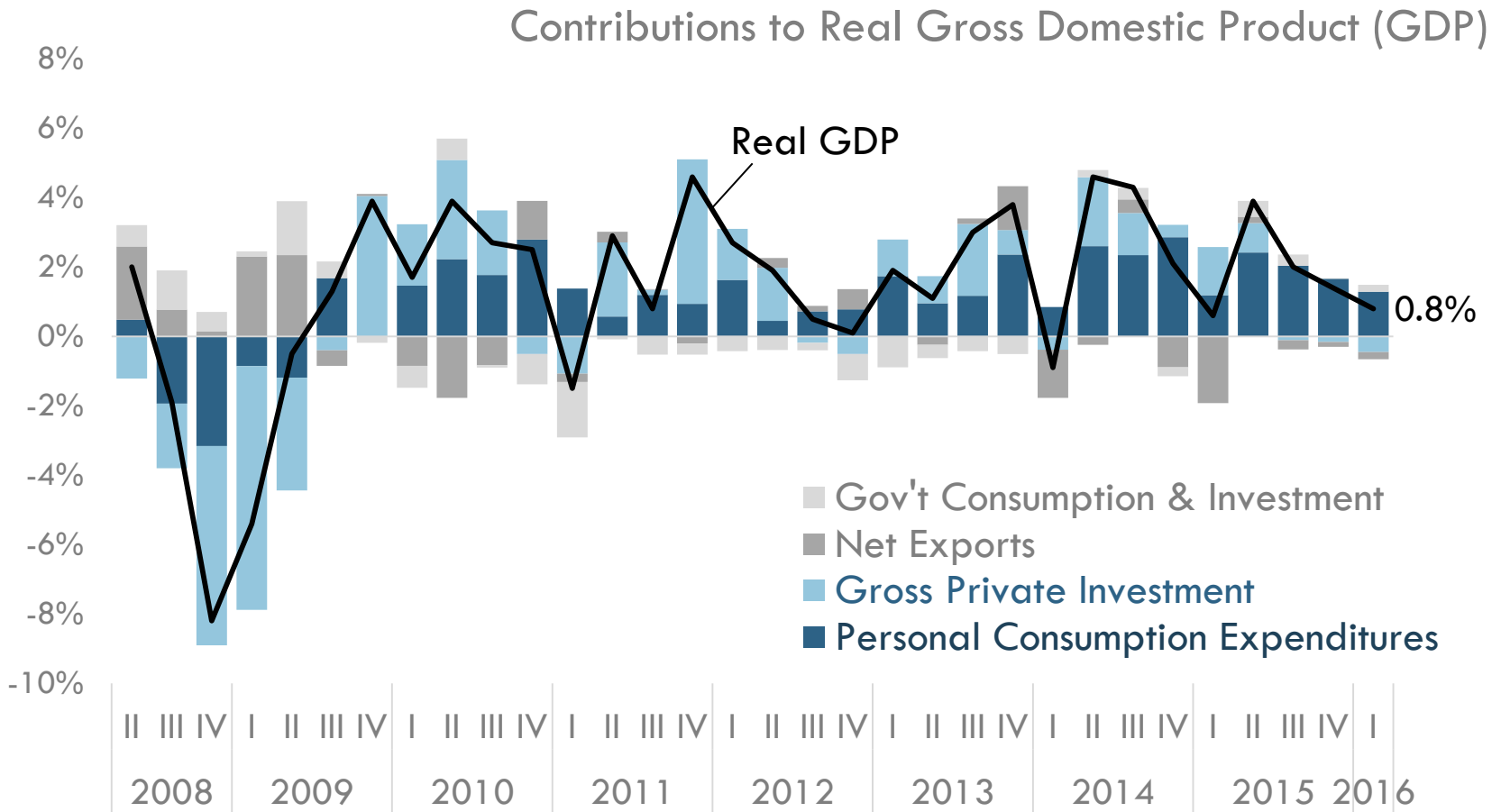


# Economic Outlook for the U.S. and Colorado



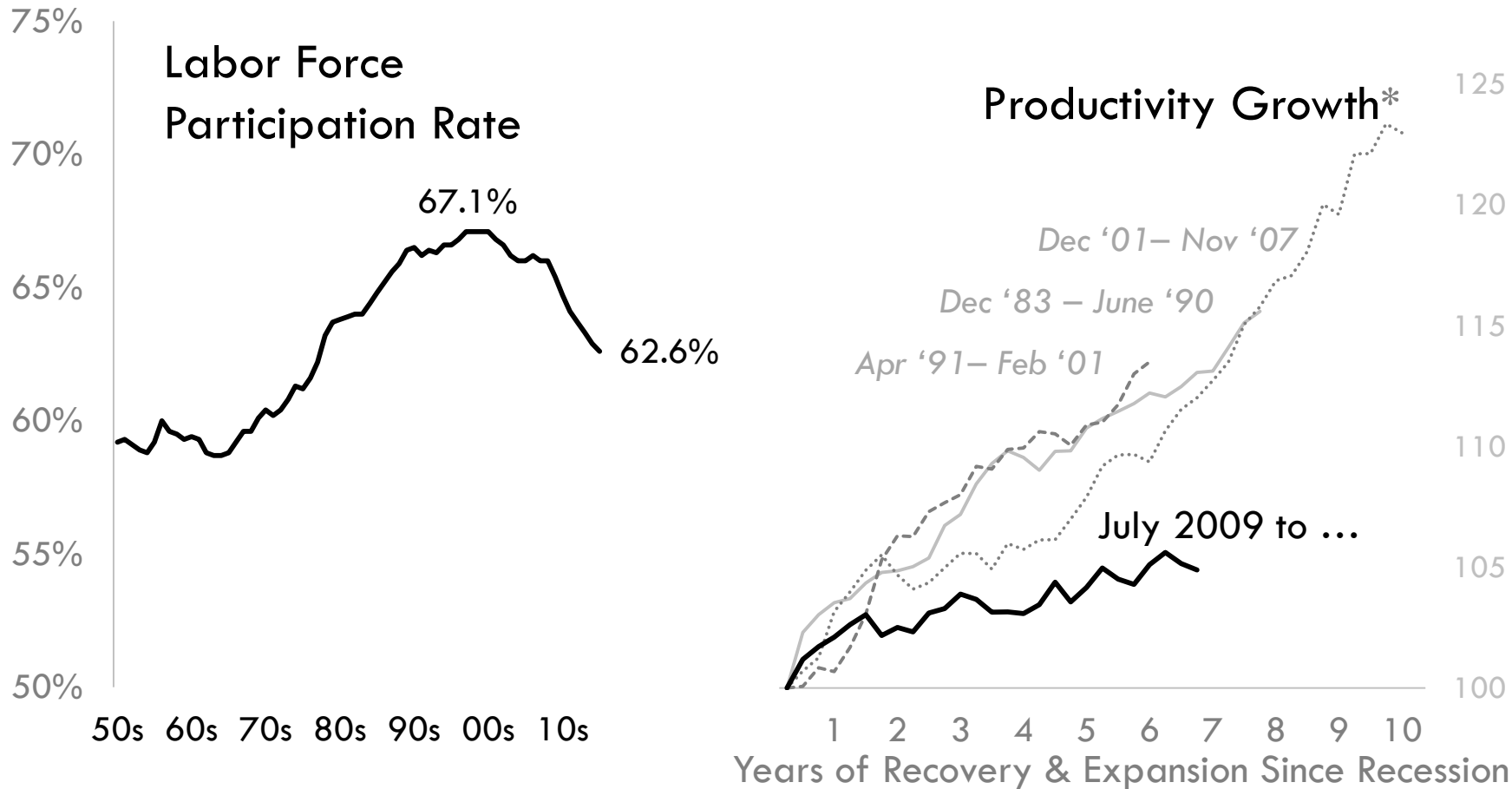
Consistent with the later stages of economic expansion, growth has slowed for the U.S. and Colorado economies.



Source: Bureau of Economic Analysis. Seasonally adjusted annual rates.

## LONG-RUN TRENDS

An aging population and low productivity growth are contributing to slower economic growth.



Source: U.S. Bureau of Labor Statistics. Seasonally adjusted. Labor force participation rate shown for the total civilian population.

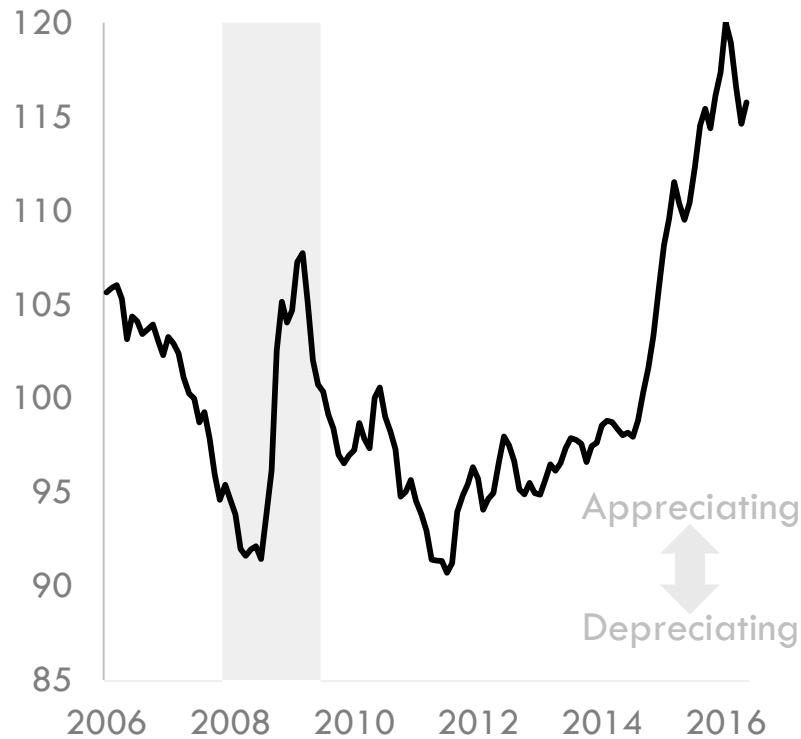
\*Growth in real gross domestic product per hour of work by U.S. private employees indexed to the start of each recovery.

## GLOBAL DYNAMICS

Global economic and political risks are rising and weighing on U.S. growth prospects.

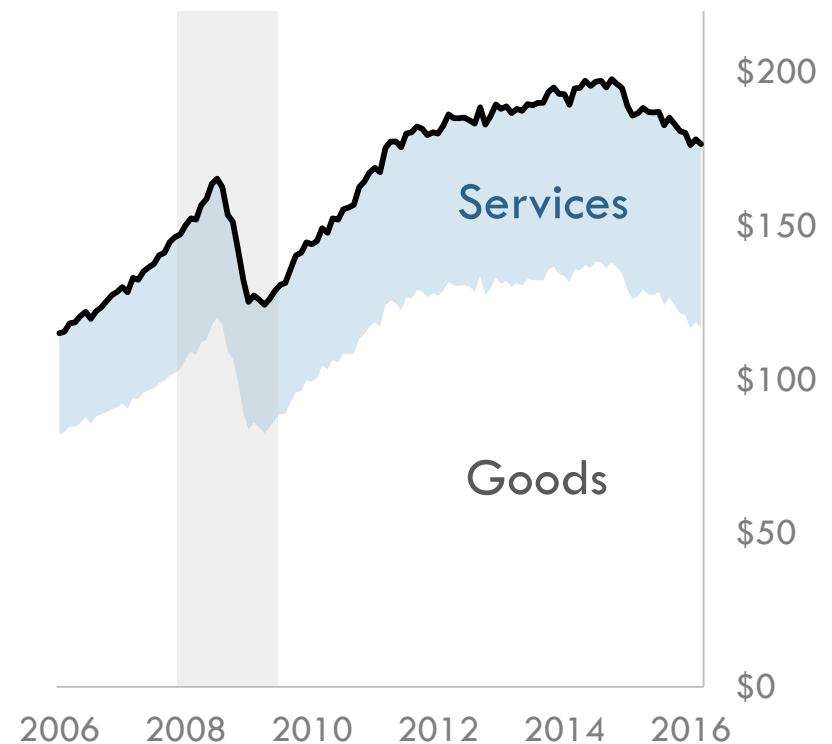
### Trade Weighted U.S. Dollar

*Broad Index of the Dollar Relative to Foreign Currencies*



### U.S. Exports

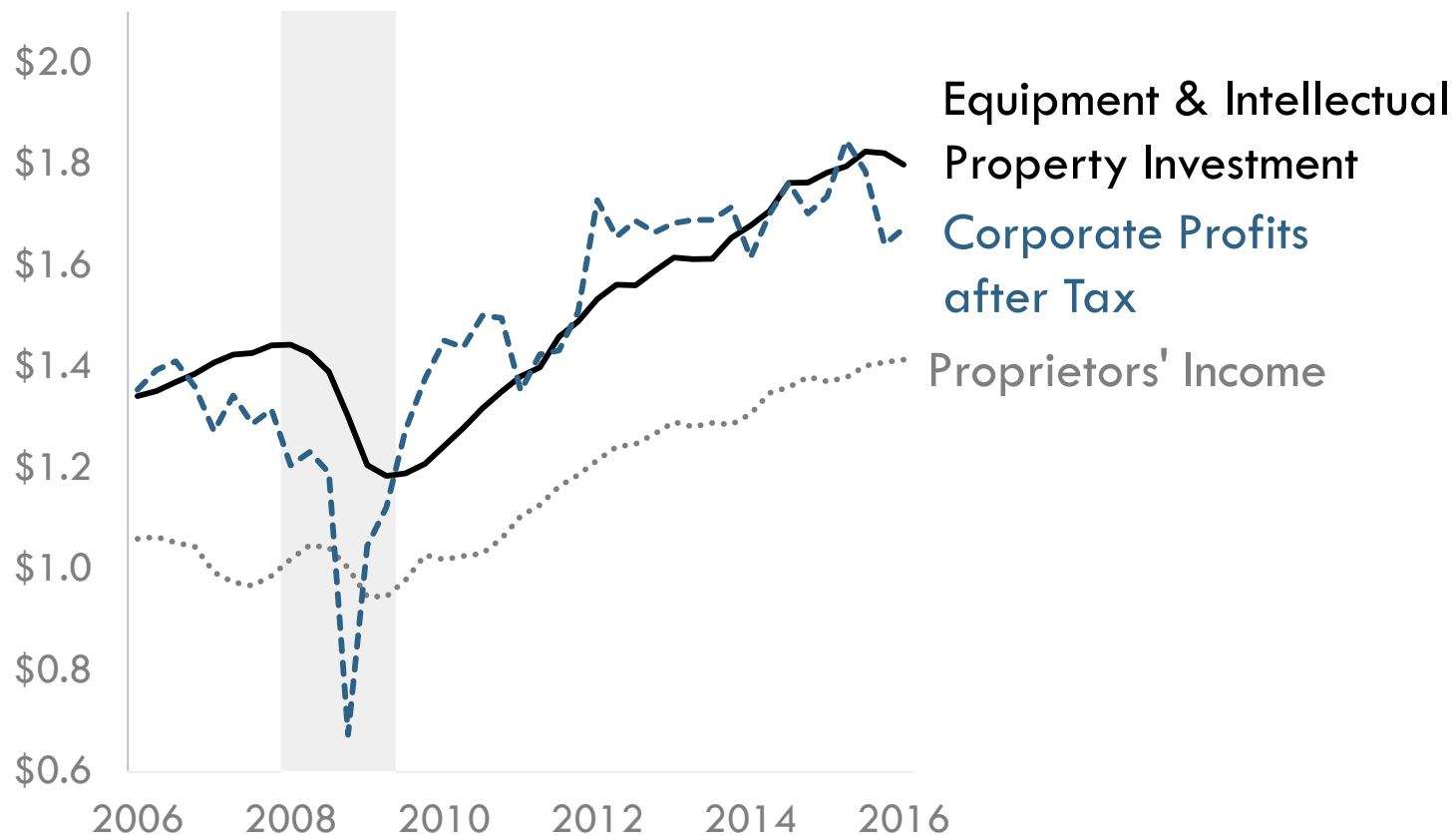
*Millions of Dollars*



## LEADING INDICATORS

Business income, spending and investment have weakened with energy, manufacturing, and export industry woes...

*Trillions of Dollars*



...Oil prices have ticked up in recent months but remain low.

### West Texas Intermediate Crude Oil Price

*Dollars per Barrel*



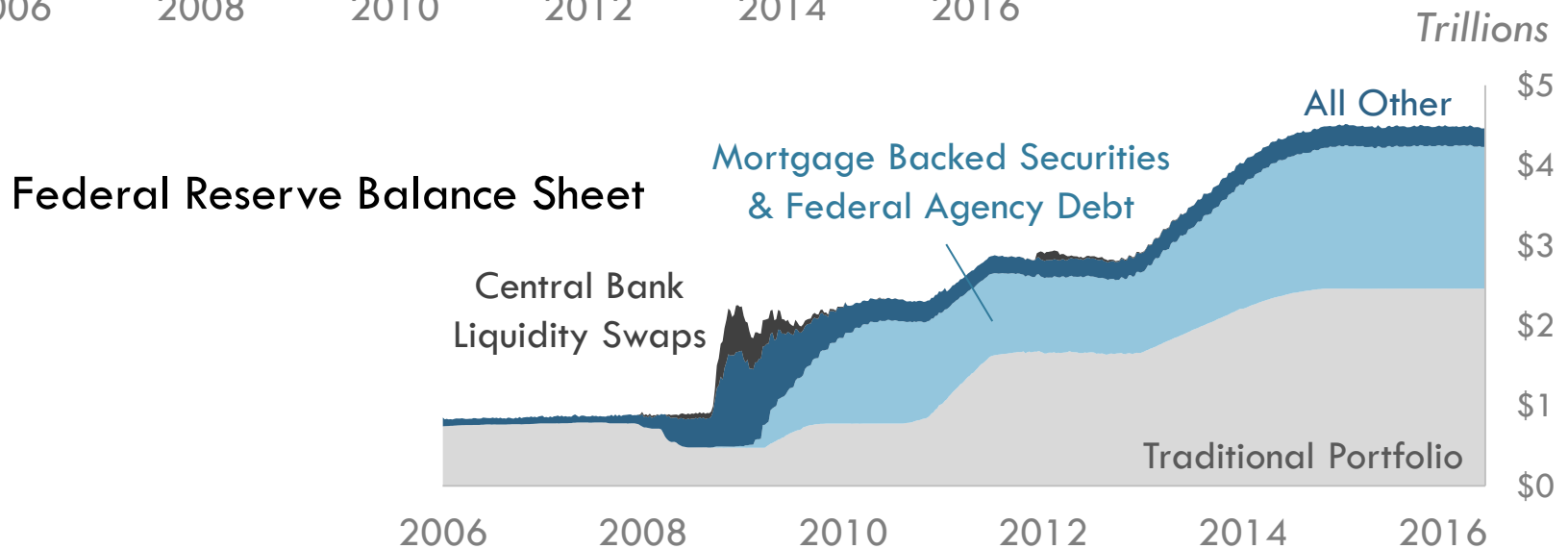
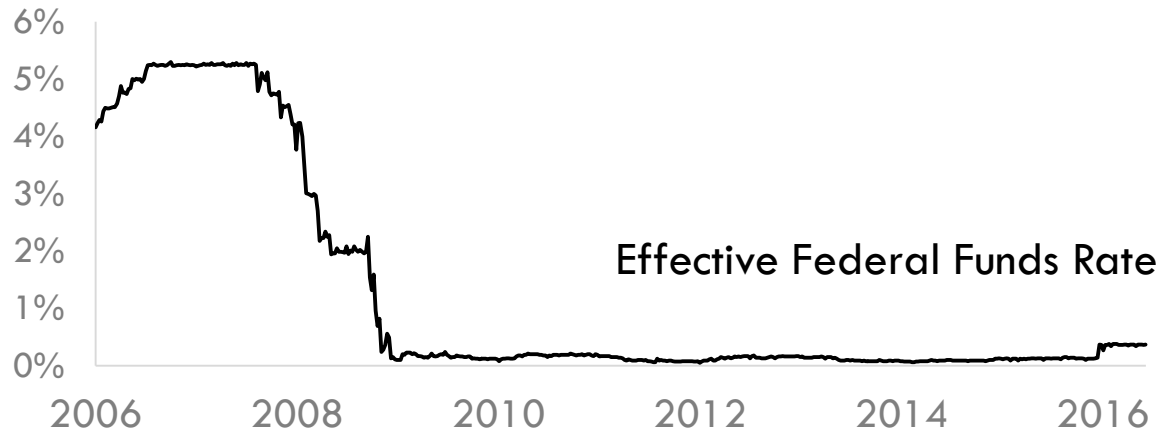
### Henry Hub Natural Gas Price

*Dollars per Mcf*



## LEADING INDICATORS

Monetary policy remains accommodative and contingent upon further economic and labor market improvements.

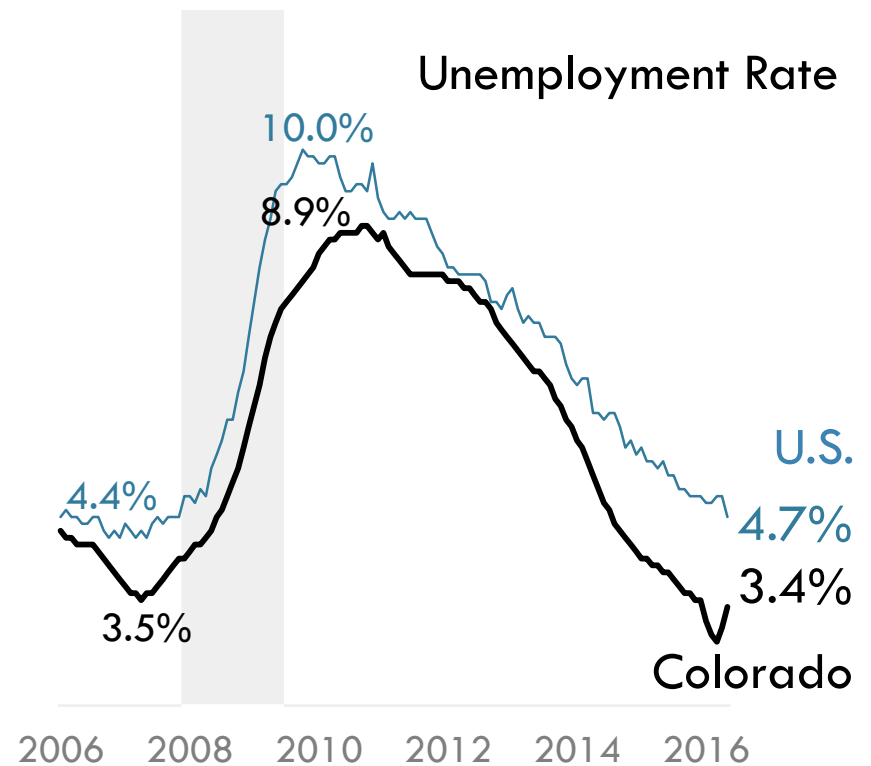
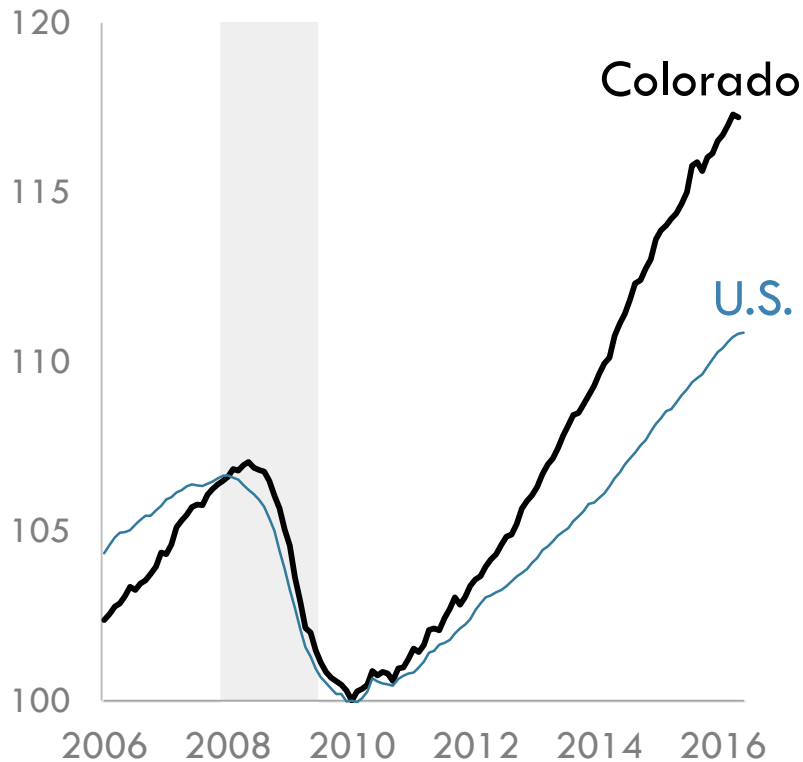


## LAGGING INDICATORS

Both the U.S. and Colorado are at or near full employment, which will put upward pressure on wages.

### Total Nonfarm Employment Growth

Index 100 = January 2010



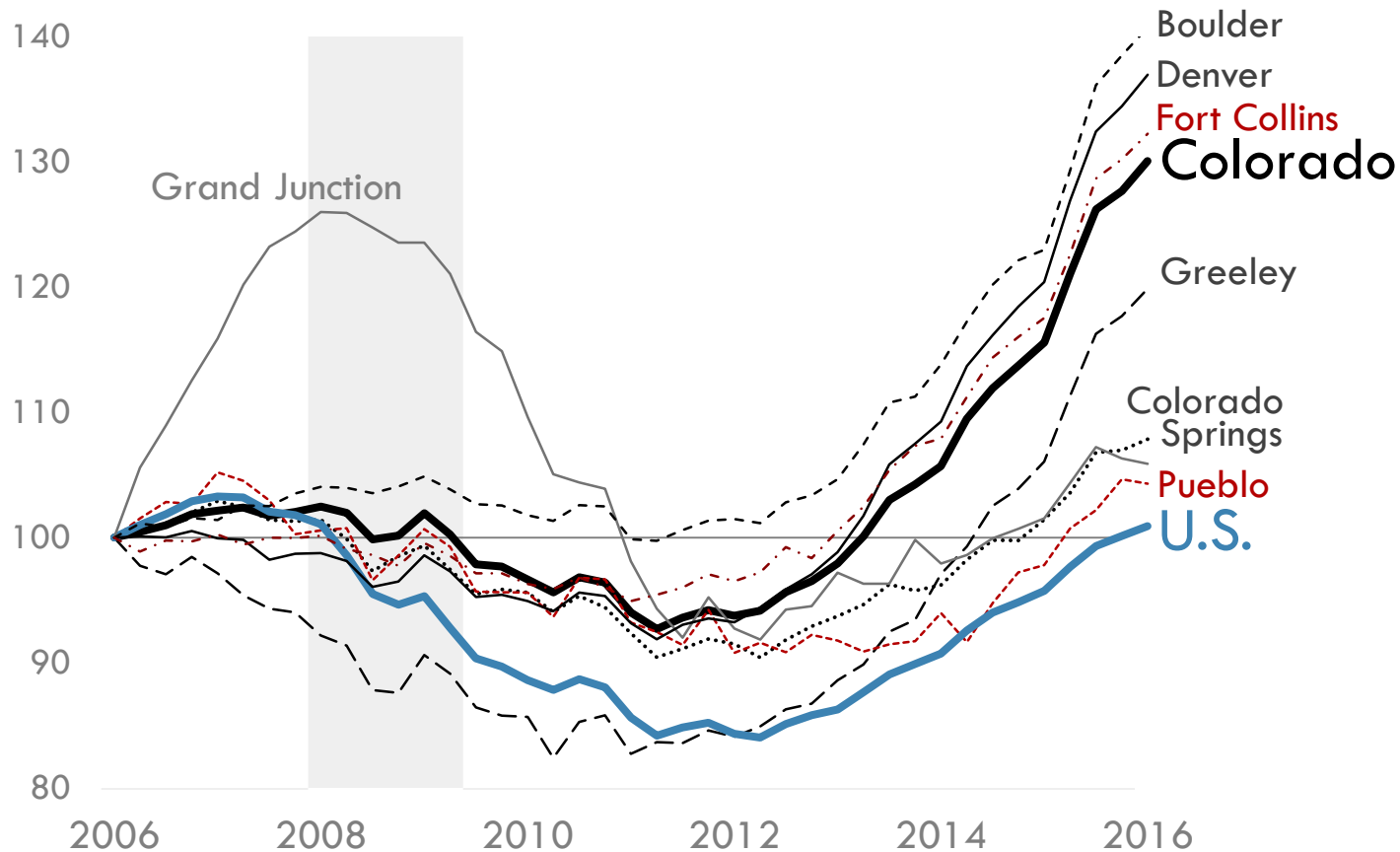
Source: U.S. Bureau of Labor Statistics with Legislative Council Staff rebenchmarking estimates. Seasonally adjusted. Colorado U6 rates shown as four-month moving averages.



## REGIONAL TRENDS

Colorado housing costs continue to soar, dampening the outlook for consumer spending.

### Growth in Home Prices over the Past 10 Years

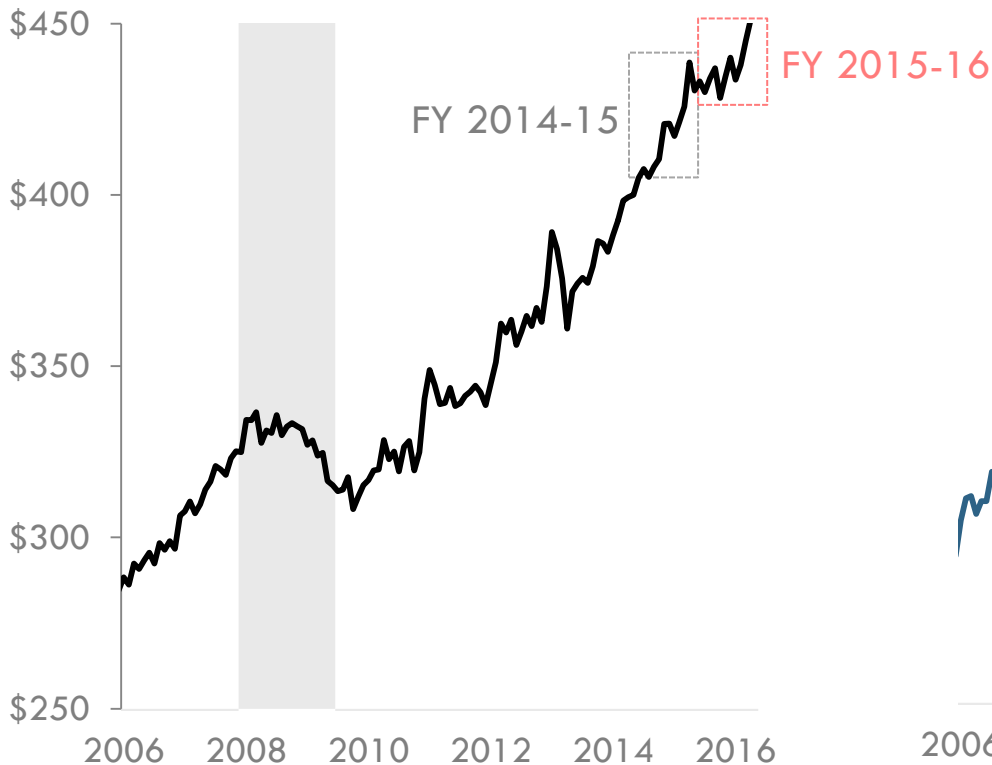


Source: Federal Housing Finance Agency (FHFA). All Transaction Home Price Indices, Index 100 = First Quarter of 2006.

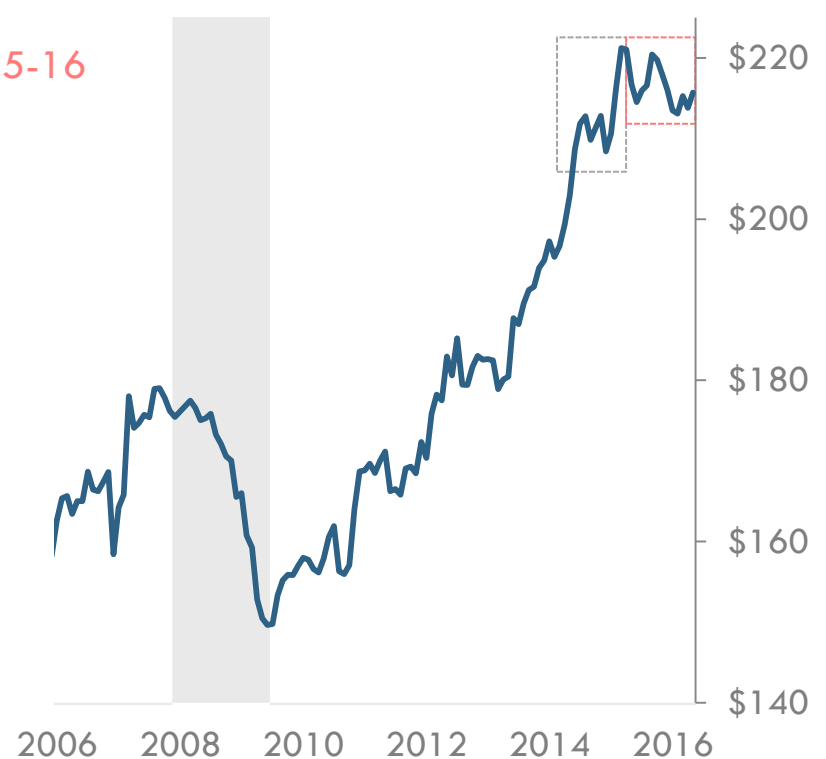
## GENERAL FUND OUTLOOK

Revenue slowed in FY 2015-16, reflecting modest wage growth and weaker spending on goods.

### Individual Income Tax Withholding



### Sales Tax Collections



*Millions of Dollars in Monthly Collections, Three-Month Moving Averages*