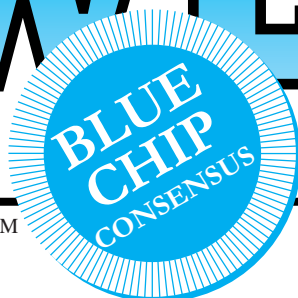


WESTERN



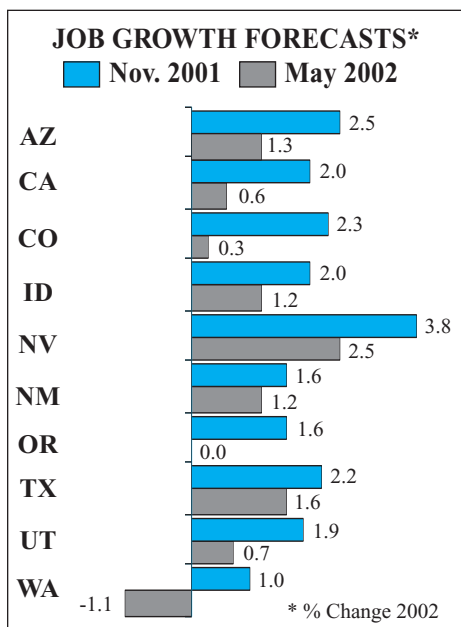
BLUE CHIP ECONOMIC FORECAST

TM

What Blue Chip economists are saying about the Western states

VOLUME 16 • NUMBER 4 • MAY 2002

No early sign of thawing in Western states' forecasts



As spring buds begin to emerge across the Western landscape, analysts are looking for some signs that the economy will soon begin to bloom as well.

On the national level, economy watchers are finding comfort in the surge in temporary hires. The reasoning goes that firms must have expectations of increases in demand for goods and services and are therefore adding to payrolls.

Although the unemployment rate went back up, overtime hours increased at the same time. Can recovery be far off?

Alas, our panel of projecting pundits thinks otherwise. Compared to six months ago, the forecasts for 2002 employment gains in the Western states have turned downright somber.

Nonagricultural employment increases in five states are expected to be less than 1 percent. The forecast for Oregon

calls for no net gains in jobs at all this year. And in Washington, the consensus is for a loss in employment compared to last year.

The figure compares employment forecasts state by state for last November and now. In November, when the economy was still reeling from the terrorist attacks and analysts were up to their necks in bad economic news, six Western states expected employment to grow 2 percent or more in 2002. Today, only Nevada forecasters expect gains of 2 percent or more in job creation.

It seems likely that most Western states will record little or no job growth in the first quarter. A warm spring and a bountiful summer are needed to brighten the current frigid forecasts for the West.

— L.M.

Unemployment claims from layoffs dip in California, rise in most of West

Although California reported more initial unemployment claims from mass layoffs than any other state (34,494) in February, the number of claims in the Golden State was down over-the-year (see table).

The "mass layoff" statistics refer to cutbacks of 50 or more persons from an employer during a five-week period. The initial unemployment claims from established businesses give another way to look at labor markets as compared to the unemployment rate, which can be influenced by persons dropping out of the labor force or taking part-time jobs.

Texas had the second largest number of initial claims from mass layoffs in the West (9,081), and the third largest in the country (behind Illinois).

Nationally, initial claims from mass layoffs were down by 20 percent over-the-year in February. California posted the largest decrease in initial claims (-28,297). Claims were also down in Idaho and Nevada.

The other Western states saw an increase in initial claims compared to February of 2001. Claims in Colorado were up threefold (976 vs 321). The increase in Washington was more than 20 percent and in Arizona more than 50 percent.

The largest absolute rise in claims in the West was recorded in Texas, where claims rose by more than 2,000 over-the-year.

Layoff events also rose in Texas during the period, with a total of 75 in February of 2002 compared to 58 in

INITIAL UNEMPLOYMENT CLAIMS FROM MASS LAYOFFS IN WESTERN STATES

	Feb. 2001	Jan. 2002	Feb. 2002
U.S.	172,908	263,821	138,984
Arizona	553	1,252	939
California	62,791	62,844	34,494
Colorado	321	1,487	976
Idaho	1,681	1,054	1,579
Nevada	2,016	4,133	1,122
New Mexico	229	535	279
Oregon	2,543	5,278	2,576
Texas	7,074	10,272	9,081

Source: U.S. Bureau of Labor Statistics

February of 2001.

Layoff events in California declined during the year to 460 in February of 2002, from 635 at the same time in 2001.

— L.M.

NATIONAL ROUNDUP

U.S. JOB GROWTH



Percent Change: Feb. 2002 vs Feb. 2001

Nonfarm	-1.0
Construction	-1.0
Manufacturing	-7.2
Transportation, Communications and Public Utilities	-3.0
Trade	-0.5
Finance, Insurance and Real Estate	0.3
Services	0.1
Government	1.9

Source: U.S. Bureau of Labor Statistics

U.S. REAL ESTATE



Residential Building Permits February 2002 vs February 2001

	Total Residential	Single- family	Multi- family
2002	120,964	94,556	26,408
2001	111,773	83,436	28,337
% Δ	8.2	13.3	-6.8

Source: U.S. Department of Commerce

U.S. FORECASTS

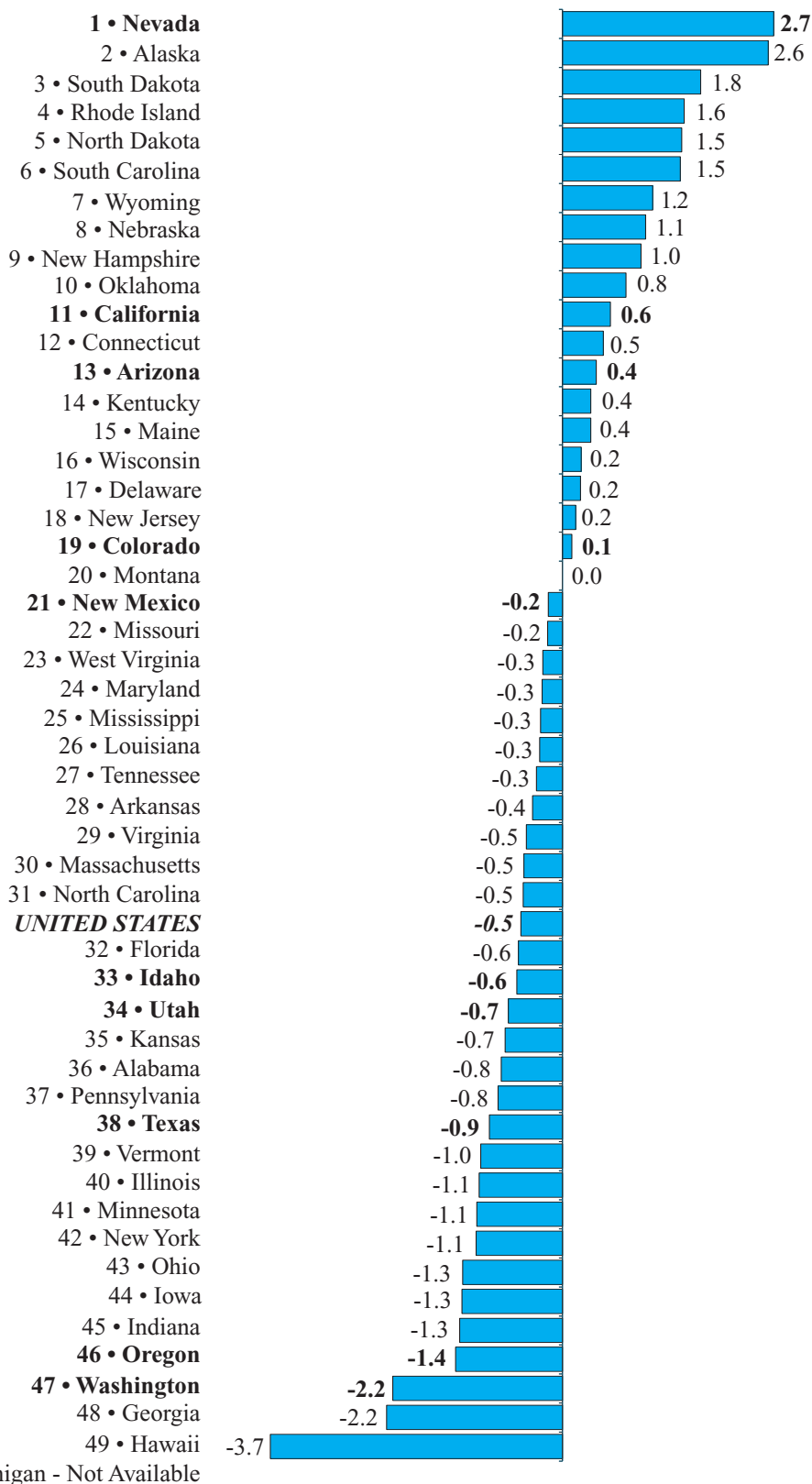


Percent Change

	2002	2003
Real GDP (Chain).....	2.3	3.8
CPI	1.9	2.7
GDP Deflator (Chain)...	1.5	2.3

Source: "U.S. Economic Outlook," DRI-WEFA, March 2002

WHOLESALE AND RETAIL TRADE JOB GROWTH Percent Change, February 2002 over February 2001



Source: U.S. Bureau of Labor Statistics

SUMMARY

WESTERN BLUE CHIP ECONOMIC FORECAST

2002 Annual Percent Change, 2002 from 2001						2003 Annual Percent Change, 2003 from 2002				
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	4.9 ↑	6.9 ↑	1.3 ↓	2.6 ↑	(10.1)↓	6.1 ↑	3.9 ↑	3.0 ↑	2.6 ↑	(0.3)↓
California	3.0	1.6	0.6 ↓	1.6	(1.5)↓	6.4 ↓	4.2 ↓	2.3 ↓	1.5	2.5
Colorado	4.3 ↑	2.9 ↑	0.3 ↓	1.7 ↓	(13.9)↓	6.7 ↓	4.4 ↓	2.8 ↑	1.7	4.9 ↓
Idaho	4.0 ↓	2.6 ↓	1.2 ↓	1.4	(5.8)↑	5.2 ↓	3.0 ↓	1.8 ↓	1.3	(1.1)↓
Nevada	5.4 ↑	3.9 ↑	2.5 ↑	3.8	(1.4)	6.7	4.4 ↓	4.1	4.3	3.7 ↑
New Mexico	4.3	2.9	1.2	1.3	(3.6)	5.0	2.7	1.7 ↓	1.3	(0.6)
Oregon	3.5 ↓	2.1 ↓	(0.0)↓	1.1	0.7 ↑	5.4 ↓	3.1 ↓	2.4 ↑	1.3	5.1
Texas	5.6 ↑	4.2 ↑	1.6 ↓	1.7 ↓	(0.2)↑	6.9 ↑	4.6 ↑	2.5 ↑	1.8 ↓	0.8 ↑
Utah	3.7	2.3	0.7	1.6	(4.1)	5.2	3.0	2.2	1.7	2.5
Washington	2.3	1.0	(1.1)↑	1.0	(7.8)↑	5.7	3.4	1.5	1.1	1.2 ↓
↑= Increase in consensus forecast ↓= Decrease in consensus forecast										

Forecast notes from the Western region...

The most recent key indicators for the Silver State are down from year-ago levels. [Nevada] taxable sales, gaming revenue, and visitor volume all dropped. However, given the national economic decline and the reduced travel after September 11, the declines are more modest than what might have otherwise occurred. As a result, the evidence does give reason to believe that the worst may be over.

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

Economic growth in Colorado ground to a halt as 2001 drew to a close, severely impacted by many of the same factors that led to the current U.S. recession. Better news? The Colorado economy, now in recession, should stabilize and then record slightly positive growth in 2002's second half as the national and global economies are expected to show signs of renewed strength.

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

Even though the peso remains amazingly strong, [Texas] border area retail sales are being choked by heightened security measure bottlenecks at the international bridges.

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

Texas will struggle during the first half of the year, lagging behind most of the nation in the recovery process. By Fall, the Texas economy will begin to show some life, but the real Texas economic recovery will not begin in earnest until early 2003.

— **Barton Smith**
*University of Houston
Houston, Texas*

While the national economy seems to be turning around, California's economy continues to move sideways. There are growing concerns about the commercial real estate overhang in the Bay Area, the agricultural industry continues to struggle, while the tourist sector is turning in a spotty performance. Here, the "drive" market is doing the best. In addition, the state's budget problems are threatening a variety of programs. On the good news side, the housing resale market continues to roll, international trade activity is growing again and motion picture/TV production is also on the increase.

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

Although retail sales [in Arizona] did better than expected during the holidays and the opening days of 2002, there is still uneasiness about the health and direction of retail sales activity and the saturation of existing markets. The extreme competitiveness of the local mar-

kets has resulted in some store closings, and several chains like Kmart have been struggling. When the major retail markets have difficulties, this frequently benefits smaller communities where retailers can develop in smaller, underserved areas.

— **Jay Q. Butler**
*Arizona State University
Tempe, Arizona*

Job losses in manufacturing and mining continued to be a drag on the New Mexico economy through the first quarter of this year. The outlook for New Mexico employment calls for modest growth in the third and fourth quarters of 2002, followed by moderate growth in 2003.

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

By our rationale, using personal income as a barometer, there is little doubt that, recession or not, California fell further than the national economy during the last three quarters of 2001. By the second half of this year, areas of current strength should be augmented by a turn in the technology sector. A pickup in computer services and personnel services will bring about a resumption of growth in business services. High-tech employment in electronics will add jobs at a modest pace.

— **Tom Lieser**
*UCLA Anderson Forecast
Los Angeles, California*

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										
2002 Annual Percent Change, 2002 from 2001						2003 Annual Percent Change, 2003 from 2002				
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	5.4	3.2	1.1	2.6	(12.5)	6.1	4.9	2.7	2.6	10.0
ASU – Bank One EOC	5.4	3.2	1.5	2.7	(10.0)	6.0	5.0	3.0	2.4	(2.0)
CH2M HILL	5.0	4.6	1.5	2.5	(12.0)	6.0	5.8	2.9	2.4	2.0
Department of Economic Security	5.2	4.0	(0.8)	2.5		6.0	5.6	2.5	2.4	
ECON-LINC	4.0	3.2	0.6	2.5	(10.0)	6.4	5.6	2.8	2.5	(10.0)
Eggert Economic Enterprises Inc.	5.5	4.1	1.8	2.7	(6.0)	6.2	5.4	3.3	2.8	(2.2)
Elliott D. Pollack & Co.	5.6	3.0	1.0	2.5	(15.0)	6.5	6.5	4.0	2.7	(10.0)
H. C. Reardon Economics	4.9	4.2	1.8	2.6	(10.0)	7.1	6.5	3.5	2.7	0.0
Joint Legislative Budget Committee	4.5	3.0	1.5	2.6	(15.0)	6.0	5.5	2.6	2.6	0.0
Lancaster Consulting	5.6	4.2	1.9	2.6	(5.0)	6.3	5.3	3.0	2.5	0.0
The Maguire Company	5.4	3.7	1.5	2.7	(5.0)	6.2	5.7	2.8	2.7	(5.0)
NAU – BBER	4.9	4.1	1.6	2.5	(10.0)	5.9	5.3	3.0	2.6	0.0
Office of the Treasurer	5.2	4.1	1.8			6.1	5.2	2.6		
Protitlement	5.4	3.8	1.8	2.7	(12.0)	5.8	5.8	3.4	2.7	(5.0)
Salt River Project	5.2	3.2	2.0	2.8	(5.0)	6.0	5.5	3.0	2.8	(1.0)
Tucson Electric Power Co.	3.0	(0.1)	0.0	2.4	(18.0)	4.8	3.3	1.3	2.5	(9.0)
UA – Eller College	2.7	(0.6)	0.0	2.4	(21.2)	6.3	6.7	2.6	2.2	20.2
VisionEcon	5.8	5.2	2.3	2.7	0.8	6.8	7.7	4.0	3.1	2.0
Wells Fargo & Co.	5.0	3.9	1.2	2.5	(5.0)	6.1	5.0	3.4	2.6	5.0
Consensus Forecast - This Month	4.9	3.4	1.3	2.6	(10.1)	6.1	5.6	3.0	2.6	(0.3)
- Last Month	4.9	3.4	1.4	2.6	(9.5)	6.1	5.5	3.0	2.6	(0.2)

CALIFORNIA										
2002 Annual Percent Change, 2002 from 2001						2003 Annual Percent Change, 2003 from 2002				
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	2.6	0.8	0.3	1.7	0.3	7.5	7.5	2.4	1.7	3.4
Applied Development Economics, Inc.	5.0	4.4	2.4	1.7	3.0					
California State University, Long Beach *	5.6	4.4	1.2	1.6	(3.8)	5.6	4.4	1.3		(3.1)
Chapman University	3.5	2.6	0.4	1.5	(4.2)	5.9	5.8	2.4	1.6	3.1
L.A. County Econ. Development Corp.	2.4	1.9	(0.3)	1.7	(5.5)	6.0	5.2	1.7	1.3	1.5
Legislative Analyst's Office	2.8	3.5	(0.3)	1.7	0.0	7.4	7.8	2.4	1.6	10.0
UCLA - Business Forecasting Project	1.3	3.5	0.7	1.5	(2.3)	5.6	5.7	2.2	1.4	(8.8)
Wells Fargo & Co.	3.4	3.1	0.8	1.6	(2.0)	6.2	5.1	2.8	1.6	6.0
Consensus Forecast - This Month	3.0	2.8	0.6	1.6	(1.5)	6.4	6.2	2.3	1.5	2.5
- Last Month	3.0	2.8	0.6	1.6	(1.5)	6.6	6.3	2.4	1.5	2.5

* This forecast is for Southern California only

CONSENSUS FORECASTS

WESTERN BLUE CHIP ECONOMIC FORECAST

COLORADO										
2002 Annual Percent Change, 2002 from 2001						2003 Annual Percent Change, 2003 from 2002				
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
Cntr. for Bus. and Econ. Forecasting	2.4	3.4	(0.7)	1.6	(19.6)	6.4	7.6	3.0	1.5	1.3
Colorado Legislative Council	3.8	3.0	(0.2)	1.8	(11.5)	6.3	6.7	2.7	1.7	3.5
Office of State Planning and Budgeting	4.8	2.7	0.2	1.8	(14.3)	6.5	5.1	2.6	1.7	0.2
U. S. Bank	3.7	3.5	0.4	1.8	(16.9)	7.5	6.8	2.9	1.7	18.3
University of Colorado	5.4	4.0	0.5	1.8	(10.0)	6.9	6.0	2.4	1.8	1.0
Wells Fargo & Co.	5.0	3.4	1.2	1.6	(10.0)	6.4	5.0	3.0	1.8	5.0
Xcel Energy	5.0	4.0	1.0	1.7	(15.0)	7.0	6.0	3.0	2.0	5.0
Consensus Forecast - This Month	4.3	3.4	0.3	1.7	(13.9)	6.7	6.2	2.8	1.7	4.9
- Last Month	4.2	3.4	0.4	1.7	(13.5)	6.9	6.0	2.7	1.7	5.2

IDAHO										
2002 Annual Percent Change, 2002 from 2001						2003 Annual Percent Change, 2003 from 2002				
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 Div. of Financial Management	3.7		0.5	1.2	(2.9)	6.3		1.9	1.1	(6.6)
Idaho Economics	4.8		1.7	1.6	(5.0)	5.5		2.1	1.6	(2.0)
Idaho State University	3.4	3.0	1.4	1.4	(12.0)	4.0	4.5	1.0	1.0	0.0
Thredgold Economic Associates	4.2	3.5	1.2	1.4	1.0	5.5	4.5	2.2	1.4	3.0
University of Idaho	4.5	3.4	1.6	1.1		5.5	4.5	2.1	1.1	
Wells Fargo & Co.	3.5	3.3	0.9	1.4	(10.0)	4.5	4.5	1.7	1.4	0.0
Consensus Forecast - This Month	4.0	3.3	1.2	1.4	(5.8)	5.2	4.5	1.8	1.3	(1.1)
- Last Month	4.1	3.4	1.5	1.4	(6.3)	5.3	4.5	1.9	1.3	(0.4)

NEVADA										
2002 Annual Percent Change, 2002 from 2001						2003 Annual Percent Change, 2003 from 2002				
Source:	Current \$ Personal Income	Gross Gaming Revenues	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Gross Gaming Revenues	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Dept. of Empl., Training, and Rehab.	6.0	3.0	2.8	4.0		6.5	4.0	3.9	4.0	
Legis. Counsel Bureau - Fiscal Analysis	4.0	0.5	3.0	3.0	(8.0)	5.5	4.0	4.5	4.0	2.0
Restrepo Consulting Group, LLC	5.5	3.0	3.0	3.5	3.0	7.0	4.0	4.0	4.5	4.0
Thredgold Economic Associates	6.0	3.5	2.0	3.6	3.5	7.0	6.0	3.5	4.2	6.0
Southwest Gas	6.7	3.4	4.1	4.9	2.2	7.2	4.6	4.5	5.2	2.4
Univ. of Nevada at Las Vegas - CBER	3.7	(0.3)	(0.6)	4.0	(5.8)					
Wells Fargo & Co.	5.6	3.8	3.0	3.3	(3.0)	6.9	5.7	4.2	3.9	4.0
Consensus Forecast - This Month	5.4	2.4	2.5	3.8	(1.4)	6.7	4.7	4.1	4.3	3.7
- Last Month	5.3	2.4	2.4	3.8	(1.4)	6.7	4.8	4.1	4.3	3.6

CONSENSUS FORECASTS

WESTERN BLUE CHIP ECONOMIC FORECAST

NEW MEXICO

	2002 Annual Percent Change, 2002 from 2001					2003 Annual Percent Change, 2003 from 2002				
	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
Source:										
Eastern New Mexico University	4.5		1.2	1.4	(2.5)	3.9		1.4	1.3	(3.6)
New Mexico Department of Labor		0.0	1.2				1.0	1.5		
New Mexico State Univ - CEMAF	5.0	0.0	1.5			5.5	1.5	2.0		
University of New Mexico - BBER	3.1	(0.4)	0.9		(7.2)	5.1	0.9	1.5		0.9
Wells Fargo & Co.	4.5	0.1	1.4	1.2	(1.0)	5.3	1.0	2.3	1.3	1.0
Consensus Forecast - This Month	4.3	(0.1)	1.2	1.3	(3.6)	5.0	1.1	1.7	1.3	(0.6)
- Last Month	4.3	(0.1)	1.2	1.3	(3.6)	5.0	1.1	1.8	1.3	(0.6)

OREGON

	2002 Annual Percent Change, 2002 from 2001					2003 Annual Percent Change, 2003 from 2002				
	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
Source:										
Conerly Consulting	2.6	(5.2)	(0.6)	1.0	(6.0)	5.9	3.1	3.5	1.3	5.0
Forefront Economics	3.6	(2.9)	(0.4)	1.0	1.0	5.3	1.8	2.4	1.1	5.5
Oregon Executive Department	2.7	(4.5)	(0.7)	1.0	0.4	6.5	1.9	2.2	1.2	4.7
Portland General Electric	3.7	(3.0)	0.2	1.1	5.0	6.5	3.0	2.5	1.3	7.0
Rhodes Econometrics	4.2	2.8	1.4	1.3	1.7	4.5	3.9	3.1	2.1	2.2
Thredgold Economic Associates	3.8	(1.0)	(0.5)	1.1	2.2	4.5	0.0	1.0	1.2	5.0
U.S. Bancorp	4.0	(2.0)	0.0	1.1	0.0	4.5	1.5	1.5	1.1	5.0
Wells Fargo & Co.	3.1	(1.0)	0.3	1.1	1.0	5.1	1.6	2.6	1.2	6.0
Consensus Forecast - This Month	3.5	(2.1)	(0.0)	1.1	0.7	5.4	2.1	2.4	1.3	5.1
- Last Month	3.6	(1.8)	(0.0)	1.1	0.5	5.4	2.1	2.3	1.3	5.1

TEXAS

	2002 Annual Percent Change, 2002 from 2001					2003 Annual Percent Change, 2003 from 2002				
	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Source:										
Econoclast	6.2	5.9	2.1	1.7	1.0	6.7	6.8	2.2	1.8	2.0
Federal Reserve Bank of Dallas	5.5	5.2	0.5	1.7	(2.0)	7.5	7.0	3.1	1.8	2.0
Ed McClelland	6.2	5.8	2.1	1.7	(1.0)	6.8	6.6	2.6	1.7	1.0
Perryman Group	5.1	4.4	1.7	1.8	(3.6)	6.5	6.2	2.3	1.8	(1.5)
State Comptroller of Public Accounts	5.4	3.7	1.0	1.8	2.6	7.3	8.5	2.3	1.7	(1.6)
University of Houston - CPP	5.8	5.5	1.9	1.6		7.1	7.1	2.6	1.9	
University of Texas at El Paso	5.0	4.8	1.3	1.7	0.4	6.6	7.3	2.2	1.7	1.5
Wells Fargo & Co.	6.0	4.4	1.9	1.8	1.0	6.4	5.2	2.8	1.8	2.0
Consensus Forecast - This Month	5.6	5.0	1.6	1.7	(0.2)	6.9	6.8	2.5	1.8	0.8
- Last Month	5.6	5.0	1.7	1.7	(0.9)	6.8	6.9	2.5	1.8	0.6

CONSENSUS FORECASTS

WESTERN BLUE CHIP ECONOMIC FORECAST

UTAH

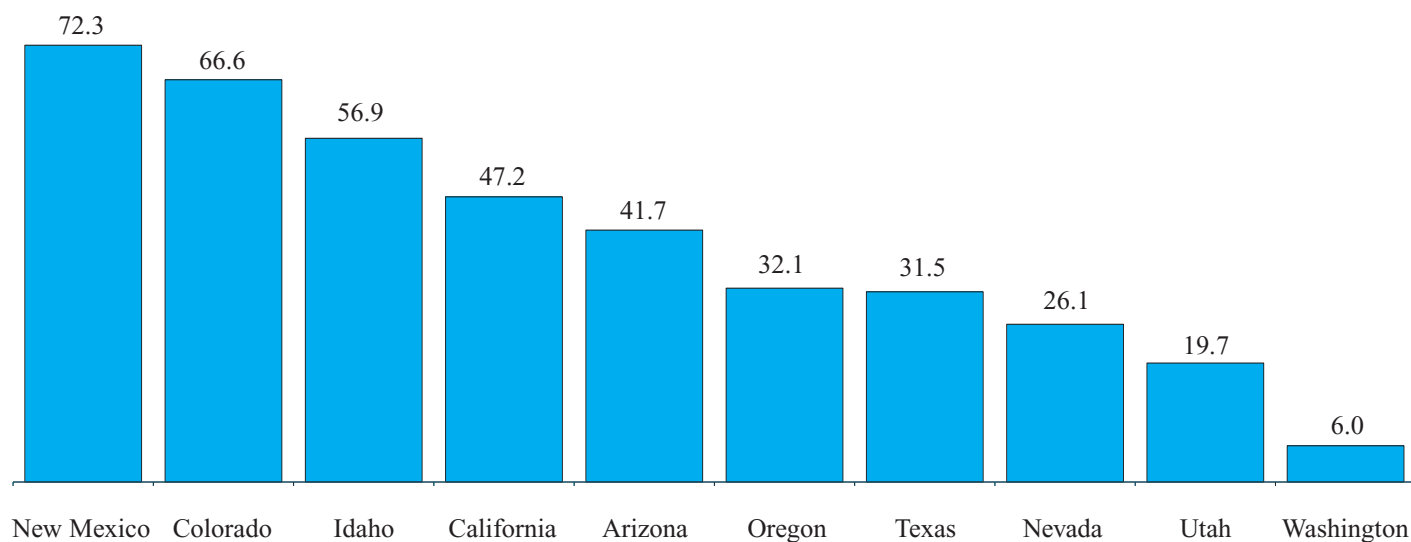
	2002 Annual Percent Change, 2002 from 2001					2003 Annual Percent Change, 2003 from 2002				
	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Source:										
Pacificorp	4.5	3.9	1.5	1.4	(4.5)	5.3	4.5	2.2	1.7	5.0
Thredgold Economic Associates	4.8	2.5	1.3	1.6	2.5	6.0	3.5	2.3	1.6	3.0
Utah Dept. of Workforce Services	3.0	2.9	0.0	1.7	(3.0)	4.5	0.5	2.1	1.9	2.0
Utah State Tax Commission	2.5	2.2	0.0	1.7	(1.5)	5.3	4.5	2.1	1.7	2.5
Wells Fargo	3.5	2.6	0.5	1.7	(14.0)	5.0	3.5	2.2	1.8	0.0
Consensus Forecast - This Month	3.7	2.8	0.7	1.6	(4.1)	5.2	3.3	2.2	1.7	2.5
- Last Month	3.7	2.9	0.7	1.6	(4.1)	5.2	3.5	2.2	1.7	2.5

WASHINGTON

	2002 Annual Percent Change, 2002 from 2001					2003 Annual Percent Change, 2003 from 2002				
	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Popu- lation Growth	Single-family Housing Permits
Source:										
Conerly Consulting	3.8	0.2	(1.3)	0.9	(9.7)	7.0	5.0	1.5	1.3	(2.0)
Dick Conway & Associates	2.0	(1.0)	(1.2)	0.9	(8.0)	5.3	3.5	1.0	0.9	5.0
Doug Pedersen & Associates	2.0	(0.5)	(1.0)	1.1	(5.0)	5.5	4.3	1.3	1.1	5.0
Office of Forecast Council *	1.3	(0.2)	(1.3)	1.1	(11.3)	5.0	5.6	1.4	1.0	(3.8)
Wells Fargo & Co.	2.6	0.5	(0.8)	1.0	(5.0)	5.6	4.0	2.1	1.2	2.0
Consensus Forecast - This Month	2.3	(0.2)	(1.1)	1.0	(7.8)	5.7	4.5	1.5	1.1	1.2
- Last Month	2.3	(0.2)	(1.1)	1.0	(7.9)	5.7	4.4	1.5	1.1	1.6

* Population forecast is from the Office of Financial Management.

EXPORT OF COMPUTERS AND ELECTRONIC EQUIPMENT Percent of Total Exports by State, 2001



Source: U.S. Office of Trade and Economic Analysis

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
2001	\$136,106†	\$124,354†	2,267††	\$45,610†	211††	46,111†	5,323.5	4.5††
Percent Change	5.4	3.1	0.9	3.8	(1.6)	(5.6)	2.6	
2000	129,133	120,650	2,248.0	43,940	214.9	48,846	5,187	3.9
Percent Change	8.2	5.8	3.9	7.8	1.5	(5.6)	3.4	
1999	119,354	114,053	2,163.1	40,769	211.7	51,764	5,017	4.4
Percent Change	5.7	4.2	4.3	10.0	(2.0)	1.5	3.2	
1998	112,910	109,409	2,074.7	37,071	216.0	50,997	4,864	3.8
Percent Change	8.9	7.6	4.5	7.2	4.1	18.6	3.3	

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
2001	\$1,129,803†	\$1,032,247†	14,776††	\$282,028†	1,911††	105,855†	35,203†	5.2††
Percent Change	3.2	0.9	1.8	1.7	(0.6)	1.2	1.7	
2000	1,094,770	1,022,855	14,518.6	277,314	1,923.0	104,600	34,615	4.9
Percent Change	9.8	7.3	3.8	8.5	0.0	1.8	1.7	
1999	997,293	953,004	13,991.8	255,589	1,923.8	102,750	34,036	5.2
Percent Change	7.0	5.6	2.9	11.4	(1.4)	10.0	1.6	
1998	931,627	902,739	13,596.1	229,406	1,951.2	93,414	33,494	5.9
Percent Change	8.1	6.8	3.6	5.6	1.9	11.0	1.6	

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
2001	\$150,598†	\$137,595†	\$2,253††	\$59,626†	202.0††	36,477†	4,418††	3.5††
Percent Change	7.3	4.9	1.7	2.7	(1.1)	(3.2)	2.2	
2000	140,353	131,133	2,214.8	\$58,058	204.0	37,699	4,323	2.6
Percent Change	10.0	7.5	3.9	10.9	(0.1)	(1.9)	*	
1999	127,638	121,969	2,131.8	52,368	204.1	38,410	4,056	2.9
Percent Change	7.8	6.3	3.6	8.7	(1.5)	6.4	2.2	
1998	118,407	114,735	2,057.0	48,173	207.3	36,107	3,969	3.8
Percent Change	8.9	7.5	3.9	6.7	1.8	13.0	2.0	

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

* 2000 and 2001 based on 2000 Census; 1999 and 1998 based on 1990 Census.

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
2001	\$32,226†	\$29,480†	567††	\$14,278†	76††	9,926†	1,321†	4.8††
Percent Change	4.9	2.6	1.3	3.8	(1.2)	(1.7)	1.7	
2000	30,759	28,738	560	\$13,755	76.4	10,098	1,299	4.5
Percent Change	7.7	5.3	3.9	4.5	(0.2)	(3.8)	*	
1999	28,572	27,303	538.9	13,163	76.6	10,497	1,252	5.2
Percent Change	5.5	4.1	3.3	4.8	0.6	2.1	1.7	
1998	27,079	26,240	521.8	12,560	76.1	10,277	1,231	5.0
Percent Change	7.3	6.0	2.3	4.4	2.2	16.3	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
2001	\$63,456†	\$57,977†	1,064††	\$31,709††	\$9,794†	26,981†	2,106††	5.1††
Percent Change	6.4	4.0	3.4	7.7	3.1	4.8	4.3	
2000	59,640	55,722	1,028.7	29,454	9,499.7	25,749	2,019	3.9
Percent Change	7.1	4.7	4.7	6.1	5.3	6.0	*	
1999	55,706	53,232	982.9	27,761	9,021.6	24,283	1,809	4.4
Percent Change	7.1	5.6	6.2	6.5	11.9	(0.7)	3.8	
1998	52,032	50,418	925.9	26,068	8,065.1	24,445	1,744	4.3
Percent Change	10.1	8.8	3.9	4.6	3.4	4.2	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								

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
2001	\$42,091†	\$38,457†	755††	\$12,540††	42.3††	8,929††	1,829†	5.7††
Percent Change	5.3	3.0	1.5	3.6	(0.7)	11.1	0.4	
2000	39,973	37,347	743.9	12,099	42.6	8,037	1,821	5.5
Percent Change	5.5	3.1	2.0	5.5	0.7	(6.5)	*	
1999	37,890	36,208	729.6	11,466	42.3	8,595	1,740	5.6
Percent Change	2.8	1.4	1.3	2.1	(5.4)	(6.7)	0.4	
1998	36,867	35,723	720	11,225	44.7	9,217	1,734	6.2
Percent Change	5.8	4.5	1.6	5.3	(3.2)	12.6	0.6	
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								

* 2000 and 2001 based on 2000 Census; 1999 and 1998 based on 1990 Census.

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
2001	\$98,609†	\$90,095†	1,592††	234.6††	16,217.0†	21,049.0††	3,374†	5.9††
Percent Change	3.8	1.5	(0.7)	(3.4)	4.4	6.4	1.1	
2000	94,999	88,759	1,603.3	242.9	15,532	19,785	3,337	4.8
Percent Change	6.7	4.3	1.8	0.7	(6.4)	(14.9)	1.1	
1999	89,058	85,103	1,575	241.2	16,595	23,249	3,301	5.7
Percent Change	4.5	3.0	1.5	(1.8)	(2.0)	(10.1)	1.0	
1998	85,262	82,618	1,551.8	245.7	16,936	25,854	3,268	5.6
Percent Change	5.8	4.5	1.7	0.8	4.2	(4.2)	1.6	
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
2001	\$615,580†	\$562,426†	9,639††	\$306†	1,075††	111,352†	21,325††	4.7††
Percent Change	6.0	3.7	2.1	5.2	(0.8)	4.5	1.8	
2000	580,736	542,588	9,443.3	291	1,083.9	106,601	20,947	4.3
Percent Change	7.7	5.3	3.1	7.0	(1.4)	4.7	*	
1999	539,347	515,396	9,159.2	272.1	1,098.9	101,848	20,044	4.6
Percent Change	5.3	3.9	2.5	11.1	(0.9)	2.0	1.7	
1998	512,089	496,210	8,940.1	244.9	1,109.1	99,831	19,712	4.8
Percent Change	9.2	7.9	3.9	4.7	2.3	(21.5)	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
2001	\$55,202†	\$50,436†	1,089††	\$17,935†	128.9††	15,868†	2,270††	4.0††
Percent Change	5.2	2.9	1.1	3.8	(1.5)	(2.4)	1.3	
2000	52,474	49,027	1,077.1	17,278	130.9	16,258	2,242	3.2
Percent Change	6.7	4.3	2.7	4.8	(1.0)	(2.2)	*	
1999	47,172	46,988	1,048.6	16,490	132.2	16,624	2,130	3.7
Percent Change	5.1	3.7	2.5	5.3	(0.9)	2.1	1.4	
1998	46,781	45,330	1,023.3	15,655	133.4	16,287	2,101	3.8
Percent Change	7.1	5.8	3.0	5.3	0.4	9.9	1.7	
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								

* 2000 and 2001 based on 2000 Census; 1999 and 1998 based on 1990 Census.

HISTORICAL DATA

WESTERN BLUE CHIP ECONOMIC FORECAST

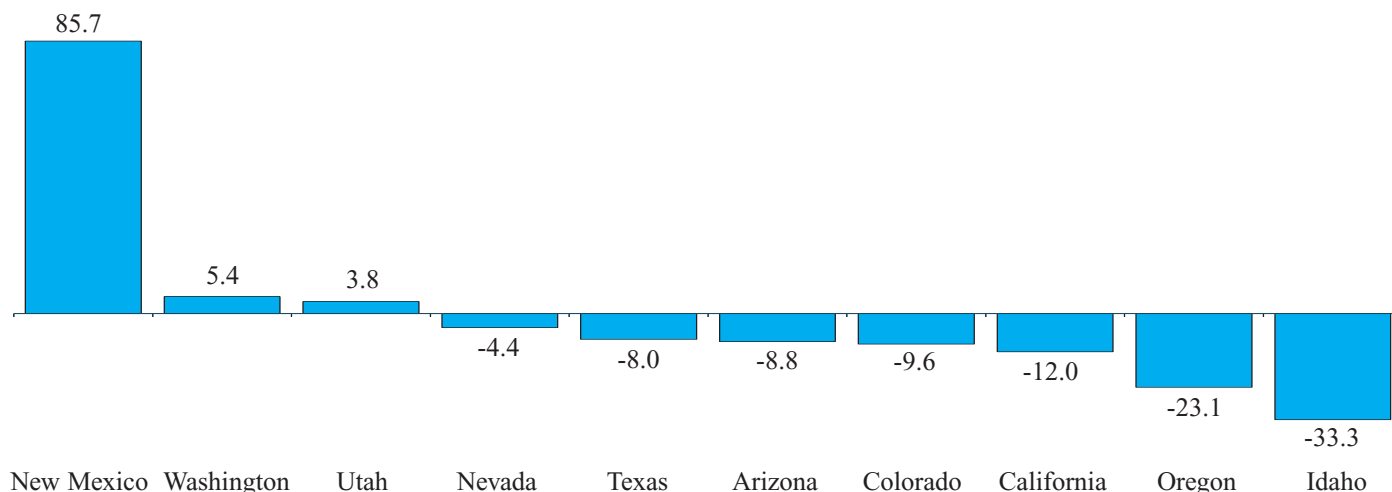
WASHINGTON

	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
2001	\$191,099†	\$174,598†	2,738††	\$85,975†	337.5††	28,137†	5,988††	6.0††
Percent Change	3.7	1.4	0.8	1.5	(3.6)	3.1	1.3	
2000	184,280	172,175†	2,716.8	84,704	350.2	27,283	5,908	4.8
Percent Change	5.7	3.4	2.6	6.3	(3.7)	(7.8)	*	
1999	174,324	166,582	2,648.7	79,684	363.7	29,598	5,756	4.7
Percent Change	6.8	5.3	2.1	7.8	(4.2)	(3.3)	1.2	
1998	163,291	158,228	2,594.9	73,934	379.5	30,610	5,688	4.8
Percent Change	8.7	7.4	3.2	6.6	2.6	2.4	1.5	

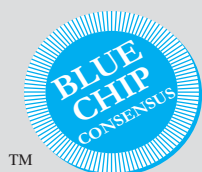
Basic data sources: Personal Income – U.S. Department of Commerce; Wage & Salary Employment – Washington State Employment Security; Taxable Retail Sales – Washington Department of Revenue; Manufacturing Employment – Washington State Employment Security; Housing Permits – U.S. Department of the Census;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

* 2000 and 2001 based on 2000 Census; 1999 and 1998 based on 1990 Census.

VALUE OF TOTAL EXPORTS Percent Change, 2001 over 2000



Source: U.S. Office of Trade and Economic Analysis



WESTERN BLUE CHIP ECONOMIC FORECAST

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WESTERN BLUE CHIP PANEL

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