

MACRO Report: **Review of Wyoming's Economy**



Economic Update **as of September 30, 2014**

The MACRO Report is a quarterly publication comprised of charts focusing on energy, employment, state revenues, and other indicators pertaining to the state of Wyoming.

WYOMING MACRO Report

Summary: Economic indicators suggest growth for the state; oil production and tourism are bright spots.

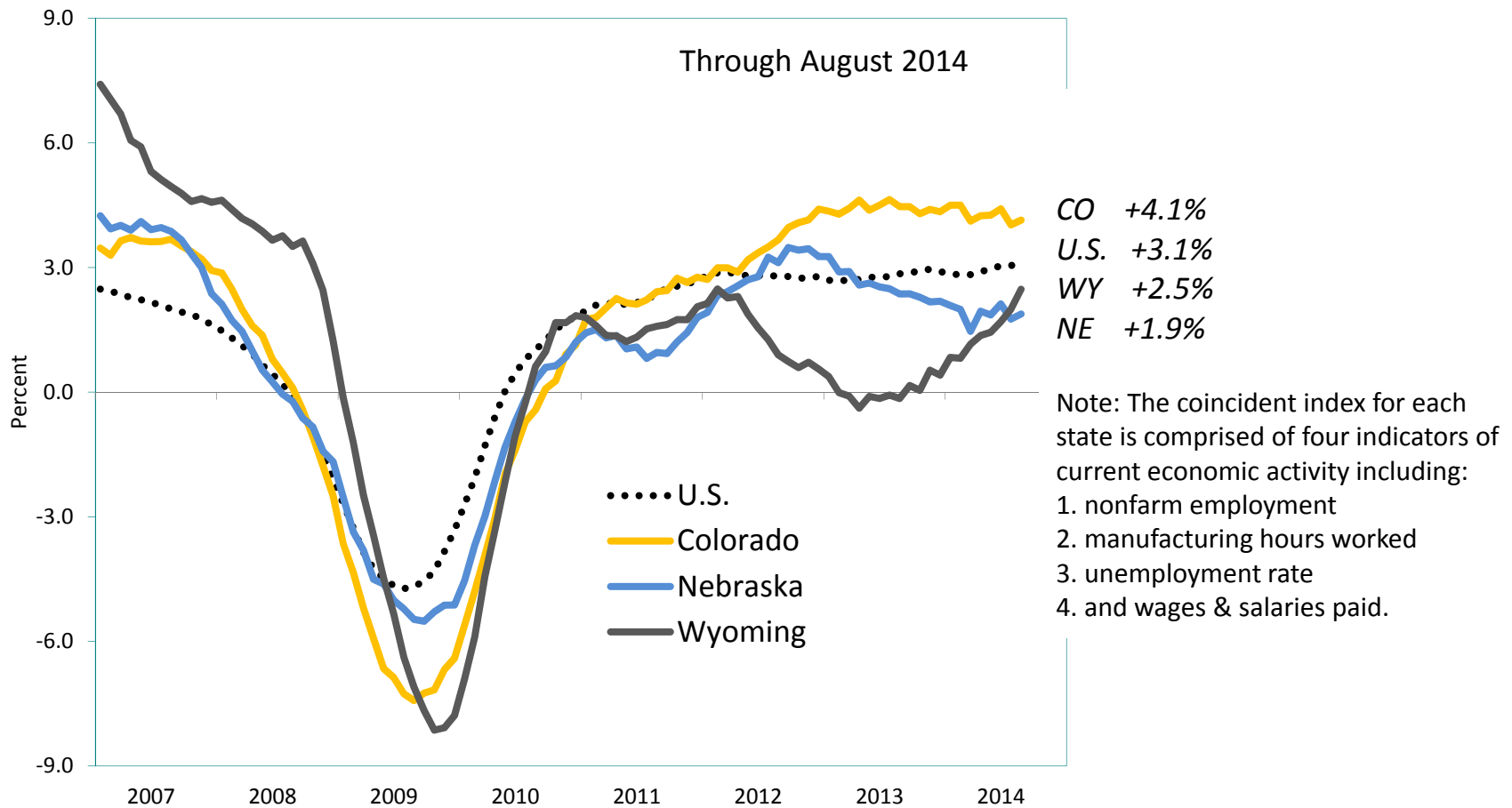
- **Employment** – Eight months of year-over-year moderate job growth in 2014; **retail trade, mining, and construction** created most of the new jobs in August (*seasonally adjusted-SA*); total nonfarm employment grew at a 1.2 percent pace.
- **Energy** – Oil production 16.9% ahead of last year; oil rig count increased to 37 in September, 3 higher than in August; oil applications for permit to drill increased by 73.1% compared to 2013; oil & gas jobs reached 18,000, 700 better than last year. Opal natural gas price for September averaged \$0.32 per mcf (+9.2%) higher than a year ago; WY coal production for 2014 running 1.2% behind 2013 pace after eight months.
- **Revenues** – For the first 3 months of FY 2015, state saw strong growth in sales and use tax collections at **12.3% ahead of last year**; the mining, retail trade, and construction sectors led the way; **Campbell, Laramie, and Natrona** counties accounted for most of the gains.
- **Enplanements, park visits, house price appreciation, personal income** – Air travel in the state **up by 1.7%** but only **Jackson, Casper, Cody, and Laramie** showed year-over-year gains through September. National Park visits ahead of last year's pace by 1.5%. Latest GDP data (Q4-2013) has WY at #2 in rate of growth; personal income improved in Q2 of 2014 over Q1. WY and the Mountain Division both demonstrated strong growth in house prices for Q2 of 2014.

The Wyoming Economy: The State's Economy is Trending Up

- The state is finally starting to catch up with growth seen by the U.S. and Colorado.

Coincident Index: WY, CO, NE, & U.S.

Year-over-Year Percent Change in Index Values



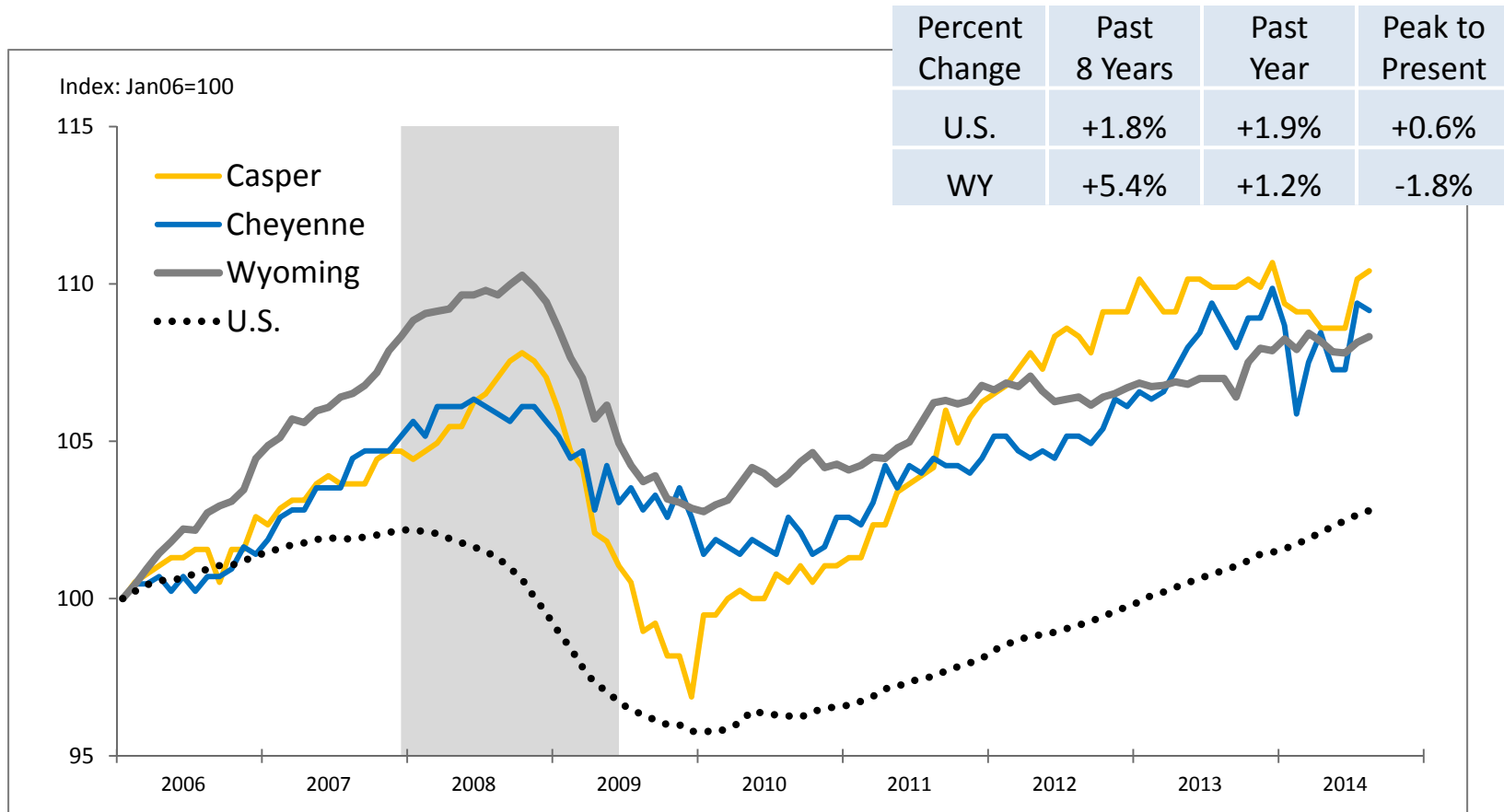
Source: Federal Reserve Bank of Philadelphia.



Employment: Wyoming Continues to Add Jobs

- The state has been consistently adding jobs since 2010 but has yet to reach peak employment levels of 2008.

Nonfarm Employment: Casper, Cheyenne, WY, & U.S. Seasonally Adjusted — Through August 2014

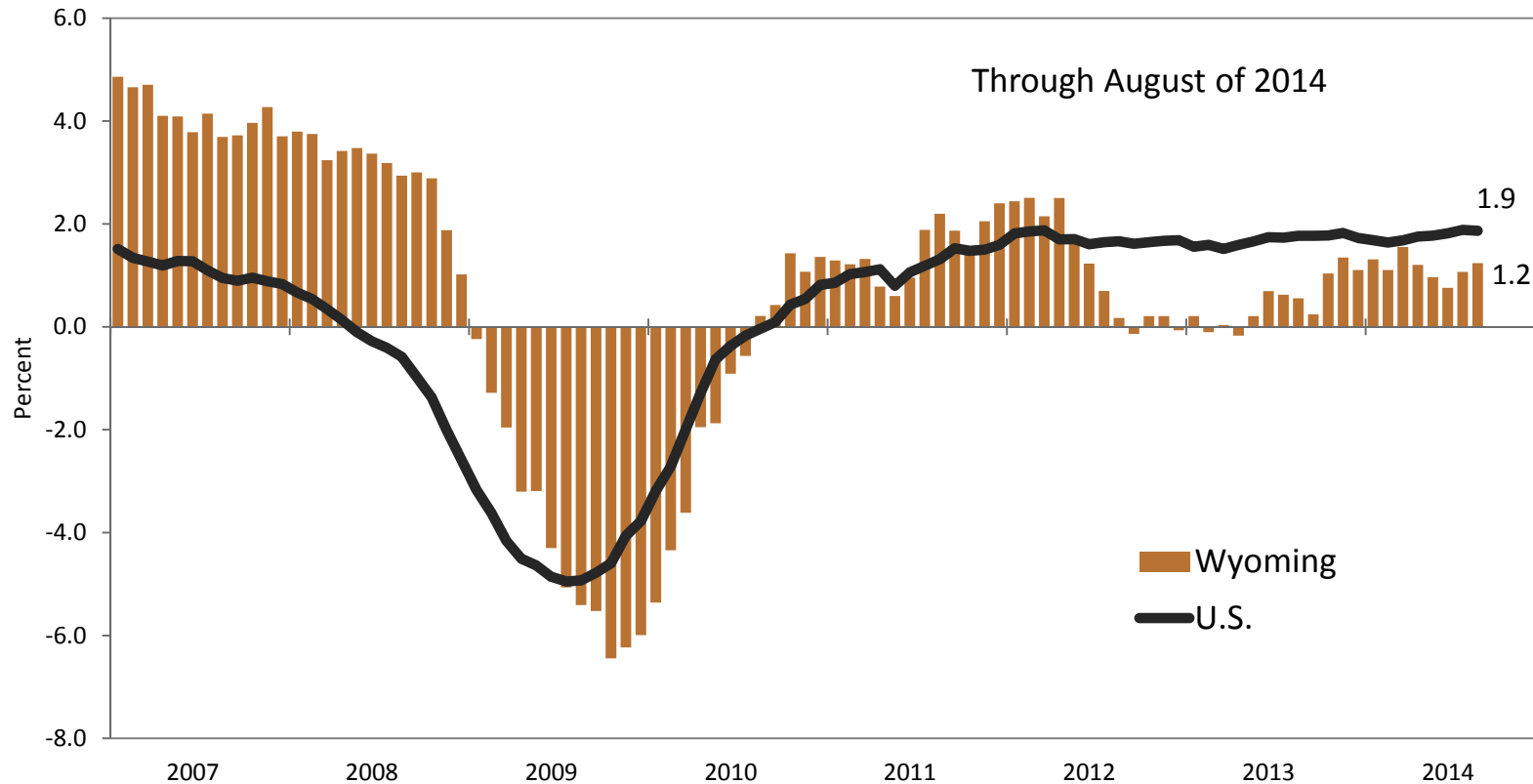


Source: Bureau of Labor Statistics.

Note: Shaded area represents recession.



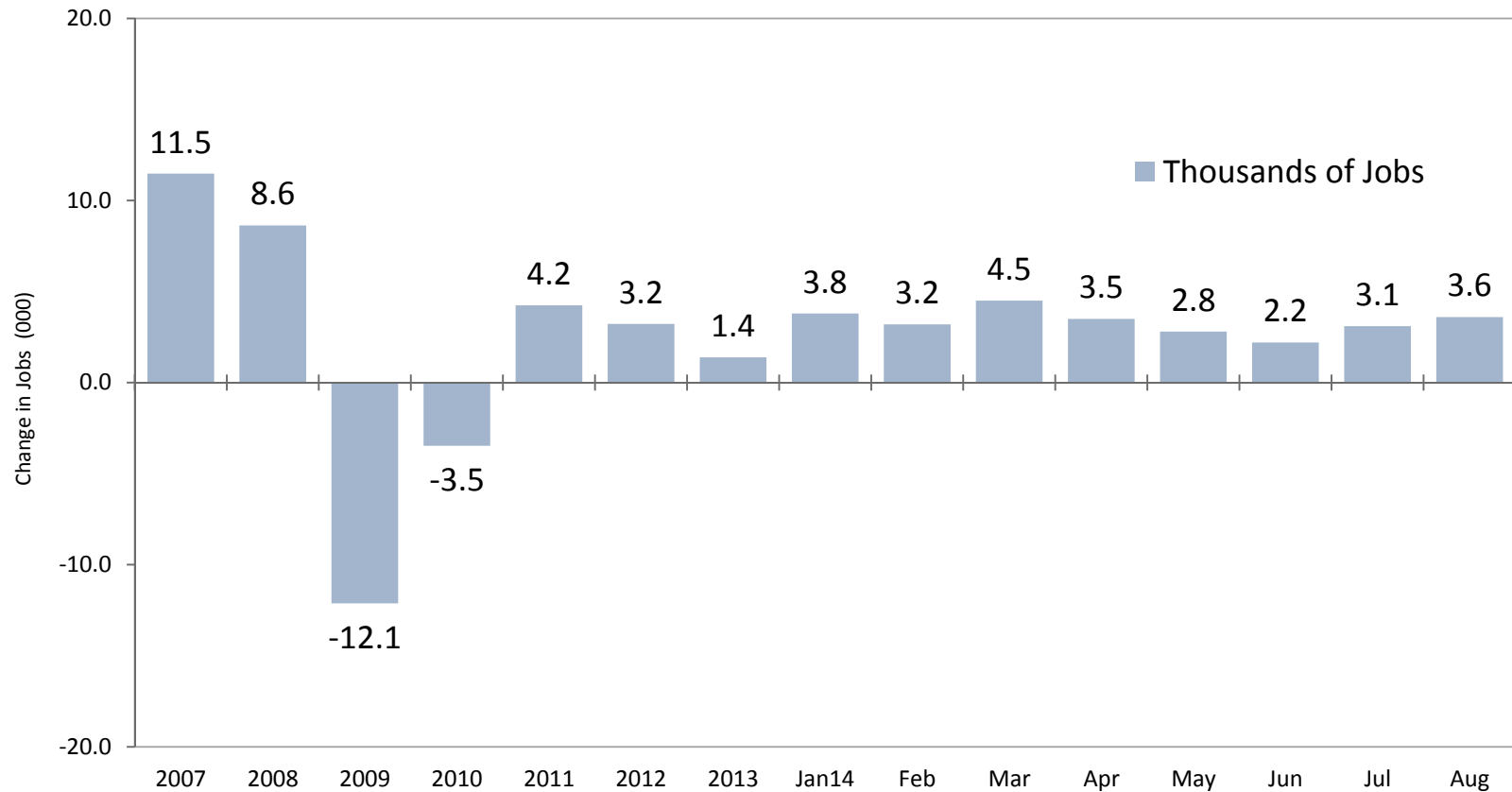
Total WY and U.S. Nonfarm Employment Year-over-Year Percent Change; Seasonally Adjusted



Source: Bureau of Labor Statistics.



Wyoming Employment Change: Number of Jobs Year-over-Year; Seasonally Adjusted

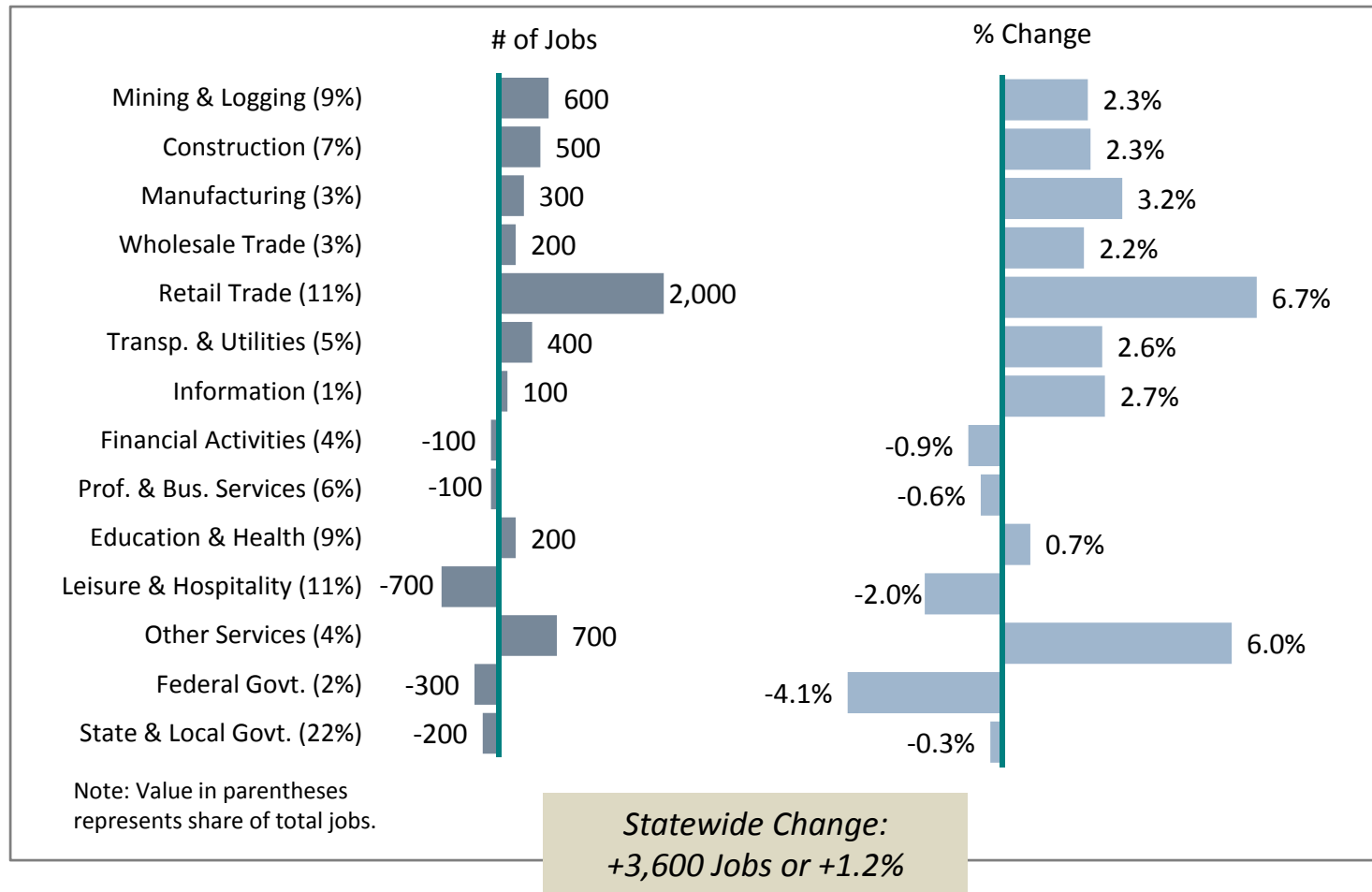


Source: Bureau of Labor Statistics.



WY Employment Change: Aug 2013 vs. Aug 2014

Year-over-Year; Seasonally Adjusted



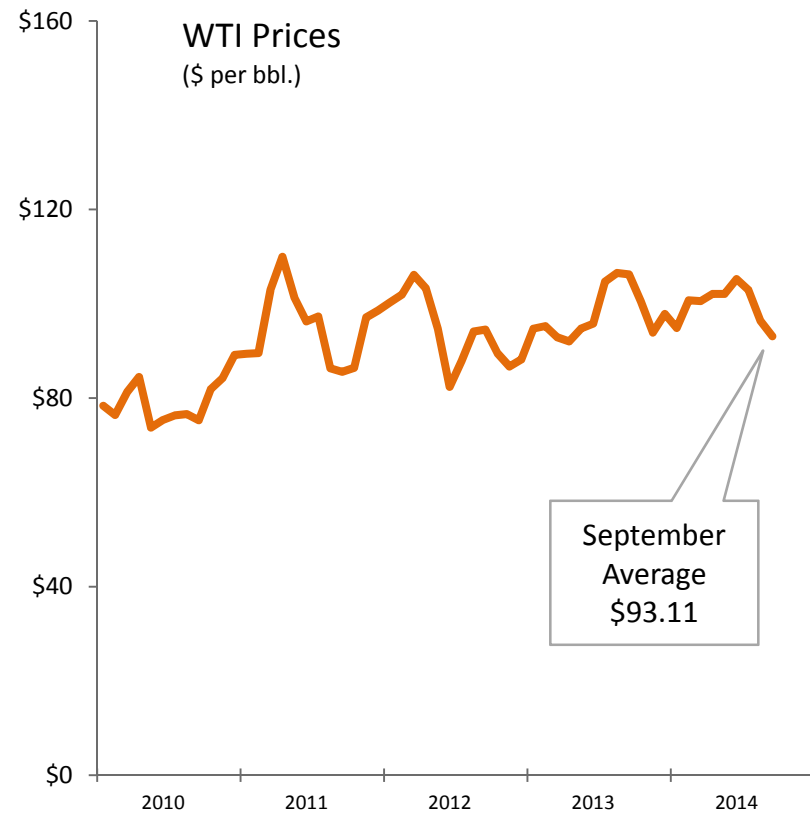
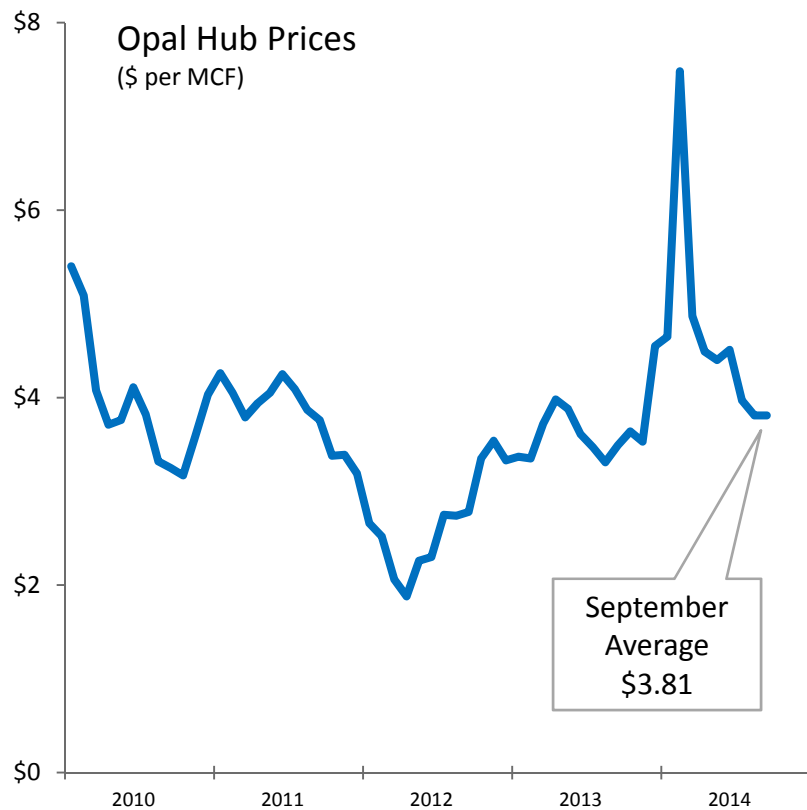
Source: Bureau of Labor Statistics.



Energy: Oil is Now Driving the Energy Sector in Wyoming

- Rig counts and applications for permits to drill mark the shift from natural gas extraction to oil.
- While oil production has been increasing, both natural gas and coal production were lagging in year ago comparisons.

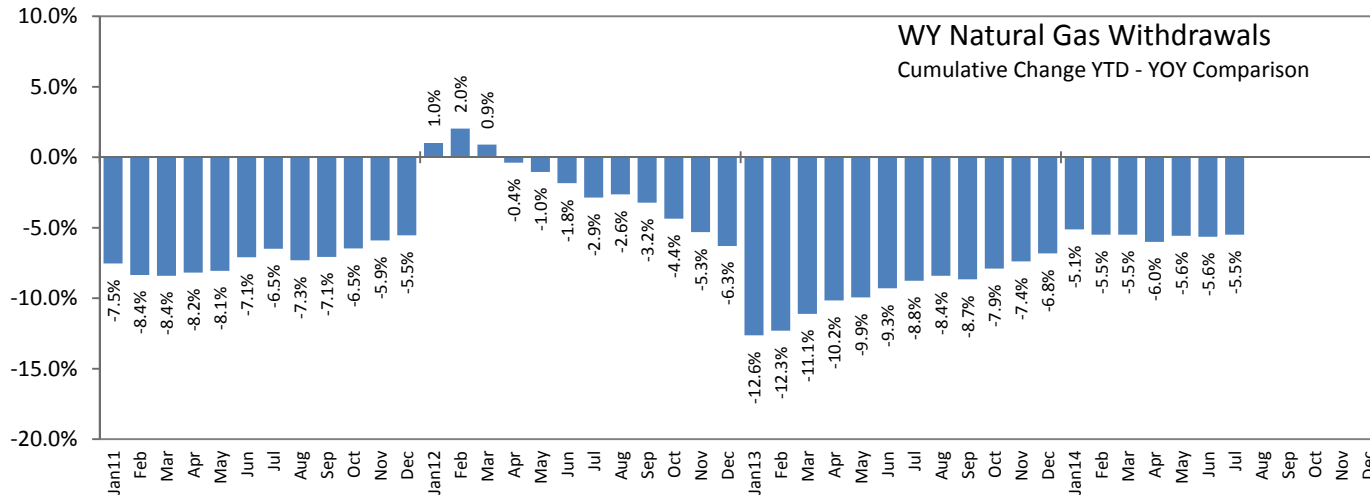
Natural Gas and Crude Oil Prices



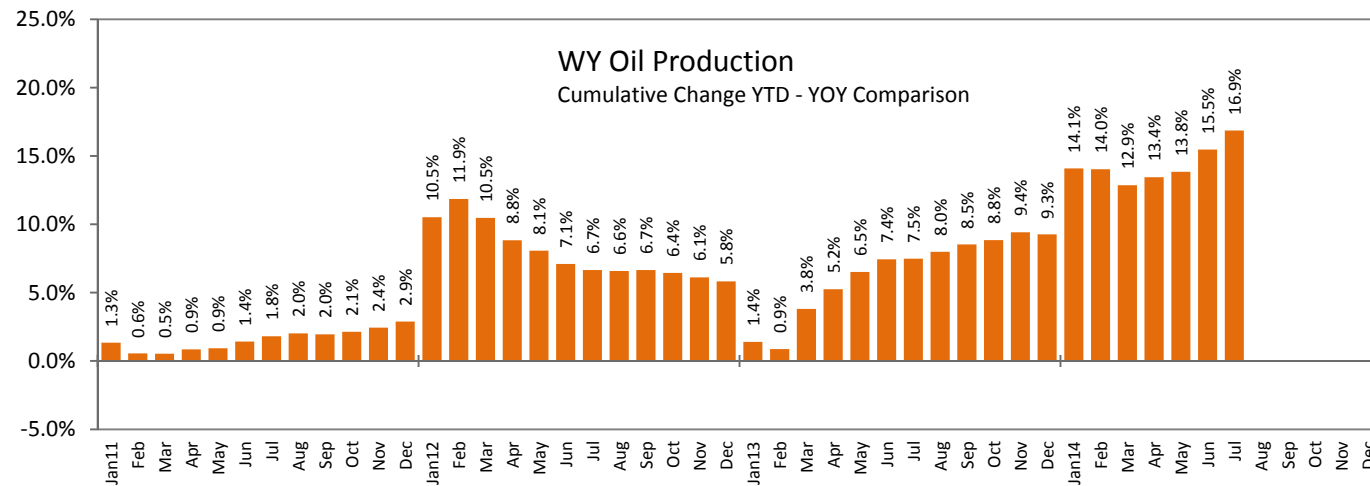
Source: Bloomberg.



WY Natural Gas and Oil Production



Natural Gas Totals
 CY14 TD: 1,155.9 bcf
 CY13: 2,073.8 bcf
 CY12: 2,225.6 bcf
 CY11: 2,375.3 bcf

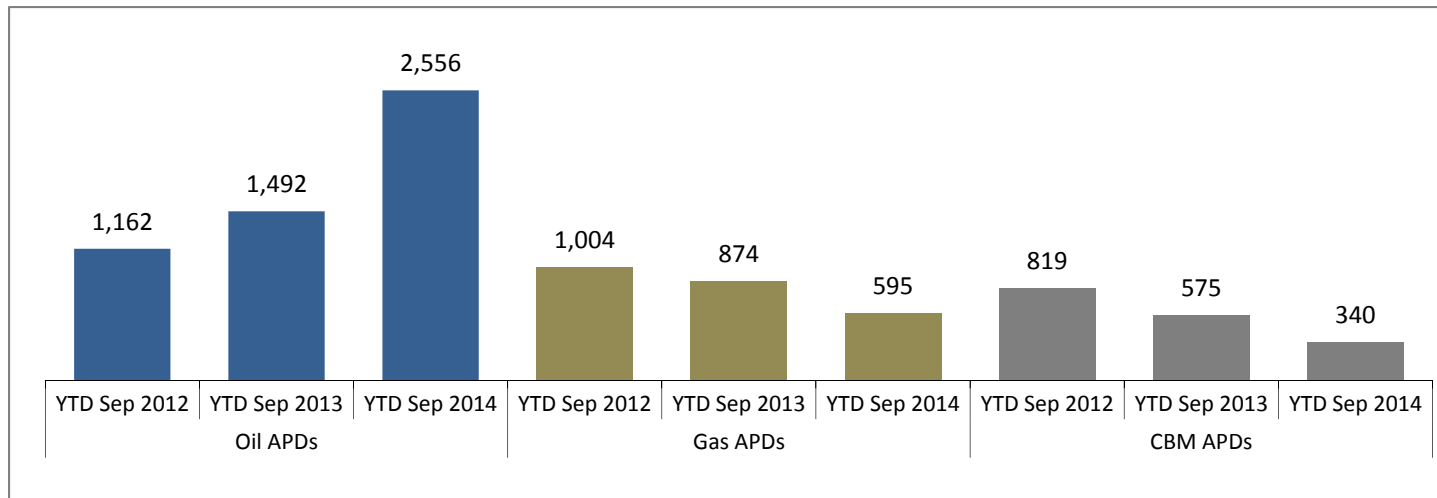
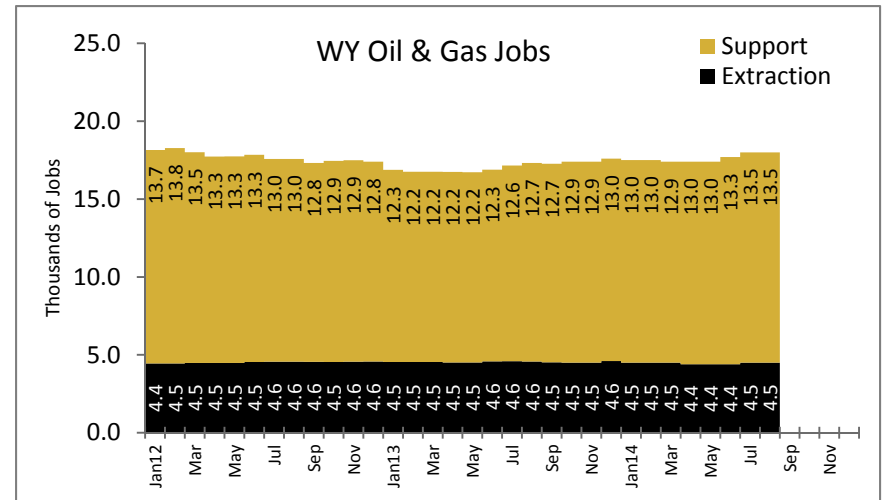
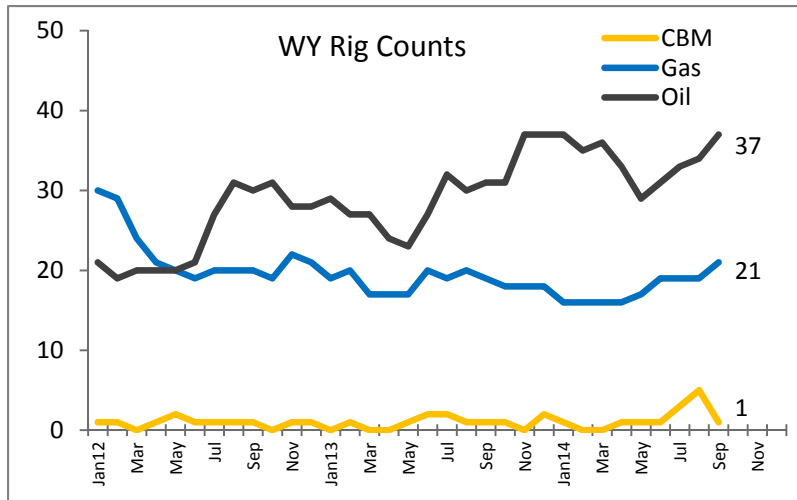


Oil Totals
 (Thousands of bbls.)
 CY14 TD: 41,869
 CY13: 63,194
 CY12: 57,837
 CY11: 54,651

Source: Energy Information Administration.



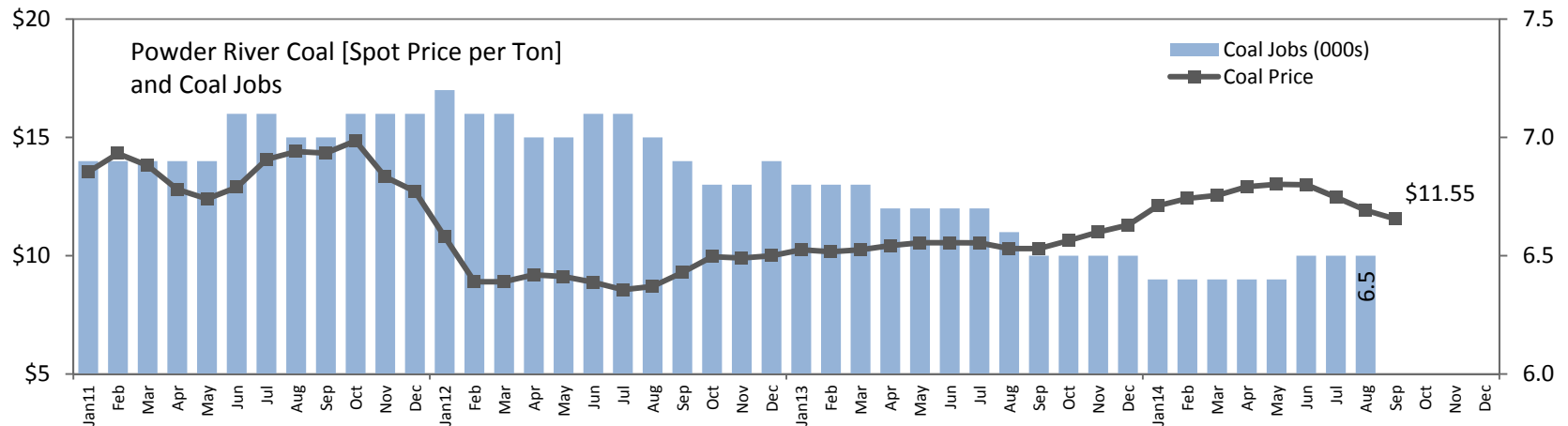
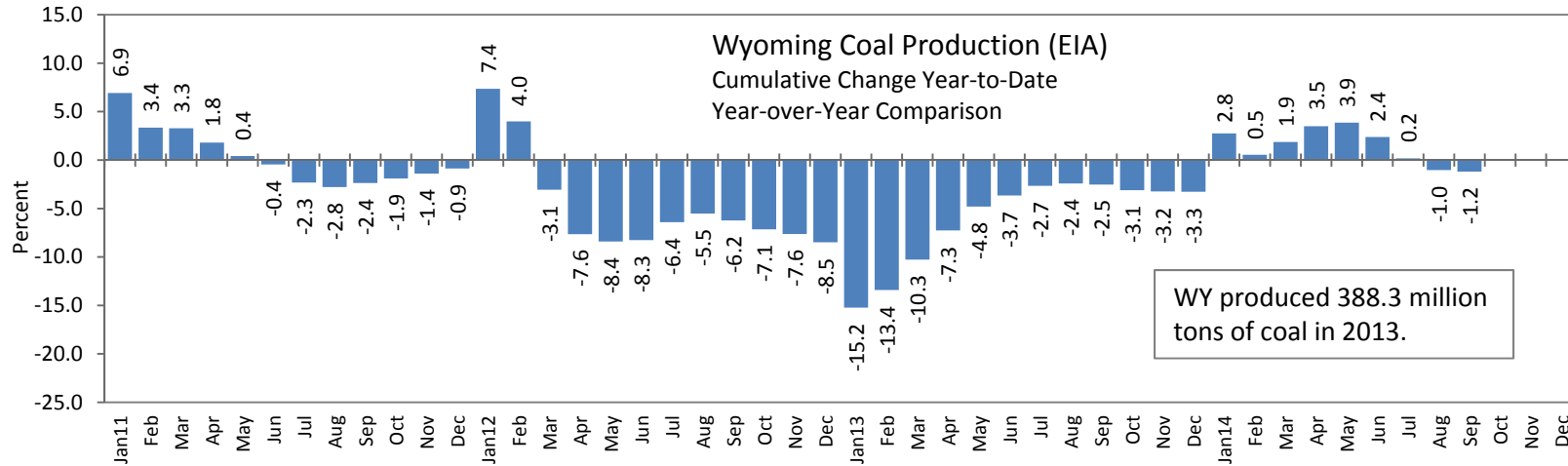
WY Rig Counts, Oil & Gas Jobs, and Applications for Permit to Drill (APDs)



Source: WY Oil and Gas Conservation Commission; Bureau of Labor Statistics.



WY Coal: Production, Prices, and Jobs



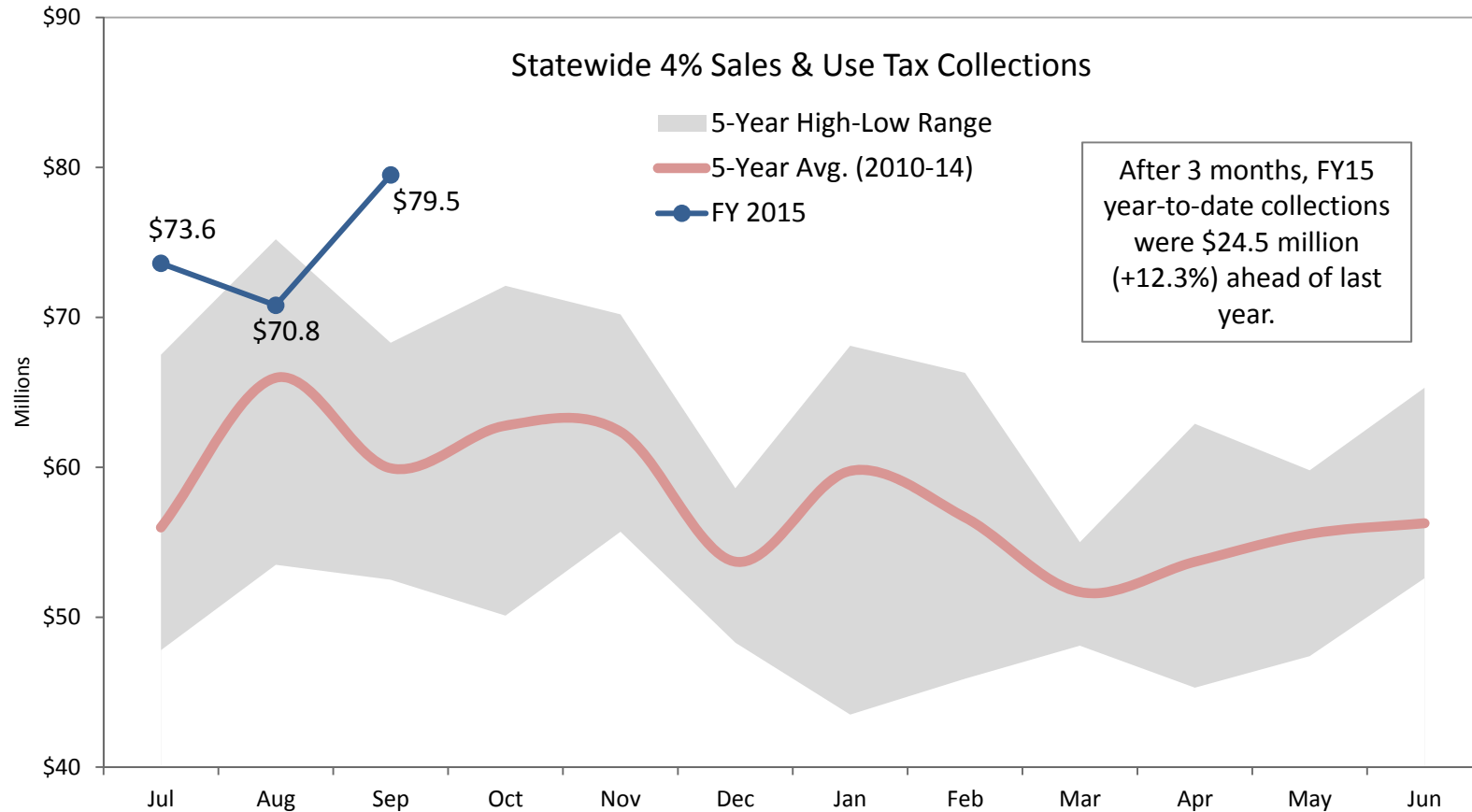
Source: Energy Information Administration; Bloomberg (Prices); Bureau of Labor Statistics.



State Revenues: Strong Pace for Sales and Use Tax Collections

- After three months of collections, fiscal 2015 is \$24.5 million ahead of last year.
- Purchases of supplies and services by the mining sector is driving the growth.

WY Statewide 4% Sales and Use Tax Collections



Source: WY Dept. of Revenue.

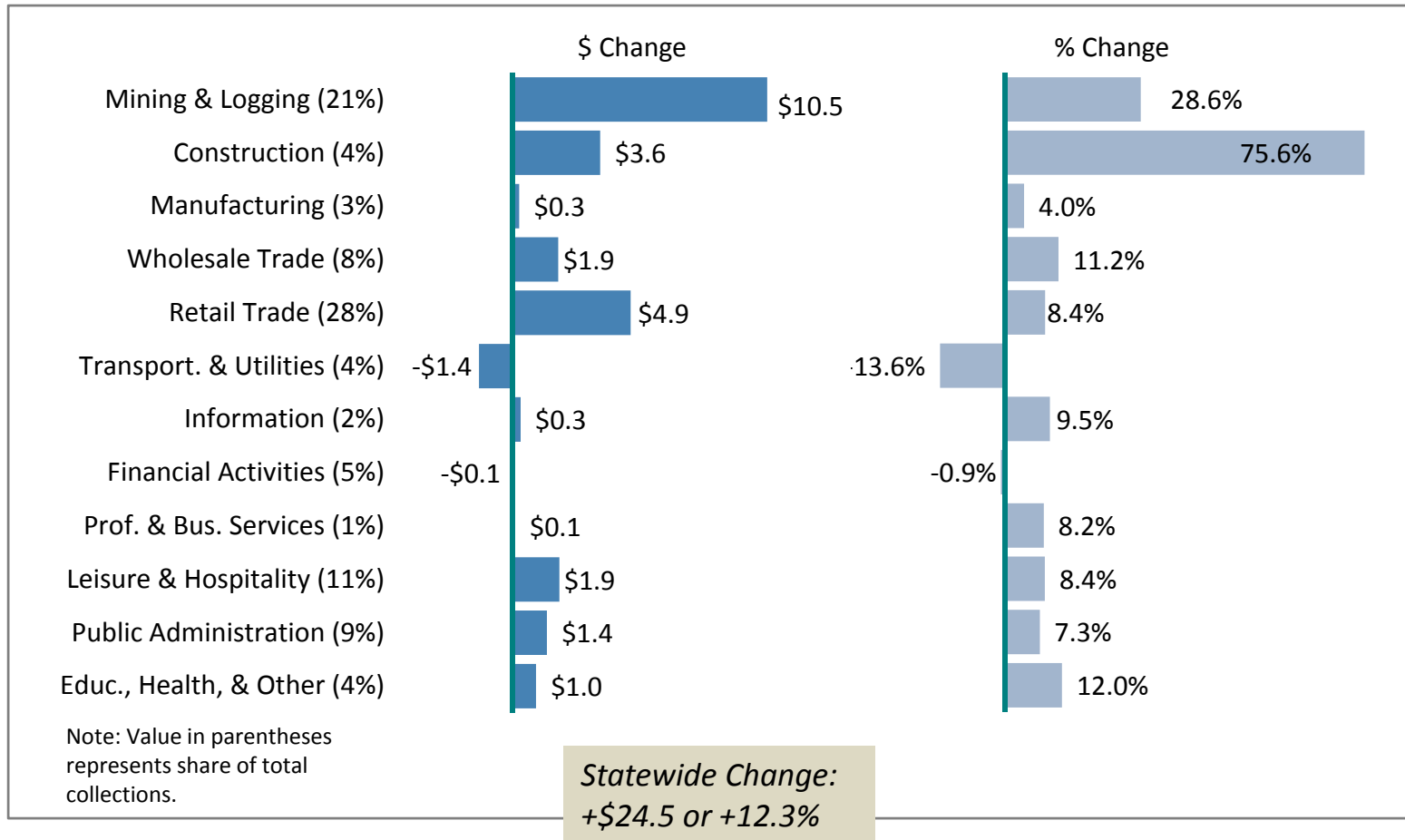
Note: Includes both the state and local shares of the state-wide 4% sales and use tax collections on a cash receipts basis.



WY Statewide 4% Sales and Use Tax Collections by Industry

Dollars (Millions) and Percent Change

Year-to-Date Fiscal 2015 vs. Fiscal 2014 — Three Months of Collections



Source: WY Dept. of Revenue.

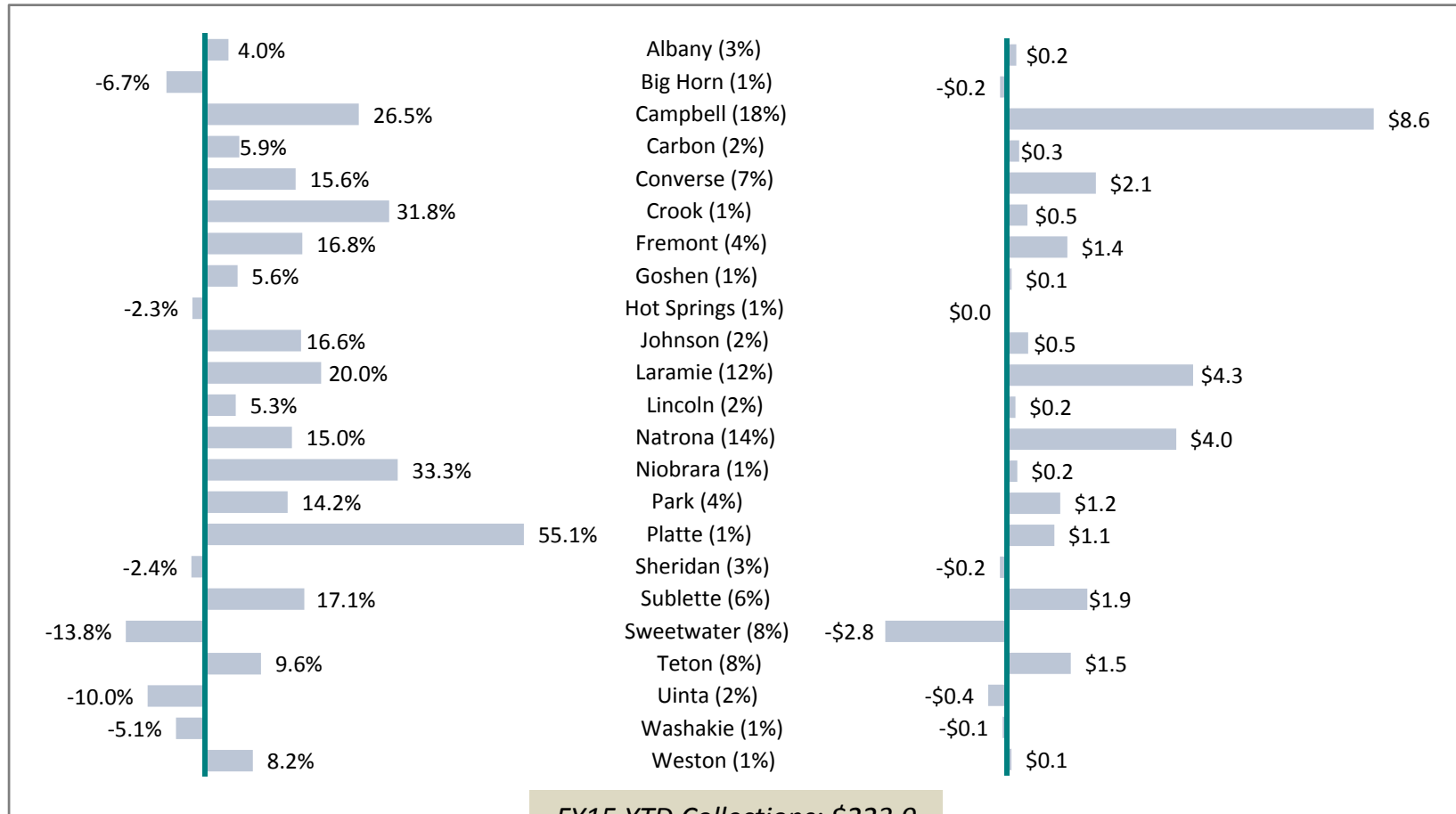
Note: Includes both the state and local shares of the state-wide 4% sales and use tax collections on a cash receipts basis.



WY Statewide 4% Sales and Use Tax Collections by County

Dollars (Millions) and Percent Change

Year-to-Date Fiscal 2015 vs. Fiscal 2014 — Three Months of Collections



FY15 YTD Collections: \$223.9

FY14 YTD Collections: \$199.4

Source: WY Dept. of Revenue.

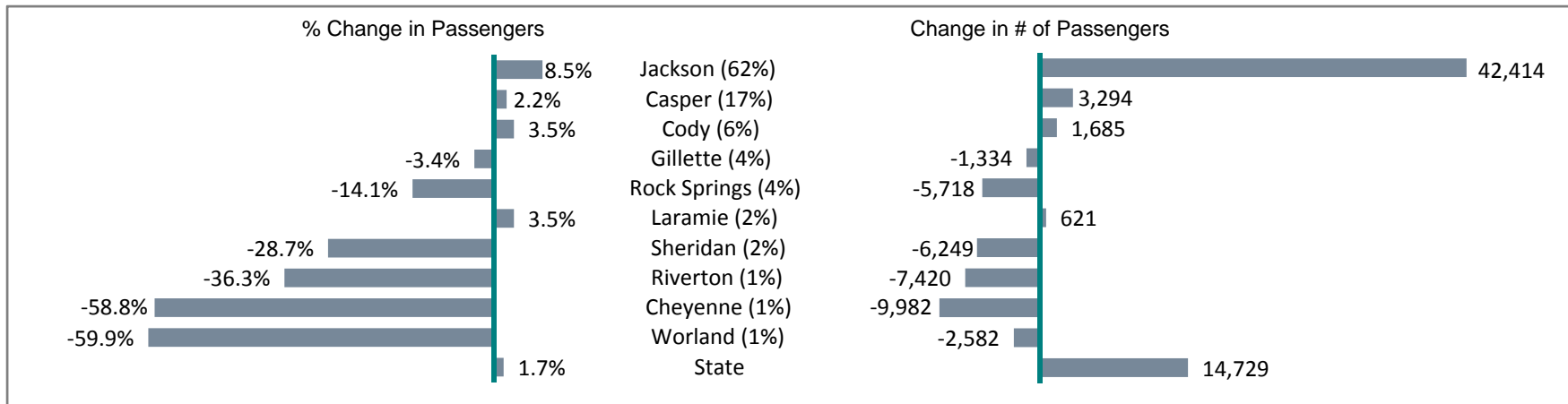
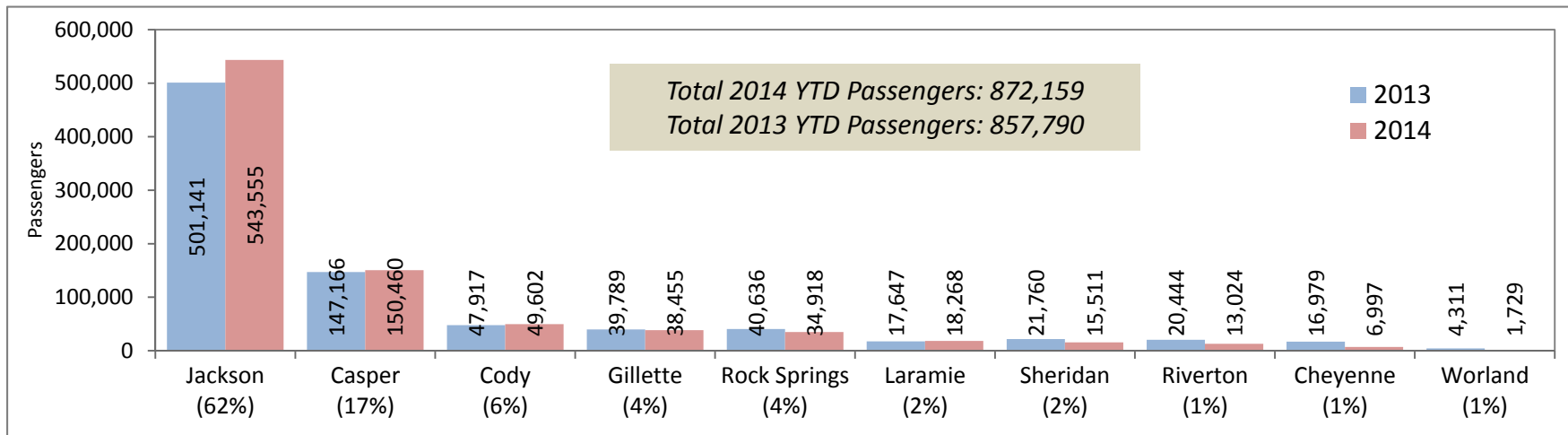
Note: Includes both the state and local shares of the state-wide 4% sales and use tax collections on a cash receipts basis. Value in parentheses represents share of total collections.



Other Indicators for the State: Enplanements, National Park Visits, GDP & Personal Income, and Housing

- Wyoming airports added over 14,000 passengers through the end of September compared to 2013.
- Yellowstone National Park visits ahead of last year by 5.7 percent through the end of September.
- Mining and manufacturing push the state to a #2 national ranking for GDP growth rate in Q4 of 2013.
- Home prices for Cheyenne, Casper, and the state record solid growth in Q2 of 2014.

Wyoming Commercial Airports — Passengers On & Off Calendar Year-to-Date through September: 2014 vs. 2013



Source: WY DOT – Aeronautics Division.

Note: Value in parentheses represents share of total passenger both leaving and arriving.



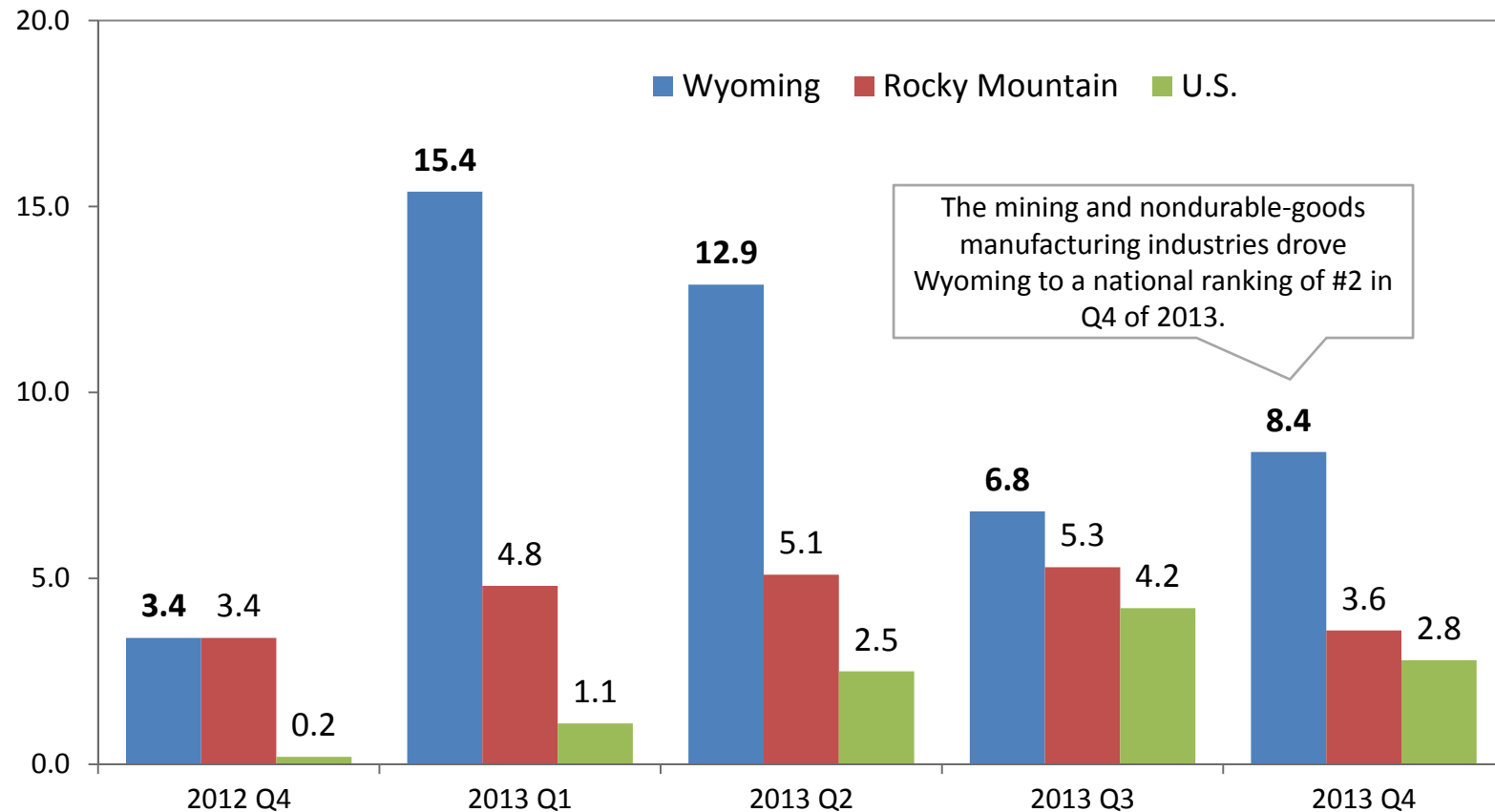
National Park Recreation Visits to Wyoming

National Park Recreation Visits	YTD	YTD	Difference	
	Sep 2013	Sep 2014		
Bighorn Canyon NRA	100,621	93,060	-7,561	-7.5%
Devils Tower NM	405,984	415,938	9,954	2.5%
Fort Laramie NHS	50,767	43,854	-6,913	-13.6%
Fossil Butte NM	17,005	15,263	-1,742	-10.2%
Grand Teton NP	2,545,463	2,565,347	19,884	0.8%
John D. Rockefeller, Jr. MEM PKWY	1,207,612	1,197,675	-9,937	-0.8%
Yellowstone NP - WY Entrances	1,524,842	1,611,513	86,671	5.7%
Wyoming Total	5,852,294	5,942,651	90,357	1.5%

Source: National Park Service Public Use Statistics Office.



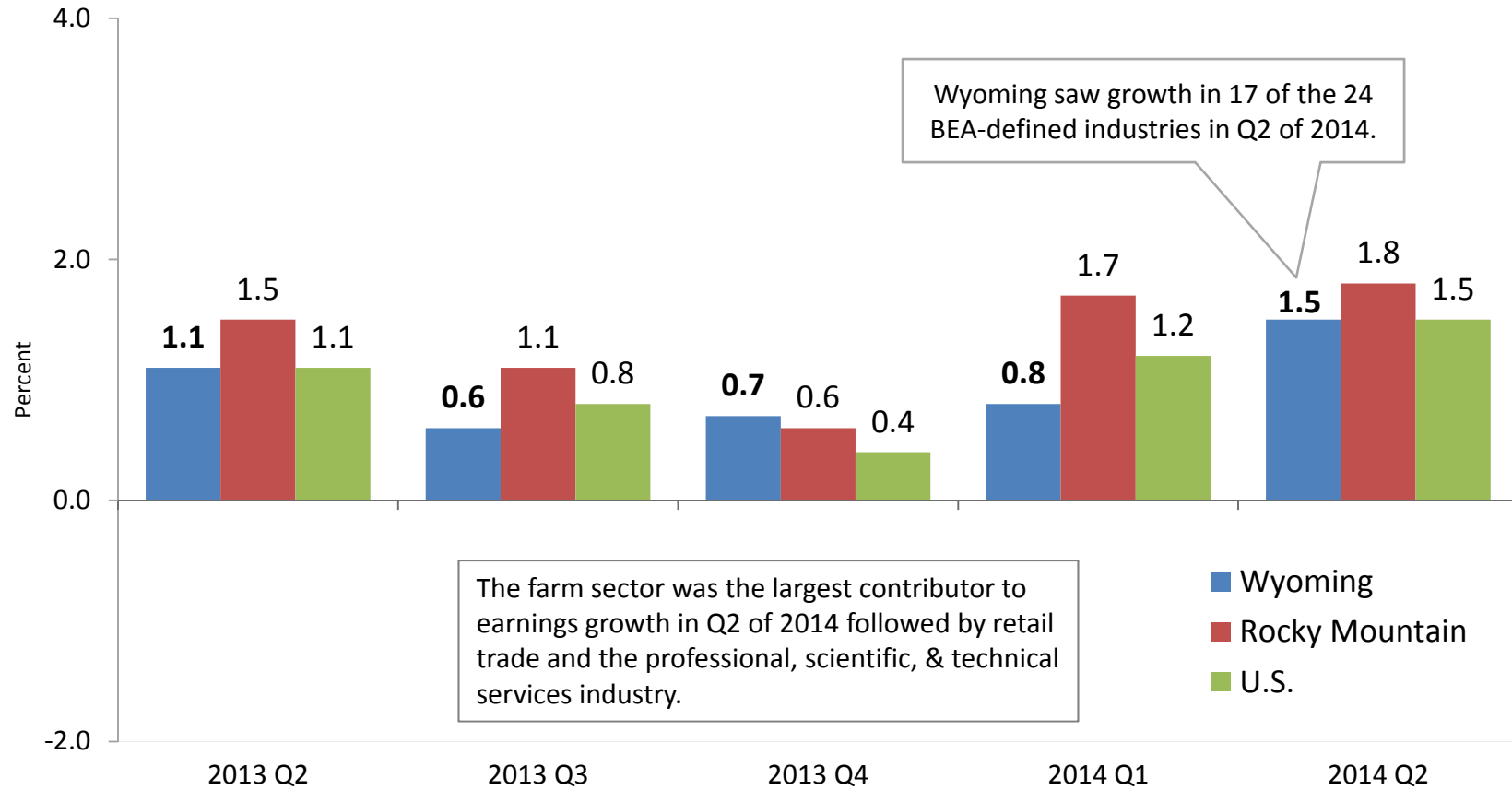
Real Gross Domestic Product (GDP): WY, Rocky Mtn. Region, & U.S. Percent Change from Preceding Quarter - Annualized



Source: Bureau of Economic Analysis.



Quarterly Personal Income: WY, Rocky Mtn. Region, & U.S. Percent Change from Preceding Quarter

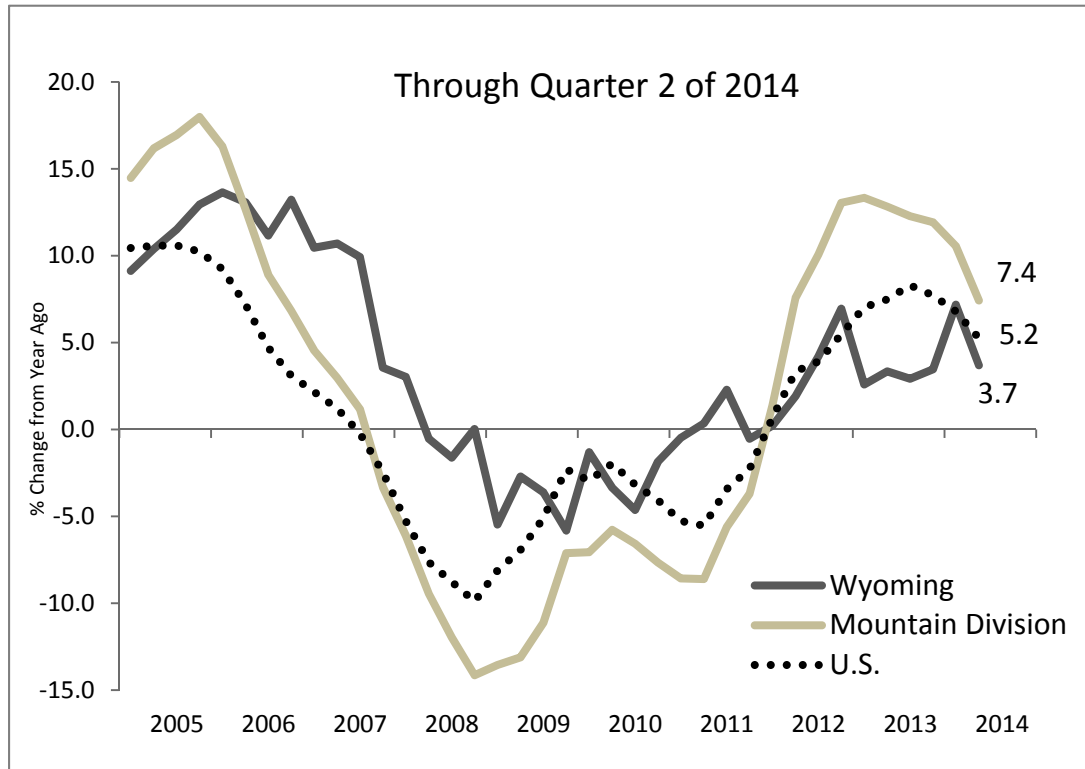


Source: Bureau of Economic Analysis.



House Price Appreciation

Purchase-Only Mortgages: WY, Mountain Division, & U.S.



2014Q2 vs. 2013Q2		
	<u>1-Yr. Rate</u>	<u>Rank</u>
Nevada	+14.8%	1
Arizona	+8.4%	5
Colorado	+7.8%	8
Idaho	+6.6%	12
Utah	+5.2%	16
Montana	+4.0%	24
Wyoming	+3.7%	27
New Mexico	+1.4%	45
Mtn Division	+7.4%	
U.S.	+5.2%	

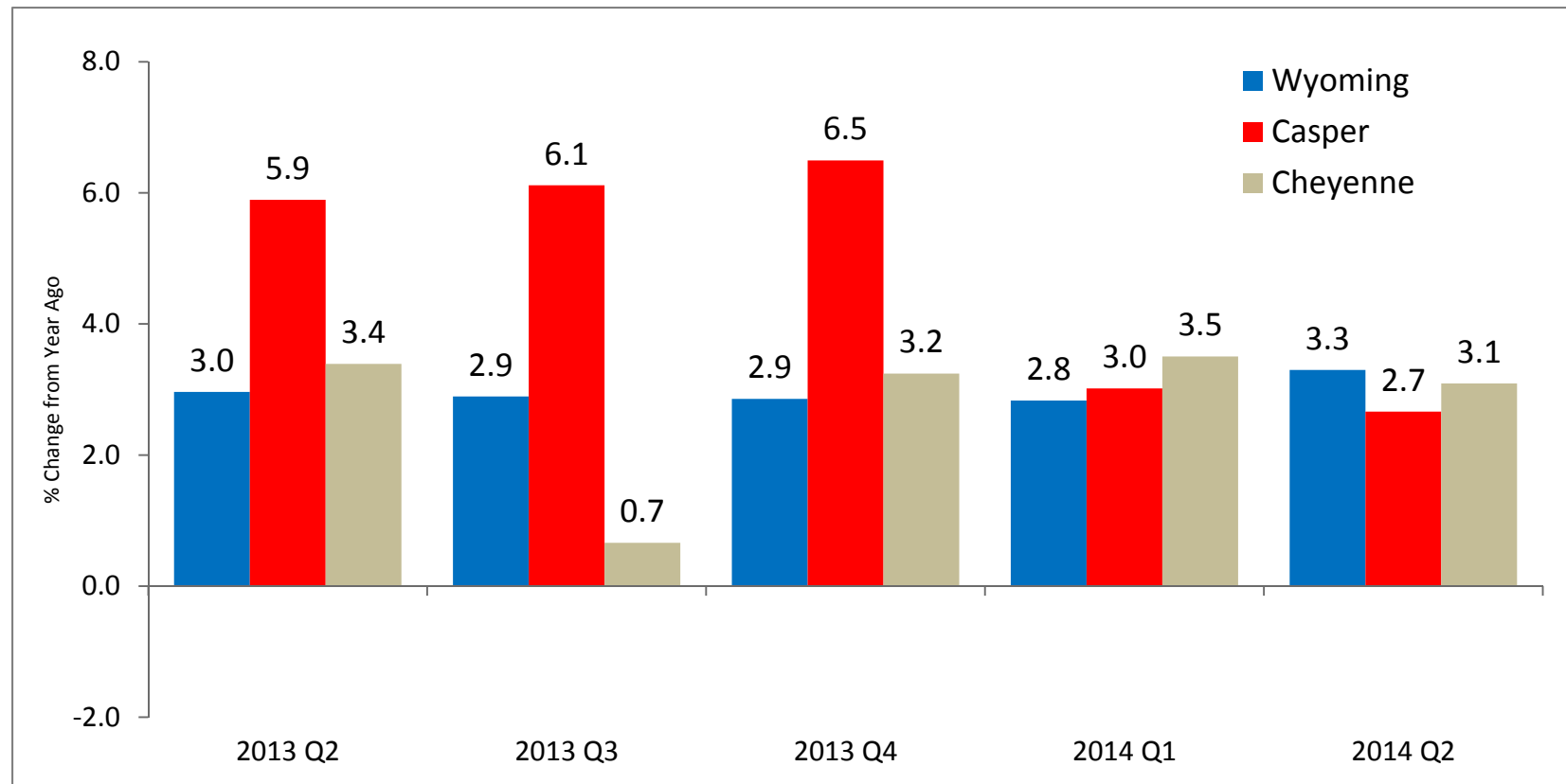
Source: Federal Housing Finance Agency (FHFA) – estimates using FHFA’s seasonally adjusted, purchase-only house price index.

Note: For the Period Ended June 30, 2014.



House Price Appreciation

Purchase and Refinance Mortgages: Casper, Cheyenne, & WY



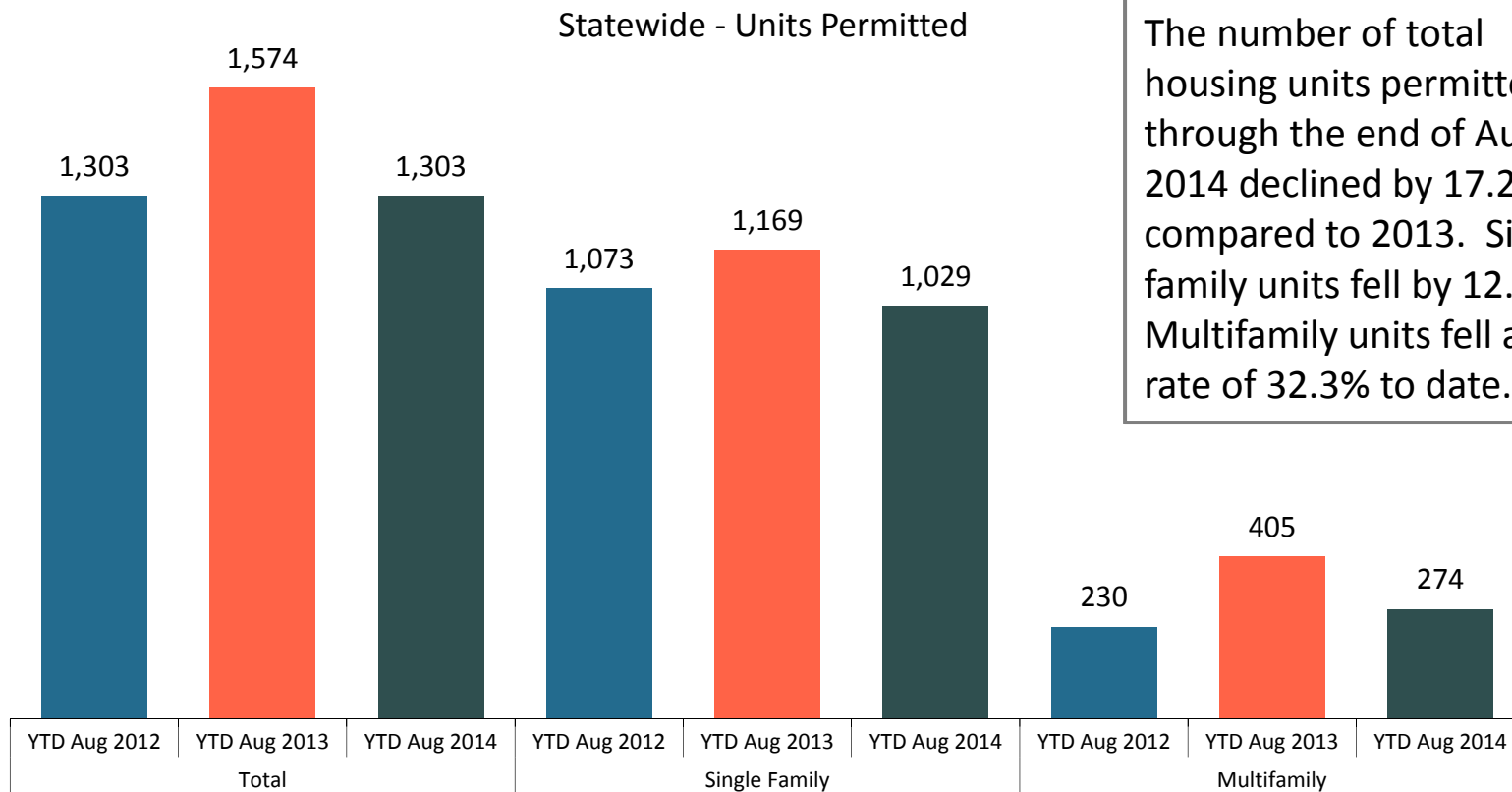
Source: Federal Housing Finance Agency (FHFA) – estimates using FHFA’s seasonally adjusted, all-transactions house price index, that includes purchase and refinance mortgages.

Note: For the Period Ended June 30, 2014.



Residential Building Permits

Units Statewide – Through August



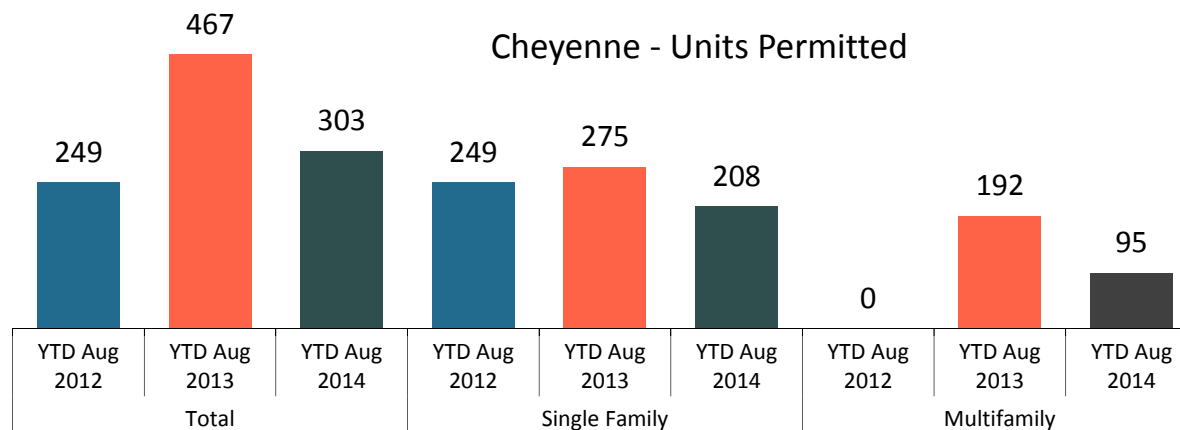
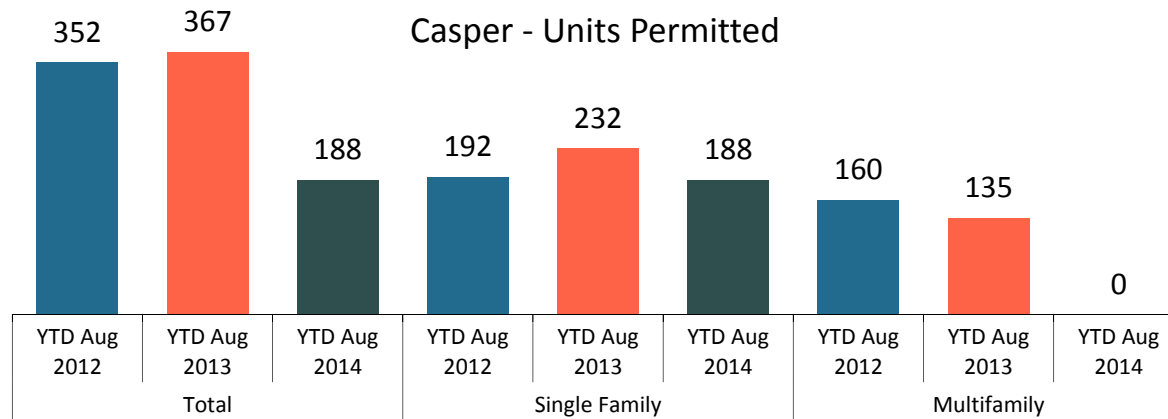
The number of total housing units permitted through the end of August 2014 declined by 17.2% compared to 2013. Single family units fell by 12.0%. Multifamily units fell at a rate of 32.3% to date.

Source: U.S. Census Bureau.



Residential Building Permits

Units for Casper and Cheyenne — Through August



The number of total housing units permitted for Casper through the end of August 2014 declined by 48.8% compared to 2013. Total units permitted for Cheyenne over the same time period fell by 35.1%.

Source: U.S. Census Bureau.



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