

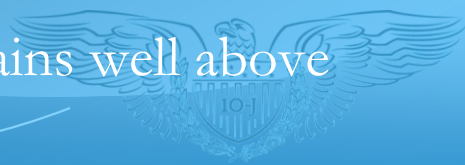
Wyoming *Economic Update*

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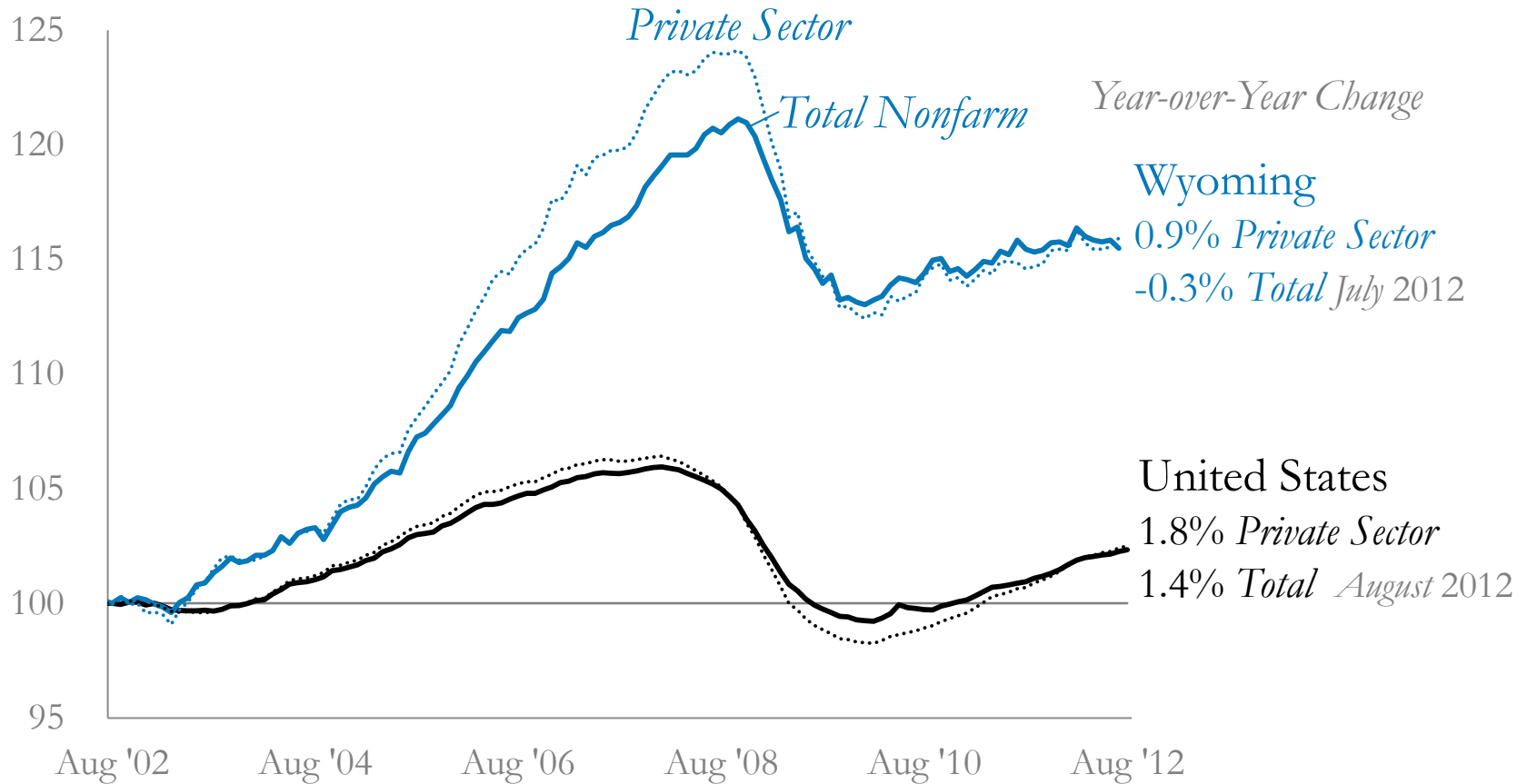


Employment growth slowed in the second quarter but remains well above year ago levels in the U.S.



NONFARM EMPLOYMENT GROWTH

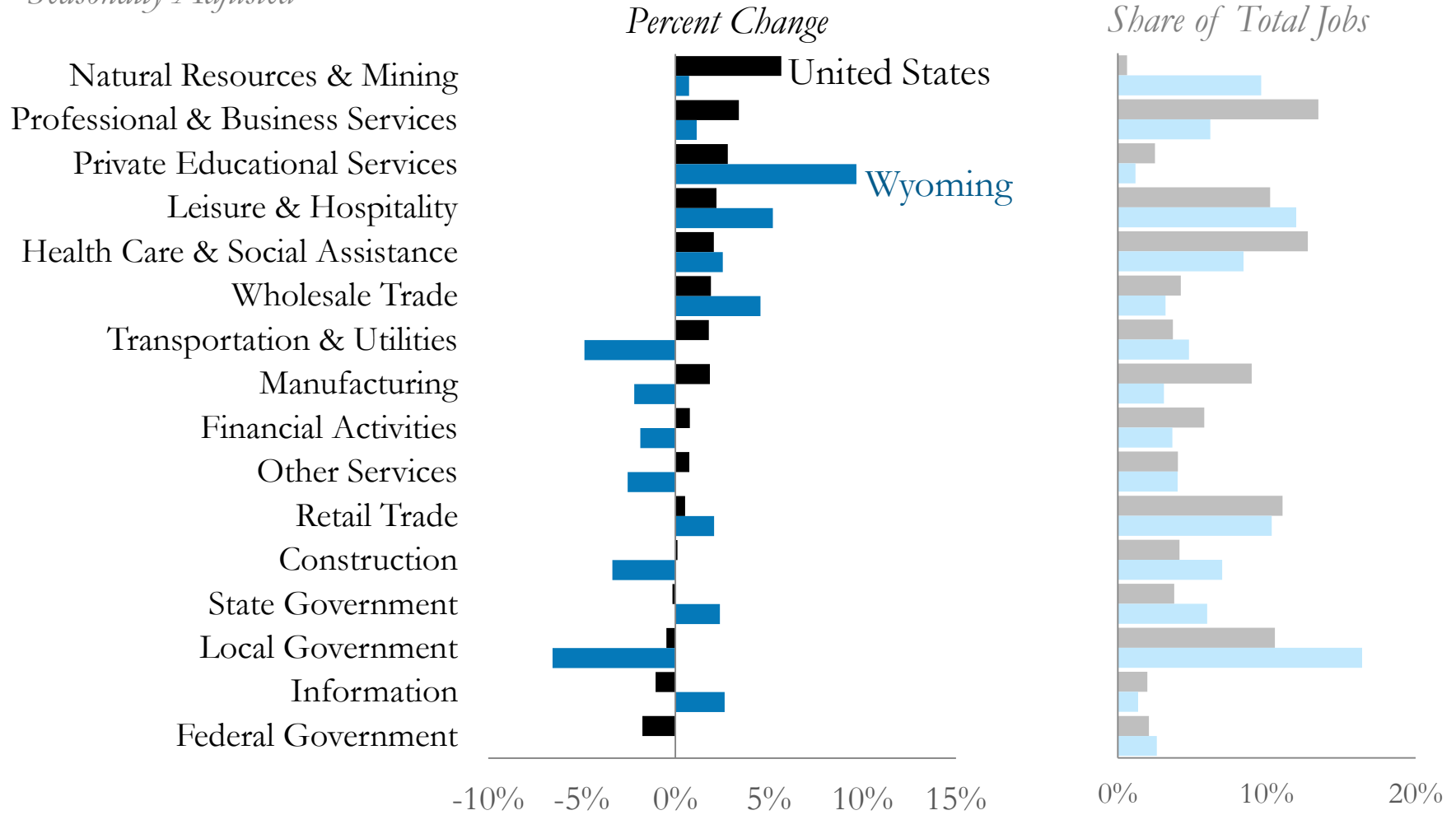
Index 100 = August 2002, Seasonally Adjusted





Over the past year, employment gains were widespread across industries.

NONFARM EMPLOYMENT OVER THE PAST YEAR, JULY 2012 *Seasonally Adjusted*

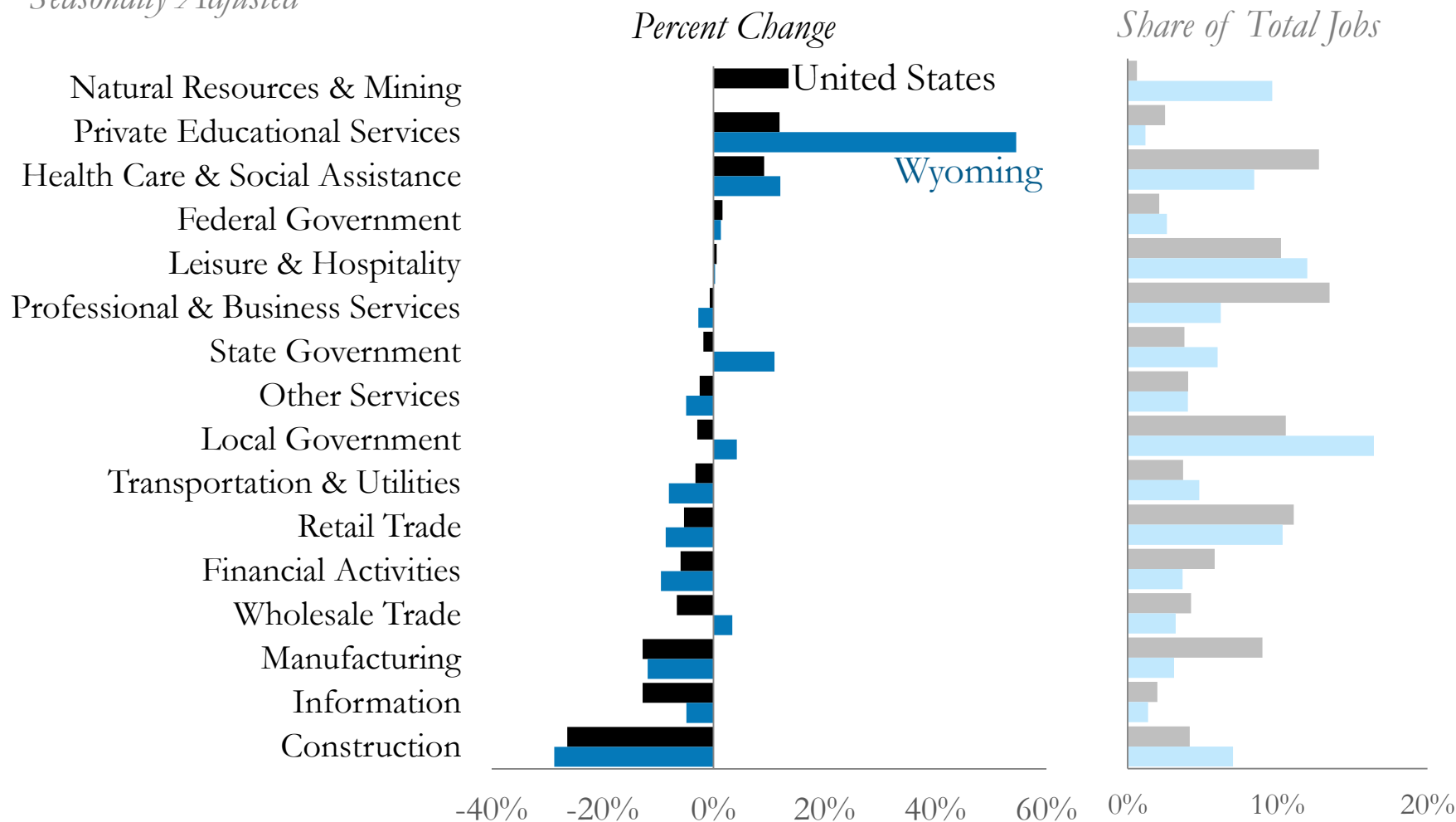




However, employment is still below pre-recession levels in many industries.

NONFARM EMPLOYMENT SINCE THE RECESSION STARTED (DEC. 2007 TO JULY 2012)

Seasonally Adjusted

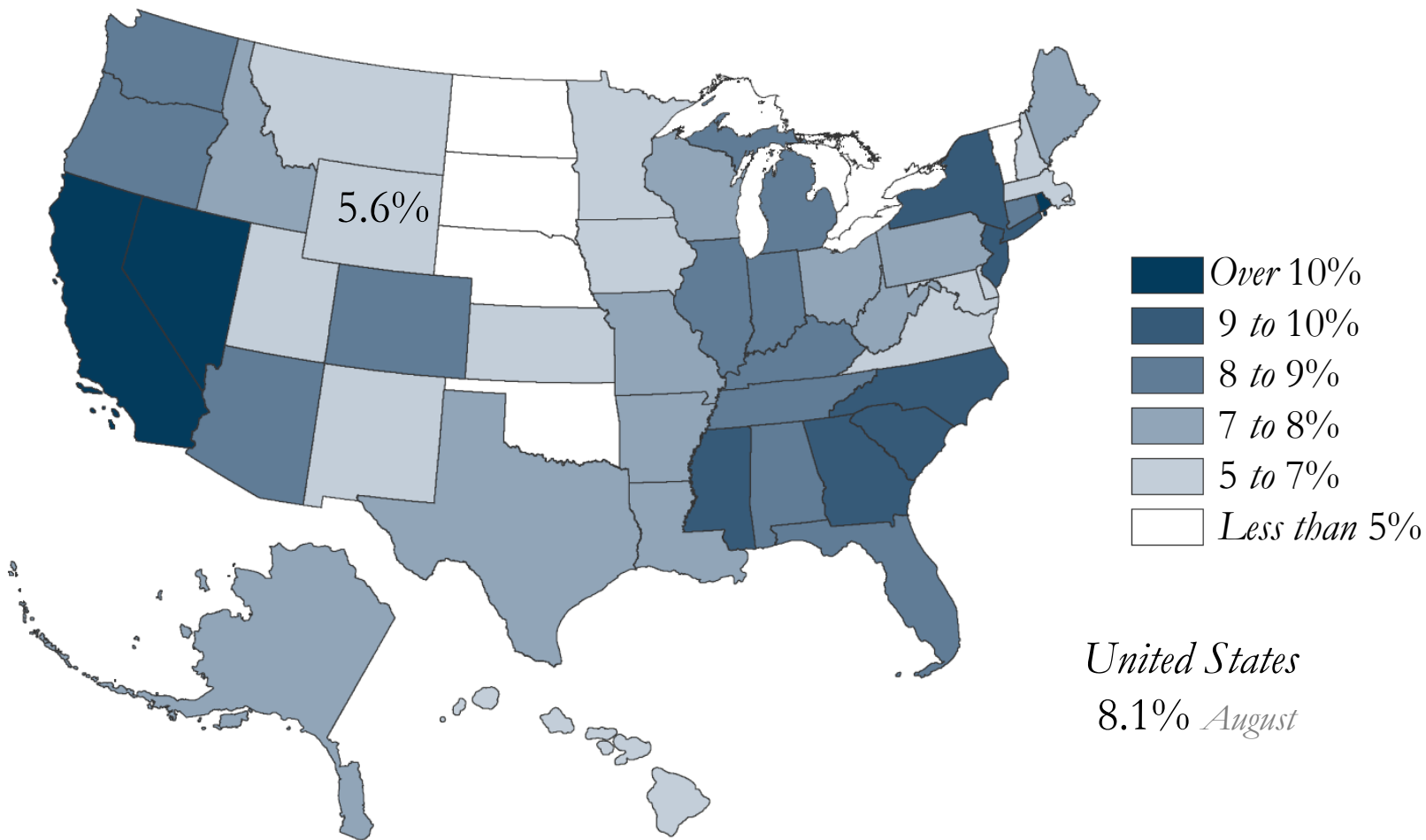


Although unemployment rates have fallen, rates remain high across much of the country.



JULY 2012 UNEMPLOYMENT RATE

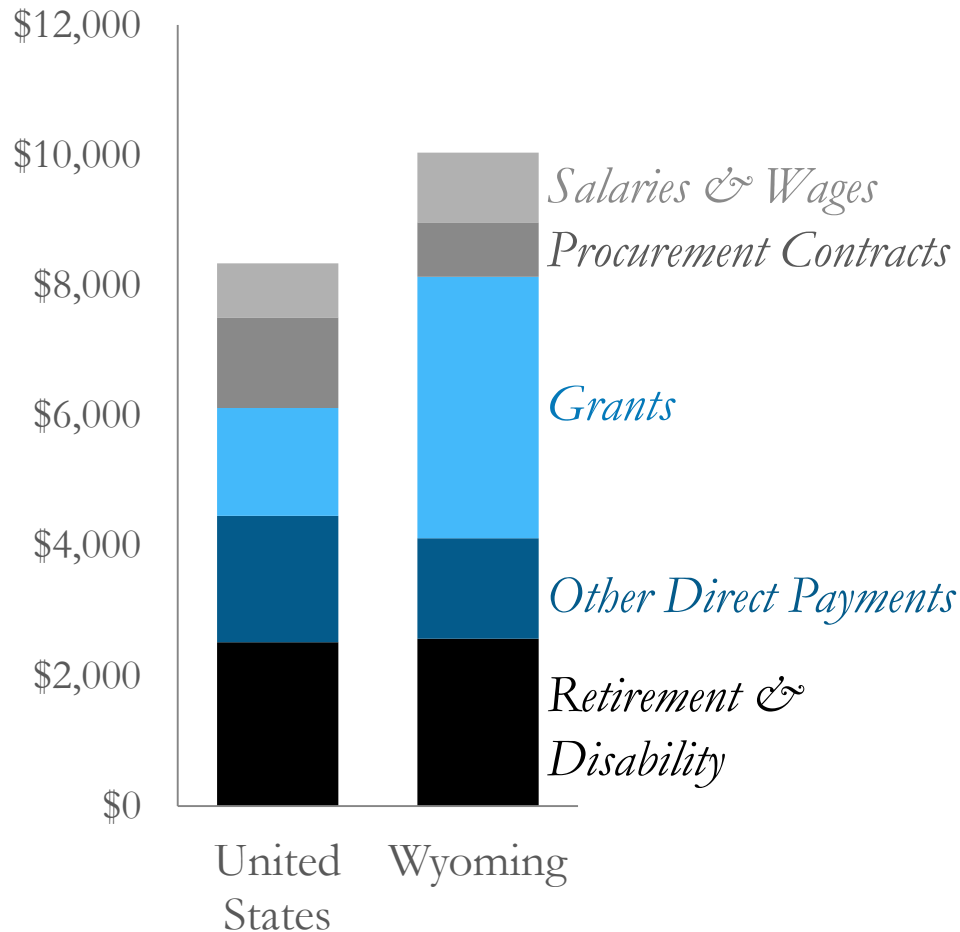
Seasonally Adjusted



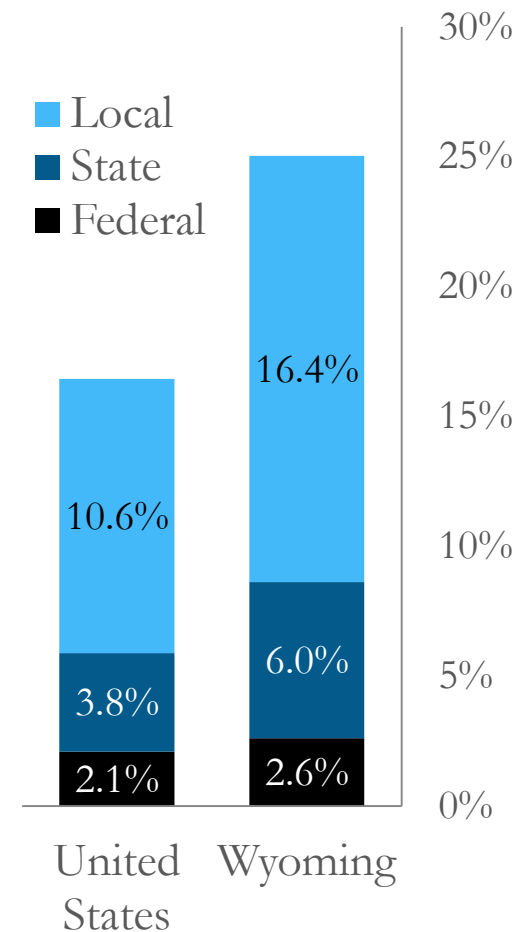
Wyoming relies more heavily on government expenditures due in part to federal spending on national parks and its small population size.



FEDERAL EXPENDITURES PER CAPITA, FY 2006



GOVERNMENT SHARE OF TOTAL NONFARM EMPLOYMENT *Seasonally Adjusted*

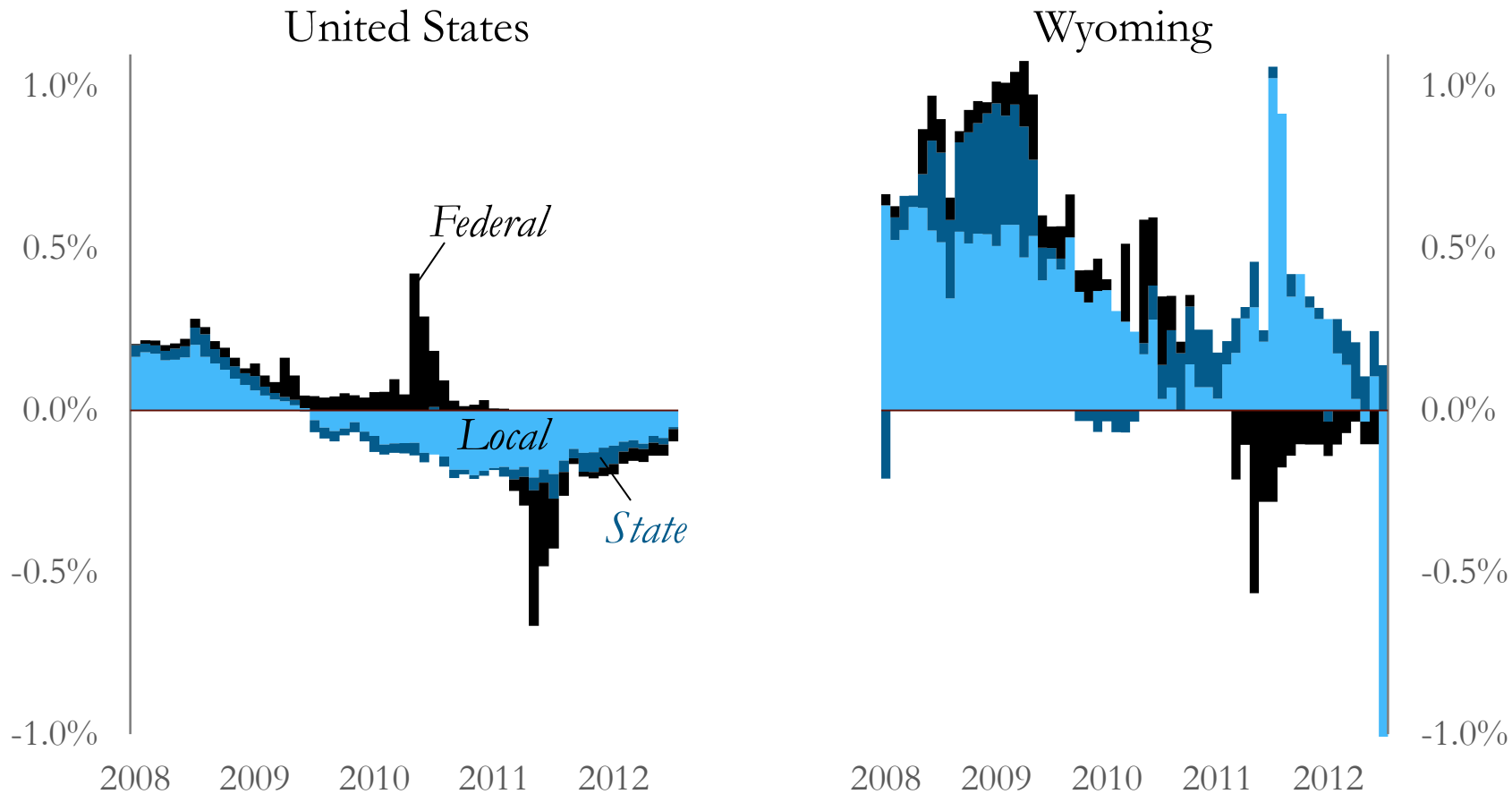


Job losses in the government sector lagged private sector job losses by more than a year.



GOVERNMENT CONTRIBUTIONS TO TOTAL JOB GROWTH

Seasonally Adjusted, Contribution to Percent Change

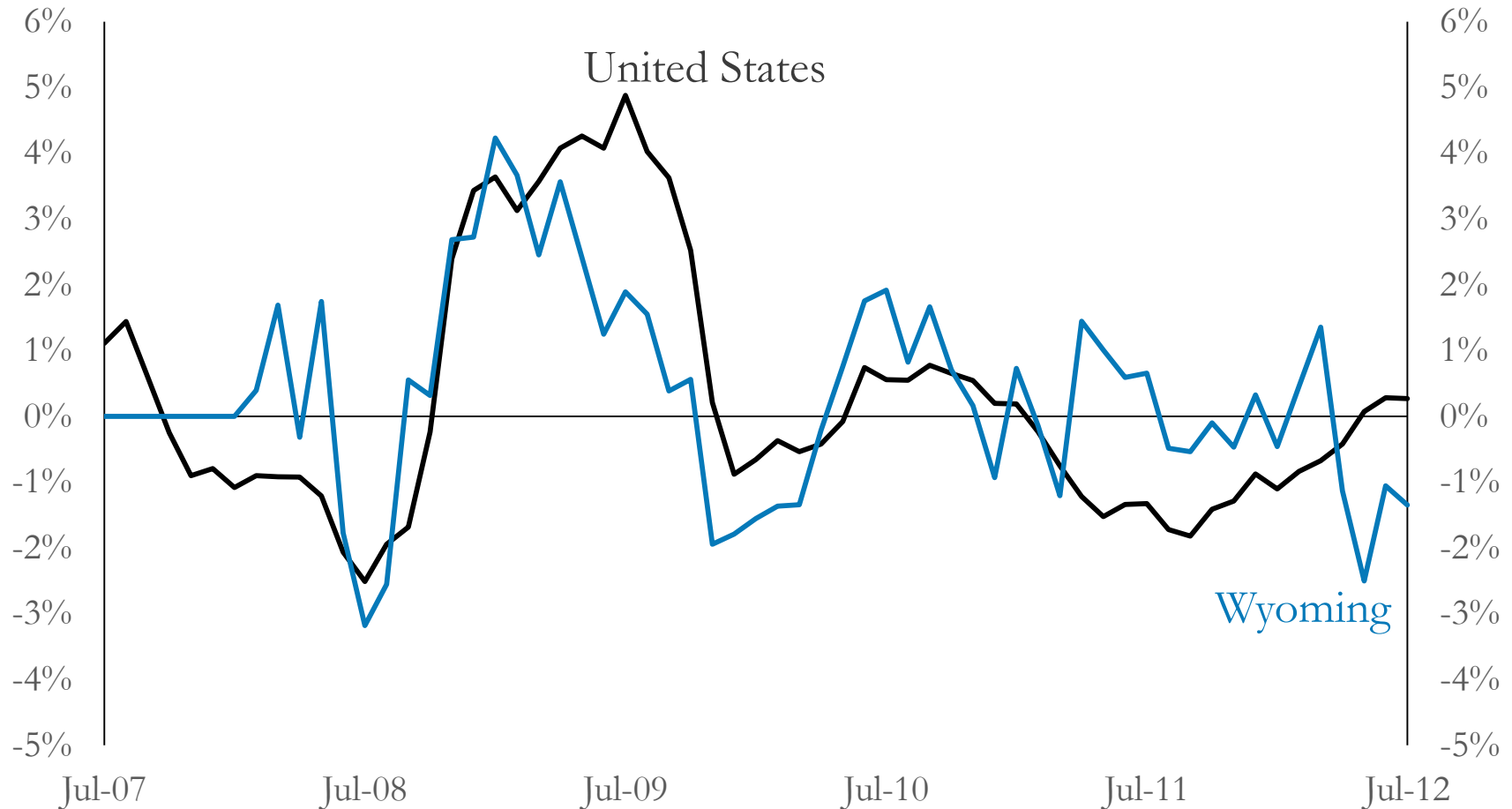


After outpacing national wage gains for almost two years, real wages have fallen slightly in recent months.



REAL AVERAGE HOURLY EARNINGS

Seasonally Adjusted, Percent Change over Prior Year

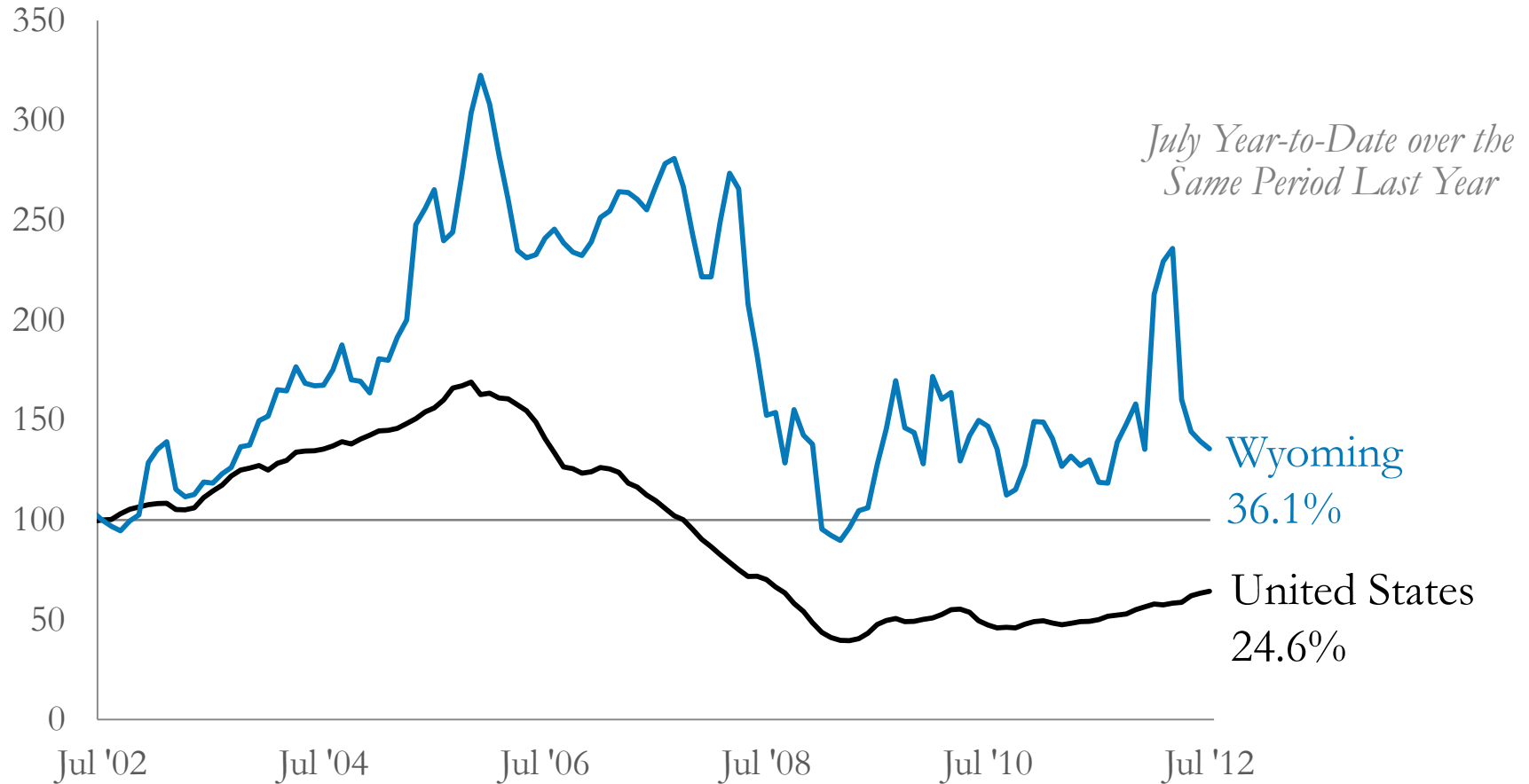


Residential construction activity is picking up but remains well below pre-recession levels.



VALUE OF RESIDENTIAL CONSTRUCTION CONTRACTS

Index 100 = July 2002, Seasonally Adjusted, Three-Month Moving Average

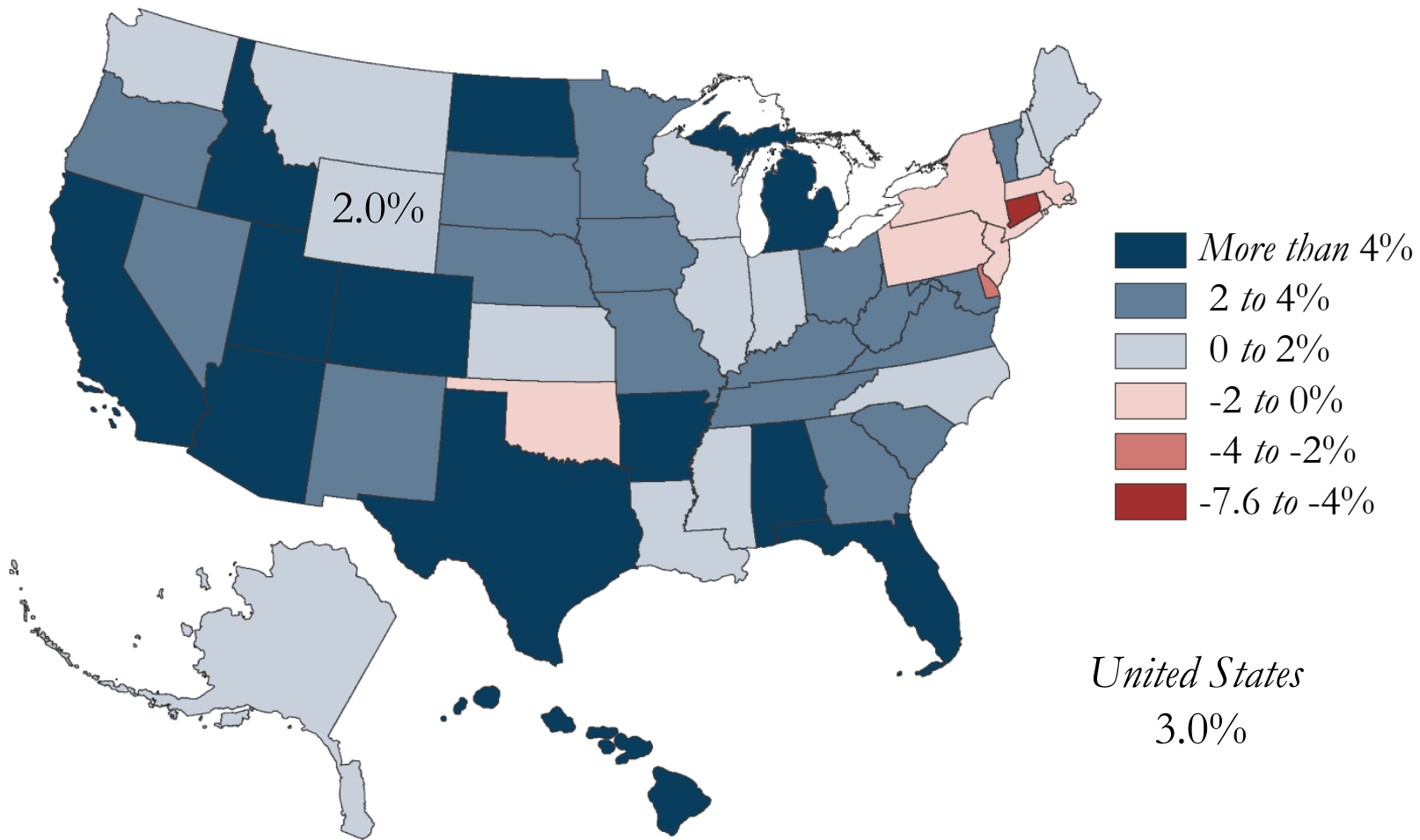




Home prices have stabilized over the past year across most of the nation.

CHANGE IN HOME PRICES *Year-over-Year, 2012Q2*

FHFA Purchase-Only Index

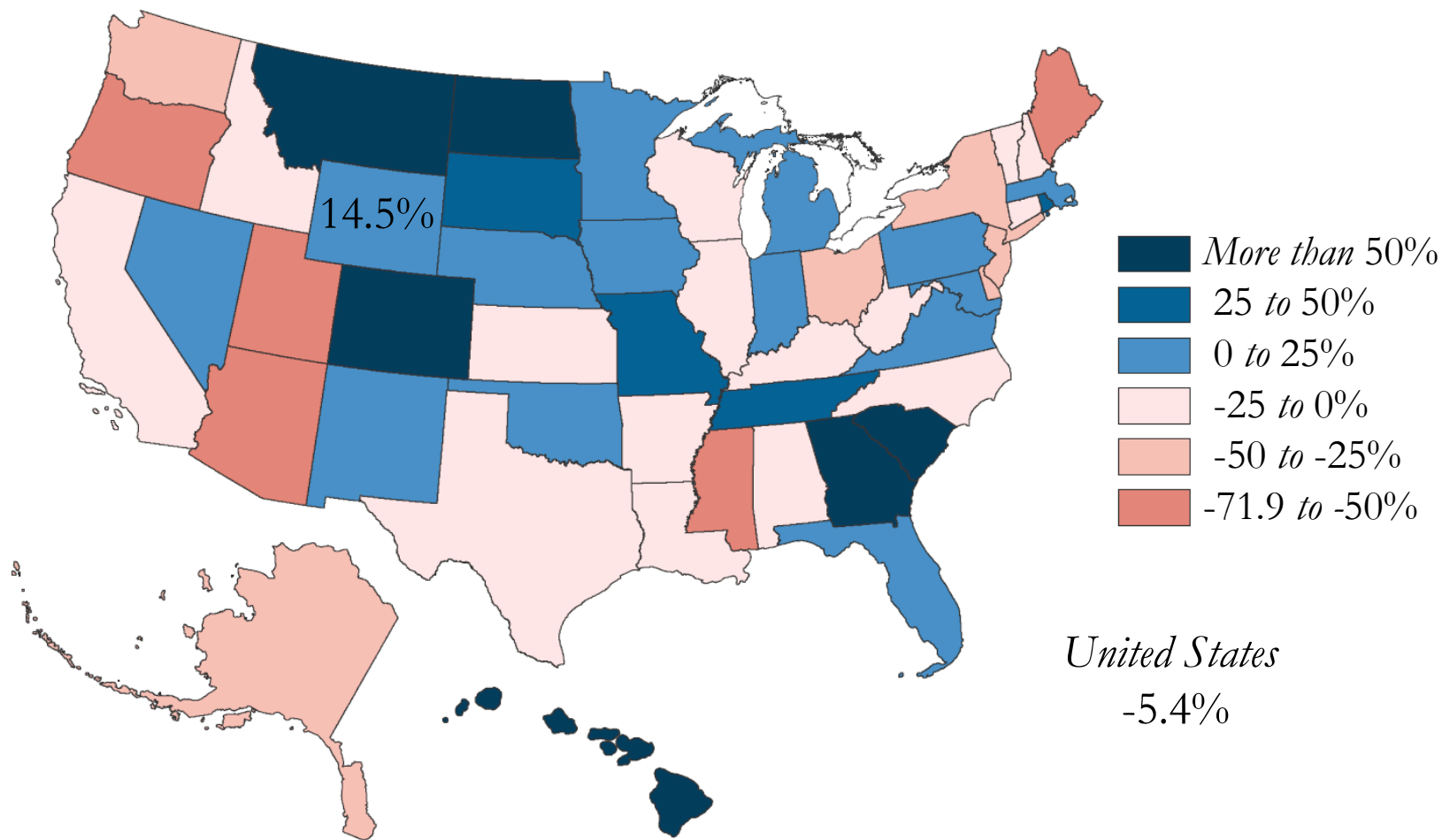


Improvements in non-residential construction activity have varied across the country.



VALUE OF NON-RESIDENTIAL & NON-BUILDING CONSTRUCTION

Percent Change, Cumulative Year-to-Date January through July 2012

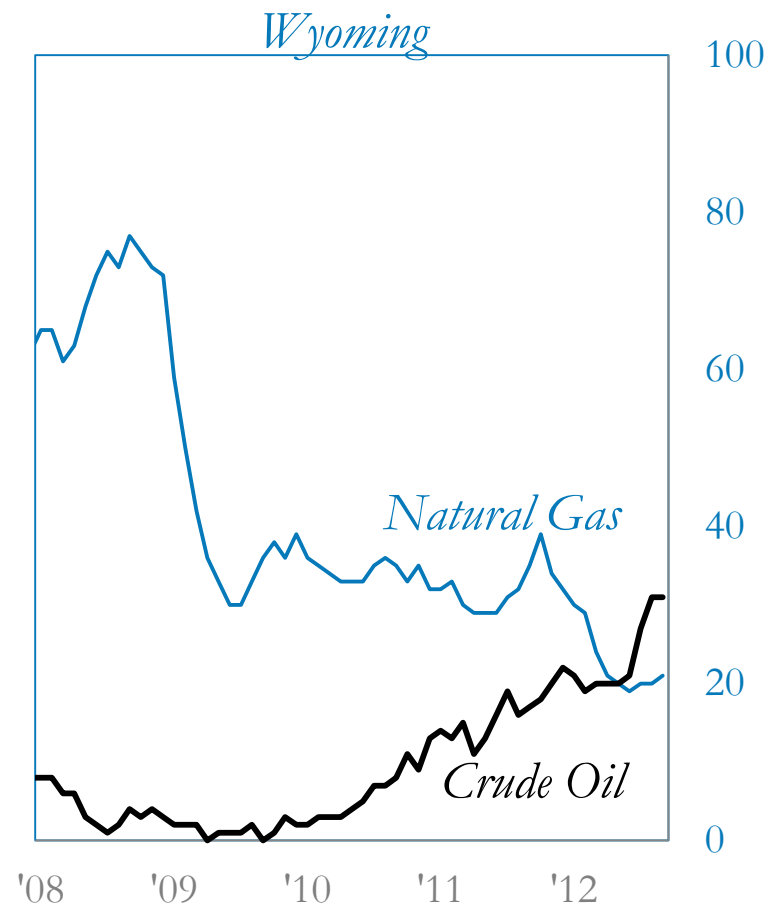
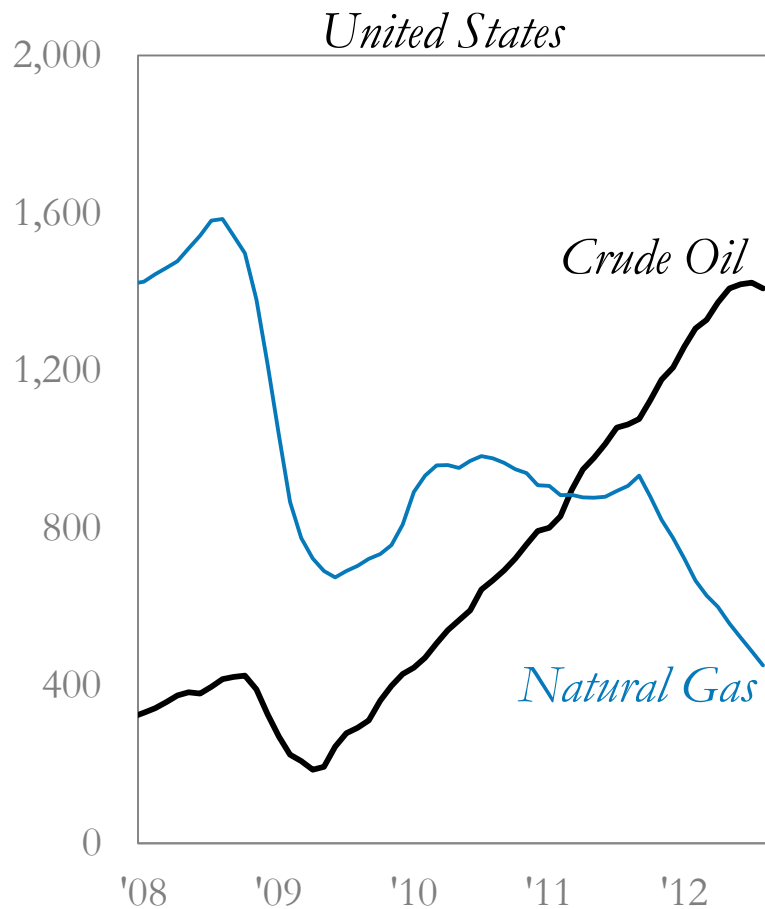


Drilling activity is responding to prices with oil drilling up and natural gas drilling down.



ACTIVE DRILLING RIG COUNTS

Monthly Average





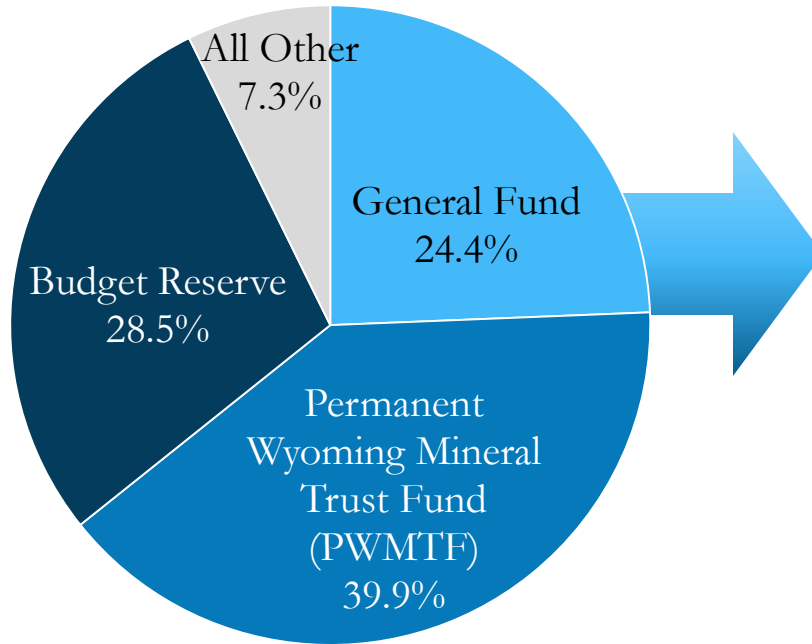
Wyoming is heavily reliant on severance tax revenues.

WYOMING STATE GOVERNMENT REVENUE STRUCTURE

Fiscal Year 2011

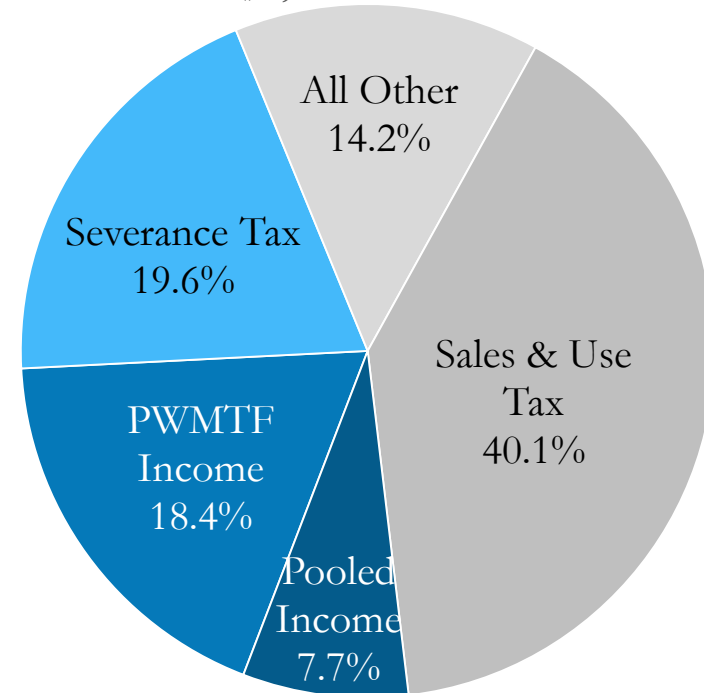
Severance Tax Distribution

\$945.3 million



General Fund Revenue

\$1,175.0 million

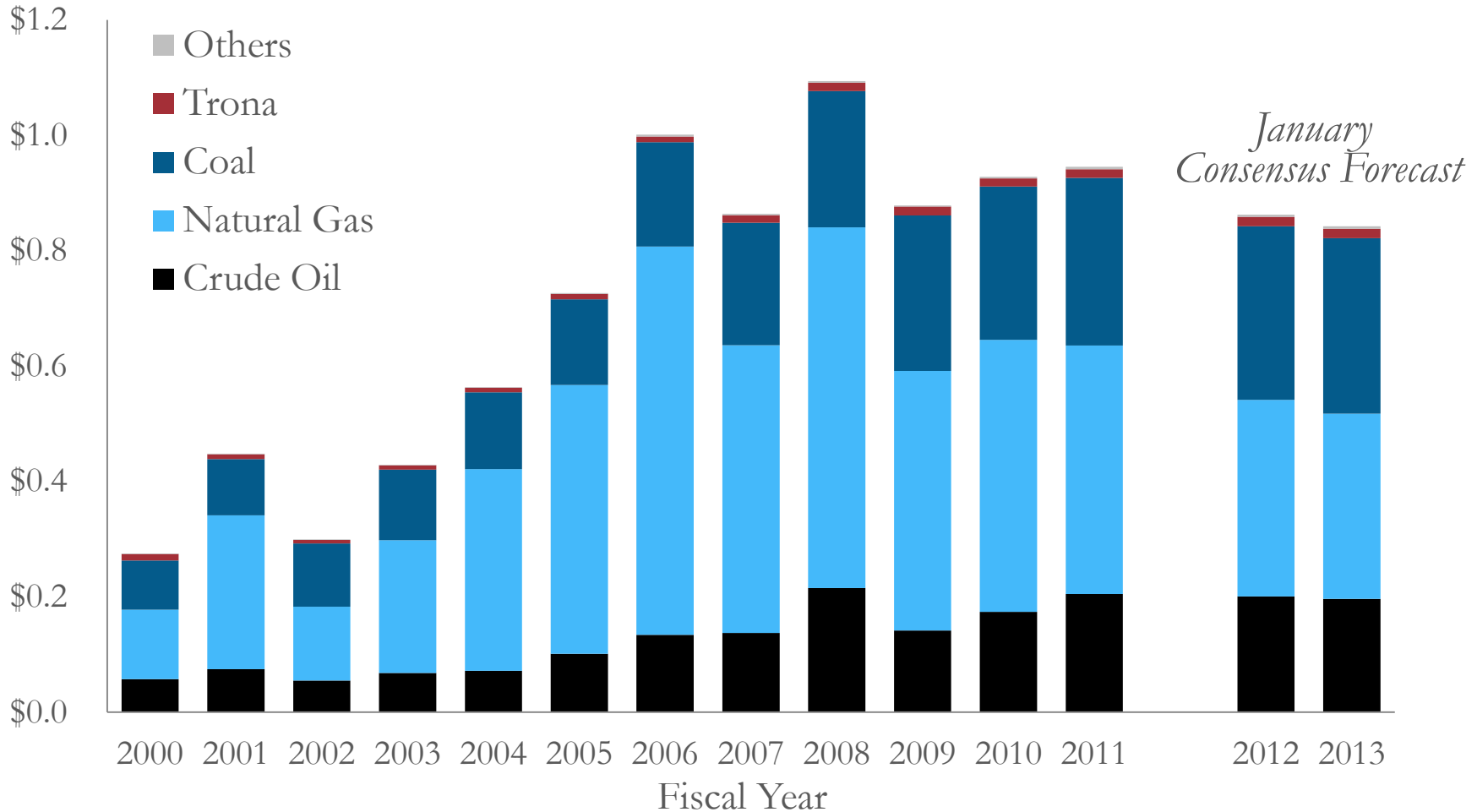


Severance tax revenue is projected to decline slightly due to lower natural gas prices.



WYOMING STATE SEVERANCE TAX REVENUE

Billions

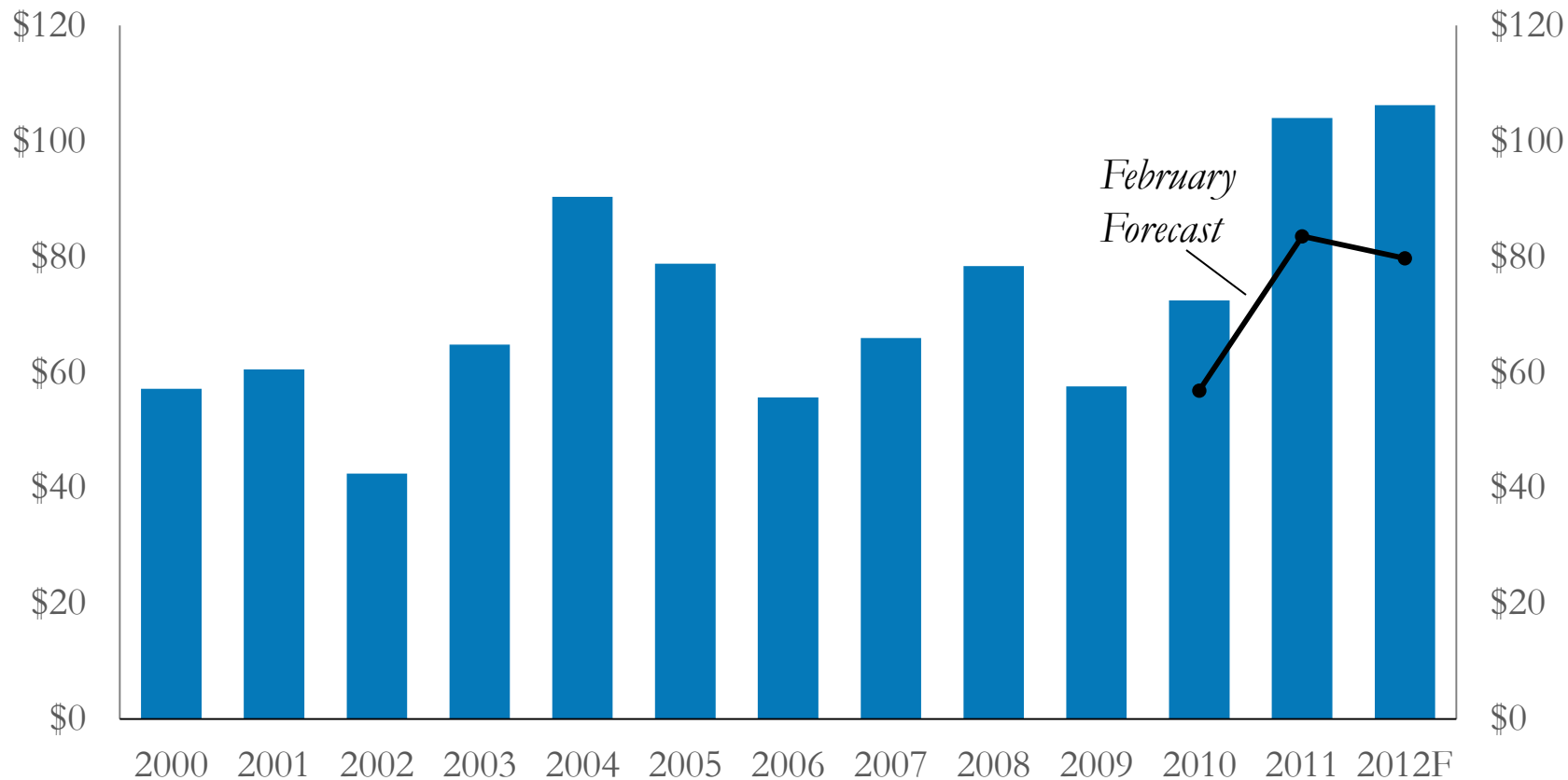


Despite the worst drought in three decades, U.S. net farm incomes are projected to reach record highs in 2012.



U.S. REAL NET FARM INCOME

Constant 2005 Dollars (Billions)

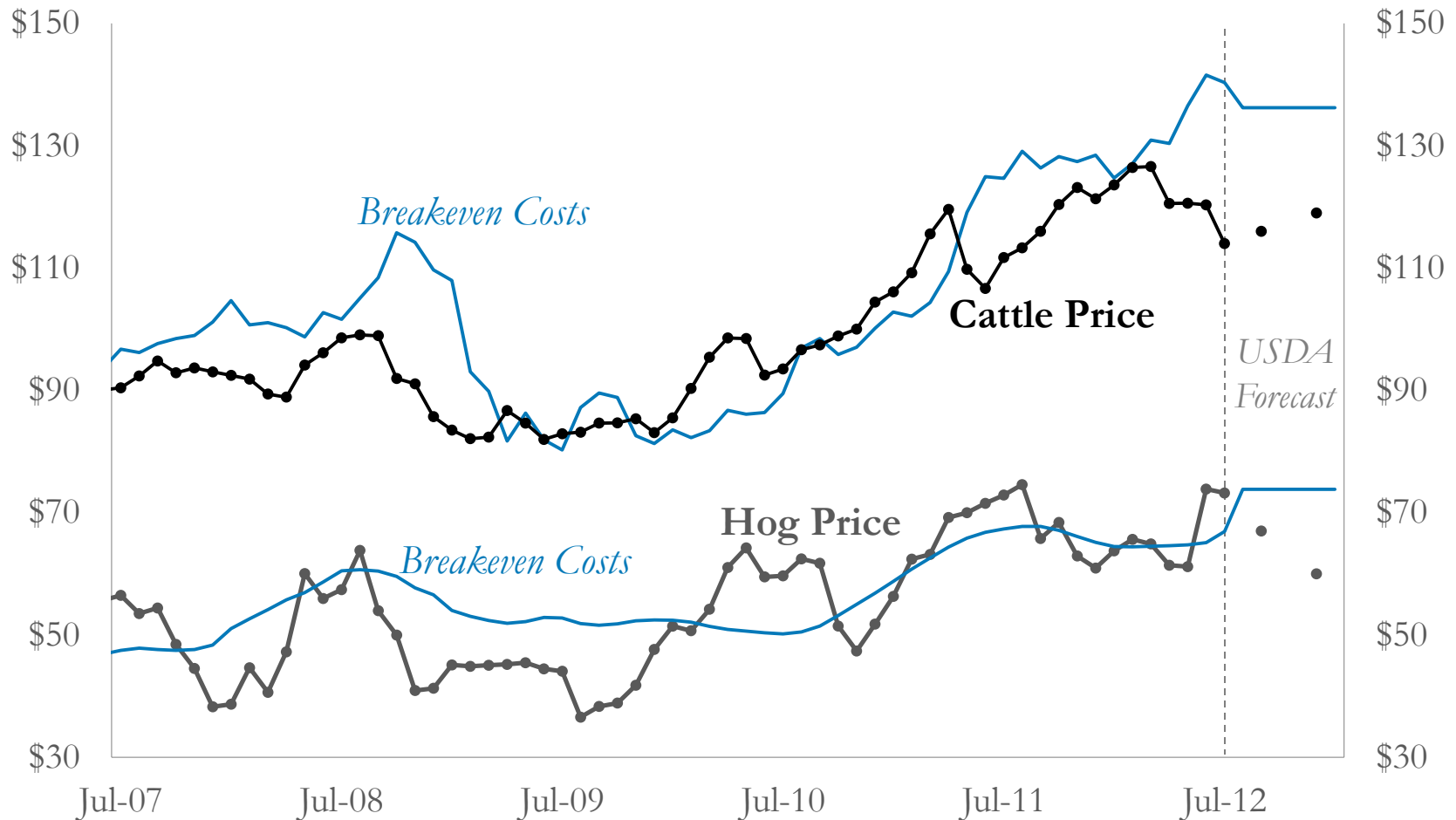


The livestock industry continues to struggle with higher feed costs and drought conditions.



U.S. LIVESTOCK PRICES & BREAKEVEN COSTS

Dollars per Hundredweight

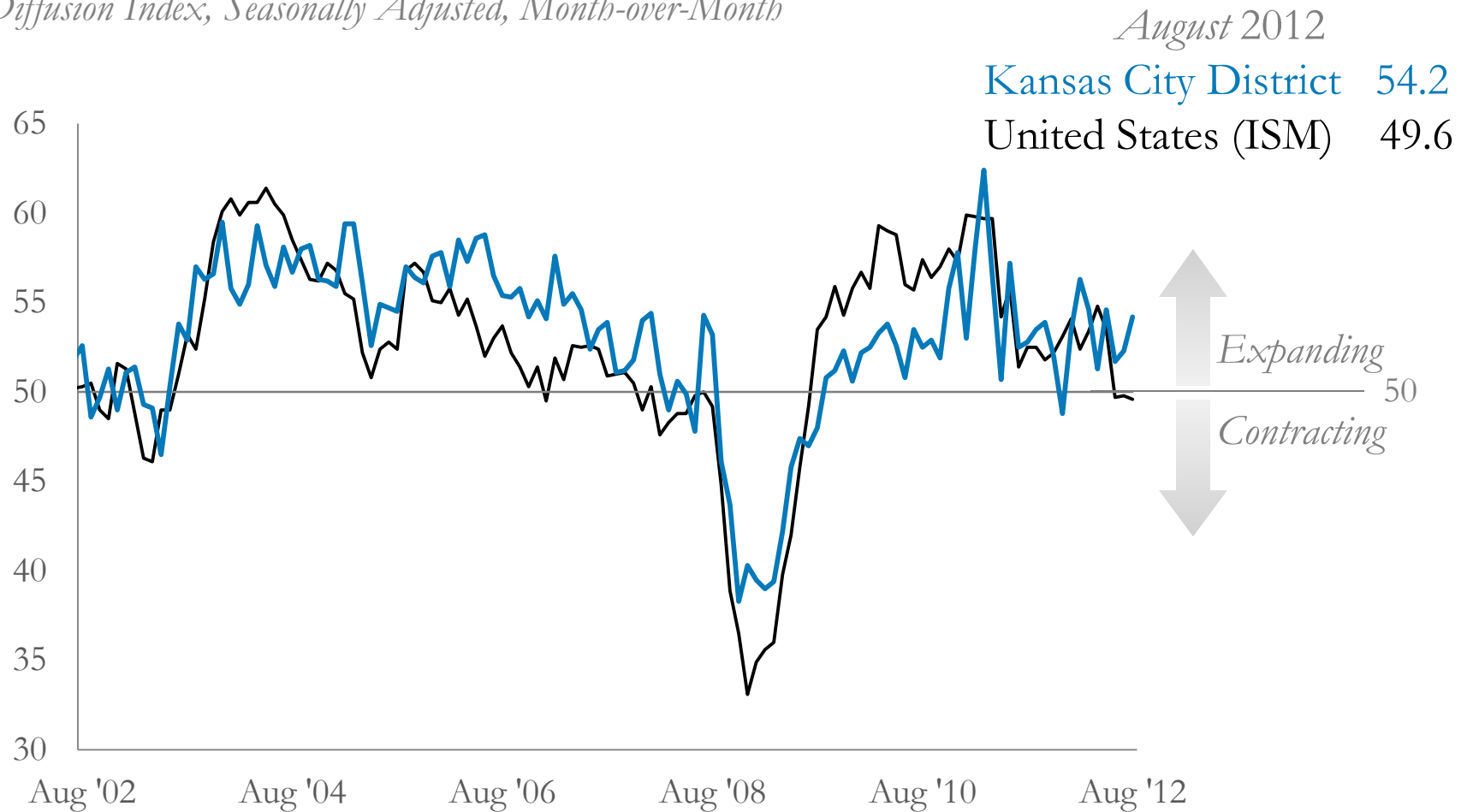




The manufacturing sector continues to expand in the Tenth District.

MANUFACTURING ACTIVITY

Diffusion Index, Seasonally Adjusted, Month-over-Month



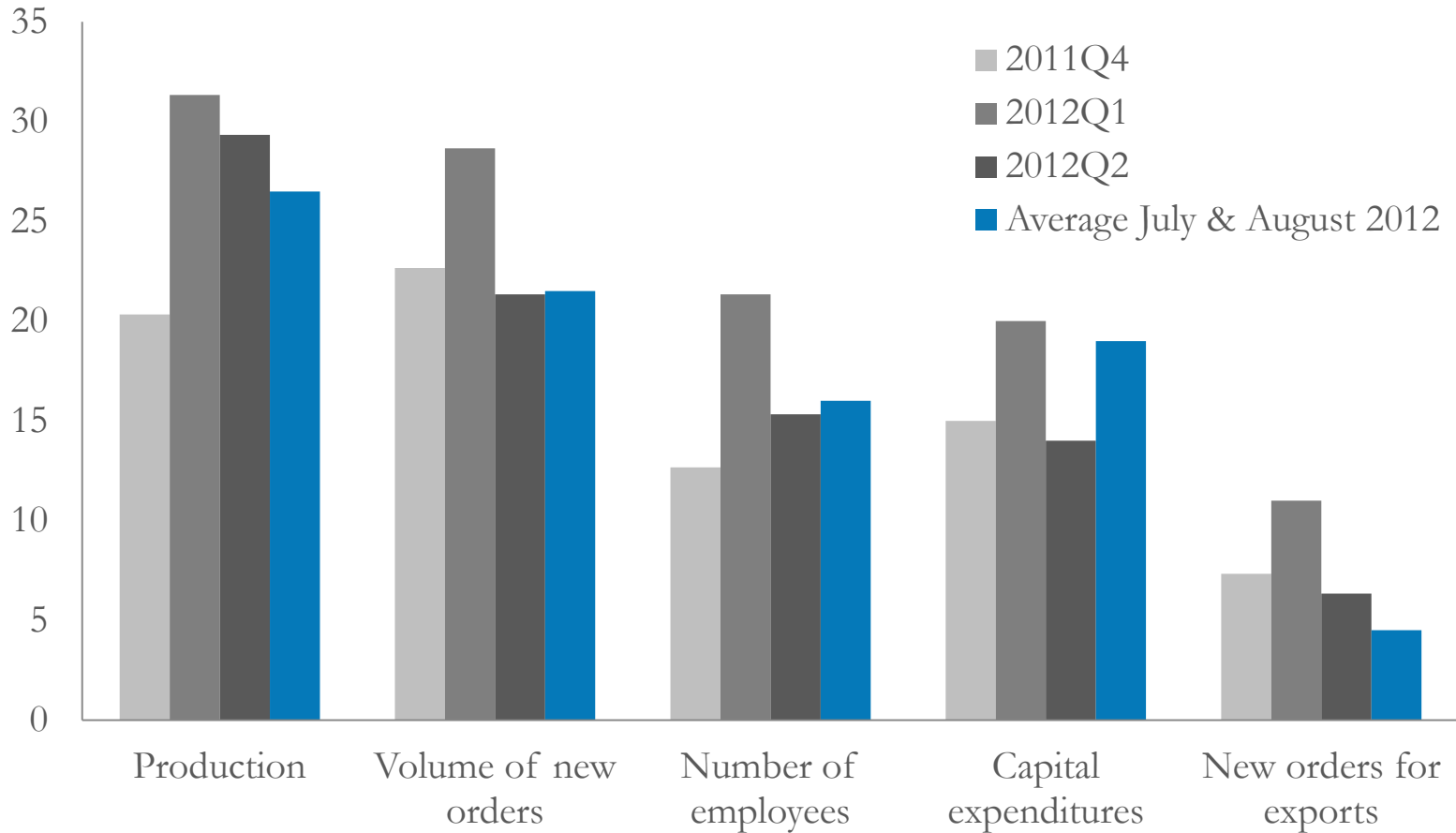
Note: Federal Reserve Surveys are computed on an ISM Basis (50 = no change)

Manufacturers in the Tenth District expect higher levels of activity over the next six months.



TENTH DISTRICT MANUFACTURING EXPECTATIONS

Diffusion Index, Seasonally Adjusted, Six Months Ahead

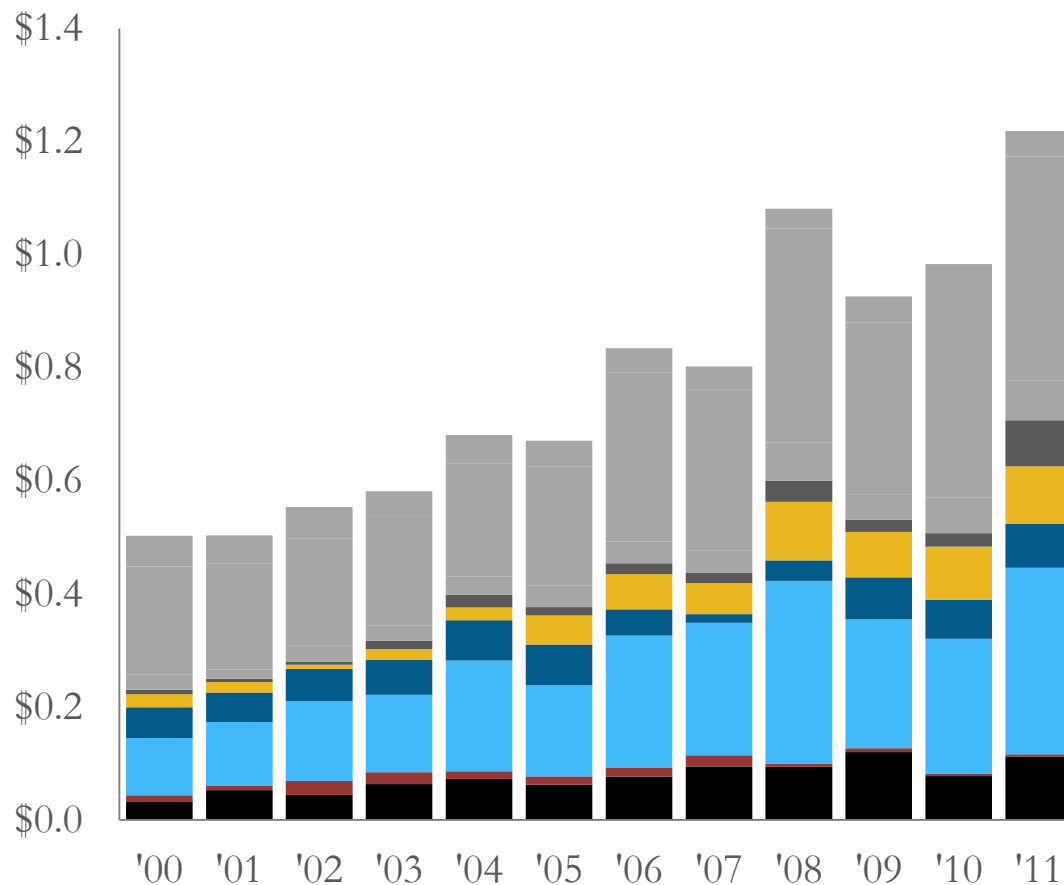


Wyoming exports have increased this year despite the global economic slowdown.



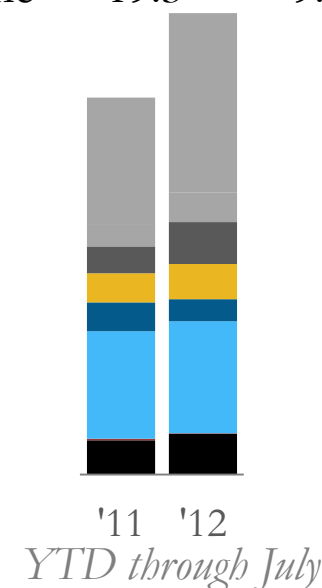
WYOMING EXPORTS BY TRADE PARTNER

Billions



JULY 2012
YEAR-TO-DATE
Percent Change

Total Trade	22.4%	SHARE*
All Other	40.5	42.0%
Australia	55.8	6.7
Brazil	20.6	8.3
Mexico	-23.2	6.4
Canada	4.1	27.1
China	-70.3	0.3
Eurozone	19.3	9.2





- The Wyoming economy continues to expand at a modest pace.
- Construction activity is increasing in both residential and non-residential sectors. Housing conditions are also improving with more sales, higher prices and lower inventories.
- Growth in the energy sector has slowed somewhat due to low natural gas prices and less coal production. The agriculture sector remains strong for crop producers but the livestock sector continues to struggle.

Wyoming *Economic Update*

This presentation will be available at
<http://www.kc.frb.org/denver/>

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