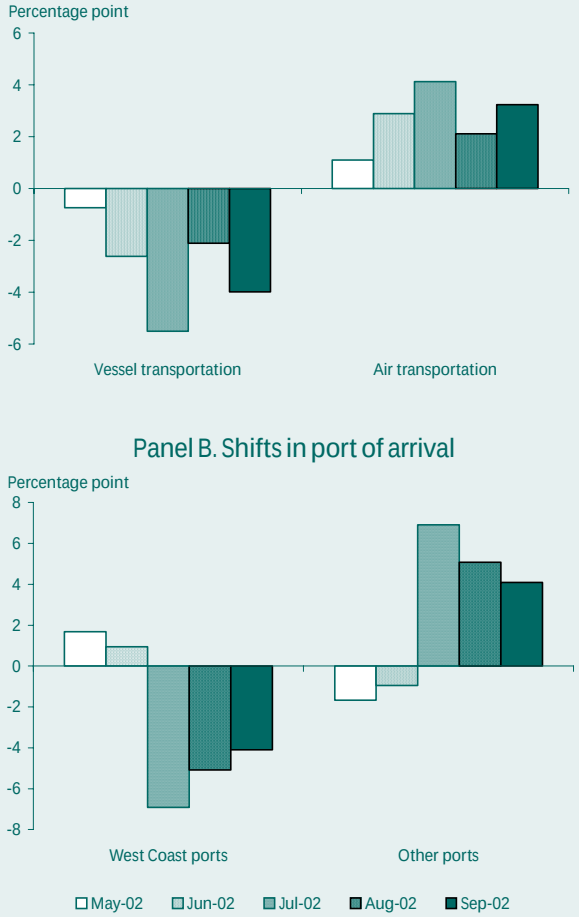
FEDERAL RESERVE BANK OF SAN FRANCISCO

# *Western* Economic Developments


## West Coast port disruptions highlight flexibility of U.S. businesses

Figure 1: Imports of holiday retail items
*(12-month change in shares)*




Note: Holiday retail items are comprised of 16 categories including toys, games, sports equipment, clothing, essential oils and perfumes, printed books, calendars, printed and illustrated cards, clocks and watches, soaps, glassware, etc.

Source: Global Trade Information Services, Inc., Census Bureau.

Although the closure of West Coast ports in October disrupted vessel traffic and increased shipping times and costs well into November, the disruptions did not stop the movement of goods into and out of the U.S. Businesses worked around the disruptions, in part, by diverting cargo to other ports and by shifting to other modes of transportation. Such work-arounds are illustrated in Figure 1, Panels A and B, which show 12-month changes in the share of holiday retail imports (in value terms) moving by vessel and air and via West Coast and other U.S. ports from May through September 2002. As Panel A shows, there was a notable shift towards air beginning in June. Panel B shows that retailers also shifted to other U.S. seaports not engaged in the contract dispute. Overall, these data confirm reports from contacts and provide some indication of why the port disruptions had a limited impact on overall economic activity. Most importantly they highlight the flexibility of the U.S. economy and underscore the ability of businesses to find solutions to short-term disruptions in supply networks.

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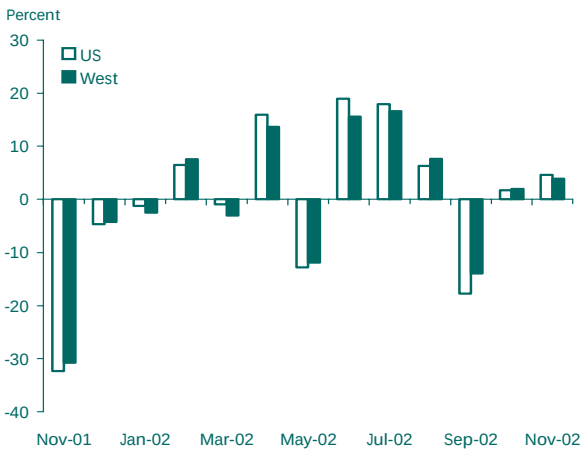
## District recovery down but not out

As in the nation, the economic recovery in the West proceeded sluggishly in recent months, with the pace of growth down from earlier in the year. The recent slowdown or "soft patch" reflects, in part, the falloff in consumer spending over the past several months. Following a robust summer, many District consumers took to the sidelines in September, spending cautiously well into November (Figure 2). Slower spending growth corresponded with the end of several zero-percent financing deals and a deterioration in consumer sentiment (as measured by the Conference Board) regarding the economic conditions in the West. Looking forward, early tallies of holiday sales indicate that District consumers may be coming back. Initial reports on store traffic and sales point to solid growth relative to last year, often above expectations.

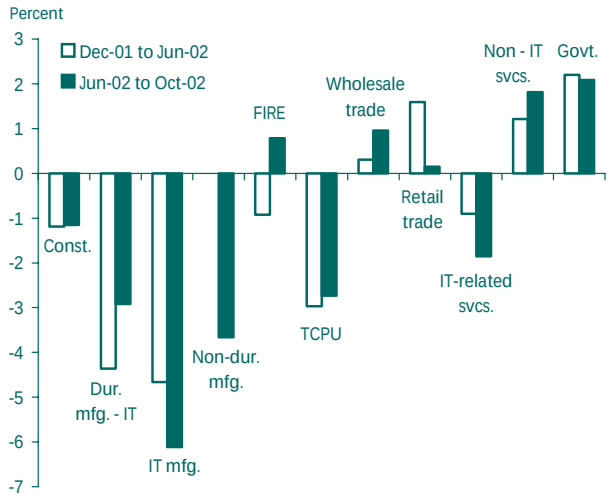
District employment remained flat in recent months (Figure 3), as slower spending growth, weaker exports, and a falloff in domestic shipments and orders of manufactured goods constrained growth. Responding to more moderate consumer spending, hiring among District retailers stalled, with little change in job counts from June to October. The pace of job cuts in information technology (IT) manufacturing and services accelerated in recent months, as companies responded to slower sales and orders growth and lower-than-expected earnings. Weaker domestic and foreign sales projections induced additional layoffs among nondurable manufacturers in the District. Greater weakness in these sectors more than offset the pickup in growth in finance, insurance, and real estate (FIRE), wholesale trade, non-IT services, and the government. Reports from District businesses suggest that job markets may be slow to recover. Caution, cost-cutting, and a focus on productivity enhancements likely will continue to constrain hiring in the near term.

Figure 2: Retail sales growth
*(month-to-month annualized change)*




Note: West includes AK, AZ, CA, CO, HI, ID, MT, NM, NV, OR, UT, WA, and WY.
Source: Bank of Tokyo-Mitsubishi, Ltd.

Figure 3: Employment in the 12th District
*(annualized growth)*




Source: Bureau of Labor Statistics.

## Commercial real estate slips further, residential cools

The slower pace of recovery further depressed conditions in commercial real estate. The release of office space by several financial and IT companies pushed office vacancies higher and lease rates lower in a number of District cities (see State Highlights section). Consistent with continued weakness, nonresidential construction awards declined in recent months, with double-digit reductions relative to earlier in the year recorded in many states. Nevada is the single exception to this trend, where construction of new hotel and gaming properties continued at a solid pace.

District residential real estate markets also cooled, but housing remains a positive for growth. Third quarter data from the Office of Federal Housing Enterprise Oversight (OFHEO) show that District home prices rose 6.1% at an annual rate between the second and third quarters (Figure 4).[1] In the U.S. as a whole, home prices rose 3.4%. Across District

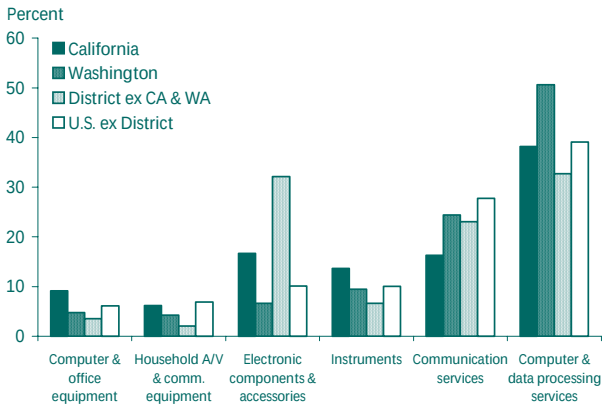
1 Data are from OFHEO repeat sales index. Growth rates are annualized percent changes from the previous quarter.

Figure 4: Nominal house price appreciation
*(percent change from previous quarter)*


* Weighted average using quarter-end nonagricultural employment statistics.

Source: Office of Federal Housing Enterprise Oversight.

Figure 5: Industry employment as a share of all IT employment




Source: U.S. Bureau of Labor Statistics, Covered Employment and Wages.

states, Alaska, Arizona, Utah, and Washington posted slower home price appreciation than the nation.

## District IT advantage holds

The District's large concentration of IT firms made it quite vulnerable to the nationwide downturn in the technology sector. However, with the exception of the computer services sector, the District IT sector has lost jobs at a slower pace than the IT sector in the rest of the U.S., maintaining its relative advantage in IT-related production.

### *IT sector composition*

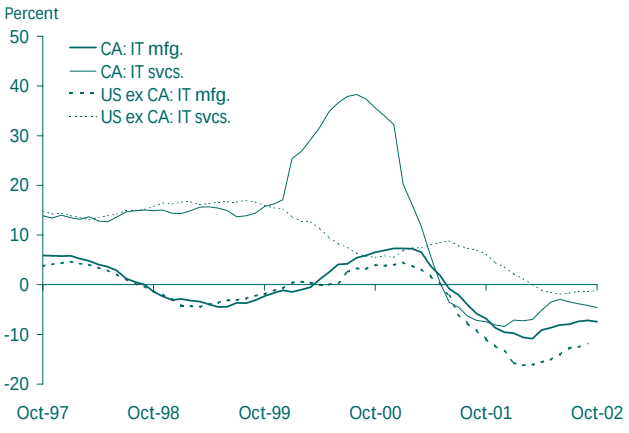
Measured by employment or payroll, IT accounts for a larger share of economic activity in the District than in the rest of the nation. The IT share of nonagricultural employment is about 50% higher in the District than in the rest of the nation (6.1% versus 4.1%), and the IT share of nonagricultural payrolls is about twice as high in the District (14.6% versus 7.5%). Within the District, California and Washington have the greatest economic dependence on the IT sector (measured in terms of the IT share of total payrolls), although Arizona, Idaho, Oregon, and Utah each has a higher IT share of employment and payrolls than does the rest of the nation (see High-tech Watch charts).

The distribution of activities within the IT sector varies between the District and the rest of the nation, and across District states (Figure 5). Following unusually rapid growth in computer services employment during the late 1990s, in the year 2000 IT services (computer and communications) accounted for about half or more of IT employment in most parts of the nation. However, with the notable exception of Washington, computer services accounts for a slightly smaller share of IT employment in the District than in the rest of the nation. Within the manufacturing segment of the IT sector, the District is distinguished by a greater share of computer and office equipment manufacturing (mainly in California) and by its large share of electronic components manufacturing (outside of California and Washington).

### *Growth performance*

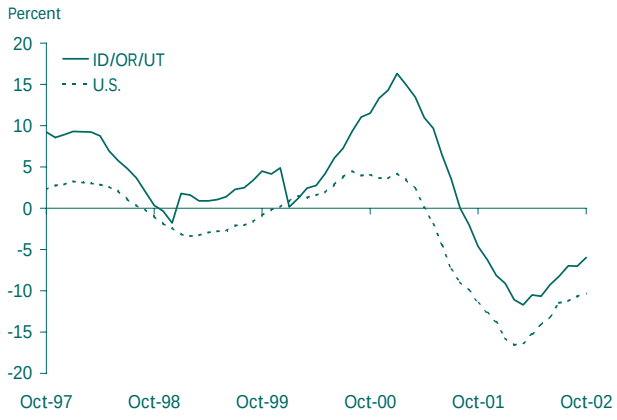
Using monthly data, it is possible to measure overall IT employment in California and the rest of the U.S. based on a definition that is nearly as comprehensive and precise as in the yearly employment data discussed above (the analyses that follow exclude communications services from the definition of the IT sector). A breakdown of overall IT employment growth into its separate manufacturing and services components reveals a very large growth swing in the IT services sector in California (Figure 6). Growth in this sector in California surged in the year 2000, then plummeted during the downturn, falling well below the growth rate in IT services in the rest of the nation until the last few months. This reflects California's greater exposure to the Internet and dot-com bust, especially in the San Francisco Bay Area. The boom-and-bust cycle in computer services implies that California's overall IT sector has declined more than the IT sector in the rest of the nation. However, this largely reflects a fall from the giddy heights of the Internet boom rather than any underlying weakness (relative to the rest of the nation) in other segments of California's computer services sector. Washington also saw a boom-and-

Figure 6: Broad sector IT employment
*(percent change over year earlier)*




Source: U.S. Bureau of Labor Statistics, Current Employment Statistics, and California Employment Development Department.

Figure 7: Electronic and electric equipment employment
*(percent change over year earlier)*




Source: U.S. Bureau of Labor Statistics, Current Employment Statistics.

bust cycle in its computer services sector, although it was less pronounced than in California.

In contrast to the pattern in the services sector, California's IT manufacturing sector grew somewhat more rapidly than IT manufacturing in the rest of the nation during the year 2000, and it has declined less rapidly during the subsequent downturn (Figure 6). This likely reflects the underlying composition of California's IT manufacturing establishments, which are more focused on research and development and executive functions, compared to a preponderance of cyclically sensitive production facilities in other states.

Reasonably comprehensive and precise IT employment data are not available for Twelfth District states other than California. However, some information about the relative performance of these states' IT sectors during the downturn can be inferred by examining employment growth among manufacturers of electronic and other electrical equipment. Although this sector includes products not generally considered to be high tech, it contains the electronic components and accessories sector, which in turn contains the semiconductor makers and related manufacturers that are critical to the IT sector in some District states outside of California. Figure 7 compares growth in this sector in the U.S. as a whole to the sum for Idaho, Oregon, and Utah. As in California, the IT manufacturing sector in other District states expanded more rapidly during the boom and contracted less rapidly during the downturn than did IT manufacturing in the rest of the nation.

## Capital expenditure plans stable for 2003

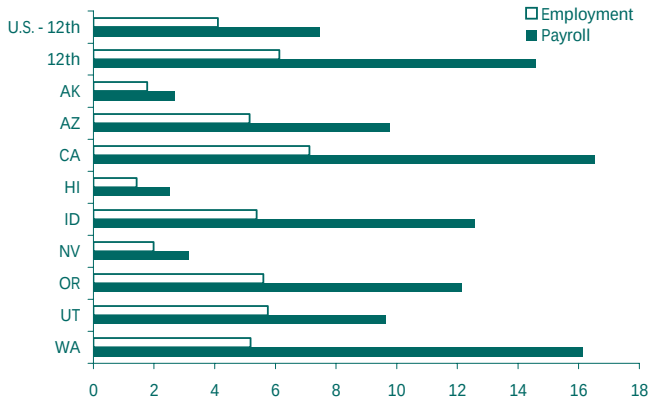
A recent survey of District businesses about planned capital expenditures in 2003 indicated little change overall in capital investment budgets relative to 2002. Sales expectations and cash flow considerations were cited as the most important determinants of 2003 investment plans, with optimistic and profitable firms increasing capital budgets and pessimistic and profit-challenged firms holding steady or cutting back on expenditures. Among the firms planning to increase capital budgets, many noted capacity constraints as a motivating factor. A lack of compelling projects or "must have" technologies was cited as a factor restraining capital spending in 2003. Few District contacts mentioned tax incentives as having a significant influence on 2003 capital budgets.

Capital investments in 2003 reportedly will be focused on improving near-term productivity and will be dominated by equipment replacement and technology upgrades. A number of businesses indicated that they will spend an increased share of their investment dollars purchasing discounted capital assets released by other businesses. Finally, contacts noted that the pace of their IT investment has slowed in recent years, largely due to the extended life of IT equipment and software.

Contributions by Mary Daly, Rob Valletta, Lily Hsueh, Geoffrey MacDonald, and Jackie Yuen, Financial and Regional Studies, FRBSF. Interim updates to the statistical charts are available only online at http://www.frbsf.org/publications/economics/wed/index.html

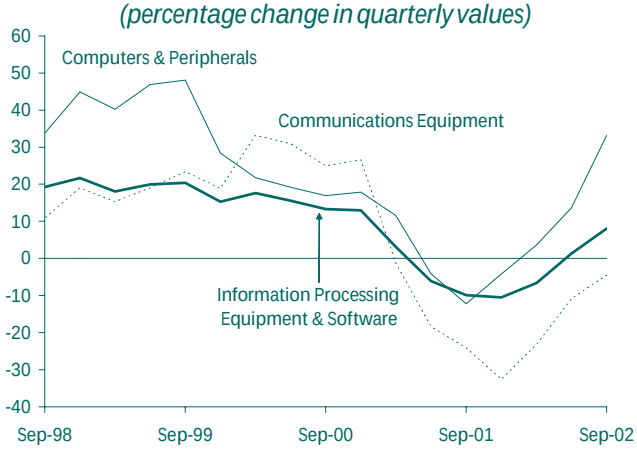
# High-tech Watch

## IT share of District employment and payroll



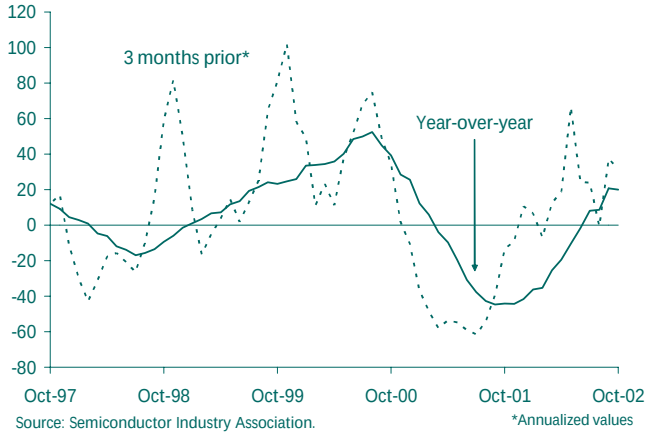

Source: Bureau of Labor Statistics.

## Business investment in technology products by U.S. firms
*(percentage change in quarterly values)*




Source: Bureau of Economic Analysis.

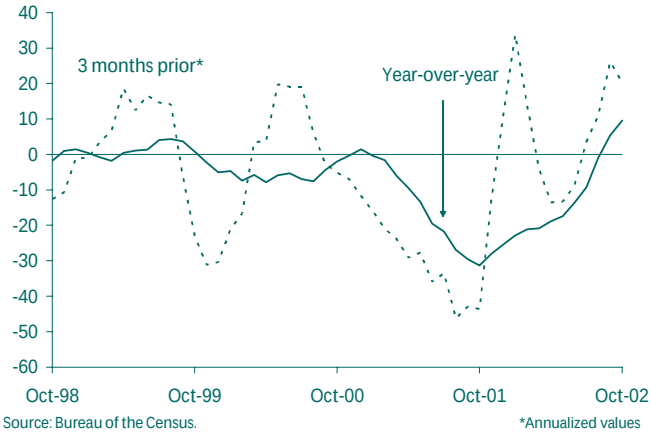
## Monthly semiconductor sales by U.S. firms
*(percent change in 3-month moving averages)*




Source: Semiconductor Industry Association.

*Annualized values

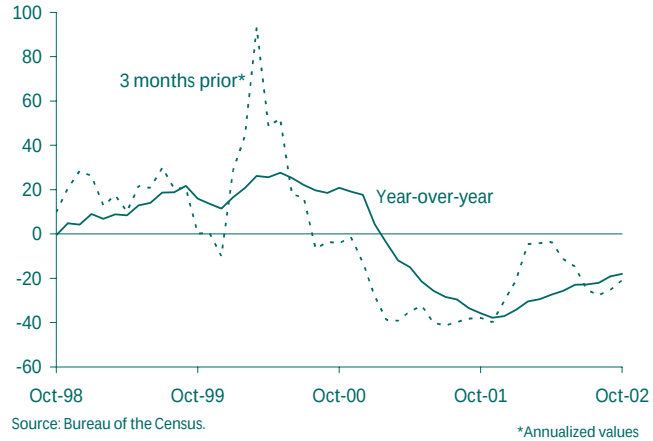
## Shipments of computers and related products by U.S. firms
*(percent change in 3-month moving averages)*




Source: Bureau of the Census.

*Annualized values

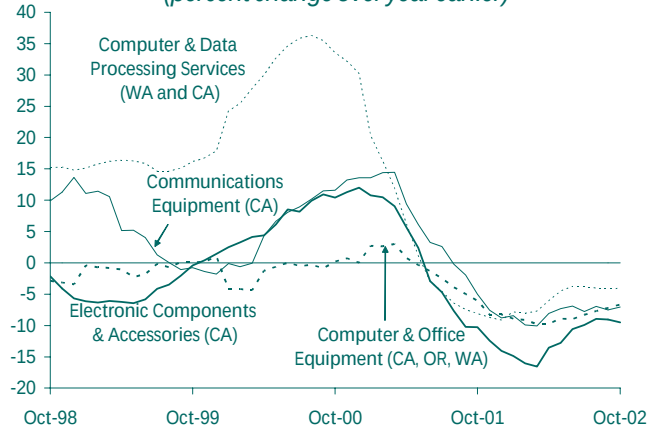
## Shipments of communications equipment by U.S. firms
*(percent change in 3-month moving averages)*




Source: Bureau of the Census.

*Annualized values

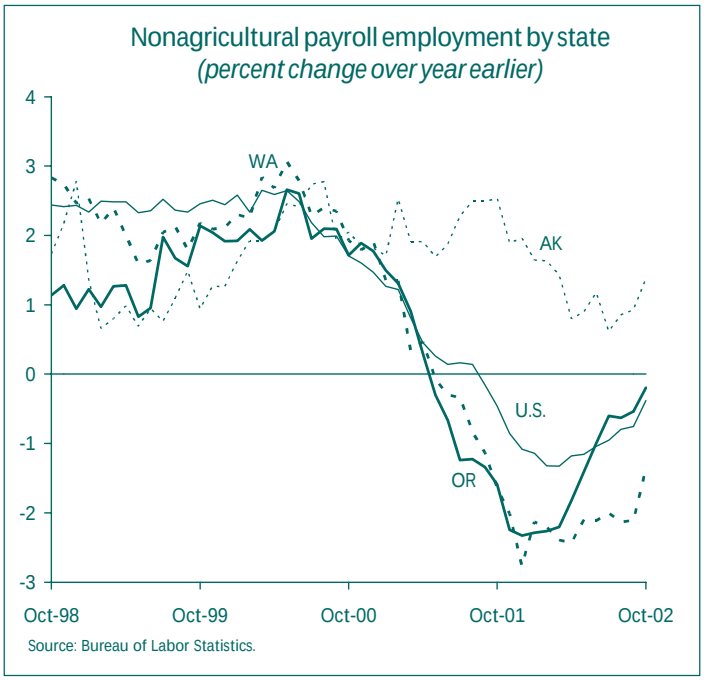
## High-tech job growth
*(percent change over year earlier)*

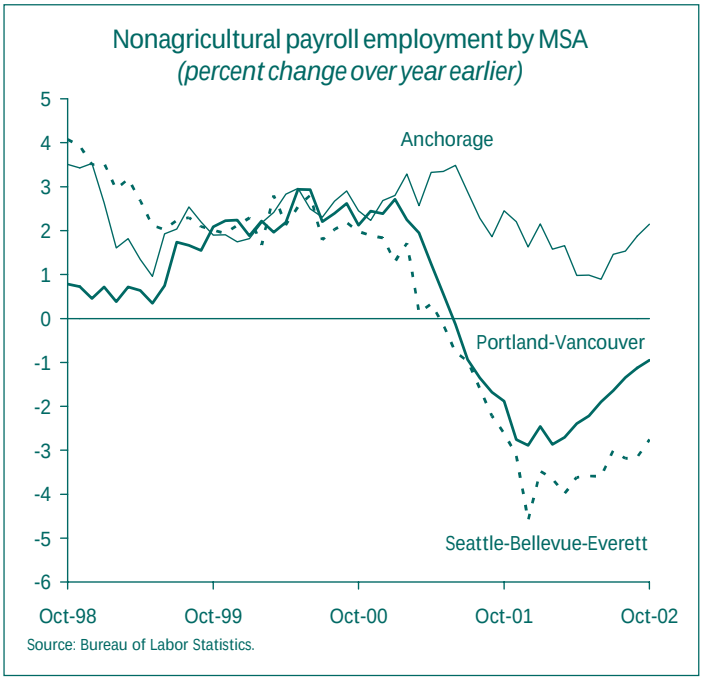



Source: Bureau of Labor Statistics.

# STATE HIGHLIGHTS

# Alaska • Oregon • Washington




## Employment by Industry

| | Total Employed (thousands) | Percent Change | | | |
|---|---|---|---|---|---|
| | Oct-02 | 1-mo.[a] | 3-mo.[a] | YTD[a] | 12-mo. |
| **Alaska** | | | | | |
| Total | 295.4 | 2.9 | 2.9 | 1.6 | 1.4 |
| Mining | 9.6 | 0.0 | -18.4 | -9.2 | -9.4 |
| Construction | 15.5 | -14.3 | 8.1 | 5.7 | 4.7 |
| Manufacturing | 14.0 | 41.6 | 12.3 | 7.3 | -0.7 |
| T.C.P.U. | 27.5 | -4.3 | -2.9 | -2.6 | -2.1 |
| Trade | 59.6 | 4.1 | 5.6 | 1.6 | 1.4 |
| F.I.R.E. | 12.9 | 20.6 | 6.4 | 0.0 | 1.6 |
| Services | 75.8 | 0.0 | 6.0 | 3.4 | 3.4 |
| Government | 80.5 | 3.0 | 0.0 | 1.5 | 1.9 |
| **Oregon** | | | | | |
| Total | 1,584.0 | 2.2 | 0.3 | 0.3 | -0.2 |
| Mining | 1.6 | -51.7 | -21.5 | -7.0 | -11.1 |
| Construction | 73.8 | 8.5 | 5.0 | -1.3 | -2.3 |
| Manufacturing | 228.7 | 9.9 | 1.6 | 0.2 | -1.5 |
| T.C.P.U. | 76.8 | -4.6 | -4.1 | -1.8 | -2.3 |
| Trade | 389.6 | 3.1 | -0.2 | 0.5 | 0.1 |
| F.I.R.E. | 96.4 | 3.8 | 2.5 | 1.5 | 0.8 |
| Services | 446.5 | 0.0 | -0.4 | 0.5 | 0.6 |
| Government | 270.6 | -1.3 | 0.6 | 0.5 | 0.1 |

| | Total Employed (thousands) | Percent Change | | | |
|---|---|---|---|---|---|
| | Oct-02 | 1-mo.[a] | 3-mo.[a] | YTD[a] | 12-mo. |
| **Washington** | | | | | |
| Total | 2,640.6 | 3.5 | -1.1 | -0.7 | -1.4 |
| Mining | 3.1 | 48.2 | 0.0 | -3.7 | -6.1 |
| Construction | 145.9 | 0.0 | 2.8 | -0.4 | -2.7 |
| Manufacturing | 301.6 | -3.1 | -10.2 | -7.2 | -8.9 |
| T.C.P.U. | 135.2 | -6.0 | -4.6 | -4.9 | -6.2 |
| Trade | 621.7 | -0.4 | -2.3 | -0.5 | -1.1 |
| F.I.R.E. | 144.4 | 6.0 | 2.8 | 0.4 | 0.6 |
| Services | 770.3 | 7.8 | 1.0 | 0.9 | 0.5 |
| Government | 518.4 | 9.0 | 1.6 | 1.7 | 1.5 |

**Unemployment Rates (%)**

| | Oct-02 | Sep-02 | Aug-02 | Jul-02 | Oct-01 |
|---|---|---|---|---|---|
| Alaska | 6.8 | 7.5 | 7.3 | 6.7 | 6.1 |
| Oregon | 7.0 | 6.8 | 7.0 | 7.3 | 7.2 |
| Washington | 6.7 | 7.4 | 7.2 | 7.1 | 6.9 |
| U.S. | 5.7 | 5.6 | 5.7 | 5.9 | 5.4 |

Unemployment rates are from the household employment survey; all other data are for nonagricultural payroll employment. All data are seasonally adjusted.
[a] Annualized.

Source: Bureau of Labor Statistics.

## Residential permits—October 2002

| | 3-mo. average number | Moving average percent change 3-mo.[a] | 12-mo.[a] |
|---|---|---|---|
| Alaska | 295.5 | 28.9 | 13.9 |
| Oregon | 1,849.6 | -7.1 | 2.4 |
| Washington | 3,514.6 | -3.6 | -4.6 |

Source: Bureau of the Census.

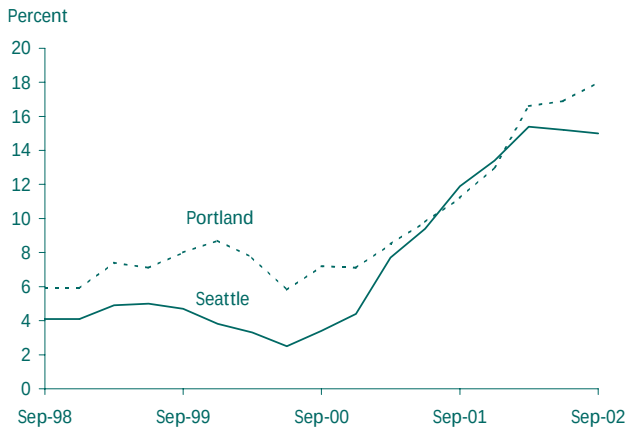
## Non-residential construction awards—October 2002

| | 3-mo. average $ millions | Moving average percent change 3-mo.[a] | 12-mo.[a] |
|---|---|---|---|
| Alaska | 38.4 | -52.5 | 9.4 |
| Oregon | 122.8 | -39.1 | -14.5 |
| Washington | 319.8 | -1.8 | -19.5 |

[a] Underlying data are seasonally adjusted moving averages.

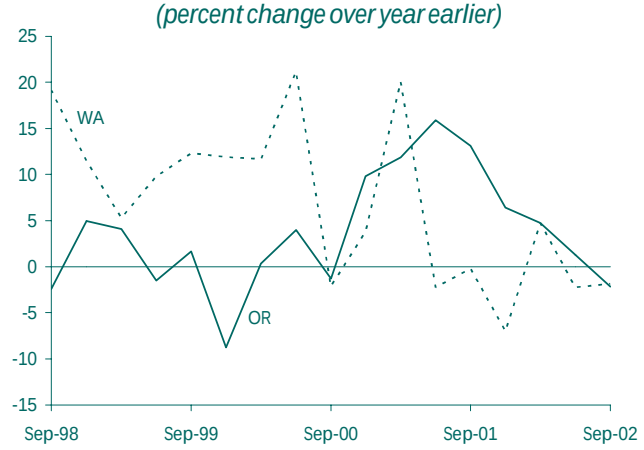
Source: F.W. Dodge.

## Metro area office vacancy rates



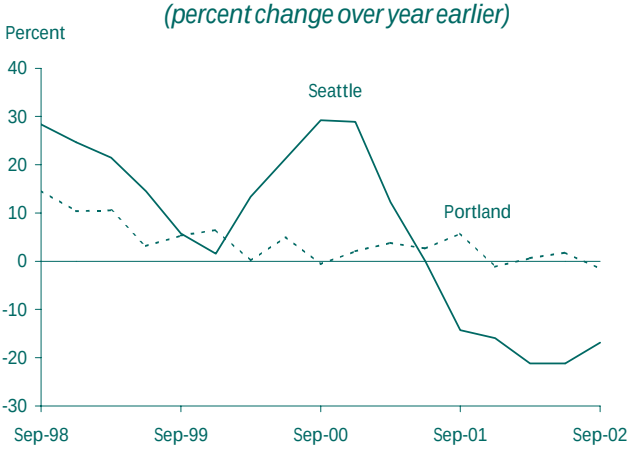

Source: Torto Wheaton Research.

## Sales of existing homes
*(percent change over year earlier)*



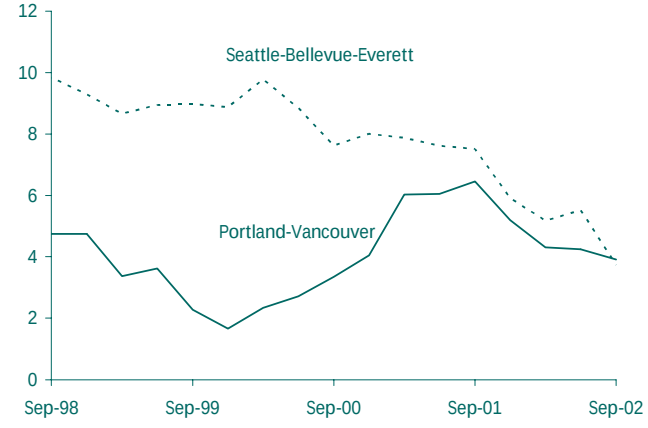

Source: National Association of Realtors.

## Metro area office gross rents
*(percent change over year earlier)*




Source: Torto Wheaton Research.

## Home price index
*(percent change over year earlier)*




Source: Office of Federal Housing Enterprise Oversight.

## Export update

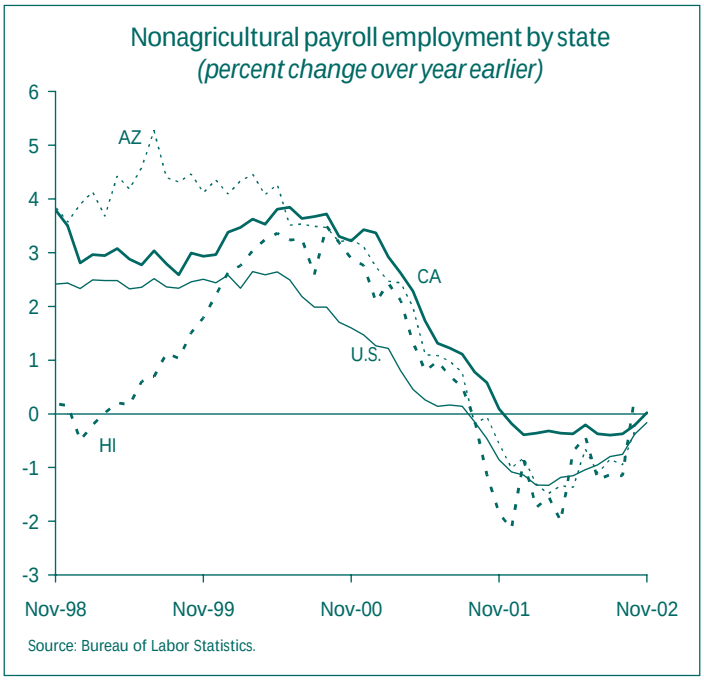
| | $ billions 2001 | September* | 12 - month Percent Change 2000 | 2001 | September* |
|---|---|---|---|---|---|
| Alaska | 2.4 | 2.0 | -5.6 | -2.0 | 4.7 |
| Oregon | 8.0 | 6.8 | 6.6 | -24.0 | 13.8 |
| Washington | 33.9 | 25.4 | -13.1 | 8.5 | -0.8 |

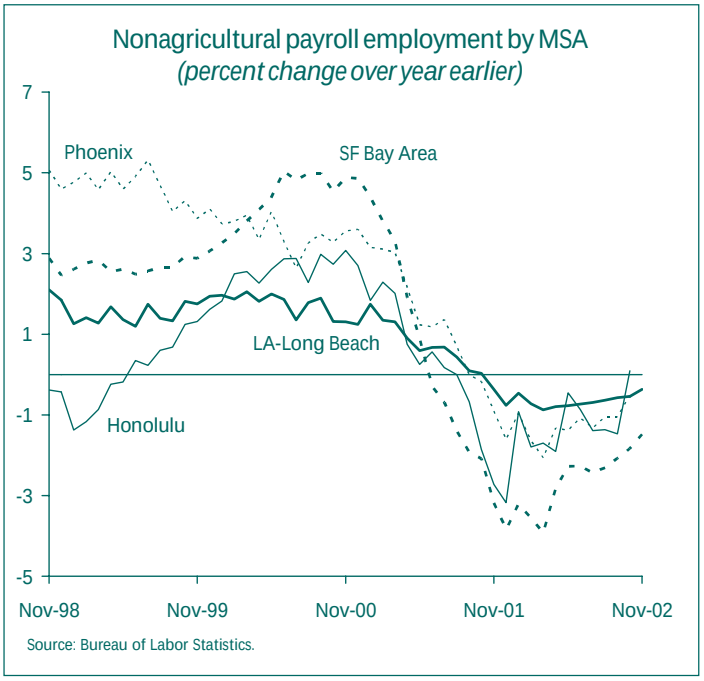
* Indicate year-to-date values.

Source: Census FT900 Supplement, Origin of Movement Series.

# STATE HIGHLIGHTS

# Arizona • California • Hawaii




## Employment by Industry

| | Total Employed (thousands) | Percent Change | | | |
|---|---|---|---|---|---|
| | Oct-02 | 1-mo.[a] | 3-mo.[a] | YTD[a] | 12-mo. |
| **Arizona** | | | | | |
| Total | 2,252.3 | 9.2 | 1.3 | 0.3 | -0.3 |
| Mining | 8.5 | 15.3 | 0.0 | -7.9 | -8.6 |
| Construction | 160.7 | 10.2 | 9.2 | 0.4 | -1.5 |
| Manufacturing | 192.6 | -1.2 | -4.0 | -5.7 | -6.1 |
| T.C.P.U. | 105.0 | 13.5 | -0.8 | -3.6 | -4.2 |
| Trade | 533.3 | -1.3 | -3.9 | -0.4 | -0.3 |
| F.I.R.E. | 148.8 | 0.8 | -0.3 | -2.0 | -1.7 |
| Services | 713.8 | 7.7 | 5.4 | 2.5 | 1.2 |
| Government | 389.6 | 37.5 | 2.3 | 2.6 | 2.4 |
| **Hawaii** | | | | | |
| Total | 551.9 | 3.8 | 1.5 | 1.4 | 0.3 |
| Mining | . | . | . | . | . |
| Construction | 24.5 | 10.3 | -1.6 | 2.5 | 5.2 |
| Manufacturing | 17.4 | -12.8 | -6.6 | -2.0 | -1.7 |
| T.C.P.U. | 38.6 | -3.1 | -5.0 | 0.9 | -5.9 |
| Trade | 133.1 | 3.7 | 2.4 | 0.6 | -0.8 |
| F.I.R.E. | 33.0 | 0.0 | -1.2 | 0.7 | 0.3 |
| Services | 186.9 | 1.3 | 3.9 | 2.2 | 1.2 |
| Government | 118.4 | 13.0 | 1.4 | 1.6 | 1.8 |

| | Total Employed (thousands) | Percent Change | | | |
|---|---|---|---|---|---|
| | Nov-02 | 1-mo.[a] | 3-mo.[a] | YTD[a] | 12-mo. |
| **California** | | | | | |
| Total | 14,647.0 | -0.9 | -0.4 | -0.1 | 0.0 |
| Mining | 23.6 | 5.2 | 5.3 | -2.3 | -2.5 |
| Construction | 751.3 | -2.8 | -2.9 | -1.4 | -1.1 |
| Manufacturing | 1,784.5 | -6.3 | -4.9 | -3.5 | -3.4 |
| T.C.P.U. | 713.4 | -2.5 | -2.0 | -3.1 | -3.1 |
| Trade | 3,371.7 | -0.4 | 0.1 | 1.2 | 1.0 |
| F.I.R.E. | 850.9 | 3.4 | 4.1 | 0.0 | 0.0 |
| Services | 4,679.5 | -1.0 | 0.7 | -0.2 | 0.1 |
| Government | 2,472.1 | 2.6 | -0.3 | 2.4 | 2.4 |

**Unemployment Rates (%)**

| | Oct-02 | Sep-02 | Aug-02 | Jul-02 | Oct-01 |
|---|---|---|---|---|---|
| Arizona | 5.7 | 5.7 | 5.7 | 6.0 | 5.3 |
| Hawaii | 4.0 | 4.2 | 4.0 | 4.3 | 5.4 |
| U.S. | 5.7 | 5.6 | 5.7 | 5.9 | 5.4 |

| | Nov-02 | Oct-02 | Sep-02 | Aug-02 | Nov-01 |
|---|---|---|---|---|---|
| California | 6.4 | 6.5 | 6.4 | 6.4 | 6.1 |

Unemployment rates are from the household employment survey; all other data are for nonagricultural payroll employment. All data are seasonally adjusted.

Source: Bureau of Labor Statistics.

## Residential permits—October 2002

| | 3-mo. average number | Moving average percent change 3-mo.[a] | 12-mo.[a] |
|---|---|---|---|
| Arizona | 5,818.6 | 3.2 | 5.6 |
| California | 14,663.6 | 21.8 | 6.7 |
| Hawaii | 544.7 | 19.1 | 6.3 |

Source: Bureau of the Census.

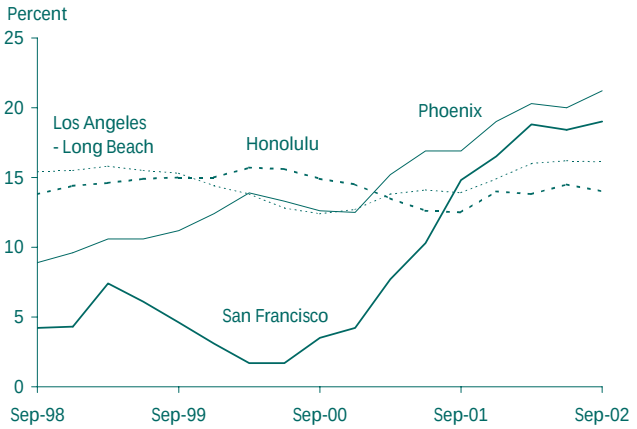
## Non-residential construction awards—October 2002

| | 3-mo. average $ millions | Moving average percent change 3-mo.[a] | 12-mo.[a] |
|---|---|---|---|
| Arizona | 264.7 | -22.5 | -16.9 |
| California | 1,263.3 | -3.9 | -22.5 |
| Hawaii | 15.2 | -39.3 | -18.2 |

[a] Underlying data are seasonally adjusted moving averages.

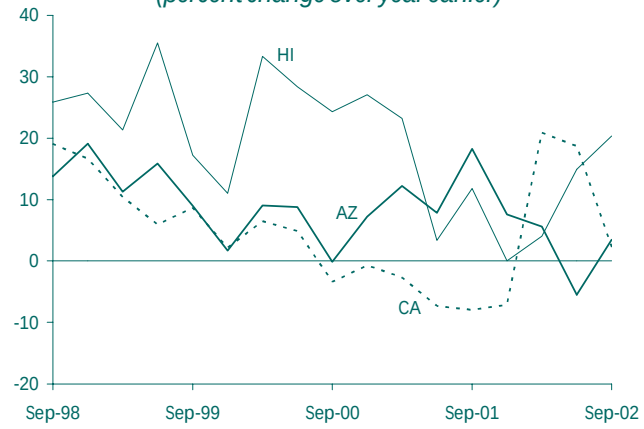
Source: F.W. Dodge.

## Metro area office vacancy rates



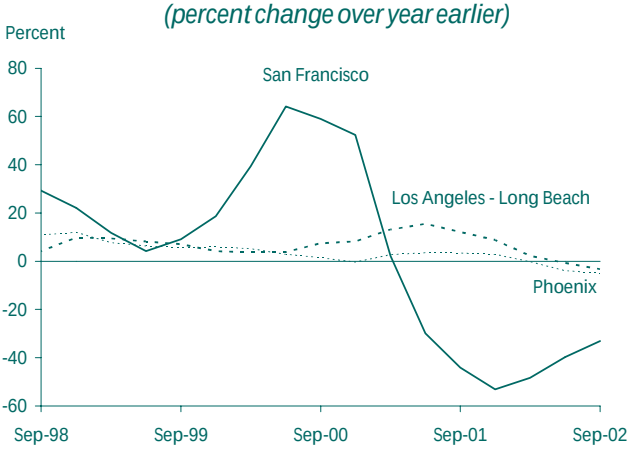

Source: Torto Wheaton Research.

## Sales of existing homes
*(percent change over year earlier)*



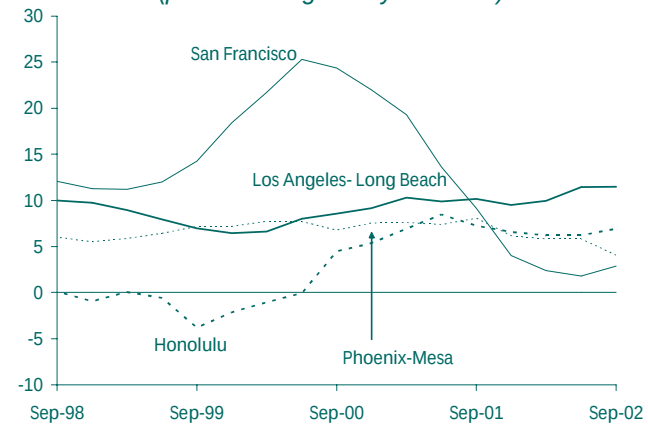

Source: National Association of Realtors.

## Metro area office gross rents
*(percent change over year earlier)*




Source: Torto Wheaton Research.

## Home price index
*(percent change over year earlier)*




Source: Office of Federal Housing Enterprise Oversight.

## Export update

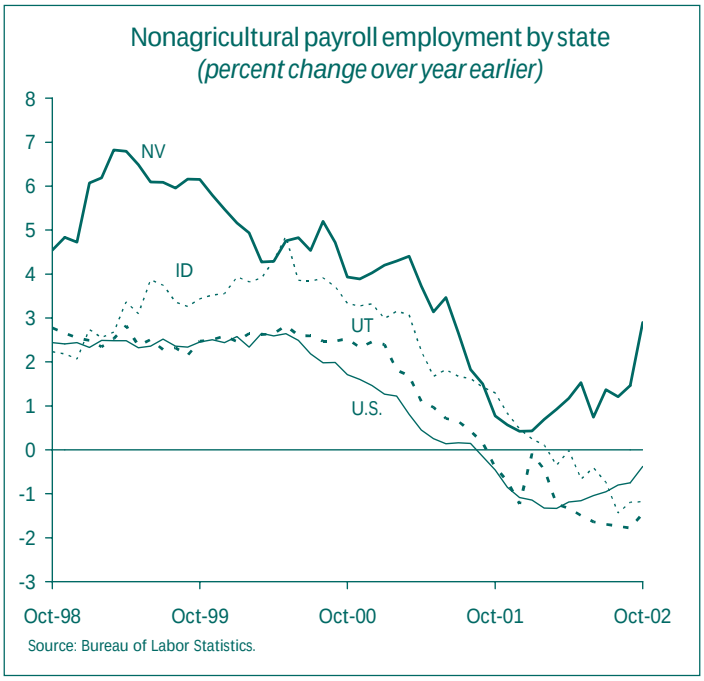
| | $ billions 2001 | September* | 12 - month Percent Change 2000 | 2001 | September* |
|---|---|---|---|---|---|
| Arizona | 11.1 | 7.9 | 19.0 | -15.6 | -8.5 |
| California | 90.7 | 58.2 | 19.5 | -10.2 | -16.9 |
| Hawaii | 0.3 | 0.3 | 33.4 | 8.8 | 32.6 |

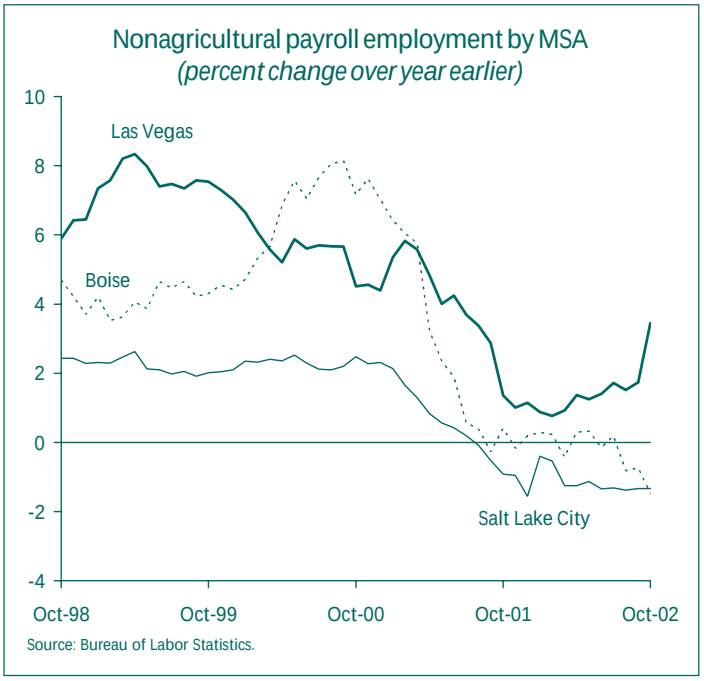
* Indicate year-to-date values.

Source: Census FT900 Supplement, Origin of Movement Series.

# STATE HIGHLIGHTS

# Idaho • Nevada • Utah




## Employment by Industry

| | Total Employed (thousands) | Percent Change | | | |
|---|---|---|---|---|---|
| | Oct-02 | 1-mo.[a] | 3-mo.[a] | YTD[a] | 12-mo. |
| **Idaho** | | | | | |
| Total | 563.1 | -0.2 | -2.0 | -1.2 | -1.2 |
| Mining | 1.8 | 98.6 | 25.7 | 7.1 | -10.0 |
| Construction | 33.6 | -3.5 | -13.1 | -11.8 | -9.9 |
| Manufacturing | 71.5 | 3.4 | 6.4 | -1.8 | -3.4 |
| T.C.P.U. | 27.1 | 0.0 | -4.3 | -3.0 | -2.5 |
| Trade | 140.1 | -3.4 | -1.4 | 0.6 | -0.1 |
| F.I.R.E. | 24.7 | 0.0 | -3.2 | 0.0 | 0.8 |
| Services | 153.3 | 4.0 | 1.3 | 0.1 | 0.9 |
| Government | 111.0 | -4.2 | -8.2 | -1.3 | -0.8 |
| **Nevada** | | | | | |
| Total | 1,076.8 | 9.4 | 2.3 | 3.1 | 2.9 |
| Mining | 8.8 | -23.6 | -8.6 | -9.9 | -10.2 |
| Construction | 93.6 | 3.9 | 1.3 | 4.7 | 3.7 |
| Manufacturing | 46.3 | 5.3 | 1.7 | 1.6 | 1.1 |
| T.C.P.U. | 57.8 | 13.3 | 2.8 | 2.8 | 2.1 |
| Trade | 227.3 | 0.0 | -0.2 | 2.9 | 2.4 |
| F.I.R.E. | 51.9 | 0.0 | 1.6 | 4.3 | 3.4 |
| Services | 458.9 | 14.0 | 2.8 | 3.0 | 3.3 |
| Government | 132.2 | 21.2 | 6.3 | 3.9 | 3.7 |

| | Total Employed (thousands) | Percent Change | | | |
|---|---|---|---|---|---|
| | Oct-02 | 1-mo.[a] | 3-mo.[a] | YTD[a] | 12-mo. |
| **Utah** | | | | | |
| Total | 1,063.4 | 1.1 | -0.6 | -1.2 | -1.5 |
| Mining | 7.2 | 18.3 | 0.0 | -7.7 | -7.7 |
| Construction | 65.0 | -1.8 | -3.6 | -9.7 | -9.8 |
| Manufacturing | 119.9 | -4.9 | 0.0 | -3.0 | -4.0 |
| T.C.P.U. | 57.4 | 4.3 | -0.7 | -2.1 | -3.9 |
| Trade | 245.1 | -2.9 | -0.7 | -1.1 | -1.8 |
| F.I.R.E. | 59.3 | -2.0 | 0.0 | -1.6 | -1.3 |
| Services | 314.1 | 9.6 | -2.9 | 0.0 | 0.0 |
| Government | 195.4 | -2.4 | 3.6 | 2.1 | 2.4 |

**Unemployment Rates (%)**

| | Oct-02 | Sep-02 | Aug-02 | Jul-02 | Oct-01 |
|---|---|---|---|---|---|
| Idaho | 5.5 | 5.4 | 5.3 | 5.4 | 5.1 |
| Nevada | 4.5 | 4.9 | 5.0 | 5.4 | 6.6 |
| Utah | 5.1 | 5.3 | 5.0 | 5.2 | 4.8 |
| U.S. | 5.7 | 5.6 | 5.7 | 5.9 | 5.4 |

Unemployment rates are from the household employment survey; all other data are for nonagricultural payroll employment. All data are seasonally adjusted.
[a] Annualized.
Source: Bureau of Labor Statistics.

## Residential permits—October 2002

| | 3-mo. average number | Moving average percent change 3-mo.[a] | 12-mo.[a] |
|---|---|---|---|
| Idaho | 1,179.3 | 33.4 | 1.4 |
| Nevada | 2,843.1 | -14.8 | -6.2 |
| Utah | 1,584.6 | -6.0 | 7.9 |

Source: Bureau of the Census.

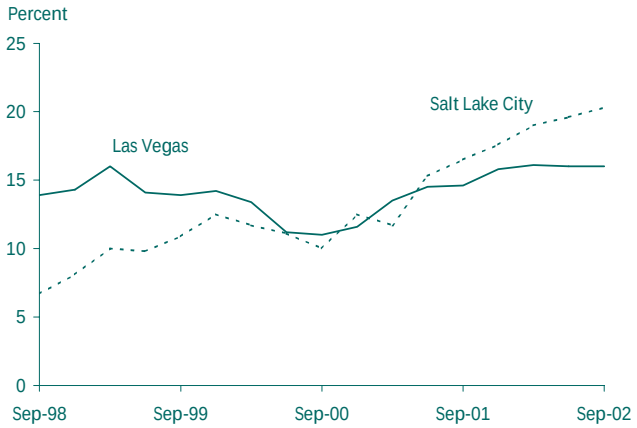
## Non-residential construction awards—October 2002

| | 3-mo. average $ millions | Moving average percent change 3-mo.[a] | 12-mo.[a] |
|---|---|---|---|
| Idaho | 41.3 | -22.2 | -16.4 |
| Nevada | 174.3 | 8.3 | -1.7 |
| Utah | 107.4 | -22.5 | 5.8 |

[a] Underlying data are seasonally adjusted moving averages.

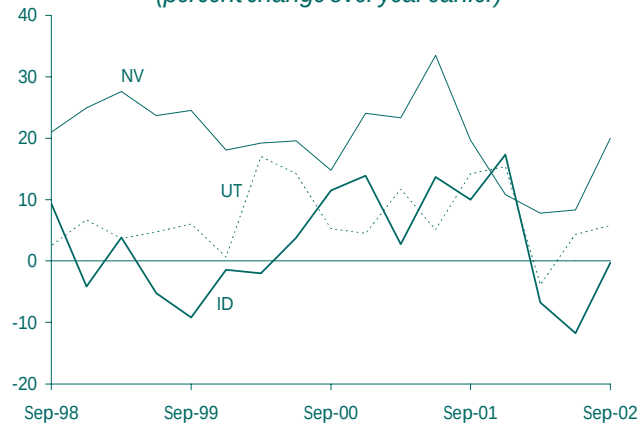
Source: F.W. Dodge.

## Metro area office vacancy rates



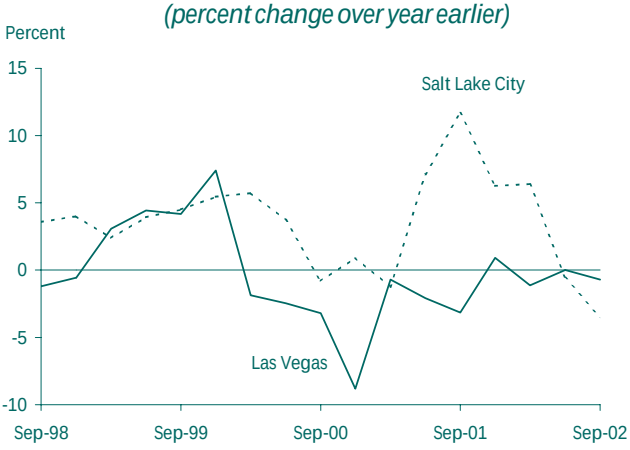

Source: Torto Wheaton Research.

## Sales of existing homes
*(percent change over year earlier)*



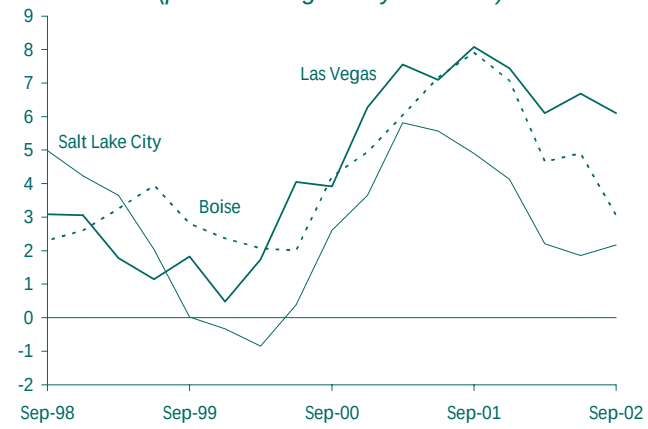

Source: National Association of Realtors.

## Metro area office gross rents
*(percent change over year earlier)*




Source: Torto Wheaton Research.

## Home price index
*(percent change over year earlier)*




Source: Office of Federal Housing Enterprise Oversight.

## Export update

| | $ billions 2001 | September* | 12 - month Percent Change 2000 | 2001 | September* |
|---|---|---|---|---|---|
| Idaho | 1.9 | 1.2 | 53.6 | -41.7 | -23.0 |
| Nevada | 1.1 | 0.7 | 21.8 | 13.9 | -11.4 |
| Utah | 3.4 | 3.1 | 1.7 | 9.3 | 24.4 |

* Indicate year-to-date values.

Source: Census FT900 Supplement, Origin of Movement Series.

| 2002 Issues | Mailing Dates |
|---|---|
| March | March 26 |
| June | July 2 |
| September | October 4 |
| December | December 20 |

Four additional updates to statistical charts are available online during interim periods at http://www.frbsf.org/publications/economics/wed/index.html

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