Indicators of the Kansas Economy

A Review of Economic Trends and the Kansas Economy

1000 S.W. Jackson St. Suite 100
Topeka, KS 66612-1354

Phone: (785) 296-0967
Fax: (785) 296-5055
sahlerich@kansascommerce.com

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Review and Analysis of the August IKE Report

The Indicators of the Kansas Economy (IKE) began as a research program under the stewardship of Kansas, Inc. The Governor's Council of Economic Advisors continues the initiative as a service to its members and the public at large.

IKE tracks a select set of economics-oriented metrics published by government sources. In many cases, these metrics come with a time lag, perhaps as much as one or two years. Even with a relatively long time lag, the most recently reported numbers often undergo one or more future revisions, as the government agencies reporting the data obtain access to more or better information. The metrics reported by IKE offer the best available indicators at the time they are published.

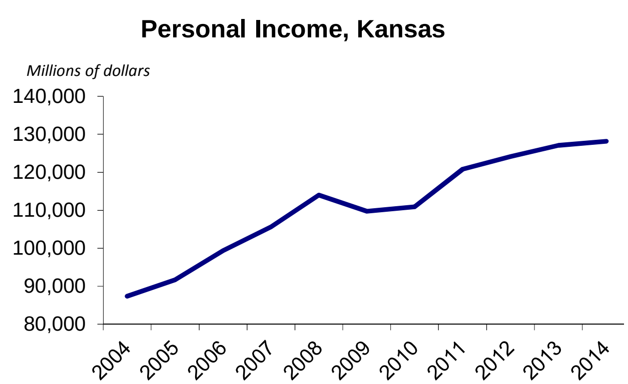
While IKE tracks the mid-west six state region due to geographical and logistical reasons, these states are not homogenous in nature: some states have twice the population and others have an entirely different sector mix. The figures should be interpreted with those differences in mind.

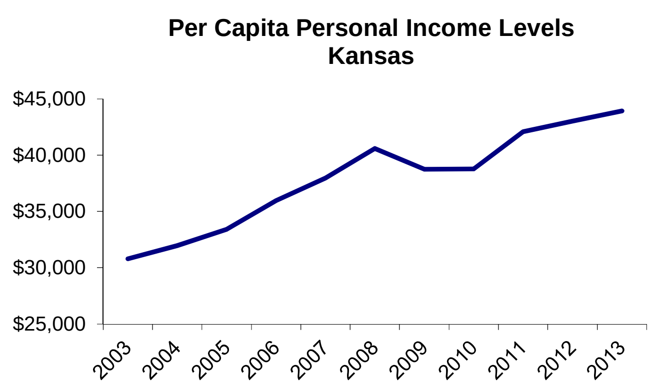
This most recent edition of the IKE report includes 18 updated metrics and 3 revised metrics. A select summary of those follows:

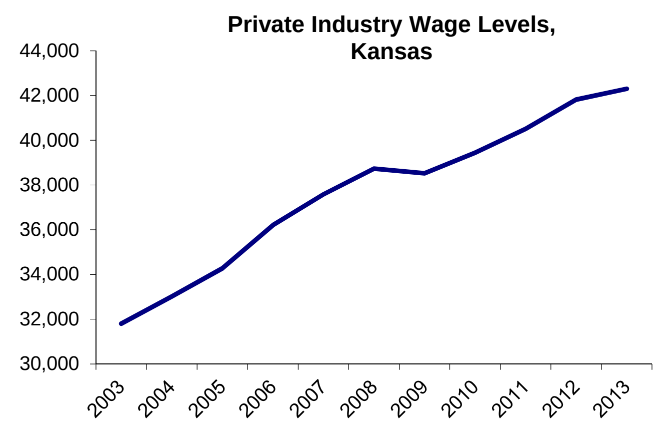
Personal income: Personal income for Kansas has increased to 128,165 million dollars in 2014 Q1, up from 127,092 million in 2013.

Per Capita: Kansas surpassed the region on per capita personal income with a figure of $43,916 in 2013, versus the 6-state region average of $42,554. Kansas also outpaced the nation on a percentage basis with an increase of 2.1% versus the national percentage increase of 1.8%.

Private Industry Wage Levels: Based on revised estimates, Kansas experienced an increase from $41,817 in 2012 to $42,294 in 2013, a net increase of $477.







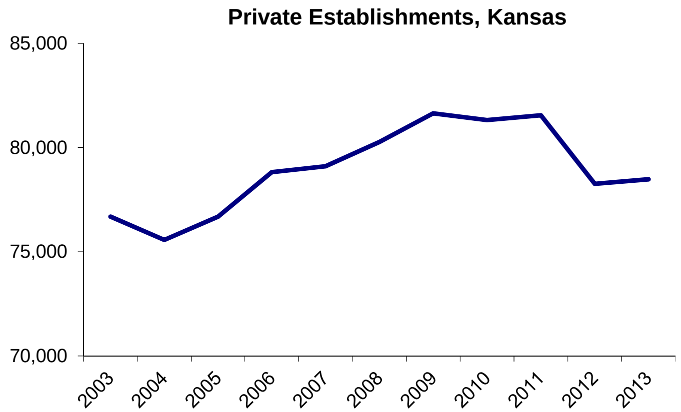
Private Establishment Data: From 2012 to 2013, Kansas total private establishments increased from 78,261 to 78,465.

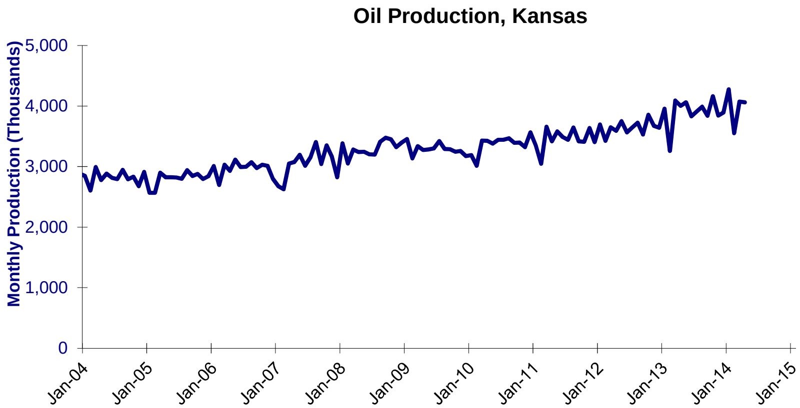
Oil production was up in April 2014 from 4,001,401 bbl in 2013, to 4,061,078 bbl in 2014.

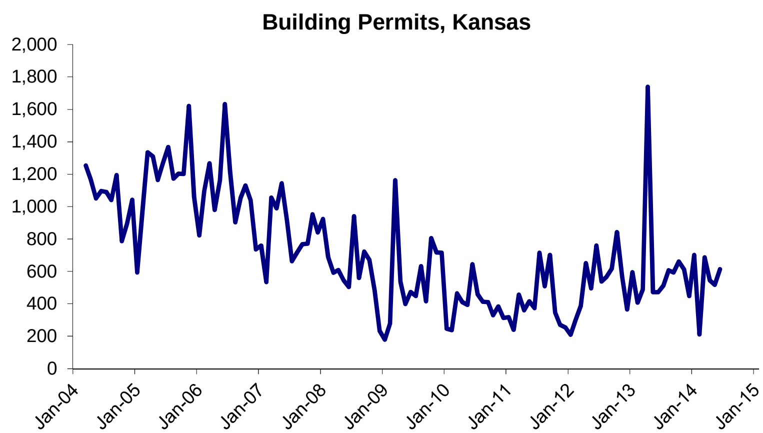
Building permits: In June 2014, 613 building permits were issued in Kansas, up from 472 issued in June 2013.

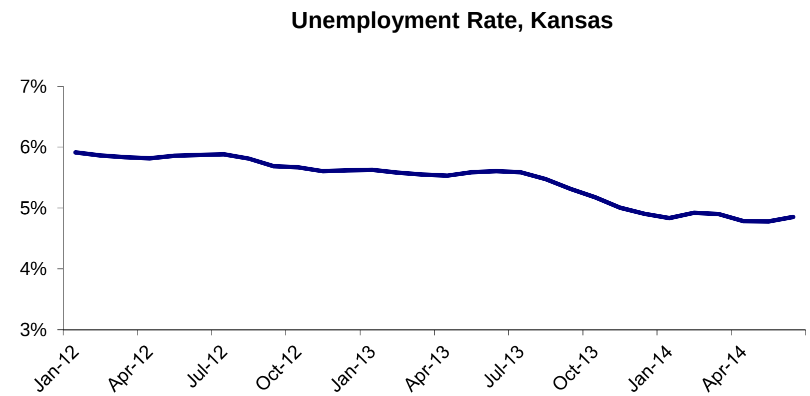
Unemployment: As of June 2014, unemployment in Kansas was 72,804, down from 83,341 unemployed in June of 2013, a decrease of 12.6 %.

Unemployment Rate: Kansas leads the region and the nation with an unemployment rate of 4.9%. The unemployment rate for the region was 5.4%, and the US was 6.3%.









Indicators of the Kansas Economy
Key Trends

Employment and Unemployment

	Jun-14	Jun-13	Jun-09	Jun-04	1-yr Chg	5-yr Chg	10-yr Chg
Total Nonfarm Employment *(all employees, thousands)*							
Kansas	1,392.3	1,375.6	1,349.7	1,339.9	1.2%	3.2%	3.9%
Private Sector Employment *(all employees, thousands)*							
Kansas	1,139.9	1,124.7	1,087.7	1,083.0	1.4%	4.8%	5.3%
Manufacturing Employment *(all employees, thousands)*							
Kansas	161.1	163.5	165.5	175.9	-1.5%	-2.7%	-8.4%
Service Employment *(all employees, thousands)*							
Kansas	905.0	891.7	854.1	833.6	1.5%	6.0%	8.6%
Public Sector Employment *(all employees, thousands)*							
Kansas	252.4	250.9	262.0	256.9	0.6%	-3.7%	-1.8%
Unemployment Rate *(%)*							
Kansas	4.9%	5.6%	7.5%	5.6%	-0.7%	-2.6%	-0.7%

	Jun-14	Jun-13	Jun-09	Jun-04	1-yr Chg	5-yr Chg	10-yr Chg
Initial Claims for Unemployment *(all employees)*							
Kansas	9,880	11,089	25,818	11,806	-10.9%	-61.7%	-16.3%

Wages/Entrepreneurship

Private Establishment Data *(total private establishments, all employee sizes)*

	2013 (p)	2012	2008	2003	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	78,465	78,261	80,276	76,676	0.3%	-2.3%	2.3%

Private Industry Wage Levels *(average annual wages, all employees, all private establishments)*

	2013 (p)	2012	2008	2003	1-yr Chg	5-yr Chg	10-yr Chg
	$ 42,294	$ 41,817	$ 38,735	$ 31,794	1.1%	9.2%	33.0%

Energy

Oil Production and Price *(most recent month of production and price)*

	Apr-14	Apr-13	Apr-09	Apr-04	1-yr Chg	5-yr Chg	10-yr Chg
Production (bbl)	4,061,078	4,001,401	3,272,805	2,776,171	1.5%	24.1%	46.3%
Price ($/bbl)	$ 102.07	$ 92.02	$ 49.65	$ 36.75	10.9%	105.6%	177.7%

Natural Gas Production and Price *(most recent month of production and price)*

	Apr-14	Apr-13	Apr-09	Apr-04	1-yr Chg	5-yr Chg	10-yr Chg
Production (mcf)	23,771,207	24,058,627	29,770,371	33,225,971	-1.2%	-20.2%	-28.5%
Price ($/mcf)	$ 4.84	$ 3.98	$ 3.67	$ 5.21	21.6%	31.9%	-7.1%

Agriculture

KFMA Average Net Farm Income by Region

Region	NW	NC	NE	SW	SC	SE	Avg. All Assn.
2012	$ 283,174	$ 111,790	$ 141,016	$ 138,889	$ 165,360	$ 159,352	$ 159,352
2013	$ 35,791	$ 136,045	$ 154,867	$ 71,633	$ 151,303	$ 161,776	$ 135,429
5-yr avg	$ 244,100	$ 119,964	$ 149,880	$ 98,039	$ 128,542	$ 143,394	$ 145,095
10-yr avg	$ 177,487	$ 92,871	$ 118,645	$ 76,195	$ 101,586	$ 115,322	$ 113,107

General Economic Data

Population

	2013	2012	2008	2003	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	2,893,957	2,885,398	2,797,375	2,721,955	0.3%	3.5%	6.3%

Gross State Product *(millions of current dollars)*

	2013	2012	2008	2003	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	144,062	138,958	124,215	96,794	3.7%	16.0%	48.8%
6-State Region	1,152,473	1,098,000	994,415	761,416	5.0%	15.9%	51.4%
U.S.	16,701,415	16,141,152	14,636,247	11,447,447	3.5%	14.1%	45.9%

Personal Income Estimates *(millions of dollars)*

	2014 Q1	2013	2009	2004	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	128,165	127,092	109,731	87,394	0.8%	16.8%	46.7%
6-State Region	992,726	979,056	832,216	680,101	1.4%	19.3%	46.0%
U.S.	14,360,913	14,081,242	12,073,738	10,043,284	2.0%	18.9%	43.0%

Per Capita Personal Income Estimates *($)*

	2013	2012	2008	2003	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	43,916	43,015	40,598	30,783	2.1%	8.2%	42.7%
6-State Region	42,554	41,652	38,460	30,185	2.2%	10.6%	41.0%
U.S.	44,543	43,735	40,873	32,676	1.8%	9.0%	36.3%

Consumer Price Index

	Jun-14	Jun-13	Jun-09	Mar-04	1-yr Chg	5-yr Chg	10-yr Chg
Midwest Urban	227.6	223.8	205.4	183.3	1.7%	10.8%	24.2%
U.S. City Average	238.3	233.5	215.7	189.7	2.1%	10.5%	25.6%

Building Permits *(new privately owned housing units authorized)*

	Jun-14	Jun-13	Jun-09	Jun-04	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	613	472	473	1,097	29.9%	29.6%	-44.1%

Sales Tax Collections *($)*

	Apr-14	Apr-13	Apr-09	Apr-04	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	206,170,438	197,895,079	148,605,999	135,202,660	4.2%	38.7%	52.5%

Indicators of the Kansas Economy
Population

Short-Term (2012 to 2013)
- Kansas population up 8,559 (0.3%)
- 6-State Region population up 171,434 (0.7%)
- U.S. population up 2,255,154 (0.7%)

Long-Term (2003 to 2013)
- Kansas population up 172,002 (6.3%)
- 6-State Region population up 1,930,332 (9.1%)
- U.S. population up 25,802,421 (8.9%)

2013 Population

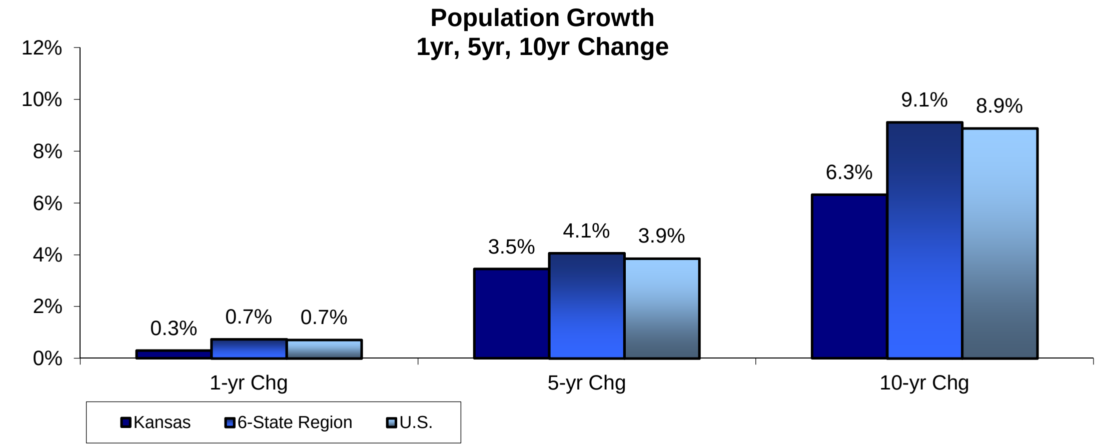
Region	Population
Kansas	2,893,957
Arkansas	2,959,373
Colorado	5,268,367
Iowa	3,090,416
Missouri	6,044,171
Nebraska	1,868,516
Oklahoma	3,850,568
6-State Region	23,081,411
U.S.	316,128,839

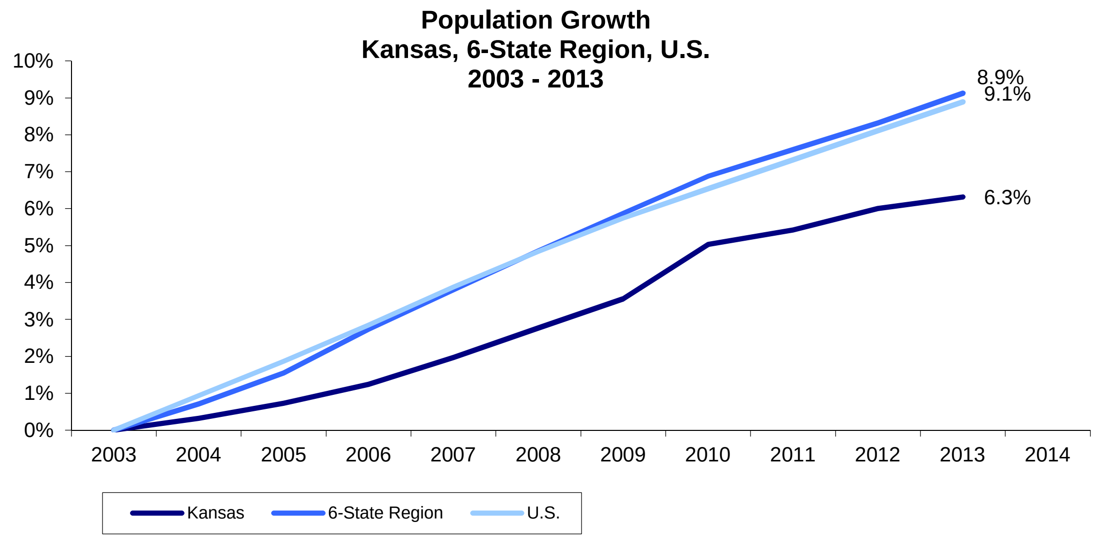
About the data and graphs

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

	2013	2012	2008	2003	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	2,893,957	2,885,398	2,797,375	2,721,955	0.3%	3.5%	6.3%
6-State Region	23,081,411	22,909,977	22,179,273	21,151,079	0.7%	4.1%	9.1%
U.S.	316,128,839	313,873,685	304,374,846	290,326,418	0.7%	3.9%	8.9%





Source: *2013 annual data*
U.S. Census Bureau *http://www.census.gov/popest/estimates.html*

Indicators of the Kansas Economy
Gross State Product

Short-Term (2012 to 2013)
- Kansas GSP up $5,104 million (3.7%)
- 6-State Region GSP up $54,473 million (5.0%)
- U.S. GSP up $560,263 million (3.5%)

Long-Term (2003 to 2013)
- Kansas GSP up $47,268 million (48.8%)
- 6-State Region GSP up $391,057 million (51.4%)
- U.S. GSP up $5,253,968 million (45.9%)

2013 Gross State Product
(millions of current dollars)

Region	Gross State Product
Kansas	$ 144,062
Arkansas	$ 124,218
Colorado	$ 294,443
Iowa	$ 165,767
Missouri	$ 276,345
Nebraska	$ 109,614
Oklahoma	$ 182,086
6-State Region	$ 1,152,473
U.S.	$ 16,701,415

About the data and graphs

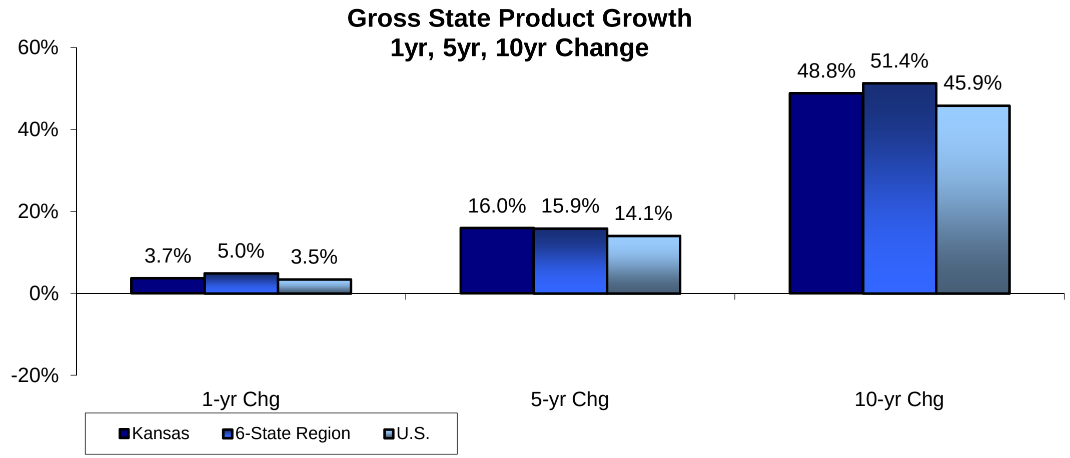
GSP captures state economic growth, providing an overall analysis of the performance of the economy. GSP is the value added in production by the labor and property located in the state.

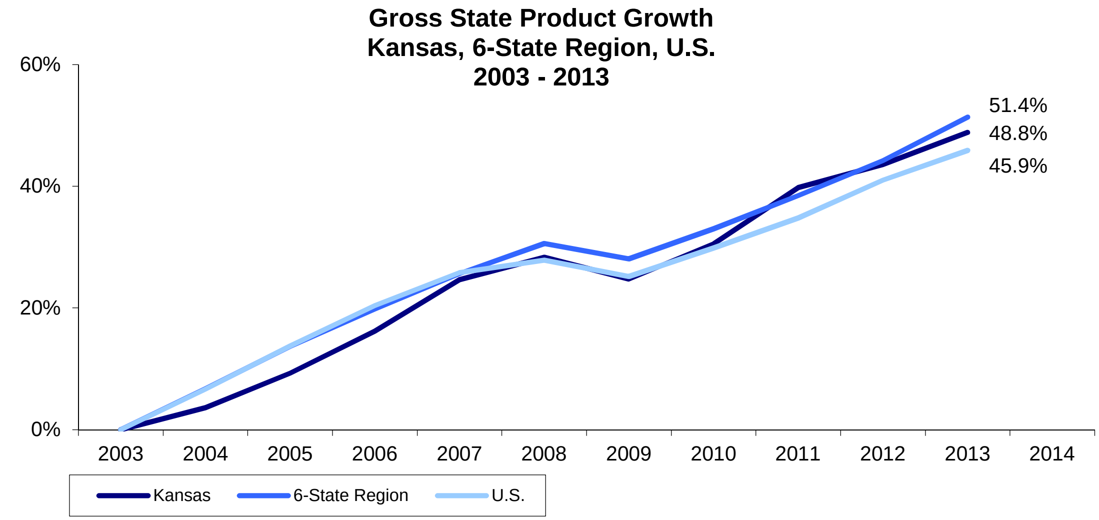
In concept, an industry's GSP, referred to as its "value added," is equivalent to its gross output (sales or receipts and other operating income, commodity taxes, and inventory change) minus its intermediate inputs (consumption of goods and services purchased from other U.S. industries or imported.)

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

Gross State Product (GSP)
(millions of current dollars)

	2013	2012	2008	2003	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	144,062	138,958	124,215	96,794	3.7%	16.0%	48.8%
6-State Region	1,152,473	1,098,000	994,415	761,416	5.0%	15.9%	51.4%
U.S.	16,701,415	16,141,152	14,636,247	11,447,447	3.5%	14.1%	45.9%





Source: 2013 annual data
U.S. Department of Commerce - Bureau of Economic Analysis http://www.bea.gov/regional/

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

Short-Term (2012 to 2014)

- Kansas PI up $1,073 million (0.8%)
- 6-State Region PI up $13,670 million (1.4%)
- U.S. PI up $279,671 million (2.0%)
- Kansas PCPI up $901 (2.1%)
- 6-State Region PCPI up $902 (2.2%)
- U.S. PCPI up $808 (1.8%)

Long-Term (2003 to 2014)

- Kansas PI up $40,771 million (46.7%)
- 6-State Region PI up $312,626 million (46.0%)
- U.S. PI up $4,317,629 million (43.0%)
- Kansas PCPI up $13,133 (42.7%)
- 6-State Region PCPI up $12,369 (41.0%)
- U.S. PCPI up $11,867 (36.3%)

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.

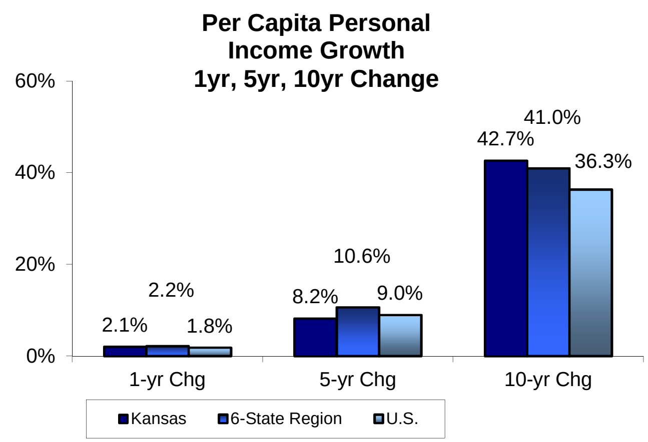
Personal income is calculated as the sum of wage and salary disbursements, supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, 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).

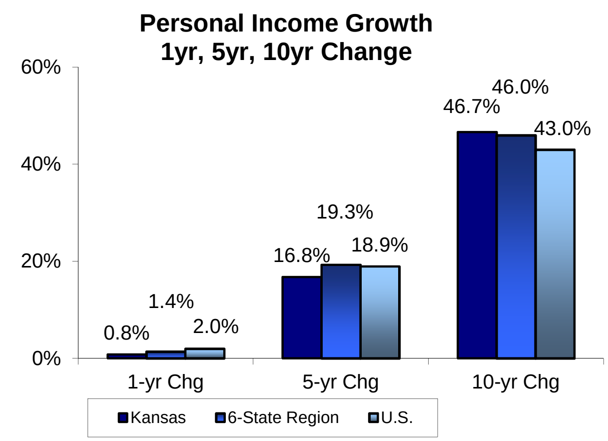
Personal Income Estimates (PI) - *(millions of dollars)*

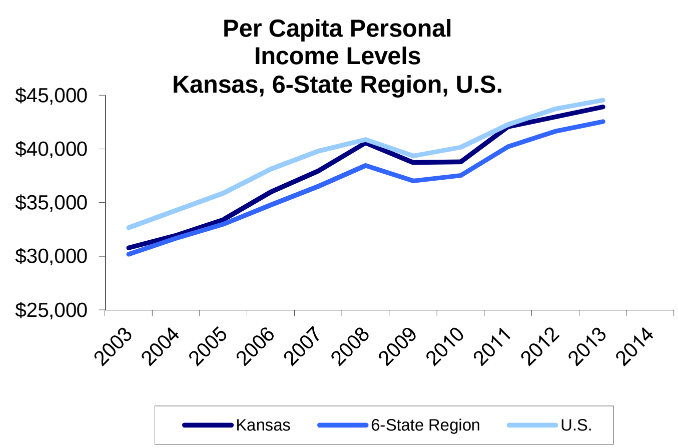
	2014 Q1	2013	2009	2004	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	128,165	127,092	109,731	87,394	0.8%	16.8%	46.7%
6-State Region	992,726	979,056	832,216	680,101	1.4%	19.3%	46.0%
U.S.	14,360,913	14,081,242	12,073,738	10,043,284	2.0%	18.9%	43.0%

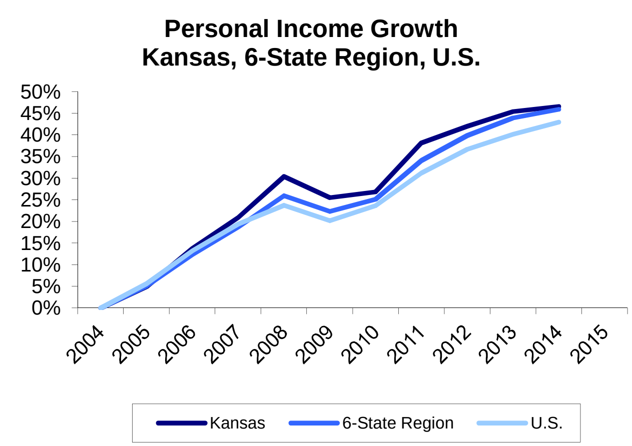
Per Capita Personal Income Estimates (PCPI) - ($)

	2013	2012	2008	2003	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	43,916	43,015	40,598	30,783	2.1%	8.2%	42.7%
6-State Region	42,554	41,652	38,460	30,185	2.2%	10.6%	41.0%
U.S.	44,543	43,735	40,873	32,676	1.8%	9.0%	36.3%









Source: 2014 quarterly data, 2013 annual data
U.S. Department of Commerce - Bureau of Economic Analysis http://www.bea.gov/regional/

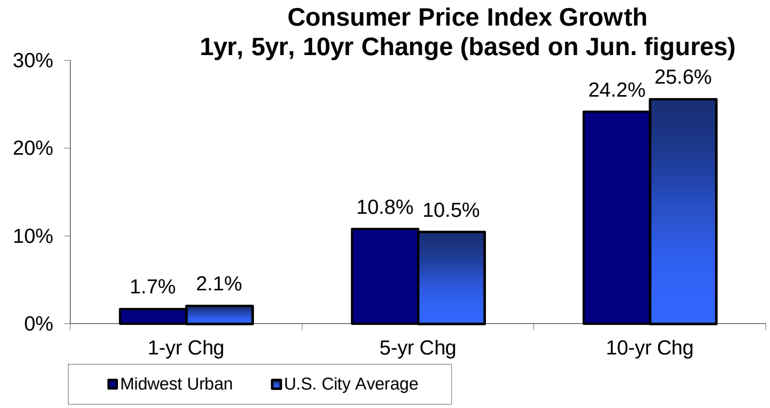
Indicators of the Kansas Economy
Consumer Price Index

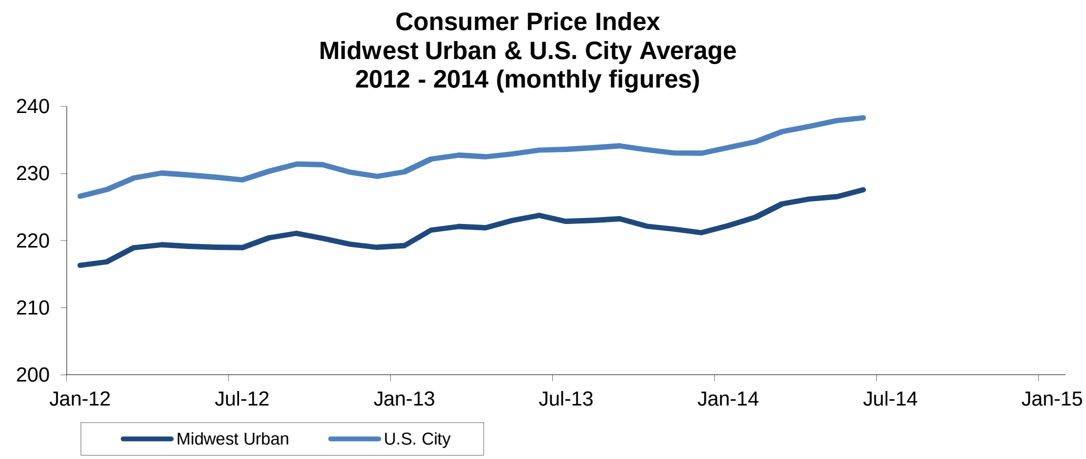
Short-Term (2013 to 2014)
- Midwest Urban CPI up 3.8 (1.7%)
- U.S. City Average CPI up 4.8 (2.1%)

Long-Term (2004 to 2014)
- Midwest Urban CPI up 44.3 (24.2%)
- U.S. City Average CPI up 48.6 (25.6%)

Consumer Price Index (CPI)

	Jun-14	Jun-13	Jun-09	Mar-04	1-yr Chg	5-yr Chg	10-yr Chg
Midwest Urban	227.6	223.8	205.4	183.3	1.7%	10.8%	24.2%
U.S. City Average	238.3	233.5	215.7	189.7	2.1%	10.5%	25.6%



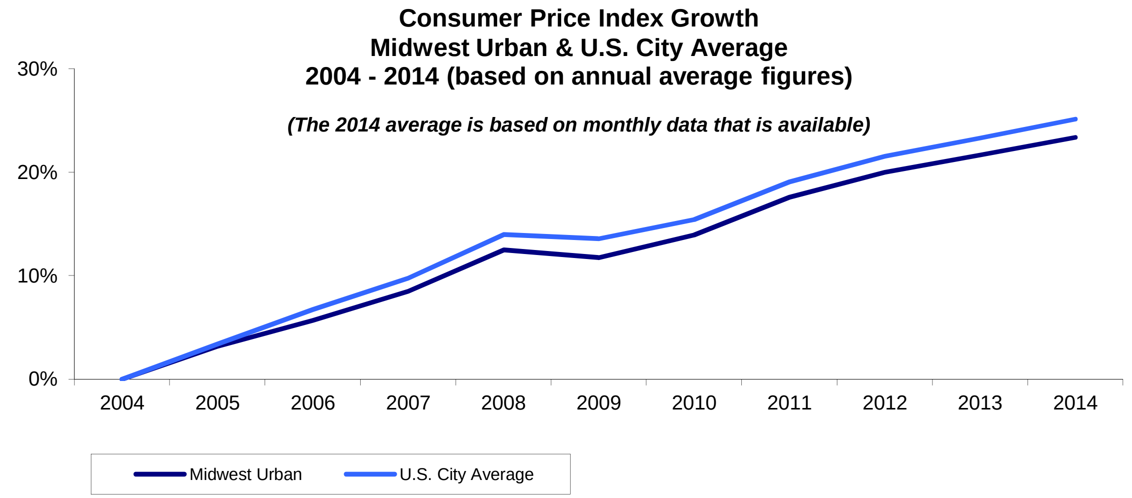


About the data and graphs

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: 2014 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)

July 21, 2014 - *Led by slower growth in production-related indicators, the Chicago Fed National Activity Index (CFNAI) edged down to +0.12 in June from +0.16 in May. Two of the four broad categories of indicators that make up the index made non-positive contributions to the index in June, but two of the four categories increased from May.*

Employment-related indicators contributed +0.22 to the CFNAI in June, up from +0.14 in May. The unemployment rate decreased to 6.1 percent in June from 6.3 percent in May; and nonfarm payrolls rose by 288,000 in June after increasing by 224,000 in the previous month. Production-related indicators made a neutral contribution to the CFNAI in June, down from +0.14 in May. Industrial production rose 0.2 percent in June after rising 0.5 percent in May, and manufacturing production increased 0.1 percent in June after increasing 0.4 percent in the previous month. The contribution of the sales, orders, and inventories category to the CFNAI remained at +0.04 in June. The contribution from the consumption and housing category to the CFNAI edged up to –0.14 in June from –0.16 in May. Consumption indicators, on balance, improved, pushing the category's contribution higher. However, housing starts decreased to 893,000 annualized units in June from 985,000 in May, and housing permits decreased to 963,000 annualized units in June from 1,005,000 in the previous month.

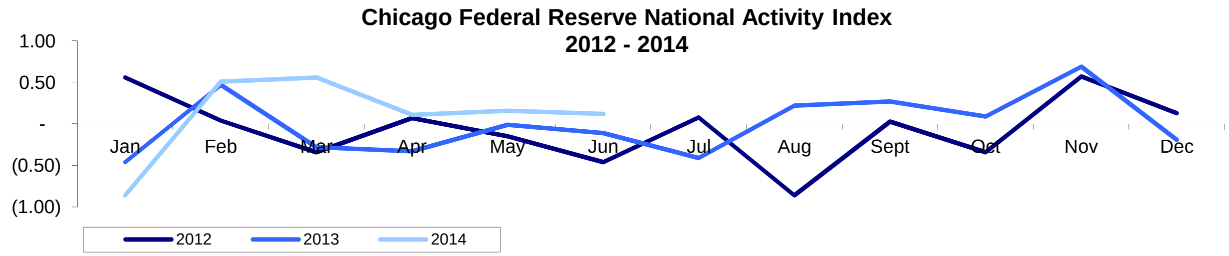
The CFNAI was constructed using data available as of July 17, 2014. At that time, June data for 50 of the 85 indicators had been published. For all missing data, estimates were used in constructing the index. The May monthly index was revised to +0.16 from an initial estimate of +0.21, and the April monthly index was revised to +0.11 from last month's estimate of –0.15. Revisions to the monthly index can be attributed to two main factors: revisions in previously published data and differences between the estimates of previously unavailable data and subsequently published data. The revisions to the May and April monthly indexes were due primarily to the former.

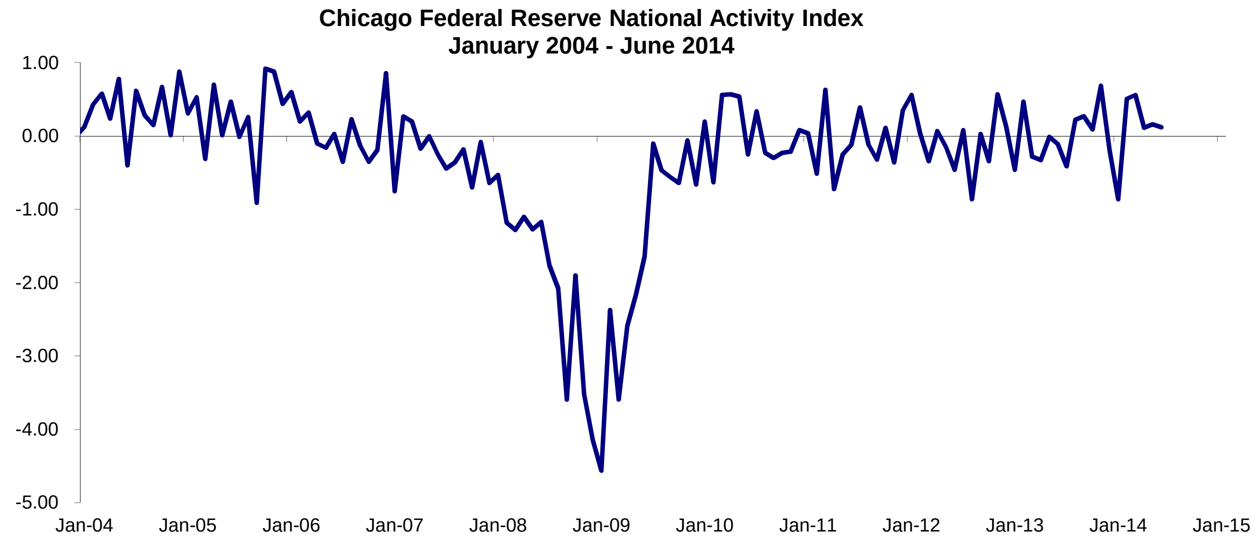
About the data and graphs

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

Since January 1990 the CFNAI has demonstrated excellent predictive power as CFNAI values have fallen substantially prior to recent recessions, including from July 1990 to March 1991, from March 2001 to November 2001, and most recently December 2007.

The Chicago Fed National Activity Index (CFNAI) is a monthly U.S. index designed to better gage 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.**





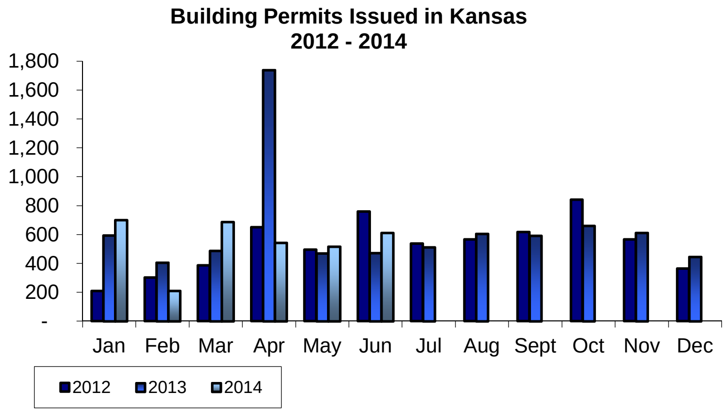
Source: 2014 monthly data
Federal Reserve Bank of Chicago

http://www.chicagofed.org/webpages/publications/cfnai/index.cfm

Indicators of the Kansas Economy
Building Permits

Short-Term (2013 to 2014)
- Kansas building permits up 141 (29.9%)
- 6-State Region building permits up 1,434 (21.8%)
- U.S. building permits up 8,380 (10.0%)

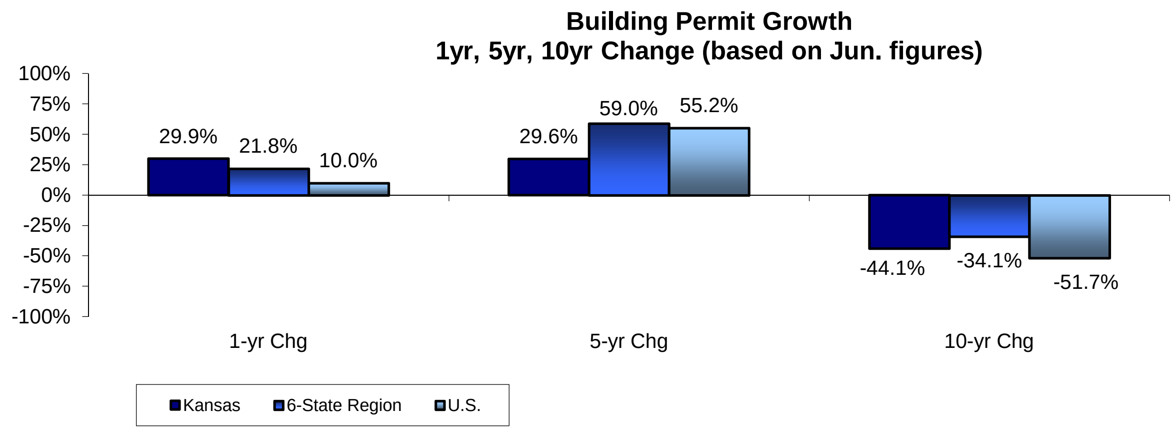
Long-Term (2004 to 2014)
- Kansas building permits down 484 (-44.1%)
- 6-State Region building permits down 4,159 (-34.1%)
- U.S. building permits down 98,692 (-51.7%)



Building Permits

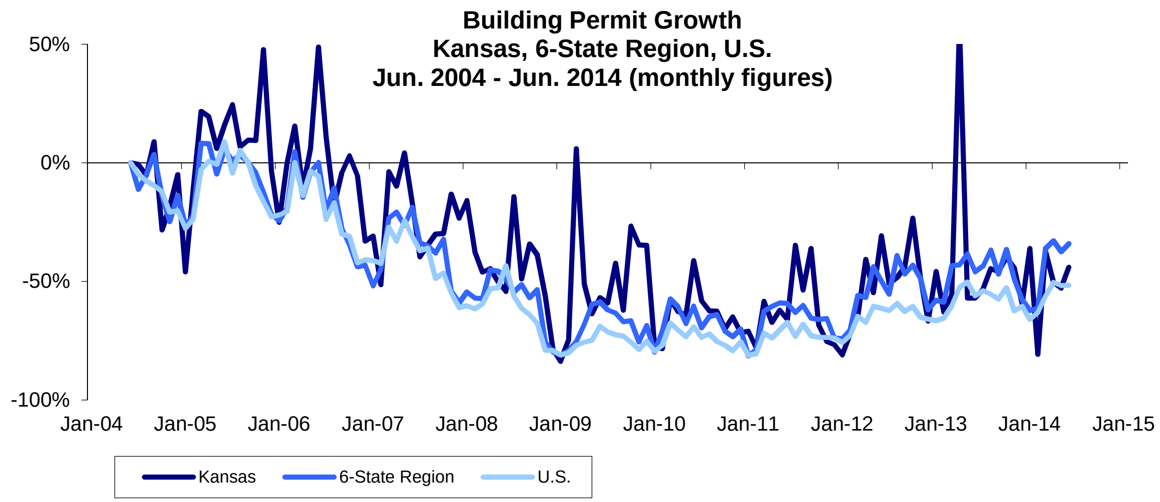
(new privately owned housing units authorized)

	Jun-14	Jun-13	Jun-09	Jun-04	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	613	472	473	1,097	29.9%	29.6%	-44.1%
6-State Region	8,023	6,589	5,047	12,182	21.8%	59.0%	-34.1%
U.S.	92,305	83,925	59,489	190,997	10.0%	55.2%	-51.7%



About the data and graphs

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.



Source: *2014 monthly data*
U.S. Census Bureau *http://www.census.gov/construction/bps/statemonthly.html*

Indicators of the Kansas Economy
Kansas Sales Tax Collections

Short-Term (2013 to 2014)

- Kansas sales tax collections up $8,275,360 (4.2%)
- $789,217,852 collected ytd during 2014
- $2,489,204,048 collected total during 2013

Long-Term (2004 to 2014)

- Kansas sales tax collections ytd up $70,967,778 (52.5%)
- $1,691,289,972 collected total during 2004

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.

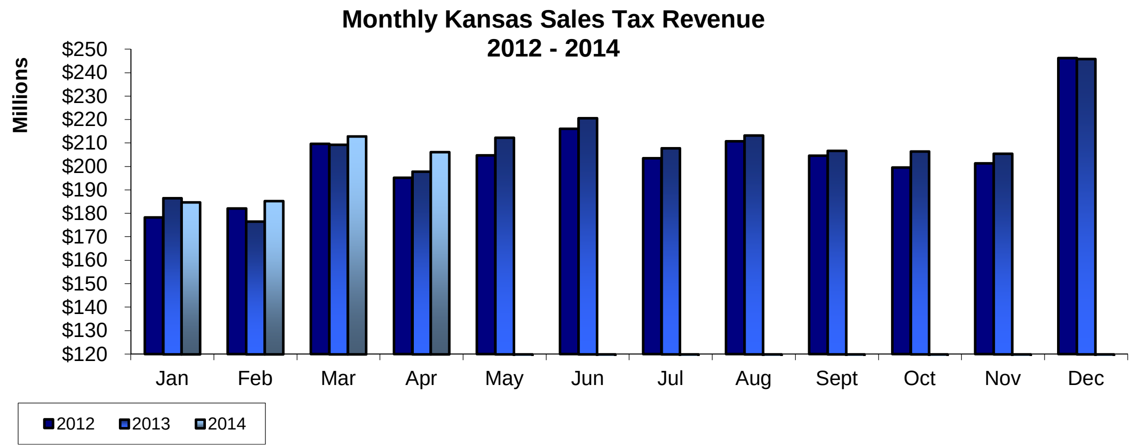
Consumers tend to delay purchases during a downturn in the economy, which can be reflected in lower sales tax collections in months proceeding and during a recession. Monthly sales tax collections tend to increase as the economy improves and consumer spending increases.

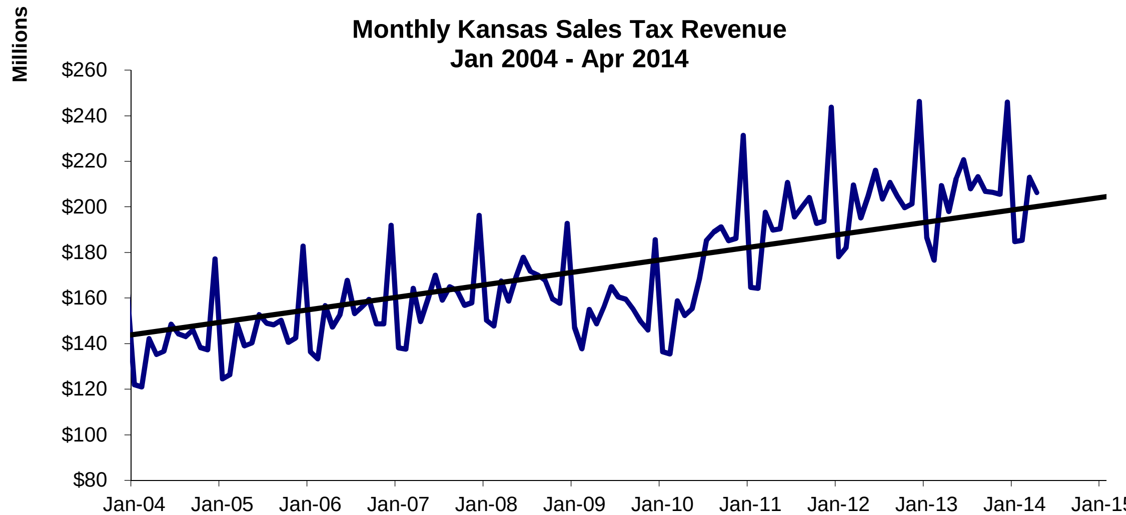
Tracking sales tax collections in Kansas gives insight into consumer behavior and demand. Sales tax collections can fluctuate widely from month to month. Since January 1990, state sales tax rates have changed on **four** occasions. In June 1992, the state sales tax rate increased from 4.25% to 4.90%; in July 2002 the state sales tax rate increased to 5.30%; in July 2010 the state sales tax rate increased to 6.30%; **and in July 2013 the state sales tax rate changed to 6.15%.**

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/bustaxtypessales.html

Sales Tax Collections

	Apr-14	Apr-13	Apr-09	Apr-04	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	$ 206,170,438	$ 197,895,079	$ 148,605,999	$ 135,202,660	4.2%	38.7%	52.5%





Source: *2014 monthly data*
Kansas Department of Revenue *http://www.ksrevenue.org/salesreports.html#state*

Indicators of the Kansas Economy
Total Nonfarm Employment

Short-Term (2013 to 2014)
- Kansas total nonfarm employment up 16,700 (1.2%)
- 6-State Region total nonfarm employment up 198,800 (1.9%)
- U.S. total nonfarm employment up 2,566,000 (1.9%)

Long-Term (2004 to 2014)
- Kansas total nonfarm employment up 52,400 (3.9%)
- 6-State Region total nonfarm employment up 703,300 (7.0%)
- U.S. total nonfarm employment up 6,956,000 (5.2%)

June 2014 Total Nonfarm Employment Levels
(all employees, thousands)

State	Employment
Kansas	1,392.3
Arkansas	1,193.2
Colorado	2,464.3
Iowa	1,565.0
Missouri	2,798.5
Nebraska	996.2
Oklahoma	1,669.6

About the data and graphs

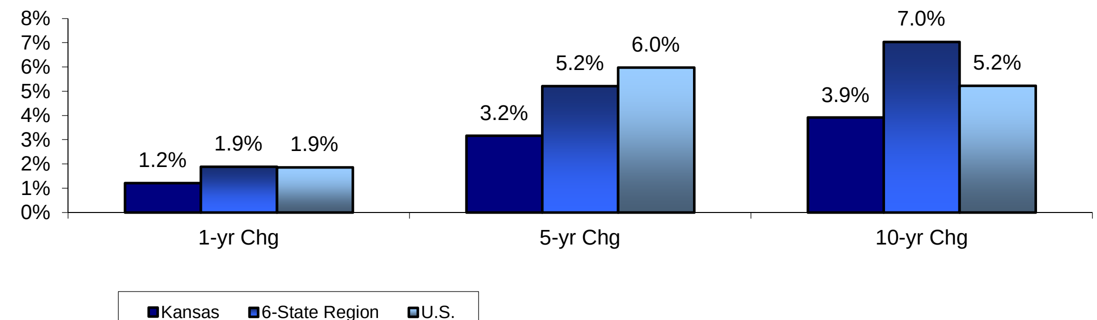
The Bureau of Labor Statistics (BLS) publishes several monthly data series on employment by sector from its Current Employment Statistics (CES) program. Data for the series come from a monthly survey of employers. The data are subject to major and minor revisions. The series counts the number of jobs 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.

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

Total Nonfarm Employment
(all employees, thousands)

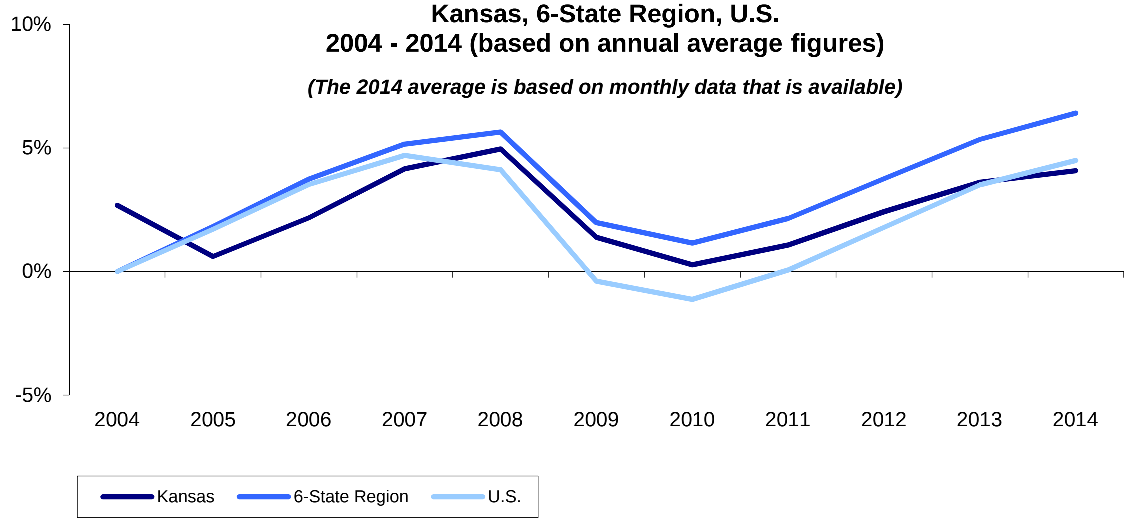
	Jun-14	Jun-13	Jun-09	Jun-04	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	1,392.3	1,375.6	1,349.7	1,339.9	1.2%	3.2%	3.9%
6-State Region	10,686.8	10,488.0	10,156.6	9,983.5	1.9%	5.2%	7.0%
U.S.	139,761.0	137,195.0	131,870.0	132,805.0	1.9%	6.0%	5.2%

Total Nonfarm Employment Growth
1yr, 5yr, 10yr Change (based on Jun. figures)



Total Nonfarm Employment Growth
Kansas, 6-State Region, U.S.
2004 - 2014 (based on annual average figures)

(The 2014 average is based on monthly data that is available)



Source: *2014 monthly data*
U.S. Department of Labor - Bureau of Labor Statistics [*http://www.bls.gov/bls/employment.htm*](http://www.bls.gov/bls/employment.htm)
Kansas Department of Labor - Labor Market Information [*http://www.dol.ks.gov/LMIS/Default.aspx*](http://www.dol.ks.gov/LMIS/Default.aspx)

Indicators of the Kansas Economy
Private Sector Employment

Short-Term (2013 to 2014)
- Kansas private sector employment up 15,200 (1.4%)
- 6-State Region private sector employment up 185,900 (2.1%)
- U.S. private sector employment up 2,495,000 (2.2%)

Long-Term (2004 to 2014)
- Kansas private sector employment up 56,900 (5.3%)
- 6-State Region private sector employment up 560,400 (6.8%)
- U.S. private sector employment up 6,635,000 (6.0%)

June 2014 Private Sector Employment Levels
(all employees, thousands)

State	Employment
Kansas	1,139.9
Arkansas	980.3
Colorado	2,056.4
Iowa	1,307.0
Missouri	2,344.3
Nebraska	827.6
Oklahoma	1,327.9

About the data and graphs

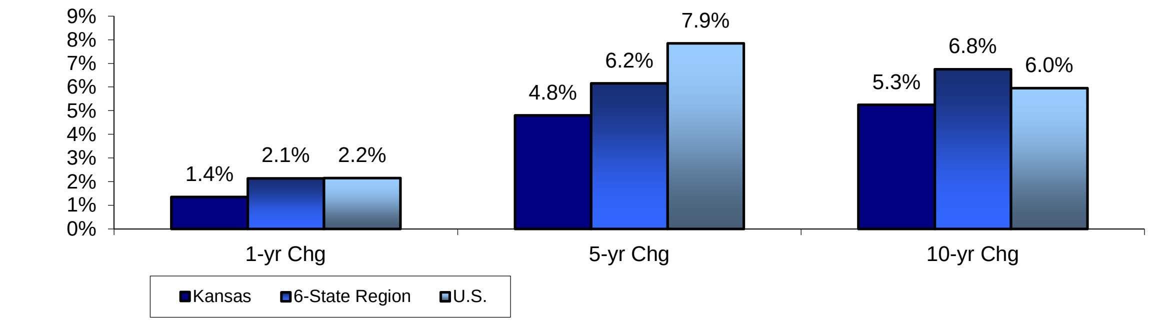
The Bureau of Labor Statistics (BLS) publishes several monthly data series on employment by sector from its Current Employment Statistics (CES) program. Data for the series come from a monthly survey of employers. The data are subject to major and minor revisions. The series counts the number of jobs 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.

Private Sector Employment
(all employees, thousands)

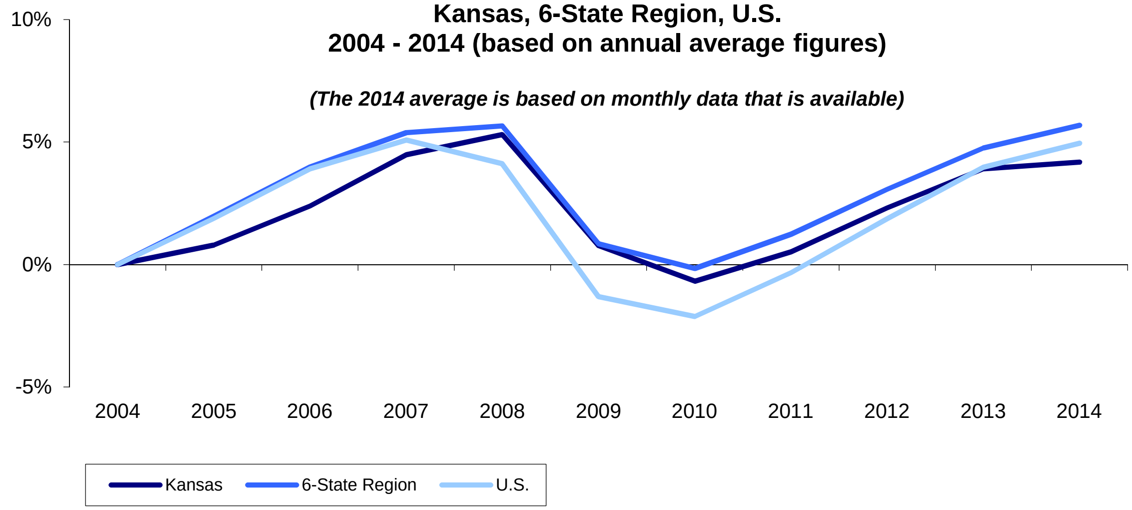
	Jun-14	Jun-13	Jun-09	Jun-04	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	1,139.9	1,124.7	1,087.7	1,083.0	1.4%	4.8%	5.3%
6-State Region	8,843.5	8,657.6	8,330.1	8,283.1	2.1%	6.2%	6.8%
U.S.	117,896.0	115,401.0	109,306.0	111,261.0	2.2%	7.9%	6.0%

Private Sector Employment Growth
1yr, 5yr, 10yr Change (based on Jun. figures)



Private Sector Employment Growth
Kansas, 6-State Region, U.S.
2004 - 2014 (based on annual average figures)

(The 2014 average is based on monthly data that is available)



Source: *2014 monthly data*
U.S. Department of Labor - Bureau of Labor Statistics [*http://www.bls.gov/bls/employment.htm*](http://www.bls.gov/bls/employment.htm)
Kansas Department of Labor - Labor Market Information [*http://www.dol.ks.gov/LMIS/Default.aspx*](http://www.dol.ks.gov/LMIS/Default.aspx)

Indicators of the Kansas Economy
Manufacturing Employment

Short-Term (2013 to 2014)
- Kansas manufacturing employment down 2,400 (-1.5%)
- 6-State Region manufacturing employment up 20,700 (2.1%)
- U.S. manufacturing employment up 129,000 (1.1%)

Long-Term (2004 to 2014)
- Kansas manufacturing employment down 14,800 (-8.4%)
- 6-State Region manufacturing employment down 129,100 (-11.3%)
- U.S. manufacturing employment down 2,231,000 (-15.5%)

June 2014 Manufacturing Employment Levels
(all employees, thousands)

State	Employment
Kansas	161.1
Arkansas	156.0
Colorado	136.6
Iowa	217.6
Missouri	261.2
Nebraska	97.8
Oklahoma	141.9

About the data and graphs

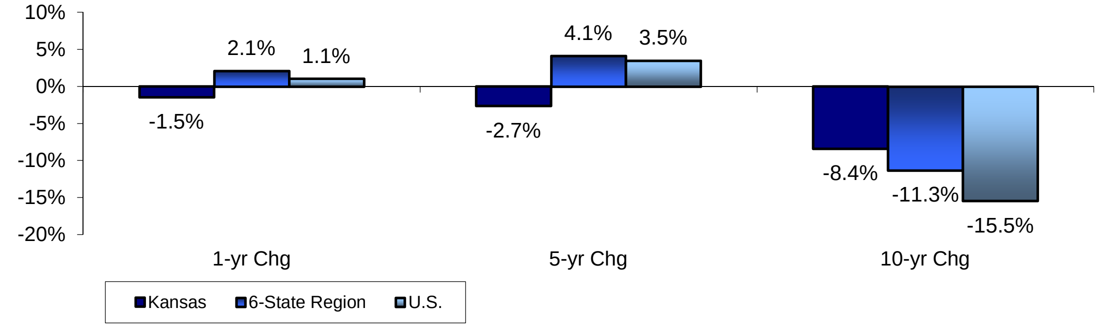
The Bureau of Labor Statistics (BLS) publishes several monthly data series on employment by sector from its Current Employment Statistics (CES) program. Data for the series come from a monthly survey of employers. The data are subject to major and minor revisions. The series counts the number of jobs 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.

Manufacturing Employment
(all employees, thousands)

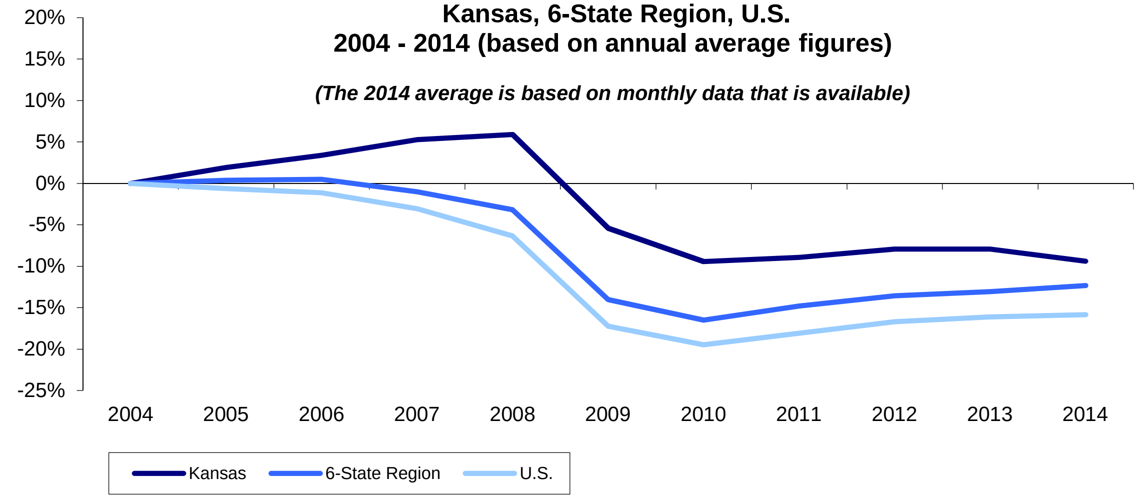
	Jun-14	Jun-13	Jun-09	Jun-04	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	161.1	163.5	165.5	175.9	-1.5%	-2.7%	-8.4%
6-State Region	1,011.1	990.4	971.0	1,140.2	2.1%	4.1%	-11.3%
U.S.	12,203.0	12,074.0	11,791.0	14,434.0	1.1%	3.5%	-15.5%

Manufacturing Employment Growth
1yr, 5yr, 10yr Change (based on Jun. figures)



Manufacturing Employment Growth
Kansas, 6-State Region, U.S.
2004 - 2014 (based on annual average figures)

(The 2014 average is based on monthly data that is available)



Source: *2014 monthly data*
U.S. Department of Labor - Bureau of Labor Statistics *http://www.bls.gov/bls/employment.htm*
Kansas Department of Labor - Labor Market Information *http://www.dol.ks.gov/LMIS/Default.aspx*

Indicators of the Kansas Economy
Service Employment

Short-Term (2013 to 2014)
- Kansas service employment up 13,300 (1.5%)
- 6-State Region service employment up 146,800 (2.1%)
- U.S. service employment up 2,130,000 (2.2%)

Long-Term (2004 to 2014)
- Kansas service employment up 71,400 (8.6%)
- 6-State Region service employment up 682,300 (10.4%)
- U.S. service employment up 9,533,000 (10.7%)

June 2014 Service Employment Levels
(all employees, thousands)

State	Employment
Kansas	905.0
Arkansas	765.6
Colorado	1,747.7
Iowa	1,011.3
Missouri	1,967.5
Nebraska	680.8
Oklahoma	1,048.4

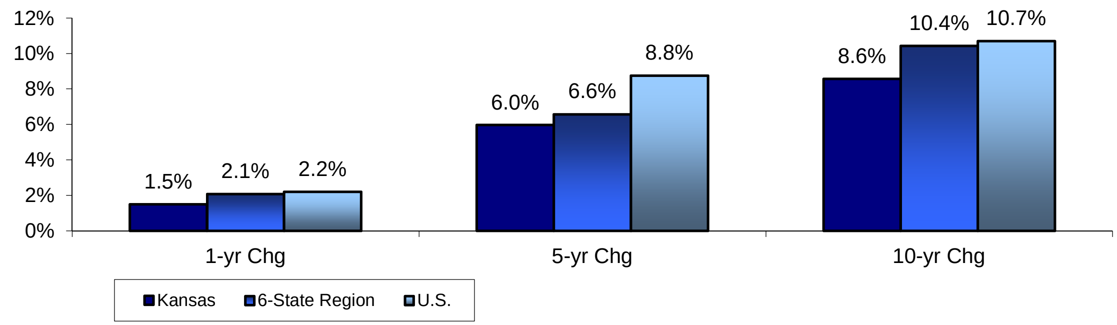
About the data and graphs

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, *for clarification purposes this page only includes the following BLS sectors: trade, transportation, and utilities; information; finance; professional and business; education and health; leisure and hospitality; and other services.*

Service Employment
(all employees, thousands)

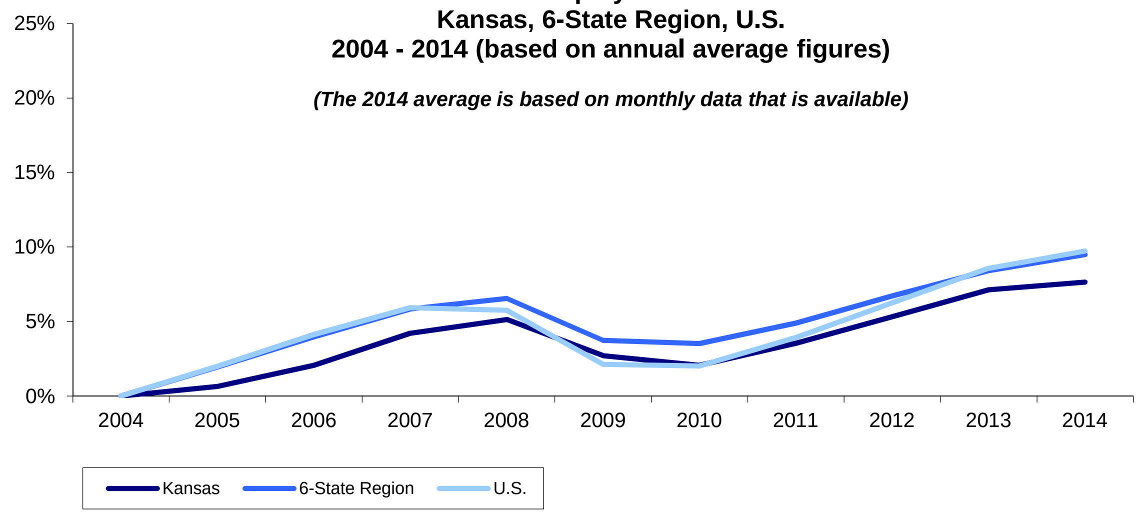
	Jun-14	Jun-13	Jun-09	Jun-04	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	905.0	891.7	854.1	833.6	1.5%	6.0%	8.6%
6-State Region	7,221.3	7,074.5	6,775.2	6,539.0	2.1%	6.6%	10.4%
U.S.	98,566.0	96,436.0	90,620.0	89,033.0	2.2%	8.8%	10.7%

Service Employment Growth
1yr, 5yr, 10yr Change (based on Jun. figures)



Service Employment Growth
Kansas, 6-State Region, U.S.
2004 - 2014 (based on annual average figures)

(The 2014 average is based on monthly data that is available)



Source: *2014 monthly data*
U.S. Department of Labor - Bureau of Labor Statistics *http://www.bls.gov/bls/employment.htm*
Kansas Department of Labor - Labor Market Information *http://www.dol.ks.gov/LMIS/Default.aspx*

Indicators of the Kansas Economy
Public Employment

Short-Term (2013 to 2014)
- Kansas public sector employment up 1,500 (0.6%)
- 6-State Region public sector employment up 12,900 (0.7%)
- U.S. public sector employment up 71,000 (0.3%)

Long-Term (2004 to 2014)
- Kansas public sector employment down 4,500 (-1.8%)
- 6-State Region public sector employment up 142,900 (8.4%)
- U.S. public sector employment up 321,000 (1.5%)

June 2014 Public Sector Employment Levels
(all employees, thousands)

State	Employment
Kansas	252.4
Arkansas	212.9
Colorado	407.9
Iowa	258.0
Missouri	454.2
Nebraska	168.6
Oklahoma	341.7

About the data and graphs

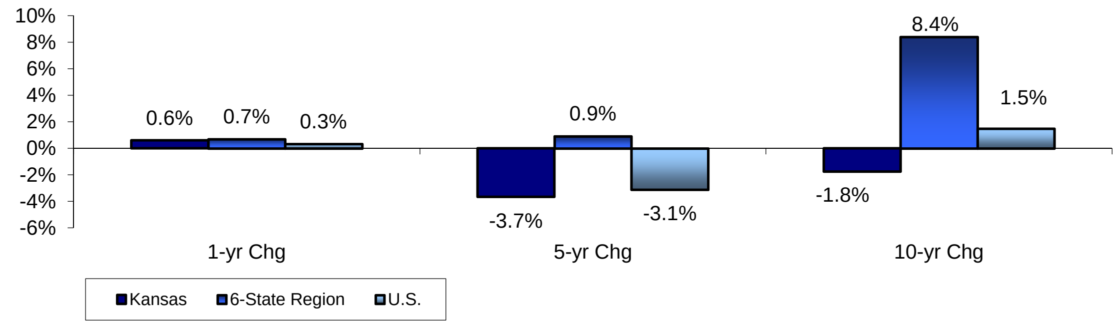
The Bureau of Labor Statistics (BLS) publishes several monthly data series on employment by sector from its Current Employment Statistics (CES) program. Data for series come from a monthly survey of employers. The data are subject to major and minor revisions. The series count the number of jobs in the 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 this page 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. *This page includes Federal, State, and Local Government figures.*

Public Sector Employment
(all employees, thousands)

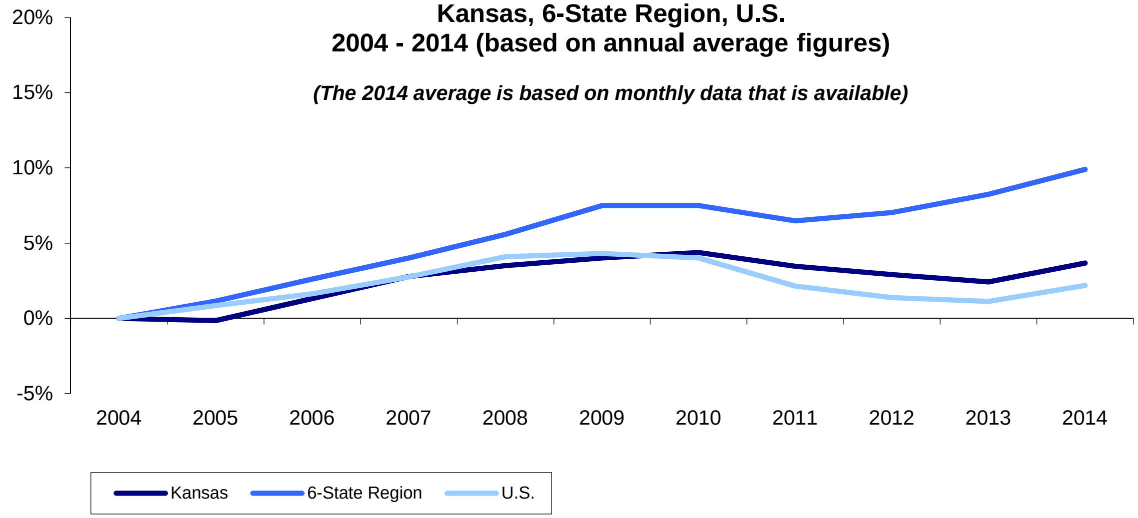
	Jun-14	Jun-13	Jun-09	Jun-04	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	252.4	250.9	262.0	256.9	0.6%	-3.7%	-1.8%
6-State Region	1,843.3	1,830.4	1,826.5	1,700.4	0.7%	0.9%	8.4%
U.S.	21,865.0	21,794.0	22,564.0	21,544.0	0.3%	-3.1%	1.5%

Public Sector Employment Growth
1yr, 5yr, 10yr Change (based on Jun. figures)



Public Sector Employment Growth
Kansas, 6-State Region, U.S.
2004 - 2014 (based on annual average figures)

(The 2014 average is based on monthly data that is available)



Source: *2014 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://www.dol.ks.gov/LMIS/Default.aspx

Indicators of the Kansas Economy
Unemployment and Unemployment Rate

Short-Term (2013 to 2014)
- Kansas unemployment down 10,537 (-12.6%)
- 6-State Region unemployment down 91,381 (-12.8%)
- U.S. unemployment down 2,355,000 (-19.2%)
- Kansas unemployment rate down (-0.7)
- 6-State Region unemployment rate down (-0.8)
- U.S. unemployment rate down (-1.5)

Long-Term (2004 to 2014)
- Kansas unemployment down 8,970 (-11.0%)
- 6-State Region unemployment up 37,332 (6.4%)
- U.S. unemployment up 1,277,000 (14.8%)
- Kansas unemployment rate down (-0.7)
- 6-State Region unemployment rate up (0.1)
- U.S. unemployment rate up (0.5)

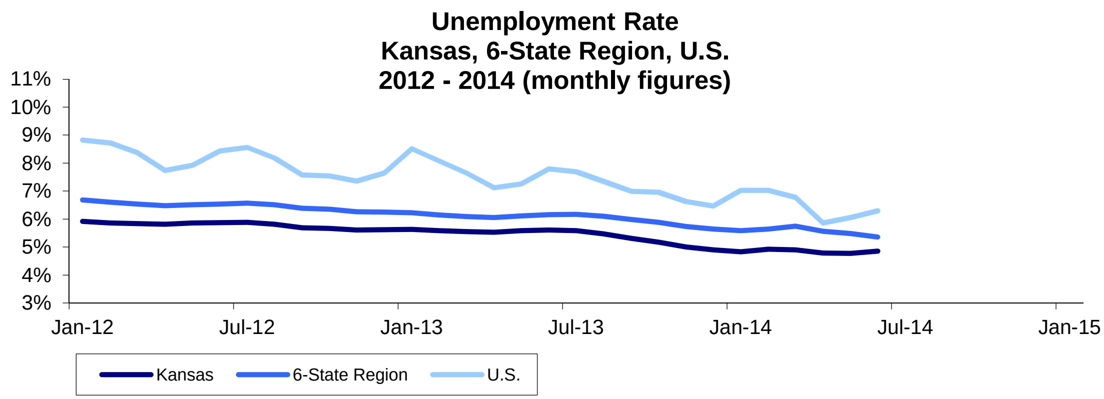
About the data and graphs

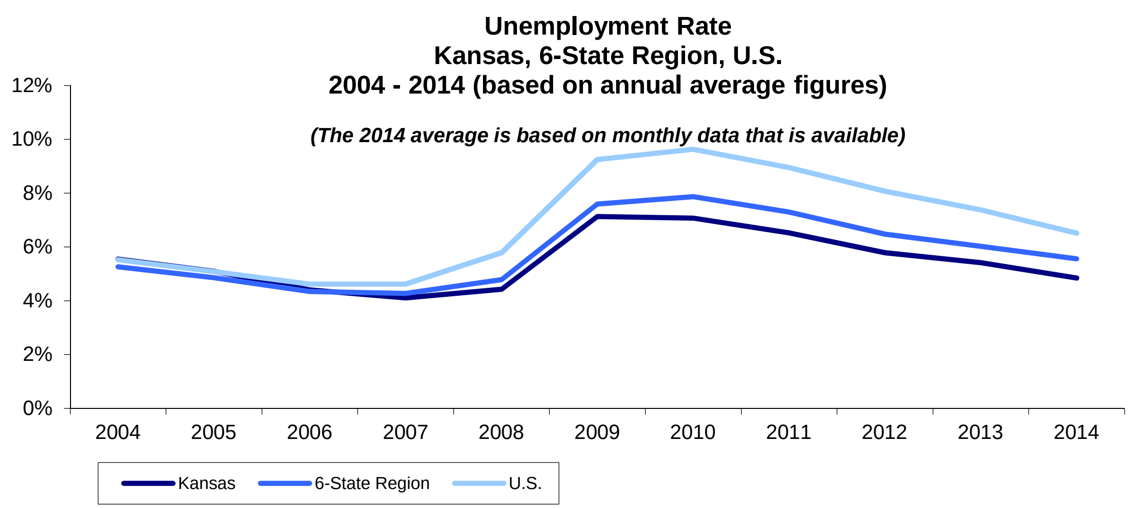
The unemployment rate represents the number unemployed as a percent of the labor force. As defined in the Current Population Survey, unemployed persons are persons aged 16 years and older who had no employment during the reference week, were available for work, except for temporary illness, and had made 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)

	Jun-14	Jun-13	Jun-09	Jun-04	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	72,804	83,341	113,017	81,774	-12.6%	-35.6%	-11.0%
6-State Region	624,336	715,717	906,476	587,004	-12.8%	-31.1%	6.4%
U.S.	9,893,000	12,248,000	15,095,000	8,616,000	-19.2%	-34.5%	14.8%
Kansas (%)	4.9%	5.6%	7.5%	5.6%	-0.7%	-2.6%	-0.7%
6-State Region (%)	5.4%	6.2%	7.8%	5.3%	-0.8%	-2.4%	0.1%
U.S. (%)	6.3%	7.8%	9.7%	5.8%	-1.5%	-3.4%	0.5%





Source: 2014 monthly data
U.S. Department of Labor - Bureau of Labor Statistics — http://www.bls.gov/bls/employment.htm
Kansas Department of Labor - Labor Market Information — http://www.dol.ks.gov/LMIS/Default.aspx

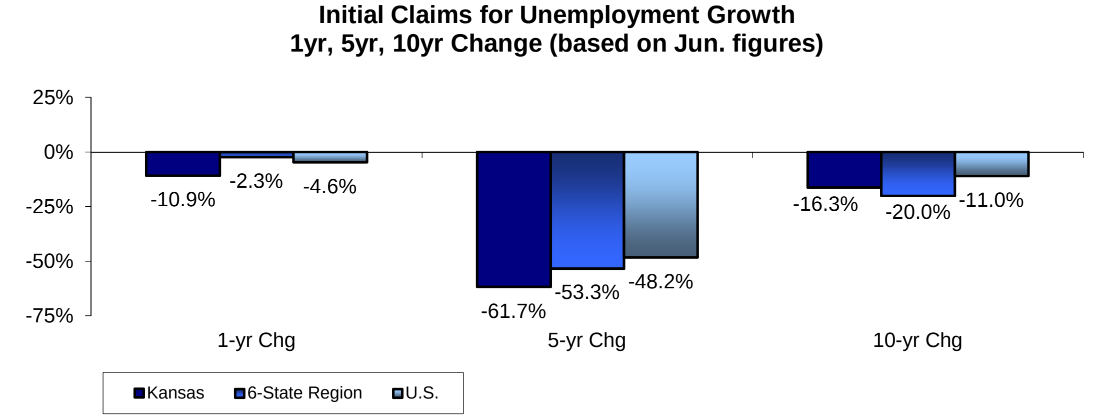
Indicators of the Kansas Economy
Initial Claims for Unemployment

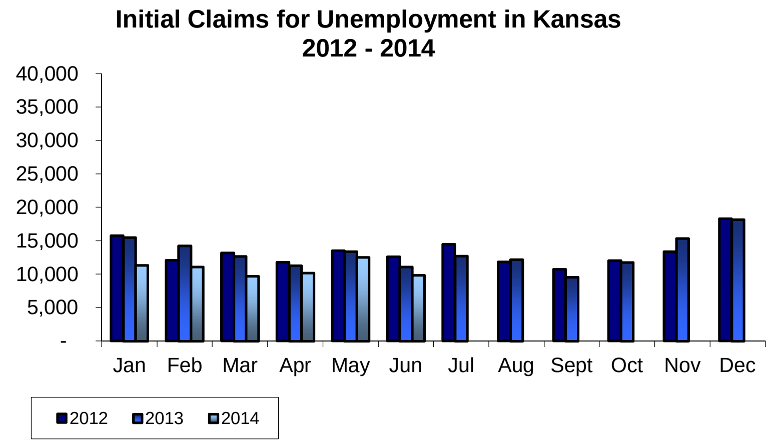
Short-Term (2013 to 2014)
- Kansas initial claims down 1,209 (-10.9%)
- 6-State Region initial claims down 1,726 (-2.3%)
- U.S. initial claims down 63,868 (-4.6%)

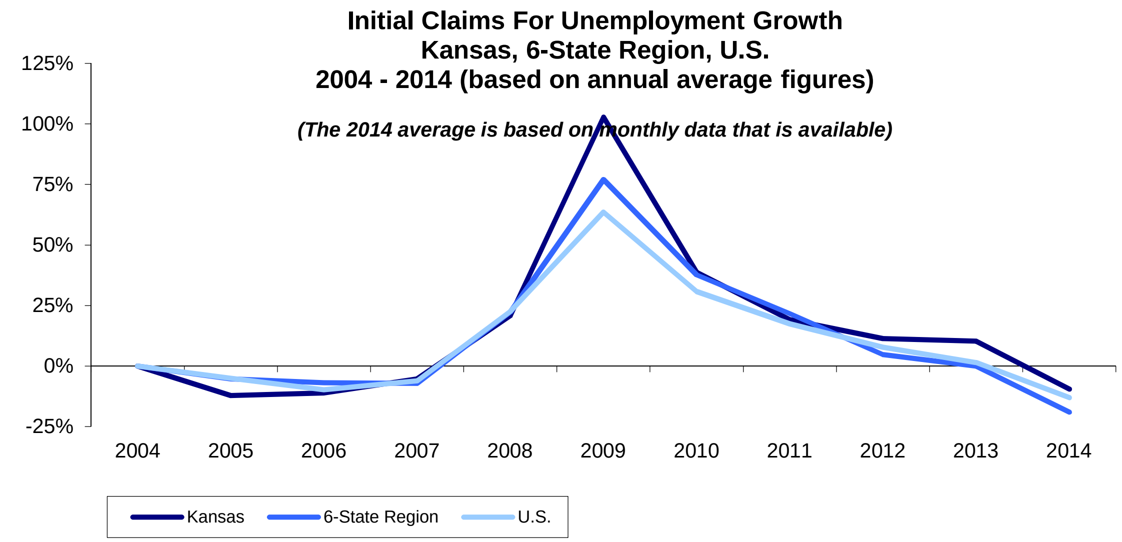
Long-Term (2004 to 2014)
- Kansas initial claims down 1,926 (-16.3%)
- 6-State Region initial claims down 18,251 (-20.0%)
- U.S. intial claims down 162,185 (-11.0%)

Initial Claims for Unemployment
(all employees)

	Jun-14	Jun-13	Jun-09	Jun-04	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	9,880	11,089	25,818	11,806	-10.9%	-61.7%	-16.3%
6-State Region	72,963	74,689	156,208	91,214	-2.3%	-53.3%	-20.0%
U.S.	1,316,004	1,379,872	2,541,511	1,478,189	-4.6%	-48.2%	-11.0%







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.

Source: *2014 monthly data*
U.S. Department of Labor - Employment and Training Administration http://workforcesecurity.doleta.gov/unemploy/claimssum.asp

Indicators of the Kansas Economy
Private Industry Wage Levels

Short-Term (2012 to 2013)
- Kansas private industry wage level up $477 (1.1%)
- 6-State Region private industry wage level up $592 (1.4%)
- U.S. private industry wage level up $500 (1.0%)

Long-Term (2003 to 2013)
- Kansas private industry wage level up $10,500 (33.0%)
- 6-State Region private industry wage level up $10,838 (34.1%)
- U.S. private industry wage level up $12,192 (32.5%)

2013 (p) Private Industry Wage Levels
(average annual wages, all employees, all private establishments)

State	Annual Wage
Kansas	$ 42,294
Arkansas	$ 38,623
Colorado	$ 51,124
Iowa	$ 40,489
Missouri	$ 43,441
Nebraska	$ 39,358
Oklahoma	$ 42,733

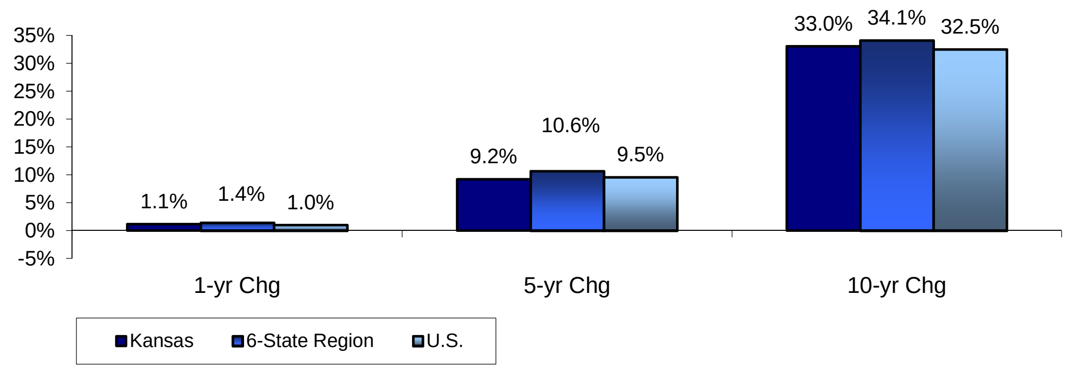
About the data and graphs

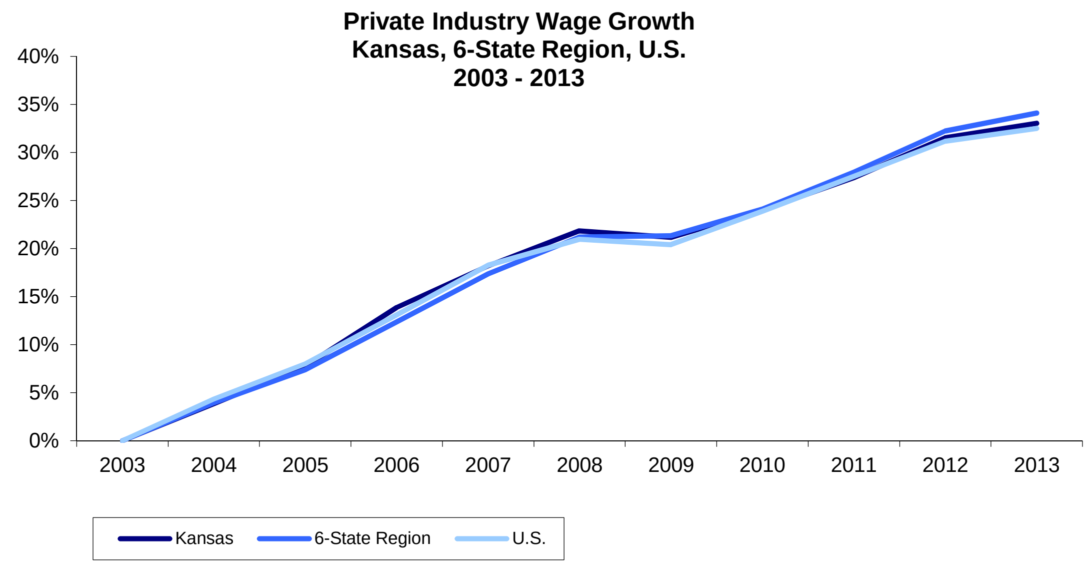
The Quarterly Census of Employment and Wages Program is a cooperative program involving the Bureau of Labor Statistics (BLS) of the U.S. Department of Labor and the State Employment Security Agencies (SESAs). The QCEW program produces a comprehensive tabulation of employment and wage information for 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)

	2013 (p)	2012	2008	2003	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	$ 42,294	$ 41,817	$ 38,735	$ 31,794	1.1%	9.2%	33.0%
6-State Region	$ 42,628	$ 42,036	$ 38,531	$ 31,790	1.4%	10.6%	34.1%
U.S.	$ 49,700	$ 49,200	$ 45,371	$ 37,508	1.0%	9.5%	32.5%

Private Industry Wage Growth
1yr, 5yr, 10yr Change





Source: 2013 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

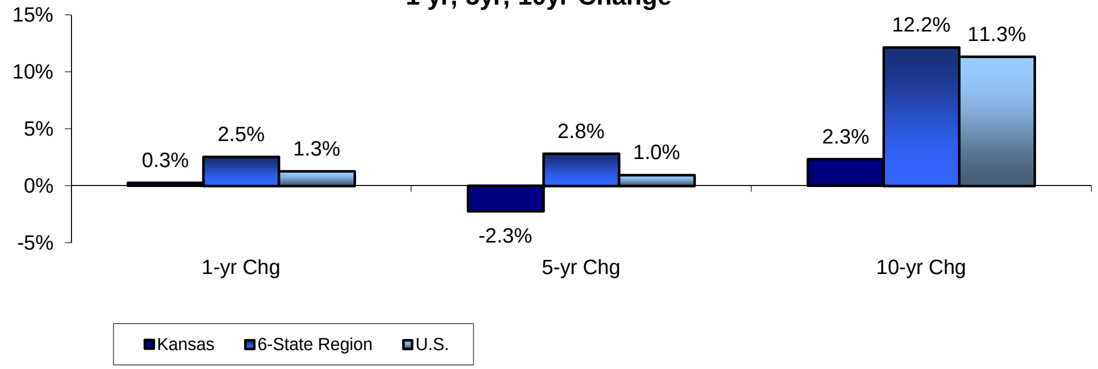
Short-Term (2012 to 2013)
- Kansas total establishments up 204 (0.3%)
- 6-State Region total establishments up 16,802 (2.5%)
- U.S. total establishments up 111,793 (1.3%)

Long-Term (2003 to 2013)
- Kansas total establishments up 1,789 (2.3%)
- 6-State Region total establishments up 73,386 (12.2%)
- U.S. total establishments up 898,254 (11.3%)

Private Establishment Data
(total private establishments, all employee sizes)

	2013 (p)	2012	2008	2003	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	78,465	78,261	80,276	76,676	0.3%	-2.3%	2.3%
6-State Region	677,155	660,353	658,526	603,769	2.5%	2.8%	12.2%
U.S.	8,820,596	8,708,803	8,737,209	7,922,342	1.3%	1.0%	11.3%

Private Establishment Growth
1 yr, 5yr, 10yr Change



Kansas Private Establishment Data
(total private establishments, by employee size)

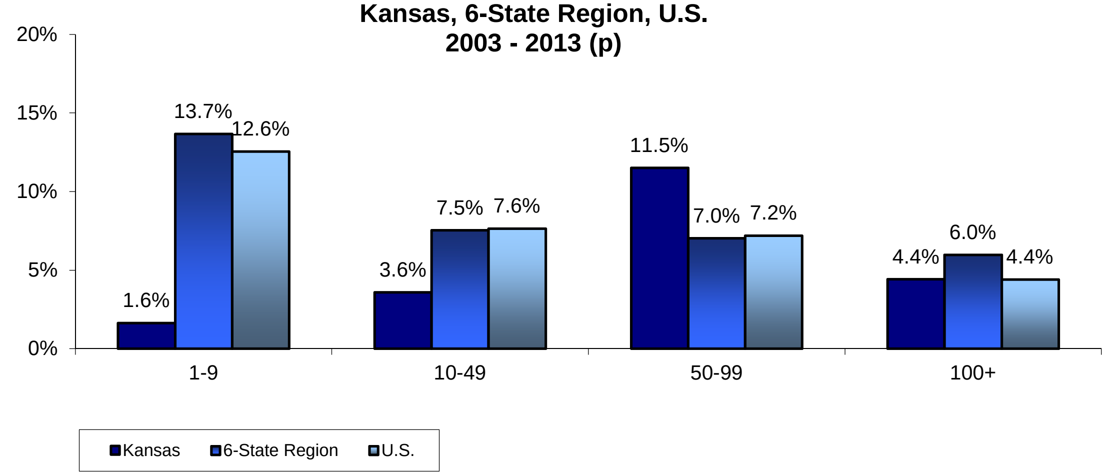
Year	1-9	10-49	50-99	100+
2008	60,803	15,650	2,110	1,713
2009	62,384	15,592	2,087	1,587
2010	62,480	15,283	2,031	1,524
2011	62,502	15,425	2,053	1,567
2012	58,837	15,682	2,147	1,595
2013 (p)	58,871	15,782	2,180	1,632
1-yr Chg	0.1%	0.6%	1.5%	2.3%
5-yr Chg	-3.2%	0.8%	3.3%	-4.7%

(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.*

Private Establishment Growth by Employee Size
Kansas, 6-State Region, U.S.
2003 - 2013 (p)



Source: *2013 annual data*
U.S. Department of Labor - Bureau of Labor Statistics http://www.bls.gov/bls/employment.htm
Kansas Department of Labor - Labor Market Information http://laborstats.dol.ks.gov/

Indicators of the Kansas Economy
USDA Farm and Agriculture Data

June 27, 2014 USDA Agricultural Prices – U.S. - The June **All Farm Products Index** is 111 percent of its 2011 base, down 2.6 percent from the May index but 0.9 percent above the June 2013 index. **All crops:** The June index, at 97, decreased 1.0 percent from May and is 12 percent below June 2013. Index decreases for oilseeds & grains more than offset the index increases for vegetable & melon production and fruit & tree nut production.

Food grains: The June index, at 92, is down 9.8 percent from the previous month and 8.9 percent below a year ago. The June price for all wheat, at $6.61 per bushel, is down 47 cents from May and 76 cents below June 2013.

Feed grains: The June index, at 73, is down 7.6 percent from last month and 37 percent below a year ago. The corn price, at $4.37 per bushel, is down 34 cents from last month and $2.60 below June 2013. Sorghum grain, at $7.37 per cwt, is 84 cents below May and down $3.73 from June last year.

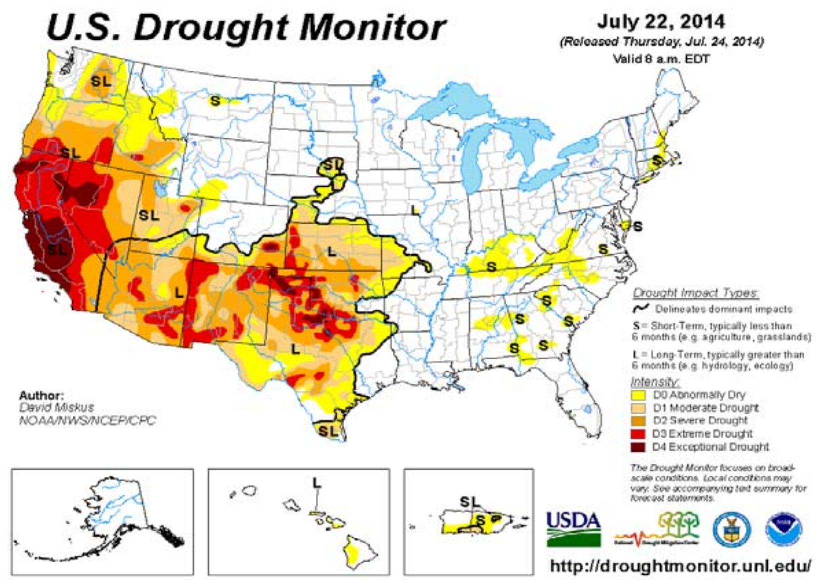
Oilseeds: The June index, at 110, is down 2.7 percent from May and 7.6 percent below June 2013. The soybean price, at $14.10 per bushel, decreased 30 cents from May and is $1.00 below June 2013.

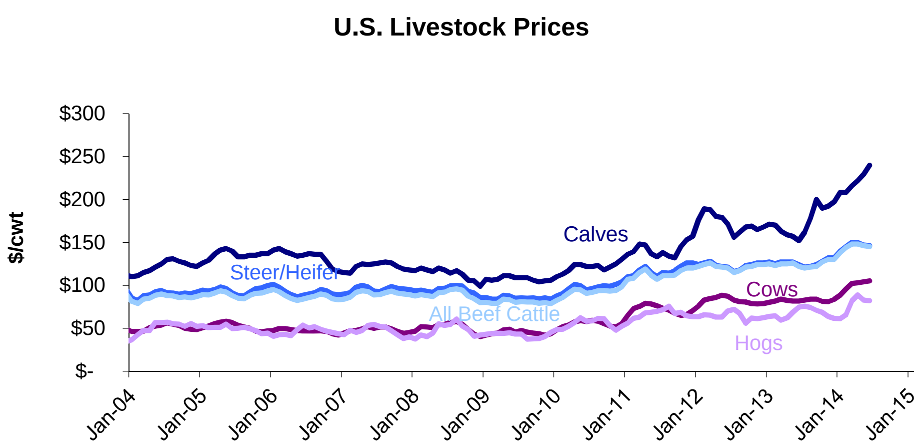
Other crops: The June index, at 110, is up 2.8 percent from last month but 0.9 percent below June 2013. The all hay price, at $197.00 per ton, is $5.00 lower than May and down $2.00 from last June.

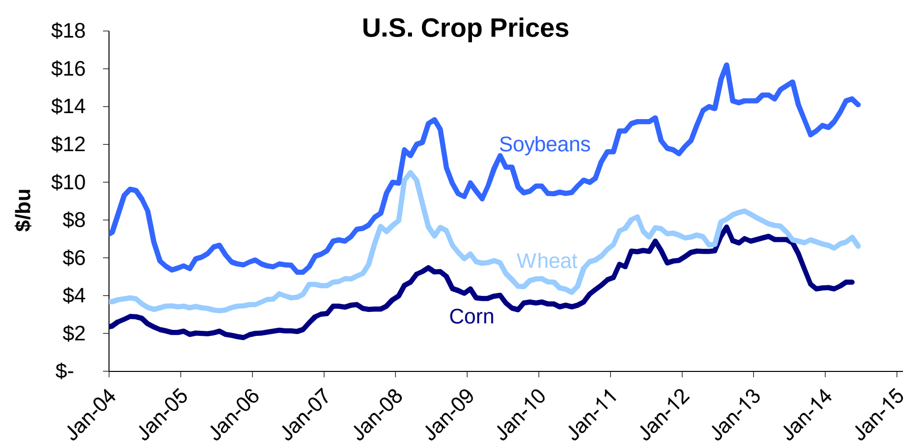
Livestock and products: The June index, at 127, decreased 2.3 percent from last month but is up 15 percent from June 2013. Compared with a year ago, prices are higher for cattle, milk, hogs, broilers, calves, market eggs, and turkeys.

Meat animals: The June index, at 127, is down 0.8 percent from last month but 18 percent higher than last year. The June hog price, at $82.10 per cwt, is down 70 cents from May but $7.70 higher than a year ago. The June beef cattle price of $145 per cwt is down $1.00 from last month but $23.00 higher than June 2013.

Dairy products: The June index, at 116, is down 3.3 percent from a month ago but 20 percent higher than June last year. The June all milk price of $23.30 per cwt is down 90 cents from last month but $3.80 higher than June 2013.







Source: *2014 monthly data*
United States Department of Agriculture - NASS http://www.nass.usda.gov
National Drought Mitigation Center http://droughtmonitor.unl.edu/

Indicators of the Kansas Economy
Kansas Farm Management Association Data

Short-Term (2013)

- 1,194 farms reported farm operation data to KFMA
- KFMA farms averaged $618,416 in value of farm production
- KFMA farms averaged $482,987 in total farm expense
- KFMA average net farm income was $135,429
- SE region had the highest net farm income at $161,776
- NW region had the lowest net farm income at $35,791

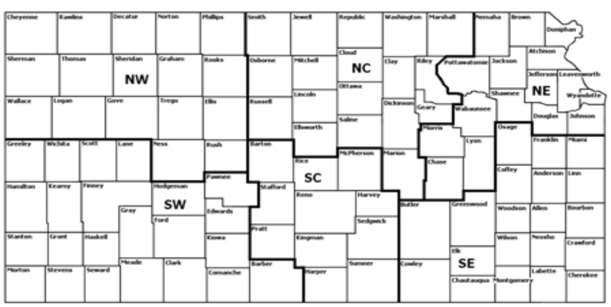
Long-Term (2003 to 2013)

- KFMA average net farm income varies widely from year to year
- 5-yr average net farm income was $145,095
- 10-yr average net farm income was $113,107

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. With more than 80 years of experience serving producers, the Kansas Farm Management Association (KFMA) maintains a long term commitment to Kansas agriculture.

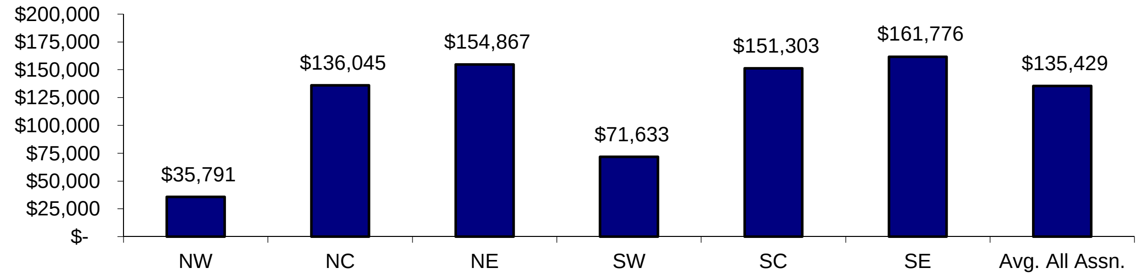
The goals of the KFMA program are to provide each member with information about business and family costs to improve farm business organization, farm business decisions, and farm profitability; and minimize risk. Through on-farm visits, whole-farm analysis, and other educational programs, Association 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.



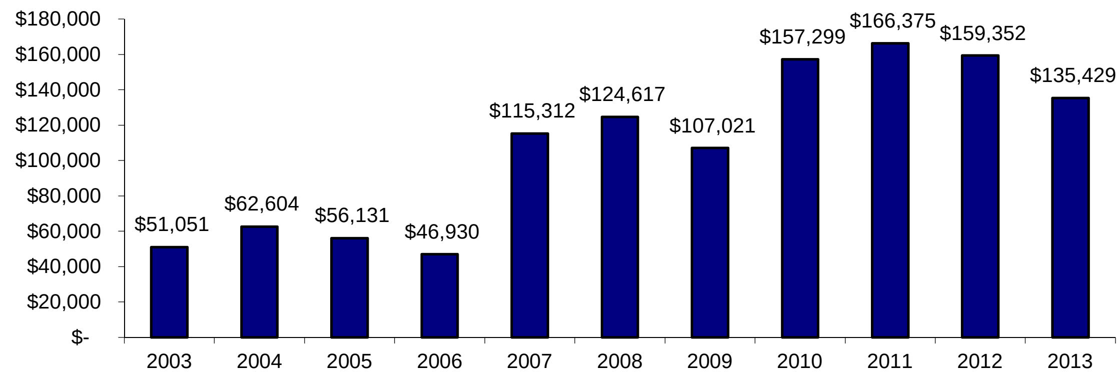
KFMA Average Net Farm Income by Region

Region	NW	NC	NE	SW	SC	SE	Avg. All Assn.
2012	$ 283,174	$ 111,790	$ 141,016	$ 138,889	$ 165,360	$ 159,352	$ 159,352
2013	$ 35,791	$ 136,045	$ 154,867	$ 71,633	$ 151,303	$ 161,776	$ 135,429
5-yr avg	$ 244,100	$ 119,964	$ 149,880	$ 98,039	$ 128,542	$ 143,394	$ 145,095
10-yr avg	$ 177,487	$ 92,871	$ 118,645	$ 76,195	$ 101,586	$ 115,322	$ 113,107

2013 Kansas Farm Management Association
Average Net Farm Income by Region



Kansas Farm Management Association
Average Net Farm Income
2003 - 2013



Source: *2013 annual data*
Kansas State University - Kansas Farm Management Association

www.agmanager.info/kfma

Indicators of the Kansas Economy
Oil Production and Price

Short-Term (2013 to 2014)

- Kansas oil production up 59,677 bbl (1.5%)
- Oil price up $10.1 (10.9%)

Long-Term (2004 to 2014)

- Kansas oil production up 1,284,907 bbl (46.3%)
- Oil price up $65.3 (177.7%)

2014 Oil Production/Price

Month	Production*	Price	Month	Production*	Price
January	4,278,738	$ 94.62	July		
February	3,551,051	$ 100.82	August		
March	4,074,073	$ 100.80	September		
April	4,061,078	$ 102.07	October		
May		$ 102.18	November		
June			December		

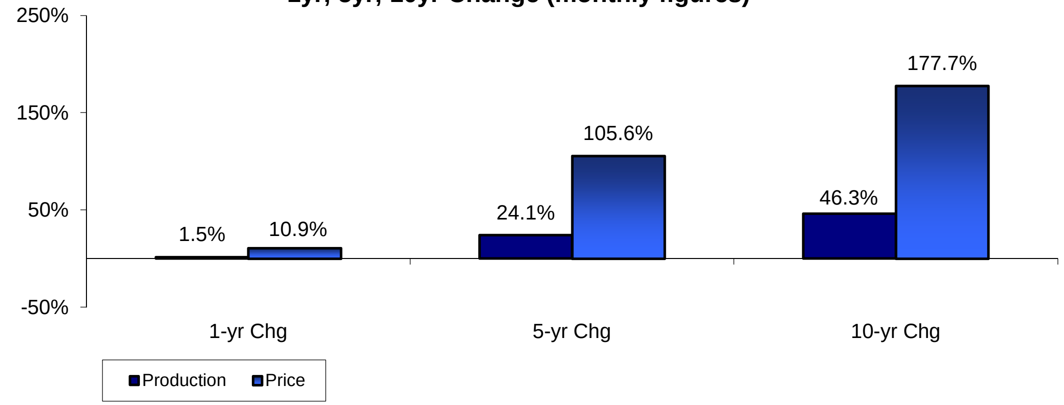
** Recent months production usually incomplete and revised upwards.*

Oil Production* and Price

(most recent month of both production and price information)

	Apr-14	Apr-13	Apr-09	Apr-04	1-yr Chg	5-yr Chg	10-yr Chg
Production (bbl)	4,061,078	4,001,401	3,272,805	2,776,171	1.5%	24.1%	46.3%
Price ($/bbl)	$ 102.07	$ 92.02	$ 49.65	$ 36.75	10.9%	105.6%	177.7%

Oil Production and Price Growth
1yr, 5yr, 10yr Change (monthly figures)

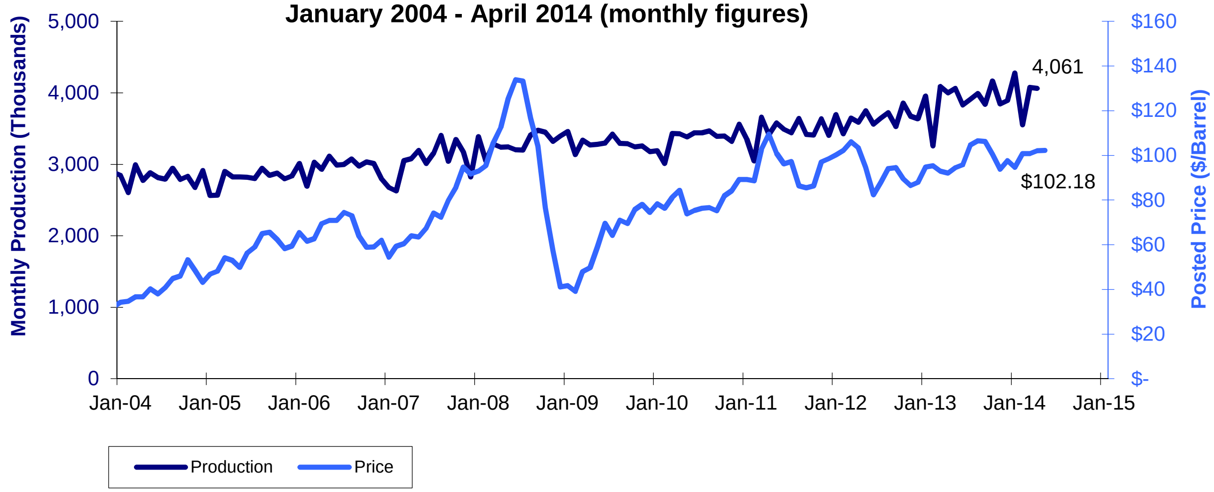


About the data and graphs

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_2 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).

Oil Production and Price
January 2004 - April 2014 (monthly figures)



Source: *2014 monthly data*
Kansas Geological Survey http://www.kgs.ku.edu/PRS/petro/interactive.html
Energy Information Administration http://www.eia.doe.gov/

Indicators of the Kansas Economy
Natural Gas Production and Price

Short-Term (2013 to 2014)
- Kansas natural gas production down 287,420 mcf (-1.2%)
- Natural gas price up $0.9 (21.6%)

Long-Term (2004 to 2014)
- Kansas natural gas production down 9,454,764 mcf (-28.5%)
- Natural gas price down $0.4 (-7.1%)

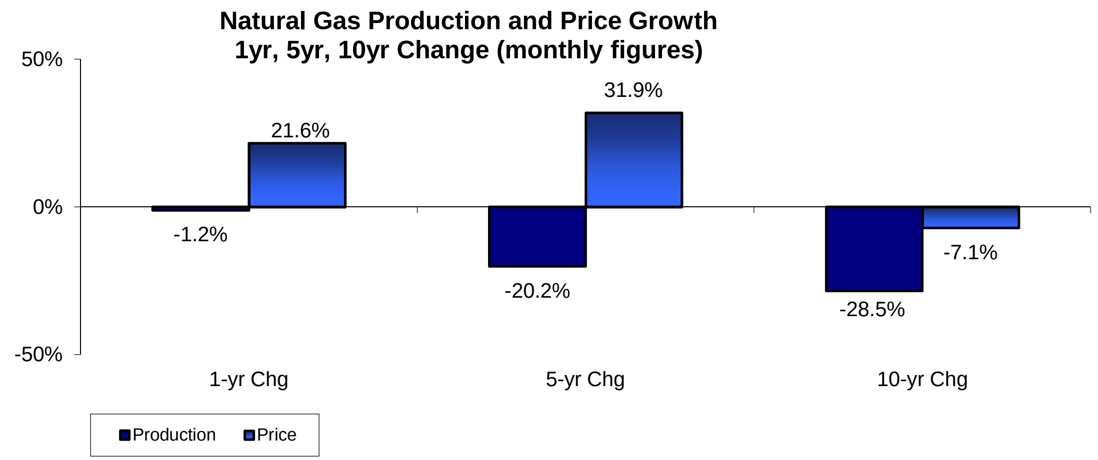
2014 Natural Gas Production/Price

Month	Production*	Price	Month	Production*	Price
January	23,911,123	$ 6.95	July		
February	21,063,380	$ 8.94	August		
March	23,767,124	$ 8.03	September		
April	23,771,207	$ 4.84	October		
May		$ 8.03	November		
June			December		

** Recent months production usually incomplete and revised upwards.*

Natural Gas Production* and Price
(most recent month of both production and price information)

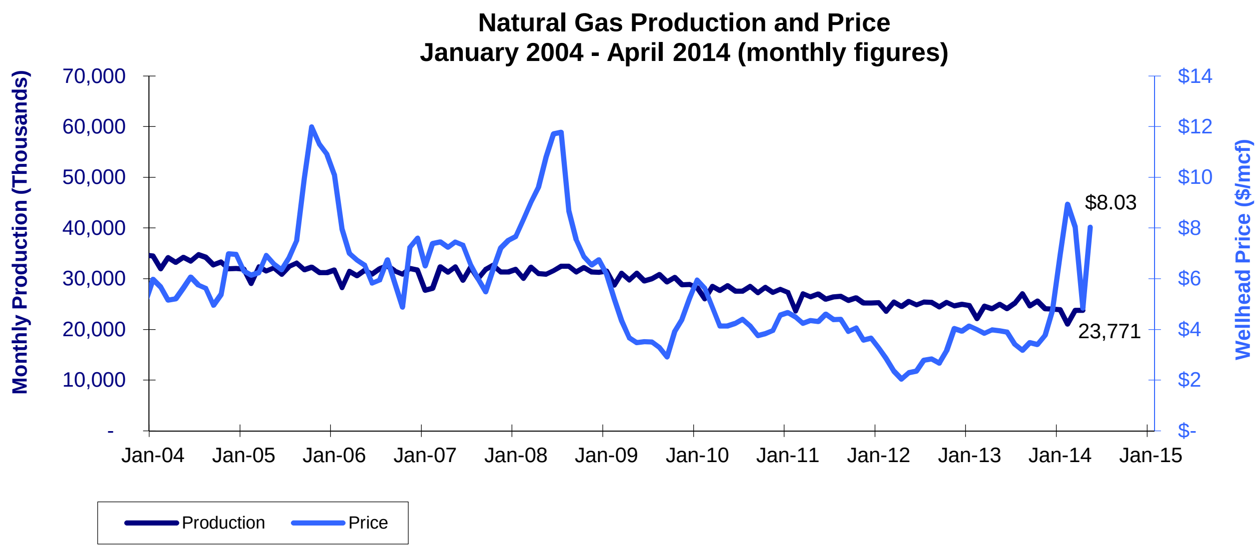
	Apr-14	Apr-13	Apr-09	Apr-04	1-yr Chg	5-yr Chg	10-yr Chg
Production (mcf)	23,771,207	24,058,627	29,770,371	33,225,971	-1.2%	-20.2%	-28.5%
Price ($/mcf)	$ 4.84	$ 3.98	$ 3.67	$ 5.21	21.6%	31.9%	-7.1%



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 the price of U.S. natural gas imports. The amount of natural gas produced is measured in Mcf's (thousand cubic feet).



Source: *2014 monthly data*
Kansas Geological Survey http://www.kgs.ku.edu/PRS/petro/interactive.html
Energy Information Administration http://www.eia.doe.gov/

Indicators of the Kansas Economy

Summary of Commentary on Current Economic Conditions - Tenth District - Kansas City

July 16, 2014 - Tenth District - Kansas City - The Tenth District economy expanded modestly in late May and June, and most contacts anticipated stronger growth in the months ahead. Consumer spending rose modestly, with retailers, auto dealers and restaurant contacts reporting slightly higher sales and tourism contacts reporting sharply stronger activity. District manufacturing activity continued to expand, while transportation and wholesale trade contacts noted moderately higher sales. Residential and commercial real estate activity strengthened further, while construction activity ticked up with modest additional gains expected in the coming months. Bankers reported steady overall loan demand, improved loan quality and a slight increase in deposit levels. Crop prices dropped for wheat, corn and soybeans, while cattle and hog prices continued to rise. District energy activity picked up as the number of active oil rigs expanded and natural gas rigs held steady. Prices for raw materials and finished goods rose slightly since the last survey, and wage pressures remained modest outside of some skilled trade positions.

Consumer Spending - Consumer spending rose modestly in late May and early June, and contacts were increasingly optimistic about future sales growth. District retail sales continued to increase, but at a slower pace than during the previous survey period. Retail sales were well-above year-ago levels, and retail contacts anticipated robust sales in the months ahead. Several retailers noted stronger sales of home improvement and building materials, while sales for men's apparel were weak. Automobile sales picked up slightly, with mid-sized cars and SUVs selling particularly well. Automobile sales remained higher than a year ago, and contacts expected strong growth in the coming months. Restaurant sales increased slightly, with sales remaining considerably higher than a year ago. Expectations for future restaurant sales moderated somewhat but still remained solid. District tourist activity improved markedly, in part due to seasonal summer increases, with conditions considerably better than the previous year. Tourism contacts expected stronger activity to continue throughout the summer and early fall months.

Manufacturing and Other Business Activity - District manufacturing activity expanded modestly, although the pace of growth slowed somewhat compared to the previous survey period. Production fell slightly at non-durable goods-producing plants, while production increased for the majority of durable products, except for machinery which decreased considerably. Growth in new orders and employment moderated in June, while order backlogs rose. Expectations for future factory activity remained steady at generally solid levels. Manufacturers' capital spending plans continued to rise and remained higher than a year ago. Wholesale trade and transportation firms reported moderate sales growth from the previous survey, particularly for construction products, while growth in professional and high-tech services activity eased. Wholesale trade, transportation, professional, and high-tech firms anticipated higher future sales activity in coming months. Reduced government spending continued to impact several high-tech firms in the area.

Real Estate and Construction - District real estate activity increased moderately in late May and June, while construction activity rose slightly. Residential home sales expanded modestly, particularly for low- and medium-priced homes which continued to outsell higher-priced homes. Residential home inventories continued to decline, and home prices increased further. Residential real estate contacts expected additional improvement in the coming months, with moderately higher sales and prices. According to builders and construction supply contacts, construction activity continued to expand, although at a slower pace than during the previous survey period. Sales of construction supplies increased moderately, and housing starts were flat. However, builders anticipated starts and buyer traffic to increase modestly in the months ahead. Mortgage activity picked up slightly, but remained lower than a year ago as a decrease in refinancing activity continued to weigh on overall activity. Commercial real estate activity strengthened further, with lower vacancy rates and increased sales, construction and absorption. The commercial real estate market was expected to expand moderately over the next few months.

Banking - Bankers reported steady overall loan demand, improved loan quality, and a slight increase in deposit levels. Respondents reported a minor decrease in demand for residential real estate loans. Most respondents reported steady demand for commercial real estate loans, agricultural loans, and consumer installment loans. Demand for commercial and industrial loans was relatively steady with a slight decrease compared to the last survey. Bankers reported improving loan quality compared to a year ago, and all bankers expected the outlook for loan quality to either improve or remain the same over the next six months. Credit standards remained largely unchanged in all major loan categories. In addition, respondents reported a minor increase in deposits.

Agriculture - Heavy summer storms in June improved soil moisture for developing crops and pastures but also caused some wind, hail and flood damage. Wet fields delayed the winter wheat harvest in Oklahoma and Kansas, and yields depended on the extent of drought, freeze and hail damage. Despite expectations of a poor wheat harvest in much of the District, wheat prices fell since the last survey period. The corn and soybean crops were in good condition overall, and improved growing conditions led to a drop in prices for both crops. Cattle prices continued to rise, but feeder cattle prices have recently increased much faster than fed cattle prices and narrowed margins for feedlot operators. The cumulative effect of reduced piglet numbers due to the swine virus and strong export demand for pork supported further gains in hog prices, even though pork production forecasts were raised due to heavier dressed weights and higher than expected slaughter in the second quarter.

Energy - District energy activity ticked up in late May and June. Business activity held steady, drilling increased slightly, and expectations for the coming months strengthened further. The number of active oil rigs increased, while natural gas rigs remained basically unchanged. Crude oil spot prices spiked in late June as a result of geopolitical conflicts in the Middle East threatening supply, but have come down somewhat as the threat has weakened. Natural gas spot prices have moderated slightly since the last survey period, but remained above year-ago levels. Energy contacts expected oil and gas prices to stay near current high levels, and contacts reported an increase in planned capital expenditures. Several producers commented on increased drilling costs due to advancing technology, which is currently being offset by high oil prices.

Wages and Prices - Prices grew at a slightly slower pace in most industries, and wage pressures were modest. Retail prices moderated somewhat but still increased over the previous survey period. The pace of growth slowed slightly for manufacturing raw materials and selling prices, but contacts expected further increases in future months. Transportation input prices were flat, and fewer firms raised selling prices, while restaurant menu prices continued to rise due to elevated food costs. Construction materials prices were slightly higher in June, and most builders expected further increases. Wage pressures were modest in most industries, with the exception of manufacturing in which almost half of manufacturing contacts reported raising wages more than normal to attract or retain some workers. Some contacts continued to report a short supply of workers, particularly for drivers, construction, high-tech, and skilled positions.

About the data *- 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.*

Source: http://www.federalreserve.gov/monetarypolicy/beigebook/default.htm

Indicators of the Kansas Economy
Kansas - Foreign Trade

Kansas: Exports, Jobs, and Foreign Investment - June 2014

Exports Support Jobs for Kansas's Workers
Total exports from Kansas helped contribute to the record-setting value of U.S. goods and services exports in 2013, which reached $2.3 trillion. Nationally, jobs supported by exports reached more than 11 million in 2013, up 1.6 million since 2009. In 2011, one-quarter (24.8 percent) of all manufacturing workers in Kansas depended on exports for their jobs.

Exports Sustain Thousands of Kansas Businesses
A total of 3,387 companies exported from Kansas locations in 2012. Of those, 2,830 (83.6 percent) were small and medium-sized enterprises with fewer than 500 employees. Small and medium-sized firms generated one-quarter (24.5 percent) of Kansas' total exports of merchandise in 2012.

Foreign Investment Creates Jobs in Kansas
In 2011, foreign-controlled companies employed 58,400 Kansas workers. Major sources of foreign investment in Kansas in 2011 included Canada, United Kingdom, Switzerland, and Germany. Foreign investment in Kansas was responsible for 5.3 percent of the state's total private-industry employment in 2011.

Kansas Depends on World Markets
Kansas's export shipments of merchandise in 2013 totaled $12.5 billion. The state's largest market was Canada. Kansas posted merchandise exports of $2.6 billion to Canada in 2013, representing 20.9 percent of the state's total merchandise exports. Canada was followed by China (1.7 billion), Mexico ($1.5 billion), Japan ($882 million), and Brazil ($677 million). The state's largest merchandise export category is Agricultural Products, which accounted for $2.6 billion of Kansas's total merchandise exports in 2013. Other top merchandise exports are Food & Kindred Products ($2.5 billion), Transportation Equipment ($2.1 billion), Machinery, Except Electrical ($1.3 billion), and Chemicals ($1.0 billion).

Kansas's Metropolitan Exports
In 2012, the following metropolitan areas in Kansas recorded merchandise exports: Wichita ($4.3 billion), Topeka ($265 million), Lawrence ($66 million), and Manhattan ($33 million).

Free Trade Agreements
The United States currently has free trade agreements in force with 20 countries, which account for $5.2 billion (42 percent) of Kansas' exports. During the past 10 years, exports from Kansas to these markets grew by 106 percent, with NAFTA, CAFTA-DR, Peru, Australia, and Columbia showing the largest dollar growth during this period.

Office of Trade and Industry Information, International Trade Administration, U.S. Department of Commerce

Total U.S. Exports (Origin of Movement) via KANSAS - 2013

(millions of dollars)

Rank	Description	2013 Value	2013 % Share
---	**Total Kansas Exports and % Share of U.S. Total**	**$ 12,465**	**0.8**
---	**Total, Top 25 Commodities and % Share of State Total**	**7,866**	**63.1**
1	CIVILIAN AIRCRAFT, ENGINES, AND PARTS	1,801	14.4
2	WHEAT AND MESLIN, NESOI	1,408	11.3
3	SOYBEANS, NESOI	851	6.8
4	MEAT OF BOVINE ANIMALS, BONELESS, FRESH OR CH	807	6.5
5	CORN (MAIZE), OTHER THAN SEED CORN	255	2
6	DOG AND CAT FOOD, PUT UP FOR RETAIL SALE	239	1.9
7	MEDICAMENTS NESOI, MEASURED DOSES, RETAIL PK	216	1.7
8	WHOLE HIDES & SKINS, OF A WT >16KG BOVINE/EQU	214	1.7
9	MEAT OF BOVINE ANIMALS, BONELESS, FROZEN	208	1.7
10	LT OILS, PREPS GT=70% PETROLEUM/BITUM NT BIOD	185	1.5
11	RADIO NAVIGATIONAL AID APPARATUS	163	1.3
12	NEW PNUMAT RUB TIRE, CONST/INDUST VEH/MAC,RIM	159	1.3
13	BREWING OR DISTILLING DREGS AND WASTE, W/NT P	158	1.3
14	WL HIDES&SKIN, WT/SK<=8KG DRD/10 DRY-SALT/16	135	1.1
15	MECH FRONT-END SHOVEL LOADERS, SELF-PROPELLED	132	1.1
16	FLOURS AND MEALS OF SOYBEANS	110	0.9
17	BOV/EQ HIDE/SKIN,FUL GRN,UNSPLIT;GRN SPL, WET	105	0.8
18	GENERATING SETS, ELECTRIC, WIND-POWERED	100	0.8
19	MEAT OF SWINE, NESOI, FROZEN	96	0.8
20	PASS VEH SPK-IG INT COM RCPR P ENG >1500 NOV	94	0.8
21	TALLOW OF BOVINE ANIMALS, SHEEP OR GOATS, NES	92	0.7
22	RARE GASES, OTHER THAN ARGON	89	0.7
23	LEAD-ACID BATTERIES OF A KIND USED FOR STG EN	87	0.7
24	MEAS & CHECKNG INSTRUMENT, APPLIANCES & MACH	80	0.6
25	MEAT, BOVINE CUTS WITH BONE IN, FROZEN	79	0.6

** NESOI - Not Elsewhere Specified or Included*

Source: *2011 - 2013 annual data*
http://www.trade.gov/mas/ian/statereports/
http://www.census.gov/foreign-trade/statistics/state/data/ks.html

1000 S.W. Jackson St. Suite 100
Topeka, KS 66612-1354

Phone: (785) 296-0967
Fax: (785) 296-5055
sahlerich@kansascommerce.com