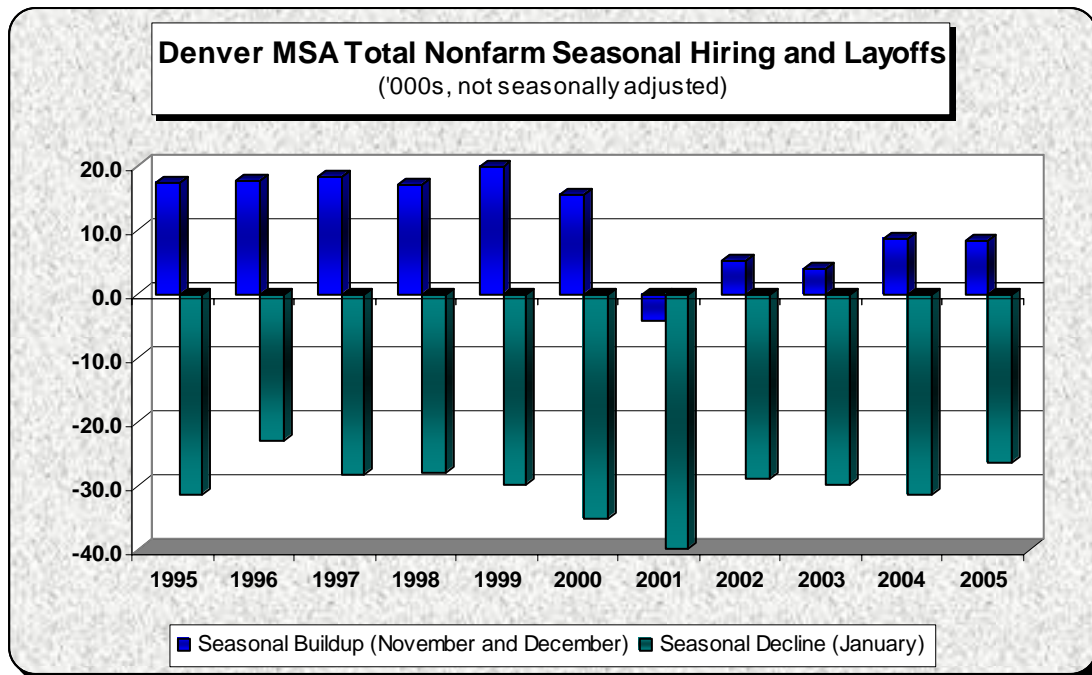


Denver MSA Preliminary Estimates: By Jennifer St. Peter

TOTAL NONFARM WAGE AND SALARY EMPLOYMENT: -26,400 (2.2%)

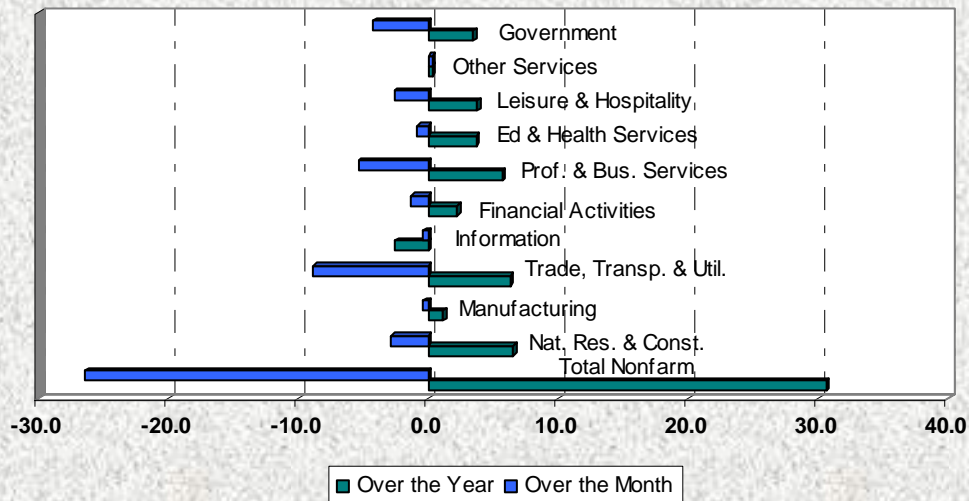
(Not Seasonally Adjusted)



The Denver MSA shed 26,400 positions in January, bringing total nonfarm employment level to 1,185,100. This is the smallest January decline since 1996, but comes on the heels of the weakest non-recessionary seasonal increase in the last 10 years. The loss is 86% of the expected decline (10-year average January change), due to smaller than anticipated contractions in the highly seasonal industries. Performance at the supersector level was downward, with other services posting the lone increase of 300. Trade, transportation & utilities led the decliners with its 8,800 drop, and professional & business services and government followed with respective losses of 5,400 and 4,200. Natural resources, mining & construction shed 2,800, and leisure & hospitality contracted by 2,600. Financial activities, education & health services, manufacturing, and information combined to contribute 2,900 to the decline.

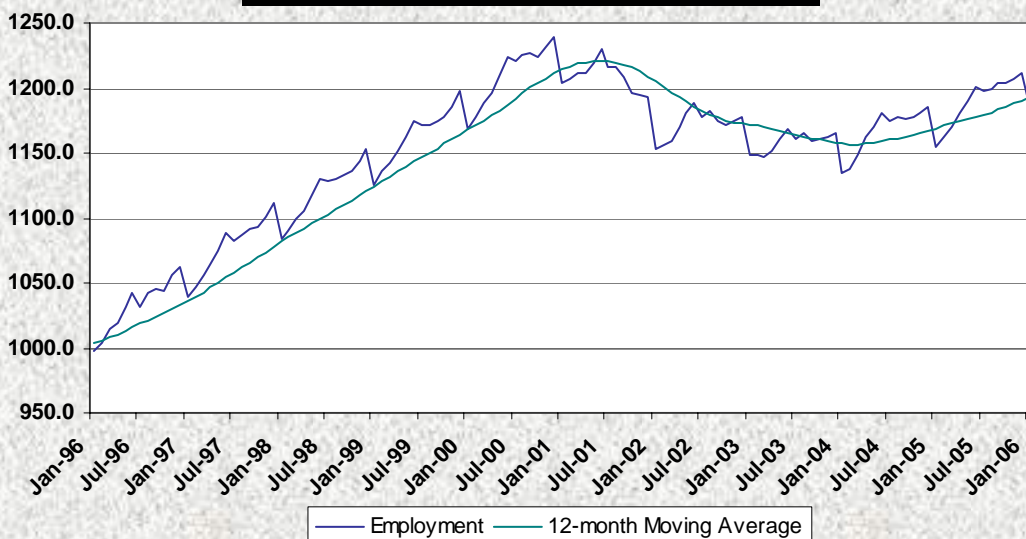
Over the last year, 30,600 new hires have been added in the Denver MSA, for growth of 2.7%. This is the strongest annual growth rate since exiting the recession, due partly to a large decline last January. Growth was widespread, with only information declining over the year. Natural resources, mining & construction had the largest absolute increase and growth rate, with 6,500 new positions (7.9%). Trade, transportation & utilities added 6,300, and professional & business services gained 5,700. Leisure & hospitality, education & health services, and government each increased by around 4,000, and financial activities expanded by 2,200 over the year.

Denver MSA Supersectors: January Over the Month and Over the Year Changes ('000s, not seasonally adjusted)

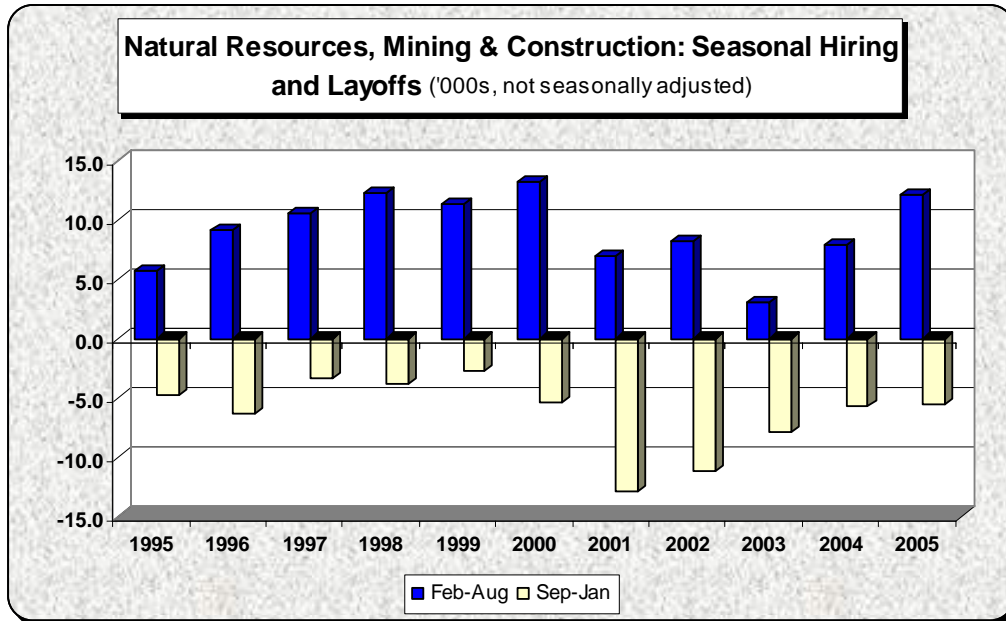


After declining by 5.4% during the recent recession, average annual employment in Denver is slowly recovering. Payrolls have expanded by 3.0% since the February 2004 trough, leaving the local labor market 52.1% recovered. This is significantly weaker than statewide, which has fully recovered from the recession. The metro area's heavy concentration in information, specifically telecommunications, is responsible for this relative weakness, as seven of ten jobs lost in this supersector statewide since peak total nonfarm employment have been in Denver. Growth has slowed slightly, from an annualized 2.2% in the first half of 2005 to 1.8% in the last six months.

Denver MSA Total Nonfarm Employment
('000s, not seasonally adjusted)

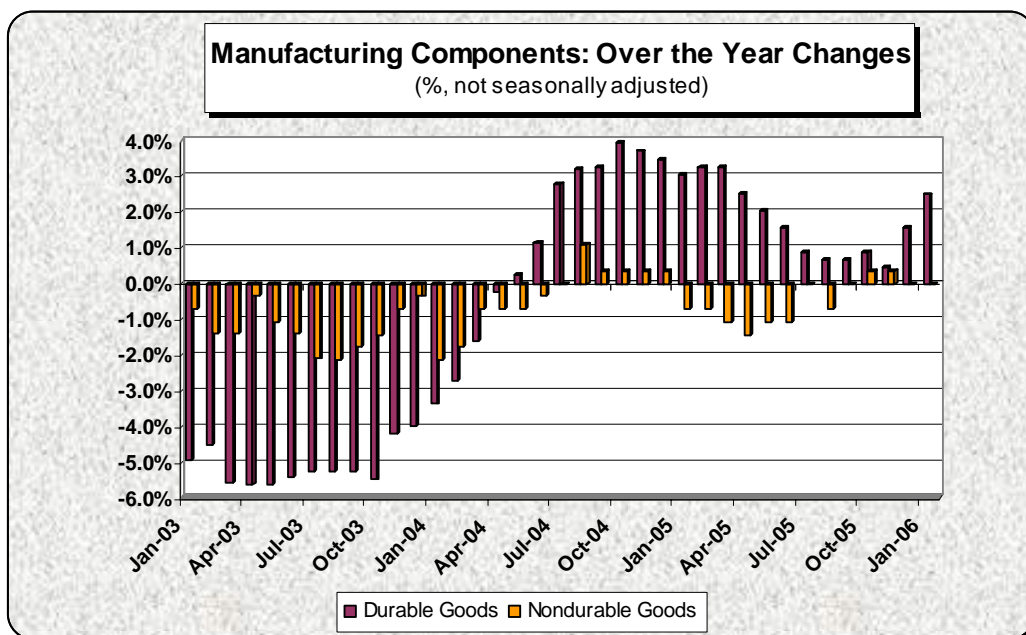


NATURAL RESOURCES, MINING, AND CONSTRUCTION: -2,800 (3.0%)



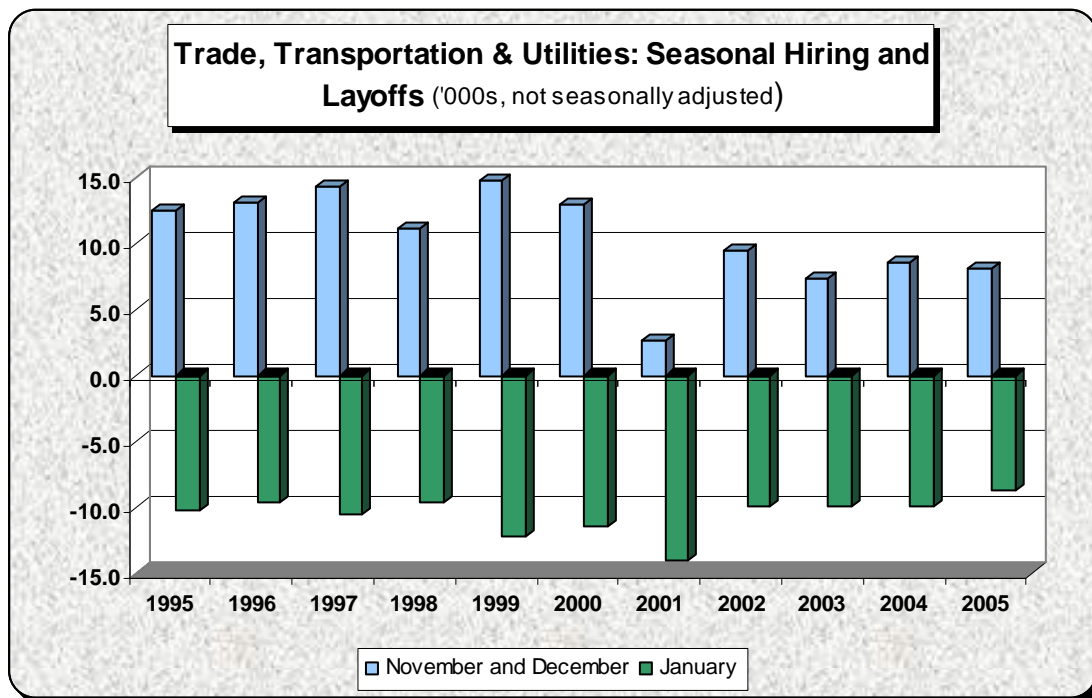
Natural resources, mining & construction declined by an expected 2,800 in January. Specialty trade contractors donated most of these losses with its 2,000 (3.3%) drop, and construction of buildings shed 400 (2.5%). Over the year, this supersector has gained 6,500 (7.9%), both the largest absolute and percent increase in the MSA. Specialty trade contractors contributed 3,700 with its 6.8% growth, and construction of buildings lagged the supersector with a 5.4% expansion (800 jobs) over the year. This year's seasonal February to August build-up was the largest since 2000; similarly, the September to January decline has been the smallest since 2000. Specialty trade contractors, comprising nearly two of three industry jobs, was responsible for a proportional number of this year's seasonal gains and three-fourths of the following drop.

MANUFACTURING: -400 (0.5%)



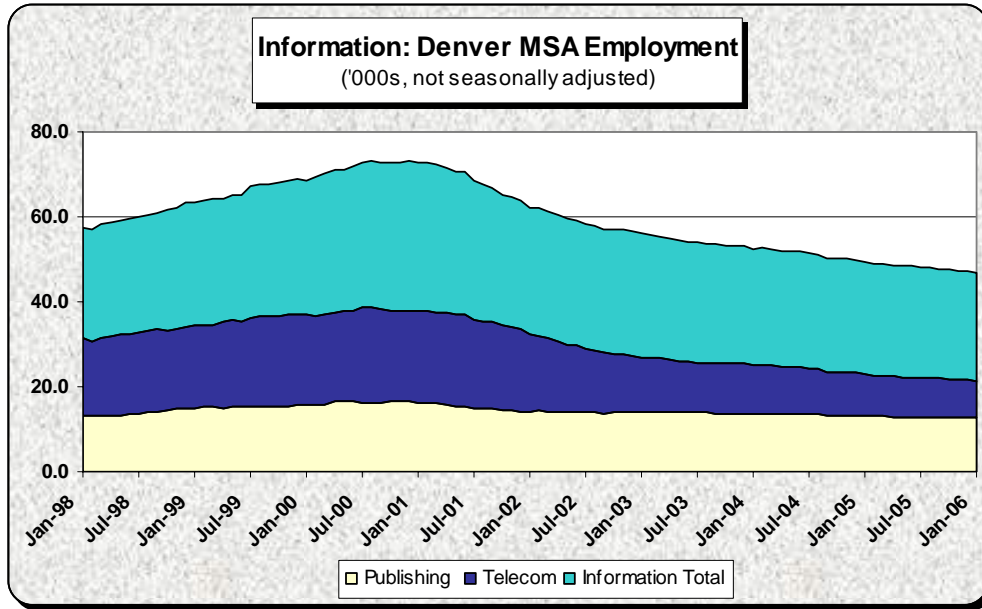
Manufacturing relinquished last month's gain with its 400 decline in January. Most of this month's drop occurred in the non-durable goods manufacturing sector, which contracted by 300 (1.1%). The larger durable goods manufacturing sector declined by 100 (0.2%). A large drop last January helped push supersector employment up 1,100 (1.5%) over the year, the strongest annual gain since last March. The entire increase came from the 2.5% growth in the durable goods sector. This industry, which has been in a period of protracted declines, has now experienced over the year gains since June 2004. Twelve-month average employment in this supersector peaked mid-1998, and contracted by 20.8% before hitting a trough March 2004. Over the same period, the durable goods sector fell by a larger 24.7%, while the non-durables component lost 14.0%. Since then, supersector employment has gained 2.0% due to the 3.5% increase in durable goods, while non-durable goods component was nearly unchanged with its 0.4% loss.

TRADE, TRANSPORTATION, & UTILITIES (TTU): -8,800 (3.6%)



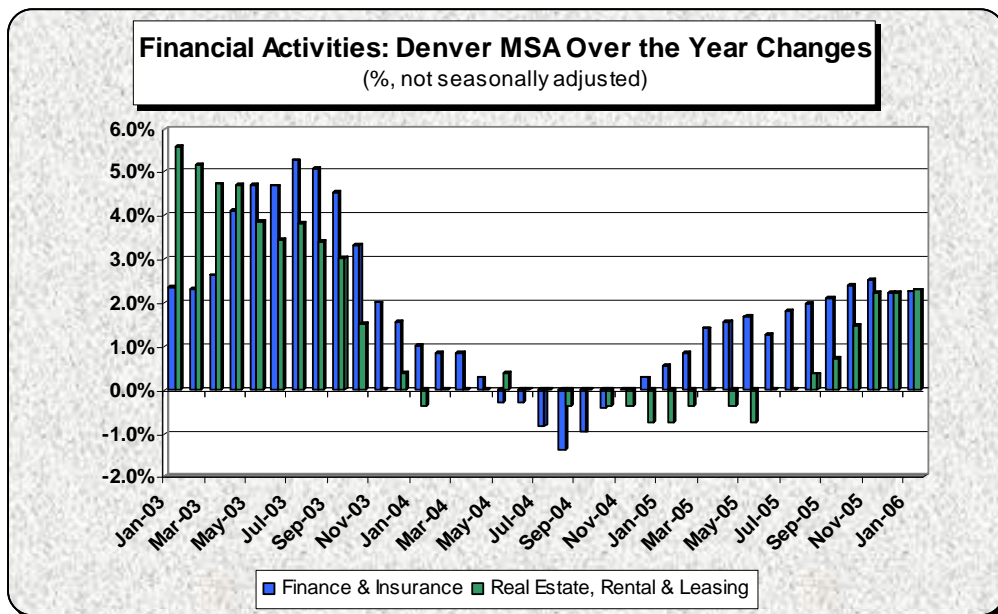
Trade, transportation & utilities declined by 8,800 this month. This is the second smallest January loss on record and is only 81% of the expected drop, but follows the weakest non-recessionary seasonal increase in the last 10 years. In line with seasonal patterns, retail trade and transportation, warehousing & utilities were responsible for most of the contraction, with their respective declines of 7,100 (5.4%) and 1,400 (2.7%), while wholesale trade lost 300 (0.5%). TTU has expanded by 6,300 (2.7%) over the last year, well above the prior twelve-month trend. Due to this month's weak decline, this annual growth is the strongest in the supersector since it exited the employment trough in early 2004. Retail trade mirrored the industry growth rate with its 3,300 new hires, while relatively healthy growth of 3.2% (2,000 jobs) in wholesale trade was partially tempered by transportation, warehousing & utilities' 2.0% (1,000 jobs) increase. Despite recent strength, this industry is only 32% recovered from its 7.1% recessionary contraction.

INFORMATION: -400 (0.8%)



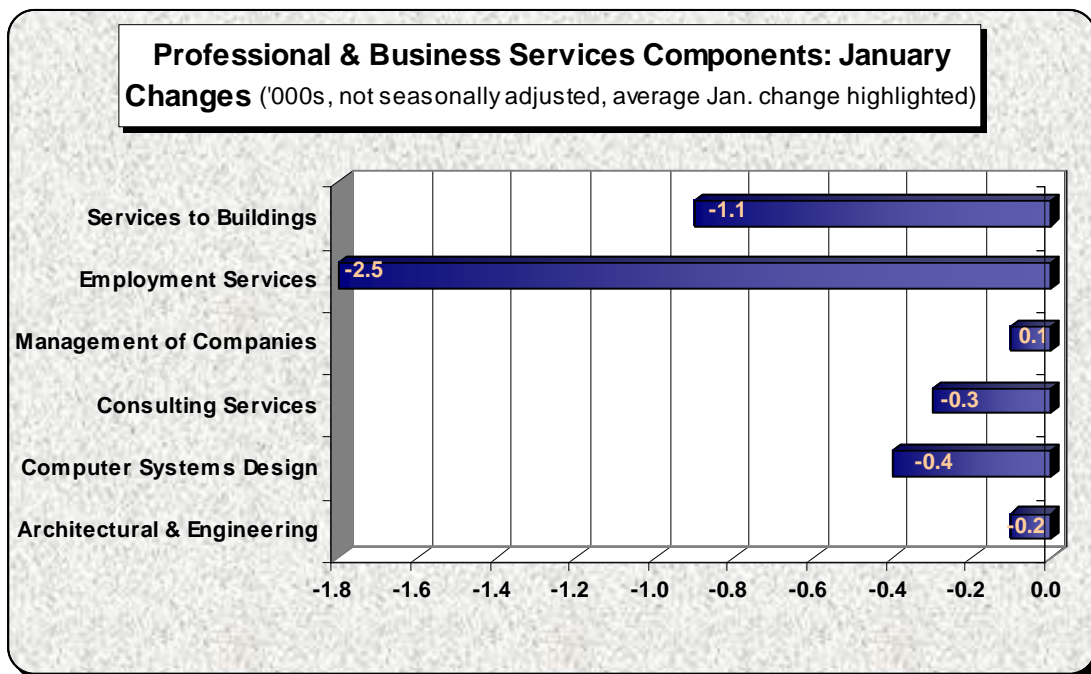
Employment in information declined by 400 this month, the largest such drop since April 2005. Publishing industries lost 100 (0.8%), while telecommunications shed 300 (1.4%), making this its twenty-sixth consecutive month without an increase. Over the year, industry employment has lost 2,500, a 5.1% contraction. For the third straight month, publishing industries is down 700 (5.3%) over the year. Telecommunications continues to hemorrhage jobs, declining by 1,600 (7.0%) over the last twelve months. The annual losses in this supersector slowed from a monthly average of 8.0% in 2003 to 5.4% in 2004, but ticked back up to 6.1% in 2005. Since twelve-month average employment peaked in early 2001, the supersector has contracted by 33.6%, an annualized rate of 7.1%. Telecommunications has endured the lion’s share of the losses, having fallen by 41.6%, or an annualized 8.8% over the same period.

FINANCIAL ACTIVITIES: -1,300 (1.3%)



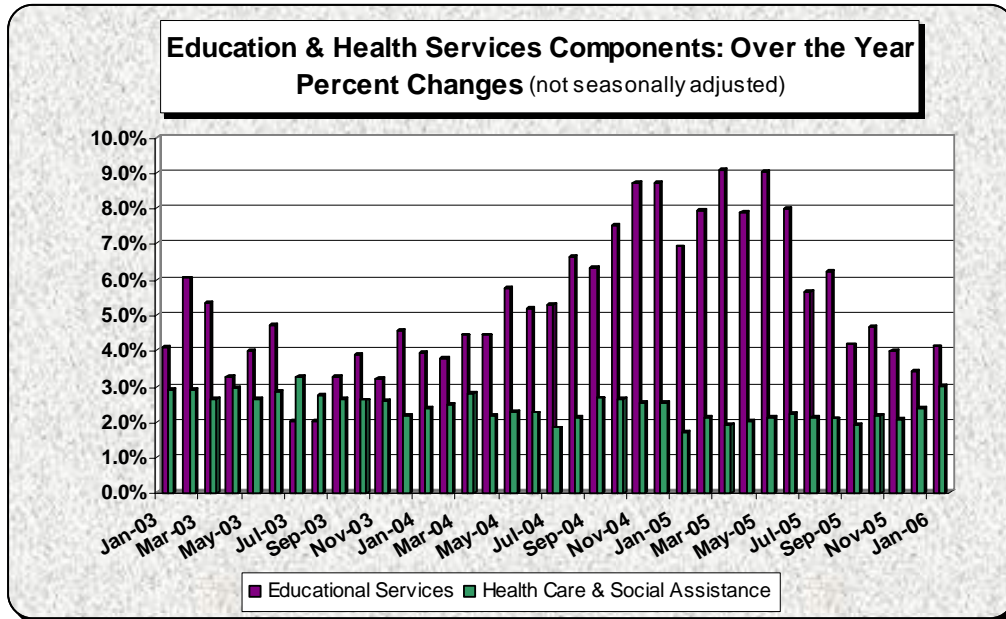
In line with expectations, financial activities declined by 1,300 in Denver this month. The losses were split between the component sectors, with finance & insurance losing 700 (1.0%) and real estate, rental & leasing dropping 600 (2.2%). Employment in this industry is up 2,200 over the year, for growth of 2.3%. This is the fourth consecutive month of growth above two-percent, and surpasses the prior twelve-month average of 1.3%. Both component industries grew in tandem with the supersector, as finance & insurance added 1,600 to payrolls and real estate, rental & leasing gained 600. Real estate, rental & leasing has now posted growth above two-percent in the last three months, after averaging a 0.1% decline in the previous twelve months. With its 4.4% expansion over the year, the real estate subsector donated 36% of the annual gain, nearly twice its industry share.

PROFESSIONAL AND BUSINESS SERVICES: -5,400 (2.8%)



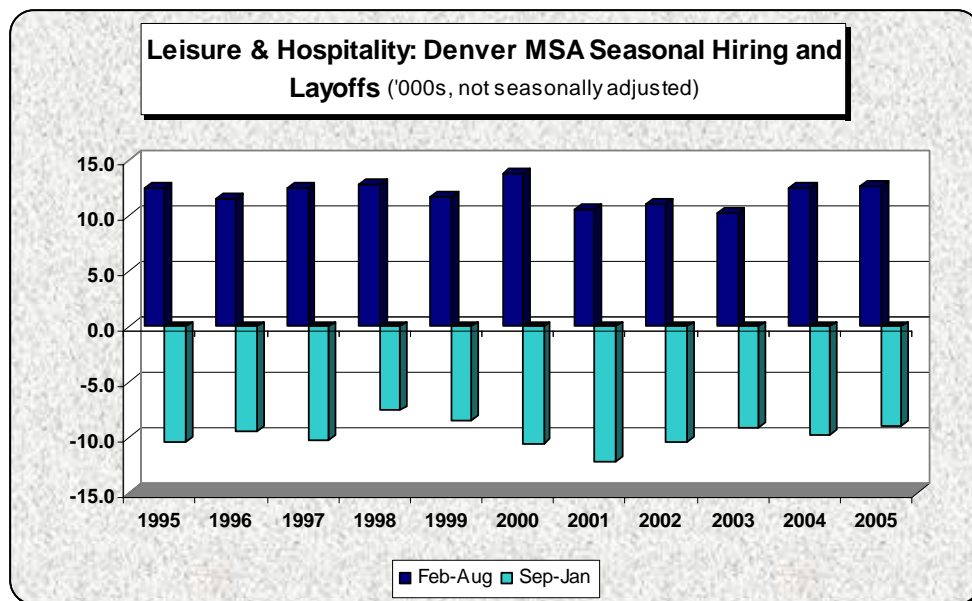
Professional & business services shed 5,400 in January, slightly less than expected due largely to relative strength in the employment services subsector. The catchall administrative, support, waste management & remediation services component recorded the majority of the loss with its 4,000 (4.8%) decline, and the professional, scientific & technical services component dropped 1,300 (1.4%). Over the year, 5,700 (3.1%) have been added to industry payrolls, the slowest annual expansion since March 2004. The professional, scientific & technical component mirrored the supersector growth with its 2,700 new hires, while the catchall administrative component outpaced it with a 3.3% (2,500 jobs) increase. Management of companies gained 500 (2.6%), its strongest expansion in seven months. Due to healthy growth rates over the past two years, this supersector is leading the recovery in total nonfarm employment, as it is 63.5% recovered and represents nearly twice its industry share in the number of jobs gained since the total nonfarm employment trough.

EDUCATION AND HEALTH SERVICES: -800 (0.7%)



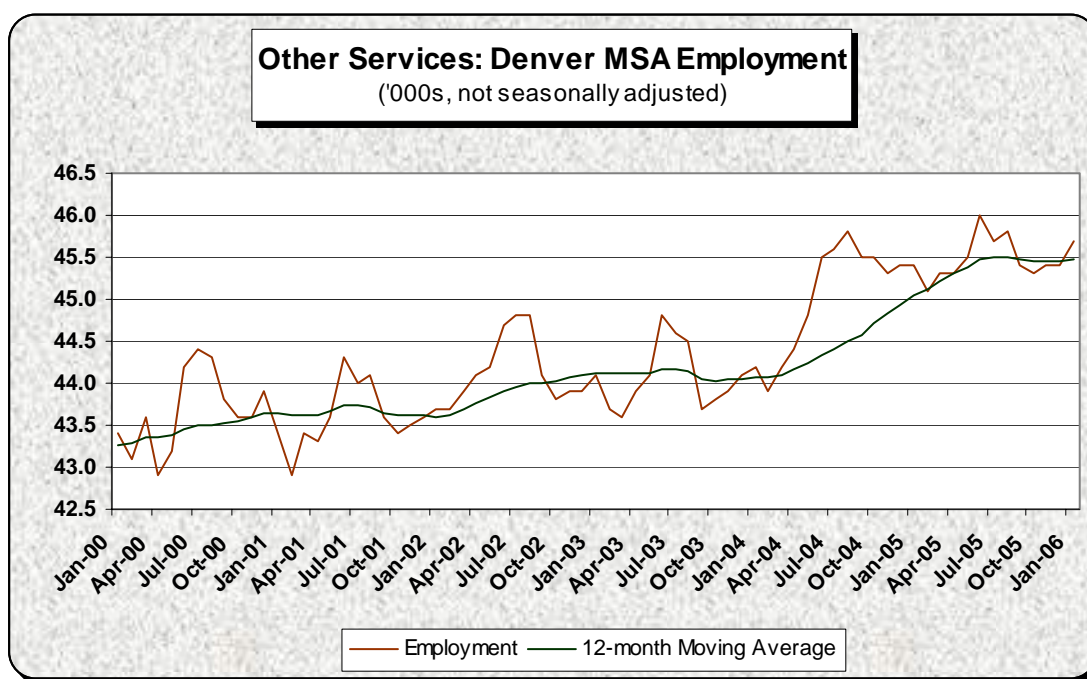
Education & health services declined by a seasonally anticipated 800 in January. The job losses were split evenly between the two component sectors, with educational services dropping by 2.2% and health care & social assistance contracting by 0.4%. Since this time last year, 3,700 positions have been added in this supersector, for growth of 3.2%. This is appreciably higher than the prior twelve-month trend and is the strongest annual growth since December 2004. Educational services outpaced the industry and increased by 700 (4.1%) over the year. Health care & social assistance gained 3,000 (3.0%), its fastest growth since July 2003. Annual growth in educational services has slowed to an average of 4.4% over the last six months from 7.9% over the prior six. Conversely, health care & social assistance has seen its analogous average growth rate increase to 2.3% from 2.1%.

LEISURE AND HOSPITALITY: -2,600 (2.2%)



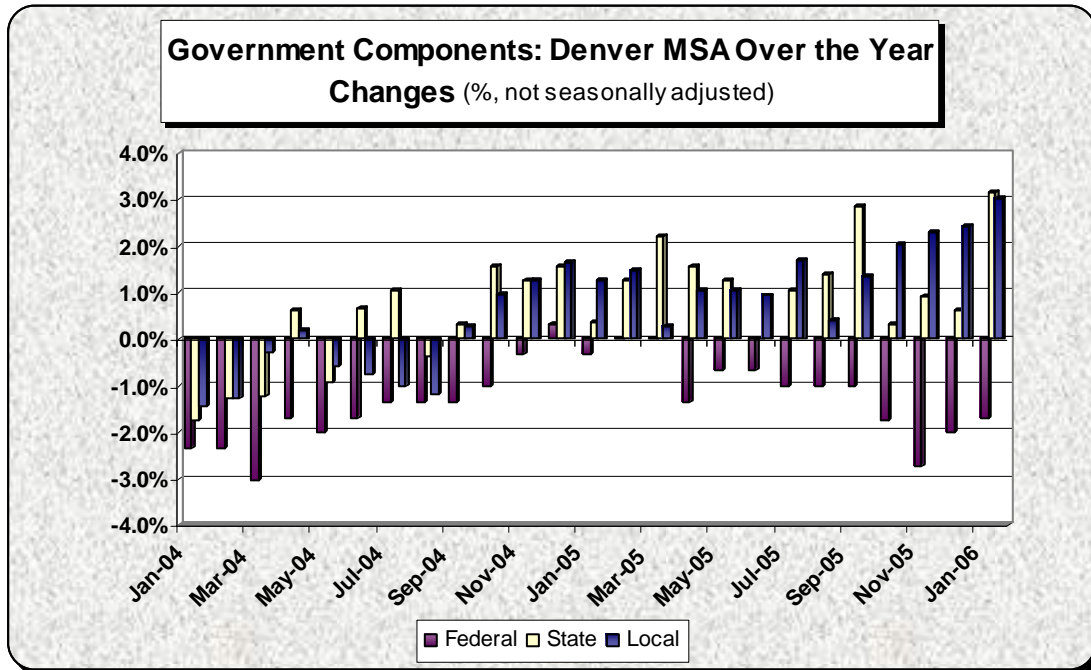
With both of its component industries experiencing weak seasonal declines, leisure & hospitality contracted by 2,600 this month, only three-fourths of the average loss. This is the smallest January drop since 1999, due largely to relative strength in the accommodation & food services component with the opening of a new hotel in Downtown Denver. This component fell by 1,900 (1.9%) in January and arts, entertainment & recreation shed 700 (3.8%). Over the year, employment in leisure & hospitality has increased by 3.3% (3,800 jobs), its fastest pace in ten months. The accommodation & food services donated most of these gains with its 3.6% growth (3,500 new hires), its largest post-recession expansion. Arts, entertainment & recreation lagged the industry with 1.7% annual expansion (300 jobs). This component has seen its strength dwindle, as its average over the year growth rate fell from 3.2% in the first half of 2005 to 1.6% in the second half. Prior to last July, this sector was donating a greater than proportional number of new positions to the recovery.

OTHER SERVICES: +300 (0.7%)



Other services was the only gainer in the MSA and added 300 to payrolls. This is three times the expected increase and the strongest January since 1999. Repair & maintenance, which constitutes one-quarter of supersector employment, was unchanged for the third consecutive month. Over the last twelve months, payroll gains have numbered 300 (0.7%). Although this growth rate is one-fourth of that seen last January, it follows a zero average expansion in the last six months. The repair & maintenance component donated 100 jobs with its 0.8% increase over the year. Following an expansion of 1.1% in 2002, average annual employment in the supersector remained flat in 2003. Growth picked back up to 1.8% in 2004 and came in at 1.3% in 2005. The repair & maintenance sector, however, has shown relative weakness, as its annualized employment contracted by 2.3% in 2003, a further 0.8% in 2004, and remained unchanged in 2005.

GOVERNMENT: -4,200 (2.5%)



A decline of 3,100 (1.0%) at the State level drove government down 4,200 in January. This is the smallest such drop in four years, due to local government realizing only 40% of its expected decrease. This month's relative strength coupled with a larger than expected loss last January pushed supersector employment up 3,500 (2.2%) over the year, its strongest post-recession growth. State and local government outpaced the industry growth with respective gains of 900 (3.2%) and 3,100 (3.0%). Employment at the Federal level continues to languish and declined by 500 (1.7%) over the year, and has not enjoyed an annual increase since December 2004. State and local education, which combined constitute around 43% of industry employment, added 2,900 over the year, nearly 83% of all Government new hires. Due to a big drop last January, State education posted a 13.9% growth rate.

-End-

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Colorado Department of Labor & Employment: Rick Grice, Executive Director
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Visit the CES Home Page: <http://www.coworkforce.com/lmi/CES/ceshome.asp>
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Please reference, Source: "Colorado Department of Labor and Employment, Labor Market Information".