

ARIZONA'S ECONOMY

JANUARY 2003

WINTER ISSUE

2003|2004 OUTLOOK A RECOVERY FOR ALL TO SEE

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November 29, 2002

The U.S. economy is softening as the year-end approaches. It hasn't been much of a recovery so far, and decision makers of all stripes are still sitting on their hands, waiting for some good news. Unfortunately, there has been a shortage of that in recent weeks. Arizona's economy is no longer declining, but there is no recovery evident as yet. Consumers are nearing exhaustion, businesses are still laying off workers and postponing investment decisions, and state and local governments are slashing budgets with abandon. Nevertheless, the economy should avoid a double dip, and recovery should resume with renewed vigor as the New Year unfolds.

It wasn't supposed to be like this. Since last winter, economists have been marveling at the apparent resilience of the American economy. Most believe that the recession ended in December of 2001 and, given a strong advance in real GDP in the first quarter, issued forecasts that the economy would be on a tear by mid-year. What they couldn't foresee, of course, were the corporate and accounting scandals that sent investors fleeing from equity markets and CEOs fixating on financial and accounting issues rather than growing their companies. The stock market continued to decline over the summer, pushing losses over the two-year period to one-quarter of its value. Add the sniper attacks in Washington, the looming war with Iraq, and continuation of terrorist attacks around the world such as in Bali, and the result is a recovery that continues to struggle as it tries to find traction.

Consumers shouldered the burden of carrying the economy and, in the aftermath of September 11, were spurred to do so by patriotism and the realization that they should grab all of the good life while it lasted (and while they still could, as it was obvious that the world had changed). Their cause was aided by a remarkable marketing effort on the part of auto makers, who were able to convince buyers that this was a once in a lifetime opportunity to buy a car at zero percent interest, and by retailers who slashed prices in an effort to get customers to return to the malls. Low interest rates, which brought a wave of mortgage refinancing, gave consumers a new source of cash to spend. The forecast

as 2002 began foresaw the consumer keeping the economy afloat until business spending on new plant and equipment kicked in during the second half. It hasn't, and consumers are nearing exhaustion.

As we approach year-end, current data supports the conclusion that the economy is no longer declining (although it could be several more months before the National Bureau of Economic Research (NBER), the official arbiter of business cycle turning points, declares the recession officially over). However, there has been precious little growth in the private sector (federal spending has been the engine of growth) and the economy has entered a "soft spot" as year-end approaches. Nascent signs of recovery in some manufacturing sectors are petering out. And, it is payback time for auto sales, which has been running at unsustainable levels. Housing markets face the same likelihood in the very near future. With growth running well below the economy's potential and unemployment still rising, it feels like we're still in a recession. The term economists use is "growth recession."

The coincident indicator index, the best representation of the overall U.S. economy, shows how little the economy has grown during this recovery (**Exhibit 1**). The shaded boxes mark periods of national recession. It is comprised of four components: jobs, industrial production, sales, and income. All but the jobs components are growing, and both incomes and sales have regained previous peak values. The absence of job growth resembles what we experienced following the 1991-92 recession. Jobs are the primary measure for state and local economies and it was this component that NBER weighted heavily in choosing April 2001 as the beginning of the recession.

Editors of *Business Week* describe Americans' mood as "uncertain of the future, weary of the present, and unsure about the path back to the optimism and prosperity of recent past." They fear that measures to counteract terrorism and business malfeasance are insufficient. Younger workers,

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EXHIBIT 1

Little Growth in the Nation's Economy So Far

Coincident Index (Source: Conference Board)

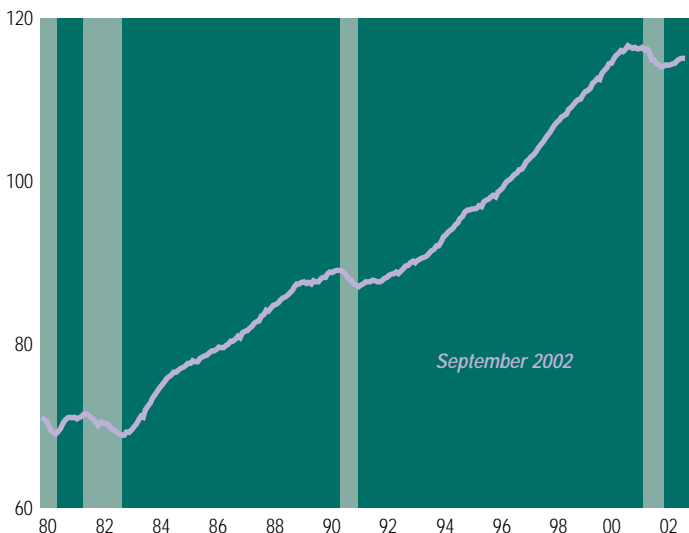
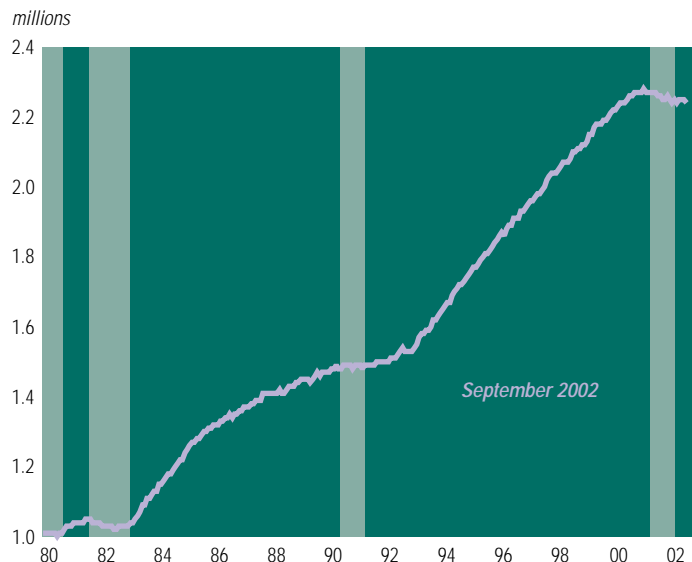


EXHIBIT 2

Jobs are Flat

Non-Farm Employment, Arizona (seasonally adjusted)



many of whom were highly courted and handsomely paid by high-tech companies, find themselves out of work today and wonder if the “good life” was a mere blip. Older workers approaching retirement have seen their retirement funds shrivel. No one seems willing to bet on the future—investors sit on the sidelines and CEOs postpone new investment. Everyone hesitates, hoping for the best, fearing the worst, and feeling quite vulnerable.

On purely economic grounds, the overbearing pessimism is not warranted. During the past year, real GDP has grown by more than three percent! Most countries would thrill to have such growth. Moreover, the main ingredient of prosperity, i.e., productivity, is growing at the fastest clip in decades. Ironically, the large gains in productivity are temporarily postponing the need for additional workers. The good news continues. Consumers are still buying, although the mix has changed: a year ago it was autos while other categories suffered. Today, general merchandise and apparel, TVs, electronics and most everything else are selling while autos slide. Business inventories relative to sales are near record lows, which argues for restocking soon. Housing markets continue to soar as disillusioned investors put their money into real estate. We can only hope that the high-tech financial bubble does not find its way into real estate.

RECENT EVIDENCE FOR ARIZONA

Of the four components that comprise the national coincident index, industrial production is not available for states or metro areas, and the only available sales measure is for the much narrower retail component. For the data that's on hand, Arizona's economy mirrors that of the nation.

First, consider non-farm employment. **Exhibit 2** shows that aggregate jobs are no longer declining but neither are they growing. With data through September, the number of jobs remains 20,000 below the same month one year earlier, a decline of slightly less than one percent. The flatness compares to the first year of recovery following the 1990-91 recession and contrasts to the rapid surge in 1983.

The only industry divisions to show employment growth during the twelve months ending in September are retail (with a very small gain) and government (primarily due to the federal and schools components). All the other industries remain below year-earlier levels. Notably, manufacturing and construction are both still declining.

Arizona consumers have done their part (patriotism flourishes here too!), although the aggregate sales numbers have not been quite as strong as nationwide. With data through July, retail sales have been declining

since the beginning of 2002 (**Exhibit 3**). Losses are small, however, compared to the 1981-82 recession. The major risk going forward is a consumer retrenchment, for that would precipitate another down leg in this cycle.

Sales have received support from personal income, which has not declined during this recession. Real personal income less transfer payments has simply flattened out, as job creation stalled and incentive forms of compensation (stock options and bonuses) dried up. Incomes have continued to rise because of wage gains (which reflect advances in productivity), and from growth in non-wage components (such as property income). During the past year, real aggregate personal income has increased by 2.2% (**Exhibit 4**).

Other measures generally remain weak. Consumer confidence in Arizona, reported by the Behavior Research Center under sponsorship from Stockton Capital Management and Trust of Scottsdale, slipped in the fourth quarter survey to the lowest level since the end of 1993. Help wanted remains at recession levels, and the Manpower survey of hiring intentions for the first quarter are weak. Bankruptcy filings are running 20-25% higher than a year ago, led by the chapter 7 liquidation category. Both hotel receipts and airline passengers remain below year-ago levels, indicating residual weakness in

EXHIBIT 3

Sales have Softened but Remain High

Real Retail Sales, Arizona (2001 dollars, SAAR, smoothed)

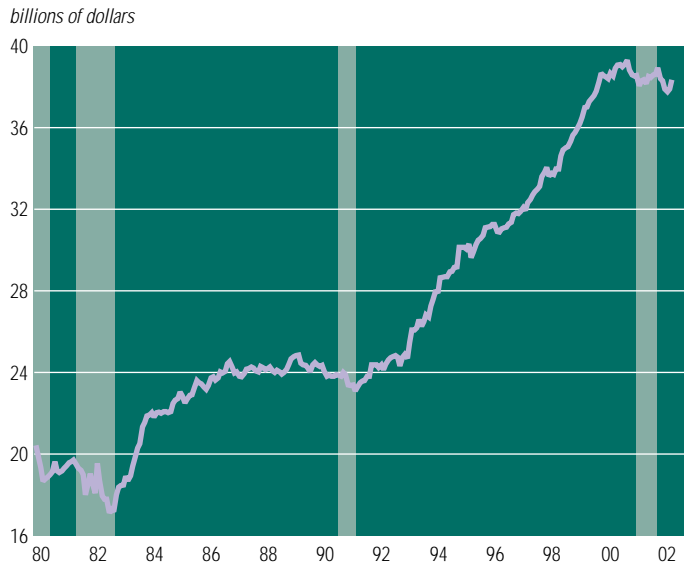
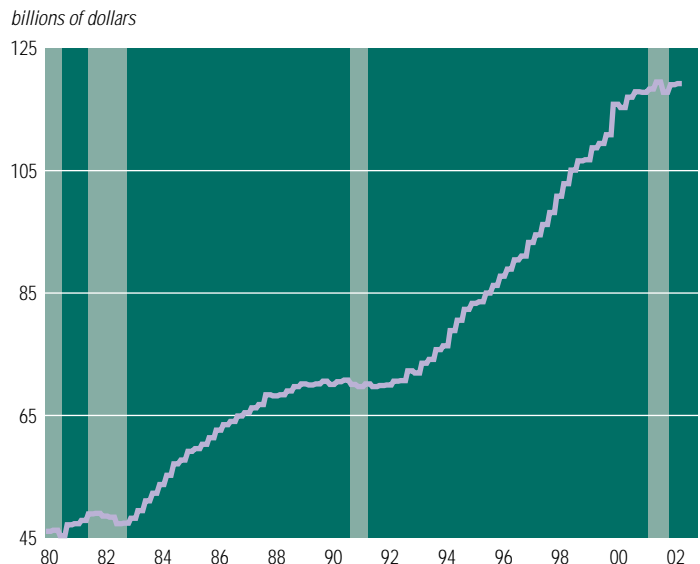


EXHIBIT 4

Real Income Growing Slowly

Personal Income Less Transfers, Arizona (2001 dollars, SAAR)



tourism, a large and important component in Arizona's economy.

Both Phoenix and Tucson metros share the current malaise. Neither is doing significantly better than the other. Both report employment down roughly one percent over the past year, and retail sales growth on a 12-month versus 12-month basis near zero, although sales ticked up a bit in Tucson during the past couple of months. Residential permits for single family remain at high levels in both, but have moved significantly higher in metro Phoenix in recent months, due in part to pending increases in impact fees in Avondale.

THE OUTLOOK

We expect the current funk to fade in coming months and the economy to gain momentum. The economy will be weak in the fourth quarter but strengthen as the New Year unfolds.

In the coming months, we can expect the data to improve markedly, if for no other reason than current numbers will be compared to the depressed post-9/11 period of a year ago. Residential permits for October in metro Phoenix soared by nearly 45%, according to the Phoenix Housing Market Letter published by R.L. Brown. The number of airline passengers at Tucson International airport for September was 29.0% higher. Quarterly reports of retirement accounts

that will arrive in early January should show substantial improvement, assuming gains in financial markets in recent weeks hold through the end of the year. Other measures will show large gains as well, and even if the measure has not fully recovered lost ground, the appearance of improvement will lift spirits. This should be evident by the first quarter.

ON PURELY
ECONOMIC GROUNDS,
THE OVERBEARING PESSIMISM
IS NOT WARRANTED.
DURING THE PAST YEAR,
REAL GDP HAS GROWN
BY MORE THAN
THREE PERCENT!

Additional reasons to expect improvement include:

- Federal fiscal policy remains highly stimulative.
- Monetary policy is accommodative.
- The recent wave of mortgage refinancing provides consumers with additional cash to spend.

- Accounting shocks are fading and the restating of company earnings is nearly complete.
- Profits and sales are improving so businesses will need to rebuild inventories from very low current levels. Investment in new plants and equipment will follow.
- Computers, networks, and software that were purchased during 1998-99 in anticipation of Y2K are nearing obsolescence and need to be replaced in 2003. The same is true for many cell phones.
- Productivity remains strong, which allows companies to increase workers' pay without raising prices.
- Inflation will continue near two percent, and there is little chance of either deflation or accelerating inflation.

An early strike and favorable results in Iraq also would remove that major uncertainty.

The forecast calls for the nation's economy, as measured by real GDP, to grow by three percent in 2003, after a 2.4% increase in 2002. The following year should be even better, registering a four percent gain. Business fixed investment and inventory rebuilding will join consumption and government spending to provide more balanced growth. Exports also will contribute to growth. Residential fixed investment will be a modest drag.

EXHIBIT 5
Job Growth will Resume
Non-Farm Job Growth, Arizona

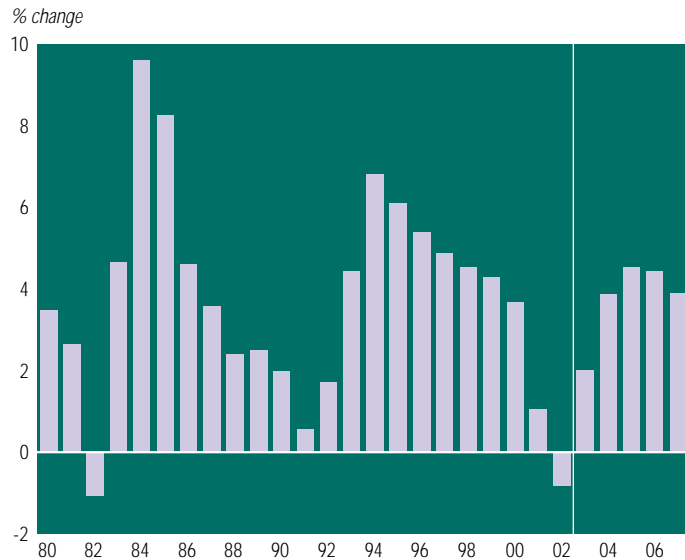


EXHIBIT 6
Sales will Recover Also
Retail Sales Growth, Arizona

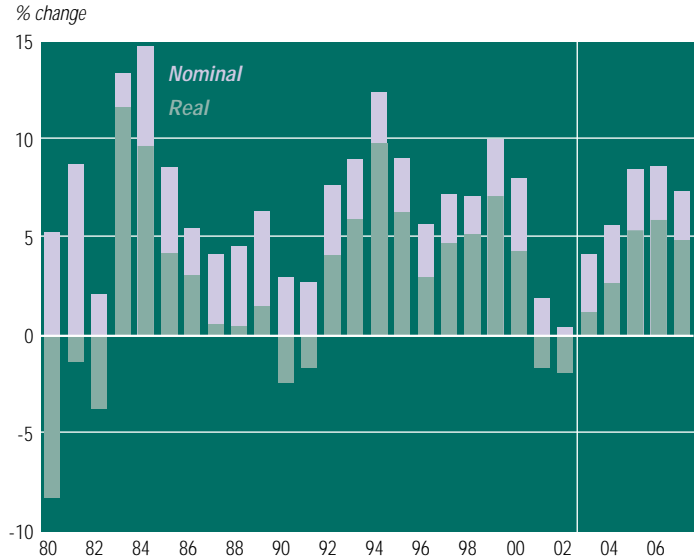


EXHIBIT 7
Population Growth Follows Job Growth
Annual Changes in Population, Arizona

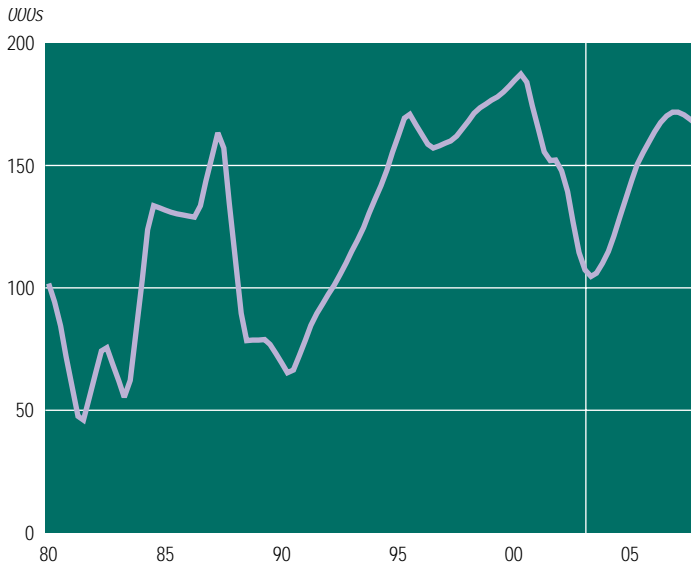
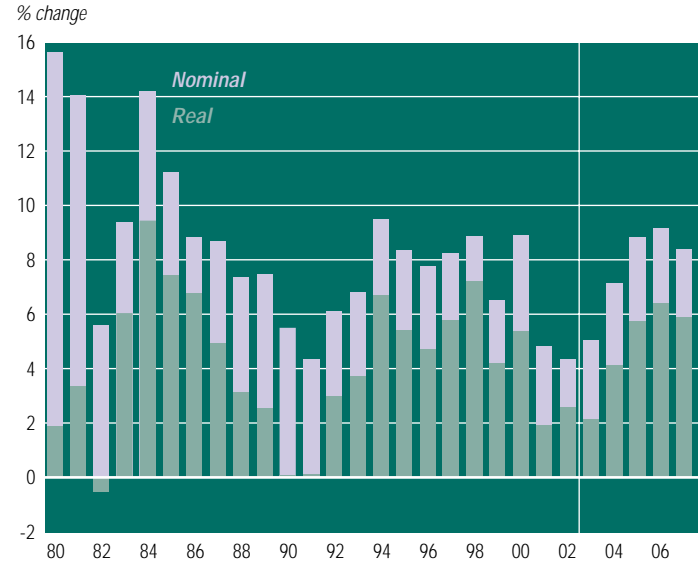


EXHIBIT 8
Incomes Have Held Up Well
Personal Income Growth, Arizona



- Risks to the outlook include:
- Retrenchment by consumers lasting until at least mid-year.
 - Postponement of recovery in job markets, which would further depress consumers.
 - Development (and popping) of an asset bubble in housing.
 - Deflation, which would render fed policy ineffective, since they would be unable to produce negative real interest rates.

- War with Iraq could go badly and retaliation by terrorist groups on American soil could shake Americans.
- Many of our trading partners are currently in recessions that could deepen.
 Any of these events could postpone renewed growth or plunge the economy into a second down leg. Chances of a double-dip recession are at most 10%.

FORECASTS FOR ARIZONA AND TWO METROS

Tables 1-3 contain forecasts for Metro Tucson, Metro Phoenix and Arizona, respectively. The following paragraphs summarize the Arizona forecast numbers. Neither metro is expected to deviate significantly from the pattern of recovery.

As forecast **Table 3** shows, Arizona's job machine, after sputtering in 2002, will

resume in 2003 by adding 45,000 new jobs (a two percent increase). The following year brings twice that many (**Exhibit 5**).

Retail sales also will improve, registering a gain of over four percent next year and 5.7% the following (**Exhibit 6**). This is modest compared to prior recoveries, since there is little pent-up demand presently.

Population growth will slow as a little over 100,000 new residents are added in 2003 (an increase of almost two percent). Population normally lags behind employment growth so the slowdown reflects the lack of job growth in 2002. In 2004, population will increase by 125,000 (or 2.7%). See **Exhibit 7**.

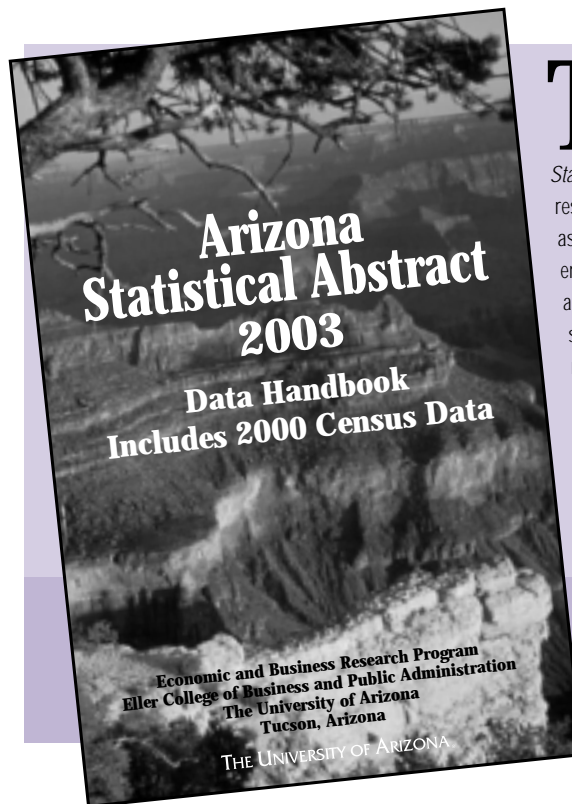
Personal income is forecast to increase by 5.1% next year and 7.2% in 2004. This reflects an acceleration of wages (as bonuses reappear and as stock options regain some value) as well as renewed job growth. The annual wage per worker will rise to \$38,200 by 2004 (**Exhibit 8**).

Even though risks are high and everyone hesitates, the economy should gain strength in 2003 and the recovery portion of the current business cycle will become visible to all. Although state and local government will continue to struggle to provide services vis-a-vis declining budgets, most private sector industries will improve as the year unfolds. What industries will be the winners in the next expansion? Software? Biotechnology? Optics? It's time to place your bets. ■

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FORECAST TABLES

	2001	2002	2003	2004	2005	2006	2007
Forecasts for Arizona							
Personal Income (\$ mill)	137313.5	143291.1	150549.4	161338.3	175570.2	191648.9	207772.9
percent change	4.8	4.4	5.1	7.2	8.8	9.2	8.4
Per Capita Personal Income	25811.3	26271.8	27085.2	28387	30080.5	31909.8	33642.6
percent change	1.9	1.8	3.1	4.8	6	6.1	5.4
Aggregate Retail Sales (\$ mill)*	55421.2	55928.2	58288.5	61477.6	66369.8	71858.3	76998.2
percent change	2.1	0.9	4.2	5.5	8	8.3	7.2
Population (000s, mid-year)	5319.9	5454.2	5558.4	5683.5	5836.7	6006	6175.9
percent change	2.9	2.5	1.9	2.3	2.7	2.9	2.8
Net Migration (000s)	107.2	67.7	71.2	98.4	119.4	128.9	122.4
Wage & Salary Employment (000s)	2266.3	2247.4	2292.3	2381	2488.7	2598.9	2699.9
percent change	1.1	-0.8	2	3.9	4.5	4.4	3.9
Goods-Producing	384.5	362.2	359.1	362.3	379.3	400	415.9
percent change	-0.5	-5.8	-0.9	0.9	4.7	5.5	4
Construction	164.9	159.4	161.6	160.8	166.6	176.2	184.4
percent change	2.1	-3.3	1.4	-0.5	3.6	5.8	4.6
Manufacturing	210.1	194	188.8	193	204.4	215.7	223.5
percent change	-2.4	-7.6	-2.7	2.2	5.9	5.5	3.6
Service-Providing	1881.8	1885.2	1933.2	2018.7	2109.4	2198.9	2284
percent change	1.4	0.2	2.5	4.4	4.5	4.2	3.9
Trade (Wholesale & Retail)	533.2	537.2	547.8	570.8	594.9	623.1	651.4
percent change	1.2	0.7	2	4.2	4.2	4.7	4.5
Services	711.1	707.3	736.8	783.5	829.7	871.3	910.7
percent change	0.4	-0.5	4.2	6.3	5.9	5	4.5
Forecasts for Phoenix-Mesa Metro Area							
Personal Income (\$ mill)	93005.2	95597.3	101088.3	108669.3	118736.7	129929.8	140974.2
percent change	3	2.8	5.7	7.5	9.3	9.4	8.5
Per Capita Personal Income	27525.1	27625	28602.5	29893.3	31655.6	33535	35261.3
percent change	-0.1	0.4	3.5	4.5	5.9	5.9	5.1
Aggregate Retail Sales (\$ mill)*	37876.4	38085.6	39884.1	42662.7	46510.5	50382.4	54170.7
percent change	1.6	0.6	4.7	7	9	8.3	7.5
Population (000s, mid-year)	3378.9	3460.5	3534.2	3635.2	3750.9	3874.4	3998
percent change	3.1	2.4	2.1	2.9	3.2	3.3	3.2
Net Migration (000s)	67.1	48	41.1	67.7	81.3	88.6	88.5
Wage & Salary Employment (000s)	1597.4	1583.6	1624.6	1688.7	1765.6	1845.6	1922.3
percent change	1	-0.9	2.6	3.9	4.6	4.5	4.2
Goods-Producing	282.9	273.6	272.3	274	284.7	298.2	309.5
percent change	-1.4	-3.3	-0.5	0.6	3.9	4.7	3.8
Construction	120.7	118.4	119.2	120.1	124.8	131.4	137.6
percent change	1.4	-1.9	0.7	0.7	4	5.2	4.7
Manufacturing	159.7	152.7	150.6	151.4	157.3	164.3	169.4
percent change	-3.4	-4.4	-1.4	0.5	3.9	4.4	3.1
Service-Providing	1314.5	1310	1352.3	1414.7	1481	1547.4	1612.8
percent change	1.5	-0.3	3.2	4.6	4.7	4.5	4.2
Trade (Wholesale & Retail)	382.5	380.2	387.1	400.9	417.9	436.4	455
percent change	1.9	-0.6	1.8	3.6	4.2	4.4	4.3
Services	517.5	511.4	534.7	567.3	598.7	628.8	659.1
percent change	-0.1	-1.2	4.6	6.1	5.5	5	4.8
Forecasts for Tucson Metro Area							
Personal Income (\$ mill)	21010.6	21728.7	23029.3	24702	26498	28335	30201.7
percent change	4.4	3.4	6	7.3	7.3	6.9	6.6
Per Capita Personal Income	24133.2	24461.8	25363.9	26520.5	27808.2	29123	30408.5
percent change	1.9	1.4	3.7	4.6	4.9	4.7	4.4
Aggregate Retail Sales (\$ mill)*	8655.6	8726.2	9208.1	9752.8	10315	10892.1	11427.2
percent change	1.8	0.8	5.5	5.9	5.8	5.6	4.9
Population (000s, mid-year)	870.6	888.3	908	931.4	952.9	972.9	993.2
percent change	2.5	2	2.2	2.6	2.3	2.1	2.1
Net Migration (000s)	16.2	12.5	14.3	17.9	15.8	14.2	14.2
Wage & Salary Employment (000s)	350.7	346.1	356.4	371.6	383.8	393.6	403.5
percent change	0.1	-1.3	3	4.3	3.3	2.6	2.5
Goods-Producing	57.2	54.4	55.6	56.4	57.3	58	58.7
percent change	0.5	-5	2.1	1.5	1.7	1.3	1.2
Construction	21.7	21	21.3	21.5	22	22.4	22.8
percent change	-0.8	-3.4	1.3	1	2.2	2	1.8
Manufacturing	33.7	31.8	32.6	33.1	33.6	34	34.3
percent change	1.7	-5.5	2.3	1.7	1.6	1.1	1
Service-Providing	293.5	291.7	300.9	315.3	326.4	335.6	344.8
percent change	0.1	-0.6	3.1	4.8	3.5	2.8	2.7
Trade (Wholesale & Retail)	72.1	71	72.2	75.1	78	81	83.7
percent change	-0.7	-1.5	1.7	3.9	3.9	3.8	3.4
Services	117.7	116.5	122.7	131.4	137.3	141.9	146.7
percent change	-0.7	-1	5.4	7.1	4.5	3.3	3.3

* Aggregate Retail Sales includes retail, food, restaurant & bars and gasoline sales.

Source: Economic and Business Research Program, Karl Eller Graduate School of Management, College of Business and Public Administration, The University of Arizona

	JUN 2002	JUL 2002	AUG 2002	SEP 2002	OCT 2002	% change versus year ago for: most recent month most recent 12-months	
YUMA METROPOLITAN REGION							
Civilian Labor Force, ADES	68,325	70,500	73,050	69,925	67,650	6.5	-1.4
Employment	48,075	47,725	48,800	48,950	50,450	6.2	0.8
Unemployment	20,250	22,775	24,250	20,975	17,200	7.3	-8.0
Unemployment Rate (%)	29.6	32.3	33.2	30.0	25.4	0.8	-8.0
Employees on Nonagricultural Payrolls, ADES							
Total	40,225	39,425	39,875	40,375	41,100	0.5	0.2
Construction	2,775	2,825	2,950	2,950	2,925	1.7	0.4
Manufacturing	1,950	1,875	1,850	1,775	1,775	-23.7	-16.1
Trans., Comm. & Publ. Util.	1,650	1,625	1,600	1,600	1,625	14.0	8.4
Trade	10,300	10,300	10,050	10,200	10,425	-1.2	-3.6
Finance, Ins. & Real Estate	1,300	1,300	1,300	1,325	1,375	5.8	1.4
Services	10,475	10,450	10,200	10,250	10,325	2.7	3.9
Government	11,775	11,050	11,925	12,275	12,650	2.2	2.7
Sales (\$000s) ADOR							
Gross Retail	92,796	79,902	84,127	85,996	...	6.9	3.6
Retail	72,295	60,338	64,560	67,556	...	7.1	5.1
Restaurants & Bars	9,654	8,435	8,916	8,593	...	-1.5	5.1
Gasoline, EBR	10,847	11,129	10,651	9,847	...	13.6	-7.8
Gallons (000s) ADOT	7,462	7,780	7,570	7,111	...	13.0	9.5
Contracting	20,084	13,289	14,406	17,825	...	2.3	9.8
Value of Construction Contract Awards (\$000s) F.W. Dodge							
Total	24,052	25,603	27,107	18,831	41,713	105.9	17.6
Residential Building	13,663	13,909	16,069	13,666	16,482	55.0	20.1
Non-Residential Building	9,224	5,118	7,628	2,674	18,700	339.3	10.5
Non-Building	1,165	6,576	3,410	2,491	6,531	21.6	24.4
Number of Dwelling Units Awarded, F.W. Dodge							
Total	130	122	144	142	176	76.0	13.3
One Family Houses	130	122	141	142	146	46.0	18.5
MOHAVE-LA PAZ REGION							
Civilian Labor Force, ADES	78,000	78,525	78,450	78,225	77,475	5.3	5.1
Employment	73,650	74,300	74,375	74,075	73,475	4.9	4.4
Unemployment	4,350	4,225	4,075	4,150	4,000	15.1	18.6
Unemployment Rate (%)	5.6	5.4	5.2	5.3	5.2	9.3	12.8
Employees on Nonagricultural Payrolls, ADES							
Total	47,400	46,925	48,350	48,425	48,900	3.9	0.5
Mining (Mohave County only)	75	75	75	75	75	-25	-21.3
Construction	4,750	4,725	4,825	4,975	5,050	12.8	-3.6
Manufacturing	3,500	3,425	3,375	3,350	3,350	-2.9	-2.3
Trans., Comm. & Publ. Util.	2,350	2,375	2,350	2,350	2,425	4.3	1.1
Trade	13,950	13,825	13,975	13,950	14,050	0.2	-0.0
Finance, Ins. & Real Estate	1,650	1,650	1,675	1,700	1,700	11.5	4.6
Services	11,550	11,375	11,550	11,400	11,525	4.5	-0.9
Government	9,575	9,475	10,525	10,625	10,725	5.9	5.3
Sales (\$000s) ADOR							
Gross Retail	130,404	117,453	129,948	110,225	...	7.1	6.3
Retail	98,326	84,971	95,251	81,847	...	7.3	9.9
Restaurants & Bars	14,345	14,472	14,089	13,795	...	3.9	7.0
Gasoline, EBR	17,733	18,010	20,608	14,583	...	9.4	-12.3
Gallons (000s) ADOT	12,200	12,591	14,648	10,531	...	8.8	2.8
Contracting	33,155	29,708	29,884	28,737	...	8.1	19.7
Value of Construction Contract Awards (\$000s) F.W. Dodge							
Total	31,416	35,964	30,782	33,414	38,106	-12.4	0.2
Residential Building	24,128	24,404	24,679	26,420	31,962	22.8	11.9
Non-Residential Building	5,250	10,094	4,187	1,289	967	-74.4	59.7
Non-Building	2,038	1,466	1,916	5,705	5,177	-62.2	-45.9
Number of Dwelling Units Awarded, F.W. Dodge							
Total	222	252	234	291	318	28.2	13.6
One Family Houses	212	186	228	215	258	7.5	6.5

See notes at bottom of Arizona - Quarterly table.

	JUN 2002	JUL 2002	AUG 2002	SEP 2002	OCT 2002	% change versus year ago for: most recent month most recent 12-months	
COCHISE COUNTY							
Civilian Labor Force, ADES	41,875	42,600	42,750	42,200	42,300	2.6	3.0
Employment	39,525	40,175	40,550	40,125	40,200	2.2	2.3
Unemployment	2,350	2,425	2,200	2,075	2,100	10.5	17.4
Unemployment Rate (%)	5.6	5.7	5.1	4.9	5.0	7.7	14.0
Employees on Nonagricultural Payrolls, ADES							
Total	32,325	32,450	32,900	32,825	32,900	-0.9	-0.3
Construction	2,125	2,175	2,175	2,100	2,050	-4.7	-2.9
Manufacturing	850	825	900	900	850	-10.5	-10.4
Trans., Comm. & Publ. Util.	1,250	1,275	1,250	1,225	1,200	-7.7	-2.9
Trade	7,575	7,525	7,550	7,575	7,700	-2.5	-2.0
Finance, Ins. & Real Estate	750	775	775	775	800	6.7	0.8
Services	8,925	9,075	9,025	8,850	8,800	-1.1	0.4
Government	10,850	10,800	11,225	11,400	11,500	2.2	2.1
Sales (\$000s) ADOR							
Gross Retail	59,493	68,246	63,643	59,674	...	4.6	4.9
Retail	44,926	49,618	49,625	46,048	...	2.9	4.5
Restaurants & Bars	7,957	7,690	6,938	7,166	...	2.0	8.4
Gasoline, EBR	6,610	10,938	7,080	6,460	...	22.6	4.6
Gallons (000s) ADOT	4,548	7,647	5,032	4,665	...	22.0	22.7
Contracting	12,800	14,499	11,733	13,109	...	30.1	11.6
Value of Construction Contract Awards (\$000s) F.W. Dodge							
Total	10,799	13,688	6,067	14,854	10,602	-13.4	-12.7
Residential Building	7,858	5,537	4,739	5,062	5,774	-4.3	-11.9
Non-Residential Building	1,153	7,151	1,038	4,542	2,900	-40.2	-3.2
Non-Building	1,788	1,000	290	5,250	1,928	41.3	-25.4
Number of Dwelling Units Awarded, F.W. Dodge							
Total	78	63	53	50	58	0.0	11.1
One Family Houses	78	63	53	50	58	0.0	11.1
SANTA CRUZ COUNTY							
Civilian Labor Force, ADES	13,950	14,150	14,925	14,575	14,775	5.2	4.1
Employment	12,175	11,850	12,150	11,850	12,200	9.2	3.8
Unemployment	1,775	2,300	2,775	2,725	2,575	-10.4	6.6
Unemployment Rate (%)	12.7	16.3	18.6	18.7	17.4	-14.8	2.6
Employees on Nonagricultural Payrolls, ADES							
Total	12,450	11,975	12,250	12,075	12,525	6.8	1.6
Construction	425	425	425	425	425	6.3	-0.5
Manufacturing	750	750	750	725	725	-19.4	-16.9
Trans., Comm. & Publ. Util.	1,225	1,175	1,200	1,200	1,225	8.9	2.1
Trade	4,975	4,550	4,450	4,475	4,750	11.1	4.1
Finance, Ins. & Real Estate	400	400	400	425	450	5.9	6.5
Services	1,475	1,475	1,475	1,500	1,625	8.3	-3.9
Government	3,200	3,200	3,550	3,325	3,325	7.3	5.7
Sales (\$000s) ADOR							
Gross Retail	26,985	26,168	27,866	24,589	...	2.8	-1.1
Retail	21,429	20,546	22,112	19,361	...	1.4	1.8
Restaurants & Bars	2,577	2,511	2,703	2,495	...	11.4	-2.3
Gasoline, EBR	2,979	3,111	3,051	2,733	...	5.8	-19.1
Gallons (000s) ADOT	2,050	2,175	2,169	1,974	...	5.2	-4.0
Contracting	5,233	3,587	4,531	3,666	...	-9.2	0.0
Value of Construction Contract Awards (\$000s) F.W. Dodge							
Total	11,249	5,150	8,656	6,720	5,566	26.1	59.8
Residential Building	9,308	4,850	4,506	2,740	5,566	33.4	41.3
Non-Residential Building	1,941	0	3,490	3,980	0	-100.0	313.2
Non-Building	0	300	660	0	0	...	-86.7
Number of Dwelling Units Awarded, F.W. Dodge							
Total	165	35	31	21	46	64.3	55.3
One Family Houses	35	35	31	21	44	57.1	18.5

See notes at bottom of Arizona - Quarterly table.

	JUN 2002	JUL 2002	AUG 2002	SEP 2002	OCT 2002	% change versus year ago for: most recent month	most recent 12-months
GILA COUNTY							
Civilian Labor Force, ADES	17,550	18,000	18,025	17,650	17,325	0.6	1.6
Employment	16,175	16,525	16,675	16,350	16,100	-0.6	-0.2
Unemployment	1,375	1,475	1,350	1,300	1,225	19.5	29.2
Unemployment Rate (%)	7.8	8.2	7.5	7.4	7.1	18.8	27.1
Employees on Nonagricultural Payrolls, ADES							
Total	13,525	13,575	13,775	13,675	13,625	-2.2	-3.0
Mining	650	650	650	650	625	-7.4	-4.5
Construction	900	850	825	825	800	-22.0	-15.3
Manufacturing	875	875	875	850	850	-10.5	-10.9
Trans., Comm. & Publ. Util.	500	500	475	475	475	0.0	0.4
Trade	3,125	3,100	3,075	3,100	3,100	0.0	0.2
Finance, Ins. & Real Estate	275	275	275	275	275	0.0	-4.4
Services	2,800	2,900	2,900	2,850	2,825	-2.6	-0.4
Government	4,400	4,425	4,700	4,650	4,675	3.3	-2.4
Sales (\$000s) ADOR							
Gross Retail	27,360	25,571	27,140	24,902	...	-4.6	-3.9
Retail	19,886	18,475	19,552	18,357	...	-3.3	-0.5
Restaurants & Bars	4,426	4,029	4,302	3,725	...	-7.2	-1.8
Gasoline, EBR	3,048	3,067	3,286	2,820	...	-8.9	-24.7
Gallons (000s) ADOT	2,097	2,144	2,336	2,036	...	-9.4	-11.7
Contracting	10,112	10,078	7,758	8,676	...	-12.3	-4.4
Value of Construction Contract Awards (\$000s) F.W. Dodge							
Total	26,140	10,201	4,212	7,185	4,699	-86.8	-11.2
Residential Building	4,097	4,366	3,812	2,709	3,886	52.1	6.7
Non-Residential Building	6,582	5,040	400	3,726	813	49.4	7.4
Non-Building	15,461	795	0	750	0	-100.0	-34.6
Number of Dwelling Units Awarded, F.W. Dodge							
Total	30	26	26	21	26	36.8	11.7
One Family Houses	30	26	26	21	26	36.8	11.7
GRAHAM-GREENLEE REGION							
Civilian Labor Force, ADES	13,550	13,500	13,850	13,875	14,050	3.5	-3.1
Employment	12,475	12,275	12,725	12,775	12,975	4.0	-3.9
Unemployment	1,075	1,225	1,125	1,100	1,075	-2.3	6.7
Unemployment Rate (%)	7.9	9.1	8.1	7.9	7.7	-5.6	9.9
Employees on Nonagricultural Payrolls, ADES							
Total	9,950	9,725	10,025	10,175	10,275	-0.5	-6.9
Mining (Greenlee County only)	2,125	2,100	2,125	2,125	2,225	0.0	-9.8
Construction	475	450	475	450	450	5.9	-41.6
Manufacturing	300	300	300	275	275	-15.4	-8.6
Trans., Comm. & Publ. Util.	200	200	200	200	225	-10.0	-8.3
Trade	2,275	2,225	2,250	2,225	2,225	-2.2	-0.1
Finance, Ins. & Real Estate	200	200	200	200	175	-22.2	-8.6
Services	1,475	1,450	1,475	1,450	1,450	-7.9	-7.1
Government	2,900	2,800	3,000	3,250	3,250	7.4	-0.8
Sales (\$000s) ADOR							
Gross Retail	18,102	19,830	19,096	18,099	...	-3.2	-9.6
Retail	15,015	15,974	16,090	15,110	...	-3.5	-9.2
Restaurants & Bars	1,438	2,243	1,304	1,354	...	-16.4	-4.9
Gasoline, EBR	1,649	1,613	1,702	1,635	...	15.4	-17.6
Gallons (000s) ADOT	1,135	1,128	1,210	1,181	...	14.8	-3.4
Contracting	4,159	3,224	3,926	6,809	...	-4.0	14.2
Value of Construction Contract Awards (\$000s) F.W. Dodge							
Total	190	1,087	976	266	1,411	616.2	-18.0
Residential Building	190	448	476	86	1,411	616.2	-17.0
Non-Residential Building	0	639	500	180	0	...	-18.4
Non-Building	830	6,571	0	468	0	-100.0	-40.2
Number of Dwelling Units Awarded, F.W. Dodge							
Total	2	4	6	1	13	550.0	-15.1
One Family Houses	2	4	6	1	13	550.0	-15.1

See notes at bottom of Arizona - Quarterly table.

	JUN 2002	JUL 2002	AUG 2002	SEP 2002	OCT 2002	% change versus year ago for: most recent month	most recent 12-months
APACHE-NAVAJO REGION							
Civilian Labor Force, ADES	53,350	54,425	53,350	52,400	50,900	-0.3	1.1
Employment	46,075	46,050	47,500	47,275	45,900	-1.0	1.6
Unemployment	7,275	8,375	5,850	5,125	5,000	6.4	-2.4
Unemployment Rate (%)	13.6	15.4	11.0	9.8	9.8	6.7	-3.8
Employees on Nonagricultural Payrolls, ADES							
Total	45,275	44,525	46,200	46,400	45,475	-2.8	-1.2
Mining	850	850	850	850	850	-2.9	-4.1
Construction	1,900	1,925	1,950	1,900	1,875	-11.8	-12.1
Manufacturing	1,125	1,125	1,125	1,100	1,100	-2.2	-1.1
Trans., Comm. & Publ. Util.	2,600	2,600	2,625	2,600	2,575	0.0	2.7
Trade	7,575	7,575	7,675	7,475	7,325	-7.6	-2.7
Finance, Ins. & Real Estate	1,325	1,350	1,375	1,375	1,350	1.9	0.9
Services	7,450	7,225	7,550	7,475	7,475	0.3	-1.4
Government	22,450	21,875	23,050	23,625	22,925	-1.9	-0.0
Sales (\$000s) ADOR							
Gross Retail	72,498	76,062	98,622	72,835	...	-1.6	1.9
Retail	53,940	56,133	79,515	55,270	...	-2.0	4.3
Restaurants & Bars	8,022	8,095	7,681	7,097	...	-0.0	4.1
Gasoline, EBR	10,536	11,834	11,426	10,468	...	-0.5	-11.0
Gallons (000s) ADOT	7,248	8,273	8,122	7,559	...	-1.0	3.6
Contracting	19,453	19,393	20,176	18,691	...	-6.7	23.2
Value of Construction Contract Awards (\$000s) F.W. Dodge							
Total	26,371	29,190	32,807	28,105	28,339	-24.6	13.0
Residential Building	9,679	11,304	9,109	15,763	12,334	12.1	4.8
Non-Residential Building	14,375	16,670	20,397	8,243	15,387	4.1	94.9
Non-Building	2,317	1,216	3,301	4,099	618	-94.8	-44.6
Number of Dwelling Units Awarded, F.W. Dodge							
Total	58	74	62	60	87	3.6	-8.4
One Family Houses	58	72	62	60	85	1.2	-2.0
COCONINO-YAVAPAI REGION							
Civilian Labor Force, ADES	141,900	142,425	139,950	136,825	136,550	0.5	4.7
Employment	135,050	135,500	134,325	131,525	131,200	0.2	4.4
Unemployment	6,850	6,925	5,625	5,300	5,350	8.6	12.6
Unemployment Rate (%)	4.8	4.9	4.0	3.9	3.9	8.1	7.4
Employees on Nonagricultural Payrolls, ADES							
Total	113,150	112,125	111,475	112,425	112,800	0.0	1.7
Mining	875	850	875	875	875	-23.9	-22.3
Construction	7,475	7,600	7,700	7,725	7,850	4.7	0.8
Manufacturing	6,150	6,275	6,300	6,300	6,275	-2.0	-1.7
Trans., Comm. & Publ. Util.	3,025	3,075	3,050	3,000	3,025	-0.0	1.3
Trade	28,450	28,650	29,075	28,975	29,175	2.5	2.9
Finance, Ins. & Real Estate	2,975	2,925	2,925	2,925	2,950	0.0	0.2
Services	32,600	32,275	32,475	32,075	31,925	1.2	1.4
Government	31,600	30,475	29,075	30,550	30,725	-3.1	3.1
Sales (\$000s) ADOR							
Gross Retail	269,097	232,920	245,559	228,751	...	5.8	4.3
Retail	193,139	165,671	175,307	163,611	...	7.9	6.8
Restaurants & Bars	46,202	39,425	40,646	39,286	...	-2.4	1.3
Gasoline, EBR	29,756	27,824	29,606	25,854	...	6.7	-6.0
Gallons (000s) ADOT	20,472	19,452	21,043	18,670	...	6.1	10.5
Contracting	64,691	58,127	67,040	64,157	...	0.0	6.4
Value of Construction Contract Awards (\$000s) F.W. Dodge							
Total	77,289	63,661	77,823	81,062	57,937	-19.3	7.4
Residential Building	39,460	45,338	50,604	36,141	50,945	-2.0	8.6
Non-Residential Building	6,986	14,485	23,811	7,210	5,267	-47.0	16.4
Non-Building	30,843	3,838	3,408	37,711	1,725	-82.5	-4.5
Number of Dwelling Units Awarded, F.W. Dodge							
Total	255	298	353	225	362	-21.8	0.7
One Family Houses	241	280	327	219	312	15.6	9.2

See notes at bottom of Arizona - Quarterly table.

	JUN 2002	JUL 2002	AUG 2002	SEP 2002	OCT 2002	% change versus year ago for:	
						most recent month	most recent 12-months
PHOENIX-MESA METROPOLITAN REGION (MARICOPA AND PINAL)							
Civilian Labor Force (000s) ADES							
Employment	1,678.2	1,676.3	1,686.0	1,679.4	1,681.8	1.9	3.7
Unemployment	1,584.0	1,582.9	1,593.7	1,588.6	1,591.0	1.3	1.7
Unemployment Rate, Seas. Adj. (%)	94.2	93.4	92.3	90.8	90.8	13.5	59.2
Unemployment Rate, Seas. Adj. (%)	5.7	5.3	5.1	5.0	5.2	13.0	56.4
Employees on Nonagricultural Payrolls (000s) ADES							
Total	1,566.1	1,546.4	1,561.7	1,575.1	1,591.8	-0.6	-1.3
Mining	2.3	2.3	2.3	2.3	2.3	0.0	-3.2
Construction	117.3	117.3	119.0	119.1	120.9	-0.6	-4.0
Manufacturing	145.7	146.2	145.5	144.8	144.1	-6.7	-8.7
Durable	112.7	112.9	112.7	111.9	111.0	-8.3	-9.6
Nondurable	33.0	33.3	32.8	32.9	33.1	-1.2	-5.7
Trans., Comm. & Publ. Util.	82.1	81.8	81.3	80.9	81.6	-5.1	-5.7
Trade	384.9	379.6	378.0	377.7	381.3	-0.6	0.7
Wholesale	88.8	87.6	87.1	87.2	87.3	-1.9	-2.2
Retail	296.1	292.0	290.9	290.5	294.0	-0.2	1.6
Finance, Ins. & Real Estate	124.7	124.3	124.2	123.7	124.4	-2.4	-0.3
Services	513.7	508.0	511.6	512.3	517.8	1.0	-1.2
Government	195.4	186.9	199.8	214.3	219.4	3.2	3.9
Sales (\$000s) ADOR							
Aggregate Retail Sales	3,191,267	2,917,294	3,085,479	3,014,483	...	2.5	0.1
Retail	2,255,710	2,055,676	2,201,130	2,105,668	...	1.2	0.2
Food, EBR	386,228	365,040	370,390	381,324	...	1.3	2.4
Restaurants & Bars	371,839	314,579	324,327	355,447	...	8.8	2.2
Gasoline, EBR	177,490	181,999	189,631	172,044	...	9.6	-10.0
Contracting	704,277	689,197	670,249	663,829	...	-0.8	2.3
Value of Construction Contract Awards (\$000s) F.W. Dodge							
Total Awards	1,013,454	968,259	840,363	779,901	906,819	7.9	-13.5
Residential Building	583,711	567,088	582,767	540,609	614,015	33.3	2.1
Non-Residential Building	254,013	282,790	191,754	163,083	204,289	-16.5	-27.0
Non-Building	175,730	118,381	65,842	76,209	88,515	-34.5	-42.5
New Housing Units Authorized, Census C-40							
Total Units	4,945	4,410	4,148	3,862	4,263	72.2	5.0
Single Family Units	3,608	3,575	3,537	3,180	4,023	69.4	14.6
2-4 Unit Structures	31	49	57	21	43	59.3	-43.8
5-plus Unit Structures	1,306	786	554	661	217	197.3	-30.7
Housing Sales and Prices, ARMLS							
Total Sales (\$000s)	1,165,556	1,111,898	1,019,549	944,066	1,003,438	27.9	7.3
Total Units	6,066	5,828	5,519	5,262	5,406	19.4	2.2
Average Price (\$)	192,146	190,786	184,734	179,412	185,616	7.1	4.7
Phoenix Skyharbor International Airport, PSIA							
Total Passengers	3,157,840	3,190,520	3,126,697	2,553,859	...	30.0	-5.4
Total Aircraft Movements	45,871	45,878	47,183	44,256	...	15.3	-7.3

	PHOENIX-MESA METROPOLITAN REGION (MARICOPA AND PINAL) - QUARTERLY DATA					% change versus year ago for:	
	III 2001	IV 2001	I 2002	II 2002	III 2002	most recent quarter	most recent 4-quarters
Demographics & Vital Statistics (000s, seas adj) ADHS & EBR							
Population	3,388.1	3,410.3	3,430.9	3,450.4	3,469.3	2.4	2.6
Natural Increase	8.5	8.4	8.5	8.5	8.4	-1.3	0.8
Births	14.5	14.5	14.6	14.5	14.5	0.1	1.2
Deaths	6.0	6.0	6.1	6.1	6.1	2.0	1.8
Net Migration	13.0	13.7	12.0	11.1	10.5	-19.3	-27.6
Personal Income by Source (\$mil, SAAR) EBR							
Total Personal Income	93,117	93,834	94,625	95,273	95,921	3.0	2.7
Earnings by Place of Work	70,341	70,792	71,318	71,682	72,046	2.4	1.9
Less: Contributions for Social Insurance	4,315	4,360	4,408	4,442	4,477	3.7	2.6
Plus: Adjustment for Residence	-50	-50	-48	-48	-47	6.2	5.5
Plus: Dividends, Interest & Rents	16,314	16,251	16,201	16,159	16,117	-1.2	-0.3
Plus: Transfer Payments	10,828	11,200	11,563	11,923	12,283	13.4	13.1
Per Capita Personal Income (\$, SAAR) EBR	27,483	27,515	27,580	27,612	27,648	0.6	0.2

See notes at bottom of Arizona - Quarterly table.

	JUN 2002	JUL 2002	AUG 2002	SEP 2002	OCT 2002	% change versus year ago for:	
						most recent month	most recent 12-months
TUCSON METROPOLITAN REGION (PIMA)							
Civilian Labor Force (000s) ADES							
Employment	402.8	397.8	401.4	405.0	406.8	2.0	3.3
Unemployment	383.5	378.5	382.9	387.0	389.3	1.7	1.9
Unemployment Rate, Seas. Adj. (%)	19.3	19.3	18.5	18.0	17.5	8.7	46.8
Unemployment Rate, Seas. Adj. (%)	4.8	4.7	4.5	4.2	4.1	5.1	42.7
Employees on Nonagricultural Payrolls (000s) ADES							
Total	341.6	333.3	338.0	345.8	351.5	0.0	-1.1
Mining	1.5	1.5	1.5	1.5	1.4	-26.3	-18.1
Construction	21.9	21.9	22.2	22.2	22.1	-0.9	-3.2
Manufacturing	32.3	32.3	32.0	32.0	32.0	-5.6	-4.2
Durable	27.8	27.7	27.5	27.5	27.4	-5.8	-3.2
Nondurable	4.5	4.6	4.5	4.5	4.6	-4.2	-10.0
Trans., Comm. & Publ. Util.	10.7	10.7	10.7	10.6	10.7	-2.7	-9.2
Trade	70.3	69.6	69.2	69.9	71.2	-1.5	-1.5
Wholesale	10.0	10.0	9.9	10.0	10.1	-1.9	-3.8
Retail	60.3	59.6	59.3	59.9	61.1	-1.5	-1.1
Finance, Ins. & Real Estate	15.1	15.2	15.1	15.1	15.3	2.0	2.8
Services	115.5	114.5	114.7	115.1	116.9	1.5	-1.1
Government	74.3	67.6	72.6	79.4	81.9	2.5	1.9
Sales (\$000s) ADOR							
Aggregate Retail Sales	798,918	644,221	721,888	666,641	...	1.8	0.9
Retail	575,326	437,598	509,843	448,974	...	1.1	2.2
Food, EBR	93,054	87,949	89,238	91,872	...	-1.2	0.4
Restaurants & Bars	82,741	75,394	77,143	80,483	...	5.1	2.6
Gasoline, EBR	47,797	43,280	45,664	45,312	...	10.5	-14.2
Contracting	130,860	131,515	123,257	117,242	...	-8.2	-2.4
Value of Construction Contract Awards (\$000s) F.W. Dodge							
Total Awards	213,281	124,581	155,503	150,280	134,107	-1.0	13.5
Residential Building	119,083	100,366	93,367	80,082	80,471	-17.0	0.4
Non-Residential Building	35,270	23,023	28,622	59,193	32,604	131.6	42.8
Non-Building	58,928	1,192	33,514	11,005	21,032	-13.8	48.5
New Housing Units Authorized, Census C-40 adjusted by EBR							
Total Units	593	501	694	731	958	27.2	-1.6
Single Family Units	586	469	678	492	507	-8.1	2.1
2-5-plus Unit Structures	6	32	16	238	451	123.6	-16.4
Housing Sales and Prices, TAR							
Total Sales (\$000s)	196,799	199,215	189,735	153,600	185,340	33.2	8.3
Total Units	1,161	1,166	1,063	942	1,111	22.1	3.9
Average Price (\$)	169,509	170,853	178,490	163,058	166,822	9.1	4.1
Tucson International Airport, TAA							
Total Passengers	286,635	278,572	277,308	239,291	291,967	6.4	-6.8
Total Aircraft Movements	20,742	21,702	22,888	20,546	25,887	12.9	4.4

	TUCSON METROPOLITAN REGION (PIMA) - QUARTERLY DATA					% change versus year ago for:	
	III 2001	IV 2001	I 2002	II 2002	III 2002	most recent quarter	most recent 4-quarters
Demographics & Vital Statistics (000s, seas adj) ADHS & EBR							
Population	872.7	877.1	881.4	885.9	890.7	2.1	2.1
Natural Increase	1.3	1.3	1.3	1.3	1.3	2.6	2.6
Births	3.1	3.1	3.1	3.1	3.2	2.4	2.1
Deaths	1.8	1.8	1.8	1.9	1.9	2.2	1.7
Net Migration	3.2	3.1	3.0	3.2	3.5	6.6	-15.7
Personal Income by Source (\$mil, SAAR) EBR							
Total Personal Income	21,104	21,280	21,459	21,639	21,818	3.4	3.6
Earnings by Place of Work	13,336	13,380	13,430	13,476	13,522	1.4	1.6
Less: Contributions for Social Insurance	791	796	801	806	811	2.5	2.8
Plus: Adjustment for Residence	94	95	95	95	96	1.5	0.0
Plus: Dividends, Interest & Rents	4,987	5,012	5,038	5,066	5,093	2.1	2.6
Plus: Transfer Payments	3,478	3,589	3,697	3,808	3,919	12.7	13.0
Per Capita Personal Income (\$, SAAR) EBR	24,183	24,261	24,346	24,426	24,497	1.3	1.4

See notes at bottom of Arizona - Quarterly table.

	JUN 2002	JUL 2002	AUG 2002	SEP 2002	OCT 2002	% change versus year ago for: most recent month	most recent 12-months
ARIZONA MONTHLY DATA							
Civilian Labor Force (000s) ADES							
Employment	2,509.5	2,508.4	2,521.5	2,510.1	2,509.7	2.0	3.5
Unemployment	2,350.7	2,345.9	2,363.6	2,358.6	2,362.8	1.5	1.9
Unemployment Rate, Seas. Adj. (%)	158.8	162.5	157.9	151.5	146.9	11.2	37.9
	6.0	6.0	5.7	5.7	5.7	7.5	33.1
Employees on Nonagricultural Payrolls (000s) ADES							
Total	2,228.5	2,196.0	2,220.0	2,243.6	2,267.1	-0.3	-1.0
Mining	8.8	8.6	8.5	8.4	8.5	-8.6	-8.1
Construction	159.3	158.9	161.1	161.0	162.6	-1.5	-4.4
Manufacturing	194.8	195.2	194.1	193.2	192.5	-6.1	-7.5
Durable	151.3	151.4	150.9	150.0	149.0	-7.3	-8.1
Nondurable	43.5	43.8	43.2	43.2	43.5	-1.8	-5.3
Trans., Comm. & Publ. Util.	105.8	105.5	104.8	104.3	105.2	-4.2	-5.2
Transportation	67.6	67.7	67.6	67.6	68.2	-2.0	-4.9
Trade	535.1	529.0	527.7	527.8	533.4	-0.3	0.4
Wholesale	108.3	107.3	106.5	107.0	107.5	-1.6	-2.2
Retail	426.8	421.7	421.2	420.8	425.9	0.0	1.1
Finance, Ins. & Real Estate	149.3	149.0	148.6	148.3	149.1	-1.6	0.2
Services	708.9	701.6	706.2	707.3	714.5	1.1	-0.9
Government	366.5	348.2	369.0	393.3	401.3	2.4	3.0
Federal	50.4	50.2	50.4	50.0	50.8	4.1	3.5
State & Local	316.1	298.0	318.6	343.3	350.5	2.1	2.9
Schools	157.7	138.5	162.8	188.3	195.5	3.2	3.9
Hours Worked Per Week, Manufacturing, ADES	40.0	39.8	39.6	39.8	39.3	-1.0	-0.7
Average Hourly Earnings (\$) ADES							
Construction	14.72	14.81	14.86	14.83	14.79	-3.1	-4.0
Manufacturing	13.91	13.95	13.89	13.94	14.02	4.4	6.0
Utilities	23.34	23.07	22.79	23.47	23.76	10.3	9.7
Retail Trade	12.47	12.36	12.43	12.65	12.48	4.9	7.6
Wholesale Trade	14.50	14.24	14.50	14.61	14.19	2.5	-2.0
Sales (\$000s) ADOR							
Aggregate Retail Sales	4,822,939	4,337,224	4,633,809	4,440,487	...	2.8	1.0
Retail	3,349,992	2,966,000	3,232,985	3,021,802	...	1.7	1.3
Food, EBR	615,300	581,547	590,070	607,488	...	2.5	3.8
Restaurants & Bars	549,201	476,873	488,049	519,441	...	6.6	2.4
Gasoline, EBR	308,445	312,804	322,705	291,756	...	9.2	-10.4
Gallons (000s) ADOT	212,209	218,683	229,373	210,684	...	8.6	5.6
Utilities	552,908	646,813	615,257	617,474	...	3.0	1.9
Communications	284,728	241,214	225,911	222,552	...	-11.7	3.4
Amusements	64,131	54,622	53,642	44,133	...	-0.9	-0.9
Rentals - Personal Property	291,343	264,036	249,909	273,631	...	-5.8	-4.0
Contracting	1,004,824	972,617	952,960	942,741	...	-1.4	2.9
Mining - Metal, Oil & Gas	27,681	23,360	19,966	24,781	...	26.4	-27.7
Hotel/Motel	121,608	96,395	100,227	111,209	...	10.4	-9.3
Value of Construction Contract Awards (\$000s)							
Total Awards	1,435,071	1,283,955	1,184,296	1,121,086	1,229,299	2.3	-8.0
Residential Building	811,177	777,610	790,128	723,278	822,846	22.8	2.9
Non-Residential Building	334,794	365,010	281,827	254,120	280,927	-5.5	-14.7
Non-Building	289,100	141,335	112,341	143,688	125,526	-46.4	-34.2
New Housing Units Authorized, Census C-40							
Total Units	6,207	5,904	5,516	5,297	5,876	52.5	5.9
Single Family Units	4,820	4,780	4,851	4,294	5,228	46.3	12.1
2-4 Unit Structures	58	100	104	96	105	41.9	-13.6
5-plus Unit Structures	1,329	1,024	561	907	543	163.6	-24.1
Bankruptcy Filings, U.S. Bankruptcy Court							
Total	2,331	2,527	2,725	2,480	2,778	20.1	19.5
Chapter 7	1,909	2,068	2,204	1,983	2,212	19.6	18.0
Chapter 11	19	29	24	22	18	-5.3	11.1
Chapter 13	403	430	496	474	547	23.2	26.3

See notes at bottom of Arizona - Quarterly table.

	III 2001	IV 2001	I 2002	II 2002	III 2002	% change versus year ago for: most recent quarter most recent 4-quarters	
ARIZONA QUARTERLY DATA							
Demographics & Vital Statistics (000s, seas adj) ADHS & EBR							
Population	5,339.9	5,377.9	5,411.2	5,440.3	5,466.8	2.4	2.7
Natural Increase	10.8	11.2	10.6	10.4	10.4	-4.1	-4.0
Births	21.4	21.4	21.1	21.1	21.2	-0.9	-0.5
Deaths	10.6	10.2	10.5	10.7	10.8	2.4	3.4
Net Migration	29.2	24.7	20.0	17.2	14.9	-49.0	-29.4
Personal Income Derivation (\$mil, SAAR) EBR							
Total Personal Income	138,817	137,895	141,852	142,573	143,423	3.3	3.8
Earnings by Place of Work	98,313	96,935	99,746	99,611	100,247	2.0	2.7
Less: Contributions for Social Insurance	6,062	5,988	6,258	6,247	6,286	3.7	4.9
Plus: Adjustment for Residence	455	454	466	465	468	2.8	0.6
Plus: Dividends, Interest & Rents	26,815	26,689	27,192	27,432	27,302	1.8	1.3
Plus: Transfer Payments	19,296	19,805	20,707	21,311	21,694	12.4	13.8
Components of Earnings (\$mil, SAAR) BEA							
Wages and Salaries	79,823	78,554	79,058	79,754	...	1.3	2.3
Other Labor Income	8,472	8,491	8,693	8,900	...	7.3	7.3
Proprietor's Income	10,017	9,890	10,762	10,346	...	3.0	3.9
Farm	317	377	980	326	...	-8.7	58.0
Non-Farm	9,700	9,513	9,782	10,020	...	3.4	2.1
Per Capita Personal Income (\$, SAAR) EBR							
	25,996	25,641	26,215	26,207	26,235	0.9	1.1
Average Wage Per Employee, Annual Rate (\$) EBR							
	34,658	34,350	34,576	34,926	...	2.2	2.7

TRAVEL AND TOURISM - MONTHLY DATA

	JUN 2002	JUL 2002	AUG 2002	SEP 2002	OCT 2002	% change versus year ago for: most recent month most recent 12-months	
Visits to Parks & Other Recreational Areas, ADOT, NPS & ASPB							
Northern Arizona	1,995,719	2,229,307	2,183,827	1,601,720	1,357,160	6.4	-7.9
Historical	156,600	153,275	135,563	128,875	129,697	4.2	-6.7
Scenic	690,532	776,566	684,190	460,485	467,817	14.9	-3.7
Water Based Recreation	1,148,587	1,299,466	1,364,074	1,012,360	759,646	2.2	-10.1
Southern Arizona	142,586	160,717	143,167	96,631	163,331	-8.9	-12.8
Historical	21,791	24,316	20,772	19,541	28,200	-16.0	-14.9
Scenic	81,495	92,584	88,545	51,970	107,146	-4.9	-14.3
Water Based Recreation	39,300	43,817	33,850	25,120	27,985	-15.6	-3.7
International Border Crossings, USINS & USCS							
U.S. Citizens	743,739	858,240	862,826	802,188	...	47.8	15.1
Aliens	1,845,038	2,282,921	2,340,636	2,150,381	...	38.6	3.5
Vehicles	870,942	-5.3	-8.0

MEASURES OF INFLATION AND PRICES - MONTHLY DATA

	JUN 2002	JUL 2002	AUG 2002	SEP 2002	OCT 2002	% change versus year ago for: most recent month most recent 12-months	
Consumer Price Index (1982-1984=100) BLS							
U.S. - All Urban	179.9	180.1	180.7	181.0	181.3	2.0	1.5
U.S. - Wage Earners	175.9	176.1	176.6	177.0	177.3	1.9	1.2

Sources and abbreviations:

ADES: Arizona Department of Economic Security
 ADHS: Arizona Department of Health Services
 ADOR: Arizona Department of Revenue
 ADOT: Arizona Department of Transportation
 ARMLS: Arizona Regional Multiple Listing Service
 ASBD: Arizona State Banking Department
 ASPB: Arizona State Parks Board
 BEA: Bureau of Economic Analysis, U.S. Department of Commerce

BLS: Bureau of Labor Statistics, U.S. Department of Labor
 Census C-40, Bureau of the Census, U.S. Department of Commerce
 EBR: Economic & Business Research Program, The University of Arizona
 F.W. Dodge, Division of McGraw Hill Information Systems Co. (proprietary data provided by special permission)
 NPS: National Park Service, U.S. Department of the Interior
 NSCCC: Nogales-Santa Cruz Chamber of Commerce

PSIA: Phoenix Skyharbor International Airport
 SAAR: Seasonally adjusted at annual rates
 TAA: Tucson Airport Authority
 TAR: Tucson Association of Realtors
 USINS: U.S. Immigration & Naturalization Service, U.S. Department of Justice
 U.S. Bankruptcy Court, District of Arizona
 USCS: U.S. Customs Service, U.S. Department of the Treasury

MEASURES OF INFLATION AND PRICES - QUARTERLY DATA

	III 2001	IV 2001	I 2002	II 2002	III 2002	% change versus year ago for: most recent quarter	% change versus year ago for: most recent 4-quarters
Consumer Price index (1982-84=100) BLS							
Western Region (U.S.)	182.1	182.1	183.2	184.8	185.6	1.9	2.2
U.S. - All Urban Consumers	177.8	177.3	177.9	179.8	180.6	1.6	1.5
U.S. - Urban Wage Earners	174.1	173.5	173.9	175.8	176.6	1.4	1.2
Price Indexes (1996=100) BEA							
Gross Domestic Product	109.9	109.8	110.1	110.5	111.0		1.3
Personal Consumption Expenditures	109.6	109.8	110.1	110.9	111.5	1.7	1.3

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