



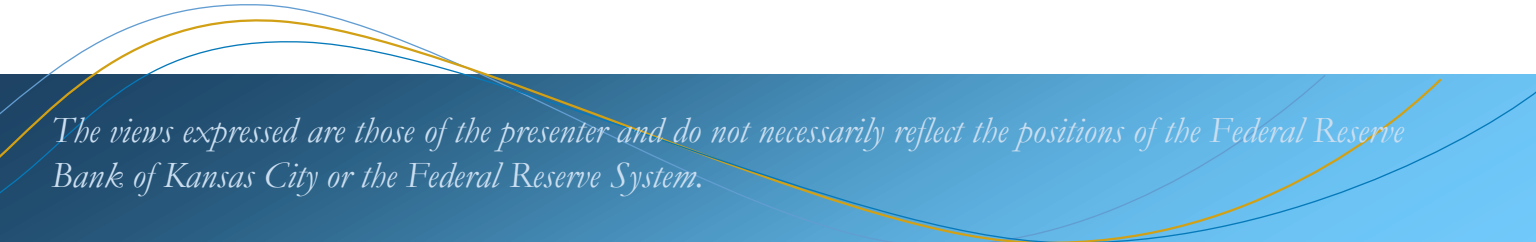
U.S. & COLORADO ECONOMIC UPDATE

Alison Felix

Economist & Branch Executive

Federal Reserve Bank of Kansas City

Denver Branch



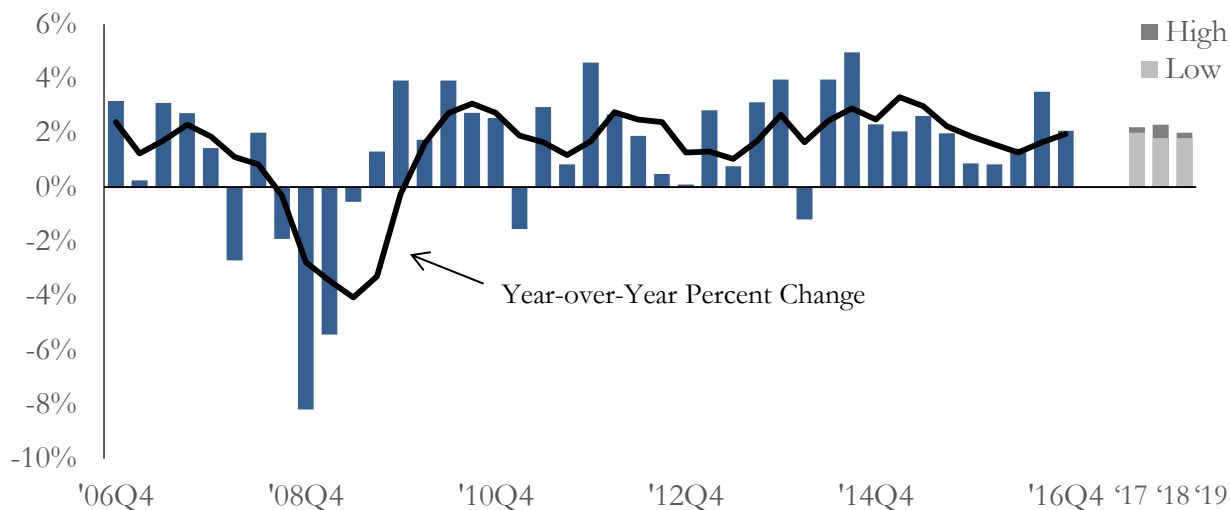
The views expressed are those of the presenter and do not necessarily reflect the positions of the Federal Reserve Bank of Kansas City or the Federal Reserve System.

The U.S. economy is expected to continue to expand at a moderate pace over the next few years.



REAL U.S. GROSS DOMESTIC PRODUCT

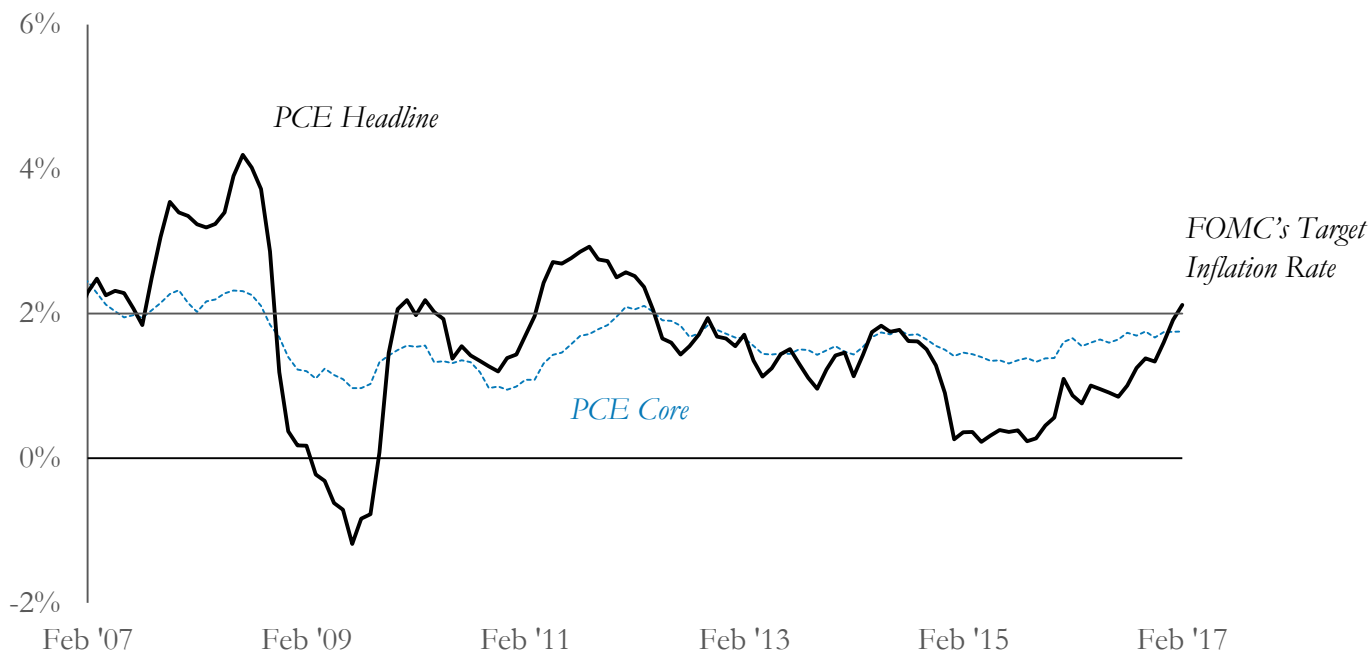
Percent Change from Previous Quarter at Seasonally Adjusted Annualized Rates



March 2017
FOMC Central
Tendency Projections

U.S. PERSONAL CONSUMPTION EXPENDITURE (PCE) INFLATION

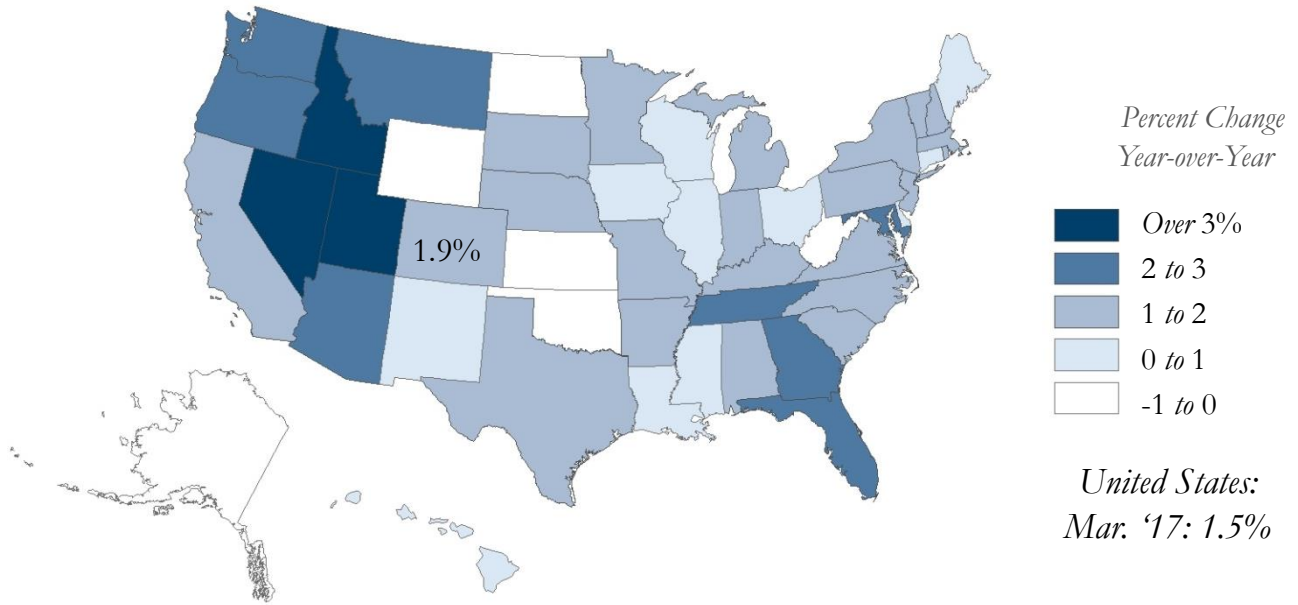
Percent Change Year-over-Year, Seasonally Adjusted



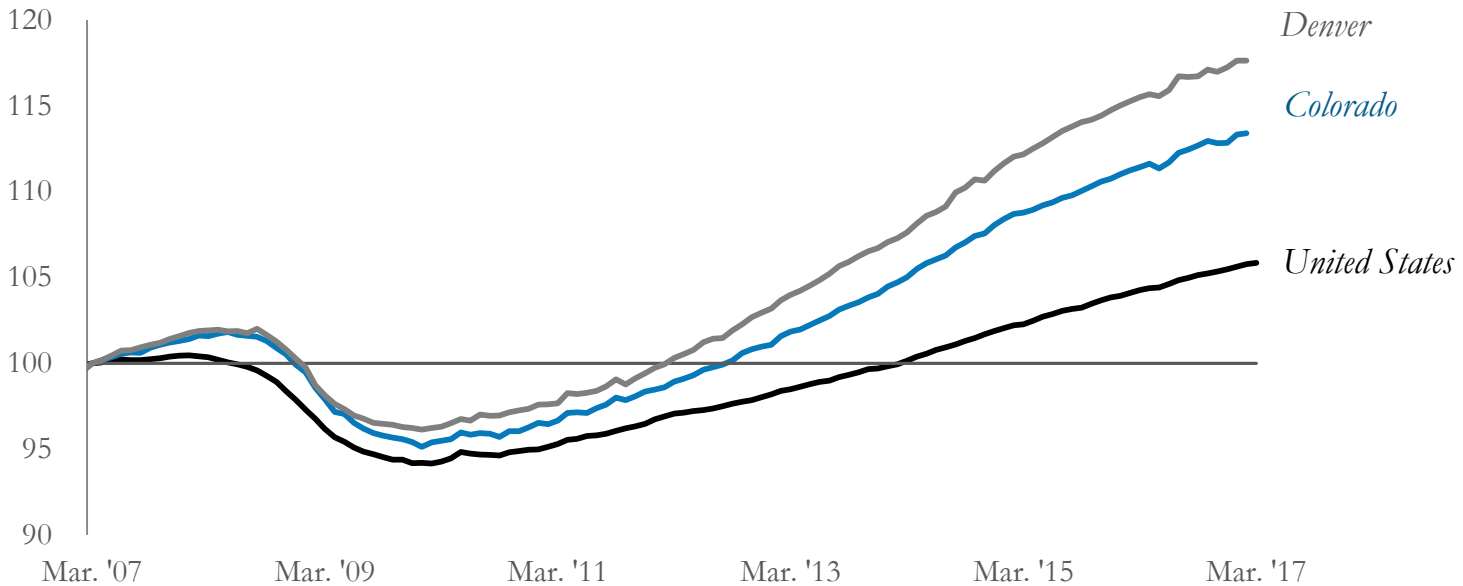
Employment has been increasing in Colorado and in the nation for more than six years, with Colorado gains outpacing the nation.



FEBRUARY 2017 NONFARM EMPLOYMENT
Percent Change Year-Over-Year, Seasonally Adjusted



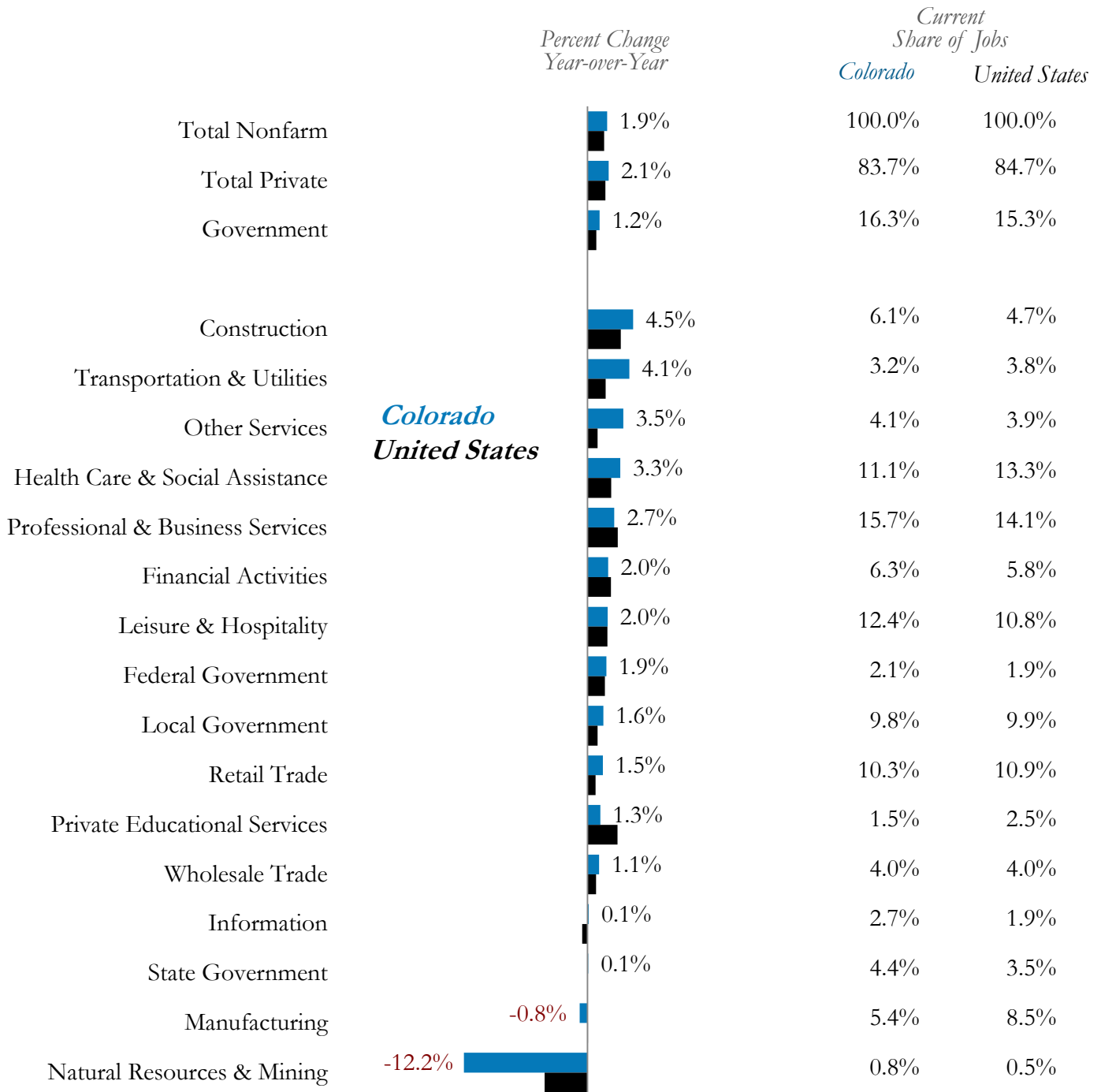
PAYROLL EMPLOYMENT GROWTH
Index 100 = March 2007, Seasonally Adjusted



Job gains have been broad-based across industries in the U.S. and Colorado over the past year.



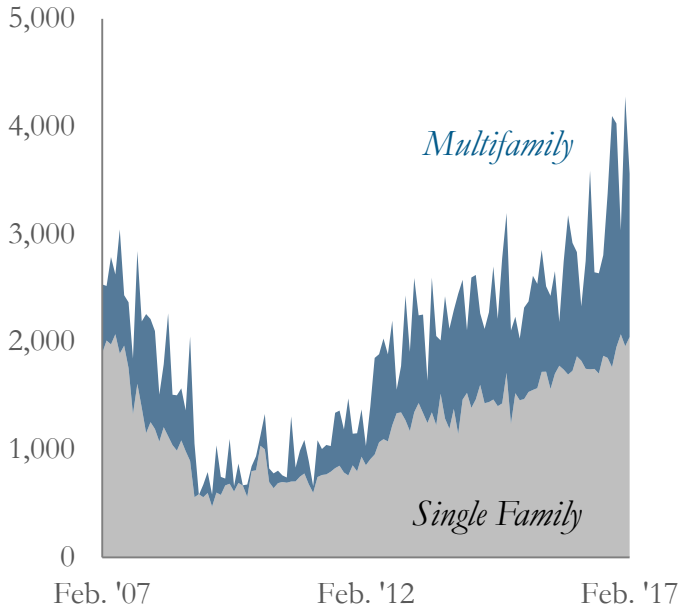
FEBRUARY 2017 NONFARM EMPLOYMENT BY INDUSTRY *Seasonally Adjusted*



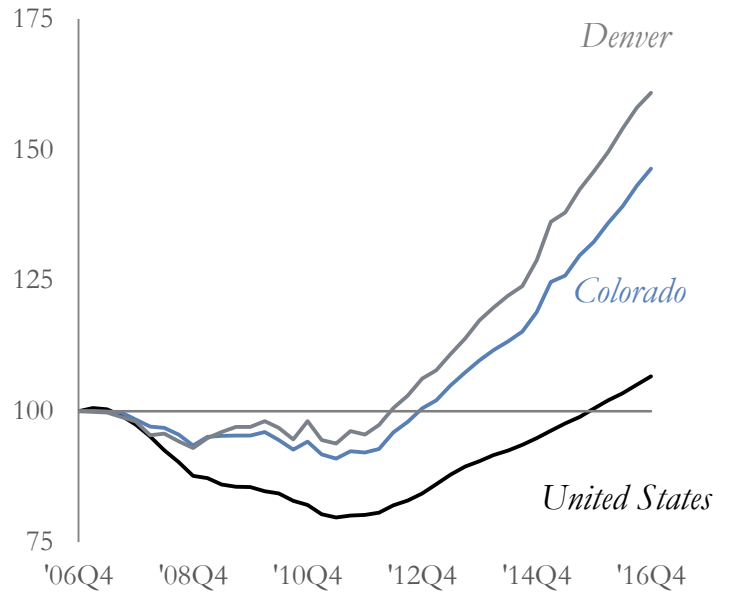
Low home inventory levels have led to increased building activity and a sharp increase in home prices.



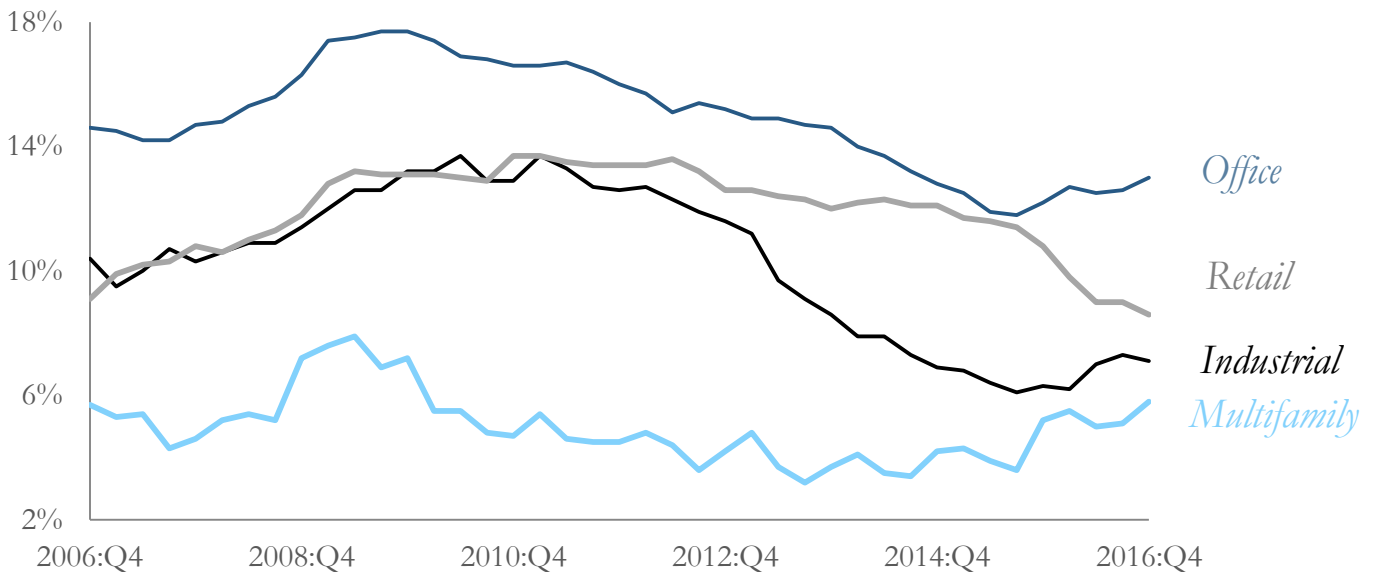
COLORADO RESIDENTIAL PERMITS
Seasonally Adjusted



FHFA PURCHASE-ONLY HOME PRICES
Index 100 = 2006Q4, Seasonally Adjusted



DENVER COMMERCIAL VACANCY RATES

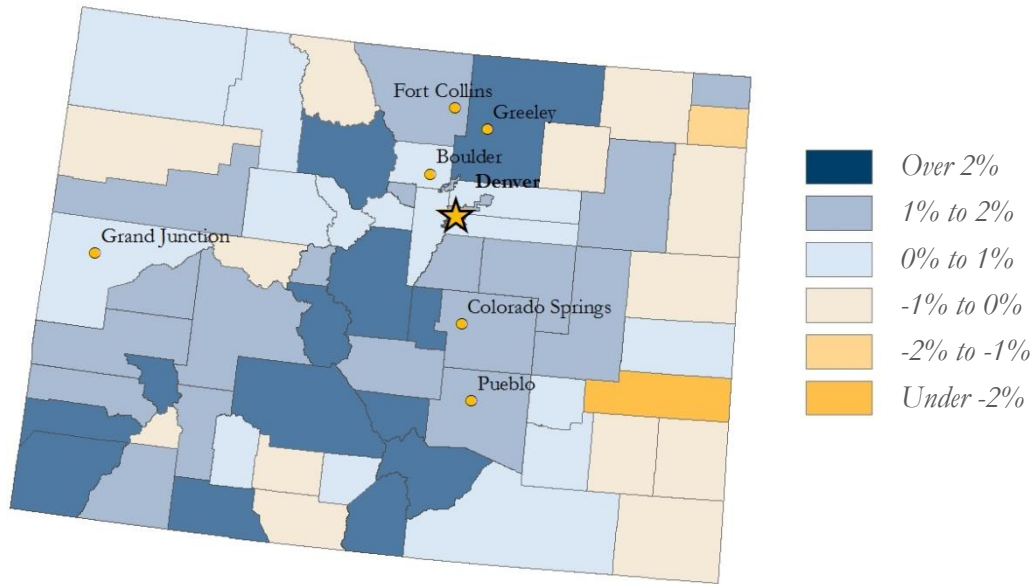


Colorado continues to experience strong net migration, and tourism activity has been solid over the past few years.



COLORADO MIGRATION

2016 Annual Net-Migration as a Percent of Total Population

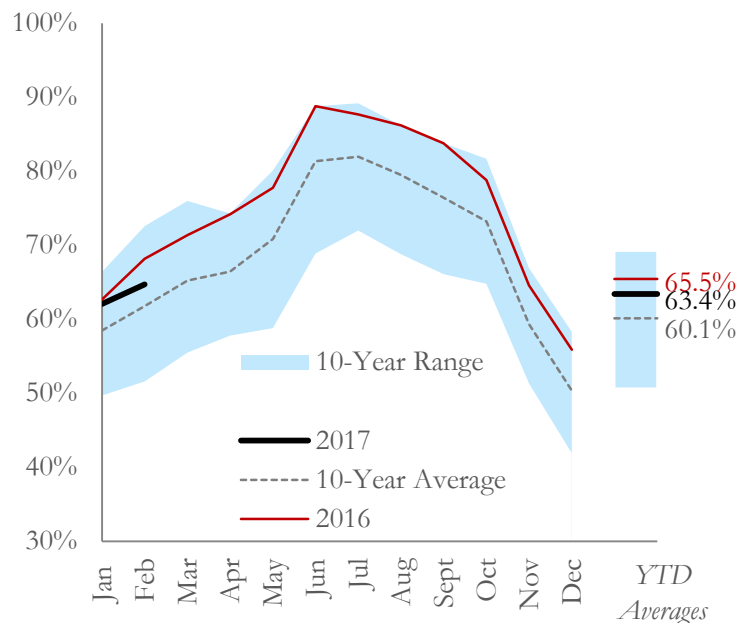
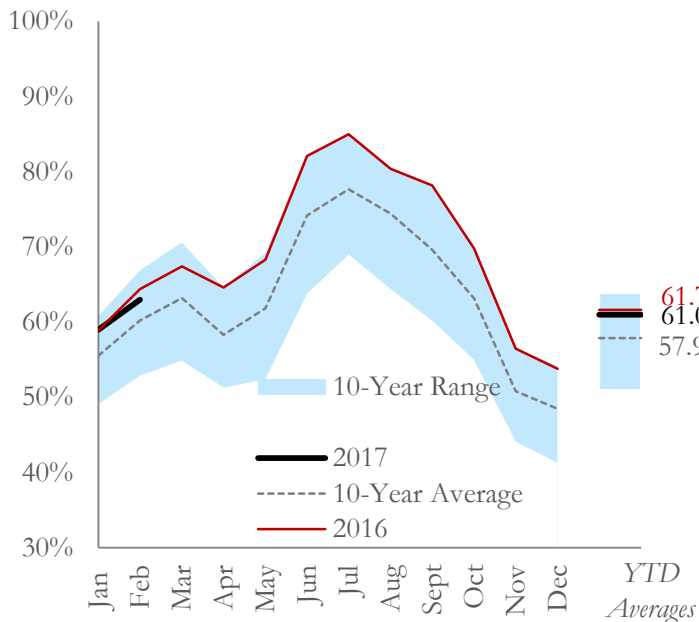


Annual Percent	2016
United States	0.3%
Colorado	1.1%
Denver County	1.1%

HOTEL OCCUPANCY RATES

Colorado

Denver

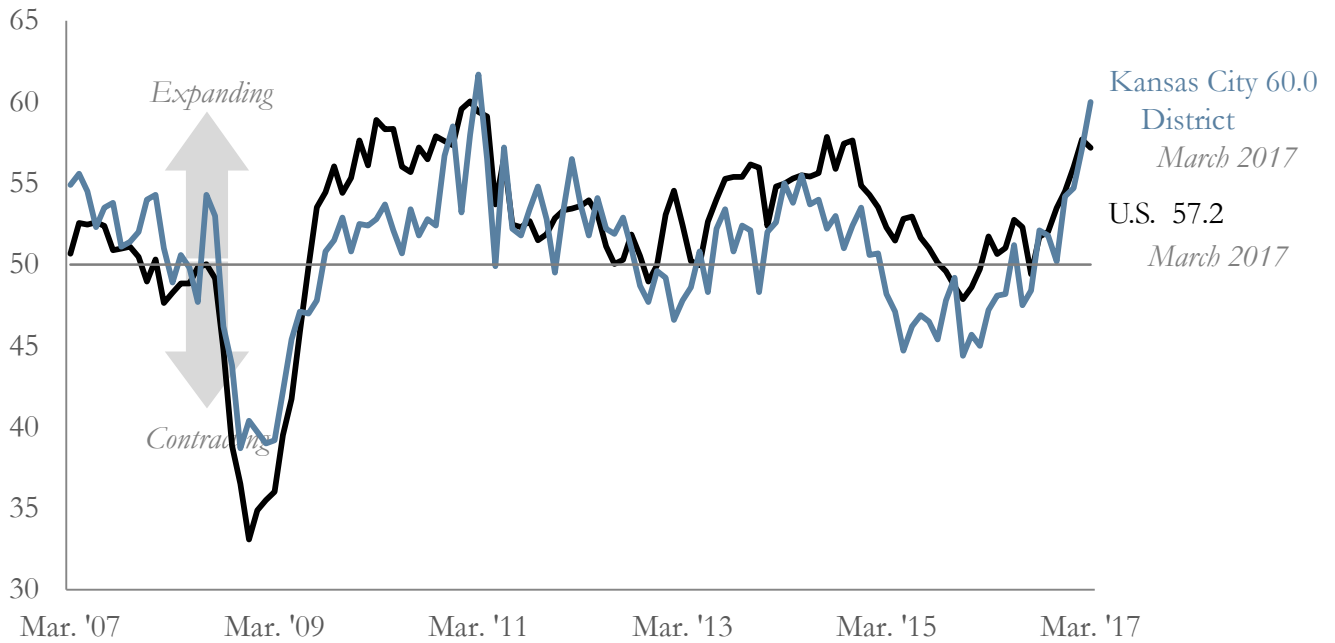


Manufacturing and export activity has rebounded over the past few months.



MANUFACTURING ACTIVITY

Diffusion Index, Seasonally Adjusted, Month-over-Month



COLORADO EXPORTS BY TRADING PARTNER

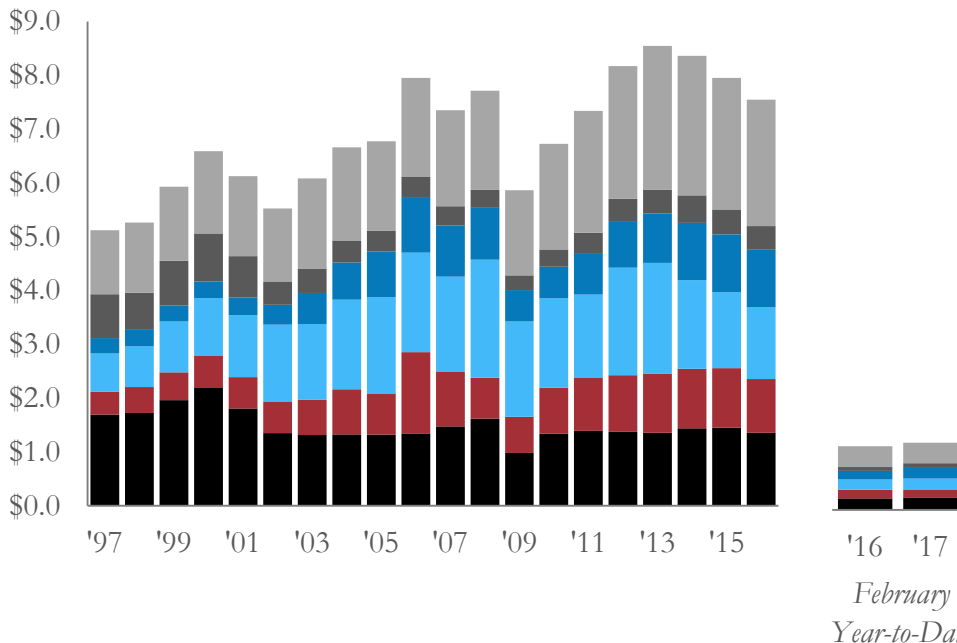
Billions

FEBRUARY '17

Year-to-Date Percent Change

	Year-to-Date Percent Change	SHARE*
Total Trade	6.0%	31.1%
All Other	0.2	5.9
Japan	-3.6	14.2
Mexico	36.9	17.6
Canada	4.7	13.3
China	-4.9	17.9
Eurozone	6.2	

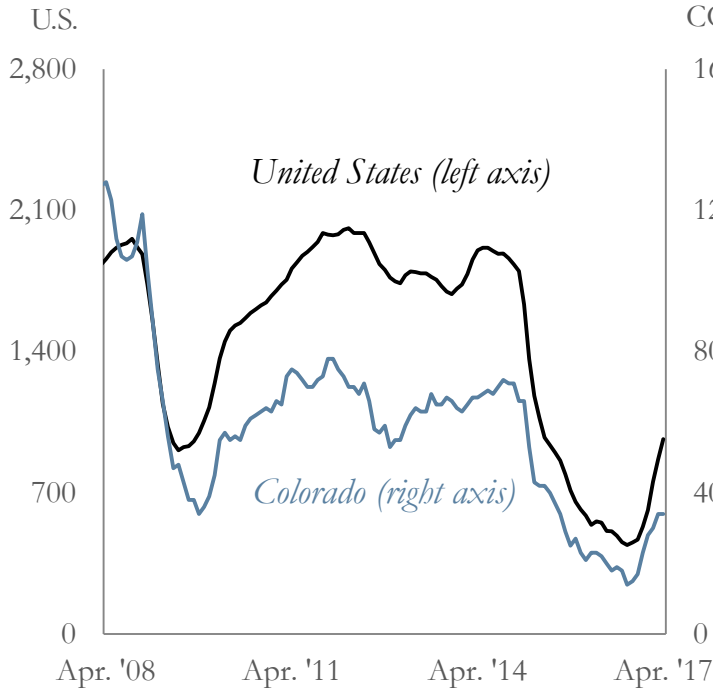
**Shares are for 2016*



The energy sector has picked up in recent months after declining significantly since mid-2014.

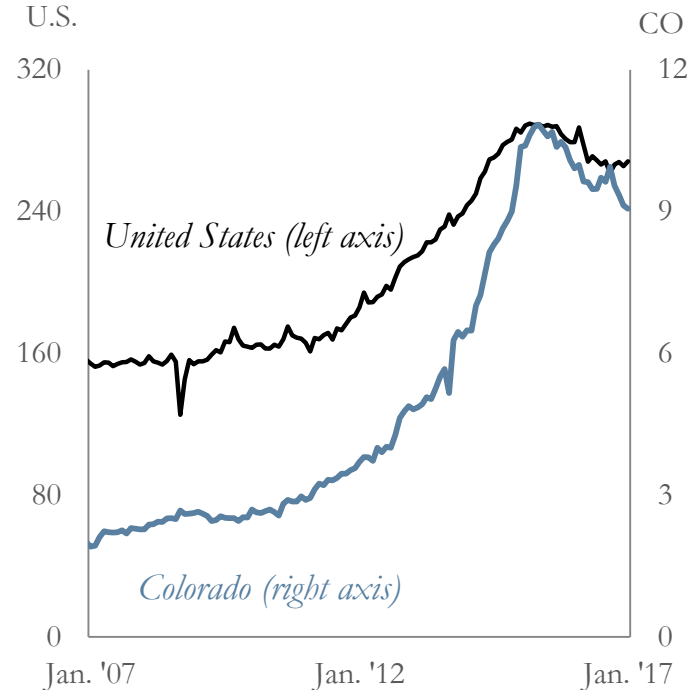


TOTAL RIG COUNT



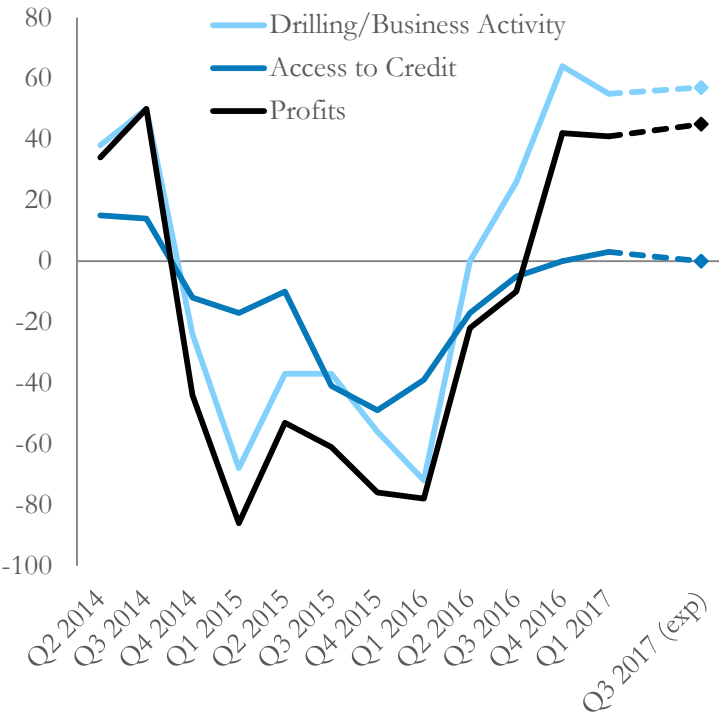
CRUDE OIL PRODUCTION

Millions of Barrels, Monthly, Seasonally Adjusted



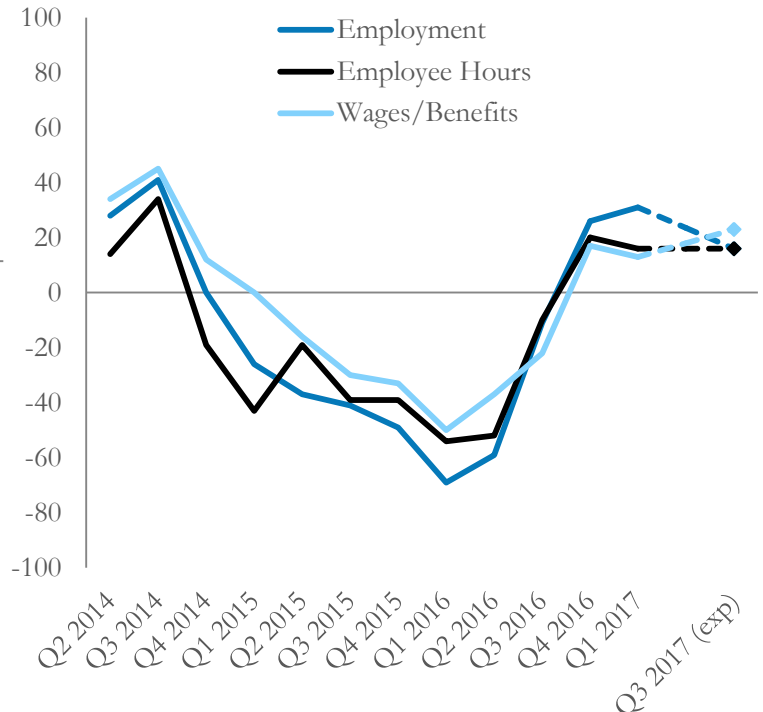
FRBKC ENERGY SURVEY

Quarterly Diffusion Indexes



FRBKC ENERGY SURVEY

Quarterly Diffusion Indexes

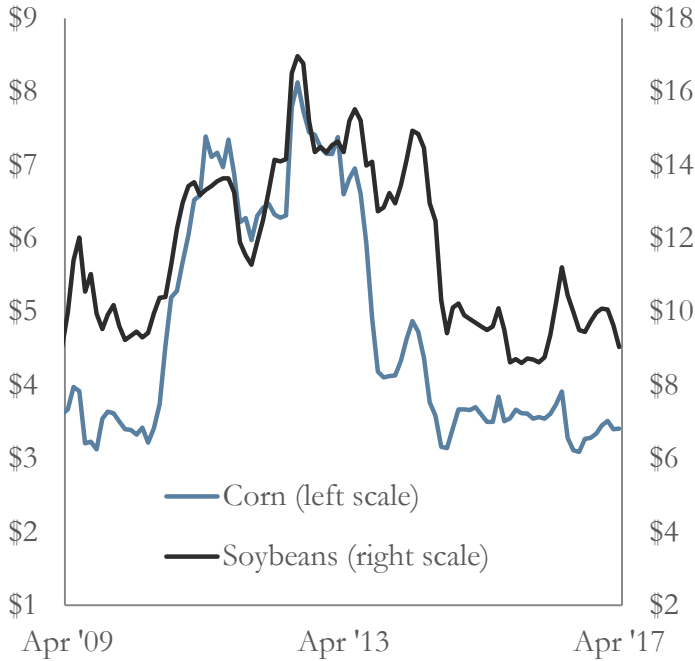


Farm income has fallen sharply and is expected to remain weak.



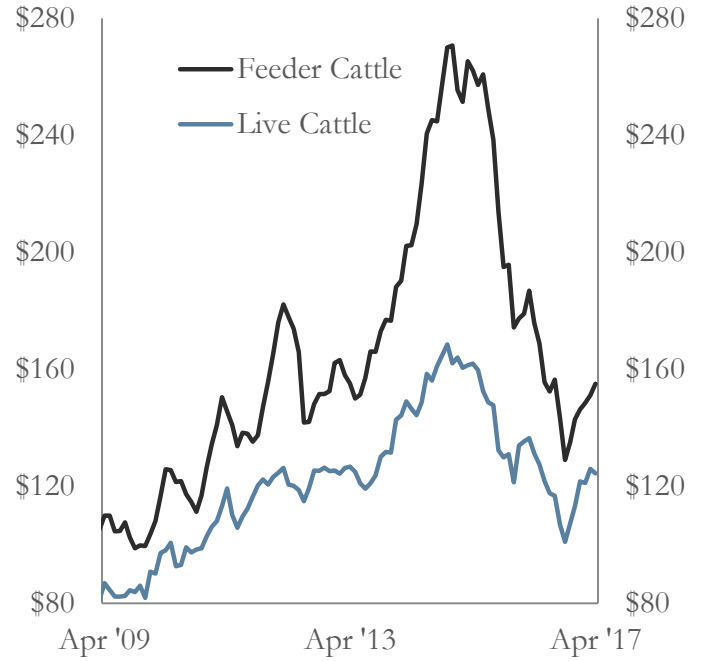
U.S. CROP PRICES

Dollars per Bushel



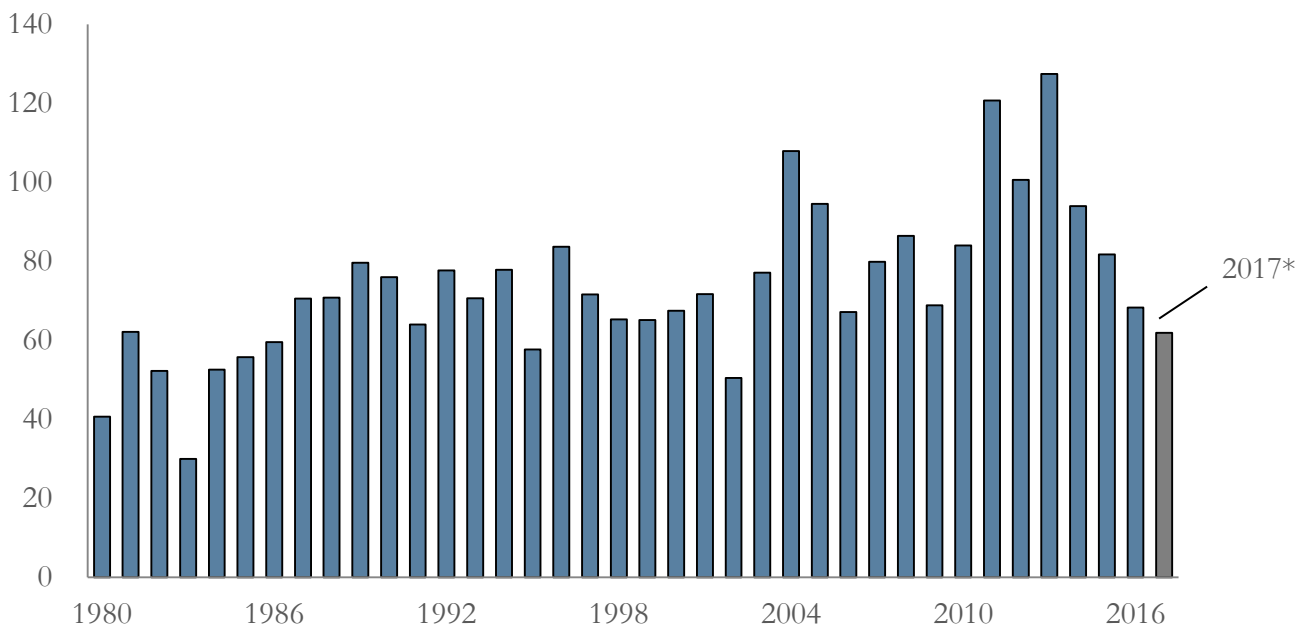
U.S. LIVESTOCK PRICES

Dollars per Hundredweight



U.S. REAL NET FARM INCOME

Billions, 2016 Dollars



*Forecast for 2017