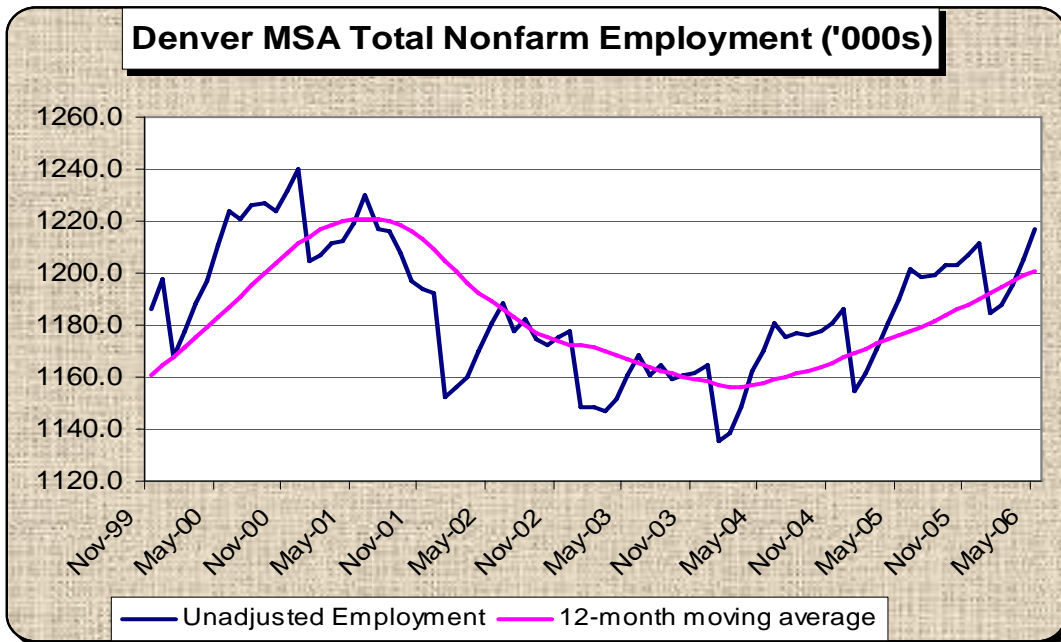


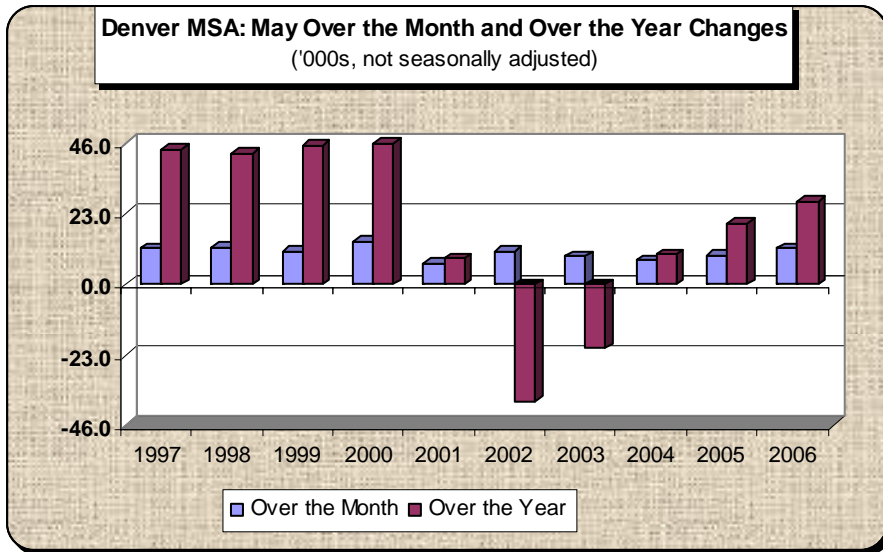
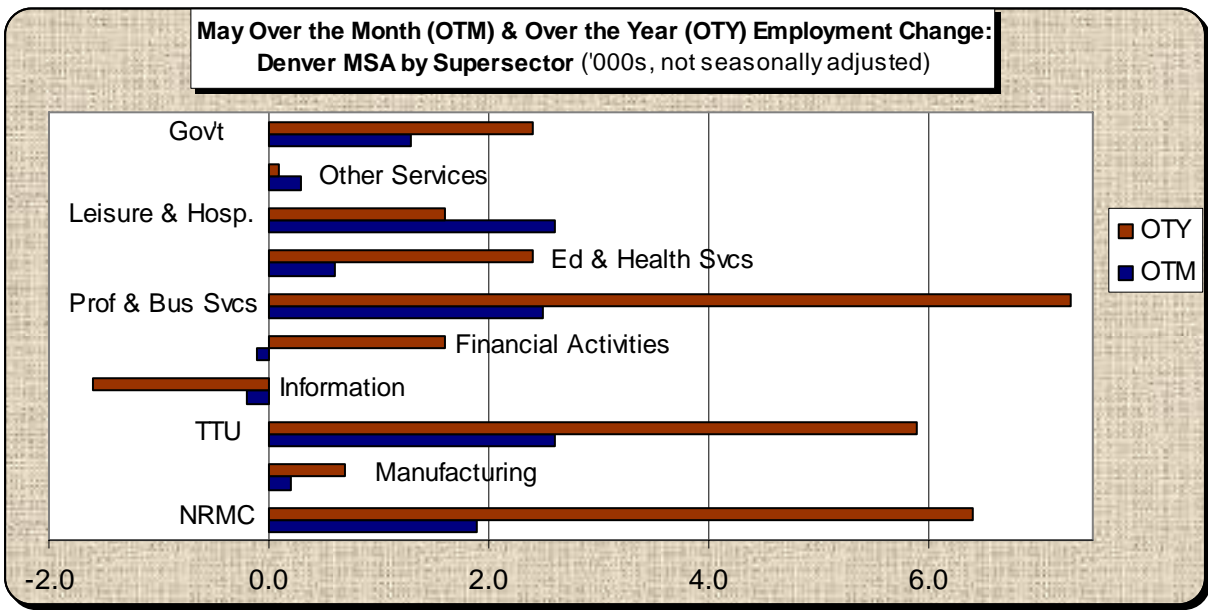
## Denver Preliminary Estimates: By Chris Akers

**Total Nonfarm Wage and Salary Employment: +11,700 (1.0%)**



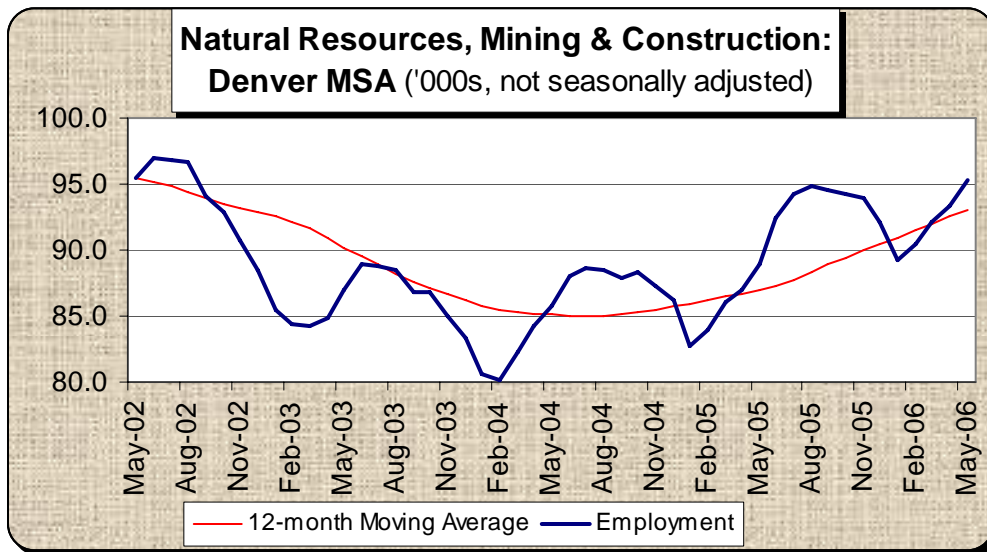
The Denver MSA experienced its strongest monthly employment gain in more than two years with the addition 11,700 jobs this month. This advance brings total nonfarm employment to its second highest May level on record at 1,216,800. This was the largest such increase in six years and was 11.4% greater than the 10-year average May advance. Eight supersectors experienced payroll growth this month, led by the seasonal addition of 2,600 new hires in both trade, transportation & utilities (TTU) and leisure & hospitality. Professional & business services and natural resources, mining & construction followed with respective employment increases of 2,500 and 1,900. Government added 1,300 positions; education & health services gained 600, while other services and manufacturing edged up a combined 500. Information shed 200 jobs and financial activities payrolls notched down 100.

Over the year, 26,800 new hires have been added to MSA payrolls. Annual growth of 2.3% is the strongest in the past four months and is 9.5% faster than the prior year average. Gains were widespread, with every supersector except information enjoying higher levels of employment than last May. However the bulk of the expansion was concentrated in three industries that accounted for nearly three out of four new hires. Professional & business services contributed 7,300 positions, natural resources, mining & construction donated 6,300 jobs, and TTU rounded out the top three with 5,900 new hires. Government and education & health services gained 2,400 positions apiece, while leisure & hospitality and financial activities each trended up 1,600. Finally, manufacturing employment rose 700 and other services inched up 100. Information shed 1,600, marking the seventh consecutive month it was the only industry in Denver with declining annual employment.



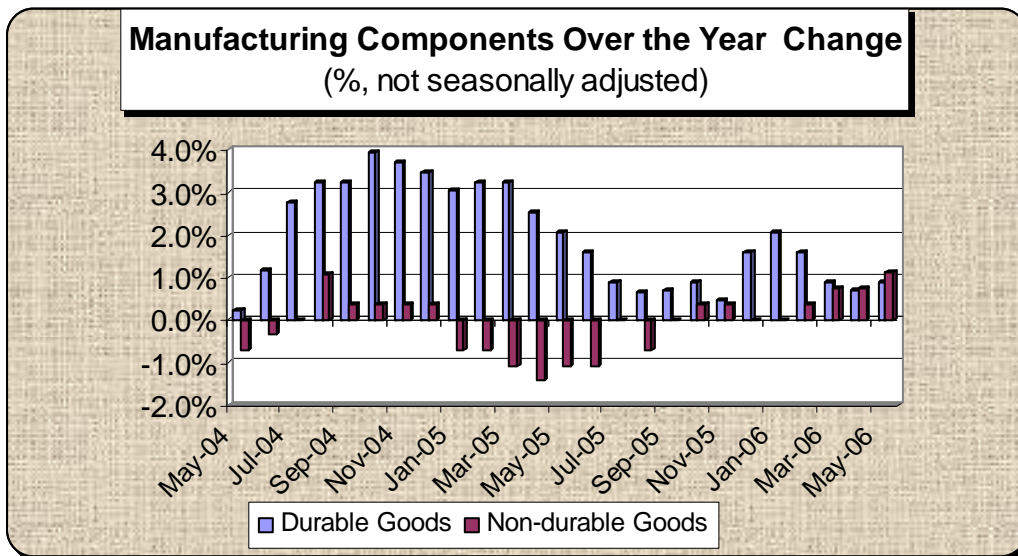
**Natural Resources, Mining & Construction: +1,900 (2.0%)**

In line with its historic 10-year trend (expectations), natural resources, mining & construction payrolls rose 1,900 this month. Specialty trade contractor's 1,100 (1.8%) new hires were slightly less than proportionately expected, while the 300 jobs in construction of buildings matches its share of supersector employment. In the last twelve months, industry employment has grown by 6,400. Annual growth of 7.2% is nearly double that of professional & business services, the next fastest expanding supersector in the Denver MSA. Construction of buildings grew in tandem with the industry, adding 1,100 positions since last May. Specialty trade contractors lagged the industry with growth of 4.9% (2,900 new hires), its weakest advance in more than one year. Components that compose the balance of the industry that are not directly estimated, such as heavy & civil engineering, continued their blistering year over year growth at 15.9% (2,400 jobs). This portion of the supersector has now outpaced the industry's two estimated subsectors for the past six months, averaging growth of 14.8% during this time.



**Manufacturing: +200 (0.3%)**

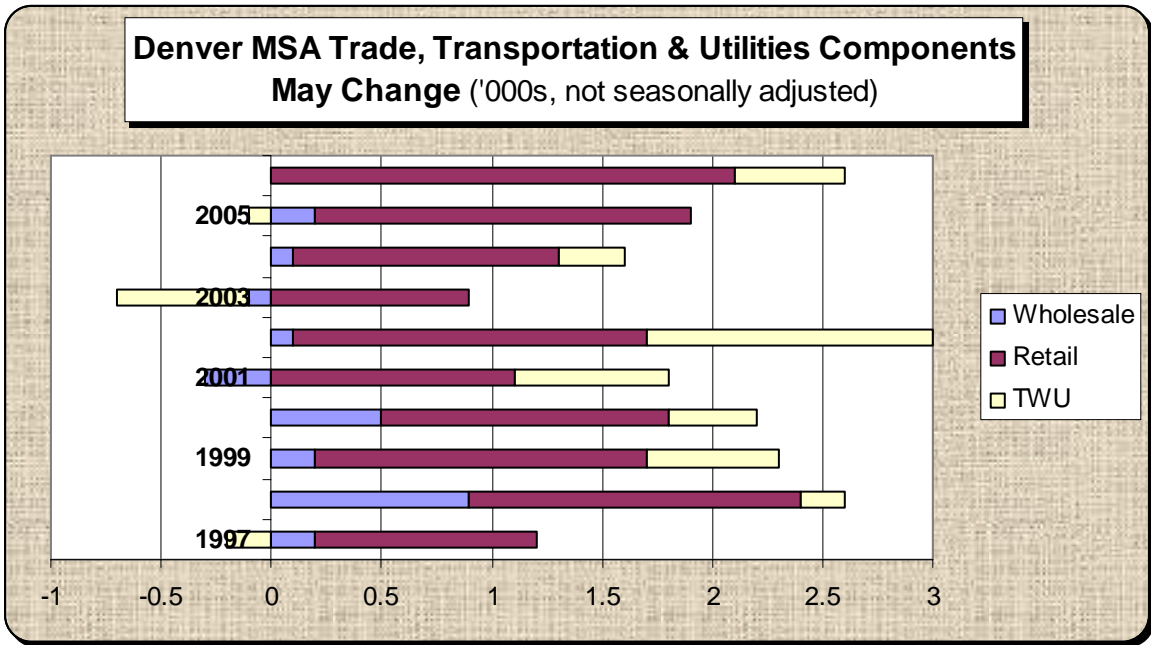
With the addition of 200 jobs split evenly between durable goods and non-durable goods, manufacturing recovered the positions it shed in April. Since this time last year, 700 have been added to industry payrolls, growth of 1.0%. Non-durable goods expanded by 1.1% (300 positions) to outpace the supersector for the first time in more than two years. Conversely, durable goods lagged the industry for the first time since March 2004 at 0.9% (400 jobs), growth that is 25% slower than the average over the prior year. Both computer & electronic product manufacturing and transportation equipment manufacturing displayed zero over the year growth, contributing to the weakness in durable goods.



**Trade, Transportation, & Utilities (TTU): +2,600 (1.1%)**

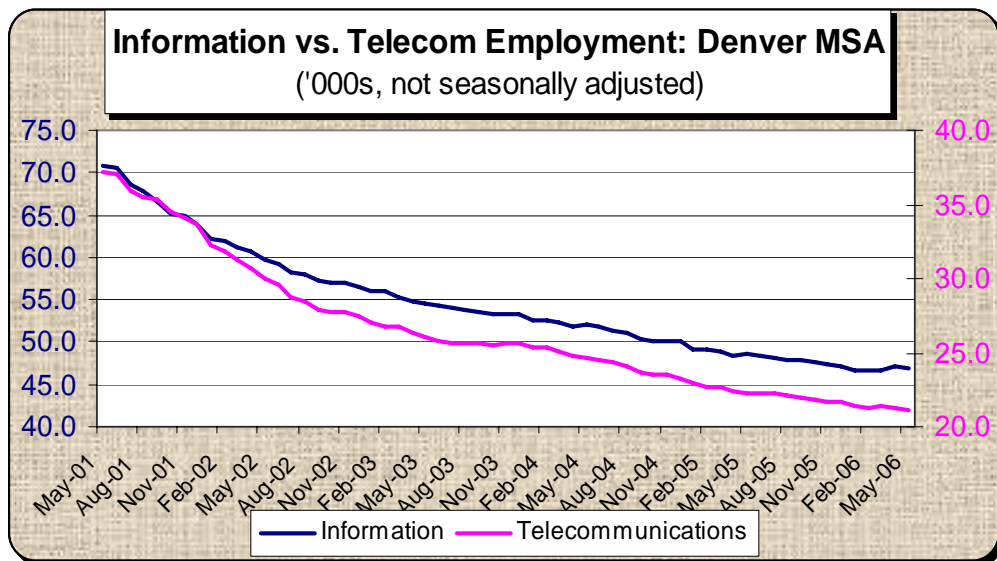
Strong gains in retail trade drove trade, transportation & utilities (TTU) employment up 2,600 in May. Despite growth of only 100 apiece in motor vehicle & parts dealers, general merchandise and food & beverage stores, retail trade experienced its strongest May advance in eleven years with 2,100 new hires. Likewise, transportation, warehousing & utilities' (TWU) 500 position increase was its strongest such gain in four years, and two and a half times larger than expected. Since last May, 5,900 positions have been created in this supersector, for growth of 2.5%. TWU experienced its strongest

expansion in two years, leading the subsectors with 4.1% (2,000 jobs) growth. Truck transportation and utilities contributed a respective 300 and 200 jobs to the annual increase. Over the year growth of 2.4% (1,500 positions) in wholesale trade represents its slowest in nine months, but is marginally stronger than the prior year trend. Retail trade added 2,400 new hires, a 2.0% advance, on the strength of a 4.1% (900 positions) expansion in general merchandise stores.



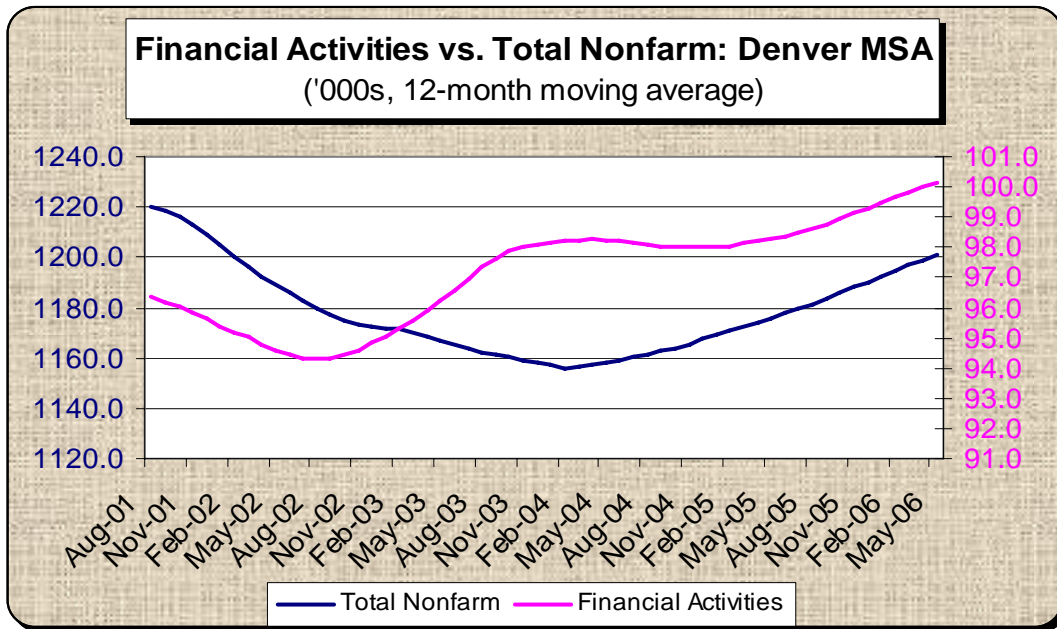
**Information: -200 (0.4%)**

After posting consecutive monthly increases for the first time since mid-2000, information shed 200 jobs in May. Telecommunications payrolls trended down 200 and publishing industries declined by 100, accounting for this loss. In the last twelve months, 1,600 information positions have been shed. This 3.3% annual contraction represents the second slowest over the year decline since June 2001, and is 37.8% slower than the prior year trend. Telecom accounted for three-quarters of this loss, as there are now 1,200 (5.4%) fewer employees working in this sector and publishing industries payrolls are 500 (3.9%) below last May's level.



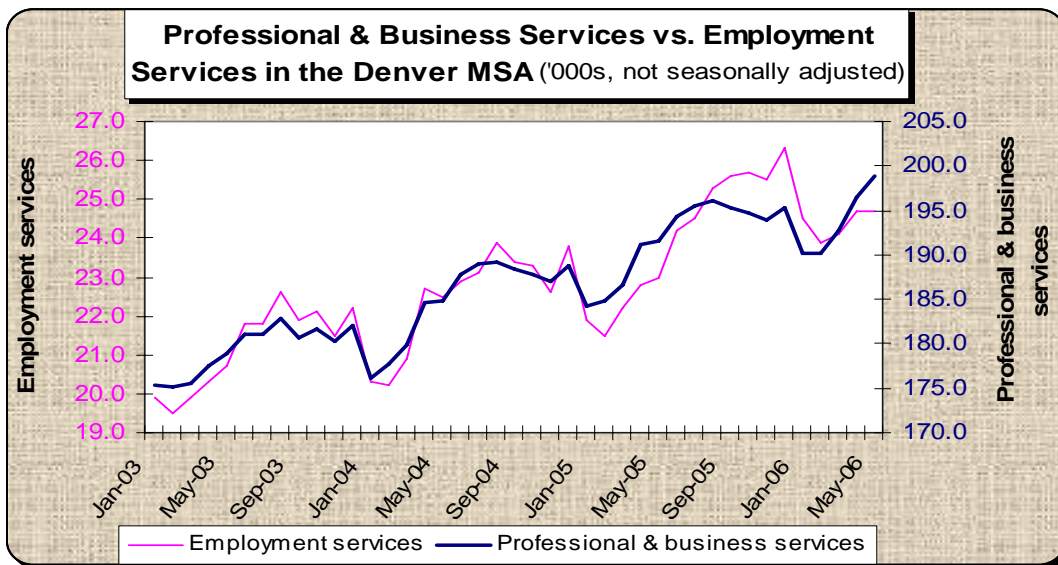
## Financial Activities: -100 (0.1%)

Financial activities shed 100 jobs to post its first May decline on record. Finance & insurance employment declined by 100, with drops of the same magnitude occurring in credit intermediation and insurance carriers & related. Losses in elsewhere in real estate, rental & leasing negated the 200 position increase in real estate, leaving the subsector unchanged on the month. Over the year, 1,600 new hires have been added to industry payrolls, growth of 1.6%. While this expansion is 60% faster than last May, it marks the weakest advance in nine months due to slowing growth in finance & insurance. This sector added 1,100 (1.5%) jobs in the last year, its smallest such increase in eleven months. Insurance carriers & related grew in tandem with the subsector with 400 new hires, while credit intermediation lagged at 0.9% (300 positions). As has been the case since January 2005, the over the year growth in the real estate component outpaced the subsector. Real estate, rental & leasing added 500 (1.9%) new hires, however real estate grew twice as fast with 700 new positions.



## Professional & Business Services: +2,500 (1.3%)

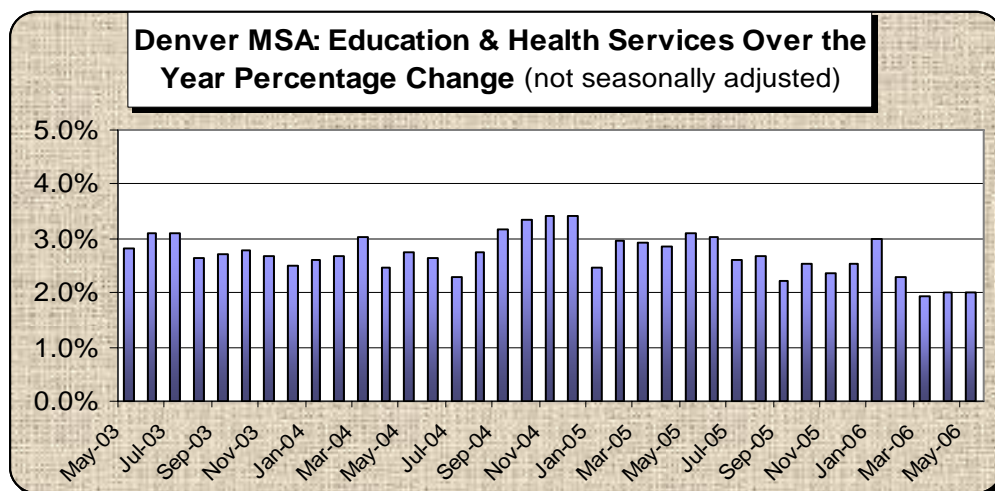
Professional & business services experienced its strongest May payroll gain in eleven years with 2,500 new hires. Combined with last month's strong advance, employment is up 6,100 over the last two months. This April and May increase is 53% stronger than the ten-year average and is 22% larger than the previous high expansion during this period. A seasonal increase of 2,400 in the catchall administrative, support, waste management & remediation services drove this month's growth, with 1,000 new positions in services to buildings & dwellings. Management of companies' 300 net hires were countered by the loss of 200 jobs in professional, scientific & technical services, which was considerably less than usual and its smallest such decline since 1999.



Since last May, this supersector has added 7,300 to payrolls. Annual growth of 3.8% matches the fastest rate in fifteen months and is 11.8% stronger than the prior twelve-month trend. Professional, scientific & technical services set the pace with 4.7% growth and 4,200 new hires. Management, scientific & technical consulting services fueled much of this expansion by adding 1,000 (10.3%) jobs. The catchall administrative sector's 3.1% (2,600 positions) growth was in line with its prior year trend, with employment services contributing a majority of these jobs (1,700) and continuing its strong over the growth at 7.4%. Management of companies grew at 2.6% (500 new hires), marking this sectors strongest over the year expansion since last May.

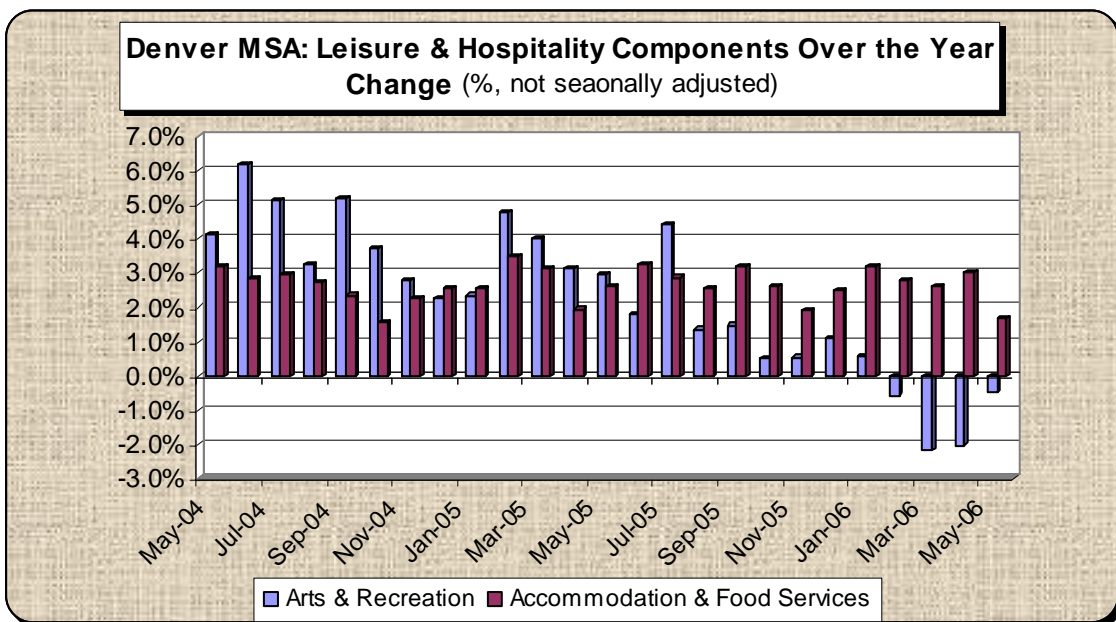
### Education & Health Services: +600 (0.5%)

Education & health services added 600 jobs in May. Educational services accounted for a third of these positions and the remaining 400 came from health care & social assistance. In the last twelve months, 2,400 have been added to supersector payrolls. Year over year growth of 2.0% matches April, but it is 20.0% below than the prior twelve-month trend. Health care & social assistance donated 2,200 (2.2%) positions to the industry's annual expansion. Hospitals outpaced its subsector with a 2.5% (600 jobs) expansion, while ambulatory care lagged at 1.6% (700 new hires). Educational services' 1.1% (200 jobs) expansion trailed the industry for the third consecutive month after outpacing it for the previous two and a half years. Private education expanded by 4.5% in 2003 and 8.7% in 2004. This rate slowed to 3.4% last year, and has fallen to an annualized 0.5% this year.



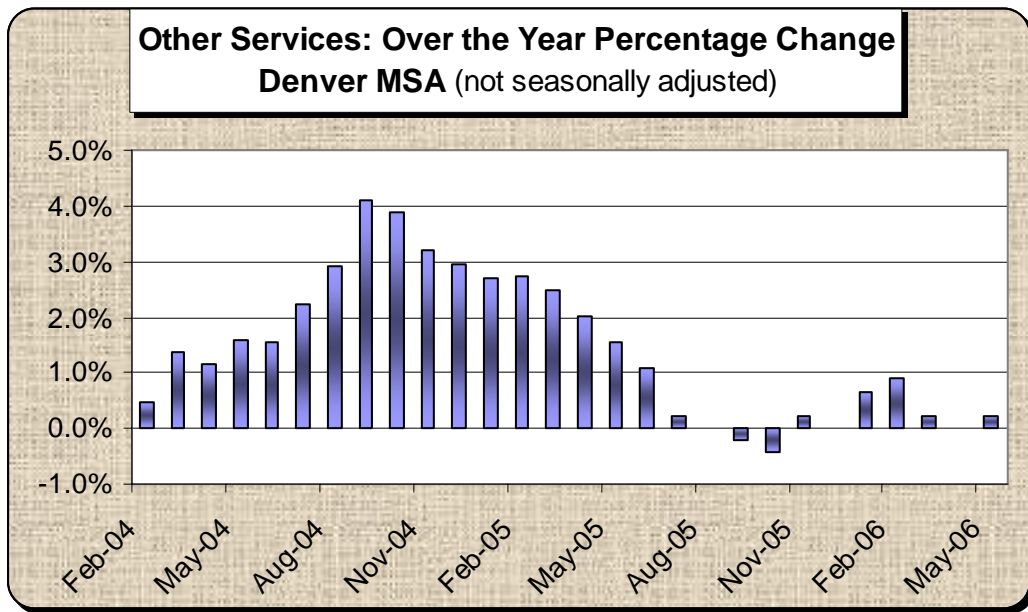
## Leisure & Hospitality: +2,600 (2.1%)

Coming on the heels of a strong expansion in April, leisure & hospitality payrolls grew by 2,600 this month. In line with seasonal patterns, arts, entertainment & recreation added 1,400 jobs for 7.3% over the month growth. Accommodation & food services added 1,200 positions, marking the smallest May increase in twelve years and falling 36.8% below the 10-year trend. However, this weakness was not found in full service or limited service restaurants as both expanded by about 2.0% this month with job gains of 900 and 700, respectively. There are 1,600 more employees in this supersector than at this time last year. Growth of 1.3% represents the slowest year over year advance since February 2004 and is about half of the prior year average. Arts, entertainment & recreation is partially responsible for this malaise, with 100 (0.5%) fewer workers on payrolls than last May. However the larger accommodations & food services bears more responsibility for this relative weakness, as its 1.7% (1,700 jobs) over the year gain was nearly 40% slower than the prior twelve-month trend. Accommodation and full service restaurants both expanded by 2.8% to outpace the sector, while limited service restaurants lagged at 1.2%.



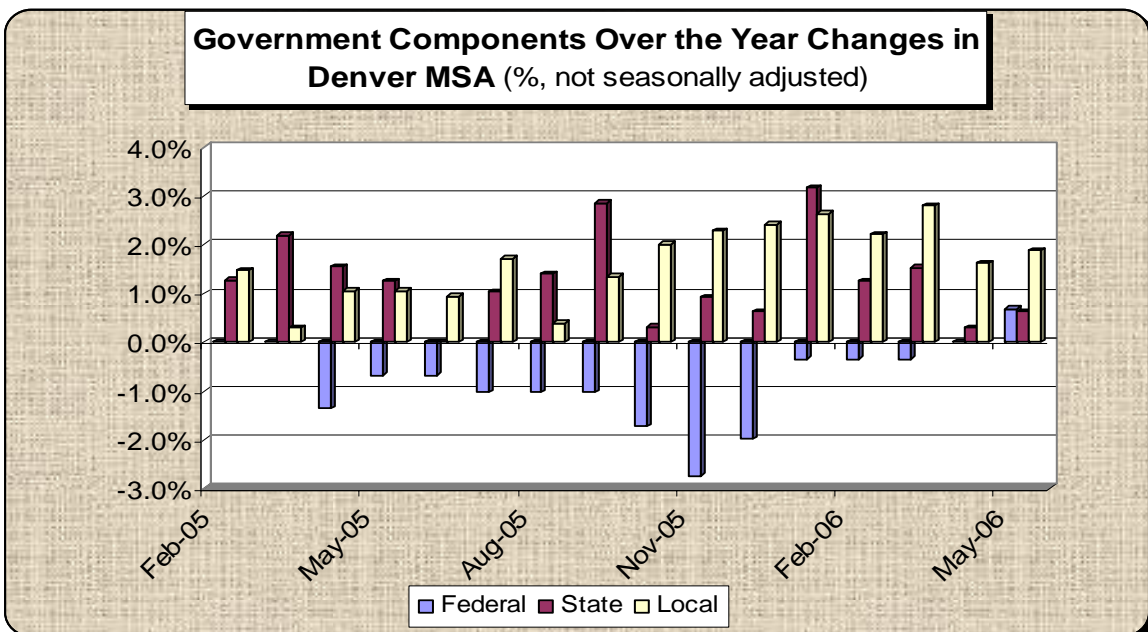
## Other Services: +300 (0.7%)

Other services payrolls posted their second gain of the year, advancing 300 in May. Repair & maintenance, a component that comprises 27% of supersector jobs, remained unchanged. Over the last twelve months, 100 have been added to industry payrolls. Annual growth of 0.2% is only one-third of the prior year trend, which was inflated by strong second quarter growth, but mirrors the average over the past ten months. After experiencing zero growth in five of the last seven months, repair & maintenance shed 100 positions to contract by 0.8% since last May. This component last enjoyed annualized growth in 1999, when it advanced by 4.8%. Since then, its employment has decreased by an average of 100 positions per year.



**Government: +1,300 (0.8%)**

In line with seasonal expectations, government added 1,300 new hires in May. The 300 positions added at the Federal level are three times greater than any other non-census May increase on record. State payrolls fell by 400, with the entire decrease attributable to a 500 job decline in its education component. Local government added 1,400 positions, with educators comprising just over one-third of the new hires. Over the year, industry payrolls have increased by 2,400, growth of 1.4%. This is 27.2% faster than the prior year trend and represents a return to stronger year over year expansions after slowing last month. May also marked the time since December 2004 that all three subsectors recorded over the year growth. Local government set the pace for the industry, increasing by 1.9% (2,000 jobs), with half of these new hires coming from education's 1.8% advance. The Federal government's 0.7% (200 positions) over the year expansion is its fastest in thirty two months, and the State also added 200 workers (0.6%) since last May, with all of them coming from education.





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