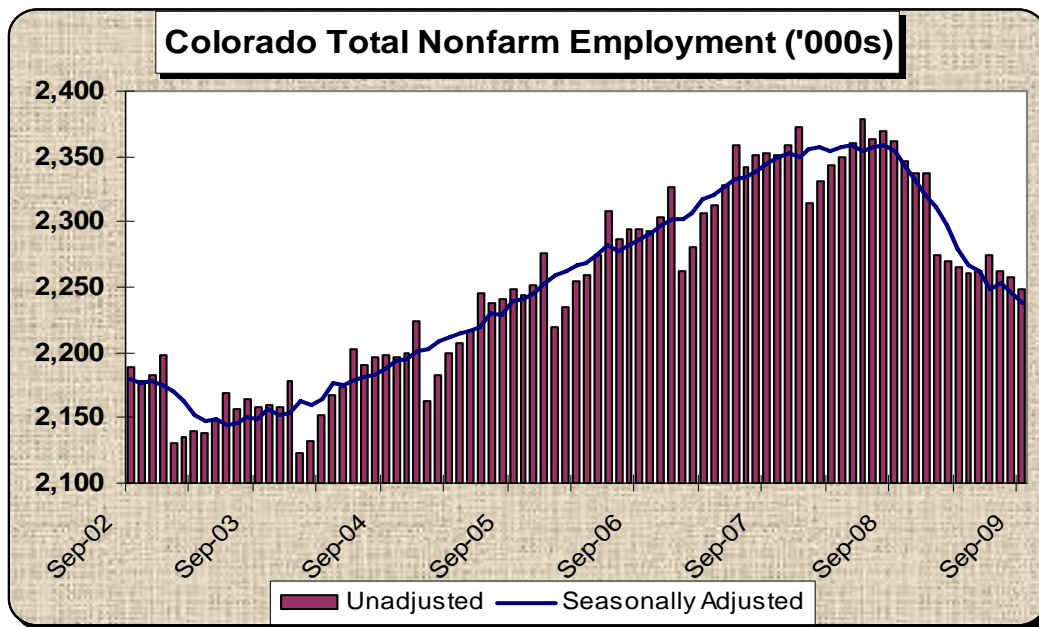


**Colorado Preliminary Estimates By: Chris Akers**

**Total Nonfarm Wage and Salary Employment: - 6,900 (0.3%)**

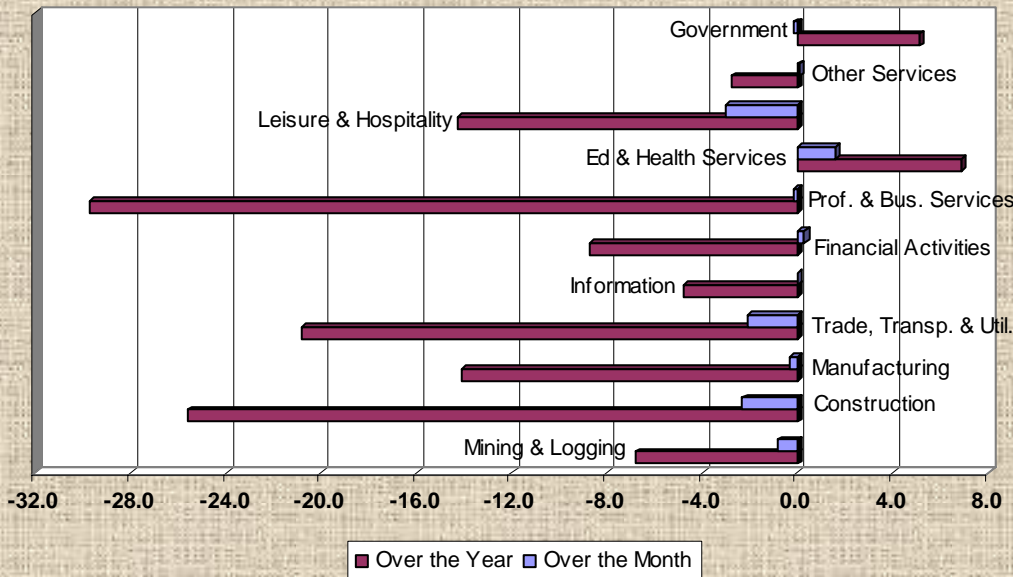
Seasonally adjusted



Colorado's payrolls continued to contract in September, with total nonfarm employment falling 6,900. This marked the twelfth time in the past thirteen months that payrolls have declined in the state; however, this is the third smallest loss over that period. Employment changes in the supersectors were predominately negative, with seven industries contracting, three growing and one (information) remaining unchanged. Leisure & hospitality experienced the largest drop this month, shedding 3,000 positions, while construction employment fell 2,300 and trade, transportation & utilities (TTU) trended down 2,100. Mining & logging pared 800 workers, manufacturing eliminated 300, and professional and business services, along with government notched down 200 positions. Education & health services continued to add workers, with all of the 1,600 it gained this month coming from health care & social assistance. Employment in financial activities rose 300 and the number of people working in other services inched up 100.

In the past twelve months, statewide employment has declined by 115,600. This 4.9% rate of decline marks the most rapid year over year contraction since November 1944, and its pace is 88% faster than the prior twelve-month trend. Only two industries have added jobs over the past year: education & health services has gained 6,900 positions and government employment has risen 5,100. Having lost 29,700 jobs, professional & business services has experienced the most job losses of all industries; construction has followed with a 25,600 position retreat since last September. TTU has pared 20,800 workers, while manufacturing and leisure & hospitality have each shed just over 14,000. Payrolls in financial activities have fallen 8,700 below their year ago level, information has retreated 4,800, and other services has dropped 2,800. With the loss of 6,800 positions, mining & logging has experienced the most severe decline of all industries at 23.4%.

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

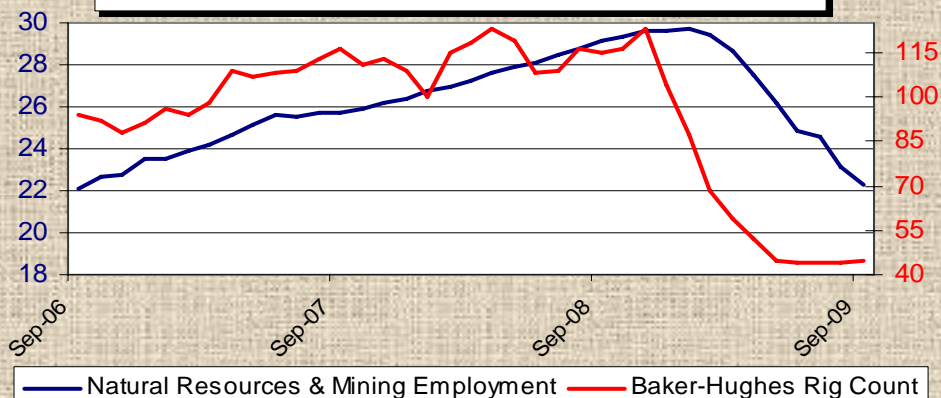


**Mining & Logging: - 800 (3.5%)**

Mining & logging employment continued its tailspin, falling by 800 in September. In the past twelve months, this industry has shed 6,800 positions. This 23.4% rate of decline is the fastest of all industries; it is 11 times greater than the prior year average. From October 2003 through 2008, this component had exhibited the fastest annual growth of all industries. The rate of expansion peaked at 24.5% in April 2007 and the rate of decline now is roughly the inverse of the most robust growth. A recent decline in the number of rigs that are drilling for oil and gas in the state explains much of the drop in 2009. In September 2007 there were 116 rigs drilling in Colorado; that number remained essentially unchanged twelve months ago. In 2009, the number of rigs, at 45, is down more than 60% from one year ago. With approximately 40 jobs associated with each rig, the decline in drilling has had a substantial impact on the number of people working in this industry.

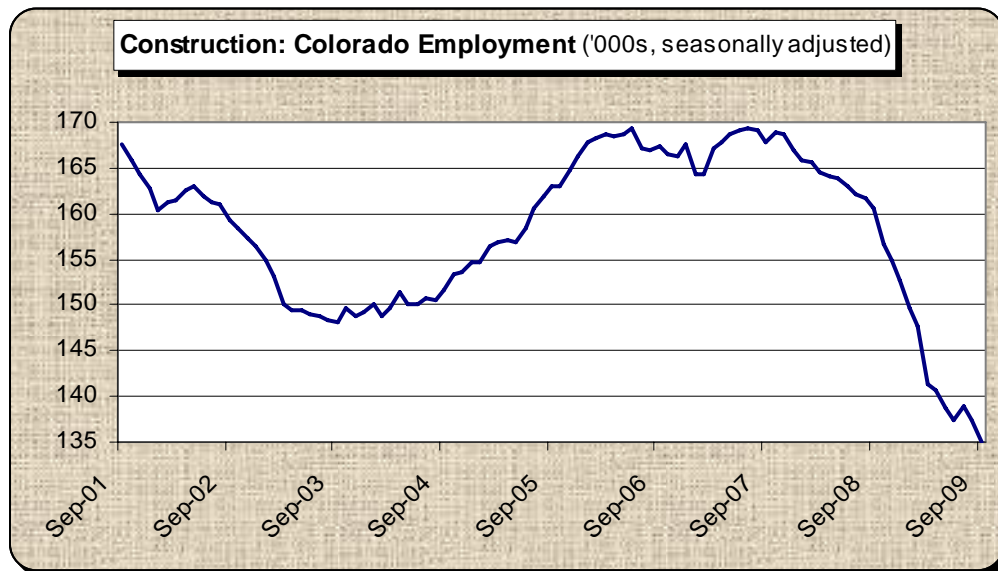
**Mining & Logging Employment Growth vs. Baker-Hughes Rig Count Growth**

(employment in '000s, seasonally adjusted)



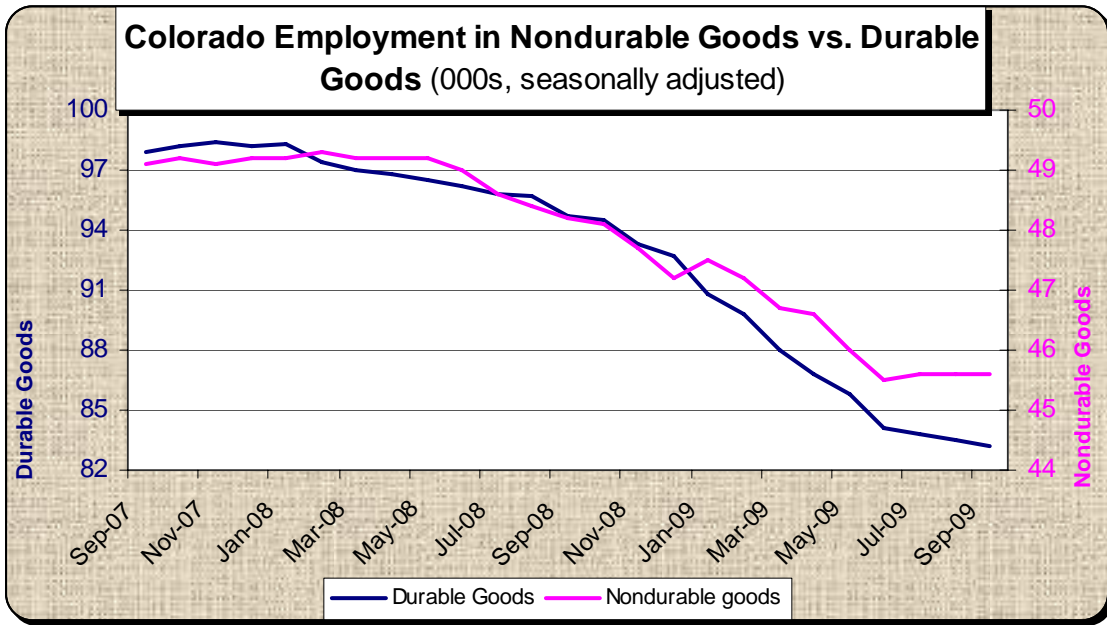
## Construction: - 2,300 (1.7%)

Construction employment experienced its largest loss in the past six months with a 2,300 decline in September. This industry has now pared jobs in twenty-two of the past twenty-three months. On an unadjusted basis, construction of buildings remained unchanged in September, while heavy & civil engineering saw its payrolls fall by 600. Specialty trade contractors shed 3,700 positions this month; this drop was 2,000 greater than the typical seasonal decline, and this accounted for much of the seasonally adjusted supersector decline. Over the year, 25,600 jobs have been lost in construction, a decline of 15.9%. The specialty trade contractors sector, which comprises over two-thirds of industry employment, is a bellwether of supersector trends, and it has lost an unadjusted 16,900 (-15.3%) jobs over the last twelve months. Construction of buildings has seen its employment fall faster than the other two component sectors and now has an unadjusted 6,400 (-4.1%) fewer people working in this sector than one year ago. Heavy & civil engineering construction has pared 2,300 positions, for a decline of 9.3%.



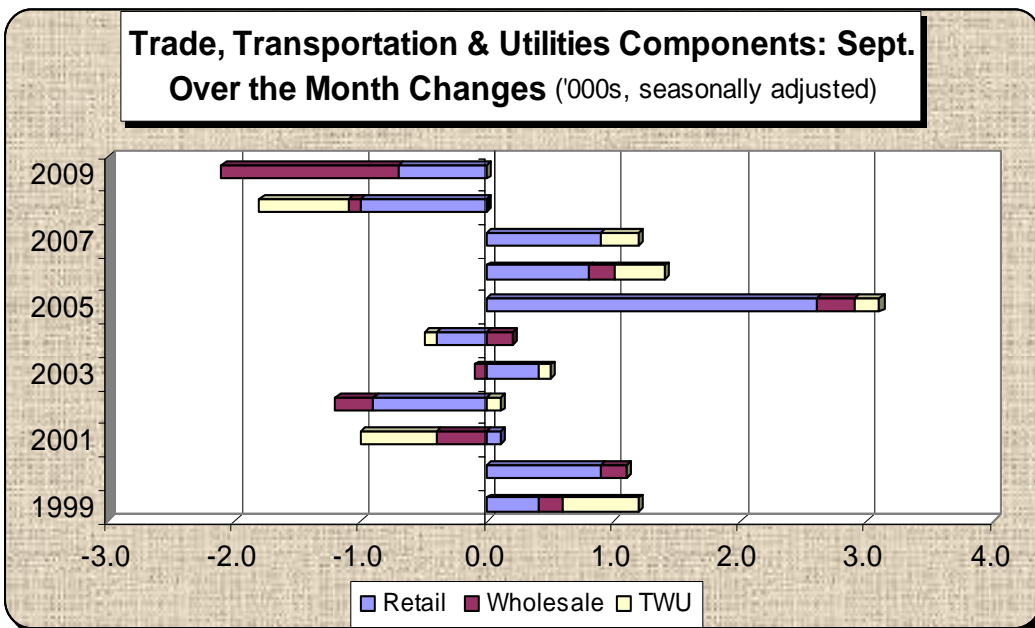
## Manufacturing: - 300 (0.2%)

Manufacturing payrolls declined by 300 for the second month in a row. Combining these contractions with 200 jobs lost in July, it appears that the pace of job losses has leveled off as an average of 1,700 had been lost in each month of the first two quarters of 2009. A 300 position drop in durable goods accounted for September's loss; non-durable goods remained unchanged from August. Over the year, manufacturing payrolls have declined by 14,100. This 9.9% annual drop marks the second slowest pace of decline in this industry in the past four months, but it still remains 37.5% greater than the previous twelve-month average. The majority of the eliminated positions have come from the larger durable goods sector, in which employment is down 11,500, or -12.1%, over the year. Two durable goods component industries that have suffered significant losses are computer & electronic product manufacturing and fabricated metal manufacturers; these subsectors have shed an unadjusted 1,800 and 1,600 jobs, respectively. Non-durable goods employment declined at a considerably slower rate (-5.4%) than its larger counterpart; it now has 2,600 fewer workers than last September.



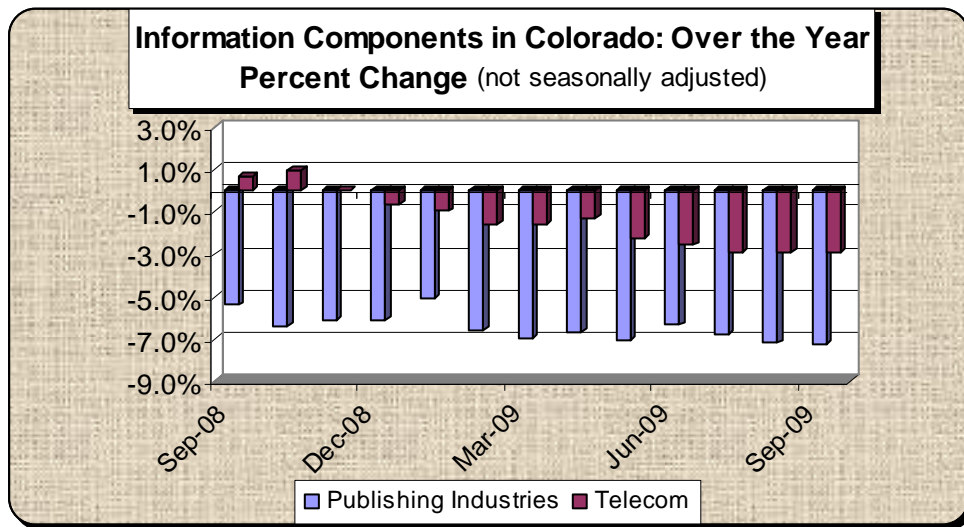
**Trade, Transportation, and Utilities (TTU): - 2,100 (0.5%)**

TTU pared 2,100 positions in September; this month's losses were confined to the trade sectors as retail trade pared 700 jobs and wholesale trade shed 1,400 positions; transportation, warehousing & utilities remained unchanged over the month. Since September 2008, TTU payrolls have contracted by 20,800, or 4.8%. Although this rate of decline is unchanged from last month, it is the most rapid in its nineteen-year seasonally adjusted history, and it is 60% greater than the prior year trend. Wholesale trade bears much of the responsibility for the industry's acceleration of year over year losses as this sector has shed 8,000 (-8.0%) positions over the year. Transportation, warehousing & utilities lost 2,500 (-3.3%) workers over the year, while retail trade payrolls have retreated 10,300 (-4.1%) in the past twelve months. On an unadjusted basis, employment in motor vehicle & parts dealers has fallen 3,100 since last September, while general merchandise stores and food & beverage stores have pared 1,700 and 900 positions, respectively.



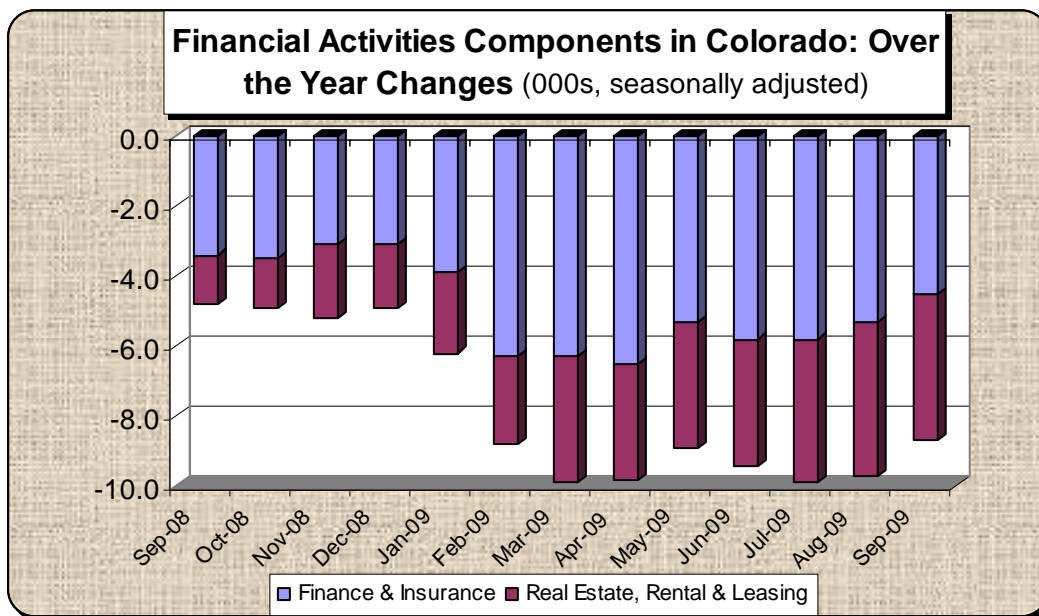
## Information: Unchanged

Information payrolls remained unchanged at 72,200 for the second consecutive month. Publishing industries and telecommunications each experienced typical unadjusted losses of 100 jobs. A protracted decline in publishing industries employment combined with periods of growth in telecom has changed the composition of the industry. Seven years ago, there were 25% more people working in telecommunications than in publishing industries, but three years ago that margin had narrowed considerably with approximately 28,000 working in each sector. Telecom employment has contracted at a much slower pace, while publishing industries payrolls have rapidly fallen as many traditional publishers have ceased operations. Due to the structural changes in publishing industries, the number of people working in telecom is once again roughly one-quarter greater than those in publishing industries. Both of these component industries have lost jobs since last September, with publishing industries off an unadjusted 1,900 (-7.2%) and telecom down 900 (-2.9%). Partially due to these declines, supersector employment has fallen by 4,800 (-6.2%) over the past year.



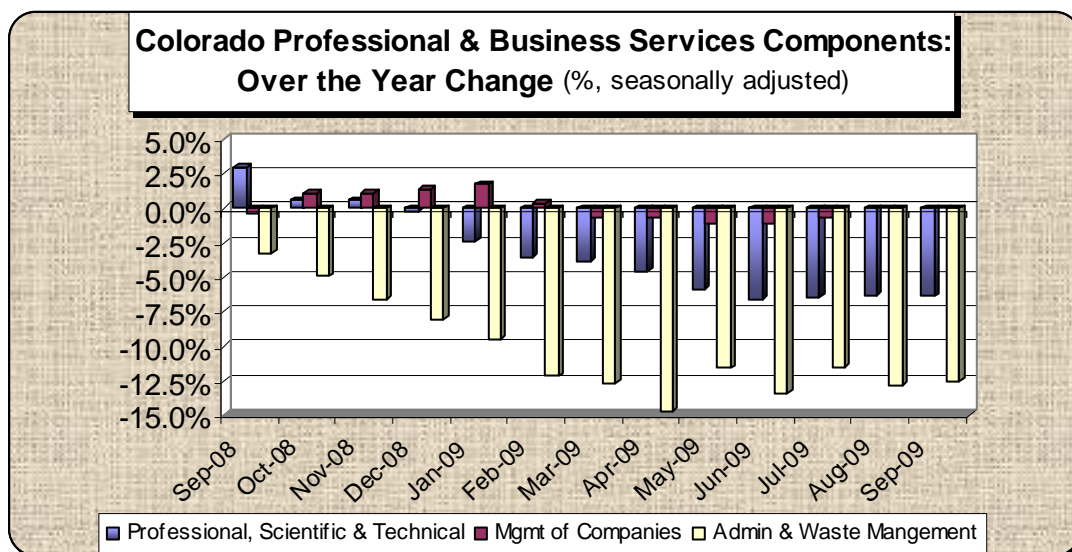
## Financial Activities: + 300 (0.2%)

Financial activities payrolls grew for the second time in the past five months, inching up 300 in September. Finance & insurance gained 300 positions; credit intermediaries gained an unadjusted 300, while securities & commodities pared 500 jobs and insurance carriers & related shed 200. Real estate, rental & leasing payrolls remained unchanged as the 100 position unadjusted drop in real estate was in line with normal seasonal patterns. In the last twelve months, industry payrolls have been reduced by 8,700; this 5.6% rate of decline matches the slowest pace in the past eight months but it remains marginally higher than the prior-year trend. Employment in real estate, rental & leasing has retreated faster than the supersector, with this component having shed 4,200 jobs, a decline of 8.8%, since last September. The real estate component is off an unadjusted 2,900 jobs over the year. Finance & insurance now has 4,500 fewer workers than last September. Credit intermediation's unadjusted loss of 1,300 jobs and the reduction of 1,700 positions in insurance carriers & related have been the main culprits behind the weakness in finance & insurance. However, the securities component has experienced the fastest rate of decline at 5.4%, having lost 900 jobs over the year.



### Professional and Business Services: - 200 (0.1%)

Employment in professional & business services was little changed in September, off 200. Both professional, scientific and technical services and the management of companies sector saw payrolls fall by 100. The catchall administrative, support, waste management & remediation sector remained unchanged over the month. In line with normal seasonal patterns, the services to buildings & dwellings component eliminated an unadjusted 1,800 jobs, while employment services lost 600 positions. Legal services and management, scientific & technical consulting trimmed an unadjusted 400 positions apiece.

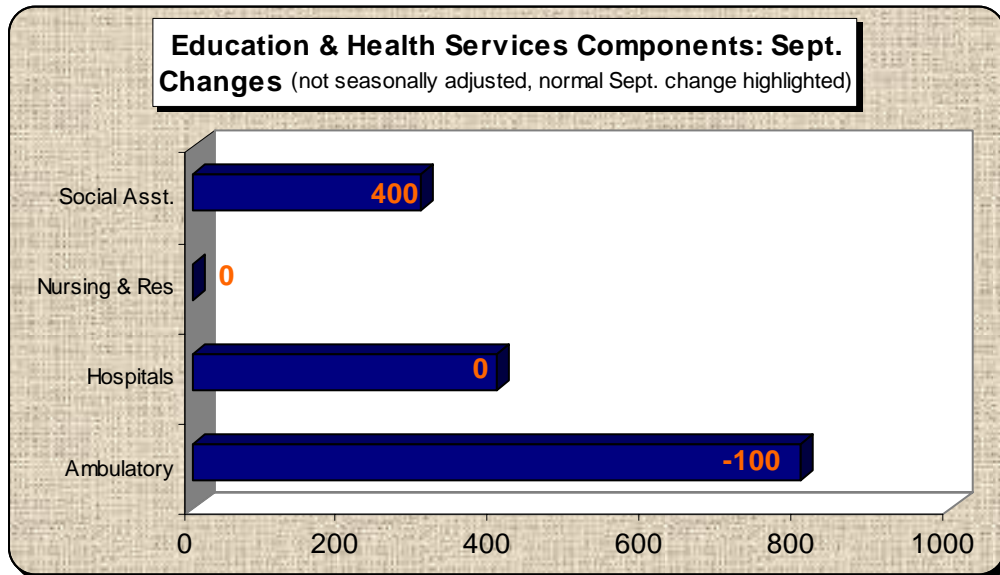


Since last September, 29,700 positions have been eliminated in professional & business services, representing a drastic drop off from September 2008 when this industry had shown no change over the previous twelve months. The 8.4% year over year contraction this September represents a slight improvement over August and suggests that the worst of the jobs losses in this industry may have passed. The catchall administrative sector bears responsibility for the majority of the industry's losses as it has pared 18,400 (-12.6%) jobs since this time last year; an unadjusted 8,300 of these

losses have occurred in employment services. Management of companies payrolls have not changed from their year ago level. Professional, scientific & technical services has trimmed 11,300 positions over the past twelve months, a contraction of 6.4%. The most robust unadjusted losses in this sector have occurred in architectural, engineering & related, off 4,300 (-9.6%) and in computer systems & design, down 2,000 (-4.7%),

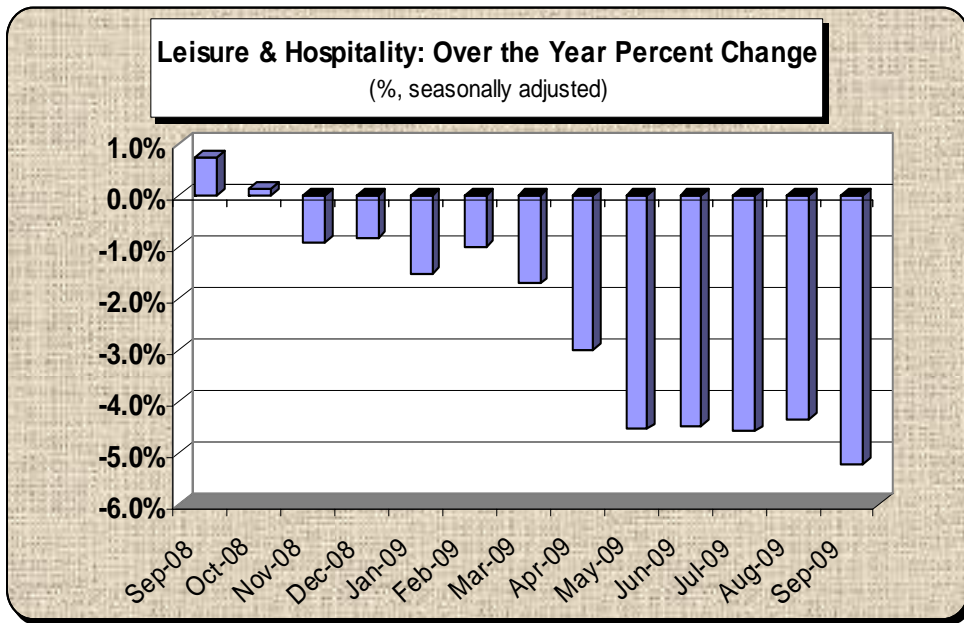
**Education and Health Services: + 1,600 (0.6%)**

Education & health services recovered most of the positions it shed last month with the addition of 1,600 in September. Educational services remained unchanged; health care & social assistance added all of the 1,600 jobs. Ambulatory care payrolls rose an unadjusted 800, hospitals trended up 400, social assistance edged up 300, and nursing & residential care facilities was unchanged from August. Since this time last year, education & health services has gained 6,900 employees, allowing this industry to edge as government as the fastest-growing industry in the state at 2.7%. The vast majority of these new hires came from health care & social assistance, which gained 6,200 positions over the year. Ambulatory care contributed an unadjusted 2,600 to this increase, while hospitals, nursing & residential care, and social assistance each chipped in just over 1,000 positions. Educational services has added 700 jobs in the last twelve months.



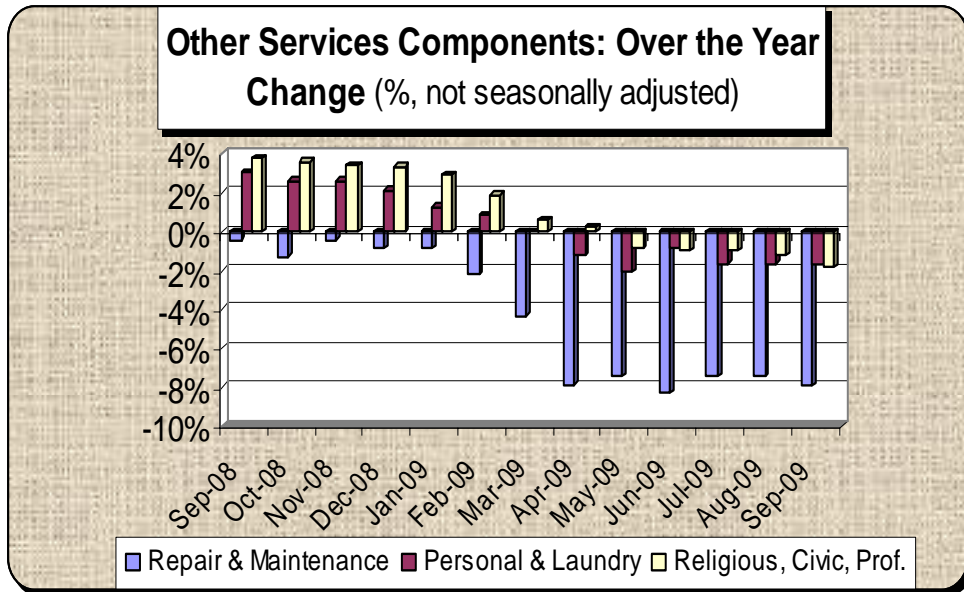
**Leisure and Hospitality: - 3,000 (1.1%)**

Leisure & hospitality shed 3,000 positions in September. Arts, entertainment & recreation gained 200 positions, while accommodation & food services countered the gain in its smaller counterpart with a 3,200 payroll reduction. This industry tends to suffer heavy unadjusted employment declines in September and October, which coincide with the end of the summer tourist season. In accommodation the unadjusted component industries followed historical patterns this month as it pared 2,900 workers, but the 6,800 drop in food services & drinking places was more than twice that typically seen. Since September 2008, leisure & hospitality employment has retreated by 14,300, or -5.2%. Arts, entertainment & recreation payrolls declined at a faster rate than the industry on the whole, at -8.1%, with 3,700 fewer workers than one year ago. Due in part to this month's large decline, the year over year rate of contraction in accommodation and food services is the fastest on record, with 10,600 lost jobs, which translates into a drop of 4.6%.



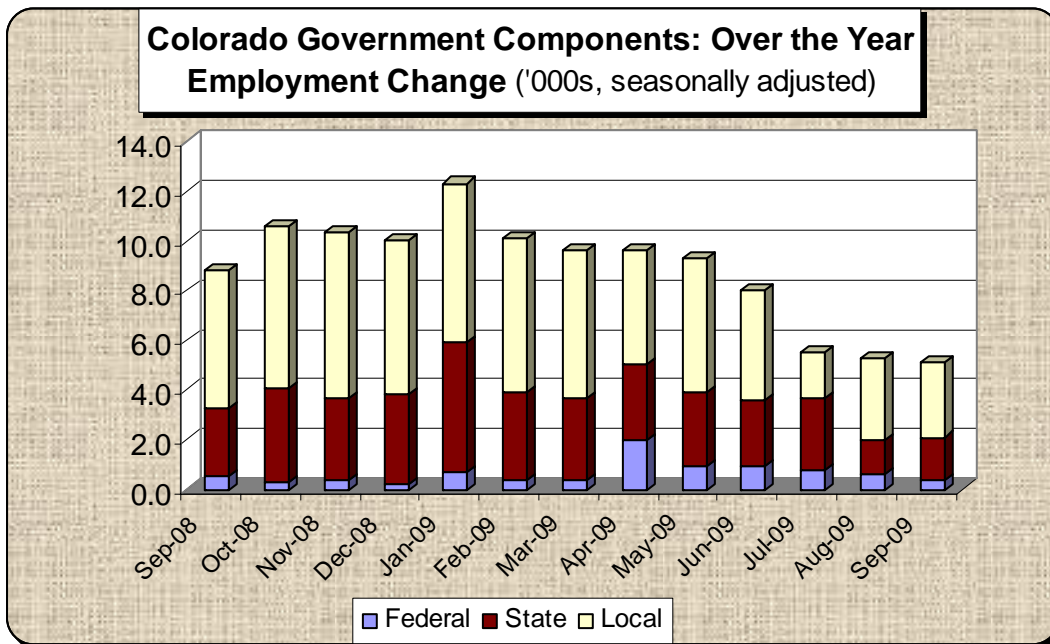
### Other Services: + 100 (0.1%)

Other services payrolls remained essentially unchanged at 92,900 in September. All three components usually experience unadjusted losses in September and this year was no exception. The catch-all religious, grantmaking, civic, professional & similar organizations pared 600 positions; repair & maintenance and personal & laundry services each trended down 300. Over the last twelve months, other services employment has trended down 2,800, an annual rate of decline of 2.9%. The catch-all organizations sector has shed an unadjusted 900 workers over the year and personal & laundry services has pared 400 jobs; repair & maintenance has lost 1,800 positions over the year.



## Government: - 200 (0.1%)

Government employment inched up 200 in September. Both State and local government payrolls experienced offsetting changes of 700, with State growing and local contracting. State and local education rose by an unadjusted 11,400 and 12,100, respectively, as educators returned from their summer breaks. Federal government employment fell by 200 positions. Over the year, government employment has expanded by 5,100 (1.3%). Local and State government have been the driving forces behind this annual growth with gains of 3,000 (1.2%) and 1,900 (3.1%) positions, respectively. Federal government employment has posted year over year gains for the past seventeen months, and now employs 400 (0.8%) more workers than at this time last year.



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