

BLUE CHIP ECONOMIC FORECAST

WESTERN

ASU W. P. CAREY
SCHOOL of BUSINESS
ARIZONA STATE UNIVERSITY

What Blue Chip Economists are Saying about the Western States

MARCH 2008 Volume 22, Number 2

Western states led the nation in population growth in 2007

Seven of the 10 fastest growing states in the nation in 2007 were in the West, according to estimates released by the U.S. Bureau of the Census.

Nevada reclaimed the crown for most rapidly growing state, after yielding to Arizona in 2006. The Grand Canyon State dropped to second place for 2007. Other Western states among the top 10 included Utah, Idaho, Texas, Colorado and Wyoming (see map).

Although the ordering has shifted, most of the fastest growing states were holdovers from 2006. The exception is Wyoming, now in ninth place, up from 17th in 2006. Florida is out of the top 10, dropping from ninth to 19th.

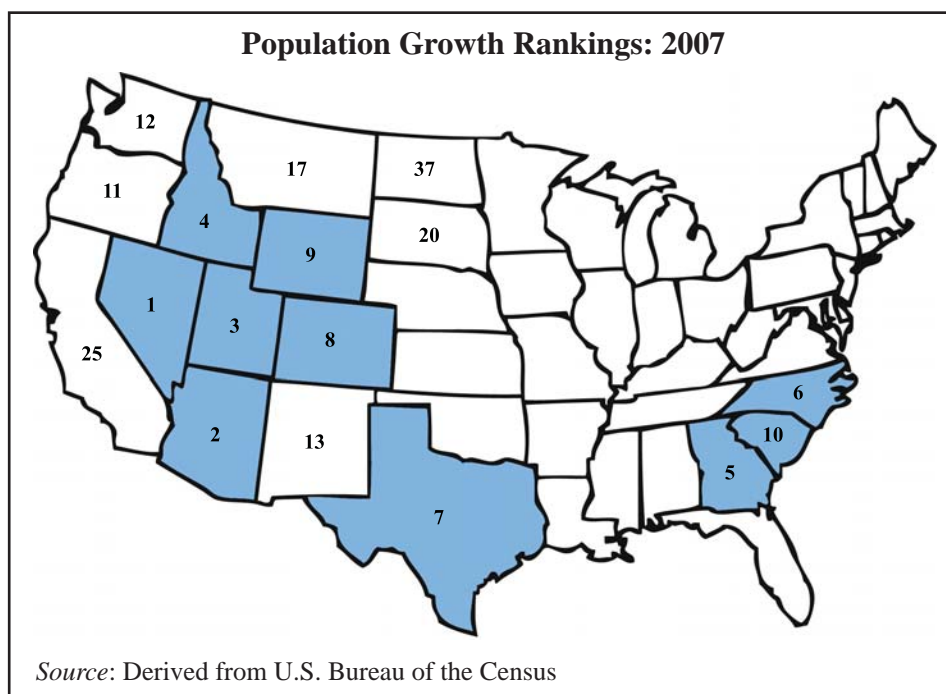
The national rate of population increase in 2007 was 1.0 percent. The top nine states all grew twice as fast, with growth rates of 2 percent or more. Nevada's growth rate was 2.9 percent, a sharp drop from the 3.5 percent state best in 2006, posted by Arizona.

At the opposite end of the listings, Michigan and Rhode Island lost population in 2007, and Ohio remained nearly constant. Population in New York and Vermont was up by 0.1 percent, only one-tenth of the national pace. Thirty states grew more slowly than the 1 percent rate for the country overall.

INTERNAL MIGRATION

Internal (state-to-state) migration slowed down in 2007, decreasing from more than one million in 2006 (see table). The decline in migration is likely due in part to the weak housing market, as movers had difficulty selling their current homes.

Migration to Oregon, Nevada, Washington, Arizona and Texas declined by 20 percent or more. Out-migration from California also declined, but California still lost more than 260,000 residents to other states.



State-to-State Migration Declined in 2007 as Economy Slowed

	Domestic migration		Change	Percent Change
	2006	2007	2006/2007	2006/2007
U.S.	1,214,705	881,940	-332,765	-27
Wyoming	2,886	6,654	3,768	131
Utah	18,315	24,657	6,342	35
New Mexico	7,751	8,530	779	10
Colorado	31,756	33,438	1,682	5
Montana	6,212	6,463	251	4
California	-284,962	-263,035	21,927	-8
Idaho	21,931	19,569	-2,362	-11
Oregon	34,026	26,811	-7,215	-21
Nevada	54,142	41,338	-12,804	-24
Washington	42,617	31,009	-11,608	-27
Arizona	136,229	90,402	-45,827	-34
Texas	222,389	141,280	-81,109	-36

Source: Derived from U.S. Bureau of the Census

Although migration to Texas decreased in 2007, the state attracted the most domestic newcomers, more than 140,000. North Carolina attracted over 100,000 new

residents. Combined with Georgia and Arizona, these four states accounted for 50 percent of state-to-state relocators in 2007.

— Lee McPheters

NATIONAL ROUNDUP

U.S. JOB GROWTH



% Change: Dec. 2007 vs. Dec. 2006

Nonfarm.....	0.9
Goods-Producing.....	-1.8
Construction and Mining.....	-2.3
Manufacturing.....	-1.5
Service-Providing.....	1.4
Transportation, Warehousing & Utilities.....	0.9
Trade.....	0.6
Information.....	-0.2
Financial Activities.....	-0.3
Professional & Business Services...	1.8
Educational & Health Services.....	3.1
Leisure & Hospitality.....	2.8
Government.....	1.2

Source: U.S. Bureau of Labor Statistics

U.S. REAL ESTATE



Residential Building Permits Dec. 2007 vs. Dec. 2006

	Total Residential	Single- family	Multi- family
2007	74,457	43,932	30,525
2006	113,085	75,231	37,854
% Δ	-34.2%	-41.6%	-19.4%

Source: U.S. Department of Commerce

U.S. FORECASTS



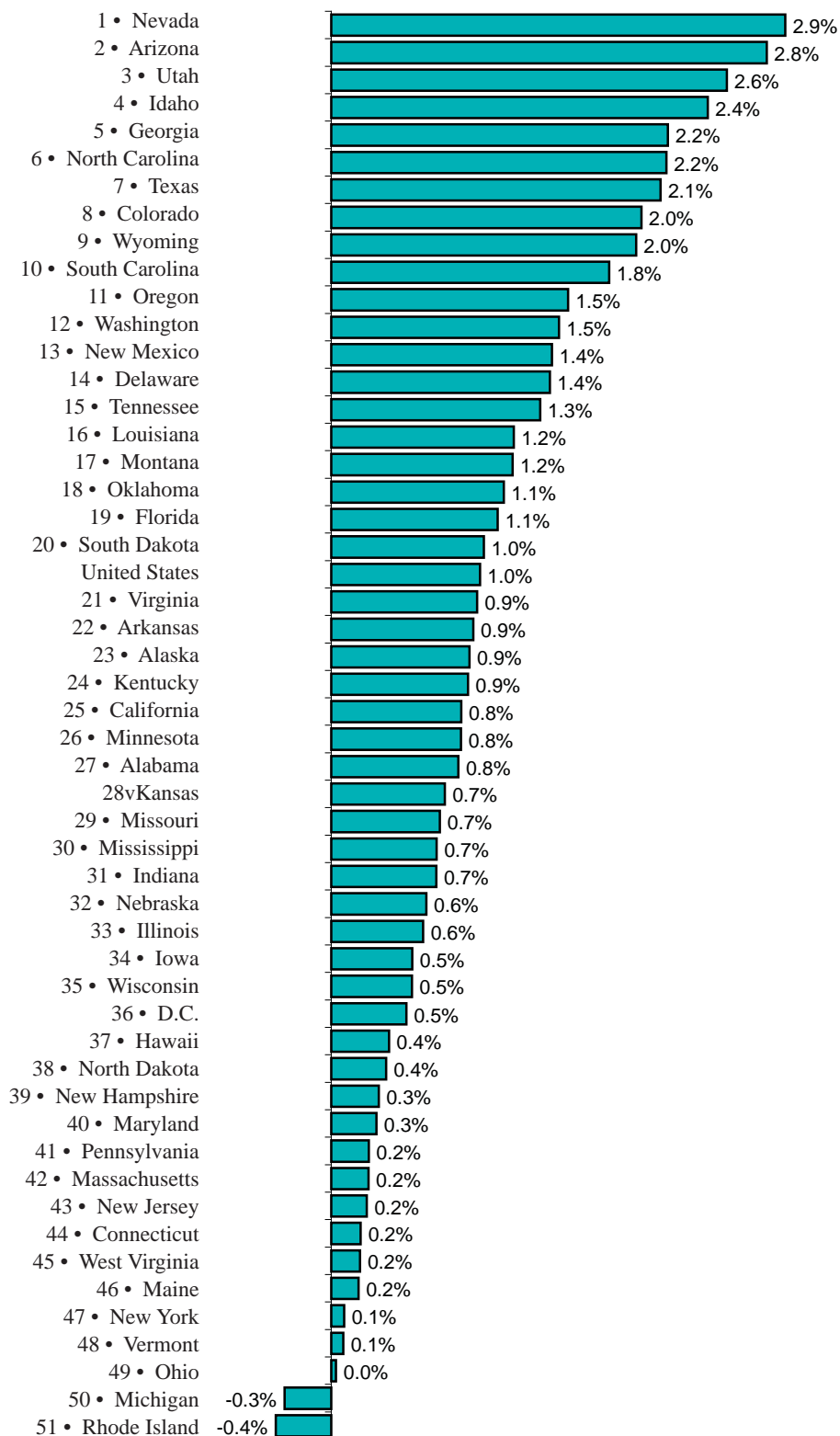
Percent Change

	2008	2009
Real GDP (Chain).....	1.9	2.7
CPI.....	2.2	1.6
GDP Deflator (Chain)...	1.8	1.7

Source: "U.S. Economic Outlook," *Global Insight*, January 2008

Population Estimates

Percent Change in Population, 2007 Over 2006



Source: U.S. Census Bureau

SUMMARY

WESTERN BLUE CHIP ECONOMIC FORECAST

2008 Annual Percent Change, 2008 from 2007						2009 Annual Percent Change, 2009 from 2008				
State:	Current \$ Personal Income	Real Personal Income	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Real Personal Income	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Arizona	6.0 ↓	4.2 ↓	2.2 ↓	2.7 ↓	-12.7 ↑	6.3 ↓	4.3 ↓	2.7 ↓	2.7 ↓	3.1 ↑
California	4.3 ↓	2.6 ↓	0.5 ↓	1.1 ↓	-17.0 ↑	5.1 ↓	3.1 ↓	1.1 ↓	1.1 ↓	9.8 ↑
Colorado	5.6 ↓	3.9 ↓	1.6 ↓	1.8 ↑	-8.5 ↑	5.9 ↓	4.0 ↓	1.9 ↑	1.8 ↑	4.4 ↑
Idaho	6.3 ↓	4.6 ↓	2.3 ↓	2.1 ↓	-12.2 ↓	6.4 ↓	4.4 ↓	2.4 ↓	2.1 ↓	0.0 ↑
Montana	6.5 ↓	4.7 ↑	2.5 ↓	0.9 ↓	-5.0 ↑	6.5	4.5	3.0 ↑	1.0 ↑	0.0 ↑
Nevada	5.6 ↓	3.8 ↓	2.7 ↓	3.7 ↓	-4.7 ↑	4.7 ↓	2.7 ↓	2.2 ↓	3.5 ↓	-5.2 ↓
New Mexico	5.2 ↓	3.4 ↓	1.5 ↓	1.6	-5.0 ↑	4.8 ↓	2.8 ↓	1.4 ↓	1.7 ↓	-1.2 ↑
Oregon	4.9 ↓	3.1 ↓	1.1 ↓	1.4 ↓	-11.9 ↓	5.3 ↓	3.3 ↓	1.5 ↓	1.4 ↓	2.7 ↑
Texas	6.0 ↓	4.3 ↓	1.8 ↓	1.7 ↓	-9.3 ↓	6.4 ↑	4.4 ↑	2.1 ↑	1.7 ↑	3.7 ↑
Utah	7.3 ↓	5.5 ↑	3.1 ↓	2.4 ↓	-15.9 ↓	7.1 ↑	5.1 ↑	2.8 ↓	2.4 ↓	1.8 ↑
Washington	5.9 ↓	4.1 ↓	1.7 ↓	1.6 ↓	-10.3 ↓	5.9 ↓	4.0 ↓	1.7 ↓	1.5 ↓	7.7 ↑
Wyoming	6.9 ↓	5.1 ↓	3.0 ↓	1.1 ↓	-1.8 ↓	6.9 ↓	4.9 ↓	2.8 ↓	1.0 ↓	1.5

↑= Increase in consensus forecast ↓= Decrease in consensus forecast

Forecast notes from the Western region...

We saw the state's positive economic growth beginning to slow in the 4th quarter of 2007 and see it falling sharply slower in 2008, yet remaining positive in 2008. The biggest declines will be in personal income, retail sales and residential housing construction. The negative growth in residential construction in late 2007 caught us by surprise and the expectation is for a continuation of that trend in 2008. Assuming the national economy makes a quick turnaround in 2008, Wyoming's economy should rebound in 2009.

— **Richard O'Gara**
*Wyoming Center for Business
and Economic Analysis
Cheyenne, Wyoming*

The year 2007 was no picnic for California and 2008 will bring more pain in both industries and metro areas. While the state should escape a full-bore recession, there will be "spot" recessions in such metro areas as Orange County and Modesto-Turlock. The annual employment revisions could land Riverside-San Bernardino on this list. Housing will continue to struggle in 2008, while retailing will hit a rough patch with store closings. Watch dealerships of the "Detroit 3." Labor agreements will be important with the

ILWU contract expiring at the end of June. However, no fireworks are expected. The entertainment industry in Los Angeles got off to a rough start with a costly walkout by the Writer's Guild. The Screen Actor's Guild contract expires in June and there is pressure from name actors to reach an early settlement.

— **Jack Kyser**
*Los Angeles County Economic
Development Corporation
Los Angeles, California*

So far, the national recession has had minimal impact on Texas. The state's unemployment rate remains well below the national average and job growth, though slowing, remains positive while nationally employment is contracting. Unlike other parts of the U.S., Texas didn't witness rapid housing inflation over the past decade so single-family homes are holding their values. High energy and commodity prices are also providing a fillip to the state.

— **Bernard Weinstein**
*University of North Texas
Denton, Texas*

Oregon is still experiencing positive price appreciation for single-family

homes, though hot spots like Medford and Bend are seeing slight declines. This may go a ways to explaining the relatively slow growth of foreclosures in the state. To the extent that the forecasted national recession is mild and mainly contained to housing-related markets, Oregon should weather this downturn much better than it did in 2001-03. Still, the overly exposed wood products sector is experiencing times darker than the 1980-82 period.

— **Tom Potiowsky**
*Oregon Executive Department
Salem, Oregon*

Texas has been insulated from most of the economic pain currently being experienced in much of the nation. Although the state has its share of subprime mortgages, housing prices in Texas have remained consistent with value, and median house prices have continued to rise over the past year. The oil and gas industry comprises over 15 percent of Texas' gross domestic product, and even though oil prices near \$100 per barrel hurt the consuming industries, high fuel prices still contribute more to the state's gross product than they subtract.

*Texas State Comptroller
of Public Accounts
Austin, Texas*

CONSENSUS FORECASTS

WESTERN BLUE CHIP ECONOMIC FORECAST

Methodology

The consensus forecasting approach used in the *Western Blue Chip* was inspired by Robert J. Eggert of Sedona, Arizona. Eggert popularized consensus forecasting with the introduction of his widely cited newsletter on the national economy, Blue Chip Economic Indicators. This approach has been consistently shown to be more accurate than projections

from an individual forecaster.

Consensus panelists for the *Western Blue Chip* are drawn from leading firms, universities and state agencies across the West. Panelists are contacted during the first week of the month and forecast data are compiled by telephone, fax, e-mail and online submission until the third week of the month. These data are then published during the first week of the subse-

quent month. Thus, the data are current for the month of publication. The consensus for each state is the mean of all forecasts shown in the table. Data are expressed as annual percentage changes relative to the annual average value for each indicator during the previous year. Since not all panelists revise their forecasts each month, changes in the consensus may result from revisions by an individual contributor.

ARIZONA										
2008 Annual Percent Change, 2008 from 2007						2009 Annual Percent Change, 2009 from 2008				
Source:	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Arizona Department of Commerce	5.5	5.1	2.8	2.8	-8.0	5.5	5.5	3.2	2.9	10.0
Arizona Public Service	6.2	5.5	2.3	2.6	-20.0	7.1	6.5	3.7	3.2	4.0
ASU - Economic Outlook Center	7.0	5.3	3.4	2.7	-5.0	6.8	6.0	4.0	2.5	0.0
Davidson Fixed Income Management	6.5	5.6	2.9			7.9	6.6	3.9		
ECON-LINC	6.4	4.2	2.5	2.7	-15.0	6.6	5.8	2.5	3.0	-5.0
EconLit LLC	6.2	2.2	1.5	2.8	-20.0	6.5	3.0	1.8	2.8	5.0
Elliott D. Pollack & Co.	5.5	1.0	1.0	2.5	-20.0	6.0	2.5	2.0	2.5	0.0
Grand Canyon University	5.6	4.0	1.2	3.0	0.0	3.9	1.3	0.7	2.8	5.0
H. C. Reardon Economics	5.6	5.0	3.0	2.8	-15.0	6.5	5.2	3.0	2.8	0.0
Joint Legislative Budget Committee	6.5	5.0	2.8	3.0	-10.0	6.2	5.0	2.7	2.8	-5.0
The Maguire Company	6.4	5.0	2.2	3.0	-15.0	6.2	5.4	2.8	3.0	-5.0
NAU - BBER	6.7	1.6	3.0	2.4	-5.0	7.5	2.7	4.0	2.3	2.3
Salt River Project	5.5	3.1	1.9	2.8	-15.0	6.2	4.5	2.4	2.6	12.0
Stellar Capital Management	6.5	5.5	3.0	2.6	-10.0	7.9	6.9	3.9	2.7	10.0
UA - Eller College	3.4	0.7	-0.4	2.7	-22.5	3.5	3.0	0.0	2.2	19.3
Wells Fargo & Co.	6.4	5.3	2.7	2.8	-10.3	6.1	5.0	2.5	2.8	-6.4
Consensus Forecast — This Month	6.0	4.0	2.2	2.7	-12.7	6.3	4.7	2.7	2.7	3.1
— Last Month	5.8	3.8	2.2	2.7	-13.6	6.1	4.5	2.6	2.7	3.1

CALIFORNIA										
2008 Annual Percent Change, 2008 from 2007						2009 Annual Percent Change, 2009 from 2008				
Source:	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Anonymous	4.8	3.4	0.7	1.2	-21.3	5.2	4.6	1.0	1.2	21.0
California State University, Long Beach *	5.9	6.5	1.8	1.7	-0.5					
Chapman University	3.1	2.6	0.1	1.1	-11.0	4.8	4.4	1.2	1.2	4.6
L.A. County Economic Development Corp.	4.9	-1.7	0.5	1.1	-26.9	5.2	1.6	1.0	1.1	3.0
Legislative Analyst's Office	4.7	3.6	0.6	1.1	-18.2	5.1	3.8	0.9	1.1	5.6
UCLA - Business Forecasting Project	3.5	3.2	0.5	1.1	-8.8	4.6	4.0	0.9	1.0	18.2
University of the Pacific	5.3	1.1	0.9	0.8	-10.1	5.4	3.5	1.4	0.8	20.2
Wells Fargo Company	3.8	2.9	0.3	1.0	-23.0	5.1	3.0	1.1	1.0	-4.0
Consensus Forecast — This Month	4.3	2.2	0.5	1.1	-17.0	5.1	3.6	1.1	1.1	9.8
— Last Month	4.3	2.7	0.6	1.1	-12.5	5.1	3.7	1.1	1.1	10.5

*This forecast is for Southern California only

CONSENSUS FORECASTS

WESTERN BLUE CHIP ECONOMIC FORECAST

COLORADO										
2008 Annual Percent Change, 2008 from 2007						2009 Annual Percent Change, 2009 from 2008				
Source:	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
The Adams Group, Inc.	5.0	3.9	0.5	2.1	-5.0					
Ctr. for Business and Econ. Forecasting	6.1	4.0	1.5	1.9	-20.0	6.0	5.5	2.0	1.9	10.0
Colorado Legislative Council	5.1	4.4	1.4	1.9	-1.7	6.9	5.6	2.0	2.0	17.2
David Hemley	6.3	5.5	2.1	1.7	-10.0	6.2	5.4	2.0	1.9	0.0
Office of State Planning and Budgeting	6.1	5.9	2.1	1.7	-0.1					
University of Colorado	6.0	3.9	1.8	2.0	-5.0	6.2	4.2	2.1	2.0	0.0
Wells Fargo & Co.	4.8	2.8	1.6	1.4	-17.4	4.4	2.6	1.3	1.3	-5.2
Consensus Forecast — This Month	5.6	4.3	1.6	1.8	-8.5	5.9	4.7	1.9	1.8	4.4
— Last Month	5.9	4.7	1.7	1.8	-6.7	5.9	4.5	1.9	1.8	5.4

IDAHO										
2008 Annual Percent Change, 2008 from 2007						2009 Annual Percent Change, 2009 from 2008				
Source:	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Idaho Division of Financial Management	6.0		2.2	2.1	-1.5					
Idaho Economics	7.0		2.7	1.8	-10.0	6.5		2.5	1.8	0.0
Wells Fargo UT	6.0	5.5	2.0	2.3	-25.0	6.2	5.5	2.2	2.3	0.0
Consensus Forecast — This Month	6.3	5.5	2.3	2.1	-12.2	6.4	5.5	2.4	2.1	0.0
— Last Month	6.3	5.5	2.3	2.1	-12.2	6.4	5.5	2.4	2.1	0.0

MONTANA										
2008 Annual Percent Change, 2008 from 2007						2009 Annual Percent Change, 2009 from 2008				
Source:	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
University of Montana	6.5		2.1	0.8						
Wells Fargo UT	6.5		2.8	1.0	-5.0	6.5		3.0	1.0	0.0
Consensus Forecast — This Month	6.5		2.5	0.9	-5.0	6.5		3.0	1.0	0.0
— Last Month	6.5		2.5	0.9	-5.0	6.5		3.0	1.0	0.0

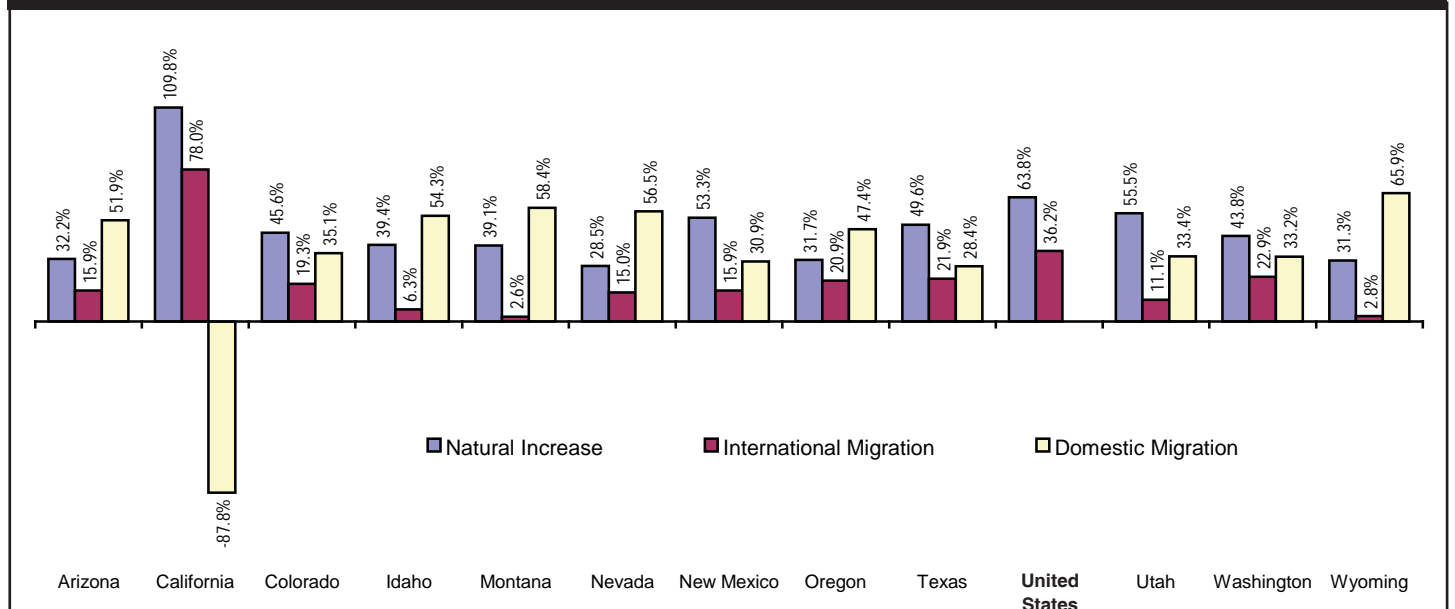
CONSENSUS FORECASTS

WESTERN BLUE CHIP ECONOMIC FORECAST

NEVADA										
2008 Annual Percent Change, 2008 from 2007						2009 Annual Percent Change, 2009 from 2008				
Source:	Current \$ Personal Income	Gross Gaming Revenues	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Gross Gaming Revenues	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Dept. of Empl., Training, and Rehab.	3.1	1.8	1.8	3.5		5.4	3.2	3.2	4.0	
Restrepo Consulting Group, LLC	5.0	3.0	2.0	3.5	-7.0	3.0	4.0	3.0	3.5	1.0
Southwest Gas	8.0	5.3	4.8	3.9	2.0					
Univ. of Nevada at Las Vegas - CBER	6.1	4.3	5.4	4.6						
Wells Fargo & Co.	5.7	5.1	-0.5	3.0	-9.2	5.6	4.8	0.4	2.9	-11.4
Consensus Forecast — This Month	5.6	3.9	2.7	3.7	-4.7	4.7	4.0	2.2	3.5	-5.2
— Last Month	5.6	3.9	2.9	3.7	-4.2	4.7	4.1	2.3	3.5	-4.4

NEW MEXICO										
2008 Annual Percent Change, 2008 from 2007						2009 Annual Percent Change, 2009 from 2008				
Source:	Current \$ Personal Income	Mfg. Employ- ment	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Mfg. Employ- ment	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Eastern New Mexico University	5.6	1.0	1.7	1.6	-1.5	5.4	1.0	1.7	1.8	0.0
New Mexico State	6.0	1.0	1.9	1.5						
Public Service New Mexico	4.3	0.3	1.6	1.4	-10.0	4.5	0.5	1.7	1.5	-2.5
University of New Mexico - BBER	5.2	0.6	1.6		-3.4	4.8	-0.4	1.6		3.8
Wells Fargo & Co.	4.7	0.4	0.6	1.8	-5.1	4.5	0.5	0.5	1.7	-6.2
Consensus Forecast — This Month	5.2	0.7	1.5	1.6	-5.0	4.8	0.4	1.4	1.7	-1.2
— Last Month	5.3	0.8	1.6	1.6	-3.7	4.7	0.2	1.4	1.6	-1.1

Components of Population Change Percent of Total Change, July 1, 2006 to July 1, 2007



Source: U.S. Census Bureau

CONSENSUS FORECASTS

WESTERN BLUE CHIP ECONOMIC FORECAST

OREGON

Source:	2008 Annual Percent Change, 2008 from 2007					2009 Annual Percent Change, 2009 from 2008				
	Current \$ Personal Income	Mfg. Employ- ment	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Mfg. Employ- ment	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Conerly Consulting	5.1	0.3	1.1	1.3	-12.1	5.7	0.8	1.7	1.5	3.4
Forefront Economics	5.7	1.5	2.1	1.3	-3.0	5.3	1.2	1.8	1.3	3.0
Oregon Executive Department	5.4	0.7	1.0	1.4	-24.5	5.6	0.2	1.7	1.4	10.4
Portland General Electric	3.4	-1.5	0.4	1.4	-15.0	5.0	0.5	1.0	1.4	5.0
Wells Fargo & Co.	4.8	0.7	1.1	1.5	-4.9	4.8	0.7	1.2	1.4	-8.4
Consensus Forecast — This Month	4.9	0.3	1.1	1.4	-11.9	5.3	0.7	1.5	1.4	2.7
— Last Month	4.9	0.8	1.2	1.5	-3.8	4.7	0.6	1.0	1.4	-7.2

TEXAS

Source:	2008 Annual Percent Change, 2008 from 2007					2009 Annual Percent Change, 2009 from 2008				
	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Econoclast	5.9	5.2	1.9	1.7	-7.5	6.3	5.8	2.1	1.7	1.5
Federal Reserve Bank of Dallas	7.5	6.4	2.5	1.9	-10.0	7.3	6.5	2.8	1.9	4.5
David Hemley	6.4	5.9	2.1	1.7	-5.9	6.4	5.8	2.2	1.8	0.0
Perryman Group	6.5	6.0	1.4	1.8	-8.7	6.7	6.3	1.8	1.8	-6.1
TX State Comptroller of Public Accounts	5.8	5.7	2.0	1.6	-16.7	5.7	4.9	1.9	1.5	19.7
University of Houston - CPP	4.9	4.1	1.5	1.5	-18.1	5.9	5.2	1.9	1.9	4.4
University of North Texas	5.5	5.5	1.5	1.7	-20.0	6.0	6.0	1.9	1.7	9.0
University of Texas at El Paso	6.6	6.2	1.5	1.7	1.2	7.2	7.3	1.8	1.8	2.6
Wells Fargo & Co.	5.3	4.5	2.1	1.4	1.7	5.9	4.7	2.5	1.3	-2.2
Consensus Forecast — This Month	6.0	5.5	1.8	1.7	-9.3	6.4	5.8	2.1	1.7	3.7
— Last Month	6.1	5.5	1.8	1.7	-7.6	6.3	5.7	2.0	1.7	2.9

UTAH

Source:	2008 Annual Percent Change, 2008 from 2007					2009 Annual Percent Change, 2009 from 2008				
	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Pacificorp	6.6	4.6	3.1	2.2	7.3					
Utah State Tax Commission	7.1	3.4	3.5	1.5	-10.7	7.0	6.1	2.9	1.4	2.5
Utah Department of Workforce Services	8.0	5.3	2.2	2.8	-30.0	6.9	4.4	2.0	2.7	3.0
Wells Fargo - UT	7.5	7.0	3.4	3.0	-30.0	7.5	7.0	3.5	3.0	0.0
Consensus Forecast — This Month	7.3	5.1	3.1	2.4	-15.9	7.1	5.8	2.8	2.4	1.8
— Last Month	7.2	6.2	3.0	2.6	-15.8	7.2	5.7	2.8	2.9	1.5

WASHINGTON

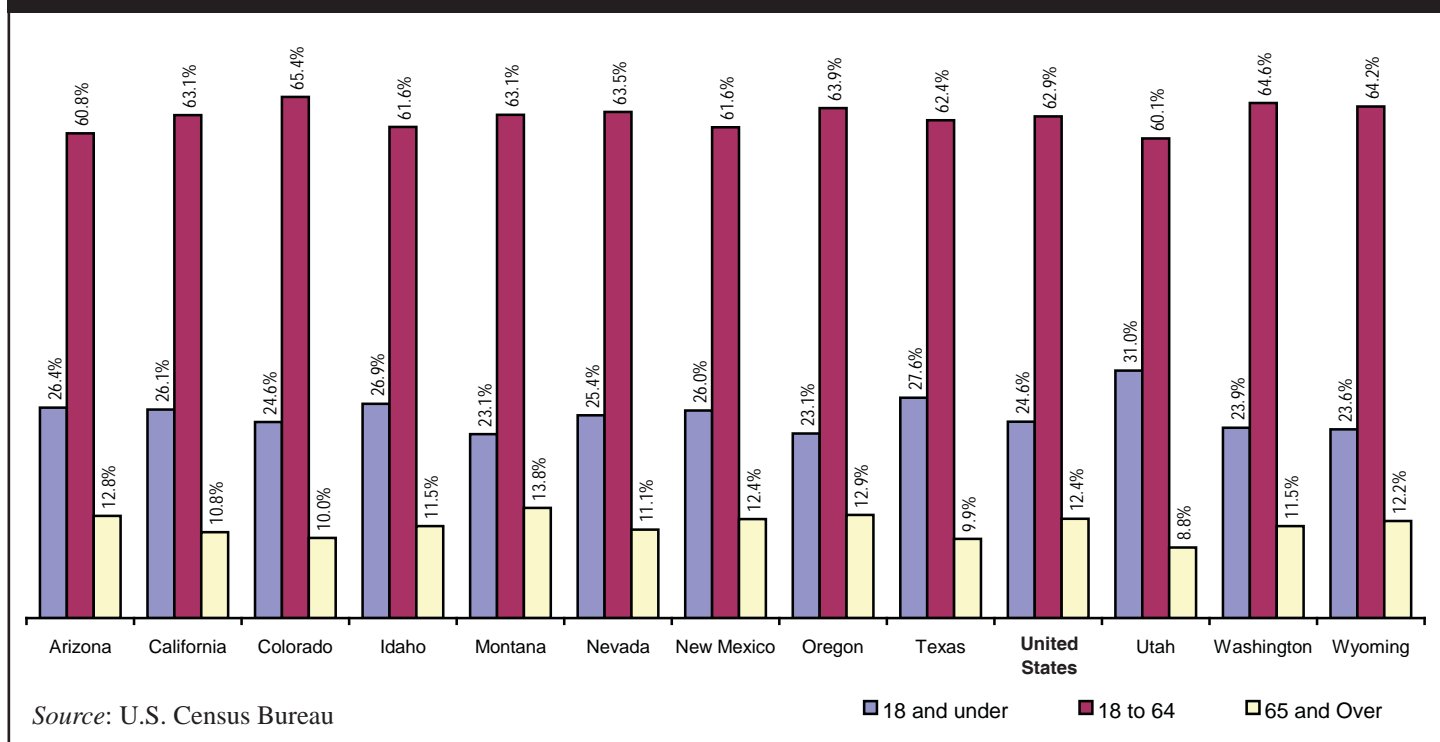
2008 Annual Percent Change, 2008 from 2007						2009 Annual Percent Change, 2009 from 2008				
Source:	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Conerly Consulting	7.2	6.8	2.3	1.8	-9.9	7.6	7.7	2.6	1.8	6.0
Dick Conway & Associates	5.8	5.0	1.5	1.4	-2.1	5.7	5.5	1.4	1.2	10.1
Doug Pedersen & Associates	5.9	5.0	1.7	1.7	-8.5	5.8	5.1	1.6	1.5	4.5
Office of the Forecast Council *	5.3	2.4	1.2	1.7	-16.2	5.4	3.7	1.4	1.6	23.3
Wells Fargo & Co.	5.3	4.3	1.7	1.5	-14.8	5.2	4.2	1.5	1.5	-5.2
Consensus Forecast — This Month	5.9	4.7	1.7	1.6	-10.3	5.9	5.2	1.7	1.5	7.7
— Last Month	6.2	5.1	1.8	1.6	-8.3	6.1	5.7	1.8	1.6	4.7

* Population forecast is from the Office of Financial Management.

WYOMING

2008 Annual Percent Change, 2008 from 2007						2009 Annual Percent Change, 2009 from 2008				
Source:	Current \$ Personal Income	Mining Empl.	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Mining Empl.	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
WY Ctr. for Business and Econ. Analysis	6.1		2.9	1.0	-2.5	6.8		2.9	1.0	1.5
WY Dept. of Admin. & Information	7.0	6.0	2.8	1.3	-3.0	6.5	5.0	2.4	1.1	-2.0
Wells Fargo UT	7.5		3.2	1.0	0.0	7.5		3.2	1.0	5.0
Consensus Forecast — This Month	6.9	6.0	3.0	1.1	-1.8	6.9	5.0	2.8	1.0	1.5
— Last Month	7.2	6.0	3.0	1.1	-0.2	7.0	5.0	2.8	1.1	1.5

Estimates of the Population Age Groups Percent of Total Population, July 1, 2006



HISTORICAL DATA

WESTERN BLUE CHIP ECONOMIC FORECAST

ARIZONA

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (millions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2007	210,800 †	176,254 †	2,666.0	63,953	181.7	47,512 †	6,339	3.8
% change	7.0	4.3	1.2	0.5	-2.2	-20.9	2.8	
2006	197,009	168,961	2,634.5	63,641	185.7	60,066	6,166	4.1
% change	8.9	5.6	5.0	7.9	1.9	-29.4	3.6	
2005	180,878	160,069	2,508.8	58,964	182.3	85,083	5,952	4.6
% change	9.7	6.3	5.4	13.2	2.9	2.0	3.6	
2004	164,942	150,632	2,381.3	52,098	177.1	83,411	5,744	4.9
% change	9.5	6.4	3.7	9.0	1.0	27.1	3.0	
Basic data sources: Personal Income – U.S. Department of Commerce; Wage & Salary Employment – Arizona Department of Economic Security; Retail Sales – Arizona Department of Revenue; Manufacturing Employment – Arizona Department of Economic Security; Housing Permits – Arizona Real Estate Center; Population – Center for Business Research; Unemployment Rate – Arizona Department of Economic Security. † Consensus †† Estimate								

CALIFORNIA

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (millions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2007	1,494,098 †	1,249,269 †	15,285.5	403,422 †	1,498.4	65,528	36,553	5.3
% change	5.2	2.5	1.2	4.0	-0.4	-36.8	0.8	
2006	1,420,245	1,218,394	15,072.8	387,906 ††	1,504.5	103,654	36,250	4.9
% change	6.4	3.1	1.9	5.3	-0.7	-31.4	0.7	
2005	1,335,386	1,181,758	14,497.7	368,382 ††	1,514.4	151,022	35,990	5.4
% change	5.3	2.0	1.8	5.2	-1.2	0.2	0.8	
2004	1,268,049	1,158,438	14,530.4	350,173	1533.1	150,710	35,722	6.2
% change	6.8	3.8	1.0	9.4	-1.4	7.3	1.0	
Basic data sources: Personal Income – U.S. Department of Commerce; Wage & Salary Employment – Bureau of Labor Statistics; Taxable Sales – California Board of Equalization; Manufacturing Employment – Bureau of Labor Statistics; Housing Permits – Construction Industry Research Board; Population – California Department of Finance; Unemployment Rate – California Department of Finance. † Consensus †† Estimate								

COLORADO

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (millions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2007	197,814 †	165,400 †	2,324.3	70,604 †	145.8 ††	21,087	4,862	3.8
% change	6.2	3.5	2.0	5.7	-2.3	-32.7	1.8	
2006	186,266	159,793	2,278.8	66,797	149.3 ††	31,324	4,766	4.3
% change	6.5	3.2	2.4	5.4	-0.7	-22.6	2.0	
2005	174,919	154,796	2,226.0	63,375	150.4	40,477	4,674	5.1
% change	6.2	2.9	2.1	5.6	-0.9	6.1	1.4	
2004	164,673	150,439	2,179.6	60,014	151.8	38,164	4,609	5.6
% change	6.4	3.4	1.2	4.9	-1.4	14.2	1.2	
Basic data sources: Personal Income – U.S. Department of Commerce; Wage & Salary Employment – Colorado Department of Labor and Employment; Retail Trade Sales – Colorado Department of Revenue; Manufacturing Employment – Colorado Department of Labor and Employment; Housing Permits – U.S. Bureau of the Census; Population – U.S. Bureau of the Census; Unemployment Rate – Colorado Department of Labor and Employment. † Consensus †† Estimate								

HISTORICAL DATA

WESTERN BLUE CHIP ECONOMIC FORECAST

IDAHO

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (millions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2007	47,087 †	39,371 †	655.6	21,554 †	65.1	10,398	1,499	2.6
% change	7.2	4.5	2.5	6.0	-1.5	-33.5	2.4	
2006	43,924	37,681	639.6	20,334 ††	66.1	15,627	1,464	3.4
% change	7.9	4.6	4.6	6.0	3.9	-19.7	2.7	
2005	40,706	36,023	611.3	19,183	63.6	19,464	1,426	4.0
% change	6.5	3.1	4.0	14.7	2.3	32.9	2.5	
2004	38,229	34,925	587.9	16,727	62.2	14,650	1,392	4.7
% change	9.8	6.7	2.8	4.2	-0.3	17.8	2.0	

Basic data sources: Personal Income – U.S. Department of Commerce; Wage & Salary Employment – Idaho Department of Employment; Retail Sales – Idaho State Tax Commission; Manufacturing Employment – Idaho Department of Employment; Housing Permits – First Security Bank; Population – U.S. Bureau of the Census; Unemployment Rate – Idaho Department of Employment. † Consensus †† Estimate

MONTANA

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Construction Employment (thousands)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2007	29,008 †	24,254 †	445.9	32.8	20.7	3,496	957.9	2.7
% change	6.6	-2.5	2.8	8.7	2.5	-3.9	1.2	
2006	28,989	24,869	433.7	30.2	20.2	3,636	946.8	3.2
% change	6.9	3.6	3.0	9.4	3.1	5.1	1.2	
2005	27,122	24,002	420.9	27.6	19.6	3,458	935.8	3.9
% change	5.2	1.9	2.3	10.8	2.1	1.0	1.0	
2004	25,791	23,561	411.3	24.9	19.2	3,425	926.7	4.2
% change	6.7	3.7	2.6	7.8	1.1	46.4	1.0	

Basic data sources: Personal Income – U.S. Bureau of Economic Analysis; Employment – Bureau of Labor Statistics; Housing Permits – U.S. Bureau of the Census; Population – U.S. Bureau of the Census; Unemployment Rate – Bureau of Labor Statistics. † Consensus †† Estimate

NEVADA

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (millions)	Gaming Revenue (millions)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2007	98,388 †	82,266 †	1,306.4	N/A	12,849.1	16,422	2,565	4.8
% change	6.3	3.6	1.9		1.8	-38.5	2.9	
2006	92,557	79,402	1,281.5	N/A	12,622.0	26,689	2,492	4.2
% change	7.3	4.1	4.8		8.4	-28.7	3.5	
2005	86,224	76,305	1,223.0	46,190	11,649.0	37,438	2,409	4.2
% change	8.7	5.3	6.1	12.4	10.3	-3.6	3.4	
2004	79,353	72,494	1,152.7	41,087	10,562.2	38,817	2,330	4.5
% change	11.5	8.4	5.9	16.0	9.7	17.5	4.1	

Basic data sources: Personal Income – U.S. Department of Commerce; Wage & Salary Employment – Nevada Department of Employment, Training and Rehabilitation; Retail Sales – Nevada Department of Taxation; Gross Gaming Revenue – Nevada State Gaming Control Board; Housing Permits – U.S. Bureau of the Census; Population – U.S. Bureau of the Census; Unemployment Rate – Nevada Department of Employment, Training and Rehabilitation.

† Consensus †† Estimate N/A - not yet available

HISTORICAL DATA

WESTERN BLUE CHIP ECONOMIC FORECAST

NEW MEXICO

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (millions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2007	61,188 †	51,162 †	846.1	12,553	37.4	8,247	1,970	3.5
% change	5.5	2.8	1.5	-10.3	-0.8	-32.8	1.4	
2006	57,998	49,755	833.3	13,999	37.7	12,268	1,942	4.2
% change	8.0	4.7	3.0	8.5	4.4	-9.5	1.4	
2005	53,714	47,535	808.7	12,900	36.1	13,553	1,916	5.3
% change	5.9	2.6	2.3	4.8	0.3	15.4	1.3	
2004	50,707	46,324	790.4	12,312	36.0	11,743	1,892	5.8
% change	8.7	5.7	1.9	5.2	-1.4	-0.7	1.2	

Basic data sources: Personal Income – U.S. Department of Commerce; Wage & Salary Employment – New Mexico Department of Labor; Retail Sales – New Mexico Department of Taxation & Revenue; Manufacturing Employment – New Mexico Department of Labor; Housing Permits – U.S. Bureau of the Census; Population – U.S. Bureau of the Census; Unemployment Rate – New Mexico Department of Labor. † Consensus †† Estimate

OREGON

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Manufacturing Employment (thousands)	Single-family Permits (number)	Housing Permits (number)	Population (thousands)	Unem- ployment Rate
2007	131,939 †	110,319 †	1725.3	202.4	16,101	21,773	3,747	5.3
% change	5.9	3.2	1.4	-2.1	-21.4	-18.8	1.5	
2006	124,589	106,882	1702.2	206.8	20,486	26,800	3,691	5.4
% change	6.0	2.8	2.9	1.4	-17.8	-15.9	1.7	
2005	117,497	103,980	1,654.5	203.9	24,925	31,864	3,630	6.2
% change	5.5	2.2	3.0	2.1	16.6	13.8	1.3	
2004	111,325	101,702	1,606.7	199.8	21,372	28,000	3,583	7.3
% change	5.9	2.9	2.1	2.5	13.7	7.3	0.7	

Basic data sources: Personal Income – U.S. Department of Commerce; Wage & Salary Employment – Oregon Employment Division; Manufacturing Employment – Oregon Employment Division; Single-family Permits – U.S. Bureau of the Census; Housing Permits – U.S. Bureau of the Census; Population – Portland State University; Unemployment Rate – Oregon Employment Division. † Consensus †† Estimate N/A – not yet available

TEXAS

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (billions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2007	860,873 †	719,807 †	10,283.8	375.5 †	927.4	116,850	23,904	4.3
% change	6.9	4.2	2.3	5.8	0.1	-28.1	2.1	
2006	805,307	690,853	10,053.3	355.0	926.3	162,480	23,408	4.9
% change	8.2	4.9	3.2	6.2	3.2	-1.9	2.5	
2005	744,270	658,646	9,740.5	334.3	897.4	165,579	22,844	5.3
% change	7.8	4.4	2.6	7.5	0.7	16.8	1.7	
2004	690,480	630,794	9,497.1	311.1	891.0	141,810	22,455	6.0
% change	6.3	3.4	1.4	8.7	-1.0	6.6	1.7	

Basic data sources: Personal Income – U.S. Department of Commerce; Wage & Salary Employment – Texas Employment Commission; Gross Retail Sales – Texas State Comptroller of Public Accounts; Manufacturing Employment – Texas Employment Commission; Housing Permits – U.S. Bureau of the Census; Population – U.S. Bureau of the Census; Unemployment Rate – Texas Employment Commission. † Consensus †† Estimate

HISTORICAL DATA

WESTERN BLUE CHIP ECONOMIC FORECAST

UTAH

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (millions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2007	79,870 †	66,782 †	1,256.4	47,708 †	128.0	17,117	2,645	2.6
% change	7.6	4.9	4.4	6.5	4.3	-26.0	2.6	
2006	74,229	63,679	1,203.2	44,796	122.7	23,126	2,580	2.9
% change	9.1	5.8	4.8	14.2	3.8	-6.2	3.0	
2005	68,039	60,211	1,148.0	39,241	118.2	24,645	2,505	4.1
% change	7.2	3.8	4.0	11.1	3.2	23.9	3.1	
2004	63,478	57,991	1,104.3	35,311	114.5	19,899	2,431	5.0
% change	6.8	3.9	2.8	NA	2.0	10.6	2.4	

Basic data sources: Personal Income – U.S. Department of Commerce; Wage & Salary Employment – Utah Department of Workforce Services; Retail Sales – Utah State Tax Commission; Manufacturing Employment – Utah Department of Workforce Services; Housing Permits – University of Utah; Population – U.S. Bureau of the Census; Unemployment Rate – Utah Department of Workforce Services. † Consensus †† Estimate NA = discontinuous series

WASHINGTON

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (millions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2007	255,624 †	213,736 †	2,918.3	116,627 †	293.1	29,107	6,468	4.7
% change	6.8	4.1	2.1	6.5	2.5	-16.9	1.5	
2006	239,348	205,331	2,859.4	109,509 †	286.0	35,020	6,375	5.0
% change	7.2	3.9	3.0	7.2	4.9	-14.4	1.7	
2005	223,232	197,551	2,777.1	102,154	272.6	40,928	6,271	5.5
% change	2.9	-0.3	2.8	9.3	3.4	11.2	1.3	
2004	216,921	198,170	2,701.0	93,441	263.6	36,815	6,190	6.3
% change	6.9	3.9	1.6	6.6	-1.3	6.8	1.2	

Basic data sources: Personal Income – U.S. Department of Commerce; Wage & Salary Employment – Washington State Employment Security; Taxable Retail Sales – Washington Department of Revenue; Manufacturing Employment – Washington State Employment Security; Housing Permits – U.S. Department of the Census; Population – U.S. Bureau of the Census; Unemployment Rate – Washington State Employment Security. † Consensus †† Estimate

WYOMING

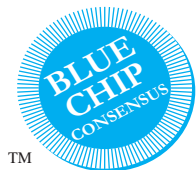
	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Natural Resources & Mining Employ. (millions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2007	20,965 †	17,529 †	286.7	27.6	10.2	2,743	522.8	3.0
% change	8.0	-2.5	3.6	3.8	1.0	1.7	2.0	
2006	20,948	17,971	276.7	26.6	10.1	2,698	512.8	3.2
% change	10.4	7.0	4.9	17.2	4.1	-14.6	1.2	
2005	18,981	16,797	263.9	22.7	9.7	3,159	506.5	3.7
% change	7.1	3.7	3.3	12.4	3.2	12.3	0.7	
2004	17,723	16,191	255.4	20.2	9.4	2,814	503.3	3.9
% change	7.9	4.9	2.2	10.4	1.1	24.2	0.8	

Basic data sources: Personal Income – U.S. Bureau of Economic Analysis; Employment – Bureau of Labor Statistics; Housing Permits – U.S. Bureau of the Census; Population – U.S. Bureau of the Census; Unemployment Rate – Bureau of Labor Statistics. † Consensus †† Estimate

WESTERN BLUE CHIP PANEL

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