

BLUE CHIP ECONOMIC FORECAST

WESTERN



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SCHOOL of BUSINESS
ARIZONA STATE UNIVERSITY

What Blue Chip Economists are Saying about the Western States

APRIL 2008 Volume 22, Number 3

The higher cost of eating: Oil spills over into food prices

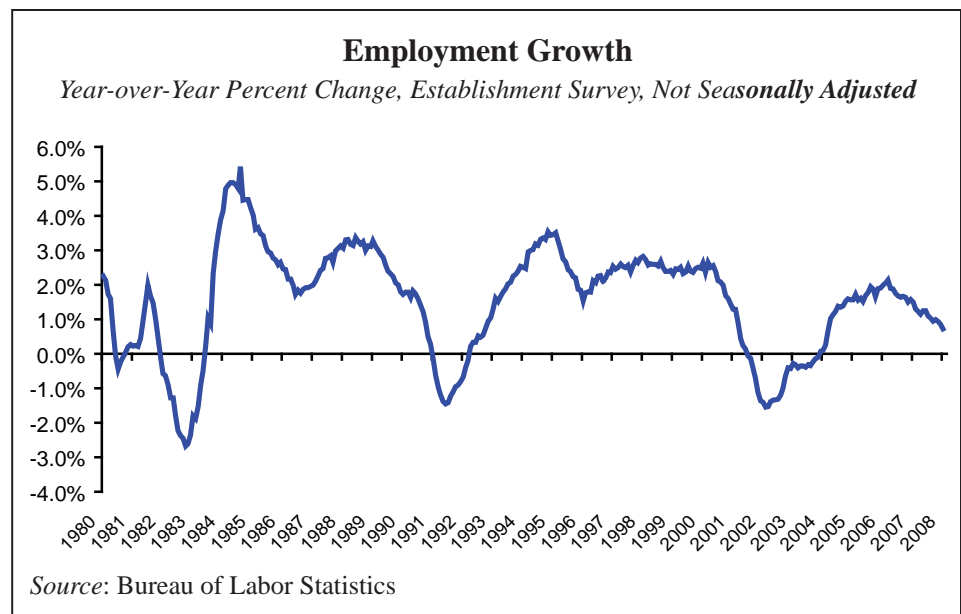
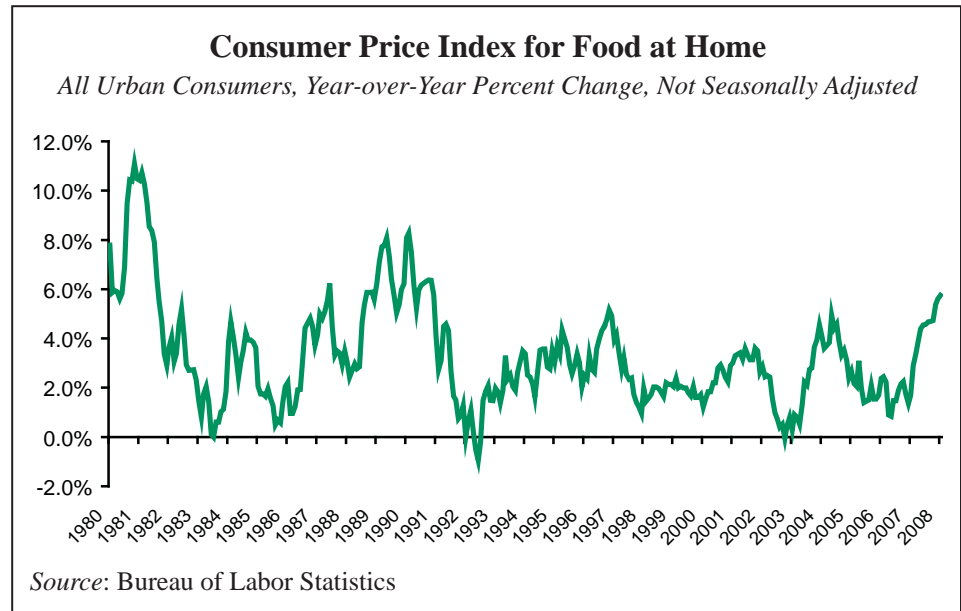
During the last economic downturn in 2001, the Western states were able to withstand much of the fallout. The Western states had affordable housing, pleasant weather and were attractive places for new residents. In some areas, growth begat growth and the housing boom, or rather a real estate price bubble, began.

This time, the picture isn't that rosy for some in the West. An exception to this can be made for Wyoming, which is prospering because of its energy resources. Unfortunately, just at a time when the economy has slowed, prices have not. It's not only the pain at the gas pump, but now food prices have joined the foray. The CPI for food at home rose by 5.9 percent in January 2008 compared to January 2007 for the Western states.

Some of the rise in food prices can be blamed on oil. Oil is an integral part of our food supply system, from the fuel for the tractors to the petroleum to make the plastic in which our food is delivered. Our effort to reduce our oil needs through ethanol is also partly to blame, along with poor crop conditions, especially for wheat.

The U.S. city average price for flour rose by 27.8 percent in February 2008 compared to February 2007. For the same period, the price of eggs rose by 24.2 percent. High prices at the commodity exchanges are likely to cause farmers to switch crops into wheat even if less yield is possible. The question remains as to what crops we will lose. Already we have seen crops switch away from wheat and into industrial corn. What crops will not be grown in favor of producing a little wheat during these times of high prices?

There are a few sources to track this information, the U.S. Department of Agriculture providing the most comprehensive data. This month's National Roundup features exports of agricultural



products. Unlike the export figures produced by the Census Bureau, the USDA's export data are adjusted for state-level agricultural production data. The data come close to being origin of production rather

than simply origin of movement. Soon, the USDA will release its five-year Census of Agriculture, which should provide further valuable insight.

— Dawn McLaren

NATIONAL ROUNDUP

U.S. JOB GROWTH



% Change: Feb. 2008 vs. Feb. 2007

Nonfarm	0.6
Goods-Producing	-2.3
Construction and Mining	-2.6
Manufacturing	-2.2
Service-Providing	1.2
Transportation, Warehousing & Utilities	0.1
Trade	0.3
Information	-0.7
Financial Activities	-1.4
Professional & Business Services	1.3
Educational & Health Services	2.9
Leisure & Hospitality	2.5
Government	1.1

Source: U.S. Bureau of Labor Statistics

U.S. REAL ESTATE



Residential Building Permits Feb. 2008 vs. Feb. 2007

	Total Residential	Single- family	Multi- family
2008	73,386	47,530	25,856
2007	109,891	78,382	31,509
% Δ	-33.2%	-39.4%	-17.9%

Source: U.S. Department of Commerce

U.S. FORECASTS



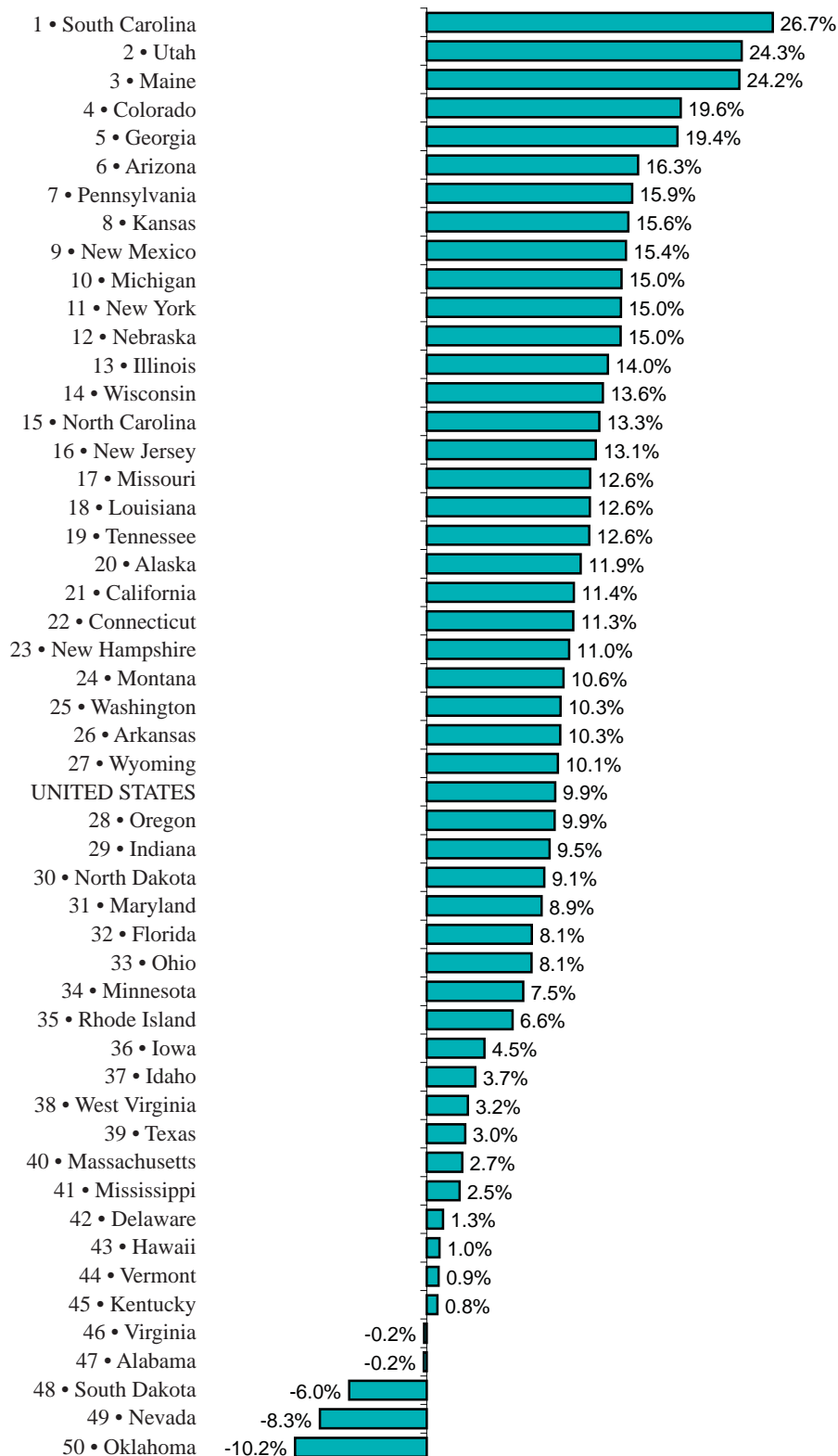
Percent Change

	2008	2009
Real GDP (Chain)	1.4	2.2
CPI	2.5	1.6
GDP Deflator (Chain)	2.2	1.8

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

State Agricultural Exports

Current Dollar Value Basis, Percent Change FY 2005-2006



Source: U.S. Department of Agriculture

SUMMARY

WESTERN BLUE CHIP ECONOMIC FORECAST

State:	2008 Annual Percent Change, 2008 from 2007					2009 Annual Percent Change, 2009 from 2008				
	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	5.4 ↓	3.6 ↓	1.1 ↓	2.7 ↓	-17.0 ↓	5.8 ↓	3.8 ↓	2.1 ↓	2.7 ↓	2.7 ↓
California	4.1 ↓	2.4 ↓	0.4 ↓	1.1	-22.3 ↓	4.9 ↓	3.0 ↓	1.0 ↓	1.1	7.7 ↓
Colorado	5.6 ↓	3.8 ↓	1.5 ↓	1.8 ↑	-9.9 ↓	5.8 ↓	3.8 ↓	1.8 ↓	1.8 ↓	4.1 ↓
Idaho	6.3	4.6	2.1 ↓	2.2 ↑	-12.2	6.3 ↓	4.3 ↓	2.3 ↓	2.2 ↑	0.0
Montana	6.5	4.7	2.5	0.9	-5.0	6.5	4.5	3.0	1.0	0.0
Nevada	5.4 ↓	3.6 ↓	2.7 ↓	3.7	-4.9 ↓	4.4 ↓	2.5 ↓	2.2 ↓	3.5	-5.4 ↓
New Mexico	4.9 ↓	3.1 ↓	1.3 ↓	1.6	-5.1 ↓	4.5 ↓	2.5 ↓	1.2 ↓	1.7	-1.1 ↑
Oregon	4.9 ↓	3.1 ↓	1.1 ↓	1.4	-12.3 ↓	5.3 ↓	3.3 ↓	1.5 ↓	1.4	2.8 ↑
Texas	6.1 ↑	4.3 ↑	1.8 ↓	1.7 ↓	-10.1 ↓	6.4	4.4 ↓	2.0 ↓	1.7 ↑	3.7 ↑
Utah	7.3	5.5	3.1	2.4	-15.9	7.1	5.1	2.8	2.4	1.8
Washington	5.8 ↓	4.0 ↓	1.6 ↓	1.6	-10.9 ↓	5.8 ↓	3.8 ↓	1.6 ↓	1.5 ↑	7.2 ↓
Wyoming	6.9	5.1	2.9 ↓	1.1 ↓	-4.2 ↓	6.9	4.9	2.8	1.0	2.8 ↑

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

Forecast notes from the Western region...

It now looks like the recession of 2008 is going to be deep and long--perhaps three quarters or more of a contracting GDP. And stagflation is also staging a comeback. Against the backdrop of a worsening national economy, the outlook for **Texas** has become less robust – at least in the short term. Gross state product is likely to grow a mere 1 to 2 percent over the next twelve months.

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

Economic softness has been significantly hurting **California** state government revenues. Between July 2007 and January 2008, projected tax revenues were revised down by \$9.3 billion through the 2008-09 fiscal year. In addition, although withholding receipts have recently been meeting their revised lower projections, sales tax collections in January and February were down another \$420 million from their estimates, in large part due to the housing downturn.

— **Dave Vasche**
California Legislative Analyst's Office
Sacramento, California

Employment projections these days are worrisome indeed! Economic crosscurrents and Fed action potency leave us

wondering. The past dependable economic inertia of Southern **Nevada** gives us hope! The market seems efficient in adjusting house prices and non-housing related sectors are riding Strip investment. The Reno area faces a more daunting task of emerging from the credit bust. Meanwhile, rural Nevada thrives on commodity prices!

— *Nevada Department of*
Employment, Training & Rehabilitation
Carson City, Nevada

Texas continues to perform well due to stable housing values, high commodity prices, and strong exports.

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

The employment revisions for 2006 and 2007 by the **California** Development Department contained no surprises overall, but at the metro area level there were some jolts. For example, the Riverside-San Bernardino area saw its '06-'07 increase revised down from 32,700 jobs to just 1,100 jobs. The news on the state's housing front remained grim, with both sales and prices down sharply over the year. Expect no change in trend for the next few months. Amidst all the gloom, there were some bits of positive news.

Tourism continued to turn in a solid performance thanks to international visitors. Technology is also holding up.

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

We clearly see the onset of economic declines, even if not yet a clear recession. From the February 2008 jobs report, one sees a one-month sharp drop of 63 thousand jobs, a reason for concern about the weakness of the U.S. economy. Sustained job declines surely will also reduce future spending and income. Job growth in **Nevada** is also flat; Clark and Washoe Counties saw little job-level change for January. One sees reason for concern and reason for the Fed to take further action. And, after the dust settles, it may later be determined that the recession began in early 2008.

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

Texas continues to exhibit strength despite the national difficulties and a slowdown in housing.

— **M. Ray Perryman**
Perryman Group
Waco, Texas

CONSENSUS FORECASTS

WESTERN BLUE CHIP ECONOMIC FORECAST

Methodology

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

from an individual forecaster.

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

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

ARIZONA										
2008 Annual Percent Change, 2008 from 2007						2009 Annual Percent Change, 2009 from 2008				
Source:	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Arizona Department of Commerce	4.6	1.4	0.3	2.6	-20.0	5.0	3.6	1.4	2.7	4.0
Arizona Public Service	6.2	5.5	2.3	2.6	-20.0	7.1	6.5	3.7	3.2	4.0
ASU - Economic Outlook Center	4.5	1.2	1.5	2.7	-18.0	4.7	2.5	2.5	2.5	0.0
Davidson Fixed Income Management	6.1	4.7	2.2			7.9	6.6	3.9		
ECON-LINC	5.6	2.1	1.8	2.5	-20.0	6.4	4.6	2.2	2.4	-5.0
EconLit LLC	5.9	2.2	1.5	2.8	-20.0	6.0	3.0	1.8	2.8	5.0
Elliott D. Pollack & Co.	5.0	-1.0	-2.0	2.0	-25.0	5.5	2.5	1.0	2.5	0.0
Grand Canyon University	5.6	4.0	1.2	3.0	0.0	3.9	1.3	0.7	2.8	5.0
H. C. Reardon Economics	4.5	1.0	0.0	2.8	-20.0	4.8	3.0	2.0	2.8	0.0
Joint Legislative Budget Committee	5.5	2.5	1.3	2.8	-12.0	5.7	3.5	2.5	2.8	0.0
The Maguire Company	6.4	5.0	2.2	3.0	-15.0	6.2	5.4	2.8	3.0	-5.0
NAU - BBER	5.7	0.8	2.0	2.4	-10.0	7.5	2.2	3.0	2.1	2.3
Salt River Project	5.2	2.2	0.8	2.7	-22.0	5.9	4.3	2.2	2.5	10.0
Stellar Capital Management	6.1	4.5	2.2	2.5	-18.0	7.2	6.5	3.5	2.7	10.0
UA - Eller College	3.4	0.7	-0.4	2.7	-22.5	3.5	3.0	0.0	2.2	19.3
Wells Fargo & Co.	5.9	4.5	0.2	2.8	-13.0	5.7	4.4	0.7	2.8	-9.0
Consensus Forecast — This Month	5.4	2.6	1.1	2.7	-17.0	5.8	3.9	2.1	2.7	2.7
— Last Month	6.0	4.0	2.2	2.7	-12.7	6.3	4.7	2.7	2.7	3.1

CALIFORNIA										
2008 Annual Percent Change, 2008 from 2007						2009 Annual Percent Change, 2009 from 2008				
Source:	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Anonymous	4.8	3.4	0.7	1.2	-21.3	5.2	4.6	1.0	1.2	21.0
California State University, Long Beach *	5.9	6.5	1.8	1.7	-0.5					
Chapman University	2.5	1.9	-0.5	1.1	-14.9	4.5	4.3	1.2	1.1	3.5
L.A. County Economic Development Corp.	4.9	-1.6	0.7	1.1	-26.0	5.2	1.5	1.0	1.1	3.0
Legislative Analyst's Office	4.7	3.6	0.6	1.1	-18.2	5.1	3.8	0.9	1.1	5.6
UCLA - Business Forecasting Project	3.0	2.2	-0.1	1.1	-41.6	4.1	3.5	0.7	1.1	5.3
University of the Pacific	5.3	1.1	0.9	0.8	-10.1	5.4	3.5	1.4	0.8	20.2
Wells Fargo Company	3.7	2.7	0.2	1.0	-24.0	5.0	2.9	1.0	1.0	-5.0
Consensus Forecast — This Month	4.1	1.9	0.4	1.1	-22.3	4.9	3.4	1.0	1.1	7.7
— Last Month	4.3	2.2	0.5	1.1	-17.0	5.1	3.6	1.1	1.1	9.8

*This forecast is for Southern California only

CONSENSUS FORECASTS

WESTERN BLUE CHIP ECONOMIC FORECAST

COLORADO										
2008 Annual Percent Change, 2008 from 2007						2009 Annual Percent Change, 2009 from 2008				
Source:	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
The Adams Group, Inc.	5.0	3.9	0.5	2.1	-5.0					
Ctr. for Business and Econ. Forecasting	5.2	3.8	1.1	1.9	-20.0	5.5	5.3	1.7	1.9	10.0
Colorado Legislative Council	5.3	3.6	1.4	2.0	-3.2	6.0	4.4	1.8	2.0	10.5
David Hemley	6.3	5.5	2.1	1.7	-10.0	6.2	5.4	2.0	1.9	0.0
Office of State Planning and Budgeting	6.1	5.9	2.1	1.7	-0.1					
University of Colorado	6.0	3.9	1.8	2.0	-5.0	6.2	4.2	2.1	2.0	0.0
Wells Fargo & Co.	4.7	2.6	1.5	1.4	-18.2	4.3	2.5	1.2	1.3	-6.2
Xcel Energy	6.1	6.8	1.4	1.8	-18.0	6.6	5.8	1.9	1.7	10.0
Consensus Forecast — This Month	5.6	4.5	1.5	1.8	-9.9	5.8	4.6	1.8	1.8	4.1
— Last Month	5.6	4.3	1.6	1.8	-8.5	5.9	4.7	1.9	1.8	4.4

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

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

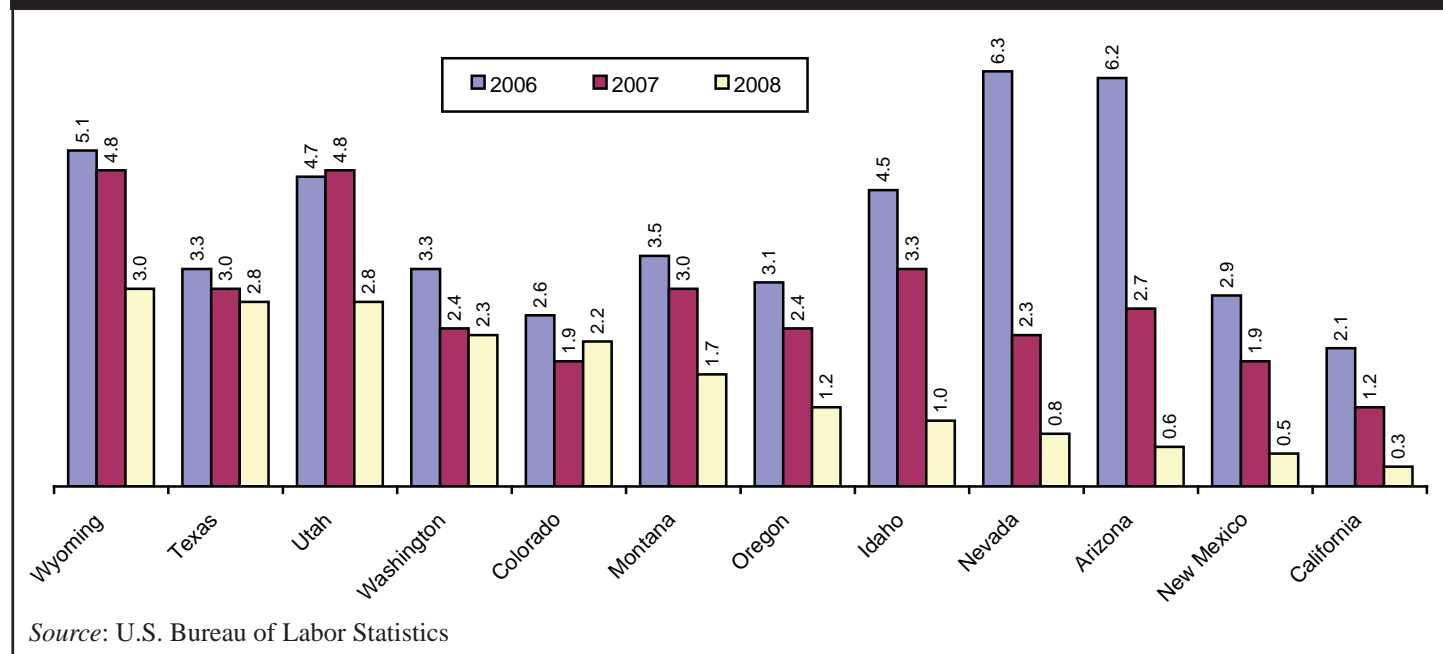
CONSENSUS FORECASTS

WESTERN BLUE CHIP ECONOMIC FORECAST

NEVADA										
2008 Annual Percent Change, 2008 from 2007						2009 Annual Percent Change, 2009 from 2008				
Source:	Current \$ Personal Income	Gross Gaming Revenues	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Gross Gaming Revenues	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Dept. of Empl., Training, and Rehab.	3.1	1.8	1.8	3.5		5.4	3.2	3.2	4.0	
Restrepo Consulting Group, LLC	5.0	3.0	2.0	3.5	-7.0	3.0	4.0	3.0	3.5	1.0
Southwest Gas	8.0	5.3	4.8	3.9	2.0					
Univ. of Nevada at Las Vegas - CBER	6.1	4.3	5.4	4.6						
Wells Fargo & Co.	4.8	5.0	-0.6	3.0	-9.6	4.9	4.7	0.3	2.9	-11.7
Consensus Forecast — This Month	5.4	3.9	2.7	3.7	-4.9	4.4	4.0	2.2	3.5	-5.4
— Last Month	5.6	3.9	2.7	3.7	-4.7	4.7	4.0	2.2	3.5	-5.2

NEW MEXICO										
2008 Annual Percent Change, 2008 from 2007						2009 Annual Percent Change, 2009 from 2008				
Source:	Current \$ Personal Income	Mfg. Employ- ment	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Mfg. Employ- ment	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Eastern New Mexico University	5.6	1.0	1.7	1.6	-1.5	5.4	1.0	1.7	1.8	0.0
New Mexico State	6.0	1.0	1.9	1.5						
Public Service New Mexico	3.0	0.1	1.0	1.4	-10.0	3.2	0.2	1.2	1.5	-1.5
University of New Mexico - BBER	5.2	0.6	1.6		-3.4	4.8	-0.4	1.6		3.8
Wells Fargo & Co.	4.6	0.3	0.5	1.8	-5.4	4.4	0.4	0.4	1.7	-6.6
Consensus Forecast — This Month	4.9	0.6	1.3	1.6	-5.1	4.5	0.3	1.2	1.7	-1.1
— Last Month	5.2	0.7	1.5	1.6	-5.0	4.8	0.4	1.4	1.7	-1.2

Nonfarm Employment Growth January over January Percent Change, Not Seasonally Adjusted



CONSENSUS FORECASTS

WESTERN BLUE CHIP ECONOMIC FORECAST

OREGON

Source:	2008 Annual Percent Change, 2008 from 2007					2009 Annual Percent Change, 2009 from 2008				
	Current \$ Personal Income	Mfg. Employ- ment	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Mfg. Employ- ment	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Conerly Consulting	5.1	-1.1	0.8	1.3	-13.8	5.7	0.8	1.7	1.5	4.4
Forefront Economics	5.7	1.5	2.1	1.3	-3.0	5.3	1.2	1.8	1.3	3.0
Oregon Executive Department	5.4	0.7	1.0	1.4	-24.5	5.6	0.2	1.7	1.4	10.4
Portland General Electric	3.4	-1.5	0.4	1.4	-15.0	5.0	0.5	1.0	1.4	5.0
Wells Fargo & Co.	4.7	0.6	1.0	1.5	-5.4	4.7	0.6	1.1	1.4	-8.8
Consensus Forecast — This Month	4.9	0.0	1.1	1.4	-12.3	5.3	0.7	1.5	1.4	2.8
— Last Month	4.9	0.3	1.1	1.4	-11.9	5.3	0.7	1.5	1.4	2.7

TEXAS

Source:	2008 Annual Percent Change, 2008 from 2007					2009 Annual Percent Change, 2009 from 2008				
	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Econoclast	5.9	5.2	1.9	1.7	-7.5	6.3	5.8	2.1	1.7	1.5
Federal Reserve Bank of Dallas	7.5	6.4	2.5	1.9	-10.0	7.3	6.5	2.8	1.9	4.5
David Hemley	6.4	5.9	2.1	1.7	-5.9	6.4	5.8	2.2	1.8	0.0
Perryman Group	6.4	5.9	1.5	1.7	-8.6	6.7	6.1	1.8	1.8	-5.8
TX State Comptroller of Public Accounts	5.8	5.7	2.0	1.6	-16.7	5.7	4.9	1.9	1.5	19.7
University of Houston - CPP	4.9	4.1	1.5	1.5	-18.1	5.9	5.2	1.9	1.9	4.4
University of North Texas	5.5	5.5	1.3	1.7	-20.0	6.0	6.0	1.9	1.8	9.0
University of Texas at El Paso	6.8	6.4	1.5	1.7	0.5	7.2	7.3	1.8	1.8	2.8
Wells Fargo & Co.	5.3	4.3	1.9	1.4	-5.0	5.9	4.5	1.9	1.3	-2.6
Consensus Forecast — This Month	6.1	5.5	1.8	1.7	-10.1	6.4	5.8	2.0	1.7	3.7
— Last Month	6.0	5.5	1.8	1.7	-9.3	6.4	5.8	2.1	1.7	3.7

UTAH

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

WASHINGTON

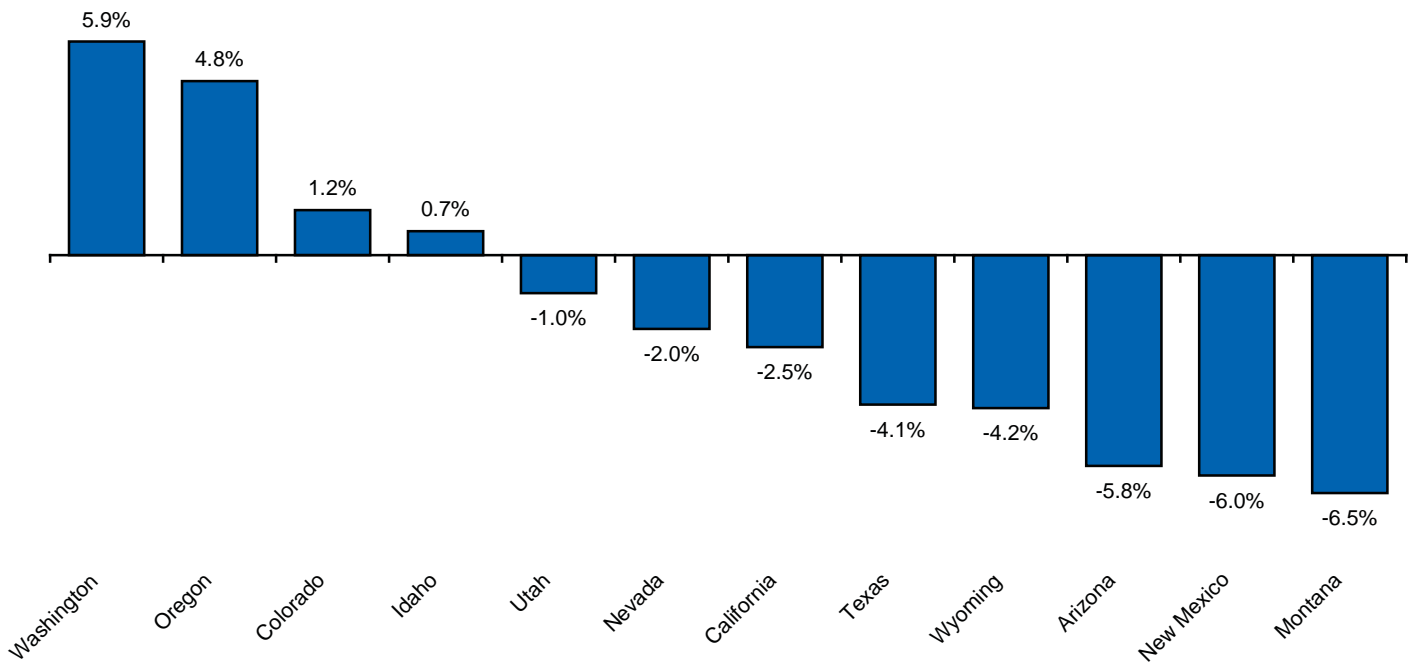
2008 Annual Percent Change, 2008 from 2007						2009 Annual Percent Change, 2009 from 2008				
Source:	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Conerly Consulting	7.2	6.8	2.1	1.8	-10.6	7.6	7.7	2.6	1.8	6.0
Dick Conway & Associates	5.8	5.0	1.5	1.4	-2.1	5.7	5.5	1.4	1.2	10.1
Doug Pedersen & Associates	5.5	4.5	1.4	1.7	-10.5	5.3	4.5	1.3	1.6	2.5
Office of the Forecast Council *	5.3	2.4	1.2	1.7	-16.2	5.4	3.7	1.4	1.6	23.3
Wells Fargo & Co.	5.2	4.1	1.6	1.5	-15.3	5.1	4.0	1.4	1.5	-5.7
Consensus Forecast — This Month	5.8	4.6	1.6	1.6	-10.9	5.8	5.1	1.6	1.5	7.2
— Last Month	5.9	4.7	1.7	1.6	-10.3	5.9	5.2	1.7	1.5	7.7

* Population forecast is from the Office of Financial Management.

WYOMING

2008 Annual Percent Change, 2008 from 2007						2009 Annual Percent Change, 2009 from 2008				
Source:	Current \$ Personal Income	Mining Empl.	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Mining Empl.	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
WY Ctr. for Business and Econ. Analysis	6.1		2.9	1.0	-2.5	6.8		2.9	1.0	1.5
WY Dept. of Admin. & Information	7.0		2.6	1.2	-10.0	6.5		2.4	1.1	2.0
Wells Fargo UT	7.5		3.2	1.0	0.0	7.5		3.2	1.0	5.0
Consensus Forecast — This Month	6.9		2.9	1.1	-4.2	6.9		2.8	1.0	2.8
— Last Month	6.9	6.0	3.0	1.1	-1.8	6.9	5.0	2.8	1.0	1.5

Agricultural Sector Output Percent Change 2006 over 2005, Current Dollar Basis



Source: U.S. Department of Agriculture

HISTORICAL DATA

WESTERN BLUE CHIP ECONOMIC FORECAST

ARIZONA

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

CALIFORNIA

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (millions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2007	1,494,098 †	1,249,269 †	15,163.2	403,422 †	1,498.4	65,528	36,553	5.3
% change	5.2	2.5	0.7	4.0	-0.4	-36.8	0.8	
2006	1,420,245	1,218,394	15,060.3	387,906 ††	1,504.5	103,654	36,250	4.9
% change	6.4	3.1	1.7	5.3	-0.7	-31.4	0.7	
2005	1,335,386	1,181,758	14,801.3	368,382 ††	1,514.4	151,022	35,990	5.4
% change	5.3	2.0	1.8	5.2	-1.2	0.2	0.8	
2004	1,268,049	1,158,438	14,532.6	350,173	1533.1	150,710	35,722	6.2
% change	6.8	3.8	1.0	9.4	-1.4	7.3	1.0	
Basic data sources: Personal Income – U.S. Department of Commerce; Wage & Salary Employment – Bureau of Labor Statistics; Taxable Sales – California Board of Equalization; Manufacturing Employment – Bureau of Labor Statistics; Housing Permits – Construction Industry Research Board; Population – California Department of Finance; Unemployment Rate – California Department of Finance. † Consensus †† Estimate								

COLORADO

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (millions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2007	197,814 †	165,400 †	2,330.2	70,604 †	145.8 ††	21,087	4,862	3.8
% change	6.2	3.5	2.2	5.7	-2.3	-32.7	1.8	
2006	186,266	159,793	2,279.1	66,797	149.3 ††	31,324	4,766	4.3
% change	6.5	3.2	2.4	5.4	-0.7	-22.6	2.0	
2005	174,919	154,796	2,226.0	63,375	150.4	40,477	4,674	5.1
% change	6.2	2.9	2.1	5.6	-0.9	6.1	1.4	
2004	164,673	150,439	2,179.6	60,014	151.8	38,164	4,609	5.6
% change	6.4	3.4	1.2	4.9	-1.4	14.2	1.2	
Basic data sources: Personal Income – U.S. Department of Commerce; Wage & Salary Employment – Colorado Department of Labor and Employment; Retail Trade Sales – Colorado Department of Revenue; Manufacturing Employment – Colorado Department of Labor and Employment; Housing Permits – U.S. Bureau of the Census; Population – U.S. Bureau of the Census; Unemployment Rate – Colorado Department of Labor and Employment. † Consensus †† Estimate								

HISTORICAL DATA

WESTERN BLUE CHIP ECONOMIC FORECAST

IDAHO

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (millions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2007	47,087 †	39,371 †	655.6	21,554 †	65.1	10,398	1,499	2.6
% change	7.2	4.5	2.7	6.0	-1.5	-33.5	2.4	
2006	43,924	37,681	638.4	20,334 ††	66.1	15,627	1,464	3.4
% change	7.9	4.6	4.4	6.0	3.9	-19.7	2.7	
2005	40,706	36,023	611.3	19,183	63.6	19,464	1,426	4.0
% change	6.5	3.1	4.0	14.7	2.3	32.9	2.5	
2004	38,229	34,925	587.9	16,727	62.2	14,650	1,392	4.7
% change	9.8	6.7	2.8	4.2	-0.3	17.8	2.0	
Basic data sources: Personal Income – U.S. Department of Commerce; Wage & Salary Employment – Idaho Department of Employment; Retail Sales – Idaho State Tax Commission; Manufacturing Employment – Idaho Department of Employment; Housing Permits – First Security Bank; Population – U.S. Bureau of the Census; Unemployment Rate – Idaho Department of Employment. † Consensus †† Estimate								

MONTANA

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Construction Employment (thousands)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2007	29,008 †	24,254 †	443.0	32.8	20.7	3,496	957.9	2.7
% change	6.6	-2.5	2.4	8.7	2.5	-3.9	1.2	
2006	28,989	24,869	432.5	30.2	20.2	3,636	946.8	3.2
% change	6.9	3.6	2.8	9.4	3.1	5.1	1.2	
2005	27,122	24,002	420.9	27.6	19.6	3,458	935.8	3.9
% change	5.2	1.9	2.3	10.8	2.1	1.0	1.0	
2004	25,791	23,561	411.3	24.9	19.2	3,425	926.7	4.2
% change	6.7	3.7	2.6	7.8	1.1	46.4	1.0	
Basic data sources: Personal Income – U.S. Bureau of Economic Analysis; Employment – Bureau of Labor Statistics; Housing Permits – U.S. Bureau of the Census; Population – U.S. Bureau of the Census; Unemployment Rate – Bureau of Labor Statistics. † Consensus †† Estimate								

NEVADA

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (millions)	Gaming Revenue (millions)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2007	98,388 †	82,266 †	1,291.9	N/A	12,849.1	16,422	2,565	4.8
% change	6.3	3.6	1.0		1.8	-38.5	2.9	
2006	92,557	79,402	1,279.6	N/A	12,622.0	26,689	2,492	4.2
% change	7.3	4.1	4.6		8.4	-28.7	3.5	
2005	86,224	76,305	1,223.0	46,190	11,649.0	37,438	2,409	4.2
% change	8.7	5.3	6.1	12.4	10.3	-3.6	3.4	
2004	79,353	72,494	1,152.7	41,087	10,562.2	38,817	2,330	4.5
% change	11.5	8.4	5.9	16.0	9.7	17.5	4.1	
Basic data sources: Personal Income – U.S. Department of Commerce; Wage & Salary Employment – Nevada Department of Employment, Training and Rehabilitation; Retail Sales – Nevada Department of Taxation; Gross Gaming Revenue – Nevada State Gaming Control Board; Housing Permits – U.S. Bureau of the Census; Population – U.S. Bureau of the Census; Unemployment Rate – Nevada Department of Employment, Training and Rehabilitation. † Consensus †† Estimate N/A - not yet available								

HISTORICAL DATA

WESTERN BLUE CHIP ECONOMIC FORECAST

NEW MEXICO

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (millions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2007	61,188 †	51,162 †	843.2	12,553	37.4	8,247	1,970	3.5
% change	5.5	2.8	1.3	-10.3	-0.8	-32.8	1.4	
2006	57,998	49,755	832.2	13,999	37.7	12,268	1,942	4.2
% change	8.0	4.7	2.9	8.5	4.4	-9.5	1.4	
2005	53,714	47,535	808.7	12,900	36.1	13,553	1,916	5.3
% change	5.9	2.6	2.3	4.8	0.3	15.4	1.3	
2004	50,707	46,324	790.4	12,312	36.0	11,743	1,892	5.8
% change	8.7	5.7	1.9	5.2	-1.4	-0.7	1.2	

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

OREGON

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Manufacturing Employment (thousands)	Single-family Permits (number)	Housing Permits (number)	Population (thousands)	Unem- ployment Rate
2007	131,939 †	110,319 †	1731.6	202.4	16,101	21,773	3,747	5.3
% change	5.9	3.2	1.6	-2.1	-21.4	-18.8	1.5	
2006	124,589	106,882	1703.5	206.8	20,486	26,800	3,691	5.4
% change	6.0	2.8	3.0	1.4	-17.8	-15.9	1.7	
2005	117,497	103,980	1,654.5	203.9	24,925	31,864	3,630	6.2
% change	5.5	2.2	3.0	2.1	16.6	13.8	1.3	
2004	111,325	101,702	1,606.7	199.8	21,372	28,000	3,583	7.3
% change	5.9	2.9	2.1	2.5	13.7	7.3	0.7	

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

TEXAS

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (billions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2007	860,873 †	719,807 †	10,359.0	375.5 †	927.4	116,850	23,904	4.3
% change	6.9	4.2	2.9	5.8	0.1	-28.1	2.1	
2006	805,307	690,853	10,066.2	355.0	926.3	162,480	23,408	4.9
% change	8.2	4.9	3.3	6.2	3.2	-1.9	2.5	
2005	744,270	658,646	9,740.5	334.3	897.4	165,579	22,844	5.3
% change	7.8	4.4	2.6	7.5	0.7	16.8	1.7	
2004	690,480	630,794	9,497.1	311.1	891.0	141,810	22,455	6.0
% change	6.3	3.4	1.4	8.7	-1.0	6.6	1.7	

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

HISTORICAL DATA

WESTERN BLUE CHIP ECONOMIC FORECAST

UTAH

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (millions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2007	79,870 †	66,782 †	1,251.5	47,708 †	128.0	17,117	2,645	2.6
% change	7.6	4.9	4.0	6.5	4.3	-26.0	2.6	
2006	74,229	63,679	1,203.7	44,796	122.7	23,126	2,580	2.9
% change	9.1	5.8	4.9	14.2	3.8	-6.2	3.0	
2005	68,039	60,211	1,148.0	39,241	118.2	24,645	2,505	4.1
% change	7.2	3.8	4.0	11.1	3.2	23.9	3.1	
2004	63,478	57,991	1,104.3	35,311	114.5	19,899	2,431	5.0
% change	6.8	3.9	2.8	NA	2.0	10.6	2.4	

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

WASHINGTON

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (millions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2007	255,624 †	213,736 †	2,932.0	116,627 †	293.1	29,107	6,468	4.7
% change	6.8	4.1	2.5	6.5	2.5	-16.9	1.5	
2006	239,348	205,331	2,859.2	109,509 †	286.0	35,020	6,375	5.0
% change	7.2	3.9	3.0	7.2	4.9	-14.4	1.7	
2005	223,232	197,551	2,777.1	102,154	272.6	40,928	6,271	5.5
% change	2.9	-0.3	2.8	9.3	3.4	11.2	1.3	
2004	216,921	198,170	2,701.0	93,441	263.6	36,815	6,190	6.3
% change	6.9	3.9	1.6	6.6	-1.3	6.8	1.2	

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

WYOMING

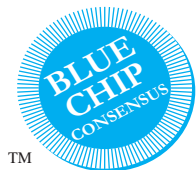
	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Natural Resources & Mining Employ. (millions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2007	20,965 †	17,529 †	288.1	27.6	10.2	2,743	522.8	3.0
% change	8.0	-2.5	3.9	3.8	1.0	1.7	2.0	
2006	20,948	17,971	277.3	26.6	10.1	2,698	512.8	3.2
% change	10.4	7.0	5.1	17.2	4.1	-14.6	1.2	
2005	18,981	16,797	263.9	22.7	9.7	3,159	506.5	3.7
% change	7.1	3.7	3.3	12.4	3.2	12.3	0.7	
2004	17,723	16,191	255.4	20.2	9.4	2,814	503.3	3.9
% change	7.9	4.9	2.2	10.4	1.1	24.2	0.8	

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

WESTERN BLUE CHIP PANEL

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