

Gallatin County Midyear 2015

By Paul E. Polzin

Director Emeritus

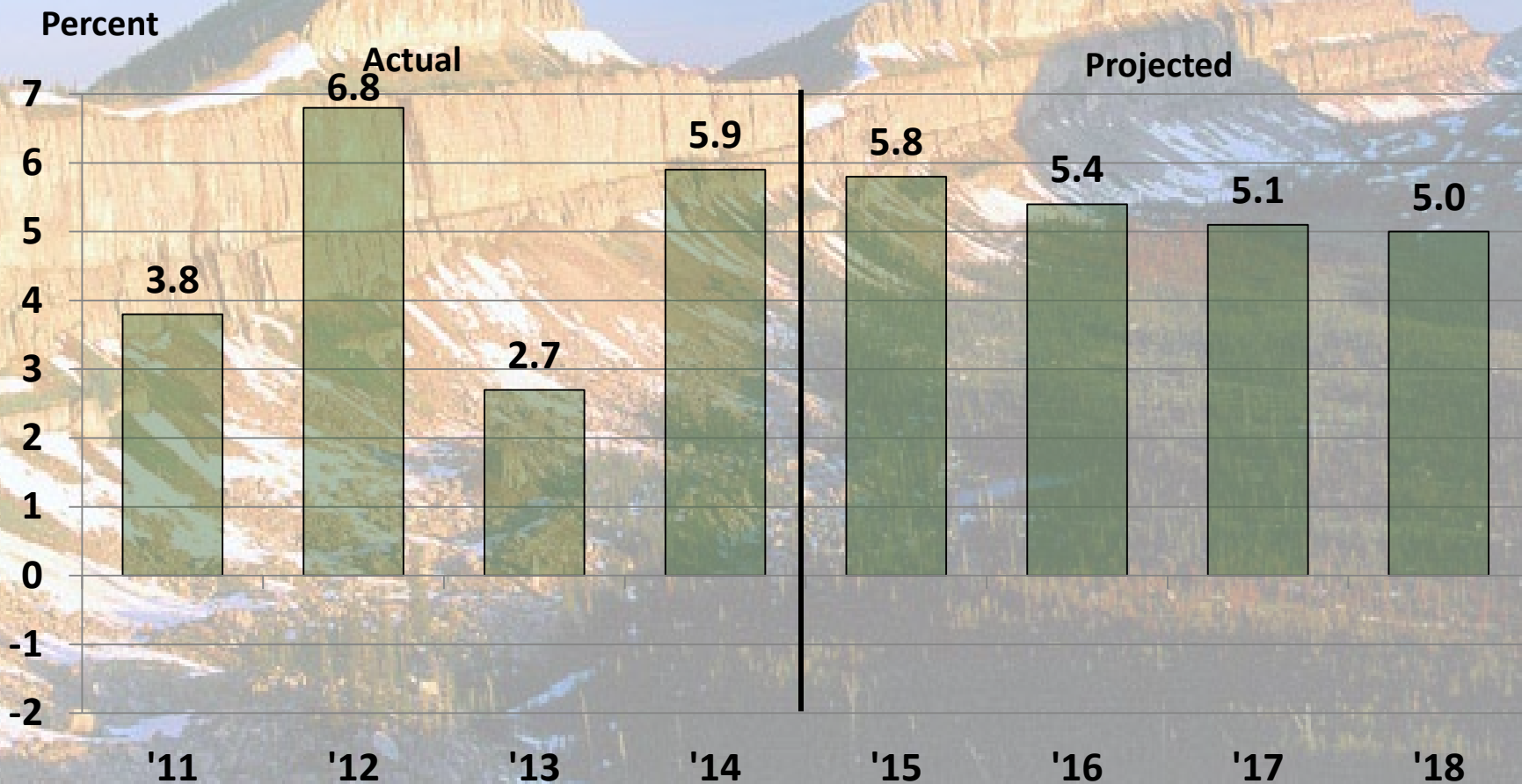
Bureau of Business and Economic Research

The University of Montana

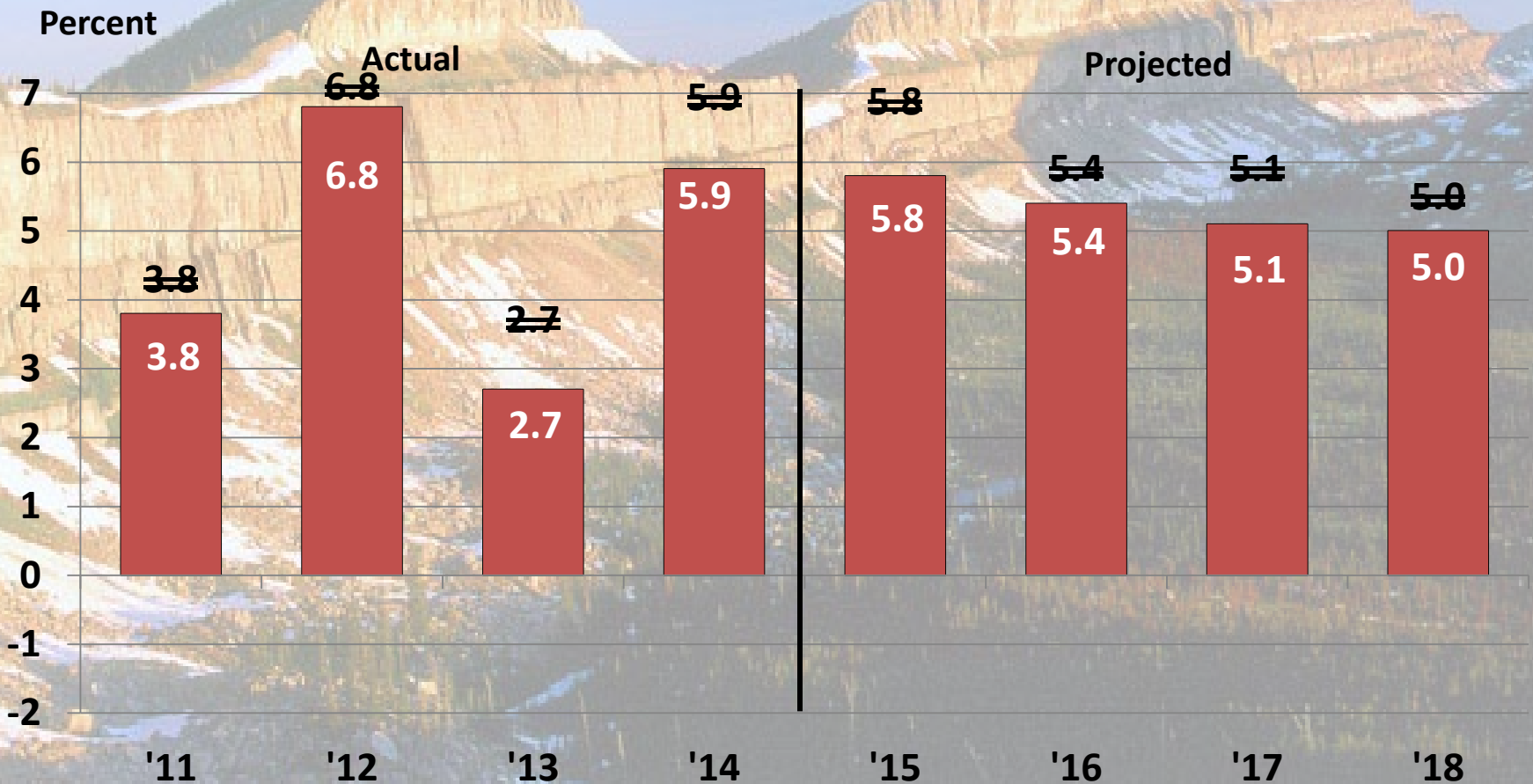
Gallatin County's Economic Base 2013-2015

		<u>Feb. '15</u>	<u>Aug. '15</u>
Other Basic	2%		
Agriculture and Related	5%	Down but Still +	Weather, Prices?
Trade Center-Retail	8%	Continued Bright Spot	✓
Federal Government	8%	Headwinds	Declines
Nonresident Travel	12%	Moderate Growth	Strong
Manufacturing	13%	High Tech!	✓
Trade Center-Prof. Services	23%	High Tech!	✓
MSU and State Government	29%	Growing Enrollment	✓
Construction		Recovery!!!	80% of '07

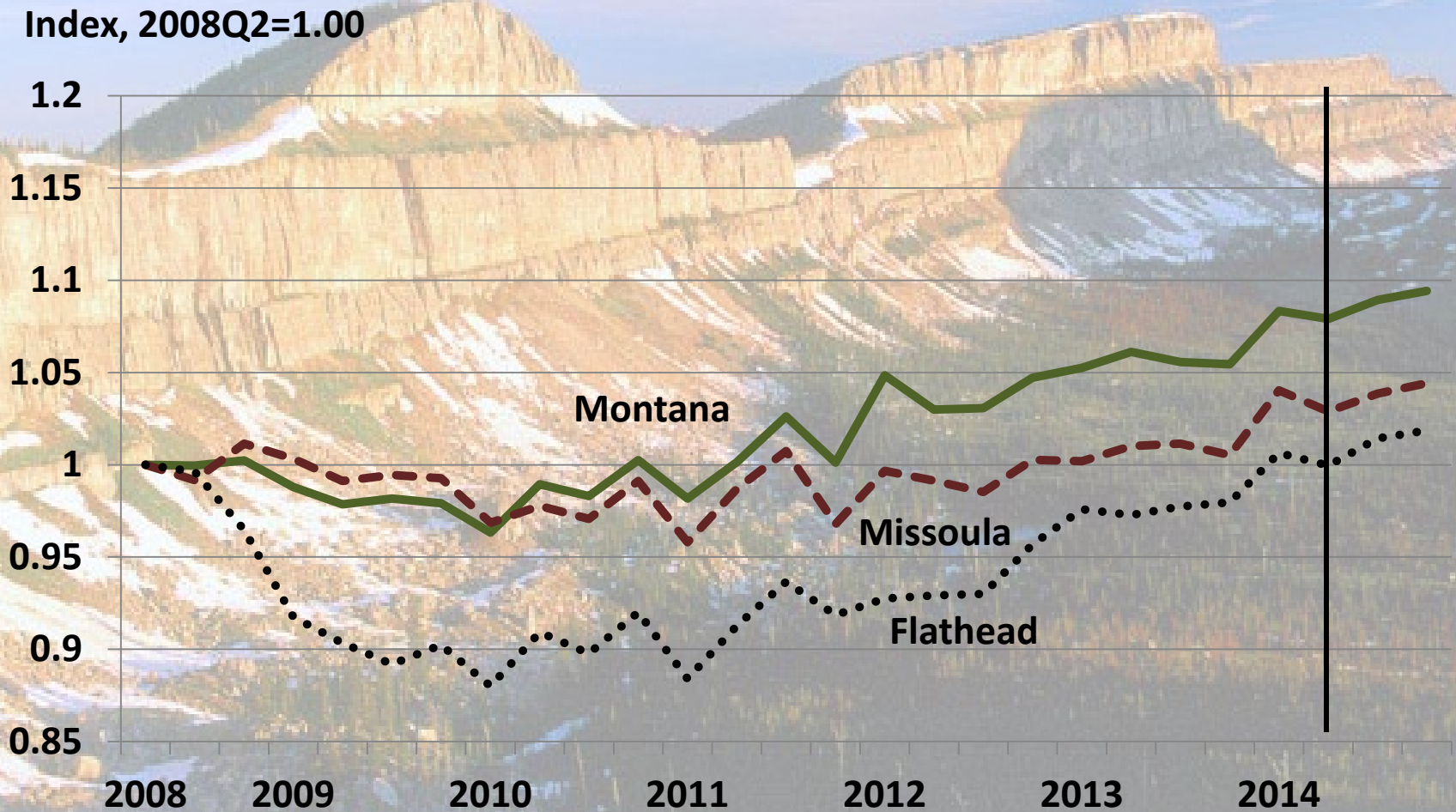
Actual and Projected Change in Nonfarm Earnings, Gallatin County, 2011-2018



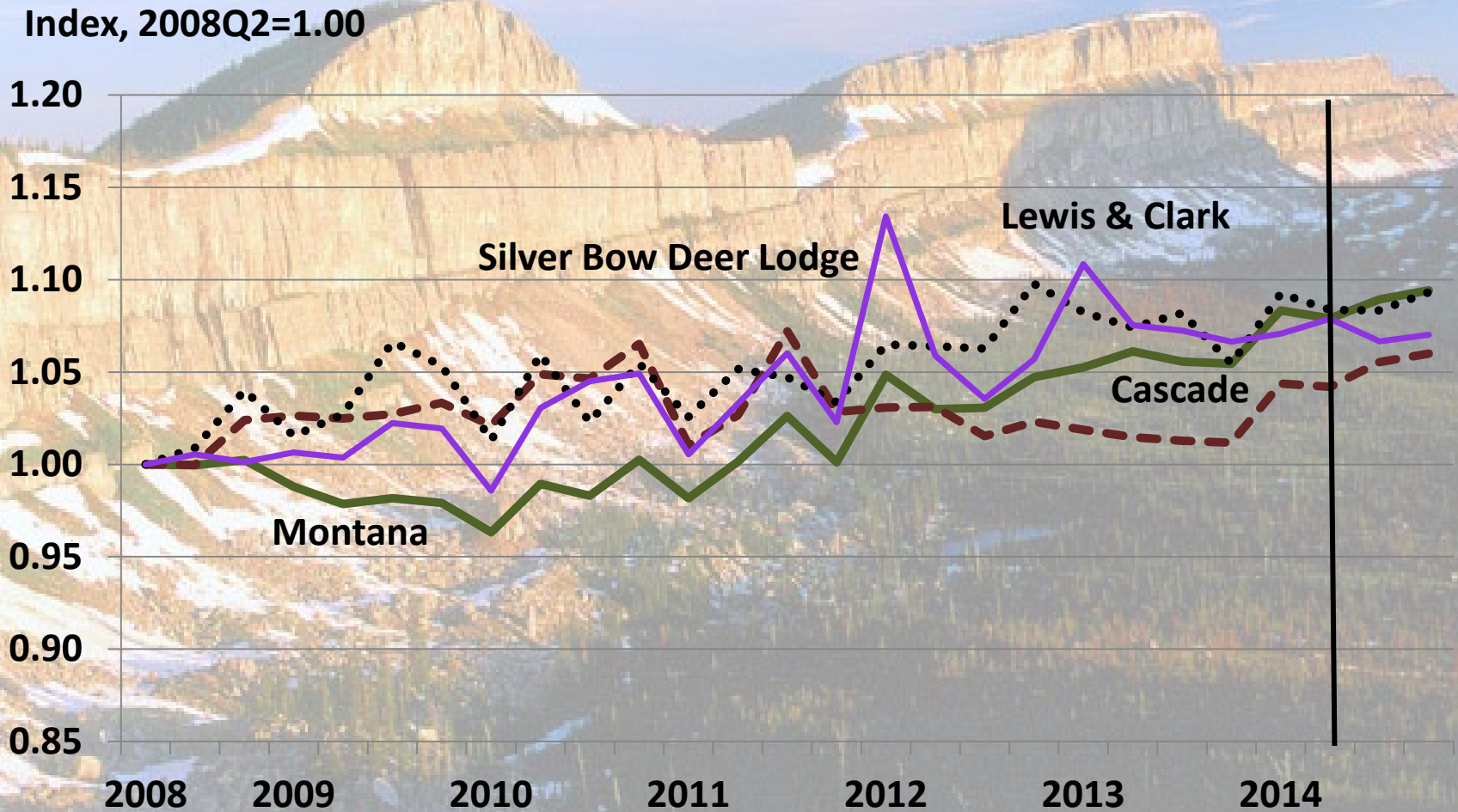
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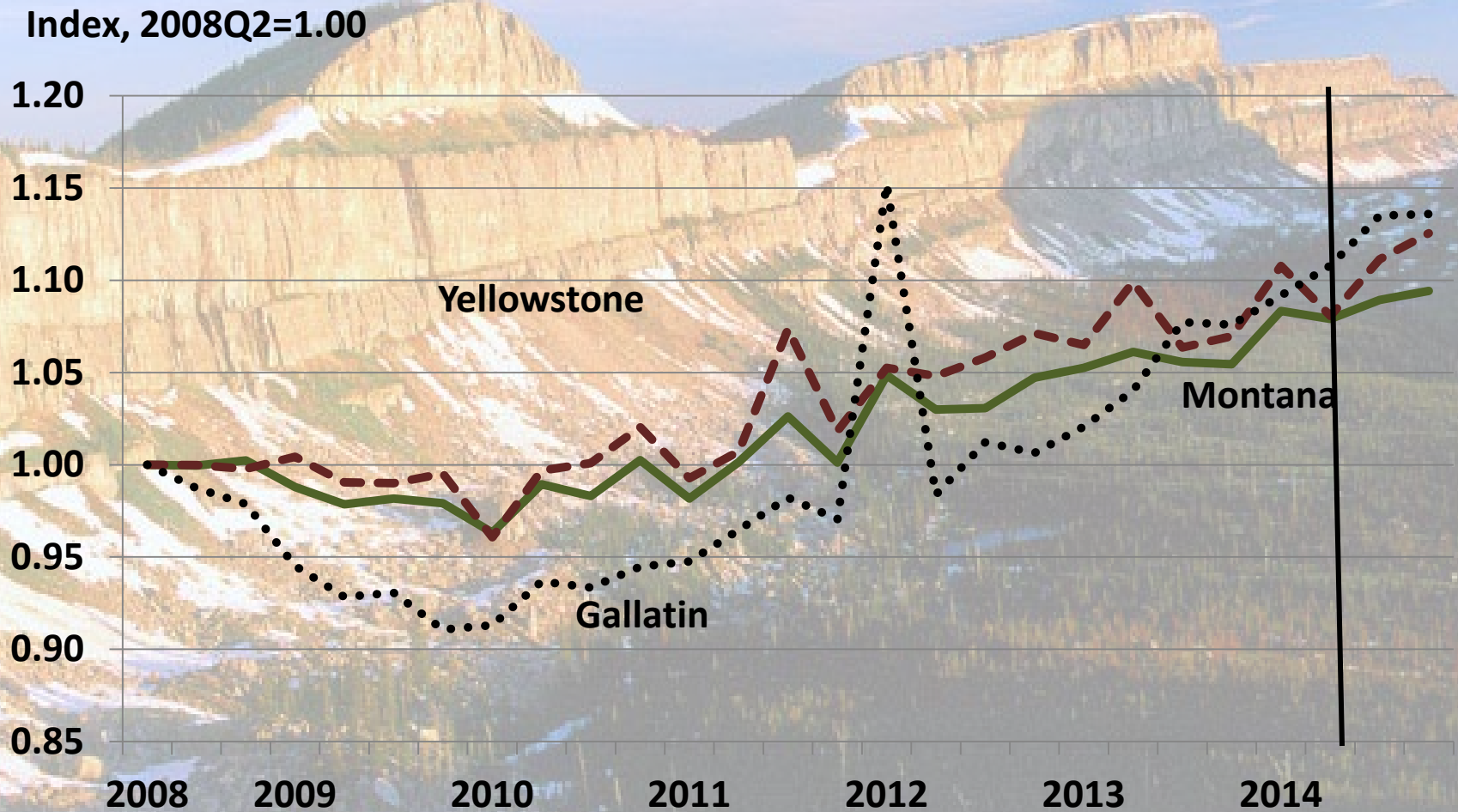
Inflation Adjusted Wages and Salaries, 2008-2014



Inflation Adjusted Wages and Salaries, 2008-2014

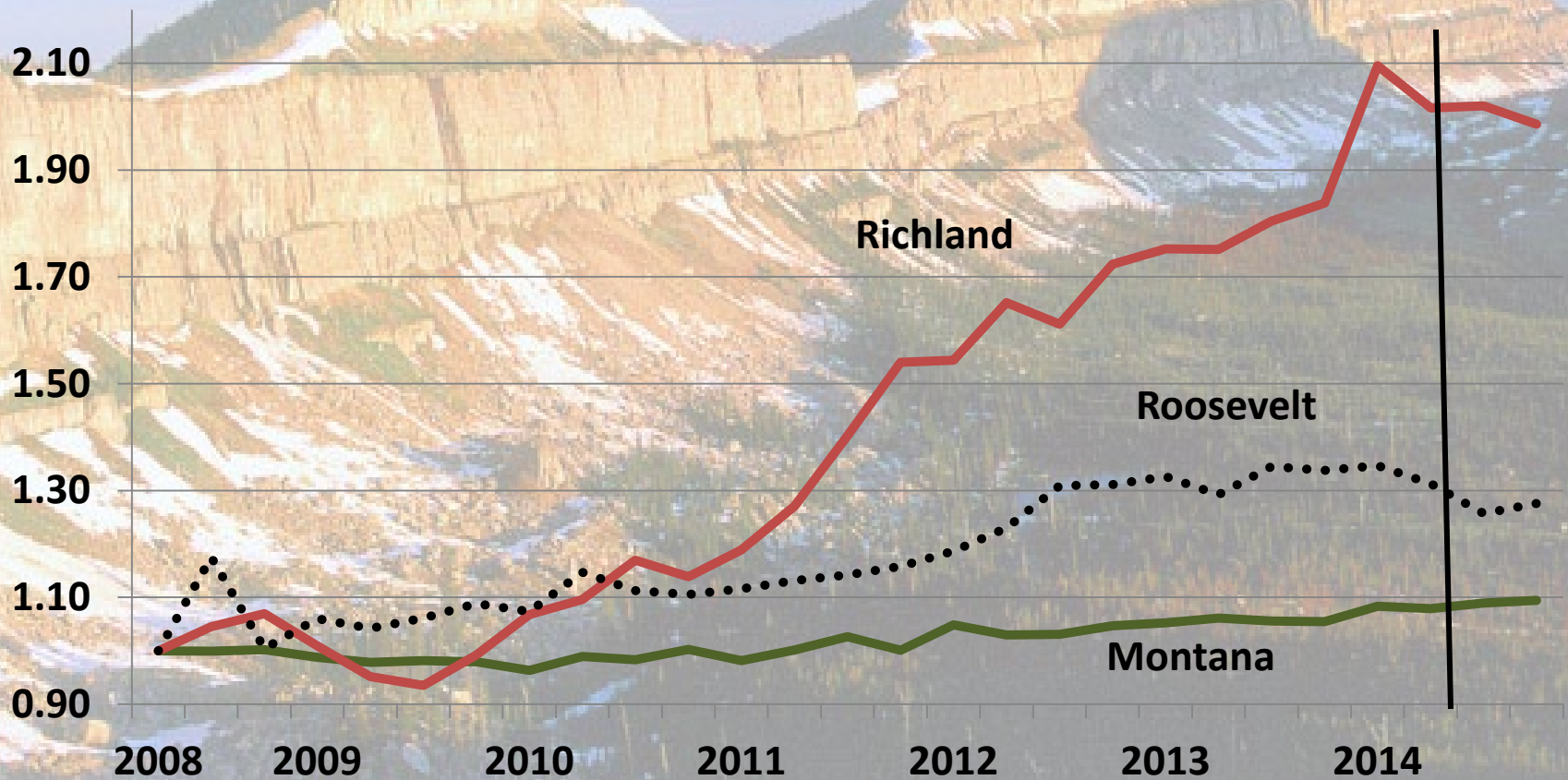


Inflation Adjusted Wages and Salaries, 2008-2014



Inflation Adjusted Wages and Salaries, 2008-2014

Index, 2008Q2=1.00





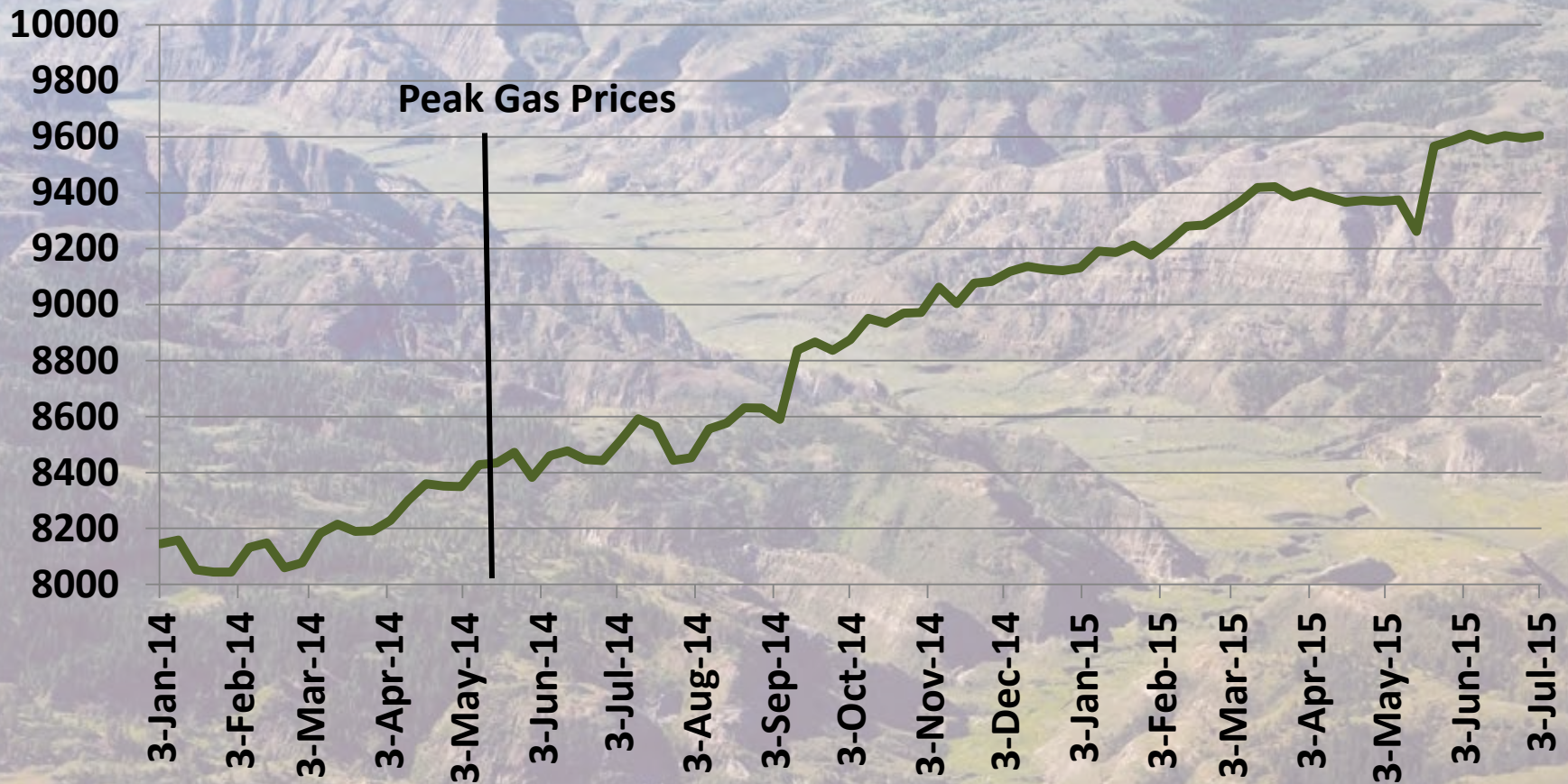
2015: A Different Oil “Bust”

By Paul E. Polzin

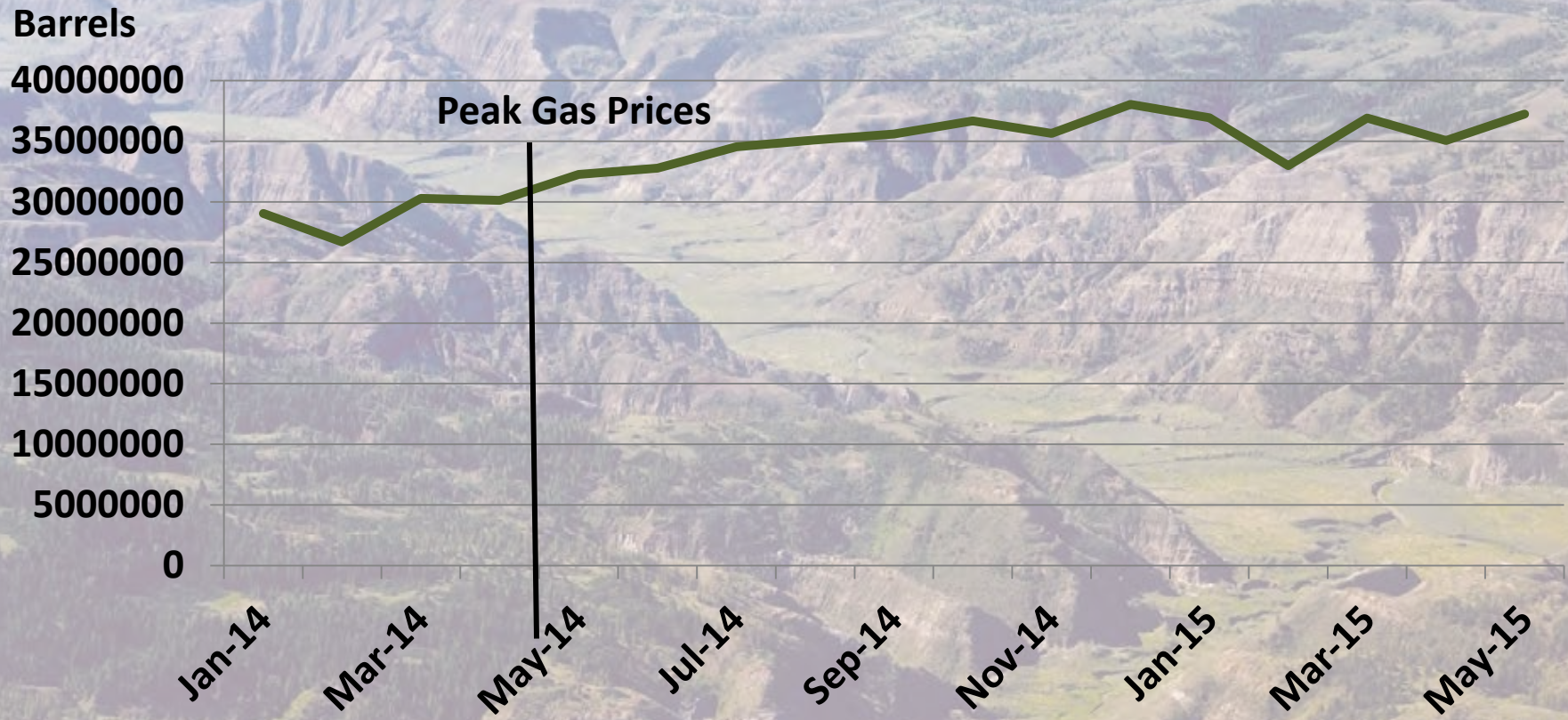
Program for Energy and Resource Economics
Bureau of Business and Economic Research

Weekly U.S, Crude Oil Production, 2014-2015

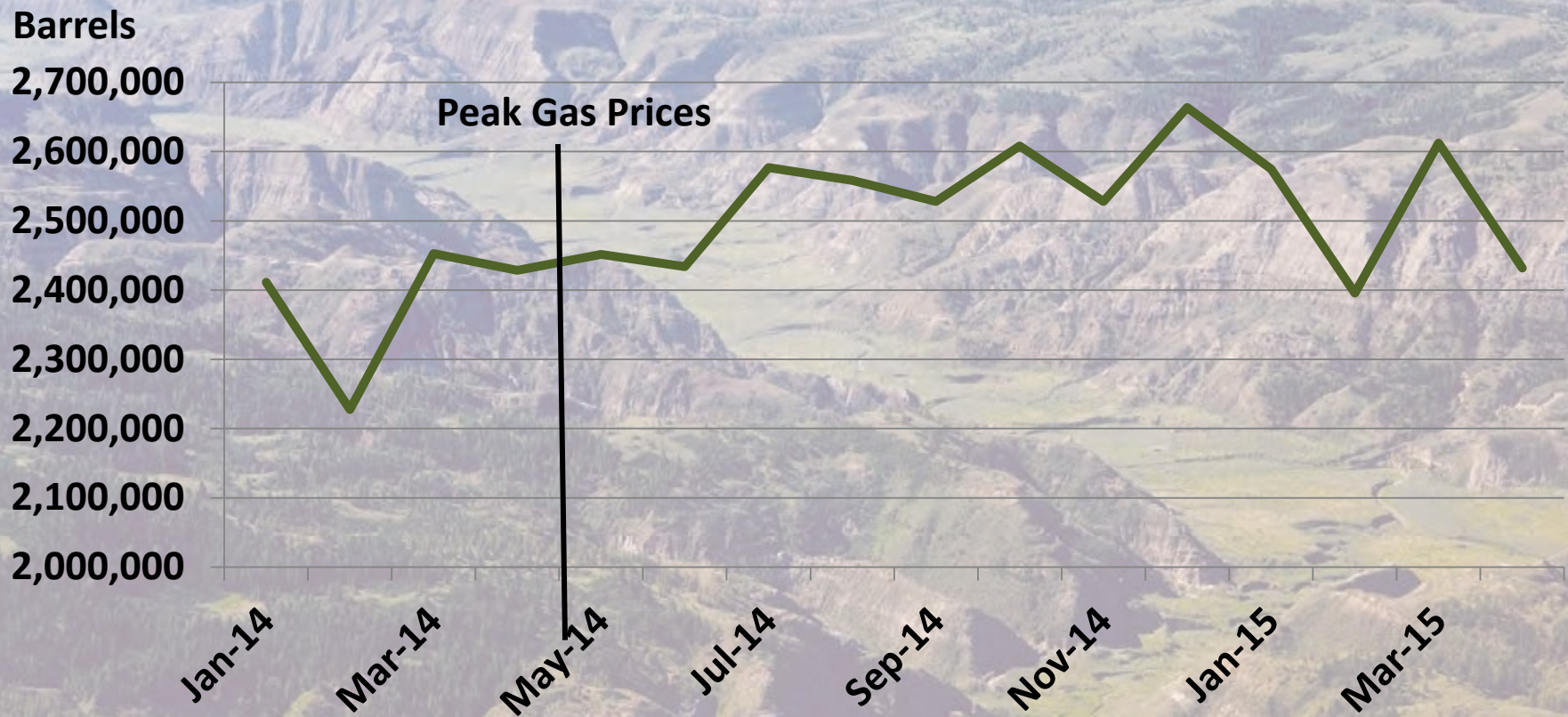
Thous. Barrels /day



Monthly Oil Production, North Dakota, 2014-2015

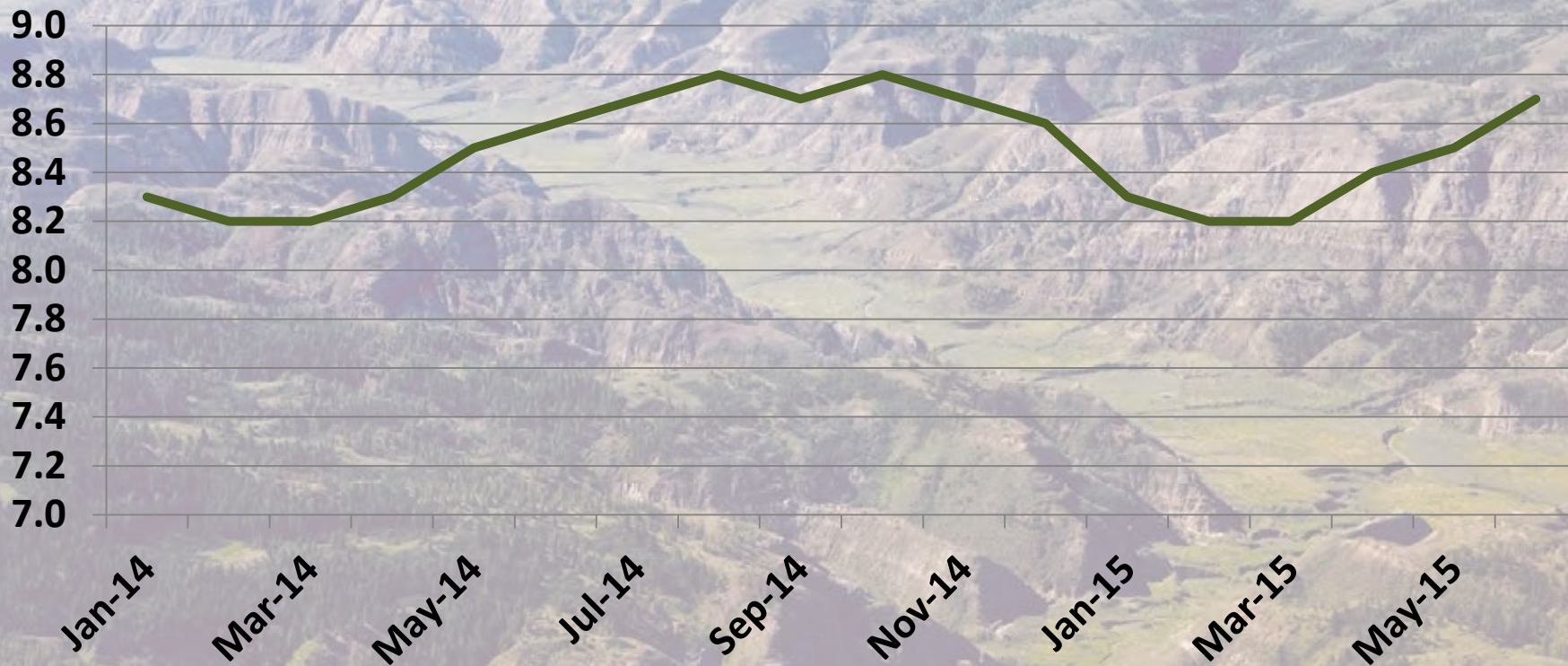


Monthly Oil Production, Montana 2014-2015



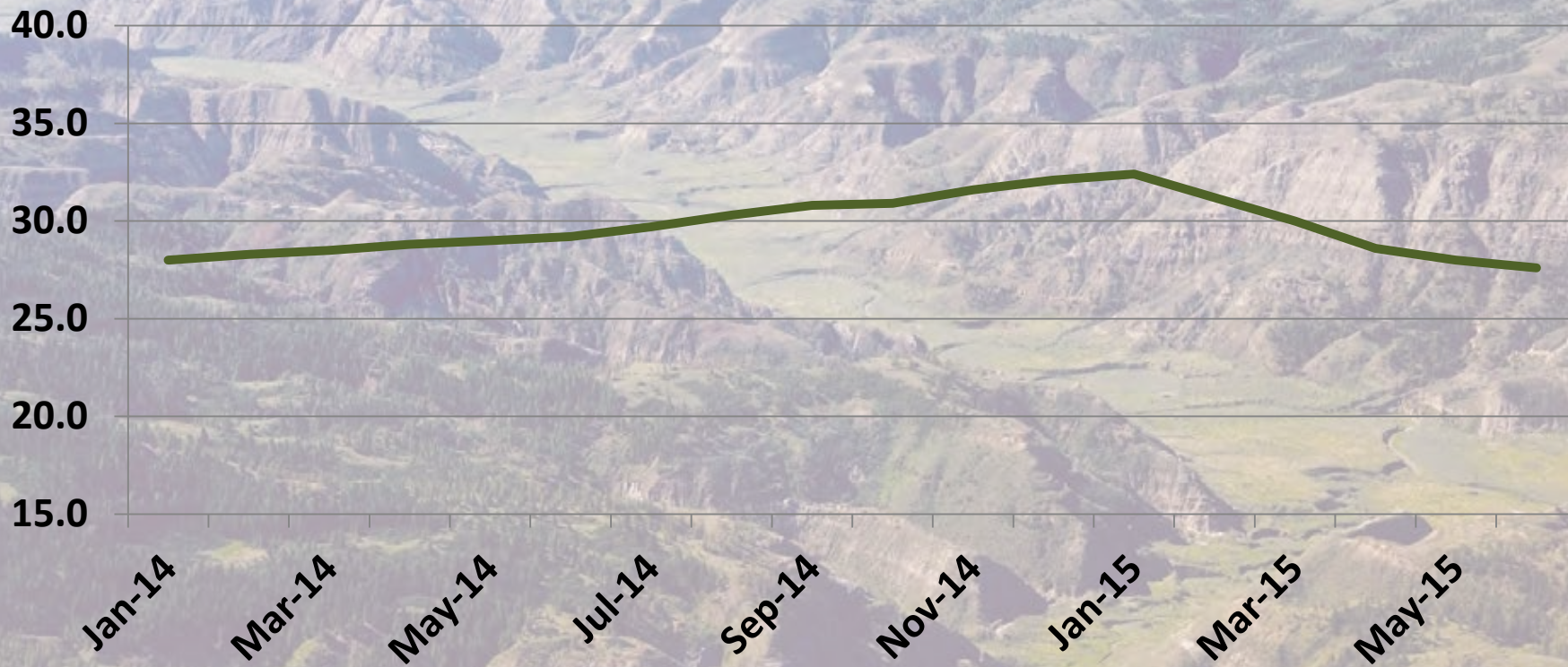
Monthly Employment, Mining and Logging, Montana, 2014-2015

Thousands of Workers



Monthly Employment, Mining and Logging, North Dakota, 2014-2015

Thousands of Workers



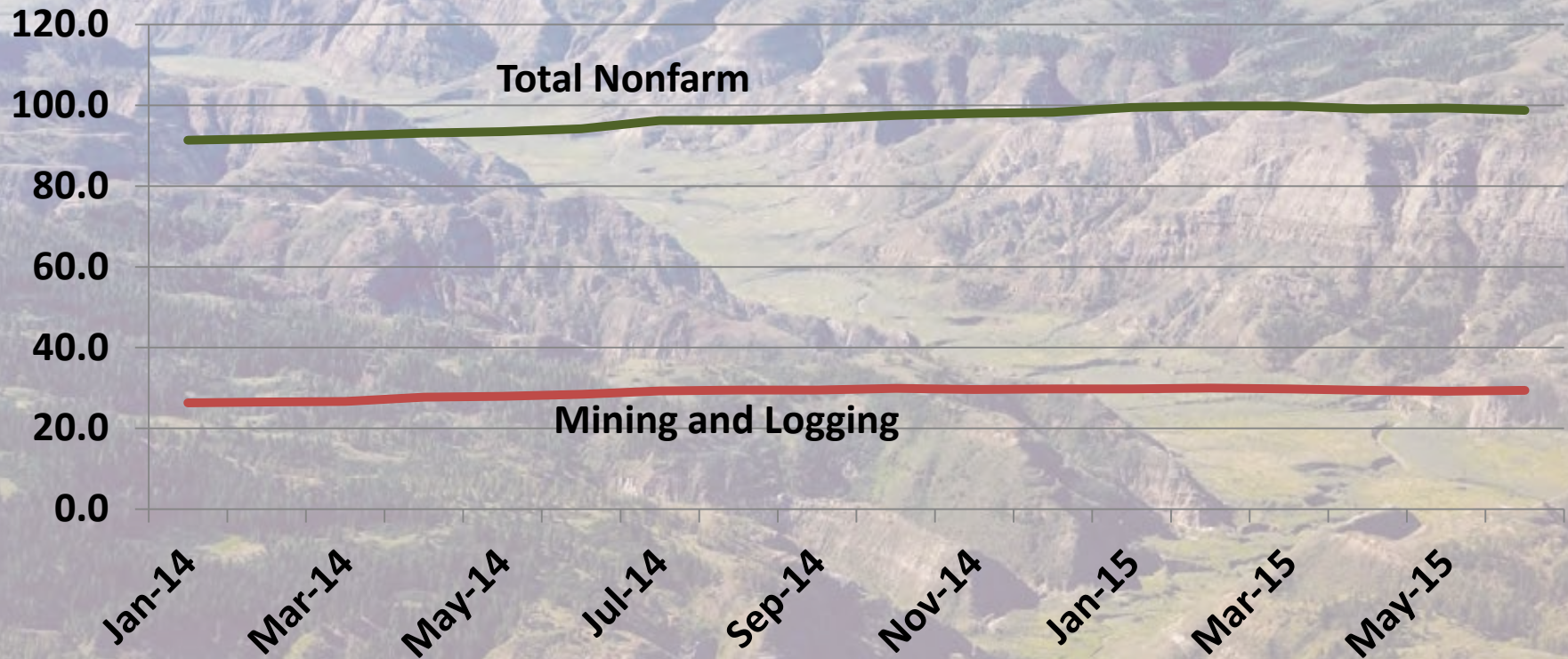
An aerial photograph of a rugged mountain range. The terrain is characterized by deep, winding valleys filled with green vegetation, interspersed with steep, rocky ridges in shades of brown and tan. The perspective is from a high altitude, looking down into the valleys. The sky is a pale, hazy blue, suggesting a clear but slightly overcast day. The overall scene conveys a sense of vast, natural beauty and geological complexity.

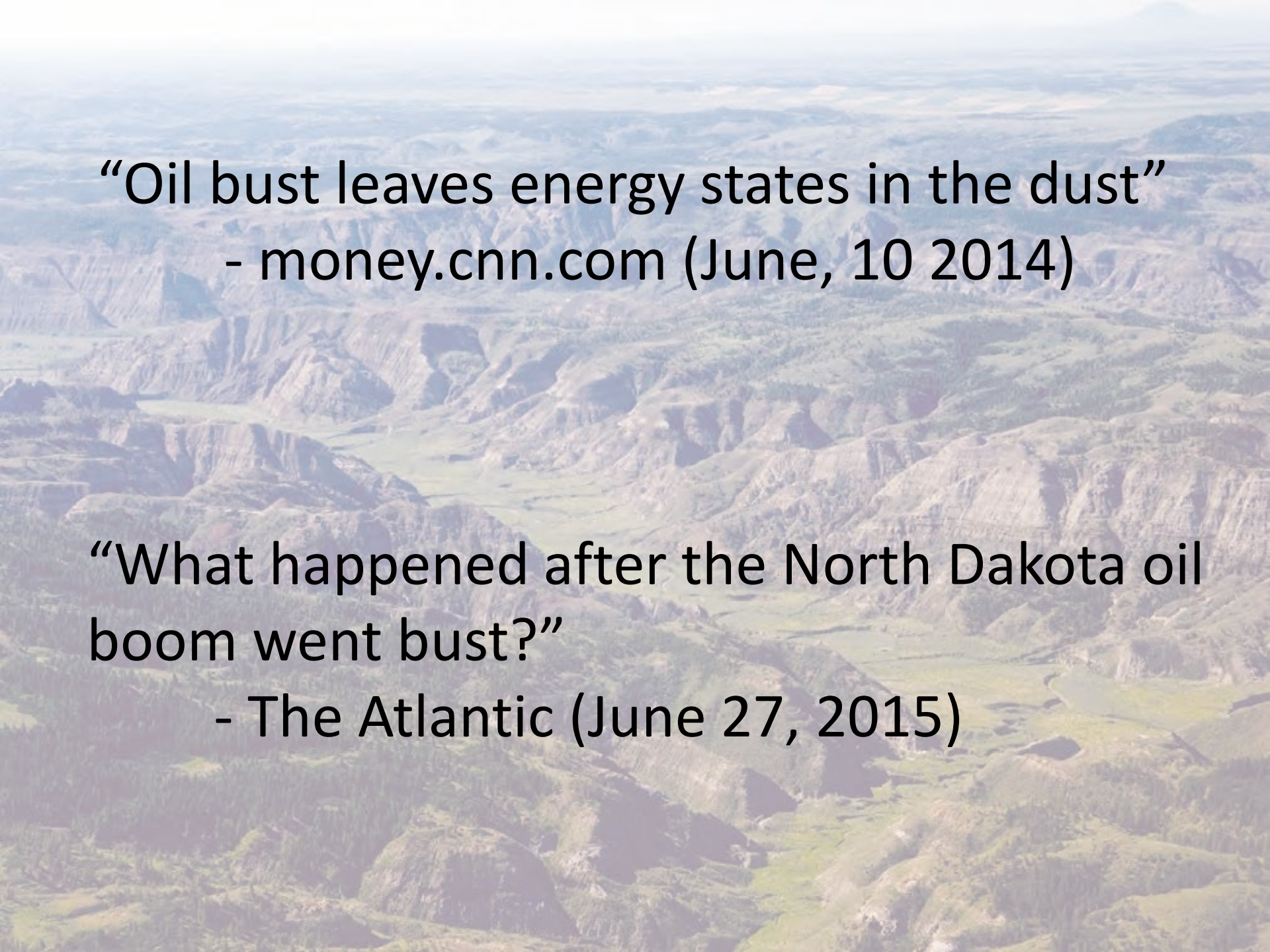
Economist, July 4, 2015, P. 53

“Midland has witnessed multiple booms and busts since the 1920s. Graced by Ferraris during the 2012-2014 boom, its highways are now populated by pickup trucks. Some 20,000-30,000 temporary workers have left.”

Monthly Employment, Midland, TX Metro Area 2014-2015

Thousands of Workers

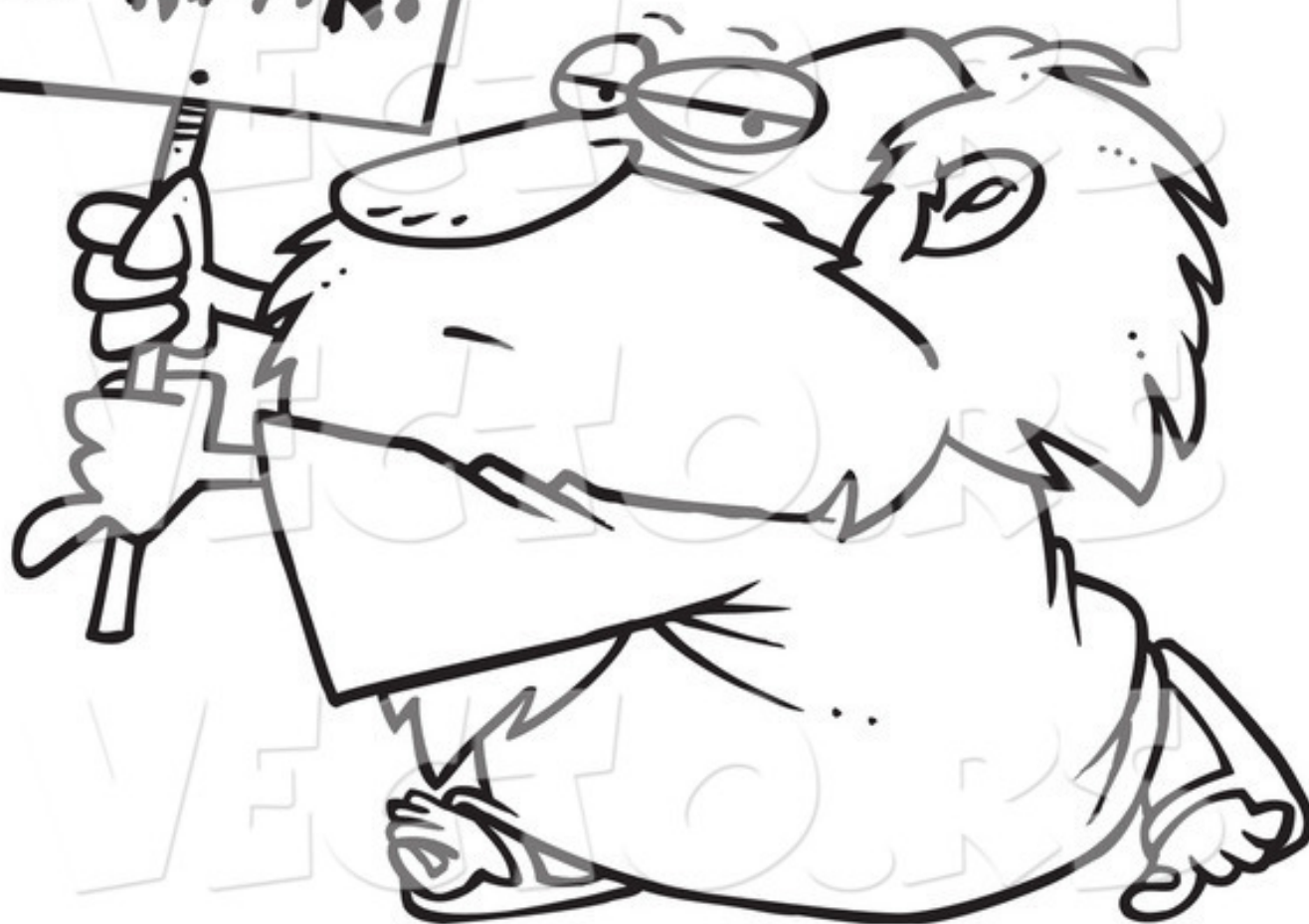




“Oil bust leaves energy states in the dust”
- money.cnn.com (June, 10 2014)

“What happened after the North Dakota oil boom went bust?”
- The Atlantic (June 27, 2015)

**THE END
IS NEAR!**

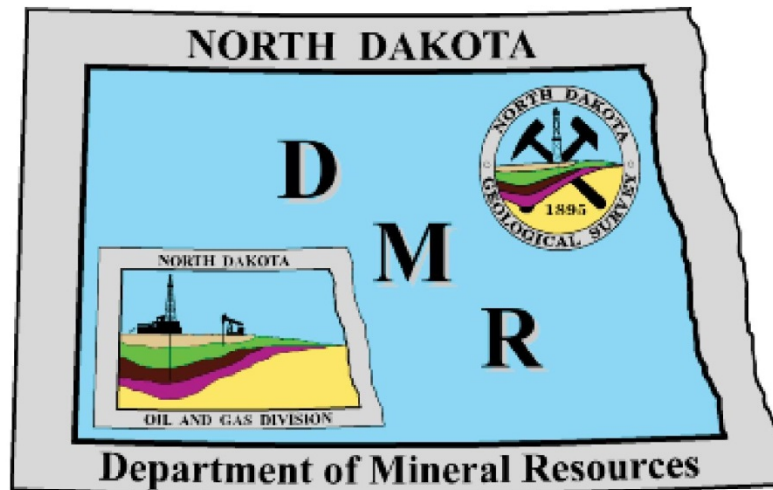


North Dakota Department of Mineral Resources

House Appropriations Committee

01/08/2015

Lynn D. Helms, Director



<http://www.oilgas.nd.gov>

<http://www.state.nd.us/ndgs>

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	Breakeven	Rigs	
		12/12/2014	1/7/2015
Billings	\$44	2	1
BOT-REN	\$52	5	4
BOW-SLP	\$75	2	3
Burke	\$62	3	2
Divide	\$73	4	6
Dunn	\$29	28	26
Golden Valley	\$52	0	1
McKenzie	\$30	64	59
McLean	\$77	1	0
Mountrail	\$41	33	28
Stark	\$37	0	1
Williams	\$36	40	35
		183	166

Breakeven costs reflect a price at which new drilling would cease.
The price at which production from existing wells would be shut-in is \$15/bbl.

An aerial photograph of a vast, rugged mountain range. The terrain is characterized by deep, winding valleys and steep, rocky slopes. The lower elevations are covered in dense green forests, while the higher peaks and ridges are more barren and rocky. The overall scene is one of a dramatic, mountainous landscape. The word "Questions?" is overlaid in the center of the image in a large, black, sans-serif font.

Questions?