

# Idaho Economic Forecast

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DIVISION OF FINANCIAL MANAGEMENT  
Executive Office of the Governor

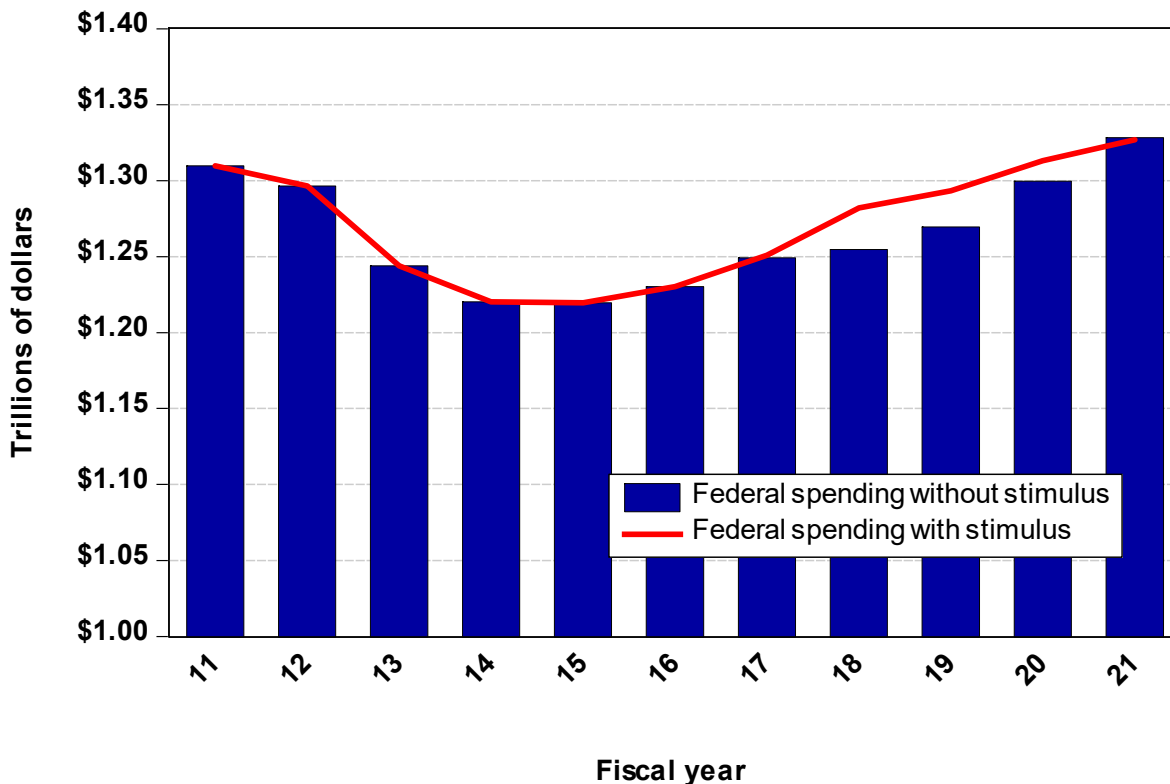
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- Forecast 2017–2021
- Interest Rates and the "New Normal"
- Alternative Forecasts

### Forecast Federal Spending



**IDAHO  
ECONOMIC  
FORECAST  
2017–2021**

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

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## INTRODUCTION

The national forecast presented in this publication is the October 2017 IHS Markit (IHS) baseline forecast of the US economy. The previous *Idaho Economic Forecast* was based on the June 2017 IHS baseline national forecast. Traditionally, the September IHS baseline national forecast is used for the October *Idaho Economic Forecast*. However, DFM was informed that the October forecast would alter the infrastructure outlook. That, together with the incorporation for the economic effects of the recent hurricanes, is the basis for the decision to use the October national forecast in place of the September outlook.

## COVER

The cover graph presents forecasts for federal discretionary spending. The red line gives this according to IHS's September estimates, which include the effects of an anticipated fiscal stimulus. For the October forecast, IHS drops the stimulus. The resulting spending trajectory is shown in blue bars. The gap between the two represents not only the elimination of the infrastructure boost, but the curtailment of previously estimated tax rate reductions as well as rebuilding efforts for the hurricanes. Fiscal year 2018 shows a gap of around \$27.4 billion dollars between the two estimates. The nominal increases between the fiscal years 2016 and 2019 are actually smaller than anticipated inflation (as measured by consumer prices) in percentage terms.

## FEATURE

The feature this month is a rather conversationally-toned overview of several interrelated and fundamental macroeconomic concepts by John C. Williams, the president of the Federal Reserve Bank of San Francisco. The thrust is to describe what normal economic progress seems to be going forward. This involves discussing two concepts which are unobservable: natural interest rates and unemployment rates. Both concepts evolve over time as the economy changes. Many observed economic measures nevertheless give information useful for understanding those unobserved concepts, and Williams gives examples behind the Federal Reserve's current understanding of those concepts, and he also gives numeric context for the current estimates of those concepts.

## FORECAST

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

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

## CHANGES

The Idaho Department of Labor provides monthly historical employment data that are seasonally adjusted and converted to quarterly frequencies by the Idaho Division of Financial Management. The historical data

through the fourth quarter of 2016 have been benchmarked by the Department of Labor, but the data set also contains nonfarm employment estimates through the first quarter of 2017. Personal income estimates in this report were released by the US Bureau of Economic Analysis (BEA) on September 26, 2017. It includes the BEA's revisions for the past three years. These are the most current data available. The next Idaho personal income will be released on December 22, 2017.

Revisions to historical data series and additional data available this fall required a review of the IEM. A major component of this exercise was the estimation of the stochastic equations of the model. Descriptions of IHS's US Macroeconomic Model and the IEM are provided in the appendix. Equations of the IEM and variable definitions are listed in the last pages of this publication.

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

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## EXECUTIVE SUMMARY

This forecast is based upon the most recent national outlook from IHS Markit (IHS). A key feature of this forecast is it drops from its baseline the federal stimulus measures that have been included in recent forecasts. These include an infrastructure boost as well as tax cuts. The economists at IHS see the likelihood of implementation of these measures at less than 50%. This slows real GDP growth a couple of years down the line; growth reaches 2.2% where it stabilizes as soon as 2018 in this forecast. Another feature of the October forecast is that it includes effects of the hurricane season (Hurricanes Harvey, Irma, and Nate have direct impacts on the mainland economy).

With the stimulus, unemployment had been expected to fall to as low as 4.0% on an annual measure. Now the lowest annual rate forecast is 4.3%, hardly changed from the 4.4% expected for all of 2017. Still, job growth remains healthy: an average of 179,000 more jobs per month this year with 158,000 per month next year. With most Federal Reserve economists seeing a need for around 100,000 jobs per month in order to maintain the unemployment rate given current workforce participation rates and demographic trends, these job forecasts indicate a gradual expansion of those who participate in the workforce.

Another change in the national forecast is the structure of its alternative scenarios. These traditionally include both optimistic and pessimistic outlooks. Recently, IHS had found that a recession was highly unlikely at less than 10%, so in its place, a scenario close to a “lull” had been published instead. This month brings back a full *Pessimistic Scenario* together with an increased likelihood of 20%. Further, the onset of the pessimism traces to events as soon as the fourth quarter of 2017. The *Optimistic Scenario* represents the case that fiscal stimulus occurs, both the tax cuts and the infrastructure boost, as well as more traditional optimistic settings such as improved productivity of the workforce. The likelihood of such an optimistic path forward is 15%.

The US Federal Reserve started its reduction of securities holdings in September. The well-telegraphed move begins by allowing \$10 billion in debt to mature per month initially, with \$10 billion increment additions every quarter of the year. This maneuver will primarily affect long-term interest rates. At the short-term end of the yield curve, the Federal Reserve is anticipated to next increase the federal funds rate by another quarter of a percent in December. Three such moves are anticipated each of the next two years, bringing short term rates to 3.0% by the end of 2019. The inflation backdrop for these monetary policy adjustments is sustained low inflation: CPI inflation of 2.1% this year and an average over 2.2% through the end of the forecast. US housing starts are expected to be at 1.2 million units this year, rising by 5.6% annually on average to reach 1.5 million units in 2021.

Idaho’s population is expected to reach 1.8 million people by the end of the forecast in 2021, up yearly by 1.5% on average. Total nonfarm employment is expected to increase by 54,600 jobs over the next four years, maintaining a 1.9% expansion rate. Total housing starts are expected to climb to 15,200 units in 2021 from the 12,400 level of 2016; that represents 4.1% annual growth on average. Construction should add about 4,000 jobs (roughly 9.0% more) from today’s level by 2021. Real per capita income should expand 0.9% this year and then increase by more than 1.0% in the remainder of the forecast when it averages almost 1.3% growth per year. Total personal income not adjusted for inflation was \$66.4 billion in 2016. It is expected to reach \$82.9 billion in 2021, a 4.5% annual pace of growth.



**IDAHO ECONOMIC FORECAST**  
**EXECUTIVE SUMMARY**  
**OCTOBER 2017**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>U.S. GDP (BILLIONS)</b>											
Current \$	15,518	16,155	16,692	17,428	18,121	18,624	19,351	20,212	21,117	22,054	23,014
% Ch	3.7%	4.1%	3.3%	4.4%	4.0%	2.8%	3.9%	4.4%	4.5%	4.4%	4.4%
2009 Chain-Weighted	15,021	15,355	15,612	16,013	16,472	16,716	17,079	17,484	17,876	18,261	18,656
% Ch	1.6%	2.2%	1.7%	2.6%	2.9%	1.5%	2.2%	2.4%	2.2%	2.2%	2.2%
<b>PERSONAL INCOME - CURR \$</b>											
Idaho (Millions)	52,745	55,370	57,581	60,744	64,209	66,433	69,118	71,962	75,282	79,109	82,976
% Ch	5.8%	5.0%	4.0%	5.5%	5.7%	3.5%	4.0%	4.1%	4.6%	5.1%	4.9%
Idaho Nonfarm (Millions)	50,637	53,268	55,241	58,295	61,973	64,435	67,064	69,964	73,208	76,989	80,792
% Ch	4.7%	5.2%	3.7%	5.5%	6.3%	4.0%	4.1%	4.3%	4.6%	5.2%	4.9%
U.S. (Billions)	13,255	13,915	14,074	14,818	15,553	15,929	16,425	17,085	17,908	18,810	19,719
% Ch	6.2%	5.0%	1.1%	5.3%	5.0%	2.4%	3.1%	4.0%	4.8%	5.0%	4.8%
<b>PERSONAL INCOME - 2009 \$</b>											
Idaho (Millions)	50,643	52,173	53,547	55,646	58,647	59,963	61,399	63,048	64,835	66,711	68,572
% Ch	3.3%	3.0%	2.6%	3.9%	5.4%	2.2%	2.4%	2.7%	2.8%	2.9%	2.8%
Idaho Nonfarm (Millions)	48,619	50,192	51,370	53,403	56,604	58,158	59,573	61,298	63,049	64,923	66,767
% Ch	2.2%	3.2%	2.3%	4.0%	6.0%	2.7%	2.4%	2.9%	2.9%	3.0%	2.8%
U.S. (Billions)	12,726	13,112	13,088	13,575	14,206	14,377	14,591	14,969	15,423	15,862	16,296
% Ch	3.7%	3.0%	-0.2%	3.7%	4.6%	1.2%	1.5%	2.6%	3.0%	2.9%	2.7%
<b>HOUSING STARTS</b>											
Idaho	4,561	7,125	9,059	9,813	10,287	12,416	13,143	13,955	14,266	14,578	15,198
% Ch	-12.1%	56.2%	27.1%	8.3%	4.8%	20.7%	5.9%	6.2%	2.2%	2.2%	4.3%
U.S. (Millions)	0.612	0.784	0.928	1.001	1.107	1.177	1.194	1.304	1.396	1.444	1.487
% Ch	4.5%	28.1%	18.4%	7.8%	10.6%	6.3%	1.4%	9.2%	7.1%	3.4%	3.0%
<b>TOTAL NONFARM EMPLOYMENT</b>											
Idaho	610,618	622,217	638,027	654,469	672,492	693,840	715,537	730,511	741,910	755,748	770,110
% Ch	1.2%	1.9%	2.5%	2.6%	2.8%	3.2%	3.1%	2.1%	1.6%	1.9%	1.9%
U.S. (Thousands)	131,941	134,171	136,379	138,937	141,813	144,306	146,451	148,341	149,965	151,337	152,494
% Ch	1.2%	1.7%	1.6%	1.9%	2.1%	1.8%	1.5%	1.3%	1.1%	0.9%	0.8%
<b>SELECTED INTEREST RATES</b>											
Federal Funds	0.1%	0.1%	0.1%	0.1%	0.1%	0.4%	1.0%	1.7%	2.6%	3.0%	3.0%
Bank Prime	3.3%	3.3%	3.3%	3.3%	3.3%	3.5%	4.1%	4.7%	5.7%	6.0%	6.0%
Existing Home Mortgage	4.7%	3.8%	4.0%	4.3%	4.0%	3.9%	4.2%	4.9%	6.0%	6.2%	6.2%
<b>INFLATION</b>											
GDP Price Deflator	2.1%	1.8%	1.6%	1.8%	1.1%	1.3%	1.7%	2.0%	2.2%	2.2%	2.1%
Personal Cons Deflator	2.5%	1.9%	1.3%	1.5%	0.3%	1.2%	1.6%	1.4%	1.7%	2.1%	2.0%
Consumer Price Index	3.1%	2.1%	1.5%	1.6%	0.1%	1.3%	2.1%	1.7%	2.2%	2.7%	2.4%

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

**IDAHO ECONOMIC FORECAST**  
**EXECUTIVE SUMMARY**  
**OCTOBER 2017**

	2017				2018				2019			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>U.S. GDP (BILLIONS)</b>												
Current \$	19,058	19,250	19,435	19,661	19,870	20,079	20,321	20,576	20,792	21,010	21,215	21,452
% Ch	3.3%	4.1%	3.9%	4.7%	4.3%	4.3%	4.9%	5.1%	4.3%	4.3%	4.0%	4.5%
2009 Chain-Weighted	16,903	17,031	17,131	17,253	17,345	17,430	17,525	17,638	17,732	17,829	17,925	18,020
% Ch	1.2%	3.1%	2.4%	2.9%	2.2%	2.0%	2.2%	2.6%	2.1%	2.2%	2.2%	2.1%
<b>PERSONAL INCOME - CURR \$</b>												
Idaho (Millions)	68,456	68,827	69,221	69,967	70,923	71,585	72,272	73,069	73,993	74,778	75,709	76,648
% Ch	9.7%	2.2%	2.3%	4.4%	5.6%	3.8%	3.9%	4.5%	5.2%	4.3%	5.1%	5.1%
Idaho Nonfarm (Millions)	66,100	66,624	67,386	68,144	68,921	69,560	70,279	71,097	71,926	72,738	73,616	74,552
% Ch	6.3%	3.2%	4.7%	4.6%	4.6%	3.8%	4.2%	4.7%	4.7%	4.6%	4.9%	5.2%
U.S. (Billions)	16,245	16,364	16,471	16,618	16,821	16,985	17,165	17,369	17,592	17,795	18,011	18,233
% Ch	5.6%	3.0%	2.6%	3.6%	5.0%	4.0%	4.3%	4.8%	5.2%	4.7%	4.9%	5.0%
<b>PERSONAL INCOME - 2009 \$</b>												
Idaho (Millions)	61,014	61,303	61,423	61,856	62,488	62,878	63,203	63,624	64,182	64,560	65,084	65,516
% Ch	7.3%	1.9%	0.8%	2.9%	4.1%	2.5%	2.1%	2.7%	3.6%	2.4%	3.3%	2.7%
Idaho Nonfarm (Millions)	58,914	59,341	59,795	60,245	60,724	61,100	61,461	61,907	62,389	62,799	63,284	63,724
% Ch	4.0%	2.9%	3.1%	3.0%	3.2%	2.5%	2.4%	2.9%	3.1%	2.7%	3.1%	2.8%
U.S. (Billions)	14,479	14,576	14,616	14,692	14,820	14,920	15,012	15,124	15,259	15,364	15,483	15,585
% Ch	3.3%	2.7%	1.1%	2.1%	3.5%	2.7%	2.5%	3.0%	3.6%	2.8%	3.1%	2.7%
<b>HOUSING STARTS</b>												
Idaho	11,722	13,387	13,669	13,792	13,882	13,792	13,950	14,198	14,267	14,419	14,221	14,157
% Ch	-18.5%	70.1%	8.7%	3.7%	2.6%	-2.6%	4.7%	7.3%	2.0%	4.3%	-5.4%	-1.8%
U.S. (Millions)	1,238	1,167	1,159	1,211	1,254	1,276	1,325	1,359	1,367	1,387	1,408	1,423
% Ch	-3.4%	-21.0%	-2.6%	19.2%	15.1%	7.2%	16.3%	10.5%	2.5%	5.9%	6.1%	4.4%
<b>TOTAL NONFARM EMPLOYMENT</b>												
Idaho	708,847	713,251	717,930	722,121	725,789	729,091	732,146	735,020	737,496	740,231	743,281	746,633
% Ch	4.9%	2.5%	2.7%	2.4%	2.0%	1.8%	1.7%	1.6%	1.4%	1.5%	1.7%	1.8%
U.S. (Thousands)	145,712	146,197	146,625	147,269	147,658	148,144	148,566	148,998	149,406	149,800	150,158	150,496
% Ch	1.5%	1.3%	1.2%	1.8%	1.1%	1.3%	1.1%	1.2%	1.1%	1.1%	1.0%	0.9%
<b>SELECTED INTEREST RATES</b>												
Federal Funds	0.7%	1.0%	1.2%	1.3%	1.5%	1.5%	1.8%	2.0%	2.3%	2.5%	2.8%	3.0%
Bank Prime	3.8%	4.0%	4.3%	4.3%	4.5%	4.5%	4.8%	5.0%	5.3%	5.5%	5.8%	6.0%
Existing Home Mortgage	4.4%	4.1%	4.2%	4.3%	4.6%	4.7%	5.0%	5.2%	5.6%	5.9%	6.1%	6.2%
<b>INFLATION</b>												
GDP Price Deflator	2.0%	1.0%	1.5%	1.8%	2.1%	2.3%	2.6%	2.4%	2.1%	2.0%	1.7%	2.4%
Personal Cons Deflator	2.2%	0.3%	1.5%	1.5%	1.4%	1.2%	1.8%	1.7%	1.5%	1.9%	1.7%	2.3%
Consumer Price Index	3.1%	-0.3%	2.2%	2.2%	1.6%	1.3%	2.3%	2.3%	2.0%	2.5%	2.1%	3.0%

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

## NATIONAL FORECAST DESCRIPTION

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

Due to unfolding events and a growing acquaintance among the economic profession, the Trump administration, and the current 115<sup>th</sup> Congress, the economists at IHS Markit, who produce the national economic forecast on which the Idaho Economic Forecast is based, have made some important changes for their firm's October US forecast. They have been incorporating the recent hurricanes into their economic forecasts as well as policy emerging from within the beltway. Part of their work involves prognosticating the likely timeline of initiatives and investments. For GDP figures, the rebuilding efforts in Texas and Florida are expected to show positive contributions to the fourth quarter of 2017 as well as for early 2018, but to leave the third quarter of 2017 subdued. While Puerto Rico and the Virgin Islands are US territories, they do not figure into national GDP, so the rebuilding efforts there will have less direct impacts, showing mainly through migration, inventory adjustment, and transportation.

For policy issues, timelines are also important to the forecast. IHS had been gradually moving back the initial date for the implementation of the infrastructure surge promised from the 2016 election. This delay was discussed in terms of the difficulties of legislation as well as the queue of legislative items ahead of infrastructure. IHS is now altogether dropping the stimulus, both the tax cuts and the infrastructure boost, within the October forecast as the likelihood of their passage is less than 50%.

While these are large issues, they are not dominant issues. The prominent macroeconomic features of this year remain much as they have been. World economic growth is broadly based. For the first time since the recession, all 35 members of the Organization for Economic Cooperation and Development (or OECD, a group of the large, economically developed countries of the world) have simultaneously growing economies. The US unemployment rate is quite low, hovering between 4.2% and 4.5%. The nation's GDP figures have improved from the first quarter: the initial reading of the second quarter was revised up from 2.6% real GDP growth to a final reading of 3.1%. While this revision is substantial and markedly upbeat, it is typical of the magnitude of revision to GDP measurement. Revisions are due to more complete data becoming available.

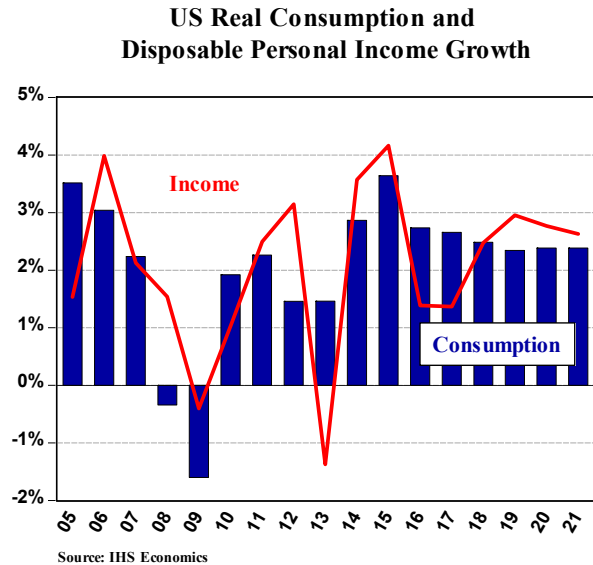
While most employment macroeconomic features are currently encouraging, there are a few macroeconomic features which are at least puzzling, most prominent is that wage growth remains muted. At more abstract levels, productivity remains weak, and inflation remains below the Federal Reserve's target of 2.0%. It most recently registered 1.3% through the Personal Consumption Expenditure (PCE) measurement. This is despite a very longstanding accommodative monetary policy, and it occurs even though US employment is now regarded as full by most economists.

Trends behind all of these macroeconomic features have been steady now for several years, suggesting that the outline of today's situation is likely to persist across the medium term. Of course there will be shocks and uncertainties, but these are coming from predictable places and in predictable ways, even if the shocks are unpleasant. Brexit is slowing the UK economy; for the first time in seven years, home prices in London are falling, though modestly. North Korea has been accelerating its missile program and nuclear program, but the world is responding with unanimous declaration of sanctions, and markets have hardly been startled. Independence votes are happening in Kurdistan and Catalonia, but these are referendums, not calls to arms. Oil is trading up since the hurricanes, but 2017 has been a markedly quiet year.

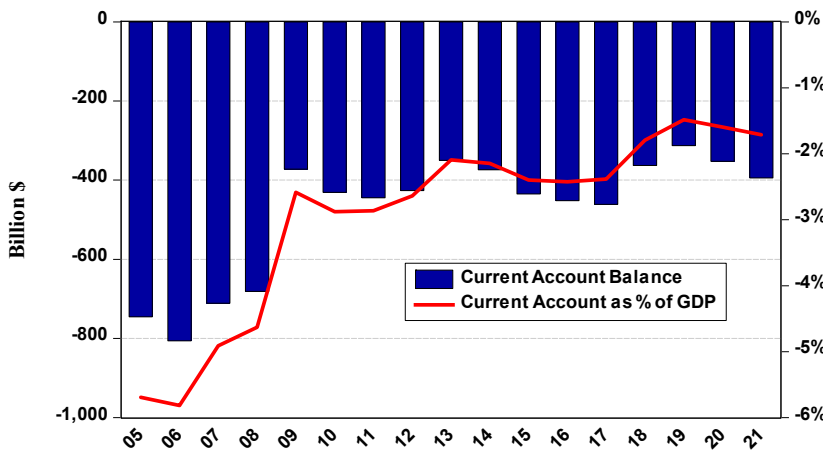
The IHS October forecast sees US real GDP growth at the rates of 2.4% and 2.9% to finish the final quarters of 2017, bringing full-year growth to 2.2% and leading towards 2.4% growth in 2018. For the remainder of the forecast, real GDP is seen at a consistent 2.2% growth per year.

## SELECTED NATIONAL ECONOMIC INDICATORS

**Consumer Spending:** Looking at a single storm, Hurricane Harvey was thought to impact consumer spending in the third quarter; it would drop growth from IHS's 2.6% August view to 2.5% in the September forecast, but boost fourth quarter growth from 2.7% to 2.8%. In the October assessment which factors in both Hurricanes Harvey and Irma, consumer spending growth comes at only 1.9% for the third quarter, with the fourth quarter rebound increased to 3.0% growth. One place Harvey will continue to impact is auto sales. The storm's ongoing effect is expected to provide a sales boost to the auto industry lasting a quarter or two. September sales figures upheld this temporary upsurge; that month's annual rate rose to 18.6 million vehicles. Another effect of the hurricane was a temporary shuttering of refineries and chemical plants along the Gulf Coast. Behind those headlines, oil prices drifted higher, up at one point by 20%, and that drift has not been undone. International demand has grown and oil traders may be taking the view that OPEC's cuts have brought supply closer to demand. Another driver of oil prices has been a steadying of US drilling activity as recorded in the Baker Hughes rig count. Average gas prices have moved from \$2.23 per gallon in early July to \$2.54 per gallon in early October. Looking at the labor effects from Hurricane Harvey, economists at IHS estimate \$7–8 billion in lost wages. The economic impacts from Irma are included within their October forecast, where together the two hurricanes are expected to reduce third quarter real GDP growth by 1.2 percentage points and to raise the final quarter value by 0.9 percentage points. Stepping back from the storms, at the household level, median real income rose above its previous peak, which occurred in 1999. Poverty reduction advanced last year, with the poverty rate down four-fifths of a percentage point to 12.7%. Both of these improvements are reports from the US Census Bureau. A study by the Federal Reserve shows that total wealth held by US households and nonprofits rose \$1.7 trillion dollars in the second quarter of 2017, with \$1.1 trillion of that through equity market appreciation and \$546 billion through rising real estate values. For context, the total wealth of households and nonprofits is \$92.6 trillion. During the last recession, \$12 trillion was lost; the recovery of that loss occurred by late 2012. Despite many inquiries into what seems to be a lack of wage growth through this recovery, a widely recognized reason remains elusive. Perhaps that is due to low inflation: the Brookings Institution has reported that real wages fell in the 1980s, rose by 0.7% per annum in the 1990s, rose by 0.3% in the years up to the Great recession, but have surreptitiously risen by 0.8% per year on average since 2007. These larger trends provide footing for IHS's real consumer spending growth forecasts, which are 2.7% for 2017 and 2.5% for 2018, with the value 2.3% to 2.4% ending the forecast. Following Bureau of Economic Analysis revisions to personal income figures, the current, smaller savings rate (3.6% for 2017) is expected to increase towards the 5% range by the end of the forecast, bringing savings rates back to previously reported ranges. This provides some insurance that consumer spending is in line with consumer finances.



US Current Account Trade Deficit



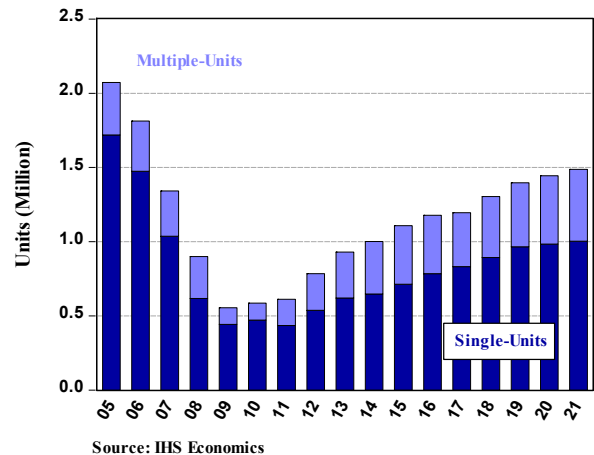
**International:** The economists at IHS note that 12 years ago, the US was the largest refined petroleum products importer, but much of this year, it has been the world’s largest exporter. Hurricane Harvey, which shut down many exporting facilities on the Gulf Coast, may disrupt the third quarter result, but going forward, that export title is likely to remain held by the US. Looking more broadly, imports are up in general due to increasing demand coming from the strong economy. Exports are up due to the strong

external economies as well as a slightly weaker dollar, which lowers external prices for goods produced in the US. NAFTA renegotiation continues, with varying descriptions of progress. Unsurprisingly, the difficult portions remain, including arbitration of disputes and US content in North American automobile manufacturing. Much is made of the US trade deficit, but Mexico too runs a trade deficit when all of its trade is considered. Its deficit ran to \$2.7 billion in August after a \$1.5 billion deficit in July. Mexico’s minimum wage is \$4.50 per hour, though estimates are for three-fifths of the workforce to be engaged in the informal Mexican economy. Negotiators from both sides will be aware of these and other complicating facts. Other trade disputes continue among the NAFTA countries, including new tariffs on Canadian plane maker Bombardier at the request of Boeing. In their forecast, the economists at IHS see Mexican real GDP growth similar to that of the US, with Mexico achieving mid-2% growth over the next couple of years; Canadian growth will be only slightly behind, though it would be coming off of a strong 2017 with 3.1% growth expected. European growth appears to be stable, with Brexit forces primarily showing through higher inflation on the isles, net migration into Britain down by 20%—roughly a third since Brexit, and lower business investment in Britain—by 2020. Meanwhile, eurozone growth is expected to be slightly above 2% this year, slowing to just below that level next year. Chinese growth continues to be well into the 6% range. Its third quarter result was just announced at 6.8%. Chinese growth is expected to remain above the 6% mark for at least the next two years. India implemented a Goods and Services Tax in July. It has also had other recent monetary policy shifts such as removing large denomination currency from circulation. Partly due to these shocks, its economy has slowed this year, but Indian tax revenue is up 19%, and its real GDP growth is projected to resume to 7.2% next year according to World Bank estimates. Two economies are back from the brink: Brazil is expected to expand 0.2% this year after two years of contraction; Greece’s economy is expected to grow 0.4% this year.

**Construction:** Perhaps the most telling recent summary of the housing market which IHS offers comes from the September forecast: “Home price growth continues to outpace inflation; borrowing costs remain low and demand is not being met by supply.” The hurricanes will also feature within this sector; IHS economists expect a modest 15,000-unit boost to housing starts due to Harvey; the effects of Irma are included within the October forecast. Estimated starts in 2018 were set at 1.351 million in September but are now set at 1.304 million; however, this also includes effects of dropping the stimulus. At the end of the forecast, 1.5 million housing starts are predicted for the US. While hotel construction had been enjoying a couple of banner years in which major cities saw the additions of thousands of rooms each, now tighter lending standards as well as a deliberate slowing of capacity growth are diminishing the construction outlook for this sector. IHS publications note a substantial revision to private nonresidential construction, dropping to a 7.3% contraction from 5.7% growth due to simultaneous declines in all

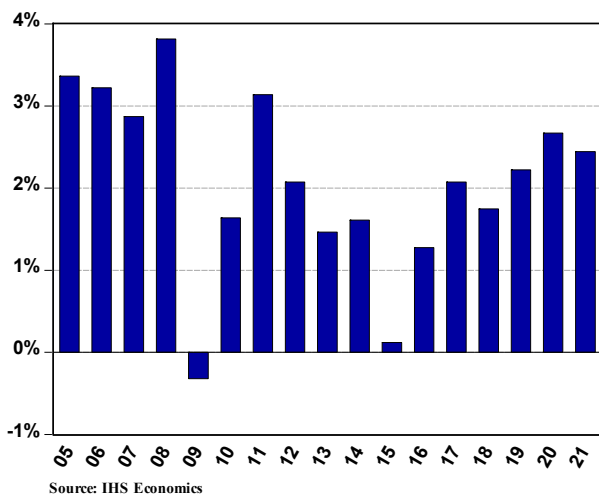
nonresidential categories in July, an unusual event given that it has occurred only twice since 1993. Among the more important changes due in the October forecast, IHS dropped its boost to infrastructure investment coming from campaign promises from the 2016 election. The boost was already more measured than the campaign rhetoric, coming in at \$250 billion over ten years, although this was 25% larger than the government's contribution according to the less publicized figure put forward by the administration, which had \$200 billion coming from the federal government, with the remaining \$800 billion to come from private partnerships. IHS had foreseen difficulties in obtaining funding for the infrastructure investment boom, having delayed its implementation by a quarter in its August forecast. Now, in the October forecast, the infrastructure burst is absent.

### US Housing Starts



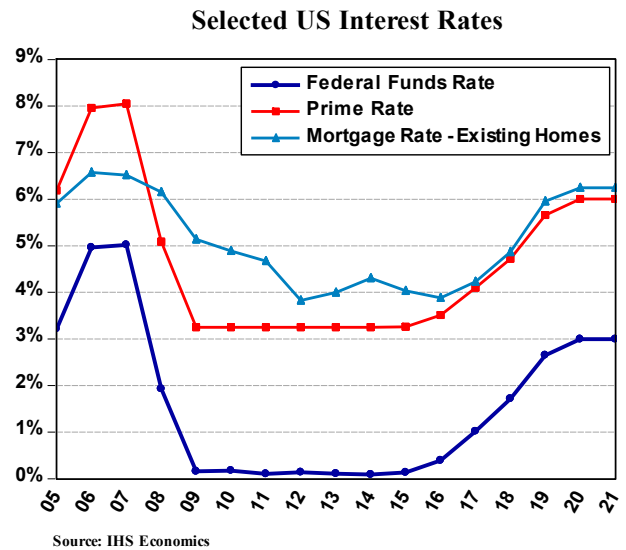
**Inflation:** Inflation remains subdued in the US. Current Personal Consumption Expenditure (PCE) readings are consistently below the 2.0% annual rate aimed for by the Federal Reserve. That is a mark which is felt to be comfortably above deflation without being corrosive. PCE is an inflation measure allowing substituting of goods. It is a measure the Federal Reserve looks at when setting monetary policy. The headline inflation number, the Consumer Price Index (CPI), is also registering low changes in prices. This measure looks at a fixed basket of goods, tracking their price changes as well as their quality changes over time. In regard to cell phone data plans, this year brought a wider availability of “unlimited” data plans, which have subdued inflation. While the monthly costs may not have decreased as customers switched to these plans, the quality (in this case measured by quantity of data transfer) of the product improved, leading to lower inflation. Similar considerations apply to other products and services; the reliability improvements in autos also hold inflation down even if auto prices do not decrease. Through September, CPI inflation has US prices up 2.2% since the close of 2016. Inflation readings elsewhere give this some context. In Britain, inflation is at an annualized 2.9% rate, with the

### US Consumer Price Inflation



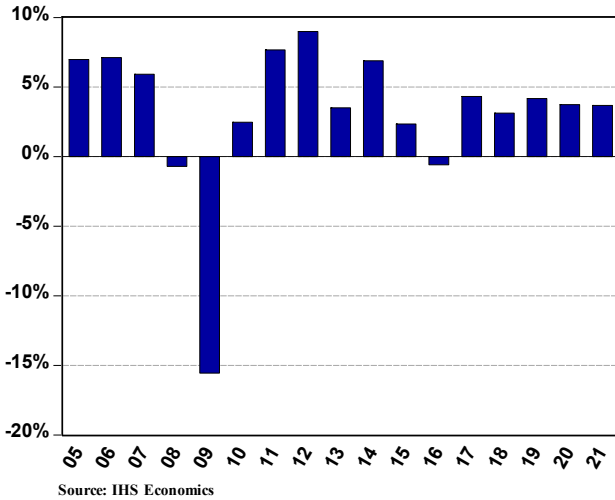
fall in the value of the pound due to Brexit being a primary driver. The Bank of England (BOE), like the US Federal Reserve, has a 2.0% inflation target. In the eurozone, inflation is running at 1.5% with core inflation, excluding food and energy, at 1.1%. In Turkey, inflation is reading at 11.2% annually. In Russia, it is 3.3%, the lowest level since the fall of the USSR. To give context to these, the value of money halves in the following timeframes by region, should the current inflation persist: for the US dollar, in 31 years and 5 months; for the British pound, in 24 years and 3 months; for the Russian ruble, in 21 years and 4 months; and for the Turkish lira, in 6 years and 6 months. The inflation outlook for the US is for continued low inflation. The highest CPI inflation anticipated is 2.7% in 2020 in the IHS forecast.

**Monetary Policy:** The Federal Reserve has raised short-term interest rates twice this calendar year and anticipates doing so one more time in December, bringing those borrowing costs up to 1.25–1.5%. Three more rate increases are anticipated in 2018, but the Federal Reserve now sees the possibility of only two rate increases in 2019, rather than the three which had been projected. This reflects an ongoing assessment of what the “natural rate of inflation”  $r^*$  is. As Federal Reserve Board member John Williams at the San Francisco Fed has written,  $r^*$  is “the short-term real (inflation-adjusted) interest rate that balances monetary policy so that it is neither accommodative nor contractionary in terms of growth and inflation.” Absent crises to which it needs to respond, the Federal Reserve aims for such a monetary policy. Accordingly, the long-term level anticipated for the short-term interest rate is now seen at a bit below 3.0%, rather than the 3.0% anticipated in all Federal Reserve forecasts of the previous year. The October IHS forecast maintains a 3.0% rate across the last two years of the outlook. As with inflation, it is important to note the position afforded to central banks of the strongest economies; the Bank of Mexico, whose parent country is one of the recent members of OECD, has overnight rates at 7.0% with an inflation target of 3.0%. The Federal Reserve primarily uses short-term interest rates to try to nudge the temperature of the economy. However, following the financial crisis in 2007–2008, the Federal Reserve Bank (FRB) began buying long-term debt securities, amassing a reserve of roughly \$4.5 trillion. In September, the Federal Reserve detailed how it will unwind its holdings by gradually increasing the value of maturing securities it will allow to roll off of its books, meaning that the proceeds will not be reinvested in similar, newer debt securities. This process will lower the demand for new long-term debt going forward, which should decrease the price of such debt securities, thereby increasing their yields. The end effect should be to see an increase in the yield of ten-year Treasury bonds. Since home mortgages are long-term debt, their interest rates are tied to long-term bond yields. Hence, this move by the Federal Reserve should result in increasing mortgage costs. However, debt is a world-wide market. The Bank of Japan (BOJ) continues to target a 0% yield on its ten-year bonds, and the European Central Bank (ECB) is still buying long-term debt in order to suppress yields. International demand for debt securities may find the US debt market attractive in comparison. This should work to soften the rise in long-term bond yields in the US market due to the FRB’s unwinding of its balance sheet. That softening will diminish as several major central banks—FRB, BOE, and ECB—look to tighten in the medium term, though this will be a long process as many have expanded their balance sheets considerably—by 500%, 450%, and 300% since 2003 for the FRB, ECB, and BOJ, respectively. Hence movement in long-term US bond yields is expected to be gradual. In this forecast, IHS sees the ten-year Treasury yielding 3.8% in 2019. Currently, it is yielding around 2.3% while Federal Reserve short-term rates are in the 1–1.25% range.



**Business Investment:** The April 2017 *Idaho Economic Forecast* commented upon the oilfield fracking technique’s growing appetite for sand. The expansion of drilling activity in the Permian Basin region is now resulting in business investment in sand mining ventures in Texas. While around 60 million tons of sand were used in 2014 before the collapse of oil prices, 80 million tons are anticipated to be used this year, with 120 million tons expected for 2018. This is among the less heralded avenues of business investment. Other business changes include growing debt for mall operators. Through August of this year, \$2.65 billion of such debt has been issued, substantially more than the \$1.92 billion and \$1.35

**Real US Business Investment Growth**

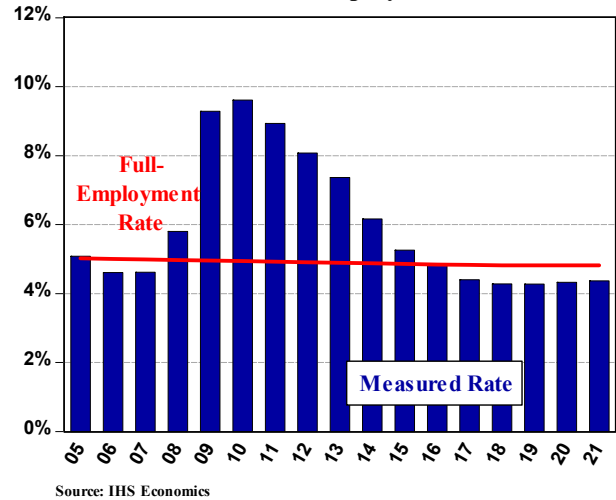


billion in the same periods for 2015 and 2016, respectively. The US retail sector is often seen as overstocked with floor space. Another business with excess capacity, as well as a sector highly acquainted with the effects of debt, is the US auto industry. Ford and GM are idling plants beyond the needs for maintenance and retooling, aiming to align supply with shifting demand, away from cars and towards SUVs and trucks. Third quarter investment in information processing and industrial equipment was expected to jump 13.5% at annual rates, with the full year effect showing 7.0% growth according to IHS’s September forecast. Estimates for these were revised in the October forecast: 11.5% for the third quarter but still 7.0% for the full year. Software was also to see strong growth, maintaining

above 5.0% through 2019 in the September forecast, but this drops to 4.0% growth in the current forecast. These are examples of equipment investment and intellectual property investment. The third part to business investment, spending on structures, has the weakest outlook, partly due to stabilization of oil prices. The 2017–2019 estimates available in September for this are all within the 1.3–4.5% range; the October forecast puts 2018 at -0.2%. Information processing equipment investment was to grow from \$375 billion in 2017 to over \$400 billion in 2019, and that is maintained. Industrial equipment was to grow from just over \$225 billion to almost \$250 billion, or one-ninth in nominal terms; it now grows slightly faster. Software investment is to surpass \$400 billion per year in 2019. For perspective, aircraft investment is \$30–50 billion each year of the forecast. Part of business investment is in inventory change, which is expected to amount to \$23.4 billion this year. In 2016, this was dominated 70:1 by the nonfarm over the farm sector, and the ratio is likelier to be 7:1 this year. Retail now often accounts for a third of the nonfarm inventory change, a witness to improved logistics in the supply chain. Economists at IHS believe that since it has been more than a decade since a major hurricane disrupted the chemical and refining industries, the next few quarterly numbers for inventory adjustment will be volatile.

**Employment:** Average monthly payroll changes were for 208,000 jobs in 2016. In the October forecast, IHS sees 179,000 jobs per month on average for this year, 158,000 average monthly job gains in 2018, and a 135,000 average gain in 2019. As IHS and other forecasters point out, absent an immigration surge, US demographics (baby boom retirements and a continuation of the reduced workforce participation by males) will force a transition towards lower job gains. The low productivity gains of the recent and current workforces should, according to the IHS forecast, transition to higher productivity. This is important for real GDP growth since 2016 had productivity at 0% change. Both the September and October forecasts for this have the value set at 1.2% in 2017. However, productivity was seen to grow by 1.9% next year; instead it is now only seen at 1.6% next year. The labor force is expected to increase 0.8% this year and 1.1% in 2018 and 2019 while the count from nonfarm payrolls is expected to increase 1.5% this year before slowing to 1.3% and 1.1% in

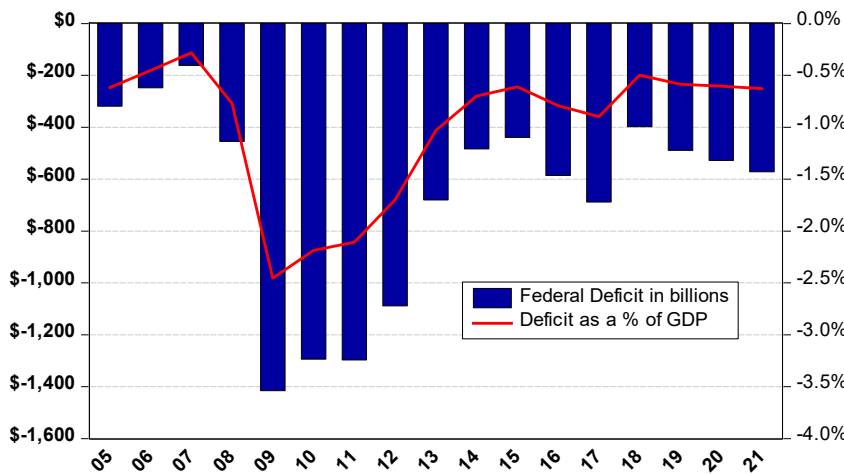
**US Civilian Unemployment Rate**





2018 and 2019. Since forecast payroll growth exceeds forecast labor force growth, the unemployment rate declines. This decline, though, is slight: from 4.4% this year to 4.3%, holding that rate during 2018–2020. Under the September forecast, it was to decline to 4.0% in 2019. The initial estimate for Hurricane Harvey was that it may have trimmed jobs in the September report by 40,000–70,000; with Hurricane Irma added into its October forecast, IHS now believes there was a job reduction as large as 249,000 due to the hurricanes for the September monthly labor report. On the other side of employment, costs are expected to register a 0.6% increase in 2017 when measured on the unit labor standard, with a 1.8% increase in 2018, and mid-2% thereafter. This measure is the ratio between total cost of labor and total output. Raises increase it, but higher productivity lowers it. For comparison, wages are expected to grow by 2.6–3.1% per year each of these years, so employers are predicted to be paying more going forward, but increases in productivity are expected to make future output gains almost as great.

**Unified Federal Budget Deficit**



**Government:** The key legislative accomplishment through early October has been raising the debt limit in order to fund government through the first week of December. This means that at the end of the year, this issue will need revisiting. Current federal legislative work is on tax policy, which could have significant repercussions for states’ finances, as many use federal adjusted gross income as the starting point for their own income taxes. For FY 2016, the federal government’s tax receipts were

18.5% of GDP, and in September they were expected to register at 18.1% of GDP for FY 2018, then 18.3% thereafter. Dropping the stimulus and infrastructure push, those figures are now stable at 18.5% of GDP through the end of the forecast. Expenditures were 22.3% of GDP in 2016, leaving a deficit of 3.7% of GDP, and these were expected to grow through the forecast, reaching 22.5% in 2021 with an accompanying deficit of 4.2% of GDP. Now, absent those expansions, expenditures hold close to 21.5% of GDP, leading to a deficit of 3.0–3.1% of GDP. Total federal debt is forecast to grow from \$20 trillion in FY 2016 to \$23.6 trillion in 2021. Interest payments would have risen from \$475.1 billion to \$780.7 billion, but instead stay below \$600 billion without the stimulus. For comparison, grants to state and local governments from the federal government were \$555.5 billion in FY 2016 and would be \$643.3 billion in 2021, and this outlook is largely maintained in both the September and October forecasts. Embedded in the September forecast were effective personal income tax rates of 20% going forward and effective corporate tax rates of 18% going forward. The actual values for FY 2016 were 21% and 20% respectively. The IHS forecast reverts to stable values of 21% and 19% for these effective tax rates going forward within its October outlook, primarily due to dropping the stimulus. For context, the underlying statutory corporate tax rate would have been 25% under the IHS September forecast. The tax plan outline released September 27 by the administration calls for a 20% corporate statutory rate for large businesses and a 25% statutory rate for pass-through businesses such as S-corporations. For comparison, averaged across all states according to population, the effective personal income tax rate for state taxes is 3.5–3.6% throughout the forecast. States and localities also borrow funds through the municipal bond market, funding things like schools and sewer systems. Total outstanding debt through these instruments is to hover right around \$3 trillion with total interest payments growing only slightly from \$198 billion to \$211.5 billion across 2016–2020.

## IDAHO FORECAST DESCRIPTION

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

The unemployment rate within the state met a historic low in August, registering at 2.9%. This past month it improved to 2.8%. From the Local Area Unemployment Statistics (LAUS) program at the Bureau of Labor Statistics (BLS), the Idaho workforce is holding around the 825,000 jobs level this year. While baby boomers are retiring, holding back on the workforce, more people are working, lightening the unemployment level. Another BLS endeavor, the Current Employment Statistics (CES) program, shows total nonfarm jobs within the state up by 15,000 from September of 2016 to September of this year, bringing the total to 715,000 jobs. While these two BLS statistics programs are not directly comparable since they focus on different subsets of workers—for example, the CES program excludes data from self-employed individuals and farm workers, and it considers jobs, not employees, while LAUS counts individuals, not the number of jobs they hold—the statistics they reveal both point to an Idaho economy which most economists would consider to be at or very near full employment.

Opportunities are not only becoming available for individual workers, but also for industries and communities. This past spring, the locks on the lower Snake River were updated. A new opportunity could present itself for shipping along that waterway. Midway between Lewiston, Idaho, and Tri-Cities, Washington, is Lyons Ferry, the site of a new pulp mill that will process wheat straw into paper. While farmers on the Palouse have traditionally burned fields to clear them of crop residue, this could reveal another option. It could also provide for more barge traffic. Meanwhile, Lewiston has been one of the hottest metropolitan areas in terms of construction, partly due to Clearwater Paper's installation of a new chemical digester for its pulp mill. This \$160 million plant enhancement is now running, on schedule. At the other end of the paper trail, Adams Publishing Group has just agreed to acquire nine Idaho newspaper publishers included in a sale of twenty-two small city newspapers.

While paper is a traditional industry, new industries are also entering Idaho's marketplace. Redfin is a realty company which uses the internet to help buy and sell homes. This company has focused on the larger US markets but has begun offering services in the Treasure Valley this fall. Also entering the Idaho marketplace is Lyft, one of the larger ride-service companies competing with traditional taxi services. There are also examples of well-known Idaho companies bringing greater internet presence within the state. Albertsons just acquired Plated, a meal service company. Its meal kits which include recipes and pre-portioned ingredients can be delivered or picked up at the local Albertsons supermarket.

At the community level, several initiatives are transforming Idaho towns. Caldwell is redeveloping its downtown, as is Twin Falls. Idaho Falls has "The Broadway" which broke ground in August. Pocatello and Chubbuck, though, may eclipse these major undertakings with development surrounding the Siphon Road interchange.

Statewide, this forecast sees Idaho growing according to the following: population should expand by 1.5% on average each year, real per capita personal income should expand by 1.3% per year, and total nonfarm jobs should reach 770,100 by 2021, up 1.8% on average per year.

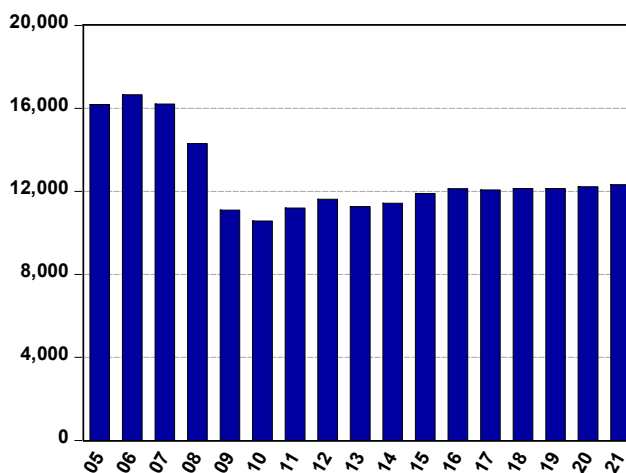
**Agriculture:** Only in three other states does agriculture make up as large a fraction of the local economy. Last year, the wheat growers suffered "falling numbers," which means starch damage would affect the quality of baked products from the resulting flour. This year's harvest looks to be typical in yield, not affected by falling numbers, and will possibly benefit economically from the drought in western Montana and North Dakota, which has subdued yields there and may result in up to a quarter

smaller national crop. The recent export agreement signed with Taiwan will represent about 5% of the Idaho crop. Other important markets are Japan and Latin America, particularly Mexico. Among the difficulties grain farmers are facing is that their storage is still being occupied by the 2016 crop. The barley crop looks to be strong, befitting the top barley producing state. Much of that crop is destined for Anheuser-Busch InBev. Hops are gaining ground in the state; Idaho is close to becoming the number two state in their production, jumping ahead of Oregon. In both states, acreage devoted to hops has been increasing the past few years. Dry beans are also a crop well suited to Idaho, producing a \$70 million industry. The Idaho Bean Commission has introduced a new yellow bean variety, and this type of bean sells at premiums in Latin America. Smaller acreage crops such as fruit ranches and vineyards have been recovering from last winter's chill. Those in the Lewiston area seem to have fared better in that regard. Also burdened by last winter are onion farmers and marketers. Many onion sheds collapsed in the heavy snow. One good bit of news for them is that Malheur County in Oregon is aiming for a rail transfer facility in order to avoid trucking the onion crop over the Blue Mountains to Wallula, Washington, where there is a small Union Pacific loading facility. While agricultural income has been volatile coming off very robust results a couple of years ago, better data is pointing towards not only stability, but a bit of growth. This forecast shows \$1.35 billion in farm proprietors' income for 2018 and average annual growth across the forecast at 2.5%.

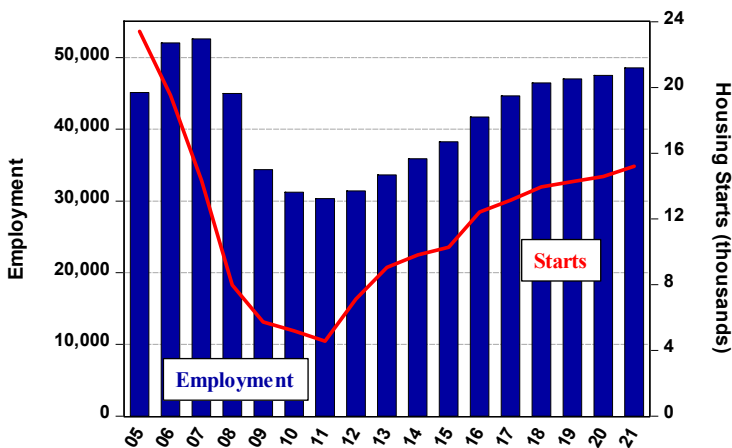
**Computer and Electronics Manufacturing:** While there are more semiconductor-related manufacturers in Idaho than Micron and HP, these major companies often dominate the news, and this is the case this quarter. Coming off of constructing its new research and development building (100,000 square feet and a \$200 million construction tab), Micron is outfitting this building and launching into another expansion, this one being a new 225,000-square-foot building with construction to start this fall and finish in the summer of 2018. Micron has a dozen manufacturing plants worldwide, but Boise is its research and development center. Revenue for the company was up 91% year over year this past quarter, to \$6.1 billion, and midpoint estimates from Wall Street analysts put the next quarter at \$6.3

billion of revenue. Part of the strength behind these numbers comes from the greater diversity of devices using Micron's core product, NAND flash memory and DRAM memory. For the ubiquitous smartphone, greater demands are being met with greater capabilities, and that is requiring more memory. HP, the computer and printer portion of the venerated Hewlett-Packard Company, saw its sales rise 10% year over year, and its print revenue is stabilizing. Computer sales are up; HP is closing in on a quarter of the market, an improvement from its fifth of the market recently. Even with these results, Micron is cutting around 200 jobs in Boise. HPE, the other branch of the Hewlett-Packard Company, is cutting 10% of its workforce worldwide. Within Idaho, employment in the computer and electronics industry is fairly stable overall. This forecast sees slight 0.3% growth on average between now and 2021.

**Idaho Computer and Electronic Products Employment**



**Idaho Construction Employment and Housing Starts**

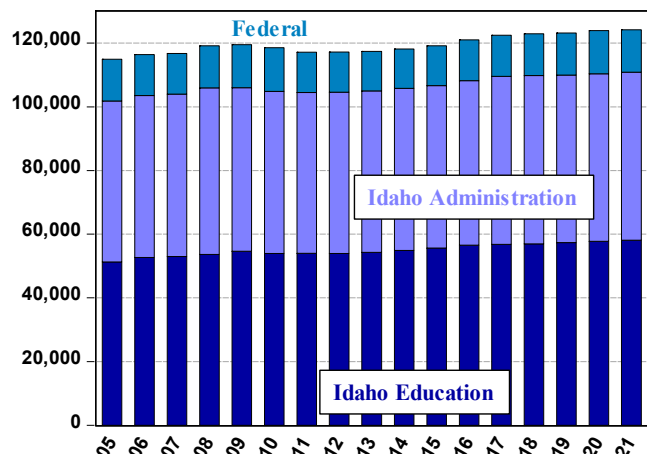


**Construction:** Lewiston has occupied one of the top spots in terms of construction job growth in the nation, primarily due to Clearwater Paper’s new digester installation and expansion of Vista Outdoors, and most metro areas in the state see robust construction. The Associated General Contractors of Idaho says that construction growth is “in line with that of other western states.” In Nampa, two hotels have recently been completed and a few more are on the way, including an extended stay hotel. The FBI data center near Pocatello broke ground on an expansion in October. Boise could see a new athletics stadium by 2020 along the

Boise River near Garden City. As mentioned in the opening paragraphs, many downtowns are undergoing major rejuvenation efforts. Nationally there may be some headwinds beyond the nowadays perennial lack of construction labor. Apartment vacancy is up at 4.5% from 4.1% a year ago, with vacancy up in 50 of 79 major metro areas according to Reis Inc., an apartment tracker. The supply of new homes is reaching six months, what Realtors typically say is a healthy market, not a seller’s market, as has been the case most of the year. Housing starts nationally appear to be leveling off. Rising home values have not yet seen a real slowing, with typical reports for the major metro counties in Idaho recording at least 5% price appreciation. IHS, though, believes that the commercial real estate sector is one to watch. It is one of the triggers of the pessimistic scenario, and the IHS economists describe prices in that industry as wobbly. Some of that may be due to uncertainty for the retail sector, with operations such as Macy’s closing stores, including the one in Twin Falls. Currently, the forecast is for 10,800 single family homes to be started in 2017, rising to 13,400 in 2021, and for an average of 1,900 multi-family housing units per year.

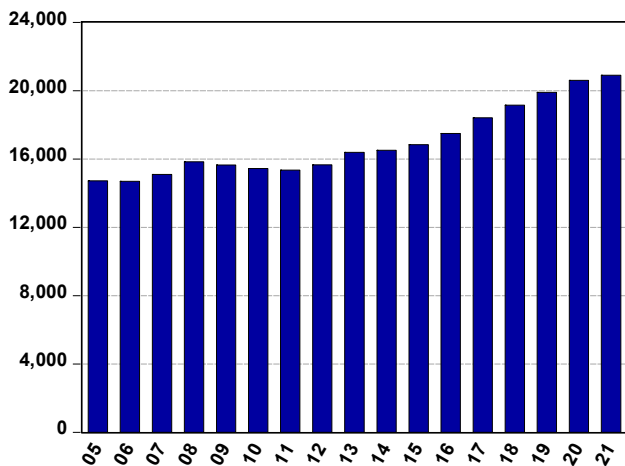
**Government:** City government in Twin Falls, enjoying one of the robust economies in the state, is expanding its fire department. Lewiston is planning storm water upgrades. These are proactive approaches and they are examples of the many local governments making investments on time or before remediation becomes too expensive. The I-84 widening from Nampa to Caldwell is scheduled to begin in spring of 2018. Recently, 11 western state governors agreed on an effort to expand the electrical vehicle recharging infrastructure, creating a regionally cohesive effort. Another collaborative effort, this time between state and federal agencies, is the Good Neighbor Authority (GNA), allowing Idaho forestry to aid the United State Forest Service (USFS) with timber sales. So far, around 10,000 acres within the state have been opened to logging, including thinning for fire risk reduction, through this program. Moving to federal government, the Navy broke ground on its INL fuel handling facility. Not scheduled to open till 2024, this major project, at \$1.65 billion, will operate until 2060. Three hundred fifty construction jobs are expected, and 1,200 full-time employees are anticipated once the facility is up and running. The FBI

**Idaho Government Employment**



data center is also adding to the eastern Idaho workforce, this time through 350 jobs; eventually, that and one other data center in West Virginia will be the only FBI data centers. While these are expansionary, the deflation of food prices has triggered a recalculation of SNAP (Supplemental Nutrition Assistance Program) benefits, which will lower payments. Currently, around 164,000 Idahoans receive SNAP benefits. Finally, recognizing that Idahoans work for international companies that must then work with foreign governments, Simplot has recently won approval for the sale of its Innate brand potatoes in several foreign countries. These are but a few of the instances where governments, whether local, state, federal, or foreign, are endeavoring or collaborating and having real impacts for Idaho and Idahoans. Government employment within the state has remained steady. There are expected to be 57,700 educational, 52,700 administrative, and 13,600 federal governmental employees within the state in a couple of years, changes of just 1,000, -100, and 600 by 2020 from today's levels.

**Idaho Food Processing Employment**



**Food processing:** Kuna has a major beef packing plant, CS Beef Packers. This is a joint venture between the Caviness group and Simplot. It will have up to 750 employees and is sized to handle 1,700 cows per day. Its radius for bringing in cows is 600 miles and hence encompasses all of the state as well as major portions of each of the nearby ones. Beef has had a mixed year in terms of export markets. Japan increased its tariff on US frozen beef from 38.5% to 50.0% absent the Trans-Pacific Partnership. China, however, just received its first shipment of US beef on September 1. Current beef prices are in the \$130-per-hundredweight vicinity. On the dairy side, Chobani continues to process up to 2.5 million pounds of Idaho milk per day. The

Urban Renewal Agency bonds associated with that company's arrival are due to be paid in 2032, but local tax revenue from the company has been coming in strongly, suggesting that the bonds could be paid off nine years in advance. Looking at another of the state's major food processing pieces, Amalgamated Sugar has celebrated 100 years in business. Its Paul facility employs between 500 and a peak of just over 900 people during the year. Sugar beet harvests are up 63% since 1996, and there are now 750 growers in the sugar cooperative. While cows, sugar, potatoes, and wheat are headline parts of Idaho's agricultural and food processing industries, there are behind-the-scenes players filling out the market. One of these is ZoRoCo Packaging, a Caldwell company which makes, among other things, gluten-free products and frozen foods packaging. It operates 24 hours per day and employs 180 people. Food processing has grown 3.1% per year since 2011, and it is anticipated to grow 3.2% until 2021.

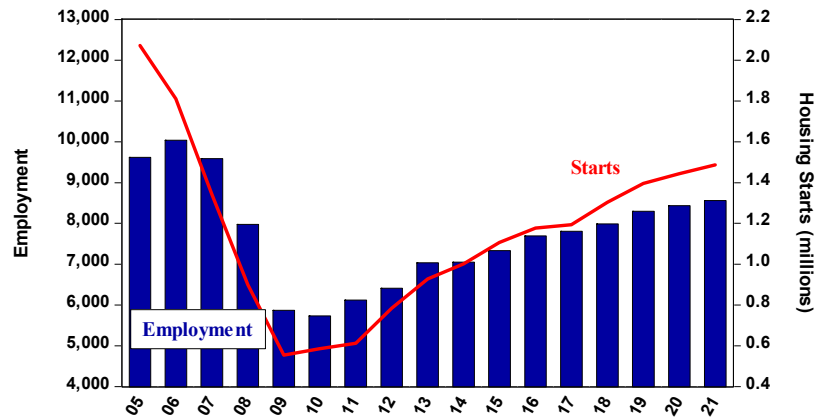
**Mining:** Mining provides opportunities in several parts of the state. Phosphate mining in southeast Idaho certainly provides some diversification and many jobs. As indicated in earlier editions of this report, the two major mines there employ 1,200 or so people. A new opportunity is opening in Blackfoot and in Salmon. A Canadian company, eCobalt, is opening a pit mine for cobalt and is setting up a refining operation in Blackfoot. Initial reports are of 125 jobs at the mine near Salmon and 60–90 jobs at the refinery. The company plans for the mine to operate for 12.5 years. Another project, Stibnite Gold Project near Yellow Pine, also has a mine life of 12 years. Though it is still before the Environmental Impact Statement phase, the project will be an open-pit mine that employs 1,000 workers. Currently, one of the major Idaho mines is under strike; the Lucky Friday mine near Mullan has been on strike for around a half of a year, and there is no indication that it will end soon. Due to this, the forecast employment in mining has been reduced. There is no obvious timeframe to reincorporate those workers

into the mining projections. As such, mining employment should hover near 2,300 jobs for the next few years.

**Wood:** A large tract of private forest land in South Central Idaho changed hands this summer. These 172,000 acres had been owned by both Boise Cascade and Potlatch. It is tracts of land like this in the panhandle of Idaho which have recently supplied much of the timber to the mills there. Most of the mills in the southern part of Idaho have closed since the 1970s. One bit of bad news did strike when the Vaagen Brothers Lumber mill in Athol (leased from Merritt Brothers Lumber) had a three-alarm fire in

early August; all 21 employees were safe. Estimates from the USFS put 6.3 billion standing dead trees in the 11 western states, up half of a billion from half of a decade ago. Beetle kill represents one fifth of those standing dead; drought, fire, and other diseases account for the remainder. That standing dead represents roughly 17% (in other words, one sixth) of the standing trees in those states, a value which is nearly double from what was occurring in the wet 1990s. As mentioned earlier in the government section, the Good Neighbor Authority (GNA) is helping to lighten that load. GNA is a partnership between the federal and state governments which has the Idaho Department of Lands aiding the USFS with managing timber stands. With GNA deals in four national forests within Idaho (Panhandle, Nez Perce-Clearwater, Boise, and Payette), around 65 million board feet of lumber will be extracted in 3–5 years. Estimates suggest up to 100 million board feet could be extracted per year under this authority. These numbers could deserve some context: reportedly, 348 acres from the Clearwater Complex fire yielded 7.6 million board feet of lumber. The wood industry does encompass more than just logging and milling; recent editions of this publication have discussed other players, and future editions will as well. Currently, the wood industry employs 7,800 workers, and that is forecast to grow through 2021 when almost 8,600 workers are expected to be working in the field.

**Idaho Wood Product Employment and U.S. Housing Starts**



## FORECAST COMPARISON

Idaho has a dynamic economy influenced by local, national, and international factors. Changes in the projected values of variables such as oil prices, interest rates, and national housing starts can affect the state. In order to account for the effects of such changes on the state's economy, this issue of the *Idaho Economic Forecast* uses the October IHS forecast of the US economy. Though the national forecast only becomes available mid-month, substantive changes warranted a time-frame compressed use of it. Additional data, such as specific expansions or contractions in Idaho operations, are also considered.

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

As mentioned elsewhere in this report, the October edition of IHS's forecast broke with all previous 2017 forecasts by dropping the stimulus measures, both the tax reform and the infrastructure boost. Further, the October forecast incorporates effects for Hurricanes Harvey, Irma, and Nate. Hurricane Maria affected US island territories, but the islands' economic outputs are not included in US GDP figures, though their residents are US citizens.

The forecast from the previous edition of this report represented a light revision slowing growth from the rapid ascent envisioned at the start of the year. In the intervening transition from summer to autumn, the economy has consistently recorded strong job gains until the month of the hurricanes. Hence it is not surprising that at the national level, the October forecast represents a light revision accelerating real growth in 2017. Due to the drop of stimulus from the forecast, subsequent years have similar curtailments to GDP growth compared to previous forecasts. The strong job gains, though, persist throughout the forecast, with employment generally up by an additional two-tenths of a percentage point above the previous forecast. As Idaho has been adding jobs quickly, it is unsurprising that total nonfarm employment estimates for the state also generally increase.

The distribution of those local gains looks to be favored in percentage point terms towards the goods-producing sectors, as that is a major thrust for the current administration. Among the sectors seen as having lower employment in this forecast is mining. Part of that is due to an unresolved strike at the Lucky Friday mine. With no news of progress on negotiations, there is no date anticipated to reincorporate those miners affected by the strike. Another sector seeing less job growth in this forecast than previously envisioned is the health and private education sector. While this sector is expanding, its sheer size means that even slight revisions to its percentage growth result in fairly substantial job changes. In this case, growth still averages above 3.0% going forward after a slight cooling to 2.6% this year.

The national forecast is subduing housing starts this year and going forward. The estimate of housing starts in the state is up this year and through 2019 but with diminishing gains over the previous forecast. The national forecast does drive the outlook despite the robust local economy. Idaho has recently seen strong personal income gains. National income gains are pared in the October forecast compared to that of the previous report. Idaho income gains are pared less. This comes about through the higher employment figures anticipated; wage rates are actually a bit reduced in this forecast compared to the previous one, though not as steeply as they are at the national level.

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

	2014	2015	2016	2017	2018	2019	2020	2021
<b>U.S. GDP (BILLIONS)</b>								
Current \$	35	84	55	-28	-141	-160	-188	-252
% Difference	0.2%	0.5%	0.3%	-0.1%	-0.7%	-0.8%	-0.8%	-1.1%
2009 Chain-Weighted	31	74	54	35	-15	-13	-18	-39
% Difference	0.2%	0.5%	0.3%	0.2%	-0.1%	-0.1%	-0.1%	-0.2%
<b>PERSONAL INCOME - CURR \$</b>								
Idaho (Millions)	6	674	661	464	-63	-481	-708	-746
% Difference	0.0%	1.1%	1.0%	0.7%	-0.1%	-0.6%	-0.9%	-0.9%
U.S. (Billions)	8	94	-58	-164	-312	-400	-439	-485
% Difference	0.1%	0.6%	-0.4%	-1.0%	-1.8%	-2.2%	-2.3%	-2.4%
<b>PERSONAL INCOME - 2009 \$</b>								
Idaho (Millions)	2	642	561	447	-17	-264	-295	-112
% Difference	0.0%	1.1%	0.9%	0.7%	0.0%	-0.4%	-0.4%	-0.2%
U.S. (Billions)	7	93	-61	-137	-264	-308	-297	-279
% Difference	0.1%	0.7%	-0.4%	-0.9%	-1.7%	-2.0%	-1.8%	-1.7%
<b>TOTAL NONFARM EMPLOYMENT</b>								
Idaho	-5	-4	39	4,738	5,341	2,003	-1,220	-1,018
% Difference	0.0%	0.0%	0.0%	0.7%	0.7%	0.3%	-0.2%	-0.1%
U.S. (Thousands)	0	0	0	82	286	344	249	146
% Difference	0.0%	0.0%	0.0%	0.1%	0.2%	0.2%	0.2%	0.1%
<b>GOODS PRODUCING SECTOR</b>								
Idaho	3	4	20	1,231	2,310	2,131	1,338	1,063
% Difference	0.0%	0.0%	0.0%	1.1%	2.0%	1.8%	1.1%	0.9%
U.S. (Thousands)	0	0	0	5	-31	-84	-58	-11
% Difference	0.0%	0.0%	0.0%	0.0%	-0.1%	-0.4%	-0.3%	-0.1%
<b>NONGOODS PRODUCING SECTOR</b>								
Idaho	-8	-8	19	3,507	3,031	-129	-2,558	-2,081
% Difference	0.0%	0.0%	0.0%	0.6%	0.5%	0.0%	-0.4%	-0.3%
U.S. (Thousands)	0	0	0	76	317	427	307	157
% Difference	0.0%	0.0%	0.0%	0.1%	0.2%	0.3%	0.2%	0.1%
<b>SELECTED INTEREST RATES</b>								
Federal Funds Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Bank Prime Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Existing Home Mortgage Rate	0.0%	0.0%	0.0%	-0.2%	-0.3%	0.0%	0.0%	0.0%
<b>INFLATION</b>								
GDP Price Deflator	0.001	0.013	-0.032	-0.393	-0.707	-0.808	-0.910	-1.090
Personal Cons Deflator	0.007	-0.050	0.068	-0.063	-0.069	-0.268	-0.535	-0.890
Consumer Price Index	0.000	0.000	0.000	-0.003	-0.004	-0.006	-0.010	-0.017



## ALTERNATIVE FORECAST

IHS economists assign a 15% chance to the optimistic alternative forecast in the October 2017 release and a 20% chance to the pessimistic alternative. The likelihood of the pessimistic case decreases by 5% from the previous *Idaho Economic Forecast*.

A snapshot of the *Baseline Scenario* across 2017–2021 is:

- Real GDP growth of 2.2% this year, 2.4% next year, and 2.2% thereafter
- Nonfarm payroll growth of 1.5%, 1.3%, 1.1%, 0.9%, and 0.8% for 2017–2021
- Headline (U-3) unemployment rate descent from 4.4% to 4.3% for three years before resumption to 4.4% in 2021
- CPI inflation of 2.1%, 1.7%, 2.2%, 2.7%, and 2.4%
- US federal governmental deficits of \$400–\$600 billion per fiscal year

## PESSIMISTIC SCENARIO

This outlook resumes having a mild recession as the pessimistic alternative. Though the IHS economists find it “difficult to imagine” that the 100-month expansion will soon end, two possible triggers for a mild recession are given. Commercial real estate could drop, and that could make confidence sag. Interest rates would move higher and housing starts would decline beginning in early 2018. Recovery in that industry would be slow as housing starts would never surpass 1.5 million units per year. The US economy slips into a recession, contracting in the last two quarters of 2018. The unemployment rate reaches 5.7% in 2019 before descending towards 5.1% to end the forecast.

In this case, the federal deficit grows sharply in FY 2018, increasing by \$215 billion. Light vehicle sales drop more than 1 million units to below the 16-million-unit mark in 2019. The S&P 500 drops to below 2300 in 2018; it is currently above 2550. Financial markets call such a 10% drop a correction; it is not even considered a bear market.

Within Idaho, the *Pessimistic Scenario* has real personal income growth at a slower pace, averaging 2.1% in the next two years, whereas it would be above 2.7% in the baseline. Total nonfarm employment growth slows as well, hobbled to 0.7% in 2019 rather than the 1.6% seen in the baseline for that year. While the goods-producing sector would seem to stumble in 2019 with only 0.2% growth, by the end of 2021, the two forecasts have goods-producing jobs within an 800 count out of approximately 124,000 jobs either way. In contrast, the nongoods-producing sectors differ by approximately 5,000 jobs at the end of the forecast, though this is from a much larger pool of approximately 640,000 jobs within the state.

**IDAHO ECONOMIC FORECAST**  
**BASELINE AND ALTERNATIVE FORECASTS**  
**OCTOBER 2017**

	BASELINE					OPTIMISTIC					PESSIMISTIC				
	2017	2018	2019	2020	2021	2017	2018	2019	2020	2021	2017	2018	2019	2020	2021
<b>U.S. GDP (BILLIONS)</b>															
Current \$	19,351	20,212	21,117	22,054	23,014	19,364	20,484	21,663	22,769	23,868	19,330	19,844	20,439	21,503	22,503
% Ch	3.9%	4.4%	4.5%	4.4%	4.4%	4.0%	5.8%	5.8%	5.1%	4.8%	3.8%	2.7%	3.0%	5.2%	4.6%
2009 Chain-Weighted	17,079	17,484	17,876	18,261	18,656	17,093	17,670	18,213	18,701	19,180	17,061	17,183	17,356	17,865	18,292
% Ch	2.2%	2.4%	2.2%	2.2%	2.2%	2.3%	3.4%	3.1%	2.7%	2.6%	2.1%	0.7%	1.0%	2.9%	2.4%
<b>PERSONAL INCOME - CURR \$</b>															
Idaho (Millions)	69,118	71,962	75,282	79,109	82,976	69,126	72,476	77,127	82,212	87,045	69,115	71,647	74,227	78,222	82,232
% Ch	4.0%	4.1%	4.6%	5.1%	4.9%	4.1%	4.8%	6.4%	6.6%	5.9%	4.0%	3.7%	3.6%	5.4%	5.1%
U.S. (Billions)	16,425	17,085	17,908	18,810	19,719	16,428	17,215	18,313	19,420	20,442	16,420	16,928	17,457	18,396	19,370
% Ch	3.1%	4.0%	4.8%	5.0%	4.8%	3.1%	4.8%	6.4%	6.0%	5.3%	3.1%	3.1%	3.1%	5.4%	5.3%
<b>PERSONAL INCOME - 2009 \$</b>															
Idaho (Millions)	61,399	63,048	64,835	66,711	68,572	61,412	63,465	66,442	69,439	72,108	61,396	62,778	63,987	66,048	68,049
% Ch	2.4%	2.7%	2.8%	2.9%	2.8%	2.4%	3.3%	4.7%	4.5%	3.8%	2.4%	2.3%	1.9%	3.2%	3.0%
U.S. (Billions)	14,591	14,969	15,423	15,862	16,296	14,595	15,075	15,776	16,403	16,934	14,586	14,832	15,049	15,533	16,030
% Ch	1.5%	2.6%	3.0%	2.9%	2.7%	1.5%	3.3%	4.7%	4.0%	3.2%	1.5%	1.7%	1.5%	3.2%	3.2%
<b>TOTAL NONFARM EMPLOYMENT</b>															
Idaho	715,537	730,511	741,910	755,748	770,110	715,513	733,511	752,641	776,642	800,585	715,396	728,101	733,106	747,730	764,417
% Ch	3.1%	2.1%	1.6%	1.9%	1.9%	3.1%	2.5%	2.6%	3.2%	3.1%	3.1%	1.8%	0.7%	2.0%	2.2%
U.S. (Thousands)	146,451	148,341	149,965	151,337	152,494	146,468	148,800	151,158	153,178	154,773	146,391	146,988	146,643	148,149	150,037
% Ch	1.5%	1.3%	1.1%	0.9%	0.8%	1.5%	1.6%	1.6%	1.3%	1.0%	1.4%	0.4%	-0.2%	1.0%	1.3%
<b>GOODS-PRODUCING SECTOR</b>															
Idaho	114,630	118,220	120,479	122,449	124,319	114,705	119,549	122,553	125,147	128,524	114,616	116,834	117,071	121,128	123,534
% Ch	4.3%	3.1%	1.9%	1.6%	1.5%	4.3%	4.2%	2.5%	2.1%	2.7%	4.2%	1.9%	0.2%	3.5%	2.0%
U.S. (Thousands)	20,027	20,434	20,908	21,244	21,511	20,056	20,621	21,309	21,793	22,109	20,020	20,161	19,997	20,296	20,952
% Ch	1.5%	2.0%	2.3%	1.6%	1.3%	1.6%	2.8%	3.3%	2.3%	1.5%	1.4%	0.7%	-0.8%	1.5%	3.2%
<b>NONGOODS-PRODUCING SECTOR</b>															
Idaho	600,907	612,292	621,432	633,300	645,792	600,808	613,962	630,088	651,495	672,061	600,779	611,267	616,034	626,602	640,883
% Ch	2.9%	1.9%	1.5%	1.9%	2.0%	2.9%	2.2%	2.6%	3.4%	3.2%	2.9%	1.7%	0.8%	1.7%	2.3%
U.S. (Thousands)	126,423	127,907	129,057	130,093	130,983	126,413	128,179	129,849	131,385	132,665	126,371	126,827	126,646	127,853	129,085
% Ch	1.5%	1.2%	0.9%	0.8%	0.7%	1.5%	1.4%	1.3%	1.2%	1.0%	1.4%	0.4%	-0.1%	1.0%	1.0%
<b>SELECTED INTEREST RATES</b>															
Federal Funds	1.0%	1.7%	2.6%	3.0%	3.0%	1.0%	1.6%	2.6%	3.3%	3.3%	1.0%	1.2%	0.9%	1.5%	2.4%
Bank Prime	4.1%	4.7%	5.7%	6.0%	6.0%	4.1%	4.6%	5.6%	6.3%	6.3%	4.1%	4.2%	3.9%	4.5%	5.4%
Existing Home Mortgage	4.2%	4.9%	6.0%	6.2%	6.2%	4.2%	4.9%	6.3%	6.7%	6.6%	4.3%	5.5%	5.7%	5.5%	5.9%
<b>INFLATION</b>															
GDP Price Deflator	1.7%	2.0%	2.2%	2.2%	2.1%	1.7%	2.3%	2.6%	2.4%	2.2%	1.7%	1.9%	2.0%	2.2%	2.2%
Personal Cons Deflator	1.6%	1.4%	1.7%	2.1%	2.0%	1.6%	1.5%	1.6%	2.0%	2.0%	1.6%	1.4%	1.6%	2.1%	2.0%
Consumer Price Index	2.1%	1.7%	2.2%	2.7%	2.4%	2.1%	2.7%	3.0%	2.9%	2.5%	2.1%	1.7%	2.1%	2.6%	2.5%

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

## OPTIMISTIC SCENARIO

Economists at IHS have decided that the October *Optimistic Scenario* partly rests upon implementation of the tax stimulus which had previously been part of their firm's baseline September forecast. Other forces aiding the economy in the rosy alternative would be growing productivity and muted inflation. Productivity growth (up to 2.4% and 1.9% in 2018 and 2019 from 0% in 2016) comes along with higher business fixed investment, aided by rollback of regulation. Real GDP growth attains 3.4% in 2018, a full percentage point above the baseline value that year.

The federal deficit swings less in this scenario than in either the baseline or the pessimistic alternatives. The range of deficits is \$500–650 billion in this case. Light vehicle sales grow modestly throughout the forecast; by 2019 this puts sales up two-thirds of a million units over the baseline. Stock markets continue to rally, with the S&P up 10.8% in 2018, which would be five percentage points above the baseline gain.

The *Optimistic Scenario* produces greater real personal income gains for Idaho. Growth hits an average 4.6% for the two years 2019 and 2020, whereas it averages less than 3.0% in the baseline. This produces \$3.5 billion dollars of extra value for Idaho personal income by the end of the forecast. Total nonfarm employment in Idaho would be 30,500 jobs stronger by 2021 if the optimistic scenario holds. Goods production would expand just over 4,200 additional jobs by 2021, leaving the bulk of the gains to nongoods production where growth gets the following boosts in percentage points: by 1.1 in 2019, 1.5 in 2020, and 1.2 again in 2021. In the end, there would be 672,100 nongoods-producing jobs in the state.

## Interest Rates and the “New Normal”

*John C. Williams*<sup>1</sup>

Today I’m going to talk about interest rates...in a lot of detail...so I hope you all got yourselves an extra large cup of coffee before you found your seats this morning.

Why am I talking about interest rates? First, as President of the San Francisco Fed it’s a favorite subject of mine! Second, there are a lot of misperceptions out there about what’s going to happen to interest rates, when they’ll rise and by how much. As bankers, interest rates play a pivotal role in your lives, so I thought that you might appreciate a deeper dive into the current thinking.

I frequently hear people say, “as things return to normal, and rates rise, we’ll be able to do A, B, or C.” It’s true that, post-financial crisis, things are returning to normal. But normal may look and feel quite a bit different from what you’re used to, so I want to talk about this “new normal.”

First, the good news: The economy is growing at a moderate pace. In fact, we’re now in the ninth year of the expansion. As a result of the progress we’ve made getting our economy back on track, we’re in the process of slowly moving interest rates back up to more normal levels. But what does “normal” mean?

I know that for many in finance the word normal conjures memories of the ’90s, when interest rates were often above 4%. But like the pager, the Walkman, and the Macarena, we’re unlikely to see such rates return. Bottom line: In the new world of moderate economic growth, banks need to plan for lower rates.

Why is this? To explain why, I’m going to talk a bit about something called r-star, which is shorthand for normal interest rates. Then I’m going to talk a bit about growth, a bit about inflation, and discuss some interesting factors behind why inflation’s remained stubbornly low (despite strong employment). Finally, I’m going to switch tacks and talk about the Fed balance sheet and what it means for longer-term rates.

Please pay attention, because I’m looking forward to a lively discussion afterwards about the new normal and what that means for community banking.

### **R-star**

With that road map in mind, let’s dive into r-star. R-star is what economists call the natural rate of interest; it’s the rate expected to prevail when the economy is at full strength, and it’s a helpful way to understand the new normal both in the short and longer term. While a central bank like the Fed sets short-term interest rates, r-star is a result of structural economic factors beyond the influence of central banks and monetary policy.

My own view is that r-star today is around 0.5%. Assuming inflation is running at our goal of 2% in the future, the typical, or normal short-term interest rate would be 2.5%. That’s a full 2 percentage points below what a normal interest rate looked like 20 years ago. For comparison, the median longer-run value of the federal funds rate in the Federal Open Market Committee’s (FOMC) most recent economic

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<sup>1</sup>This article originally appeared in the Number 2017-29; October 10, 2017 *FRBSF Economic Letter*. Opinions expressed in this article are those of the authors and do not necessarily reflect the views of the management of the Federal Reserve Bank of San Francisco or of the Board of Governors of the Federal Reserve System.

projections is 2.75% (Board of Governors 2017b). We've seen this trend across other major economies: Average r-star across Canada, the euro area, Japan, and the United Kingdom is a bit below 0.5% (Holston, Laubach, and Williams 2017; Fujiwara et al. 2016).

A variety of factors have pushed r-star to this low level, and they appear poised to stay that way (Williams 2017). The major one is that the sustainable growth rate of the economy has slowed dramatically from prior decades. Population aging and longer lifespans also have contributed; see Carvalho, Ferrero, and Nechio (2017). I put that growth rate at 1.5% for inflation-adjusted GDP, the slowest pace we've seen in our lifetimes. This slowdown reflects a one-two punch of a sharp decline in labor force growth and slower productivity growth (Fernald 2016).

What's caused the decline in labor force growth? Two main things: First, the baby boomers are retiring in droves. Second, the fertility rate in the United States has been declining and recently reached an unusually low level (Hamilton et al. 2017). Monetary policy can only go so far, and it's beyond my job description to encourage people to have more babies!

The same thing is true about productivity growth, which has also slowed in contrast with earlier decades. In the 1990s and early 2000s, annual productivity gains averaged 2 to 3%. Productivity gains since the recession have generally hovered below 1%.

Productivity growth is influenced by technological innovation, investments in education, research and development. I know that productivity in San Francisco would rise by leaps and bounds if there were fewer hipster coffee shops. But this, like policy decisions on education, are beyond the scope of the Federal Reserve System.

This very low r-star rate has two implications: For bankers, a new normal of moderate growth and lower interest rates will have a significant bearing on lending growth and profitability.

Stepping back, the broader implication is that conventional monetary policy has less room to stimulate the economy during an economic downturn. Looking through this lens, we will need to lean more heavily on unconventional tools, like central bank balance sheets, keeping interest rates very low for a long time, and potentially even negative policy rates (Reifschneider 2016).

Thank you for indulging my foray into r-star and what it means for rates. Of course, I can't talk about interest rates without discussing its bedfellows: growth, inflation, and employment.

### **Growth, inflation, and employment**

Despite the terrible human tragedy caused by recent hurricanes, the economic expansion appears to remain on track. I see the economy over the next few years continuing on the same moderate path.

That may seem disappointing, but as I've already said, changes in demographics and slow gains in productivity mean the economy's growth potential is moderate too. Given the current conditions, if growth were to increase too much, it could lead to an asset price bubble or other problems like high inflation. This is exactly what we want to avoid in order to keep the economy on an even footing and reduce the likelihood of another deep recession.

Turning to inflation, I feel the agony of Sisyphus, as core inflation rolled back down the hill after being so near to our 2% goal earlier in the year. This low inflation, against a background of steady growth and strong employment, has been attracting a lot of attention from Fed commentators in recent months.

For context, the Fed's preferred measure of inflation has been running a little under 1.5%, below our longer-term goal of 2%. In July, the Financial Times described the Fed as being "baffled" by low inflation numbers (Martin 2017).

I assure you that Fed economists are rarely baffled, but when they do see something that doesn't make sense, they work hard to find out why it's happening.

My own staff at the San Francisco Fed recently took a closer look at what's been holding inflation down. They distinguished between prices of goods and services that tend to move up and down with the overall economy and those that mostly move in response to factors unique to their industry or sector.

They found that inflation rates for prices that tend to be sensitive to the state of the economy have moved back up to around pre-recession levels as the economy has recovered. So, no mystery there.

But, they also found that inflation rates for other categories that tend to be less sensitive to the economy had fallen a lot and have remained very low. Some of this is the result of outsize drops in prices for pharmaceuticals, airline tickets, cellular phone services, and education. In the past, such sharp price movements in these industries have proven to have a temporary effect on inflation, and I don't expect them to last this time either.

An even bigger contribution to low inflation has been coming from the health-care sector. Mandated cuts to Medicare payment growth, which also tend to be incorporated into payments for nongovernment health services, have kept inflation in overall health-care services unusually low for several years (Clemens, Gottlieb, and Shapiro 2016). These legislated changes have been a key factor holding inflation below the Fed's 2% target, despite a strengthening economy.

As these effects wane and the strong economy pushes inflation higher for prices that tend to be sensitive to the economy, I am optimistic that inflation will move up to our 2% goal over the next couple of years. As inflation rises and the economic expansion continues, we will be able to move interest rates up to their new normal level.

Which brings me to employment—Congress has given the Federal Reserve two key monetary policy goals: maximum employment and price stability. When it comes to our employment goal, I think of this in terms of the unemployment rate relative to the natural or "normal" rate of unemployment—you might be shocked to hear that this is what economists call  $u$ -star, but I'll save that topic for another day. We can't know precisely what the normal rate of unemployment is, but I put it at about 4 $\frac{3}{4}$ %. For comparison, the Congressional Budget Office (2017) puts the natural rate at 4.7%, the median value from the Survey of Professional Forecasters (Federal Reserve Bank of Philadelphia 2017) is 4.5%, and the median projection from the FOMC (Board of Governors 2017b) is 4.6%.

The unemployment rate is 4.4%—meaning that we've not only reached the full employment mark, we've exceeded it. Given the strong job growth we've been seeing in the United States, I expect the unemployment rate to decline over the next year, ultimately falling a bit below 4%. We've only experienced such a low unemployment rate a few times during my lifetime, at the end of the 1960s and the end of the 1990s.

These favorable employment numbers, combined with the findings on inflation and the steady pace of growth, are all behind my confidence that rates will need to rise to their new normal levels.

## **Long-term interest rates and the Fed balance sheet**

We've discussed the new normal of short-term rates, so as promised I'm now going to turn to longer-term rates and the Fed balance sheet.

In response to the recession and slow recovery, the Fed purchased trillions of dollars of long-term Treasury and mortgage-backed securities. The goal was to lower long-term interest rates and give the economy an extra boost. In the pursuit of getting interest rates back to new normal levels, we're now starting the process of gradually reducing these holdings (Board of Governors 2017a). This will tend to push long-term rates back up gradually over the next few years.

With short-term interest rates likely to average around 2.5% in the future, what does all this mean for long-term rates? Historically, the yield on the benchmark 10-year Treasury note averaged about 1.5 percentage points above the federal funds rate.

This spread between long-term and short-term yields is an important source of banks' profitability, and it narrowed during the period of very low interest rates. The question is whether it will return to the old normal level or if there is a new normal spread as well.

To answer that question, you need to take account of two major factors that affect the spread between short and long-term rates. The first is the Fed's expanded balance sheet. One estimate is that the Fed's holdings are currently pushing down long-term rates by a little less than 1 percentage point (Bonis, Ihrig, and Wei 2017). As the Fed unwinds its balance sheet, this should put increasing upward pressure on longer-term yields.

Second, there are reasons to believe that the spread between short and long-term rates will not return to levels we saw in the past. For one, these large spreads occurred during an extended period when interest rates were falling. This downward trend may have artificially widened spreads.

I don't claim to have a crystal ball, but a reasonable educated guess for the future normal spread between a 10-year Treasury note and the federal funds rate is somewhere close to 1 percentage point. In fact, this is the figure implied by the long-run Blue Chip forecast.

## **Conclusion**

Ladies and gentlemen, the Fed is moving towards more normal monetary policy, and that means rising interest rates. But  $r^*$ , a slower sustainable pace of growth, and inflation all point to a new normal where interest rates are lower than the heady days of the 1990s and early 2000s. For those of you still listening to a Walkman, it may be time to get a smartphone. The new normal is likely to be 2.5%, and banks, and everyone else, need to prepare accordingly.

That is, of course, until the data tell us something different.

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# IDAHO ECONOMIC FORECAST

April 2017

## FORECAST DETAIL

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### Reporting Conventions

Units of measurement are presented in the individual reports.

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

### Data Sources

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

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

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

**IDAHO ECONOMIC FORECAST  
ANNUAL DETAIL  
OCTOBER 2017**

**DEMOGRAPHICS**

	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>POPULATION</b>									
Idaho (Thousands)	1,391.8	1,428.2	1,468.7	1,505.1	1,534.3	1,554.4	1,571.0	1,584.1	1,595.9
% Ch	2.1%	2.6%	2.8%	2.5%	1.9%	1.3%	1.1%	0.8%	0.7%
National (Millions)	293.758	296.460	299.282	302.227	304.948	307.580	310.100	312.402	314.656
% Ch	0.9%	0.9%	1.0%	1.0%	0.9%	0.9%	0.8%	0.7%	0.7%
<b>BIRTHS</b>									
Idaho (Thousands)	22.529	23.064	24.185	25.023	25.156	23.726	23.202	22.311	22.941
% Ch	3.4%	2.4%	4.9%	3.5%	0.5%	-5.7%	-2.2%	-3.8%	2.8%
National (Thousands)	4,113	4,150	4,280	4,322	4,269	4,152	4,031	3,967	3,965
% Ch	0.2%	0.9%	3.1%	1.0%	-1.2%	-2.7%	-2.9%	-1.6%	-0.1%
<b>DEATHS</b>									
Idaho (Thousands)	10.013	10.513	10.556	10.742	10.927	11.065	11.411	11.990	11.993
% Ch	-3.4%	5.0%	0.4%	1.8%	1.7%	1.3%	3.1%	5.1%	0.0%
National (Thousands)	2,405	2,456	2,433	2,432	2,479	2,444	2,479	2,522	2,549
% Ch	-2.1%	2.1%	-0.9%	-0.1%	1.9%	-1.4%	1.5%	1.7%	1.1%
<b>NET MIGRATION</b>									
Idaho (Thousands)	15.906	23.888	26.799	22.155	14.986	7.458	4.780	2.812	0.820
<b>HOUSING</b>									
<b>HOUSING STARTS</b>									
Idaho	18,678	23,408	19,533	14,345	7,979	5,733	5,186	4,561	7,125
% Ch	13.9%	25.3%	-16.6%	-26.6%	-44.4%	-28.2%	-9.5%	-12.1%	56.2%
National (Millions)	1.950	2.073	1.812	1.342	0.900	0.554	0.586	0.612	0.784
% Ch	5.2%	6.3%	-12.6%	-25.9%	-32.9%	-38.4%	5.7%	4.5%	28.1%
<b>SINGLE UNITS</b>									
Idaho	16,168	20,939	17,521	12,014	7,132	4,951	4,648	3,957	6,022
% Ch	16.6%	29.5%	-16.3%	-31.4%	-40.6%	-30.6%	-6.1%	-14.9%	52.2%
National (Millions)	1.604	1.719	1.474	1.036	0.616	0.442	0.471	0.434	0.537
% Ch	6.6%	7.1%	-14.3%	-29.7%	-40.5%	-28.2%	6.6%	-7.9%	23.6%
<b>MULTIPLE UNITS</b>									
Idaho	2,510	2,470	2,012	2,331	847	782	538	605	1,103
% Ch	-0.8%	-1.6%	-18.5%	15.9%	-63.7%	-7.6%	-31.2%	12.4%	82.5%
National (Millions)	0.345	0.354	0.338	0.306	0.284	0.112	0.114	0.178	0.247
% Ch	-1.0%	2.6%	-4.5%	-9.5%	-7.3%	-60.7%	2.2%	55.7%	38.9%
<b>HOUSING STOCK</b>									
Idaho (Thousands)	473.8	494.4	514.8	529.3	537.9	542.3	546.4	549.2	553.7
% Ch	3.5%	4.3%	4.1%	2.8%	1.6%	0.8%	0.8%	0.5%	0.8%

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

**IDAHO ECONOMIC FORECAST  
ANNUAL DETAIL  
OCTOBER 2017**

**DEMOGRAPHICS**

	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>POPULATION</b>									
Idaho (Thousands)	1,612.0	1,633.5	1,652.8	1,683.1	1,707.8	1,734.1	1,759.6	1,785.9	1,812.7
% Ch	1.0%	1.3%	1.2%	1.8%	1.5%	1.5%	1.5%	1.5%	1.5%
National (Millions)	316.850	319.179	321.450	323.668	325.916	328.518	331.144	333.762	336.365
% Ch	0.7%	0.7%	0.7%	0.7%	0.7%	0.8%	0.8%	0.8%	0.8%
<b>BIRTHS</b>									
Idaho (Thousands)	22,348	22,888	22,832	22,900	23,052	23,441	23,927	24,439	24,967
% Ch	-2.6%	2.4%	-0.2%	0.3%	0.7%	1.7%	2.1%	2.1%	2.2%
National (Thousands)	3,929	3,990	4,000	4,023	4,046	4,071	4,095	4,116	4,133
% Ch	-0.9%	1.5%	0.3%	0.6%	0.6%	0.6%	0.6%	0.5%	0.4%
<b>DEATHS</b>									
Idaho (Thousands)	12,426	12,610	13,031	13,300	13,618	13,911	14,210	14,514	14,824
% Ch	3.6%	1.5%	3.3%	2.1%	2.4%	2.2%	2.1%	2.1%	2.1%
National (Thousands)	2,603	2,612	2,620	2,647	2,675	2,706	2,737	2,771	2,805
% Ch	2.1%	0.3%	0.3%	1.1%	1.1%	1.1%	1.1%	1.2%	1.2%
<b>NET MIGRATION</b>									
Idaho (Thousands)	6,178	11,243	9,495	20,712	15,211	16,822	15,741	16,387	16,636
<b>HOUSING</b>									
<b>HOUSING STARTS</b>									
Idaho	9,059	9,813	10,287	12,416	13,143	13,955	14,266	14,578	15,198
% Ch	27.1%	8.3%	4.8%	20.7%	5.9%	6.2%	2.2%	2.2%	4.3%
National (Millions)	0.928	1.001	1.107	1.177	1.194	1.304	1.396	1.444	1.487
% Ch	18.4%	7.8%	10.6%	6.3%	1.4%	9.2%	7.1%	3.4%	3.0%
<b>SINGLE UNITS</b>									
Idaho	7,720	7,337	8,253	10,034	10,832	11,924	12,519	12,819	13,390
% Ch	28.2%	-5.0%	12.5%	21.6%	7.9%	10.1%	5.0%	2.4%	4.5%
National (Millions)	0.620	0.647	0.712	0.784	0.832	0.892	0.966	0.984	1.003
% Ch	15.5%	4.2%	10.2%	10.1%	6.1%	7.2%	8.3%	1.8%	1.9%
<b>MULTIPLE UNITS</b>									
Idaho	1,339	2,477	2,034	2,381	2,311	2,031	1,748	1,759	1,808
% Ch	21.4%	84.9%	-17.9%	17.1%	-3.0%	-12.1%	-14.0%	0.7%	2.8%
National (Millions)	0.308	0.355	0.395	0.393	0.362	0.412	0.431	0.460	0.484
% Ch	24.8%	15.1%	11.4%	-0.5%	-7.9%	13.8%	4.6%	6.8%	5.3%
<b>HOUSING STOCK</b>									
Idaho (Thousands)	560.3	568.3	576.7	586.6	597.5	609.5	621.9	634.4	647.4
% Ch	1.2%	1.4%	1.5%	1.7%	1.9%	2.0%	2.0%	2.0%	2.1%

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

**IDAHO ECONOMIC FORECAST  
ANNUAL DETAIL  
OCTOBER 2017**

**OUTPUT, INCOME, & WAGES**

	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>U.S. GROSS DOM. PRODUCT (Billions)</b>									
Current Dollars	12,275	13,094	13,856	14,478	14,719	14,419	14,964	15,518	16,155
% Ch	6.6%	6.7%	5.8%	4.5%	1.7%	-2.0%	3.8%	3.7%	4.1%
2009 Chain-Weighted	13,773	14,234	14,614	14,874	14,830	14,419	14,784	15,021	15,355
% Ch	3.8%	3.3%	2.7%	1.8%	-0.3%	-2.8%	2.5%	1.6%	2.2%
<b>PERSONAL INCOME - CURR \$</b>									
Idaho (Millions)	39,465	41,864	46,053	49,037	50,680	48,866	49,842	52,745	55,370
% Ch	8.5%	6.1%	10.0%	6.5%	3.4%	-3.6%	2.0%	5.8%	5.0%
Idaho Nonfarm (Millions)	38,126	40,697	45,008	47,495	48,958	47,784	48,361	50,637	53,268
% Ch	7.3%	6.7%	10.6%	5.5%	3.1%	-2.4%	1.2%	4.7%	5.2%
National (Billions)	10,053	10,614	11,394	12,000	12,502	12,095	12,477	13,255	13,915
% Ch	5.9%	5.6%	7.3%	5.3%	4.2%	-3.3%	3.2%	6.2%	5.0%
<b>PERSONAL INCOME - 2009 \$</b>									
Idaho (Millions)	43,992	45,371	48,614	50,501	50,649	48,869	49,030	50,643	52,173
% Ch	5.9%	3.1%	7.1%	3.9%	0.3%	-3.5%	0.3%	3.3%	3.0%
Idaho Nonfarm (Millions)	42,499	44,105	47,510	48,913	48,927	47,787	47,573	48,619	50,192
% Ch	4.7%	3.8%	7.7%	3.0%	0.0%	-2.3%	-0.4%	2.2%	3.2%
National (Billions)	11,206	11,504	12,028	12,358	12,494	12,095	12,274	12,726	13,112
% Ch	3.4%	2.7%	4.6%	2.7%	1.1%	-3.2%	1.5%	3.7%	3.0%
<b>PER CAPITA PERS INC - CURR \$</b>									
Idaho	28,353	29,309	31,355	32,580	33,033	31,437	31,725	33,295	34,694
% Ch	6.2%	3.4%	7.0%	3.9%	1.4%	-4.8%	0.9%	4.9%	4.2%
National	34,220	35,801	38,070	39,705	40,998	39,323	40,235	42,427	44,222
% Ch	5.0%	4.6%	6.3%	4.3%	3.3%	-4.1%	2.3%	5.4%	4.2%
<b>PER CAPITA PERS INC - 2009 \$</b>									
Idaho	31,607	31,766	33,100	33,554	33,012	31,440	31,208	31,969	32,690
% Ch	3.7%	0.5%	4.2%	1.4%	-1.6%	-4.8%	-0.7%	2.4%	2.3%
National	38,146	38,802	40,188	40,890	40,973	39,324	39,580	40,737	41,669
% Ch	2.5%	1.7%	3.6%	1.7%	0.2%	-4.0%	0.6%	2.9%	2.3%
<b>AVERAGE ANNUAL WAGE</b>									
Idaho	31,520	32,469	34,327	35,245	35,569	35,842	36,607	37,069	37,353
% Ch	4.1%	3.0%	5.7%	2.7%	0.9%	0.8%	2.1%	1.3%	0.8%
National	41,144	42,462	44,389	46,342	47,597	47,617	48,924	50,274	51,651
% Ch	4.4%	3.2%	4.5%	4.4%	2.7%	0.0%	2.7%	2.8%	2.7%

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

**IDAHO ECONOMIC FORECAST  
ANNUAL DETAIL  
OCTOBER 2017**

**OUTPUT, INCOME, & WAGES**

	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>U.S. GROSS DOM. PRODUCT (Billions)</b>									
Current Dollars	16,692	17,428	18,121	18,624	19,351	20,212	21,117	22,054	23,014
% Ch	3.3%	4.4%	4.0%	2.8%	3.9%	4.4%	4.5%	4.4%	4.4%
2009 Chain-Weighted	15,612	16,013	16,472	16,716	17,079	17,484	17,876	18,261	18,656
% Ch	1.7%	2.6%	2.9%	1.5%	2.2%	2.4%	2.2%	2.2%	2.2%
<b>PERSONAL INCOME - CURR \$</b>									
Idaho (Millions)	57,581	60,744	64,209	66,433	69,118	71,962	75,282	79,109	82,976
% Ch	4.0%	5.5%	5.7%	3.5%	4.0%	4.1%	4.6%	5.1%	4.9%
Idaho Nonfarm (Millions)	55,241	58,295	61,973	64,435	67,064	69,964	73,208	76,989	80,792
% Ch	3.7%	5.5%	6.3%	4.0%	4.1%	4.3%	4.6%	5.2%	4.9%
National (Billions)	14,074	14,818	15,553	15,929	16,425	17,085	17,908	18,810	19,719
% Ch	1.1%	5.3%	5.0%	2.4%	3.1%	4.0%	4.8%	5.0%	4.8%
<b>PERSONAL INCOME - 2009 \$</b>									
Idaho (Millions)	53,547	55,646	58,647	59,963	61,399	63,048	64,835	66,711	68,572
% Ch	2.6%	3.9%	5.4%	2.2%	2.4%	2.7%	2.8%	2.9%	2.8%
Idaho Nonfarm (Millions)	51,370	53,403	56,604	58,158	59,573	61,298	63,049	64,923	66,767
% Ch	2.3%	4.0%	6.0%	2.7%	2.4%	2.9%	2.9%	3.0%	2.8%
National (Billions)	13,088	13,575	14,206	14,377	14,591	14,969	15,423	15,862	16,296
% Ch	-0.2%	3.7%	4.6%	1.2%	1.5%	2.6%	3.0%	2.9%	2.7%
<b>PER CAPITA PERS INC - CURR \$</b>									
Idaho	35,719	37,184	38,847	39,469	40,472	41,496	42,782	44,295	45,774
% Ch	3.0%	4.1%	4.5%	1.6%	2.5%	2.5%	3.1%	3.5%	3.3%
National	44,417	46,425	48,383	49,213	50,395	52,006	54,077	56,356	58,622
% Ch	0.4%	4.5%	4.2%	1.7%	2.4%	3.2%	4.0%	4.2%	4.0%
<b>PER CAPITA PERS INC - 2009 \$</b>									
Idaho	33,217	34,063	35,482	35,626	35,953	36,357	36,846	37,354	37,829
% Ch	1.6%	2.5%	4.2%	0.4%	0.9%	1.1%	1.3%	1.4%	1.3%
National	41,305	42,529	44,192	44,420	44,767	45,564	46,573	47,525	48,446
% Ch	-0.9%	3.0%	3.9%	0.5%	0.8%	1.8%	2.2%	2.0%	1.9%
<b>AVERAGE ANNUAL WAGE</b>									
Idaho	38,060	39,228	40,184	41,045	41,693	43,093	44,483	45,907	47,346
% Ch	1.9%	3.1%	2.4%	2.1%	1.6%	3.4%	3.2%	3.2%	3.1%
National	52,181	53,812	55,415	56,028	57,088	59,000	61,249	63,600	66,147
% Ch	1.0%	3.1%	3.0%	1.1%	1.9%	3.3%	3.8%	3.8%	4.0%

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**IDAHO ECONOMIC FORECAST  
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**PERSONAL INCOME--CURRENT \$\$**

	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>WAGE AND SALARY PAYMENTS</b>									
Idaho (Millions)	19,246	20,655	22,716	24,013	23,955	22,821	22,974	23,495	24,163
% Ch	7.0%	7.3%	10.0%	5.7%	-0.2%	-4.7%	0.7%	2.3%	2.8%
National (Billions)	5,422	5,692	6,057	6,395	6,532	6,251	6,378	6,633	6,930
% Ch	5.5%	5.0%	6.4%	5.6%	2.1%	-4.3%	2.0%	4.0%	4.5%
<b>FARM PROPRIETORS INCOME</b>									
Idaho (Millions)	908	667	551	949	1,151	449	929	1,553	1,469
% Ch	101.5%	-26.5%	-17.4%	72.2%	21.3%	-61.0%	107.0%	67.2%	-5.4%
National (Billions)	50	46	36	38	47	35	46	76	62
% Ch	32.7%	-8.1%	-22.4%	6.0%	23.3%	-24.5%	29.7%	64.2%	-18.5%
<b>NONFARM PROPRIETORS INCOME</b>									
Idaho (Millions)	3,730	3,798	4,189	4,013	4,192	4,615	4,144	4,164	4,538
% Ch	3.6%	1.8%	10.3%	-4.2%	4.5%	10.1%	-10.2%	0.5%	9.0%
National (Billions)	912	933	1,018	941	979	938	987	1,068	1,180
% Ch	5.8%	2.3%	9.1%	-7.5%	4.1%	-4.3%	5.2%	8.2%	10.5%
<b>DIVIDENDS, RENT &amp; INTEREST</b>									
Idaho (Millions)	7,818	8,393	9,519	10,261	10,397	9,162	9,012	10,336	11,687
% Ch	9.6%	7.4%	13.4%	7.8%	1.3%	-11.9%	-1.6%	14.7%	13.1%
National (Billions)	1,759	1,905	2,146	2,356	2,429	2,152	2,142	2,399	2,649
% Ch	6.1%	8.3%	12.7%	9.8%	3.1%	-11.4%	-0.4%	12.0%	10.4%
<b>OTHER LABOR INCOME</b>									
Idaho (Millions)	4,863	5,259	5,852	6,124	6,188	6,017	6,202	6,085	6,199
% Ch	8.4%	8.2%	11.3%	4.6%	1.0%	-2.8%	3.1%	-1.9%	1.9%
National (Billions)	909	967	998	1,041	1,075	1,077	1,115	1,142	1,165
% Ch	7.7%	6.4%	3.2%	4.4%	3.2%	0.2%	3.4%	2.5%	2.0%
<b>GOVT. TRANSFERS TO INDIV.</b>									
Idaho (Millions)	5,716	6,175	6,705	7,278	8,477	9,318	10,241	10,297	10,441
% Ch	7.1%	8.0%	8.6%	8.5%	16.5%	9.9%	9.9%	0.6%	1.4%
National (Billions)	1,421	1,517	1,615	1,728	1,957	2,148	2,325	2,360	2,366
% Ch	5.5%	6.7%	6.5%	7.0%	13.2%	9.8%	8.3%	1.5%	0.2%
<b>CONTRIB. FOR SOCIAL INSUR.</b>									
Idaho (Millions)	3,309	3,588	3,998	4,190	4,211	4,122	4,310	3,941	4,045
% Ch	6.7%	8.4%	11.4%	4.8%	0.5%	-2.1%	4.6%	-8.6%	2.7%
National (Billions)	829	873	923	961	988	964	984	918	952
% Ch	6.4%	5.3%	5.6%	4.2%	2.8%	-2.4%	2.0%	-6.7%	3.7%
<b>RESIDENCE ADJUSTMENT</b>									
Idaho (Millions)	493	504	521	590	531	606	651	755	920
% Ch	0.0%	2.2%	3.4%	13.2%	-9.9%	14.1%	7.5%	15.9%	21.7%

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**PERSONAL INCOME--CURRENT \$\$**

	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>WAGE AND SALARY PAYMENTS</b>									
Idaho (Millions)	25,274	26,672	27,881	29,444	30,798	32,413	33,950	35,659	37,441
% Ch	4.6%	5.5%	4.5%	5.6%	4.6%	5.2%	4.7%	5.0%	5.0%
National (Billions)	7,117	7,477	7,859	8,085	8,361	8,752	9,185	9,625	10,087
% Ch	2.7%	5.1%	5.1%	2.9%	3.4%	4.7%	4.9%	4.8%	4.8%
<b>FARM PROPRIETORS INCOME</b>									
Idaho (Millions)	1,645	1,733	1,654	1,315	1,389	1,351	1,410	1,438	1,485
% Ch	12.0%	5.3%	-4.6%	-20.5%	5.6%	-2.7%	4.4%	2.0%	3.2%
National (Billions)	88	68	54	43	36	34	31	32	34
% Ch	42.6%	-22.4%	-21.2%	-19.6%	-15.8%	-7.0%	-7.3%	2.3%	5.2%
<b>NONFARM PROPRIETORS INCOME</b>									
Idaho (Millions)	5,230	5,779	6,033	6,142	6,385	6,606	6,777	6,999	7,279
% Ch	15.3%	10.5%	4.4%	1.8%	4.0%	3.5%	2.6%	3.3%	4.0%
National (Billions)	1,197	1,248	1,265	1,299	1,348	1,394	1,440	1,492	1,556
% Ch	1.5%	4.2%	1.4%	2.7%	3.8%	3.4%	3.3%	3.6%	4.3%
<b>DIVIDENDS, RENT &amp; INTEREST</b>									
Idaho (Millions)	11,761	12,696	13,768	13,929	14,359	14,841	15,707	16,741	17,637
% Ch	0.6%	8.0%	8.4%	1.2%	3.1%	3.4%	5.8%	6.6%	5.4%
National (Billions)	2,623	2,857	3,050	3,085	3,179	3,282	3,473	3,704	3,899
% Ch	-1.0%	8.9%	6.7%	1.2%	3.0%	3.2%	5.8%	6.6%	5.3%
<b>OTHER LABOR INCOME</b>									
Idaho (Millions)	6,663	6,522	7,173	7,692	8,011	8,219	8,447	8,739	9,003
% Ch	7.5%	-2.1%	10.0%	7.2%	4.1%	2.6%	2.8%	3.5%	3.0%
National (Billions)	1,199	1,232	1,278	1,310	1,345	1,380	1,423	1,471	1,514
% Ch	2.9%	2.7%	3.8%	2.5%	2.7%	2.6%	3.1%	3.4%	2.9%
<b>GOVT. TRANSFERS TO INDIV.</b>									
Idaho (Millions)	10,775	11,225	11,837	12,251	12,760	13,299	13,952	14,742	15,594
% Ch	3.2%	4.2%	5.5%	3.5%	4.1%	4.2%	4.9%	5.7%	5.8%
National (Billions)	2,428	2,544	2,684	2,768	2,848	2,965	3,107	3,276	3,455
% Ch	2.6%	4.8%	5.5%	3.1%	2.9%	4.1%	4.8%	5.4%	5.5%
<b>CONTRIB. FOR SOCIAL INSUR.</b>									
Idaho (Millions)	4,654	4,850	5,100	5,344	5,626	5,859	6,111	6,423	6,741
% Ch	15.1%	4.2%	5.2%	4.8%	5.3%	4.1%	4.3%	5.1%	4.9%
National (Billions)	1,105	1,155	1,208	1,245	1,303	1,358	1,418	1,486	1,555
% Ch	16.1%	4.6%	4.6%	3.1%	4.7%	4.2%	4.4%	4.8%	4.7%
<b>RESIDENCE ADJUSTMENT</b>									
Idaho (Millions)	887	968	964	1,004	1,044	1,093	1,150	1,213	1,279
% Ch	-3.5%	9.1%	-0.5%	4.2%	3.9%	4.7%	5.2%	5.5%	5.4%

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**EMPLOYMENT**

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

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**EMPLOYMENT**

	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>TOTAL NONFARM EMPLOYMENT</b>									
Idaho	638,027	654,469	672,492	693,840	715,537	730,511	741,910	755,748	770,110
% Ch	2.5%	2.6%	2.8%	3.2%	3.1%	2.1%	1.6%	1.9%	1.9%
National (Thousands)	136,379	138,937	141,813	144,306	146,451	148,341	149,965	151,337	152,494
% Ch	1.6%	1.9%	2.1%	1.8%	1.5%	1.3%	1.1%	0.9%	0.8%
<b>GOODS PRODUCING SECTOR</b>									
Idaho	97,275	99,983	104,316	109,950	114,630	118,220	120,479	122,449	124,319
% Ch	5.4%	2.8%	4.3%	5.4%	4.3%	3.1%	1.9%	1.6%	1.5%
National (Thousands)	18,739	19,225	19,607	19,737	20,027	20,434	20,908	21,244	21,511
% Ch	1.7%	2.6%	2.0%	0.7%	1.5%	2.0%	2.3%	1.6%	1.3%
<b>MANUFACTURING</b>									
Idaho	61,016	61,586	63,606	65,748	67,689	69,424	71,123	72,606	73,468
% Ch	5.0%	0.9%	3.3%	3.4%	3.0%	2.6%	2.4%	2.1%	1.2%
National (Thousands)	12,071	12,237	12,388	12,400	12,471	12,730	12,952	13,063	13,124
% Ch	0.8%	1.4%	1.2%	0.1%	0.6%	2.1%	1.7%	0.9%	0.5%
<b>DURABLE MANUFACTURING</b>									
Idaho	35,762	36,058	37,489	38,639	39,463	40,264	41,085	41,667	42,056
% Ch	4.8%	0.8%	4.0%	3.1%	2.1%	2.0%	2.0%	1.4%	0.9%
National (Thousands)	7,598	7,725	7,817	7,770	7,804	8,018	8,183	8,272	8,324
% Ch	1.0%	1.7%	1.2%	-0.6%	0.4%	2.7%	2.1%	1.1%	0.6%
<b>LOGGING &amp; WOOD PRODUCTS</b>									
Idaho	7,034	7,049	7,331	7,694	7,809	7,989	8,296	8,435	8,563
% Ch	9.8%	0.2%	4.0%	4.9%	1.5%	2.3%	3.8%	1.7%	1.5%
National (Thousands)	405	424	435	443	445	464	490	501	517
% Ch	3.9%	4.6%	2.6%	2.0%	0.3%	4.3%	5.6%	2.3%	3.2%
<b>METAL FABRICATION</b>									
Idaho	5,416	5,499	5,649	5,895	6,045	6,190	6,341	6,464	6,575
% Ch	11.5%	1.5%	2.7%	4.4%	2.6%	2.4%	2.4%	2.0%	1.7%
National (Thousands)	1,431	1,454	1,458	1,425	1,440	1,484	1,533	1,568	1,590
% Ch	1.6%	1.6%	0.3%	-2.3%	1.1%	3.0%	3.3%	2.3%	1.4%
<b>MACHINERY</b>									
Idaho	2,934	2,993	3,033	3,095	3,185	3,238	3,341	3,507	3,627
% Ch	8.0%	2.0%	1.4%	2.1%	2.9%	1.7%	3.2%	5.0%	3.4%
National (Thousands)	1,105	1,127	1,121	1,080	1,092	1,148	1,183	1,196	1,208
% Ch	0.6%	2.0%	-0.6%	-3.6%	1.1%	5.1%	3.0%	1.1%	1.0%
<b>COMPUTER &amp; ELECTRONICS</b>									
Idaho	11,267	11,425	11,900	12,132	12,073	12,135	12,137	12,229	12,320
% Ch	-3.1%	1.4%	4.2%	2.0%	-0.5%	0.5%	0.0%	0.8%	0.7%
National (Thousands)	1,066	1,049	1,053	1,048	1,041	1,085	1,104	1,107	1,111
% Ch	-2.1%	-1.5%	0.4%	-0.5%	-0.7%	4.3%	1.7%	0.3%	0.4%
<b>OTHER DURABLES</b>									
Idaho	9,110	9,092	9,575	9,823	10,351	10,712	10,970	11,031	10,972
% Ch	7.1%	-0.2%	5.3%	2.6%	5.4%	3.5%	2.4%	0.6%	-0.5%
National (Thousands)	3,592	3,671	3,751	3,774	3,786	3,837	3,874	3,900	3,897
% Ch	1.6%	2.2%	2.2%	0.6%	0.3%	1.3%	1.0%	0.7%	-0.1%

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**EMPLOYMENT**

**MANUFACTURING (continued)**

	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>NONDURABLE MANUFACTURING</b>									
Idaho	23,131	22,927	23,234	23,861	24,583	23,634	23,261	23,364	24,018
% Ch	-3.3%	-0.9%	1.3%	2.7%	3.0%	-3.9%	-1.6%	0.4%	2.8%
National (Thousands)	5,390	5,271	5,175	5,070	4,941	4,563	4,465	4,454	4,458
% Ch	-2.8%	-2.2%	-1.8%	-2.0%	-2.6%	-7.6%	-2.2%	-0.2%	0.1%
<b>FOOD PROCESSING</b>									
Idaho	14,999	14,714	14,700	15,094	15,835	15,642	15,443	15,355	15,661
% Ch	-5.7%	-1.9%	-0.1%	2.7%	4.9%	-1.2%	-1.3%	-0.6%	2.0%
National (Thousands)	1,494	1,478	1,479	1,484	1,480	1,457	1,451	1,459	1,469
% Ch	-1.5%	-1.1%	0.1%	0.3%	-0.2%	-1.6%	-0.4%	0.6%	0.7%
<b>PRINTING</b>									
Idaho	1,921	1,899	1,907	1,891	1,807	1,433	1,283	1,233	1,209
% Ch	-5.3%	-1.2%	0.4%	-0.8%	-4.4%	-20.7%	-10.5%	-3.9%	-1.9%
National (Thousands)	663	646	634	622	594	522	488	472	462
% Ch	-2.6%	-2.5%	-1.9%	-1.9%	-4.5%	-12.2%	-6.5%	-3.3%	-2.1%
<b>CHEMICALS</b>									
Idaho	1,878	1,938	2,117	2,267	2,367	2,275	2,200	2,375	2,541
% Ch	2.6%	3.2%	9.2%	7.1%	4.4%	-3.9%	-3.3%	7.9%	7.0%
National (Thousands)	887	872	866	861	847	804	786	783	784
% Ch	-2.1%	-1.7%	-0.7%	-0.6%	-1.7%	-5.1%	-2.2%	-0.4%	0.0%
<b>OTHER NONDURABLES</b>									
Idaho	4,332	4,376	4,511	4,610	4,573	4,284	4,336	4,402	4,608
% Ch	4.4%	1.0%	3.1%	2.2%	-0.8%	-6.3%	1.2%	1.5%	4.7%
National (Thousands)	2,346	2,275	2,195	2,104	2,020	1,781	1,740	1,739	1,743
% Ch	-3.9%	-3.0%	-3.5%	-4.2%	-4.0%	-11.8%	-2.3%	0.0%	0.2%
<b>MINING</b>									
Idaho	1,931	2,160	2,373	2,666	2,751	2,139	2,294	2,623	2,779
% Ch	8.2%	11.8%	9.9%	12.4%	3.2%	-22.3%	7.2%	14.3%	5.9%
National (Thousands)	523	562	620	663	709	643	655	739	797
% Ch	4.0%	7.5%	10.3%	7.0%	6.9%	-9.3%	1.8%	12.9%	7.7%
<b>CONSTRUCTION</b>									
Idaho	39,840	45,128	52,046	52,593	45,006	34,390	31,233	30,340	31,421
% Ch	8.4%	13.3%	15.3%	1.1%	-14.4%	-23.6%	-9.2%	-2.9%	3.6%
National (Thousands)	6,973	7,333	7,690	7,627	7,162	6,017	5,518	5,530	5,646
% Ch	3.5%	5.2%	4.9%	-0.8%	-6.1%	-16.0%	-8.3%	0.2%	2.1%
<b>NONGOODS PRODUCING</b>									
Idaho	482,611	499,368	516,589	532,908	536,693	517,603	515,638	521,698	529,887
% Ch	2.6%	3.5%	3.4%	3.2%	0.7%	-3.6%	-0.4%	1.2%	1.6%
National (Thousands)	109,892	111,856	113,926	115,769	115,909	112,741	112,602	113,896	115,751
% Ch	1.3%	1.8%	1.9%	1.6%	0.1%	-2.7%	-0.1%	1.1%	1.6%
<b>SERVICES</b>									
Idaho	269,018	280,745	292,717	304,464	308,419	297,037	297,434	303,908	309,025
% Ch	3.5%	4.4%	4.3%	4.0%	1.3%	-3.7%	0.1%	2.2%	1.7%
National (Thousands)	67,552	69,009	70,692	72,017	72,178	70,080	70,215	71,589	73,327
% Ch	1.7%	2.2%	2.4%	1.9%	0.2%	-2.9%	0.2%	2.0%	2.4%
<b>INFORMATION</b>									
Idaho	9,935	11,072	10,592	10,913	11,028	10,012	9,626	9,465	9,363
% Ch	8.2%	11.4%	-4.3%	3.0%	1.1%	-9.2%	-3.9%	-1.7%	-1.1%
National (Thousands)	3,117	3,061	3,038	3,032	2,983	2,804	2,707	2,673	2,674
% Ch	-2.2%	-1.8%	-0.8%	-0.2%	-1.6%	-6.0%	-3.4%	-1.3%	0.1%
<b>FINANCIAL ACTIVITIES</b>									
Idaho	27,937	29,653	31,744	32,529	31,660	29,605	29,161	29,855	30,331
% Ch	3.7%	6.1%	7.1%	2.5%	-2.7%	-6.5%	-1.5%	2.4%	1.6%
National (Thousands)	8,105	8,197	8,366	8,347	8,204	7,838	7,695	7,696	7,783
% Ch	0.3%	1.1%	2.1%	-0.2%	-1.7%	-4.5%	-1.8%	0.0%	1.1%

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**EMPLOYMENT**

**MANUFACTURING (continued)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>NONDURABLE MANUFACTURING</b>									
Idaho	25,255	25,528	26,118	27,108	28,226	29,160	30,037	30,939	31,412
% Ch	5.1%	1.1%	2.3%	3.8%	4.1%	3.3%	3.0%	3.0%	1.5%
National (Thousands)	4,473	4,512	4,570	4,629	4,667	4,713	4,769	4,791	4,800
% Ch	0.3%	0.9%	1.3%	1.3%	0.8%	1.0%	1.2%	0.5%	0.2%
<b>FOOD PROCESSING</b>									
Idaho	16,397	16,505	16,836	17,491	18,412	19,151	19,897	20,605	20,901
% Ch	4.7%	0.7%	2.0%	3.9%	5.3%	4.0%	3.9%	3.6%	1.4%
National (Thousands)	1,474	1,485	1,512	1,555	1,596	1,635	1,682	1,708	1,733
% Ch	0.3%	0.7%	1.8%	2.8%	2.7%	2.5%	2.8%	1.5%	1.5%
<b>PRINTING</b>									
Idaho	1,217	1,175	1,125	1,229	1,235	1,206	1,192	1,178	1,175
% Ch	0.7%	-3.4%	-4.3%	9.2%	0.5%	-2.3%	-1.2%	-1.2%	-0.2%
National (Thousands)	452	454	450	447	438	436	437	437	438
% Ch	-2.1%	0.4%	-0.8%	-0.8%	-2.0%	-0.4%	0.2%	0.1%	0.1%
<b>CHEMICALS</b>									
Idaho	2,599	2,533	2,550	2,711	2,971	3,088	3,100	3,129	3,155
% Ch	2.3%	-2.6%	0.7%	6.3%	9.6%	4.0%	0.4%	0.9%	0.8%
National (Thousands)	793	803	807	811	818	823	824	820	811
% Ch	1.2%	1.2%	0.5%	0.5%	0.9%	0.6%	0.1%	-0.5%	-1.2%
<b>OTHER NONDURABLES</b>									
Idaho	5,042	5,315	5,606	5,678	5,608	5,714	5,849	6,027	6,180
% Ch	9.4%	5.4%	5.5%	1.3%	-1.2%	1.9%	2.3%	3.1%	2.5%
National (Thousands)	1,754	1,771	1,801	1,817	1,815	1,818	1,826	1,826	1,819
% Ch	0.6%	0.9%	1.7%	0.9%	-0.1%	0.2%	0.4%	0.0%	-0.4%
<b>MINING</b>									
Idaho	2,629	2,519	2,451	2,466	2,275	2,316	2,319	2,319	2,301
% Ch	-5.4%	-4.2%	-2.7%	0.6%	-7.7%	1.8%	0.1%	0.0%	-0.8%
National (Thousands)	811	838	760	626	660	695	714	731	749
% Ch	1.8%	3.4%	-9.3%	-17.6%	5.3%	5.4%	2.7%	2.5%	2.4%
<b>CONSTRUCTION</b>									
Idaho	33,629	35,877	38,259	41,737	44,665	46,480	47,036	47,523	48,550
% Ch	7.0%	6.7%	6.6%	9.1%	7.0%	4.1%	1.2%	1.0%	2.2%
National (Thousands)	5,857	6,150	6,459	6,711	6,897	7,009	7,242	7,449	7,639
% Ch	3.7%	5.0%	5.0%	3.9%	2.8%	1.6%	3.3%	2.9%	2.5%
<b>NONGOODS PRODUCING</b>									
Idaho	540,752	554,486	568,176	583,889	600,908	612,292	621,432	633,300	645,792
% Ch	2.1%	2.5%	2.5%	2.8%	2.9%	1.9%	1.5%	1.9%	2.0%
National (Thousands)	117,640	119,712	122,206	124,569	126,424	127,907	129,057	130,093	130,983
% Ch	1.6%	1.8%	2.1%	1.9%	1.5%	1.2%	0.9%	0.8%	0.7%
<b>SERVICES</b>									
Idaho	317,181	327,896	337,236	348,728	362,469	371,483	379,280	388,272	397,559
% Ch	2.6%	3.4%	2.8%	3.4%	3.9%	2.5%	2.1%	2.4%	2.4%
National (Thousands)	74,983	76,669	78,726	80,647	82,328	83,730	84,765	85,644	86,565
% Ch	2.3%	2.2%	2.7%	2.4%	2.1%	1.7%	1.2%	1.0%	1.1%
<b>INFORMATION</b>									
Idaho	9,287	9,320	9,255	9,067	9,128	9,167	9,004	9,118	9,322
% Ch	-0.8%	0.4%	-0.7%	-2.0%	0.7%	0.4%	-1.8%	1.3%	2.2%
National (Thousands)	2,705	2,727	2,751	2,772	2,721	2,691	2,709	2,758	2,812
% Ch	1.2%	0.8%	0.9%	0.8%	-1.8%	-1.1%	0.7%	1.8%	2.0%
<b>FINANCIAL ACTIVITIES</b>									
Idaho	31,189	32,678	33,292	33,993	35,244	35,940	36,585	37,402	38,304
% Ch	2.8%	4.8%	1.9%	2.1%	3.7%	2.0%	1.8%	2.2%	2.4%
National (Thousands)	7,886	7,976	8,122	8,285	8,454	8,582	8,639	8,662	8,716
% Ch	1.3%	1.1%	1.8%	2.0%	2.0%	1.5%	0.7%	0.3%	0.6%

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**EMPLOYMENT**

<b>SERVICES (Continued)</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>TRANS., WAREHOUSING, UTILITIES</b>									
Idaho	18,947	19,294	20,241	21,031	21,722	20,706	20,681	21,168	21,502
% Ch	1.0%	1.8%	4.9%	3.9%	3.3%	-4.7%	-0.1%	2.4%	1.6%
National (Thousands)	4,814	4,917	5,017	5,095	5,067	4,797	4,744	4,857	4,968
% Ch	1.1%	2.1%	2.0%	1.5%	-0.6%	-5.3%	-1.1%	2.4%	2.3%
<b>PROFESSIONAL &amp; BUSINESS</b>									
Idaho	73,141	76,903	81,350	83,193	81,917	75,880	75,123	76,387	76,807
% Ch	4.5%	5.1%	5.8%	2.3%	-1.5%	-7.4%	-1.0%	1.7%	0.6%
National (Thousands)	16,388	16,952	17,572	17,947	17,741	16,574	16,723	17,329	17,932
% Ch	2.5%	3.4%	3.7%	2.1%	-1.2%	-6.6%	0.9%	3.6%	3.5%
<b>EDUCATION &amp; HEALTH</b>									
Idaho	65,220	67,996	70,119	74,072	77,737	80,995	83,831	86,574	88,348
% Ch	4.3%	4.3%	3.1%	5.6%	4.9%	4.2%	3.5%	3.3%	2.0%
National (Thousands)	17,227	17,675	18,152	18,676	19,228	19,628	19,973	20,322	20,769
% Ch	2.3%	2.6%	2.7%	2.9%	3.0%	2.1%	1.8%	1.7%	2.2%
<b>LEISURE &amp; HOSPITALITY</b>									
Idaho	55,566	57,347	59,650	63,256	63,200	58,664	57,965	59,282	61,155
% Ch	2.1%	3.2%	4.0%	6.0%	-0.1%	-7.2%	-1.2%	2.3%	3.2%
National (Thousands)	12,492	12,813	13,109	13,428	13,441	13,074	13,042	13,352	13,770
% Ch	2.6%	2.6%	2.3%	2.4%	0.1%	-2.7%	-0.2%	2.4%	3.1%
<b>OTHER SERVICES</b>									
Idaho	18,272	18,479	19,021	19,469	21,155	21,174	21,047	21,177	21,519
% Ch	0.6%	1.1%	2.9%	2.4%	8.7%	0.1%	-0.6%	0.6%	1.6%
National (Thousands)	5,409	5,395	5,438	5,493	5,515	5,366	5,331	5,361	5,430
% Ch	0.2%	-0.3%	0.8%	1.0%	0.4%	-2.7%	-0.7%	0.6%	1.3%
<b>TRADE</b>									
Idaho	99,129	103,672	107,463	111,650	109,087	101,079	99,639	100,622	103,621
% Ch	2.1%	4.6%	3.7%	3.9%	-2.3%	-7.3%	-1.4%	1.0%	3.0%
National (Thousands)	20,722	21,043	21,260	21,532	21,228	20,108	19,897	20,214	20,504
% Ch	1.0%	1.5%	1.0%	1.3%	-1.4%	-5.3%	-1.0%	1.6%	1.4%
<b>RETAIL TRADE</b>									
Idaho	73,725	76,801	80,514	83,552	82,614	76,283	74,836	75,201	77,125
% Ch	1.5%	4.2%	4.8%	3.8%	-1.1%	-7.7%	-1.9%	0.5%	2.6%
National (Thousands)	15,060	15,281	15,356	15,516	15,285	14,522	14,445	14,670	14,837
% Ch	1.0%	1.5%	0.5%	1.0%	-1.5%	-5.0%	-0.5%	1.6%	1.1%
<b>WHOLESALE TRADE</b>									
Idaho	25,404	26,872	26,949	28,098	26,473	24,796	24,803	25,421	26,497
% Ch	3.7%	5.8%	0.3%	4.3%	-5.8%	-6.3%	0.0%	2.5%	4.2%
National (Thousands)	5,661	5,762	5,904	6,016	5,943	5,586	5,452	5,543	5,667
% Ch	0.9%	1.8%	2.5%	1.9%	-1.2%	-6.0%	-2.4%	1.7%	2.2%
<b>STATE &amp; LOCAL GOVERNMENT</b>									
Idaho	101,149	101,867	103,530	103,975	105,986	105,991	104,875	104,514	104,600
% Ch	1.8%	0.7%	1.6%	0.4%	1.9%	0.0%	-1.1%	-0.3%	0.1%
National (Thousands)	18,744	18,820	18,887	19,073	19,742	19,484	19,742	19,722	19,513
% Ch	2.1%	0.4%	0.4%	1.0%	1.3%	-1.3%	1.3%	-0.1%	-1.1%
<b>EDUCATION</b>									
Idaho	50,817	51,306	52,652	53,021	53,609	54,615	53,925	54,006	53,967
% Ch	1.8%	1.0%	2.6%	0.7%	1.1%	1.9%	-1.3%	0.2%	-0.1%
<b>NONEDUCATION</b>									
Idaho	50,332	50,560	50,878	50,955	52,377	51,376	50,950	50,508	50,632
% Ch	1.7%	0.5%	0.6%	0.2%	2.8%	-1.9%	-0.8%	-0.9%	0.2%
<b>FEDERAL GOVERNMENT</b>									
Idaho	13,316	13,084	12,879	12,820	13,200	13,496	13,691	12,654	12,640
% Ch	-2.3%	-1.7%	-1.6%	-0.5%	3.0%	2.2%	1.4%	-7.6%	-0.1%
National (Thousands)	2,731	2,732	2,733	2,735	2,761	2,831	2,976	2,860	2,822
% Ch	-1.1%	0.0%	0.0%	0.1%	0.9%	2.5%	5.1%	-3.9%	-1.3%

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**SERVICES (Continued)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>TRANS., WAREHOUSING, UTILITIES</b>									
Idaho	21,510	22,406	23,424	23,688	24,242	25,038	25,247	25,491	26,011
% Ch	0.0%	4.2%	4.5%	1.1%	2.3%	3.3%	0.8%	1.0%	2.0%
National (Thousands)	5,048	5,209	5,425	5,543	5,638	5,729	5,741	5,743	5,748
% Ch	1.6%	3.2%	4.1%	2.2%	1.7%	1.6%	0.2%	0.0%	0.1%
<b>PROFESSIONAL &amp; BUSINESS</b>									
Idaho	78,730	80,781	81,888	84,964	90,655	92,588	94,923	97,560	100,093
% Ch	2.5%	2.6%	1.4%	3.8%	6.7%	2.1%	2.5%	2.8%	2.6%
National (Thousands)	18,517	19,061	19,627	20,131	20,719	21,484	22,296	22,890	23,370
% Ch	3.3%	2.9%	3.0%	2.6%	2.9%	3.7%	3.8%	2.7%	2.1%
<b>EDUCATION &amp; HEALTH</b>									
Idaho	91,015	94,190	97,505	100,450	103,048	106,161	109,228	112,611	115,939
% Ch	3.0%	3.5%	3.5%	3.0%	2.6%	3.0%	2.9%	3.1%	3.0%
National (Thousands)	21,085	21,436	22,024	22,616	23,132	23,485	23,699	23,871	24,084
% Ch	1.5%	1.7%	2.7%	2.7%	2.3%	1.5%	0.9%	0.7%	0.9%
<b>LEISURE &amp; HOSPITALITY</b>									
Idaho	63,473	65,900	68,431	72,355	75,292	77,086	78,247	79,443	80,648
% Ch	3.8%	3.8%	3.8%	5.7%	4.1%	2.4%	1.5%	1.5%	1.5%
National (Thousands)	14,258	14,694	15,155	15,615	15,912	16,040	16,020	16,106	16,239
% Ch	3.5%	3.1%	3.1%	3.0%	1.9%	0.8%	-0.1%	0.5%	0.8%
<b>OTHER SERVICES</b>									
Idaho	21,977	22,620	23,441	24,211	24,860	25,503	26,047	26,648	27,242
% Ch	2.1%	2.9%	3.6%	3.3%	2.7%	2.6%	2.1%	2.3%	2.2%
National (Thousands)	5,483	5,567	5,621	5,685	5,751	5,719	5,661	5,614	5,597
% Ch	1.0%	1.5%	1.0%	1.1%	1.2%	-0.6%	-1.0%	-0.8%	-0.3%
<b>TRADE</b>									
Idaho	106,151	108,410	111,718	114,099	115,928	117,899	118,947	121,079	124,014
% Ch	2.4%	2.1%	3.1%	2.1%	1.6%	1.7%	0.9%	1.8%	2.4%
National (Thousands)	20,808	21,168	21,457	21,693	21,773	21,787	21,796	21,749	21,715
% Ch	1.5%	1.7%	1.4%	1.1%	0.4%	0.1%	0.0%	-0.2%	-0.2%
<b>RETAIL TRADE</b>									
Idaho	78,739	80,573	83,634	85,411	86,799	88,240	89,083	90,880	93,198
% Ch	2.1%	2.3%	3.8%	2.1%	1.6%	1.7%	1.0%	2.0%	2.6%
National (Thousands)	15,075	15,355	15,603	15,827	15,851	15,825	15,792	15,705	15,626
% Ch	1.6%	1.9%	1.6%	1.4%	0.2%	-0.2%	-0.2%	-0.5%	-0.5%
<b>WHOLESALE TRADE</b>									
Idaho	27,413	27,837	28,085	28,688	29,128	29,659	29,865	30,199	30,816
% Ch	3.5%	1.5%	0.9%	2.1%	1.5%	1.8%	0.7%	1.1%	2.0%
National (Thousands)	5,733	5,814	5,854	5,867	5,922	5,962	6,004	6,044	6,088
% Ch	1.2%	1.4%	0.7%	0.2%	0.9%	0.7%	0.7%	0.7%	0.7%
<b>STATE &amp; LOCAL GOVERNMENT</b>									
Idaho	105,008	105,844	106,639	108,224	109,562	109,791	109,992	110,389	110,918
% Ch	0.4%	0.8%	0.8%	1.5%	1.2%	0.2%	0.2%	0.4%	0.5%
National (Thousands)	19,079	19,143	19,268	19,432	19,514	19,580	19,686	19,777	19,883
% Ch	-0.1%	0.3%	0.7%	0.8%	0.4%	0.3%	0.5%	0.5%	0.5%
<b>EDUCATION</b>									
Idaho	54,356	54,899	55,675	56,539	56,770	57,007	57,355	57,730	58,125
% Ch	0.7%	1.0%	1.4%	1.6%	0.4%	0.4%	0.6%	0.7%	0.7%
<b>NONEDUCATION</b>									
Idaho	50,652	50,945	50,964	51,685	52,792	52,784	52,638	52,659	52,794
% Ch	0.0%	0.6%	0.0%	1.4%	2.1%	0.0%	-0.3%	0.0%	0.3%
<b>FEDERAL GOVERNMENT</b>									
Idaho	12,412	12,337	12,583	12,839	12,949	13,119	13,212	13,559	13,300
% Ch	-1.8%	-0.6%	2.0%	2.0%	0.9%	1.3%	0.7%	2.6%	-1.9%
National (Thousands)	2,770	2,733	2,755	2,796	2,810	2,810	2,810	2,922	2,820
% Ch	-1.8%	-1.4%	0.8%	1.5%	0.5%	0.0%	0.0%	4.0%	-3.5%

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

**IDAHO ECONOMIC FORECAST  
ANNUAL DETAIL  
OCTOBER 2017**

**MISCELLANEOUS**

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

**IDAHO ECONOMIC FORECAST  
ANNUAL DETAIL  
OCTOBER 2017**

**MISCELLANEOUS**

	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>SELECTED CHAIN-WEIGHTED DEFL.</b>									
<b>Gross Domestic Product</b>	106.917	108.839	110.012	111.419	113.300	115.594	118.125	120.766	123.358
% Ch	1.6%	1.8%	1.1%	1.3%	1.7%	2.0%	2.2%	2.2%	2.1%
<b>Consumption Expenditures</b>	107.532	109.158	109.481	110.789	112.570	114.135	116.108	118.579	121.001
% Ch	1.3%	1.5%	0.3%	1.2%	1.6%	1.4%	1.7%	2.1%	2.0%
<b>Durable Goods</b>	94.590	92.395	90.430	88.460	86.634	85.086	83.821	82.656	81.475
% Ch	-1.9%	-2.3%	-2.1%	-2.2%	-2.1%	-1.8%	-1.5%	-1.4%	-1.4%
<b>Nondurable Goods</b>	111.946	112.689	108.961	107.800	109.409	110.168	111.848	114.703	117.338
% Ch	0.1%	0.7%	-3.3%	-1.1%	1.5%	0.7%	1.5%	2.6%	2.3%
<b>Services</b>	108.276	110.929	113.065	115.878	118.485	121.004	123.794	126.958	130.135
% Ch	2.3%	2.5%	1.9%	2.5%	2.3%	2.1%	2.3%	2.6%	2.5%
<b>Consumer Price Index (1982-84=100)</b>	2.329	2.367	2.370	2.400	2.450	2.493	2.548	2.616	2.680
% Ch	1.5%	1.6%	0.1%	1.3%	2.1%	1.7%	2.2%	2.7%	2.4%
<b>SELECTED INTEREST RATES</b>									
<b>Federal Funds</b>	0.1%	0.1%	0.1%	0.4%	1.0%	1.7%	2.6%	3.0%	3.0%
<b>NY Fed Discount</b>	0.8%	0.8%	0.8%	1.0%	1.6%	2.3%	3.2%	3.6%	3.6%
<b>Prime</b>	3.3%	3.3%	3.3%	3.5%	4.1%	4.7%	5.7%	6.0%	6.0%
<b>Existing Home Mortgage</b>	4.0%	4.3%	4.0%	3.9%	4.2%	4.9%	6.0%	6.2%	6.2%
<b>U.S. Govt. 3-Month Bills</b>	0.1%	0.0%	0.1%	0.3%	0.9%	1.7%	2.5%	2.9%	2.9%
<b>U.S. Govt. 6-Month Bills</b>	0.1%	0.1%	0.2%	0.5%	1.0%	1.8%	2.7%	3.0%	3.0%
<b>U.S. Govt. 5-Year Notes</b>	1.2%	1.6%	1.5%	1.3%	1.9%	2.5%	3.3%	3.6%	3.6%
<b>U.S. Govt. 10-Year Notes</b>	2.4%	2.5%	2.1%	1.8%	2.4%	3.1%	3.8%	4.1%	4.1%
<b>EXCHANGE RATES (2009=1.000)</b>									
<b>Major Currency Trading Partners</b>	0.994	1.038	1.240	1.296	1.283	1.272	1.258	1.223	1.196
% Ch	4.6%	4.4%	19.5%	4.5%	-1.0%	-0.9%	-1.1%	-2.8%	-2.2%
<b>Other Important Trading Partners</b>	0.855	0.873	0.976	1.070	1.058	1.048	1.051	1.063	1.060
% Ch	-1.2%	2.1%	11.8%	9.6%	-1.1%	-1.0%	0.4%	1.1%	-0.3%
<b>SELECTED US PRODUCTION INDICES</b>									
<b>Wood Products</b>	105.8	108.4	112.1	116.5	120.8	126.4	129.5	129.9	130.6
% Ch	5.8%	2.5%	3.4%	4.0%	3.7%	4.6%	2.4%	0.3%	0.6%
<b>Computers &amp; Electronic Products</b>	103.2	107.8	109.0	110.5	113.8	119.0	124.2	128.2	132.5
% Ch	3.2%	4.5%	1.1%	1.4%	3.0%	4.6%	4.3%	3.2%	3.4%
<b>Food</b>	102.0	102.9	104.8	107.6	111.8	114.0	116.3	118.3	120.5
% Ch	2.0%	0.9%	1.9%	2.7%	3.8%	2.0%	2.0%	1.7%	1.8%
<b>Agricultural Chemicals</b>	116.1	108.1	103.0	114.6	125.3	133.9	141.7	144.3	145.8
% Ch	16.1%	-6.9%	-4.7%	11.3%	9.3%	6.8%	5.8%	1.8%	1.0%
<b>Metal Ore Mining</b>	101.7	104.9	100.3	101.3	104.8	106.3	107.2	107.2	106.6
% Ch	1.7%	3.1%	-4.4%	1.0%	3.4%	1.4%	0.9%	0.0%	-0.5%



**IDAHO ECONOMIC FORECAST  
QUARTERLY DETAIL  
OCTOBER 2017**

**DEMOGRAPHICS**

	2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>POPULATION</b>												
Idaho (Thousands)	1,643.5	1,648.6	1,655.3	1,663.9	1,674.1	1,681.9	1,687.0	1,689.6	1,695.6	1,704.3	1,712.1	1,719.1
% Ch	0.8%	1.2%	1.7%	2.1%	2.5%	1.9%	1.2%	0.6%	1.4%	2.1%	1.8%	1.7%
National (Millions)	320.572	321.132	321.783	322.314	322.792	323.349	323.999	324.531	325.008	325.565	326.216	326.874
% Ch	0.6%	0.7%	0.8%	0.7%	0.6%	0.7%	0.8%	0.7%	0.6%	0.7%	0.8%	0.8%
<b>BIRTHS</b>												
Idaho (Thousands)	22.890	22.827	22.800	22.811	22.858	22.894	22.918	22.930	22.958	23.070	23.062	23.120
% Ch	-1.7%	-1.1%	-0.5%	0.2%	0.8%	0.6%	0.4%	0.2%	0.5%	2.0%	-0.1%	1.0%
National (Thousands)	3,994	3,997	4,002	4,007	4,014	4,020	4,026	4,032	4,037	4,043	4,049	4,056
% Ch	-0.8%	0.3%	0.5%	0.5%	0.7%	0.6%	0.7%	0.5%	0.5%	0.6%	0.6%	0.6%
<b>DEATHS</b>												
Idaho (Thousands)	12.868	12.989	13.092	13.176	13.242	13.292	13.325	13.341	13.469	13.580	13.674	13.751
% Ch	4.4%	3.8%	3.2%	2.6%	2.0%	1.5%	1.0%	0.5%	3.9%	3.3%	2.8%	2.3%
National (Thousands)	2,613	2,617	2,622	2,627	2,637	2,644	2,651	2,658	2,664	2,671	2,679	2,687
% Ch	-0.3%	0.5%	0.8%	0.8%	1.4%	1.1%	1.2%	1.0%	0.9%	1.0%	1.2%	1.2%
<b>NET MIGRATION</b>												
Idaho (Thousands)	7.467	7.197	9.360	13.957	20.986	23.688	22.063	16.111	12.001	12.963	15.701	20.180
<b>HOUSING</b>												
<b>HOUSING STARTS</b>												
Idaho	10,132	10,304	10,329	10,382	12,290	12,228	12,807	12,338	11,722	13,387	13,669	13,792
% Ch	-6.9%	7.0%	1.0%	2.1%	96.4%	-2.0%	20.3%	-13.9%	-18.5%	70.1%	8.7%	3.7%
National (Millions)	0.987	1.156	1.161	1.124	1.153	1.158	1.150	1.248	1.238	1.167	1.159	1.211
% Ch	-23.7%	87.7%	1.9%	-12.0%	10.7%	1.5%	-2.7%	39.0%	-3.4%	-21.0%	-2.6%	19.2%
<b>SINGLE UNITS</b>												
Idaho	8,246	7,818	8,243	8,706	9,688	9,731	10,307	10,412	9,632	10,809	11,331	11,557
% Ch	46.4%	-19.2%	23.6%	24.4%	53.3%	1.8%	25.9%	4.1%	-26.8%	58.6%	20.8%	8.2%
National (Millions)	0.640	0.712	0.748	0.750	0.787	0.756	0.761	0.834	0.839	0.825	0.820	0.844
% Ch	-30.0%	53.2%	22.0%	0.9%	21.3%	-14.6%	2.3%	44.5%	2.3%	-6.4%	-2.4%	12.2%
<b>MULTIPLE UNITS</b>												
Idaho	1,887	2,486	2,086	1,676	2,602	2,497	2,500	1,926	2,090	2,579	2,338	2,236
% Ch	-79.9%	201.7%	-50.5%	-58.3%	480.9%	-15.2%	0.4%	-64.8%	38.6%	131.7%	-32.4%	-16.4%
National (Millions)	0.348	0.444	0.413	0.375	0.367	0.401	0.389	0.414	0.399	0.342	0.339	0.367
% Ch	-10.1%	166.0%	-25.1%	-32.3%	-8.3%	43.5%	-11.7%	28.7%	-14.0%	-46.2%	-3.1%	37.4%
<b>HOUSING STOCK</b>												
Idaho (Thousands)	573.5	575.6	577.8	579.9	582.6	585.2	588.0	590.6	593.1	596.0	599.0	602.0
% Ch	1.5%	1.5%	1.5%	1.5%	1.8%	1.8%	1.9%	1.8%	1.7%	2.0%	2.0%	2.0%

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**IDAHO ECONOMIC FORECAST  
QUARTERLY DETAIL  
OCTOBER 2017**

**DEMOGRAPHICS**

	2018				2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>POPULATION</b>												
Idaho (Thousands)	1,725.0	1,731.0	1,737.1	1,743.5	1,749.9	1,756.4	1,762.8	1,769.3	1,775.9	1,782.6	1,789.2	1,795.9
% Ch	1.4%	1.4%	1.4%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
National (Millions)	327.531	328.189	328.846	329.503	330.160	330.816	331.472	332.128	332.782	333.436	334.089	334.741
% Ch	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
<b>BIRTHS</b>												
Idaho (Thousands)	23.209	23.378	23.525	23.651	23.756	23.865	23.981	24.105	24.239	24.373	24.507	24.639
% Ch	1.6%	2.9%	2.5%	2.2%	1.8%	1.9%	2.0%	2.1%	2.2%	2.2%	2.2%	2.2%
National (Thousands)	4,062	4,068	4,074	4,080	4,086	4,092	4,098	4,103	4,109	4,114	4,118	4,123
% Ch	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.5%	0.5%	0.5%	0.5%	0.4%
<b>DEATHS</b>												
Idaho (Thousands)	13.810	13.875	13.944	14.017	14.095	14.172	14.248	14.324	14.400	14.476	14.552	14.629
% Ch	1.8%	1.9%	2.0%	2.1%	2.2%	2.2%	2.2%	2.1%	2.1%	2.1%	2.1%	2.1%
National (Thousands)	2,694	2,702	2,710	2,718	2,725	2,733	2,741	2,749	2,758	2,767	2,775	2,784
% Ch	1.2%	1.2%	1.2%	1.1%	1.1%	1.2%	1.2%	1.2%	1.3%	1.2%	1.2%	1.2%
<b>NET MIGRATION</b>												
Idaho (Thousands)	19.929	17.175	15.477	14.707	15.316	15.690	15.924	16.033	16.100	16.295	16.490	16.665
<b>HOUSING</b>												
<b>HOUSING STARTS</b>												
Idaho	13,882	13,792	13,950	14,198	14,267	14,419	14,221	14,157	14,274	14,488	14,701	14,850
% Ch	2.6%	-2.6%	4.7%	7.3%	2.0%	4.3%	-5.4%	-1.8%	3.3%	6.1%	6.0%	4.1%
National (Millions)	1.254	1.276	1.325	1.359	1.367	1.387	1.408	1.423	1.430	1.438	1.448	1.458
% Ch	15.1%	7.2%	16.3%	10.5%	2.5%	5.9%	6.1%	4.4%	2.1%	2.1%	2.8%	2.9%
<b>SINGLE UNITS</b>												
Idaho	11,827	11,667	11,942	12,259	12,411	12,637	12,535	12,492	12,575	12,744	12,906	13,050
% Ch	9.7%	-5.3%	9.7%	11.1%	5.1%	7.5%	-3.2%	-1.4%	2.7%	5.5%	5.2%	4.5%
National (Millions)	0.832	0.871	0.919	0.946	0.954	0.962	0.972	0.975	0.977	0.981	0.987	0.990
% Ch	-5.5%	20.1%	24.0%	12.3%	3.3%	3.4%	4.2%	1.5%	0.5%	2.0%	2.3%	1.1%
<b>MULTIPLE UNITS</b>												
Idaho	2,054	2,124	2,008	1,939	1,856	1,782	1,687	1,665	1,699	1,743	1,794	1,799
% Ch	-28.8%	14.4%	-20.1%	-13.1%	-16.0%	-15.0%	-19.7%	-5.0%	8.2%	10.9%	12.3%	1.1%
National (Millions)	0.422	0.405	0.406	0.413	0.413	0.425	0.436	0.448	0.454	0.457	0.461	0.468
% Ch	75.4%	-15.3%	0.9%	6.5%	0.9%	12.0%	10.4%	11.0%	5.8%	2.4%	3.8%	6.8%
<b>HOUSING STOCK</b>												
Idaho (Thousands)	605.0	608.0	611.0	614.1	617.2	620.3	623.4	626.5	629.6	632.7	635.9	639.2
% Ch	2.0%	2.0%	2.0%	2.0%	2.0%	2.1%	2.0%	2.0%	2.0%	2.0%	2.0%	2.1%

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**IDAHO ECONOMIC FORECAST  
QUARTERLY DETAIL  
OCTOBER 2017**

**OUTPUT, INCOME, & WAGES**

	2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>U.S. GROSS DOM. PRODUCT (Billions)</b>												
Current Dollars	17,875	18,093	18,228	18,287	18,325	18,538	18,729	18,906	19,058	19,250	19,435	19,661
% Ch	3.2%	5.0%	3.0%	1.3%	0.8%	4.7%	4.2%	3.8%	3.3%	4.1%	3.9%	4.7%
2009 Chain-Weighted	16,350	16,461	16,528	16,548	16,572	16,664	16,778	16,851	16,903	17,031	17,131	17,253
% Ch	3.2%	2.7%	1.6%	0.5%	0.6%	2.2%	2.8%	1.8%	1.2%	3.1%	2.4%	2.9%
<b>PERSONAL INCOME - CURR \$</b>												
Idaho (Millions)	63,176	63,942	64,696	65,022	65,392	66,594	66,856	66,892	68,456	68,827	69,221	69,967
% Ch	4.7%	4.9%	4.8%	2.0%	2.3%	7.6%	1.6%	0.2%	9.7%	2.2%	2.3%	4.4%
Idaho Nonfarm (Millions)	60,957	61,662	62,302	62,969	63,233	64,477	64,931	65,099	66,100	66,624	67,386	68,144
% Ch	7.4%	4.7%	4.2%	4.4%	1.7%	8.1%	2.8%	1.0%	6.3%	3.2%	4.7%	4.6%
National (Billions)	15,301	15,516	15,626	15,769	15,751	15,910	16,028	16,026	16,245	16,364	16,471	16,618
% Ch	4.1%	5.7%	2.9%	3.7%	-0.5%	4.1%	3.0%	-0.1%	5.6%	3.0%	2.6%	3.6%
<b>PERSONAL INCOME - 2009 \$</b>												
Idaho (Millions)	57,988	58,443	58,943	59,215	59,455	60,236	60,212	59,948	61,014	61,303	61,423	61,856
% Ch	6.4%	3.2%	3.5%	1.9%	1.6%	5.4%	-0.2%	-1.7%	7.3%	1.9%	0.8%	2.9%
Idaho Nonfarm (Millions)	55,951	56,358	56,761	57,345	57,492	58,321	58,478	58,341	58,914	59,341	59,795	60,245
% Ch	9.1%	2.9%	2.9%	4.2%	1.0%	5.9%	1.1%	-0.9%	4.0%	2.9%	3.1%	3.0%
National (Billions)	14,044	14,182	14,236	14,361	14,321	14,391	14,435	14,362	14,479	14,576	14,616	14,692
% Ch	5.8%	4.0%	1.5%	3.6%	-1.1%	2.0%	1.2%	-2.0%	3.3%	2.7%	1.1%	2.1%
<b>PER CAPITA PERS INC - CURR \$</b>												
Idaho	38,439	38,787	39,083	39,079	39,060	39,596	39,630	39,591	40,372	40,384	40,431	40,700
% Ch	3.8%	3.7%	3.1%	0.0%	-0.2%	5.6%	0.3%	-0.4%	8.1%	0.1%	0.5%	2.7%
National	47,730	48,317	48,559	48,925	48,796	49,204	49,469	49,381	49,984	50,265	50,492	50,840
% Ch	3.5%	5.0%	2.0%	3.0%	-1.0%	3.4%	2.2%	-0.7%	5.0%	2.3%	1.8%	2.8%
<b>PER CAPITA PERS INC - 2009 \$</b>												
Idaho	35,282	35,451	35,608	35,589	35,514	35,815	35,692	35,481	35,983	35,970	35,876	35,981
% Ch	5.5%	1.9%	1.8%	-0.2%	-0.8%	3.4%	-1.4%	-2.3%	5.8%	-0.1%	-1.0%	1.2%
National	43,811	44,161	44,241	44,555	44,366	44,506	44,553	44,255	44,550	44,770	44,804	44,946
% Ch	5.1%	3.2%	0.7%	2.9%	-1.7%	1.3%	0.4%	-2.7%	2.7%	2.0%	0.3%	1.3%
<b>AVERAGE ANNUAL WAGE</b>												
Idaho	40,049	39,946	40,076	40,662	40,149	41,461	41,523	41,046	41,140	41,355	41,924	42,353
% Ch	0.3%	-1.0%	1.3%	6.0%	-5.0%	13.7%	0.6%	-4.5%	0.9%	2.1%	5.6%	4.2%
National	54,821	55,224	55,395	56,219	55,526	56,200	56,534	55,852	56,496	56,921	57,287	57,650
% Ch	2.2%	3.0%	1.2%	6.1%	-4.8%	4.9%	2.4%	-4.7%	4.7%	3.0%	2.6%	2.6%

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

**IDAHO ECONOMIC FORECAST  
QUARTERLY DETAIL  
OCTOBER 2017**

**OUTPUT, INCOME, & WAGES**

	2018				2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>U.S. GROSS DOM. PRODUCT (Billions)</b>												
Current Dollars	19,870	20,079	20,321	20,576	20,792	21,010	21,215	21,452	21,698	21,930	22,173	22,414
% Ch	4.3%	4.3%	4.9%	5.1%	4.3%	4.3%	4.0%	4.5%	4.7%	4.3%	4.5%	4.4%
2009 Chain-Weighted	17,345	17,430	17,525	17,638	17,732	17,829	17,925	18,020	18,113	18,208	18,311	18,412
% Ch	2.2%	2.0%	2.2%	2.6%	2.1%	2.2%	2.2%	2.1%	2.1%	2.1%	2.3%	2.2%
<b>PERSONAL INCOME - CURR \$</b>												
Idaho (Millions)	70,923	71,585	72,272	73,069	73,993	74,778	75,709	76,648	77,691	78,661	79,589	80,496
% Ch	5.6%	3.8%	3.9%	4.5%	5.2%	4.3%	5.1%	5.1%	5.6%	5.1%	4.8%	4.6%
Idaho Nonfarm (Millions)	68,921	69,560	70,279	71,097	71,926	72,738	73,616	74,552	75,609	76,547	77,445	78,353
% Ch	4.6%	3.8%	4.2%	4.7%	4.7%	4.6%	4.9%	5.2%	5.8%	5.1%	4.8%	4.8%
National (Billions)	16,821	16,985	17,165	17,369	17,592	17,795	18,011	18,233	18,485	18,703	18,919	19,133
% Ch	5.0%	4.0%	4.3%	4.8%	5.2%	4.7%	4.9%	5.0%	5.6%	4.8%	4.7%	4.6%
<b>PERSONAL INCOME - 2009 \$</b>												
Idaho (Millions)	62,488	62,878	63,203	63,624	64,182	64,560	65,084	65,516	66,040	66,510	66,941	67,354
% Ch	4.1%	2.5%	2.1%	2.7%	3.6%	2.4%	3.3%	2.7%	3.2%	2.9%	2.6%	2.5%
Idaho Nonfarm (Millions)	60,724	61,100	61,461	61,907	62,389	62,799	63,284	63,724	64,271	64,723	65,138	65,561
% Ch	3.2%	2.5%	2.4%	2.9%	3.1%	2.7%	3.1%	2.8%	3.5%	2.8%	2.6%	2.6%
National (Billions)	14,820	14,920	15,012	15,124	15,259	15,364	15,483	15,585	15,713	15,814	15,913	16,010
% Ch	3.5%	2.7%	2.5%	3.0%	3.6%	2.8%	3.1%	2.7%	3.3%	2.6%	2.5%	2.5%
<b>PER CAPITA PERS INC - CURR \$</b>												
Idaho	41,116	41,355	41,604	41,911	42,283	42,575	42,948	43,322	43,748	44,128	44,482	44,821
% Ch	4.2%	2.3%	2.4%	3.0%	3.6%	2.8%	3.6%	3.5%	4.0%	3.5%	3.2%	3.1%
National	51,355	51,755	52,199	52,713	53,283	53,792	54,335	54,897	55,546	56,092	56,630	57,158
% Ch	4.1%	3.2%	3.5%	4.0%	4.4%	3.9%	4.1%	4.2%	4.8%	4.0%	3.9%	3.8%
<b>PER CAPITA PERS INC - 2009 \$</b>												
Idaho	36,226	36,325	36,384	36,493	36,677	36,758	36,921	37,030	37,187	37,311	37,413	37,504
% Ch	2.7%	1.1%	0.6%	1.2%	2.0%	0.9%	1.8%	1.2%	1.7%	1.3%	1.1%	1.0%
National	45,248	45,461	45,649	45,899	46,218	46,442	46,710	46,924	47,216	47,427	47,630	47,827
% Ch	2.7%	1.9%	1.7%	2.2%	2.8%	1.9%	2.3%	1.8%	2.5%	1.8%	1.7%	1.7%
<b>AVERAGE ANNUAL WAGE</b>												
Idaho	42,633	42,921	43,239	43,581	43,942	44,304	44,663	45,021	45,374	45,730	46,086	46,439
% Ch	2.7%	2.7%	3.0%	3.2%	3.4%	3.3%	3.3%	3.2%	3.2%	3.2%	3.2%	3.1%
National	58,238	58,722	59,243	59,798	60,409	60,963	61,526	62,099	62,746	63,234	63,885	64,534
% Ch	4.1%	3.4%	3.6%	3.8%	4.1%	3.7%	3.7%	3.8%	4.2%	3.2%	4.2%	4.1%

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Forecast Begins the Third Quarter of 2017**

**IDAHO ECONOMIC FORECAST  
QUARTERLY DETAIL  
OCTOBER 2017**

**PERSONAL INCOME -- CURR \$\$**

	2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>WAGE AND SALARY PAYMENTS</b>												
Idaho (Millions)	27,516	27,599	27,891	28,520	28,570	29,583	29,893	29,730	30,154	30,494	31,029	31,515
% Ch	2.3%	1.2%	4.3%	9.3%	0.7%	15.0%	4.3%	-2.2%	5.8%	4.6%	7.2%	6.4%
National (Billions)	7,718	7,814	7,874	8,030	7,965	8,090	8,178	8,108	8,232	8,322	8,400	8,490
% Ch	4.3%	5.0%	3.1%	8.2%	-3.2%	6.4%	4.4%	-3.4%	6.3%	4.4%	3.8%	4.4%
<b>FARM PROPRIETORS INCOME</b>												
Idaho (Millions)	1,635	1,703	1,814	1,462	1,494	1,437	1,233	1,095	1,654	1,497	1,209	1,194
% Ch	-41.0%	17.8%	28.7%	-57.8%	8.9%	-14.5%	-45.8%	-37.8%	421.6%	-32.9%	-57.4%	-5.1%
National (Billions)	52	53	59	51	47	47	41	38	42	37	34	32
% Ch	-59.8%	7.9%	50.5%	-43.0%	-29.1%	-0.9%	-38.2%	-30.5%	51.0%	-39.2%	-26.6%	-21.4%
<b>NONFARM PROPRIETORS INCOME</b>												
Idaho (Millions)	6,045	6,028	6,019	6,041	6,090	6,121	6,161	6,198	6,339	6,348	6,386	6,467
% Ch	9.4%	-1.1%	-0.6%	1.5%	3.3%	2.1%	2.6%	2.4%	9.5%	0.6%	2.4%	5.2%
National (Billions)	1,261	1,261	1,265	1,274	1,281	1,293	1,305	1,317	1,338	1,342	1,347	1,364
% Ch	-1.6%	0.1%	1.1%	3.1%	2.1%	3.8%	3.7%	3.8%	6.8%	1.0%	1.7%	5.0%
<b>DIVIDENDS, RENT &amp; INTEREST</b>												
Idaho (Millions)	13,455	13,826	13,945	13,845	13,887	13,889	13,905	14,034	14,213	14,356	14,367	14,499
% Ch	9.9%	11.5%	3.5%	-2.8%	1.2%	0.1%	0.5%	3.7%	5.2%	4.1%	0.3%	3.7%
National (Billions)	2,990	3,065	3,085	3,059	3,073	3,076	3,081	3,110	3,151	3,175	3,182	3,208
% Ch	5.2%	10.5%	2.6%	-3.3%	1.8%	0.5%	0.7%	3.8%	5.3%	3.1%	0.9%	3.3%
<b>OTHER LABOR INCOME</b>												
Idaho (Millions)	6,956	7,081	7,251	7,403	7,458	7,688	7,785	7,840	7,913	7,987	8,041	8,103
% Ch	13.2%	7.4%	10.0%	8.6%	3.0%	12.9%	5.1%	2.9%	3.8%	3.8%	2.7%	3.1%
National (Billions)	1,262	1,274	1,284	1,292	1,299	1,306	1,313	1,322	1,333	1,342	1,350	1,357
% Ch	4.5%	3.9%	3.2%	2.5%	2.0%	2.1%	2.4%	2.6%	3.4%	2.7%	2.6%	2.0%
<b>GOVT. TRANSFERS TO INDIV.</b>												
Idaho (Millions)	11,668	11,801	11,912	11,967	12,105	12,250	12,284	12,366	12,675	12,686	12,802	12,875
% Ch	8.8%	4.6%	3.8%	1.9%	4.7%	4.9%	1.1%	2.7%	10.4%	0.3%	3.7%	2.3%
National (Billions)	2,645	2,683	2,698	2,711	2,740	2,760	2,777	2,796	2,832	2,837	2,854	2,870
% Ch	7.6%	5.8%	2.3%	2.0%	4.3%	3.0%	2.5%	2.7%	5.3%	0.7%	2.4%	2.3%
<b>CONTRIB. FOR SOCIAL INSUR.</b>												
Idaho (Millions)	5,035	5,058	5,108	5,199	5,211	5,371	5,410	5,385	5,529	5,589	5,653	5,734
% Ch	4.6%	1.8%	4.0%	7.4%	0.9%	12.9%	2.9%	-1.8%	11.1%	4.4%	4.7%	5.8%
National (Billions)	1,188	1,202	1,210	1,232	1,228	1,245	1,258	1,250	1,284	1,297	1,310	1,323
% Ch	4.3%	4.6%	2.9%	7.3%	-1.4%	6.0%	4.2%	-2.5%	11.3%	4.2%	3.8%	4.1%
<b>RESIDENCE ADJUSTMENT</b>												
Idaho (Millions)	937	962	972	984	1,000	998	1,004	1,014	1,037	1,049	1,041	1,049
% Ch	-19.5%	11.3%	4.2%	5.0%	6.6%	-0.6%	2.4%	4.1%	9.0%	4.7%	-2.7%	3.0%

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Forecast Begins the Third Quarter of 2017

**IDAHO ECONOMIC FORECAST  
QUARTERLY DETAIL  
OCTOBER 2017**

**PERSONAL INCOME -- CURR \$\$**

	2018				2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>WAGE AND SALARY PAYMENTS</b>												
Idaho (Millions)	31,870	32,222	32,589	32,970	33,347	33,738	34,147	34,568	35,017	35,453	35,865	36,303
% Ch	4.6%	4.5%	4.6%	4.8%	4.7%	4.8%	4.9%	5.0%	5.3%	5.1%	4.7%	5.0%
National (Billions)	8,599	8,699	8,801	8,910	9,025	9,132	9,239	9,346	9,462	9,569	9,679	9,791
% Ch	5.2%	4.7%	4.8%	5.0%	5.3%	4.8%	4.7%	4.7%	5.1%	4.6%	4.7%	4.7%
<b>FARM PROPRIETORS INCOME</b>												
Idaho (Millions)	1,364	1,380	1,342	1,317	1,408	1,378	1,427	1,425	1,406	1,434	1,459	1,454
% Ch	70.5%	4.8%	-10.6%	-7.3%	30.8%	-8.2%	15.0%	-0.6%	-5.3%	8.2%	7.1%	-1.3%
National (Billions)	35	35	33	32	32	30	32	32	31	32	33	32
% Ch	43.8%	-1.4%	-23.3%	-13.7%	-2.9%	-13.3%	20.0%	-2.7%	-3.3%	9.3%	7.5%	-5.2%
<b>NONFARM PROPRIETORS INCOME</b>												
Idaho (Millions)	6,529	6,584	6,629	6,680	6,715	6,755	6,793	6,846	6,897	6,964	7,035	7,100
% Ch	3.9%	3.4%	2.8%	3.1%	2.1%	2.4%	2.3%	3.1%	3.0%	3.9%	4.2%	3.8%
National (Billions)	1,375	1,388	1,400	1,411	1,423	1,435	1,445	1,458	1,469	1,483	1,500	1,515
% Ch	3.3%	3.8%	3.4%	3.4%	3.4%	3.3%	2.9%	3.5%	3.1%	4.1%	4.5%	4.1%
<b>DIVIDENDS, RENT &amp; INTEREST</b>												
Idaho (Millions)	14,655	14,714	14,879	15,116	15,344	15,560	15,820	16,104	16,372	16,627	16,864	17,102
% Ch	4.4%	1.6%	4.6%	6.5%	6.2%	5.7%	6.9%	7.4%	6.8%	6.4%	5.8%	5.8%
National (Billions)	3,240	3,255	3,291	3,341	3,391	3,440	3,499	3,563	3,623	3,680	3,731	3,782
% Ch	4.0%	1.9%	4.5%	6.3%	6.1%	5.9%	7.1%	7.5%	6.9%	6.4%	5.7%	5.6%
<b>OTHER LABOR INCOME</b>												
Idaho (Millions)	8,141	8,198	8,242	8,294	8,343	8,409	8,479	8,555	8,629	8,708	8,779	8,842
% Ch	1.9%	2.8%	2.2%	2.5%	2.4%	3.2%	3.4%	3.6%	3.5%	3.7%	3.3%	2.9%
National (Billions)	1,366	1,376	1,385	1,395	1,405	1,417	1,429	1,441	1,453	1,465	1,478	1,488
% Ch	2.6%	3.2%	2.4%	2.9%	3.1%	3.4%	3.3%	3.5%	3.4%	3.4%	3.3%	2.8%
<b>GOVT. TRANSFERS TO INDIV.</b>												
Idaho (Millions)	13,092	13,232	13,366	13,507	13,718	13,870	14,028	14,192	14,499	14,661	14,823	14,985
% Ch	6.9%	4.3%	4.1%	4.3%	6.4%	4.5%	4.6%	4.8%	8.9%	4.6%	4.5%	4.5%
National (Billions)	2,918	2,950	2,980	3,011	3,057	3,090	3,124	3,159	3,224	3,259	3,293	3,327
% Ch	6.9%	4.4%	4.2%	4.2%	6.2%	4.4%	4.5%	4.6%	8.5%	4.3%	4.3%	4.2%
<b>CONTRIB. FOR SOCIAL INSUR.</b>												
Idaho (Millions)	5,797	5,832	5,877	5,930	6,012	6,074	6,143	6,215	6,318	6,390	6,456	6,527
% Ch	4.5%	2.4%	3.2%	3.6%	5.6%	4.2%	4.6%	4.7%	6.8%	4.6%	4.2%	4.4%
National (Billions)	1,341	1,351	1,363	1,376	1,396	1,410	1,425	1,440	1,463	1,478	1,493	1,508
% Ch	5.6%	3.0%	3.5%	3.9%	6.0%	4.1%	4.3%	4.3%	6.5%	4.1%	4.1%	4.1%
<b>RESIDENCE ADJUSTMENT</b>												
Idaho (Millions)	1,069	1,086	1,102	1,116	1,129	1,142	1,157	1,172	1,189	1,205	1,221	1,237
% Ch	7.6%	6.7%	6.0%	5.4%	4.5%	4.8%	5.2%	5.4%	5.9%	5.6%	5.2%	5.4%

**IDAHO ECONOMIC FORECAST  
QUARTERLY DETAIL  
OCTOBER 2017**

**EMPLOYMENT**

	2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>TOTAL NONFARM EMPLOYMENT</b>												
Idaho	665,645	669,627	674,605	680,092	688,061	690,317	696,493	700,487	708,847	713,251	717,930	722,121
% Ch	3.9%	2.4%	3.0%	3.3%	4.8%	1.3%	3.6%	2.3%	4.9%	2.5%	2.7%	2.4%
National (Thousands)	140,793	141,490	142,134	142,835	143,444	143,954	144,657	145,167	145,712	146,197	146,625	147,269
% Ch	2.0%	2.0%	1.8%	2.0%	1.7%	1.4%	2.0%	1.4%	1.5%	1.3%	1.2%	1.8%
<b>GOODS PRODUCING SECTOR</b>												
Idaho	103,023	103,735	104,236	106,272	108,633	109,589	110,528	111,051	112,967	114,036	115,217	116,299
% Ch	6.1%	2.8%	1.9%	8.0%	9.2%	3.6%	3.5%	1.9%	7.1%	3.8%	4.2%	3.8%
National (Thousands)	19,531	19,585	19,622	19,692	19,751	19,716	19,719	19,761	19,909	19,991	20,051	20,157
% Ch	1.9%	1.1%	0.8%	1.4%	1.2%	-0.7%	0.1%	0.9%	3.0%	1.7%	1.2%	2.1%
<b>MANUFACTURING</b>												
Idaho	62,404	63,195	63,907	64,920	65,438	65,761	65,979	65,813	66,981	67,451	67,927	68,399
% Ch	1.8%	5.2%	4.6%	6.5%	3.2%	2.0%	1.3%	-1.0%	7.3%	2.8%	2.9%	2.8%
National (Thousands)	12,361	12,385	12,401	12,404	12,424	12,398	12,394	12,382	12,424	12,455	12,483	12,522
% Ch	1.2%	0.8%	0.5%	0.1%	0.7%	-0.9%	-0.1%	-0.4%	1.4%	1.0%	0.9%	1.2%
<b>DURABLE MANUFACTURING</b>												
Idaho	36,789	37,273	37,709	38,185	38,452	38,707	38,708	38,691	39,068	39,383	39,600	39,801
% Ch	4.6%	5.4%	4.8%	5.1%	2.8%	2.7%	0.0%	-0.2%	4.0%	3.3%	2.2%	2.0%
National (Thousands)	7,815	7,824	7,825	7,805	7,804	7,772	7,757	7,749	7,773	7,792	7,810	7,840
% Ch	1.2%	0.5%	0.0%	-1.0%	-0.1%	-1.6%	-0.8%	-0.4%	1.3%	1.0%	0.9%	1.6%
<b>LOGGING &amp; WOOD PRODUCTS</b>												
Idaho	7,231	7,418	7,260	7,416	7,530	7,838	7,643	7,765	7,757	7,800	7,824	7,856
% Ch	8.7%	10.8%	-8.2%	8.8%	6.3%	17.4%	-9.6%	6.5%	-0.4%	2.2%	1.3%	1.6%
National (Thousands)	431	431	436	441	443	443	443	445	448	445	443	443
% Ch	3.2%	0.3%	4.5%	4.6%	1.9%	0.1%	-0.4%	1.9%	2.5%	-1.8%	-2.2%	0.1%
<b>METAL FABRICATION</b>												
Idaho	5,520	5,619	5,697	5,758	5,792	5,803	5,994	5,991	6,029	6,006	6,048	6,098
% Ch	1.8%	7.4%	5.6%	4.4%	2.4%	0.7%	13.8%	-0.2%	2.6%	-1.5%	2.9%	3.3%
National (Thousands)	1,470	1,465	1,455	1,443	1,435	1,426	1,420	1,420	1,425	1,435	1,447	1,455
% Ch	0.3%	-1.3%	-2.8%	-3.4%	-2.0%	-2.7%	-1.5%	-0.2%	1.5%	2.7%	3.4%	2.3%
<b>MACHINERY</b>												
Idaho	3,032	3,075	3,070	2,956	3,090	3,060	3,120	3,112	3,127	3,181	3,210	3,221
% Ch	-2.6%	5.8%	-0.6%	-14.1%	19.4%	-3.8%	8.0%	-1.0%	2.0%	7.1%	3.7%	1.4%
National (Thousands)	1,137	1,128	1,116	1,102	1,092	1,080	1,076	1,073	1,080	1,088	1,096	1,104
% Ch	-0.4%	-3.1%	-4.0%	-4.9%	-3.6%	-4.6%	-1.4%	-1.1%	2.7%	3.0%	3.1%	2.7%
<b>COMPUTER &amp; ELECTRONICS</b>												
Idaho	11,697	11,765	11,984	12,154	12,218	12,227	12,127	11,958	12,042	12,082	12,078	12,090
% Ch	1.7%	2.3%	7.7%	5.8%	2.1%	0.3%	-3.2%	-5.5%	2.8%	1.3%	-0.1%	0.4%
National (Thousands)	1,053	1,054	1,055	1,050	1,054	1,051	1,045	1,041	1,036	1,037	1,041	1,049
% Ch	0.8%	0.3%	0.3%	-1.8%	1.6%	-1.0%	-2.3%	-1.7%	-1.6%	0.4%	1.6%	2.9%
<b>OTHER DURABLES</b>												
Idaho	9,309	9,395	9,697	9,901	9,822	9,780	9,824	9,866	10,114	10,315	10,439	10,536
% Ch	9.6%	3.8%	13.5%	8.7%	-3.2%	-1.7%	1.8%	1.7%	10.4%	8.2%	4.9%	3.7%
National (Thousands)	3,725	3,746	3,763	3,769	3,779	3,772	3,773	3,771	3,785	3,787	3,783	3,790
% Ch	1.9%	2.4%	1.8%	0.7%	1.0%	-0.7%	0.1%	-0.2%	1.4%	0.2%	-0.4%	0.7%

National Variables Forecast by IHS Economics  
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**IDAHO ECONOMIC FORECAST  
QUARTERLY DETAIL  
OCTOBER 2017**

**EMPLOYMENT**

	2018				2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>TOTAL NONFARM EMPLOYMENT</b>												
Idaho	725,789	729,091	732,146	735,020	737,496	740,231	743,281	746,633	750,664	754,261	757,244	760,824
% Ch	2.0%	1.8%	1.7%	1.6%	1.4%	1.5%	1.7%	1.8%	2.2%	1.9%	1.6%	1.9%
National (Thousands)	147,658	148,144	148,566	148,998	149,406	149,800	150,158	150,496	150,796	151,329	151,509	151,712
% Ch	1.1%	1.3%	1.1%	1.2%	1.1%	1.1%	1.0%	0.9%	0.8%	1.4%	0.5%	0.5%
<b>GOODS PRODUCING SECTOR</b>												
Idaho	117,227	117,903	118,552	119,197	119,707	120,248	120,739	121,220	121,744	122,234	122,695	123,122
% Ch	3.2%	2.3%	2.2%	2.2%	1.7%	1.8%	1.6%	1.6%	1.7%	1.6%	1.5%	1.4%
National (Thousands)	20,259	20,395	20,498	20,585	20,737	20,864	20,967	21,065	21,134	21,213	21,282	21,346
% Ch	2.1%	2.7%	2.0%	1.7%	3.0%	2.5%	2.0%	1.9%	1.3%	1.5%	1.3%	1.2%
<b>MANUFACTURING</b>												
Idaho	68,821	69,215	69,616	70,044	70,477	70,915	71,343	71,756	72,148	72,488	72,777	73,012
% Ch	2.5%	2.3%	2.3%	2.5%	2.5%	2.5%	2.4%	2.3%	2.2%	1.9%	1.6%	1.3%
National (Thousands)	12,597	12,716	12,789	12,819	12,889	12,939	12,973	13,009	13,025	13,058	13,077	13,092
% Ch	2.4%	3.8%	2.3%	1.0%	2.2%	1.6%	1.0%	1.1%	0.5%	1.0%	0.6%	0.4%
<b>DURABLE MANUFACTURING</b>												
Idaho	39,977	40,155	40,352	40,570	40,791	41,003	41,192	41,356	41,491	41,615	41,729	41,834
% Ch	1.8%	1.8%	2.0%	2.2%	2.2%	2.1%	1.9%	1.6%	1.3%	1.2%	1.1%	1.0%
National (Thousands)	7,911	8,004	8,067	8,089	8,137	8,174	8,197	8,226	8,241	8,267	8,284	8,295
% Ch	3.6%	4.8%	3.2%	1.1%	2.4%	1.8%	1.2%	1.4%	0.7%	1.3%	0.8%	0.6%
<b>LOGGING &amp; WOOD PRODUCTS</b>												
Idaho	7,894	7,948	8,016	8,099	8,197	8,276	8,335	8,375	8,395	8,419	8,447	8,479
% Ch	2.0%	2.7%	3.5%	4.2%	4.9%	3.9%	2.9%	1.9%	1.0%	1.2%	1.3%	1.5%
National (Thousands)	448	460	471	478	485	489	491	494	496	499	503	506
% Ch	4.8%	10.6%	9.8%	6.1%	6.0%	3.5%	2.2%	2.2%	1.1%	3.2%	2.6%	2.9%
<b>METAL FABRICATION</b>												
Idaho	6,137	6,169	6,206	6,246	6,286	6,324	6,359	6,393	6,423	6,451	6,478	6,504
% Ch	2.5%	2.2%	2.4%	2.6%	2.6%	2.4%	2.3%	2.1%	1.9%	1.7%	1.7%	1.6%
National (Thousands)	1,465	1,480	1,492	1,498	1,514	1,528	1,539	1,550	1,557	1,566	1,572	1,577
% Ch	3.0%	4.1%	3.0%	1.7%	4.5%	3.6%	3.0%	2.9%	1.9%	2.3%	1.6%	1.3%
<b>MACHINERY</b>												
Idaho	3,224	3,228	3,239	3,263	3,281	3,318	3,361	3,406	3,449	3,490	3,528	3,562
% Ch	0.3%	0.5%	1.4%	2.9%	2.3%	4.6%	5.2%	5.4%	5.2%	4.8%	4.4%	3.9%
National (Thousands)	1,121	1,145	1,162	1,164	1,172	1,181	1,187	1,192	1,193	1,196	1,197	1,198
% Ch	6.3%	8.8%	6.3%	0.4%	2.8%	3.2%	2.0%	1.8%	0.4%	1.0%	0.4%	0.3%
<b>COMPUTER &amp; ELECTRONICS</b>												
Idaho	12,118	12,136	12,144	12,141	12,128	12,127	12,136	12,157	12,190	12,218	12,244	12,266
% Ch	0.9%	0.6%	0.3%	-0.1%	-0.4%	-0.1%	0.3%	0.7%	1.1%	0.9%	0.8%	0.7%
National (Thousands)	1,066	1,082	1,093	1,101	1,102	1,103	1,104	1,106	1,107	1,106	1,106	1,107
% Ch	6.7%	6.0%	4.2%	3.1%	0.3%	0.5%	0.2%	0.6%	0.4%	-0.1%	-0.1%	0.3%
<b>OTHER DURABLES</b>												
Idaho	10,604	10,674	10,747	10,821	10,898	10,957	11,000	11,025	11,034	11,036	11,032	11,022
% Ch	2.6%	2.7%	2.7%	2.8%	2.9%	2.2%	1.6%	0.9%	0.3%	0.1%	-0.1%	-0.4%
National (Thousands)	3,810	3,837	3,850	3,849	3,864	3,873	3,876	3,884	3,888	3,899	3,905	3,906
% Ch	2.2%	2.9%	1.4%	-0.2%	1.6%	0.9%	0.4%	0.8%	0.4%	1.2%	0.6%	0.1%

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



**IDAHO ECONOMIC FORECAST  
QUARTERLY DETAIL  
OCTOBER 2017**

**EMPLOYMENT**

**MANUFACTURING (continued)**

	2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>NONDURABLE MANUFACTURING</b>												
Idaho	25,616	25,922	26,198	26,735	26,986	27,054	27,271	27,123	27,913	28,067	28,327	28,598
% Ch	-2.0%	4.9%	4.3%	8.5%	3.8%	1.0%	3.2%	-2.2%	12.2%	2.2%	3.8%	3.9%
National (Thousands)	4,545	4,560	4,576	4,599	4,621	4,626	4,637	4,633	4,651	4,662	4,673	4,682
% Ch	1.1%	1.3%	1.4%	2.0%	1.9%	0.4%	1.0%	-0.4%	1.6%	1.0%	0.9%	0.7%
<b>FOOD PROCESSING</b>												
Idaho	16,548	16,702	16,887	17,209	17,453	17,419	17,639	17,453	18,135	18,297	18,511	18,706
% Ch	-1.5%	3.8%	4.5%	7.9%	5.8%	-0.8%	5.1%	-4.1%	16.6%	3.6%	4.8%	4.3%
National (Thousands)	1,502	1,508	1,512	1,525	1,541	1,549	1,564	1,565	1,581	1,592	1,602	1,610
% Ch	3.3%	1.5%	1.1%	3.5%	4.2%	2.3%	3.7%	0.4%	4.1%	2.8%	2.7%	1.9%
<b>PRINTING</b>												
Idaho	1,127	1,110	1,103	1,160	1,209	1,220	1,238	1,249	1,233	1,236	1,238	1,233
% Ch	-10.7%	-6.0%	-2.3%	22.1%	18.0%	3.7%	6.1%	3.6%	-5.0%	1.1%	0.6%	-1.5%
National (Thousands)	450	450	449	452	450	448	445	442	441	438	437	435
% Ch	-1.8%	-0.4%	-0.3%	1.9%	-1.0%	-2.1%	-2.6%	-2.5%	-1.7%	-2.1%	-0.8%	-2.0%
<b>CHEMICALS</b>												
Idaho	2,512	2,497	2,572	2,618	2,640	2,691	2,724	2,789	2,932	2,935	2,978	3,038
% Ch	-1.1%	-2.4%	12.6%	7.3%	3.3%	8.0%	4.9%	9.9%	22.1%	0.5%	5.9%	8.2%
National (Thousands)	807	807	807	807	810	811	812	811	815	818	819	822
% Ch	-0.9%	0.4%	-0.2%	0.1%	1.4%	0.3%	0.5%	-0.3%	1.7%	1.8%	0.3%	1.5%
<b>OTHER NONDURABLES</b>												
Idaho	5,428	5,614	5,636	5,748	5,685	5,724	5,671	5,632	5,614	5,598	5,600	5,621
% Ch	-1.7%	14.4%	1.5%	8.2%	-4.3%	2.8%	-3.7%	-2.7%	-1.3%	-1.1%	0.1%	1.5%
National (Thousands)	1,786	1,795	1,808	1,815	1,819	1,817	1,817	1,814	1,815	1,814	1,814	1,815
% Ch	1.0%	2.0%	2.8%	1.7%	1.0%	-0.4%	-0.1%	-0.6%	0.2%	-0.1%	0.0%	0.0%
<b>MINING</b>												
Idaho	2,490	2,515	2,430	2,371	2,450	2,483	2,491	2,439	2,348	2,216	2,241	2,296
% Ch	-2.2%	4.1%	-12.9%	-9.4%	14.1%	5.3%	1.4%	-8.1%	-14.1%	-20.7%	4.5%	10.4%
National (Thousands)	821	776	741	704	658	623	611	614	632	656	669	681
% Ch	-11.1%	-20.2%	-16.6%	-18.8%	-23.6%	-19.4%	-7.6%	1.5%	12.7%	16.1%	7.8%	7.8%
<b>CONSTRUCTION</b>												
Idaho	38,129	38,025	37,900	38,982	40,745	41,345	42,058	42,798	43,638	44,369	45,050	45,604
% Ch	14.1%	-1.1%	-1.3%	11.9%	19.4%	6.0%	7.1%	7.2%	8.1%	6.9%	6.3%	5.0%
National (Thousands)	6,350	6,424	6,480	6,584	6,669	6,695	6,713	6,766	6,853	6,881	6,899	6,954
% Ch	5.1%	4.8%	3.5%	6.6%	5.3%	1.6%	1.1%	3.2%	5.3%	1.6%	1.1%	3.2%
<b>NONGOODS PRODUCING</b>												
Idaho	562,623	565,892	570,369	573,820	579,428	580,728	585,965	589,436	595,880	599,215	602,714	605,822
% Ch	3.5%	2.3%	3.2%	2.4%	4.0%	0.9%	3.7%	2.4%	4.4%	2.3%	2.4%	2.1%
National (Thousands)	121,262	121,905	122,512	123,144	123,693	124,238	124,939	125,406	125,803	126,205	126,574	127,112
% Ch	2.0%	2.1%	2.0%	2.1%	1.8%	1.8%	2.3%	1.5%	1.3%	1.3%	1.2%	1.7%
<b>SERVICES</b>												
Idaho	333,508	335,387	339,066	340,984	345,498	346,689	349,581	353,143	358,471	361,198	363,916	366,292
% Ch	4.1%	2.3%	4.5%	2.3%	5.4%	1.4%	3.4%	4.1%	6.2%	3.1%	3.0%	2.6%
National (Thousands)	77,923	78,463	78,976	79,540	79,941	80,386	80,920	81,344	81,704	82,136	82,502	82,969
% Ch	2.6%	2.8%	2.6%	2.9%	2.0%	2.2%	2.7%	2.1%	1.8%	2.1%	1.8%	2.3%
<b>INFORMATION</b>												
Idaho	9,298	9,261	9,183	9,277	9,001	9,040	9,075	9,153	9,155	9,090	9,118	9,150
% Ch	-1.7%	-1.5%	-3.3%	4.1%	-11.4%	1.8%	1.5%	3.5%	0.0%	-2.8%	1.3%	1.4%
National (Thousands)	2,737	2,745	2,758	2,762	2,772	2,767	2,781	2,770	2,747	2,725	2,714	2,698
% Ch	0.5%	1.1%	2.0%	0.5%	1.4%	-0.7%	2.0%	-1.5%	-3.2%	-3.2%	-1.6%	-2.3%
<b>FINANCIAL ACTIVITIES</b>												
Idaho	33,099	33,247	33,386	33,436	33,478	33,730	34,146	34,617	34,839	35,140	35,406	35,590
% Ch	3.7%	1.8%	1.7%	0.6%	0.5%	3.0%	5.0%	5.6%	2.6%	3.5%	3.1%	2.1%
National (Thousands)	8,073	8,099	8,141	8,176	8,217	8,264	8,313	8,345	8,399	8,431	8,464	8,522
% Ch	2.2%	1.3%	2.1%	1.7%	2.0%	2.3%	2.4%	1.6%	2.6%	1.5%	1.6%	2.8%

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**IDAHO ECONOMIC FORECAST  
QUARTERLY DETAIL  
OCTOBER 2017**

**EMPLOYMENT**

**MANUFACTURING (continued)**

	2018				2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>NONDURABLE MANUFACTURING</b>												
Idaho	28,845	29,060	29,264	29,474	29,687	29,913	30,151	30,400	30,658	30,874	31,047	31,178
% Ch	3.5%	3.0%	2.8%	2.9%	2.9%	3.1%	3.2%	3.3%	3.4%	2.8%	2.3%	1.7%
National (Thousands)	4,686	4,713	4,721	4,731	4,752	4,766	4,775	4,783	4,785	4,790	4,794	4,797
% Ch	0.4%	2.3%	0.7%	0.8%	1.9%	1.1%	0.8%	0.6%	0.2%	0.5%	0.3%	0.2%
<b>FOOD PROCESSING</b>												
Idaho	18,882	19,060	19,240	19,423	19,607	19,797	19,992	20,193	20,399	20,564	20,688	20,771
% Ch	3.8%	3.8%	3.8%	3.8%	3.9%	3.9%	4.0%	4.1%	4.1%	3.3%	2.4%	1.6%
National (Thousands)	1,617	1,633	1,641	1,651	1,668	1,679	1,687	1,694	1,698	1,705	1,711	1,717
% Ch	1.7%	4.0%	2.0%	2.4%	4.2%	2.7%	1.9%	1.6%	1.1%	1.6%	1.5%	1.5%
<b>PRINTING</b>												
Idaho	1,225	1,210	1,198	1,193	1,193	1,193	1,191	1,188	1,183	1,178	1,175	1,174
% Ch	-2.8%	-4.8%	-3.9%	-1.6%	0.0%	0.1%	-0.7%	-1.0%	-1.8%	-1.6%	-1.0%	-0.3%
National (Thousands)	436	437	436	435	437	437	437	437	437	437	437	437
% Ch	0.5%	1.3%	-0.8%	-0.8%	1.2%	0.2%	0.1%	0.3%	-0.2%	0.2%	0.1%	0.1%
<b>CHEMICALS</b>												
Idaho	3,077	3,091	3,093	3,094	3,094	3,096	3,102	3,108	3,116	3,125	3,134	3,142
% Ch	5.2%	1.9%	0.2%	0.1%	0.0%	0.3%	0.8%	0.8%	1.0%	1.1%	1.1%	1.0%
National (Thousands)	821	824	824	824	824	824	825	824	823	821	819	817
% Ch	-0.2%	1.2%	0.2%	-0.3%	0.4%	0.0%	0.0%	-0.2%	-0.6%	-0.7%	-1.0%	-1.1%
<b>OTHER NONDURABLES</b>												
Idaho	5,661	5,699	5,733	5,764	5,793	5,826	5,865	5,910	5,960	6,007	6,051	6,092
% Ch	2.9%	2.7%	2.4%	2.2%	2.0%	2.3%	2.7%	3.1%	3.4%	3.2%	3.0%	2.7%
National (Thousands)	1,813	1,819	1,820	1,821	1,823	1,825	1,827	1,828	1,827	1,827	1,826	1,825
% Ch	-0.4%	1.4%	0.1%	0.3%	0.6%	0.4%	0.3%	0.2%	-0.2%	0.1%	-0.2%	-0.3%
<b>MINING</b>												
Idaho	2,325	2,318	2,311	2,311	2,313	2,316	2,322	2,327	2,325	2,321	2,318	2,313
% Ch	5.0%	-1.1%	-1.2%	-0.1%	0.3%	0.6%	1.0%	0.9%	-0.2%	-0.7%	-0.6%	-0.8%
National (Thousands)	686	695	698	702	708	712	715	719	724	729	734	739
% Ch	2.6%	5.5%	1.6%	2.3%	3.5%	2.3%	2.0%	2.2%	2.6%	2.6%	2.8%	2.8%
<b>CONSTRUCTION</b>												
Idaho	46,081	46,370	46,625	46,842	46,917	47,016	47,074	47,138	47,271	47,424	47,600	47,797
% Ch	4.3%	2.5%	2.2%	1.9%	0.6%	0.9%	0.5%	0.5%	1.1%	1.3%	1.5%	1.7%
National (Thousands)	6,976	6,984	7,012	7,064	7,140	7,212	7,279	7,337	7,385	7,427	7,471	7,515
% Ch	1.3%	0.4%	1.6%	3.0%	4.4%	4.1%	3.7%	3.3%	2.6%	2.3%	2.4%	2.4%
<b>NONGOODS PRODUCING</b>												
Idaho	608,562	611,188	613,594	615,823	617,789	619,983	622,542	625,412	628,920	632,027	634,549	637,702
% Ch	1.8%	1.7%	1.6%	1.5%	1.3%	1.4%	1.7%	1.9%	2.3%	2.0%	1.6%	2.0%
National (Thousands)	127,399	127,749	128,068	128,414	128,669	128,936	129,191	129,431	129,662	130,116	130,227	130,367
% Ch	0.9%	1.1%	1.0%	1.1%	0.8%	0.8%	0.8%	0.7%	0.7%	1.4%	0.3%	0.4%
<b>SERVICES</b>												
Idaho	368,383	370,511	372,546	374,491	376,291	378,172	380,226	382,432	384,780	387,137	389,444	391,726
% Ch	2.3%	2.3%	2.2%	2.1%	1.9%	2.0%	2.2%	2.3%	2.5%	2.5%	2.4%	2.4%
National (Thousands)	83,248	83,600	83,886	84,188	84,406	84,660	84,890	85,104	85,296	85,522	85,761	85,998
% Ch	1.4%	1.7%	1.4%	1.4%	1.0%	1.2%	1.1%	1.0%	0.9%	1.1%	1.1%	1.1%
<b>INFORMATION</b>												
Idaho	9,185	9,192	9,171	9,121	9,043	8,996	8,980	8,996	9,043	9,091	9,142	9,194
% Ch	1.5%	0.3%	-0.9%	-2.2%	-3.4%	-2.1%	-0.7%	0.7%	2.1%	2.2%	2.2%	2.3%
National (Thousands)	2,683	2,696	2,693	2,693	2,700	2,705	2,710	2,722	2,738	2,753	2,765	2,776
% Ch	-2.2%	2.0%	-0.5%	0.1%	1.0%	0.8%	0.6%	1.8%	2.4%	2.2%	1.7%	1.6%
<b>FINANCIAL ACTIVITIES</b>												
Idaho	35,719	35,864	36,014	36,164	36,316	36,486	36,670	36,870	37,080	37,293	37,507	37,727
% Ch	1.5%	1.6%	1.7%	1.7%	1.7%	1.9%	2.0%	2.2%	2.3%	2.3%	2.3%	2.4%
National (Thousands)	8,536	8,564	8,598	8,632	8,638	8,634	8,640	8,646	8,649	8,654	8,664	8,681
% Ch	0.7%	1.3%	1.6%	1.6%	0.3%	-0.2%	0.2%	0.3%	0.2%	0.2%	0.5%	0.8%

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**IDAHO ECONOMIC FORECAST  
QUARTERLY DETAIL  
OCTOBER 2017**

**EMPLOYMENT**

	2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>SERVICES (Continued)</b>												
<b>TRANS., WAREHOUSING, UTILITIES</b>												
Idaho	23,306	23,430	23,392	23,569	23,600	23,596	23,647	23,907	23,813	24,180	24,371	24,605
% Ch	7.6%	2.1%	-0.6%	3.1%	0.5%	-0.1%	0.9%	4.5%	-1.6%	6.3%	3.2%	3.9%
National (Thousands)	5,357	5,398	5,453	5,492	5,505	5,527	5,552	5,588	5,597	5,618	5,646	5,692
% Ch	4.1%	3.2%	4.1%	2.8%	1.0%	1.6%	1.8%	2.7%	0.6%	1.5%	2.0%	3.3%
<b>PROFESSIONAL &amp; BUSINESS</b>												
Idaho	81,312	81,311	82,925	82,003	84,424	84,294	84,235	86,901	89,695	90,098	91,101	91,726
% Ch	2.4%	0.0%	8.2%	-4.4%	12.3%	-0.6%	-0.3%	13.3%	13.5%	1.8%	4.5%	2.8%
National (Thousands)	19,414	19,571	19,693	19,831	19,902	20,032	20,213	20,377	20,518	20,662	20,784	20,914
% Ch	2.9%	3.3%	2.5%	2.8%	1.4%	2.6%	3.7%	3.3%	2.8%	2.8%	2.4%	2.5%
<b>EDUCATION &amp; HEALTH</b>												
Idaho	95,956	97,156	97,878	99,030	99,602	100,117	101,676	100,406	101,914	102,699	103,407	104,172
% Ch	3.4%	5.1%	3.0%	4.8%	2.3%	2.1%	6.4%	-4.9%	6.1%	3.1%	2.8%	3.0%
National (Thousands)	21,784	21,949	22,096	22,269	22,395	22,547	22,695	22,827	22,939	23,055	23,184	23,350
% Ch	2.9%	3.1%	2.7%	3.2%	2.3%	2.7%	2.7%	2.3%	2.0%	2.0%	2.3%	2.9%
<b>LEISURE &amp; HOSPITALITY</b>												
Idaho	67,282	67,562	68,978	69,901	71,469	71,788	72,439	73,724	74,551	75,175	75,532	75,911
% Ch	5.5%	1.7%	8.7%	5.5%	9.3%	1.8%	3.7%	7.3%	4.6%	3.4%	1.9%	2.0%
National (Thousands)	14,956	15,082	15,211	15,371	15,489	15,574	15,670	15,726	15,785	15,898	15,947	16,018
% Ch	2.7%	3.4%	3.4%	4.3%	3.1%	2.2%	2.5%	1.4%	1.5%	2.9%	1.2%	1.8%
<b>OTHER SERVICES</b>												
Idaho	23,255	23,418	23,323	23,768	23,924	24,122	24,364	24,434	24,504	24,817	24,981	25,138
% Ch	8.9%	2.8%	-1.6%	7.9%	2.6%	3.4%	4.1%	1.2%	1.2%	5.2%	2.7%	2.5%
National (Thousands)	5,602	5,618	5,623	5,640	5,660	5,675	5,696	5,710	5,720	5,747	5,763	5,775
% Ch	1.0%	1.1%	0.4%	1.2%	1.4%	1.0%	1.5%	1.0%	0.7%	1.9%	1.1%	0.9%
<b>TRADE</b>												
Idaho	110,538	111,302	112,041	112,992	113,645	113,472	114,451	114,828	115,100	115,686	116,195	116,730
% Ch	5.3%	2.8%	2.7%	3.4%	2.3%	-0.6%	3.5%	1.3%	1.0%	2.1%	1.8%	1.9%
National (Thousands)	21,379	21,441	21,482	21,524	21,616	21,664	21,731	21,762	21,785	21,749	21,741	21,816
% Ch	1.3%	1.2%	0.8%	0.8%	1.7%	0.9%	1.2%	0.6%	0.4%	-0.7%	-0.1%	1.4%
<b>RETAIL TRADE</b>												
Idaho	82,571	83,417	83,937	84,610	85,007	84,904	85,738	85,996	86,289	86,581	86,964	87,364
% Ch	6.6%	4.2%	2.5%	3.2%	1.9%	-0.5%	4.0%	1.2%	1.4%	1.4%	1.8%	1.9%
National (Thousands)	15,524	15,584	15,631	15,673	15,761	15,806	15,864	15,876	15,884	15,836	15,813	15,869
% Ch	1.4%	1.5%	1.2%	1.1%	2.3%	1.1%	1.5%	0.3%	0.2%	-1.2%	-0.6%	1.4%
<b>WHOLESALE TRADE</b>												
Idaho	27,967	27,885	28,104	28,382	28,638	28,568	28,712	28,832	28,812	29,105	29,231	29,366
% Ch	1.7%	-1.2%	3.2%	4.0%	3.7%	-1.0%	2.0%	1.7%	-0.3%	4.1%	1.7%	1.9%
National (Thousands)	5,856	5,857	5,852	5,851	5,855	5,859	5,868	5,885	5,901	5,913	5,928	5,947
% Ch	1.2%	0.1%	-0.4%	0.0%	0.3%	0.2%	0.6%	1.2%	1.1%	0.8%	1.0%	1.3%
<b>STATE &amp; LOCAL GOVERNMENT</b>												
Idaho	106,060	106,690	106,680	107,124	107,511	107,729	109,093	108,564	109,408	109,407	109,642	109,789
% Ch	-0.1%	2.4%	0.0%	1.7%	1.5%	0.8%	5.2%	-1.9%	3.1%	0.0%	0.9%	0.5%
National (Thousands)	19,214	19,251	19,295	19,313	19,360	19,402	19,482	19,485	19,500	19,512	19,524	19,519
% Ch	0.5%	0.8%	0.9%	0.4%	1.0%	0.9%	1.7%	0.1%	0.3%	0.2%	0.3%	-0.1%
<b>EDUCATION</b>												
Idaho	55,240	55,837	55,691	55,932	56,179	56,336	57,169	56,473	56,866	56,643	56,729	56,840
% Ch	0.4%	4.4%	-1.0%	1.7%	1.8%	1.1%	6.0%	-4.8%	2.8%	-1.6%	0.6%	0.8%
<b>NONEDUCATION</b>												
Idaho	50,820	50,853	50,990	51,192	51,332	51,393	51,924	52,090	52,541	52,764	52,913	52,949
% Ch	-0.6%	0.3%	1.1%	1.6%	1.1%	0.5%	4.2%	1.3%	3.5%	1.7%	1.1%	0.3%
<b>FEDERAL GOVERNMENT</b>												
Idaho	12,517	12,513	12,582	12,720	12,774	12,838	12,841	12,901	12,901	12,924	12,960	13,011
% Ch	3.0%	-0.1%	2.2%	4.4%	1.7%	2.0%	0.1%	1.9%	0.0%	0.7%	1.1%	1.6%
National (Thousands)	2,746	2,751	2,759	2,766	2,776	2,786	2,806	2,816	2,815	2,809	2,807	2,808
% Ch	0.8%	0.7%	1.2%	1.1%	1.5%	1.4%	2.9%	1.4%	-0.1%	-0.8%	-0.3%	0.2%

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**IDAHO ECONOMIC FORECAST  
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OCTOBER 2017**

**EMPLOYMENT**

	2018				2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>SERVICES (Continued)</b>												
<b>TRANS., WAREHOUSING, UTILITIES</b>												
Idaho	24,787	25,010	25,134	25,221	25,248	25,239	25,236	25,265	25,335	25,431	25,538	25,659
% Ch	3.0%	3.6%	2.0%	1.4%	0.4%	-0.2%	0.0%	0.5%	1.1%	1.5%	1.7%	1.9%
National (Thousands)	5,714	5,731	5,731	5,738	5,740	5,739	5,741	5,744	5,744	5,743	5,742	5,742
% Ch	1.5%	1.2%	0.0%	0.5%	0.1%	-0.1%	0.1%	0.2%	0.1%	-0.1%	-0.1%	0.0%
<b>PROFESSIONAL &amp; BUSINESS</b>												
Idaho	91,972	92,317	92,761	93,303	93,941	94,589	95,247	95,914	96,589	97,248	97,890	98,514
% Ch	1.1%	1.5%	1.9%	2.4%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.7%	2.6%
National (Thousands)	21,164	21,405	21,590	21,776	21,993	22,225	22,413	22,553	22,674	22,826	22,968	23,092
% Ch	4.9%	4.6%	3.5%	3.5%	4.1%	4.3%	3.4%	2.5%	2.2%	2.7%	2.5%	2.2%
<b>EDUCATION &amp; HEALTH</b>												
Idaho	104,994	105,788	106,555	107,305	108,036	108,805	109,612	110,457	111,338	112,200	113,042	113,864
% Ch	3.2%	3.1%	2.9%	2.8%	2.8%	2.9%	3.0%	3.1%	3.2%	3.1%	3.0%	2.9%
National (Thousands)	23,378	23,449	23,515	23,599	23,603	23,669	23,732	23,792	23,811	23,839	23,890	23,942
% Ch	0.5%	1.2%	1.1%	1.4%	0.1%	1.1%	1.1%	1.0%	0.3%	0.5%	0.8%	0.9%
<b>LEISURE &amp; HOSPITALITY</b>												
Idaho	76,434	76,903	77,337	77,669	77,872	78,086	78,365	78,664	78,970	79,298	79,602	79,900
% Ch	2.8%	2.5%	2.3%	1.7%	1.0%	1.1%	1.4%	1.5%	1.6%	1.7%	1.5%	1.5%
National (Thousands)	16,027	16,032	16,049	16,052	16,048	16,019	16,001	16,011	16,051	16,088	16,124	16,163
% Ch	0.2%	0.1%	0.4%	0.1%	-0.1%	-0.7%	-0.4%	0.2%	1.0%	0.9%	0.9%	1.0%
<b>OTHER SERVICES</b>												
Idaho	25,291	25,437	25,575	25,708	25,835	25,971	26,115	26,267	26,425	26,576	26,724	26,868
% Ch	2.5%	2.3%	2.2%	2.1%	2.0%	2.1%	2.2%	2.3%	2.4%	2.3%	2.2%	2.2%
National (Thousands)	5,747	5,722	5,709	5,698	5,684	5,668	5,654	5,636	5,628	5,618	5,609	5,602
% Ch	-2.0%	-1.7%	-0.9%	-0.7%	-1.0%	-1.1%	-1.0%	-1.2%	-0.6%	-0.7%	-0.6%	-0.5%
<b>TRADE</b>												
Idaho	117,317	117,781	118,126	118,370	118,488	118,718	119,061	119,523	120,091	120,711	121,391	122,125
% Ch	2.0%	1.6%	1.2%	0.8%	0.4%	0.8%	1.2%	1.6%	1.9%	2.1%	2.3%	2.4%
National (Thousands)	21,804	21,770	21,773	21,801	21,817	21,802	21,791	21,773	21,769	21,754	21,743	21,732
% Ch	-0.2%	-0.6%	0.1%	0.5%	0.3%	-0.3%	-0.2%	-0.3%	-0.1%	-0.3%	-0.2%	-0.2%
<b>RETAIL TRADE</b>												
Idaho	87,802	88,150	88,410	88,597	88,692	88,885	89,178	89,576	90,067	90,586	91,142	91,726
% Ch	2.0%	1.6%	1.2%	0.9%	0.4%	0.9%	1.3%	1.8%	2.2%	2.3%	2.5%	2.6%
National (Thousands)	15,857	15,819	15,809	15,816	15,825	15,804	15,784	15,754	15,739	15,715	15,694	15,673
% Ch	-0.3%	-1.0%	-0.3%	0.2%	0.2%	-0.5%	-0.5%	-0.8%	-0.4%	-0.6%	-0.5%	-0.5%
<b>WHOLESALE TRADE</b>												
Idaho	29,515	29,632	29,716	29,772	29,796	29,833	29,883	29,947	30,024	30,125	30,249	30,398
% Ch	2.0%	1.6%	1.1%	0.8%	0.3%	0.5%	0.7%	0.9%	1.0%	1.3%	1.7%	2.0%
National (Thousands)	5,947	5,951	5,964	5,985	5,992	5,998	6,006	6,019	6,030	6,039	6,049	6,058
% Ch	0.0%	0.3%	0.9%	1.4%	0.5%	0.4%	0.6%	0.8%	0.7%	0.6%	0.7%	0.6%
<b>STATE &amp; LOCAL GOVERNMENT</b>												
Idaho	109,787	109,778	109,780	109,820	109,885	109,941	110,029	110,114	110,205	110,325	110,449	110,578
% Ch	0.0%	0.0%	0.0%	0.1%	0.2%	0.2%	0.3%	0.3%	0.3%	0.4%	0.4%	0.5%
National (Thousands)	19,534	19,569	19,599	19,617	19,635	19,664	19,702	19,745	19,764	19,760	19,785	19,800
% Ch	0.3%	0.7%	0.6%	0.4%	0.4%	0.6%	0.8%	0.9%	0.4%	-0.1%	0.5%	0.3%
<b>EDUCATION</b>												
Idaho	56,913	56,971	57,030	57,115	57,219	57,301	57,405	57,495	57,577	57,681	57,781	57,879
% Ch	0.5%	0.4%	0.4%	0.6%	0.7%	0.6%	0.7%	0.6%	0.6%	0.7%	0.7%	0.7%
<b>NONEDUCATION</b>												
Idaho	52,874	52,807	52,751	52,705	52,667	52,640	52,624	52,619	52,628	52,644	52,667	52,698
% Ch	-0.6%	-0.5%	-0.4%	-0.3%	-0.3%	-0.2%	-0.1%	0.0%	0.1%	0.1%	0.2%	0.2%
<b>FEDERAL GOVERNMENT</b>												
Idaho	13,074	13,118	13,141	13,143	13,125	13,153	13,225	13,343	13,844	13,854	13,266	13,273
% Ch	2.0%	1.3%	0.7%	0.1%	-0.5%	0.8%	2.2%	3.6%	15.9%	0.3%	-15.9%	0.2%
National (Thousands)	2,812	2,810	2,810	2,808	2,812	2,810	2,809	2,808	2,832	3,080	2,939	2,837
% Ch	0.6%	-0.2%	-0.1%	-0.2%	0.5%	-0.2%	-0.2%	-0.1%	3.5%	40.0%	-17.1%	-13.2%

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

**IDAHO ECONOMIC FORECAST  
QUARTERLY DETAIL  
OCTOBER 2017**

**MISCELLANEOUS**

	2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>SELECTED CHAIN-WEIGHTED DEFL.</b>												
<b>Gross Domestic Product</b>	109.322	109.921	110.298	110.507	110.588	111.257	111.641	112.190	112.752	113.037	113.449	113.962
% Ch	-0.1%	2.2%	1.4%	0.8%	0.3%	2.4%	1.4%	2.0%	2.0%	1.0%	1.5%	1.8%
<b>Consumption Expenditures</b>	108.947	109.410	109.761	109.807	109.985	110.555	111.034	111.583	112.198	112.273	112.696	113.113
% Ch	-1.6%	1.7%	1.3%	0.2%	0.6%	2.1%	1.7%	2.0%	2.2%	0.3%	1.5%	1.5%
<b>Durable Goods</b>	90.927	90.729	90.270	89.793	89.506	88.873	88.085	87.376	87.587	86.793	86.306	85.852
% Ch	-2.5%	-0.9%	-2.0%	-2.1%	-1.3%	-2.8%	-3.5%	-3.2%	1.0%	-3.6%	-2.2%	-2.1%
<b>Nondurable Goods</b>	108.803	109.348	109.409	108.285	107.063	107.546	107.802	108.788	109.746	108.735	109.405	109.750
% Ch	-10.0%	2.0%	0.2%	-4.0%	-4.4%	1.8%	1.0%	3.7%	3.6%	-3.6%	2.5%	1.3%
<b>Services</b>	112.195	112.763	113.378	113.923	114.665	115.512	116.332	117.002	117.585	118.213	118.756	119.387
% Ch	1.5%	2.0%	2.2%	1.9%	2.6%	3.0%	2.9%	2.3%	2.0%	2.2%	1.8%	2.1%
<b>Consumer Price Index</b>	2.355	2.368	2.377	2.379	2.380	2.394	2.404	2.422	2.441	2.439	2.453	2.466
% Ch	-2.5%	2.4%	1.5%	0.4%	0.1%	2.3%	1.8%	3.0%	3.1%	-0.3%	2.2%	2.2%
<b>SELECTED INTEREST RATES</b>												
<b>Federal Funds</b>	0.1%	0.1%	0.1%	0.2%	0.4%	0.4%	0.4%	0.5%	0.7%	1.0%	1.2%	1.3%
<b>NY Fed Discount</b>	0.8%	0.8%	0.8%	0.8%	1.0%	1.0%	1.0%	1.0%	1.3%	1.5%	1.8%	1.8%
<b>Prime</b>	3.3%	3.3%	3.3%	3.3%	3.5%	3.5%	3.5%	3.5%	3.8%	4.0%	4.3%	4.3%
<b>Existing Home Mortgage</b>	4.0%	3.9%	4.1%	4.1%	4.0%	3.9%	3.8%	3.9%	4.4%	4.1%	4.2%	4.3%
<b>U.S. Govt. 3-Month Bills</b>	0.0%	0.0%	0.0%	0.1%	0.3%	0.3%	0.3%	0.4%	0.6%	0.9%	1.1%	1.2%
<b>U.S. Govt. 6-Month Bills</b>	0.1%	0.1%	0.2%	0.3%	0.4%	0.4%	0.4%	0.6%	0.7%	1.0%	1.1%	1.3%
<b>U.S. Govt. 5-Year Notes</b>	1.5%	1.5%	1.6%	1.6%	1.4%	1.2%	1.1%	1.6%	1.9%	1.8%	1.8%	2.0%
<b>U.S. Govt. 10-Year Notes</b>	2.0%	2.2%	2.2%	2.2%	1.9%	1.8%	1.6%	2.1%	2.4%	2.3%	2.2%	2.5%
<b>EXCHANGE RATES (2009=1.000)</b>												
<b>Major Currency Trading Partners</b>	1.201	1.218	1.255	1.285	1.301	1.263	1.284	1.335	1.338	1.312	1.239	1.244
% Ch	42.7%	6.0%	12.6%	10.1%	4.9%	-11.1%	6.6%	16.8%	1.1%	-7.7%	-20.5%	1.6%
<b>Other Important Trading Partners</b>	0.939	0.947	0.999	1.022	1.064	1.054	1.066	1.096	1.095	1.061	1.035	1.041
% Ch	20.3%	3.5%	23.8%	9.5%	17.5%	-3.5%	4.5%	11.6%	-0.2%	-11.7%	-9.5%	2.3%
<b>SELECTED US PRODUCTION INDICES</b>												
<b>Wood Products</b>	109.8	110.1	113.2	115.2	116.5	115.5	114.6	119.6	121.9	119.5	120.4	121.6
% Ch	-4.6%	1.2%	11.7%	7.5%	4.5%	-3.5%	-2.9%	18.5%	8.1%	-7.8%	3.0%	4.1%
<b>Computers &amp; Electronic Products</b>	109.2	108.8	109.0	108.7	109.4	109.6	110.3	112.6	112.7	113.8	113.5	115.1
% Ch	-0.3%	-1.4%	0.7%	-1.1%	2.4%	0.9%	2.5%	8.7%	0.3%	4.0%	-1.1%	5.5%
<b>Food</b>	104.3	104.1	105.3	105.6	107.0	107.7	108.3	107.5	110.1	111.5	112.6	112.9
% Ch	2.2%	-0.8%	4.5%	1.1%	5.5%	2.5%	2.6%	-3.1%	10.1%	5.0%	4.0%	1.2%
<b>Agricultural Chemicals</b>	101.5	105.1	99.6	105.8	109.1	112.9	116.7	119.7	122.4	123.9	126.7	128.2
% Ch	-14.7%	14.7%	-19.1%	27.1%	13.1%	14.5%	14.2%	10.9%	9.2%	5.0%	9.3%	5.0%
<b>Metal Ore Mining</b>	102.2	98.7	101.6	98.7	101.0	103.7	99.2	101.3	101.3	106.4	105.7	105.8
% Ch	6.0%	-13.1%	12.2%	-10.9%	9.6%	11.1%	-16.3%	9.0%	-0.3%	21.8%	-2.7%	0.5%

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

**IDAHO ECONOMIC FORECAST  
QUARTERLY DETAIL  
OCTOBER 2017**

**MISCELLANEOUS**

	2018				2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>SELECTED CHAIN-WEIGHTED DEFL.</b>												
<b>Gross Domestic Product</b>	114.562	115.202	115.957	116.658	117.259	117.842	118.354	119.045	119.790	120.440	121.092	121.740
% Ch	2.1%	2.3%	2.6%	2.4%	2.1%	2.0%	1.7%	2.4%	2.5%	2.2%	2.2%	2.2%
<b>Consumption Expenditures</b>	113.499	113.846	114.348	114.845	115.287	115.827	116.326	116.992	117.642	118.270	118.895	119.511
% Ch	1.4%	1.2%	1.8%	1.7%	1.5%	1.9%	1.7%	2.3%	2.2%	2.2%	2.1%	2.1%
<b>Durable Goods</b>	85.549	85.252	84.933	84.609	84.283	83.960	83.659	83.381	83.093	82.805	82.509	82.216
% Ch	-1.4%	-1.4%	-1.5%	-1.5%	-1.5%	-1.5%	-1.4%	-1.3%	-1.4%	-1.4%	-1.4%	-1.4%
<b>Nondurable Goods</b>	109.893	109.719	110.262	110.799	111.042	111.645	111.912	112.791	113.606	114.369	115.089	115.747
% Ch	0.5%	-0.6%	2.0%	2.0%	0.9%	2.2%	1.0%	3.2%	2.9%	2.7%	2.5%	2.3%
<b>Services</b>	120.006	120.669	121.338	122.003	122.681	123.393	124.147	124.954	125.760	126.551	127.354	128.165
% Ch	2.1%	2.2%	2.2%	2.2%	2.2%	2.3%	2.5%	2.6%	2.6%	2.5%	2.6%	2.6%
<b>Consumer Price Index</b>	2.476	2.484	2.498	2.512	2.525	2.541	2.554	2.573	2.591	2.608	2.624	2.641
% Ch	1.6%	1.3%	2.3%	2.3%	2.0%	2.5%	2.1%	3.0%	2.9%	2.6%	2.5%	2.5%
<b>SELECTED INTEREST RATES</b>												
<b>Federal Funds</b>	1.5%	1.5%	1.8%	2.0%	2.3%	2.5%	2.8%	3.0%	3.0%	3.0%	3.0%	3.0%
<b>NY Fed Discount</b>	2.1%	2.1%	2.4%	2.6%	2.9%	3.1%	3.4%	3.6%	3.6%	3.6%	3.6%	3.6%
<b>Prime</b>	4.5%	4.5%	4.8%	5.0%	5.3%	5.5%	5.8%	6.0%	6.0%	6.0%	6.0%	6.0%
<b>Existing Home Mortgage</b>	4.6%	4.7%	5.0%	5.2%	5.6%	5.9%	6.1%	6.2%	6.2%	6.2%	6.2%	6.2%
<b>U.S. Govt. 3-Month Bills</b>	1.4%	1.5%	1.7%	2.0%	2.2%	2.4%	2.6%	2.8%	2.9%	2.9%	2.9%	2.9%
<b>U.S. Govt. 6-Month Bills</b>	1.5%	1.7%	1.9%	2.2%	2.4%	2.6%	2.8%	3.0%	3.0%	3.0%	3.0%	3.0%
<b>U.S. Govt. 5-Year Notes</b>	2.2%	2.4%	2.6%	2.8%	3.0%	3.2%	3.4%	3.5%	3.6%	3.6%	3.6%	3.6%
<b>U.S. Govt. 10-Year Notes</b>	2.8%	3.0%	3.2%	3.4%	3.5%	3.7%	4.0%	4.1%	4.1%	4.1%	4.1%	4.1%
<b>EXCHANGE RATES (2009=1.000)</b>												
<b>Major Currency Trading Partners</b>	1.262	1.276	1.276	1.274	1.271	1.263	1.254	1.244	1.235	1.227	1.218	1.210
% Ch	5.9%	4.7%	-0.1%	-0.7%	-1.1%	-2.5%	-2.6%	-3.3%	-2.7%	-2.6%	-2.9%	-2.5%
<b>Other Important Trading Partners</b>	1.046	1.047	1.048	1.049	1.050	1.050	1.051	1.055	1.059	1.062	1.064	1.066
% Ch	2.0%	0.3%	0.4%	0.6%	0.1%	0.2%	0.3%	1.7%	1.5%	0.9%	1.1%	0.4%
<b>SELECTED US PRODUCTION INDICES</b>												
<b>Wood Products</b>	123.6	125.6	127.7	128.8	129.3	129.5	129.6	129.7	129.7	129.8	130.0	130.2
% Ch	6.8%	6.6%	6.9%	3.5%	1.5%	0.7%	0.2%	0.3%	0.0%	0.4%	0.5%	0.6%
<b>Computers &amp; Electronic Products</b>	116.7	118.4	119.8	121.2	122.5	123.7	124.7	125.8	126.7	127.7	128.7	129.7
% Ch	5.9%	5.8%	5.0%	4.7%	4.2%	3.9%	3.5%	3.3%	3.0%	3.1%	3.1%	3.3%
<b>Food</b>	113.3	113.7	114.3	114.9	115.5	116.0	116.6	117.1	117.6	118.1	118.6	119.1
% Ch	1.4%	1.6%	1.9%	2.0%	2.1%	2.0%	1.9%	1.8%	1.7%	1.6%	1.7%	1.7%
<b>Agricultural Chemicals</b>	130.2	132.6	135.2	137.5	139.6	141.3	142.5	143.3	143.7	144.1	144.5	144.8
% Ch	6.2%	7.6%	8.2%	7.0%	6.3%	4.8%	3.5%	2.3%	1.2%	1.1%	1.0%	0.8%
<b>Metal Ore Mining</b>	105.9	106.1	106.4	106.7	107.0	107.2	107.3	107.3	107.3	107.2	107.1	107.0
% Ch	0.5%	0.6%	1.0%	1.3%	1.0%	0.7%	0.3%	0.2%	-0.2%	-0.2%	-0.4%	-0.5%

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## APPENDIX

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## THE IHS ECONOMICS US MACROECONOMIC MODEL

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

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

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

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

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

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

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

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

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

## THE IDAHO ECONOMIC MODEL

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

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

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

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

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

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

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

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

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

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

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

## IDAHO ECONOMIC MODEL

$$EEA\_ID\_2100 = 3354.689 + 14.325* @MOVAV(ID0IP2122\_2123(- 1),4) - 1745.912*JECIWSP/WPI10 - 1451.700* @MOVAV(JEXCHOITPREAL(- 1),2)$$

$$EEA\_ID\_2300 = -14683.404 + 293.223*ID0HSPRS1\_A + 251.334*ID0HSPRS1\_A(- 1) + 209.445*ID0HSPRS1\_A(- 2) + 167.556*ID0HSPRS1\_A(- 3) + 125.667*ID0HSPRS1\_A(- 4) + 83.778*ID0HSPRS1\_A(- 5) + 41.889*ID0HSPRS1\_A(- 6) + 0.136*EEA\_ID\_44\_45 + 0.116*EEA\_ID\_44\_45(- 1) + 0.097*EEA\_ID\_44\_45(- 2) + 0.078*EEA\_ID\_44\_45(- 3) + 0.058*EEA\_ID\_44\_45(- 4) + 0.039*EEA\_ID\_44\_45(- 5) + 0.019*EEA\_ID\_44\_45(- 6)$$

$$EEA\_ID\_3110 = 26114.178 + 317.134* @MOVAV(IPSG311(- 1),4) - 688.421* @MOVAV((IPSG311/EMN311),6) - 2258.719* @MOVAV(JEXCHOITPREAL(- 1),2) + 41.494* @TREND$$

$$EEA\_ID\_3230 = 1214.729 + 18.303* @MOVAV(IPSG323,4) - 8.167* @MOVAV((IPSG323/EMN323),8) - 70.257* @MOVAV(JEXCHMTPREAL(- 1),2)$$

$$EEA\_ID\_3250 = 2855.721 + 17.205* @MOVAV(IPSG3253(- 1),8) - 1843.045*DUM951ON - 385.099* @MOVAV(JEXCHMTPREAL(- 1),2)$$

$$EEA\_ID\_3320 = -367.896 + 18.657* @MOVAV(IPSG332,2) + 23.773* @TREND - 601.035* @MOVAV(JEXCHOITPREAL(- 1),2)$$

$$EEA\_ID\_3330 = 159.393 + 0.128* @MOVAV(IPSG3332,8)* @TREND + 0.410* @TREND + 350.459* @MOVAV(JEXCHOITPREAL(- 1),4)$$

$$EEA\_ID\_44\_45 = 47672.559 + 243.010* @MOVAV(YPADJ\_ID,4)/ @MOVAV(JPC,4) - 553.756* @TREND$$

$$EEA\_ID\_48\_49\_22 = -4898.771 + 0.520* @MOVAV(EEA\_ID\_4200,2) + 8125.176* @MOVAV(ID0NPT(- 1),8)$$

$$EEA\_ID\_5100 = -10663.335 + 49.512* @MOVAV(IPSG51111,4) + 102.048* @TREND - 2774.858* @MOVAV(JEXCHMTPREAL(- 1),2)$$

$$EEA\_ID\_52\_53 = 9975.742 - 3490.584*DUM981ON + 44.348*YPADJ\_ID/JPC + 150.782* @MOVAV(ID0HSPR(- 1),4)$$

$$EEA\_ID\_54\_55\_56 = 1292.867 + 1.469* @MOVAV(ID0YP(- 1),4)$$

$$EEA\_ID\_61\_62 = -30409.377 + 45979.412* @MOVAV(ID0NPT,4) + 0.819* @MOVAV(ID0YPS(- 1),2)$$

$$EEA\_ID\_3340 = @BEFORE("2009Q1")*(51110.909 + 52.953*IPSG334(- 3) + 40.662*IPSG3342 - 456.779*JPC(- 2)) + @AFTER("2009Q1")*(9427.719 + 68.921*IPSG334(- 3) - 32.774*IPSG3342 - 10.426*JPC(- 2))$$

$$EEA\_ID\_4200 = @BEFORE("2012Q2")*(8522.318 + 0.228*EEA\_ID\_44\_45) + @AFTER("2012Q2")*(10155.618 + 0.217*EEA\_ID\_44\_45)$$

$$EEA\_ID\_71\_72 = -10517.692 + 1.756* @MOVAV((ID0YP/ID0NPT),4) + 90.649* @TREND$$

$$EEA\_ID\_8100 = 4976.309 + 31.962* @MOVAV(YPADJ\_ID,4)/ @MOVAV(JPC,4)$$

$$EEA\_ID\_GVF = 11802.347 + 39.927*GFOCWSS - 0.190*GFOCWSS* @TREND + 597.533*DUMCENSUS$$

$$EEA\_ID\_GVSLAD = 11045.124 + 9294.649* @MOVAV(ID0NPT,4) + 0.670* @MOVAV(ID0YPTXB(- 4),4) + 4132.889*DUM911062$$

$EEA\_ID\_GVSLED = -3772.475 + 153791.719 * ID0NPT * ((N - N16A) / N) + 0.190 * ID0YPTXB$   
 $EEA\_ID\_MFDNEC = -6091.470 + 98.372 * @MOVAV(IPSG339,2) + 46.468 * @MOVAV(IPSG335,2) + 280.394 * @MOVAV(JEXCHMTPREAL(-3),2)$   
 $EEA\_ID\_MFNNEC = -51.033 + 16.515 * @MOVAV(IPSG322,2) + 19.789 * @TREND$   
 $EEA\_ID\_WOOD = 17154.619 + 51.217 * @MOVAV(IPSG321,2) - 17331.083 * JECIWSP/WPI08 - 14.363 * IPSG321/EMD321 - 845.976 * @MOVAV(JEXCHOITPREAL(-1),2) - 5.690 * @TREND$   
 $ID0AHEMF = 2.588 + 13.497 * EEA\_ID\_DMANU(-1) / EEA\_ID\_MANU(-1) * @MOVAV(JECIWSP(-1),4) + 14.437 * EEA\_ID\_NMANU(-1) / EEA\_ID\_MANU(-1) * @MOVAV(JECIWSP(-1),4)$   
 $ID0CRCROP = 150.829 + 1.392e-05 * CRCROP + 1.883 * @TREND$   
 $ID0CRLVSTK = -2021.635 + 3.090e-05 * CRCATCVS + 5.464e-05 * CRDAIRY + 13.747 * @TREND$   
 $ID0EXFP = -347.749 + 231.501 * WPI01 + 3.630 * @TREND + 1.906e-05 * EXPUS$$   
 $ID0HSPRS1\_A = -544.188 - 1.804 * (RMMTGEXIST(-1) - @MOVAV(RMMTGEXIST(-1),4)) + 539.504 * ID0KHU1(-1) / ID0KHU1(-4) + 0.024 * @TREND * @MOVAV(ID0NPT(-4),4)$   
 $ID0ND = 5.867 + 0.566 * ID0NPT + 1.774e-04 * @TREND^2$   
 $ID0NPT = 0.427 + 3.58e-07 * @MOVAV(EEA\_ID,4) + 0.005 * @TREND$   
 $ID0WBBF$ = -178.013 + 373.529 * WPI02$   
 $ID0WBBMIL$ = @BEFORE("2002Q1") * 46.650 + @AFTER("2002Q1") * 114.659 - 327.611 * (ID0NPT/N) * GFMLCWSS + 0.225 * D(GFML) + 0.507 * GF$   
 $ID0WRWCC$ = 11375.009 + 1369.906 * ID0AHEMF$   
 $ID0NB = -5.895 + 31.515 * ID0NPT - 0.119 * @TREND$   
 $ID0WRWMF$ = 8897.416 + 2084.343 * ID0AHEMF$   
 $ID0WRWOTH$ = 4512.265 + 1547.986 * ID0AHEMF$   
 $ID0YDIR$ = -61.724 + 1.082 * (YPAIN + ZADIV + YPRENTADJ) * @MOVAV(ID0YPS(-1),4) / @MOVAV(YP(-1),4)$   
 $ID0YFC$ = -0.257 + 0.824 * ID0YFC$(-1) + 0.269 * @TREND$   
 $ID0YINV\_R$ = -2.741 + 0.641 * YPPROPADJF + 0.559 * ID0YINV\_R$(-1) + 0.687 * @TREND$   
 $ID0YPRF$ = 0.004 + 1000.002 * (ID0CRCROP + ID0CRLVSTK + ID0YTRF$ + ID0YINV\_R$ - ID0YFC$ - ID0EXFP) / 1000 - 4.771e-05 * @TREND$   
 $ID0YPRNF$ = 57.753 + 4.322 * YPPROPADJNF$   
 $ID0YRAS$ = -141.209 + 0.037 * ID0WBBS$   
 $ID0YSI$ = -25.392 + 1.182 * TXSIDOM * ID0WBBS / YPCOMPWSD$   
 $ID0YSUP$ = 71.744 + 1.542 * YPCOMPSUPPAI * (ID0WBBS / YPCOMPWSD)$   
 $ID0YTR$ = -83.147 + 880.924 * (YPTRFGF + YPTRFGSL) * (ID0NPT/N)$

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

$$ID0HSPRS2A\_A = 0.284 - 0.591*RMMTGEXIST + 593.936*IPSG321/ID0WRWCC\$( - 3) + 0.020*IPSN32732T9$$

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

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

$$ID0WBBOTH\$ = ID0WRWOTH\$ * (EEA\_ID - EEA\_ID\_2300 - EEA\_ID\_MANU) / 1000000$$

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

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

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

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

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

$$ID0YPPC = ID0YP / ID0NPT$$

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

$$eea\_id\_gvsl = eea\_id\_gvslad + eea\_id\_gvslad$$

$$eea\_id\_gv = eea\_id\_gvsl + eea\_id\_gvf$$

$$eea\_id\_sv = eea\_id\_48\_49\_22 + eea\_id\_5100 + eea\_id\_52\_53 + eea\_id\_54\_55\_56 + eea\_id\_61\_62 + eea\_id\_71\_72 + eea\_id\_8100$$

$$eea\_id\_nongoods = eea\_id\_sv + eea\_id\_4200 + eea\_id\_44\_45 + eea\_id\_gv$$

$$eea\_id\_dmanu = eea\_id\_wood + eea\_id\_3320 + eea\_id\_3330 + eea\_id\_3340 + eea\_id\_mfdnec$$

$$eea\_id\_nmanu = eea\_id\_3110 + eea\_id\_3230 + eea\_id\_3250 + eea\_id\_mfnec$$

$$eea\_id\_manu = eea\_id\_dmanu + eea\_id\_nmanu$$

$$eea\_id\_goods = eea\_id\_manu + eea\_id\_2300 + eea\_id\_2100$$

$$eea\_id = eea\_id\_goods + eea\_id\_nongoods$$

$$ID0HSPR = ID0HSPRS1\_A + ID0HSPRS2A\_A$$

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

$$ID0WBBCC\$ = (ID0WRWCC\$ * EEA\_ID\_2300) / 1000000$$

$$ID0WBBMF\$ = (ID0WRWMF\$ * EEA\_ID\_MANU) / 1000000$$

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

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

$$ID0KHU1 = ((0.997)^{0.25}) * ID0KHU1(-1) + ID0HSPRS1\_A / 4$$

$$ID0KHU2A = ((0.997)^{0.25}) * ID0KHU2A(-1) + ID0HSPRS2A\_A / 4$$

$$ID0KHU = ID0KHU1 + ID0KHU2A$$



## ENDOGENOUS VARIABLES

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

ID0WBBCC\$	Wage and salary disbursements, construction
ID0WBBF\$	Wage and salary disbursements, farm
ID0WBBMF\$	Wage and salary disbursements, manufacturing
ID0WBBMIL\$	Wage and salary disbursements, military
ID0WBBOTH\$	Wage and salary disbursements, except farm, manufacturing, military, and construction
ID0WRWCC\$	Average annual wage, construction
ID0WRWMF\$	Average annual wage, manufacturing
ID0WRWOTH\$	Average annual wage, except farm, manufacturing, military, and construction
ID0YDIR\$	Dividend, interest, and rent income
ID0YFC\$	Corporate farm income
ID0YINV_RS	Farm inventory value changes, imputed rent, and income
ID0YP	Total real personal income, 2005 dollars
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
ID0YSI\$	Contributions for social insurance
ID0YSUP\$	Other labor income
ID0YTR\$	Transfer payments to individuals
ID0YTRF\$	Government payments to Idaho farmers
IDWAGE	Idaho average annual wage
YPADJ_ID	Adjusted total personal income

## EXOGENOUS VARIABLES

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

YPAINI	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