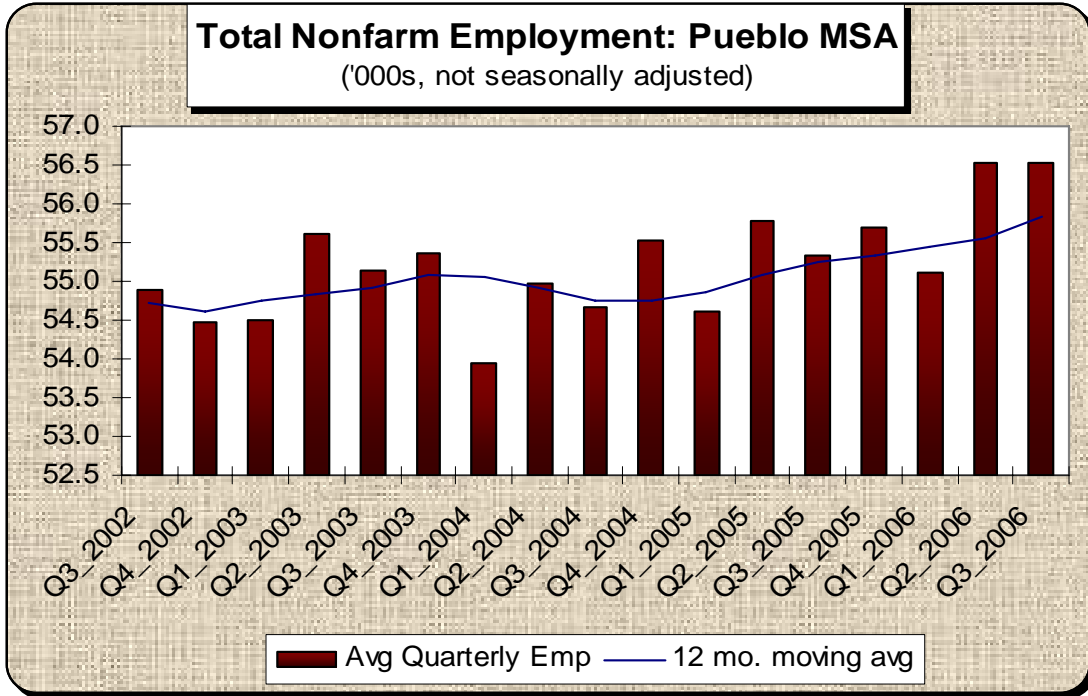


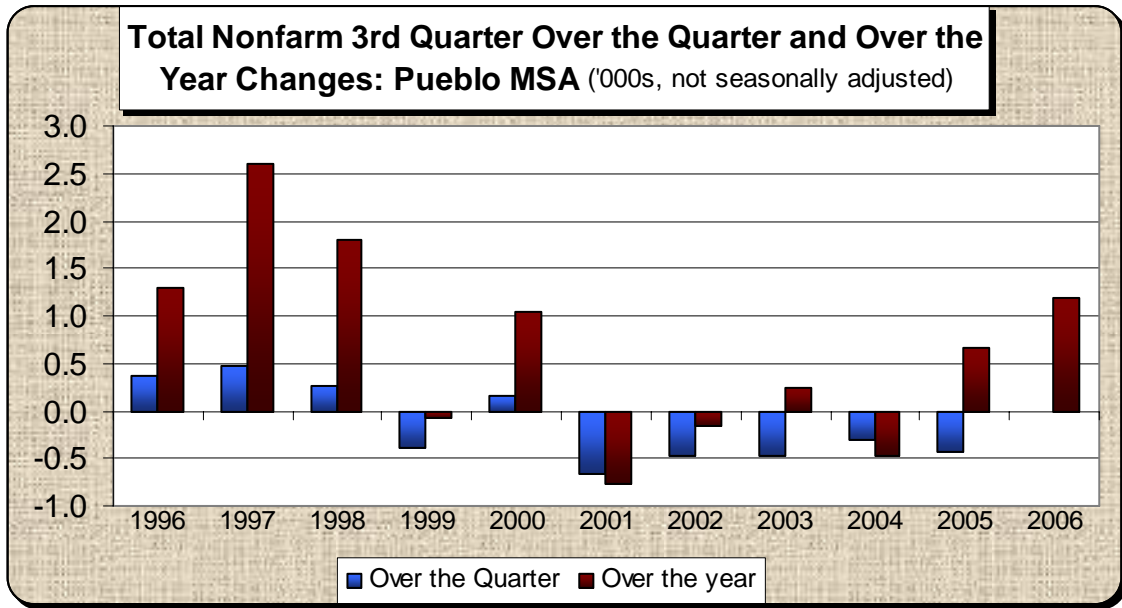
Pueblo MSA Preliminary Estimates: By Chris Akers

Total Nonfarm Wage and Salary Employment: Unchanged (Not Seasonally Adjusted)

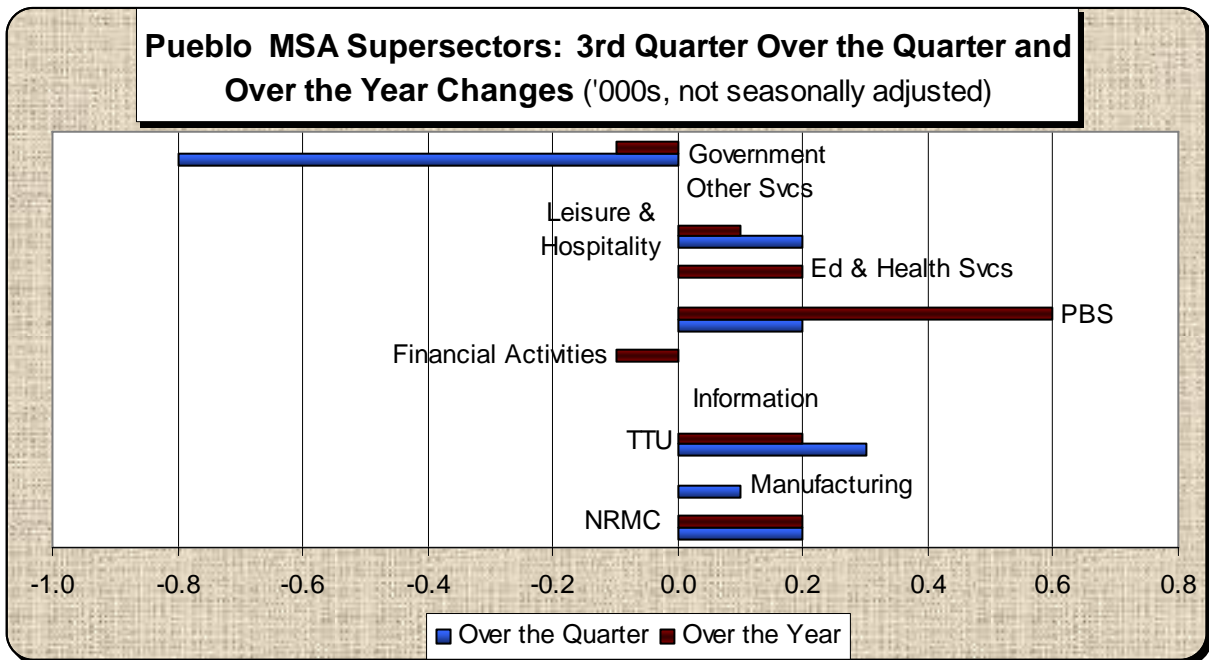


After experiencing its largest 2nd quarter increase in four years with 1,400 new hires, employment in the Pueblo MSA remained unchanged at 56,500 this quarter. Total nonfarm payrolls in the MSA typically decline by 100 in the 3rd quarter, but this year marks the first time since 2000 that they did not fall in this period. Due to last quarter’s growth and employment remaining static in the 3rd, employment’s twelve-month moving average (used to eliminate seasonality) advanced by 200 (0.4%). Three months ago annual average employment stood at the same level as the 2001 max, but with the recent growth Pueblo has reached a new payroll peak and is officially in an expansion.

Quarterly employment movements within the ten supersectors were predominately upward, with five industries experiencing small gains, four remaining unchanged, and government suffering education related job losses. Trade, transportation & utilities (TTU) enjoyed the largest quarterly payroll gain with 300 new hires. Natural resources, mining & construction, professional & business services, and leisure & hospitality all followed closely with each adding 200 positions. Manufacturing added 100 jobs for the second consecutive quarter. With schools out for the summer break, government payrolls fell by 800 to offset the gains experienced in other industries.

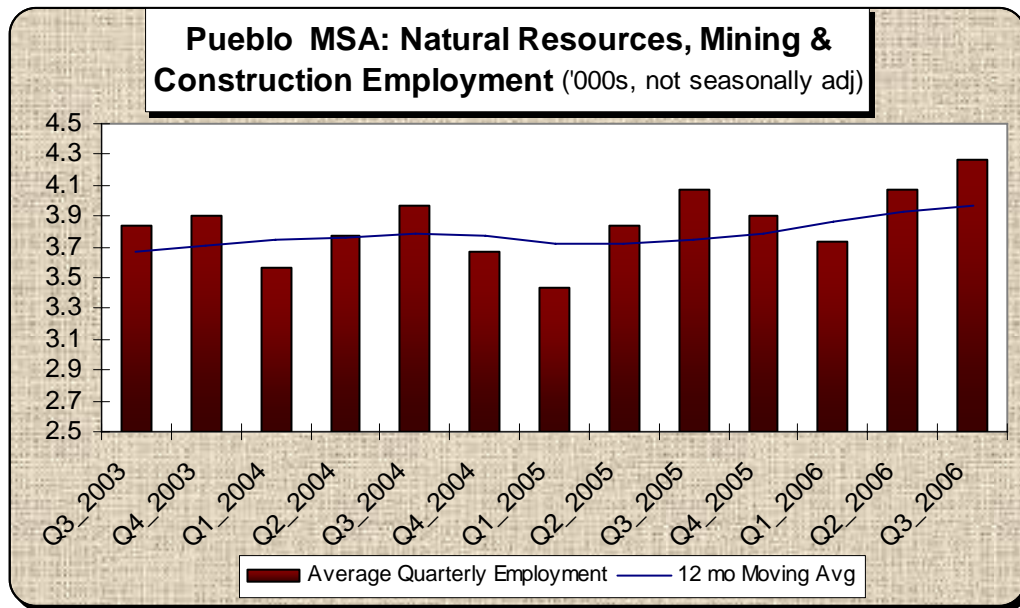


Over the year the Pueblo MSA has added 1,200 positions, marking the first time in nearly eight years that more than 1,000 jobs were created in a twelve month period. Likewise, year over year growth of 2.2% was the fastest in Pueblo since 1998, when the MSA expanded by 3.4%. Similar to the statewide trend, professional & business services was the driving force behind much of this growth. Over the past four quarters, this industry has added 600 jobs and was the fastest growing supersector at 13.6%. TTU followed with 300 new hires, natural resources, mining & construction and education & health services gained 200 positions apiece, and leisure & hospitality edged up 100. Financial activities and government each trended down 100, while information and manufacturing payrolls remained at the same level as one year ago.

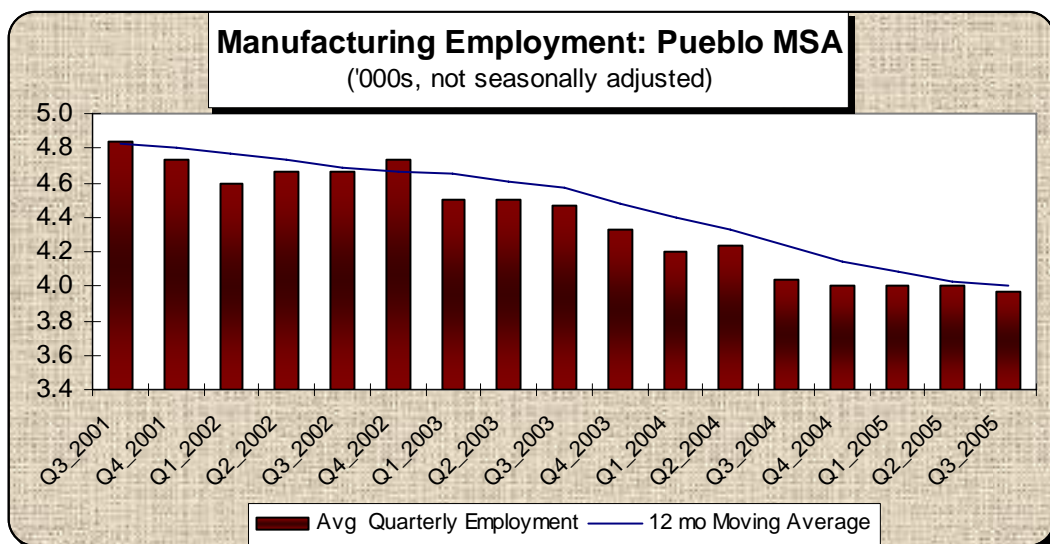


Natural Resources, Mining, and Construction: + 200 (4.9%)

Natural resources, mining & construction added 200 jobs in the 3rd quarter of 2006. This is double the normal advance this quarter and is likely attributable to large-scale construction projects that have recently commenced in Pueblo. Over the year, supersector payrolls have also grown by 200 (4.9%). While this is marginally slower than the past two quarters, it is double the rate one year ago. Annual average employment in this supersector reached a trough at 3,700 throughout most of 2005. Subsequently it has added 300 positions (8.1%) over the past year, and the twelve-month moving average now matches the 2001 peak.

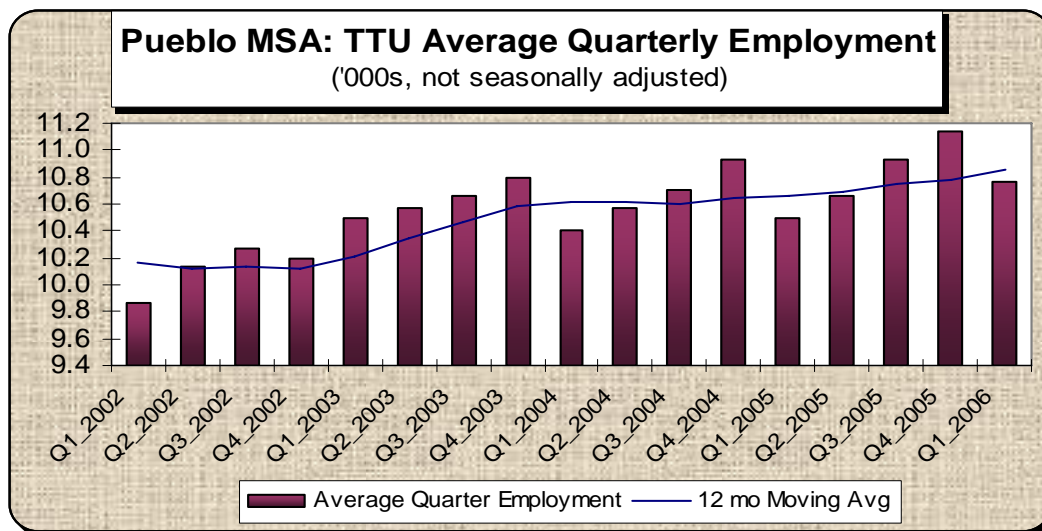


Manufacturing: + 100 (2.5%)

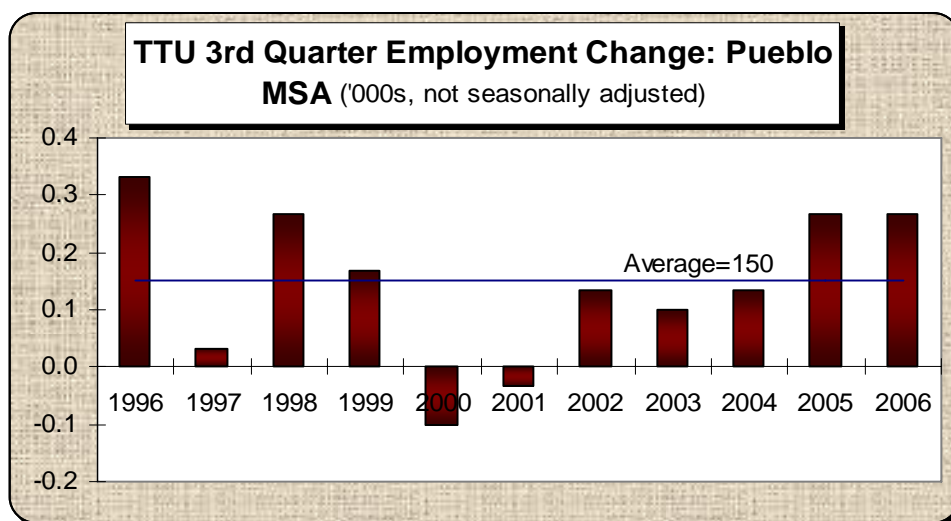


For the second consecutive quarter, manufacturing payrolls grew by 100. Despite this recent expansion, annual average employment remained unchanged at 4,000. However this is 800 workers, or 20%, below the peak level reached throughout 2001. Over the past four quarters, no new jobs have been created in this supersector. This stagnant twelve-month employment growth represents a welcome change from the 400 and 300 positions that were pared from this industry in 2003 and 2004, respectively.

Trade, Transportation, & Utilities (TTU): + 300 (2.8%)



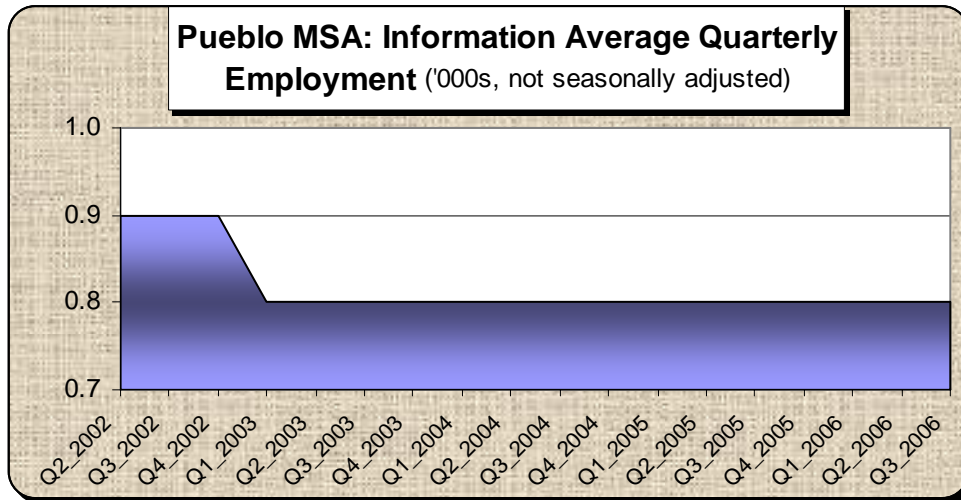
The 300 positions gained in TTU matches both the growth of one year ago and this industry’s strongest quarterly growth since the end of 2000. Retail trade, which comprises 69% of the employment in the supersector, was the only sector with an employment change this quarter. Twelve-month average employment in TTU hit a trough at the end of 2002, then added an average of 125 positions a quarter through 2003; it leveled off in 2004, and then inched up another 100 last year. Through the first three quarters of 2006 annual average employment has grown by 200 (1.9%), and is now 4.8% above the 2000 peak.



Over the year, TTU payrolls have added 300, growth of 2.8%. Retail trade was again responsible for all of this growth, while transportation, warehousing & utilities and wholesale trade employment remained at the same level as the 3rd quarter 2005.

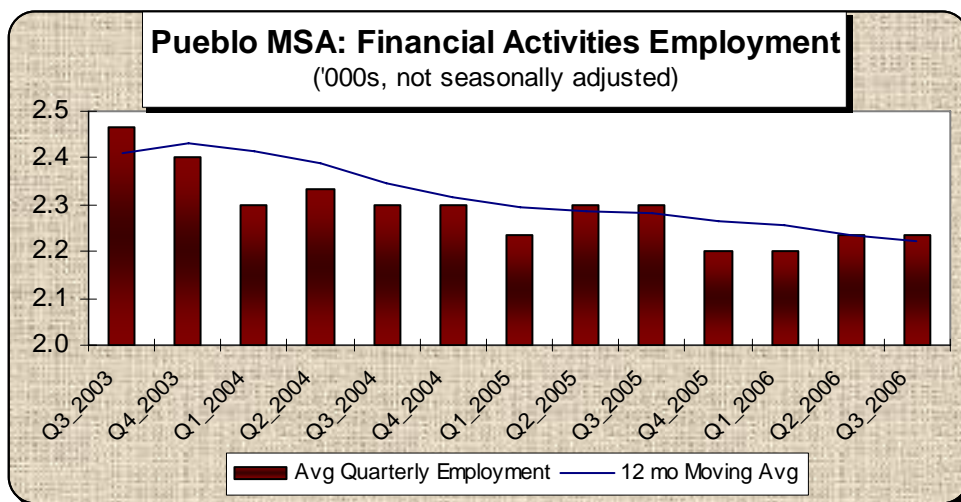
Information: Unchanged

Employment in information remained unchanged during the 3rd quarter. For fifteen consecutive quarters, total employment has been level at 800. Before falling to its current level, information employment remained at 900 for eight straight quarters. Industry payrolls stood at 1,000 for four years from 1997 to 2000. Information is the smallest supersector in Pueblo, comprising less than 1.5% of total nonfarm wage and salary positions.



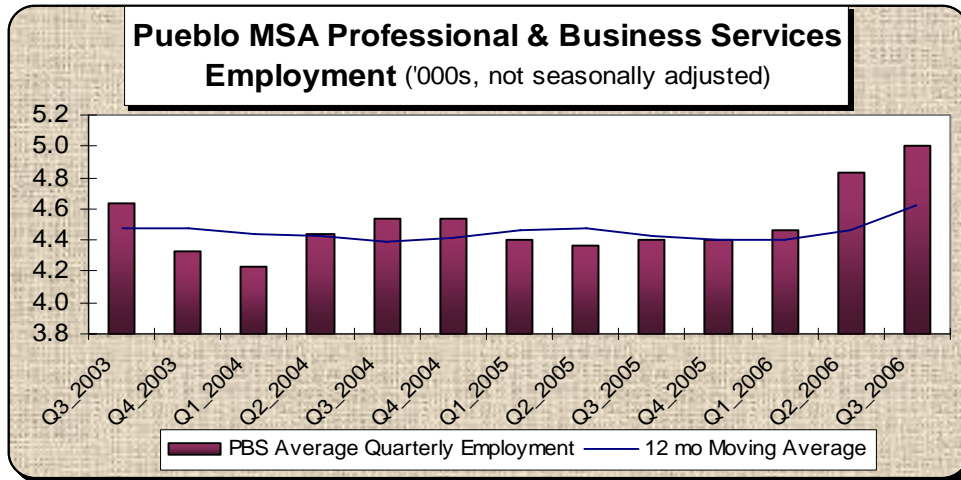
Financial Activities: Unchanged

Payrolls remained unchanged in the 3rd quarter, continuing the five quarter trend of no growth in financial activities. Over the past five years, Pueblo was the only MSA in Colorado to experience an employment contraction in financial activities. Average annual population growth of less than 2% from 1990 to 2003 meant Pueblo did not see the strong housing market that low interest rates created in the other areas of the state. Twelve-month average employment in this industry fell by 100 (4.3%) to 2,200 last quarter and remained unchanged in the 3rd. Over the year, employment has contracted by 100 (4.3%), and it has now been eleven quarters since this industry realized payroll growth over a twelve month period.



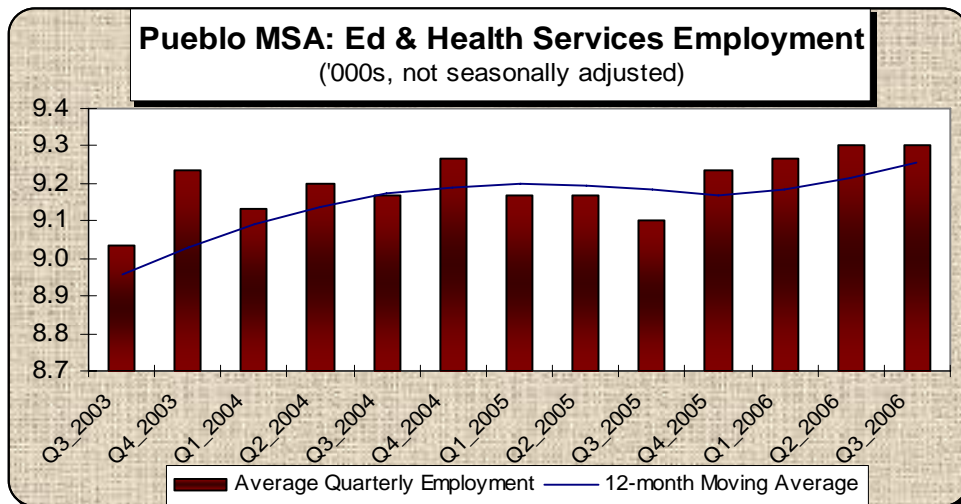
Professional and Business Services: + 200 (4.2%)

Coming on the heels of a 300 job expansion last quarter, professional & business services added 200 new hires in the 3rd quarter. This 500 position gain over the past two quarters ranks as the strongest such advance in the past sixteen years. Most of this growth has occurred in administrative, support, waste management & remediation, a highly seasonal sector that includes temporary help services, telephone call centers, and services to buildings & dwellings. Annual average employment has increased by 100 in each of the past two quarters, but it still remains nearly 10% below the 1st quarter 2001 peak. Over the year, professional & business services has recorded the highest magnitude and percentage growth of the Pueblo supersectors with 600 new hires. This 13.6% year over year growth is 8.5 times stronger than the average over the prior four quarters.



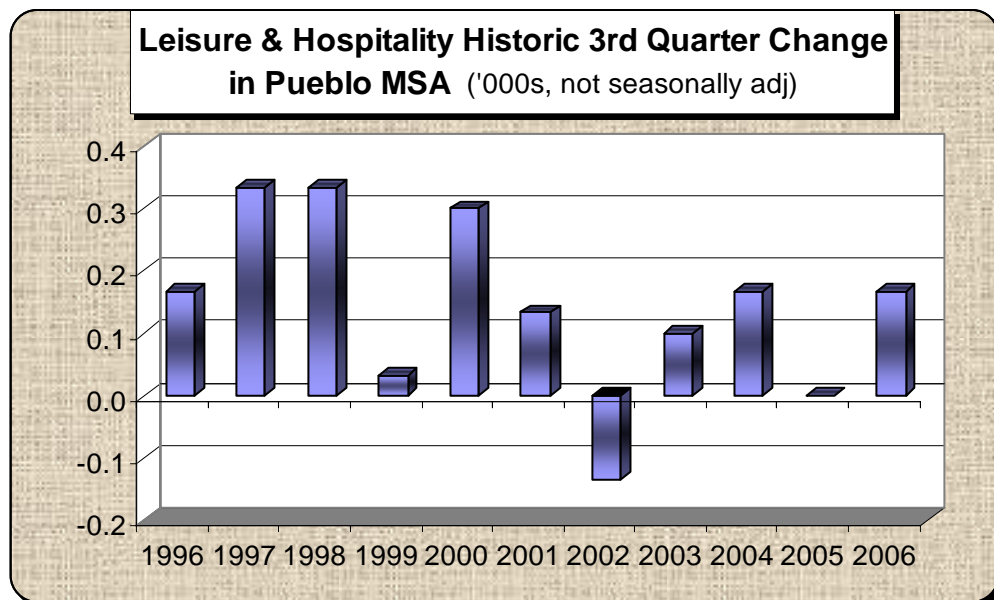
Education and Health Services: Unchanged

For the second consecutive quarter, education & health services employment remained unchanged at 9,300. This is the third largest industry in Pueblo, trailing TTU and government, reflecting the area's importance as a regional medical center. This demographically driven industry has shown steady growth over the past sixteen years and was immune from the employment downturn that many other industries experienced a few years ago. Annual average employment inched up 100 this quarter, and it has grown by 10.7% (1.8% annualized) over the past six years. The expansion over the past four quarters has been slightly faster at 2.2%, with 200 positions added over the year.



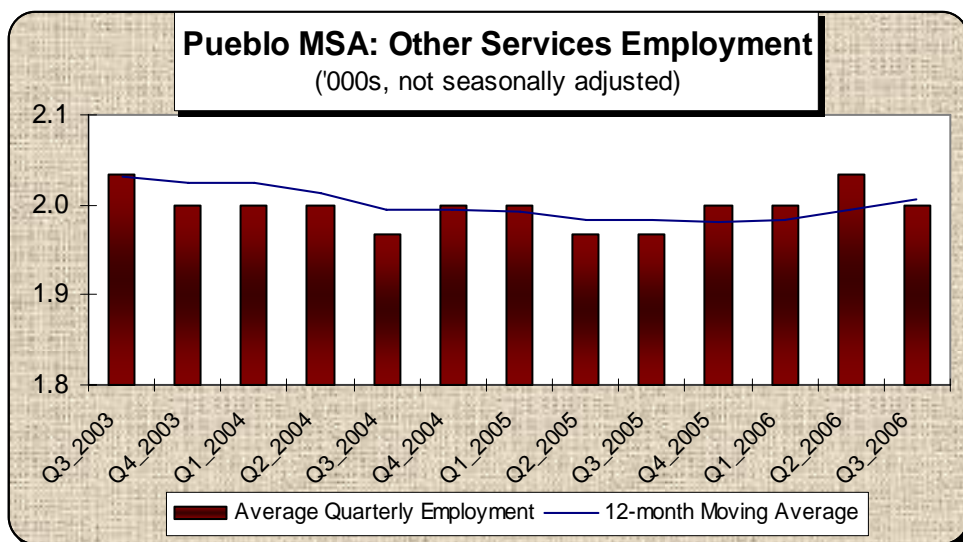
Leisure and Hospitality: +100 (1.6%)

With 200 new hires, leisure & hospitality matched its largest 3rd quarter advance in six years. After ebbing last quarter, employment's twelve-month moving average inched up 100 (1.6%) this quarter. Annual average employment reached a trough two years ago and has grown by 400 (6.7%) over the past eight quarters, leaving it 4.9% above the previous 2002 peak. Over the year, payrolls have edged up 100, and this 1.6% growth is in line with the prior year trend.



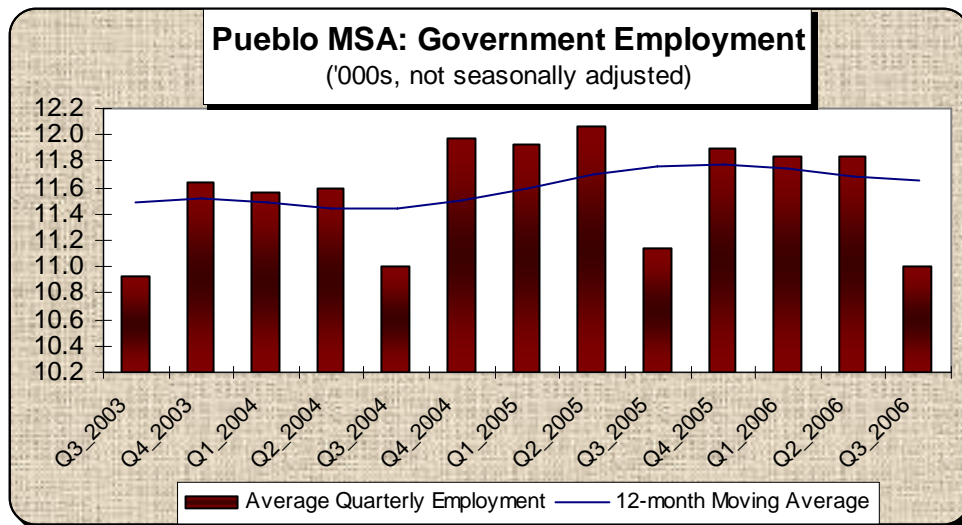
Other Services: Unchanged

For the thirteenth consecutive quarter, other services payrolls remained unchanged at 2,000. Logically, over the year employment in this industry is at the same level as it was last year. Annual average employment peaked in early 2003 before declining 100 (4.8%) to the current level, where it has remained for the past three years. This industry is comprised of repair and maintenance shops, personal services, and religious, professional and similar organizations.

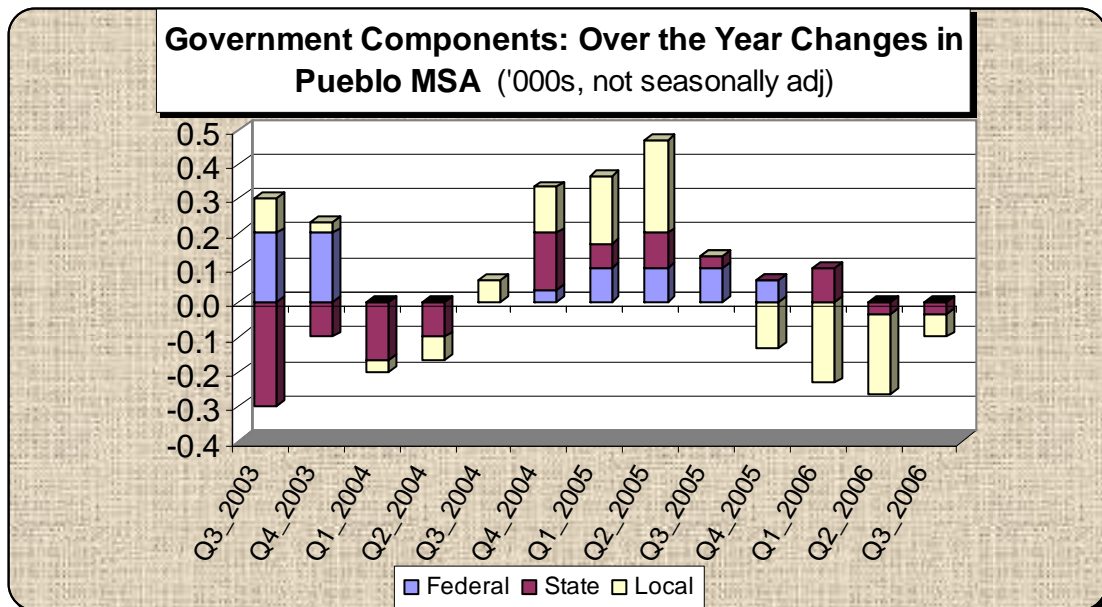


Government: -800 (6.8%)

Government shed 800 workers to experience a slightly smaller 3rd quarter decline than one year ago. Local government payrolls fell by 500 with all of the jobs pared coming from its education component; likewise, State government's 300 drop is attributable to lower education employment levels over the summer break. However the number of local educators on payrolls declined even further, falling by 400 this quarter. Over the year, employment levels in Federal and State government remained unchanged. Local government payrolls were 100 lower than last year causing the industry to decline by the same amount (0.9%). Ironically local education payrolls were 100 (3.1%) above the level four quarters ago.



The Federal government employs 1,000 workers, constituting 9% of supersector employment in Pueblo. Local government employs 5,900 people (3,300 in education), comprising 53% of public sector employment in the MSA. State government now employs 4,100 in Pueblo, or 38% of public employees, with 1,500 educators.



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Please reference, Source: "Colorado Department of Labor and Employment, Labor Market Information".