

BLUE CHIP ECONOMIC FORECAST WESTERN

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What Blue Chip Economists are Saying about the Western States

ASU ARIZONA STATE UNIVERSITY

Lowered expectations for Western economic growth in 2007

At the beginning of 2006, the possibilities for economic growth in the Western states appeared limitless. During 2006, the limits became apparent as the housing market softened and fuel prices spiraled upwards. At the beginning of 2007, the possibilities for economic growth are still positive, but last year's headiness has

given way to a cautious attitude this year.

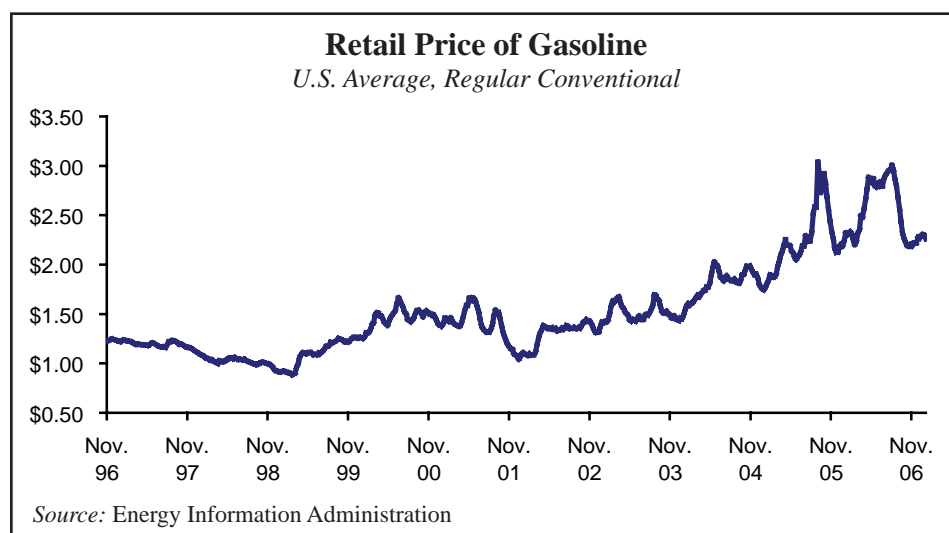
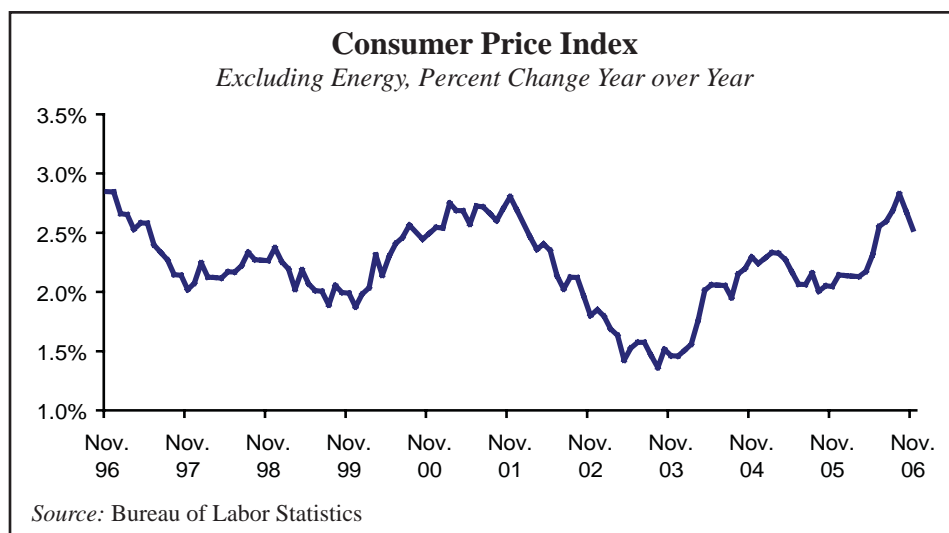
What changed? While the Mid-West has seen job growth falling off because of a slowdown in the automobile industry, it is the housing market that is affecting the West. Las Vegas, for instance, saw enormous growth in construction and leaps in housing prices during 2006, but the same

is not expected for 2007. Expectations for price performance in the housing market dampened towards the end of last year and inventory began to rise. Housing prices have not fallen, but the tremendous growth seen in various Western metro areas has slowed. This has allowed for a corresponding softening of construction job growth and the Western panelists' forecasts for housing permits for the next year are distinctly negative.

In 2006, a spike in fuel prices appeared to be temporary, but became a more permanent part of the economic landscape for 2007 (see chart below). While oil prices have fallen, gasoline prices have stabilized at a level over \$2.00 per gallon on average nationwide. Some Western states have special formulations of gasoline and in those states retail prices of gasoline have remained higher than the national average.

As fuel prices increased and the pressure on the supply of inputs associated with the construction industry rose, producers were faced with raising the prices faced by end consumers. The chart below shows the steady increase in consumer prices less energy that occurred last year.

The landscape of the economy changed last year, leaving the Western states more vulnerable to the effects of national economic events. Consumers, already facing a debt-driven lifestyle and a weakened position in terms of home equity growth, now must contend with higher prices on all goods as well as slowly rising interest rates. This has led to forecasts for leaner economic growth than last year, but the Western states are still expected to rank at the top for growth across the nation.



— Dawn McLaren

NATIONAL ROUNDUP

U.S. JOB GROWTH



% Change: Nov. 2006 vs. Nov. 2005

| | |
|--|------|
| Nonfarm | 1.3 |
| Goods-Producing | 0.1 |
| Construction | 1.0 |
| Manufacturing | -0.4 |
| Service-Providing | 1.6 |
| Transportation, Warehousing & Utilities | 1.7 |
| Trade | 0.2 |
| Information | -0.1 |
| Financial Activities | 1.8 |
| Professional & Business Services | 2.3 |
| Educational & Health Services | 2.6 |
| Leisure & Hospitality | 2.6 |
| Government | 1.3 |

Source: U.S. Bureau of Labor Statistics

U.S. REAL ESTATE



Residential Building Permits Nov. 2006 vs. Nov. 2005

| | Total Residential | Single- family | Multi- family |
|------|----------------------|-------------------|------------------|
| 2006 | 110,370 | 81,807 | 28,563 |
| 2005 | 159,813 | 123,430 | 36,383 |
| % Δ | -30.9 | -33.7 | -21.5 |

Source: U.S. Department of Commerce

U.S. FORECASTS



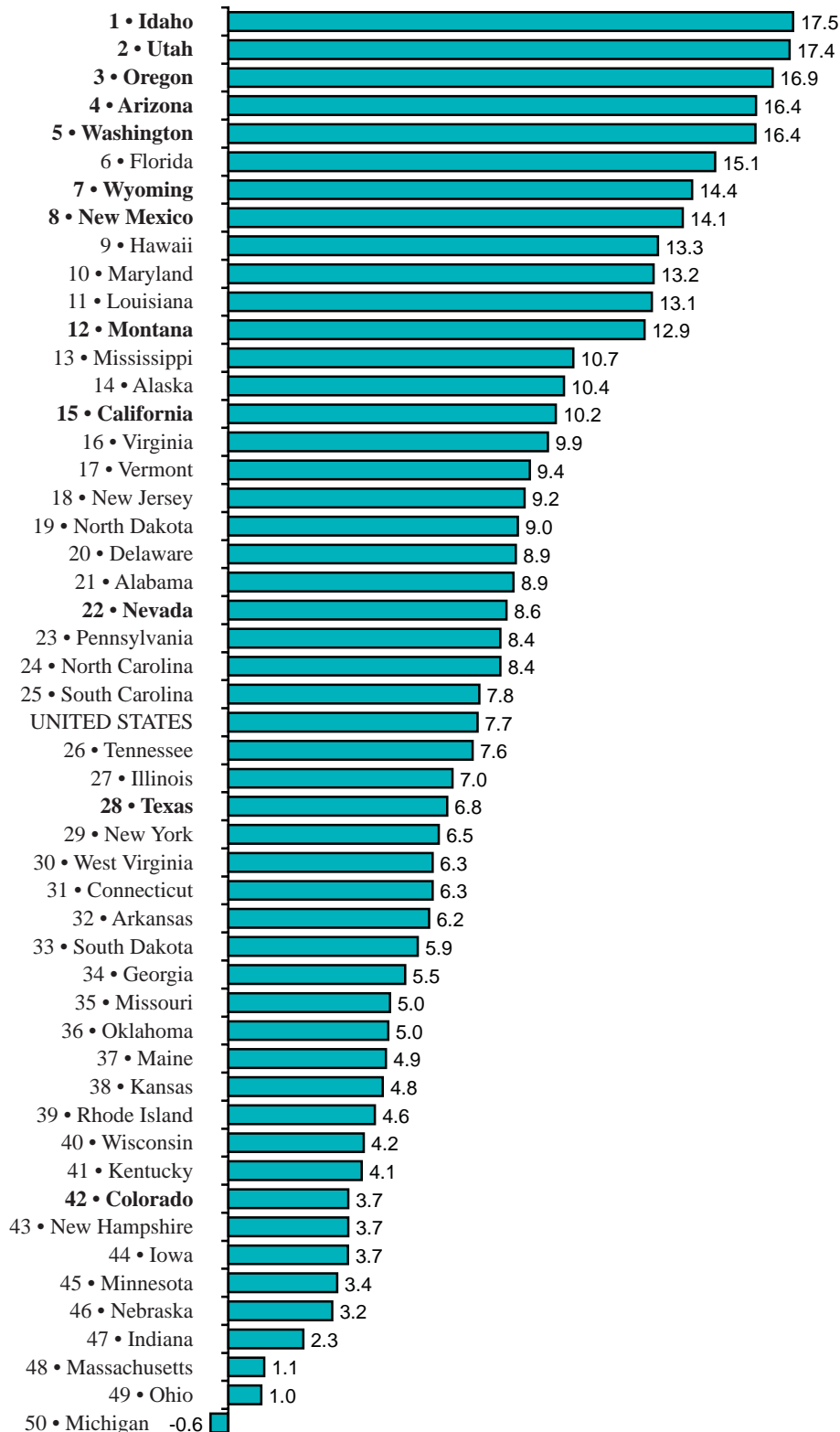
Percent Change

| | 2007 | 2008 |
|----------------------------|------|------|
| Real GDP (Chain) | 2.2 | 3.2 |
| CPI | 1.7 | 2.0 |
| GDP Deflator (Chain) | 1.9 | 1.9 |

Source: "U.S. Economic Outlook," *Global Insight*, December 2006

Percent Change in House Price

3rd Quarter 2006 over 3rd Quarter 2005



Source: Office of Federal Housing Enterprise Oversight

SUMMARY

WESTERN BLUE CHIP ECONOMIC FORECAST

| 2007 Annual Percent Change, 2007 from 2006 | | | | | | 2008 Annual Percent Change, 2008 from 2007 | | | | |
|---|----------------------------------|----------------------------|---------------------------|---------------------------|-------------------------------------|---|----------------------------|---------------------------|---------------------------|-------------------------------------|
| 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 | 7.3 ↓ | 5.0 ↓ | 3.6 ↓ | 3.0 ↑ | (9.8) ↓ | 7.4 | 5.4 | 3.6 | 3.0 | 1.6 |
| California | 5.3 ↑ | 3.1 ↑ | 1.1 ↓ | 1.2 ↓ | (9.3) ↓ | 5.6 | 3.6 | 1.2 | 1.1 | (2.5) |
| Colorado | 5.9 ↓ | 3.6 ↓ | 1.9 ↓ | 1.7 ↑ | (7.1) ↓ | 6.2 | 4.2 | 2.2 | 1.7 | (1.6) |
| Idaho | 6.9 ↑ | 4.6 ↑ | 3.4 ↑ | 2.2 ↑ | (10.5) ↓ | 6.5 | 4.5 | 3.3 | 2.1 | (2.5) |
| Montana* | 6.6 ↓ | 4.3 ↓ | 2.3 ↑ | 1.0 | (10.0) ↓ | 6.5 | 4.5 | 1.6 | 0.4 | |
| Nevada | 7.3 ↑ | 5.0 ↑ | 4.6 ↑ | 4.1 ↑ | (11.9) ↓ | 7.1 | 5.1 | 4.6 | 3.9 | 14.2 |
| New Mexico | 5.5 ↑ | 3.3 ↑ | 2.3 ↑ | 1.6 ↑ | 0.6 ↑ | 5.6 | 3.6 | 2.3 | 1.7 | 0.1 |
| Oregon | 5.6 ↑ | 3.3 ↑ | 2.0 ↑ | 1.4 ↑ | (5.1) ↓ | 5.4 | 3.5 | 2.2 | 1.4 | 0.9 |
| Texas | 6.4 ↑ | 4.1 ↑ | 1.9 ↑ | 1.6 ↓ | (4.5) ↓ | 6.3 | 4.3 | 2.0 | 1.7 | (2.3) |
| Utah | 6.9 ↑ | 4.6 ↑ | 3.5 ↑ | 2.6 ↑ | (3.5) ↓ | 6.8 | 4.8 | 3.5 | 2.6 | 3.7 |
| Washington | 6.6 ↑ | 4.3 ↑ | 2.3 ↑ | 1.8 ↑ | (5.4) ↑ | 6.1 | 4.1 | 2.1 | 1.7 | 0.4 |
| Wyoming* | 7.6 ↑ | 5.3 ↑ | 3.3 ↑ | 1.2 ↑ | 3.0 ↑ | 6.7 | 4.7 | 2.7 | 1.1 | 3.2 |

↑= Increase in consensus forecast ↓= Decrease in consensus forecast *Not a full consensus panel

Forecast notes from the Western region...

This is not the time to lose our good cheer. The world economy is strong and the dollar is weak, just the way we like it in the nation's most trade-dependent state [Washington]. Boeing and Microsoft are still adding thousands of high-wage jobs. A wave of in-migration continues to support the local housing market and construction employment. And, barring a significant decline in home prices, which seems unlikely, retail spending will keep up its brisk pace.

— **Dick Conway**
Dick Conway and Associates
Seattle, Washington

During 2007, the **Texas** economy will decelerate somewhat along with the national economy, though growth rates will remain above the U.S. averages.

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

Clark County (Las Vegas) shows weakness only in housing at this time, though Washoe County (Reno) shows a marked decline in housing and modest declines in travel and tourism. Las Vegas and Reno show strong growth in other sectors, however. Meanwhile, rural **Nevada**, moving with the fortunes of mining, remains bright.

— **Keith Schwer**
University of Nevada Las Vegas
Las Vegas, Nevada

California's economy entered 2007 in a blizzard of irony. There was all the hand-wringing about the housing sector, yet unemployment rates were at very low levels, business was still complaining about the shortage of skilled workers and Christmas sales were good. The economy will move at a slower pace, but there are several positives in the 2007 outlook. International trade flows will be up by 8 – 10 percent, tourism will hold at high levels (Anaheim hosts a major national and international tourism trade show in April), and by year-end work should start on projects funded by the bond package passed in November 2006. What about housing? When will it recover? Late 2007 looks likely, but there will be some localized pain that will extend into 2008.

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

Texas continues to enjoy substantial momentum, although growth has slowed modestly. The services sector is contributing to the lion's share of new jobs, with numerous new initiatives promising to bring added stimulus in the future.

— **Ray Perryman**
The Perryman Group
Waco, Texas

Early benchmark data suggest that **Texas** employment grew 3.1 percent in 2006.

Construction will slow in 2007 but overall Texas will have another good year.

— **Keith Phillips**
Federal Reserve Bank of Dallas
San Antonio, Texas

The **New Mexico** economy is currently growing above trend, with most of the strength coming in five sectors: construction, business services, health care and social assistance, accommodation and food services, and government. Mining and manufacturing are also contributing.

— **Larry Waldman**
University of New Mexico
Albuquerque, New Mexico

Slowing housing markets will create a significant slowdown in the **California** economy, but will not create a recession without a secondary source of weakness.

— **Ryan Ratcliff**
UCLA Anderson Forecast
Los Angeles, California

The unemployment rate in the Seattle [Washington] Metropolitan Division jumped to 4.6 percent in November, from 3.9 percent in October. The increase the unemployment rate is attributed to significant growth in the labor force, in both employment and the number of folks counted as unemployed.

— **Cristina Gonzalez**
Washington State Employ. Security Dept.
Olympia, Washington

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

| | 2007 Annual Percent Change, 2007 from 2006 | | | | | 2008 Annual Percent Change, 2008 from 2007 | | | | |
|--|---|-----------------|---------------------------|---------------------------|-------------------------------------|---|-----------------|---------------------------|---------------------------|-------------------------------------|
| | 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 |
| Source: | | | | | | | | | | |
| Arizona Department of Commerce | 6.9 | 6.0 | 3.5 | 2.9 | (10.0) | 6.8 | 5.5 | 3.5 | 2.9 | 5.0 |
| Arizona Public Service | 7.8 | 7.5 | 4.0 | 3.0 | (7.0) | 7.9 | 8.0 | 4.3 | 3.0 | 5.0 |
| ASU - Economic Outlook Center | 7.2 | 5.6 | 2.9 | 3.0 | (10.0) | 7.0 | 5.3 | 3.4 | 2.8 | (5.0) |
| Department of Economic Security | 7.4 | 6.5 | 4.0 | 3.0 | | 7.5 | 6.8 | 4.7 | 3.2 | |
| ECON-LINC | 7.5 | 6.9 | 4.0 | 3.1 | (10.0) | 7.2 | 6.7 | 3.8 | 3.0 | 5.0 |
| EconLit LLC | 7.5 | 6.9 | 3.8 | 2.9 | (10.0) | 7.6 | 7.2 | 3.9 | 3.0 | 0.0 |
| Eggert Economic Enterprises Inc. | 7.3 | 6.7 | 3.6 | 3.1 | (8.1) | 7.0 | 6.4 | 3.5 | 3.2 | (4.6) |
| Elliott D. Pollack & Co. | 7.4 | 5.8 | 4.0 | 3.5 | (25.0) | 7.0 | 4.5 | 3.0 | 3.0 | 15.0 |
| H. C. Reardon Economics | 6.8 | 6.8 | 4.0 | 3.0 | (10.0) | 8.0 | 7.0 | 5.3 | 3.2 | 15.0 |
| Joint Legislative Budget Committee | 7.5 | 6.7 | 3.7 | 3.0 | (7.0) | 7.2 | 6.0 | 3.2 | 3.0 | (5.0) |
| The Maguire Company | 7.4 | 7.1 | 4.1 | 3.1 | (8.0) | 7.4 | 7.0 | 3.9 | 3.1 | (10.0) |
| Davidson Fixed Income Management | 7.4 | 7.0 | 3.7 | | | 7.8 | 7.2 | 3.7 | | |
| NAU - BBER | 7.7 | 6.4 | 3.7 | 2.7 | (5.0) | 8.1 | 6.5 | 3.9 | 2.8 | 0.0 |
| Salt River Project | 7.0 | 6.0 | 3.5 | 3.0 | (15.0) | 8.0 | 7.0 | 4.0 | 3.0 | 0.0 |
| Stellar Capital Management | 7.1 | 6.5 | 3.6 | 2.7 | (9.0) | 7.8 | 6.9 | 3.7 | 2.7 | 0.0 |
| UA - Eller College | 6.6 | 5.1 | 2.4 | 3.3 | (11.6) | 6.4 | 4.9 | 2.3 | 2.9 | 10.0 |
| VisionEcon | 7.2 | 6.9 | 3.5 | 2.9 | (2.0) | 6.8 | 7.0 | 2.2 | 2.9 | |
| Wells Fargo & Co. | 7.4 | 6.3 | 3.6 | 2.7 | (9.0) | 7.0 | 6.0 | 3.2 | 2.6 | (7.0) |
| Consensus Forecast — This Month | 7.3 | 6.5 | 3.6 | 3.0 | (9.8) | 7.4 | 6.4 | 3.6 | 3.0 | 1.6 |
| — Last Month | 7.3 | 6.6 | 3.7 | 2.9 | (6.8) | | | | | |

CALIFORNIA

| | 2007 Annual Percent Change, 2007 from 2006 | | | | | 2008 Annual Percent Change, 2008 from 2007 | | | | |
|---|---|-----------------|---------------------------|---------------------------|-------------------------------------|---|-----------------|---------------------------|---------------------------|-------------------------------------|
| | 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 |
| Source: | | | | | | | | | | |
| Anonymous | 5.8 | 5.3 | 1.5 | 1.7 | (1.2) | | | | | |
| California State University, Long Beach * | 4.9 | 5.7 | 1.8 | 2.0 | (0.8) | | | | | |
| Chapman University | 5.5 | 4.6 | 0.9 | 1.4 | (12.4) | 6.2 | 5.9 | 1.3 | 1.4 | 0.0 |
| L.A. County Economic Development Corp. | 6.0 | 5.5 | 0.9 | 1.2 | (8.5) | 6.2 | 5.9 | 1.3 | 1.2 | (2.0) |
| Legislative Analyst's Office | 5.4 | 4.7 | 1.3 | 1.1 | (8.7) | | | | | |
| UCLA - Business Forecasting Project | 4.3 | 4.2 | 0.5 | 1.1 | (16.8) | 4.6 | 4.7 | 1.0 | 1.1 | 4.4 |
| University of the Pacific | 5.5 | 2.6 | 1.4 | 1.0 | (8.9) | 5.4 | 4.3 | 1.1 | 1.0 | (9.7) |
| Wells Fargo Company | 4.8 | 4.0 | 1.0 | 1.0 | (8.5) | 5.4 | 4.2 | 1.2 | 1.0 | (5.0) |
| Consensus Forecast — This Month | 5.3 | 4.4 | 1.1 | 1.2 | (9.3) | 5.6 | 5.0 | 1.2 | 1.1 | (2.5) |
| — Last Month | 5.3 | 4.5 | 1.1 | 1.3 | (7.7) | | | | | |

*This forecast is for Southern California only

CONSENSUS FORECASTS

WESTERN BLUE CHIP ECONOMIC FORECAST

| COLORADO | | | | | | | | | | |
|---|----------------------------------|-----------------|---------------------------|---------------------------|-------------------------------------|---|-----------------|---------------------------|---------------------------|-------------------------------------|
| 2007 Annual Percent Change, 2007 from 2006 | | | | | | 2008 Annual Percent Change, 2008 from 2007 | | | | |
| 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. | 5.3 | 2.1 | 1.4 | 1.7 | (11.2) | | | | | |
| Ctr. for Business and Econ. Forecasting | 5.9 | 5.0 | 2.0 | 1.8 | (5.0) | 6.2 | 5.2 | 2.0 | 2.0 | 0.0 |
| Colorado Legislative Council | 6.6 | 6.3 | 2.2 | 1.9 | (20.3) | 6.5 | 5.2 | 2.1 | 1.8 | (5.7) |
| David Hemley | 5.9 | 5.1 | 2.1 | 1.5 | (2.3) | 6.1 | 5.3 | 2.4 | 1.8 | (1.7) |
| Office of State Planning and Budgeting | 6.2 | 5.6 | 2.0 | 1.7 | (2.0) | 6.1 | 5.9 | 2.1 | 1.7 | (0.1) |
| University of Colorado | 4.5 | 5.0 | 1.9 | 2.0 | 0.0 | 5.0 | 5.5 | 2.1 | 2.0 | 5.0 |
| Wells Fargo & Co. | 5.1 | 3.7 | 1.6 | 1.2 | (6.0) | 5.5 | 3.9 | 1.9 | 1.2 | (4.0) |
| Xcel Energy | 7.6 | 7.7 | 2.2 | 1.6 | (10.0) | 7.8 | 8.0 | 2.5 | 1.7 | (4.5) |
| Consensus Forecast — This Month | 5.9 | 5.1 | 1.9 | 1.7 | (7.1) | 6.2 | 5.6 | 2.2 | 1.7 | (1.6) |
| — Last Month | 6.0 | 4.7 | 2.0 | 1.6 | (4.8) | | | | | |

| IDAHO | | | | | | | | | | |
|---|----------------------------------|-----------------|---------------------------|---------------------------|-------------------------------------|---|-----------------|---------------------------|---------------------------|-------------------------------------|
| 2007 Annual Percent Change, 2007 from 2006 | | | | | | 2008 Annual Percent Change, 2008 from 2007 | | | | |
| 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 | 7.3 | | 2.6 | 2.3 | (3.6) | 6.0 | | 2.2 | 2.1 | (1.5) |
| Idaho Economics | 6.2 | | 4.3 | 1.9 | (18.0) | 6.1 | | 4.1 | 1.9 | (6.0) |
| Wells Fargo UT | 7.3 | 6.0 | 3.2 | 2.3 | (10.0) | 7.3 | 6.0 | 3.5 | 2.2 | 0.0 |
| Consensus Forecast — This Month | 6.9 | 6.0 | 3.4 | 2.2 | (10.5) | 6.5 | 6.0 | 3.3 | 2.1 | (2.5) |
| — Last Month | 6.1 | 5.4 | 2.6 | 1.7 | (2.4) | | | | | |

| MONTANA | | | | | | | | | | |
|---|----------------------------------|-----------------|---------------------------|---------------------------|-------------------------------------|---|-----------------|---------------------------|---------------------------|-------------------------------------|
| 2007 Annual Percent Change, 2007 from 2006 | | | | | | 2008 Annual Percent Change, 2008 from 2007 | | | | |
| 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 | 6.7 | | 2.1 | 1.0 | | 6.5 | | 2.1 | 0.8 | |
| Wells Fargo UT | 6.5 | | 2.5 | 1.0 | (10.0) | 6.5 | 2.3 | 1.0 | 0.0 | |
| Consensus Forecast — This Month | 6.6 | | 2.3 | 1.0 | (10.0) | 6.5 | | 1.6 | 0.4 | |
| — Last Month | 6.7 | | 2.0 | 1.0 | (0.5) | | | | | |

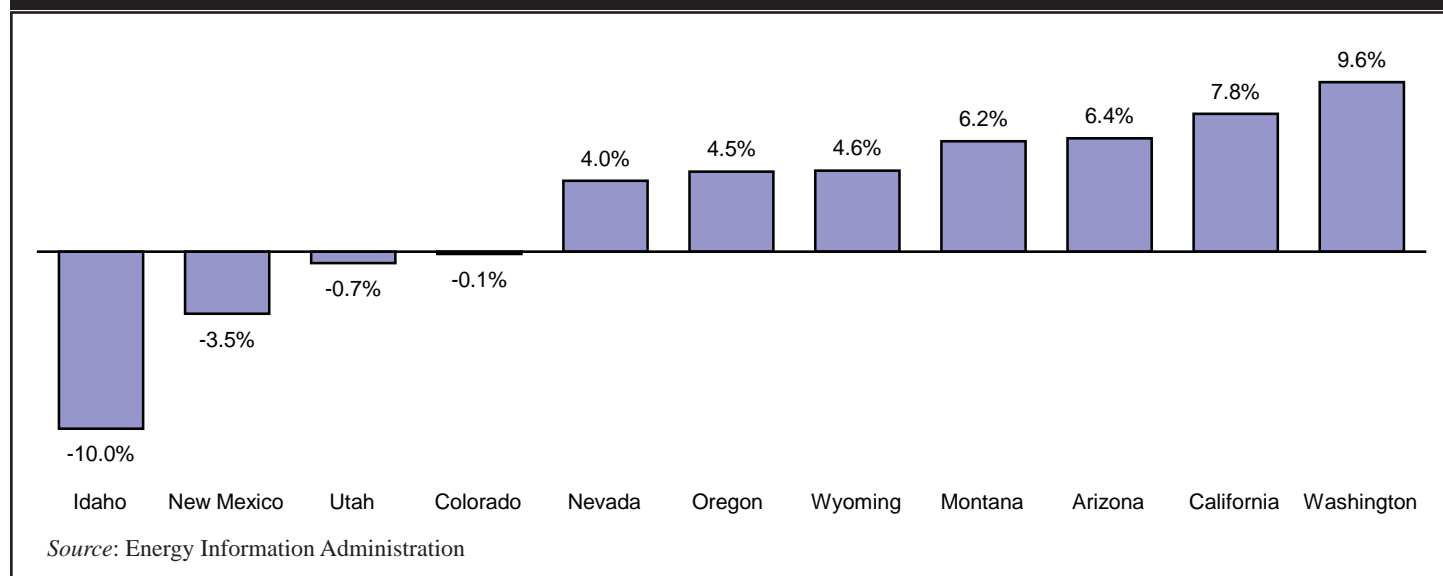
CONSENSUS FORECASTS

WESTERN BLUE CHIP ECONOMIC FORECAST

| NEVADA | | | | | | | | | | |
|---|----------------------------------|-----------------------------|---------------------------|---------------------------|-------------------------------------|---|-----------------------------|---------------------------|---------------------------|-------------------------------------|
| 2007 Annual Percent Change, 2007 from 2006 | | | | | | 2008 Annual Percent Change, 2008 from 2007 | | | | |
| 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. | 8.0 | 5.0 | 5.0 | 4.0 | | 7.9 | 4.9 | 4.9 | 4.2 | |
| Restrepo Consulting Group, LLC | 7.5 | 5.0 | 4.0 | 4.0 | 1.5 | 7.0 | 5.0 | 5.0 | 4.0 | 1.5 |
| Southwest Gas | 8.2 | 5.5 | 4.9 | 4.0 | (5.0) | 8.0 | 5.3 | 4.8 | 3.9 | 2.0 |
| Univ. of Nevada at Las Vegas - CBER | 6.3 | 4.1 | 5.6 | 4.8 | (41.8) | 6.1 | 4.3 | 5.4 | 4.6 | 54.4 |
| Wells Fargo & Co. | 6.4 | 5.2 | 3.4 | 3.5 | (2.1) | 6.4 | 5.1 | 3.1 | 3.0 | (1.0) |
| Consensus Forecast — This Month | 7.3 | 5.0 | 4.6 | 4.1 | (11.9) | 7.1 | 4.9 | 4.6 | 3.9 | 14.2 |
| — Last Month | 7.3 | 5.4 | 4.2 | 3.6 | 0.0 | | | | | |

| NEW MEXICO | | | | | | | | | | |
|---|----------------------------------|-------------------------|---------------------------|---------------------------|-------------------------------------|---|-------------------------|---------------------------|---------------------------|-------------------------------------|
| 2007 Annual Percent Change, 2007 from 2006 | | | | | | 2008 Annual Percent Change, 2008 from 2007 | | | | |
| 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 | 5.4 | 1.3 | 2.2 | 1.5 | (1.3) | 5.5 | 1.4 | 2.4 | 1.6 | (1.3) |
| Public Service New Mexico | 5.2 | 3.4 | 1.9 | 1.5 | (1.2) | 5.5 | 3.0 | 2.1 | 1.6 | 0.5 |
| University of New Mexico - BBER | 5.9 | 6.3 | 2.6 | | 7.3 | 5.6 | 2.8 | 2.3 | | 2.3 |
| Wells Fargo & Co. | 5.6 | 1.6 | 2.4 | 1.8 | (2.3) | 5.7 | 1.6 | 2.4 | 1.8 | (1.0) |
| Consensus Forecast — This Month | 5.5 | 3.2 | 2.3 | 1.6 | 0.6 | 5.6 | 2.2 | 2.3 | 1.7 | 0.1 |
| — Last Month | 5.1 | 2.1 | 2.1 | 1.5 | (1.9) | | | | | |

Average Retail Price of Electricity to Ultimate Consumers Percent Change October 2006 over October 2005, All Sectors



CONSENSUS FORECASTS

WESTERN BLUE CHIP ECONOMIC FORECAST

OREGON

| 2007 Annual Percent Change, 2007 from 2006 | | | | | | 2008 Annual Percent Change, 2008 from 2007 | | | | |
|---|----------------------------------|-------------------------|---------------------------|---------------------------|-------------------------------------|---|-------------------------|---------------------------|---------------------------|-------------------------------------|
| 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 |
| Conerly Consulting | 5.2 | (2.0) | 1.5 | 1.7 | (4.4) | 5.1 | 0.1 | 2.1 | 1.5 | 1.2 |
| Forefront Economics | 6.4 | 2.2 | 3.1 | 1.3 | 4.5 | 5.7 | 1.5 | 2.2 | 1.2 | 3.5 |
| Office of Economic Analysis | 5.4 | (0.6) | 1.2 | 1.4 | (9.1) | | | | | |
| Portland General Electric | 5.7 | 0.5 | 1.9 | 1.3 | (5.0) | | | | | |
| U.S. Bancorp | 5.7 | 0.0 | 1.8 | 1.3 | (5.0) | 6.0 | 2.0 | 2.0 | 1.3 | 7.0 |
| Wells Fargo & Co. | 5.1 | 1.7 | 2.2 | 1.5 | (11.8) | 4.9 | 1.8 | 2.4 | 1.5 | (8.0) |
| Consensus Forecast — This Month | 5.6 | 0.3 | 2.0 | 1.4 | (5.1) | 5.4 | 1.4 | 2.2 | 1.4 | 0.9 |
| — Last Month | 5.5 | 0.6 | 1.7 | 1.3 | (4.1) | | | | | |

TEXAS

| 2007 Annual Percent Change, 2007 from 2006 | | | | | | 2008 Annual Percent Change, 2008 from 2007 | | | | |
|---|----------------------------------|-----------------|---------------------------|---------------------------|-------------------------------------|---|-----------------|---------------------------|---------------------------|-------------------------------------|
| 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 | 5.7 | 1.8 | 1.7 | (2.0) | 5.6 | 5.5 | 1.7 | 1.7 | (2.0) |
| Federal Reserve Bank of Dallas | 7.0 | 4.5 | 2.6 | 1.8 | (3.0) | 6.0 | 4.0 | 2.2 | 1.8 | 1.0 |
| David Hemley | 5.9 | 5.8 | 2.1 | 1.6 | (0.4) | 6.1 | 5.5 | 1.9 | 1.4 | 0.0 |
| Perryman Group | 7.3 | 7.4 | 1.7 | 1.7 | (6.2) | 7.1 | 7.1 | 1.7 | 1.7 | (2.1) |
| TX State Comptroller of Public Accounts | 6.5 | 5.8 | 2.0 | 1.8 | (15.1) | 6.4 | 5.4 | 2.2 | 1.9 | (8.5) |
| University of Houston - CPP | 5.4 | 5.4 | 1.5 | 1.4 | (3.9) | | | | | |
| University of North Texas | 6.4 | 4.5 | 1.9 | 1.6 | (4.0) | 5.9 | 4.0 | 1.7 | 1.5 | (4.0) |
| University of Texas at El Paso | 6.2 | 6.1 | 2.0 | 1.7 | (1.7) | 6.6 | 6.9 | 2.3 | 1.7 | 0.5 |
| Wells Fargo & Co. | 7.0 | 4.9 | 1.9 | 1.5 | (3.8) | 6.6 | 4.7 | 2.0 | 1.5 | (3.0) |
| Consensus Forecast — This Month | 6.4 | 5.6 | 1.9 | 1.6 | (4.5) | 6.3 | 5.4 | 2.0 | 1.7 | (2.3) |
| — Last Month | 6.2 | 5.8 | 1.9 | 1.7 | (2.0) | | | | | |

UTAH

| 2007 Annual Percent Change, 2007 from 2006 | | | | | | 2008 Annual Percent Change, 2008 from 2007 | | | | |
|---|----------------------------------|-----------------|---------------------------|---------------------------|-------------------------------------|---|-----------------|---------------------------|---------------------------|-------------------------------------|
| 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 | 6.2 | 4.1 | 2.9 | 2.2 | (4.2) | 6.6 | 4.6 | 3.1 | 2.2 | 7.3 |
| Utah Department of Workforce Services | 7.6 | 5.6 | 3.3 | 2.8 | 3.6 | | | | | |
| Wells Fargo - UT | 7.0 | 7.5 | 4.3 | 2.9 | (10.0) | 7.0 | 7.0 | 3.8 | 2.9 | 0.0 |
| Consensus Forecast — This Month | 6.9 | 5.7 | 3.5 | 2.6 | (3.5) | 6.8 | 5.8 | 3.5 | 2.6 | 3.7 |
| — Last Month | 6.6 | 5.6 | 3.2 | 2.4 | 1.7 | | | | | |

WASHINGTON

| 2007 Annual Percent Change, 2007 from 2006 | | | | | | 2008 Annual Percent Change, 2008 from 2007 | | | | |
|---|----------------------------------|-----------------|---------------------------|---------------------------|-------------------------------------|---|-----------------|---------------------------|---------------------------|-------------------------------------|
| 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 | 7.1 | 6.1 | 2.3 | 1.9 | (1.8) | 6.1 | 7.6 | 2.0 | 1.6 | 7.4 |
| Dick Conway & Associates | 7.0 | 6.8 | 2.6 | 1.8 | (3.0) | 6.3 | 6.3 | 2.1 | 1.7 | 1.0 |
| Doug Pedersen & Associates | 7.0 | 6.7 | 2.4 | 2.0 | (8.5) | 6.7 | 6.0 | 2.3 | 1.9 | (4.0) |
| Office of the Forecast Council * | 6.5 | 3.8 | 2.3 | 2.0 | (7.0) | | | | | |
| Wells Fargo & Co. | 5.3 | 5.0 | 1.7 | 1.4 | (6.5) | 5.4 | 5.2 | 2.0 | 1.4 | (3.0) |
| Consensus Forecast — This Month | 6.6 | 5.7 | 2.3 | 1.8 | (5.4) | 6.1 | 6.3 | 2.1 | 1.7 | 0.4 |
| — Last Month | 6.2 | 6.0 | 2.2 | 1.7 | (6.4) | | | | | |

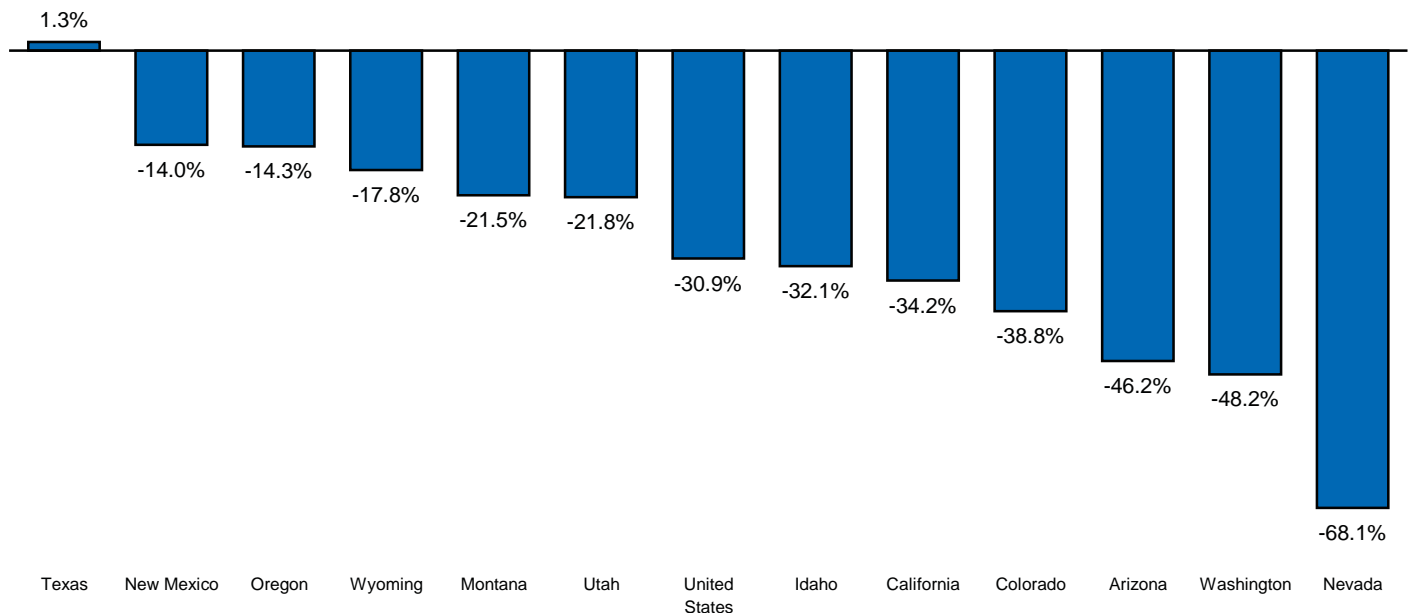
* Population forecast is from the Office of Financial Management.

WYOMING

| 2007 Annual Percent Change, 2007 from 2006 | | | | | | 2008 Annual Percent Change, 2008 from 2007 | | | | |
|---|----------------------------------|-----------------|---------------------------|---------------------------|-------------------------------------|---|-----------------|---------------------------|---------------------------|-------------------------------------|
| 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 |
| Richard T. O'Gara | 6.3 | | 2.6 | 1.1 | 6 | 5.5 | | 2.1 | 1 | 2.5 |
| WY Dept. of Admin. & Information | 8.0 | 9.0 | 3.3 | 1.4 | (2.0) | 7.2 | 6.0 | 2.5 | 1.2 | (3.0) |
| Wells Fargo UT | 8.5 | | 4.0 | 1.0 | 5.0 | 7.5 | | 3.5 | 1.0 | 10.0 |
| Consensus Forecast — This Month | 7.6 | 9.0 | 3.3 | 1.2 | 3.0 | 6.7 | 6.0 | 2.7 | 1.1 | 3.2 |
| — Last Month | 7.0 | 6.0 | 2.5 | 0.9 | (1.5) | | | | | |

Total Housing Permits Issued

Percent Change November 2006 over November 2005, Privately Owned



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 |
|--|---|---------------------------------------|--|----------------------------|--|--------------------------------------|---------------------------|---------------------------|
| 2006 | 194,160 †† | 167,100 †† | 2,630.0 | 63,740 †† | 183.1 | 72,491 †† | 6,129 | 4.2 |
| % change | 8.4 | 5.4 | 4.9 | 8.1 | 1.0 | -14.8 | 3.2 | |
| 2005 | 179,114 | 158,930 | 2,506.9 | 58,964 | 181.3 | 85,083 | 5,939 | 4.7 |
| % change | 8.9 | 5.8 | 5.3 | 13.2 | 2.4 | 2.0 | 3.5 | |
| 2004 | 164,413 | 150,286 | 2,381.3 | 52,098 | 177.1 | 83,411 | 5,740 | 5.0 |
| % change | 9.0 | 6.0 | 3.7 | 9.0 | 1.0 | 27.1 | 2.9 | |
| 2003 | 150,847 | 142,773 | 2,296.4 | 47,818 | 175.4 | 65,649 | 5,578 | 5.7 |
| % change | 4.6 | 2.5 | 1.4 | 5.3 | (4.4) | 18.0 | 2.6 | |
| 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 |
|---|---|---------------------------------------|--|----------------------------|--|--------------------------------------|---------------------------|---------------------------|
| 2006 | 1,415,796 † | 1,233,055 † | 15,002.4 | 387,906 † | 1,507.8 | 126,556 † | 36,602 † | 4.8 |
| % change | 5.8 | 3.1 | 1.5 | 5.3 | (0.3) | -16.2 | 1.3 | |
| 2005 | 1,338,181 | 1,195,979 | 14,785.2 | 368,382 † | 1,512.7 | 151,022 | 36,132 | 5.4 |
| % change | 6.0 | 3.4 | 1.8 | 5.2 | (1.3) | 0.2 | 0.8 | |
| 2004 | 1,262,306 | 1,157,113 | 14,530.4 | 350,173 | 1533.1 | 150,710 | 35,842 | 6.2 |
| % change | 6.6 | 3.9 | 1.0 | 9.4 | (1.3) | 7.3 | 1.1 | |
| 2003 | 1,184,265 | 1,114,089 | 14,392.3 | 320,217 | 1,553.0 | 140,512 | 35,457 | 6.8 |
| % change | 3.2 | 1.1 | (0.5) | 6.2 | (5.5) | 16.3 | 1.3 | |
| 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 |
|---|---|---------------------------------------|--|----------------------------|--|--------------------------------------|---------------------------|---------------------------|
| 2006 | 187,470 † | 163,118 † | 2,272.1 | 66,797 † | 150.5 | 38,291 † | 4,735 † | 4.4 |
| % change | 5.9 | 3.1 | 2.1 | 5.4 | (0.1) | (5.4) | 1.5 | |
| 2005 | 177,025 | 158,214 | 2,225.5 | 63,375 | 150.6 | 40,477 | 4,665 | 5.0 |
| % change | 6.5 | 3.9 | 2.1 | 5.6 | (0.8) | 6.1 | 1.4 | |
| 2004 | 166,188 | 152,339 | 2,179.6 | 60,014 | 151.8 | 38,164 | 4,602 | 5.6 |
| % change | 5.8 | 3.1 | 1.2 | 4.9 | (1.4) | 14.2 | 1.2 | |
| 2003 | 157,035 | 147,730 | 2,152.8 | 57,192 | 153.9 | 33,428 | 4,548 | 6.1 |
| % change | 2.6 | 0.5 | (1.4) | 8.1 | (6.0) | (5.9) | 1.1 | |
| 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 |
|--|---|---------------------------------------|--|----------------------------|--|--------------------------------------|---------------------------|---------------------------|
| 2006 | 42,977 † | 37,403 † | 640.6 | 20,334 † | 64.2 | 18,140 † | 1,453 † | 3.4 |
| % change | 6.8 | 4.0 | 4.6 | 6.0 | 1.7 | (6.8) | 1.7 | |
| 2005 | 40,241 | 35,965 | 612.6 | 19,183 | 63.1 | 19,464 | 1,429 | 3.8 |
| % change | 7.3 | 4.6 | 4.2 | 14.7 | 2.3 | 32.9 | 2.4 | |
| 2004 | 37,497 | 34,373 | 587.9 | 16,727 | 61.7 | 14,650 | 1,395 | 4.7 |
| % change | 8.2 | 5.4 | 2.8 | 4.2 | (0.5) | 17.8 | 2.0 | |
| 2003 | 34,654 | 32,600 | 572.0 | 16,059 | 62.0 | 12,432 | 1,368 | 5.3 |
| % change | 2.4 | 0.3 | 0.7 | 2.1 | (4.5) | 21.7 | 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 | | | | | | | | |

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 |
|---|---|---------------------------------------|--|---|--|--------------------------------------|---------------------------|---------------------------|
| 2006 | 29,421 † | 25,607 † | 433.4 | 29.9 | 19.9 | 3,458 † | 945.0 † | 3.5 |
| % change | 7.0 | 4.2 | 3.0 | 8.7 | 2.6 | 0.0 | 1.0 | |
| 2005 | 27,497 | 24,575 | 420.7 | 27.5 | 19.4 | 3,458 | 935.7 | 4.0 |
| % change | 7.3 | 4.6 | 2.3 | 10.4 | 1.0 | 1.0 | 0.9 | |
| 2004 | 25,635 | 23,499 | 411.3 | 24.9 | 19.2 | 3,425 | 926.9 | 4.3 |
| % change | 6.7 | 4.0 | 2.6 | 7.8 | 1.1 | 46.4 | 1.0 | |
| 2003 | 24,028 | 22,604 | 400.7 | 23.1 | 19.0 | 2,340 | 917.9 | 4.4 |
| % change | 5.3 | 3.2 | 1.2 | 6.5 | (5.0) | 14.1 | 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 | | | | | | | | |

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 |
|---|---|---------------------------------------|--|----------------------------|---------------------------------|--------------------------------------|---------------------------|---------------------------|
| 2006 | 93,582 † | 81,469 † | 1,288.6 | | 12,359.6 † | 36,989 † | 2,507 † | 4.1 |
| % change | 8.0 | 5.2 | 5.3 | | 6.1 | (1.2) | 3.8 | |
| 2005 | 86,650 | 77,442 | 1,224.2 | 46,190 | 11,649.0 | 37,438 | 2,415 | 4.1 |
| % change | 11.1 | 8.3 | 6.2 | 12.4 | 10.3 | (3.6) | 3.5 | |
| 2004 | 78,022 | 71,520 | 1,152.7 | 41,087 | 10,562.2 | 38,817 | 2,333 | 4.6 |
| % change | 9.0 | 6.2 | 5.9 | 16.0 | 9.7 | 17.5 | 4.1 | |
| 2003 | 71,606 | 67,363 | 1,088.3 | 35,426 | 9,625.3 | 33,033 | 2,242 | 5.3 |
| % change | 7.5 | 5.3 | 3.5 | 9.3 | 1.9 | 21.1 | 3.4 | |
| 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 |
|----------|---|---------------------------------------|--|----------------------------|--|--------------------------------------|---------------------------|---------------------------|
| 2006 | 56,240 † | 48,978 † | 831.3 | | 37.3 | 13,661 † | 1,957 † | 4.3 |
| % change | 5.5 | 2.8 | 2.7 | | 3.3 | 0.8 | 1.5 | |
| 2005 | 53,308 | 47,644 | 809.2 | 12,900 | 36.1 | 13,553 | 1,928 | 5.3 |
| % change | 7.0 | 4.3 | 2.4 | 4.8 | 0.3 | 15.4 | 1.3 | |
| 2004 | 49,828 | 45,675 | 790.4 | 12,312 | 36.0 | 11,743 | 1,903 | 5.7 |
| % change | 6.5 | 3.8 | 1.9 | 5.2 | (1.4) | (0.7) | 1.3 | |
| 2003 | 46,779 | 44,007 | 775.6 | 11,702 | 36.5 | 11,829 | 1,879 | 5.9 |
| % change | 4.0 | 1.9 | 1.2 | ** | (4.9) | 14.3 | 1.3 | |

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 N/A - not yet available

** Due to a change in the manner of calculation, it may not be appropriate to compare 2003 retail sales with previous years.

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 |
|----------|---|---------------------------------------|--|--|--------------------------------------|--------------------------------|---------------------------|---------------------------|
| 2006 | 124,136 † | 108,020 † | 1,711.1 | 210.0 | 24,028 † | | 3,692 † | 5.4 |
| % change | 6.2 | 3.4 | 3.2 | 2.7 | (3.6) | | 1.4 | |
| 2005 | 116,889 | 104,468 | 1,658.3 | 204.5 | 24,925 | 31,864 | 3,641 | 6.1 |
| % change | 6.5 | 3.8 | 3.1 | 2.4 | 16.6 | 13.8 | 1.4 | |
| 2004 | 109,757 | 100,610 | 1,607.9 | 199.8 | 21,372 | 28,000 | 3,591 | 7.3 |
| % change | 5.6 | 2.9 | 2.1 | 2.5 | 13.7 | 7.3 | 0.8 | |
| 2003 | 103,890 | 97,734 | 1,575.6 | 194.9 | 18,799 | 26,103 | 3,563 | 8.1 |
| % change | 2.0 | (0.1) | (0.7) | (3.3) | 4.6 | 15.8 | 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 |
|----------|---|---------------------------------------|--|----------------------------|--|--------------------------------------|---------------------------|---------------------------|
| 2006 | 791,793 † | 689,083 † | 9,976.3 | 371.2 † | 905.8 | 164,586 † | 23,294 † | 4.9 |
| % change | 6.7 | 3.9 | 2.5 | 6.8 | 0.8 | (0.6) | 1.9 | |
| 2005 | 742,074 | 663,218 | 9,735.0 | 347.6 | 898.6 | 165,579 | 22,860 | 5.3 |
| % change | 7.5 | 4.8 | 2.5 | 6.1 | 0.9 | 16.8 | 1.7 | |
| 2004 | 690,588 | 633,038 | 9,497.1 | 327.6 | 891.0 | 141,810 | 22,472 | 6.0 |
| % change | 6.1 | 3.4 | 1.4 | 6.4 | (1.0) | 6.6 | 1.7 | |
| 2003 | 650,875 | 612,305 | 9,370.0 | 307.9 | 900.0 | 133,077 | 22,099 | 6.7 |
| % change | 3.9 | 1.8 | (0.5) | 3.9 | (5.1) | 10.3 | 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 |
|----------|---|---------------------------------------|--|----------------------------|--|--------------------------------------|---------------------------|---------------------------|
| 2006 | 74,220 † | 64,598 † | 1,202.0 | 22,801 † | 120.7 | 25,089 † | 2,529 † | 3.2 |
| % change | 7.1 | 4.3 | 4.6 | 6.5 | 2.7 | 1.8 | 2.4 | |
| 2005 | 69,299 | 61,935 | 1,149.5 | 21,409 | 117.5 | 24,645 | 2,470 | 4.3 |
| % change | 7.6 | 4.9 | 4.1 | 5.2 | 2.6 | 23.9 | 2.0 | |
| 2004 | 64,399 | 59,032 | 1,104.3 | 20,351 | 114.5 | 19,899 | 2,421 | 5.0 |
| % change | 6.8 | 4.1 | 2.8 | 8.2 | 2.0 | 10.6 | 1.8 | |
| 2003 | 60,298 | 56,725 | 1,074.1 | 18,809 | 112.3 | 17,995 | 2,379 | 5.6 |
| % change | 3.7 | 1.6 | 0.1 | 2.1 | (1.4) | 16.8 | 1.8 | |

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

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 |
|----------|---|---------------------------------------|--|----------------------------|--|--------------------------------------|---------------------------|---------------------------|
| 2006 | 238,673 † | 207,739 † | 2,865.6 | 109,509 † | 283.5 | 36,508 † | 6,395 † | 4.9 |
| % change | 7.2 | 4.4 | 3.1 | 7.2 | 4.2 | (10.8) | 1.7 | |
| 2005 | 222,643 | 198,983 | 2,779.1 | 102,154 | 272.0 | 40,928 | 6,288 | 5.5 |
| % change | 2.4 | (0.2) | 2.9 | 9.3 | 3.2 | 11.2 | 1.3 | |
| 2004 | 217,503 | 199,378 | 2,701.0 | 93,441 | 263.6 | 36,815 | 6,207 | 6.3 |
| % change | 7.9 | 5.1 | 1.6 | 6.6 | (1.3) | 6.8 | 1.2 | |
| 2003 | 201,607 | 189,660 | 2,657.5 | 87,664 | 267.1 | 34,480 | 6,131 | 7.4 |
| % change | 2.1 | 0.1 | 0.1 | 2.7 | (6.3) | 4.2 | 1.1 | |

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

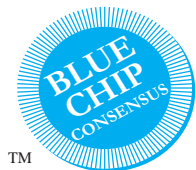
| | Current \$ Personal Income (millions) | Real Personal Income (millions) | Wage & Salary Employment (thousands) | Natural Resources & Mining Employ. (millions) | Manufacturing Employment (thousands) | Single-family Permits (number) | Population (thousands) | Unem- ployment Rate |
|----------|---|---------------------------------------|--|---|--|--------------------------------------|---------------------------|---------------------------|
| 2006 | 20,154 † | 17,544 † | 274 | 25.8 | 10.0 | 3,206 † | 514.9 † | 3.2 |
| % change | 7.6 | 4.8 | 4.2 | 13.5 | 3.1 | 1.5 | 1.1 | |
| 2005 | 18,731 | 16,740 | 263 | 22.7 | 9.7 | 3159 | 509.3 | 3.6 |
| % change | 8.0 | 5.3 | 3.0 | 12.4 | 3.2 | 12.3 | 0.7 | |
| 2004 | 17,341 | 15,896 | 255.4 | 20.2 | 9.4 | 2814 | 505.9 | 3.9 |
| % change | 7.0 | 4.3 | 2.2 | 10.4 | 1.1 | 24.2 | 0.8 | |
| 2003 | 16,202 | 15,242 | 250 | 18.3 | 9.3 | 2265 | 501.9 | 4.4 |
| % change | 4.8 | 2.7 | 0.8 | 2.2 | -2.1 | 24.3 | 0.6 | |

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

WESTERN BLUE CHIP ECONOMIC FORECAST

| | | | |
|---|---|---|--|
| The Adams Group Colorado Springs, Colorado Tucker Hart Adams | Eastern New Mexico University Portales, New Mexico David Hemley | New Mexico State University Las Cruces, New Mexico Chris Erickson | University of Arizona, Eller College Tucson, Arizona Marshall Vest |
| Arizona Dept. of Commerce Phoenix, Arizona Kent Ennis | ECON-LINC Phoenix, Arizona John Lucking | Northern Arizona University Flagstaff, Arizona Dennis Foster, Ronald Gunderson & Max Jerrell | University of Colorado Boulder, Colorado Richard Wobbekind |
| Arizona Department of Economic Security Phoenix, Arizona Donald J. Wehbey | EconLit LLC Phoenix, Arizona Dwight Duncan | Office of Economic Analysis State of Oregon Dae Baek | University of Houston Houston, Texas Barton Smith |
| Arizona Joint Legislative Budget Committee Phoenix, Arizona | Econoclast Dallas, Texas Michael Cosgrove | Office of the Forecast Council Olympia, Washington Chang Mook Sohn | University of Nevada at Las Vegas Las Vegas, Nevada Keith Schwer |
| Arizona Public Service Co. Phoenix, Arizona Pete Ewen | Economic Development Corp. of Los Angeles County Los Angeles, California Jack Kyser | Pacificorp Salt Lake City, Utah Reed Davis | University of Montana Missoula, Montana Paul Polzin |
| Arizona State University Tempe, Arizona Tracy Clark | Eggert Economic Enterprises, Inc. Sedona, Arizona Robert J. Eggert, Sr. | Perryman Group Waco, Texas M. Ray Perryman | University of Texas El Paso, Texas Tom Fullerton |
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