

BLUE CHIP ECONOMIC FORECAST

WESTERN

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SCHOOL of BUSINESS
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What Blue Chip Economists are Saying about the Western States

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Gasoline usage provides a gauge of economic growth

Economic growth in an area comes with a few certainties: more people, more houses and more cars. Population growth is a popular indicator, as is the number of building permits issued. The last of these areas of growth – cars – can be measured in a few ways, including motor vehicle registrations, driver license applications

and the amount of fuel being consumed.

This month's National Roundup (page 2) shows the percent change in motor gasoline consumption in 2005 compared to 2004, the latest data available from the Energy Information Administration (EIA). In areas where economic activity was bustling along, consumption of gaso-

line increased significantly. In Wyoming, for example, where the availability of natural resources such as coal and natural gas spurred economic growth, motor gasoline consumption rose by 13.8 percent. In Louisiana, where rebuilding after Hurricanes Katrina and Rita continued, consumption rose by 7.7 percent.

One can see whether the increase in consumption was due to increased activity or simply to high-consumption vehicles by looking at the Federal Highway Administration's estimates of highway vehicle miles traveled per capita (see page 8). The hypothesis is that a person who has to commute to work drives more highway miles than one who does not, and a person with money to spend will drive to stores. Counting devices located along the roadways are maintained by the states and the data collected from the devices are then sent into the national database for later release by the Bureau of Transportation Statistics. The states are responsible for adjusting for traffic volumes that may be misleading because of road closures and construction.

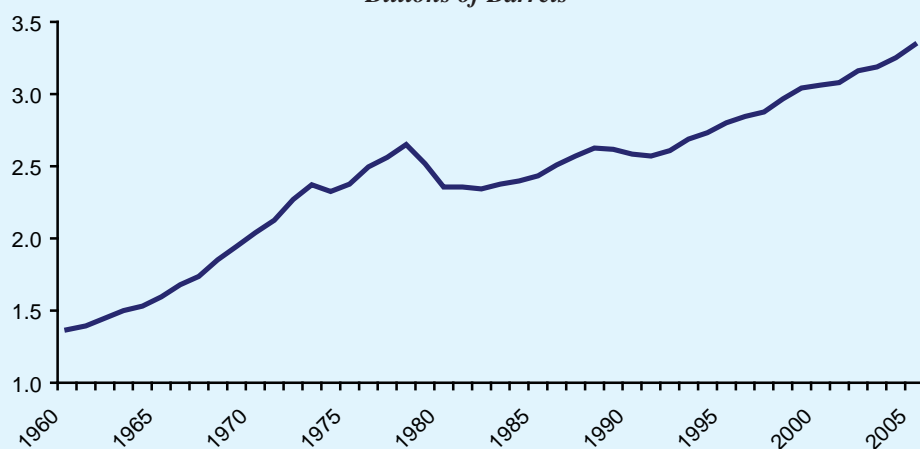
Along with increased motor gasoline consumption, Wyoming experienced a jump in highway vehicle miles traveled per capita of 8.6 percent in 2005 compared to 2000. Montana, another western state that has seen a recent spurt of growth, had an increase of 8.7 percent in the same period. Contrary to expectation, Nevada, which was in the midst of a housing boom that included a bubble in prices, saw highway vehicle miles traveled per capita fall between 2000 and 2005.

No matter what indicators are used to gauge the boom or bust of an area, jobs and productivity are the factors defining economic growth. The western states, according to the Western Blue Chip Economic Forecast panelists, should see increases in wage and salary employment levels for both 2007 and 2008 even at a time when parts of the rest of the nation appear to be economically weaker.

— Dawn McLaren

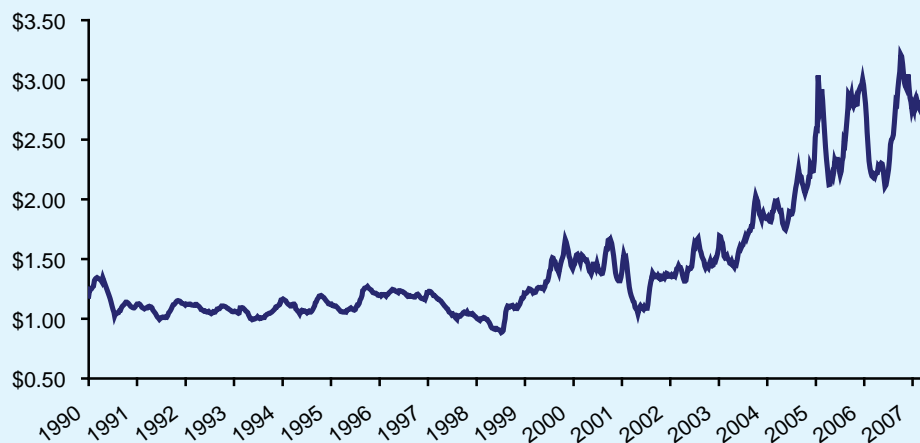
Motor Gasoline Consumption, United States

Billions of Barrels



Source: Energy Information Administration

U.S. Price of Gasoline Per Gallon



Source: Energy Information Administration

NATIONAL ROUNDUP

U.S. JOB GROWTH



% Change: August 2007 vs. August 2006

Nonfarm.....	1.1
Goods-Producing.....	-1.2
Construction and Mining.....	-0.8
Manufacturing.....	-1.4
Service-Providing.....	1.6
Transportation, Warehousing & Utilities.....	1.0
Trade.....	1.0
Information.....	0.8
Financial Activities.....	1.2
Professional & Business Services...	1.5
Educational & Health Services.....	3.3
Leisure & Hospitality.....	2.8
Government.....	0.5

Source: U.S. Bureau of Labor Statistics

U.S. REAL ESTATE



Residential Building Permits August 2007 vs. August 2006

	Total Residential	Single- family	Multi- family
2007	122,290	86,451	35,839
2006	158,815	119,611	39,204
% Δ	-23.0%	-27.7%	-8.6%

Source: U.S. Department of Commerce

U.S. FORECASTS



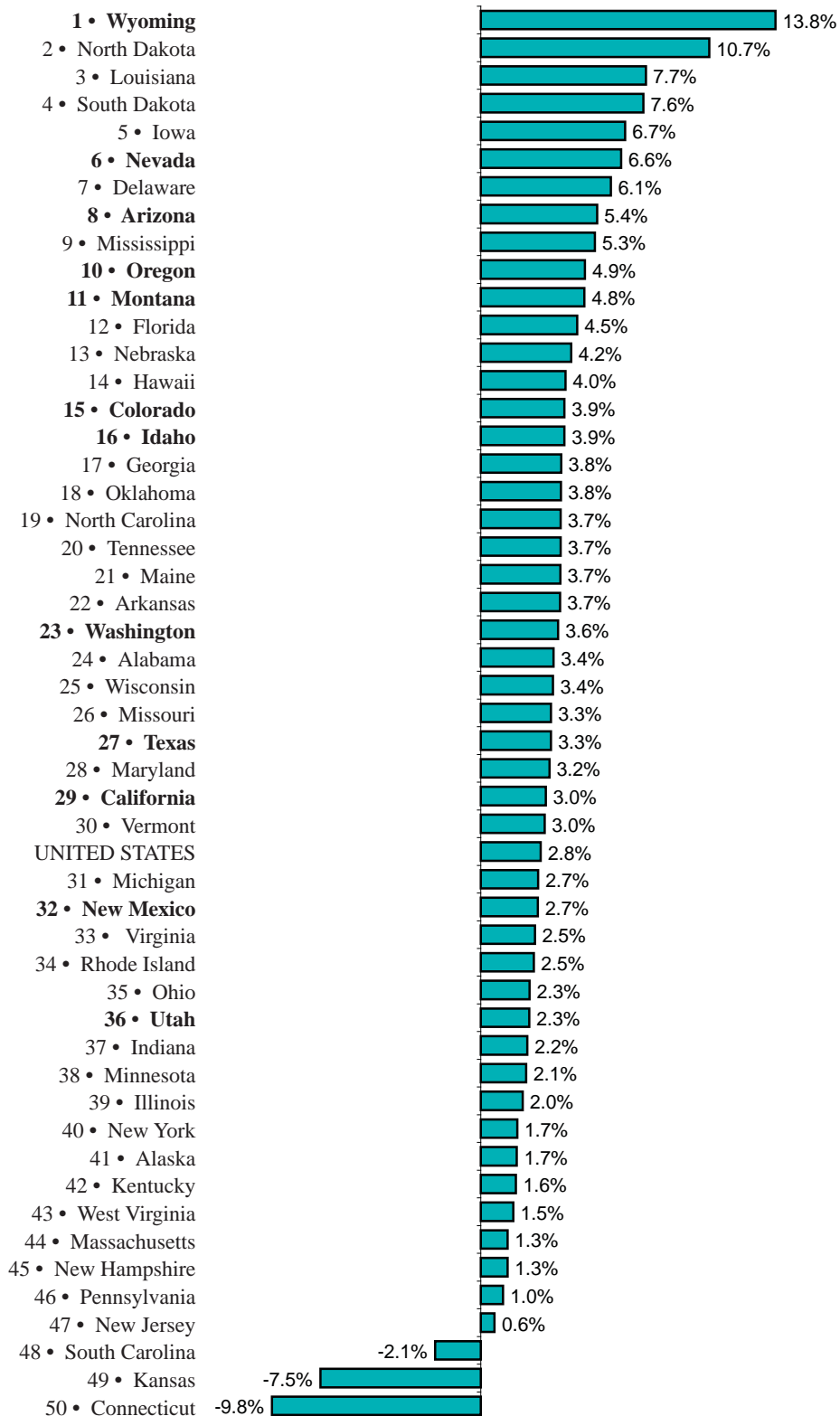
Percent Change

	2007	2008
Real GDP (Chain).....	2.0	2.0
CPI.....	2.6	1.9
GDP Deflator (Chain)...	2.6	1.8

Source: "U.S. Economic Outlook," *Global Insight*, September 2007

Motor Gasoline Consumption

Percent Change, 2005 over 2004, Thousands of Barrels



Source: Energy Information Administration

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	7.2	5.1	3.4	3.1	-15.8	7.0	5.0	3.1	3.0	-2.7
California	5.3 ↓	3.2 ↓	1.2 ↓	1.1 ↑	-18.2 ↑	5.1 ↓	3.1 ↓	1.2 ↓	1.1 ↑	0.7 ↓
Colorado	6.2	4.1	2.0 ↑	1.8	-11.0 ↑	6.0 ↑	4.0 ↑	1.8 ↑	1.8 ↑	-4.1
Idaho	7.2	5.1	3.0	2.2	-11.2	6.5	4.5	2.6	2.2	-2.7
Montana	6.8	4.7	2.6	1.0	-15.0	6.5	4.5	2.5	0.9	-5.0
Nevada	7.0 ↓	4.9 ↓	4.1 ↓	4.1	-16.3 ↓	6.7 ↓	4.7 ↓	4.1	3.9	12.9 ↓
New Mexico	5.6 ↓	3.5 ↓	1.8	1.6 ↑	-8.4 ↓	5.4 ↓	3.5 ↓	5.1 ↑	1.7 ↑	-1.3 ↓
Oregon	5.9 ↓	3.8 ↓	1.7 ↓	1.5	-7.1 ↓	5.5 ↓	3.5 ↓	1.6 ↓	1.4	0.2 ↓
Texas	6.6 ↑	4.6 ↑	2.1 ↓	1.7 ↑	-6.8 ↓	6.2 ↑	4.2 ↑	2.0 ↓	1.7 ↑	-2.9 ↑
Utah	7.6	5.5	3.9	2.6	-9.5	6.9	4.9	3.4	2.5	-1.5
Washington	6.8 ↑	4.7 ↑	2.5 ↑	1.8	-8.6 ↓	6.1	4.2	2.1 ↑	1.8	-2.2 ↓
Wyoming	7.9	5.8	3.4	1.2	1.3	7.2	5.2	3.0	1.1	1.5

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

Forecast notes from the Western region...

The prospect of \$90 to \$100 oil does not necessarily augur well for **Texas**. Though the state remains the largest domestic producer, output continues to decline even in the face of record high prices. What's more, because Texas is a net energy importer on a BTU basis, higher fuel costs will reduce profit margins in many of the state's energy-intensive industries while sapping discretionary income from Texas households.

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

The figures confirm that the Arizona housing party is over. Arizona analysts are now pondering whether they are observing the beginning of a prolonged period of sluggish home prices, or merely a one or two quarter dip in appreciation followed by more gains.

— **Lee McPheters**
Arizona State University
Tempe, Arizona

After trailing the national average during 2002, 2003, and 2004, December-December Seattle [**Washington**] core

inflation (excluding food and energy) edged ahead of the national average in 2005, rising 2.3 percent compared to 2.2 percent. Core inflation in Seattle shot well ahead of the national average in 2006, rising 3.7 percent compared to 2.6 percent for the U.S. city average. Strong regional inflation continued in early 2007.

— **Chang Mook Sohn**
Office of the Forecast Council
Olympia, Washington

Although single-family residential construction activity has declined in 2007, prices in that segment of the **Texas** real estate market continue to grow. The duplex and townhouse sector appears to be on the mend in most regions of the state. Large-scale apartment project construction in Texas has not only remained strong, it has accelerated in the year-to-date.

— **Tom Fullerton**
University of Texas at El Paso
El Paso, Texas

The prolonged housing bust has created a considerable drag on **Nevada's** economy. The overall rate of employment growth

has dropped below 2 percent and will likely remain there through 2008. Housing-related employment declines are spreading to other sectors of the economy, and robust resort construction on the Las Vegas Strip cannot fully compensate for the plummeting residential side. Personal income, taxable sales and gaming revenues are likely to decline in this environment.

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

The U.S. and **Nevada** economies continue adjusting to housing problems. Nationally, housing starts are off 30.8 percent September 2007 from the same month a year earlier. Reno shows a similar sharp drop with permitting down 40.1 percent. Las Vegas, on the other hand, shows a jump in permitting. This is an unsustainable increase as the abundant supply of unoccupied units will take some time to fill.

— **R. Keith Schwer**
University of Nevada at Las Vegas
Las Vegas, Nevada

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	5.1	3.3	2.9	-17.0	6.5	5.7	1.5	2.9	-8.0
Arizona Public Service	7.8	5.0	3.5	3.1	-15.0	7.9	6.0	4.0	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
Davidson Fixed Income Management	7.4	6.8	3.7			7.5	6.8	3.5		
Department of Economic Security	7.2	6.6	3.7	3.1		6.4	6.1	3.0	3.0	
ECON-LINC	7.5	6.6	3.4	3.0	-17.0	7.5	6.7	3.8	3.0	-5.0
EconLit LLC	7.3	6.5	3.6	2.9	-15.0	7.2	6.0	3.3	3.0	-5.0
Eggert Economic Enterprises Inc.	7.2	6.2	3.5	3.2	-11.4	6.9	5.9	3.6	3.2	-6.7
Elliott D. Pollack & Co.	7.2	5.0	3.5	3.2	-15.0	6.8	4.0	3.0	3.0	-10.0
Grand Canyon University	6.3	6.5	3.2	3.0	-15.0	6.9	6.0	3.8	3.2	0.0
H. C. Reardon Economics	6.9	5.8	3.0	3.0	-20.0	6.9	5.9	3.0	3.1	10.0
Joint Legislative Budget Committee	7.2	5.5	3.5	3.1	-15.0	7.0	5.5	3.4	3.0	0.0
The Maguire Company	7.3	5.8	3.6	3.3	-15.0	7.1	5.8	3.1	3.1	-5.0
NAU - BBER	7.3	5.8	3.5	2.7	-15.0	7.7	5.3	3.5	2.6	0.0
Salt River Project	7.0	6.0	3.5	3.3	-15.0	7.0	6.0	3.4	3.1	0.0
Stellar Capital Management	7.1	6.5	3.6	2.7	-25.0	7.5	6.6	3.7	2.7	4.0
UA - Eller College	7.7	5.5	3.2	3.6	-19.6	4.8	2.4	0.7	2.8	-9.1
Wells Fargo & Co.	6.9	5.9	3.2	2.8	-13.0	6.5	5.4	2.8	2.8	-9.0
Consensus Forecast — This Month	7.2	5.9	3.4	3.1	-15.8	7.0	5.6	3.1	3.0	-2.7
— Last Month	7.2	5.9	3.4	3.1	-15.8	7.0	5.6	3.1	3.0	-2.7

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	5.3	4.1	1.3	1.3	-9.6	5.5	3.9	1.5	1.3	10.4
California State University, Long Beach *	5.3	6.1	1.6	1.6	2.7	5.9	6.5	1.8	1.7	-0.5
Chapman University	5.1	4.3	1.1	1.0	-20.1	4.7	4.1	0.8	1.0	-3.5
L.A. County Economic Development Corp.	5.6	4.6	1.5	1.2	-29.9	5.8	5.2	1.7	1.2	-3.7
Legislative Analyst's Office	5.4	3.2	1.2	1.2	-2.1	5.5	4.5	1.7	1.2	14.4
UCLA - Business Forecasting Project	5.8	4.3	1.3	1.2	-32.6	4.7	4.4	0.6	1.1	-3.2
University of the Pacific	5.1	4.3	1.1	1.0	-20.1	4.7	4.1	0.8	1.0	-3.5
Wells Fargo Company	4.7	3.5	1.2	0.6	-13.0	4.6	3.4	1.0	0.8	-6.0
Consensus Forecast — This Month	5.3	4.0	1.2	1.1	-18.2	5.1	4.2	1.2	1.1	0.7
— Last Month	5.4	4.1	1.3	1.0	-19.1	5.2	4.3	1.2	1.1	1.8

*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.	6.1	7.6	1.5	2.0	-18.3	5.0	3.9	0.5	2.1	-5.0
Ctr. for Business and Econ. Forecasting	5.8	5.0	1.9	1.8	-20.0	5.2	3.6	1.4	1.8	-10.0
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	6.0	4.3	2.1	1.5	-5.0	6.2	4.5	2.2	1.8	-2.1
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	6.0	5.6	1.9	2.0	-3.0	6.2	5.2	2.2	1.9	-1.0
Wells Fargo & Co.	5.2	3.4	1.9	1.5	-9.0	4.9	3.2	1.7	1.4	-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	6.2	5.7	2.0	1.8	-11.0	6.0	4.9	1.8	1.8	-4.1
— Last Month	6.2	5.7	1.9	1.8	-11.2	6.0	5.1	1.8	1.7	-4.1

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	7.1		3.3	2.1	-10.0	6.7		2.8	2.1	-1.5
Wells Fargo UT	7.3	6.0	3.1	2.3	-20.0	6.8	5.8	2.9	2.3	-5.0
Consensus Forecast — This Month	7.2	6.0	3.0	2.2	-11.2	6.5	5.8	2.6	2.2	-2.7
— Last Month	7.2	6.0	3.0	2.2	-11.2	6.5	5.8	2.6	2.2	-2.7

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	6.8		3.0	1.0	-15.0	6.5		2.8	1.0	-5.0
Consensus Forecast — This Month	6.8		2.6	1.0	-15.0	6.5		2.5	0.9	-5.0
— Last Month	6.8		2.6	1.0	-15.0	6.5		2.5	0.9	-5.0

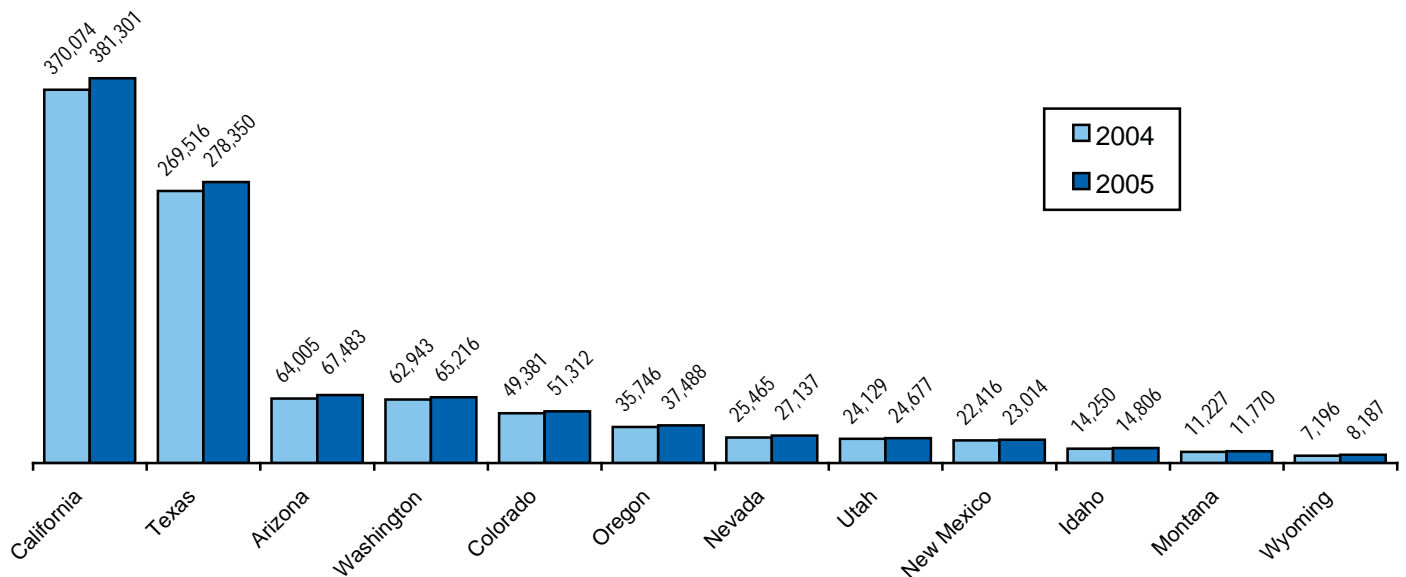
CONSENSUS FORECASTS

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.	6.3	3.7	3.7	4.0		6.0	3.5	3.5	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.	6.6	6.0	2.2	3.5	-19.7	6.2	5.6	1.8	3.0	-6.4
Consensus Forecast — This Month	7.0	4.9	4.1	4.1	-16.3	6.7	4.7	4.1	3.9	12.9
— Last Month	7.0	4.9	4.2	4.1	-15.8	6.7	4.7	4.1	3.9	13.2

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	5.5	1.1	2.0	1.5	0.0	5.5	1.2	19.0	1.7	0.0
New Mexico State	6.2	0.5	2.0	1.5		6.0	1.0	1.9	1.5	
Public Service New Mexico	5.1	0.3	1.5	1.5	-6.0	5.2	0.5	1.6	1.7	-1.2
University of New Mexico - BBER	5.9	0.7	1.7		-22.4	5.3	1.0	1.7		-1.1
Wells Fargo & Co.	5.2	1.0	1.6	1.8	-5.2	5.1	1.0	1.5	1.8	-2.7
Consensus Forecast — This Month	5.6	0.7	1.8	1.6	-8.4	5.4	0.9	5.1	1.7	-1.3
— Last Month	5.6	0.8	1.8	1.6	-7.5	5.4	1.0	1.7	1.7	-1.2

Motor Gasoline Consumption Thousands of 42-Gallon Barrels



Source: Energy Information Administration

CONSENSUS FORECASTS

WESTERN BLUE CHIP ECONOMIC FORECAST

OREGON

Source:	2007 Annual Percent Change, 2007 from 2006					2008 Annual Percent Change, 2008 from 2007				
	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	6.3	-2.5	1.3	1.7	-14.5	5.2	0.2	1.9	1.5	0.0
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	5.9	-2.1	1.3	1.5	-14.7	5.4	-0.4	1.3	1.4	-4.9
Portland General Electric	5.7	0.5	1.9	1.3	-5.0					
U.S. Bancorp	5.7	-2.5	1.7	1.5	-8.0	6.0	1.5	2.0	1.5	5.0
Wells Fargo & Co.	5.3	1.1	1.0	1.5	-4.8	5.1	1.0	0.7	1.5	-2.6
Consensus Forecast — This Month	5.9	-0.6	1.7	1.5	-7.1	5.5	0.8	1.6	1.4	0.2
— Last Month	5.9	-0.5	1.8	1.5	-6.8	5.5	0.8	1.7	1.4	0.3

TEXAS

Source:	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
Econoclast	6.4	5.4	2.0	1.6	-5.5	6.0	5.3	2.0	1.7	-2.5
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	6.2	5.0	2.0	1.6	-2.0	6.2	5.2	2.0	1.6	-1.8
Perryman Group	6.7	6.2	2.0	1.8	-7.8	6.7	6.0	2.0	1.7	-4.1
TX State Comptroller of Public Accounts	6.5	5.8	2.4	1.8	-15.1	6.4	5.4	2.2	1.9	-8.5
University of Houston - CPP	6.0	5.7	2.1	2.0	-8.1	6.0	5.6	2.0	1.7	-4.9
University of North Texas	6.4	5.8	2.0	1.6	1.0	6.0	5.4	1.8	1.6	-5.2
University of Texas at El Paso	7.4	7.2	2.0	1.9	-15.5	6.9	6.6	1.8	1.8	2.5
Wells Fargo & Co.	7.2	4.7	2.2	1.4	-5.3	5.8	4.5	1.9	1.4	-3.0
Consensus Forecast — This Month	6.6	5.6	2.1	1.7	-6.8	6.2	5.3	2.0	1.7	-2.9
— Last Month	6.6	5.5	2.2	1.7	-5.5	6.2	5.3	2.0	1.7	-3.0

UTAH

Source:	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
Pacificorp	6.2	4.1	2.9	2.2	-4.2	6.6	4.6	3.1	2.2	7.3
Utah State Tax Commission	7.6	7.5	3.9	2.6	-8.8	6.8	7.7	3.3	2.4	-10.4
Utah Department of Workforce Services	8.6	6.0	4.5	2.8	-6.0	7.2	5.2	3.2	2.7	2.1
Wells Fargo - UT	7.9	7.5	4.2	2.7	-19.0	7.1	7.0	3.8	2.7	-5.0
Consensus Forecast — This Month	7.6	6.3	3.9	2.6	-9.5	6.9	6.1	3.4	2.5	-1.5
— Last Month	7.6	6.3	3.9	2.6	-9.5	6.9	6.1	3.4	2.5	-1.5

WASHINGTON

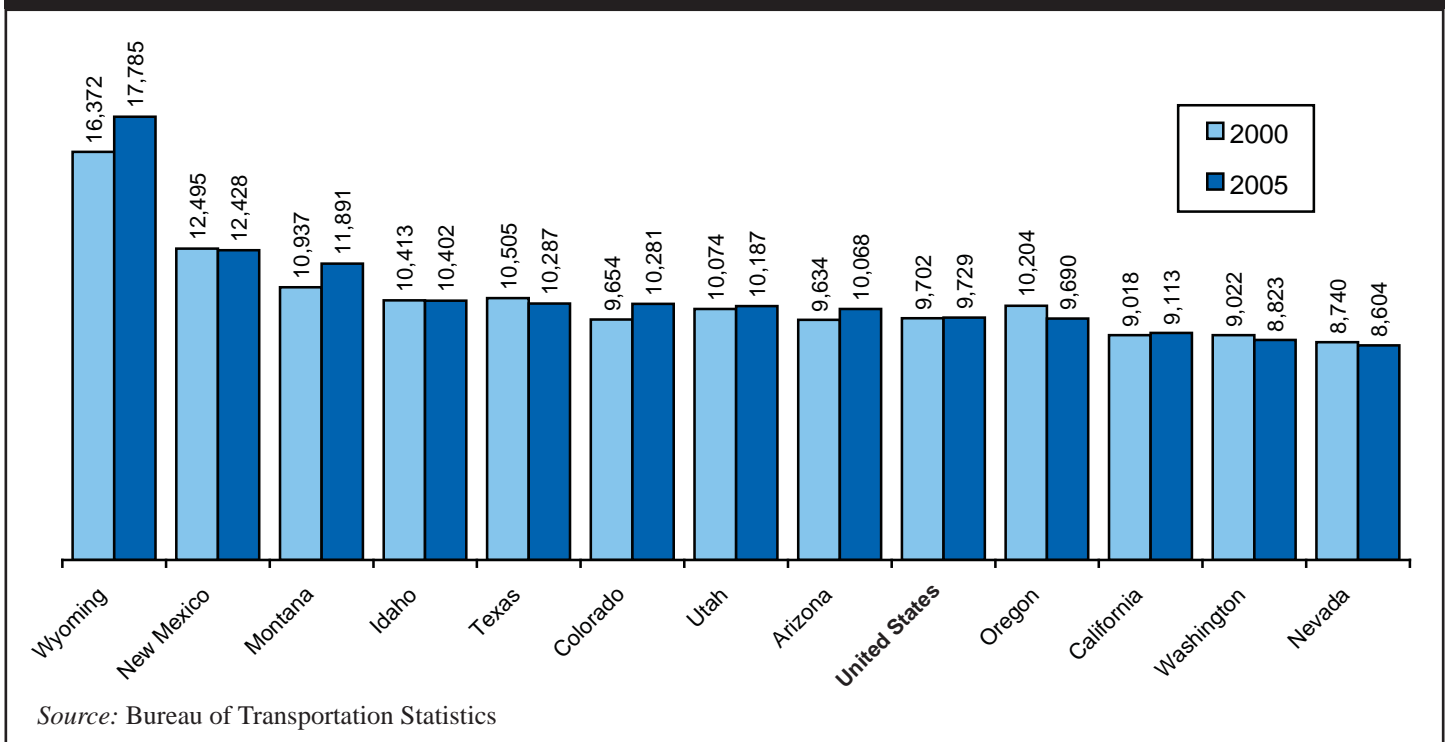
2007 Annual Percent Change, 2007 from 2006						2008 Annual Percent Change, 2008 from 2007				
Source:	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Conerly Consulting	6.2	6.3	2.1	1.8	-10.0	6.2	7.6	2.2	1.8	0.0
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	7.2	7.4	2.7	1.9	-12.5	6.3	5.6	2.1	1.8	-5.0
Office of the Forecast Council *	7.5	7.7	2.9	2.0	-10.0	6.3	4.5	2.1	2.0	-3.1
Wells Fargo & Co.	6.1	4.8	2.1	1.5	-7.3	5.6	4.7	1.9	1.5	-3.7
Consensus Forecast — This Month	6.8	6.6	2.5	1.8	-8.6	6.1	5.7	2.1	1.8	-2.2
— Last Month	6.8	6.6	2.4	1.8	-8.5	6.1	5.8	2.0	1.8	-2.0

* 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
WY Ctr. for Business and Econ. Analysis	7.9		3.0	1.1	6.0	7.0		2.9	1.0	2.5
WY Dept. of Admin. & Information	8.0	6.0	3.4	1.4	-2.0	7.2	4.0	2.8	1.2	-3.0
Wells Fargo UT	7.8		3.7	1.2	0.0	7.4		3.2	1.0	5.0
Consensus Forecast — This Month	7.9	6.0	3.4	1.2	1.3	7.2	4.0	3.0	1.1	1.5
— Last Month	7.9	6.0	3.4	1.2	1.3	7.2	4.0	3.0	1.1	1.5

Highway Vehicle Miles Traveled Per Capita



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	193,983	167,165	2,643.6	63,641	187.3	60,066	6,129	4.2
% change	8.5	5.5	5.4	7.9	2.7	-29.4	3.2	
2005	178,706	158,516	2,471.3	58,964	176.2	80,804	5,939	4.7
% change	8.8	5.6	4.1	13.2	0.2	0.0	3.4	
2004	164,222	150,076	2,373.5	52,098	175.8	80,778	5,744	5.0
% change	9.1	6.0	3.4	9.0	0.3	25.9	3.0	
2003	150,582	141,519	2,296.3	47,818	175.3	64,143	5,579	5.7
% change	4.5	2.3	1.4	5.3	-4.5	15.3	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	1,420,245	1,223,896	15,002.4	387,906 †	1,507.8	103,654	36,458	4.8
% change	6.4	3.3	1.5	5.3	-0.3	-31.4	0.6	
2005	1,335,386	1,184,515	14,785.2	368,382 †	1,512.7	151,022	36,254	5.4
% change	5.3	2.2	1.8	5.2	-1.3	0.2	1.2	
2004	1,268,049	1,158,819	14,530.4	350,173	1533.1	150,710	35,841	6.2
% change	6.8	3.9	1.0	9.4	-1.3	7.3	1.1	
2003	1,187,040	1,115,597	14,392.3	320,217	1,553.0	140,512	35,466	6.8
% change	3.4	1.3	-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	186,266	160,514	2,272.1	66,797 †	150.5	31,324	4,753	4.4
% change	6.5	3.5	2.1	5.4	-0.1	-22.6	1.9	
2005	174,919	155,157	2,225.5	63,375 †	150.6	40,477	4,663	5.0
% change	6.2	3.1	2.1	5.6	-0.8	6.1	1.4	
2004	164,673	150,488	2,179.6	60,014	151.8	38,164	4,599	5.6
% change	6.4	3.4	1.2	4.9	-1.4	14.2	1.2	
2003	154,829	145,511	2,152.8	57,192	153.9	33,428	4,546	6.1
% change	1.2	-1.0	-1.4	8.1	-6.0	-5.9	1.0	
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	43,924	37,851	640.6	20,334 †	64.2	15,627	1,466	3.4
% change	7.9	4.8	4.6	6.0	1.7	-19.7	2.6	
2005	40,706	36,107	612.6	19,183	63.1	19,464	1,429	3.8
% change	6.5	3.4	4.2	14.7	2.3	32.9	2.5	
2004	38,229	34,936	587.9	16,727	61.7	14,650	1,395	4.7
% change	9.8	6.8	2.8	4.2	-0.5	17.8	2.0	
2003	34,816	32,721	572.0	16,059	62.0	12,432	1,367	5.3
% change	2.9	0.7	0.7	2.1	-4.5	21.7	1.7	

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	28,989	24,981	433.4	29.9	19.9	3,636	944.6	3.5
% change	6.9	3.8	3.0	8.7	2.6	5.1	1.1	
2005	27,122	24,058	420.7	27.5	19.4	3458	934.7	4.0
% change	5.2	2.1	2.3	10.4	1.0	1.0	0.9	
2004	25,791	23,569	411.3	24.9	19.2	3425	926.3	4.3
% change	6.7	3.7	2.6	7.8	1.1	46.4	1.0	
2003	24,177	22,722	400.7	23.1	19.0	2340	917.2	4.4
% change	6.0	3.7	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	92,557	79,761	1,288.6	N/A	12,622.0	26,689	2,496	4.1
% change	7.3	4.3	5.3		8.4	-28.7	3.5	
2005	86,224	76,483	1,224.2	46,190	11,649.0	37,438	2,412	4.1
% change	8.7	5.5	6.2	12.4	10.3	-3.6	3.4	
2004	79,353	72,518	1,152.7	41,087	10,562.2	38,817	2,332	4.6
% change	11.5	8.4	5.9	16.0	9.7	17.5	4.1	
2003	71,183	66,899	1,088.3	35,426	9,625.3	33,033	2,241	5.3
% change	6.8	4.6	3.5	9.3	1.9	21.1	3.3	

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	57,998	49,980	831.3	N/A	37.3	12,268	1,955	4.3
% change	8.0	4.9	2.7		3.3	-9.5	1.5	
2005	53,714	47,646	809.2	12,900	36.1	13,553	1,926	5.3
% change	5.9	2.8	2.4	4.8	0.3	15.4	1.3	
2004	50,707	46,339	790.4	12,312	36.0	11,743	1,901	5.7
% change	8.7	5.7	1.9	5.2	-1.4	-0.7	1.2	
2003	46,650	43,843	775.6	11,702	36.5	11,829	1,878	5.9
% change	3.7	1.5	1.2	**	-4.9	14.3	1.2	

Basic data sources: Personal Income – U.S. Department of Commerce; Wage & Salary Employment – New Mexico Department of Labor; Retail Sales – New Mexico Department of Taxation & Revenue; Manufacturing Employment – New Mexico Department of Labor; Housing Permits – U.S. Bureau of the Census; Population – U.S. Bureau of the Census; Unemployment Rate – New Mexico Department of Labor. † Consensus †† Estimate 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	124,589	107,364	1711.1	210.0	20,486	26,800	3,701	5.4
% change	6.0	3.0	3.2	2.7	-17.8	-15.9	1.7	
2005	117,497	104,222	1,658.3	204.5	24,925	31,864	3,639	6.1
% change	5.5	2.4	3.1	2.4	16.6	13.8	1.4	
2004	111,325	101,735	1,607.9	199.8	21,372	28,000	3,589	7.3
% change	5.9	2.9	2.1	2.5	13.7	7.3	0.8	
2003	105,161	98,832	1,575.6	194.9	18,799	26,103	3,561	8.1
% change	3.2	1.1	-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	805,307	693,973	9,976.3	371.2 †	905.8	162,480	23,508	4.9
% change	8.2	5.1	2.5	6.8	0.8	-1.9	2.5	
2005	744,270	660,183	9,735.0	347.6 †	898.6	165,579	22,929	5.3
% change	7.8	4.6	2.5	6.1	0.9	16.8	1.8	
2004	690,480	631,002	9,497.1	327.6	891.0	141,810	22,518	6.0
% change	6.3	3.4	1.4	6.4	-1.0	6.6	1.7	
2003	649,419	610,333	9,370.0	307.9	900.0	133,077	22,134	6.7
% change	3.6	1.5	-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	74,229	63,966	1,202.0	22,801 †	120.7	23,126	2,550	3.2
% change	9.1	6.0	4.6	6.5	2.7	-6.2	2.4	
2005	68,039	60,352	1,149.5	21,409 †	117.5	24,645	2,490	4.3
% change	7.2	4.0	4.1	5.2	2.6	23.9	2.8	
2004	63,478	58,010	1,104.3	20,351	114.5	19,899	2,422	5.0
% change	6.8	3.9	2.8	8.2	2.0	10.6	2.8	
2003	59,412	55,836	1,074.1	18,809	112.3	17,995	2,356	5.6
% change	2.1	0.0	0.1	2.1	-1.4	16.8	1.3	

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	239,348	206,258	2,865.6	109,509 †	283.5	35,020	6,396	4.9
% change	7.2	4.2	3.1	7.2	4.2	-14.4	1.7	
2005	223,232	198,011	2,779.1	102,154 †	272.0	40,928	6,292	5.5
% change	2.9	-0.1	2.9	9.3	3.2	11.2	1.4	
2004	216,921	198,236	2,701.0	93,441	263.6	36,815	6,206	6.3
% change	6.9	3.9	1.6	6.6	-1.3	6.8	1.2	
2003	202,942	190,728	2,657.5	87,664	267.1	34,480	6,130	7.4
% change	2.8	0.6	0.1	2.7	-6.3	4.2	1.0	

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

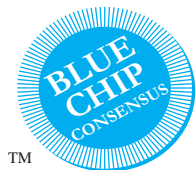
	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Natural Resources & Mining Employ. (millions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2006	20,948	18,052	274.0	26.6	10.0	2,698	515.0	3.2
% change	10.4	7.2	4.2	17.2	3.1	-14.6	1.2	
2005	18,981	16,836	263.0	22.7	9.7	3159	508.8	3.6
% change	7.1	4.0	3.0	12.4	3.2	12.3	0.6	
2004	17,723	16,196	255.4	20.2	9.4	2814	505.5	3.9
% change	7.9	5.0	2.2	10.4	1.1	24.2	0.8	
2003	16,420	15,432	250.0	18.3	9.3	2265	501.5	4.4
% change	6.2	4.0	0.8	2.2	-2.1	24.3	0.5	

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

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