

U.S. & Colorado
Economic Conditions & Outlook

Mark C. Snead

Vice President & Denver Branch Executive

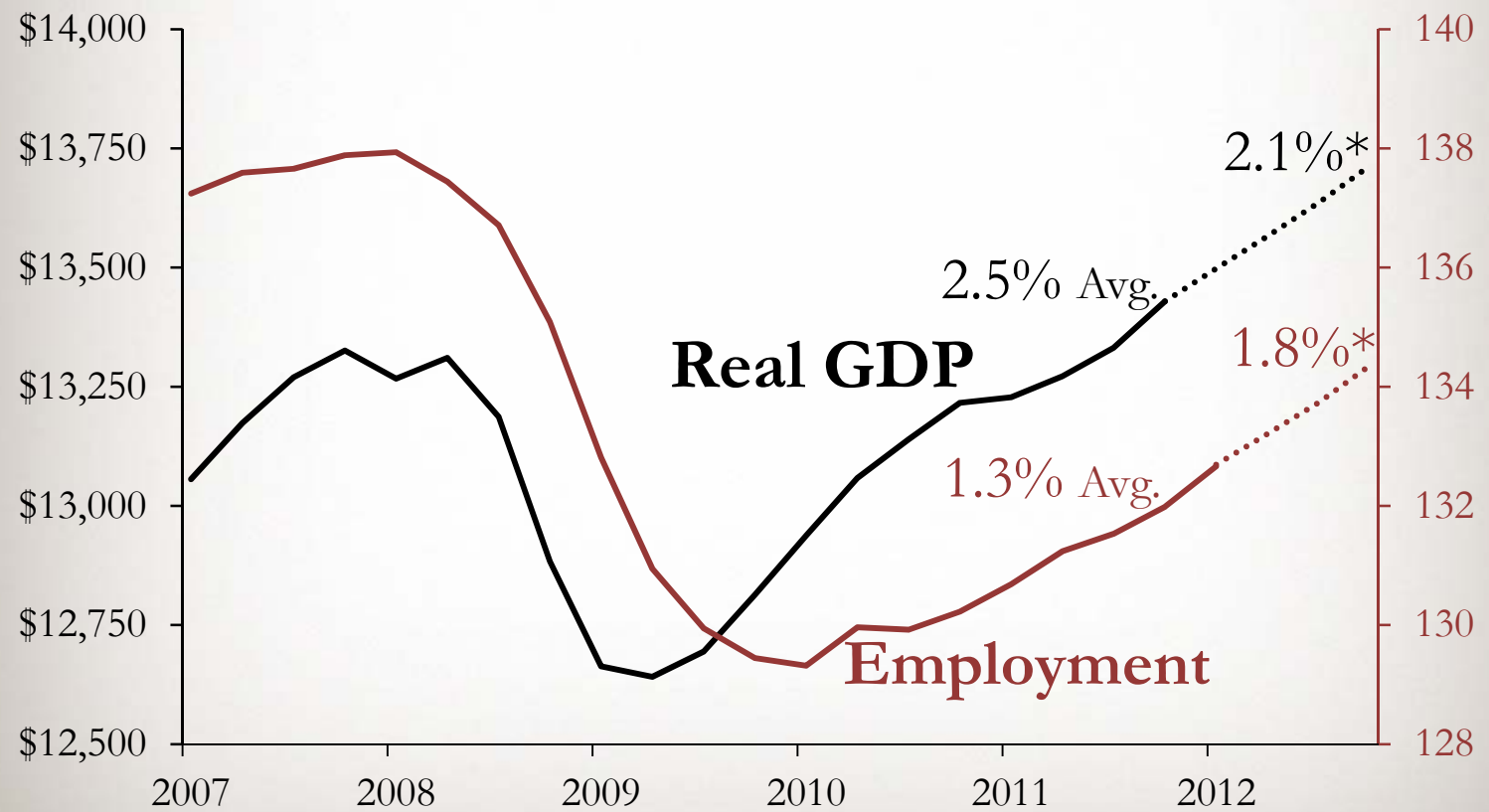
²⁰¹²
Regulatory Update
— SEMINAR —

Federal Reserve Bank of Kansas City

Steady Recovery *but* Impediments Remain

REAL GDP
Billions

NONFARM EMPLOYMENT
Millions



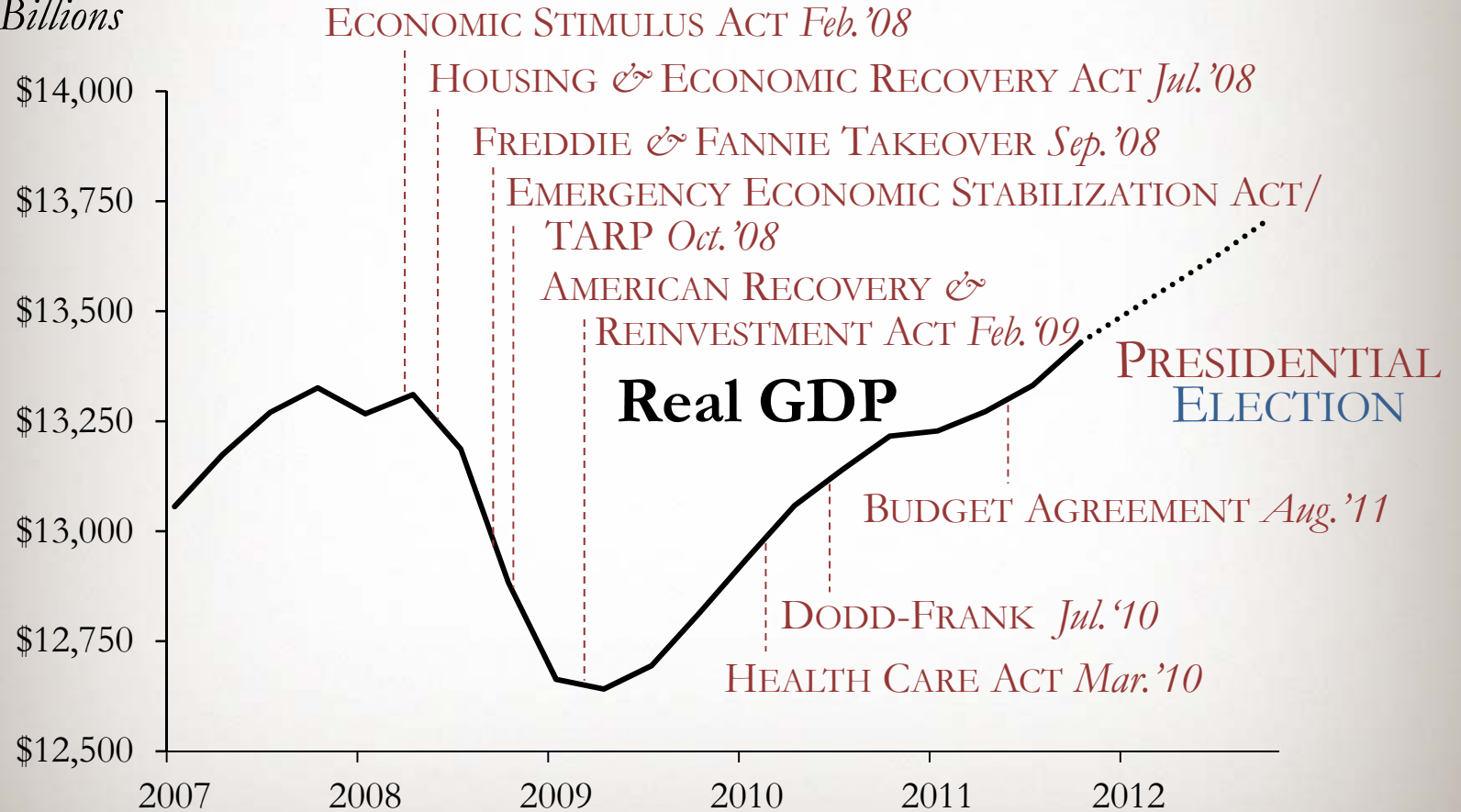
**Outlook for 2012*

Source: Bureau of Economic Analysis, Bureau of Labor Statistics & Global Insight

Regulatory & Fiscal Policy Uncertainty

REAL GDP

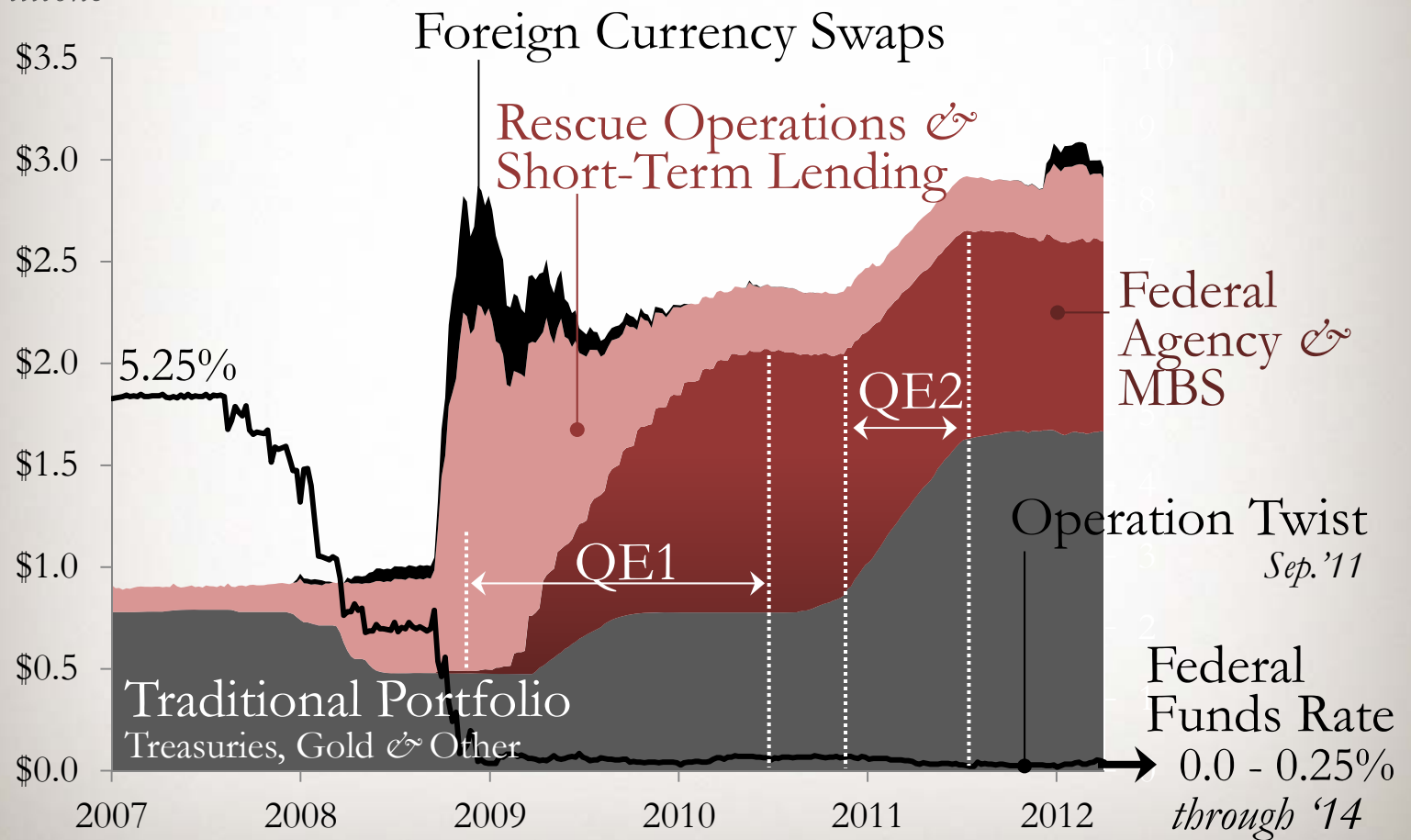
Billions



Aggressive Federal Reserve Policy Actions

FEDERAL RESERVE ASSETS

Trillions

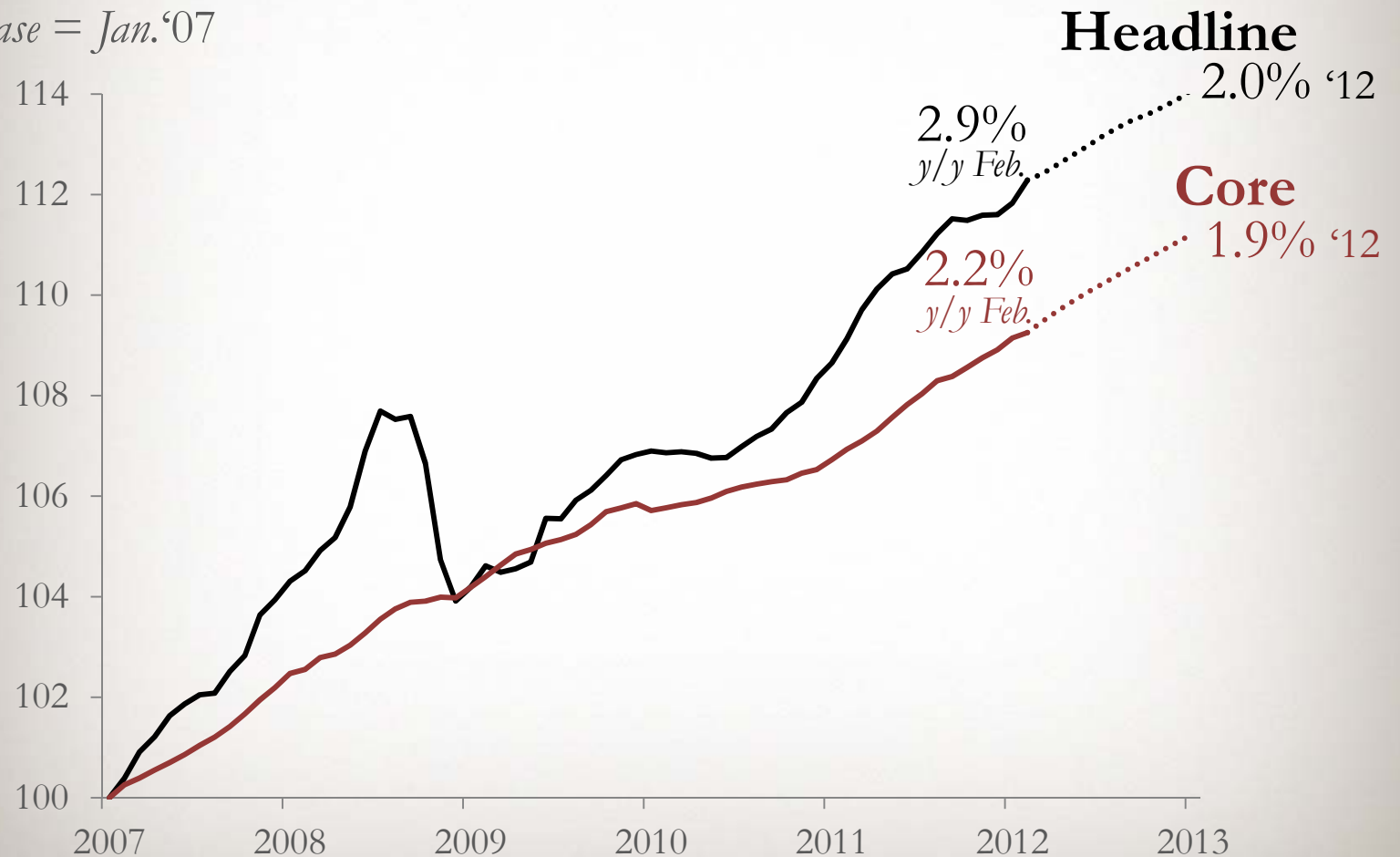


Source: Federal Reserve Board

Inflation Tame Despite Rising Energy Costs

CPI & INFLATION

Base = Jan. '07

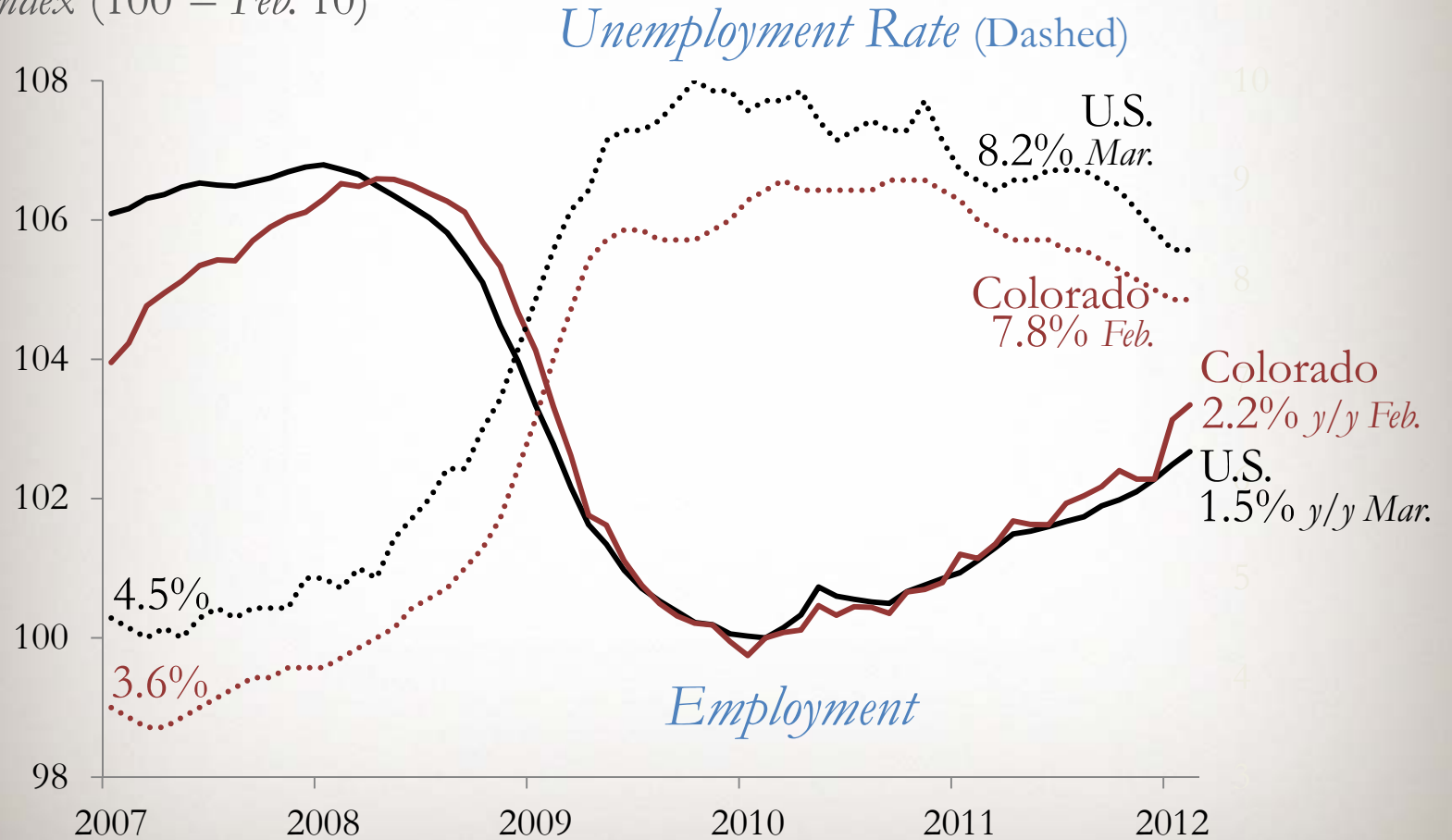


Source: Bureau of Labor Statistics & Global Insight

Steady Labor Market Gains

NONFARM EMPLOYMENT

Index (100 = Feb.'10)



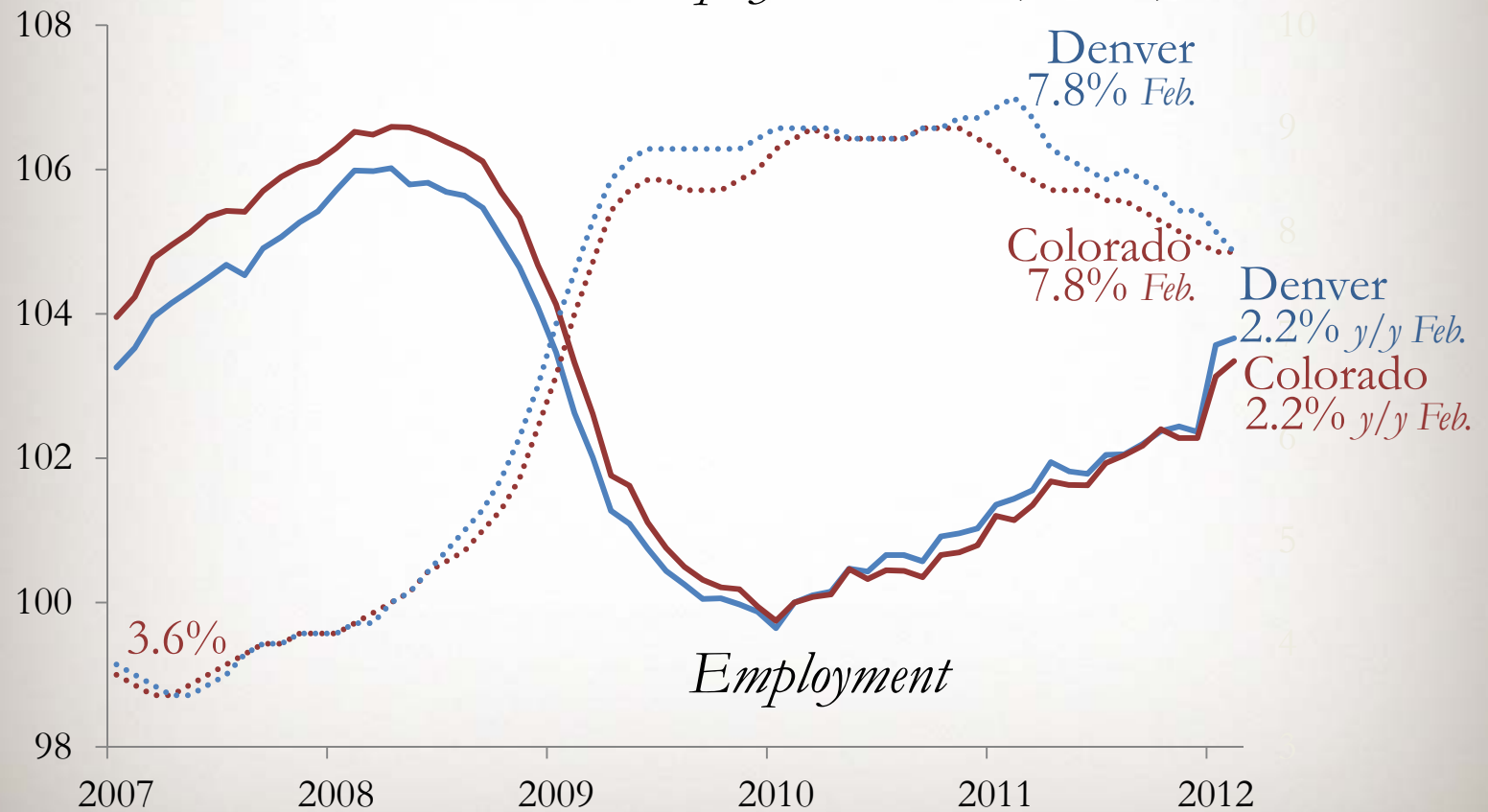
Source: Bureau of Labor Statistics

Denver Driving State Job Cycle

NONFARM EMPLOYMENT

Index (100 = Feb.'10)

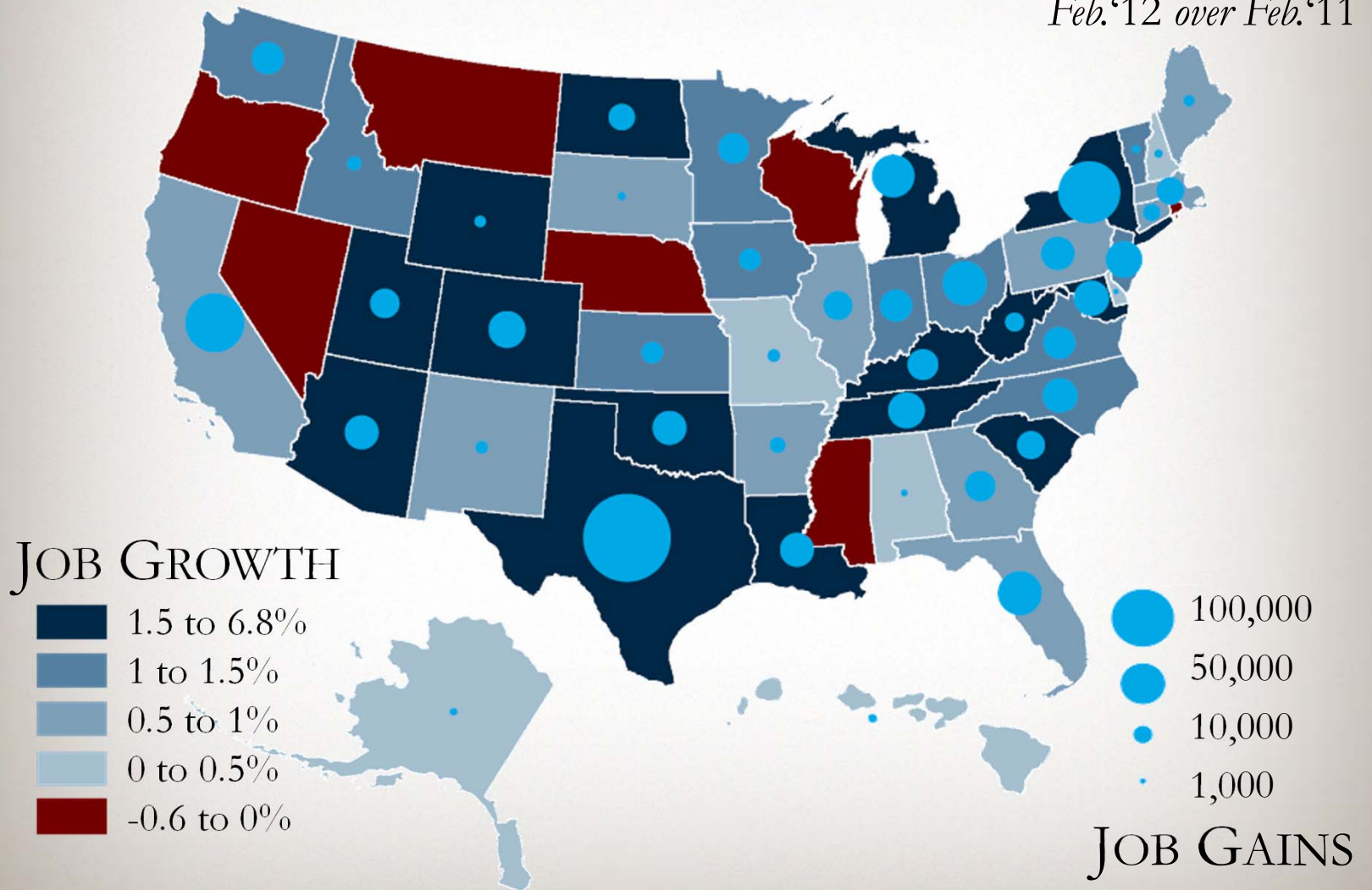
Unemployment Rate (Dashed)



Source: Bureau of Labor Statistics

Job Gains Concentrated *in the* Large States

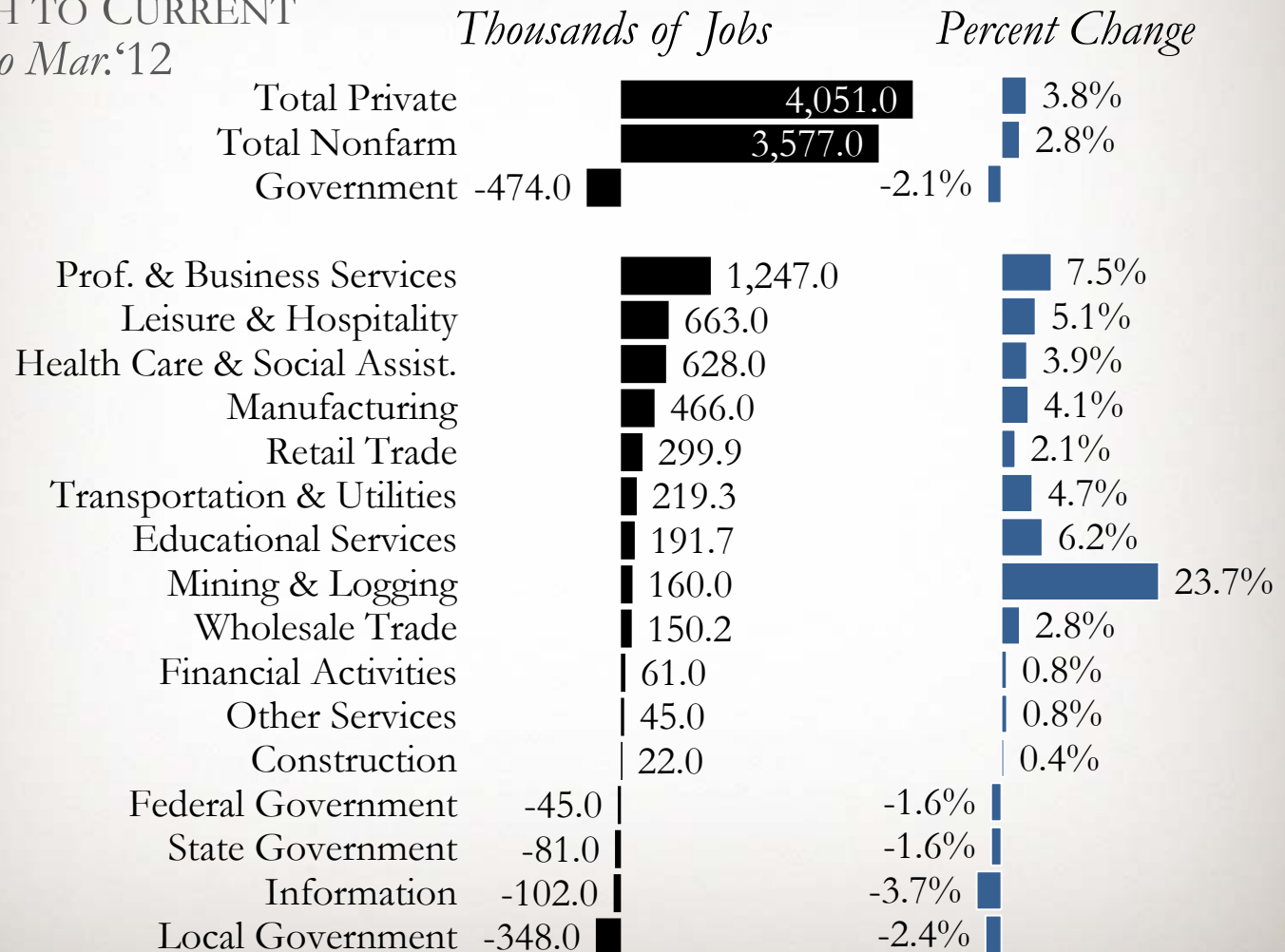
Feb. '12 over Feb. '11



Source: Bureau of Labor Statistics

U.S. Job Gains & Losses

TROUGH TO CURRENT
Feb.'10 to Mar.'12



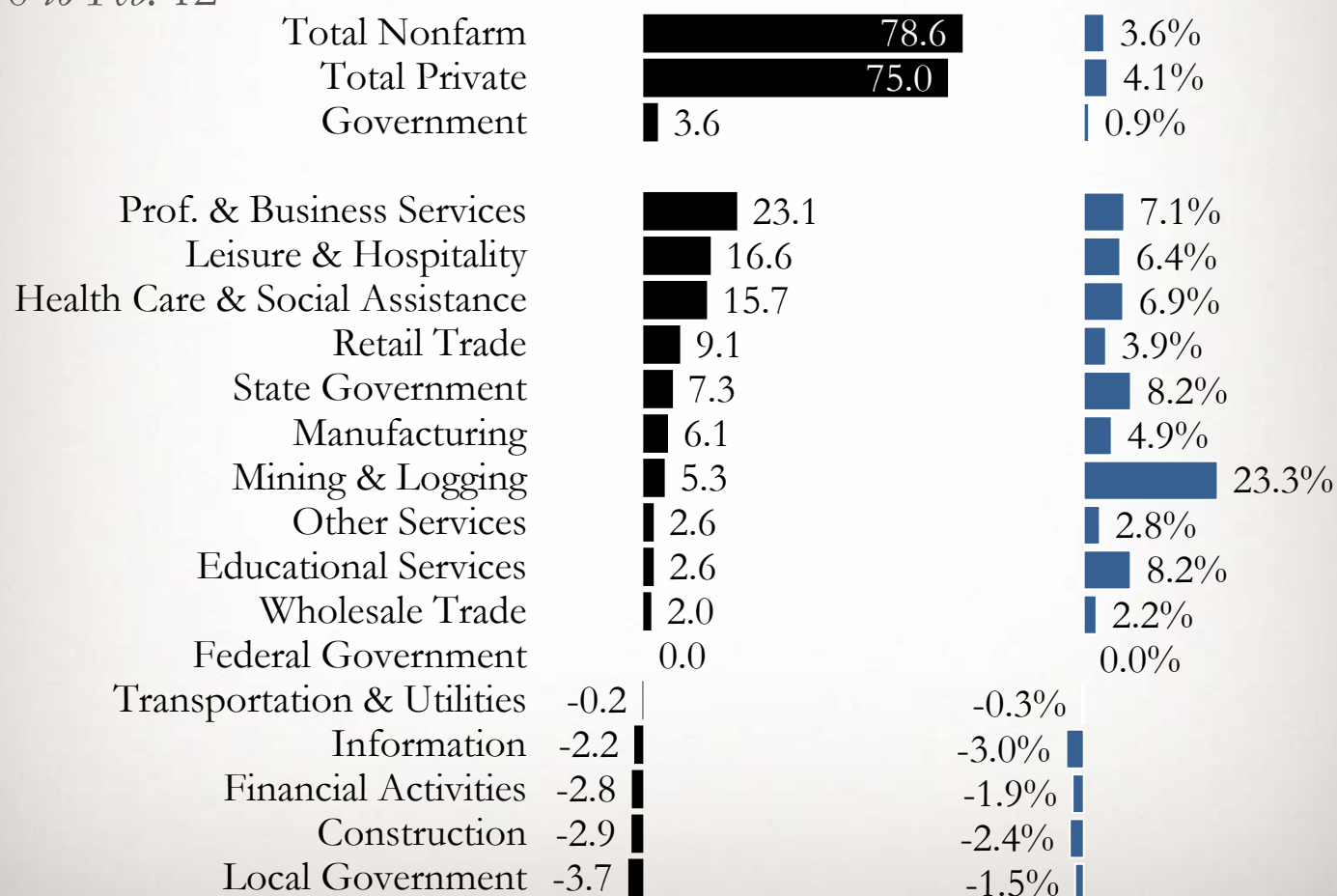
Source: Bureau of Labor Statistics

Colorado Job Gains & Losses

TROUGH TO CURRENT
Jan. '10 to Feb. '12

Thousands of Jobs

Percent Change

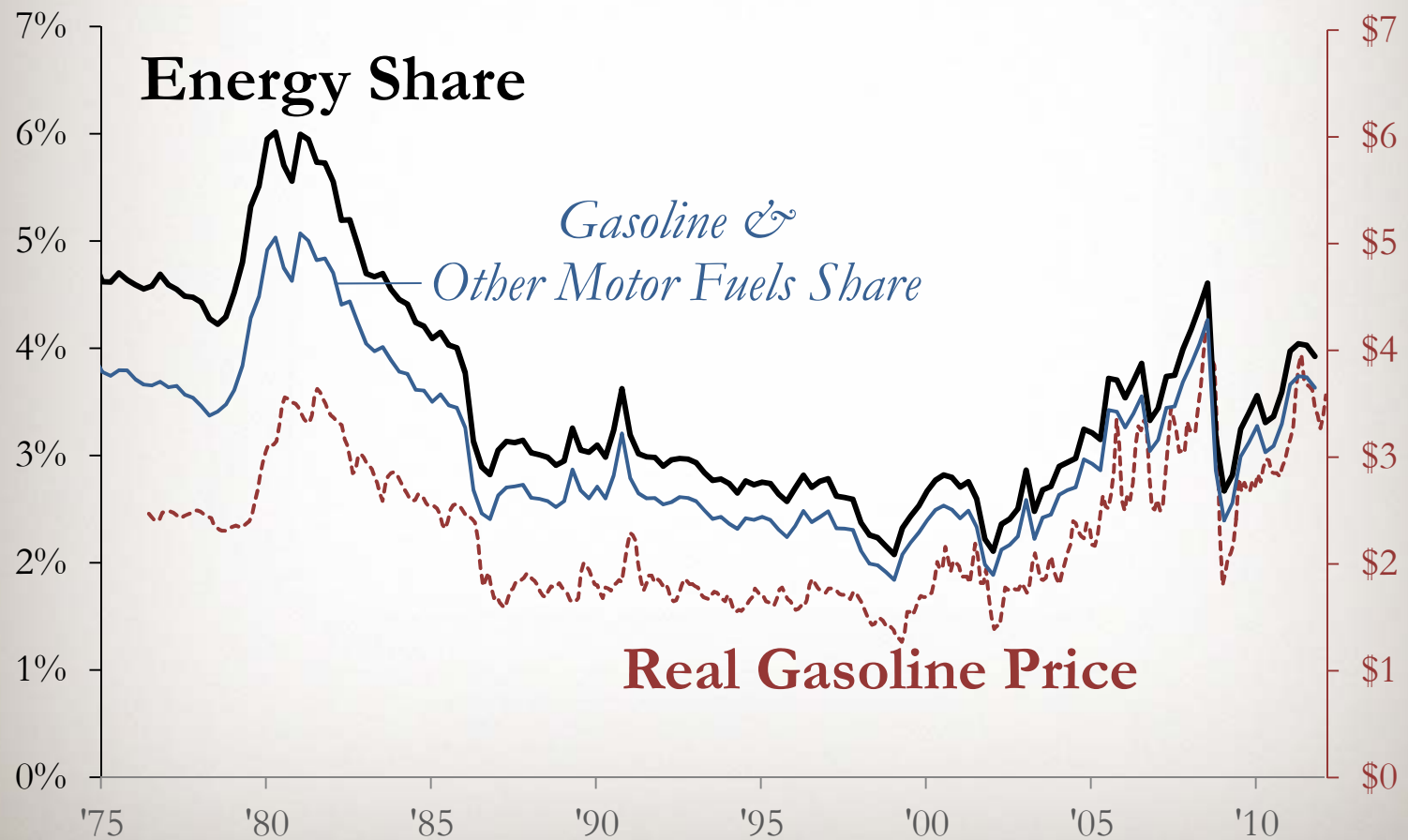


Source: Bureau of Labor Statistics

Energy Expenditure Shares Elevated

SHARE OF
TOTAL SPENDING

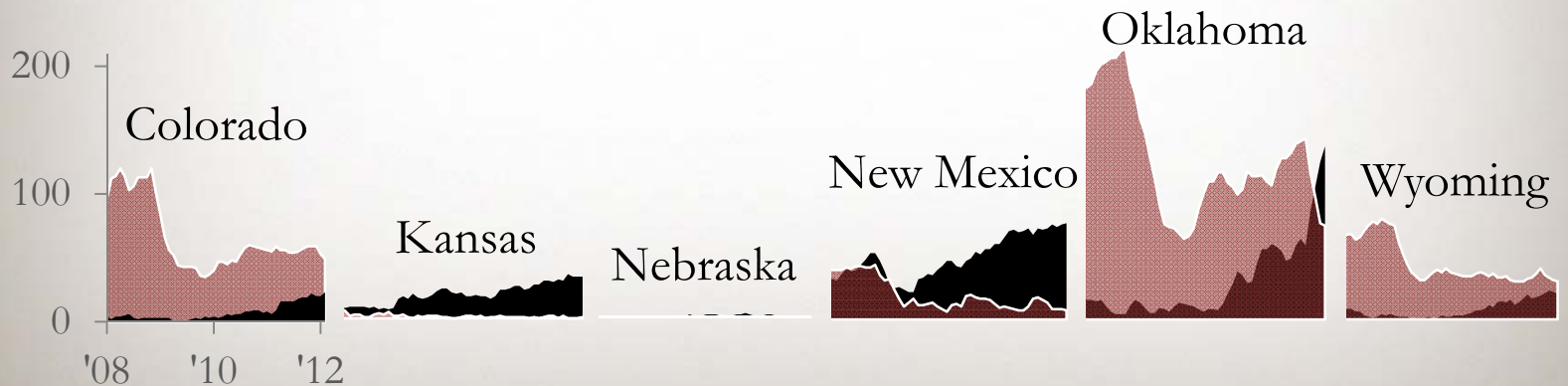
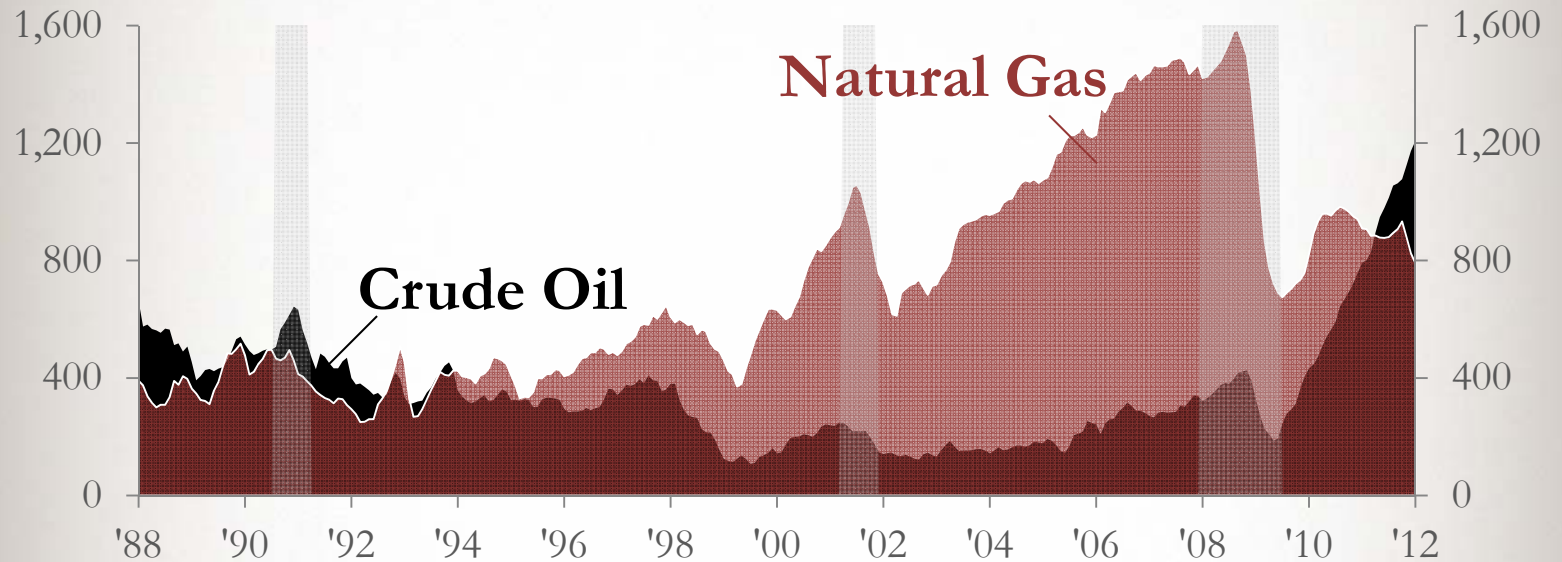
REAL PRICE
per Gallon



Source: Bureau of Economic Analysis & Department of Energy, Energy Information Administration

Shift *from* Natural Gas *to* Crude Continues

UNITED STATES RIG COUNT

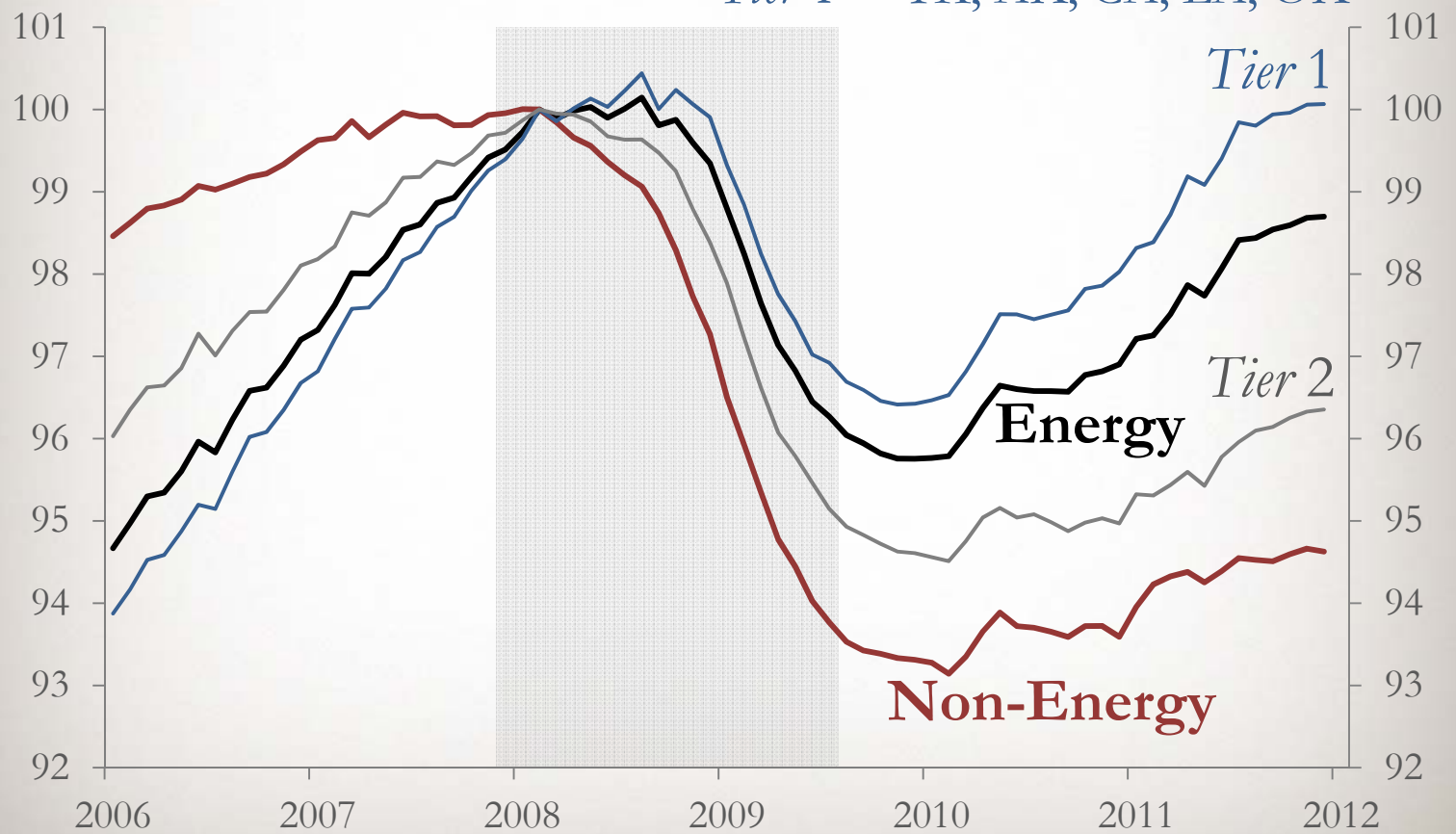


Source: U.S. Department of Energy, Energy Information Agency & Baker Hughes

The Energy States Are Still Energy States

JOB GROWTH

Index (100.0 = Feb.'08)



Tier 1 = TX, AK, CA, LA, OK

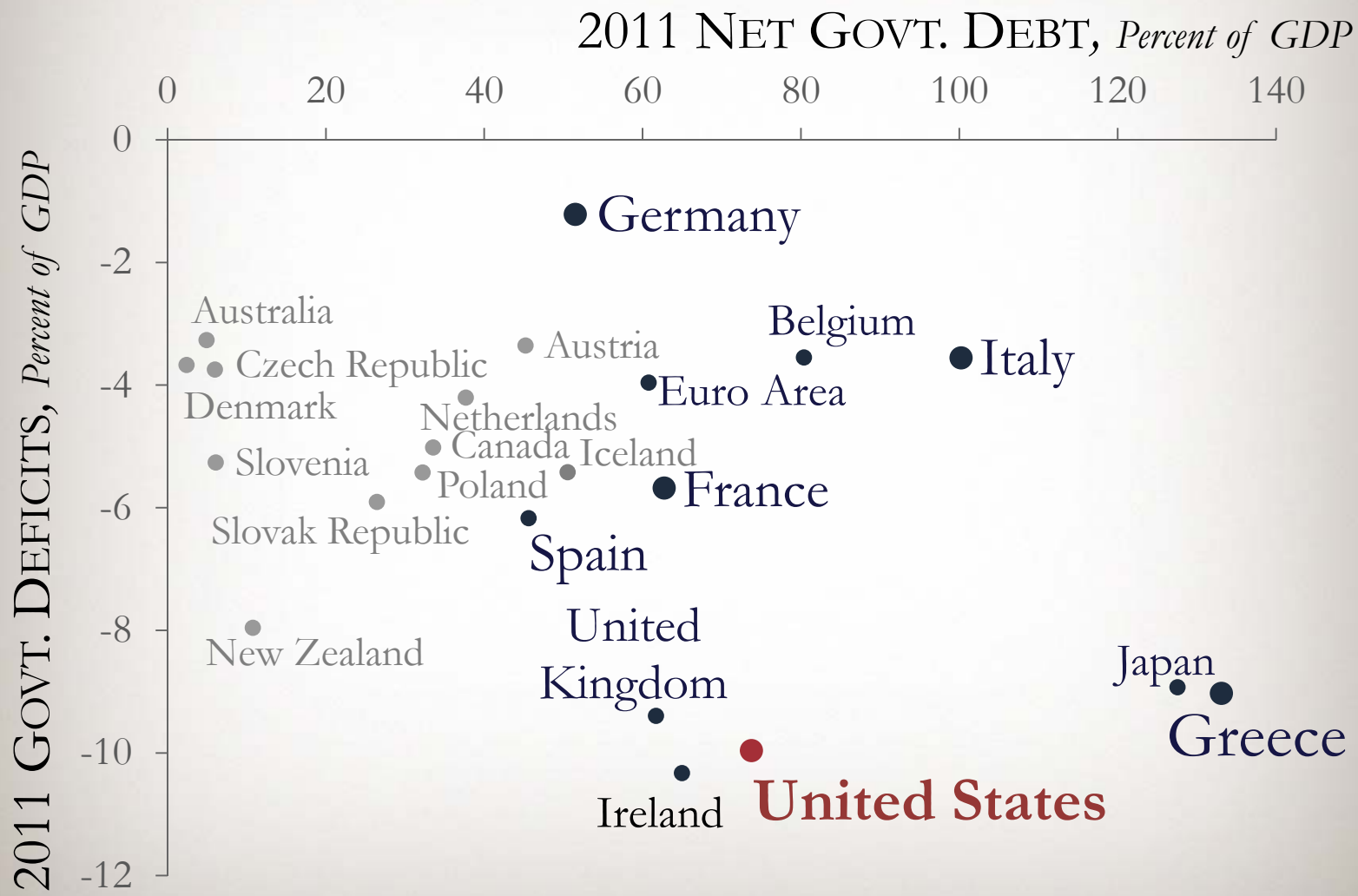
Energy

Non-Energy

Source: Bureau of Labor Statistics

Tier 2 = ND, NM, WY, KS, MT, MS, UT, CO 13

European Debt Crisis Unresolved

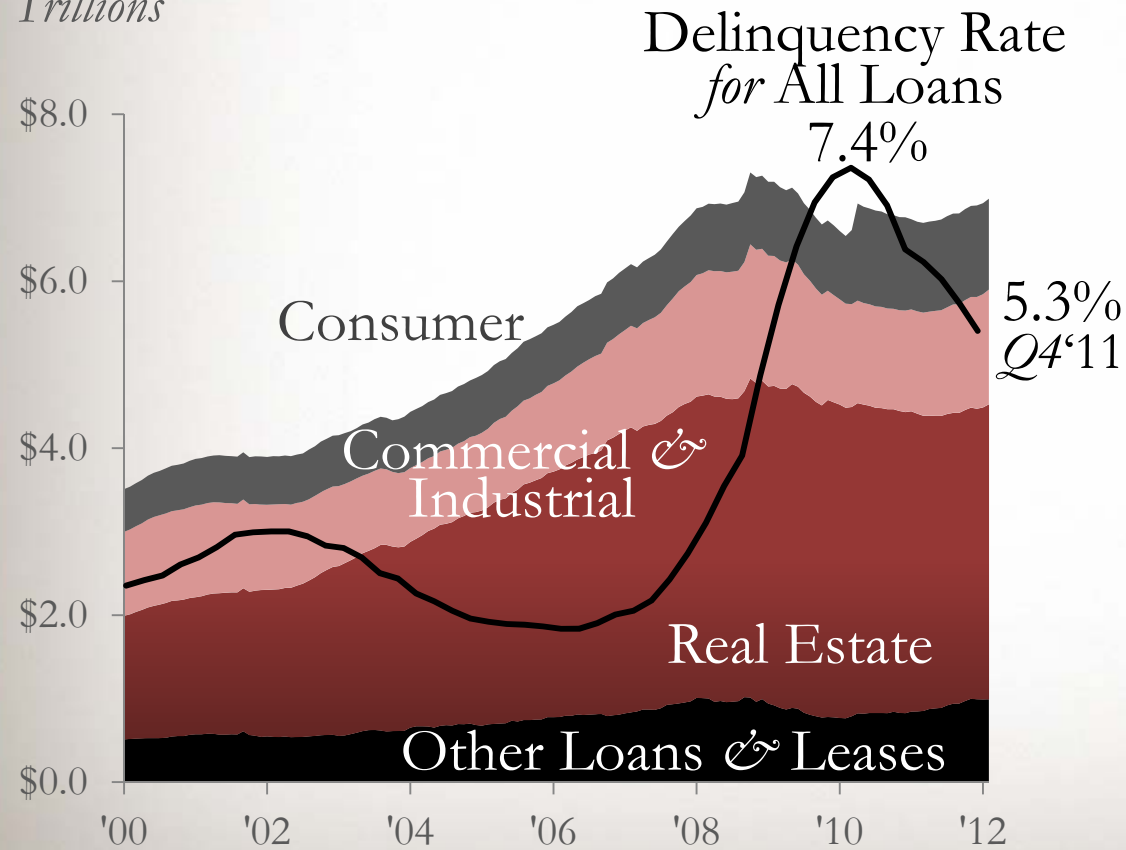


Source: Organization for Economic Co-operation & Development

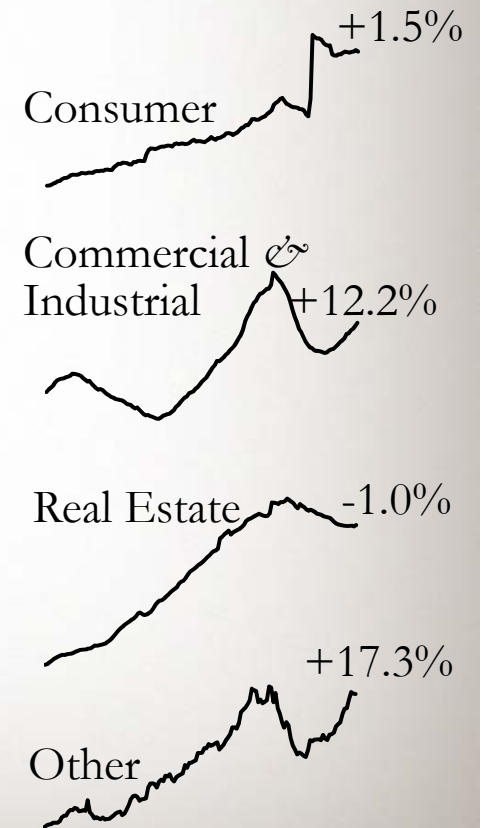
Banking Sector Health Improves

TOTAL LOANS & LEASES ALL COMMERCIAL BANKS

Trillions



LENDING TRENDS 2000 - Feb. 2012

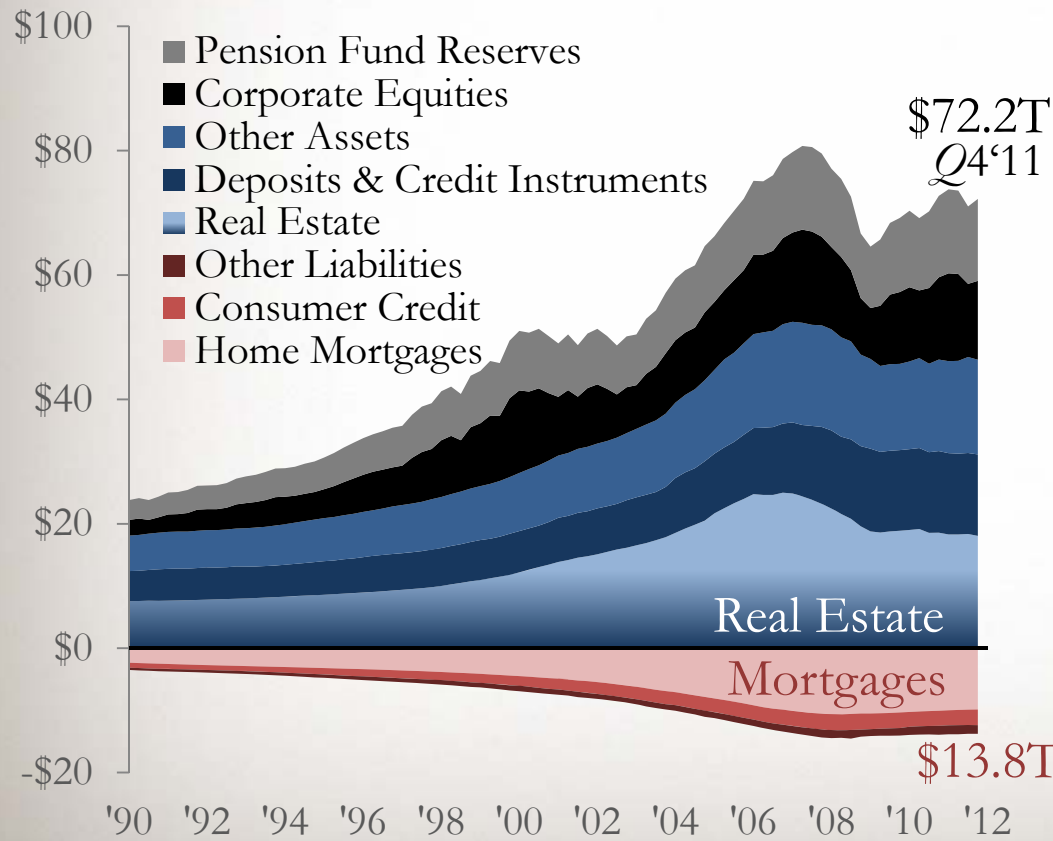


Source: Federal Reserve Board

Household Balance Sheet Gyration

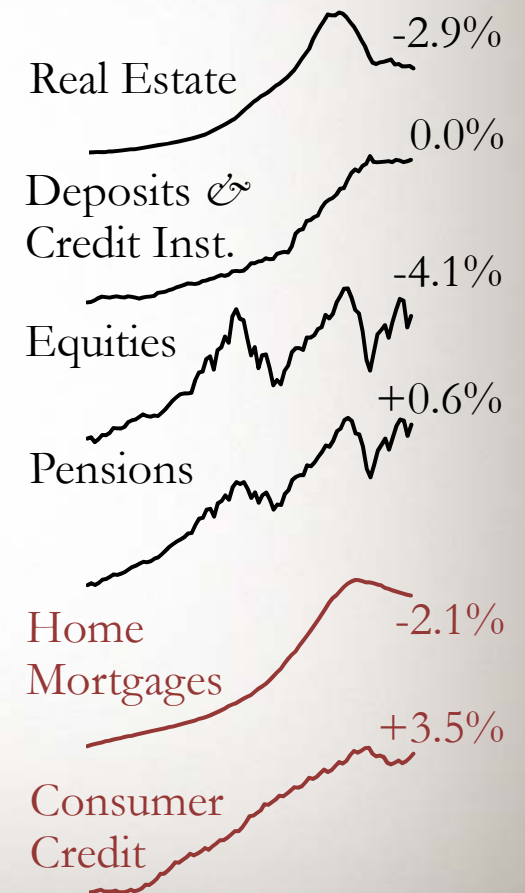
HOUSEHOLD & NONPROFIT BALANCE SHEETS

Trillions



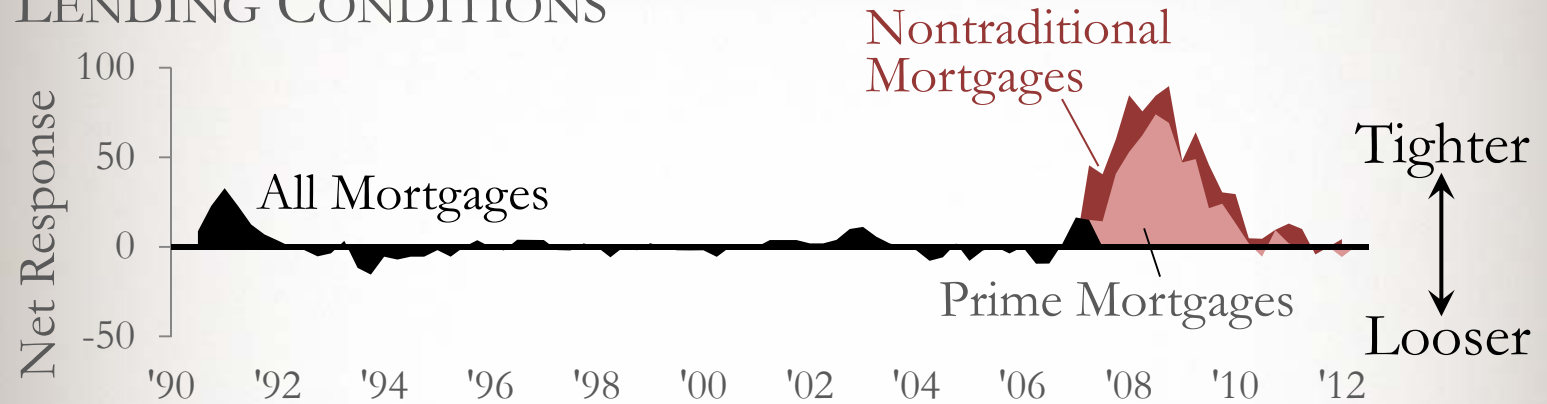
Source: Federal Reserve Board

SELECTED TRENDS 1990 – 2011Q4

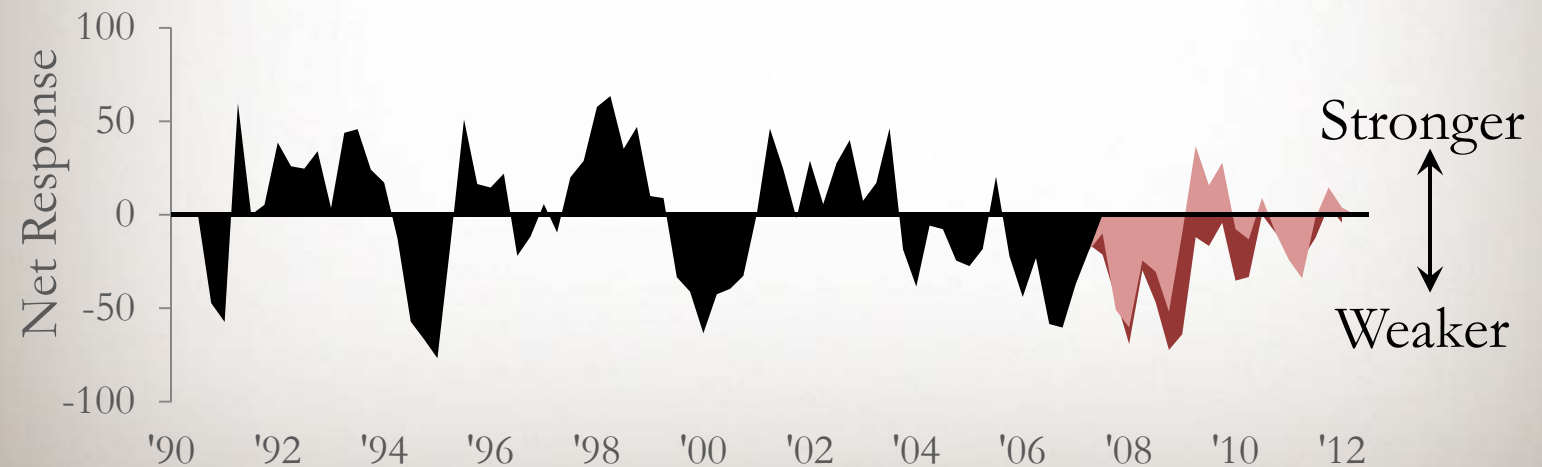


Mortgage Conditions Remain Tight

LENDING CONDITIONS



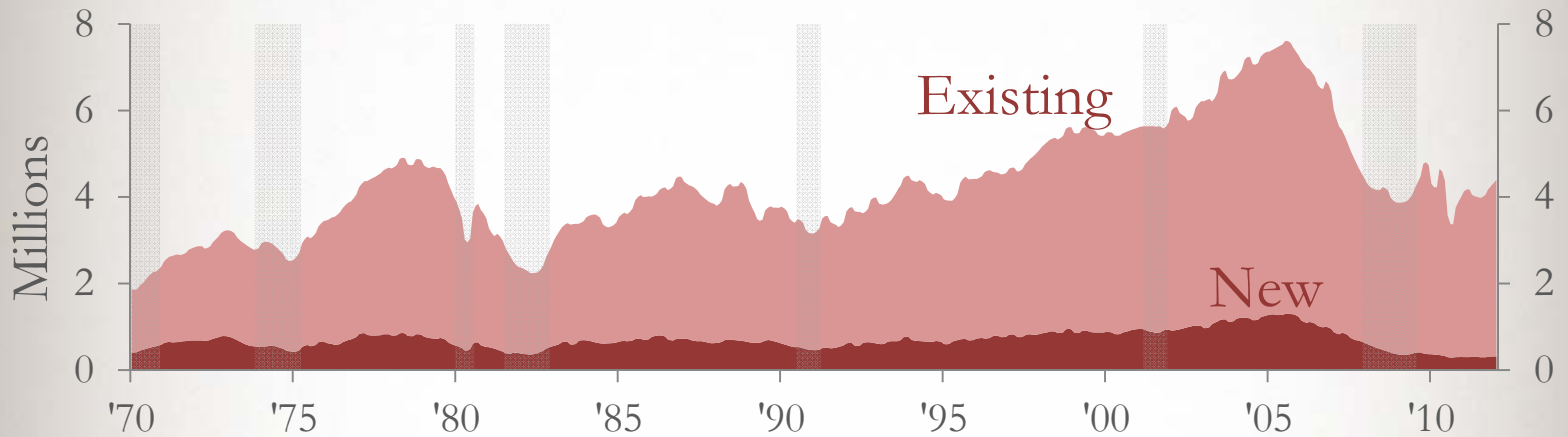
LOAN DEMAND



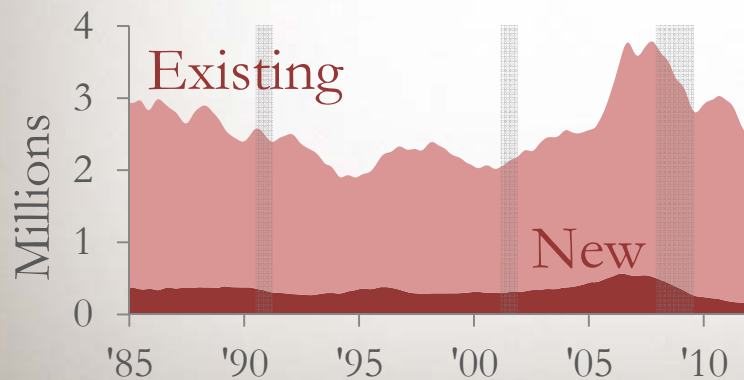
Source: Federal Reserve Board, Senior Loan Officer Survey

Home Supply & Demand Imbalance

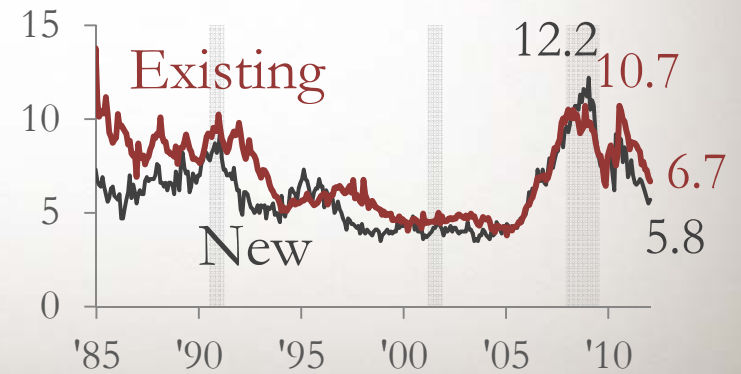
HOME SALES (ANNUAL RATE)



HOME INVENTORY



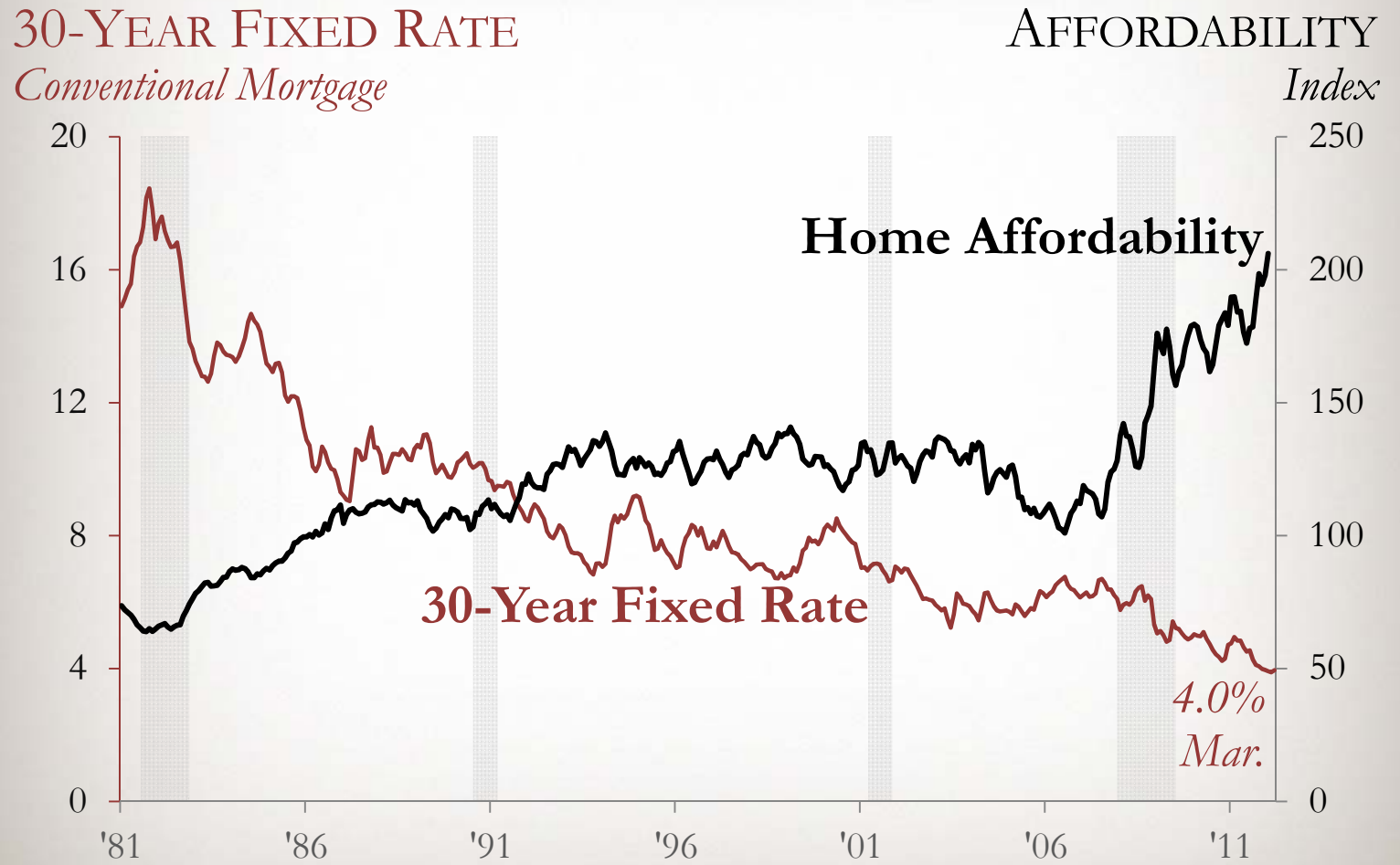
RATIO OF HOMES FOR SALE TO HOMES SOLD



Source: U.S. Census Bureau & National Association of Realtors

Home Affordability *at* Record High

2012 REGULATORY UPDATE SEMINARS
FEDERAL RESERVE BANK OF KANSAS CITY

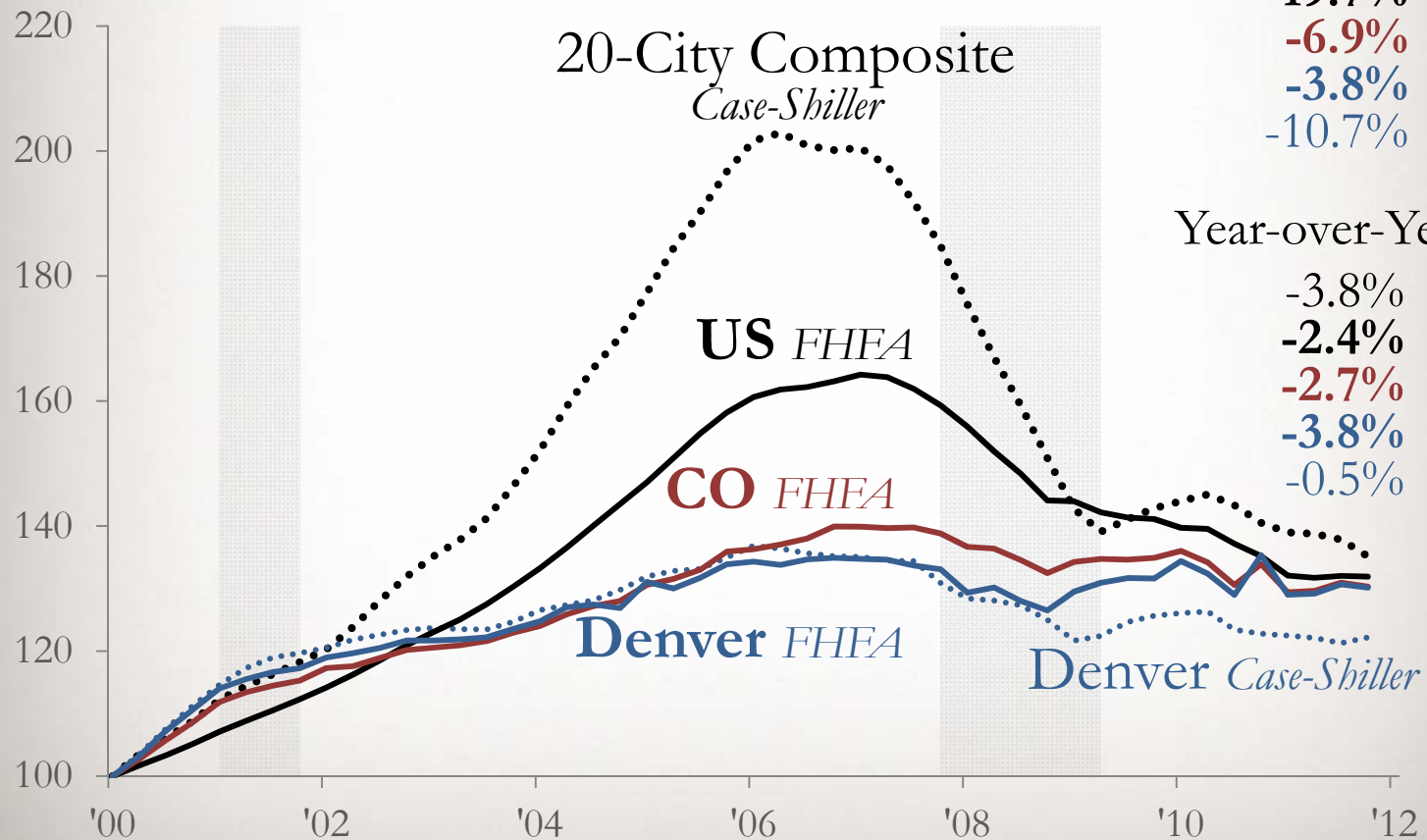


Source: Federal Reserve Board & National Association of Realtors

Home Prices Remain Soft

HOME PRICES

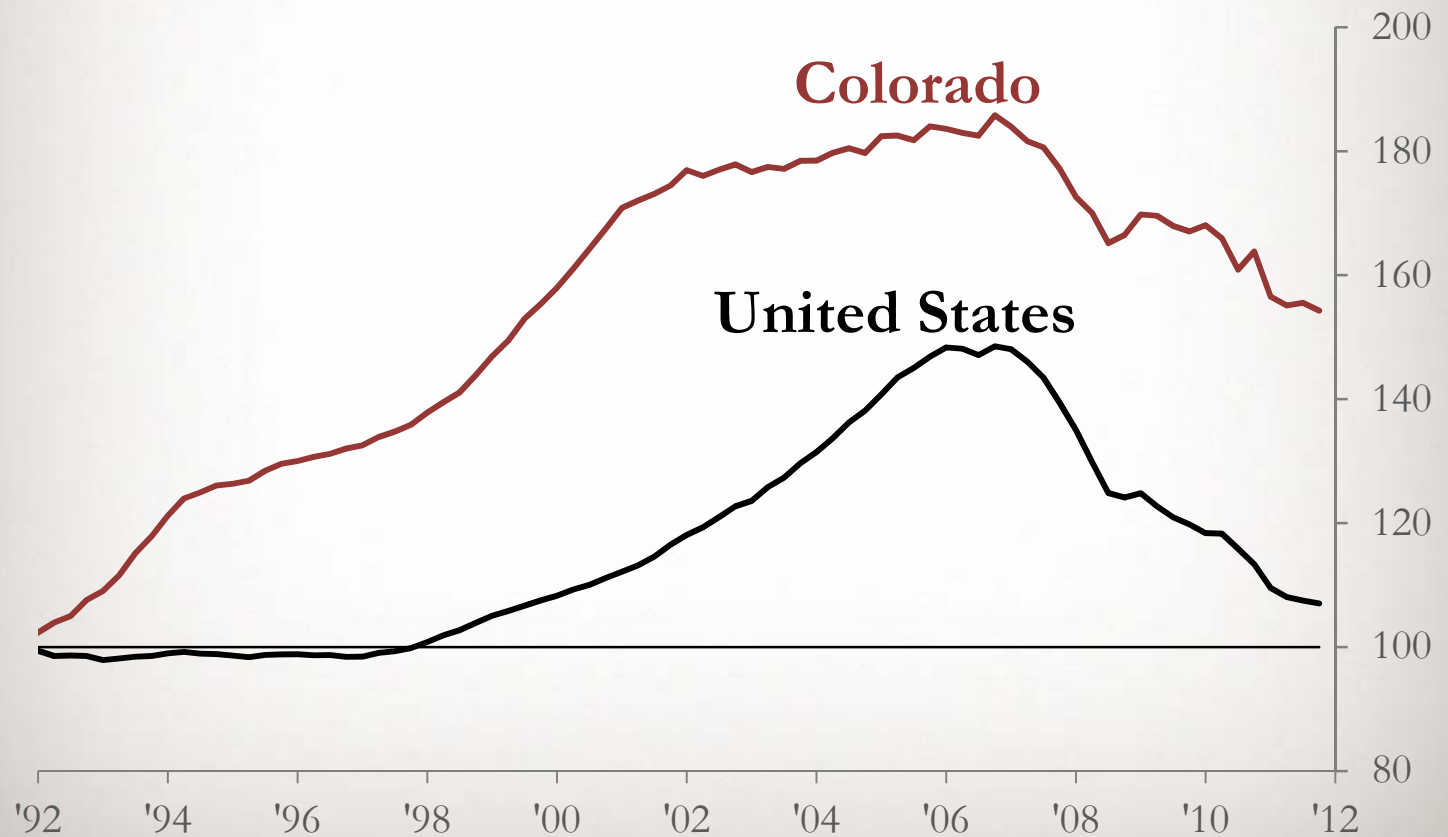
Indexes (Jan. '00 = 100)



Source: Standard & Poor's & Federal Housing & Finance Association

Home Price Gains Revert *to* Inflation

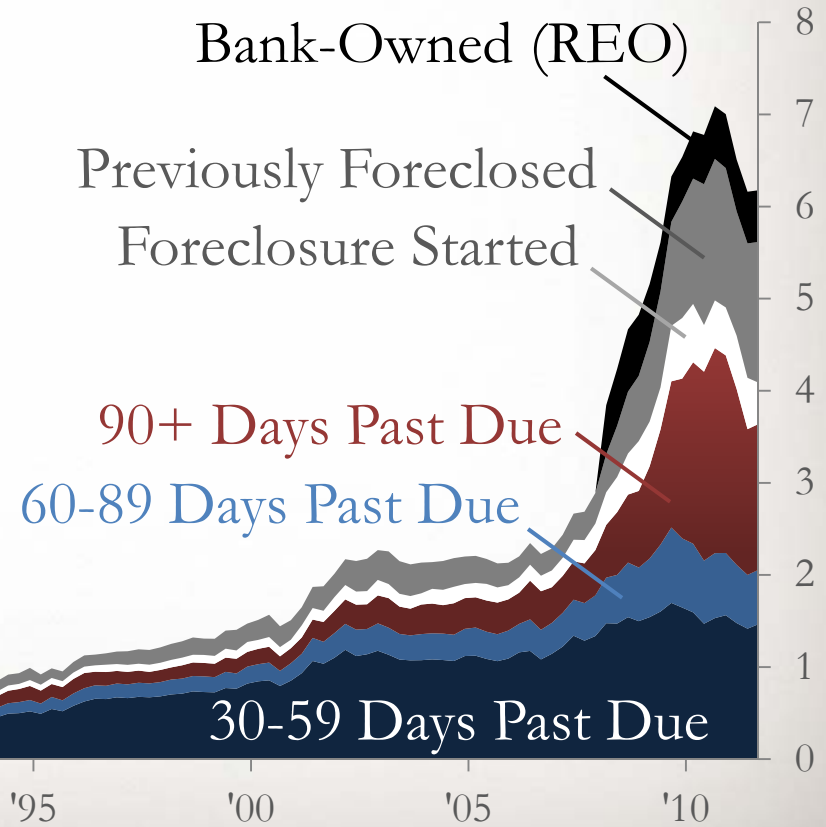
INFLATION-ADJUSTED HOME PRICES
Index (Jan. '91 = 100)



Source: Federal Housing & Finance Association & Bureau of Labor Statistics

Delinquency & Foreclosure Pipeline Full

DELINQUENT MORTGAGES *Millions of Housing Units*



Source: Mortgage Bankers Association & Barclays

U.S. & Colorado *Economic Conditions & Outlook*

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This presentation will be available at:
<http://www.KansasCityFed.org/Denver>

²⁰¹²
Regulatory Update
— SEMINAR —
Federal Reserve Bank of Kansas City