



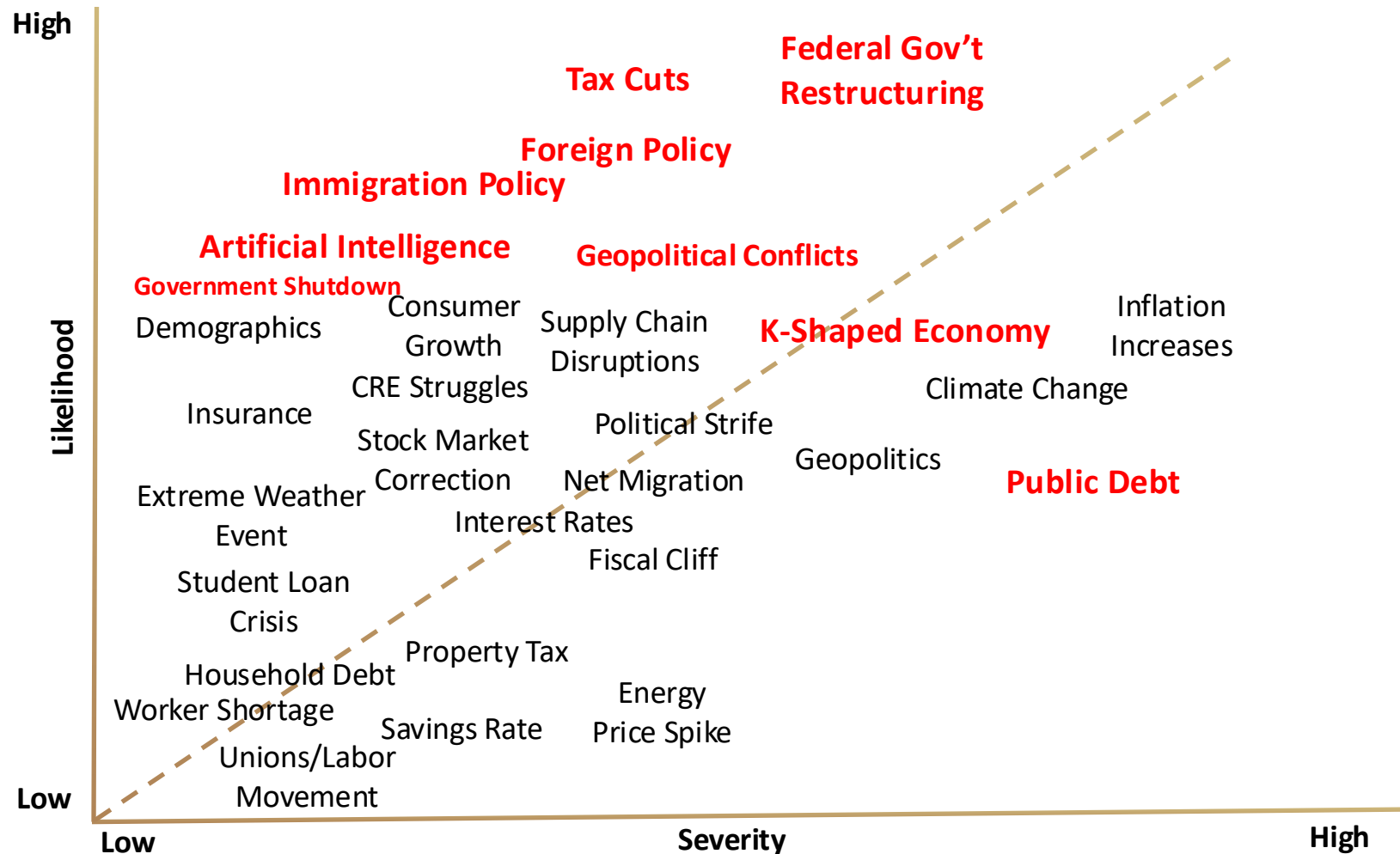
Swimming Through Uncertainty: Understanding Today's Economic Currents

Vectra Bank

Richard Wobbekind

Senior Economist and Associate Dean for
Business and Government Relation
Business Research Division
University of Colorado Boulder

Risks

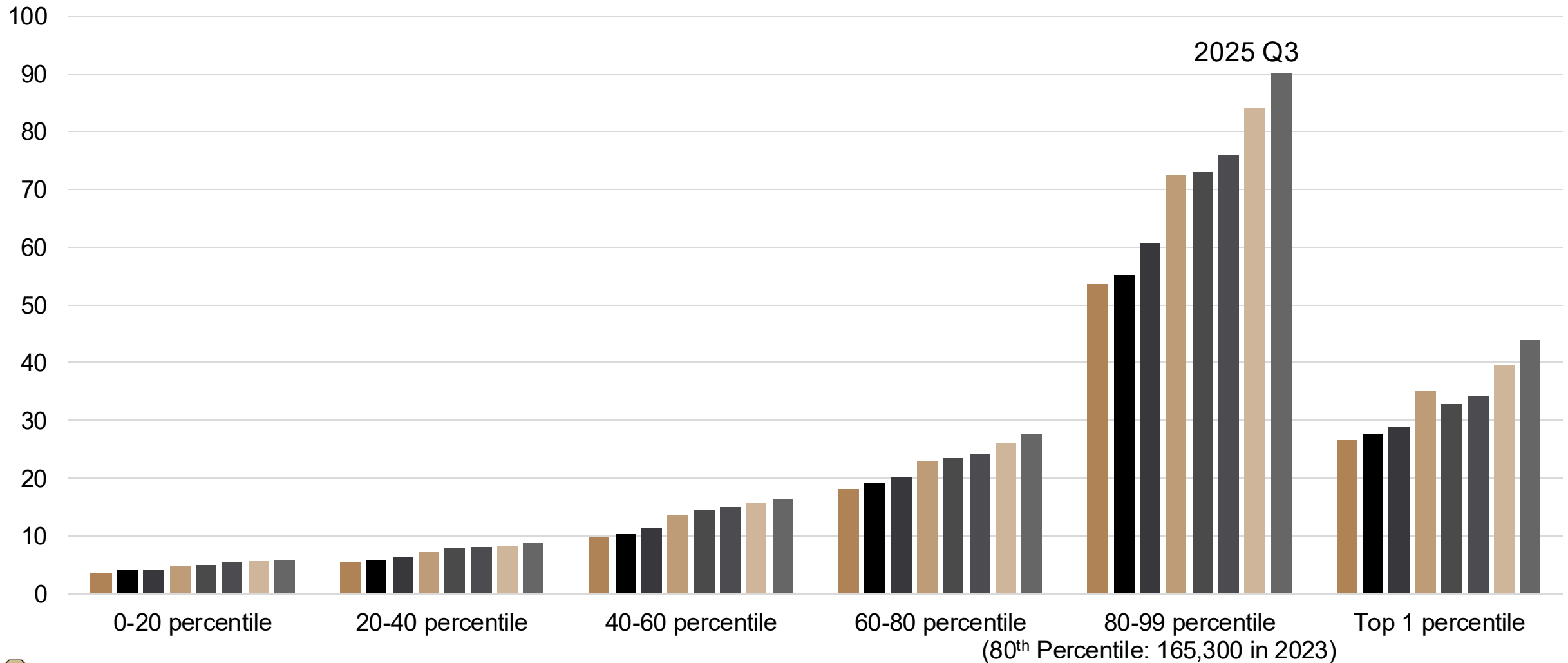


Monetary Policy, Interest Rates, Credit and Prices



Assets Across the Income Distribution

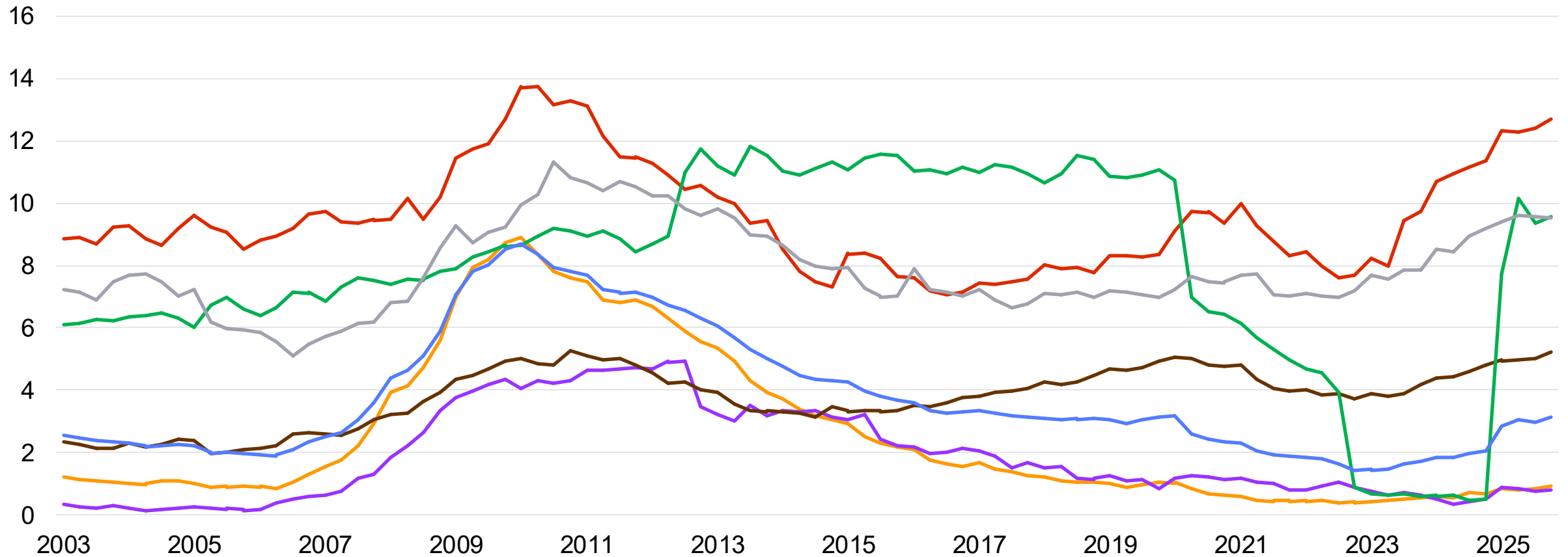
Q3 2018-2025, \$, Trillions



Loan Delinquency

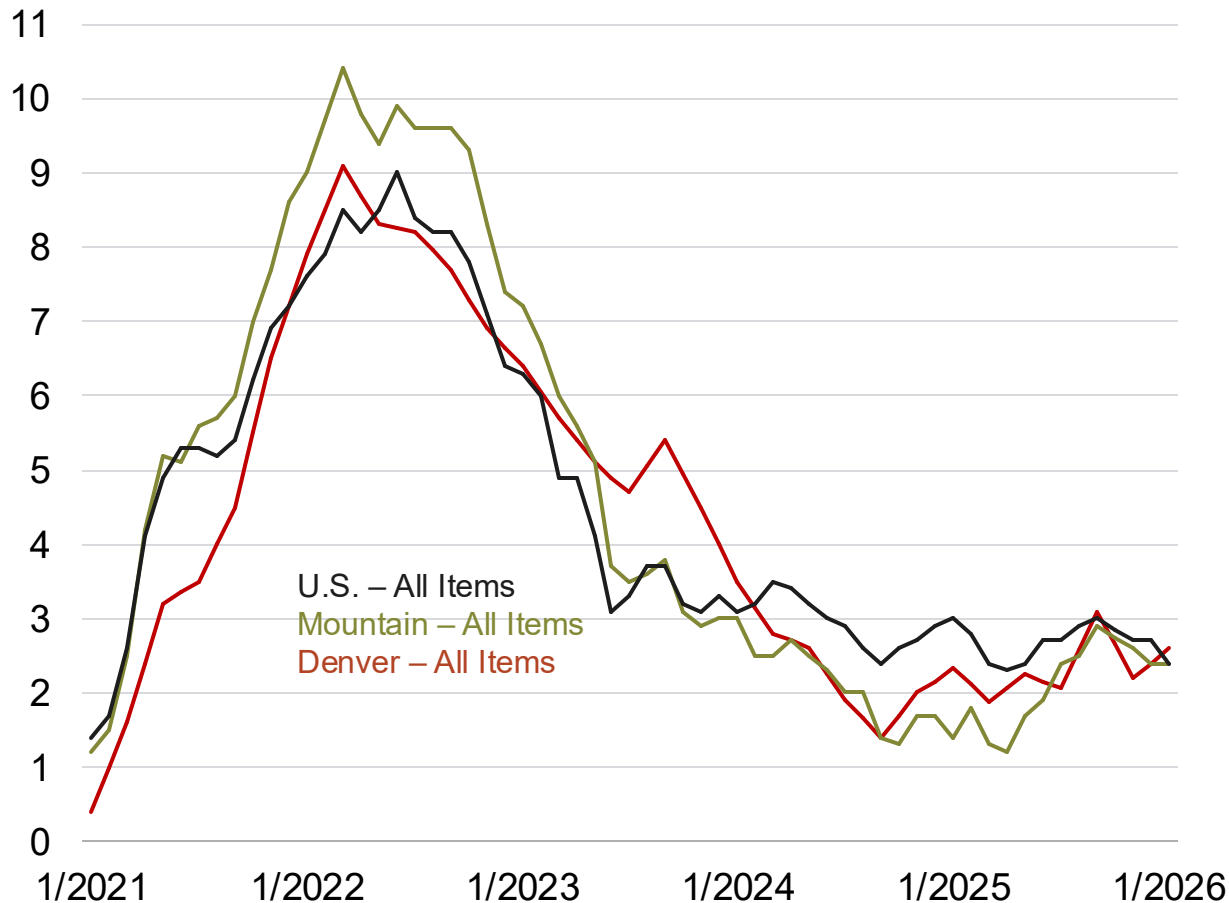
Percent of Balance 90+ Days Delinquent by Loan Type

Mortgage HELOC Auto Credit Card Student Loan Other All



Inflation

Consumer Price Index, % Change Year-Over-Year

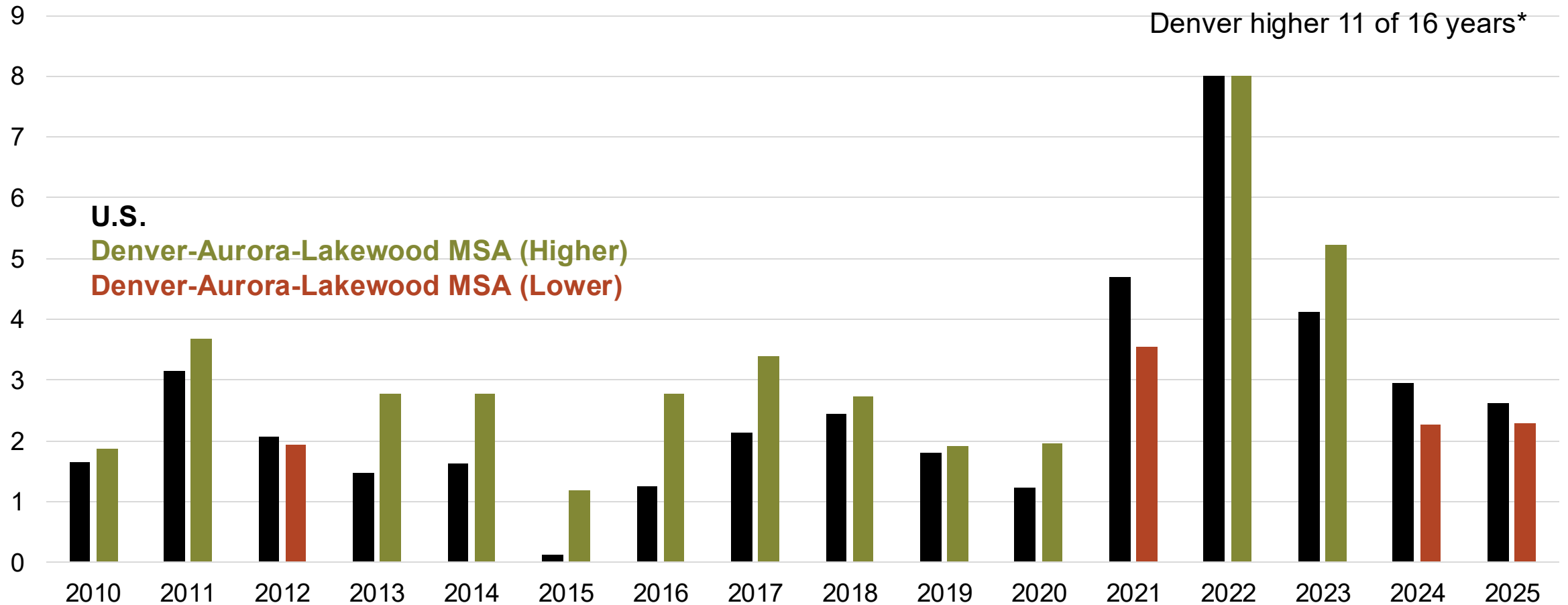


Change by Item, % Change Year-Over-Year

Items	U.S. City Average	Mountain	Denver-Aurora-Lakewood	Item Weights
All items	2.4%	2.4%	2.6%	100.0%
Food and beverages	2.9%	2.6%	2.5%	14.5%
Housing	3.4%	1.4%	3.6%	44.2%
Apparel	1.8%	2.6%	1.3%	2.5%
Transportation	-1.0%	-0.9%	-2.3%	16.6%
Medical care	3.2%	7.9%	6.7%	8.3%
Recreation	2.5%	5.3%	2.8%	5.3%
Education and comm.	0.5%	2.8%	-1.3%	5.7%
Other goods and services	5.9%	8.8%	6.2%	2.9%
Core Inflation	2.5%	2.6%	3.3%	

National v. Local

Percent Change



Source: Bureau of Labor Statistics. 2022 was a tie.



Colorado Population, Employment, and the Economy

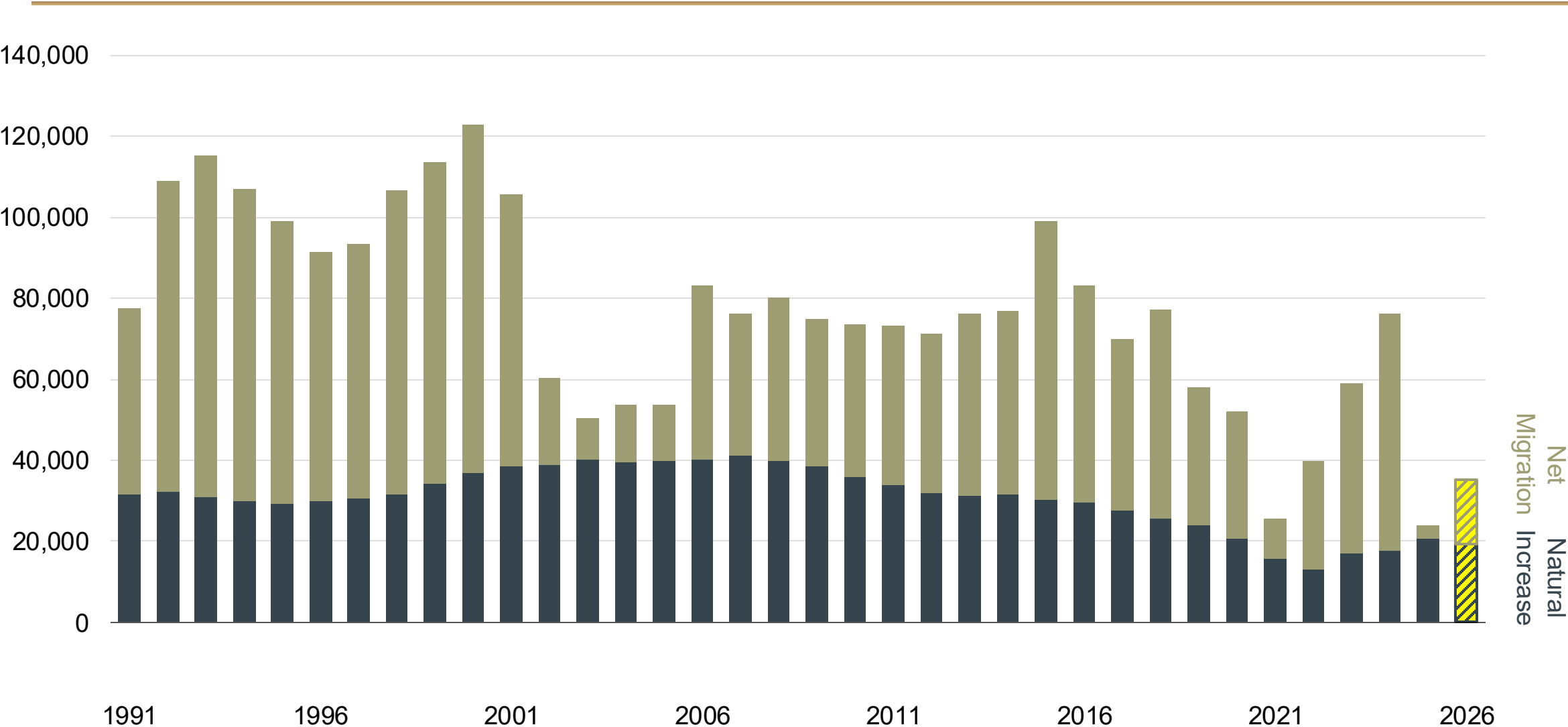
Colorado 15-Year Ranking, 2024

Metric	15-Year Rank
Real GDP Growth	5
Employment Growth	7
Population Growth	6
Personal Income Growth	4
Per Capita Personal Income Growth	3
Labor Force % Growth	6
FHFA Home Price Index Growth	6

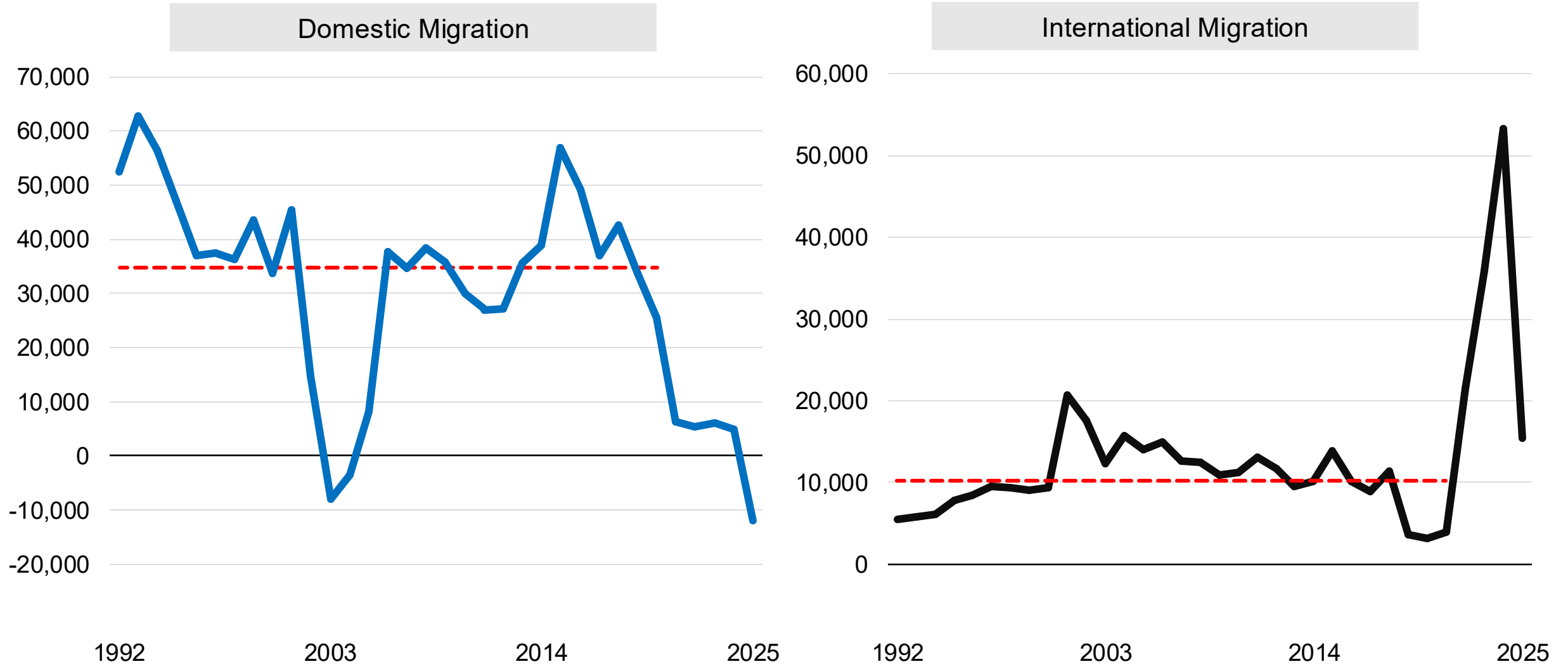
Colorado Rank Among States

Metric	1-Year Change/ Current Level		1-Year Rank
Real GDP Growth	1-Year Change	2.3%	18
Employment Growth	1-Year Change	0.8%	18
Population Growth	1-Year Change	0.4%	29
Personal Income Growth	1-Year Change	5.0%	29
Per Capita Personal Income Growth	1-Year Change	4.3%	33
Per Capita Personal Income	Current Level	\$86,526	9
Average Hourly Wage % Growth	1-Year Change	-1.2%	48
Average Annual Pay % Growth	1-Year Change	4.3%	23
Average Annual Pay	Current Level	\$81,170	7
Unemployment Rate	Current Level	3.8%	21
Labor Force % Growth	1-Year Change	-0.6%	43
LFPR	Current Level	66.9%	8
FHFA Home Price Index Growth	1-Quarter Change	-0.1%	41
FHFA Home Price Index Growth	1-Year Change	0.6%	48
Job Openings Rate	Current Level	3.7%	44
Worker Shortage Ratio	Current Level	0.9	40

Colorado Change in Population



Colorado Net Migration

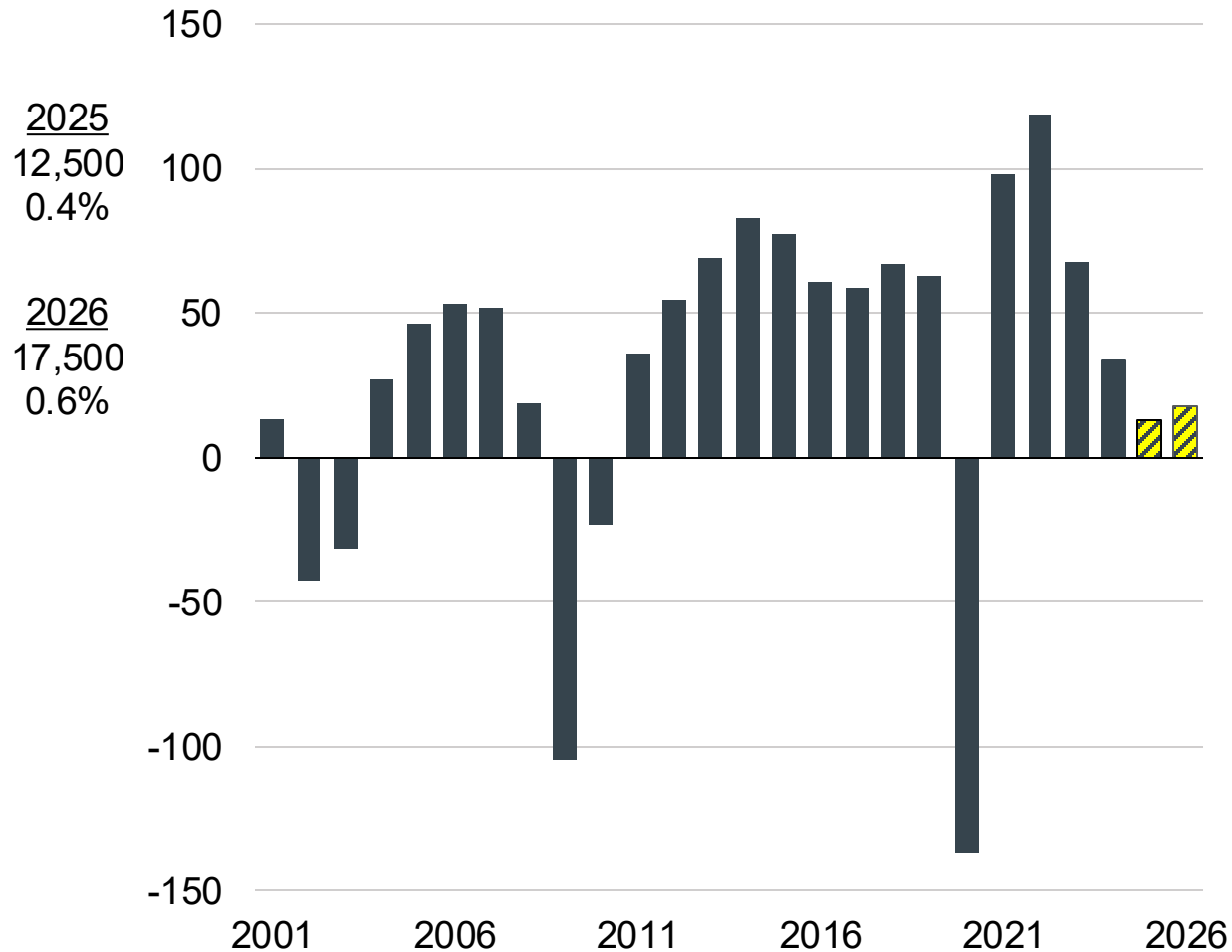




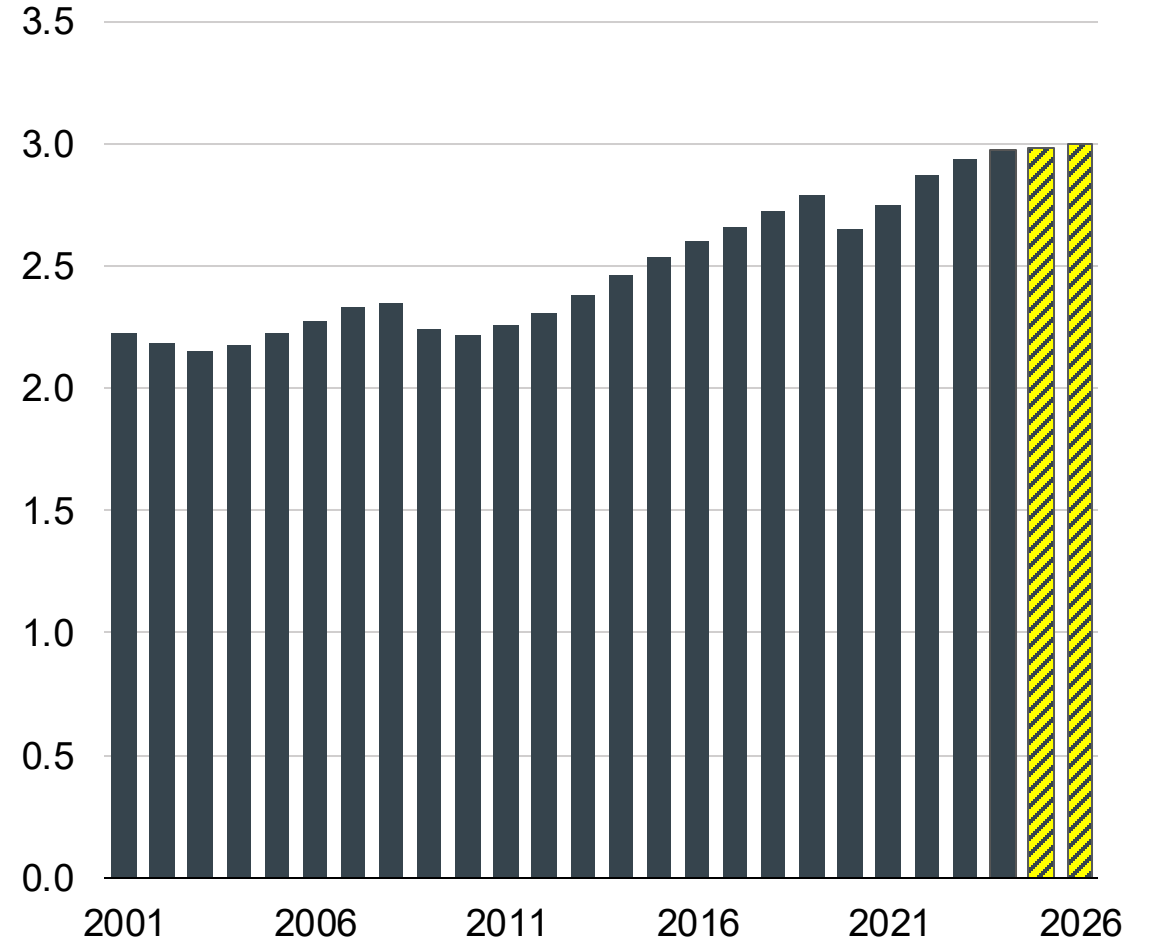
Employment

Colorado Employment Forecast

Jobs Added, Thousands, 2001-2026



Total Jobs, Millions, 2001-2026

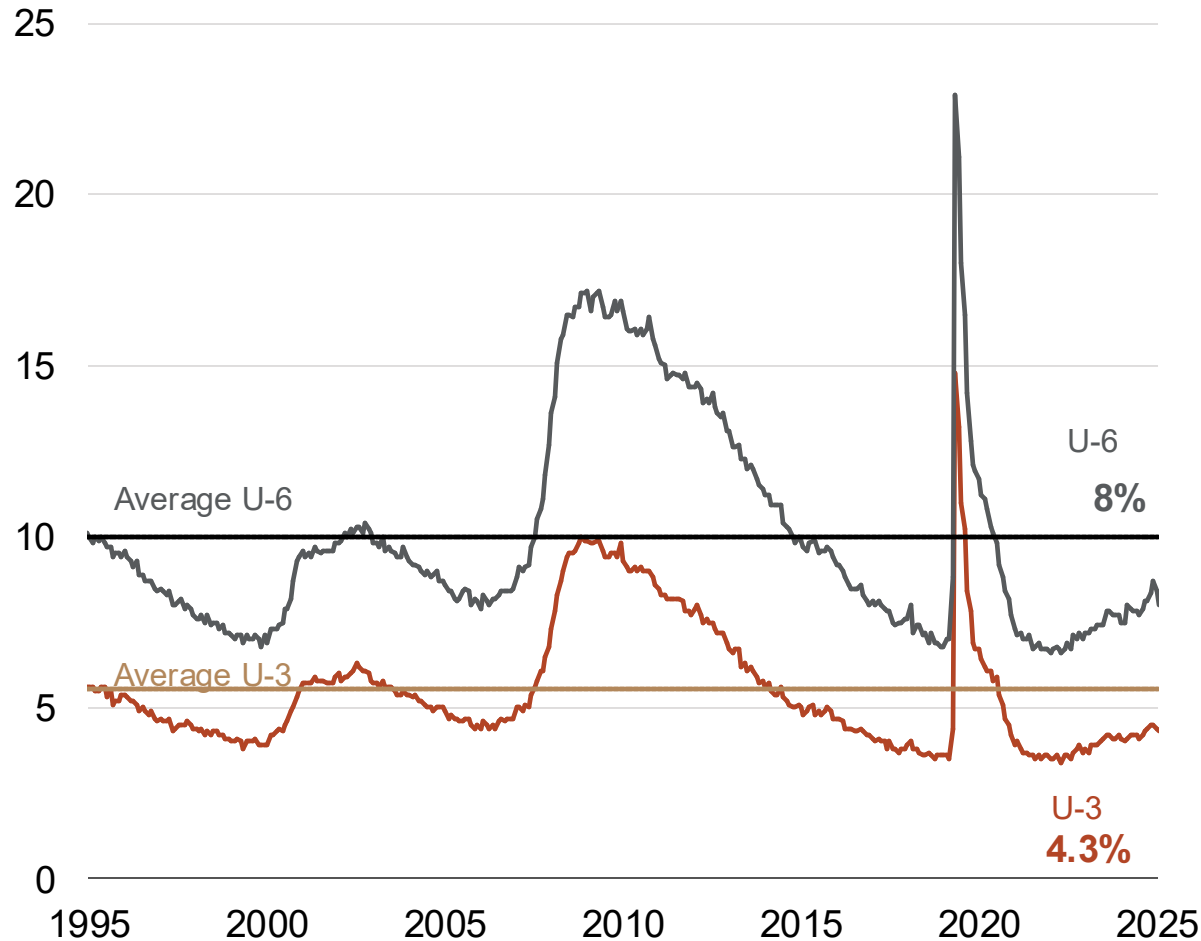


Colorado Projected Employment Change 2026

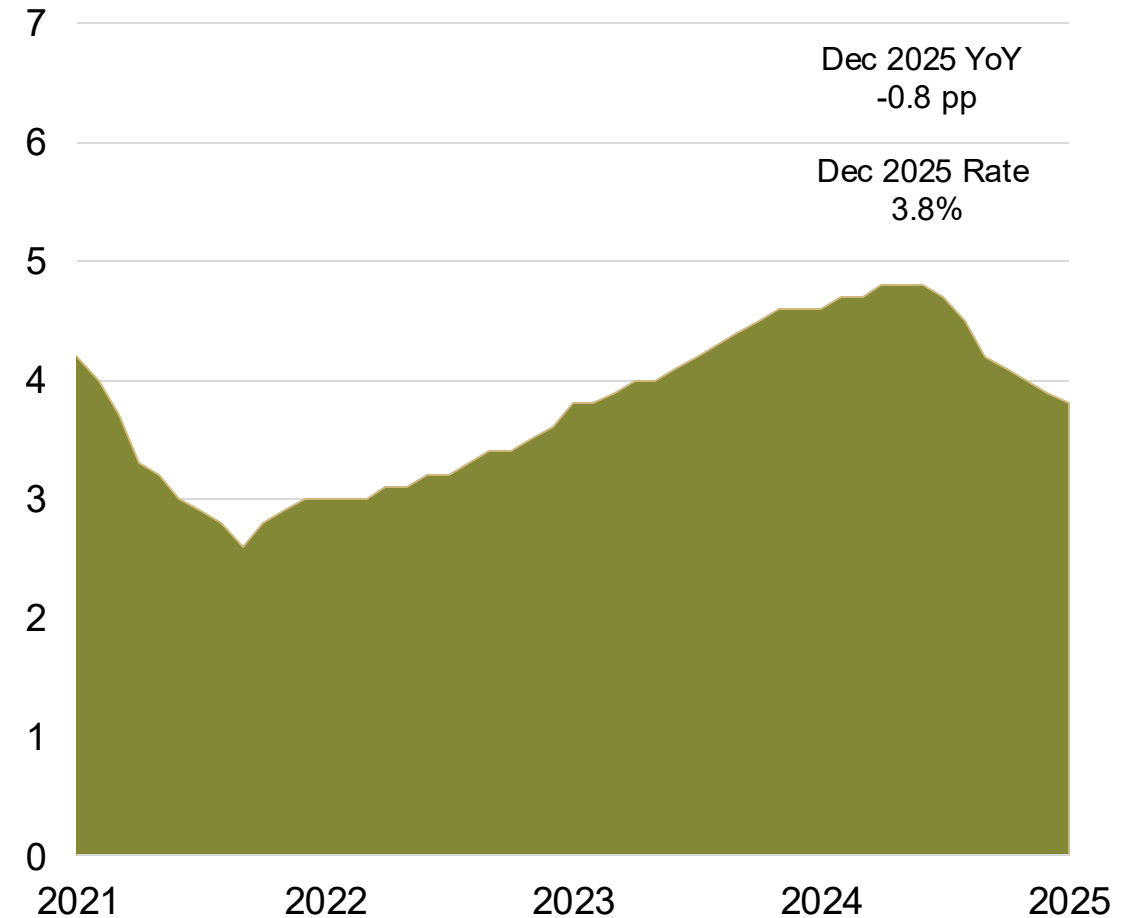


Unemployment Rate

U.S. Unemployment Rate %, Monthly

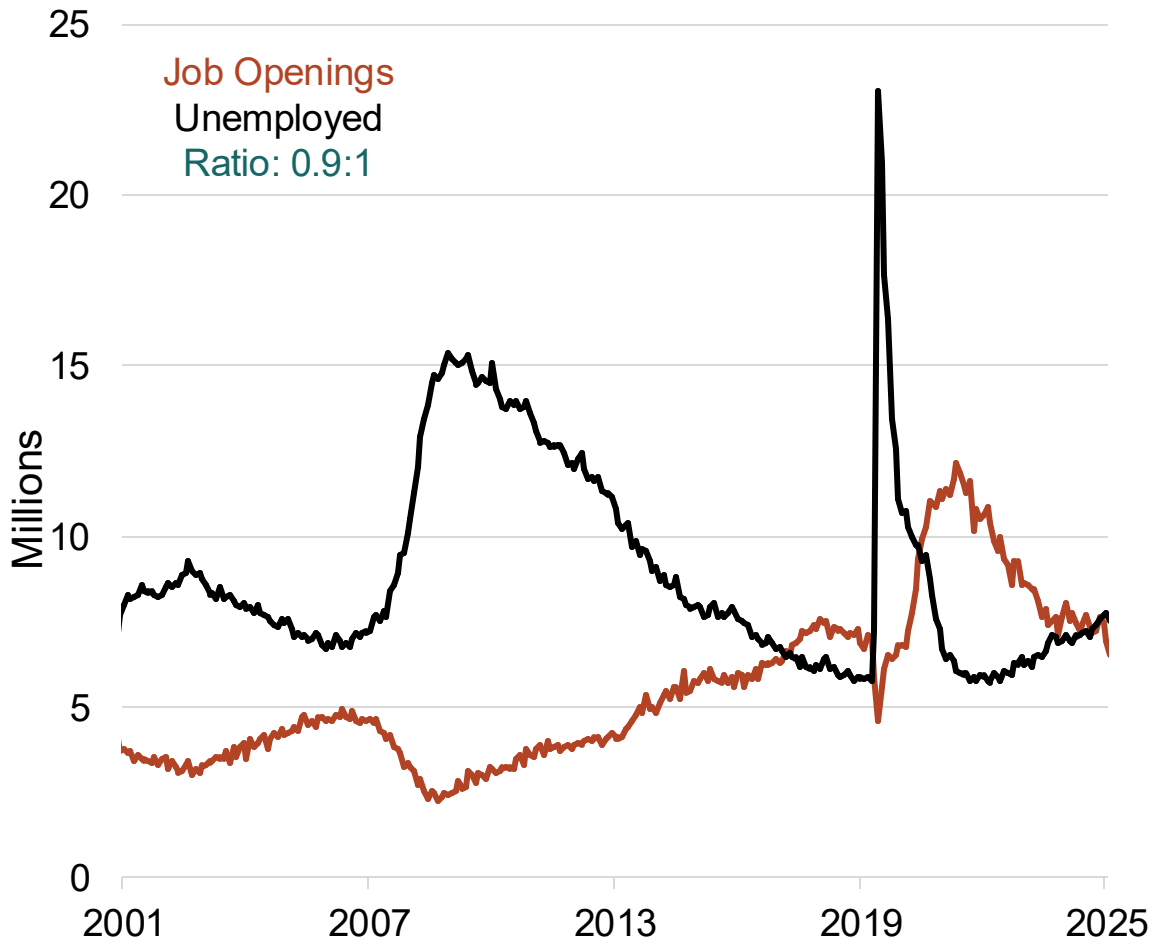


Colorado Unemployment Rate %, Monthly

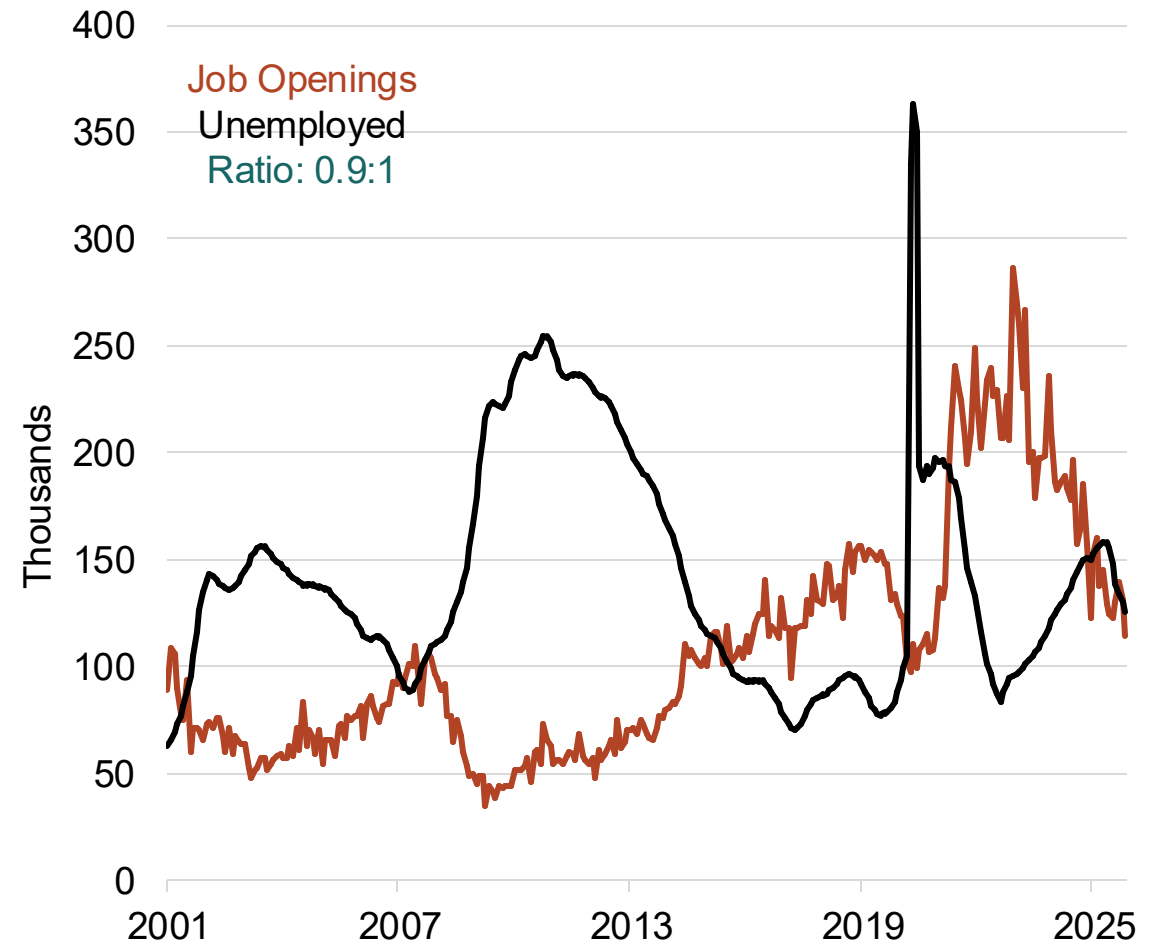


Labor Market

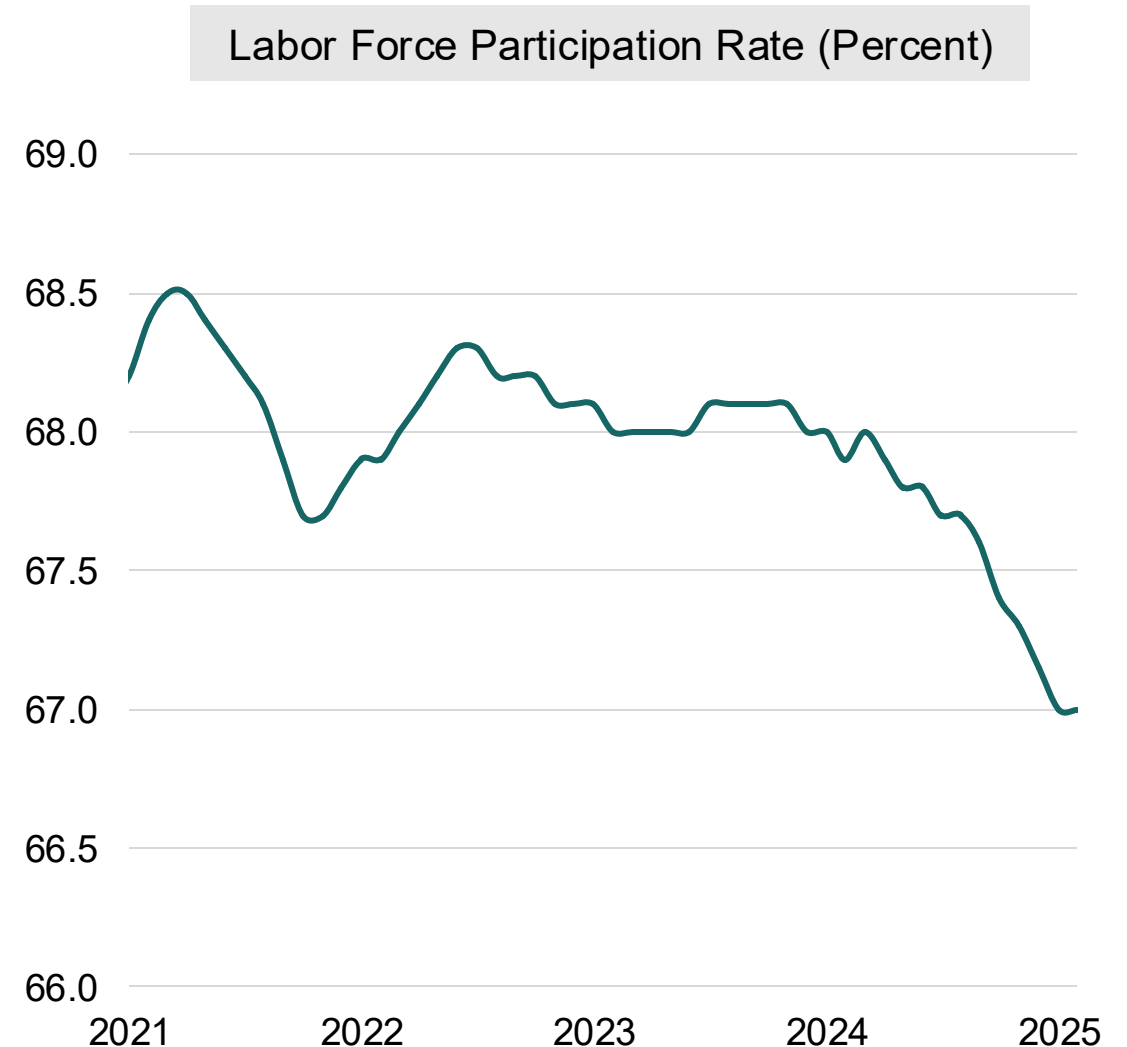
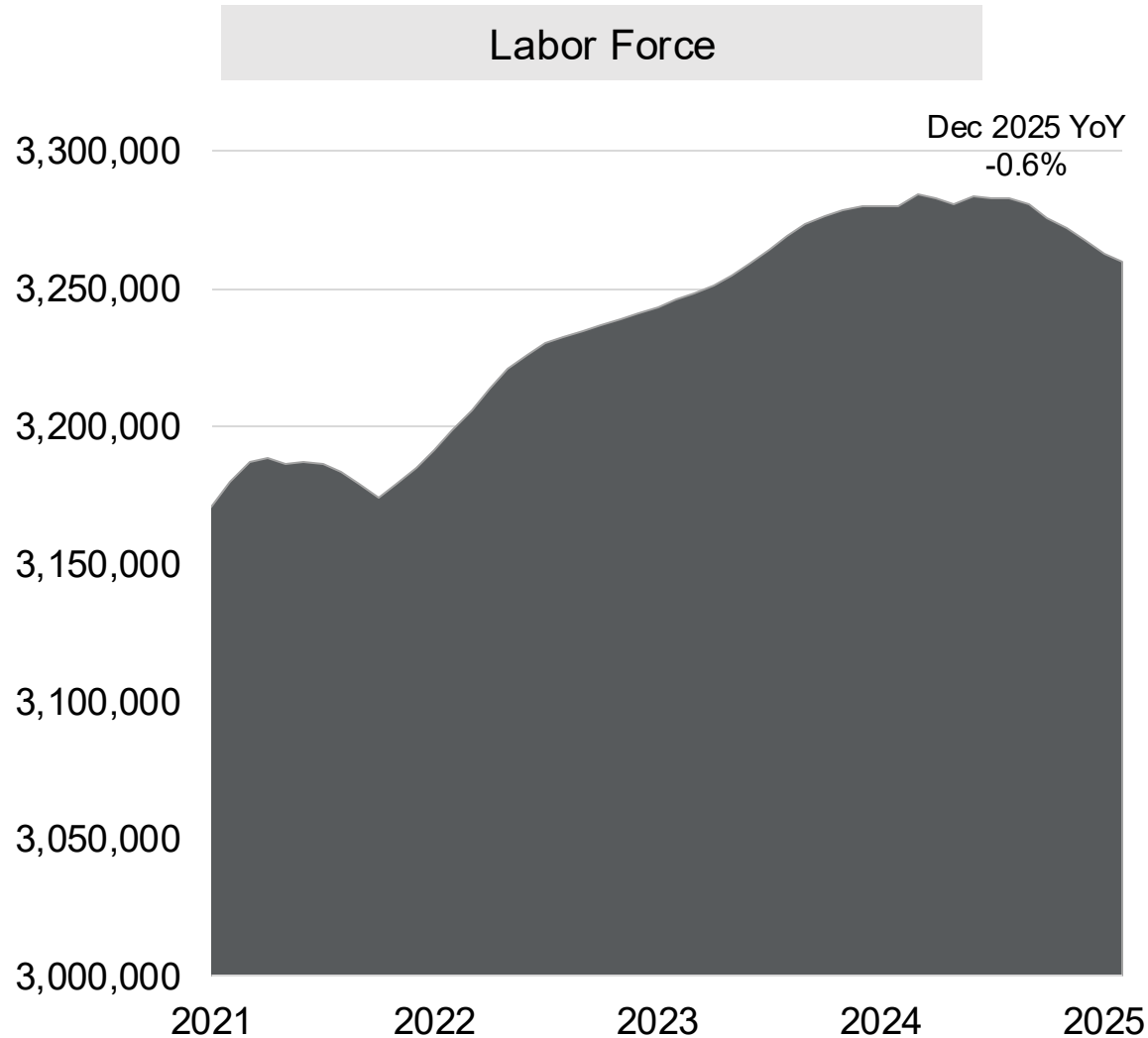
United States



Colorado



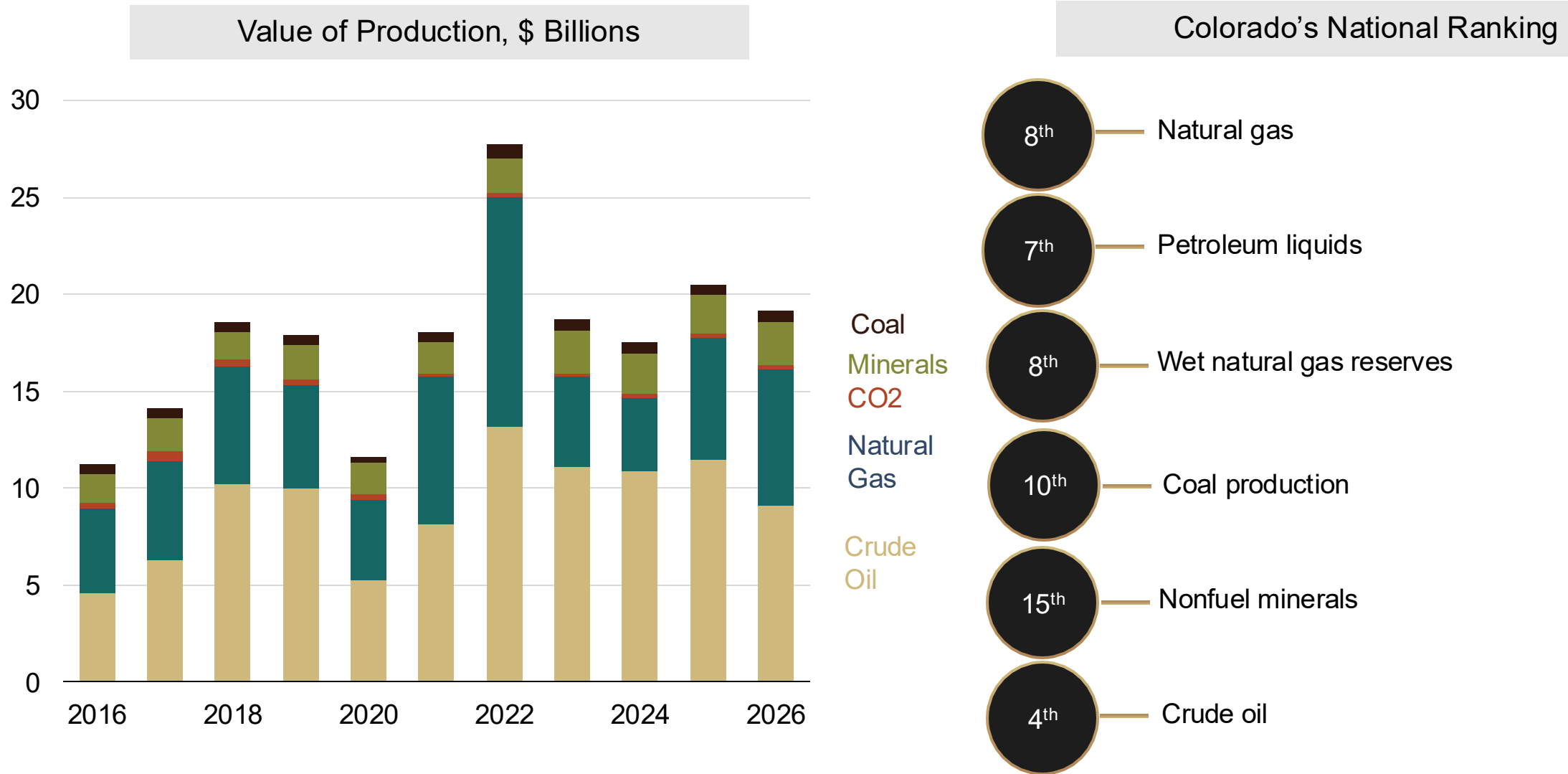
Colorado Labor Force and Participation





Natural Resources and Mining

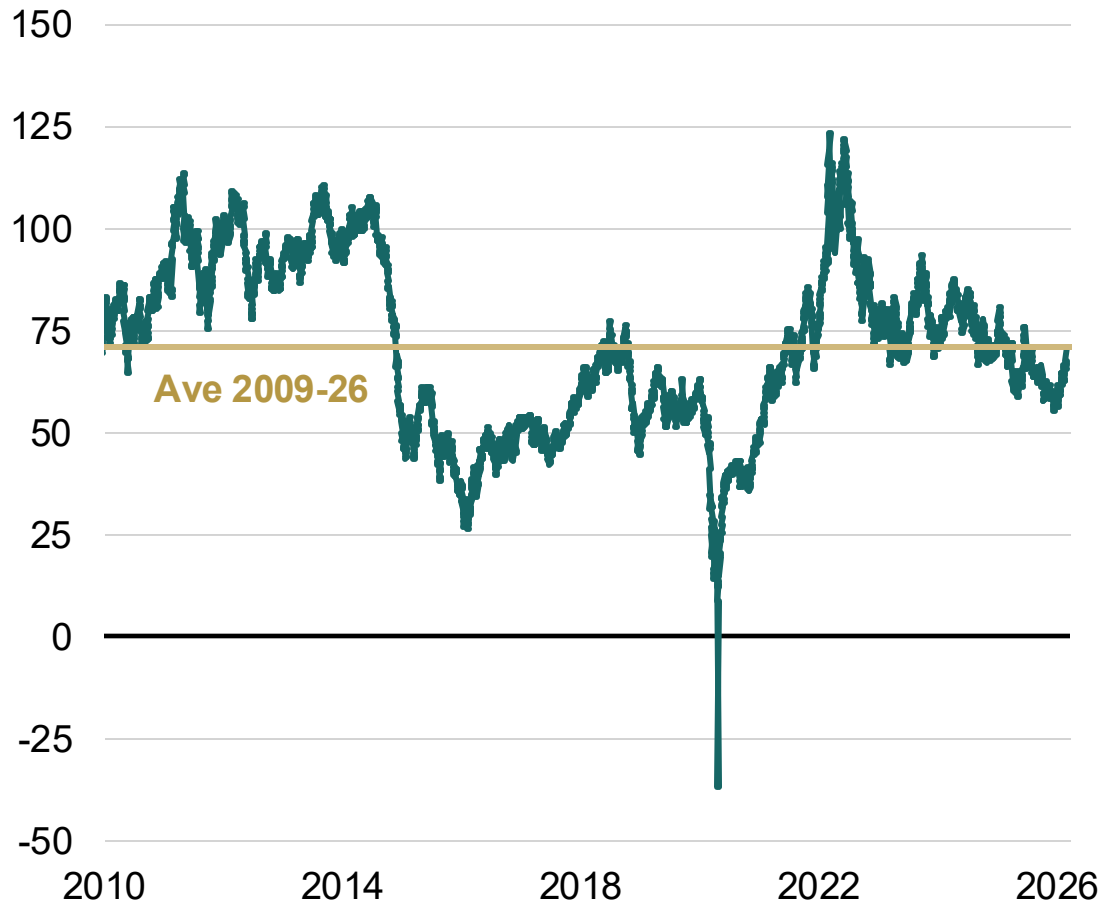
Natural Resources and Mining Valuation



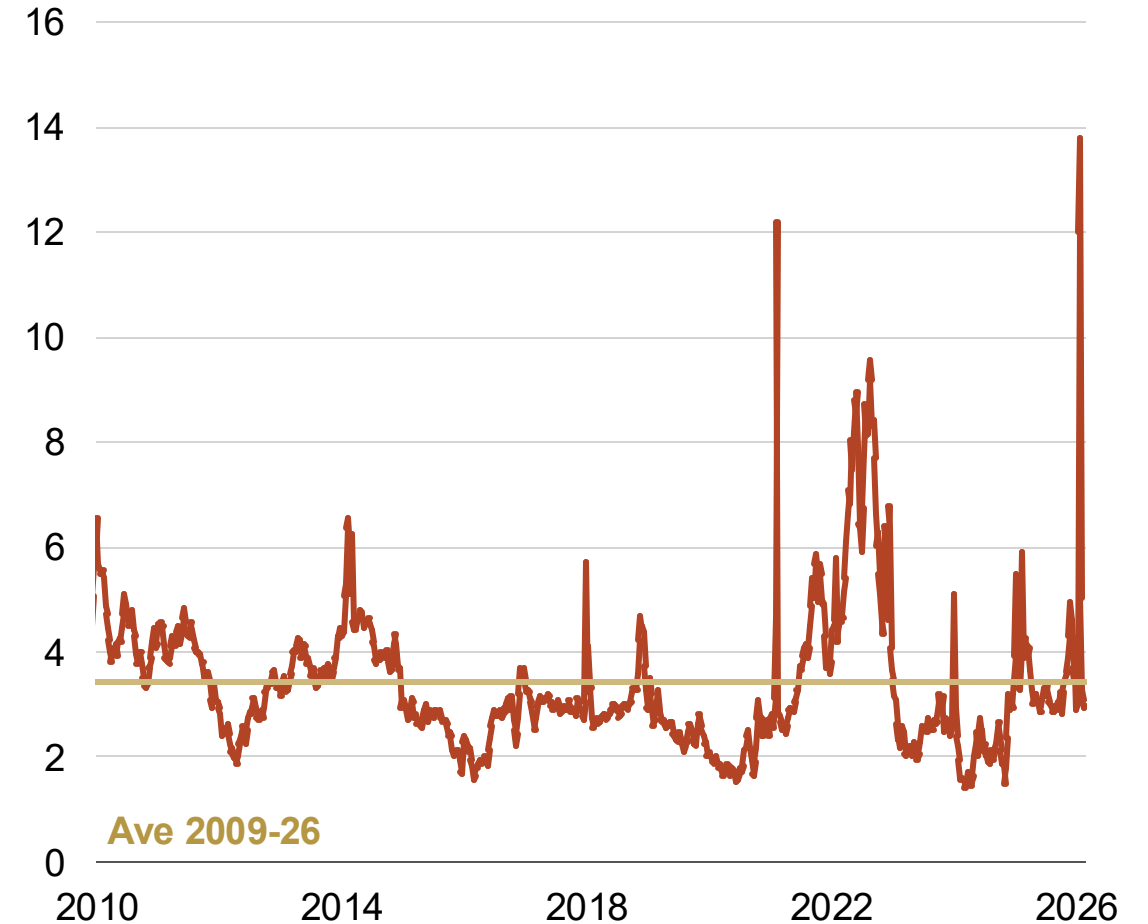
Sources: EIA, Colorado Geological Survey Mineral and Minerals Fuel Activity Reports, Colorado Oil and Gas Conservation Commission, Department of Minerals and Geology, and Colorado Business Economic Outlook Committee.

Oil and Gas Prices

West Texas Intermediate, \$ per Barrel

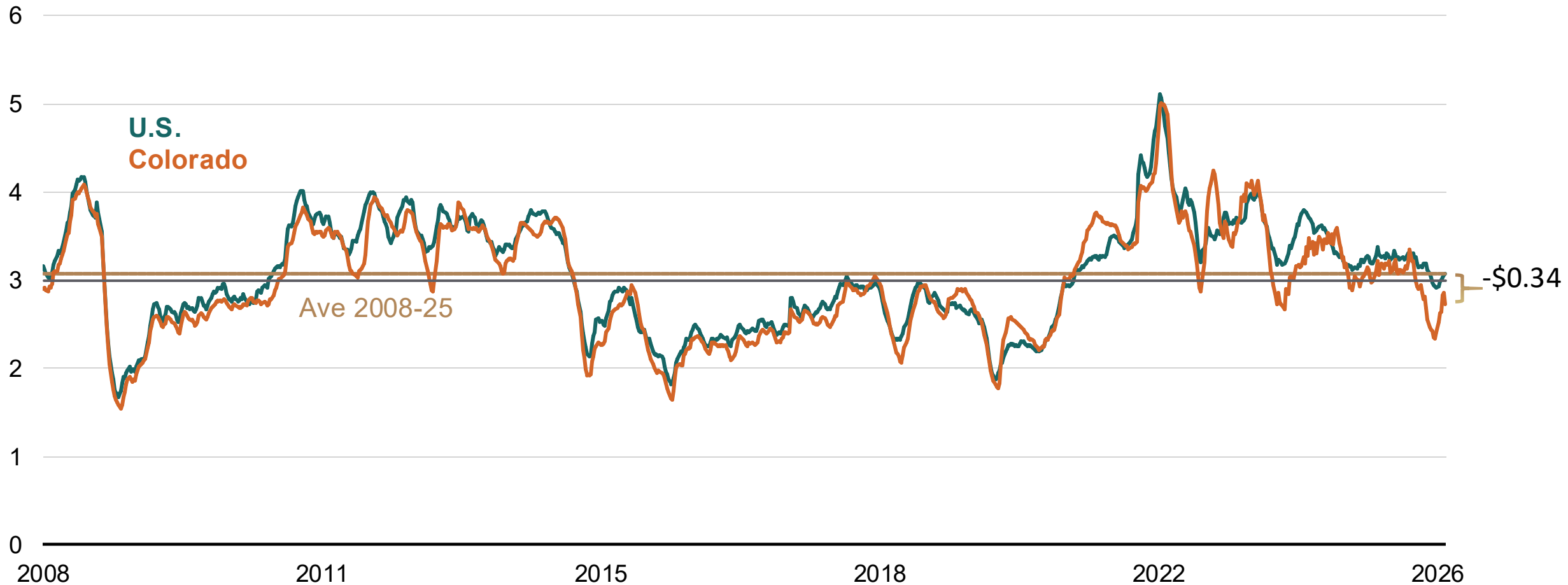


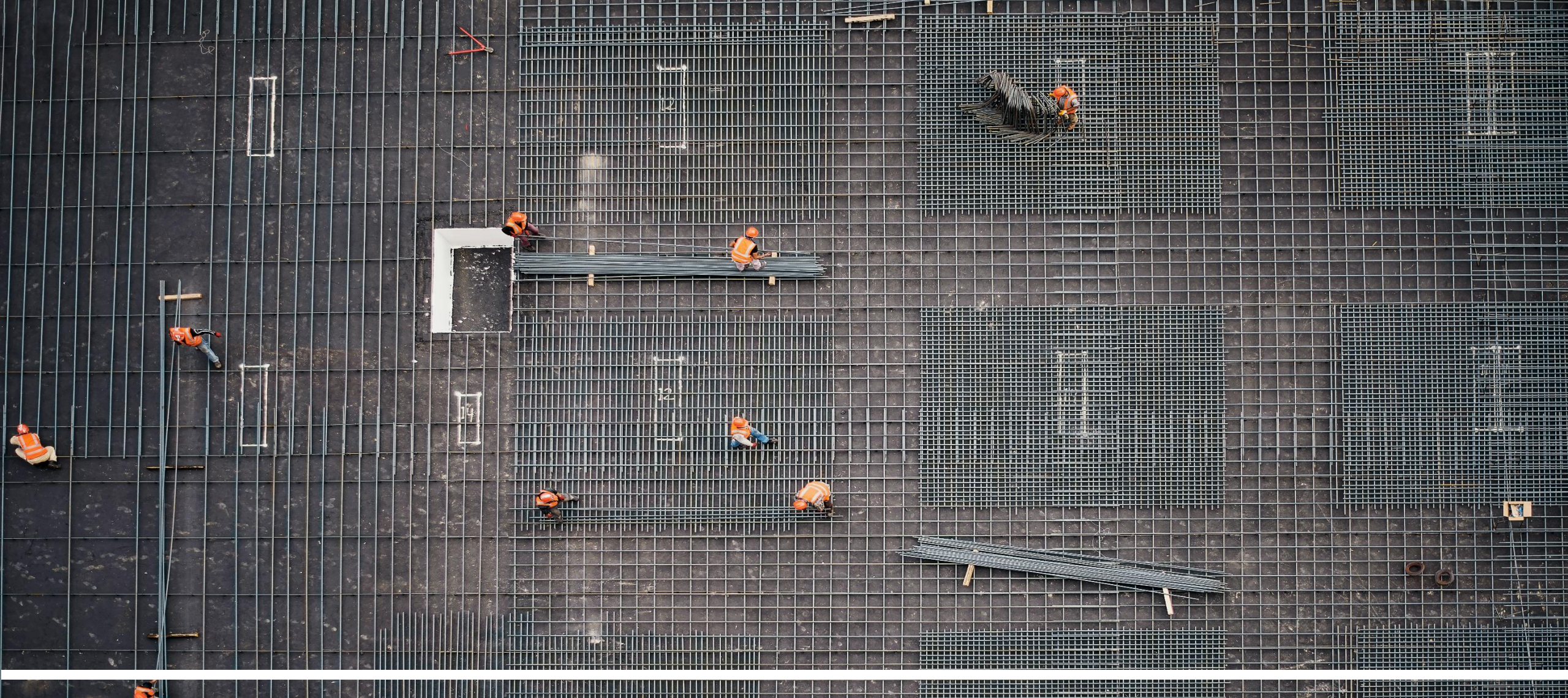
Henry Hub Natural Gas, \$ per Million Btu



Gasoline

All Grades, All Formulations Retail Gasoline Prices

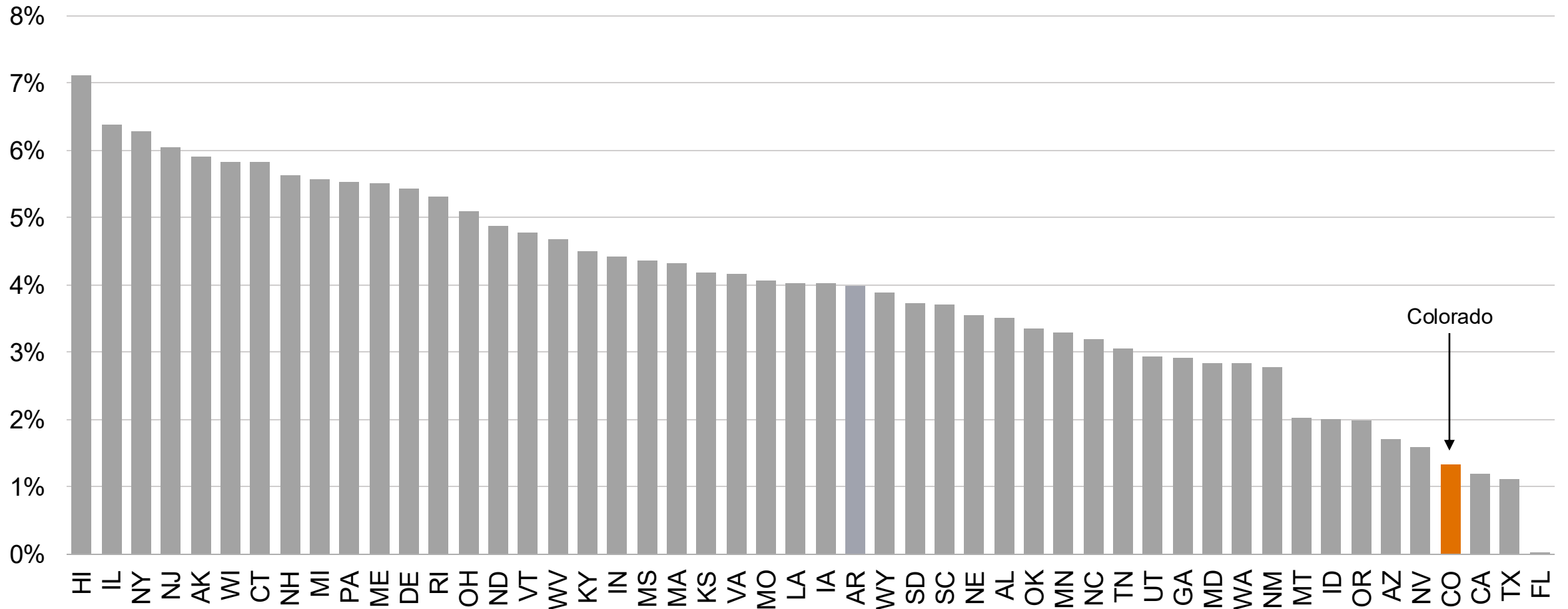




Construction and Real Estate

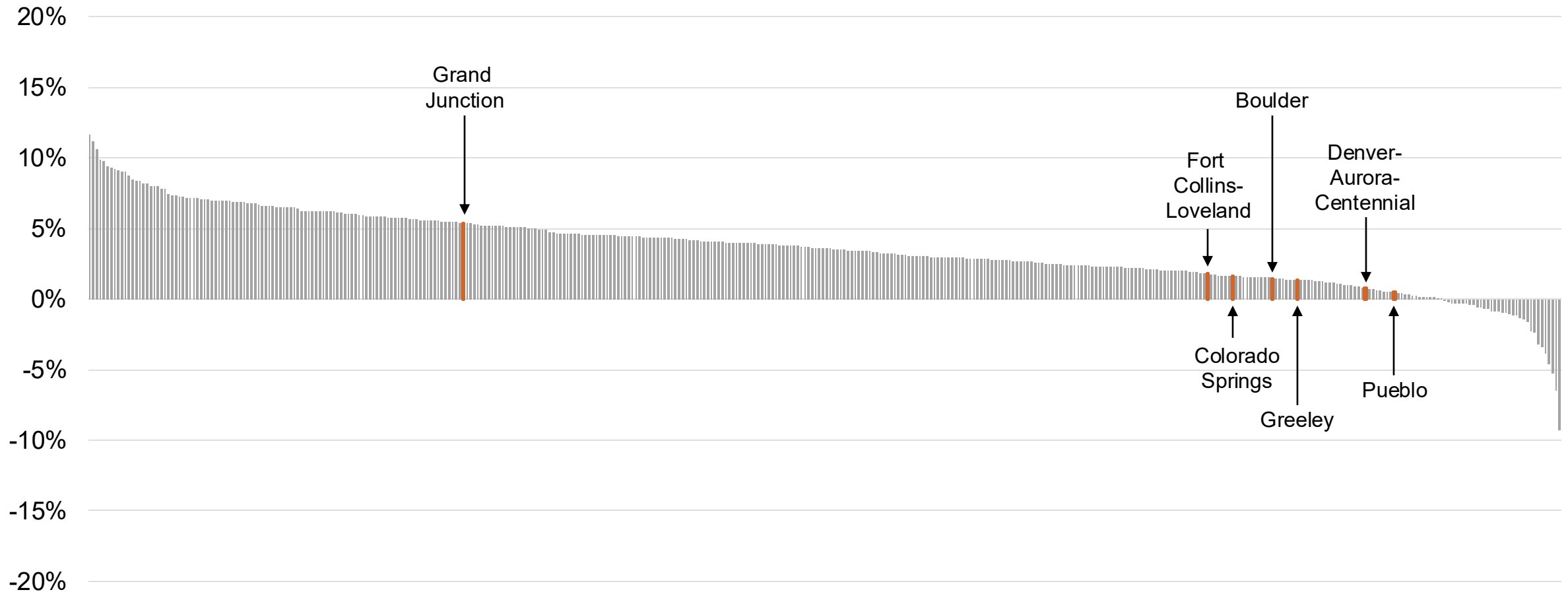
FHFA Home Price Index by State

One-Year Home Price Percent Change, Q4 2025

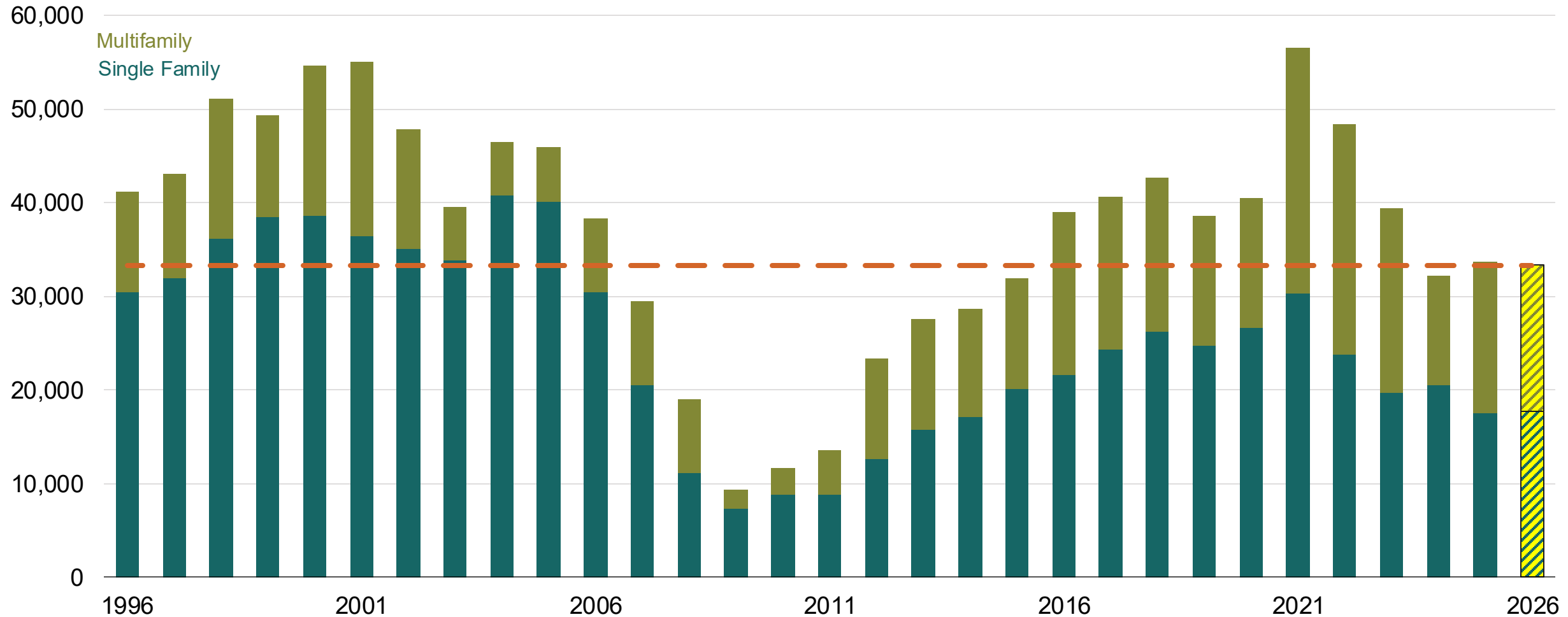


FHFA Home Price Index by MSA

One-Year Home Price Percent Change, Q4 2025

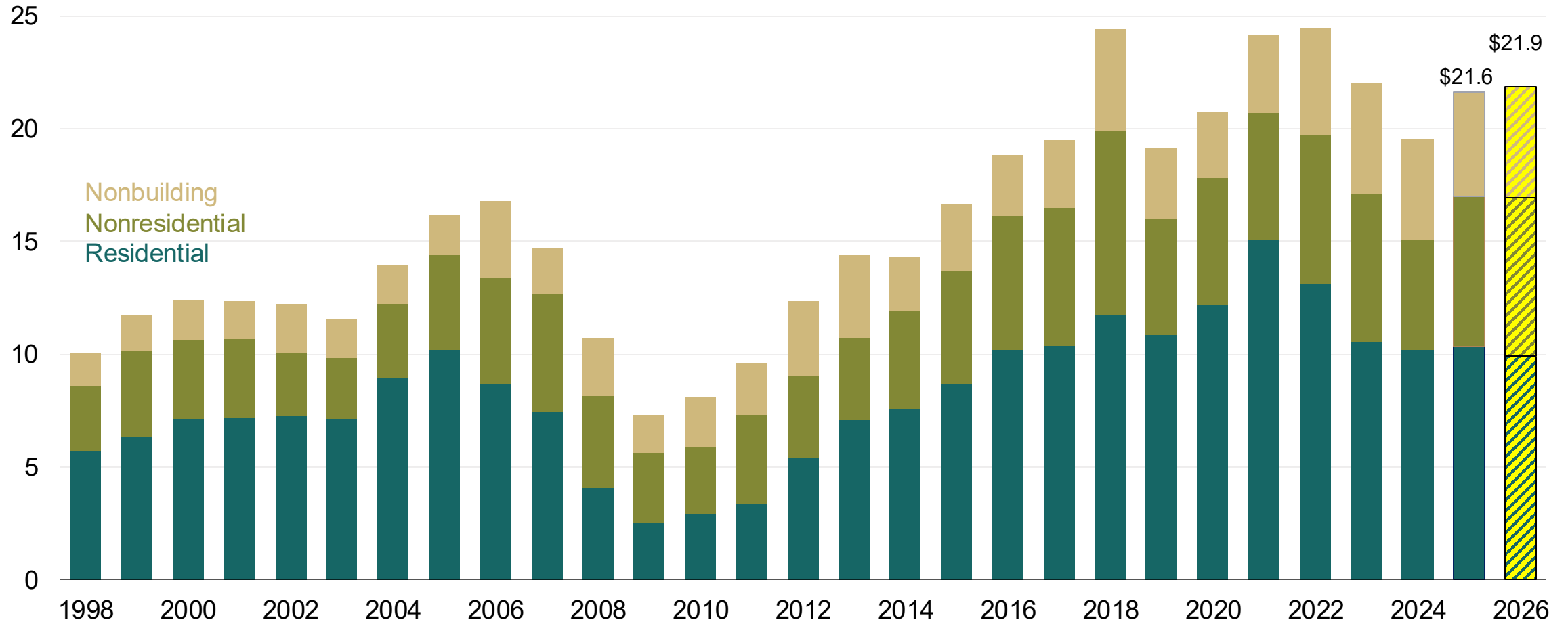


Colorado Residential Building Permits



Colorado Total Value of Construction

\$ Billions

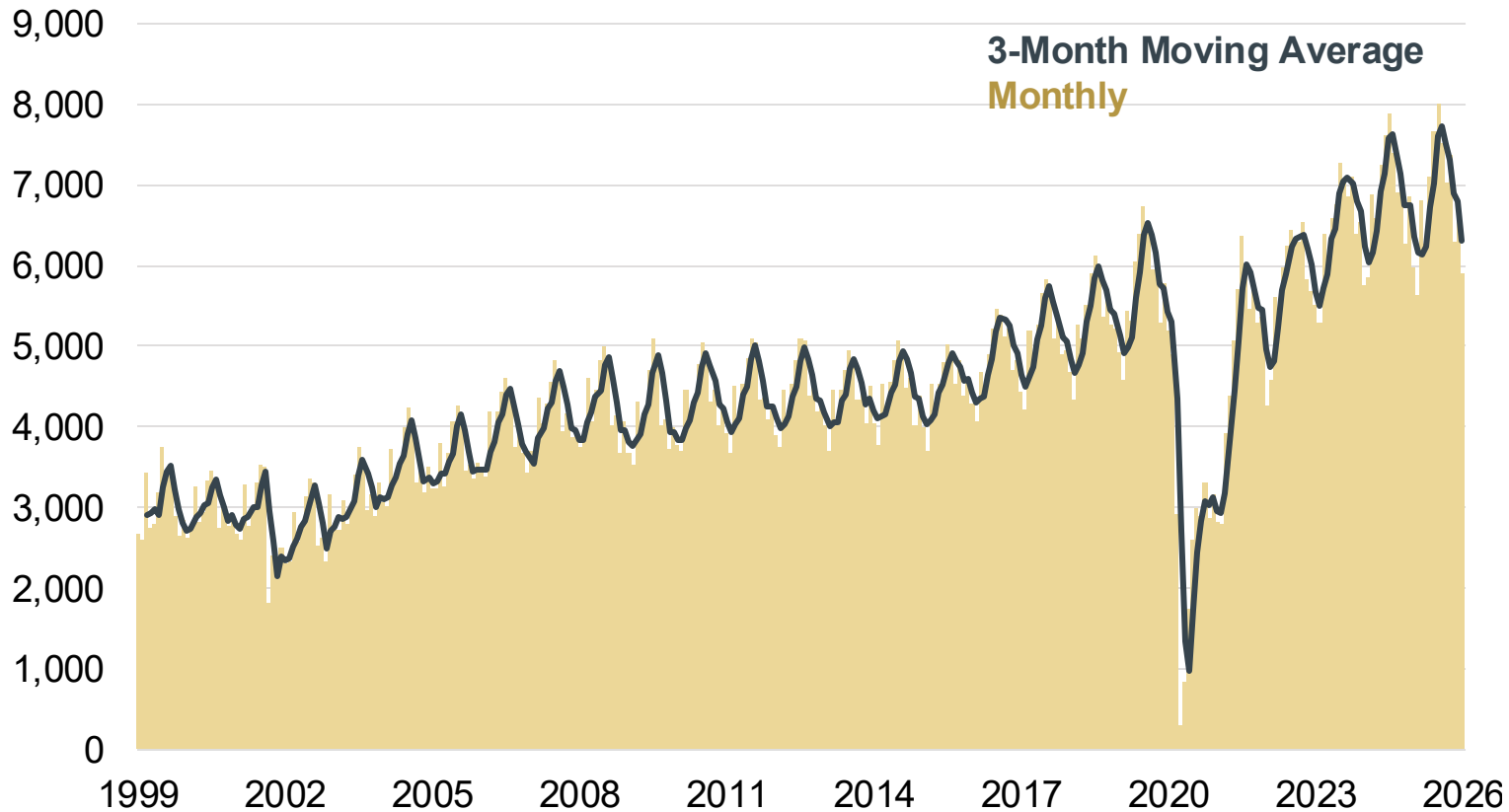




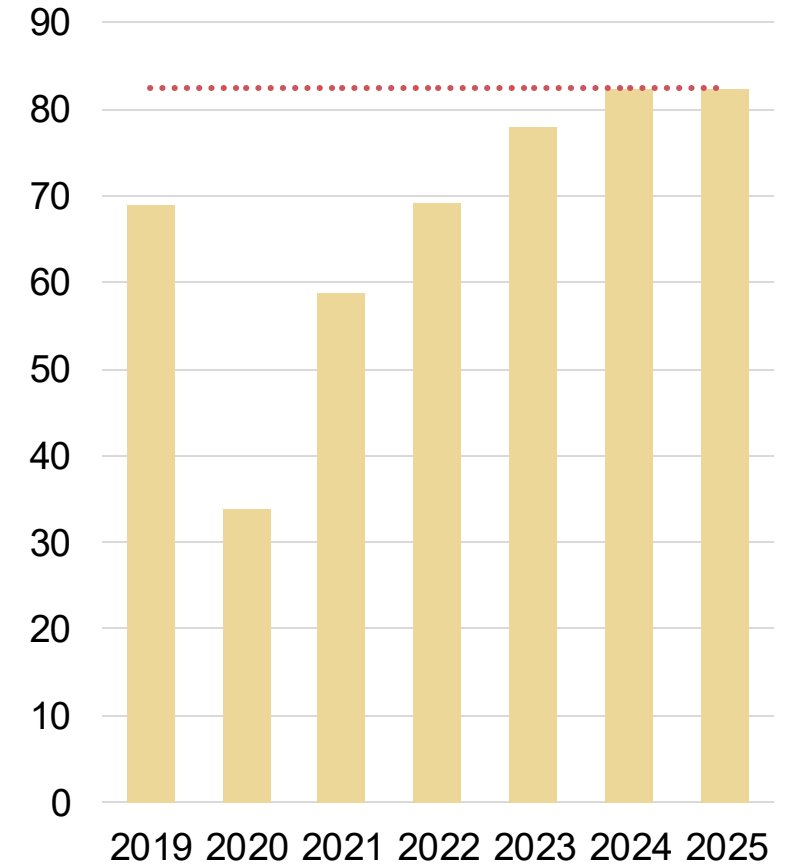
Tourism & Retail

DIA Enplanements and Deplanements

DIA Monthly Passenger Traffic, Thousands, 2000-2025

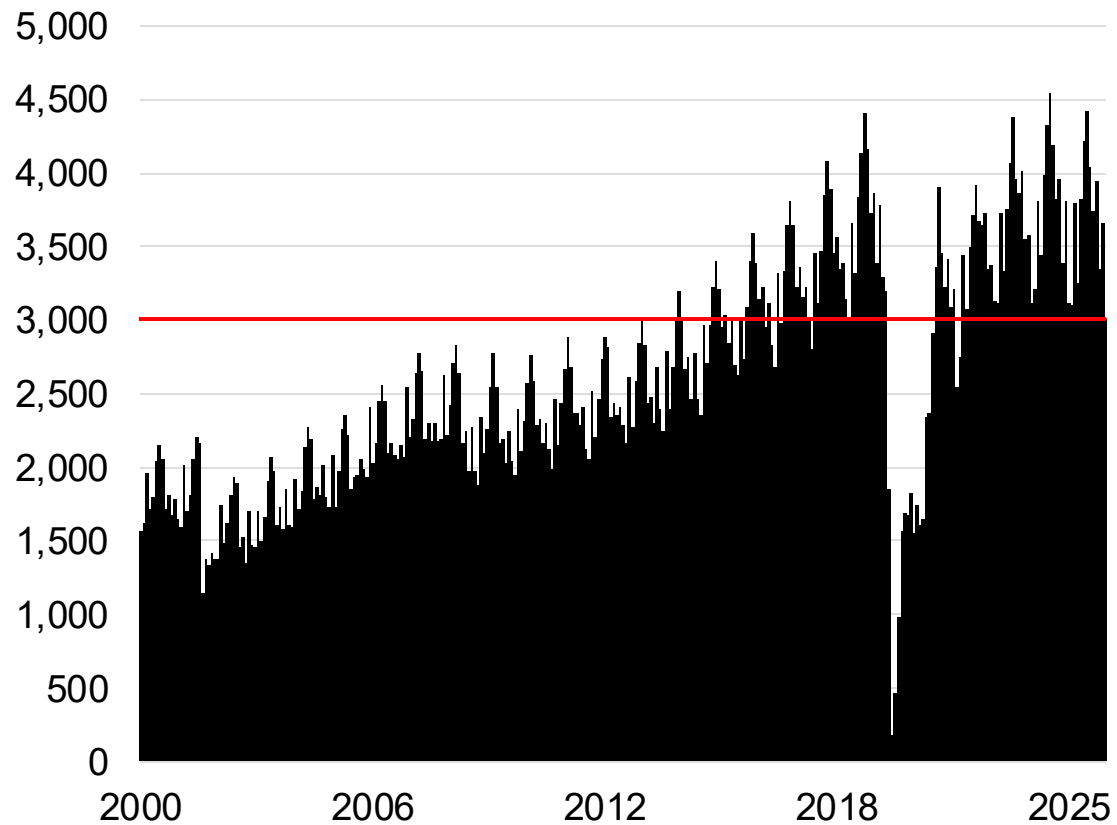


Annual Total (Millions)

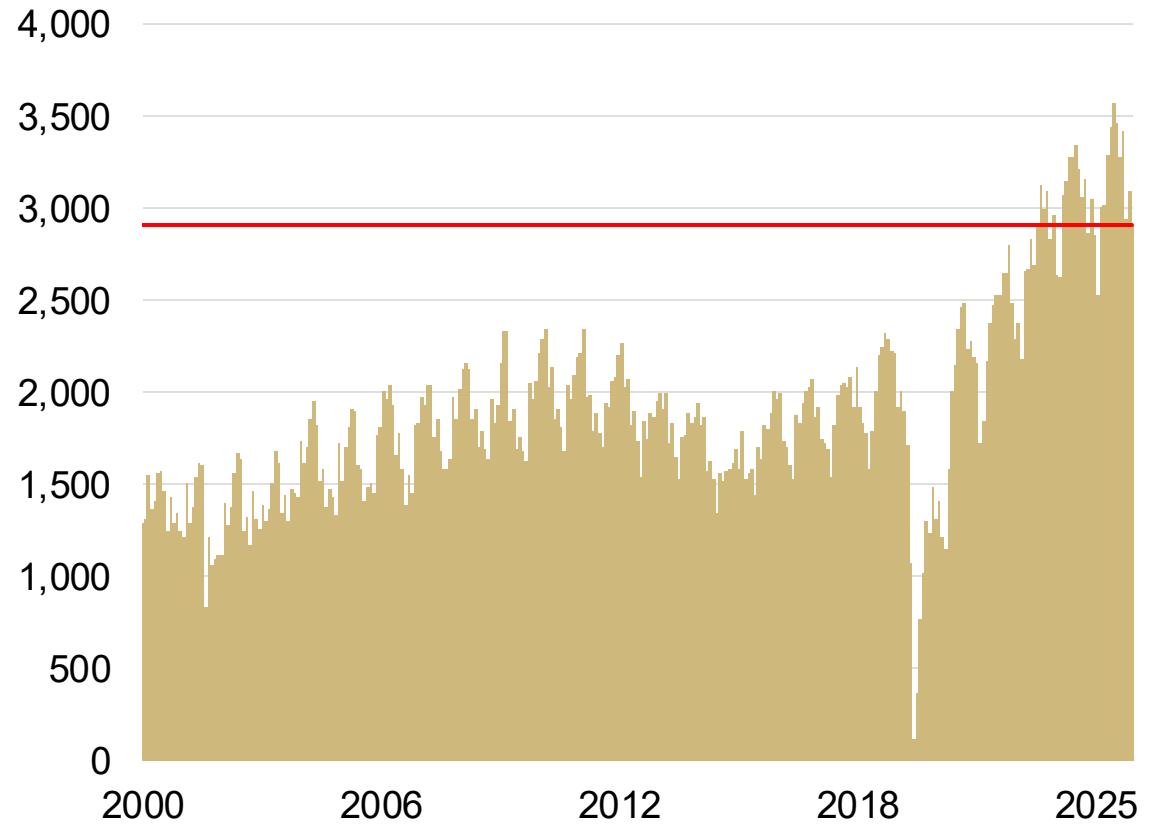


DIA Enplanements and Deplanements

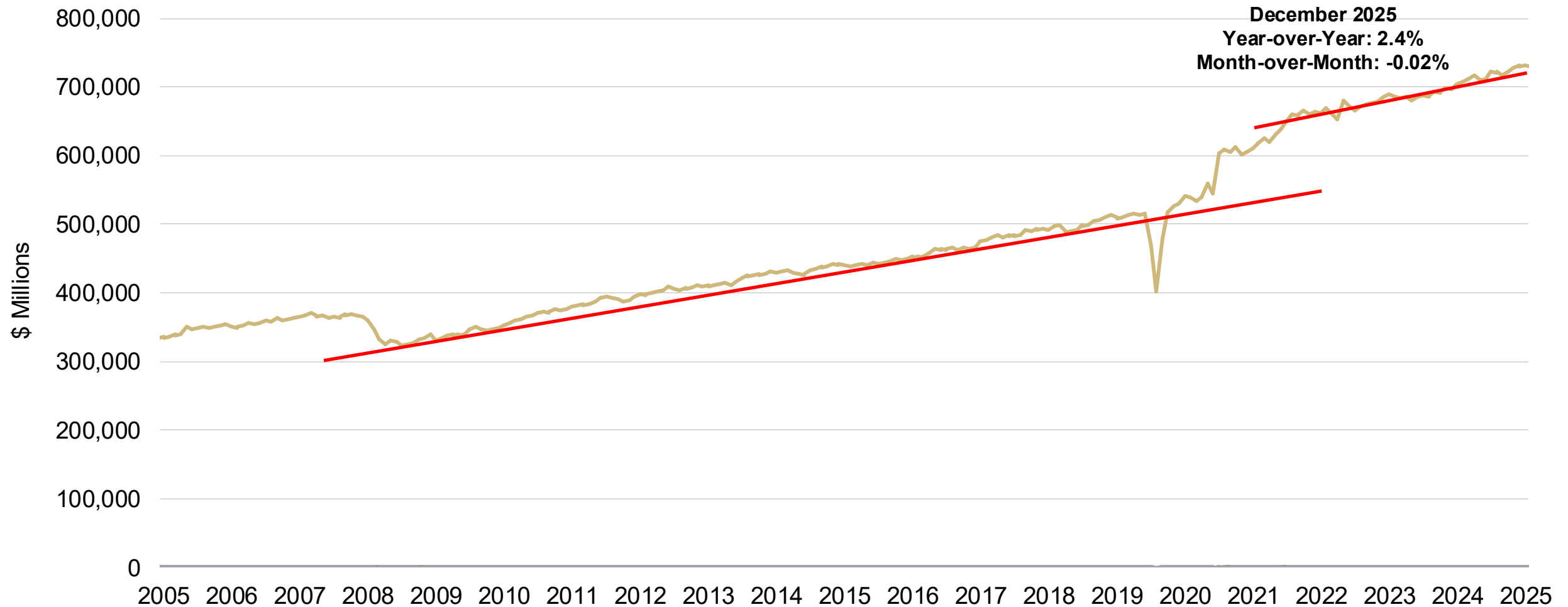
Originating and Destination, Thousands



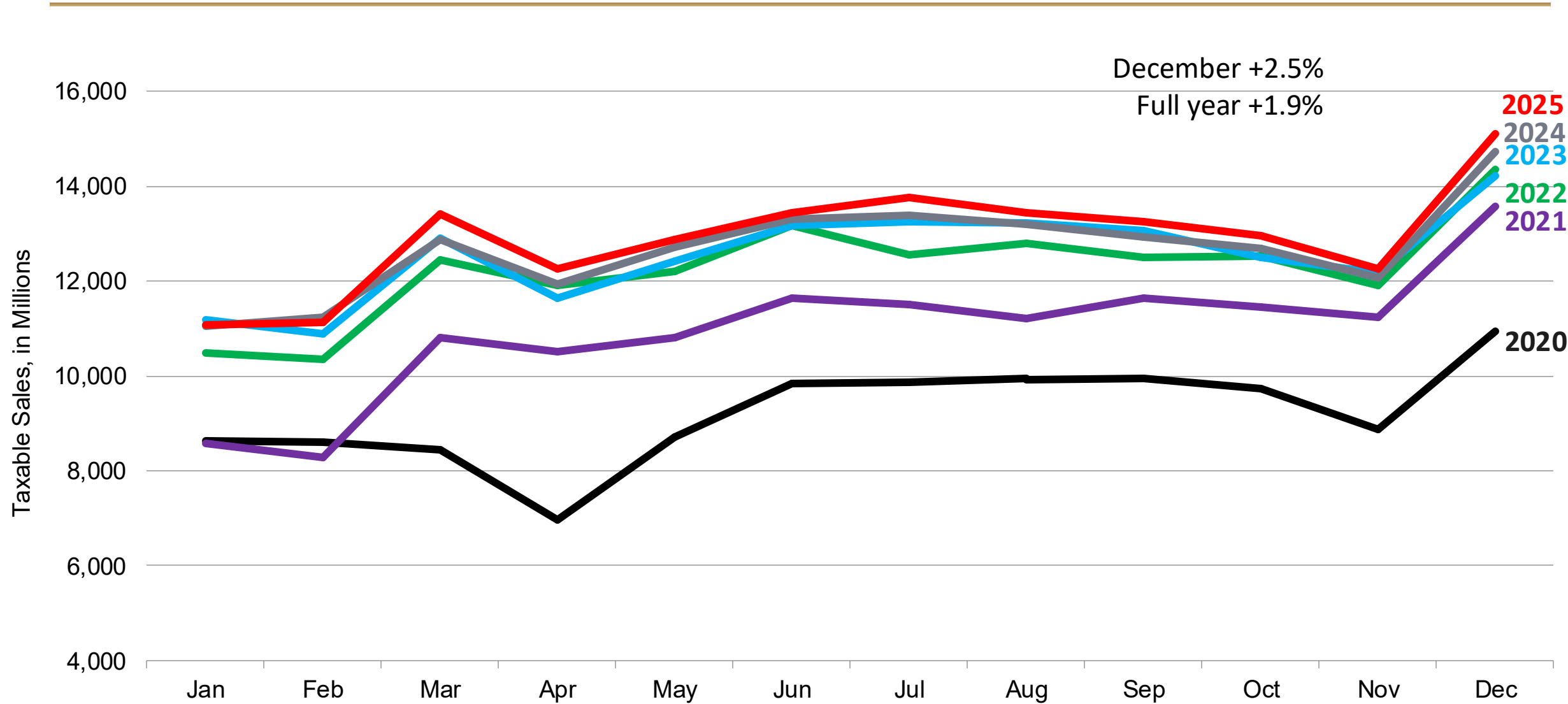
Transfers, Thousands



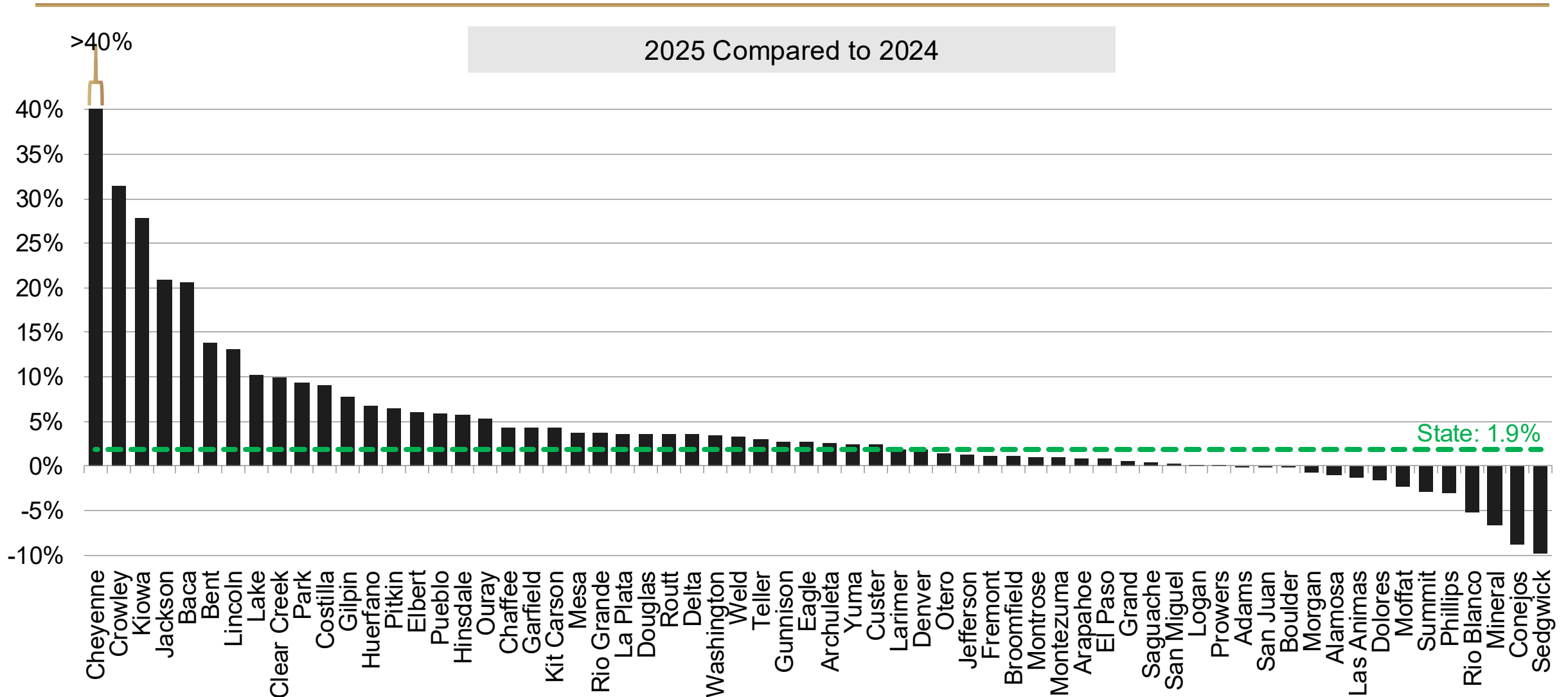
National Retail and Food Services Sales



State's Taxable Sales



State Taxable Sales from Counties



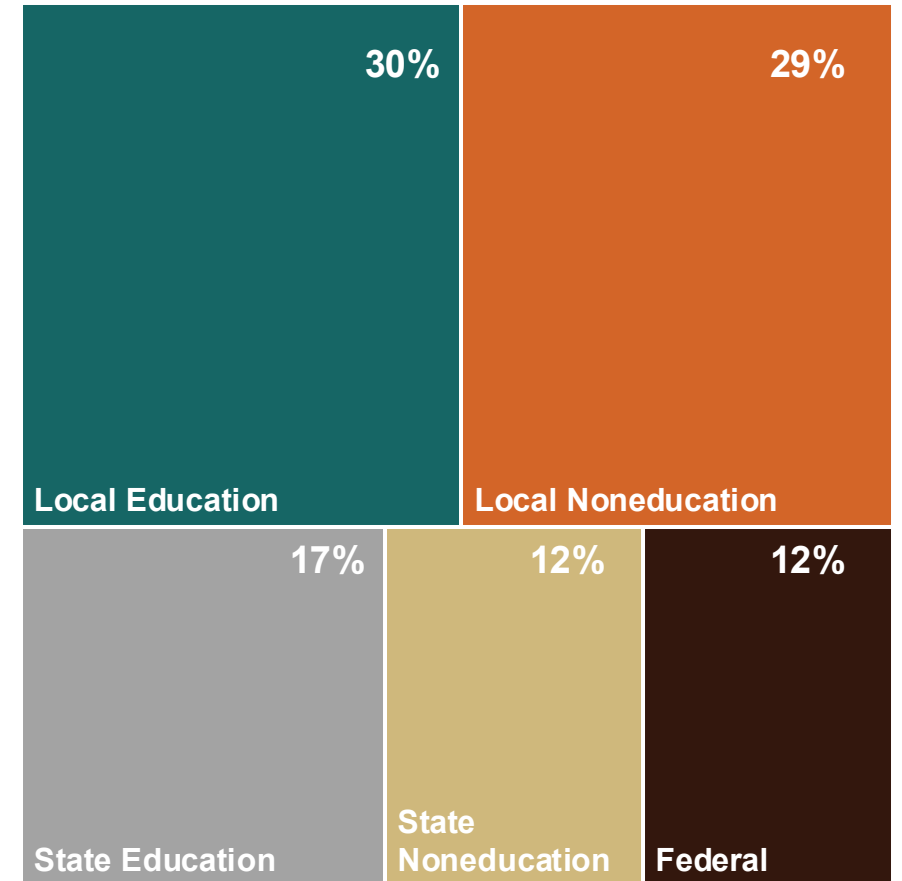
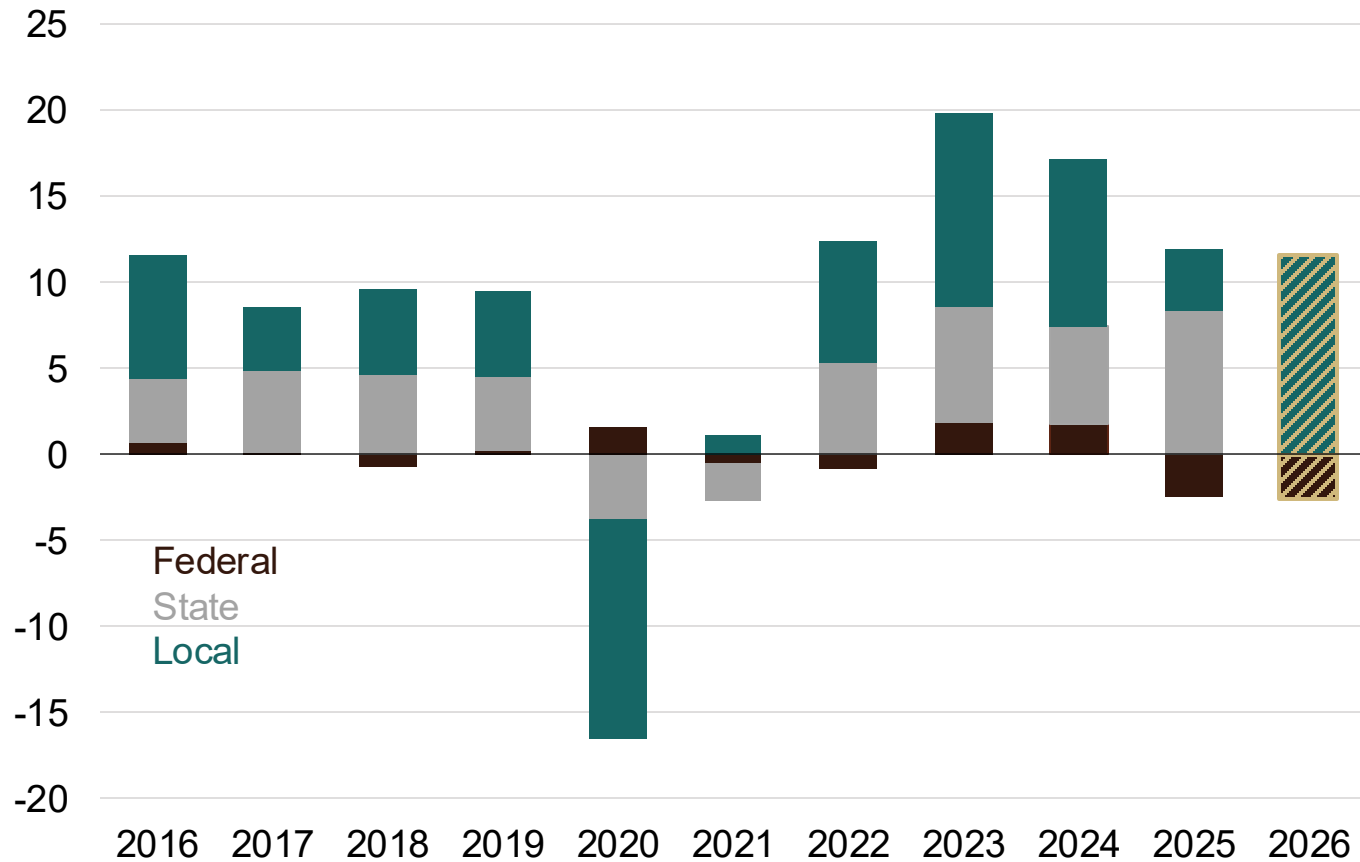


Government



Government

Jobs Added, Thousands, 2016-2026

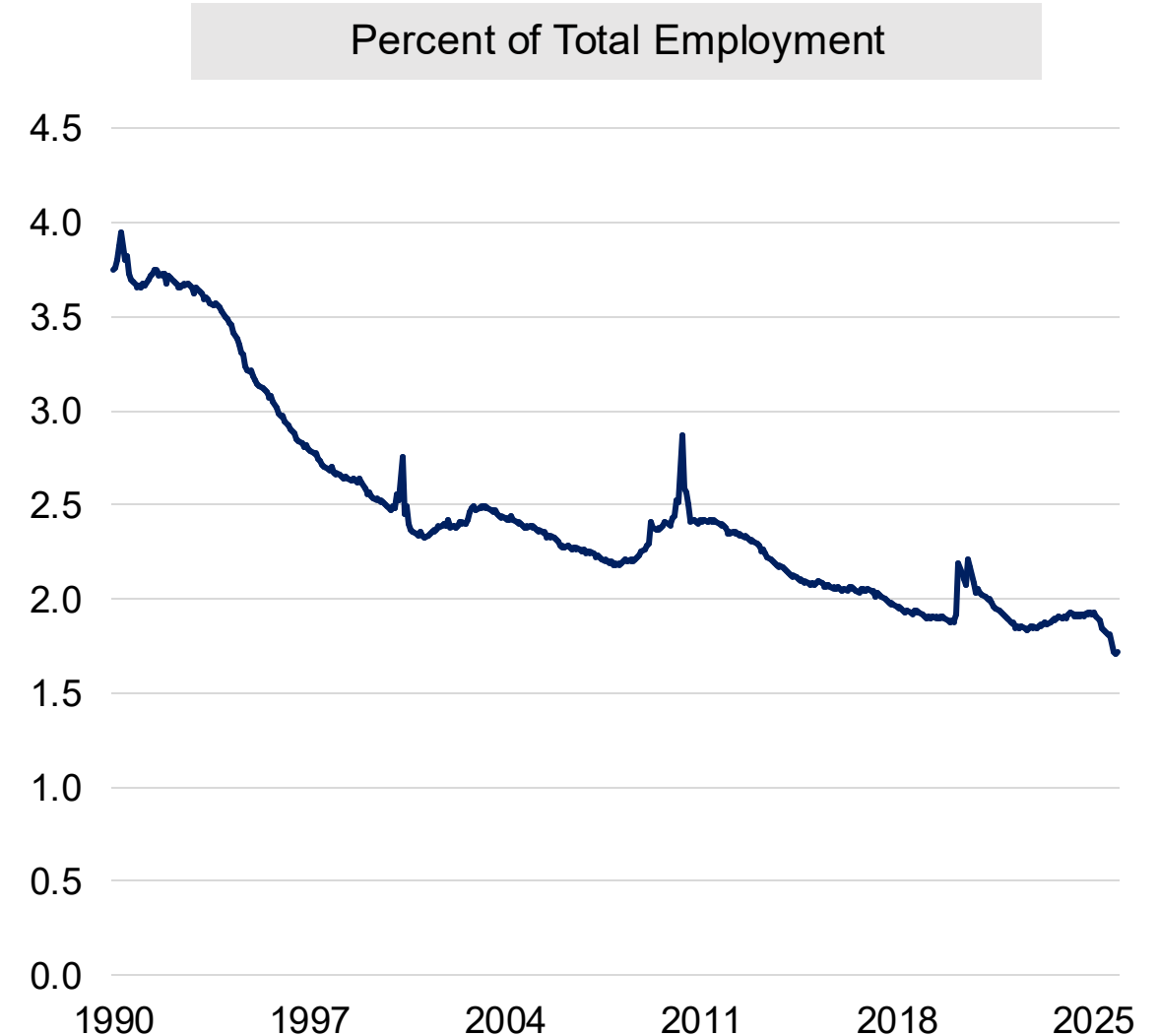
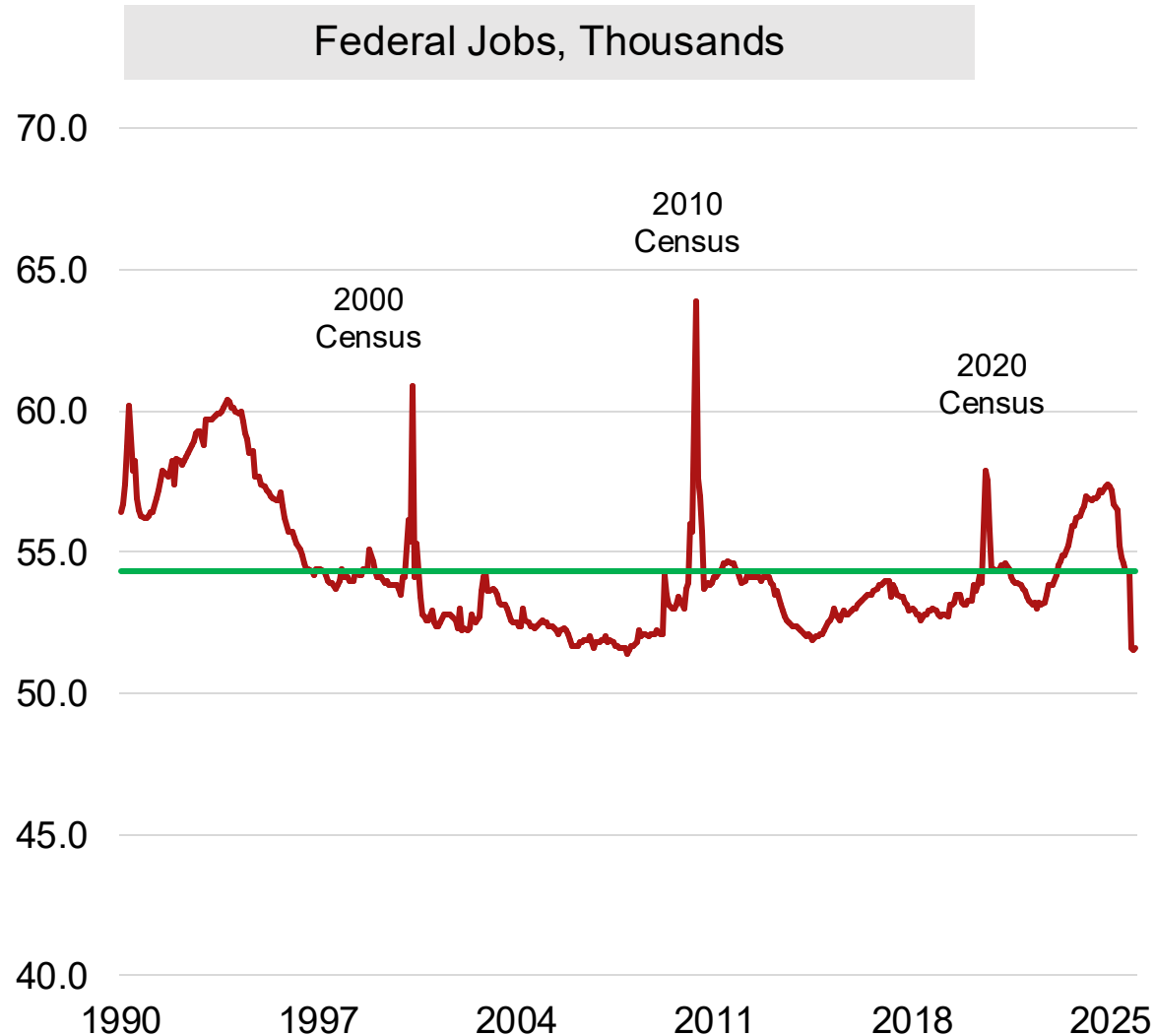


Colorado State Budget Overview

- Estimated ~\$850 MM budget shortfall entering FY 2026
- Budget growth constrained by Taxpayer's Bill of Rights (TABOR)
- Medicaid/healthcare spending are fastest growing/largest portion of the General Fund
- Fixed costs (personnel, public safety mandates, voter-approved programs) limit flexibility
- General economic uncertainty and revenue volatility increase fiscal risk



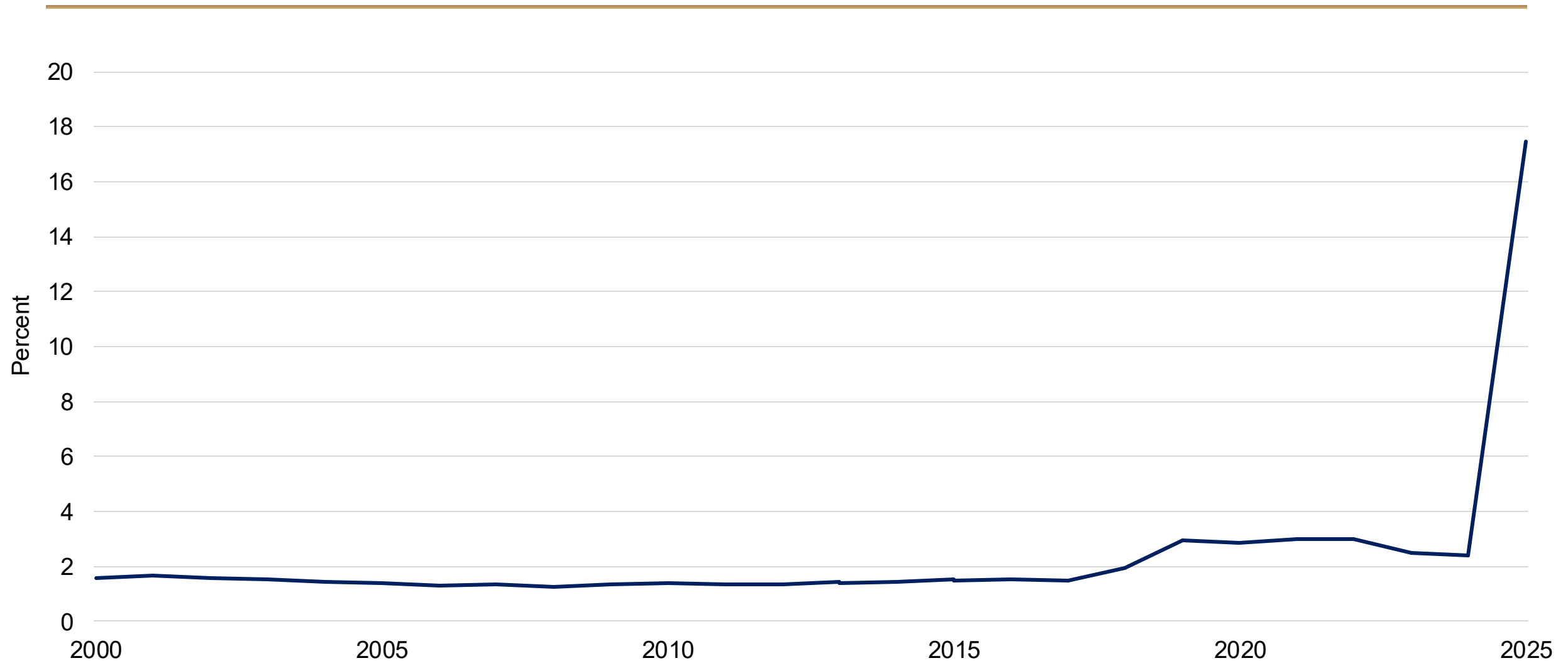
Federal Employment in Colorado



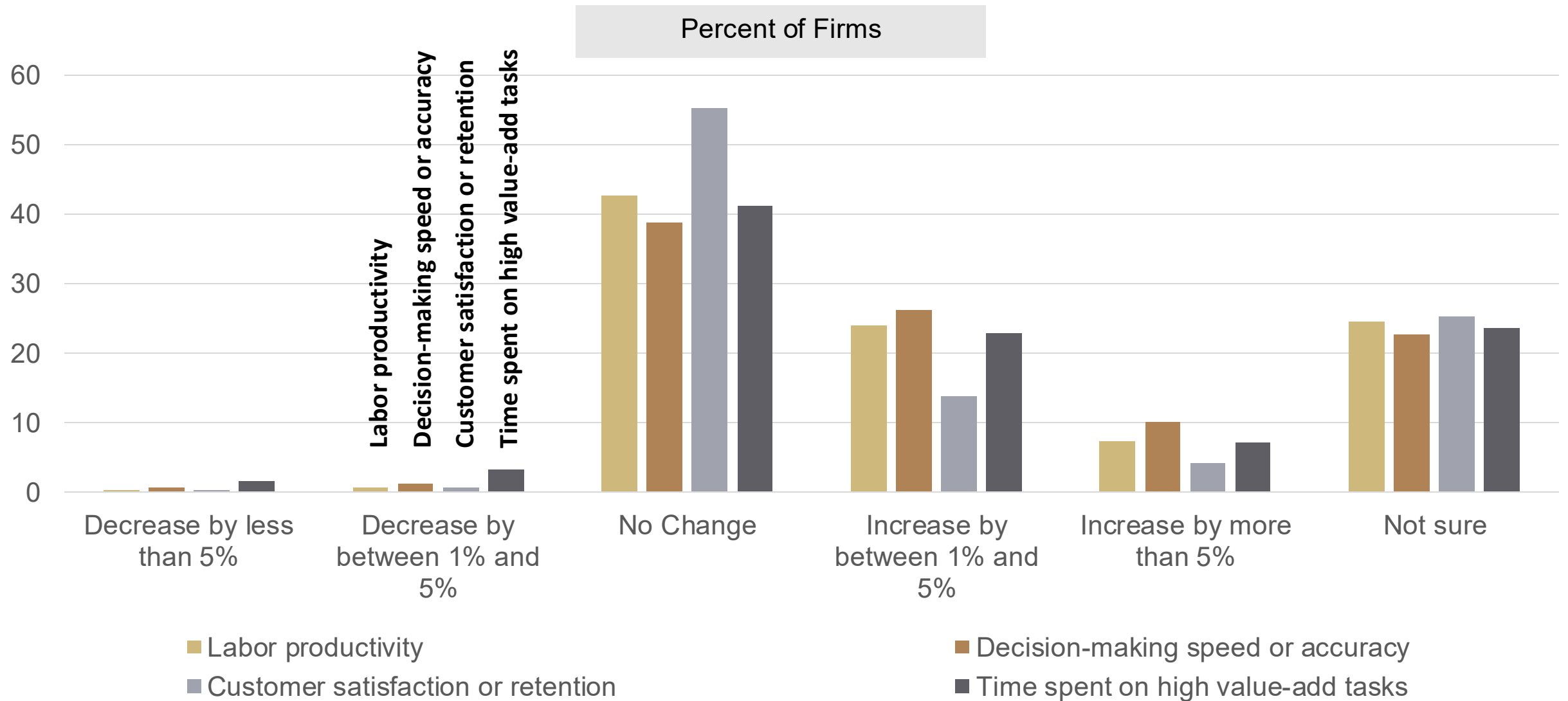


Among the Risks

Tariffs

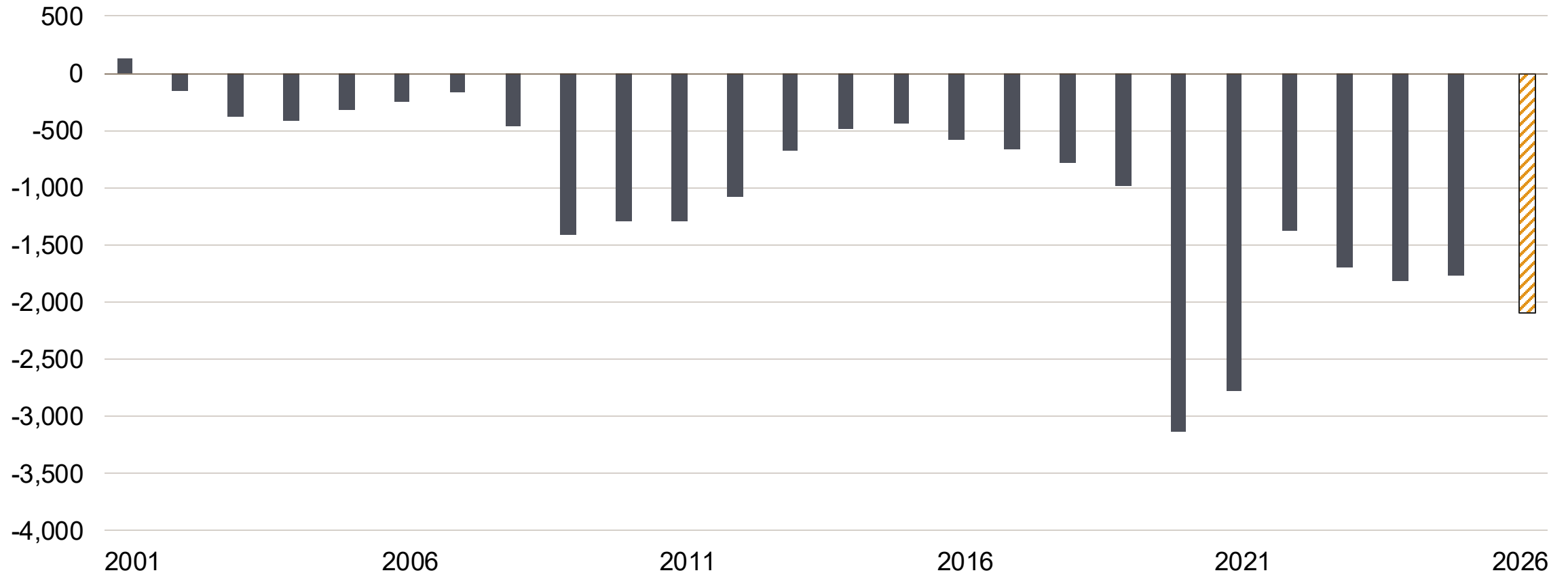


Impact of AI on Efficiency and Outcomes

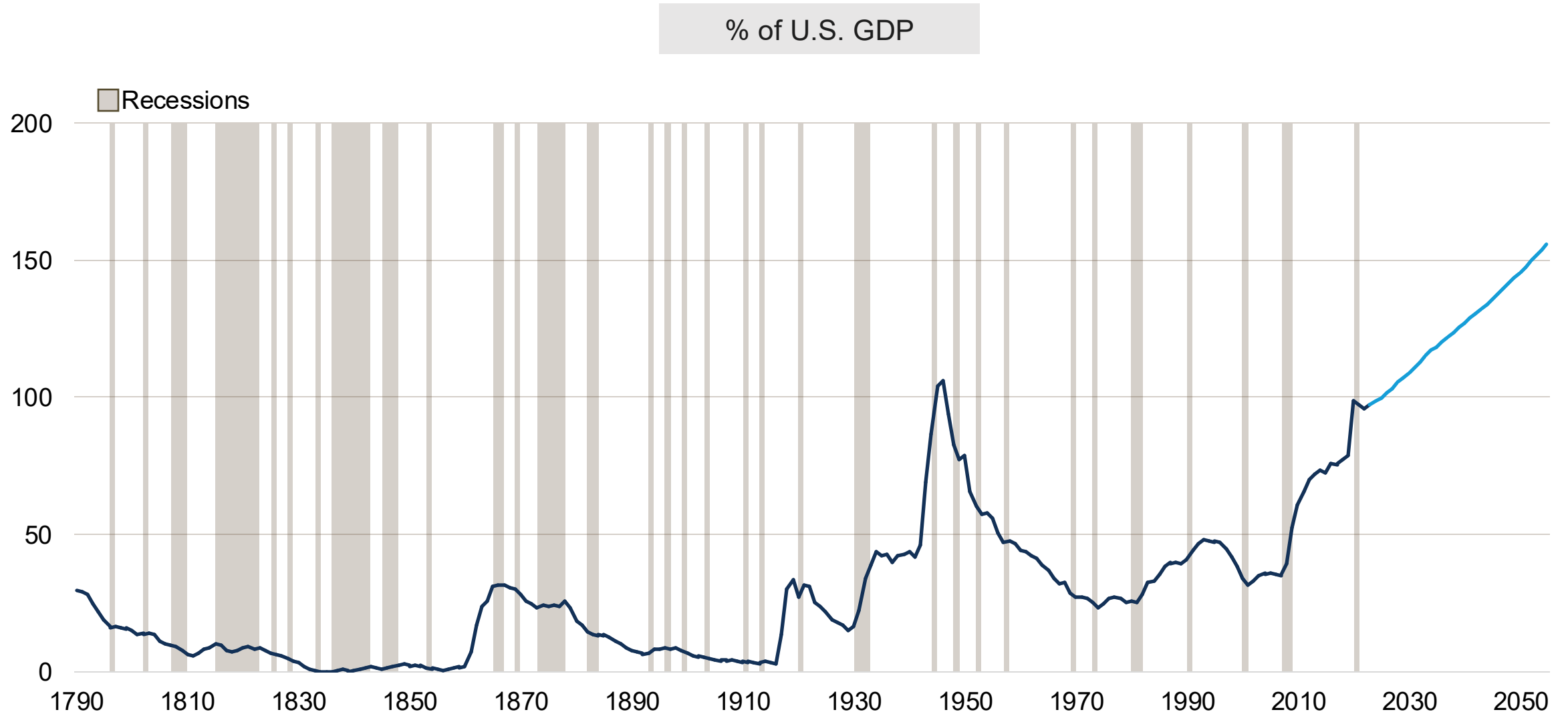


Federal Budget Balance

Balance, \$ Billions

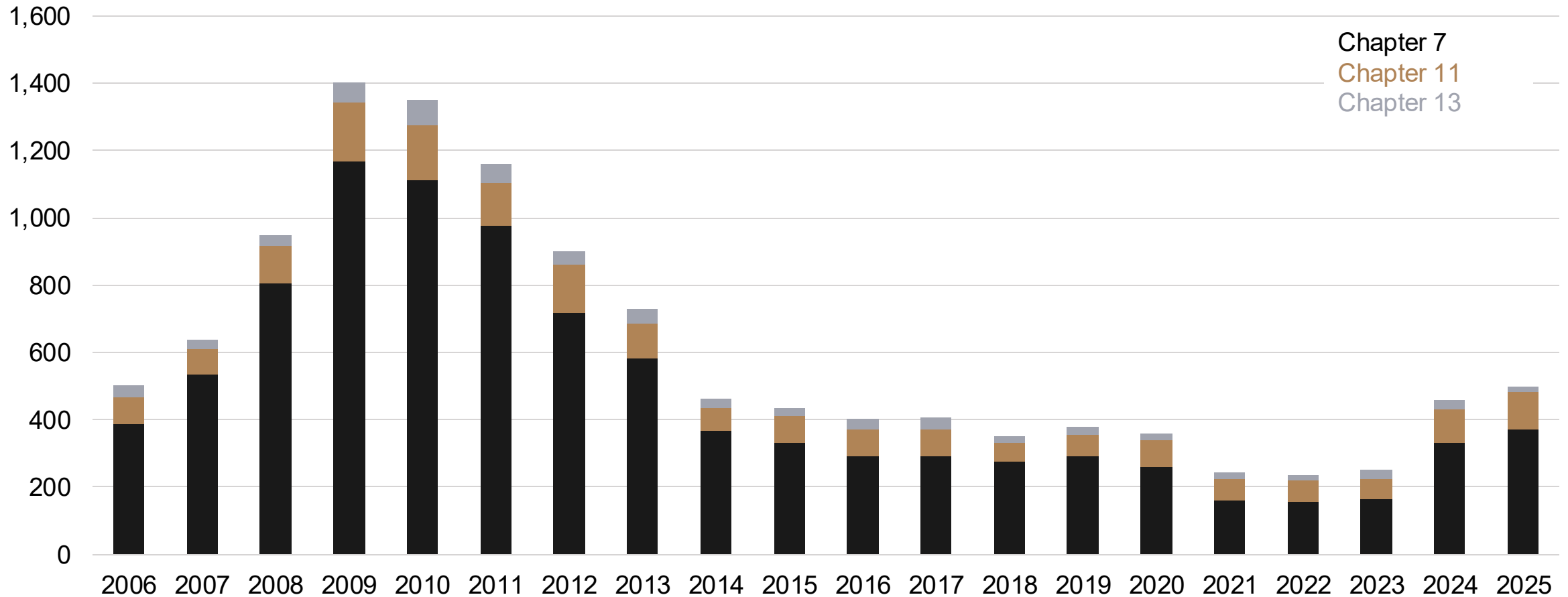


Federal Debt



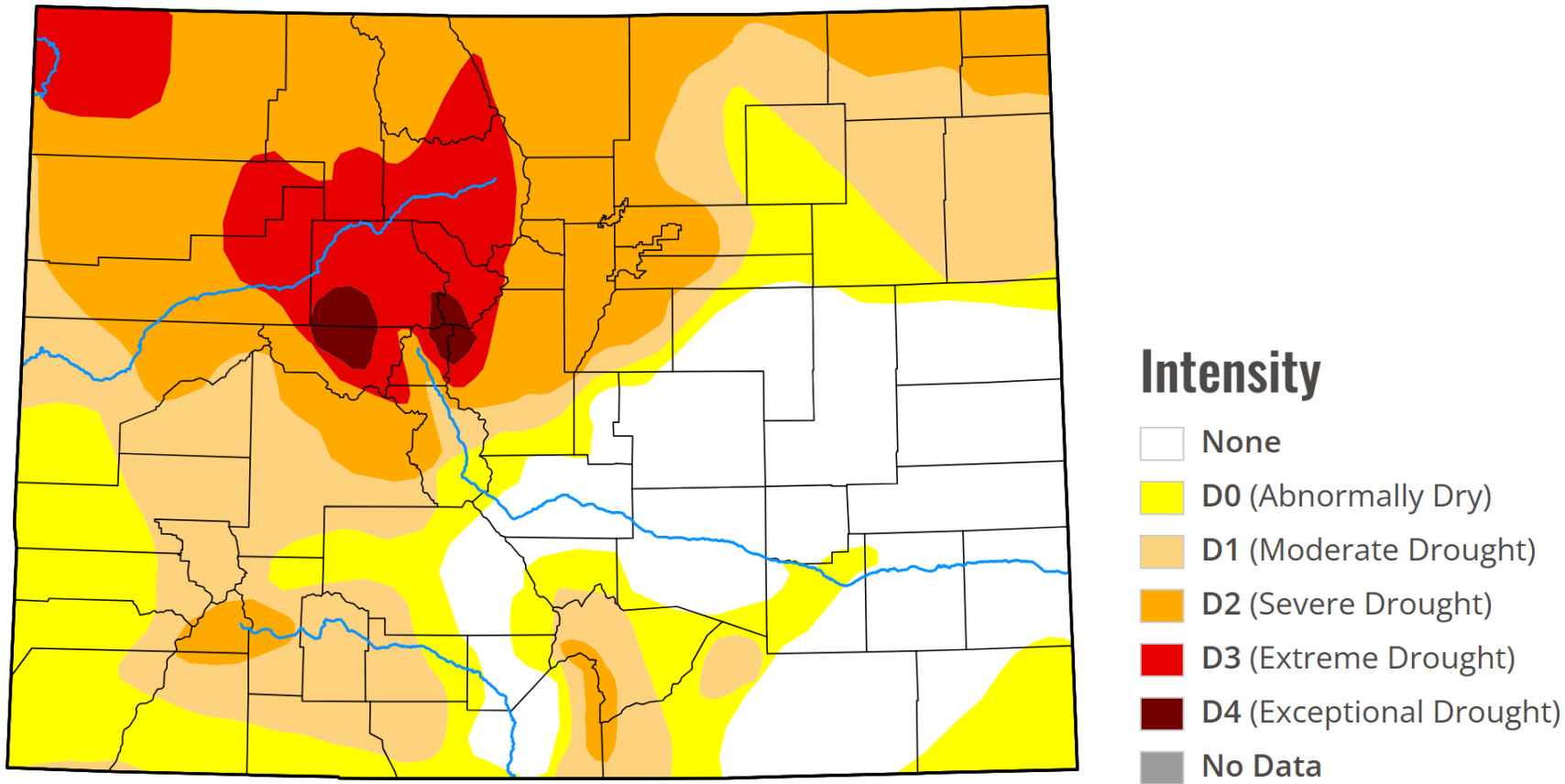
Colorado Bankruptcy Filings

Business Bankruptcies

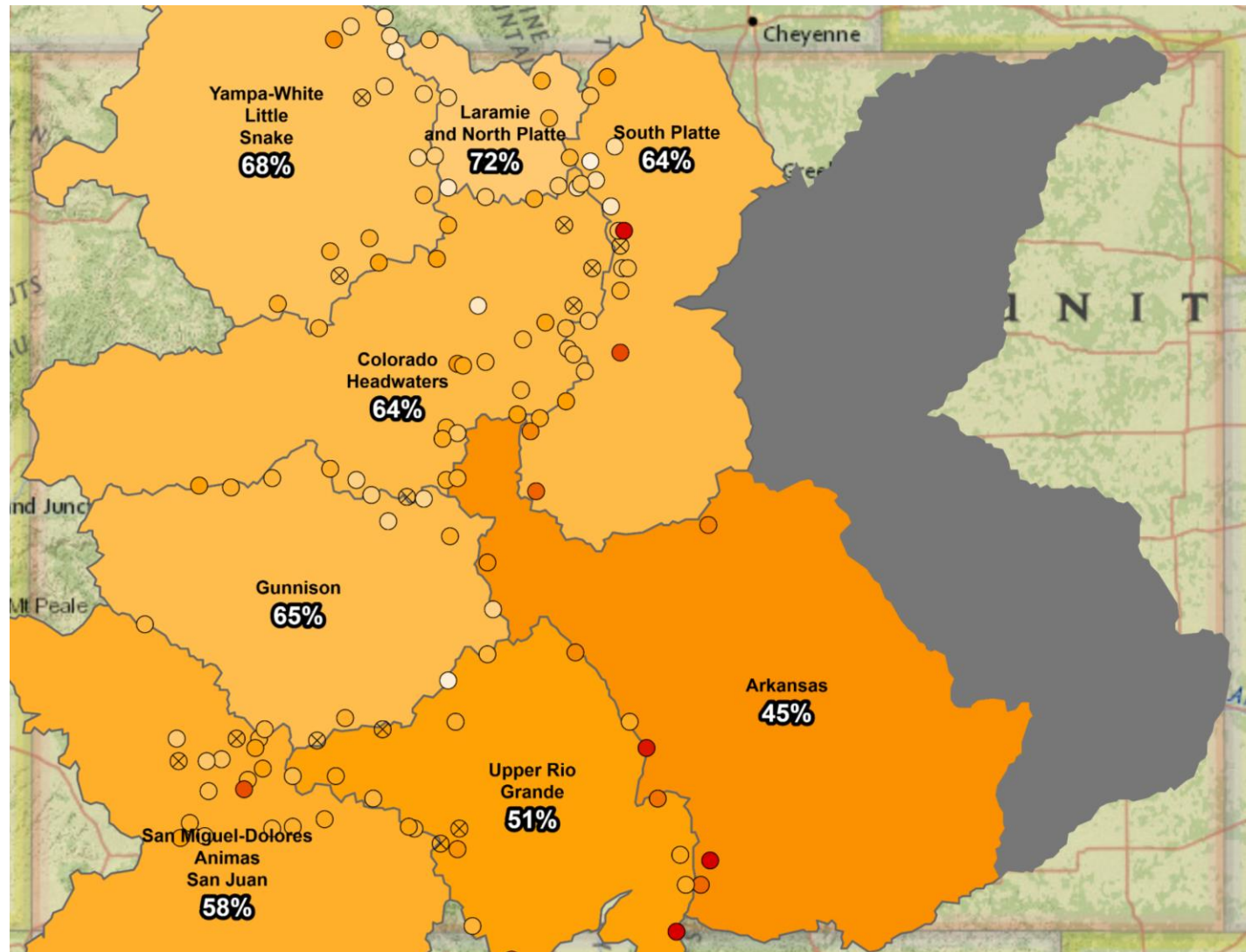


U.S. Drought Monitor

Colorado, February 26, 2026

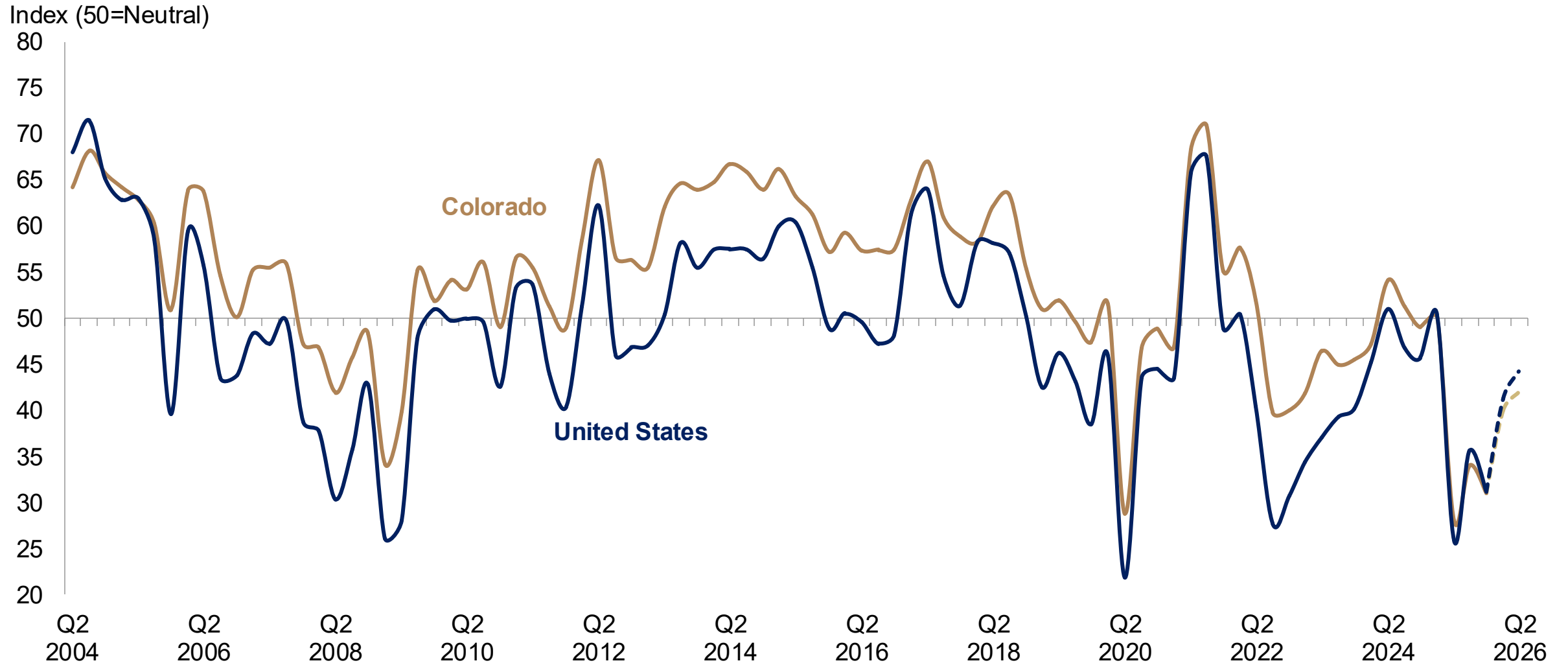


Snowpack, Snow Water Equivalent Map



Source: USDA Natural Resources Conservation Service. Colorado Snowpack Products. Accessed March 1, 2026.

National and State Expectations



BRD Publications and Confidence Index



Register and Receive Free Access to:

- Colorado Business Economic Outlook
- Colorado Business Review
- Leeds Business Confidence Index
- Quarterly Indicators Report
- Research Publications



Tailwinds versus Headwinds

Continued consumption

H.R.1:

- Lower taxes (higher return, lower withholding rate)
- Overtime pay and tips
- Encouraging investment

Less trade war uncertainty

Increased wealth

Stabilizing inflation

Slow growth in population, labor force, employment

Changing demographics

High and increasing cost of living

Elevated loan delinquencies

Weakening economic growth

Federal realignment

Increasing bankruptcies

Rising federal deficit and debt

S I X T Y - F I R S T A N N U A L

COLORADO

**BUSINESS ECONOMIC
OUTLOOK**

2026



Leeds School of Business
UNIVERSITY OF COLORADO **BOULDER**

2026 Colorado Business Outlook booklet

