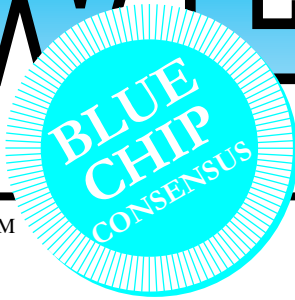


# WESTERN



## BLUE CHIP ECONOMIC FORECAST

TM

*What Blue Chip economists are saying about the Western states*

Volume 15 • Number 1 • January/February 2001

## Western states to remain strong in 2001 and 2002

As the economy ends Y2K with a whimper, talk turns toward avoiding a recession rather than sustaining the economic boom. Many leading indicators are showing a U.S. economy that is slowing, but should pessimism reign?

Consumer confidence, as reported by the Conference Board, has slipped during the fourth quarter 2000, with the expectations component taking the deepest dive in November. On the other hand, businesses still have difficulty finding workers and the unemployment rate, although it has edged up slightly, remains at a very low level of 4 percent. Retailers were disappointed with holiday sales, but personal consumption expenditures increased by 1.9 percent in real terms between June and November. In fact, third quarter 2000 showed a 5.3 percent increase over third quarter 1999 in real personal consumption expenditures, which is similar to the increase posted in third quarter 1999 over third quarter 1998. The composition of spending changed — moving away from durable goods and toward services — but all posted increases.

What does all this mean for the western states? Unlike the Asian financial crisis of a few years ago that hit western states the hardest, there appears to be some resiliency in this instance.

The western states have economic strength in that job growth has been consistently above the national average: Nevada, Arizona, California, Idaho, Texas and Colorado all appear in the top 10, according to November data from the U.S. Bureau of Labor Statistics. And Nevada led the nation with a 4.6 percent increase in nonfarm employment compared to the previous year.

Population growth, bolstered by migration from colder states, is likely to sustain consumer demand. Personal income has risen at a faster pace in the West than in the nation as a whole, contributing to higher consumer confidence in western states. According to the latest data from the U.S. Bureau of Economic Analysis, among western states, only New Mexico is experiencing a rate of personal income growth lower than the national average of 6.7 percent (see chart).

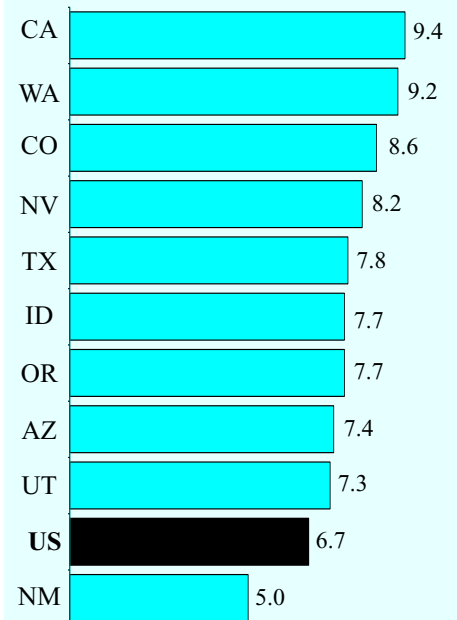
California income growth remains strong and job growth has been gaining steam in recent months. It led the nation in single-family home sales in third quarter 2000, according to the National Association of Realtors. Single-family home sales increased 20.3 percent over the previous year, and California's taxable sales increased 10.3 percent year-over-year during third quarter 2000 — up from 9.9 percent in third quarter 1999.

However, the energy markets cannot be ignored: rolling blackouts are reducing production and forcing layoffs. The problem must be resolved quickly to keep California companies from relocating out of state.

In December, the Arizona Purchasing Managers Index pointed to a downturn in the rate of growth, but, conversely, 40 percent of respondents to the survey assert that capital spending will increase in 2001 compared to 2000.

As the usual indicators are providing some ambiguous answers to the question of

**PERSONAL INCOME GROWTH**  
Percent Change  
Q2 2000 over Q2 1999



Source: BEA

where the economy is headed, we look to the insight of our able Western Blue Chip panelists. Although the forecasts for growth have been scaled back a little, the consensus is for healthy growth in wage and salary employment and real personal income in 2001 and 2002. Nevada leads the way in employment with a consensus forecast of 3.9 percent growth for 2001, and Arizona tops real personal income with a consensus forecast of 5.7 percent growth. The consensus for 2002 is for continued growth, with the housing market improving somewhat over 2001. It looks as though those gloomy clouds on the horizon aren't going to cast a shadow on the overall economic health of the western states.

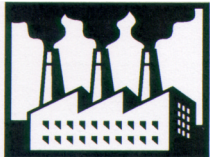
— D.M.

### What's Inside

- National roundup: State-by-state ranking of job growth — Page 2
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# NATIONAL ROUNDUP

## U.S. JOB GROWTH



### Percent Change: Nov. 2000 vs Nov. 1999

Nonagricultural .....	1.6
Construction .....	3.3
Manufacturing .....	-0.8
Transportation, Communications and Public Utilities .....	2.5
Trade .....	1.5
Finance, Insurance and Real Estate .....	0.6
Services .....	2.9
Government .....	1.0

Source: U.S. Bureau of Labor Statistics.

## U.S. REAL ESTATE



### Residential Building Permits Nov. 2000 vs Nov. 1999

	Total Residential	Single- family	Multi- family
2000	119,569	86,213	33,356
1999	121,125	88,216	32,909
% Δ	-1.3	-2.3	1.4

Source: U.S. Department of Commerce.

## U.S. FORECASTS

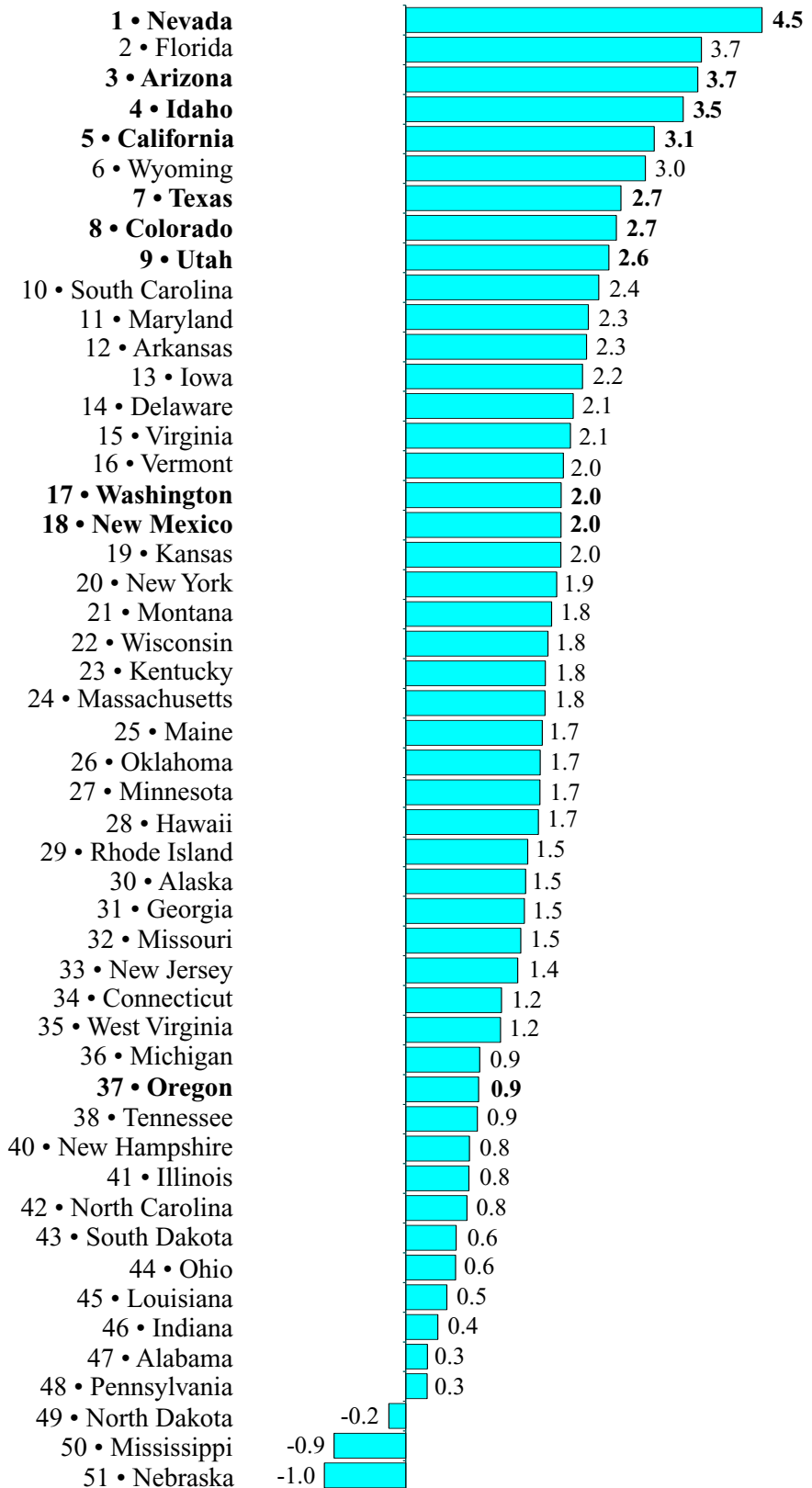


### Percent Change

	2001	2002
Real GDP (Chain) . . . .	3.0	3.6
CPI .....	2.7	2.5
GDP Deflator (Chain) . .	2.3	1.6

Source: "U.S. Economic Outlook," WEFA, December 2000.

## TOTAL NONFARM JOB GROWTH Percent Change, Nov. 2000 over Nov. 1999



Source: U.S. Bureau of Labor Statistics

# SUMMARY

## WESTERN BLUE CHIP ECONOMIC FORECAST

2001 Annual Percent Change, 2001 from 2000						2002 Annual Percent Change, 2002 from 2001				
State:	Current \$ Personal Income	Real Personal Income	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Real Personal Income	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Arizona	6.5↑	5.7↑	3.3↑	2.7↑	(8.2)↓	6.3	5.5	3.1	2.6	(5.3)
California	6.2↓	3.8↓	2.4↓	1.6	0.4↑	6.3	4.6	2.4	1.6	2.6
Colorado	7.6↓	5.1↑	2.8↑	2.0	(3.9)↓	7.2	5.5	2.6	1.9	(0.3)
Idaho	6.0↓	3.6↓	2.7↓	1.5↓	(5.0)↓	5.9	4.2	2.6	1.4	(2.5)
Nevada	6.9↑	4.4↓	3.9↑	4.3↑	(1.2)↑	6.5	4.9	3.9	4.2	(0.2)
New Mexico	4.7	2.3↓	1.8	0.5↓	(4.5)↑	4.9	3.3	1.9	0.8	0.2
Oregon	5.4↓	3.0↓	1.2↓	1.0↓	(3.0)↑	5.4	3.8	1.4	1.0	1.4
Texas	6.4↓	4.0↓	2.2	1.8↑	(2.2)↓	6.5	4.8	2.2	1.7	(0.1)
Utah	6.0↑	3.6↓	2.6	1.6	(3.8)↓	6.1	4.5	2.6	1.7	(1.0)
Washington	5.5	3.1↓	1.4↓	1.0↓	(4.4)↓	5.8	4.2	1.7	1.1	2.4
↑ = Increase in consensus forecast   ↓ = Decrease in concensus forecast										

## Forecast notes from fax and phone...

The extent of slowing in **Colorado** in 2001 will largely depend on how much the U.S. economy slows. Over most of the past four decades, the Colorado economy has mirrored that of the nation, albeit at a faster rate of growth. The only exception to this pattern occurred in the regional energy and real estate recession in the middle 1980s.

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

The outlook for the **California** economy is changing rapidly. There is now the “standard forecast” and the “alternate” forecast. The latter would call for slower growth in 2001, reflecting not only the electric power supply and cost quandary, but also the impact of high natural gas prices on an array of industries. Several manufacturing activities are discussing shutdowns during the first quarter, due to the spike in gas prices. The alternate forecast for 2001 would be a 2.1 percent increase in nonfarm employment, a still sturdy increase, but quite a change from 2000’s stellar gains. Concern has also been expressed over the nonresidential real estate market in the state. There has been no overbuilding of office and industrial space, but the retail market is another story.

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

There are fears that the **California** economy will suffer a downturn more severe than the nation, with energy costs the major culprit. But the more important drag on growth will come from an unwinding of the technology sector that will raise joblessness, cut into income growth and derail the previously strong wealth effect. If the tech wreck persists, home prices might even fall. That would raise delinquencies, foster bankruptcies and perhaps result in an exodus to other Western states. Initially, sales growth will downshift much faster than job growth, which is ceasing to be the best indicator of economic performance for this state.

— **Don Hilber**  
Wells Fargo  
Minneapolis, Minnesota

Aggregate investment responses in the silicon gulch region to reduced corporate profitability will play an important role in determining overall economic performance for **Texas** in 2002.

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

The year 2001 will be a transition period for **Utah’s** economy. The completion of some major construction projects will result in construction employment dropping by several thousand by year end. And the national economic slowdown may negatively impact certain Utah industries. However, employment related to the 2002 Winter Olympic Games will

be ramping up as the year closes. Netting it all out, 2001’s overall economic performance will appear similar to that of 2000 and 1999. Job growth will remain near 2.5 percent and the unemployment rate between 3.3 and 3.6 percent. After first quarter 2002, an economic slowdown could occur.

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

Even as it slows, the **Idaho** economy will continue to perform well. Idaho remains the region’s job creation leader. The state’s tight labor market is expected to loosen.

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

Even with the US economy slowing, the New Mexico economy will pick up a bit over the next couple of years, as the non-metro economy recovers. New call centers and a boost in manufacturing operations will drive the (non-metro) recovery.

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

The southern **Nevada** economy continues to expand, with more modest growth than the last four or five years.

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

# CONSENSUS FORECASTS

## WESTERN BLUE CHIP ECONOMIC FORECAST

### Methodology

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

vidual forecaster.

Consensus panelists for the Western Blue Chip are drawn from leading firms, universities and state agencies across the West. Panelists are contacted during the final week of each month and forecast data are compiled by telephone and fax transmission until the last day of the month. Thus, data reported in the forecast tables for a given month are

current as of the first day of that month.

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

### ARIZONA

2001 Annual Percent Change, 2001 from 2000						2002 Annual Percent Change, 2002 from 2001				
Source:	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Arizona Public Service Company	6.6	6.0	3.2	2.7	(7.8)	7.0	6.3	3.4	2.7	2.5
ASU – Bank One EOC	6.5	6.0	3.3	2.4	(15.0)	6.0	5.0	2.9	2.3	(10.0)
Communities Southwest	5.9	5.5	3.1	2.7	(10.0)	5.7	5.3	3.0	2.7	(5.0)
Department of Economic Security	6.4	6.3	3.5	2.6	—	6.1	5.7	3.3	2.4	—
ECON-LINC	6.5	5.6	3.5	2.7	(10.0)	6.0	5.5	3.0	2.5	(5.0)
Eggert Economic Enterprises, Inc.	6.2	5.0	3.1	2.5	(6.9)	6.1	4.4	3.0	2.5	(6.2)
Elliott D. Pollack & Company	6.8	6.0	3.6	2.8	(10.0)	6.0	5.0	3.0	2.7	(10.0)
H. C. Reardon Economics	6.7	5.6	3.5	2.7	(10.0)	6.7	5.6	3.5	2.6	(6.0)
Joint Legislative Budget Committee	6.4	6.3	3.2	2.6	(10.0)	6.2	7.0	3.2	2.5	(8.0)
Lancaster Consulting	5.8	4.7	3.0	2.6	(5.0)	5.6	4.5	2.6	2.6	(10.0)
The Maguire Company	6.1	5.0	2.9	2.7	(5.0)	6.0	5.2	3.0	2.7	(5.0)
NAU - BBER	6.9	5.1	3.3	—	(10.0)	5.4	2.0	2.8	—	(10.0)
Office of the Treasurer	6.0	5.6	3.0	—	—	6.6	5.4	2.9	—	—
Salt River Project	6.5	6.0	3.8	2.7	(8.0)	7.0	6.5	4.2	2.7	(2.0)
Tucson Electric Power Company	7.0	6.8	3.8	2.8	(8.0)	6.0	4.9	2.6	2.6	(8.3)
UA – Eller College	7.2	4.8	3.6	2.7	(9.7)	6.2	6.2	3.1	2.5	(6.1)
VisionEcon	6.5	7.4	3.1	2.8	0.0	8.6	9.3	3.4	3.0	10.0
Wells Fargo & Company	6.4	5.5	3.3	2.6	(5.0)	5.4	4.5	2.0	2.5	(5.0)
<b>Consensus Forecast – This Month</b>	<b>6.5</b>	<b>5.7</b>	<b>3.3</b>	<b>2.7</b>	<b>(8.2)</b>	<b>6.3</b>	<b>5.5</b>	<b>3.1</b>	<b>2.6</b>	<b>(5.3)</b>
<b>Consensus Forecast – Last Month</b>										

### CALIFORNIA

2001 Annual Percent Change, 2001 from 2000						2002 Annual Percent Change, 2002 from 2001				
Source:	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Anonymous	5.7	4.9	2.8	1.7	5.1	6.9	6.4	2.7	1.7	5.9
Chapman University	6.3	6.1	2.7	1.6	2.1	6.1	5.8	2.4	1.5	(3.2)
Economic Development Corp. of L.A.	7.0	6.5	2.8	1.5	(1.8)	7.1	6.6	3.0	1.5	2.1
Legislative Analyst's Office	5.3	5.1	2.2	1.7	0.0	6.4	6.2	2.6	1.6	10.0
UCLA – Business Forecasting Project	6.7	5.5	1.9	1.5	(3.0)	5.4	4.3	1.8	1.6	5.8
Wells Fargo & Company	6.2	5.0	2.2	1.6	0.0	5.6	4.2	1.6	1.4	(5.0)
<b>Consensus Forecast – This Month</b>	<b>6.2</b>	<b>5.5</b>	<b>2.4</b>	<b>1.6</b>	<b>0.4</b>	<b>6.3</b>	<b>5.6</b>	<b>2.4</b>	<b>1.6</b>	<b>2.6</b>
<b>Consensus Forecast – Last Month</b>	<b>6.6</b>	<b>5.8</b>	<b>2.5</b>	<b>1.6</b>	<b>0.3</b>	—	—	—	—	—

# CONSENSUS FORECASTS

## WESTERN BLUE CHIP ECONOMIC FORECAST

### COLORADO

2001 Annual Percent Change, 2001 from 2000						2002 Annual Percent Change, 2002 from 2001				
Source:	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Center for Business & Economic Forecasting	7.8	6.8	2.7	2.0	0.0	6.8	7.4	2.2	1.9	1.6
Colorado Legislative Council	7.7	7.6	2.8	2.0	(1.7)	7.3	7.4	2.5	1.9	1.3
Office of State Planning & Budgeting	8.1	8.0	3.1	2.0	(6.4)	7.6	7.3	3.4	1.9	0.4
U.S. Bank	7.5	5.2	2.5	2.0	(3.2)	—	—	—	—	—
University of Colorado	7.5	7.0	2.8	2.1	(3.0)	8.0	7.1	2.9	2.1	0.0
Wells Fargo & Company	6.6	5.3	2.2	1.9	(5.0)	6.0	4.8	1.8	1.8	0.0
Xcel Energy	7.8	6.5	3.2	2.1	(8.0)	7.4	6.2	2.8	1.9	(5.0)
<b>Consensus Forecast – This Month</b>	<b>7.6</b>	<b>6.6</b>	<b>2.8</b>	<b>2.0</b>	<b>(3.9)</b>	<b>7.2</b>	<b>6.7</b>	<b>2.6</b>	<b>1.9</b>	<b>(0.3)</b>
<b>Consensus Forecast – Last Month</b>	<b>7.3</b>	<b>6.4</b>	<b>2.6</b>	<b>2.0</b>	<b>(3.2)</b>	—	—	—	—	—

### IDAHO

2001 Annual Percent Change, 2001 from 2000						2002 Annual Percent Change, 2002 from 2001				
Source:	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
First Security Corporation	6.0	4.7	2.8	1.3	(7.0)	6.0	5.0	2.8	1.3	0.0
Idaho Division of Financial Management	6.3	—	2.3	1.5	(3.8)	6.1	—	2.4	1.3	(3.0)
Idaho Economics	6.2	—	3.0	1.7	(4.0)	6.0	—	2.9	1.6	(5.0)
Idaho State University	5.2	3.6	2.7	1.4	(5.0)	5.2	3.6	2.7	1.4	(2.0)
University of Idaho	6.3	5.5	2.5	1.5	—	6.0	5.4	2.3	1.4	—
<b>Consensus Forecast – This Month</b>	<b>6.0</b>	<b>4.6</b>	<b>2.7</b>	<b>1.5</b>	<b>(5.0)</b>	<b>5.9</b>	<b>4.7</b>	<b>2.6</b>	<b>1.4</b>	<b>(2.5)</b>
<b>Consensus Forecast – Last Month</b>	<b>6.4</b>	<b>5.8</b>	<b>2.8</b>	<b>1.6</b>	<b>(2.5)</b>	—	—	—	—	—

### NEVADA

2001 Annual Percent Change, 2001 from 2000						2002 Annual Percent Change, 2002 from 2001				
Source:	Current \$ Personal Income	Gross Gaming Revenues	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Gross Gaming Revenues	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Dept. of Employment, Training & Rehab.	8.0	4.5	4.0	4.5	—	—	—	—	—	—
Legislative Counsel Bureau Fiscal Analysis	6.0	2.0	3.5	4.0	(6.0)	6.5	4.0	4.0	4.0	(2.0)
Restrepo Consulting Group, LLC	7.0	4.0	4.0	4.0	(3.0)	—	—	—	—	—
Southwest Gas Corporation	6.9	4.8	4.0	4.9	2.5	7.1	5.5	4.3	5.1	2.3
University of Nevada at Las Vegas – CBER	7.6	2.9	4.7	4.4	0.7	7.4	2.8	4.5	4.0	4.0
Wells Fargo & Company	5.7	2.5	3.2	3.7	0.0	5.0	2.0	2.8	3.5	(5.0)
<b>Consensus Forecast – This Month</b>	<b>6.9</b>	<b>3.5</b>	<b>3.9</b>	<b>4.3</b>	<b>(1.2)</b>	<b>6.5</b>	<b>3.6</b>	<b>3.9</b>	<b>4.2</b>	<b>(0.2)</b>
<b>Consensus Forecast – Last Month</b>	<b>6.8</b>	<b>3.4</b>	<b>3.8</b>	<b>4.0</b>	<b>(2.3)</b>	—	—	—	—	—
* Forecast for Las Vegas MSA only; excluded from consensus calculation.										

# CONSENSUS FORECASTS

## WESTERN BLUE CHIP ECONOMIC FORECAST

### NEW MEXICO

2001 Annual Percent Change, 2001 from 2000						2002 Annual Percent Change, 2002 from 2001				
Source:	Current \$ Personal Income	Mfg. Employ- ment	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Mfg. Employ- ment	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
New Mexico State University — CEMAF	5.0	2.2	2.0	—	—	5.5	2.5	2.0	—	—
University of New Mexico	4.9	3.2	2.0	—	(4.0)	4.7	3.3	2.2	—	0.4
Wells Fargo & Company	4.2	0.0	1.5	0.5	(5.0)	4.5	2.0	1.5	0.8	0.0
New Mexico Department of Labor	—	2.0	—	—	—	—	—	—	—	—
<b>Consensus Forecast – This Month</b>	<b>4.7</b>	<b>1.9</b>	<b>1.8</b>	<b>0.5</b>	<b>(4.5)</b>	<b>4.9</b>	<b>2.6</b>	<b>1.9</b>	<b>0.8</b>	<b>(0.2)</b>
<b>Consensus Forecast – Last Month</b>	<b>4.7</b>	<b>1.6</b>	<b>1.8</b>	<b>0.6</b>	<b>(4.7)</b>	—	—	—	—	—

### OREGON

2001 Annual Percent Change, 2001 from 2000						2002 Annual Percent Change, 2002 from 2001				
Source:	Current \$ Personal Income	Mfg. Employ- ment	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Mfg. Employ- ment	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Oregon Executive Department	6.0	0.6	1.4	1.1	(4.1)	6.2	0.2	2.1	1.1	4.3
U.S. Bancorp	5.3	0.2	1.3	1.1	0.0	5.6	1.0	1.6	1.1	5.0
Wells Fargo & Company	5.0	(0.5)	1.0	0.9	(5.0)	4.5	(0.5)	0.5	0.8	(5.0)
<b>Consensus Forecast – This Month</b>	<b>5.4</b>	<b>0.1</b>	<b>1.2</b>	<b>1.0</b>	<b>(3.0)</b>	<b>5.4</b>	<b>0.2</b>	<b>1.4</b>	<b>1.0</b>	<b>1.4</b>
<b>Consensus Forecast – Last Month</b>	<b>5.5</b>	<b>0.5</b>	<b>1.5</b>	<b>1.1</b>	<b>(3.5)</b>	—	—	—	—	—

### TEXAS

2001 Annual Percent Change, 2001 from 2000						2002 Annual Percent Change, 2002 from 2001				
Source:	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Econoclast	5.9	5.4	2.0	1.6	(2.5)	6.2	5.8	2.2	1.7	2.0
Federal Reserve Bank of Dallas	6.9	6.7	2.1	1.9	(3.0)	7.1	7.5	2.4	1.8	2.5
Ed McClelland	6.5	6.0	2.2	1.7	(2.0)	6.6	6.2	2.2	1.7	(1.0)
Perryman Group	6.8	6.5	2.4	1.8	(3.3)	6.8	6.6	2.4	1.8	0.6
TX State Comptroller of Public Accounts	6.6	5.8	2.3	1.7	(3.8)	6.6	6.7	2.2	1.7	0.5
University of Houston – CPP	6.2	6.1	2.4	1.8	—	—	—	—	—	—
University of Texas at El Paso	6.4	6.2	2.0	1.7	(0.6)	6.4	7.2	2.2	1.6	(0.4)
Wells Fargo & Company	6.0	4.5	2.0	1.8	0.0	5.5	4.2	1.6	1.7	(5.0)
<b>Consensus Forecast – This Month</b>	<b>6.4</b>	<b>5.9</b>	<b>2.2</b>	<b>1.8</b>	<b>(2.2)</b>	<b>6.5</b>	<b>6.3</b>	<b>2.2</b>	<b>1.7</b>	<b>(0.1)</b>
<b>Consensus Forecast – Last Month</b>	<b>6.5</b>	<b>6.2</b>	<b>2.2</b>	<b>1.7</b>	<b>(0.7)</b>	—	—	—	—	—



# CONSENSUS FORECASTS

## WESTERN BLUE CHIP ECONOMIC FORECAST

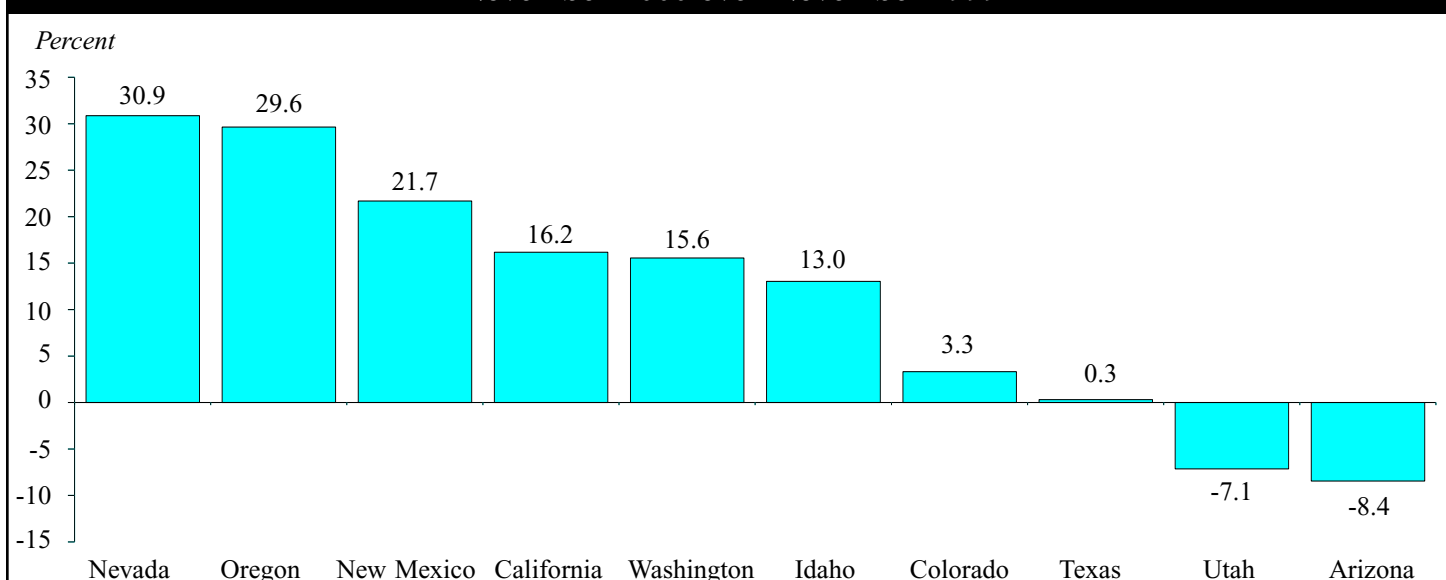
### UTAH

2001 Annual Percent Change, 2001 from 2000						2002 Annual Percent Change, 2002 from 2001				
Source:	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Utah Department of Workforce Services	5.8	—	2.5	1.7	—	5.4	—	1.7	1.6	—
First Security Corporation	5.8	5.2	2.4	1.6	(7.0)	6.0	5.5	2.5	1.6	0.0
Pacificorp	5.7	5.6	2.6	1.7	(6.0)	6.3	6.8	2.7	1.7	(1.0)
Thredgold Economic Associates	6.3	5.3	2.6	1.6	(4.0)	6.1	5.4	2.5	1.7	(4.0)
Utah State Tax Commission	6.3	5.6	2.8	1.5	2.0	—	—	—	—	—
<b>Consensus Forecast – This Month</b>	<b>6.0</b>	<b>5.4</b>	<b>2.6</b>	<b>1.6</b>	<b>(3.8)</b>	<b>6.1</b>	<b>5.9</b>	<b>2.6</b>	<b>1.7</b>	<b>(1.0)</b>
<b>Consensus Forecast – Last Month</b>	<b>5.9</b>	<b>5.5</b>	<b>2.6</b>	<b>1.6</b>	<b>(2.3)</b>	—	—	—	—	—

### WASHINGTON

2001 Annual Percent Change, 2001 from 2000						2002 Annual Percent Change, 2002 from 2001				
Source:	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Dick Conway & Associates	5.4	3.7	1.3	1.0	(5.0)	5.8	4.7	1.8	1.1	2.0
Doug Pedersen & Associates	5.5	2.0	1.5	1.0	(4.0)	5.8	4.0	1.9	1.1	4.5
Office of the Forecast Council	5.2	3.3	1.4	1.0	(3.4)	5.7	4.6	1.8	1.1	3.2
Wells Fargo & Company	6.0	4.7	1.5	1.1	(5.0)	6.0	4.7	1.2	1.1	0.0
<b>Consensus Forecast – This Month</b>	<b>5.5</b>	<b>3.4</b>	<b>1.4</b>	<b>1.0</b>	<b>(4.4)</b>	<b>5.8</b>	<b>4.5</b>	<b>1.7</b>	<b>1.1</b>	<b>2.4</b>
<b>Consensus Forecast – Last Month</b>	<b>5.5</b>	<b>3.9</b>	<b>1.6</b>	<b>1.1</b>	<b>(3.6)</b>	—	—	—	—	—

### New Privately Owned Housing Units Authorized November 2000 over November 1999



Source: U.S. Census Bureau

# HISTORICAL DATA

## WESTERN BLUE CHIP ECONOMIC FORECAST

### ARIZONA

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (millions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2000	\$128,785††	\$120,359††	2,234.1††	\$43,568††	215.3††	47,778††	5,102	3.8††
Percent Change	7.0	4.8	3.9	6.8	1.8	(7.7)	2.8	
1999	120,360	114,847	2,160.2	40,794	211.4	51,764	4,963	4.4
Percent Change	6.9	5.2	4.1	10.0	(2.1)	1.5	2.6	
1998	112,635	109,142	2,074.7	37,094	216.0	50,997	4,837	4.1
Percent Change	8.6	7.2	4.5	7.3	4.1	18.6	2.8	
1997	103,704	101,770	1,984.7	34,584	207.4	42,993	4,703	4.7
Percent Change	8.3	6.2	4.9	7.0	3.8	6.5	2.9	
Basic data sources: Personal Income – U.S. Department of Commerce; Wage & Salary Employment – Arizona Department of Economic Security; Retail Sales – Arizona Department of Revenue; Manufacturing Employment – Arizona Department of Economic Security; Housing Permits – Arizona Real Estate Center; Population – Center for Business Research; Unemployment Rate – Arizona Department of Economic Security. †† Estimate								

### CALIFORNIA

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (millions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2000	\$1,085,563†	\$1,015,031††	14,465.6††	\$277,314†	1,923.0††	104,600††	34,615†	4.9††
Percent Change	9.5	7.3	3.5	8.5	0.0	1.8	1.7	
1999	991,382	945,975	13,976.4	255,589	1,923.8	102,750	34,036	5.2
Percent Change	7.3	5.6	2.8	11.4	(1.4)	10.0	1.6	
1998	924,253	875,594	13,596.0	229,406	1,951.2	93,414	33,494	5.9
Percent Change	7.2	5.9	3.5	5.6	1.9	11.0	1.6	
1997	862,114	846,039	13,132.8	217,249	1,914.5	84,149	32,957	6.3
Percent Change	6.1	4.1	3.0	5.6	3.4	14.4	1.8	
Basic data sources: Personal Income – U.S. Department of Commerce; Wage & Salary Employment – Bureau of Labor Statistics; Taxable Sales – California Board of Equalization; Manufacturing Employment – Bureau of Labor Statistics; Housing Permits – Construction Industry Research Board; Population – California Department of Finance; Unemployment Rate – California Department of Finance. † Consensus †† Estimate								

### COLORADO

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (millions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2000	\$138,447†	\$129,420††	2,207.5††	\$56,767†	204.0††	36,989††	4,145†	2.6††
Percent Change	8.2	6.0	3.4	8.4	0.0	(3.7)	2.2	
1999	127,955	122,094	2,134.9	\$52,368	204.1	38,410	4,056	2.9
Percent Change	8.0	6.3	3.8	8.7	(1.5)	6.4	2.2	
1998	118,514	114,839	2,056.3	48,173	207.3	36,107	3,969	3.8
Percent Change	9.0	7.6	3.9	6.7	1.8	13.0	2.0	
1997	108,763	106,735	1,979.8	45,142	203.6	31,941	3,891	3.3
Percent Change	8.7	6.7	4.1	5.9	3.6	5.2	2.1	
Basic data sources: Personal Income – U.S. Department of Commerce; Wage & Salary Employment – Colorado Department of Labor and Employment; Retail Trade Sales – Colorado Department of Revenue; Manufacturing Employment – Colorado Department of Labor and Employment; Housing Permits – U.S. Bureau of the Census; Population – U.S. Bureau of the Census; Unemployment Rate – Colorado Department of Labor and Employment. †Consensus †† Estimate								



# HISTORICAL DATA

## WESTERN BLUE CHIP ECONOMIC FORECAST

### IDAHO

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (millions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2000	\$30,297†	\$28,309††	554.9††	\$13,755†	76.4††	10,098††	1,271†	4.5††
Percent Change	6.0	3.8	2.9	4.5	0.3	(3.8)	1.5	
1999	28,582	27,273	539.3	\$13,163	76.6	10,497	1,252	5.2
Percent Change	5.9	4.3	3.4	4.8	0.6	2.1	1.7	
1998	26,986	26,149	521.7	12,560	76.1	10,277	1,231	5.0
Percent Change	7.0	5.7	2.3	4.4	2.2	16.3	1.7	
1997	25,217	24,747	510.0	12,031	74.4	8,838	1,211	5.3
Percent Change	4.3	2.4	3.5	4.6	2.1	(3.7)	1.9	

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

### NEVADA

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (millions)	Gaming Revenue (millions)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2000	\$60,449†	\$56,502††	1,036.1††	\$29,454††	\$9,499.7†	24,165††	1,892†	3.9††
Percent Change	7.7	5.5	5.2	6.1	5.3	(0.3)	4.6	
1999	56,127	53,556	984.9	27,761	9,021.6	24,283	1,809	4.4
Percent Change	8.0	6.3	6.4	6.5	11.9	(0.7)	3.8	
1998	51,976	50,364	925.6	26,068	8,065.1	24,445	1,744	4.3
Percent Change	10.0	8.6	3.9	4.6	3.4	4.2	4.1	
1997	47,254	46,373	890.7	24,922	7,802.4	23,462	1,676	4.1
Percent Change	9.1	7.0	5.7	6.3	5.1	(1.5)	5.0	

Basic data sources: Personal Income – U.S. Department of Commerce; Wage & Salary Employment – Nevada Employment Security Department; Retail Sales – Nevada Department of Taxation; Gross Gaming Revenue – Nevada State Gaming Control Board; Housing Permits – U.S. Bureau of the Census; Population – U.S. Bureau of the Census; Unemployment Rate – Nevada Employment Security Department. † Consensus †† Estimate

### NEW MEXICO

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (millions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2000	\$39,997†	\$37,404††	744.1††	\$12,525†	42.6††	7,916††	1,750†	5.5†
Percent Change	5.2	3.1	1.9	5.6	0.8	(7.9)	0.6	
1999	38,020	36,279	730.2	11,466	42.3	8,595	1,740	5.6
Percent Change	3.6	2.0	1.4	2.1	(5.4)	(6.7)	0.4	
1998	36,712	35,574	720.2	11,225	44.7	9,217	1,734	6.2
Percent Change	5.3	4.0	1.6	5.3	(3.2)	12.6	0.6	
1997	34,861	34,211	708.8	10,664	46.2	8,182	1,723	6.2
Percent Change	4.9	2.9	2.0	4.7	0.4	(7.5)	1.0	

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

# HISTORICAL DATA

## WESTERN BLUE CHIP ECONOMIC FORECAST

### OREGON

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Manufacturing Employment (thousands)	Single-family Permits (number)	Housing Permits (number)	Population (thousands)	Unem- ployment Rate
2000	\$95,170†	\$88,930††	1,600.6††	242.9††	15,118††	19,831††	3,337†	4.8††
Percent Change	6.2	4.0	1.7	0.7	(8.9)	(14.7)	1.1	
1999	89,614	85,510	1,573.8	241.2	16,595	23,249	3,301	5.7
Percent Change	5.2	3.6	1.4	(1.8)	(2.0)	(10.1)	1.0	
1998	85,197	82,555	1,551.4	245.7	16,936	25,854	3,268	5.6
Percent Change	5.7	4.4	1.6	0.8	4.2	(4.2)	1.6	
1997	80,578	79,076	1,526.5	243.8	16,250	26,999	3,217	5.8
Percent Change	6.6	4.7	3.5	3.8	(5.7)	(2.9)	1.1	

Basic data sources: Personal Income – U.S. Department of Commerce; Wage & Salary Employment – Oregon Employment Division; Manufacturing Employment – Oregon Employment Division; Single-family Permits – U.S. Bureau of the Census; Housing Permits – U.S. Bureau of the Census; Population – Portland State University; Unemployment Rate – Oregon Employment Division. † Consensus †† Estimate

### TEXAS

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (billions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2000	\$575,491†	\$537,831††	9,394.5††	\$291.1†	1,083.9††	102,357†	20,405†	4.3††
Percent Change	6.9	4.7	2.6	7.0	(1.4)	0.5	1.8	
1999	538,345	513,688	9,156.4	272.1	1,098.9	101,848	20,044	4.6
Percent Change	5.8	4.2	2.4	11.1	(0.9)	2.0	1.7	
1998	508,636	492,864	8,938.8	244.9	1,109.1	99,831	19,712	4.8
Percent Change	8.4	7.0	3.8	4.7	2.3	21.5	1.8	
1997	469,205	460,456	8,610.5	233.9	1,084.5	82,180	19,355	5.4
Percent Change	9.4	7.4	4.3	8.0	2.8	(1.1)	1.8	

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

### UTAH

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (millions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2000	\$52,576†	\$49,126††	1,078.4††	\$17,397†	132.9††	16,258††	2,166†	3.0††
Percent Change	6.0	3.8	2.7	5.5	0.7	(2.2)	1.7	
1999	49,600	47,328	1,050.0	16,490	132.0	16,624	2,130	3.8
Percent Change	5.9	4.3	2.6	5.3	(1.1)	2.1	1.4	
1998	46,831	45,379	1,023.4	15,655	133.4	16,287	2,101	3.8
Percent Change	7.2	5.8	3.0	5.3	0.4	9.9	1.7	
1997	43,696	42,881	993.9	14,866	132.9	14,818	2,065	3.1
Percent Change	8.3	6.3	4.2	3.3	2.8	(11.1)	2.1	

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

# HISTORICAL DATA

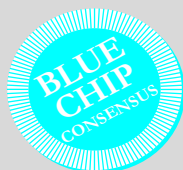
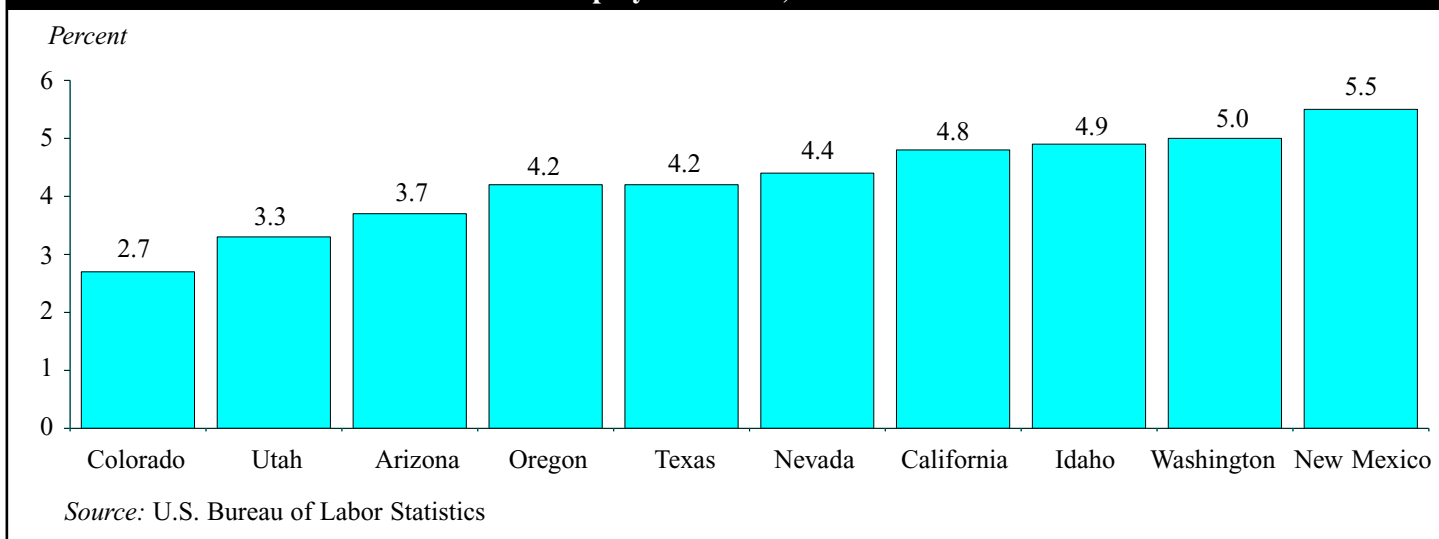
## WESTERN BLUE CHIP ECONOMIC FORECAST

### WASHINGTON

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (millions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2000	\$186,145†	\$173,946††	2,698.8††	\$84,704†	350.2††	25,918††	5,819†	4.8††
Percent Change	6.4	4.2	2.1	6.3	(3.7)	(7.8)	1.1	
1999	174,948	166,935†	2,643.3	79,684	363.7	28,111	5,756	4.7
Percent Change	7.4	5.8	1.9	7.8	(4.2)	(1.9)	1.2	
1998	162,855	157,805	2,595.3	73,934	379.5	28,644	5,688	4.8
Percent Change	8.4	7.0	3.2	6.6	2.6	3.1	1.5	
1997	150,283	147,481	2,514.9	69,353	370.0	27,776	5,604	4.8
Percent Change	7.9	5.9	4.1	8.7	7.3	2.8	1.7	

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

### Unemployment Rate, November 2000



### WESTERN BLUE CHIP ECONOMIC FORECAST

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