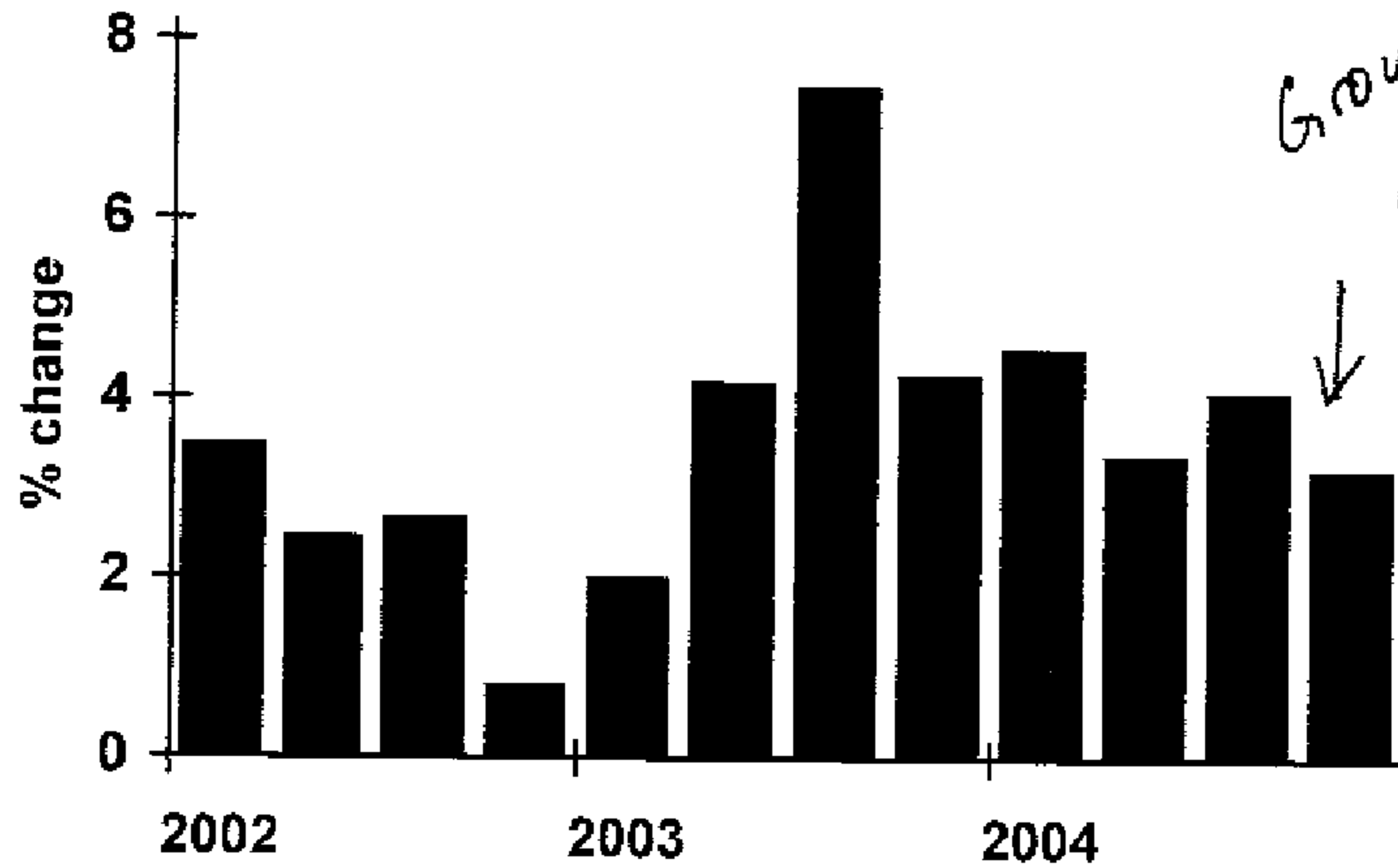
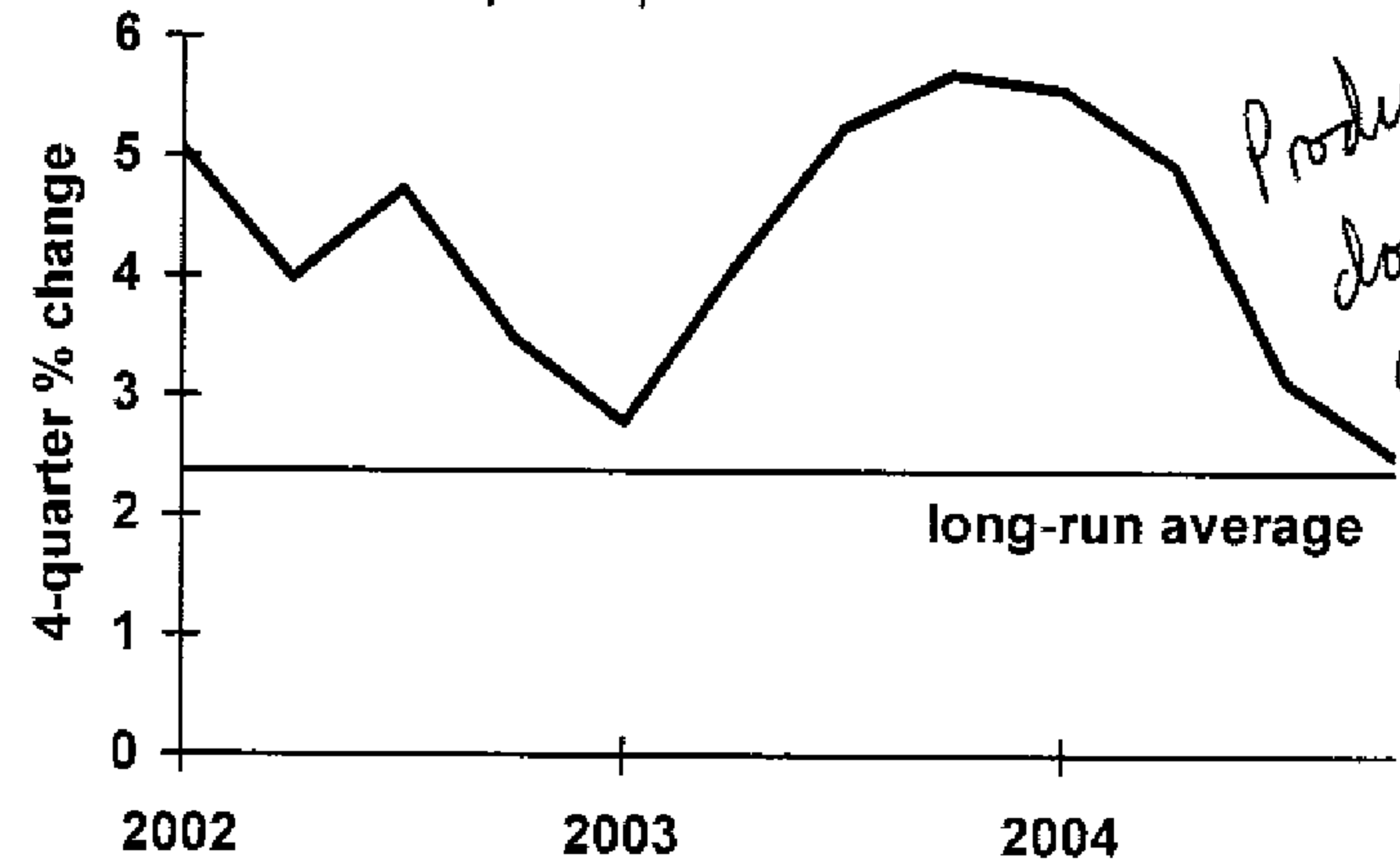


**GDP Growth**  
Inflation Adjusted



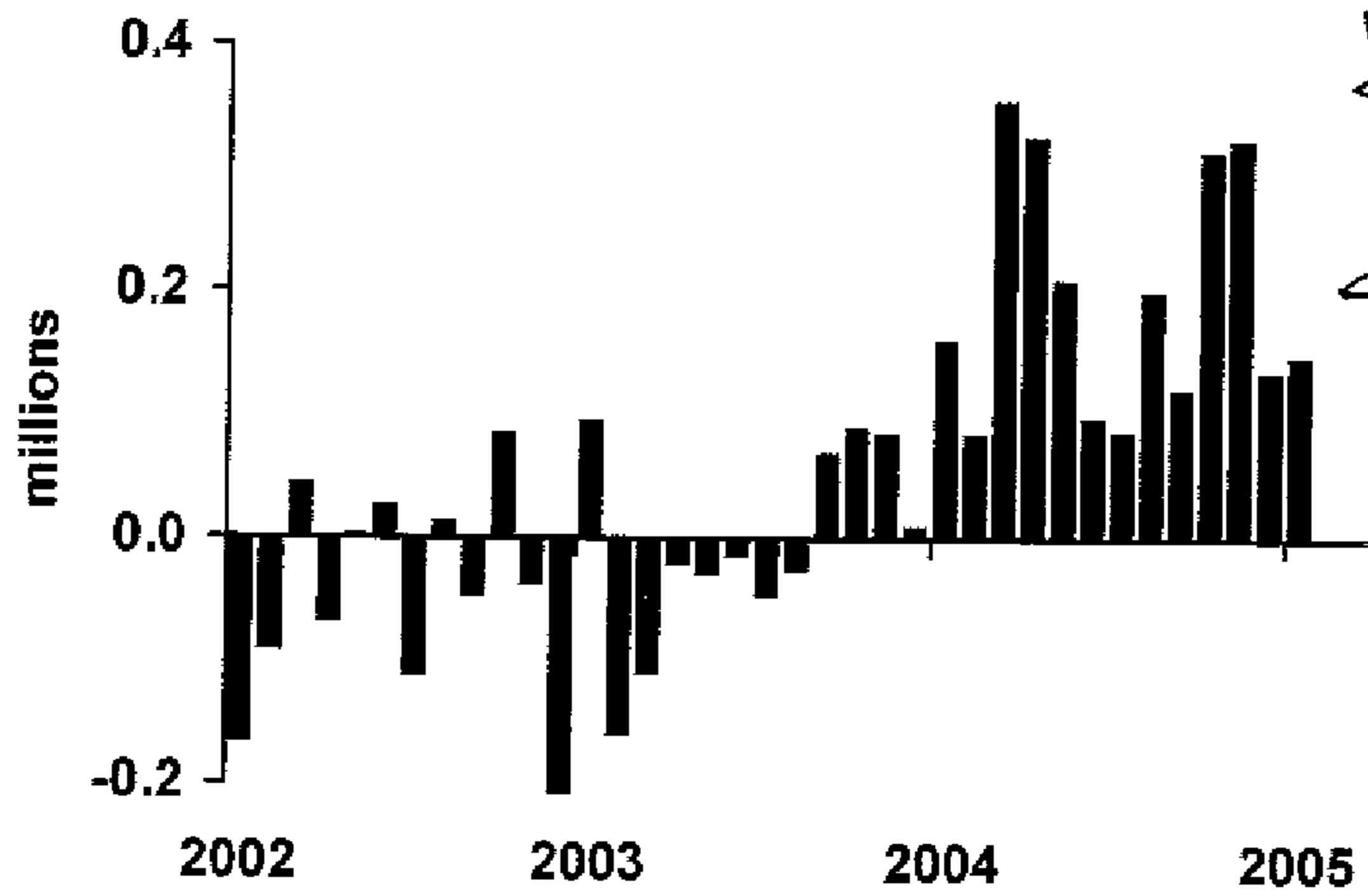
*Growth rate down a bit, but should be higher next 2 quarters.*

**Labor Productivity**  
Output per hour



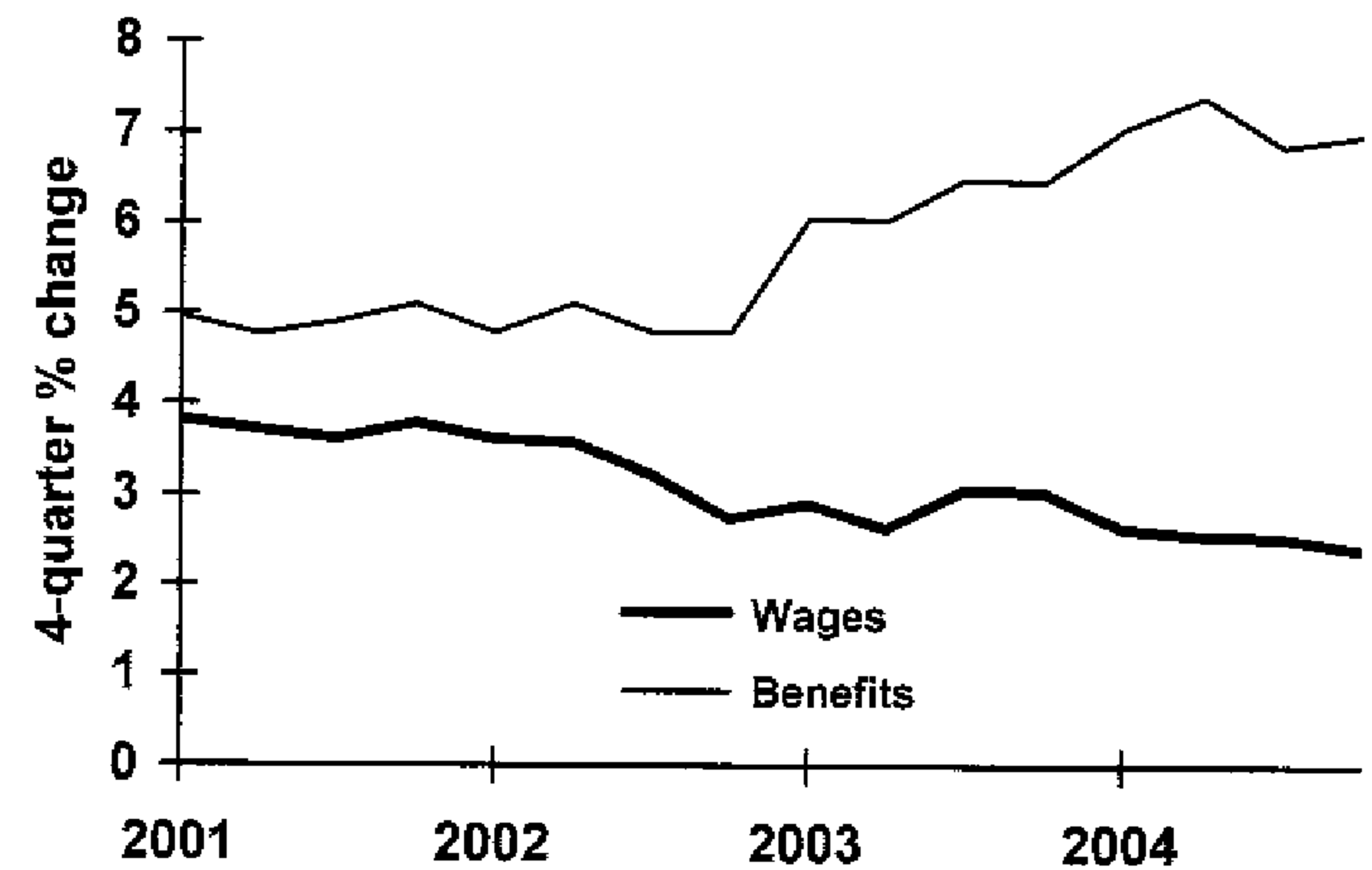
*Productivity growth down to average, so business will have to do more hiring.*

**Net New Jobs**



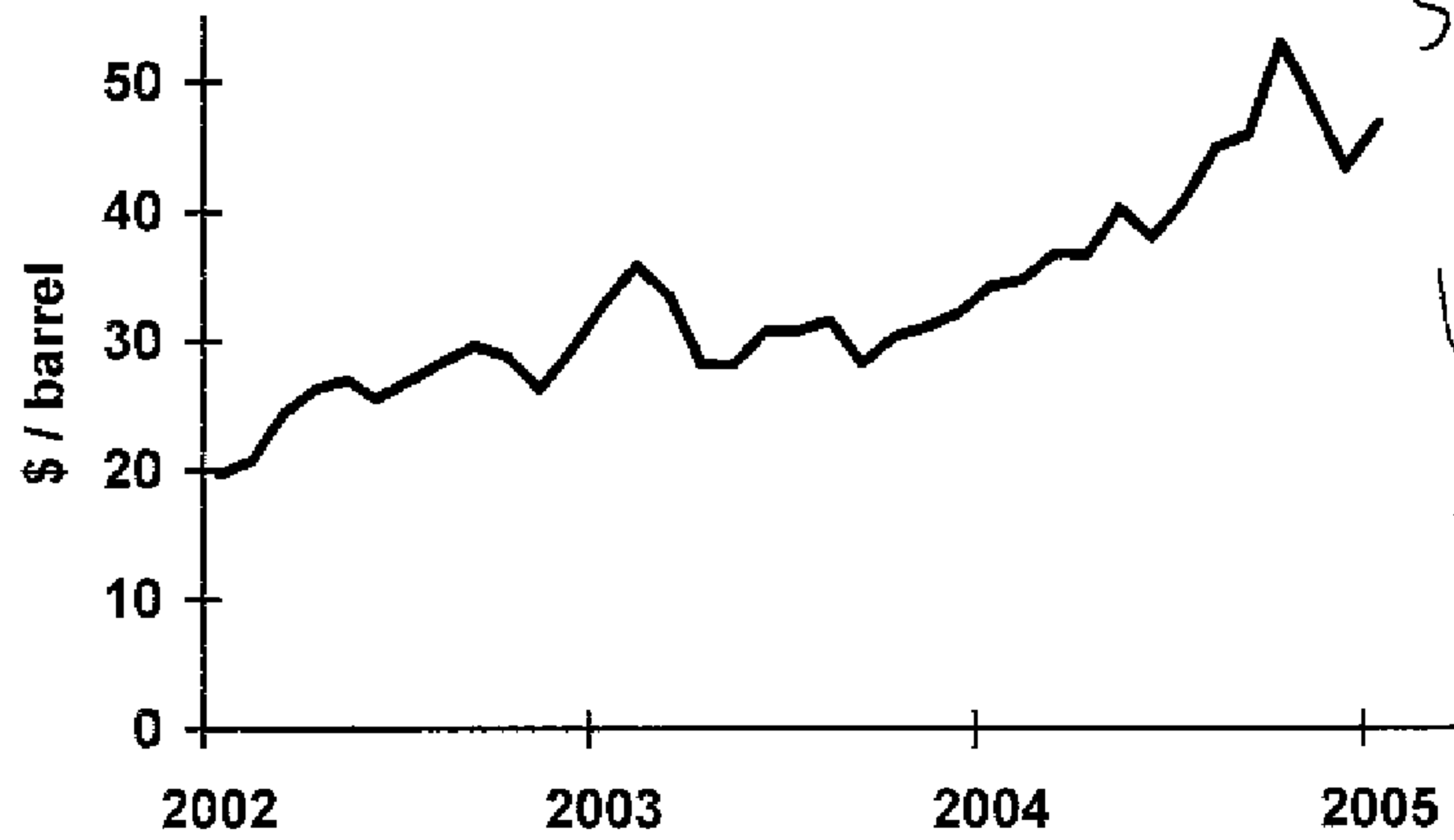
*job growth will strengthen*

**Employment Cost Inflation**



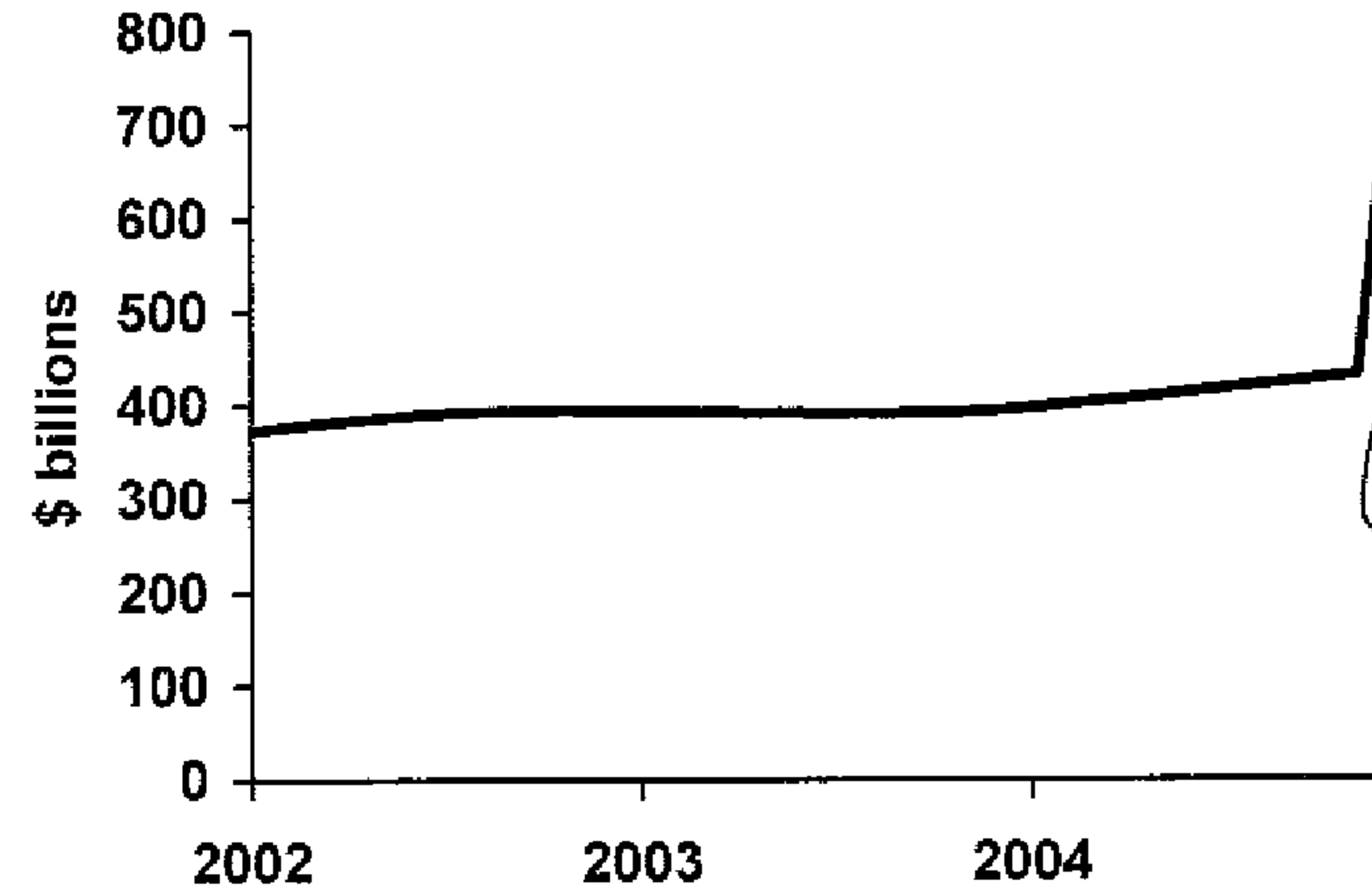
*And wages will rise at a faster pace*

Oil Price



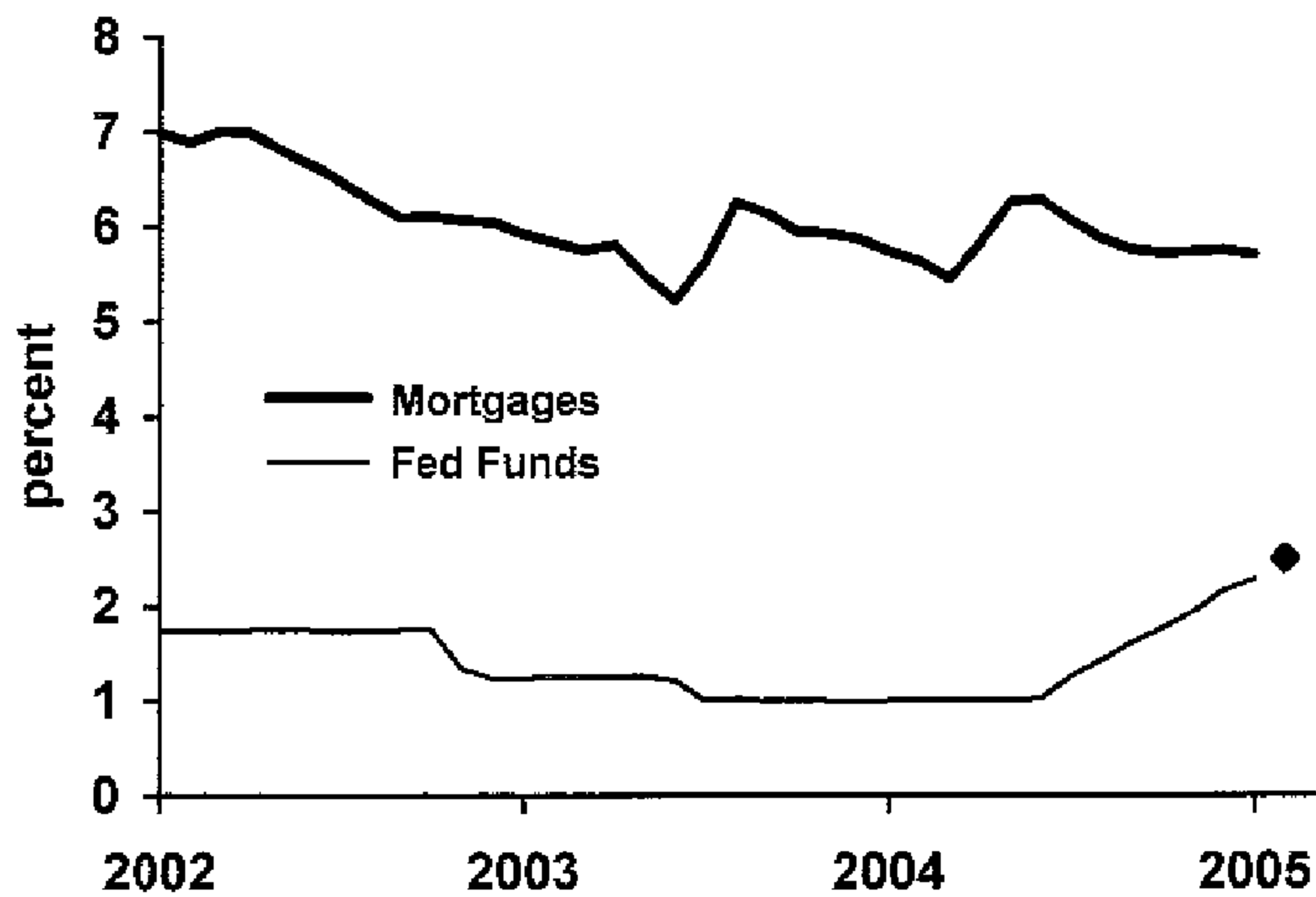
Some respite lately, with lower prices likely later in the year.

Personal Income: Dividends



Microsoft dividend! (But no major impact on consumer spending.)

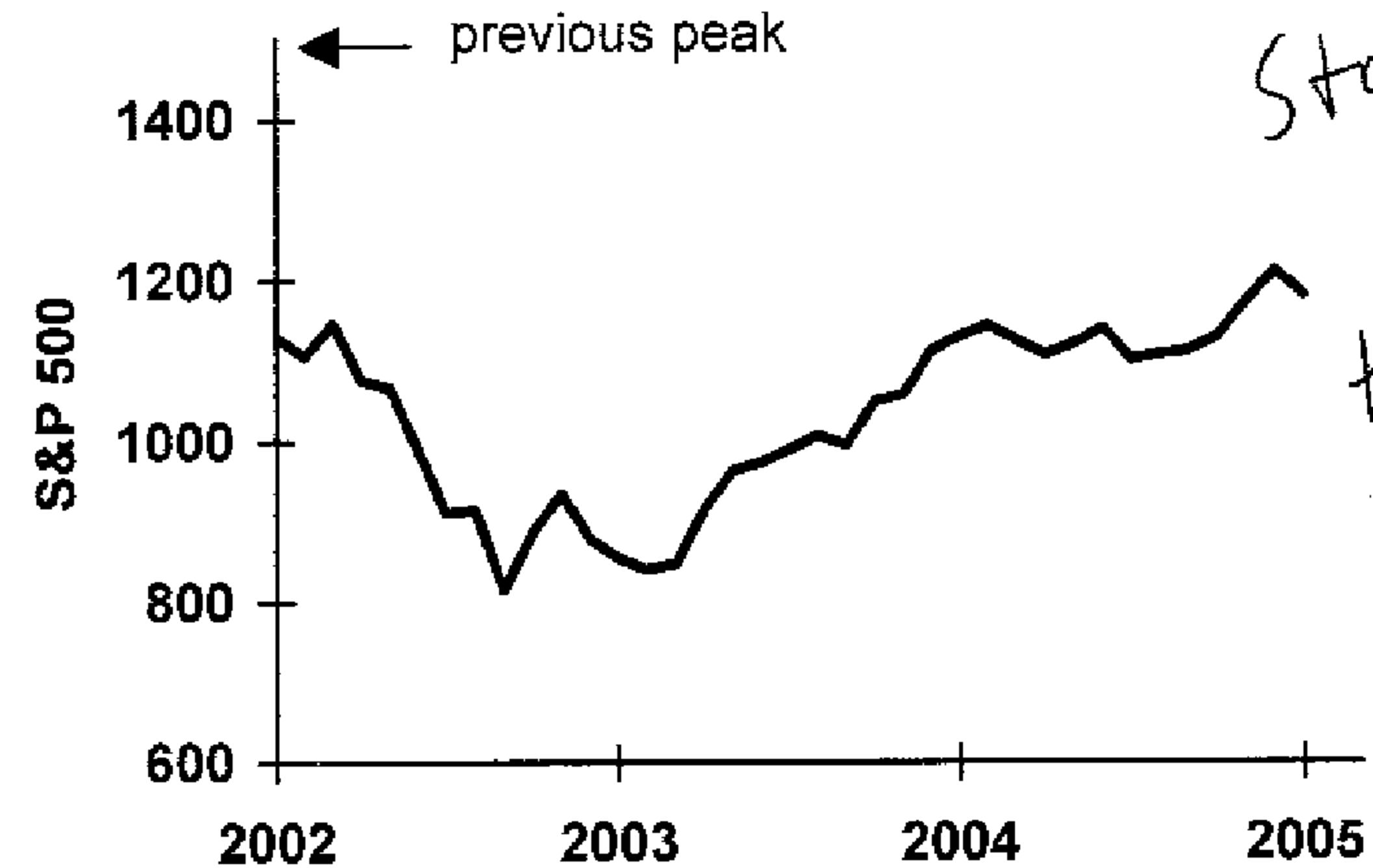
Interest Rates



Rates will continue to rise in 2005.

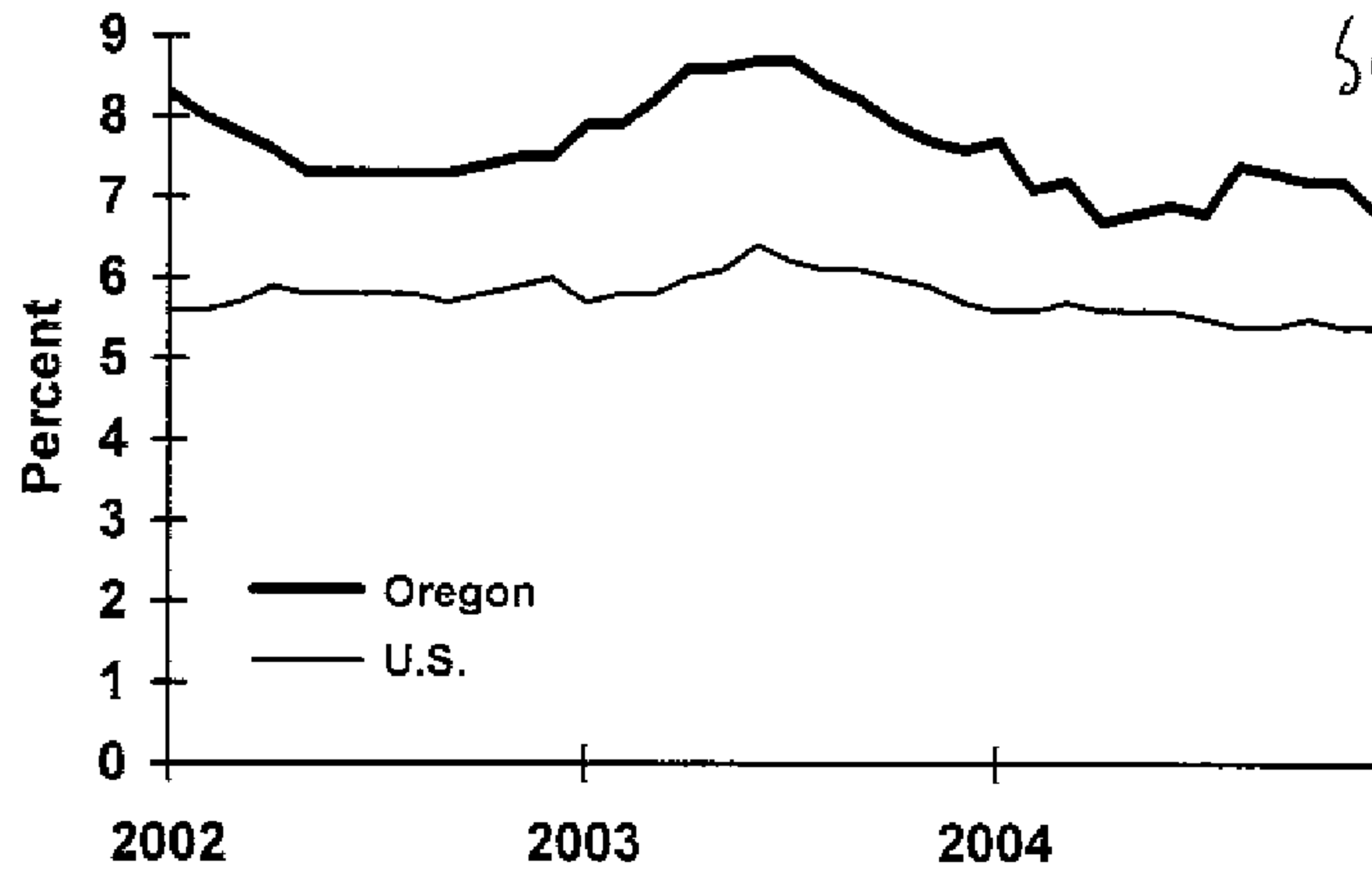
Latest Fed move

Stock Market



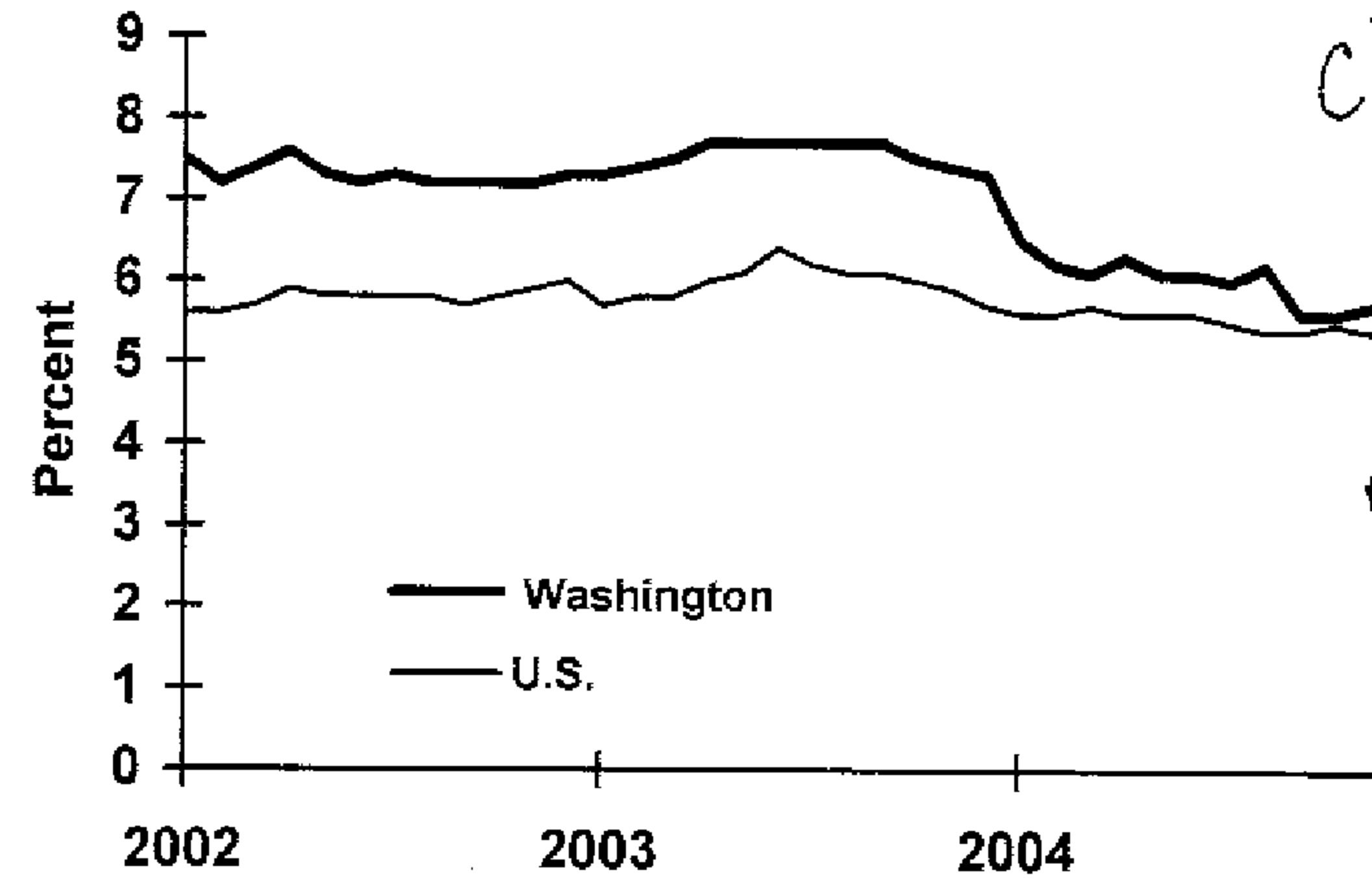
Stocks in doldrums, temporarily.

Oregon Unemployment



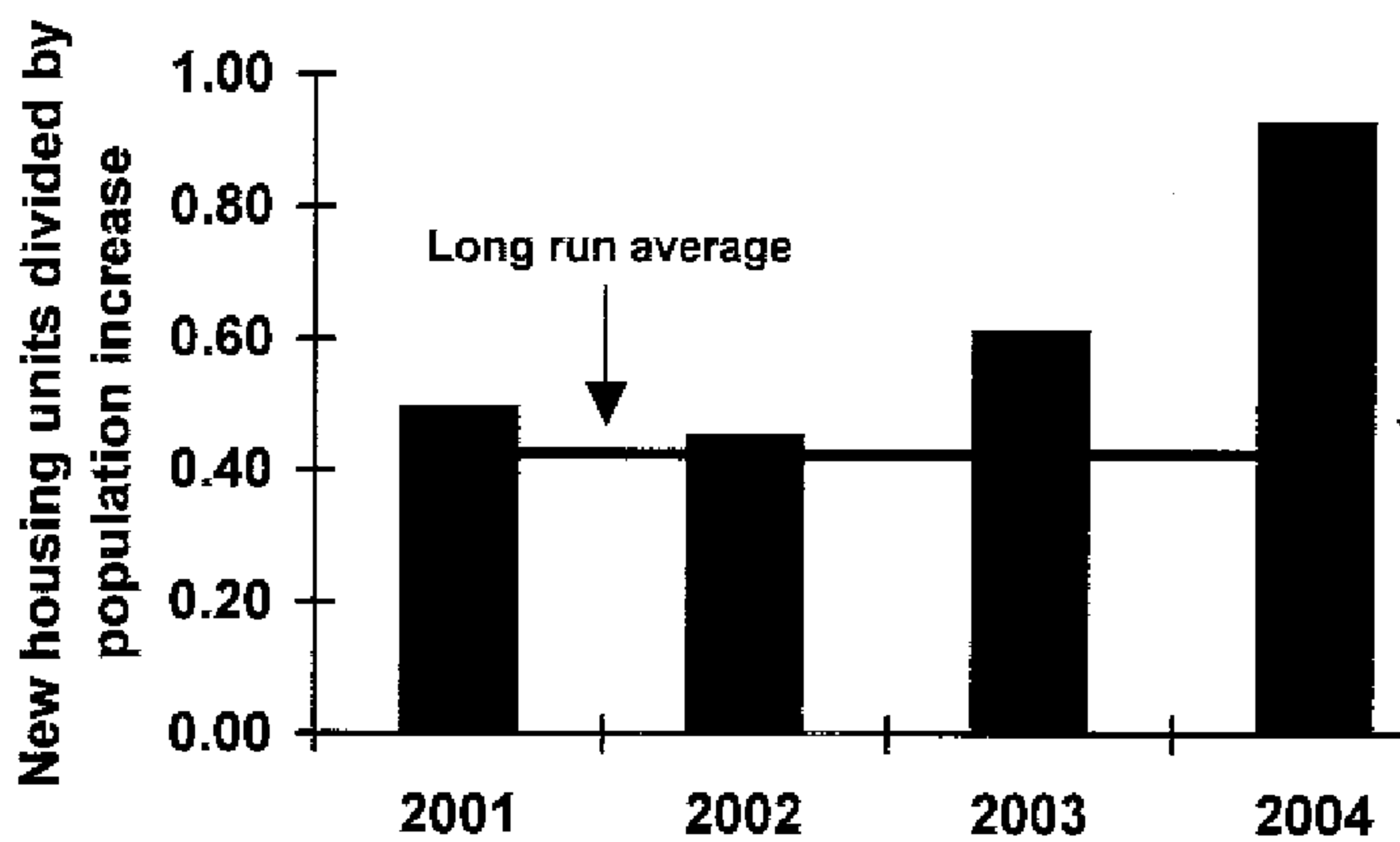
*Some improvement, but plenty of room for further declines.*

Washington Unemployment



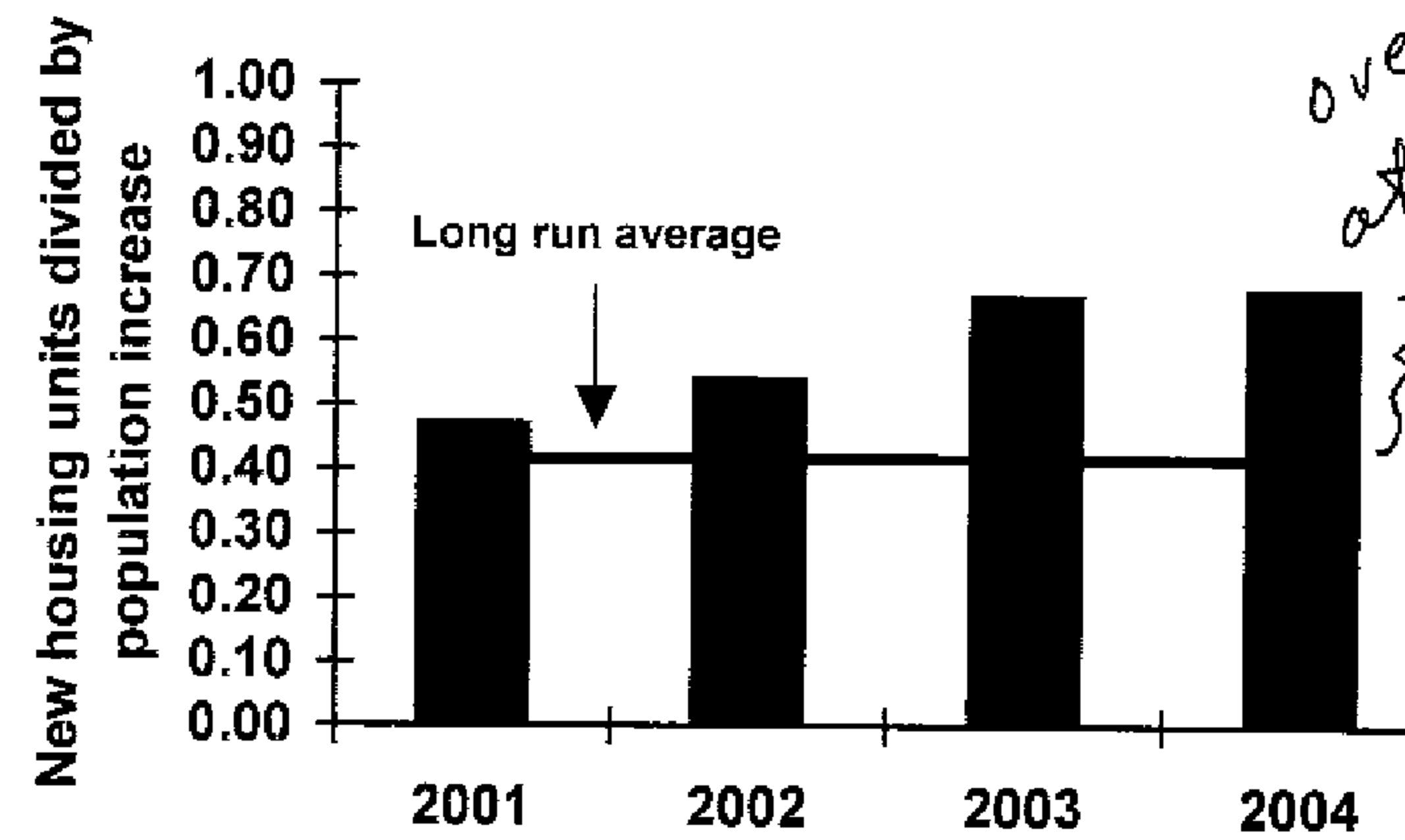
*Close to national average; modest gains from here.*

Oregon New Housing Population Growth Ratio



*Way overbuilding. When mortgage rates rise, look for sharp drop.*

Washington New Housing Population Growth Ratio



*overbuilding at about the national pace.*