

# BLUE CHIP ECONOMIC FORECAST

# WESTERN

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What Blue Chip Economists are Saying about the Western States

ASU ARIZONA STATE  
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## Appreciation slows, sales slump in western housing markets

The housing boom is over nationally and in the Western states, as appreciation slows and inventories of unsold homes continue to climb.

### CORRECTION OR COLLAPSE?

Economy watchers are more likely to label the current situation as a correction rather than a collapse, pointing out that the frenzied markets and rocketing price increases of the past couple of years were clearly not sustainable.

Although Western states have recorded some of the fastest rates of appreciation in the nation, observers note that prices in the region are not in decline; they are simply rising at a slower pace than before, even as sales are plummeting from record levels.

Based on figures from the Office of Federal Housing Enterprise Oversight, several Western states were still posting double digit appreciation as recently as the second quarter of this year (see table).

Six of the top ten states with the strongest home appreciation were in the West. In the Western region, only Texas and Colorado saw appreciation below 10 percent in the year ending in the second quarter of 2006.

Arizona had the distinction of leading the nation in two housing categories. Single-family housing appreciated by 24 percent, even as the Grand Canyon State posted a decline in residential resale activity of 26.9 percent, according to the National Association of Realtors.

Resale activity also was down by double digits in California, Nevada, and Oregon, according to the National Association of Realtors.

Year-to-date building permits were down by 10 percent or more in these same states, as well as in Colorado.

Several Western states were still reporting expansion in housing markets at mid-year, with increases in resales and new construction. In Texas, for example,

resales were up by more than 11 percent, and single-family permits were up by 8.7 percent year to date.

New Mexico, Wyoming, and Montana also reported resales were up compared to last year.

### SLOWER PRICE RISES

Nationally, price appreciation will slow, but home prices in most areas seem to be resistant to outright declines.

Nonetheless, analysts are particularly interested in the more extreme overheated markets such as Phoenix, Tucson and Las Vegas. In those cities, as in Florida, median home prices moved rapidly from well below the national average to above the national average in a short period of time.

### HOUSING AFFECTS ECONOMY

The housing market is closely watched because trouble there could spill over into the general economy.

If housing values stagnate or even decline, household wealth is affected, consumers lose confidence, and spending may be curtailed.

If interest rates continue to rise, adjustable rate mortgages reset and higher monthly payments for home owners may lead to cutbacks in other outlays such as for retail goods and services. By some estimates, there are already \$500 billion worth of adjustable rate mortgages on track to reset before the end of the current year.

One signal that Western analysts will be watching is building permits. When permit activity begins to increase, this will indicate that builders perceive demand has recovered and the market has turned.

It appears the upturn may not come immediately. The Western Blue Chip forecasters do not expect single-family building to rebound during 2007. For the year as a whole, permits will increase only in Utah, and remain flat in Nevada. All other states are currently forecasting further declines in single-family permits in the year ahead.

— Lee McPheters

### WESTERN HOUSING APPRECIATION AND SALES ACTIVITY

	Rank	Appreciation	Resales	Single-family Permits	
		% Change '06 from '05	% Change '06 from '05	% Change '06 from '05	% Change '07 from '06*
Arizona.....	1	24.0	-26.9	-21.1	-6.1
Idaho .....	3	20.1	NA	-6.6	-2.4
Oregon.....	4	19.5	-12.0	-10.7	-3.0
Washington.....	6	17.4	-2.4	-7.6	-7.5
New Mexico.....	9	15.5	6.2	-4.1	-1.8
Utah.....	10	15.2	-0.4	-0.1	-0.1
California .....	11	14.4	-25.3	-21.4	-4.5
Wyoming.....	13	14.0	5.7	-6.5	-1.0
Montana .....	15	12.7	5.2	5.0	-5.0
Nevada .....	19	11.4	-23.5	-10.1	0.0
Texas .....	35	6.5	11.3	8.7	-3.1
Colorado.....	45	4.2	-2.3	-14.2	-4.9
United States .....		10.1	-7.0	-9.0	

\*Forecast

Sources: Appreciation from Office of Federal Housing Enterprise Oversight, Q2 2006 vs. Q2 2005; Resales from National Association of Realtors, Q2 2006 vs. Q2 2005; Permits from U.S. Census Bureau, year-to-date July 2006 vs. year-to-date July 2005.

# NATIONAL ROUNDUP

## U.S. JOB GROWTH



### % Change: July 2006 vs. July 2005

Nonfarm .....	1.3
Goods-Producing .....	1.3
Construction .....	3.3
Manufacturing .....	0.1
Service-Providing .....	1.3
Transportation, Warehousing & Utilities .....	1.7
Trade .....	0.0
Information .....	-0.4
Financial Activities .....	2.2
Professional & Business Services .....	2.8
Educational & Health Services .....	2.1
Leisure & Hospitality .....	1.9
Government .....	0.5

Source: U.S. Bureau of Labor Statistics

## U.S. REAL ESTATE



### Residential Building Permits July 2006 vs. July 2005

	Total Residential	Single- family	Multi- family
2006	145,463	111,149	34,314
2005	182,916	143,651	39,265
% Δ	-20.5	-22.6	-12.6

Source: U.S. Department of Commerce

## U.S. FORECASTS



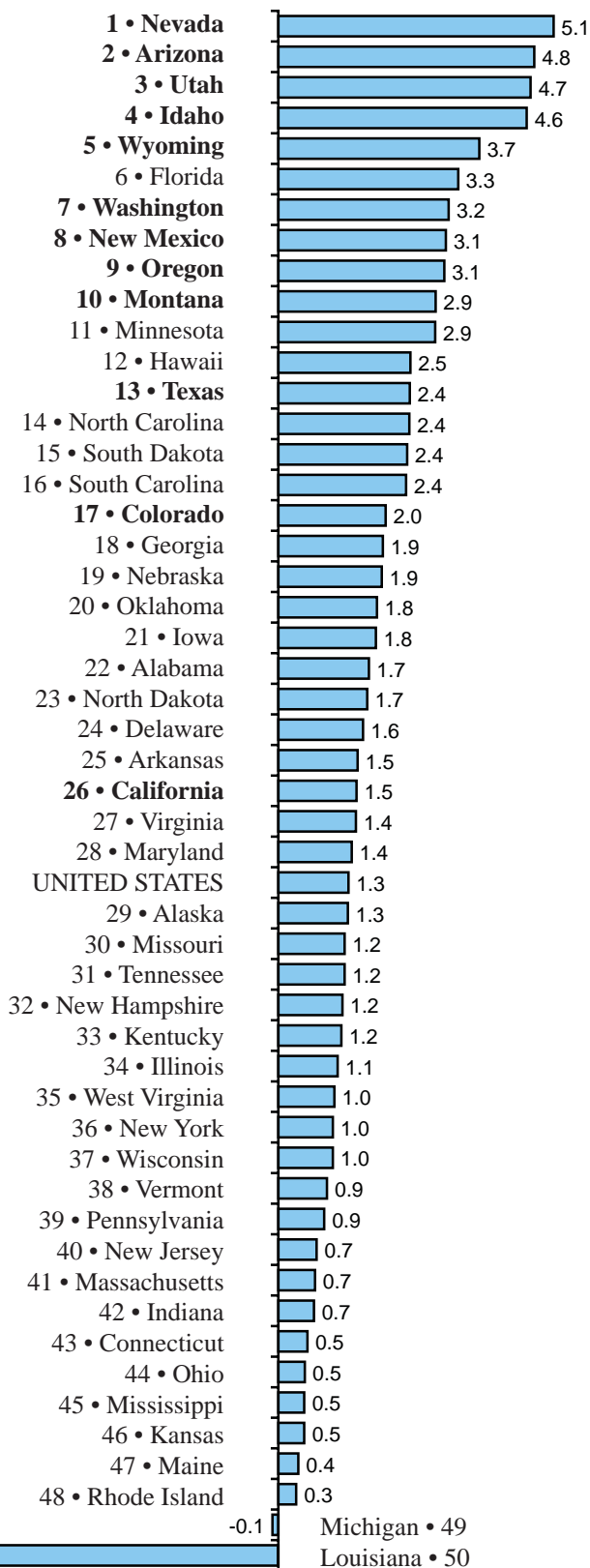
### Percent Change

	2006	2007
Real GDP (Chain) .....	3.3	2.4
CPI .....	3.6	2.5
GDP Deflator (Chain) .....	3.1	2.2

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

## NONAGRICULTURAL JOB GROWTH

Percent Change, July 2006 over July 2005



Source: U.S. Bureau of Labor Statistics

# SUMMARY

## WESTERN BLUE CHIP ECONOMIC FORECAST

State:	2006 Annual Percent Change, 2006 from 2005					2007 Annual Percent Change, 2007 from 2006				
	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	8.3 ↓	5.5 ↓	4.6 ↓	3.1 ↓	(11.6) ↓	7.4 ↓	5.5 ↓	3.7 ↓	2.9 ↑	(6.1) ↓
California	5.8 ↓	3.0 ↓	1.5 ↓	1.4	(12.1) ↓	5.4 ↓	3.5 ↓	1.2 ↓	1.3	(4.5) ↑
Colorado	6.0 ↑	3.2 ↓	2.2 ↑	1.5 ↑	(5.3) ↓	6.1 ↓	4.1 ↓	2.0 ↑	1.6 ↑	(4.9) ↓
Idaho	6.8 ↑	4.0 ↓	2.9 ↓	1.7 ↓	(6.8) ↓	6.1	4.1 ↓	2.6 ↓	1.7 ↓	(2.4) ↓
Montana *	6.9	4.1 ↑	2.2	1.0	0.0	6.6	4.7 ↑	1.9	1.0	(5.0)
Nevada	8.1 ↓	5.2 ↓	4.7 ↓	3.8	(1.1) ↓	7.3 ↓	5.3 ↓	4.2 ↓	3.6	0.0 ↓
New Mexico	5.5 ↑	2.7 ↓	2.1 ↑	1.5 ↑	0.8 ↑	5.3 ↑	3.4 ↓	2.2 ↑	1.5	(1.8) ↑
Oregon	5.9 ↓	3.1 ↓	2.7 ↑	1.3	(2.2) ↑	5.5 ↓	3.6 ↓	1.8 ↓	1.3 ↑	(3.0) ↓
Texas	6.3 ↑	3.5 ↓	2.2 ↑	1.8 ↑	(1.9) ↑	6.1 ↑	4.1 ↓	1.9 ↓	1.7 ↑	(3.1) ↑
Utah	7.1 ↑	3.9 ↓	3.5 ↓	2.4 ↓	2.6 ↓	6.6 ↓	4.7 ↓	3.1 ↓	2.2 ↓	(0.1) ↓
Washington	6.6 ↑	3.9 ↓	2.8 ↓	1.7 ↑	(9.0) ↑	6.2 ↓	4.3 ↓	2.1 ↓	1.6 ↓	(7.5) ↓
Wyoming *	7.7	4.9 ↑	3.4 ↑	1.0	3.0	6.6	4.6	2.6	0.9	(1.0)

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

## Forecast notes from the Western region...

The housing market has been one of the main drivers of economic growth in **Oregon**. Construction added 24,700 jobs from June 2003 to June 2006, a 32.7 percent increase in just three years. The housing market appears to have peaked, although reports of strong price appreciation still exist in parts of the state. Sales of existing homes are down 12 percent year-over-year for the second quarter of 2006 and single unit building permits are down 10.7 percent January to July 2006 compared to the same period a year ago.

— **Tom Potiowsky**  
*Oregon Executive Department*  
*Salem, Oregon*

The arrival of a slowing housing market has required only a slight downward adjustment to our 2007 employment forecast. We now expect employment to grow by 5.0 percent in 2007 instead of 5.2 percent. Inertia in the **Nevada** economy and a blossoming landscape of megaresort projects in Las Vegas should ease any downward tendency led by a fading housing market. Hopefully, business investment will replace the expected decline in residential investment related employment.

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

**Texas** is exhibiting ongoing strength in many sectors and is receiving a notable

boost from mineral extraction. Job growth remains robust and broad-based.

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

Housing, a strong component of the economy the past few years, shows signs of weakening, both nationally and in **Nevada**. And, since housing generates more spending locally than many other activities, we should expect slower growth for the last half of 2006. Whether a slower housing market spills over to overall consumer spending remains to be seen.

— **R. Keith Schwer**  
*Center for Business and Economic Research*  
*University of Nevada Las Vegas*  
*Las Vegas, Nevada*

Extremely tight **Idaho** labor availability will limit growth over the next 18 months. Even so, we continue to expect Idaho to rank among the top 10 states in job growth. Residential and commercial real estate values should continue to rise as investors shift their focus to the nation's interior. The Idaho outlook is favorable indeed.

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

The nuclear weapons workforce at Sandia National Laboratories [**New Mexico**] is expected to decline by a least 150 jobs over

the next few years. An internal newsletter said the reductions to the workforce would be made through attrition. The lab faces the challenges of budget constraints and an increasing workload. Intel is cutting 1,000 management positions worldwide as it seeks to become more efficient in the face of stronger competition and a slowing demand for personal computers. The company has not specified how many positions will be cut at the plant in Rio Rancho. Intel has about 5,600 employees in Rio Rancho. Ci Direct, a national bilingual insurance provider, is going to add 75 new employees to its Taos workforce. CI Direct provides licensed agent sales and customer support for the insurance and financial services marketplace. Average salaries for the new workers will be about \$23,400 per year plus benefits.

— *New Mexico Department of Labor*  
*Albuquerque, New Mexico*

**Montana's** real wages have grown faster than the U.S. in almost every industry over the last five years. Financial Activities, Professional & Business Services, and Other Services have shown the largest gains relative to the U.S. during this time period. Manufacturing and Natural Resources & Mining have grown slower than the U.S., though Mining wages remain among the highest in Montana.

— *Montana Dept. of Labor and Industry*  
*Helena, Montana*

MONTANA										
2006 Annual Percent Change, 2006 from 2005						2007 Annual Percent Change, 2007 from 2006				
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	7.0		2.1	1.0		6.7		1.8	1.0	
Wells Fargo	6.8		2.2	1.0	0.0	6.5		2.0	1.0	(5.0)
<b>Consensus Forecast — This Month</b>	<b>6.9</b>		<b>2.2</b>	<b>1.0</b>	<b>0.0</b>	<b>6.6</b>		<b>1.9</b>	<b>1.0</b>	<b>(5.0)</b>
<b>— Last Month</b>	<b>6.9</b>		<b>2.2</b>	<b>1.0</b>	<b>0.0</b>	<b>6.6</b>		<b>1.9</b>	<b>1.0</b>	<b>(5.0)</b>

WYOMING										
2006 Annual Percent Change, 2006 from 2005						2007 Annual Percent Change, 2007 from 2006				
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 Dept. of Admin. & Information	7.4	12.0	3.2	1.2	1.0	6.1	5.0	2.0	0.9	(2.0)
Wells Fargo	8.0		3.5	0.8	5.0	7.0		3.2	0.8	0.0
<b>Consensus Forecast — This Month</b>	<b>7.7</b>	<b>12.0</b>	<b>3.4</b>	<b>1.0</b>	<b>3.0</b>	<b>6.6</b>	<b>5.0</b>	<b>2.6</b>	<b>0.9</b>	<b>(1.0)</b>
<b>— Last Month</b>	<b>7.7</b>	<b>12.0</b>	<b>3.2</b>	<b>1.0</b>	<b>3.0</b>	<b>6.6</b>	<b>4.0</b>	<b>2.7</b>	<b>0.8</b>	<b>(1.0)</b>

HISTORICAL DATA								
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
2005	27,497	24,575	420.7	27.5	19.4	3,458	936	4.0
% change	7.3	4.6	2.3	10.4	1.0	1.0	0.9	
2004	25,635	23,499	411.3	24.9	19.2	3,425	927	4.3
% change	6.7	4.0	2.6	7.8	1.1	46.4	1.0	
2003	24,028	22,604	400.7	23.1	19.0	2,340	918	4.4
% change	5.3	3.2	1.2	6.5	(5.0)	14.1	0.8	
2002	22,819	21,904	396.0	21.7	20.0	2,050	910	4.5
% change	2.1	0.3	1.1	2.4	(6.5)	14.5	0.5	
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
2005	18,731	16,740	263.0	22.7	9.7	3,159	509	3.6
% change	8.0	5.3	3.0	12.4	3.2	12.3	0.7	
2004	17,341	15,896	255.4	20.2	9.4	2,814	506	3.9
% change	7.0	4.3	2.2	10.4	1.1	24.2	0.8	
2003	16,202	15,242	250.0	18.3	9.3	2,265	502	4.4
% change	4.8	2.7	0.8	2.2	(2.1)	24.3	0.6	
2002	15,463	14,843	247.9	17.9	9.5	1,822	499	4.1
% change	3.3	1.5	1.0	(2.7)	(5.0)	22.7	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								

# CONSENSUS FORECASTS

## WESTERN BLUE CHIP ECONOMIC FORECAST

### Methodology

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

from an individual forecaster.

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

first day of that month.

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

ARIZONA										
2006 Annual Percent Change, 2006 from 2005						2007 Annual Percent Change, 2007 from 2006				
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	7.9	7.8	3.8	2.9	(12.0)	7.8	5.5	3.8	2.9	(10.0)
Arizona Public Service	8.0	9.0	4.7	3.1	(4.0)	7.8	7.5	3.7	3.0	(4.0)
ASU - Bank One EOC	8.7	7.6	4.9	3.0	(8.0)	6.8	6.8	4.2	2.8	(7.0)
Department of Economic Security	8.8	9.0	4.9	3.0		7.7	6.1	4.0	3.0	
ECON-LINC	8.4	8.2	4.8	3.2	(16.0)	7.8	7.5	4.0	3.1	(5.0)
EconLit LLC	8.1	7.6	4.2	3.0	(15.0)	7.5	6.9	3.8	2.9	(10.0)
Eggert Economic Enterprises Inc.	8.7	7.9	4.7	3.3	(8.2)	7.5	6.9	3.7	3.2	(5.2)
Elliott D. Pollack & Co.	7.8	9.0	4.7	3.3	(20.0)	7.4	7.5	4.0	3.0	(5.0)
H. C. Reardon Economics	8.2	8.0	4.8	3.2	(12.0)	7.1	6.7	3.5	3.0	(6.0)
Joint Legislative Budget Committee	8.3	9.0	4.4	3.0	(10.0)	7.4	6.7	3.7	3.0	(3.0)
The Maguire Company	8.2	8.1	4.6	3.2	(10.0)	7.6	7.3	4.2	3.1	(8.0)
Davidson Fixed Income Management	8.3	7.7	4.4			7.7	7.1	4.0		
NAU - BBER	8.4	7.6	4.3	2.9	(15.0)	8.2	6.8	3.8	2.8	0.0
Salt River Project	8.6	7.9	5.0	3.2	(10.0)	7.5	6.5	3.8	3.0	(4.0)
Stellar Capital Management	7.8	7.8	4.5	2.8	(20.0)	7.1	6.9	3.6	2.6	(6.0)
UA - Eller College	9.0	10.1	4.8	3.3	(13.5)	6.3	4.3	2.2	2.9	(15.0)
VisionEcon	8.6	7.1	4.3	3.4	(5.0)	6.7	6.9	3.0	2.9	(2.0)
Wells Fargo & Co.	8.3	7.3	4.3	2.9	(6.5)	7.6	5.8	3.5	2.7	(7.5)
<b>Consensus Forecast — This Month</b>	<b>8.3</b>	<b>8.2</b>	<b>4.6</b>	<b>3.1</b>	<b>(11.6)</b>	<b>7.4</b>	<b>6.7</b>	<b>3.7</b>	<b>2.9</b>	<b>(6.1)</b>
<b>— Last Month</b>	<b>8.4</b>	<b>8.1</b>	<b>4.6</b>	<b>3.1</b>	<b>(10.0)</b>	<b>7.4</b>	<b>6.8</b>	<b>3.7</b>	<b>2.9</b>	<b>(5.4)</b>

CALIFORNIA										
2006 Annual Percent Change, 2006 from 2005						2007 Annual Percent Change, 2007 from 2006				
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	6.2	5.1	1.6	1.7	(12.0)	5.8	5.3	1.5	1.7	(1.2)
California State University, Long Beach *	6.3	6.1	1.5	1.5	(0.7)	4.9	5.7	1.8	2.0	(0.8)
Chapman University	6.5	5.3	1.5	1.5	(13.6)	5.1	4.0	1.0	1.4	(8.1)
L.A. County Economic Development Corp.	6.1	5.9	1.6	1.2	(5.0)	5.9	5.5	1.4	1.2	(0.3)
Legislative Analyst's Office	5.7	5.2	1.3	1.4	(10.0)	5.5	5.6	1.4	1.4	(1.0)
UCLA - Business Forecasting Project	4.8	4.9	1.4	1.2	(22.0)	4.5	4.3	0.9	1.1	(5.4)
University of the Pacific	6.0	5.2	1.7	1.6	(13.8)	5.6	3.3	1.4	1.6	(5.5)
Wells Fargo Company	5.2	4.8	1.3	0.9	(8.5)	5.3	4.5	1.0	1.0	(10.0)
<b>Consensus Forecast — This Month</b>	<b>5.8</b>	<b>5.2</b>	<b>1.5</b>	<b>1.4</b>	<b>(12.1)</b>	<b>5.4</b>	<b>4.6</b>	<b>1.2</b>	<b>1.3</b>	<b>(4.5)</b>
<b>— Last Month</b>	<b>6.0</b>	<b>5.2</b>	<b>1.6</b>	<b>1.4</b>	<b>(11.5)</b>	<b>5.4</b>	<b>4.6</b>	<b>1.3</b>	<b>1.3</b>	<b>(5.6)</b>

\*This forecast is for Southern California only



# CONSENSUS FORECASTS

## WESTERN BLUE CHIP ECONOMIC FORECAST

COLORADO										
2006 Annual Percent Change, 2006 from 2005						2007 Annual Percent Change, 2007 from 2006				
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.	5.9	5.5	2.2	1.5	(8.0)	5.3	2.1	1.4	1.7	(11.2)
Ctr. for Business and Econ. Forecasting	5.9	5.5	2.1	1.5	(8.0)	6.0	5.3	2.0	1.8	(8.0)
Colorado Legislative Council	6.4	6.3	2.2	1.8	(12.1)	6.2	5.1	2.0	2.0	(5.7)
David Hemley	5.5	4.6	2.0	1.4	(1.6)	5.9	4.9	2.1	1.4	(1.5)
Office of State Planning and Budgeting	6.3	5.5	2.1	1.4	(7.8)	6.6	5.9	2.3	1.6	(2.9)
University of Colorado	6.0	5.7	2.3	1.5	(1.0)	6.1	5.0	2.2	1.6	(1.0)
Wells Fargo & Co.	5.8	4.5	2.5	1.3	(2.5)	5.2	4.1	1.4	1.2	(6.0)
Xcel Energy	5.8	5.4	2.0	1.5	(1.3)	7.1	6.0	2.6	1.6	(2.5)
<b>Consensus Forecast — This Month</b>	<b>6.0</b>	<b>5.4</b>	<b>2.2</b>	<b>1.5</b>	<b>(5.3)</b>	<b>6.1</b>	<b>4.8</b>	<b>2.0</b>	<b>1.6</b>	<b>(4.9)</b>
<b>— Last Month</b>	<b>5.9</b>	<b>5.3</b>	<b>2.1</b>	<b>1.5</b>	<b>(4.8)</b>	<b>6.1</b>	<b>4.4</b>	<b>1.9</b>	<b>1.6</b>	<b>(4.3)</b>

IDAHO										
2006 Annual Percent Change, 2006 from 2005						2007 Annual Percent Change, 2007 from 2006				
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										
Idaho Div. of Financial Management	7.1		2.1	1.6	(13.0)	6.2		2.0	1.6	(0.7)
Idaho Economics	7.0		3.0	1.7	(5.0)	6.5		2.6	1.7	(4.0)
Thredgold Economic Associates	5.5	5.0	2.5	1.6	(4.0)	5.0	4.5	2.2	1.5	(5.0)
Wells Fargo - UT	7.5	7.0	3.9	2.0	(5.0)	6.5	6.0	3.4	2.0	0.0
<b>Consensus Forecast — This Month</b>	<b>6.8</b>	<b>6.0</b>	<b>2.9</b>	<b>1.7</b>	<b>(6.8)</b>	<b>6.1</b>	<b>5.3</b>	<b>2.6</b>	<b>1.7</b>	<b>(2.4)</b>
<b>— Last Month</b>	<b>6.7</b>	<b>5.4</b>	<b>2.8</b>	<b>1.7</b>	<b>(4.3)</b>	<b>6.1</b>	<b>5.0</b>	<b>2.5</b>	<b>1.6</b>	<b>(2.4)</b>

NEVADA										
2006 Annual Percent Change, 2006 from 2005						2007 Annual Percent Change, 2007 from 2006				
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.	9.2	5.4	5.4	3.0		8.0	5.0	5.0	2.9	
Restrepo Consulting Group, LLC	7.5	6.5	5.0	4.0	2.0	7.0	6.0	5.0	4.0	1.0
Thredgold Economic Associates	8.5		4.0	3.7	0.0	6.5		2.8	3.0	(4.5)
Southwest Gas	8.6	7.4	4.9	4.2	1.4	8.4	5.8	4.8	4.1	1.2
Univ. of Nevada at Las Vegas - CBER	7.4	5.1	4.6	3.9	(9.3)	7.2	5.0	4.5	3.9	4.8
Wells Fargo & Co.	7.1	6.0	4.1	3.7	0.5	6.6	5.4	3.0	3.5	(2.5)
<b>Consensus Forecast — This Month</b>	<b>8.1</b>	<b>6.1</b>	<b>4.7</b>	<b>3.8</b>	<b>(1.1)</b>	<b>7.3</b>	<b>5.4</b>	<b>4.2</b>	<b>3.6</b>	<b>0.0</b>
<b>— Last Month</b>	<b>8.1</b>	<b>6.1</b>	<b>4.7</b>	<b>3.8</b>	<b>1.6</b>	<b>7.4</b>	<b>5.5</b>	<b>4.2</b>	<b>3.6</b>	<b>0.1</b>

# CONSENSUS FORECASTS

## WESTERN BLUE CHIP ECONOMIC FORECAST

### NEW MEXICO

	2006					2007				
	Annual Percent Change, 2006 from 2005					Annual Percent Change, 2007 from 2006				
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	5.3	1.0	1.8	1.4	1.0	5.3	1.1	2.2	1.5	(1.2)
New Mexico Department of Labor		1.3	2.0							
New Mexico State Univ - CEMAF	5.2	1.0	1.6							
Public Service New Mexico	5.0	0.8	1.8	1.4	(1.5)	4.8	0.8	1.9	1.3	(1.9)
University of New Mexico - BBER	6.1	4.9	2.6		7.3	5.5	4.9	2.3		(1.4)
Wells Fargo & Co.	5.7	1.8	2.8	1.8	(3.5)	5.6	1.7	2.4	1.8	(2.5)
<b>Consensus Forecast — This Month</b>	<b>5.5</b>	<b>1.8</b>	<b>2.1</b>	<b>1.5</b>	<b>0.8</b>	<b>5.3</b>	<b>2.1</b>	<b>2.2</b>	<b>1.5</b>	<b>(1.8)</b>
<b>— Last Month</b>	<b>5.4</b>	<b>1.8</b>	<b>2.1</b>	<b>1.5</b>	<b>0.7</b>	<b>5.3</b>	<b>2.1</b>	<b>2.2</b>	<b>1.5</b>	<b>(2.2)</b>

### OREGON

	2006					2007				
	Annual Percent Change, 2006 from 2005					Annual Percent Change, 2007 from 2006				
Source:	Current \$ Personal Income	Mfg. Employ- ment	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Mfg. Employ- ment	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Conerly Consulting	5.7	3.2	3.2	1.4	(11.1)	5.3	0.2	1.7	1.5	(10.0)
Forefront Economics	5.7	2.2	2.6	1.2	3.5	5.7	1.6	2.4	1.2	7.5
Oregon Executive Department	5.9	2.9	3.2	1.4	(4.1)	5.7	(0.5)	1.3	1.4	(5.2)
Portland General Electric	6.3	1.2	2.3	1.4	0.0	5.7	0.5	1.9	1.3	(5.0)
Rhodes Econometrics	6.2	2.3	2.6	1.3	1.9	5.4	0.8	1.7	1.2	0.9
Thredgold Economic Associates	5.8	1.2	2.4	1.3	3.5	5.4	1.0	2.2	1.2	(2.0)
U.S. Bancorp	6.2	2.8	3.0	1.3	(7.0)	5.7	0.0	1.8	1.3	(5.0)
Wells Fargo & Co.	5.2	0.7	2.1	1.3	(4.0)	5.2	0.4	1.7	1.3	(5.0)
<b>Consensus Forecast — This Month</b>	<b>5.9</b>	<b>2.1</b>	<b>2.7</b>	<b>1.3</b>	<b>(2.2)</b>	<b>5.5</b>	<b>0.5</b>	<b>1.8</b>	<b>1.3</b>	<b>(3.0)</b>
<b>— Last Month</b>	<b>6.0</b>	<b>2.0</b>	<b>2.7</b>	<b>1.3</b>	<b>(2.3)</b>	<b>5.5</b>	<b>0.7</b>	<b>1.9</b>	<b>1.3</b>	<b>(2.0)</b>

### TEXAS

	2006					2007				
	Annual Percent Change, 2006 from 2005					Annual Percent Change, 2007 from 2006				
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	6.2	6.0	2.0	1.7	1.0	5.9	5.7	1.8	1.7	(2.0)
Federal Reserve Bank of Dallas	6.7	6.4	2.4	1.8	(1.0)	6.5	6.6	2.2	1.7	2.0
David Hemley	5.7	5.6	2.2	1.8	0.0	6.0	5.8	2.1	1.6	(0.2)
Perryman Group	6.8	6.5	2.2	2.1	(4.4)	6.9	6.7	1.9	1.7	(5.0)
TX State Comptroller of Public Accounts	7.1	8.1	2.5	2.3	0.7	6.2	6.0	2.0	1.8	(13.8)
University of Houston - CPP	5.8	5.4	1.6	1.6	(9.8)	5.4	5.4	1.5	1.4	(3.9)
University of North Texas	5.6	5.5	2.0	1.8	0.4	5.5	5.4	1.8	1.7	0.3
University of Texas at El Paso	6.4	6.3	2.3	1.8	(0.9)	6.2	5.8	2.0	1.7	(1.5)
Wells Fargo & Co.	6.5	5.7	2.9	1.7	(3.0)	6.0	5.2	2.0	1.7	(4.0)
<b>Consensus Forecast — This Month</b>	<b>6.3</b>	<b>6.2</b>	<b>2.2</b>	<b>1.8</b>	<b>(1.9)</b>	<b>6.1</b>	<b>5.8</b>	<b>1.9</b>	<b>1.7</b>	<b>(3.1)</b>
<b>— Last Month</b>	<b>6.3</b>	<b>6.2</b>	<b>2.2</b>	<b>1.8</b>	<b>(2.3)</b>	<b>6.1</b>	<b>5.9</b>	<b>1.9</b>	<b>1.7</b>	<b>(3.2)</b>

# CONSENSUS FORECASTS

## WESTERN BLUE CHIP ECONOMIC FORECAST

### UTAH

	2006					2007				
	Annual Percent Change, 2006 from 2005					Annual Percent Change, 2007 from 2006				
Source:	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Pacificorp	6.0	4.9	2.9	1.8	7.8	6.3	5.1	3.1	1.9	9.2
Thredgold Economic Associates	6.0	5.8	3.0	1.7	0.0	5.5	4.8	2.6	1.7	(3.0)
Utah Department of Workforce Services	9.0	6.6	4.4	3.1	4.4	7.6	5.6	3.3	2.8	3.6
Utah State Tax Commission	6.5	6.0	2.9	2.4	1.0					
Wells Fargo - UT	8.0	9.0	4.5	3.0	0.0	7.0	7.0	3.5	2.5	(10.0)
<b>Consensus Forecast — This Month</b>	<b>7.1</b>	<b>6.5</b>	<b>3.5</b>	<b>2.4</b>	<b>2.6</b>	<b>6.6</b>	<b>5.6</b>	<b>3.1</b>	<b>2.2</b>	<b>(0.1)</b>
<b>— Last Month</b>	<b>6.9</b>	<b>5.9</b>	<b>3.4</b>	<b>2.2</b>	<b>3.6</b>	<b>6.5</b>	<b>5.3</b>	<b>3.1</b>	<b>2.1</b>	<b>2.5</b>

### WASHINGTON

	2006					2007				
	Annual Percent Change, 2006 from 2005					Annual Percent Change, 2007 from 2006				
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	6.1	8.2	2.9	1.9	(3.7)	5.8	5.0	2.0	1.5	(10.0)
Dick Conway & Associates	6.3	6.4	2.6	1.5	(1.0)	6.5	6.1	2.1	1.6	(6.0)
Doug Pedersen & Associates	6.7	7.2	3.0	1.7	(12.5)	6.5	5.8	2.3	1.7	(6.0)
Office of Forecast Council *	8.4	7.2	3.0	1.8	(20.1)	6.9	4.0	2.2	1.8	(7.0)
Wells Fargo & Co.	5.7	5.3	2.6	1.5	(7.5)	5.5	5.2	2.0	1.4	(8.5)
<b>Consensus Forecast — This Month</b>	<b>6.6</b>	<b>6.9</b>	<b>2.8</b>	<b>1.7</b>	<b>(9.0)</b>	<b>6.2</b>	<b>5.2</b>	<b>2.1</b>	<b>1.6</b>	<b>(7.5)</b>
<b>— Last Month</b>	<b>6.4</b>	<b>6.9</b>	<b>3.0</b>	<b>1.6</b>	<b>(9.3)</b>	<b>6.3</b>	<b>5.4</b>	<b>2.2</b>	<b>1.6</b>	<b>(6.8)</b>

\* Population forecast is from the Office of Financial Management.

### PER CAPITA PERSONAL INCOME 2003-2005

	2003	2004	2005*
Albuquerque, NM .....	28,339	29,453	30,477
Billings, MT .....	29,341	31,028	32,766
Boise City-Nampa, ID .....	29,035	30,545	31,569
Cheyenne, WY .....	32,766	34,559	36,355
Dallas-Fort Worth-Arlington, TX .....	34,109	35,502	37,075
Denver-Aurora, CO .....	39,212	40,939	42,574
El Paso, TX .....	20,841	21,829	22,775 L
Houston-Sugar Land-Baytown, TX .....	35,304	36,852	39,052
Las Vegas-Paradise, NV .....	31,054	32,963	34,890
Los Angeles-Long Beach-Santa Ana, CA .....	33,318	35,188	36,917
Phoenix-Mesa-Scottsdale, AZ .....	29,609	31,133	32,536
Portland-Vancouver-Beaverton, OR-WA .....	32,328	33,875	35,215
Reno-Sparks, NV .....	37,620	39,430	40,898
Salem, OR .....	25,992	27,044	28,100
Salt Lake City, UT .....	29,897	31,419	33,279
San Diego-Carlsbad-San Marcos, CA .....	35,620	37,965	39,880
San Francisco-Oakland-Fremont, CA .....	46,652	49,276	51,964 H
Seattle-Tacoma-Bellevue, WA .....	38,447	41,634	41,661
Spokane, WA .....	26,871	28,065	29,107
Tucson, AZ .....	25,777	27,244	28,481
Source: Bureau of Economic Analysis	*Preliminary		



# 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
2005	179,765	160,218	2,471.3	58,964	176.2	80,648	5,939	4.7
% change	9.3	6.3	4.1	13.2	0.2	16.3	3.4	
2004	164,495	150,775	2,373.5	52,098	175.8	69,339	5,744	5.0
% change	8.4	5.6	3.4	9.0	0.3	8.1	3.0	
2003	151,708	142,717	2,296.3	47,818	175.3	64,143	5,579	5.7
% change	5.2	3.2	1.4	5.3	(4.5)	15.3	2.6	
2002	144,150	138,340	2,265.1	45,425	183.5	55,649	5,439	6.0
% change	3.8	2.0	0.0	1.3	(9.0)	9.3	2.7	
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
2005	1,338,181	1,195,979	14,770.4	368,382 †	1,535.8	151,022	36,132	5.4
% change	6.0	3.4	1.6	5.2	0.2	0.2	0.8	
2004	1,262,306	1,157,113	14,538.8	350,173	1532.7	150,710	35,842	6.2
% change	6.6	3.9	1.0	9.4	(1.0)	7.3	1.1	
2003	1,184,265	1,114,089	14,392.3	320,217	1,547.9	140,512	35,457	6.8
% change	3.2	1.1	(0.5)	6.2	(5.5)	16.3	1.3	
2002	1,147,716	1,101,677	14,457.8	301,612	1,638.2	120,783	34,988	6.7
% change	1.1	(0.6)	(1.0)	2.6	(8.3)	13.7	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
2005	177,025	158,214	2,225.1	63,375 †	153.4	40,477	4,665	5.0
% change	6.5	3.9	2.1	5.6	(0.8)	6.1	1.4	
2004	166,188	152,339	2,178.9	60,014	154.6	38,164	4,602	5.6
% change	5.8	3.1	1.3	4.9	(0.9)	14.2	1.2	
2003	157,035	147,730	2,151.0	57,192	156.0	33,428	4,548	6.1
% change	2.6	0.5	(1.4)	8.1	(6.1)	(5.9)	1.1	
2002	153,066	146,926	2,182.5	52,888	166.1	35,522	4,498	5.7
% change	0.2	(1.5)	(1.9)	(10.4)	(8.7)	(2.6)	1.6	
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
2005	40,241	35,965	608.0	19,183	62.2	19,464	1,429	3.8
% change	7.3	4.6	3.6	14.7	1.1	32.9	2.4	
2004	37,497	34,373	586.9	16,727	61.5	14,650	1,395	4.7
% change	8.2	5.4	2.6	4.2	(0.8)	17.8	2.0	
2003	34,654	32,600	572.0	16,059	62.0	12,432	1,368	5.3
% change	2.4	0.3	0.7	2.1	(4.5)	21.7	1.9	
2002	33,849	32,491	568.2	15,736	64.9	10,212	1,343	5.4
% change	2.4	0.7	0.1	8.3	(5.0)	7.7	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								

### 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
2005	86,650	77,442	1,225.2	46,190	11,649.0	37,438	2,415	4.1
% change	11.1	8.3	6.3	12.4	10.3	(3.6)	3.5	
2004	78,022	71,520	1,152.4	41,087	10,562.2	38,817	2,333	4.6
% change	9.0	6.2	5.9	16.0	9.7	17.5	4.1	
2003	71,606	67,363	1,088.3	35,426	9,625.3	33,033	2,242	5.3
% change	7.5	5.3	3.5	9.3	1.9	21.1	3.4	
2002	66,632	63,959	1,052.0	32,410	9,447.4	27,284	2,168	5.7
% change	3.5	1.7	0.1	3.0	(0.3)	1.1	3.5	
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								

### 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
2005	53,308	47,644	806.9	12,900	36.0	13,553	1,928	5.3
% change	7.0	4.3	2.0	4.8	0.2	15.4	1.3	
2004	49,828	45,675	790.7	12,312	35.9	11,743	1,903	5.7
% change	6.5	3.8	1.9	5.2	(1.6)	(0.7)	1.3	
2003	46,779	44,007	775.6	11,702	36.5	11,829	1,879	5.9
% change	4.0	1.9	1.2	**	(4.9)	14.3	1.3	
2002	44,987	43,182	766.1	12,708	38.4	10,348	1,855	5.5
% change	1.9	0.2	1.2	1.3	(6.1)	15.9	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.

# 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
2005	116,889	104,468	1,647.8	206.0	24,925	31,864	3,641	6.1
% change	6.5	3.8	3.4	3.3	16.6	13.8	1.4	
2004	109,757	100,610	1,593.7	199.5	21,372	28,000	3,591	7.3
% change	5.6	2.9	2.0	2.3	13.7	7.3	0.8	
2003	103,890	97,734	1,562.2	194.9	18,799	26,103	3,563	8.1
% change	2.0	(0.1)	(0.7)	(3.3)	4.6	15.8	1.1	
2002	101,882	97,795	1,572.5	201.6	17,977	22,543	3,522	7.6
% change	2.9	1.1	(1.3)	(6.5)	10.9	7.1	1.4	
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
2005	742,074	663,217	9,606.4	347.6 †	889.6	165,579	22,860	5.3
% change	7.5	4.8	1.4	6.1	0.0	16.8	1.7	
2004	690,588	633,038	9,478.3	327.6	889.5	141,810	22,472	6.0
% change	6.1	3.4	1.2	6.4	(1.2)	6.6	1.7	
2003	650,875	612,305	9,370.0	307.9	900.0	133,077	22,099	6.7
% change	3.9	1.8	(0.5)	3.9	(5.1)	10.3	1.7	
2002	626,604	601,468	9,416.0	296.0	948.7	120,644	21,722	6.4
% change	1.1	(0.6)	(1.0)	3.9	(7.6)	8.3	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
2005	69,299	61,935	1,144.2	21,409 †	117.4	24,645	2,470	4.3
% change	7.6	4.9	3.7	5.2	2.2	23.9	2.0	
2004	64,399	59,032	1,103.2	20,351	114.9	19,899	2,421	5
% change	6.8	4.1	2.7	8.2	2.3	10.6	1.8	
2003	60,298	56,725	1,074.1	18,809	112.3	17,995	2,379	5.6
% change	3.7	1.6	0.1	2.1	(1.4)	16.8	1.8	
2002	58,172	55,838	1,073.4	18,356	113.9	15,406	2,337	5.8
% change	2.8	1.0	(0.7)	3.4	(6.6)	11.2	0.0	
Basic data sources: Personal Income – U.S. Department of Commerce; Wage & Salary Employment – Utah Department of Workforce Services; Retail Sales – Utah State Tax Commission; Manufacturing Employment – Utah Department of Workforce Services; Housing Permits – University of Utah; Population – U.S. Bureau of the Census; Unemployment Rate – Utah Department of Workforce Services. † Consensus †† Estimate								

# HISTORICAL DATA

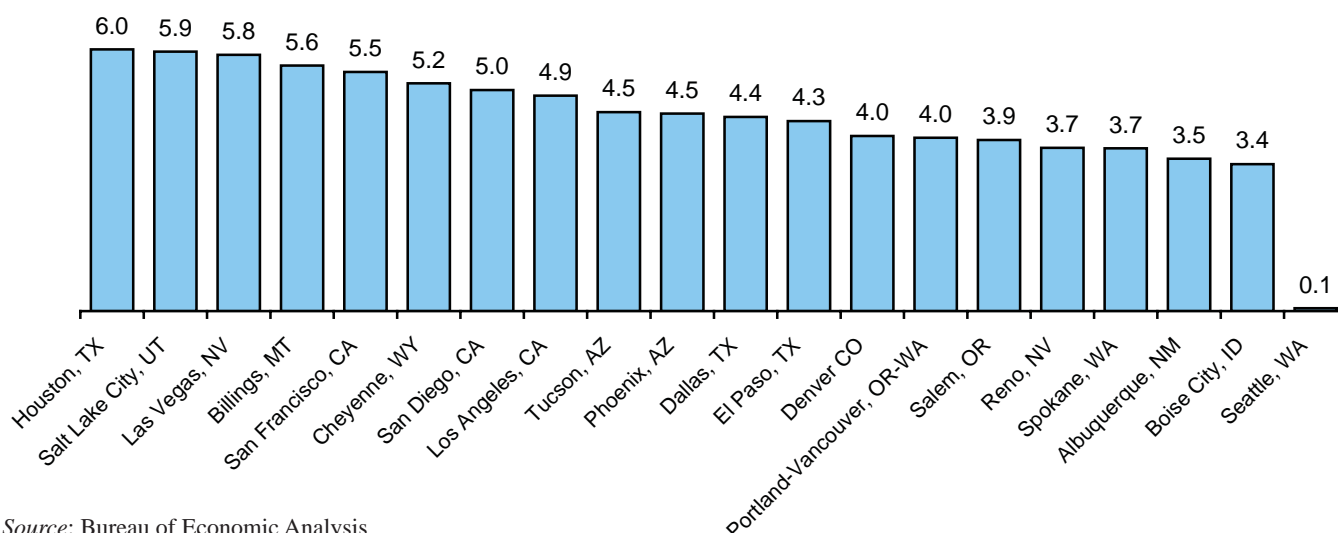
## WESTERN BLUE CHIP ECONOMIC FORECAST

### WASHINGTON

	Current \$ Personal Income (millions)	Real Personal Income (millions)	Wage & Salary Employment (thousands)	Retail Sales (millions)	Manufacturing Employment (thousands)	Single-family Permits (number)	Population (thousands)	Unem- ployment Rate
2005	222,643	198,983	2,763.2	98,552	267.1	40,928	6,288	5.5
% change	2.4	(0.2)	2.4	9.3	1.4	11.2	1.3	
2004	217,503	199,378	2,698.2	93,441	263.5	36,815	6,207	6.3
% change	7.9	5.1	1.5	6.6	(1.3)	6.8	1.2	
2003	201,607	189,660	2,657.8	87,664	267.1	34,480	6,131	7.4
% change	2.1	0.1	0.1	2.7	(6.3)	4.2	1.1	
2002	197,452	189,531	2,654.1	85,368	285.0	33,090	6,066	7.3
% change	2.0	0.3	(1.6)	0.5	(9.8)	17.6	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

### Per Capita Personal Income Growth Percent Change 2005 over 2004, by MSA



Source: Bureau of Economic Analysis



### WESTERN BLUE CHIP ECONOMIC FORECAST

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