

Idaho Economic Forecast

C.L. "Butch" Otter, Governor
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DIVISION OF FINANCIAL MANAGEMENT
Executive Office of the Governor

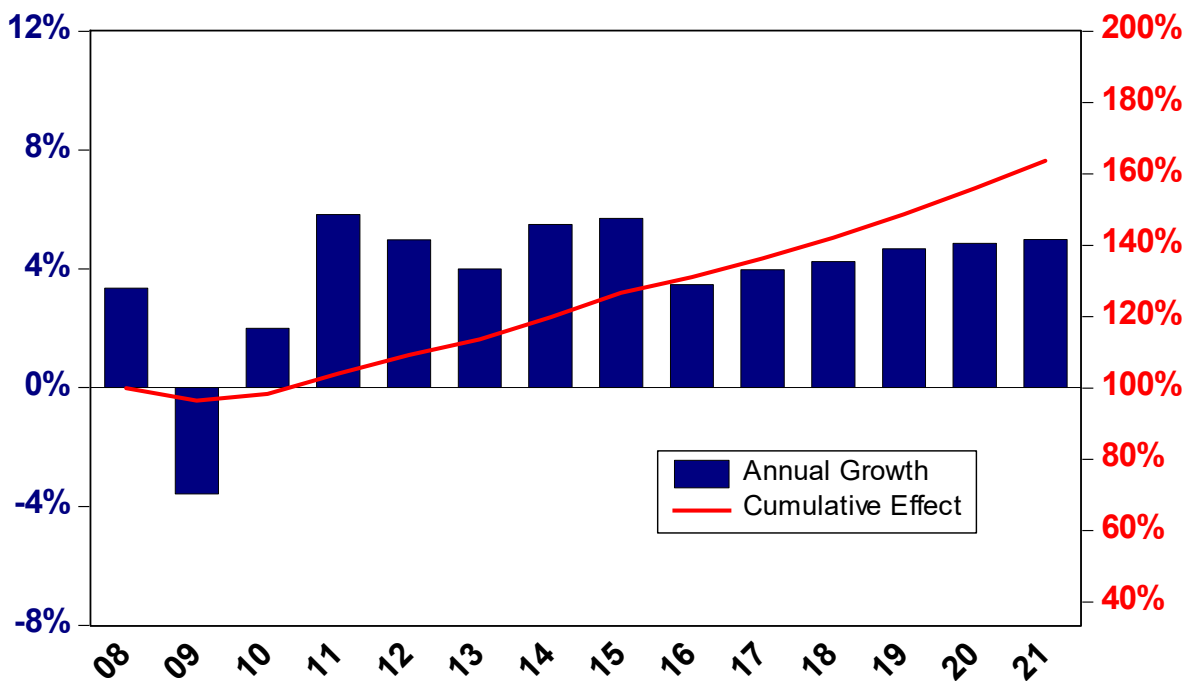
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- Forecast 2017–2021
- What's Down with Inflation?
- Alternative Forecasts

Idaho's total personal income
the past decade and through the forecast



**IDAHO
ECONOMIC
FORECAST
2017–2021**

State of Idaho
C.L. “BUTCH” OTTER
Governor

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INTRODUCTION

The national forecast presented in this publication is the November 2017 IHS Markit (IHS) baseline forecast of the US economy. The previous *Idaho Economic Forecast* was based on the October 2017 IHS baseline national forecast. From October to date, IHS has not anticipated a fiscal stimulus in its model. Thus, the recent tax legislation is not part of the national forecast or the resulting Idaho forecast.

COVER

The cover of the *Idaho Economic Forecast* in January traditionally shows Idaho personal income growth. The figures shown in this forecast are for nominal personal income, which is the total cash value at that point in time. Growth in nominal personal income primarily comes from three sources: more people working, higher wages, and general population growth. Growth rates for personal income have been modest across each recent year, typically under 5% per year. The cumulative effects of even modest changes can amount to significant differences when there are enough successive changes. This is reflected in the curve, which shows the total growth of Idaho personal income. It is up over 60% since 2008 despite the effects of the Great Recession. Personal income drives the two largest sources of revenue for the state: personal income taxes and sales taxes.

FEATURE

Inflation erodes the value of current dollars going forward, but recently this erosion has been less than many economists would imagine. In fact, a measure of inflation which removes the greatest volatility, the core personal consumption expenditures measure that the US Federal Reserve tries to keep in check, has actually undershot the target 2% rate for several years. What within the economy is holding it back, particularly as the unemployment rate reaches very low levels, is a conundrum. This is examined in the article “What’s Down with Inflation?” by two Federal Reserve Board economists, Tim Mahedy and Adam Shapiro. Full employment means a very low, but not zero, level of unemployment; some people will always be between jobs. As unemployment dips below what is believed to be the country’s natural rate of unemployment, some sectors of the economy will almost surely experience growing inflation. Other sectors do not necessarily respond consistently to unnaturally low unemployment, and it is those sectors which become the focus of the article since their behavior is driving recent inflation readings. An example of these has to do with healthcare pricing, where Medicare reimbursement rates are a large part of the story. These reimbursement rates are expected to accelerate a bit from very low recent levels of growth. The authors also examine other specific features that are having sizable impacts towards holding inflation down, and they attribute some of the conundrum to the effects of these.

FORECAST

Alternative assumptions concerning future movements of key economic variables can lead to major variations in national and/or regional outlooks. IHS examines the effects of different economic scenarios, including the potential impacts of global economic conditions, higher inflation, and future Federal Reserve Board decisions. Alternative Idaho economic forecasts were developed under different policy and growth scenarios at the national level. Three of these forecasts are included in this report.

Historical and forecast data for Idaho and the United States are presented in the tables in the middle section of this report. Details are provided for every year from 2004 through 2021 and for every quarter from 2015 through 2020. The solution of the Idaho Economic Model (IEM) for this forecast begins with the third quarter of 2017.

CHANGES

The Idaho Department of Labor provides monthly historical employment data that are seasonally adjusted and converted to quarterly frequencies by the Idaho Division of Financial Management. The historical data through the fourth quarter of 2016 have been benchmarked by the Department of Labor, but the data set also contains nonfarm employment estimates through the first quarter of 2017. Personal income estimates in this report were released by the US Bureau of Economic Analysis (BEA) on September 26, 2017. It includes the BEA's revisions for the past three years. These are the most current data available. The next Idaho personal income will be released on December 22, 2017; it will be included in the next forecast as this release date was too late for inclusion within this publication.

Descriptions of IHS's US Macroeconomic Model and the IEM are provided in the appendix. Equations of the IEM and variable definitions are listed in the last pages of this publication.

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EXECUTIVE SUMMARY

Many people found new jobs in Idaho in 2017. Employment in the nonfarm sector is expected to show 21,800 more jobs than in 2016. The unemployment rate sank below 3.0% in the last few months of the year. Many counties had considerably lower unemployment rates. Idaho's population expanded faster than any other state, making national news. The US Census Bureau found the July 1, 2016, to July 1, 2017, increase in Idahoans at 2.2%. Much of this increase is due to migration into the state. Employers in many areas welcome the influx as labor demand is otherwise running up against local supply limits.

In several ways, Idaho is enjoying the prosperous economy that the nation is enjoying. National figures are also strong. GDP growth has been above 3.0% for two quarters. Unemployment is holding at levels as low as it has been since 2000. Homeownership is stable. Financial markets are both calm and elevated. Oil prices are holding in the range of \$50 to \$60 per barrel. Exports are being helped by a declining dollar and robust global growth. The economic expansion is the second longest in US history.

The national forecast from which this report begins has each of these national features within it, and the Idaho data contains most of the recent news for the state. However, IHS removed from its baseline any fiscal stimulus beginning in its October forecast, and that persists through the December forecast. This report is based upon the November forecast. As such, the impact of the recently-enacted tax reform (signed December 22) is not accounted for within the forecast. IHS is incorporating the new tax legislation into its January US forecast. The Idaho Division of Financial Management will run the numbers again when that forecast becomes available. It is possible that the rosy forecast within this publication could improve further, but it could be that the change is not dramatic. For instance, employers are already finding it difficult to find employees, so employment forecasts may not change appreciably. Similarly, the tax law does not directly change personal income; it changes disposable income once withholding tables are modified.

The IHS forecast sees 2.2% real GDP growth for the full year of 2017; the first quarter figure was closer to the 1.5% figure the US economy produced for 2016. The new year sees all four quarters with steady growth above 2.0%, with the full year to record 2.5% growth. Three years of gentle slowing of growth then bring GDP from 2.2% to 2.0% in 2021. According to the forecast, real personal income should increase 2.4% in 2018, 3.0% in 2019, and 2.6–2.7% to end the forecast. Employment gains moderate from 1.5% in 2017 to 1.3% in 2018, then 1.0% in 2019, match population growth around 0.8% in 2020, and then slide a bit below population growth in 2021. By that year, even the youngest baby boomers will be reaching their sixth decade.

Within Idaho, housing starts are expected to climb above 14,000 units and stay there until 2021 when the 15,000-unit mark should be crossed. The past two years have been very strong within the state's housing market: 2016 saw 20.7% growth, and 2017 is projected to see 8.2% growth. Employment also saw sharp increases in 2016–2017, with both years showing nonfarm employment up over 3.0%. The expectation is that growth will be 2.0% in 2018, then 1.7–1.8% the next three years. These values are sharply greater than the national figures. Total personal income in the state should increase from \$66.4 billion in 2016 to \$69.1 billion in 2017, with an anticipated bump to \$72.0 billion in 2018. Adjusting for inflation, personal income is growing in the mid to high 2% range. Average annual wages in Idaho are expected to finish 2017 with a gain of around \$600 per job. The forecast change for 2018 is a gain of over \$1,400 with a similar gain in 2019 and 2020.

IDAHO ECONOMIC FORECAST
EXECUTIVE SUMMARY
JANUARY 2018

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
U.S. GDP (BILLIONS)											
Current \$	15,518	16,155	16,692	17,428	18,121	18,624	19,377	20,256	21,163	22,109	23,052
% Ch	3.7%	4.1%	3.3%	4.4%	4.0%	2.8%	4.0%	4.5%	4.5%	4.5%	4.3%
2009 Chain-Weighted	15,021	15,355	15,612	16,013	16,472	16,716	17,090	17,513	17,906	18,281	18,649
% Ch	1.6%	2.2%	1.7%	2.6%	2.9%	1.5%	2.2%	2.5%	2.2%	2.1%	2.0%
PERSONAL INCOME - CURR \$											
Idaho (Millions)	52,745	55,370	57,581	60,744	64,209	66,433	69,071	72,001	75,364	79,027	82,967
% Ch	5.8%	5.0%	4.0%	5.5%	5.7%	3.5%	4.0%	4.2%	4.7%	4.9%	5.0%
Idaho Nonfarm (Millions)	50,637	53,268	55,241	58,295	61,973	64,435	67,026	70,005	73,292	76,908	80,785
% Ch	4.7%	5.2%	3.7%	5.5%	6.3%	4.0%	4.0%	4.4%	4.7%	4.9%	5.0%
U.S. (Billions)	13,255	13,915	14,074	14,818	15,553	15,929	16,428	17,074	17,899	18,756	19,663
% Ch	6.2%	5.0%	1.1%	5.3%	5.0%	2.4%	3.1%	3.9%	4.8%	4.8%	4.8%
PERSONAL INCOME - 2009 \$											
Idaho (Millions)	50,643	52,173	53,547	55,646	58,647	59,963	61,349	63,033	64,856	66,584	68,511
% Ch	3.3%	3.0%	2.6%	3.9%	5.4%	2.2%	2.3%	2.7%	2.9%	2.7%	2.9%
Idaho Nonfarm (Millions)	48,619	50,192	51,370	53,403	56,604	58,158	59,532	61,286	63,072	64,799	66,709
% Ch	2.2%	3.2%	2.3%	4.0%	6.0%	2.7%	2.4%	2.9%	2.9%	2.7%	2.9%
U.S. (Billions)	12,726	13,112	13,088	13,575	14,206	14,377	14,591	14,947	15,403	15,803	16,237
% Ch	3.7%	3.0%	-0.2%	3.7%	4.6%	1.2%	1.5%	2.4%	3.0%	2.6%	2.7%
HOUSING STARTS											
Idaho	4,563	7,124	9,075	9,827	10,274	12,400	13,416	14,176	14,844	14,841	15,200
% Ch	-12.0%	56.1%	27.4%	8.3%	4.5%	20.7%	8.2%	5.7%	4.7%	0.0%	2.4%
U.S. (Millions)	0.612	0.784	0.928	1.001	1.107	1.177	1.190	1.253	1.372	1.435	1.470
% Ch	4.5%	28.1%	18.4%	7.8%	10.6%	6.3%	1.0%	5.3%	9.6%	4.5%	2.5%
TOTAL NONFARM EMPLOYMENT											
Idaho	610,618	622,217	638,027	654,470	672,493	693,840	715,557	730,138	742,206	755,282	768,786
% Ch	1.2%	1.9%	2.5%	2.6%	2.8%	3.2%	3.1%	2.0%	1.7%	1.8%	1.8%
U.S. (Thousands)	131,941	134,171	136,379	138,937	141,813	144,306	146,440	148,293	149,805	150,984	151,791
% Ch	1.2%	1.7%	1.6%	1.9%	2.1%	1.8%	1.5%	1.3%	1.0%	0.8%	0.5%
SELECTED INTEREST RATES											
Federal Funds	0.1%	0.1%	0.1%	0.1%	0.1%	0.4%	1.0%	1.6%	2.3%	2.8%	3.2%
Bank Prime	3.3%	3.3%	3.3%	3.3%	3.3%	3.5%	4.1%	4.7%	5.4%	5.9%	6.3%
Existing Home Mortgage	4.7%	3.8%	4.0%	4.3%	4.0%	3.9%	4.2%	4.3%	5.0%	5.3%	5.4%
INFLATION											
GDP Price Deflator	2.1%	1.8%	1.6%	1.8%	1.1%	1.3%	1.8%	2.0%	2.2%	2.3%	2.2%
Personal Cons Deflator	2.5%	1.9%	1.3%	1.5%	0.3%	1.2%	1.6%	1.5%	1.7%	2.1%	2.0%
Consumer Price Index	3.1%	2.1%	1.5%	1.6%	0.1%	1.3%	2.1%	1.9%	2.1%	2.6%	2.4%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2017

IDAHO ECONOMIC FORECAST
EXECUTIVE SUMMARY
JANUARY 2018

	2017				2018				2019			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
U.S. GDP (BILLIONS)												
Current \$	19,058	19,250	19,495	19,706	19,922	20,143	20,368	20,592	20,812	21,047	21,274	21,521
% Ch	3.3%	4.1%	5.2%	4.4%	4.5%	4.5%	4.5%	4.5%	4.3%	4.6%	4.4%	4.7%
2009 Chain-Weighted	16,903	17,031	17,157	17,267	17,367	17,465	17,562	17,657	17,750	17,856	17,959	18,060
% Ch	1.2%	3.1%	3.0%	2.6%	2.3%	2.3%	2.2%	2.2%	2.1%	2.4%	2.3%	2.3%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	68,456	68,827	69,101	69,902	70,905	71,590	72,340	73,170	74,126	74,887	75,776	76,669
% Ch	9.7%	2.2%	1.6%	4.7%	5.9%	3.9%	4.3%	4.7%	5.3%	4.2%	4.8%	4.8%
Idaho Nonfarm (Millions)	66,100	66,624	67,306	68,073	68,909	69,570	70,348	71,194	72,059	72,845	73,685	74,579
% Ch	6.3%	3.2%	4.2%	4.6%	5.0%	3.9%	4.5%	4.9%	4.9%	4.4%	4.7%	4.9%
U.S. (Billions)	16,245	16,364	16,478	16,623	16,807	16,972	17,159	17,357	17,593	17,799	17,998	18,204
% Ch	5.6%	3.0%	2.8%	3.6%	4.5%	4.0%	4.5%	4.7%	5.5%	4.8%	4.6%	4.7%
PERSONAL INCOME - 2009 \$												
Idaho (Millions)	61,014	61,303	61,318	61,763	62,435	62,813	63,220	63,665	64,254	64,605	65,087	65,477
% Ch	7.3%	1.9%	0.1%	2.9%	4.4%	2.4%	2.6%	2.9%	3.7%	2.2%	3.0%	2.4%
Idaho Nonfarm (Millions)	58,914	59,341	59,725	60,147	60,678	61,042	61,479	61,946	62,462	62,843	63,291	63,692
% Ch	4.0%	2.9%	2.6%	2.9%	3.6%	2.4%	2.9%	3.1%	3.4%	2.5%	2.9%	2.6%
U.S. (Billions)	14,479	14,576	14,622	14,687	14,799	14,891	14,996	15,103	15,250	15,355	15,459	15,547
% Ch	3.3%	2.7%	1.3%	1.8%	3.1%	2.5%	2.8%	2.9%	4.0%	2.8%	2.8%	2.3%
HOUSING STARTS												
Idaho	11,669	13,372	14,931	13,692	13,875	14,067	14,264	14,496	14,714	14,851	14,909	14,904
% Ch	-19.4%	72.4%	55.5%	-29.3%	5.5%	5.6%	5.7%	6.7%	6.1%	3.8%	1.6%	-0.1%
U.S. (Millions)	1.238	1.167	1.165	1.189	1.207	1.239	1.270	1.294	1.318	1.350	1.394	1.428
% Ch	-3.4%	-21.0%	-0.6%	8.5%	6.3%	11.0%	10.3%	7.6%	7.6%	10.0%	13.8%	10.0%
TOTAL NONFARM EMPLOYMENT												
Idaho	708,792	713,731	718,012	721,691	725,460	728,480	731,750	734,863	737,756	740,606	743,682	746,780
% Ch	4.8%	2.8%	2.4%	2.1%	2.1%	1.7%	1.8%	1.7%	1.6%	1.6%	1.7%	1.7%
U.S. (Thousands)	145,712	146,197	146,668	147,185	147,626	148,082	148,508	148,958	149,312	149,648	149,988	150,272
% Ch	1.5%	1.3%	1.3%	1.4%	1.2%	1.2%	1.2%	1.2%	1.0%	0.9%	0.9%	0.8%
SELECTED INTEREST RATES												
Federal Funds	0.7%	1.0%	1.2%	1.2%	1.4%	1.5%	1.7%	2.0%	2.2%	2.2%	2.4%	2.5%
Bank Prime	3.8%	4.0%	4.3%	4.3%	4.5%	4.5%	4.8%	5.0%	5.3%	5.3%	5.5%	5.5%
Existing Home Mortgage	4.4%	4.1%	4.2%	4.2%	4.2%	4.2%	4.4%	4.5%	4.8%	5.0%	5.1%	5.1%
INFLATION												
GDP Price Deflator	2.0%	1.0%	2.2%	1.7%	2.1%	2.2%	2.3%	2.2%	2.2%	2.1%	2.0%	2.4%
Personal Cons Deflator	2.2%	0.3%	1.5%	1.7%	1.4%	1.4%	1.6%	1.8%	1.5%	1.9%	1.8%	2.3%
Consumer Price Index	3.1%	-0.3%	2.0%	2.5%	2.1%	1.4%	1.9%	2.3%	1.8%	2.5%	2.1%	3.0%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2017

NATIONAL FORECAST DESCRIPTION

The Forecast Period is the Third Quarter of 2017 through the Fourth Quarter of 2021

For the two most recent quarters in the record book, real GDP growth has been at or above a 3.0% annual rate, an achievement many economic projections suggest is above the typical growth that will occur in the coming years. The November IHS forecast, which is the basis of this publication, projects 2.5% growth for 2018. It does not have the major legislative development of December, tax legislation becoming law, within its scope. There may be a boost to growth in the near term. A preliminary estimate is all that is available from IHS. It is not yet incorporated into a full forecast of the economy. The early figure adds an additional quarter of a percentage point of real growth in 2018. This gives a bit of a picture as to the scope of the potential boost. It does not draw how that boost will transpire. Magnitudes and timings of where the extra growth materializes are not projected at a level of detail sufficient to answer industry or even sector questions.

Here are the non-granular changes available at a preliminary estimate stage with regard to the tax legislation. Unemployment may fall further, with the low about six-tenths of a percent below the baseline reached in 2020–2022. Inflation may rise further. Core personal consumption expenditures, the inflation measure the Federal Reserve is targeting at 2.0%, grows further each year until 2023 when this value is one quarter of a percentage point above the baseline, and a smidgen above a third of a percentage point above the Federal Reserve target. This gives context to a dramatically steeper rise in the federal funds rate, the short-term interest rate that the Federal Reserve most directly influences. One extra hike would be likely in 2018 above the three included in the baseline, then two extra hikes in 2019 above the two already penciled into the baseline for that year, and an additional two in 2020 as well. All told, for 2021–2023, the federal funds rate could be above 1.5 percentage points higher than in the baseline; it could reach 4.8% in 2021. This then impacts the debt service burden that the federal government incurs, raising interest costs substantially. While the tax legislation is budgeted as costing under \$1.5 trillion dollars over a decade, the initial estimate from IHS is that federal debt grows by an extra \$2.1 trillion over the decade.

Those essentially are the only initially predicted features available at the time of this writing with regard to the economic effects of the tax legislation. Most of these effects are expected to be temporary as well, in the sense that the trajectories of these variables are expected to converge towards the baseline projections of those variables once the time scale reaches one decade. In 2027, real GDP growth is expected to be unaffected by the 2017 tax legislation, as is the unemployment rate and even the federal funds rate. The debt trajectory, though, under IHS's preliminary forecast, would have a persistent change; it would remain higher throughout the next decade under the new tax legislation.

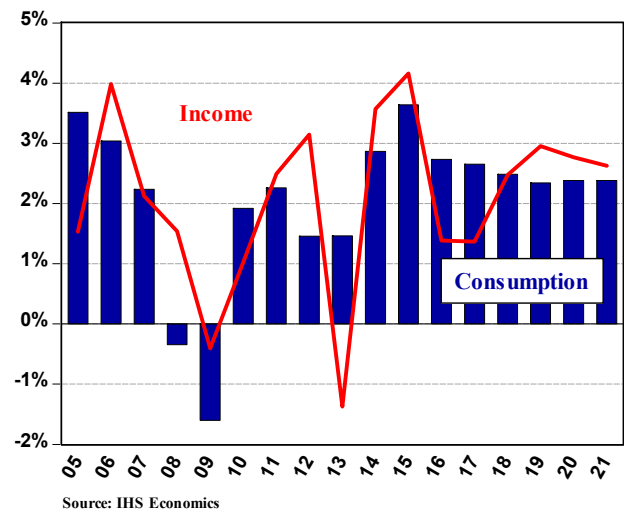
Here are the national features of the November IHS baseline forecast. Real disposable income is projected to grow 2.3% in 2018, a full percentage point faster than in 2017. That should grow to 3.0% in 2019. Productivity is expected to stay stationary at 1.5% per year throughout the forecast. That is a dramatic improvement from the 2016 value which was 0.0%. Oil prices, when adjusted for general inflation, are projected to lag in 2018 but be up in 2019 by two dollars per barrel, growing to eight dollars per barrel in 2020 before dropping back down to a premium of four dollars per barrel over the inflation adjusted price to end the forecast. Existing housing sales are expected to remain within the range given by 5.5–5.8 million units per year throughout the forecast, with the trend being generally upwards; they were at 5.4 million units in 2016. The factory operating rate is expected to remain steady between 75% and 76%. It was below 71% in 2010. Full employment without an overheating economy corresponds to an operating rate at 82% according to the US economic model IHS uses. Light vehicle

sales are expected to slow from 17 million vehicles to 16 million vehicles by 2021. These gradually evolving values support the modest expansion of real GDP in the baseline forecast: 2.5% growth in 2018, 2.2% in 2019, and 2.0–2.1% in the following years.

SELECTED NATIONAL ECONOMIC INDICATORS

Consumer Spending: The holiday shopping season is occurring, and the prediction is that up to 18% of that shopping will occur online. Initial reports for the period just after Thanksgiving confirm that online shopping is grabbing an increasing share. IHS has predicted 4.1% growth for holiday sales this year over last year with online holiday sales growing 13.1%. These forecasts rest upon optimistic consumers. Both major national surveys of consumer sentiment (from the University of Michigan as well as the Conference Board) have risen to levels which had been unattained for over a decade. Sentiment may be boosted by rising home values and stock markets, but employment gains and incremental wage gains actually provide the day-to-day means of boosting purchasing. Total compensation as measured by the employment cost index has been increasing above the 2% mark for six quarters, and has averaged 2.2% since the beginning of 2014. With the backdrop of mild inflation, this means that real compensation is up over 1.0% per year. Couple those rises with a drop in under- and unemployment (the broad U-6 measurement) from 12.7% at the start of 2014, and even 9.4% at the start of 2017, to 8.0% in November, and an expansion of consumer activity is almost inevitable. IHS forecasts the real expansion of consumption at 2.7% for 2017, then 2.5% on tap for 2018, with rates 2.2–2.3% for 2019–2021. The pool of available workers is rapidly shallowing, so that portion of the gain in consumer activity must abate. IHS expects that wage pressures will materialize fairly soon, perhaps by 2019, and if those cause wages to rise, consumer activity may feel a boost due to that as well. The balancing feature would then be what occurs with inflation. If the Federal Reserve monetary policy tightening is well managed, as it seems to have been so far, then the Goldilocks economy will continue. Indeed, in many ways, that is what this forecast is: with economic conditions quite favorable at the moment, and those conditions being widespread globally, it would take considerable countermeasures to halt the expansion. In the national economy, the previous nemesis which knocked the economy into recession, household debt, is nominally high, but not when adjusted for population growth and inflation in the intervening decade. Making those adjustments, debt is only 6.7% above the post-recession low it reached in 2013. The splurge that holiday shopping represents is not worrisome macro-economically. One final point IHS makes is that the current forecast does not assume any change to average effective tax rates, but it acknowledges that any such reduction would lift the consumer sector for the next couple of years.

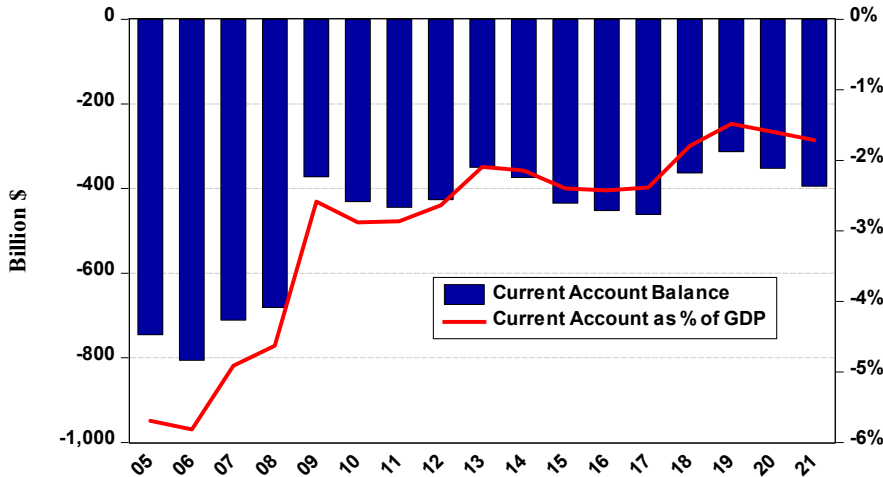
US Real Consumption and Disposable Personal Income Growth



IHS forecasts the real expansion of consumption at 2.7% for 2017, then 2.5% on tap for 2018, with rates 2.2–2.3% for 2019–2021. The pool of available workers is rapidly shallowing, so that portion of the gain in consumer activity must abate. IHS expects that wage pressures will materialize fairly soon, perhaps by 2019, and if those cause wages to rise, consumer activity may feel a boost due to that as well. The balancing feature would then be what occurs with inflation. If the Federal Reserve monetary policy tightening is well managed, as it seems to have been so far, then the Goldilocks economy will continue. Indeed, in many ways, that is what this forecast is: with economic conditions quite favorable at the moment, and those conditions being widespread globally, it would take considerable countermeasures to halt the expansion. In the national economy, the previous nemesis which knocked the economy into recession, household debt, is nominally high, but not when adjusted for population growth and inflation in the intervening decade. Making those adjustments, debt is only 6.7% above the post-recession low it reached in 2013. The splurge that holiday shopping represents is not worrisome macro-economically. One final point IHS makes is that the current forecast does not assume any change to average effective tax rates, but it acknowledges that any such reduction would lift the consumer sector for the next couple of years.

International: There are no shortages of developments in the international sector to draw one’s attention. Deciding which will have economic impact is a serious endeavor even before deciding what those impacts will be. North Korean difficulties are among the most devastating possibilities, but the likelihoods are assessed as quite low, with probabilities in the single digits. On the other hand, Brexit, while certainly contentious, is a near certainty but with much less devastation; real GDP for the UK is

US Current Account Trade Deficit

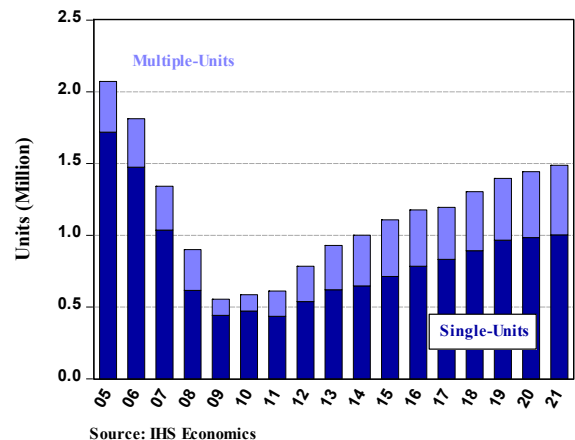


expected to drop only below 1.0% (so still growing) should a hard Brexit emerge. However, a soft Brexit is much more likely. Similarly, NAFTA renegotiations appear acrimonious, particularly given the backdrop of new tariffs on airplanes and timber that the administration has imposed on Canadian goods. Still, many businesses rely upon all three of the countries in the North American supply chain, and hence reconciliation is almost foregone. Stories which are not

front-page news will actually drive a lot of the economic dynamics in the next couple of years. China is financially engineering a transition from an emerging economy dependent upon expansion of infrastructure through debt as well as exports of goods, towards a major economy based upon consumption resting upon personal income. Doing so without popping a housing bubble is the tricky part. India, vying with China as the most populous country, is expected to grow at rates at or above 7.5% for the next few years. Much as the economic transformation of China lifted millions out of poverty, India has the opportunity to reshape global wealth. Brazil and Russia have emerged from recession. South America is just eking by with growth. Saudi Arabia has been intermittently meddling in regional affairs while simultaneously liberalizing its internal strictures and corralling OPEC into modest production curbs, all in advance of the anticipated IPO of Aramco, the state oil firm, which could be the most highly valued company of all time. Many people view the economic diversification that stock market debut will afford as so indispensable to the kingdom as to prevent it from entering a long-term fracas now. Indonesia, Iran, Egypt, Ethiopia, and Iraq are all expected to have strong real growth in the next few years. These latter represent several of the countries in the next demographic wave; opportunities will be needed for their young populations. As mentioned in the past report, many of the international “surprises” seem to be coming from predictable locales and seem as though they are being handled with measured responses. The independence vote in Catalonia, the building of a coalition government in Germany, and the prime minister travails in Lebanon are three examples of this. That cool under pressure, perhaps embodied by French diplomacy at the moment, on top of the widespread economic fundamentals, color the international landscape as interesting but not currently frightening.

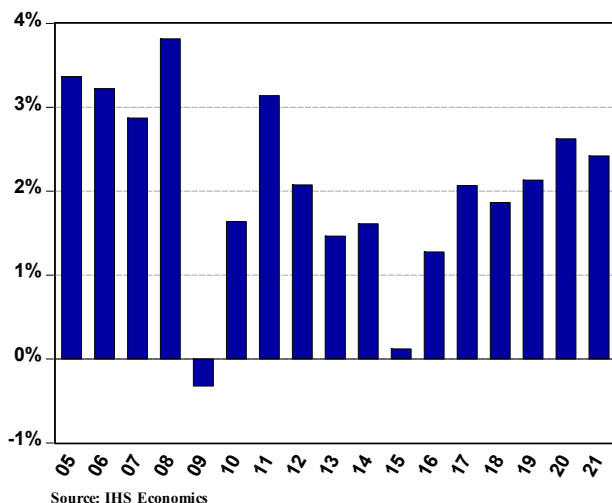
Construction: The story for the construction sector has fewer bright spots, particularly if the past two quarters are indicative. However, one of those is the “unsustainable, but-not-yet-alarming” rise in home prices. IHS believes that points to strong demand, which should eventually be met by increased construction. In the meantime, home sales and residential investments have dropped for two quarters. Core construction, which also includes public projects and other structures, has also fallen the past two quarters. It is possible that this slowing is due, being mid-business-cycle. The rapid pace of early cycle expansion typically drops into sustainable growth with the middle of the business cycle. Slowing on the housing side has

US Housing Starts



perhaps more factors at play; ongoing low household formation rates and student debt may be demand factors while availability of desirable building lots and workforce shortages in the construction sector may be supply factors. Of these four, household formation is the most likely to turn quickly since student debt is among the fastest growing categories of debt and enticing a new cohort into construction, given that the strength of the labor economy will be challenging. This forecast, like the last, no longer assumes an infrastructure investment boom due to federal governmental policy changes. With many states facing budget pressures, local boosts to infrastructure are likely to be thin. One bright spot had been tied to an increase in well drilling. A lot of that had to do with how dramatically drilling had fallen with the collapse of oil prices a couple years ago. Recently, rig counts have been fairly stable, a bit above double the lowest figure of that crash. The US is now an exporter of petroleum products and natural gas, and the administration looks favorably to pipeline construction. OPEC looks likely to stay consistent with its curbs on production, leaving more volume due to expanding demand from the generally strong world economy for US production to fill. Accordingly, IHS sees mining and petroleum construction as the strongest nonresidential category, with expansion above 3.5% for the next two years. As to housing prices, the widespread increases in the 5–10% range are unsustainable given the current wage increases. However, the federal tax law changes may dampen that increase because they devalue mortgage interest with regard to taxes.

US Consumer Price Inflation



Inflation: The employment cost index is expected to increase 2.5% when 2017 data becomes available. The forecast for 2018 has this rising to 2.8% with 3.1–3.2% growth finishing the forecast. Producer goods are expected to clock 1.0% rises for the past year, with 1.8% growth in 2018 and 0.9–1.2% growth to end the forecast. Consumer goods likely saw 3.5% price increases in 2017, with that slowing to 1.4% in 2018, then 2.5–3.0% increases in store for the last three years of the forecast. Going forward, health insurance costs are likely to rise faster than they have recently. The past year saw health insurance advance only 1.2%; the prior two years it was increasing 2.8–2.9% per year. In 2018, the inflation in healthcare insurance costs is pegged at 2.9%; that then grows to 3.3% in 2019 and 3.6–3.7% in the final two years. These projections,

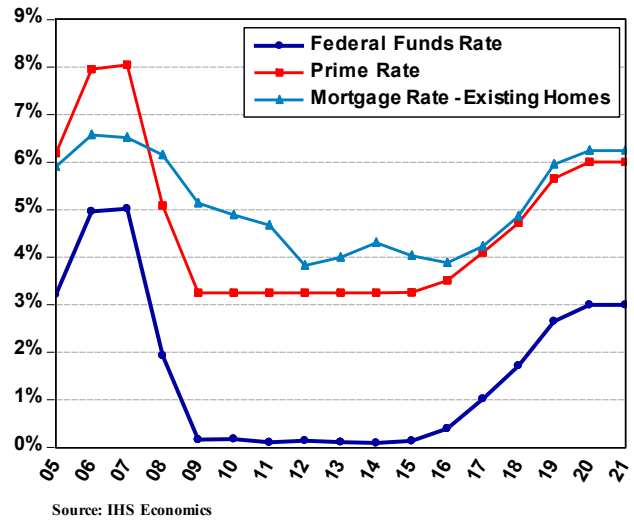
particularly on health insurance, are based upon the healthcare system as it existed in November. The individual mandate was still in effect for 2019, something the tax legislation reverses. If analysis of the tax plan is correct, there may be upside risk to the health insurance inflation rate. However, the inflation values common to the IHS forecast are all historically quite mild; health insurance inflation was running in the double-digits in the 2002–2003. Inflation colors perceptions of other economic measurements, particularly in hindsight, and its current tame trajectory implies that other economic variables can be improving even though they too have tame trajectories. The outlook IHS has for CPI inflation is for 1.9% in 2018, 2.1% in 2019, 2.6% in 2020, and 2.4% in 2021.

Monetary Policy: Janet Yellen’s tenure at the Federal Reserve is now nearly complete. Her rather short term is notable. The economy only expanded while she was Chair. The next Chair is expected to be Jerome Powell, who is currently a Federal Reserve Governor. Also gathering new authority is Randall Quarles, the new Federal Reserve Governor in charge of bank supervision; he had previously worked for the US Treasury office during the Bush administrations. Several other such governor positions remain vacant, so leadership at the Federal Reserve is in flux. However, policy from the Federal Reserve seems

to be firm. After a slow start to raising short-term interest rates, the board raised the rate three times in 2017. Each such move was well communicated in advance to the markets. Similarly, the gradual removal of assets from its balance sheet has been telegraphed ahead of time and its implementation at the September meeting was uneventful. December brought the first incremental increase in the value of bonds which are not to be rolled over to new maturities under that process. Again, the effect was expected and hardly received coverage because of that expectation. The new year is expected to bring three additional increases to short-term interest rates, moving those from the current 1.25–1.5% range into the 2.0–2.25% range. The IHS forecast sees short term rates stabilizing around 3.2% in 2021–2022.

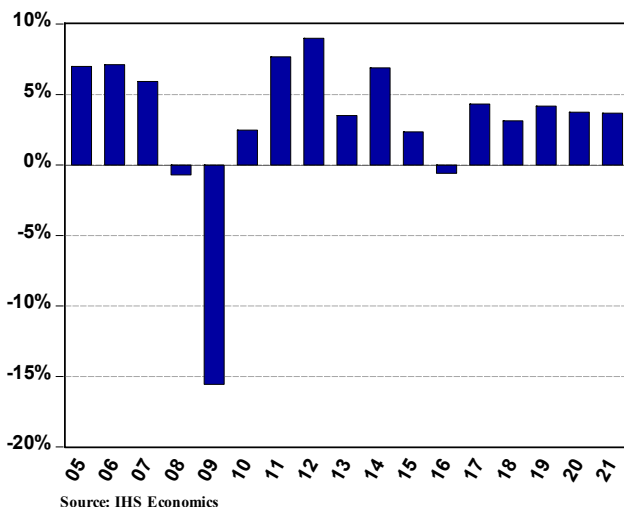
Concurrent to that, long-term interest rates, which are only indirectly controlled by the Federal Reserve, rise from the current 2.35% to 3.31% in 2019 and on to 3.58% to end the forecast. It should be noted that these interest rates are not markedly different from the short-term rates. Should the future unfold as in the forecast, this would be a shallowing of the yield curve. Typically, but not always, this occurs as economic growth slows. The preliminary estimate from IHS of the effects of the new tax legislation on yields indicates an inversion of the yield curve in 2020. Inversion of the yield curve is one of the stronger harbingers of recession, so it will be important to see if this preliminary estimate persists through future forecasts. Currently, monetary policies due to other central banks, notably the Bank of Japan and the European Central Bank (ECB), are dampening long-term interest rates. Japan is targeting 0% for its 10-year bonds, and the ECB continues to buy bonds on the open market, in contrast to the gradual maturation and non-renewal of bonds that the US Federal Reserve is allowing to occur. The ECB is continuing its bond buying through 2018, though at a lower level than it had sustained for much of 2017.

Selected US Interest Rates



Business Investment: The treatment of expensing or depreciating business investments in the new tax plan could potentially alter the computations behind each business investment decision. How the tax plan alters repatriation of foreign earnings is also unknown, as is what businesses would choose to do with those earnings. However, since IHS’s current forecast does not incorporate a restructured tax code, these considerations are only current weaknesses of the forecast. Recent business investment has been mixed. Equipment spending is strong; spending on structures is weak; intellectual property spending is steady. Each of these categories is expected to continue that trajectory for the next two years. In terms of real GDP, inventory adjustment added a remarkably large 0.73 percentage points in the third quarter of 2017. Inventory is expected to continue to expand, but more modestly; for the next half of a year, it should add 0.2 percentage points to real GDP. One portion of the inventory adjustment is associated with farms; this inventory is expanding again after contracting in 2016, and that expansion is expected to

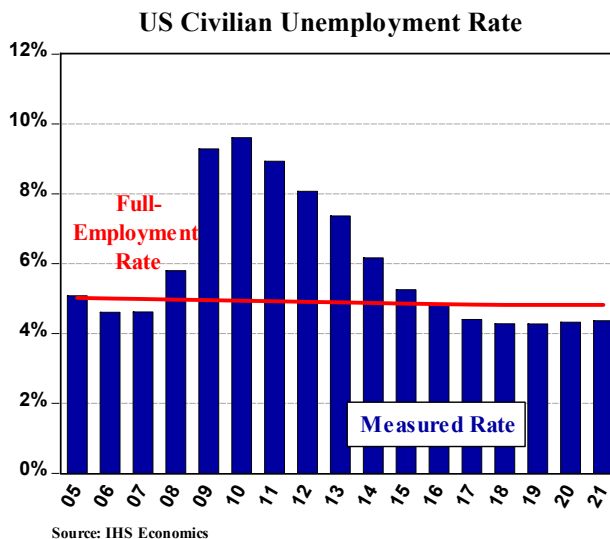
Real US Business Investment Growth



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persist throughout the forecast. On the nonfarm side, while not even a fifth as large as light vehicles in terms of economic activity, investments in aircraft are expected to be the strongest growing component in transportation over the next two years. Growth is in the mid-to-high teens. Since aircraft are a commodity commonly exported, this growth aids both real GDP growth and the trade deficit. Net exports added 0.41 percentage points to real GDP in the third quarter of 2017. Light vehicles, for which the US production is not as export oriented as aircraft, actually account for just a bit less than 1.0% of GDP. Construction is just under 3.0%. Information processing equipment is around 1.6% of GDP. It added 0.21 percentage points to third quarter growth. Manufacturing is poised for three years of investment and gains, with production growth above 2.0%. Food manufacturing, wood products, and chemicals all should enjoy steady production growth during the next two years.

Employment: Both the headline U-3 unemployment rate and the broader U-6 unemployment rate (which includes those working part-time who would prefer to be working full time) have fallen considerably. The headline value is at 4.1%, down from 4.6% in November of 2016, and the U-6 rate has fallen from 9.3% to 8.0% in that time. In initial reports, it seemed that the streak of job gains was ended by the hurricanes this past fall, but when revised figures were released, the September value swung from a 33,000 job loss to an 18,000 job gain, meaning that the streak (over 85 months) continues. The November IHS forecast sees unemployment continuing to be low with the rate holding at 4.0% for seven consecutive quarters beginning in the first quarter of 2018. The rate then gradually increases, first resting at 4.1% for two quarters before moving up again. By 2021, the unemployment rate is 4.3%. Some of this is due to these rates being under what is considered the natural rate of unemployment which is consistent with non-accelerating inflation; such a condition cannot persist forever, with either inflation or unemployment required to budge. Another part of the gradual climb has to do with a slightly increasing labor force participation rate. This is expected to climb by 0.4 percentage points between the beginning of 2018 and the middle of 2020. While that change seems small, when carried out across the potential labor force, this amounts to an extra 1 million individuals in the labor force. At the current expansion rate of new jobs, which is over 500,000 per quarter, a million job seekers requires six months to clear; however, job changes going forward are expected to slow from that rate through just over 400,000 per quarter and on to around 200,000 per quarter in early 2020. Current estimates are that just fewer than 100,000 new jobs are needed per month in order to hold the unemployment rate constant given a constant labor force participation rate. As more baby boomers reach retirement, that value will shrink, but the expected labor force participation rate will counteract that contraction. These forces are roughly in balance through 2019, and it is only in 2020 that change is envisioned.



IDAHO FORECAST DESCRIPTION

The Forecast Period is the Third Quarter of 2017 through the Fourth Quarter of 2021

Anecdotes are not causal proof, but there is a point when they become the story. With this being a forecast, there is a need to be a bit ahead of potential stories. The growing chorus of anecdotes about shortages of labor, particularly labor with skills, is drawing closer to the theme of stronger wages. This is partly visible through the national forecast. This is partly heard through regional news. This is partly due to rising wage floors coming into regulatory effect with the turn of the new year. While it will be some time before the actual wage story is known, particularly within Idaho, at a time with national unemployment already very low, state level unemployment lower still, and the fiscal stimulus through federal tax change, it is difficult to ignore those anecdotes.

The average annual wage in Idaho has grown 2.5% per year since 2013, or just slightly ahead of the national rate which is 2.4%. In between the two most recent downturns, the average wage in Idaho was often above 76% of the national average wage, but since 2013, that average has been below 73% until 2016 when it crept just above that mark. The national average annual wage is forecast by IHS to accelerate to 3.4% growth through 2021, and in this forecast, the Idaho version also accelerates, but only to 2.9%. To the extent that Idaho is like the nation, there is additional room for wage growth.

One measure by which Idaho progressed in 2015 was real per capita personal income. The growth bested the national value by 0.3 percentage points, at 4.2% versus 3.9%. The state also rose above the nation in 2013 because the state's return was positive, whereas the nation lost ground that year. However, the state only occasionally sees such victories, as verified by looking at recent history. Part of that has to do with the denominator of the computation of per capita personal income. The state's population growth rate is consistently ahead of the nation. A lot of this has to do with migration into the state. Some of it has to do with larger families here. For over a decade, the state population growth rate has met or beat the national value. It was just released from the US Census that from July 1, 2016, to July 1, 2017, Idaho was the fastest growing state in terms of population. People moving to the state helped to bring Idaho's resident population up by 2.2% while the nation expanded by 0.7% in residency.

Forecast population growth remains high, at 1.5% on average through the forecast. Housing stock is forecast to grow at or above that rate going forward. Housing starts are expected to pass 14,000 units in 2018, more than double what they were in 2012, but they remain nearly 40% below the peak value attained in 2005. The growth rate for housing starts is expected to cool, but at 5.7% in 2018 and 4.7% in 2019, builders will still be expanding their workforce. Indeed, the construction workforce is expected to be up 7.2% in 2017, an additional 3.8% in 2018, and 1.9% in 2019. Employers will likely still find it difficult to find labor, and households and businesses will also find it difficult to find contractors with availability.

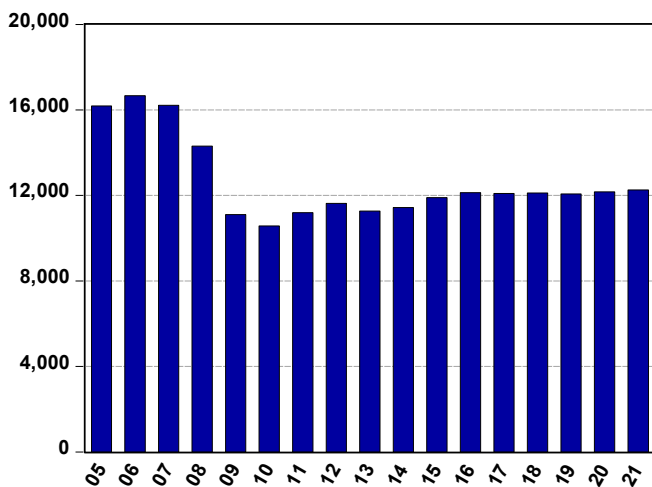
On total jobs, Idaho is projected to end 2017 with a yearlong average nonfarm employment figure of 715,600 jobs, an increase of 21,800 over 2016. An additional 14,500 net jobs are expected to be created in the state in 2018 and then 12,200 more in 2019. These translate to growth rates of 3.1%, 2.0%, and 1.7%, respectively, each ahead of the national rate, and each ahead of the population growth rate. To understand the slowing of job growth, there must be job seekers with the requisite skills in the locations of the job openings. With statewide unemployment holding at only 2.9%, alignment of these features is challenging. Personal income is expected to expand by 4.2% in the state after a 4.0% expansion in 2017. That growth accelerates a bit to 4.7% in 2019. After an inflation adjustment, and even after a per capita adjustment as well, these rates remain above 2.7% and ahead of the values in 2017.

Among the broad sectors of the economy, goods production, nongoods production (which includes services), trade, and federal governmental employments are all expected to grow more quickly in the state than at the national level. Only state and local governmental employment in Idaho is expected to lag the national trend.

Agriculture: Ada County has transferred agricultural land into urban land; between 2001 and 2011, developed areas grew 10% and agricultural land shrank 5%. This transfer occurs throughout the state, most visibly in the rapidly expanding urban centers: Canyon, Twin Falls, Kootenai, Bingham, and Bonneville counties. Still, agricultural production remains strong within the state. Increased yields partly compensate for the losses in acreage. Diversity of crops helps to mitigate the effects of commodity price fluctuations. Higher value crops and livestock also counteract the loss of land to development. While Idaho has processed foods for a long time, a renewal of growth in the food processing industry helps to keep markets open for Idaho production. The Magic Valley dairy industry has recently exemplified this last feature, but even with its remarkable growth, having 72% of the 600,000 dairy cattle in the state, it is still possible to oversupply with hay, and this seems to be the case this year. Local hay prices are \$60 to \$90 less per ton than those in Washington or California. When the local market cannot process all of the production, exports release supply pressures. This year, Pocatello has a hay press; it compresses hay to make shipments overseas less bulky. When those markets find the quality of Idaho products agreeable, they can become long-term markets. That is the case for Idaho wheat (used for Asian noodles) and for Idaho beans (popular in Mexico). The quality of the 2017 wheat crop is among the highest; wheat acreage was down less than 3%. Wheat is the third most exported agricultural commodity in the state, behind dairy and potatoes. Mexico accounts for 24% of Idaho’s agricultural export market. Local food processing facilities have had many advances this year that will benefit the state’s commodity producers. The CS Beef Packers plant in Kuna will add value to Idaho beef cattle. Mill 95 in Wilder will be a growing processor for Idaho hops. Markets are expanding in the state. Farm proprietors’ income is expected to have a bounce in 2017, be slightly down in 2018, then settle into three years of sustained growth. The 2016 figure was \$1.3 billion, and the 2017 and 2018 figures are in the \$1.3–1.4 billion range, with 2019–2021 showing growth from \$1.4 billion to \$1.5 billion.

Computer and Electronics Manufacturing: HPE, the portion of Hewlett-Packard focused upon servers and networking, will have a new CEO on February 1 as Meg Whitman, the CEO who split the parent company into two businesses two years ago, steps down. Both daughter companies have operations at the Boise campus. HP, the other company, has the top market share of personal computers. Both companies operate in markets with many players. Micron is already six months into leadership under the new CEO, Sanjay Mehrotra, who comes to Micron from SanDisk. Semiconductor manufacturing has just a few players, particularly for DRAM where there are only three worldwide, partly the result of market consolidation due to mergers and acquisitions. The other two manufacturers are Korean: Samsung and HK Hynix. China is looking to field another competitor. Another main product of Micron, NAND flash memory, has a slightly wider pool of competitors. The sale of Toshiba’s memory business has been the main uncertainty for much of the year. It appears that a consortium of buyers has

Idaho Computer and Electronic Products Employment

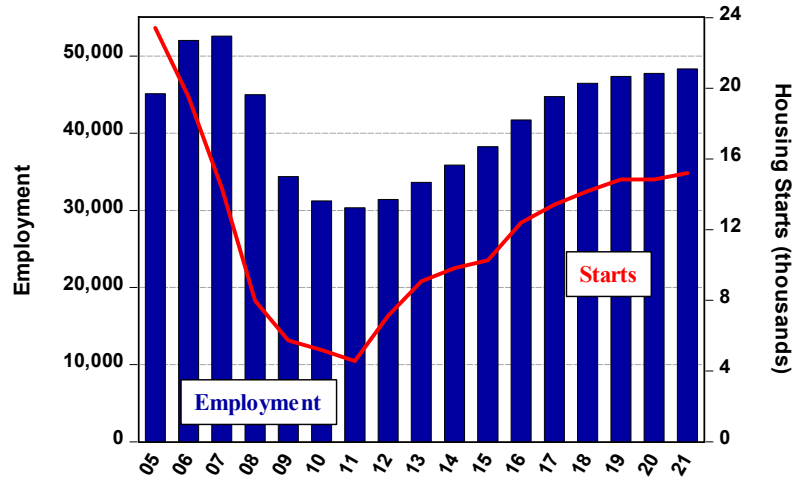


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finally addressed objections. HK Hynix is part of that consortium. Another large employer in Idaho in the computer and electronics manufacturing sector is ON Semiconductor. Spun off from Motorola in 1999, it has also acquired other firms since 2007, three of which are semiconductor manufacturers. Its Idaho manufacturing operations are primarily in Pocatello, followed by Nampa, with a design office in Meridian. It has engineering and technician positions open at its Idaho branches. Employment in this sector has been fairly steady for the past two years at 12,100 jobs, and the forecast sees that value holding through until 2021 when a couple hundred more are expected to be employed.

Construction: Road work and building schools each received major funding boosts in 2017. Now a portion of sales tax revenue is dedicated toward transportation funding in addition to funds from gas taxes. Improving I-84 between Nampa and Caldwell and the Siphon Road interchange in Pocatello are major road projects for the coming year. November elections brought over \$92 million in bond and levy funds to local school districts; many of these funds will be used for maintenance, and some will be used to fund new school buildings. March elections brought over \$300 million in such bonds and levies.

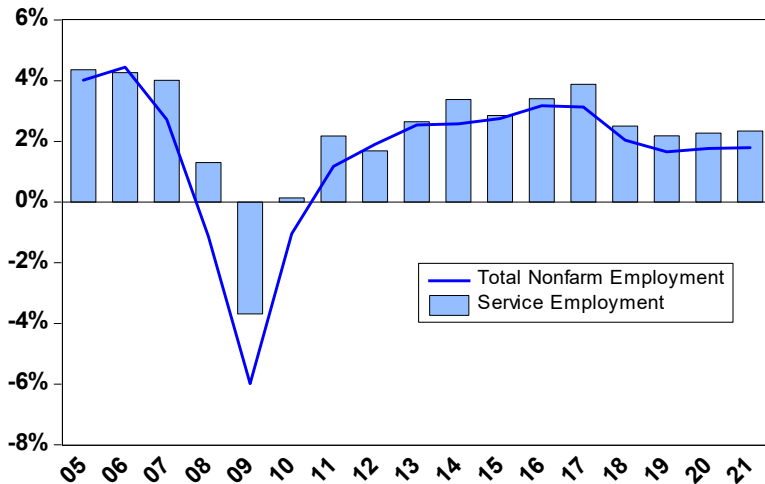
Idaho Construction Employment and Housing Starts



Construction of major buildings continues within downtown Boise, with hotel construction near Capitol Boulevard segueing to apartments near Fifth Street. Outside the capital, housing projects are being planned. Blackfoot is seeing development return after the housing crash a decade ago, with three separate subdivisions. Eagle is getting senior housing. Development is occurring north of Star. Finding workers for projects remains difficult. Associated General Contractors of Idaho indicates that unskilled general laborers are paid double the minimum wage. Finding housing is also difficult. Brundage is making efforts to find housing for the resorts’ seasonal workers. Fewer distressed sales are happening nationally, and the same seems to be holding locally. Up to 14.1% were distressed sales a year ago; now it is down to 1 in 8 (12.5%). The tax bill in Congress also weighs in on home ownership, changing the value of mortgage interest which is deductible, as well as how state property taxes may be deducted. Competition for the properties which do become available keeps prices rising. More than 1 in 4 sales is to an all-cash buyer. Prices in Ada County are almost \$270,000, up over 10.0% from a year ago. The Idaho National Laboratory (INL) will be, for some time to come, a construction hotbed in the state; the \$1.6 billion waste reprocessing project dwarfs others in terms of value with over \$500 million in construction, but also duration, with construction slated at multiple years and operation set to begin in 2024. A recent large project to reach completion has been in Lewiston, with the \$160 million digester upgrade at Clearwater Paper. Construction employment has had recent growth at 9.1% in 2016, an expected 7.2% for 2017, and the forecast is for 3.8% growth in 2018. That will bring the jobs tally to 46,500 in the state, and by 2021, an additional 1,900 jobs are expected.

Employment: Many agricultural and forestry businesses in the state use the federal worker programs called H2 visas. These are permits for bringing foreign workers into the country to perform work. The permit is temporary and the work is regulated. Among the reasons for continued use of these programs is the difficulty in finding domestic workers for those positions, as well as the expertise the foreign workers provide. Some H2 workers within the state have been returning to the same farms for years.

Idaho Employment Growth

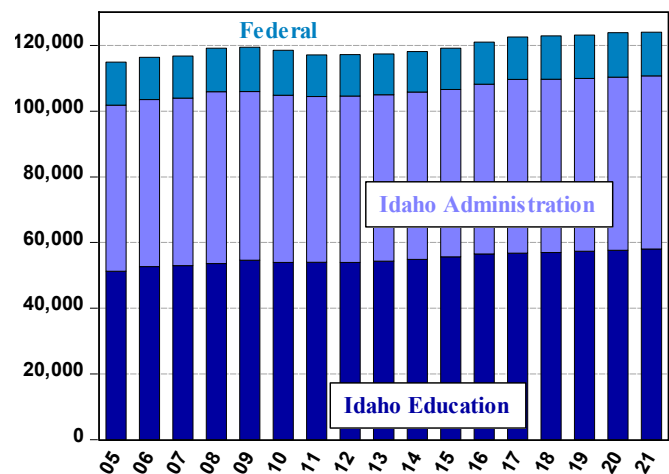


Demand for these workers is actually increasing: H2-A applications are up almost a third in the past two years within the state, and this is actually mirroring the national trend. Minimum wage for an H2-A worker is \$11.66 per hour. Workers under the H2-B visa program can be found in Idaho forests, providing thinning as well as tree planting. The Idaho Department of Labor helps employers navigate the visa process and educates workers on their rights under the visa. Other assistance is provided by the Snake River Farmers' Association. Veterans are another slice of the Idaho workforce, and

unemployment among veterans is higher than the general population. Local jobs fairs have been organized with the aim of being particularly attractive to this workforce. One in northern Idaho drew 100 employers. Other initiatives bring incarcerated individuals and those experiencing homelessness back to work. The City of Boise Parks Department has piloted a program for homeless individuals. This summer, the Agriculture Work Program brought fruit pickers to the Marsing area from the Southern Idaho Correctional Institution. Each of these illustrates a possible supply of labor amid the tight Idaho labor market. A region of the state which is benefiting from economic expansion and which has a tight labor market is south-central Idaho. The US Bureau of Labor Statistics reports an average weekly wage below \$800 for Idaho while the national average is above \$1,100. In south-central Idaho, the highest average was just over \$900 in Camas County; Jerome, Cassia, and Minidoka counties averaged under \$700 per week. Of these counties, Camas had the lowest unemployment at 2.1%; Jerome had the highest at a still very low 3.1%. Each of these weekly wages actually represents strong growth from a year ago. With state unemployment levels very low, it is likely that Idaho will witness wage pressures. IHS is suggesting that this pressure may translate into change by 2019.

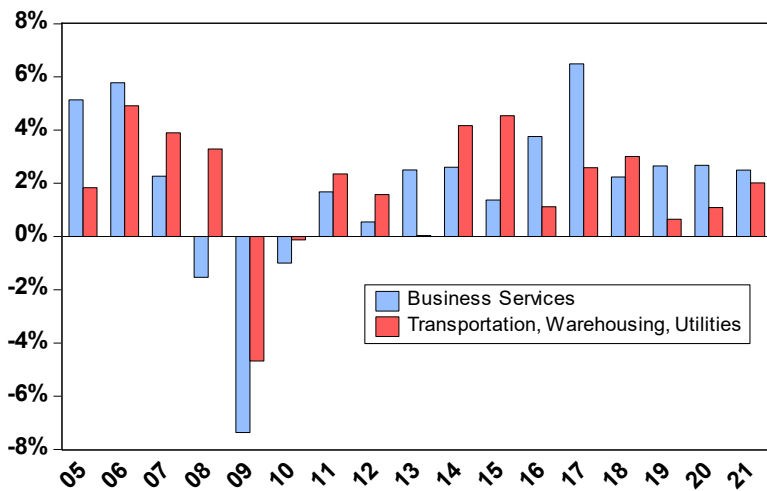
Government: Idaho has floated the bonds to buy the HP campus in Boise. The Idaho Transportation Department has earmarked additional funding for the expansion of I-84 between Nampa and Caldwell. Twin Falls has been designated as the state's newest Metropolitan Statistical Area (MSA) by the Office of Management and Budget. INL will restart a test reactor and continues to pursue small modular reactor design. These are among the major activities involving government within the state. The first and last examples represent state and federal government initiatives to capture future opportunity. The road construction project represents government responding to local needs, and the consequences of the MSA designation will mean higher levels of commitment to local transportation integration. This year brought many school bond requests to voters. Most passed, so now construction and maintenance on schools is expanding. Enrollment continues to increase in Idaho schools. It is up about 500 students from last year. Public Safety is also encountering population expansion. Idaho State Police just

Idaho Government Employment



opened a new facility in Pocatello; this facility processes many of the chemical analysis tools and tests used by police statewide. A recent study found that Canyon County is in need of additional inmate housing. While education uses the largest portion of Idaho’s General Fund, a growing need will be for funds to address the aging population. By 2025, the portion of the population which is 75 years or older is expected to grow 23% in the state. The portion which is under 5 years old is expected to expand by 4%. The scale by which governments will be both responding to changing demographics and anticipating future needs and opportunities is likely to only augment across the next decade. State and local government employment is expected to remain relatively constant through 2021, with job growth of only 1,100 jobs over the 2017 level. Education should be up 1,200 jobs, leaving a drop of 100 jobs for the remainder of government. Federal employment within the state is expected to expand by a bit over 300 jobs during the forecast period.

Growth rates for two sectors



Technical Services: Clearwater Analytics and TSheets are Idaho high-tech firms which have been bought in the past two years. The first occurred in 2016; the latter happened in early December of 2017. Both firms intend to stay invested in Idaho. Clearwater Analytics now has a year of doing so under the new ownership. TSheets reiterated that it is invested in Idaho at the Associated Taxpayers of Idaho conference and included the possibility of expansion into more of the space in the new Eagle headquarters. Clearwater Analytics helps track firms’ liquid assets. TSheets helps employers track employee

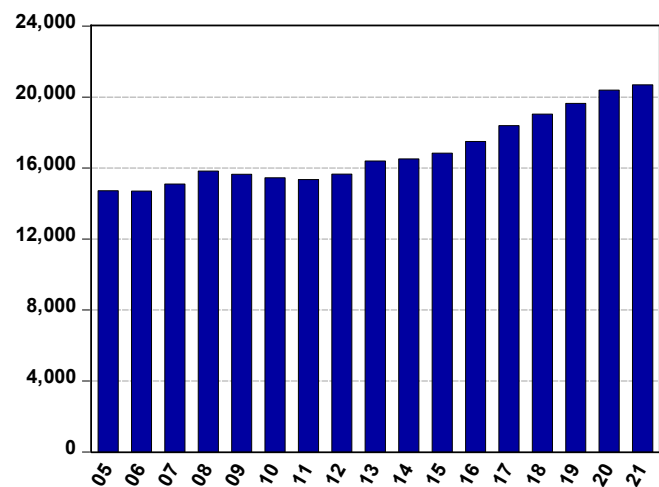
time. Paylocity, a software-oriented human resources firm, is decamping from downtown Boise to the Ten Mile Crossing development in Meridian, with the move part of an expansion from 150 employees towards 500. Kochava, a Sandpoint firm, has current openings; it provides ways for firms to understand digital traffic. While the FBI expansion in Pocatello would be mostly counted under government employment, that expansion is paving the way for the private sector in technical services there as well. Buchanan & Edwards entered the Pocatello marketplace; it provides technology services to governmental agencies. Technical services are part of the professional and business services sector within the Idaho Economic Model. This larger, encompassing sector employed over 90,000 people in the state for the first time in 2017. Growth is expected to bring that total to 100,000 people by 2021.

Utilities: The two largest electric utilities in the state made changes in 2017. Idaho Power has put in plans to shut down its coal fired power plant in Nevada. Avista is being acquired by Hydro One, a Canadian company. Part of that proposed sale involves a 10-year rate of credit with a planned increase midway, to which Idaho customers would be eligible. Hydropower makes up half of the electricity generated in Idaho. Relicensing of dams can be a decade-long process, while gas-fired power plants can make it through regulation in under half of that time. Meanwhile, other renewable sources are of growing importance to the utilities. Solar generation can boost voltage across long transmission lines; this has been put to use north of Shoshone. Installing a new line would have been the alternative, and that is a more costly endeavor. The Department of the Interior put in place a Record of Decision (RoD) going forward with a 300-mile-long transmission line from Boardman (Oregon) to Hemingway (near Melba). That project is expected to start in 2021 and last two to three years, costing just above one billion dollars. The Hemingway station is the destination of the Gateway West Transmission Line

Project from Wyoming (near Casper), and this project is likewise receiving RoDs in the regulatory process. Its construction is envisioned to be between 2020 and 2024. Another example of a line project finished this summer. In 2016–2017, the circa 1962 line from Hagerman to north of Hailey was rebuilt, finishing a project that began in 2007. Modeling of the increasingly complex electrical grid and the sources and the demands placed upon on it is being conducted at INL. This project uses cybersecurity capabilities at the lab as well as the site’s physical infrastructure, including solar panel power generation. Utilities are grouped together with transportation and warehousing in the Idaho Economic Model. The employment figures in this publication show growth in that sector, bringing it from 24,300 jobs in 2017 to 25,200 jobs in 2019, on to 26,000 jobs in 2021. Utilities represent about one eighth of that sector.

Food processing: The Magic Valley is a hub of food processing in Idaho. Before turning to the dairy industry there, an important story is that McCain foods is to begin hiring in the new year for the line at its Burley expansion, and wages are expected to average over \$20 per hour. This is partly due to training efforts in conjunction with the Idaho Department of Labor. High wages are also part of the story at Chobani; the Idaho workers for that company average \$15 per hour. Chobani just announced a \$20 million expansion of its Twin Falls facility, which will be its global research and development center. Fourteen million dollars is for the building. The addition brings 70,000 square feet of additional space to the existing one million square foot plant. Despite the growth of dairy processing within the state, increasing milk production in Idaho is likely to lead to dairy herd reductions, a view held by the Idaho Dairymen’s Association. This parallels the market difficulty with hay that farmers face, and may exacerbate it. CS Beef Packers in Kuna is also using Department of Labor programs to train 700 potential new workers for its facility; starting wages there are over \$17 per hour. High productivity within food processing today is indicated by these wages which are all more than double the Idaho minimum wage. On the horizon, though, is the possibility of wage pressures coming from worker shortages. In Weston, Oregon, which is midway between Pendleton and Walla Walla, Washington, short-time labor has become scarce in the food processing industry, to the point where shifts are running short by 10 people in a facility that has 100 fulltime employees. Idaho food processing is expected to close 2017 with a 5.2% gain in employment, double the national gain. Local expansion then should remain above 3.2% for three years. Total employment in the sector should reach 20,700 jobs by 2021.

Idaho Food Processing Employment

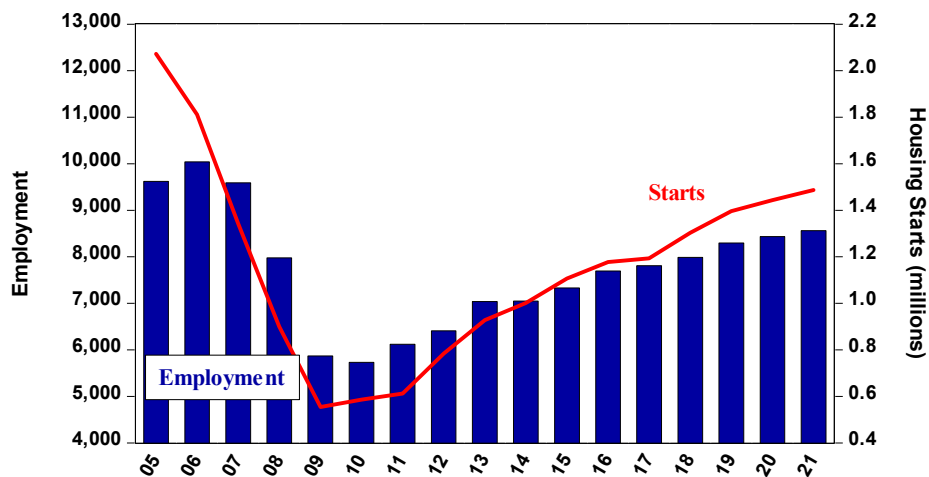


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Mining: There has been little recent change in US employment in the industry, notwithstanding reports that employment in mining and drilling is doing well. It is the drilling component of that sector which has seen the expansion. This dynamic seems to be occurring locally as well, and since mining is the bigger of the two in the Gem State, this means that employment in mines has yet to see much of a change. There are possible developments, though. The addition of a cobalt mine near Salmon and a processing facility near Blackfoot seem to be furthest along. Others are less certain. HiTest from Canada is interested in placing a silicon smelter in the border town of Newport, Washington, and Oldtown, Idaho. The Kalispel tribe has opposed the smelter, citing the air pollution it would bring to the river valley. Hecla Mining, which has a copper and silver project in northwestern Montana, is being asked for

additional investigations regarding groundwater before being permitted to go further according to a Record of Decision by the United States Forest Service (USFS). Meanwhile, as of December 14, Hecla indicates that “no meaningful progress” was made at a recent mediation session between the union and the Lucky Friday mine. At issue are six contentions, prominently including ones related to scheduling and coworkers. At the other end of the state, Agrium is to sell its phosphate operations near Conda, Idaho, to Itafos in order to address regulatory concerns raised by its merger with Potash Corporation. The sale includes an agreement between the two companies for continued operation and cross deliveries, with ammonia due to the mine and monoammonium phosphate due to Agrium. The sale leaves the environmental obligations on Agrium’s books. Meanwhile, the Canadian firm CuMo is interested in creating an open pit molybdenum mine north of Idaho City. It has held meetings in the surrounding towns in early December regarding a court ordered Supplemental Information Report regarding Sacajawea’s Bitterroot (plant). The comment period is open until January 8; The CuMo project indicates that analysis of the proposed mine has been ongoing for ten years. That small remark is perhaps indicative as to why employment in mining is not undergoing gyrations. Mines are complex operations, and mining companies are well aware of the timeframes involved. Employment in this sector is likely to remain fairly constant over the forecast, with growth notably behind the national forecast. This is due to national growth being driven by growth in drilling activity, not necessarily in metals mining.

Idaho Wood Product Employment and U.S. Housing Starts



Wood: With longer fire seasons, including December fires in California, land management will continue to be debated at the national level. One component of this is expedited salvage logging operations in catastrophic fire areas. Legal avenues to expedite salvage logging have found a receptive audience within Idaho. The Good Neighbor Authority has been used by the Idaho Department of Lands to streamline such activities on recent fires in the

state, and that authority has resulted in ongoing salvage operations. Such work has resulted in timber sales in northern Idaho, but southern Idaho, even though it lacks the mills of the north, also has salvage sales. The standing dead trees from the Pioneer Fire from two summers ago are currently being logged. This process was brought about through an Emergency Situation Determination, a process internal to the USFS. Roughly 8% of the fire’s 194,000-acre area is to be logged under this authority. Other avenues to quicken timber harvests are available under the Health Forest Restoration Act of 2009 as well as the 2014 Farm Bill. These routes are finding use in the Nez Perce-Clearwater National Forest. The sourcing of timber can be an issue, particularly for smaller mills unassociated with large land holdings. A recent transaction illustrates this: Tricon Timber’s stud mill in St. Regis was acquired by Idaho Forest Group. The wood sector is expected to finish 2017 with a gain of around 150 jobs over 2016, and 2018 should see an additional 200, with one to two hundred new jobs in each of the remaining years of the forecast. Total employment in 2018 is expected near 8,100 jobs and above 8,600 jobs in 2021.

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FORECAST COMPARISON

Idaho has a dynamic economy influenced by local, national, and international factors. Changes in the projected values of variables such as oil prices, interest rates, and national housing starts can affect the state. In order to account for the effects of such changes on the state's economy, this issue of the *Idaho Economic Forecast* uses the November IHS forecast of the US economy. Specific expansions or contractions in Idaho operations are also considered and incorporated.

The comparison table shows how several Idaho and national economic series have changed since the October 2017 *Idaho Economic Forecast*. The October forecast was based on the October 2017 IHS baseline US macroeconomic forecast.

As mentioned in the previous report, the October edition of IHS's forecast broke with previous 2017 forecasts by dropping the stimulus measures, both the tax reform and the infrastructure boost. These omissions persist though the November forecast as well as most other subsequent correspondence from the firm. Hence, the comparison in this edition of the *Idaho Economic Forecast* is a comparison among fairly stable baselines. Recent official real GDP figures have been strong, with upward revision occurring as the more complete estimates become available. This is reflected within the IHS forecast in that future real GDP growth is rising. The differences are not large, but they are consistent: up 0.090 percentage points in 2017, 0.067 points in 2018, and up 0.059 points in 2019. For the largest economy in the world, each 0.01 percentage point increase corresponds roughly with \$1.75 billion of economic activity (in 2009 dollars).

One notable revision to the October forecast has been altered to better align with current measurements. In the October forecast, the headline unemployment rate bottomed out at 4.3% for 2018–2020; the forecast now has unemployment at 4.0% for 2018–2019, just a smidgen lower than the current 4.1% rate sustained for the past two months. The outlook for nonfarm proprietors' incomes is up as well, by about 1.0% in both 2019 and 2020. Some of this may be due to Realtor fees; while new housing starts are not appreciably changed, the sales rate for existing homes is up by around 300,000 units per year, or roughly 5.0%, from the previous forecast.

Employment trends are slowed a bit in this forecast, with growth removing one to two months of job gains in 2019 and 2020. Some of that occurs within the manufacturing sector, which slows after a bit of extra growth early in the forecast. Construction sees the reverse fortune. However, services and retail trade see the bulk of the reductions.

Fluctuation within the Idaho forecast is a little smaller, at least until 2021. Changes in employment are typically less than one standard month's change within the state. A total monthly change of 1,500 nonfarm jobs is quite typical. Growth in the foods-processing segment is expected to be a bit slower than seen in the previous forecast, but growth in construction is to be stronger. Retail trade sees some slowing within the state, but not to the extent seen in the national forecast; this has certainly been true of the recent past for the retail sector within the state. When national firms announce store closures, it has been relatively rare that Idaho has seen its stores on the announcement list.

On the income side of the ledger, personal income sees very little revision within this forecast. The bulk of the reason behind this is that the population forecast is quite stable and the outlook for inflation has changed very little. While real GDP is up for the nation, the state's economy has been at the forefront of the recovery for a while, so new portions of growth are likely to be tilted to more fallow fields.

**IDAHO ECONOMIC FORECAST
FORECASTS COMPARISON
DIFFERENCES BETWEEN
JANUARY 2018 vs. OCTOBER 2017 FORECASTS**

	2014	2015	2016	2017	2018	2019	2020	2021
U.S. GDP (BILLIONS)								
Current \$	0	0	0	26	44	46	56	38
% Difference	0.0%	0.0%	0.0%	0.1%	0.2%	0.2%	0.3%	0.2%
2009 Chain-Weighted	0	0	0	10	28	30	21	-7
% Difference	0.0%	0.0%	0.0%	0.1%	0.2%	0.2%	0.1%	0.0%
PERSONAL INCOME - CURR \$								
Idaho (Millions)	0	0	0	-46	39	82	-82	-9
% Difference	0.0%	0.0%	0.0%	-0.1%	0.1%	0.1%	-0.1%	0.0%
U.S. (Billions)	0	0	0	3	-11	-9	-54	-56
% Difference	0.0%	0.0%	0.0%	0.0%	-0.1%	-0.1%	-0.3%	-0.3%
PERSONAL INCOME - 2009 \$								
Idaho (Millions)	0	0	0	-50	-15	20	-127	-61
% Difference	0.0%	0.0%	0.0%	-0.1%	0.0%	0.0%	-0.2%	-0.1%
U.S. (Billions)	0	0	0	1	-22	-20	-60	-59
% Difference	0.0%	0.0%	0.0%	0.0%	-0.1%	-0.1%	-0.4%	-0.4%
TOTAL NONFARM EMPLOYMENT								
Idaho	0	0	0	20	-373	296	-466	-1,325
% Difference	0.0%	0.0%	0.0%	0.0%	-0.1%	0.0%	-0.1%	-0.2%
U.S. (Thousands)	0	0	0	-10	-48	-160	-352	-703
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	-0.1%	-0.2%	-0.5%
GOODS PRODUCING SECTOR								
Idaho	0	0	0	159	-78	30	-8	-480
% Difference	0.0%	0.0%	0.0%	0.1%	-0.1%	0.0%	0.0%	-0.4%
U.S. (Thousands)	0	0	0	2	-27	-53	23	43
% Difference	0.0%	0.0%	0.0%	0.0%	-0.1%	-0.3%	0.1%	0.2%
NONGOODS PRODUCING SECTOR								
Idaho	0	0	0	-139	-295	267	-459	-844
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.1%	-0.1%
U.S. (Thousands)	0	0	0	-12	-21	-106	-375	-746
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	-0.1%	-0.3%	-0.6%
SELECTED INTEREST RATES								
Federal Funds Rate	0.0%	0.0%	0.0%	0.0%	-0.1%	-0.3%	-0.2%	0.2%
Bank Prime Rate	0.0%	0.0%	0.0%	0.0%	0.0%	-0.3%	-0.1%	0.2%
Existing Home Mortgage Rate	0.0%	0.0%	0.0%	0.0%	-0.5%	-1.0%	-1.0%	-0.8%
INFLATION								
GDP Price Deflator	0.000	0.000	0.000	0.090	0.067	0.059	0.169	0.250
Personal Cons Deflator	0.000	0.000	0.000	0.016	0.089	0.091	0.103	0.095
Consumer Price Index	0.000	0.000	0.000	0.000	0.003	0.001	-0.001	-0.001

ALTERNATIVE FORECAST

In its November 2017 release, IHS places its optimistic alternative forecast at 15% likely and gives a 20% chance to its pessimistic alternative. These likelihoods have not changed since the previous *Idaho Economic Forecast*.

A snapshot of the *Baseline Scenario* across 2018–2021 is:

- Real GDP growth is forecast at 2.2% in 2017, 2.5% in 2018, 2.2% in 2019, and 2.0–2.1% thereafter.
- Nonfarm payrolls grow 1.5% in 2017, 1.3% in 2018, 1.0% in 2019, and 0.5–0.8% thereafter.
- Headline (U-3) unemployment drops from a 4.4% rate in 2017 to 4.0%. The 4.0% rate persists through two years, 2018 and 2019. It then ascends from 4.0% to 4.3% during 2020–2021.
- CPI inflation in 2017 is forecast at 2.1%, to be followed by 1.9%, 2.1%, 2.6%, 1.6%, and 1.7%.
- The US federal governmental runs deficits of \$500–\$900 billion per fiscal year, with growth in the deficit accelerating from roughly \$70 billion per year to over \$100 billion per year.

PESSIMISTIC SCENARIO

IHS continues to counter the probability of this scenario occurring through its description of the scenario's features. Indeed, one of its opening lines for the narrative of the *Pessimistic Scenario* states that “given the largely solid current macroeconomic indicators, the expansion looks bound to continue.” Still, this forecast continues to have a mild recession as the pessimistic alternative, with the same two possible triggers being given. Commercial real estate could drop, and that could make confidence sag. Following current Federal Reserve policy, interest rates would continue to move higher, and housing starts would decline beginning in early 2018. The US economy slips into a recession, contracting in the last two quarters of 2018. Housing starts would not surpass 1.5 million units per year before 2022 is crossed. The unemployment rate reaches a historically mild 5.5% in 2019 before descending towards 5.0% to end the forecast.

In this case, the federal deficit grows sharply in FY 2019, increasing by \$225 billion, though the end fiscal deficit is similar to the baseline at \$945 billion versus \$917 billion. Light vehicle sales drop more than 1.3 million units to below the 16-million-unit mark in 2019, and they bounce along there through 2022. The S&P 500 drops to below 2300 in 2018 and 2019; it is currently above 2650, a level to which it does not return until at least 2022. While the federal funds rate is predicted to slowly grow to 3.2% in 2022 under the baseline, in this pessimistic case, the rate only grows to 2.7%. In each case, these statistics illustrate that the recession the *Pessimistic Scenario* envisions is mild, but its effect would lengthen the economic anemia.

Within Idaho, the anemia is not quite as pronounced as at the national level. Real personal income grows at a slower pace, averaging 3.8% in 2018–2019, slowing from 5.1% in the baseline. National growth slows to 3.1% from 4.4% at the same time. While the percentage point reduction is the same at the state and national levels, the greater base of growth in the state would cushion the effect here. Total nonfarm employment growth slows to 0.9% within the state in 2019 rather than the 1.7% seen in the baseline, but nationally, the change is from 1.0% growth to 0.3% contraction; again, the percentage point decrease is similar, but the effect is quite different—growth locally amid a shrinking national backdrop. The local goods-producing sector continues growth with the slowest expansion of 0.5% in 2019, but there is a 1.1% contraction in that sector nationally. Locally, the nongoods-producing sectors also keep growing, slowing to only 0.9% growth in 2019, whereas nationally there is a slight 0.2% contraction then.

IDAHO ECONOMIC FORECAST
BASELINE AND ALTERNATIVE FORECASTS
JANUARY 2018

	BASELINE					OPTIMISTIC					PESSIMISTIC				
	2017	2018	2019	2020	2021	2017	2018	2019	2020	2021	2017	2018	2019	2020	2021
U.S. GDP (BILLIONS)															
Current \$	19,377	20,256	21,163	22,109	23,052	19,390	20,573	21,809	22,920	23,997	19,356	19,886	20,471	21,549	22,533
% Ch	4.0%	4.5%	4.5%	4.5%	4.3%	4.1%	6.1%	6.0%	5.1%	4.7%	3.9%	2.7%	2.9%	5.3%	4.6%
2009 Chain-Weighted	17,090	17,513	17,906	18,281	18,649	17,103	17,734	18,321	18,798	19,248	17,071	17,210	17,374	17,878	18,279
% Ch	2.2%	2.5%	2.2%	2.1%	2.0%	2.3%	3.7%	3.3%	2.6%	2.4%	2.1%	0.8%	1.0%	2.9%	2.2%
PERSONAL INCOME - CURR \$															
Idaho (Millions)	69,071	72,001	75,364	79,027	82,967	69,084	72,588	77,440	82,500	87,539	69,071	71,712	74,356	78,189	82,259
% Ch	4.0%	4.2%	4.7%	4.9%	5.0%	4.0%	5.1%	6.7%	6.5%	6.1%	4.0%	3.8%	3.7%	5.2%	5.2%
U.S. (Billions)	16,428	17,074	17,899	18,756	19,663	16,432	17,223	18,365	19,443	20,477	16,423	16,917	17,442	18,331	19,304
% Ch	3.1%	3.9%	4.8%	4.8%	4.8%	3.2%	4.8%	6.6%	5.9%	5.3%	3.1%	3.0%	3.1%	5.1%	5.3%
PERSONAL INCOME - 2009 \$															
Idaho (Millions)	61,349	63,033	64,856	66,584	68,511	61,367	63,508	66,653	69,624	72,476	61,349	62,785	64,049	65,961	68,016
% Ch	2.3%	2.7%	2.9%	2.7%	2.9%	2.3%	3.5%	5.0%	4.5%	4.1%	2.3%	2.3%	2.0%	3.0%	3.1%
U.S. (Billions)	14,591	14,947	15,403	15,803	16,237	14,596	15,069	15,807	16,409	16,954	14,587	14,811	15,024	15,464	15,961
% Ch	1.5%	2.4%	3.0%	2.6%	2.7%	1.5%	3.2%	4.9%	3.8%	3.3%	1.5%	1.5%	1.4%	2.9%	3.2%
TOTAL NONFARM EMPLOYMENT															
Idaho	715,557	730,138	742,206	755,282	768,786	715,681	733,890	755,223	779,881	803,897	715,559	728,133	734,330	748,559	764,144
% Ch	3.1%	2.0%	1.7%	1.8%	1.8%	3.1%	2.5%	2.9%	3.3%	3.1%	3.1%	1.8%	0.9%	1.9%	2.1%
U.S. (Thousands)	146,440	148,293	149,805	150,984	151,791	146,458	148,908	151,440	153,348	154,584	146,381	146,935	146,431	147,740	149,285
% Ch	1.5%	1.3%	1.0%	0.8%	0.5%	1.5%	1.7%	1.7%	1.3%	0.8%	1.4%	0.4%	-0.3%	0.9%	1.0%
GOODS-PRODUCING SECTOR															
Idaho	114,789	118,142	120,508	122,441	123,839	114,887	119,932	123,618	126,478	129,289	114,798	117,032	117,572	121,898	123,695
% Ch	4.4%	2.9%	2.0%	1.6%	1.1%	4.5%	4.4%	3.1%	2.3%	2.2%	4.4%	1.9%	0.5%	3.7%	1.5%
U.S. (Thousands)	20,029	20,407	20,854	21,267	21,554	20,058	20,642	21,429	22,024	22,320	20,022	20,131	19,915	20,283	20,974
% Ch	1.5%	1.9%	2.2%	2.0%	1.4%	1.6%	2.9%	3.8%	2.8%	1.3%	1.4%	0.5%	-1.1%	1.8%	3.4%
NONGOODS-PRODUCING SECTOR															
Idaho	600,768	611,996	621,698	632,841	644,947	600,793	613,958	631,605	653,403	674,608	600,762	611,101	616,757	626,661	640,448
% Ch	2.9%	1.9%	1.6%	1.8%	1.9%	2.9%	2.2%	2.9%	3.5%	3.2%	2.9%	1.7%	0.9%	1.6%	2.2%
U.S. (Thousands)	126,412	127,886	128,950	129,718	130,237	126,400	128,265	130,012	131,324	132,264	126,360	126,804	126,517	127,457	128,311
% Ch	1.5%	1.2%	0.8%	0.6%	0.4%	1.5%	1.5%	1.4%	1.0%	0.7%	1.4%	0.4%	-0.2%	0.7%	0.7%
SELECTED INTEREST RATES															
Federal Funds	1.0%	1.6%	2.3%	2.8%	3.2%	1.0%	1.6%	2.3%	2.9%	3.5%	1.0%	1.1%	0.6%	1.4%	2.6%
Bank Prime	4.1%	4.7%	5.4%	5.9%	6.3%	4.1%	4.7%	5.4%	6.0%	6.6%	4.1%	4.2%	3.6%	4.4%	5.6%
Existing Home Mortgage	4.2%	4.3%	5.0%	5.3%	5.4%	4.2%	4.5%	5.4%	5.7%	5.8%	4.2%	5.0%	4.8%	4.5%	5.0%
INFLATION															
GDP Price Deflator	1.8%	2.0%	2.2%	2.3%	2.2%	1.8%	2.3%	2.6%	2.4%	2.3%	1.8%	1.9%	2.0%	2.3%	2.3%
Personal Cons Deflator	1.6%	1.5%	1.7%	2.1%	2.0%	1.6%	1.5%	1.7%	2.0%	1.9%	1.6%	1.4%	1.6%	2.1%	2.0%
Consumer Price Index	2.1%	1.9%	2.1%	2.6%	2.4%	2.1%	2.8%	2.9%	2.8%	2.5%	2.1%	1.8%	2.0%	2.6%	2.5%

OPTIMISTIC SCENARIO

Despite legislative progress on taxes, for the IHS November forecast, all three scenarios use the same fiscal outlook, which incorporates neither a tax reform or overhaul, nor an infrastructure boost. Instead, what aids the economy in the current *Optimistic Scenario* is increasing household formation, increased productivity, and high consumer confidence. Productivity growth has been elusive in the recovery from the Great Recession. The most recent quarter's productivity reading is a 3.0% advance. It means that productivity has been improving since the first quarter of 2016, when the last contraction occurred. The full year value for productivity was 0.0% in 2016, an expected 1.4% in 2017, and the optimistic route has this growing to 2.4% in 2018. It then stays above 1.7% for the remainder of the forecast. With these readings, together with low unemployment rates, it is unsurprising that real GDP growth attains high rates such as 3.7% in 2018, 3.3% in 2018, and above 2.3% through the remainder of the forecast.

Household formation drives housing starts to 1.5 million units in 2018, then up by an additional 100,000 units in the next two years after that. This piece of the favorable scenario actually addresses a lingering conundrum—why housing has been recovering so slowly—and softens a current hiccup. There has been a general slowdown in construction across the nation. Light vehicle sales re-attain their 2016 levels in 2018 after dropping 400,000 units in 2017, and that market continues to grow modestly through 2020. Stock markets continue to rally, with the S&P 500 up 11.4% in 2018. All this purchasing occurs with rising consumer confidence. Purchases are not just expanding in the private sector; federal borrowing grows by an additional \$100 billion per year most years of the forecast.

The *Optimistic Scenario* produces greater real personal income gains for Idaho. Growth hits an average 5.9% for the next two years, whereas it averages 4.5% in the baseline. This produces \$4.5 billion dollars of extra value for Idaho personal income for the year 2021. Total nonfarm employment in Idaho would be 35,100 jobs stronger by 2021 if the optimistic case holds. The split of these extra jobs is roughly 5.5 to 1 favoring the nongoods-producing sector over the goods-producing sector, but both see robust growth in this scenario.

What's Down with Inflation?

*Tim Mahedy and Adam Shapiro*¹

Since the end of the recession, inflation has been persistently below the Federal Reserve's 2% target, with core personal consumption expenditures (PCE) prices rising on average about 1.5%. During this period, researchers have suggested a multitude of explanations for weak inflation, including low energy prices, a strong dollar, and a high degree of labor market slack. However, now that the labor market has fully recovered, the dollar has appreciated, and oil prices are no longer declining as rapidly, Chair Janet Yellen recently said that the reason why inflation remains low is a "mystery" (Yellen 2017).

In this Economic Letter, we examine the factors keeping inflation low by drilling down into inflation rates by spending category. We distinguish between categories where inflation has historically exhibited a procyclical relationship with overall economic conditions, moving in tandem with the economic cycle, and those categories where inflation has been acyclical, that is, driven by category-specific developments that are independent of the state of the overall economy. We show that procyclical inflation has steadily returned to its pre-recession level, in line with improvements in economic conditions and a tightening labor market. However, acyclical inflation has been persistently low, suggesting that idiosyncratic factors have helped hold down PCE inflation.

We show that the key driver holding down acyclical inflation, and hence core PCE inflation, over the past few years has been persistent changes to the health-care sector that began after the end of the recession. Specifically, cuts to Medicare payment growth rates—which can affect prices throughout the health-care sector—have restrained health-care services inflation (Clemens, Gottlieb, and Shapiro 2016). Because health care makes up a large share of PCE, price changes within this sector can have sizable effects on overall PCE inflation. We estimate that low inflation from this sector is currently subtracting about 0.3 percentage point from core PCE inflation, that is the measure that excludes food and energy prices. While health-care services inflation is expected to pick up in the coming years, it appears unlikely to return to its pre-recession level, which could restrain core PCE inflation for the foreseeable future.

Procyclical versus acyclical inflation

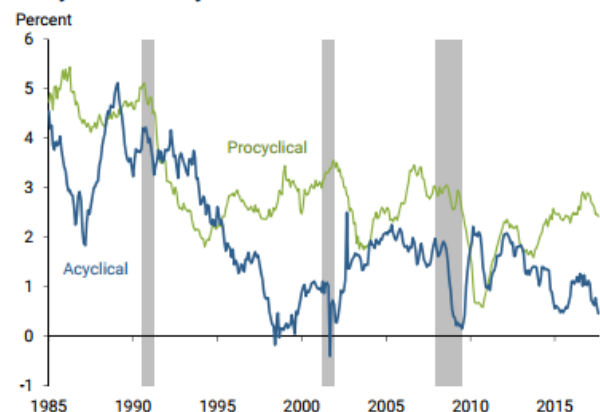
The well-known Phillips curve implies that inflation tends to move in the same direction as the overall economy. During good economic times, when the unemployment rate is low, high demand relative to supply causes businesses to raise prices. During recessions, when the unemployment rate is high and there is excess supply, businesses are less apt to raise prices, causing inflation to decline.

We drill down to the categorical level to assess whether inflation for individual categories responds to changes in overall economic activity. This allows us to examine whether some categories' prices are more sensitive to business cycle conditions than others. For each category we estimate a basic Phillips curve relationship between the unemployment gap—the gap between the national unemployment rate and its long-term or natural rate—and changes in prices for that category, using data from 1985 through 2007. We then place a sector into one of two groups: procyclical or acyclical. If the sector's inflation rate shows a negative and statistically significant relationship with the unemployment gap, we categorize the sector as procyclical. If the sector does not satisfy this criterion, we categorize the sector as acyclical.

¹This article originally appeared in the Number 2017-35; November 27, 2017 *FRBSF Economic Letter*. Opinions expressed in this article are those of the authors and do not necessarily reflect the views of the management of the Federal Reserve Bank of San Francisco or of the Board of Governors of the Federal Reserve System.

We find that the categories exhibiting a procyclical relationship make up 42% of the PCE and include housing, recreational services, food services, and some nondurable goods. The acyclical categories, which make up the remaining 58%, include health-care services, financial services, clothing, transportation, and some other smaller categories. Based on this categorization, we create two distinct aggregate inflation series. These series are constructed as a weighted sum of inflation rates by sector, which is similar to the method the Bureau of Economic Analysis (BEA) uses to construct its overall PCE price index. While compositional changes can also affect inflation dynamics, these changes have had little impact on movements in the overall PCE index.

Figure 1
Procyclical and acyclical core PCE inflation



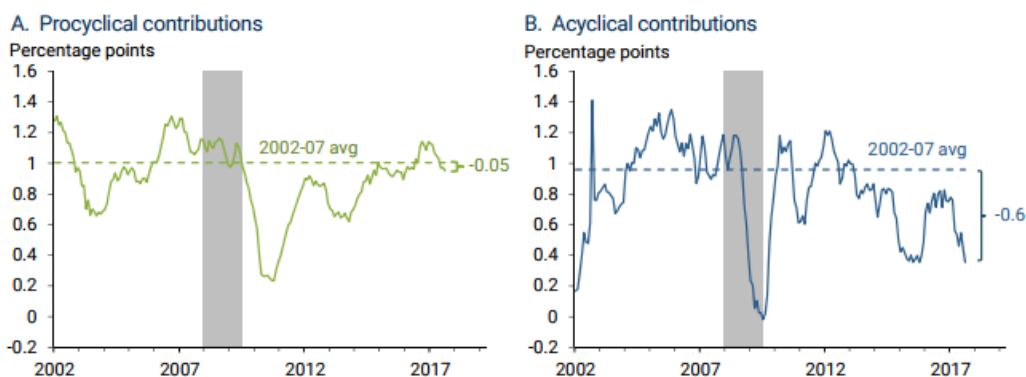
Note: Gray bars indicate NBER recession dates.

Figure 1 shows that the two inflation series occasionally move together. However, there are periods when they have diverged—in the late 1990s through early 2000s and again starting in 2014. In both of these periods, overall inflation was low—1.7% and 1.6%, respectively. In line with the historical relationship, procyclical inflation has steadily increased over the past few years as the recovery continued to gain steam and economic slack diminished further. However, acyclical inflation has gradually declined.

The patterns of these two groups suggest that core PCE inflation has been persistently low due to weak acyclical inflation. To get a better sense of how each series affects core PCE inflation we plot their contributions in Figure 2. The contributions to core inflation are calculated by multiplying a change in price for a given category by its most recent respective weight in the overall index. By construction, the sum of the contributions from procyclical and acyclical inflation equals core PCE inflation in each period. We also show as a benchmark the average contribution of each series over the 2002–07 period, represented by the dashed horizontal lines. This period is a useful benchmark because it is the last time the economy was expanding and core PCE inflation averaged 2% for an extended period, reflecting a relatively normal economy.

Procyclical inflation currently contributes about the same amount as it did in 2002–07. However, acyclical inflation is contributing about 0.6 percentage point less than it was during these years. In other words, core PCE inflation would be about 2% if acyclical inflation were behaving as it did in the mid-2000s.

Figure 2
Contributions to core PCE inflation from procyclical and acyclical sources

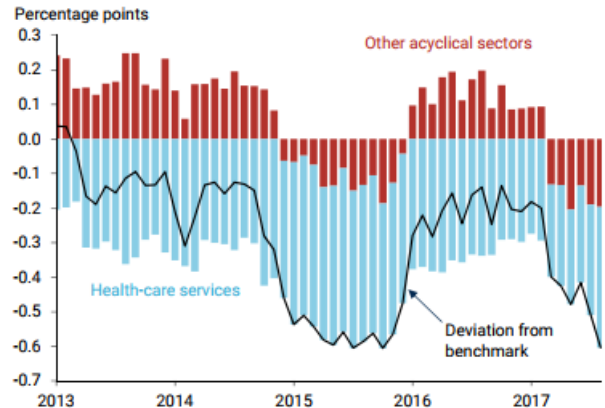


Note: BEA and authors' calculations.

Medicare and the health-care services inflation slowdown

We next assess if there is any particular sector to blame for low acyclical inflation. The first place to look would be the largest sector within the acyclical category, health-care services, which currently accounts for about 35% of acyclical inflation and 20% of the entire core PCE index. In Figure 3 we measure the extent to which health-care services has caused the decline in the acyclical group's contribution to core PCE inflation in recent years. The black line is the deviation of the contribution of acyclical inflation from its 2002–07 average—that is, from Figure 2, panel B, the blue line minus the dashed horizontal line. In Figure 3, the blue bars represent how much of the acyclical deviation (black line) is attributable to health-care services, and the red bars reflect the contribution from other non-health acyclical categories.

Figure 3
Difference between acyclical contributions and benchmark



Note: Solid line shows deviation of acyclical inflation from its 2002–07 average. Blue bars reflect the weighted contribution to that deviation from health-care services inflation; red bars reflect the combined weighted contributions from other acyclical sectors.

The figure shows that persistently low acyclical inflation since the recession has been driven by the substantial drag from health-care services. By contrast, the other acyclical categories have been bumping above and below their pre-recession levels. The very recent dip during 2017 in the acyclical group's inflation contribution—and hence core PCE inflation in general—can be traced to a relative decline in the contribution from the acyclical categories that are not related to health care. We found this mainly reflects a steep decline in the prices of cellular phone services.

Indeed, health-care services inflation has slowed considerably over time. It averaged around 3.5% in the mid-2000s but has averaged only 1.1% over the past five years. As demonstrated in Figure 4, this has translated into a persistent decline in the contribution of health-care services inflation to core PCE inflation relative to its pre-recession average level. The health-care services category is currently contributing about 0.3 percentage point less to core PCE than in the 2002–07 benchmark. Indeed, were it not for this steady decline in health-care services inflation, core PCE inflation would have hovered above 2% for most of the post-recession period.

What has been causing this persistent decline in health-care services inflation? A major factor has been legislated changes to Medicare payments. Through various pieces of legislation, including the

Figure 4
Contribution of health-care services inflation to core PCE



Affordable Care Act (ACA), the federal government has slowed the growth of Medicare payments to physicians and hospitals. These payments are directly included in the BEA's health-care services price index, which by construction translates into a slower rate of health-care services inflation. As shown in Clemens and Gottlieb (2016) these legislated changes to Medicare payment growth can also affect the payment growth for private insurers and thus pervade throughout the health-care services sector.

The Centers for Medicare and Medicaid Services (2017) recently published its inpatient Medicare payment schedule for fiscal year 2018. Payments are

set to grow at 2.0% in this fiscal year, up from a rate of 0.9% in fiscal year 2016 and 0.6% in fiscal year 2017. Based on past estimates of how Medicare passes through to affect prices of other health-care services, this projected increase could translate into as much as a 0.3 percentage point increase in overall health-care services inflation, albeit only a 0.05 percentage point increase in core PCE inflation. Furthermore, some of the legislated payment growth cuts mandated by the ACA will expire after fiscal year 2019. However, on the whole it seems unlikely that health-care services inflation will reach its pre-recession level given that many of the Medicare payment growth cuts are permanent or set to continue for an extended period (Clemens, Gottlieb, and Shapiro 2016). For example, some spending will be permanently curtailed due to adjustments in economy-wide multifactor productivity and physician payments that are scheduled to stall between 2019 and 2025.

Conclusion

Core PCE inflation has persistently remained below the FOMC's 2% target despite continued improvement in economic conditions. We note that, while procyclical inflation in categories sensitive to overall economic conditions has returned to its pre-recession level, inflation in categories that are relatively unresponsive to changes in economic conditions remains persistently below its 2002–07 benchmark level.

We attribute much of this persistent weakness in core PCE inflation to cuts in the growth of Medicare payments, which have translated into slower inflation throughout the health-care sector (Clemens, Gottlieb, and Shapiro 2014, 2016). While some cuts are expected to dissipate in the coming years, it seems unlikely that Medicare payment growth will return to its pre-recession level under current legislation. Slower growth in health-care prices is a welcome development for households and businesses that purchase it and for policymakers concerned about financing government health-care programs. However, a potential downside is the resulting diminished contribution to an overall inflation rate that has been below the Federal Reserve's 2% target for a sustained period.

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IDAHO ECONOMIC FORECAST

January 2018

FORECAST DETAIL

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Reporting Conventions

Units of measurement are presented in the individual reports.

The percentage change numbers given in the annual reports are simple period-to-period percent changes. Since the periods are years, they are thus simple annual changes. The percentage changes given in the quarterly report are period-to-period changes at compounded annual rates, following standard practice. A large change in a given quarter can seem to be exaggerated since the calculation assumes the change is compounded over an entire year.

Data Sources

National forecast data is provided by IHS Economics, as well as the Food and Agricultural Policy Research Institute (FAPRI). Historical data for the models are obtained from the following agencies: Bureau of the Census (demographic and housing), Bureau of Economic Analysis (income), Bureau of Labor Statistics (employment), Federal Reserve Board of Governors (production), and US Department of Agriculture (farm).

Idaho historical data is obtained from the Department of Labor (employment and hourly earnings), Bureau of Vital Statistics (births and deaths), Division of Financial Management (migration), and the Bureau of Economic Analysis (income).

The Idaho average annual wage is calculated by the Division of Financial Management from Bureau of Economic Analysis and Idaho Department of Labor data. Because of the different methodology used and data available, this figure may not match those published by other sources.

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JANUARY 2018**

DEMOGRAPHICS

	2004	2005	2006	2007	2008	2009	2010	2011	2012
POPULATION									
Idaho (Thousands)	1,391.8	1,428.2	1,468.7	1,505.1	1,534.3	1,554.4	1,571.0	1,584.1	1,595.9
% Ch	2.1%	2.6%	2.8%	2.5%	1.9%	1.3%	1.1%	0.8%	0.7%
National (Millions)	293.758	296.460	299.282	302.227	304.948	307.580	310.100	312.402	314.656
% Ch	0.9%	0.9%	1.0%	1.0%	0.9%	0.9%	0.8%	0.7%	0.7%
BIRTHS									
Idaho (Thousands)	22,529	23,064	24,185	25,023	25,156	23,726	23,202	22,311	22,941
% Ch	3.4%	2.4%	4.9%	3.5%	0.5%	-5.7%	-2.2%	-3.8%	2.8%
National (Thousands)	4,113	4,150	4,280	4,322	4,269	4,152	4,031	3,967	3,965
% Ch	0.2%	0.9%	3.1%	1.0%	-1.2%	-2.7%	-2.9%	-1.6%	-0.1%
DEATHS									
Idaho (Thousands)	10,013	10,513	10,556	10,742	10,927	11,065	11,411	11,990	11,993
% Ch	-3.4%	5.0%	0.4%	1.8%	1.7%	1.3%	3.1%	5.1%	0.0%
National (Thousands)	2,405	2,456	2,433	2,432	2,479	2,444	2,479	2,522	2,549
% Ch	-2.1%	2.1%	-0.9%	-0.1%	1.9%	-1.4%	1.5%	1.7%	1.1%
NET MIGRATION									
Idaho (Thousands)	15,906	23,888	26,799	22,155	14,986	7,458	4,780	2,812	0,820
HOUSING									
HOUSING STARTS									
Idaho	18,678	23,408	19,533	14,346	7,980	5,733	5,187	4,563	7,124
% Ch	13.9%	25.3%	-16.6%	-26.6%	-44.4%	-28.2%	-9.5%	-12.0%	56.1%
National (Millions)	1,950	2,073	1,812	1,342	0,900	0,554	0,586	0,612	0,784
% Ch	5.2%	6.3%	-12.6%	-25.9%	-32.9%	-38.4%	5.7%	4.5%	28.1%
SINGLE UNITS									
Idaho	16,168	20,939	17,521	12,014	7,132	4,951	4,648	3,957	6,022
% Ch	16.6%	29.5%	-16.3%	-31.4%	-40.6%	-30.6%	-6.1%	-14.9%	52.2%
National (Millions)	1,604	1,719	1,474	1,036	0,616	0,442	0,471	0,434	0,537
% Ch	6.6%	7.1%	-14.3%	-29.7%	-40.5%	-28.2%	6.6%	-7.9%	23.6%
MULTIPLE UNITS									
Idaho	2,510	2,470	2,012	2,332	847	782	538	607	1,103
% Ch	-0.8%	-1.6%	-18.5%	15.9%	-63.7%	-7.7%	-31.2%	12.7%	81.8%
National (Millions)	0.345	0.354	0.338	0.306	0.284	0.112	0.114	0.178	0.247
% Ch	-1.0%	2.6%	-4.5%	-9.5%	-7.3%	-60.7%	2.2%	55.7%	38.9%
HOUSING STOCK									
Idaho (Thousands)	473.8	494.4	514.8	529.3	537.9	542.3	546.4	549.2	553.7
% Ch	3.5%	4.3%	4.1%	2.8%	1.6%	0.8%	0.8%	0.5%	0.8%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2017

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JANUARY 2018**

DEMOGRAPHICS

	2013	2014	2015	2016	2017	2018	2019	2020	2021
POPULATION									
Idaho (Thousands)	1,612.0	1,633.5	1,652.8	1,683.1	1,707.8	1,734.0	1,759.6	1,785.9	1,812.3
% Ch	1.0%	1.3%	1.2%	1.8%	1.5%	1.5%	1.5%	1.5%	1.5%
National (Millions)	316.850	319.179	321.450	323.668	325.916	328.518	331.144	333.762	336.365
% Ch	0.7%	0.7%	0.7%	0.7%	0.7%	0.8%	0.8%	0.8%	0.8%
BIRTHS									
Idaho (Thousands)	22,348	22,888	22,832	22,900	23,053	23,438	23,928	24,439	24,954
% Ch	-2.6%	2.4%	-0.2%	0.3%	0.7%	1.7%	2.1%	2.1%	2.1%
National (Thousands)	3,929	3,990	4,000	4,023	4,046	4,071	4,095	4,116	4,133
% Ch	-0.9%	1.5%	0.3%	0.6%	0.6%	0.6%	0.6%	0.5%	0.4%
DEATHS									
Idaho (Thousands)	12,426	12,610	13,031	13,300	13,618	13,911	14,210	14,514	14,824
% Ch	3.6%	1.5%	3.3%	2.1%	2.4%	2.2%	2.1%	2.1%	2.1%
National (Thousands)	2,603	2,612	2,620	2,647	2,675	2,706	2,737	2,771	2,805
% Ch	2.1%	0.3%	0.3%	1.1%	1.1%	1.1%	1.1%	1.2%	1.2%
NET MIGRATION									
Idaho (Thousands)	6,178	11,243	9,495	20,712	15,232	16,697	15,874	16,336	16,281
HOUSING									
HOUSING STARTS									
Idaho	9,075	9,827	10,274	12,400	13,416	14,176	14,844	14,841	15,200
% Ch	27.4%	8.3%	4.5%	20.7%	8.2%	5.7%	4.7%	0.0%	2.4%
National (Millions)	0.928	1.001	1.107	1.177	1.190	1.253	1.372	1.435	1.470
% Ch	18.4%	7.8%	10.6%	6.3%	1.0%	5.3%	9.6%	4.5%	2.5%
SINGLE UNITS									
Idaho	7,719	7,335	8,250	10,031	10,807	12,121	12,879	12,876	13,234
% Ch	28.2%	-5.0%	12.5%	21.6%	7.7%	12.2%	6.2%	0.0%	2.8%
National (Millions)	0.620	0.647	0.712	0.784	0.839	0.888	0.964	0.977	0.985
% Ch	15.5%	4.2%	10.2%	10.1%	7.0%	5.8%	8.6%	1.3%	0.9%
MULTIPLE UNITS									
Idaho	1,356	2,492	2,024	2,368	2,609	2,054	1,966	1,965	1,965
% Ch	22.9%	83.8%	-18.8%	17.0%	10.2%	-21.3%	-4.3%	0.0%	0.0%
National (Millions)	0.308	0.355	0.395	0.393	0.351	0.365	0.408	0.458	0.484
% Ch	24.8%	15.1%	11.4%	-0.5%	-10.8%	4.1%	11.8%	12.1%	5.9%
HOUSING STOCK									
Idaho (Thousands)	560.3	568.3	576.7	586.6	597.6	609.9	622.7	635.7	648.8
% Ch	1.2%	1.4%	1.5%	1.7%	1.9%	2.1%	2.1%	2.1%	2.1%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2017

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JANUARY 2018**

OUTPUT, INCOME, & WAGES

	2004	2005	2006	2007	2008	2009	2010	2011	2012
U.S. GROSS DOM. PRODUCT (Billions)									
Current Dollars	12,275	13,094	13,856	14,478	14,719	14,419	14,964	15,518	16,155
% Ch	6.6%	6.7%	5.8%	4.5%	1.7%	-2.0%	3.8%	3.7%	4.1%
2009 Chain-Weighted	13,773	14,234	14,614	14,874	14,830	14,419	14,784	15,021	15,355
% Ch	3.8%	3.3%	2.7%	1.8%	-0.3%	-2.8%	2.5%	1.6%	2.2%
PERSONAL INCOME - CURR \$									
Idaho (Millions)	39,465	41,864	46,053	49,037	50,680	48,866	49,842	52,745	55,370
% Ch	8.5%	6.1%	10.0%	6.5%	3.4%	-3.6%	2.0%	5.8%	5.0%
Idaho Nonfarm (Millions)	38,126	40,697	45,008	47,495	48,958	47,784	48,361	50,637	53,268
% Ch	7.3%	6.7%	10.6%	5.5%	3.1%	-2.4%	1.2%	4.7%	5.2%
National (Billions)	10,053	10,614	11,394	12,000	12,502	12,095	12,477	13,255	13,915
% Ch	5.9%	5.6%	7.3%	5.3%	4.2%	-3.3%	3.2%	6.2%	5.0%
PERSONAL INCOME - 2009 \$									
Idaho (Millions)	43,992	45,371	48,614	50,501	50,649	48,869	49,030	50,643	52,173
% Ch	5.9%	3.1%	7.1%	3.9%	0.3%	-3.5%	0.3%	3.3%	3.0%
Idaho Nonfarm (Millions)	42,499	44,105	47,510	48,913	48,927	47,787	47,573	48,619	50,192
% Ch	4.7%	3.8%	7.7%	3.0%	0.0%	-2.3%	-0.4%	2.2%	3.2%
National (Billions)	11,206	11,503	12,028	12,358	12,494	12,095	12,274	12,726	13,112
% Ch	3.4%	2.7%	4.6%	2.7%	1.1%	-3.2%	1.5%	3.7%	3.0%
PER CAPITA PERS INC - CURR \$									
Idaho	28,353	29,309	31,355	32,580	33,033	31,437	31,725	33,295	34,694
% Ch	6.2%	3.4%	7.0%	3.9%	1.4%	-4.8%	0.9%	4.9%	4.2%
National	34,220	35,801	38,070	39,705	40,998	39,322	40,235	42,427	44,222
% Ch	5.0%	4.6%	6.3%	4.3%	3.3%	-4.1%	2.3%	5.4%	4.2%
PER CAPITA PERS INC - 2009 \$									
Idaho	31,607	31,766	33,100	33,554	33,012	31,440	31,208	31,969	32,690
% Ch	3.7%	0.5%	4.2%	1.4%	-1.6%	-4.8%	-0.7%	2.4%	2.3%
National	38,146	38,802	40,188	40,890	40,973	39,324	39,580	40,737	41,669
% Ch	2.5%	1.7%	3.6%	1.7%	0.2%	-4.0%	0.6%	2.9%	2.3%
AVERAGE ANNUAL WAGE									
Idaho	31,520	32,469	34,327	35,245	35,569	35,842	36,607	37,069	37,353
% Ch	4.1%	3.0%	5.7%	2.7%	0.9%	0.8%	2.1%	1.3%	0.8%
National	41,145	42,462	44,389	46,342	47,597	47,617	48,924	50,274	51,651
% Ch	4.4%	3.2%	4.5%	4.4%	2.7%	0.0%	2.7%	2.8%	2.7%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2017

**IDAHO ECONOMIC FORECAST
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OUTPUT, INCOME, & WAGES

	2013	2014	2015	2016	2017	2018	2019	2020	2021
U.S. GROSS DOM. PRODUCT (Billions)									
Current Dollars	16,692	17,428	18,121	18,624	19,377	20,256	21,163	22,109	23,052
% Ch	3.3%	4.4%	4.0%	2.8%	4.0%	4.5%	4.5%	4.5%	4.3%
2009 Chain-Weighted	15,612	16,013	16,472	16,716	17,090	17,513	17,906	18,281	18,649
% Ch	1.7%	2.6%	2.9%	1.5%	2.2%	2.5%	2.2%	2.1%	2.0%
PERSONAL INCOME - CURR \$									
Idaho (Millions)	57,581	60,744	64,209	66,433	69,071	72,001	75,364	79,027	82,967
% Ch	4.0%	5.5%	5.7%	3.5%	4.0%	4.2%	4.7%	4.9%	5.0%
Idaho Nonfarm (Millions)	55,241	58,295	61,973	64,435	67,026	70,005	73,292	76,908	80,785
% Ch	3.7%	5.5%	6.3%	4.0%	4.0%	4.4%	4.7%	4.9%	5.0%
National (Billions)	14,074	14,818	15,553	15,929	16,428	17,074	17,899	18,756	19,663
% Ch	1.1%	5.3%	5.0%	2.4%	3.1%	3.9%	4.8%	4.8%	4.8%
PERSONAL INCOME - 2009 \$									
Idaho (Millions)	53,547	55,646	58,647	59,963	61,349	63,033	64,856	66,584	68,511
% Ch	2.6%	3.9%	5.4%	2.2%	2.3%	2.7%	2.9%	2.7%	2.9%
Idaho Nonfarm (Millions)	51,370	53,403	56,604	58,158	59,532	61,286	63,072	64,799	66,709
% Ch	2.3%	4.0%	6.0%	2.7%	2.4%	2.9%	2.9%	2.7%	2.9%
National (Billions)	13,088	13,575	14,206	14,377	14,591	14,947	15,403	15,803	16,237
% Ch	-0.2%	3.7%	4.6%	1.2%	1.5%	2.4%	3.0%	2.6%	2.7%
PER CAPITA PERS INC - CURR \$									
Idaho	35,719	37,184	38,847	39,469	40,444	41,521	42,828	44,249	45,778
% Ch	3.0%	4.1%	4.5%	1.6%	2.5%	2.7%	3.1%	3.3%	3.5%
National	44,417	46,425	48,383	49,213	50,404	51,971	54,049	56,194	58,457
% Ch	0.4%	4.5%	4.2%	1.7%	2.4%	3.1%	4.0%	4.0%	4.0%
PER CAPITA PERS INC - 2009 \$									
Idaho	33,217	34,063	35,482	35,626	35,923	36,350	36,857	37,283	37,803
% Ch	1.6%	2.5%	4.2%	0.4%	0.8%	1.2%	1.4%	1.2%	1.4%
National	41,305	42,529	44,192	44,420	44,769	45,498	46,513	47,347	48,272
% Ch	-0.9%	3.0%	3.9%	0.5%	0.8%	1.6%	2.2%	1.8%	2.0%
AVERAGE ANNUAL WAGE									
Idaho	38,060	39,228	40,184	41,045	41,626	43,073	44,494	45,964	47,423
% Ch	1.9%	3.1%	2.4%	2.1%	1.4%	3.5%	3.3%	3.3%	3.2%
National	52,181	53,812	55,415	56,028	57,111	58,882	61,228	63,600	66,173
% Ch	1.0%	3.1%	3.0%	1.1%	1.9%	3.1%	4.0%	3.9%	4.0%

National Variables Forecast by IHS Economics
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**IDAHO ECONOMIC FORECAST
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PERSONAL INCOME--CURRENT \$\$

	2004	2005	2006	2007	2008	2009	2010	2011	2012
WAGE AND SALARY PAYMENTS									
Idaho (Millions)	19,246	20,655	22,716	24,013	23,955	22,821	22,974	23,495	24,163
% Ch	7.0%	7.3%	10.0%	5.7%	-0.2%	-4.7%	0.7%	2.3%	2.8%
National (Billions)	5,422	5,692	6,057	6,395	6,532	6,251	6,378	6,633	6,930
% Ch	5.5%	5.0%	6.4%	5.6%	2.1%	-4.3%	2.0%	4.0%	4.5%
FARM PROPRIETORS INCOME									
Idaho (Millions)	908	667	551	949	1,151	449	929	1,553	1,469
% Ch	101.5%	-26.5%	-17.4%	72.2%	21.3%	-61.0%	107.0%	67.2%	-5.4%
National (Billions)	50	46	36	38	47	35	46	76	62
% Ch	32.6%	-8.1%	-22.4%	5.9%	23.3%	-24.5%	29.7%	64.2%	-18.5%
NONFARM PROPRIETORS INCOME									
Idaho (Millions)	3,730	3,798	4,189	4,013	4,192	4,615	4,144	4,164	4,538
% Ch	3.6%	1.8%	10.3%	-4.2%	4.5%	10.1%	-10.2%	0.5%	9.0%
National (Billions)	912	933	1,018	941	979	938	987	1,068	1,180
% Ch	5.8%	2.3%	9.1%	-7.5%	4.1%	-4.3%	5.2%	8.3%	10.5%
DIVIDENDS, RENT & INTEREST									
Idaho (Millions)	7,818	8,393	9,519	10,261	10,397	9,162	9,012	10,336	11,687
% Ch	9.6%	7.4%	13.4%	7.8%	1.3%	-11.9%	-1.6%	14.7%	13.1%
National (Billions)	1,759	1,905	2,146	2,356	2,429	2,152	2,142	2,399	2,649
% Ch	6.1%	8.3%	12.7%	9.8%	3.1%	-11.4%	-0.4%	12.0%	10.4%
OTHER LABOR INCOME									
Idaho (Millions)	4,863	5,259	5,852	6,124	6,188	6,017	6,202	6,085	6,199
% Ch	8.4%	8.2%	11.3%	4.6%	1.0%	-2.8%	3.1%	-1.9%	1.9%
National (Billions)	909	967	998	1,041	1,075	1,077	1,115	1,142	1,165
% Ch	7.7%	6.4%	3.2%	4.4%	3.2%	0.2%	3.4%	2.5%	2.0%
GOVT. TRANSFERS TO INDIV.									
Idaho (Millions)	5,716	6,175	6,705	7,278	8,477	9,318	10,241	10,297	10,441
% Ch	7.1%	8.0%	8.6%	8.5%	16.5%	9.9%	9.9%	0.6%	1.4%
National (Billions)	1,421	1,517	1,615	1,728	1,957	2,148	2,325	2,360	2,366
% Ch	5.5%	6.7%	6.5%	7.0%	13.2%	9.8%	8.2%	1.5%	0.2%
CONTRIB. FOR SOCIAL INSUR.									
Idaho (Millions)	3,309	3,588	3,998	4,190	4,211	4,122	4,310	3,941	4,045
% Ch	6.7%	8.4%	11.4%	4.8%	0.5%	-2.1%	4.6%	-8.6%	2.7%
National (Billions)	829	873	923	961	988	964	984	918	952
% Ch	6.4%	5.3%	5.6%	4.2%	2.8%	-2.4%	2.0%	-6.7%	3.7%
RESIDENCE ADJUSTMENT									
Idaho (Millions)	493	504	521	590	531	606	651	755	920
% Ch	0.0%	2.2%	3.4%	13.2%	-9.9%	14.1%	7.5%	15.9%	21.7%

National Variables Forecast by IHS Economics
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**IDAHO ECONOMIC FORECAST
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PERSONAL INCOME--CURRENT \$\$

	2013	2014	2015	2016	2017	2018	2019	2020	2021
WAGE AND SALARY PAYMENTS									
Idaho (Millions)	25,274	26,672	27,881	29,444	30,750	32,389	33,977	35,680	37,437
% Ch	4.6%	5.5%	4.5%	5.6%	4.4%	5.3%	4.9%	5.0%	4.9%
National (Billions)	7,117	7,477	7,859	8,085	8,364	8,732	9,173	9,603	10,045
% Ch	2.7%	5.1%	5.1%	2.9%	3.4%	4.4%	5.0%	4.7%	4.6%
FARM PROPRIETORS INCOME									
Idaho (Millions)	1,645	1,733	1,654	1,315	1,380	1,349	1,408	1,437	1,483
% Ch	12.0%	5.3%	-4.6%	-20.5%	5.0%	-2.2%	4.4%	2.0%	3.2%
National (Billions)	88	68	54	43	36	32	31	32	33
% Ch	42.6%	-22.4%	-21.2%	-19.5%	-17.0%	-9.3%	-4.6%	2.2%	4.8%
NONFARM PROPRIETORS INCOME									
Idaho (Millions)	5,230	5,779	6,033	6,142	6,389	6,644	6,848	7,063	7,321
% Ch	15.3%	10.5%	4.4%	1.8%	4.0%	4.0%	3.1%	3.1%	3.6%
National (Billions)	1,197	1,248	1,265	1,299	1,349	1,402	1,457	1,506	1,566
% Ch	1.5%	4.2%	1.4%	2.7%	3.8%	4.0%	3.9%	3.4%	4.0%
DIVIDENDS, RENT & INTEREST									
Idaho (Millions)	11,761	12,696	13,768	13,929	14,361	14,853	15,593	16,369	17,347
% Ch	0.6%	8.0%	8.4%	1.2%	3.1%	3.4%	5.0%	5.0%	6.0%
National (Billions)	2,623	2,857	3,050	3,085	3,179	3,286	3,443	3,616	3,826
% Ch	-1.0%	8.9%	6.7%	1.2%	3.0%	3.4%	4.8%	5.0%	5.8%
OTHER LABOR INCOME									
Idaho (Millions)	6,663	6,522	7,173	7,692	8,006	8,217	8,400	8,658	8,912
% Ch	7.5%	-2.1%	10.0%	7.2%	4.1%	2.6%	2.2%	3.1%	2.9%
National (Billions)	1,199	1,232	1,278	1,310	1,346	1,378	1,412	1,453	1,492
% Ch	2.9%	2.7%	3.8%	2.5%	2.8%	2.4%	2.5%	2.9%	2.7%
GOVT. TRANSFERS TO INDIV.									
Idaho (Millions)	10,775	11,225	11,837	12,251	12,756	13,275	14,055	14,962	15,849
% Ch	3.2%	4.2%	5.5%	3.5%	4.1%	4.1%	5.9%	6.5%	5.9%
National (Billions)	2,428	2,544	2,684	2,768	2,847	2,961	3,132	3,328	3,516
% Ch	2.6%	4.8%	5.5%	3.1%	2.9%	4.0%	5.8%	6.2%	5.7%
CONTRIB. FOR SOCIAL INSUR.									
Idaho (Millions)	4,654	4,850	5,100	5,344	5,613	5,817	6,069	6,356	6,660
% Ch	15.1%	4.2%	5.2%	4.8%	5.0%	3.6%	4.3%	4.7%	4.8%
National (Billions)	1,105	1,155	1,208	1,245	1,304	1,351	1,410	1,471	1,535
% Ch	16.1%	4.6%	4.6%	3.1%	4.7%	3.6%	4.4%	4.3%	4.4%
RESIDENCE ADJUSTMENT									
Idaho (Millions)	887	968	964	1,004	1,042	1,092	1,151	1,214	1,278
% Ch	-3.5%	9.1%	-0.5%	4.2%	3.8%	4.8%	5.4%	5.5%	5.3%

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EMPLOYMENT

	2004	2005	2006	2007	2008	2009	2010	2011	2012
TOTAL NONFARM EMPLOYMENT									
Idaho	588,058	611,688	638,847	656,234	648,811	609,938	603,537	610,618	622,217
% Ch	2.7%	4.0%	4.4%	2.7%	-1.1%	-6.0%	-1.0%	1.2%	1.9%
National (Thousands)	131,770	134,042	136,457	137,997	137,240	131,300	130,353	131,941	134,171
% Ch	1.1%	1.7%	1.8%	1.1%	-0.5%	-4.3%	-0.7%	1.2%	1.7%
GOODS PRODUCING SECTOR									
Idaho	105,447	112,320	122,258	123,325	112,119	92,335	87,898	88,920	92,331
% Ch	3.0%	6.5%	8.8%	0.9%	-9.1%	-17.6%	-4.8%	1.2%	3.8%
National (Thousands)	21,878	22,186	22,530	22,229	21,331	18,559	17,752	18,045	18,420
% Ch	0.3%	1.4%	1.6%	-1.3%	-4.0%	-13.0%	-4.3%	1.7%	2.1%
MANUFACTURING									
Idaho	63,676	65,032	67,839	68,066	64,362	55,807	54,371	55,956	58,131
% Ch	-0.3%	2.1%	4.3%	0.3%	-5.4%	-13.3%	-2.6%	2.9%	3.9%
National (Thousands)	14,382	14,291	14,221	13,938	13,460	11,898	11,579	11,776	11,978
% Ch	-1.3%	-0.6%	-0.5%	-2.0%	-3.4%	-11.6%	-2.7%	1.7%	1.7%
DURABLE MANUFACTURING									
Idaho	40,545	42,105	44,605	44,205	39,779	32,172	31,111	32,592	34,112
% Ch	1.5%	3.8%	5.9%	-0.9%	-10.0%	-19.1%	-3.3%	4.8%	4.7%
National (Thousands)	8,992	9,020	9,046	8,868	8,519	7,335	7,114	7,322	7,520
% Ch	-0.4%	0.3%	0.3%	-2.0%	-3.9%	-13.9%	-3.0%	2.9%	2.7%
LOGGING & WOOD PRODUCTS									
Idaho	9,294	9,619	10,037	9,589	7,975	5,867	5,732	6,120	6,408
% Ch	2.7%	3.5%	4.4%	-4.5%	-16.8%	-26.4%	-2.3%	6.8%	4.7%
National (Thousands)	619	626	625	577	514	411	392	386	390
% Ch	1.7%	1.1%	-0.2%	-7.7%	-10.9%	-20.1%	-4.6%	-1.6%	1.1%
METAL FABRICATION									
Idaho	3,636	3,905	4,376	4,659	4,676	4,376	4,443	4,593	4,859
% Ch	2.8%	7.4%	12.1%	6.5%	0.4%	-6.4%	1.5%	3.4%	5.8%
National (Thousands)	1,497	1,522	1,553	1,562	1,527	1,312	1,282	1,348	1,410
% Ch	1.2%	1.7%	2.0%	0.6%	-2.2%	-14.1%	-2.3%	5.2%	4.5%
MACHINERY									
Idaho	2,569	2,606	2,864	2,992	3,133	2,717	2,501	2,567	2,717
% Ch	-2.4%	1.4%	9.9%	4.5%	4.7%	-13.3%	-8.0%	2.7%	5.8%
National (Thousands)	1,145	1,164	1,183	1,187	1,187	1,029	996	1,056	1,098
% Ch	-0.6%	1.7%	1.6%	0.3%	0.0%	-13.3%	-3.2%	6.0%	4.1%
COMPUTER & ELECTRONICS									
Idaho	16,286	16,181	16,663	16,216	14,305	11,098	10,574	11,191	11,625
% Ch	-0.1%	-0.6%	3.0%	-2.7%	-11.8%	-22.4%	-4.7%	5.8%	3.9%
National (Thousands)	1,323	1,316	1,308	1,272	1,244	1,137	1,094	1,103	1,089
% Ch	-2.4%	-0.5%	-0.7%	-2.7%	-2.2%	-8.6%	-3.7%	0.8%	-1.3%
OTHER DURABLES									
Idaho	8,759	9,794	10,664	10,749	9,689	8,114	7,861	8,120	8,503
% Ch	3.8%	11.8%	8.9%	0.8%	-9.9%	-16.3%	-3.1%	3.3%	4.7%
National (Thousands)	4,408	4,391	4,378	4,269	4,046	3,446	3,349	3,430	3,533
% Ch	-0.7%	-0.4%	-0.3%	-2.5%	-5.2%	-14.8%	-2.8%	2.4%	3.0%

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EMPLOYMENT

	2013	2014	2015	2016	2017	2018	2019	2020	2021
TOTAL NONFARM EMPLOYMENT									
Idaho	638,027	654,470	672,493	693,840	715,557	730,138	742,206	755,282	768,786
% Ch	2.5%	2.6%	2.8%	3.2%	3.1%	2.0%	1.7%	1.8%	1.8%
National (Thousands)	136,379	138,937	141,813	144,306	146,440	148,293	149,805	150,984	151,791
% Ch	1.6%	1.9%	2.1%	1.8%	1.5%	1.3%	1.0%	0.8%	0.5%
GOODS PRODUCING SECTOR									
Idaho	97,274	99,983	104,316	109,950	114,789	118,142	120,508	122,441	123,839
% Ch	5.4%	2.8%	4.3%	5.4%	4.4%	2.9%	2.0%	1.6%	1.1%
National (Thousands)	18,739	19,225	19,607	19,737	20,029	20,407	20,854	21,267	21,554
% Ch	1.7%	2.6%	2.0%	0.7%	1.5%	1.9%	2.2%	2.0%	1.4%
MANUFACTURING									
Idaho	61,016	61,586	63,606	65,748	67,777	69,405	70,880	72,440	73,267
% Ch	5.0%	0.9%	3.3%	3.4%	3.1%	2.4%	2.1%	2.2%	1.1%
National (Thousands)	12,071	12,237	12,388	12,400	12,477	12,742	12,937	13,041	13,099
% Ch	0.8%	1.4%	1.2%	0.1%	0.6%	2.1%	1.5%	0.8%	0.4%
DURABLE MANUFACTURING									
Idaho	35,761	36,058	37,489	38,639	39,554	40,325	41,047	41,667	42,022
% Ch	4.8%	0.8%	4.0%	3.1%	2.4%	1.9%	1.8%	1.5%	0.9%
National (Thousands)	7,598	7,725	7,817	7,770	7,809	8,035	8,175	8,259	8,311
% Ch	1.0%	1.7%	1.2%	-0.6%	0.5%	2.9%	1.7%	1.0%	0.6%
LOGGING & WOOD PRODUCTS									
Idaho	7,034	7,049	7,331	7,694	7,839	8,055	8,349	8,517	8,619
% Ch	9.8%	0.2%	4.0%	4.9%	1.9%	2.8%	3.7%	2.0%	1.2%
National (Thousands)	405	424	435	443	446	470	494	506	522
% Ch	3.9%	4.6%	2.6%	2.0%	0.5%	5.4%	5.2%	2.5%	3.0%
METAL FABRICATION									
Idaho	5,416	5,499	5,649	5,895	6,052	6,196	6,344	6,467	6,575
% Ch	11.5%	1.5%	2.7%	4.4%	2.7%	2.4%	2.4%	2.0%	1.7%
National (Thousands)	1,431	1,454	1,458	1,425	1,441	1,491	1,533	1,569	1,591
% Ch	1.6%	1.6%	0.3%	-2.3%	1.1%	3.4%	2.9%	2.3%	1.4%
MACHINERY									
Idaho	2,934	2,993	3,033	3,095	3,176	3,230	3,324	3,486	3,606
% Ch	8.0%	2.0%	1.4%	2.1%	2.6%	1.7%	2.9%	4.9%	3.5%
National (Thousands)	1,105	1,127	1,121	1,080	1,090	1,129	1,163	1,176	1,187
% Ch	0.6%	2.0%	-0.6%	-3.6%	0.9%	3.6%	3.0%	1.1%	1.0%
COMPUTER & ELECTRONICS									
Idaho	11,267	11,425	11,900	12,132	12,088	12,107	12,073	12,172	12,254
% Ch	-3.1%	1.4%	4.2%	2.0%	-0.4%	0.2%	-0.3%	0.8%	0.7%
National (Thousands)	1,066	1,049	1,053	1,048	1,042	1,079	1,100	1,108	1,114
% Ch	-2.1%	-1.5%	0.4%	-0.5%	-0.6%	3.6%	2.0%	0.7%	0.5%
OTHER DURABLES									
Idaho	9,110	9,092	9,575	9,823	10,400	10,737	10,957	11,025	10,967
% Ch	7.1%	-0.2%	5.3%	2.6%	5.9%	3.2%	2.1%	0.6%	-0.5%
National (Thousands)	3,592	3,671	3,751	3,774	3,791	3,866	3,884	3,900	3,898
% Ch	1.6%	2.2%	2.2%	0.6%	0.5%	2.0%	0.5%	0.4%	-0.1%

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EMPLOYMENT

MANUFACTURING (continued)

	2004	2005	2006	2007	2008	2009	2010	2011	2012
NONDURABLE MANUFACTURING									
Idaho	23,131	22,927	23,234	23,861	24,583	23,634	23,261	23,364	24,018
% Ch	-3.3%	-0.9%	1.3%	2.7%	3.0%	-3.9%	-1.6%	0.4%	2.8%
National (Thousands)	5,390	5,271	5,175	5,070	4,941	4,563	4,465	4,454	4,458
% Ch	-2.8%	-2.2%	-1.8%	-2.0%	-2.6%	-7.6%	-2.2%	-0.2%	0.1%
FOOD PROCESSING									
Idaho	14,999	14,714	14,700	15,094	15,835	15,642	15,443	15,355	15,661
% Ch	-5.7%	-1.9%	-0.1%	2.7%	4.9%	-1.2%	-1.3%	-0.6%	2.0%
National (Thousands)	1,494	1,478	1,479	1,484	1,480	1,457	1,451	1,459	1,469
% Ch	-1.5%	-1.1%	0.1%	0.3%	-0.2%	-1.6%	-0.4%	0.6%	0.7%
PRINTING									
Idaho	1,921	1,899	1,907	1,891	1,807	1,433	1,283	1,233	1,209
% Ch	-5.3%	-1.2%	0.4%	-0.8%	-4.4%	-20.7%	-10.5%	-3.9%	-1.9%
National (Thousands)	663	646	634	622	594	522	488	472	462
% Ch	-2.6%	-2.5%	-1.9%	-1.9%	-4.5%	-12.2%	-6.5%	-3.3%	-2.1%
CHEMICALS									
Idaho	1,878	1,938	2,117	2,267	2,367	2,275	2,200	2,375	2,541
% Ch	2.6%	3.2%	9.2%	7.1%	4.4%	-3.9%	-3.3%	7.9%	7.0%
National (Thousands)	887	872	866	861	847	804	786	783	784
% Ch	-2.1%	-1.7%	-0.7%	-0.6%	-1.7%	-5.1%	-2.2%	-0.4%	0.0%
OTHER NONDURABLES									
Idaho	4,332	4,376	4,511	4,610	4,573	4,284	4,336	4,402	4,608
% Ch	4.4%	1.0%	3.1%	2.2%	-0.8%	-6.3%	1.2%	1.5%	4.7%
National (Thousands)	2,346	2,275	2,195	2,104	2,020	1,781	1,740	1,739	1,743
% Ch	-3.9%	-3.0%	-3.5%	-4.2%	-4.0%	-11.8%	-2.3%	0.0%	0.2%
MINING									
Idaho	1,931	2,160	2,373	2,666	2,751	2,139	2,294	2,623	2,779
% Ch	8.2%	11.8%	9.9%	12.4%	3.2%	-22.3%	7.2%	14.3%	5.9%
National (Thousands)	523	562	620	663	709	643	655	739	797
% Ch	4.0%	7.5%	10.3%	7.0%	6.9%	-9.3%	1.8%	12.9%	7.7%
CONSTRUCTION									
Idaho	39,840	45,128	52,046	52,593	45,006	34,390	31,233	30,340	31,421
% Ch	8.4%	13.3%	15.3%	1.1%	-14.4%	-23.6%	-9.2%	-2.9%	3.6%
National (Thousands)	6,973	7,333	7,690	7,627	7,162	6,017	5,518	5,530	5,646
% Ch	3.5%	5.2%	4.9%	-0.8%	-6.1%	-16.0%	-8.3%	0.2%	2.1%
NONGOODS PRODUCING									
Idaho	482,611	499,368	516,589	532,908	536,693	517,603	515,638	521,698	529,887
% Ch	2.6%	3.5%	3.4%	3.2%	0.7%	-3.6%	-0.4%	1.2%	1.6%
National (Thousands)	109,892	111,856	113,926	115,769	115,909	112,741	112,602	113,896	115,751
% Ch	1.3%	1.8%	1.9%	1.6%	0.1%	-2.7%	-0.1%	1.1%	1.6%
SERVICES									
Idaho	269,018	280,745	292,717	304,464	308,419	297,037	297,434	303,908	309,026
% Ch	3.5%	4.4%	4.3%	4.0%	1.3%	-3.7%	0.1%	2.2%	1.7%
National (Thousands)	67,552	69,009	70,692	72,017	72,178	70,080	70,215	71,589	73,327
% Ch	1.7%	2.2%	2.4%	1.9%	0.2%	-2.9%	0.2%	2.0%	2.4%
INFORMATION									
Idaho	9,935	11,072	10,592	10,913	11,028	10,012	9,626	9,465	9,363
% Ch	8.2%	11.4%	-4.3%	3.0%	1.1%	-9.2%	-3.9%	-1.7%	-1.1%
National (Thousands)	3,117	3,061	3,038	3,032	2,983	2,804	2,707	2,673	2,674
% Ch	-2.2%	-1.8%	-0.8%	-0.2%	-1.6%	-6.0%	-3.4%	-1.3%	0.1%
FINANCIAL ACTIVITIES									
Idaho	27,937	29,653	31,744	32,529	31,660	29,605	29,161	29,855	30,331
% Ch	3.7%	6.1%	7.1%	2.5%	-2.7%	-6.5%	-1.5%	2.4%	1.6%
National (Thousands)	8,105	8,197	8,366	8,347	8,204	7,838	7,695	7,696	7,783
% Ch	0.3%	1.1%	2.1%	-0.2%	-1.7%	-4.5%	-1.8%	0.0%	1.1%

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EMPLOYMENT

MANUFACTURING (continued)

	2013	2014	2015	2016	2017	2018	2019	2020	2021
NONDURABLE MANUFACTURING									
Idaho	25,255	25,528	26,118	27,108	28,223	29,079	29,833	30,773	31,245
% Ch	5.1%	1.1%	2.3%	3.8%	4.1%	3.0%	2.6%	3.2%	1.5%
National (Thousands)	4,473	4,512	4,570	4,629	4,668	4,707	4,762	4,781	4,788
% Ch	0.3%	0.9%	1.3%	1.3%	0.8%	0.8%	1.2%	0.4%	0.1%
FOOD PROCESSING									
Idaho	16,397	16,505	16,836	17,491	18,397	19,037	19,642	20,389	20,687
% Ch	4.7%	0.7%	2.0%	3.9%	5.2%	3.5%	3.2%	3.8%	1.5%
National (Thousands)	1,474	1,485	1,512	1,555	1,596	1,629	1,676	1,703	1,727
% Ch	0.3%	0.7%	1.8%	2.8%	2.6%	2.1%	2.9%	1.6%	1.4%
PRINTING									
Idaho	1,217	1,175	1,125	1,229	1,236	1,204	1,186	1,169	1,165
% Ch	0.7%	-3.4%	-4.3%	9.2%	0.6%	-2.6%	-1.5%	-1.4%	-0.4%
National (Thousands)	452	454	450	447	438	435	435	435	435
% Ch	-2.1%	0.4%	-0.8%	-0.8%	-2.0%	-0.7%	0.1%	0.0%	0.1%
CHEMICALS									
Idaho	2,599	2,533	2,550	2,711	2,978	3,117	3,149	3,181	3,207
% Ch	2.3%	-2.6%	0.7%	6.3%	9.9%	4.6%	1.0%	1.0%	0.8%
National (Thousands)	793	803	807	811	818	821	820	815	805
% Ch	1.2%	1.2%	0.5%	0.5%	0.9%	0.3%	-0.1%	-0.7%	-1.2%
OTHER NONDURABLES									
Idaho	5,042	5,315	5,606	5,678	5,611	5,722	5,856	6,034	6,187
% Ch	9.4%	5.4%	5.5%	1.3%	-1.2%	2.0%	2.3%	3.1%	2.5%
National (Thousands)	1,754	1,771	1,801	1,817	1,816	1,823	1,830	1,829	1,820
% Ch	0.6%	0.9%	1.7%	0.9%	0.0%	0.4%	0.4%	-0.1%	-0.5%
MINING									
Idaho	2,629	2,519	2,451	2,466	2,257	2,260	2,251	2,244	2,217
% Ch	-5.4%	-4.2%	-2.7%	0.6%	-8.5%	0.1%	-0.4%	-0.3%	-1.2%
National (Thousands)	811	838	760	626	655	675	695	722	741
% Ch	1.8%	3.4%	-9.3%	-17.6%	4.6%	3.0%	3.0%	3.9%	2.6%
CONSTRUCTION									
Idaho	33,629	35,877	38,259	41,737	44,754	46,477	47,377	47,757	48,355
% Ch	7.0%	6.7%	6.6%	9.1%	7.2%	3.8%	1.9%	0.8%	1.3%
National (Thousands)	5,857	6,150	6,459	6,711	6,896	6,990	7,222	7,504	7,714
% Ch	3.7%	5.0%	5.0%	3.9%	2.8%	1.4%	3.3%	3.9%	2.8%
NONGOODS PRODUCING									
Idaho	540,752	554,487	568,176	583,890	600,768	611,996	621,698	632,841	644,947
% Ch	2.1%	2.5%	2.5%	2.8%	2.9%	1.9%	1.6%	1.8%	1.9%
National (Thousands)	117,640	119,712	122,206	124,569	126,412	127,886	128,950	129,718	130,237
% Ch	1.6%	1.8%	2.1%	1.9%	1.5%	1.2%	0.8%	0.6%	0.4%
SERVICES									
Idaho	317,182	327,896	337,237	348,728	362,261	371,342	379,455	388,072	397,163
% Ch	2.6%	3.4%	2.8%	3.4%	3.9%	2.5%	2.2%	2.3%	2.3%
National (Thousands)	74,983	76,669	78,726	80,647	82,310	83,673	84,657	85,328	86,009
% Ch	2.3%	2.2%	2.7%	2.4%	2.1%	1.7%	1.2%	0.8%	0.8%
INFORMATION									
Idaho	9,287	9,320	9,255	9,067	9,102	9,181	9,014	9,111	9,300
% Ch	-0.8%	0.4%	-0.7%	-2.0%	0.4%	0.9%	-1.8%	1.1%	2.1%
National (Thousands)	2,705	2,727	2,751	2,772	2,728	2,700	2,729	2,754	2,785
% Ch	1.2%	0.8%	0.9%	0.8%	-1.6%	-1.0%	1.1%	0.9%	1.1%
FINANCIAL ACTIVITIES									
Idaho	31,189	32,678	33,292	33,993	35,242	35,971	36,648	37,428	38,293
% Ch	2.8%	4.8%	1.9%	2.1%	3.7%	2.1%	1.9%	2.1%	2.3%
National (Thousands)	7,886	7,976	8,122	8,285	8,446	8,545	8,622	8,630	8,658
% Ch	1.3%	1.1%	1.8%	2.0%	1.9%	1.2%	0.9%	0.1%	0.3%

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EMPLOYMENT

SERVICES (Continued)

	2004	2005	2006	2007	2008	2009	2010	2011	2012
TRANS., WAREHOUSING, UTILITIES									
Idaho	18,947	19,294	20,241	21,031	21,722	20,706	20,681	21,168	21,502
% Ch	1.0%	1.8%	4.9%	3.9%	3.3%	-4.7%	-0.1%	2.4%	1.6%
National (Thousands)	4,814	4,917	5,017	5,095	5,067	4,797	4,744	4,857	4,968
% Ch	1.1%	2.1%	2.0%	1.5%	-0.6%	-5.3%	-1.1%	2.4%	2.3%
PROFESSIONAL & BUSINESS									
Idaho	73,141	76,903	81,350	83,193	81,917	75,880	75,123	76,387	76,808
% Ch	4.5%	5.1%	5.8%	2.3%	-1.5%	-7.4%	-1.0%	1.7%	0.6%
National (Thousands)	16,388	16,952	17,572	17,947	17,741	16,574	16,723	17,329	17,932
% Ch	2.5%	3.4%	3.7%	2.1%	-1.2%	-6.6%	0.9%	3.6%	3.5%
EDUCATION & HEALTH									
Idaho	65,220	67,996	70,119	74,072	77,737	80,995	83,831	86,574	88,348
% Ch	4.3%	4.3%	3.1%	5.6%	4.9%	4.2%	3.5%	3.3%	2.0%
National (Thousands)	17,227	17,675	18,152	18,676	19,228	19,628	19,973	20,322	20,769
% Ch	2.3%	2.6%	2.7%	2.9%	3.0%	2.1%	1.8%	1.7%	2.2%
LEISURE & HOSPITALITY									
Idaho	55,566	57,347	59,650	63,256	63,200	58,664	57,965	59,282	61,155
% Ch	2.1%	3.2%	4.0%	6.0%	-0.1%	-7.2%	-1.2%	2.3%	3.2%
National (Thousands)	12,492	12,813	13,109	13,428	13,441	13,074	13,042	13,352	13,770
% Ch	2.6%	2.6%	2.3%	2.4%	0.1%	-2.7%	-0.2%	2.4%	3.1%
OTHER SERVICES									
Idaho	18,272	18,479	19,021	19,469	21,155	21,174	21,047	21,177	21,519
% Ch	0.6%	1.1%	2.9%	2.4%	8.7%	0.1%	-0.6%	0.6%	1.6%
National (Thousands)	5,409	5,395	5,438	5,493	5,515	5,366	5,331	5,361	5,430
% Ch	0.2%	-0.3%	0.8%	1.0%	0.4%	-2.7%	-0.7%	0.6%	1.3%
TRADE									
Idaho	99,129	103,672	107,463	111,650	109,087	101,079	99,639	100,622	103,621
% Ch	2.1%	4.6%	3.7%	3.9%	-2.3%	-7.3%	-1.4%	1.0%	3.0%
National (Thousands)	20,722	21,043	21,260	21,532	21,228	20,108	19,897	20,214	20,504
% Ch	1.0%	1.5%	1.0%	1.3%	-1.4%	-5.3%	-1.0%	1.6%	1.4%
RETAIL TRADE									
Idaho	73,725	76,801	80,514	83,552	82,614	76,283	74,836	75,201	77,125
% Ch	1.5%	4.2%	4.8%	3.8%	-1.1%	-7.7%	-1.9%	0.5%	2.6%
National (Thousands)	15,060	15,281	15,356	15,516	15,285	14,522	14,445	14,670	14,837
% Ch	1.0%	1.5%	0.5%	1.0%	-1.5%	-5.0%	-0.5%	1.6%	1.1%
WHOLESALE TRADE									
Idaho	25,404	26,872	26,949	28,098	26,473	24,796	24,803	25,421	26,497
% Ch	3.7%	5.8%	0.3%	4.3%	-5.8%	-6.3%	0.0%	2.5%	4.2%
National (Thousands)	5,661	5,762	5,904	6,016	5,943	5,586	5,452	5,543	5,667
% Ch	0.9%	1.8%	2.5%	1.9%	-1.2%	-6.0%	-2.4%	1.7%	2.2%
STATE & LOCAL GOVERNMENT									
Idaho	101,149	101,867	103,530	103,975	105,986	105,991	104,875	104,514	104,600
% Ch	1.8%	0.7%	1.6%	0.4%	1.9%	0.0%	-1.1%	-0.3%	0.1%
National (Thousands)	18,744	18,820	18,887	19,073	19,742	19,484	19,742	19,722	19,513
% Ch	2.1%	0.4%	0.4%	1.0%	1.3%	-1.3%	1.3%	-0.1%	-1.1%
EDUCATION									
Idaho	50,817	51,306	52,652	53,021	53,609	54,615	53,925	54,006	53,967
% Ch	1.8%	1.0%	2.6%	0.7%	1.1%	1.9%	-1.3%	0.2%	-0.1%
NONEDUCATION									
Idaho	50,332	50,560	50,878	50,955	52,377	51,376	50,950	50,508	50,632
% Ch	1.7%	0.5%	0.6%	0.2%	2.8%	-1.9%	-0.8%	-0.9%	0.2%
FEDERAL GOVERNMENT									
Idaho	13,316	13,084	12,879	12,820	13,200	13,496	13,691	12,654	12,640
% Ch	-2.3%	-1.7%	-1.6%	-0.5%	3.0%	2.2%	1.4%	-7.6%	-0.1%
National (Thousands)	2,731	2,732	2,733	2,735	2,761	2,831	2,976	2,860	2,822
% Ch	-1.1%	0.0%	0.0%	0.1%	0.9%	2.5%	5.1%	-3.9%	-1.3%

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EMPLOYMENT

SERVICES (Continued)	2013	2014	2015	2016	2017	2018	2019	2020	2021
TRANS., WAREHOUSING, UTILITIES									
Idaho	21,510	22,406	23,424	23,688	24,301	25,031	25,195	25,471	25,985
% Ch	0.0%	4.2%	4.5%	1.1%	2.6%	3.0%	0.7%	1.1%	2.0%
National (Thousands)	5,048	5,209	5,425	5,543	5,637	5,729	5,734	5,714	5,695
% Ch	1.6%	3.2%	4.1%	2.2%	1.7%	1.6%	0.1%	-0.4%	-0.3%
PROFESSIONAL & BUSINESS									
Idaho	78,730	80,782	81,888	84,964	90,480	92,500	94,954	97,495	99,926
% Ch	2.5%	2.6%	1.4%	3.8%	6.5%	2.2%	2.7%	2.7%	2.5%
National (Thousands)	18,517	19,061	19,627	20,131	20,722	21,403	22,228	22,883	23,328
% Ch	3.3%	2.9%	3.0%	2.6%	2.9%	3.3%	3.9%	2.9%	1.9%
EDUCATION & HEALTH									
Idaho	91,015	94,190	97,505	100,450	102,948	106,137	109,309	112,584	115,885
% Ch	3.0%	3.5%	3.5%	3.0%	2.5%	3.1%	3.0%	3.0%	2.9%
National (Thousands)	21,085	21,436	22,024	22,616	23,114	23,473	23,633	23,713	23,861
% Ch	1.5%	1.7%	2.7%	2.7%	2.2%	1.6%	0.7%	0.3%	0.6%
LEISURE & HOSPITALITY									
Idaho	63,473	65,900	68,431	72,355	75,306	77,035	78,279	79,361	80,563
% Ch	3.8%	3.8%	3.8%	5.7%	4.1%	2.3%	1.6%	1.4%	1.5%
National (Thousands)	14,258	14,694	15,155	15,615	15,906	16,077	16,032	16,026	16,104
% Ch	3.5%	3.1%	3.1%	3.0%	1.9%	1.1%	-0.3%	0.0%	0.5%
OTHER SERVICES									
Idaho	21,977	22,620	23,441	24,211	24,880	25,486	26,056	26,622	27,210
% Ch	2.1%	2.9%	3.6%	3.3%	2.8%	2.4%	2.2%	2.2%	2.2%
National (Thousands)	5,483	5,567	5,621	5,685	5,757	5,745	5,679	5,609	5,578
% Ch	1.0%	1.5%	1.0%	1.1%	1.3%	-0.2%	-1.1%	-1.2%	-0.6%
TRADE									
Idaho	106,151	108,410	111,718	114,099	115,882	117,743	119,033	120,840	123,727
% Ch	2.4%	2.1%	3.1%	2.1%	1.6%	1.6%	1.1%	1.5%	2.4%
National (Thousands)	20,808	21,168	21,457	21,693	21,767	21,764	21,715	21,594	21,452
% Ch	1.5%	1.7%	1.4%	1.1%	0.3%	0.0%	-0.2%	-0.6%	-0.7%
RETAIL TRADE									
Idaho	78,739	80,573	83,634	85,411	86,732	88,112	89,153	90,683	92,962
% Ch	2.1%	2.3%	3.8%	2.1%	1.5%	1.6%	1.2%	1.7%	2.5%
National (Thousands)	15,075	15,355	15,603	15,827	15,843	15,782	15,696	15,562	15,399
% Ch	1.6%	1.9%	1.6%	1.4%	0.1%	-0.4%	-0.5%	-0.9%	-1.0%
WHOLESALE TRADE									
Idaho	27,413	27,837	28,085	28,688	29,151	29,631	29,880	30,156	30,764
% Ch	3.5%	1.5%	0.9%	2.1%	1.6%	1.6%	0.8%	0.9%	2.0%
National (Thousands)	5,733	5,814	5,854	5,867	5,924	5,981	6,019	6,033	6,053
% Ch	1.2%	1.4%	0.7%	0.2%	1.0%	1.0%	0.6%	0.2%	0.3%
STATE & LOCAL GOVERNMENT									
Idaho	105,008	105,844	106,639	108,224	109,676	109,789	109,996	110,365	110,757
% Ch	0.4%	0.8%	0.8%	1.5%	1.3%	0.1%	0.2%	0.3%	0.4%
National (Thousands)	19,079	19,143	19,268	19,432	19,524	19,644	19,774	19,865	19,971
% Ch	-0.1%	0.3%	0.7%	0.8%	0.5%	0.6%	0.7%	0.5%	0.5%
EDUCATION									
Idaho	54,356	54,899	55,675	56,539	56,823	57,015	57,352	57,684	58,077
% Ch	0.7%	1.0%	1.4%	1.6%	0.5%	0.3%	0.6%	0.6%	0.7%
NONEDUCATION									
Idaho	50,652	50,945	50,964	51,685	52,853	52,775	52,644	52,681	52,680
% Ch	0.0%	0.6%	0.0%	1.4%	2.3%	-0.1%	-0.2%	0.1%	0.0%
FEDERAL GOVERNMENT									
Idaho	12,412	12,337	12,583	12,839	12,949	13,122	13,214	13,564	13,301
% Ch	-1.8%	-0.6%	2.0%	2.0%	0.9%	1.3%	0.7%	2.6%	-1.9%
National (Thousands)	2,770	2,733	2,755	2,796	2,811	2,805	2,805	2,930	2,805
% Ch	-1.8%	-1.4%	0.8%	1.5%	0.5%	-0.2%	0.0%	4.4%	-4.3%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2017

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JANUARY 2018**

MISCELLANEOUS

	2004	2005	2006	2007	2008	2009	2010	2011	2012
SELECTED CHAIN-WEIGHTED DEFL.									
Gross Domestic Product	89.118	91.985	94.812	97.340	99.218	100.000	101.226	103.316	105.220
% Ch	2.7%	3.2%	3.1%	2.7%	1.9%	0.8%	1.2%	2.1%	1.8%
Consumption Expenditures	89.703	92.261	94.729	97.101	100.065	100.000	101.653	104.149	106.121
% Ch	2.4%	2.9%	2.7%	2.5%	3.1%	-0.1%	1.7%	2.5%	1.9%
Durable Goods	108.752	107.669	105.916	103.764	101.758	100.000	98.622	97.725	96.413
% Ch	-1.9%	-1.0%	-1.6%	-2.0%	-1.9%	-1.7%	-1.4%	-0.9%	-1.3%
Nondurable Goods	88.214	91.592	94.438	97.214	102.653	100.000	103.085	109.188	111.841
% Ch	3.5%	3.8%	3.1%	2.9%	5.6%	-2.6%	3.1%	5.9%	2.4%
Services	87.058	89.934	92.977	95.981	98.947	100.000	101.661	103.524	105.840
% Ch	3.0%	3.3%	3.4%	3.2%	3.1%	1.1%	1.7%	1.8%	2.2%
Consumer Price Index (1982-84=1.000)	1.889	1.953	2.016	2.073	2.153	2.146	2.181	2.249	2.296
% Ch	2.7%	3.4%	3.2%	2.9%	3.8%	-0.3%	1.6%	3.1%	2.1%
SELECTED INTEREST RATES									
Federal Funds	1.3%	3.2%	5.0%	5.0%	1.9%	0.2%	0.2%	0.1%	0.1%
NY Fed Discount	2.3%	4.2%	6.0%	5.9%	2.4%	0.5%	0.7%	0.8%	0.8%
Prime	4.3%	6.2%	8.0%	8.1%	5.1%	3.3%	3.3%	3.3%	3.3%
Existing Home Mortgage	5.7%	5.9%	6.6%	6.5%	6.2%	5.1%	4.9%	4.7%	3.8%
U.S. Govt. 3-Month Bills	1.4%	3.1%	4.7%	4.4%	1.4%	0.2%	0.1%	0.1%	0.1%
U.S. Govt. 6-Month Bills	1.6%	3.4%	4.8%	4.4%	1.6%	0.3%	0.2%	0.1%	0.1%
U.S. Govt. 5-Year Notes	3.4%	4.0%	4.7%	4.4%	2.8%	2.2%	1.9%	1.5%	0.8%
U.S. Govt. 10-Year Notes	4.3%	4.3%	4.8%	4.6%	3.7%	3.3%	3.2%	2.8%	1.8%
EXCHANGE RATES (2009=1.000)									
Major Currency Trading Partners	1.098	1.072	1.044	0.978	0.926	1.000	0.995	0.915	0.950
% Ch	-8.0%	-2.4%	-2.6%	-6.4%	-5.3%	8.0%	-0.5%	-8.0%	3.8%
Other Important Trading Partners	1.261	1.184	1.123	1.040	0.941	1.000	0.948	0.870	0.865
% Ch	-4.5%	-6.1%	-5.1%	-7.4%	-9.5%	6.3%	-5.2%	-8.2%	-0.5%
SELECTED US PRODUCTION INDICES									
Wood Products	138.4	147.6	148.8	139.2	118.9	90.9	94.1	94.3	100.0
% Ch	2.6%	6.7%	0.8%	-6.5%	-14.6%	-23.6%	3.6%	0.2%	6.0%
Computers & Electronic Products	54.0	61.0	69.3	79.6	85.7	76.2	86.0	92.8	100.0
% Ch	17.1%	13.0%	13.5%	14.9%	7.6%	-11.1%	12.9%	7.9%	7.8%
Food	97.4	100.4	101.3	101.9	100.6	99.9	100.4	100.2	100.0
% Ch	0.0%	3.1%	0.9%	0.5%	-1.3%	-0.6%	0.5%	-0.2%	-0.2%
Agricultural Chemicals	98.9	102.6	107.0	98.5	85.2	89.7	93.6	88.5	100.0
% Ch	4.3%	3.8%	4.3%	-7.9%	-13.5%	5.2%	4.3%	-5.4%	13.0%
Metal Ore Mining	96.1	101.8	103.9	101.3	104.4	91.5	97.1	98.8	100.0
% Ch	2.2%	5.9%	2.1%	-2.5%	3.1%	-12.4%	6.1%	1.7%	1.2%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2017

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JANUARY 2018**

MISCELLANEOUS

	2013	2014	2015	2016	2017	2018	2019	2020	2021
SELECTED CHAIN-WEIGHTED DEFL.									
Gross Domestic Product	106.917	108.839	110.012	111.419	113.389	115.662	118.184	120.934	123.608
% Ch	1.6%	1.8%	1.1%	1.3%	1.8%	2.0%	2.2%	2.3%	2.2%
Consumption Expenditures	107.532	109.158	109.481	110.789	112.586	114.224	116.199	118.683	121.096
% Ch	1.3%	1.5%	0.3%	1.2%	1.6%	1.5%	1.7%	2.1%	2.0%
Durable Goods	94.590	92.395	90.430	88.460	86.628	85.138	83.982	82.890	81.717
% Ch	-1.9%	-2.3%	-2.1%	-2.2%	-2.1%	-1.7%	-1.4%	-1.3%	-1.4%
Nondurable Goods	111.946	112.689	108.961	107.800	109.383	110.127	111.533	114.365	116.967
% Ch	0.1%	0.7%	-3.3%	-1.1%	1.5%	0.7%	1.3%	2.5%	2.3%
Services	108.276	110.929	113.065	115.878	118.518	121.148	124.011	127.178	130.341
% Ch	2.3%	2.5%	1.9%	2.5%	2.3%	2.2%	2.4%	2.6%	2.5%
Consumer Price Index (1982-84=100)	2.329	2.367	2.370	2.400	2.450	2.495	2.549	2.615	2.679
% Ch	1.5%	1.6%	0.1%	1.3%	2.1%	1.9%	2.1%	2.6%	2.4%
SELECTED INTEREST RATES									
Federal Funds	0.1%	0.1%	0.1%	0.4%	1.0%	1.6%	2.3%	2.8%	3.2%
NY Fed Discount	0.8%	0.8%	0.8%	1.0%	1.6%	2.2%	2.9%	3.4%	3.8%
Prime	3.3%	3.3%	3.3%	3.5%	4.1%	4.7%	5.4%	5.9%	6.3%
Existing Home Mortgage	4.0%	4.3%	4.0%	3.9%	4.2%	4.3%	5.0%	5.3%	5.4%
U.S. Govt. 3-Month Bills	0.1%	0.0%	0.1%	0.3%	0.9%	1.5%	2.1%	2.6%	2.9%
U.S. Govt. 6-Month Bills	0.1%	0.1%	0.2%	0.5%	1.0%	1.8%	2.5%	3.0%	3.3%
U.S. Govt. 5-Year Notes	1.2%	1.6%	1.5%	1.3%	1.9%	2.5%	3.1%	3.4%	3.5%
U.S. Govt. 10-Year Notes	2.4%	2.5%	2.1%	1.8%	2.3%	2.8%	3.3%	3.5%	3.6%
EXCHANGE RATES (2009=1.000)									
Major Currency Trading Partners	0.994	1.038	1.240	1.296	1.283	1.264	1.255	1.226	1.203
% Ch	4.6%	4.4%	19.5%	4.5%	-1.0%	-1.5%	-0.7%	-2.3%	-1.9%
Other Important Trading Partners	0.855	0.873	0.976	1.070	1.058	1.043	1.046	1.058	1.059
% Ch	-1.2%	2.1%	11.8%	9.6%	-1.1%	-1.4%	0.4%	1.1%	0.1%
SELECTED US PRODUCTION INDICES									
Wood Products	105.8	108.4	112.1	116.5	120.8	126.5	129.6	130.0	130.7
% Ch	5.8%	2.5%	3.4%	4.0%	3.6%	4.8%	2.4%	0.3%	0.6%
Computers & Electronic Products	103.2	107.8	109.0	110.5	113.6	118.1	123.1	127.0	131.3
% Ch	3.2%	4.5%	1.1%	1.4%	2.8%	4.0%	4.2%	3.2%	3.4%
Food	102.0	102.9	104.8	107.6	112.0	114.8	117.1	119.1	121.2
% Ch	2.0%	0.9%	1.9%	2.7%	4.0%	2.6%	2.0%	1.7%	1.8%
Agricultural Chemicals	116.1	108.1	103.0	114.6	127.2	136.8	144.8	147.4	148.9
% Ch	16.1%	-6.9%	-4.7%	11.3%	11.0%	7.5%	5.8%	1.8%	1.0%
Metal Ore Mining	101.7	104.9	100.3	101.3	102.8	101.7	103.0	103.2	103.0
% Ch	1.7%	3.1%	-4.4%	1.0%	1.5%	-1.1%	1.3%	0.3%	-0.2%

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JANUARY 2018**

DEMOGRAPHICS

	2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
POPULATION												
Idaho (Thousands)	1,643.5	1,648.6	1,655.3	1,663.9	1,674.1	1,681.9	1,687.0	1,689.6	1,695.6	1,704.3	1,712.1	1,719.1
% Ch	0.8%	1.2%	1.7%	2.1%	2.5%	1.9%	1.2%	0.6%	1.4%	2.1%	1.8%	1.6%
National (Millions)	320.572	321.132	321.783	322.314	322.792	323.349	323.999	324.531	325.008	325.565	326.216	326.874
% Ch	0.6%	0.7%	0.8%	0.7%	0.6%	0.7%	0.8%	0.7%	0.6%	0.7%	0.8%	0.8%
BIRTHS												
Idaho (Thousands)	22,890	22,827	22,800	22,811	22,858	22,894	22,918	22,930	22,958	23,071	23,063	23,120
% Ch	-1.7%	-1.1%	-0.5%	0.2%	0.8%	0.6%	0.4%	0.2%	0.5%	2.0%	-0.1%	1.0%
National (Thousands)	3,994	3,997	4,002	4,007	4,014	4,020	4,026	4,032	4,037	4,043	4,049	4,056
% Ch	-0.8%	0.3%	0.5%	0.5%	0.7%	0.6%	0.7%	0.5%	0.5%	0.6%	0.6%	0.6%
DEATHS												
Idaho (Thousands)	12,868	12,989	13,092	13,176	13,242	13,292	13,325	13,341	13,469	13,580	13,674	13,751
% Ch	4.4%	3.8%	3.2%	2.6%	2.0%	1.5%	1.0%	0.5%	3.9%	3.3%	2.8%	2.3%
National (Thousands)	2,613	2,617	2,622	2,627	2,637	2,644	2,651	2,658	2,664	2,671	2,679	2,687
% Ch	-0.3%	0.5%	0.8%	0.8%	1.4%	1.1%	1.2%	1.0%	0.9%	1.0%	1.2%	1.2%
NET MIGRATION												
Idaho (Thousands)	7,467	7,197	9,360	13,957	20,986	23,688	22,063	16,111	11,995	13,001	15,746	20,187
HOUSING												
HOUSING STARTS												
Idaho	10,089	10,266	10,315	10,425	12,221	12,202	12,859	12,317	11,669	13,372	14,931	13,692
% Ch	-13.6%	7.2%	1.9%	4.3%	88.8%	-0.6%	23.3%	-15.8%	-19.4%	72.4%	55.5%	-29.3%
National (Millions)	0.987	1.156	1.161	1.124	1.153	1.158	1.150	1.248	1.238	1.167	1.165	1.189
% Ch	-23.7%	87.7%	1.9%	-12.0%	10.7%	1.5%	-2.7%	39.0%	-3.4%	-21.0%	-0.6%	8.5%
SINGLE UNITS												
Idaho	8,248	7,821	8,266	8,667	9,695	9,739	10,347	10,344	9,648	10,825	11,512	11,243
% Ch	48.0%	-19.2%	24.8%	20.9%	56.5%	1.8%	27.4%	-0.1%	-24.3%	58.5%	27.9%	-9.0%
National (Millions)	0.640	0.712	0.748	0.750	0.787	0.756	0.761	0.834	0.839	0.825	0.846	0.846
% Ch	-30.0%	53.2%	22.0%	0.9%	21.3%	-14.6%	2.3%	44.5%	2.3%	-6.4%	10.8%	-0.2%
MULTIPLE UNITS												
Idaho	1,842	2,446	2,049	1,758	2,526	2,463	2,511	1,973	2,021	2,547	3,419	2,449
% Ch	-85.5%	210.9%	-50.7%	-45.9%	326.3%	-9.5%	8.0%	-61.9%	10.1%	151.9%	224.9%	-73.7%
National (Millions)	0.348	0.444	0.413	0.375	0.367	0.401	0.389	0.414	0.399	0.342	0.319	0.343
% Ch	-10.1%	166.0%	-25.1%	-32.3%	-8.3%	43.5%	-11.7%	28.7%	-14.0%	-46.2%	-24.3%	34.2%
HOUSING STOCK												
Idaho (Thousands)	573.5	575.6	577.8	580.0	582.6	585.2	588.0	590.6	593.1	596.0	599.3	602.2
% Ch	1.5%	1.5%	1.5%	1.5%	1.8%	1.8%	1.9%	1.8%	1.7%	2.0%	2.2%	2.0%

**National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2017**

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JANUARY 2018**

DEMOGRAPHICS

	Q1	2018				2019				2020			
		Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
POPULATION													
Idaho (Thousands)	1,724.9	1,730.9	1,737.0	1,743.3	1,749.9	1,756.4	1,762.9	1,769.4	1,776.0	1,782.6	1,789.2	1,795.8	
% Ch	1.4%	1.4%	1.4%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	
National (Millions)	327.531	328.189	328.846	329.503	330.160	330.816	331.472	332.128	332.782	333.436	334.089	334.741	
% Ch	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	
BIRTHS													
Idaho (Thousands)	23.209	23.375	23.520	23.647	23.753	23.866	23.984	24.108	24.241	24.375	24.505	24.634	
% Ch	1.5%	2.9%	2.5%	2.2%	1.8%	1.9%	2.0%	2.1%	2.2%	2.2%	2.2%	2.1%	
National (Thousands)	4,062	4,068	4,074	4,080	4,086	4,092	4,098	4,103	4,109	4,114	4,118	4,123	
% Ch	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.5%	0.5%	0.5%	0.5%	0.4%	
DEATHS													
Idaho (Thousands)	13.810	13.875	13.944	14.017	14.095	14.172	14.248	14.324	14.400	14.476	14.552	14.629	
% Ch	1.8%	1.9%	2.0%	2.1%	2.2%	2.2%	2.2%	2.1%	2.1%	2.1%	2.1%	2.1%	
National (Thousands)	2,694	2,702	2,710	2,718	2,725	2,733	2,741	2,749	2,758	2,767	2,775	2,784	
% Ch	1.2%	1.2%	1.2%	1.1%	1.1%	1.2%	1.2%	1.2%	1.3%	1.2%	1.2%	1.2%	
NET MIGRATION													
Idaho (Thousands)	19.918	17.024	15.277	14.571	15.255	15.812	16.159	16.270	16.267	16.328	16.353	16.397	
HOUSING													
HOUSING STARTS													
Idaho	13,875	14,067	14,264	14,496	14,714	14,851	14,909	14,904	14,834	14,809	14,826	14,894	
% Ch	5.5%	5.6%	5.7%	6.7%	6.1%	3.8%	1.6%	-0.1%	-1.8%	-0.7%	0.5%	1.8%	
National (Millions)	1.207	1.239	1.270	1.294	1.318	1.350	1.394	1.428	1.424	1.433	1.438	1.444	
% Ch	6.3%	11.0%	10.3%	7.6%	7.6%	10.0%	13.8%	10.0%	-1.2%	2.6%	1.4%	1.8%	
SINGLE UNITS													
Idaho	11,642	11,992	12,289	12,562	12,761	12,886	12,937	12,931	12,866	12,844	12,863	12,930	
% Ch	15.0%	12.6%	10.3%	9.2%	6.5%	4.0%	1.6%	-0.2%	-2.0%	-0.7%	0.6%	2.1%	
National (Millions)	0.854	0.877	0.902	0.917	0.935	0.955	0.977	0.990	0.979	0.976	0.977	0.976	
% Ch	4.0%	10.8%	12.2%	6.8%	8.1%	8.6%	9.4%	5.7%	-4.3%	-1.2%	0.2%	-0.5%	
MULTIPLE UNITS													
Idaho	2,233	2,075	1,975	1,935	1,953	1,965	1,972	1,973	1,968	1,965	1,964	1,964	
% Ch	-31.0%	-25.4%	-17.8%	-8.0%	3.8%	2.6%	1.4%	0.2%	-0.9%	-0.6%	-0.3%	0.0%	
National (Millions)	0.353	0.363	0.368	0.376	0.382	0.395	0.418	0.438	0.444	0.457	0.461	0.468	
% Ch	12.2%	11.5%	5.9%	9.5%	6.4%	13.5%	25.2%	20.8%	6.2%	11.4%	3.8%	6.8%	
HOUSING STOCK													
Idaho (Thousands)	605.2	608.3	611.4	614.6	617.8	621.0	624.3	627.6	630.8	634.0	637.3	640.5	
% Ch	2.0%	2.0%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	

**National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2017**

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JANUARY 2018**

OUTPUT, INCOME, & WAGES

	2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
U.S. GROSS DOM. PRODUCT (Billions)												
Current Dollars	17,875	18,093	18,228	18,287	18,325	18,538	18,729	18,906	19,058	19,250	19,495	19,706
% Ch	3.2%	5.0%	3.0%	1.3%	0.8%	4.7%	4.2%	3.8%	3.3%	4.1%	5.2%	4.4%
2009 Chain-Weighted	16,350	16,461	16,528	16,548	16,572	16,664	16,778	16,851	16,903	17,031	17,157	17,267
% Ch	3.2%	2.7%	1.6%	0.5%	0.6%	2.2%	2.8%	1.8%	1.2%	3.1%	3.0%	2.6%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	63,176	63,942	64,696	65,022	65,392	66,594	66,856	66,892	68,456	68,827	69,101	69,902
% Ch	4.7%	4.9%	4.8%	2.0%	2.3%	7.6%	1.6%	0.2%	9.7%	2.2%	1.6%	4.7%
Idaho Nonfarm (Millions)	60,957	61,662	62,302	62,969	63,233	64,477	64,931	65,099	66,100	66,624	67,306	68,073
% Ch	7.4%	4.7%	4.2%	4.4%	1.7%	8.1%	2.8%	1.0%	6.3%	3.2%	4.2%	4.6%
National (Billions)	15,301	15,516	15,626	15,769	15,751	15,910	16,028	16,026	16,245	16,364	16,478	16,623
% Ch	4.1%	5.7%	2.9%	3.7%	-0.5%	4.1%	3.0%	-0.1%	5.6%	3.0%	2.8%	3.6%
PERSONAL INCOME - 2009 \$												
Idaho (Millions)	57,988	58,443	58,943	59,215	59,455	60,236	60,212	59,948	61,014	61,303	61,318	61,763
% Ch	6.4%	3.2%	3.5%	1.9%	1.6%	5.4%	-0.2%	-1.7%	7.3%	1.9%	0.1%	2.9%
Idaho Nonfarm (Millions)	55,951	56,358	56,761	57,345	57,492	58,321	58,478	58,341	58,914	59,341	59,725	60,147
% Ch	9.1%	2.9%	2.9%	4.2%	1.0%	5.9%	1.1%	-0.9%	4.0%	2.9%	2.6%	2.9%
National (Billions)	14,044	14,182	14,236	14,361	14,321	14,391	14,435	14,362	14,479	14,576	14,622	14,687
% Ch	5.8%	4.0%	1.5%	3.6%	-1.1%	2.0%	1.2%	-2.0%	3.3%	2.7%	1.3%	1.8%
PER CAPITA PERS INC - CURR \$												
Idaho	38,439	38,787	39,083	39,079	39,060	39,596	39,630	39,591	40,372	40,383	40,360	40,661
% Ch	3.8%	3.7%	3.1%	0.0%	-0.2%	5.6%	0.3%	-0.4%	8.1%	0.1%	-0.2%	3.0%
National	47,730	48,317	48,559	48,925	48,796	49,204	49,469	49,381	49,984	50,264	50,513	50,854
% Ch	3.5%	5.0%	2.0%	3.0%	-1.0%	3.4%	2.2%	-0.7%	5.0%	2.3%	2.0%	2.7%
PER CAPITA PERS INC - 2009 \$												
Idaho	35,282	35,451	35,608	35,589	35,514	35,815	35,692	35,481	35,983	35,969	35,814	35,927
% Ch	5.5%	1.9%	1.8%	-0.2%	-0.8%	3.4%	-1.4%	-2.3%	5.8%	-0.2%	-1.7%	1.3%
National	43,811	44,161	44,241	44,555	44,366	44,507	44,553	44,255	44,550	44,770	44,823	44,933
% Ch	5.1%	3.2%	0.7%	2.9%	-1.7%	1.3%	0.4%	-2.7%	2.7%	2.0%	0.5%	1.0%
AVERAGE ANNUAL WAGE												
Idaho	40,049	39,948	40,077	40,662	40,148	41,463	41,523	41,045	41,143	41,327	41,778	42,255
% Ch	0.3%	-1.0%	1.3%	6.0%	-5.0%	13.8%	0.6%	-4.5%	1.0%	1.8%	4.4%	4.6%
National	54,821	55,224	55,395	56,219	55,526	56,200	56,534	55,852	56,495	56,921	57,331	57,694
% Ch	2.2%	3.0%	1.2%	6.1%	-4.8%	4.9%	2.4%	-4.7%	4.7%	3.0%	2.9%	2.6%

National Variables Forecast by IHS Economics
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**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JANUARY 2018**

OUTPUT, INCOME, & WAGES

	2018				2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
U.S. GROSS DOM. PRODUCT (Billions)												
Current Dollars	19,922	20,143	20,368	20,592	20,812	21,047	21,274	21,521	21,769	21,999	22,220	22,450
% Ch	4.5%	4.5%	4.5%	4.5%	4.3%	4.6%	4.4%	4.7%	4.7%	4.3%	4.1%	4.2%
2009 Chain-Weighted	17,367	17,465	17,562	17,657	17,750	17,856	17,959	18,060	18,152	18,240	18,323	18,411
% Ch	2.3%	2.3%	2.2%	2.2%	2.1%	2.4%	2.3%	2.3%	2.0%	2.0%	1.8%	1.9%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	70,905	71,590	72,340	73,170	74,126	74,887	75,776	76,669	77,631	78,570	79,501	80,408
% Ch	5.9%	3.9%	4.3%	4.7%	5.3%	4.2%	4.8%	4.8%	5.1%	4.9%	4.8%	4.6%
Idaho Nonfarm (Millions)	68,909	69,570	70,348	71,194	72,059	72,845	73,685	74,579	75,552	76,458	77,358	78,265
% Ch	5.0%	3.9%	4.5%	4.9%	4.9%	4.4%	4.7%	4.9%	5.3%	4.9%	4.8%	4.8%
National (Billions)	16,807	16,972	17,159	17,357	17,593	17,799	17,998	18,204	18,438	18,651	18,864	19,071
% Ch	4.5%	4.0%	4.5%	4.7%	5.5%	4.8%	4.6%	4.7%	5.2%	4.7%	4.7%	4.5%
PERSONAL INCOME - 2009 \$												
Idaho (Millions)	62,435	62,813	63,220	63,665	64,254	64,605	65,087	65,477	65,931	66,374	66,809	67,223
% Ch	4.4%	2.4%	2.6%	2.9%	3.7%	2.2%	3.0%	2.4%	2.8%	2.7%	2.6%	2.5%
Idaho Nonfarm (Millions)	60,678	61,042	61,479	61,946	62,462	62,843	63,291	63,692	64,166	64,590	65,008	65,431
% Ch	3.6%	2.4%	2.9%	3.1%	3.4%	2.5%	2.9%	2.6%	3.0%	2.7%	2.6%	2.6%
National (Billions)	14,799	14,891	14,996	15,103	15,250	15,355	15,459	15,547	15,659	15,756	15,852	15,943
% Ch	3.1%	2.5%	2.8%	2.9%	4.0%	2.8%	2.8%	2.3%	2.9%	2.5%	2.5%	2.3%
PER CAPITA PERS INC - CURR \$												
Idaho	41,106	41,361	41,647	41,972	42,361	42,637	42,984	43,331	43,712	44,076	44,434	44,776
% Ch	4.4%	2.5%	2.8%	3.2%	3.8%	2.6%	3.3%	3.3%	3.6%	3.4%	3.3%	3.1%
National	51,313	51,713	52,180	52,678	53,286	53,802	54,298	54,812	55,405	55,935	56,463	56,971
% Ch	3.7%	3.2%	3.7%	3.9%	4.7%	3.9%	3.7%	3.8%	4.4%	3.9%	3.8%	3.6%
PER CAPITA PERS INC - 2009 \$												
Idaho	36,196	36,290	36,396	36,520	36,720	36,783	36,921	37,006	37,124	37,234	37,341	37,434
% Ch	3.0%	1.0%	1.2%	1.4%	2.2%	0.7%	1.5%	0.9%	1.3%	1.2%	1.1%	1.0%
National	45,184	45,374	45,601	45,835	46,190	46,415	46,639	46,810	47,055	47,252	47,449	47,629
% Ch	2.3%	1.7%	2.0%	2.1%	3.1%	2.0%	1.9%	1.5%	2.1%	1.7%	1.7%	1.5%
AVERAGE ANNUAL WAGE												
Idaho	42,607	42,905	43,217	43,563	43,933	44,308	44,683	45,053	45,418	45,783	46,147	46,507
% Ch	3.4%	2.8%	2.9%	3.2%	3.4%	3.5%	3.4%	3.4%	3.3%	3.3%	3.2%	3.2%
National	58,165	58,621	59,117	59,627	60,330	60,980	61,526	62,078	62,732	63,228	63,902	64,537
% Ch	3.3%	3.2%	3.4%	3.5%	4.8%	4.4%	3.6%	3.6%	4.3%	3.2%	4.3%	4.0%

National Variables Forecast by IHS Economics
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**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JANUARY 2018**

PERSONAL INCOME -- CURR \$\$

	2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
WAGE AND SALARY PAYMENTS												
Idaho (Millions)	27,516	27,599	27,891	28,520	28,570	29,583	29,893	29,730	30,154	30,494	30,928	31,427
% Ch	2.3%	1.2%	4.3%	9.3%	0.7%	15.0%	4.3%	-2.2%	5.8%	4.6%	5.8%	6.6%
National (Billions)	7,718	7,814	7,873	8,030	7,965	8,090	8,178	8,108	8,232	8,322	8,409	8,492
% Ch	4.3%	5.0%	3.1%	8.2%	-3.2%	6.4%	4.4%	-3.4%	6.3%	4.4%	4.2%	4.0%
FARM PROPRIETORS INCOME												
Idaho (Millions)	1,635	1,703	1,814	1,462	1,494	1,437	1,233	1,095	1,654	1,497	1,169	1,198
% Ch	-41.0%	17.8%	28.7%	-57.8%	8.9%	-14.5%	-45.8%	-37.8%	421.6%	-32.9%	-62.8%	10.1%
National (Billions)	52	53	59	51	47	47	41	38	42	37	32	32
% Ch	-59.9%	7.6%	50.7%	-42.8%	-29.3%	-0.9%	-38.0%	-30.7%	50.2%	-38.8%	-41.8%	-2.7%
NONFARM PROPRIETORS INCOME												
Idaho (Millions)	6,045	6,028	6,019	6,041	6,090	6,121	6,161	6,198	6,339	6,348	6,395	6,473
% Ch	9.4%	-1.1%	-0.6%	1.5%	3.3%	2.1%	2.6%	2.4%	9.5%	0.6%	3.0%	5.0%
National (Billions)	1,261	1,261	1,265	1,274	1,281	1,293	1,305	1,317	1,338	1,342	1,349	1,365
% Ch	-1.6%	0.1%	1.1%	3.1%	2.1%	3.8%	3.7%	3.8%	6.7%	1.0%	2.4%	4.8%
DIVIDENDS, RENT & INTEREST												
Idaho (Millions)	13,455	13,826	13,945	13,845	13,887	13,889	13,905	14,034	14,213	14,356	14,382	14,495
% Ch	9.9%	11.5%	3.5%	-2.8%	1.2%	0.1%	0.5%	3.7%	5.2%	4.1%	0.7%	3.2%
National (Billions)	2,990	3,065	3,085	3,059	3,072	3,076	3,081	3,110	3,151	3,175	3,182	3,209
% Ch	5.2%	10.5%	2.6%	-3.3%	1.8%	0.5%	0.7%	3.8%	5.3%	3.1%	0.9%	3.5%
OTHER LABOR INCOME												
Idaho (Millions)	6,956	7,081	7,251	7,403	7,458	7,688	7,785	7,840	7,913	7,987	8,028	8,095
% Ch	13.2%	7.4%	10.0%	8.6%	3.0%	12.9%	5.1%	2.9%	3.8%	3.8%	2.1%	3.4%
National (Billions)	1,262	1,274	1,284	1,292	1,299	1,306	1,313	1,322	1,333	1,342	1,350	1,360
% Ch	4.4%	3.9%	3.2%	2.5%	2.0%	2.1%	2.4%	2.6%	3.4%	2.8%	2.6%	2.8%
GOVT. TRANSFERS TO INDIV.												
Idaho (Millions)	11,668	11,801	11,912	11,967	12,105	12,250	12,284	12,366	12,675	12,686	12,794	12,868
% Ch	8.8%	4.6%	3.8%	1.9%	4.7%	4.9%	1.1%	2.7%	10.4%	0.3%	3.4%	2.4%
National (Billions)	2,645	2,683	2,698	2,711	2,740	2,760	2,777	2,796	2,832	2,837	2,852	2,868
% Ch	7.6%	5.8%	2.3%	2.0%	4.3%	3.0%	2.5%	2.7%	5.2%	0.7%	2.1%	2.3%
CONTRIB. FOR SOCIAL INSUR.												
Idaho (Millions)	5,035	5,058	5,108	5,199	5,211	5,371	5,410	5,385	5,529	5,589	5,633	5,700
% Ch	4.6%	1.8%	4.0%	7.4%	0.9%	12.9%	2.9%	-1.8%	11.1%	4.4%	3.2%	4.8%
National (Billions)	1,188	1,202	1,210	1,232	1,228	1,245	1,258	1,250	1,284	1,297	1,311	1,324
% Ch	4.3%	4.6%	2.9%	7.4%	-1.4%	5.9%	4.2%	-2.5%	11.3%	4.2%	4.1%	4.1%
RESIDENCE ADJUSTMENT												
Idaho (Millions)	937	962	972	984	1,000	998	1,004	1,014	1,037	1,049	1,038	1,046
% Ch	-19.5%	11.3%	4.2%	5.0%	6.6%	-0.6%	2.4%	4.1%	9.0%	4.7%	-4.1%	3.2%

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**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JANUARY 2018**

PERSONAL INCOME -- CURR \$\$

	2018				2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
WAGE AND SALARY PAYMENTS												
Idaho (Millions)	31,842	32,191	32,565	32,958	33,359	33,764	34,184	34,603	35,055	35,485	35,875	36,304
% Ch	5.4%	4.5%	4.7%	4.9%	5.0%	5.0%	5.1%	5.0%	5.3%	5.0%	4.5%	4.9%
National (Billions)	8,587	8,681	8,779	8,882	9,008	9,126	9,228	9,329	9,445	9,553	9,655	9,758
% Ch	4.5%	4.4%	4.6%	4.8%	5.8%	5.3%	4.6%	4.4%	5.1%	4.6%	4.3%	4.4%
FARM PROPRIETORS INCOME												
Idaho (Millions)	1,358	1,375	1,341	1,322	1,408	1,381	1,425	1,419	1,403	1,432	1,458	1,454
% Ch	65.0%	5.2%	-9.4%	-5.8%	28.9%	-7.5%	13.4%	-1.6%	-4.5%	8.4%	7.7%	-1.1%
National (Billions)	34	34	32	31	31	30	31	31	31	32	32	32
% Ch	22.5%	-0.9%	-21.7%	-11.6%	6.3%	-12.3%	17.5%	-4.1%	-2.7%	9.6%	8.3%	-5.0%
NONFARM PROPRIETORS INCOME												
Idaho (Millions)	6,554	6,622	6,673	6,726	6,773	6,825	6,870	6,926	6,970	7,030	7,096	7,157
% Ch	5.0%	4.3%	3.1%	3.2%	2.8%	3.1%	2.6%	3.3%	2.6%	3.5%	3.8%	3.5%
National (Billions)	1,381	1,397	1,410	1,422	1,437	1,451	1,463	1,476	1,486	1,499	1,514	1,528
% Ch	4.6%	4.7%	3.8%	3.5%	4.1%	4.1%	3.3%	3.7%	2.5%	3.6%	4.0%	3.8%
DIVIDENDS, RENT & INTEREST												
Idaho (Millions)	14,642	14,723	14,912	15,137	15,337	15,487	15,665	15,883	16,048	16,249	16,473	16,706
% Ch	4.1%	2.2%	5.3%	6.2%	5.4%	4.0%	4.7%	5.7%	4.2%	5.1%	5.6%	5.8%
National (Billions)	3,239	3,259	3,300	3,345	3,386	3,419	3,460	3,508	3,546	3,591	3,639	3,689
% Ch	3.8%	2.4%	5.1%	5.6%	5.0%	4.0%	4.9%	5.8%	4.3%	5.2%	5.5%	5.6%
OTHER LABOR INCOME												
Idaho (Millions)	8,149	8,196	8,235	8,287	8,312	8,364	8,431	8,494	8,556	8,626	8,694	8,759
% Ch	2.7%	2.4%	1.9%	2.5%	1.2%	2.5%	3.2%	3.0%	3.0%	3.3%	3.2%	3.0%
National (Billions)	1,366	1,375	1,381	1,389	1,397	1,407	1,417	1,426	1,436	1,447	1,459	1,468
% Ch	2.0%	2.4%	1.9%	2.5%	2.1%	3.0%	2.9%	2.6%	2.9%	3.1%	3.2%	2.6%
GOVT. TRANSFERS TO INDIV.												
Idaho (Millions)	13,047	13,188	13,348	13,516	13,783	13,959	14,144	14,335	14,667	14,866	15,070	15,245
% Ch	5.7%	4.4%	5.0%	5.1%	8.1%	5.2%	5.4%	5.5%	9.6%	5.5%	5.6%	4.7%
National (Billions)	2,909	2,941	2,978	3,015	3,073	3,112	3,152	3,193	3,265	3,307	3,351	3,388
% Ch	5.8%	4.5%	5.0%	5.1%	7.9%	5.1%	5.3%	5.4%	9.2%	5.3%	5.4%	4.5%
CONTRIB. FOR SOCIAL INSUR.												
Idaho (Millions)	5,752	5,790	5,836	5,890	5,975	6,036	6,100	6,164	6,260	6,324	6,385	6,453
% Ch	3.7%	2.6%	3.2%	3.8%	5.9%	4.2%	4.3%	4.3%	6.3%	4.2%	3.9%	4.3%
National (Billions)	1,335	1,344	1,355	1,367	1,389	1,404	1,417	1,429	1,450	1,464	1,477	1,491
% Ch	3.4%	2.9%	3.3%	3.6%	6.5%	4.4%	3.7%	3.6%	6.0%	3.8%	3.7%	3.7%
RESIDENCE ADJUSTMENT												
Idaho (Millions)	1,068	1,085	1,101	1,116	1,129	1,143	1,158	1,173	1,190	1,206	1,221	1,237
% Ch	8.6%	6.6%	6.1%	5.5%	4.8%	5.0%	5.3%	5.4%	5.9%	5.5%	4.9%	5.3%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2017

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JANUARY 2018**

EMPLOYMENT

	2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TOTAL NONFARM EMPLOYMENT												
Idaho	665,657	669,605	674,604	680,104	688,078	690,287	696,492	700,502	708,792	713,731	718,012	721,691
% Ch	3.9%	2.4%	3.0%	3.3%	4.8%	1.3%	3.6%	2.3%	4.8%	2.8%	2.4%	2.1%
National (Thousands)	140,793	141,490	142,134	142,835	143,444	143,954	144,657	145,167	145,712	146,197	146,668	147,185
% Ch	2.0%	2.0%	1.8%	2.0%	1.7%	1.4%	2.0%	1.4%	1.5%	1.3%	1.3%	1.4%
GOODS PRODUCING SECTOR												
Idaho	103,023	103,735	104,236	106,272	108,634	109,588	110,528	111,051	112,967	114,498	115,354	116,335
% Ch	6.1%	2.8%	1.9%	8.0%	9.2%	3.6%	3.5%	1.9%	7.1%	5.5%	3.0%	3.4%
National (Thousands)	19,531	19,585	19,622	19,692	19,751	19,716	19,719	19,761	19,909	19,991	20,059	20,156
% Ch	1.9%	1.1%	0.8%	1.4%	1.2%	-0.7%	0.1%	0.9%	3.0%	1.7%	1.4%	1.9%
MANUFACTURING												
Idaho	62,405	63,195	63,906	64,918	65,439	65,761	65,978	65,812	66,971	67,566	68,044	68,527
% Ch	1.9%	5.2%	4.6%	6.5%	3.2%	2.0%	1.3%	-1.0%	7.2%	3.6%	2.9%	2.9%
National (Thousands)	12,361	12,385	12,401	12,404	12,424	12,398	12,394	12,382	12,424	12,455	12,488	12,543
% Ch	1.2%	0.8%	0.5%	0.1%	0.7%	-0.9%	-0.1%	-0.4%	1.4%	1.0%	1.1%	1.8%
DURABLE MANUFACTURING												
Idaho	36,790	37,273	37,709	38,184	38,453	38,708	38,708	38,689	39,057	39,395	39,739	40,024
% Ch	4.6%	5.4%	4.8%	5.1%	2.9%	2.7%	0.0%	-0.2%	3.9%	3.5%	3.5%	2.9%
National (Thousands)	7,815	7,824	7,825	7,805	7,804	7,772	7,757	7,749	7,773	7,792	7,812	7,859
% Ch	1.2%	0.5%	0.0%	-1.0%	-0.1%	-1.6%	-0.8%	-0.4%	1.3%	1.0%	1.0%	2.4%
LOGGING & WOOD PRODUCTS												
Idaho	7,231	7,418	7,260	7,416	7,530	7,838	7,643	7,765	7,757	7,770	7,887	7,943
% Ch	8.7%	10.8%	-8.2%	8.8%	6.3%	17.4%	-9.6%	6.5%	-0.4%	0.7%	6.1%	2.9%
National (Thousands)	431	431	436	441	443	443	443	445	448	445	444	446
% Ch	3.2%	0.3%	4.5%	4.6%	1.9%	0.1%	-0.4%	1.9%	2.5%	-1.8%	-1.6%	2.4%
METAL FABRICATION												
Idaho	5,520	5,619	5,697	5,758	5,793	5,803	5,994	5,991	6,029	6,027	6,049	6,102
% Ch	1.8%	7.4%	5.7%	4.4%	2.4%	0.7%	13.8%	-0.2%	2.6%	-0.1%	1.4%	3.6%
National (Thousands)	1,470	1,465	1,455	1,443	1,435	1,426	1,420	1,420	1,425	1,435	1,447	1,459
% Ch	0.3%	-1.3%	-2.8%	-3.4%	-2.0%	-2.7%	-1.5%	-0.2%	1.5%	2.7%	3.6%	3.3%
MACHINERY												
Idaho	3,033	3,075	3,070	2,955	3,091	3,060	3,119	3,111	3,118	3,160	3,208	3,219
% Ch	-2.4%	5.7%	-0.7%	-14.2%	19.8%	-4.0%	8.0%	-1.1%	1.0%	5.4%	6.3%	1.3%
National (Thousands)	1,137	1,128	1,116	1,102	1,092	1,080	1,076	1,073	1,080	1,088	1,095	1,095
% Ch	-0.4%	-3.1%	-4.0%	-4.9%	-3.6%	-4.6%	-1.4%	-1.1%	2.7%	3.0%	2.5%	0.2%
COMPUTER & ELECTRONICS												
Idaho	11,697	11,765	11,984	12,154	12,218	12,227	12,127	11,958	12,042	12,123	12,090	12,096
% Ch	1.7%	2.3%	7.7%	5.8%	2.1%	0.3%	-3.2%	-5.5%	2.8%	2.7%	-1.1%	0.2%
National (Thousands)	1,053	1,054	1,055	1,050	1,054	1,051	1,045	1,041	1,036	1,037	1,042	1,051
% Ch	0.8%	0.3%	0.3%	-1.8%	1.6%	-1.0%	-2.3%	-1.7%	-1.6%	0.4%	1.7%	3.7%
OTHER DURABLES												
Idaho	9,309	9,396	9,697	9,900	9,821	9,780	9,824	9,866	10,112	10,316	10,506	10,664
% Ch	9.6%	3.8%	13.5%	8.6%	-3.2%	-1.7%	1.8%	1.7%	10.4%	8.3%	7.6%	6.2%
National (Thousands)	3,725	3,746	3,763	3,769	3,779	3,772	3,773	3,771	3,785	3,787	3,785	3,807
% Ch	1.9%	2.4%	1.8%	0.7%	1.0%	-0.7%	0.1%	-0.2%	1.4%	0.2%	-0.2%	2.4%

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Forecast Begins the Third Quarter of 2017

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JANUARY 2018**

EMPLOYMENT

	2018				2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TOTAL NONFARM EMPLOYMENT												
Idaho	725,460	728,480	731,750	734,863	737,756	740,606	743,682	746,780	750,739	754,097	756,515	759,776
% Ch	2.1%	1.7%	1.8%	1.7%	1.6%	1.7%	1.7%	2.1%	1.8%	1.3%	1.7%	1.7%
National (Thousands)	147,626	148,082	148,508	148,958	149,312	149,648	149,988	150,272	150,568	151,086	151,084	151,199
% Ch	1.2%	1.2%	1.2%	1.2%	1.0%	0.9%	0.9%	0.8%	0.8%	1.4%	0.0%	0.3%
GOODS PRODUCING SECTOR												
Idaho	117,231	117,789	118,464	119,084	119,646	120,228	120,808	121,350	121,903	122,351	122,628	122,882
% Ch	3.1%	1.9%	2.3%	2.1%	1.9%	2.0%	1.9%	1.8%	1.8%	1.5%	0.9%	0.8%
National (Thousands)	20,219	20,372	20,486	20,550	20,681	20,796	20,910	21,030	21,130	21,225	21,317	21,394
% Ch	1.3%	3.1%	2.2%	1.3%	2.6%	2.2%	2.2%	2.3%	1.9%	1.8%	1.7%	1.5%
MANUFACTURING												
Idaho	69,000	69,210	69,545	69,863	70,241	70,667	71,094	71,518	71,972	72,362	72,611	72,817
% Ch	2.8%	1.2%	1.9%	1.8%	2.2%	2.4%	2.4%	2.4%	2.6%	2.2%	1.4%	1.1%
National (Thousands)	12,582	12,728	12,820	12,839	12,894	12,925	12,949	12,979	13,000	13,028	13,059	13,075
% Ch	1.3%	4.7%	2.9%	0.6%	1.7%	1.0%	0.7%	0.9%	0.6%	0.9%	1.0%	0.5%
DURABLE MANUFACTURING												
Idaho	40,161	40,194	40,358	40,588	40,813	40,981	41,119	41,276	41,472	41,643	41,737	41,817
% Ch	1.4%	0.3%	1.6%	2.3%	2.2%	1.7%	1.4%	1.5%	1.9%	1.7%	0.9%	0.8%
National (Thousands)	7,897	8,022	8,107	8,114	8,145	8,167	8,182	8,205	8,225	8,250	8,275	8,288
% Ch	1.9%	6.5%	4.3%	0.4%	1.6%	1.1%	0.7%	1.1%	1.0%	1.2%	1.2%	0.6%
LOGGING & WOOD PRODUCTS												
Idaho	7,953	8,002	8,080	8,184	8,263	8,333	8,373	8,428	8,469	8,506	8,534	8,559
% Ch	0.5%	2.5%	4.0%	5.2%	3.9%	3.4%	2.0%	2.6%	2.0%	1.8%	1.4%	1.2%
National (Thousands)	452	466	478	484	490	493	495	498	500	505	509	512
% Ch	5.1%	12.9%	10.6%	5.3%	5.3%	2.6%	1.5%	2.2%	1.8%	3.6%	3.3%	2.9%
METAL FABRICATION												
Idaho	6,144	6,177	6,214	6,252	6,290	6,327	6,362	6,396	6,426	6,454	6,481	6,507
% Ch	2.8%	2.2%	2.4%	2.5%	2.5%	2.4%	2.3%	2.1%	1.9%	1.7%	1.7%	1.6%
National (Thousands)	1,468	1,487	1,502	1,505	1,518	1,529	1,538	1,548	1,556	1,565	1,574	1,580
% Ch	2.5%	5.4%	3.9%	0.9%	3.5%	2.9%	2.4%	2.6%	2.1%	2.4%	2.2%	1.5%
MACHINERY												
Idaho	3,219	3,221	3,229	3,250	3,266	3,301	3,343	3,386	3,428	3,469	3,506	3,540
% Ch	0.1%	0.2%	1.0%	2.6%	2.0%	4.3%	5.2%	5.3%	5.1%	4.8%	4.4%	3.9%
National (Thousands)	1,097	1,125	1,147	1,145	1,154	1,161	1,166	1,170	1,171	1,175	1,178	1,180
% Ch	0.7%	10.6%	8.1%	-0.7%	3.1%	2.5%	1.5%	1.5%	0.4%	1.1%	1.1%	0.6%
COMPUTER & ELECTRONICS												
Idaho	12,149	12,100	12,098	12,081	12,086	12,051	12,064	12,091	12,134	12,164	12,186	12,204
% Ch	1.7%	-1.6%	-0.1%	-0.6%	0.2%	-1.1%	0.4%	0.9%	1.4%	1.0%	0.7%	0.6%
National (Thousands)	1,052	1,076	1,090	1,099	1,098	1,100	1,101	1,103	1,108	1,107	1,107	1,109
% Ch	0.3%	9.5%	5.2%	3.4%	-0.4%	0.7%	0.3%	0.8%	2.1%	-0.5%	0.2%	0.5%
OTHER DURABLES												
Idaho	10,696	10,694	10,736	10,821	10,908	10,969	10,976	10,976	11,015	11,050	11,029	11,007
% Ch	1.2%	-0.1%	1.6%	3.2%	3.3%	2.2%	0.3%	0.0%	1.5%	1.3%	-0.8%	-0.8%
National (Thousands)	3,827	3,867	3,890	3,881	3,885	3,884	3,882	3,886	3,889	3,898	3,907	3,907
% Ch	2.1%	4.2%	2.4%	-1.0%	0.5%	-0.1%	-0.2%	0.4%	0.3%	0.9%	0.9%	0.0%

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Forecast Begins the Third Quarter of 2017

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JANUARY 2018**

EMPLOYMENT

MANUFACTURING (continued)

	2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
NONDURABLE MANUFACTURING												
Idaho	25,616	25,922	26,198	26,735	26,986	27,054	27,271	27,123	27,913	28,170	28,304	28,504
% Ch	-2.0%	4.9%	4.3%	8.5%	3.8%	1.0%	3.2%	-2.2%	12.2%	3.7%	1.9%	2.9%
National (Thousands)	4,545	4,560	4,576	4,599	4,621	4,626	4,637	4,633	4,651	4,662	4,675	4,684
% Ch	1.1%	1.3%	1.4%	2.0%	1.9%	0.4%	1.0%	-0.4%	1.6%	1.0%	1.1%	0.7%
FOOD PROCESSING												
Idaho	16,548	16,702	16,887	17,209	17,453	17,419	17,639	17,453	18,135	18,356	18,493	18,604
% Ch	-1.5%	3.8%	4.5%	7.9%	5.8%	-0.8%	5.1%	-4.1%	16.6%	5.0%	3.0%	2.4%
National (Thousands)	1,502	1,508	1,512	1,525	1,541	1,549	1,564	1,565	1,581	1,592	1,603	1,608
% Ch	3.3%	1.5%	1.1%	3.5%	4.2%	2.3%	3.7%	0.4%	4.1%	2.8%	2.8%	1.4%
PRINTING												
Idaho	1,127	1,110	1,103	1,160	1,209	1,220	1,238	1,249	1,233	1,241	1,238	1,233
% Ch	-10.7%	-6.0%	-2.3%	22.1%	18.0%	3.7%	6.1%	3.6%	-5.0%	2.6%	-0.8%	-1.7%
National (Thousands)	450	450	449	452	450	448	445	442	441	438	438	434
% Ch	-1.8%	-0.4%	-0.3%	1.9%	-1.0%	-2.1%	-2.6%	-2.5%	-1.7%	-2.1%	-0.5%	-3.2%
CHEMICALS												
Idaho	2,512	2,497	2,572	2,618	2,640	2,691	2,724	2,789	2,932	2,951	2,983	3,048
% Ch	-1.1%	-2.4%	12.6%	7.3%	3.3%	8.0%	4.9%	9.9%	22.1%	2.7%	4.5%	8.9%
National (Thousands)	807	807	807	807	810	811	812	811	815	818	819	821
% Ch	-0.9%	0.4%	-0.2%	0.1%	1.4%	0.3%	0.5%	-0.3%	1.7%	1.8%	0.4%	0.9%
OTHER NONDURABLES												
Idaho	5,428	5,614	5,636	5,748	5,685	5,724	5,671	5,632	5,614	5,623	5,590	5,619
% Ch	-1.7%	14.4%	1.5%	8.2%	-4.3%	2.8%	-3.7%	-2.7%	-1.3%	0.6%	-2.3%	2.1%
National (Thousands)	1,786	1,795	1,808	1,815	1,819	1,817	1,817	1,814	1,815	1,814	1,816	1,821
% Ch	1.0%	2.0%	2.8%	1.7%	1.0%	-0.4%	-0.1%	-0.6%	0.2%	-0.1%	0.3%	1.1%
MINING												
Idaho	2,490	2,515	2,430	2,371	2,450	2,483	2,491	2,439	2,348	2,174	2,232	2,276
% Ch	-2.2%	4.1%	-12.9%	-9.4%	14.1%	5.3%	1.4%	-8.1%	-14.1%	-26.6%	11.1%	8.2%
National (Thousands)	821	776	741	704	658	623	611	614	632	656	667	666
% Ch	-11.1%	-20.2%	-16.6%	-18.8%	-23.6%	-19.4%	-7.6%	1.5%	12.7%	16.1%	7.0%	-0.7%
CONSTRUCTION												
Idaho	38,128	38,024	37,900	38,983	40,744	41,344	42,059	42,800	43,649	44,759	45,079	45,532
% Ch	14.1%	-1.1%	-1.3%	11.9%	19.3%	6.0%	7.1%	7.2%	8.2%	10.6%	2.9%	4.1%
National (Thousands)	6,350	6,424	6,480	6,584	6,669	6,695	6,713	6,766	6,853	6,881	6,904	6,947
% Ch	5.1%	4.8%	3.5%	6.6%	5.3%	1.6%	1.1%	3.2%	5.3%	1.6%	1.3%	2.5%
NONGOODS PRODUCING												
Idaho	562,634	565,870	570,368	573,833	579,444	580,699	585,964	589,451	595,825	599,233	602,658	605,356
% Ch	3.5%	2.3%	3.2%	2.5%	4.0%	0.9%	3.7%	2.4%	4.4%	2.3%	2.3%	1.8%
National (Thousands)	121,262	121,905	122,512	123,144	123,693	124,238	124,939	125,406	125,803	126,205	126,609	127,029
% Ch	2.0%	2.1%	2.0%	2.1%	1.8%	1.8%	2.3%	1.5%	1.3%	1.3%	1.3%	1.3%
SERVICES												
Idaho	333,518	335,365	339,066	340,998	345,513	346,658	349,581	353,159	358,418	360,941	363,784	365,900
% Ch	4.1%	2.2%	4.5%	2.3%	5.4%	1.3%	3.4%	4.2%	6.1%	2.8%	3.2%	2.3%
National (Thousands)	77,923	78,463	78,976	79,540	79,941	80,386	80,920	81,344	81,704	82,136	82,517	82,885
% Ch	2.6%	2.8%	2.6%	2.9%	2.0%	2.2%	2.7%	2.1%	1.8%	2.1%	1.9%	1.8%
INFORMATION												
Idaho	9,298	9,261	9,183	9,277	9,001	9,040	9,074	9,153	9,155	9,020	9,058	9,176
% Ch	-1.7%	-1.5%	-3.3%	4.1%	-11.4%	1.7%	1.5%	3.5%	0.1%	-5.7%	1.7%	5.3%
National (Thousands)	2,737	2,745	2,758	2,762	2,772	2,767	2,781	2,770	2,747	2,725	2,719	2,719
% Ch	0.5%	1.1%	2.0%	0.5%	1.4%	-0.7%	2.0%	-1.5%	-3.2%	-3.2%	-0.9%	0.0%
FINANCIAL ACTIVITIES												
Idaho	33,099	33,247	33,386	33,435	33,478	33,730	34,145	34,617	34,836	35,064	35,369	35,701
% Ch	3.7%	1.8%	1.7%	0.6%	0.5%	3.0%	5.0%	5.6%	2.5%	2.6%	3.5%	3.8%
National (Thousands)	8,073	8,099	8,141	8,176	8,217	8,264	8,313	8,345	8,399	8,431	8,466	8,489
% Ch	2.2%	1.3%	2.1%	1.7%	2.0%	2.3%	2.4%	1.6%	2.6%	1.5%	1.7%	1.1%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2017

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JANUARY 2018**

EMPLOYMENT

MANUFACTURING (continued)

	2018				2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
NONDURABLE MANUFACTURING												
Idaho	28,839	29,017	29,187	29,275	29,428	29,686	29,975	30,242	30,500	30,719	30,874	31,000
% Ch	4.8%	2.5%	2.4%	1.2%	2.1%	3.6%	4.0%	3.6%	3.4%	2.9%	2.0%	1.6%
National (Thousands)	4,685	4,706	4,713	4,725	4,748	4,758	4,767	4,775	4,775	4,779	4,785	4,787
% Ch	0.1%	1.8%	0.6%	1.0%	2.0%	0.8%	0.8%	0.6%	0.0%	0.4%	0.5%	0.2%
FOOD PROCESSING												
Idaho	18,853	18,973	19,125	19,197	19,321	19,519	19,755	19,973	20,185	20,358	20,466	20,546
% Ch	5.5%	2.6%	3.2%	1.5%	2.6%	4.2%	4.9%	4.5%	4.3%	3.5%	2.1%	1.6%
National (Thousands)	1,613	1,626	1,633	1,643	1,662	1,672	1,682	1,689	1,693	1,699	1,706	1,713
% Ch	1.1%	3.3%	1.7%	2.6%	4.6%	2.6%	2.2%	1.8%	0.9%	1.4%	1.8%	1.5%
PRINTING												
Idaho	1,223	1,208	1,195	1,189	1,189	1,188	1,185	1,181	1,175	1,170	1,167	1,165
% Ch	-3.1%	-5.0%	-4.3%	-1.7%	-0.2%	-0.2%	-1.0%	-1.2%	-2.1%	-1.8%	-1.1%	-0.5%
National (Thousands)	435	436	434	434	435	435	435	435	435	435	435	435
% Ch	0.5%	0.9%	-1.0%	-0.8%	1.2%	-0.1%	-0.1%	0.2%	-0.3%	0.1%	0.2%	0.1%
CHEMICALS												
Idaho	3,094	3,116	3,125	3,132	3,138	3,146	3,153	3,160	3,168	3,177	3,186	3,193
% Ch	6.1%	2.9%	1.2%	0.9%	0.7%	1.1%	0.9%	0.9%	1.0%	1.2%	1.0%	0.9%
National (Thousands)	819	821	822	822	822	820	820	819	817	816	815	812
% Ch	-0.7%	0.8%	0.2%	0.1%	0.1%	-0.8%	-0.1%	-0.6%	-0.8%	-0.7%	-0.7%	-1.1%
OTHER NONDURABLES												
Idaho	5,669	5,720	5,743	5,756	5,781	5,832	5,881	5,928	5,972	6,014	6,056	6,096
% Ch	3.6%	3.7%	1.6%	1.0%	1.7%	3.6%	3.4%	3.2%	3.0%	2.9%	2.8%	2.7%
National (Thousands)	1,819	1,824	1,824	1,826	1,829	1,830	1,831	1,831	1,830	1,829	1,829	1,827
% Ch	-0.5%	1.2%	0.1%	0.5%	0.7%	0.2%	0.1%	0.1%	-0.4%	-0.1%	-0.1%	-0.3%
MINING												
Idaho	2,286	2,264	2,247	2,243	2,246	2,248	2,253	2,257	2,255	2,248	2,240	2,232
% Ch	1.8%	-3.8%	-3.0%	-0.6%	0.4%	0.5%	0.8%	0.7%	-0.4%	-1.2%	-1.3%	-1.4%
National (Thousands)	667	674	677	682	687	691	697	706	714	720	725	731
% Ch	0.6%	4.0%	2.1%	2.5%	3.5%	2.1%	3.7%	5.1%	4.6%	3.2%	3.2%	3.2%
CONSTRUCTION												
Idaho	45,945	46,314	46,672	46,978	47,159	47,313	47,462	47,575	47,676	47,742	47,777	47,833
% Ch	3.7%	3.3%	3.1%	2.6%	1.6%	1.3%	1.3%	1.0%	0.9%	0.5%	0.3%	0.5%
National (Thousands)	6,970	6,971	6,989	7,029	7,100	7,180	7,264	7,345	7,417	7,477	7,532	7,588
% Ch	1.3%	0.0%	1.1%	2.3%	4.1%	4.5%	4.8%	4.5%	4.0%	3.3%	3.0%	3.0%
NONGOODS PRODUCING												
Idaho	608,229	610,691	613,286	615,779	618,111	620,378	622,874	625,430	628,837	631,746	633,887	636,894
% Ch	1.9%	1.6%	1.7%	1.6%	1.5%	1.5%	1.6%	1.7%	2.2%	1.9%	1.4%	1.9%
National (Thousands)	127,407	127,709	128,021	128,408	128,631	128,853	129,077	129,241	129,438	129,860	129,767	129,805
% Ch	1.2%	1.0%	1.0%	1.2%	0.7%	0.7%	0.7%	0.5%	0.6%	1.3%	-0.3%	0.1%
SERVICES												
Idaho	368,226	370,334	372,397	374,410	376,376	378,375	380,462	382,607	384,836	387,003	389,151	391,299
% Ch	2.6%	2.3%	2.2%	2.2%	2.1%	2.1%	2.2%	2.3%	2.4%	2.3%	2.2%	2.2%
National (Thousands)	83,218	83,543	83,806	84,124	84,331	84,574	84,783	84,940	85,094	85,240	85,405	85,574
% Ch	1.6%	1.6%	1.3%	1.5%	1.0%	1.2%	1.0%	0.7%	0.7%	0.7%	0.8%	0.8%
INFORMATION												
Idaho	9,236	9,222	9,163	9,104	9,043	9,007	8,996	9,009	9,047	9,090	9,131	9,178
% Ch	2.7%	-0.6%	-2.5%	-2.6%	-2.6%	-1.6%	-0.5%	0.6%	1.7%	1.9%	1.9%	2.0%
National (Thousands)	2,720	2,705	2,684	2,692	2,713	2,740	2,738	2,724	2,735	2,752	2,762	2,766
% Ch	0.1%	-2.1%	-3.1%	1.2%	3.2%	4.0%	-0.3%	-2.1%	1.7%	2.4%	1.6%	0.6%
FINANCIAL ACTIVITIES												
Idaho	35,840	35,900	36,013	36,130	36,363	36,536	36,749	36,941	37,152	37,338	37,518	37,703
% Ch	1.6%	0.7%	1.3%	1.3%	2.6%	1.9%	2.4%	2.1%	2.3%	2.0%	1.9%	2.0%
National (Thousands)	8,505	8,531	8,557	8,589	8,608	8,611	8,630	8,639	8,630	8,625	8,628	8,637
% Ch	0.7%	1.3%	1.2%	1.5%	0.9%	0.1%	0.9%	0.4%	-0.4%	-0.3%	0.1%	0.4%

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**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JANUARY 2018**

EMPLOYMENT

SERVICES (Continued)	2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TRANS., WAREHOUSING, UTILITIES												
Idaho	23,304	23,431	23,392	23,570	23,598	23,598	23,647	23,907	23,798	24,302	24,471	24,635
% Ch	7.5%	2.2%	-0.7%	3.1%	0.5%	0.0%	0.8%	4.5%	-1.8%	8.7%	2.8%	2.7%
National (Thousands)	5,357	5,398	5,453	5,492	5,505	5,527	5,552	5,588	5,597	5,618	5,647	5,685
% Ch	4.1%	3.2%	4.1%	2.8%	1.0%	1.6%	1.8%	2.7%	0.6%	1.5%	2.0%	2.8%
PROFESSIONAL & BUSINESS												
Idaho	81,314	81,304	82,927	82,008	84,427	84,284	84,237	86,908	89,695	90,316	90,705	91,204
% Ch	2.4%	0.0%	8.2%	-4.4%	12.3%	1.9%	-0.2%	13.3%	13.5%	2.8%	1.7%	2.2%
National (Thousands)	19,414	19,571	19,693	19,831	19,902	20,032	20,213	20,377	20,518	20,662	20,790	20,920
% Ch	2.9%	3.3%	2.5%	2.8%	1.4%	2.6%	3.7%	3.3%	2.8%	2.8%	2.5%	2.5%
EDUCATION & HEALTH												
Idaho	95,966	97,140	97,876	99,039	99,615	100,096	101,674	100,416	101,893	102,147	103,577	104,176
% Ch	3.5%	5.0%	3.1%	4.8%	2.3%	1.9%	6.5%	-4.9%	6.0%	1.0%	5.7%	2.3%
National (Thousands)	21,784	21,949	22,096	22,269	22,395	22,547	22,695	22,827	22,939	23,055	23,183	23,280
% Ch	2.9%	3.1%	2.7%	3.2%	2.3%	2.7%	2.7%	2.3%	2.0%	2.0%	2.2%	1.7%
LEISURE & HOSPITALITY												
Idaho	67,283	67,561	68,978	69,901	71,470	71,787	72,440	73,724	74,543	75,320	75,504	75,859
% Ch	5.5%	1.7%	8.7%	5.5%	9.3%	1.8%	3.7%	7.3%	4.5%	4.2%	1.0%	1.9%
National (Thousands)	14,956	15,082	15,211	15,371	15,489	15,574	15,670	15,726	15,785	15,898	15,944	15,998
% Ch	2.7%	3.4%	3.4%	4.3%	3.1%	2.2%	2.5%	1.4%	1.5%	2.9%	1.2%	1.4%
OTHER SERVICES												
Idaho	23,255	23,419	23,323	23,768	23,923	24,123	24,364	24,433	24,499	24,773	25,102	25,148
% Ch	8.9%	2.9%	-1.6%	7.8%	2.6%	3.4%	4.1%	1.1%	1.1%	4.5%	5.4%	0.7%
National (Thousands)	5,602	5,618	5,623	5,640	5,660	5,675	5,696	5,710	5,720	5,747	5,768	5,793
% Ch	1.0%	1.1%	0.4%	1.2%	1.4%	1.0%	1.5%	1.0%	0.7%	1.9%	1.5%	1.7%
TRADE												
Idaho	110,539	111,302	112,040	112,992	113,647	113,472	114,450	114,828	115,098	115,449	116,287	116,695
% Ch	5.3%	2.8%	2.7%	3.4%	2.3%	-0.6%	3.5%	1.3%	0.9%	1.2%	2.9%	1.4%
National (Thousands)	21,379	21,441	21,482	21,524	21,616	21,664	21,731	21,762	21,785	21,749	21,751	21,783
% Ch	1.3%	1.2%	0.8%	0.8%	1.7%	0.9%	1.2%	0.6%	0.4%	-0.7%	0.0%	0.6%
RETAIL TRADE												
Idaho	82,572	83,417	83,937	84,610	85,008	84,904	85,737	85,996	86,288	86,303	87,010	87,326
% Ch	6.6%	4.2%	2.5%	3.2%	1.9%	-0.5%	4.0%	1.2%	1.4%	0.1%	3.3%	1.5%
National (Thousands)	15,524	15,584	15,631	15,673	15,761	15,806	15,864	15,876	15,884	15,836	15,820	15,831
% Ch	1.4%	1.5%	1.2%	1.1%	2.3%	1.1%	1.5%	0.3%	0.2%	-1.2%	-0.4%	0.3%
WHOLESALE TRADE												
Idaho	27,968	27,885	28,104	28,382	28,639	28,568	28,712	28,832	28,810	29,146	29,277	29,369
% Ch	1.7%	-1.2%	3.2%	4.0%	3.7%	-1.0%	2.0%	1.7%	-0.3%	4.7%	1.8%	1.3%
National (Thousands)	5,856	5,857	5,852	5,851	5,855	5,859	5,868	5,885	5,901	5,913	5,931	5,952
% Ch	1.2%	0.1%	-0.4%	0.0%	0.3%	0.2%	0.6%	1.2%	1.1%	0.8%	1.2%	1.5%
STATE & LOCAL GOVERNMENT												
Idaho	106,060	106,691	106,680	107,123	107,511	107,730	109,092	108,563	109,408	109,921	109,622	109,755
% Ch	-0.1%	2.4%	0.0%	1.7%	1.5%	0.8%	5.2%	-1.9%	3.1%	1.9%	-1.1%	0.5%
National (Thousands)	19,214	19,251	19,295	19,313	19,360	19,402	19,482	19,485	19,500	19,512	19,534	19,551
% Ch	0.5%	0.8%	0.9%	0.4%	1.0%	0.9%	1.7%	0.1%	0.3%	0.2%	0.5%	0.4%
EDUCATION												
Idaho	55,240	55,837	55,690	55,931	56,179	56,337	57,169	56,473	56,866	56,881	56,715	56,831
% Ch	0.4%	4.4%	-1.0%	1.7%	1.8%	1.1%	6.0%	-4.8%	2.8%	0.1%	-1.2%	0.8%
NONEDUCATION												
Idaho	50,820	50,854	50,989	51,192	51,332	51,394	51,924	52,090	52,542	53,040	52,906	52,924
% Ch	-0.6%	0.3%	1.1%	1.6%	1.1%	0.5%	4.2%	1.3%	3.5%	3.8%	-1.0%	0.1%
FEDERAL GOVERNMENT												
Idaho	12,517	12,513	12,582	12,720	12,774	12,838	12,841	12,901	12,901	12,923	12,965	13,007
% Ch	3.0%	-0.1%	2.2%	4.4%	1.7%	2.0%	0.1%	1.9%	0.0%	0.7%	1.3%	1.3%
National (Thousands)	2,746	2,751	2,759	2,766	2,776	2,786	2,806	2,816	2,815	2,809	2,808	2,810
% Ch	0.8%	0.7%	1.2%	1.1%	1.5%	1.4%	2.9%	1.4%	-0.1%	-0.8%	-0.1%	0.2%

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**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JANUARY 2018**

EMPLOYMENT

	2018				2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
SERVICES (Continued)												
TRANS., WAREHOUSING, UTILITIES												
Idaho	24,844	25,003	25,104	25,175	25,177	25,186	25,185	25,234	25,316	25,414	25,518	25,636
% Ch	3.4%	2.6%	1.6%	1.1%	0.0%	0.1%	0.0%	0.8%	1.3%	1.5%	1.7%	1.9%
National (Thousands)	5,716	5,731	5,729	5,740	5,738	5,733	5,734	5,732	5,725	5,719	5,710	5,701
% Ch	2.2%	1.1%	-0.1%	0.7%	-0.1%	-0.4%	0.1%	-0.1%	-0.5%	-0.4%	-0.6%	-0.6%
PROFESSIONAL & BUSINESS												
Idaho	91,753	92,210	92,703	93,334	93,982	94,623	95,270	95,940	96,601	97,197	97,801	98,379
% Ch	2.4%	2.0%	2.2%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.5%	2.5%	2.4%
National (Thousands)	21,064	21,301	21,519	21,726	21,923	22,131	22,342	22,518	22,690	22,833	22,943	23,063
% Ch	2.8%	4.6%	4.2%	3.9%	3.7%	3.8%	3.9%	3.2%	3.1%	2.5%	1.9%	2.1%
EDUCATION & HEALTH												
Idaho	104,897	105,761	106,573	107,319	108,083	108,906	109,723	110,526	111,364	112,183	112,992	113,797
% Ch	2.8%	3.3%	3.1%	2.8%	2.9%	3.1%	3.0%	3.0%	3.1%	3.0%	2.9%	2.9%
National (Thousands)	23,374	23,452	23,500	23,568	23,567	23,618	23,654	23,691	23,685	23,688	23,722	23,757
% Ch	1.6%	1.3%	0.8%	1.2%	0.0%	0.9%	0.6%	0.6%	-0.1%	0.1%	0.6%	0.6%
LEISURE & HOSPITALITY												
Idaho	76,369	76,823	77,290	77,658	77,892	78,133	78,407	78,683	78,943	79,226	79,498	79,776
% Ch	2.7%	2.4%	2.4%	1.9%	1.2%	1.2%	1.4%	1.4%	1.3%	1.4%	1.4%	1.4%
National (Thousands)	16,065	16,069	16,084	16,091	16,077	16,051	16,012	15,988	15,996	16,008	16,038	16,061
% Ch	1.7%	0.1%	0.4%	0.2%	-0.3%	-0.6%	-1.0%	-0.6%	0.2%	0.3%	0.8%	0.6%
OTHER SERVICES												
Idaho	25,287	25,415	25,551	25,691	25,835	25,984	26,132	26,274	26,412	26,554	26,692	26,831
% Ch	2.2%	2.0%	2.2%	2.2%	2.3%	2.3%	2.3%	2.2%	2.1%	2.2%	2.1%	2.1%
National (Thousands)	5,774	5,753	5,733	5,719	5,705	5,691	5,673	5,648	5,632	5,616	5,601	5,588
% Ch	-1.3%	-1.5%	-1.3%	-1.0%	-1.0%	-1.0%	-1.3%	-1.7%	-1.2%	-1.1%	-1.1%	-0.9%
TRADE												
Idaho	117,140	117,474	117,985	118,373	118,659	118,870	119,154	119,450	119,935	120,562	121,052	121,809
% Ch	1.5%	1.1%	1.8%	1.3%	1.0%	0.7%	1.0%	1.0%	1.6%	2.1%	1.6%	2.5%
National (Thousands)	21,803	21,741	21,737	21,774	21,772	21,722	21,701	21,663	21,634	21,615	21,591	21,538
% Ch	0.4%	-1.1%	-0.1%	0.7%	0.0%	-0.9%	-0.4%	-0.7%	-0.5%	-0.4%	-0.4%	-1.0%
RETAIL TRADE												
Idaho	87,652	87,885	88,306	88,604	88,818	89,008	89,267	89,519	89,941	90,465	90,862	91,466
% Ch	1.5%	1.1%	1.9%	1.4%	1.0%	0.9%	1.2%	1.1%	1.9%	2.4%	1.8%	2.7%
National (Thousands)	15,833	15,769	15,755	15,773	15,764	15,708	15,678	15,634	15,604	15,583	15,558	15,502
% Ch	0.1%	-1.6%	-0.4%	0.5%	-0.2%	-1.4%	-0.8%	-1.1%	-0.8%	-0.5%	-0.7%	-1.4%
WHOLESALE TRADE												
Idaho	29,488	29,588	29,679	29,769	29,841	29,862	29,887	29,931	29,995	30,098	30,190	30,343
% Ch	1.6%	1.4%	1.2%	1.2%	1.0%	0.3%	0.3%	0.6%	0.9%	1.4%	1.2%	2.1%
National (Thousands)	5,970	5,972	5,982	6,002	6,009	6,014	6,023	6,029	6,030	6,032	6,034	6,035
% Ch	1.2%	0.1%	0.7%	1.3%	0.5%	0.3%	0.6%	0.4%	0.0%	0.1%	0.1%	0.1%
STATE & LOCAL GOVERNMENT												
Idaho	109,800	109,780	109,762	109,816	109,877	109,924	110,039	110,143	110,217	110,316	110,415	110,512
% Ch	0.2%	-0.1%	-0.1%	0.2%	0.2%	0.2%	0.4%	0.4%	0.3%	0.4%	0.4%	0.3%
National (Thousands)	19,580	19,620	19,673	19,704	19,722	19,752	19,789	19,833	19,852	19,847	19,873	19,888
% Ch	0.6%	0.8%	1.1%	0.6%	0.4%	0.6%	0.8%	0.9%	0.4%	-0.1%	0.5%	0.3%
EDUCATION												
Idaho	56,920	56,973	57,040	57,126	57,228	57,304	57,399	57,478	57,545	57,638	57,729	57,823
% Ch	0.6%	0.4%	0.5%	0.6%	0.7%	0.5%	0.7%	0.6%	0.5%	0.6%	0.6%	0.6%
NONEDUCATION												
Idaho	52,881	52,806	52,722	52,690	52,650	52,621	52,641	52,664	52,673	52,679	52,686	52,689
% Ch	-0.3%	-0.6%	-0.6%	-0.2%	-0.3%	-0.2%	0.2%	0.2%	0.1%	0.0%	0.1%	0.0%
FEDERAL GOVERNMENT												
Idaho	13,062	13,104	13,143	13,180	13,199	13,208	13,219	13,230	13,848	13,865	13,269	13,274
% Ch	1.7%	1.3%	1.2%	1.1%	0.6%	0.3%	0.3%	0.3%	20.1%	0.5%	-16.1%	0.2%
National (Thousands)	2,805	2,805	2,805	2,805	2,805	2,805	2,805	2,805	2,858	3,158	2,898	2,805
% Ch	-0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	7.8%	49.1%	-29.1%	-12.2%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2017

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JANUARY 2018**

MISCELLANEOUS

	2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
SELECTED CHAIN-WEIGHTED DEFL.												
Gross Domestic Product	109.322	109.921	110.298	110.507	110.588	111.257	111.641	112.190	112.752	113.037	113.646	114.123
% Ch	-0.1%	2.2%	1.4%	0.8%	0.3%	2.4%	1.4%	2.0%	2.0%	1.0%	2.2%	1.7%
Consumption Expenditures	108.947	109.410	109.761	109.807	109.985	110.555	111.034	111.583	112.198	112.273	112.693	113.178
% Ch	-1.6%	1.7%	1.3%	0.2%	0.6%	2.1%	1.7%	2.0%	2.2%	0.3%	1.5%	1.7%
Durable Goods	90.927	90.729	90.270	89.793	89.506	88.873	88.085	87.376	87.587	86.793	86.233	85.901
% Ch	-2.5%	-0.9%	-2.0%	-2.1%	-1.3%	-2.8%	-3.5%	-3.2%	1.0%	-3.6%	-2.6%	-1.5%
Nondurable Goods	108.803	109.348	109.409	108.285	107.063	107.546	107.802	108.788	109.746	108.735	109.380	109.673
% Ch	-10.0%	2.0%	0.2%	-4.0%	-4.4%	1.8%	1.0%	3.7%	3.6%	-3.6%	2.4%	1.1%
Services	112.195	112.763	113.378	113.923	114.665	115.512	116.332	117.002	117.585	118.213	118.770	119.504
% Ch	1.5%	2.0%	2.2%	1.9%	2.6%	3.0%	2.9%	2.3%	2.0%	2.2%	1.9%	2.5%
Consumer Price Index	2.355	2.368	2.377	2.379	2.380	2.394	2.404	2.422	2.441	2.439	2.452	2.467
% Ch	-2.5%	2.4%	1.5%	0.4%	0.1%	2.3%	1.8%	3.0%	3.1%	-0.3%	2.0%	2.5%
SELECTED INTEREST RATES												
Federal Funds	0.1%	0.1%	0.1%	0.2%	0.4%	0.4%	0.4%	0.5%	0.7%	1.0%	1.2%	1.2%
NY Fed Discount	0.8%	0.8%	0.8%	0.8%	1.0%	1.0%	1.0%	1.0%	1.3%	1.5%	1.8%	1.8%
Prime	3.3%	3.3%	3.3%	3.3%	3.5%	3.5%	3.5%	3.5%	3.8%	4.0%	4.3%	4.3%
Existing Home Mortgage	4.0%	3.9%	4.1%	4.1%	4.0%	3.9%	3.8%	3.9%	4.4%	4.1%	4.2%	4.2%
U.S. Govt. 3-Month Bills	0.0%	0.0%	0.0%	0.1%	0.3%	0.3%	0.3%	0.4%	0.6%	0.9%	1.0%	1.1%
U.S. Govt. 6-Month Bills	0.1%	0.1%	0.2%	0.3%	0.4%	0.4%	0.4%	0.6%	0.7%	1.0%	1.1%	1.3%
U.S. Govt. 5-Year Notes	1.5%	1.5%	1.6%	1.6%	1.4%	1.2%	1.1%	1.6%	1.9%	1.8%	1.8%	2.1%
U.S. Govt. 10-Year Notes	2.0%	2.2%	2.2%	2.2%	1.9%	1.8%	1.6%	2.1%	2.4%	2.3%	2.2%	2.4%
EXCHANGE RATES (2009=1.000)												
Major Currency Trading Partners	1.201	1.218	1.255	1.285	1.301	1.263	1.284	1.335	1.338	1.312	1.240	1.240
% Ch	42.7%	6.0%	12.6%	10.1%	4.9%	-11.1%	6.6%	16.8%	1.1%	-7.7%	-20.2%	0.1%
Other Important Trading Partners	0.939	0.947	0.999	1.022	1.064	1.054	1.066	1.096	1.095	1.061	1.034	1.040
% Ch	20.3%	3.5%	23.8%	9.5%	17.5%	-3.5%	4.5%	11.6%	-0.2%	-11.7%	-9.9%	2.3%
SELECTED US PRODUCTION INDICES												
Wood Products	109.8	110.1	113.2	115.2	116.5	115.5	114.6	119.6	121.9	119.5	119.9	121.7
% Ch	-4.6%	1.2%	11.7%	7.5%	4.5%	-3.5%	-2.9%	18.5%	8.1%	-7.6%	1.1%	6.1%
Computers & Electronic Products	109.2	108.8	109.0	108.7	109.4	109.6	110.3	112.6	112.7	113.8	113.2	114.7
% Ch	-0.3%	-1.4%	0.7%	-1.1%	2.4%	0.9%	2.5%	8.7%	0.3%	4.0%	-2.1%	5.1%
Food	104.3	104.1	105.3	105.6	107.0	107.7	108.3	107.5	110.1	111.2	112.9	113.7
% Ch	2.2%	-0.8%	4.5%	1.1%	5.5%	2.5%	2.6%	-3.1%	10.1%	4.1%	5.9%	3.0%
Agricultural Chemicals	101.5	105.1	99.6	105.8	109.1	112.9	116.7	119.7	122.4	126.3	129.1	131.0
% Ch	-14.7%	14.7%	-19.1%	27.1%	13.1%	14.5%	14.2%	10.9%	9.2%	13.5%	9.1%	6.0%
Metal Ore Mining	102.2	98.7	101.6	98.7	101.0	103.7	99.2	101.3	101.3	107.4	102.4	100.1
% Ch	6.0%	-13.1%	12.2%	-10.9%	9.6%	11.1%	-16.3%	9.0%	-0.3%	26.6%	-17.3%	-8.8%

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JANUARY 2018**

MISCELLANEOUS

	2018				2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
SELECTED CHAIN-WEIGHTED DEFL.												
Gross Domestic Product	114.714	115.332	115.977	116.623	117.248	117.871	118.458	119.159	119.928	120.607	121.266	121.936
% Ch	2.1%	2.2%	2.3%	2.2%	2.2%	2.1%	2.0%	2.4%	2.6%	2.3%	2.2%	2.2%
Consumption Expenditures	113.565	113.972	114.427	114.930	115.364	115.915	116.423	117.093	117.744	118.374	118.997	119.615
% Ch	1.4%	1.4%	1.6%	1.8%	1.5%	1.9%	1.8%	2.3%	2.2%	2.2%	2.1%	2.1%
Durable Goods	85.564	85.287	85.002	84.700	84.401	84.112	83.835	83.579	83.313	83.039	82.748	82.459
% Ch	-1.6%	-1.3%	-1.3%	-1.4%	-1.4%	-1.4%	-1.3%	-1.2%	-1.3%	-1.3%	-1.4%	-1.4%
Nondurable Goods	109.829	109.887	110.163	110.631	110.727	111.331	111.600	112.472	113.271	114.037	114.751	115.400
% Ch	0.6%	0.2%	1.0%	1.7%	0.3%	2.2%	1.0%	3.2%	2.9%	2.7%	2.5%	2.3%
Services	120.130	120.805	121.484	122.176	122.887	123.608	124.370	125.178	125.985	126.772	127.571	128.383
% Ch	2.1%	2.3%	2.3%	2.3%	2.3%	2.4%	2.5%	2.6%	2.6%	2.5%	2.5%	2.6%
Consumer Price Index	2.479	2.488	2.500	2.514	2.526	2.541	2.554	2.573	2.591	2.607	2.624	2.640
% Ch	2.1%	1.4%	1.9%	2.3%	1.8%	2.5%	2.1%	3.0%	2.8%	2.6%	2.5%	2.5%
SELECTED INTEREST RATES												
Federal Funds	1.4%	1.5%	1.7%	2.0%	2.2%	2.2%	2.4%	2.5%	2.7%	2.7%	2.9%	3.0%
NY Fed Discount	2.0%	2.0%	2.3%	2.5%	2.8%	2.8%	3.0%	3.0%	3.3%	3.3%	3.5%	3.5%
Prime	4.5%	4.5%	4.8%	5.0%	5.3%	5.3%	5.5%	5.5%	5.8%	5.8%	6.0%	6.0%
Existing Home Mortgage	4.2%	4.2%	4.4%	4.5%	4.8%	5.0%	5.1%	5.1%	5.2%	5.3%	5.3%	5.4%
U.S. Govt. 3-Month Bills	1.3%	1.3%	1.5%	1.8%	2.0%	2.0%	2.2%	2.2%	2.4%	2.5%	2.6%	2.7%
U.S. Govt. 6-Month Bills	1.5%	1.6%	1.9%	2.1%	2.4%	2.5%	2.6%	2.7%	2.9%	3.0%	3.1%	3.1%
U.S. Govt. 5-Year Notes	2.2%	2.4%	2.6%	2.8%	2.9%	3.1%	3.2%	3.3%	3.3%	3.4%	3.4%	3.5%
U.S. Govt. 10-Year Notes	2.6%	2.7%	2.9%	3.0%	3.1%	3.3%	3.4%	3.4%	3.5%	3.5%	3.6%	3.6%
EXCHANGE RATES (2009=1.000)												
Major Currency Trading Partners	1.254	1.266	1.268	1.268	1.265	1.260	1.252	1.243	1.235	1.230	1.223	1.217
% Ch	4.6%	3.7%	0.7%	0.0%	-0.9%	-1.5%	-2.4%	-3.0%	-2.5%	-1.5%	-2.3%	-2.2%
Other Important Trading Partners	1.042	1.041	1.043	1.045	1.045	1.045	1.046	1.049	1.053	1.057	1.060	1.063
% Ch	0.7%	-0.2%	0.6%	0.7%	0.1%	0.1%	0.1%	1.5%	1.5%	1.2%	1.2%	1.3%
SELECTED US PRODUCTION INDICES												
Wood Products	123.7	125.7	127.8	128.9	129.4	129.6	129.7	129.8	129.8	129.9	130.1	130.3
% Ch	6.8%	6.6%	6.9%	3.5%	1.5%	0.7%	0.2%	0.3%	0.0%	0.4%	0.5%	0.6%
Computers & Electronic Products	116.0	117.4	118.9	120.2	121.5	122.6	123.7	124.7	125.6	126.5	127.5	128.5
% Ch	4.6%	5.2%	5.0%	4.7%	4.2%	3.9%	3.5%	3.3%	2.9%	3.1%	3.1%	3.3%
Food	114.1	114.5	115.1	115.7	116.3	116.8	117.4	117.9	118.4	118.9	119.4	119.9
% Ch	1.4%	1.6%	1.9%	2.0%	2.1%	2.0%	1.9%	1.8%	1.7%	1.6%	1.7%	1.7%
Agricultural Chemicals	133.0	135.4	138.1	140.5	142.7	144.3	145.6	146.4	146.9	147.3	147.6	147.9
% Ch	6.2%	7.6%	8.2%	7.0%	6.3%	4.8%	3.5%	2.3%	1.2%	1.1%	1.0%	0.8%
Metal Ore Mining	101.0	101.5	101.9	102.3	102.6	102.9	103.1	103.2	103.2	103.3	103.2	103.2
% Ch	3.6%	1.8%	1.8%	1.6%	1.3%	1.0%	0.6%	0.5%	0.1%	0.1%	-0.1%	-0.2%

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THE IHS ECONOMICS US MACROECONOMIC MODEL

IHS Economics Macroeconomic Model is a multiple-equation model of the US economy. Consisting of over 1,200 equations, the model is solved iteratively to generate the results of different policy and forecast scenarios. The model incorporates the best insights of many theoretical schools of thought to depict the economic decision processes and interactions of households, businesses, and governments.

The IHS Economics model is divided into the following eight major sectors:

- I Private Domestic Spending**
- II Production and Income**
- III Taxes**
- IV International Transactions**
- V Financial**
- VI Inflation**
- VII Supply**
- VIII Expectations**

- I. **Private Domestic Spending.** Major aggregate demand components include consumption, investment, and government. Consumer purchases are divided among three categories: durable goods, nondurable goods, and services. In nearly all cases, real expenditures are influenced by real income and the relative price of consumer goods. Durable and semidurable goods are also sensitive to household net worth, current finance costs, and consumer sentiment.

IHS Economics divides investment into two general categories: fixed investment and inventories. The former is driven by utilization rates, capital stock, relative prices, financial market conditions, financial balance sheet conditions, and government policies. Inventory investment is heavily influenced by such factors as past and present sales levels, vendor performance, and utilization rates.

The government sector is divided into federal government and state and local government. Most of the federal expenditure side is exogenous. Federal receipts are endogenous and divided into personal taxes, corporate taxes, indirect business taxes, and contributions for social insurance. State and local sector receipts depend primarily on federal grants and various tax rates and bases. State and local government spending is driven by legal requirements (i.e., balanced budgets), the level of federal grants (due to the matching requirements of many programs), population growth, and trend increases in personal income.

- II. **Production and Income.** The industrial production sector includes 74 standard industrial classifications. Production is a function of various cyclical and trend variables and a generated output term, i.e., the input-output (I-O) relationship between the producing industry and both intermediate industries and final demand. The cyclical and trend variables correct for changes in I-O coefficients that are implied by the changing relationship between buyers and sellers.

Pre-tax income categories include private and government wages, corporate profits, interest rate, and entrepreneurial returns. Each of these categories, except corporate profits, is determined by some combination of wages, prices, interest rates, debt levels, capacity utilization rate, and unemployment rate. Corporate profits are calculated as the residual of total national income less the nonprofit components of income mentioned above.

- III. **Taxes.** The model tracks personal, corporate, payroll, and excise taxes separately. Tax revenues are simultaneously forecast as the product of the rate and the associated pre-tax income components. The model automatically adjusts the effective average personal tax rate for variations in inflation and income per household, and the effective average corporate rate for credits earned on equipment, utility structures, and R&D. State taxes are fully endogenous, except for corporate profits and social insurance tax rates.
- IV. **International.** The international sector can either add or divert strength from the central flow of domestic income and spending. Imports' ability to capture varying shares of domestic demand depends on the prices of foreign output, the US exchange rate, and competing domestic prices. Exports' portion of domestic spending depends on similar variables and the level of world gross domestic product. The exchange rate itself responds to international differences in inflation, interest rates, trade deficits, and capital flows between the US and its competitors. Investment income flows are also explicitly modeled.
- V. **Financial.** The IHS Economics model includes a highly detailed financial sector. Several short- and long-term interest rates are covered in this model, and they are the key output of this sector. The short-term rates depend upon the balance between the demand and supply of reserves in the banking system. The supply of reserves is the primary exogenous monetary policy lever within the model, reflecting the Federal Reserve's open market purchases or sales of Treasury securities. Longer-term interest rates are driven by shorter-term rates as well as factors affecting the slope of the yield curve. These factors include inflation expectations, government borrowing requirements, and corporate finance needs.
- VI. **Inflation.** Inflation is modeled as a controlled, interactive process involving wages, prices, and market conditions. The principal domestic cost influences are labor compensation, nonfarm productivity, and foreign input costs that later are driven by the exchange rate, the price of oil, and foreign wholesale price inflation. This set of cost influences drives each of the industry-specific producer price indexes, in combination with a demand pressure indicator and appropriately weighted composites of the other producer price indexes.
- VII. **Supply.** In this model, aggregate supply (or potential GNP), is estimated by a Cobb-Douglas production function that combines factor input growth and improvements to total factor productivity. Factor input equals a weighted average of labor, business fixed capital, and energy. Factor supplies are defined by estimates of the full employment labor force, the full employment capital stock net of pollution abatement equipment, the domestic production of petroleum and natural gas, and the stock of infrastructure. Total factor productivity depends upon the stock of research and development capital and trend technological change.
- VIII. **Expectations.** Expectations impact several expenditure categories in the model, but the principal nuance relates to the entire spectrum of interest rates. Shifts in price expectations or the expected government capital needs influences are captured directly in this model through price expectations and budget deficit terms. The former impacts all interest rates and the latter impacts intermediate- and long-term rates. On the expenditure side, inflationary expectations impact consumption via consumer sentiment, while growth expectations affect business investment.

THE IDAHO ECONOMIC MODEL

The Idaho Economic Model (IEM) is an income and employment based model of Idaho's economy. The Model consists of a simultaneous system of linear regression equations, which are estimated using quarterly data. The primary exogenous variables are obtained from the IHS Economics US Macroeconomic Model. Endogenous variables are forecast at the statewide level of aggregation.

The focal point of the IEM is Idaho personal income, which is given by the identity:

personal income = wage and salary payments + other labor income + farm proprietors' income + nonfarm proprietors' income + property income + transfer payments - contributions for social insurance + residence adjustment.

With the exception of farm proprietors' income and wage and salary payments, each of the components of personal income is estimated stochastically by a single equation. Farm proprietors' income and wage and salary payments each comprise submodels containing a system of stochastic equations and identities.

The farm proprietor sector is estimated using a highly-aggregated submodel consisting of equations for crop marketing receipts, livestock marketing receipts, production expenses, inventory changes, imputed rent income, corporate farm income, and government payments to farmers. Farm proprietors' income includes inventory changes and imputed rent, but this component is netted out of the tax base.

At the heart of the IEM is the wage and salary sector, which includes stochastic employment equations for 23 North American Industry Classification System employment categories. Conceptually, the employment equations are divided into basic and domestic activities. The basic employment equations are specified primarily as functions of national demand and supply variables. Domestic employment equations are specified primarily as functions of state-specific demand variables. Average annual wages are estimated for several broad employment categories and are combined with employment to arrive at aggregate wage and salary payments.

The demographic component of the model is used to forecast components of population change and housing starts. Resident population, births, and deaths are modeled stochastically. Net migration is calculated residually from the estimates for those variables. Housing starts are divided into single and multiple units. Each equation is functionally related to economic and population variables.

The output of the IEM (i.e., the forecast values of the endogenous variables) is determined by the parameters of the equations and the values of exogenous variables over the forecast period. The values of equation parameters are determined by the historic values of both the exogenous and endogenous variables. IEM equation parameters are estimated using the technique of ordinary least squares. Model equations are occasionally respecified in response to the dynamic nature of the Idaho and national economies. Parameter values for a particular equation (given the same specification) may change as a result of revisions in the historic data or a change in the time interval of the estimation. In general, parameter values should remain relatively constant over time, with changes reflecting changing structural relationships.

While the equation parameters are determined by structural relationships and remain relatively fixed, the forecast period exogenous variable values are more volatile determinants of the forecast values of endogenous variables. They are more often subject to change as expectations regarding future economic behavior change, and they are more likely to give rise to debate over appropriate values. As mentioned

above, the forecast period values of exogenous variables are primarily obtained from IHS Economics US macroeconomic model.

Since the output of the IEM depends in large part upon the output of the IHS Economics model, an understanding of the IHS Economics model, its input assumptions, and its output is useful in evaluating the results of the IEM's forecast. The assumptions and output of the IHS Economics model are discussed in the National Forecast section.

IDAHO ECONOMIC MODEL

$$EEA_ID_2100 = 3354.689 + 14.325* @MOVAV(ID0IP2122_2123(- 1),4) - 1745.912*JECIWSP/WPI10 - 1451.700* @MOVAV(JEXCHOITPREAL(- 1),2)$$

$$EEA_ID_2300 = -14683.404 + 293.223*ID0HSPRS1_A + 251.334*ID0HSPRS1_A(- 1) + 209.445*ID0HSPRS1_A(- 2) + 167.556*ID0HSPRS1_A(- 3) + 125.667*ID0HSPRS1_A(- 4) + 83.778*ID0HSPRS1_A(- 5) + 41.889*ID0HSPRS1_A(- 6) + 0.136*EEA_ID_44_45 + 0.116*EEA_ID_44_45(- 1) + 0.097*EEA_ID_44_45(- 2) + 0.078*EEA_ID_44_45(- 3) + 0.058*EEA_ID_44_45(- 4) + 0.039*EEA_ID_44_45(- 5) + 0.019*EEA_ID_44_45(- 6)$$

$$EEA_ID_3110 = 26114.178 + 317.134* @MOVAV(IPSG311(- 1),4) - 688.421* @MOVAV((IPSG311/EMN311),6) - 2258.719* @MOVAV(JEXCHOITPREAL(- 1),2) + 41.494* @TREND$$

$$EEA_ID_3230 = 1214.729 + 18.303* @MOVAV(IPSG323,4) - 8.167* @MOVAV((IPSG323/EMN323),8) - 70.257* @MOVAV(JEXCHMTPREAL(- 1),2)$$

$$EEA_ID_3250 = 2855.721 + 17.205* @MOVAV(IPSG3253(- 1),8) - 1843.045*DUM951ON - 385.099* @MOVAV(JEXCHMTPREAL(- 1),2)$$

$$EEA_ID_3320 = -367.896 + 18.657* @MOVAV(IPSG332,2) + 23.773* @TREND - 601.035* @MOVAV(JEXCHOITPREAL(- 1),2)$$

$$EEA_ID_3330 = 159.393 + 0.128* @MOVAV(IPSG3332,8)* @TREND + 0.410* @TREND + 350.459* @MOVAV(JEXCHOITPREAL(- 1),4)$$

$$EEA_ID_44_45 = 47672.559 + 243.010* @MOVAV(YPADJ_ID,4)/ @MOVAV(JPC,4) - 553.756* @TREND$$

$$EEA_ID_48_49_22 = -4898.771 + 0.520* @MOVAV(EEA_ID_4200,2) + 8125.176* @MOVAV(ID0NPT(- 1),8)$$

$$EEA_ID_5100 = -10663.335 + 49.512* @MOVAV(IPSG51111,4) + 102.048* @TREND - 2774.858* @MOVAV(JEXCHMTPREAL(- 1),2)$$

$$EEA_ID_52_53 = 9975.742 - 3490.584*DUM981ON + 44.348*YPADJ_ID/JPC + 150.782* @MOVAV(ID0HSPR(- 1),4)$$

$$EEA_ID_54_55_56 = 1292.867 + 1.469* @MOVAV(ID0YP(- 1),4)$$

$$EEA_ID_61_62 = -30409.377 + 45979.412* @MOVAV(ID0NPT,4) + 0.819* @MOVAV(ID0YPS(- 1),2)$$

$$EEA_ID_3340 = @BEFORE("2009Q1")*(51110.909 + 52.953*IPSG334(- 3) + 40.662*IPSG3342 - 456.779*JPC(- 2)) + @AFTER("2009Q1")*(9427.719 + 68.921*IPSG334(- 3) - 32.774*IPSG3342 - 10.426*JPC(- 2))$$

$$EEA_ID_4200 = @BEFORE("2012Q2")*(8522.318 + 0.228*EEA_ID_44_45) + @AFTER("2012Q2")*(10155.618 + 0.217*EEA_ID_44_45)$$

$$EEA_ID_71_72 = -10517.692 + 1.756* @MOVAV((ID0YP/ID0NPT),4) + 90.649* @TREND$$

$$EEA_ID_8100 = 4976.309 + 31.962* @MOVAV(YPADJ_ID,4)/ @MOVAV(JPC,4)$$

$$EEA_ID_GVF = 11802.347 + 39.927*GFOCWSS - 0.190*GFOCWSS* @TREND + 597.533*DUMCENSUS$$

$$EEA_ID_GVSLAD = 11045.124 + 9294.649* @MOVAV(ID0NPT,4) + 0.670* @MOVAV(ID0YPTXB(- 4),4) + 4132.889*DUM911062$$

$EEA_ID_GVSLED = -3772.475 + 153791.719 * ID0NPT * ((N - N16A) / N) + 0.190 * ID0YPTXB$
 $EEA_ID_MFDNEC = -6091.470 + 98.372 * @MOVAV(IPSG339,2) + 46.468 * @MOVAV(IPSG335,2) + 280.394 * @MOVAV(JEXCHMTPREAL(-3),2)$
 $EEA_ID_MNFNEC = -51.033 + 16.515 * @MOVAV(IPSG322,2) + 19.789 * @TREND$
 $EEA_ID_WOOD = 17154.619 + 51.217 * @MOVAV(IPSG321,2) - 17331.083 * JECIWSP/WPI08 - 14.363 * IPSG321/EMD321 - 845.976 * @MOVAV(JEXCHOITPREAL(-1),2) - 5.690 * @TREND$
 $ID0AHEMF = 2.588 + 13.497 * EEA_ID_DMANU(-1) / EEA_ID_MANU(-1) * @MOVAV(JECIWSP(-1),4) + 14.437 * EEA_ID_NMANU(-1) / EEA_ID_MANU(-1) * @MOVAV(JECIWSP(-1),4)$
 $ID0CRCROP = 150.829 + 1.392e-05 * CRCROP + 1.883 * @TREND$
 $ID0CRLVSTK = -2021.635 + 3.090e-05 * CRCATCVS + 5.464e-05 * CRDAIRY + 13.747 * @TREND$
 $ID0EXFP = -347.749 + 231.501 * WPI01 + 3.630 * @TREND + 1.906e-05 * EXPUS$$
 $ID0HSPRS1_A = -544.188 - 1.804 * (RMMTGEXIST(-1) - @MOVAV(RMMTGEXIST(-1),4)) + 539.504 * ID0KHU1(-1) / ID0KHU1(-4) + 0.024 * @TREND * @MOVAV(ID0NPT(-4),4)$
 $ID0ND = 5.867 + 0.566 * ID0NPT + 1.774e-04 * @TREND^2$
 $ID0NPT = 0.427 + 3.58e-07 * @MOVAV(EEA_ID,4) + 0.005 * @TREND$
 $ID0WBBF$ = -178.013 + 373.529 * WPI02$
 $ID0WBBMIL$ = @BEFORE("2002Q1") * 46.650 + @AFTER("2002Q1") * 114.659 - 327.611 * (ID0NPT/N) * GFMLCWSS + 0.225 * D(GFML) + 0.507 * GF$
 $ID0WRWCC$ = 11375.009 + 1369.906 * ID0AHEMF$
 $ID0NB = -5.895 + 31.515 * ID0NPT - 0.119 * @TREND$
 $ID0WRWMF$ = 8897.416 + 2084.343 * ID0AHEMF$
 $ID0WRWOTH$ = 4512.265 + 1547.986 * ID0AHEMF$
 $ID0YDIR$ = -61.724 + 1.082 * (YPAIN + ZADIV + YPRENTADJ) * @MOVAV(ID0YPS(-1),4) / @MOVAV(YP(-1),4)$
 $ID0YFC$ = -0.257 + 0.824 * ID0YFC$(-1) + 0.269 * @TREND$
 $ID0YINV_R$ = -2.741 + 0.641 * YPPROPADJF + 0.559 * ID0YINV_R$(-1) + 0.687 * @TREND$
 $ID0YPRF$ = 0.004 + 1000.002 * (ID0CRCROP + ID0CRLVSTK + ID0YTRF$ + ID0YINV_R$ - ID0YFC$ - ID0EXFP) / 1000 - 4.771e-05 * @TREND$
 $ID0YPRNF$ = 57.753 + 4.322 * YPPROPADJNF$
 $ID0YRAS$ = -141.209 + 0.037 * ID0WBBS$$
 $ID0YSI$ = -25.392 + 1.182 * TXSIDOM * ID0WBBS$ / YPCOMPWSD$
 $ID0YSUP$ = 71.744 + 1.542 * YPCOMPSUPPAI * (ID0WBBS$ / YPCOMPWSD)$
 $ID0YTR$ = -83.147 + 880.924 * (YPTRFGF + YPTRFGSL) * (ID0NPT/N)$

$$ID0YTRF\$ = 23.565 + 9.662e-06*TRF\$US$$

$$ID0HSPRS2A_A = 0.284 - 0.591*RMMTGEXIST + 593.936*IPSG321/ID0WRWCC\$(- 3) + 0.020*IPSN32732T9$$

$$ID0YPTXB = (ID0yp\$ - ID0Ysi\$ - ID0YtR\$) / JPC * 100$$

$$ID0NMG = (ID0NPT - ID0NPT(-4)) - ((ID0NB - ID0ND) / 1000)$$

$$ID0WBBOTH\$ = ID0WRWOTH\$ * (EEA_ID - EEA_ID_2300 - EEA_ID_MANU) / 1000000$$

$$ID0YPNF = ID0YPNF\$ / JPC * 100$$

$$ID0YP = ID0YP\$ / JPC * 100$$

$$ID0YPNFPC = ID0YPNF\$ / JPC * 100 / ID0NPT$$

$$YPADJ_ID = ID0YPNF\$ + @MOVAV(ID0YPRF\$, 4) + @MOVAV(ID0WBBF\$, 4)$$

$$IDWAGE = (ID0WBB\$ - ID0WBBF\$ - ID0WBBMIL\$) / EEA_ID * 1000000$$

$$ID0YPPC = ID0YP / ID0NPT$$

$$ID0YP\$PC = ID0YP\$ / ID0NPT$$

$$eea_id_gvsl = eea_id_gvslad + eea_id_gvslad$$

$$eea_id_gv = eea_id_gvsl + eea_id_gvf$$

$$eea_id_sv = eea_id_48_49_22 + eea_id_5100 + eea_id_52_53 + eea_id_54_55_56 + eea_id_61_62 + eea_id_71_72 + eea_id_8100$$

$$eea_id_nongoods = eea_id_sv + eea_id_4200 + eea_id_44_45 + eea_id_gv$$

$$eea_id_dmanu = eea_id_wood + eea_id_3320 + eea_id_3330 + eea_id_3340 + eea_id_mfdnec$$

$$eea_id_nmanu = eea_id_3110 + eea_id_3230 + eea_id_3250 + eea_id_mfnec$$

$$eea_id_manu = eea_id_dmanu + eea_id_nmanu$$

$$eea_id_goods = eea_id_manu + eea_id_2300 + eea_id_2100$$

$$eea_id = eea_id_goods + eea_id_nongoods$$

$$ID0HSPR = ID0HSPRS1_A + ID0HSPRS2A_A$$

$$ID0WBB\$ = ID0WBBMF\$ + ID0WBBOTH\$ + ID0WBBCC\$ + ID0WBBF\$ + ID0WBBMIL\$$$

$$ID0WBBCC\$ = (ID0WRWCC\$ * EEA_ID_2300) / 1000000$$

$$ID0WBBMF\$ = (ID0WRWMF\$ * EEA_ID_MANU) / 1000000$$

$$ID0YP\$ = ID0WBB\$ + ID0YSUP\$ + ID0YDIR\$ + ID0YPRNF\$ + ID0YPRF\$ + ID0YTR\$ + ID0YRA\$ - ID0YSI\$$$

$$ID0YPNF\$ = ID0YP\$ - ID0YPRF\$ - ID0WBBF\$$$

$$ID0KHU1 = ((0.997)^{0.25}) * ID0KHU1(-1) + ID0HSPRS1_A / 4$$

$$ID0KHU2A = ((0.997)^{0.25}) * ID0KHU2A(-1) + ID0HSPRS2A_A / 4$$

$$ID0KHU = ID0KHU1 + ID0KHU2A$$

ENDOGENOUS VARIABLES

EEA_ID	Employment on nonagricultural payrolls, total
EEA_ID_2100	Employment in mining
EEA_ID_2300	Employment in construction
EEA_ID_3110	Employment in food processing
EEA_ID_3230	Employment in printing
EEA_ID_3250	Employment in chemicals
EEA_ID_3320	Employment in fabricated metal products
EEA_ID_3330	Employment in machinery
EEA_ID_3340	Employment in computers and electronic products
EEA_ID_4200	Employment in wholesale trade
EEA_ID_44_45	Employment in retail trade
EEA_ID_48_49_22	Employment transportation, warehousing, and utilities
EEA_ID_5100	Employment in information
EEA_ID_52_53	Employment in finance, insurance, and real estate
EEA_ID_54_55_56	Employment in professional, scientific, and technical services
EEA_ID_61_62	Employment in health care and educational services
EEA_ID_71_72	Employment in leisure and hospitality
EEA_ID_8100	Employment in other services
EEA_ID_DMANU	Employment in durable goods manufacturing
EEA_ID_GOODS	Employment in goods producing
EEA_ID_GV	Employment in government
EEA_ID_GVF	Employment in federal government
EEA_ID_GVSL	Employment in state and local government
EEA_ID_GVSLAD	Employment in state and local government, administration
EEA_ID_GVSLED	Employment in state and local government, education
EEA_ID_MANU	Employment in manufacturing
EEA_ID_MFDNEC	Employment in other durable manufacturing
EEA_ID_MFNNEC	Employment in other nondurable manufacturing
EEA_ID_NMANU	Employment in nondurable manufacturing
EEA_ID_NONGOODS	Employment in nongoods producing
EEA_ID_SV	Employment in services
EEA_ID_WOOD	Employment in wood products and logging
ID0AHEMF	Average hourly earnings in manufacturing
ID0CRCROP	Cash receipts, crops
ID0CRLVSTK	Cash receipts, livestock
ID0EXFP	Farm production expenses
ID0HSPR	Housing starts, total
ID0HSPRS1_A	Housing starts, single units
ID0HSPRS2A_A	Housing starts, multiple units
ID0KHU	Housing stock, total
ID0KHU1	Housing stock, single units
ID0KHU2A	Housing stock, multiple units
ID0NB	Number of births
ID0ND	Number of deaths
ID0NMG	Net in-migration of persons
ID0NPT	Resident population
ID0WBBS\$	Wage and salary disbursements

ID0WBBCC\$	Wage and salary disbursements, construction
ID0WBBF\$	Wage and salary disbursements, farm
ID0WBBMF\$	Wage and salary disbursements, manufacturing
ID0WBBMIL\$	Wage and salary disbursements, military
ID0WBBOTH\$	Wage and salary disbursements, except farm, manufacturing, military, and construction
ID0WRWCC\$	Average annual wage, construction
ID0WRWMF\$	Average annual wage, manufacturing
ID0WRWOTH\$	Average annual wage, except farm, manufacturing, military, and construction
ID0YDIR\$	Dividend, interest, and rent income
ID0YFC\$	Corporate farm income
ID0YINV_RS	Farm inventory value changes, imputed rent, and income
ID0YP	Total real personal income, 2005 dollars
ID0YPS	Total personal income
ID0YPS\$PC	Per capita personal income
ID0YPNF	Nonfarm personal income, 2005 dollars
ID0YPNF\$	Nonfarm personal income
ID0YPNFPC	Per capita nonfarm income, 2005 dollars
ID0YPPC	Real per capita personal income, 2005 dollars
ID0YPRF\$	Net farm proprietors' income
ID0YPRNF\$	Nonfarm proprietors' income
ID0YPTXB	Tax base, 2005 dollars
ID0YRA\$	Residence adjustment, personal income
ID0YSI\$	Contributions for social insurance
ID0YSUP\$	Other labor income
ID0YTR\$	Transfer payments to individuals
ID0YTRF\$	Government payments to Idaho farmers
IDWAGE	Idaho average annual wage
YPADJ_ID	Adjusted total personal income

EXOGENOUS VARIABLES

CRCATCVS	Cash receipts, US cattle and calves
CRCROP	Cash receipts, US crops
CRDAIRY	Cash receipts, US dairy
DUM911062	These are dummy variables used in regression equations to capture the impacts of discrete economic or noneconomic events such as strikes, plant opening or closures, unusual weather conditions, etc.
DUM951ON	
DUM981ON	
DUM991ON	
DUMCENSUS	
EMD321	Employment in wood products
EMD334	Employment in computer and electronic products
EMN311	Employment in food manufacturing
EMN323	Employment in printing and related support activities
EXPUS\$	Agricultural production expenses, US
GF	Federal purchases of goods and services
GFML	Federal defense purchases of goods and services
GFMLCWSS	Federal government defense personnel outlays
GFOCWSS	Federal government nondefense personnel outlays
ID0IP2122_2123	Industrial production index, metal and nonmetal ore mining, 2012=100.0
IPSG311	Industrial production index, food, 2012=100.0
IPSG321	Industrial production index, wood products, 2012=100.0
IPSG322	Industrial production index, paper, 2012=100.0
IPSG323	Industrial production index, printing, 2012=100.0
IPSG3253	Industrial production index, agricultural chemicals, 2012=100.0
IPSG332	Industrial production index, fabricated metal products, 2012=100.0
IPSG3332	Industrial production index, industrial machinery, 2012=100.0
IPSG334	Industrial production index, computer and electronic products, 2012=100.0
IPSG335	Industrial production index, electrical equipment, appliances, and components, 2012=100.0
IPSG339	Industrial production index, miscellaneous manufacturers, 2012=100.0
IPSG51111	Industrial production index, newspaper publishing, 2012=100.0
IPSN32732T9	Industrial production index, concrete and cement products, 2012=100.0
JECIWSP	Employment cost index—private sector wages and salaries, December 2005=1.00
JEXCHMTPREAL	Real US trade-weighted exchange rate with major currency trading partners, 2005=1.00
JEXCHOITPREAL	Real US trade-weighted exchange rate with other important trading partners, 2009=1.00
JPC	Implicit price deflator, personal consumption, 2009=100.0, chain weighted
N	Population, US
N16A	Population, US, aged 16 and older
RMMTGEXIST	Effective conventional mortgage rate, existing homes, combined lenders
TRF\$US	Government payments to US farms
TXSIDOM	Domestic social security tax receipts
WPI01	Producer price index, farm products, 1982=1.0
WPI02	Producer price index, processed foods and feeds, 1982=1.0
WPI08	Producer price index, lumber and wood products, 1982=1.0
WPI10	Producer price index, metals and metal products, 1982=1.0
YP	Personal income

YPAIN	Personal interest income
YPCOMPSUPPAI	Other labor income, US
YPCOMPWSD	Wage and salary disbursements
YPPROPADJNF	Nonfarm proprietors' income (with inventory valuation and capital consumption adjustments)
YPRENTADJ	Rental income of persons with capital consumption adjustment
YPTRFGF	Federal transfer payments to individuals
YPTRFGSL	State and local transfer payments to individuals
ZADIV	Dividends