



Quarterly Updates and Estimates

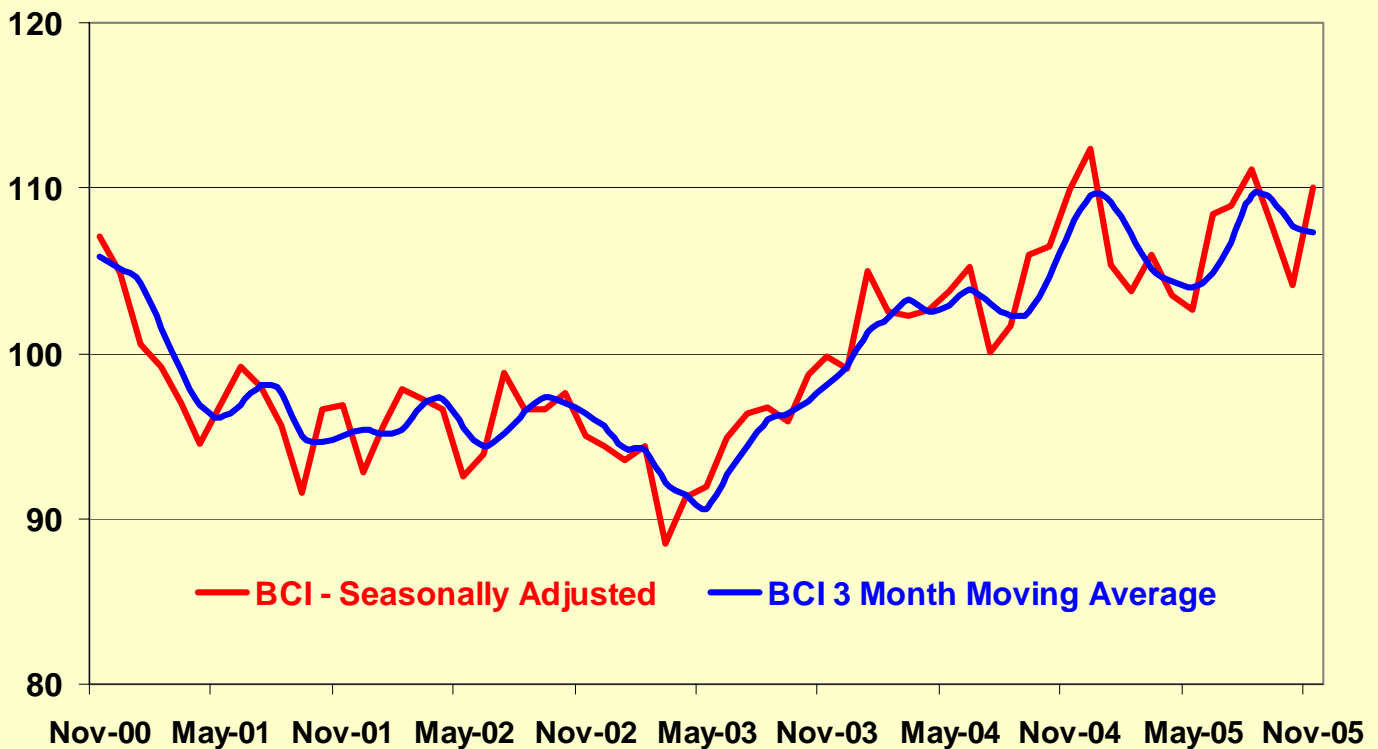
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Update on the Economy

Oil prices hit \$50 per barrel over the summer. Before we could benefit from the traditional, seasonal drop in fuel prices after Labor Day, the Gulf Coast was hit with two hurricanes. In addition to the loss of life and tens of billions of dollars in property damage, the hurricanes damaged oil and natural gas production, refinement and distribution. The effect was gasoline price topping \$3 a gallon in Colorado Springs, and even higher prices in other parts of the country.

Consumer sentiment dropped to a level lower than it did after the events of 9/11. General retail sales declined by an

**Figure 1: Colorado Springs
 Business Conditions Index (March 2001 = 100)**



¹ BCI is a geometric index of ten seasonally adjusted data series. The El Paso County data are single-family and town home permits, new car sales, employment rate, foreclosures, ES202 employment and ES202 wages and salaries. Colorado Springs data are sales and use tax collections and airport enplanements. Two non-regional sources are Creighton University's Purchasing Managers Index for Colorado and The University of Michigan's Consumer Sentiment. BCI is indexed to March 2001 = 100. All raw series are seasonally adjusted by UCCS Southern Colorado Economic Forum using Department of Commerce X12 adjustment process.



amount roughly equal to the increased expenditures made on gasoline. New domestic auto sales declined significantly with the higher gasoline prices and the elimination of 0% financing and other incentives. The Federal Reserve maintained its course of measured interest rate increases with three one-quarter point increases between the hurricanes and year end 2005.

The Federal Reserve offered assurances that the economy was resilient and doing quite well. Q3 2005 saw a 4.1% real growth in GDP. This is especially strong given how the hurricanes affected the economy in September.

The preliminary GDP for the 4th quarter is a more modest 1.1%. This is attributed to the after effects of the hurricanes, higher oil prices, declines in consumer sentiment and some concern over inflation being discussed among policy makers. These factors seem to have moderated somewhat in the last month. It now appears growth is staged to resume, but at a more modest 3.25 percent.

Most BCI components appear to have “normalized.” The BCI currently stands at 109.98, approximately 3 percent

higher than was projected by the Forum in November. The improved figure is the result of strong gains in single family permits, sales and use tax collections in Colorado Springs, reduced foreclosures and a strong purchasing managers index.

The Forum believes several components in the BCI will remain volatile during the coming months as single family permit activity changes in response to increasing demand and the arrival of troops at Fort Carson. Additional volatility will come from sales tax collections, car sales and the purchasing managers index.

Enplanements at the Colorado Springs Airport are not expected to show significant improvements until the latter portion of 2006 and into the first half of 2007. By this time, BRAC05 changes should be close to being completed. Troop deployment to Iraq is expected to be less. That is, the troops returning from Iraq will be more likely to stay at Fort Carson. Both of these situations will contribute to more enplanements at the airport. Additionally, the Broadmoor has completed its Broadmoor Hall expansion. Other development plans being considered point to a possible convention center being developed in the region.

Table 1: Indexed Components of the BCI: March 2001 = 100

	COS Enplane-ments	El Paso SF & TH Permits	U Of Mich Con Sent	Creighton CO PMI	El Paso Employment Rate	Colorado Springs 2% Sales & Use Tax	El Paso Car Sales	El Paso Fore-closures	El Paso Employed	El Paso Income	BCI
Aug-04	85.05	95.80	104.63	130.17	97.65	145.97	74.28	102.08	101.19	97.12	101.66
Sep-04	88.79	91.68	105.75	135.71	97.71	142.93	95.32	116.67	101.33	96.75	105.93
Oct-04	91.31	101.34	106.27	135.52	97.59	147.21	83.67	116.67	101.26	98.44	106.42
Nov-04	90.92	110.66	102.22	181.42	97.73	144.03	95.61	102.08	101.40	98.46	109.85
Dec-04	91.45	144.22	105.90	163.55	97.73	148.19	109.97	87.50	101.25	99.16	112.32
Jan-05	88.09	128.84	104.18	129.05	98.26	148.97	82.34	94.79	101.92	95.09	105.38
Feb-05	89.04	120.94	104.92	120.84	97.95	150.43	83.73	87.50	102.73	95.50	103.76
Mar-05	90.13	115.25	101.02	151.20	97.83	152.93	86.90	87.50	103.44	95.98	106.01
Apr-05	89.75	119.51	96.99	145.74	97.79	142.19	66.56	98.44	104.10	97.89	103.48
May-05	88.29	99.58	91.05	147.39	97.71	146.97	75.52	98.44	105.06	97.99	102.63
Jun-05	85.91	103.62	102.59	162.92	98.21	147.94	79.10	127.60	105.18	98.13	108.46
Jul-05	89.55	97.08	104.44	134.26	98.01	155.27	87.93	142.19	105.17	96.91	108.98
Aug-05	91.47	103.22	97.25	126.61	98.13	153.68	113.54	142.19	104.70	97.32	111.17
Sep-05	93.57	102.64	86.45	139.51	97.93	161.73	82.70	134.90	104.27	98.57	107.72
Oct-05	91.09	87.72	85.94	146.05	98.21	163.33	78.15	116.67	103.58	98.26	104.09
Nov-05	91.23	128.19	89.76	138.07	98.17	168.50	80.49	131.25	103.18	99.10	109.98
November 2005 Compared to:											
Oct-05	0.15%	46.13%	4.44%	-5.46%	-0.05%	3.16%	3.00%	12.50%	-0.38%	0.85%	5.66%
Aug-05	-0.27%	24.19%	-7.70%	9.05%	0.04%	9.64%	-29.11%	-7.69%	-1.45%	1.83%	-1.07%
May-05	3.32%	28.72%	-1.42%	-6.32%	0.46%	14.65%	6.59%	33.33%	-1.79%	1.14%	7.16%
Nov-04	0.34%	15.84%	-12.19%	-23.89%	0.45%	16.99%	-15.81%	28.57%	1.76%	0.65%	0.12%



Collectively, these should stimulate airport enplanements. The only caveat seems to be what impact Southwest's presence in DIA will have on the Colorado Springs Airport.

Single family permits are expected to remain strong in 2006. The Forum made a preliminary projection in the fall of 2005 that new single family permits will be approximately 6,200, a decline of about 2.5 to 3 percent from 2005. The Forum is working on a revised projection for 2006 and will publish it towards the end of March.

As of January, consumer sentiment stood at 91.5. This is a significant improvement over the 74.2 it was in October 2005. However encouraging this is, our most recent values are significantly below the January 2004 value of 103.8. The Forum expects to see additional gains in consumer confidence provided gasoline prices remain relatively stable, inflation remains at bay and Ben Bernanke manages to steer to the Federal Reserve on a level course.

The seasonally adjusted Colorado Purchasing Managers Index remains very strong. As of January, it stands at 162, the fifth highest ever and part of an upward trend that began in the summer of 2001.

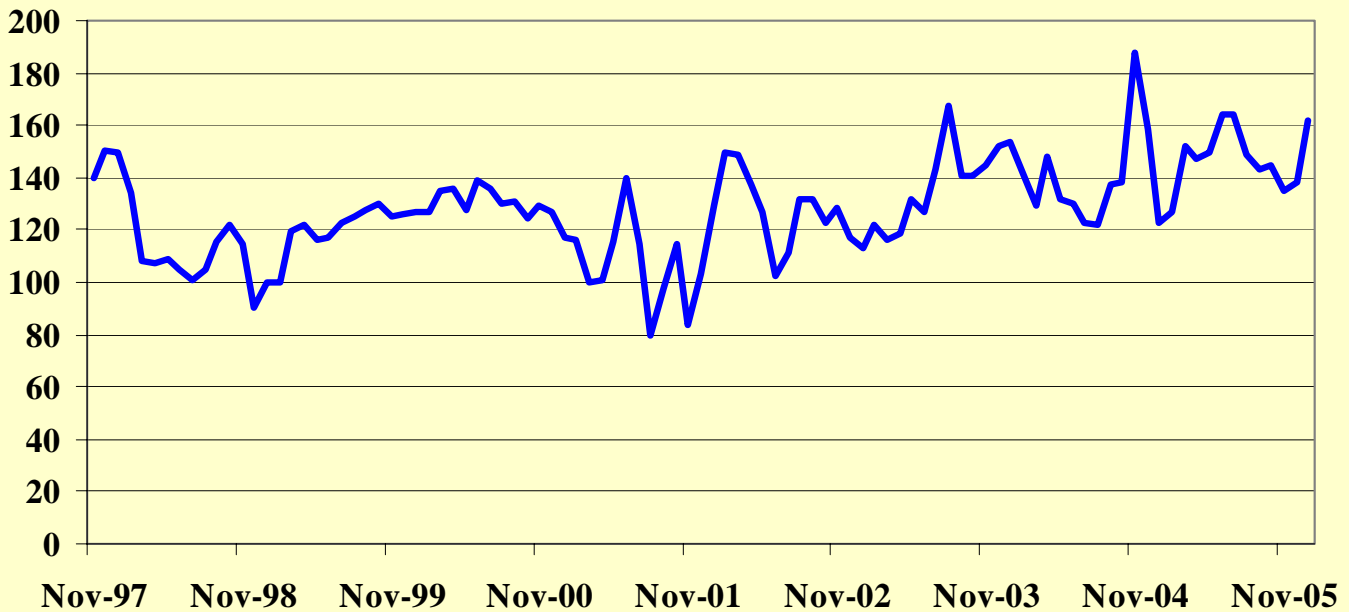
Employment and income gains continue to strengthen. Job growth is expected to outpace labor force growth during 2006. This will lead to a slightly reduced unemployment rate for 2006.

New car sales are not expected to improve until possibly late in 2006. High gasoline prices and the absence of 0% financing programs will be the albatross of car sales in 2006. Some new units will be sold to troops returning from Iraq. However, this will not overcome the overall condition of the industry. Consider these national facts:

	Growth 1995 to 2004
Population growth	10.3%
Income growth	63.7%
Vehicles per household	5.3%
New vehicle expenditures	74.8%

Moreover, new car prices have increased an average annual rate of 4.7% from 1985 to 2003 while the CPI increased an average annual rate of 2.9% during the same period. (Data for 1995 to 2004 were not available to compare with the national growth rates. The values from 1985 to 2003 are believed to be representative for the 1995 to 2004 period). Part of the increase in price can be attributed to more options and mandated safety/emission

Colorado Purchasing Managers Index Seasonally Adjusted: March 2001 = 100





requirements. These factors aside, cars are taking a larger percent of our income to buy and maintain. Based on the national figures, local new car sales are expected to remain soft during 2006.

Growth in sales tax collections in Colorado Springs are expected to lag that of sales tax collections in El Paso County during 2006. Large box retailers are setting up shop in the “suburbs” of Colorado Springs. This was inevitable as populations moved to communities surrounding Colorado Springs. In particular, large box retailers like Home Depot, Wal-Mart, and Lowes have either opened or are scheduled to open in Monument, Falcon, Fountain and Woodland Park. Add to these the number of satellite business that will open next to the large box stores and we have the makings of a serious out-migration of retail activity from Colorado Springs. Each large box retailer generates approximately \$50,000,000 in annual sales. Most of these sales are subject to sales tax. Allowing for the satellite stores, the Forum estimates the City of Colorado Springs will incur a loss of approximately \$4,500,000 to \$6,000,000 a year in its general fund as retail activity grows outside of its city limits.

BRAC05 Update

BRAC05 is expected to bring the number of troops at Fort Carson up to approximately 25,000 to 27,000. This would be an increase of approximately 10,000 to 12,000 troops and their families. According to Census 2000, the average military household size is 3.7. By comparison, the average household size in El Paso County is 2.6. Allowing for spouses and children, The El Paso County area can expect to see as many as 44,000 more people in the area by the middle of 2007. Add to this a “normal” population increase of approximately 15,000 over the next 18 months and we can expect an increase of almost 60,000 people.

In addition to the expected impacts on housing, and school enrollments, the Forum has identified the top twenty-five industries in El Paso County that are expected to have the greatest employment gains as they provide goods and services to the new troops at Fort Carson. The industries and the number of new jobs in each industry are presented below. In addition to the 2,808 jobs expected in the following industries, another 1,200 jobs are expected in other sectors in the local economy.

Industry	New Jobs
Amusements/Recreation	59
Auto Repair	111
Banks	81
Building Materials	58
Clothing	63
Colleges	57
Day Care	77
Employment Services	60
Financial Advisors	59
Food & Beverage	115
Food Service & Drinking	545
Gen Merchandise	135
Health Care	52
Hospitals	94
Insurance	55
Motor Vehicle Parts	92
Miscellaneous Retail	75
Nonstore Retailers	131
Nursing Care	129
Physicians & Dentists	246
Private Households	106
Real Estate	136
Religious Organizations	64
Social Assistance	102
Wholesale	106
Total	2,808

Gasoline Prices

Gasoline prices are currently running about 30% higher than they were a year ago. Consumers appear to have accepted \$2.25 per gallon for gasoline. Since consumers have only some much money to spend, they will have to cut expenditures in other areas. This probably explains some of the poor sales tax collections for December by the City of Colorado Springs.

Higher energy prices in general and higher gasoline prices in particular are contributing to a change in how we spend our money. As we budget for the next twelve months, the Forum developed a simple forecast of gasoline prices that can be expected in Colorado. The forecast is based on oil prices and controls for seasonal price differences and political and/or economic shocks like recessions, war in Iraq and events like that of 9/11. Future prices for oil were taken from the New York Mercantile Exchange.



Summer driving months could be identified but political and economic shocks were not projected.

Based on these factors, the Forum projected average monthly prices for unleaded, regular gasoline in Colorado from February 2006 thru February 2007. Allowing for normal variations in monthly prices, the Forum projected a high price of \$2.75 in September of 2006.

In general, the Forum found that the price per gallon of gas tends to go up, on average, 2.7 cents for each \$1 increase in the cost of a barrel of oil; 12.1 cents for the summer driving season; 13.4 cents from political/economic shocks. The projections do not include any political/economic shocks. If there is an Al Qaeda attack, damage to refineries from hurricanes or other type of shock to the American economy, the Forum projects gasoline prices will increase about 13 cents more per gallon of gasoline for each shock.

National Expectations

The Federal Reserve Bank of Philadelphia's November 2005 survey of professional economists indicates the expectation of a noticeable slowdown in economic growth,

increases in inflation and interest rates since the August 2005 survey.

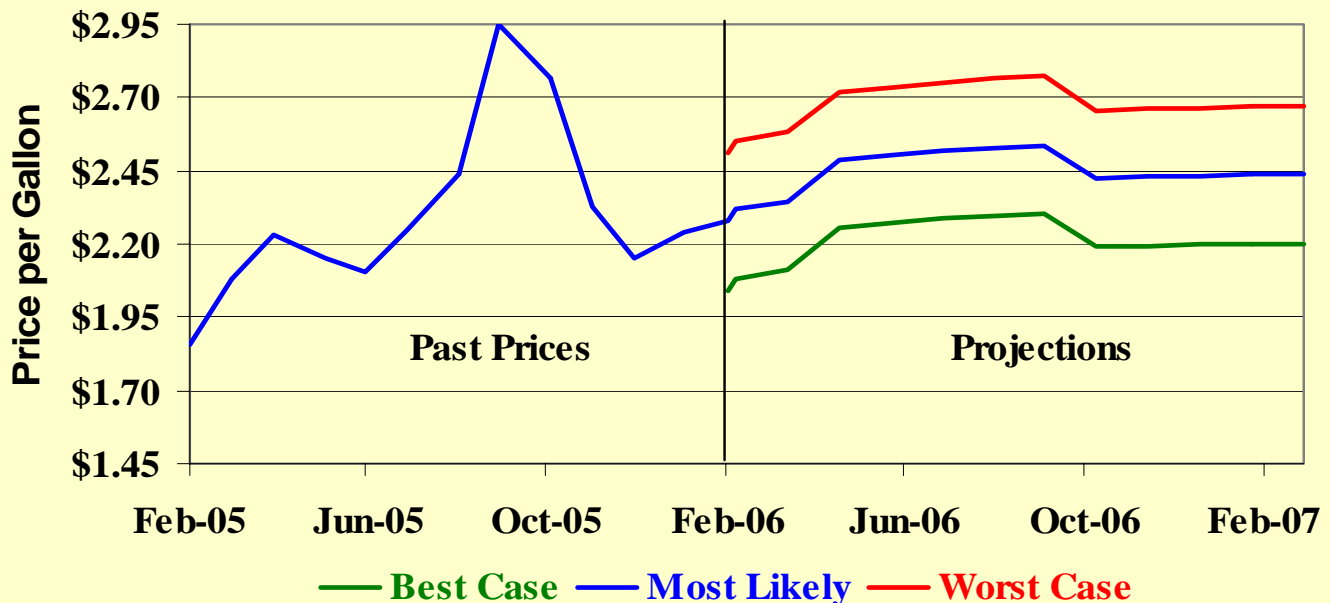
The latest expectations of professional economists for the next four quarters are summarized below.²

	Annualized Rate for				
	Q4-05	Q1-06	Q2-06	Q3-06	Q4-06
Real GDP growth	3.2%	3.7%	3.3%	3.4%	3.3%
Inflation for	3.9%	2.4%	2.3%	2.4%	2.4%
3-Month T-Bill	3.9%	4.3%	4.5%	4.8%	4.6%
10-Year T-Bond	4.6%	4.9%	5.2%	5.2%	5.2%
AAA Corp Bond	5.5%	5.9%	6.1%	6.2%	6.3%
Unemployment	5.0%	5.0%	4.9%	4.9%	5.0%
Ind Prod Index	119.7	120.8	121.8	123.0	124.0
Mean likelihood of a decline in real GDP over next 4 quarters:	6.0%	8.0%	10.0%	12.0%	14.0%

² Federal Reserve Bank of Philadelphia, November 14, 2005.

The consensus among professional economists is growth will continue in 2005 but at a slower rate than in 2005. Unemployment will stabilize in the 4.9% for much of 2006 before rising to 5.0% at year-end. Little concern exists about inflation. This is somewhat at odds with the Federal Reserves January 31, 2006 statement in which it announced a quarter point increase in its targeted Federal Funds rate and said "*core inflation has stayed relatively*

Price per Gallon of Gasoline in Colorado





low in recent months and longer-term inflation expectations remain contained. Nevertheless, possible increases in resource utilization as well as elevated energy prices have the potential to add to inflation pressures.”

The chance for a decline in GDP increased slightly from previous surveys. The Forum reported this expected increase in its last issue. Current indicators suggest you can expect to see additional increases in the chance of a decline over the next 18 months.

Bernanke and the Federal Reserve

The last statement from the Federal Reserve while Alan Greenspan served as Chair was issued on January 31, 2006. It was a press release following the Fed's Open Market Committee deliberations on January 31. The press release stated *“Although recent economic data have been uneven, the expansion in economic activity appears solid. Core inflation has stayed relatively low in recent months and longer-term inflation expectations remain contained. Nevertheless, possible increases in resource utilization as well as elevated energy prices have the potential to add to inflation pressures.*

The Committee judges that some further policy firming may be needed to keep the risks to the attainment of both sustainable economic growth and price stability roughly in balance. In any event, the Committee will respond to changes in economic prospects as needed to foster these objectives.”

The most important part of the statement was not the quarter point increase in interest rates but the concern of an economy overheating simultaneously with the persistence of high energy prices possibly contributing additional inflationary pressures.

A second press release of note came from the Federal Reserve on February 8, 2006. The announcement stated *“The Federal Open Market Committee on Wednesday announced a change in its tentative schedule for 2006 to allow additional time at Chairman Bernanke's initial meeting with the Committee. The upcoming meeting, previously planned for March 28, will be expanded to two days and begin on the afternoon of Monday, March 27, and continue on Tuesday, March 28.”*

Is the extension of the March FOMC meeting something

to allow a get acquainted session with the New Chair, Ben Bernanke? Is the extension of the March meeting intended to allow the FOMC to address the concerns of its January 31 press release?

The answer might to these questions might provide a clearer understanding of what policy directives we can expect from Ben Bernanke. The Forum believes it readers can gain that insight from an interview Bernanke gave in June 2004. The following selected excerpts were taken from an interview by Art Rolnick, Federal Reserve Bank of Minneapolis Research Director, with, then Federal Reserve Governor, Ben Bernanke. The complete interview is available in the June 2004 issue of the Federal Reserve Bank of Minneapolis publication, *The Region*. You can access it on the web at <http://minneapolisfed.org/pubs/region/04-06/bernanke.cfm>.

On Inflation Targeting

“It's true that the Federal Reserve is already practicing something close to de facto inflation targeting, and I think we've seen many benefits from that. My main suggestion is to take the natural next step and to give an explicit objective, that is, to provide the public with a working definition of price stability in the form of a number or a numerical range for inflation. I believe that that step, though incremental, would have significant marginal benefits relative to current practice.

First and very importantly, such a step would increase the coherence of policy. Currently, the FOMC [Federal Open Market Committee] makes its decisions without an agreed-upon definition of price stability or of the inflation objective, and one wonders how oarsmen pulling in different directions can get the boat to go in a straight line. I think the FOMC's decision-making process would be improved if members shared a collective view of where we want the inflation rate to be once the economy is on a steady expansion path.

Second, there's a great deal of evidence now that tightly anchored public expectations of inflation are very beneficial, not only for stabilizing inflation but also in reducing the volatility of output and giving the Federal Reserve more ability in the short run to respond flexibly to shocks that may hit the economy.

Inflation expectations in the United States are better anchored than they used to be but are still too volatile



for optimum performance of the economy. Announcing an actual number or range would serve to anchor public expectations of inflation more firmly and avoid the risk of “inflation scares” that might unnecessarily raise nominal bond yields.

Third, from a communications viewpoint, financial markets would be well served by knowing the medium- to long-term inflation objective of the Fed. An explicit inflation objective would help market participants accurately price long-term assets, both by anchoring long-term inflation expectations and by giving the market better information about the likely path of short-term policy as the Fed moves toward its long-term target. And fourth and finally, I think an inflation target does introduce an additional measure of accountability for the Federal Reserve, although I would put that as least important of the things I’ve mentioned.”

On Communicating Federal Reserve Policy

“I think that the kind of information you want to release is information that helps the market and the public achieve more accurate expectations of future policy and the future state of the economy. Not all information is beneficial. One would not want to release information that would compromise the decision-making process; for example, televising the FOMC meeting would not be productive. For the same reason, I’m not sure that releasing the Green Book after each meeting would be productive because it would put too much emphasis on the staff’s forecasts. The staff’s forecasts are for the information and the assistance of the FOMC decision-making process. The FOMC, not the general public, is the client of the staff.

I am in favor of making greater use of the FOMC’s central tendency forecasts for communication. In one of my earlier speeches I suggested that the FOMC release more information (for example, for longer forecast horizons) about our view of the state of the economy, with the purpose of trying to help the public and the markets better understand what our perspective is and what policy is likely to be doing in the future. That’s the kind of transparency I think would be most useful. I have also advocated earlier release of the minutes of FOMC meetings, again in order to provide timely information about the views of the Committee and its appraisal of the economy.”

On Asset Bubbles and Monetary Policy

“I think it’s extraordinarily difficult for the central bank to know in advance or even after the fact whether or not there’s been a bubble in an asset price. The mere fact that an asset price has gone up and come back down again doesn’t mean that there was a bubble in the technical sense that the price movement was completely divorced from fundamentals. Moreover, if a bubble does exist, there is no guarantee that an attempt to “pop” it won’t lead to violent and undesired adjustments in both markets and the economy. The central bank should focus the use of its single macroeconomic instrument, the short-term interest rate, on price and output stability. It is rarely, if ever, advisable for the central bank to use its interest rate instrument to try to target or control asset price movements, thereby implicitly imposing its view of the proper level of asset prices on financial markets. History has shown us clearly that that type of policy has more often than not led not only to a large decline in asset prices but also to a large decline in the general economy.”



Table 2: Selected Indicators

National Quarterly Data	2004 Q4			2005 Q1			2005 Q2			2005 Q3			Vs Year Ago
Banks, Charge-Off Rates % SA	0.51			0.53			0.5			0.59			0.02
Banks, Delinquency Loan Rates % SA	1.66			1.6			1.56			1.55			-0.19
Employment Cost - Benefits SA 1986=100	199.90			202			203.6			206.2			9.80
Employment Cost - Compensation SA 1986=100	176.20			177.3			178.4			179.8			5.30
e-Sales as % of Retail Sales NSA	2.06			2.16			2.24			2.33			0.33
e-Sales NSA (billions)	18,607			19,798			21,112			22,323			4,691
GDP Real Annual Growth (Chained) SA	4.10			3.80			3.3			4.1			0.10
Retail Sales NSA (billions)	904.13			916.77			941.28			957.86			75.89
National Monthly Data	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Vs Year Ago
Capacity Utilization SA	79.20	79.80	80.00	79.90	79.70	79.80	80.30	80.20	80.30	78.90	79.80	80.20	1.50
Car & Lt Trk Sales Annualized Millions SA	18.35	16.31	16.37	16.84	17.18	16.64	17.82	20.68	16.75	16.34	14.70	15.70	-0.65
Consumer Sentiment (1966=100) SA	97.10	95.50	94.10	92.60	87.70	86.90	96.00	96.50	89.10	76.90	74.20	81.60	-11.20
CPI-U 1982-84=100 SA	191.20	191.30	192.00	193.20	194.20	194.10	194.10	195.10	196.10	198.50	198.90	197.80	6.60
Federal Funds % (Effective)	2.16	2.28	2.50	2.63	2.79	3.00	3.04	3.26	3.50	3.62	3.78	4.00	2.07
Industrial Production (1997=100) SA	106.74	106.95	107.36	107.31	107.18	107.43	108.29	108.27	108.59	106.86	108.21	108.96	2.93
Inventory/Sales Ratio SA	1.30	1.29	1.30	1.29	1.29	1.29	1.28	1.26	1.26	1.25	1.25	1.25	-0.06
Mortgage Rate 30 Year Conventional % NSA	5.75	5.71	5.63	5.93	5.86	5.72	5.58	5.70	5.82	5.77	6.07	6.33	0.60
Prime Rate NSA	5.15	5.25	5.49	5.58	5.75	5.98	6.01	6.25	6.44	6.59	6.75	7.00	2.07
Purch Mgr Index SA	57.3	56.4	55.3	55.2	53.30	51.40	53.80	56.20	58.60	61.00	63.40	65.80	8.20
Retail & Food Service Sales SA (billions)	336.58	336.79	338.99	340.08	346.08	344.93	351.32	357.29	350.74	351.80	352.96	353.87	20.86
S&P500	1211.9	1181.3	1203.6	1180.6	1156.9	1191.5	1191.3	1234.2	1220.3	1228.8	1207.0	1249.5	75.66
Technology Index SA - Mar 2001 = 100)	113.43	118.22	120.17	122.91	120.06	121.43	129.03	123.32	127.69	126.50	124.28	122.34	11.04
Trade Weighted Dollar	80.11	81.05	81.81	80.88	82.22	83.34	84.92	85.73	84.20	83.82	85.12	86.58	5.55
West Texas Oil Spot Price Barrel NSA	43.33	46.84	47.97	54.31	53.04	49.83	56.26	58.70	64.97	65.57	62.37	58.30	9.84
Colorado Data													
Denver-Boulder CPI SA	187.4						189.2						2.70
Colorado Purch Mgr Index SA	70.60	51.90	51.70	62.20	70.10	68.80	72.40	56.60	53.60	59.40	59.10	58.10	-18.00
Labor Force NSA (000's)	2,536.0	2,519.6	2,522.9	2,520.7	2,535.6	2,540.8	2,571.3	2,564.6	2,556.5	2,557.4	2,552.7	2,540.7	-1.03
Labor Force SA (000's)	2,541.7	2,537.8	2,542.8	2,543.8	2,559.0	2,560.4	2,549.4	2,535.6	2,532.3	2,542.5	2,539.3	2,539.4	4.89
Employment NSA (000's)	2,408.3	2,386.6	2,382.0	2,382.0	2,403.9	2,413.3	2,438.3	2,432.0	2,434.4	2,429.8	2,434.8	2,418.4	3.02
Employment SA (000's)	2,411.6	2,416.1	2,418.7	2,413.1	2,424.6	2,425.2	2,422.7	2,402.3	2,405.1	2,409.2	2,413.7	2,413.3	5.20
Unemployment Rate % NSA	5.03	5.28	5.58	5.50	5.20	5.02	5.17	5.17	4.78	4.99	4.62	4.81	-0.16
Unemployment Rate % SA	5.12	4.79	4.88	5.14	5.25	5.28	4.97	5.26	5.02	5.24	4.95	4.97	-0.02
Colorado Springs Data													
Business Conditions Index SA	112.29	105.38	103.76	106.01	103.48	102.63	108.46	108.98	111.17	107.72	104.09	109.98	0.17
Colorado Springs Airport Enplanements SA	87,529	84,314	85,222	86,272	85,908	84,511	82,228	85,714	87,554	89,558	87,186	87,319	292.46
Foreclosures SA	193	185	193	197	173	179	185	171	192	210	202	189	-5.58
New Car Sales SA	2,661	1,993	2,026	2,103	1,611	1,828	1,914	2,128	2,748	2,002	1,891	1,948	-365.84
Sales & Use Tax for Month of SA (000's)	5,917	5,948	6,006	6,106	5,678	5,868	5,907	6,200	6,136	6,458	6,522	6,728	977.14
Single Family Permits SA	696	622	584	556	577	481	500	468	498	495	423	619	84.57
Labor Force NSA (000's)	280.7	277.9	278.3	281.2	287.5	289.9	291.8	291.0	289.3	287.8	287.0	286.5	4.53
Employment NSA (000's)	265.4	262.6	262.7	264.8	271.5	274.6	275.5	274.9	274.6	272.4	273.0	272.0	5.46
Unemployment Rate % NSA	5.45	5.49	5.58	5.85	5.55	5.29	5.57	5.52	5.09	5.33	4.88	5.04	-0.41
Unemployment Rate % SA	5.64	5.13	5.44	5.54	5.58	5.66	5.18	5.37	5.26	5.46	5.18	5.22	-0.43



Save the Day

Mark your calendars:

October 11, 2006

7:00am to noon

The Tenth Annual Southern Colorado Economic Forum Antlers Hilton Hotel

The Tenth Annual Southern Colorado Economic Forum will join forces with the Holland & Hart Colorado Springs Business Symposium to bring you more analysis of the economy and business conditions and activity in the Pikes Peak Region. In addition to the annual economic forum and commercial and residential real estate trends session we will offer seminars and panels on private equity, emerging growth, tax consideration and opportunities with the government. Don't miss out. Mark your calendars today to attend the Tenth Annual Southern Colorado Economic Forum. Sponsorship opportunities are available.

Contact Tom Zwirlein at 262-3241 or tzwirlei@uccs.edu



About the Forum

The Southern Colorado Economic Forum (SCEF) is part of the College of Business outreach to the Colorado Springs Community. The forum gathers, analyzes and disseminates information relevant to the economic health of the region. Through its efforts, the Forum has gathered a number of unique data sets. The Forum and its staff are available for fee-for-service work to analyze business situations, develop forecasts, conduct and analyze surveys and a number of other situations you may need to have analyzed in an objective manner, using the best data and analysis available. Examples of current and prior work include Small Area Forecast for the Pikes Peak Area Council of Governments (population employment and housing projections to the year 2030), Colorado Springs Airport Passenger Survey, exit surveys and a Community Audit for the Pikes Peak Workforce Center. If you would like additional information about how the Forum can assist you, contact Fred Crowley at (719) 262-3531 or fcrowley@uccs.edu.

The QUE is available free via an electronic subscription. If you would like a subscription, send an e-mail to fcrowley@uccs.edu and have the word SUBSCRIBE as the subject.

Sponsorship Opportunities

The Forum is currently planning for the *Tenth Annual Southern Colorado Economic Forum*. The tenth annual forum will be held on Wednesday, October 11, 2006 at the Antlers Hilton Hotel. If you are interested in sponsorship opportunities with the Forum contact Tom Zwirlein at (719) 262-3241 or tzwirlei@uccs.edu for more information. Plan to attend our planning meeting to be held on February 22, 2006. Contact Tom Zwirlein for more details.

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Questions, comments and sponsorship opportunities are invited.

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