

Idaho Economic Forecast

C.L. "Butch" Otter, Governor
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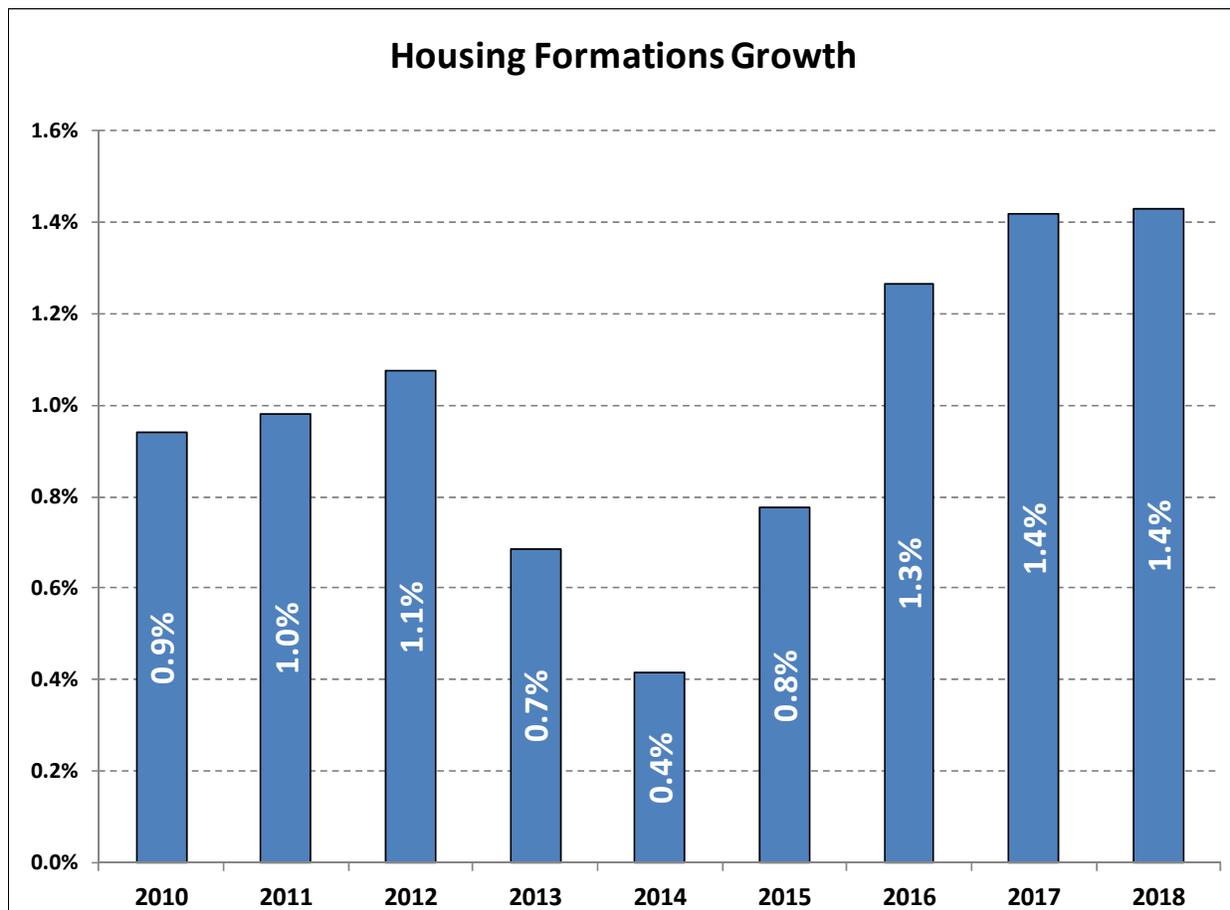
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- Forecast 2014-2018
- The Wage Growth Gap for Recent College Grads
- Alternative Forecasts



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**IDAHO
ECONOMIC
FORECAST
2014-2018**

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

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INTRODUCTION

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

This month's cover graph shows annual growth in US housing formations between 2010 and 2018. Formations occur as households split, typically by way of adult children leaving a parent's household or single adults leaving shared housing. New formations are one of the largest drivers of demand for new residential construction. For the year ending March 2014, formations grew by a smaller-than-expected 493,000. This shortfall helps to explain why housing starts have not matched expectations over the last two years. As economic conditions continue to improve, housing formations are expected to accelerate in the latter years of this forecast.

FEATURE

Recent years have been trying times for new college graduates. Not only has finding a job been challenging, but the pay for those first jobs has been flat. For example, median weekly earnings for full-time workers who graduated from college in the year just before the recession were \$653. Over the 12 months ending in April 2014, the earnings of recent college graduates had risen to \$692 a week, only 6% higher than seven years ago. The lackluster increases in starting wages for college graduates stand in stark contrast to growth in median weekly earnings for all full-time workers. These earnings have increased 15% from \$678 in 2007 to \$780 in 2014. This has created a substantial gap between wage growth for new college graduates and workers overall. In this feature article authors Bart Hobijn and Leila Bengali put the wage growth gap in a historical context and consider what is at its heart. In particular, they find that the gap does not reflect a switch in the types of jobs that college graduates are able to find. Rather we find that wage growth has been weak across a wide range of occupations for this group of employees, a result of the lingering weak labor market recovery. The authors also find that the low growth in starting wages does not mean that going to college is a poor investment. It just reflects that it will take longer to recoup the cost of the college education for current graduates.

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 2001 through 2018 and for every quarter from 2012 through 2017. The solution of the Idaho Economic Model (IEM) for this forecast begins with the third 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 second quarter of 2014. These data show that employment in the first half of last year was higher than was previously reported. Specifically, there were about 2,700 more jobs in the first quarter and 2,000 more jobs in the second 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 September 30, 2014. This release includes the first estimates for the second quarter of 2014. The next round of personal income estimates is scheduled to be released on December 19, 2014.

In addition to the second quarter of 2014 estimates, the current release includes revised quarterly estimates for all years from 2001 to 2013. And the estimates for the first quarter of this year were also revised. These revisions are not uncommon. The BEA usually makes revisions each September to incorporate more complete and detailed source data than previously existed.

The availability of the revised Idaho personal income data provided DFM with an opportunity to incorporate these data into the IEM in order to update the stochastic equations of the IEM. All of these equations were estimated and reviewed this fall. The results of this project can be found in the Appendix of this forecast that includes a complete listing of the equations that make up the IEM.

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EXECUTIVE SUMMARY

This year has been one of the first years of stabilized growth in Idaho since before the Great Recession. As the housing market began to heat back up in 2012, it was anticipated that Idaho housing starts would quicken for several years. It now appears that a significant portion of that accelerated growth has occurred, and it seems likely that Idaho's housing market is on a more consistent and supportable track. The growth in housing is expected to reverberate through the state's economy. Nongoods-producing employment, which accounts for roughly 85% of all nonfarm payrolls in Idaho, is forecast to grow at a pace between 2.0% and 2.3% through 2018. Employment in the goods-producing sectors accounts for a much smaller portion of Idaho's nonfarm jobs, but it is expected to post stronger growth, increasing at an average annual pace of 2.7% through 2018. As the job market improves, businesses will feel pressure to raise wages in order to meet their staffing needs, especially for high-skilled workers. As a result, Idaho's average annual wage is expected to grow by 3.6% in 2014, the strongest growth rate since 2006. This should be followed by increases of 3.3% in 2015, 2.9% in 2016, 3.5% in 2017, and 3.7% in 2018. Idaho real personal income is forecast to grow by 3.5% in 2014, which is its strongest showing since 2006. One of the state's fastest growing categories in recent years has been farm proprietors' income. This component has grown steadily since 2009. In 2011 it topped its previous record of \$1.2 billion by \$0.5 billion. It has remained healthy, setting new records in every year since then. In 2013 it was nearly \$2.0 billion, and it should repeat that showing in 2014. However, recent price declines for several commodities and severe rain damage to the state's barley crop make another record year unlikely. Real personal income is expected to grow at an average annual rate of 3.3% through 2018.

With many of the economic pieces falling back into place, real US GDP is expected to grow roughly 3% annually through 2018. The housing market in the US continued to expand in the second quarter, but is facing some challenges. One of which is household formations, which have grown at a slower pace than was previously expected. This has had an adverse effect on housing starts, as formations are a key driver to new residential construction. Solid employment reports over the last few months have added to the renewed vitality in the US labor market. The US job market, however, is beginning to heat up. The September jobs report was one of the largest in recent years, with payrolls growing by nearly 250,000 in that month. An average rate of at least 200,000 jobs per month is expected throughout the rest of 2014, assuming the ability of the supply of labor to meet the demand for labor. The strength in the labor market, along with the increased stability in the housing market, has enticed the Federal Reserve to begin to finalize the last round of quantitative easing. The Federal Reserve has also begun to discuss the possibility of beginning to increase short-term interest rate targets. The likelihood of a rate increase largely depends on the ability of the economy to continue to show sustainable growth, especially in the labor markets. Keeping consumer inflation at a reasonable level will also be key, which the Federal Reserve has stated to be less than 2% annualized growth in consumer prices. Thanks to a strong second quarter, real US GDP is expected to advance by 2.3% in 2014, followed by 2.7% in 2015, 2.9% in 2016, 3.1% in 2017, and 2.8% in 2018. Housing starts are expected to grow from 994,000 units in 2014 to 1.522 million units in 2018, and nonfarm employment is anticipated to increase by 8.0 million jobs over the same time frame.

IDAHO ECONOMIC FORECAST
EXECUTIVE SUMMARY
OCTOBER 2014

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
U.S. GDP (BILLIONS)											
Current \$	14,719	14,419	14,964	15,518	16,163	16,768	17,423	18,205	19,056	20,015	20,954
% Ch	1.7%	-2.0%	3.8%	3.7%	4.2%	3.7%	3.9%	4.5%	4.7%	5.0%	4.7%
2009 Chain-Weighted	14,830	14,419	14,784	15,021	15,369	15,710	16,069	16,509	16,985	17,519	18,002
% Ch	-0.3%	-2.8%	2.5%	1.6%	2.3%	2.2%	2.3%	2.7%	2.9%	3.1%	2.8%
PERSONAL INCOME - CURR \$											
Idaho (Millions)	50,355	49,257	50,420	53,342	56,072	58,272	61,195	63,444	66,548	70,369	74,108
% Ch	1.2%	-2.2%	2.4%	5.8%	5.1%	3.9%	5.0%	3.7%	4.9%	5.7%	5.3%
Idaho Nonfarm (Millions)	48,578	47,934	48,883	51,081	53,733	55,553	58,552	61,282	64,438	68,288	72,052
% Ch	0.8%	-1.3%	2.0%	4.5%	5.2%	3.4%	5.4%	4.7%	5.2%	6.0%	5.5%
U.S. (Billions)	12,430	12,087	12,429	13,202	13,888	14,167	14,768	15,448	16,238	17,165	18,057
% Ch	3.6%	-2.8%	2.8%	6.2%	5.2%	2.0%	4.2%	4.6%	5.1%	5.7%	5.2%
PERSONAL INCOME - 2009 \$											
Idaho (Millions)	50,325	49,258	49,598	51,216	52,864	54,289	56,204	57,532	59,463	61,798	63,922
% Ch	-1.8%	-2.1%	0.7%	3.3%	3.2%	2.7%	3.5%	2.4%	3.4%	3.9%	3.4%
Idaho Nonfarm (Millions)	48,548	47,937	48,087	49,045	50,658	51,756	53,775	55,572	57,577	59,970	62,149
% Ch	-2.2%	-1.3%	0.3%	2.0%	3.3%	2.2%	3.9%	3.3%	3.6%	4.2%	3.6%
U.S. (Billions)	12,422	12,088	12,227	12,676	13,093	13,199	13,563	14,008	14,509	15,075	15,575
% Ch	0.6%	-2.7%	1.1%	3.7%	3.3%	0.8%	2.8%	3.3%	3.6%	3.9%	3.3%
HOUSING STARTS											
Idaho	7,980	5,728	5,195	4,563	7,137	9,092	10,145	10,792	12,595	14,220	14,773
% Ch	-44.4%	-28.2%	-9.3%	-12.2%	56.4%	27.4%	11.6%	6.4%	16.7%	12.9%	3.9%
U.S. (Millions)	0.900	0.554	0.586	0.612	0.784	0.930	0.994	1.194	1.356	1.492	1.522
% Ch	-32.9%	-38.4%	5.7%	4.5%	28.1%	18.6%	6.9%	20.1%	13.6%	10.1%	2.0%
TOTAL NONFARM EMPLOYMENT											
Idaho	648,906	609,996	603,671	610,699	622,214	639,925	658,445	672,245	688,823	705,104	720,682
% Ch	-1.1%	-6.0%	-1.0%	1.2%	1.9%	2.8%	2.9%	2.1%	2.5%	2.4%	2.2%
U.S. (Thousands)	137,170	131,220	130,272	131,849	134,098	136,363	138,848	141,407	143,530	145,435	146,894
% Ch	-0.6%	-4.3%	-0.7%	1.2%	1.7%	1.7%	1.8%	1.8%	1.5%	1.3%	1.0%
SELECTED INTEREST RATES											
Federal Funds	1.9%	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%	0.4%	1.6%	3.3%	3.8%
Bank Prime	5.1%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.5%	4.6%	6.3%	6.8%
Existing Home Mortgage	6.2%	5.1%	4.9%	4.7%	3.8%	4.0%	4.4%	5.2%	5.8%	6.4%	6.6%
INFLATION											
GDP Price Deflator	1.9%	0.8%	1.2%	2.1%	1.8%	1.5%	1.6%	1.7%	1.7%	1.8%	1.9%
Personal Cons Deflator	3.1%	-0.1%	1.7%	2.5%	1.8%	1.2%	1.4%	1.3%	1.5%	1.7%	1.8%
Consumer Price Index	3.8%	-0.3%	1.6%	3.1%	2.1%	1.5%	1.8%	1.4%	1.6%	2.0%	2.1%

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

IDAHO ECONOMIC FORECAST
EXECUTIVE SUMMARY
OCTOBER 2014

	2014				2015				2016			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
U.S. GDP (BILLIONS)												
Current \$	17,044	17,328	17,549	17,768	17,937	18,107	18,298	18,478	18,702	18,928	19,171	19,422
% Ch	-0.8%	6.8%	5.2%	5.1%	3.8%	3.9%	4.3%	4.0%	4.9%	4.9%	5.2%	5.3%
2009 Chain-Weighted	15,832	16,010	16,157	16,278	16,364	16,454	16,559	16,660	16,781	16,909	17,050	17,199
% Ch	-2.1%	4.6%	3.7%	3.0%	2.1%	2.2%	2.6%	2.5%	2.9%	3.1%	3.4%	3.5%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	60,148	61,653	61,310	61,670	62,411	63,027	63,747	64,589	65,312	66,094	66,916	67,872
% Ch	7.0%	10.4%	-2.2%	2.4%	4.9%	4.0%	4.6%	5.4%	4.6%	4.9%	5.1%	5.8%
Idaho Nonfarm (Millions)	57,324	58,300	58,998	59,585	60,336	60,939	61,563	62,288	63,235	63,993	64,789	65,734
% Ch	6.1%	7.0%	4.9%	4.0%	5.1%	4.1%	4.2%	4.8%	6.2%	4.9%	5.1%	6.0%
U.S. (Billions)	14,485	14,708	14,858	15,022	15,212	15,359	15,522	15,698	15,936	16,128	16,329	16,560
% Ch	4.9%	6.3%	4.2%	4.5%	5.1%	3.9%	4.3%	4.6%	6.2%	4.9%	5.1%	5.8%
PERSONAL INCOME - 2009 \$												
Idaho (Millions)	55,612	56,676	56,178	56,350	56,870	57,250	57,707	58,302	58,725	59,192	59,670	60,264
% Ch	5.6%	7.9%	-3.5%	1.2%	3.7%	2.7%	3.2%	4.2%	2.9%	3.2%	3.3%	4.0%
Idaho Nonfarm (Millions)	53,001	53,593	54,060	54,444	54,979	55,353	55,730	56,225	56,858	57,311	57,773	58,366
% Ch	4.6%	4.5%	3.5%	2.9%	4.0%	2.7%	2.7%	3.6%	4.6%	3.2%	3.3%	4.2%
U.S. (Billions)	13,392	13,520	13,615	13,726	13,861	13,951	14,051	14,170	14,329	14,444	14,561	14,703
% Ch	3.5%	3.9%	2.8%	3.3%	4.0%	2.6%	2.9%	3.4%	4.5%	3.3%	3.3%	4.0%
HOUSING STARTS												
Idaho	10,573	9,704	10,077	10,227	10,161	10,541	11,032	11,433	11,881	12,303	12,789	13,408
% Ch	7.2%	-29.0%	16.3%	6.1%	-2.6%	15.8%	20.0%	15.4%	16.6%	15.0%	16.8%	20.8%
U.S. (Millions)	0.925	0.985	1.017	1.047	1.121	1.173	1.221	1.260	1.304	1.329	1.361	1.429
% Ch	-33.7%	28.8%	13.5%	12.4%	31.3%	19.8%	17.3%	13.6%	14.8%	7.8%	9.8%	21.5%
TOTAL NONFARM EMPLOYMENT												
Idaho	654,106	656,472	660,102	663,099	666,509	670,020	674,108	678,342	682,600	686,867	691,010	694,816
% Ch	5.3%	1.5%	2.2%	1.8%	2.1%	2.1%	2.5%	2.5%	2.5%	2.5%	2.4%	2.2%
U.S. (Thousands)	137,755	138,510	139,210	139,916	140,511	141,146	141,747	142,225	142,726	143,236	143,796	144,364
% Ch	1.5%	2.2%	2.0%	2.0%	1.7%	1.8%	1.7%	1.4%	1.4%	1.4%	1.6%	1.6%
SELECTED INTEREST RATES												
Federal Funds	0.1%	0.1%	0.1%	0.1%	0.1%	0.3%	0.5%	0.8%	1.0%	1.3%	1.7%	2.2%
Bank Prime	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.5%	3.8%	4.0%	4.3%	4.7%	5.2%
Existing Home Mortgage	4.5%	4.3%	4.3%	4.5%	5.0%	5.1%	5.3%	5.5%	5.6%	5.7%	5.9%	6.1%
INFLATION												
GDP Price Deflator	1.3%	2.1%	1.3%	2.0%	1.7%	1.6%	1.7%	1.5%	2.0%	1.8%	1.8%	1.8%
Personal Cons Deflator	1.4%	2.3%	1.3%	1.1%	1.1%	1.3%	1.4%	1.2%	1.6%	1.6%	1.7%	1.7%
Consumer Price Index	1.9%	3.0%	1.0%	1.6%	1.0%	1.4%	1.3%	1.0%	1.8%	1.8%	2.0%	1.9%

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

NATIONAL FORECAST DESCRIPTION

The Forecast Period is the Third Quarter of 2014 through the Fourth Quarter of 2018

The second quarter of 2014 was one of the strongest quarters in recent years. Solid employment reports over the last few months have added to the renewed vitality in the labor market. Housing has continued to advance, albeit at a more sober pace than was previously expected. The continued economic revival has been taken notice of by the Federal Reserve, which has culminated in a continuation of the tapering of accommodative monetary policy. With many of the economic pieces falling back into place, real US GDP is expected to grow roughly 3% annually through 2018.

While the housing market recovery has fallen short of previous expectations, growth is still present and should continue through much of the forecast period, stabilizing on a more sustainable trajectory in the later years. The US housing market has had some difficulty keeping pace with expectations due to a number of factors. First, household formations, which occur as members of a household leave and form a new household, have grown at a slower pace than was previously expected. This has had an adverse effect on housing starts, as formations are a key driver to new residential construction. Second, the rather brisk growth in housing prices over the last two years has reached the point where many homeowners that were holding off on selling their homes have once again been enticed to sell their properties. This has increased the inventory of existing homes sharply, which has curbed price growth. The slower price growth has made builders cautious about starting new projects. Neither of these factors have been enough to fully derail the housing market recovery but both are likely to be a drag in the short term.

The labor market has helped to offset the lackluster housing market. The September jobs report was one of the largest in recent years, with payrolls growing by nearly 250,000 in that month. An average rate of at least 200,000 jobs per month is expected throughout the rest of 2014, assuming the ability of the supply of labor to meet the demand for labor. Demographics have become a growing challenge, as growth in some employment sectors is restricted by the availability of qualified workers. With less than 400,000 total new entrants over the past year, the labor force has become stagnant. As wage growth begins to accelerate and better employment prospects continue to become available, revitalization in labor force participation is expected to follow.

The strength in the labor market, along with the increased stability in the housing market, has enticed the Federal Reserve to finalize their latest round of quantitative easing, known as QE4. For the past several months the Federal Reserve has been steadily tapering their monthly purchases of mortgage-backed securities and other asset-backed securities, cutting purchases by several billion dollars each month. The Federal Reserve recently announced the final tapering that would end these purchases indefinitely, followed by an anticipated increase in the federal funds rate target. The likelihood of the rate increase occurring on the predicted timeline largely depends on the ability of the economy to continue to show sustainable growth, especially in the labor markets. Keeping consumer inflation at a reasonable level will also be key, which the Federal Reserve has stated to be less than 2% annualized growth in consumer prices.

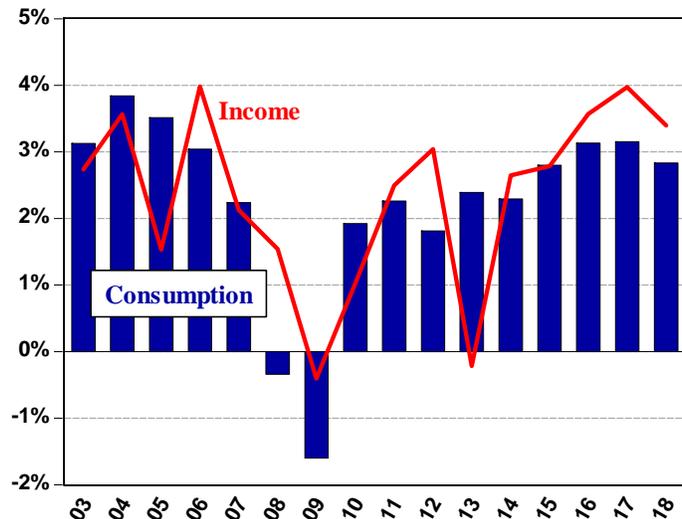
Thanks to a strong second quarter, real US GDP is expected to advance by 2.3% in 2014, followed by 2.7% in 2015, 2.9% in 2016, 3.1% in 2017, and 2.8% in 2018. Housing starts are expected to grow from 994,000 units in 2014 to 1.522 million units in 2018, and nonfarm employment is anticipated to increase by 8.0 million jobs over the same time frame.

SELECTED NATIONAL ECONOMIC INDICATORS

Consumer Spending: Consumer spending decelerated in the first quarter of 2014, rebounded in the second quarter, and is expected to grow at a more modest pace in the third quarter. The shaky first quarter was not likely to have been caused by a decrease in aggregate demand in the US, but rather by particularly cold weather that kept many consumers from venturing out. The extent of the cold weather can be further illustrated by the fact that sales of new automobiles declined at a rate of 25.7% in that quarter while the sale of new light trucks increased at a rate of 19.7%. Total consumer spending grew at an annualized rate of only 1.2% in the first quarter of 2014. Spending was up almost across the board in the second quarter of 2014. Consumer spending on durable goods grew at a rate of 14.1% and nondurable goods spending increased at a clip of 2.2%. Spending on services increased at a 0.9% annual rate in the second quarter of 2014.

Consumer spending growth is expected to extend into the third quarter, being driven by big-ticket durable purchases, such as automobile sales. Light-vehicle sales grew to an annualized rate of 16.4 million units in July 2014 and then grew to a 17.4 million unit rate in August. Light-vehicle sales are expected to reach a level of 16.37 million units for all of 2014, which is the highest level since 2006. Ultimately, light-vehicle sales will not be enough to match the growth experienced in the second quarter. Spending on durable goods is expected to grow at a 8.2% pace in the third quarter, while nondurable goods spending is anticipated to grow at a 1.7% rate, and spending on services is expected to grow at a 1.2% pace. Real consumer spending on all goods and services is forecast to grow by 2.3% for all of 2014, 2.8% in 2015, 3.1% in 2016, 3.2% in 2017, and 2.8% in 2018.

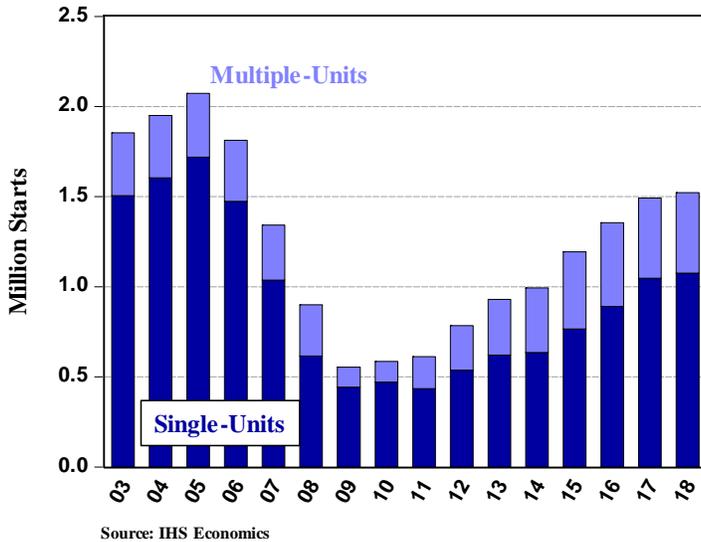
US Real Consumption and Disposable Personal Income Growth



Source: IHS Economics

Housing: New home construction in the US has grown significantly over the past two years while inventories of existing homes have grown at a slower rate. Growth in existing home inventories is expected to begin to outpace the growth in new home inventories moving forward. Housing starts expanded at a seasonally adjusted annualized rate of 985,000 units in the second quarter of 2014 and are forecast to grow to a rate of just over one million units per year in the third quarter. Existing home sales increased from an annual pace of 4.6 million units in the first quarter of 2014 to a 4.9-million unit pace in the second quarter. The purchase price for homes also continued to grow in the first half of 2014. The Federal Housing Finance Agency's (FHFA) House Price Index increased at an annualized rate of 5.8% in the second quarter of 2014, although the FHFA Purchase-Only Index of home prices only increased at a rate of 5.3% in the second quarter. The Purchase-Only Index is based on more than six million repeat sales transactions on the same single-family properties and uses only the actual purchase price of homes. The somewhat rapid increase in home prices over the last two years has brought some relief for many homeowners that were waiting for the market value of their homes to meet their expectations. As a result, inventories of existing homes for sale are rising at a faster pace than the inventory of new homes. The increase of new and existing homes is expected to begin to curb the growth rate in home prices.

US Housing Starts

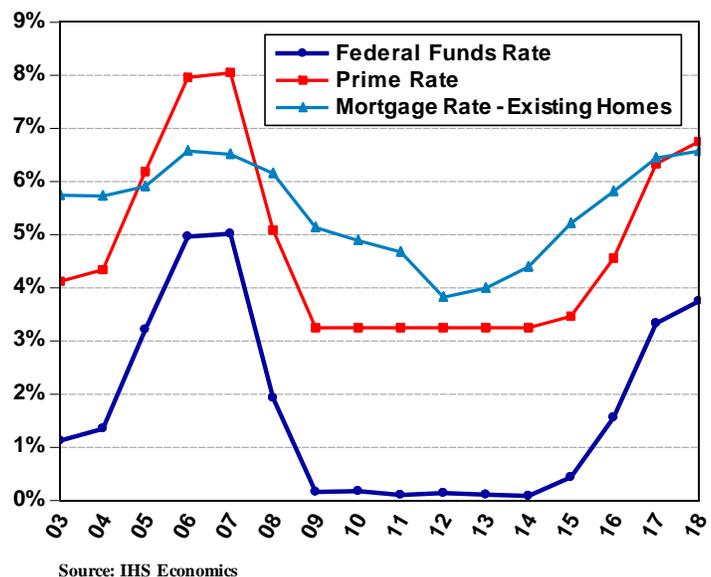


This can be further illustrated by the FHFA’s House Price Index, which is forecast to grow 8.4% in the third quarter of 2014 versus the Purchase-Only Index, which is forecast to grow at a slower pace of 4.3%. An important demand-side driver is housing formations. According to the “2014 Annual Social and Economic Supplement” to the *Current Population Survey*, 493,000 households formed in the year ending in March 2014. This was far below expectations and is one of the reasons that new home construction has not been as strong as was previously predicted. Formations are expected to recover and grow at an average annual rate of 1.2% from 2014 through 2018. This will help to bolster up new housing starts, which are forecast to grow from 994,000

units in 2014 to more than 1.5 million units in 2018. The purchase prices of US homes are anticipated to grow by 4.9% in 2014 before an increased supply of existing homes on the market nearly flattens the growth rate in 2015, with anticipated price growth of 0.6%. Prices are then expected to grow by 2.8% in 2016, and 2.1% in both 2017 and 2018.

Monetary Policy: Coming off of multiple rounds of quantitative easing, the Federal Reserve is nearing the completion of a tapering plan that will ease the country off of the latest round of quantitative easing. As expected, starting in November 2014 the Federal Open Market Committee will end purchases of mortgage-backed securities of \$5 billion per month and long-term Treasury security purchases of \$10 billion per month. The decision to taper further came as the Committee received information at their October meeting indicating that economic activity was continuing to expand at a moderate rate, with labor market conditions showing improvement. The Committee also acknowledged that there was additional room for improvement, which was reason to still keep a portion of the asset buying program in place. While the labor market did show improvement, the unemployment rate has not decreased as much as the Committee would have liked, suggesting that labor resources are still underutilized. The persistently elevated unemployment rate was also one of the main reasons for the Committee’s decision to stick to a federal funds rate target at a range between 0.0% and 0.25%. The federal funds rate is the rate at which depository institutions

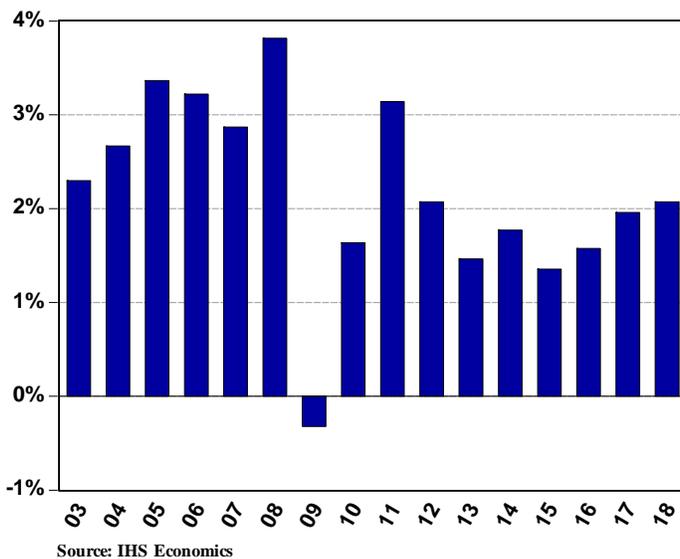
Selected US Interest Rates



lend reserve balances to other depository institutions overnight, and is used by the Federal Reserve as a tool to guide the short-term interest rates. The Committee has stated that the federal funds rate target will likely remain low for a considerable time after the asset purchase program ends, although IHS Economics predicts that the first rate hike may come as soon as May 2015. Much of the likelihood of the rate ceiling being lifted rests on the performance of the labor markets and the nation's ability to keep consumer inflation below a level of 2% annual growth. Inflation is anticipated to remain near 2% in each year through 2017, so May 2015 appears to be quite reasonable. The federal funds rate is forecast to average 0.1% in 2014, 0.4% in 2015, 1.6% in 2016, 3.3% in 2017, and 3.8% in 2018.

Inflation: Inflation in the US has remained fairly low over the last several years and has even ventured into negative territory on occasion. In April 2013 the Consumer Price Index (CPI) experienced a brief period of deflation but quickly reentered positive territory. The CPI dropped again in August 2014 when energy prices dipped 2.6%. Following the second quarter of 2014, when consumer prices increased at a rate of 3.0%, third quarter consumer inflation should be 1.0%. With the more volatile food and energy components removed from the equation, core inflation actually grew at a 1.5% rate in August 2014, and it is expected to grow at a 1.3% rate in the third quarter. Producer prices also declined in August, weighed down by lower food and energy prices. Core producer prices, which factors out food- and

US Consumer Price Inflation

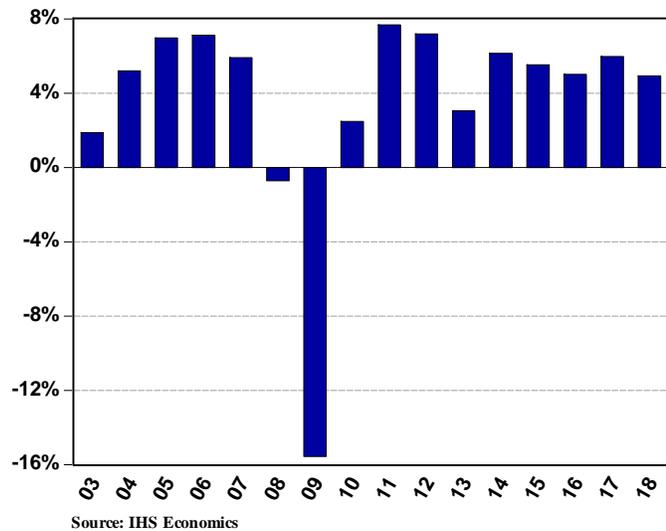


energy-related prices, were unchanged in August. This decline in August 2014 will also have an impact on third quarter producer prices, which are forecast to grow at a seasonally adjusted annualized rate of 0.6%. This is much lower than the second quarter's growth rate of 3.7%. Similarly, employment costs grew at a 3.4% pace in the second quarter of 2014 but are expected to slip to a 1.5% annual pace in the third quarter. Employment costs are forecast to grow 2.0% in 2014, 2.5% in 2015, 3.0% in 2016, 3.2% in 2017, and 3.3% in 2018. Producer prices are anticipated to grow 2.1% in 2014, 0.5% in 2015, 0.8% in 2016, 1.7% in 2017, and 2.1% in 2018. Consumer prices are expected to be more stable than producer prices over the forecast period, growing 1.8% in 2014, 1.4% in 2015, 1.6% in 2016, 2.0% in 2017, and 2.1% in 2018.

Business Investment: Nonresidential fixed investment in the US was fairly flat in the first quarter of 2014, when unseasonably cold weather put most of the US economy on hiatus, but investment rebounded in the second quarter. Second quarter growth came in at an annualized rate of 9.7%. Its growth pace is forecast to ease to 7.4% in the third quarter. Most of the growth in the second quarter appeared to be particularly robust as a result of coming off of first quarter decreases. Nonresidential investment in equipment grew at a rate of 11.2% in the second quarter of 2014, largely due to strength in a few categories, such as communications and industrial equipment, which grew at annualized clips of 41.6% and 27.2%, respectively. Growth in equipment investment may have been even stronger if not for a decrease in spending on aircrafts, which declined at a rate of 69.7%. This is the second consecutive

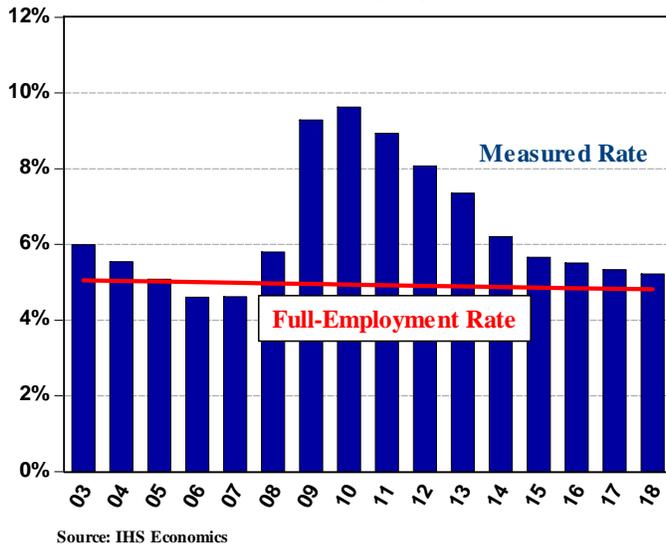
quarter of declines in this category, which is to be expected after an extreme growth rate of 406.2% in the fourth quarter of 2013. Business investing in aircrafts is expected to find some stabilization and even post gains again in the third quarter of 2014. The intellectual property business investment category continued on its growth trajectory in the second quarter, growing at a rate of 5.5%. Spending on structures was also particularly strong in the second quarter, increasing at a clip of 12.6%. Total nonresidential fixed investment is expected to grow by 6.2% in 2014, followed by 5.5% in 2015, 5.0% in 2016, 6.0% in 2017, and 4.9% in 2018.

Real US Business Investment Growth



Employment: Since the beginning of 2014 two offsetting factors have simultaneously occurred: job growth has accelerated and labor force growth has all but come to a halt. Job creation in the US has grown at an average rate of 227,000 jobs each month this calendar year, and a rate of at least 200,000 new jobs per month is expected to be maintained through at least 2015. Growth in the labor force, however, has slowed significantly this year. There were less than 400,000 net new entrants into the labor force over the past year. This slowdown in labor force participation that has occurred is due to several factors, such as retirements, health considerations, and better economic conditions that have allowed many individuals that work multiple jobs to cut back to only one job. The payroll growth that has occurred is largely due to strength in a few employment sectors. Construction employment continues to push forward, growing at a rate of 4.2% in the second quarter of 2014, following a growth rate of 4.8% in the first quarter. Other employment growth categories were natural resources and mining and employment services, which grew at annualized rates of 5.5% and 5.8%, respectively. Government

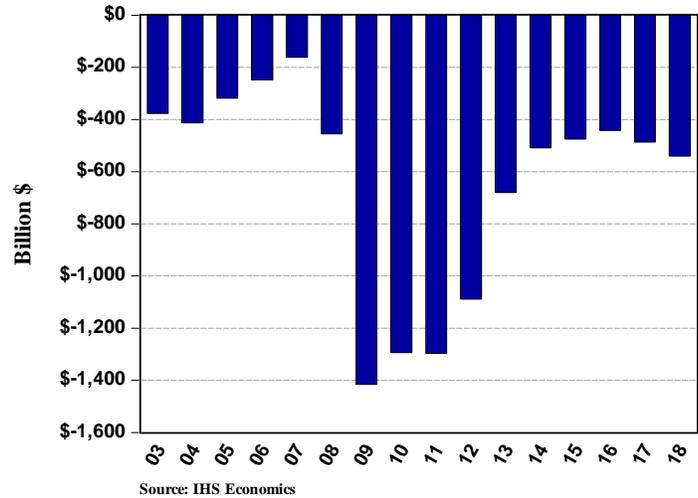
US Civilian Unemployment Rate



employment grew at a rate of 0.7% in the second quarter, following a slight contraction in the first quarter. Government employment is anticipated to grow by 0.1% in 2014, 0.4% in 2015, 0.5% in 2016, 1.0% in 2017, and 1.2% in 2018. Manufacturing employment is expected to round out 2014 with employment growth of 1.0%, followed by 1.3% in 2015, 0.2% in 2016, and then contract at a pace of 0.1% in 2017, and 0.5% in 2018. Total nonfarm employment is expected to grow by 1.8% in both 2014 and 2015, 1.5% in 2016, 1.3% in 2017, and 1.0% in 2018. The growth in nonfarm employment in the US is expected to put downward pressure on the unemployment rate, which is forecast to average 6.2% in 2014, 5.7% in 2015, 5.5% in 2016, 5.3% in 2017, and 5.2% in 2018.

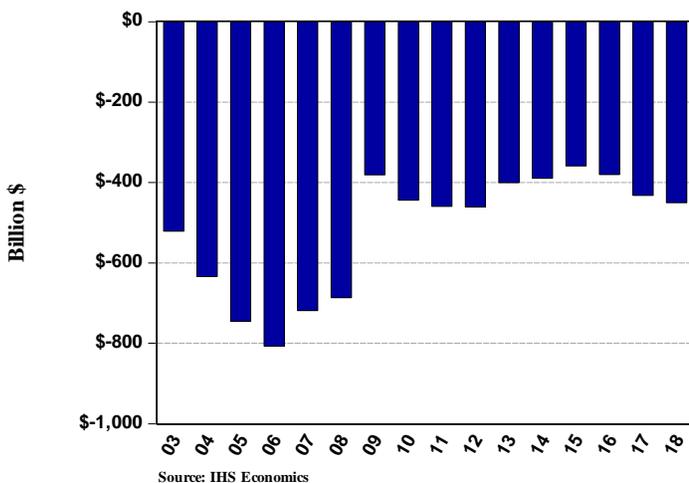
Government: With the government shutdown, sequestration, and other budget cuts in the rearview mirror, federal government consumption spending has stabilized and is not expected to rebound in the immediate future. Real federal government spending declined by 0.9% in the second quarter of 2014, which decreased the GDP growth rate by 0.6 percentage points in that quarter. Federal budget outlays are expected to increase by less than 2% in 2014. A major risk to the federal government forecast is the potential escalation with the Islamic State in Iraq and Syria, which could lead to increased defense spending next year. Nondefense outlays are expected to grow at a more rapid pace, which is expected to lead to an increased rate of spending in the later years of the forecast. Specifically, Social Security and Medicare transfers to individuals are expected to accelerate, growing at a combined average annual rate of roughly 5.5% over the next ten years. On the revenue side, improving economic conditions are expected to bolster tax receipts over the forecast period. Personal income tax receipts, the largest revenue source, are expected to grow from \$1,286.8 billion in 2013 to \$1,733.0 billion in 2018. The unified federal budget deficit was \$680.2 billion in 2013, but it is expected to decrease to \$508.5 billion in 2014, \$475.1 billion in 2015, and \$442.9 billion in 2016 before growing to \$487.3 billion in 2017 and \$541.0 billion in 2018.

Unified Federal Budget Deficit



International: Both imports and exports in the US expanded in the second quarter of 2014, but imports outweighed exports. This caused real net exports to fall from -\$447.2 billion in the first quarter of 2014 to -\$460.4 billion in the second quarter. This widening in the trade gap occurred as the US stepped up its purchases of imports from other countries. About 36% of the imports into the US come from China and the European Union, while another 25% come from Canada and Mexico. Acceleration in the imports of automobile-related goods and food-related goods (at a rate of 35.3% and 32.7%, respectively) was the main driver of the annualized import growth rate of 11.3% in the second quarter. This growth in imports, plus momentum that was already present in the previous quarter was enough to more than offset annualized second quarter export growth of 11.1%. Strength in US exports in the second quarter was most noticeable in aircraft exports, which grew at a rate of 37.9% and exports of vehicles and parts, which increased at a rate of 29.3%.

US Current Account Trade Deficit



The strong import and export growth rates in the second quarter were partially to do with the underperformance of the economy in the first quarter, and are not expected to continue into the third quarter. Third quarter exports are forecast to grow at a more tamed pace of 4.4% and imports are expected to shrink at an annualized rate of 1.3%. Real net exports are forecast to be -\$439.5 billion for all of 2014 before dropping to -\$471.0 billion in 2015, -\$528.9 billion in 2016, -\$555.6 billion in 2017, and -\$558.0 billion in 2018.

IDAHO FORECAST DESCRIPTION

The Forecast Period is the Third Quarter of 2014 through the Fourth Quarter of 2018

This year has been one of the first years of stabilized growth in Idaho since before the Great Recession. Idaho is not experiencing the pace of employment growth seen before the recession, but is finally at a more rapid pace than the sluggish path of recovery during the last four years since the end of the downturn. Idaho's housing market is moving out of the recovery stage and into a more sustainable growth stage. Income and wage growth has lagged most of the rest of the recovery, but has recently begun to expand at a more accelerated gait. Employment, income, and construction are all expected to stay on track, consistently growing in each year of this forecast.

When construction is up in the state, it tends to be an engine for growth in the rest of the economy. Likewise, when construction slows, it tends to become a drag on the state's economy. As the housing market began to heat back up in 2012, it was anticipated that Idaho housing starts would quicken for several years. It now appears that a significant portion of that accelerated growth has occurred, and it seems likely that Idaho's housing market is on a more consistent and supportable track. Construction employment and single-family housing starts are both expected to grow in each year of the forecast, whereas multi-family housing starts are expected to fluctuate between growth and contraction over the next few years.

The growth in housing is expected to reverberate through the state's economy. It will have its most direct impact on construction employment and indirect impacts on many service and trade industries. For new jobs created in the state, other local jobs are necessary to provide supplies to new workers and to provide increased services to a larger labor force. There can be a multiplier effect that can be a force for economic growth that extends beyond the wages of the individual employees hired. For example, appliance, furniture, and carpet sales all benefit from increased housing starts. And services such as landscaping, fencing, and moving are also fueled by a strong construction sector. Nongoods-producing employment, which accounts for roughly 85% of all nonfarm payrolls in Idaho, is forecast to grow at a pace between 2.0% and 2.3% through 2018. Employment in the goods-producing sectors accounts for a much smaller portion of Idaho's nonfarm jobs, but it is expected to post stronger growth, increasing at an average annual pace of 2.7% through 2018.

The expected job growth over the forecast period should help relieve some of the slack in the labor market. During the Great Recession and the following recovery there was an excess of labor, which put downward pressure on wages. As the job market improves, businesses will need to raise wages in order to meet their staffing needs, especially for high-skilled workers. As a result, Idaho's average annual wage is expected to grow by 3.6% in 2014, the strongest growth rate since 2006. This should be followed by increases of 3.3% in 2015, 2.9% in 2016, 3.5% in 2017, and 3.7% in 2018.

Idaho real personal income is forecast to grow by 3.5% in 2014, which is its strongest showing since 2006. One of the state's fastest growing categories in recent years has been farm proprietors' income. This component has grown steadily since 2009. In 2011 it topped its previous record of \$1.2 billion by \$0.5 billion. It has remained healthy, setting new records in every year since then. In 2013 it was nearly \$2.0 billion, and it should repeat that showing in 2014. However, recent price declines for several commodities and severe rain damage to the state's barley crop make another record year unlikely. Real personal income is expected to grow at an average annual rate of 3.3% through 2018.

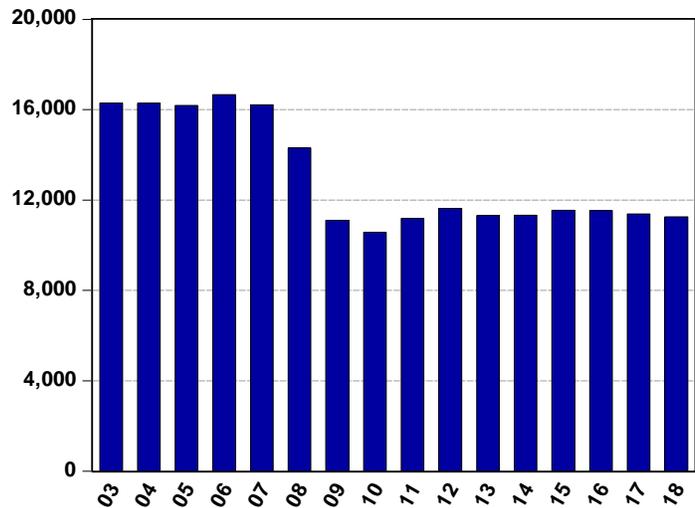
SELECTED IDAHO ECONOMIC INDICATORS

Computer and Electronics

Manufacturing: Idaho’s computer and electronics manufacturing sector helped fuel the economic boom that the state experienced in the 1990s, but global competition and a changing marketplace have created an environment that has made cost-cutting necessary for survival. 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, a recession that began in the global high-tech sector shaved that year’s job growth to 1.0%. The next year marked the start of a

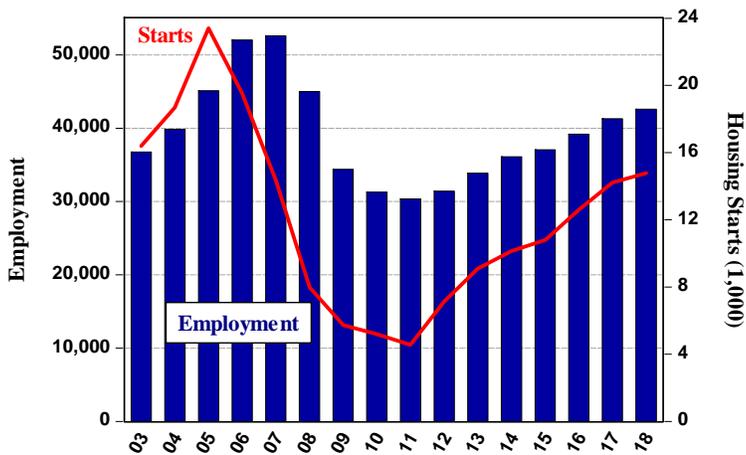
string of annual job losses that would run through 2010. The number of jobs shrank by about 9.0% in both 2002 and 2003. Employment stabilized for a couple of years, and employment even grew 3.0% in 2006. But job losses returned in 2007 and continued for several years. Employment fell an additional 11.8% in 2008 and 22.4% in 2009. In 2010, it shrank by 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%. It increased by another 3.9% in 2012. Many of the companies in the industry have stabilized since the end of the recession, but some are still trying to find the best way to ensure their survival in the post-recession economy. Hewlett-Packard (HP) announced a set of layoffs in 2013 that eliminated some jobs at their Boise campus. These layoffs contributed to an industry-wide payroll decrease of 2.7% in 2013 in Idaho. More recently, HP announced a pending split in the company that would create two companies. One company, called HP Inc., will continue to produce and sell computers and printers, while the other company, called Hewlett-Packard Enterprise, would manage enterprise hardware products, service, and software. The exact employment impact of the split on HP’s Boise campus is still unknown. This sector’s employment is expected to expand by 0.1% in 2014 and 2.0% in 2015. It then contracts by 0.2% in 2016 and 1.2% in both 2017 and 2018.

Idaho Computer and Electronic Products Employment



Construction: Construction employment is a key factor in the health of Idaho's economy. The strength in construction employment in the early-2000s was one of the driving forces behind the expansion that the Gem State underwent in those years. 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 11,500 units to 23,400 units before housing starts began to decline in 2006. Construction employment growth persisted into 2007 but ultimately did not escape the pull of the retreating housing market. Idaho housing starts fell by 44.4% in 2008 and construction employment

Idaho Construction Employment and Housing Starts

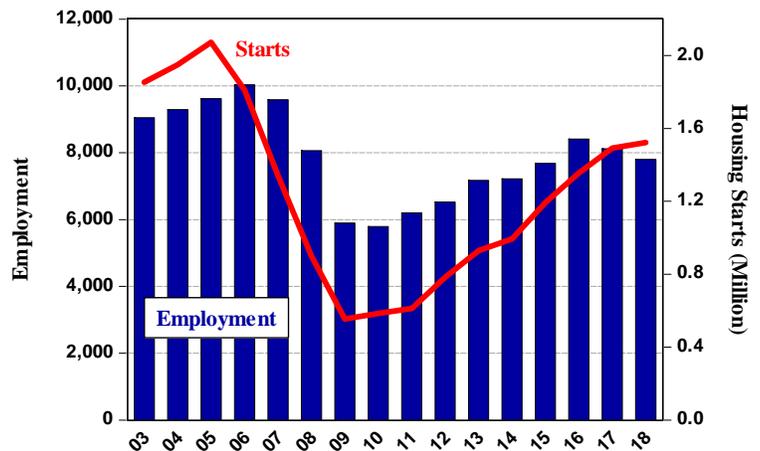


declined 14.4%. The full weight of the housing market was felt in 2009, when construction employment dropped another 23.6% and housing starts contracted by nearly 30.0%. Starts declined during the next two years. Decreases in housing starts and construction employment endured through 2011 before the effects of the recession began to wear off. Idaho housing starts had decreased from 23,400 units in 2005 to 4,560 units in 2011, while employment dropped from 52,600 jobs in 2007 to 30,350 jobs in 2011. As the housing market has recovered in Idaho, construction employment in the Gem State has also been slowly returning. By 2012 there was renewed activity in the

market as housing starts rose by 56.4% to a level of 7,137 units. Employment also grew that year but by a more modest rate of 3.5%. The recovery was solidified in 2013 with an additional 27.4% increase in housing starts to 9,100 units and 7.8% gain in construction employment. Employment in Idaho’s construction sector is expected to grow by 6.7% in 2014, 2.6% in 2015, 6.7% in 2016, 5.4% in 2017, and 3.2% in 2018. Total employment in the sector is anticipated to be at a level of 42,600 jobs in 2018. Housing starts are also expected to continue to grow over the forecast period, reaching 14,773 units in 2018.

Logging and Wood Products: The growing demand for lumber and wood products in both domestic and international markets should support Idaho employment. Idaho lumber is desirable not only in the US, but also in international markets, such as Japan, where lumber from Idaho’s slower growing pines are used in decorative moldings that showcase the tighter wood grain structure. The increased demand has allowed for an expansion in mill operation to process logs into lumber. The former Emerald Forest Products mill in Emmett, Idaho, reopened after being purchased by Gem Forest Products, LLC and is expected to have hired 40 to 50 workers. A major challenge facing Idaho’s logging and wood products sector is timber supply. Although demand and ability to process lumber is in place, the restricted supply of logs may become the limiting factor for potential growth in this sector. 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). 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

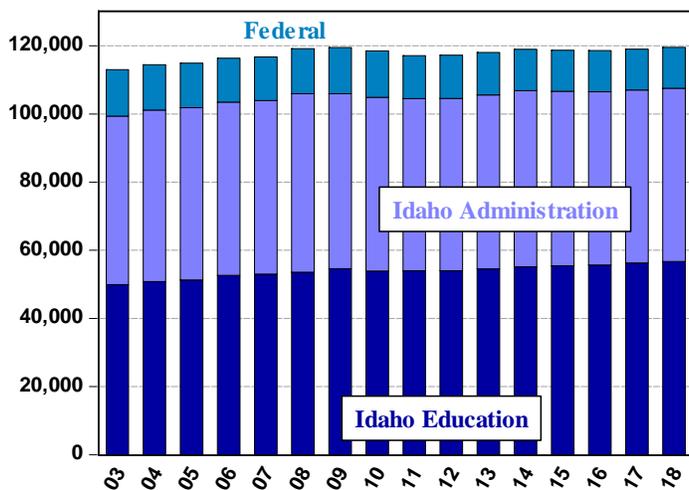
Idaho Wood Product Employment and US Housing Starts



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 time total timber harvest in the state fell to just over 700 million board feet. Employment growth in Idaho’s logging and wood products sector may be limited by supply, but there is still some room for payroll expansion before supply issues impact growth. Payrolls in the sector are forecast to grow at a fairly modest rate of 0.6% in 2014, followed by 6.4% in 2015, and 9.5% in 2016. Logging and wood product payrolls are then expected to decrease by 3.4% in 2017 and 4.0% in 2018.

Government: Idaho’s government employment sector has been influenced by several factors that have led to challenges in recent years. During the recession that lasted from 2007 to 2009, tax revenues dropped for the national, state, and local governments. In 2007 the Unified Federal Budget receipts were nearly \$2.6 trillion, but the pains of the recession decreased receipts to a level of \$2.1 trillion by 2009. Similarly, Idaho’s General Fund revenue decreased from just over \$2.9 billion in 2008 to less than \$2.3 billion by 2010. The poor economy also had a negative impact on net migration, which is another important driver of government employment growth, as a net increase in the population requires additional government employees to service the needs of the population. Net migration was more than 25,000 in 2006 but had dwindled to just over 300 by 2011. The result of decreasing revenues and migration was a slowdown, followed by a decrease, in government employment. Noneducation-related government employment was the first to tighten the belt, decreasing payrolls by 1.9% in 2009. Education payrolls followed in 2010, when employment in that sector fell by 1.3%. Federal government payrolls in Idaho began to fall in 2011, with a contraction of 7.6% that year, partially to do with an expected decline that occurs following a decennial census. Net migration picked up pace again in 2012, and it is expected to grow to more than 12,000 in 2014. Idaho’s General Fund revenues eclipsed \$2.75

Idaho Government Employment



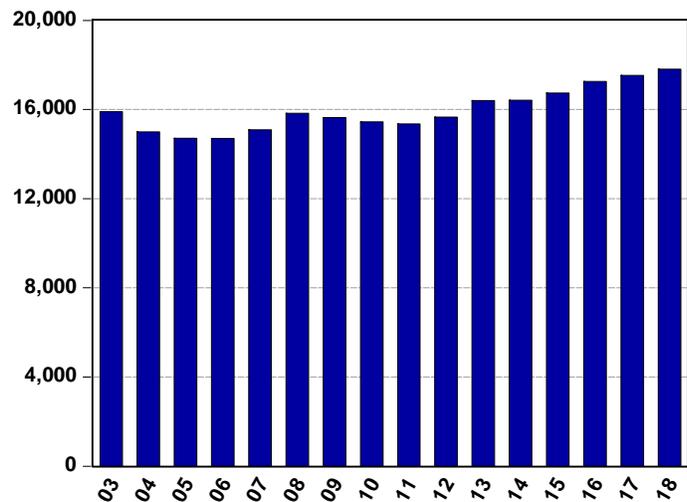
billion in 2013 and year-over-year revenue growth is anticipated over the next few years. The recovery in net migration and revenues has led the revival in state and local government employment, which has grown past its pre-recession level. However, it is forecast to grow very little moving forward, remaining right around 107,000 through 2018. Federal tax receipts have also recovered, coming in just under \$2.8 trillion in 2013. In contrast, federal government employment in Idaho remains below its pre-recession peak and is expected to continue to fall over the foreseeable future. In fact, federal payrolls in Idaho are expected to shrink by 2.4% in 2014, 0.3% in 2015, 0.2% in 2016, 0.3% in 2017, and 0.4% in 2018.

Food Processing: Idaho’s largest manufacturing sector has been very active in recent years, with companies either opening or expanding food processing operations and other companies planning closures and consolidations. 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 is impacted by evolving technology that can increase production efficiencies with fewer workers. The J. R. Simplot Company is continuing with its plan to shut down its potato processing plants in Caldwell, Nampa, and Aberdeen. These aging and outdated plants will be replaced by a new potato processing plant that 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. These layoffs will put some pressure on 2014

growth in the sector, leading to overall payroll growth of just 0.1% that year. With other new companies coming to Idaho, such as GoGo squeeZ and Clif Bar, food processing employment in Idaho is expected to expand at a faster pace in each additional year of the forecast. Payrolls are anticipated to grow by 2.0% in 2015, 3.1% in 2016, and 1.6% in both 2017 and 2018.

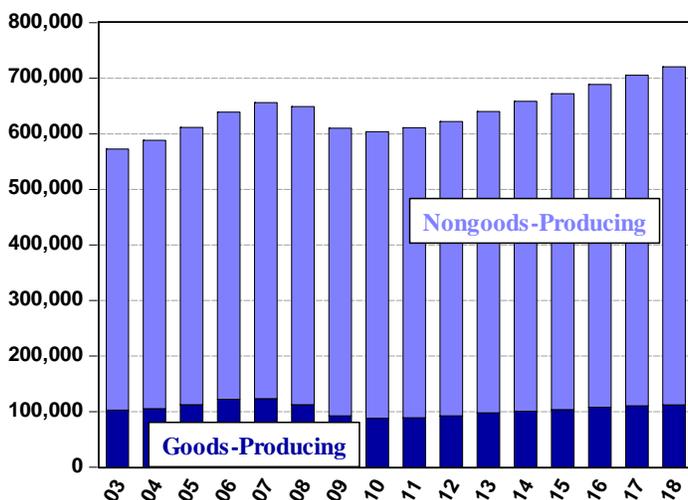
Idaho Food Processing Employment



Nongoods Producing: As the state's largest private employer, the nongoods-producing portion of Idaho's economy is on track to grow by 2.9% in 2014, which is the fastest pace since 2007. With nongoods-producing jobs totaling roughly two-thirds of the nonfarm payroll in Idaho, this sector's future growth will be an engine that helps power the state's economy. The nongoods-producing sector consists of two categories: services and trade. The services category is made up of information services; financial activities; transportation, warehousing, and utilities; professional and business services; education and health services; leisure and hospitality services; and other services. Service employment is forecast to grow at an average annual rate of 2.8% over the forecast period, finishing 2018 with just under 367,000

jobs. Almost every sector within the services category is expected to post consistent year-over-year gains after 2014. The information sector is the exception; its employment should contract by 0.6%. The other side of nongoods-producing employment, the trade category, is further subdivided into two employment sectors: retail and wholesale. Employment in the retail sector accounts for almost 75% of all trade employment. Retail trade employment growth is expected to be quite stable over the forecast period, with anticipated increases between 2.6% and 2.9% in each year of the forecast period. Wholesale employment will also add to the gains in the trade sector, with anticipated payroll growth of 2.2% in 2014 and continued growth in each year of the

Idaho Nonfarm Employment

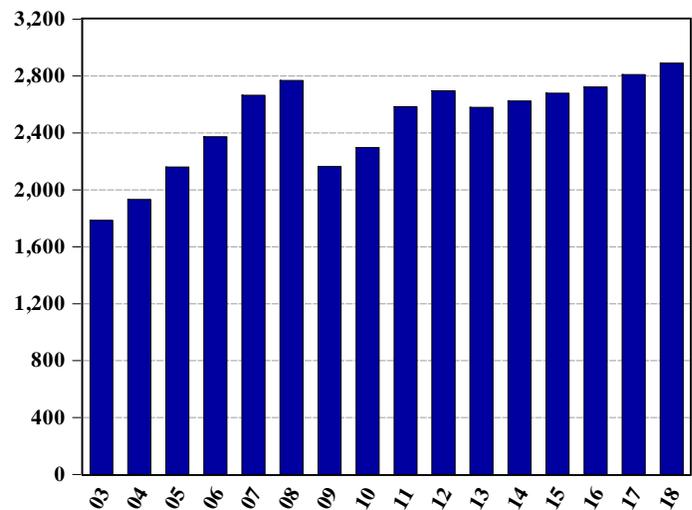


forecast. Total private nongoods-producing payroll is expected to expand 2.9% in 2014, 2.0% in 2015, 2.2% in 2016, and 2.3% in both 2017 and 2018.

Other Manufacturing Sectors: Employment in the durable and nondurable manufacturing sectors that do not neatly fit into any defined sector account for more than 23% of Idaho’s manufacturing payrolls. Many of the companies that comprise these other manufacturing sectors employ a small number of employees and are often overshadowed by the larger companies in the state. According to the Small Business Administration over 92% of the state’s manufacturing companies employed fewer than 20 employees in 2011, so the significance of these other manufacturing sectors should not be understated. Other durable manufacturing is the larger of the two sectors, with roughly twice the payrolls 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 0.6% for all of 2014, 2.7% in 2015, 4.7% in 2016, 3.1% in 2017, and 1.5% in 2018. The other nondurable manufacturing sectors bounced back in 2010 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 6.7% in 2014, 1.5% in both 2015 and 2016, 1.7% in 2017, and 1.5% in 2018.

Mining: Idaho's mining employment sector has experienced fluctuations over the past few years. Some of these were caused by the after effects of the most recent economic downturn and subsequent recovery and some occurred as a result of variation in the price of the metal ores that are mined in Idaho. Because of an abundance of silver mining in Idaho, the industry is 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 stabilized close to \$20 per ounce, which seems to be high enough to entice some mining companies to reopen 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. Employment in the sector is expected to reflect these upswings, with anticipated payroll growth of 1.8% in 2014, 2.1% in 2015, 1.7% in 2016, 3.2% in 2017, and 2.9% in 2018.

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 July 2014 to the October 2014 *Idaho Economic Forecast*. The July 2014 *Idaho Economic Forecast* is based on IHS Economics July 2014 baseline US macroeconomic forecast and the October 2014 *Idaho Economic Forecast* is driven by IHS Economics October 2014 baseline forecast.

Recent revisions to the national and Idaho personal income and output series have limited the usefulness of comparing the differences between their current and previous forecasts to gauge whether the outlooks for these measures have improved or deteriorated since the July 2014 forecast was published. Given the shortcoming of this traditional approach, we will focus on the growth rates between the forecasts to determine instead of their respective levels. Using this alternate method we find the outlook for real GDP has changed little since the July forecast. In that forecast real US output was expected to grow an average of 2.9% per year from 2014 to 2017, which is just slightly higher than the 2.8% pace predicted in the current forecast. The real personal income projection is also little changed from its predecessor. However, instead of trailing the previous forecast, it advances slightly faster, 3.4% annual growth versus 3.3% annual growth. The pace of nonfarm employment growth has been reduced slightly from the previous forecast. Instead of adding jobs at a 1.8% average annual clip, the economy is now expected to create jobs at a 1.6% pace in the current forecast. As a result, there are anticipated to be about 850,000 fewer jobs in 2017 than were previously expected. A notable difference between the two forecasts is the projection for national construction employment growth is significantly weaker, advancing an average of 5.7% per year compared to the previous 7.1% pace.

Idaho's employment forecast is virtually unchanged from last July. It averages 2.5% annual increases in both cases and by 2017 there are only about 300 more jobs than was previously projected. The difference between the current and previous Idaho real personal income growth is more significant. This measure is anticipated to advance about 3.3% annually, which is higher than the 3.0% pace previously predicted. One of the reasons for this change is Idaho's average annual wage is forecast to grow faster than was previously expected. Another reason is Idaho nominal farm proprietors' income is expected to be higher in the current forecast. Its outlook has been raised because current estimates show it was much stronger during the first half of this year. Specifically, it was expected to average (based on historical and forecasted estimates) \$1.6 billion. The recently available revisions show it actually averaged \$2.3 billion in the first two quarters of 2014.

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

	2010	2011	2012	2013	2014	2015	2016	2017
U.S. GDP (BILLIONS)								
Current \$	6	-16	-81	-32	87	40	-26	-38
% Difference	0.0%	-0.1%	-0.5%	-0.2%	0.5%	0.2%	-0.1%	-0.2%
2009 Chain-Weighted	4	-32	-102	-51	40	6	-63	-82
% Difference	0.0%	-0.2%	-0.7%	-0.3%	0.3%	0.0%	-0.4%	-0.5%
PERSONAL INCOME - CURR \$								
Idaho (Millions)	35	388	1,050	1,147	2,402	2,084	2,024	2,180
% Difference	0.1%	0.7%	1.9%	2.0%	4.1%	3.4%	3.1%	3.2%
U.S. (Billions)	-6	11	144	32	130	128	105	103
% Difference	0.0%	0.1%	1.0%	0.2%	0.9%	0.8%	0.7%	0.6%
PERSONAL INCOME - 2009 \$								
Idaho (Millions)	35	341	962	1,007	2,192	1,874	1,718	1,737
% Difference	0.1%	0.7%	1.9%	1.9%	4.1%	3.4%	3.0%	2.9%
U.S. (Billions)	-6	2	129	15	116	112	72	46
% Difference	0.0%	0.0%	1.0%	0.1%	0.9%	0.8%	0.5%	0.3%
TOTAL NONFARM EMPLOYMENT								
Idaho	10	11	6	-322	2,084	149	-480	-337
% Difference	0.0%	0.0%	0.0%	-0.1%	0.3%	0.0%	-0.1%	0.0%
U.S. (Thousands)	0	0	0	0	40	-6	-444	-847
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.3%	-0.6%
GOODS PRODUCING SECTOR								
Idaho	3	4	1	-9	211	-1,224	-1,442	-1,265
% Difference	0.0%	0.0%	0.0%	0.0%	0.2%	-1.2%	-1.3%	-1.1%
U.S. (Thousands)	0	0	0	0	-20	-220	-553	-705
% Difference	0.0%	0.0%	0.0%	0.0%	-0.1%	-1.1%	-2.7%	-3.3%
NONGOODS PRODUCING SECTOR								
Idaho	7	7	5	-313	1,873	1,373	962	929
% Difference	0.0%	0.0%	0.0%	-0.1%	0.3%	0.2%	0.2%	0.2%
U.S. (Thousands)	0	0	0	0	60	214	109	-142
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.1%	-0.1%
SELECTED INTEREST RATES								
Federal Funds Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	-0.4%	-0.4%
Bank Prime Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	-0.4%	-0.4%
Existing Home Mortgage Rate	0.0%	0.0%	0.0%	0.0%	-0.1%	-0.1%	-0.1%	-0.4%
INFLATION								
GDP Price Deflator	0.011	0.113	0.165	0.254	0.309	0.204	0.261	0.318
Personal Cons Deflator	-0.002	0.063	0.053	0.122	0.028	0.030	0.174	0.336
Consumer Price Index	0.000	0.000	0.000	0.000	-0.005	-0.009	-0.006	-0.002

Forecast Begins the **THIRD** Quarter of 2014

ALTERNATIVE FORECASTS

IHS Economics has assigned a 70% probability of occurrence to its October 2014 baseline macroeconomic scenario, which is the same as the July 2014 baseline forecast. The probabilities of the two alternative scenarios occurring are each 15%.

The major features of the *Baseline Scenario* include:

- Real GDP expands 2.3% in 2014, 2.7% in 2015, 2.9% in 2016, 3.1% in 2017, and 2.8% in 2018.
- US nonfarm employment increases about 1.8% in both 2014 and 2015, 1.5% in 2016, 1.3% in 2017, and 1.0% in 2018.
- The US civilian unemployment rate falls from 6.2% in 2014 to 5.2% in 2018.
- Consumer inflation remains near 2.0% for most of the forecast period.
- The unified federal budget deficit shrinks from about \$509 billion in 2013 to \$443 billion in 2016, but it then expands to \$541 billion in 2018.
- The current account deficit rises from \$389 billion in 2014 to \$450 billion in 2018.
- Housing starts grow from just under 1.0 million units in 2014 to just over 1.5 million units in 2018.

PESSIMISTIC SCENARIO

The *Pessimistic Scenario* assumes household formation falls slightly over the next year-long period and only begins to rise slightly through 2016. Recent data show that household formation fell to just under one-half million in late 2013 and early 2014. This recession-like number stands out versus growth of 1.4 million and 2.4 million in the prior two years. This implies that the reasons driving the lower household formation rates do not fully resolve themselves. These reasons include: poor wage growth, slower immigration, lower marriage rates, limited access to credit, degraded mobility, and onerous student loan burdens. Additionally, the supply side of the housing sector is challenged by tight credit, a scarcity of developed lots, and rising construction costs further deter builders from adding to the housing stock. Housing starts weaken, averaging 0.99 million units in 2015 compared to the baseline's 1.2 million units.

Fiscal policy is of little help in this scenario because federal government spending contracts in the fourth quarter and continues dropping in subsequent quarters. Without a credible stimulus plan on the horizon, private-sector confidence deteriorates and stock prices drop. The declining stock market weakens confidence. As both equity values and residential asset prices drop, consumers scale back on their purchases. Consumption increases only 1.6% in 2015 (versus 2.8% in the baseline). With businesses unwilling to expand further in such a weak environment, nonresidential fixed investment growth slows. In this scenario, US export growth declines as foreign growth opportunities wane. Exports increase just 1.8% in 2015 (versus 3.6% in the baseline) and growth remains below the baseline rate over the forecast period. The double squeeze from weak domestic sales and slow exports weakens businesses, initiating a slowdown in payroll growth. Depressed wages, low profits, and slow employment growth ensue, with the unemployment rate rising back above 6.2% in mid-2015. Under these conditions real GDP stalls at the end of this year and is flat during the first half of 2015. As a result, real GDP increases 2.1% in 2014, 1.2% in 2015, 1.6% in 2016, 2.2% in 2017, and 1.8% in 2018.

Both Idaho nonfarm employment and personal income growth are significantly reduced in this scenario, especially in the out years of the forecast. In the baseline case total nonfarm employment growth is forecast to grow an average of 2.3% per year from 2014 to 2018. In contrast, in the *Pessimistic Scenario*

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

	BASELINE					OPTIMISTIC					PESSIMISTIC				
	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018
U.S. GDP (BILLIONS)															
Current \$	17,423	18,205	19,056	20,015	20,954	17,435	18,380	19,451	20,568	21,636	17,390	17,822	18,448	19,316	20,209
% Ch	3.9%	4.5%	4.7%	5.0%	4.7%	4.0%	5.4%	5.8%	5.7%	5.2%	3.7%	2.5%	3.5%	4.7%	4.6%
2009 Chain-Weighted	16,069	16,509	16,985	17,519	18,002	16,081	16,668	17,309	17,989	18,602	16,046	16,239	16,500	16,860	17,166
% Ch	2.3%	2.7%	2.9%	3.1%	2.8%	2.4%	3.6%	3.8%	3.9%	3.4%	2.1%	1.2%	1.6%	2.2%	1.8%
PERSONAL INCOME - CURR \$															
Idaho (Millions)	61,195	63,444	66,548	70,369	74,108	61,205	63,892	68,056	72,770	77,294	61,163	62,945	65,406	68,492	72,019
% Ch	5.0%	3.7%	4.9%	5.7%	5.3%	5.0%	4.4%	6.5%	6.9%	6.2%	5.0%	2.9%	3.9%	4.7%	5.1%
U.S. (Billions)	14,768	15,448	16,238	17,165	18,057	14,787	15,624	16,616	17,671	18,648	14,752	15,201	15,733	16,491	17,364
% Ch	4.2%	4.6%	5.1%	5.7%	5.2%	4.4%	5.7%	6.3%	6.4%	5.5%	4.1%	3.0%	3.5%	4.8%	5.3%
PERSONAL INCOME - 2009 \$															
Idaho (Millions)	56,204	57,532	59,463	61,798	63,922	56,174	57,749	60,891	64,351	67,332	56,200	57,294	58,410	59,683	61,139
% Ch	3.5%	2.4%	3.4%	3.9%	3.4%	3.5%	2.8%	5.4%	5.7%	4.6%	3.5%	1.9%	1.9%	2.2%	2.4%
U.S. (Billions)	13,563	14,008	14,509	15,075	15,575	13,571	14,122	14,867	15,627	16,245	13,555	13,837	14,051	14,370	14,741
% Ch	2.8%	3.3%	3.6%	3.9%	3.3%	2.8%	4.1%	5.3%	5.1%	4.0%	2.7%	2.1%	1.5%	2.3%	2.6%
TOTAL NONFARM EMPLOYMENT															
Idaho	658,445	672,245	688,823	705,104	720,682	658,483	673,024	694,358	720,646	746,380	658,441	671,274	682,357	689,613	696,217
% Ch	2.9%	2.1%	2.5%	2.4%	2.2%	2.9%	2.2%	3.2%	3.8%	3.6%	2.9%	1.9%	1.7%	1.1%	1.0%
U.S. (Thousands)	138,848	141,407	143,530	145,435	146,894	138,973	142,208	144,467	146,763	148,876	138,765	140,219	140,956	141,769	142,386
% Ch	1.8%	1.8%	1.5%	1.3%	1.0%	1.9%	2.3%	1.6%	1.6%	1.4%	1.8%	1.0%	0.5%	0.6%	0.4%
GOODS-PRODUCING SECTOR															
Idaho	100,696	103,321	107,529	110,251	111,957	100,773	103,532	106,127	108,826	112,363	100,718	103,295	106,744	108,532	108,579
% Ch	3.1%	2.6%	4.1%	2.5%	1.5%	3.1%	2.7%	2.5%	2.5%	3.3%	3.1%	2.6%	3.3%	1.7%	0.0%
U.S. (Thousands)	19,079	19,597	20,077	20,557	20,866	19,097	19,673	20,133	20,675	21,196	19,084	19,459	19,590	19,870	20,060
% Ch	2.0%	2.7%	2.4%	2.4%	1.5%	2.1%	3.0%	2.3%	2.7%	2.5%	2.0%	2.0%	0.7%	1.4%	1.0%
NONGOODS-PRODUCING SECTOR															
Idaho	557,748	568,923	581,294	594,853	608,725	557,709	569,491	588,231	611,821	634,017	557,724	567,980	575,613	581,081	587,638
% Ch	2.9%	2.0%	2.2%	2.3%	2.3%	2.9%	2.1%	3.3%	4.0%	3.6%	2.9%	1.8%	1.3%	0.9%	1.1%
U.S. (Thousands)	119,769	121,810	123,454	124,878	126,028	119,876	122,535	124,334	126,088	127,680	119,681	120,760	121,365	121,899	122,325
% Ch	1.8%	1.7%	1.3%	1.2%	0.9%	1.9%	2.2%	1.5%	1.4%	1.3%	1.7%	0.9%	0.5%	0.4%	0.3%
SELECTED INTEREST RATES															
Federal Funds	0.1%	0.4%	1.6%	3.3%	3.8%	0.1%	1.3%	3.6%	3.8%	3.8%	0.1%	0.2%	0.1%	0.4%	2.3%
Bank Prime	3.3%	3.5%	4.6%	6.3%	6.8%	3.3%	4.9%	6.6%	6.7%	6.7%	3.2%	3.2%	3.1%	3.4%	5.3%
Existing Home Mortgage	4.4%	5.2%	5.8%	6.4%	6.6%	4.4%	6.4%	6.9%	6.7%	6.2%	4.4%	5.0%	5.8%	6.6%	7.3%
INFLATION															
GDP Price Deflator	1.6%	1.7%	1.7%	1.8%	1.9%	1.6%	1.7%	1.9%	1.7%	1.7%	1.5%	1.3%	1.9%	2.5%	2.8%
Personal Cons Deflator	1.4%	1.3%	1.5%	1.7%	1.8%	1.5%	1.5%	1.0%	1.2%	1.5%	1.4%	0.9%	1.9%	2.5%	2.6%
Consumer Price Index	1.8%	1.4%	1.6%	2.0%	2.1%	1.8%	1.6%	1.1%	1.3%	1.8%	1.7%	1.0%	2.1%	2.7%	2.9%

Forecast Begins the THIRD Quarter of 2014

annual employment growth remains under 2.0%. Specifically, it expands 1.9% in 2015, 1.7% in 2016, 1.1% in 2017, and 1.0% in 2018. Because of these slower rates, there are almost 25,000 fewer jobs in 2018 compared to the baseline, with the state's large nongoods-producing sector accounting for about 21,000 jobs of this difference. Like employment, Idaho nominal personal income also grows slower than its baseline counterpart over the same period. It advances about 4.2% annually to \$72.0 billion in 2018. In the *Baseline Scenario* it grows an average of 4.9% and is \$74.1 billion in 2018. After adjusting for inflation, Idaho personal income is \$63.9 billion in 2018 in the baseline case and \$61.1 billion in the *Pessimistic Scenario*.

OPTIMISTIC SCENARIO

In the *Optimistic Scenario*, actions abroad benefit the domestic economy. The European Central Bank (ECB) expands its monetary base, successfully steering the Eurozone away from its current economic malaise. The euro appreciates in response to the ECB's policy changes, as well as to changes in interest rates and economic performance. GDP growth in the major economies reaches 2.5% in the fourth quarter, instead of 1.2% in the baseline. Emerging-market GDP growth accelerates as these markets implement structural reforms to increase labor productivity, and their exchange rates appreciate against the US dollar. As global growth picks up, the dollar depreciates 4.8% against most major currencies in the fourth quarter of 2014, tilting global trade in favor of US goods and services. Under these conditions real US exports grow 5.1% in 2015, 5.5% in 2016, 5.9% in 2017, and 6.6% in 2018. These increases are noticeably faster than in the *Baseline Scenario*.

The exchange-rate depreciation begins to impact international trade about a year after it begins—the time it takes for US businesses to recognize this change and for trade patterns to react to the shift in relative prices. First, fixed nonresidential investment expands 6.5% in 2014 (versus 6.2% in the baseline), 8.6% in 2015 (versus 5.5%), and 6.9% in 2016 (versus 5.0%). The increased production capacity allows export growth to take off, reaching a 5.7% annual rate in mid-2015, before averaging 5.1% for full-year 2015 (versus 3.6% in the baseline). Greatly increased production capacity brings significant wage and payroll gains. As employment and wage growth both pick up, real consumer spending grows 2.4% in 2014 (versus 2.3% in the baseline), 3.7% in 2015 (versus 2.8%), and 4.2% in 2016 (versus 3.1%).

The outlooks for Idaho employment and personal income are noticeably improved in this scenario compared to their baseline counterparts, especially after 2015. Idaho nonfarm employment growth tops 3.0% in every year from 2016 to 2018. In contrast, baseline job growth is strongest in 2016 at 2.5%. And the total number of jobs is 25,700 higher in 2018 than in the baseline forecast. The major contributor to this is the nongoods-producing sector, which is expected to have almost 26,000 more jobs than in the baseline case. Not surprisingly, personal income is also higher in this scenario. In 2018 Idaho nominal personal income is \$77.3 billion thanks to an average annual growth rate of 6.0% from 2014 to 2018. This amount is \$3.2 billion higher than the \$74.1 billion forecast for 2018 in the baseline case. The difference between the optimistic and baseline projections is slightly higher (\$3.4 billion) in part because of the lower inflation in the *Optimistic Scenario*.

The Wage Growth Gap for Recent College Grads

Bart Hobijn¹
Leila Bengali

Starting wages of recent college graduates have essentially been flat since the onset of the Great Recession in 2007. Median weekly earnings for full-time workers who graduated from college in the year just before the recession, between May 2006 and April 2007, were \$653. Over the 12 months ending in April 2014, the earnings of recent college graduates had risen to \$692 a week, only 6% higher than seven years ago.

The lackluster increases in starting wages for college graduates stand in stark contrast to growth in median weekly earnings for all full-time workers. These earnings have increased 15% from \$678 in 2007 to \$780 in 2014. This has created a substantial gap between wage growth for new college graduates and workers overall.

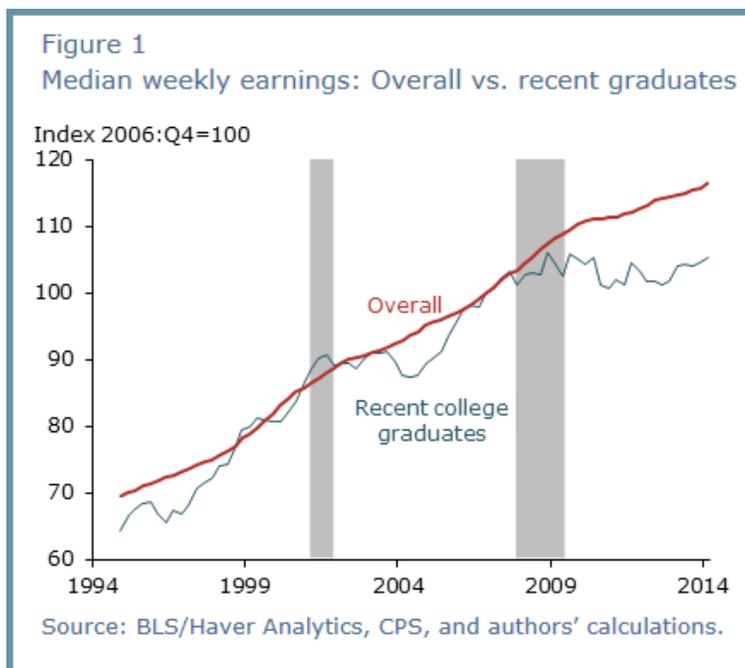
In this *Economic Letter* we put the wage growth gap in a historical context and consider what is at its heart. In particular, we find that the gap does not reflect a switch in the types of jobs that college graduates are able to find. Rather we find that wage growth has been weak across a wide range of occupations for this group of employees, a result of the lingering weak labor market recovery.

College graduates' wage growth gap in a historical perspective

We compare wages of recent college graduates to the overall population over time using monthly data at an individual level from the Current Population Survey (CPS). The CPS is used by the Bureau of Labor Statistics (BLS) to calculate the official estimates of the unemployment rate, employment, and median weekly earnings. The CPS does not specifically identify recent college graduates, so we define them as workers who have a college degree and are between ages 21 and 25.

Figure 1 shows a comparison of full-time employees' median weekly earnings for our CPS measure of recent college graduates and for the overall population, taken from the BLS. We use our results for graduates in the year before the recession began as a benchmark, indexing values to 100 in 2006:Q4. In this way, the lines after that point show by what percent median weekly earnings have grown since the recession started.

Typically, at least over the time period shown, the median weekly earnings of



¹This article originally appeared in the Number 2014-22; July 21, 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.

recent college graduates have tracked overall earnings relatively well, with some deviation. New graduates tend to exhibit stronger wage growth during economic booms, and slower wage growth in downturns (shown by gray bars) and subsequent recoveries. Put another way, wage growth for recent college graduates tends to fall during recessions and not pick up again until long into recoveries. In this context, the striking pattern we see since the 2007–09 recession is not without precedent. For example, a similar pattern would emerge if Figure 1 ended around the middle of 2005, in the later stages of the labor market recovery after the 2001 recession. Over this period, wage growth for recent graduates appeared to stall for a number of years after the recession, while overall wage growth continued to increase. Although the pattern in that earlier recovery is similar to recent years, wage growth for college graduates in the current recovery has remained flat for a longer period. Furthermore, the gap between the two groups of employees appears to be substantially wider and their paths appear more divergent.

Broad-based weakness in earnings growth

Even though the recent slow wage growth is not unprecedented, its apparent persistence raises the question of why it has remained so slow for so long. We explore two potential explanations. One is that recent graduates are now getting different types of jobs than they were before the recession, particularly jobs typically associated with lower wages and thus lower earnings. If this were true, comparing the occupational distribution of recent graduates before and after the recession should reveal a shift towards low-paid occupations and away from high-paid occupations, with reasonably stable earnings in each group. Another possibility is that recent college graduates are getting jobs in similar occupations as they did before the recession, but within each occupation, growth of starting wages has been slow. If this were the case, we would expect to see similar percentages of recent graduates in each occupation over time, but little wage growth within each occupation. Note that more recent graduates taking part-time jobs, which may generate lower weekly earnings, would not explain the gap in wage growth in Figure 1, which shows only full-time workers.

To explore our two potential explanations, we use the information about each respondent’s major occupation as reported in the CPS. For this and subsequent analysis, we redefine years as May of the prior year through April of the current year; this is to make the groups correspond more closely to annual cohorts of college graduates, who likely graduate starting in May. For example, 2014 runs from May 2013 to April 2014. We report data for three points in time: 2007, a year before the start of the recession; 2011, around the start of the recovery; and 2014, the most recent year of data available.

Table 1 presents the shares of recent college graduates employed in major occupations and according to labor market status. Occupational categories for full-time employment are rather broad, but they show recent college graduates were employed in a similar distribution of occupations before and after the recession. Notably, some of the changes between 2007 and 2011 were at least partially reversed by 2014, such as in the categories for professional and related occupations; management, business, and finance; office and administrative occupations; and “other” occupational skill groups, classified roughly according to Autor (2010). Although there have been some notable shifts towards a few categories such as service occupations, occupational distributions have remained generally stable. Next we turn to our second explanation, that recent college graduates are getting the same kinds of jobs, but at lower wages. The right side of the table presents median weekly earnings for recent college graduates. For 2007 the table shows the level of earnings, and the columns for 2011 and 2014 list the percent change relative to 2007. Also shown are overall earnings and earnings for recent graduates working part-time. With few exceptions, wage growth has been limited in all occupational groups for recent graduates. Note that professional and related occupations and management, business, and finance, which are the two most popular categories for recent graduates, have seen particularly low wage growth. The table also shows that earnings for recent graduates working part-time have fallen since the start of the recession, due to a combination of fewer hours worked and lower hourly wage growth.

Table 1
Recent graduates in occupations, labor markets

	Labor market outcomes			Median weekly earnings		
	2007	2011	2014	2007	2011 ^a	2014 ^a
All full-time workers				\$678	10.6%	15.0%
Recent graduates: Full-time	70.3	61.7	61.0	\$654	2.9%	5.9%
By occupation:						
Professional & related	40.1	41.1	42.2	\$712	5.3%	2.6%
Mgmt./Business/Finance	20.4	18.9	20.7	\$750	7.7%	2.6%
Office/Administrative	12.9	14.3	11.8	\$554	4.1%	10.5%
Sales & related	12.7	11.9	11.3	\$615	4.1%	12.2%
Service	8.4	9.3	9.2	\$480	-8.3%	4.2%
Other (Ag./Const./ Inst.&maint./Prod./Trans.)	5.5	4.5	4.8	\$600	-16.7%	6.7%
By skill classification:						
Low skill	7.8	8.3	8.1	\$481	-8.5%	5.5%
Medium skill	30.8	30.5	27.7	\$580	-0.5%	12.4%
High skill	61.4	61.2	64.2	\$720	6.8%	4.2%
Employed part-time	11.9	15.2	15.9	\$240	4.2%	-1.0%
Unemployed	3.5	7.0	5.7			
Not in labor force	14.2	16.1	17.5			

a. Percent change relative to 2007.
Source: CPS and authors' calculations.

Thus, while comparing occupational distributions across years indicates some stability, there is a clear pattern of low earnings growth for most categories. In fact, for almost all occupations and skill groups for which we have enough data to compare recent graduates to all others, we find that recent graduates experienced lower wage growth than other workers.

It turns out that the sluggish wage growth of recent college graduates is fully accounted for by the slowdown in wage growth across occupations. When we calculate a change in wages by keeping the types of jobs held by recent graduates fixed at their 2007 occupational composition, we find that wage growth is exactly the same as when we use the actual distribution.

Macroeconomic and individual-level implications

The broad-based weakness in earnings growth for recent college graduates has both larger economic and individual-level implications.

The wage growth gap points to continued weakness in the overall labor market. This is largely because recent college graduates are the “marginal” high-skilled workers in the economy, who are not protected by factors that make other workers’ wages rigid and slow to adjust to conditions such as recessions (see Hobijn, Gardiner, and Wiles 2011, who argue that this labor market weakness is cyclical rather than structural). Because the wages of recent college graduates are less affected by wage rigidity, they are a good indicator of the true price of labor and thus of the underlying state of the labor market.

Other signs of the continued weakness in the labor market are the shares of recent graduates not in the labor force, unemployed, or working part-time, which are still elevated compared with the start of the recession (see bottom of Table 1).

At the individual level, the persistent wage growth gap has implications for both recent graduates and potential graduates. Potential graduates, seeing the difficulties faced by current graduates in finding any job, particularly a full-time job, might interpret this as a signal that it is not worth going to college. However, recent evidence suggests that this is a misguided conclusion. It is important to note that the relevant metric for the returns of a college education accounts for the cost of education in comparing the earnings of college graduates relative to the earnings of nongraduates.

Low growth in starting wages does not mean that going to college is a poor investment. It just reflects that it will take longer to recoup the cost of the college education for current graduates. Supporting this idea, Kahn (2010) finds that those who graduate from college during a recession have lower earnings than other grads, even many years in the future. Taking into account the relative costs and benefits of a college education, Daly and Bengali (2014) find that a college education is still a very worthwhile investment, it may simply have relatively lower returns and take longer to pay off for recent graduates than for those who graduate during economic booms.

Conclusion

In this *Letter* we explore evidence that recent college graduates were and continue to be hit hard following the 2007–09 recession. The past several annual cohorts of graduates have experienced low earnings growth across almost all occupations compared with the overall population. While this post-recession pattern was also present after the 2001 recession, earnings growth following the most recent recession has been held down longer than in the past, which reflects the depth and severity of the recession. Because college grads face wages and hiring conditions that are especially responsive to business cycle conditions, this low earnings growth, together with shifts in the distribution of graduates' labor market status, suggests continued weakness in the overall economy.

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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
OCTOBER 2014**

DEMOGRAPHICS

	2001	2002	2003	2004	2005	2006	2007	2008	2009
POPULATION									
Idaho (Thousands)	1,319.2	1,340.7	1,365.1	1,392.1	1,426.9	1,466.3	1,502.2	1,530.9	1,550.5
% Ch	1.6%	1.6%	1.8%	2.0%	2.5%	2.8%	2.4%	1.9%	1.3%
National (Millions)	285.684	288.436	291.116	293.758	296.460	299.282	302.227	304.948	307.580
% Ch	1.0%	1.0%	0.9%	0.9%	0.9%	1.0%	1.0%	0.9%	0.9%
BIRTHS									
Idaho (Thousands)	20.684	21.002	21.735	22.526	23.069	24.150	25.053	25.122	23.607
% Ch	1.9%	1.5%	3.5%	3.6%	2.4%	4.7%	3.7%	0.3%	-6.0%
National (Thousands)	4,060	4,087	4,116	4,151	4,192	4,232	4,280	4,324	4,368
% Ch	-0.2%	0.7%	0.7%	0.8%	1.0%	1.0%	1.1%	1.0%	1.0%
DEATHS									
Idaho (Thousands)	9.811	9.935	10.308	10.020	10.413	10.471	10.742	10.938	11.078
% Ch	2.9%	1.3%	3.8%	-2.8%	3.9%	0.6%	2.6%	1.8%	1.3%
National (Thousands)	2,474	2,466	2,457	2,450	2,446	2,472	2,496	2,522	2,547
% Ch	2.7%	-0.3%	-0.4%	-0.3%	-0.2%	1.1%	1.0%	1.0%	1.0%
NET MIGRATION									
Idaho (Thousands)	9.396	10.377	13.016	14.450	22.198	25.725	21.611	14.503	7.037
HOUSING									
HOUSING STARTS									
Idaho	12,207	13,231	16,397	18,679	23,409	19,535	14,348	7,980	5,728
% Ch	6.1%	8.4%	23.9%	13.9%	25.3%	-16.5%	-26.6%	-44.4%	-28.2%
National (Millions)	1.601	1.710	1.854	1.950	2.073	1.812	1.342	0.900	0.554
% Ch	1.8%	6.8%	8.4%	5.2%	6.3%	-12.6%	-25.9%	-32.9%	-38.4%
SINGLE UNITS									
Idaho	10,379	11,144	13,865	16,168	20,938	17,521	12,015	7,133	4,949
% Ch	0.4%	7.4%	24.4%	16.6%	29.5%	-16.3%	-31.4%	-40.6%	-30.6%
National (Millions)	1.272	1.363	1.505	1.604	1.719	1.474	1.036	0.616	0.442
% Ch	3.2%	7.2%	10.4%	6.6%	7.1%	-14.3%	-29.7%	-40.5%	-28.2%
MULTIPLE UNITS									
Idaho	1,829	2,087	2,532	2,511	2,470	2,014	2,333	847	780
% Ch	57.3%	14.1%	21.3%	-0.8%	-1.6%	-18.5%	15.8%	-63.7%	-7.9%
National (Millions)	0.330	0.347	0.349	0.345	0.354	0.338	0.306	0.284	0.112
% Ch	-3.5%	5.3%	0.5%	-1.0%	2.6%	-4.5%	-9.5%	-7.3%	-60.7%
HOUSING STOCK									
Idaho (Thousands)	432.7	443.6	457.6	473.8	494.4	514.8	529.3	537.9	542.3
% Ch	2.6%	2.5%	3.2%	3.5%	4.3%	4.1%	2.8%	1.6%	0.8%

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

**IDAHO ECONOMIC FORECAST
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DEMOGRAPHICS

	2010	2011	2012	2013	2014	2015	2016	2017	2018
POPULATION									
Idaho (Thousands)	1,572.4	1,583.3	1,595.7	1,612.5	1,636.8	1,660.3	1,685.1	1,711.0	1,736.8
% Ch	1.4%	0.7%	0.8%	1.1%	1.5%	1.4%	1.5%	1.5%	1.5%
National (Millions)	310.070	312.315	314.524	316.746	319.016	321.488	323.976	326.476	328.987
% Ch	0.8%	0.7%	0.7%	0.7%	0.7%	0.8%	0.8%	0.8%	0.8%
BIRTHS									
Idaho (Thousands)	23.240	22.475	22.978	24.002	24.506	24.971	25.478	26.018	26.558
% Ch	-1.6%	-3.3%	2.2%	4.5%	2.1%	1.9%	2.0%	2.1%	2.1%
National (Thousands)	4,409	4,438	4,463	4,485	4,501	4,520	4,536	4,554	4,573
% Ch	1.0%	0.7%	0.6%	0.5%	0.4%	0.4%	0.3%	0.4%	0.4%
DEATHS									
Idaho (Thousands)	11.300	11.900	12.111	12.338	12.508	12.672	12.846	13.026	13.207
% Ch	2.0%	5.3%	1.8%	1.9%	1.4%	1.3%	1.4%	1.4%	1.4%
National (Thousands)	2,570	2,589	2,611	2,632	2,654	2,681	2,705	2,733	2,760
% Ch	0.9%	0.7%	0.8%	0.8%	0.8%	1.0%	0.9%	1.0%	1.0%
NET MIGRATION									
Idaho (Thousands)	9,987	0,342	1,508	5,102	12,360	11,191	12,188	12,860	12,462
HOUSING									
HOUSING STARTS									
Idaho	5,195	4,563	7,137	9,092	10,145	10,792	12,595	14,220	14,773
% Ch	-9.3%	-12.2%	56.4%	27.4%	11.6%	6.4%	16.7%	12.9%	3.9%
National (Millions)	0.586	0.612	0.784	0.930	0.994	1.194	1.356	1.492	1.522
% Ch	5.7%	4.5%	28.1%	18.6%	6.9%	20.1%	13.6%	10.1%	2.0%
SINGLE UNITS									
Idaho	4,655	3,959	6,032	7,747	7,766	9,241	10,991	12,720	13,283
% Ch	-5.9%	-14.9%	52.4%	28.4%	0.2%	19.0%	18.9%	15.7%	4.4%
National (Millions)	0.471	0.434	0.537	0.621	0.635	0.765	0.891	1.047	1.075
% Ch	6.6%	-7.9%	23.6%	15.7%	2.3%	20.4%	16.5%	17.4%	2.7%
MULTIPLE UNITS									
Idaho	540	604	1,105	1,345	2,379	1,550	1,604	1,501	1,490
% Ch	-30.7%	11.8%	82.9%	21.7%	76.9%	-34.8%	3.5%	-6.5%	-0.7%
National (Millions)	0.114	0.178	0.247	0.309	0.358	0.428	0.464	0.445	0.446
% Ch	2.2%	55.7%	38.9%	25.1%	16.1%	19.6%	8.4%	-4.1%	0.2%
HOUSING STOCK									
Idaho (Thousands)	546.4	549.2	553.7	560.3	568.6	577.3	587.4	599.4	612.2
% Ch	0.8%	0.5%	0.8%	1.2%	1.5%	1.5%	1.8%	2.0%	2.1%

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

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
OCTOBER 2014**

OUTPUT, INCOME, & WAGES

	2001	2002	2003	2004	2005	2006	2007	2008	2009
U.S. GROSS DOM. PRODUCT (Billions)									
Current Dollars	10,622	10,978	11,511	12,275	13,094	13,856	14,478	14,719	14,419
% Ch	3.3%	3.3%	4.9%	6.6%	6.7%	5.8%	4.5%	1.7%	-2.0%
2009 Chain-Weighted	12,682	12,909	13,271	13,773	14,234	14,614	14,874	14,830	14,419
% Ch	1.0%	1.8%	2.8%	3.8%	3.3%	2.7%	1.8%	-0.3%	-2.8%
PERSONAL INCOME - CURR \$									
Idaho (Millions)	34,409	35,500	36,947	40,327	42,832	47,049	49,754	50,355	49,257
% Ch	4.8%	3.2%	4.1%	9.1%	6.2%	9.8%	5.8%	1.2%	-2.2%
Idaho Nonfarm (Millions)	33,310	34,425	36,107	38,988	41,665	46,003	48,212	48,578	47,934
% Ch	4.6%	3.3%	4.9%	8.0%	6.9%	10.4%	4.8%	0.8%	-1.3%
National (Billions)	8,987	9,150	9,487	10,048	10,609	11,389	11,995	12,430	12,087
% Ch	4.1%	1.8%	3.7%	5.9%	5.6%	7.3%	5.3%	3.6%	-2.8%
PERSONAL INCOME - 2009 \$									
Idaho (Millions)	40,607	41,338	42,188	44,952	46,420	49,664	51,240	50,325	49,258
% Ch	2.9%	1.8%	2.1%	6.5%	3.3%	7.0%	3.2%	-1.8%	-2.1%
Idaho Nonfarm (Millions)	39,311	40,088	41,230	43,459	45,155	48,560	49,651	48,548	47,937
% Ch	2.7%	2.0%	2.8%	5.4%	3.9%	7.5%	2.2%	-2.2%	-1.3%
National (Billions)	10,606	10,655	10,832	11,201	11,498	12,022	12,353	12,422	12,088
% Ch	2.1%	0.5%	1.7%	3.4%	2.7%	4.6%	2.7%	0.6%	-2.7%
PER CAPITA PERS INC - CURR \$									
Idaho	26,083	26,479	27,064	28,967	30,014	32,085	33,120	32,893	31,769
% Ch	3.2%	1.5%	2.2%	7.0%	3.6%	6.9%	3.2%	-0.7%	-3.4%
National	31,458	31,721	32,586	34,204	35,785	38,053	39,687	40,760	39,299
% Ch	3.1%	0.8%	2.7%	5.0%	4.6%	6.3%	4.3%	2.7%	-3.6%
PER CAPITA PERS INC - 2009 \$									
Idaho	30,782	30,834	30,904	32,291	32,532	33,870	34,111	32,873	31,771
% Ch	1.3%	0.2%	0.2%	4.5%	0.7%	4.1%	0.7%	-3.6%	-3.4%
National	37,125	36,939	37,209	38,128	38,785	40,170	40,872	40,735	39,301
% Ch	1.1%	-0.5%	0.7%	2.5%	1.7%	3.6%	1.7%	-0.3%	-3.5%
AVERAGE ANNUAL WAGE									
Idaho	28,923	29,546	30,290	31,520	32,469	34,327	35,246	35,564	35,839
% Ch	0.3%	2.2%	2.5%	4.1%	3.0%	5.7%	2.7%	0.9%	0.8%
National	37,511	38,249	39,426	41,156	42,476	44,407	46,363	47,621	47,646
% Ch	2.6%	2.0%	3.1%	4.4%	3.2%	4.5%	4.4%	2.7%	0.1%

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

**IDAHO ECONOMIC FORECAST
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OCTOBER 2014**

OUTPUT, INCOME, & WAGES

	2010	2011	2012	2013	2014	2015	2016	2017	2018
U.S. GROSS DOM. PRODUCT (Billions)									
Current Dollars	14,964	15,518	16,163	16,768	17,423	18,205	19,056	20,015	20,954
% Ch	3.8%	3.7%	4.2%	3.7%	3.9%	4.5%	4.7%	5.0%	4.7%
2009 Chain-Weighted	14,784	15,021	15,369	15,710	16,069	16,509	16,985	17,519	18,002
% Ch	2.5%	1.6%	2.3%	2.2%	2.3%	2.7%	2.9%	3.1%	2.8%
PERSONAL INCOME - CURR \$									
Idaho (Millions)	50,420	53,342	56,072	58,272	61,195	63,444	66,548	70,369	74,108
% Ch	2.4%	5.8%	5.1%	3.9%	5.0%	3.7%	4.9%	5.7%	5.3%
Idaho Nonfarm (Millions)	48,883	51,081	53,733	55,553	58,552	61,282	64,438	68,288	72,052
% Ch	2.0%	4.5%	5.2%	3.4%	5.4%	4.7%	5.2%	6.0%	5.5%
National (Billions)	12,429	13,202	13,888	14,167	14,768	15,448	16,238	17,165	18,057
% Ch	2.8%	6.2%	5.2%	2.0%	4.2%	4.6%	5.1%	5.7%	5.2%
PERSONAL INCOME - 2009 \$									
Idaho (Millions)	49,598	51,216	52,864	54,289	56,204	57,532	59,463	61,798	63,922
% Ch	0.7%	3.3%	3.2%	2.7%	3.5%	2.4%	3.4%	3.9%	3.4%
Idaho Nonfarm (Millions)	48,087	49,045	50,658	51,756	53,775	55,572	57,577	59,970	62,149
% Ch	0.3%	2.0%	3.3%	2.2%	3.9%	3.3%	3.6%	4.2%	3.6%
National (Billions)	12,227	12,676	13,093	13,199	13,563	14,008	14,509	15,075	15,575
% Ch	1.1%	3.7%	3.3%	0.8%	2.8%	3.3%	3.6%	3.9%	3.3%
PER CAPITA PERS INC - CURR \$									
Idaho	32,065	33,689	35,138	36,137	37,386	38,211	39,490	41,126	42,668
% Ch	0.9%	5.1%	4.3%	2.8%	3.5%	2.2%	3.3%	4.1%	3.7%
National	40,085	42,271	44,153	44,726	46,292	48,049	50,120	52,576	54,884
% Ch	2.0%	5.5%	4.5%	1.3%	3.5%	3.8%	4.3%	4.9%	4.4%
PER CAPITA PERS INC - 2009 \$									
Idaho	31,543	32,347	33,128	33,668	34,337	34,651	35,286	36,118	36,804
% Ch	-0.7%	2.6%	2.4%	1.6%	2.0%	0.9%	1.8%	2.4%	1.9%
National	39,432	40,587	41,628	41,669	42,516	43,573	44,784	46,173	47,342
% Ch	0.3%	2.9%	2.6%	0.1%	2.0%	2.5%	2.8%	3.1%	2.5%
AVERAGE ANNUAL WAGE									
Idaho	36,599	37,064	37,412	38,008	39,380	40,681	41,866	43,347	44,949
% Ch	2.1%	1.3%	0.9%	1.6%	3.6%	3.3%	2.9%	3.5%	3.7%
National	48,954	50,309	51,692	52,247	53,880	55,460	57,284	59,446	61,842
% Ch	2.7%	2.8%	2.7%	1.1%	3.1%	2.9%	3.3%	3.8%	4.0%

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

**IDAHO ECONOMIC FORECAST
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OCTOBER 2014**

PERSONAL INCOME--CURRENT \$\$

	2001	2002	2003	2004	2005	2006	2007	2008	2009
WAGE AND SALARY PAYMENTS									
Idaho (Millions)	16,998	17,449	17,991	19,246	20,655	22,716	24,013	23,960	22,825
% Ch	2.1%	2.7%	3.1%	7.0%	7.3%	10.0%	5.7%	-0.2%	-4.7%
National (Billions)	4,954	4,996	5,138	5,422	5,692	6,057	6,395	6,532	6,251
% Ch	2.7%	0.8%	2.8%	5.5%	5.0%	6.4%	5.6%	2.1%	-4.3%
FARM PROPRIETORS INCOME									
Idaho (Millions)	719	643	450	908	667	551	949	1,206	693
% Ch	16.6%	-10.6%	-29.9%	101.5%	-26.5%	-17.4%	72.2%	27.2%	-42.6%
National (Billions)	32	20	38	50	46	36	38	47	35
% Ch	1.9%	-37.9%	91.0%	32.7%	-8.1%	-22.4%	6.0%	23.3%	-24.5%
NONFARM PROPRIETORS INCOME									
Idaho (Millions)	3,724	3,944	4,069	4,374	4,527	5,063	4,587	3,938	4,568
% Ch	8.6%	5.9%	3.2%	7.5%	3.5%	11.8%	-9.4%	-14.2%	16.0%
National (Billions)	805	851	862	912	933	1,018	941	979	938
% Ch	10.8%	5.8%	1.3%	5.8%	2.3%	9.1%	-7.5%	4.1%	-4.3%
DIVIDENDS, RENT & INTEREST									
Idaho (Millions)	6,659	6,668	7,159	7,930	8,519	9,526	10,302	10,426	9,184
% Ch	3.4%	0.1%	7.4%	10.8%	7.4%	11.8%	8.1%	1.2%	-11.9%
National (Billions)	1,649	1,608	1,658	1,759	1,905	2,146	2,356	2,429	2,152
% Ch	0.5%	-2.5%	3.2%	6.1%	8.3%	12.7%	9.8%	3.1%	-11.4%
OTHER LABOR INCOME									
Idaho (Millions)	4,034	4,225	4,487	4,863	5,259	5,852	6,124	6,181	6,009
% Ch	3.9%	4.7%	6.2%	8.4%	8.2%	11.3%	4.6%	0.9%	-2.8%
National (Billions)	734	779	844	909	967	998	1,041	1,075	1,077
% Ch	7.1%	6.2%	8.3%	7.7%	6.4%	3.2%	4.4%	3.2%	0.2%
GOVT. TRANSFERS TO INDIV.									
Idaho (Millions)	4,615	4,999	5,315	5,694	6,152	6,681	7,253	8,067	9,285
% Ch	11.9%	8.3%	6.3%	7.1%	8.0%	8.6%	8.6%	11.2%	15.1%
National (Billions)	1,188	1,280	1,343	1,417	1,512	1,610	1,723	1,884	2,140
% Ch	9.7%	7.8%	4.9%	5.5%	6.7%	6.5%	7.0%	9.4%	13.6%
CONTRIB. FOR SOCIAL INSUR.									
Idaho (Millions)	2,894	2,978	3,100	3,309	3,588	3,998	4,190	4,211	4,122
% Ch	1.6%	2.9%	4.1%	6.7%	8.4%	11.4%	4.8%	0.5%	-2.1%
National (Billions)	733	752	779	829	873	923	961	988	964
% Ch	3.9%	2.5%	3.7%	6.4%	5.3%	5.6%	4.2%	2.8%	-2.4%
RESIDENCE ADJUSTMENT									
Idaho (Millions)	554	551	575	621	640	657	717	787	815
% Ch	5.3%	-0.6%	4.4%	8.0%	3.0%	2.7%	9.1%	9.8%	3.6%

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

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018
WAGE AND SALARY PAYMENTS									
Idaho (Millions)	22,978	23,496	24,176	25,360	26,898	28,228	29,726	31,463	33,305
% Ch	0.7%	2.3%	2.9%	4.9%	6.1%	4.9%	5.3%	5.8%	5.9%
National (Billions)	6,378	6,633	6,932	7,125	7,481	7,843	8,222	8,646	9,084
% Ch	2.0%	4.0%	4.5%	2.8%	5.0%	4.8%	4.8%	5.2%	5.1%
FARM PROPRIETORS INCOME									
Idaho (Millions)	984	1,708	1,741	1,977	1,980	1,600	1,548	1,517	1,491
% Ch	42.1%	73.6%	1.9%	13.5%	0.2%	-19.2%	-3.2%	-2.0%	-1.8%
National (Billions)	46	76	72	83	64	71	79	81	80
% Ch	29.7%	64.2%	-4.3%	15.0%	-22.7%	10.7%	11.5%	1.8%	-0.7%
NONFARM PROPRIETORS INCOME									
Idaho (Millions)	4,659	4,564	4,837	5,134	5,445	5,740	6,004	6,210	6,433
% Ch	2.0%	-2.0%	6.0%	6.1%	6.1%	5.4%	4.6%	3.4%	3.6%
National (Billions)	987	1,068	1,188	1,253	1,319	1,393	1,460	1,514	1,571
% Ch	5.2%	8.2%	11.2%	5.5%	5.2%	5.6%	4.8%	3.7%	3.8%
DIVIDENDS, RENT & INTEREST									
Idaho (Millions)	9,050	10,394	11,639	11,934	12,381	12,794	13,541	14,774	15,796
% Ch	-1.5%	14.8%	12.0%	2.5%	3.7%	3.3%	5.8%	9.1%	6.9%
National (Billions)	2,142	2,399	2,622	2,676	2,772	2,881	3,065	3,355	3,584
% Ch	-0.4%	12.0%	9.3%	2.1%	3.6%	3.9%	6.4%	9.5%	6.8%
OTHER LABOR INCOME									
Idaho (Millions)	6,201	6,085	6,173	6,623	6,961	7,201	7,538	7,924	8,278
% Ch	3.2%	-1.9%	1.4%	7.3%	5.1%	3.5%	4.7%	5.1%	4.5%
National (Billions)	1,115	1,142	1,161	1,194	1,226	1,267	1,327	1,399	1,471
% Ch	3.4%	2.5%	1.6%	2.9%	2.7%	3.3%	4.7%	5.4%	5.1%
GOVT. TRANSFERS TO INDIV.									
Idaho (Millions)	10,001	10,078	10,392	10,745	11,266	11,835	12,423	12,995	13,623
% Ch	7.7%	0.8%	3.1%	3.4%	4.9%	5.0%	5.0%	4.6%	4.8%
National (Billions)	2,277	2,308	2,351	2,415	2,521	2,646	2,780	2,907	3,045
% Ch	6.4%	1.4%	1.9%	2.7%	4.4%	5.0%	5.1%	4.6%	4.7%
CONTRIB. FOR SOCIAL INSUR.									
Idaho (Millions)	4,315	3,945	4,018	4,613	4,903	5,160	5,480	5,814	6,172
% Ch	4.7%	-8.6%	1.9%	14.8%	6.3%	5.2%	6.2%	6.1%	6.2%
National (Billions)	984	918	951	1,105	1,167	1,235	1,313	1,389	1,469
% Ch	2.0%	-6.7%	3.6%	16.1%	5.7%	5.8%	6.3%	5.8%	5.8%
RESIDENCE ADJUSTMENT									
Idaho (Millions)	861	961	1,133	1,113	1,168	1,206	1,248	1,299	1,354
% Ch	5.6%	11.6%	17.9%	-1.7%	4.9%	3.3%	3.4%	4.1%	4.3%

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

**IDAHO ECONOMIC FORECAST
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EMPLOYMENT

	2001	2002	2003	2004	2005	2006	2007	2008	2009
TOTAL NONFARM EMPLOYMENT									
Idaho	568,032	568,045	572,547	588,056	611,683	638,838	656,224	648,906	609,996
% Ch	1.7%	0.0%	0.8%	2.7%	4.0%	4.4%	2.7%	-1.1%	-6.0%
National (Thousands)	132,080	130,628	130,315	131,732	133,997	136,403	137,935	137,170	131,220
% Ch	0.0%	-1.1%	-0.2%	1.1%	1.7%	1.8%	1.1%	-0.6%	-4.3%
GOODS PRODUCING SECTOR									
Idaho	110,225	105,030	102,384	105,446	112,318	122,253	123,320	112,227	92,403
% Ch	-1.5%	-4.7%	-2.5%	3.0%	6.5%	8.8%	0.9%	-9.0%	-17.7%
National (Thousands)	23,873	22,555	21,816	21,878	22,186	22,530	22,228	21,332	18,559
% Ch	-3.2%	-5.5%	-3.3%	0.3%	1.4%	1.5%	-1.3%	-4.0%	-13.0%
MANUFACTURING									
Idaho	70,392	66,804	63,860	63,676	65,031	67,837	68,063	64,451	55,838
% Ch	-3.6%	-5.1%	-4.4%	-0.3%	2.1%	4.3%	0.3%	-5.3%	-13.4%
National (Thousands)	16,514	15,327	14,578	14,382	14,291	14,221	13,938	13,460	11,898
% Ch	-4.8%	-7.2%	-4.9%	-1.3%	-0.6%	-0.5%	-2.0%	-3.4%	-11.6%
DURABLE MANUFACTURING									
Idaho	45,098	42,320	39,948	40,544	42,104	44,603	44,202	39,868	32,204
% Ch	-4.9%	-6.2%	-5.6%	1.5%	3.8%	5.9%	-0.9%	-9.8%	-19.2%
National (Thousands)	10,409	9,555	9,033	8,992	9,020	9,046	8,867	8,520	7,335
% Ch	-5.0%	-8.2%	-5.5%	-0.4%	0.3%	0.3%	-2.0%	-3.9%	-13.9%
LOGGING & WOOD PRODUCTS									
Idaho	9,849	9,553	9,046	9,294	9,618	10,036	9,585	8,065	5,899
% Ch	-14.9%	-3.0%	-5.3%	2.7%	3.5%	4.3%	-4.5%	-15.9%	-26.9%
National (Thousands)	650	628	609	619	626	625	577	514	411
% Ch	-6.4%	-3.4%	-3.0%	1.7%	1.1%	-0.2%	-7.7%	-10.9%	-20.1%
METAL FABRICATION									
Idaho	3,876	3,636	3,537	3,636	3,905	4,376	4,659	4,677	4,377
% Ch	-3.8%	-6.2%	-2.7%	2.8%	7.4%	12.1%	6.5%	0.4%	-6.4%
National (Thousands)	1,677	1,549	1,479	1,497	1,522	1,553	1,562	1,527	1,312
% Ch	-4.4%	-7.6%	-4.5%	1.2%	1.7%	2.0%	0.6%	-2.2%	-14.1%
MACHINERY									
Idaho	3,055	2,832	2,632	2,569	2,606	2,864	2,993	3,133	2,717
% Ch	-7.5%	-7.3%	-7.0%	-2.4%	1.4%	9.9%	4.5%	4.7%	-13.3%
National (Thousands)	1,370	1,232	1,152	1,145	1,164	1,183	1,187	1,187	1,029
% Ch	-5.9%	-10.1%	-6.5%	-0.6%	1.7%	1.6%	0.3%	0.0%	-13.3%
COMPUTER & ELECTRONICS									
Idaho	19,656	17,933	16,297	16,286	16,181	16,663	16,216	14,305	11,098
% Ch	1.0%	-8.8%	-9.1%	-0.1%	-0.6%	3.0%	-2.7%	-11.8%	-22.4%
National (Thousands)	1,749	1,507	1,355	1,323	1,316	1,307	1,272	1,244	1,137
% Ch	-3.9%	-13.8%	-10.1%	-2.4%	-0.5%	-0.7%	-2.7%	-2.2%	-8.6%
OTHER DURABLES									
Idaho	8,663	8,366	8,435	8,759	9,794	10,664	10,749	9,688	8,113
% Ch	-4.3%	-3.4%	0.8%	3.8%	11.8%	8.9%	0.8%	-9.9%	-16.3%
National (Thousands)	4,964	4,640	4,438	4,409	4,391	4,378	4,269	4,046	3,446
% Ch	-5.1%	-6.5%	-4.3%	-0.7%	-0.4%	-0.3%	-2.5%	-5.2%	-14.8%

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**IDAHO ECONOMIC FORECAST
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EMPLOYMENT

	2010	2011	2012	2013	2014	2015	2016	2017	2018
TOTAL NONFARM EMPLOYMENT									
Idaho	603,671	610,699	622,214	639,925	658,445	672,245	688,823	705,104	720,682
% Ch	-1.0%	1.2%	1.9%	2.8%	2.9%	2.1%	2.5%	2.4%	2.2%
National (Thousands)	130,272	131,849	134,098	136,363	138,848	141,407	143,530	145,435	146,894
% Ch	-0.7%	1.2%	1.7%	1.7%	1.8%	1.8%	1.5%	1.3%	1.0%
GOODS PRODUCING SECTOR									
Idaho	88,021	88,972	92,351	97,701	100,696	103,321	107,529	110,251	111,957
% Ch	-4.7%	1.1%	3.8%	5.8%	3.1%	2.6%	4.1%	2.5%	1.5%
National (Thousands)	17,752	18,046	18,419	18,702	19,079	19,597	20,077	20,557	20,866
% Ch	-4.3%	1.7%	2.1%	1.5%	2.0%	2.7%	2.4%	2.4%	1.5%
MANUFACTURING									
Idaho	54,433	56,041	58,248	61,269	61,966	63,601	65,627	66,148	66,463
% Ch	-2.5%	3.0%	3.9%	5.2%	1.1%	2.6%	3.2%	0.8%	0.5%
National (Thousands)	11,578	11,775	11,977	12,057	12,183	12,336	12,366	12,353	12,290
% Ch	-2.7%	1.7%	1.7%	0.7%	1.0%	1.3%	0.2%	-0.1%	-0.5%
DURABLE MANUFACTURING									
Idaho	31,173	32,677	34,230	35,942	36,472	37,708	39,148	39,267	39,182
% Ch	-3.2%	4.8%	4.8%	5.0%	1.5%	3.4%	3.8%	0.3%	-0.2%
National (Thousands)	7,114	7,321	7,521	7,595	7,718	7,902	7,980	7,976	7,908
% Ch	-3.0%	2.9%	2.7%	1.0%	1.6%	2.4%	1.0%	0.0%	-0.9%
LOGGING & WOOD PRODUCTS									
Idaho	5,793	6,205	6,525	7,172	7,218	7,680	8,412	8,124	7,800
% Ch	-1.8%	7.1%	5.2%	9.9%	0.6%	6.4%	9.5%	-3.4%	-4.0%
National (Thousands)	392	386	390	405	423	453	487	501	495
% Ch	-4.6%	-1.6%	1.1%	3.8%	4.6%	7.0%	7.5%	2.8%	-1.2%
METAL FABRICATION									
Idaho	4,443	4,594	4,860	5,417	5,705	5,894	6,115	6,323	6,480
% Ch	1.5%	3.4%	5.8%	11.5%	5.3%	3.3%	3.8%	3.4%	2.5%
National (Thousands)	1,282	1,348	1,409	1,432	1,455	1,502	1,549	1,563	1,553
% Ch	-2.3%	5.1%	4.6%	1.6%	1.6%	3.2%	3.1%	0.9%	-0.6%
MACHINERY									
Idaho	2,501	2,567	2,717	2,926	3,058	3,169	3,238	3,266	3,326
% Ch	-8.0%	2.7%	5.8%	7.7%	4.5%	3.6%	2.2%	0.9%	1.8%
National (Thousands)	996	1,055	1,098	1,104	1,126	1,163	1,183	1,186	1,181
% Ch	-3.2%	5.9%	4.1%	0.6%	2.0%	3.3%	1.7%	0.3%	-0.5%
COMPUTER & ELECTRONICS									
Idaho	10,575	11,192	11,626	11,317	11,327	11,553	11,526	11,388	11,255
% Ch	-4.7%	5.8%	3.9%	-2.7%	0.1%	2.0%	-0.2%	-1.2%	-1.2%
National (Thousands)	1,094	1,103	1,089	1,068	1,057	1,053	1,042	1,045	1,064
% Ch	-3.7%	0.8%	-1.3%	-1.9%	-1.0%	-0.3%	-1.1%	0.4%	1.8%
OTHER DURABLES									
Idaho	7,861	8,120	8,502	9,109	9,164	9,412	9,857	10,167	10,321
% Ch	-3.1%	3.3%	4.7%	7.1%	0.6%	2.7%	4.7%	3.1%	1.5%
National (Thousands)	3,349	3,429	3,534	3,586	3,657	3,730	3,719	3,681	3,615
% Ch	-2.8%	2.4%	3.1%	1.5%	2.0%	2.0%	-0.3%	-1.0%	-1.8%

National Variables Forecast by IHS Economics
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EMPLOYMENT

MANUFACTURING (continued)

	2001	2002	2003	2004	2005	2006	2007	2008	2009
NONDURABLE MANUFACTURING									
Idaho	25,294	24,484	23,912	23,131	22,927	23,234	23,861	24,583	23,634
% Ch	-1.3%	-3.2%	-2.3%	-3.3%	-0.9%	1.3%	2.7%	3.0%	-3.9%
National (Thousands)	6,105	5,773	5,546	5,390	5,271	5,175	5,070	4,941	4,563
% Ch	-4.4%	-5.4%	-3.9%	-2.8%	-2.2%	-1.8%	-2.0%	-2.6%	-7.6%
FOOD PROCESSING									
Idaho	16,521	16,354	15,900	14,999	14,714	14,700	15,094	15,835	15,642
% Ch	-0.8%	-1.0%	-2.8%	-5.7%	-1.9%	-0.1%	2.7%	4.9%	-1.2%
National (Thousands)	1,550	1,525	1,517	1,494	1,478	1,479	1,484	1,480	1,457
% Ch	-0.2%	-1.6%	-0.5%	-1.5%	-1.1%	0.1%	0.3%	-0.2%	-1.6%
PRINTING									
Idaho	2,225	2,033	2,030	1,921	1,899	1,907	1,891	1,807	1,433
% Ch	-4.9%	-8.6%	-0.2%	-5.3%	-1.2%	0.4%	-0.8%	-4.4%	-20.7%
National (Thousands)	768	707	680	663	646	634	622	594	522
% Ch	-4.8%	-8.0%	-3.7%	-2.6%	-2.5%	-1.9%	-1.9%	-4.5%	-12.2%
CHEMICALS									
Idaho	2,324	1,926	1,832	1,878	1,938	2,117	2,267	2,367	2,275
% Ch	-0.5%	-17.1%	-4.9%	2.6%	3.2%	9.2%	7.1%	4.4%	-3.9%
National (Thousands)	959	927	906	887	872	866	861	847	804
% Ch	-2.2%	-3.3%	-2.3%	-2.1%	-1.7%	-0.7%	-0.6%	-1.7%	-5.1%
OTHER NONDURABLES									
Idaho	4,224	4,172	4,151	4,332	4,376	4,511	4,610	4,573	4,284
% Ch	-1.5%	-1.2%	-0.5%	4.4%	1.0%	3.1%	2.2%	-0.8%	-6.3%
National (Thousands)	2,827	2,614	2,442	2,346	2,275	2,195	2,104	2,020	1,781
% Ch	-7.2%	-7.5%	-6.6%	-3.9%	-3.0%	-3.5%	-4.2%	-4.0%	-11.8%
MINING									
Idaho	1,973	1,759	1,785	1,931	2,160	2,372	2,665	2,767	2,163
% Ch	-15.9%	-10.9%	1.5%	8.2%	11.8%	9.8%	12.3%	3.8%	-21.8%
National (Thousands)	532	512	503	523	562	620	663	709	643
% Ch	2.4%	-3.8%	-1.9%	4.0%	7.5%	10.3%	7.0%	6.9%	-9.3%
CONSTRUCTION									
Idaho	37,860	36,468	36,739	39,839	45,127	52,044	52,592	45,009	34,401
% Ch	3.7%	-3.7%	0.7%	8.4%	13.3%	15.3%	1.1%	-14.4%	-23.6%
National (Thousands)	6,827	6,715	6,736	6,973	7,333	7,690	7,627	7,162	6,017
% Ch	0.6%	-1.6%	0.3%	3.5%	5.2%	4.9%	-0.8%	-6.1%	-16.0%
NONGOODS PRODUCING									
Idaho	457,808	463,015	470,163	482,609	499,365	516,585	532,904	536,678	517,593
% Ch	2.5%	1.1%	1.5%	2.6%	3.5%	3.4%	3.2%	0.7%	-3.6%
National (Thousands)	108,207	108,073	108,499	109,853	111,810	113,873	115,706	115,838	112,661
% Ch	0.8%	-0.1%	0.4%	1.2%	1.8%	1.8%	1.6%	0.1%	-2.7%
SERVICES									
Idaho	249,577	253,630	260,020	269,014	280,741	292,713	304,461	307,042	295,838
% Ch	4.7%	1.6%	2.5%	3.5%	4.4%	4.3%	4.0%	0.8%	-3.6%
National (Thousands)	66,073	65,883	66,393	67,514	68,963	70,638	71,955	72,107	70,001
% Ch	1.1%	-0.3%	0.8%	1.7%	2.1%	2.4%	1.9%	0.2%	-2.9%
INFORMATION									
Idaho	9,596	9,156	9,181	9,935	11,072	10,592	10,913	11,028	10,012
% Ch	-2.7%	-4.6%	0.3%	8.2%	11.4%	-4.3%	3.0%	1.1%	-9.2%
National (Thousands)	3,629	3,394	3,189	3,117	3,061	3,038	3,032	2,983	2,804
% Ch	0.0%	-6.5%	-6.1%	-2.2%	-1.8%	-0.8%	-0.2%	-1.6%	-6.0%
FINANCIAL ACTIVITIES									
Idaho	25,013	25,824	26,945	27,937	29,653	31,743	32,529	31,658	29,620
% Ch	-0.6%	3.2%	4.3%	3.7%	6.1%	7.1%	2.5%	-2.7%	-6.4%
National (Thousands)	7,901	7,956	8,077	8,105	8,197	8,366	8,347	8,204	7,838
% Ch	1.5%	0.7%	1.5%	0.3%	1.1%	2.1%	-0.2%	-1.7%	-4.5%

National Variables Forecast by IHS Economics
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**IDAHO ECONOMIC FORECAST
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EMPLOYMENT

MANUFACTURING (continued)

	2010	2011	2012	2013	2014	2015	2016	2017	2018
NONDURABLE MANUFACTURING									
Idaho	23,260	23,364	24,018	25,328	25,493	25,894	26,479	26,881	27,282
% Ch	-1.6%	0.4%	2.8%	5.5%	0.7%	1.6%	2.3%	1.5%	1.5%
National (Thousands)	4,464	4,453	4,457	4,462	4,465	4,434	4,386	4,377	4,382
% Ch	-2.2%	-0.2%	0.1%	0.1%	0.1%	-0.7%	-1.1%	-0.2%	0.1%
FOOD PROCESSING									
Idaho	15,442	15,354	15,658	16,401	16,417	16,745	17,259	17,535	17,809
% Ch	-1.3%	-0.6%	2.0%	4.7%	0.1%	2.0%	3.1%	1.6%	1.6%
National (Thousands)	1,451	1,459	1,469	1,472	1,477	1,475	1,475	1,491	1,509
% Ch	-0.4%	0.5%	0.7%	0.3%	0.3%	-0.1%	0.0%	1.1%	1.2%
PRINTING									
Idaho	1,283	1,232	1,208	1,217	1,138	1,145	1,134	1,119	1,089
% Ch	-10.5%	-3.9%	-2.0%	0.7%	-6.4%	0.6%	-1.0%	-1.3%	-2.7%
National (Thousands)	488	472	462	448	441	433	418	407	402
% Ch	-6.5%	-3.3%	-2.1%	-2.9%	-1.7%	-1.8%	-3.5%	-2.6%	-1.3%
CHEMICALS									
Idaho	2,200	2,375	2,541	2,600	2,487	2,473	2,475	2,521	2,590
% Ch	-3.3%	8.0%	7.0%	2.3%	-4.3%	-0.6%	0.1%	1.8%	2.7%
National (Thousands)	786	783	783	793	802	804	797	797	800
% Ch	-2.2%	-0.4%	0.0%	1.2%	1.2%	0.3%	-0.9%	0.0%	0.5%
OTHER NONDURABLES									
Idaho	4,335	4,403	4,610	5,110	5,451	5,530	5,612	5,706	5,794
% Ch	1.2%	1.6%	4.7%	10.8%	6.7%	1.5%	1.5%	1.7%	1.5%
National (Thousands)	1,740	1,740	1,743	1,749	1,746	1,722	1,696	1,683	1,671
% Ch	-2.3%	0.0%	0.2%	0.3%	-0.2%	-1.3%	-1.5%	-0.8%	-0.7%
MINING									
Idaho	2,296	2,583	2,696	2,578	2,625	2,679	2,723	2,810	2,890
% Ch	6.1%	12.5%	4.4%	-4.4%	1.8%	2.1%	1.7%	3.2%	2.9%
National (Thousands)	655	739	797	815	859	889	904	930	950
% Ch	1.8%	12.9%	7.8%	2.3%	5.4%	3.5%	1.7%	2.9%	2.2%
CONSTRUCTION									
Idaho	31,292	30,347	31,407	33,853	36,106	37,041	39,179	41,293	42,604
% Ch	-9.0%	-3.0%	3.5%	7.8%	6.7%	2.6%	5.8%	5.4%	3.2%
National (Thousands)	5,519	5,532	5,645	5,829	6,037	6,372	6,807	7,273	7,625
% Ch	-8.3%	0.2%	2.1%	3.3%	3.6%	5.6%	6.8%	6.8%	4.8%
NONGOODS PRODUCING									
Idaho	515,650	521,727	529,863	542,224	557,748	568,923	581,294	594,853	608,725
% Ch	-0.4%	1.2%	1.6%	2.3%	2.9%	2.0%	2.2%	2.3%	2.3%
National (Thousands)	112,520	113,803	115,679	117,661	119,769	121,810	123,454	124,878	126,028
% Ch	-0.1%	1.1%	1.6%	1.7%	1.8%	1.7%	1.3%	1.2%	0.9%
SERVICES									
Idaho	296,251	302,681	307,687	316,583	328,386	337,035	346,696	356,563	366,572
% Ch	0.1%	2.2%	1.7%	2.9%	3.7%	2.6%	2.9%	2.8%	2.8%
National (Thousands)	70,134	71,498	73,257	74,983	76,664	78,393	79,814	80,957	81,828
% Ch	0.2%	1.9%	2.5%	2.4%	2.2%	2.3%	1.8%	1.4%	1.1%
INFORMATION									
Idaho	9,626	9,466	9,366	9,391	9,330	9,410	9,584	9,854	10,075
% Ch	-3.9%	-1.7%	-1.1%	0.3%	-0.6%	0.9%	1.9%	2.8%	2.2%
National (Thousands)	2,708	2,674	2,676	2,685	2,679	2,739	2,720	2,723	2,728
% Ch	-3.4%	-1.2%	0.1%	0.3%	-0.2%	2.2%	-0.7%	0.1%	0.2%
FINANCIAL ACTIVITIES									
Idaho	29,165	29,866	30,324	31,149	31,417	31,702	32,326	33,195	33,839
% Ch	-1.5%	2.4%	1.5%	2.7%	0.9%	0.9%	2.0%	2.7%	1.9%
National (Thousands)	7,696	7,697	7,783	7,879	7,955	8,014	7,993	7,919	7,810
% Ch	-1.8%	0.0%	1.1%	1.2%	1.0%	0.7%	-0.3%	-0.9%	-1.4%

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EMPLOYMENT

SERVICES (Continued)

	2001	2002	2003	2004	2005	2006	2007	2008	2009
TRANS., WAREHOUSING, UTILITIES									
Idaho	19,157	18,677	18,764	18,947	19,294	20,242	21,031	21,722	20,689
% Ch	-1.3%	-2.5%	0.5%	1.0%	1.8%	4.9%	3.9%	3.3%	-4.8%
National (Thousands)	4,973	4,820	4,761	4,814	4,917	5,017	5,095	5,067	4,797
% Ch	-0.8%	-3.1%	-1.2%	1.1%	2.1%	2.0%	1.5%	-0.6%	-5.3%
PROFESSIONAL & BUSINESS									
Idaho	67,654	69,017	70,004	73,138	76,898	81,346	83,191	80,541	74,677
% Ch	11.6%	2.0%	1.4%	4.5%	5.1%	5.8%	2.3%	-3.2%	-7.3%
National (Thousands)	16,480	15,975	15,985	16,388	16,952	17,572	17,947	17,741	16,574
% Ch	-1.1%	-3.1%	0.1%	2.5%	3.4%	3.7%	2.1%	-1.2%	-6.6%
EDUCATION & HEALTH									
Idaho	56,956	59,809	62,552	65,220	67,996	70,119	74,072	77,737	81,002
% Ch	7.4%	5.0%	4.6%	4.3%	4.3%	3.1%	5.6%	4.9%	4.2%
National (Thousands)	15,800	16,380	16,806	17,188	17,629	18,098	18,613	19,157	19,548
% Ch	3.6%	3.7%	2.6%	2.3%	2.6%	2.7%	2.8%	2.9%	2.0%
LEISURE & HOSPITALITY									
Idaho	53,058	53,281	54,405	55,566	57,347	59,650	63,256	63,199	58,663
% Ch	0.9%	0.4%	2.1%	2.1%	3.2%	4.0%	6.0%	-0.1%	-7.2%
National (Thousands)	12,032	11,986	12,175	12,492	12,813	13,109	13,428	13,441	13,074
% Ch	1.5%	-0.4%	1.6%	2.6%	2.6%	2.3%	2.4%	0.1%	-2.7%
OTHER SERVICES									
Idaho	18,143	17,867	18,168	18,272	18,479	19,021	19,469	21,155	21,175
% Ch	2.8%	-1.5%	1.7%	0.6%	1.1%	2.9%	2.4%	8.7%	0.1%
National (Thousands)	5,258	5,372	5,401	5,409	5,395	5,438	5,493	5,515	5,366
% Ch	1.7%	2.2%	0.5%	0.2%	-0.3%	0.8%	1.0%	0.4%	-2.7%
TRADE									
Idaho	98,088	97,343	97,120	99,131	103,675	107,465	111,651	110,452	102,267
% Ch	-2.1%	-0.8%	-0.2%	2.1%	4.6%	3.7%	3.9%	-1.1%	-7.4%
National (Thousands)	21,013	20,681	20,525	20,722	21,043	21,260	21,532	21,228	20,108
% Ch	-0.9%	-1.6%	-0.8%	1.0%	1.5%	1.0%	1.3%	-1.4%	-5.3%
RETAIL TRADE									
Idaho	72,622	72,397	72,625	73,725	76,801	80,514	83,552	82,613	76,281
% Ch	-2.5%	-0.3%	0.3%	1.5%	4.2%	4.8%	3.8%	-1.1%	-7.7%
National (Thousands)	15,240	15,027	14,917	15,060	15,281	15,356	15,516	15,285	14,522
% Ch	-0.3%	-1.4%	-0.7%	1.0%	1.5%	0.5%	1.0%	-1.5%	-5.0%
WHOLESALE TRADE									
Idaho	25,466	24,946	24,496	25,406	26,875	26,951	28,099	27,839	25,986
% Ch	-1.0%	-2.0%	-1.8%	3.7%	5.8%	0.3%	4.3%	-0.9%	-6.7%
National (Thousands)	5,773	5,653	5,608	5,661	5,762	5,904	6,016	5,943	5,586
% Ch	-2.7%	-2.1%	-0.8%	0.9%	1.8%	2.5%	1.9%	-1.2%	-6.0%
STATE & LOCAL GOVERNMENT									
Idaho	96,863	98,489	99,397	101,148	101,865	103,528	103,972	105,984	105,992
% Ch	2.2%	1.7%	0.9%	1.8%	0.7%	1.6%	0.4%	1.9%	0.0%
National (Thousands)	17,542	17,925	18,357	18,744	18,820	18,887	19,073	19,742	19,484
% Ch	2.4%	2.2%	2.4%	2.1%	0.4%	0.4%	1.0%	1.3%	-1.3%
EDUCATION									
Idaho	49,024	49,657	49,910	50,816	51,305	52,650	53,017	53,607	54,616
% Ch	2.2%	1.3%	0.5%	1.8%	1.0%	2.6%	0.7%	1.1%	1.9%
NONEDUCATION									
Idaho	47,838	48,832	49,488	50,332	50,560	50,878	50,955	52,377	51,376
% Ch	2.3%	2.1%	1.3%	1.7%	0.5%	0.6%	0.2%	2.8%	-1.9%
FEDERAL GOVERNMENT									
Idaho	13,281	13,552	13,625	13,316	13,084	12,879	12,820	13,200	13,496
% Ch	-1.6%	2.0%	0.5%	-2.3%	-1.7%	-1.6%	-0.5%	3.0%	2.2%
National (Thousands)	2,763	2,766	2,760	2,731	2,732	2,733	2,735	2,761	2,831
% Ch	-3.6%	0.1%	-0.2%	-1.1%	0.0%	0.0%	0.1%	0.9%	2.5%

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EMPLOYMENT

SERVICES (Continued)	2010	2011	2012	2013	2014	2015	2016	2017	2018
TRANS., WAREHOUSING, UTILITIES									
Idaho	20,688	21,182	21,508	21,690	22,597	23,049	23,471	23,939	24,444
% Ch	0.0%	2.4%	1.5%	0.8%	4.2%	2.0%	1.8%	2.0%	2.1%
National (Thousands)	4,745	4,856	4,968	5,044	5,178	5,352	5,525	5,690	5,804
% Ch	-1.1%	2.3%	2.3%	1.5%	2.7%	3.4%	3.2%	3.0%	2.0%
PROFESSIONAL & BUSINESS									
Idaho	73,951	75,154	75,453	77,793	81,515	84,497	87,614	90,373	93,263
% Ch	-1.0%	1.6%	0.4%	3.1%	4.8%	3.7%	3.7%	3.1%	3.2%
National (Thousands)	16,723	17,330	17,933	18,566	19,247	19,993	20,719	21,280	21,596
% Ch	0.9%	3.6%	3.5%	3.5%	3.7%	3.9%	3.6%	2.7%	1.5%
EDUCATION & HEALTH									
Idaho	83,829	86,546	88,353	91,176	94,438	97,349	100,599	103,933	107,394
% Ch	3.5%	3.2%	2.1%	3.2%	3.6%	3.1%	3.3%	3.3%	3.3%
National (Thousands)	19,888	20,231	20,696	21,100	21,479	21,921	22,357	22,676	22,929
% Ch	1.7%	1.7%	2.3%	2.0%	1.8%	2.1%	2.0%	1.4%	1.1%
LEISURE & HOSPITALITY									
Idaho	57,944	59,288	61,163	63,455	66,525	68,128	69,589	71,093	72,685
% Ch	-1.2%	2.3%	3.2%	3.7%	4.8%	2.4%	2.1%	2.2%	2.2%
National (Thousands)	13,043	13,351	13,772	14,245	14,617	14,863	14,985	15,147	15,427
% Ch	-0.2%	2.4%	3.2%	3.4%	2.6%	1.7%	0.8%	1.1%	1.9%
OTHER SERVICES									
Idaho	21,049	21,179	21,522	21,928	22,564	22,900	23,513	24,176	24,872
% Ch	-0.6%	0.6%	1.6%	1.9%	2.9%	1.5%	2.7%	2.8%	2.9%
National (Thousands)	5,331	5,361	5,430	5,465	5,509	5,511	5,516	5,523	5,533
% Ch	-0.7%	0.6%	1.3%	0.6%	0.8%	0.0%	0.1%	0.1%	0.2%
TRADE									
Idaho	100,832	101,878	104,934	107,638	110,372	113,136	115,995	119,230	122,599
% Ch	-1.4%	1.0%	3.0%	2.6%	2.5%	2.5%	2.5%	2.8%	2.8%
National (Thousands)	19,896	20,212	20,503	20,820	21,217	21,440	21,545	21,607	21,623
% Ch	-1.1%	1.6%	1.4%	1.5%	1.9%	1.1%	0.5%	0.3%	0.1%
RETAIL TRADE									
Idaho	74,833	75,195	77,117	78,929	81,043	83,142	85,300	87,755	90,315
% Ch	-1.9%	0.5%	2.6%	2.3%	2.7%	2.6%	2.6%	2.9%	2.9%
National (Thousands)	14,444	14,669	14,836	15,072	15,351	15,490	15,458	15,399	15,326
% Ch	-0.5%	1.6%	1.1%	1.6%	1.9%	0.9%	-0.2%	-0.4%	-0.5%
WHOLESALE TRADE									
Idaho	26,000	26,683	27,817	28,709	29,329	29,994	30,695	31,475	32,285
% Ch	0.1%	2.6%	4.2%	3.2%	2.2%	2.3%	2.3%	2.5%	2.6%
National (Thousands)	5,452	5,543	5,667	5,748	5,865	5,950	6,086	6,209	6,297
% Ch	-2.4%	1.7%	2.2%	1.4%	2.0%	1.5%	2.3%	2.0%	1.4%
STATE & LOCAL GOVERNMENT									
Idaho	104,876	104,514	104,600	105,589	106,871	106,673	106,550	107,045	107,589
% Ch	-1.1%	-0.3%	0.1%	0.9%	1.2%	-0.2%	-0.1%	0.5%	0.5%
National (Thousands)	19,514	19,233	19,096	19,093	19,178	19,296	19,451	19,709	20,012
% Ch	-1.1%	-1.4%	-0.7%	0.0%	0.4%	0.6%	0.8%	1.3%	1.5%
EDUCATION									
Idaho	53,924	54,004	53,964	54,570	55,177	55,418	55,704	56,242	56,701
% Ch	-1.3%	0.1%	-0.1%	1.1%	1.1%	0.4%	0.5%	1.0%	0.8%
NONEDUCATION									
Idaho	50,951	50,510	50,637	51,019	51,694	51,256	50,846	50,803	50,888
% Ch	-0.8%	-0.9%	0.3%	0.8%	1.3%	-0.8%	-0.8%	-0.1%	0.2%
FEDERAL GOVERNMENT									
Idaho	13,691	12,654	12,641	12,414	12,119	12,079	12,052	12,015	11,964
% Ch	1.4%	-7.6%	-0.1%	-1.8%	-2.4%	-0.3%	-0.2%	-0.3%	-0.4%
National (Thousands)	2,976	2,860	2,822	2,766	2,710	2,681	2,644	2,605	2,564
% Ch	5.2%	-3.9%	-1.3%	-2.0%	-2.0%	-1.1%	-1.4%	-1.5%	-1.6%

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MISCELLANEOUS

	2001	2002	2003	2004	2005	2006	2007	2008	2009
SELECTED CHAIN-WEIGHTED DEFL.									
Gross Domestic Product	83.755	85.041	86.736	89.118	91.985	94.812	97.340	99.218	100.000
% Ch	2.3%	1.5%	2.0%	2.7%	3.2%	3.1%	2.7%	1.9%	0.8%
Consumption Expenditures	84.736	85.874	87.572	89.703	92.261	94.729	97.101	100.065	100.000
% Ch	1.9%	1.3%	2.0%	2.4%	2.9%	2.7%	2.5%	3.1%	-0.1%
Durable Goods	117.982	115.035	110.885	108.752	107.669	105.916	103.764	101.758	100.000
% Ch	-2.0%	-2.5%	-3.6%	-1.9%	-1.0%	-1.6%	-2.0%	-1.9%	-1.7%
Nondurable Goods	83.529	83.538	85.264	88.214	91.592	94.438	97.214	102.653	100.000
% Ch	1.1%	0.0%	2.1%	3.5%	3.8%	3.1%	2.9%	5.6%	-2.6%
Services	79.880	81.969	84.533	87.058	89.934	92.977	95.981	98.947	100.000
% Ch	3.1%	2.6%	3.1%	3.0%	3.3%	3.4%	3.2%	3.1%	1.1%
Consumer Price Index (1982-84=1.000)	1.770	1.799	1.840	1.889	1.953	2.016	2.073	2.153	2.146
% Ch	2.8%	1.6%	2.3%	2.7%	3.4%	3.2%	2.9%	3.8%	-0.3%
SELECTED INTEREST RATES									
Federal Funds	3.9%	1.7%	1.1%	1.3%	3.2%	5.0%	5.0%	1.9%	0.2%
NY Fed Discount	3.4%	1.2%	2.1%	2.3%	4.2%	6.0%	5.9%	2.4%	0.5%
Prime	6.9%	4.7%	4.1%	4.3%	6.2%	8.0%	8.1%	5.1%	3.3%
Existing Home Mortgage	7.0%	6.5%	5.7%	5.7%	5.9%	6.6%	6.5%	6.2%	5.1%
U.S. Govt. 3-Month Bills	3.4%	1.6%	1.0%	1.4%	3.1%	4.7%	4.4%	1.4%	0.2%
U.S. Govt. 6-Month Bills	3.3%	1.7%	1.1%	1.6%	3.4%	4.8%	4.4%	1.6%	0.3%
U.S. Govt. 5-Year Notes	4.6%	3.8%	3.0%	3.4%	4.0%	4.7%	4.4%	2.8%	2.2%
U.S. Govt. 10-Year Notes	5.0%	4.6%	4.0%	4.3%	4.3%	4.8%	4.6%	3.7%	3.3%
EXCHANGE RATES (2009=1.000)									
Major Currency Trading Partners	1.365	1.360	1.192	1.097	1.073	1.047	0.980	0.928	1.000
% Ch	5.4%	-0.3%	-12.4%	-8.0%	-2.2%	-2.4%	-6.4%	-5.3%	7.8%
Other Important Trading Partners	1.305	1.339	1.318	1.258	1.182	1.122	1.038	0.940	1.000
% Ch	1.7%	2.6%	-1.6%	-4.5%	-6.0%	-5.1%	-7.5%	-9.5%	6.4%
SELECTED US PRODUCTION INDICES									
Wood Products	93.1	96.6	96.6	99.2	105.9	106.9	100.0	85.4	65.3
% Ch	-6.3%	3.8%	0.0%	2.7%	6.8%	0.9%	-6.4%	-14.6%	-23.6%
Computers & Electronic Products	54.4	53.0	60.3	68.3	77.0	87.4	100.0	108.1	97.0
% Ch	1.4%	-2.6%	13.8%	13.3%	12.7%	13.5%	14.4%	8.1%	-10.3%
Food	92.8	95.0	95.6	95.6	98.6	99.5	100.0	98.8	98.2
% Ch	0.0%	2.4%	0.7%	0.0%	3.1%	0.9%	0.5%	-1.2%	-0.6%
Agricultural Chemicals	89.2	92.1	96.3	100.4	104.2	108.6	100.0	86.5	91.0
% Ch	-7.9%	3.2%	4.5%	4.3%	3.8%	4.3%	-7.9%	-13.5%	5.2%
Metal Ore Mining	106.3	97.4	92.9	94.9	100.5	102.5	100.0	103.0	90.4
% Ch	-9.3%	-8.4%	-4.6%	2.2%	5.9%	2.1%	-2.5%	3.0%	-12.2%

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
OCTOBER 2014**

MISCELLANEOUS

	2010	2011	2012	2013	2014	2015	2016	2017	2018
SELECTED CHAIN-WEIGHTED DEFL.									
Gross Domestic Product	101.226	103.316	105.174	106.739	108.432	110.268	112.187	114.243	116.394
% Ch	1.2%	2.1%	1.8%	1.5%	1.6%	1.7%	1.7%	1.8%	1.9%
Consumption Expenditures	101.653	104.149	106.062	107.334	108.879	110.272	111.911	113.863	115.929
% Ch	1.7%	2.5%	1.8%	1.2%	1.4%	1.3%	1.5%	1.7%	1.8%
Durable Goods	98.622	97.725	96.466	94.713	92.573	91.596	90.601	89.541	88.511
% Ch	-1.4%	-0.9%	-1.3%	-1.8%	-2.3%	-1.1%	-1.1%	-1.2%	-1.1%
Nondurable Goods	103.085	109.188	111.828	112.025	113.090	113.405	114.415	116.092	118.043
% Ch	3.1%	5.9%	2.4%	0.2%	1.0%	0.3%	0.9%	1.5%	1.7%
Services	101.661	103.524	105.745	107.919	110.318	112.532	114.914	117.586	120.355
% Ch	1.7%	1.8%	2.1%	2.1%	2.2%	2.0%	2.1%	2.3%	2.4%
Consumer Price Index (1982-84=100)	2.181	2.249	2.296	2.330	2.371	2.403	2.441	2.489	2.540
% Ch	1.6%	3.1%	2.1%	1.5%	1.8%	1.4%	1.6%	2.0%	2.1%
SELECTED INTEREST RATES									
Federal Funds	0.2%	0.1%	0.1%	0.1%	0.1%	0.4%	1.6%	3.3%	3.8%
NY Fed Discount	0.7%	0.8%	0.8%	0.8%	0.8%	1.0%	2.4%	4.3%	4.8%
Prime	3.3%	3.3%	3.3%	3.3%	3.3%	3.5%	4.6%	6.3%	6.8%
Existing Home Mortgage	4.9%	4.7%	3.8%	4.0%	4.4%	5.2%	5.8%	6.4%	6.6%
U.S. Govt. 3-Month Bills	0.1%	0.1%	0.1%	0.1%	0.0%	0.4%	1.6%	3.2%	3.5%
U.S. Govt. 6-Month Bills	0.2%	0.1%	0.1%	0.1%	0.1%	0.5%	1.8%	3.4%	3.7%
U.S. Govt. 5-Year Notes	1.9%	1.5%	0.8%	1.2%	1.7%	2.2%	2.9%	4.0%	4.2%
U.S. Govt. 10-Year Notes	3.2%	2.8%	1.8%	2.4%	2.6%	3.2%	3.6%	4.2%	4.4%
EXCHANGE RATES (2009=1.000)									
Major Currency Trading Partners	0.995	0.917	0.951	0.996	1.023	1.057	1.044	1.036	1.035
% Ch	-0.5%	-7.9%	3.8%	4.7%	2.7%	3.3%	-1.2%	-0.7%	-0.2%
Other Important Trading Partners	0.948	0.870	0.864	0.856	0.866	0.858	0.840	0.824	0.809
% Ch	-5.2%	-8.3%	-0.6%	-1.0%	1.2%	-0.8%	-2.2%	-1.9%	-1.8%
SELECTED US PRODUCTION INDICES									
Wood Products	67.6	68.4	71.6	78.1	81.1	86.9	92.6	93.9	93.3
% Ch	3.6%	1.2%	4.7%	9.0%	3.9%	7.1%	6.5%	1.4%	-0.6%
Computers & Electronic Products	111.3	122.0	135.0	144.4	151.9	164.7	180.2	194.6	208.6
% Ch	14.8%	9.6%	10.6%	6.9%	5.2%	8.4%	9.5%	7.9%	7.2%
Food	98.6	98.5	102.8	104.5	106.3	108.2	110.8	113.9	116.7
% Ch	0.4%	-0.1%	4.4%	1.6%	1.8%	1.8%	2.4%	2.8%	2.5%
Agricultural Chemicals	94.9	89.3	91.9	99.2	98.8	101.3	109.6	125.1	134.6
% Ch	4.3%	-6.0%	3.0%	7.9%	-0.4%	2.5%	8.2%	14.1%	7.6%
Metal Ore Mining	96.4	98.4	98.9	98.6	101.2	102.5	103.9	104.7	104.9
% Ch	6.6%	2.1%	0.5%	-0.3%	2.7%	1.3%	1.3%	0.8%	0.2%

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

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2014**

DEMOGRAPHICS

	2012				2013				2014			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
POPULATION												
Idaho (Thousands)	1,591.2	1,594.1	1,597.0	1,600.5	1,604.1	1,609.2	1,615.0	1,621.5	1,627.8	1,633.7	1,639.9	1,645.9
% Ch	0.8%	0.7%	0.8%	0.9%	0.9%	1.3%	1.5%	1.6%	1.6%	1.5%	1.5%	1.5%
National (Millions)	313.650	314.210	314.857	315.379	315.869	316.433	317.079	317.602	318.092	318.707	319.323	319.940
% Ch	0.6%	0.7%	0.8%	0.7%	0.6%	0.7%	0.8%	0.7%	0.6%	0.8%	0.8%	0.8%
BIRTHS												
Idaho (Thousands)	22,355	22,754	23,180	23,623	23,804	23,946	24,060	24,197	24,327	24,443	24,568	24,688
% Ch	4.7%	7.3%	7.7%	7.9%	3.1%	2.4%	1.9%	2.3%	2.2%	1.9%	2.1%	2.0%
National (Thousands)	4,454	4,460	4,467	4,472	4,477	4,482	4,488	4,492	4,494	4,499	4,504	4,508
% Ch	0.5%	0.6%	0.6%	0.5%	0.5%	0.5%	0.5%	0.3%	0.2%	0.4%	0.4%	0.4%
DEATHS												
Idaho (Thousands)	12,116	12,087	12,108	12,133	12,279	12,315	12,356	12,401	12,445	12,486	12,529	12,571
% Ch	-5.9%	-1.0%	0.7%	0.8%	4.9%	1.2%	1.3%	1.5%	1.4%	1.3%	1.4%	1.3%
National (Thousands)	2,602	2,608	2,614	2,619	2,624	2,629	2,635	2,640	2,645	2,651	2,657	2,664
% Ch	0.8%	0.8%	0.9%	0.8%	0.7%	0.8%	0.9%	0.8%	0.7%	0.9%	1.0%	1.0%
NET MIGRATION												
Idaho (Thousands)	1,804	1,596	1,412	1,219	1,396	3,529	6,273	9,210	11,882	12,555	12,808	12,194
HOUSING												
HOUSING STARTS												
Idaho	6,177	7,152	7,596	7,624	8,280	8,824	8,874	10,391	10,573	9,704	10,077	10,227
% Ch	96.3%	79.7%	27.3%	1.4%	39.2%	29.0%	2.3%	88.0%	7.2%	-29.0%	16.3%	6.1%
National (Millions)	0.707	0.739	0.780	0.908	0.947	0.865	0.882	1.025	0.925	0.985	1.017	1.047
% Ch	23.0%	19.4%	24.1%	83.3%	18.3%	-30.5%	8.3%	82.4%	-33.7%	28.8%	13.5%	12.4%
SINGLE UNITS												
Idaho	5,399	5,773	6,395	6,563	7,244	7,823	7,820	8,102	7,959	7,202	7,760	8,143
% Ch	87.5%	30.8%	50.6%	10.9%	48.4%	36.0%	-0.1%	15.3%	-6.9%	-32.9%	34.7%	21.3%
National (Millions)	0.485	0.515	0.549	0.598	0.627	0.596	0.598	0.663	0.602	0.625	0.646	0.668
% Ch	8.7%	27.1%	28.8%	41.1%	20.6%	-18.2%	1.3%	50.5%	-31.7%	16.2%	13.9%	14.6%
MULTIPLE UNITS												
Idaho	778	1,379	1,202	1,061	1,036	1,001	1,054	2,288	2,614	2,501	2,318	2,084
% Ch	174.0%	885.5%	-42.3%	-39.2%	-9.0%	-12.9%	22.9%	2122.1%	70.2%	-16.1%	-26.3%	-34.6%
National (Millions)	0.222	0.224	0.231	0.310	0.320	0.268	0.284	0.362	0.323	0.360	0.371	0.379
% Ch	63.5%	3.7%	13.8%	221.1%	14.0%	-50.6%	24.9%	166.2%	-37.1%	55.0%	13.0%	8.7%
HOUSING STOCK												
Idaho (Thousands)	551.6	552.9	554.4	555.9	557.6	559.3	561.1	563.3	565.5	567.5	569.6	571.8
% Ch	0.8%	1.0%	1.1%	1.1%	1.2%	1.3%	1.3%	1.6%	1.6%	1.4%	1.5%	1.5%

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

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2014**

DEMOGRAPHICS

	2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
POPULATION												
Idaho (Thousands)	1,651.5	1,657.3	1,663.2	1,669.2	1,675.5	1,681.9	1,688.4	1,694.8	1,701.3	1,707.7	1,714.2	1,720.7
% Ch	1.4%	1.4%	1.4%	1.4%	1.5%	1.5%	1.6%	1.5%	1.5%	1.5%	1.5%	1.5%
National (Millions)	320.559	321.178	321.798	322.419	323.041	323.664	324.287	324.912	325.537	326.163	326.789	327.416
% 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)	24,797	24,910	25,028	25,148	25,276	25,409	25,545	25,681	25,816	25,951	26,086	26,222
% Ch	1.8%	1.8%	1.9%	1.9%	2.1%	2.1%	2.2%	2.1%	2.1%	2.1%	2.1%	2.1%
National (Thousands)	4,514	4,518	4,522	4,526	4,529	4,533	4,538	4,542	4,547	4,552	4,557	4,561
% Ch	0.5%	0.4%	0.4%	0.4%	0.3%	0.4%	0.4%	0.4%	0.5%	0.4%	0.4%	0.4%
DEATHS												
Idaho (Thousands)	12,611	12,651	12,692	12,734	12,778	12,823	12,868	12,913	12,959	13,004	13,049	13,094
% Ch	1.3%	1.3%	1.3%	1.3%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%
National (Thousands)	2,672	2,678	2,684	2,691	2,696	2,702	2,708	2,715	2,722	2,729	2,736	2,743
% Ch	1.2%	1.0%	1.0%	0.9%	0.7%	0.9%	1.0%	1.0%	1.1%	1.0%	1.0%	1.0%
NET MIGRATION												
Idaho (Thousands)	11,490	11,320	11,011	10,941	11,447	11,973	12,471	12,861	12,976	12,935	12,806	12,723
HOUSING												
HOUSING STARTS												
Idaho	10,161	10,541	11,032	11,433	11,881	12,303	12,789	13,408	13,751	14,129	14,435	14,567
% Ch	-2.6%	15.8%	20.0%	15.4%	16.6%	15.0%	16.8%	20.8%	10.6%	11.5%	8.9%	3.7%
National (Millions)	1,121	1,173	1,221	1,260	1,304	1,329	1,361	1,429	1,469	1,482	1,505	1,512
% Ch	31.3%	19.8%	17.3%	13.6%	14.8%	7.8%	9.8%	21.5%	11.8%	3.5%	6.4%	1.9%
SINGLE UNITS												
Idaho	8,586	9,012	9,473	9,895	10,289	10,703	11,193	11,779	12,227	12,646	12,924	13,082
% Ch	23.6%	21.4%	22.0%	19.1%	16.9%	17.1%	19.6%	22.6%	16.1%	14.4%	9.1%	5.0%
National (Millions)	0,716	0,755	0,789	0,802	0,830	0,860	0,904	0,971	1,013	1,044	1,060	1,070
% Ch	31.8%	23.4%	19.1%	7.2%	14.4%	15.3%	22.3%	33.1%	18.2%	12.6%	6.4%	3.9%
MULTIPLE UNITS												
Idaho	1,574	1,528	1,560	1,539	1,592	1,600	1,596	1,629	1,524	1,483	1,510	1,485
% Ch	-67.4%	-11.2%	8.5%	-5.3%	14.6%	1.9%	-0.9%	8.5%	-23.4%	-10.4%	7.5%	-6.6%
National (Millions)	0,405	0,418	0,432	0,458	0,474	0,469	0,456	0,457	0,456	0,438	0,445	0,442
% Ch	30.5%	13.7%	13.9%	25.9%	15.5%	-4.5%	-10.6%	0.9%	-0.9%	-14.8%	6.5%	-2.8%
HOUSING STOCK												
Idaho (Thousands)	573.9	576.1	578.4	580.8	583.4	586.0	588.8	591.7	594.7	597.7	600.9	604.1
% Ch	1.5%	1.5%	1.6%	1.7%	1.8%	1.8%	1.9%	2.0%	2.0%	2.1%	2.1%	2.1%

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

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2014**

OUTPUT, INCOME, & WAGES

	2012				2013				2014			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
U.S. GROSS DOM. PRODUCT (Billions)												
Current Dollars	15,957	16,095	16,269	16,333	16,502	16,619	16,872	17,078	17,044	17,328	17,549	17,768
% Ch	4.4%	3.5%	4.4%	1.6%	4.2%	2.9%	6.2%	5.0%	-0.8%	6.8%	5.2%	5.1%
2009 Chain-Weighted	15,275	15,337	15,431	15,434	15,538	15,607	15,780	15,916	15,832	16,010	16,157	16,278
% Ch	2.2%	1.6%	2.5%	0.1%	2.7%	1.8%	4.5%	3.5%	-2.1%	4.6%	3.7%	3.0%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	54,809	55,535	55,992	57,952	57,197	58,041	58,712	59,139	60,148	61,653	61,310	61,670
% Ch	7.0%	5.4%	3.3%	14.8%	-5.1%	6.0%	4.7%	2.9%	7.0%	10.4%	-2.2%	2.4%
Idaho Nonfarm (Millions)	52,509	53,263	53,632	55,528	54,448	55,352	55,927	56,487	57,324	58,300	58,998	59,585
% Ch	7.2%	5.9%	2.8%	14.9%	-7.6%	6.8%	4.2%	4.1%	6.1%	7.0%	4.9%	4.0%
National (Billions)	13,651	13,776	13,829	14,295	13,977	14,131	14,247	14,312	14,485	14,708	14,858	15,022
% Ch	9.5%	3.7%	1.5%	14.2%	-8.6%	4.5%	3.3%	1.8%	4.9%	6.3%	4.2%	4.5%
PERSONAL INCOME - 2009 \$												
Idaho (Millions)	51,947	52,461	52,721	54,326	53,480	54,207	54,606	54,865	55,612	56,676	56,178	56,350
% Ch	4.8%	4.0%	2.0%	12.7%	-6.1%	5.5%	3.0%	1.9%	5.6%	7.9%	-3.5%	1.2%
Idaho Nonfarm (Millions)	49,767	50,314	50,499	52,053	50,909	51,695	52,015	52,405	53,001	53,593	54,060	54,444
% Ch	4.9%	4.5%	1.5%	12.9%	-8.5%	6.3%	2.5%	3.0%	4.6%	4.5%	3.5%	2.9%
National (Billions)	12,938	13,014	13,021	13,401	13,069	13,198	13,251	13,278	13,392	13,520	13,615	13,726
% Ch	7.2%	2.4%	0.2%	12.2%	-9.5%	4.0%	1.6%	0.8%	3.5%	3.9%	2.8%	3.3%
PER CAPITA PERS INC - CURR \$												
Idaho	34,446	34,839	35,060	36,208	35,657	36,068	36,354	36,470	36,950	37,738	37,387	37,470
% Ch	6.2%	4.6%	2.6%	13.8%	-5.9%	4.7%	3.2%	1.3%	5.4%	8.8%	-3.7%	0.9%
National	43,522	43,844	43,921	45,327	44,250	44,658	44,933	45,062	45,536	46,148	46,531	46,952
% Ch	8.8%	3.0%	0.7%	13.4%	-9.2%	3.7%	2.5%	1.1%	4.3%	5.5%	3.4%	3.7%
PER CAPITA PERS INC - 2009 \$												
Idaho	32,647	32,910	33,012	33,942	33,340	33,685	33,811	33,835	34,163	34,691	34,258	34,237
% Ch	3.9%	3.3%	1.2%	11.8%	-6.9%	4.2%	1.5%	0.3%	3.9%	6.3%	-4.9%	-0.2%
National	41,249	41,417	41,356	42,490	41,374	41,708	41,791	41,806	42,102	42,422	42,636	42,901
% Ch	6.5%	1.6%	-0.6%	11.4%	-10.1%	3.3%	0.8%	0.1%	2.9%	3.1%	2.0%	2.5%
AVERAGE ANNUAL WAGE												
Idaho	37,313	37,359	37,411	37,566	37,505	37,905	38,093	38,531	38,817	39,280	39,562	39,862
% Ch	5.9%	0.5%	0.6%	1.7%	-0.6%	4.3%	2.0%	4.7%	3.0%	4.9%	2.9%	3.1%
National	51,424	51,378	51,411	52,556	51,914	52,253	52,299	52,522	53,282	53,731	54,034	54,471
% Ch	11.1%	-0.4%	0.3%	9.2%	-4.8%	2.6%	0.4%	1.7%	5.9%	3.4%	2.3%	3.3%

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

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2014**

OUTPUT, INCOME, & WAGES

	2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
U.S. GROSS DOM. PRODUCT (Billions)												
Current Dollars	17,937	18,107	18,298	18,478	18,702	18,928	19,171	19,422	19,653	19,894	20,136	20,378
% Ch	3.8%	3.9%	4.3%	4.0%	4.9%	4.9%	5.2%	5.3%	4.8%	5.0%	5.0%	4.9%
2009 Chain-Weighted	16,364	16,454	16,559	16,660	16,781	16,909	17,050	17,199	17,319	17,453	17,586	17,718
% Ch	2.1%	2.2%	2.6%	2.5%	2.9%	3.1%	3.4%	3.5%	2.8%	3.1%	3.1%	3.0%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	62,411	63,027	63,747	64,589	65,312	66,094	66,916	67,872	68,865	69,871	70,870	71,870
% Ch	4.9%	4.0%	4.6%	5.4%	4.6%	4.9%	5.1%	5.8%	6.0%	6.0%	5.8%	5.8%
Idaho Nonfarm (Millions)	60,336	60,939	61,563	62,288	63,235	63,993	64,789	65,734	66,779	67,801	68,792	69,779
% Ch	5.1%	4.1%	4.2%	4.8%	6.2%	4.9%	5.1%	6.0%	6.5%	6.3%	6.0%	5.9%
National (Billions)	15,212	15,359	15,522	15,698	15,936	16,128	16,329	16,560	16,819	17,053	17,281	17,508
% Ch	5.1%	3.9%	4.3%	4.6%	6.2%	4.9%	5.1%	5.8%	6.4%	5.7%	5.5%	5.4%
PERSONAL INCOME - 2009 \$												
Idaho (Millions)	56,870	57,250	57,707	58,302	58,725	59,192	59,670	60,264	60,879	61,499	62,107	62,708
% Ch	3.7%	2.7%	3.2%	4.2%	2.9%	3.2%	3.3%	4.0%	4.1%	4.1%	4.0%	3.9%
Idaho Nonfarm (Millions)	54,979	55,353	55,730	56,225	56,858	57,311	57,773	58,366	59,034	59,677	60,286	60,884
% Ch	4.0%	2.7%	2.7%	3.6%	4.6%	3.2%	3.3%	4.2%	4.7%	4.4%	4.1%	4.0%
National (Billions)	13,861	13,951	14,051	14,170	14,329	14,444	14,561	14,703	14,868	15,010	15,145	15,276
% Ch	4.0%	2.6%	2.9%	3.4%	4.5%	3.3%	3.3%	4.0%	4.6%	3.9%	3.6%	3.5%
PER CAPITA PERS INC - CURR \$												
Idaho	37,790	38,030	38,328	38,694	38,982	39,298	39,634	40,046	40,478	40,914	41,343	41,768
% Ch	3.5%	2.6%	3.2%	3.9%	3.0%	3.3%	3.5%	4.2%	4.4%	4.4%	4.3%	4.2%
National	47,453	47,819	48,236	48,689	49,330	49,829	50,354	50,966	51,665	52,283	52,882	53,474
% Ch	4.3%	3.1%	3.5%	3.8%	5.4%	4.1%	4.3%	5.0%	5.6%	4.9%	4.7%	4.6%
PER CAPITA PERS INC - 2009 \$												
Idaho	34,435	34,544	34,696	34,928	35,050	35,194	35,342	35,558	35,784	36,012	36,231	36,444
% Ch	2.3%	1.3%	1.8%	2.7%	1.4%	1.7%	1.7%	2.5%	2.6%	2.6%	2.5%	2.4%
National	43,240	43,436	43,665	43,949	44,355	44,625	44,901	45,254	45,673	46,018	46,344	46,658
% Ch	3.2%	1.8%	2.1%	2.6%	3.7%	2.5%	2.5%	3.2%	3.8%	3.1%	2.9%	2.7%
AVERAGE ANNUAL WAGE												
Idaho	40,190	40,534	40,833	41,166	41,417	41,688	41,993	42,368	42,725	43,144	43,545	43,973
% Ch	3.3%	3.5%	3.0%	3.3%	2.5%	2.6%	3.0%	3.6%	3.4%	4.0%	3.8%	4.0%
National	54,878	55,234	55,636	56,092	56,572	57,034	57,512	58,019	58,601	59,156	59,726	60,304
% Ch	3.0%	2.6%	2.9%	3.3%	3.5%	3.3%	3.4%	3.6%	4.1%	3.8%	3.9%	3.9%

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

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2014**

PERSONAL INCOME -- CURR \$\$

	2012				2013				2014			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
WAGE AND SALARY PAYMENTS												
Idaho (Millions)	23,899	24,021	24,231	24,551	24,824	25,257	25,429	25,930	26,443	26,841	26,996	27,311
% Ch	6.4%	2.1%	3.5%	5.4%	4.5%	7.2%	2.8%	8.1%	8.2%	6.2%	2.3%	4.7%
National (Billions)	6,861	6,877	6,903	7,087	7,034	7,111	7,145	7,209	7,340	7,442	7,522	7,621
% Ch	13.7%	0.9%	1.5%	11.1%	-3.0%	4.4%	1.9%	3.6%	7.5%	5.7%	4.4%	5.4%
FARM PROPRIETORS INCOME												
Idaho (Millions)	1,744	1,683	1,745	1,792	2,023	1,952	2,038	1,894	2,064	2,589	1,745	1,522
% Ch	11.2%	-13.4%	15.7%	11.2%	62.3%	-13.2%	18.7%	-25.4%	41.1%	147.4%	-79.4%	-42.1%
National (Billions)	72	73	72	73	92	84	87	70	58	73	64	62
% Ch	-22.4%	4.5%	-3.3%	7.4%	151.7%	-32.4%	16.2%	-57.5%	-52.8%	154.7%	-43.6%	-8.6%
NONFARM PROPRIETORS INCOME												
Idaho (Millions)	4,682	4,824	4,873	4,968	5,063	5,117	5,150	5,205	5,344	5,397	5,473	5,564
% Ch	-1.9%	12.7%	4.2%	8.0%	7.8%	4.4%	2.6%	4.4%	11.1%	4.1%	5.7%	6.8%
National (Billions)	1,155	1,184	1,194	1,219	1,236	1,247	1,259	1,273	1,293	1,308	1,326	1,349
% Ch	17.9%	10.4%	3.6%	8.6%	5.5%	3.6%	4.1%	4.3%	6.5%	4.6%	5.9%	7.0%
DIVIDENDS, RENT & INTEREST												
Idaho (Millions)	11,093	11,357	11,425	12,681	11,605	11,923	12,119	12,087	12,111	12,348	12,466	12,598
% Ch	8.7%	9.9%	2.4%	51.7%	-29.8%	11.4%	6.7%	-1.0%	0.8%	8.1%	3.9%	4.3%
National (Billions)	2,518	2,572	2,579	2,818	2,611	2,673	2,711	2,708	2,713	2,762	2,790	2,822
% Ch	5.6%	9.0%	1.0%	42.5%	-26.3%	9.8%	5.9%	-0.5%	0.9%	7.4%	4.1%	4.6%
OTHER LABOR INCOME												
Idaho (Millions)	6,063	6,112	6,215	6,304	6,447	6,588	6,671	6,785	6,889	6,954	6,987	7,014
% Ch	1.7%	3.2%	6.9%	5.9%	9.5%	9.0%	5.1%	7.1%	6.2%	3.9%	1.9%	1.6%
National (Billions)	1,152	1,156	1,163	1,172	1,180	1,190	1,199	1,207	1,214	1,222	1,230	1,237
% Ch	0.9%	1.6%	2.3%	3.0%	3.0%	3.4%	3.0%	2.7%	2.3%	2.8%	2.6%	2.4%
GOVT. TRANSFERS TO INDIV.												
Idaho (Millions)	10,203	10,423	10,395	10,546	10,684	10,697	10,799	10,801	10,968	11,248	11,393	11,456
% Ch	8.4%	8.9%	-1.1%	5.9%	5.3%	0.5%	3.9%	0.1%	6.3%	10.6%	5.2%	2.2%
National (Billions)	2,328	2,349	2,355	2,372	2,395	2,405	2,427	2,432	2,471	2,512	2,544	2,557
% Ch	3.2%	3.6%	1.0%	3.0%	4.0%	1.6%	3.7%	0.9%	6.5%	6.8%	5.2%	2.1%
CONTRIB. FOR SOCIAL INSUR.												
Idaho (Millions)	3,996	4,010	4,024	4,042	4,550	4,600	4,613	4,689	4,824	4,889	4,924	4,976
% Ch	6.8%	1.4%	1.5%	1.8%	60.6%	4.5%	1.1%	6.8%	12.0%	5.5%	2.9%	4.3%
National (Billions)	944	945	947	969	1,091	1,102	1,108	1,118	1,147	1,161	1,172	1,188
% Ch	12.3%	0.3%	0.9%	9.6%	60.6%	4.2%	2.1%	3.5%	10.8%	5.2%	3.8%	5.7%
RESIDENCE ADJUSTMENT												
Idaho (Millions)	1,121	1,125	1,132	1,153	1,101	1,107	1,120	1,125	1,153	1,164	1,174	1,181
% Ch	72.5%	1.6%	2.5%	7.5%	-16.7%	2.2%	4.6%	1.8%	10.5%	3.9%	3.2%	2.7%

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Forecast Begins the THIRD Quarter of 2014

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2014**

PERSONAL INCOME -- CURR \$\$

	2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
WAGE AND SALARY PAYMENTS												
Idaho (Millions)	27,667	28,037	28,403	28,803	29,155	29,518	29,903	30,326	30,750	31,224	31,698	32,181
% Ch	5.3%	5.5%	5.3%	5.7%	5.0%	5.1%	5.3%	5.8%	5.7%	6.3%	6.2%	6.2%
National (Billions)	7,711	7,796	7,886	7,978	8,074	8,169	8,270	8,376	8,485	8,591	8,699	8,809
% Ch	4.8%	4.5%	4.7%	4.7%	4.9%	4.8%	5.0%	5.2%	5.3%	5.1%	5.1%	5.1%
FARM PROPRIETORS INCOME												
Idaho (Millions)	1,513	1,527	1,623	1,739	1,516	1,539	1,565	1,575	1,522	1,506	1,514	1,527
% Ch	-2.5%	3.7%	27.6%	31.9%	-42.3%	6.2%	7.0%	2.5%	-12.7%	-4.1%	2.1%	3.5%
National (Billions)	67	68	72	78	77	79	80	81	81	80	81	82
% Ch	30.8%	9.7%	28.6%	32.8%	-2.7%	7.8%	8.5%	4.1%	-3.1%	-2.3%	3.8%	5.2%
NONFARM PROPRIETORS INCOME												
Idaho (Millions)	5,633	5,718	5,778	5,830	5,900	5,986	6,038	6,094	6,133	6,200	6,229	6,279
% Ch	5.1%	6.1%	4.3%	3.6%	4.9%	5.9%	3.5%	3.8%	2.6%	4.5%	1.9%	3.2%
National (Billions)	1,367	1,387	1,403	1,416	1,434	1,455	1,469	1,483	1,494	1,511	1,519	1,532
% Ch	5.3%	6.2%	4.5%	3.9%	5.1%	6.0%	3.8%	4.0%	2.9%	4.6%	2.3%	3.5%
DIVIDENDS, RENT & INTEREST												
Idaho (Millions)	12,652	12,722	12,819	12,983	13,180	13,390	13,637	13,958	14,296	14,622	14,944	15,234
% Ch	1.7%	2.2%	3.1%	5.2%	6.2%	6.5%	7.6%	9.8%	10.0%	9.4%	9.1%	8.0%
National (Billions)	2,838	2,859	2,891	2,933	2,980	3,029	3,087	3,164	3,245	3,321	3,395	3,460
% Ch	2.3%	3.1%	4.6%	5.9%	6.4%	6.8%	7.9%	10.4%	10.6%	9.6%	9.2%	8.0%
OTHER LABOR INCOME												
Idaho (Millions)	7,088	7,156	7,233	7,327	7,416	7,492	7,574	7,669	7,765	7,875	7,976	8,079
% Ch	4.3%	3.9%	4.3%	5.3%	5.0%	4.2%	4.5%	5.1%	5.2%	5.8%	5.2%	5.3%
National (Billions)	1,249	1,259	1,272	1,286	1,302	1,318	1,335	1,352	1,371	1,390	1,408	1,427
% Ch	4.0%	3.2%	4.0%	4.7%	5.1%	4.9%	5.1%	5.5%	5.7%	5.5%	5.4%	5.4%
GOVT. TRANSFERS TO INDIV.												
Idaho (Millions)	11,746	11,801	11,863	11,931	12,305	12,376	12,455	12,557	12,821	12,932	13,052	13,176
% Ch	10.5%	1.9%	2.1%	2.3%	13.1%	2.4%	2.6%	3.3%	8.7%	3.5%	3.8%	3.9%
National (Billions)	2,623	2,638	2,653	2,670	2,753	2,770	2,788	2,811	2,869	2,893	2,920	2,948
% Ch	10.8%	2.2%	2.4%	2.5%	13.1%	2.4%	2.6%	3.3%	8.5%	3.5%	3.7%	3.8%
CONTRIB. FOR SOCIAL INSUR.												
Idaho (Millions)	5,079	5,134	5,183	5,246	5,392	5,449	5,508	5,571	5,700	5,779	5,849	5,928
% Ch	8.6%	4.4%	3.9%	5.0%	11.6%	4.3%	4.4%	4.7%	9.5%	5.7%	4.9%	5.5%
National (Billions)	1,216	1,228	1,240	1,255	1,292	1,305	1,319	1,335	1,367	1,381	1,396	1,412
% Ch	9.7%	4.0%	4.1%	4.7%	12.2%	4.2%	4.3%	5.0%	9.9%	4.4%	4.2%	4.8%
RESIDENCE ADJUSTMENT												
Idaho (Millions)	1,191	1,201	1,211	1,222	1,232	1,242	1,253	1,265	1,277	1,292	1,306	1,321
% Ch	3.3%	3.5%	3.4%	3.8%	3.1%	3.2%	3.5%	4.0%	4.0%	4.6%	4.5%	4.6%

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

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2014**

EMPLOYMENT

	2012				2013				2014			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TOTAL NONFARM EMPLOYMENT												
Idaho	617,479	619,217	623,304	628,856	634,678	639,130	640,217	645,673	654,106	656,472	660,102	663,099
% Ch	1.2%	1.1%	2.7%	3.6%	3.8%	2.8%	0.7%	3.5%	5.3%	1.5%	2.2%	1.8%
National (Thousands)	133,420	133,856	134,265	134,854	135,495	136,085	136,623	137,248	137,755	138,510	139,210	139,916
% Ch	2.4%	1.3%	1.2%	1.8%	1.9%	1.8%	1.6%	1.8%	1.5%	2.2%	2.0%	2.0%
GOODS PRODUCING SECTOR												
Idaho	91,335	91,718	92,530	93,821	96,625	97,816	97,852	98,510	100,439	100,296	100,806	101,245
% Ch	2.4%	1.7%	3.6%	5.7%	12.5%	5.0%	0.1%	2.7%	8.1%	-0.6%	2.0%	1.8%
National (Thousands)	18,336	18,400	18,451	18,490	18,637	18,675	18,698	18,797	18,915	19,024	19,137	19,240
% Ch	3.1%	1.4%	1.1%	0.9%	3.2%	0.8%	0.5%	2.1%	2.5%	2.3%	2.4%	2.2%
MANUFACTURING												
Idaho	57,274	58,016	58,524	59,180	60,637	61,412	61,458	61,570	61,824	61,782	62,017	62,239
% Ch	4.0%	5.3%	3.5%	4.6%	10.2%	5.2%	0.3%	0.7%	1.7%	-0.3%	1.5%	1.4%
National (Thousands)	11,916	11,978	12,010	12,006	12,049	12,048	12,041	12,091	12,130	12,165	12,208	12,228
% Ch	3.0%	2.1%	1.1%	-0.1%	1.4%	0.0%	-0.2%	1.7%	1.3%	1.2%	1.4%	0.7%
DURABLE MANUFACTURING												
Idaho	33,734	34,174	34,407	34,606	35,527	35,985	36,091	36,164	36,379	36,279	36,486	36,747
% Ch	6.0%	5.3%	2.7%	2.3%	11.1%	5.3%	1.2%	0.8%	2.4%	-1.1%	2.3%	2.9%
National (Thousands)	7,470	7,521	7,547	7,544	7,576	7,584	7,591	7,629	7,653	7,697	7,747	7,774
% Ch	4.4%	2.7%	1.4%	-0.1%	1.7%	0.5%	0.3%	2.0%	1.2%	2.4%	2.6%	1.4%
LOGGING & WOOD PRODUCTS												
Idaho	6,279	6,498	6,618	6,706	7,067	7,277	7,132	7,212	7,217	7,165	7,209	7,281
% Ch	-0.4%	14.7%	7.6%	5.4%	23.4%	12.4%	-7.7%	4.6%	0.3%	-2.9%	2.5%	4.1%
National (Thousands)	387	388	389	395	399	402	405	412	417	421	425	430
% Ch	3.3%	1.1%	1.2%	5.8%	4.4%	2.9%	3.3%	6.7%	5.2%	3.9%	3.9%	4.0%
METAL FABRICATION												
Idaho	4,801	4,779	4,805	5,055	5,197	5,432	5,482	5,559	5,563	5,708	5,754	5,795
% Ch	20.3%	-1.8%	2.2%	22.5%	11.7%	19.3%	3.7%	5.8%	0.3%	10.9%	3.3%	2.9%
National (Thousands)	1,394	1,410	1,416	1,418	1,424	1,428	1,432	1,444	1,447	1,452	1,457	1,465
% Ch	7.8%	4.6%	1.7%	0.5%	1.6%	1.4%	1.2%	3.1%	0.9%	1.3%	1.6%	2.2%
MACHINERY												
Idaho	2,681	2,699	2,756	2,732	2,850	2,893	2,923	3,036	2,985	3,056	3,084	3,108
% Ch	8.1%	2.7%	8.8%	-3.4%	18.5%	6.1%	4.2%	16.3%	-6.6%	9.9%	3.7%	3.2%
National (Thousands)	1,090	1,101	1,102	1,099	1,104	1,104	1,104	1,106	1,113	1,124	1,130	1,135
% Ch	5.5%	4.2%	0.1%	-0.9%	1.7%	-0.1%	0.0%	0.9%	2.6%	4.1%	2.1%	1.7%
COMPUTER & ELECTRONICS												
Idaho	11,628	11,695	11,615	11,564	11,359	11,293	11,382	11,234	11,325	11,265	11,320	11,400
% Ch	7.3%	2.3%	-2.7%	-1.7%	-6.9%	-2.3%	3.2%	-5.1%	3.3%	-2.1%	2.0%	2.9%
National (Thousands)	1,099	1,095	1,085	1,077	1,072	1,069	1,067	1,062	1,058	1,056	1,056	1,057
% Ch	-1.2%	-1.3%	-3.6%	-3.0%	-1.9%	-0.8%	-0.8%	-1.8%	-1.7%	-0.8%	0.3%	0.1%
OTHER DURABLES												
Idaho	8,346	8,504	8,612	8,548	9,053	9,089	9,171	9,123	9,289	9,084	9,119	9,162
% Ch	1.0%	7.8%	5.2%	-2.9%	25.8%	1.6%	3.7%	-2.1%	7.5%	-8.5%	1.5%	1.9%
National (Thousands)	3,500	3,526	3,555	3,556	3,578	3,581	3,582	3,605	3,617	3,644	3,677	3,688
% Ch	4.8%	3.0%	3.3%	0.1%	2.5%	0.4%	0.1%	2.5%	1.4%	3.0%	3.6%	1.2%

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OCTOBER 2014**

EMPLOYMENT

	2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TOTAL NONFARM EMPLOYMENT												
Idaho	666,509	670,020	674,108	678,342	682,600	686,867	691,010	694,816	698,766	702,922	707,325	711,403
% Ch	2.1%	2.1%	2.5%	2.5%	2.5%	2.5%	2.4%	2.2%	2.3%	2.4%	2.5%	2.3%
National (Thousands)	140,511	141,146	141,747	142,225	142,726	143,236	143,796	144,364	144,786	145,229	145,653	146,073
% Ch	1.7%	1.8%	1.7%	1.4%	1.4%	1.4%	1.6%	1.6%	1.2%	1.2%	1.2%	1.2%
GOODS PRODUCING SECTOR												
Idaho	102,033	102,810	103,717	104,726	106,050	107,095	108,125	108,847	109,526	110,010	110,510	110,957
% Ch	3.1%	3.1%	3.6%	3.9%	5.2%	4.0%	3.9%	2.7%	2.5%	1.8%	1.8%	1.6%
National (Thousands)	19,347	19,531	19,687	19,823	19,913	20,002	20,134	20,258	20,397	20,513	20,619	20,697
% Ch	2.2%	3.9%	3.2%	2.8%	1.8%	1.8%	2.7%	2.5%	2.8%	2.3%	2.1%	1.5%
MANUFACTURING												
Idaho	62,706	63,266	63,870	64,563	65,155	65,458	65,852	66,043	66,186	66,136	66,133	66,137
% Ch	3.0%	3.6%	3.9%	4.4%	3.7%	1.9%	2.4%	1.2%	0.9%	-0.3%	0.0%	0.0%
National (Thousands)	12,250	12,327	12,367	12,399	12,388	12,357	12,359	12,358	12,371	12,365	12,353	12,325
% Ch	0.7%	2.5%	1.3%	1.0%	-0.4%	-1.0%	0.1%	0.0%	0.4%	-0.2%	-0.4%	-0.9%
DURABLE MANUFACTURING												
Idaho	37,058	37,440	37,965	38,368	38,831	39,035	39,304	39,420	39,412	39,326	39,235	39,096
% Ch	3.4%	4.2%	5.7%	4.3%	4.9%	2.1%	2.8%	1.2%	-0.1%	-0.9%	-0.9%	-1.4%
National (Thousands)	7,803	7,883	7,939	7,982	7,986	7,968	7,980	7,987	7,995	7,987	7,976	7,947
% Ch	1.5%	4.2%	2.9%	2.2%	0.2%	-0.9%	0.7%	0.3%	0.4%	-0.4%	-0.6%	-1.5%
LOGGING & WOOD PRODUCTS												
Idaho	7,331	7,533	7,808	8,049	8,326	8,385	8,497	8,439	8,365	8,230	8,034	7,864
% Ch	2.8%	11.5%	15.5%	12.9%	14.5%	2.9%	5.5%	-2.7%	-3.4%	-6.3%	-9.2%	-8.2%
National (Thousands)	438	448	458	469	477	484	491	496	502	503	501	498
% Ch	7.6%	10.0%	9.6%	9.3%	7.4%	5.9%	5.8%	4.4%	4.3%	1.0%	-1.2%	-2.5%
METAL FABRICATION												
Idaho	5,829	5,865	5,913	5,968	6,027	6,086	6,145	6,203	6,256	6,303	6,346	6,385
% Ch	2.4%	2.5%	3.3%	3.8%	4.0%	4.0%	3.9%	3.8%	3.5%	3.0%	2.7%	2.5%
National (Thousands)	1,476	1,495	1,510	1,527	1,537	1,543	1,554	1,563	1,565	1,565	1,563	1,558
% Ch	3.1%	5.2%	4.0%	4.7%	2.6%	1.5%	2.9%	2.5%	0.5%	-0.2%	-0.5%	-1.1%
MACHINERY												
Idaho	3,133	3,158	3,182	3,201	3,216	3,221	3,251	3,263	3,255	3,264	3,271	3,275
% Ch	3.3%	3.2%	3.0%	2.5%	1.8%	0.6%	3.8%	1.5%	-1.0%	1.1%	0.8%	0.5%
National (Thousands)	1,142	1,161	1,170	1,178	1,180	1,181	1,184	1,186	1,188	1,188	1,187	1,184
% Ch	2.5%	6.6%	3.4%	2.8%	0.7%	0.1%	1.2%	0.5%	0.6%	0.1%	-0.3%	-1.1%
COMPUTER & ELECTRONICS												
Idaho	11,530	11,550	11,597	11,537	11,551	11,530	11,501	11,522	11,446	11,381	11,390	11,335
% Ch	4.6%	0.7%	1.6%	-2.0%	0.5%	-0.7%	-1.0%	0.8%	-2.6%	-2.2%	0.3%	-1.9%
National (Thousands)	1,053	1,055	1,053	1,052	1,048	1,039	1,039	1,040	1,042	1,043	1,047	1,050
% Ch	-1.4%	0.6%	-0.5%	-0.3%	-1.8%	-3.2%	0.0%	0.2%	0.7%	0.5%	1.6%	1.2%
OTHER DURABLES												
Idaho	9,235	9,333	9,465	9,612	9,712	9,814	9,909	9,993	10,090	10,147	10,195	10,237
% Ch	3.2%	4.3%	5.8%	6.3%	4.2%	4.3%	3.9%	3.4%	4.0%	2.3%	1.9%	1.7%
National (Thousands)	3,694	3,725	3,747	3,756	3,743	3,721	3,712	3,702	3,699	3,689	3,679	3,657
% Ch	0.7%	3.4%	2.5%	0.9%	-1.3%	-2.4%	-0.9%	-1.1%	-0.3%	-1.0%	-1.2%	-2.3%

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

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2014**

EMPLOYMENT

MANUFACTURING (continued)

	2012				2013				2014			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
NONDURABLE MANUFACTURING												
Idaho	23,539	23,841	24,117	24,574	25,110	25,427	25,368	25,406	25,445	25,503	25,531	25,493
% Ch	1.2%	5.2%	4.7%	7.8%	9.0%	5.1%	-0.9%	0.6%	0.6%	0.9%	0.4%	-0.6%
National (Thousands)	4,445	4,458	4,463	4,461	4,473	4,463	4,450	4,462	4,478	4,468	4,461	4,454
% Ch	0.5%	1.1%	0.5%	-0.2%	1.1%	-0.9%	-1.2%	1.1%	1.4%	-0.9%	-0.6%	-0.7%
FOOD PROCESSING												
Idaho	15,391	15,514	15,679	16,049	16,190	16,546	16,461	16,407	16,458	16,441	16,428	16,342
% Ch	2.6%	3.3%	4.3%	9.8%	3.6%	9.1%	-2.0%	-1.3%	1.2%	-0.4%	-0.3%	-2.1%
National (Thousands)	1,459	1,468	1,476	1,471	1,473	1,473	1,466	1,477	1,488	1,478	1,472	1,470
% Ch	1.7%	2.4%	2.2%	-1.5%	0.7%	-0.1%	-1.8%	3.0%	3.1%	-2.9%	-1.6%	-0.4%
PRINTING												
Idaho	1,226	1,221	1,200	1,186	1,228	1,220	1,201	1,217	1,126	1,111	1,143	1,173
% Ch	-8.1%	-1.5%	-6.7%	-4.7%	14.8%	-2.6%	-5.9%	5.4%	-26.8%	-5.1%	11.8%	11.0%
National (Thousands)	465	464	461	457	455	449	445	443	442	442	440	439
% Ch	-1.4%	-0.6%	-2.9%	-3.7%	-1.2%	-5.1%	-3.9%	-1.4%	-0.9%	-0.7%	-1.6%	-1.1%
CHEMICALS												
Idaho	2,504	2,513	2,582	2,567	2,570	2,582	2,615	2,633	2,503	2,487	2,479	2,481
% Ch	11.8%	1.4%	11.6%	-2.4%	0.5%	1.9%	5.3%	2.8%	-18.4%	-2.5%	-1.3%	0.3%
National (Thousands)	783	782	783	786	791	793	792	794	797	800	804	807
% Ch	0.2%	-0.7%	0.8%	1.4%	2.8%	1.0%	-0.6%	0.7%	1.6%	1.9%	1.8%	1.3%
OTHER NONDURABLES												
Idaho	4,418	4,593	4,655	4,772	5,122	5,079	5,090	5,148	5,358	5,465	5,482	5,497
% Ch	-6.2%	16.7%	5.6%	10.5%	32.7%	-3.3%	0.9%	4.6%	17.4%	8.2%	1.3%	1.1%
National (Thousands)	1,738	1,743	1,743	1,748	1,753	1,748	1,747	1,748	1,750	1,748	1,746	1,738
% Ch	0.2%	1.3%	-0.1%	1.2%	1.1%	-1.2%	-0.3%	0.3%	0.5%	-0.4%	-0.6%	-1.7%
MINING												
Idaho	2,788	2,715	2,677	2,603	2,631	2,616	2,528	2,538	2,625	2,607	2,629	2,638
% Ch	3.5%	-10.1%	-5.4%	-10.6%	4.3%	-2.2%	-12.8%	1.5%	14.4%	-2.7%	3.4%	1.4%
National (Thousands)	795	801	797	794	806	808	819	827	838	850	866	883
% Ch	9.6%	3.2%	-2.0%	-1.7%	6.4%	1.2%	5.1%	4.4%	5.0%	5.8%	7.9%	8.0%
CONSTRUCTION												
Idaho	31,273	30,988	31,329	32,038	33,357	33,788	33,865	34,402	35,990	35,907	36,160	36,367
% Ch	-0.5%	-3.6%	4.5%	9.4%	17.5%	5.3%	0.9%	6.5%	19.8%	-0.9%	2.8%	2.3%
National (Thousands)	5,625	5,621	5,643	5,691	5,782	5,819	5,838	5,879	5,947	6,009	6,063	6,130
% Ch	2.4%	-0.3%	1.6%	3.4%	6.5%	2.6%	1.4%	2.8%	4.8%	4.2%	3.7%	4.5%
NONGOODS PRODUCING												
Idaho	526,144	527,499	530,774	535,035	538,053	541,314	542,365	547,163	553,667	556,176	559,297	561,854
% Ch	0.9%	1.0%	2.5%	3.2%	2.3%	2.4%	0.8%	3.6%	4.8%	1.8%	2.3%	1.8%
National (Thousands)	115,083	115,455	115,813	116,363	116,858	117,410	117,926	118,451	118,840	119,486	120,073	120,676
% Ch	2.3%	1.3%	1.2%	1.9%	1.7%	1.9%	1.8%	1.8%	1.3%	2.2%	2.0%	2.0%
SERVICES												
Idaho	305,362	306,477	308,336	310,574	312,993	315,791	316,752	320,795	325,393	326,875	329,519	331,757
% Ch	1.2%	1.5%	2.4%	2.9%	3.2%	3.6%	1.2%	5.2%	5.9%	1.8%	3.3%	2.7%
National (Thousands)	72,702	73,044	73,401	73,881	74,325	74,817	75,199	75,593	75,919	76,413	76,906	77,419
% Ch	3.2%	1.9%	2.0%	2.6%	2.4%	2.7%	2.1%	2.1%	1.7%	2.6%	2.6%	2.7%
INFORMATION												
Idaho	9,480	9,332	9,347	9,306	9,254	9,424	9,380	9,504	9,259	9,325	9,376	9,360
% Ch	1.5%	-6.1%	0.7%	-1.7%	-2.2%	7.6%	-1.8%	5.4%	-9.9%	2.9%	2.2%	-0.7%
National (Thousands)	2,674	2,677	2,677	2,676	2,686	2,686	2,683	2,684	2,663	2,660	2,682	2,711
% Ch	-0.8%	0.5%	0.0%	-0.2%	1.6%	0.0%	-0.5%	0.1%	-3.0%	-0.5%	3.5%	4.3%
FINANCIAL ACTIVITIES												
Idaho	29,990	30,284	30,361	30,660	31,046	31,206	31,344	31,001	31,356	31,362	31,433	31,518
% Ch	-1.7%	4.0%	1.0%	4.0%	5.1%	2.1%	1.8%	-4.3%	4.7%	0.1%	0.9%	1.1%
National (Thousands)	7,746	7,775	7,791	7,818	7,845	7,873	7,898	7,901	7,907	7,931	7,973	8,010
% Ch	1.3%	1.5%	0.8%	1.4%	1.4%	1.5%	1.3%	0.2%	0.3%	1.2%	2.1%	1.9%

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

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2014**

EMPLOYMENT

MANUFACTURING (continued)

	2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
NONDURABLE MANUFACTURING												
Idaho	25,648	25,826	25,905	26,196	26,324	26,423	26,548	26,623	26,774	26,810	26,897	27,041
% Ch	2.5%	2.8%	1.2%	4.6%	2.0%	1.5%	1.9%	1.1%	2.3%	0.5%	1.3%	2.2%
National (Thousands)	4,447	4,443	4,428	4,417	4,403	4,390	4,379	4,371	4,376	4,377	4,377	4,378
% Ch	-0.5%	-0.4%	-1.4%	-1.0%	-1.3%	-1.2%	-1.0%	-0.7%	0.4%	0.1%	0.0%	0.1%
FOOD PROCESSING												
Idaho	16,500	16,687	16,759	17,036	17,146	17,225	17,313	17,351	17,473	17,481	17,538	17,649
% Ch	3.9%	4.6%	1.7%	6.8%	2.6%	1.9%	2.0%	0.9%	2.8%	0.2%	1.3%	2.6%
National (Thousands)	1,471	1,476	1,476	1,477	1,476	1,475	1,473	1,474	1,482	1,489	1,494	1,499
% Ch	0.3%	1.4%	-0.1%	0.3%	-0.3%	-0.4%	-0.4%	0.2%	2.1%	1.8%	1.3%	1.3%
PRINTING												
Idaho	1,159	1,149	1,138	1,134	1,136	1,129	1,134	1,136	1,130	1,122	1,115	1,109
% Ch	-4.6%	-3.4%	-3.8%	-1.5%	0.8%	-2.4%	1.5%	0.8%	-2.2%	-2.7%	-2.6%	-2.2%
National (Thousands)	438	435	431	427	423	419	416	413	410	408	405	404
% Ch	-1.0%	-2.2%	-3.8%	-3.5%	-3.8%	-3.5%	-3.2%	-3.1%	-2.3%	-2.3%	-2.4%	-1.3%
CHEMICALS												
Idaho	2,479	2,468	2,470	2,473	2,467	2,469	2,477	2,487	2,499	2,512	2,527	2,544
% Ch	-0.3%	-1.8%	0.4%	0.4%	-1.0%	0.4%	1.3%	1.6%	1.9%	2.1%	2.4%	2.8%
National (Thousands)	806	805	803	802	799	797	796	795	796	796	797	797
% Ch	-0.2%	-0.6%	-0.9%	-0.8%	-1.2%	-0.9%	-0.8%	-0.4%	0.5%	0.2%	0.4%	0.3%
OTHER NONDURABLES												
Idaho	5,509	5,522	5,537	5,553	5,575	5,599	5,624	5,649	5,672	5,695	5,717	5,739
% Ch	0.9%	1.0%	1.1%	1.1%	1.6%	1.7%	1.8%	1.8%	1.7%	1.6%	1.6%	1.6%
National (Thousands)	1,732	1,727	1,718	1,711	1,704	1,698	1,694	1,689	1,687	1,685	1,681	1,678
% Ch	-1.3%	-1.2%	-2.1%	-1.7%	-1.5%	-1.4%	-1.0%	-1.1%	-0.4%	-0.7%	-0.8%	-0.8%
MINING												
Idaho	2,664	2,678	2,683	2,691	2,702	2,715	2,732	2,745	2,772	2,798	2,823	2,846
% Ch	3.9%	2.2%	0.7%	1.3%	1.6%	1.9%	2.5%	1.9%	4.0%	3.8%	3.6%	3.3%
National (Thousands)	889	888	888	889	892	899	909	916	924	928	932	938
% Ch	3.1%	-0.4%	-0.2%	0.6%	1.3%	3.2%	4.5%	2.9%	3.7%	1.6%	2.0%	2.3%
CONSTRUCTION												
Idaho	36,663	36,866	37,164	37,471	38,193	38,922	39,542	40,059	40,568	41,076	41,555	41,975
% Ch	3.3%	2.2%	3.3%	3.3%	7.9%	7.9%	6.5%	5.3%	5.2%	5.1%	4.7%	4.1%
National (Thousands)	6,207	6,316	6,432	6,535	6,632	6,746	6,866	6,985	7,103	7,221	7,333	7,435
% Ch	5.2%	7.2%	7.6%	6.5%	6.1%	7.0%	7.3%	7.1%	6.9%	6.8%	6.3%	5.7%
NONGOODS PRODUCING												
Idaho	564,477	567,210	570,391	573,616	576,550	579,772	582,885	585,969	589,241	592,913	596,815	600,446
% Ch	1.9%	2.0%	2.3%	2.3%	2.1%	2.3%	2.2%	2.1%	2.3%	2.5%	2.7%	2.5%
National (Thousands)	121,164	121,615	122,060	122,402	122,814	123,234	123,662	124,106	124,388	124,716	125,034	125,376
% Ch	1.6%	1.5%	1.5%	1.1%	1.4%	1.4%	1.4%	1.4%	0.9%	1.1%	1.0%	1.1%
SERVICES												
Idaho	333,723	335,741	338,059	340,618	343,197	345,641	347,866	350,082	352,435	355,178	358,037	360,603
% Ch	2.4%	2.4%	2.8%	3.1%	3.1%	2.9%	2.6%	2.6%	2.7%	3.1%	3.3%	2.9%
National (Thousands)	77,847	78,237	78,598	78,888	79,275	79,638	79,980	80,362	80,586	80,835	81,069	81,337
% Ch	2.2%	2.0%	1.9%	1.5%	2.0%	1.8%	1.7%	1.9%	1.1%	1.2%	1.2%	1.3%
INFORMATION												
Idaho	9,377	9,413	9,419	9,430	9,480	9,540	9,626	9,690	9,772	9,828	9,882	9,936
% Ch	0.7%	1.6%	0.3%	0.5%	2.1%	2.6%	3.6%	2.7%	3.4%	2.3%	2.2%	2.2%
National (Thousands)	2,734	2,719	2,742	2,759	2,734	2,712	2,714	2,719	2,723	2,726	2,724	2,720
% Ch	3.4%	-2.1%	3.3%	2.6%	-3.7%	-3.2%	0.4%	0.6%	0.6%	0.5%	-0.3%	-0.7%
FINANCIAL ACTIVITIES												
Idaho	31,556	31,658	31,719	31,874	32,054	32,244	32,383	32,621	32,869	33,098	33,307	33,506
% Ch	0.5%	1.3%	0.8%	2.0%	2.3%	2.4%	1.7%	3.0%	3.1%	2.8%	2.6%	2.4%
National (Thousands)	8,030	8,020	8,014	7,993	7,988	7,999	7,997	7,987	7,969	7,944	7,902	7,860
% Ch	1.0%	-0.5%	-0.3%	-1.0%	-0.2%	0.5%	-0.1%	-0.5%	-0.9%	-1.3%	-2.1%	-2.1%

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Forecast Begins the THIRD Quarter of 2014

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2014**

EMPLOYMENT

SERVICES (Continued)	2012				2013				2014			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TRANS., WAREHOUSING, UTILITIES												
Idaho	21,416	21,403	21,585	21,628	21,633	21,584	21,524	22,019	22,430	22,549	22,646	22,763
% Ch	2.7%	-0.2%	3.4%	0.8%	0.1%	-0.9%	-1.1%	9.5%	7.7%	2.1%	1.7%	2.1%
National (Thousands)	4,931	4,951	4,981	5,010	5,025	5,029	5,038	5,085	5,114	5,150	5,195	5,255
% Ch	3.3%	1.6%	2.4%	2.3%	1.3%	0.3%	0.7%	3.7%	2.3%	2.8%	3.5%	4.8%
PROFESSIONAL & BUSINESS												
Idaho	75,061	75,137	75,594	76,018	76,586	77,450	77,720	79,416	81,077	80,929	81,690	82,366
% Ch	0.3%	0.4%	2.5%	2.3%	3.0%	4.6%	1.4%	9.0%	8.6%	-0.7%	3.8%	3.4%
National (Thousands)	17,745	17,870	17,992	18,125	18,289	18,505	18,661	18,807	18,961	19,153	19,338	19,536
% Ch	4.5%	2.8%	2.8%	3.0%	3.7%	4.8%	3.4%	3.2%	3.3%	4.1%	3.9%	4.2%
EDUCATION & HEALTH												
Idaho	87,550	87,995	88,645	89,221	89,953	90,712	91,468	92,573	93,423	93,971	94,812	95,547
% Ch	2.3%	2.1%	3.0%	2.6%	3.3%	3.4%	3.4%	4.9%	3.7%	2.4%	3.6%	3.1%
National (Thousands)	20,545	20,645	20,720	20,875	20,953	21,064	21,154	21,230	21,293	21,417	21,545	21,660
% Ch	3.0%	2.0%	1.5%	3.0%	1.5%	2.1%	1.7%	1.5%	1.2%	2.4%	2.4%	2.1%
LEISURE & HOSPITALITY												
Idaho	60,448	60,928	61,293	61,982	62,813	63,481	63,090	64,435	65,587	66,083	66,893	67,536
% Ch	3.2%	3.2%	2.4%	4.6%	5.5%	4.3%	-2.4%	8.8%	7.3%	3.1%	5.0%	3.9%
National (Thousands)	13,645	13,705	13,806	13,930	14,073	14,197	14,298	14,411	14,494	14,595	14,658	14,720
% Ch	4.2%	1.8%	3.0%	3.7%	4.2%	3.6%	2.9%	3.2%	2.3%	2.8%	1.7%	1.7%
OTHER SERVICES												
Idaho	21,418	21,399	21,511	21,758	21,707	21,933	22,225	21,848	22,261	22,657	22,670	22,668
% Ch	-3.0%	-0.4%	2.1%	4.7%	-0.9%	4.2%	5.4%	-6.6%	7.8%	7.3%	0.2%	0.0%
National (Thousands)	5,416	5,421	5,435	5,447	5,454	5,461	5,468	5,476	5,488	5,507	5,515	5,526
% Ch	1.7%	0.4%	1.0%	0.9%	0.5%	0.5%	0.5%	0.6%	0.9%	1.4%	0.6%	0.8%
TRADE												
Idaho	104,237	104,443	105,072	105,984	106,523	107,472	108,173	108,382	109,361	110,005	110,754	111,367
% Ch	3.6%	0.8%	2.4%	3.5%	2.0%	3.6%	2.6%	0.8%	3.7%	2.4%	2.8%	2.2%
National (Thousands)	20,441	20,490	20,491	20,591	20,663	20,734	20,877	21,003	21,074	21,188	21,266	21,339
% Ch	2.0%	0.9%	0.0%	2.0%	1.4%	1.4%	2.8%	2.4%	1.3%	2.2%	1.5%	1.4%
RETAIL TRADE												
Idaho	76,793	76,752	77,129	77,795	77,899	78,855	79,407	79,555	80,235	80,782	81,349	81,808
% Ch	3.5%	-0.2%	2.0%	3.5%	0.5%	5.0%	2.8%	0.7%	3.5%	2.8%	2.8%	2.3%
National (Thousands)	14,810	14,825	14,813	14,898	14,947	15,003	15,118	15,220	15,246	15,326	15,388	15,445
% Ch	1.6%	0.4%	-0.3%	2.3%	1.3%	1.5%	3.1%	2.7%	0.7%	2.1%	1.6%	1.5%
WHOLESALE TRADE												
Idaho	27,444	27,691	27,943	28,189	28,624	28,617	28,766	28,828	29,126	29,223	29,406	29,559
% Ch	4.0%	3.7%	3.7%	3.6%	6.3%	-0.1%	2.1%	0.9%	4.2%	1.3%	2.5%	2.1%
National (Thousands)	5,631	5,665	5,679	5,693	5,716	5,731	5,760	5,784	5,828	5,862	5,878	5,894
% Ch	3.1%	2.4%	1.0%	1.0%	1.7%	1.0%	2.0%	1.7%	3.1%	2.4%	1.1%	1.1%
STATE & LOCAL GOVERNMENT												
Idaho	103,866	104,044	104,786	105,706	105,933	105,710	105,138	105,577	106,780	107,167	106,909	106,629
% Ch	-2.3%	0.7%	2.9%	3.6%	0.9%	-0.8%	-2.1%	1.7%	4.6%	1.5%	-1.0%	-1.0%
National (Thousands)	19,111	19,096	19,104	19,074	19,067	19,084	19,100	19,119	19,130	19,172	19,189	19,222
% Ch	-0.4%	-0.3%	0.2%	-0.6%	-0.2%	0.4%	0.3%	0.4%	0.2%	0.9%	0.4%	0.7%
EDUCATION												
Idaho	53,331	53,481	54,121	54,921	54,894	54,764	54,144	54,478	55,129	55,321	55,129	55,132
% Ch	-3.4%	1.1%	4.9%	6.1%	-0.2%	-0.9%	-4.5%	2.5%	4.9%	1.4%	-1.4%	0.0%
NONEDUCATION												
Idaho	50,535	50,562	50,666	50,784	51,039	50,946	50,994	51,098	51,651	51,846	51,780	51,497
% Ch	-1.2%	0.2%	0.8%	0.9%	2.0%	-0.7%	0.4%	0.8%	4.4%	1.5%	-0.5%	-2.2%
FEDERAL GOVERNMENT												
Idaho	12,679	12,535	12,580	12,771	12,604	12,341	12,302	12,409	12,133	12,128	12,115	12,101
% Ch	0.2%	-4.5%	1.4%	6.2%	-5.1%	-8.1%	-1.3%	3.5%	-8.6%	-0.1%	-0.4%	-0.5%
National (Thousands)	2,829	2,825	2,817	2,817	2,803	2,775	2,750	2,736	2,717	2,713	2,712	2,696
% Ch	-2.1%	-0.5%	-1.1%	0.0%	-2.0%	-3.8%	-3.6%	-2.0%	-2.7%	-0.6%	-0.1%	-2.3%

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

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2014**

EMPLOYMENT

SERVICES (Continued)	2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TRANS., WAREHOUSING, UTILITIES												
Idaho	22,873	22,996	23,110	23,216	23,306	23,405	23,528	23,648	23,755	23,867	23,997	24,136
% Ch	1.9%	2.2%	2.0%	1.8%	1.6%	1.7%	2.1%	2.1%	1.8%	1.9%	2.2%	2.3%
National (Thousands)	5,304	5,329	5,367	5,408	5,450	5,503	5,551	5,598	5,639	5,673	5,708	5,739
% Ch	3.8%	1.9%	2.9%	3.0%	3.2%	3.9%	3.6%	3.5%	3.0%	2.4%	2.4%	2.2%
PROFESSIONAL & BUSINESS												
Idaho	83,154	83,995	84,942	85,899	86,688	87,386	87,920	88,464	89,008	89,934	90,926	91,623
% Ch	3.9%	4.1%	4.6%	4.6%	3.7%	3.3%	2.5%	2.5%	4.2%	4.5%	4.5%	3.1%
National (Thousands)	19,721	19,889	20,095	20,265	20,448	20,623	20,799	21,005	21,133	21,222	21,327	21,435
% Ch	3.8%	3.5%	4.2%	3.4%	3.7%	3.5%	3.4%	4.0%	2.5%	1.7%	2.0%	2.0%
EDUCATION & HEALTH												
Idaho	96,237	96,944	97,722	98,494	99,341	100,199	101,048	101,808	102,623	103,489	104,369	105,250
% Ch	2.9%	3.0%	3.2%	3.2%	3.5%	3.4%	3.4%	3.0%	3.2%	3.4%	3.4%	3.4%
National (Thousands)	21,752	21,931	21,983	22,017	22,166	22,313	22,414	22,537	22,565	22,644	22,701	22,793
% Ch	1.7%	3.3%	1.0%	0.6%	2.7%	2.7%	1.8%	2.2%	0.5%	1.4%	1.0%	1.6%
LEISURE & HOSPITALITY												
Idaho	67,827	67,905	68,187	68,593	69,044	69,434	69,772	70,104	70,502	70,882	71,291	71,698
% Ch	1.7%	0.5%	1.7%	2.4%	2.7%	2.3%	2.0%	1.9%	2.3%	2.2%	2.3%	2.3%
National (Thousands)	14,781	14,836	14,891	14,946	14,982	14,976	14,987	14,993	15,034	15,103	15,184	15,267
% Ch	1.7%	1.5%	1.5%	1.5%	1.0%	-0.2%	0.3%	0.2%	1.1%	1.8%	2.2%	2.2%
OTHER SERVICES												
Idaho	22,699	22,830	22,961	23,112	23,284	23,433	23,589	23,747	23,907	24,080	24,266	24,453
% Ch	0.5%	2.3%	2.3%	2.7%	3.0%	2.6%	2.7%	2.7%	2.7%	2.9%	3.1%	3.1%
National (Thousands)	5,525	5,513	5,506	5,501	5,506	5,513	5,519	5,524	5,523	5,522	5,523	5,524
% Ch	0.0%	-0.9%	-0.5%	-0.4%	0.4%	0.5%	0.5%	0.3%	-0.1%	0.0%	0.0%	0.1%
TRADE												
Idaho	111,993	112,779	113,553	114,219	114,760	115,567	116,447	117,207	117,901	118,728	119,665	120,625
% Ch	2.3%	2.8%	2.8%	2.4%	1.9%	2.8%	3.1%	2.6%	2.4%	2.8%	3.2%	3.2%
National (Thousands)	21,381	21,418	21,475	21,486	21,495	21,524	21,567	21,592	21,591	21,602	21,616	21,620
% Ch	0.8%	0.7%	1.1%	0.2%	0.2%	0.5%	0.8%	0.5%	0.0%	0.2%	0.3%	0.1%
RETAIL TRADE												
Idaho	82,277	82,873	83,459	83,960	84,363	84,975	85,644	86,220	86,743	87,371	88,086	88,818
% Ch	2.3%	2.9%	2.9%	2.4%	1.9%	2.9%	3.2%	2.7%	2.4%	2.9%	3.3%	3.4%
National (Thousands)	15,475	15,486	15,507	15,491	15,470	15,456	15,460	15,447	15,419	15,406	15,394	15,376
% Ch	0.8%	0.3%	0.6%	-0.4%	-0.5%	-0.4%	0.1%	-0.3%	-0.7%	-0.3%	-0.3%	-0.5%
WHOLESALE TRADE												
Idaho	29,716	29,906	30,094	30,259	30,397	30,592	30,802	30,987	31,158	31,357	31,580	31,807
% Ch	2.1%	2.6%	2.5%	2.2%	1.8%	2.6%	2.8%	2.4%	2.2%	2.6%	2.9%	2.9%
National (Thousands)	5,907	5,932	5,968	5,995	6,025	6,068	6,108	6,145	6,172	6,196	6,222	6,244
% Ch	0.8%	1.7%	2.4%	1.8%	2.0%	2.9%	2.6%	2.5%	1.8%	1.6%	1.7%	1.4%
STATE & LOCAL GOVERNMENT												
Idaho	106,663	106,606	106,707	106,719	106,522	106,507	106,527	106,647	106,866	106,983	107,105	107,227
% Ch	0.1%	-0.2%	0.4%	0.0%	-0.7%	-0.1%	0.1%	0.5%	0.8%	0.4%	0.5%	0.5%
National (Thousands)	19,244	19,275	19,308	19,359	19,383	19,423	19,476	19,523	19,590	19,667	19,748	19,831
% Ch	0.5%	0.6%	0.7%	1.1%	0.5%	0.8%	1.1%	1.0%	1.4%	1.6%	1.7%	1.7%
EDUCATION												
Idaho	55,276	55,355	55,455	55,585	55,557	55,645	55,743	55,871	56,029	56,169	56,312	56,456
% Ch	1.1%	0.6%	0.7%	0.9%	-0.2%	0.6%	0.7%	0.9%	1.1%	1.0%	1.0%	1.0%
NONEDUCATION												
Idaho	51,387	51,251	51,252	51,133	50,964	50,862	50,784	50,776	50,838	50,814	50,792	50,770
% Ch	-0.9%	-1.1%	0.0%	-0.9%	-1.3%	-0.8%	-0.6%	-0.1%	0.5%	-0.2%	-0.2%	-0.2%
FEDERAL GOVERNMENT												
Idaho	12,098	12,085	12,073	12,060	12,071	12,058	12,045	12,033	12,038	12,024	12,008	11,992
% Ch	-0.1%	-0.4%	-0.4%	-0.4%	0.4%	-0.4%	-0.4%	-0.4%	0.2%	-0.5%	-0.5%	-0.5%
National (Thousands)	2,690	2,685	2,679	2,669	2,660	2,648	2,639	2,629	2,621	2,612	2,601	2,589
% Ch	-0.9%	-0.8%	-1.0%	-1.4%	-1.3%	-1.9%	-1.4%	-1.5%	-1.2%	-1.3%	-1.7%	-1.8%

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

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2014**

MISCELLANEOUS

	2012				2013				2014			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
SELECTED CHAIN-WEIGHTED DEFL.												
Gross Domestic Product	104.461	104.937	105.475	105.821	106.172	106.495	106.943	107.347	107.694	108.261	108.619	109.153
% Ch	2.1%	1.8%	2.1%	1.3%	1.3%	1.2%	1.7%	1.5%	1.3%	2.1%	1.3%	2.0%
Consumption Expenditures	105.510	105.860	106.204	106.675	106.951	107.074	107.520	107.789	108.156	108.782	109.134	109.443
% Ch	2.1%	1.3%	1.3%	1.8%	1.0%	0.5%	1.7%	1.0%	1.4%	2.3%	1.3%	1.1%
Durable Goods	97.132	96.761	96.205	95.766	95.520	95.060	94.450	93.820	93.148	92.711	92.343	92.088
% Ch	-0.8%	-1.5%	-2.3%	-1.8%	-1.0%	-1.9%	-2.5%	-2.6%	-2.8%	-1.9%	-1.6%	-1.1%
Nondurable Goods	111.386	111.407	111.925	112.595	112.232	111.477	112.316	112.075	112.230	113.229	113.529	113.373
% Ch	3.1%	0.1%	1.9%	2.4%	-1.3%	-2.7%	3.0%	-0.9%	0.6%	3.6%	1.1%	-0.5%
Services	104.941	105.526	105.973	106.541	107.122	107.641	108.154	108.759	109.390	110.097	110.607	111.179
% Ch	2.3%	2.2%	1.7%	2.2%	2.2%	2.0%	1.9%	2.3%	2.3%	2.6%	1.9%	2.1%
Consumer Price Index	2.282	2.290	2.299	2.313	2.320	2.322	2.335	2.341	2.352	2.370	2.376	2.385
% Ch	2.1%	1.4%	1.7%	2.4%	1.2%	0.4%	2.2%	1.1%	1.9%	3.0%	1.0%	1.6%
SELECTED INTEREST RATES												
Federal Funds	0.1%	0.2%	0.1%	0.2%	0.1%	0.1%	0.1%	0.1%	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	4.2%	3.9%	3.7%	3.5%	3.6%	3.6%	4.4%	4.4%	4.5%	4.3%	4.3%	4.5%
U.S. Govt. 3-Month Bills	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%
U.S. Govt. 6-Month Bills	0.1%	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	0.9%	0.8%	0.7%	0.7%	0.8%	0.9%	1.5%	1.4%	1.6%	1.7%	1.7%	1.8%
U.S. Govt. 10-Year Notes	2.0%	1.8%	1.6%	1.7%	2.0%	2.0%	2.7%	2.7%	2.8%	2.6%	2.5%	2.6%
EXCHANGE RATES (2009=1.000)												
Major Currency Trading Partners	0.938	0.955	0.961	0.952	0.977	1.003	1.005	0.998	1.016	1.009	1.024	1.042
% Ch	3.5%	7.6%	2.4%	-3.5%	10.8%	11.1%	0.9%	-2.6%	7.3%	-2.6%	5.8%	7.5%
Other Important Trading Partners	0.857	0.873	0.870	0.857	0.850	0.851	0.864	0.859	0.870	0.865	0.862	0.865
% Ch	-8.9%	7.5%	-1.2%	-5.9%	-3.4%	0.3%	6.3%	-2.3%	5.5%	-2.5%	-1.0%	1.3%
SELECTED US PRODUCTION INDICES												
Wood Products	70.1	71.3	71.0	74.1	76.9	76.4	78.3	80.8	78.4	80.9	82.0	83.1
% Ch	8.3%	6.7%	-1.9%	19.2%	15.9%	-2.7%	10.2%	13.5%	-11.2%	12.9%	6.0%	5.5%
Computers & Electronic Products	129.0	133.8	136.5	140.6	141.6	143.8	145.5	146.5	147.7	150.5	153.1	156.1
% Ch	15.2%	15.5%	8.4%	12.7%	2.7%	6.6%	4.8%	2.6%	3.4%	7.9%	6.9%	8.2%
Food	101.0	102.2	104.7	103.4	104.0	104.2	104.3	105.2	106.1	106.6	106.0	106.6
% Ch	7.2%	4.8%	9.8%	-4.7%	2.5%	0.7%	0.4%	3.4%	3.4%	1.9%	-2.0%	2.2%
Agricultural Chemicals	90.8	91.2	92.7	93.0	96.0	97.9	99.7	103.0	100.1	97.9	98.3	99.0
% Ch	1.2%	1.8%	6.6%	1.4%	13.7%	8.1%	7.4%	14.1%	-10.7%	-8.7%	1.5%	3.0%
Metal Ore Mining	98.5	96.6	97.2	103.3	99.7	97.9	100.0	96.8	99.7	102.0	101.5	101.7
% Ch	12.8%	-7.3%	2.4%	27.9%	-13.3%	-7.1%	9.0%	-12.4%	12.5%	9.6%	-1.8%	1.0%

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**IDAHO ECONOMIC FORECAST
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OCTOBER 2014**

MISCELLANEOUS

	2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
SELECTED CHAIN-WEIGHTED DEFL.												
Gross Domestic Product	109.609	110.048	110.503	110.911	111.448	111.940	112.436	112.925	113.477	113.984	114.497	115.013
% Ch	1.7%	1.6%	1.7%	1.5%	2.0%	1.8%	1.8%	1.8%	2.0%	1.8%	1.8%	1.8%
Consumption Expenditures	109.743	110.092	110.467	110.784	111.216	111.661	112.144	112.623	113.119	113.614	114.109	114.610
% Ch	1.1%	1.3%	1.4%	1.2%	1.6%	1.6%	1.7%	1.7%	1.8%	1.8%	1.8%	1.8%
Durable Goods	91.903	91.706	91.500	91.275	91.003	90.729	90.464	90.206	89.942	89.677	89.405	89.139
% Ch	-0.8%	-0.9%	-0.9%	-1.0%	-1.2%	-1.2%	-1.2%	-1.1%	-1.2%	-1.2%	-1.2%	-1.2%
Nondurable Goods	113.197	113.401	113.571	113.451	113.854	114.184	114.618	115.004	115.451	115.897	116.294	116.727
% Ch	-0.6%	0.7%	0.6%	-0.4%	1.4%	1.2%	1.5%	1.4%	1.6%	1.6%	1.4%	1.5%
Services	111.732	112.237	112.795	113.365	113.950	114.578	115.233	115.895	116.566	117.237	117.928	118.615
% Ch	2.0%	1.8%	2.0%	2.0%	2.1%	2.2%	2.3%	2.3%	2.3%	2.3%	2.4%	2.4%
Consumer Price Index	2.391	2.400	2.408	2.413	2.424	2.435	2.447	2.458	2.470	2.482	2.495	2.507
% Ch	1.0%	1.4%	1.3%	1.0%	1.8%	1.8%	2.0%	1.9%	2.0%	2.0%	2.0%	2.0%
SELECTED INTEREST RATES												
Federal Funds	0.1%	0.3%	0.5%	0.8%	1.0%	1.3%	1.7%	2.2%	2.7%	3.2%	3.7%	3.8%
NY Fed Discount	0.8%	0.8%	1.0%	1.3%	1.6%	2.0%	2.7%	3.2%	3.7%	4.2%	4.7%	4.8%
Prime	3.3%	3.3%	3.5%	3.8%	4.0%	4.3%	4.7%	5.2%	5.7%	6.2%	6.7%	6.8%
Existing Home Mortgage	5.0%	5.1%	5.3%	5.5%	5.6%	5.7%	5.9%	6.1%	6.2%	6.4%	6.5%	6.6%
U.S. Govt. 3-Month Bills	0.1%	0.3%	0.6%	0.8%	1.0%	1.3%	1.8%	2.2%	2.7%	3.1%	3.5%	3.5%
U.S. Govt. 6-Month Bills	0.2%	0.3%	0.7%	0.9%	1.2%	1.5%	2.0%	2.5%	2.9%	3.4%	3.6%	3.7%
U.S. Govt. 5-Year Notes	1.9%	2.1%	2.3%	2.4%	2.5%	2.7%	3.0%	3.4%	3.7%	3.9%	4.1%	4.2%
U.S. Govt. 10-Year Notes	2.9%	3.1%	3.3%	3.4%	3.5%	3.5%	3.7%	3.9%	4.0%	4.2%	4.3%	4.4%
EXCHANGE RATES (2009=1.000)												
Major Currency Trading Partners	1.049	1.056	1.061	1.060	1.052	1.046	1.040	1.038	1.037	1.037	1.036	1.035
% Ch	2.8%	2.5%	1.9%	-0.5%	-3.0%	-2.1%	-2.3%	-0.9%	-0.3%	0.0%	-0.4%	-0.3%
Other Important Trading Partners	0.864	0.861	0.857	0.852	0.848	0.842	0.837	0.833	0.829	0.825	0.823	0.819
% Ch	-0.6%	-1.6%	-1.9%	-2.1%	-2.0%	-2.9%	-2.1%	-2.2%	-1.5%	-2.0%	-1.3%	-1.7%
SELECTED US PRODUCTION INDICES												
Wood Products	84.5	86.1	87.7	89.3	90.9	92.3	93.2	94.0	94.4	94.1	93.7	93.4
% Ch	6.6%	7.7%	7.8%	7.5%	7.2%	6.4%	4.0%	3.3%	1.8%	-1.2%	-1.8%	-1.1%
Computers & Electronic Products	159.1	162.5	166.4	170.6	174.7	178.4	182.2	185.8	189.4	192.8	196.3	199.7
% Ch	7.7%	9.0%	10.0%	10.5%	9.9%	8.7%	8.8%	8.2%	8.0%	7.5%	7.4%	7.2%
Food	107.3	107.9	108.5	109.1	109.8	110.5	111.1	111.7	112.6	113.5	114.4	115.2
% Ch	2.4%	2.3%	2.4%	2.4%	2.4%	2.4%	2.4%	2.3%	3.1%	3.2%	3.1%	2.9%
Agricultural Chemicals	99.8	100.7	101.7	103.1	105.0	107.4	111.1	115.0	119.5	123.6	127.2	129.9
% Ch	3.3%	3.5%	4.3%	5.5%	7.7%	9.3%	14.4%	15.1%	16.5%	14.4%	12.3%	8.8%
Metal Ore Mining	102.1	102.3	102.6	103.0	103.4	103.7	104.1	104.3	104.5	104.7	104.8	104.9
% Ch	1.4%	0.9%	1.3%	1.5%	1.4%	1.4%	1.3%	1.0%	0.8%	0.5%	0.5%	0.3%

National Variables Forecast by IHS Economics
Forecast Begins the THIRD 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

$$EEA_ID = EEA_ID_GOODS + EEA_ID_NONGOODS$$

$$EEA_ID_2100 = 3209.3774504 + 18.8691226543*MOVAV(ID0IP2122_2123(-1),4) - 2126.44218861*JECIWSP/WPI10 - 1320.79539584*MOVAV(JEXCHOITPREAL(-1),2)$$

$$EEA_ID_2300 = -15413.7581271 + 288.9768619*ID0HSPRS1_A + 247.694453057*ID0HSPRS1_A(-1) + 206.412044214*ID0HSPRS1_A(-2) + 165.129635371*ID0HSPRS1_A(-3) + 123.847226529*ID0HSPRS1_A(-4) + 82.5648176857*ID0HSPRS1_A(-5) + 41.2824088428*ID0HSPRS1_A(-6) + 0.139193181464*EEA_ID_44_45 + 0.119308441255*EEA_ID_44_45(-1) + 0.0994237010458*EEA_ID_44_45(-2) + 0.0795389608367*EEA_ID_44_45(-3) + 0.0596542206275*EEA_ID_44_45(-4) + 0.0397694804183*EEA_ID_44_45(-5) + 0.0198847402092*EEA_ID_44_45(-6)$$

$$EEA_ID_3110 = 25134.0272042 + 443.676078535*MOVAV(IPSG311(-1),4) - 850.599543175*MOVAV((IPSG311/EMN311),6) - 3409.53680825*MOVAV(JEXCHOITPREAL(-1),2) + 43.7630453647*TREND$$

$$EEA_ID_3230 = 1446.53601139 + 26.5570338193*MOVAV(IPSG323,4) - 12.0802111214*MOVAV((IPSG323/EMN323),8) - 318.554461144*MOVAV(JEXCHMTPREAL(-1),2)$$

$$EEA_ID_3250 = 4263.62701288 + 6.86247411202*MOVAV(IPSG3253(-1),8) - 1907.17101781*DUM951ON - 715.555125994*MOVAV(JEXCHMTPREAL(-1),2)$$

$$EEA_ID_3320 = 1760.44880215 + 34.4315625066*MOVAV(IPSG332,2) + 10.0670222171*TREND - 1851.84269845*MOVAV(JEXCHOITPREAL(-1),2)$$

$$EEA_ID_3330 = 6518.10808191 + 0.12506292059*MOVAV(IPSG3332,8)*TREND - 23.3171440983*TREND - 1632.60867931*MOVAV(JEXCHOITPREAL(-1),4)$$

$$EEA_ID_3340 = 15660.8598532 + 236.706039904*MOVAV(IPSG334,4) - 270.904617771*MOVAV(IPSG334,8)/MOVAV(EMD334,8) - 35.7932561878*DUM991ON*IPSG334$$

$$EEA_ID_4200 = 5988.75641952 + 0.269235787694*EEA_ID_44_45$$

$$EEA_ID_44_45 = 47647.420476 + 233.894124374*MOVAV(YPADJ_ID,4)/MOVAV(JPC,4) - 530.930586925*TREND$$

$$EEA_ID_48_49_22 = -4444.04516422 + 0.651173474945*MOVAV(EEA_ID_4200,2) + 5150.06393645*MOVAV(ID0NPT(-1),8)$$

$$EEA_ID_5100 = -11121.5607322 + 83.0954947461*MOVAV(IPSG51111,4) + 101.04944098*TREND - 2199.4792214*MOVAV(JEXCHMTPREAL(-1),2)$$

$$EEA_ID_52_53 = 9622.88258284 - 3922.42184019*DUM981ON + 46.0048265705*YPADJ_ID/JPC + 138.206137741*MOVAV(ID0HSPR(-1),4)$$

$$EEA_ID_54_55_56 = -7206.35195969 + 1.7195481279*MOVAV(ID0YP(-1),4)$$

$$EEA_ID_61_62 = -42145.7007575 + 60739.2491502*MOVAV(ID0NPT,4) + 0.587617388739*MOVAV(ID0YPS(-1),2)$$

$$EEA_ID_71_72 = -4837.49918875 + 1.56690264011 * @MOVAV((ID0YP/ID0NPT),4) + 85.2810129476 * @TREND$$

$$EEA_ID_8100 = 5448.10593072 + 30.4687956873 * @MOVAV(YPADJ_ID,4) / @MOVAV(JPC,4)$$

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

$$EEA_ID_GOODS = EEA_ID_MANU + EEA_ID_2300 + EEA_ID_2100$$

$$EEA_ID_GV = EEA_ID_GVSL + EEA_ID_GVF$$

$$EEA_ID_GVF = 9910.18456238 + 94.7434620961 * GFOCWSS - 0.450059697771 * GFOCWSS * @TREND + 564.842469041 * DUMCENSUS + [AR(1)=0.554050505574]$$

$$EEA_ID_GVSL = EEA_ID_GVSLAD + EEA_ID_GVSLED$$

$$EEA_ID_GVSLAD = 8550.7996205 + 11174.9897272 * @MOVAV(ID0NPT,4) + 0.672815110477 * @MOVAV(ID0YPTXB(-4),4) + 4085.77048968 * DUM911062$$

$$EEA_ID_GVSLED = -698.518663932 + 134413.700828 * ID0NPT * ((N-N16A)/N) + 0.276262206068 * ID0YPTXB$$

$$EEA_ID_MANU = EEA_ID_DMANU + EEA_ID_NMANU$$

$$EEA_ID_MFDNEC = -3423.54622887 + 76.9466543401 * @MOVAV(IPSG339,2) + 38.5298249964 * @MOVAV(IPSG337,2) + 41.1862459639 * @MOVAV(IPSG335,2) - 2081.72894234 * @MOVAV(JEXCHMTPREAL(-1),2)$$

$$EEA_ID_MFnNEC = 1029.80249389 + 20.4494450683 * @MOVAV(IPSG322,2) - 307.079193764 * @MOVAV(JEXCHMTPREAL(-1),2) + 5.89178345884 * DUM1210N * @MOVAV(IPSG322,2) + 11.3180872081 * @TREND$$

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

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

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

$$EEA_ID_WOOD = 20370.0008233 + 83.6878780642 * @MOVAV(IPSG321,2) - 18.8411498636 * IPSG321/EMD321 - 13957.4569946 * JECIWSP/WPI08 - 3445.51877765 * @MOVAV(JEXCHOITPREAL(-1),2) - 29.0123672722 * @TREND$$

$$ID0AHEMF = -2.61067936886 + 11.7258794064 * EEA_ID_DMANU(-1)/EEA_ID_MANU(-1) * @MOVAV(JECIWSP(-1),4) + 33.1585697116 * EEA_ID_NMANU(-1)/EEA_ID_MANU(-1) * @MOVAV(JECIWSP(-1),4)$$

$$ID0CRCROP = 150158.172625 + 0.0134759155812 * CRCROP + 2344.8785578 * @TREND$$

$$ID0CRLVSTK = -2049528.49107 + 0.0299954879816 * CRCATCVS + 0.0543884196107 * CRDAIRY + 14397.3107436 * @TREND$$

$$ID0EXFP = -531124.530433 + 1372062.58423 * WPI01 + 15667.9919006 * @TREND + 0.00409776176402 * EXPUS$$$

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

$$\text{ID0HSPRS1_A} = -437.042241971 - 0.923294544041 * (\text{RMMTGEXIST}(-1) - @\text{MOVAV}(\text{RMMTGEXIST}(-1),4)) + 435.285405869 * \text{ID0KHU1}(-1) / \text{ID0KHU1}(-4) + 0.0182579317913 * @\text{TREND} * @\text{MOVAV}(\text{ID0NPT}(-1),4)$$

$$\text{ID0HSPRS2A_A} = 15.8485011319 + 35255.9415704 * (@\text{MOVAV}(\text{ID0NPT}(-1),4) - @\text{MOVAV}(\text{ID0NPT}(-5),4)) / \text{ID0KHU1} - 1.036451578 * \text{RMMTGEXIST} - 0.0689591128533 * @\text{TREND}$$

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

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

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

$$\text{ID0NB} = -7.35749833452 + 32.3733559831 * \text{ID0NPT} - 0.114070733042 * @\text{TREND}$$

$$\text{ID0ND} = 0.461723480618 + 6.95809691367 * \text{ID0NPT}$$

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

$$\text{ID0NPT} = 0.42637060347 + 2.60703346662e-07 * @\text{MOVAV}(\text{EEA_ID},4) + 0.00585155521643 * @\text{TREND}$$

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

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

$$\text{ID0WBBF\$} = -179.697789206 + 375.203799349 * \text{WPI02}$$

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

$$\text{ID0WBBMIL\$} = 20.2019177422 + 296.444187432 * (\text{ID0NPT}/\text{N}) * \text{GFMLCWSS}$$

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

$$\text{ID0WRWCC\$} = 10870.3207279 + 1402.91673803 * \text{ID0AHEMF}$$

$$\text{ID0WRWMF\$} = 11040.5819172 + 1913.54717084 * \text{ID0AHEMF}$$

$$\text{ID0WRWOTH\$} = 5156.98655141 + 1492.40083941 * \text{ID0AHEMF}$$

$$\text{ID0YDIR\$} = -27.1511160499 + 1.06734896306 * (\text{YPAINT} + \text{ZADIV} + \text{YPRENTADJ}) * @\text{MOVAV}(\text{ID0YPS}(-1),4) / @\text{MOVAV}(\text{YP}(-1),4)$$

$$\text{ID0YFC\$} = -7013.96081485 + 0.918536066567 * \text{ID0YFC\$}(-1) + 253.86993029 * @\text{TREND}$$

$$\text{ID0YINV_R\$} = 2724.47966819 + 0.66460087476 * \text{ID0YINV_R\$}(-1) + 634.157502788 * @\text{TREND}$$

$$\text{ID0YP} = \text{ID0YPS}/\text{JPC} * 100$$

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

$$\text{ID0YPC\$} = \text{ID0YP\$} / \text{ID0NPT}$$

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

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

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

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

$$\text{ID0YPRF\$} = 43.5930387704 + 0.283184904602 * (\text{ID0CRCROP} + \text{ID0CRLVSTK} + \text{ID0YTRF\$} + \text{ID0YINV_R\$} - \text{ID0YFC\$} - \text{ID0EXFP}) / 1000 + 4.01251679021 * @TREND$$

$$\text{ID0YPRNF\$} = 72.2276391705 + 4.43657588336 * \text{YPPROPADJNF}$$

$$\text{ID0YPTXB} = (\text{ID0YP\$} - \text{ID0YSIS} - \text{ID0YTR\$}) / \text{JPC} * 100$$

$$\text{ID0YRA\$} = -123.592755256 + 0.0409269480225 * \text{ID0WBB\$}$$

$$\text{ID0YSIS} = -20.0570488496 + 1.17704514314 * \text{TXSIDOM} * \text{ID0WBB\$} / \text{YPCOMPWSD}$$

$$\text{ID0YSUP\$} = 82.1958084951 + 1.5329271561 * \text{YPCOMPSUPPAI} * (\text{ID0WBB\$} / \text{YPCOMPWSD})$$

$$\text{ID0YTR\$} = -83.1196532353 + 881.28201419 * (\text{YPTRFGF} + \text{YPTRFGSL}) * (\text{ID0NPT} / \text{N})$$

$$\text{ID0YTRF\$} = 24979.5665033 + 0.00967691289549 * \text{TRF\$}$$

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

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

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