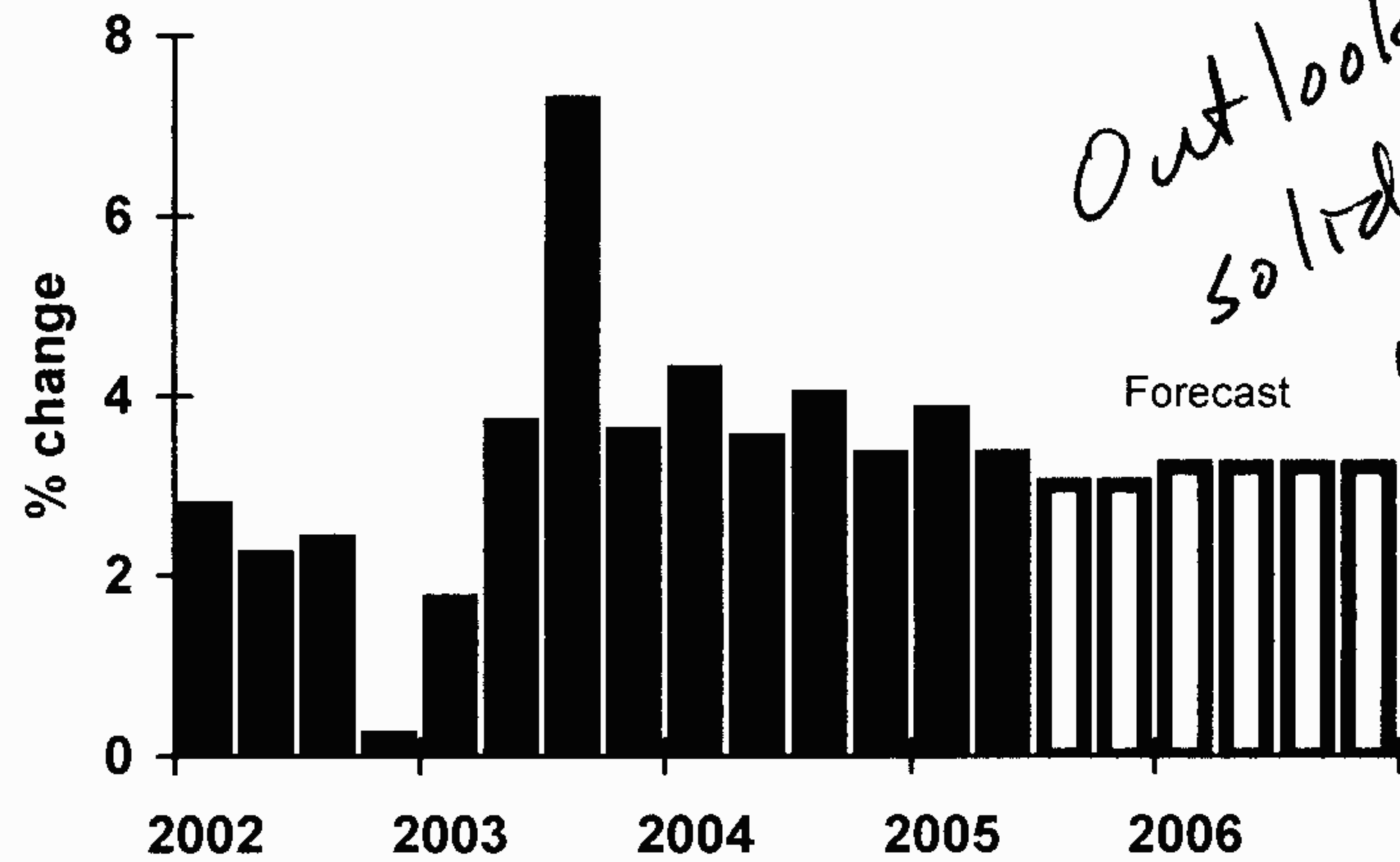


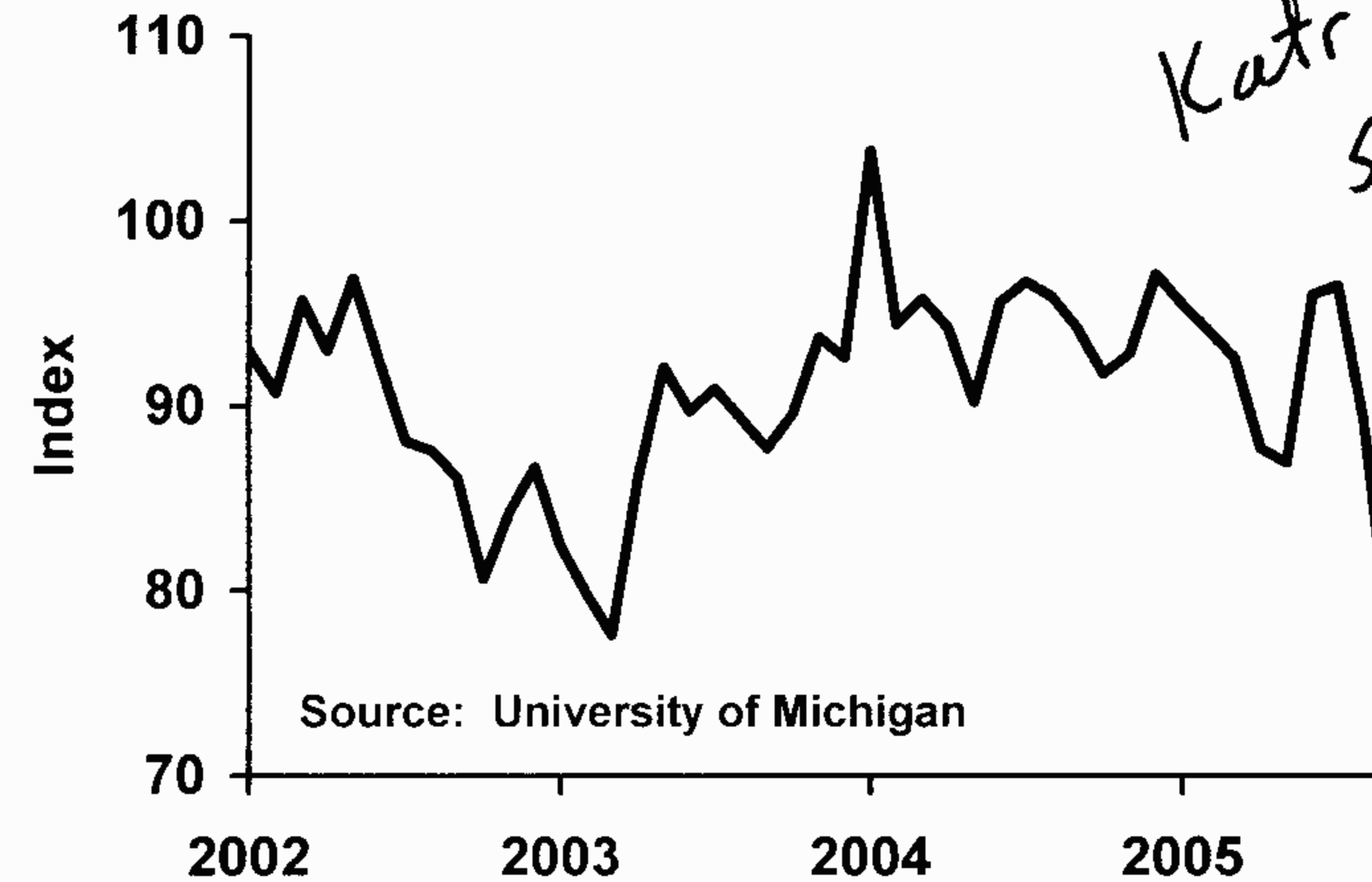
GDP Growth

Inflation Adjusted



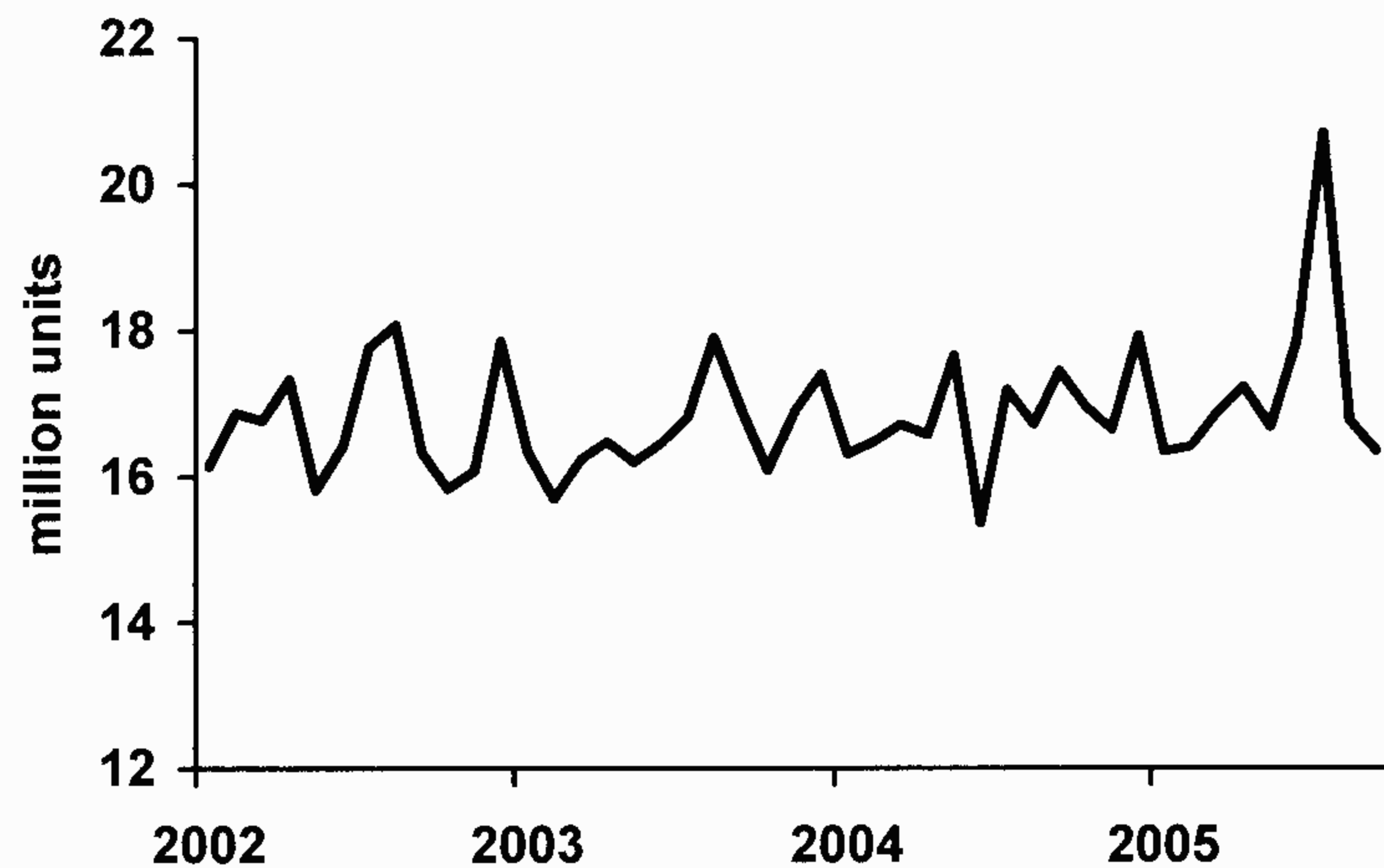
Outlook appears solid, though unspectacular

Consumer Sentiment



Katrina saddened consumers, but I think they'll keep spending

Auto & Light Truck Sales



But the car sale is over. Next year, rising interest rates will hurt.

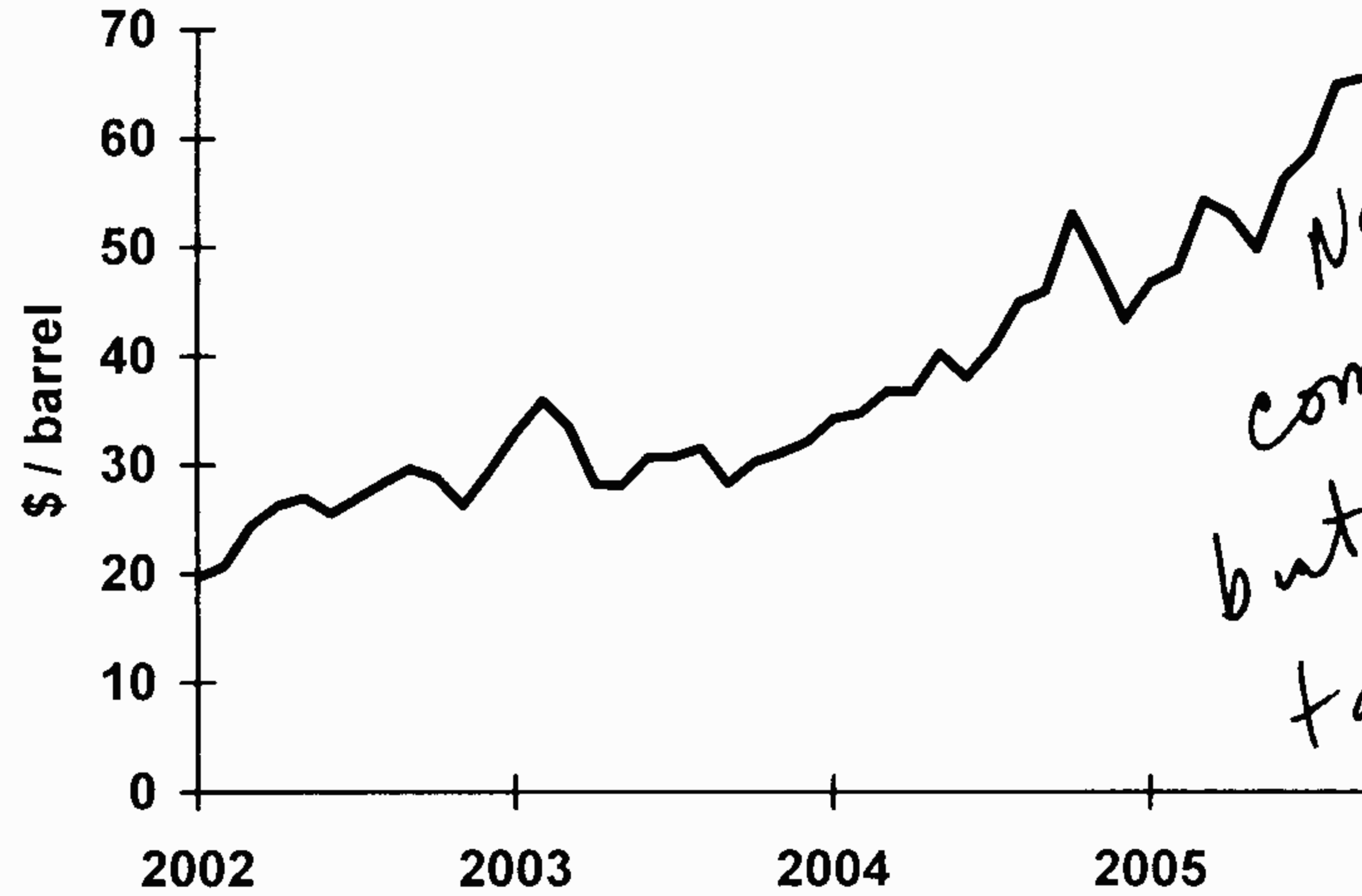
ISM Index

formerly Purchasing Managers Index



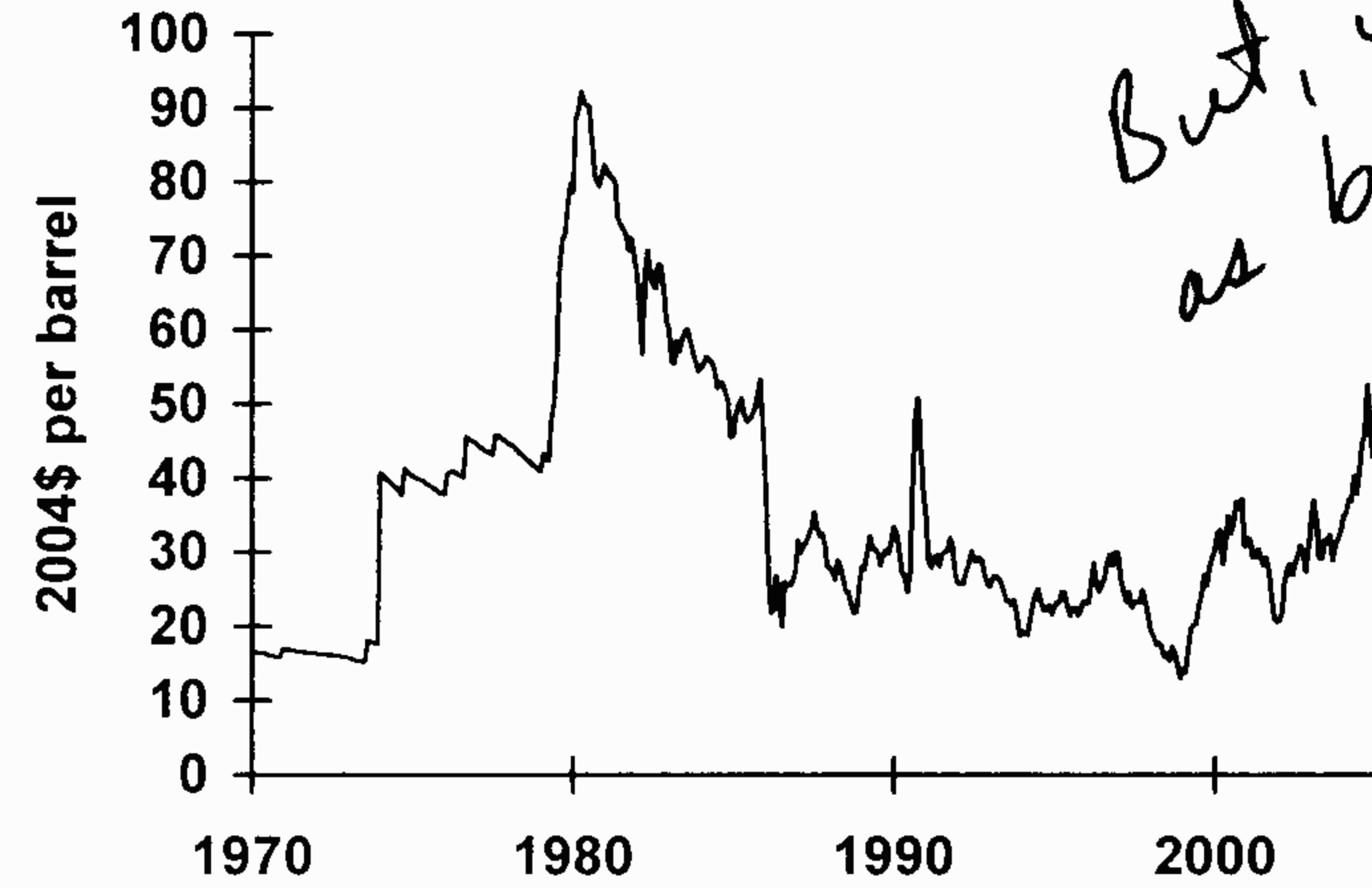
Manufacturing sector is looking OK

Oil Price



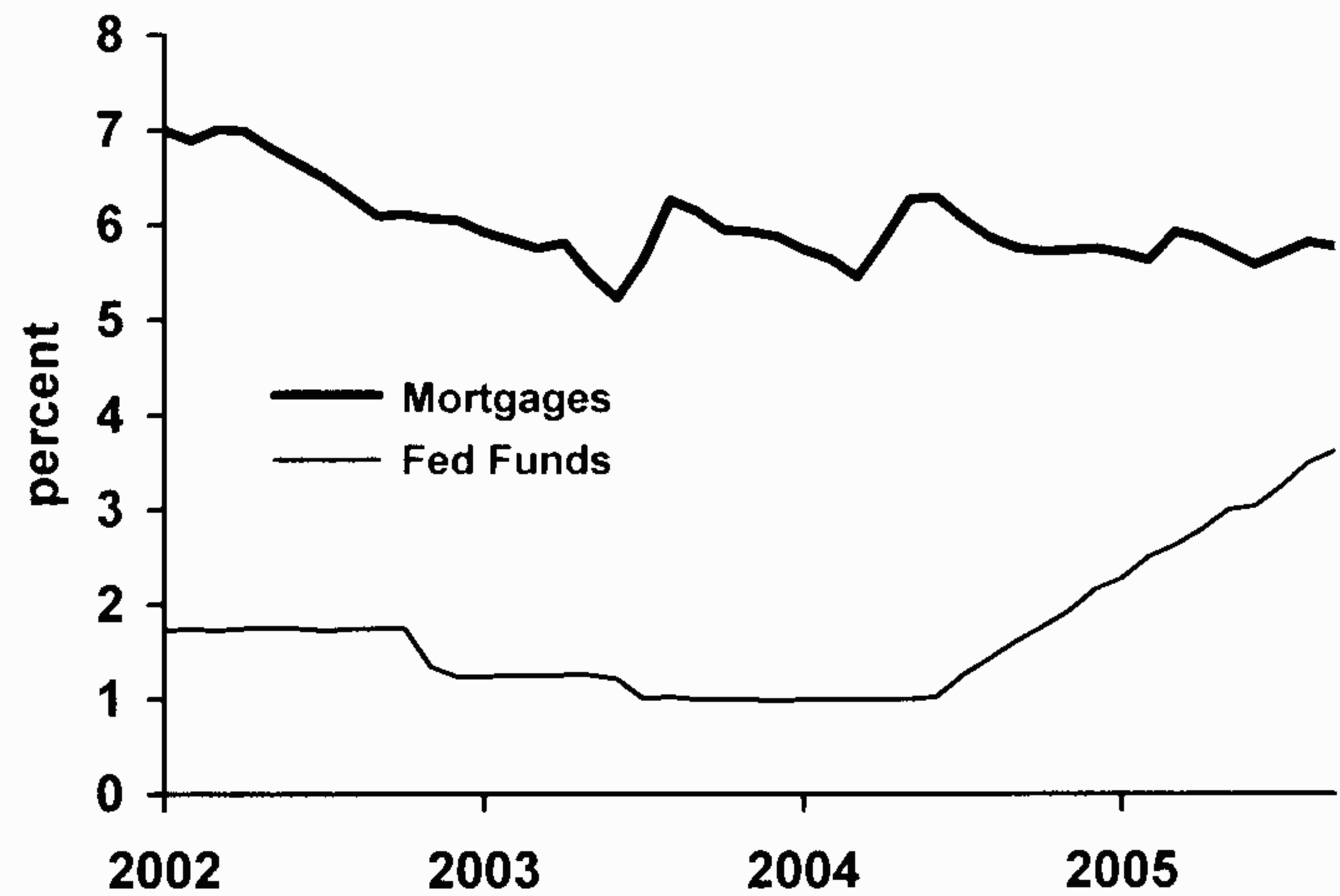
New supply will come on-line, but it could take another two years.

Oil Prices, Inflation-adjusted



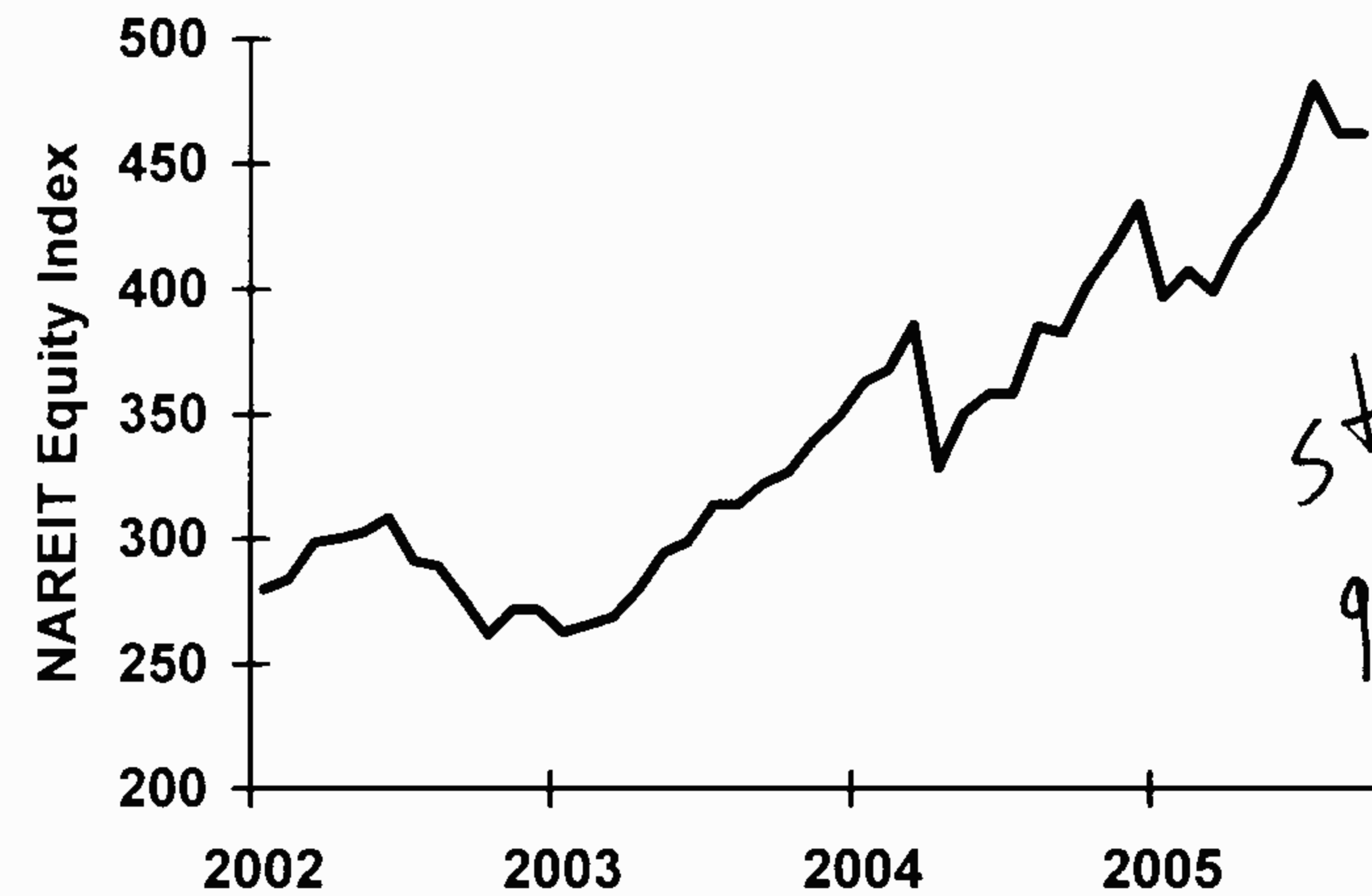
But, it's not as bad as it once was.

Interest Rates



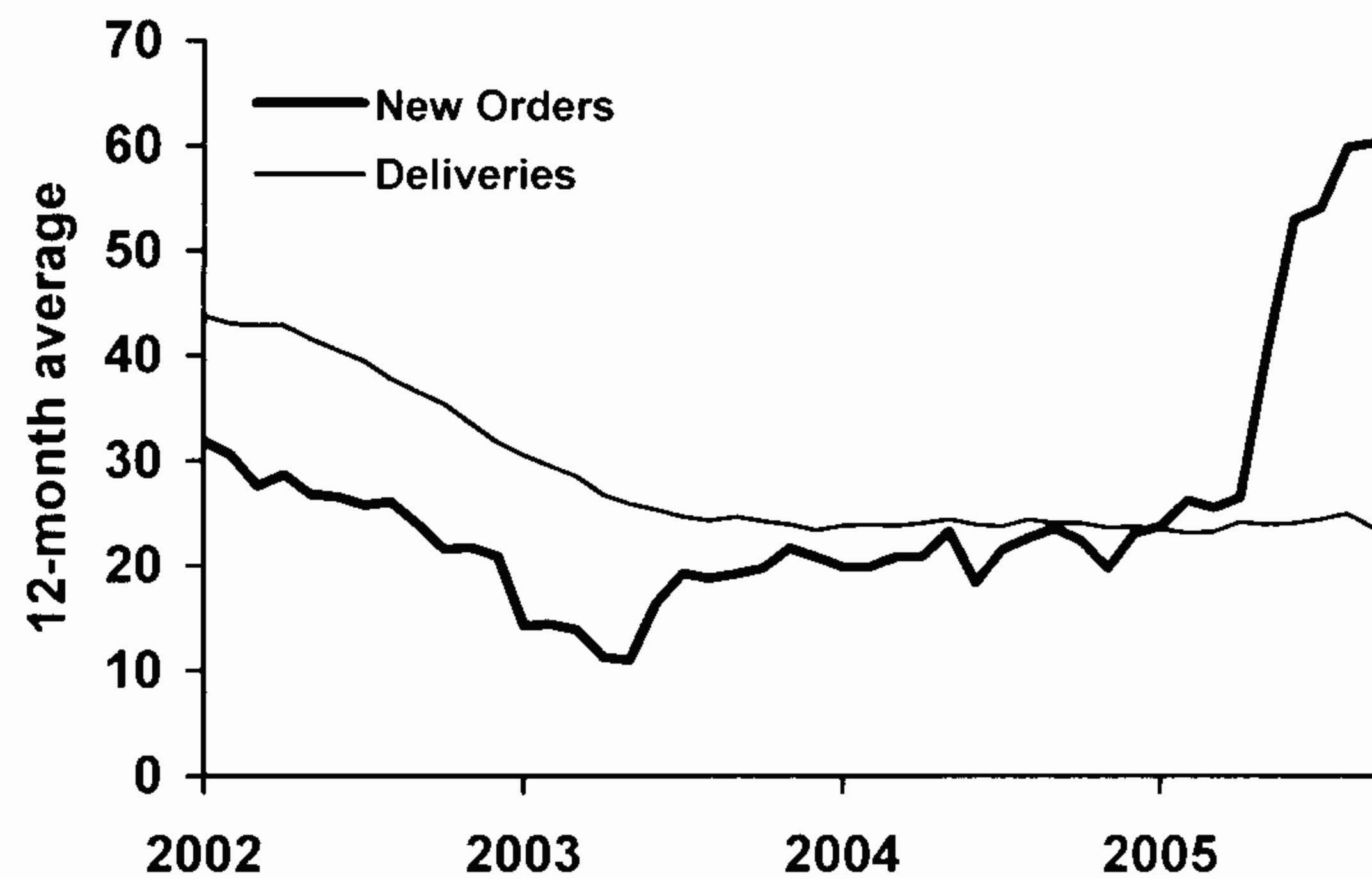
Fed will keep raising rates, even after Greenspan.

Real Estate Investment Trusts



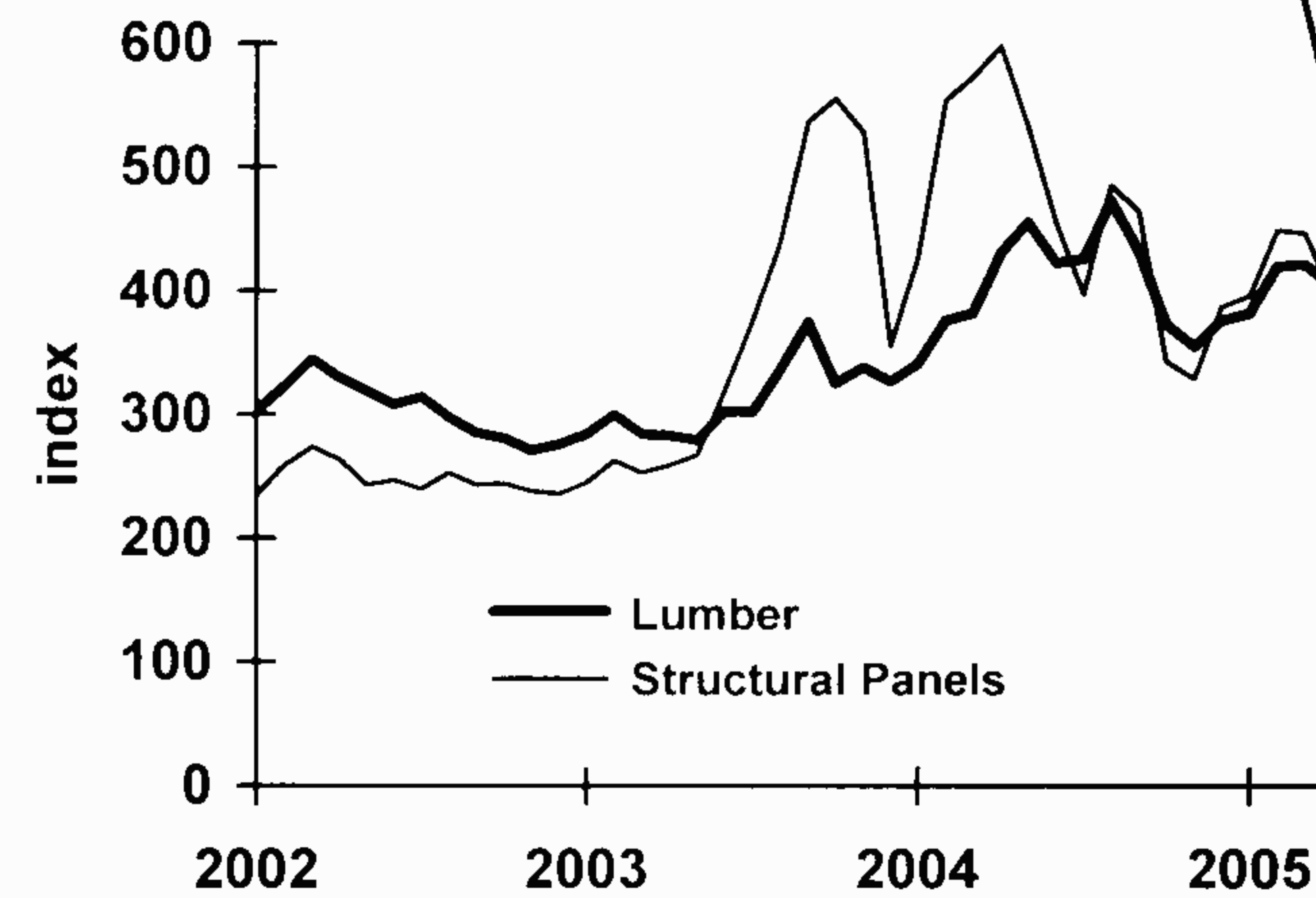
Investment real estate still looking good.

Boeing Orders & Production
Commercial Aircraft



Wow! Time to ramp up production.

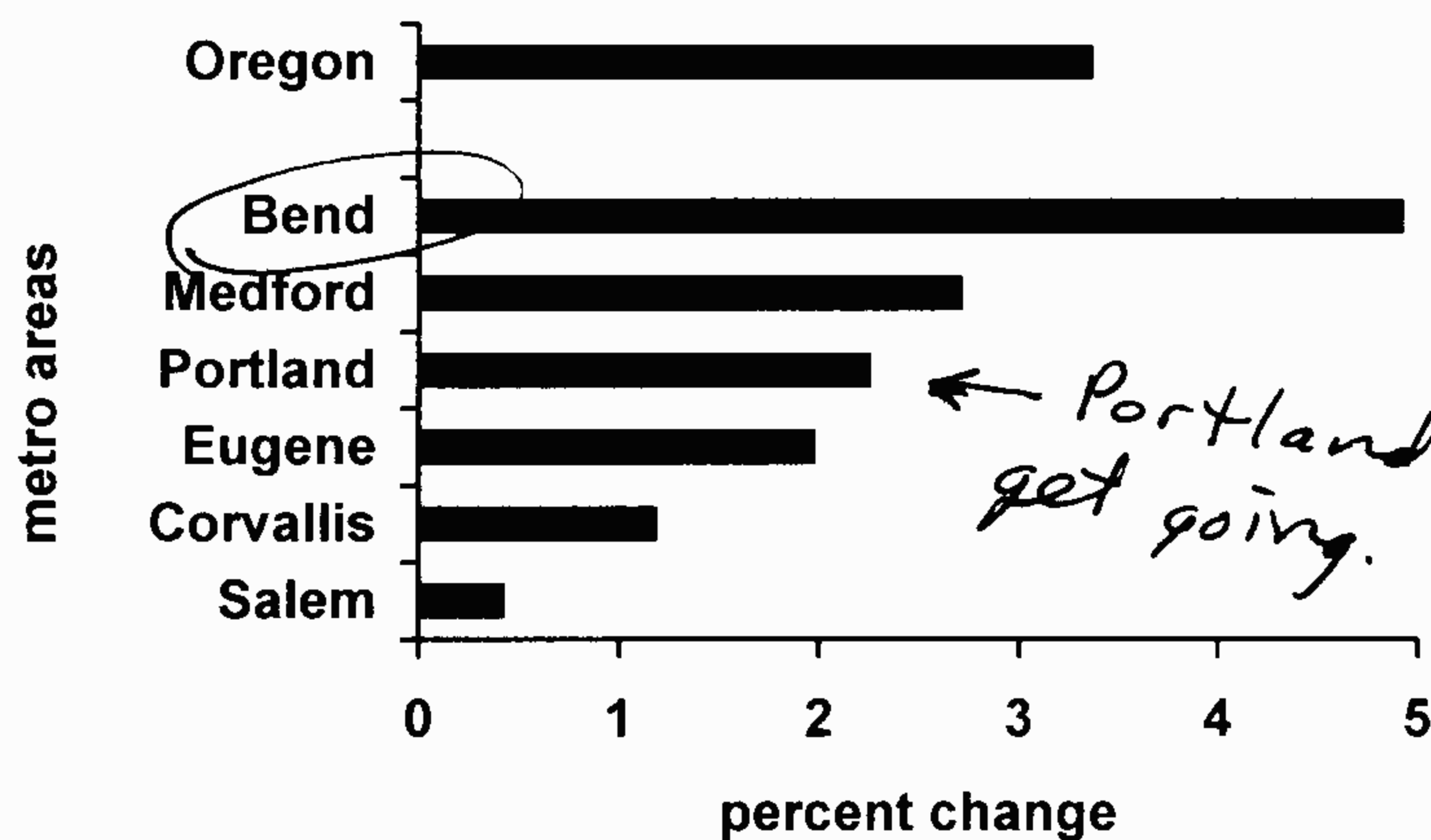
Lumber and Panel Prices



Katrina will only partially offset next year's weaker new construction.

Source: Random Lengths

Oregon Job Growth
8/2004 - 8/2005



Quality of life is helping here

Portland can't get going.

Washington Job Growth
8/2004 - 8/2005

