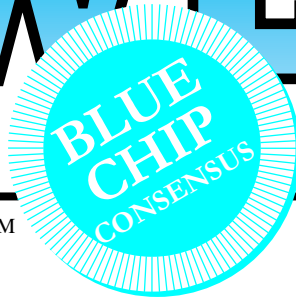


WESTERN



BLUE CHIP ECONOMIC FORECAST

TM

What Blue Chip economists are saying about the Western states

Volume 15 • Number 4 • May 2001

NV, OR tie with perfect consensus forecasts for 2000

Economic analysts from Nevada and Oregon produced the most accurate projections of nonagricultural employment growth for 2000.

The winning panels were determined by calculating the percentage errors for forecasts made in January compared with the final revised employment growth figures from the U. S. Bureau of Labor Statistics for 2000.

In January, 2000, the Nevada consensus forecast called for 4.7 percent employment gains. The Oregon outlook was a more modest 1.8 percent increase. The consensus forecasts for both states made at the beginning of the year were exactly on the mark with zero error.

Forecast errors for the other Western states ranged from a mere 3.7 percent for Utah up to 50 percent for Washington.

— L.M.

CONSENSUS FORECASTS AND FORECAST ERRORS: 2000 (Nonagricultural Employment Growth)

Rank	State	Forecast	Actual	Error
1	Nevada	4.7	4.7	0.0%
2	Oregon	1.8	1.8	0.0
3	Utah	2.6	2.7	3.7
4	Arizona	3.0	3.9	23.1
5	New Mexico	1.5	2.0	25.0
6	California	2.7	3.8	28.9
7	Texas	2.2	3.1	35.9
8	Colorado	2.5	3.9	35.9
9	Idaho	2.2	3.9	43.6
10	Washington	1.3	2.6	50.0

Source: Forecasts from *Western Blue Chip Economic Forecast*, January/February 2000; actual employment growth from U.S. Bureau of Labor Statistics.

Arizona panelist produced flawless forecast for job growth in 2000

MOST ACCURATE FORECASTERS BY STATE: 2000 (Nonagricultural Employment Growth)

State	Organization	Panelists
Arizona	Office of the Treasurer*	Neal Helm
California	Legislative Analyst's Office	Brad Williams
Colorado	Center for Business & Economic Forecasting	Wilson D. Kendall
Idaho	Wells Fargo & Company	Kelly K. Matthews
Nevada	Wells Fargo & Company	Don Hilber, Sun Won Sohn
New Mexico	New Mexico State University	Chris Erickson
Oregon	Oregon Executive Department	Tom Potiowsky
Oregon	U.S. Bancorp	John W. Mitchell
Oregon	Wells Fargo & Company	Don Hilber, Sung Won Sohn
Texas	Perryman Group	M. Ray Perryman
Utah	Thredgold Economic Assoc.	Jeff K. Thredgold
Washington	Doug Pederson & Assoc.	Doug Pederson

* Most accurate individual forecast for 2000 — percentage error equal to zero

Only one flawless forecast for nonagricultural job growth was produced in 2000 among more than 70 panelists contributing to the *Western Blue Chip Economic Forecast*.

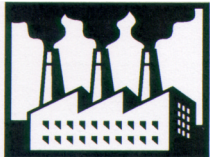
The unchallenged winner was Neal Helm of the Arizona Office of the Treasurer, whose forecast for Arizona employment growth of 3.9 percent was exactly correct, based on revised figures from the U. S. Bureau of Labor Statistics.

Forecast panel members with the best individual forecasts are shown in the accompanying table. Repeat winners from last year include Kelly K. Matthews, John W. Mitchell and Jeff Thredgold.

The paucity of perfect prognostications among the projecting pundits underscores the power of the consensus forecast methodology. Although the combined panelists for Nevada and Oregon hit the target for 2000, there were no error-free forecasts from individuals in these states.

NATIONAL ROUNDUP

U.S. JOB GROWTH



Percent Change: Feb. 2001 vs Feb. 2000

Nonagricultural	1.3
Construction	4.1
Manufacturing	-1.9
Transportation, Communications and Public Utilities	2.3
Trade	1.2
Finance, Insurance and Real Estate	0.9
Services	2.6
Government	0.8

Source: U.S. Bureau of Labor Statistics.

U.S. REAL ESTATE



Residential Building Permits Feb. 2001 vs Feb. 2000

	Total Residential	Single- family	Multi- family
2001	111,773	83,436	28,337
2000	115,107	85,939	29,168
% Δ	-2.9	-2.9	-2.8

Source: U.S. Department of Commerce.

U.S. FORECASTS



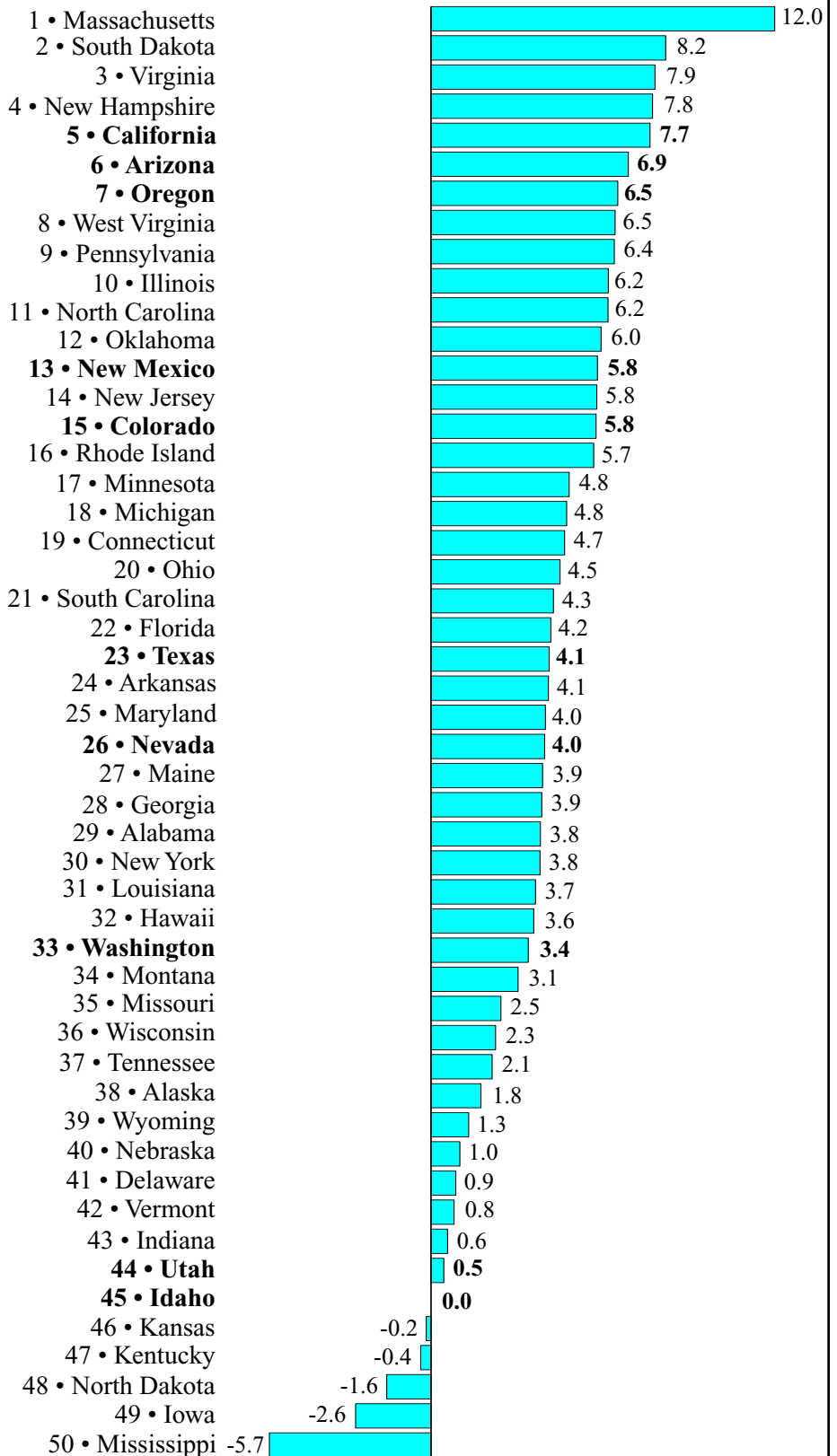
Percent Change

	2001	2002
Real GDP (Chain)	1.8	3.1
CPI	2.9	2.6
GDP Deflator (Chain) . .	1.8	1.7

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

CONSTRUCTION JOB GROWTH

Percent Change, February 2001 over February 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	6.3↓	5.7	3.1↓	2.7	(7.3)↑	6.2	5.7	3.0↓	2.6	(5.5)↑
California	5.9↓	4.1↑	2.6↑	1.6	2.9↑	6.1↓	4.3↓	2.3↓	1.6↓	0.7↓
Colorado	7.5↓	5.6↑	3.1↑	2.2↑	(1.5)↑	7.0↓	5.1↓	3.3↑	2.1↑	(0.7)
Idaho	5.9↑	4.0↑	2.6↓	1.4↓	(4.1)↑	5.8↑	4.0↓	2.6↑	1.4↑	(2.1)↑
Nevada	7.0↑	5.1↑	4.0↑	4.3↓	(0.1)↓	6.7↑	4.9↑	3.8↑	4.2↑	0.9↓
New Mexico	5.1↑	3.3↑	2.1↑	0.7	(2.1)↓	5.1↑	3.3↑	1.8↓	0.7↓	(2.4)↓
Oregon	5.3↑	3.4↑	0.9↑	1.0↑	1.6↑	5.7↑	3.9↓	1.4↑	1.1↑	3.8↑
Texas	6.5↑	4.7↑	2.3	1.8	(1.2)↑	6.4↓	4.5↓	2.3	1.8	0.7↓
Utah	5.9	4.0↑	2.4↓	1.7	(5.5)↓	5.6	3.8↓	2.1	1.6	(1.3)↓
Washington	4.9↓	3.1↓	1.6↑	1.0	(0.6)↑	5.7↓	3.8↓	1.7↓	1.1	1.7↓

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

Forecast notes from fax and phone...

The **New Mexico** mining sector has come back with a rush. Mining employment was up 13.4 percent in the fourth quarter of 2000. Most of the gain was in oil and gas extraction, a result of high gas and oil prices. Construction employment growth was also robust, posting a 4.6 percent gain. Expansions in the high-tech sector (Intel, Philips Semiconductor), and road/highway construction and repair are the primary ingredients of the surge.

Larry Waldman
University of New Mexico
Albuquerque, New Mexico

The recently finalized [**Idaho**] state tax cut will not begin to impact the state's economy until next year. Current stock market fluctuations continue to impact household wealth, and consequently spending.

Michael DiNoto
University of Idaho
Moscow, Idaho

Based on recent tax collections [in **Utah**], retail sales were up less than 1 percent in February, but withholding taxes rebounded 7 percent compared to a year earlier. Fourth-quarter profits suffered and final payments are still flat.

Doug Macdonald
Utah State Tax Commission
Salt Lake City, Utah

Idaho's economy has reeled from a

series of announced plant closures in the lumber industry, dire warnings of high-tech firm profits, and subsequent layoffs. Nevertheless, Idaho's economy, while slowing, continues to produce jobs as other firms ramp up employment.

John Church
Idaho Economics
Boise, Idaho

[**Texas**] border region labor demand has softened in response to the "Michigan Echo," affecting transportation component manufacturers that sell to automobile sector maquiladora plants in Northern Mexico.

Tom Fullerton
University of Texas at El Paso, Texas

Trucks, chips, aluminum, chemicals, forest products and food processors: the list of manufacturing industries facing weak markets and/or squeezed by rising energy prices grows. Bonneville Power has asked the aluminum smelters in the region to close for two years. The [**Oregon**] Legislature is now considering establishing a rainy day fund.

John Mitchell
U.S. Bancorp
Portland, Oregon

There are definitely signs of a slowdown in the **California** economy. Import activity at the state's ports has fallen below year-ago levels and traffic at major airports

has also softened. Energy is still front and center, and efforts are being made to determine what impacts the electric power shortage might have on the economy. Small to medium-sized businesses are already feeling the cost pinch, and are looking at further rate hikes. Staff cuts are one response being seriously discussed.

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

In the second half of 2000, **Utah's** non-farm job growth slowed slightly. This trend is expected to continue through the summer of 2001; year-over growth will be just over 2 percent. In autumn, employment increases related to the Olympic Winter Games will begin to give Utah's economy a boost that will last through early 2002. After the excitement dies down and the temporary jobs evaporate, a moderate slowdown will encompass the remainder of the year.

Ken Jensen
Utah Dept. of Workforce Services
Salt Lake City, Utah

At the close of 2000, the only bright spots for growth in **Oregon** were the semiconductor sector and construction. That growth has come to a sudden halt, leaving job growth flat for 2001.

Tom Potiowsky
Oregon Executive Department
Salem, Oregon

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 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

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
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	(10.0)	6.0	5.0	2.9	2.3	(10.0)
CH2M Hill	6.4	6.2	3.1	2.7	(8.0)	6.5	6.5	3.0	2.7	(3.0)
Communities Southwest	6.6	6.0	3.1	2.7	(7.0)	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	6.3	5.6	3.2	2.7	(10.0)	6.0	5.5	3.0	2.5	(5.0)
Eggert Economic Enterprises, Inc.	5.8	4.8	2.8	2.6	(10.0)	6.1	4.6	3.2	2.5	(5.0)
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	6.2	5.2	3.4	2.7	(8.0)	6.4	5.4	3.3	2.7	(6.0)
Joint Legislative Budget Committee	6.4	6.2	3.1	2.7	(10.0)	6.5	6.6	2.9	2.6	(4.0)
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	6.0	5.1	3.0	2.6	(10.0)	6.2	4.6	3.2	2.5	(10.0)
Office of the Treasurer	6.0	5.6	3.0	—	—	6.6	5.4	2.9	—	—
Salt River Project	6.3	6.0	3.4	3.0	(9.0)	6.8	6.5	3.8	3.1	(2.0)
Tucson Electric Power Company	6.3	5.0	3.3	2.6	(10.0)	5.8	4.6	2.6	2.5	(8.0)
UA – Eller College	6.5	6.2	3.2	2.7	(13.1)	5.9	5.3	2.8	2.4	(10.3)
VisionEcon	5.9	6.9	2.8	2.7	0.0	5.2	7.2	2.8	2.8	8.4
Wells Fargo & Company	6.0	5.0	2.8	2.6	5.0	5.5	5.0	2.5	2.5	(5.0)
Consensus Forecast – This Month	6.3	5.7	3.1	2.7	(7.3)	6.2	5.7	3.0	2.6	(5.5)
Consensus Forecast – Last Month	6.4	5.7	3.2	2.7	(8.6)	6.2	5.7	3.1	2.6	(6.0)

CALIFORNIA

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
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	2.5	1.5	(1.0)	6.5	5.5	2.6	1.4	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	4.9	3.7	2.4	1.5	6.1	5.1	4.4	1.6	1.6	(5.8)
Wells Fargo & Company	6.8	5.8	2.8	1.6	5.0	5.8	4.8	1.8	1.5	0.0
Consensus Forecast – This Month	5.9	5.1	2.6	1.6	2.9	6.1	5.5	2.3	1.6	0.7
Consensus Forecast – Last Month	6.2	5.4	2.5	1.6	0.7	6.2	5.5	2.4	1.6	2.7

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	7.3	6.8	3.3	2.1	0.8	7.0	6.5	2.7	2.0	0.5
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	7.6	6.8	3.4	2.4	(0.9)	7.0	6.1	7.2	2.4	1.0
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	7.2	7.0	2.9	2.1	1.0	7.0	6.8	2.7	2.0	0.0
Wells Fargo & Company	8.0	7.0	3.5	2.0	2.0	7.0	6.0	2.5	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	7.5	6.7	3.1	2.2	(1.5)	7.0	6.3	3.3	2.1	(0.7)
Consensus Forecast – Last Month	7.6	7.0	3.1	2.1	(4.1)	7.2	6.6	2.7	2.0	(0.7)

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	5.8	—	2.5	1.6	(4.0)	5.6	—	2.5	1.6	(3.0)
Idaho State University	5.2	3.6	2.7	1.4	(5.0)	5.2	3.6	2.7	1.4	(2.0)
Thredgold Economic Associates	6.3	4.8	2.8	1.5	(2.5)	6.2	4.8	2.8	1.5	(2.5)
University of Idaho	5.7	4.7	2.3	1.3	—	5.8	4.8	2.5	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	4.5	2.6	1.4	(4.1)	5.8	4.6	2.6	1.4	(2.1)
Consensus Forecast – Last Month	5.9	3.7	2.6	1.4	4.5	5.8	4.1	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
Thredgold Economic Associates	7.7	5.0	4.1	4.0	(1.5)	7.0	3.2	3.7	4.0	0.0
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	4.2	2.0	6.4	2.0	3.5	4.2	0.0
Consensus Forecast – This Month	7.0	3.9	4.0	4.3	(0.1)	6.7	3.5	3.8	4.2	0.9
Consensus Forecast – Last Month	6.9	3.7	4.0	4.3	0.2	6.6	3.6	3.8	4.1	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	5.3	2.7	2.2	—	(4.2)	5.3	3.5	2.0	—	0.2
Wells Fargo & Company	5.0	2.0	2.0	0.7	0.0	4.5	1.0	1.5	0.7	(5.0)
Consensus Forecast – This Month	5.1	2.2	2.1	0.7	(2.1)	5.1	2.3	1.8	0.7	(2.4)
Consensus Forecast – Last Month	4.9	2.3	2.0	0.7	(1.0)	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
Thredgold Economic Associates	5.8	(1.5)	0.9	1.0	0.0	5.5	0.5	1.5	1.1	4.5
U.S. Bancorp	5.0	(1.5)	0.8	1.1	0.0	5.5	1.0	1.2	1.1	5.0
Wells Fargo & Company	5.5	(0.5)	1.0	0.9	5.0	5.8	0.0	1.0	1.0	0.0
Consensus Forecast – This Month	5.3	(1.4)	0.9	1.0	1.6	5.7	0.3	1.4	1.1	3.8
Consensus Forecast – Last Month	5.1	(1.2)	0.8	1.0	(1.2)	5.6	0.2	1.3	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	(2.1)	5.6	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	(0.2)
Wells Fargo & Company	6.8	5.7	2.6	1.9	5.0	6.0	5.0	2.0	1.9	0.0
Consensus Forecast – This Month	6.5	6.1	2.3	1.8	(1.2)	6.4	6.4	2.3	1.8	0.7
Consensus Forecast – Last Month	6.5	6.0	2.3	1.8	(1.5)	6.5	6.4	2.3	1.8	(0.7)

CONSENSUS FORECASTS

WESTERN BLUE CHIP ECONOMIC FORECAST

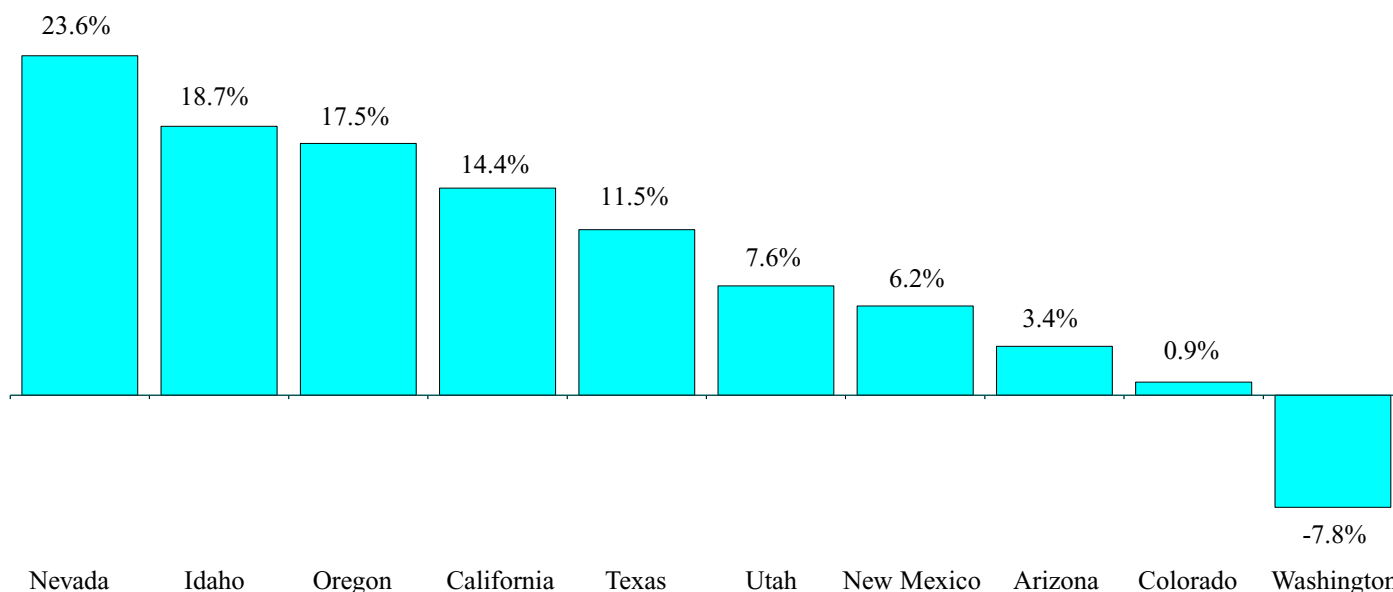
UTAH

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	6.0	5.3	2.6	1.7	(7.0)	6.1	5.3	2.4	1.6	(4.0)
Utah Department of Workforce Services	6.0	—	2.3	1.7	—	5.2	—	1.8	1.6	—
Utah State Tax Commission	5.6	5.5	2.4	1.7	(2.5)	5.2	5.0	1.8	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	5.3	2.4	1.7	(5.5)	5.6	5.2	2.1	1.6	(1.3)
Consensus Forecast – Last Month	5.9	5.2	2.6	1.7	(4.5)	5.6	5.2	2.1	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	5.0	3.2	1.6	1.0	0.5	5.8	4.5	1.9	1.1	3.0
Office of the Forecast Council	3.2	3.3	1.7	1.0	(2.8)	5.4	3.9	1.4	1.1	1.7
Wells Fargo & Company	6.0	4.9	1.8	1.1	5.0	5.6	4.5	1.5	1.0	0.0
Consensus Forecast – This Month	4.9	3.8	1.6	1.0	(0.6)	5.7	4.4	1.7	1.1	1.7
Consensus Forecast – Last Month	5.3	3.1	1.6	1.0	(2.0)	5.8	4.1	1.8	1.1	2.3

Building Permits Percent Change, February 2001 over February 2000 YTD



Source: U.S. Census Bureau

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††	2,248.0††	\$43,568††	215.3††	47,778††	5,102	3.5††
Percent Change	7.0	4.8	3.9	6.8	1.8	(7.7)	2.8	
1999	120,360	114,847	2,163.1	40,794	211.4	51,764	4,963	4.1
Percent Change	6.9	5.2	4.3	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††	14,518.6††	\$277,314†	1,923.0††	104,600††	34,615†	4.9††
Percent Change	9.5	7.2	3.8	8.5	0.0	1.8	1.7	
1999	991,382	945,975	13,991.8	255,589	1,923.8	102,750	34,036	5.2
Percent Change	7.3	5.6	2.9	11.4	(1.4)	10.0	1.6	
1998	924,253	875,594	13,596.1	229,406	1,951.2	93,414	33,494	5.9
Percent Change	7.2	5.9	3.6	5.6	1.9	11.0	1.6	
1997	862,114	846,039	13,129.7	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††	2,214.8††	\$56,767†	204.0††	37,699††	4,145†	2.6††
Percent Change	8.2	6.0	3.9	8.4	(0.1)	(1.9)	2.2	
1999	127,955	122,094	2,131.8	\$52,368	204.1	38,410	4,056	2.9
Percent Change	8.0	6.3	3.6	8.7	(1.5)	6.4	2.2	
1998	118,514	114,839	2,057.0	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	1,979.5	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††	560.0††	\$13,755†	76.4††	10,098††	1,271†	4.5††
Percent Change	6.0	3.8	3.9	4.5	(0.2)	(3.8)	1.5	
1999	28,582	27,273	538.9	\$13,163	76.6	10,497	1,252	5.2
Percent Change	5.9	4.3	3.3	4.8	0.6	2.1	1.7	
1998	26,986	26,149	521.8	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	509.9	12,031	74.4	8,838	1,211	5.3
Percent Change	4.3	2.4	3.4	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††	1,028.7††	\$29,454††	\$9,499.7†	24,165††	1,892†	3.9††
Percent Change	7.7	5.5	4.7	6.1	5.3	(0.5)	4.6	
1999	56,127	53,556	982.9	27,761	9,021.6	24,283	1,809	4.4
Percent Change	8.0	6.3	6.2	6.5	11.9	(0.7)	3.8	
1998	51,976	50,364	925.9	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††	743.9††	\$12,525†	42.6††	8,037††	1,750†	5.5†
Percent Change	5.2	3.0	2.0	9.2	0.7	(6.5)	0.6	
1999	38,020	36,279	729.6	11,466	42.3	8,595	1,740	5.6
Percent Change	3.6	2.0	1.3	2.1	(5.4)	(6.7)	0.4	
1998	36,712	35,574	720.0	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	708.5	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††	1,603.3††	242.5††	15,532††	19,785††	3,337†	4.8††
Percent Change	6.2	4.0	1.8	0.7	(6.4)	(14.9)	1.1	
1999	89,614	85,510	1,575.0	241.2	16,595	23,249	3,301	5.7
Percent Change	5.2	3.6	1.5	(1.8)	(2.0)	(10.1)	1.0	
1998	85,197	82,555	1,551.8	245.7	16,936	25,854	3,268	5.6
Percent Change	5.7	4.4	1.7	0.8	4.2	(4.2)	1.6	
1997	80,578	79,076	1,526.4	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††	9,443.3††	\$291.1†	1,083.9††	102,357†	20,405†	4.3††
Percent Change	6.9	4.7	3.1	7.0	(1.4)	0.5	1.8	
1999	538,345	513,688	9,159.2	272.1	1,098.9	101,848	20,044	4.6
Percent Change	5.8	4.2	2.5	11.1	(0.9)	2.0	1.7	
1998	508,636	492,864	8,940.1	244.9	1,109.1	99,831	19,712	4.8
Percent Change	8.4	7.0	3.9	4.7	2.3	21.5	1.8	
1997	469,205	460,456	8,608.0	233.9	1,084.5	82,180	19,355	5.4
Percent Change	9.4	7.4	4.2	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††	1,077.1††	\$17,397†	130.9††	16,258††	2,166†	3.2††
Percent Change	6.0	3.8	2.7	5.5	(1.0)	(2.2)	1.7	
1999	49,600	47,328	1,048.6	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	1,023.3	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	993.8	14,866	132.9	14,818	2,065	3.1
Percent Change	8.3	6.3	4.1	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††	2,716.8††	\$84,704†	350.2††	27,283††	5,819†	4.8††
Percent Change	6.4	4.2	2.6	6.3	(3.7)	(7.8)	1.1	
1999	174,948	166,935†	2,648.7	79,684	363.7	29,598	5,756	4.7
Percent Change	7.4	5.8	2.1	7.8	(4.2)	(3.3)	1.2	
1998	162,855	157,805	2,594.9	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	2,514.2	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

HOMEOWNERSHIP RATES

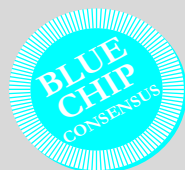
	2000	1999	1995	1990
Arizona.....	68.0	66.3	62.9	64.5
California	57.1	55.7	55.4	53.8
Colorado.....	68.3	68.1	64.6	59.0
Idaho	70.5	70.3	72.0	69.4
Nevada	64.0	63.7	58.6	55.8
New Mexico	73.7	72.6	67.0	68.6
Oregon.....	65.3	64.3	63.2	64.4
Texas	63.8	62.9	61.4	59.7
Utah.....	72.7	74.7	71.5	70.1
Washington	63.6	64.8	61.6	61.8

Source: U.S. Census Bureau

RENTAL VACANCY RATES

	2000	1999	1995	1990
Arizona.....	10.7	10.6	7.2	10.7
California	4.5	5.0	8.5	6.0
Colorado.....	5.4	6.8	4.3	10.2
Idaho	6.7	6.1	4.5	5.4
Nevada	11.6	9.7	6.8	8.4
New Mexico	13.2	12.5	4.8	13.7
Oregon.....	6.8	7.6	4.0	3.3
Texas	10.8	9.3	8.2	9.7
Utah.....	7.6	10.1	12.3	12.6
Washington	4.9	5.1	6.0	3.3

Source: U.S. Census Bureau



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WESTERN BLUE CHIP ECONOMIC FORECAST (ISSN 1042-6795) is published by the Bank One Economic Outlook Center, an affiliate of the L. William Seidman Research Institute, College of Business, Arizona State University, P.O. Box 874011, Tempe, AZ 85287-4011. The annual rate is \$99 for 10 issues. Address all requests to the Bank One Economic Outlook Center, or call (800) 448-0432. Checks must be payable to ASU Foundation. Funds will be deposited with the ASU Foundation, a non-profit organization which exists primarily to support ASU.

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