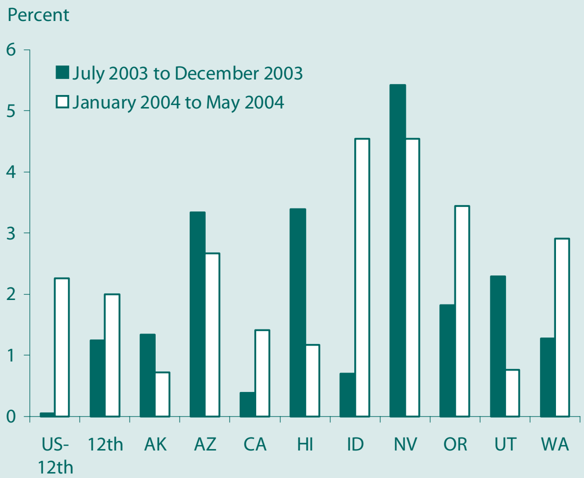
FEDERAL RESERVE BANK OF SAN FRANCISCO

Western Economic Developments

District economies gain momentum in early 2004

Figure 1: Nonagricultural payroll growth by state
(annualized percent change)



Source: U.S. Bureau of Labor Statistics.

The Twelfth District economy gained momentum in recent months and is expanding in line with the nation. With the economy gaining ground, job growth has picked up noticeably and spread throughout the District. Although California has lagged a bit in recent months, other western states have seen rapid and sustained growth.

Job growth intensifies and spreads

District states other than California were the advance guard for the job recovery now spreading through the nation (Figure 1). Several District states posted rapid job growth in the second half of last year; nonfarm payrolls increased at a 1.2% annual rate for the Dis-

Beginning in August,
Western Economic Developments
will change to a revised web-only format.

It will be updated online eight times a year, on the Monday following each meeting of the Federal Open Market Committee.

To receive an e-mail notification when *Western Economic Developments* is posted online, subscribe at

www.frbsf.org/publications/economics/newsubscriptions.html

JUNE 2004

IN THIS ISSUE

trict compared to flat payroll growth elsewhere in the country. In particular, Arizona, Hawaii, and Nevada posted impressive gains.

So far this year (through May), employment in the District has been growing at about the same rate as the rest of the country. In addition to the usual fast-growing states in the District, notably Nevada and Arizona, job growth has been strong in recent months in Oregon and Washington, which were among the states most affected by the 2001 recession and subsequent sluggish labor market recovery. Employment in Idaho has also been increasing sharply, boosted by large gains in professional and business services.

Although California has seen an increase in the rate of employment growth this year, the state's performance has been weaker than the District and the nation. For the first five months of 2004, payroll jobs grew at a 1.4% pace in California compared with 2.2% in the nation as a whole. There are several possible reasons why California's employment engine is not taking off as fast as some other states. One reason is that employment in Southern California and the Central Valley areas fared much better than the rest of the nation during the most recent recession and, consequently, are not experiencing a bounce-back. Another possible reason is that, in light of the costs of doing business in California, some job growth is moving to nearby states, such as Arizona and Nevada. Finally, as discussed more fully in the next section, employment in the IT industry has yet to rebound strongly in the San Francisco Bay Area.

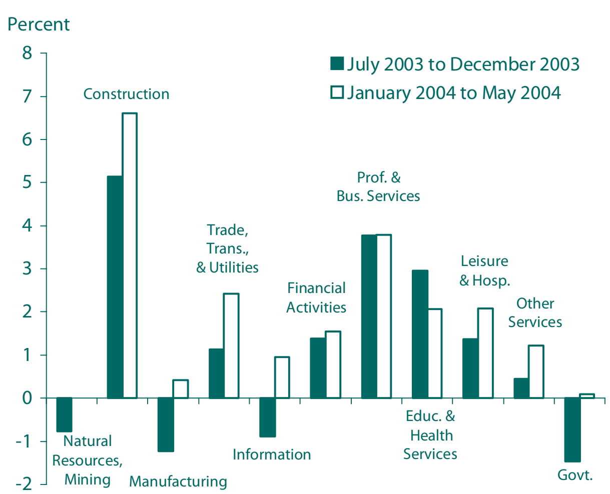
In addition to spreading across states, job gains have spread across most District industries, including the beleaguered manufacturing sector (Figure 2). Construction jobs continue to grow at a strong pace, boosted by strong housing markets. Spurred by stronger international and domestic demand, manufacturing employment has begun to increase after several years of steady declines. Government jobs contracted during the last half of last year, reflecting the budget woes of many local and state governments; by contrast, this year government employment has ticked up slightly. There has also been some change of fortune in the information industry, which includes software and publishing. After falling significantly in most District states during the information technology (IT) bust (for the District as a whole, employment in the information industry fell 19.2% between November 2000 and September 2003), employment has started growing in the first part of this year.

Employment in IT centers rebounding

After the dramatic boom and bust in the IT industry, three District IT centers are showing signs of recovery in 2004. Employment has stabilized or increased some in Portland, Seattle, and the San Francisco Bay Area (see Figure 3).

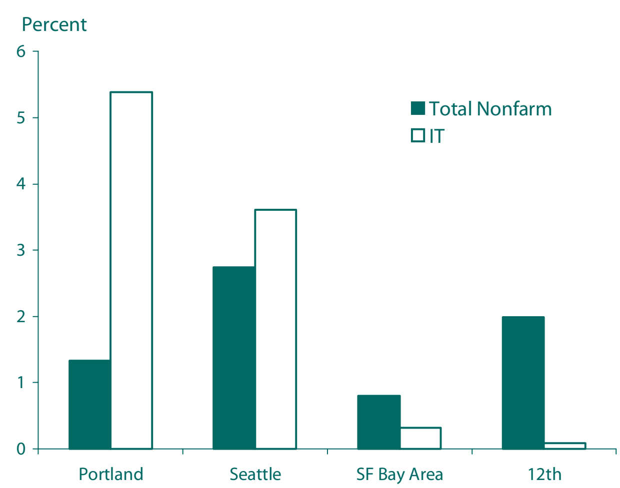
Seattle has had the best increase in fortunes, boasting an increase of nearly 15,000 jobs (a 2.7% increase at an annual rate) since December. The IT industry chipped in about 2,000 of these new jobs while employment in the battered aerospace industry has ceased falling. Portland's payrolls

Figure 2: District employment growth by sector
(annualized percent change)



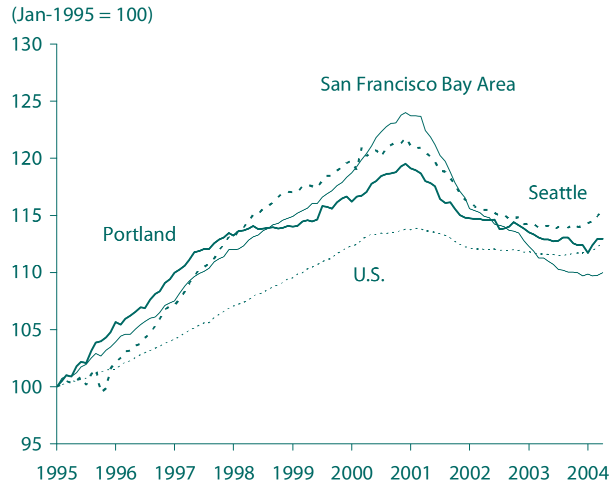
Source: U.S. Bureau of Labor Statistics

Figure 3: Employment growth in IT centers, 2004
(annualized percent change, through May)



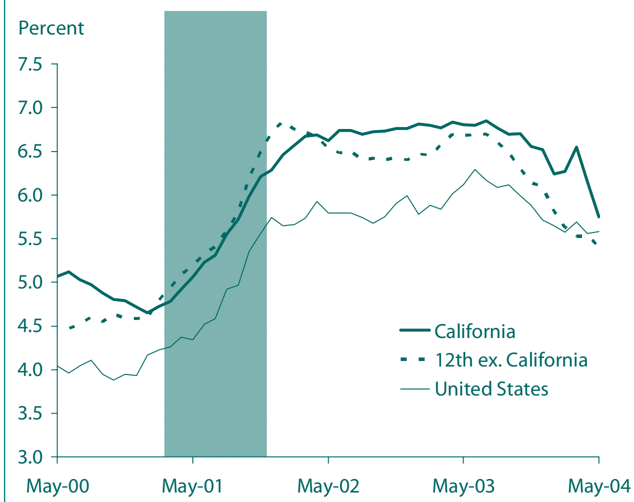
Source: U.S. Bureau of Labor Statistics

Figure 4: Total nonagricultural employment in IT centers



Source: U.S. Bureau of Labor Statistics.

Figure 5: Unemployment rates



Source: U.S. Bureau of Labor Statistics (seasonally adjusted data).

Note: Shaded area represents period of recession.

have increased by nearly 5,000 jobs (a 1.5% boost), about one-quarter of which came from the rebounding IT industry. In the San Francisco Bay Area, overall employment gains have been more modest, increasing at a 0.8% pace (about 11,000 jobs). Unlike the other two IT centers, IT employment in the Bay Area has only recently stabilized.

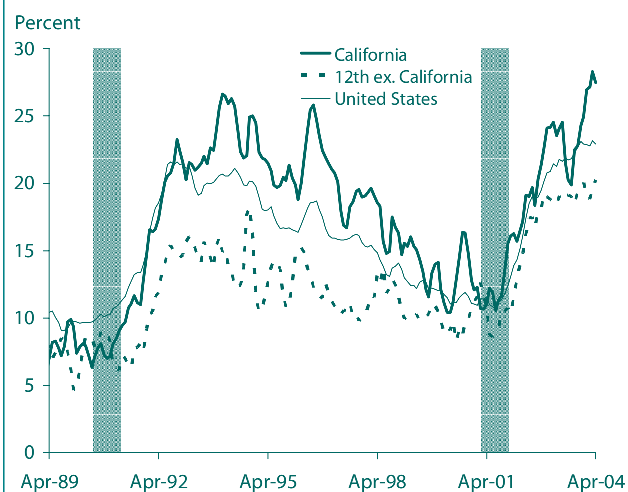
The recovery is good news, but it will take some time for these areas to dig out of the holes left by the IT boom and bust (Figure 4). All three areas enjoyed significantly faster job growth in the late 1990s than the country. Employment in the Bay Area surged by 24% from January 1995 to December 2000; employment in Portland posted a 19% gain, and Seattle enjoyed a 22% increase. Meanwhile, employment in the nation increased just 14%.

All three areas also experienced sharp contractions in jobs; the Bay Area was hit particularly hard, with 12% of its jobs disappearing by early 2004. Seattle and Portland lost about 6% of their jobs. Many of the job losses in each of these areas were concentrated in the IT area: 43% of the Bay Area's jobs lost were in IT, 31% for Portland, and 23% for Seattle.

Long-term unemployment concentrated in Bay Area

The District has been struggling with higher unemployment rates than the nation as a whole (Figure 5), as the 2001 recession and the subsequent sluggish employment recovery hit the District particularly hard. During much of 2002 and 2003, Oregon and Washington had the highest unemployment rates among all states. With that said, the District

Figure 6: Long-term unemployment share*
(3-month moving averages)



Source: U.S. Bureau of Labor Statistics and FRBSF (seasonally adjusted data).

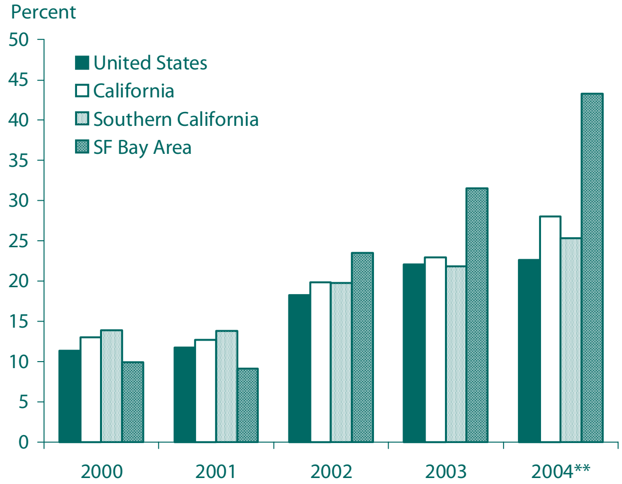
Note: Shaded areas represent periods of recession.

* Unemployed 27 weeks or more, as a share of all unemployed.

unemployment rate outside of California increased less than the national unemployment rate during the most recent downturn, and in recent months the gap between District and national rates has closed noticeably.

Although the current unemployment rates are similar, there are differences in the composition of those looking for work. Close to 28% of California's unemployed have been out of work for at least six months (Figure 6). Elsewhere in the

Figure 7: Long-term unemployment share, by area*



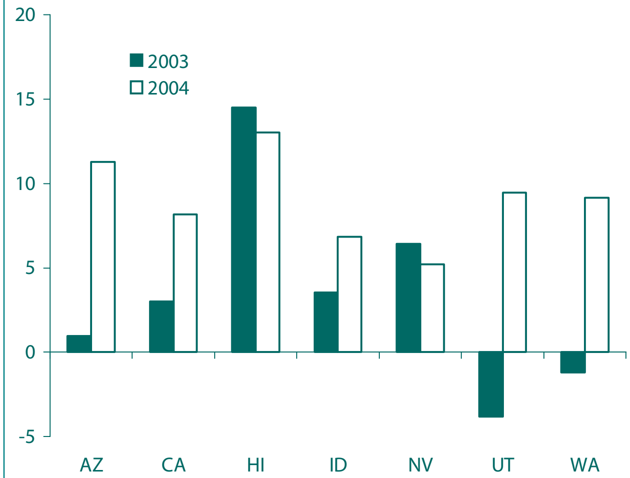
Source: U.S. Bureau of Labor Statistics (not seasonally adjusted).

* Unemployed 27 weeks or more, as a share of all unemployed.

** Based on data through April.

Figure 8: State sales tax revenue

*(change over 12 months earlier, 3-month moving averages)**



Source: State Revenue and Budget Offices (not seasonally adjusted data).

* California, Utah, and Washington data are May-over-May changes. Arizona, Hawaii and Idaho data are April-over-April changes. Nevada data is March-over-March change.

District, the share of long-term unemployed is just 20.3%, and the figure for the entire nation is just 22.9%.

The above-average long-term unemployment in California arises primarily from the San Francisco Bay Area (Figure 7). The share of long-term unemployed in the Bay Area has risen to 43% in the first four months of 2004, a sharp increase from 32% in 2003 and 24% in 2002. In contrast, the long-term unemployment shares in Southern California were similar to the national value in 2002 and 2003, at about 20 to 22%, rising slightly above it to about 25% for the first four months of 2004.

Consumer spending remains solid

Consumer spending, as measured by sales tax revenues, continues to contribute to the District economy. Growth in sales tax revenues for most District states has been noticeably faster this year than last year (Figure 8), running as high as 13%. Sales tax revenues should be proportional to actual consumer sales receipts, provided that sales tax rates are constant over time. For District states, sales tax rates have been constant in recent years, with the exceptions of increases in Idaho (May 2003) and Nevada (for cigarettes and alcohol, July/August 2003); the growth rates displayed in Figure 8 reflect a rough adjustment for the changes in these states.

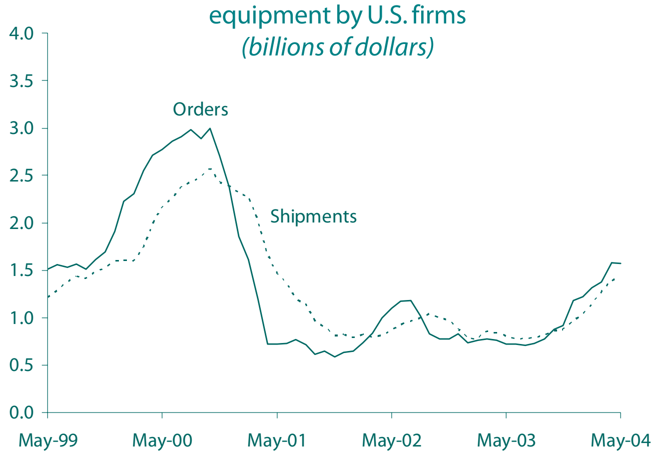
Another indicator of consumer spending is travel and tourism, and the District is home to two large tourist destinations, Nevada and Hawaii. Detailed gaming and tourism statistics for Nevada and Hawaii indicate strong gains. In Nevada, gaming revenues for the three months ending in April were up about 13% compared to the same period last year, and tourist visits and room rates in Las Vegas were up about 10% on the same basis. In Hawaii, domestic visitor counts have been running about 6% above their levels from twelve months earlier (data through June), and international visits, which plummeted concurrently with major hostilities in Iraq, have risen substantially this year as well.

Consumers are also spending money on homes. District housing markets saw strong sales and price appreciation recently. New permit issuance remains at high levels in many District states. However, there is speculation that some of the recent housing market activity may reflect consumers' desire to lock in low mortgage rates. As a result, housing markets in coming months may cool somewhat.

Contributions by Mary Daly, Mark Doms, Lily Hsueh, Ashley Maurier, and Rob Valletta, Applied Microeconomic and Regional Research, Economic Research Department, FRBSF.

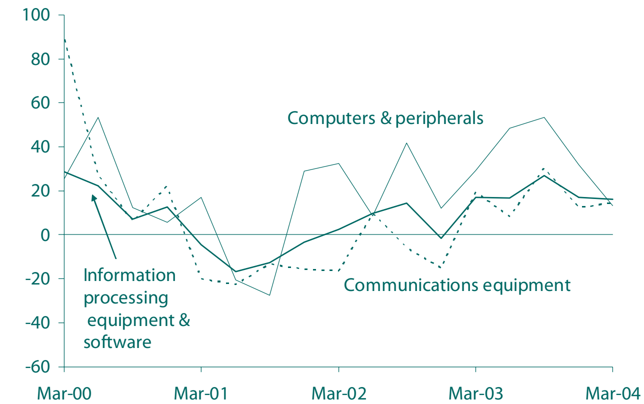
High-tech Watch

Orders & shipments of semiconductor manufacturing equipment by U.S. firms
(billions of dollars)



Source: Semiconductor Equipment and Materials International (SEMI).

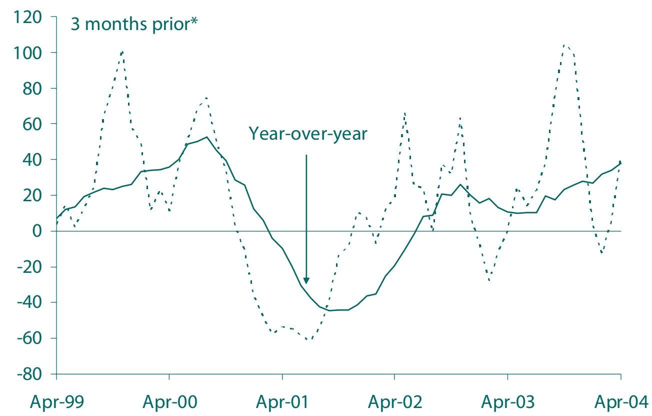
Business investment in technology products by U.S. firms
*(quarterly percentage change)**



Source: Bureau of Economic Analysis.

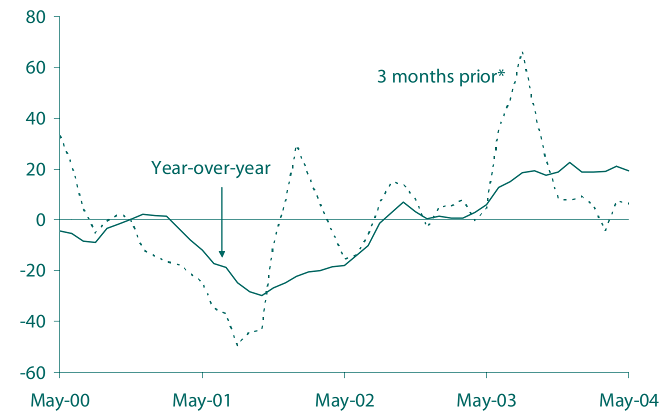
*Annualized values

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



Source: Semiconductor Industry Association.

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



*Annualized values

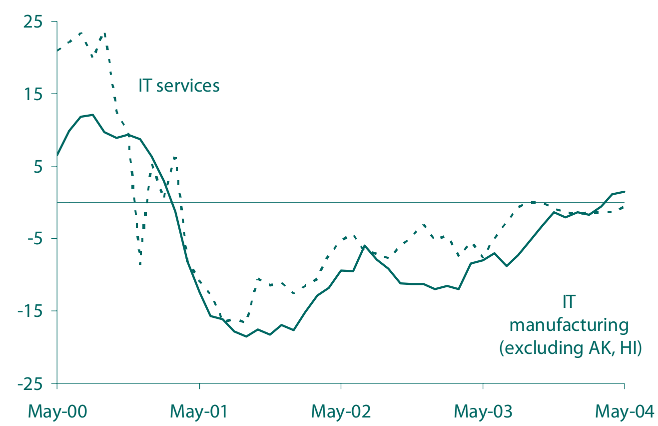
Source: Bureau of the Census.

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

Source: Bureau of the Census.

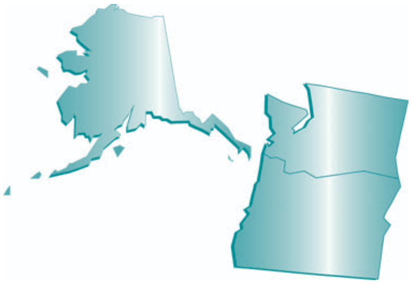
*Annualized values

IT job growth, 12th District
(monthly percent change in 3-month moving averages)*



Source: Bureau of Labor Statistics.

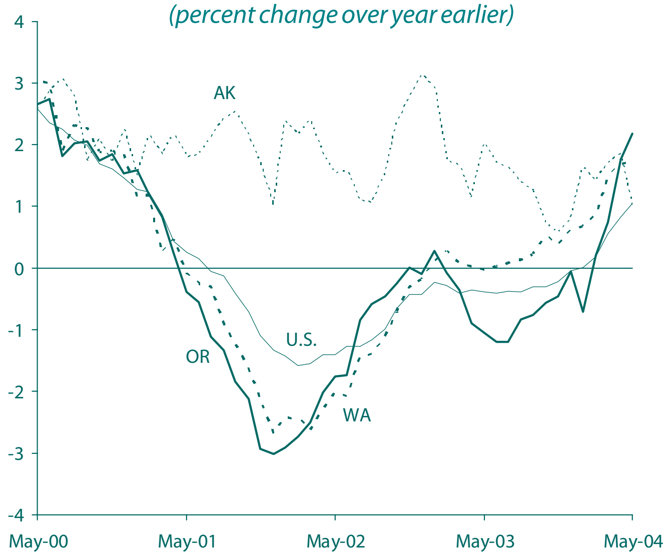
*Annualized values



State Highlights

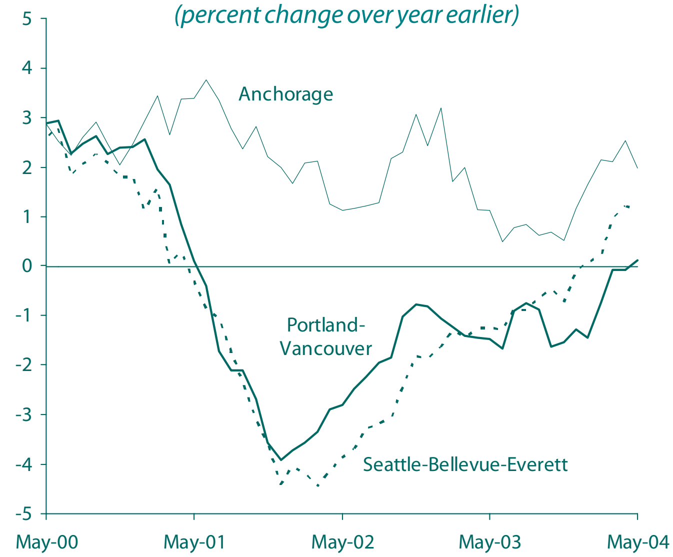
Alaska • Oregon • Washington

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) May-04	Percent Change 1-mo.[a]	3-mo.[a]	YTD [a]	12-mo.
Alaska					
Total	302.2	-1.6	-0.7	0.7	1.0
Natural Resources & Mining	9.7	-21.7	-7.8	-13.4	-5.8
Construction	17.7	87.1	17.5	4.2	2.9
Manufacturing	11.1	110.4	-11.0	-2.8	-0.3
Trade, Transportation & Utilities	62.1	-1.9	2.6	1.6	1.6
Information	6.9	-2.8	-7.5	-2.4	-1.5
Financial Activities	14.6	-0.2	-5.9	-0.3	2.1
Professional & Business Svcs.	23.4	-9.7	3.5	7.6	0.0
Educational & Health Svcs.	34.2	0.0	0.0	2.1	4.6
Leisure & Hospitality	30.1	0.0	-3.9	3.3	2.0
Other Services	11.4	9.6	-0.2	0.6	0.9
Government	80.7	-13.7	-3.9	-2.9	-1.0
Oregon					
Total	1,590.7	4.6	5.2	3.4	2.2
Natural Resources & Mining	9.5	47.0	42.2	2.6	0.0
Construction	82.5	32.3	8.1	8.6	8.7
Manufacturing	200.6	4.9	7.7	2.6	3.2
Trade, Transportation & Utilities	317.8	6.2	5.9	5.0	1.2
Information	33.2	-10.4	-2.7	0.9	-2.5
Financial Activities	98.9	7.6	2.9	-0.5	0.8
Professional & Business Svcs.	177.0	-0.7	15.9	6.4	4.5
Educational & Health Svcs.	187.6	3.3	-4.2	1.9	-0.1
Leisure & Hospitality	154.5	1.6	6.7	1.9	3.5
Other Services	58.7	0.3	-3.0	5.3	4.3
Government	270.0	0.9	2.7	2.1	0.9

[a] Annualized.

	Total Employed (thousands) May-04	Percent Change 1-mo.[a]	3-mo.[a]	YTD [a]	12-mo.
Washington					
Total	2,701.1	1.3	3.2	2.9	1.7
Natural Resources & Mining	8.3	-24.9	-13.2	-13.1	-5.7
Construction	164.8	12.4	9.5	10.3	6.3
Manufacturing	261.2	-0.5	1.5	-0.3	-2.4
Trade, Transportation & Utilities	521.1	-0.7	2.3	4.1	2.3
Information	95.6	3.8	9.3	6.8	3.8
Financial Activities	157.2	1.5	2.1	4.9	3.3
Professional & Business Svcs.	301.3	4.9	6.3	5.2	4.1
Educational & Health Svcs.	317.1	1.9	3.0	2.0	1.7
Leisure & Hospitality	247.9	-0.5	3.0	0.8	0.4
Other Services	100.6	3.6	3.7	2.7	1.5
Government	526.0	-0.7	0.9	0.5	0.6

Unemployment Rates (%)

	May-04	Apr-04	Mar-04	Feb-04	May-03
Alaska	7.3	7.1	7.1	7.3	7.9
Oregon	6.8	6.7	7.2	7.1	8.6
Washington	6.1	6.3	6.1	6.2	7.7
U.S.	5.6	5.6	5.7	5.6	6.1

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—May 2004

	3-mo. average number	Moving average percent change 3-mo.[a]	12-mo.[a]
Alaska	327.2	20.1	5.2
Oregon	2,199.1	12.0	1.5
Washington	3,795.1	12.6	-2.5

Source: Bureau of the Census.

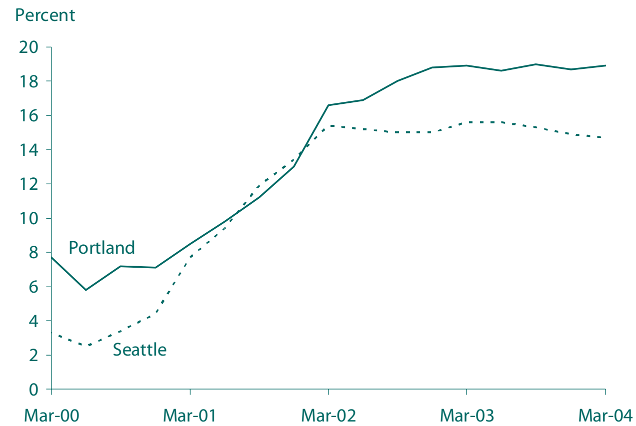
Nonresidential construction awards—May 2004

	3-mo. average $ millions	Moving average percent change 3-mo.[a]	12-mo.[a]
Alaska	35.5	-68.2	46.5
Oregon	167.5	21.0	28.8
Washington	219.3	-25.4	-2.3

[a] Underlying data are seasonally adjusted moving averages.

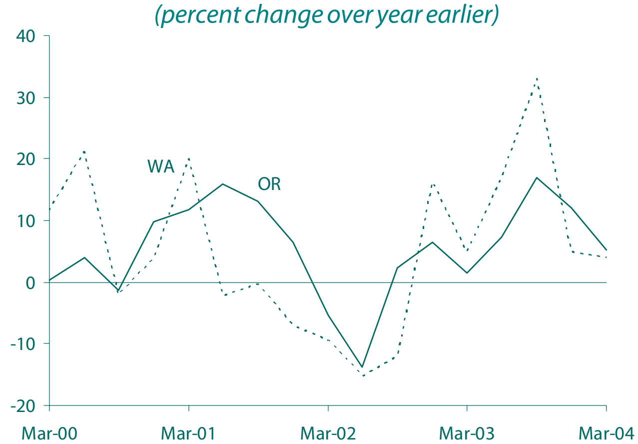
Source: F.W. Dodge.

Metro area office vacancy rates



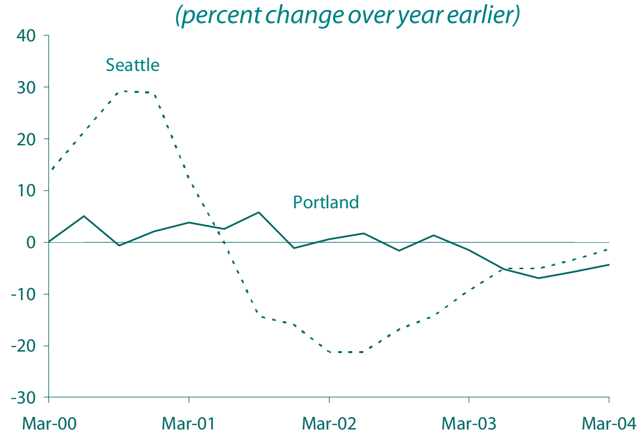
Source: Torto Wheaton Research.

Sales of existing homes
(percent change over year earlier)



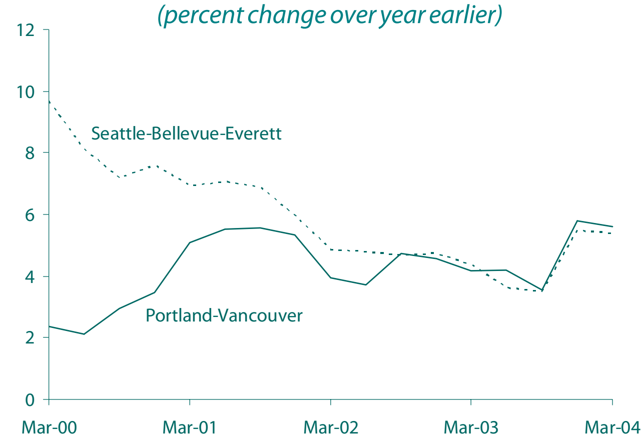
Source: National Association of Realtors.

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	Apr-04*	Percent Change** Apr-02	Apr-03	Apr-04
Alaska	2.7	1.0	5.0	7.6	11.5
Oregon	9.7	3.5	-20.0	26.8	0.9
Washington	33.1	10.0	-2.2	0.5	-2.1

* Year-to-date values.

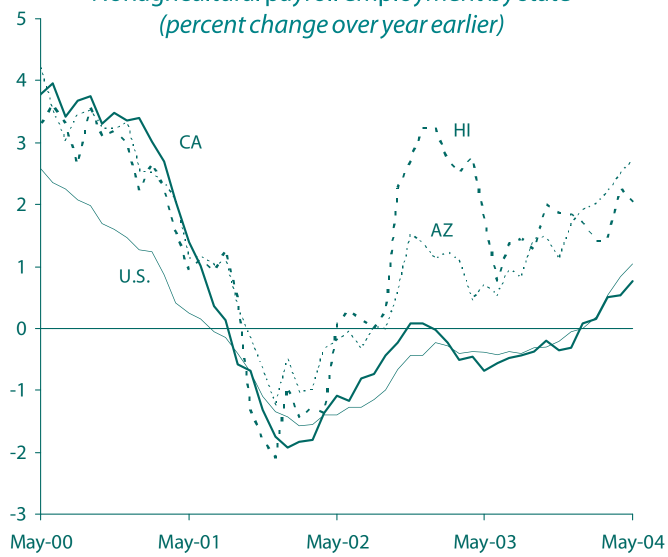
** Percent change from past 12 months relative to prior 12 months.

Source: Census FT900 Supplement, Origin of Movement Series.

State Highlights

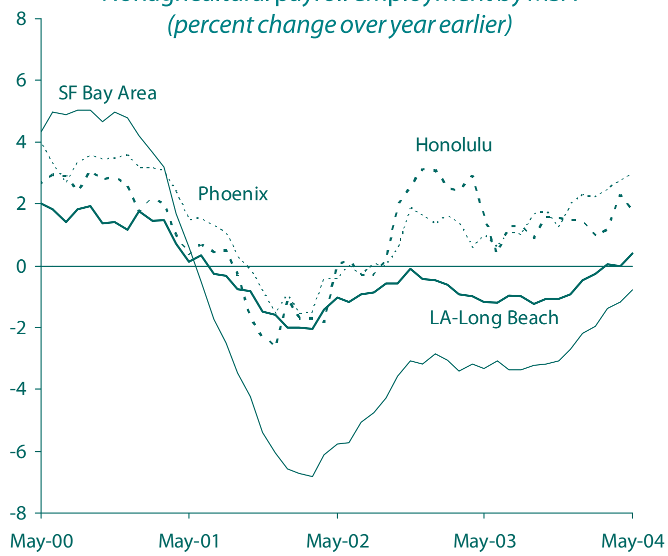
Arizona • California • Hawaii

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) May-04	Percent Change 1-mo.[a]	3-mo.[a]	YTD [a]	12-mo.
Arizona					
Total	2,340.1	4.4	2.8	2.7	2.7
Natural Resources & Mining	8.2	14.6	8.5	9.0	2.7
Construction	190.4	12.1	9.3	7.3	9.3
Manufacturing	172.2	-6.1	-3.9	-0.7	-0.6
Trade, Transportation & Utilities	450.5	0.1	0.3	2.4	1.7
Information	47.6	-4.6	-1.7	-4.3	-4.1
Financial Activities	161.4	4.6	-1.5	3.2	1.3
Professional & Business Svcs.	326.6	4.9	0.1	3.2	3.0
Educational & Health Svcs.	260.2	10.2	8.1	7.4	6.5
Leisure & Hospitality	235.4	-1.0	2.9	1.3	2.2
Other Services	86.8	1.7	1.6	0.4	1.2
Government	400.5	5.6	3.5	3.6	1.5
Hawaii					
Total	577.0	-1.2	2.7	1.2	2.0
Natural Resources, Mining & Construction	28.9	2.7	-8.1	5.9	3.2
Manufacturing	15.3	8.2	12.4	5.4	3.4
Trade, Transportation & Utilities	110.8	4.4	5.2	4.2	3.1
Information	9.9	-21.6	4.6	1.4	-9.8
Financial Activities	29.0	-4.5	3.1	5.5	2.5
Professional & Business Svcs.	71.4	-3.8	2.7	4.1	3.4
Educational & Health Svcs.	66.9	7.5	4.3	0.4	2.9
Leisure & Hospitality	101.9	1.2	2.8	2.2	3.1
Other Services	24.2	6.1	-1.1	-3.2	0.8
Government	120.3	-12.1	5.9	3.3	1.3

	Total Employed (thousands) May-04	Percent Change 1-mo.[a]	3-mo.[a]	YTD [a]	12-mo.
California					
Total	14,501.2	2.0	1.7	1.4	0.8
Natural Resources & Mining	22.1	-10.2	22.7	8.0	1.4
Construction	814.7	4.7	2.8	4.6	3.5
Manufacturing	1,527.9	0.3	0.4	0.1	-1.4
Trade, Transportation & Utilities	2747.6	2.0	2.8	2.0	1.2
Information	466.4	21.2	-0.3	0.9	-1.8
Financial Activities	900.2	2.3	3.2	0.9	1.6
Professional & Business Svcs.	2,160.3	3.7	3.4	3.0	3.0
Educational & Health Svcs.	1,563.9	2.6	2.1	1.4	2.0
Leisure & Hospitality	1,412.5	3.3	1.8	2.4	1.5
Other Services	504.9	6.9	4.2	0.9	-0.3
Government	2,380.7	-4.8	-1.8	-1.1	-1.9

Unemployment Rates (%)

	May-04	Apr-04	Mar-04	Feb-04	May-03
Arizona	5.1	5.4	4.9	5.2	5.9
Hawaii	3.0	3.6	3.8	4.2	4.3
California	6.2	6.2	6.6	6.3	6.8
U.S.	5.6	5.6	5.7	5.6	6.1

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—May 2004

	3-mo. average number	Moving average percent change 3-mo.[a]	12-mo.[a]
Arizona	7,112.0	8.4	21.4
California	17,363.6	9.1	10.6
Hawaii	647.0	-22.3	15.9

Source: Bureau of the Census.

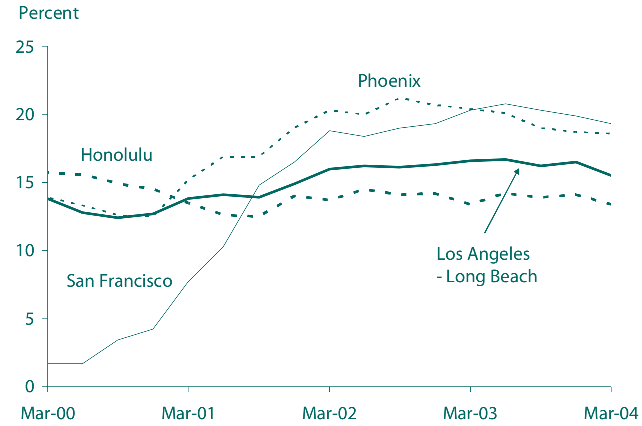
Nonresidential construction awards—May 2004

	3-mo. average $ millions	Moving average percent change 3-mo.[a]	12-mo.[a]
Arizona	311.5	2.5	17.6
California	1,359.4	7.5	-12.6
Hawaii	17.4	-27.5	-27.7

[a] Underlying data are seasonally adjusted moving averages.

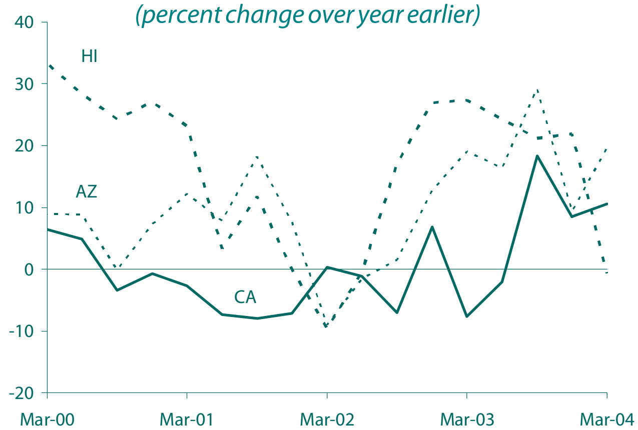
Source: F.W. Dodge.

Metro area office vacancy rates



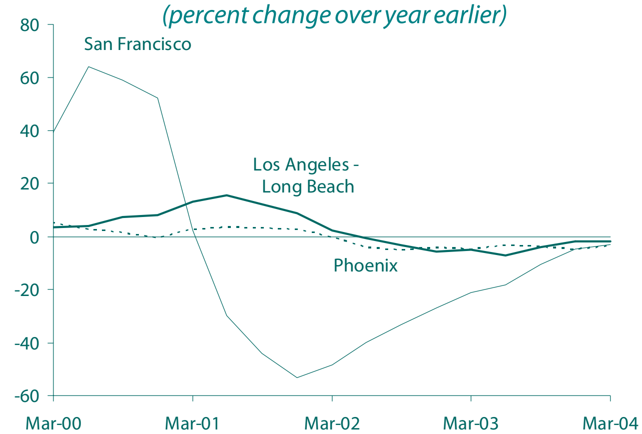
Source: Torto Wheaton Research.

Sales of existing homes
(percent change over year earlier)



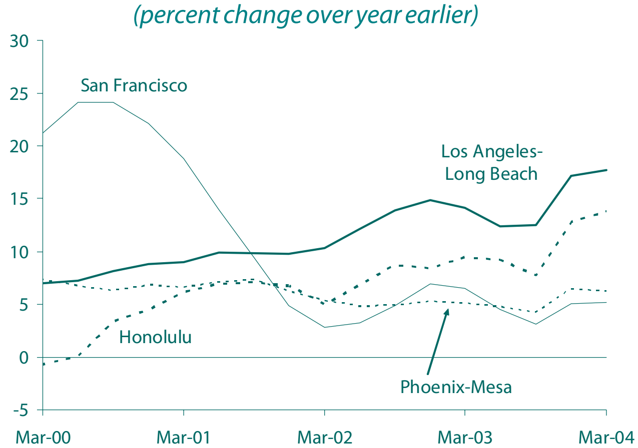
Source: National Association of Realtors.

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.

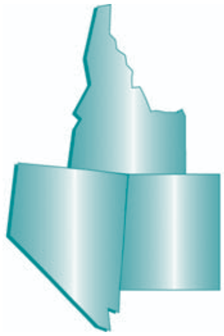
Export update

	$ billions 2003	Apr-04*	Percent Change** Apr-02	Apr-03	Apr-04
Arizona	11.7	4.3	-21.4	4.4	14.5
California	78.1	30.4	-20.4	-7.9	10.7
Hawaii	0.3	0.1	-23.6	103.4	-41.9

* Year-to-date values.

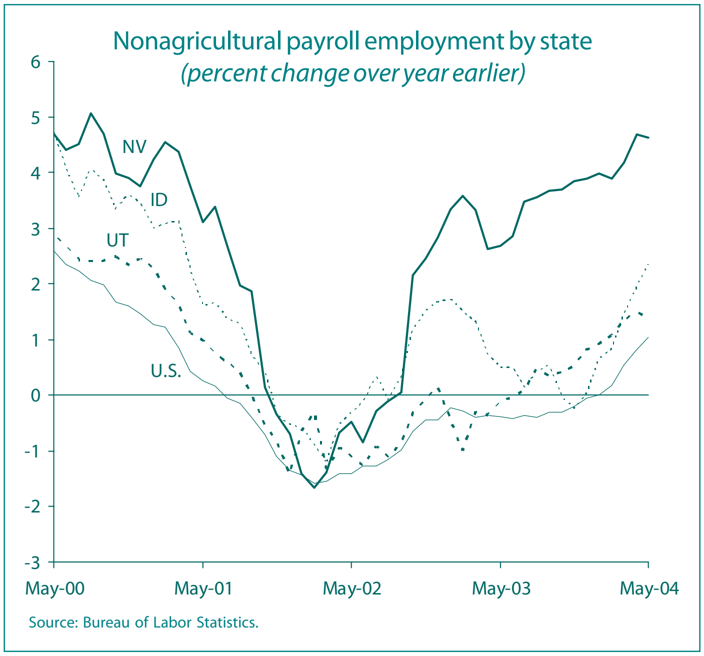
** Percent change from past 12 months relative to prior 12 months.

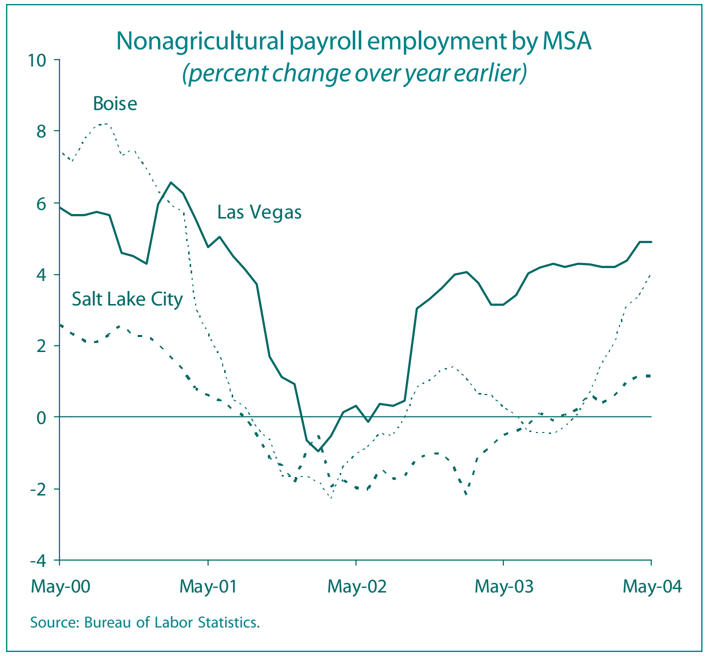
Source: Census FT900 Supplement, Origin of Movement Series.



State Highlights

Idaho • Nevada • Utah





Employment by Industry

	Total Employed (thousands)	Percent Change			
	May-04	1-mo.[a]	3-mo.[a]	YTD [a]	12-mo.
Idaho					
Total	583.8	5.1	5.0	4.5	2.3
Natural Resources & Mining	3.3	44.7	-21.0	-24.0	-13.2
Construction	37.8	-3.1	3.2	5.3	3.8
Manufacturing	61.1	-1.9	4.0	2.0	-1.3
Trade, Transportation & Utilities	116.9	1.4	0.9	3.3	1.4
Information	9.2	-2.3	-3.9	1.2	0.0
Financial Activities	27.4	2.4	1.7	1.1	2.3
Professional & Business Svcs.	74.6	15.7	21.9	14.5	6.9
Educational & Health Svcs.	64.7	4.0	2.7	2.9	3.9
Leisure & Hospitality	54.2	-4.3	2.2	1.8	0.0
Other Services	18.4	5.1	5.3	0.7	1.2
Government	115.3	2.1	2.1	4.5	2.1
Nevada					
Total	1,129.5	4.1	4.8	4.5	4.6
Natural Resources & Mining	8.9	-12.5	0.0	2.7	2.3
Construction	109.6	10.4	10.5	11.9	12.0
Manufacturing	45.3	-0.4	0.7	4.6	4.1
Trade, Transportation & Utilities	200.6	-0.6	-2.0	-1.4	3.9
Information	15.4	-13.6	-4.3	-1.4	-3.0
Financial Activities	61.2	0.0	4.7	4.0	4.6
Professional & Business Svcs.	127.2	-2.8	2.2	5.5	7.3
Educational & Health Svcs.	79.1	2.6	4.1	5.6	5.7
Leisure & Hospitality	310.7	4.8	6.4	5.0	2.7
Other Services	31.5	-1.2	0.3	1.8	5.7
Government	138.9	11.0	8.2	4.6	2.6

[a] Annualized.

	Total Employed (thousands)	Percent Change			
	May-04	1-mo.[a]	3-mo.[a]	YTD [a]	12-mo.
Utah					
Total	1,085.2	-0.6	0.9	0.8	1.4
Natural Resources & Mining	6.8	-3.2	5.5	11.9	1.5
Construction	69.6	7.2	-0.6	11.2	2.8
Manufacturing	113.1	2.1	0.4	1.9	0.4
Trade, Transportation & Utilities	216.4	4.0	6.3	2.0	1.3
Information	29.6	-16.4	-8.4	-5.0	-1.3
Financial Activities	64.4	-1.3	-2.1	-2.1	-0.8
Professional & Business Svcs.	136.0	13.2	12.0	3.8	3.9
Educational & Health Svcs.	120.8	-2.0	-4.2	-2.2	3.6
Leisure & Hospitality	99.0	-30.9	-8.1	-6.5	0.5
Other Services	32.9	2.6	-1.8	-0.3	1.3
Government	196.3	-7.6	-4.2	-2.0	0.3

Unemployment Rates (%)

	May-04	Apr-04	Mar-04	Feb-04	May-03
Idaho	4.6	4.3	4.6	4.8	5.5
Nevada	4.1	4.3	4.4	4.4	5.4
Utah	4.6	4.4	4.8	4.7	5.7
U.S.	5.6	5.6	5.7	5.6	6.1

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—May 2004

	3-mo. average number	Moving average percent change 3-mo.[a]	12-mo.[a]
Idaho	1,318.9	3.8	11.8
Nevada	4,231.5	9.0	25.9
Utah	1,933.5	9.1	7.7

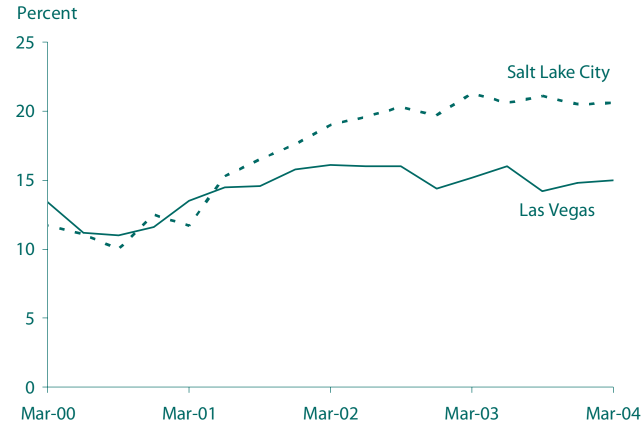
Source: Bureau of the Census.

Nonresidential construction awards—May 2004

	3-mo. average $ millions	Moving average percent change 3-mo.[a]	12-mo.[a]
Idaho	46.5	-13.3	8.9
Nevada	211.2	-36.9	9.2
Utah	135.4	29.3	1.7

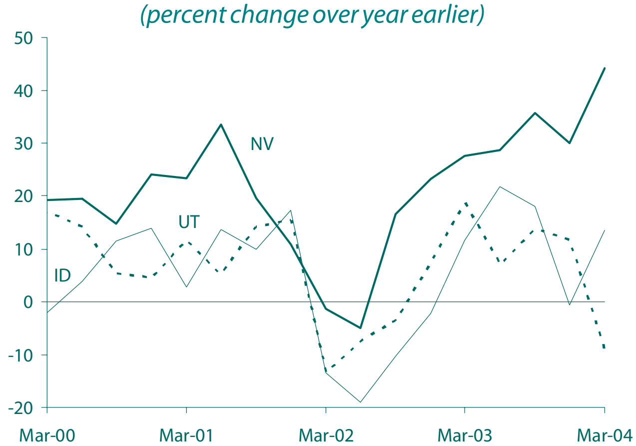
[a] Underlying data are seasonally adjusted moving averages.
Source: F.W. Dodge.

Metro area office vacancy rates



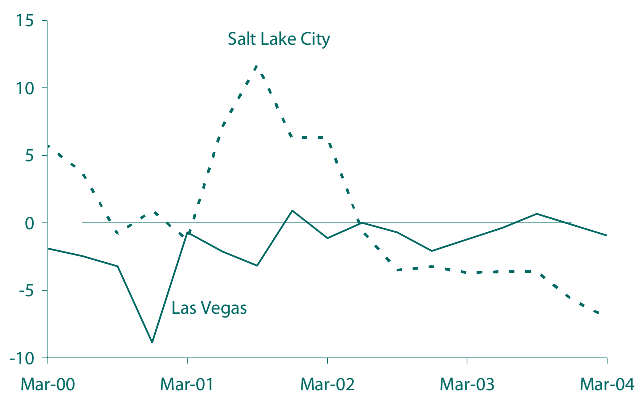
Source: Torto Wheaton Research.

Sales of existing homes
(percent change over year earlier)



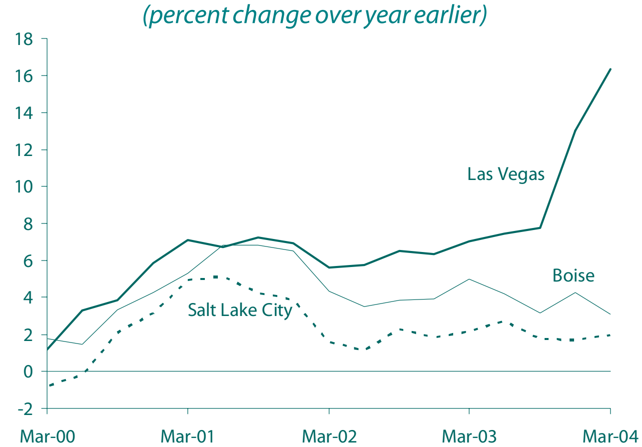
Source: National Association of Realtors.

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	Apr-04*	Percent Change** Apr-02	Apr-03	Apr-04
Idaho	1.9	0.9	-51.0	5.1	36.2
Nevada	1.7	0.6	1.9	-10.6	105.5
Utah	4.0	1.4	14.3	24.7	-16.1

* 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	Posting Dates
March	March 26
June	July 6
August	August 16
September	September 27
November	November 15
December	December 20

Beginning with the August 2004 issue, *Western Economic Developments* will become an online-only publication.
Updates to the text and charts will be available on the above dates at
http://www.frbsf.org/publications/economics/wed/index.html

Western Economic Developments is produced by the Applied Microeconomic and Regional Research Section of the Economic Research Department of the Federal Reserve Bank of San Francisco. The publication is managed by Mark Doms and edited by Anita Todd with contributions by Mary Daly, Mark Doms, Fred Furlong, Lily Hsueh, Ashley Maurier, and Rob Valletta of the Economic Research Department. The analyses represent the views of the staff and do not reflect the official views of the senior bank management of the Federal Reserve Bank of San Francisco or the Federal Reserve System. *Western Economic Developments* is distributed by the Public Information Department, (415) 974-3230. This publication is available on our website, http://www.frbsf.org.

Federal Reserve Bank of San Francisco
101 Market Street
San Francisco, California 94105

Address Service Requested

PRESORTED
FIRST-CLASS MAIL
U.S. POSTAGE PAID
PERMIT NO. 752
San Francisco, CA