

This is the CBS Denver Market Update. The Market Update is a monthly report that focuses on the Denver metro economy. Within this monthly report we will provide vital economic data, as well as specifics on job growth, retail sales, housing data, and so on. In addition to the local economic information, regional and national data are also included.

This report is intended to provide you with a comprehensive overview so that you can be informed on the economic and business conditions that affect your organization.

At CBS4 we truly want to be a resource for your business. We hope this helps.

Denver Home Sales

Existing Single-Family Homes—NSA

	Apr-12	Apr-13
Inventory	10,245	6,945
Under contract	3,891	6,588
Sales	5,681	4,714
Days on the market	90	56

Source: Denver Board of REALTORS* NSA = not seasonally adjusted
Most recent data available

Denver Home Permits

Authorized Units Privately Owned—NSA

	Total	Y-Y Change
Feb-12	458	
Feb-13	999	+118.1%
Mar-12	452	
Mar-13	1,931	+76.5%

Source: U.S. Census Bureau NSA = not seasonally adjusted

Denver Employment

National Unemployment Average 7.5%—Apr 2013—NSA

	Employment Change*	Unemployment Rate
Feb-12 (r)	-345	8.7%
Feb-13 (r)	+2,611	7.4%
Mar-12	-528	8.5%
Mar-13	-5,347	7.2%

Source: Bureau of Labor Statistics NSA = not seasonally adjusted
*Change from prior month (r) = revised data

Carlson Index

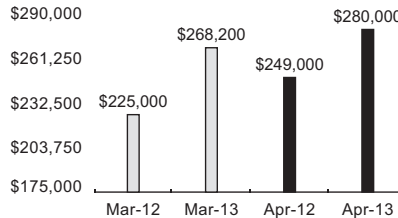
In the month of February 2013 each job in Colorado generated an average of \$4,578 in retail sales expenditures. This represents a 1% decrease from February 2012.

Source: The Carlson Group

Denver Economic Benchmarks

Denver Median Home Price*

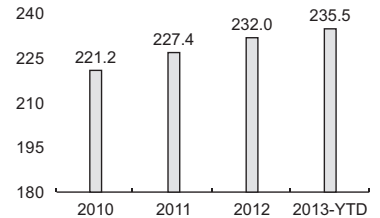
U.S. Median: \$184,300 in March



Source: Denver Board of REALTORS*
*Median sale price for existing single-family home
Most recent data available

Denver* Consumer Price Index

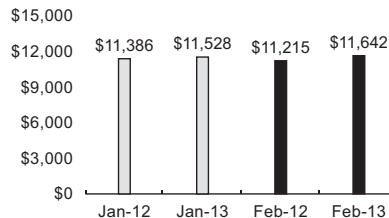
1982-84 = 100 (U.S. Average 232.7) NSA



Source: Bureau of Labor Statistics
*West Urban Region NSA = not seasonally adjusted

Colorado Retail Sales*

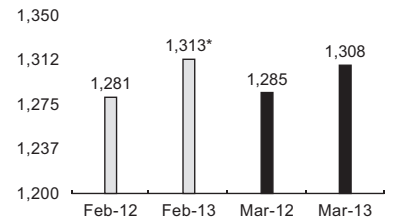
In Millions (000,000s) NSA



Source: Colorado Department of Revenue
NSA = not seasonally adjusted *Most recent data available

Denver Employment

In Thousands (000s) NSA



Source: Bureau of Labor Statistics
NSA = not seasonally adjusted *revised data

U.S. Employment By The Numbers

Nonfarm payroll employment: +165,000 ▲ Civilian labor force participation rate: 63.3% NC

Source: Bureau of Labor Statistics, April 2013

Inside The Economy Surf's Up!

After years of swimming around in flat water, I'm prepared to say that "Surf's Up" and we are catching the next wave to economic recovery! The stock market run above 15,000 (DJIA) is being fueled mostly by the good news being reported. Housing prices are up following strong demand. New jobs are up, even though the overall unemployment rate has changed little. Gross Domestic Product increased 2.5 percent in the first quarter of 2013; not spectacular, but relatively positive compared to where we've been for the last few years. Consumer confidence increased after taking a large fall in the previous month. The operative word now is "momentum." What can spur further hiring and growth and what can impede it? One consideration could be rising interest rates. However, the Federal Reserve has publicly committed to keep interest rates (particularly long-term rates) low through 2016. So, not much worry there. Europe still teeters on the edge of failure, but in a surprising development, one of the weakest countries – Portugal – was able to re-enter the bond market and offer 10-year bonds which were oversubscribed. So, Europe gets a flash of good news too. As we whittle down the culprits in this ongoing drama, we are once again left with our own government as the savior or the spoiler. So far, the Congress and the Administration have not been sources of inspiration. In the early part of May, it appears that gun control has supplanted fiscal policy as "the" issue of the week(s). That will change as the ceiling on the Federal debt looms once again this summer. Both sides are digging their trenches deeper. There's a legislative proposal to ensure that government debt coming due (interest and principal) gets paid first, ahead of other discretionary or mandatory spending. It will probably go nowhere since it would have to affect entitlement spending, but it is an indicator of the "creative" (somewhat silly) effort that is going in to avoid another crisis. Surf's up, but I think there is better than a 50 percent chance that we will again find our economy beached by indecision come June-July.

Author: Ken Maxey

Local Trends

Average Weekly Wage Denver Metropolitan Area

Q1-2011	\$1,081
Q2-2011	\$991
Q3-2011	\$1,036
Q4-2011	\$1,067
Q1-2012	\$1,134
Q2-2012	\$1,003
Q3-2012	\$1,021

Source: Bureau of Labor Statistics

Denver Employment Trade, Transportation, Utilities

2007	240,100
2008	244,100
2009	229,800
2010	224,000
2011	225,400
2012	229,900
2013-YTD	235,100

Source: Bureau of Labor Statistics

Retail Trade Jobs Total Denver Employment

2007	124,500
2008	126,200
2009	118,900
2010	117,400
2011	118,800
2012	121,600
2013-YTD	124,700

Source: Bureau of Labor Statistics

Colorado Exports by Commodity

Top Five Commodity Exports Based on 2012 Dollar Value—In Millions (000,000s)

	2010 Value	2011 Value	2012 Value	2012 % Share*	% Change 2011-2012
Meat of bovine animals, boneless, chilled or fresh	\$307	\$377	\$392	4.8%	3.9%
Engine and motor parts	\$6	\$9	\$339	4.2%	(Z)
Instr & Appl medical, surgical dental	\$261	\$297	\$299	3.7%	0.9%
Electronic integrated circuits	\$178	\$182	\$217	2.7%	19.5%
Meat of bovine animals, boneless, frozen	\$119	\$176	\$217	2.7%	23.2%

Source: U.S. Census Bureau *The 2012 % share of exports represents the share of total state exports

Quick Fact

2.7%

The increase in jobs in the state of Colorado between April 2011 and April 2013. A total of 63,200 new jobs have been added during the past year.

Source: U.S. Census Bureau

National Trends

CEO Survey - First Quarter 2013

	Increase	No Change	Decrease
How do you expect your company's sales to change in the next six months?	72%	22%	6%
How do you expect your company's U.S. capital spending to change in the next six months?	38%	48%	15%
How do you expect your company's U.S. employment to change in the next six months?	29%	47%	25%

Source: Business Roundtable Q1 2013. Survey is a forecast of economic conditions in the next six months. Percentages may not equal 100 due to rounding.

U.S. Job Openings, SAAR

Survey Date	Job Openings (000s)
March 2013	3,844
February 2013	3,925
January 2013	3,611
December 2012	3,056
November 2012	3,255
October 2012	3,675
September 2012	3,561
August 2012	3,561

Source: Bureau of Labor Statistics SAAR = seasonally adjusted annual rate

Employment Cost Index, NSA

	Index Number	12-Month Change
Q3-2012	117.3	+2.0%
Q4-2012	117.7	+1.9%
Q4-2012	117.7	+1.9%
Q1-2013	118.3	+1.8%

Source: Bureau of Labor Statistics 2005 = 100.0 NSA = not seasonally adjusted

Consumer Price Index Medical, NSA

	Mar-12	Mar-13	Y-Y Change
Medical care	411.4	424.1	+3.1%
Medical care services	435.7	452.5	+3.9%
Hospital services*	250.6	264.5	+5.6%
U.S. all items	229.3	232.7	+1.5%

Source: Bureau of Labor Statistics NSA = not seasonally adjusted
1982-84 = 100.0 *1996 = 100.0

Domestic Automotive Units (000s)

	U.S. Production	Unit Sales	Inventory Level
Feb-12	331.2	442.7	902.9
Feb-13	368.4	461.9	1,134.2
Mar-12	334.4	429.7	876.2
Mar-13	389.7	448.4	1,118.8

Source: Bureau of Economic Analysis

Personal Income

In Billions of Dollars, SAAR

	Oct-12	Nov-12	Dec-12	Jan-13 (r)	Feb-13(r)	Mar-13
Personal income	13,452 ▲	13,597 ▲	13,955 ▲	13,448 ▼	13,599 ▲	13,630 ▲
Disposable personal income	11,967 ▲	12,089 ▲	12,418 ▲	11,925 ▼	12,059 ▲	12,079 ▲

Personal consumption expenditures

	11,222 ▼	11,255 ▲	11,273 ▲	11,302 ▲	11,384 ▲	11,405 ▲
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Source: Bureau of Economic Analysis

SAAR = seasonally adjusted annual rate

(r) = revised

Gross Domestic Product

Q1-12	2.0%
Q2-12	1.3%
Q3-12	3.1%
Q4-12	0.4%
Q1-13 (p)	2.5%

Source: Bureau of Economic Analysis
(p) = preliminary (r) = revised

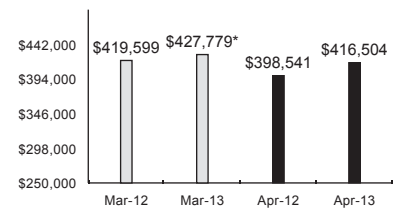
Consumer Confidence Index

Dec-12	66.7
Jan-13	58.4
Feb-13	68.0
Mar-13 (r)	61.9
Apr-13 (p)	68.1

Source: The Conference Board
1985 = 100 (p) = preliminary (r) = revised

Total U.S. Retail Sales

In Millions (000,000s) NSA



Source: U.S. Department of Commerce
NSA = not seasonally adjusted *revised data
Most recent data available