelve-month decline in one year.



## Government: + 3,600 (0.9%)

Large gains in State and local government enabled employment in this supersector to rise by 3,600 in July. Employment in Federal government increased 300 from June, and State government experienced a 1,100 position increase. Local government experienced its largest monthly gain since September 1999 as its payrolls rose 2,200 in July. A significant portion of this gain could be attributable to the seasonal adjustment factor as the unadjusted drop in local government was about normal and local education saw a typical unadjusted 16,600 position decline. State education pared an unadjusted 900 as universities were out of session during the month. Over the year, 11,000 have been added to public sector payrolls, accounting for nearly 36% of the total nonfarm growth. The 2.9% expansion in the public sector is the third fastest of the eleven major industries and it is about one-sixth faster than the prior year trend. Local and State government have contributed nearly all of these jobs with payroll gains of 7,900 (3.3%) and 2,700 (3.2%), respectively, in the last twelve months. A majority of these positions have come from the educational components; State education has 2,200 (5.0%) more people working in this component than last July and local education has added 5,000 (4.8%) positions. The Federal government now has 400 (0.8%) more employees than one year ago.



\*Source: Colorado Oil & Gas Conservation Commission

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