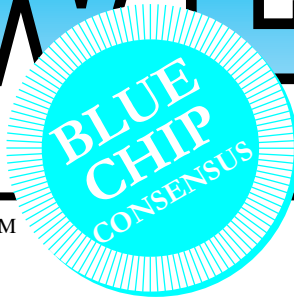


WESTERN



BLUE CHIP ECONOMIC FORECAST

TM

What Blue Chip economists are saying about the Western states

Volume 15 • Number 3 • April 2001

Consumers remain confident amid slowdown

Concerns about the economy have grown since December, as indicators have demanded caution about a continued boom. Consumers in the west, however, have retained their confidence in the economy's ability to recover from this slowdown without falling into a recession. This is reflected in the Conference Board's Regional Consumer Confidence Index, which remained virtually unchanged from January to February 2001 for the western and mountain regions.

Consumers in the western states have a lot to be confident about. Annual figures for unemployment released by the Bureau of Labor Statistics in February show lower unemployment rates for almost all the western states for 2000 compared to 1999 (see Page 11). Oregon's unemployment rate fell the most, from 5.7 to 4.9 percent. New Mexico followed, with a rate of 4.9 percent in 2000 compared to 5.6 percent in 1999. Washington was the only western state that showed an increase in the annual unemployment rate, with 5.2 percent in 2000 compared to 4.7 percent in 1999. This is similar to the level of unemployment seen by the state in early 1997, but is well below the rate of previous years.

If consumers have jobs, they have income and they feel confident enough to buy goods, and so the economy trun-

dles along. A glitch here and there can derail the train from time to time. Right now consumers are wary as they see the stock market stumble. Many retirement plans are invested in the stock market and the boom of the last decade caused a feeling of increased wealth. There is no need to save when the market is doing it for you, but when the market isn't performing, thoughts turn to holding onto that extra cash. Historically, the United States has had a low rate of savings; consumers have found it convenient to rely on the stock market. Amid the market troubles, however, job growth remains a positive number — and the Western Blue Chip panelists see still more growth ahead.

Employment has remained strong over the last months, especially in the western states (See National Roundup, Page 2). Nevada still holds the number one position in job growth, with 5 percent growth in nonagricultural jobs in January 2001 over January 2000. Colorado ranks second with 4.9 percent growth, and California ranks fourth with 3.7 percent. Idaho and Arizona follow, each with 3.4 percent in nonagricultural job growth.

While certain sectors of the economy have seen a contraction, most have not. Technology has been struggling after the bursting of the NASDAQ bubble. This has steered venture capital away and manufacturing jobs contracted by 1.4 percent nationwide in January 2001 compared to January 2000. Even so, with the exception of Washington, the western states have

STATES WITH LOWEST UNEMPLOYMENT RATES: 2000

Rank	State	Unemployment Rate
1	South Dakota.....	1.8
2	Connecticut	1.9
3	Virginia	2.1
4	New Hampshire	2.1
5	North Dakota.....	2.3
6	Massachusetts	2.4
7	Nebraska	2.5
8	Maine	2.5
9	Iowa.....	2.5
10	Colorado.....	2.5

Source: U.S. Bureau of Labor Statistics

not been affected.

However, the energy troubles in California and Washington cannot be ignored. Hydroelectric power-generating plants have been faced with low rainfall and natural gas prices have continued their rising trend. In Washington, it is easier for some utilities to raise their rates to consumers while in California, utilities are struggling under the burden of controlled retail rates and high wholesale prices. The long-term effect of these troubles remains to be seen.

So consumers are weathering the storm, jobs are being created and unemployment is still low. Retail sales have slumped in certain areas, however, and the loss of wealth because of the worrisome stock market have caused concerns. All in all, "proceed with caution" appears to be the mantra of late.

— D.M.

What's Inside

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NATIONAL ROUNDUP

U.S. JOB GROWTH



Percent Change: Jan. 2001 vs Jan. 2000

Nonagricultural	1.3
Construction	3.2
Manufacturing	-1.4
Transportation, Communications and Public Utilities	2.3
Trade	1.3
Finance, Insurance and Real Estate	1.1
Services	2.6
Government	0.6

Source: U.S. Bureau of Labor Statistics.

U.S. REAL ESTATE



Residential Building Permits Jan. 2001 vs Jan. 2000

	Total Residential	Single- family	Multi- family
2001	114,849	84,168	30,681
2000	104,827	76,666	28,161
% Δ	9.6	9.8	8.9

Source: U.S. Department of Commerce.

U.S. FORECASTS

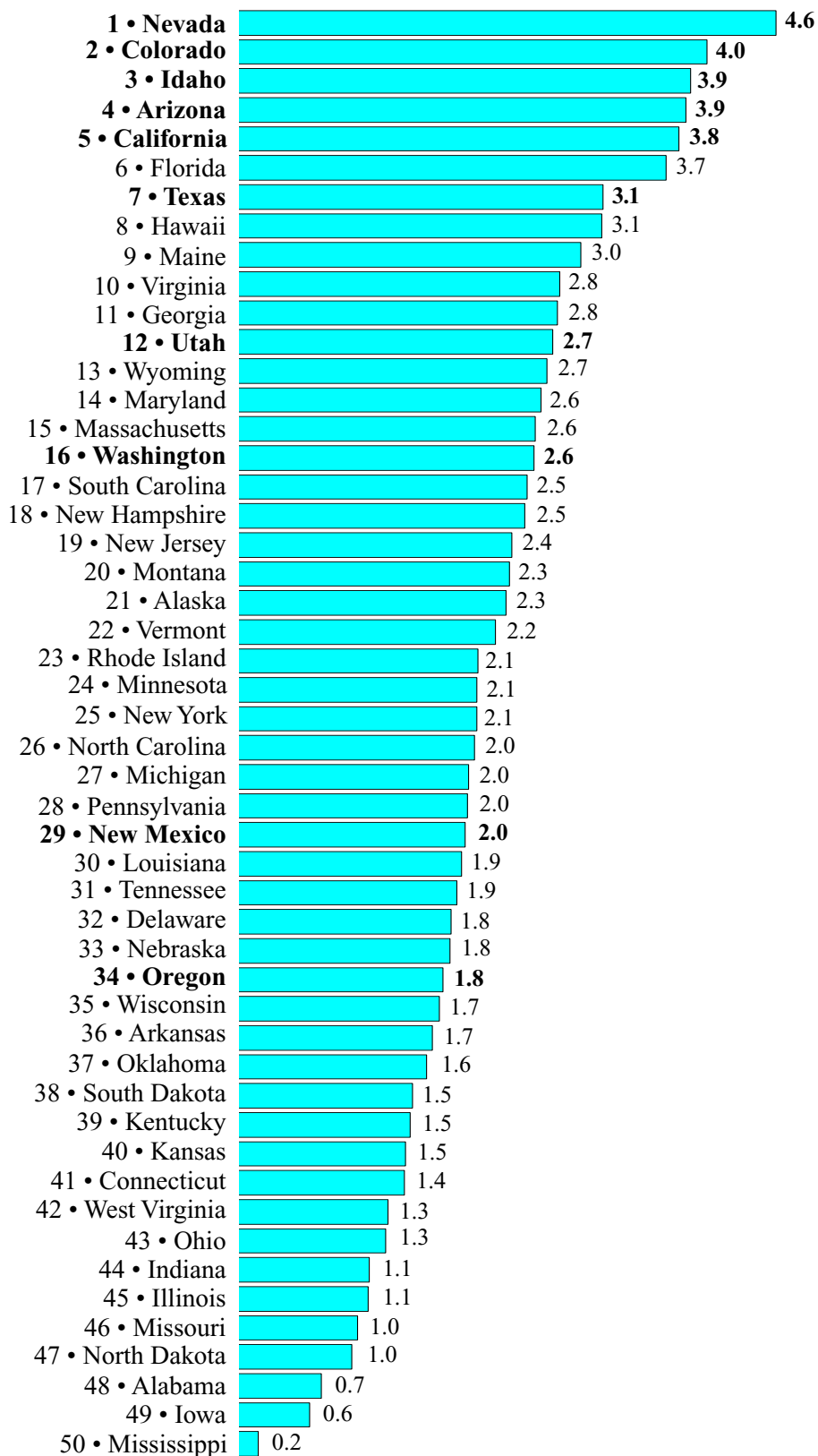


Percent Change

	2001	2002
Real GDP (Chain)	2.0	3.2
CPI	2.7	2.6
GDP Deflator (Chain) . .	1.9	1.4

Source: "U.S. Economic Outlook," WEFA, February 2001.

TOTAL NONFARM JOB GROWTH (Percent Change) 12 Months Ending January 2001 over 12 Months Ending 2000



Source: U.S. Bureau of Labor Statistics

SUMMARY

WESTERN BLUE CHIP ECONOMIC FORECAST

2001 Annual Percent Change, 2001 from 2000						2002 Annual Percent Change, 2002 from 2001				
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	6.4↑	5.7↑	3.2	2.7↑	(8.6)↓	6.2	5.7↑	3.1	2.6	(6.0)↓
California	6.2↓	4.0↓	2.5↑	1.6	0.7↑	6.2↓	4.5↓	2.4↑	1.6↑	2.7↑
Colorado	7.6↑	5.3↑	3.1↑	2.1↑	(4.1)↓	7.2↑	5.5↑	2.7↑	2.0↑	(0.7)↓
Idaho	5.9↓	3.7↓	2.6↓	1.4↓	(4.5)↑	5.8↓	4.1↓	2.6↓	1.4↓	(2.5)
Nevada	6.9↓	4.6↓	4.0↓	4.3↑	0.2↑	6.6↓	4.9↓	3.8↓	4.1↓	1.1↓
New Mexico	4.9↑	2.7↑	2.0↑	0.7↑	(1.0)↑	4.9↑	3.2↑	1.9	0.8	0.2
Oregon	5.1↑	2.9↑	0.8↑	1.0	(1.2)	5.6↑	3.9↑	1.3↑	1.0	3.6
Texas	6.5↑	4.3↑	2.3↑	1.8↑	(1.5)↑	6.5↓	4.8↓	2.3↑	1.8↑	(0.7)↑
Utah	5.9↓	3.6↓	2.6↑	1.7	(4.5)	5.6↓	3.9↓	2.1↓	1.6↓	(1.2)
Washington	5.3↓	3.1↓	1.6↑	1.0↑	(2.0)↑	5.8↑	4.1↑	1.8↑	1.1↑	2.3↓

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

Forecast notes from fax and phone...

California's economy has moved into 2001 with a lot of momentum, at least in employment. However, the business community has many things on its mind. These include a weak U.S. economy, energy (both electricity and natural gas) and in Southern California, the possibility of a film industry strike. Business is holding on, but is putting expansion plans on hold. One key item missed in the "California energy crisis" uproar is that there are eight municipal utilities serving Southern California, including the Los Angeles Department of Water and Power. Anaheim also has a muni utility, so the new Disney park shouldn't have power problems.

— **Jack Kyser**
Economic Development Corp.
of Los Angeles County
Los Angeles, California

The **Colorado** economy finished the year 2000 on a strong note despite weakness at the national level. Colorado economic statistics for the end of 2000 are now, for the most part, available and there are few signs of any sharp slowing as occurred nationally. State job growth, layoffs, sales growth and home building are down little, if any, from earlier in the year.

— **Wilson Kendall**
Center for Business and Economic
Forecasting
Denver, Colorado

The latest round of [**Nevada**] megaresort construction is completed and gross gaming revenue and employment growth

rates are now winding down. Current personal income growth rates generally remain relatively high after the building cycle due to inertia. Population growth remains strong; however, it may slow down as the job market cools.

— **Peter Janson**
Nevada Department of Employment,
Training and Rehabilitation
Carson City, Nevada

The slowdown in the state [**Idaho**] economy should turn around in the last quarter of 2001 to the first quarter of 2002, as the federal and state tax cuts start to impact consumer spending.

— **Michael DiNoto**
University of Idaho
Moscow, Idaho

The semiconductor sector of high tech was rapidly adding jobs in **Oregon** during the last three quarters of 2000. There has been a dramatic reversal of revenue forecasts for this sector and announcements of hiring freezes, shortened work weeks, and layoffs have stopped the hiring seemingly overnight.

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

While **Utah's** economic growth pace slowed during 1998-2000, it remains solid. In addition, job growth is likely to improve during the next 18 months. Tight Utah labor availability will continue.

Salt Lake City and Portland were rec-

ognized by *Money* magazine (December 2000 issue) as the West's most livable cities. The magazine noted the Salt Lake area's affordable housing, reasonable commute times, quality of schools, and outstanding recreational opportunities.

— **Jeff Thredgold**
Thredgold Economic Associates
Salt Lake City, Utah

When 2000 is finally tabulated, **Texas** job growth should be about 3 percent. Growth is expected to be more moderate in 2001, as slowing U.S. economic growth will dampen Texas growth. If world economies slow and demand tapers off, oil prices may drift down. Still, strong oil and natural gas prices will continue to be a positive force for the state. Employment growth will likely slip to 1.5 to 2 percent, but Texas' growth should remain stronger than the nation's.

— **Fiona Sigalla and Mine K. Yücel**
Federal Reserve Bank of Dallas
Dallas, Texas

For the first 11 months of the year combined, **Arizona** retail sales in 2000 were 8 percent higher than in 1999 — strong growth on a real per capita basis. The cumulative increase was 9 percent in Maricopa County, 8 percent in Pima County and 6 percent in the balance of the state.

— **Tom Rex**
AZB/Arizona Business
Arizona State University
Tempe, Arizona

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 indi-

vidual 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 final week of each month and forecast data are compiled by telephone and fax transmission until the last day of the month. Thus, data reported in the forecast tables for a given month are

current as of the first day of that month.

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

Source:	2001 Annual Percent Change, 2001 from 2000					2002 Annual Percent Change, 2002 from 2001				
	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 Public Service Company	6.6	6.0	3.2	2.7	(7.8)	7.0	6.3	3.4	2.7	(3.0)
ASU – Bank One EOC	6.5	6.0	3.3	2.4	(15.0)	6.0	5.0	2.9	2.3	(10.0)
Communities Southwest	6.6	6.0	3.1	2.7	(10.0)	6.4	5.3	3.0	2.7	(5.0)
Department of Economic Security	6.5	6.7	3.5	2.5	—	6.4	7.1	3.7	2.4	—
ECON-LINC	6.5	5.6	3.5	2.7	(10.0)	6.0	5.5	3.0	2.5	(5.0)
Eggert Economic Enterprises, Inc.	6.3	5.2	3.2	2.6	(7.2)	6.3	5.2	3.2	2.6	(7.2)
Elliott D. Pollack & Company	6.5	5.0	3.0	2.8	(10.0)	6.0	7.0	3.0	2.7	(10.0)
H. C. Reardon Economics	6.3	5.4	3.4	2.7	(10.0)	6.9	5.6	3.5	2.6	(6.0)
Joint Legislative Budget Committee	6.4	6.1	3.2	2.7	(12.0)	6.3	6.5	2.9	2.6	(5.0)
Lancaster Consulting	6.1	5.0	3.0	2.6	(5.0)	5.8	4.5	2.6	2.6	(10.0)
The Maguire Company	6.3	5.0	3.0	2.7	(5.0)	6.1	5.2	3.0	2.7	(5.0)
NAU - BBER	6.1	5.0	3.0	2.6	(10.0)	5.7	4.5	2.8	2.5	(10.0)
Office of the Treasurer	6.0	5.6	3.0	—	—	6.6	5.4	2.9	—	—
Salt River Project	6.5	6.0	3.8	2.8	(9.0)	7.0	6.5	4.2	2.7	(2.0)
Tucson Electric Power Company	6.3	4.8	3.3	2.7	(8.0)	6.0	4.9	2.6	2.5	(6.5)
UA – Eller College	6.5	6.2	3.2	2.7	(13.1)	5.9	5.3	2.8	2.4	(10.3)
VisionEcon	6.3	6.9	2.8	2.7	0.0	5.8	7.2	2.8	2.8	8.4
Wells Fargo & Company	6.5	5.5	3.3	2.6	(5.0)	6.0	5.0	2.8	2.5	(10.0)
Consensus Forecast – This Month	6.4	5.7	3.2	2.7	(8.6)	6.2	5.7	3.1	2.6	(6.0)
Consensus Forecast – Last Month	6.3	5.6	3.2	2.6	(8.5)	6.2	5.5	3.1	2.6	(5.9)

CALIFORNIA

Source:	2001 Annual Percent Change, 2001 from 2000					2002 Annual Percent Change, 2002 from 2001				
	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	5.7	4.9	2.8	1.7	5.1	6.9	6.4	2.7	1.7	5.9
Chapman University	6.3	6.1	2.7	1.6	2.1	6.1	5.8	2.4	1.5	(3.2)
Economic Development Corp. of L.A.	6.5	5.7	2.7	1.5	(2.0)	6.7	5.6	2.9	1.5	2.5
Legislative Analyst's Office	5.2	4.5	2.2	1.7	0.0	6.3	5.8	2.4	1.6	5.0
UCLA – Business Forecasting Project	6.7	5.5	1.9	1.5	(3.0)	5.4	4.3	1.8	1.6	5.8
Wells Fargo & Company	6.8	5.8	2.8	1.6	2.0	6.0	5.0	2.0	1.5	0.0
Consensus Forecast – This Month	6.2	5.4	2.5	1.6	0.7	6.2	5.5	2.4	1.6	2.7
Consensus Forecast – Last Month	6.2	5.6	2.5	1.6	0.4	6.3	5.6	2.4	1.6	2.6

CONSENSUS FORECASTS

WESTERN BLUE CHIP ECONOMIC FORECAST

COLORADO

2001 Annual Percent Change, 2001 from 2000						2002 Annual Percent Change, 2002 from 2001				
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
Center for Business & Economic Forecasting	7.8	7.8	3.2	2.1	(5.0)	7.5	7.4	2.6	2.0	1.1
Colorado Legislative Council	7.9	7.7	3.1	2.2	(0.7)	7.4	7.4	2.9	2.0	0.9
Office of State Planning & Budgeting	8.1	8.0	3.1	2.0	(6.4)	7.8	7.3	3.1	1.9	0.4
U.S. Bank	6.5	5.2	2.5	2.2	(4.8)	6.0	5.0	2.4	2.2	(2.0)
University of Colorado	7.0	6.6	2.8	2.1	(4.0)	7.4	6.8	2.7	2.0	0.0
Wells Fargo & Company	8.0	7.0	3.5	2.0	0.0	7.2	6.2	2.6	1.9	0.0
Xcel Energy	7.8	6.5	3.2	2.1	(8.0)	7.4	6.2	2.8	1.9	(5.0)
Consensus Forecast – This Month	7.6	7.0	3.1	2.1	(4.1)	7.2	6.6	2.7	2.0	(0.7)
Consensus Forecast – Last Month	7.5	6.6	2.8	2.0	(4.1)	7.2	6.7	2.5	1.9	(0.6)

IDAHO

2001 Annual Percent Change, 2001 from 2000						2002 Annual Percent Change, 2002 from 2001				
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	6.3	—	2.3	1.5	(3.8)	6.1	—	2.4	1.3	(3.0)
Idaho Economics	6.2	—	2.9	1.7	(4.0)	6.0	—	2.8	1.6	(5.0)
Idaho State University	5.2	3.6	2.7	1.4	(5.0)	5.2	3.6	2.7	1.4	(2.0)
University of Idaho	5.7	4.7	2.3	1.3	—	5.6	4.5	2.2	1.3	—
Wells Fargo & Company	6.0	4.7	2.8	1.3	(5.0)	6.0	5.0	2.8	1.3	0.0
Consensus Forecast – This Month	5.9	4.3	2.6	1.4	(4.5)	5.8	4.4	2.6	1.4	(2.5)
Consensus Forecast – Last Month	6.0	4.6	2.7	1.5	(5.0)	5.9	4.7	2.6	1.4	(2.5)

NEVADA

2001 Annual Percent Change, 2001 from 2000						2002 Annual Percent Change, 2002 from 2001				
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 Employment, Training & Rehab.	8.0	4.5	4.0	4.5	—	7.5	3.5	3.3	4.0	—
Legislative Counsel Bureau Fiscal Analysis	6.0	2.0	3.5	4.0	(6.0)	6.5	4.0	4.0	4.0	(2.0)
Restrepo Consulting Group, LLC	6.0	4.0	4.0	4.0	2.0	5.0	3.0	3.5	4.0	1.0
Southwest Gas Corporation	6.9	4.8	4.0	4.9	2.5	7.1	5.5	4.3	5.1	2.3
University of Nevada at Las Vegas – CBER	7.2	2.9	4.2	4.3	0.7	7.4	3.3	4.5	4.0	4.0
Wells Fargo & Company	7.0	4.0	4.0	4.0	2.0	6.0	2.0	3.0	3.6	0.0
Consensus Forecast – This Month	6.9	3.7	4.0	4.3	0.2	6.6	3.6	3.8	4.1	1.1
Consensus Forecast – Last Month	7.0	3.6	4.0	4.3	(1.2)	6.6	3.6	4.0	4.2	1.1
* Forecast for Las Vegas MSA only; excluded from consensus calculation.										

CONSENSUS FORECASTS

WESTERN BLUE CHIP ECONOMIC FORECAST

NEW MEXICO

2001 Annual Percent Change, 2001 from 2000						2002 Annual Percent Change, 2002 from 2001				
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
New Mexico Department of Labor	—	1.8	2.0	—	—	—	—	—	—	—
New Mexico State University – CEMAF	5.0	2.2	2.0	—	—	5.5	2.5	2.0	—	—
University of New Mexico – BBER	4.9	3.2	2.0	—	(4.0)	4.7	3.3	2.2	—	0.4
Wells Fargo & Company	4.9	2.0	1.9	0.7	2.0	4.5	1.0	1.5	0.8	0.0
Consensus Forecast – This Month	4.9	2.3	2.0	0.7	(1.0)	4.9	2.3	1.9	0.8	0.2
Consensus Forecast – Last Month	4.9	2.3	2.0	0.6	(2.0)	4.9	2.3	1.9	0.8	0.2

OREGON

2001 Annual Percent Change, 2001 from 2000						2002 Annual Percent Change, 2002 from 2001				
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
Oregon Executive Department	4.8	(2.0)	0.7	1.1	1.3	6.0	(0.5)	1.8	1.2	5.8
U.S. Bancorp	5.1	(1.0)	0.8	1.1	0.0	5.3	1.0	1.2	1.1	5.0
Wells Fargo & Company	5.5	(0.5)	1.0	0.8	(5.0)	5.5	0.0	0.8	0.8	0.0
Consensus Forecast – This Month	5.1	(1.2)	0.8	1.0	(1.2)	5.6	0.2	1.3	1.0	3.6
Consensus Forecast – Last Month	4.9	(1.2)	0.8	1.0	(1.2)	5.3	0.2	1.2	1.0	3.6

TEXAS

2001 Annual Percent Change, 2001 from 2000						2002 Annual Percent Change, 2002 from 2001				
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
Econoclast	5.9	5.4	2.0	1.6	(2.5)	6.2	5.8	2.2	1.7	2.0
Federal Reserve Bank of Dallas	6.9	6.7	2.1	1.9	(3.0)	7.1	7.5	2.4	1.8	2.5
Ed McClelland	6.5	6.0	2.2	1.7	(2.0)	6.6	6.2	2.2	1.7	(1.0)
Perryman Group	6.8	6.5	2.4	1.8	(3.3)	6.8	6.6	2.4	1.8	0.6
TX State Comptroller of Public Accounts	6.6	5.8	2.3	1.7	(3.8)	6.6	6.8	2.3	1.7	0.5
University of Houston – CPP	6.3	6.1	2.5	1.8	—	6.2	6.4	2.6	2.0	—
University of Texas at El Paso	6.4	6.2	2.0	1.7	(0.6)	6.5	7.2	2.0	1.7	(0.4)
Wells Fargo & Company	6.7	5.6	2.6	1.9	5.0	5.9	5.0	2.0	1.9	0.0
Consensus Forecast – This Month	6.5	6.0	2.3	1.8	(1.5)	6.5	6.4	2.3	1.8	0.7
Consensus Forecast – Last Month	6.5	6.0	2.2	1.8	(1.5)	6.5	6.4	2.2	1.8	0.7

CONSENSUS FORECASTS

WESTERN BLUE CHIP ECONOMIC FORECAST

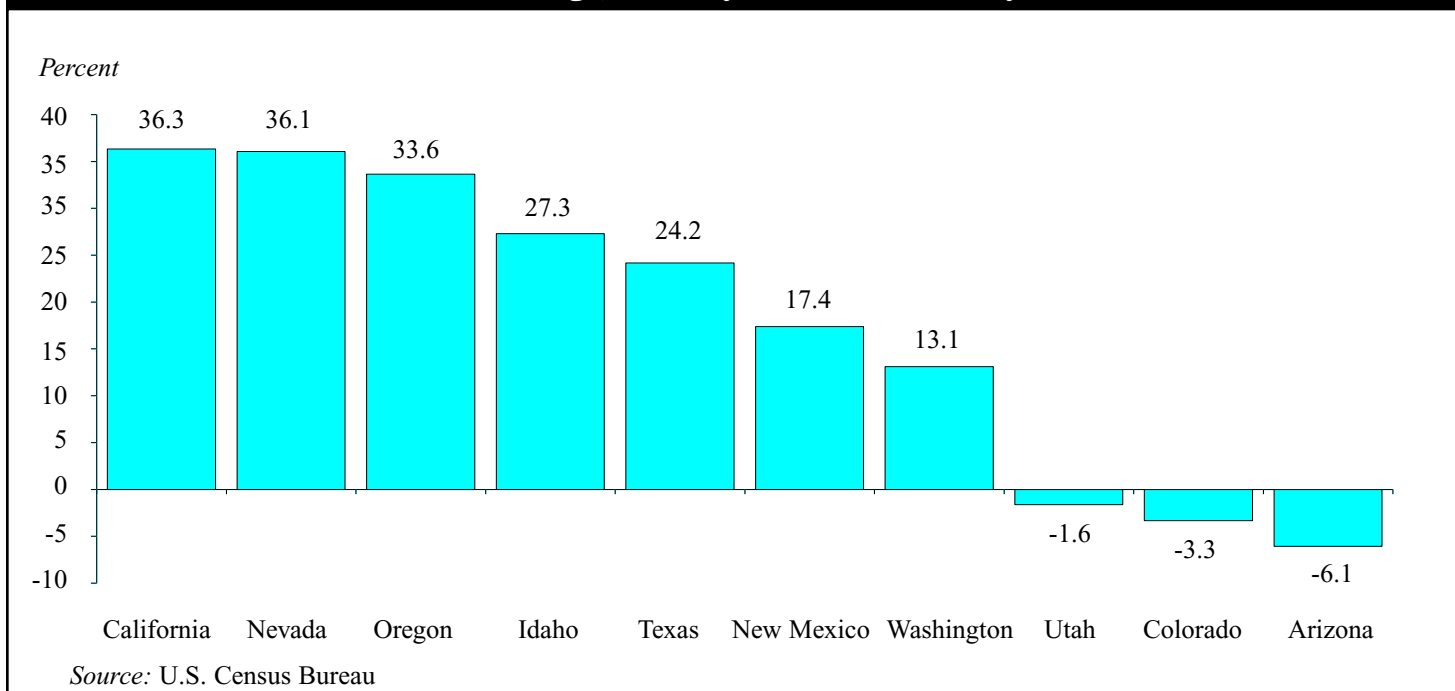
UTAH

2001 Annual Percent Change, 2001 from 2000						2002 Annual Percent Change, 2002 from 2001				
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
Pacificorp	5.7	5.6	2.6	1.7	(6.0)	6.3	6.8	2.7	1.7	1.0
Thredgold Economic Associates	6.1	5.3	2.6	1.7	(4.0)	6.1	5.3	2.5	1.6	(3.5)
Utah Department of Workforce Services	6.0	—	2.6	1.7	—	5.2	—	1.8	1.6	—
Utah State Tax Commission	5.5	5.2	2.7	1.7	(2.5)	5.2	5.0	1.7	1.5	0.0
Wells Fargo & Company	5.8	5.2	2.4	1.6	(7.0)	5.8	5.3	2.3	1.6	0.0
Consensus Forecast – This Month	5.9	5.2	2.6	1.7	(4.5)	5.6	5.2	2.1	1.6	(1.2)
Consensus Forecast – Last Month	5.9	5.2	2.6	1.7	(4.5)	5.7	5.3	2.2	1.6	(1.2)

WASHINGTON

2001 Annual Percent Change, 2001 from 2000						2002 Annual Percent Change, 2002 from 2001				
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
Dick Conway & Associates	5.4	3.7	1.3	1.0	(5.0)	5.8	4.7	1.8	1.1	2.0
Doug Pedersen & Associates	4.2	2.9	1.6	1.0	0.5	5.8	4.5	1.9	1.1	4.0
Office of the Forecast Council	5.2	3.3	1.4	1.0	(3.4)	5.7	4.6	1.8	1.1	3.2
Wells Fargo & Company	6.4	5.0	2.0	1.1	0.0	5.9	4.4	1.5	1.0	0.0
Consensus Forecast – This Month	5.3	3.7	1.6	1.0	(2.0)	5.8	4.6	1.8	1.1	2.3
Consensus Forecast – Last Month	5.4	3.5	1.5	1.0	(3.2)	5.7	4.5	1.6	1.1	2.6

Building Permits Percent Change, January 2001 over January 2000



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
2000	\$128,785††	\$120,360††	2,255.6††	\$43,568††	215.3††	47,778††	5,102	3.5††
Percent Change	7.0	4.8	4.4	6.8	1.8	(7.7)	2.8	
1999	120,360	114,847	2,160.2	40,794	211.4	51,764	4,963	4.1
Percent Change	6.9	5.2	4.1	10.0	(2.1)	1.5	2.6	
1998	112,635	109,142	2,074.7	37,094	216.0	50,997	4,837	3.8
Percent Change	8.6	7.2	4.5	7.3	4.1	18.6	2.8	
1997	103,704	101,770	1,984.7	34,584	207.4	42,993	4,703	4.3
Percent Change	8.3	6.2	4.9	7.0	3.8	6.5	2.9	

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. †† 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
2000	\$1,085,563†	\$1,014,545††	14,465.6††	\$277,314†	1,923.0††	104,600††	34,615†	4.9††
Percent Change	9.5	7.2	3.5	8.5	0.0	1.8	1.7	
1999	991,382	945,975	13,976.4	255,589	1,923.8	102,750	34,036	5.2
Percent Change	7.3	5.6	2.8	11.4	(1.4)	10.0	1.6	
1998	924,253	875,594	13,596.0	229,406	1,951.2	93,414	33,494	5.9
Percent Change	7.2	5.9	3.5	5.6	1.9	11.0	1.6	
1997	862,114	846,039	13,132.8	217,249	1,914.5	84,149	32,957	6.3
Percent Change	6.1	4.1	3.0	5.6	3.4	14.4	1.8	

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
2000	\$138,447†	\$129,390††	2,207.5††	\$56,767†	204.0††	37,699††	4,145†	2.6††
Percent Change	8.2	6.0	3.4	8.4	(0.1)	(1.9)	2.2	
1999	127,955	122,094	2,134.9	\$52,368	204.1	38,410	4,056	2.9
Percent Change	8.0	6.3	3.8	8.7	(1.5)	6.4	2.2	
1998	118,514	114,839	2,056.3	48,173	207.3	36,107	3,969	3.8
Percent Change	9.0	7.6	3.9	6.7	1.8	13.0	2.0	
1997	108,763	106,735	1,979.8	45,142	203.6	31,941	3,891	3.3
Percent Change	8.7	6.7	4.1	5.9	3.6	5.2	2.1	

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
2000	\$30,297†	\$28,315††	554.9††	\$13,755†	76.4††	10,098††	1,271†	4.5††
Percent Change	6.0	3.8	2.9	4.5	(0.2)	(3.8)	1.5	
1999	28,582	27,273	539.3	\$13,163	76.6	10,497	1,252	5.2
Percent Change	5.9	4.3	3.4	4.8	0.6	2.1	1.7	
1998	26,986	26,149	521.7	12,560	76.1	10,277	1,231	5.0
Percent Change	7.0	5.7	2.3	4.4	2.2	16.3	1.7	
1997	25,217	24,747	510.0	12,031	74.4	8,838	1,211	5.3
Percent Change	4.3	2.4	3.5	4.6	2.1	(3.7)	1.9	

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

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
2000	\$60,449†	\$56,494††	1,036.1††	\$29,454††	\$9,499.7†	24,165††	1,892†	3.9††
Percent Change	7.7	5.5	5.2	6.1	5.3	(0.5)	4.6	
1999	56,127	53,556	984.9	27,761	9,021.6	24,283	1,809	4.4
Percent Change	8.0	6.3	6.4	6.5	11.9	(0.7)	3.8	
1998	51,976	50,364	925.6	26,068	8,065.1	24,445	1,744	4.3
Percent Change	10.0	8.6	3.9	4.6	3.4	4.2	4.1	
1997	47,254	46,373	890.7	24,922	7,802.4	23,462	1,676	4.1
Percent Change	9.1	7.0	5.7	6.3	5.1	(1.5)	5.0	

Basic data sources: Personal Income – U.S. Department of Commerce; Wage & Salary Employment – Nevada Employment Security Department; 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 Employment Security Department. † Consensus †† Estimate

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
2000	\$39,997†	\$37,380††	744.1††	\$12,525†	42.6††	8,037††	1,750†	5.5†
Percent Change	5.2	3.0	1.9	9.2	0.7	(6.5)	0.6	
1999	38,020	36,279	730.2	11,466	42.3	8,595	1,740	5.6
Percent Change	3.6	2.0	1.4	2.1	(5.4)	(6.7)	0.4	
1998	36,712	35,574	720.2	11,225	44.7	9,217	1,734	6.2
Percent Change	5.3	4.0	1.6	5.3	(3.2)	12.6	0.6	
1997	34,861	34,211	708.8	10,664	46.2	8,182	1,723	6.2
Percent Change	4.9	2.9	2.0	4.7	0.4	(7.5)	1.0	

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

HISTORICAL DATA

WESTERN BLUE CHIP ECONOMIC FORECAST

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
2000	\$95,170†	\$88,944††	1,600.6††	242.5††	15,532††	19,785††	3,337†	4.8††
Percent Change	6.2	4.0	1.7	0.7	(6.4)	(14.9)	1.1	
1999	89,614	85,510	1,573.8	241.2	16,595	23,249	3,301	5.7
Percent Change	5.2	3.6	1.4	(1.8)	(2.0)	(10.1)	1.0	
1998	85,197	82,555	1,551.4	245.7	16,936	25,854	3,268	5.6
Percent Change	5.7	4.4	1.6	0.8	4.2	(4.2)	1.6	
1997	80,578	79,076	1,526.5	243.8	16,250	26,999	3,217	5.8
Percent Change	6.6	4.7	3.5	3.8	(5.7)	(2.9)	1.1	

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

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
2000	\$575,491†	\$537,831††	9,394.5††	\$291.1†	1,083.9††	102,357†	20,405†	4.3††
Percent Change	6.9	4.7	2.6	7.0	(1.4)	0.5	1.8	
1999	538,345	513,688	9,156.4	272.1	1,098.9	101,848	20,044	4.6
Percent Change	5.8	4.2	2.4	11.1	(0.9)	2.0	1.7	
1998	508,636	492,864	8,938.8	244.9	1,109.1	99,831	19,712	4.8
Percent Change	8.4	7.0	3.8	4.7	2.3	21.5	1.8	
1997	469,205	460,456	8,610.5	233.9	1,084.5	82,180	19,355	5.4
Percent Change	9.4	7.4	4.3	8.0	2.8	(1.1)	1.8	

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

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
2000	\$52,576†	\$49,136††	1,076.0††	\$17,397†	130.9††	16,258††	2,166†	3.2††
Percent Change	6.0	3.8	2.6	5.5	(1.0)	(2.2)	1.7	
1999	49,600	47,328	1,048.5	16,490	132.2	16,624	2,130	3.7
Percent Change	5.9	4.3	2.5	5.3	(0.9)	2.1	1.4	
1998	46,831	45,379	1,023.4	15,655	133.4	16,287	2,101	3.8
Percent Change	7.2	5.8	3.0	5.3	0.4	9.9	1.7	
1997	43,696	42,881	993.9	14,866	132.9	14,818	2,065	3.1
Percent Change	8.3	6.3	4.2	3.3	2.8	(11.1)	2.1	

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

HISTORICAL DATA

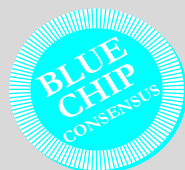
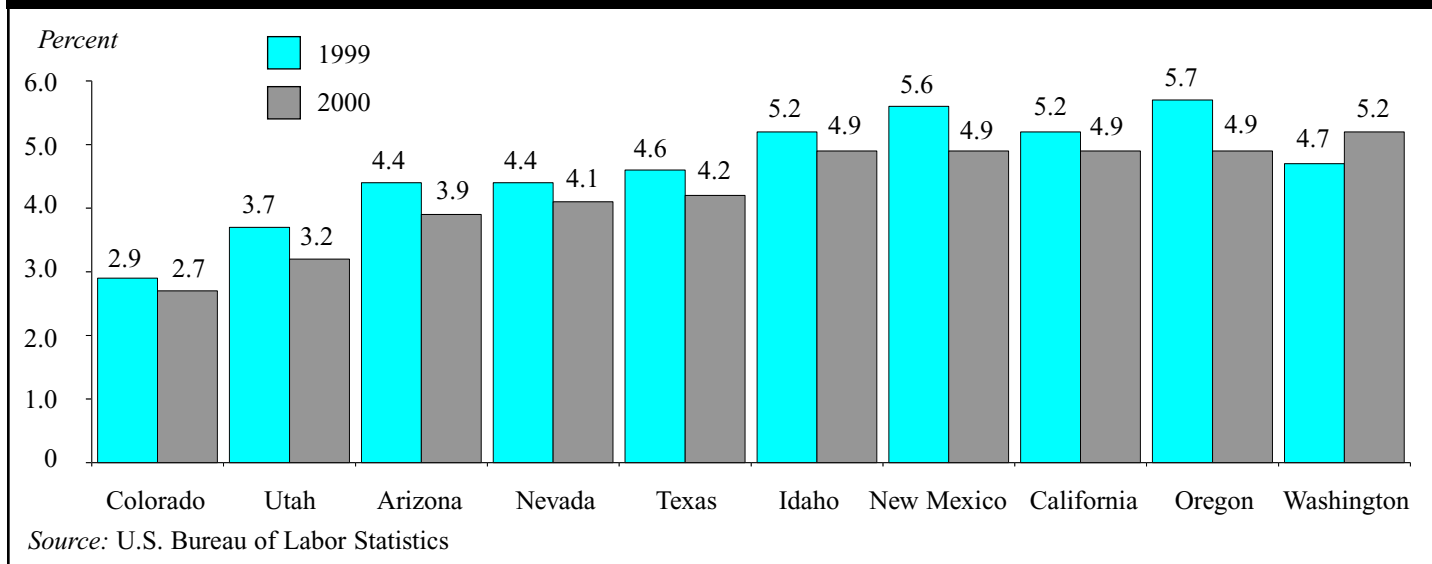
WESTERN BLUE CHIP ECONOMIC FORECAST

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
2000	\$186,145†	\$173,967††	2,698.8††	\$84,704†	350.2††	27,283††	5,819†	4.8††
Percent Change	6.4	4.2	2.1	6.3	(3.7)	(7.8)	1.1	
1999	174,948	166,935†	2,643.3	79,684	363.7	29,598	5,756	4.7
Percent Change	7.4	5.8	1.9	7.8	(4.2)	(3.3)	1.2	
1998	162,855	157,805	2,595.3	73,934	379.5	30,610	5,688	4.8
Percent Change	8.4	7.0	3.2	6.6	2.6	2.4	1.5	
1997	150,283	147,481	2,514.9	69,353	370.0	29,903	5,604	4.8
Percent Change	7.9	5.9	4.1	8.7	7.3	(0.4)	1.7	

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

Annual Unemployment Rates 1999 and 2000



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