

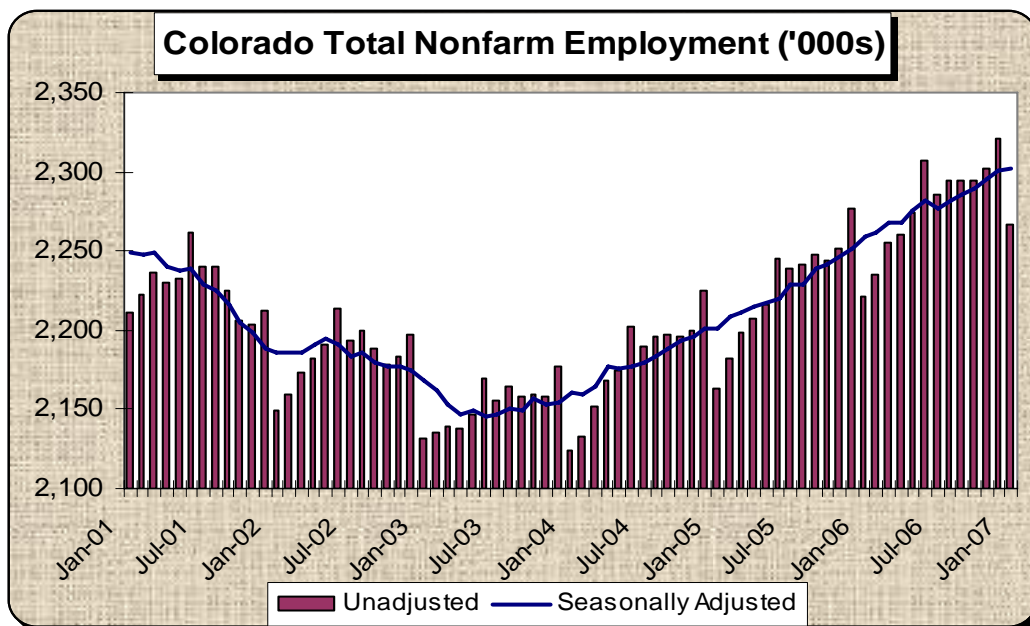
Colorado Preliminary Estimates By: Chris Akers

Total Nonfarm Wage and Salary Employment: + 1,800 (0.1%)

Seasonally adjusted

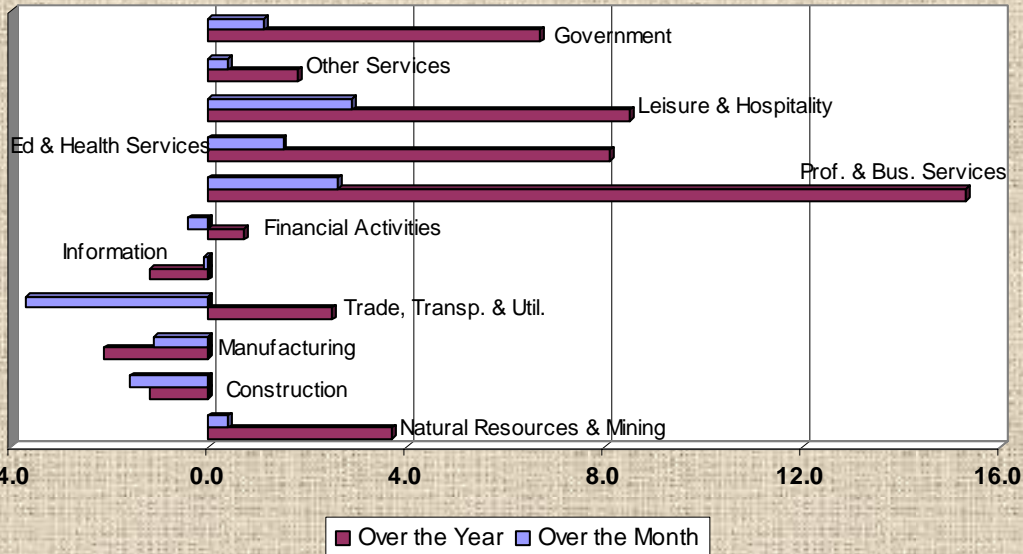
Newly revised, benchmarked data for the end of 2005 and all of 2006 were released concurrently with the January preliminary estimates. Total nonfarm estimates for 2006 were upwardly revised 0.3%, resulting in annual average payroll employment of 2,278,800 in 2006. This was 52,800, or 2.4%, higher than the previous year. While this represents the largest advance in six years, it remains lower than the 65,000 positions created on average throughout the 1990s.

The Bureau of Labor Statistics has also changed the way the State computes seasonally adjusted data. Previously, data was adjusted only at the supersector level, and every major industry except information was adjusted. With the newly released data and historical data dating back to 1997, the adjustment now occurs at the two-digit NAICS industry (sector) level. When the two-digit sectors cover the entire industry, they are aggregated to determine the supersector's seasonally adjusted value. Only supersectors with two or more two-digit sectors will be aggregated, so natural resources & mining, construction, information, and other services will only be adjusted at the supersector level.



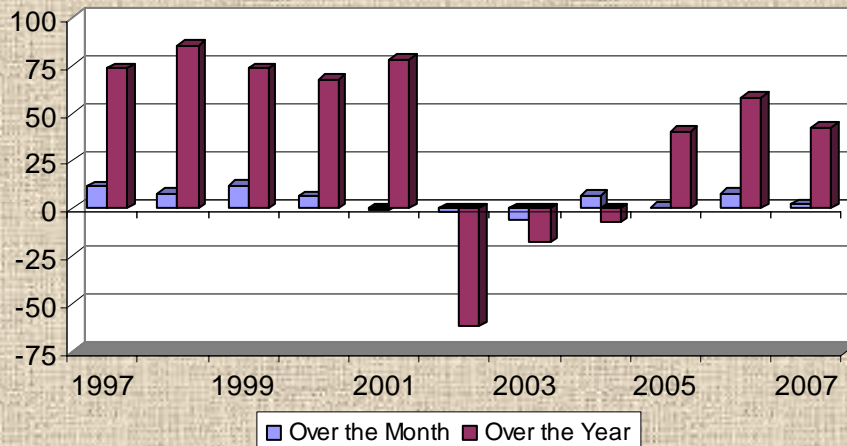
Total nonfarm employment in Colorado increased by a seasonally adjusted 1,800 in January, pushing payrolls to a new record level of 2,302,300. Six supersectors contributed positions to this expansion, while five experienced contracting employment. Leisure & hospitality and professional & business services experienced the most job growth, increasing by 2,900 and 2,600, respectively. Education & health services added 1,500 jobs; government gained 1,100 positions, while natural resources & mining along with other services each had 400 new hires. Seasonal declines in retail trade caused trade, transportation & utilities (TTU) to pare 3,700 positions. Cold weather and snow covered ground along most of the Front Range exacerbated construction's seasonal decline and led to the loss of 1,600 positions. Manufacturing trimmed 1,100 positions, while information and financial activities combined to shed 500 positions.

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



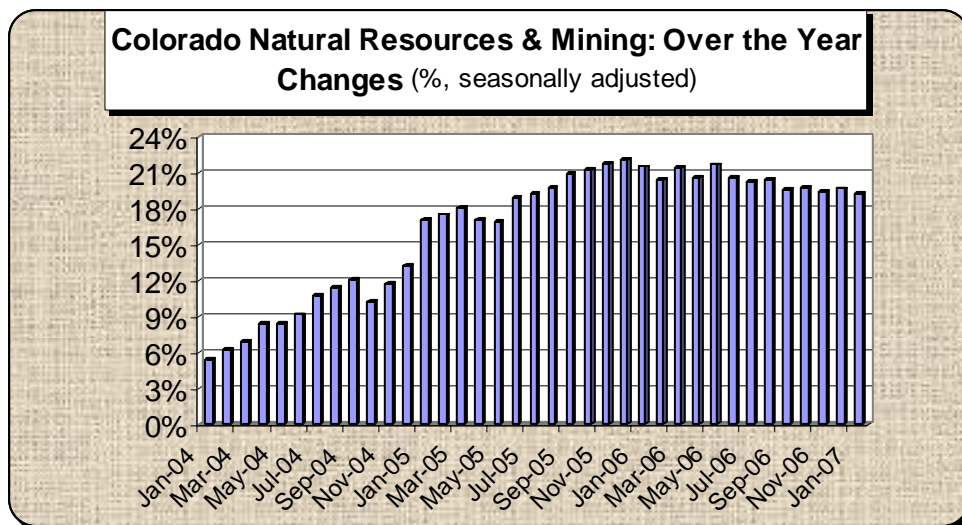
Over the year, 42,800 workers have been added to nonfarm payrolls, for growth of 1.9%. Eight growing industries combined to add 47,300 jobs, while three contracting industries eliminated 4,500 positions. Professional & business services contributed 15,300 new workers to the expansion; education & health services along with leisure & hospitality both donated more than 8,000 positions, and government employment grew 6,700. With 3,700 new hires, natural resources & mining's 19.3% annual growth rate was more than four times greater than professional and business services, the next fastest expanding industry. Manufacturing payrolls retreated 2,100 over the last twelve months, while information and construction each fell 1,200. The housing slowdown and bad weather have taken a heavy toll on construction employment. One year ago, its over the year growth led the State in number of jobs created and was second in percentage in terms.

Colorado Total Nonfarm January Over the Month and Over the Year Changes ('000s, seasonally adjusted)



Natural Resources & Mining: + 400 (1.8%)

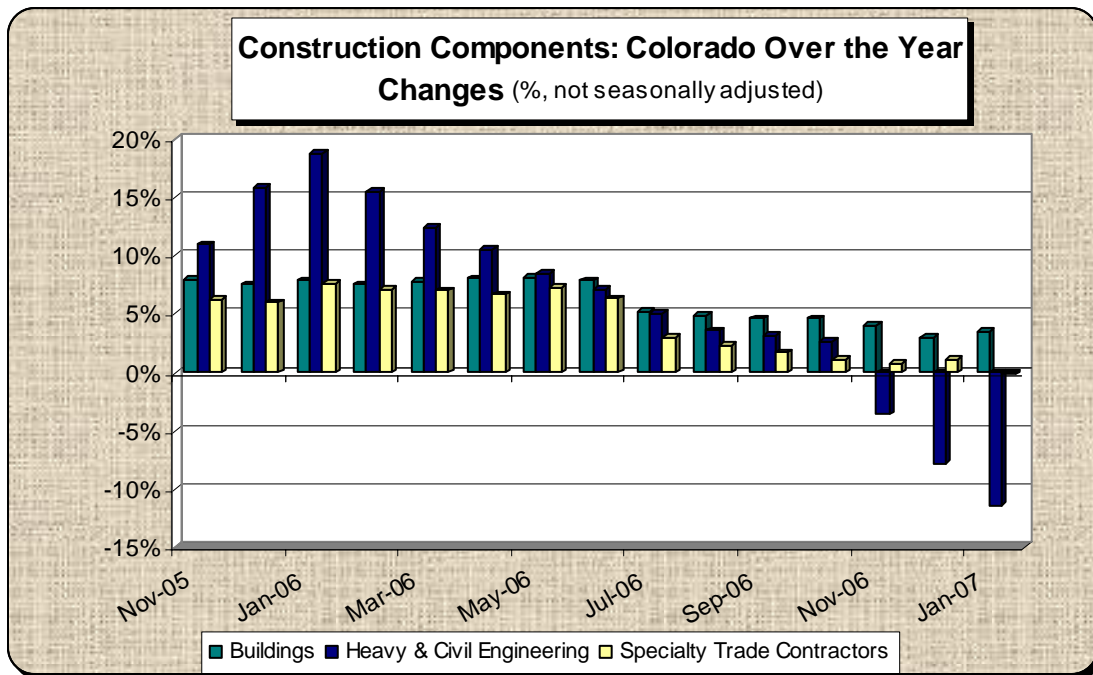
With a gain of 400 in January, it has now been 36 months since this industry has experienced an over the month employment decline. This increase matches the largest monthly expansion during this time and it is one-third greater than the prior twelve-month trend. Thanks to a vibrant energy market creating a frenzied pace of drilling throughout the State, there are 3,700 more people working in this industry than one year ago. Although this marks the strongest twelve month increase experienced in this industry in the past seventeen years, the growth over the past three years has caused the employment base to grow. As a result, this 19.3% twelve-month growth rate is 1.2 percentage points slower than the prior year trend. For each of the past eighteen months, natural resources & mining payrolls have advanced to a new max, and total employment of 22,900 is 31.6% above the previous 1990 max. However, industry employment remains well below the 43,400 employment peak in 1981.



Construction: - 1,600 (1.0%)

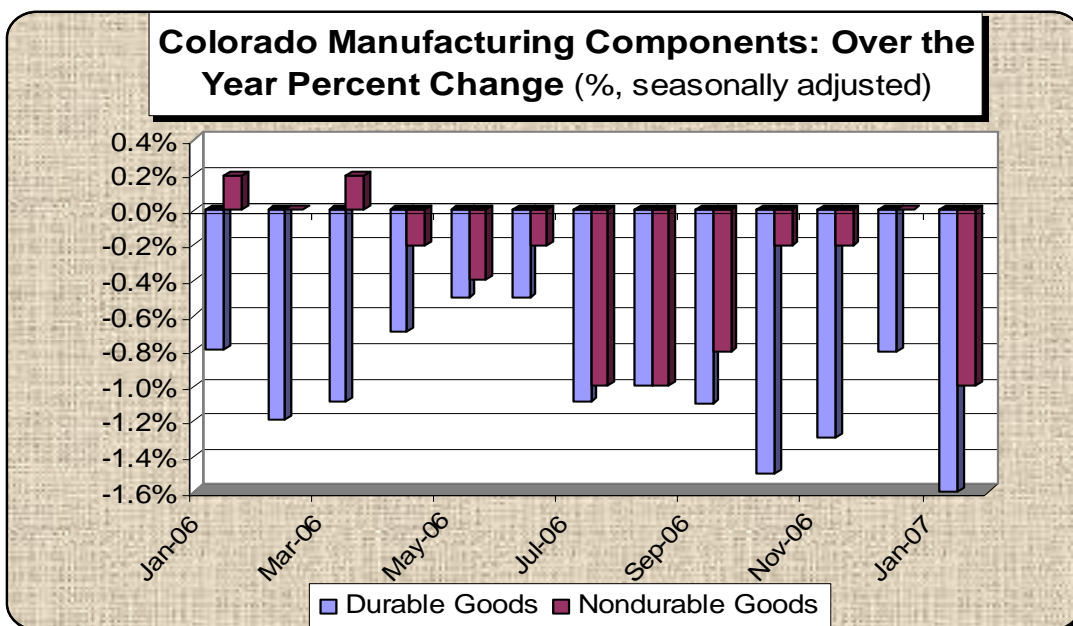
Construction employment declined for the fourth time in the past seven months, falling 1,600 in January. This marks the largest such decline since 2002 and it is partially attributable to a robust unadjusted 2,300 job drop in heavy & civil engineering. This sector's 11.4% decline is the steepest in the past seventeen years, and it was likely caused by frozen, snow covered ground hindering construction and the completion of the Rockies Express Pipeline project in northern Colorado. Specialty trade contractors also experienced a larger than normal January decrease, paring 5,100 positions. Construction of buildings, a sector that has benefited from large multiunit residential projects and growing non-residential development, experienced its smallest January loss in ten years, shedding only 1,000 workers.

As a result of the protracted payroll declines that began last July, there are now 1,200 (0.7%) fewer people working in construction than last year at this time. Construction of buildings, with 1,100 new hires, is the only sector to add jobs over the year. However, its 3.5% growth rate is only 56% of the prior twelve-month trend. By trimming 2,300 positions (11.4%) since last January, heavy & civil engineering recorded its strongest 12-month contraction since April 2003. This represents a significant departure from the prior year average annual growth of 6.3%. Similarly, specialty trade contractor payrolls were little changed (-0.2%) over the year after experiencing 4.4% average growth in 2006. According to a January Census Bureau report, the number of new construction building permits pulled has declined by 33% over the year. The drop was more severe in single family houses (45%) and duplexes (86%), while the number of permits for dwellings with three or more units increased by more than 90%.



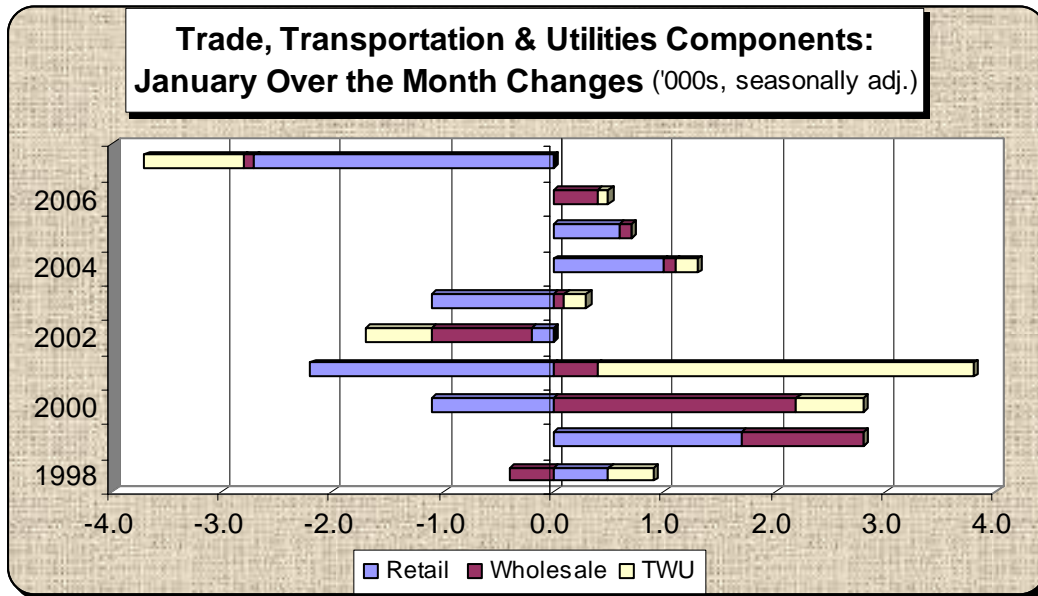
Manufacturing: - 1,100 (0.7%)

Manufacturing experienced its largest monthly decline in nearly four years by paring 1,100 jobs in January. Durable goods, hampered by continued weakness in computer & electronic product manufacturing, lost 900 positions over the month, while nondurables accounted for the remaining 200. The industry's monthly decline contributed manufacturing payrolls' 2,100 position retreat in the past twelve months. This 1.4% contraction matches the biggest year over year decline in nearly two and a half years and it is double the 2006 average. Durable goods shed 1,600 (1.6%) positions, due to an unadjusted 2,500 (8.6%) job decline in computer & electronic product manufacturing. Non-durable goods payrolls are 500 lower than last January, and this 1.0% decline matches the sector's strongest contraction in the past fifteen months.



Trade, Transportation, & Utilities (TTU): - 3,700 (0.9%)

Although the seasonally adjusted numbers suggest otherwise, TTU experienced a fairly typical January employment change. Retail trade pared 2,700 positions (1.1%) to account for 73% of the industry's over the month decline. On an unadjusted basis, retail saw a normal post-holiday payroll drop of 14,200 compared with 14,700 in 2006; however the adjusted decrease was the largest in its ten year history. Transportation, warehousing & utilities shed 900 workers, but this decline was supported by the largest unadjusted loss in five years. A majority of the 2,400 unadjusted positions shed came from truck transportation and couriers & messengers. Wholesale trade employment was off 100 in January.

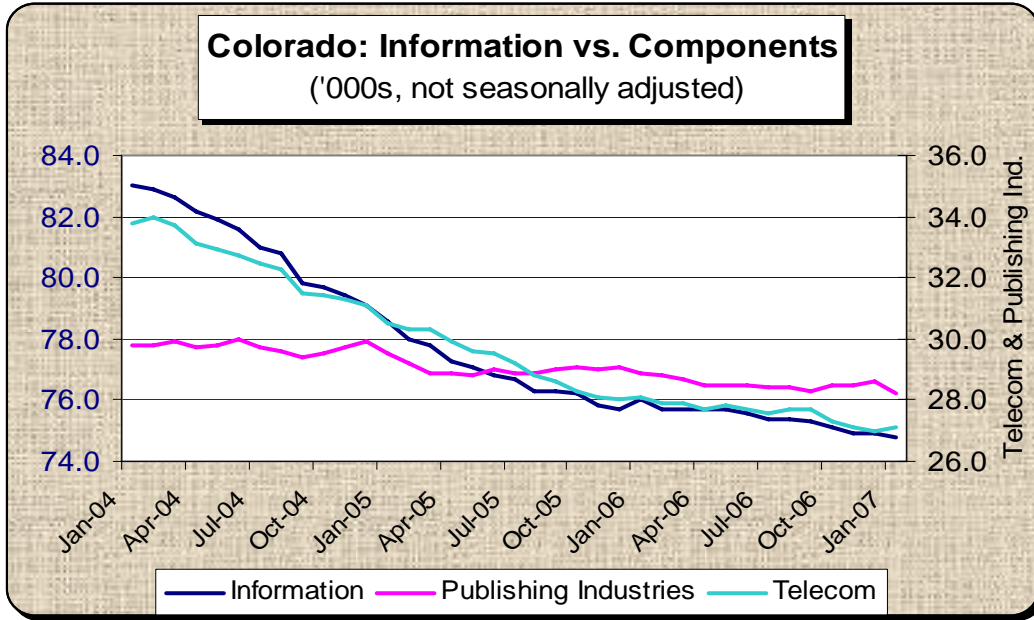


Since last January, TTU payrolls have edged up 2,500 for a 0.6% expansion. This marks the first time since late 2004 that the industry's twelve month growth rate fell below 1.0%, and it is only 37.5% of the prior year growth trend. Wholesale trade experienced the most growth of the sectors, with a 2.7% increase. The 2,600 positions created over the year were evenly split between durable goods and nondurable goods merchant wholesalers, which grew by 2.7% and 4.4%, respectively. Transportation, warehousing & utilities now employs 600 (0.8%) more workers than one year ago thanks to small expansions in air transportation and couriers & messengers. Retail trade experienced its first year over year payroll decline in almost three years by paring 700 (0.3%) positions. On an unadjusted basis, both motor vehicle & parts dealers and general merchandise stores shed 200 workers.

Information: - 100 (0.1%)

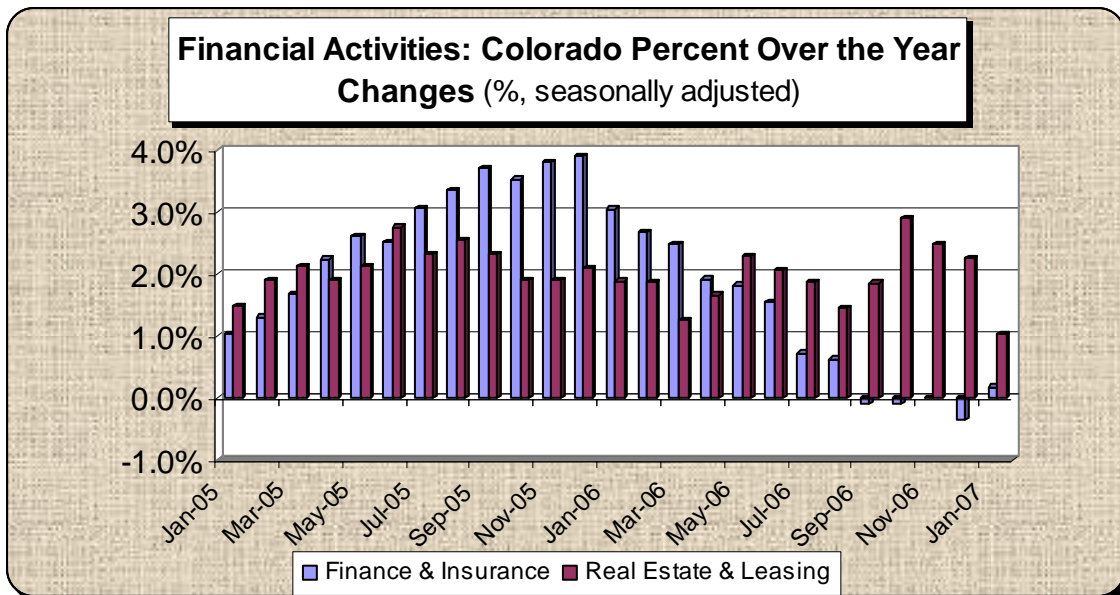
With a small 100 worker loss in January, it has now been one year since information has realized an over the month increase. On an unadjusted basis, the industry pared 800 jobs, with a 100 position gain in telecom partially offsetting the 400 jobs lost in publishing industries. Over the year, information employment has fallen by 1,200, an annual decline of 1.6%. While this marks the steepest year over year level drop in the past six months, this contraction marginally weaker than the average drop over the past year. The losses in telecom appear to have reached a plateau, as there are now 1,000 fewer people working in this component than one year ago for the fourth consecutive month. Publishing industries now has 700 (2.4%) fewer workers on its payrolls than in last January.

The protracted decline in telecom has fueled information's decline and changed the composition of its workforce. Six years ago, there were 34% more people working in telecommunications than in publishing industries. This declined to 28% in 2002, fell to 14% in 2003, edged down slightly to 9% in 2004, and there was virtually no difference between telecom and publishing industries payrolls in 2005. On annual average in 2006, there were 1,000 more people employed in publishing industries than in telecom, nearly a 4% difference.



Financial Activities: - 400 (0.2%)

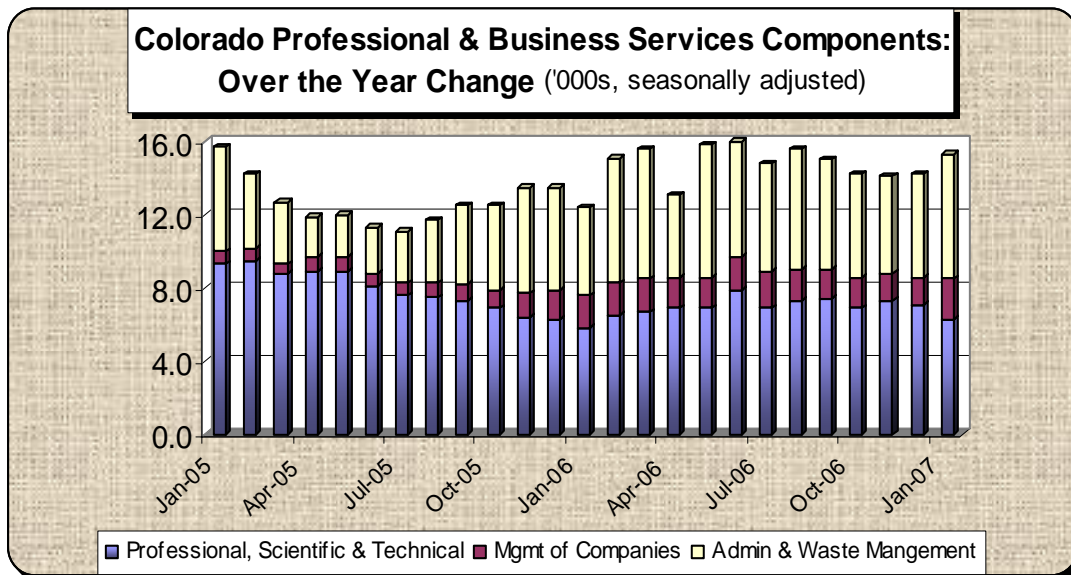
Financial activities payrolls trended down 400 in January. Real estate, rental & leasing matched its largest decline in the past ten years by shedding 600 positions, with losses presumably exacerbated by cold, snowy weather. Finance & insurance overcame weakness in credit intermediation and partially offset the decline in real estate by adding 200 jobs over the month.



Troubles in the sub-prime lending market and the high rate of foreclosures in the state are beginning to be reflected in financial activities' employment as there are now only 700 more people working in this industry than one year ago. This 0.4% advance mirrors December, but it is only 29% of the prior twelve-month trend and marks the industry's slowest growth since late 2004. Finance & insurance payrolls have inched up 200, or 0.2%, since last January. While this represents an improvement over last month, this small growth is only one-sixth of the prior year average. Credit intermediation, which has experienced year over year declines in each of the past five months, now employs an unadjusted 1,100 (2.0%) fewer workers than twelve months ago. However, a 5.0% (700 new hires) expansion in securities, commodities and related activities has negated much of this weakness. The 500 position increase in real estate, rental & leasing came almost entirely from real estate, but this 1.0% growth is only half of the prior year average.

Professional & Business Services: + 2,600 (0.8%)

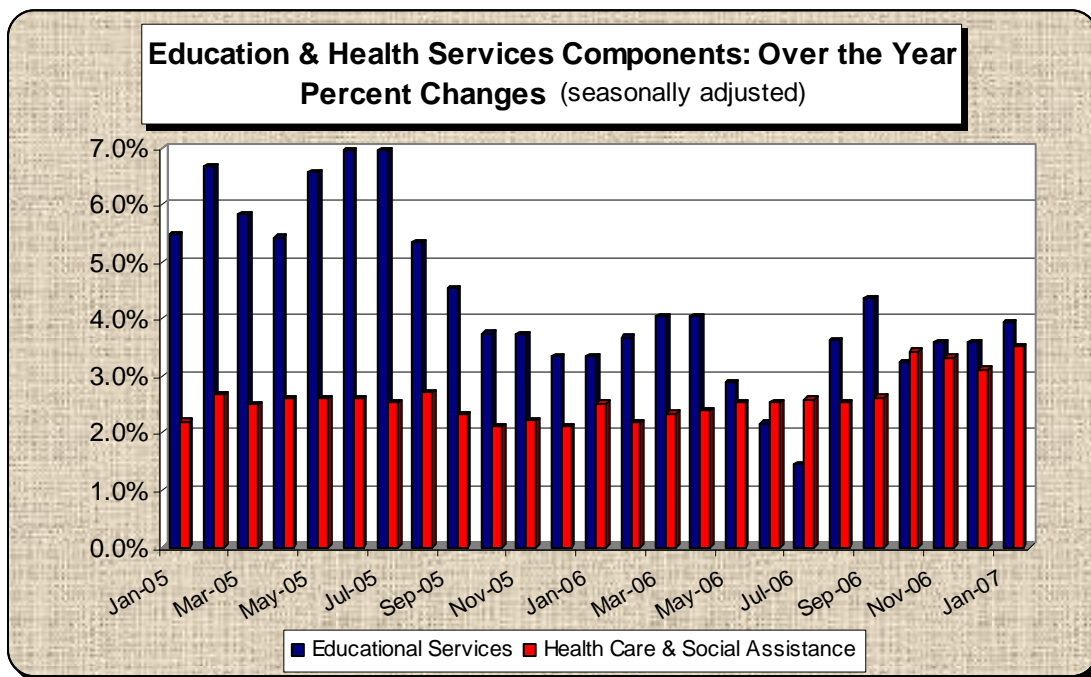
With 2,600 new hires, professional & business services was the second largest contributor to the state's January employment increase. The catchall administrative, support, waste management & remediation sector benefited from the hiring of snow removal operators in services to buildings & dwellings and added 2,000 jobs over the month. Management of companies posted the largest monthly gain in its ten year seasonally adjusted history, gaining 800 (2.9%) positions. Conversely, professional, scientific & technical services pared 200 workers, marking this sector's first January drop in five years.



Since last January, employment in professional & business services has grown by 15,300; this 4.7% growth is the fastest in the past four months and is in line with the prior year trend. Management of companies enjoyed the strongest rate of over the year growth (8.3%) and its 2,200 new hires represent the most added in a twelve-month period since July 2004. Benefiting from the wintry weather, the catchall administrative sector has seen payroll growth of 6,800 (4.9%) in the last year. On an unadjusted basis, services to buildings & dwellings has created 3,400 (10.4%) positions and employment services added 1,000 (2.6%) over the year. Professional, scientific & technical services has seen payroll growth of 6,300 since last January, but this 3.9% expansion is the slowest in the past thirteen months. Both architecture, engineering & related services along with management, scientific & technical consulting services grew by about 6%, adding 2,400 and 900 positions, respectively.

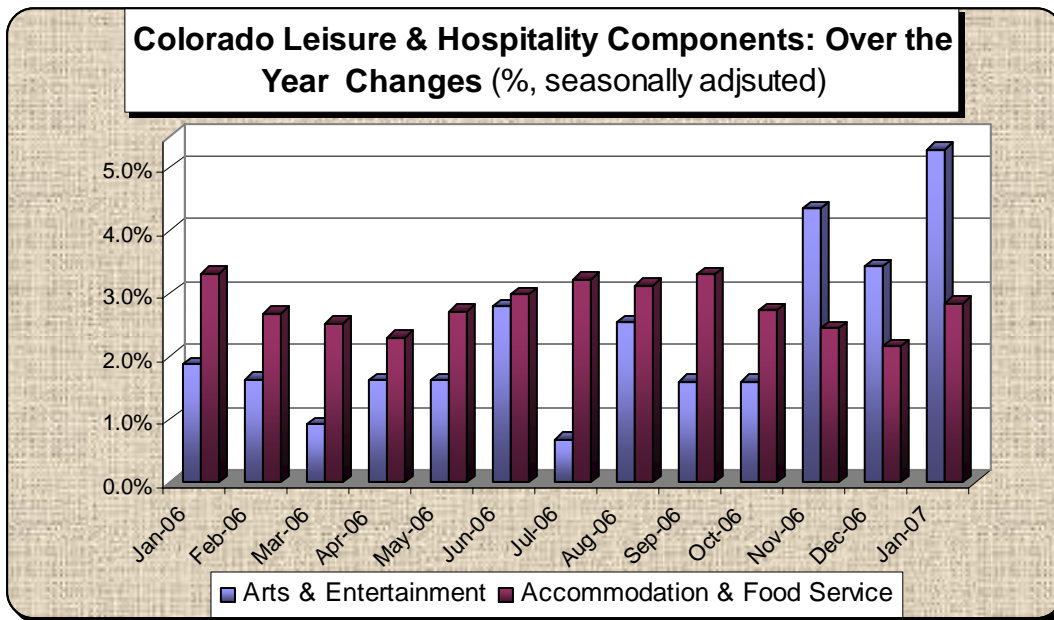
Education & Health Services: + 1,500 (0.8%)

Education & health services gained 1,500 positions behind the strength of payroll increases in health care & social assistance. This sector added 1,400 new hires mostly due to an unadjusted 1,300 job increase in hospitals; the majority of this growth came from a new hospital in the Northern Front Range. Educational services experienced a typical seasonal change and inched up 100 over the month. There are now 8,100 more people employed in education & health services than at this time last year. This 3.6% twelve-month growth rate is the fastest in more than four years and is over 28% greater than the prior year trend. Health care & social assistance, which accounts for seven out of eight industry jobs, grew at about the same pace as the supersector and created 7,000 positions. Social assistance and hospitals enjoyed the most job creation, gaining 2,300 and 1,700, respectively. The remaining 1,100 positions were found in educational services, which grew by 3.9%.



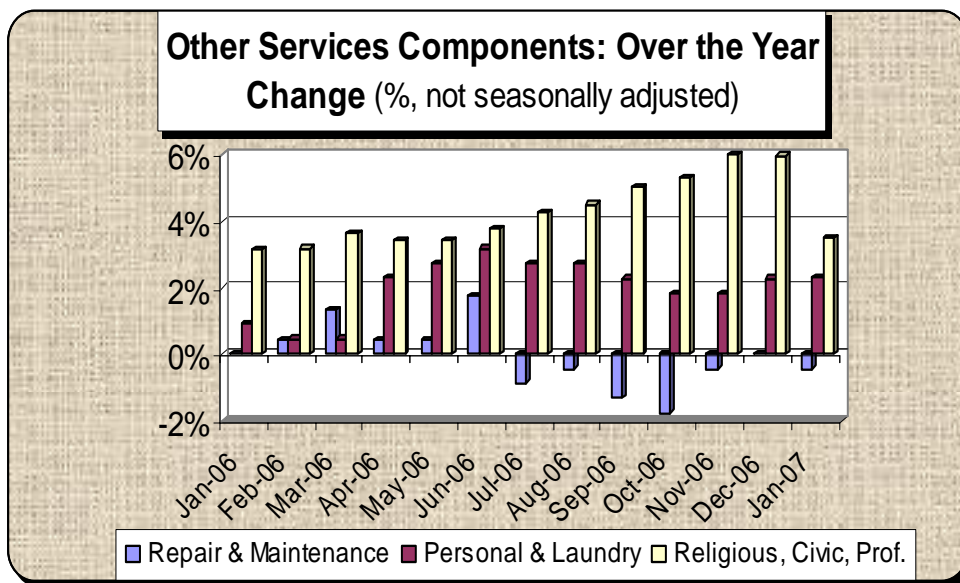
Leisure & Hospitality: + 2,900 (1.1%)

Leisure & hospitality recorded its biggest over the month increase in more than six years and led all industries with 2,900 new hires in January. Incredible skiing conditions and strong skier numbers allowed arts, entertainment & recreation to mirror the industry's monthly growth by adding 500 employees. Accommodation & food services saw considerably smaller than normal unadjusted declines in all components, resulting in a seasonally adjusted 2,400 (1.1%) new jobs this month. In the last twelve months, leisure & hospitality payrolls have grown by 8,500. This 3.2% expansion is one-half of one percentage point faster than the prior year average, and it matches the industry's fastest advance in six years. Growth of 5.3% (2,300 positions) in arts, entertainment & recreation was the catalyst for the healthy increase and was two and a half times greater than the twelve-month trend. With 6,200 new hires, the 2.8% expansion in accommodation & food services was in line with the 2006 average. On an unadjusted basis, most of these new positions came from food services & drinking places. Limited services eating places gained 3,100 jobs, growth of 4.7%, while full service restaurants created 3,400 positions, a 3.7% over the year increase.



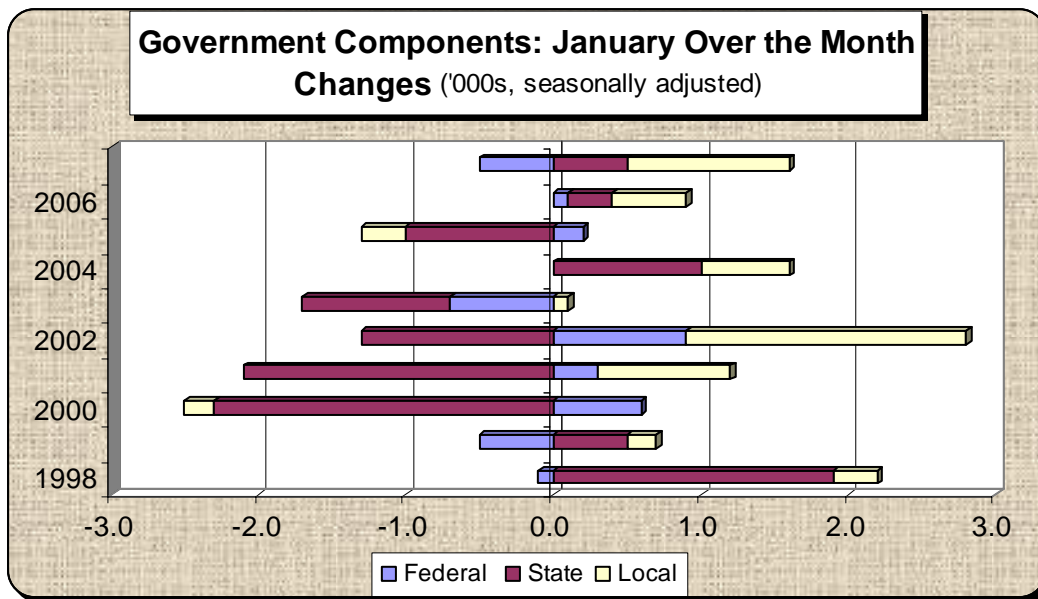
Other Services: + 400 (0.4%)

With a 400 position increase in January, it has now been six months since other services has experienced a payroll decline. Repair & maintenance and personal & laundry services both experienced normal unadjusted payroll declines of 300, while the catchall religious, grant making, civic, professional & similar organizations sector gained 1,200 positions. Since last January, other services has added 1,800 new employees, but this 2.0% growth is only about three-quarters of the 2006 average annual growth. The catchall organizations sector added an unadjusted 1,600 positions, for a 3.5% over the year expansion. Personal & laundry services gained 500 workers (2.3%), while repair & maintenance had 100 (0.4%) fewer employees than last January.



Government: - 1,100 (0.3%)

The 1,100 new employees added to government payrolls in January were more than double the average monthly increase in 2006. Local government employment grew by the same amount as the industry, while a 500 position gain in State government was negated by a loss of the same magnitude at the Federal level. State and local education both had normal unadjusted seasonal declines, paring 8,800 and 900 educators, respectively. Over the year, government employment has grown by 6,700 (1.8%). This represents the largest twelve-month gain in a year and a half, and it is one-third stronger than the 2006 average. Local government continues to be the driving force behind the public sector expansion. Seven thousand more people are working in this sector than twelve months ago, a 3.0% increase. State government added 600 (0.7%) workers, but this advance was offset by a 900 (1.7%) position year over year decline in Federal government payrolls.



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