

WBR ARTICLE

Recovery has reached all regions of the country

By MJ Clark

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CHEYENNE — Although Wyoming entered the recession late, it is on track with the rest of the country for recovery, according to a first quarter economic summary report issued yesterday by the state's Economic Analysis Division.

Although the state was technically in recession during the first quarter of 2010, the worst appears to be over.

"Positive signs can be found in the energy industry," reported Jim Robinson, senior economist. Robinson noted that the June average price at the Opal Hub was \$4.14 per thousand cubic feet (mcf), which is just ahead of the CREG projection for 2010. In addition, applications for permit to drill (an indication of future drilling activity by the oil and gas industry) were up year-over-year for five of the past six months.

The overall job market also was stabilizing, thanks to the mining and construction sectors' improvement over the fourth quarter of 2009.

Although the unemployment rate has peaked, it is expected to take a few years before it falls back to pre-recession levels.

In real estate, Wyoming home prices have dropped since the start of 2009. In fact, the price contraction for 2009 was the deepest drop since the late 1980s. Home sales grew 12.5 percent during the first quarter of 2010, compared to the fourth quarter of 2009, although prices continued to decline by 2 percent.

The 2 percent drop was the smallest reduction in a year and was lower than the 3.1 percent price drop seen across the nation during the same time.

Sales and use tax collections continue to lag, with just one month left in the fiscal year taxes are down \$156.2 million or 22.2 percent over the last fiscal year. First quarter sales dipped 12.1 percent, but this was the smallest decline in a year.

For more information: <http://eadiv.state.wy.us/>