

Idaho Economic Forecast

C.L. "Butch" Otter, Governor
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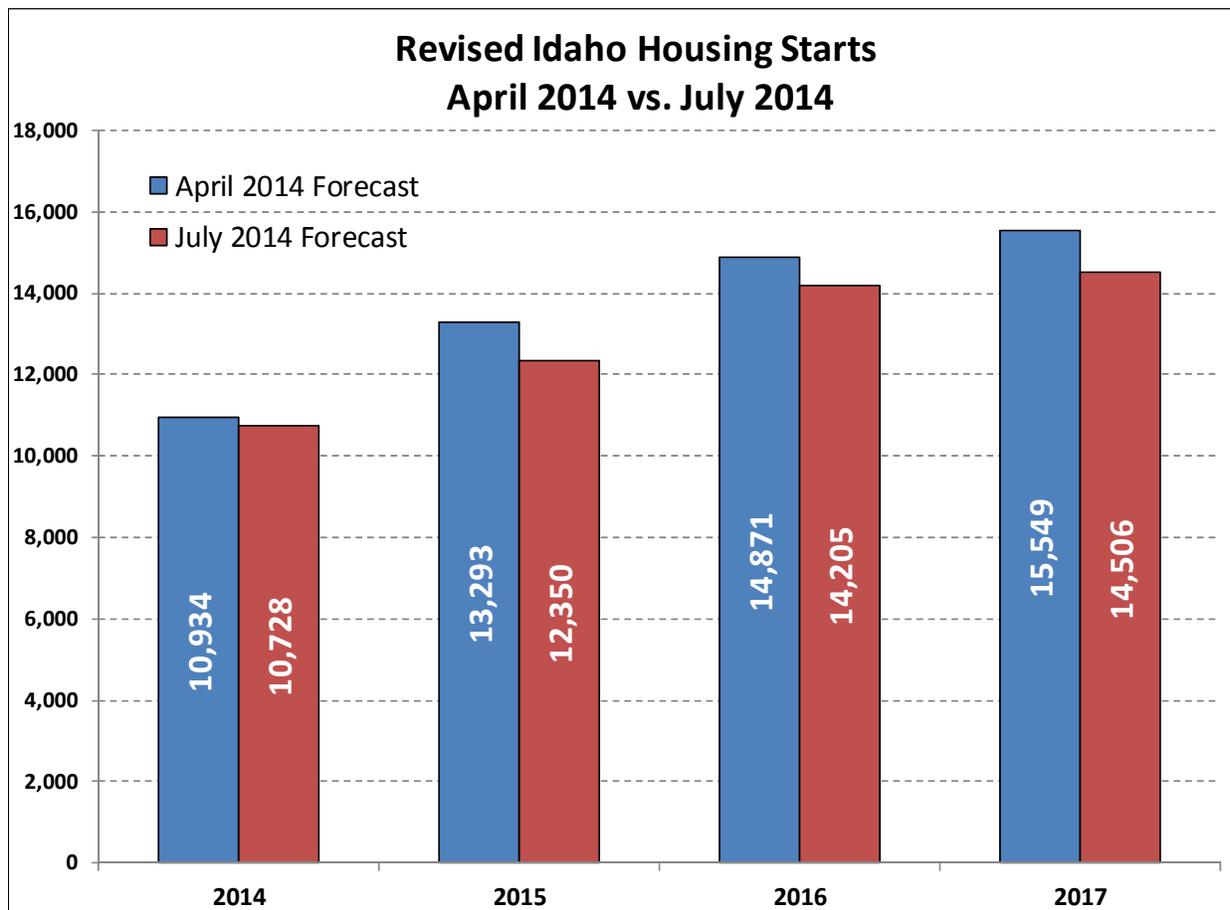
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- Forecast 2014-2017
- The Slowdown in Existing Home Sales
- Alternative Forecasts



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**IDAHO
ECONOMIC
FORECAST
2014-2017**

State of Idaho
C.L. "BUTCH" OTTER
Governor

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INTRODUCTION

The national forecast presented in this publication is the July 2014 IHS Economics baseline forecast of the US economy. The previous *Idaho Economic Forecast* is based on the April 2014 IHS Economics baseline national forecast.

This month's cover graph shows the difference between the number of Idaho housing starts that were forecast in April 2014 and in the current forecast. These differences are featured here because the housing sector plays an important role in Idaho's continuing economic recovery. Over the forecast period, the number of housing starts is still expected to increase in each year, but it is lower than in the previous forecast. Namely, the July 2014 forecast shows about 10,700 housing units in 2014; 12,400 units in 2015, 14,200 units in 2016; and 14,500 units in 2017. There were a projected 10,900 units in 2014; 13,300 units in 2015; 14,900 units in 2016; and 15,500 units in 2017 in the April 2014 forecast.

FEATURE

Sales of existing homes slowed markedly over the second half of 2013. In this *Forecast's* feature article, John Krainer takes a closer look at some of the possible reasons for this decline. His research shows that existing home sales are not that far out of line with predictions based on economic fundamentals. The primary explanation for the slowdown is an increase in mortgage interest rates, which has made financing more difficult for homebuyers. He also finds that in some markets, the slower sales have likely been accentuated by a retreat of investors buying single-family homes to convert into rental properties. Recent research shows that, although investors had invested heavily in distressed markets in past years, they may be pulling back as house values have increased in comparison with rental prices.

THE FORECAST

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

Historical and forecast data for Idaho and the US are presented in the tables in the middle section of this report. Detail is provided for every year from 2000 through 2017 and for every quarter from 2011 through 2016. The solution of the Idaho Economic Model (IEM) for this forecast begins with the second quarter of 2014.

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

CHANGES

The Idaho Department of Labor provides monthly historical employment data that are seasonally adjusted and converted to quarterly frequencies by the Idaho Division of Financial Management (DFM). The current set contains nonfarm employment through the fourth quarter of 2013. These data show that employment in

the first half of last year was higher than previously reported, but it was lower in the second half of the year. Specifically, there were about 2,000 more jobs in the first quarter and 1,000 more jobs in the second quarter. However, there were about 700 fewer jobs in the third quarter and 1,400 fewer jobs in the fourth quarter.

The Idaho quarterly personal income estimates contained in this report were released by the US Department of Commerce's Bureau of Economic Analysis (BEA) on June 24, 2014. This release includes the first estimates for the first quarter of 2014. In addition, it also includes revised estimates for all four quarters of 2013. The next round of personal income estimates is scheduled to be released on September 30, 2014. Readers with any questions should contact Nathaniel L. Clayville at (208) 334-3900 or at nathaniel.clayville@dfm.idaho.gov.

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EXECUTIVE SUMMARY

While Idaho's housing market and employment situation continue to improve, some caution is necessary following a poor first quarter for the national economy that extended to certain segments of the state's economy. Idaho housing starts posted at least double-digit growth rates in three out of the four quarters of 2013, but slowed to a growth rate of only 7.0% in the first quarter of 2014. Housing starts are expected to decline at a rate of nearly 22% in the second quarter, as multi-family starts ebb from the previous quarter's surge. This decrease likely puts housing starts back on track and back onto a more sustainable path of growth. Annually, total housing starts are still expected to grow, but at a slower rate than was previously anticipated for each year of the forecast. The recovery in Idaho's economy can also be seen in the incomes and wages of Idahoans. The average annual wage in Idaho increased at an annual rate of more than 6% in the second quarter. This increase in the average annual wage is one factor that helped to grow real personal income in Idaho at a rate of 1.3% in the second quarter. Both wages and income in the Gem State are expected to continue to grow in each year of the forecast. Although the nation had a difficult first quarter that reverberated through Idaho's economy to some degree, preliminary second quarter data suggests that the recovery is still underway in Idaho. Housing starts are expected to grow at an average annual rate of 10.6%, and real personal income is expected to grow at a 3.6% average rate through 2017. Total nonfarm employment is forecast to grow by 2.5% in 2014, 2.4% in 2015, 2.6% in 2016, and 2.3% in 2017.

Most sectors in the US economy should rebound in the second quarter, following a slow first quarter that was weighed down by a lack of economic activity as many Americans avoided unseasonably cold winter weather by staying home and postponing purchases. First quarter GDP also took a hit as exports sunk and investment in inventories declined. First quarter US GDP was revised to reflect a contraction at an annualized rate of 2.9%, but GDP is forecast to recover and expand at a rate of 3.8% in the second quarter of 2014. Growing optimism in the job market, an improving housing sector, an overall increase in consumer sentiment, and a little bit of warm weather is expected to have enticed consumers to spend more in the second quarter of 2014. The impact of this increase in spending was slightly diminished by a slight increase in prices in the second quarter. Consumer prices grew at a rate of 3.1% in the second quarter of 2014, putting some pressure on many US families. With the more volatile food and energy categories removed from the equation, the price level growth rate drops by 50 basis points. Employment gains surged in every month of the second quarter, even reaching as high as 288,000 new jobs in June, bringing total nonfarm employment in the US back above the pre-recession peak of 138.3 million jobs. The unemployment rate sank from 6.3% to 6.1% in June alone. Growth in employment is expected to continue in the major US sectors over the forecast period, with the US average monthly employment forecast to grow by at least 200,000 each month over the next few years. One of the most closely followed segments of the economy during the recovery, the housing market, should progress in the second quarter of 2014. As with the rest of the US economy, the outlook for housing was revised down slightly after a lackluster first quarter. Housing starts are expected to grow from 1.067 million units in 2014 to 1.588 million units in 2017. Nonfarm employment is anticipated to grow by another 7.5 million jobs over the same time frame. Real GDP is expected to grow by 1.7% in 2014, followed by 3.0% in 2015, 3.3% in 2016, and 3.2% in 2017.

IDAHO ECONOMIC FORECAST
EXECUTIVE SUMMARY
JULY 2014

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
U.S. GDP (BILLIONS)											
Current \$	14,480	14,720	14,418	14,958	15,534	16,245	16,800	17,335	18,165	19,082	20,053
% Ch	4.5%	1.7%	-2.1%	3.7%	3.8%	4.6%	3.4%	3.2%	4.8%	5.0%	5.1%
2009 Chain-Weighted	14,877	14,834	14,418	14,779	15,052	15,471	15,761	16,029	16,504	17,048	17,601
% Ch	1.8%	-0.3%	-2.8%	2.5%	1.8%	2.8%	1.9%	1.7%	3.0%	3.3%	3.2%
PERSONAL INCOME - CURR \$											
Idaho (Millions)	49,726	50,320	49,165	50,385	52,954	55,022	57,126	58,794	61,360	64,525	68,190
% Ch	5.7%	1.2%	-2.3%	2.5%	5.1%	3.9%	3.8%	2.9%	4.4%	5.2%	5.7%
Idaho Nonfarm (Millions)	48,184	48,543	47,842	48,849	50,694	52,665	54,635	56,738	59,468	62,688	66,389
% Ch	4.8%	0.7%	-1.4%	2.1%	3.8%	3.9%	3.7%	3.8%	4.8%	5.4%	5.9%
U.S. (Billions)	11,996	12,431	12,082	12,435	13,191	13,744	14,135	14,638	15,320	16,133	17,062
% Ch	5.3%	3.6%	-2.8%	2.9%	6.1%	4.2%	2.8%	3.6%	4.7%	5.3%	5.8%
PERSONAL INCOME - 2009 \$											
Idaho (Millions)	51,211	50,291	49,167	49,563	50,875	51,901	53,282	54,012	55,658	57,744	60,062
% Ch	3.2%	-1.8%	-2.2%	0.8%	2.6%	2.0%	2.7%	1.4%	3.0%	3.7%	4.0%
Idaho Nonfarm (Millions)	49,623	48,514	47,845	48,052	48,704	49,678	50,959	52,122	53,942	56,101	58,475
% Ch	2.2%	-2.2%	-1.4%	0.4%	1.4%	2.0%	2.6%	2.3%	3.5%	4.0%	4.2%
U.S. (Billions)	12,354	12,423	12,082	12,232	12,673	12,964	13,184	13,447	13,896	14,437	15,028
% Ch	2.7%	0.6%	-2.7%	1.2%	3.6%	2.3%	1.7%	2.0%	3.3%	3.9%	4.1%
HOUSING STARTS											
Idaho	14,347	7,981	5,732	5,197	4,566	7,141	9,104	10,728	12,350	14,205	14,506
% Ch	-26.6%	-44.4%	-28.2%	-9.3%	-12.2%	56.4%	27.5%	17.8%	15.1%	15.0%	2.1%
U.S. (Millions)	1,342	0,900	0,554	0,586	0,612	0,784	0,930	1,067	1,367	1,571	1,588
% Ch	-25.9%	-32.9%	-38.4%	5.7%	4.5%	28.1%	18.6%	14.8%	28.1%	14.9%	1.1%
TOTAL NONFARM EMPLOYMENT											
Idaho	656,222	648,901	609,989	603,660	610,688	622,207	640,246	656,361	672,095	689,303	705,441
% Ch	2.7%	-1.1%	-6.0%	-1.0%	1.2%	1.9%	2.9%	2.5%	2.4%	2.6%	2.3%
U.S. (Thousands)	137,935	137,170	131,220	130,272	131,849	134,098	136,363	138,807	141,413	143,975	146,282
% Ch	1.1%	-0.6%	-4.3%	-0.7%	1.2%	1.7%	1.7%	1.8%	1.9%	1.8%	1.6%
SELECTED INTEREST RATES											
Federal Funds	5.0%	1.9%	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%	0.3%	2.0%	3.7%
Bank Prime	8.1%	5.1%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.4%	5.0%	6.7%
Existing Home Mortgage	6.5%	6.2%	5.1%	4.9%	4.7%	3.8%	4.0%	4.5%	5.3%	5.9%	6.8%
INFLATION											
GDP Price Deflator	2.7%	1.9%	0.8%	1.2%	2.0%	1.7%	1.4%	1.5%	1.8%	1.7%	1.8%
Personal Cons Deflator	2.5%	3.1%	-0.1%	1.7%	2.4%	1.8%	1.1%	1.5%	1.3%	1.4%	1.6%
Consumer Price Index	2.9%	3.8%	-0.3%	1.6%	3.1%	2.1%	1.5%	2.0%	1.5%	1.4%	1.8%

National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014

IDAHO ECONOMIC FORECAST

EXECUTIVE SUMMARY

JULY 2014

	2013				2014				2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
U.S. GDP (BILLIONS)												
Current \$	16,535	16,661	16,913	17,090	17,016	17,221	17,462	17,644	17,851	18,058	18,278	18,474
% Ch	2.8%	3.1%	6.2%	4.2%	-1.7%	4.9%	5.7%	4.2%	4.8%	4.7%	5.0%	4.4%
2009 Chain-Weighted	15,584	15,680	15,839	15,942	15,824	15,974	16,107	16,211	16,316	16,438	16,571	16,690
% Ch	1.1%	2.5%	4.1%	2.6%	-2.9%	3.8%	3.4%	2.6%	2.6%	3.0%	3.3%	2.9%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	56,121	56,984	57,503	57,895	58,013	58,541	59,014	59,606	60,360	60,926	61,684	62,469
% Ch	-1.1%	6.3%	3.7%	2.8%	0.8%	3.7%	3.3%	4.1%	5.2%	3.8%	5.1%	5.2%
Idaho Nonfarm (Millions)	53,560	54,493	54,953	55,533	55,753	56,519	57,013	57,665	58,459	59,054	59,804	60,556
% Ch	-2.4%	7.2%	3.4%	4.3%	1.6%	5.6%	3.5%	4.7%	5.6%	4.1%	5.2%	5.1%
U.S. (Billions)	13,926	14,086	14,225	14,301	14,410	14,584	14,703	14,854	15,072	15,229	15,396	15,583
% Ch	-4.1%	4.7%	4.0%	2.2%	3.1%	4.9%	3.3%	4.2%	6.0%	4.2%	4.5%	4.9%
PERSONAL INCOME - 2009 \$												
Idaho (Millions)	52,494	53,316	53,547	53,770	53,698	53,872	54,013	54,464	54,978	55,355	55,864	56,434
% Ch	-2.1%	6.4%	1.7%	1.7%	-0.5%	1.3%	1.0%	3.4%	3.8%	2.8%	3.7%	4.1%
Idaho Nonfarm (Millions)	50,099	50,986	51,173	51,577	51,607	52,011	52,181	52,690	53,246	53,654	54,162	54,706
% Ch	-3.5%	7.3%	1.5%	3.2%	0.2%	3.2%	1.3%	4.0%	4.3%	3.1%	3.8%	4.1%
U.S. (Billions)	13,026	13,180	13,247	13,282	13,338	13,421	13,457	13,573	13,728	13,837	13,943	14,077
% Ch	-5.1%	4.8%	2.1%	1.1%	1.7%	2.5%	1.1%	3.5%	4.6%	3.2%	3.1%	3.9%
HOUSING STARTS												
Idaho	8,318	8,847	8,788	10,465	10,643	10,016	10,876	11,378	11,633	12,067	12,631	13,069
% Ch	38.5%	28.0%	-2.7%	101.1%	7.0%	-21.6%	39.0%	19.8%	9.3%	15.8%	20.0%	14.6%
U.S. (Millions)	0.947	0.865	0.882	1.025	0.925	1.046	1.104	1.194	1.243	1.339	1.416	1.470
% Ch	18.3%	-30.5%	8.3%	82.4%	-33.7%	63.8%	23.7%	36.9%	17.5%	34.6%	25.3%	16.1%
TOTAL NONFARM EMPLOYMENT												
Idaho	634,726	639,447	640,177	646,636	651,427	654,473	657,868	661,675	665,687	669,757	674,236	678,702
% Ch	4.0%	3.0%	0.5%	4.1%	3.0%	1.9%	2.1%	2.3%	2.4%	2.5%	2.7%	2.7%
U.S. (Thousands)	135,495	136,085	136,623	137,248	137,755	138,464	139,148	139,862	140,487	141,065	141,704	142,395
% Ch	1.9%	1.8%	1.6%	1.8%	1.5%	2.1%	2.0%	2.1%	1.8%	1.7%	1.8%	2.0%
SELECTED INTEREST RATES												
Federal Funds	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%	0.3%	0.7%
Bank Prime	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.7%
Existing Home Mortgage	3.6%	3.6%	4.4%	4.4%	4.5%	4.3%	4.4%	4.8%	5.2%	5.3%	5.3%	5.5%
INFLATION												
GDP Price Deflator	1.3%	0.6%	2.0%	1.6%	1.3%	1.4%	2.3%	1.6%	2.1%	1.6%	1.6%	1.4%
Personal Cons Deflator	1.1%	-0.1%	1.9%	1.1%	1.4%	2.4%	2.2%	0.7%	1.3%	1.0%	1.3%	1.0%
Consumer Price Index	1.2%	0.4%	2.2%	1.1%	1.9%	3.1%	3.1%	0.7%	1.5%	1.1%	1.4%	0.8%

**National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014**

NATIONAL FORECAST DESCRIPTION

The Forecast Period is the Second Quarter of 2014 through the Fourth Quarter of 2017

Most sectors in the US economy seemed to rebound in the second quarter, following a slow first quarter that was weighed down by a lack of economic activity as many Americans avoided unseasonably cold winter weather by staying home and postponing purchases. First quarter GDP also took a hit as exports sunk and investment in inventories declined. First quarter US GDP was revised to reflect a contraction at an annualized rate of 2.9%, but GDP is forecast to recover and expand at a rate of 3.8% in the second quarter of 2014. Real GDP is anticipated to continue growing as consumer spending flourishes, the housing market continues to rebuild momentum, and the US labor market extends gains.

Growing optimism in the job market, an improving housing sector, an overall increase in consumer sentiment, and a little bit of warm weather is expected to have enticed consumers to spend more in the second quarter of 2014. Light vehicle sales fell flat in the first quarter, but made up for lost time in the second quarter. In fact, consumer spending on durable goods made up the lion's share of the growth in consumer spending in the US in the second quarter. Nondurable goods spending and spending on services also saw gains, but to a lesser degree. The impact of this increase in spending was slightly diminished by a slight increase in prices in the second quarter. Consumer prices grew at a rate of 3.1% in the second quarter of 2014, putting some pressure on many US families. With the more volatile food and energy categories removed from the equation, the price level growth rate drops by 50 basis points.

One of the most closely followed segments of the economy during the recovery, the housing market, has also continued to progress in the second quarter of 2014. As with the rest of the US economy, the outlook for housing was revised down slightly after a lackluster first quarter. The cost of purchasing a home increased in the second quarter, as home prices grew faster than budgets. This was one reason that rental vacancy rates dropped to their lowest levels in nearly 15 years. This decrease in vacancy rates is expected to result in higher rental prices, which should eventually direct more people back towards home ownership.

One of the main drivers of economic activity in the US is the labor market, which has recently fallen into a groove that is leading it back towards pre-recession levels. Employment gains surged in every month of the second quarter, even reaching as high as 288,000 new jobs in June, bringing total nonfarm employment in the US back above the pre-recession peak of 138.3 million. The unemployment rate sank from 6.3% to 6.1% in June alone. Employment in the construction industry has had some of the strongest growth in recent quarters, followed by steady employment growth in a number of the private service industries. Manufacturing sector employment has been more subdued, growing at a rate of less than 1% in the second quarter. Growth in employment is expected to continue in the major US sectors over the forecast period, with the US average monthly employment forecast to grow by at least 200,000 each month over the next few years.

Most economic factors indicate the US is still on a path to recovery. The first quarter of 2014 was drab due to factors such as inventory corrections and weather, but because these factors were temporary and not structural, a second quarter rebound is expected. First quarter GDP contracted at a rate of 2.9%, but was followed by an estimated 3.8% growth rate in the second quarter of 2014. Real GDP is expected to grow by 1.7% in 2014, followed by 3.0% in 2015, 3.3% in 2016, and 3.2% in 2017. Housing starts are expected to grow from 1.067 million units in 2014 to 1.588 million units in 2017, and nonfarm employment is anticipated to grow by another 7.5 million jobs over the same time frame.

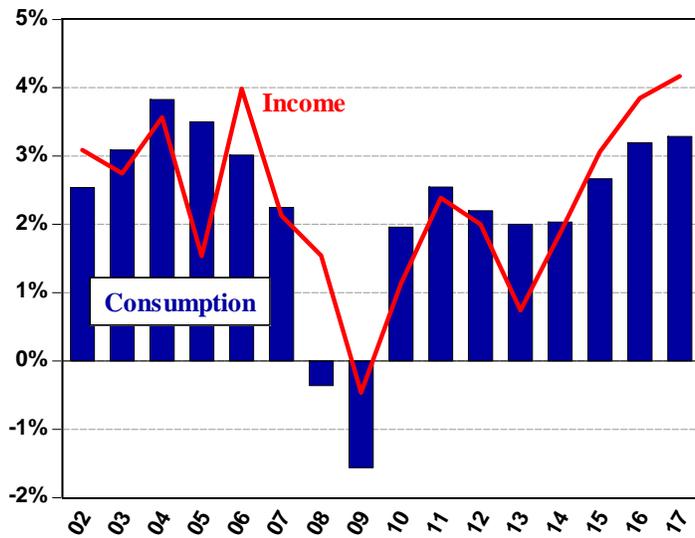
SELECTED NATIONAL ECONOMIC INDICATORS

Consumer Spending: Consumer spending in the US was stagnant in the first quarter of 2014, as unseasonably cold winter weather enticed many Americans to postpone purchases. This should fuel stronger consumer spending in the second quarter of 2014. Real US durable goods spending grew at a tepid 1.2% annual rate in the first quarter of 2014, but it is expected to rebound at a robust 12.5% rate in the second quarter. Durable goods spending accelerated as US consumers spent heavily on automobiles, furnishings, and computers. New auto sales surged to an annual growth rate of 37.0% in the second quarter, while spending on home furnishings and other durable household equipment grew at a rate of 15.7%. Spending on computers and peripheral equipment also accelerated in the second

quarter, growing at an annualized rate of 14.9%. The only durable goods spending category that decreased was therapeutic appliances and equipment, which retreated at a clip of 3.8% in the second quarter of 2014. Spending on nondurable goods grew at a rate of 1.1% in the second quarter, which was due to some strength in spending categories such as clothing and footwear, and medical products, but was stifled slightly by a decrease in the volatile fuel spending category. Spending on fuels sank at a rate of 42.0% in the second quarter. Spending on services was nearly flat in the second quarter, growing by a mere 0.2%. Spending in utilities was largely to blame for the lackluster service spending growth. Spending on water, electricity, and gas were all lower in the second quarter. In comparison, spending in most of the other service categories grew just enough to offset the utility spending declines. Overall, total real US consumer spending grew by 2.0% in 2013 and is expected to match that pace again in 2014 before advancing by anticipated growth rates of 2.7% in 2015, 3.2% in 2016, and 3.3% in 2017.

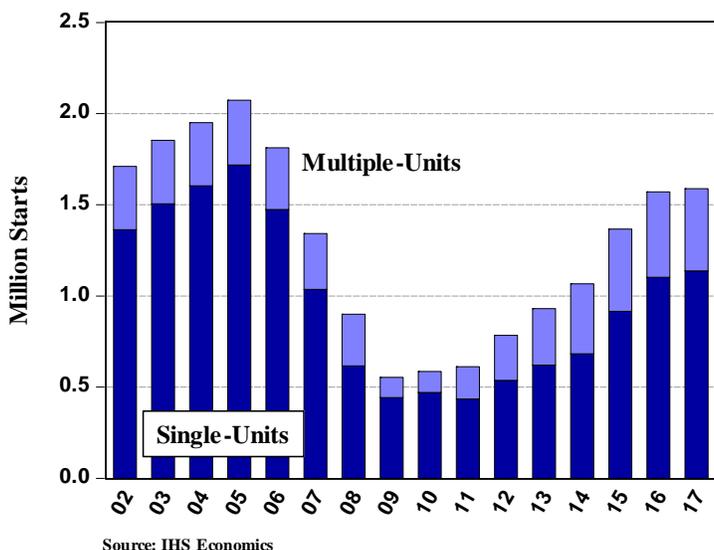
Housing: New and existing home sales in the US were under pressure in the first quarter from cold winter weather and falling affordability that caused homebuyers to postpone their purchases. As the weather warmed in the second quarter of 2014 the housing market followed suit, with preliminary data showing that annual US housing starts pierced the one-million rate once again. US housing starts hit that benchmark in the fourth quarter of 2013 before cold weather slowed down economic growth in the first quarter of 2014 and brought that number back down to a rate of 925,000 starts per year. The second quarter rebound brought that trend back up, growing at a rate of 1.05 million starts. Growth in the housing market may have been more pronounced if not for the housing affordability. Conventional 30-year fixed mortgage rates hit their recent bottom in the fourth quarter of 2012 when they averaged about 3.36% but have risen almost an entire percentage point since then. In some cases this marginal increase is enough to make a home purchase unaffordable for a would-be home buyer. In addition to the mortgage rates, home prices have been rising steadily since the first quarter of 2012. The Federal Housing Finance Agency's Purchase Only Index of home prices increased by 3.4% in 2012 before accelerating to 7.7% in 2013. The Purchase Only Index is based on more than 6 million repeat sales transactions on the same single-family properties, and uses only the actual purchase price of homes,

US Real Consumption and Disposable Personal Income Growth



Source: IHS Economics

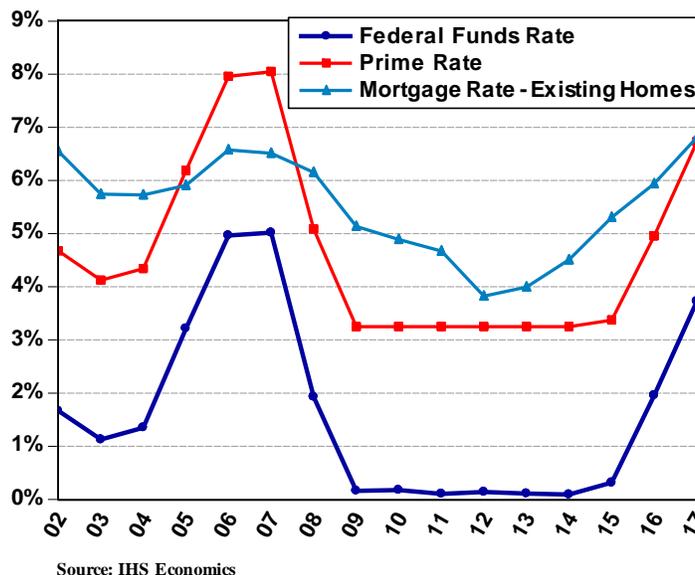
US Housing Starts



eliminating homes listed at appraisal values. By excluding these properties, the Purchase Only Index eliminates bias. The increases over the last two years have made homeownership less affordable for some Americans. The increases in home values and interest rates will not totally derail the housing recovery, though, as new and existing home sales are expected to grow in almost all of the coming years. Housing starts are anticipated to reach 1.1 million units in 2014, 1.4 million units in 2015, and 1.6 million units in both 2016 and 2017. Existing home sales are forecast to decrease slightly to 5.0 million units in 2014, before growing to 5.6 million units in 2015 and 5.7 million units in 2016. Existing home sales are then expected to ease down to a level of 5.4 million units in 2017.

Monetary Policy: The Federal Reserve held to its plan of tapering quantitative easing in the second quarter of 2014, despite a sluggish US economy in the first quarter. Earlier in the year the Federal Reserve’s Federal Open Market Committee (FOMC) voted to begin to taper the latest round of quantitative easing, with the nation’s unemployment rate finally below 6.5% and price levels remaining bridled. After eleven straight quarters of continued growth, the US GDP decreased at an annualized rate of 2.9% in the first quarter of 2014, largely due to extreme winter conditions in large parts of the country. Despite the first quarter slowdown, the FOMC has stated that they believe that economic activity will expand at a moderate pace and labor market conditions will continue to improve gradually. The committee sees the risks to the outlook and labor market as fairly balanced. For the time being, the committee has opted to continue on the path of tapering the purchases of treasury securities and mortgage-backed securities. Starting in July 2014 the committee began tapering purchases of mortgage-backed securities from \$20 billion per month to \$15 billion per month and long-term Treasury security purchases were reduced from \$25 billion per month to \$20 billion per month. The Federal Reserve also uses the federal funds rate as a monetary policy tool by guiding the short-term interest rates. The federal funds rate is the rate at which depository institutions lend reserve balances to other depository institutions overnight. In an attempt to spur economic activity during the recession the Federal Reserve began to lower their target federal funds rate in 2007. By December of 2008 the Federal Reserve had a target of 0.0% to 0.25% for the federal funds rate. The FOMC has

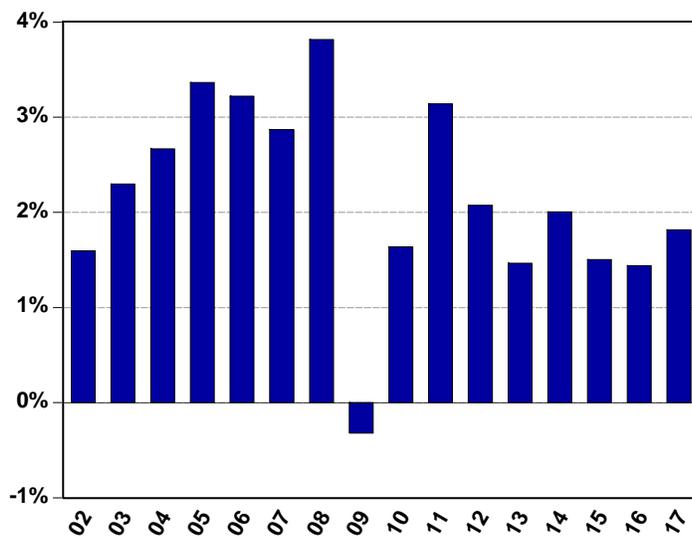
Selected US Interest Rates



suggested that the federal funds rate will continue to be targeted at the current range until additional economic indicators show a consistent history of stability. It is not expected to rise above the 0.25% level until sometime in 2015. The federal funds rate averaged 0.11% in 2013 and is expected to average 0.9% in 2014, 0.31% in 2015, 1.96% in 2016, and 3.73% in 2017.

Inflation: Price level growth in the US has remained fairly subdued over the past several years, but saw an uptick in the second quarter of 2014. Consumer prices grew at a rate of 3.1% in the second quarter, lifted by particularly strong growth in food and energy prices. Food prices edged forward at an annualized rate of 5.0% in the second quarter, while energy prices advanced at a 4.8% rate. This is the fastest that either of these price categories has grown since the second quarter of 2012. Excluding the more volatile food and energy categories, consumer prices grew at a clip of 2.6% in the second quarter. Inflation for producers grew at a more aggressive rate of 3.5% in the fourth quarter of 2013, also being driven higher by food prices, which grew at a rate of 13.2% in that quarter. Unlike consumer prices,

US Consumer Price Inflation



Source: IHS Economics

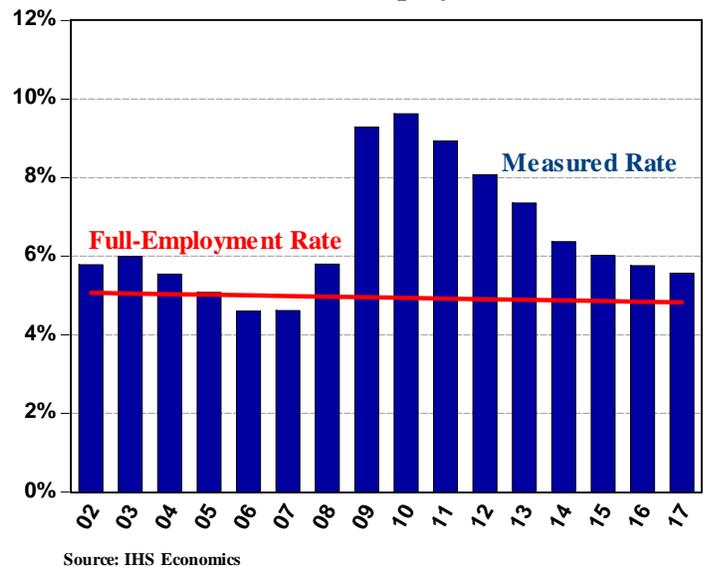
producer prices were not as heavily affected by growth in energy costs, which advanced at a tepid rate of 0.8% in the second quarter. Producer prices on intermediate materials actually retreated slightly in the second quarter, decreasing at a 0.9% annualized rate. Employment costs showed the most stability in the second quarter, growing at a rate of 1.8%, which is in line with its average for the last eight quarters. Wages and salaries grew at a rate of 2.0%, while the cost of benefits grew at a 1.6% rate. Employment costs are anticipated to grow by 1.8% for all of 2014, followed by 2.5% in 2015, 2.9% in 2016, and 3.0% in 2017. Producer prices are expected to grow by 2.3% for all of 2014, 0.6% in 2015, 0.7% in 2016, and 1.7% in 2017. Consumer prices are forecast to advance 2.0% in 2014, 1.5% in 2015, 1.4% in 2016, and 1.8% in 2017.

Business Investment: Real spending by US businesses picked up significantly in the second quarter of 2014, with especially robust growth in spending on equipment. Nonresidential fixed investment in the US grew at an annual clip of 7.3% in the second quarter after declining at a rate of 1.2% in the first quarter. Growth occurred as US businesses accelerated spending on equipment at the annualized pace of 13.4% in the second quarter. Spending on computers and peripherals was particularly strong, growing at an annualized rate of 25.8%. Industrial equipment investments were close behind, growing at an annual rate of 21.5%. Nonresidential fixed investment in the more volatile aircraft category was the only decline in the second quarter, decreasing at a 63.1% annual rate. This decrease seems high, but it is important to note that spending on aircrafts has been at historically high levels over the previous two quarters. Intellectual property product investments, which typically include patented, copyrighted, and/or trademarked products, were relatively flat in the second quarter, growing at a subdued annual rate of 0.4%. Business investments on structures increased at an annual rate of 5.4% in the second quarter, as growth in spending on mining, petroleum, commercial, and healthcare structures grew more than enough to offset a decrease in spending in manufacturing structures. Nonresidential fixed investment is

anticipated to expand throughout the rest of 2014, ending the year 4.4% higher than 2013 levels, and it is expected to grow by another 6.5% in 2015, 6.4% in 2016, and 6.7% in 2017.

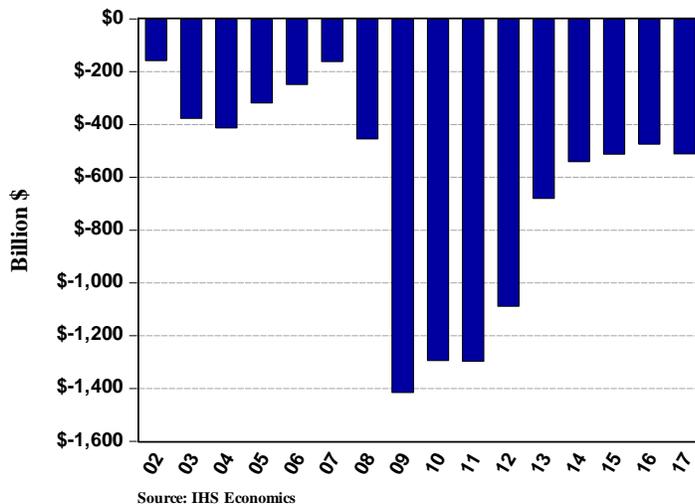
Employment: The employment situation in the US continued to recover in the second quarter of 2014 as more people re-entered the job market while the number of unemployed in the US simultaneously decreased enough to push the unemployment rate down to 6.1% by June of 2014. Total nonfarm payrolls in the US grew at a rate of 2.1% in the second quarter, up from a rate of 1.5% in the first quarter. The strongest employment growth occurred in the employment services sector, which advanced at a clip of 8.7% in the second quarter. There was also robust growth in mining employment, which grew at a 7.1% rate. Manufacturing sector employment was far from the star of the show in the second quarter, with a timid growth rate of 0.8%. Manufacturing employment was partially held back by a decrease in apparel manufacturing employment at a rate of 11.8% in the second quarter. Government employment grew at a rate of 0.4% in the second quarter, with state and local government employment growing at a rate of 0.7% while federal government employment contracted at a rate of 1.8%. Although the government employment growth rate of 0.4% seems timid, it is the fastest that the sector has grown since mid-2009. Government employment is anticipated to grow by 0.1% in 2014, 0.4% in 2015, 0.6% in 2016, and 1.0% in 2017. Manufacturing employment is expected to round out 2014 with employment growth of 1.0%, followed by 2.1% in 2015, 1.2% in 2016, and 0.5% in 2017. Total nonfarm employment is expected to grow by 1.8% in 2014, 1.9% in 2015, 1.8% in 2016, and 1.6% in 2017.

US Civilian Unemployment Rate



Government: Once again a federal government stalemate led to yet another funding crisis in Washington, D.C. in the first half of 2014. The Federal Highway Trust Fund was set to run out of cash as the main political parties sought to reach a deal to replenish the fund that contributes to the construction of both highways and mass transit in the US. A deal was reached in the House in late July that injected another \$10.8 billion into the fund that would keep projects funded through May 2015, effectively jumping one of the last big hurdles before September 30, when another continuing resolution will have to be passed in order to avoid another government shutdown. Another sticking point in the federal negotiations between lawmakers is what to do about the Export-Import Bank, which is a fund that helps to finance

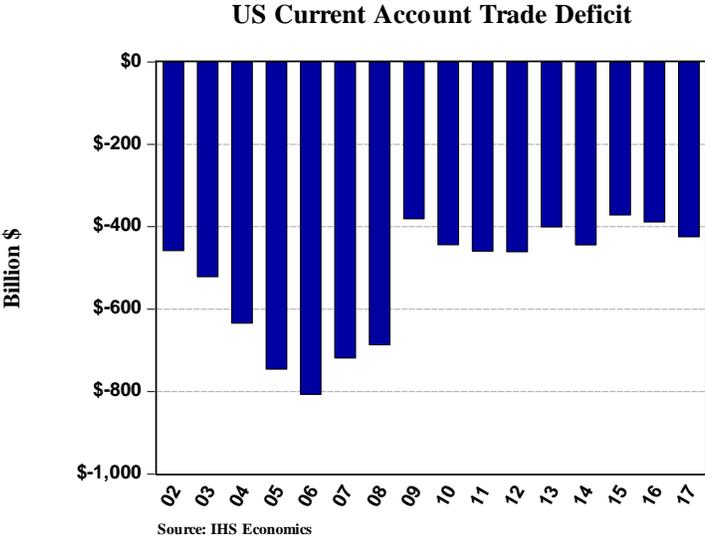
Unified Federal Budget Deficit



foreign purchases of US-produced goods by providing loan guarantees to the purchasing business or government. When the bank’s charter expires in September there may be enough opposition to a renewal of the charter to hang up negotiations on the next federal budget continuing resolution. IHS Economics assumes that this issue will ultimately not last long enough to push negotiations into another government shutdown, especially not in an election year. The Export-Import Bank’s charter is anticipated to be renewed, though it may have some new funding restrictions. The Unified Federal Budget deficit settled at \$680 billion in 2013 and is expected to decrease slightly to \$540 billion in 2014, \$513 billion in 2015, and \$474 billion in 2016, before rising modestly to \$511 billion in 2017.

International: The US trade gap widened towards the end of the first quarter and the beginning of the second quarter of 2014, suggesting that net exports may be a heavier drag on GDP growth in the second quarter than previously expected. Real US exports decreased at an annualized rate of 8.9% in the first quarter, but rebounded in the second quarter, growing at a rate of 6.3%. Similarly, the growth rate in real US imports grew from a 1.8% rate in the first quarter to a 6.4% rate in the second quarter. Net exports are expected to continue to put downward pressure on GDP growth as imports are expected to increase over the next few years. This

typically occurs as the US economy gains momentum, which will likely bring in more imports. This can ultimately be viewed as good news as the additional momentum in the US economy will typically provide enough activity in the other GDP categories to more than offset the increase in imports. Additionally, export growth will likely be held down slightly as many countries are still struggling to get back on track. On the bright side, the ramp up in domestic oil and gas drilling that the US has gone through over the last few years is culminating in a continued decrease in oil imports. These oil imports are expected to continue to drop over the forecast period and should alleviate some of the strain caused by stagnant exports. The current account balance for the US was -\$400 billion in 2013 and is expected to continue to decline to -\$444 billion in 2014, before increasing to -\$372 billion in 2015. It is forecast to then decrease to -\$389 billion in 2016 and -\$424 billion in 2017.



IDAHO FORECAST DESCRIPTION

The Forecast Period is the Second Quarter of 2014 through the Fourth Quarter of 2017

While Idaho's housing market and employment situation continue to improve, some caution is necessary following a poor first quarter for the national economy that extended to certain segments of the state's economy. Fortunately, though, the poor first quarter was largely due to some export glitches and unseasonably cold weather in the Midwest and Northeast states. Idaho was fairly sheltered from the economic impacts of the one-quarter contraction, with the exception of a few economic sectors that track national movements, such as housing. Idaho housing starts grew at a lower-than-expected pace during the first quarter, which may be a point of concern as a large portion of the recovery hinges on a strong housing sector. Growth was evident in other indicators in the state, including in employment, wages, and income. Growth in these areas was extended through the second quarter of 2014 and is expected to continue in most areas through the forecast period.

Housing in Idaho had seen strong growth in almost every quarter since it turned around during late 2011 and early 2012. Housing starts posted at least double-digit growth rates in three out of the four quarters of 2013, but slowed to a growth rate of only 7.0% in the first quarter of 2014. Housing starts are expected to decline at a rate of nearly 22% in the second quarter, as multi-family starts ebb from the previous quarter's surge. This sector can differ drastically from quarter to quarter depending on what large-scale housing projects are started in which quarter. This decrease likely puts housing starts back on track and back onto a more sustainable path of growth. Annually, total housing starts are still expected to grow, but at a slower rate than was previously anticipated for each year of the forecast.

The housing market in the state and the rest of the country can be an important driver of jobs in Idaho, as it impacts demand in several other industries. Housing starts drive employment in construction and in the logging and wood products sector as national demand for materials and labor increase. The state is expected to reach its pre-recession level of nonfarm employment (657,778 in the second quarter of 2007) sometime in the third quarter of 2014. The makeup of the nonfarm labor force will be slightly different, though. In 2007, as the recession was setting in, roughly 81% of the nonfarm labor force was employed in a service sector job. This year roughly 85% of the nonfarm labor force will be employed in a service sector job, continuing the structural shift away from goods-producing employment to nongoods-producing employment that has been underway for decades.

The recovery in Idaho's economy can also be seen in the incomes and wages of Idahoans. The average annual wage in Idaho increased at an annual rate of more than 6% in the second quarter. It should be noted that this growth followed a contraction at an annualized rate of nearly 6% in the first quarter. Still, the growth in the second quarter puts Idaho on a path of consistent wage growth. This increase in the average annual wage is one factor that helped to grow real personal income in Idaho at a rate of 1.3% in the second quarter. Both wages and income in the Gem State are expected to continue to grow in each year of the forecast.

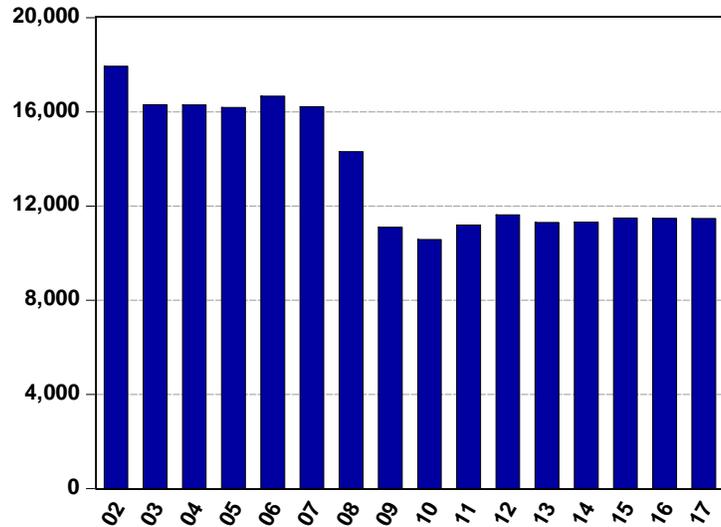
Although the nation had a difficult first quarter that reverberated through Idaho's economy to some degree, preliminary second quarter data suggests that the recovery is still underway in Idaho. The forecast suggests that economic activity will pick up steam in the second half of the year and that growth is expected to build over the forecast period. Housing starts are expected to grow at an average annual rate of 10.6%, and real personal income is expected to grow at a 3.6% average rate through 2017. Total nonfarm employment is forecast to grow by 2.5% in 2014, 2.4% in 2015, 2.6% in 2016, and 2.3% in 2017.

SELECTED IDAHO ECONOMIC INDICATORS

Computer and Electronics

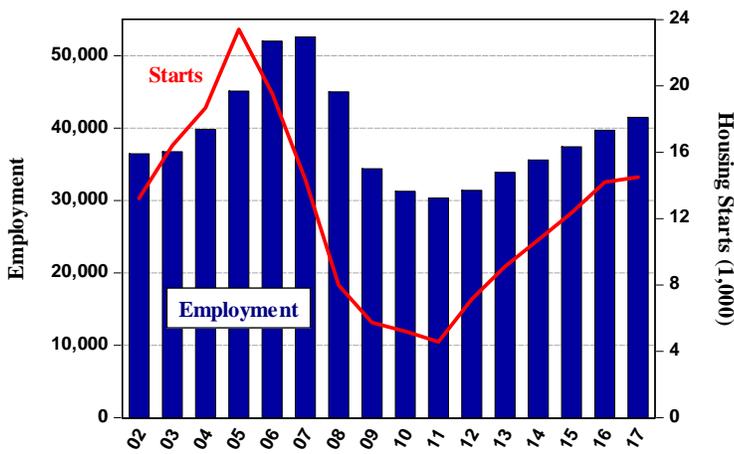
Manufacturing: Idaho’s computer and electronics manufacturing sector survived the Great Recession through a combination of cost-cutting methods. Over the past 20 years this sector has had both tremendous growth and severe contractions. From 1991 to 2001, this sector’s payroll nearly doubled from 10,700 to 19,700 jobs, an average pace of 6.3% per year, which was significantly faster than total Idaho employment growth that averaged 3.7%. The sector became the state’s largest source of manufacturing jobs when it overtook the food processing sector in 1997. In 2001 challenges in the global high-tech sector shaved that year’s job growth to 1.0%. The next year marked the start of a string of annual job losses that would run through 2010. The number of jobs shrank by about 9.0% in both 2002 and 2003. The contraction leveled off for a couple of years, and employment even grew 3.0% in 2006. But job losses returned in 2007 and continued for several years. Employment fell an additional 11.8% in 2008 and 22.4% in 2009. In 2010, it shrank by “just” 4.7%. Along the way, it returned the title of the state’s largest manufacturing employer back to the food processing sector in 2008. After suffering these losses, Idaho computer and electronics manufacturing employment accounted for about 10,600 jobs, which was about the same level as in 1991. Employment climbed above 11,000 jobs again in 2011, growing by 5.8%, followed by another 3.9% in 2012. A series of world-wide layoffs by Hewlett-Packard (HP) in 2013 impacted hundreds at the Boise HP campus, and added to the 2.8% employment decrease in the sector that year. Employment activity in the computer and electronics manufacturing sector is expected to begin to stabilize. Part of the leveling off may be attributed to a shift in the type of work that is being performed in the state. Computer and electronics manufacturers in the state have shifted focus from manufacturing to a more pronounced role in design, research, and development of the products. These development, research, and design jobs are typically less susceptible to swings in cyclical markets, which is expected to lead to more stability in computer and electronics manufacturing employment in Idaho. This sector’s employment is projected to grow 0.1% in 2014, 1.5% in 2015, flat growth in 2016, and a slight decrease of 0.1% in 2017.

Idaho Computer and Electronic Products Employment



Construction: Idaho’s construction sector was one of the fastest growing during the state’s last economic expansion, but it was also among the hardest hit during the recession. Still off of its 2007 high, the construction sector in Idaho has seen significant gains since its recent low in 2011. Idaho construction employment grew at a 6.1% annual pace from 2000 to 2006, which was more than twice as fast as the overall employment growth rate of 2.3%, adding 15,550 construction jobs over this period. During this time period, nearly every sector of the local economy was expanding, population growth was strong, and personal income was relatively high, leading to a booming housing market. From the beginning of the decade to the middle, the number of Idaho housing starts doubled from 11,501 units to 23,408 units before housing starts began to decline in 2006. Construction employment persisted into

Idaho Construction Employment and Housing Starts

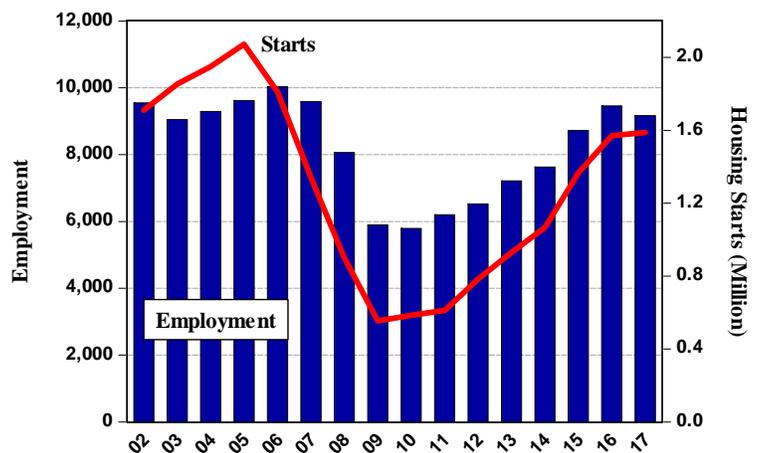


2007, but ultimately did not escape the pull of the retreating housing market. Idaho housing starts fell by 44.5% in 2008 and construction employment declined 14.4%. The full weight of the housing market was felt in 2009, when construction employment dropped another 23.6% and housing starts contracted 28.0%. Starts declined during the next two years. Decreases in housing starts and construction employment endured through 2011 before the effects of the recession began to wear off. Idaho housing starts had decreased from 23,408 units in 2005 to 4,566 units in 2011, while employment dropped from 52,592 jobs in 2007 to 30,344 jobs in 2011. By

2012 there was renewed activity in the market as housing starts rose by 56.5% to a level of 7,141 units. Employment also grew that year, but by a more modest rate of 3.5%. The recovery was solidified in 2013 with an additional 27.5% increase in housing starts to 9,104 units and 7.8% in construction employment. Employment in the Idaho’s construction sector is expected to grow by 5.1% in 2014 and in 2015, 6.2% in 2016, and 4.4% in 2017. Total employment in the sector is anticipated to be at a level of 41,449 jobs in 2017. Housing starts are also expected to continue to grow over the forecast period, reaching 14,506 units in 2017.

Logging and Wood Products: Idaho’s logging and wood product sector is closely tied to the US housing sector, which means that it was highly impacted during the recession. Between 2006 and 2011 this sector shed roughly 40% of its payroll jobs in Idaho. However, the state’s logging and wood processing industry has grown with increased demands from international markets and from the recovering domestic housing market since 2012. In that year the sector added more than 300 jobs (5.2%), followed by nearly 700 jobs in 2013 (10.6%). The increased demand that has fueled Idaho’s lumber and wood products employment recovery is expected to remain for the next several years. As a result, this sector’s employment is forecast to grow 5.7% in 2014, 14.4% in 2015, and 8.4% in 2016 before decreasing at a rate of 3.0% in 2017, as the sector stabilizes at a level close to 9,000 jobs. While strong demand has dominated this sector’s recent fortunes, it should be remembered that supply issues have also shaped the industry over the years. There are three main sources from which timber is harvested in Idaho: state, federal, and private land. Timber harvested from private and state lands has been fairly steady over the past several decades, with around 800 million board feet to one billion board feet harvested per year (Scribner log scale).

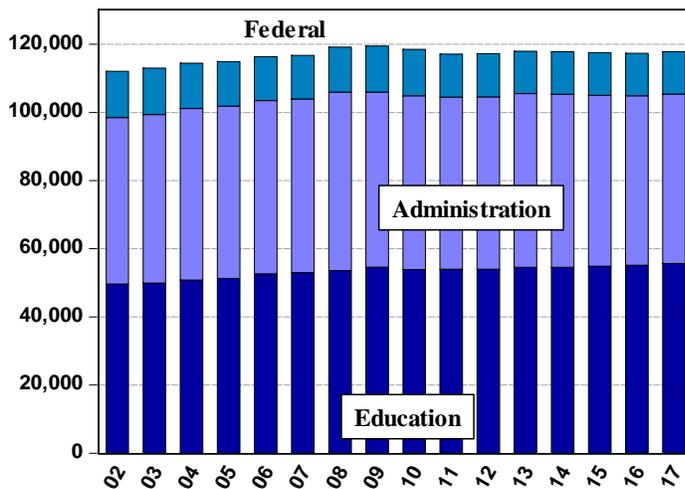
Idaho Wood Product Employment and US Housing Starts



The harvest from federal lands has dwindled significantly over the same time period. Nearly half of all logs harvested in Idaho came from federal lands as recently as the mid-1970s, but that portion has been reduced to roughly 10% as of 2013. Timber harvest from all sources grew 4% in 2013 to 1.1 billion board feet, which is still far from the high of nearly 2 billion board feet in the mid-1970s. This is also an improvement from the recent low during the last recession, during which total timber harvest in the state fell to just over 700 million board feet.

Government: Government employment growth in the state was highly volatile during the Great Recession, as tax receipts fell for the nation, the state, and for local governments. Although the nation pulled out of the recession in 2009, the recovery was gradual and tax receipts did not fully recover until 2013. Idaho was also impacted by the recession and the sluggish recovery, with total receipts declining from more than \$2.9 billion in FY 2008 to less than \$2.3 billion in FY 2010. State tax receipts have since grown to just under \$2.8 billion in FY 2013. Another important factor that decreased government employment in Idaho was slower local population growth. Population growth increases the demand for government services. Population can grow or contract depending on births, deaths, and net migration. In Idaho, net migration accounts for the largest swings in population growth. Net migration is equal to the number of individuals migrating into Idaho minus the number of individuals migrating out of Idaho. During the early 2000s net migration was relatively high, reaching as many as 25,725 persons in 2006. By 2011 net migration nearly bottomed out, with a net gain of only a few hundred individuals. This

Idaho Government Employment



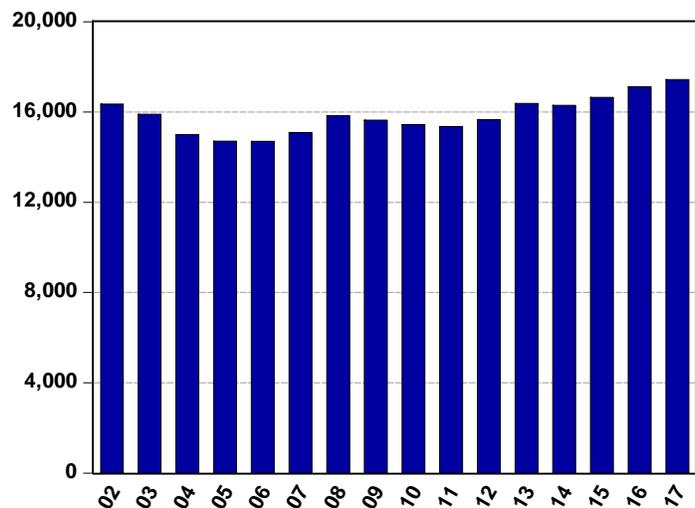
meant less demand for expanding government services. Net migration began to increase again in 2012. In that same year state and local government employment rose 0.1%, followed by another 0.9% in 2013. State and local government employment in Idaho is forecast to slightly decrease by 0.2% in 2014, 0.3% in 2015, and 0.1% in 2016, before growing by 0.5% in 2017. Federal government employment has struggled under the weight of fiscal policy constraints. Federal government employment in Idaho has declined the last two years but it is expected to grow by 0.5% in 2014. It is expected to contract by 0.1% in both 2015 and 2016, and 0.2% in 2017.

Food Processing: Idaho's food processing sector has become one of the most watched sectors in the state as several new companies have relocated operations to various parts of the state, creating hundreds of jobs. In addition, some existing Idaho food processors have also undergone expansions recently, further increasing payrolls in the sector. The sector is not immune to losses, though, as some companies have recently decreased operations in Idaho, negating some of the gains. In spite of the losses, the general outlook is upbeat for food processing in Idaho over the next few years. Among the companies either moving to the Gem State or expanding operations are Sorrento Lactalis Inc.; Frulact Group; Clif Bar; and Glanbia Foods, Inc. One of Idaho's strengths is its availability to agricultural inputs, such as milk for dairy products. According to Idaho's Department of Agriculture, in 2012 Idaho's 580,000 dairy cows produced 13.6 billion pounds of milk, or about 7% of total US milk production—the third highest in the nation. Idaho remained the nation's top potato supplier that same year, marketing about

143.2 million hundredweight of potatoes, or about 31% of the potatoes produced in all of the US. Also in 2012, Idaho produced 24% of the nation's barley, 18% of the sugar beets, and 20% of the fresh plums.

Employment in this sector can also be impacted by evolving technology that can increase production efficiencies with fewer workers. The J. R. Simplot Company is shutting its potato processing plants in Caldwell, Nampa, and Aberdeen and replacing them with a new plant. This plant will be located in Caldwell and will have the capacity to process as many potatoes as all three of the former plants combined with about 250 workers. This restructuring is anticipated to leave a net loss of roughly 800 jobs. Despite these job losses, food processing employment is forecast to expand over the next few years. Specifically, after initially shrinking by -0.6% in 2014, this sector's employment is forecast to expand 2.2% in 2015 as new companies move into the state and existing companies expand. Employment in the sector is anticipated to grow 2.9% in 2016 and 1.8% in 2017.

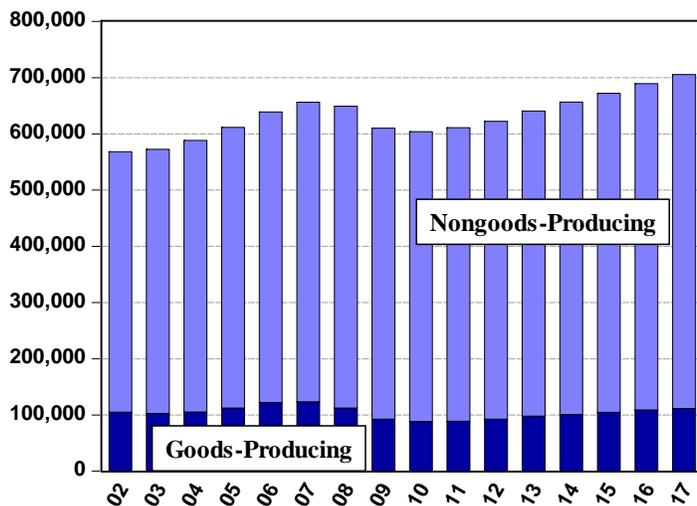
Idaho Food Processing Employment



Nongoods Producing: This sector's return to growth is important to the state's economy, as nongoods-producing jobs account for roughly two-thirds of Idaho's total nonfarm payrolls. This sector can be further subdivided into two sub-sectors: services and trade. The services category consists of information services; financial activities; transportation, warehousing, and utilities; professional and business services; education and health services; leisure and hospitality services; and other services. Many of these sub-sectors have been top growing sectors in Idaho's economy over the past years. Education and health services was the only employment category that showed consistent growth in each quarter since early 2006. Leisure and

hospitality employment growth has improved recently as more accommodation, food service, and leisure companies in Idaho have seemingly achieved enough optimism about the economy to begin to staff their businesses at near pre-recession levels. The other half of the nongoods-producing sector, the trade category, is split between its retail and wholesale components, with retail accounting for almost 75% of all the trade employment. Retail trade employment in Idaho grew at a forecasted rate of 3.2% in the second quarter of 2014, while wholesale trade grew at a slightly more subdued rate of 2.7%. All trade employment is expected to grow by 2.6% in 2014, 2.8% in 2015, and then 2.5% in 2016 before returning to a

Idaho Nonfarm Employment

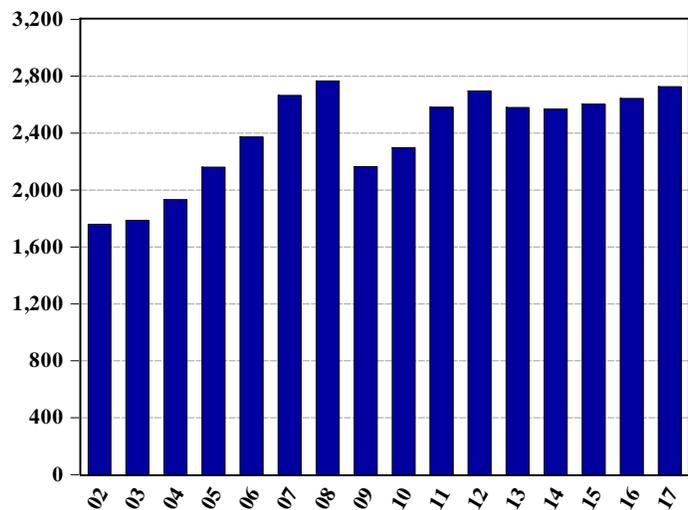


growth rate of 2.6% once again in 2017. Service sector employment is forecast to grow by 3.4% in 2014, 2.7% in 2015, 3.0% in 2016, and 2.9% in 2017.

Other Manufacturing Sectors: While sectors such as electronics manufacturing and food processing capture a lot of the attention, the importance of the other manufacturing sectors should not be understated. Businesses in these other manufacturing sectors do not neatly fit into any defined sector, but account for more than 23% of Idaho’s manufacturing payrolls. These other manufacturing sectors can be further broken out into other durable manufacturing and other nondurable manufacturing. Other durable manufacturing is the larger of the two sectors, with nearly double the payroll of its nondurable counterpart, and includes some smaller manufacturers that produce items such as furniture. Employment in other durable manufacturing sectors began to recover from the recession in 2011 and has grown in each year since. Payrolls are anticipated to grow by 1.2% for all of 2014, 3.0% in 2015, 4.5% in 2016, and 3.2% in 2017. The other nondurable manufacturing sectors, which include manufacturers of goods such as chemicals, also bounced back in 2011 and have expanded in the last few years, growing by nearly 11% in 2013 alone. Growth in this sector is expected to continue over the forecast period, albeit at a more modest rate. Other nondurable manufacturing payrolls are expected to grow by 2.1% in 2014, 1.5% in 2015, and 1.9% in both 2016 and 2017.

Mining: Idaho’s mining sector has had some promising occurrences over the past few months, but it may not ultimately be enough to push jobs into growth territory this quarter. Because a great deal of silver mining occurs in Idaho, the industry can be impacted by the price of the precious metal. Silver prices reached their peak in mid-2011 at nearly \$50 per ounce but fell to almost \$18 per ounce by mid-2013. This large price disparity in only two short years put a heavy burden on many Idaho mining companies that ultimately resulted in a handful of mine closures and layoffs. Mining employment decreased by 4.4% in 2013 as a result. Fortunately, silver prices seem to have equalized close to \$20 per ounce, which seems to be high enough to entice some mining companies to resurrect mining operations in the state. The Lucky Friday Mine in northern Idaho recently brought operations back to full production, which has led to a 278% increase in silver production over second quarter of 2013 levels. Silver production at the mine increased by 17% over first quarter levels, reflecting the impact of the mine at full production. Employment in the sector is still struggling as not all companies have moved back into full production, which is estimated to result in a payroll decrease of 0.4% in 2014. Additional hiring, along with potential new explorations and expansions are forecast to grow employment in the sector by 1.3% in 2015, 1.6% in 2016, and 3.1% in 2017.

Idaho Mining Employment



FORECASTS COMPARISON

Idaho has a dynamic economy whose growth is influenced by a myriad of local, national, and international factors. Therefore, changes to the projected values of such diverse variables as oil prices, interest rates, and national housing starts can have an effect at the state level. In order to account for the effects of such changes on the state's economy, each issue of the *Idaho Economic Forecast* uses IHS Economics most recent forecast of the US economy. Additional data, such as company-specific expansions and/or contractions are also considered.

This section's comparison table shows how the outlooks for several key Idaho and national economic series have changed from the April 2014 to the July 2014 *Idaho Economic Forecast*. The April 2014 *Idaho Economic Forecast* is based on IHS Economics April 2014 baseline US macroeconomic forecast and the July 2014 *Idaho Economic Forecast* is driven by IHS Economics July 2014 baseline forecast.

The current national economic outlook is down slightly from the April 2014 forecast. One of the reasons for this change is the disappointing economic conditions during the first quarter of 2014. Due to a combination of extreme winter weather and a revision to some inventory numbers, first quarter GDP decreased at an annual rate of 2.9%. Second quarter real GDP is expected to be 0.7% lower than was anticipated in the previous forecast. And real GDP is 0.7% lower in each year of the next few years as well. Total nonfarm employment in the US is forecast to be 0.2% higher in the second quarter of 2014 than was previously forecast, providing substance to the notion that the nation's poor first quarter GDP numbers were isolated to a single quarter. Total nonfarm employment is also expected to be 0.2% higher for all of 2014 than was expected in the previous forecast, though growth in each of the following years has been revised down in this forecast. By 2017 the forecast for nonfarm employment in the US is 0.3% lower than was reported in the previous forecast. Another reason for a revised US outlook is a downward revision to the housing market forecast, which has been the keystone to this economic recovery. Housing starts in the US are expected to be lower than previously anticipated for all years of the forecast, save 2014. By 2017 housing starts are expected to reach 1,588,000, which is 1.0% fewer starts than were previously forecast. The combination of the first quarter decline, a more modest housing forecast, and a curbed employment growth forecast put some downward pressure on the income forecast. Real personal income in the US is forecast to grow at a more modest pace over the next few years in this forecast, causing it to be down by 0.3% in 2014, 0.6% in 2015 and 2016, and 0.4% in 2017 when compared to the April 2014 forecast.

Like the national forecast, many portions of the current Idaho economic outlook have been reduced slightly compared to the previous forecast. Real personal income in the Gem State is 0.2% lower in this forecast for 2014 and is down 0.6% in 2017. Total nonfarm employment in the state is also anticipated to grow less vigorously than was previously expected. Total nonfarm payrolls are projected to be 0.5% higher in 2014 versus the previous forecast, but are lower in every other year of the forecast, with the disparity eventually growing to a difference of -0.8% in 2017. While many economic factors are forecast to grow at a marginally slower pace than were previously forecast, it is important to note that real personal income and total nonfarm employment are both expected to see year-over-year growth in each year of the current forecast.

**IDAHO ECONOMIC FORECAST
FORECASTS COMPARISON
DIFFERENCES BETWEEN
JULY 2014 vs. APRIL 2014 FORECASTS**

	2009	2010	2011	2012	2013	2014	2015	2016	2017
U.S. GDP (BILLIONS)									
Current \$	0	0	0	0	0	-175	-187	-188	-157
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	-1.0%	-1.0%	-1.0%	-0.8%
2009 Chain-Weighted	0	0	0	0	0	-106	-108	-125	-116
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	-0.7%	-0.7%	-0.7%	-0.7%
PERSONAL INCOME - CURR \$									
Idaho (Millions)	0	0	0	0	85	-30	-368	-537	-486
% Difference	0.0%	0.0%	0.0%	0.0%	0.1%	-0.1%	-0.6%	-0.8%	-0.7%
U.S. (Billions)	0	0	0	0	-1	-12	-83	-104	-77
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	-0.1%	-0.5%	-0.6%	-0.4%
PERSONAL INCOME - 2009 \$									
Idaho (Millions)	0	0	0	0	79	-124	-370	-460	-373
% Difference	0.0%	0.0%	0.0%	0.0%	0.1%	-0.2%	-0.7%	-0.8%	-0.6%
U.S. (Billions)	0	0	0	0	-1	-35	-84	-88	-54
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	-0.3%	-0.6%	-0.6%	-0.4%
TOTAL NONFARM EMPLOYMENT									
Idaho	7	23	33	64	882	3,010	-779	-3,370	-5,436
% Difference	0.0%	0.0%	0.0%	0.0%	0.1%	0.5%	-0.1%	-0.5%	-0.8%
U.S. (Thousands)	0	0	0	0	0	298	277	-173	-502
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.2%	-0.1%	-0.3%
GOODS PRODUCING SECTOR									
Idaho	4	16	25	59	59	409	-599	-325	-57
% Difference	0.0%	0.0%	0.0%	0.1%	0.1%	0.4%	-0.6%	-0.3%	-0.1%
U.S. (Thousands)	0	0	0	0	0	-37	-64	-109	-86
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	-0.2%	-0.3%	-0.5%	-0.4%
NONGOODS PRODUCING SECTOR									
Idaho	3	8	8	5	823	2,601	-180	-3,045	-5,379
% Difference	0.0%	0.0%	0.0%	0.0%	0.2%	0.5%	0.0%	-0.5%	-0.9%
U.S. (Thousands)	0	0	0	0	0	335	340	-64	-416
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	0.3%	-0.1%	-0.3%
SELECTED INTEREST RATES									
Federal Funds Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.2%	-0.1%
Bank Prime Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.2%	-0.1%
Existing Home Mortgage Rate	0.0%	0.0%	0.0%	0.0%	0.0%	-0.3%	0.0%	-0.2%	-0.1%
INFLATION									
GDP Price Deflator	0.000	0.000	0.000	0.000	0.000	-0.397	-0.409	-0.281	-0.139
Personal Cons Deflator	0.000	0.000	0.000	0.000	0.000	0.194	0.072	-0.040	-0.105
Consumer Price Index	0.000	0.000	0.000	0.000	0.000	0.004	0.002	0.001	-0.001

Forecast Begins the SECOND Quarter of 2014

ALTERNATIVE FORECASTS

IHS Economics has assigned a 70% probability of occurrence to its July 2014 baseline macroeconomic scenario, which is a 10-percentage point increase from the April 2014 forecast. The probabilities of the two alternative scenarios occurring have each been reduced to 15%.

The major features of the *Baseline Scenario* include:

- Real GDP expands 1.7% in 2014, 3.0% in 2015, 3.3% in 2016, and 3.2% in 2017.
- US nonfarm employment increases about 1.8% annually through 2017.
- The US civilian unemployment rate falls from 6.4% in 2014 to 5.6% in 2017.
- Consumer inflation peaks at 2.0% in 2014, but slips below this threshold thereafter.
- The unified federal budget deficit shrinks from about \$680 billion in 2013 to \$474 billion in 2016, but it then expands to \$511 billion in 2017.
- The current account deficit rises from \$400 billion in 2013 to \$424 billion in 2017.
- Housing starts grow from just under 1.1 million units in 2014 to just under 1.6 million units in 2017.

PESSIMISTIC SCENARIO

Anemic housing sector growth, weakening foreign growth, and sinking consumer confidence cause near-term economic growth to stall in this scenario. Tight credit, a scarcity of developed lots, and rising construction costs restrain the housing market recovery. Housing starts average about one million units in 2015, which is significantly lower than the 1.4 million units projected in the *Baseline Scenario*. The economy is further hamstrung by contracting federal government spending. Without a credible stimulus plan in the works, private-sector confidence deteriorates, stock prices drop, and the economy wobbles. Instead of growing at the baseline's 3.0% in 2015, real GDP expands by a meager 1.1%.

The declining stock market takes a toll on consumer confidence, which, in turn, causes real consumer spending to grow about half as fast in this scenario compared to the baseline, 1.3% versus 2.7%. Businesses are hesitant to expand in this environment, causing nonresidential fixed investment growth to slow. But the US is not the only country facing challenges; foreign economic growth also cools. As a result, US exports expand just 3.6% in 2015 and remain below the baseline pace over the forecast period. The double squeeze from weak domestic sales and slow exports chills businesses, leading to a slowdown in payroll growth that causes the unemployment to rise above 7.0% in 2015. In the *Pessimistic Scenario* the economy stalls, but does not retreat in 2015. Real GDP growth accelerates in 2016 and 2017, but not as fast as in the baseline.

In the *Pessimistic Scenario* Idaho's employment sector loses some momentum in the later years of the forecast and income growth is curbed. While total nonfarm employment is expected to grow by 2.5% in 2014 in each of the three scenarios, growth thereafter is lower in each year of the *Pessimistic Scenario*. In this scenario nonfarm payrolls are expected to grow by 2.0% in 2015, 1.7% in 2016, and 1.2% in 2017, versus 2.4% in 2015, 2.6% in 2016, and 2.3% in 2017 in the *Baseline Scenario*. As a result, there are nearly 16,000 fewer nonfarm jobs in 2017 compared to the *Baseline Scenario*.

The slowdown in employment growth reverberates through the state's economy, causing income growth to also decelerate in most years. Because national real consumer spending is forecast to grow slower in the *Pessimistic Scenario*, inflation is also expected to be lower. This decrease in the rate of inflation would initially lead to a slightly higher real personal income growth rate in Idaho, (1.5% in 2014 versus 1.4% in the *Baseline Scenario*). This trend should reverse in 2015 as real personal income growth in the *Pessimistic*

**IDAHO ECONOMIC FORECAST
BASELINE AND ALTERNATIVE FORECASTS
JULY 2014**

	BASELINE					OPTIMISTIC					PESSIMISTIC				
	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017
U.S. GDP (BILLIONS)															
Current \$	16,800	17,335	18,165	19,082	20,053	16,800	17,384	18,391	19,536	20,695	16,800	17,249	17,667	18,455	19,476
% Ch	3.4%	3.2%	4.8%	5.0%	5.1%	3.4%	3.5%	5.8%	6.2%	5.9%	3.4%	2.7%	2.4%	4.5%	5.5%
2009 Chain-Weighted	15,761	16,029	16,504	17,048	17,601	15,761	16,055	16,620	17,322	18,036	15,761	15,985	16,165	16,598	17,102
% Ch	1.9%	1.7%	3.0%	3.3%	3.2%	1.9%	1.9%	3.5%	4.2%	4.1%	1.9%	1.4%	1.1%	2.7%	3.0%
PERSONAL INCOME - CURR \$															
Idaho (Millions)	57,126	58,794	61,360	64,525	68,190	57,126	58,908	62,134	65,968	70,015	57,126	58,692	60,737	63,275	66,000
% Ch	3.8%	2.9%	4.4%	5.2%	5.7%	3.8%	3.1%	5.5%	6.2%	6.1%	3.8%	2.7%	3.5%	4.2%	4.3%
U.S. (Billions)	14,135	14,638	15,320	16,133	17,062	14,135	14,689	15,523	16,516	17,598	14,135	14,567	14,985	15,606	16,513
% Ch	2.8%	3.6%	4.7%	5.3%	5.8%	2.8%	3.9%	5.7%	6.4%	6.5%	2.8%	3.1%	2.9%	4.1%	5.8%
PERSONAL INCOME - 2009 \$															
Idaho (Millions)	53,282	54,012	55,658	57,744	60,062	53,282	53,891	55,836	58,816	61,669	53,282	54,057	55,320	56,440	57,450
% Ch	2.7%	1.4%	3.0%	3.7%	4.0%	2.7%	1.1%	3.6%	5.3%	4.9%	2.7%	1.5%	2.3%	2.0%	1.8%
U.S. (Billions)	13,184	13,447	13,896	14,437	15,028	13,184	13,438	13,949	14,726	15,500	13,184	13,417	13,649	13,920	14,374
% Ch	1.7%	2.0%	3.3%	3.9%	4.1%	1.7%	1.9%	3.8%	5.6%	5.3%	1.7%	1.8%	1.7%	2.0%	3.3%
TOTAL NONFARM EMPLOYMENT															
Idaho	640,246	656,361	672,095	689,303	705,441	640,246	656,371	673,257	694,373	717,685	640,246	656,302	669,724	681,396	689,650
% Ch	2.9%	2.5%	2.4%	2.6%	2.3%	2.9%	2.5%	2.6%	3.1%	3.4%	2.9%	2.5%	2.0%	1.7%	1.2%
U.S. (Thousands)	136,363	138,807	141,413	143,975	146,282	136,363	138,870	141,374	144,334	147,534	136,363	138,418	139,396	141,139	143,536
% Ch	1.7%	1.8%	1.9%	1.8%	1.6%	1.7%	1.8%	1.8%	2.1%	2.2%	1.7%	1.5%	0.7%	1.3%	1.7%
GOODS-PRODUCING SECTOR															
Idaho	97,710	100,486	104,545	108,971	111,516	97,710	100,684	105,263	108,858	112,866	97,710	100,348	103,325	107,809	111,327
% Ch	5.8%	2.8%	4.0%	4.2%	2.3%	5.8%	3.0%	4.5%	3.4%	3.7%	5.8%	2.7%	3.0%	4.3%	3.3%
U.S. (Thousands)	18,702	19,098	19,817	20,630	21,262	18,702	19,165	20,005	20,842	21,634	18,702	19,041	19,371	19,825	20,603
% Ch	1.5%	2.1%	3.8%	4.1%	3.1%	1.5%	2.5%	4.4%	4.2%	3.8%	1.5%	1.8%	1.7%	2.3%	3.9%
NONGOODS-PRODUCING SECTOR															
Idaho	542,537	555,875	567,550	580,332	593,925	542,537	555,687	567,995	585,515	604,818	542,537	555,954	566,399	573,587	578,323
% Ch	2.4%	2.5%	2.1%	2.3%	2.3%	2.4%	2.4%	2.2%	3.1%	3.3%	2.4%	2.5%	1.9%	1.3%	0.8%
U.S. (Thousands)	117,661	119,709	121,596	123,345	125,020	117,661	119,705	121,369	123,491	125,901	117,661	119,377	120,025	121,314	122,933
% Ch	1.7%	1.7%	1.6%	1.4%	1.4%	1.7%	1.7%	1.4%	1.7%	2.0%	1.7%	1.5%	0.5%	1.1%	1.3%
SELECTED INTEREST RATES															
Federal Funds	0.1%	0.1%	0.3%	2.0%	3.7%	0.1%	0.3%	2.0%	3.9%	4.0%	0.1%	0.1%	0.1%	0.1%	0.5%
Bank Prime	3.3%	3.3%	3.4%	5.0%	6.7%	3.3%	3.5%	5.4%	6.9%	7.0%	3.3%	3.2%	3.2%	3.1%	3.5%
Existing Home Mortgage	4.0%	4.5%	5.3%	5.9%	6.8%	4.0%	4.7%	6.7%	7.0%	7.0%	4.0%	4.6%	5.2%	5.9%	6.8%
INFLATION															
GDP Price Deflator	1.4%	1.5%	1.8%	1.7%	1.8%	1.4%	1.7%	2.2%	1.9%	1.7%	1.4%	1.3%	1.3%	1.7%	2.4%
Personal Cons Deflator	1.1%	1.5%	1.3%	1.4%	1.6%	1.1%	2.0%	1.8%	0.8%	1.2%	1.1%	1.3%	1.1%	2.1%	2.5%
Consumer Price Index	1.5%	2.0%	1.5%	1.4%	1.8%	1.5%	2.5%	2.1%	0.8%	1.5%	1.5%	1.7%	1.3%	2.3%	2.7%

Forecast Begins the SECOND Quarter of 2014

Scenario would fall behind growth rates in the *Baseline Scenario*. By 2017 real personal income in the *Pessimistic Scenario* is expected to be roughly \$2.6 billion lower than in the *Baseline Scenario*.

OPTIMISTIC SCENARIO

Monetary policy and trade play important roles in the *Optimistic Scenario*. Here, the European Central Bank (ECB) successfully steers the Eurozone away from deflation by expanding its monetary base. Eurozone growth strengthens more than forecasted in the baseline case as fiscal conditions improve, credit conditions ease, and pent-up demand is released. The ECB's policy actions, as well as changes in interest rates and the improved economic performance, causes the euro to appreciate. Other countries also undertake policy changes that improve their economic prospects. For example, emerging markets are assumed to enact structural reforms that increase productivity. As economic conditions improve with export levels, emerging market exchange rates also appreciate relative to the dollar.

The dollar's depreciation improves the US trade position, as domestically produced goods and services become relatively cheaper in the global market. As these prices tilt in favor to the dollar, US companies eventually accelerate their spending. Namely, nonresidential fixed investment climbs by 9.7% in 2015 and 7.8% in 2016. In the baseline investment expands 6.5% in 2015 and 6.4% in 2016. The higher investment provides the capacity necessary to meet rising demand from abroad. Wages and employment in the US also grow faster, which boosts consumer spending. Specifically, real spending increases 3.2% in 2014 (compared to 2.7% in the baseline) and 4.4% in 2016 (versus 3.2% in the baseline). This helps real GDP rise 3.5% in 2015 and 4.2% in 2016.

The economic situation in Idaho also improves at a faster pace in the *Optimistic Scenario*. Total nonfarm employment in the Gem State grows by 2.5% in both scenarios in 2014, but growth picks up in the *Optimistic Scenario* in 2016, when employment grows at a rate of 2.6% (versus 2.4% in the *Baseline Scenario*). Anticipated total nonfarm employment growth in the *Optimistic Scenario* eclipses the growth rates forecast in the *Baseline Scenario* for all years through the rest of the forecast period, ultimately leading to roughly 12,000 more jobs in 2017. This increase in nonfarm payrolls in the earlier years of the forecast occurs entirely in the goods-producing sector, which grows by 3.0% in 2014 in this scenario, versus 2.8% in the *Baseline Scenario*. The nongoods-producing sector actually grows at a slightly slower pace in the *Optimistic Scenario* (2.4% versus 2.5% in the *Baseline Scenario*). This trend turns back around in 2015 as nongoods-producing sector employment growth in this scenario begins to outpace growth in the *Baseline Scenario*.

Nominal personal income increases 3.1% in 2014, which is a slightly faster than the 2.9% growth rate expected in the *Baseline Scenario*. This gain initially turns upside down when personal income is adjusted for inflation, which is also expected to gain additional momentum in the *Optimistic Scenario*. Real personal income in Idaho is forecast to grow by 1.4% in 2014 in the *Baseline Scenario*, but only 1.1% in the *Optimistic Scenario*. This trend reverses in 2015 and real personal income growth in this scenario outpaces growth rates in the *Baseline Scenario*. By 2017 real personal income is forecast to have grown \$1.6 billion more in the *Optimistic Scenario* than in the *Baseline Scenario*.

The Slowdown in Existing Home Sales

John Krainer¹

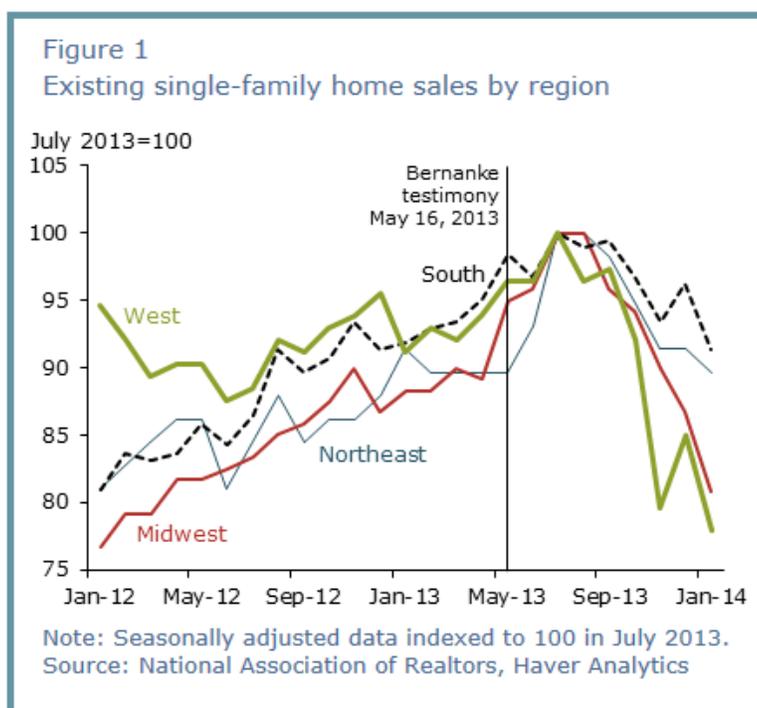
Although the housing market appeared to be on the road to recovery in recent years, sales of existing homes slowed markedly over the second half of 2013. This *Economic Letter* takes a closer look at some of the possible reasons for this decline. Evidence shows that existing home sales are not that far out of line with predictions based on economic fundamentals. The primary explanation for the slowdown is an increase in mortgage interest rates, which has made financing more difficult for homebuyers.

In some markets, the slower sales have likely been accentuated by a retreat of investors buying single-family homes to convert into rental properties. Recent research shows that, although investors had invested heavily in distressed markets in past years, they may be pulling back as house values have increased in comparison with rental prices.

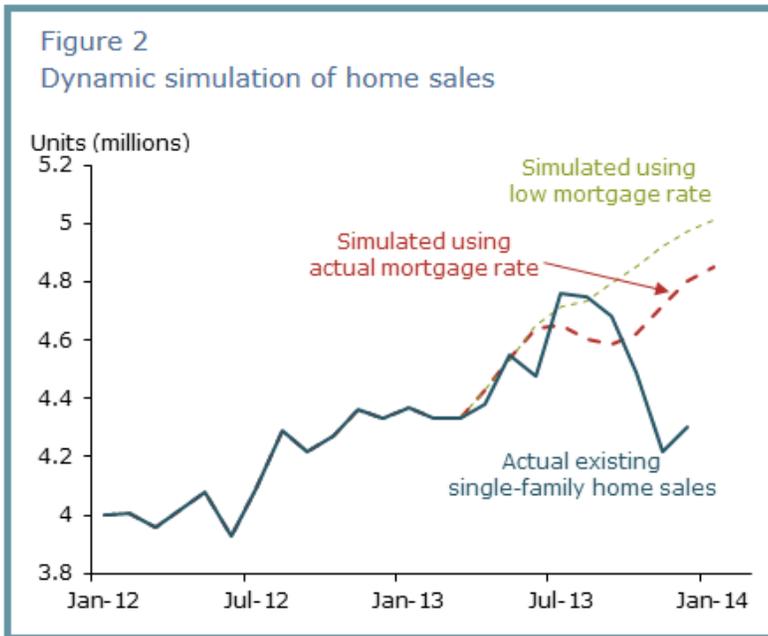
The simple dynamics of existing home sales

Many indicators of housing market activity stalled over the second half of 2013, but the weakness is most evident in existing home sales. Sales of existing single-family homes reached a recent peak of 4.75 million units in July 2013, compared with the year before and adjusted for seasonal trends. Sales have fallen ever since. Figure 1 shows that the pattern of declining home sales has been broadly similar across different regions of the country. Sales in these regions all reached their peaks in July 2013 and then fell about 10% through October; the figure shows the regions indexed to 100 in July for comparison.

The fact that home sales in different parts of the country peaked and fell together suggests that some common underlying factors were at play. One such factor that could account for the decline in home sales is rising mortgage interest rates. Starting in May 2013, financial market participants became increasingly convinced that the Federal Reserve would soon taper its long-term asset purchases, and interest rates moved up. Mortgage rates in particular rose by nearly a full percentage point. Higher mortgage rates generally have a direct dampening effect on home sales, as buyers face constraints on the size of loans they can secure and on loan payments relative to their incomes. Since individual incomes likely did not rise over this short period, and house prices continued to grow in most regions, the rise in mortgage rates was expected to have an unambiguous negative impact on sales.



¹This article originally appeared in the Number 2014-15; May 19, 2014 *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.



To gauge the effects of higher mortgage rates on home sales over time, I use a simple statistical model that relates existing home sales to past sales, past mortgage rates, and house price appreciation. I include past values of single-family construction permits to control for conditions in the market for new homes—a substitute for existing homes.

Figure 2 shows both actual data and dynamic simulations of existing home sales during the period of interest. The model simulations use seasonally adjusted monthly data through March 2013. Beyond that date, I use actual mortgage rates, house price appreciation, and building permits to predict sales of

existing homes. This simulation is dynamic in the sense that the model predictions are based on past values of home sales, which themselves are predictions from early periods in the simulation. In the figure, the solid blue line shows the actual path of existing single-family home sales, and the dashed red line is the simulated path from the model. The dashed green line offers another simulation of what sales would have been if mortgage rates had remained at the low levels observed in April 2013.

Figure 2 shows that the model follows the actual data fairly well through May 2013, when mortgage rates began to climb. At this point, the model predicts that sales should have leveled off and then declined for a short time. In fact, actual sales jumped just as mortgage rates went up. This could reflect buyers rushing to complete transactions before mortgage rates increased more, or other shocks to the system that the model doesn't account for. The statistical model captures about one-half of the decline in home sales from July to October 2013.

After October 2013, actual home sales continued to fall through the winter months, probably due in part to unusually severe winter conditions in many parts of the country. Note that the model anticipated that home sales would recover by this time. The factor behind this predicted sales growth is the strong appreciation of house prices that still persists. While higher house prices might be considered a deterrent to homebuyers, they actually can be a positive sign in the housing market. House price appreciation may boost confidence about future economic conditions for both buyers and sellers. In the data, the correlation between sales volumes and the level of house prices is significant and positive (see, for example, Krainer 2001).

The role of investors in distressed housing markets

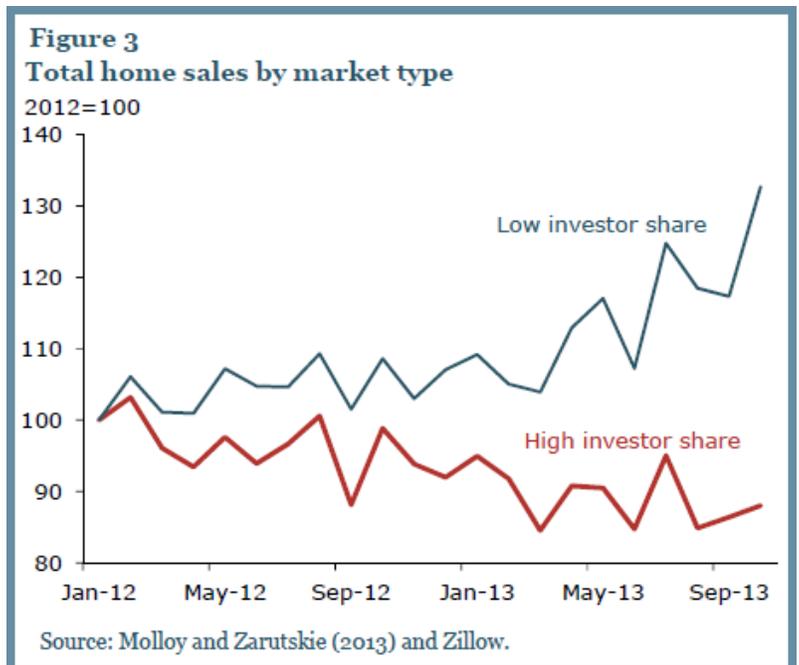
The simulation I described is based on aggregate data and is intended to capture the historical movement of existing home sales in line with other economic conditions over a long period of time. Digging deeper and looking at specific market groups, we can invariably find times when relationships between these key variables change or other factors become important. One factor that may have become an important influence in the current market is the role played by real estate investors.

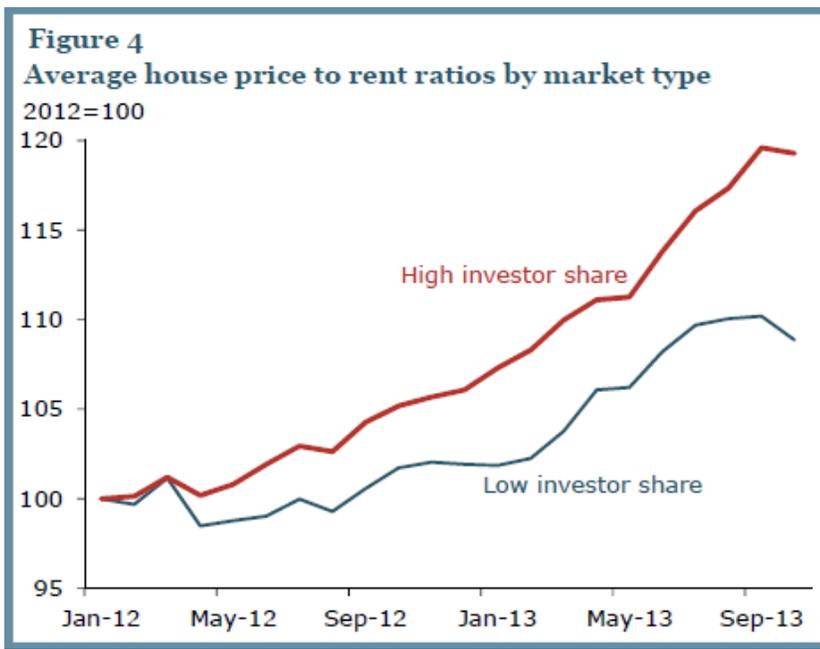
Typically, existing home sales are dominated by buyers who intend to live in the homes they purchase. In the wake of the foreclosure crisis, however, a surplus of housing became available for sale at heavily discounted prices. Opportunistic investors bought up many formerly owner-occupied units at this time and converted them into rental properties. These investors are generally less sensitive to mortgage rates or house prices than traditional buyers, which could have implications for future home sales.

How big a role real estate investors have played is still up for debate, but there is more consensus about which markets investors are most active in. Research by Molloy and Zarutskie (2013) identified and ranked investor activity in 2012 for 20 large metropolitan areas. They found a strong negative relation between investor presence and the ratio of house prices to rents; that is, markets where investors bought more houses coincided with areas where house prices were relatively lower compared with rental prices. Not only were investors attracted to markets that had high foreclosure rates and thus plenty of inventory for sale, they also were drawn to areas with relatively low home valuations that might be expected to rise.

To study how investors might have impacted sales in the housing market, I compare cities that Molloy and Zarutskie ranked in the top five by level of investor activity in 2012—specifically Atlanta, Las Vegas, Phoenix, Tampa Bay, and Charlotte—and low investor markets ranked in the bottom five—Seattle, San Francisco, Portland, Boston, and New York. Given these definitions, it is straightforward to assess the role of investors by tracking the differences in sales and other housing market variables in these different market groupings.

Figure 3 shows total monthly sales from Zillow for the top five and bottom five cities. I index the total sales levels to 100 in January 2012 to ease comparison across the two market types. The figure shows that much of the increase in nationwide sales throughout the first part of 2013 was actually absent in the high investor cities. Drilling down to the city level, Las Vegas and Phoenix show the most prominent change among the high investor markets; sales grew briskly there from 2008 to late 2011, possibly reflecting investors entering the market, but have declined steadily ever since. By contrast, current sales growth for markets with a low investor share actually appears to be stronger than for the nation as a whole. These markets also did not experience as pronounced a decline as high investor markets did in the wake of the mortgage interest rate hike in the summer of 2013.





Molloy and Zarutskie found that investors entered markets where house price-rent ratios were relatively low. Figure 4 shows that price-rent ratios grew more rapidly in these same markets where investors were most active. It is difficult to know whether the investor activity directly caused the price-rent ratios to go up in these markets, or whether prices in these markets have now fully recovered to the point that they are in line with rental prices and other fundamentals. Regardless, Figure 4 suggests that the expected profitability of a buy-and-rent strategy in these markets has likely declined over time. So it is quite plausible that investors have

retreated from these formerly low-priced housing markets. It should also be noted that, with interest rates rising in the bond market over this period, yields on other financial assets may have become relatively more attractive compared with housing.

Conclusion

The analysis in this *Economic Letter* suggests that changes in fundamentals such as rising mortgage rates can account for much of the sluggishness in existing home sales over the past year. This drop-off in sales seems more pronounced in some markets where investors had previously been active, though these markets have been slowing for the past several years, even before mortgage rates began to rise. Further increases in future mortgage rates could dampen the recovery in existing home sales. It should be noted, however, that many other indicators of housing market activity—including housing starts and new home construction—remain significantly below what history would lead us to expect for this stage of the recovery. Thus, some other factors may be holding back home sales. For example, prospective homebuyers may have impaired access to credit, they may be underwater on their mortgages or have low home equity, or they may simply be reluctant to make large spending decisions when economic prospects are still somewhat uncertain. As the moderate recovery continues and these factors begin to dissipate, all forms of housing market activity, including existing home sales, should post more solid growth.

References

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- Molloy, Raven, and Rebecca Zarutskie. 2013. "Business Investor Activity in the Single-Family-Housing Market." Federal Reserve Board of Governors *FEDS Notes*, December 5.
<http://www.federalreserve.gov/econresdata/notes/feds-notes/2013/business-investor-activity-in-the-single-family-housing-market-20131205.html>

IDAHO ECONOMIC FORECAST

July 2014

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 compound 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), 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
JULY 2014**

DEMOGRAPHICS

	2000	2001	2002	2003	2004	2005	2006	2007	2008
POPULATION									
Idaho (Thousands)	1,298.9	1,319.2	1,340.7	1,365.1	1,392.1	1,426.9	1,466.3	1,502.2	1,530.9
% Ch	1.8%	1.6%	1.6%	1.8%	2.0%	2.5%	2.8%	2.4%	1.9%
National (Millions)	282.790	285.684	288.436	291.116	293.758	296.460	299.282	302.227	304.948
% Ch	1.1%	1.0%	1.0%	0.9%	0.9%	0.9%	1.0%	1.0%	0.9%
BIRTHS									
Idaho (Thousands)	20.304	20.684	21.002	21.735	22.526	23.069	24.150	25.053	25.122
% Ch	2.0%	1.9%	1.5%	3.5%	3.6%	2.4%	4.7%	3.7%	0.3%
National (Thousands)	4,069	4,060	4,087	4,116	4,151	4,192	4,232	4,280	4,324
% Ch	1.0%	-0.2%	0.7%	0.7%	0.8%	1.0%	1.0%	1.1%	1.0%
DEATHS									
Idaho (Thousands)	9.538	9.811	9.935	10.308	10.020	10.413	10.471	10.742	10.938
% Ch	0.5%	2.9%	1.3%	3.8%	-2.8%	3.9%	0.6%	2.6%	1.8%
National (Thousands)	2,409	2,474	2,466	2,457	2,450	2,446	2,472	2,496	2,522
% Ch	0.2%	2.7%	-0.3%	-0.4%	-0.3%	-0.2%	1.1%	1.0%	1.0%
NET MIGRATION									
Idaho (Thousands)	12.463	9.396	10.377	13.016	14.450	22.198	25.725	21.611	14.503
HOUSING									
HOUSING STARTS									
Idaho	11,500	12,207	13,231	16,396	18,678	23,408	19,533	14,347	7,981
% Ch	11.0%	6.1%	8.4%	23.9%	13.9%	25.3%	-16.6%	-26.6%	-44.4%
National (Millions)	1.573	1.601	1.710	1.854	1.950	2.073	1.812	1.342	0.900
% Ch	-4.5%	1.8%	6.8%	8.4%	5.2%	6.3%	-12.6%	-25.9%	-32.9%
SINGLE UNITS									
Idaho	10,338	10,379	11,144	13,865	16,168	20,938	17,522	12,015	7,133
% Ch	12.5%	0.4%	7.4%	24.4%	16.6%	29.5%	-16.3%	-31.4%	-40.6%
National (Millions)	1.232	1.272	1.363	1.505	1.604	1.719	1.474	1.036	0.616
% Ch	-5.7%	3.2%	7.2%	10.4%	6.6%	7.1%	-14.3%	-29.7%	-40.5%
MULTIPLE UNITS									
Idaho	1,163	1,829	2,087	2,531	2,510	2,469	2,012	2,332	847
% Ch	-0.8%	57.3%	14.1%	21.3%	-0.8%	-1.6%	-18.5%	15.9%	-63.7%
National (Millions)	0.341	0.330	0.347	0.349	0.345	0.354	0.338	0.306	0.284
% Ch	0.1%	-3.5%	5.3%	0.5%	-1.0%	2.6%	-4.5%	-9.5%	-7.3%
HOUSING STOCK									
Idaho (Thousands)	421.8	432.7	443.6	457.6	473.8	494.4	514.8	529.3	537.9
% Ch	2.4%	2.6%	2.5%	3.2%	3.5%	4.3%	4.1%	2.8%	1.6%

National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2014**

DEMOGRAPHICS

	2009	2010	2011	2012	2013	2014	2015	2016	2017
POPULATION									
Idaho (Thousands)	1,550.5	1,572.4	1,583.3	1,595.7	1,612.5	1,636.2	1,659.8	1,684.9	1,710.8
% Ch	1.3%	1.4%	0.7%	0.8%	1.1%	1.5%	1.4%	1.5%	1.5%
National (Millions)	307.580	310.064	312.324	314.581	317.008	319.464	321.937	324.424	326.925
% Ch	0.9%	0.8%	0.7%	0.7%	0.8%	0.8%	0.8%	0.8%	0.8%
BIRTHS									
Idaho (Thousands)	23.607	23.240	22.475	22.978	24.002	24.487	24.955	25.471	26.012
% Ch	-6.0%	-1.6%	-3.3%	2.2%	4.5%	2.0%	1.9%	2.1%	2.1%
National (Thousands)	4,368	4,409	4,438	4,464	4,489	4,508	4,526	4,542	4,561
% Ch	1.0%	0.9%	0.7%	0.6%	0.6%	0.4%	0.4%	0.3%	0.4%
DEATHS									
Idaho (Thousands)	11.078	11.300	11.900	12.111	12.324	12.488	12.651	12.824	13.002
% Ch	1.3%	2.0%	5.3%	1.8%	1.8%	1.3%	1.3%	1.4%	1.4%
National (Thousands)	2,547	2,570	2,589	2,611	2,634	2,658	2,685	2,709	2,736
% Ch	1.0%	0.9%	0.7%	0.8%	0.9%	0.9%	1.0%	0.9%	1.0%
NET MIGRATION									
Idaho (Thousands)	7.037	9.987	0.342	1.508	5.088	11.758	11.296	12.441	12.868
HOUSING									
HOUSING STARTS									
Idaho	5,732	5,197	4,566	7,141	9,104	10,728	12,350	14,205	14,506
% Ch	-28.2%	-9.3%	-12.2%	56.4%	27.5%	17.8%	15.1%	15.0%	2.1%
National (Millions)	0.554	0.586	0.612	0.784	0.930	1.067	1.367	1.571	1.588
% Ch	-38.4%	5.7%	4.5%	28.1%	18.6%	14.8%	28.1%	14.9%	1.1%
SINGLE UNITS									
Idaho	4,949	4,657	3,961	6,035	7,752	8,718	10,795	12,642	13,200
% Ch	-30.6%	-5.9%	-14.9%	52.3%	28.4%	12.5%	23.8%	17.1%	4.4%
National (Millions)	0.442	0.471	0.434	0.537	0.621	0.683	0.915	1.102	1.138
% Ch	-28.2%	6.6%	-7.9%	23.6%	15.7%	10.0%	33.9%	20.4%	3.2%
MULTIPLE UNITS									
Idaho	783	541	604	1,106	1,353	2,011	1,555	1,563	1,305
% Ch	-7.5%	-31.0%	11.8%	83.0%	22.3%	48.6%	-22.7%	0.5%	-16.5%
National (Millions)	0.112	0.114	0.178	0.247	0.309	0.384	0.452	0.468	0.450
% Ch	-60.7%	2.2%	55.7%	38.9%	25.1%	24.4%	17.7%	3.7%	-3.9%
HOUSING STOCK									
Idaho (Thousands)	542.3	546.4	549.2	553.7	560.4	568.9	578.9	590.6	603.5
% Ch	0.8%	0.8%	0.5%	0.8%	1.2%	1.5%	1.8%	2.0%	2.2%

National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2014**

OUTPUT, INCOME, & WAGES

	2000	2001	2002	2003	2004	2005	2006	2007	2008
U.S. GROSS DOM. PRODUCT (Billions)									
Current Dollars	10,290	10,625	10,980	11,512	12,277	13,095	13,858	14,480	14,720
% Ch	6.5%	3.3%	3.3%	4.8%	6.6%	6.7%	5.8%	4.5%	1.7%
2009 Chain-Weighted	12,565	12,684	12,910	13,270	13,774	14,236	14,615	14,877	14,834
% Ch	4.1%	0.9%	1.8%	2.8%	3.8%	3.4%	2.7%	1.8%	-0.3%
PERSONAL INCOME - CURR \$									
Idaho (Millions)	32,821	34,389	35,479	36,928	40,308	42,808	47,025	49,726	50,320
% Ch	8.5%	4.8%	3.2%	4.1%	9.2%	6.2%	9.8%	5.7%	1.2%
Idaho Nonfarm (Millions)	31,831	33,291	34,404	36,088	38,970	41,641	45,979	48,184	48,543
% Ch	8.7%	4.6%	3.3%	4.9%	8.0%	6.9%	10.4%	4.8%	0.7%
National (Billions)	8,633	8,987	9,150	9,488	10,049	10,610	11,390	11,996	12,431
% Ch	8.1%	4.1%	1.8%	3.7%	5.9%	5.6%	7.3%	5.3%	3.6%
PERSONAL INCOME - 2009 \$									
Idaho (Millions)	39,480	40,586	41,314	42,166	44,932	46,395	49,640	51,211	50,291
% Ch	5.9%	2.8%	1.8%	2.1%	6.6%	3.3%	7.0%	3.2%	-1.8%
Idaho Nonfarm (Millions)	38,289	39,290	40,064	41,207	43,439	45,129	48,536	49,623	48,514
% Ch	6.1%	2.6%	2.0%	2.9%	5.4%	3.9%	7.5%	2.2%	-2.2%
National (Billions)	10,384	10,607	10,655	10,833	11,202	11,499	12,023	12,354	12,423
% Ch	5.5%	2.1%	0.5%	1.7%	3.4%	2.7%	4.6%	2.7%	0.6%
PER CAPITA PERS INC - CURR \$									
Idaho	25,266	26,068	26,463	27,050	28,954	29,998	32,068	33,101	32,870
% Ch	6.6%	3.2%	1.5%	2.2%	7.0%	3.6%	6.9%	3.2%	-0.7%
National	30,526	31,458	31,721	32,589	34,208	35,788	38,056	39,690	40,763
% Ch	7.0%	3.1%	0.8%	2.7%	5.0%	4.6%	6.3%	4.3%	2.7%
PER CAPITA PERS INC - 2009 \$									
Idaho	30,393	30,766	30,816	30,888	32,276	32,513	33,853	34,092	32,851
% Ch	4.0%	1.2%	0.2%	0.2%	4.5%	0.7%	4.1%	0.7%	-3.6%
National	36,720	37,127	36,940	37,213	38,132	38,789	40,173	40,876	40,739
% Ch	4.4%	1.1%	-0.5%	0.7%	2.5%	1.7%	3.6%	1.7%	-0.3%
AVERAGE ANNUAL WAGE									
Idaho	28,832	28,923	29,546	30,290	31,520	32,469	34,328	35,247	35,559
% Ch	6.3%	0.3%	2.2%	2.5%	4.1%	3.0%	5.7%	2.7%	0.9%
National	36,550	37,511	38,249	39,433	41,164	42,483	44,413	46,370	47,628
% Ch	6.0%	2.6%	2.0%	3.1%	4.4%	3.2%	4.5%	4.4%	2.7%

National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2014**

OUTPUT, INCOME, & WAGES

	2009	2010	2011	2012	2013	2014	2015	2016	2017
U.S. GROSS DOM. PRODUCT (Billions)									
Current Dollars	14,418	14,958	15,534	16,245	16,800	17,335	18,165	19,082	20,053
% Ch	-2.1%	3.7%	3.8%	4.6%	3.4%	3.2%	4.8%	5.0%	5.1%
2009 Chain-Weighted	14,418	14,779	15,052	15,471	15,761	16,029	16,504	17,048	17,601
% Ch	-2.8%	2.5%	1.8%	2.8%	1.9%	1.7%	3.0%	3.3%	3.2%
PERSONAL INCOME - CURR \$									
Idaho (Millions)	49,165	50,385	52,954	55,022	57,126	58,794	61,360	64,525	68,190
% Ch	-2.3%	2.5%	5.1%	3.9%	3.8%	2.9%	4.4%	5.2%	5.7%
Idaho Nonfarm (Millions)	47,842	48,849	50,694	52,665	54,635	56,738	59,468	62,688	66,389
% Ch	-1.4%	2.1%	3.8%	3.9%	3.7%	3.8%	4.8%	5.4%	5.9%
National (Billions)	12,082	12,435	13,191	13,744	14,135	14,638	15,320	16,133	17,062
% Ch	-2.8%	2.9%	6.1%	4.2%	2.8%	3.6%	4.7%	5.3%	5.8%
PERSONAL INCOME - 2009 \$									
Idaho (Millions)	49,167	49,563	50,875	51,901	53,282	54,012	55,658	57,744	60,062
% Ch	-2.2%	0.8%	2.6%	2.0%	2.7%	1.4%	3.0%	3.7%	4.0%
Idaho Nonfarm (Millions)	47,845	48,052	48,704	49,678	50,959	52,122	53,942	56,101	58,475
% Ch	-1.4%	0.4%	1.4%	2.0%	2.6%	2.3%	3.5%	4.0%	4.2%
National (Billions)	12,082	12,232	12,673	12,964	13,184	13,447	13,896	14,437	15,028
% Ch	-2.7%	1.2%	3.6%	2.3%	1.7%	2.0%	3.3%	3.9%	4.1%
PER CAPITA PERS INC - CURR \$									
Idaho	31,710	32,043	33,444	34,481	35,426	35,932	36,966	38,294	39,857
% Ch	-3.5%	1.0%	4.4%	3.1%	2.7%	1.4%	2.9%	3.6%	4.1%
National	39,281	40,104	42,235	43,688	44,587	45,819	47,585	49,725	52,188
% Ch	-3.6%	2.1%	5.3%	3.4%	2.1%	2.8%	3.9%	4.5%	5.0%
PER CAPITA PERS INC - 2009 \$									
Idaho	31,712	31,520	32,132	32,525	33,043	33,010	33,532	34,271	35,107
% Ch	-3.5%	-0.6%	1.9%	1.2%	1.6%	-0.1%	1.6%	2.2%	2.4%
National	39,283	39,450	40,578	41,210	41,587	42,093	43,164	44,501	45,968
% Ch	-3.6%	0.4%	2.9%	1.6%	0.9%	1.2%	2.5%	3.1%	3.3%
AVERAGE ANNUAL WAGE									
Idaho	35,822	36,580	37,174	37,512	38,224	38,897	40,105	41,278	42,504
% Ch	0.7%	2.1%	1.6%	0.9%	1.9%	1.8%	3.1%	2.9%	3.0%
National	47,652	48,954	50,351	51,652	52,341	53,431	54,936	56,695	58,592
% Ch	0.1%	2.7%	2.9%	2.6%	1.3%	2.1%	2.8%	3.2%	3.3%

National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2014**

PERSONAL INCOME--CURRENT \$\$

	2000	2001	2002	2003	2004	2005	2006	2007	2008
WAGE AND SALARY PAYMENTS									
Idaho (Millions)	16,650	16,998	17,449	17,991	19,246	20,656	22,716	24,013	23,957
% Ch	10.3%	2.1%	2.7%	3.1%	7.0%	7.3%	10.0%	5.7%	-0.2%
National (Billions)	4,826	4,954	4,996	5,139	5,423	5,693	6,058	6,396	6,533
% Ch	8.3%	2.7%	0.8%	2.8%	5.5%	5.0%	6.4%	5.6%	2.1%
FARM PROPRIETORS INCOME									
Idaho (Millions)	617	719	643	450	908	667	551	949	1,206
% Ch	-5.1%	16.6%	-10.6%	-29.9%	101.5%	-26.5%	-17.4%	72.2%	27.2%
National (Billions)	31	32	20	38	50	46	36	38	47
% Ch	12.0%	1.9%	-37.9%	91.0%	32.7%	-8.1%	-22.4%	6.0%	23.3%
NONFARM PROPRIETORS INCOME									
Idaho (Millions)	3,429	3,724	3,944	4,069	4,374	4,527	5,063	4,587	3,938
% Ch	6.9%	8.6%	5.9%	3.2%	7.5%	3.5%	11.8%	-9.4%	-14.2%
National (Billions)	726	805	851	862	912	933	1,018	941	979
% Ch	8.0%	10.8%	5.8%	1.3%	5.8%	2.3%	9.1%	-7.5%	4.1%
DIVIDENDS, RENT & INTEREST									
Idaho (Millions)	6,440	6,655	6,663	7,158	7,929	8,513	9,518	10,294	10,416
% Ch	5.8%	3.3%	0.1%	7.4%	10.8%	7.4%	11.8%	8.2%	1.2%
National (Billions)	1,641	1,649	1,608	1,658	1,759	1,905	2,146	2,356	2,429
% Ch	8.5%	0.5%	-2.5%	3.2%	6.1%	8.3%	12.7%	9.8%	3.1%
OTHER LABOR INCOME									
Idaho (Millions)	3,882	4,034	4,224	4,486	4,863	5,260	5,854	6,119	6,170
% Ch	10.4%	3.9%	4.7%	6.2%	8.4%	8.2%	11.3%	4.5%	0.8%
National (Billions)	686	734	779	844	909	967	998	1,041	1,075
% Ch	9.0%	7.1%	6.2%	8.3%	7.7%	6.4%	3.2%	4.4%	3.2%
GOVT. TRANSFERS TO INDIV.									
Idaho (Millions)	4,124	4,615	4,999	5,315	5,694	6,152	6,681	7,253	8,067
% Ch	8.5%	11.9%	8.3%	6.3%	7.1%	8.0%	8.6%	8.6%	11.2%
National (Billions)	1,083	1,188	1,280	1,343	1,417	1,512	1,610	1,723	1,884
% Ch	6.0%	9.7%	7.8%	4.9%	5.5%	6.7%	6.5%	7.0%	9.4%
CONTRIB. FOR SOCIAL INSUR.									
Idaho (Millions)	2,848	2,894	2,978	3,100	3,309	3,588	3,999	4,184	4,199
% Ch	8.8%	1.6%	2.9%	4.1%	6.8%	8.4%	11.4%	4.6%	0.3%
National (Billions)	706	733	752	779	829	873	923	961	988
% Ch	6.7%	3.9%	2.5%	3.7%	6.4%	5.3%	5.6%	4.2%	2.8%
RESIDENCE ADJUSTMENT									
Idaho (Millions)	526	539	536	558	603	622	639	696	764
% Ch	2.8%	2.4%	-0.5%	4.2%	8.0%	3.1%	2.8%	8.9%	9.8%

National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2014**

PERSONAL INCOME--CURRENT \$\$

	2009	2010	2011	2012	2013	2014	2015	2016	2017
WAGE AND SALARY PAYMENTS									
Idaho (Millions)	22,815	22,966	23,564	24,148	25,299	26,414	27,822	29,325	30,862
% Ch	-4.8%	0.7%	2.6%	2.5%	4.8%	4.4%	5.3%	5.4%	5.2%
National (Billions)	6,252	6,378	6,639	6,927	7,137	7,417	7,769	8,163	8,571
% Ch	-4.3%	2.0%	4.1%	4.3%	3.0%	3.9%	4.7%	5.1%	5.0%
FARM PROPRIETORS INCOME									
Idaho (Millions)	693	984	1,704	1,852	1,972	1,529	1,363	1,311	1,279
% Ch	-42.6%	42.1%	73.2%	8.7%	6.5%	-22.5%	-10.8%	-3.8%	-2.4%
National (Billions)	35	46	73	75	128	102	102	101	102
% Ch	-24.5%	29.7%	57.7%	3.9%	69.4%	-19.8%	-0.2%	-1.6%	1.1%
NONFARM PROPRIETORS INCOME									
Idaho (Millions)	4,568	4,659	4,578	4,847	5,208	5,521	5,838	6,171	6,426
% Ch	16.0%	2.0%	-1.7%	5.9%	7.4%	6.0%	5.7%	5.7%	4.1%
National (Billions)	938	987	1,083	1,150	1,221	1,283	1,357	1,435	1,496
% Ch	-4.3%	5.2%	9.7%	6.2%	6.2%	5.1%	5.8%	5.7%	4.2%
DIVIDENDS, RENT & INTEREST									
Idaho (Millions)	9,158	9,038	9,944	10,567	10,976	11,389	11,831	12,533	13,697
% Ch	-12.1%	-1.3%	10.0%	6.3%	3.9%	3.8%	3.9%	5.9%	9.3%
National (Billions)	2,145	2,142	2,369	2,500	2,588	2,687	2,821	3,014	3,313
% Ch	-11.7%	-0.1%	10.6%	5.5%	3.5%	3.8%	5.0%	6.8%	9.9%
OTHER LABOR INCOME									
Idaho (Millions)	5,993	6,205	6,104	6,206	6,455	6,629	6,898	7,246	7,640
% Ch	-2.9%	3.5%	-1.6%	1.7%	4.0%	2.7%	4.0%	5.1%	5.4%
National (Billions)	1,077	1,120	1,145	1,171	1,191	1,218	1,263	1,328	1,403
% Ch	0.2%	4.0%	2.2%	2.2%	1.7%	2.3%	3.7%	5.1%	5.7%
GOVT. TRANSFERS TO INDIV.									
Idaho (Millions)	9,282	9,996	10,042	10,346	10,850	11,089	11,622	12,234	12,835
% Ch	15.1%	7.7%	0.5%	3.0%	4.9%	2.2%	4.8%	5.3%	4.9%
National (Billions)	2,140	2,277	2,307	2,358	2,444	2,531	2,647	2,776	2,899
% Ch	13.6%	6.4%	1.3%	2.2%	3.6%	3.5%	4.6%	4.9%	4.4%
CONTRIB. FOR SOCIAL INSUR.									
Idaho (Millions)	4,111	4,303	3,917	3,990	4,703	4,888	5,155	5,473	5,768
% Ch	-2.1%	4.7%	-9.0%	1.9%	17.9%	3.9%	5.5%	6.2%	5.4%
National (Billions)	964	984	918	951	1,106	1,151	1,221	1,300	1,374
% Ch	-2.4%	2.0%	-6.7%	3.5%	16.3%	4.1%	6.0%	6.5%	5.7%
RESIDENCE ADJUSTMENT									
Idaho (Millions)	767	839	933	1,045	1,069	1,111	1,141	1,179	1,217
% Ch	0.4%	9.3%	11.2%	12.0%	2.3%	3.9%	2.7%	3.3%	3.3%

National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2014**

EMPLOYMENT

	2000	2001	2002	2003	2004	2005	2006	2007	2008
TOTAL NONFARM EMPLOYMENT									
Idaho	558,580	568,032	568,045	572,546	588,055	611,682	638,838	656,222	648,901
% Ch	3.8%	1.7%	0.0%	0.8%	2.7%	4.0%	4.4%	2.7%	-1.1%
National (Thousands)	132,030	132,080	130,628	130,315	131,732	133,997	136,403	137,935	137,170
% Ch	2.2%	0.0%	-1.1%	-0.2%	1.1%	1.7%	1.8%	1.1%	-0.6%
GOODS PRODUCING SECTOR									
Idaho	111,882	110,224	105,031	102,384	105,447	112,318	122,255	123,320	112,226
% Ch	2.9%	-1.5%	-4.7%	-2.5%	3.0%	6.5%	8.8%	0.9%	-9.0%
National (Thousands)	24,652	23,873	22,555	21,816	21,878	22,186	22,530	22,228	21,332
% Ch	0.8%	-3.2%	-5.5%	-3.3%	0.3%	1.4%	1.5%	-1.3%	-4.0%
MANUFACTURING									
Idaho	73,031	70,392	66,804	63,860	63,676	65,031	67,838	68,063	64,452
% Ch	2.6%	-3.6%	-5.1%	-4.4%	-0.3%	2.1%	4.3%	0.3%	-5.3%
National (Thousands)	17,344	16,514	15,327	14,578	14,382	14,291	14,221	13,938	13,460
% Ch	-0.3%	-4.8%	-7.2%	-4.9%	-1.3%	-0.6%	-0.5%	-2.0%	-3.4%
DURABLE MANUFACTURING									
Idaho	47,406	45,098	42,320	39,947	40,545	42,104	44,604	44,202	39,869
% Ch	3.7%	-4.9%	-6.2%	-5.6%	1.5%	3.8%	5.9%	-0.9%	-9.8%
National (Thousands)	10,958	10,409	9,555	9,033	8,992	9,020	9,046	8,867	8,520
% Ch	0.4%	-5.0%	-8.2%	-5.5%	-0.4%	0.3%	0.3%	-2.0%	-3.9%
LOGGING & WOOD PRODUCTS									
Idaho	11,567	9,849	9,553	9,046	9,294	9,618	10,036	9,586	8,065
% Ch	0.8%	-14.9%	-3.0%	-5.3%	2.7%	3.5%	4.3%	-4.5%	-15.9%
National (Thousands)	694	650	628	609	619	626	625	577	514
% Ch	-1.3%	-6.4%	-3.4%	-3.0%	1.7%	1.1%	-0.2%	-7.7%	-10.9%
METAL FABRICATION									
Idaho	4,030	3,876	3,636	3,537	3,636	3,905	4,377	4,659	4,677
% Ch	2.2%	-3.8%	-6.2%	-2.7%	2.8%	7.4%	12.1%	6.5%	0.4%
National (Thousands)	1,753	1,677	1,549	1,479	1,497	1,522	1,553	1,562	1,527
% Ch	1.4%	-4.4%	-7.6%	-4.5%	1.2%	1.7%	2.0%	0.6%	-2.2%
MACHINERY									
Idaho	3,305	3,055	2,832	2,632	2,569	2,606	2,864	2,992	3,133
% Ch	8.7%	-7.6%	-7.3%	-7.1%	-2.4%	1.4%	9.9%	4.5%	4.7%
National (Thousands)	1,457	1,370	1,232	1,152	1,145	1,164	1,183	1,187	1,187
% Ch	-0.8%	-5.9%	-10.1%	-6.5%	-0.6%	1.7%	1.6%	0.3%	0.0%
COMPUTER & ELECTRONICS									
Idaho	19,454	19,656	17,933	16,297	16,286	16,181	16,663	16,216	14,305
% Ch	5.7%	1.0%	-8.8%	-9.1%	-0.1%	-0.6%	3.0%	-2.7%	-11.8%
National (Thousands)	1,820	1,749	1,507	1,355	1,323	1,316	1,307	1,272	1,244
% Ch	2.2%	-3.9%	-13.8%	-10.1%	-2.4%	-0.5%	-0.7%	-2.7%	-2.2%
OTHER DURABLES									
Idaho	9,050	8,663	8,366	8,435	8,759	9,794	10,664	10,749	9,688
% Ch	2.5%	-4.3%	-3.4%	0.8%	3.8%	11.8%	8.9%	0.8%	-9.9%
National (Thousands)	5,233	4,964	4,640	4,438	4,409	4,391	4,378	4,269	4,046
% Ch	0.0%	-5.1%	-6.5%	-4.3%	-0.7%	-0.4%	-0.3%	-2.5%	-5.2%

National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2014**

EMPLOYMENT

	2009	2010	2011	2012	2013	2014	2015	2016	2017
TOTAL NONFARM EMPLOYMENT									
Idaho	609,989	603,660	610,688	622,207	640,246	656,361	672,095	689,303	705,441
% Ch	-6.0%	-1.0%	1.2%	1.9%	2.9%	2.5%	2.4%	2.6%	2.3%
National (Thousands)	131,220	130,272	131,849	134,098	136,363	138,807	141,413	143,975	146,282
% Ch	-4.3%	-0.7%	1.2%	1.7%	1.7%	1.8%	1.9%	1.8%	1.6%
GOODS PRODUCING SECTOR									
Idaho	92,400	88,018	88,968	92,350	97,710	100,486	104,545	108,971	111,516
% Ch	-17.7%	-4.7%	1.1%	3.8%	5.8%	2.8%	4.0%	4.2%	2.3%
National (Thousands)	18,559	17,752	18,046	18,419	18,702	19,098	19,817	20,630	21,262
% Ch	-13.0%	-4.3%	1.7%	2.1%	1.5%	2.1%	3.8%	4.1%	3.1%
MANUFACTURING									
Idaho	55,838	54,433	56,041	58,248	61,262	62,329	64,533	66,588	67,291
% Ch	-13.4%	-2.5%	3.0%	3.9%	5.2%	1.7%	3.5%	3.2%	1.1%
National (Thousands)	11,898	11,578	11,775	11,977	12,057	12,186	12,446	12,598	12,667
% Ch	-11.6%	-2.7%	1.7%	1.7%	0.7%	1.1%	2.1%	1.2%	0.5%
DURABLE MANUFACTURING									
Idaho	32,204	31,173	32,677	34,231	35,951	36,977	38,746	40,210	40,479
% Ch	-19.2%	-3.2%	4.8%	4.8%	5.0%	2.9%	4.8%	3.8%	0.7%
National (Thousands)	7,335	7,114	7,321	7,521	7,595	7,718	7,970	8,136	8,199
% Ch	-13.9%	-3.0%	2.9%	2.7%	1.0%	1.6%	3.3%	2.1%	0.8%
LOGGING & WOOD PRODUCTS									
Idaho	5,899	5,793	6,205	6,526	7,215	7,628	8,724	9,457	9,171
% Ch	-26.9%	-1.8%	7.1%	5.2%	10.6%	5.7%	14.4%	8.4%	-3.0%
National (Thousands)	411	392	386	390	405	426	474	516	533
% Ch	-20.1%	-4.6%	-1.6%	1.1%	3.8%	5.3%	11.3%	8.7%	3.3%
METAL FABRICATION									
Idaho	4,377	4,444	4,594	4,861	5,418	5,796	5,960	6,204	6,419
% Ch	-6.4%	1.5%	3.4%	5.8%	11.5%	7.0%	2.8%	4.1%	3.5%
National (Thousands)	1,312	1,282	1,348	1,409	1,432	1,449	1,499	1,560	1,590
% Ch	-14.1%	-2.3%	5.1%	4.6%	1.6%	1.2%	3.4%	4.1%	1.9%
MACHINERY									
Idaho	2,717	2,501	2,567	2,717	2,926	3,037	3,104	3,164	3,202
% Ch	-13.3%	-8.0%	2.7%	5.8%	7.7%	3.8%	2.2%	1.9%	1.2%
National (Thousands)	1,029	996	1,055	1,098	1,104	1,127	1,176	1,204	1,220
% Ch	-13.3%	-3.2%	5.9%	4.1%	0.6%	2.0%	4.4%	2.3%	1.4%
COMPUTER & ELECTRONICS									
Idaho	11,098	10,574	11,191	11,625	11,300	11,312	11,482	11,480	11,470
% Ch	-22.4%	-4.7%	5.8%	3.9%	-2.8%	0.1%	1.5%	0.0%	-0.1%
National (Thousands)	1,137	1,094	1,103	1,089	1,068	1,055	1,060	1,055	1,058
% Ch	-8.6%	-3.7%	0.8%	-1.3%	-1.9%	-1.2%	0.5%	-0.5%	0.3%
OTHER DURABLES									
Idaho	8,113	7,861	8,120	8,502	9,092	9,203	9,476	9,904	10,218
% Ch	-16.3%	-3.1%	3.3%	4.7%	6.9%	1.2%	3.0%	4.5%	3.2%
National (Thousands)	3,446	3,349	3,429	3,534	3,586	3,661	3,760	3,801	3,797
% Ch	-14.8%	-2.8%	2.4%	3.1%	1.5%	2.1%	2.7%	1.1%	-0.1%

National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2014**

EMPLOYMENT

MANUFACTURING (continued)	2000	2001	2002	2003	2004	2005	2006	2007	2008
NONDURABLE MANUFACTURING									
Idaho	25,625	25,294	24,484	23,912	23,131	22,927	23,234	23,861	24,582
% Ch	0.4%	-1.3%	-3.2%	-2.3%	-3.3%	-0.9%	1.3%	2.7%	3.0%
National (Thousands)	6,387	6,105	5,773	5,546	5,390	5,271	5,175	5,070	4,941
% Ch	-1.6%	-4.4%	-5.4%	-3.9%	-2.8%	-2.2%	-1.8%	-2.0%	-2.6%
FOOD PROCESSING									
Idaho	16,660	16,521	16,354	15,900	14,999	14,714	14,700	15,093	15,835
% Ch	-0.3%	-0.8%	-1.0%	-2.8%	-5.7%	-1.9%	-0.1%	2.7%	4.9%
National (Thousands)	1,553	1,550	1,525	1,517	1,494	1,478	1,479	1,484	1,480
% Ch	0.2%	-0.2%	-1.6%	-0.5%	-1.5%	-1.1%	0.1%	0.3%	-0.2%
PRINTING									
Idaho	2,339	2,225	2,033	2,030	1,921	1,899	1,907	1,891	1,807
% Ch	4.7%	-4.9%	-8.6%	-0.1%	-5.3%	-1.2%	0.4%	-0.8%	-4.4%
National (Thousands)	807	768	707	680	663	646	634	622	594
% Ch	-1.0%	-4.8%	-8.0%	-3.7%	-2.6%	-2.5%	-1.9%	-1.9%	-4.5%
CHEMICALS									
Idaho	2,336	2,324	1,926	1,832	1,878	1,938	2,117	2,267	2,367
% Ch	1.0%	-0.5%	-17.1%	-4.9%	2.6%	3.2%	9.2%	7.1%	4.4%
National (Thousands)	980	959	927	906	887	872	866	861	847
% Ch	-0.2%	-2.2%	-3.3%	-2.3%	-2.1%	-1.7%	-0.7%	-0.6%	-1.7%
OTHER NONDURABLES									
Idaho	4,290	4,224	4,172	4,151	4,332	4,376	4,511	4,610	4,573
% Ch	0.7%	-1.5%	-1.2%	-0.5%	4.4%	1.0%	3.1%	2.2%	-0.8%
National (Thousands)	3,046	2,827	2,614	2,442	2,346	2,275	2,195	2,104	2,020
% Ch	-3.1%	-7.2%	-7.5%	-6.6%	-3.9%	-3.0%	-3.5%	-4.2%	-4.0%
MINING									
Idaho	2,347	1,973	1,759	1,785	1,931	2,160	2,372	2,665	2,767
% Ch	-5.5%	-15.9%	-10.9%	1.5%	8.2%	11.8%	9.8%	12.3%	3.8%
National (Thousands)	520	532	512	503	523	562	620	663	709
% Ch	0.5%	2.4%	-3.8%	-1.9%	4.0%	7.5%	10.3%	7.0%	6.9%
CONSTRUCTION									
Idaho	36,504	37,860	36,468	36,739	39,840	45,128	52,045	52,592	45,008
% Ch	4.2%	3.7%	-3.7%	0.7%	8.4%	13.3%	15.3%	1.1%	-14.4%
National (Thousands)	6,788	6,827	6,715	6,736	6,973	7,333	7,690	7,627	7,162
% Ch	3.7%	0.6%	-1.6%	0.3%	3.5%	5.2%	4.9%	-0.8%	-6.1%
NONGOODS PRODUCING									
Idaho	446,697	457,807	463,014	470,162	482,608	499,364	516,583	532,902	536,675
% Ch	4.0%	2.5%	1.1%	1.5%	2.6%	3.5%	3.4%	3.2%	0.7%
National (Thousands)	107,377	108,207	108,073	108,499	109,853	111,810	113,873	115,706	115,838
% Ch	2.5%	0.8%	-0.1%	0.4%	1.2%	1.8%	1.8%	1.6%	0.1%
SERVICES									
Idaho	238,281	249,577	253,630	260,020	269,015	280,741	292,713	304,462	307,041
% Ch	4.7%	4.7%	1.6%	2.5%	3.5%	4.4%	4.3%	4.0%	0.8%
National (Thousands)	65,375	66,073	65,883	66,393	67,514	68,963	70,638	71,955	72,107
% Ch	2.8%	1.1%	-0.3%	0.8%	1.7%	2.1%	2.4%	1.9%	0.2%
INFORMATION									
Idaho	9,859	9,596	9,156	9,181	9,935	11,072	10,592	10,913	11,028
% Ch	6.3%	-2.7%	-4.6%	0.3%	8.2%	11.4%	-4.3%	3.0%	1.1%
National (Thousands)	3,630	3,629	3,394	3,189	3,117	3,061	3,038	3,032	2,983
% Ch	6.2%	0.0%	-6.5%	-6.1%	-2.2%	-1.8%	-0.8%	-0.2%	-1.6%
FINANCIAL ACTIVITIES									
Idaho	25,161	25,013	25,824	26,945	27,937	29,653	31,744	32,529	31,658
% Ch	-0.6%	-0.6%	3.2%	4.3%	3.7%	6.1%	7.1%	2.5%	-2.7%
National (Thousands)	7,784	7,901	7,956	8,077	8,105	8,197	8,366	8,347	8,204
% Ch	0.4%	1.5%	0.7%	1.5%	0.3%	1.1%	2.1%	-0.2%	-1.7%

National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2014**

EMPLOYMENT

MANUFACTURING (continued)	2009	2010	2011	2012	2013	2014	2015	2016	2017
NONDURABLE MANUFACTURING									
Idaho	23,634	23,260	23,364	24,017	25,310	25,352	25,787	26,378	26,812
% Ch	-3.9%	-1.6%	0.4%	2.8%	5.4%	0.2%	1.7%	2.3%	1.6%
National (Thousands)	4,563	4,464	4,453	4,457	4,462	4,467	4,476	4,462	4,468
% Ch	-7.6%	-2.2%	-0.2%	0.1%	0.1%	0.1%	0.2%	-0.3%	0.1%
FOOD PROCESSING									
Idaho	15,642	15,442	15,354	15,658	16,384	16,294	16,646	17,122	17,434
% Ch	-1.2%	-1.3%	-0.6%	2.0%	4.6%	-0.6%	2.2%	2.9%	1.8%
National (Thousands)	1,457	1,451	1,459	1,469	1,472	1,484	1,504	1,520	1,538
% Ch	-1.6%	-0.4%	0.5%	0.7%	0.3%	0.8%	1.4%	1.0%	1.2%
PRINTING									
Idaho	1,433	1,283	1,233	1,208	1,217	1,243	1,258	1,264	1,252
% Ch	-20.7%	-10.5%	-3.9%	-2.0%	0.7%	2.1%	1.3%	0.4%	-1.0%
National (Thousands)	522	488	472	462	448	441	435	421	411
% Ch	-12.2%	-6.5%	-3.3%	-2.1%	-2.9%	-1.7%	-1.4%	-3.1%	-2.5%
CHEMICALS									
Idaho	2,275	2,200	2,375	2,542	2,600	2,597	2,588	2,594	2,624
% Ch	-3.9%	-3.3%	8.0%	7.0%	2.3%	-0.1%	-0.3%	0.2%	1.1%
National (Thousands)	804	786	783	783	793	798	797	796	801
% Ch	-5.1%	-2.2%	-0.4%	0.0%	1.2%	0.7%	-0.1%	-0.2%	0.7%
OTHER NONDURABLES									
Idaho	4,283	4,335	4,402	4,609	5,109	5,218	5,295	5,398	5,503
% Ch	-6.3%	1.2%	1.5%	4.7%	10.9%	2.1%	1.5%	1.9%	1.9%
National (Thousands)	1,781	1,740	1,740	1,743	1,749	1,744	1,740	1,725	1,718
% Ch	-11.8%	-2.3%	0.0%	0.2%	0.3%	-0.3%	-0.3%	-0.8%	-0.4%
MINING									
Idaho	2,163	2,296	2,583	2,696	2,578	2,568	2,602	2,643	2,726
% Ch	-21.8%	6.1%	12.5%	4.4%	-4.4%	-0.4%	1.3%	1.6%	3.1%
National (Thousands)	643	655	739	797	815	860	894	899	923
% Ch	-9.3%	1.8%	12.9%	7.8%	2.3%	5.6%	3.9%	0.6%	2.7%
CONSTRUCTION									
Idaho	34,398	31,289	30,344	31,406	33,869	35,589	37,410	39,740	41,499
% Ch	-23.6%	-9.0%	-3.0%	3.5%	7.8%	5.1%	5.1%	6.2%	4.4%
National (Thousands)	6,017	5,519	5,532	5,645	5,829	6,052	6,478	7,133	7,672
% Ch	-16.0%	-8.3%	0.2%	2.1%	3.3%	3.8%	7.0%	10.1%	7.6%
NONGOODS PRODUCING									
Idaho	517,589	515,642	521,721	529,858	542,537	555,875	567,550	580,332	593,925
% Ch	-3.6%	-0.4%	1.2%	1.6%	2.4%	2.5%	2.1%	2.3%	2.3%
National (Thousands)	112,661	112,520	113,803	115,679	117,661	119,709	121,596	123,345	125,020
% Ch	-2.7%	-0.1%	1.1%	1.6%	1.7%	1.7%	1.6%	1.4%	1.4%
SERVICES									
Idaho	295,835	296,245	302,673	307,679	316,996	327,638	336,597	346,691	356,812
% Ch	-3.6%	0.1%	2.2%	1.7%	3.0%	3.4%	2.7%	3.0%	2.9%
National (Thousands)	70,001	70,134	71,498	73,257	74,983	76,619	78,178	79,729	81,111
% Ch	-2.9%	0.2%	1.9%	2.5%	2.4%	2.2%	2.0%	2.0%	1.7%
INFORMATION									
Idaho	10,012	9,626	9,466	9,366	9,349	9,331	9,346	9,525	9,760
% Ch	-9.2%	-3.9%	-1.7%	-1.1%	-0.2%	-0.2%	0.2%	1.9%	2.5%
National (Thousands)	2,804	2,708	2,674	2,676	2,685	2,662	2,640	2,774	2,822
% Ch	-6.0%	-3.4%	-1.2%	0.1%	0.3%	-0.8%	-0.8%	5.1%	1.7%
FINANCIAL ACTIVITIES									
Idaho	29,619	29,165	29,865	30,323	31,149	31,261	31,579	32,235	33,047
% Ch	-6.4%	-1.5%	2.4%	1.5%	2.7%	0.4%	1.0%	2.1%	2.5%
National (Thousands)	7,838	7,696	7,697	7,783	7,879	7,938	8,011	8,028	7,971
% Ch	-4.5%	-1.8%	0.0%	1.1%	1.2%	0.7%	0.9%	0.2%	-0.7%

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EMPLOYMENT

SERVICES (Continued)

	2000	2001	2002	2003	2004	2005	2006	2007	2008
TRANS., WAREHOUSING, UTILITIES									
Idaho	19,410	19,157	18,677	18,764	18,947	19,294	20,242	21,031	21,722
% Ch	2.1%	-1.3%	-2.5%	0.5%	1.0%	1.8%	4.9%	3.9%	3.3%
National (Thousands)	5,013	4,973	4,820	4,761	4,814	4,917	5,017	5,095	5,067
% Ch	2.2%	-0.8%	-3.1%	-1.2%	1.1%	2.1%	2.0%	1.5%	-0.6%
PROFESSIONAL & BUSINESS									
Idaho	60,626	67,654	69,017	70,004	73,138	76,899	81,346	83,191	80,541
% Ch	10.6%	11.6%	2.0%	1.4%	4.5%	5.1%	5.8%	2.3%	-3.2%
National (Thousands)	16,672	16,480	15,975	15,985	16,388	16,952	17,572	17,947	17,741
% Ch	4.5%	-1.1%	-3.1%	0.1%	2.5%	3.4%	3.7%	2.1%	-1.2%
EDUCATION & HEALTH									
Idaho	53,017	56,956	59,809	62,552	65,220	67,996	70,119	74,072	77,737
% Ch	4.8%	7.4%	5.0%	4.6%	4.3%	4.3%	3.1%	5.6%	4.9%
National (Thousands)	15,249	15,800	16,380	16,806	17,188	17,629	18,098	18,613	19,157
% Ch	2.1%	3.6%	3.7%	2.6%	2.3%	2.6%	2.7%	2.8%	2.9%
LEISURE & HOSPITALITY									
Idaho	52,565	53,058	53,281	54,405	55,566	57,347	59,651	63,257	63,199
% Ch	2.1%	0.9%	0.4%	2.1%	2.1%	3.2%	4.0%	6.0%	-0.1%
National (Thousands)	11,860	12,032	11,986	12,175	12,492	12,813	13,109	13,428	13,441
% Ch	2.7%	1.5%	-0.4%	1.6%	2.6%	2.6%	2.3%	2.4%	0.1%
OTHER SERVICES									
Idaho	17,643	18,143	17,867	18,168	18,272	18,479	19,021	19,469	21,155
% Ch	2.9%	2.8%	-1.5%	1.7%	0.6%	1.1%	2.9%	2.4%	8.7%
National (Thousands)	5,168	5,258	5,372	5,401	5,409	5,395	5,438	5,493	5,515
% Ch	1.6%	1.7%	2.2%	0.5%	0.2%	-0.3%	0.8%	1.0%	0.4%
TRADE									
Idaho	100,169	98,088	97,343	97,120	99,131	103,675	107,465	111,651	110,452
% Ch	3.6%	-2.1%	-0.8%	-0.2%	2.1%	4.6%	3.7%	3.9%	-1.1%
National (Thousands)	21,212	21,013	20,681	20,525	20,722	21,043	21,260	21,532	21,228
% Ch	1.7%	-0.9%	-1.6%	-0.8%	1.0%	1.5%	1.0%	1.3%	-1.4%
RETAIL TRADE									
Idaho	74,456	72,622	72,397	72,625	73,725	76,800	80,514	83,552	82,613
% Ch	4.3%	-2.5%	-0.3%	0.3%	1.5%	4.2%	4.8%	3.8%	-1.1%
National (Thousands)	15,279	15,240	15,027	14,917	15,060	15,281	15,356	15,516	15,285
% Ch	2.1%	-0.3%	-1.4%	-0.7%	1.0%	1.5%	0.5%	1.0%	-1.5%
WHOLESALE TRADE									
Idaho	25,713	25,466	24,946	24,496	25,406	26,875	26,951	28,099	27,839
% Ch	1.6%	-1.0%	-2.0%	-1.8%	3.7%	5.8%	0.3%	4.3%	-0.9%
National (Thousands)	5,933	5,773	5,653	5,608	5,661	5,762	5,904	6,016	5,943
% Ch	0.7%	-2.7%	-2.1%	-0.8%	0.9%	1.8%	2.5%	1.9%	-1.2%
STATE & LOCAL GOVERNMENT									
Idaho	94,745	96,862	98,488	99,397	101,147	101,864	103,526	103,970	105,982
% Ch	2.7%	2.2%	1.7%	0.9%	1.8%	0.7%	1.6%	0.4%	1.9%
National (Thousands)	17,139	17,542	17,925	18,357	18,744	18,820	18,887	19,073	19,742
% Ch	1.7%	2.4%	2.2%	2.4%	2.1%	0.4%	0.4%	1.0%	1.3%
EDUCATION									
Idaho	47,989	49,024	49,656	49,909	50,815	51,304	52,648	53,016	53,605
% Ch	2.7%	2.2%	1.3%	0.5%	1.8%	1.0%	2.6%	0.7%	1.1%
NONEDUCATION									
Idaho	46,756	47,838	48,832	49,488	50,332	50,560	50,878	50,955	52,377
% Ch	2.7%	2.3%	2.1%	1.3%	1.7%	0.5%	0.6%	0.2%	2.8%
FEDERAL GOVERNMENT									
Idaho	13,502	13,281	13,552	13,625	13,316	13,084	12,879	12,819	13,200
% Ch	5.2%	-1.6%	2.0%	0.5%	-2.3%	-1.7%	-1.6%	-0.5%	3.0%
National (Thousands)	2,865	2,763	2,766	2,760	2,731	2,732	2,733	2,735	2,761
% Ch	3.4%	-3.6%	0.1%	-0.2%	-1.1%	0.0%	0.0%	0.1%	0.9%

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**IDAHO ECONOMIC FORECAST
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EMPLOYMENT

SERVICES (Continued)

	2009	2010	2011	2012	2013	2014	2015	2016	2017
TRANS., WAREHOUSING, UTILITIES									
Idaho	20,689	20,688	21,182	21,508	21,690	22,522	23,181	23,678	24,193
% Ch	-4.8%	0.0%	2.4%	1.5%	0.8%	3.8%	2.9%	2.1%	2.2%
National (Thousands)	4,797	4,745	4,856	4,968	5,044	5,172	5,332	5,496	5,673
% Ch	-5.3%	-1.1%	2.3%	2.3%	1.5%	2.5%	3.1%	3.1%	3.2%
PROFESSIONAL & BUSINESS									
Idaho	74,677	73,951	75,154	75,453	77,793	81,269	84,676	88,132	91,061
% Ch	-7.3%	-1.0%	1.6%	0.4%	3.1%	4.5%	4.2%	4.1%	3.3%
National (Thousands)	16,574	16,723	17,330	17,933	18,566	19,227	20,032	20,795	21,392
% Ch	-6.6%	0.9%	3.6%	3.5%	3.5%	3.6%	4.2%	3.8%	2.9%
EDUCATION & HEALTH									
Idaho	81,002	83,828	86,545	88,351	91,233	94,372	97,064	100,179	103,608
% Ch	4.2%	3.5%	3.2%	2.1%	3.3%	3.4%	2.9%	3.2%	3.4%
National (Thousands)	19,548	19,888	20,231	20,696	21,100	21,496	21,901	22,286	22,728
% Ch	2.0%	1.7%	1.7%	2.3%	2.0%	1.9%	1.9%	1.8%	2.0%
LEISURE & HOSPITALITY									
Idaho	58,661	57,940	59,284	61,158	63,803	66,623	68,185	69,784	71,304
% Ch	-7.2%	-1.2%	2.3%	3.2%	4.3%	4.4%	2.3%	2.3%	2.2%
National (Thousands)	13,074	13,043	13,351	13,772	14,245	14,612	14,783	14,902	15,043
% Ch	-2.7%	-0.2%	2.4%	3.2%	3.4%	2.6%	1.2%	0.8%	1.0%
OTHER SERVICES									
Idaho	21,174	21,047	21,176	21,519	21,978	22,261	22,566	23,157	23,839
% Ch	0.1%	-0.6%	0.6%	1.6%	2.1%	1.3%	1.4%	2.6%	2.9%
National (Thousands)	5,366	5,331	5,361	5,430	5,465	5,511	5,478	5,448	5,482
% Ch	-2.7%	-0.7%	0.6%	1.3%	0.6%	0.8%	-0.6%	-0.6%	0.6%
TRADE									
Idaho	102,267	100,832	101,877	104,933	107,581	110,413	113,454	116,308	119,295
% Ch	-7.4%	-1.4%	1.0%	3.0%	2.5%	2.6%	2.8%	2.5%	2.6%
National (Thousands)	20,108	19,896	20,212	20,503	20,820	21,215	21,450	21,526	21,598
% Ch	-5.3%	-1.1%	1.6%	1.4%	1.5%	1.9%	1.1%	0.4%	0.3%
RETAIL TRADE									
Idaho	76,281	74,833	75,195	77,117	78,856	81,053	83,375	85,550	87,830
% Ch	-7.7%	-1.9%	0.5%	2.6%	2.3%	2.8%	2.9%	2.6%	2.7%
National (Thousands)	14,522	14,444	14,669	14,836	15,072	15,338	15,457	15,409	15,343
% Ch	-5.0%	-0.5%	1.6%	1.1%	1.6%	1.8%	0.8%	-0.3%	-0.4%
WHOLESALE TRADE									
Idaho	25,986	25,999	26,682	27,816	28,725	29,360	30,078	30,758	31,465
% Ch	-6.7%	0.0%	2.6%	4.2%	3.3%	2.2%	2.4%	2.3%	2.3%
National (Thousands)	5,586	5,452	5,543	5,667	5,748	5,877	5,993	6,117	6,255
% Ch	-6.0%	-2.4%	1.7%	2.2%	1.4%	2.2%	2.0%	2.1%	2.3%
STATE & LOCAL GOVERNMENT									
Idaho	105,991	104,875	104,515	104,602	105,543	105,346	105,034	104,878	105,384
% Ch	0.0%	-1.1%	-0.3%	0.1%	0.9%	-0.2%	-0.3%	-0.1%	0.5%
National (Thousands)	19,722	19,514	19,233	19,096	19,093	19,179	19,308	19,467	19,727
% Ch	-0.1%	-1.1%	-1.4%	-0.7%	0.0%	0.5%	0.7%	0.8%	1.3%
EDUCATION									
Idaho	54,615	53,924	54,005	53,966	54,550	54,529	54,851	55,162	55,671
% Ch	1.9%	-1.3%	0.2%	-0.1%	1.1%	0.0%	0.6%	0.6%	0.9%
NONEDUCATION									
Idaho	51,376	50,951	50,510	50,637	50,994	50,817	50,183	49,716	49,713
% Ch	-1.9%	-0.8%	-0.9%	0.3%	0.7%	-0.3%	-1.2%	-0.9%	0.0%
FEDERAL GOVERNMENT									
Idaho	13,496	13,691	12,656	12,643	12,417	12,479	12,465	12,454	12,434
% Ch	2.2%	1.4%	-7.6%	-0.1%	-1.8%	0.5%	-0.1%	-0.1%	-0.2%
National (Thousands)	2,831	2,976	2,860	2,822	2,766	2,697	2,660	2,623	2,585
% Ch	2.5%	5.2%	-3.9%	-1.3%	-2.0%	-2.5%	-1.4%	-1.4%	-1.5%

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**IDAHO ECONOMIC FORECAST
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MISCELLANEOUS

	2000	2001	2002	2003	2004	2005	2006	2007	2008
SELECTED CHAIN-WEIGHTED DEFL.									
Gross Domestic Product	81.894	83.767	85.055	86.754	89.130	91.989	94.817	97.338	99.208
% Ch	2.3%	2.3%	1.5%	2.0%	2.7%	3.2%	3.1%	2.7%	1.9%
Consumption Expenditures	83.128	84.732	85.872	87.573	89.703	92.260	94.729	97.099	100.063
% Ch	2.5%	1.9%	1.3%	2.0%	2.4%	2.9%	2.7%	2.5%	3.1%
Durable Goods	120.339	117.982	115.035	110.885	108.752	107.669	105.916	103.764	101.758
% Ch	-1.8%	-2.0%	-2.5%	-3.6%	-1.9%	-1.0%	-1.6%	-2.0%	-1.9%
Nondurable Goods	82.651	83.529	83.538	85.264	88.214	91.592	94.438	97.214	102.653
% Ch	4.3%	1.1%	0.0%	2.1%	3.5%	3.8%	3.1%	2.9%	5.6%
Services	77.497	79.872	81.964	84.531	87.056	89.930	92.974	95.977	98.943
% Ch	2.8%	3.1%	2.6%	3.1%	3.0%	3.3%	3.4%	3.2%	3.1%
Consumer Price Index (1982-84=1.000)	1.722	1.770	1.799	1.840	1.889	1.953	2.016	2.073	2.153
% Ch	3.4%	2.8%	1.6%	2.3%	2.7%	3.4%	3.2%	2.9%	3.8%
SELECTED INTEREST RATES									
Federal Funds	6.2%	3.9%	1.7%	1.1%	1.3%	3.2%	5.0%	5.0%	1.9%
NY Fed Discount	5.7%	3.4%	1.2%	2.1%	2.3%	4.2%	6.0%	5.9%	2.4%
Prime	9.2%	6.9%	4.7%	4.1%	4.3%	6.2%	8.0%	8.1%	5.1%
Existing Home Mortgage	8.0%	7.0%	6.5%	5.7%	5.7%	5.9%	6.6%	6.5%	6.2%
U.S. Govt. 3-Month Bills	5.8%	3.4%	1.6%	1.0%	1.4%	3.1%	4.7%	4.4%	1.4%
U.S. Govt. 6-Month Bills	5.9%	3.3%	1.7%	1.1%	1.6%	3.4%	4.8%	4.4%	1.6%
U.S. Govt. 5-Year Notes	6.2%	4.6%	3.8%	3.0%	3.4%	4.0%	4.7%	4.4%	2.8%
U.S. Govt. 10-Year Notes	6.0%	5.0%	4.6%	4.0%	4.3%	4.3%	4.8%	4.6%	3.7%
EXCHANGE RATES (2009=1.000)									
Major Currency Trading Partners	1.295	1.365	1.360	1.192	1.097	1.073	1.047	0.980	0.928
% Ch	3.7%	5.4%	-0.3%	-12.4%	-8.0%	-2.2%	-2.4%	-6.4%	-5.3%
Other Important Trading Partners	1.284	1.305	1.339	1.318	1.258	1.182	1.122	1.038	0.940
% Ch	-3.2%	1.7%	2.6%	-1.6%	-4.5%	-6.0%	-5.1%	-7.5%	-9.5%
SELECTED US PRODUCTION INDICES									
Wood Products	99.3	93.1	96.6	96.6	99.2	105.9	106.9	100.0	85.4
% Ch	-1.3%	-6.3%	3.8%	0.0%	2.7%	6.8%	0.9%	-6.4%	-14.6%
Computers & Electronic Products	53.6	54.4	53.0	60.3	68.3	77.0	87.4	100.0	108.1
% Ch	30.8%	1.4%	-2.6%	13.8%	13.3%	12.7%	13.5%	14.4%	8.1%
Food	92.7	92.8	95.0	95.6	95.6	98.6	99.5	100.0	98.8
% Ch	1.7%	0.0%	2.4%	0.7%	0.0%	3.1%	0.9%	0.5%	-1.2%
Agricultural Chemicals	96.9	89.2	92.1	96.3	100.4	104.2	108.6	100.0	86.5
% Ch	-5.4%	-7.9%	3.2%	4.5%	4.3%	3.8%	4.3%	-7.9%	-13.5%
Metal Ore Mining	117.3	106.3	97.4	92.9	94.9	100.5	102.5	100.0	103.0
% Ch	-0.6%	-9.3%	-8.4%	-4.6%	2.2%	5.9%	2.1%	-2.5%	3.0%

National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2014**

MISCELLANEOUS

	2009	2010	2011	2012	2013	2014	2015	2016	2017
SELECTED CHAIN-WEIGHTED DEFL.									
Gross Domestic Product	100.000	101.215	103.203	105.008	106.486	108.123	110.063	111.926	113.925
% Ch	0.8%	1.2%	2.0%	1.7%	1.4%	1.5%	1.8%	1.7%	1.8%
Consumption Expenditures	100.000	101.654	104.086	106.009	107.211	108.851	110.241	111.737	113.527
% Ch	-0.1%	1.7%	2.4%	1.8%	1.1%	1.5%	1.3%	1.4%	1.6%
Durable Goods	100.000	98.622	97.650	96.468	94.725	92.948	91.865	90.912	89.962
% Ch	-1.7%	-1.4%	-1.0%	-1.2%	-1.8%	-1.9%	-1.2%	-1.0%	-1.0%
Nondurable Goods	100.000	103.085	109.128	111.765	111.994	113.524	113.895	114.802	116.125
% Ch	-2.6%	3.1%	5.9%	2.4%	0.2%	1.4%	0.3%	0.8%	1.2%
Services	100.000	101.663	103.463	105.689	107.751	110.082	112.303	114.495	117.013
% Ch	1.1%	1.7%	1.8%	2.2%	2.0%	2.2%	2.0%	2.0%	2.2%
Consumer Price Index (1982-84=100)	2.146	2.181	2.249	2.296	2.330	2.376	2.412	2.447	2.491
% Ch	-0.3%	1.6%	3.1%	2.1%	1.5%	2.0%	1.5%	1.4%	1.8%
SELECTED INTEREST RATES									
Federal Funds	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%	0.3%	2.0%	3.7%
NY Fed Discount	0.5%	0.7%	0.8%	0.8%	0.8%	0.8%	0.9%	2.8%	4.7%
Prime	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.4%	5.0%	6.7%
Existing Home Mortgage	5.1%	4.9%	4.7%	3.8%	4.0%	4.5%	5.3%	5.9%	6.8%
U.S. Govt. 3-Month Bills	0.2%	0.1%	0.1%	0.1%	0.1%	0.0%	0.4%	2.0%	3.5%
U.S. Govt. 6-Month Bills	0.3%	0.2%	0.1%	0.1%	0.1%	0.1%	0.4%	2.2%	3.7%
U.S. Govt. 5-Year Notes	2.2%	1.9%	1.5%	0.8%	1.2%	1.7%	1.9%	3.0%	4.3%
U.S. Govt. 10-Year Notes	3.3%	3.2%	2.8%	1.8%	2.4%	2.7%	3.3%	3.7%	4.4%
EXCHANGE RATES (2009=1.000)									
Major Currency Trading Partners	1.000	0.995	0.917	0.952	0.996	1.018	1.027	1.016	1.016
% Ch	7.8%	-0.5%	-7.9%	3.8%	4.7%	2.2%	0.9%	-1.1%	0.0%
Other Important Trading Partners	1.000	0.948	0.870	0.864	0.856	0.867	0.859	0.838	0.820
% Ch	6.4%	-5.2%	-8.3%	-0.6%	-1.0%	1.4%	-1.0%	-2.4%	-2.2%
SELECTED US PRODUCTION INDICES									
Wood Products	65.3	67.6	68.4	71.6	78.1	81.5	89.3	95.1	96.5
% Ch	-23.6%	3.6%	1.2%	4.7%	9.0%	4.3%	9.7%	6.5%	1.4%
Computers & Electronic Products	97.0	111.3	122.0	135.0	144.4	152.4	166.1	180.6	194.4
% Ch	-10.3%	14.8%	9.6%	10.6%	6.9%	5.5%	9.0%	8.7%	7.6%
Food	98.2	98.6	98.5	102.8	104.5	106.9	109.4	112.0	114.8
% Ch	-0.6%	0.4%	-0.1%	4.4%	1.6%	2.4%	2.3%	2.4%	2.5%
Agricultural Chemicals	91.0	94.9	89.3	91.9	99.2	104.0	105.7	114.0	128.9
% Ch	5.2%	4.3%	-6.0%	3.0%	7.9%	4.8%	1.7%	7.9%	13.0%
Metal Ore Mining	90.4	96.4	98.4	98.9	98.6	98.9	99.3	100.9	101.5
% Ch	-12.2%	6.6%	2.1%	0.5%	-0.3%	0.3%	0.5%	1.6%	0.6%

National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2014**

DEMOGRAPHICS

	2011				2012				2013			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
POPULATION												
Idaho (Thousands)	1,579.1	1,581.8	1,584.6	1,587.8	1,591.2	1,594.1	1,597.0	1,600.5	1,604.1	1,609.2	1,615.0	1,621.5
% Ch	0.6%	0.7%	0.7%	0.8%	0.8%	0.7%	0.8%	0.9%	0.9%	1.3%	1.5%	1.6%
National (Millions)	311.439	312.009	312.649	313.198	313.698	314.268	314.875	315.483	316.092	316.702	317.313	317.926
% Ch	0.6%	0.7%	0.8%	0.7%	0.6%	0.7%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
BIRTHS												
Idaho (Thousands)	22,900	22,600	22,300	22,100	22,355	22,754	23,180	23,623	23,804	23,946	24,060	24,197
% Ch	-6.7%	-5.1%	-5.2%	-3.5%	4.7%	7.3%	7.7%	7.9%	3.1%	2.4%	1.9%	2.3%
National (Thousands)	4,427	4,434	4,442	4,449	4,454	4,461	4,467	4,474	4,480	4,486	4,492	4,497
% Ch	0.5%	0.6%	0.7%	0.6%	0.5%	0.6%	0.6%	0.6%	0.6%	0.5%	0.5%	0.5%
DEATHS												
Idaho (Thousands)	11,600	11,700	12,000	12,300	12,116	12,087	12,108	12,133	12,265	12,301	12,342	12,386
% Ch	4.5%	3.5%	10.7%	10.4%	-5.9%	-1.0%	0.7%	0.8%	4.4%	1.2%	1.3%	1.5%
National (Thousands)	2,581	2,586	2,592	2,597	2,603	2,608	2,614	2,620	2,626	2,631	2,637	2,643
% Ch	0.5%	0.8%	0.9%	0.8%	0.8%	0.8%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
NET MIGRATION												
Idaho (Thousands)	0.514	-0.587	0.034	1.405	1.804	1.596	1.412	1.219	1.382	3.515	6.259	9.196
HOUSING												
HOUSING STARTS												
Idaho	4,011	4,111	4,900	5,242	6,200	7,160	7,537	7,667	8,318	8,847	8,788	10,465
% Ch	-47.9%	10.3%	101.9%	31.0%	95.7%	77.9%	22.8%	7.1%	38.5%	28.0%	-2.7%	101.1%
National (Millions)	0.582	0.574	0.619	0.672	0.707	0.739	0.780	0.908	0.947	0.865	0.882	1.025
% Ch	32.9%	-5.4%	35.2%	38.3%	23.0%	19.4%	24.1%	83.3%	18.3%	-30.5%	8.3%	82.4%
SINGLE UNITS												
Idaho	3,559	3,598	4,059	4,630	5,413	5,779	6,359	6,588	7,265	7,840	7,767	8,135
% Ch	-22.6%	4.4%	61.9%	69.4%	86.8%	29.9%	46.6%	15.2%	47.8%	35.6%	-3.7%	20.3%
National (Millions)	0.417	0.421	0.424	0.475	0.485	0.515	0.549	0.598	0.627	0.596	0.598	0.663
% Ch	-19.3%	4.6%	2.6%	58.0%	8.7%	27.1%	28.8%	41.1%	20.6%	-18.2%	1.3%	50.5%
MULTIPLE UNITS												
Idaho	452	513	841	612	787	1,381	1,178	1,078	1,053	1,007	1,021	2,330
% Ch	-94.4%	64.8%	625.3%	-72.0%	173.9%	848.7%	-47.1%	-29.7%	-9.1%	-16.2%	5.6%	2612.1%
National (Millions)	0.166	0.153	0.195	0.196	0.222	0.224	0.231	0.310	0.320	0.268	0.284	0.362
% Ch	578.0%	-27.3%	165.7%	2.1%	63.5%	3.7%	13.8%	221.1%	14.0%	-50.6%	24.9%	166.2%
HOUSING STOCK												
Idaho (Thousands)	548.1	548.7	549.5	550.4	551.6	552.9	554.4	555.9	557.6	559.4	561.1	563.3
% Ch	0.4%	0.5%	0.6%	0.7%	0.8%	1.0%	1.1%	1.1%	1.2%	1.3%	1.3%	1.6%

National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2014**

DEMOGRAPHICS

	2014				2015				2016			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
POPULATION												
Idaho (Thousands)	1,627.5	1,633.2	1,639.2	1,645.0	1,650.8	1,656.7	1,662.8	1,668.9	1,675.2	1,681.6	1,688.1	1,694.6
% Ch	1.5%	1.4%	1.5%	1.4%	1.4%	1.4%	1.5%	1.5%	1.5%	1.5%	1.6%	1.5%
National (Millions)	318.540	319.156	319.772	320.389	321.007	321.626	322.246	322.867	323.489	324.112	324.736	325.360
% Ch	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
BIRTHS												
Idaho (Thousands)	24.315	24.426	24.546	24.661	24.775	24.892	25.014	25.138	25.268	25.402	25.538	25.674
% Ch	2.0%	1.9%	2.0%	1.9%	1.9%	1.9%	2.0%	2.0%	2.1%	2.1%	2.2%	2.1%
National (Thousands)	4,501	4,505	4,510	4,515	4,520	4,524	4,529	4,533	4,536	4,540	4,544	4,548
% Ch	0.3%	0.4%	0.4%	0.4%	0.5%	0.4%	0.4%	0.4%	0.3%	0.4%	0.4%	0.4%
DEATHS												
Idaho (Thousands)	12.427	12.467	12.509	12.549	12.589	12.630	12.672	12.714	12.758	12.802	12.847	12.891
% Ch	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.4%	1.4%	1.4%	1.4%
National (Thousands)	2,649	2,655	2,661	2,668	2,675	2,682	2,688	2,694	2,699	2,706	2,712	2,719
% Ch	0.8%	0.9%	1.0%	1.0%	1.2%	1.0%	1.0%	0.9%	0.7%	0.9%	1.0%	1.0%
NET MIGRATION												
Idaho (Thousands)	11.497	12.036	12.127	11.373	11.187	11.274	11.275	11.447	11.875	12.299	12.647	12.946
HOUSING												
HOUSING STARTS												
Idaho	10,643	10,016	10,876	11,378	11,633	12,067	12,631	13,069	13,542	13,913	14,433	14,931
% Ch	7.0%	-21.6%	39.0%	19.8%	9.3%	15.8%	20.0%	14.6%	15.3%	11.4%	15.8%	14.5%
National (Millions)	0.925	1.046	1.104	1.194	1.243	1.339	1.416	1.470	1.512	1.550	1.593	1.628
% Ch	-33.7%	63.8%	23.7%	36.9%	17.5%	34.6%	25.3%	16.1%	11.8%	10.6%	11.7%	9.1%
SINGLE UNITS												
Idaho	7,982	8,377	8,928	9,583	10,080	10,515	11,077	11,508	11,985	12,425	12,850	13,307
% Ch	-7.3%	21.3%	29.1%	32.7%	22.4%	18.4%	23.1%	16.5%	17.6%	15.5%	14.4%	15.0%
National (Millions)	0.602	0.654	0.706	0.772	0.827	0.893	0.951	0.989	1.035	1.079	1.131	1.164
% Ch	-31.7%	38.7%	36.2%	42.8%	32.1%	35.7%	28.7%	17.1%	19.7%	18.1%	20.8%	12.3%
MULTIPLE UNITS												
Idaho	2,661	1,639	1,948	1,796	1,553	1,552	1,554	1,561	1,557	1,488	1,583	1,623
% Ch	69.9%	-85.6%	99.2%	-27.7%	-44.1%	-0.2%	0.6%	1.8%	-1.0%	-16.8%	28.4%	10.5%
National (Millions)	0.323	0.393	0.398	0.422	0.415	0.446	0.465	0.480	0.477	0.471	0.462	0.464
% Ch	-37.1%	119.7%	4.8%	27.0%	-6.1%	32.4%	18.6%	13.9%	-3.1%	-4.5%	-7.3%	1.5%
HOUSING STOCK												
Idaho (Thousands)	565.6	567.7	569.9	572.4	574.8	577.4	580.2	583.0	585.9	589.0	592.1	595.4
% Ch	1.6%	1.5%	1.6%	1.7%	1.7%	1.8%	1.9%	2.0%	2.0%	2.1%	2.2%	2.2%

**National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014**

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2014**

OUTPUT, INCOME, & WAGES

	2011				2012				2013			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
U.S. GROSS DOM. PRODUCT (Billions)												
Current Dollars	15,243	15,462	15,612	15,819	16,042	16,160	16,356	16,420	16,535	16,661	16,913	17,090
% Ch	0.3%	5.9%	3.9%	5.4%	5.8%	3.0%	4.9%	1.6%	2.8%	3.1%	6.2%	4.2%
2009 Chain-Weighted	14,894	15,011	15,062	15,242	15,382	15,428	15,534	15,540	15,584	15,680	15,839	15,942
% Ch	-1.3%	3.2%	1.4%	4.9%	3.7%	1.2%	2.8%	0.1%	1.1%	2.5%	4.1%	2.6%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	52,423	52,715	53,423	53,254	54,254	54,791	54,769	56,275	56,121	56,984	57,503	57,895
% Ch	8.1%	2.2%	5.5%	-1.3%	7.7%	4.0%	-0.2%	11.5%	-1.1%	6.3%	3.7%	2.8%
Idaho Nonfarm (Millions)	50,206	50,527	51,112	50,929	51,916	52,461	52,390	53,891	53,560	54,493	54,953	55,533
% Ch	4.1%	2.6%	4.7%	-1.4%	8.0%	4.3%	-0.5%	12.0%	-2.4%	7.2%	3.4%	4.3%
National (Billions)	13,030	13,149	13,284	13,303	13,549	13,652	13,702	14,073	13,926	14,086	14,225	14,301
% Ch	11.9%	3.7%	4.2%	0.6%	7.6%	3.1%	1.5%	11.3%	-4.1%	4.7%	4.0%	2.2%
PERSONAL INCOME - 2009 \$												
Idaho (Millions)	50,898	50,718	51,108	50,776	51,440	51,811	51,575	52,779	52,494	53,316	53,547	53,770
% Ch	4.9%	-1.4%	3.1%	-2.6%	5.3%	2.9%	-1.8%	9.7%	-2.1%	6.4%	1.7%	1.7%
Idaho Nonfarm (Millions)	48,746	48,613	48,897	48,559	49,223	49,609	49,335	50,544	50,099	50,986	51,173	51,577
% Ch	1.1%	-1.1%	2.4%	-2.7%	5.6%	3.2%	-2.2%	10.2%	-3.5%	7.3%	1.5%	3.2%
National (Billions)	12,651	12,650	12,708	12,684	12,846	12,910	12,903	13,199	13,026	13,180	13,247	13,282
% Ch	8.6%	0.0%	1.8%	-0.7%	5.2%	2.0%	-0.2%	9.5%	-5.1%	4.8%	2.1%	1.1%
PER CAPITA PERS INC - CURR \$												
Idaho	33,198	33,326	33,714	33,539	34,097	34,372	34,294	35,160	34,987	35,411	35,605	35,703
% Ch	7.4%	1.6%	4.7%	-2.1%	6.8%	3.3%	-0.9%	10.5%	-2.0%	4.9%	2.2%	1.1%
National	41,838	42,141	42,487	42,475	43,190	43,440	43,514	44,608	44,056	44,478	44,830	44,983
% Ch	11.1%	2.9%	3.3%	-0.1%	6.9%	2.3%	0.7%	10.4%	-4.9%	3.9%	3.2%	1.4%
PER CAPITA PERS INC - 2009 \$												
Idaho	32,232	32,064	32,254	31,978	32,328	32,503	32,294	32,976	32,726	33,132	33,156	33,160
% Ch	4.3%	-2.1%	2.4%	-3.4%	4.5%	2.2%	-2.5%	8.7%	-3.0%	5.1%	0.3%	0.0%
National	40,621	40,545	40,646	40,499	40,950	41,078	40,977	41,838	41,209	41,615	41,747	41,778
% Ch	7.9%	-0.7%	1.0%	-1.4%	4.5%	1.3%	-1.0%	8.7%	-5.9%	4.0%	1.3%	0.3%
AVERAGE ANNUAL WAGE												
Idaho	37,139	37,238	37,279	37,041	37,373	37,481	37,462	37,733	37,700	38,075	38,268	38,850
% Ch	1.5%	1.1%	0.4%	-2.5%	3.6%	1.2%	-0.2%	2.9%	-0.4%	4.0%	2.0%	6.2%
National	50,212	50,290	50,705	50,197	51,283	51,350	51,426	52,550	51,961	52,303	52,427	52,672
% Ch	5.1%	0.6%	3.3%	-4.0%	8.9%	0.5%	0.6%	9.0%	-4.4%	2.7%	1.0%	1.9%

National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2014**

OUTPUT, INCOME, & WAGES

	2014				2015				2016			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
U.S. GROSS DOM. PRODUCT (Billions)												
Current Dollars	17,016	17,221	17,462	17,644	17,851	18,058	18,278	18,474	18,709	18,949	19,201	19,467
% Ch	-1.7%	4.9%	5.7%	4.2%	4.8%	4.7%	5.0%	4.4%	5.2%	5.2%	5.4%	5.7%
2009 Chain-Weighted	15,824	15,974	16,107	16,211	16,316	16,438	16,571	16,690	16,821	16,968	17,121	17,281
% Ch	-2.9%	3.8%	3.4%	2.6%	2.6%	3.0%	3.3%	2.9%	3.2%	3.5%	3.7%	3.8%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	58,013	58,541	59,014	59,606	60,360	60,926	61,684	62,469	63,304	64,068	64,909	65,818
% Ch	0.8%	3.7%	3.3%	4.1%	5.2%	3.8%	5.1%	5.2%	5.5%	4.9%	5.4%	5.7%
Idaho Nonfarm (Millions)	55,753	56,519	57,013	57,665	58,459	59,054	59,804	60,556	61,458	62,250	63,068	63,976
% Ch	1.6%	5.6%	3.5%	4.7%	5.6%	4.1%	5.2%	5.1%	6.1%	5.3%	5.4%	5.9%
National (Billions)	14,410	14,584	14,703	14,854	15,072	15,229	15,396	15,583	15,818	16,021	16,230	16,461
% Ch	3.1%	4.9%	3.3%	4.2%	6.0%	4.2%	4.5%	4.9%	6.2%	5.2%	5.3%	5.8%
PERSONAL INCOME - 2009 \$												
Idaho (Millions)	53,698	53,872	54,013	54,464	54,978	55,355	55,864	56,434	56,967	57,454	57,994	58,563
% Ch	-0.5%	1.3%	1.0%	3.4%	3.8%	2.8%	3.7%	4.1%	3.8%	3.5%	3.8%	4.0%
Idaho Nonfarm (Millions)	51,607	52,011	52,181	52,690	53,246	53,654	54,162	54,706	55,306	55,824	56,349	56,925
% Ch	0.2%	3.2%	1.3%	4.0%	4.3%	3.1%	3.8%	4.1%	4.5%	3.8%	3.8%	4.1%
National (Billions)	13,338	13,421	13,457	13,573	13,728	13,837	13,943	14,077	14,235	14,367	14,501	14,647
% Ch	1.7%	2.5%	1.1%	3.5%	4.6%	3.2%	3.1%	3.9%	4.6%	3.8%	3.8%	4.1%
PER CAPITA PERS INC - CURR \$												
Idaho	35,646	35,844	36,002	36,234	36,563	36,774	37,096	37,431	37,789	38,098	38,450	38,839
% Ch	-0.6%	2.2%	1.8%	2.6%	3.7%	2.3%	3.5%	3.7%	3.9%	3.3%	3.7%	4.1%
National	45,236	45,697	45,980	46,363	46,951	47,350	47,777	48,264	48,899	49,430	49,978	50,594
% Ch	2.3%	4.1%	2.5%	3.4%	5.2%	3.4%	3.7%	4.1%	5.4%	4.4%	4.5%	5.0%
PER CAPITA PERS INC - 2009 \$												
Idaho	32,995	32,986	32,951	33,108	33,303	33,412	33,596	33,815	34,006	34,165	34,353	34,558
% Ch	-2.0%	-0.1%	-0.4%	1.9%	2.4%	1.3%	2.2%	2.6%	2.3%	1.9%	2.2%	2.4%
National	41,872	42,052	42,083	42,363	42,764	43,020	43,270	43,601	44,004	44,327	44,654	45,018
% Ch	0.9%	1.7%	0.3%	2.7%	3.8%	2.4%	2.3%	3.1%	3.8%	3.0%	3.0%	3.3%
AVERAGE ANNUAL WAGE												
Idaho	38,266	38,862	39,072	39,389	39,649	39,863	40,272	40,634	40,858	41,125	41,419	41,710
% Ch	-5.9%	6.4%	2.2%	3.3%	2.7%	2.8%	4.2%	3.6%	2.2%	2.6%	2.9%	2.8%
National	52,943	53,299	53,583	53,899	54,330	54,718	55,120	55,576	56,029	56,461	56,912	57,378
% Ch	2.1%	2.7%	2.2%	2.4%	3.2%	2.9%	3.0%	3.4%	3.3%	3.1%	3.2%	3.3%

National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2014**

PERSONAL INCOME -- CURR \$\$

	2011				2012				2013			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
WAGE AND SALARY PAYMENTS												
Idaho (Millions)	23,366	23,524	23,708	23,659	23,882	24,023	24,159	24,528	24,747	25,170	25,324	25,953
% Ch	2.1%	2.7%	3.2%	-0.8%	3.8%	2.4%	2.3%	6.3%	3.6%	7.0%	2.5%	10.3%
National (Billions)	6,578	6,621	6,698	6,658	6,842	6,874	6,905	7,087	7,040	7,118	7,163	7,229
% Ch	6.3%	2.7%	4.7%	-2.4%	11.5%	1.8%	1.8%	11.0%	-2.6%	4.5%	2.6%	3.8%
FARM PROPRIETORS INCOME												
Idaho (Millions)	1,657	1,632	1,757	1,770	1,835	1,825	1,872	1,876	2,049	1,974	2,029	1,836
% Ch	297.7%	-5.9%	34.3%	3.0%	15.4%	-2.2%	10.8%	0.9%	42.2%	-13.8%	11.6%	-32.9%
National (Billions)	72	68	74	77	75	77	75	75	137	129	132	113
% Ch	229.9%	-21.5%	45.2%	16.0%	-11.4%	13.5%	-8.5%	-4.2%	1043.6%	-21.4%	8.6%	-46.0%
NONFARM PROPRIETORS INCOME												
Idaho (Millions)	4,496	4,545	4,619	4,651	4,783	4,826	4,828	4,951	5,088	5,184	5,235	5,323
% Ch	-6.0%	4.4%	6.7%	2.8%	11.8%	3.7%	0.1%	10.6%	11.5%	7.8%	4.0%	6.9%
National (Billions)	1,045	1,073	1,101	1,111	1,140	1,141	1,145	1,173	1,198	1,213	1,229	1,246
% Ch	16.4%	11.3%	10.9%	3.6%	10.7%	0.4%	1.4%	10.3%	8.7%	5.1%	5.6%	5.5%
DIVIDENDS, RENT & INTEREST												
Idaho (Millions)	9,710	9,896	10,019	10,152	10,241	10,429	10,454	11,145	10,618	10,948	11,158	11,179
% Ch	17.5%	7.9%	5.1%	5.4%	3.5%	7.6%	0.9%	29.2%	-17.6%	13.0%	7.9%	0.7%
National (Billions)	2,309	2,359	2,389	2,419	2,434	2,473	2,474	2,618	2,511	2,582	2,627	2,633
% Ch	18.7%	8.9%	5.2%	5.0%	2.5%	6.6%	0.1%	25.5%	-15.4%	11.8%	7.3%	0.9%
OTHER LABOR INCOME												
Idaho (Millions)	6,140	6,101	6,087	6,090	6,138	6,173	6,245	6,269	6,371	6,415	6,474	6,561
% Ch	-3.7%	-2.5%	-0.9%	0.2%	3.2%	2.3%	4.8%	1.5%	6.7%	2.8%	3.7%	5.5%
National (Billions)	1,138	1,142	1,147	1,154	1,162	1,169	1,174	1,177	1,182	1,188	1,193	1,200
% Ch	1.1%	1.3%	1.9%	2.5%	2.7%	2.4%	1.7%	0.9%	1.8%	1.9%	1.8%	2.3%
GOVT. TRANSFERS TO INDIV.												
Idaho (Millions)	10,067	10,008	10,211	9,883	10,290	10,451	10,159	10,484	10,802	10,911	10,909	10,776
% Ch	-11.3%	-2.3%	8.3%	-12.2%	17.5%	6.4%	-10.7%	13.4%	12.7%	4.1%	-0.1%	-4.8%
National (Billions)	2,310	2,309	2,301	2,309	2,329	2,352	2,364	2,388	2,426	2,431	2,458	2,462
% Ch	0.8%	-0.1%	-1.5%	1.4%	3.5%	4.1%	2.1%	4.1%	6.5%	0.8%	4.5%	0.7%
CONTRIB. FOR SOCIAL INSUR.												
Idaho (Millions)	3,934	3,916	3,916	3,902	3,945	3,973	3,994	4,046	4,607	4,683	4,706	4,815
% Ch	-31.4%	-1.8%	0.0%	-1.4%	4.5%	2.8%	2.2%	5.3%	68.0%	6.8%	2.0%	9.6%
National (Billions)	913	916	925	919	943	945	947	968	1,094	1,103	1,109	1,118
% Ch	-28.4%	1.7%	3.7%	-2.4%	10.6%	1.1%	1.0%	8.9%	63.0%	3.6%	2.1%	3.3%
RESIDENCE ADJUSTMENT												
Idaho (Millions)	921	924	938	950	1,031	1,037	1,046	1,067	1,052	1,063	1,079	1,082
% Ch	34.6%	1.5%	6.2%	5.3%	38.5%	2.5%	3.3%	8.5%	-5.5%	3.9%	6.5%	1.0%

National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2014**

PERSONAL INCOME -- CURR \$\$

	2014				2015				2016			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
WAGE AND SALARY PAYMENTS												
Idaho (Millions)	25,874	26,288	26,568	26,927	27,261	27,565	28,018	28,445	28,781	29,132	29,506	29,880
% Ch	-1.2%	6.6%	4.3%	5.5%	5.1%	4.5%	6.7%	6.2%	4.8%	5.0%	5.2%	5.2%
National (Billions)	7,293	7,380	7,456	7,538	7,633	7,719	7,811	7,914	8,012	8,110	8,212	8,317
% Ch	3.6%	4.8%	4.2%	4.5%	5.1%	4.6%	4.9%	5.4%	5.1%	5.0%	5.1%	5.2%
FARM PROPRIETORS INCOME												
Idaho (Millions)	1,729	1,501	1,471	1,412	1,372	1,343	1,351	1,385	1,318	1,291	1,315	1,318
% Ch	-21.3%	-43.2%	-7.8%	-15.1%	-10.9%	-8.2%	2.3%	10.5%	-17.9%	-8.2%	7.8%	0.8%
National (Billions)	100	104	104	102	102	101	102	104	100	99	101	102
% Ch	-38.7%	17.6%	-0.2%	-8.5%	-0.2%	-2.0%	2.9%	9.5%	-13.5%	-5.2%	7.9%	2.2%
NONFARM PROPRIETORS INCOME												
Idaho (Millions)	5,420	5,467	5,560	5,637	5,709	5,806	5,880	5,957	6,044	6,146	6,210	6,283
% Ch	7.5%	3.5%	7.0%	5.7%	5.2%	6.9%	5.2%	5.4%	6.0%	6.9%	4.2%	4.8%
National (Billions)	1,260	1,271	1,292	1,310	1,327	1,349	1,367	1,385	1,405	1,429	1,444	1,461
% Ch	4.5%	3.8%	6.6%	5.8%	5.3%	6.9%	5.3%	5.4%	6.0%	6.9%	4.3%	4.9%
DIVIDENDS, RENT & INTEREST												
Idaho (Millions)	11,211	11,386	11,410	11,548	11,664	11,772	11,877	12,012	12,170	12,390	12,641	12,932
% Ch	1.2%	6.4%	0.9%	4.9%	4.1%	3.7%	3.6%	4.6%	5.4%	7.5%	8.3%	9.5%
National (Billions)	2,642	2,690	2,689	2,727	2,771	2,801	2,836	2,877	2,921	2,978	3,042	3,116
% Ch	1.4%	7.4%	-0.1%	5.7%	6.5%	4.4%	5.1%	5.9%	6.3%	8.0%	8.8%	10.1%
OTHER LABOR INCOME												
Idaho (Millions)	6,537	6,603	6,659	6,718	6,782	6,839	6,938	7,031	7,115	7,199	7,288	7,383
% Ch	-1.5%	4.1%	3.5%	3.6%	3.9%	3.4%	5.9%	5.5%	4.9%	4.8%	5.1%	5.3%
National (Billions)	1,206	1,212	1,223	1,231	1,244	1,255	1,269	1,284	1,302	1,319	1,336	1,354
% Ch	2.2%	2.1%	3.5%	2.7%	4.2%	3.8%	4.4%	5.0%	5.6%	5.2%	5.3%	5.7%
GOVT. TRANSFERS TO INDIV.												
Idaho (Millions)	10,957	11,063	11,139	11,198	11,518	11,584	11,654	11,731	12,100	12,181	12,267	12,386
% Ch	6.9%	3.9%	2.8%	2.1%	11.9%	2.3%	2.5%	2.7%	13.2%	2.7%	2.9%	3.9%
National (Billions)	2,501	2,525	2,542	2,555	2,625	2,639	2,654	2,670	2,749	2,765	2,782	2,806
% Ch	6.4%	4.0%	2.6%	2.0%	11.5%	2.2%	2.2%	2.4%	12.5%	2.4%	2.5%	3.5%
CONTRIB. FOR SOCIAL INSUR.												
Idaho (Millions)	4,825	4,871	4,903	4,953	5,074	5,116	5,181	5,249	5,390	5,445	5,502	5,556
% Ch	0.8%	3.8%	2.7%	4.1%	10.1%	3.4%	5.2%	5.3%	11.2%	4.1%	4.3%	4.0%
National (Billions)	1,134	1,147	1,156	1,168	1,201	1,213	1,226	1,242	1,279	1,293	1,307	1,323
% Ch	5.8%	4.5%	3.4%	4.0%	12.0%	4.1%	4.2%	5.4%	12.4%	4.4%	4.3%	5.0%
RESIDENCE ADJUSTMENT												
Idaho (Millions)	1,110	1,105	1,111	1,119	1,127	1,134	1,146	1,157	1,165	1,174	1,183	1,192
% Ch	10.6%	-1.7%	2.1%	3.2%	2.8%	2.4%	4.4%	4.0%	2.8%	2.9%	3.2%	3.2%

National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2014**

EMPLOYMENT

	2011				2012				2013			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TOTAL NONFARM EMPLOYMENT												
Idaho	605,775	608,593	612,888	615,497	617,509	619,439	623,289	628,593	634,726	639,447	640,177	646,636
% Ch	0.5%	1.9%	2.9%	1.7%	1.3%	1.3%	2.5%	3.4%	4.0%	3.0%	0.5%	4.1%
National (Thousands)	130,998	131,657	132,097	132,643	133,420	133,856	134,265	134,854	135,495	136,085	136,623	137,248
% Ch	1.1%	2.0%	1.3%	1.7%	2.4%	1.3%	1.2%	1.8%	1.9%	1.8%	1.6%	1.8%
GOODS PRODUCING SECTOR												
Idaho	87,520	88,514	89,122	90,715	91,325	91,792	92,560	93,722	96,607	97,938	97,873	98,421
% Ch	-1.5%	4.6%	2.8%	7.3%	2.7%	2.1%	3.4%	5.1%	12.9%	5.6%	-0.3%	2.3%
National (Thousands)	17,849	18,003	18,133	18,198	18,336	18,400	18,451	18,490	18,637	18,675	18,698	18,797
% Ch	1.1%	3.5%	2.9%	1.4%	3.1%	1.4%	1.1%	0.9%	3.2%	0.8%	0.5%	2.1%
MANUFACTURING												
Idaho	55,639	55,838	55,971	56,715	57,246	58,042	58,533	59,171	60,597	61,467	61,462	61,522
% Ch	5.0%	1.4%	1.0%	5.4%	3.8%	5.7%	3.4%	4.4%	10.0%	5.9%	0.0%	0.4%
National (Thousands)	11,699	11,761	11,810	11,829	11,916	11,978	12,010	12,006	12,049	12,048	12,041	12,091
% Ch	2.6%	2.1%	1.7%	0.7%	3.0%	2.1%	1.1%	-0.1%	1.4%	0.0%	-0.2%	1.7%
DURABLE MANUFACTURING												
Idaho	32,174	32,469	32,818	33,248	33,700	34,202	34,420	34,604	35,477	36,035	36,102	36,192
% Ch	7.7%	3.7%	4.4%	5.3%	5.5%	6.1%	2.6%	2.2%	10.5%	6.4%	0.7%	1.0%
National (Thousands)	7,240	7,303	7,353	7,390	7,470	7,521	7,547	7,544	7,576	7,584	7,591	7,629
% Ch	4.1%	3.6%	2.8%	2.0%	4.4%	2.7%	1.4%	-0.1%	1.7%	0.5%	0.3%	2.0%
LOGGING & WOOD PRODUCTS												
Idaho	6,223	6,082	6,234	6,281	6,266	6,510	6,630	6,697	7,049	7,301	7,144	7,366
% Ch	22.4%	-8.8%	10.4%	3.1%	-0.9%	16.5%	7.5%	4.1%	22.8%	15.1%	-8.3%	13.0%
National (Thousands)	389	386	383	384	387	388	389	395	399	402	405	412
% Ch	2.7%	-2.7%	-3.4%	1.0%	3.3%	1.1%	1.2%	5.8%	4.4%	2.9%	3.3%	6.7%
METAL FABRICATION												
Idaho	4,593	4,601	4,592	4,591	4,783	4,791	4,803	5,067	5,172	5,452	5,477	5,571
% Ch	0.9%	0.7%	-0.8%	-0.1%	17.8%	0.7%	1.0%	23.9%	8.6%	23.5%	1.8%	7.1%
National (Thousands)	1,322	1,344	1,357	1,368	1,394	1,410	1,416	1,418	1,424	1,428	1,432	1,444
% Ch	5.6%	6.8%	4.0%	3.4%	7.8%	4.6%	1.7%	0.5%	1.6%	1.4%	1.2%	3.1%
MACHINERY												
Idaho	2,509	2,571	2,557	2,632	2,675	2,700	2,758	2,735	2,841	2,896	2,926	3,040
% Ch	-3.0%	10.2%	-2.1%	12.2%	6.7%	3.8%	8.9%	-3.3%	16.4%	7.9%	4.2%	16.6%
National (Thousands)	1,033	1,050	1,063	1,076	1,090	1,101	1,102	1,099	1,104	1,104	1,104	1,106
% Ch	7.3%	6.6%	5.3%	4.7%	5.5%	4.2%	0.1%	-0.9%	1.7%	-0.1%	0.0%	0.9%
COMPUTER & ELECTRONICS												
Idaho	10,927	11,096	11,325	11,417	11,629	11,697	11,620	11,555	11,361	11,296	11,387	11,157
% Ch	8.1%	6.3%	8.5%	3.3%	7.6%	2.3%	-2.6%	-2.2%	-6.6%	-2.3%	3.3%	-7.8%
National (Thousands)	1,102	1,104	1,106	1,102	1,099	1,095	1,085	1,077	1,072	1,069	1,067	1,062
% Ch	2.1%	0.7%	0.8%	-1.5%	-1.2%	-1.3%	-3.6%	-3.0%	-1.9%	-0.8%	-0.8%	-1.8%
OTHER DURABLES												
Idaho	7,921	8,120	8,110	8,327	8,346	8,504	8,609	8,550	9,054	9,091	9,167	9,057
% Ch	4.4%	10.4%	-0.5%	11.1%	0.9%	7.8%	5.0%	-2.7%	25.8%	1.6%	3.4%	-4.7%
National (Thousands)	3,394	3,420	3,444	3,460	3,500	3,526	3,555	3,556	3,578	3,581	3,582	3,605
% Ch	3.3%	3.1%	2.8%	1.8%	4.8%	3.0%	3.3%	0.1%	2.5%	0.4%	0.1%	2.5%

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**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2014**

EMPLOYMENT

	2014				2015				2016			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TOTAL NONFARM EMPLOYMENT												
Idaho	651,427	654,473	657,868	661,675	665,687	669,757	674,236	678,702	683,095	687,206	691,383	695,528
% Ch	3.0%	1.9%	2.1%	2.3%	2.4%	2.5%	2.7%	2.7%	2.6%	2.4%	2.5%	2.4%
National (Thousands)	137,755	138,464	139,148	139,862	140,487	141,065	141,704	142,395	143,005	143,648	144,290	144,956
% Ch	1.5%	2.1%	2.0%	2.1%	1.8%	1.7%	1.8%	2.0%	1.7%	1.8%	1.8%	1.9%
GOODS PRODUCING SECTOR												
Idaho	99,746	99,988	100,667	101,542	102,671	103,913	105,223	106,373	107,621	108,537	109,442	110,285
% Ch	5.5%	1.0%	2.7%	3.5%	4.5%	4.9%	5.1%	4.4%	4.8%	3.4%	3.4%	3.1%
National (Thousands)	18,915	19,016	19,164	19,299	19,512	19,714	19,912	20,129	20,336	20,525	20,734	20,923
% Ch	2.5%	2.1%	3.2%	2.8%	4.5%	4.2%	4.1%	4.4%	4.2%	3.8%	4.1%	3.7%
MANUFACTURING												
Idaho	62,058	62,044	62,351	62,861	63,487	64,196	64,917	65,533	66,146	66,446	66,754	67,004
% Ch	3.5%	-0.1%	2.0%	3.3%	4.0%	4.5%	4.6%	3.8%	3.8%	1.8%	1.9%	1.5%
National (Thousands)	12,130	12,154	12,215	12,243	12,351	12,434	12,473	12,524	12,568	12,581	12,612	12,630
% Ch	1.3%	0.8%	2.0%	0.9%	3.6%	2.7%	1.2%	1.7%	1.4%	0.4%	1.0%	0.6%
DURABLE MANUFACTURING												
Idaho	36,570	36,750	37,066	37,520	37,987	38,468	39,073	39,456	39,919	40,107	40,310	40,503
% Ch	4.2%	2.0%	3.5%	5.0%	5.1%	5.2%	6.4%	4.0%	4.8%	1.9%	2.0%	1.9%
National (Thousands)	7,653	7,690	7,751	7,778	7,870	7,952	8,004	8,052	8,100	8,117	8,152	8,174
% Ch	1.2%	2.0%	3.2%	1.4%	4.8%	4.2%	2.6%	2.4%	2.4%	0.9%	1.7%	1.1%
LOGGING & WOOD PRODUCTS												
Idaho	7,357	7,515	7,671	7,968	8,282	8,557	8,915	9,140	9,401	9,436	9,511	9,482
% Ch	-0.5%	8.8%	8.6%	16.4%	16.7%	13.9%	17.8%	10.5%	11.9%	1.5%	3.2%	-1.2%
National (Thousands)	417	421	426	440	456	469	481	492	503	512	521	527
% Ch	5.2%	3.2%	5.6%	13.9%	14.5%	12.5%	10.3%	9.7%	9.3%	7.2%	7.1%	5.2%
METAL FABRICATION												
Idaho	5,748	5,778	5,814	5,846	5,878	5,928	5,986	6,048	6,111	6,174	6,236	6,294
% Ch	13.3%	2.1%	2.5%	2.2%	2.2%	3.4%	4.0%	4.2%	4.2%	4.2%	4.1%	3.7%
National (Thousands)	1,447	1,452	1,448	1,450	1,473	1,492	1,506	1,524	1,540	1,552	1,568	1,581
% Ch	0.9%	1.3%	-0.9%	0.6%	6.3%	5.4%	3.9%	4.7%	4.4%	3.1%	4.2%	3.2%
MACHINERY												
Idaho	3,023	3,022	3,037	3,067	3,080	3,097	3,111	3,128	3,140	3,155	3,172	3,189
% Ch	-2.2%	-0.2%	2.0%	4.0%	1.7%	2.2%	1.8%	2.2%	1.5%	2.0%	2.1%	2.1%
National (Thousands)	1,113	1,123	1,130	1,140	1,158	1,176	1,183	1,188	1,195	1,200	1,207	1,212
% Ch	2.6%	3.5%	2.7%	3.6%	6.5%	6.0%	2.4%	1.9%	2.5%	1.5%	2.5%	1.7%
COMPUTER & ELECTRONICS												
Idaho	11,260	11,287	11,327	11,375	11,420	11,473	11,539	11,495	11,505	11,474	11,435	11,506
% Ch	3.7%	1.0%	1.4%	1.7%	1.6%	1.9%	2.3%	-1.5%	0.3%	-1.1%	-1.4%	2.5%
National (Thousands)	1,058	1,056	1,056	1,049	1,057	1,061	1,060	1,061	1,061	1,056	1,052	1,051
% Ch	-1.7%	-0.8%	0.2%	-2.7%	3.0%	1.8%	-0.3%	0.1%	0.1%	-2.1%	-1.5%	-0.2%
OTHER DURABLES												
Idaho	9,182	9,149	9,218	9,264	9,325	9,414	9,522	9,644	9,763	9,867	9,956	10,032
% Ch	5.6%	-1.4%	3.1%	2.0%	2.7%	3.8%	4.7%	5.2%	5.0%	4.3%	3.6%	3.1%
National (Thousands)	3,617	3,639	3,690	3,698	3,727	3,754	3,773	3,787	3,800	3,797	3,803	3,802
% Ch	1.4%	2.5%	5.7%	0.9%	3.2%	2.9%	2.1%	1.5%	1.3%	-0.2%	0.6%	-0.2%

National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2014**

EMPLOYMENT

MANUFACTURING (continued)

	2011				2012				2013			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
NONDURABLE MANUFACTURING												
Idaho	23,466	23,369	23,153	23,467	23,546	23,840	24,113	24,568	25,120	25,432	25,361	25,330
% Ch	1.3%	-1.6%	-3.6%	5.5%	1.4%	5.1%	4.7%	7.8%	9.3%	5.1%	-1.1%	-0.5%
National (Thousands)	4,459	4,458	4,457	4,440	4,445	4,458	4,463	4,461	4,473	4,463	4,450	4,462
% Ch	0.2%	-0.1%	-0.1%	-1.5%	0.5%	1.1%	0.5%	-0.2%	1.1%	-0.9%	-1.2%	1.1%
FOOD PROCESSING												
Idaho	15,612	15,393	15,112	15,297	15,399	15,511	15,669	16,053	16,199	16,547	16,448	16,344
% Ch	0.5%	-5.5%	-7.1%	5.0%	2.7%	2.9%	4.1%	10.2%	3.7%	8.9%	-2.4%	-2.5%
National (Thousands)	1,462	1,461	1,458	1,453	1,459	1,468	1,476	1,471	1,473	1,473	1,466	1,477
% Ch	3.1%	-0.4%	-0.8%	-1.2%	1.7%	2.4%	2.2%	-1.5%	0.7%	-0.1%	-1.8%	3.0%
PRINTING												
Idaho	1,221	1,223	1,234	1,253	1,224	1,221	1,203	1,186	1,225	1,219	1,205	1,217
% Ch	-10.4%	0.6%	3.5%	6.3%	-8.9%	-0.9%	-5.7%	-5.5%	13.7%	-1.7%	-4.7%	4.2%
National (Thousands)	476	473	472	467	465	464	461	457	455	449	445	443
% Ch	-4.8%	-2.8%	-1.0%	-4.0%	-1.4%	-0.6%	-2.9%	-3.7%	-1.2%	-5.1%	-3.9%	-1.4%
CHEMICALS												
Idaho	2,305	2,375	2,382	2,439	2,503	2,509	2,582	2,573	2,569	2,576	2,615	2,641
% Ch	19.7%	12.8%	1.2%	9.9%	10.9%	0.9%	12.1%	-1.4%	-0.7%	1.2%	6.1%	4.0%
National (Thousands)	782	783	785	783	783	782	783	786	791	793	792	794
% Ch	-1.0%	0.8%	1.0%	-1.3%	0.2%	-0.7%	0.8%	1.4%	2.8%	1.0%	-0.6%	0.7%
OTHER NONDURABLES												
Idaho	4,328	4,377	4,425	4,478	4,421	4,599	4,659	4,756	5,127	5,089	5,093	5,128
% Ch	-1.0%	4.6%	4.4%	5.0%	-5.1%	17.2%	5.3%	8.6%	35.1%	-3.0%	0.3%	2.8%
National (Thousands)	1,739	1,741	1,742	1,737	1,738	1,743	1,743	1,748	1,753	1,748	1,747	1,748
% Ch	-0.3%	0.4%	0.4%	-1.3%	0.2%	1.3%	-0.1%	1.2%	1.1%	-1.2%	-0.3%	0.3%
MINING												
Idaho	2,471	2,491	2,610	2,759	2,787	2,722	2,678	2,595	2,628	2,627	2,528	2,529
% Ch	9.2%	3.4%	20.5%	24.8%	4.1%	-8.9%	-6.4%	-11.8%	5.2%	-0.2%	-14.2%	0.1%
National (Thousands)	693	729	758	777	795	801	797	794	806	808	819	827
% Ch	4.7%	22.4%	16.9%	10.3%	9.6%	3.2%	-2.0%	-1.7%	6.4%	1.2%	5.1%	4.4%
CONSTRUCTION												
Idaho	29,410	30,185	30,540	31,241	31,292	31,027	31,349	31,955	33,382	33,844	33,882	34,370
% Ch	-13.1%	11.0%	4.8%	9.5%	0.7%	-3.3%	4.2%	8.0%	19.1%	5.7%	0.4%	5.9%
National (Thousands)	5,457	5,513	5,565	5,592	5,625	5,621	5,643	5,691	5,782	5,819	5,838	5,879
% Ch	-2.5%	4.2%	3.8%	2.0%	2.4%	-0.3%	1.6%	3.4%	6.5%	2.6%	1.4%	2.8%
NONGOODS PRODUCING												
Idaho	518,255	520,078	523,766	524,782	526,184	527,647	530,729	534,871	538,119	541,509	542,304	548,216
% Ch	0.8%	1.4%	2.9%	0.8%	1.1%	1.1%	2.4%	3.2%	2.5%	2.5%	0.6%	4.4%
National (Thousands)	113,149	113,654	113,964	114,445	115,083	115,455	115,813	116,363	116,858	117,410	117,926	118,451
% Ch	1.1%	1.8%	1.1%	1.7%	2.3%	1.3%	1.2%	1.9%	1.7%	1.9%	1.8%	1.8%
SERVICES												
Idaho	300,507	301,771	304,057	304,357	305,380	306,583	308,299	310,454	313,020	315,950	316,696	322,318
% Ch	1.9%	1.7%	3.1%	0.4%	1.4%	1.6%	2.3%	2.8%	3.3%	3.8%	0.9%	7.3%
National (Thousands)	70,881	71,313	71,666	72,132	72,702	73,044	73,401	73,881	74,325	74,817	75,199	75,593
% Ch	1.5%	2.5%	2.0%	2.6%	3.2%	1.9%	2.0%	2.6%	2.4%	2.7%	2.1%	2.1%
INFORMATION												
Idaho	9,399	9,544	9,467	9,454	9,476	9,335	9,334	9,320	9,248	9,430	9,366	9,352
% Ch	-3.6%	6.3%	-3.2%	-0.6%	0.9%	-5.8%	-0.1%	-0.6%	-3.0%	8.1%	-2.7%	-0.6%
National (Thousands)	2,675	2,679	2,662	2,679	2,674	2,677	2,677	2,676	2,686	2,686	2,683	2,684
% Ch	-2.2%	0.6%	-2.5%	2.5%	-0.8%	0.5%	0.0%	-0.2%	1.6%	0.0%	-0.5%	0.1%
FINANCIAL ACTIVITIES												
Idaho	29,644	29,695	30,017	30,103	29,989	30,294	30,368	30,641	31,046	31,224	31,348	30,978
% Ch	4.2%	0.7%	4.4%	1.1%	-1.5%	4.1%	1.0%	3.6%	5.4%	2.3%	1.6%	-4.6%
National (Thousands)	7,678	7,689	7,698	7,722	7,746	7,775	7,791	7,818	7,845	7,873	7,898	7,901
% Ch	-0.3%	0.6%	0.5%	1.3%	1.3%	1.5%	0.8%	1.4%	1.4%	1.5%	1.3%	0.2%

National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2014**

EMPLOYMENT

MANUFACTURING (continued)

	2014				2015				2016			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
NONDURABLE MANUFACTURING												
Idaho	25,488	25,293	25,285	25,341	25,501	25,727	25,845	26,077	26,226	26,340	26,445	26,501
% Ch	2.5%	-3.0%	-0.1%	0.9%	2.5%	3.6%	1.8%	3.6%	2.3%	1.7%	1.6%	0.9%
National (Thousands)	4,478	4,464	4,464	4,465	4,481	4,482	4,469	4,472	4,469	4,464	4,460	4,456
% Ch	1.4%	-1.2%	0.0%	0.1%	1.5%	0.1%	-1.1%	0.3%	-0.3%	-0.4%	-0.4%	-0.4%
FOOD PROCESSING												
Idaho	16,464	16,274	16,216	16,223	16,381	16,597	16,701	16,906	17,016	17,103	17,172	17,196
% Ch	3.0%	-4.6%	-1.4%	0.2%	4.0%	5.4%	2.5%	5.0%	2.6%	2.0%	1.6%	0.5%
National (Thousands)	1,488	1,479	1,483	1,486	1,497	1,504	1,504	1,512	1,516	1,519	1,522	1,523
% Ch	3.1%	-2.4%	0.9%	0.8%	3.1%	1.8%	0.2%	1.9%	1.1%	0.8%	0.8%	0.5%
PRINTING												
Idaho	1,225	1,219	1,249	1,278	1,265	1,259	1,253	1,255	1,263	1,260	1,264	1,267
% Ch	2.7%	-2.2%	10.2%	9.7%	-3.8%	-1.9%	-1.9%	0.6%	2.7%	-1.1%	1.5%	0.9%
National (Thousands)	442	441	441	439	439	437	433	430	426	423	420	417
% Ch	-0.9%	-1.2%	-0.5%	-1.1%	0.2%	-2.0%	-4.0%	-2.7%	-3.1%	-3.1%	-3.0%	-3.0%
CHEMICALS												
Idaho	2,602	2,599	2,595	2,592	2,590	2,588	2,587	2,589	2,590	2,592	2,595	2,600
% Ch	-5.8%	-0.4%	-0.6%	-0.4%	-0.4%	-0.3%	-0.2%	0.3%	0.3%	0.3%	0.5%	0.7%
National (Thousands)	797	799	798	798	799	797	796	797	797	796	795	795
% Ch	1.6%	1.3%	-0.5%	0.0%	0.5%	-1.0%	-0.5%	0.6%	-0.3%	-0.5%	-0.3%	0.2%
OTHER NONDURABLES												
Idaho	5,197	5,202	5,225	5,248	5,265	5,284	5,304	5,327	5,356	5,385	5,412	5,439
% Ch	5.5%	0.4%	1.8%	1.8%	1.3%	1.4%	1.6%	1.8%	2.2%	2.2%	2.1%	1.9%
National (Thousands)	1,750	1,744	1,742	1,742	1,745	1,744	1,736	1,733	1,730	1,727	1,723	1,720
% Ch	0.5%	-1.4%	-0.4%	-0.1%	0.9%	-0.4%	-1.8%	-0.6%	-0.8%	-0.7%	-0.7%	-0.7%
MINING												
Idaho	2,573	2,555	2,574	2,572	2,589	2,599	2,604	2,616	2,625	2,636	2,649	2,663
% Ch	7.1%	-2.8%	3.0%	-0.3%	2.6%	1.6%	0.8%	1.9%	1.4%	1.8%	2.0%	2.0%
National (Thousands)	838	852	869	883	891	895	893	895	892	895	901	906
% Ch	5.0%	7.1%	8.2%	6.4%	3.8%	1.7%	-0.6%	0.7%	-1.1%	1.1%	2.9%	2.0%
CONSTRUCTION												
Idaho	35,115	35,389	35,741	36,109	36,595	37,119	37,702	38,225	38,851	39,454	40,038	40,618
% Ch	9.0%	3.2%	4.0%	4.2%	5.5%	5.9%	6.4%	5.7%	6.7%	6.4%	6.1%	5.9%
National (Thousands)	5,947	6,010	6,080	6,173	6,269	6,385	6,546	6,710	6,876	7,049	7,221	7,388
% Ch	4.8%	4.3%	4.8%	6.2%	6.4%	7.6%	10.5%	10.4%	10.3%	10.4%	10.2%	9.5%
NONGOODS PRODUCING												
Idaho	551,681	554,486	557,201	560,133	563,016	565,844	569,013	572,329	575,474	578,670	581,941	585,243
% Ch	2.6%	2.0%	2.0%	2.1%	2.1%	2.0%	2.3%	2.4%	2.2%	2.2%	2.3%	2.3%
National (Thousands)	118,840	119,448	119,984	120,563	120,975	121,351	121,791	122,266	122,668	123,123	123,556	124,033
% Ch	1.3%	2.1%	1.8%	1.9%	1.4%	1.2%	1.5%	1.6%	1.3%	1.5%	1.4%	1.6%
SERVICES												
Idaho	324,439	326,610	328,642	330,862	333,045	335,298	337,678	340,367	342,968	345,450	347,913	350,432
% Ch	2.7%	2.7%	2.5%	2.7%	2.7%	2.7%	2.9%	3.2%	3.1%	2.9%	2.9%	2.9%
National (Thousands)	75,919	76,399	76,854	77,302	77,640	77,982	78,338	78,751	79,123	79,536	79,917	80,338
% Ch	1.7%	2.6%	2.4%	2.3%	1.8%	1.8%	1.8%	2.1%	1.9%	2.1%	1.9%	2.1%
INFORMATION												
Idaho	9,286	9,341	9,366	9,329	9,333	9,335	9,346	9,372	9,435	9,491	9,564	9,612
% Ch	-2.8%	2.4%	1.1%	-1.6%	0.1%	0.1%	0.5%	1.1%	2.7%	2.4%	3.1%	2.0%
National (Thousands)	2,663	2,657	2,660	2,668	2,618	2,587	2,641	2,712	2,749	2,771	2,786	2,790
% Ch	-3.0%	-0.9%	0.4%	1.3%	-7.3%	-4.7%	8.7%	11.2%	5.6%	3.3%	2.1%	0.7%
FINANCIAL ACTIVITIES												
Idaho	31,209	31,211	31,242	31,382	31,442	31,537	31,567	31,768	31,965	32,159	32,304	32,514
% Ch	3.0%	0.0%	0.4%	1.8%	0.8%	1.2%	0.4%	2.6%	2.5%	2.4%	1.8%	2.6%
National (Thousands)	7,907	7,919	7,935	7,992	8,013	8,010	8,008	8,014	8,018	8,036	8,037	8,020
% Ch	0.3%	0.6%	0.8%	2.9%	1.1%	-0.2%	-0.1%	0.3%	0.2%	0.9%	0.1%	-0.8%

**National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014**

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2014**

EMPLOYMENT

SERVICES (Continued)	2011				2012				2013			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TRANS., WAREHOUSING, UTILITIES												
Idaho	20,965	21,143	21,347	21,274	21,414	21,400	21,587	21,631	21,631	21,579	21,527	22,023
% Ch	0.7%	3.4%	3.9%	-1.4%	2.7%	-0.3%	3.6%	0.8%	0.0%	-1.0%	-1.0%	9.5%
National (Thousands)	4,811	4,850	4,871	4,891	4,931	4,951	4,981	5,010	5,025	5,029	5,038	5,085
% Ch	2.0%	3.3%	1.8%	1.7%	3.3%	1.6%	2.4%	2.3%	1.3%	0.3%	0.7%	3.7%
PROFESSIONAL & BUSINESS												
Idaho	75,418	74,744	75,448	75,007	75,058	75,136	75,588	76,030	76,578	77,457	77,710	79,428
% Ch	3.3%	-3.5%	3.8%	-2.3%	0.3%	0.4%	2.4%	2.4%	2.9%	4.7%	1.3%	9.1%
National (Thousands)	17,116	17,272	17,381	17,549	17,745	17,870	17,992	18,125	18,289	18,505	18,661	18,807
% Ch	4.1%	3.7%	2.6%	3.9%	4.5%	2.8%	2.8%	3.0%	3.7%	4.8%	3.4%	3.2%
EDUCATION & HEALTH												
Idaho	85,933	86,492	86,706	87,050	87,533	88,045	88,617	89,210	89,931	90,781	91,432	92,789
% Ch	4.2%	2.6%	1.0%	1.6%	2.2%	2.4%	2.6%	2.7%	3.3%	3.8%	2.9%	6.1%
National (Thousands)	20,073	20,172	20,287	20,392	20,545	20,645	20,720	20,875	20,953	21,064	21,154	21,230
% Ch	1.0%	2.0%	2.3%	2.1%	3.0%	2.0%	1.5%	3.0%	1.5%	2.1%	1.7%	1.5%
LEISURE & HOSPITALITY												
Idaho	58,322	59,055	59,834	59,925	60,488	60,955	61,278	61,912	62,870	63,523	63,068	65,753
% Ch	-0.4%	5.1%	5.4%	0.6%	3.8%	3.1%	2.1%	4.2%	6.3%	4.2%	-2.8%	18.1%
National (Thousands)	13,197	13,305	13,395	13,506	13,645	13,705	13,806	13,930	14,073	14,197	14,298	14,411
% Ch	1.8%	3.3%	2.7%	3.4%	4.2%	1.8%	3.0%	3.7%	4.2%	3.6%	2.9%	3.2%
OTHER SERVICES												
Idaho	20,825	21,099	21,237	21,544	21,422	21,417	21,528	21,710	21,716	21,957	22,244	21,995
% Ch	-4.8%	5.4%	2.6%	5.9%	-2.3%	-0.1%	2.1%	3.4%	0.1%	4.5%	5.3%	-4.4%
National (Thousands)	5,331	5,348	5,371	5,392	5,416	5,421	5,435	5,447	5,454	5,461	5,468	5,476
% Ch	-1.2%	1.2%	1.8%	1.6%	1.7%	0.4%	1.0%	0.9%	0.5%	0.5%	0.5%	0.6%
TRADE												
Idaho	100,662	101,283	102,275	103,289	104,244	104,460	105,071	105,958	106,533	107,493	108,171	108,126
% Ch	-0.6%	2.5%	4.0%	4.0%	3.7%	0.8%	2.4%	3.4%	2.2%	3.7%	2.5%	-0.2%
National (Thousands)	20,050	20,184	20,273	20,341	20,441	20,490	20,491	20,591	20,663	20,734	20,877	21,003
% Ch	1.9%	2.7%	1.8%	1.3%	2.0%	0.9%	0.0%	2.0%	1.4%	1.4%	2.8%	2.4%
RETAIL TRADE												
Idaho	74,470	74,768	75,416	76,125	76,796	76,758	77,128	77,788	77,901	78,865	79,404	79,253
% Ch	-0.9%	1.6%	3.5%	3.8%	3.6%	-0.2%	1.9%	3.5%	0.6%	5.0%	2.8%	-0.8%
National (Thousands)	14,553	14,651	14,720	14,752	14,810	14,825	14,813	14,898	14,947	15,003	15,118	15,220
% Ch	1.8%	2.7%	1.9%	0.9%	1.6%	0.4%	-0.3%	2.3%	1.3%	1.5%	3.1%	2.7%
WHOLESALE TRADE												
Idaho	26,192	26,515	26,859	27,164	27,448	27,702	27,943	28,171	28,632	28,629	28,767	28,873
% Ch	0.1%	5.0%	5.3%	4.6%	4.2%	3.8%	3.5%	3.3%	6.7%	0.0%	1.9%	1.5%
National (Thousands)	5,497	5,533	5,553	5,588	5,631	5,665	5,679	5,693	5,716	5,731	5,760	5,784
% Ch	2.0%	2.6%	1.5%	2.6%	3.1%	2.4%	1.0%	1.0%	1.7%	1.0%	2.0%	1.7%
STATE & LOCAL GOVERNMENT												
Idaho	104,425	104,433	104,751	104,451	103,855	104,089	104,796	105,670	105,923	105,761	105,152	105,338
% Ch	0.3%	0.0%	1.2%	-1.1%	-2.3%	0.9%	2.7%	3.4%	1.0%	-0.6%	-2.3%	0.7%
National (Thousands)	19,343	19,289	19,173	19,129	19,111	19,096	19,104	19,074	19,067	19,084	19,100	19,119
% Ch	-1.5%	-1.1%	-2.4%	-0.9%	-0.4%	-0.3%	0.2%	-0.6%	-0.2%	0.4%	0.3%	0.4%
EDUCATION												
Idaho	54,236	53,899	54,116	53,769	53,329	53,508	54,128	54,898	54,896	54,791	54,156	54,356
% Ch	1.9%	-2.5%	1.6%	-2.5%	-3.2%	1.3%	4.7%	5.8%	0.0%	-0.8%	-4.6%	1.5%
NONEDUCATION												
Idaho	50,189	50,534	50,636	50,682	50,525	50,581	50,668	50,772	51,027	50,970	50,996	50,982
% Ch	-1.3%	2.8%	0.8%	0.4%	-1.2%	0.4%	0.7%	0.8%	2.0%	-0.4%	0.2%	-0.1%
FEDERAL GOVERNMENT												
Idaho	12,661	12,592	12,684	12,685	12,706	12,515	12,563	12,789	12,643	12,304	12,286	12,434
% Ch	-7.7%	-2.2%	3.0%	0.0%	0.6%	-5.9%	1.5%	7.4%	-4.5%	-10.3%	-0.6%	4.9%
National (Thousands)	2,875	2,868	2,853	2,844	2,829	2,825	2,817	2,817	2,803	2,775	2,750	2,736
% Ch	1.1%	-1.0%	-2.1%	-1.3%	-2.1%	-0.5%	-1.1%	0.0%	-2.0%	-3.8%	-3.6%	-2.0%

National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2014**

EMPLOYMENT

SERVICES (Continued)	2014				2015				2016			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TRANS., WAREHOUSING, UTILITIES												
Idaho	22,283	22,417	22,600	22,788	22,993	23,113	23,244	23,373	23,492	23,612	23,741	23,868
% Ch	4.8%	2.4%	3.3%	3.4%	3.6%	2.1%	2.3%	2.2%	2.0%	2.1%	2.2%	2.2%
National (Thousands)	5,114	5,149	5,183	5,242	5,283	5,307	5,346	5,392	5,428	5,473	5,518	5,564
% Ch	2.3%	2.8%	2.7%	4.6%	3.2%	1.9%	3.0%	3.5%	2.6%	3.4%	3.4%	3.4%
PROFESSIONAL & BUSINESS												
Idaho	80,201	80,928	81,571	82,375	83,229	84,139	85,138	86,199	87,012	87,732	88,502	89,284
% Ch	3.9%	3.7%	3.2%	4.0%	4.2%	4.4%	4.8%	5.1%	3.8%	3.4%	3.6%	3.6%
National (Thousands)	18,961	19,146	19,289	19,514	19,713	19,921	20,146	20,350	20,515	20,693	20,882	21,090
% Ch	3.3%	3.9%	3.0%	4.8%	4.1%	4.3%	4.6%	4.1%	3.3%	3.5%	3.7%	4.0%
EDUCATION & HEALTH												
Idaho	93,493	94,052	94,643	95,300	95,968	96,700	97,428	98,161	98,951	99,767	100,585	101,412
% Ch	3.1%	2.4%	2.5%	2.8%	2.8%	3.1%	3.0%	3.0%	3.3%	3.3%	3.3%	3.3%
National (Thousands)	21,293	21,429	21,586	21,678	21,739	21,914	21,957	21,994	22,099	22,251	22,335	22,460
% Ch	1.2%	2.6%	3.0%	1.7%	1.1%	3.3%	0.8%	0.7%	1.9%	2.8%	1.5%	2.3%
LEISURE & HOSPITALITY												
Idaho	65,794	66,373	66,930	67,394	67,692	67,984	68,333	68,730	69,200	69,615	69,980	70,341
% Ch	0.2%	3.6%	3.4%	2.8%	1.8%	1.7%	2.1%	2.3%	2.8%	2.4%	2.1%	2.1%
National (Thousands)	14,494	14,588	14,673	14,692	14,768	14,760	14,771	14,834	14,867	14,867	14,912	14,962
% Ch	2.3%	2.6%	2.3%	0.5%	2.1%	-0.2%	0.3%	1.7%	0.9%	0.0%	1.2%	1.3%
OTHER SERVICES												
Idaho	22,172	22,288	22,290	22,294	22,389	22,489	22,622	22,764	22,915	23,075	23,238	23,402
% Ch	3.3%	2.1%	0.0%	0.1%	1.7%	1.8%	2.4%	2.5%	2.7%	2.8%	2.9%	2.9%
National (Thousands)	5,488	5,511	5,529	5,516	5,506	5,484	5,469	5,455	5,448	5,446	5,447	5,452
% Ch	0.9%	1.7%	1.3%	-0.9%	-0.8%	-1.6%	-1.1%	-1.0%	-0.6%	-0.1%	0.1%	0.4%
TRADE												
Idaho	109,170	109,999	110,800	111,681	112,333	113,065	113,855	114,561	115,208	115,939	116,692	117,395
% Ch	3.9%	3.1%	2.9%	3.2%	2.4%	2.6%	2.8%	2.5%	2.3%	2.6%	2.6%	2.4%
National (Thousands)	21,074	21,179	21,247	21,360	21,406	21,409	21,473	21,513	21,518	21,524	21,531	21,530
% Ch	1.3%	2.0%	1.3%	2.2%	0.8%	0.1%	1.2%	0.7%	0.1%	0.1%	0.1%	0.0%
RETAIL TRADE												
Idaho	80,100	80,736	81,348	82,026	82,520	83,079	83,683	84,220	84,711	85,268	85,843	86,378
% Ch	4.3%	3.2%	3.1%	3.4%	2.4%	2.7%	2.9%	2.6%	2.4%	2.7%	2.7%	2.5%
National (Thousands)	15,246	15,317	15,361	15,430	15,456	15,435	15,465	15,473	15,457	15,425	15,394	15,358
% Ch	0.7%	1.9%	1.2%	1.8%	0.7%	-0.6%	0.8%	0.2%	-0.4%	-0.8%	-0.8%	-0.9%
WHOLESALE TRADE												
Idaho	29,070	29,263	29,451	29,655	29,813	29,987	30,172	30,341	30,497	30,671	30,849	31,016
% Ch	2.8%	2.7%	2.6%	2.8%	2.1%	2.4%	2.5%	2.3%	2.1%	2.3%	2.3%	2.2%
National (Thousands)	5,828	5,863	5,886	5,931	5,949	5,974	6,008	6,040	6,062	6,099	6,136	6,172
% Ch	3.1%	2.4%	1.6%	3.1%	1.2%	1.7%	2.3%	2.1%	1.4%	2.5%	2.5%	2.4%
STATE & LOCAL GOVERNMENT												
Idaho	105,603	105,393	105,274	105,114	105,161	105,012	105,018	104,947	104,832	104,823	104,886	104,974
% Ch	1.0%	-0.8%	-0.4%	-0.6%	0.2%	-0.6%	0.0%	-0.3%	-0.4%	0.0%	0.2%	0.3%
National (Thousands)	19,130	19,165	19,193	19,226	19,260	19,295	19,323	19,353	19,387	19,436	19,490	19,556
% Ch	0.2%	0.7%	0.6%	0.7%	0.7%	0.7%	0.6%	0.6%	0.7%	1.0%	1.1%	1.4%
EDUCATION												
Idaho	54,542	54,494	54,505	54,574	54,713	54,789	54,895	55,008	55,019	55,103	55,208	55,320
% Ch	1.4%	-0.3%	0.1%	0.5%	1.0%	0.6%	0.8%	0.8%	0.1%	0.6%	0.8%	0.8%
NONEDUCATION												
Idaho	51,061	50,899	50,770	50,540	50,448	50,223	50,123	49,939	49,813	49,720	49,678	49,654
% Ch	0.6%	-1.3%	-1.0%	-1.8%	-0.7%	-1.8%	-0.8%	-1.5%	-1.0%	-0.7%	-0.3%	-0.2%
FEDERAL GOVERNMENT												
Idaho	12,470	12,484	12,485	12,476	12,477	12,469	12,461	12,454	12,466	12,458	12,450	12,443
% Ch	1.2%	0.5%	0.0%	-0.3%	0.0%	-0.3%	-0.2%	-0.2%	0.4%	-0.3%	-0.3%	-0.2%
National (Thousands)	2,717	2,705	2,690	2,675	2,669	2,664	2,658	2,648	2,639	2,627	2,618	2,608
% Ch	-2.7%	-1.8%	-2.2%	-2.2%	-0.9%	-0.8%	-1.0%	-1.4%	-1.3%	-1.9%	-1.4%	-1.5%

**National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014**

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2014**

MISCELLANEOUS

	Q1	2011 Q2	Q3	Q4	Q1	2012 Q2	Q3	Q4	Q1	2013 Q2	Q3	Q4
SELECTED CHAIN-WEIGHTED DEFL.												
Gross Domestic Product	102.354	103.024	103.651	103.782	104.296	104.751	105.345	105.640	105.994	106.165	106.685	107.099
% Ch	1.6%	2.6%	2.5%	0.5%	2.0%	1.8%	2.3%	1.1%	1.3%	0.6%	2.0%	1.6%
Consumption Expenditures	102.996	103.938	104.529	104.880	105.471	105.750	106.193	106.622	106.909	106.878	107.387	107.671
% Ch	3.0%	3.7%	2.3%	1.3%	2.3%	1.1%	1.7%	1.6%	1.1%	-0.1%	1.9%	1.1%
Durable Goods	97.606	97.947	97.797	97.248	97.087	96.791	96.246	95.746	95.487	95.016	94.456	93.941
% Ch	-0.8%	1.4%	-0.6%	-2.2%	-0.7%	-1.2%	-2.2%	-2.1%	-1.1%	-2.0%	-2.3%	-2.2%
Nondurable Goods	106.833	109.050	110.138	110.491	111.448	111.127	111.964	112.522	112.264	111.126	112.362	112.224
% Ch	9.3%	8.6%	4.1%	1.3%	3.5%	-1.1%	3.0%	2.0%	-0.9%	-4.0%	4.5%	-0.5%
Services	102.596	103.217	103.768	104.271	104.872	105.450	105.939	106.493	107.060	107.477	107.946	108.522
% Ch	1.5%	2.4%	2.2%	2.0%	2.3%	2.2%	1.9%	2.1%	2.1%	1.6%	1.8%	2.2%
Consumer Price Index	2.220	2.247	2.261	2.270	2.282	2.290	2.299	2.313	2.320	2.322	2.335	2.341
% Ch	4.2%	5.0%	2.6%	1.6%	2.1%	1.4%	1.7%	2.4%	1.2%	0.4%	2.2%	1.1%
SELECTED INTEREST RATES												
Federal Funds	0.2%	0.1%	0.1%	0.1%	0.1%	0.2%	0.1%	0.2%	0.1%	0.1%	0.1%	0.1%
NY Fed Discount	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
Prime	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%
Existing Home Mortgage	4.9%	4.9%	4.6%	4.3%	4.2%	3.9%	3.7%	3.5%	3.6%	3.6%	4.4%	4.4%
U.S. Govt. 3-Month Bills	0.1%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.1%
U.S. Govt. 6-Month Bills	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
U.S. Govt. 5-Year Notes	2.1%	1.9%	1.2%	1.0%	0.9%	0.8%	0.7%	0.7%	0.8%	0.9%	1.5%	1.4%
U.S. Govt. 10-Year Notes	3.5%	3.2%	2.4%	2.0%	2.0%	1.8%	1.6%	1.7%	2.0%	2.0%	2.7%	2.7%
EXCHANGE RATES (2009=1.000)												
Major Currency Trading Partners	0.938	0.901	0.898	0.930	0.938	0.955	0.961	0.952	0.977	1.003	1.005	0.998
% Ch	-8.3%	-14.9%	-1.3%	14.8%	3.5%	7.7%	2.4%	-3.4%	10.8%	11.1%	0.9%	-2.8%
Other Important Trading Partners	0.889	0.858	0.854	0.878	0.857	0.873	0.870	0.857	0.850	0.850	0.864	0.859
% Ch	-10.9%	-13.2%	-1.8%	11.5%	-8.9%	7.5%	-1.2%	-5.9%	-3.4%	0.3%	6.3%	-2.3%
SELECTED US PRODUCTION INDICES												
Wood Products	68.5	68.3	68.0	68.8	70.1	71.3	71.0	74.1	76.9	76.4	78.3	80.8
% Ch	2.4%	-1.1%	-1.5%	4.3%	8.3%	6.7%	-1.9%	19.2%	15.9%	-2.7%	10.2%	13.5%
Computers & Electronic Products	120.4	120.4	122.7	124.5	129.0	133.8	136.5	140.6	141.6	143.8	145.5	146.5
% Ch	13.0%	0.1%	7.9%	6.1%	15.2%	15.5%	8.4%	12.7%	2.7%	6.6%	4.8%	2.6%
Food	98.0	98.3	98.2	99.3	101.0	102.2	104.7	103.4	104.0	104.2	104.3	105.2
% Ch	-3.3%	1.0%	-0.4%	4.6%	7.2%	4.8%	9.8%	-4.7%	2.5%	0.7%	0.4%	3.4%
Agricultural Chemicals	89.3	88.2	89.1	90.6	90.8	91.2	92.7	93.0	96.0	97.9	99.7	103.0
% Ch	-3.9%	-5.1%	4.5%	6.6%	1.2%	1.8%	6.6%	1.4%	13.7%	8.1%	7.4%	14.1%
Metal Ore Mining	99.2	102.2	96.7	95.6	98.5	96.6	97.2	103.3	99.7	97.9	100.0	96.8
% Ch	12.6%	12.3%	-19.7%	-4.7%	12.8%	-7.3%	2.4%	27.9%	-13.3%	-7.1%	9.0%	-12.4%

National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
JULY 2014**

MISCELLANEOUS

	Q1	2014			Q1	2015			Q1	2016		
		Q2	Q3	Q4		Q2	Q3	Q4		Q2	Q3	Q4
SELECTED CHAIN-WEIGHTED DEFL.												
Gross Domestic Product	107.438	107.805	108.409	108.841	109.410	109.858	110.302	110.683	111.225	111.678	112.150	112.652
% Ch	1.3%	1.4%	2.3%	1.6%	2.1%	1.6%	1.6%	1.4%	2.0%	1.6%	1.7%	1.8%
Consumption Expenditures	108.035	108.667	109.260	109.442	109.790	110.064	110.417	110.695	111.124	111.512	111.924	112.388
% Ch	1.4%	2.4%	2.2%	0.7%	1.3%	1.0%	1.3%	1.0%	1.6%	1.4%	1.5%	1.7%
Durable Goods	93.355	93.096	92.833	92.507	92.248	91.994	91.729	91.490	91.268	91.033	90.791	90.555
% Ch	-2.5%	-1.1%	-1.1%	-1.4%	-1.1%	-1.1%	-1.1%	-1.0%	-1.0%	-1.0%	-1.1%	-1.0%
Nondurable Goods	112.372	113.384	114.510	113.830	113.814	113.762	114.042	113.962	114.441	114.625	114.860	115.282
% Ch	0.5%	3.7%	4.0%	-2.4%	-0.1%	-0.2%	1.0%	-0.3%	1.7%	0.6%	0.8%	1.5%
Services	109.138	109.818	110.400	110.971	111.560	112.049	112.550	113.052	113.598	114.182	114.789	115.411
% Ch	2.3%	2.5%	2.1%	2.1%	2.1%	1.8%	1.8%	1.8%	1.9%	2.1%	2.1%	2.2%
Consumer Price Index	2.352	2.371	2.389	2.393	2.402	2.408	2.416	2.421	2.432	2.441	2.451	2.463
% Ch	1.9%	3.1%	3.1%	0.7%	1.5%	1.1%	1.4%	0.8%	1.8%	1.5%	1.7%	1.9%
SELECTED INTEREST RATES												
Federal Funds	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%	0.3%	0.7%	1.2%	1.7%	2.2%	2.7%
NY Fed Discount	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	1.2%	1.7%	2.5%	3.2%	3.7%
Prime	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.7%	4.2%	4.7%	5.2%	5.7%
Existing Home Mortgage	4.5%	4.3%	4.4%	4.8%	5.2%	5.3%	5.3%	5.5%	5.6%	5.8%	6.0%	6.3%
U.S. Govt. 3-Month Bills	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%	0.4%	0.8%	1.3%	1.8%	2.2%	2.7%
U.S. Govt. 6-Month Bills	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%	0.5%	1.0%	1.5%	2.0%	2.5%	2.9%
U.S. Govt. 5-Year Notes	1.6%	1.7%	1.7%	1.8%	1.8%	1.9%	1.9%	2.1%	2.4%	2.8%	3.2%	3.6%
U.S. Govt. 10-Year Notes	2.8%	2.6%	2.6%	2.8%	3.1%	3.2%	3.3%	3.4%	3.5%	3.7%	3.8%	3.9%
EXCHANGE RATES (2009=1.000)												
Major Currency Trading Partners	1.016	1.008	1.020	1.027	1.031	1.032	1.025	1.021	1.016	1.015	1.016	1.016
% Ch	7.2%	-2.9%	4.7%	2.8%	1.4%	0.4%	-2.6%	-1.5%	-1.9%	-0.3%	0.1%	0.2%
Other Important Trading Partners	0.870	0.864	0.867	0.867	0.865	0.861	0.857	0.852	0.847	0.840	0.836	0.831
% Ch	5.6%	-2.8%	1.1%	0.3%	-1.0%	-2.0%	-1.6%	-2.4%	-2.5%	-3.0%	-2.1%	-2.5%
SELECTED US PRODUCTION INDICES												
Wood Products	78.4	80.8	82.4	84.3	86.5	88.5	90.4	92.0	93.5	94.8	95.8	96.5
% Ch	-11.6%	13.0%	8.5%	9.5%	10.6%	9.7%	8.8%	7.1%	6.7%	5.9%	4.0%	3.3%
Computers & Electronic Products	147.8	150.8	153.8	157.0	160.5	164.2	168.0	171.7	175.4	178.9	182.4	185.8
% Ch	3.5%	8.6%	8.1%	8.5%	9.1%	9.6%	9.6%	9.2%	8.7%	8.3%	8.0%	7.8%
Food	106.1	106.7	107.2	107.8	108.4	109.0	109.7	110.3	111.0	111.7	112.3	113.0
% Ch	3.3%	2.5%	1.8%	2.2%	2.4%	2.3%	2.4%	2.4%	2.4%	2.4%	2.4%	2.3%
Agricultural Chemicals	104.4	103.6	103.7	104.2	104.4	104.9	106.0	107.4	109.4	111.9	115.5	119.3
% Ch	5.4%	-3.0%	0.5%	1.7%	1.0%	1.8%	4.3%	5.5%	7.7%	9.3%	13.4%	14.1%
Metal Ore Mining	100.4	98.2	98.3	98.5	98.7	99.1	99.5	100.0	100.4	100.8	101.1	101.3
% Ch	16.0%	-8.6%	0.4%	0.7%	1.0%	1.4%	1.7%	1.9%	1.8%	1.7%	1.0%	0.9%

National Variables Forecast by IHS Economics
Forecast Begins the SECOND Quarter of 2014

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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

$$EEA_ID = EEA_ID_GOODS + EEA_ID_NONGOODS$$

$$EEA_ID_2100 = 3259.411 + 18.107* @MOVAV(ID0IP2122_2123(-1),4) - 2251.438*JECIWSP/WPI10 \\ - 1233.660* @MOVAV(JEXCHOITPREAL(-1),2)$$

$$EEA_ID_2300 = -16369.000 + 283.968*ID0HSPRS1_A + 243.401*ID0HSPRS1_A(-1) \\ + 202.834*ID0HSPRS1_A(-2) + 162.267*ID0HSPRS1_A(-3) + 121.700*ID0HSPRS1_A(-4) \\ + 81.134*ID0HSPRS1_A(-5) + 40.567*ID0HSPRS1_A(-6) + 0.144*EEA_ID_44_45 + 0.123*EEA_ID_44_45(-1) \\ + 0.103*EEA_ID_44_45(-2) + 0.082*EEA_ID_44_45(-3) + 0.062*EEA_ID_44_45(-4) + 0.041*EEA_ID_44_45(-5) \\ + 0.021*EEA_ID_44_45(-6)$$

$$EEA_ID_3110 = 24798.382 + 374.912* @MOVAV(IPSG311(-1),4) - 626.728* @MOVAV((IPSG311/EMN311),6) \\ - 4311.193* @MOVAV(JEXCHOITPREAL(-1),2)$$

$$EEA_ID_3230 = 1402.396 + 27.305* @MOVAV(IPSG323,4) - 12.146* @MOVAV((IPSG323/EMN323),8) \\ - 336.893* @MOVAV(JEXCHMTPREAL(-1),2)$$

$$EEA_ID_3250 = 4262.633 + 6.191* @MOVAV(IPSG3253(-1),8) - 1920.391*DUM951ON \\ - 648.391* @MOVAV(JEXCHMTPREAL(-1),2)$$

$$EEA_ID_3320 = 1642.543 + 33.573* @MOVAV(IPSG332,2) + 10.103* @TREND \\ - 1706.989* @MOVAV(JEXCHOITPREAL(-1),2)$$

$$EEA_ID_3330 = 9186.524 + 0.093* @MOVAV(IPSG3332,8)* @TREND - 32.692* @TREND \\ - 2388.720* @MOVAV(JEXCHOITPREAL(-1),4)$$

$$EEA_ID_3340 = 15923.913 + 238.384* @MOVAV(IPSG334,4) - 31.767*DUM991ON*IPSG334 \\ - 285.020* @MOVAV(IPSG334,8)/ @MOVAV(EMD334,8)$$

$$EEA_ID_4200 = 6712.502 + 0.258*EEA_ID_44_45$$

$$EEA_ID_44_45 = 47482.323 + 204.193* @MOVAV(YPADJ_ID,4)/ @MOVAV(JPC,4) - 434.691* @TREND$$

$$EEA_ID_48_49_22 = -4807.007 + 0.671* @MOVAV(EEA_ID_4200,2) + 5047.151* @MOVAV(ID0NPT(-1),8)$$

$$EEA_ID_5100 = -11055.481 + 84.549* @MOVAV(IPSG51111,4) + 103.428* @TREND \\ - 2631.975* @MOVAV(JEXCHMTPREAL(-1),2)$$

$$EEA_ID_52_53 = 9607.477 - 4844.201*DUM981ON + 1.709* @MOVAV(SP500,4) + 44.171*YPADJ_ID/JPC \\ + 126.445* @MOVAV(ID0HSPR(-1),4)$$

$$EEA_ID_54_55_56 = -7552.461 + 1.751* @MOVAV(ID0YP(-1),4)$$

$$EEA_ID_61_62 = -49706.354 + 70527.203* @MOVAV(ID0NPT,4) + 0.434* @MOVAV(ID0YP$(-1),2)$$

$$EEA_ID_71_72 = -2005.660 + 1.491* @MOVAV((ID0YP/ID0NPT),4) + 83.345* @TREND$$

$$EEA_ID_8100 = 5266.830 + 30.649* @MOVAV(YPADJ_ID,4)/ @MOVAV(JPC,4) + 1214.612* DUM931964$$

$$EEA_ID_DMANU = EEA_ID_WOOD + EEA_ID_3320 + EEA_ID_3330 + EEA_ID_3340 + EEA_ID_MFDNEC$$

$$EEA_ID_GOODS = EEA_ID_MANU + EEA_ID_2300 + EEA_ID_2100$$

$$EEA_ID_GV = EEA_ID_GVSL + EEA_ID_GVF$$

$$EEA_ID_GVF = 10209.559 + 87.221* GFOCWSS - 0.418* GFOCWSS* @TREND + 594.541* DUMCENSUS$$

$$EEA_ID_GVSL = EEA_ID_GVSLAD + EEA_ID_GVSLED$$

$$EEA_ID_GVSLAD = 8154.706 + 12481.868* @MOVAV(ID0NPT,4) + 0.635* @MOVAV(ID0YPTXB(-4),4) + 4111.074* DUM911062$$

$$EEA_ID_GVSLED = -2608.401 + 143193.305* ID0NPT*((N-N16A)/N) - 0.018* DUM0710N* ID0YPTXB + 0.261* ID0YPTXB$$

$$EEA_ID_MANU = EEA_ID_DMANU + EEA_ID_NMANU$$

$$EEA_ID_MFDNEC = -3574.840 + 77.510* @MOVAV(IPSG339,2) + 37.501* @MOVAV(IPSG337,2) + 42.187* @MOVAV(IPSG335,2) - 1984.883* @MOVAV(JEXCHMTPREAL(-1),2)$$

$$EEA_ID_MFnNEC = 1270.421 + 19.035* @MOVAV(IPSG322,2) - 426.188* @MOVAV(JEXCHMTPREAL(-1),2) + 11.723* @TREND$$

$$EEA_ID_NMANU = EEA_ID_3110 + EEA_ID_3230 + EEA_ID_3250 + EEA_ID_MFnNEC$$

$$EEA_ID_NONGOODS = EEA_ID_SV + EEA_ID_4200 + EEA_ID_44_45 + EEA_ID_GV$$

$$EEA_ID_SV = EEA_ID_48_49_22 + EEA_ID_5100 + EEA_ID_52_53 + EEA_ID_54_55_56 + EEA_ID_61_62 + EEA_ID_71_72 + EEA_ID_8100$$

$$EEA_ID_WOOD = 21877.173 + 94.658* @MOVAV(IPSG321,2) - 11488.116* JECIWSP/WPI08 - 23.230* IPSG321/EMD321 - 4933.158* @MOVAV(JEXCHOITPREAL(-1),2) - 37.543* @TREND$$

$$ID0AHEMF = -2.656 + 11.948* EEA_ID_DMANU(-1)/EEA_ID_MANU(-1)* @MOVAV(JECIWSP(-1),4) + 32.967* EEA_ID_NMANU(-1)/EEA_ID_MANU(-1)* @MOVAV(JECIWSP(-1),4)$$

$$\text{ID0CRCROP} = 156169.815 + 0.013 * \text{CRCROP} + 2649.749 * @\text{TREND}$$

$$\text{ID0CRLVSTK} = -2044314.959 + 0.030 * \text{CRCATCVS} + 0.054 * \text{CRDAIRY} + 14630.837 * @\text{TREND}$$

$$\text{ID0EXFP} = -533622.424 + 1378543.187 * \text{WPI01} + 15696.500 * @\text{TREND} + 0.004 * \text{EXPUS\$}$$

$$\text{ID0HSPR} = \text{ID0HSPRS1_A} + \text{ID0HSPRS2A_A}$$

$$\begin{aligned} \text{ID0HSPRS1_A} &= -438.164 - 0.952 * (\text{RMMTGEXIST}(-1) - @\text{MOVAV}(\text{RMMTGEXIST}(-1),4)) \\ &+ 436.409 * \text{ID0KHU1}/\text{ID0KHU1}(-4) + 0.018 * @\text{TREND} * @\text{MOVAV}(\text{ID0NPT}(-1),4) \end{aligned}$$

$$\begin{aligned} \text{ID0HSPRS2A_A} &= 16.679 + 37782.713 * (@\text{MOVAV}(\text{ID0NPT}(-1),4) - @\text{MOVAV}(\text{ID0NPT}(-5),4)) / \text{ID0KHU1} \\ &- 1.094 * \text{RMMTGEXIST} - 0.073 * @\text{TREND} \end{aligned}$$

$$\text{ID0KHU} = \text{ID0KHU1} + \text{ID0KHU2A}$$

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

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

$$\text{ID0NB} = -7.357 + 32.373 * \text{ID0NPT} - 0.114 * @\text{TREND}$$

$$\text{ID0ND} = 0.858 + 6.357 * \text{ID0NPT} + 0.003 * @\text{TREND}$$

$$\text{ID0NMG} = (\text{ID0NPT} - \text{ID0NPT}(-4)) - (\text{ID0NB} - \text{ID0ND})/1000$$

$$\text{ID0NPT} = 0.428 + 0.0000002 * @\text{MOVAV}(\text{EEA_ID},4) + 0.006 * @\text{TREND}$$

$$\text{ID0WBB\$} = \text{ID0WBBMF\$} + \text{ID0WBBOTH\$} + \text{ID0WBBCC\$} + \text{ID0WBBF\$} + \text{ID0WBBMIL\$}$$

$$\text{ID0WBBCC\$} = (\text{ID0WRWCC\$} * \text{EEA_ID_2300})/1000000$$

$$\text{ID0WBBF\$} = -144.115 + 339.245 * \text{WPI02}$$

$$\text{ID0WBBMF\$} = (\text{ID0WRWMF\$} * \text{EEA_ID_MANU})/1000000$$

$$\text{ID0WBBMIL\$} = 17.277 + 303.926 * (\text{ID0NPT}/\text{N}) * \text{GFMLCWSS}$$

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

$$\text{ID0WRWCC\$} = 9925.738 + 1462.224 * \text{ID0AHEMF}$$

$$\text{ID0WRWMF\$} = 2990.481 + 2316.453 * \text{ID0AHEMF}$$

$$\text{ID0WRWOTH\$} = 6553.845 + 1424.236 * \text{ID0AHEMF}$$

$$\text{ID0YDIR\$} = -199.635 + 1.070 * (\text{YPAIN T} + \text{ZADIV} + \text{YPRENTADJ}) * @\text{MOVAV}(\text{ID0YPS}(-1), 4) / @\text{MOVAV}(\text{YP}(-1), 4)$$

$$\text{ID0YFC\$} = -7013.961 + 0.919 * \text{ID0YFC\$}(-1) + 253.870 * @\text{TREND}$$

$$\text{ID0YINV_R\$} = 2724.480 + 0.665 * \text{ID0YINV_R\$}(-1) + 634.158 * @\text{TREND}$$

$$\text{ID0YP} = \text{ID0YP\$} / \text{JPC} * 100$$

$$\text{ID0YP\$} = \text{ID0WBB\$} + \text{ID0YSUP\$} + \text{ID0YDIR\$} + \text{ID0YPRNF\$} + \text{ID0YPRF\$} + \text{ID0YTR\$} + \text{ID0YRA\$} - \text{ID0YSIS}$$

$$\text{ID0YP\$PC} = \text{ID0YP\$} / \text{ID0NPT}$$

$$\text{ID0YPNF} = \text{ID0YPNF\$} / \text{JPC} * 100$$

$$\text{ID0YPNF\$} = \text{ID0YP\$} - \text{ID0YPRF\$} - \text{ID0WBBF\$}$$

$$\text{ID0YPNFPC} = \text{ID0YPNF\$} / \text{JPC} * 100 / \text{ID0NPT}$$

$$\text{ID0YPPC} = \text{ID0YP} / \text{ID0NPT}$$

$$\text{ID0YPRF\$} = 38.438 + 0.300 * (\text{ID0CRCROP} + \text{ID0CRLVSTK} + \text{ID0YTRF\$} + \text{ID0YINV_R\$} - \text{ID0YFC\$} - \text{ID0EXFP}) / 1000 + 4.000 * @\text{TREND}$$

$$\text{ID0YPRNF\$} = 52.425 + 4.533 * \text{YPPROPADJNF}$$

$$\text{ID0YPTXB} = (\text{ID0YPS} - \text{ID0YSIS} - \text{ID0YTR\$}) / \text{JPC} * 100$$

$$\text{ID0YRA\$} = -109.185 + 0.038 * \text{ID0WBB\$}$$

$$\text{ID0YSIS} = -23.402 + 1.176 * \text{TXSIDOM} * \text{ID0WBB\$} / \text{YPCOMPWSD}$$

$$\text{ID0YSUP\$} = 81.316 + 1.520 * \text{YPCOMPSUPPAI} * (\text{ID0WBB\$} / \text{YPCOMPWSD})$$

$$\text{ID0YTR\$} = -70.065 + 875.852 * (\text{YPTRFGF} + \text{YPTRFGSL}) * (\text{ID0NPT} / \text{N})$$

$$\text{ID0YTRF\$} = 24979.567 + 0.010 * \text{TRF\$}$$

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

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

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

CNCSR	Personal consumption expenditures, clothing and shoes, 2005 dollars, chain weighted
CNOOR	Personal consumption expenditures, other nondurable goods, 2005 dollars, chain weighted
CRCATCVS	Cash receipts, US cattle and calves
CRCROP	Cash receipts, US crops
CRDAIRY	Cash receipts, US dairy

DUM071ON
DUM911062
DUM931964
DUM951ON
DUM981ON
DUMCENSUS
TREND

These are dummy variables used in regression equations for the purpose of capturing the impacts of discrete economic or noneconomic event such as strikes, plant opening, or closures, unusual weather conditions, etc.

EG91	Employment in federal government
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
GFMLCWSS	Federal government defense personnel outlays
GFOR	Real federal nondefense purchases of goods and services
GFR	Real federal purchases of goods and services
ID0IP2122_2123	Industrial production index, metal and nonmetal ore mining, 2007=100.0
IPSG311	Industrial production index, food, 2007=100.0
IPSG321	Industrial production index, wood products, 2007=100.0
IPSG322	Industrial production index, paper, 2007=100.0
IPSG323	Industrial production index, printing, 2007=100.0
IPSG3253	Industrial production index, agricultural chemicals, 2007=100.0
IPSG332	Industrial production index, fabricated metal products, 2007=100.0
IPSG3332	Industrial production index, industrial machinery, 2007=100.0
IPSG334	Industrial production index, computer and electronic products, 2007=100.0
IPSG337	Industrial production index, furniture and related products, 2007=100.0
IPSG339	Industrial production index, miscellaneous manufacturers, 2007=100.0
IPSG51111	Industrial production index, newspaper publishing, 2007=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
JEXCHMOITPREAL	Real US trade-weighted exchange rate with other important trading partners, 2005=1.00
JPC	Implicit price deflator, personal consumption, 2005=100.0, chain weighted
N	Population, US
N16A	Population, US, aged 16 and older

RMMTGEXIST	Effective conventional mortgage rate, existing homes, combined lenders
SP500	Standard & Poor's 500 index of common stocks
TRF\$	Government payments to US farms
TXSIEC	Personal contributions for social insurance, US
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
YPAINT	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