



Index of local economic activity up in June

By David Milstead, Rocky Mountain News

Friday, September 21, 2007

An index of economic activity increased slightly in June, the second consecutive month of gains after an April decline.

The Denver Metro Chamber of Commerce/Rocky Mountain News historic index increased to 132.9 from 132.8 in the previous June's reading was 1.5 percent higher than the June 2006 level of 131.0.

The two components of the historic index, employment and retail sales, improved during the month.

Retail sales, as measured by inflation-adjusted sales-tax receipts, increased 7.0 percent between May and June. June sales were up 2.7 percent over June 2006. Each of the seven counties in the Denver-Boulder area reported a year-over-year increase in sales in June.

Total employment in the 11-county Denver-Boulder region increased by 10,600 jobs from May to June, making June's job count 1.5 percent above June 2006. However, June was the fourth-straight month of slowing in the metro area's year-over-year job growth rate.

The leading portion of the index, an indicator of conditions six to nine months down the road, did not change from May to June, staying at 101.0. Three of the index's seven components moved in a positive direction, when their 12-month averages are compared with the 12 months ended in June 2006.

"Not unlike the U.S. leading index, the metro-Denver index has seen a flattening trend in recent months, as the strength of some index components has been offset by the weakness of others," said Patty Silverstein of Development Research Partners, the purveyor of the index.

Some highlights:

Single-family home permits rose from 1,426 in May to 1,739 in June. But on a year-to-date basis, the number of metro-Denver permits was down nearly 29 percent from the same period last year.

The number of first-time unemployment claims filed in metro Denver decreased from 1,080 in May to 932 in June. Claims for the area are down 1 percent for the 12 months ended in June.

The average weekly manufacturing hours worked in metro Denver were unchanged between May and June at 41.9. Manufacturing hours increased 2 percent in the 12 months ended in June.

The latest Manpower Employment Outlook Survey suggests a slowdown in hiring.

Finance Editor David Milstead can be reached at milstead@RockyMountainNews.com or 303-954-2648.

© Rocky Mountain News