

# Indicators of the Kansas Economy (IKE)

Prepared by



*August 2010*





## *Indicators of the Kansas Economy Data Book*

**Aug-10**

### **About IKE**

The Kansas, Inc. Board of Directors initiated a project with the goal of identifying critical variables that explains the current condition of the Kansas economy relative to its surrounding states and the U.S. The Indicators of the Kansas Economy (IKE) project concept was the result of a perceived need for a single source of objective and consistent information that allows public and private leadership, as well as all interested Kansans to better understand the economy and enhance decision-making capacity.

Working with a broad range professionals, including researchers, university professors, state officials and business leaders, the Kansas, Inc. Board of Directors identified and reviewed a set of variables for their comprehensiveness and ability to depict key elements of the Kansas economy. Whenever possible, regional and national data was included to illustrate how Kansas compares to both the 6-State Region and the U.S. on a 1-, 5-, and 10-year period. The 6-State Region includes: Arkansas, Colorado, Iowa, Missouri, Nebraska and Oklahoma. When identifying variables efforts centered on data:

- Electronically accessible;
- Able to be captured for all states and the U.S.; and,
- Released annually, with a preference to monthly data.

Kansas, Inc. has received two grants from the Information Network of Kansas (INK) to significantly advance the sophistication, outreach and quality of the IKE project. Through these grants, Kansas, Inc. has partnered with University of Kansas, Institute for Policy and Social Research (IPSR); Wichita State University, Center for Economic Development and Business Research (CEDBR); and Kansas Geological Survey, Data Access and Support Center (DASC) to develop the framework for several variables to be displayed both interactively and electronically on a county, state, regional and national level. These efforts have also provided the model for a future IKE website where all data will be dynamically displayed and archived.

Throughout the IKE project an advisory committee, consisting of researchers, university professors, state officials and business leaders has provided insight and suggestions regarding the overall direction of the IKE project, adding significant value to the final product. Included within this version are several suggestions from the advisory committee regarding content, and several suggestions on additional variables, currently in the developmental stage will be included in future versions of IKE.

This updated release is another step in IKE becoming a one-stop resource of economic data for policymakers, university researchers, business leaders and the general public. As the Kansas economy changes, Kansas, Inc. recognizes the IKE project must continue to evolve to meet the needs of all individuals. Kansas, Inc. welcomes feedback to improve the value of the IKE project.



## Indicators of the Kansas Economy Key Trends

Aug-10

### Employment and Unemployment

	Jul-10	Jul-09	Jul-05	Jul-00	1-yr Chg	5-yr Chg	10-yr Chg
<b>Total Nonfarm Employment</b> (all employees, thousands)							
Kansas	1,321.0	1,319.3	1,311.8	1,333.8	0.1%	0.7%	-1.0%
<b>Private Sector Employment</b> (all employees, thousands)							
Kansas	1,078.8	1,083.7	1,089.7	1,107.7	-0.5%	-1.0%	-2.6%
<b>Manufacturing Employment</b> (all employees, thousands)							
Kansas	161.5	163.4	181.4	200.7	-1.2%	-11.0%	-19.5%
<b>Service Employment</b> (all employees, thousands)							
Kansas	843.1	850.9	834.0	830.6	-0.9%	1.1%	1.5%
<b>Public Sector Employment</b> (all employees, thousands)							
Kansas	242.2	235.6	222.1	226.1	2.8%	9.0%	7.1%
<b>Unemployment Rate</b> (%)							
Kansas	6.9%	7.9%	5.4%	4.0%	-1.0%	1.5%	2.9%
<b>Initial Claims for Unemployment</b> (all employees)							
Kansas	16,733	28,437	10,807	8,815	-41.2%	54.8%	89.8%

### Wages/Entrepreneurship

<b>Private Establishment Data</b> (total private establishments, all employee sizes)					
	2009 (p)	2008	2004	1-yr Chg	5-yr Chg
Kansas	81,653	80,276	75,569	1.7%	8.1%
<b>Private Industry Wage Levels</b> (average annual wages, all employees, all private establishments)					
	2009 (p)	2008	2004	1-yr Chg	5-yr Chg
Kansas \$	38,511	38,735	33,013	-0.6%	16.7%

### Energy

<b>Oil Production and Price</b> (most recent month of production and price)							
	Apr-10	Apr-09	Apr-05	Apr-00	1-yr Chg	5-yr Chg	10-yr Chg
Production (bbl)	3,423,502	3,272,967	2,824,144	2,835,000	4.6%	21.2%	20.8%
Price (\$/bbl) \$	84.29	49.65	52.98	25.72	69.8%	59.1%	227.7%

<b>Natural Gas Production and Price</b> (most recent month of production and price)							
	Apr-10	Apr-09	Apr-05	Apr-00	1-yr Chg	5-yr Chg	10-yr Chg
Production (mcf)	27,265,194	29,767,086	31,511,956	50,906,982	-8.4%	-13.5%	-46.4%
Price (\$/mcf) \$	3.92	3.43	6.44	2.86	14.3%	-39.1%	37.1%

### Agriculture

<b>KFMA Average Net Farm Income by Region</b>								
Region	NW	NC	NE	SW	SC	SE	Avg. All Assn.	
2008 \$	144,839	104,516	121,891	82,605	132,575	133,820	\$ 124,617	
2009 \$	117,311	88,274	117,854	84,462	85,983	119,381	\$ 104,781	
5-yr avg \$	125,176	73,098	95,502	65,258	81,284	94,246	\$ 89,554	
10-yr avg \$	79,677	54,393	66,585	45,922	57,753	74,425	\$ 64,772	

### General Economic Data

<b>Population</b>								
	2009	2008	2004	1999	1-yr Chg	5-yr Chg	10-yr Chg	
Kansas	2,818,747	2,797,375	2,730,765	2,678,338	0.8%	3.2%	5.2%	

<b>Gross State Product</b> (millions of current dollars)								
	2008	2007	2003	1998	1-yr Chg	5-yr Chg	10-yr Chg	
Kansas	122,731	116,986	93,560	76,005	4.9%	31.2%	61.5%	
6-State Region	950,154	906,636	728,919	584,370	4.8%	30.4%	62.6%	
U.S.	14,165,565	13,715,741	10,886,172	8,679,657	3.3%	30.1%	63.2%	

<b>Personal Income Estimates</b> (millions of dollars)								
	2010 (Q1)	2009	2005	2000	1-yr Chg	5-yr Chg	10-yr Chg	
Kansas	109,096	106,875	90,850	76,684	2.1%	20.1%	42.3%	
6-State Region	830,982	822,653	707,024	577,785	1.0%	17.5%	43.8%	
U.S.	12,167,340	12,015,535	10,476,669	8,554,866	1.3%	16.1%	42.2%	

<b>Per Capita Personal Income Estimates</b> (\$)								
	2009	2008	2004	1999	1-yr Chg	5-yr Chg	10-yr Chg	
Kansas	37,916	38,886	31,922	26,826	-2.5%	18.8%	41.3%	
6-State Region	36,511	37,382	31,432	25,668	-2.3%	16.2%	42.2%	
U.S.	39,138	40,166	33,881	28,333	-2.6%	15.5%	38.1%	

<b>Consumer Price Index</b>								
	Jul-10	Jul-09	Jul-05	Jul-00	1-yr Chg	5-yr Chg	10-yr Chg	
Midwest Urban	208.2	204.8	188.4	168.8	1.7%	10.5%	23.3%	
U.S. City Average	218.0	215.4	195.4	172.8	1.2%	11.6%	26.2%	

<b>Chicago Fed National Activity Index (CFNAI)</b>							
	Jul-10	Jun-10	May-10	Apr-10	Mar-10	Feb-09	Jul-09
CFNAI	-	(0.70)	0.19	0.17	0.43	(0.53)	(0.07)

<b>Building Permits</b> (new privately owned housing units authorized)								
	Jul-10	Jul-09	Jul-05	Jul-00	1-yr Chg	5-yr Chg	10-yr Chg	
Kansas	458	448	1,367	780	2.2%	-66.5%	-41.3%	

<b>Sales Tax Collections</b> (\$)								
	Apr-10	Apr-09	Apr-05	Apr-00	1-yr Chg	5-yr Chg	10-yr Chg	
Kansas	152,318,833	148,605,999	138,919,576	119,255,618	2.5%	9.6%	27.7%	



*Indicators of the Kansas Economy  
Variables*

*Aug-10*

**IKE - Variables**

**General Economic Data**

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**Short-Term (2008 to 2009)**

- Kansas population up 21,372 (0.8%)
- 6-State Region population up 214,030 (1.0%)
- U.S. population up 2,631,704 (0.9%)

**Long-Term (1999 to 2009)**

- Kansas population up 140,409 (5.2%)
- 6-State Region population up 1,893,932 (9.2%)
- U.S. population up 27,966,382 (10.0%)

**2009 Population Estimates**

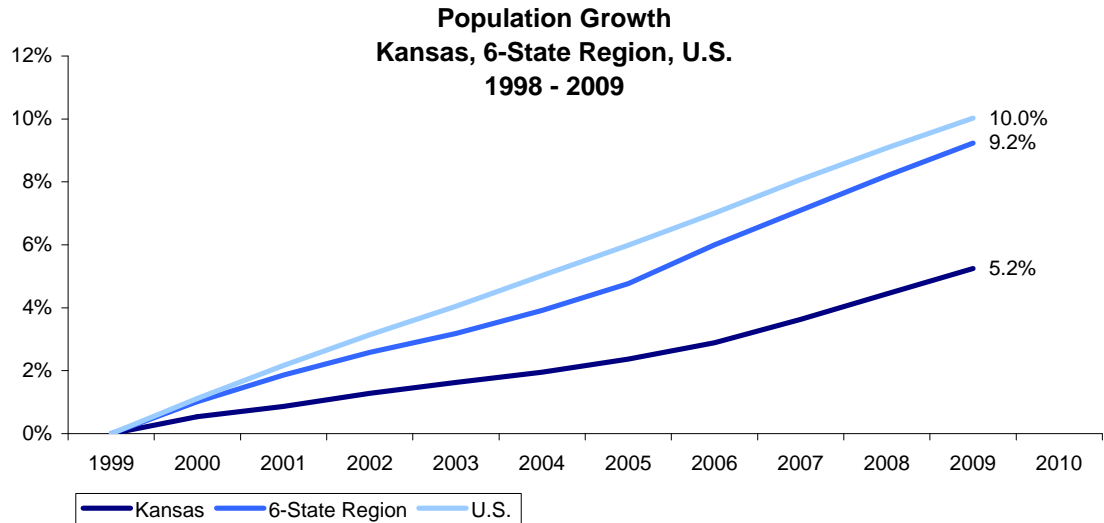
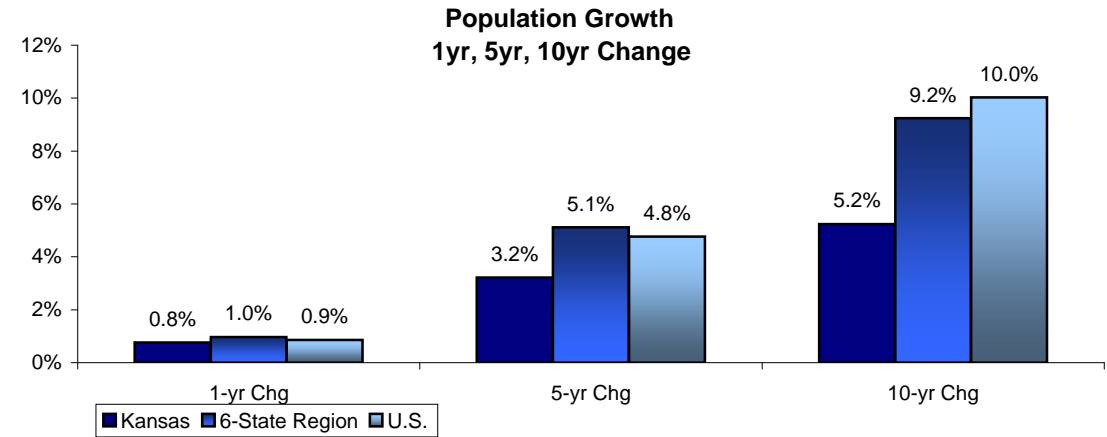
Region	Population
Kansas	2,818,747
Arkansas	2,889,450
Colorado	5,024,748
Iowa	3,007,856
Missouri	5,987,580
Nebraska	1,796,619
Oklahoma	3,687,050
6-State Region	22,393,303
U.S.	307,006,550

**About the data and graphs**

The U.S. Census Bureau publishes total resident population estimates and demographic components of change (births, deaths, and migration) each year. The reference date for estimates is July 1. Estimates usually are for the present and the past, while projections are estimates of the population for future dates. These estimates are developed with the assistance of the Federal State Cooperative Program for Population Estimates (FSCPE). These estimates are used in federal funding allocations, as denominators for vital rates and per capita time series, as survey controls, and in monitoring recent demographic changes. With each new issue of July 1 estimates, the estimates are revised for years back to the last census.

**Population**

	2009	2008	2004	1999	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	2,818,747	2,797,375	2,730,765	2,678,338	0.8%	3.2%	5.2%
6-State Region	22,393,303	22,179,273	21,302,277	20,499,371	1.0%	5.1%	9.2%
U.S.	307,006,550	304,374,846	293,045,739	279,040,168	0.9%	4.8%	10.0%





## Indicators of the Kansas Economy Gross State Product

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### Short-Term (2007 to 2008)

- Kansas GSP up \$5,745 million (4.9%)
- 6-State Region GSP up \$43,518 million (4.8%)
- U.S. GSP up \$449,824 million (3.3%)

### Long-Term (1998 to 2008)

- Kansas GSP up \$46,726 million (61.5%)
- 6-State Region GSP up \$365,784 million (62.6%)
- U.S. GSP up \$5,485,908 million (63.2%)

### 2008 Gross State Product

(millions of current dollars)

Region	Gross State Product	
Kansas	\$	122,731
Arkansas	\$	98,331
Colorado	\$	248,603
Iowa	\$	135,702
Missouri	\$	237,797
Nebraska	\$	83,273
Oklahoma	\$	146,448
6-State Region	\$	950,154
U.S.	\$	14,165,565

### About the data and graphs

GSP captures state economic growth, providing an overall analysis of the performance of the economy. GSP is the value added in production by the labor and property located in the state.

In concept, an industry's GSP, referred to as its "value added," is equivalent to its gross output (sales or receipts and other operating income, commodity taxes, and inventory change) minus its intermediate inputs (consumption of goods and services purchased from other U.S. industries or imported.)

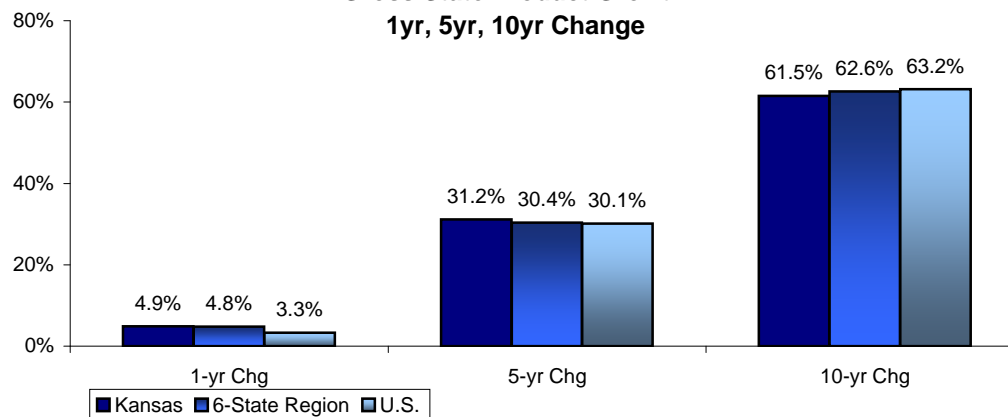
All GSP data is displayed in current dollars and are not adjusted for inflation.

### Gross State Product (GSP)

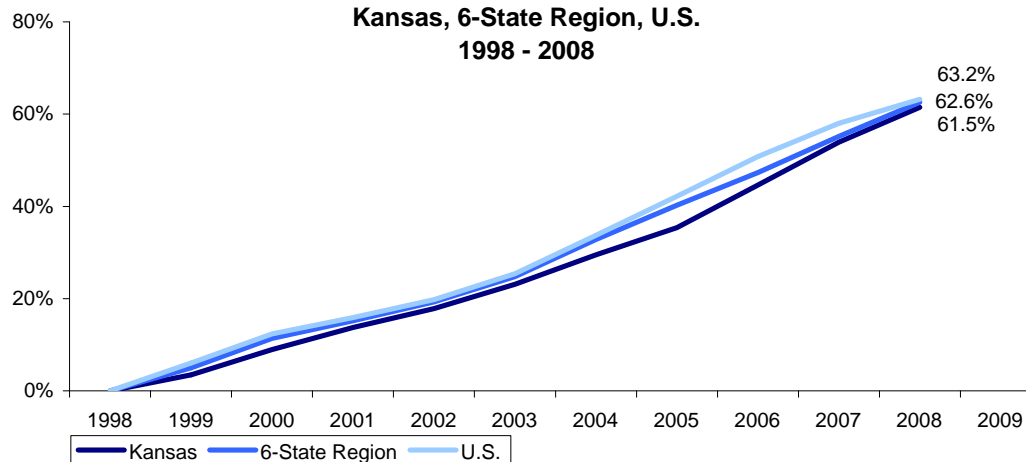
(millions of current dollars)

	2008	2007	2003	1998	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	122,731	116,986	93,560	76,005	4.9%	31.2%	61.5%
6-State Region	950,154	906,636	728,919	584,370	4.8%	30.4%	62.6%
U.S.	14,165,565	13,715,741	10,886,172	8,679,657	3.3%	30.1%	63.2%

### Gross State Product Growth 1yr, 5yr, 10yr Change



### Gross State Product Growth Kansas, 6-State Region, U.S. 1998 - 2008





## Indicators of the Kansas Economy Personal Income/Per Capita Personal Income

Aug-10

### Short-Term (2008 to 2010)

- Kansas PI up \$2,221 million (2.1%)
- 6-State Region PI up \$8,329 million (1.0%)
- U.S. PI up \$151,805 million (1.3%)

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- Kansas PCPI down \$970 (-2.5%)
- 6-State Region PCPI down \$871 (-2.3%)
- U.S. PCPI down \$1,028 (-2.6%)

### Long-Term (1999 to 2010)

- Kansas PI up \$32,412 million (42.3%)
- 6-State Region PI up \$253,197 million (43.8%)
- U.S. PI up \$3,612,474 million (42.2%)

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- Kansas PCPI up \$11,090 (41.3%)
- 6-State Region PCPI up \$10,843 (42.2%)
- U.S. PCPI up \$10,905 (38.1%)

### About the data and graphs

Personal income is the income that is received by all persons from all sources and is reported quarterly and is seasonally adjusted at annual rates. Per capita personal income is the annual personal income divided by the population.

Personal income is calculated as the sum of wage and salary disbursements, supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and personal current transfer receipts, less contributions for government social insurance. The personal income of an area is the income that is received by, or on behalf of, all of the individuals who live in the area; therefore, the estimates of personal income are presented by the place of residence of the income recipients. All state estimates are in current dollars (not adjusted for inflation).

Source: 2009 annual data, 2010 quarterly data  
U.S. Department of Commerce - Bureau of Economic Analysis

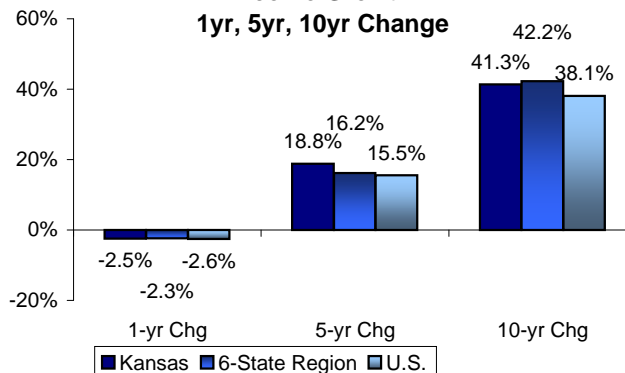
### Personal Income Estimates (PI) - (millions of dollars)

	2010 (Q1)	2009	2005	2000	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	109,096	106,875	90,850	76,684	2.1%	20.1%	42.3%
6-State Region	830,982	822,653	707,024	577,785	1.0%	17.5%	43.8%
U.S.	12,167,340	12,015,535	10,476,669	8,554,866	1.3%	16.1%	42.2%

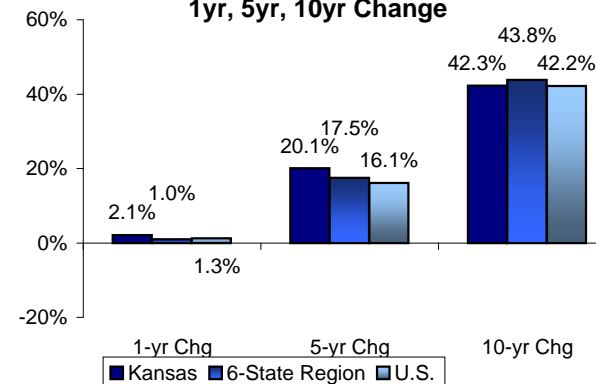
### Per Capita Personal Income Estimates (PCPI) - (\$)

	2009	2008	2004	1999	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	37,916	38,886	31,922	26,826	-2.5%	18.8%	41.3%
6-State Region	36,511	37,382	31,432	25,668	-2.3%	16.2%	42.2%
U.S.	39,138	40,166	33,881	28,333	-2.6%	15.5%	38.1%

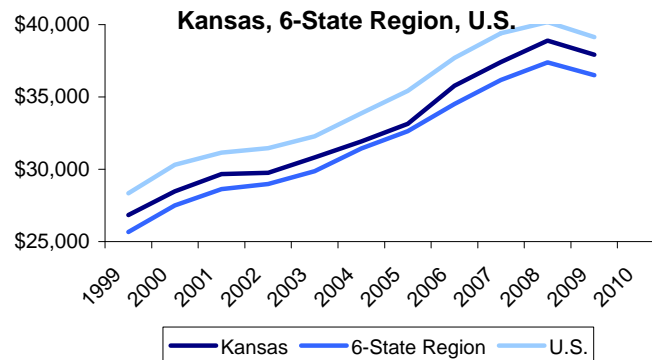
**Per Capita Personal Income Growth  
1yr, 5yr, 10yr Change**



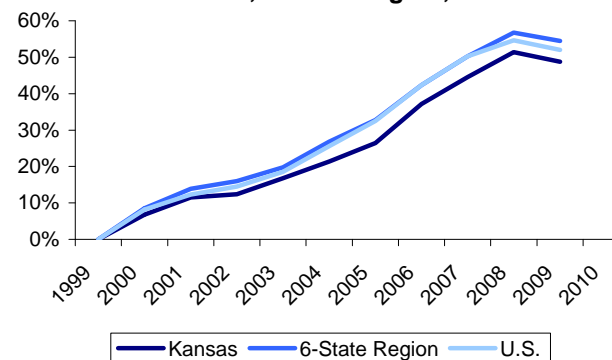
**Personal Income Growth  
1yr, 5yr, 10yr Change**



**Per Capita Personal Income Levels  
Kansas, 6-State Region, U.S.**



**Personal Income Growth  
Kansas, 6-State Region, U.S.**



<http://www.bea.gov/regional/>



## Indicators of the Kansas Economy Consumer Price Index

Aug-10

### Short-Term (2009 to 2010)

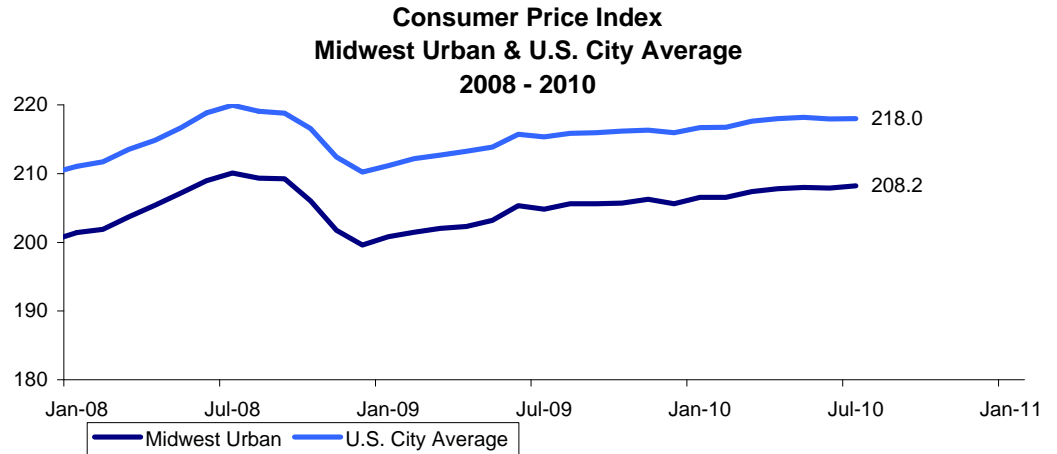
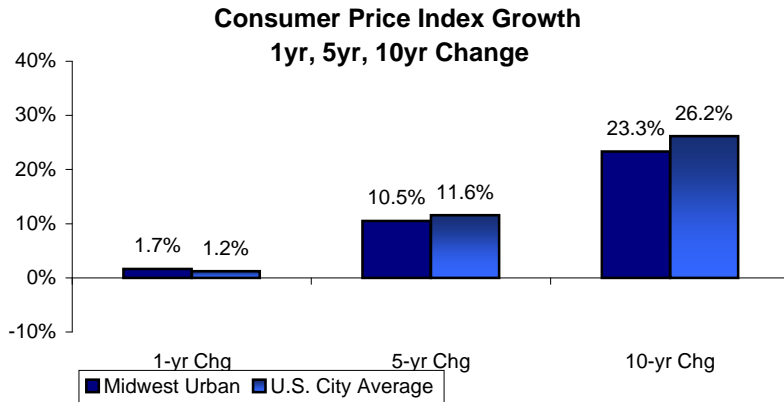
- Midwest Urban CPI up 3.4 (1.7%)
- U.S. City Average CPI up 2.6 (1.2%)

### Long-Term (2000 to 2010)

- Midwest Urban CPI up 39.4 (23.3%)
- U.S. City Average CPI up 45.2 (26.2%)

### Consumer Price Index (CPI)

	Jul-10	Jul-09	Jul-05	Jul-00	1-yr Chg	5-yr Chg	10-yr Chg
Midwest Urban	208.2	204.8	188.4	168.8	1.7%	10.5%	23.3%
U.S. City Average	218.0	215.4	195.4	172.8	1.2%	11.6%	26.2%

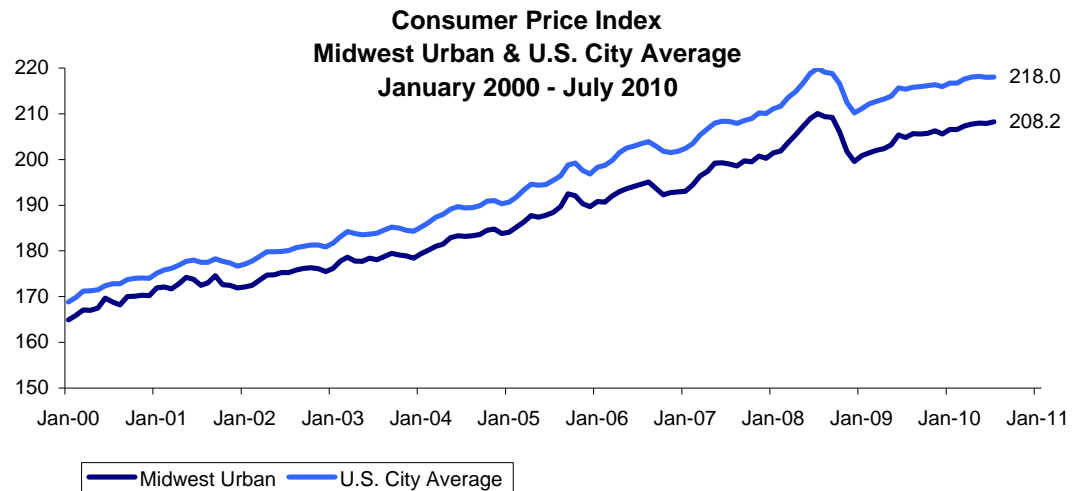


### About the data and graphs

The CPI program produces monthly data on changes in the prices paid by urban consumers for a representative basket of goods and services. It is the most widely used measure of inflation.

The U.S. City Average is a measure of the average change over time in the prices paid by urban consumers throughout the United States for a market basket of consumer goods and services. It is adjusted to equal 100 during the base period of 1982-1984. The U.S. City Average CPI reflects spending patterns for all urban consumers, who represent about 87 percent of the total U.S. population.

The Midwest Urban Consumer Price Index is calculated in the same way as the U.S. City Average CPI, however, the Midwest CPI is limited to urban consumers within the Midwest Census region.



Source: 2010 monthly data  
U.S. Department of Labor - Bureau of Labor Statistics

<http://stats.bls.gov/cpi/home.htm>



**Indicators of the Kansas Economy**  
**Chicago Fed National Activity Index (CFNAI)**

Aug-10

**Short-Term (2010)**

During July 2010, the CFNAI returned to its historical average of zero, up from -0.70 in June. Three of the four broad categories improved from June, but only the production and income category made a positive contribution. Production-related indicators made a contribution of 0.43 to the index in July; employment-related indicators made a neutral contribution to the index in July; sales, orders, and inventories indicators also made a neutral contribution to the index in July; and consumption and housing indicators made a contribution of -0.43 to the index in July. Forty-six of the 85 individual indicators made positive contributions to the index in May, while 39 made negative contributions. Fifty-six indicators improved from April to May, while 28 indicators deteriorated and one remained unchanged.

**Long-Term (1990 to 2010)**

Since January 1990 the CFNAI has demonstrated excellent predictive power as CFNAI values have fallen substantially prior to each of the two most recent recessions, from July 1990 to March 1991, and from March 2001 to November 2001.

**About the data and graphs**

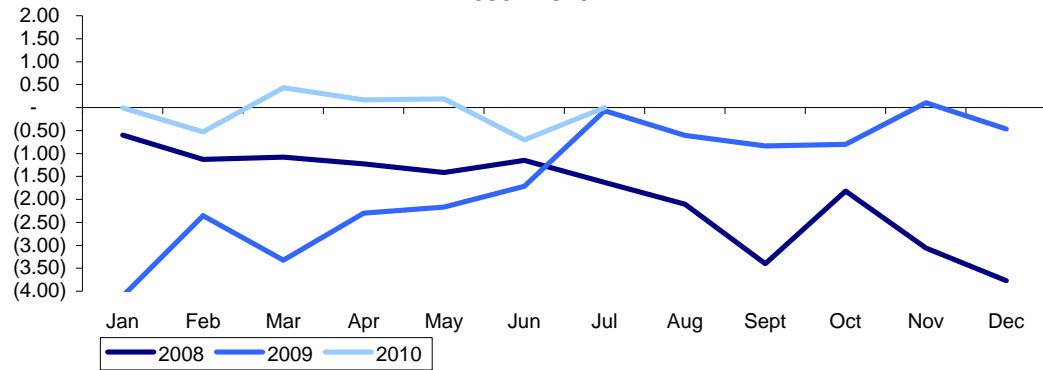
The performance of the U.S. economy has a major impact on the performance of the Kansas economy.

The Chicago Fed National Activity Index (CFNAI) is a monthly U.S. index designed to better gauge overall economic activity and inflationary pressure. The index uses 85 economic indicators from four broad categories of data: production and income; employment, unemployment and hours; personal consumption and housing; and sales, orders and inventories. **A positive number indicates above average growth while a negative number indicates below average growth. Sustained CFNAI readings above zero suggest increased inflationary pressures over the coming year.**

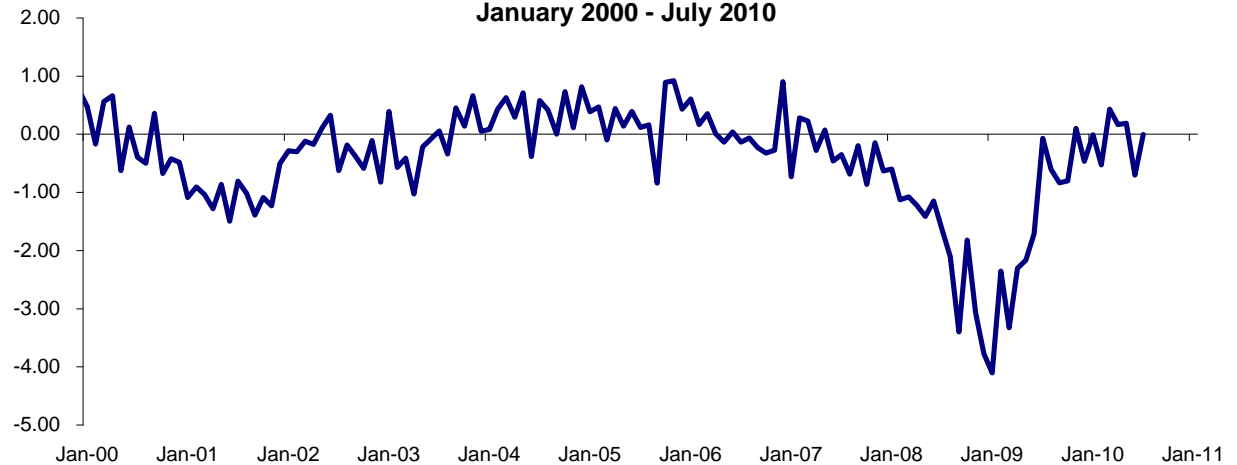
**CFNAI**

	Jul-10	Jun-10	May-10	Apr-10	Mar-10	Feb-09	Jul-09
CFNAI	0.00	-0.70	0.19	0.17	0.43	-0.53	-0.07

**Chicago Federal Reserve National Activity Index**  
**2008 - 2010**



**Chicago Federal Reserve National Activity Index**  
**January 2000 - July 2010**



Source: 2010 monthly data  
 Federal Reserve Bank of Chicago



## Indicators of the Kansas Economy Building Permits

Aug-10

### Short-Term (2009 to 2010)

- Kansas building permits up 10 (2.2%)
- 6-State Region building permits down 911 (-19.7%)
- U.S. building permits down 4,267 (-7.8%)

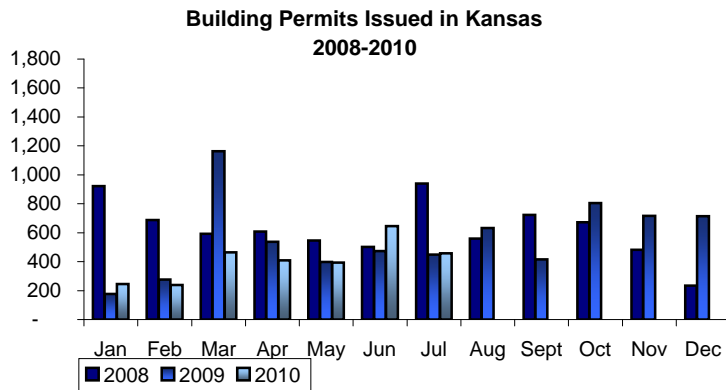
### Long-Term (2000 to 2010)

- Kansas building permits down 322 (-41.3%)
- 6-State Region building permits down 7,075 (-65.6%)
- U.S. building permits down 77,898 (-60.7%)

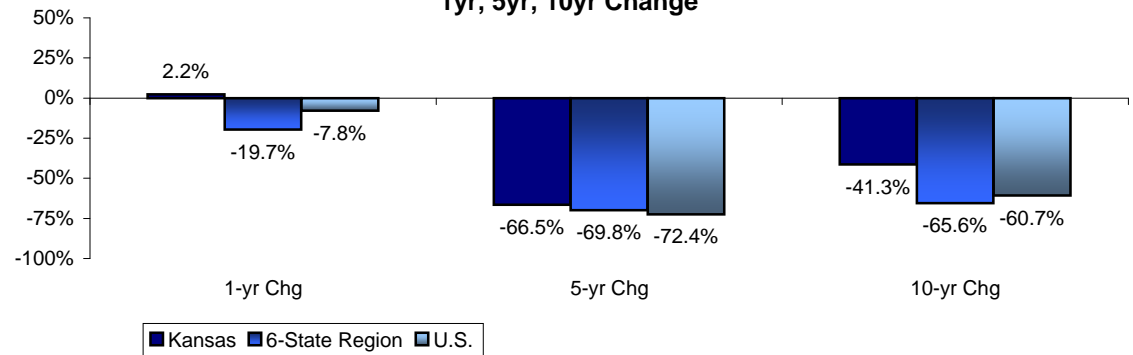
### Building Permits

(new privately owned housing units authorized)

	Jul-10	Jul-09	Jul-05	Jul-00	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	458	448	1,367	780	2.2%	-66.5%	-41.3%
6-State Region	3,716	4,627	12,320	10,791	-19.7%	-69.8%	-65.6%
U.S.	50,420	54,687	182,916	128,318	-7.8%	-72.4%	-60.7%

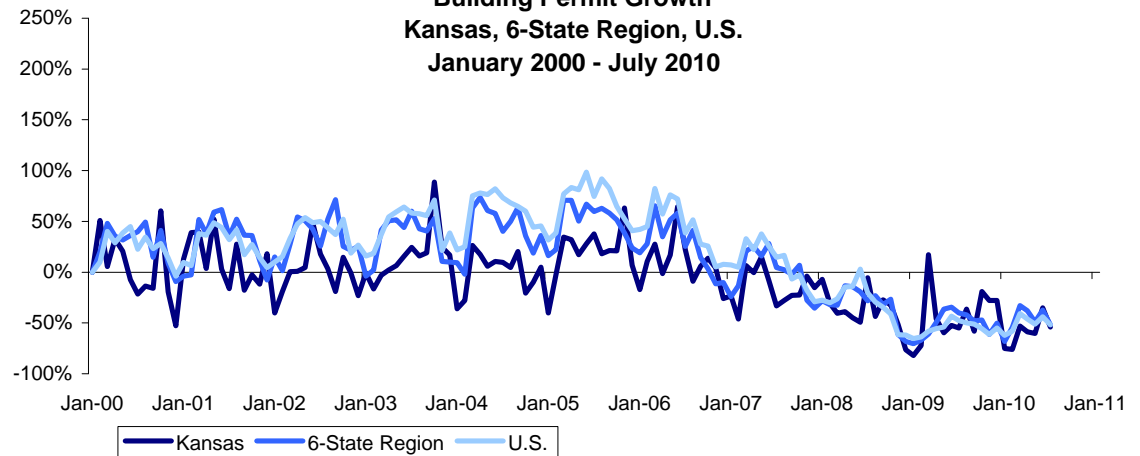


### Building Permit Growth 1yr, 5yr, 10yr Change



Regarding building permits, a housing unit is a house, an apartment, a group of rooms or a single room intended for occupancy as separate living quarters. Separate living quarters are those in which the occupants live separately from any other individuals in the building and which have a direct access from the outside of the building or through a common hall.

### Building Permit Growth Kansas, 6-State Region, U.S. January 2000 - July 2010





**Indicators of the Kansas Economy**  
**Kansas Sales Tax Collections**

Aug-10

**Short-Term (2009 to 2010)**

- Kansas sales tax collections up \$3,712,834 (2.5%)
- \$583,123,753 collected ytd through April 2010
- \$1,866,223,078 collected total during 2009

**Long-Term (2000 to 2010)**

- Kansas sales tax collections up \$33,063,215 (27.7%)
- \$1,475,405,439 collected total during 2000

**About the data and graphs**

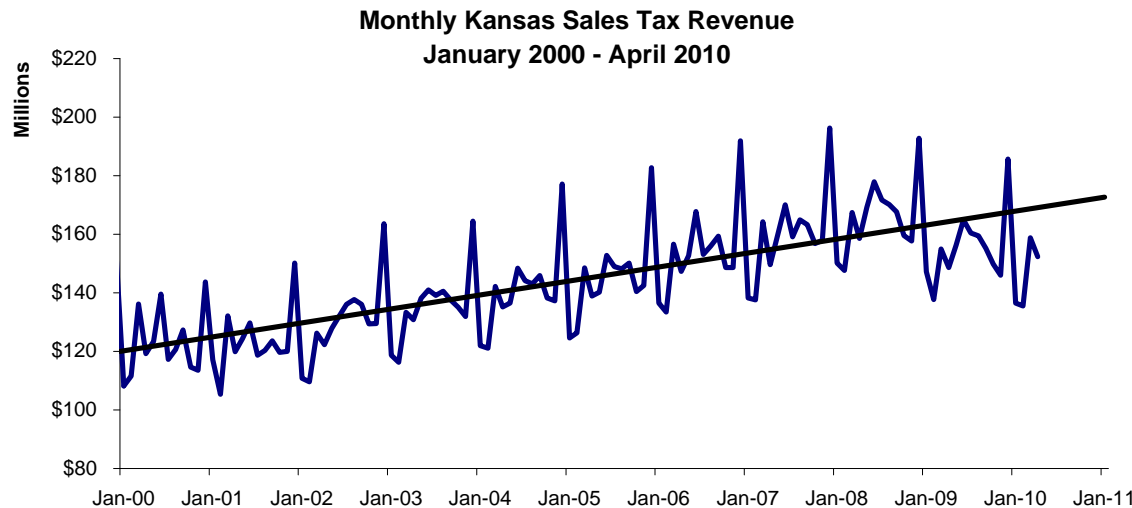
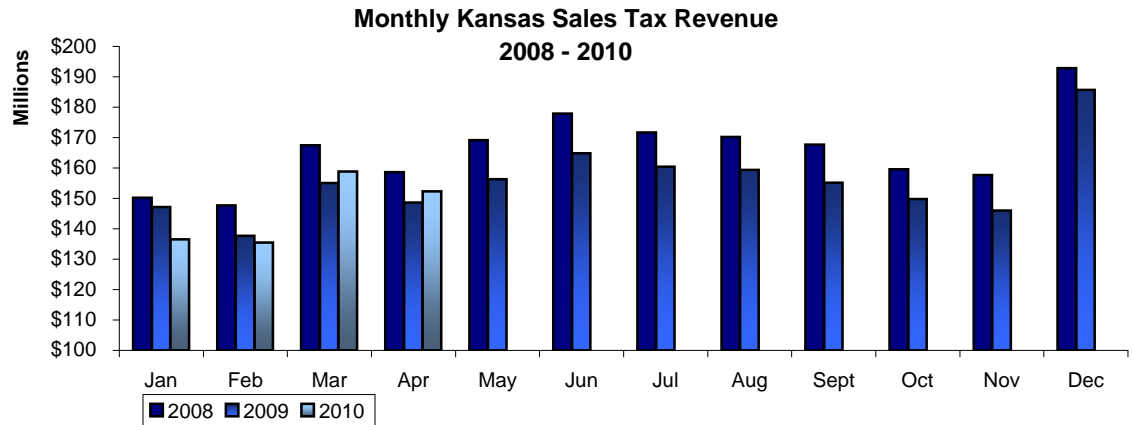
Monthly sales tax collections have trended higher as the economy has grown and two sales tax rate increases have been enacted. Annually, December typically collects the highest sales tax revenue, with January and February collecting the least. Consumers tend to delay purchases during a downturn in the economy, which can be reflected in lower sales tax collections in months proceeding and during a recession. Monthly sales tax collections tend to increase as the economy improves and consumer spending increases.

Tracking sales tax collections in Kansas gives insight into consumer behavior and demand. Sales tax collections can fluctuate widely from month to month. Since January 1990, state sales tax rates have increased on **three** occasions. In June 1992, the state sales tax rate increased from 4.25% to 4.90%; in July 2002 the state sales tax rate increased to 5.30%; and in **July 2010 the state sales tax rate increased to 6.30%.**

Various cities and counties in Kansas have an additional local sales tax. The entire listing of local sales tax rates is available at <http://www.ksrevenue.org/salesratechanges.htm>

**Sales Tax Collections**

	Apr-10	Apr-09	Apr-05	Apr-00	1-yr Chg	5-yr Chg	10-yr Chg
Kansas \$	152,318,833	\$ 148,605,999	\$ 138,919,576	\$ 119,255,618	2.5%	9.6%	27.7%





## Indicators of the Kansas Economy Total Nonfarm Employment

Aug-10

### Short-Term (2009 to 2010)

- Kansas total nonfarm employment up 1,700 (0.1%)
- 6-State Region total nonfarm employment down 4,100 (-0.0%)
- U.S. total nonfarm employment down 17,000 (-0.0%)

### Long-Term (2000 to 2010)

- Kansas total nonfarm employment down 12,800 (-1.0%)
- 6-State Region total nonfarm employment down 8,200 (-0.1%)
- U.S. total nonfarm employment down 1,822,000 (-1.4%)

### July 2010 Total Nonfarm Employment Levels

(all employees, thousands)

State	Employment
Kansas	1,321.0
Arkansas	1,158.2
Colorado	2,211.8
Iowa	1,461.7
Missouri	2,646.1
Nebraska	947.0
Oklahoma	1,528.5

### About the data and graphs

The Bureau of Labor Statistics (BLS) publishes several monthly data series on employment by sector from its Current Employment Statistics (CES) program. Data for the series come from a monthly survey of employers. The data are subject to major and minor revisions. The series counts the number of jobs in the state or region, not the number of employed people. Hence a person with two jobs, one in the manufacturing sector and one in the service sector, would be counted in both sectors. The data series chosen for IKE are not adjusted for seasonal variation.

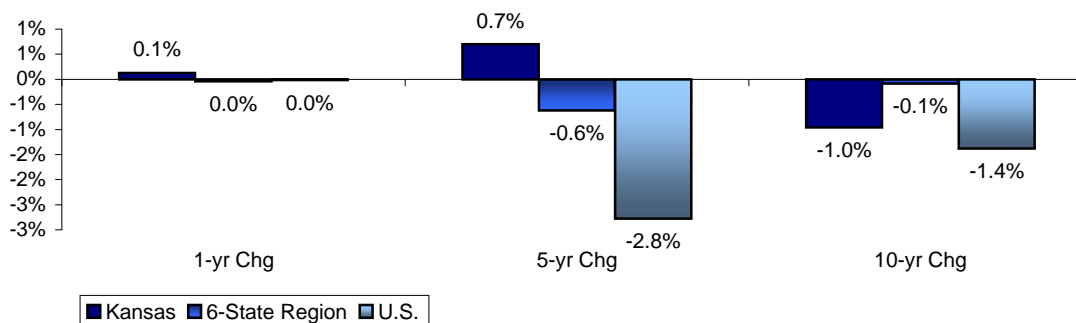
*BLS total nonfarm employment calculations does not include non-civilian employment.*

Source: 2010 monthly data  
U.S. Department of Labor - Bureau of Labor Statistics  
Kansas Department of Labor - Labor Market Information

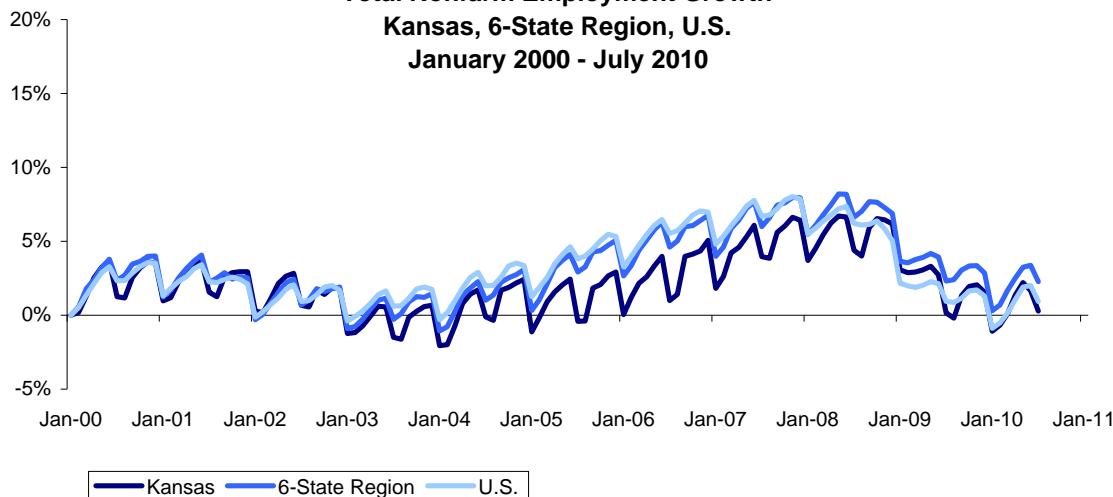
### Total Nonfarm Employment (all employees, thousands)

	Jul-10	Jul-09	Jul-05	Jul-00	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	1,321.0	1,319.3	1,311.8	1,333.8	0.1%	0.7%	-1.0%
6-State Region	9,953.3	9,957.4	10,015.4	9,961.5	0.0%	-0.6%	-0.1%
U.S.	129,954.0	129,971.0	133,665.0	131,776.0	0.0%	-2.8%	-1.4%

### Total Nonfarm Employment Growth 1yr, 5yr, 10yr Change



### Total Nonfarm Employment Growth Kansas, 6-State Region, U.S. January 2000 - July 2010



<http://www.bls.gov/bls/employment.htm>  
<http://laborstats.dol.ks.gov/>



## Indicators of the Kansas Economy Private Sector Employment

Aug-10

### Short-Term (2009 to 2010)

- Kansas private sector employment down 4,900 (-0.5%)
- 6-State Region private sector employment down 10,200 (-0.1%)
- U.S. private sector employment up 34,000 (0.0%)

### Long-Term (2000 to 2010)

- Kansas private sector employment down 28,900 (-2.6%)
- 6-State Region private sector employment down 182,900 (-2.2%)
- U.S. private sector employment down 3,297,000 (-2.9%)

### July 2010 Private Sector Employment Levels

(all employees, thousands)

State	Employment
Kansas	1,078.8
Arkansas	954.0
Colorado	1,838.2
Iowa	1,230.8
Missouri	2,226.2
Nebraska	784.7
Oklahoma	1,209.5

### About the data and graphs

The Bureau of Labor Statistics (BLS) publishes several monthly data series on employment by sector from its Current Employment Statistics (CES) program. Data for the series come from a monthly survey of employers. The data are subject to major and minor revisions. The series counts the number of jobs in the state or region, not the number of employed people. Hence a person with two jobs, one in the manufacturing sector and one in the service sector, would be counted in both sectors. The data series chosen for IKE are not adjusted for seasonal variation.

*BLS private sector calculations include all nonfarm sectors, while excluding Federal, State, and Local government sectors.*

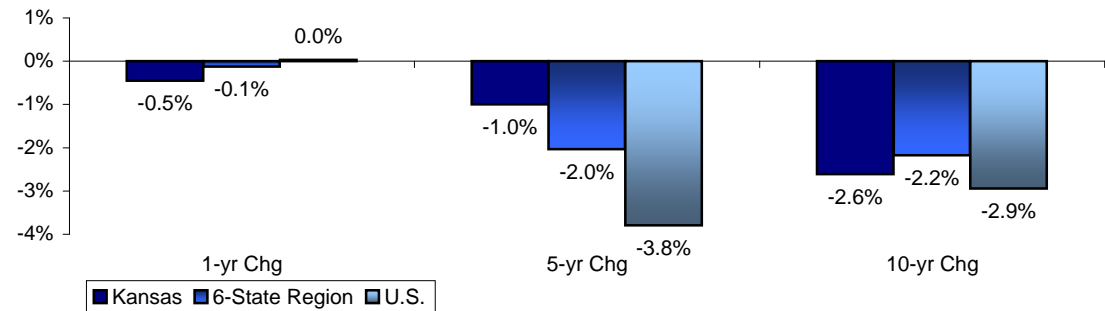
Source: 2010 monthly data  
U.S. Department of Labor - Bureau of Labor Statistics  
Kansas Department of Labor - Labor Market Information

### Private Sector Employment

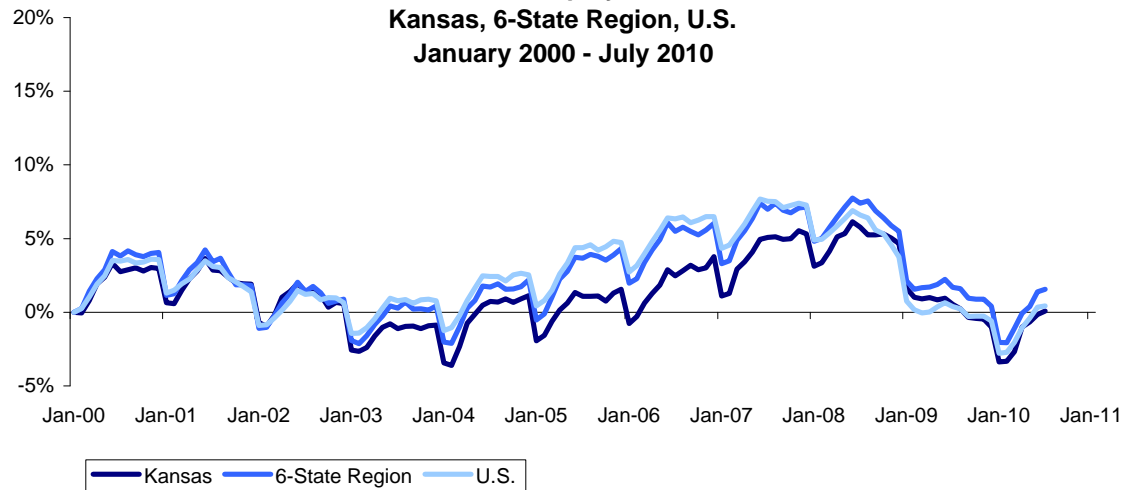
(all employees, thousands)

	Jul-10	Jul-09	Jul-05	Jul-00	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	1,078.8	1,083.7	1,089.7	1,107.7	-0.5%	-1.0%	-2.6%
6-State Region	8,243.4	8,253.6	8,414.5	8,426.3	-0.1%	-2.0%	-2.2%
U.S.	108,731.0	108,697.0	113,015.0	112,028.0	0.0%	-3.8%	-2.9%

### Private Sector Employment Growth 1yr, 5yr, 10yr Change



### Private Sector Employment Growth Kansas, 6-State Region, U.S. January 2000 - July 2010



<http://www.bls.gov/bls/employment.htm>  
<http://laborstats.dol.ks.gov/>



## Indicators of the Kansas Economy Manufacturing Employment

Aug-10

### Short-Term (2009 to 2010)

- Kansas manufacturing employment down 1,900 (-1.2%)
- 6-State Region manufacturing employment up 2,000 (0.2%)
- U.S. manufacturing employment down 1,000 (-0.0%)

### Long-Term (2000 to 2010)

- Kansas manufacturing employment down 39,200 (-19.5%)
- 6-State Region manufacturing employment down 376,200 (-28.1%)
- U.S. manufacturing employment down 5,574,000 (-32.2%)

### July 2010 Manufacturing Employment Levels

(all employees, thousands)

State	Employment
Kansas	161.5
Arkansas	167.1
Colorado	124.0
Iowa	206.1
Missouri	249.5
Nebraska	92.2
Oklahoma	123.6

### About the data and graphs

The Bureau of Labor Statistics (BLS) publishes several monthly data series on employment by sector from its Current Employment Statistics (CES) program. Data for the series come from a monthly survey of employers. The data are subject to major and minor revisions. The series counts the number of jobs in the state or region, not the number of employed people. Hence a person with two jobs, one in the manufacturing sector and one in the service sector, would be counted in both sectors. The data series chosen for IKE are not adjusted for seasonal variation.

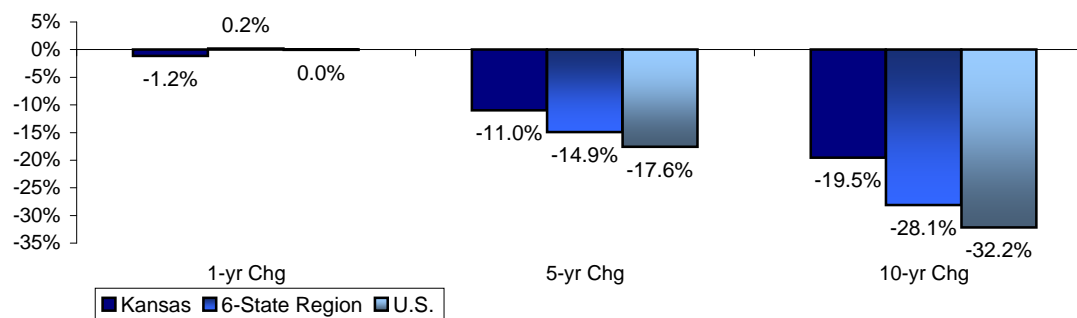
*The manufacturing sector comprises establishments engaged in the mechanical, physical, or chemical transformation of materials, substances, or components into new products.*

Source: 2010 monthly data  
U.S. Department of Labor - Bureau of Labor Statistics  
Kansas Department of Labor - Labor Market Information

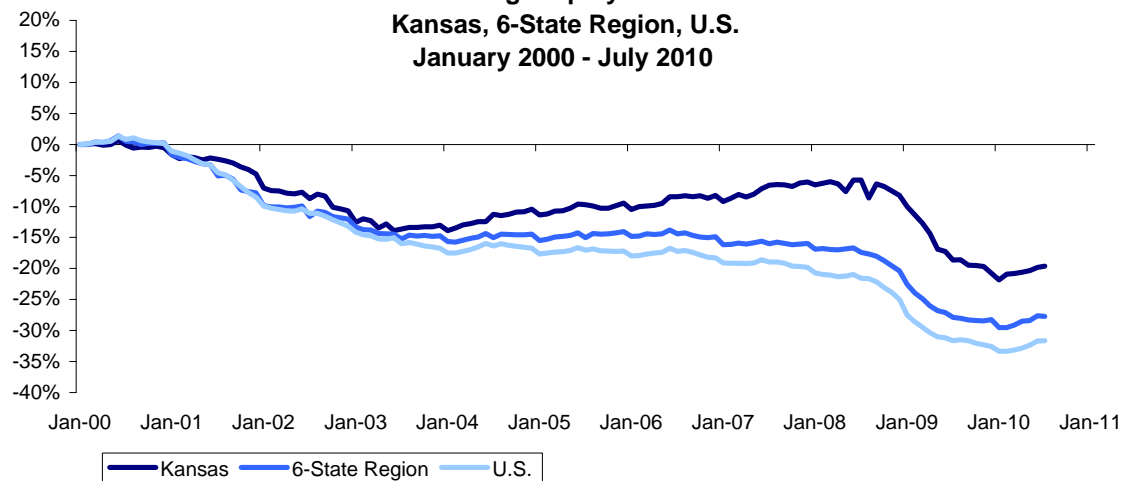
### Manufacturing Employment (all employees, thousands)

	Jul-10	Jul-09	Jul-05	Jul-00	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	161.5	163.4	181.4	200.7	-1.2%	-11.0%	-19.5%
6-State Region	962.5	960.5	1,131.5	1,338.7	0.2%	-14.9%	-28.1%
U.S.	11,744.0	11,745.0	14,250.0	17,318.0	0.0%	-17.6%	-32.2%

### Manufacturing Employment Growth 1yr, 5yr, 10yr Change



### Manufacturing Employment Growth Kansas, 6-State Region, U.S. January 2000 - July 2010



<http://www.bls.gov/bls/employment.htm>  
<http://laborstats.dol.ks.gov/>



## Indicators of the Kansas Economy Service Employment

Aug-10

### Short-Term (2009 to 2010)

- Kansas service employment down 7,800 (-0.9%)
- 6-State Region service employment up 18,300 (0.3%)
- U.S. service employment up 353,000 (0.4%)

### Long-Term (2000 to 2010)

- Kansas service employment up 12,500 (1.5%)
- 6-State Region service employment up 248,200 (3.8%)
- U.S. service employment up 3,393,000 (3.9%)

### July 2010 Service Employment Levels

(all employees, thousands)

State	Employment
Kansas	843.1
Arkansas	722.8
Colorado	1,575.2
Iowa	953.3
Missouri	1,864.2
Nebraska	641.8
Oklahoma	969.4

### About the data and graphs

The Bureau of Labor Statistics (BLS) publishes several monthly data series on employment by sector from its Current Employment Statistics (CES) program. Data for the series come from a monthly survey of employers. The data are subject to major and minor revisions. The series counts the number of jobs in the state or region, not the number of employed people. Hence a person with two jobs, one in the manufacturing sector and one in the service sector, would be counted in both sectors. The data series chosen for IKE are not adjusted for seasonal variation. While BLS service sector calculations include government, *Kansas, Inc.*, has defined the overall service sector to include the following BLS sectors: trade, transportation, and utilities; information; finance; professional and business; education and health; leisure and hospitality; and other services.

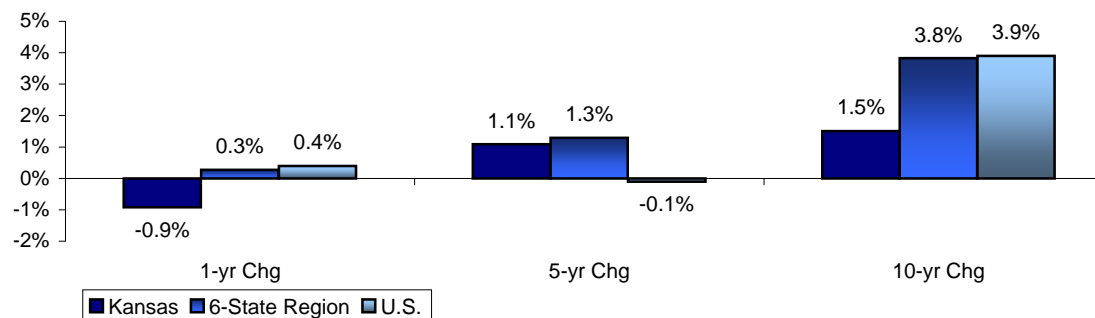
Source: 2010 monthly data  
U.S. Department of Labor - Bureau of Labor Statistics  
Kansas Department of Labor - Labor Market Information

### Service Employment

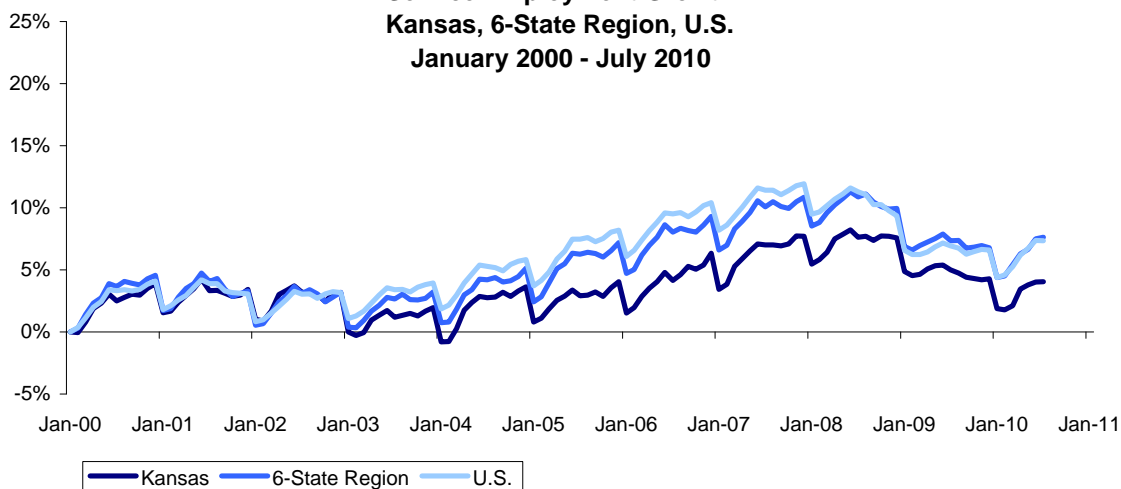
(all employees, thousands)

	Jul-10	Jul-09	Jul-05	Jul-00	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	843.1	850.9	834.0	830.6	-0.9%	1.1%	1.5%
6-State Region	6,726.7	6,708.4	6,641.2	6,478.5	0.3%	1.3%	3.8%
U.S.	90,383.0	90,030.0	90,476.0	86,990.0	0.4%	-0.1%	3.9%

### Service Employment Growth 1yr, 5yr, 10yr Change



### Service Employment Growth Kansas, 6-State Region, U.S. January 2000 - July 2010



<http://www.bls.gov/bls/employment.htm>  
<http://laborstats.dol.ks.gov/>



## Indicators of the Kansas Economy Public Employment

Aug-10

### Short-Term (2009 to 2010)

- Kansas public sector employment up 6,600 (2.8%)
- 6-State Region public sector employment up 6,100 (0.4%)
- U.S. public sector employment down 51,000 (-0.2%)

### Long-Term (2000 to 2010)

- Kansas public sector employment up 16,100 (7.1%)
- 6-State Region public sector employment up 174,700 (11.4%)
- U.S. public sector employment up 1,475,000 (7.5%)

### July 2010 Public Sector Employment Levels

(all employees, thousands)

State	Employment
Kansas	242.2
Arkansas	204.2
Colorado	373.6
Iowa	230.9
Missouri	419.9
Nebraska	162.3
Oklahoma	319.0

### About the data and graphs

The Bureau of Labor Statistics (BLS) publishes several monthly data series on employment by sector from its Current Employment Statistics (CES) program. Data for series come from a monthly survey of employers. The data are subject to major and minor revisions. The series count the number of jobs in the state or region, not the number of employed people. Hence a person with two jobs, one in the public sector and one in retail, would be counted in both sectors.

The data series chosen for IKE are not adjusted for seasonal variation; hence the short term employment graph shows substantial decreases in July and August when many public school personnel are off the job. *Kansas, Inc. has included Federal, State, and Local Government.*

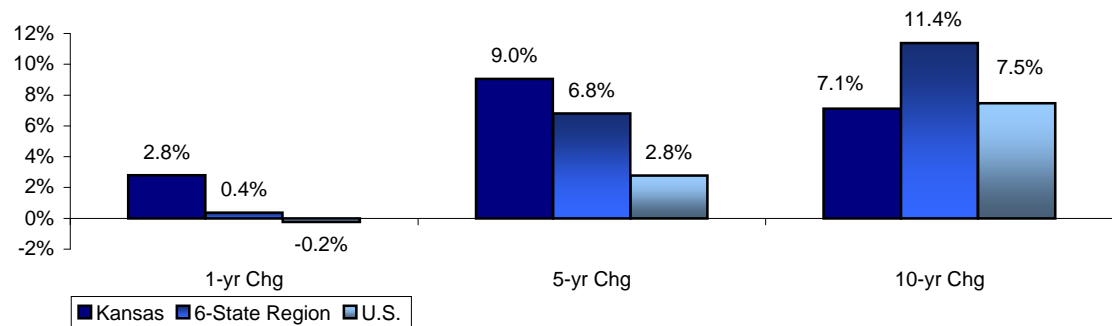
Source: 2010 monthly data  
U.S. Department of Labor - Bureau of Labor Statistics  
Kansas Department of Labor - Labor Market Information

### Public Sector Employment

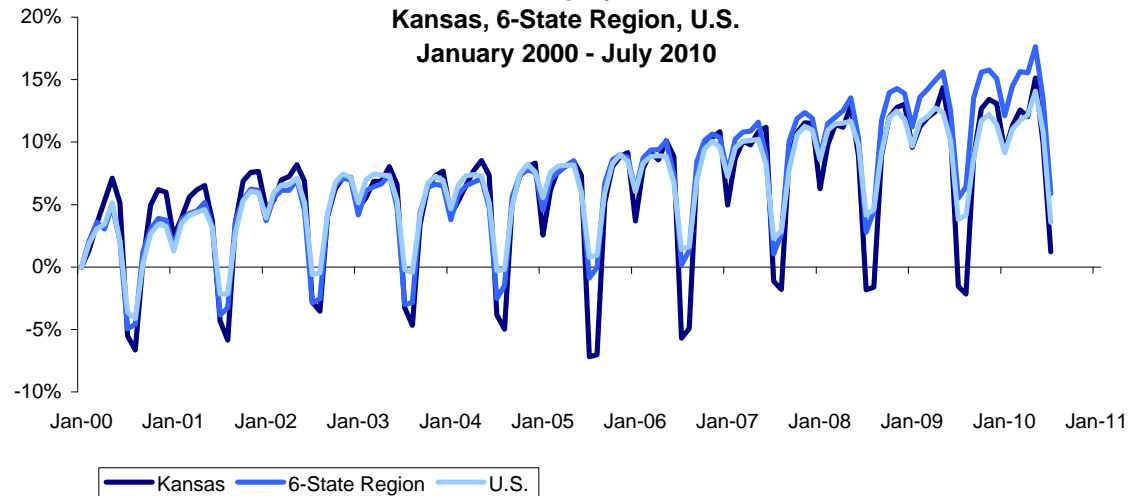
(all employees, thousands)

	Jul-10	Jul-09	Jul-05	Jul-00	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	242.2	235.6	222.1	226.1	2.8%	9.0%	7.1%
6-State Region	1,709.9	1,703.8	1,600.9	1,535.2	0.4%	6.8%	11.4%
U.S.	21,223.0	21,274.0	20,650.0	19,748.0	-0.2%	2.8%	7.5%

### Public Sector Employment Growth 1yr, 5yr, 10yr Change



### Public Sector Employment Growth Kansas, 6-State Region, U.S. January 2000 - July 2010



<http://www.bls.gov/bls/employment.htm>  
<http://laborstats.dol.ks.gov/>



## Indicators of the Kansas Economy Unemployment and Unemployment Rate

Aug-10

### Short-Term (2009 to 2010)

- Kansas unemployment down 18,248 (-14.9%)
- 6-State Region unemployment down 7,427 (-1.0%)
- U.S. unemployment down 64,000 (-0.4%)

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- Kansas unemployment rate down (-1.0%)
- 6-State Region unemployment rate up (0.1%)
- U.S. unemployment rate unchanged (0.0%)

### Long-Term (2000 to 2010)

- Kansas unemployment up 46,811 (81.5%)
- 6-State Region unemployment up 442,528 (134.2%)
- U.S. unemployment up 9,109,000 (151.1%)

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- Kansas unemployment rate up (2.9%)
- 6-State Region unemployment rate up (4.2%)
- U.S. unemployment rate up (5.5%)

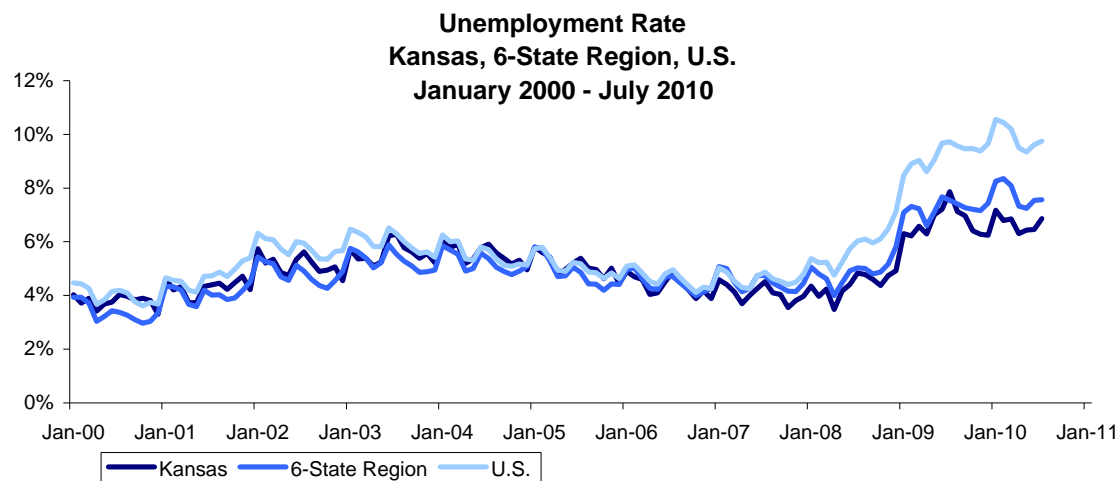
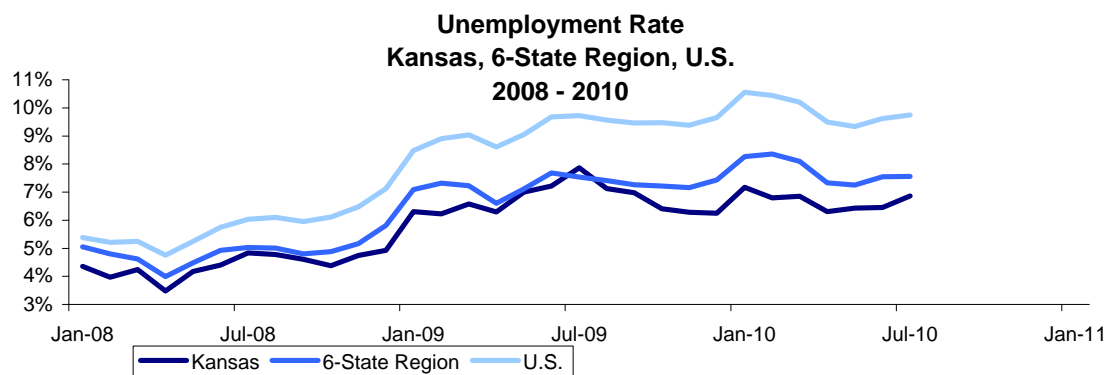
### About the data and graphs

The unemployment rate represents the number unemployed as a percent of the labor force. As defined in the Current Population Survey, unemployed persons are persons aged 16 years and older who had no employment during the reference week, were available for work, except for temporary illness, and had made specific efforts to find employment sometime during the 4-week period ending with the reference week. Persons who were waiting to be recalled to a job from which they had been laid off need not have been looking for work to be classified as unemployed.

The unemployment rate contains a seasonal component, it rises during summer as new high school and college graduates enter the civilian labor force and in January, when retailers lay off holiday employees. The unemployment rate also contains a business cycle component, rising during recessionary periods when people currently in the labor force lose jobs.

### Unemployment and Unemployment Rate (all employees)

	Jul-10	Jul-09	Jul-05	Jul-00	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	104,248	122,496	80,183	57,437	-14.9%	30.0%	81.5%
6-State Region	772,357	779,784	493,029	329,829	-1.0%	56.7%	134.2%
U.S.	15,137,000	15,201,000	7,839,000	6,028,000	-0.4%	93.1%	151.1%
Kansas (%)	6.9%	7.9%	5.4%	4.0%	-1.0%	1.5%	2.9%
6-State Region (%)	7.6%	7.5%	4.9%	3.4%	0.1%	2.7%	4.2%
U.S. (%)	9.7%	9.7%	5.2%	4.2%	0.0%	4.5%	5.5%



Source: 2010 monthly data  
U.S. Department of Labor - Bureau of Labor Statistics  
Kansas Department of Labor - Labor Market Information

<http://www.bls.gov/bls/employment.htm>  
<http://laborstats.dol.ks.gov/>



## Indicators of the Kansas Economy Initial Claims for Unemployment

Aug-10

### Short-Term (2009 to 2010)

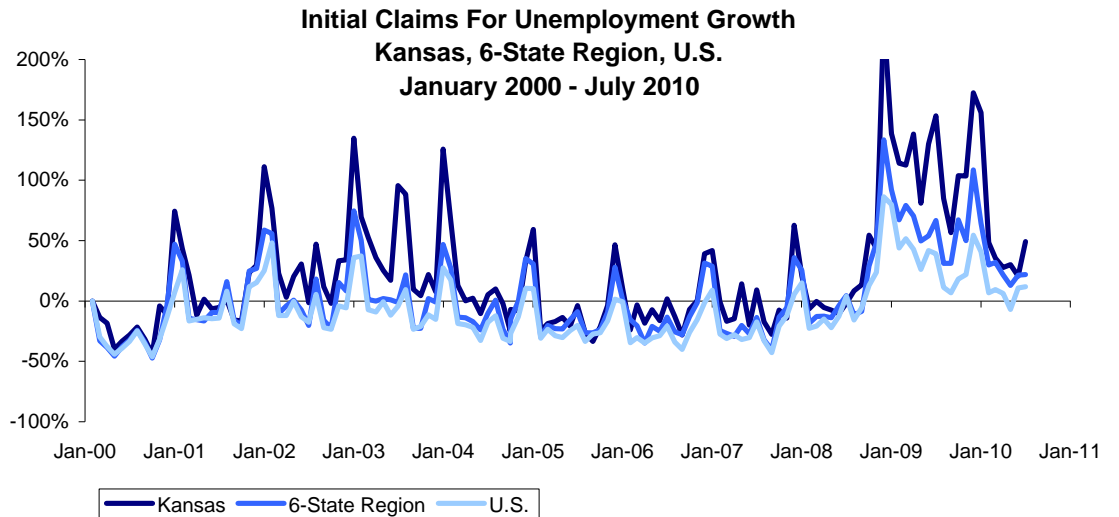
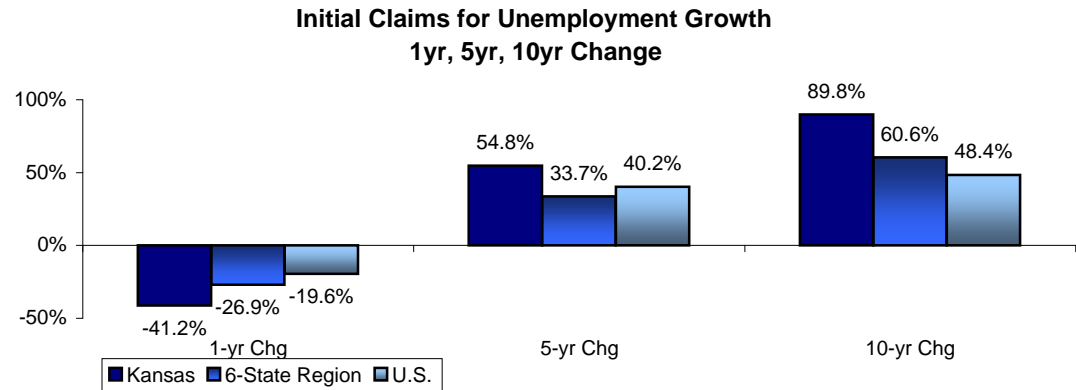
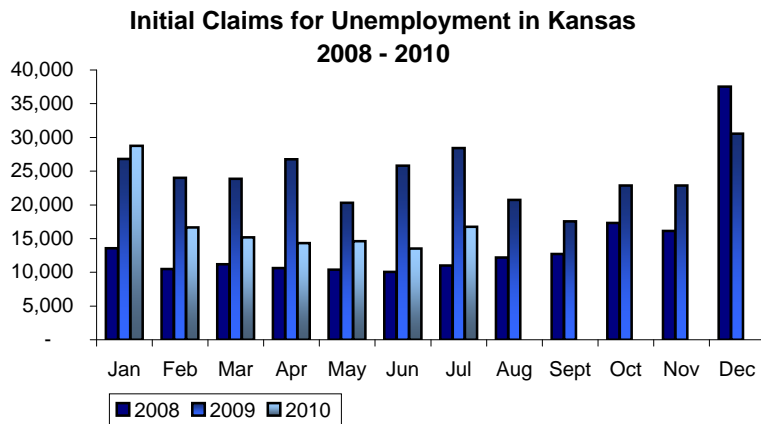
- Kansas initial claims down 11,704 (-41.2%)
- 6-State Region initial claims down 45,592 (-26.9%)
- U.S. initial claims down 488,714 (-19.6%)

### Long-Term (2000 to 2010)

- Kansas initial claims up 7,918 (89.8%)
- 6-State Region initial claims up 46,662 (60.6%)
- U.S. initial claims up 655,168 (48.4%)

### Initial Claims for Unemployment (all employees)

	Jul-10	Jul-09	Jul-05	Jul-00	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	16,733	28,437	10,807	8,815	-41.2%	54.8%	89.8%
6-State Region	123,697	169,289	92,527	77,035	-26.9%	33.7%	60.6%
U.S.	2,007,892	2,496,606	1,431,771	1,352,724	-19.6%	40.2%	48.4%



### About the data and graphs

Initial claims for unemployment count the number of applications of workers who separated from their jobs and who wish to begin unemployment compensation or to extend the period of eligibility. The data are collected by the U.S. Department of Labor, Employment and Training Administration. The data produced by this agency are not seasonally adjusted. Initial claims for unemployment typically rise as the economy moves into recession and fall as the economy recovers. Initial claims for unemployment traditionally peak in the winter months of November, December, and January.



## Indicators of the Kansas Economy Private Industry Wage Levels

Aug-10

### Short-Term (2008 to 2009)

- Kansas private industry wage level down \$224 (-0.6%)
- 6-State Region private industry wage level up \$43 (0.1%)
- U.S. private industry wage level down \$225 (-0.5%)

### Mid-Term (2004 to 2009)

- Kansas private industry wage level up \$5,498 (16.7%)
- 6-State Region private industry wage level up \$5,538 (16.8%)
- U.S. private industry wage level up \$6,012 (15.4%)

### 2009 (p) Private Industry Wage Levels

(average annual wages, all employees, all private establishments)

State	Annual Wage
Kansas	\$ 38,511
Arkansas	\$ 35,122
Colorado	\$ 46,813
Iowa	\$ 36,316
Missouri	\$ 40,179
Nebraska	\$ 36,062
Oklahoma	\$ 36,954

(p) - 2009 1st, 2nd, 3rd quarter avg weekly wage multiplied by 52 weeks

### About the data and graphs

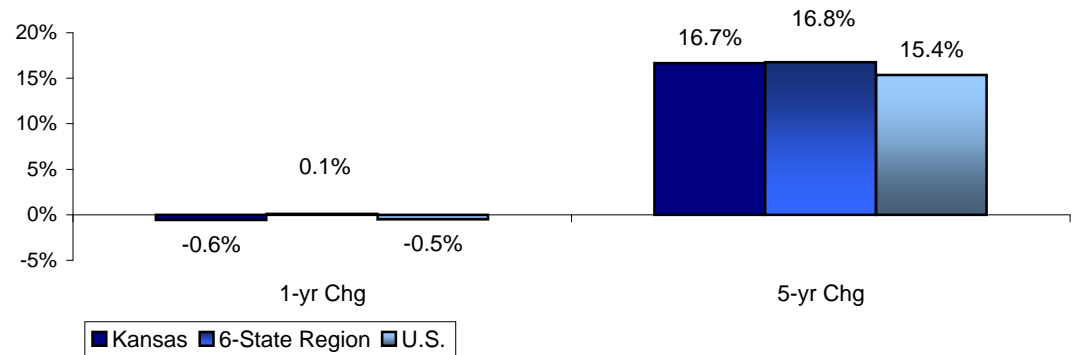
The Quarterly Census of Employment and Wages Program is a cooperative program involving the Bureau of Labor Statistics (BLS) of the U.S. Department of Labor and the State Employment Security Agencies (SESAs). The QCEW program produces a comprehensive tabulation of employment and wage information for workers covered by State unemployment insurance (UI) laws and Federal workers covered by the Unemployment Compensation for Federal Employees (UCFE) program. *Private Industry wage levels were calculated using QCEW program data. Wage levels were calculated as an average of all private industries and establishments.*

### Private Industry Wage Levels

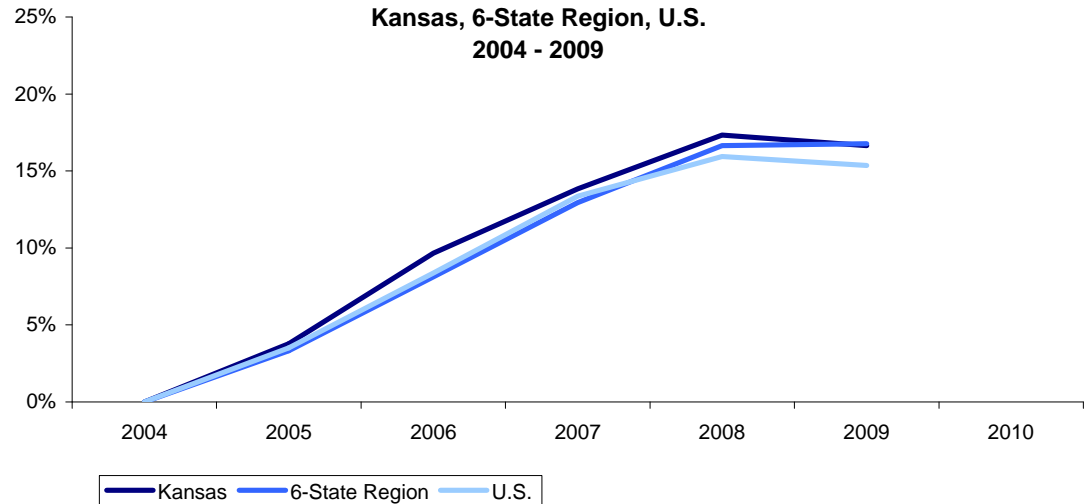
(average annual wages, all employees, all private establishments)

	2009 (p)	2008	2004	1-yr Chg	5-yr Chg
Kansas	\$ 38,511	\$ 38,735	\$ 33,013	-0.6%	16.7%
6-State Region	\$ 38,574	\$ 38,531	\$ 33,036	0.1%	16.8%
U.S.	\$ 45,146	\$ 45,371	\$ 39,134	-0.5%	15.4%

### Private Industry Wage Growth 1yr, 5yr, Change



### Private Industry Wage Growth Kansas, 6-State Region, U.S. 2004 - 2009



Source: 2009 annual data  
U.S. Department of Labor - Bureau of Labor Statistics

<http://www.bls.gov/bls/employment.htm>



## Indicators of the Kansas Economy Private Establishment Data

Aug-10

### Short-Term (2008 to 2009)

- Kansas total establishments up 1,377 (1.7%)
- 6-State Region total establishments down 1,986 (-0.3%)
- U.S. total establishments down 57,436 (-0.7%)

### Mid-Term (2004 to 2009)

- Kansas total establishments up 6,084 (8.1%)
- 6-State Region total establishments up 47,216 (7.7%)
- U.S. total establishments up 652,913 (8.1%)

### Kansas Private Establishment Data

(total private establishments, by employee size)

Year	1-9	10-49	50-99	100+
2004	56,780	15,216	1,995	1,578
2005	57,852	15,206	2,029	1,599
2006	59,890	15,209	2,057	1,662
2007	59,748	15,549	2,114	1,691
2008	60,803	15,650	2,110	1,713
2009 (p)	62,386	15,592	2,087	1,588
1-yr Chg	2.6%	-0.4%	-1.1%	-7.3%
5-yr Chg	9.9%	2.5%	4.6%	0.6%

(p) - preliminary

### About the data and graphs

According to the U.S. Small Business Administration, small businesses provide approximately 75 percent of the net new jobs added to the economy and employ 50.1 percent of the private work force. This data tracks the number of business establishments by employee size to help understand what size businesses are growing. The Quarterly Census of Employment and Wages (QCEW) program includes data on the number of establishments, monthly employment, and quarterly wages, by NAICS industry, by county, by ownership sector, for the entire United States. *This variable includes private establishments only, as determined by the QCEW program.*

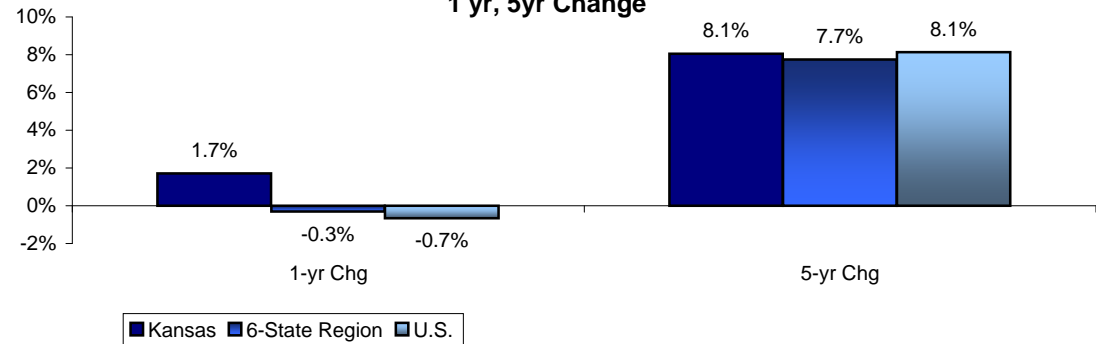
Source: 2009 annual data  
U.S. Department of Labor - Bureau of Labor Statistics  
Kansas Department of Labor - Labor Market Information

### Private Establishment Data

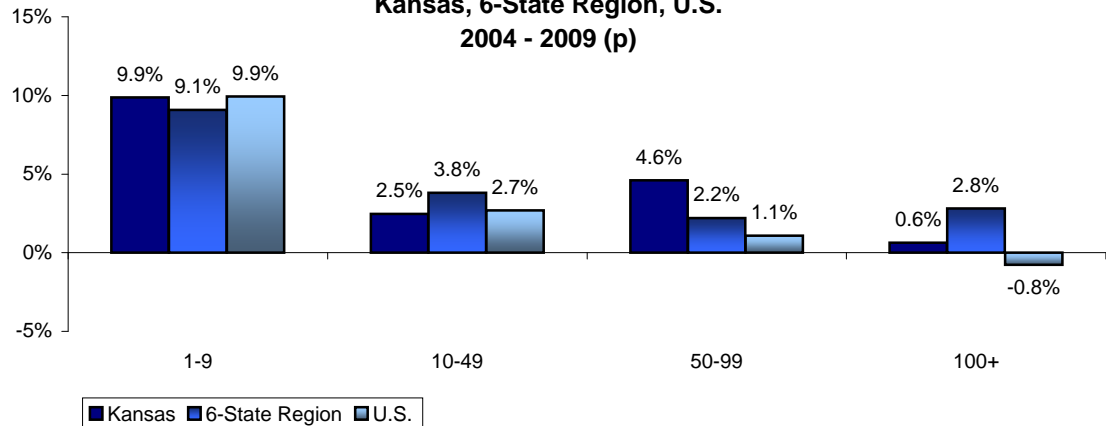
(total private establishments, all employee sizes)

	2009 (p)	2008	2004	1-yr Chg	5-yr Chg
Kansas	81,653	80,276	75,569	1.7%	8.1%
6-State Region	656,540	658,526	609,324	-0.3%	7.7%
U.S.	8,679,773	8,737,209	8,026,860	-0.7%	8.1%

### Private Establishment Growth 1 yr, 5yr Change



### Private Establishment Growth by Employee Size Kansas, 6-State Region, U.S. 2004 - 2009 (p)

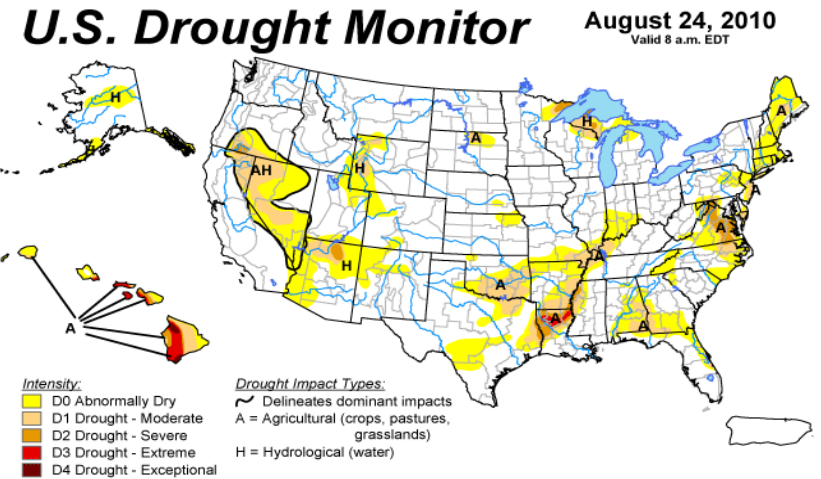


<http://www.bls.gov/bls/employment.htm>  
<http://laborstats.dol.ks.gov/>

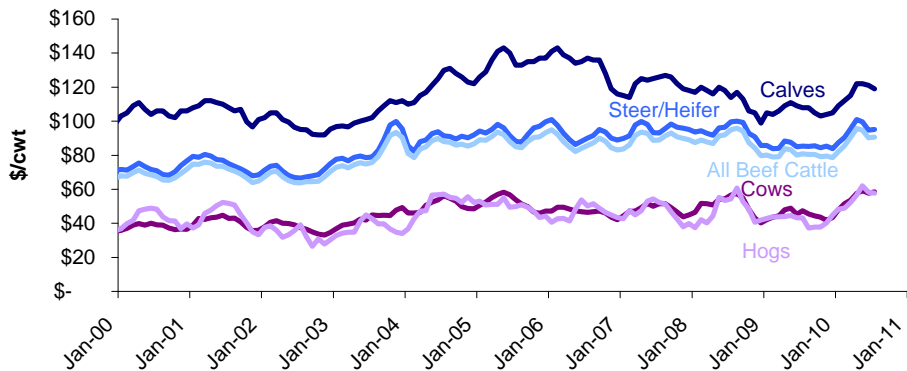
(8/2/2010 USDA Agricultural Prices) **KANSAS:** The July **All Farm Products Index** of Prices Received by Kansas farmers, at 137 percent of the 1990-92 base, is up 13 points from June but down 1 point from July 2009. The **All Crops Index** in July, at 164 percent of the 1990-92 base, is up 20 points from June but down 20 points from 2009. The **Meat Animals Index**, at 121 percent of the 1990-92 base, is unchanged from June but 11 points above last year.

**Wheat** prices in mid-July, at \$4.60 per bushel, are up 64 cents from June but 69 cents below last July. **Corn** prices in mid-July, at \$3.45 per bushel, are up 24 cents from June and 15 cents above last July. Farmers received an average of \$5.65 per cwt. for **grain sorghum** in mid-July, up 63 cents from June and \$1.00 above last July. **Soybean** prices, at \$9.80 per bushel in mid-July, are up 52 cents from June but \$1.00 below last July. **All hay** prices averaged \$107 per ton in mid-July, up \$1 from June and \$5 higher than last year. **Alfalfa hay** averaged \$115 per ton, up \$5 from June and \$3 higher than last July. **Other hay**, at \$75 per ton, is up \$5 from June but \$1 below last July.

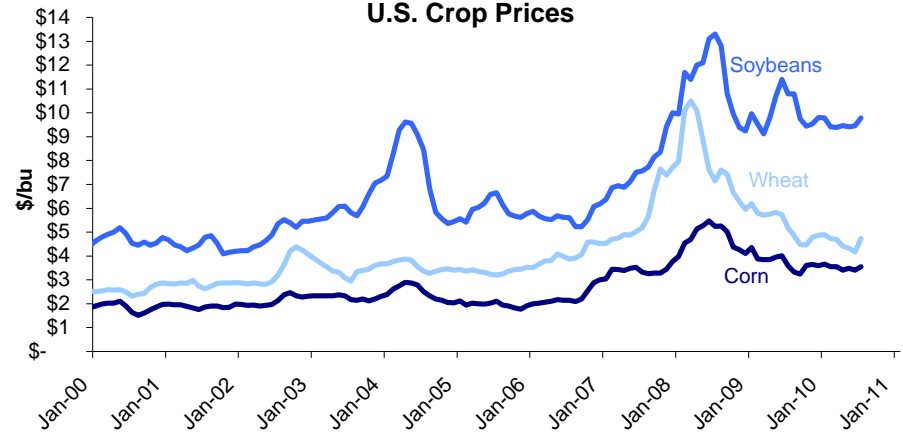
**All beef cattle** were bringing an average of \$92.30 per cwt. in mid-July, unchanged from June but \$7.50 above the price last July. **Cow** prices, at \$58.00 per cwt., are up \$2.00 from June and \$9.20 above the price last July. **Steers and heifers** averaged \$93.00 per cwt., unchanged from June but \$7.50 above July 2009. **Calf** prices in mid-July were \$128.00 per cwt., up \$2.00 from June and up \$14.00 from July 2009. The **all hog** price of \$53.30 per cwt. for mid-July is down 60 cents from June but up \$15.60 from last July. **Sow** prices averaged \$52.00, down \$1.50 from June but \$22.30 higher than July 2009. **Barrow and gilt** prices averaged \$53.50 per cwt. in mid-July, down 50 cents from June but \$14.60 above last July.



**U.S. Livestock Prices**



**U.S. Crop Prices**



Source: 2010 monthly data  
 United States Department of Agriculture - NASS  
 National Drought Mitigation Center

<http://www.nass.usda.gov>  
<http://www.drought.unl.edu>



**Indicators of the Kansas Economy**  
**Kansas Farm Management Association Data**

Aug-10

**Short-Term (2009)**

- 1,477 farms reported farm operation data to KFMA
- KFMA farms averaged \$463,742 in value of farm production
- KFMA farms averaged \$358,961 in total farm expense
- KFMA average net farm income was \$104,781
- SE region had the highest net farm income at \$119,381
- SW region had the lowest net farm income at \$84,462

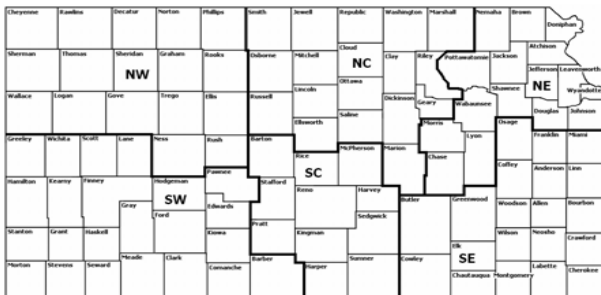
**Long-Term (1999 to 2009)**

- KFMA average net farm income varies widely from year to year
- 5-yr average net farm income was \$89,554
- 10-yr average net farm income was \$64,772

**About the data and graphs**

The Kansas Farm Management Association (KFMA) program is one of the largest publicly funded farm management programs in the U.S. Membership in the KFMA program includes nearly 2,500 farms and over 3,200 families.

The goals of the KFMA program are to provide each member with information about business and family costs to improve farm business organization, farm business decisions, and farm profitability; and minimize risk. Through on-farm visits, whole-farm analysis, and other educational programs, Association Economists assist producers in developing sound farm accounting systems; improving decision making; comparing performance with similar farms; and integrating tax planning, marketing, and asset investment strategies. The KFMA program is organized into six regional associations.

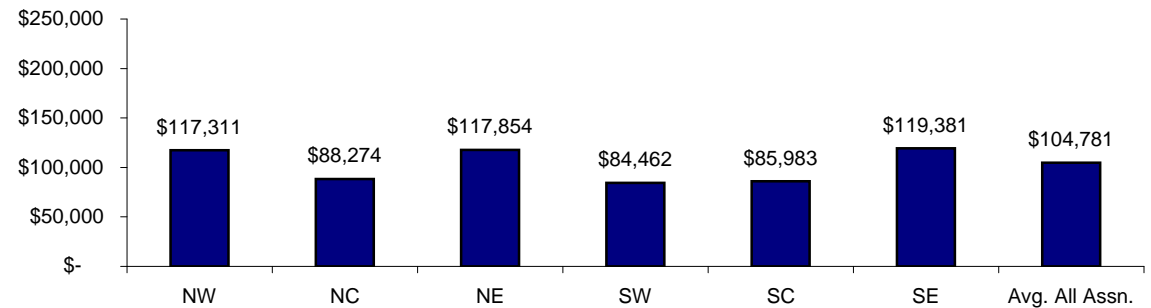


Source: 2009 annual data  
 Kansas State University - Kansas Farm Management Association

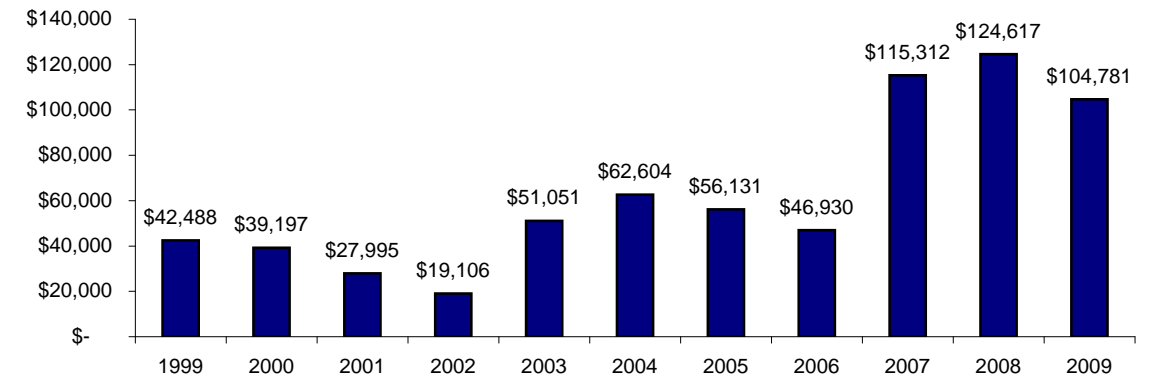
**KFMA Average Net Farm Income by Region**

Region	NW	NC	NE	SW	SC	SE	Avg. All Assn.
2008	\$ 144,839	\$ 104,516	\$ 121,891	\$ 82,605	\$ 132,575	\$ 133,820	\$ 124,617
2009	\$ 117,311	\$ 88,274	\$ 117,854	\$ 84,462	\$ 85,983	\$ 119,381	\$ 104,781
5-yr avg	\$ 125,176	\$ 73,098	\$ 95,502	\$ 65,258	\$ 81,284	\$ 94,246	\$ 89,554
10-yr avg	\$ 79,677	\$ 54,393	\$ 66,585	\$ 45,922	\$ 57,753	\$ 74,425	\$ 64,772

**2008 Kansas Farm Management Association**  
**Average Net Farm Income by Region**



**Kansas Farm Management Association**  
**Average Net Farm Income**  
**1999 - 2009**





## Indicators of the Kansas Economy Oil Production and Price

Aug-10

### Short-Term (2009 to 2010)

- Kansas oil production up 150,535 bbl (4.6%)
- Oil price up \$34.6 (69.8%)

### Long-Term (2000 to 2010)

- Kansas oil production up 588,502 bbl (20.8%)
- Oil price up \$58.6 (227.7%)

### 2009 Oil Production/Price

Month	Production*	Price	Month	Production*	Price
January	3,457,432	\$ 41.71	July	3,422,120	\$ 64.15
February	3,137,996	\$ 39.09	August	3,293,572	\$ 71.05
March	3,336,477	\$ 47.94	September	3,286,941	\$ 69.41
April	3,272,967	\$ 49.65	October	3,244,421	\$ 75.72
May	3,282,305	\$ 59.03	November	3,256,399	\$ 77.99
June	3,299,532	\$ 69.64	December	3,175,332	\$ 74.47

### 2010 Oil Production/Price

January	3,190,629	\$ 78.33	* Recent months production usually incomplete and revised upwards.
February	3,012,735	\$ 76.39	
March	3,429,123	\$ 81.20	
April	3,423,502	\$ 84.29	
May		\$ 73.74	
June		\$ 75.34	

### About the data and graphs

Since the 1990's, monthly production of oil has steadily declined in Kansas. Kansas has experienced a natural decline in oil production as it becomes increasingly difficult to extract oil over time. CO<sub>2</sub> sequestration and other oil recovery techniques show great promise in recovering a larger share of the know oil reserves in Kansas. The higher prices received for oil along with new technology developments have helped to stabilize oil production levels since 1999.

These prices represent the Cushing, OK WTI Spot Price FOB (\$/Barrel). The amount of oil produced is measured in bbl (barrels of oil).

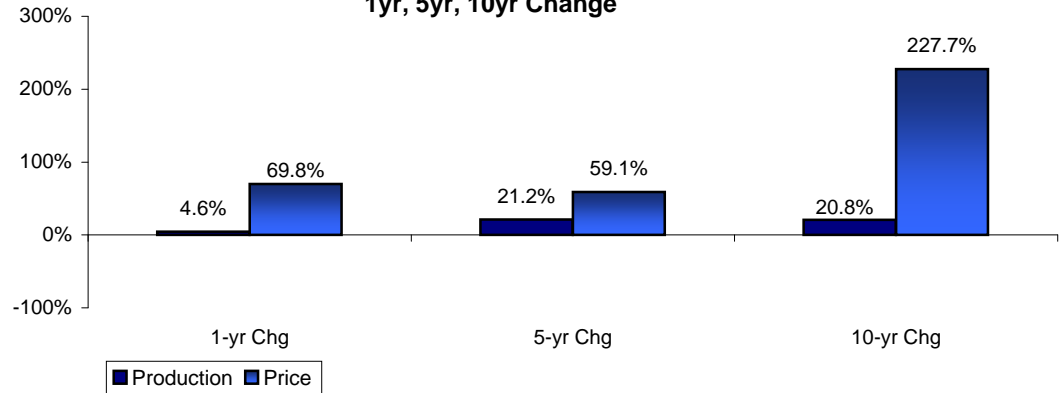
Source: 2010 monthly data  
Kansas Geological Survey  
Energy Information Administration

### Oil Production\* and Price

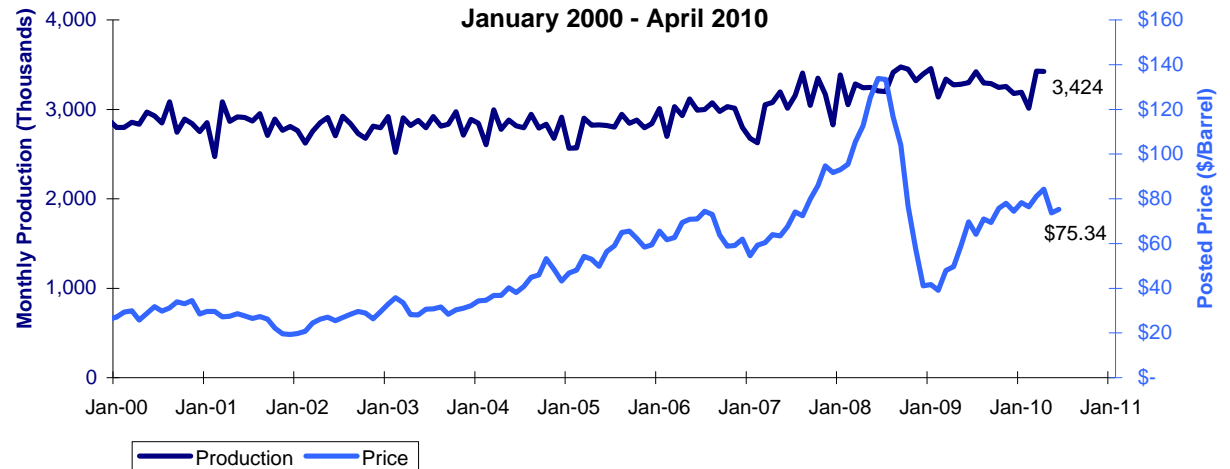
(most recent month of both production and price information)

	Apr-10	Apr-09	Apr-05	Apr-00	1-yr Chg	5-yr Chg	10-yr Chg
Production (bbl)	3,423,502	3,272,967	2,824,144	2,835,000	4.6%	21.2%	20.8%
Price (\$/bbl)	\$ 84.29	\$ 49.65	\$ 52.98	\$ 25.72	69.8%	59.1%	227.7%

### Oil Production and Price Growth 1yr, 5yr, 10yr Change



### Oil Production and Price January 2000 - April 2010



<http://www.kgs.ku.edu/PRS/petro/interactive.html>  
<http://www.eia.doe.gov/>



## Indicators of the Kansas Economy Natural Gas Production and Price

Aug-10

### Short-Term (2009 to 2010)

- Kansas natural gas production down 2,501,892 mcf (-8.4%)
- Natural gas price up \$0.5 (14.3%)

### Long-Term (2000 to 2010)

- Kansas natural gas production down 23,641,788 mcf (-46.4%)
- Natural gas price up \$1.1 (37.1%)

### 2009 Natural Gas Production/Price

Month	Production*	Price	Month	Production*	Price
January	31,536,409	\$ 5.15	July	29,907,774	\$ 3.43
February	28,741,405	\$ 4.19	August	30,831,766	\$ 3.14
March	31,057,871	\$ 3.72	September	29,404,290	\$ 2.92
April	29,767,086	\$ 3.43	October	30,089,582	\$ 3.60
May	31,067,897	\$ 3.45	November	28,811,916	\$ 3.64
June	29,544,335	\$ 3.45	December	28,857,190	\$ 4.44

### 2010 Natural Gas Production/Price

January	28,257,779	\$ 5.14	* Recent months production usually
February	26,033,657	\$ 4.89	incomplete and revised upwards.
March	28,343,109	\$ 4.36	
April	27,265,194	\$ 3.92	
May		\$ 4.04	
June			

### About the data and graphs

Since the 1990's, the monthly production of natural gas has declined in Kansas, as the Hugoton natural gas field has decreased in production. The Hugoton natural gas field is the state's largest natural gas field and extends into Oklahoma and Texas. As with Kansas oil production, natural gas production is experiencing a natural decline in production. Price for natural gas has remained fairly constant in the 1990's, and since March 1999 prices have rose considerably.

These prices represent wellhead price, the value at the mouth of the well. The amount of natural gas produced is measured in Mcf's (thousand cubic feet).

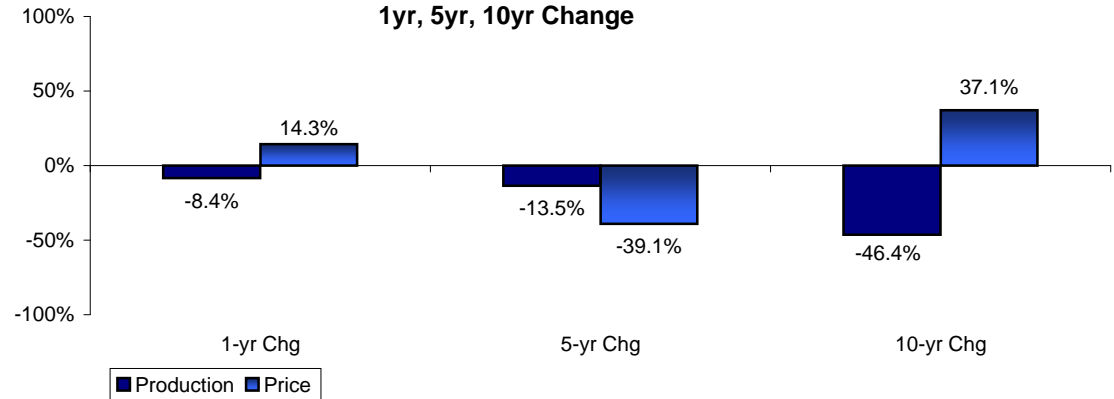
Source: 2010 monthly data  
Kansas Geological Survey  
Energy Information Administration

### Natural Gas Production\* and Price

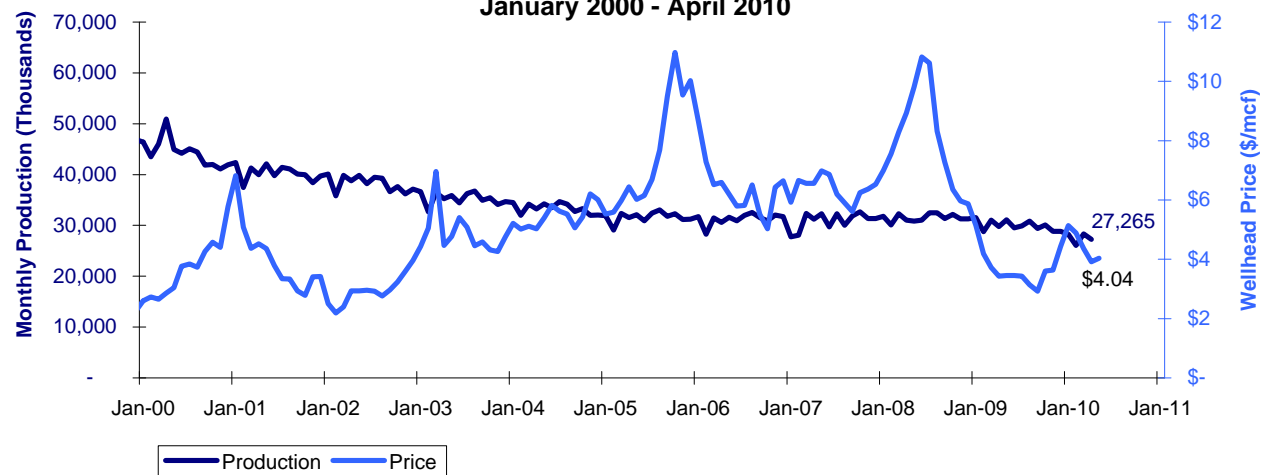
(most recent month of both production and price information)

	Apr-10	Apr-09	Apr-05	Apr-00	1-yr Chg	5-yr Chg	10-yr Chg
Production (mcf)	27,265,194	29,767,086	31,511,956	50,906,982	-8.4%	-13.5%	-46.4%
Price (\$/mcf)	\$ 3.92	\$ 3.43	\$ 6.44	\$ 2.86	14.3%	-39.1%	37.1%

### Natural Gas Production and Price Growth 1yr, 5yr, 10yr Change



### Natural Gas Production and Price January 2000 - April 2010



<http://www.kgs.ku.edu/PRS/petro/interactive.html>  
<http://www.eia.doe.gov/>

**July 28, 2010 - Tenth District - Kansas City** - The Tenth District economy generally held steady in June and early July, despite weak real estate conditions. Consumer spending remained higher than year-ago levels and was expected to rise over the next three months. Manufacturing activity expanded slightly, but at a slower pace than in previous months. Transportation and high-tech firms reported increased activity. As expected, residential real estate activity contracted sharply in response to the expiration of tax credits. Commercial real estate conditions weakened, and activity was expected to slow in the months ahead. Bankers reported slightly increased loan demand and did not anticipate a change in loan quality over the next six months. Energy production expanded, raising expectations of increased employment and capital spending over the coming months. Agriculture conditions remained positive, and farmland values stayed above year-ago levels. Wage and retail price pressures remained subdued.

**Consumer Spending** - Consumer spending remained higher than a year ago, and contacts anticipated gains over the next three months. District retailers reported that sales in June and July were flat relative to the previous survey period but remained above year-ago levels. Retailers expected sales to rise over the next three months and a continued downward trend in prices. Auto sales increased in response to higher discounts, and dealers expected strong demand to persist in the coming months. Auto dealers reported continued declines in inventories. Restaurant sales were flat compared to the previous survey, but the average check amount fell. Tourism activity rose over the past month and was expected to remain strong during the summer months. Hotel occupancy rates increased more than anticipated, but contacts expected to give up some of these gains in the coming months.

**Manufacturing and Other Business Activity** - Growth in manufacturing activity eased slightly in June, while transportation and high-tech firms reported solid growth in sales and activity. Production at manufacturing firms continued to rise, but the pace of growth slowed for the second consecutive month. The volume of new orders, shipments, and finished goods inventories were flat compared to May, but the backlog of orders at manufacturing firms declined. Manufacturing activity continued to improve compared to a year ago, and firms remained optimistic about production and employment over the next six months. Capital spending continued to decrease compared to year-ago levels, and firms expected slightly less investment over the next six months. Transportation firms saw an increase in activity when compared to both the previous period and a year ago. Some firms continued to have difficulty finding qualified drivers.

**Real Estate and Construction** - Residential and commercial real estate activity declined since the last survey period. With the expiration of tax credits, residential sales dropped sharply resulting in higher inventories of unsold homes. Residential real estate contacts continued to report that lower-priced homes sold better than higher-priced homes. Over the next three months, real estate agents anticipated slower sales. However, builders reported higher traffic from potential buyers and expected starts to rise slightly the next three months. Despite flat construction supply sales since the previous survey, construction supply contacts also expected sales to increase during the coming months. Refinancing activity increased amid declining interest rates. Commercial real estate contacts reported that conditions weakened after improving slightly in the previous survey, including higher vacancy rates and declining sales, construction, prices and rents. Commercial real estate conditions were expected to worsen over the next three months. Developers reported increasing difficulty accessing credit.

**Banking** - Bankers reported slightly increased loan demand, stable deposits, and an unchanged outlook for loan quality. Overall, loan demand edged up after holding steady in the previous survey. Demand for consumer installment loans increased. However, demand fell for commercial real estate loans and was little changed for commercial and industrial loans and residential real estate loans. Credit standards on residential real estate loans and consumer installment loans were unchanged, but a few banks tightened standards on their commercial and industrial loans and commercial real estate loans. About the same number of bankers reported an improvement in loan quality, compared to one year ago, as reported a deterioration. Also, for the second straight survey, respondents expected no change in loan quality over the next six months. Deposits were unchanged, consistent with their overall stability since late last year.

**Energy** - Energy production continued to expand, and firms expected activity to grow further in the coming months. Growth in the number of active drilling rigs slowed relative to strong gains earlier in the year. Crude oil prices were expected to remain unchanged due to a steadying of supply and demand conditions. Firms reported that they planned to increase the workforce the next three months, but some contacts noted difficulty finding qualified workers. However, they did not anticipate having to raise wages in order to attract workers. Capital spending was expected to increase over the next six to twelve months, and several firms mentioned the potential of developing the Niobrara oil shale in northeastern Colorado and eastern Wyoming.

**Agriculture** - Agricultural conditions remained positive since the last survey period. Ample moisture reduced the need for irrigation, and the corn and soybean crops were reported in generally good or better condition. Wet weather, however, delayed the winter wheat harvest. While many areas expected an abundant wheat crop, there were some reports of hail damage and poor quality yields, especially in Oklahoma. Corn and soybean prices held steady while wheat prices rallied slightly, mainly due to expectations of a smaller global wheat harvest. Livestock operations continued to be profitable with recovering demand for beef and pork. Farmland values remained above year-ago levels. Farm loan demand held steady, and ample funds were available at low interest rates for qualified borrowers.

**Wages and Prices** - Wage and retail price pressures remained low in June and July. District firms reported a slight uptick in the shortage of qualified labor, but wage pressures stayed at low levels. Retail prices continued to decline compared to both the last survey period and a year ago. Builders and construction supply firms expected prices to remain at current levels over the next three months. Raw material prices at District manufacturers grew during the survey period, but the pace of growth slowed considerably. Meanwhile, transportation companies continued to experience higher input prices. Overall, District contacts planned to keep prices at their current level the next three months.

**About the data** *The Summary of Commentary on Current Economic Conditions by Federal Reserve District, commonly known as the "Beige Book," is published eight times each year. Each Federal Reserve Bank gathers anecdotal information on current economic conditions in its District through reports from Bank and Branch directors and interviews with key business contacts, economists, market experts, and other sources. This document summarizes comments received from business and other contacts outside the Federal Reserve and is not a commentary on the views of Federal Reserve officials. The Federal Reserve Bank of Kansas City covers the 10th District of the Federal Reserve, which includes Colorado, Kansas, Nebraska, Oklahoma, Wyoming, and portions of western Missouri and northern New Mexico.*

# ***Kansas, Inc.***

Created by the Legislature in 1986, Kansas, Inc. is an independent, objective, and non-partisan organization designed to conduct economic development research and analysis with the goal of crafting policies and recommendations to ensure the state's ongoing competitiveness for economic growth. To attain our mission, Kansas, Inc. undertakes these primary activities: 1) Identifying, building, and promoting a Strategic Plan for economic development efforts in the State of Kansas; 2) To complement the Strategic Plan, Kansas, Inc. develops and implements a proactive and aggressive research agenda, which is used to identify and promote sound economic development strategies and policies; 3) Through collaboration and outreach with economic development entities and other potential partners, Kansas, Inc. conducts evaluation reviews and provides oversight of economic development programs to benchmark development efforts in the State of Kansas.

Co-Chaired by the Governor, Kansas, Inc. is governed by a 17-member Board of Directors. Board members, as mandated by legislation, include four members of Legislative leadership, a representative from the Board of Regents, the Secretary of Commerce, the Commanding General of the Kansas Cavalry, a representative from labor, and eight members from the private sector representing key Kansas industrial sectors. Private sector members are appointed by the Governor and confirmed by the Kansas Senate.

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632 SW Van Buren, Suite 100  
Topeka, KS 66603  
(785) 296-1460  
(785) 296-1463 (fax)  
[www.kansasinc.org](http://www.kansasinc.org)  
[ksinc@ink.org](mailto:ksinc@ink.org)

