

# Arizona's Economy

## July 2009 - Summer Issue

### Green Shoots in Arizona?

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*The U.S. and Arizona economies remained in free fall during the first quarter of 2009, continuing the plunge that began in the fourth quarter. Early reports for the second quarter suggest that nationwide, a bottom is beginning to form as the rate of decline diminishes and a few measures begin to turn upward. We continue to expect the recession nationwide to come to an end during the summer followed by a gradual recovery. Arizona is expected to lag behind by at least a quarter or two due to lingering challenges facing real estate and massive layoffs in the public sector that still lay ahead.*

The worst of the financial crisis and the economic downturn appears to be behind us as data for the second quarter begins to arrive. Consumers, investors, and businesses all appear to be tired of hunkering down and are beginning to re-engage. Financial markets and the banking system are improving, and the federal stimulus package is set to provide a big boost.

On the national scene, consumers are growing more confident, and retailing has improved in recent months. Support for spending includes lower gasoline prices, a wave of mortgage refinancing, and tax refunds from the federal government in the form of reduced withholding on paychecks and rebate checks for Social Security recipients. Consumers also are buoyed by rising financial markets as major stock indexes have gained some 30% since early March.

Businesses have slashed payrolls and investment spending during the past year, and they significantly reduced inventories in the first quarter. The recent firming of sales means that profits, cash flow, and production will move upward in the coming months.

Credit markets also are looking much better. The yield spread between high yield corporate bonds and 10-year treasuries has narrowed to about half of the spread last fall during the credit market freeze. The gap between the three-month LIBOR rate and comparable Treasury bill yields, which reflects willingness of banks to lend to one another, is now almost back to normal. Results of the fed's "stress tests" of the nation's largest banks also provides much needed information about how much new capital must be raised for each bank. Investors, who can now make informed

decisions about downside risks, have in recent weeks eagerly responded to stock offerings of affected banks seeking to raise capital.

Other positive factors include infrastructure spending, spurred by the Federal stimulus package that will provide a much needed boost to the construction industry in coming months. Housing markets also are getting a boost from record-low mortgage rates, lower housing prices, and a federal tax credit of up to \$8,000 for first-time homebuyers. Housing affordability now stands at a record high, signaling that now is a *great time to buy a house*.

The national recession is expected to come to an end this summer, with a muted recovery to follow. Historically, recoveries have been powered by interest-sensitive housing and automobile manufacturing and neither appears ready to power a strong recovery. Housing remains burdened with too many vacant homes that will take an extended time to absorb. For new cars, there is an absence of pent-up demand following the high levels of sales in recent years. Additionally, credit markets and the banking system will require at least a couple more years to get back to normal. And if that weren't enough, commercial real estate markets are just beginning to enter a correction phase and will act as a drag on the economy near term. This means that robust growth is unlikely to return before 2011, and losses suffered during the "Great Recession" likely won't be recovered until 2013.

## **Recent Evidence for Arizona**

The "green shoots" identified in the national press are not yet visible at the state level. At this writing, there is little data as yet covering the second quarter for states or local areas. The first quarter data showed that the Arizona economy continued to collapse, much as we had expected. We'll need at least another quarter of data before promising signs emerge for Arizona.

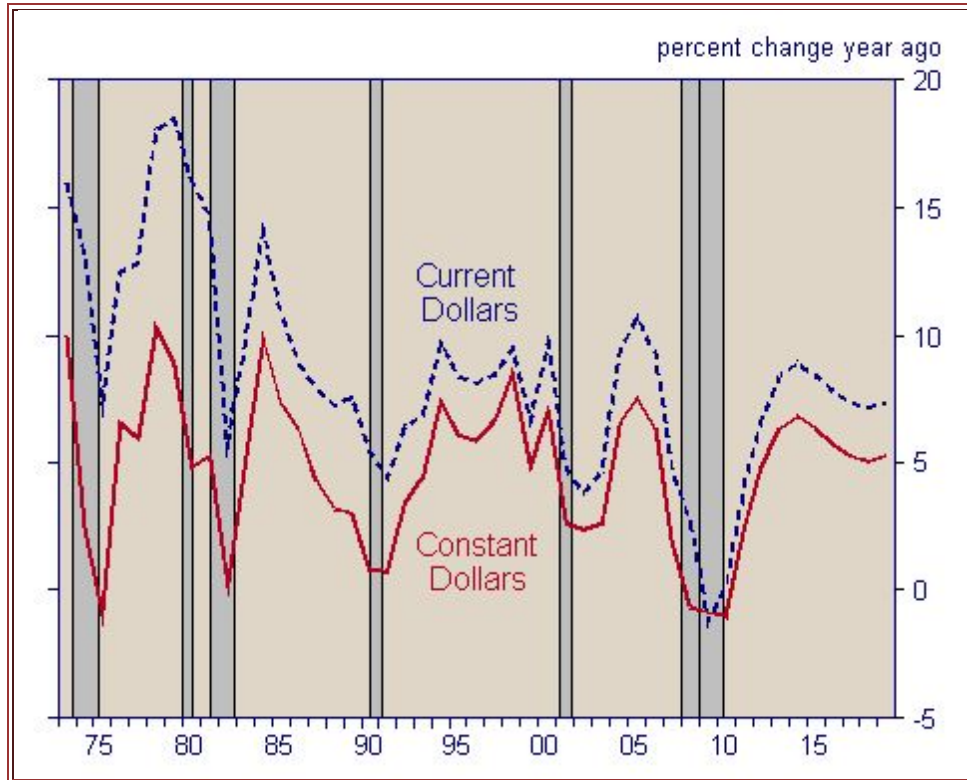
Nationwide, retail sales improved in January and February before declining modestly the following two months. In Arizona, declines continue uninterrupted; sales peaked in early 2007 and were declining at a 13.5% seasonally adjusted annual rate in February, the most recent month available. In this environment we welcome news that declines are getting smaller. So the good news is that current readings are better than the 20% rate of decline experienced in last year's fourth quarter.

Arizona personal income increased by only 2.7% in 2008. While Arizona registered one of the smallest increases (ranking 47th among all states), its population grew faster than all but one state (Utah). So, it's not surprising that per capita personal income grew only 0.4 percent, ranking Arizona at the bottom of all states. Quarterly data shows continuing deterioration as personal income contracted at a 1.3% and 2.6% compound annual rate in the third and fourth quarters, respectively.

We expect current dollar personal income to continue to contract through the first half of 2009 and show a loss of 1.2% for the entire year. Growth returns next year

with a miniscule gain of 0.2%, followed by a 4.0% gain in 2011. The “U-shaped” bottom for constant dollar personal income over 2008-10 is similar to that experienced during 2001-03 (Exhibit 1).

### Exhibit 1: Expect Personal Income to Contract For Another Year

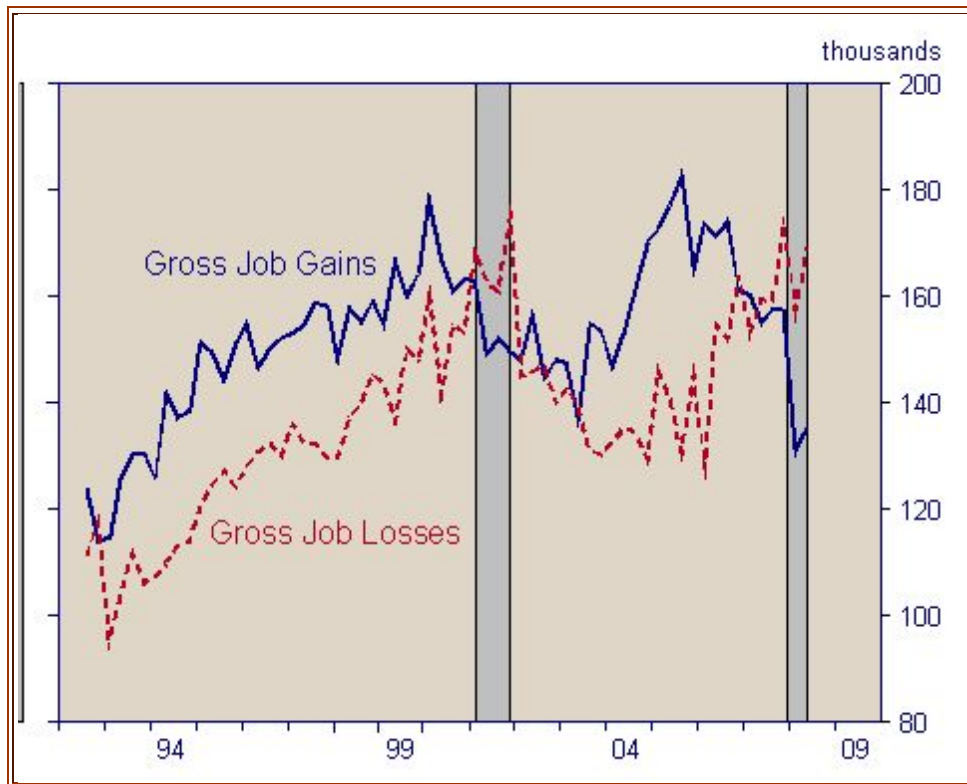


### Job Market Update

The current crop of employment data through March shows continued deterioration in labor markets. Nonfarm jobs statewide plummeted at a 9.5% annual rate in the first quarter and were 6.4% lower than one year earlier! With data through March, Arizona ranked 50th for year-over-year job growth. Since topping out in October 2007, some 209,000 jobs have been lost statewide, a decline of 7.8%. Unfortunately, the losses have not yet begun to moderate.

The most recent data for employment dynamics unfortunately lags significantly because it is based on unemployment insurance premiums paid by employers (the QCEW program). With data through 2008Q2, we see that some 135,200 jobs were *added* while 169,000 jobs were *lost* during the April through June 2008 period. That's a net loss of nearly 34,000. So while aggregate employment is declining, it's still possible to find a new job, but if you still have one, now is not a good time to go looking. The lion's share of the new jobs is in expansions of current firms (105,200) rather than in new firms (30,000). Likewise, losses at continuing firms (132,400) dwarf the numbers for firms closing their doors (36,600) (Exhibit 2).

## Exhibit 2: Job Losses Exceed Hirings



Unemployment insurance claims, an excellent leading indicator, also continue to soar statewide, nearly doubling during the past 12 months. When this measure turns, it will signal that the end of recession is near. With claims still rising, we can expect the state's unemployment rate to rise significantly higher. In March the rate stood at 7.8% compared to 4.7% one year earlier. We now expect unemployment to approach 11% by the end of this year and that it will be 2012 before unemployment falls below six percent again (Exhibit 3).

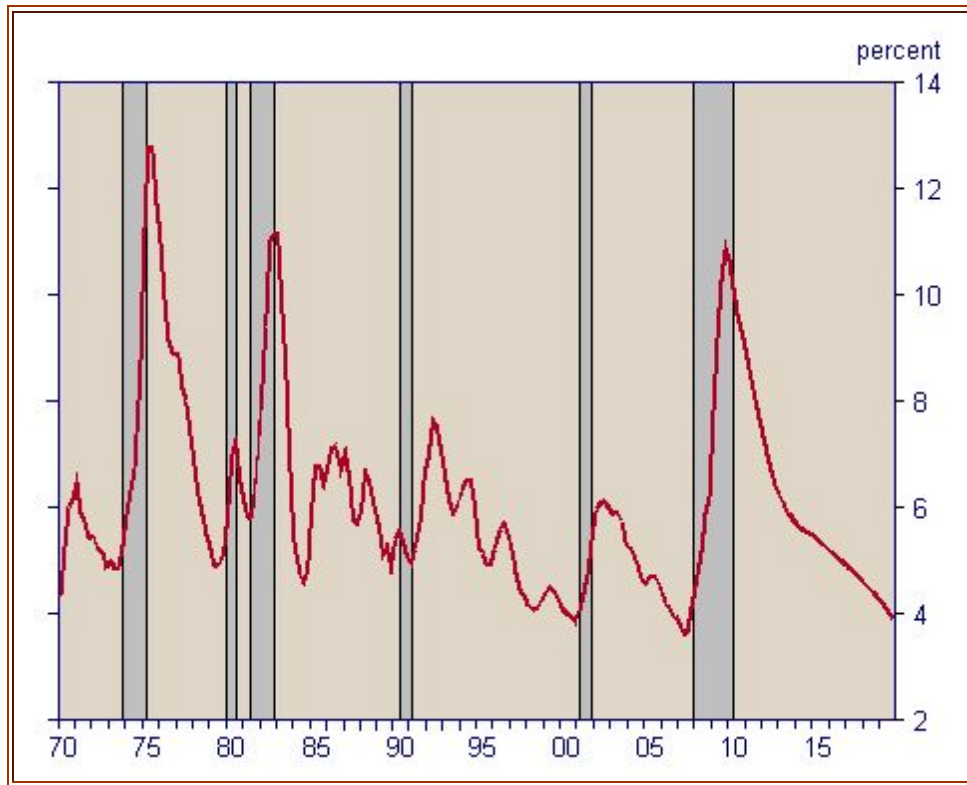
### Real Estate Markets

Residential homebuilding in Arizona has all but ceased. Only four thousand units were permitted during the first quarter. Less than 900 of those were multi-family. Since the peak way back in August 2005 – three-and-a-half years ago -- permits have plummeted nearly 91%. (And when they've fallen 100%, there are none left).

Market-wide indexes of home prices also continue to decline. Median prices of homes sold on the MLS have fallen to only \$120,000 in metro Phoenix as of March 2009. That's down 43% from a year ago and at a 50% annual rate during the first quarter. Comparable prices in metro Tucson have fallen only 17% in the past year to \$165,000; the rate of decline in April was 11.1%.

The Standard & Poor's Case-Shiller House Price Index for metro Phoenix has fallen 50.8% since peaking in June 2006, and is now back to January 2002 levels. It continues to fall at a rapid rate (42% annualized in February). This index includes repeat sales of houses financed with "exotic" mortgages of recent years.

### Exhibit 3: Expect the Highest Unemployment Since the Early 1980s



The Federal Housing Finance Agency (FHFA) house price index (aka OFHEO) continued to decline in last year's fourth quarter in both Tucson and Phoenix. This repeat sales index shows peak-to-current declines of 22.4% in Phoenix and 12.2% in Tucson. The declines are much less than the Case-Shiller index since only properties with conventional financing (conforming loans) are included.

It's next-to-impossible to determine how much the value of a typical house has declined by looking at these indexes. The wide disparity exists primarily because each shows averages for different samples of the market. As the proportion of distressed sales grows, the MLS and Case-Shiller indexes have plummeted. In

recent months, two-thirds of sales in the Phoenix area and 70% in Pinal County were bank owned, according to the *Phoenix Housing Market Letter* (R.L. Brown).

Unfortunately, some appraisers (realtors) include distressed sales in their appraisals (CMAs), even though these distressed sales are a very different product -- and are therefore not comparable. Doing so depresses values for "normal" sales by homeowners whose home is occupied and has been well maintained. Homeowner properties have not declined in value nearly as much as aggregate price measures suggest.

The good news is that lower prices, coupled with record low mortgage rates and an \$8,000 tax credit for new homebuyers, *now is a great time to buy a house*. Investors are responding by pouring money into the market. In metro Phoenix, investors are buying up thousands each month (6,500 MLS listings sold in March). Since bottoming at the end of 2007, the number of houses sold on the Multiple Listing Service has jumped by 74%. The rate of foreclosures in metro Tucson is much lower than in Phoenix and prices have not dropped nearly as much. As a result, existing home sales remain at a cycle low in Tucson (a 10,000 annual rate).

The number of active listings is declining in both metros, even as foreclosures come to market. In metro Tucson, the number of active listings numbered a seasonally adjusted 6700 in April, down from over 10,000 at the April 2007 cycle peak. In metro Phoenix, listings have declined from January 2008's high of almost 59,000 to 49,500 in March. The number of months supply, which compares the number of listings to the sales rate, now stands at 8.9 months in Tucson and 7.8 in Phoenix. Peaks for these measures, which came at the end of 2007, registered 10.4 and 15.7 months, respectively. Normal supply is five months (Exhibit 4).

Falling employment and credit market turmoil has taken a toll on commercial real estate markets. Vacancies are now soaring as businesses close and new construction is evaporating, according to CB Richard Ellis. In metro Phoenix, office vacancies rose to 22.8% in the first quarter, up from 17.5% one year ago. Net absorption is negative and only 2.6 million square feet are under construction. Industrial vacancies stand at 14.5% compared with 9.8% one year ago. Absorption was negative 2.8 million square feet and only 2.9 million square feet was under construction at the end of the first quarter, down from 9.3 million. Retail vacancies rose to 9.7% from 6.5% the prior year. Only 3.1 million square feet was under construction, compared to 7 million one year earlier. Absorption of retail space was negative 790,000 square feet during the quarter.

Although the Tucson market is also feeling the effects of recession, the situation is considerably brighter. Office vacancies were 14.9% at year end, up 2.3 points in a year. Industrial vacancies end the year at 6.7%, up from 5.3%, and shopping center vacancies rose to 9.1%, compared to 7.4%. Retail absorption was positive 941,000 square feet during 2008, and 562,000 square feet was under construction at year end. Comparable numbers for industrial were 766,000 and 1.1 million square feet, respectively. Absorption in offices was negative 93,000 square feet,

and only 42,000 square feet were under construction. Business capital spending on buildings is expected to remain depressed at least through the end of 2010.

#### Exhibit 4: Signs of Improvement in Housing Markets



#### The Outlook

Even with the current crop of dismal data covering the first quarter, we continue to expect that recession's grip to loosen in coming weeks, the economy to stabilize, and then begin a gradual recovery. Losses in nonfarm employment statewide will moderate but not bottom until the first half of next year. Part of the reason for that are large layoffs in the public sector (schools, state and local governments, and universities) that are just now beginning and the coming shake-out in commercial real estate. It will be 2013 before employment losses economy-wide are recovered and a new expansion can begin.

The recession is much deeper in metro Phoenix than in metro Tucson. Nonfarm employment will decline by 6.1% this year in Phoenix, compared to -4.1% in Tucson. Retail sales this year will show declines of 7.0% and 3.4%, respectively. Personal income will decline by 1.9% in Phoenix but hold steady in Tucson.

Hopefully by next quarter the data for Arizona will begin to reveal that a bottom is beginning to form. ■

<b>Arizona</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Personal Income (\$ mill)	211,614.40	212,066.70	220,640.40	235,407.60	255,119.30	277,842.40	301,184.80
percent change	-1.2	0.2	4	6.7	8.4	8.9	8.4
Wage per Employee	45,222	45,968	46,948	48,147	49,711	51,484	53,335
percent change	2	1.6	2.1	2.6	3.2	3.6	3.6
Aggregate Retail Sales (\$ mill)*	72,488.20	77,286.80	84,080.00	90,402.80	97,523.00	104,723.00	112,228.10
percent change	-7.7	6.6	8.8	7.5	7.9	7.4	7.2
Population (000s, mid-year)	6,584.60	6,679.60	6,814.00	6,971.40	7,145.60	7,331.00	7,519.50
percent change	1.3	1.4	2	2.3	2.5	2.6	2.6
Residential Permits	12,090	16,380	32,266	45,752	57,567	64,277	66,308
percent change	-51.6	35.5	97	41.8	25.8	11.7	3.2
Non Farm Employment (000s)	2,494.60	2,437.70	2,477.70	2,576.70	2,712.20	2,848.90	2,972.30
percent change	-5	-2.3	1.6	4	5.3	5	4.3
Goods-Producing	314.6	280.6	277.1	294.4	326	357	378.8
percent change	-16.2	-10.8	-1.3	6.3	10.7	9.5	6.1
Service-Providing	2,180.00	2,157.20	2,200.70	2,282.40	2,386.40	2,492.10	2,593.80
percent change	-3.1	-1	2	3.7	4.6	4.4	4.1
Trade, Trans., & Utilities	481.8	467.5	478.7	502.8	531	558.5	584.9
percent change	-6.8	-3	2.4	5	5.6	5.2	4.7
Prof. & Business Services	365.2	352.9	357.9	374.3	399	425.4	449.7
percent change	-5.7	-3.4	1.4	4.6	6.6	6.6	5.7
Leisure & Hospitality	249.9	247.1	257.1	271.5	284.8	296.4	307.5
percent change	-7.5	-1.1	4	5.6	4.9	4.1	3.8
Government	434.4	431.4	427.7	431.3	441.8	452.2	462.4
percent change	-0.1	-0.7	-0.9	0.9	2.4	2.4	2.2

<b>Phoenix-Mesa Metro</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Personal Income (\$ mill)	147,219.10	145,069.10	151,106.00	162,803.30	177,568.50	193,412.60	209,258.00
percent change	-1.9	-1.5	4.2	7.7	9.1	8.9	8.2
Wage per Employee	49,998	51,231	52,752	54,282	56,006	57,784	59,616
percent change	3	2.5	3	2.9	3.2	3.2	3.2
Aggregate Retail Sales (\$ mill)*	49,083.00	51,832.10	56,590.50	62,247.90	67,641.90	72,461.00	76,924.20
percent change	-8.7	5.6	9.2	10	8.7	7.1	6.2
Population (000s, mid-year)	4,334.80	4,403.40	4,506.00	4,633.00	4,773.70	4,917.20	5,060.00
percent change	1.2	1.6	2.3	2.8	3	3	2.9
Residential Permits	7,747	9,619	21,120	31,958	39,853	43,585	43,243
percent change	-58.2	24.2	119.6	51.3	24.7	9.4	-0.8
Non Farm Employment (000s)	1,763.90	1,686.30	1,706.80	1,792.00	1,903.30	2,011.80	2,106.80
percent change	-6.1	-4.4	1.2	5	6.2	5.7	4.7
Goods-Producing	225.3	196.3	195	212.8	241.1	262.8	276.6
percent change	-18.9	-12.9	-0.7	9.1	13.3	9	5.2
Service-Providing	1,538.60	1,490.00	1,511.90	1,579.20	1,662.20	1,749.00	1,830.20
percent change	-3.8	-3.2	1.5	4.5	5.3	5.2	4.6
Trade, Trans., & Utilities	344.4	327.2	333.7	354.3	377.4	397.6	415.9
percent change	-10.3	-5	2	6.2	6.5	5.4	4.6
Prof. & Business Services	303.9	271.9	266.6	281.1	302	329.3	354.5
percent change	-2.2	-10.5	-2	5.4	7.4	9.1	7.6
Leisure & Hospitality	170.7	169.7	177.1	187.7	197.6	206.3	214.5
percent change	-7.9	-0.6	4.4	6	5.3	4.4	4
Government	242.1	240.6	238.9	242.7	251	258.6	265.4
percent change	-1.7	-0.6	-0.7	1.6	3.4	3	2.6

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

Source: Economic and Business Research Center, Eller College of Management, The University of Arizona

<b>Tucson Metro Area</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Personal Income (\$ mill)	32,958.50	33,072.60	34,483.00	37,075.50	40,140.90	43,213.70	46,088.40
percent change	0	0.3	4.3	7.5	8.3	7.7	6.7
Wage per Employee	41,021	42,054	42,731	43,668	45,175	46,912	48,677
percent change	1.7	2.5	1.6	2.2	3.5	3.8	3.8
Aggregate Retail Sales (\$ mill)*	10,816.40	11,253.40	11,795.60	12,638.40	13,558.00	14,462.80	15,312.70
percent change	-6.1	4	4.8	7.1	7.3	6.7	5.9
Population (000s, mid-year)	1,017.80	1,029.00	1,051.50	1,082.50	1,114.90	1,143.40	1,167.60
percent change	0.6	1.1	2.2	2.9	3	2.6	2.1
Residential Permits	1,347	3,208	7,240	10,187	10,691	9,340	7,813
percent change	-58.2	138.3	125.7	40.7	5	-12.6	-16.3
Non Farm Employment (000s)	366.1	357.2	364.2	382.8	403.2	418.4	427.8
percent change	-4.1	-2.4	1.9	5.1	5.3	3.8	2.2
Goods-Producing	45.3	41.9	43.7	49.7	55.4	57.8	57
percent change	-12.1	-7.5	4.4	13.7	11.6	4.3	-1.4
Service-Providing	320.8	315.4	320.5	333.1	347.8	360.6	370.7
percent change	-2.8	-1.7	1.6	4	4.4	3.7	2.8
Trade, Trans., & Utilities	59.3	58.1	59.3	62.1	65	67.5	69.6
percent change	-4.9	-2	2	4.7	4.7	3.8	3.2
Prof. & Business Services	51.1	48	46.8	48.5	52	55.5	57.9
percent change	-0.1	-6.2	-2.4	3.5	7.2	6.8	4.5
Leisure & Hospitality	38.3	38	39.4	41.5	43.6	45.3	46.9
percent change	-4.2	-0.9	3.7	5.4	5	4	3.4
Government	74.8	73.3	74.2	76.4	78.5	79.9	80.9
percent change	-6.9	-2	1.3	3	2.7	1.8	1.2

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

Source: Economic and Business Research Center, Eller College of Management, The University of Arizona

**ARIZONA MONTHLY DATA**

	DEC 2008	JAN 2009	FEB 2009	MAR 2009	APR 2009	% change versus year ago	
						for most recent: month	12-months
<b>Civilian Labor Force (000s), ADOC</b>	3,163.5	3,150.2	3,147.8	3,125.5	3,142.4	1.5	3.0
Employment	2,951.9	2,922.8	2,915.5	2,884.9	2,909.0	-1.9	0.3
Unemployment	211.6	227.4	232.3	240.6	233.4	78.6	66.6
Unemployment Rate, Seas. Adj. (%)	6.4	7.0	7.4	7.8	7.7	58.6	56.5
<b>Employees on Nonagricultural Payrolls (000s), ADOC</b>							
Total	2,561.3	2,486.4	2,490.8	2,481.2	2,479.6	-6.6	-4.2
Natural Resources and Mining	13.0	12.4	12.0	11.9	10.5	-19.2	7.1
Construction	162.9	151.9	146.3	143.4	140.7	-27.8	-20.9
Durable Goods Manufacturing	136.9	134.8	134.0	133.8	133.4	-4.9	-5.0
Fabricated Metal Products	18.1	17.3	17.3	17.3	17.1	-11.4	-8.2
Computer and Electronic Prod.	41.4	41.2	41.0	40.8	40.7	-3.3	-2.7
Aerospace Products and Parts	28.3	28.3	28.3	28.3	28.3	2.9	2.2
Non-Durable Goods Manufacturing	33.9	32.9	32.6	32.4	33.1	-4.3	-3.4
Wholesale Trade	104.9	103.2	102.7	101.7	100.8	-6.8	-3.6
Retail Trade	314.0	300.9	298.2	300.1	298.4	-7.8	-6.3
Utilities	12.6	12.6	12.5	12.5	12.5	-1.6	-0.3
Transportation and Warehousing	74.9	71.0	70.1	70.2	70.2	-5.3	-2.1
Information	40.6	40.3	40.4	40.1	40.2	-4.5	-2.7
Finance and Insurance	124.1	124.0	123.6	124.0	123.2	-1.8	-3.2
Real Estate, Rental, and Leasing	49.8	47.9	47.6	46.6	46.1	-10.8	-5.8
Professional and Business Services	366.0	351.1	354.3	348.4	352.8	-10.2	-7.6
Educational Services	45.5	43.5	43.7	43.6	43.4	-6.1	-0.1
Health Care and Social Assistance	276.6	274.4	274.7	274.6	274.2	0.5	3.8
Arts, Entertainment, and Recreation	34.4	33.9	33.9	34.0	33.9	-9.8	-2.7
Accommodation	47.7	46.2	46.4	47.1	47.6	-3.4	-2.3
Food Svcs and Drinking Places	179.3	176.6	178.5	180.0	181.8	-5.4	-4.5
Other Services	97.9	94.9	96.0	95.4	94.2	-6.7	-1.9
Federal Government	55.3	54.8	55.2	55.7	58.4	8.6	5.2
State and Local Government	391.0	379.1	388.1	385.7	384.2	-1.1	1.5
State and Local Government Education	212.7	201.7	211.9	210.8	210.9	0.9	2.8
<b>Hours Worked Per Week, Manufacturing, ADOC</b>	40.5	39.6	38.5	39.1	38.1	-5.7	-2.7
<b>Average Hourly Earnings (\$) ADOC</b>							
Construction	19.70	19.32	19.38	19.38	19.72	5.9	5.7
Manufacturing	16.47	17.14	17.15	17.29	17.35	7.4	4.5
Trade, Transportation, Utilities	15.12	15.44	15.47	15.41	15.14	1.5	4.9
Retail Trade	12.32	12.90	13.06	13.16	13.01	4.2	4.1
Wholesale Trade	20.71	21.67	21.29	21.11	20.57	5.9	4.2

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**ARIZONA MONTHLY DATA (continued from previous page)**

						% change versus year ago	
	DEC	JAN	FEB	MAR	APR	for most recent:	
	2008	2009	2009	2009	2009	month	12-months
<b>Sales (\$000s), ADOR</b>							
Aggregate Retail Sales	6,956,888	5,578,628	5,685,263	6,128,227	...	-16.8	-8.1
Retail	4,840,478	3,393,518	3,460,648	3,834,036	...	-17.8	-11.7
Food, EBR	1,013,054	1,018,920	1,013,473	1,005,494	...	0.4	4.1
Restaurants & Bars	754,089	757,425	795,168	847,163	...	-8.2	-4.4
Gasoline, EBR	349,267	408,765	415,973	441,533	404,249	-46.1	-10.7
Gallons (000s) ADOT	228,204	222,773	207,862	234,186	224,122	-1.3	-5.4
Utilities	641,237	735,821	644,448	606,161	...	7.2	1.9
Communications	247,542	213,142	243,894	240,585	...	-25.6	-13.9
Amusements	76,916	88,353	99,602	111,782	...	-14.5	-7.1
Rentals - Personal Property	290,014	273,549	288,147	288,635	...	-13.4	-2.7
Contracting	1,360,692	968,503	950,390	1,029,137	...	-33.6	-21.7
Mining - Metal, Oil & Gas	13,586	21,552	22,596	33,701	...	-80.4	-30.0
Hotel/Motel	148,818	177,021	213,803	240,679	...	-15.6	-10.6
<b>New Housing Units Authorized, Census C-40 &amp; EBR</b>							
Total Units	795	782	924	909	1,117	-62.5	-51.3
Single Family Units	723	608	602	820	1,138	-44.4	-51.5
2-4 Unit Structures	4	13	2	8	-21	-122.6	-68.7
5-plus Unit Structures	68	161	320	81	0	-100.0	-47.7
<b>Bankruptcy Filings, U.S. Bankruptcy Court</b>							
Total	1,874	1,713	1,875	2,700	2,902	87.0	91.5
Chapter 7	1,536	1,364	1,499	2,252	2,429	96.8	104.8
Chapter 11	41	37	43	49	49	96.0	85.1
Chapter 13	297	312	333	399	423	44.4	45.0

**ARIZONA - QUARTERLY DATA**

						% change versus year ago	
	I	II	III	IV	I	for most recent:	
	2008	2008	2008	2008	2009	quarter	4-quarters
<b>Demographics &amp; Vital Statistics (000s, seas adj) ADHS &amp; EBR</b>							
Population	6445.1	6481.8	6511.9	6533.9	6554.6	1.7	2.1
Natural Increase	14.2	13.3	13.7	12.8	14.7	3.6	-5.5
Births	25.8	24.7	24.7	24.0	26.0	0.8	-3.4
Deaths	11.7	11.4	11.0	11.2	11.4	-2.6	-0.7
Net Migration	22.5	23.4	9.8	7.7	6.3	-72.2	-51.0
<b>Personal Income Derivation (\$mil, SAAR) BEA &amp; EBR</b>							
Total Personal Income	213,294	215,405	214,424	213,655	212,386	-0.4	1.7
Earnings by Place of Work	156,724	155,638	155,418	154,770	153,038	-2.4	-0.4
Less: Contributions for Social Insurance	17,811	17,707	17,633	17,533	17,436	-2.1	-0.1
Plus: Adjustment for Residence	759	764	763	770	762	0.4	3.5
Plus: Dividends, Interest & Rents	39,071	39,180	39,301	38,521	37,075	-5.1	0.3
Plus: Transfer Payments	34,552	37,532	36,573	37,124	38,947	12.7	12.0
<b>Components of Earnings (\$mil, SAAR) BEA &amp; EBR</b>							
Wages and Salaries	117,231	116,286	116,173	115,767	114,271	-2.5	-0.4
Other Labor Income EBR	24,986	24,921	24,894	24,948	24,998	0.0	0.8
Proprietor's Income	14,301	14,298	14,329	13,891	...	-4.4	-3.1
Farm	119	94	40	11	...	-95.3	-73.8
Nonfarm	14,183	14,205	14,289	13,879	...	-2.9	-1.8
<b>Per Capita Personal Income (\$, SAAR) EBR</b>	33,094	33,232	32,928	32,699	32,402	-2.1	-0.4
<b>Average Wage Per Employee, Annual Rate (\$) EBR</b>	43,331	43,380	43,700	44,268	...	3.7	2.8

**PHOENIX-MESA METROPOLITAN REGION (MARICOPA AND PINAL)**

% change versus year ago

	DEC	JAN	FEB	MAR	APR	% change versus year ago	
	2008	2009	2009	2009	2009	for most recent:	
						month	12-months
<b>Civilian Labor Force (000s), ADOC</b>	2136.4	2124.7	2122.7	2109.1	2117.7	1.2	2.3
Employment	2004.5	1982.4	1976.1	1956.1	1972.7	-2.1	-0.2
Unemployment	131.9	142.3	146.6	153.0	145.0	84.2	72.9
Unemployment Rate, Seas. Adj. (%)	6.3	6.2	6.9	7.4	7.3	82.5	69.0
<b>Employees on Nonagricultural Payrolls (000s), ADOC</b>							
Total	1826.1	1771.6	1774.0	1768.3	1767.8	-6.8	-4.7
Natural Resources and Mining	3.6	3.4	3.2	3.3	3.2	-13.5	5.4
Construction	121.5	113.5	109.2	107.2	105.5	-27.8	-21.5
Durable Goods	103.2	101.2	100.6	100.5	100.3	-4.4	-5.0
Computer and Electronic Prod.	37.8	37.6	37.5	37.3	37.2	-2.9	-2.8
Aerospace Products and Parts	15.5	15.5	15.6	15.5	15.6	4.0	2.3
Non-Durable Goods	25.8	24.7	24.6	24.7	25.2	-5.6	-4.4
Wholesale Trade	86.9	85.6	85.6	85.2	84.6	-5.6	-2.9
Retail Trade	222.2	213.5	211.2	212.8	211.2	-7.8	-6.2
Utilities	9.0	9.0	9.0	9.0	9.0	1.1	0.6
Transportation and Warehousing	58.7	55.2	54.5	54.6	54.5	-7.0	-3.1
Information	30.8	30.6	30.7	30.6	30.5	-2.6	-0.2
Finance and Insurance	107.1	106.7	106.7	106.9	106.5	-1.8	-3.2
Real Estate, Rental, and Leasing	39.0	37.7	37.3	36.3	35.8	-10.3	-4.6
Professional and Business Services	291.7	279.6	281.6	276.6	280.4	-11.0	-8.4
Educational Services	35.5	33.9	34.6	34.6	34.6	-2.0	2.1
Health Care and Social Assistance	183.7	182.2	182.1	181.6	181.5	0.2	4.0
Arts, Entertainment, and Recreation	25.6	25.4	26.0	26.6	26.7	-2.6	-0.5
Accommodation	30.2	29.5	29.7	29.7	29.8	-1.3	-0.5
Food Svcs and Drinking Places	125.3	123.4	124.4	125.9	127.9	-4.6	-4.0
Other Services	73.7	71.5	72.3	71.3	70.4	-4.5	0.4
Federal Government	22.8	22.7	22.8	23.0	24.2	6.6	5.7
State and Local Government	229.8	222.3	227.9	227.9	226.0	-2.0	0.0
State and Local Government Education	123.2	116.5	122.6	123.1	122.3	-0.4	0.1
<b>Sales (\$000s), ADOR</b>							
Aggregate Retail Sales	4,783,642	3,789,644	3,856,040	4,190,662	...	-16.9	-9.3
Retail	3,367,158	2,337,277	2,379,158	2,665,171	...	-17.7	-13.0
Food, EBR	665,563	653,026	649,535	644,421	...	-2.0	3.1
Restaurants & Bars	530,291	539,712	559,879	599,885	...	-7.4	-5.0
Gasoline, EBR	220,631	259,629	267,467	281,185	257,083	-46.8	-11.0
Contracting	940,964	637,633	666,557	709,673	...	-36.9	-25.6
Hotel/Motel	92,177	125,104	142,900	162,507	...	-18.7	-14.0
<b>New Housing Units Authorized, Census C-40 &amp; EBR</b>							
Total Units	441	552	647	579	745	-66.5	-51.9
Single Family Units	426	384	326	508	769	-42.8	-52.9
2-4 Unit Structures	2	12	0	2	-24	-141.4	-75.6
5-plus Unit Structures	12	157	321	69	0	-100.0	-45.6
<b>Housing Sales and Prices, ARMLS</b>							
Total Sales (\$000s)	1,065,102	854,270	943,990	1,214,575	1,367,357	1.1	-7.2
Total Units	5,524	4,736	5,477	7,636	8,564	75.7	43.5
Average Price (\$)	192,813	180,378	172,355	159,059	159,663	-42.5	-34.1
<b>Phoenix Skyharbor International Airport, PSIA</b>							
Total Passengers	3,171,614	2,999,552	2,824,825	3,498,397	3,290,532	-6.3	-8.4
Total Aircraft Movements	39,119	39,237	36,019	40,711	39,093	-10.2	-10.4

TUCSON METROPOLITAN REGION (PIMA)							% change versus year ago	
	DEC	JAN	FEB	MAR	APR	for most recent:		
	2008	2009	2009	2009	2009	month	12-months	
<b>Civilian Labor Force (000s), ADOC</b>	489.0	485.9	488.7	484.3	486.2	2.9	5.1	
Employment	459.0	454.2	455.9	450.3	454.5	0.2	2.8	
Unemployment	30.0	31.7	32.8	34.0	31.7	65.1	61.1	
Unemployment Rate, Seas. Adj. (%)	6.2	6.0	6.6	7.3	7.0	59.1	52.7	
<b>Employees on Nonagricultural Payrolls (000s), ADOC</b>								
Total	377.5	365.7	369.1	366.9	368.0	-4.5	-2.1	
Natural Resources and Mining	1.8	1.7	1.7	1.5	1.4	-26.3	-1.4	
Construction	19.1	17.5	17.0	16.8	16.5	-29.2	-20.0	
Manufacturing	26.9	26.8	26.5	26.4	26.5	-2.9	-2.2	
Aerospace Products and Parts	12.4	12.4	12.3	12.4	12.4	2.5	2.4	
Wholesale Trade	9.5	9.4	9.4	9.4	9.4	-3.1	-3.2	
Retail Trade	42.0	40.2	40.1	39.9	39.6	-8.8	-6.9	
Transp., Warehousing, and Utilities	9.0	8.7	8.6	8.6	8.6	-5.5	-5.1	
Information	4.6	4.5	4.5	4.5	4.5	-15.1	-16.0	
Financial Activities	17.0	16.7	16.7	16.8	16.7	-3.5	-3.4	
Professional and Business Services	50.4	48.5	49.3	48.6	49.2	-5.9	-3.8	
Educational and Health Services	58.7	57.6	57.9	57.8	57.6	1.2	4.4	
Arts, Entertainment, and Recreation	5.0	4.8	4.8	4.7	5.2	-1.9	-2.5	
Accommodation	7.2	7.0	7.2	7.2	7.0	-4.1	0.1	
Food Svcs and Drinking Places	27.1	26.9	27.5	27.8	27.9	-2.4	-2.5	
Other Services	15.1	14.5	14.6	14.6	14.4	-10.0	-3.6	
Federal Government	11.4	11.4	11.5	11.6	12.3	13.9	7.5	
State and Local Government	72.7	69.5	71.8	70.7	71.2	0.3	5.0	
State and Local Government Education	46.2	43.1	45.6	44.8	45.4	2.7	7.5	
<b>Sales (\$000s), ADOR</b>								
Aggregate Retail Sales	1,039,776	829,961	856,078	903,764	...	-16.6	-6.9	
Retail	720,134	503,497	517,953	562,439	...	-18.1	-10.6	
Food, EBR	155,586	155,237	154,408	153,192	...	-0.4	4.1	
Restaurants & Bars	115,777	114,712	126,305	129,140	...	-8.1	-2.6	
Gasoline, EBR	48,278	56,515	57,412	58,993	54,234	-45.3	-9.1	
Contracting	181,690	135,896	129,597	143,183	...	-19.8	-11.7	
Hotel/Motel	21,750	23,137	36,402	34,820	...	2.3	-11.8	
<b>New Housing Units Authorized, Census C-40 &amp; EBR</b>								
Total Units	107	103	115	149	164	-56.5	-55.9	
Single Family Units	99	96	108	131	162	-53.2	-50.5	
2-5-plus Unit Structures	8	8	7	18	2	-93.8	-80.8	
<b>Housing Sales and Prices, TAR</b>								
Total Sales (\$000s)	161,044	126,245	153,410	187,797	177,507	-30.6	-25.2	
Total Units	802	612	693	923	923	-9.1	-10.0	
Average Price (\$)	200,803	206,282	221,371	203,464	192,315	-23.7	-16.9	
<b>Tucson International Airport, TAA</b>								
Total Passengers	317,531	288,675	302,517	336,211	322,964	-16.1	-12.8	
Total Aircraft Movements	15,032	17,771	15,261	16,095	15,469	-18.5	-21.0	

**PHOENIX-MESA METROPOLITAN REGION (MARICOPA AND PINAL) - QUARTERLY DATA**

						% change versus year ago	
	I	II	III	IV	I	for most recent:	
	2008	2008	2008	2008	2009	quarter	4-quarters
<b>Demographics &amp; Vital Statistics (000s, seas adj) ADHS &amp; EBR</b>							
Population	4,246.8	4,269.9	4,286.9	4,300.9	4,314.6	1.6	2.3
Natural Increase	10.9	10.8	10.8	11.0	11.2	2.6	-1.3
Births	17.5	17.5	17.6	17.8	18.0	2.8	0.0
Deaths	6.6	6.7	6.8	6.8	6.8	3.0	2.2
Net Migration	18.6	12.3	6.1	3.0	2.4	-86.9	-71.6
<b>Personal Income by Source (\$mil, SAAR) EBR</b>							
Total Personal Income	150,437	150,584	150,220	149,240	148,307	-1.4	1.1
Earnings by Place of Work	117,365	117,198	116,631	115,576	114,552	-2.4	0.1
Less: Contributions for Social Insurance	13,196	13,173	13,106	12,990	12,878	-2.4	0.1
Plus: Adjustment for Residence	-193	-195	-197	-199	-200	-3.7	-3.7
Plus: Dividends, Interest & Rents	25,941	25,609	25,114	24,440	23,796	-8.3	-2.8
Plus: Transfer Payments	20,520	21,144	21,779	22,414	23,038	12.3	11.6
<b>Per Capita Personal Income (\$, SAAR) EBR</b>	<b>35,424</b>	<b>35,266</b>	<b>35,042</b>	<b>34,700</b>	<b>34,374</b>	<b>-3.0</b>	<b>-1.1</b>

**TUCSON METROPOLITAN REGION (PIMA COUNTY) - QUARTERLY DATA**

						% change versus year ago	
	I	II	III	IV	I	for most recent:	
	2008	2008	2008	2008	2009	quarter	4-quarters
<b>Demographics &amp; Vital Statistics (000s, seas adj) ADHS &amp; EBR</b>							
Population	1007.5	1010.4	1012.4	1014.0	1015.6	0.8	1.2
Natural Increase	1.4	1.4	1.4	1.4	1.5	4.5	-4.3
Births	3.4	3.4	3.4	3.5	3.5	3.0	-0.2
Deaths	2.0	2.0	2.0	2.0	2.0	1.9	2.9
Net Migration	2.5	1.5	0.6	0.2	0.1	-97.9	-81.4
<b>Personal Income by Source (\$mil, SAAR) EBR</b>							
Total Personal Income	32,778	32,968	33,051	33,000	32,955	0.5	2.9
Earnings by Place of Work	21,194	21,219	21,172	21,035	20,904	-1.4	1.1
Less: Contributions for Social Insurance	2,443	2,444	2,436	2,418	2,401	-1.7	1.1
Plus: Adjustment for Residence	184	183	182	181	181	-1.7	0.3
Plus: Dividends, Interest & Rents	7,541	7,510	7,423	7,271	7,126	-5.5	0.2
Plus: Transfer Payments	6,302	6,501	6,711	6,930	7,145	13.4	11.8
<b>Per Capita Personal Income (\$, SAAR) EBR</b>	<b>32,533</b>	<b>32,629</b>	<b>32,646</b>	<b>32,543</b>	<b>32,450</b>	<b>-0.3</b>	<b>1.7</b>

**APACHE COUNTY**

	DEC	JAN	FEB	MAR	APR	% change versus year ago	
						for most recent:	
						2008	2009
<b>Civilian Labor Force, ADOC</b>	21,875	22,075	22,025	21,675	21,575	5.8	6.4
Employment	19,200	19,200	19,075	18,875	18,950	1.1	2.6
Unemployment	2,675	2,875	2,950	2,800	2,625	59.1	47.6
Unemployment Rate (%)	12.2	13.0	13.4	12.9	12.2	50.4	38.6
<b>Employees on Nonagricultural Payrolls, ADOC</b>							
Total	19,975	19,575	19,525	19,500	19,350	-3.4	-1.7
<i>Total Private</i>	6,800	6,475	6,250	6,300	6,200	-16.2	-5.5
Goods-Producing	1,025	900	900	900	900	-5.3	17.3
Service-Providing	18,950	18,675	18,625	18,600	18,450	-3.3	-2.5
Trade, Transportation, and Utilities	1,900	1,875	1,775	1,750	1,750	-13.6	-5.7
Other Private Service-Providing	3,875	3,700	3,575	3,650	3,550	-19.8	-9.7
<i>Government</i>	13,175	13,100	13,275	13,200	13,150	4.2	0.5
Federal Government	3,300	3,250	3,250	3,300	3,475	5.3	0.0
State and Local Government	9,875	9,850	10,025	9,900	9,675	3.8	0.7
<b>Sales (\$000s), ADOR</b>							
Gross Retail	12,102	11,652	11,548	12,831	...	-51.0	-8.8
Retail	8,006	6,662	6,599	7,583	...	-58.2	-20.1
Restaurants & Bars	790	1,054	718	844	...	7.2	11.0
Gasoline, EBR	3,305	3,936	4,230	4,405	4,396	-42.8	0.1
Gallons (000s) ADOT	2,160	2,145	2,114	2,336	2,437	4.7	5.3
Contracting	7,775	5,599	4,596	4,480	...	-4.3	17.5
Hotel/Motel	902	704	622	852	...	-8.8	16.2

**COCHISE COUNTY**

% change versus year ago

	DEC	JAN	FEB	MAR	APR	% change versus year ago for most recent:	
	2008	2009	2009	2009	2009	month	12-months
<b>Civilian Labor Force, ADOC</b>	61,075	61,425	61,175	60,725	60,925	2.6	5.2
Employment	57,325	57,550	57,150	56,700	57,150	0.6	3.4
Unemployment	3,750	3,875	4,025	4,025	3,775	46.6	46.4
Unemployment Rate (%)	6.1	6.3	6.6	6.6	6.2	42.9	39.4
<b>Employees on Nonagricultural Payrolls, ADOC</b>							
Total	37,600	37,000	36,950	36,900	36,775	-4.1	-1.0
<i>Total Private</i>	24,875	24,400	24,250	24,325	24,125	-7.1	-3.3
Goods-Producing	2,375	2,375	2,275	2,250	2,125	-27.4	-15.6
Mining and Construction	1,725	1,725	1,625	1,600	1,500	-31.0	-17.7
Manufacturing	650	650	650	650	625	-16.7	-9.8
Service-Providing	35,225	34,625	34,675	34,650	34,650	-2.2	0.2
Trade, Transportation, and Utilities	6,525	6,300	21,975	22,075	22,000	229.6	51.4
Information	475	450	6,225	6,250	6,225	1085.7	245.5
Financial Activities	675	650	450	450	450	-59.1	-37.8
Professional and Business Services	6,025	5,925	675	650	675	-87.3	-15.7
Educational and Health Services	3,975	3,975	5,900	5,850	5,900	41.3	17.4
Leisure and Hospitality	3,950	3,875	3,950	3,925	3,925	-8.7	-3.9
Other Services	875	850	3,900	4,100	3,975	318.4	79.7
<i>Government</i>	12,725	12,600	875	850	850	-93.1	-20.5
Federal Government	5,075	5,075	12,700	12,575	12,650	159.5	44.3
State and Local Government	7,650	7,525	5,125	5,075	5,125	-31.7	-5.2
<b>Sales (\$000), ADOR</b>							
Gross Retail	97,749	73,571	75,759	85,879	...	-10.1	-3.4
Retail	79,665	54,083	55,934	64,759	...	-4.9	-5.1
Restaurants & Bars	10,798	10,999	11,286	12,059	...	5.6	0.4
Gasoline, EBR	7,287	8,489	8,539	9,061	8,288	-47.2	-2.7
Gallons (000s) ADOT	4,761	4,627	4,267	4,806	4,595	-3.5	1.5
Contracting	25,203	18,169	17,995	14,604	...	-47.6	-14.1
Hotel/Motel	4,819	3,216	4,318	4,175	...	-12.1	2.0
<b>New Housing Units Authorized, Census C-40</b>							
Total Units	24	8	13	16	23	-4.2	-41.2
Single Family Units	24	8	13	16	23	-4.2	-41.2

**COCONINO COUNTY**

% change versus year ago

	DEC	JAN	FEB	MAR	APR	for most recent:	
	2008	2009	2009	2009	2009	month	12-months
<b>Civilian Labor Force, ADOC</b>	74,300	75,200	74,000	73,200	73,100	0.4	3.8
Employment	69,600	70,000	68,900	68,400	68,800	-1.7	1.8
Unemployment	4,700	5,200	5,100	4,800	4,300	53.6	55.1
Unemployment Rate (%)	6.3	6.9	6.9	6.6	5.9	52.9	49.3
<b>Employees on Nonagricultural Payrolls, ADOC</b>							
Total	63,400	62,700	61,900	61,800	61,900	-6.1	-2.8
<i>Total Private</i>	42,200	41,400	41,200	41,200	41,000	-9.3	-5.7
Goods-Producing	6,400	6,200	6,100	6,000	6,000	-11.8	-9.3
Mining and Construction	2,700	2,500	2,400	2,300	2,300	-25.8	-20.3
Manufacturing	3,700	3,700	3,700	3,700	3,700	0.0	1.1
Service-Providing	57,000	56,500	55,800	55,800	55,900	-5.4	-2.0
Trade, Transportation, and Utilities	9,500	9,200	9,100	9,100	9,100	-8.1	-5.0
Information	400	400	400	400	400	0.0	-9.4
Financial Activities	1,700	1,700	1,700	1,700	1,700	-5.6	-8.0
Professional and Business Services	3,100	3,000	3,000	3,000	3,000	-9.1	-6.0
Educational and Health Services	7,400	7,500	7,500	7,500	7,500	0.0	1.4
Leisure and Hospitality	11,700	11,400	11,400	11,500	11,300	-15.7	-9.1
Other Services	2,000	2,000	2,000	2,000	2,000	-4.8	5.1
<i>Government</i>	21,200	21,300	20,700	20,600	20,900	1.0	3.7
Federal Government	2,800	2,700	2,700	2,800	3,100	10.7	1.4
State and Local Government	18,400	18,600	18,000	17,800	17,800	-0.6	4.0
<b>Sales (\$000s), ADOR</b>							
Gross Retail	126,353	94,364	105,015	112,775	...	-19.8	-4.8
Retail	91,783	63,605	73,471	75,355	...	-9.7	-3.9
Restaurants & Bars	23,616	18,208	20,114	23,871	...	-25.7	-2.8
Gasoline, EBR	10,954	12,551	11,431	13,549	13,351	-40.7	-13.7
Gallons (000s) ADOT	7,157	6,840	5,712	7,186	7,402	8.4	-11.4
Contracting	31,480	20,450	18,919	24,382	...	-4.6	-5.7
Hotel/Motel	13,045	7,893	9,978	15,280	...	-15.0	3.6
<b>New Housing Units Authorized, Census C-40</b>							
Total Units	19	5	5	11	9	-62.5	-48.1
Single Family Units	19	5	5	11	9	-62.5	-47.3

**GILA COUNTY**

	DEC	JAN	FEB	MAR	APR	% change versus year ago	
	2008	2009	2009	2009	2009	for most recent:	
						month	12-months
<b>Civilian Labor Force, ADOC</b>	22,150	22,025	21,900	21,700	22,150	0.7	4.0
Employment	20,425	20,075	19,850	19,500	20,025	-4.8	0.7
Unemployment	1,725	1,950	2,050	2,200	2,125	117.9	76.0
Unemployment Rate (%)	7.8	8.9	9.4	10.1	9.6	116.5	69.8
<b>Employees on Nonagricultural Payrolls, ADOC</b>							
Total	14,075	13,525	13,425	13,250	13,525	-9.4	-3.6
<i>Total Private</i>	9,250	8,825	8,775	8,750	8,875	-8.5	-3.9
Goods-Producing	2,750	2,600	2,625	2,575	2,650	-3.6	3.3
Service-Providing	11,325	10,925	10,800	10,675	10,875	-10.7	-5.1
Trade, Transportation, and Utilities	2,300	2,250	2,175	2,150	2,175	-3.3	-3.7
Other Private Service-Providing	4,200	3,975	3,975	4,025	4,050	-13.8	-8.1
<i>Government</i>	4,825	4,700	4,650	4,500	4,650	-11.0	-3.0
Federal Government	450	450	450	450	450	0.0	2.6
State and Local Government	4,375	4,250	4,200	4,050	4,200	-12.0	-3.6
<b>Sales (\$000s), ADOR</b>							
Gross Retail	32,983	27,727	28,237	29,252	...	-23.6	-7.8
Retail	25,474	19,454	20,273	20,468	...	-19.7	-8.6
Restaurants & Bars	4,446	4,632	4,269	4,547	...	-4.4	-2.5
Gasoline, EBR	3,063	3,641	3,695	4,237	3,767	-50.4	-11.6
Gallons (000s) ADOT	2,001	1,984	1,847	2,247	2,088	-9.2	-11.0
Contracting	8,627	8,817	3,225	5,880	...	-27.3	-6.2
Hotel/Motel	752	678	896	747	...	201.1	-5.4

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**GRAHAM COUNTY**

	DEC	JAN	FEB	MAR	APR	% change versus year ago	
						for most recent:	
						2008	2009
<b>Civilian Labor Force, ADOC</b>	16,475	16,025	15,650	15,300	14,525	-8.6	6.8
Employment	15,025	14,325	13,825	13,425	12,575	-16.7	2.5
Unemployment	1,450	1,700	1,825	1,875	1,950	143.8	94.3
Unemployment Rate (%)	8.8	10.6	11.7	12.3	13.4	166.8	84.6
<b>Employees on Nonagricultural Payrolls, ADOC</b>							
Total	8,775	8,400	8,350	8,125	8,300	-10.5	-1.9
<i>Total Private</i>	5,875	5,650	5,475	5,350	5,250	-15.3	-3.1
Goods-Producing	1,300	1,225	1,125	1,025	875	-40.7	5.6
Service-Providing	7,475	7,175	7,225	7,100	7,425	-4.8	-3.1
Trade, Transportation, and Utilities	1,675	1,550	1,475	1,475	1,525	-3.2	-2.9
Other Private Service-Providing	2,900	2,875	2,875	2,850	2,850	-9.5	-6.7
<i>Government</i>	2,900	2,750	2,875	2,775	3,050	-0.8	0.9
Federal Government	425	400	425	400	400	0.0	3.6
State and Local Government	2,475	2,350	2,450	2,375	2,650	-0.9	0.4
<b>Sales (\$000s), ADOR</b>							
Gross Retail	23,503	17,671	16,852	19,653	...	-27.5	-11.9
Retail	20,215	14,126	13,491	16,071	...	-26.6	-11.5
Restaurants & Bars	2,022	2,043	1,870	2,078	...	-8.2	-5.1
Gasoline, EBR	1,266	1,503	1,491	1,504	1,468	-45.6	-22.5
Gallons (000s) ADOT	827	819	745	798	814	-0.4	-19.4
Contracting	4,834	3,485	4,204	2,728	...	-56.2	23.1

**GREENLEE COUNTY**

	DEC	JAN	FEB	MAR	APR	% change versus year ago	
	2008	2009	2009	2009	2009	for most recent:	
						month	12-months
<b>Civilian Labor Force, ADOC</b>	4,650	4,550	4,425	4,350	4,300	-3.4	7.6
Employment	4,250	4,050	3,900	3,800	3,550	-17.0	2.6
Unemployment	400	500	525	550	750	328.6	148.5
Unemployment Rate (%)	8.6	11.0	11.9	12.6	17.4	343.5	133.9
<b>Employees on Nonagricultural Payrolls, ADOC</b>							
Total	5,100	4,550	4,225	4,125	2,925	-42.6	-0.8
<i>Total Private</i>	4,525	3,975	3,650	3,575	2,350	-48.6	-1.4
Goods-Producing	4,000	3,475	3,150	3,125	1,900	-51.6	0.7
Service-Providing	1,100	1,075	1,075	1,000	1,025	-12.8	-5.9
Trade, Transportation, and Utilities	200	200	200	175	150	-45.5	-24.8
Other Private Service-Providing	325	300	300	275	300	-20.0	-4.9
<i>Government</i>	575	575	575	550	575	9.5	3.5
Federal Government	25	25	25	25	25	0.0	-11.8
State and Local Government	550	550	550	525	550	10.0	4.5
<b>Sales (\$000s) ADOR</b>							
Gross Retail	11,976	10,225	5,608	7,386	...	-62.7	38.9
Retail	11,130	9,389	4,835	6,642	...	-63.8	41.3
Restaurants & Bars	442	406	369	364	...	-34.2	12.0
Gasoline, EBR	405	430	404	380	347	-67.8	6.0
Gallons (000s) ADOT	264	234	202	202	192	-41.1	7.0
Contracting	6,835	14,603	2,390	630	...	-93.4	-25.2
Hotel/Motel (includes Graham county)	379	558	521	546	...	-38.1	-9.7

**LA PAZ COUNTY**

						% change versus year ago	
	DEC	JAN	FEB	MAR	APR	for most recent:	
	2008	2009	2009	2009	2009	month	12-months
<b>Civilian Labor Force, ADOC</b>	7,550	7,625	7,550	7,425	7,575	1.3	-0.8
Employment	6,950	6,975	6,900	6,775	6,975	-1.8	-3.9
Unemployment	600	650	650	650	600	60.0	55.0
Unemployment Rate (%)	7.9	8.5	8.6	8.8	7.9	57.9	56.4
<b>Employees on Nonagricultural Payrolls, ADOC</b>							
Total	5,025	4,925	4,950	4,900	4,875	-7.6	-6.8
<i>Total Private</i>	2,525	2,475	2,475	2,475	2,450	-11.7	-10.0
Goods-Producing	225	225	225	225	225	-30.8	-31.0
Service-Providing	4,800	4,700	4,725	4,675	4,650	-6.1	-5.1
Trade, Transportation, and Utilities	1,225	1,200	1,175	1,175	1,200	-2.0	-4.5
Other Private Service-Providing	1,075	1,050	1,075	1,075	1,025	-16.3	-9.8
<i>Government</i>	2,500	2,450	2,475	2,425	2,425	-3.0	-3.2
Federal Government	325	325	325	325	325	0.0	0.6
State and Local Government	2,175	2,125	2,150	2,100	2,100	-3.4	-3.7
<b>Sales (\$000s), ADOR</b>							
Gross Retail	18,798	23,836	19,284	19,825	...	-22.8	-7.3
Retail	12,051	15,582	11,780	11,197	...	-13.4	-6.3
Restaurants & Bars	2,371	2,723	2,481	3,006	...	28.4	-1.8
Gasoline, EBR	4,375	5,531	5,023	5,622	4,618	-43.5	-12.8
Gallons (000s) ADOT	2,859	3,015	2,510	2,982	2,560	3.3	-6.8
Contracting	2,518	1,421	1,947	3,742	...	-9.9	-15.5
Hotel/Motel	431	711	456	514	...	1.6	-8.1

**MOHAVE COUNTY**

% change versus year ago

	DEC	JAN	FEB	MAR	APR	% change versus year ago	
	2008	2009	2009	2009	2009	for most recent:	
						month	12-months
<b>Civilian Labor Force, ADOC</b>	93,300	94,200	93,800	93,600	93,500	0.3	2.5
Employment	85,300	85,200	85,100	84,700	85,200	-3.3	-0.8
Unemployment	8,000	9,000	8,700	8,900	8,300	62.7	63.1
Unemployment Rate (%)	8.6	9.6	9.3	9.5	8.9	62.2	59.2
<b>Employees on Nonagricultural Payrolls, ADOC</b>							
Total	49,100	48,100	48,300	48,500	48,400	-8.7	-5.6
<i>Total Private</i>	40,400	39,700	39,600	39,800	39,600	-10.8	-7.4
Goods-Producing	7,800	7,600	7,400	7,400	7,400	-17.8	-12.2
Mining and Construction	4,400	4,200	4,100	4,100	4,000	-25.9	-17.6
Manufacturing	3,400	3,400	3,300	3,300	3,400	-5.6	-3.9
Service-Providing	41,300	40,500	40,900	41,100	41,000	-6.8	-4.2
Trade, Transportation, and Utilities	11,100	11,000	11,000	11,000	11,000	-8.3	-3.5
Information	800	800	800	900	800	-11.1	-8.8
Financial Activities	2,200	2,100	2,100	2,100	2,100	-12.5	-13.2
Professional and Business Services	3,300	3,200	3,200	3,200	3,200	-11.1	-9.2
Educational and Health Services	7,300	7,300	7,300	7,300	7,300	-5.2	-1.9
Leisure and Hospitality	5,700	5,600	5,700	5,800	5,800	-9.4	-9.8
Other Services	2,200	2,100	2,100	2,100	2,000	-16.7	-9.2
<i>Government</i>	8,700	8,400	8,700	8,700	8,800	2.3	3.8
Federal Government	500	500	500	500	600	20.0	1.7
State and Local Government	8,200	7,900	8,200	8,200	8,200	1.2	3.9
<b>Sales (\$000s), ADOR</b>							
Gross Retail	147,642	118,628	128,074	141,599	...	-20.6	-10.0
Retail	119,602	88,699	96,089	105,677	...	-15.9	-11.3
Restaurants & Bars	14,966	14,737	16,387	18,507	...	-16.7	-6.9
Gasoline, EBR	13,074	15,192	15,599	17,415	16,648	-44.4	-10.7
Gallons (000s) ADOT	8,542	8,279	7,795	9,237	9,230	1.6	-6.4
Contracting	31,635	37,002	28,621	33,391	...	-13.5	-20.5
Hotel/Motel	2,330	2,476	2,963	3,701	...	-20.0	-13.8
<b>New Housing Units Authorized, Census C-40</b>							
Total Units	17	17	20	22	17	-80.2	-58.6
Single Family Units	17	17	20	22	17	-72.6	-55.5

**NAVAJO COUNTY**

% change versus year ago

	DEC	JAN	FEB	MAR	APR	for most recent:	
	2008	2009	2009	2009	2009	month	12-months
<b>Civilian Labor Force, ADOC</b>	39,225	39,400	39,400	39,050	39,000	0.6	2.9
Employment	34,725	34,275	34,300	34,025	34,175	-5.2	-1.7
Unemployment	4,500	5,125	5,100	5,025	4,825	77.1	66.5
Unemployment Rate (%)	11.5	13.0	12.9	12.9	12.4	76.0	61.9
<b>Employees on Nonagricultural Payrolls, ADOC</b>							
Total	27,675	26,775	26,900	26,925	26,675	-10.3	-6.1
<i>Total Private</i>	17,400	16,650	16,575	16,675	16,575	-11.8	-8.5
Goods-Producing	2,600	2,425	2,400	2,400	2,350	-22.3	-21.4
Mining and Construction	2,025	1,900	1,875	1,875	1,825	-18.9	-21.2
Manufacturing	575	525	525	525	525	-32.3	-22.2
Service-Providing	25,075	24,350	24,500	24,525	24,325	-8.9	-4.1
Trade, Transportation, and Utilities	5,525	5,200	5,100	5,150	5,125	-5.5	-6.7
Information	950	950	950	950	950	0.0	10.0
Financial Activities	475	475	475	475	425	-19.0	-18.1
Professional and Business Services	1,200	1,200	1,200	1,225	1,200	-7.7	-5.3
Educational and Health Services	3,225	3,150	3,200	3,200	3,200	-7.9	-5.5
Leisure and Hospitality	2,750	2,575	2,575	2,600	2,700	-17.6	-6.0
Other Services	675	675	675	675	625	-24.2	-6.6
<i>Government</i>	10,275	10,125	10,325	10,250	10,100	-7.6	-1.7
Federal Government	1,675	1,600	1,600	1,625	1,775	6.0	0.2
State and Local Government	8,600	8,525	8,725	8,625	8,325	-10.0	-2.0
<b>Sales (\$000s), ADOR</b>							
Gross Retail	81,955	71,660	68,419	71,854	...	-21.0	3.7
Retail	67,527	56,962	52,834	55,582	...	-17.7	5.5
Restaurants & Bars	6,792	5,889	6,975	6,677	...	-10.6	-6.1
Gasoline, EBR	7,636	8,809	8,610	9,595	8,960	-42.4	-3.6
Gallons (000s) ADOT	4,989	4,801	4,303	5,089	4,968	5.4	0.0
Contracting	11,667	14,768	5,306	9,245	...	-48.6	-37.6
Hotel/Motel	2,039	1,911	1,900	2,407	...	-24.6	9.7
<b>New Housing Units Authorized, Census C-40</b>							
Total Units	14	5	2	6	8	-78.9	-54.7
Single Family Units	14	5	2	6	8	-78.9	-53.4

**SANTA CRUZ COUNTY**

% change versus year ago

	DEC	JAN	FEB	MAR	APR	for most recent:	
	2008	2009	2009	2009	2009	month	12-months
<b>Civilian Labor Force, ADOC</b>	18,250	18,350	18,325	17,950	17,850	1.7	5.9
Employment	16,125	16,300	16,250	15,900	15,900	-3.5	1.5
Unemployment	2,125	2,050	2,075	2,050	1,950	81.4	60.1
Unemployment Rate (%)	11.6	11.2	11.3	11.4	10.9	78.3	50.5
<b>Employees on Nonagricultural Payrolls, ADOC</b>							
Total	13,650	13,575	13,575	13,375	13,200	-8.5	-3.1
<i>Total Private</i>	9,700	9,600	9,575	9,375	9,225	-13.6	-6.3
Goods-Producing	925	900	900	875	900	-14.3	-1.7
Service-Providing	12,725	12,675	12,675	12,500	12,300	-8.0	-3.2
Trade, Transportation, and Utilities	5,825	5,750	5,700	5,600	5,475	-9.9	-1.1
Other Private Service-Providing	2,950	2,950	2,975	2,900	2,850	-19.7	-15.5
<i>Government</i>	3,950	3,975	4,000	4,000	3,975	6.0	6.1
Federal Government	1,550	1,550	1,575	1,575	1,550	8.8	9.6
State and Local Government	2,400	2,425	2,425	2,425	2,425	4.3	4.0
<b>Sales (\$000s), ADOR</b>							
Gross Retail	48,469	29,313	27,957	31,411	...	-29.6	-15.6
Retail	41,161	22,039	20,888	23,281	...	-30.4	-14.3
Restaurants & Bars	3,764	3,665	3,594	3,962	...	-14.5	-12.9
Gasoline, EBR	3,545	3,609	3,475	4,167	3,819	-34.6	-26.6
Gallons (000s) ADOT	2,316	1,967	1,736	2,210	2,117	19.7	-18.0
Contracting	16,316	7,793	6,919	6,395	...	-49.7	9.3
Hotel/Motel	1,078	737	1,077	1,087	...	-42.0	-20.7
<b>New Housing Units Authorized, Census C-40</b>							
Total Units	8	6	5	10	10	-47.4	-56.2
Single Family Units	8	6	5	10	10	-47.4	-56.1

**YAVAPAI COUNTY**

% change versus year ago

	DEC	JAN	FEB	MAR	APR	for most recent:	
	2008	2009	2009	2009	2009	month	12-months
<b>Civilian Labor Force, ADOC</b>	97,800	98,700	98,800	98,400	98,600	0.7	1.1
Employment	90,700	90,500	90,500	89,700	90,400	-3.5	-2.0
Unemployment	7,100	8,200	8,300	8,700	8,200	95.2	78.3
Unemployment Rate (%)	7.3	8.3	8.4	8.8	8.3	93.9	76.3
<b>Employees on Nonagricultural Payrolls, ADOC</b>							
Total	58,900	57,400	57,700	57,600	57,300	-8.6	-6.7
<i>Total Private</i>	46,400	45,400	45,100	45,000	44,800	-11.6	-9.5
Goods-Producing	9,100	8,700	8,400	8,100	8,000	-23.8	-18.9
Mining and Construction	6,200	5,800	5,600	5,300	5,200	-28.8	-21.9
Manufacturing	2,900	2,900	2,800	2,800	2,800	-12.5	-11.4
Service-Providing	49,800	48,700	49,300	49,500	49,300	-5.6	-4.1
Trade, Transportation, and Utilities	12,100	11,700	11,600	11,700	11,600	-7.2	-5.5
Information	600	600	600	600	600	0.0	-2.7
Financial Activities	2,400	2,400	2,300	2,300	2,300	-4.2	-4.3
Professional and Business Services	3,100	3,000	3,000	3,000	3,000	-30.2	-26.8
Educational and Health Services	10,300	10,400	10,500	10,600	10,500	1.9	3.0
Leisure and Hospitality	7,500	7,300	7,400	7,400	7,500	-6.3	-6.5
Other Services	1,300	1,300	1,300	1,300	1,300	-38.1	-25.1
<i>Government</i>	12,500	12,000	12,600	12,600	12,500	4.2	5.7
Federal Government	1,400	1,400	1,500	1,500	1,600	33.3	18.8
State and Local Government	11,100	10,600	11,100	11,100	10,900	0.9	4.1
<b>Sales (\$000s), ADOR</b>							
Gross Retail	164,590	126,690	126,943	139,403	...	-21.8	-10.2
Retail	133,606	95,345	93,852	104,297	...	-19.5	-12.4
Restaurants & Bars	20,014	19,013	20,632	21,906	...	-11.5	-2.6
Gasoline, EBR	10,970	12,332	12,459	13,200	12,235	-46.2	-9.0
Gallons (000s) ADOT	7,168	6,721	6,226	7,001	6,783	-1.5	-4.4
Contracting	45,821	30,318	34,297	34,067	...	-38.5	-14.1
Hotel/Motel	5,458	4,780	5,614	8,405	...	-25.8	-9.6
<b>New Housing Units Authorized, Census C-40</b>							
Total Units	73	25	18	26	24	-57.9	-51.6
Single Family Units	27	25	18	26	24	-57.9	-59.5

**YUMA METROPOLITAN REGION**

% change versus year ago

	DEC	JAN	FEB	MAR	APR	for most recent:	
	2008	2009	2009	2009	2009	month	12-months
<b>Civilian Labor Force, ADOC</b>	81,300	80,000	79,300	78,600	85,300	7.0	5.1
Employment	68,800	67,700	67,700	66,700	68,000	-1.9	-0.8
Unemployment	12,500	12,300	11,600	11,900	17,300	66.3	41.1
Unemployment Rate (%)	15.4	15.4	14.6	15.1	20.3	55.4	33.4
<b>Employees on Nonagricultural Payrolls, ADOC</b>							
Total	52,600	50,800	51,200	51,000	50,500	-6.7	-3.6
<i>Total Private</i>	37,200	35,700	35,700	35,500	35,000	-10.9	-6.8
Goods-Producing	5,600	5,500	5,500	5,400	5,300	-17.2	-16.6
Mining and Construction	3,700	3,600	3,600	3,500	3,400	-19.0	-12.9
Manufacturing	1,900	1,900	1,900	1,900	1,900	-13.6	-23.3
Service-Providing	47,000	45,300	45,700	45,600	45,200	-5.2	-1.7
Trade, Transportation, and Utilities	11,000	9,900	9,800	9,700	9,600	-11.1	-7.8
Information	1,800	1,800	1,800	1,800	1,800	5.9	7.6
Financial Activities	1,600	1,600	1,600	1,600	1,600	0.0	-1.5
Professional and Business Services	4,500	4,400	4,400	4,400	4,300	-14.0	0.5
Educational and Health Services	6,300	6,200	6,200	6,200	6,100	-4.7	-1.6
Leisure and Hospitality	4,600	4,500	4,600	4,600	4,500	-18.2	-12.5
Other Services	1,800	1,800	1,800	1,800	1,800	-5.3	0.5
<i>Government</i>	15,400	15,100	15,500	15,500	15,500	4.7	4.9
Federal Government	3,500	3,500	3,500	3,600	3,600	5.9	2.7
State and Local Government	11,900	11,600	12,000	11,900	11,900	4.4	5.6
<b>Sales (\$000s), ADOR</b>							
Gross Retail	175,446	143,029	149,919	154,052	...	-18.1	-6.2
Retail	142,966	106,799	113,493	115,515	...	-13.9	-6.3
Restaurants & Bars	18,002	19,631	20,289	20,317	...	-5.7	-0.1
Gasoline, EBR	14,478	16,599	16,137	18,221	15,036	-44.8	-15.2
Gallons (000s) ADOT	9,460	9,046	8,064	9,664	8,336	0.9	-6.9
Contracting	45,327	32,549	25,820	36,737	...	0.9	10.4
Hotel/Motel	3,658	5,116	6,156	5,640	...	-5.5	2.9
<b>New Housing Units Authorized, Census C-40</b>							
Total Units	60	39	56	42	48	33.3	-14.7
Single Family Units	60	39	56	42	48	41.2	-11.8

<b>MEASURES OF INFLATION AND PRICES - MONTHLY DATA</b>						% change versus year ago	
	DEC	JAN	FEB	MAR	APR	for most recent:	
	2008	2009	2009	2009	2009	month	12-months
<b>Consumer Price Index (1982-1984=100) BLS</b>							
U.S. - All Urban	210.2	211.1	212.2	212.7	213.2	-0.7	2.4
U.S. - Wage Earners	204.8	205.7	206.7	207.2	207.9	-1.3	2.4

<b>MEASURES OF INFLATION AND PRICES - QUARTERLY DATA</b>						% change versus year ago	
	I	II	III	IV	I	for most recent:	
	2008	2008	2008	2008	2009	quarter	4-quarters
<b>Consumer Price index (1982-84=100) BLS</b>							
Western Region (U.S.)	216.9	221.2	222.9	217.6	216.8	0.0	2.6
U.S. - All Urban Consumers	212.1	216.8	219.3	213.1	212.0	0.0	2.8
U.S. - Urban Wage Earners	207.7	212.9	215.5	208.1	206.5	-0.6	2.8
<b>Price Indexes (2000=100) BEA</b>							
Gross Domestic Product	121.6	122.0	123.1	123.3	124.2	2.1	2.2
Personal Consumption Expenditures	120.3	121.5	123.0	121.5	121.2	0.8	2.7

<b>TRAVEL AND TOURISM - MONTHLY DATA</b>						% change versus year ago	
	DEC	JAN	FEB	MAR	APR	for most recent:	
	2008	2009	2009	2009	2009	month	12-months
<b>Visits to Parks &amp; Other Recreational Areas, NPS &amp; ASPB</b>							
Northern Arizona	756,876	695,217	733,141	1,222,323	1,296,706	-20.8	-3.5
Historical	55,617	59,230	77,131	133,159	144,821	2.0	1.8
Scenic	244,874	236,732	225,170	465,023	489,491	-10.8	-0.8
Water Based Recreation	456,385	399,255	430,840	624,141	662,394	-29.9	-5.9
Southern Arizona	206,756	290,052	373,890	478,144	364,683	9.0	-3.2
Historical	42,806	44,397	55,965	70,644	34,312	-13.7	5.6
Scenic	149,470	218,727	277,535	344,512	280,921	13.1	-6.2
Water Based Recreation	14,480	26,928	40,390	62,988	49,450	6.3	3.9
<b>International Border Crossings, USBCBP</b>							
Passengers	1,615,777	1,575,398	1,385,068	1,600,670	1,511,294	-4.2	-8.1
Pedestrians	862,563	699,950	660,379	716,118	655,806	-32.2	-16.2
Vehicles	687,570	675,536	606,419	676,139	753,838	8.9	-4.8

**ADHS:** Arizona Department of Health Services

**ADOC:** Arizona Department of Commerce

**ADOR:** Arizona Department of Revenue

**ADOT:** Arizona Department of Transportation

**ARMLS:** Arizona Regional Multiple Listing Service

**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:** U.S. Census Bureau, U.S. Department of  
Commerce

**EBR:** Economic & Business Research Center,

The University of Arizona

**NPS:** National Park Service, U.S. Department of the Interior

**PSHIA:** Phoenix Sky Harbor International Airport

**SAAR:** Seasonally adjusted at annual rates

**TAA:** Tucson Airport Authority

**TAR:** Tucson Association of Realtors

**U.S. Bankruptcy Court:** District of Arizona

**USCBP:** U.S. Customs and Border Protection,

U.S. Department of Homeland Security