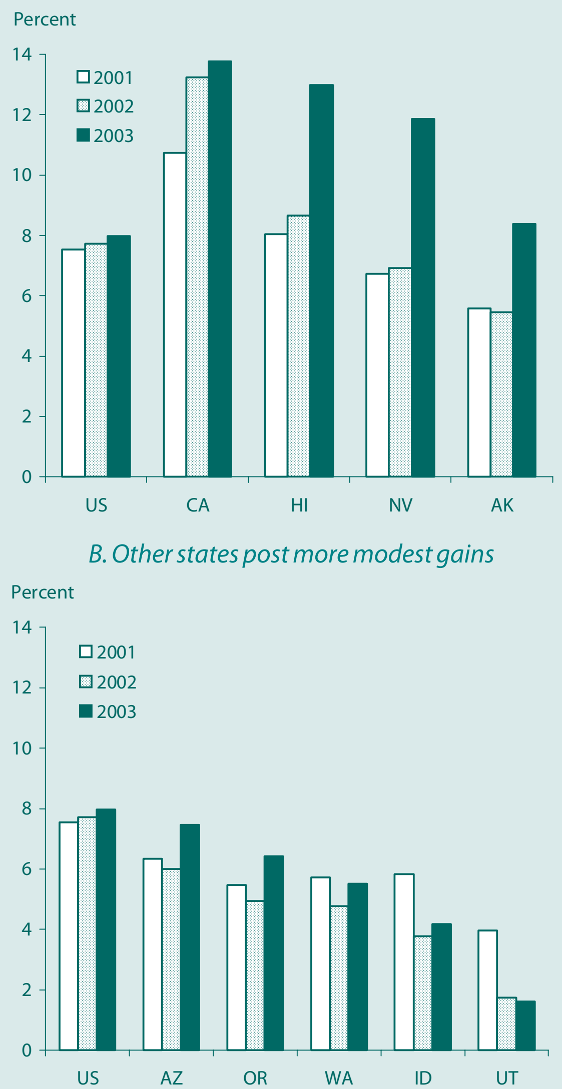
FEDERAL RESERVE BANK OF SAN FRANCISCO

Western Economic Developments

Housing markets still going strong in Twelfth District states

Figure 1: House price appreciation, U.S. and District

A. Some states outpace U.S.



Source: Office of Federal Housing Enterprise Oversight.

Rapid house price appreciation has been one of the defining characteristics of the U.S. economy in recent years. Data from the Office of Federal Housing Enterprise Oversight (OFHEO) show annual U.S. house price appreciation of 8% for 2003, the fastest annual rate of growth since 1986. Since March 2001, when the economy hit a peak, U.S. house prices have risen 22%, more than twice the average increase, over comparable periods, following the start of the previous three recessions.

District house price appreciation

Within the Twelfth Federal Reserve District, several states have posted more rapid house price appreciation than the nation (Figure 1, panel A). California set the pace, registering double digit gains in house prices in 2001, 2002, and 2003. Hawaii and Nevada joined in during the past year, registering house price appreciation of 13% and 11.9%, respectively. House price increases in Alaska also outpaced the nation in 2003.

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In other District states, gains have been more modest and remain below the average for the nation (Figure 1, panel B). That said, house price appreciation in these states has been solid, with growth generally accelerating in 2003 relative to 2002.

Detailed data on house price appreciation by metropolitan statistical area (MSA) flesh out the performance of District states. The data point to broad strength in California housing markets in recent years, with many MSAs outperforming the nation. In 2003, for example, California had twelve of the top twenty MSAs in the country, ranked by house price appreciation. All of these MSAs were in Southern California or the Central Valley regions of the state, which have remained relatively immune to the severe economic downturn that hit the San Francisco Bay Area. Consistent with the weak economic conditions in the Bay Area, house price appreciation for that region was nearer the bottom of the MSA ranking. The weakest market was San Jose, the epicenter of the information technology bust; San Jose ranked 218 out of 220 U.S. MSAs in house price appreciation in 2003.

Outside of California, District travel destinations with expanding economies—notably Reno, Las Vegas, and Honolulu—recorded house price increases in the 12% to 13% range in 2003, ranking them 31st, 37th, and 42nd, respectively, among all MSAs. With a 9.1% increase, home prices in Anchorage also rose faster than the nation and placed the area in the top 100 MSAs in the nation for house price appreciation. In other District MSAs, house price increases were more muted, running at or below the average for the nation.

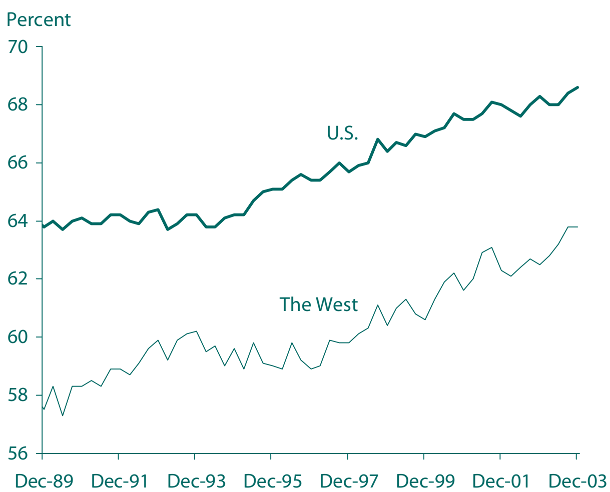
Housing market drivers

The rapid appreciation in house prices in the District is the result of many factors, not the least of which is nearly record low mortgage rates. Another likely influence, in part affected by the low interest rates, has been the movement of individuals and families from the rental market to home ownership. Figure 2 shows home ownership rates nationally and in the West (defined as the Twelfth District states plus Colorado, Montana, New Mexico, and Wyoming) from 1989 through 2003. Home ownership rates have been increasing nationally and in the West since the mid-1990s. In 2003, the rate of increase in the West surged, narrowing the gap between the nation and the western U.S. At the end of 2003, home ownership had reached 68% nationally and 63.8% in the West.

The shift to home ownership can also be seen in the rental market. As home ownership has risen, vacancy rates among rental units have increased (Figure 3). In the West, rental vacancy rates climbed 1 percentage point over 2003, to reach 8% at the end of the year. For the nation, the vacancy rate rose 0.9 percentage point to 10.2%.

Relatively strong housing demand in the District also has been supported by population growth. The U.S. Census Bureau estimates that each District state's population grew at a faster pace than the nation's 1% increase in 2003. Six Dis-

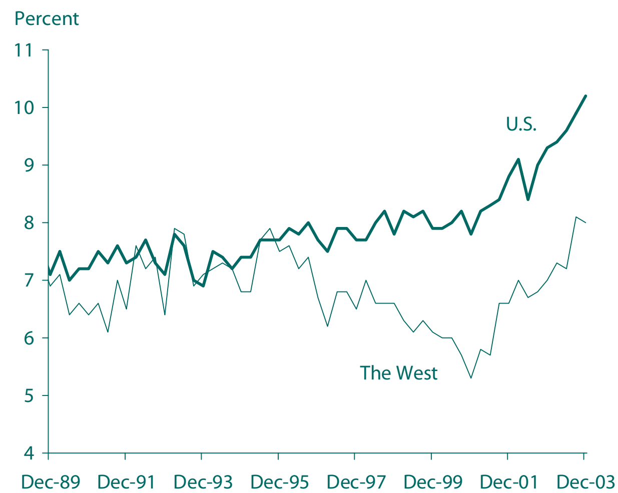
Figure 2: Home ownership rates



Source: Census Bureau.

Note: The West includes the Twelfth District plus Colorado, New Mexico, Montana, and Wyoming.

Figure 3: Rental vacancy rates



Source: Census Bureau.

Note: The West includes the Twelfth District plus Colorado, New Mexico, Montana, and Wyoming.

trict states ranked among the ten fastest-growing states in the nation, with population growth rates ranging from 3.6% in Nevada to 1.4% in California, Hawaii, and Utah.

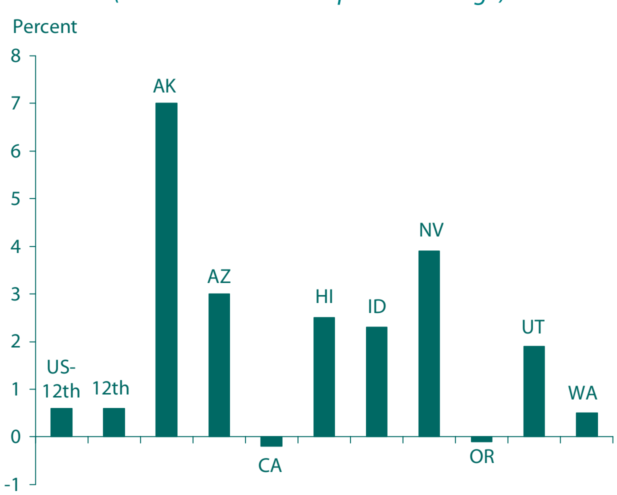
Home sales and construction

Data show that sales and construction activity remain strong, both nationally and in the District. Housing sales, permits, and the available supply of new housing show little evidence of any dramatic weakening in housing market conditions. District home sales rose by more than 10% in 2003, and every District state reported an increase in sales activity for the year. While growth in housing permits has slowed in the District, data through 2004 show permits continue to rise modestly on a year-over-year basis.

Job picture bright for some District states

While job growth remains below expectations for much of the U.S., several District states have recorded notable gains. Figure 4 shows nonagricultural payroll employment growth for the three months ending in January 2004. With the exceptions of California, Oregon, and Washington, job growth in District states outpaced the rest of the nation, increasing at annualized growth rates ranging from 1.9% (Utah) to 7% (Alaska). Alaska, Nevada, and Arizona were the three fastest-growing states in the nation over the period; two other District states, Hawaii and Idaho, also ranked among the top ten. Gains in these states essentially offset job losses in California and Oregon, keeping overall District job growth about the same as the rest of the nation.

Figure 4: Nonagricultural payroll employment growth, October 2003 to January 2004
(annualized 3-month percent change)



Source: Bureau of Labor Statistics.

Figure 5: Nonagricultural payroll employment growth since March 2001
(percent change)

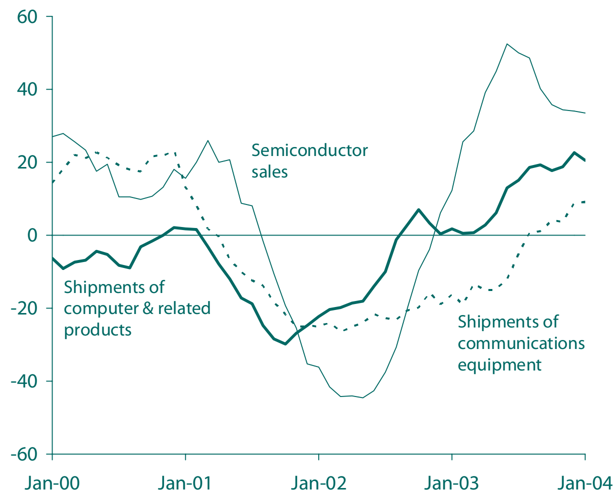
Source: Bureau of Labor Statistics.

With several months of solid job gains behind them, a number of District states have recovered from recessionary job losses and have begun to expand. Figure 5 shows nonfarm employment growth since the official start of the last recession (March 2001) for District states and the rest of the U.S. Alaska, Arizona, Hawaii, Idaho, and Nevada have completely recovered from recessionary job losses, registering job growth of between 0.6% (Idaho) and 6.2% (Alaska) over the period. The remaining District states still have a way to go before returning to prerecession employment levels. However, with the exception of Oregon, western states have fared better than the average state outside of the District.

Information technology sector gains momentum

The recovery in the information technology (IT) sector gained momentum in recent months. Demand for computers and communications equipment strengthened, as evidenced by a pickup in the growth of shipments (Figure 6). Stronger demand for finished goods rippled through the IT supply chain; worldwide semiconductor sales in January rose 27% relative to January 2003, continuing a trend of accelerating growth (see Figure 6). The rise in microchip demand has, in turn, fed through to the makers of semiconductor equipment, who saw orders rise by over 50% (year-over-year) in January. Demand for U.S.-produced IT products has been aided by solid growth in the domestic economy and the recent decline in the dollar (see export section in this issue).

Figure 6: Demand for IT goods
(year-over-year change, 3-month moving averages)



Sources: Semiconductor Industry Association and Census Bureau.

The strong growth in sales in recent months helped publicly traded District IT companies realize robust revenues and earnings growth in the quarter ending in December 2003. The collective revenues, seasonally adjusted, for the major software and communications equipment companies and computer hardware and semiconductor makers headquartered in the District rose considerably in the last two quarters. Revenue growth over the second half of 2003 was 12.4% for the District software sector, 8.4% for communications equipment, 12.5% for computer hardware, and 16.8% for the semiconductor sector. It is notable that, as a group, computer hardware firms showed strong gains, despite continued weakness at Sun Microsystems, which announced on January 15 that it will cut another 200 jobs from its Newark, California, manufacturing plant.

District export growth picks up

Merchandise export growth for District states finished strong in 2003, both relative to past quarters and relative to the U.S. On a year-over-year basis, merchandise exports in the fourth quarter of 2003 were up 12.7% in the District, compared to 8.8% in the U.S. excluding the District. The comparable third quarter export growth rates for the District and the rest of the U.S. were –0.8% and 2.8%, respectively.

The pick-up in export growth was broad-based with most District states registering gains. The gains also were broad-based across District trading partners. Exports surged to many countries, especially those in Asia. Compared to the fourth quarter of 2002, exports from the District grew rapidly to Hong Kong, Japan, and China. Exports also were up with NAFTA trading partners, Canada and Mexico.

In terms of commodities, the main contributors to the growth in District exports were integrated circuits (e.g., semiconductors), aircraft, optical and medical instruments, and electrical machinery. For instance, District export growth to China largely consisted of raw materials and electrical machinery (including integrated circuits). For Japan, strong export growth appears to be traceable to specific purchases of commercial jets from Boeing.

The growth in District exports of integrated circuits and other IT goods to East Asia helps allay fears that too much IT production is moving offshore. The export data suggest that East Asia is an increasingly important market for District-produced IT goods. A good example of how the growth of the Asian IT market has positive feedback effects to District IT production and employment is the following: WaferTech in Camas, Washington, a custom computer-chip foundry owned by Taiwan Semiconductor Manufacturing Co., announced that it will add up to 100 workers, 10% of its workforce, during 2004. This is after having added 100 workers in the fourth quarter of 2003. The company cited increased demand for high-end semiconductor wafers.

Profile highlights District strengths

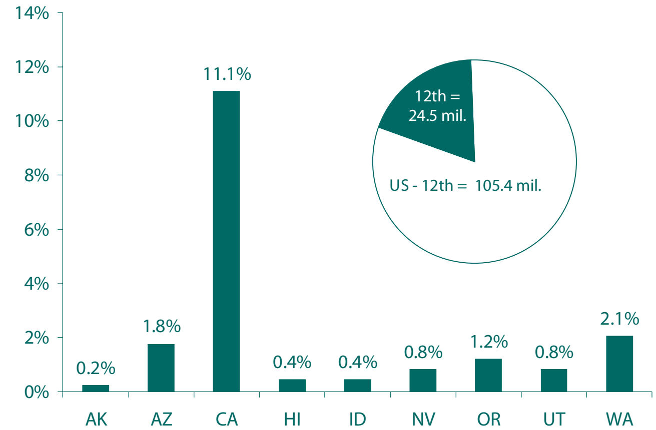
In this issue we feature an annual profile of various indicators for the Twelfth District. The figures provide some basic facts about the share of economic activity that takes place in the District and its individual states. For instance, 20.2% of the U.S. population resides in the District, accounting for 18.8% of nonagricultural employment and 20.4% of personal income. By far, the largest state in the District by almost any measure (except land mass) is California, followed by Washington, and Arizona.

Contributions by Mary Daly, Mark Doms, Dan Wilson,
and Gary Zimmerman, Financial and Regional Research,
Economic Research Department, FRBSF.

High-Tech Watch will return in the next issue.
Interim updates to the statistical charts are available online at
http://www.frbsf.org/publications/economics/wed/index.html

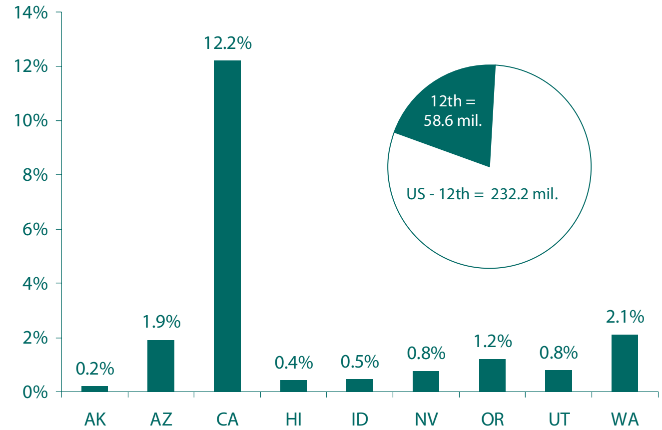
Annual Profile of the Twelfth District, 2004

District share of U.S. nonagricultural employment (18.8%)



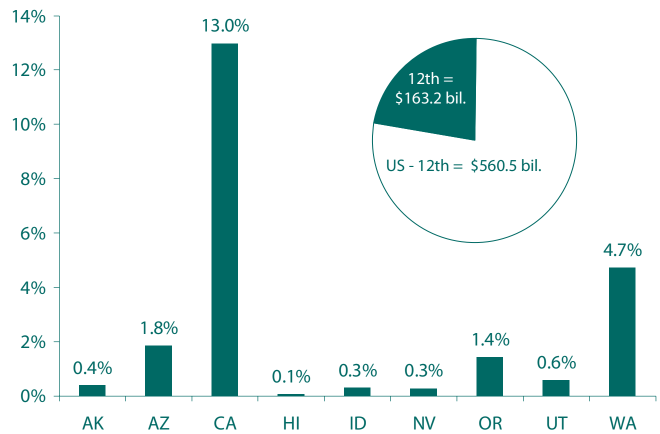
Source: Bureau of Labor Statistics.

District share of U.S. population (20.2%)



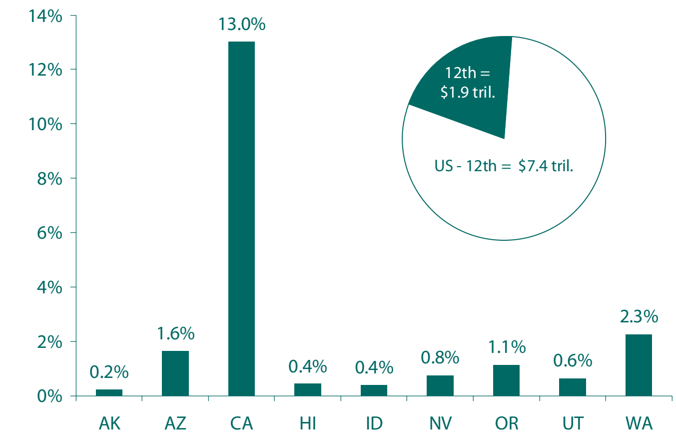
Source: Census Bureau.

District share of U.S. manufactured exports (22.5%)



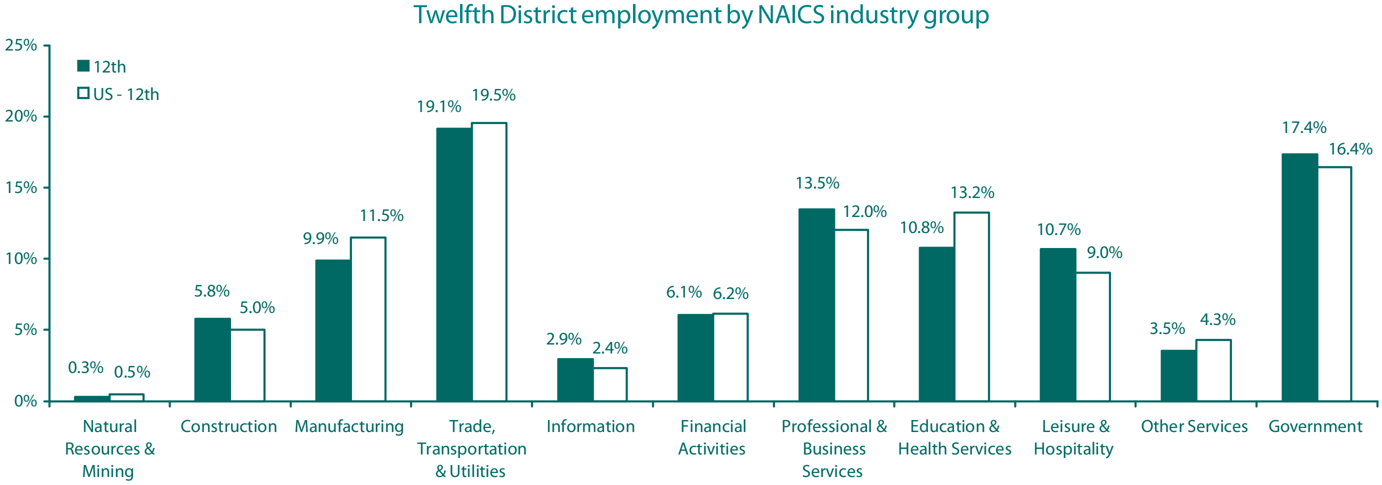
Sources: Global Trade Information Services, Census Bureau.

District share of U.S. personal income (20.4%)



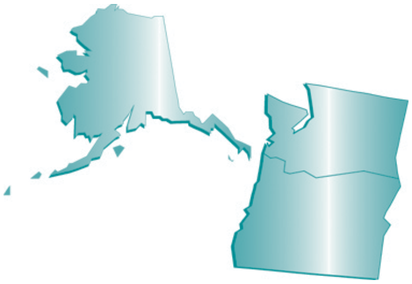
Source: Bureau of Economic Analysis.

Twelfth District employment by NAICS industry group



Source: Census Bureau.

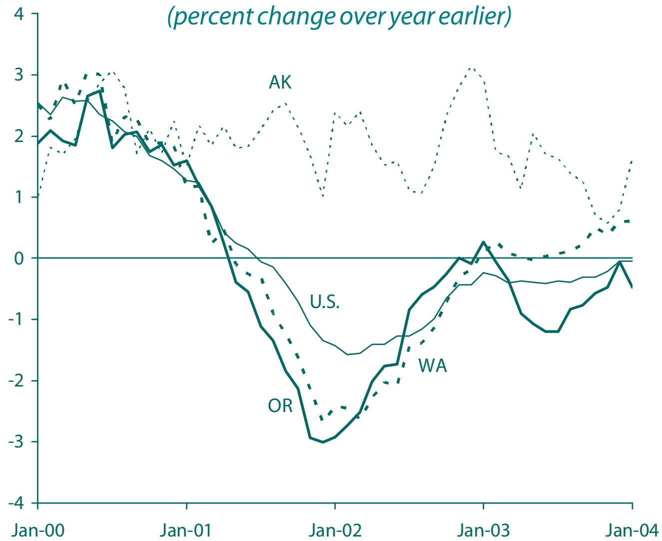
All charts based on data for 2003. A printable version of this page can be accessed year-round online.



State Highlights

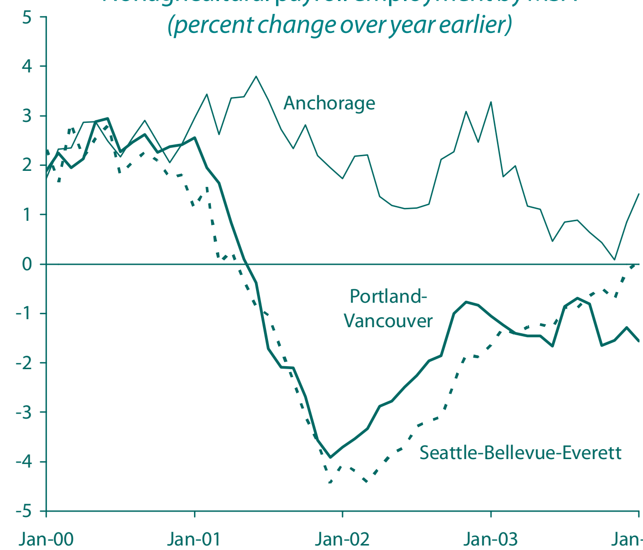
Alaska • Oregon • Washington

Nonagricultural payroll employment by state
(percent change over year earlier)



Source: Bureau of Labor Statistics.

Nonagricultural payroll employment by MSA
(percent change over year earlier)



Source: Bureau of Labor Statistics.

Employment by Industry

	Total Employed (thousands) Jan-04	Percent Change 1-mo.[a]	3-mo.[a]	YTD[a]	12-mo.
Alaska					
Total	304.8	14.9	7.0	14.9	1.6
Natural Resources & Mining	9.7	-51.3	-18.2	-51.3	-12.6
Construction	17.3	-6.7	12.4	-6.7	8.1
Manufacturing	12.1	133.4	5.4	133.4	3.5
Trade, Transportation & Utilities	62.1	8.1	4.6	8.1	1.3
Information	7.1	23.3	11.7	23.3	1.7
Financial Activities	14.6	-3.0	3.3	-3.0	3.0
Professional & Business Svcs.	23.4	44.0	10.9	44.0	-0.4
Educational & Health Svcs.	34.4	19.2	16.7	19.2	8.2
Leisure & Hospitality	30.8	54.7	14.1	54.7	1.7
Other Services	11.4	0.2	0.8	0.2	-0.9
Government	82.0	4.5	3.0	4.5	0.4
Oregon					
Total	1,564.8	-2.7	-0.1	-2.7	-0.5
Natural Resources & Mining	8.8	-54.7	-26.4	-54.7	-6.4
Construction	76.8	-35.9	-4.1	-35.9	-0.6
Manufacturing	197.5	-5.9	2.3	-5.9	-1.3
Trade, Transportation & Utilities	312.7	5.1	-1.5	5.1	-0.9
Information	33.2	8.1	-1.4	8.1	-4.4
Financial Activities	99.9	10.1	3.7	10.1	3.0
Professional & Business Svcs.	172.1	-2.7	-1.2	-2.7	1.1
Educational & Health Svcs.	187.6	10.1	2.4	10.1	-0.5
Leisure & Hospitality	152.0	-9.7	-1.0	-9.7	0.5
Other Services	57.7	6.8	10.5	6.8	2.2
Government	267.1	-2.7	-0.7	-2.7	-1.9

[a] Annualized.

	Total Employed (thousands) Jan-04	Percent Change 1-mo.[a]	3-mo.[a]	YTD[a]	12-mo.
Washington					
Total	2,673.8	2.2	0.5	2.2	0.6
Natural Resources & Mining	8.6	-24.1	-12.8	-24.1	-6.5
Construction	158.0	-1.5	1.0	-1.5	1.7
Manufacturing	261.5	0.0	-1.1	0.0	-4.5
Trade, Transportation & Utilities	518.8	15.8	4.9	15.8	1.8
Information	92.9	-1.3	3.1	-1.3	0.3
Financial Activities	155.8	14.1	5.6	14.1	4.2
Professional & Business Svcs.	296.7	7.1	2.6	7.1	2.1
Educational & Health Svcs.	313.5	-3.7	0.4	-3.7	1.1
Leisure & Hospitality	246.1	-4.7	-6.8	-4.7	-0.7
Other Services	99.5	0.0	-1.6	0.0	0.4
Government	522.4	-5.4	-2.0	-5.4	0.5

Unemployment Rates (%)

	Jan-04	Dec-03	Nov-03	Oct-03	Jan-03
Alaska	7.3	8.1	8.1	8.1	7.9
Oregon	7.7	7.6	7.7	7.9	7.9
Washington	6.5	7.3	7.4	7.5	7.3
U.S.	5.6	5.7	5.9	6.0	5.8

Note: 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—January 2004

	3-mo. average number	Moving average percent change 3-mo.[a]	12-mo.[a]
Alaska	305.7	11.7	19.6
Oregon	1,922.4	-9.2	2.6
Washington	3,320.9	-9.3	0.0

Source: Bureau of the Census.

Nonresidential construction awards—January 2004

	3-mo. average $ millions	Moving average percent change 3-mo.[a]	12-mo.[a]
Alaska	120.9	187.5	30.8
Oregon	173.1	-0.6	13.2
Washington	266.0	1.3	4.5

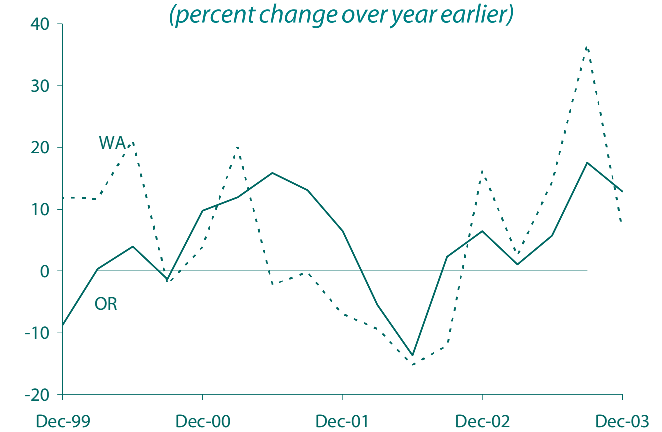
[a] Underlying data are seasonally adjusted moving averages.

Source: F.W. Dodge.

Metro area office vacancy rates

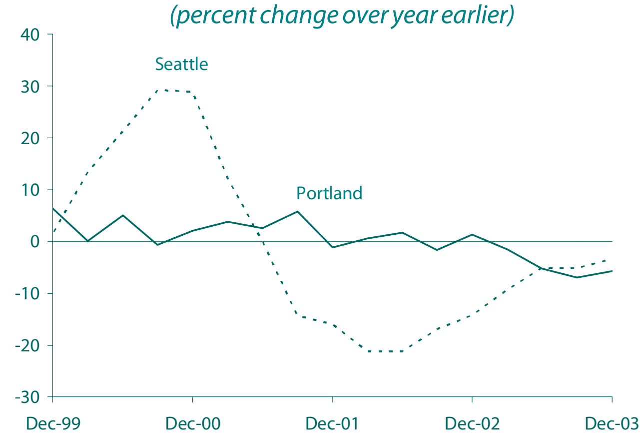
Source: Torto Wheaton Research.

Sales of existing homes
(percent change over year earlier)



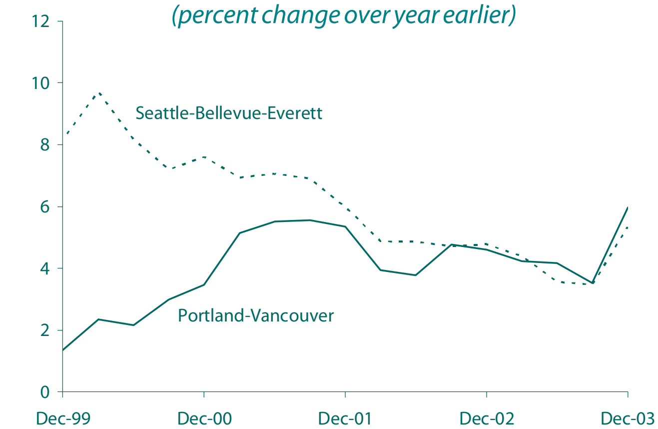
Source: National Association of Realtors.

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 2003	Jan-04*	Percent Change** Jan-02	Jan-03	Jan-04
Alaska	2.7	0.1	4.9	4.7	7.4
Oregon	9.7	0.8	-23.8	22.0	1.4
Washington	33.1	2.0	12.8	-3.3	0.5

* Year-to-date values.

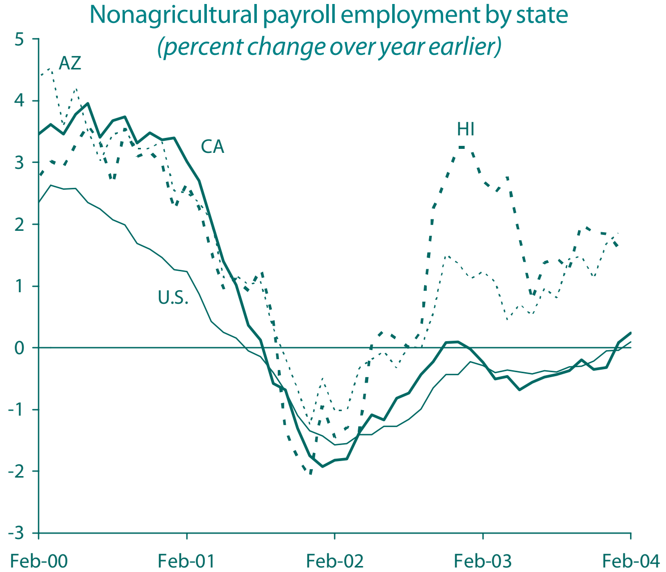
** Percent change from past 12 months relative to prior 12 months.

Source: Census FT900 Supplement, Origin of Movement Series.

State Highlights

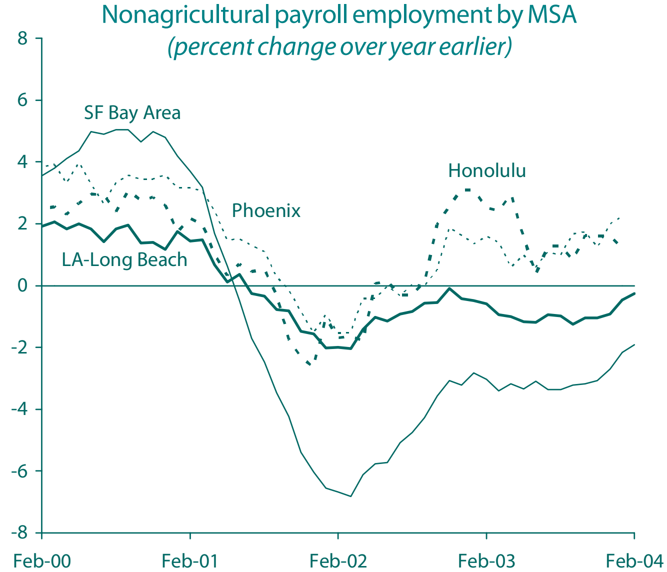
Arizona • California • Hawaii

Nonagricultural payroll employment by state
(percent change over year earlier)



Source: Bureau of Labor Statistics.

Nonagricultural payroll employment by MSA
(percent change over year earlier)



Source: Bureau of Labor Statistics.

Employment by Industry

	Total Employed (thousands)	Percent Change			
	Jan-04	1-mo.[a]	3-mo.[a]	YTD[a]	12-mo.
Arizona					
Total	2,320.4	3.0	3.0	3.0	1.9
Natural Resources and Mining	8	15.8	7.9	15.8	-3.5
Construction	185.6	4.6	13.8	4.6	7.0
Manufacturing	173.2	3.5	2.8	3.5	-3.1
Trade, Transportation, and Utilities	451.1	14.2	3.7	14.2	2.0
Information	48.3	-5.1	-9.4	-5.1	-3.4
Financial Activities	162.5	27.0	6.9	27.0	2.4
Professional and Business Services	327.2	19.8	3.9	19.8	3.4
Educational and Health Services	254.0	6.9	4.4	6.9	5.6
Leisure and Hospitality	233.8	-1.5	2.3	-1.5	0.8
Other Services	86.7	-0.3	1.3	-0.3	0.9
Government	395.6	3.1	1.4	3.1	0.9
Hawaii					
Total	575.8	3.4	2.5	3.4	1.6
Natural Resources, Mining, and Construction	29.4	58.4	14.1	58.4	7.9
Manufacturing	15.1	9.8	6.5	9.8	2.1
Trade, Transportation, and Utilities	109.1	2.2	-0.7	2.2	1.4
Information	10.0	13.5	0.7	13.5	-8.5
Financial Activities	29.1	36.4	8.0	36.4	3.7
Professional and Business Services	71.0	15.3	4.0	15.3	1.8
Educational and Health Services	66.6	-3.5	1.2	-3.5	3.7
Leisure and Hospitality	100.9	-1.2	2.4	-1.2	1.9
Other Services	24.7	3.5	4.3	3.5	3.0
Government	120.1	15.1	1.3	15.1	0.6

	Total Employed (thousands)	Percent Change			
	Feb-04	1-mo.[a]	3-mo.[a]	YTD[a]	12-mo.
California					
Total	14,451.5	0.7	0.4	1.5	0.2
Natural Resources and Mining	21.0	18.8	-19.9	-10.7	-7.1
Construction	811.9	7.4	-19.9	9.6	3.7
Manufacturing	1,524.7	-1.3	-1.0	-1.1	-3.2
Trade, Transportation, and Utilities	2,729.4	-1.1	-0.9	1.1	0.4
Information	468.7	6.6	-3.3	5.3	-3.7
Financial Activities	893.4	4.5	-1.0	-2.3	2.5
Professional and Business Services	2,144.6	5.5	2.4	3.0	2.3
Educational and Health Services	1,556.6	-1.5	1.8	0.8	2.6
Leisure and Hospitality	1,406.1	1.5	1.6	3.3	0.8
Other Services	500.9	-4.2	-2.7	-2.5	-1.2
Government	2,394.2	-2.7	-0.9	0.5	-2.2

Unemployment Rates (%)

	Jan-04	Jan-04	Dec-03	Nov-03	Feb-03
Arizona	5.2	5.0	5.0	5.2	5.9
Hawaii	3.9	4.4	4.4	4.5	3.9
U.S.	5.6	5.7	5.9	6.0	5.8
	Feb-04	**Jan-04**	**Dec-03**	**Nov-03**	**Feb-03**
California	6.2	6.2	6.5	6.6	6.8

Note: 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—January 2004

	3-mo. average number	Moving average percent change 3-mo.[a]	Moving average percent change 12-mo.[a]
Arizona	6,941.4	8.6	13.2
California	15,620.0	-3.8	18.2
Hawaii	691.4	68.1	4.8

Source: Bureau of the Census.

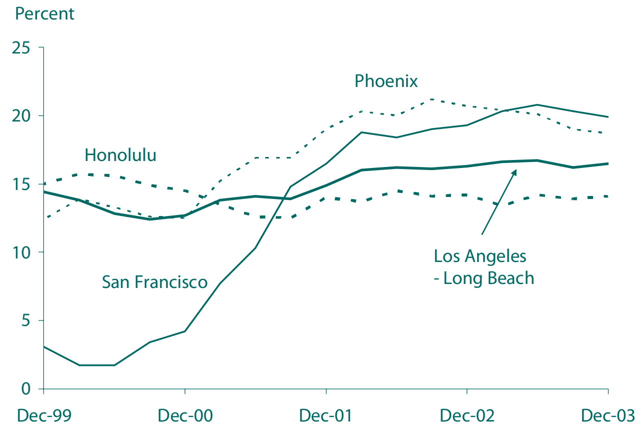
Nonresidential construction awards—January 2004

	3-mo. average $ millions	Moving average percent change 3-mo.[a]	Moving average percent change 12-mo.[a]
Arizona	274.0	-54.9	24.3
California	1,231.4	-1.1	3.0
Hawaii	34.4	-7.2	8.2

[a] Underlying data are seasonally adjusted moving averages.

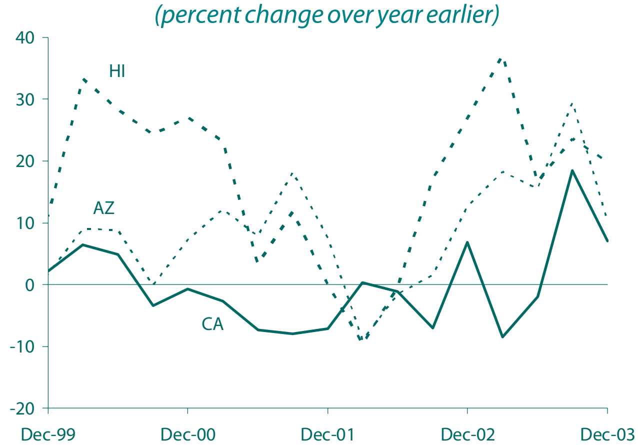
Source: F.W. Dodge.

Metro area office vacancy rates



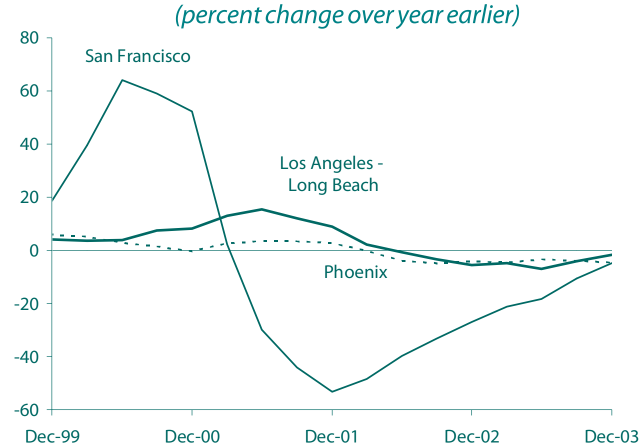
Source: Torto Wheaton Research.

Sales of existing homes
(percent change over year earlier)



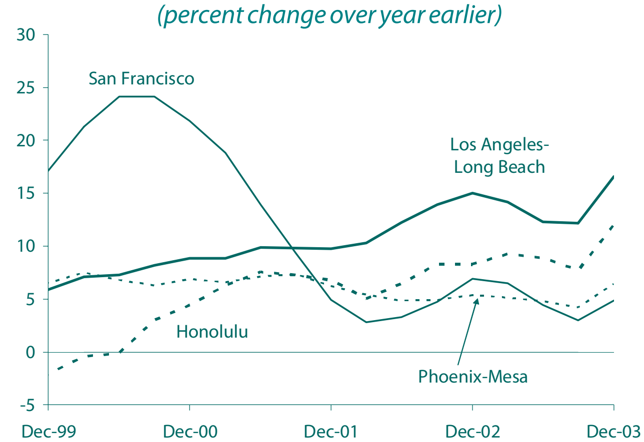
Source: National Association of Realtors.

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.

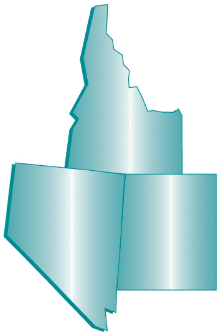
Export update

	$ billions 2003	$ billions Jan-04*	Percent Change** Jan-02	Percent Change** Jan-03	Percent Change** Jan-04
Arizona	11.7	1.1	-20.0	-1.2	13.3
California	78.1	6.6	-14.1	-12.4	2.3
Hawaii	0.3	0.0	6.9	47.2	-33.9

* Year-to-date values.

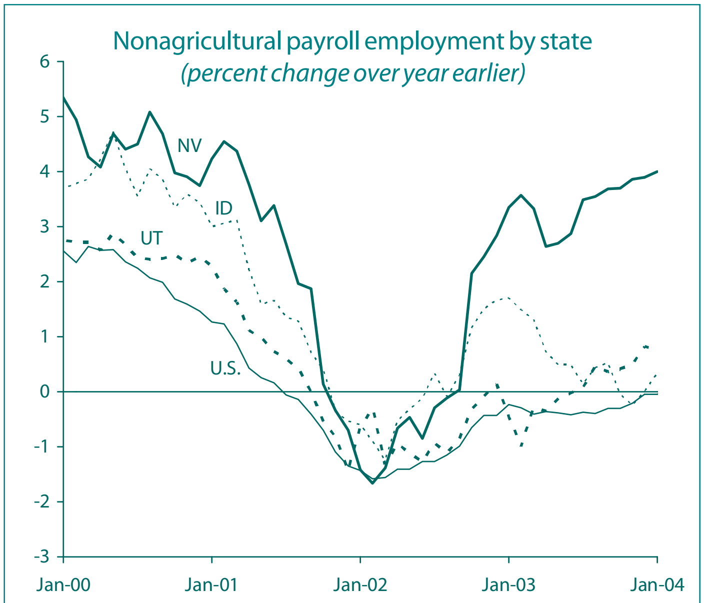
** Percent change from past 12 months relative to prior 12 months.

Source: Census FT900 Supplement, Origin of Movement Series.

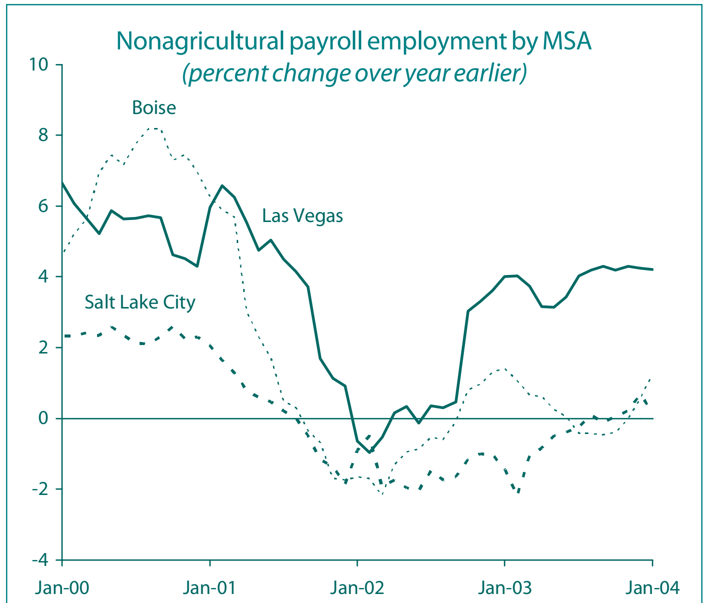


State Highlights

Idaho • Nevada • Utah



Source: Bureau of Labor Statistics.



Source: Bureau of Labor Statistics.

Employment by Industry

	Total Employed (thousands)	Percent Change			
	Jan-04	1-mo.[a]	3-mo.[a]	YTD[a]	12-mo.
Idaho					
Total	574.6	3.2	2.3	3.2	0.3
Natural Resources & Mining	3.5	-48.7	-35.1	-48.7	-5.4
Construction	37.6	21.3	15.1	21.3	1.9
Manufacturing	60.8	4.0	0.7	4.0	-5.1
Trade, Transportation & Utilities	116.0	7.0	3.0	7.0	0.1
Information	9.1	-4.0	-1.7	-4.0	-1.1
Financial Activities	27.2	-1.8	0.1	-1.8	3.1
Professional & Business Svcs.	69.6	-14.3	-6.1	-14.3	-0.4
Educational & Health Svcs.	64.1	3.4	2.7	3.4	4.6
Leisure & Hospitality	53.8	0.0	-2.9	0.0	-1.5
Other Services	18.2	-6.6	-2.5	-6.6	0.6
Government	114.0	8.8	4.7	8.8	1.1
Nevada					
Total	1,112.6	4.2	3.9	4.2	4.0
Natural Resources & Mining	8.9	14.5	4.6	14.5	7.2
Construction	105.1	5.9	4.7	5.9	9.4
Manufacturing	45.2	20.4	12.0	20.4	4.0
Trade, Transportation & Utilities	202.2	2.4	9.2	2.4	5.1
Information	15.6	11.4	1.1	11.4	-2.5
Financial Activities	60.3	2.0	8.4	2.0	5.4
Professional & Business Svcs.	126.0	16.6	9.4	16.6	6.6
Educational & Health Svcs.	77.9	10.9	6.9	10.9	5.4
Leisure & Hospitality	305.4	4.0	-1.7	4.0	1.1
Other Services	31.6	12.2	9.4	12.2	5.0
Government	136.0	-2.6	1.5	-2.6	1.9

[a] Annualized.

	Total Employed (thousands)	Percent Change			
	Jan-04	1-mo.[a]	3-mo.[a]	YTD[a]	12-mo.
Utah					
Total	1,083.2	1.6	1.9	1.6	0.7
Natural Resources & Mining	6.5	-7.5	-10.0	-7.5	-5.9
Construction	69.4	63.9	13.1	63.9	2.1
Manufacturing	113.2	11.2	9.7	11.2	0.3
Trade, Transportation & Utilities	213.6	-5.5	-1.1	-5.5	0.3
Information	30.3	-0.3	2.8	-0.3	-0.3
Financial Activities	65.1	2.4	2.3	2.4	1.8
Professional & Business Svcs.	131.7	-18.0	-6.7	-18.0	0.8
Educational & Health Svcs.	121.9	0.0	3.3	0.0	3.2
Leisure & Hospitality	101.9	1.2	11.8	1.2	1.9
Other Services	33.1	8.0	4.8	8.0	1.9
Government	198.3	1.8	2.5	1.8	0.8

Unemployment Rates (%)

	Jan-04	Dec-03	Nov-03	Oct-03	Jan-03
Idaho	4.8	5.0	5.0	5.2	5.6
Nevada	4.5	4.7	4.9	5.1	5.2
Utah	5.0	5.3	5.3	5.4	6.0
U.S.	5.6	5.7	5.9	6.0	5.8

Note: 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—January 2004

	3-mo. average number	Moving average percent change 3-mo.[a]	12-mo.[a]
Idaho	1,324.3	1.1	15.9
Nevada	3,573.9	-11.1	23.9
Utah	1,869.8	-7.1	16.7

Source: Bureau of the Census.

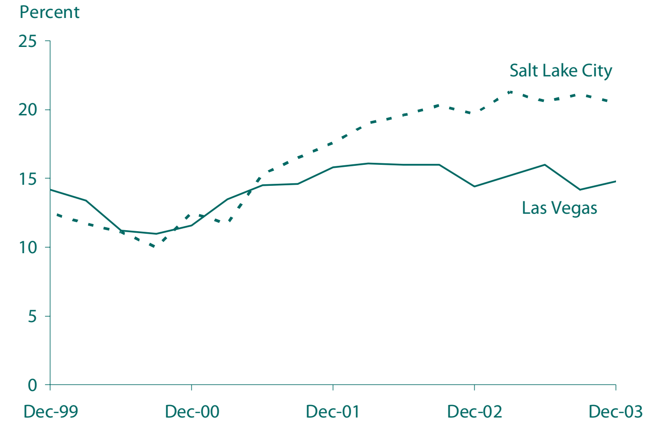
Nonresidential construction awards—January 2004

	3-mo. average $ millions	Moving average percent change 3-mo.[a]	12-mo.[a]
Idaho	51.0	-19.8	16.7
Nevada	329.7	165.0	17.7
Utah	88.3	4.8	-25.4

[a] Underlying data are seasonally adjusted moving averages.

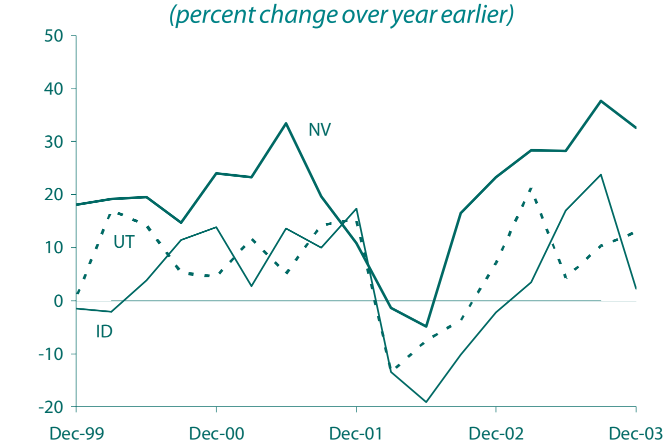
Source: F.W. Dodge.

Metro area office vacancy rates



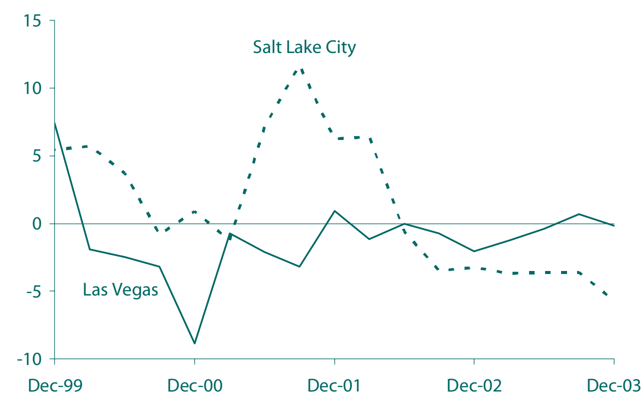
Source: Torto Wheaton Research.

Sales of existing homes
(percent change over year earlier)



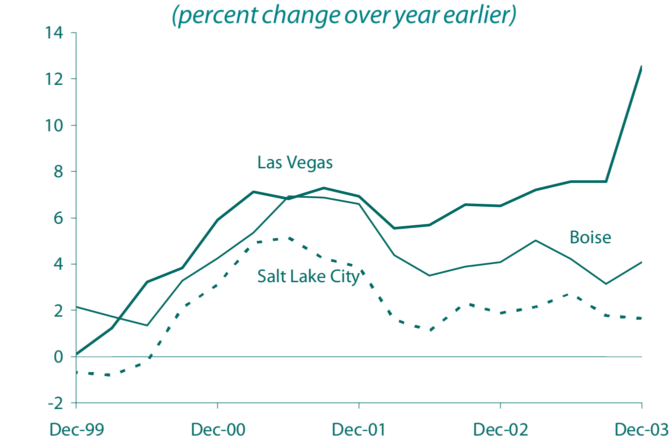
Source: National Association of Realtors.

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 2003	Jan-04*	Percent Change** Jan-02	Jan-03	Jan-04
Idaho	1.9	0.2	-46.6	-6.3	23.3
Nevada	1.7	0.1	10.4	-18.1	94.4
Utah	4.0	0.4	12.7	23.2	-7.6

* Year-to-date values.

** Percent change from past 12 months relative to prior 12 months.

Source: Census FT900 Supplement, Origin of Movement Series.

2004 Issues	Mailing Dates
March	March 26
June	July 6
September	September 28
December	December 21

Monthly updates to statistical charts are available online at
http://www.frbsf.org/publications/economics/wed/index.html

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Federal Reserve Bank of San Francisco
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