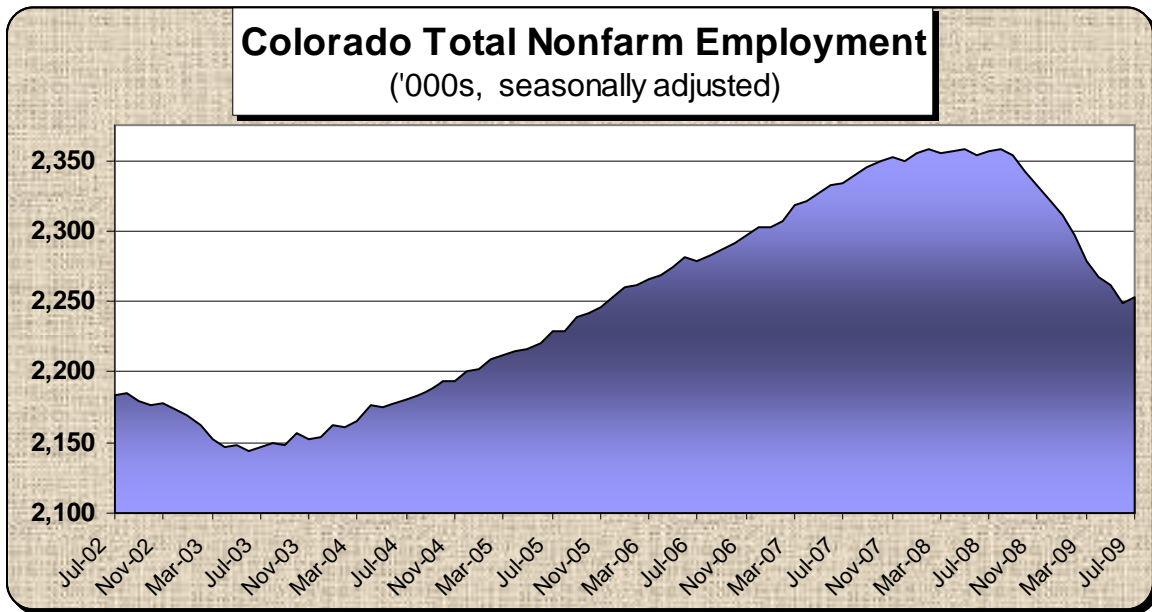


Colorado Revised Estimates By: Chris Akers

Total Nonfarm Wage and Salary Employment: + 3,900 (0.2%)

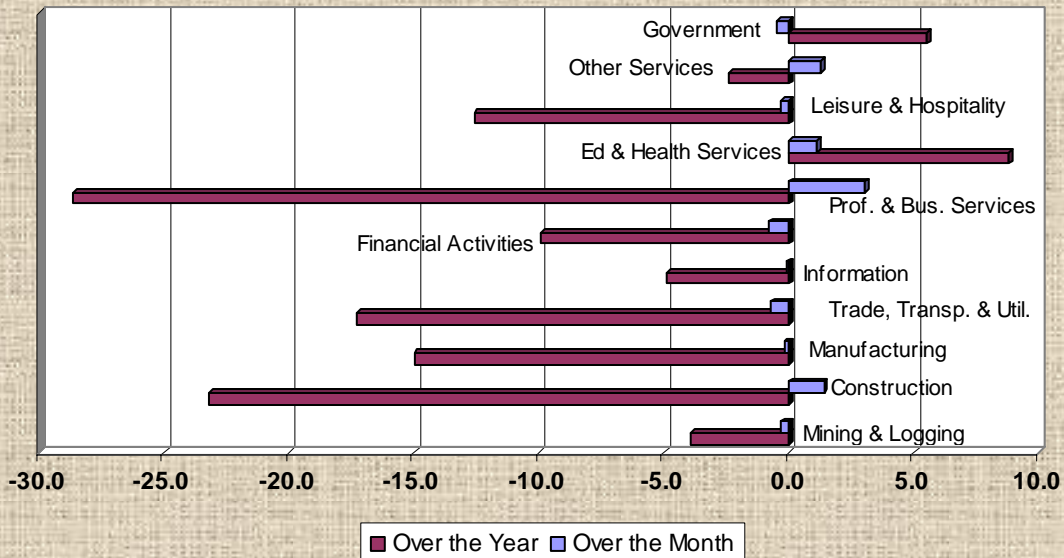
Seasonally adjusted



Total nonfarm employment in Colorado realized the first increase in eleven months as payrolls advanced by 3,900 in July. Only four supersectors experienced growth; however, each added more than 1,000 positions, leaving seven that shed jobs over the month, with losses averaging 400. Leading the gainers was professional & business services, with 3,000 new hires, followed by the addition of 1,400 in construction. Other services added 1,300, and education & health services rose 1,100. Interestingly, these large increases all occurred in highly seasonal industries opening the possibility that the seasonal adjustment factor inflated the gains in professional & business services and other services. Employment in information was little changed, edging down 100, while manufacturing shed 200 and mining & logging, along with leisure & hospitality pared 300 positions apiece. Payrolls in government notched down 500, fell by 700 in trade, transportation & utilities (TTU), and retreated 800 in financial activities.

Since this time last year, 103,500 positions have been lost from the state's payrolls, for a 4.3% contraction. Job losses were widespread with only education & health services, up 8,800, and government, rising 5,500, having adding workers over the past year. Professional & business services has seen the largest payroll contraction, paring 28,600; construction has experienced the fastest rate of decline, at 14.3%, with the loss of 23,200 jobs. The number of people working in TTU has fallen 17,300 over the year and manufacturing has declined by 15,000. Leisure & hospitality employment has decreased by 12,600. Financial activities has shed 9,900, while information now has 4,900 fewer workers than in last July. Mining & logging has lost 3,900 jobs and employment in other services has contracted by 2,400 over the year.

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

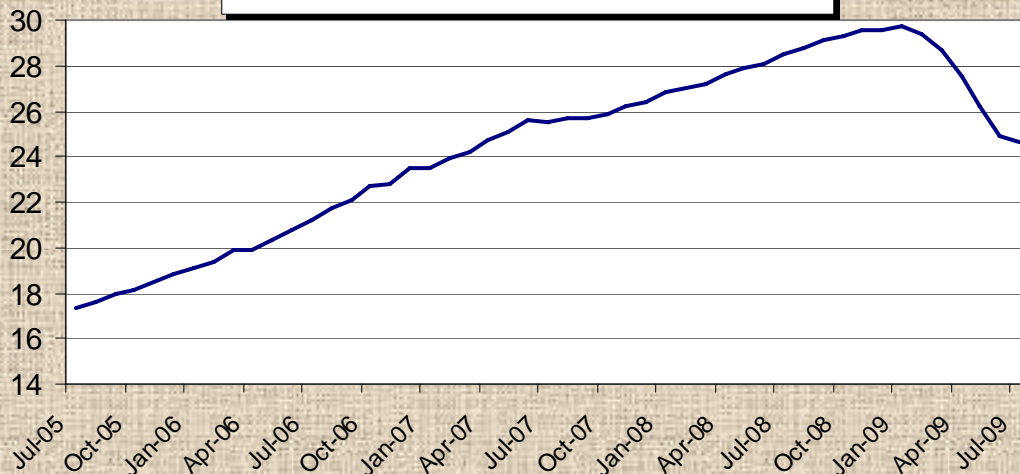


Natural Resources & Mining: - 300 (1.2%)

Natural resources & mining payrolls contracted by 300 in July, marking the industry's sixth consecutive monthly drop. This industry had enjoyed a strong expansion from November 2002 and enjoyed the fastest annual growth of all supersectors from October 2003; however, the frenzied pace of growth came a halt at the end of last year. Industry payrolls have now fallen by 3,900 in the last twelve months and this 13.7% annual contraction is the second worst in the state, trailing only construction. Support activities for mining and the drilling of oil and gas wells was the driving force behind this industry's growth; now a lack of drilling activity is the cause of much of the drop in employment. One year ago, there were 109 rigs drilling for oil and gas in the State, but that number has declined by nearly 60% as there were only 44 rigs operating in July.

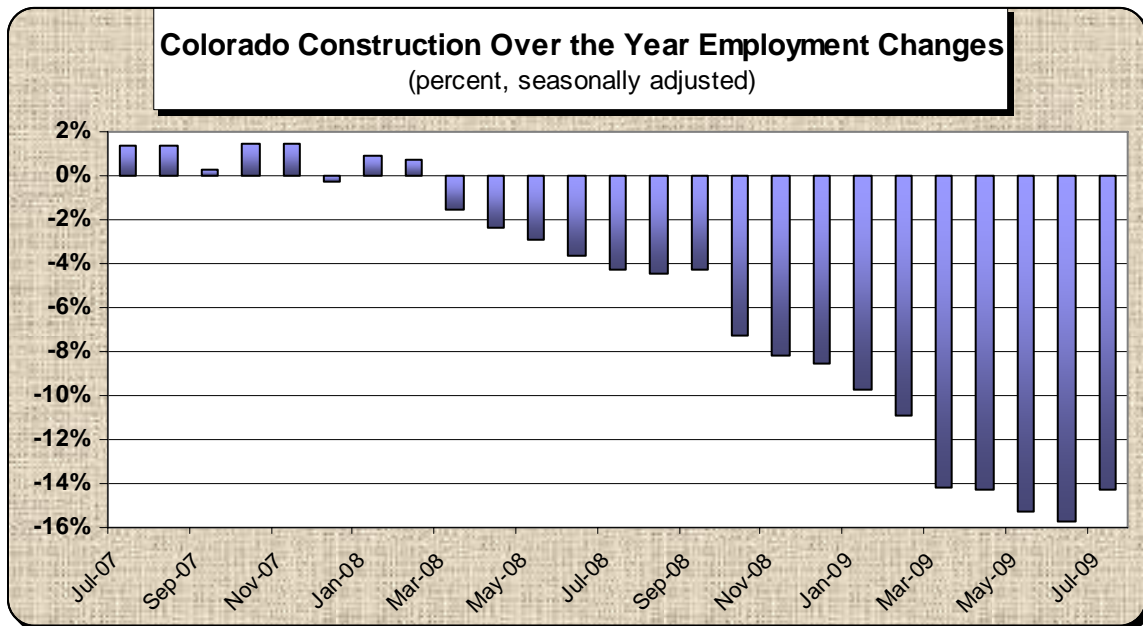
Mining & Logging Employment in Colorado

('000s, seasonally adjusted)



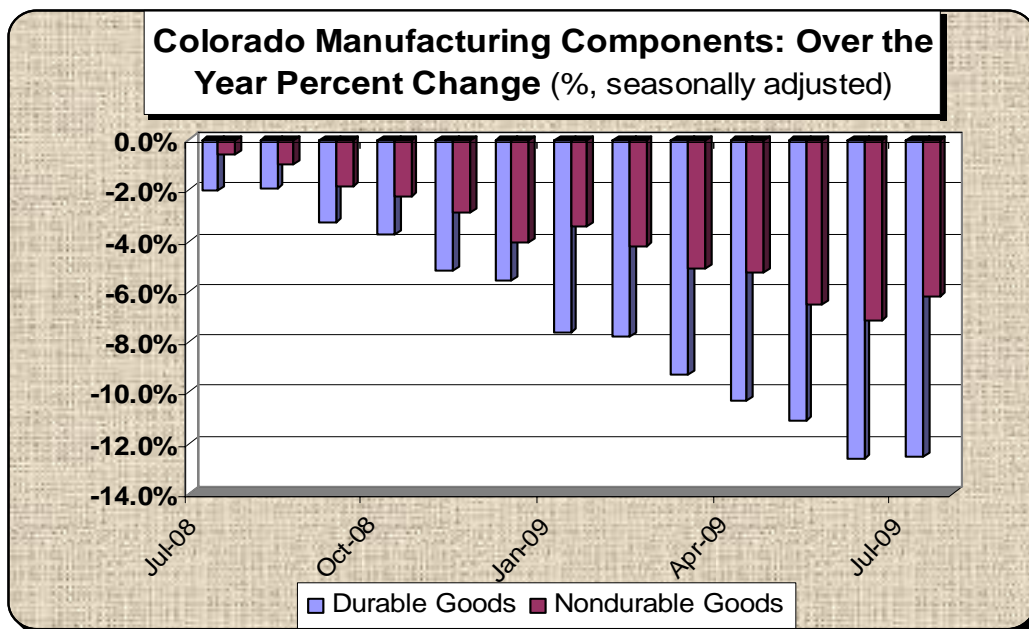
Construction: + 1,400 (1.0%)

Construction payrolls posted their first increase in the past twenty-one months, rising 1,400 in July. Specialty trade contractors and heavy & civil engineering both recorded larger than normal unadjusted gains for the month of 2,200 and 600, respectively; construction of buildings inched up 200. Over the last twelve months, construction has pared 23,200 workers. This 14.3% decline represents a moderate improvement over the annual rate of decline in June, but it is nearly 50% larger than the prior year trend. Suffering from the drastic decline in homebuilding, construction of buildings has lost 7,000 (21.9%) positions over the past year. The residential weakness was partially offset by tenant improvements and lingering non-residential projects, allowing specialty trade contractors to fare better than construction of buildings. However, employment in this large component has fallen 13,800, or 12.2%, over the past year. Heavy & civil engineering payrolls have declined by 2,000 (8.1%) in the past twelve months.



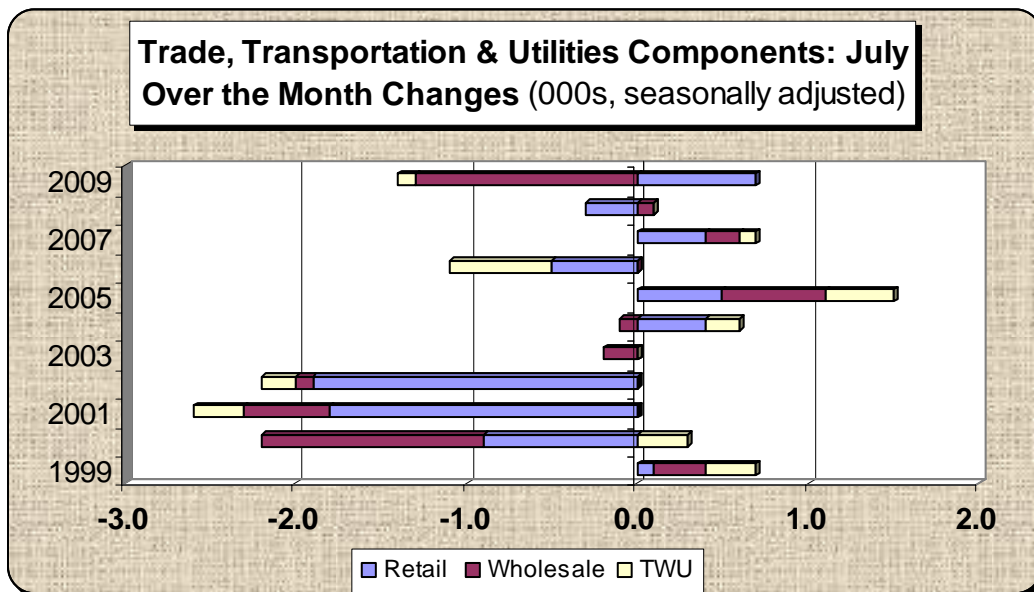
Manufacturing: - 200 (0.2%)

Manufacturing shed 200 in July to post its smallest monthly decline in the past fifteen months. Durable goods employment has now declined for eighteen consecutive months, falling 300 in July; nondurable goods partially offset this drop by adding 100. Computer & electronic product manufacturing pared an unadjusted 200 workers in July, and fabricated metal producers shed 300. Supersector payrolls have fallen 15,000 (10.4%) during the past year. While this is a marginal improvement over last month, the rate of contraction is double the prior year trend. The nondurable sector experienced its smallest year over year decline in the past three months, with a 6.2% (3,000 position) contraction since last July. The twelve-month rate of decline in durable goods was little changed from last month at -12.5%; there are 12,000 fewer people working in this sector than in one year ago.



Trade, Transportation, & Utilities (TTU): - 700 (0.2%)

After posting small increases in May and June, TTU pared 700 positions in July. Wholesale trade bears responsibility for this month's loss as it lost 1,300 positions, while transportation, warehousing & utilities (TWU) edged down 100 employees. Retail trade partially negated these losses by gaining 700 jobs this month; food & beverage stores trended up an unadjusted 300.

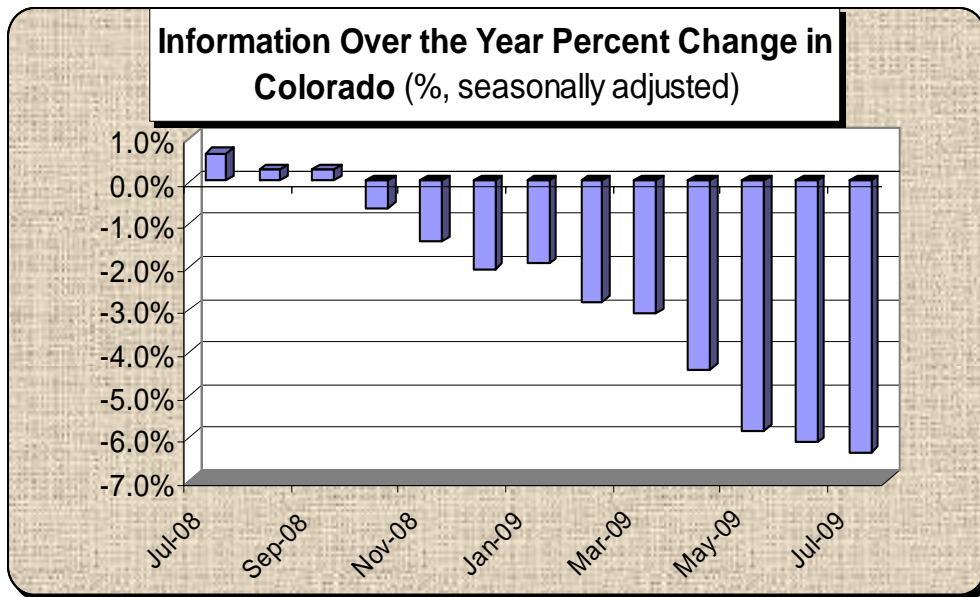


In the last twelve months, supersector employment has decreased by 17,300 or 4.0%. This represents the fastest rate of advance in three months and it is 74% more rapid than the prior twelve-month average. Wholesale trade has experienced the fastest contraction of the sectors, at 6.2%, with 6,200 lost jobs; this marked the sector's most rapid decline in its twelve-year seasonally adjusted history. TWU has shed 2,800 positions over the past twelve months for a drop of 3.2%. The transportation components were the source of the losses with air transportation paring an unadjusted 1,600 workers, truck transportation trimming 1,000, and couriers & messengers realizing the loss of

500 over the past year. Retail trade has lost 8,300 jobs since last July; however, this 3.3% rate of decline marks the slowest pace of contraction in the past six months. On an unadjusted basis, general merchandise stores have trimmed 1,000 workers, while motor vehicle & parts dealers have shed 3,500.

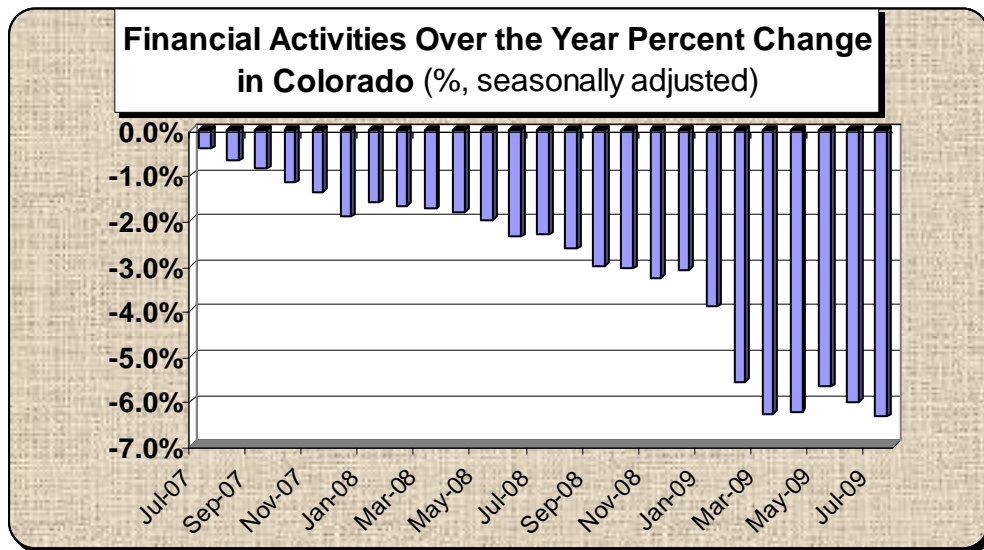
Information: - 100 (0.1%)

Information payrolls retreated for the sixth consecutive month, inching down 100 in July. Publishing industries pared an unadjusted 300 positions and telecommunications employment edged down 100. Since last July, information payrolls have retreated by 4,900. This 6.4% contraction is marginally faster than the previous two months, but it signifies a departure from the prior year trend of a 2.3% decline. Much of this drop has occurred outside of telecommunications and publishing industries as these two components posted unadjusted over the year losses of 900 and 1,800, respectively.



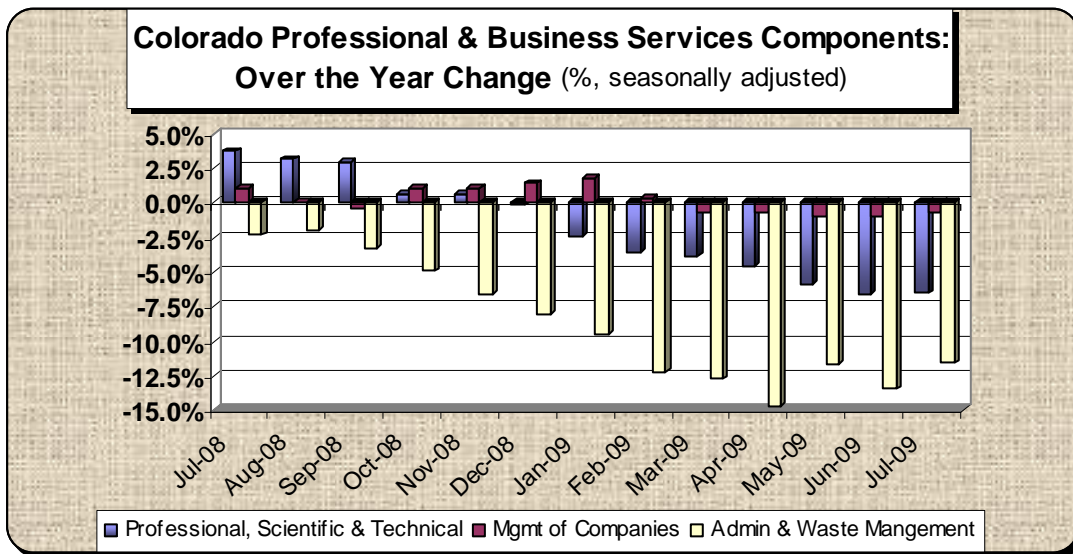
Financial Activities: - 800 (0.5%)

Employment in financial activities fell by 800 in July. Finance & insurance shed 200 workers, with insurance carriers & related suffering an unadjusted decline of the same magnitude. Real estate, rental & leasing pared 600 positions this month, despite an unadjusted 200 gain in its real estate component. Over the year, payrolls in financial activities have contracted by 9,900. During the last recession, this industry only saw brief and modest year over year losses; this 6.4% twelve-month drop is the most rapid decline in the seasonally adjusted nineteen year history. Real estate, rental & leasing has accounted for 4,100 positions lost over the year and outpaced the supersector with an 8.8% contraction. Its real estate component accounted for nearly this entire decline, paring an unadjusted 4,000 positions since last July. Employment in finance & insurance has retreated 5,800, or 5.4%, over the past twelve months. Credit intermediation has pared an unadjusted 2,800 positions in the past year, while insurance carriers & related has shed 1,900.



Professional & Business Services: + 3,000 (0.9%)

Professional & business services recorded its largest employment gain in two and a half years, adding 3,000 new hires in July. Much of this gain occurred in the catchall administrative, support, waste management & remediation services sector, up 2,200. This sector typically experiences a large unadjusted gain in June and little change in July, but the pattern was reversed this year (contributing to the large seasonally adjusted rise) with a large unadjusted gain occurring this month after a small increase last month. Roughly half of this month's gain was recorded in the highly seasonal, services to buildings & dwellings component. Professional, scientific & technical consulting services added 600 jobs this month, while management of companies saw its payrolls tick up 200.

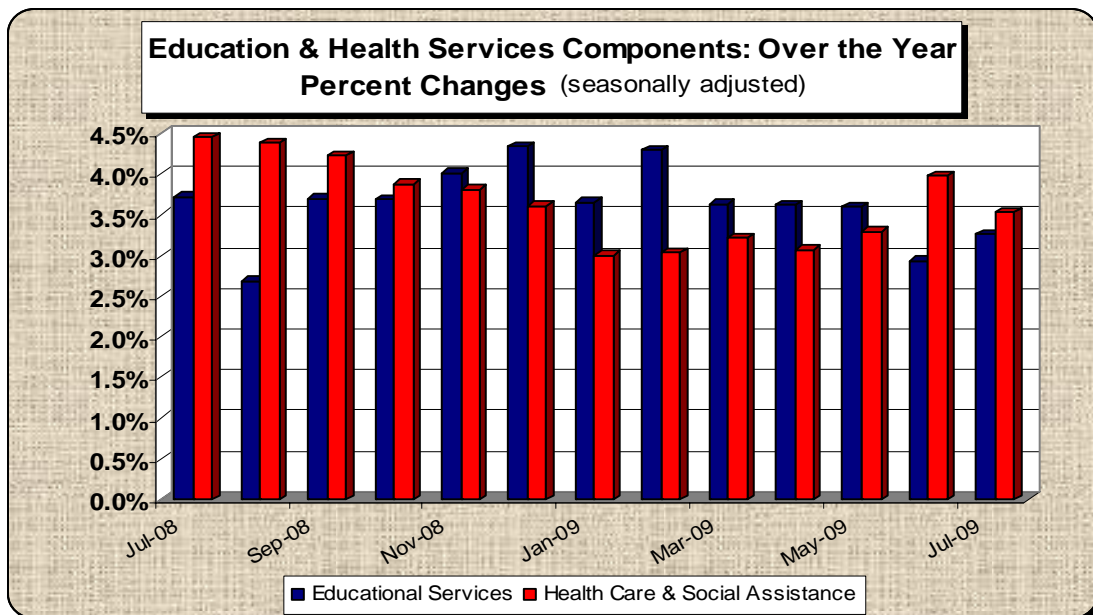


This supersector accounts for about one out of every seven jobs in the State, but it is responsible for over one-quarter of the statewide losses since last July. Of the 28,600 (8.1%) positions trimmed since last July, nearly 60% of the jobs lost came from administrative support, waste management & remediation. Employment in this catchall component has fallen 16,900, or 11.6%. Management of companies has seen little change in the past twelve months, its payrolls are off 200 (0.7%). Professional, scientific & technical services has seen employment retreat 11,500, or 6.5%. The

largest unadjusted losses have occurred in employment services, down 8,300 (20.4%), architectural & related services, off 4,500 (9.9%), and services to buildings & dwellings, down 4,300 (9.5%).

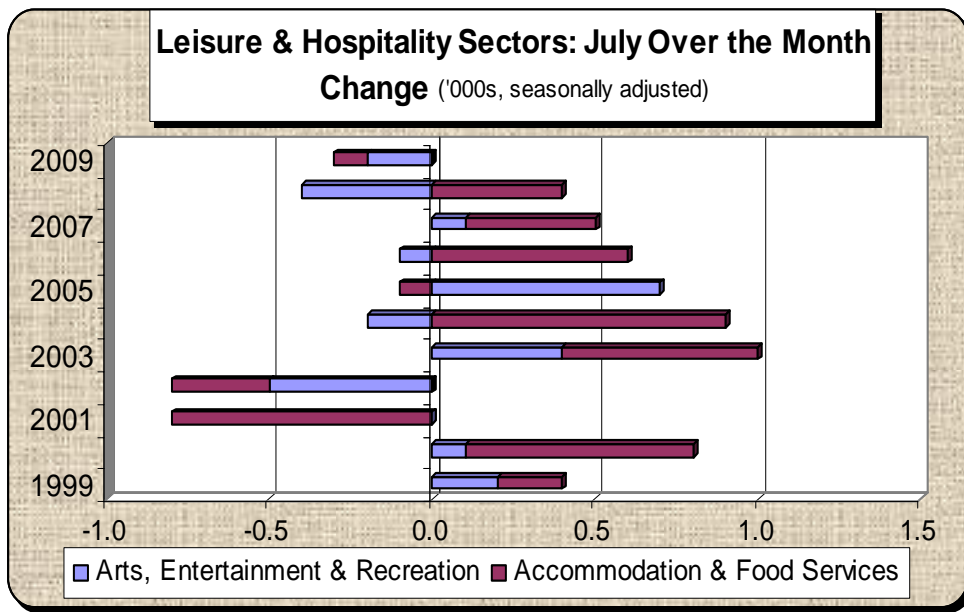
Education & Health Services: + 1,100 (0.4%)

Education & health services saw its payrolls expanded for the sixth consecutive month, rising 1,100 in July. Educational services inched up 100, while health care & social assistance added 1,000 positions. On an unadjusted basis, ambulatory care netted growth of 400 employees and nursing & residential care edged up 200, while hospitals and social assistance each shed 100 and 500 jobs, respectively. Since last July, education & health services payrolls have grown by 8,800; this 3.5% expansion is marginally slower than the prior twelve-month trend. Educational services has added 1,000 workers over the prior year, growth of 3.3%. The larger health care & social assistance sector matched its second most rapid year over year advance in the past seven months with a 3.5% increase on the strength of 7,800 new hires. Ambulatory care was responsible for roughly half of this increase with an unadjusted 4,000 (4.4%) positions; hospitals and social assistance each added about 1,500 jobs, while nursing & residential care trended up 1,000.



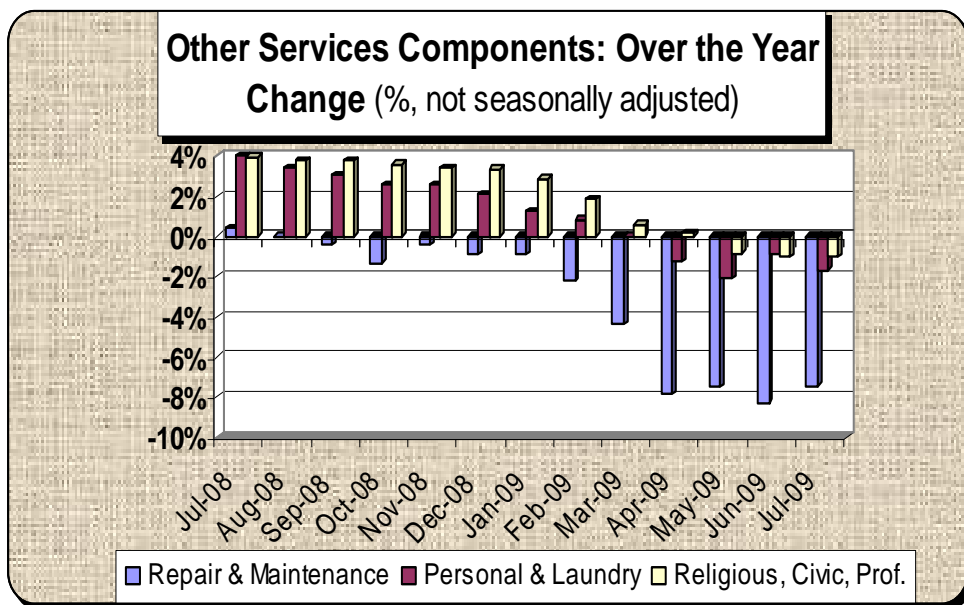
Leisure & Hospitality: - 300 (0.1%)

After experiencing large losses coinciding with the end of the winter recreation season, employment in leisure & hospitality retreated by 300 in July. Arts, entertainment & recreation shed 200 positions, while accommodation & food services saw its payrolls inch down 100 this month. Large unadjusted increases occurred in accommodation and full service restaurants as these two components realized gains of 1,800 and 1,000 jobs, respectively. The number of people working in leisure & hospitality has declined by 12,600, or 4.6%, over the past twelve months. Contracting at a faster rate than the supersector since February, arts, entertainment & recreation has now lost 4,800 jobs over the year; this 10.4% decrease is the largest on record and is 2.25 times greater than that of the industry. Accommodation & food services has trimmed 7,800 employees over the past year, for a decline of 3.4%. Accommodation has shed an unadjusted 3,300 (7.8%), while full service restaurants have pared 3,000 (3.0%) and limited service restaurants have trimmed 1,200 (1.6%) from payrolls since last July.



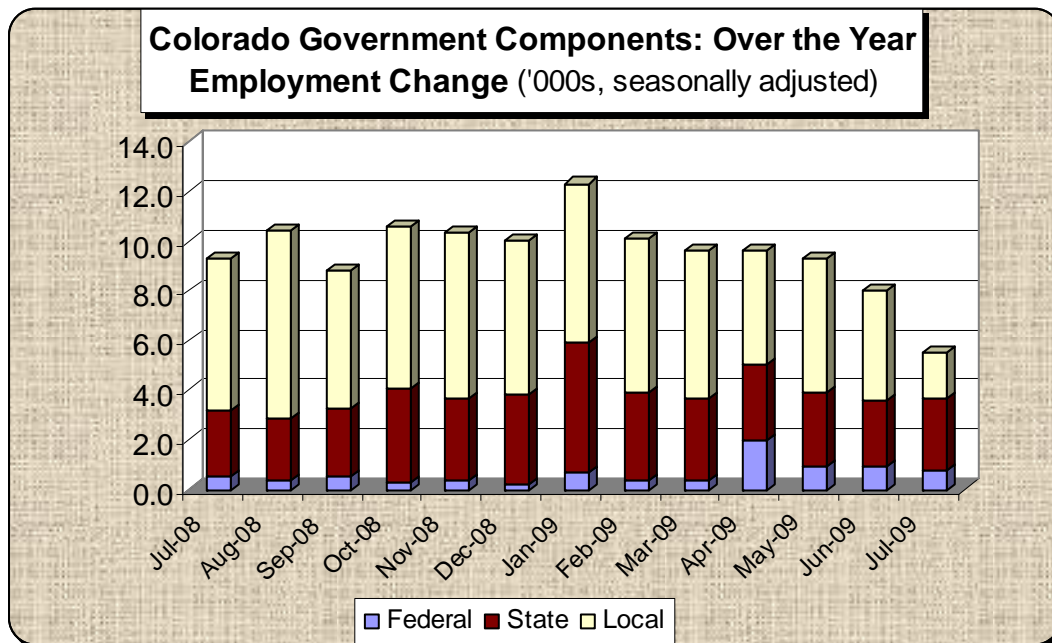
Other Services: + 1,300 (1.4%)

Other services saw its payrolls increase by 1,300 in July. However, the largest increase in forty-two months for this supersector could be attributable to increased volatility as seen in both March and April when the industry shed 1,400; this month's increase could also be partially attributable to a rebound from these oversized losses. On an unadjusted basis, repair & maintenance added 200 positions and the catchall religious, grant making, civic, professional & other similar organizations sector gained 400 jobs, while personal & laundry services remained unchanged. Since last July 2,400 positions have been eliminated in other services. July's year over year contraction of 2.5% is an improvement over the past two months, but it contrasts to the prior twelve-month average of 0.7% growth. Personal & laundry services and the catchall organizations sector have pared an unadjusted 400 and 500, respectively. Repair & maintenance employment has fallen 1,700 (7.4%) jobs since last July.



Government: - 500 (0.1%)

Stronger than normal declines in the education component local government caused employment in the public sector to fall by 500 positions in July. Employment in Federal government inched up 100, while State government experienced a 1,200 position increase. Local government experienced a seasonal drop that was larger than typically seen and its payrolls fell by 1,800 this July. Local education's 17,400 unadjusted employee contraction was the driving force behind this month's drop in the local sector. Conversely, State education pared an unadjusted 1,400 educators, about 1,000 less than is typical this month. Over the year, 5,500 have been added to public sector payrolls, growth of 1.4%. State government has contributed over half of these jobs as its employment has risen 2,900 (3.3%) in the last twelve months. The Federal government now has 800 (1.5%) more employees than one year ago, while local government payrolls have trended up 1,800 (0.7%). State education has 2,500 more people working in this component than last July and local education has added 3,000 positions.



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