Economic Update
as of June 30, 2019

The MACRO Report is a quarterly publication comprised of charts focusing on employment, energy, state revenues, and other indicators providing an overview of Wyoming’s economy.
Summary: Most Indicators Suggest Expansion for Wyoming at Halfway 2019

• Positives:
  1) Business-cycle indexes point to growing economies for Wyoming, Casper, and Cheyenne.
  2) Wyoming nonfarm jobs grow at 1.6% annualized rate; the construction sector (especially pipeline building) added the most jobs.
  3) Oil production remains strong in 2019.
  4) Sales & use tax and severance tax collections finish fiscal 2019 with large year-over-year gains.

• Concerns:
  1) Natural gas and crude oil prices are trending down.
  2) Very modest personal income growth and home price appreciation.
  3) Single family construction activity has been flat for the state through end of May 2019.
## Economy Metrics: Wyoming, Casper, and Cheyenne

<table>
<thead>
<tr>
<th></th>
<th>Wyoming</th>
<th>Casper MSA</th>
<th>Cheyenne MSA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Current Period</td>
<td>Year Ago</td>
<td>Annual % Change</td>
</tr>
<tr>
<td>(1) EAD Business-Cycle Indexes</td>
<td>101.38</td>
<td>98.72</td>
<td>2.7%</td>
</tr>
<tr>
<td>(2) Sales and Use Tax Collections (millions)</td>
<td>$767.5</td>
<td>$686.8</td>
<td>11.8%</td>
</tr>
<tr>
<td>(3) Nonfarm Employment (000s)</td>
<td>289.6</td>
<td>285.1</td>
<td>1.6%</td>
</tr>
<tr>
<td>(4) Labor Force (000s)</td>
<td>289.0</td>
<td>289.6</td>
<td>-0.2%</td>
</tr>
<tr>
<td>(5) Private Sector Jobs (000s)</td>
<td>219.6</td>
<td>216.1</td>
<td>1.6%</td>
</tr>
<tr>
<td>(6) Private Sector Weekly Earnings</td>
<td>$937</td>
<td>$863</td>
<td>8.6%</td>
</tr>
<tr>
<td>(7) Single Family Building Permits (units)</td>
<td>613</td>
<td>616</td>
<td>-0.5%</td>
</tr>
<tr>
<td>(8) FHFA All-Transactions Home Price Index</td>
<td>316.7</td>
<td>316.0</td>
<td>0.2%</td>
</tr>
<tr>
<td>(9) Personal Income (millions)</td>
<td>$35,518</td>
<td>$34,214</td>
<td>3.8%</td>
</tr>
<tr>
<td>(10) Gross Domestic Product (millions)</td>
<td>$39,899</td>
<td>$38,430</td>
<td>3.8%</td>
</tr>
</tbody>
</table>

Data sources:
(1) Economic Analysis Division (EAD), Dept. of Administration & Information, State of Wyoming (Mar 2019);
(2) Dept. of Revenue, State of Wyoming, (state-wide 4% fiscal year-to-date sales and use tax collections) (Jun 2019);
(3) Seasonally adjusted (SA); (4) WY (SA), Casper and Cheyenne, Not seasonally adjusted (NSA); (5) NSA; & (6) NSA, (U.S. Bureau of Labor Statistics, CES) (May 2019);
(7) U.S. Census Bureau, (NSA), (calendar year-to-date May 2019);
(8) Federal Housing Finance Agency (FHFA), All-Transactions Index, (Q1 1991 = 100.0) (NSA) (Q1 2019);
(9) U.S. Bureau of Economic Analysis, WY: Quarterly Personal Income (Current-Dollar) (Q1 2019), Casper and Cheyenne: Annual Personal Income (Current-Dollar) (2017);
Coincident Indexes: Wyoming, Casper, and Cheyenne Year-over-Year Percent Change in Index Values

Note: The Wyoming Business-Cycle Index unites four state-level indicators to sum up current economic conditions in a single number. The indicators consist of:
1. unemployment rate
2. private sector jobs and wages
3. mining sector sales & use tax collections
4. national park visits.

The Casper and Cheyenne Business-Cycle Indexes combine four city and county-level indicators to sum up current economic conditions in a single number. The indicators consist of:
1. unemployment rate
2. private sector jobs and wages
3. total 4% sales & use tax collections
4. median home prices.

Source: Economic Analysis Division, Dept. of Administration & Information, State of Wyoming.
Employment:
Moderate, Widespread Job Growth Seen in May 2019

• State-wide employment gained 4,500 jobs (+1.6%) when compared to May 2018.
• **Construction industry** led the private sector by adding 2,100 jobs in May 2019.
• Casper realized job growth of 400 jobs (+1.0%) while Cheyenne job total increased by 700 jobs (+1.5%) in a May year-over-year comparison.
Nonfarm Employment: Casper, Cheyenne, WY, & U.S. Through End of May 2019 — Seasonally Adjusted

- Casper
- Cheyenne
- Wyoming

Percent Past Past Peak* to Change 10 Years Year Present

<table>
<thead>
<tr>
<th></th>
<th>Percent Change 10 Years</th>
<th>Past Year</th>
<th>Peak* to Present</th>
</tr>
</thead>
<tbody>
<tr>
<td>WY</td>
<td>-0.2%</td>
<td>+1.6%</td>
<td>-3.7%</td>
</tr>
<tr>
<td>U.S.</td>
<td>+14.9%</td>
<td>+1.6%</td>
<td>+9.1%</td>
</tr>
</tbody>
</table>

Note: Shaded area represents U.S. recession.
*Refers to pre-recession peak.
May year-over-year job growth was estimated to be +4,500 jobs (+1.6%).

Wyoming’s labor force contracted by 554 jobs (-0.2%) in May in a year ago comparison. Jobless rate was 3.5% for the month.
WY Employment Change: May 2019 vs. May 2018
Year-over-Year — Seasonally Adjusted

State-Wide Change: +4,500 Jobs or +1.6%

Note: Values in parentheses represents shares of total jobs.

Note: The State & Local Government sector includes jobs affiliated with K-12 & higher education and public hospitals.
Casper & Cheyenne Job Change: May 2019 vs. May 2018
Year-over-Year — Not Seasonally Adjusted

Note: The State & Local Government sector includes jobs affiliated with K-12 & higher education and public hospitals.
Energy:

Sliding Natural Gas and Oil Prices, Soaring Oil Production, and Weakened Rig Activity at Mid-2019

• The June price of Opal natural gas averaged $1.78 per MMBtu for the month; WTI oil price slipped to $54.47 per bbl.
• Oil production (+17.4%) increased by end of April 2019 but natural gas production was down (-10.1%) in a year-over-year comparison; five months of coal production (-6.7%) in 2019 was lagging 2018 output.
• Oil & gas jobs were at 12,600 in May 2019, an increase of 400 compared to a year ago; oil and gas rig counts at 32 in June, 6 better than June 2018.
Natural Gas, Crude Oil, and Coal Prices

As of June 28, 2019
Fiscal Year 2019 Average Price: $3.25
Calendar Year 2019 Average Price: $3.23

Source: Bloomberg.
WY Natural Gas, Crude Oil, and Coal Production

Cumulative Change YTD:
Apr 2019 vs. Apr 2018
-10.1%

Cumulative Change YTD:
Apr 2019 vs. Apr 2018
+17.4%

Cumulative Change YTD:
May 2019 vs. May 2019
-6.7%

Source: Energy Information Administration.

Economic Analysis Division • State of Wyoming
WY Oil & Gas Jobs and Rig Counts

State Revenues:
Sales & Use and Severance Tax Collections
Finish Fiscal 2019 on Strong Note

- After twelve months of collections for fiscal 2019, sales and use (S&U) taxes were $80.7 million or 11.8% ahead of last year.
- Converse, Natrona, Campbell, and Laramie counties recorded largest year-over-year dollar gains in S&U collections; retail trade and mining drove industry gains.
- Severance tax collections increased by $60.0 million or 9.8% of final fiscal 2019 compared to 2018.
Total FY19 sales and use tax collections were $80.7 million (+11.8%) ahead of fiscal 2018. Sales tax collections grew at a rate of 9.7% while use taxes saw growth of 26.6%.

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 State-Wide 4% Sales and Use Tax Collections by County

**Change in Percent and Dollars (Millions)**

**Fiscal 2019 vs. Fiscal 2018 — Twelve Months of Collections**

<table>
<thead>
<tr>
<th>County</th>
<th>% Change</th>
<th>$ Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albany (3%)</td>
<td>2.7%</td>
<td>$0.6</td>
</tr>
<tr>
<td>Big Horn (1%)</td>
<td>4.5%</td>
<td>$0.3</td>
</tr>
<tr>
<td>Campbell (15%)</td>
<td>13.9%</td>
<td>$13.9</td>
</tr>
<tr>
<td>Carbon (3%)</td>
<td>23.9%</td>
<td>$24.2</td>
</tr>
<tr>
<td>Converse (9%)</td>
<td>53.4%</td>
<td></td>
</tr>
<tr>
<td>Crook (1%)</td>
<td>22.9%</td>
<td>-$0.3</td>
</tr>
<tr>
<td>Fremont (4%)</td>
<td>20.1%</td>
<td>$1.2</td>
</tr>
<tr>
<td>Goshen (1%)</td>
<td>1.5%</td>
<td>$1.3</td>
</tr>
<tr>
<td>Hot Springs (1%)</td>
<td>10.5%</td>
<td>$0.1</td>
</tr>
<tr>
<td>Johnson (1%)</td>
<td>14.6%</td>
<td>$1.0</td>
</tr>
<tr>
<td>Laramie (13%)</td>
<td>13.3%</td>
<td>$13.0</td>
</tr>
<tr>
<td>Lincoln (2%)</td>
<td>19.0%</td>
<td>$2.2</td>
</tr>
<tr>
<td>Natrona (11%)</td>
<td>13.0%</td>
<td>$14.0</td>
</tr>
<tr>
<td>Niobrara (1%)</td>
<td>6.3%</td>
<td>$0.4</td>
</tr>
<tr>
<td>Park (4%)</td>
<td>5.0%</td>
<td>$1.8</td>
</tr>
<tr>
<td>Platte (2%)</td>
<td>28.3%</td>
<td>$2.9</td>
</tr>
<tr>
<td>Sheridan (3%)</td>
<td>5.5%</td>
<td>$1.1</td>
</tr>
<tr>
<td>Sublette (5%)</td>
<td>1.1%</td>
<td>$0.7</td>
</tr>
<tr>
<td>Sweetwater (9%)</td>
<td>8.5%</td>
<td>$3.3</td>
</tr>
<tr>
<td>Teton (8%)</td>
<td>-17.3%</td>
<td>-$7.4</td>
</tr>
<tr>
<td>Uinta (2%)</td>
<td>3.1%</td>
<td>$1.3</td>
</tr>
<tr>
<td>Washakie (1%)</td>
<td>27.4%</td>
<td>$0.2</td>
</tr>
<tr>
<td>Weston (1%)</td>
<td>1%</td>
<td>$1.2</td>
</tr>
</tbody>
</table>

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.
Collections from the mining sector reached a total of $136.9 million for FY19, ahead of fiscal 2018 by $22.3 million or 19.4%.

Source: WY Dept. of Revenue.
Note: Both the state and local shares of the state-wide 4% sales and use tax collections on a cash receipts basis are counted; collections include both the mining and natural resources sectors.
WY State-Wide 4% Sales and Use Tax Collections by Industry
Change in Percent and Dollars (Millions)
Fiscal 2019 vs. Fiscal 2018 — Twelve Months of Collections

<table>
<thead>
<tr>
<th>Industry</th>
<th>% Change</th>
<th>$ Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining</td>
<td>19.4%</td>
<td>$22.3</td>
</tr>
<tr>
<td>Construction</td>
<td>8.5%</td>
<td>$1.1</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>14.2%</td>
<td>$3.1</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>6.6%</td>
<td>$3.4</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>13.0%</td>
<td>$4.2</td>
</tr>
<tr>
<td>Transport. &amp; Utilities</td>
<td>10.4%</td>
<td>$0.4</td>
</tr>
<tr>
<td>Information</td>
<td>3.5%</td>
<td>$5.3</td>
</tr>
<tr>
<td>Financial Activities</td>
<td>21.7%</td>
<td>$0.4</td>
</tr>
<tr>
<td>Prof. &amp; Bus. Services</td>
<td>9.4%</td>
<td>$4.2</td>
</tr>
<tr>
<td>Leisure &amp; Hospitality</td>
<td>5.5%</td>
<td>$4.8</td>
</tr>
<tr>
<td>Public Administration</td>
<td>6.6%</td>
<td>$2.6</td>
</tr>
<tr>
<td>Educ., Health, &amp; Other</td>
<td>8.2%</td>
<td></td>
</tr>
</tbody>
</table>

State-Wide Change: +$80.7M or +11.8%

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. The Public Administration sector reflects taxes collected on the sale of new and used vehicles.
Total FY19 severance tax collections reached $673.6 million, leading fiscal 2018 by $60.0 million or 9.8 percent.

Source: WY Dept. of Revenue.
Note: Includes severance taxes collected on all minerals in Wyoming on a cash receipts basis.
Other Indicators for the State: Personal Income, House Price Appreciation, and Building Permits

• Mining sector drove Q1 2019 personal income growth.
• Wyoming’s house price appreciation saw minimal annual growth of 0.2% in Q1 of 2019; the Mountain Division and the U.S. saw gains of 7.9% and 5.5%, respectively.
• State-wide single family units permitted decreased year-to-date through end of May 2019 in a year-ago comparison by 3; single family units increased in Casper by 1 while Cheyenne saw a decrease of 5 through end of May year-to-date.
The **mining sector** had the largest contribution to total earnings growth in Q1 of 2019 with an increase of $33 million when compared to Q4. The **transportation & warehousing sector** incurred the largest decrease, falling by $25 million. Note: The quarterly dollar changes are not annualized.
Home Price Appreciation
FHFA All-Transactions Index — Not Seasonally Adjusted

Home Prices: Q1 2018 – Q1 2019

- Wyoming 0.2%
- Casper MSA 1.4%
- Cheyenne MSA 3.8%
- Colorado 5.5%
- Nebraska 4.8%
- Utah 9.8%
- Mountain Division 7.9%
- U.S. 5.5%

% Change 0.0 2.0 4.0 6.0 8.0 10.0

Home Prices: CAGR Q1 2009 – Q1 2019

- Wyoming 1.2%
- Casper MSA 0.9%
- Cheyenne MSA 2.8%
- Colorado 5.0%
- Nebraska 2.9%
- Utah 3.3%
- Mountain Division 3.1%
- U.S. 2.3%

% Change 0.0 2.0 4.0 6.0

Source: Federal Housing Finance Agency (FHFA) – estimates using FHFA’s not seasonally adjusted, all-transactions house price index, that includes purchase and refinance mortgages.

Note: For the Period Ended March 31, 2019.
Residential Building Permits
State-Wide Units: Year-to-Date End of May 2019

Statewide - Units Permitted

The number of single family units permitted year-to-date end of May 2019 decreased by 0.5 percent (-3 units) compared to 2018. Multifamily units were increased by 108.9 percent (+61 units) during the same period compared to 2018.

Source: U.S. Census Bureau.

Economic Analysis Division • State of Wyoming
Residential Building Permits
Casper and Cheyenne Units: Year-to-Date End of May 2019

The number of single family housing units permitted for Casper year-to-date May 2019 increased by 1.5 percent (+1 unit) compared to 2018.

Cheyenne’s single family housing units permitted for year-to-date February 2019 decreased by 3.0 percent (-5 units) compared to 2018.

Source: U.S. Census Bureau.
How To Find Us

- Economic Analysis Division
- Department of Administration & Information
- State of Wyoming
- 2800 Central Avenue
- Cheyenne, WY 82002
- 307.777.7504 or ai-ead-info@wyo.gov
- Visit our website at http://eadiv.state.wy.us

Contact: Jim Robinson
Principal Economist
307.777.7221
jim.robinson@wyo.gov