

Idaho Economic Forecast

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

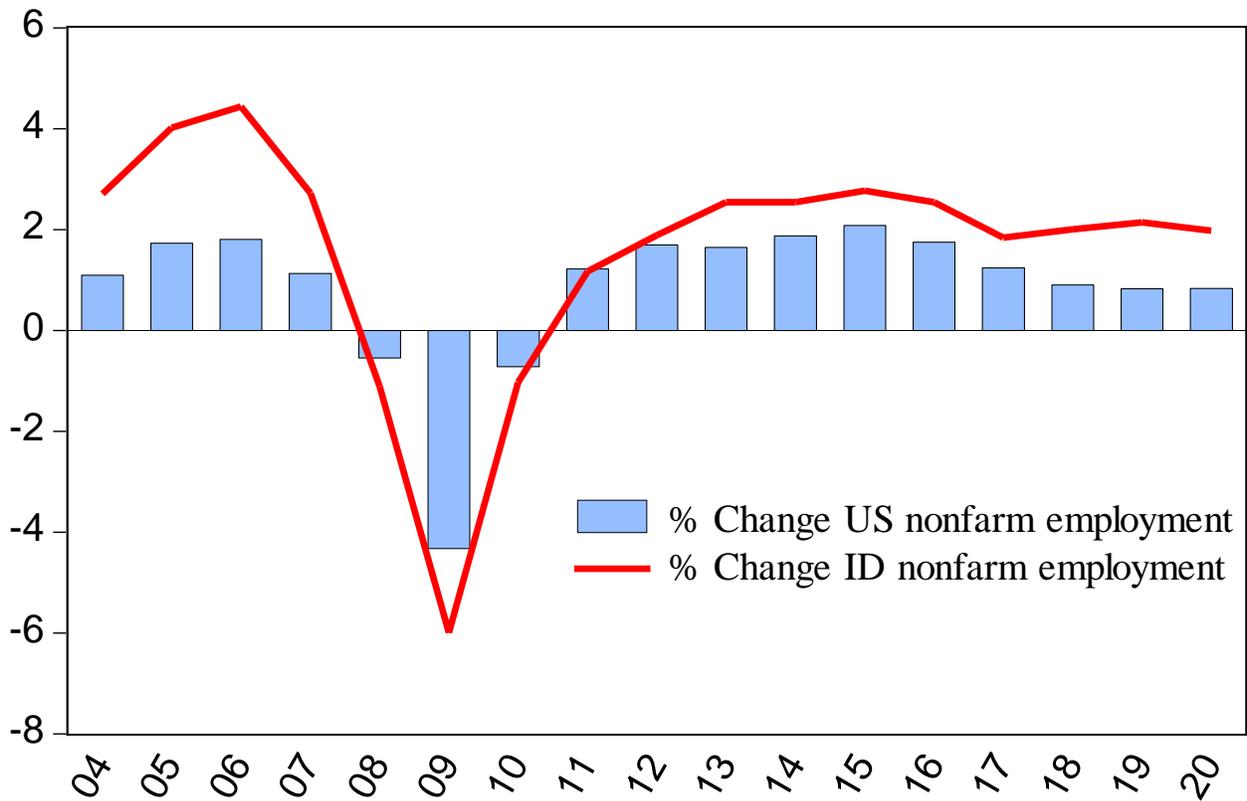
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- Forecast 2016–2020
- Bubbles, Credit, and Their Consequences
- Alternative Forecasts

US and Idaho Employment Growth



**IDAHO
ECONOMIC
FORECAST
2016–2020**

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

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TABLE OF CONTENTS

Introduction.....	2
Executive Summary	5
Idaho and US Forecast Summary Tables.....	6
Forecast Description:	
National.....	8
Idaho	15
Forecasts Comparison.....	22
Alternative Forecasts	24
Feature Article	
Bubbles, Credit, and Their Consequences	27
Forecast Detail	33
Annual Forecast	34
Quarterly Forecast	48
Appendix.....	63
IHS Economics US Macroeconomic Model.....	64
Idaho Economic Model.....	66
Equations	68
Endogenous Variables	72
Exogenous Variables	74

INTRODUCTION

The national forecast presented in this publication is the September 2016 IHS Economics baseline forecast of the US economy. The previous *Idaho Economic Forecast* was based on the June 2016 IHS Economics baseline national forecast.

The cover chart shows how Idaho's nonfarm employment is, and is projected to, grow more rapidly than that of the nation. This is in line with how Idaho's population is growing, a fact featured on the cover of the previous edition of this publication. Note the future path: growth is likely to soften, though not to the point of a landing. As has been commented many times in the news, the composition of the future workforce continues to adjust. Within this publication, we discuss the recent history of that adjustment, as well as the likely sector developments which will lead to that forward-looking employment trajectory.

FEATURE

Jordà, Schularick, and Taylor examine the effects of asset bubbles on real GDP and effects of credit expansion leading up to the burst, both in quantity and in quality. They stratify according to high or low credit expansion prior to the burst, and they stratify according to the type—equity or housing—of the bubble. Their study uses data prior to 2007 to create a model with which to compare the recent housing bubble and subsequent Great Recession to history. Their Figure 3 is particularly illuminating. Óscar Jordà is in the Economic Research Department of the Federal Reserve Bank of San Francisco, Moritz Schularick is from the University of Bonn, and Alan M. Taylor is from UC-Davis.

FORECAST

Alternative assumptions concerning future movements of key economic variables can lead to major variations in national and/or regional outlooks. IHS Economics examines the effects of different economic scenarios, including the potential impacts of global economic turmoil, 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 2003 through 2020 and for every quarter from 2014 through 2019. The solution of the Idaho Economic Model (IEM) for this forecast begins with the third quarter of 2016.

Descriptions of the IHS Economics 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.

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 2015 have been benchmarked by the Department of Labor, but the data set also contains nonfarm employment estimates through the second quarter of 2016. This is the most current data available, and the basis of this *Forecast*.

The Idaho quarterly personal income estimates included in this forecast were published by the US Department of Commerce's Bureau of Economic Analysis on September 28, 2016. These current data include total Idaho personal income and its components through the second quarter of 2016. The current release includes data revisions from the first quarter of 1998 to the first quarter of 2016. In addition to these revisions, estimates for the second quarter have been added to this data set.

This major personal income revision, along with changes to the national income and products account data, required a review of the Idaho Economic Model's structure and estimation of the stochastic equations in the model. The stochastic equations are developed to quantify the relationships between various Idaho economic indicators and the measures that influence them. The results of this process are included in the appendix of this publication.

Readers with any questions should contact Greg Piepmeyer at (208) 334-3900 or at greg.piepmeyer@dfm.idaho.gov.

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EXECUTIVE SUMMARY

Idaho real personal income gain is likely to be a bit sluggish this year at 1.9%, but the remainder of the forecast has this rising to 3.1% for 2019–2020. Some of the current sluggishness in real income is due to farm proprietors' income, which fell 9.0% in 2015 and is expected to be down 36.0% this year. Modest growth after this year is forecast for farm income. The prediction is for strong 24.0% growth in Idaho's housing starts for 2016, and single-unit starts are expected to be up 13.7% next year. In the longer term, housing starts are projected to grow to 14,700 units by 2020, up from this year's 12,800 units. Idaho's nonfarm employment growth across 2016 should read 2.6%. Looking forward to the 2020 horizon of this forecast, nonfarm employment is projected to grow around 2.1% annually in Idaho but just 1.1% nationally. Across the service super-sector, Idaho's job growth will advance steadily at a 2.6% average annual rate. Construction employment is predicted to increase an average of 3.8% per year until 2020. Idaho food processing payrolls are forecast to grow by 4.2% in 2016, 2.5% in 2017, 1.3% in 2018, and 1.5%–1.7% in 2019–2020. Trade employment should grow 2.0% annually by 2020. Idaho's economic growth, measured through its real personal income (up 2.7% in 2017) or its employment gains (up 1.8% in 2017), will still be more robust than that of the nation, but the nation's growth is expected to be decelerating.

By average annual rates, national employment growth has been 1.4% for 2010–2012 and 1.7% for 2012–2014, with forecasts of 1.9% for 2014–2016, 1.1% for 2016–2018, and 0.8% for 2018–2020, indicating peak job creation pace is likely coming to pass. Real GDP growth was 2.4% in 2014 and 2.6% in 2015, but it is forecast at 1.5% for this year. From the third quarter of 2015 through the third quarter of this year, the economy grew at the following annual rates: 2.0%, 0.9%, 0.8%, and 1.1%. IHS projects an annualized growth rate of 3.0% in the third quarter of 2016; the preliminary reading from the US Bureau of Economic Analysis for third-quarter real GDP growth is 2.9%. Real GDP growth is expected to rise to a 2.4% pace in both 2017 and 2018 but moderate to 2.2% in 2019 and 2020. The unemployment rate has been at 4.9% this year, and it is forecast to remain there through the year's end, with 2017–2018 showing a 4.8% unemployment rate. US Census Bureau data indicates that real median household income was up 5.2% above its 2014 value, and it also found that the poverty rate has fallen to 13.5% in 2015 from 14.8% in 2014. IHS Economics expects real median household income to increase in 2016 again, and it expects the official unemployment rate to be steady, with expected recordings of 4.9%, 4.8%, 4.8%, 4.9%, and 5.0% for 2016–2020, respectively. IHS Economics expects the Federal Reserve to implement a 25-basis-point rate hike in December 2016, and a gradual rise to the 3.0% vicinity by 2019. The consumer price index (CPI) inflation context for this is anticipated to have rises of 1.3%, 2.3%, 2.1%, 2.6%, and 2.5% for 2016 through 2020.

IDAHO ECONOMIC FORECAST
EXECUTIVE SUMMARY
OCTOBER 2016

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
U.S. GDP (BILLIONS)											
Current \$	14,964	15,518	16,155	16,692	17,393	18,037	18,573	19,434	20,293	21,157	22,069
% Ch	3.8%	3.7%	4.1%	3.3%	4.2%	3.7%	3.0%	4.6%	4.4%	4.3%	4.3%
2009 Chain-Weighted	14,784	15,021	15,355	15,612	15,982	16,397	16,646	17,053	17,467	17,852	18,244
% Ch	2.5%	1.6%	2.2%	1.7%	2.4%	2.6%	1.5%	2.4%	2.4%	2.2%	2.2%
PERSONAL INCOME - CURR \$											
Idaho (Millions)	49,842	52,745	55,370	57,581	60,738	63,535	65,414	68,272	71,687	75,480	79,480
% Ch	2.0%	5.8%	5.0%	4.0%	5.5%	4.6%	3.0%	4.4%	5.0%	5.3%	5.3%
Idaho Nonfarm (Millions)	48,361	50,637	53,268	55,241	58,249	61,287	63,689	66,505	69,840	73,612	77,527
% Ch	1.2%	4.7%	5.2%	3.7%	5.4%	5.2%	3.9%	4.4%	5.0%	5.4%	5.3%
U.S. (Billions)	12,477	13,255	13,915	14,074	14,810	15,459	15,988	16,712	17,528	18,395	19,304
% Ch	3.2%	6.2%	5.0%	1.1%	5.2%	4.4%	3.4%	4.5%	4.9%	4.9%	4.9%
PERSONAL INCOME - 2009 \$											
Idaho (Millions)	49,030	50,643	52,173	53,547	55,644	58,005	59,094	60,661	62,629	64,593	66,616
% Ch	0.3%	3.3%	3.0%	2.6%	3.9%	4.2%	1.9%	2.7%	3.2%	3.1%	3.1%
Idaho Nonfarm (Millions)	47,573	48,619	50,192	51,370	53,364	55,952	57,535	59,091	61,015	62,994	64,979
% Ch	-0.4%	2.2%	3.2%	2.3%	3.9%	4.9%	2.8%	2.7%	3.3%	3.2%	3.2%
U.S. (Billions)	12,274	12,726	13,112	13,088	13,568	14,113	14,443	14,849	15,313	15,741	16,179
% Ch	1.5%	3.7%	3.0%	-0.2%	3.7%	4.0%	2.3%	2.8%	3.1%	2.8%	2.8%
HOUSING STARTS											
Idaho	5,186	4,563	7,131	9,062	9,811	10,305	12,783	14,059	14,548	14,686	14,698
% Ch	-9.5%	-12.0%	56.3%	27.1%	8.3%	5.0%	24.0%	10.0%	3.5%	0.9%	0.1%
U.S. (Millions)	0.586	0.612	0.784	0.928	1.001	1.108	1.176	1.341	1.484	1.546	1.609
% Ch	5.7%	4.5%	28.1%	18.4%	7.8%	10.7%	6.1%	14.0%	10.7%	4.2%	4.0%
TOTAL NONFARM EMPLOYMENT											
Idaho	603,701	610,761	622,300	638,122	654,343	672,483	689,579	702,232	716,284	731,616	746,088
% Ch	-1.0%	1.2%	1.9%	2.5%	2.5%	2.8%	2.5%	1.8%	2.0%	2.1%	2.0%
U.S. (Thousands)	130,353	131,941	134,173	136,381	138,939	141,833	144,309	146,091	147,407	148,621	149,854
% Ch	-0.7%	1.2%	1.7%	1.6%	1.9%	2.1%	1.7%	1.2%	0.9%	0.8%	0.8%
SELECTED INTEREST RATES											
Federal Funds	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	0.4%	1.0%	1.7%	2.7%	3.0%
Bank Prime	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.5%	4.0%	4.7%	5.7%	6.0%
Existing Home Mortgage	4.9%	4.7%	3.8%	4.0%	4.3%	4.0%	3.9%	4.3%	5.0%	5.8%	6.0%
INFLATION											
GDP Price Deflator	1.2%	2.1%	1.8%	1.6%	1.8%	1.1%	1.4%	2.1%	1.9%	2.0%	2.1%
Personal Cons Deflator	1.7%	2.5%	1.9%	1.3%	1.5%	0.3%	1.1%	1.7%	1.7%	2.1%	2.1%
Consumer Price Index	1.6%	3.1%	2.1%	1.5%	1.6%	0.1%	1.3%	2.3%	2.1%	2.6%	2.5%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

IDAHO ECONOMIC FORECAST
EXECUTIVE SUMMARY
OCTOBER 2016

	2016				2017				2018			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
U.S. GDP (BILLIONS)												
Current \$	18,282	18,437	18,674	18,900	19,121	19,334	19,538	19,742	19,972	20,199	20,401	20,599
% Ch	1.3%	3.4%	5.3%	4.9%	4.8%	4.5%	4.3%	4.3%	4.7%	4.6%	4.1%	3.9%
2009 Chain-Weighted	16,525	16,570	16,694	16,794	16,905	17,004	17,100	17,201	17,319	17,428	17,518	17,604
% Ch	0.8%	1.1%	3.0%	2.4%	2.7%	2.4%	2.3%	2.4%	2.8%	2.5%	2.1%	2.0%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	64,249	65,093	65,905	66,408	67,230	67,729	68,617	69,512	70,364	71,144	72,149	73,091
% Ch	0.1%	5.4%	5.1%	3.1%	5.0%	3.0%	5.3%	5.3%	5.0%	4.5%	5.8%	5.3%
Idaho Nonfarm (Millions)	62,602	63,315	64,080	64,759	65,438	66,173	66,832	67,580	68,516	69,389	70,270	71,184
% Ch	2.8%	4.6%	4.9%	4.3%	4.3%	4.6%	4.0%	4.5%	5.7%	5.2%	5.2%	5.3%
U.S. (Billions)	15,740	15,900	16,065	16,247	16,432	16,618	16,801	16,996	17,220	17,428	17,630	17,835
% Ch	1.3%	4.1%	4.2%	4.6%	4.6%	4.6%	4.5%	4.7%	5.4%	4.9%	4.7%	4.7%
PERSONAL INCOME - 2009 \$												
Idaho (Millions)	58,425	58,900	59,464	59,585	60,121	60,285	60,833	61,403	61,922	62,298	62,882	63,414
% Ch	-0.2%	3.3%	3.9%	0.8%	3.6%	1.1%	3.7%	3.8%	3.4%	2.5%	3.8%	3.4%
Idaho Nonfarm (Millions)	56,927	57,291	57,817	58,106	58,518	58,900	59,250	59,696	60,295	60,762	61,245	61,759
% Ch	2.5%	2.6%	3.7%	2.0%	2.9%	2.6%	2.4%	3.0%	4.1%	3.1%	3.2%	3.4%
U.S. (Billions)	14,313	14,387	14,495	14,577	14,694	14,792	14,895	15,013	15,154	15,261	15,366	15,473
% Ch	1.0%	2.1%	3.0%	2.3%	3.2%	2.7%	2.8%	3.2%	3.8%	2.9%	2.8%	2.8%
HOUSING STARTS												
Idaho	12,217	12,190	13,047	13,680	13,682	13,978	14,194	14,381	14,362	14,461	14,612	14,754
% Ch	85.9%	-0.9%	31.2%	20.9%	0.1%	8.9%	6.3%	5.4%	-0.5%	2.8%	4.2%	4.0%
U.S. (Millions)	1.151	1.156	1.191	1.207	1.258	1.320	1.366	1.418	1.454	1.474	1.500	1.509
% Ch	6.0%	1.7%	12.5%	5.4%	18.3%	21.1%	14.6%	16.2%	10.4%	5.8%	7.1%	2.4%
TOTAL NONFARM EMPLOYMENT												
Idaho	685,955	687,067	690,844	694,450	697,465	700,818	703,729	706,916	710,673	714,351	718,109	722,005
% Ch	4.3%	0.6%	2.2%	2.1%	1.7%	1.9%	1.7%	1.8%	2.1%	2.1%	2.1%	2.2%
U.S. (Thousands)	143,531	143,983	144,606	145,114	145,570	145,939	146,246	146,610	146,887	147,275	147,587	147,879
% Ch	1.9%	1.3%	1.7%	1.4%	1.3%	1.0%	0.8%	1.0%	0.8%	1.1%	0.8%	0.8%
SELECTED INTEREST RATES												
Federal Funds	0.4%	0.4%	0.4%	0.5%	0.7%	0.8%	1.0%	1.3%	1.5%	1.5%	1.8%	2.0%
Bank Prime	3.5%	3.5%	3.5%	3.5%	3.8%	3.8%	4.0%	4.3%	4.5%	4.5%	4.8%	5.0%
Existing Home Mortgage	4.0%	3.9%	3.8%	3.9%	4.0%	4.2%	4.4%	4.6%	4.8%	4.9%	5.1%	5.2%
INFLATION												
GDP Price Deflator	0.5%	2.3%	2.2%	2.4%	2.0%	2.1%	2.0%	1.8%	1.9%	2.0%	1.9%	1.9%
Personal Cons Deflator	0.3%	2.0%	1.2%	2.2%	1.4%	1.9%	1.6%	1.5%	1.5%	2.0%	1.9%	1.8%
Consumer Price Index	-0.3%	2.5%	1.5%	3.4%	1.9%	2.5%	2.1%	1.8%	2.0%	2.5%	2.3%	2.2%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

NATIONAL FORECAST DESCRIPTION

The Forecast Period is the Third Quarter of 2016 through the Fourth Quarter of 2020

Most measures of the consumer environment are improving. Many consumers are seeing considerable real disposable income gains; the US Census Bureau's income and poverty report shows real 2015 median household income up 5.2% above its 2014 level, and IHS Economics expects this measure to increase in 2016 again. Previous income improvements had concentrated on the top fifth of earners, but as that measurement is a median, it indicates that broader swaths of society are enjoying income gains than had been the case during most of the recovery from the Great Recession. According to that Census publication, only the lowest fifth of earners have yet to see net income improvements from early in the Great Recession, and currently there are hints that progress may be happening there as well. The income and poverty report finds the poverty rate has fallen to 13.5% in 2015 from 14.8% in 2014. Through 2018, real disposable income is forecast to increase 2.6%–3.0% each year.

Real consumer spending drives US GDP growth. A telling set of ratios is 6:10:30, durables to non-durables to services, meaning services are three times as large as non-durables within in the consumer market and five times as large as durables. Consumption of durable goods decelerates from 6.9% real growth in 2015 to 5.3% real growth in 2016. Consumption of non-durable goods rises slightly from 2.6% to 2.8% in real growth this year. Service consumption steps forward 2.3% after its 2.8% advance last year. Overall real consumer spending is forecast to expand by 2.8% this year; it grew 3.2% in 2015.

Data revision has raised real GDP growth for 2015 to 2.6% from its earlier measurement of 2.4%, and the latter was also 2014's real GDP growth rate. By that measure, from the third quarter of 2015 through the third quarter of this year, the economy grew at the following annual rates: 2.0%, 0.9%, 0.8%, and 1.1%. Real GDP growth is forecast at 1.5% for the full year of 2016, so to reach that value, an acceleration is due. IHS Economics believes an inventory correction has been recently hampering growth and will have abated by the third quarter. Inventory stored more than a quarter has its value measured in previous quarters' GDP data since GDP measures current production value, not current consumption. The inventory correction's estimated effect is a decrease of half of a percentage point towards 2016 real GDP, with the bulk of that front loaded on the first two quarters; there is a very modestly-positive effect towards real GDP growth anticipated from inventory changes for the remainder of 2016. Consequently, IHS projects an annualized growth rate of 3.0% in the third quarter of 2016.

The year began with a promising first quarter of job creation, averaging over 195,000 jobs per month. Weak national job reports in April and May, when only 168,000 total jobs were created over those two months, made employment a focus of attention. June and July each brought over 250,000 new jobs. August's job numbers reached above consensus expectations while September's numbers were still above those needed to match US population growth of working-age individuals. IHS had expected that weaker employment data would be short lived, with the second half of the year supporting more robust job creation similar to early in the first quarter of 2016. Data through September reported by the Bureau of Labor Statistics (BLS) indicates an average of 178,000 jobs were created each month in 2016, well above the monthly US population growth in the working ages.

Residential investment, which includes the residential housing sector, is a positive contributor to GDP growth for the full year. Continued historically-low interest rates and low unemployment draw in new homeowners. The housing market shows higher median prices on a tight supply. Housing affordability is declining, albeit in a stable manner. A typical home at the median price of \$207,100 in 2014 would be just shy of \$230,000 this year, whereas consumer price index (CPI) inflation would suggest a median

price of only \$211,200. While existing home sales achieved their best quarterly result in nine years, probably the most important housing indicator, single-family housing starts, fell 3.5% in the second quarter. For the second quarter, residential investment reigned in real GDP growth after eight quarters of adding to the US expansion. This time it subtracted 0.3 percentage points. Nonetheless, housing starts are expected to continue to rise, being up 6.1% this year, 14.0% next year, 10.6% in 2018, and just over 4.0% in both 2019 and 2020. Housing starts in 2020 will count 1.61 million units, up over 25% from this year's 1.18 million count.

Trade is forecast to weigh down real GDP growth for the next few years. The US trade industry faces two widely-recognized challenges: weak global economic growth and the strong dollar. The previous forecast saw world growth reaching only 2.5% this year, but that has been pared to 2.4%. Next year's worldwide real GDP growth is expected to be a bit stronger at 2.8%, primarily on revisions to the outlooks in Brazil, Russia, Germany, and Spain. The British vote to leave the European Union, commonly known as the EU, was not anticipated in previous IHS forecasts. The current forecast presumes the UK exits the EU two years from now. British Prime Minister May has indicated that she will formally initiate the process by the end of March 2017. In the thick of that multi-year process, world GDP growth is expected to reach 3.1% in 2018. The dollar's strength against important foreign currencies, a strength which is unfavorable towards exports but favorable towards imports, is unlikely to diminish until the far horizon of this forecast.

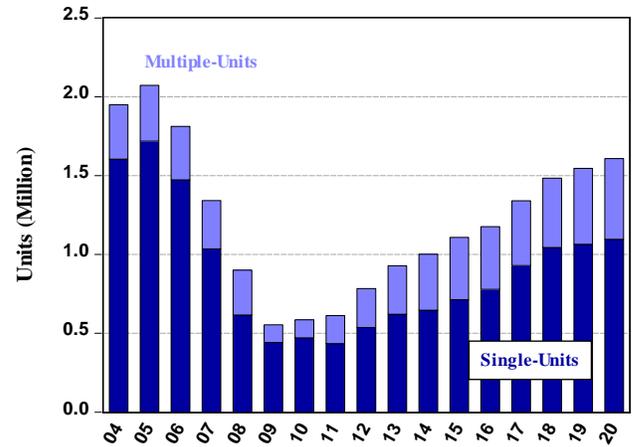
To conclude, real GDP growth is expected to rise to a 2.4% pace in both 2017 and 2018 but moderate to 2.2% in 2019 and 2020. Over the same period, real disposable income is forecast to increase between 2.6% and 3.0%. In aggregate, by 2020 real GDP is forecast to be 11.3% above its 2015 level, per capita real disposable income is forecast to be 9.8% above its 2015 level, and the US population is expected to be 3.3% higher than it was in 2015.

SELECTED NATIONAL ECONOMIC INDICATORS

Consumer Spending: The growth of consumer spending this year likely hit its high point in the second quarter when it reached a 4.4% annual rate. In the third quarter it is projected to be 3.4%, and its estimate for the final quarter is 2.6%. In contrast, consumer spending was growing only at a 1.6% annual rate during the first quarter of the year. This illustrates the volatility of higher frequency data, even for stable concepts and markets. Fortunately, the consumer market appears steady at the yearly level, which is important because it is the bulk of the economy. In 2000, real personal consumption was around \$8.2 trillion. In 2010 its value was just above \$10.0 trillion. This year it is expected to be over \$11.5 trillion. As a percentage of GDP, this currently is 69.2%; it was 67.9% in 2010 and 65.1% at the turn of the millennium. Going forward, by 2020, real consumer spending is expected to hit \$12.7 trillion within an \$18.2-trillion economy, representing 69.7% of the economy. Comparing 2020 with 2015, per-capita real consumer spending is expected to expand at a 1.8% average annual rate, real per-capita disposable income is expected to expand just slightly quicker at 1.9%, household monthly finance obligations are expected to expand 0.9% on average each year, and real household net worth is expected to expand 3.1% on average. Consumers markedly reduced their debt load from before the Great Recession. The debt load is a household's monthly finance obligations, which include debt services and leases but not mortgages. The expected expansion of consumer debt ratios would still leave that ratio one half of one percentage point below its more typical range going back to 1995. Aggregate mortgage debt is anticipated to decrease from 73.9% of aggregate disposable income to 70.9% from 2015 through 2020, which represents a 0.8% average annual decrease.

Housing: Almost all indicators for a strong housing construction market are present. Prices are advancing, interest rates are low, inventory is low, and the pace of homes going under contract is as fast as it has been since 2007. Nonetheless, housing starts have followed a relatively flat path in the 1.1–1.2 million-unit range for the past year. Single-family building permits have bumped along in the 710–740 thousand-unit range since April. Given the current impetuses for housing, what could explain the lack of discernable change in construction? One facile answer is the difficulty in hiring construction workers. IHS Economics says, “New home building is being constrained by lack of available skilled labor, despite increases in compensation.” Census data indicates that the percentage of construction workers who are 64 years of age or older has increased from 2.4% to 5.0% in the past fifteen years. Among the ten-year age cohorts below that, the share of construction workers aged 55–64 is also expanding, but the others are contracting. Another explanation propounded has been shifts in the behavior of people saddled with college debt. Studies of that issue have shown at most a delay in household formation for that demographic. Affordability of new housing is decreasing. Were real incomes to increase at the same average rate as the real median new home price has since 2010, then per-capita income would have risen from \$35,600 to \$47,900 in 2015, rather than the value it actually attained, namely \$38,300. Builders are constructing homes requiring greater financial stretches by those who finance. This is contrary to the aggregate finance choices of the American public. Consumers have brought monthly finance obligations below 15.5% of disposable income for 2013–2016, whereas this value has more typically been in the 16.5%–17.5% range going back two decades. Three-year moving averages of real values for aggregate outstanding mortgages on housing have fallen from levels five years ago, are expected to reach their low point this quarter, and will return to a value comparable to 2013’s by the end of the forecast in 2020.

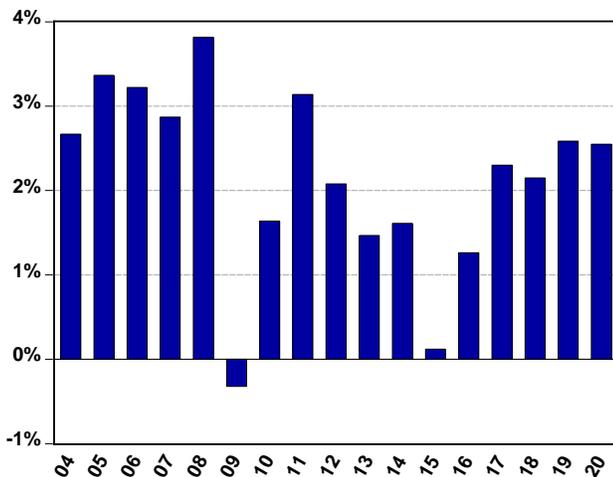
US Housing Starts



Source: IHS Global Insight

Inflation: A remarkable feature of the recovery from the Great Recession has been how quiet inflation has been. The all-urban CPI has recorded the following increases from 2010 to 2015: 1.6%, 3.1%, 2.1%, 1.5%, 1.6%, and 0.1%. Going forward, it is anticipated to be 1.3%, 2.3%, 2.1%, 2.6%, and 2.5%

US Consumer Price Inflation



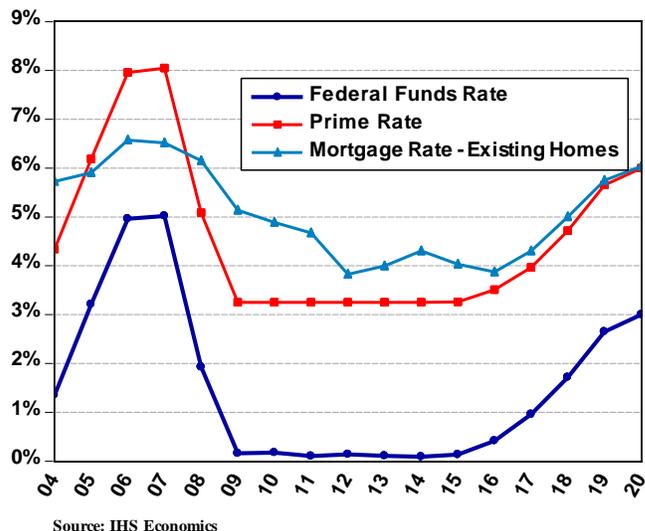
Source: IHS Economics

1.5%, 1.6%, and 0.1%. Going forward, it is anticipated to be 1.3%, 2.3%, 2.1%, 2.6%, and 2.5% for 2016 through 2020, accumulating to a net increase of 11.3%. This is the broad measure of inflation including the volatile food and energy sectors. The less volatile CPI for core inflation, which excludes food and energy, has been, and is anticipated to remain within, a tighter 1.0%–2.3% annual range. The most influential inflation measurements allow substitution of goods. One such measurement is the personal consumption expenditure (PCE) measure favored by the US Federal Reserve (Fed). Its projected range is quite tight, from 1.1% to 2.1% over 2016–2020. Perceptions of inflation can be influenced by portions of the marketplace. Housing and utility

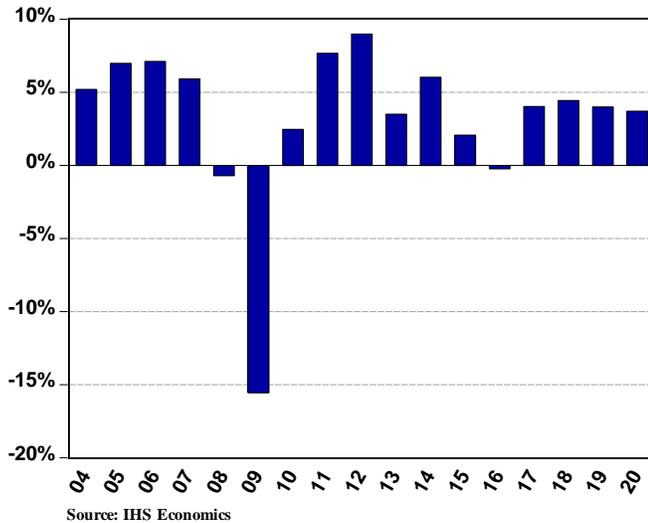
costs are expected to increase 14.6% by 2020 over 2015, and there is a similar increase of 8.9% expected for healthcare, both measured by PCE. Meanwhile, per-capita personal income is expected to increase 16.9%. Here are anticipated trajectories for three common proxies of overall inflation. Gasoline prices per gallon at the pump are expected to average the following values each year: \$2.20 in 2016, \$2.33 in 2017, \$2.49 in 2018, \$2.83 in 2019, and \$3.05 in 2020. Overall prices of imports are likely to dip in 2017–2018 before returning to 2015 levels during 2020, so typical apparel purchases may have a brief respite, but they will generally be fairly stable during the next half of the decade. Total employment costs are expected to be 14.9% above the 2015 level in 2020.

Monetary Policy: Throughout the world, monetary policy set by the Fed receives intense after-the-fact scrutiny, and the future course of that policy is the subject of myriad prognostications. In late 2014, the Fed ended its third round of quantitative easing. Since then, implementation of the Fed’s policy has required only one change to interest rates, raising the federal funds rate target to the 0.25%–0.50% range in December 2015. Multiple rate increases during 2016 were expected, even by the Fed, though none have materialized. Ascribed reasons for the first half of the year are as follows: volatility in the stock market attributed to devaluation of Chinese currency and remarkably low petroleum prices during the first quarter of 2016; and weaker US employment data, particularly May’s report, together with uncertainty attributed to the Brexit vote during the second quarter. Fed officials offer the explanation that while the US is at what historically has been thought of as full employment, accompanying inflation has not materialized as expected. Explanation for the Fed’s third-quarter pause may also eventually include an international component: the global bond market. Within the third quarter, volatility in this market increased substantially. Both the Bank of Japan (BOJ) and the European Central Bank (ECB) had adopted aggressive quantitative easing programs in addition to setting low interest rates. The end effect is that by August, a large portion of debt (over \$10 trillion, or roughly 6–7% of all worldwide debt) was priced at negative yields. Remarkably, even some new corporate debt was issued at negative yields. During September, both the BOJ and the ECB changed their posture on extending their policies. Consequences of this include drops in Japanese long-duration bond prices to bring their yields back close to zero, and similar drops in German long bond prices, bringing the yields on these German bonds above zero. At the same time, US Treasury prices also fell, raising yields on the 10-year US Treasury note. Its yield was up 20–30 basis points in early September, compared with early July. The government bond market is among the most fluid markets in the world; prices and yields adjust continuously, so long-term effects of moves in the bond market may not yet be apparent. The Fed, through its Federal Open Market Committee (FOMC), only periodically sets that market’s tone through its rate-setting policy meetings. In the third quarter, the FOMC did leave its interest rate unchanged. Twenty-five basis points is the expected increment of future FOMC rate increases. Three voting members dissented during the September meeting, preferring to raise rates rather than postpone again, up from one such dissent through much of 2016. As the FOMC put it, “the case for an increase in the federal funds rate has strengthened.” IHS Economics expects the FOMC to implement a 25 basis-point rate hike in December 2016.

Selected US Interest Rates



Real US Business Investment Growth



Business Investment: Real inventories have increased in value by an average of \$61.8 billion during 2010–2015. This year, only \$1.3 billion in net real inventory expansion is anticipated, and a return to inventory building similar to the past half of a decade will wait until 2018. Items consumed from inventory dislocate current production and do not contribute to current GDP. Real investment in equipment, which includes information processing, industrial, and transportation investments, has remained relatively fixed at a bit less than \$1.1 trillion per year since 2014, and this will remain the case through 2017. Behind those numbers lays the quick story that the drop in oil prices has precipitated an evaporation of investment in oilfield and mining equipment. While that is

true, an underlying link between low productivity, low business investment, and slow growth gives a broader explanation. In some industries, productive capacity due to earlier investment is underutilized. The opening of the expanded Panama Canal occurred on June 26, 2016, allowing ships large enough to carry 12,000 standard shipping containers at a time from ocean to ocean. A slowdown in global trade growth has left shipping companies with roughly 30% excess capacity after they ordered ships for the expansion. Even as steel prices plummet this year, many hundreds of ships have been, and perhaps up to one thousand ships will be, scrapped for metal. A few have been as young as 15 years. The Korean shipping industry is faltering with Hanjin Shipping’s bankruptcy. The other main Korean line Hyundai is restructuring as well. Japan’s Mitsubishi Heavy Industries is exiting large ship building. A broad slump in commodity prices, including weak farm products coming on record crops, is limiting construction and farm machinery sales. As for ships and planes, the market for lease equipment is broadening, and a large used market is now available. The lease market has also blossomed within the high-tech segment. Cloud computing is the recipient of a lot of investment—Bloomberg reported in March that the market is expected to expand 35% this year and that Google is building twelve new cloud data centers in the next year and a half. Centralizing computing power in regional cloud data centers allows for greater utilization rates. Renting server time on the cloud may be more efficient than maintaining a dedicated server on site. Overall, domestic information processing spending is expected to increase at a modest 5.0% across the remainder of this decade. On the intellectual property side of the ledger, software holds half of the market. Intellectual property is that which is protected by copyrights, trademarks, or patents. Advances coming from US tech hubs, from agricultural, pharmaceutical and biotechnology industries, or from the defense complex, are all protected through such registrations, and that protection is valued as business investment. Intellectual property investment, rapidly approaching three-quarters of a trillion dollars in annual value, continues its relentless climb. Its real rate of growth has averaged 3.9% since 2010, and it is anticipated to maintain that growth in the remainder of the decade. Returning to capital investment in equipment, 2020 will see real values climbing an average of 3.1% annually from 2015.

Employment: Spring’s slowdown in hiring ended with robust job numbers this summer. Autumn’s, and the year’s, job numbers remain above the rate needed to match working-age population growth. Official unemployment has changed little, so the labor force participation rate has been increasing. The unemployment rate has been at 4.9% this year, and it is forecast to remain there through the year’s end, with 2017–2018 showing a 4.8% unemployment rate. A half-percent increase in the labor force

participation rate has been recorded year-over-year in September by the BLS. By average annual rates, employment growth has been 1.4% for 2010–2012 and 1.7% for 2012–2014, with forecasts of 1.9% for 2014–2016, 1.1% for 2016–2018, and 0.8% for 2018–2020. Thus, the US is coming off its peak job creation rate according to the IHS forecast. Within that overall job arc, most all of the changes are due to the private sector. Government employment barely moves between a low of 21.8 million jobs in 2013–2014 and a high of 22.7 million jobs expected in 2020, the year of the US census count hiring. That is in contrast with the dynamics of the private sector. The leisure and hospitality industry has expanded from 2010 onward and should achieve a 2.1% average annual growth rate between 2010 and 2020. Employment in healthcare and social assistance has grown steadily and is expected to continue to do so, with an average annual growth rate of 1.9% across 2010–2020. Business service employment has also grown substantially. Its 3.3% average annual growth rate since 2010 is expected to be slowed down to 2.7% by 2020. Nationally, construction employment is expected to resume values reached just prior to the Great Recession at the end of the forecast period, nearing 7.5 million jobs by 2020. Trade and transportation employment had a low of 24.6 million jobs in 2010 and an expected high of 27.4 million jobs this year. Manufacturing employment continues below earlier levels. For example, computer manufacturing employs 1.0 million people today, with only a slight improvement to 1.1 million by 2020. Chemicals employment declined from nearly one million workers to a bit above four-fifths of a million this year and is expected to just stay afloat of that number by 2020. IHS sees this year closing with a moderate reduction in logging at -2.4%, but mining (including oil and gas extraction) will be down over six times as great of a percentage; that 15.6% drop follows last year's 8.4% contraction there. In the forecast, mining should stabilize next year, and logging should manage a bit of growth. For this year, manufacturing's weakness is concentrated in metals, down 4.8%. Durable goods manufacturing subsectors all reach growth by 2019. Sharply expanding payrolls this year are construction (up 3.4%), scientific (up 3.3%), and arts and recreation (up 3.8%). All of the dynamics within the US labor market accumulate to a remarkably stable unemployment outlook. IHS Economics sees the official unemployment steady, with the rate series at 4.9%, 4.8%, 4.8%, 4.9%, and 5.0% for 2016–2020, respectively, and at the same time, a mild three-basis-point increase in the labor-force participation rate across that period. Viewed by the employment category, services appear to continue to shine. The precipitous falls in traditionally blue-collar employment categories look to be, if not over, at least nearing an end, with construction growing again and mining turning the corner next year.

Government: This year's federal tax receipts should total \$2,138.6 billion, of which \$1,545.5 billion will be personal income taxes, and only \$434.1 billion will be corporate income taxes; the remaining balance includes expatriate taxes and taxes associated with imports. Concurrently, social insurance taxes, including those for social security and Medicare, are anticipated at an additional \$1,189.6 billion. This year's expense is \$897.8 billion for social security and \$662.5 billion for Medicare. Among federal grants, \$547.1 billion is destined for state and local government, and \$52.4 billion is for aid to the rest of the world. Interest payments will be at \$460.7 billion. Here are this year's federal government compensations figures. Defense personnel compensation is projected to be at \$242.1 billion. For nondefense personnel, the corresponding value is \$180.3 billion. Defense spending this year is expected to reach \$588.7 billion, and nondefense spending excluding transfer payments will be \$391.8 billion. State and local government expenditures, including transfers from the federal government, amount to \$2,563.6 billion. The US has run a federal deficit, meaning receipts (primarily taxes) have been lower than expenditures since 2002. This has averaged 4.4% of GDP, ranging from 1.6% to 8.9% of GDP. Last year's deficit was 3.2% of GDP, and the forecast sees this value between 3.4% and 3.8% of GDP until 2020. IHS is anticipating no grand bargain on fiscal policy. In particular, interest payments on government obligations will rise from this year's \$460.7 billion, passing the half-trillion dollar value by 2018, and go on to four-fifths of a trillion dollars by 2020. Consistently, that is half of the obligation to

be paid by social security, and interest payments are set to increase from nearly 70% of the deficit to nearly 80% of the anticipated deficit between now and 2020.

International: Weak global growth and a strong US dollar tell most of the current trade story. In terms of GDP accounting, exports add to GDP while imports subtract from it. The most important US trading partner is the EU block. After it, whether considering total trade, exports alone, or imports alone, individual countries fill the roster. In descending order: (2) Canadian real GDP growth climbs from 1.2% this year to 2.4% for the next two years, (3) Chinese growth is expected to remain above 6.0% through the forecast, (4) Mexican growth stays at 2.2% this year and next before jumping to 3.2% in 2018, and (5) Japanese real GDP growth might only reach 1.0% by 2018. The Eurozone, a subset of the EU, should barely grow, staying below 1.5% for a few years, and South America emerges from a two-year contraction, reaching 1.1% growth in 2017 and 2.1% growth in 2018. Though China's growth rate stands out in comparison to these others, this expected growth is significantly lower than fairly recent Chinese growth which was "double-digit." This panoramic context for US trade shows a weakened global trading environment. Another wide view of trade comes through exchange rates. The US dollar has recently grown against most baskets of foreign currencies of US trading partners. Going into this quarter, it is 6.7% stronger against other major currencies than it was at the beginning of 2015. However, by the beginning of 2020, there should be some relief for exporters when the dollar is anticipated to be 0.7% weaker than it was at the start of 2015, compared with other major currencies. Thus, attenuation of the economic challenges to trade posed by weak global growth and a strong US dollar plays out across a medium-length time frame. In the shorter term, two years was enough for oil prices to crater and for trans-Pacific shipping costs to fall by nearly 50%. There are a slew of potentially dramatic political changes, too: national elections within the US this year, Germany and France next year, the actual exit of the UK from the EU—likely in 2018. In the longer term, there is an ongoing change in final demand, turning toward services and knowledge-based industries and away from manufacturing. Within manufacturing, shorter global supply chains are reducing the intermediate goods trade. This adds to difficulties (overcapacity, as well as a commodities glut, pushing down unit cargo values) in the transportation sector. There may be sharp interplay between the physical aspects of trade and the political ones.

IDAHO FORECAST DESCRIPTION

The Forecast Period is the Third Quarter of 2016 through the Fourth Quarter of 2020

Nonfarm employment last year increased by 2.8% to 672,500 jobs. This forecast finds 690,000 nonfarm jobs in Idaho in 2016, so nonfarm employment growth across 2016 should read 2.6%. Farming and ranching yields are quite high again, but commodity prices are depressed nationally, making the year more challenging than it would seem in the field.

Manufacturing payrolls increased 0.8% in 2014, 3.0% in 2015, and should grow at 3.5% this year. Construction employment advanced 7.2% last year and should repeat that performance this year. Goods-producing employment grew faster in 2015 than in 2014, and this forecast sees greater expansion occurring in 2016, reaching 4.8% growth. Goods-producing employment grew 1.9 percentage points faster than nongoods employment growth in 2015, and it is expected to achieve a lead of 2.7 percentage points in 2016 before drafting in 2017. From then on, growth in both goods and nongoods jobs stays within a percentage point of each other.

Aside from government employment, nongoods-producing sectors are growing more robustly than the state population. The 2014–2020 span sees Idaho’s population growing 1.4% annually with a tight growth range of 1.3%–1.5%, which will put 2020’s census of Idahoans at 1.78 million people, an 8.9% increase over the estimated Idaho population in 2014. Trade employment grew appreciably faster in 2015 (3.1%) than in 2014 (2.0%). Services employment growth slowed to 2.9% from 3.4%. By 2020, Idaho trade will employ 13.8% more workers than it did in 2014, and services will employ 16.9% more workers. Government employment expanded at an average rate of 0.7% for 2014–2015, and by 2020, Idaho’s government employment will only be 3.4% above its 2014 level.

Idaho farm proprietors’ income fell 9% in 2015 and is expected to be down 36% this year. While it should return to growth thereafter, overall, farm proprietors’ income is expected to finish the forecast at two thirds of the record \$1.8 billion value of 2014. In the short term, farm proprietors’ income traces low commodity prices.

Aggregate Idaho wage and salary payments grew 4.5% in 2015 and should duplicate that this year; this measurement tracks gross pay on all W-2s issued for work in the state. Looking more broadly to include proprietors’ incomes, and through the lens of inflation, a more modest 1.9% advance is expected this year for Idaho’s real personal income. It had 4.2% and 3.9% advances in the previous two years. Those are still aggregate numbers, but individuals hold jobs. On a per-job basis, the average annual wage growth per job in the state slowed from 3.0% in 2014 to 2.1% in 2015, but the forecast is for 3.1% average annual growth throughout 2016–2020. In the context of that consistent wage growth, if farm proprietors’ income grows again in 2017 and thereafter as expected, the aggregate measure of real personal income growth will rebound to stay above 3.0% for 2018–2020.

Housing starts leapt 56.3% in 2012, jumped 27.1% in 2013, put in an 8.3% advance in 2014, and managed to press ahead 5.0% last year, but the prediction is for strong 24.0% growth in housing starts for 2016. Single-unit starts decreased 4.9% in 2014 but increased 12.6% in 2015, and they are expected to be up 22.8% this year and 13.7% next year. Multiple-unit starts jumped by 84.8% in 2014 then dropped by 17.5% in 2015. Multi-family housing starts will grow 28.9% this year before turning to retreat during the remainder of the forecast.

After posting a strong year in 2015, Idaho’s economic growth will still be more robust than that of the nation, but the nation’s growth is expected to be decelerating. Idaho’s population expansion is expected to be in the 1.3%–1.5% range through 2020, but the national population grows at a steady 0.8% each year. Nonfarm employment is projected to grow around 2.1% annually in Idaho but just 1.1% nationally. Annual employment growth in the goods-producing sector will cool from this year’s 4.8% rate to 1.6% in 2020. Growth for nongoods-producing employment is in the 1.9%–2.1% range through 2020. Idaho real personal income gain is likely to be a bit sluggish this year at 1.9%, but the remainder of the forecast has this rising to 3.1% for 2019–2020. Housing starts are projected to grow to 14,700 units by 2020, up from this year’s 12,800 units.

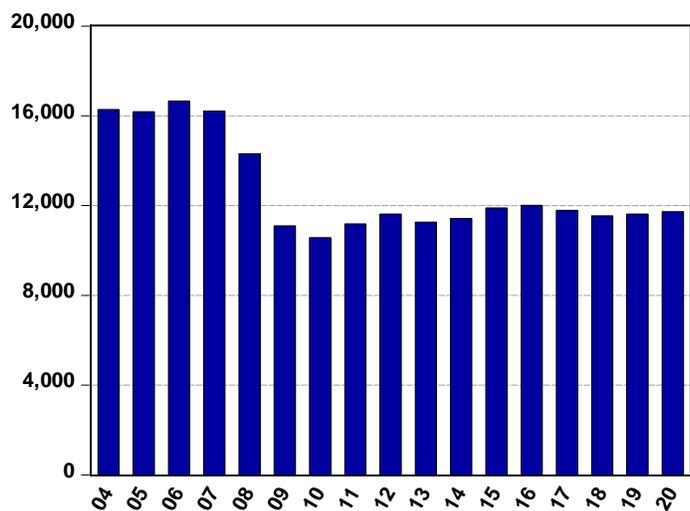
SELECTED IDAHO ECONOMIC INDICATORS

Computer and Electronics Manufacturing:

Employment in Idaho’s computer and electronics manufacturing sector has really swung over the last three decades. HP and Micron Technology lead this sector’s growth in the 1990s. Employment nearly doubled from about 10,700 jobs in 1991 to a peak of 19,700 jobs in 2001—an average growth of 6.3% per year. This 9,000-job increase accounted for almost 70% of all manufacturing jobs created in Idaho over that period. This sector became the state’s largest manufacturing employer in 1998, but the global high-tech collapse at the start of the new millennium precipitated local job declines, and then came the Great Recession. By 2010, this sector’s employment was about 10,600 jobs, or slightly lower than in 1991.

Both HP and Micron continue to operate in Idaho, but their local employment is much smaller than in previous years, and their operations have moved from manufacturing to research and development. This change in focus should help to stabilize this sector’s employment. The layoffs Micron announced in the spring have concluded this third quarter, and this has been incorporated into the forecast. Idaho computer and electronics manufacturing employment is seen holding at just under 12,000 jobs, with 2018 being the lowest employment year at 11,500 jobs. ON Semiconductor, which has operations in Meridian, Nampa, and Pocatello, is another example of the global companies designing and building semi-conductor electronics products in Idaho. It has earned an energy efficiency award from the state.

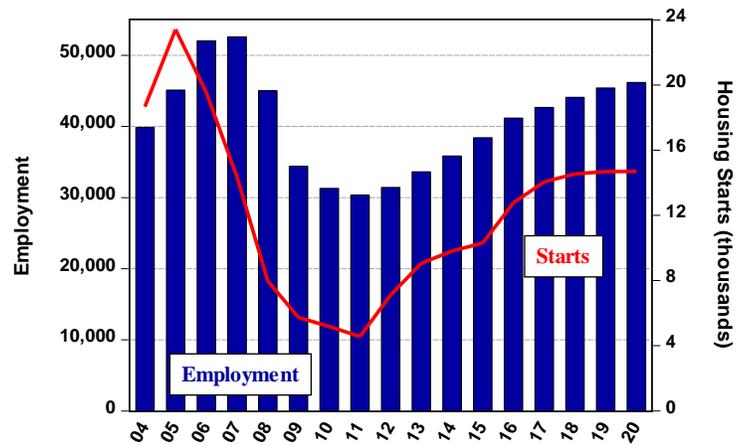
Idaho Computer and Electronic Products Employment



Construction: Construction activity benefits many parties. Engineering, architecture, and environmental services are hired prior to breaking ground. Banking, insurance, inspection, mortgage, and title services also expand at the leading edge of construction. Furnishing, cleaning, and maintenance services get boosts when new homes and businesses are finished and occupied. New home construction stoked the state’s economic boom during the decade straddling 2000 when housing starts went up by a factor of two and one half (to 23,000 units). During that same period, construction employment increased by a factor of one and one half. Idaho housing starts fell each year after 2005, and the Great Recession precipitated the lowest level of starts (4,700 units in 2011) in over two decades. Idaho’s construction sector shed almost 43% of its workforce from 2008 to 2011. A recovery began in 2012, as both housing starts and employment posted gains. An improving economy, as well as growing net migration, means housing starts continue to grow, particularly within the multi-unit housing sector, which is consistent

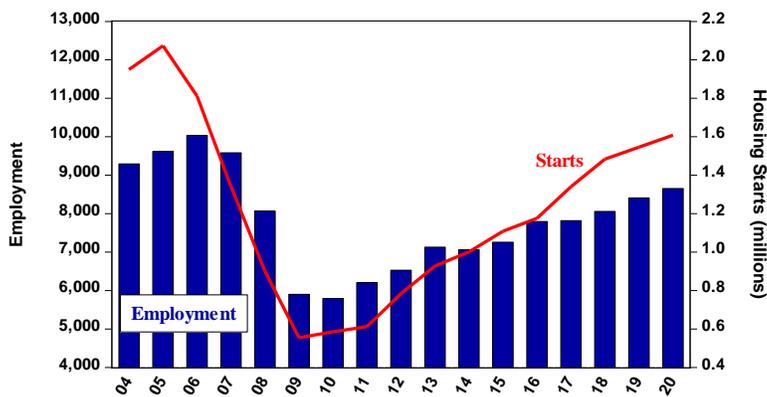
with the national housing sector. Idaho multi-unit housing starts quadrupled since 2010 (to just over 2,000 units), while national multi-unit starts tripled. The expanding housing market has helped construction employment post annual gains since 2011. Both Idaho housing starts and construction employment are expected to grow through 2020, but the return of a booming construction sector is not likely. Projected starts of 14,700 units in 2020 will be much lower than the 2005 peak, in fact achieving only around 63% of that record. Construction employment is predicted to increase an average of 3.8% per year until 2020. At this pace, Idaho's construction employment should reach 46,200 jobs in 2020, which is about 88% of its peak count in 2007.

Idaho Construction Employment and Housing Starts



Logging and Wood Products: Increasing national housing starts will raise the demand for lumber and wood products and should help Idaho logging and wood products employment increase annually through 2020, though employment gains may be muted by the high productivity of Idaho's mills. Today's mill and logging work uses high technology at every step, achieving cutting-edge efficiency. There are fewer workers per unit of output and more lumber per unit of timber. The three-year average of forestry and logging employments centered at 2007 and 2012 registered 1,600 and 1,300 jobs, respectively, while the corresponding mean Idaho timber harvests were both 1,100 million board feet. Efficiency within Idaho's current mills attracts both Montana and Washington timber. In 1995, Idaho's finished lumber production was 1.662 billion board feet, and in 2013 it was 1.647 billion, yet Idaho's raw timber harvests were 1.381 billion board feet in 1995 and 1.116 billion in 2013. Recent news has included the closure of two mills. Blue North Forest Products in Kamiah closed in the spring, and Tri-Pro Forest Products in Orofino closed this October. The latter focused on cedar, and the former ran one shift per day. Beyond the natural resource jobs in the sector, the Idaho wood products industry includes value-added subsectors—such as trusses, cabinetry, and door. There is expansion within these segments. Woodgrain Millwork has operations in Fruitland, where it is headquartered, and Nampa, where it produces doors. InteFrame Components is a truss manufacturer expanding in Nampa. Strength in

Idaho Wood Product Employment and U.S. Housing Starts

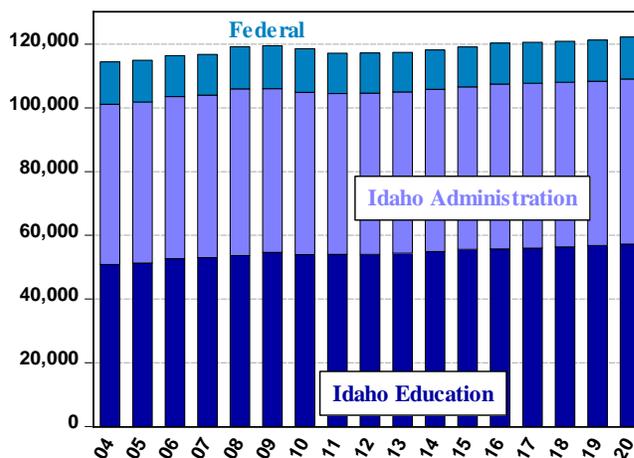


Idaho's economy, in particular its housing, should support these value-added subsectors. Though housing strength also should be a net positive for lumber, over the next few years, exports will be challenged by both the stronger dollar and weaker foreign economies. However, these long- and short-term challenges should not derail this sector's current employment expansion. The number of logging and wood product jobs is forecast to increase in each of the next four years, reaching 8,700 jobs in 2020, roughly 900 more than are present this year.

Metal Fabrication: While the Idaho economic model incorporates all sectors within the Idaho economy, just some sectors are commented upon in any individual edition of this publication. Metal fabrication is one manufacturing sector not recently described. It is a sector which, like agriculture and food processing, is well distributed throughout the state and links to several portions of the economy, both locally and internationally. An example of this is ammunitions manufacturing. Vista Outdoor is an integrated manufacturer of products for recreation, hunting, and law enforcement; in 2015 it acquired CCI Ammunition, a Lewiston-based manufacturer of ammunition going back to 1951. The industry is diffused throughout the state, including in small towns. Parker Productions makes hunting ammunition in Troy. Arco and Idaho Falls are on the ammunition map due to Hooker Tactical, a supplier to military and police organizations, nationally and internationally. Hooker Tactical also makes scopes, as does Ultimak in Moscow; these are but two examples of manufacturing allied to Idaho ammunition. Whether in wetter Coeur d’Alene or more arid Twin Falls, many Idaho areas have continuous rain gutter installers. These gutters are made of steel, aluminum, or copper, and they are manufactured at the site of installation. All told, the many employers in the metal fabrication sector contributed 5,800 jobs to the Idaho economy this year and are expected to employ 6,300 people by 2020.

Government: Idaho’s total government employment will expand 0.5% per year on average by 2020. At the turn of the next decade, 122,200 Idahoans will work for the government, 109,100 of which will be state and local government employees, and more than half of those will work in education. Government services grow with their clientele, so population is a major driver of government employment. Idaho’s population growth slowed from a 2.4% clip in 2007 to a comparative stand-still at 0.7% by 2011. Over that same period, state and local government employment in Idaho was relatively flat, gaining just 544 jobs over four years, which amounts to just a 0.1% annual growth rate. Tax revenues also forced government budgets to shrink. The state’s General Fund receipts fell by 15.2% from FY 2008 to FY 2009 and by 8.2% from FY 2009 to FY 2010. The recent string of federal government employment declines in Idaho was broken in 2015 due to the severe wildfire season. Federal government employment nationwide is forecast to increase by just 1.8% by 2020, but Idaho’s federal employment should expand 5.1% by then, about half of which is due to the FBI data center in Pocatello. With up to 300 new permanent jobs (by late spring 2017), and with strong average wages, this addition will augment Pocatello’s economy. Buchanan & Edwards is following the FBI into the Pocatello job market; this private contractor provides technology services to government agencies and expects to have 50 local employees.

Idaho Government Employment

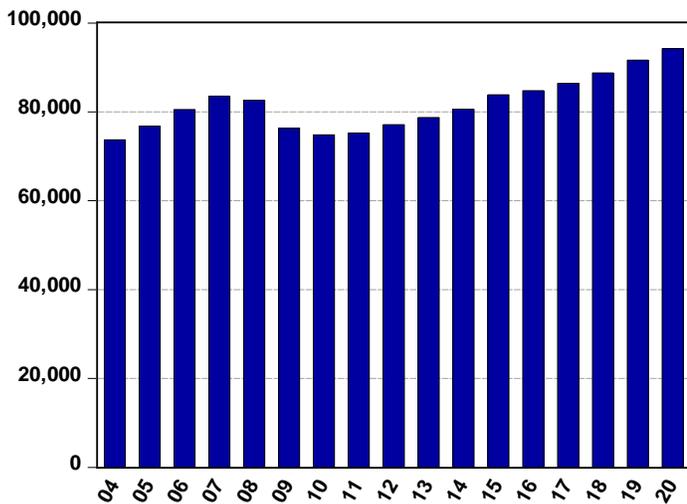


Service: The service sector is made up of the following categories: information; finance; transportation, warehousing, and utilities; professional and business; health and private education; leisure and hospitality; and other services. Combined, these account for six of every ten nongoods-producing jobs in Idaho. The largest sector is health and private education, which had over 97,300 jobs in 2015. It is the only sector to avoid job decreases during the Great Recession. The health systems of St. Luke’s and St. Alphonsus, as well as BYU-Idaho (formerly Ricks College), are among the state’s largest employers in this sector, and they have been in Idaho for generations. Average growth through 2020 is seen at 3.3% for health and private education. The next largest service sector is professional and business services.

New and expanding companies based in Idaho include TSheets in Eagle, Clearwater Analytics in Boise, and Kochava in Sandpoint. Notable among these companies is their quickly-developed international presence, through both clients and employees. Employment in the business service sector is expected to grow at a 2.9% rate on average across the forecast. Idaho’s leisure and hospitality industry is well established and spread across the state. Hagadone Corporation in Coeur d’Alene is one of Idaho’s largest employers; it also has hotels in Bonner’s Ferry and Moscow. According to US Census figures, the bulk of Idaho’s food and hospitality employment occurs with employers of 10–100 workers, and the most dominant part of that is the 20–50 employee category. Leisure and hospitality industries account for over 70,000 Idaho jobs throughout the forecast. All years of the forecast period represent growth, eventually adding 8,500 jobs. Across the service super-sector, job growth will advance steadily at a 2.6% average annual rate.

Trade: Trade employment should grow 2.0% annually across the forecast; however, the pace will vary by its components. Retail trade is about three times as large an employer as wholesale trade, and together they employ more Idahoans than the health and private education sector. Retail trade should expand each year by an average of 2.4% across the forecast. At the same time, wholesale trade is anticipated to advance 1.0% on average. Mirroring the nation, Walmart is Idaho’s largest retail trade employer with nearly 7,500 Idahoans on its payroll. Fred Meyer has about 2,500 employees here. Retail trade accounts for over 84,800 jobs in Idaho and is expected to expand to 94,400 jobs by 2020. Wholesale trade is one step back from retail and, as such, it is probably less well-known. Jackson Food Stores, an Idaho grown convenience store chain, is the storefront face consumers know, but it relies on

Idaho Retail Trade Employment



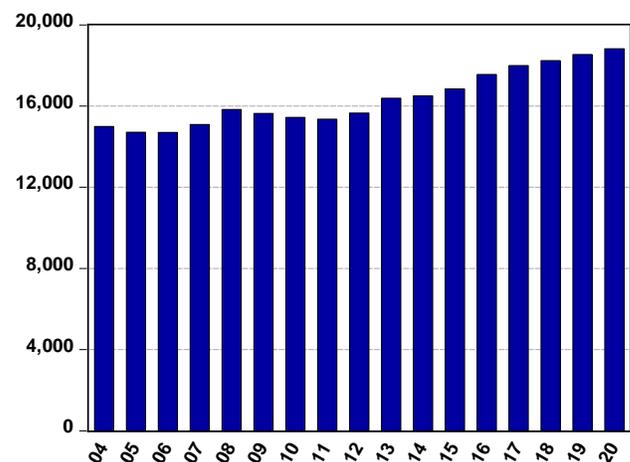
Capitol Distributing, which brings items to convenience stores, and Jackson Oil, a petroleum product delivery service. All three are headquartered in Meridian. Norco is a western US wholesaler headquartered in Boise that focuses on industrial and medical gasses. It has operations at over 20 Idaho locations, spanning many of the population centers. It also has production facilities within the state and employs over 500 Idahoans. Orgill just acquired a distribution center in Post Falls. It enters Idaho with an initial footprint of around 100–120 employees, with operations to begin in March 2017. Orgill serves hardware and lumber retailers. Wholesale trade employment is around 28,600 jobs this year but is set to reach 30,500 jobs by 2020.

Mining: Idaho is an important source of silver, gold, copper, molybdenum, and other metals. A number of these minerals have faced steep price declines over the last few years, putting strain on the mining sector’s employment. Financial remedies in declining markets include mergers and acquisitions, both of which are occurring among companies with Idaho operations. An example of the minerals under steep price declines is molybdenum. This metal was selling above \$45 per pound in 2005, but its price fell below \$5 per pound in December 2015. The October 11 price was \$7.03 per pound. This decline has made it difficult for Idaho molybdenum mines to remain profitable. As a result, many molybdenum mines have reduced staff in an effort to conserve cash, but not all activity at Idaho’s mines has stopped. For Hecla Mining Company, which has over 125 years in Idaho’s history, 2016 represents a transition from development of the #4 Shaft at its Lucky Friday silver mine near Mullan to commission.

Excavation reached the final level of -8,600 feet, and equipping the shaft will occur next with production to follow. In its quarterly earnings release of August 4, Hecla said it expects the #4 Shaft to be operational by this year's end. Hecla completed the acquisition of Mines Management in September, obtaining an undeveloped project in Montana. Monsanto (700 Idaho employees) operates phosphate operations out of Soda Springs, not far from Agrium's (475 employees) current and future phosphate operations. Agrium is merging with PotashCorp of Canada, while Monsanto is merging with Bayer AG of Germany. One dispersed component of the mining sector is gravel. Gravel pits commonly see higher demand during periods of increased construction. Given the relatively healthy outlook for Idaho's housing sector, more activity in the gravel pits should act as a counterweight to challenges in other mining venues. As a result, mining employment should change very modestly over the next few years, maintaining 2,300 workers.

Food Processing: Idaho's food processing sector is a dynamic part of its economy, regularly seeing expansions of existing plants and the opening of new facilities. Food processing extends across the Snake River Plain. Basic American Foods operates plants in three Idaho towns: Blackfoot, Rexburg, and Shelly. It, along with Simplot, is among Idaho's largest employers, and many of the products these two companies produce use Idaho's most famous crop: potatoes. In agricultural circles, Idaho's beans are also famous; Idaho is fifth in production of beans in the US. Seneca Foods Corporation processes beans in Payette and Buhl, the latter of which also has a plant where Rangen processes Idaho beans. A lot of recent growth has been in southern Idaho's Magic Valley. One of the biggest draws for manufacturers to the area is its established dairy sector, which in turn is a market for Idaho's hay farmers. According to the United States Department of Agriculture, Idaho's 585,000 dairy cows produced 14.1 billion pounds of milk in 2015. These are tremendous numbers. Idaho's dairy cow population is one third of its human population. Much of the 6.7% of total US milk production Idaho originates in-turn increases in value through processing in Idaho's numerous dairy plants. Gossner Foods produces cheddar, Muenster, and Swiss cheeses in Heyburn at a facility it opened just over a decade ago. As an operation going back over 100 years, Nelson-Ricks Creamery Company in Sugar City produces several cheeses including Monterey Jack and Gouda. The Jerome Cheese Company, which is part of Davisco Foods International, processes 5.2 million pounds of milk each day of operation, producing 520,000 pounds of cheese. Due to the ample supply of milk, the Magic Valley is home to many dairy processing plants, including two of the world's largest. Those are owned by Glanbia and Chobani. The former is an Irish cheese company whose Idaho operations are in Twin Falls, Gooding, Richfield, and Blackfoot. The Magic Valley is also home to Chobani's Greek yogurt plant, which employs about 1,000 workers. Its success may be drawing other companies to the region. For example, Fabri-Kal opened a plant in Burley in October 2015 to supply cups to Chobani. Organic foods are cooked at and distributed internationally from Amy's Kitchen in Pocatello, a newer employer in Idaho which just announced further expansion. Amy's Kitchen revived a shuttered Heinz plant, and Hearthside Food Solutions is aiming to do similarly at the former Post Holdings (PowerBar) plant in Boise. Hearthside, a leading food bar producer, was able to rehire some local plant workers, leading to a quick turnaround. Production began in late September. These many examples illustrate how Idaho is a nexus of food production. Idaho food processing payrolls are

Idaho Food Processing Employment



forecast to grow by 4.2% in 2016, 2.5% in 2017, 1.3% in 2018, and 1.5%–1.7% in 2019–2020.

Other Nondurable Manufacturing: This sector, really a catchall, includes some industries closely allied with food manufacturing: beverage manufacturers, including wineries and breweries, and the paper subsector. The Idaho wine industry has its roots in the Clearwater area around Lewiston where grapes were first grown in the state, and that area is again producing wines. The modern industry rose with Ste. Chapelle Winery and is pressing into other areas, including Sun Valley and Bovill. All told, the Idaho Wine Commission counts over 50 wineries in the state, up from 11 in 2002 and 43 in 2010. Idaho's beer industry, like its wine industry, benefits from its proximity to its raw materials. Wilder is among the Idaho areas contributing to the state's status as third in the nation in hops production. Idaho breweries have grown similarly to its wineries, and their diversity is as remarkable. There are over 50 breweries in the state, with several recently introducing canning operations. Their scope ranges from nano-breweries, whose batches count a handful of barrels to brewers, reaching into the tens of thousands of barrels per year. Their distribution ranges from a single establishment to grocery stores throughout the Northwest, and their geographies range from Ferdinand (north), through Buhl (south), and over to Victor (east). While these industries are not the entirety of other nondurable manufacturing in Idaho, they represent at least a quarter of the sector's 5,700-growing-to-6,100-jobs employment count. The paper subsector has long been present through the Lewiston mill, which makes tissue and paperboard, and it is now operated by Clearwater Paper Corporation. That mill is upgrading its digester, which turns chips to pulp. KapStone in Twin Falls is a corrugated container production paper mill, making products to ship potatoes, cheese, and dairy. Paper is about one-third of Idaho's nondurable manufacturing sector.

FORECASTS COMPARISON

Idaho has a dynamic economy whose growth is 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 level. In order to account for the effects of such changes on the state's economy, this issue of the *Idaho Economic Forecast* uses IHS Economics' September 2016 forecast of the US economy. Additional data, such as company-specific expansions and/or contractions in Idaho, are also considered.

This comparison table shows how the outlooks for several key Idaho and national economic series have changed from the July 2016 to the October 2016 *Idaho Economic Forecast*. The July forecast was based on IHS Economics' June 2016 baseline US macroeconomic forecast.

Though expansion of the economy continues, anticipated US GDP growth is weaker. This year's real GDP growth is now believed to be 1.5% instead of 1.9%, and 2017–2018 should see 2.4% growth rather than 2.6%. Nonfarm employment expansion across 2016–2019 slows more than in June's forecast. Although this year's anticipated value is revised up by 100,000 jobs, by 2019 there are 300,000 fewer nonfarm jobs than in the previous forecast, this out of a universe of over 148.5 million US nonfarm jobs. Real per-capita disposable income reverses by \$30 this year, and this registers a diminution of \$100 by the end year of the forecast. The expected path of inflation, as measured by the consumer price index (CPI), changes a little. This year's value is up one-tenth of one percentage point to 1.3%, and the next two years are revised down three- and two-tenths of a percentage point to 2.3% and 2.1%, respectively. The earlier forecast was too optimistic on US productivity, pegging it to grow 0.4% this year, but now productivity is predicted to not grow at all for 2016. Average per-barrel costs for oil changed between the forecasts in the following manner: decreases of \$2, \$5, then \$2 per barrel for 2016–2018, but an increase of \$2 per barrel in 2019.

Total Idaho nonfarm employment is now estimated to be 500 jobs stronger this year, but 3,900 jobs weaker by 2019 when comparing this forecast with the previous one. Overall, this represents a slowing from 2.3% average annual growth to 2.1% average annual growth. As the forecast for Idaho's population is stable across the two forecasts, the revised outlook to inflation contributes towards total real personal income moving that up by \$600 million by 2019. The other main contributor to that is farm proprietors' income. It still drops this year in the forecast, but by a much smaller amount, resulting in higher income throughout the remainder of the forecast. This revision adds an average of \$284 million in Idaho farm proprietors' income across 2016–2019, so it is another feature that helps to raise total real personal income. The large \$1,100 million revision to the 2016 real personal income value is largely due to BEA data revision. Housing starts are revised up each year of the forecast, by 600 units this year, increasing to 1,000 jobs in 2019. The goods-producing sector's employment count is consistently raised by about 1,350 jobs in this October forecast, but the outlook for the nongoods-producing sector is weaker, mostly due to retail and wholesale trade. This year's trade employment is now seen as 2,400 jobs lower, with that widening to a 3,700-job downward revision by 2019.

**IDAHO ECONOMIC FORECAST
FORECASTS COMPARISON
DIFFERENCES BETWEEN
OCTOBER 2016 vs. JULY 2016 FORECASTS**

	2013	2014	2015	2016	2017	2018	2019
U.S. GDP (BILLIONS)							
Current \$	28	45	90	30	-15	-103	-174
% Difference	0.2%	0.3%	0.5%	0.2%	-0.1%	-0.5%	-0.8%
2009 Chain-Weighted	29	21	48	-15	-44	-72	-90
% Difference	0.2%	0.1%	0.3%	-0.1%	-0.3%	-0.4%	-0.5%
PERSONAL INCOME - CURR \$							
Idaho (Millions)	97	697	1,457	1,237	916	515	348
% Difference	0.2%	1.2%	2.3%	1.9%	1.4%	0.7%	0.5%
U.S. (Billions)	5	116	108	-7	-52	-97	-132
% Difference	0.0%	0.8%	0.7%	0.0%	-0.3%	-0.5%	-0.7%
PERSONAL INCOME - 2009 \$							
Idaho (Millions)	110	615	1,283	1,101	946	732	632
% Difference	0.2%	1.1%	2.3%	1.9%	1.6%	1.2%	1.0%
U.S. (Billions)	10	100	87	-11	-14	-15	-31
% Difference	0.1%	0.7%	0.6%	-0.1%	-0.1%	-0.1%	-0.2%
TOTAL NONFARM EMPLOYMENT							
Idaho	6	9	-192	521	-1,432	-3,575	-3,844
% Difference	0.0%	0.0%	0.0%	0.1%	-0.2%	-0.5%	-0.5%
U.S. (Thousands)	0	0	0	100	-86	-182	-308
% Difference	0.0%	0.0%	0.0%	0.1%	-0.1%	-0.1%	-0.2%
GOODS PRODUCING SECTOR							
Idaho	8	9	7	1,696	1,351	810	1,549
% Difference	0.0%	0.0%	0.0%	1.6%	1.2%	0.7%	1.4%
U.S. (Thousands)	0	0	0	-47	-170	-86	-15
% Difference	0.0%	0.0%	0.0%	-0.2%	-0.8%	-0.4%	-0.1%
NONGOODS PRODUCING SECTOR							
Idaho	-2	-1	-199	-1,175	-2,783	-4,385	-5,393
% Difference	0.0%	0.0%	0.0%	-0.2%	-0.5%	-0.7%	-0.9%
U.S. (Thousands)	0	0	0	147	83	-96	-293
% Difference	0.0%	0.0%	0.0%	0.1%	0.1%	-0.1%	-0.2%
SELECTED INTEREST RATES							
Federal Funds Rate	0.0%	0.0%	0.0%	0.0%	-0.2%	-0.4%	-0.3%
Bank Prime Rate	0.0%	0.0%	0.0%	0.0%	-0.2%	-0.4%	-0.3%
Existing Home Mortgage Rate	0.0%	0.0%	0.0%	-0.1%	-0.1%	-0.1%	-0.1%
INFLATION							
GDP Price Deflator	-0.018	0.144	0.216	0.281	0.205	-0.106	-0.373
Personal Cons Deflator	-0.040	0.045	0.092	0.032	-0.247	-0.520	-0.609
Consumer Price Index	0.000	0.000	0.000	0.001	-0.005	-0.010	-0.010

**National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016**

ALTERNATIVE FORECASTS

IHS Economics assigns a 65% probability of occurrence to its September 2016 baseline macroeconomic scenario. The probability of its *Optimistic Scenario* is 15%, and its *Pessimistic Scenario* is 20% likely. These percentages are unchanged from the previous forecast.

Prominent features of the *Baseline Scenario* include:

- Real GDP will expand 1.5% in 2016, 2.4% in 2017–2018, and 2.2% in 2019–2020.
- US nonfarm employment will rise 1.7% in 2016, 1.2% in 2017, 0.9% in 2018, and 0.8% in 2019–2020.
- The US civilian unemployment rate will fall from 4.9% this year to 4.8% for 2017–2018 before turning up to 4.9% in 2019 and 5.0% in 2020.
- Consumer inflation will hit 1.3% in 2016, 2.3% in 2017, 2.1% in 2018, and 2.5–2.6% in 2019–2020.
- After hitting a recent low of \$439 billion in FY 2015, the unified federal budget deficit will meander from about \$591 billion in 2016 to \$607 billion in 2020.
- The current account deficit will rise from \$463 billion in 2015 to \$567 billion in 2020.
- Housing starts will increase from 1.2 million units in 2016 to 1.6 million units in 2020.

PESSIMISTIC SCENARIO

Narrative for the *Pessimistic Scenario* begins with political risk and builds with declining productivity. Major US trading partners grow at half of the baseline rate through 2018, caused in part by uncertainty due to the political climate. IHS cites Brexit, the exit of the UK from the EU, as an example. Weakness abroad strengthens the US dollar relative to foreign currency. Exports sag both this and next year, but imports keep growing, though slower than in the baseline. Domestically, unemployment rises, particularly after a continuation of the productivity rut through 2017. The unemployment rate passes 6.3%, and that level is sustained across 2018–2019.

Payroll growth is much slower in this case, actually recording a decline in 2018. Personal income, initially increases more rapidly than in the baseline. Those increases are mitigated by an exit from the low inflation regime of the past few years. Headline inflation crests 3.7% in 2017 in this pessimistic view. Corporate profits take a hit, erasing most of the gains of 2016 during 2017, with that downturn concentrated at the end of 2017. Though profits rebound smartly during the next two years, IHS sees a near bear market for stocks, with a loss of 18% from early in 2017 to the beginning of 2018. In contrast with labor compensation, business investment remains weak through 2018. Interest rates have a short-lived rise before the soft economy prompts their drop, by 2019, to levels below today. Oil's rise is more dramatic initially, but ultimately not very different from the *Baseline Scenario*. Consumers adjust spending by decelerating from this year's 2.6% growth, through 1.1% growth in 2017, and on to 0.6% growth in 2018 before a resumption of above 2.0% growth through the remainder of the forecast. Not surprisingly then, GDP growth stalls with 0.3% growth in 2017 and 0.6% growth in 2018. Thereafter it hits and holds 2.7% growth to end the forecast.

The slowdown anticipated within IHS's *Pessimistic Scenario* brings only 2.1% average annual growth in real personal income to the state across the 2016–2020 forecast, rather than the baseline's more robust 2.8% average growth. Employment also eventually suffers, though there is an initial boost due to lower productivity. Ultimately, the state would be 21,600 jobs poorer in the pessimistic case compared to the baseline by 2020. This would be six tenths of a percentage point slower average annual employment

IDAHO ECONOMIC FORECAST
BASELINE AND ALTERNATIVE FORECASTS
OCTOBER 2016

	BASELINE					OPTIMISTIC					PESSIMISTIC				
	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
U.S. GDP (BILLIONS)															
Current \$	18,573	19,434	20,293	21,157	22,069	18,591	19,612	20,687	21,789	22,890	18,561	19,225	19,954	21,053	22,146
% Ch	3.0%	4.6%	4.4%	4.3%	4.3%	3.1%	5.5%	5.5%	5.3%	5.1%	2.9%	3.6%	3.8%	5.5%	5.2%
2009 Chain-Weighted	16,646	17,053	17,467	17,852	18,244	16,656	17,144	17,648	18,163	18,653	16,602	16,652	16,749	17,196	17,659
% Ch	1.5%	2.4%	2.4%	2.2%	2.2%	1.6%	2.9%	2.9%	2.9%	2.7%	1.2%	0.3%	0.6%	2.7%	2.7%
PERSONAL INCOME - CURR \$															
Idaho (Millions)	65,414	68,272	71,687	75,480	79,480	65,197	68,221	72,231	76,834	81,657	65,126	67,668	70,803	74,959	79,313
% Ch	3.0%	4.4%	5.0%	5.3%	5.3%	2.6%	4.6%	5.9%	6.4%	6.3%	2.5%	3.9%	4.6%	5.9%	5.8%
U.S. (Billions)	15,988	16,712	17,528	18,395	19,304	15,995	16,801	17,728	18,778	19,847	15,996	16,679	17,319	18,266	19,379
% Ch	3.4%	4.5%	4.9%	4.9%	4.9%	3.5%	5.0%	5.5%	5.9%	5.7%	3.5%	4.3%	3.8%	5.5%	6.1%
PERSONAL INCOME - 2009 \$															
Idaho (Millions)	59,094	60,661	62,629	64,593	66,616	58,851	60,372	62,990	65,626	68,261	58,721	59,247	60,354	62,198	64,206
% Ch	1.9%	2.7%	3.2%	3.1%	3.1%	1.5%	2.6%	4.3%	4.2%	4.0%	1.2%	0.9%	1.7%	3.1%	3.2%
U.S. (Billions)	14,443	14,849	15,313	15,741	16,179	14,437	14,868	15,460	16,038	16,591	14,422	14,606	14,765	15,156	15,688
% Ch	2.3%	2.8%	3.1%	2.8%	2.8%	2.3%	3.0%	4.0%	3.7%	3.4%	2.2%	1.3%	1.1%	2.7%	3.5%
TOTAL NONFARM EMPLOYMENT															
Idaho	689,579	702,232	716,284	731,616	746,088	689,391	698,985	717,649	738,686	758,819	688,850	690,047	696,546	710,691	724,447
% Ch	2.5%	1.8%	2.0%	2.1%	2.0%	2.5%	1.4%	2.7%	2.9%	2.7%	2.4%	0.2%	0.9%	2.0%	1.9%
U.S. (Thousands)	144,309	146,091	147,407	148,621	149,854	144,337	146,480	148,253	150,082	151,698	144,185	144,513	143,616	144,651	146,804
% Ch	1.7%	1.2%	0.9%	0.8%	0.8%	1.8%	1.5%	1.2%	1.2%	1.1%	1.7%	0.2%	-0.6%	0.7%	1.5%
GOODS-PRODUCING SECTOR															
Idaho	109,225	111,066	112,984	115,536	117,432	109,282	111,353	113,250	116,398	118,826	109,120	108,810	107,968	111,433	113,629
% Ch	4.8%	1.7%	1.7%	2.3%	1.6%	4.8%	1.9%	1.7%	2.8%	2.1%	4.7%	-0.3%	-0.8%	3.2%	2.0%
U.S. (Thousands)	19,648	19,882	20,245	20,638	20,928	19,673	20,036	20,405	20,893	21,294	19,652	19,684	19,388	19,585	20,261
% Ch	0.3%	1.2%	1.8%	1.9%	1.4%	0.5%	1.8%	1.8%	2.4%	1.9%	0.4%	0.2%	-1.5%	1.0%	3.5%
NONGOODS-PRODUCING SECTOR															
Idaho	580,354	591,166	603,300	616,080	628,656	580,109	587,632	604,399	622,288	639,992	579,731	581,238	588,578	599,258	610,818
% Ch	2.1%	1.9%	2.1%	2.1%	2.0%	2.1%	1.3%	2.9%	3.0%	2.8%	2.0%	0.3%	1.3%	1.8%	1.9%
U.S. (Thousands)	124,661	126,209	127,162	127,983	128,927	124,664	126,445	127,848	129,189	130,404	124,534	124,830	124,228	125,065	126,543
% Ch	2.0%	1.2%	0.8%	0.6%	0.7%	2.0%	1.4%	1.1%	1.0%	0.9%	1.9%	0.2%	-0.5%	0.7%	1.2%
SELECTED INTEREST RATES															
Federal Funds	0.4%	1.0%	1.7%	2.7%	3.0%	0.5%	1.4%	2.0%	3.0%	3.2%	0.4%	1.4%	0.4%	0.3%	0.9%
Bank Prime	3.5%	4.0%	4.7%	5.7%	6.0%	3.6%	4.4%	5.0%	6.0%	6.2%	3.5%	4.4%	3.4%	3.3%	3.9%
Existing Home Mortgage	3.9%	4.3%	5.0%	5.8%	6.0%	3.9%	4.5%	5.2%	6.1%	6.3%	3.9%	4.1%	4.1%	4.0%	4.5%
INFLATION															
GDP Price Deflator	1.4%	2.1%	1.9%	2.0%	2.1%	1.5%	2.5%	2.5%	2.3%	2.3%	1.6%	3.3%	3.2%	2.8%	2.4%
Personal Cons Deflator	1.1%	1.7%	1.7%	2.1%	2.1%	1.1%	2.0%	1.5%	2.1%	2.2%	1.3%	3.0%	2.7%	2.7%	2.5%
Consumer Price Index	1.3%	2.3%	2.1%	2.6%	2.5%	1.3%	2.9%	3.1%	3.4%	3.0%	1.5%	3.7%	2.8%	3.2%	3.1%

growth. One feature of this scenario is that it exacerbates some boom and bust behavior in Idaho. Housing construction climbs over its baseline path beginning in the third quarter of 2017, reaching a peak of nearly 2,400 starts above the baseline in the third quarter of 2019, only to begin a rather precipitous fall thereafter, eventually ceding double as much ground. Idaho's wood products industry would bust then boom instead, losing 900 jobs by 2018, only to rebound to within 300 jobs of the projected *Baseline Scenario* by 2020, all within an industry operating in the realm of 6,500–8,500 jobs.

OPTIMISTIC SCENARIO

Increased productivity drives this scenario. With annual productivity increases between 1.5% and 2.0% for the remaining years of the forecast, business investment averages 5.2% growth after a small contraction this year. Incomes rise sharply, as do profits, and though CPI inflation returns to the 3% vicinity, the Federal Reserve's measurement of inflation, which allows substitution of goods, rises over the medium term to 2.0%. The rise in oil prices is sharper the first year, but ultimately the price appreciates by less than in the baseline, saving \$10 per barrel at the end of the forecast.

Unemployment continues to fall, reaching 4.3% by 2019 and staying at that level thereafter. Payrolls keep expanding over 1.0%, though they descend from this year's 1.8% expansion. Consumption is very steady, growing 3.1% on average over each of the next four years. GDP growth holds at 2.9% as well. Exports do not match the growth of imports, but both do well, growing over 20% and over 30% respectively across the forecast.

Housing starts advance considerably, reaching 1.6 million units in 2018 and 1.8 million units in 2020, whereas the *Baseline Scenario* reached the lower figure only at the later date. This happens despite the Federal Reserve raising interest rates more quickly, and to a 25 basis-point higher threshold. The federal deficit holds fairly steady in this scenario. Projected to be between \$450 billion and \$520 billion, it would be a smaller share of GDP throughout this forecast.

Within Idaho, the *Optimistic Scenario* and *Baseline Scenario* are different quantitatively, but with much less qualitative difference as compared with what occurs in the *Pessimistic Scenario*. Employment paths for many industries differ from their baseline counterparts in the following way: for the first one or two years, the employment path for the *Optimistic Scenario* lags just slightly behind the baseline case, but thereafter, it accelerates a bit to run above and a bit more quickly than the baseline. Services illustrate this well. Optimistic employment lags the baseline by 0.6 percentage points in 2017, only to jump ahead by 0.3 percentage points in 2018, ending with an advantage of 1.6 percentage points by 2020. In this instance, this represents a 6,300-job advantage for the optimistic case by 2020. Real personal income in Idaho averages 3.3% growth compared with the baseline's 2.8% value. End employment reaches 12,700 more jobs in the optimistic case, raising the average growth rate by 0.3 percentage points to 2.4% during the forecast.

Bubbles, Credit, and Their Consequences

Òscar Jordà, Moritz Schularick, and Alan M. Taylor¹

Asset price booms pose a challenge for monetary policy. It is difficult to separate optimism justified by future prospects about underlying fundamentals from optimism fueled by speculation about future prices alone. Matters are made worse when borrowed money is involved, as Fisher (1933, p. 341) reminds us. Sometimes the economic consequences of the boom-bust cycle typical of a bubble are well contained. A good example is the dot-com boom and bust of information technology stocks in the early 2000s. Other times the consequences are dire, as the collapse of the housing market and the Great Recession taught us.

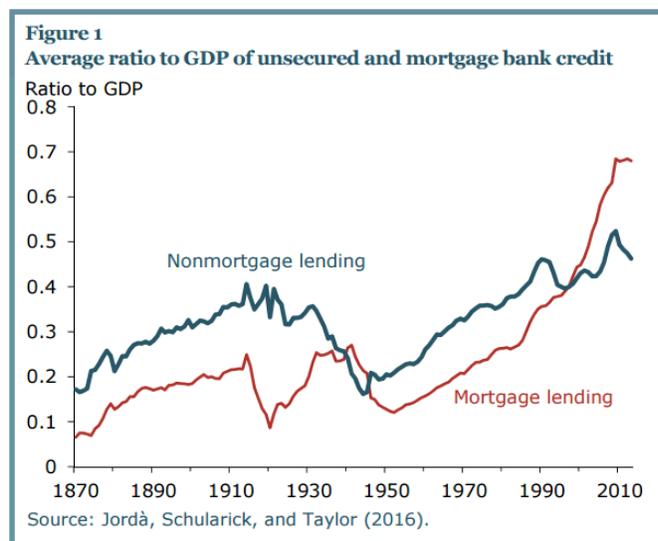
How should a central bank respond to an asset price boom? Rudebusch (2005) provides a detailed road map. It all depends on how early one can tell that there is a bubble, and whether the costs of different policy interventions outweigh the benefits. Central banks monitor asset markets closely since they provide timely information on broader economic conditions. However, it is often difficult to tell the signal from the noise. Fluctuations in asset prices reflect a varying mix of fundamentals and speculation. Uncertainty about these mixed signals has often stayed the hand of policymakers, much like a monetary version of the Hippocratic admonition, “First, do no harm.”

There are good reasons to be cautious. When it comes to interest rate policy, the evidence seems to suggest that it is often best to “clean” rather than “lean.” Using estimates available from a wide variety of sources, Williams (2015) calculates that the interest rate hikes needed to prevent the housing boom of the mid-2000s would have inflicted a deeper economic slowdown than the Great Recession. However, these estimates are inevitably imprecise. On the opposite side of the ledger, Borio and Lowe (2002) argue for more forceful interest rate policy in low inflation environments while recognizing that it is difficult to identify financial imbalances in advance.

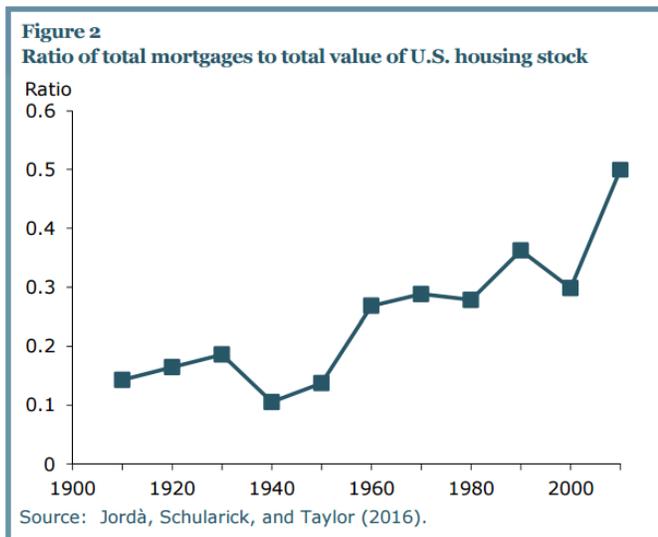
Our recent research (Jordà, Schularick and Taylor 2015) examines the connection between asset price bubbles, credit growth, and macroeconomic outcomes. This Economic Letter presents our estimates of the economic costs of bubbles in equities and in real estate under a variety of credit scenarios. Bubbles happen somewhat infrequently, and seldom in housing markets. To maximize the sample of such episodes, we reach back in history to 1870 and look beyond the United States to 16 additional advanced economies (the complete list is available in Jordà et al. 2015).

Credit booms and asset price bubbles

A defining feature of advanced economies in the post-World War II era is the rise of credit documented in Jordà, Schularick, and Taylor (2016). This is visible in Figure 1, which displays the cross-country average ratio to GDP of unsecured and mortgage lending since 1870.



¹This article originally appeared in the Number 2016-27; September 12, 2016 *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.



Following a period of relative stability, both lending ratios grew rapidly after the war, with mortgages taking off in the mid-1980s. As a result, households have become more leveraged than ever. This is seen in Figure 2, which displays the ratio of the total value of mortgage lending to the value of the stock of U.S. housing. Before World War I that ratio stood at around 0.15, but since then the ratio has more than tripled.

Most buyers use mortgages to buy homes, but few savers use borrowed funds to invest in the stock market. Thus, one might expect equity price busts to be less dangerous than collapses in house prices: A crash in the price of assets

financed with external (rather than internal) funds is likely to have deeper effects on the economy. As collateral values evaporate, some agents will delever to reduce their debt burden, in turn causing a further collapse in asset prices and in aggregate demand. The more widespread this type of leverage is, the more extensive the damage to the economy. Integrating the role of credit into the analysis of asset price bubbles is therefore critical.

What is a bubble and how would you measure it?

There is no widely accepted definition of what an asset price bubble is. Intuitively, it is a situation where asset prices drift up from their fundamental value, that is the current valuation of the expected stream of payoffs, and then fall abruptly. And therein lies the rub. The fundamental value is neither directly observable nor easy to determine. Borio and Lowe (2002), Bordo and Jeanne (2002), Detken and Smets (2004), and Goodhart and Hofmann (2008) all use, one way or another, large deviations of asset prices from some reference level or booms and subsequent busts to identify bubble episodes.

We follow a two-pronged approach. First, we focus on spells of sizable asset price run-up—an event we expect to see less than one-third of the time in the data—and a subsequent collapse in prices of 15% or more. This simple rule of thumb would identify events such as the U.S. Great Depression, the mid-1980s Japanese real estate collapse, the 2000s dot-com boom and bust, and the recent collapse of housing markets in many countries. This is, of course, a backward-looking measure meant to sort the historical record for analysis. It is not designed to be a bubble-forecasting tool.

Bubbles and the business cycle

Asset price bubbles are often associated with financial crises and recessions. We are careful not to attribute causality—a collapse in equity prices could reflect the markets' response to a recession caused by other factors. However, the link between bubbles, recessions, and financial crises is a strong one. In the postwar era, 21 out of 23 financial crises in our sample are associated with what we would label a "bubble." Nearly half of them (11 of 23) involve bubbles in both equities and real estate at the same time. Even run-of-the-mill recessions tend to coincide with burst bubbles. About two-thirds of all postwar recessions, 41 out of 65, are associated with bubble episodes. The majority of these recession-plus-bubble episodes, 30 out of 41, involve equity bubbles only. Housing bubbles are relatively rare—but it is revealing that, when they occur, there are better than even odds that the bubble will burst into a financial crisis.

The economic cost of bubbles

Although not every bubble ends in recession, clearly many do. Thus, a natural way to calculate the costs of bubbles is in terms of the path that the economy follows in recessions (see Lansing 2011 for an alternative calculation). Two questions in particular are central to our analysis: (1) Does credit make any difference to how we think about the aftermath of bubbles? (2) Are housing price bubbles more dangerous than equity bubbles? The answer to each of these questions turns out to be yes.

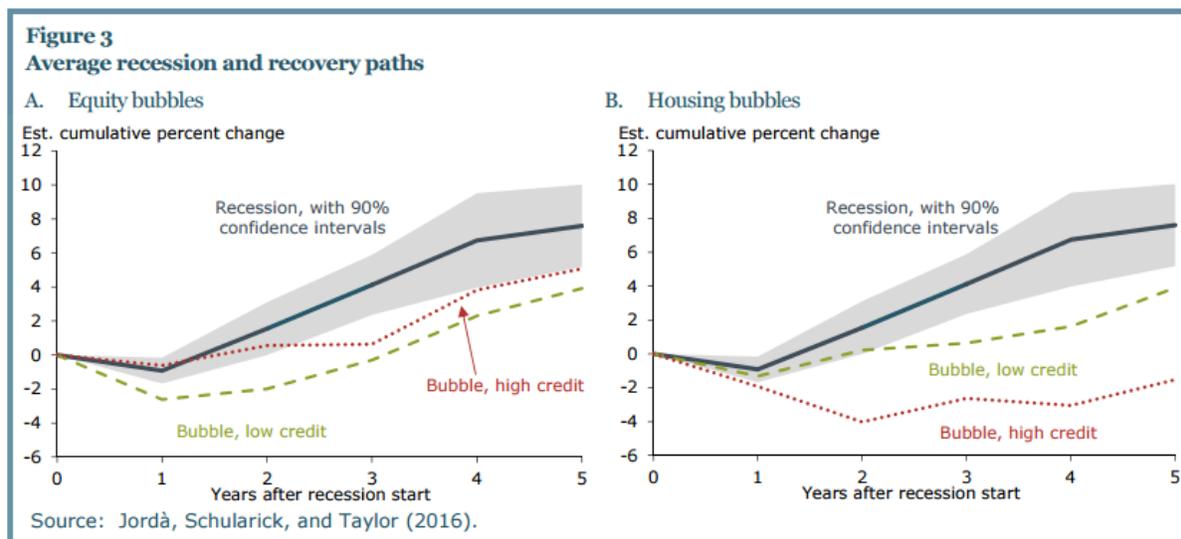
Beginning with the sample of all recessions in 17 advanced economies over the past 150 years, we stratify the data according to how much credit built up during the boom as well as whether the economy experienced a bubble in equities, housing, both, or neither. Furthermore, to guard against the influence that the Great Recession may have on our results (clearly an important event for many countries in our sample), we exclude data from 2007 and beyond.

Figure 3 presents the key results. Both panels show the average path of real GDP per capita of economies through recessions and recoveries when growth of credit in the expansion is at its average historical value and in the absence of asset price bubbles. This path is displayed as a solid blue line with a shaded 90% confidence interval. In normal recessions, the economy shrinks in year one by about 1% but recovers the previous peak level of output by year two. It continues to grow thereafter, and by year five, GDP per capita is about 7% higher than when the recession started.

Next we can stratify the results and examine cases where there is a bubble and when credit grows above or below its mean during the preceding expansion. A green dashed line denotes a bubble where credit grows below mean, and a red dotted line shows a bubble where credit grows above mean instead.

In panel A, compared with normal recessions, those coinciding with an equity bubble are slightly deeper, with an initial decline of about 2%, but tend to recover in a way that is parallel to normal recessions. By the fifth year after the start of the recession, GDP per capita is about 4% higher. More importantly, the path of the recovery is relatively unaffected by how much credit grows in the expansion.

In statistical terms, there is no significant difference between the two. In contrast, panel B of the figure shows that for housing bubbles the recession is deeper and the recovery slower than in normal recessions. And the more credit grows in the expansion, the more dangerous the situation gets. High



credit growth coupled with a housing bubble coincides with a path for GDP per capita that stays in negative territory even five years after the start of the recession. In fact, looking outside our sample, the path that the United States experienced in the Great Recession is strikingly similar to the historical average path of an economy experiencing a leveraged housing bubble.

Conclusion

Financial crises often follow credit and asset price booms that collapse abruptly. But many booms in credit and asset prices do not end up in a crisis or even in a garden-variety recession. This is the policymaker's conundrum, to distinguish booms driven by speculation from those driven by fundamental economic forces.

To ward against financial instability, policymakers have three arrows in their quiver: financial regulation, macroprudential frameworks, and interest rate policy. Few disagree on the first two arrows. However, views diverge on whether interest rate policy should be used for purposes other than to meet inflation and full employment mandates.

We cannot provide a definitive answer to this debate. However, our research highlights the need to pay particular attention to conditions in housing and mortgage markets, rather than those in equity markets. The collapse of a leveraged housing market is still as dangerous today as it has always been.

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IDAHO ECONOMIC FORECAST

October 2016

FORECAST DETAIL

Annual Forecast 2003–2020Page 34

Quarterly Forecast 2014–2019Page 48

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
OCTOBER 2016**

DEMOGRAPHICS

	2003	2004	2005	2006	2007	2008	2009	2010	2011
POPULATION									
Idaho (Thousands)	1,365.1	1,392.1	1,426.9	1,466.3	1,502.2	1,530.9	1,550.5	1,572.4	1,583.3
% Ch	1.8%	2.0%	2.5%	2.8%	2.4%	1.9%	1.3%	1.4%	0.7%
National (Millions)	291.116	293.758	296.460	299.282	302.227	304.948	307.580	310.109	312.463
% Ch	0.9%	0.9%	0.9%	1.0%	1.0%	0.9%	0.9%	0.8%	0.8%
BIRTHS									
Idaho (Thousands)	21.794	22.529	23.064	24.185	25.023	25.156	23.726	23.202	22.311
% Ch	3.9%	3.4%	2.4%	4.9%	3.5%	0.5%	-5.7%	-2.2%	-3.8%
National (Thousands)	4,105	4,113	4,150	4,280	4,322	4,269	4,152	4,031	3,968
% Ch	1.6%	0.2%	0.9%	3.1%	1.0%	-1.2%	-2.7%	-2.9%	-1.6%
DEATHS									
Idaho (Thousands)	10,364	10,013	10,513	10,556	10,742	10,927	11,065	11,411	11,990
% Ch	4.6%	-3.4%	5.0%	0.4%	1.8%	1.7%	1.3%	3.1%	5.1%
National (Thousands)	2,457	2,405	2,456	2,433	2,432	2,479	2,444	2,479	2,523
% Ch	0.3%	-2.1%	2.1%	-0.9%	-0.1%	1.9%	-1.4%	1.5%	1.7%
NET MIGRATION									
Idaho (Thousands)	13,014	14,440	22,304	25,775	21,641	14,457	6,905	10,135	0,596
HOUSING									
HOUSING STARTS									
Idaho	16,396	18,678	23,408	19,533	14,345	7,979	5,733	5,186	4,563
% Ch	23.9%	13.9%	25.3%	-16.6%	-26.6%	-44.4%	-28.1%	-9.5%	-12.0%
National (Millions)	1,854	1,950	2,073	1,812	1,342	0,900	0,554	0,586	0,612
% Ch	8.4%	5.2%	6.3%	-12.6%	-25.9%	-32.9%	-38.4%	5.7%	4.5%
SINGLE UNITS									
Idaho	13,865	16,168	20,939	17,521	12,014	7,132	4,951	4,648	3,959
% Ch	24.4%	16.6%	29.5%	-16.3%	-31.4%	-40.6%	-30.6%	-6.1%	-14.8%
National (Millions)	1,505	1,604	1,719	1,474	1,036	0,616	0,442	0,471	0,434
% Ch	10.4%	6.6%	7.1%	-14.3%	-29.7%	-40.5%	-28.2%	6.6%	-7.9%
MULTIPLE UNITS									
Idaho	2,531	2,510	2,470	2,012	2,331	847	782	538	605
% Ch	21.3%	-0.8%	-1.6%	-18.5%	15.9%	-63.7%	-7.6%	-31.2%	12.4%
National (Millions)	0.349	0.345	0.354	0.338	0.306	0.284	0.112	0.114	0.178
% Ch	0.5%	-1.0%	2.6%	-4.5%	-9.5%	-7.3%	-60.7%	2.2%	55.7%
HOUSING STOCK									
Idaho (Thousands)	457.6	473.8	494.4	514.8	529.3	537.9	542.3	546.4	549.2
% Ch	3.2%	3.5%	4.3%	4.1%	2.8%	1.6%	0.8%	0.8%	0.5%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
OCTOBER 2016**

DEMOGRAPHICS

	2012	2013	2014	2015	2016	2017	2018	2019	2020
POPULATION									
Idaho (Thousands)	1,595.7	1,612.5	1,634.5	1,655.6	1,677.5	1,701.5	1,726.3	1,752.7	1,779.8
% Ch	0.8%	1.1%	1.4%	1.3%	1.3%	1.4%	1.5%	1.5%	1.5%
National (Millions)	314.780	317.094	319.504	321.978	324.494	327.145	329.775	332.402	335.020
% Ch	0.7%	0.7%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
BIRTHS									
Idaho (Thousands)	22.941	22.348	22.888	22.832	22.873	23.324	23.801	24.330	24.880
% Ch	2.8%	-2.6%	2.4%	-0.2%	0.2%	2.0%	2.0%	2.2%	2.3%
National (Thousands)	3,966	3,932	3,994	4,007	4,033	4,061	4,086	4,110	4,131
% Ch	-0.1%	-0.9%	1.6%	0.3%	0.7%	0.7%	0.6%	0.6%	0.5%
DEATHS									
Idaho (Thousands)	11.993	12.426	12.610	13.031	13.284	13.565	13.852	14.146	14.445
% Ch	0.0%	3.6%	1.5%	3.3%	1.9%	2.1%	2.1%	2.1%	2.1%
National (Thousands)	2,550	2,605	2,614	2,624	2,654	2,685	2,716	2,747	2,781
% Ch	1.1%	2.1%	0.4%	0.4%	1.1%	1.2%	1.2%	1.1%	1.2%
NET MIGRATION									
Idaho (Thousands)	1.427	6.844	11.720	11.325	12.286	14.269	14.844	16.275	16.644
HOUSING									
HOUSING STARTS									
Idaho	7,131	9,062	9,811	10,305	12,783	14,059	14,548	14,686	14,698
% Ch	56.3%	27.1%	8.3%	5.0%	24.0%	10.0%	3.5%	0.9%	0.1%
National (Millions)	0.784	0.928	1.001	1.108	1.176	1.341	1.484	1.546	1.609
% Ch	28.1%	18.4%	7.8%	10.7%	6.1%	14.0%	10.7%	4.2%	4.0%
SINGLE UNITS									
Idaho	6,027	7,729	7,347	8,272	10,162	11,551	12,289	12,788	12,888
% Ch	52.3%	28.2%	-4.9%	12.6%	22.8%	13.7%	6.4%	4.1%	0.8%
National (Millions)	0.537	0.620	0.647	0.713	0.779	0.930	1.043	1.064	1.097
% Ch	23.6%	15.5%	4.2%	10.2%	9.2%	19.5%	12.2%	2.0%	3.1%
MULTIPLE UNITS									
Idaho	1,103	1,333	2,464	2,033	2,621	2,507	2,259	1,898	1,810
% Ch	82.5%	20.8%	84.8%	-17.5%	28.9%	-4.3%	-9.9%	-16.0%	-4.7%
National (Millions)	0.247	0.308	0.355	0.395	0.398	0.411	0.441	0.482	0.512
% Ch	38.9%	24.8%	15.1%	11.5%	0.6%	3.2%	7.3%	9.4%	6.2%
HOUSING STOCK									
Idaho (Thousands)	553.7	560.3	568.3	576.7	586.7	598.6	611.2	624.1	636.7
% Ch	0.8%	1.2%	1.4%	1.5%	1.7%	2.0%	2.1%	2.1%	2.0%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
OCTOBER 2016**

OUTPUT, INCOME, & WAGES

	2003	2004	2005	2006	2007	2008	2009	2010	2011
U.S. GROSS DOM. PRODUCT (Billions)									
Current Dollars	11,511	12,275	13,094	13,856	14,478	14,719	14,419	14,964	15,518
% Ch	4.9%	6.6%	6.7%	5.8%	4.5%	1.7%	-2.0%	3.8%	3.7%
2009 Chain-Weighted	13,271	13,773	14,234	14,614	14,874	14,830	14,419	14,784	15,021
% Ch	2.8%	3.8%	3.3%	2.7%	1.8%	-0.3%	-2.8%	2.5%	1.6%
PERSONAL INCOME - CURR \$									
Idaho (Millions)	36,388	39,465	41,864	46,053	49,037	50,680	48,866	49,842	52,745
% Ch	3.7%	8.5%	6.1%	10.0%	6.5%	3.4%	-3.6%	2.0%	5.8%
Idaho Nonfarm (Millions)	35,548	38,126	40,697	45,008	47,495	48,958	47,784	48,361	50,637
% Ch	4.5%	7.3%	6.7%	10.6%	5.5%	3.1%	-2.4%	1.2%	4.7%
National (Billions)	9,491	10,053	10,614	11,394	12,000	12,502	12,095	12,477	13,255
% Ch	3.7%	5.9%	5.6%	7.3%	5.3%	4.2%	-3.3%	3.2%	6.2%
PERSONAL INCOME - 2009 \$									
Idaho (Millions)	41,550	43,992	45,371	48,614	50,501	50,649	48,869	49,030	50,643
% Ch	1.7%	5.9%	3.1%	7.1%	3.9%	0.3%	-3.5%	0.3%	3.3%
Idaho Nonfarm (Millions)	40,591	42,499	44,105	47,510	48,913	48,927	47,787	47,573	48,619
% Ch	2.5%	4.7%	3.8%	7.7%	3.0%	0.0%	-2.3%	-0.4%	2.2%
National (Billions)	10,838	11,206	11,504	12,028	12,358	12,494	12,095	12,274	12,726
% Ch	1.7%	3.4%	2.7%	4.6%	2.7%	1.1%	-3.2%	1.5%	3.7%
PER CAPITA PERS INC - CURR \$									
Idaho	26,655	28,348	29,336	31,406	32,642	33,105	31,518	31,697	33,312
% Ch	1.8%	6.4%	3.5%	7.1%	3.9%	1.4%	-4.8%	0.6%	5.1%
National	32,601	34,220	35,801	38,070	39,705	40,998	39,323	40,234	42,419
% Ch	2.7%	5.0%	4.6%	6.3%	4.3%	3.3%	-4.1%	2.3%	5.4%
PER CAPITA PERS INC - 2009 \$									
Idaho	30,436	31,601	31,796	33,153	33,619	33,085	31,520	31,181	31,985
% Ch	-0.1%	3.8%	0.6%	4.3%	1.4%	-1.6%	-4.7%	-1.1%	2.6%
National	37,227	38,146	38,802	40,188	40,890	40,973	39,324	39,578	40,729
% Ch	0.7%	2.5%	1.7%	3.6%	1.7%	0.2%	-4.0%	0.6%	2.9%
AVERAGE ANNUAL WAGE									
Idaho	30,290	31,520	32,469	34,327	35,246	35,563	35,838	36,598	37,060
% Ch	2.5%	4.1%	3.0%	5.7%	2.7%	0.9%	0.8%	2.1%	1.3%
National	39,417	41,144	42,462	44,389	46,342	47,596	47,617	48,924	50,274
% Ch	3.1%	4.4%	3.2%	4.5%	4.4%	2.7%	0.0%	2.7%	2.8%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
OCTOBER 2016**

OUTPUT, INCOME, & WAGES

	2012	2013	2014	2015	2016	2017	2018	2019	2020
U.S. GROSS DOM. PRODUCT (Billions)									
Current Dollars	16,155	16,692	17,393	18,037	18,573	19,434	20,293	21,157	22,069
% Ch	4.1%	3.3%	4.2%	3.7%	3.0%	4.6%	4.4%	4.3%	4.3%
2009 Chain-Weighted	15,355	15,612	15,982	16,397	16,646	17,053	17,467	17,852	18,244
% Ch	2.2%	1.7%	2.4%	2.6%	1.5%	2.4%	2.4%	2.2%	2.2%
PERSONAL INCOME - CURR \$									
Idaho (Millions)	55,370	57,581	60,738	63,535	65,414	68,272	71,687	75,480	79,480
% Ch	5.0%	4.0%	5.5%	4.6%	3.0%	4.4%	5.0%	5.3%	5.3%
Idaho Nonfarm (Millions)	53,268	55,241	58,249	61,287	63,689	66,505	69,840	73,612	77,527
% Ch	5.2%	3.7%	5.4%	5.2%	3.9%	4.4%	5.0%	5.4%	5.3%
National (Billions)	13,915	14,074	14,810	15,459	15,988	16,712	17,528	18,395	19,304
% Ch	5.0%	1.1%	5.2%	4.4%	3.4%	4.5%	4.9%	4.9%	4.9%
PERSONAL INCOME - 2009 \$									
Idaho (Millions)	52,173	53,547	55,644	58,005	59,094	60,661	62,629	64,593	66,616
% Ch	3.0%	2.6%	3.9%	4.2%	1.9%	2.7%	3.2%	3.1%	3.1%
Idaho Nonfarm (Millions)	50,192	51,370	53,364	55,952	57,535	59,091	61,015	62,994	64,979
% Ch	3.2%	2.3%	3.9%	4.9%	2.8%	2.7%	3.3%	3.2%	3.2%
National (Billions)	13,112	13,088	13,568	14,113	14,443	14,849	15,313	15,741	16,179
% Ch	3.0%	-0.2%	3.7%	4.0%	2.3%	2.8%	3.1%	2.8%	2.8%
PER CAPITA PERS INC - CURR \$									
Idaho	34,698	35,709	37,159	38,375	38,995	40,123	41,525	43,062	44,654
% Ch	4.2%	2.9%	4.1%	3.3%	1.6%	2.9%	3.5%	3.7%	3.7%
National	44,205	44,383	46,351	48,010	49,269	51,082	53,150	55,337	57,618
% Ch	4.2%	0.4%	4.4%	3.6%	2.6%	3.7%	4.0%	4.1%	4.1%
PER CAPITA PERS INC - 2009 \$									
Idaho	32,695	33,207	34,043	35,035	35,227	35,651	36,279	36,852	37,428
% Ch	2.2%	1.6%	2.5%	2.9%	0.5%	1.2%	1.8%	1.6%	1.6%
National	41,653	41,274	42,464	43,831	44,509	45,388	46,435	47,356	48,293
% Ch	2.3%	-0.9%	2.9%	3.2%	1.5%	2.0%	2.3%	2.0%	2.0%
AVERAGE ANNUAL WAGE									
Idaho	37,348	38,055	39,204	40,047	40,788	42,064	43,515	45,060	46,647
% Ch	0.8%	1.9%	3.0%	2.1%	1.9%	3.1%	3.4%	3.6%	3.5%
National	51,650	52,181	53,807	55,378	56,477	58,580	60,942	63,297	65,718
% Ch	2.7%	1.0%	3.1%	2.9%	2.0%	3.7%	4.0%	3.9%	3.8%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
OCTOBER 2016**

PERSONAL INCOME--CURRENT \$\$

	2003	2004	2005	2006	2007	2008	2009	2010	2011
WAGE AND SALARY PAYMENTS									
Idaho (Millions)	17,991	19,246	20,655	22,716	24,013	23,955	22,821	22,974	23,495
% Ch	3.1%	7.0%	7.3%	10.0%	5.7%	-0.2%	-4.7%	0.7%	2.3%
National (Billions)	5,138	5,422	5,692	6,057	6,395	6,532	6,251	6,378	6,633
% Ch	2.8%	5.5%	5.0%	6.4%	5.6%	2.1%	-4.3%	2.0%	4.0%
FARM PROPRIETORS INCOME									
Idaho (Millions)	450	908	667	551	949	1,151	449	929	1,553
% Ch	-29.9%	101.5%	-26.5%	-17.4%	72.2%	21.3%	-61.0%	107.0%	67.2%
National (Billions)	38	50	46	36	38	47	35	46	76
% Ch	91.0%	32.7%	-8.1%	-22.4%	6.0%	23.3%	-24.5%	29.7%	64.2%
NONFARM PROPRIETORS INCOME									
Idaho (Millions)	3,599	3,730	3,798	4,189	4,013	4,192	4,615	4,144	4,164
% Ch	-0.5%	3.6%	1.8%	10.3%	-4.2%	4.5%	10.1%	-10.2%	0.5%
National (Billions)	862	912	933	1,018	941	979	938	987	1,068
% Ch	1.3%	5.8%	2.3%	9.1%	-7.5%	4.1%	-4.3%	5.2%	8.2%
DIVIDENDS, RENT & INTEREST									
Idaho (Millions)	7,131	7,818	8,393	9,519	10,261	10,397	9,162	9,012	10,336
% Ch	7.9%	9.6%	7.4%	13.4%	7.8%	1.3%	-11.9%	-1.6%	14.7%
National (Billions)	1,658	1,759	1,905	2,146	2,356	2,429	2,152	2,142	2,399
% Ch	3.2%	6.1%	8.3%	12.7%	9.8%	3.1%	-11.4%	-0.4%	12.0%
OTHER LABOR INCOME									
Idaho (Millions)	4,487	4,863	5,259	5,852	6,124	6,188	6,017	6,202	6,085
% Ch	6.2%	8.4%	8.2%	11.3%	4.6%	1.0%	-2.8%	3.1%	-1.9%
National (Billions)	844	909	967	998	1,041	1,075	1,077	1,115	1,142
% Ch	8.3%	7.7%	6.4%	3.2%	4.4%	3.2%	0.2%	3.4%	2.5%
GOVT. TRANSFERS TO INDIV.									
Idaho (Millions)	5,336	5,716	6,175	6,705	7,278	8,477	9,318	10,241	10,297
% Ch	6.3%	7.1%	8.0%	8.6%	8.5%	16.5%	9.9%	9.9%	0.6%
National (Billions)	1,347	1,421	1,517	1,615	1,728	1,957	2,148	2,325	2,360
% Ch	4.9%	5.5%	6.7%	6.5%	7.0%	13.2%	9.8%	8.3%	1.5%
CONTRIB. FOR SOCIAL INSUR.									
Idaho (Millions)	3,100	3,309	3,588	3,998	4,190	4,211	4,122	4,310	3,941
% Ch	4.1%	6.7%	8.4%	11.4%	4.8%	0.5%	-2.1%	4.6%	-8.6%
National (Billions)	779	829	873	923	961	988	964	984	918
% Ch	3.7%	6.4%	5.3%	5.6%	4.2%	2.8%	-2.4%	2.0%	-6.7%
RESIDENCE ADJUSTMENT									
Idaho (Millions)	493	493	504	521	590	531	606	651	755
% Ch	-3.0%	0.0%	2.2%	3.4%	13.2%	-9.9%	14.1%	7.5%	15.9%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
OCTOBER 2016**

PERSONAL INCOME--CURRENT \$\$

	2012	2013	2014	2015	2016	2017	2018	2019	2020
WAGE AND SALARY PAYMENTS									
Idaho (Millions)	24,163	25,274	26,649	27,837	29,096	30,552	32,184	33,981	35,824
% Ch	2.8%	4.6%	5.4%	4.5%	4.5%	5.0%	5.3%	5.6%	5.4%
National (Billions)	6,930	7,117	7,476	7,855	8,150	8,558	8,983	9,408	9,848
% Ch	4.5%	2.7%	5.1%	5.1%	3.8%	5.0%	5.0%	4.7%	4.7%
FARM PROPRIETORS INCOME									
Idaho (Millions)	1,469	1,645	1,778	1,618	1,036	1,031	1,101	1,112	1,187
% Ch	-5.4%	12.0%	8.0%	-9.0%	-36.0%	-0.5%	6.8%	1.0%	6.7%
National (Billions)	62	88	69	40	33	34	35	34	33
% Ch	-18.5%	42.6%	-22.0%	-41.7%	-17.2%	3.8%	2.0%	-3.8%	-2.1%
NONFARM PROPRIETORS INCOME									
Idaho (Millions)	4,538	5,230	5,818	6,329	6,677	7,006	7,309	7,546	7,809
% Ch	9.0%	15.3%	11.2%	8.8%	5.5%	4.9%	4.3%	3.2%	3.5%
National (Billions)	1,180	1,197	1,269	1,337	1,386	1,456	1,524	1,579	1,640
% Ch	10.5%	1.5%	6.0%	5.3%	3.7%	5.0%	4.6%	3.6%	3.9%
DIVIDENDS, RENT & INTEREST									
Idaho (Millions)	11,687	11,761	12,647	13,080	13,366	13,804	14,517	15,465	16,456
% Ch	13.1%	0.6%	7.5%	3.4%	2.2%	3.3%	5.2%	6.5%	6.4%
National (Billions)	2,649	2,623	2,833	2,913	2,971	3,066	3,226	3,428	3,647
% Ch	10.4%	-1.0%	8.0%	2.8%	2.0%	3.2%	5.2%	6.3%	6.4%
OTHER LABOR INCOME									
Idaho (Millions)	6,199	6,663	6,511	6,935	7,187	7,443	7,671	7,931	8,204
% Ch	1.9%	7.5%	-2.3%	6.5%	3.6%	3.6%	3.1%	3.4%	3.4%
National (Billions)	1,165	1,199	1,230	1,271	1,325	1,376	1,418	1,469	1,524
% Ch	2.0%	2.9%	2.6%	3.3%	4.3%	3.8%	3.0%	3.6%	3.7%
GOVT. TRANSFERS TO INDIV.									
Idaho (Millions)	10,441	10,775	11,210	11,812	12,270	12,877	13,581	14,361	15,166
% Ch	1.4%	3.2%	4.0%	5.4%	3.9%	4.9%	5.5%	5.7%	5.6%
National (Billions)	2,366	2,428	2,540	2,679	2,784	2,916	3,072	3,240	3,410
% Ch	0.2%	2.6%	4.6%	5.4%	3.9%	4.7%	5.4%	5.5%	5.2%
CONTRIB. FOR SOCIAL INSUR.									
Idaho (Millions)	4,045	4,654	4,841	5,055	5,269	5,522	5,798	6,085	6,380
% Ch	2.7%	15.1%	4.0%	4.4%	4.2%	4.8%	5.0%	4.9%	4.9%
National (Billions)	952	1,105	1,155	1,203	1,246	1,309	1,375	1,438	1,506
% Ch	3.7%	16.1%	4.6%	4.2%	3.5%	5.1%	5.0%	4.6%	4.7%
RESIDENCE ADJUSTMENT									
Idaho (Millions)	920	887	967	978	1,051	1,082	1,122	1,168	1,215
% Ch	21.7%	-3.5%	9.0%	1.1%	7.4%	3.0%	3.7%	4.1%	4.1%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
OCTOBER 2016**

EMPLOYMENT

	2003	2004	2005	2006	2007	2008	2009	2010	2011
TOTAL NONFARM EMPLOYMENT									
Idaho	572,547	588,056	611,683	638,839	656,226	648,914	610,011	603,701	610,761
% Ch	0.8%	2.7%	4.0%	4.4%	2.7%	-1.1%	-6.0%	-1.0%	1.2%
National (Thousands)	130,344	131,770	134,042	136,458	137,997	137,241	131,300	130,353	131,941
% Ch	-0.2%	1.1%	1.7%	1.8%	1.1%	-0.5%	-4.3%	-0.7%	1.2%
GOODS PRODUCING SECTOR									
Idaho	102,384	105,446	112,317	122,252	123,318	112,229	92,405	88,024	88,984
% Ch	-2.5%	3.0%	6.5%	8.8%	0.9%	-9.0%	-17.7%	-4.7%	1.1%
National (Thousands)	21,816	21,878	22,186	22,530	22,229	21,331	18,559	17,752	18,045
% Ch	-3.3%	0.3%	1.4%	1.6%	-1.3%	-4.0%	-13.0%	-4.3%	1.7%
MANUFACTURING									
Idaho	63,860	63,676	65,031	67,837	68,062	64,452	55,838	54,431	56,041
% Ch	-4.4%	-0.3%	2.1%	4.3%	0.3%	-5.3%	-13.4%	-2.5%	3.0%
National (Thousands)	14,578	14,382	14,291	14,221	13,938	13,460	11,898	11,579	11,776
% Ch	-4.9%	-1.3%	-0.6%	-0.5%	-2.0%	-3.4%	-11.6%	-2.7%	1.7%
DURABLE MANUFACTURING									
Idaho	39,947	40,544	42,104	44,603	44,200	39,869	32,204	31,171	32,678
% Ch	-5.6%	1.5%	3.8%	5.9%	-0.9%	-9.8%	-19.2%	-3.2%	4.8%
National (Thousands)	9,032	8,992	9,020	9,046	8,868	8,519	7,335	7,114	7,322
% Ch	-5.5%	-0.4%	0.3%	0.3%	-2.0%	-3.9%	-13.9%	-3.0%	2.9%
LOGGING & WOOD PRODUCTS									
Idaho	9,046	9,294	9,618	10,035	9,584	8,065	5,899	5,792	6,206
% Ch	-5.3%	2.7%	3.5%	4.3%	-4.5%	-15.8%	-26.9%	-1.8%	7.1%
National (Thousands)	609	619	626	625	577	514	411	392	386
% Ch	-3.0%	1.7%	1.1%	-0.2%	-7.7%	-10.9%	-20.1%	-4.6%	-1.6%
METAL FABRICATION									
Idaho	3,537	3,636	3,905	4,376	4,659	4,676	4,376	4,443	4,593
% Ch	-2.7%	2.8%	7.4%	12.1%	6.5%	0.4%	-6.4%	1.5%	3.4%
National (Thousands)	1,479	1,497	1,522	1,553	1,562	1,527	1,312	1,282	1,348
% Ch	-4.5%	1.2%	1.7%	2.0%	0.6%	-2.2%	-14.1%	-2.3%	5.2%
MACHINERY									
Idaho	2,632	2,569	2,606	2,864	2,992	3,133	2,717	2,501	2,567
% Ch	-7.1%	-2.4%	1.4%	9.9%	4.5%	4.7%	-13.3%	-8.0%	2.7%
National (Thousands)	1,152	1,145	1,164	1,183	1,187	1,187	1,029	996	1,056
% Ch	-6.5%	-0.6%	1.7%	1.6%	0.3%	0.0%	-13.3%	-3.2%	6.0%
COMPUTER & ELECTRONICS									
Idaho	16,297	16,286	16,181	16,663	16,216	14,305	11,098	10,574	11,191
% Ch	-9.1%	-0.1%	-0.6%	3.0%	-2.7%	-11.8%	-22.4%	-4.7%	5.8%
National (Thousands)	1,355	1,323	1,316	1,308	1,272	1,244	1,137	1,094	1,103
% Ch	-10.1%	-2.4%	-0.5%	-0.7%	-2.7%	-2.2%	-8.6%	-3.7%	0.8%
OTHER DURABLES									
Idaho	8,435	8,759	9,794	10,664	10,749	9,689	8,114	7,861	8,120
% Ch	0.8%	3.8%	11.8%	8.9%	0.8%	-9.9%	-16.3%	-3.1%	3.3%
National (Thousands)	4,438	4,408	4,391	4,378	4,269	4,046	3,446	3,349	3,430
% Ch	-4.3%	-0.7%	-0.4%	-0.3%	-2.5%	-5.2%	-14.8%	-2.8%	2.4%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
OCTOBER 2016**

EMPLOYMENT

	2012	2013	2014	2015	2016	2017	2018	2019	2020
TOTAL NONFARM EMPLOYMENT									
Idaho	622,300	638,122	654,343	672,483	689,579	702,232	716,284	731,616	746,088
% Ch	1.9%	2.5%	2.5%	2.8%	2.5%	1.8%	2.0%	2.1%	2.0%
National (Thousands)	134,173	136,381	138,939	141,833	144,309	146,091	147,407	148,621	149,854
% Ch	1.7%	1.6%	1.9%	2.1%	1.7%	1.2%	0.9%	0.8%	0.8%
GOODS PRODUCING SECTOR									
Idaho	92,371	97,327	99,840	104,231	109,225	111,066	112,984	115,536	117,432
% Ch	3.8%	5.4%	2.6%	4.4%	4.8%	1.7%	1.7%	2.3%	1.6%
National (Thousands)	18,421	18,739	19,224	19,581	19,648	19,882	20,245	20,638	20,928
% Ch	2.1%	1.7%	2.6%	1.9%	0.3%	1.2%	1.8%	1.9%	1.4%
MANUFACTURING									
Idaho	58,247	61,109	61,578	63,453	65,680	66,093	66,599	67,802	68,898
% Ch	3.9%	4.9%	0.8%	3.0%	3.5%	0.6%	0.8%	1.8%	1.6%
National (Thousands)	11,978	12,071	12,236	12,370	12,340	12,367	12,424	12,605	12,736
% Ch	1.7%	0.8%	1.4%	1.1%	-0.2%	0.2%	0.5%	1.5%	1.0%
DURABLE MANUFACTURING									
Idaho	34,230	35,857	36,053	37,396	38,502	38,401	38,543	39,264	39,924
% Ch	4.8%	4.8%	0.5%	3.7%	3.0%	-0.3%	0.4%	1.9%	1.7%
National (Thousands)	7,520	7,598	7,725	7,808	7,738	7,765	7,824	7,969	8,087
% Ch	2.7%	1.0%	1.7%	1.1%	-0.9%	0.3%	0.8%	1.9%	1.5%
LOGGING & WOOD PRODUCTS									
Idaho	6,526	7,130	7,060	7,255	7,796	7,816	8,058	8,409	8,655
% Ch	5.2%	9.3%	-1.0%	2.8%	7.4%	0.3%	3.1%	4.4%	2.9%
National (Thousands)	390	405	424	431	433	456	483	500	519
% Ch	1.1%	3.9%	4.6%	1.9%	0.4%	5.4%	5.8%	3.5%	3.9%
METAL FABRICATION									
Idaho	4,859	5,417	5,500	5,649	5,823	5,897	6,019	6,154	6,284
% Ch	5.8%	11.5%	1.5%	2.7%	3.1%	1.3%	2.1%	2.2%	2.1%
National (Thousands)	1,410	1,431	1,454	1,459	1,431	1,449	1,464	1,501	1,536
% Ch	4.5%	1.5%	1.6%	0.4%	-1.9%	1.3%	1.0%	2.5%	2.4%
MACHINERY									
Idaho	2,717	2,934	2,975	3,016	3,121	3,213	3,286	3,387	3,520
% Ch	5.8%	8.0%	1.4%	1.4%	3.5%	3.0%	2.3%	3.1%	3.9%
National (Thousands)	1,098	1,104	1,127	1,122	1,086	1,083	1,101	1,138	1,164
% Ch	4.0%	0.6%	2.0%	-0.4%	-3.2%	-0.3%	1.7%	3.4%	2.3%
COMPUTER & ELECTRONICS									
Idaho	11,625	11,266	11,425	11,899	12,008	11,785	11,543	11,625	11,735
% Ch	3.9%	-3.1%	1.4%	4.2%	0.9%	-1.9%	-2.1%	0.7%	1.0%
National (Thousands)	1,089	1,065	1,049	1,050	1,038	1,032	1,059	1,071	1,078
% Ch	-1.3%	-2.1%	-1.5%	0.1%	-1.2%	-0.6%	2.6%	1.2%	0.6%
OTHER DURABLES									
Idaho	8,503	9,110	9,093	9,576	9,754	9,690	9,636	9,689	9,729
% Ch	4.7%	7.1%	-0.2%	5.3%	1.9%	-0.7%	-0.6%	0.5%	0.4%
National (Thousands)	3,534	3,592	3,671	3,745	3,750	3,745	3,718	3,759	3,789
% Ch	3.0%	1.7%	2.2%	2.0%	0.1%	-0.1%	-0.7%	1.1%	0.8%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
OCTOBER 2016**

EMPLOYMENT

MANUFACTURING (continued)

	2003	2004	2005	2006	2007	2008	2009	2010	2011
NONDURABLE MANUFACTURING									
Idaho	23,912	23,131	22,927	23,234	23,861	24,583	23,634	23,260	23,364
% Ch	-2.3%	-3.3%	-0.9%	1.3%	2.7%	3.0%	-3.9%	-1.6%	0.4%
National (Thousands)	5,546	5,390	5,271	5,175	5,070	4,941	4,563	4,465	4,454
% Ch	-3.9%	-2.8%	-2.2%	-1.8%	-2.0%	-2.6%	-7.6%	-2.2%	-0.2%
FOOD PROCESSING									
Idaho	15,900	14,999	14,714	14,700	15,094	15,835	15,642	15,442	15,354
% Ch	-2.8%	-5.7%	-1.9%	-0.1%	2.7%	4.9%	-1.2%	-1.3%	-0.6%
National (Thousands)	1,517	1,494	1,478	1,479	1,484	1,480	1,457	1,451	1,459
% Ch	-0.5%	-1.5%	-1.1%	0.1%	0.3%	-0.2%	-1.6%	-0.4%	0.6%
PRINTING									
Idaho	2,030	1,921	1,899	1,907	1,891	1,807	1,433	1,283	1,232
% Ch	-0.1%	-5.3%	-1.2%	0.4%	-0.8%	-4.4%	-20.7%	-10.5%	-3.9%
National (Thousands)	680	663	646	634	622	594	522	488	472
% Ch	-3.7%	-2.6%	-2.5%	-1.9%	-1.9%	-4.5%	-12.2%	-6.5%	-3.3%
CHEMICALS									
Idaho	1,832	1,878	1,938	2,117	2,267	2,367	2,275	2,200	2,374
% Ch	-4.9%	2.6%	3.2%	9.2%	7.1%	4.4%	-3.9%	-3.3%	7.9%
National (Thousands)	906	887	872	866	861	847	804	786	783
% Ch	-2.3%	-2.1%	-1.7%	-0.7%	-0.6%	-1.7%	-5.1%	-2.2%	-0.4%
OTHER NONDURABLES									
Idaho	4,151	4,332	4,376	4,511	4,610	4,573	4,284	4,336	4,402
% Ch	-0.5%	4.4%	1.0%	3.1%	2.2%	-0.8%	-6.3%	1.2%	1.5%
National (Thousands)	2,442	2,346	2,275	2,195	2,104	2,020	1,781	1,740	1,739
% Ch	-6.6%	-3.9%	-3.0%	-3.5%	-4.2%	-4.0%	-11.8%	-2.3%	0.0%
MINING									
Idaho	1,785	1,931	2,160	2,372	2,665	2,767	2,163	2,296	2,584
% Ch	1.5%	8.2%	11.8%	9.8%	12.3%	3.8%	-21.8%	6.1%	12.5%
National (Thousands)	503	523	562	620	663	709	643	655	739
% Ch	-1.9%	4.0%	7.5%	10.3%	7.0%	6.9%	-9.3%	1.8%	12.9%
CONSTRUCTION									
Idaho	36,739	39,839	45,127	52,043	52,592	45,010	34,403	31,296	30,359
% Ch	0.7%	8.4%	13.3%	15.3%	1.1%	-14.4%	-23.6%	-9.0%	-3.0%
National (Thousands)	6,736	6,973	7,333	7,690	7,627	7,162	6,017	5,518	5,530
% Ch	0.3%	3.5%	5.2%	4.9%	-0.8%	-6.1%	-16.0%	-8.3%	0.2%
NONGOODS PRODUCING									
Idaho	470,163	482,610	499,366	516,587	532,908	536,685	517,606	515,677	521,777
% Ch	1.5%	2.6%	3.5%	3.4%	3.2%	0.7%	-3.6%	-0.4%	1.2%
National (Thousands)	108,528	109,892	111,856	113,927	115,769	115,909	112,741	112,601	113,895
% Ch	0.4%	1.3%	1.8%	1.9%	1.6%	0.1%	-2.7%	-0.1%	1.1%
SERVICES									
Idaho	260,020	269,014	280,741	292,713	304,462	307,045	295,846	296,270	302,714
% Ch	2.5%	3.5%	4.4%	4.3%	4.0%	0.8%	-3.6%	0.1%	2.2%
National (Thousands)	66,422	67,552	69,009	70,693	72,018	72,179	70,080	70,215	71,589
% Ch	0.8%	1.7%	2.2%	2.4%	1.9%	0.2%	-2.9%	0.2%	2.0%
INFORMATION									
Idaho	9,181	9,935	11,072	10,592	10,913	11,028	10,012	9,626	9,465
% Ch	0.3%	8.2%	11.4%	-4.3%	3.0%	1.1%	-9.2%	-3.9%	-1.7%
National (Thousands)	3,189	3,117	3,061	3,038	3,032	2,983	2,804	2,707	2,673
% Ch	-6.1%	-2.2%	-1.8%	-0.8%	-0.2%	-1.6%	-6.0%	-3.4%	-1.3%
FINANCIAL ACTIVITIES									
Idaho	26,945	27,937	29,653	31,744	32,529	31,660	29,622	29,170	29,873
% Ch	4.3%	3.7%	6.1%	7.1%	2.5%	-2.7%	-6.4%	-1.5%	2.4%
National (Thousands)	8,077	8,105	8,197	8,366	8,347	8,204	7,838	7,695	7,696
% Ch	1.5%	0.3%	1.1%	2.1%	-0.2%	-1.7%	-4.5%	-1.8%	0.0%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
OCTOBER 2016**

EMPLOYMENT

MANUFACTURING (continued)	2012	2013	2014	2015	2016	2017	2018	2019	2020
NONDURABLE MANUFACTURING									
Idaho	24,017	25,252	25,525	26,057	27,178	27,692	28,057	28,538	28,974
% Ch	2.8%	5.1%	1.1%	2.1%	4.3%	1.9%	1.3%	1.7%	1.5%
National (Thousands)	4,458	4,473	4,511	4,562	4,602	4,603	4,600	4,636	4,649
% Ch	0.1%	0.3%	0.9%	1.1%	0.9%	0.0%	-0.1%	0.8%	0.3%
FOOD PROCESSING									
Idaho	15,659	16,393	16,501	16,848	17,560	18,000	18,239	18,544	18,822
% Ch	2.0%	4.7%	0.7%	2.1%	4.2%	2.5%	1.3%	1.7%	1.5%
National (Thousands)	1,469	1,474	1,485	1,505	1,533	1,561	1,582	1,612	1,634
% Ch	0.7%	0.3%	0.7%	1.4%	1.9%	1.8%	1.4%	1.9%	1.4%
PRINTING									
Idaho	1,208	1,217	1,175	1,125	1,205	1,131	1,118	1,109	1,102
% Ch	-1.9%	0.7%	-3.4%	-4.3%	7.1%	-6.1%	-1.2%	-0.8%	-0.7%
National (Thousands)	462	452	454	449	442	433	426	429	431
% Ch	-2.1%	-2.1%	0.3%	-1.1%	-1.4%	-2.2%	-1.5%	0.6%	0.5%
CHEMICALS									
Idaho	2,540	2,599	2,532	2,549	2,696	2,748	2,790	2,868	2,923
% Ch	7.0%	2.3%	-2.6%	0.7%	5.8%	1.9%	1.5%	2.8%	1.9%
National (Thousands)	784	793	803	809	818	813	810	810	803
% Ch	0.0%	1.2%	1.2%	0.9%	1.0%	-0.6%	-0.4%	0.0%	-0.8%
OTHER NONDURABLES									
Idaho	4,609	5,044	5,317	5,534	5,716	5,812	5,910	6,017	6,127
% Ch	4.7%	9.4%	5.4%	4.1%	3.3%	1.7%	1.7%	1.8%	1.8%
National (Thousands)	1,743	1,754	1,770	1,799	1,808	1,796	1,782	1,785	1,780
% Ch	0.2%	0.6%	0.9%	1.6%	0.5%	-0.7%	-0.8%	0.2%	-0.3%
MINING									
Idaho	2,697	2,582	2,415	2,359	2,352	2,294	2,287	2,311	2,322
% Ch	4.4%	-4.3%	-6.5%	-2.3%	-0.3%	-2.5%	-0.3%	1.1%	0.5%
National (Thousands)	797	811	838	768	648	648	682	701	726
% Ch	7.8%	1.8%	3.4%	-8.4%	-15.6%	0.0%	5.3%	2.8%	3.5%
CONSTRUCTION									
Idaho	31,428	33,635	35,847	38,419	41,192	42,679	44,098	45,422	46,212
% Ch	3.5%	7.0%	6.6%	7.2%	7.2%	3.6%	3.3%	3.0%	1.7%
National (Thousands)	5,646	5,858	6,150	6,443	6,660	6,867	7,139	7,331	7,466
% Ch	2.1%	3.7%	5.0%	4.8%	3.4%	3.1%	4.0%	2.7%	1.8%
NONGOODS PRODUCING									
Idaho	529,929	540,795	554,503	568,252	580,354	591,166	603,300	616,080	628,656
% Ch	1.6%	2.1%	2.5%	2.5%	2.1%	1.9%	2.1%	2.1%	2.0%
National (Thousands)	115,751	117,642	119,715	122,252	124,661	126,209	127,162	127,983	128,927
% Ch	1.6%	1.6%	1.8%	2.1%	2.0%	1.2%	0.8%	0.6%	0.7%
SERVICES									
Idaho	307,731	315,985	326,778	336,261	346,635	355,246	364,238	373,232	381,696
% Ch	1.7%	2.7%	3.4%	2.9%	3.1%	2.5%	2.5%	2.5%	2.3%
National (Thousands)	73,329	74,985	76,670	78,735	80,651	82,121	83,058	83,730	84,439
% Ch	2.4%	2.3%	2.2%	2.7%	2.4%	1.8%	1.1%	0.8%	0.8%
INFORMATION									
Idaho	9,364	9,288	9,322	9,291	9,031	8,957	9,026	9,244	9,452
% Ch	-1.1%	-0.8%	0.4%	-0.3%	-2.8%	-0.8%	0.8%	2.4%	2.3%
National (Thousands)	2,675	2,706	2,727	2,751	2,777	2,800	2,804	2,793	2,784
% Ch	0.1%	1.1%	0.8%	0.9%	1.0%	0.8%	0.1%	-0.4%	-0.3%
FINANCIAL ACTIVITIES									
Idaho	30,333	31,184	32,682	33,262	34,449	35,082	35,395	35,625	35,815
% Ch	1.5%	2.8%	4.8%	1.8%	3.6%	1.8%	0.9%	0.6%	0.5%
National (Thousands)	7,783	7,886	7,976	8,124	8,290	8,335	8,306	8,282	8,254
% Ch	1.1%	1.3%	1.1%	1.9%	2.0%	0.5%	-0.4%	-0.3%	-0.3%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
OCTOBER 2016**

EMPLOYMENT

SERVICES (Continued)	2003	2004	2005	2006	2007	2008	2009	2010	2011
TRANS., WAREHOUSING, UTILITIES									
Idaho	18,764	18,947	19,294	20,242	21,032	21,723	20,690	20,690	21,185
% Ch	0.5%	1.0%	1.8%	4.9%	3.9%	3.3%	-4.8%	0.0%	2.4%
National (Thousands)	4,761	4,814	4,917	5,017	5,095	5,067	4,797	4,744	4,857
% Ch	-1.2%	1.1%	2.1%	2.0%	1.5%	-0.6%	-5.3%	-1.1%	2.4%
PROFESSIONAL & BUSINESS									
Idaho	70,004	73,138	76,898	81,346	83,191	80,542	74,681	73,958	75,166
% Ch	1.4%	4.5%	5.1%	5.8%	2.3%	-3.2%	-7.3%	-1.0%	1.6%
National (Thousands)	15,985	16,388	16,952	17,572	17,947	17,741	16,574	16,723	17,329
% Ch	0.1%	2.5%	3.4%	3.7%	2.1%	-1.2%	-6.6%	0.9%	3.6%
EDUCATION & HEALTH									
Idaho	62,552	65,220	67,996	70,119	74,072	77,738	81,003	83,831	86,550
% Ch	4.6%	4.3%	4.3%	3.1%	5.6%	4.9%	4.2%	3.5%	3.2%
National (Thousands)	16,835	17,227	17,675	18,152	18,676	19,229	19,628	19,972	20,322
% Ch	2.6%	2.3%	2.6%	2.7%	2.9%	3.0%	2.1%	1.8%	1.7%
LEISURE & HOSPITALITY									
Idaho	54,405	55,566	57,347	59,650	63,256	63,200	58,665	57,948	59,298
% Ch	2.1%	2.1%	3.2%	4.0%	6.0%	-0.1%	-8.7%	-1.2%	2.3%
National (Thousands)	12,175	12,492	12,813	13,109	13,428	13,441	13,074	13,042	13,352
% Ch	1.6%	2.6%	2.6%	2.3%	2.4%	0.1%	-2.7%	-0.2%	2.4%
OTHER SERVICES									
Idaho	18,168	18,272	18,479	19,021	19,469	21,155	21,174	21,047	21,178
% Ch	1.7%	0.6%	1.1%	2.9%	2.4%	8.7%	0.1%	-0.6%	0.6%
National (Thousands)	5,401	5,409	5,395	5,438	5,493	5,515	5,366	5,331	5,361
% Ch	0.5%	0.2%	-0.3%	0.8%	1.0%	0.4%	-2.7%	-0.7%	0.6%
TRADE									
Idaho	97,120	99,131	103,675	107,465	111,651	110,453	102,270	100,837	101,887
% Ch	-0.2%	2.1%	4.6%	3.7%	3.9%	-1.1%	-7.4%	-1.4%	1.0%
National (Thousands)	20,525	20,722	21,043	21,260	21,532	21,228	20,108	19,897	20,214
% Ch	-0.8%	1.0%	1.5%	1.0%	1.3%	-1.4%	-5.3%	-1.0%	1.6%
RETAIL TRADE									
Idaho	72,625	73,725	76,801	80,514	83,552	82,614	76,283	74,836	75,201
% Ch	0.3%	1.5%	4.2%	4.8%	3.8%	-1.1%	-7.7%	-1.9%	0.5%
National (Thousands)	14,917	15,060	15,281	15,356	15,516	15,285	14,522	14,445	14,670
% Ch	-0.7%	1.0%	1.5%	0.5%	1.0%	-1.5%	-5.0%	-0.5%	1.6%
WHOLESALE TRADE									
Idaho	24,496	25,406	26,875	26,951	28,099	27,839	25,987	26,001	26,686
% Ch	-1.8%	3.7%	5.8%	0.3%	4.3%	-0.9%	-6.7%	0.1%	2.6%
National (Thousands)	5,608	5,661	5,762	5,904	6,016	5,943	5,586	5,452	5,543
% Ch	-0.8%	0.9%	1.8%	2.5%	1.9%	-1.2%	-6.0%	-2.4%	1.7%
STATE & LOCAL GOVERNMENT									
Idaho	99,398	101,149	101,867	103,530	103,975	105,987	105,994	104,879	104,521
% Ch	0.9%	1.8%	0.7%	1.6%	0.4%	1.9%	0.0%	-1.1%	-0.3%
National (Thousands)	18,357	18,744	18,820	18,887	19,073	19,742	19,484	19,742	19,722
% Ch	2.4%	2.1%	0.4%	0.4%	1.0%	1.3%	-1.3%	1.3%	-0.1%
EDUCATION									
Idaho	49,910	50,817	51,306	52,652	53,021	53,610	54,618	53,929	54,013
% Ch	0.5%	1.8%	1.0%	2.6%	0.7%	1.1%	1.9%	-1.3%	0.2%
NONEDUCATION									
Idaho	49,488	50,332	50,560	50,878	50,955	52,377	51,376	50,950	50,509
% Ch	1.3%	1.7%	0.5%	0.6%	0.2%	2.8%	-1.9%	-0.8%	-0.9%
FEDERAL GOVERNMENT									
Idaho	13,625	13,316	13,084	12,879	12,820	13,200	13,496	13,691	12,654
% Ch	0.5%	-2.3%	-1.7%	-1.6%	-0.5%	3.0%	2.2%	1.4%	-7.6%
National (Thousands)	2,760	2,731	2,732	2,733	2,735	2,761	2,831	2,976	2,860
% Ch	-0.2%	-1.1%	0.0%	0.0%	0.1%	0.9%	2.5%	5.1%	-3.9%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
OCTOBER 2016**

EMPLOYMENT

SERVICES (Continued)	2012	2013	2014	2015	2016	2017	2018	2019	2020
TRANS., WAREHOUSING, UTILITIES									
Idaho	21,512	21,512	22,424	23,394	23,580	23,891	24,372	24,914	25,441
% Ch	1.5%	0.0%	4.2%	4.3%	0.8%	1.3%	2.0%	2.2%	2.1%
National (Thousands)	4,968	5,048	5,208	5,399	5,461	5,535	5,594	5,622	5,638
% Ch	2.3%	1.6%	3.2%	3.7%	1.1%	1.4%	1.1%	0.5%	0.3%
PROFESSIONAL & BUSINESS									
Idaho	75,468	77,514	79,659	81,220	83,858	86,595	89,320	91,780	93,839
% Ch	0.4%	2.7%	2.8%	2.0%	3.2%	3.3%	3.1%	2.8%	2.2%
National (Thousands)	17,933	18,520	19,064	19,664	20,216	20,960	21,662	22,056	22,448
% Ch	3.5%	3.3%	2.9%	3.1%	2.8%	3.7%	3.3%	1.8%	1.8%
EDUCATION & HEALTH									
Idaho	88,356	90,997	94,171	97,286	100,322	103,548	106,807	110,422	114,291
% Ch	2.1%	3.0%	3.5%	3.3%	3.1%	3.2%	3.1%	3.4%	3.5%
National (Thousands)	20,768	21,084	21,436	22,050	22,686	23,049	23,206	23,427	23,633
% Ch	2.2%	1.5%	1.7%	2.9%	2.9%	1.6%	0.7%	0.9%	0.9%
LEISURE & HOSPITALITY									
Idaho	61,177	63,511	65,898	68,317	71,374	72,751	74,372	75,789	76,862
% Ch	3.2%	3.8%	3.8%	3.7%	4.5%	1.9%	2.2%	1.9%	1.4%
National (Thousands)	13,772	14,258	14,694	15,122	15,530	15,790	15,887	15,983	16,133
% Ch	3.1%	3.5%	3.1%	2.9%	2.7%	1.7%	0.6%	0.6%	0.9%
OTHER SERVICES									
Idaho	21,520	21,979	22,622	23,493	24,021	24,422	24,946	25,459	25,997
% Ch	1.6%	2.1%	2.9%	3.8%	2.2%	1.7%	2.1%	2.1%	2.1%
National (Thousands)	5,430	5,483	5,566	5,624	5,691	5,651	5,598	5,567	5,549
% Ch	1.3%	1.0%	1.5%	1.0%	1.2%	-0.7%	-0.9%	-0.5%	-0.3%
TRADE									
Idaho	104,946	107,377	109,527	112,875	113,402	115,321	118,142	121,561	124,711
% Ch	3.0%	2.3%	2.0%	3.1%	0.5%	1.7%	2.4%	2.9%	2.6%
National (Thousands)	20,504	20,808	21,167	21,515	21,868	21,908	21,823	21,811	21,750
% Ch	1.4%	1.5%	1.7%	1.6%	1.6%	0.2%	-0.4%	-0.1%	-0.3%
RETAIL TRADE									
Idaho	77,125	78,739	80,573	83,848	84,770	86,414	88,779	91,628	94,246
% Ch	2.6%	2.1%	2.3%	4.1%	1.1%	1.9%	2.7%	3.2%	2.9%
National (Thousands)	14,836	15,074	15,354	15,640	15,946	15,965	15,839	15,772	15,663
% Ch	1.1%	1.6%	1.9%	1.9%	2.0%	0.1%	-0.8%	-0.4%	-0.7%
WHOLESALE TRADE									
Idaho	27,820	28,638	28,954	29,027	28,632	28,907	29,363	29,932	30,465
% Ch	4.3%	2.9%	1.1%	0.3%	-1.4%	1.0%	1.6%	1.9%	1.8%
National (Thousands)	5,668	5,734	5,813	5,875	5,923	5,943	5,984	6,039	6,087
% Ch	2.2%	1.2%	1.4%	1.1%	0.8%	0.3%	0.7%	0.9%	0.8%
STATE & LOCAL GOVERNMENT									
Idaho	104,612	105,023	105,862	106,565	107,490	107,717	108,026	108,390	109,052
% Ch	0.1%	0.4%	0.8%	0.7%	0.9%	0.2%	0.3%	0.3%	0.6%
National (Thousands)	19,097	19,079	19,145	19,251	19,359	19,395	19,532	19,734	19,904
% Ch	-0.7%	-0.1%	0.3%	0.6%	0.6%	0.2%	0.7%	1.0%	0.9%
EDUCATION									
Idaho	53,977	54,368	54,913	55,574	55,699	55,975	56,378	56,792	57,237
% Ch	-0.1%	0.7%	1.0%	1.2%	0.2%	0.5%	0.7%	0.7%	0.8%
NONEDUCATION									
Idaho	50,635	50,655	50,948	50,992	51,791	51,741	51,648	51,598	51,815
% Ch	0.2%	0.0%	0.6%	0.1%	1.6%	-0.1%	-0.2%	-0.1%	0.4%
FEDERAL GOVERNMENT									
Idaho	12,640	12,411	12,336	12,551	12,827	12,881	12,894	12,897	13,196
% Ch	-0.1%	-1.8%	-0.6%	1.7%	2.2%	0.4%	0.1%	0.0%	2.3%
National (Thousands)	2,822	2,770	2,733	2,752	2,782	2,786	2,749	2,709	2,833
% Ch	-1.3%	-1.8%	-1.3%	0.7%	1.1%	0.1%	-1.3%	-1.5%	4.6%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
OCTOBER 2016**

MISCELLANEOUS

	2003	2004	2005	2006	2007	2008	2009	2010	2011
SELECTED CHAIN-WEIGHTED DEFL.									
Gross Domestic Product	86.736	89.118	91.985	94.812	97.340	99.218	100.000	101.226	103.316
% Ch	2.0%	2.7%	3.2%	3.1%	2.7%	1.9%	0.8%	1.2%	2.1%
Consumption Expenditures	87.572	89.703	92.261	94.729	97.101	100.065	100.000	101.653	104.149
% Ch	2.0%	2.4%	2.9%	2.7%	2.5%	3.1%	-0.1%	1.7%	2.5%
Durable Goods	110.885	108.752	107.669	105.916	103.764	101.758	100.000	98.622	97.725
% Ch	-3.6%	-1.9%	-1.0%	-1.6%	-2.0%	-1.9%	-1.7%	-1.4%	-0.9%
Nondurable Goods	85.264	88.214	91.592	94.438	97.214	102.653	100.000	103.085	109.188
% Ch	2.1%	3.5%	3.8%	3.1%	2.9%	5.6%	-2.6%	3.1%	5.9%
Services	84.533	87.058	89.934	92.977	95.981	98.947	100.000	101.661	103.524
% Ch	3.1%	3.0%	3.3%	3.4%	3.2%	3.1%	1.1%	1.7%	1.8%
Consumer Price Index (1982-84=1.000)	1.840	1.889	1.953	2.016	2.073	2.153	2.146	2.181	2.249
% Ch	2.3%	2.7%	3.4%	3.2%	2.9%	3.8%	-0.3%	1.6%	3.1%
SELECTED INTEREST RATES									
Federal Funds	1.1%	1.3%	3.2%	5.0%	5.0%	1.9%	0.2%	0.2%	0.1%
NY Fed Discount	2.1%	2.3%	4.2%	6.0%	5.9%	2.4%	0.5%	0.7%	0.8%
Prime	4.1%	4.3%	6.2%	8.0%	8.1%	5.1%	3.3%	3.3%	3.3%
Existing Home Mortgage	5.7%	5.7%	5.9%	6.6%	6.5%	6.2%	5.1%	4.9%	4.7%
U.S. Govt. 3-Month Bills	1.0%	1.4%	3.1%	4.7%	4.4%	1.4%	0.2%	0.1%	0.1%
U.S. Govt. 6-Month Bills	1.1%	1.6%	3.4%	4.8%	4.4%	1.6%	0.3%	0.2%	0.1%
U.S. Govt. 5-Year Notes	3.0%	3.4%	4.0%	4.7%	4.4%	2.8%	2.2%	1.9%	1.5%
U.S. Govt. 10-Year Notes	4.0%	4.3%	4.3%	4.8%	4.6%	3.7%	3.3%	3.2%	2.8%
EXCHANGE RATES (2009=1.000)									
Major Currency Trading Partners	1.194	1.099	1.073	1.045	0.978	0.926	1.000	0.995	0.915
% Ch	-12.4%	-8.0%	-2.3%	-2.6%	-6.4%	-5.3%	8.0%	-0.5%	-8.0%
Other Important Trading Partners	1.321	1.261	1.184	1.123	1.040	0.941	1.000	0.948	0.870
% Ch	-1.6%	-4.5%	-6.2%	-5.1%	-7.4%	-9.5%	6.3%	-5.2%	-8.2%
SELECTED US PRODUCTION INDICES									
Wood Products	134.9	138.4	147.7	148.9	139.2	119.0	90.9	94.1	94.3
% Ch	-0.2%	2.6%	6.7%	0.8%	-6.5%	-14.6%	-23.6%	3.6%	0.2%
Computers & Electronic Products	46.1	54.0	61.1	69.3	79.6	85.7	76.2	86.0	92.8
% Ch	14.3%	17.1%	13.0%	13.5%	14.9%	7.6%	-11.1%	12.8%	8.0%
Food	97.5	97.4	100.5	101.3	101.9	100.6	100.0	100.4	100.2
% Ch	0.7%	0.0%	3.1%	0.9%	0.5%	-1.3%	-0.6%	0.5%	-0.2%
Agricultural Chemicals	94.9	98.9	102.6	107.0	98.5	85.2	89.7	93.5	88.5
% Ch	4.5%	4.3%	3.8%	4.2%	-7.9%	-13.5%	5.2%	4.3%	-5.4%
Metal Ore Mining	93.4	95.5	101.1	103.2	100.6	103.6	90.8	97.0	99.1
% Ch	-4.6%	2.2%	5.9%	2.1%	-2.5%	3.0%	-12.3%	6.8%	2.2%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
OCTOBER 2016**

MISCELLANEOUS

	2012	2013	2014	2015	2016	2017	2018	2019	2020
SELECTED CHAIN-WEIGHTED DEFL.									
Gross Domestic Product	105.220	106.917	108.838	109.999	111.577	113.959	116.176	118.512	120.959
% Ch	1.8%	1.6%	1.8%	1.1%	1.4%	2.1%	1.9%	2.0%	2.1%
Consumption Expenditures	106.121	107.532	109.150	109.532	110.692	112.544	114.458	116.850	119.304
% Ch	1.9%	1.3%	1.5%	0.3%	1.1%	1.7%	1.7%	2.1%	2.1%
Durable Goods	96.413	94.590	92.411	90.463	88.739	86.883	85.324	84.064	82.937
% Ch	-1.3%	-1.9%	-2.3%	-2.1%	-1.9%	-2.1%	-1.8%	-1.5%	-1.3%
Nondurable Goods	111.841	111.946	112.595	108.920	107.654	109.097	110.909	114.010	116.804
% Ch	2.4%	0.1%	0.6%	-3.3%	-1.2%	1.3%	1.7%	2.8%	2.5%
Services	105.840	108.276	110.946	113.149	115.714	118.490	121.196	124.161	127.314
% Ch	2.2%	2.3%	2.5%	2.0%	2.3%	2.4%	2.3%	2.4%	2.5%
Consumer Price Index (1982-84=100)	2.296	2.330	2.367	2.370	2.400	2.455	2.508	2.573	2.638
% Ch	2.1%	1.5%	1.6%	0.1%	1.3%	2.3%	2.1%	2.6%	2.5%
SELECTED INTEREST RATES									
Federal Funds	0.1%	0.1%	0.1%	0.1%	0.4%	1.0%	1.7%	2.7%	3.0%
NY Fed Discount	0.8%	0.8%	0.8%	0.8%	1.0%	1.6%	2.4%	3.3%	3.7%
Prime	3.3%	3.3%	3.3%	3.3%	3.5%	4.0%	4.7%	5.7%	6.0%
Existing Home Mortgage	3.8%	4.0%	4.3%	4.0%	3.9%	4.3%	5.0%	5.8%	6.0%
U.S. Govt. 3-Month Bills	0.1%	0.1%	0.0%	0.1%	0.3%	0.9%	1.6%	2.5%	2.8%
U.S. Govt. 6-Month Bills	0.1%	0.1%	0.1%	0.2%	0.5%	1.0%	1.8%	2.7%	3.0%
U.S. Govt. 5-Year Notes	0.8%	1.2%	1.6%	1.5%	1.3%	1.8%	2.4%	3.2%	3.5%
U.S. Govt. 10-Year Notes	1.8%	2.4%	2.5%	2.1%	1.7%	2.3%	2.9%	3.5%	3.8%
EXCHANGE RATES (2009=1.000)									
Major Currency Trading Partners	0.950	0.994	1.038	1.241	1.287	1.317	1.273	1.217	1.182
% Ch	3.8%	4.7%	4.4%	19.6%	3.7%	2.3%	-3.4%	-4.4%	-2.9%
Other Important Trading Partners	0.866	0.856	0.874	0.977	1.062	1.070	1.061	1.057	1.046
% Ch	-0.5%	-1.2%	2.2%	11.7%	8.7%	0.8%	-0.8%	-0.4%	-1.1%
SELECTED US PRODUCTION INDICES									
Wood Products	100.0	105.8	108.6	108.9	110.0	114.0	118.0	119.1	120.9
% Ch	6.0%	5.8%	2.7%	0.2%	1.1%	3.6%	3.5%	0.9%	1.6%
Computers & Electronic Products	100.0	103.1	108.6	111.6	114.2	117.4	123.2	128.3	133.4
% Ch	7.7%	3.1%	5.2%	2.8%	2.3%	2.8%	4.9%	4.2%	3.9%
Food	100.0	102.0	102.2	103.1	105.1	107.2	109.3	111.5	113.7
% Ch	-0.2%	2.0%	0.2%	0.8%	1.9%	2.0%	2.0%	2.0%	1.9%
Agricultural Chemicals	100.0	116.1	109.6	112.6	120.1	131.7	143.0	150.4	153.4
% Ch	13.0%	16.1%	-5.6%	2.8%	6.6%	9.7%	8.6%	5.1%	2.0%
Metal Ore Mining	100.0	101.2	103.8	97.1	89.3	87.8	88.0	88.2	88.5
% Ch	0.9%	1.2%	2.6%	-6.5%	-8.0%	-1.7%	0.2%	0.3%	0.3%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2016**

DEMOGRAPHICS

	2014				2015				2016			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
POPULATION												
Idaho (Thousands)	1,625.7	1,631.4	1,637.3	1,643.5	1,647.6	1,652.9	1,658.2	1,663.6	1,668.8	1,674.4	1,680.3	1,686.4
% Ch	1.0%	1.4%	1.5%	1.5%	1.0%	1.3%	1.3%	1.3%	1.3%	1.3%	1.4%	1.5%
National (Millions)	318.563	319.183	319.901	320.367	320.887	321.654	322.372	322.997	323.504	324.125	324.843	325.501
% Ch	0.6%	0.8%	0.9%	0.6%	0.7%	1.0%	0.9%	0.8%	0.6%	0.8%	0.9%	0.8%
BIRTHS												
Idaho (Thousands)	22.679	22.884	22.990	22.999	22.910	22.843	22.799	22.776	22.714	22.813	22.923	23.040
% Ch	5.5%	3.7%	1.9%	0.2%	-1.5%	-1.2%	-0.8%	-0.4%	-1.1%	1.8%	1.9%	2.1%
National (Thousands)	3,978	3,990	4,001	4,006	3,998	4,004	4,010	4,015	4,023	4,029	4,037	4,044
% Ch	3.8%	1.3%	1.1%	0.4%	-0.8%	0.6%	0.6%	0.6%	0.7%	0.7%	0.8%	0.7%
DEATHS												
Idaho (Thousands)	12.521	12.553	12.626	12.740	12.895	13.012	13.089	13.128	13.180	13.249	13.318	13.388
% Ch	-0.3%	1.0%	2.3%	3.7%	5.0%	3.7%	2.4%	1.2%	1.6%	2.1%	2.1%	2.1%
National (Thousands)	2,610	2,613	2,616	2,617	2,616	2,621	2,626	2,633	2,642	2,650	2,658	2,666
% Ch	-0.9%	0.4%	0.5%	0.2%	-0.2%	0.8%	0.9%	1.0%	1.5%	1.1%	1.3%	1.2%
NET MIGRATION												
Idaho (Thousands)	11.437	11.809	11.914	11.720	11.897	11.764	11.228	10.411	11.668	11.866	12.435	13.178
HOUSING												
HOUSING STARTS												
Idaho	10,136	9,695	9,074	10,341	10,079	10,299	10,381	10,462	12,217	12,190	13,047	13,680
% Ch	-4.6%	-16.3%	-23.3%	68.7%	-9.8%	9.0%	3.2%	3.1%	85.9%	-0.9%	31.2%	20.9%
National (Millions)	0.941	0.984	1.023	1.056	0.986	1.156	1.156	1.135	1.151	1.156	1.191	1.207
% Ch	-25.1%	19.7%	16.5%	13.8%	-24.1%	88.9%	0.0%	-7.2%	6.0%	1.7%	12.5%	5.4%
SINGLE UNITS												
Idaho	7,551	7,242	7,000	7,595	8,259	7,718	8,266	8,846	9,735	9,563	10,294	11,057
% Ch	-23.1%	-15.4%	-12.7%	38.6%	39.8%	-23.8%	31.6%	31.2%	46.7%	-6.9%	34.3%	33.1%
National (Millions)	0.609	0.628	0.650	0.699	0.643	0.709	0.745	0.755	0.790	0.756	0.762	0.806
% Ch	-24.0%	12.8%	14.5%	34.3%	-28.5%	47.5%	21.9%	5.7%	20.1%	-16.4%	3.4%	25.4%
MULTIPLE UNITS												
Idaho	2,585	2,453	2,074	2,746	1,820	2,582	2,115	1,616	2,481	2,627	2,752	2,623
% Ch	93.9%	-18.8%	-48.9%	207.1%	-80.7%	305.4%	-54.9%	-65.9%	455.5%	25.7%	20.5%	-17.5%
National (Millions)	0.332	0.356	0.373	0.357	0.343	0.447	0.411	0.380	0.361	0.401	0.429	0.400
% Ch	-27.2%	33.2%	20.1%	-16.1%	-14.8%	189.3%	-28.5%	-27.4%	-18.3%	51.7%	31.3%	-24.0%
HOUSING STOCK												
Idaho (Thousands)	565.4	567.4	569.2	571.4	573.5	575.6	577.8	580.0	582.6	585.2	588.0	591.0
% Ch	1.5%	1.4%	1.3%	1.5%	1.5%	1.5%	1.5%	1.5%	1.8%	1.8%	1.9%	2.0%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2016**

DEMOGRAPHICS

	2017				2018				2019			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
POPULATION												
Idaho (Thousands)	1,692.2	1,698.4	1,704.6	1,710.7	1,716.9	1,723.1	1,729.4	1,735.7	1,742.5	1,749.3	1,756.2	1,762.9
% Ch	1.4%	1.5%	1.5%	1.4%	1.5%	1.5%	1.5%	1.5%	1.6%	1.6%	1.6%	1.6%
National (Millions)	326.159	326.816	327.474	328.132	328.789	329.447	330.104	330.761	331.418	332.074	332.730	333.386
% 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)	23.146	23.266	23.384	23.501	23.620	23.739	23.861	23.984	24.122	24.261	24.400	24.538
% Ch	1.9%	2.1%	2.0%	2.0%	2.0%	2.0%	2.1%	2.1%	2.3%	2.3%	2.3%	2.3%
National (Thousands)	4,051	4,058	4,065	4,071	4,077	4,083	4,090	4,096	4,102	4,108	4,113	4,119
% Ch	0.7%	0.7%	0.7%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.5%	0.5%
DEATHS												
Idaho (Thousands)	13.458	13.529	13.600	13.671	13.743	13.815	13.888	13.961	14.034	14.108	14.183	14.257
% Ch	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%
National (Thousands)	2,674	2,681	2,689	2,697	2,705	2,712	2,720	2,728	2,735	2,743	2,751	2,760
% Ch	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.1%	1.1%	1.1%	1.2%	1.2%	1.2%
NET MIGRATION												
Idaho (Thousands)	13.738	14.326	14.535	14.478	14.817	14.752	14.823	14.983	15.529	16.077	16.556	16.936
HOUSING												
HOUSING STARTS												
Idaho	13,682	13,978	14,194	14,381	14,362	14,461	14,612	14,754	14,918	14,871	14,572	14,381
% Ch	0.1%	8.9%	6.3%	5.4%	-0.5%	2.8%	4.2%	4.0%	4.5%	-1.2%	-7.8%	-5.1%
National (Millions)	1.258	1.320	1.366	1.418	1.454	1.474	1.500	1.509	1.519	1.534	1.554	1.576
% Ch	18.3%	21.1%	14.6%	16.2%	10.4%	5.8%	7.1%	2.4%	2.8%	4.1%	5.2%	5.9%
SINGLE UNITS												
Idaho	11,139	11,407	11,707	11,953	12,002	12,157	12,401	12,596	12,832	12,942	12,762	12,615
% Ch	3.0%	10.0%	10.9%	8.7%	1.6%	5.3%	8.3%	6.4%	7.7%	3.5%	-5.4%	-4.5%
National (Millions)	0.857	0.913	0.955	0.996	1.024	1.043	1.056	1.051	1.048	1.056	1.071	1.081
% Ch	27.4%	28.9%	19.9%	18.1%	11.8%	7.8%	5.1%	-2.0%	-0.9%	2.9%	5.8%	3.9%
MULTIPLE UNITS												
Idaho	2,543	2,571	2,488	2,428	2,360	2,305	2,211	2,159	2,086	1,930	1,809	1,766
% Ch	-11.7%	4.5%	-12.3%	-9.2%	-10.7%	-9.1%	-15.3%	-9.2%	-12.7%	-26.9%	-22.7%	-9.3%
National (Millions)	0.402	0.407	0.411	0.423	0.430	0.431	0.444	0.458	0.471	0.479	0.483	0.495
% Ch	1.3%	5.7%	3.5%	11.9%	7.0%	1.4%	12.1%	13.4%	11.7%	6.9%	3.8%	10.4%
HOUSING STOCK												
Idaho (Thousands)	594.0	597.0	600.1	603.3	606.4	609.6	612.8	616.0	619.2	622.5	625.7	628.8
% Ch	2.0%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.0%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2016**

OUTPUT, INCOME, & WAGES

	2014				2015				2016			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
U.S. GROSS DOM. PRODUCT (Billions)												
Current Dollars	17,025	17,286	17,569	17,692	17,784	17,998	18,142	18,223	18,282	18,437	18,674	18,900
% Ch	0.6%	6.3%	6.7%	2.8%	2.1%	4.9%	3.2%	1.8%	1.3%	3.4%	5.3%	4.9%
2009 Chain-Weighted	15,747	15,901	16,095	16,187	16,269	16,374	16,455	16,491	16,525	16,570	16,694	16,794
% Ch	-1.2%	4.0%	5.0%	2.3%	2.0%	2.6%	2.0%	0.9%	0.8%	1.1%	3.0%	2.4%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	59,238	60,527	61,107	62,081	62,570	63,255	64,078	64,238	64,249	65,093	65,905	66,408
% Ch	5.4%	9.0%	3.9%	6.5%	3.2%	4.5%	5.3%	1.0%	0.1%	5.4%	5.1%	3.1%
Idaho Nonfarm (Millions)	56,896	57,866	58,667	59,570	60,332	60,963	61,682	62,172	62,602	63,315	64,080	64,759
% Ch	4.5%	7.0%	5.7%	6.3%	5.2%	4.2%	4.8%	3.2%	2.8%	4.6%	4.9%	4.3%
National (Billions)	14,487	14,718	14,928	15,106	15,186	15,402	15,556	15,690	15,740	15,900	16,065	16,247
% Ch	7.2%	6.5%	5.8%	4.9%	2.1%	5.8%	4.1%	3.5%	1.3%	4.1%	4.2%	4.6%
PERSONAL INCOME - 2009 \$												
Idaho (Millions)	54,536	55,462	55,843	56,735	57,415	57,782	58,368	58,456	58,425	58,900	59,464	59,585
% Ch	3.3%	7.0%	2.8%	6.5%	4.9%	2.6%	4.1%	0.6%	-0.2%	3.3%	3.9%	0.8%
Idaho Nonfarm (Millions)	52,380	53,023	53,614	54,440	55,361	55,688	56,185	56,575	56,927	57,291	57,817	58,106
% Ch	2.5%	5.0%	4.5%	6.3%	6.9%	2.4%	3.6%	2.8%	2.5%	2.6%	3.7%	2.0%
National (Billions)	13,337	13,486	13,642	13,805	13,935	14,069	14,170	14,278	14,313	14,387	14,495	14,577
% Ch	5.1%	4.5%	4.7%	4.9%	3.8%	3.9%	2.9%	3.1%	1.0%	2.1%	3.0%	2.3%
PER CAPITA PERS INC - CURR \$												
Idaho	36,439	37,102	37,322	37,773	37,977	38,268	38,642	38,614	38,501	38,876	39,223	39,378
% Ch	4.3%	7.5%	2.4%	4.9%	2.2%	3.1%	4.0%	-0.3%	-1.2%	4.0%	3.6%	1.6%
National	45,477	46,112	46,663	47,153	47,325	47,883	48,255	48,577	48,655	49,055	49,454	49,913
% Ch	6.5%	5.7%	4.9%	4.3%	1.5%	4.8%	3.1%	2.7%	0.6%	3.3%	3.3%	3.8%
PER CAPITA PERS INC - 2009 \$												
Idaho	33,547	33,997	34,107	34,520	34,848	34,957	35,199	35,139	35,011	35,177	35,389	35,333
% Ch	2.3%	5.5%	1.3%	4.9%	3.8%	1.3%	2.8%	-0.7%	-1.4%	1.9%	2.4%	-0.6%
National	41,867	42,253	42,644	43,093	43,426	43,740	43,955	44,204	44,244	44,388	44,621	44,785
% Ch	4.4%	3.7%	3.8%	4.3%	3.1%	2.9%	2.0%	2.3%	0.4%	1.3%	2.1%	1.5%
AVERAGE ANNUAL WAGE												
Idaho	38,778	38,883	39,229	39,926	39,696	39,779	40,147	40,565	40,221	40,624	41,013	41,295
% Ch	2.5%	1.1%	3.6%	7.3%	-2.3%	0.8%	3.8%	4.2%	-3.4%	4.1%	3.9%	2.8%
National	53,349	53,445	53,953	54,482	54,620	55,193	55,532	56,166	55,816	56,284	56,655	57,154
% Ch	6.0%	0.7%	3.9%	4.0%	1.0%	4.3%	2.5%	4.6%	-2.5%	3.4%	2.7%	3.6%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2016**

OUTPUT, INCOME, & WAGES

	2017				2018				2019			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
U.S. GROSS DOM. PRODUCT (Billions)												
Current Dollars	19,121	19,334	19,538	19,742	19,972	20,199	20,401	20,599	20,831	21,043	21,271	21,483
% Ch	4.8%	4.5%	4.3%	4.3%	4.7%	4.6%	4.1%	3.9%	4.6%	4.1%	4.4%	4.1%
2009 Chain-Weighted	16,905	17,004	17,100	17,201	17,319	17,428	17,518	17,604	17,706	17,802	17,905	17,994
% Ch	2.7%	2.4%	2.3%	2.4%	2.8%	2.5%	2.1%	2.0%	2.3%	2.2%	2.3%	2.0%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	67,230	67,729	68,617	69,512	70,364	71,144	72,149	73,091	74,217	75,012	75,952	76,738
% Ch	5.0%	3.0%	5.3%	5.3%	5.0%	4.5%	5.8%	5.3%	6.3%	4.4%	5.1%	4.2%
Idaho Nonfarm (Millions)	65,438	66,173	66,832	67,580	68,516	69,389	70,270	71,184	72,194	73,143	74,086	75,024
% Ch	4.3%	4.6%	4.0%	4.5%	5.7%	5.2%	5.2%	5.3%	5.8%	5.4%	5.3%	5.2%
National (Billions)	16,432	16,618	16,801	16,996	17,220	17,428	17,630	17,835	18,074	18,286	18,501	18,718
% Ch	4.6%	4.6%	4.5%	4.7%	5.4%	4.9%	4.7%	4.7%	5.5%	4.8%	4.8%	4.8%
PERSONAL INCOME - 2009 \$												
Idaho (Millions)	60,121	60,285	60,833	61,403	61,922	62,298	62,882	63,414	64,022	64,365	64,826	65,160
% Ch	3.6%	1.1%	3.7%	3.8%	3.4%	2.5%	3.8%	3.4%	3.9%	2.2%	2.9%	2.1%
Idaho Nonfarm (Millions)	58,518	58,900	59,250	59,696	60,295	60,762	61,245	61,759	62,277	62,761	63,233	63,705
% Ch	2.9%	2.6%	2.4%	3.0%	4.1%	3.1%	3.2%	3.4%	3.4%	3.1%	3.0%	3.0%
National (Billions)	14,694	14,792	14,895	15,013	15,154	15,261	15,366	15,473	15,591	15,690	15,791	15,894
% Ch	3.2%	2.7%	2.8%	3.2%	3.8%	2.9%	2.8%	2.8%	3.1%	2.6%	2.6%	2.6%
PER CAPITA PERS INC - CURR \$												
Idaho	39,729	39,877	40,254	40,633	40,983	41,288	41,719	42,110	42,591	42,880	43,249	43,528
% Ch	3.6%	1.5%	3.8%	3.8%	3.5%	3.0%	4.2%	3.8%	4.7%	2.7%	3.5%	2.6%
National	50,380	50,849	51,305	51,795	52,373	52,900	53,407	53,921	54,534	55,065	55,603	56,145
% Ch	3.8%	3.8%	3.6%	3.9%	4.5%	4.1%	3.9%	3.9%	4.6%	4.0%	4.0%	4.0%
PER CAPITA PERS INC - 2009 \$												
Idaho	35,528	35,494	35,687	35,893	36,066	36,154	36,361	36,534	36,741	36,793	36,913	36,961
% Ch	2.2%	-0.4%	2.2%	2.3%	1.9%	1.0%	2.3%	1.9%	2.3%	0.6%	1.3%	0.5%
National	45,052	45,260	45,485	45,753	46,089	46,323	46,548	46,781	47,043	47,249	47,458	47,675
% Ch	2.4%	1.9%	2.0%	2.4%	3.0%	2.0%	2.0%	2.0%	2.3%	1.8%	1.8%	1.8%
AVERAGE ANNUAL WAGE												
Idaho	41,584	41,905	42,216	42,552	42,933	43,321	43,713	44,094	44,479	44,866	45,253	45,644
% Ch	2.8%	3.1%	3.0%	3.2%	3.6%	3.7%	3.7%	3.5%	3.5%	3.5%	3.5%	3.5%
National	57,708	58,289	58,879	59,442	60,073	60,652	61,240	61,803	62,406	62,997	63,594	64,193
% Ch	3.9%	4.1%	4.1%	3.9%	4.3%	3.9%	3.9%	3.7%	4.0%	3.8%	3.8%	3.8%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2016**

PERSONAL INCOME -- CURR \$\$

	2014				2015				2016			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
WAGE AND SALARY PAYMENTS												
Idaho (Millions)	26,224	26,378	26,680	27,313	27,344	27,581	27,980	28,444	28,510	28,842	29,342	29,689
% Ch	6.0%	2.4%	4.7%	9.8%	0.5%	3.5%	5.9%	6.8%	0.9%	4.7%	7.1%	4.8%
National (Billions)	7,350	7,406	7,517	7,633	7,692	7,809	7,894	8,025	8,011	8,104	8,193	8,294
% Ch	7.6%	3.0%	6.1%	6.3%	3.1%	6.2%	4.4%	6.8%	-0.7%	4.7%	4.5%	5.0%
FARM PROPRIETORS INCOME												
Idaho (Millions)	1,641	1,955	1,726	1,788	1,615	1,663	1,763	1,432	1,009	1,135	1,088	913
% Ch	39.7%	101.3%	-39.2%	15.2%	-33.4%	12.4%	26.2%	-56.5%	-75.3%	60.2%	-15.6%	-50.6%
National (Billions)	70	79	64	61	38	39	45	38	32	32	33	35
% Ch	-5.0%	61.4%	-56.4%	-18.0%	-84.3%	3.2%	76.4%	-46.7%	-48.3%	-6.0%	18.4%	23.6%
NONFARM PROPRIETORS INCOME												
Idaho (Millions)	5,591	5,750	5,895	6,037	6,250	6,290	6,354	6,423	6,609	6,650	6,690	6,759
% Ch	16.3%	11.9%	10.5%	10.0%	14.9%	2.5%	4.2%	4.4%	12.1%	2.5%	2.4%	4.2%
National (Billions)	1,234	1,258	1,281	1,305	1,313	1,327	1,344	1,363	1,372	1,379	1,389	1,405
% Ch	9.3%	7.9%	7.6%	7.6%	2.5%	4.6%	5.2%	5.6%	2.6%	2.1%	2.9%	4.8%
DIVIDENDS, RENT & INTEREST												
Idaho (Millions)	12,236	12,621	12,830	12,899	12,889	13,110	13,231	13,092	13,162	13,321	13,442	13,540
% Ch	8.8%	13.2%	6.8%	2.2%	-0.3%	7.1%	3.7%	-4.1%	2.2%	4.9%	3.7%	2.9%
National (Billions)	2,739	2,827	2,876	2,890	2,877	2,921	2,943	2,913	2,929	2,959	2,985	3,009
% Ch	11.2%	13.5%	7.2%	2.0%	-1.9%	6.3%	3.1%	-4.1%	2.2%	4.2%	3.5%	3.3%
OTHER LABOR INCOME												
Idaho (Millions)	6,436	6,480	6,534	6,592	6,831	6,900	6,964	7,046	7,079	7,153	7,228	7,288
% Ch	-16.1%	2.7%	3.4%	3.6%	15.3%	4.1%	3.8%	4.8%	1.9%	4.3%	4.2%	3.4%
National (Billions)	1,218	1,225	1,234	1,242	1,252	1,264	1,276	1,290	1,305	1,319	1,333	1,344
% Ch	2.3%	2.5%	2.7%	2.9%	3.3%	3.6%	4.0%	4.4%	4.7%	4.5%	4.3%	3.3%
GOVT. TRANSFERS TO INDIV.												
Idaho (Millions)	10,927	11,181	11,319	11,411	11,653	11,756	11,882	11,958	12,043	12,190	12,349	12,499
% Ch	2.8%	9.6%	5.0%	3.3%	8.8%	3.6%	4.3%	2.6%	2.9%	5.0%	5.3%	5.0%
National (Billions)	2,476	2,527	2,566	2,592	2,639	2,675	2,692	2,708	2,744	2,765	2,796	2,830
% Ch	4.4%	8.4%	6.4%	4.2%	7.4%	5.6%	2.5%	2.4%	5.4%	3.1%	4.5%	5.0%
CONTRIB. FOR SOCIAL INSUR.												
Idaho (Millions)	4,767	4,795	4,853	4,949	4,964	5,023	5,083	5,152	5,199	5,245	5,289	5,343
% Ch	4.2%	2.4%	4.9%	8.2%	1.2%	4.8%	4.9%	5.6%	3.7%	3.6%	3.4%	4.2%
National (Billions)	1,140	1,146	1,159	1,174	1,183	1,198	1,208	1,224	1,229	1,240	1,251	1,264
% Ch	8.5%	1.9%	4.9%	5.2%	3.1%	5.1%	3.4%	5.3%	1.6%	3.5%	3.6%	4.2%
RESIDENCE ADJUSTMENT												
Idaho (Millions)	948	956	975	989	952	977	987	997	1,037	1,047	1,056	1,063
% Ch	26.6%	3.5%	7.9%	5.9%	-14.1%	11.1%	3.8%	4.2%	17.0%	4.0%	3.4%	2.9%

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Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2016**

PERSONAL INCOME -- CURR \$\$

	2017				2018				2019			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
WAGE AND SALARY PAYMENTS												
Idaho (Millions)	30,013	30,379	30,721	31,094	31,524	31,960	32,404	32,848	33,296	33,760	34,214	34,654
% Ch	4.4%	5.0%	4.6%	4.9%	5.7%	5.6%	5.7%	5.6%	5.6%	5.7%	5.5%	5.3%
National (Billions)	8,401	8,507	8,611	8,715	8,824	8,932	9,038	9,139	9,248	9,353	9,461	9,568
% Ch	5.2%	5.1%	5.0%	4.9%	5.1%	5.0%	4.8%	4.6%	4.8%	4.7%	4.7%	4.6%
FARM PROPRIETORS INCOME												
Idaho (Millions)	1,058	821	1,049	1,195	1,106	1,010	1,131	1,157	1,272	1,114	1,109	954
% Ch	80.9%	-63.7%	165.8%	68.4%	-26.4%	-30.7%	57.5%	9.5%	46.1%	-41.1%	-2.0%	-45.3%
National (Billions)	34	33	34	37	37	34	34	35	35	34	34	33
% Ch	-10.3%	-16.8%	19.0%	37.9%	-1.7%	-21.9%	-0.9%	2.7%	0.4%	-8.0%	-4.7%	-10.1%
NONFARM PROPRIETORS INCOME												
Idaho (Millions)	6,867	6,971	7,054	7,134	7,203	7,285	7,346	7,403	7,465	7,523	7,575	7,624
% Ch	6.5%	6.2%	4.9%	4.6%	3.9%	4.6%	3.4%	3.1%	3.4%	3.2%	2.8%	2.6%
National (Billions)	1,427	1,449	1,466	1,483	1,499	1,518	1,532	1,546	1,560	1,574	1,586	1,597
% Ch	6.3%	6.3%	4.9%	4.6%	4.4%	5.2%	3.8%	3.5%	3.8%	3.5%	3.1%	2.9%
DIVIDENDS, RENT & INTEREST												
Idaho (Millions)	13,646	13,756	13,834	13,979	14,185	14,409	14,609	14,864	15,072	15,328	15,590	15,867
% Ch	3.2%	3.3%	2.3%	4.3%	6.0%	6.5%	5.7%	7.2%	5.7%	7.0%	7.0%	7.3%
National (Billions)	3,027	3,049	3,075	3,113	3,156	3,204	3,245	3,297	3,344	3,399	3,455	3,515
% Ch	2.4%	3.0%	3.4%	5.1%	5.6%	6.3%	5.2%	6.6%	5.8%	6.7%	6.8%	7.2%
OTHER LABOR INCOME												
Idaho (Millions)	7,345	7,411	7,475	7,541	7,589	7,632	7,697	7,766	7,825	7,899	7,967	8,033
% Ch	3.2%	3.7%	3.5%	3.6%	2.6%	2.2%	3.5%	3.6%	3.1%	3.8%	3.5%	3.4%
National (Billions)	1,357	1,371	1,383	1,393	1,401	1,410	1,423	1,437	1,449	1,463	1,476	1,490
% Ch	4.0%	4.1%	3.4%	3.1%	2.2%	2.8%	3.8%	3.8%	3.5%	3.8%	3.8%	3.8%
GOVT. TRANSFERS TO INDIV.												
Idaho (Millions)	12,677	12,812	12,944	13,073	13,356	13,501	13,663	13,805	14,133	14,283	14,437	14,592
% Ch	5.8%	4.3%	4.2%	4.0%	8.9%	4.4%	4.9%	4.2%	9.8%	4.3%	4.4%	4.4%
National (Billions)	2,871	2,901	2,931	2,960	3,022	3,055	3,090	3,122	3,192	3,224	3,256	3,289
% Ch	5.9%	4.3%	4.2%	4.0%	8.7%	4.3%	4.7%	4.1%	9.3%	4.0%	4.1%	4.1%
CONTRIB. FOR SOCIAL INSUR.												
Idaho (Millions)	5,445	5,500	5,546	5,598	5,706	5,768	5,828	5,890	5,997	6,056	6,113	6,172
% Ch	7.9%	4.1%	3.4%	3.8%	7.9%	4.5%	4.2%	4.3%	7.5%	4.0%	3.8%	3.9%
National (Billions)	1,289	1,302	1,315	1,329	1,354	1,369	1,382	1,394	1,419	1,432	1,444	1,458
% Ch	8.3%	4.1%	4.2%	4.1%	7.9%	4.3%	3.9%	3.7%	7.3%	3.6%	3.6%	3.8%
RESIDENCE ADJUSTMENT												
Idaho (Millions)	1,070	1,079	1,086	1,095	1,105	1,116	1,128	1,139	1,150	1,162	1,174	1,185
% Ch	2.6%	3.2%	2.8%	3.2%	4.0%	4.0%	4.1%	4.0%	4.1%	4.2%	4.0%	3.8%

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Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2016**

EMPLOYMENT

	2014				2015				2016			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TOTAL NONFARM EMPLOYMENT												
Idaho	650,723	652,828	654,728	659,093	666,256	670,660	674,294	678,723	685,955	687,067	690,844	694,450
% Ch	3.6%	1.3%	1.2%	2.7%	4.4%	2.7%	2.2%	2.7%	4.3%	0.6%	2.2%	2.1%
National (Thousands)	137,777	138,568	139,316	140,097	140,828	141,481	142,151	142,872	143,531	143,983	144,606	145,114
% Ch	1.5%	2.3%	2.2%	2.3%	2.1%	1.9%	1.9%	2.0%	1.9%	1.3%	1.7%	1.4%
GOODS PRODUCING SECTOR												
Idaho	99,073	99,133	99,796	101,358	103,122	104,088	103,832	105,882	108,591	108,709	109,504	110,093
% Ch	3.1%	0.2%	2.7%	6.4%	7.1%	3.8%	-1.0%	8.1%	10.6%	0.4%	3.0%	2.2%
National (Thousands)	19,014	19,154	19,297	19,433	19,556	19,572	19,566	19,631	19,687	19,631	19,615	19,660
% Ch	2.9%	3.0%	3.0%	2.8%	2.6%	0.3%	-0.1%	1.3%	1.1%	-1.1%	-0.3%	0.9%
MANUFACTURING												
Idaho	61,368	61,353	61,509	62,081	62,484	63,177	63,534	64,617	65,496	65,414	65,814	65,997
% Ch	0.5%	-0.1%	1.0%	3.8%	2.6%	4.5%	2.3%	7.0%	5.6%	-0.5%	2.5%	1.1%
National (Thousands)	12,163	12,203	12,255	12,322	12,367	12,374	12,373	12,366	12,369	12,340	12,333	12,319
% Ch	1.3%	1.3%	1.7%	2.2%	1.5%	0.2%	0.0%	-0.2%	0.1%	-0.9%	-0.2%	-0.5%
DURABLE MANUFACTURING												
Idaho	36,042	35,873	35,884	36,411	36,829	37,359	37,344	38,053	38,498	38,453	38,533	38,525
% Ch	0.5%	-1.9%	0.1%	6.0%	4.7%	5.9%	-0.2%	7.8%	4.8%	-0.5%	0.8%	-0.1%
National (Thousands)	7,660	7,701	7,746	7,791	7,820	7,818	7,807	7,787	7,775	7,741	7,723	7,715
% Ch	1.2%	2.1%	2.4%	2.3%	1.5%	-0.1%	-0.5%	-1.0%	-0.6%	-1.7%	-1.0%	-0.4%
LOGGING & WOOD PRODUCTS												
Idaho	7,152	6,971	6,976	7,142	7,275	7,485	6,951	7,311	7,568	7,909	7,888	7,816
% Ch	-0.4%	-9.8%	0.3%	9.9%	7.6%	12.1%	-25.6%	22.4%	14.8%	19.3%	-1.1%	-3.6%
National (Thousands)	417	423	426	428	431	429	431	434	434	433	433	433
% Ch	4.0%	5.8%	3.3%	1.6%	2.8%	-1.9%	2.2%	2.9%	-0.5%	-1.2%	0.1%	0.3%
METAL FABRICATION												
Idaho	5,548	5,470	5,481	5,500	5,514	5,605	5,715	5,763	5,817	5,774	5,834	5,867
% Ch	0.9%	-5.5%	0.8%	1.4%	1.0%	6.8%	8.0%	3.4%	3.8%	-2.9%	4.2%	2.3%
National (Thousands)	1,445	1,448	1,455	1,467	1,472	1,467	1,455	1,443	1,440	1,430	1,425	1,428
% Ch	0.5%	0.9%	2.0%	3.3%	1.3%	-1.3%	-3.3%	-3.2%	-0.9%	-2.7%	-1.3%	0.9%
MACHINERY												
Idaho	2,945	2,938	2,982	3,037	3,041	3,072	3,013	2,939	3,108	3,072	3,127	3,176
% Ch	-11.6%	-1.1%	6.1%	7.6%	0.5%	4.2%	-7.4%	-9.5%	25.2%	-4.6%	7.4%	6.4%
National (Thousands)	1,113	1,125	1,132	1,138	1,137	1,128	1,118	1,105	1,095	1,083	1,081	1,086
% Ch	2.4%	4.4%	2.2%	2.2%	-0.1%	-3.4%	-3.4%	-4.4%	-3.6%	-4.5%	-0.6%	1.8%
COMPUTER & ELECTRONICS												
Idaho	11,253	11,387	11,430	11,629	11,693	11,785	11,991	12,129	12,198	11,951	11,957	11,928
% Ch	4.6%	4.8%	1.5%	7.1%	2.2%	3.2%	7.2%	4.7%	2.3%	-7.8%	0.2%	-1.0%
National (Thousands)	1,051	1,047	1,048	1,051	1,054	1,053	1,051	1,044	1,045	1,041	1,035	1,031
% Ch	-2.6%	-1.6%	0.5%	1.2%	1.0%	-0.2%	-0.9%	-2.5%	0.3%	-1.3%	-2.2%	-1.7%
OTHER DURABLES												
Idaho	9,144	9,108	9,015	9,104	9,306	9,412	9,673	9,911	9,807	9,746	9,726	9,737
% Ch	0.4%	-1.6%	-4.0%	4.0%	9.2%	4.6%	11.6%	10.2%	-4.1%	-2.5%	-0.8%	0.4%
National (Thousands)	3,635	3,658	3,685	3,708	3,726	3,742	3,753	3,761	3,762	3,755	3,748	3,736
% Ch	1.8%	2.6%	3.0%	2.4%	2.0%	1.6%	1.2%	0.8%	0.2%	-0.8%	-0.7%	-1.3%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2016**

EMPLOYMENT

	2017				2018				2019			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TOTAL NONFARM EMPLOYMENT												
Idaho	697,465	700,818	703,729	706,916	710,673	714,351	718,109	722,005	725,887	729,920	733,652	737,006
% Ch	1.7%	1.9%	1.7%	1.8%	2.1%	2.1%	2.1%	2.2%	2.2%	2.2%	2.1%	1.8%
National (Thousands)	145,570	145,939	146,246	146,610	146,887	147,275	147,587	147,879	148,186	148,473	148,775	149,051
% Ch	1.3%	1.0%	0.8%	1.0%	0.8%	1.1%	0.8%	0.8%	0.8%	0.8%	0.8%	0.7%
GOODS PRODUCING SECTOR												
Idaho	110,435	110,921	111,241	111,668	112,160	112,715	113,234	113,829	114,545	115,310	115,890	116,398
% Ch	1.2%	1.8%	1.2%	1.5%	1.8%	2.0%	1.9%	2.1%	2.5%	2.7%	2.0%	1.8%
National (Thousands)	19,722	19,832	19,940	20,034	20,104	20,183	20,293	20,401	20,503	20,592	20,686	20,769
% Ch	1.3%	2.2%	2.2%	1.9%	1.4%	1.6%	2.2%	2.2%	2.0%	1.7%	1.8%	1.6%
MANUFACTURING												
Idaho	66,034	66,146	66,077	66,116	66,263	66,508	66,694	66,933	67,266	67,656	67,980	68,307
% Ch	0.2%	0.7%	-0.4%	0.2%	0.9%	1.5%	1.1%	1.4%	2.0%	2.3%	1.9%	1.9%
National (Thousands)	12,317	12,355	12,396	12,401	12,388	12,390	12,432	12,485	12,539	12,583	12,627	12,672
% Ch	-0.1%	1.3%	1.3%	0.2%	-0.4%	0.1%	1.4%	1.7%	1.7%	1.4%	1.4%	1.4%
DURABLE MANUFACTURING												
Idaho	38,409	38,475	38,353	38,369	38,413	38,504	38,572	38,683	38,927	39,195	39,383	39,551
% Ch	-1.2%	0.7%	-1.3%	0.2%	0.5%	0.9%	0.7%	1.2%	2.6%	2.8%	1.9%	1.7%
National (Thousands)	7,710	7,750	7,794	7,804	7,795	7,797	7,831	7,874	7,917	7,952	7,986	8,022
% Ch	-0.2%	2.1%	2.3%	0.5%	-0.4%	0.1%	1.8%	2.2%	2.2%	1.8%	1.7%	1.8%
LOGGING & WOOD PRODUCTS												
Idaho	7,689	7,824	7,866	7,888	7,949	8,022	8,096	8,163	8,278	8,388	8,460	8,512
% Ch	-6.4%	7.2%	2.2%	1.1%	3.1%	3.8%	3.7%	3.3%	5.8%	5.4%	3.5%	2.5%
National (Thousands)	441	452	462	471	475	479	486	491	495	497	501	507
% Ch	7.6%	9.9%	9.6%	7.5%	3.7%	4.0%	5.8%	4.3%	2.7%	1.9%	3.0%	4.7%
METAL FABRICATION												
Idaho	5,868	5,882	5,905	5,933	5,968	6,000	6,037	6,073	6,107	6,139	6,169	6,201
% Ch	0.1%	0.9%	1.6%	1.9%	2.4%	2.1%	2.5%	2.4%	2.3%	2.1%	2.0%	2.1%
National (Thousands)	1,435	1,446	1,456	1,460	1,459	1,459	1,465	1,474	1,486	1,496	1,505	1,516
% Ch	1.8%	3.1%	2.8%	1.1%	-0.3%	0.0%	1.8%	2.4%	3.4%	2.7%	2.4%	2.7%
MACHINERY												
Idaho	3,198	3,216	3,216	3,222	3,254	3,279	3,297	3,316	3,327	3,365	3,406	3,448
% Ch	2.9%	2.2%	0.1%	0.7%	4.1%	3.1%	2.2%	2.3%	1.4%	4.6%	4.9%	5.0%
National (Thousands)	1,075	1,077	1,088	1,090	1,091	1,095	1,103	1,114	1,125	1,134	1,142	1,150
% Ch	-4.2%	0.9%	4.2%	0.8%	0.2%	1.3%	3.3%	4.0%	3.9%	3.3%	2.8%	2.9%
COMPUTER & ELECTRONICS												
Idaho	11,938	11,840	11,685	11,678	11,612	11,577	11,507	11,477	11,544	11,621	11,653	11,680
% Ch	0.3%	-3.2%	-5.2%	-0.2%	-2.2%	-1.2%	-2.4%	-1.1%	2.4%	2.7%	1.1%	0.9%
National (Thousands)	1,022	1,028	1,036	1,042	1,050	1,055	1,062	1,068	1,069	1,070	1,072	1,074
% Ch	-3.4%	2.3%	3.2%	2.4%	3.1%	1.9%	2.6%	2.3%	0.4%	0.4%	0.8%	0.8%
OTHER DURABLES												
Idaho	9,716	9,714	9,681	9,648	9,631	9,625	9,635	9,655	9,670	9,682	9,695	9,709
% Ch	-0.9%	-0.1%	-1.4%	-1.3%	-0.7%	-0.2%	0.4%	0.8%	0.7%	0.5%	0.5%	0.6%
National (Thousands)	3,737	3,748	3,752	3,741	3,721	3,709	3,714	3,726	3,742	3,754	3,766	3,775
% Ch	0.2%	1.1%	0.4%	-1.2%	-2.1%	-1.3%	0.6%	1.3%	1.7%	1.3%	1.2%	1.0%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2016**

EMPLOYMENT

MANUFACTURING (continued)

	2014				2015				2016			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
NONDURABLE MANUFACTURING												
Idaho	25,326	25,480	25,625	25,670	25,655	25,818	26,190	26,564	26,998	26,961	27,282	27,472
% Ch	0.4%	2.5%	2.3%	0.7%	-0.2%	2.6%	5.9%	5.8%	6.7%	-0.5%	4.8%	2.8%
National (Thousands)	4,503	4,503	4,509	4,531	4,547	4,556	4,565	4,579	4,593	4,598	4,611	4,604
% Ch	1.6%	0.0%	0.6%	1.9%	1.5%	0.8%	0.8%	1.2%	1.3%	0.4%	1.1%	-0.6%
FOOD PROCESSING												
Idaho	16,445	16,536	16,486	16,537	16,614	16,695	16,954	17,131	17,459	17,362	17,624	17,797
% Ch	0.4%	2.2%	-1.2%	1.3%	1.9%	2.0%	6.4%	4.3%	7.9%	-2.2%	6.2%	4.0%
National (Thousands)	1,488	1,481	1,481	1,489	1,504	1,504	1,504	1,508	1,520	1,527	1,545	1,542
% Ch	1.7%	-1.9%	0.0%	2.2%	4.1%	0.1%	0.0%	1.2%	3.0%	2.0%	4.6%	-0.6%
PRINTING												
Idaho	1,131	1,210	1,200	1,160	1,131	1,108	1,100	1,160	1,234	1,208	1,201	1,177
% Ch	-27.0%	31.3%	-3.4%	-12.7%	-9.6%	-7.9%	-2.9%	23.8%	27.9%	-8.2%	-2.2%	-7.9%
National (Thousands)	453	455	454	452	450	449	447	449	447	444	440	439
% Ch	1.9%	1.1%	-0.6%	-1.5%	-1.8%	-1.1%	-1.8%	1.4%	-1.8%	-2.3%	-3.5%	-0.7%
CHEMICALS												
Idaho	2,522	2,557	2,536	2,514	2,527	2,492	2,567	2,612	2,631	2,692	2,724	2,739
% Ch	-14.1%	5.6%	-3.2%	-3.4%	2.0%	-5.3%	12.5%	7.1%	3.0%	9.6%	4.8%	2.2%
National (Thousands)	797	801	804	808	807	809	810	812	817	818	819	817
% Ch	1.8%	1.6%	1.8%	1.9%	-0.5%	1.0%	0.5%	1.1%	2.4%	0.7%	0.4%	-1.1%
OTHER NONDURABLES												
Idaho	5,228	5,177	5,403	5,459	5,383	5,523	5,570	5,661	5,674	5,699	5,732	5,760
% Ch	16.9%	-3.9%	18.7%	4.2%	-5.4%	10.8%	3.4%	6.7%	0.9%	1.8%	2.4%	1.9%
National (Thousands)	1,764	1,766	1,770	1,781	1,786	1,794	1,805	1,810	1,810	1,809	1,807	1,806
% Ch	1.4%	0.6%	0.8%	2.7%	1.1%	1.8%	2.4%	1.1%	0.2%	-0.3%	-0.4%	-0.3%
MINING												
Idaho	2,521	2,429	2,255	2,455	2,376	2,414	2,358	2,288	2,373	2,346	2,345	2,345
% Ch	-6.0%	-13.9%	-25.7%	40.3%	-12.2%	6.6%	-9.0%	-11.2%	15.7%	-4.4%	-0.3%	0.1%
National (Thousands)	824	835	848	847	822	777	750	722	682	647	631	631
% Ch	3.6%	5.7%	6.3%	-0.2%	-11.5%	-20.1%	-13.2%	-14.2%	-20.5%	-19.0%	-9.2%	-0.5%
CONSTRUCTION												
Idaho	35,184	35,351	36,032	36,822	38,262	38,497	37,940	38,976	40,722	40,949	41,345	41,751
% Ch	8.6%	1.9%	7.9%	9.1%	16.6%	2.5%	-5.7%	11.4%	19.2%	2.2%	3.9%	4.0%
National (Thousands)	6,027	6,115	6,194	6,263	6,367	6,420	6,443	6,543	6,636	6,645	6,650	6,710
% Ch	6.1%	6.0%	5.2%	4.6%	6.8%	3.4%	1.4%	6.4%	5.8%	0.5%	0.3%	3.7%
NONGOODS PRODUCING												
Idaho	551,650	553,695	554,931	557,735	563,133	566,572	570,463	572,841	577,364	578,358	581,339	584,357
% Ch	3.7%	1.5%	0.9%	2.0%	3.9%	2.5%	2.8%	1.7%	3.2%	0.7%	2.1%	2.1%
National (Thousands)	118,763	119,414	120,018	120,664	121,272	121,909	122,585	123,241	123,845	124,352	124,992	125,454
% Ch	1.3%	2.2%	2.0%	2.2%	2.0%	2.1%	2.2%	2.2%	2.0%	1.6%	2.1%	1.5%
SERVICES												
Idaho	324,829	326,368	326,899	329,016	333,024	334,932	337,778	339,311	343,620	345,445	347,577	349,898
% Ch	4.8%	1.9%	0.7%	2.6%	5.0%	2.3%	3.4%	1.8%	5.2%	2.1%	2.5%	2.7%
National (Thousands)	75,908	76,419	76,922	77,433	77,915	78,453	78,996	79,575	79,986	80,395	80,893	81,329
% Ch	1.8%	2.7%	2.7%	2.7%	2.5%	2.8%	2.8%	3.0%	2.1%	2.1%	2.5%	2.2%
INFORMATION												
Idaho	9,281	9,333	9,295	9,381	9,293	9,265	9,264	9,340	8,995	8,965	9,093	9,070
% Ch	0.9%	2.2%	-1.6%	3.7%	-3.7%	-1.2%	-0.1%	3.3%	-14.0%	-1.3%	5.8%	-1.0%
National (Thousands)	2,720	2,721	2,733	2,731	2,736	2,748	2,758	2,762	2,773	2,768	2,782	2,786
% Ch	-0.6%	0.1%	1.8%	-0.3%	0.6%	1.8%	1.6%	0.6%	1.6%	-0.7%	2.0%	0.7%
FINANCIAL ACTIVITIES												
Idaho	32,442	32,585	32,871	32,828	33,049	33,305	33,310	33,383	33,936	34,467	34,644	34,749
% Ch	10.3%	1.8%	3.5%	-0.5%	2.7%	3.1%	0.1%	0.9%	6.8%	6.4%	2.1%	1.2%
National (Thousands)	7,926	7,953	7,994	8,029	8,071	8,101	8,147	8,179	8,217	8,266	8,317	8,360
% Ch	0.8%	1.4%	2.1%	1.8%	2.1%	1.5%	2.3%	1.6%	1.9%	2.4%	2.5%	2.1%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2016**

EMPLOYMENT

MANUFACTURING (continued)

	2017				2018				2019			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
NONDURABLE MANUFACTURING												
Idaho	27,624	27,671	27,724	27,748	27,850	28,004	28,122	28,250	28,339	28,461	28,596	28,756
% Ch	2.2%	0.7%	0.8%	0.4%	1.5%	2.2%	1.7%	1.8%	1.3%	1.7%	1.9%	2.3%
National (Thousands)	4,607	4,605	4,602	4,597	4,592	4,593	4,601	4,611	4,621	4,631	4,641	4,650
% Ch	0.2%	-0.1%	-0.3%	-0.4%	-0.4%	0.1%	0.7%	0.8%	0.9%	0.8%	0.9%	0.7%
FOOD PROCESSING												
Idaho	17,953	17,986	18,030	18,031	18,102	18,212	18,283	18,359	18,415	18,489	18,582	18,690
% Ch	3.6%	0.7%	1.0%	0.0%	1.6%	2.4%	1.6%	1.7%	1.2%	1.6%	2.0%	2.4%
National (Thousands)	1,552	1,559	1,565	1,568	1,573	1,578	1,585	1,593	1,600	1,608	1,616	1,623
% Ch	2.5%	1.8%	1.5%	1.0%	1.2%	1.2%	1.9%	2.0%	1.8%	1.9%	2.0%	1.9%
PRINTING												
Idaho	1,148	1,133	1,127	1,118	1,118	1,119	1,118	1,117	1,109	1,109	1,107	1,111
% Ch	-9.6%	-5.1%	-2.0%	-3.0%	-0.2%	0.5%	-0.4%	-0.5%	-2.7%	0.1%	-0.7%	1.3%
National (Thousands)	438	435	430	429	427	426	426	426	427	428	429	430
% Ch	-1.2%	-2.8%	-3.8%	-1.8%	-1.3%	-0.9%	-0.3%	-0.2%	1.7%	0.9%	1.1%	0.9%
CHEMICALS												
Idaho	2,743	2,747	2,747	2,754	2,760	2,777	2,798	2,826	2,839	2,859	2,877	2,897
% Ch	0.6%	0.7%	-0.1%	1.1%	0.8%	2.5%	3.1%	3.9%	1.9%	2.9%	2.5%	2.8%
National (Thousands)	814	813	812	811	809	809	810	811	811	810	810	809
% Ch	-1.1%	-0.6%	-0.4%	-0.6%	-1.1%	-0.2%	0.4%	0.6%	-0.1%	-0.2%	-0.4%	-0.3%
OTHER NONDURABLES												
Idaho	5,781	5,805	5,819	5,844	5,870	5,896	5,923	5,949	5,976	6,004	6,031	6,058
% Ch	1.5%	1.6%	1.0%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%
National (Thousands)	1,803	1,799	1,794	1,789	1,783	1,781	1,781	1,782	1,783	1,785	1,787	1,787
% Ch	-0.8%	-0.9%	-1.0%	-1.2%	-1.3%	-0.5%	0.0%	0.2%	0.3%	0.4%	0.5%	0.2%
MINING												
Idaho	2,334	2,291	2,277	2,275	2,278	2,286	2,291	2,293	2,300	2,315	2,312	2,317
% Ch	-1.9%	-7.3%	-2.4%	-0.3%	0.6%	1.4%	0.9%	0.4%	1.2%	2.6%	-0.6%	1.0%
National (Thousands)	631	639	652	669	675	680	685	689	694	697	704	710
% Ch	0.0%	5.6%	8.4%	11.0%	3.1%	3.4%	2.7%	2.8%	2.5%	2.2%	3.5%	3.9%
CONSTRUCTION												
Idaho	42,067	42,485	42,888	43,277	43,618	43,921	44,249	44,603	44,979	45,339	45,598	45,773
% Ch	3.1%	4.0%	3.9%	3.7%	3.2%	2.8%	3.0%	3.2%	3.4%	3.2%	2.3%	1.5%
National (Thousands)	6,775	6,837	6,892	6,964	7,041	7,112	7,176	7,227	7,271	7,312	7,355	7,387
% Ch	3.9%	3.7%	3.3%	4.3%	4.5%	4.1%	3.6%	2.9%	2.4%	2.3%	2.4%	1.7%
NONGOODS PRODUCING												
Idaho	587,030	589,897	592,487	595,248	598,514	601,635	604,876	608,176	611,342	614,610	617,762	620,608
% Ch	1.8%	2.0%	1.8%	1.9%	2.2%	2.1%	2.2%	2.2%	2.1%	2.2%	2.1%	1.9%
National (Thousands)	125,848	126,107	126,306	126,575	126,783	127,092	127,294	127,478	127,683	127,881	128,089	128,281
% Ch	1.3%	0.8%	0.6%	0.9%	0.7%	1.0%	0.6%	0.6%	0.6%	0.6%	0.7%	0.6%
SERVICES												
Idaho	352,120	354,282	356,235	358,348	360,809	363,084	365,376	367,682	369,907	372,219	374,414	376,389
% Ch	2.6%	2.5%	2.2%	2.4%	2.8%	2.5%	2.5%	2.5%	2.4%	2.5%	2.4%	2.1%
National (Thousands)	81,752	82,011	82,226	82,496	82,723	83,002	83,176	83,329	83,488	83,639	83,812	83,982
% Ch	2.1%	1.3%	1.0%	1.3%	1.1%	1.4%	0.8%	0.7%	0.8%	0.7%	0.8%	0.8%
INFORMATION												
Idaho	9,015	8,980	8,931	8,903	8,943	9,005	9,054	9,100	9,152	9,215	9,278	9,330
% Ch	-2.4%	-1.6%	-2.1%	-1.3%	1.8%	2.8%	2.2%	2.0%	2.3%	2.8%	2.8%	2.3%
National (Thousands)	2,808	2,802	2,796	2,795	2,796	2,803	2,809	2,807	2,802	2,797	2,790	2,784
% Ch	3.2%	-0.9%	-0.8%	-0.2%	0.1%	1.1%	0.8%	-0.2%	-0.7%	-0.7%	-1.0%	-0.8%
FINANCIAL ACTIVITIES												
Idaho	34,923	35,058	35,131	35,218	35,304	35,383	35,425	35,468	35,536	35,608	35,667	35,691
% Ch	2.0%	1.5%	0.8%	1.0%	1.0%	0.9%	0.5%	0.5%	0.8%	0.8%	0.7%	0.3%
National (Thousands)	8,359	8,339	8,324	8,318	8,309	8,310	8,305	8,300	8,297	8,290	8,277	8,264
% Ch	-0.1%	-1.0%	-0.7%	-0.3%	-0.5%	0.1%	-0.2%	-0.3%	-0.1%	-0.3%	-0.7%	-0.6%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2016**

EMPLOYMENT

SERVICES (Continued)	2014				2015				2016			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TRANS., WAREHOUSING, UTILITIES												
Idaho	22,028	22,184	22,575	22,910	23,209	23,472	23,462	23,433	23,535	23,575	23,584	23,624
% Ch	6.2%	2.9%	7.2%	6.1%	5.3%	4.6%	-0.2%	-0.5%	1.8%	0.7%	0.1%	0.7%
National (Thousands)	5,119	5,175	5,235	5,305	5,349	5,388	5,423	5,436	5,435	5,451	5,476	5,483
% Ch	2.2%	4.4%	4.7%	5.4%	3.4%	2.9%	2.6%	1.0%	-0.1%	1.2%	1.9%	0.5%
PROFESSIONAL & BUSINESS												
Idaho	80,141	79,892	78,994	79,607	80,824	81,020	81,987	81,048	83,410	83,206	83,965	84,851
% Ch	4.2%	-1.2%	-4.4%	3.1%	6.3%	1.0%	4.9%	-4.5%	12.2%	-1.0%	3.7%	4.3%
National (Thousands)	18,826	18,990	19,147	19,293	19,405	19,584	19,744	19,925	20,013	20,139	20,288	20,422
% Ch	2.6%	3.5%	3.3%	3.1%	2.3%	3.7%	3.3%	3.7%	1.8%	2.6%	3.0%	2.7%
EDUCATION & HEALTH												
Idaho	93,356	93,835	94,502	94,991	95,967	96,801	97,710	98,664	99,049	99,979	100,656	101,604
% Ch	4.6%	2.1%	2.9%	2.1%	4.2%	3.5%	3.8%	4.0%	1.6%	3.8%	2.7%	3.8%
National (Thousands)	21,253	21,362	21,500	21,628	21,783	21,961	22,135	22,321	22,471	22,622	22,755	22,898
% Ch	1.3%	2.1%	2.6%	2.4%	2.9%	3.3%	3.2%	3.4%	2.7%	2.7%	2.4%	2.5%
LEISURE & HOSPITALITY												
Idaho	65,268	66,010	65,825	66,490	67,441	67,590	68,690	69,546	70,906	71,218	71,538	71,834
% Ch	3.9%	4.6%	-1.1%	4.1%	5.8%	0.9%	6.7%	5.1%	8.1%	1.8%	1.8%	1.7%
National (Thousands)	14,522	14,653	14,740	14,858	14,967	15,053	15,164	15,303	15,407	15,466	15,579	15,667
% Ch	2.5%	3.7%	2.4%	3.3%	3.0%	2.3%	3.0%	3.7%	2.7%	1.5%	3.0%	2.3%
OTHER SERVICES												
Idaho	22,313	22,529	22,837	22,810	23,241	23,478	23,356	23,895	23,788	24,035	24,096	24,165
% Ch	2.7%	3.9%	5.6%	-0.5%	7.8%	4.1%	-2.1%	9.6%	-1.8%	4.2%	1.0%	1.1%
National (Thousands)	5,540	5,564	5,573	5,589	5,604	5,618	5,626	5,648	5,671	5,683	5,697	5,712
% Ch	1.7%	1.7%	0.6%	1.2%	1.1%	1.1%	0.6%	1.6%	1.6%	0.8%	1.0%	1.0%
TRADE												
Idaho	108,906	109,489	109,513	110,201	111,674	112,560	113,201	114,066	113,681	112,653	113,354	113,922
% Ch	2.8%	2.2%	0.1%	2.5%	5.5%	3.2%	2.3%	3.1%	-1.3%	-3.6%	2.5%	2.0%
National (Thousands)	21,038	21,128	21,208	21,296	21,396	21,474	21,553	21,634	21,793	21,849	21,895	21,937
% Ch	1.0%	1.7%	1.5%	1.7%	1.9%	1.5%	1.5%	1.5%	3.0%	1.0%	0.8%	0.8%
RETAIL TRADE												
Idaho	79,914	80,447	80,646	81,287	82,672	83,646	84,195	84,879	85,027	84,107	84,730	85,217
% Ch	2.7%	2.7%	1.0%	3.2%	7.0%	4.8%	2.6%	3.3%	0.7%	-4.3%	3.0%	2.3%
National (Thousands)	15,254	15,319	15,384	15,458	15,538	15,607	15,675	15,739	15,876	15,927	15,970	16,010
% Ch	0.8%	1.7%	1.7%	1.9%	2.1%	1.8%	1.8%	1.6%	3.5%	1.3%	1.1%	1.0%
WHOLESALE TRADE												
Idaho	28,992	29,042	28,868	28,913	29,002	28,914	29,006	29,186	28,654	28,545	28,624	28,706
% Ch	3.2%	0.7%	-2.4%	0.6%	1.2%	-1.2%	1.3%	2.5%	-7.1%	-1.5%	1.1%	1.1%
National (Thousands)	5,784	5,809	5,824	5,837	5,859	5,866	5,878	5,895	5,917	5,922	5,925	5,927
% Ch	1.8%	1.7%	1.0%	0.9%	1.5%	0.5%	0.8%	1.2%	1.4%	0.4%	0.2%	0.1%
STATE & LOCAL GOVERNMENT												
Idaho	105,688	105,576	106,074	106,109	105,921	106,572	107,004	106,764	107,295	107,419	107,561	107,685
% Ch	2.4%	-0.4%	1.9%	0.1%	-0.7%	2.5%	1.6%	-0.9%	2.0%	0.5%	0.5%	0.5%
National (Thousands)	19,087	19,141	19,156	19,195	19,215	19,232	19,283	19,272	19,300	19,329	19,413	19,396
% Ch	0.0%	1.1%	0.3%	0.8%	0.4%	0.3%	1.1%	-0.2%	0.6%	0.6%	1.7%	-0.3%
EDUCATION												
Idaho	54,870	54,736	54,873	55,175	55,160	55,742	55,963	55,429	55,593	55,684	55,773	55,747
% Ch	3.3%	-1.0%	1.0%	2.2%	-0.1%	4.3%	1.6%	-3.8%	1.2%	0.7%	0.6%	-0.2%
NONEDUCATION												
Idaho	50,818	50,840	51,201	50,934	50,761	50,830	51,041	51,335	51,703	51,735	51,788	51,938
% Ch	1.4%	0.2%	2.9%	-2.1%	-1.4%	0.6%	1.7%	2.3%	2.9%	0.2%	0.4%	1.2%
FEDERAL GOVERNMENT												
Idaho	12,227	12,263	12,445	12,408	12,515	12,508	12,479	12,700	12,767	12,840	12,848	12,852
% Ch	-4.7%	1.2%	6.1%	-1.2%	3.5%	-0.2%	-0.9%	7.3%	2.1%	2.3%	0.3%	0.1%
National (Thousands)	2,730	2,727	2,733	2,741	2,746	2,751	2,753	2,759	2,766	2,779	2,791	2,793
% Ch	-1.6%	-0.5%	0.8%	1.2%	0.7%	0.8%	0.2%	1.0%	1.0%	1.8%	1.7%	0.4%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2016**

EMPLOYMENT

SERVICES (Continued)	2017				2018				2019			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TRANS., WAREHOUSING, UTILITIES												
Idaho	23,725	23,833	23,947	24,058	24,179	24,301	24,435	24,574	24,712	24,848	24,983	25,114
% Ch	1.7%	1.8%	1.9%	1.9%	2.0%	2.0%	2.2%	2.3%	2.3%	2.2%	2.2%	2.1%
National (Thousands)	5,514	5,531	5,541	5,554	5,568	5,596	5,604	5,610	5,615	5,620	5,625	5,628
% Ch	2.3%	1.2%	0.7%	1.0%	1.0%	2.0%	0.6%	0.4%	0.3%	0.4%	0.4%	0.3%
PROFESSIONAL & BUSINESS												
Idaho	85,580	86,327	86,935	87,537	88,270	88,936	89,682	90,390	90,935	91,512	92,077	92,597
% Ch	3.5%	3.5%	2.8%	2.8%	3.4%	3.1%	3.4%	3.2%	2.4%	2.6%	2.5%	2.3%
National (Thousands)	20,667	20,868	21,052	21,254	21,452	21,640	21,748	21,809	21,901	21,996	22,114	22,214
% Ch	4.9%	4.0%	3.6%	3.9%	3.8%	3.5%	2.0%	1.1%	1.7%	1.8%	2.2%	1.8%
EDUCATION & HEALTH												
Idaho	102,401	103,161	103,922	104,708	105,653	106,433	107,171	107,970	108,940	109,964	110,938	111,845
% Ch	3.2%	3.0%	3.0%	3.1%	3.7%	3.0%	2.8%	3.0%	3.6%	3.8%	3.6%	3.3%
National (Thousands)	22,993	23,043	23,062	23,099	23,139	23,183	23,221	23,282	23,360	23,406	23,441	23,499
% Ch	1.7%	0.9%	0.3%	0.6%	0.7%	0.8%	0.7%	1.1%	1.3%	0.8%	0.6%	1.0%
LEISURE & HOSPITALITY												
Idaho	72,244	72,568	72,883	73,311	73,704	74,149	74,600	75,037	75,363	75,674	75,948	76,169
% Ch	2.3%	1.8%	1.8%	2.4%	2.2%	2.4%	2.5%	2.4%	1.8%	1.7%	1.5%	1.2%
National (Thousands)	15,714	15,768	15,819	15,860	15,852	15,870	15,894	15,932	15,930	15,957	16,002	16,042
% Ch	1.2%	1.4%	1.3%	1.0%	-0.2%	0.4%	0.6%	1.0%	-0.1%	0.7%	1.1%	1.0%
OTHER SERVICES												
Idaho	24,232	24,356	24,485	24,614	24,756	24,876	25,009	25,142	25,270	25,398	25,523	25,642
% Ch	1.1%	2.1%	2.1%	2.1%	2.3%	2.0%	2.2%	2.1%	2.1%	2.0%	2.0%	1.9%
National (Thousands)	5,696	5,660	5,631	5,616	5,607	5,600	5,595	5,588	5,583	5,573	5,563	5,551
% Ch	-1.1%	-2.5%	-2.1%	-1.0%	-0.7%	-0.5%	-0.4%	-0.5%	-0.4%	-0.7%	-0.7%	-0.9%
TRADE												
Idaho	114,367	115,054	115,641	116,222	116,881	117,664	118,563	119,460	120,315	121,168	121,995	122,764
% Ch	1.6%	2.4%	2.1%	2.0%	2.3%	2.7%	3.1%	3.1%	2.9%	2.9%	2.8%	2.5%
National (Thousands)	21,928	21,919	21,903	21,881	21,829	21,828	21,820	21,814	21,822	21,816	21,811	21,794
% Ch	-0.2%	-0.2%	-0.3%	-0.4%	-1.0%	0.0%	-0.2%	-0.1%	0.1%	-0.1%	-0.1%	-0.3%
RETAIL TRADE												
Idaho	85,597	86,185	86,688	87,186	87,729	88,380	89,130	89,879	90,592	91,303	91,991	92,629
% Ch	1.8%	2.8%	2.4%	2.3%	2.5%	3.0%	3.4%	3.4%	3.2%	3.2%	3.0%	2.8%
National (Thousands)	15,986	15,978	15,961	15,933	15,869	15,850	15,827	15,809	15,800	15,782	15,765	15,740
% Ch	-0.6%	-0.2%	-0.4%	-0.7%	-1.6%	-0.5%	-0.6%	-0.5%	-0.2%	-0.5%	-0.4%	-0.6%
WHOLESALE TRADE												
Idaho	28,771	28,868	28,953	29,036	29,152	29,285	29,433	29,581	29,724	29,866	30,004	30,135
% Ch	0.9%	1.4%	1.2%	1.2%	1.6%	1.8%	2.0%	2.0%	1.9%	1.9%	1.9%	1.8%
National (Thousands)	5,942	5,941	5,941	5,949	5,960	5,978	5,993	6,005	6,021	6,034	6,046	6,054
% Ch	1.0%	-0.1%	0.0%	0.5%	0.7%	1.2%	1.0%	0.9%	1.1%	0.8%	0.8%	0.5%
STATE & LOCAL GOVERNMENT												
Idaho	107,671	107,679	107,726	107,791	107,929	107,993	108,043	108,140	108,220	108,325	108,456	108,561
% Ch	-0.1%	0.0%	0.2%	0.2%	0.5%	0.2%	0.2%	0.4%	0.3%	0.4%	0.5%	0.4%
National (Thousands)	19,377	19,387	19,393	19,421	19,466	19,508	19,554	19,601	19,649	19,712	19,762	19,811
% Ch	-0.4%	0.2%	0.1%	0.6%	0.9%	0.9%	0.9%	1.0%	1.0%	1.3%	1.0%	1.0%
EDUCATION												
Idaho	55,822	55,900	56,024	56,155	56,217	56,314	56,426	56,555	56,655	56,738	56,844	56,931
% Ch	0.5%	0.6%	0.9%	0.9%	0.4%	0.7%	0.8%	0.9%	0.7%	0.6%	0.8%	0.6%
NONEDUCATION												
Idaho	51,849	51,779	51,702	51,635	51,712	51,679	51,617	51,585	51,566	51,587	51,612	51,630
% Ch	-0.7%	-0.5%	-0.6%	-0.5%	0.6%	-0.3%	-0.5%	-0.2%	-0.2%	0.2%	0.2%	0.1%
FEDERAL GOVERNMENT												
Idaho	12,871	12,882	12,885	12,887	12,895	12,894	12,894	12,893	12,899	12,898	12,896	12,895
% Ch	0.6%	0.3%	0.1%	0.1%	0.2%	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%
National (Thousands)	2,791	2,789	2,785	2,777	2,765	2,754	2,744	2,733	2,724	2,714	2,704	2,694
% Ch	-0.4%	-0.2%	-0.6%	-1.1%	-1.7%	-1.6%	-1.4%	-1.5%	-1.4%	-1.5%	-1.5%	-1.4%

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**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2016**

MISCELLANEOUS

	2014				2015				2016			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
SELECTED CHAIN-WEIGHTED DEFL.												
Gross Domestic Product	108.140	108.714	109.178	109.321	109.307	109.922	110.268	110.498	110.635	111.269	111.863	112.540
% Ch	1.7%	2.1%	1.7%	0.5%	-0.1%	2.3%	1.3%	0.8%	0.5%	2.3%	2.2%	2.4%
Consumption Expenditures	108.621	109.133	109.425	109.422	108.979	109.472	109.784	109.892	109.969	110.515	110.832	111.450
% Ch	2.0%	1.9%	1.1%	0.0%	-1.6%	1.8%	1.1%	0.4%	0.3%	2.0%	1.2%	2.2%
Durable Goods	93.198	92.751	92.202	91.494	90.977	90.829	90.231	89.813	89.619	89.052	88.270	88.014
% Ch	-2.4%	-1.9%	-2.3%	-3.0%	-2.2%	-0.6%	-2.6%	-1.8%	-0.9%	-2.5%	-3.5%	-1.2%
Nondurable Goods	112.637	113.000	112.906	111.837	108.682	109.275	109.264	108.459	106.917	107.581	107.561	108.555
% Ch	2.0%	1.3%	-0.3%	-3.7%	-10.8%	2.2%	0.0%	-2.9%	-5.6%	2.5%	-0.1%	3.7%
Services	109.969	110.716	111.303	111.797	112.275	112.863	113.469	113.990	114.663	115.398	116.059	116.734
% Ch	2.7%	2.7%	2.1%	1.8%	1.7%	2.1%	2.2%	1.8%	2.4%	2.6%	2.3%	2.3%
Consumer Price Index	2.357	2.368	2.373	2.371	2.354	2.368	2.376	2.381	2.379	2.394	2.403	2.423
% Ch	2.4%	1.9%	0.9%	-0.3%	-2.9%	2.4%	1.4%	0.8%	-0.3%	2.5%	1.5%	3.4%
SELECTED INTEREST RATES												
Federal Funds	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%	0.4%	0.4%	0.4%	0.5%
NY Fed Discount	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	1.0%	1.0%	1.1%	1.1%
Prime	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.5%	3.5%	3.5%	3.5%
Existing Home Mortgage	4.5%	4.3%	4.2%	4.2%	4.0%	3.9%	4.1%	4.1%	4.0%	3.9%	3.8%	3.9%
U.S. Govt. 3-Month Bills	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.3%	0.3%	0.3%	0.4%
U.S. Govt. 6-Month Bills	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%	0.3%	0.4%	0.4%	0.4%	0.6%
U.S. Govt. 5-Year Notes	1.6%	1.7%	1.7%	1.6%	1.5%	1.5%	1.6%	1.6%	1.4%	1.2%	1.1%	1.3%
U.S. Govt. 10-Year Notes	2.8%	2.6%	2.5%	2.3%	2.0%	2.2%	2.2%	2.2%	1.9%	1.8%	1.6%	1.7%
EXCHANGE RATES (2009=1.000)												
Major Currency Trading Partners	1.015	1.009	1.031	1.099	1.201	1.219	1.258	1.288	1.303	1.264	1.282	1.300
% Ch	7.5%	-2.4%	9.0%	29.2%	42.8%	6.1%	13.2%	9.9%	4.8%	-11.6%	6.1%	5.7%
Other Important Trading Partners	0.870	0.865	0.865	0.898	0.940	0.947	0.999	1.021	1.062	1.050	1.063	1.072
% Ch	5.4%	-2.2%	0.2%	15.9%	20.2%	2.9%	24.0%	9.3%	16.9%	-4.6%	5.2%	3.6%
SELECTED US PRODUCTION INDICES												
Wood Products	105.1	108.4	110.3	110.7	108.6	107.3	109.0	110.7	111.0	108.6	109.9	110.6
% Ch	-8.7%	13.1%	7.3%	1.5%	-7.6%	-4.6%	6.3%	6.4%	1.2%	-8.3%	5.0%	2.5%
Computers & Electronic Products	106.1	108.0	109.3	110.8	111.3	111.0	111.7	112.4	113.3	114.1	114.4	115.0
% Ch	4.7%	7.4%	4.7%	5.6%	1.7%	-0.7%	2.4%	2.4%	3.4%	2.7%	1.0%	2.3%
Food	102.3	102.6	101.4	102.6	103.1	102.6	103.4	103.2	104.4	104.7	105.4	105.9
% Ch	-1.4%	0.9%	-4.6%	5.2%	1.8%	-1.8%	3.2%	-1.1%	4.9%	1.1%	2.5%	2.0%
Agricultural Chemicals	112.2	105.8	109.8	110.6	108.1	115.4	111.5	115.5	114.8	118.7	122.4	124.5
% Ch	-19.8%	-21.0%	16.2%	3.0%	-8.7%	29.7%	-12.7%	15.2%	-2.5%	14.4%	13.0%	7.0%
Metal Ore Mining	102.1	105.3	108.2	99.6	99.7	96.6	97.8	94.2	88.8	90.7	89.4	88.3
% Ch	6.2%	13.1%	11.7%	-28.4%	0.5%	-11.8%	5.1%	-14.0%	-21.0%	8.8%	-5.7%	-4.6%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2016**

MISCELLANEOUS

	2017				2018				2019			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
SELECTED CHAIN-WEIGHTED DEFL.												
Gross Domestic Product	113.109	113.698	114.254	114.774	115.322	115.903	116.459	117.018	117.650	118.206	118.799	119.392
% Ch	2.0%	2.1%	2.0%	1.8%	1.9%	2.0%	1.9%	1.9%	2.2%	1.9%	2.0%	2.0%
Consumption Expenditures	111.825	112.348	112.796	113.206	113.634	114.199	114.736	115.261	115.924	116.543	117.163	117.768
% Ch	1.4%	1.9%	1.6%	1.5%	1.5%	2.0%	1.9%	1.8%	2.3%	2.2%	2.1%	2.1%
Durable Goods	87.596	87.093	86.638	86.205	85.821	85.484	85.154	84.837	84.525	84.215	83.907	83.609
% Ch	-1.9%	-2.3%	-2.1%	-2.0%	-1.8%	-1.6%	-1.5%	-1.5%	-1.5%	-1.5%	-1.5%	-1.4%
Nondurable Goods	108.319	109.024	109.421	109.623	109.927	110.714	111.267	111.729	112.802	113.668	114.438	115.134
% Ch	-0.9%	2.6%	1.5%	0.7%	1.1%	2.9%	2.0%	1.7%	3.9%	3.1%	2.7%	2.5%
Services	117.483	118.164	118.825	119.489	120.137	120.825	121.546	122.278	123.019	123.763	124.541	125.319
% Ch	2.6%	2.3%	2.3%	2.3%	2.2%	2.3%	2.4%	2.4%	2.4%	2.4%	2.5%	2.5%
Consumer Price Index	2.434	2.450	2.462	2.474	2.486	2.501	2.515	2.529	2.548	2.564	2.581	2.597
% Ch	1.9%	2.5%	2.1%	1.8%	2.0%	2.5%	2.3%	2.2%	3.0%	2.6%	2.7%	2.5%
SELECTED INTEREST RATES												
Federal Funds	0.7%	0.8%	1.0%	1.3%	1.5%	1.5%	1.8%	2.0%	2.3%	2.5%	2.8%	3.0%
NY Fed Discount	1.4%	1.4%	1.7%	1.9%	2.2%	2.2%	2.4%	2.7%	2.9%	3.2%	3.4%	3.7%
Prime	3.8%	3.8%	4.0%	4.3%	4.5%	4.5%	4.8%	5.0%	5.3%	5.5%	5.8%	6.0%
Existing Home Mortgage	4.0%	4.2%	4.4%	4.6%	4.8%	4.9%	5.1%	5.2%	5.4%	5.7%	5.9%	6.0%
U.S. Govt. 3-Month Bills	0.6%	0.7%	1.0%	1.1%	1.3%	1.5%	1.7%	1.9%	2.1%	2.4%	2.6%	2.8%
U.S. Govt. 6-Month Bills	0.8%	0.9%	1.1%	1.3%	1.5%	1.6%	1.9%	2.1%	2.3%	2.6%	2.8%	3.0%
U.S. Govt. 5-Year Notes	1.6%	1.7%	1.9%	2.1%	2.2%	2.3%	2.5%	2.7%	2.9%	3.1%	3.3%	3.5%
U.S. Govt. 10-Year Notes	2.0%	2.2%	2.4%	2.5%	2.7%	2.8%	3.0%	3.1%	3.2%	3.4%	3.7%	3.8%
EXCHANGE RATES (2009=1.000)												
Major Currency Trading Partners	1.315	1.324	1.326	1.305	1.290	1.280	1.268	1.254	1.234	1.221	1.212	1.202
% Ch	4.7%	2.7%	0.5%	-6.2%	-4.5%	-3.1%	-3.6%	-4.4%	-6.0%	-4.3%	-2.9%	-3.3%
Other Important Trading Partners	1.072	1.071	1.069	1.067	1.064	1.062	1.060	1.059	1.059	1.058	1.056	1.054
% Ch	0.0%	-0.6%	-0.6%	-0.9%	-0.9%	-0.9%	-0.8%	-0.4%	0.0%	-0.3%	-0.6%	-0.7%
SELECTED US PRODUCTION INDICES												
Wood Products	111.8	113.3	114.7	116.0	117.1	117.8	118.6	118.6	118.6	118.7	119.1	119.9
% Ch	4.3%	5.7%	5.0%	4.3%	3.9%	2.4%	2.9%	-0.1%	0.0%	0.3%	1.6%	2.5%
Computers & Electronic Products	115.6	116.7	118.0	119.4	121.1	122.6	124.0	125.2	126.5	127.7	129.0	130.2
% Ch	2.2%	3.7%	4.7%	4.8%	5.7%	5.0%	4.7%	4.1%	4.1%	4.0%	4.0%	3.7%
Food	106.4	106.9	107.4	108.0	108.5	109.0	109.6	110.2	110.7	111.3	111.8	112.3
% Ch	1.9%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.1%	2.1%	2.0%	1.9%	1.9%
Agricultural Chemicals	126.8	129.9	133.4	136.8	139.6	142.0	144.2	146.3	148.2	149.9	151.2	152.1
% Ch	7.7%	10.0%	11.3%	10.8%	8.3%	7.1%	6.2%	6.0%	5.3%	4.8%	3.5%	2.3%
Metal Ore Mining	87.9	87.7	87.8	87.8	87.9	87.9	88.0	88.1	88.1	88.2	88.3	88.3
% Ch	-2.0%	-0.6%	0.2%	0.1%	0.2%	0.3%	0.3%	0.4%	0.4%	0.3%	0.3%	0.3%

National Variables Forecast by IHS Economics
Forecast Begins the Third Quarter of 2016

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APPENDIX

IHS Economics Macro Model	Page 64
Idaho Economic Model.....	Page 66
Equations	Page 68
Endogenous Variables.....	Page 72
Exogenous Variables.....	Page 74

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

$$EEA_ID = EEA_ID_GOODS + EEA_ID_NONGOODS$$

$$EEA_ID_2100 = 3452.663 + 13.279* @MOVAV(ID0IP2122_2123(- 1),4) - 2653.820*JECIWSP/WPI10 - 958.735* @MOVAV(JEXCHOITPREAL(- 1),2)$$

$$EEA_ID_2300 = -14628.114 + 292.756*ID0HSPRS1_A + 250.933*ID0HSPRS1_A(- 1) + 209.111*ID0HSPRS1_A(- 2) + 167.289*ID0HSPRS1_A(- 3) + 125.467*ID0HSPRS1_A(- 4) + 83.644*ID0HSPRS1_A(- 5) + 41.822*ID0HSPRS1_A(- 6) + 0.136*EEA_ID_44_45 + 0.116*EEA_ID_44_45(- 1) + 0.097*EEA_ID_44_45(- 2) + 0.078*EEA_ID_44_45(- 3) + 0.058*EEA_ID_44_45(- 4) + 0.039*EEA_ID_44_45(- 5) + 0.019*EEA_ID_44_45(- 6)$$

$$EEA_ID_3110 = 26264.492 + 308.540* @MOVAV(IPSG311(- 1),4) - 668.052* @MOVAV((IPSG311/EMN311),6) - 2365.158* @MOVAV(JEXCHOITPREAL(- 1),2) + 37.953* @TREND$$

$$EEA_ID_3230 = 1257.982 + 20.155* @MOVAV(IPSG323,4) - 8.409* @MOVAV((IPSG323/EMN323),8) - 278.930* @MOVAV(JEXCHMTPREAL(- 1),2)$$

$$EEA_ID_MFnNEC = -125.707 + 16.962* @MOVAV(IPSG322,2) + 19.982* @TREND + [AR(1) = 0.960,UNCOND,ESTSMPL = "1991Q1 2016Q2"]$$

$$EEA_ID_3250 = 3571.669 + 13.441* @MOVAV(IPSG3253(- 1),8) - 1883.235*DUM951ON - 686.618* @MOVAV(JEXCHMTPREAL(- 1),2)$$

$$EEA_ID_3320 = 1594.574 + 26.800* @MOVAV(IPSG332,2) + 13.445* @TREND - 1791.582* @MOVAV(JEXCHOITPREAL(- 1),2)$$

$$EEA_ID_3330 = 2558.595 + 0.116* @MOVAV(IPSG3332,8)* @TREND - 8.10* @TREND - 446.808* @MOVAV(JEXCHOITPREAL(- 1),4)$$

$$EEA_ID_3340 = @BEFORE("2009Q1")*(51210.382 + 53.405*IPSG334(- 3) + 40.620*IPSG3342 - 458.115*JPC(- 2)) + @AFTER("2009Q1")*(14198.774 + 83.249*IPSG334(- 3) - 28.909*IPSG3342 - 72.796*JPC(- 2))$$

$$EEA_ID_4200 = @BEFORE("2011Q4")*(7167.041 + 0.250*EEA_ID_44_45) + @AFTER("2011Q4")*(15894.913 + 0.158*EEA_ID_44_45)$$

$$EEA_ID_44_45 = 44869.494 + 222.011* @MOVAV(YPADJ_ID,4)/ @MOVAV(JPC,4) - 471.774* @TREND$$

$$EEA_ID_48_49_22 = -4585.316 + 0.653* @MOVAV(EEA_ID_4200,2) + 5225.582* @MOVAV(ID0NPT(- 1),8)$$

$$EEA_ID_5100 = -10633.454 + 47.605* @MOVAV(IPSG51111,4) + 100.959* @TREND - 2376.596* @MOVAV(JEXCHMTPREAL(- 1),2)$$

$$EEA_ID_52_53 = 9101.496 - 4107.606*DUM981ON + 47.952*YPADJ_ID/JPC + 132.359* @MOVAV(ID0HSPR(- 1),4)$$

$$EEA_ID_54_55_56 = -1229.509 + 1.503* @MOVAV(ID0YP(- 1),4) + [AR(1) = 0.980,UNCOND,ESTSMPL = "1991Q1 2016Q2"]$$

$$EEA_ID_61_62 = -32848.930 + 48667.153* @MOVAV(ID0NPT,4) + 0.784* @MOVAV(ID0YPS(- 1),2)$$

$$EEA_ID_71_72 = -4314.204 + 1.3872* @MOVAV((ID0YP/ID0NPT),4) + 123.356* @TREND$$

$$EEA_ID_8100 = 5045.458 + 31.653* @MOVAV(YPADJ_ID,4)/ @MOVAV(JPC,4)$$

EEA_ID_DMANU = EEA_ID_WOOD + EEA_ID_3320 + EEA_ID_3330 + EEA_ID_3340 + EEA_ID_MFDNEC

EEA_ID_GOODS = EEA_ID_MANU + EA_ID_2300 + EEA_ID_2100

EEA_ID_GV = EEA_ID_GVSL + EEA_ID_GVF

EEA_ID_GVF = 10955.875 + 64.556*GFOCWSS - 0.307*GFOCWSS*@TREND + 586.317*DUMCENSUS + [AR(1) = 0.612, ESTSMPL = "1991Q2 2015Q4"]

EEA_ID_GVSL = EEA_ID_GVSLAD + EEA_ID_GVSLED

EEA_ID_GVSLAD = 12300.670 + 6413.479*@MOVAV(ID0NPT,4) + 0.762*@MOVAV(ID0YPTXB(-4),4) + 3914.063*DUM911062

EEA_ID_GVSLED = -1615.753 + 139882.926*ID0NPT*((N - N16A)/N) + 0.254*ID0YPTXB

EEA_ID_MANU = EEA_ID_DMANU + EEA_ID_NMANU

EEA_ID_MFDNEC = -5530.317 + 93.117*@MOVAV(IPSG339,2) + 57.134*@MOVAV(IPSG335,2) - 931.302*@MOVAV(JEXCHMTPREAL(-3),2)

EEA_ID_NMANU = EEA_ID_3110 + EEA_ID_3230 + EEA_ID_3250 + EEA_ID_MFNNEC

EEA_ID_NONGOODS = EEA_ID_SV + EEA_ID_4200 + EEA_ID_44_45 + EEA_ID_GV

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_72_72 + EEA_ID_8100

EEA_ID_WOOD = 20282.062 + 57.747*@MOVAV(IPSG321,2) - 14712.673*JECIWSP/WPI08 - 16.909*IPSG321/EMD321 - 2997.747*@MOVAV(JEXCHOITPREAL(-1),2) - 21.121*@TREND

ID0AHEMF = 0.585 + 15.876*EEA_ID_DMANU(-1)/EEA_ID_MANU(-1)*@MOVAV(JECIWSP(-1),4) + 17.243*EEA_ID_NMANU(-1)/EEA_ID_MANU(-1)*@MOVAV(JECIWSP(-1),4) + [AR(1) = 0.962, UNCOND, ESTSMPL = "1991Q2 2016Q2"]

ID0CRCROP = 147093.312 + 0.014*CRCROP + 2133.795*@TREND

ID0CRLVSTK = -2046767.908 + 0.032*CRCATCVS + 0.054*CRDAIRY + 13627.899*@TREND

ID0EXFP = -315583.954 + 157853.943*WPI01 + 3601.527*@TREND + 0.019*EXPUS\$

ID0HSPR = ID0HSPRS1_A + ID0HSPRS2A_A

ID0HSPRS1_A = -439.763 - 0.939*(RMMTGEXIST(-1) - @MOVAV(RMMTGEXIST(-1),4)) + 437.995*ID0KHU1(-1)/ID0KHU1(-4) + 0.018*@TREND*@MOVAV(ID0NPT(-4),4)

ID0HSPRS2A_A = 0.243 - 0.581*RMMTGEXIST + 572.587*IPSG321/ID0WRWCC\$(-3) + 0.021*IPSN32732T9

ID0KHU = ID0KHU1 + ID0KHU2

ID0KHU1 = ((.997)^0.25)*(ID0KHU1(-1) + ID0HSPRS1_A/4)

ID0KHU2A = ((.997)^0.25)*ID0KHU2A(-1) + ID0HSPRS2A_A/4

ID0NB = -6.613 + 31.429*ID0NPT - 0.111*@TREND

$ID0ND = 4.411 + 2.195 * ID0NPT + 1.36e-04 * @TREND^2$
 $ID0NMG = (ID0NPT - ID0NPT(-4)) - ((ID0NB - ID0ND)/1000)$
 $ID0NPT = 0.429 + 3.207e-07 * @MOVAV(EEA_ID,4) + 5.575e-03 * @TREND$
 $ID0WBB\$ = ID0WBBMF\$ + ID0WBBOTH\$ + ID0WBBCC\$ + ID0WBBF\$ + ID0WBBMIL\$$
 $ID0WBBCC\$ = (ID0WRWCC\$ * EEA_ID_2300)/1000000$
 $ID0WBBF\$ = -190.390 + 385.867 * WPI02$
 $ID0WBBMF\$ = (ID0WRWMF\$ * EEA_ID_MANU)/1000000$
 $ID0WBBMIL\$ = @BEFORE("2002Q1") * 43.510 + @AFTER("2002Q1") * 108.038 - 314.640 * (ID0NPT/N) * GFMLCWSS + 0.258 * D(GFML) + 0.501 * GF$
 $ID0WBBOTH\$ = ID0WRWOTH\$ * (EEA_ID - EEA_ID_2300 - EEA_ID_MANU)/1000000$
 $ID0WRWCC\$ = 11698.739 + 1341.065 * ID0AHEMF$
 $ID0WRWMF\$ = 9670.5961 + 2016.609 * ID0AHEMF$
 $ID0WRWOTH\$ = 5189.591 + 1490.171 * ID0AHEMF$
 $ID0YDIR\$ = -76.327 + 1.083 * (YPAIN + ZADIV + YPRENTADJ) * @MOVAV(ID0YP\$(-1),4) / @MOVAV(YP(-1),4)$
 $ID0YFC\$ = -7801.156 + 0.763 * ID0YFC\$(-1) + 473.582 * @TREND$
 $ID0YINV_R\$ = -10749.547 + 1210.857 * YPPROPADJF + 0.541 * ID0YINV_R\$(-1) + 635.001 * @TREND$
 $ID0YP = ID0YP\$ / JPC * 100$
 $ID0YP\$ = ID0WBB\$ + ID0YSUP\$ + ID0YDIR\$ + ID0YPRNF\$ + ID0YTRF\$ + ID0YRA\$ - ID0YSI\$$
 $ID0YPRF\$ = 3.347e-03 + 1.000 * (ID0CRCROP + ID0CRLVSTK + ID0YTRF\$ + ID0YINV_R\$ - ID0YFC\$ - ID0EXFP) / 1000 - 4.949e-05 * @TREND$
 $ID0YP\$PC = ID0YP\$ / ID0NPT$
 $ID0YPNF = ID0YPNF\$ / JPC * 100$
 $ID0YPNF\$ = ID0YP\$ - ID0YPRF\$ - ID0WBBF\$$
 $ID0YPNFPC = ID0YPNF\$ / JPC * 100 / ID0NPT$
 $ID0YPPC = ID0YP / ID0NPT$
 $ID0YPRNF\$ = 77.263 + 4.419 * YPPROPADJNF$
 $ID0YPTXB = (ID0YP\$ - ID0YSI\$ - ID0YTR\$) / JPC * 100$
 $ID0YRA\$ = -82.661 + 3.361e-02 * ID0WBB\$$
 $ID0YSI\$ = -23.021 + 1.181 * TXSIDOM * ID0WBB\$ / YPCOMPWSD$
 $ID0YSUP\$ = 104.356 + 1.511 * YPCOMPSUPPAI * (ID0WBB\$ / YPCOMPWSD)$

$$\text{ID0YTR\$} = -84.355 + 882.568 * (\text{YPTRFGF} + \text{YPTRFGSL}) * (\text{ID0NPT}/\text{N})$$

$$\text{ID0YTRF\$} = 24161.449 + 9.674\text{e-}03 * \text{TRF\$US}$$

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

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
ID0YP\$	Total personal income
ID0YP\$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
ID0YSIS\$	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