ARIZONA'S ECONOMY

JULY 2001 SUMMER ISSUE

ARIZONA'S ECONOMY IS STRONGER THAN IT LOOKS

By Marshall J. Vest
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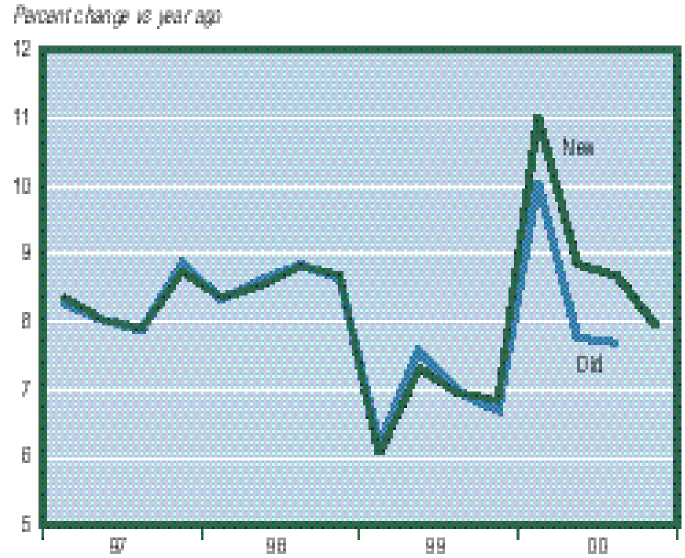
Major changes to recent historical data have been released since our last quarterly update. These include annual rebenchmarking of employment, revisions to personal income for Arizona as well as metro areas, and results from the 2000 Census. Results are mixed—population is significantly higher than expected (although not in all portions of the state) and personal income is stronger, but employment is weaker. Unfortunately, interpretation of current conditions using the revised data is clouded by special events that make the economy look weaker than it really is. In spite of all the revisions, our forecast remains little changed from last quarter. We still expect below average growth—but no recession—for the foreseeable future, as the "bubble" economy of a year ago deflates and things get back to "normal."

PERSONAL INCOME REVISED HIGHER

In late April, the Bureau of Economic Analysis (BEA) released comprehensive revisions to its personal income estimates. The new numbers show that Arizona personal income grew by a very strong 9.1% during 2000. This was a surprise to many *Arizona Blue Chip* panelists who expected a gain of only 7.0% as late as December of last year. Eller College forecasts called for a gain of 8.1%, the highest among the panel. The new 2000 estimates are roughly $1 billion higher than originally reported.

Bonuses and stock options have become a popular way to compensate employees and now comprise a significant portion of compensation. These sources also account for sizable variation in personal income growth over the past several years **(Exhibit 1)**.

EXHIBIT 1
Bonuses Boost Personal Income
Personal Income Growth, AZ (old and new estimates compared)



Typically, bonuses and stock options boost income during the first quarter of the calendar year. The world financial crisis during late 1998, however, preempted these payments in early 1999 as the stock market fell and confidence waned. As a result, personal income in Arizona barely managed a six percent increase in 1999's first quarter.

Then, during the height of the "high tech bubble" in the first quarter of 2000, bonuses and stock options boosted personal income by more than 11% above year earlier levels. Euphoria best describes the climate as the NASDAQ soared to phenomenal heights, and as an unprecedented sense of urgency propelled the economy upward like a rocket. Huge bonus and stock option income accrued to high tech workers, primarily in the services sector, where many high tech "New Economy" companies are categorized.

These events first depressed and then boosted incomes over the past two years. Now, the cycle is repeating itself. As 2000 progressed, the bubble deflated, the stock

INSIDE

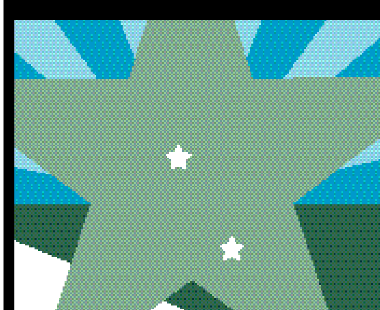


EXHIBIT 2
Census Finds Tremendous Growth

Area	Population 2000	Population 1990	Absolute Change	Percent Change
Arizona	5,130,632	3,665,339	1,465,293	40.0%
Apache County	69,423	61,591	7,832	12.7%
Cochise County	117,755	97,624	20,131	20.6%
Coconino County	116,320	96,591	19,729	20.4%
Gila County	51,335	40,216	11,119	27.6%
Graham County	33,489	26,554	6,935	26.1%
Greenlee County	8,547	8,008	539	6.7%
La Paz County	19,715	13,844	5,871	42.4%
Maricopa County	3,072,149	2,122,101	950,048	44.8%
Mohave County	155,032	93,497	61,535	65.8%
Navajo County	97,470	77,674	19,796	25.5%
Pima County	843,746	666,957	176,789	26.5%
Pinal County	179,727	116,397	63,330	54.4%
Santa Cruz County	38,381	29,676	8,705	29.3%
Yavapai County	167,517	107,714	59,803	55.5%
Yuma County	160,026	106,895	53,131	49.7%
Phoenix-Mesa, AZ (MSA)	3,251,876	2,238,498	1,013,378	45.3%
Tucson, AZ (MSA)	843,746	666,957	176,789	26.5%
Yuma, AZ (MSA)	160,026	106,895	53,131	49.7%

market fell and confidence swooned, again eliminating bonuses and stock options from incomes in early 2001. When BEA releases estimates of first quarter personal income on July 24, the numbers will likely show a low single-digit increase. Just like in 1999, the economy will look weaker than it really is. We are forecasting a gain of 6.3% for all of 2001, compared to 6.8% in 1999 and last year's 9.1% explosion.

CENSUS FINDS MORE ARIZONA RESIDENTS

In late March, the U.S. Bureau of the Census released April 1, 2000 population counts for Arizona by age, race and ethnicity, down to the block level. Although growth is nothing new for Arizona, the magnitude of the numbers exceeded most analysts' expectations. The Census Bureau's own estimates were some 250,000 shy, while estimates prepared by the state were much closer, but still 80,000 short. That is a large variance, given that it had only been five years since the mid-decade special census.

During the decade of the 1990s, Arizona's population gained 1.465 million people, growing to 5.13 million, an increase of 40% **(Exhibit 2)**. Only Nevada grew faster–Arizona once again was the second-fastest growing state. During the twentieth century, Arizona ranked number two in population growth and was among the top five states in every decade but two: the aughts (1900-10) and the thirties, where it ranked as seventh in both decades.

Arizona is now the 20th largest state in the nation, ranking just behind Maryland and Wisconsin. The added population gives Arizona two additional seats in the U.S. House of Representatives, boosting the number from six to eight.

Among the highlights:

- Over one million, or 70%, of Arizona's population growth came from migration.
- Sixty-five percent of Arizona's new residents settled in Maricopa County (which along with Pinal County comprises the Phoenix-Mesa metro area).
- Maricopa County has over three million residents and Phoenix-Mesa exceeds 3-1/4 million.
- The fastest growing counties are found in central and western portions of the state. Metro Phoenix, Prescott and cities along the Colorado River saw the biggest increases.
- Phoenix is the largest city with over 1.3 million, followed by Tucson (486,000) and Mesa (396,000).
- Pima County (Metro Tucson) came up 20,000-plus persons short of local estimates, leading to speculation of a significant under-count in western portions and on reservations. The Census found 843,700 persons.
- The numbers of residents who consider themselves Hispanic or Latino increased by 600,000 statewide, an 88.2% increase.
- Hispanic/Latinos account for 25% of statewide population, but comprise a majority in Yuma (50%) and Santa Cruz (81%) counties.
- Although Arizona's population is three-fourths white, other races grew more quickly. White population grew by 30.7%, Black or African American by 43.7%, American Indian by 25.7% and "other" races by 79.3%.

REVISED JOB NUMBERS

In March, the Arizona Department of Economic Security (DES) released its annual "rebenchmarked" estimates for the prior two years. The biggest surprise was lower growth rates for 2000 nonag employment. Originally, job growth was pegged at 4.4% year-on-year. The revised numbers show 3.9%, or 1/2-percent slower. Instead of creating 95,500 new jobs in 2000 as originally reported, the new number shows 85,000. This represents the first downward revision since 1997, and only the sixth time in the past eighteen years that total job counts have been lowered during the first revision. The 2000 estimates will be revised once again next March. (In two of the prior five episodes, the second-revision boosted job counts so as to entirely reverse the first-year reduction.)

Among the industries growing more slowly are trade (now 3.1% vs 3.5% originally reported), FIRE (2.9% vs. 4.7%), and TCPU (4.3% vs. 5.2%). By contrast, construction employment was revised significantly higher in mid-2000, and is currently the fastest-growing sector, registering first quarter gains of more than six percent.

Some of 2000's growth was pushed back into the prior year. In 1999, 88,400 jobs were created, rather than the 85,500 contained in original estimates. Job growth was 4.3% rather than 4.1% **(Exhibit 3)**.

Estimates for Phoenix reflect statewide revisions, of course (Phoenix-Mesa accounts for 70% of Arizona's jobs), but metro Tucson

EXHIBIT 3

Jobs Still Growing, But Much Slower

Nonag Job Growth, AZ (preliminary and revised estimates)

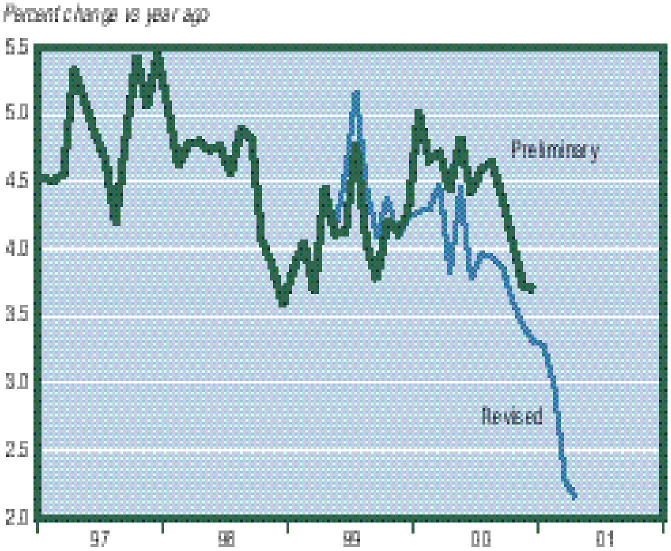
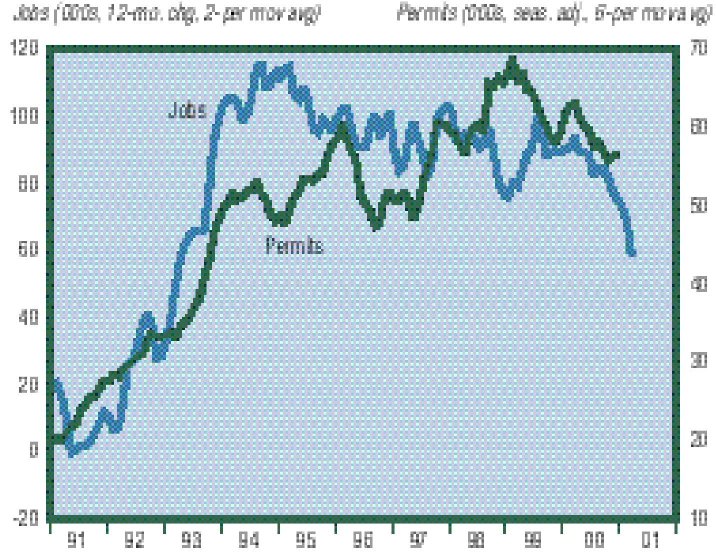


EXHIBIT 4

Is Residential Construction Headed for a Fall?

Building Permits and Number of New Jobs, AZ



numbers were revised significantly lower. Original estimates showed Tucson to be the fastest-growing metro area in the nation for most of the year 2000. The original 5.6% annual growth (18,600 new jobs) was revised to show growth of 4.1% (13,700). More importantly, year-over-year growth for the first quarter shows job growth in Tucson of only 1.3%.

The "balance of state" estimates now show job growth of 4.6% during 2000—stronger than in either metro area. In the first quarter, construction jobs were up 13.1%, manufacturing up 5.4%, and services up 4.8%.

Recent estimates now show a rapid deceleration of job growth during the first quarter. In March the number of jobs stood only 2.3% higher than one year earlier. This reflects, in part, the slowing of the economy and growing numbers of announced job cutbacks. However, the extent of the slowdown is exaggerated because of Census field staff who were present one year ago but not today. The Census Bureau employed as many as 10,000 workers in Arizona temporarily during the March - July 2000 time period. That's why the number of federal government employees was 6.6% lower in March compared to one year earlier, and why we can expect that category to show big declines until August.

Removing the Census workers from last year gives job growth of 2.5%, rather than 2.3%. That is still well below "normal." Mining and nondurable manufacturing join the federal government in negative territory when compared to a year ago. Retail trade, FIRE and services have all slowed significantly in the past few months. Within services, hotels and business services (which includes temporary and contract employment agencies) account for much of the slowdown. Many of the recent layoff announcements are among business services firms.

Job growth should accelerate during the second half as lower interest rates take effect and business conditions improve. For the entire year, we're forecasting an increase of 3.2%.

CONSTRUCTION INDUSTRY UPDATE

Amazingly, the construction industry currently leads all other sectors on the basis of job growth. Construction workers currently number an all-time record high 165,000, up 5.7% from one year ago. However, during the past year, residential permits and awards are both down (permits down 8.5% and awards down 4.3% using a 12/12 comparison).

Residential building may drop further if current job growth estimates are accurate. A recent *Wall Street Journal* article noted that it is "normal" to build one-and-a-half new residential units for every new job. A review of national and Arizona statistics shows that the ratio is well below one. Each new job generates about two-thirds of a house, or stated alternatively, each new house requires 1.5 new jobs. Recent declines in the number of new jobs suggest that home building, which remains at a relatively high level, may move lower in the coming months **(Exhibit 4)**.

One reason construction employment continues to grow is that commercial construction is booming. Roughly $4 billion in non-residential projects were awarded during the past year—an amount that is one third larger than the tax-motivated boom of the mid-1980s, after adjusting for inflation. Most of these projects are still under construction, and that supports construction employment.

According to CB Richard Ellis, at the end of the first quarter there were 7.2 million square feet of industrial space, 3.5 million square feet of office space, and 5.1 million square feet of retail space under construction in the metro Phoenix market. These magnitudes are the largest in a decade, but in line with recent absorption **(Exhibit 5)**.

The question is: what happens when these projects are built out—will there be additional projects or will the pipeline empty? Reports surfacing from cities around the country suggest that office markets are entering an overbuilt phase as leases, particularly from dot-com companies, are abandoned. If vacancies rise, new projects could quickly dry up.

In Arizona, there are a number of projects that will help offset any future softness in commercial construction.

EXHIBIT 5

Industrial Space Remains Strong

Metro Phoenix (absorption vs. change in inventory)

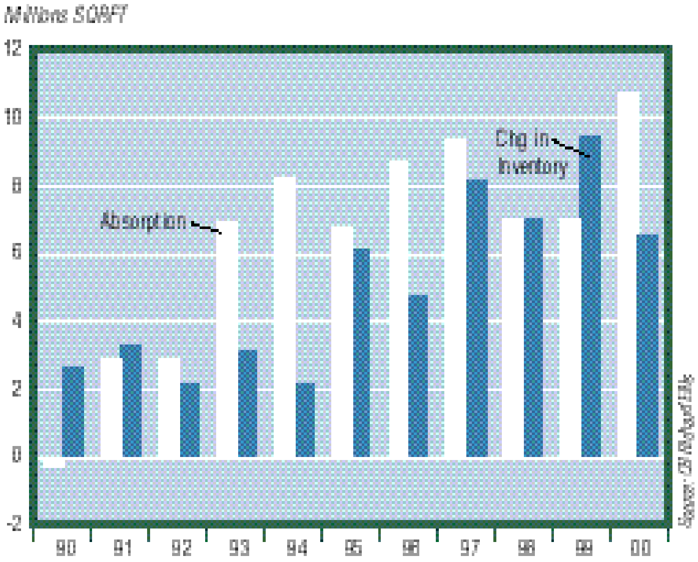
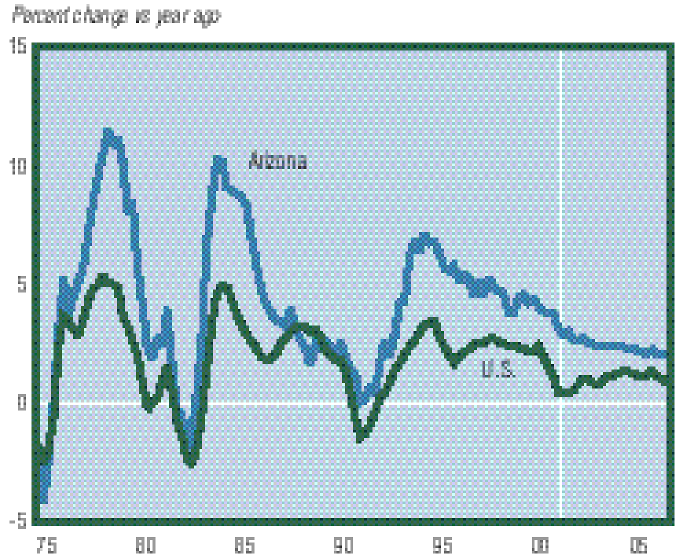


EXHIBIT 6

Soft Landing Ahead

Nonagricultural Job Growth



- The state is funding over $1 billion of capital projects over the next few years to build/refurbish public schools.
- New stadiums for hockey ($250 million) and football ($350 million) will be built.
- Twenty-some projects are on the drawing board to build new electric generation plants, which would nearly double current capacity. Total dollar value is estimated at $1.8 billion.

Pinnacle West just completed construction of the first new generating plant to be added in Arizona since 1988 with a 120-megawatt "Unit 4" at its West Phoenix Power Station. Another 530-megawatt unit is planned for that station as well as four 530-megawatt units at its Redhawk Power Station. SRP, TEP and a number of merchant companies plan to build the rest.

THE OUTLOOK

Other measures also showed significant slowing in recent months. Retail sales actually *declined* by 3.3% statewide in February before recovering with a 7.5% gain in March. On a 12-month versus 12-month basis, sales are 6.6% ahead of last year. That same measure was nearly 11% one year ago. Restaurant and bar sales gained less than one percent in February and March, which brings the 12/12 comparison down to 7.2%, again compared to a double-digit gain of 10.5% one year ago. Consumers have been carrying the economy by continuing their spending ways, and we'll need a couple more months of poor results before hoisting the cautionary flag on consumer spending. Measures of consumer confidence continue to remain high compared to recession readings and, unless job markets deteriorate significantly and layoffs and unemployment soar, confidence and spending will remain solid.

The absence of bonus and stock option income as described earlier also is affecting state income tax withholding. After running in double-digit territory the past few years, withholding declined 7.3% in February (compared to year ago) and 2.0% in March. Twelve-month versus 12-month comparisons now show a gain of less than six percent. Income tax collections also have been affected by implementation of electronic filing, which accelerated the processing of refunds, and that makes net collections look particularly weak. Recent collections for sales and income taxes have caused state budgeters to become much more cautious than in prior years.

It is important to keep in perspective that a year ago the economy was flying high, so current comparisons to year ago figures look weak. This is normal; it is what happens when the air is let out of a bubble economy. Couple that with special factors affecting various measures, and the economy looks significantly softer than it really is. All in all, the economy is in no worse shape than experienced during the slowdown of 1996, a period from which the economy recovered nicely.

Our forecast still calls for below-trend growth but no recession, either nationally or statewide. The Arizona economy will generate 72,000 new jobs this year and a number closer to 60,000 the following year. In percentage terms, that's growth in the 2.5% to 3.5% range. Sales gains should grow by five to six percent. Population will continue expanding by 140-150,000 persons per year. Residential building will recede into the 50-55,000 range, a modest decline of ten percent or so from current levels (see Forecast Table page 6 and **Exhibit 6**).

The pace doesn't pick up as we go beyond the next two years, according to our forecasts. That's not really what we think will happen. We expect growth to accelerate once again in 2003 and beyond, but the WEFA national forecasts that feed into our models show the national economy remaining in slow-growth mode. Moreover, the number of known future projects that we account for exogenously in our models has dwindled during the current cautionary climate. In short, there is nothing to boost growth in the outlying years. We'll take a new look at this in next quarter's update.

There are a number of major downside risks going forward that bear watching. These include:

- the continuing power crisis and economic softness in California, which could adversely affect Arizona

- a potential plunge in both residential and commercial construction
- deterioration in job markets led by deeper layoffs in manufacturing and high tech
- consumers could enter a debt deflation cycle in which bankruptcies soar, confidence plunges and spending comes to a screeching halt.

Factors that argue for improvement in the coming months include:

- the Federal Reserve's quick action to cut interest rates appears to be taking hold: the money supply is growing rapidly, the yield curve is once again positively sloped, and stock market indexes are well above the lows of two months ago
- construction of new power generating facilities, school construction and two new sports stadiums should prop up construction activity.

Moreover, long-term fundamentals remain positive. The baby boom generation will continue to have a positive impact on the economy for at least another decade. Boomers are in their peak earning, saving, and spending years, and they are knowledgeable and skilled, which should continue to boost productivity. Finally, the information revolution will continue to drive the economy as more and more companies adopt new information technologies and business models that help them better manage relationships with their customers and suppliers, thus boosting productivity. ■

Phoenix & Tucson garner high rankings

By Heather Peterson
Research Specialist

In the third annual *Forbes/Milken Institute's Best Places for Business and Career* ranking of 200 metro areas, the Phoenix metro area placed 9th (up from 23rd last year) and the Tucson metro area placed 23rd (up from 28th). In determining these rankings, Institute researchers considered earned income and job growth as well as activity in certain key high-tech sectors that would contribute to future growth. Phoenix ranked 14th in the category for the number of technology clusters and 22nd with respect to the high technology concentration measure. Tucson ranked 24th in the tech clusters category and 31st for high tech concentration. **Exhibit 1** shows rankings for selected metros.

Tucson's technology cluster approach to economic development was favorably highlighted in the May issue of *Governing* magazine. The city is credited with making many of the right decisions to foster New Economy growth, taking advantage of proximity to university-based research and a solid labor pool, while attracting a critical mass of related businesses–all factors considered important for success. Indeed, Tucson has been dubbed "Optics Valley" because of the growth of the optics industry, one of Tucson's seven industry clusters. This concentration, in turn, has encouraged the growth of numerous related companies that make precision measuring and positioning equipment, microscopes, meteorology equipment, and related hardware and software. ■

EXHIBIT 1

Forbes/Milken Best Places for a Business Career

Top 25 Metro Areas in the Western States

Metro	Rank 2000	Rank 1999	Salary Growth 94-99	Salary Growth 98-99
San Jose, CA	1	29	2	1
Austin-San Marcos, TX	2	1	1	2
San Francisco, CA	3	42	12	3
Boulder-Longmont, CO	4	4	3	9
Dallas, TX	5	24	8	28
Santa Rosa, CA	6	3	15	30
Boise City, ID	7	5	23	8
San Diego, CA	8	6	28	5
Phoenix-Mesa, AZ	**9**	**23**	**6**	**42**
Oakland, CA	10	13	38	20
Sacramento, CA	11	19	36	26
Orange County, CA	12	7	34	37
Las Vegas, NV-AZ	14	30	5	11
Seattle-Bellevue-Everett, WA	15	12	4	4
Ventura, CA	18	32	69	13
Provo-Orem, UT	19	18	14	32
Fort Worth-Arlington, TX	20	15	25	55
San Luis Obispo-Atascadero, CA	21	27	44	76
Denver, CO	22	71	13	7
Tucson, AZ	**23**	**28**	**73**	**51**
McAllen-Edinburg-Mission, TX	25	36	37	72
Colorado Springs, CO	26	10	19	63
Riverside-San Bernardino, CA	27	34	49	21
Fort Collins-Loveland, CO	31	11	16	67
Portland-Vancouver, OR-WA	32	17	22	106

Forecasts for Arizona	2000	2001	2002	2003	2004	2005	2006
Personal Income ($ mill)	131,452.2	139,668.4	147,929.4	155,350.3	162,541.8	169,126.2	175,697.2
percent change	9.3	6.3	5.9	5.0	4.6	4.1	3.9
Per Capita Personal Income	25,524.7	26,378.8	27,178.0	27,800.8	28,360.5	28,788.8	29,198.8
percent change	6.2	3.3	3.0	2.3	2.0	1.5	1.4
Aggregate Retail Sales ($ mill)*	54,349.9	57,314.9	60,073.1	63,052.4	65,516.8	67,733.9	69,952.8
percent change	8.9	5.5	4.8	5.0	3.9	3.4	3.3
Population (000s, mid-year)	5,150.0	5,294.7	5,443.0	5,588.0	5,731.3	5,874.7	6,017.3
percent change	2.9	2.8	2.8	2.7	2.6	2.5	2.4
Net Migration (000s)	99.3	103.0	101.1	98.4	97.6	96.7	95.7
Wage & Salary Employment (000s)	2,250.4	2,323.3	2,385.6	2,444.3	2,502.6	2,557.7	2,612.8
percent change	4.0	3.2	2.7	2.5	2.4	2.2	2.2
Goods-Producing	387.3	398.8	401.9	407.6	416.4	423.6	429.2
percent change	2.6	3.0	0.8	1.4	2.2	1.7	1.3
Construction	161.6	168.2	168.3	169.4	171.7	174.9	177.4
percent change	4.5	4.1	0.1	0.7	1.4	1.8	1.5
Manufacturing	215.9	220.4	222.9	227.4	233.9	237.9	240.9
percent change	2.0	2.1	1.1	2.0	2.9	1.7	1.3
Service-Providing	1,863.1	1,924.5	1,983.7	2,036.7	2,086.2	2,134.1	2,183.6
percent change	4.4	3.3	3.1	2.7	2.4	2.3	2.3
Trade (Wholesale & Retail)	525.8	538.9	555.0	568.4	579.4	588.3	596.9
percent change	3.2	2.5	3.0	2.4	1.9	1.5	1.5
Services	716.7	746.1	775.5	801.9	826.8	852.3	880.3
percent change	5.8	4.1	3.9	3.4	3.1	3.1	3.3

Forecasts for Phoenix-Mesa Metro Area	2000	2001	2002	2003	2004	2005	2006
Personal Income ($ mill)	91,343.0	97,077.9	102,496.4	107,886.8	113,406.4	118,526.3	123,968.1
percent change	9.8	6.3	5.6	5.3	5.1	4.5	4.6
Per Capita Personal Income	27,998.7	28,884.4	29,644.8	30,379.1	31,125.0	31,745.4	32,439.8
percent change	6.3	3.2	2.6	2.5	2.5	2.0	2.2
Aggregate Retail Sales ($ mill)*	37,294.7	39,163.0	41,402.2	43,721.2	45,633.7	47,208.7	48,825.2
percent change	8.5	5.0	5.7	5.6	4.4	3.5	3.4
Population (000s, mid-year)	3,262.4	3,360.9	3,457.5	3,551.4	3,643.6	3,733.7	3,821.5
percent change	3.2	3.0	2.9	2.7	2.6	2.5	2.4
Net Migration (000s)	69.6	65.5	63.1	60.3	58.6	56.3	53.9
Wage & Salary Employment (000s)	1,580.9	1,633.6	1,680.5	1,723.8	1,764.8	1,800.1	1,833.0
percent change	3.7	3.3	2.9	2.6	2.4	2.0	1.8
Goods-Producing	288.0	292.2	297.5	301.0	306.5	309.7	311.0
percent change	2.0	1.5	1.8	1.2	1.8	1.1	0.4
Construction	117.3	119.9	120.1	119.5	119.7	120.4	120.4
percent change	3.2	2.2	0.2	-0.6	0.2	0.6	0.0
Manufacturing	167.8	169.7	174.9	179.1	184.4	186.9	188.3
percent change	2.0	1.1	3.1	2.4	2.9	1.4	0.7
Service-Providing	1,293.0	1,341.4	1,382.9	1,422.8	1,458.3	1,490.3	1,522.0
percent change	4.0	3.7	3.1	2.9	2.5	2.2	2.1
Trade (Wholesale & Retail)	376.0	388.3	401.4	413.3	421.5	427.3	432.5
percent change	3.6	3.3	3.4	3.0	2.0	1.4	1.2
Services	513.0	534.3	551.5	568.9	585.6	601.9	618.7
percent change	4.1	4.2	3.2	3.2	2.9	2.8	2.8

Forecasts for Tucson Metro Area	2000	2001	2002	2003	2004	2005	2006
Personal Income ($ mill)	20,732.1	21,884.3	23,110.1	24,267.5	25,397.4	26,491.3	27,659.4
percent change	7.9	5.6	5.6	5.0	4.7	4.3	4.4
Per Capita Personal Income	23,940.1	24,684.0	25,544.5	26,317.2	27,067.8	27,773.7	28,531.3
percent change	5.4	3.1	3.5	3.0	2.9	2.6	2.7
Aggregate Retail Sales ($ mill)*	8,502.1	8,893.1	9,272.0	9,701.5	10,079.3	10,433.6	10,828.4
percent change	8.2	4.6	4.3	4.6	3.9	3.5	3.8
Population (000s, mid-year)	866.0	886.6	904.7	922.1	938.3	953.8	969.4
percent change	2.4	2.4	2.0	1.9	1.8	1.7	1.6
Net Migration (000s)	15.3	15.6	13.0	12.1	10.9	10.2	10.2
Wage & Salary Employment (000s)	350.7	359.5	368.1	375.0	380.6	385.9	391.6
percent change	4.2	2.5	2.4	1.9	1.5	1.4	1.5
Goods-Producing	56.8	58.2	60.0	60.2	60.4	60.7	61.0
percent change	5.1	2.4	3.1	0.4	0.3	0.5	0.5
Construction	21.9	21.8	21.6	21.5	21.4	21.5	21.6
percent change	1.6	-0.3	-0.8	-0.7	-0.4	0.3	0.5
Manufacturing	33.1	34.4	36.3	36.7	36.9	37.1	37.3
percent change	8.0	4.1	5.5	1.0	0.6	0.5	0.6
Service-Providing	293.9	301.3	308.2	314.8	320.2	325.2	330.5
percent change	4.1	2.5	2.3	2.2	1.7	1.5	1.6
Trade (Wholesale & Retail)	72.7	73.9	75.8	77.5	78.5	79.0	79.7
percent change	2.7	1.5	2.6	2.2	1.3	0.7	0.9
Services	119.0	123.0	126.8	130.2	133.3	136.4	139.9
percent change	5.5	3.3	3.1	2.7	2.4	2.3	2.6

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

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

	DEC 2000	JAN 2001	FEB 2001	MAR 2001	APR 2001	% change versus year ago for: most recent month	most recent 12-months
YUMA METROPOLITAN REGION							
Civilian Labor Force, ADES	66,100	63,150	61,350	60,850	65,650	4.2	0.9
Employment	53,675	52,725	51,750	51,675	50,575	9.6	3.9
Unemployment	12,425	10,425	9,600	9,175	15,075	-10.5	-6.3
Unemployment Rate (%)	18.8	16.5	15.6	15.1	23.0	-14.2	-6.1
Employees on Nonagricultural Payrolls, ADES							
Total	43,900	42,375	43,475	43,450	41,575	5.1	5.1
Construction	2,850	2,700	2,725	2,700	2,700	5.9	0.5
Manufacturing	2,275	2,200	2,200	2,200	2,200	-2.2	0.9
Trans., Comm. & Publ. Util.	1,750	1,675	1,675	1,675	1,600	4.9	2.6
Trade	13,100	12,575	12,875	12,825	11,375	5.3	1.8
Finance, Ins. & Real Estate	1,425	1,425	1,425	1,425	1,375	3.8	8.8
Services	10,425	10,275	10,375	10,400	10,125	5.5	7.2
Government	12,075	11,525	12,200	12,225	12,200	5.9	8.8
Sales ($000s) ADOR							
Gross Retail	120,422	100,155	104,697	110,412	...	9.5	4.5
Retail	97,439	77,438	81,088	86,370	...	13.7	4.6
Restaurants & Bars	10,977	10,954	11,651	11,312	...	0.0	3.2
Gasoline, EBR	12,006	11,763	11,958	12,730	...	-6.1	5.4
Gallons (000s) ADOT	7,816	8,098	8,188	8,807	...	1.7	-8.3
Contracting	20,410	12,905	12,136	11,813	...	-29.4	4.1
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total	7,207	8,505	12,159	28,606	7,542	-51.5	-13.3
Residential Building	5,146	5,773	5,738	9,187	6,757	-44.8	-7.8
Non-Residential Building	1,279	1,340	3,891	18,528	0	-100.0	-24.2
Non-Building	782	1,392	2,530	891	785	...	-10.0
Number of Dwelling Units Awarded, F.W. Dodge							
Total	61	68	55	105	69	-35.5	-16.6
One Family Houses	61	68	55	105	69	-35.5	-8.9
MOHAVE-LA PAZ REGION							
Civilian Labor Force, ADES	72,650	72,775	73,175	73,525	73,750	7.8	3.5
Employment	69,525	69,275	69,500	70,050	70,600	7.9	3.7
Unemployment	3,125	3,500	3,675	3,475	3,150	5.0	0.1
Unemployment Rate (%)	4.3	4.8	5.0	4.7	4.3	-2.6	-3.3
Employees on Nonagricultural Payrolls, ADES							
Total	48,425	48,275	48,600	49,050	49,000	4.8	7.7
Mining (Mohave County only)	100	100	100	100	100	0.0	-4.0
Construction	3,975	3,900	4,200	4,275	4,300	21.1	12.9
Manufacturing	3,725	3,700	3,700	3,725	3,700	1.4	0.6
Trans., Comm. & Publ. Util.	2,400	2,375	2,400	2,425	2,450	7.7	7.5
Trade	14,400	14,100	14,075	14,100	14,100	2.0	5.6
Finance, Ins. & Real Estate	1,425	1,425	1,400	1,425	1,400	-6.7	-2.0
Services	12,525	12,800	12,625	12,900	12,900	7.3	10.6
Government	9,875	9,875	10,100	10,100	10,050	2.3	9.7
Sales ($000s) ADOR							
Gross Retail	124,687	113,050	112,051	110,815	...	-18.3	6.6
Retail	96,447	80,464	82,238	85,008	...	-4.3	6.9
Restaurants & Bars	12,255	16,959	13,729	8,226	...	-44.9	0.4
Gasoline, EBR	15,985	15,627	16,084	17,581	...	-44.7	10.7
Gallons (000s) ADOT	10,406	10,758	11,013	12,162	...	-40.1	-2.7
Contracting	24,348	22,786	19,945	23,080	...	-3.2	12.4
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total	18,848	14,445	23,383	27,992	24,755	33.4	-2.4
Residential Building	14,533	11,995	14,643	21,376	20,533	21.4	2.5
Non-Residential Building	1,280	1,231	227	5,517	887	-10.2	-4.8
Non-Building	3,035	1,219	8,513	1,099	3,335	402.3	-9.7
Number of Dwelling Units Awarded, F.W. Dodge							
Total	149	121	152	213	209	24.4	-0.5
One Family Houses	145	119	148	211	199	18.5	-0.7

See notes at bottom of Arizona - Quarterly table.

	DEC 2000	JAN 2001	FEB 2001	MAR 2001	APR 2001	% change versus year ago for: most recent month	most recent 12-months
COCHISE COUNTY							
Civilian Labor Force, ADES	40,350	40,275	40,325	40,375	40,575	6.4	1.4
Employment	38,600	38,275	38,250	38,450	38,725	6.1	2.1
Unemployment	1,750	2,000	2,075	1,925	1,850	12.1	-11.6
Unemployment Rate (%)	4.3	5.0	5.1	4.8	4.6	5.4	-12.8
Employees on Nonagricultural Payrolls, ADES							
Total	32,600	32,000	32,375	32,400	32,375	2.8	4.0
Construction	1,850	1,850	1,875	1,875	1,875	1.4	-5.8
Manufacturing	1,025	1,000	1,000	1,000	1,000	-9.1	1.2
Trans., Comm. & Publ. Util.	1,325	1,325	1,325	1,325	1,300	2.0	4.9
Trade	7,800	7,650	7,650	7,650	7,600	2.0	3.2
Finance, Ins. & Real Estate	775	750	750	750	750	3.4	6.8
Services	8,325	8,125	8,125	8,100	8,175	0.0	1.8
Government	11,500	11,300	11,650	11,700	11,675	6.9	8.0
Sales ($000s) ADOR							
Gross Retail	75,636	56,838	57,482	63,367	...	7.7	7.1
Retail	61,678	44,362	44,225	50,300	...	18.2	12.2
Restaurants & Bars	7,301	6,449	7,084	6,594	...	-13.1	1.0
Gasoline, EBR	6,657	6,027	6,173	6,473	...	-25.5	-15.4
Gallons (000s) ADOT	4,334	4,149	4,227	4,478	...	-19.2	-27.3
Contracting	11,222	8,321	11,701	12,355	...	-12.1	-9.9
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total	4,267	17,284	7,131	9,675	10,183	-46.8	-14.4
Residential Building	3,637	3,949	3,218	4,823	5,364	-53.4	-14.1
Non-Residential Building	0	7,500	670	4,460	970	-79.3	12.8
Non-Building	630	5,835	3,243	392	3,849	30.4	-36.6
Number of Dwelling Units Awarded, F.W. Dodge							
Total	38	46	36	54	60	-57.4	-9.9
One Family Houses	38	46	36	54	60	-1.6	2.6
SANTA CRUZ COUNTY							
Civilian Labor Force, ADES	13,875	13,675	13,475	13,450	13,400	8.9	1.4
Employment	12,400	12,500	12,425	12,450	12,500	10.4	4.8
Unemployment	1,475	1,175	1,050	1,000	900	-7.7	-16.5
Unemployment Rate (%)	10.6	8.6	7.8	7.4	6.7	-15.3	-16.9
Employees on Nonagricultural Payrolls, ADES							
Total	13,025	13,025	13,150	13,200	13,150	7.6	6.8
Construction	400	400	400	400	400	6.7	6.7
Manufacturing	1,050	1,050	1,075	1,075	1,025	5.1	9.6
Trans., Comm. & Publ. Util.	1,375	1,325	1,375	1,400	1,375	14.6	6.8
Trade	4,400	4,375	4,375	4,350	4,350	-6.5	-3.5
Finance, Ins. & Real Estate	225	225	225	225	225	0.0	0.9
Services	1,925	1,950	1,950	1,975	1,950	8.3	10.3
Government	3,650	3,700	3,750	3,775	3,825	27.5	19.7
Sales ($000s) ADOR							
Gross Retail	37,702	23,873	26,655	30,605	...	25.4	13.3
Retail	31,198	18,087	19,789	23,617	...	25.2	13.4
Restaurants & Bars	3,109	2,824	3,340	3,283	...	30.2	10.7
Gasoline, EBR	3,395	2,962	3,526	3,705	...	23.0	15.1
Gallons (000s) ADOT	2,210	2,039	2,414	2,563	...	33.2	-0.8
Contracting	4,190	3,048	2,198	4,397	...	3.7	-21.3
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total	4,808	4,397	5,817	4,082	4,852	-36.8	9.7
Residential Building	1,938	2,447	3,098	3,102	4,261	-33.3	10.9
Non-Residential Building	150	1,950	531	293	591	-54.4	-10.8
Non-Building	2,720	0	2,188	687	0	...	33.8
Number of Dwelling Units Awarded, F.W. Dodge							
Total	20	20	24	33	35	-60.2	25.9
One Family Houses	20	20	24	26	35	25.0	-3.2

See notes at bottom of Arizona - Quarterly table.

	DEC 2000	JAN 2001	FEB 2001	MAR 2001	APR 2001	% change versus year ago for: most recent month	most recent 12-months
GILA COUNTY							
Civilian Labor Force, ADES	17,275	17,075	17,125	17,275	17,325	1.8	-2.7
Employment	16,250	16,025	16,025	16,150	16,275	1.1	-2.0
Unemployment	1,025	1,050	1,100	1,125	1,050	13.5	-13.2
Unemployment Rate (%)	5.9	6.1	6.4	6.5	6.1	11.5	-10.6
Employees on Nonagricultural Payrolls, ADES							
Total	14,325	13,925	14,050	14,100	14,175	-1.4	0.0
Mining	700	675	675	675	675	-3.6	-1.8
Construction	1,150	1,050	1,050	1,050	1,000	0.0	9.6
Manufacturing	1,125	1,100	1,125	1,100	1,100	2.3	1.0
Trans., Comm. & Publ. Util.	475	450	475	450	450	-18.2	-4.1
Trade	3,300	3,200	3,200	3,225	3,250	-1.5	-2.3
Finance, Ins. & Real Estate	300	275	275	275	275	0.0	12.4
Services	2,525	2,475	2,475	2,525	2,600	1.0	-1.3
Government	4,750	4,700	4,775	4,800	4,825	-1.5	0.2
Sales ($000s) ADOR							
Gross Retail	31,231	22,642	22,835	25,946	...	8.8	3.3
Retail	22,839	16,976	16,934	18,750	...	9.6	3.6
Restaurants & Bars	3,581	3,140	3,140	3,785	...	14.6	2.3
Gasoline, EBR	4,811	2,526	2,761	3,411	...	-0.8	2.5
Gallons (000s) ADOT	3,132	1,739	1,891	2,360	...	7.5	-12.3
Contracting	7,443	7,429	6,509	6,301	...	-8.8	18.0
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total	2,770	5,577	3,454	5,441	13,983	63.2	14.8
Residential Building	2,770	2,856	3,346	3,866	2,861	-42.4	-19.3
Non-Residential Building	0	2,721	0	1,359	8,583	138.6	15.6
Non-Building	0	0	108	216	2,539	...	90.1
Number of Dwelling Units Awarded, F.W. Dodge							
Total	17	22	25	27	21	-43.2	-21.5
One Family Houses	17	22	25	27	21	-43.2	-18.3
GRAHAM-GREENLEE REGION							
Civilian Labor Force, ADES	14,725	14,725	14,725	14,900	15,025	3.8	-1.5
Employment	13,975	13,775	13,650	13,775	13,800	1.5	-0.0
Unemployment	750	950	1,075	1,125	1,225	40.0	-18.3
Unemployment Rate (%)	5.1	6.5	7.3	7.6	8.2	34.9	-17.1
Employees on Nonagricultural Payrolls, ADES							
Total	11,325	11,050	11,275	11,325	11,200	-3.0	1.5
Mining (Greenlee County only)	2,400	2,400	2,400	2,375	2,350	-5.1	-5.5
Construction	850	850	875	850	700	-12.5	44.4
Manufacturing	300	275	275	275	275	0.0	5.3
Trans., Comm. & Publ. Util.	200	200	200	200	200	-11.1	-13.0
Trade	2,425	2,350	2,300	2,300	2,325	2.2	3.2
Finance, Ins. & Real Estate	175	175	175	175	175	0.0	5.0
Services	1,725	1,725	1,750	1,750	1,800	-1.4	-2.7
Government	3,250	3,075	3,300	3,400	3,375	-3.6	0.5
Sales ($000s) ADOR							
Gross Retail	24,789	19,966	19,710	19,243	...	-9.8	6.4
Retail	21,175	16,691	16,297	16,045	...	-4.3	8.3
Restaurants & Bars	1,691	1,594	1,709	1,454	...	-19.7	-2.3
Gasoline, EBR	1,923	1,681	1,704	1,744	...	-37.0	-1.3
Gallons (000s) ADOT	1,252	1,157	1,167	1,206	...	-31.8	-14.5
Contracting	2,851	2,840	2,747	3,267	...	20.1	-22.2
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total	994	1,267	793	815	662	-80.9	-26.8
Residential Building	994	571	793	815	662	-1.3	6.1
Non-Residential Building	0	696	0	0	0	-100.0	-55.1
Non-Building	0	500	9,926	0	4,029	...	279.0
Number of Dwelling Units Awarded, F.W. Dodge							
Total	7	8	8	7	6	0.0	-31.5
One Family Houses	7	8	8	7	6	0.0	11.1

See notes at bottom of Arizona - Quarterly table.

	DEC 2000	JAN 2001	FEB 2001	MAR 2001	APR 2001	% change versus year ago for: most recent month	most recent 12-months
APACHE-NAVAJO REGION							
Civilian Labor Force, ADES	50,900	51,375	51,325	50,850	50,525	1.4	-3.5
Employment	45,075	44,400	44,550	44,900	45,275	1.5	-2.7
Unemployment	5,825	6,975	6,775	5,950	5,250	0.5	-8.8
Unemployment Rate (%)	11.4	13.6	13.2	11.7	10.4	-0.9	-5.3
Employees on Nonagricultural Payrolls, ADES							
Total	46,325	45,275	45,750	46,025	46,275	-1.1	-1.1
Mining	850	850	850	825	825	-5.7	-1.4
Construction	2,150	2,075	2,050	2,050	2,025	8.0	1.0
Manufacturing	1,150	1,150	1,125	1,125	1,150	4.5	-4.9
Trans., Comm. & Publ. Util.	2,525	2,525	2,525	2,525	2,500	0.0	0.8
Trade	8,375	8,025	8,050	8,075	8,250	5.1	6.1
Finance, Ins. & Real Estate	1,425	1,375	1,350	1,350	1,350	3.8	2.6
Services	7,450	7,275	7,350	7,475	7,750	-2.2	-2.2
Government	22,400	22,000	22,450	22,600	22,425	-4.0	-3.5
Sales ($000s) ADOR							
Gross Retail	73,819	58,850	56,843	59,483	...	-23.2	-3.2
Retail	58,962	44,873	42,679	43,292	...	-29.8	-6.5
Restaurants & Bars	5,476	4,353	4,860	5,139	...	5.2	5.4
Gasoline, EBR	9,381	9,624	9,304	11,052	...	1.2	11.3
Gallons (000s) ADOT	6,107	6,625	6,371	7,646	...	9.6	-4.3
Contracting	14,054	10,217	9,570	11,078	...	1.5	23.8
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total	12,533	5,901	24,361	10,776	16,175	90.3	-23.2
Residential Building	5,368	5,901	5,667	6,071	11,230	50.2	5.9
Non-Residential Building	6,920	0	6,986	2,492	3,500	460.0	-62.6
Non-Building	245	0	11,708	2,213	1,445	262.2	4.0
Number of Dwelling Units Awarded, F.W. Dodge							
Total	44	45	39	50	86	59.3	-3.2
One Family Houses	33	45	39	50	86	59.3	4.5

	DEC 2000	JAN 2001	FEB 2001	MAR 2001	APR 2001	most recent month	most recent 12-months
COCONINO-YAVAPAI REGION							
Civilian Labor Force, ADES	131,575	129,850	132,475	132,600	134,250	5.9	3.2
Employment	126,200	123,725	126,275	127,025	129,350	5.8	3.8
Unemployment	5,375	6,125	6,200	5,575	4,900	8.9	-8.4
Unemployment Rate (%)	4.1	4.7	4.7	4.2	3.6	2.8	-11.2
Employees on Nonagricultural Payrolls, ADES							
Total	111,200	107,850	110,475	110,450	112,100	3.0	6.0
Mining	1,200	1,200	1,225	1,225	1,225	8.9	15.0
Construction	8,525	8,350	8,425	8,450	8,625	11.3	15.5
Manufacturing	5,950	5,825	5,800	5,825	5,900	-0.4	0.5
Trans., Comm. & Publ. Util.	2,925	2,725	2,775	2,825	2,850	0.9	1.3
Trade	27,350	26,250	26,525	26,575	27,125	3.4	2.8
Finance, Ins. & Real Estate	3,075	3,025	3,050	3,050	3,100	1.6	6.9
Services	32,575	31,225	31,725	31,850	32,050	4.1	8.4
Government	29,600	29,250	30,950	30,650	31,225	0.2	5.4
Sales ($000s) ADOR							
Gross Retail	231,534	171,360	177,687	195,540	...	-0.0	5.2
Retail	178,260	124,383	128,432	141,352	...	2.3	4.2
Restaurants & Bars	31,173	25,935	29,375	30,683	...	-6.9	-0.8
Gasoline, EBR	22,101	21,042	19,880	23,505	...	-3.7	22.3
Gallons (000s) ADOT	14,388	14,486	13,613	16,261	...	4.3	5.1
Contracting	50,712	44,848	59,970	47,117	...	4.8	1.1
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total	31,576	35,357	47,520	53,648	77,054	38.9	2.9
Residential Building	23,579	24,870	37,832	34,308	35,416	0.1	1.1
Non-Residential Building	4,122	4,003	4,715	1,543	13,735	97.4	22.4
Non-Building	3,875	6,484	4,973	17,797	27,903	112.2	-8.3
Number of Dwelling Units Awarded, F.W. Dodge							
Total	181	169	286	271	261	-1.1	-9.1
One Family Houses	153	169	179	238	253	16.6	2.8

See notes at bottom of Arizona - Quarterly table.

	DEC 2000	JAN 2001	FEB 2001	MAR 2001	APR 2001	% change versus year ago for: most recent month	most recent 12-months
PHOENIX-MESA METROPOLITAN REGION (MARICOPA AND PINAL)							
Civilian Labor Force (000s) ADES	1,605.7	1,591.6	1,603.7	1,615.2	1,619.3	5.3	1.3
Employment	1,567.2	1,548.6	1,558.0	1,564.3	1,568.6	4.6	1.5
Unemployment	38.5	43.0	45.7	50.9	50.7	34.8	-5.3
Unemployment Rate, Seas. Adj. (%)	2.5	2.7	3.0	3.4	3.5	29.6	-5.3
Employees on Nonagricultural Payrolls (000s) ADES							
Total	1,631.2	1,590.6	1,608.4	1,610.5	1,612.0	2.2	3.5
Mining	2.6	2.6	2.6	2.5	2.5	0.0	-17.6
Construction	121.8	120.1	121.7	122.1	122.7	4.8	5.3
Manufacturing	166.9	166.5	166.1	164.8	164.2	0.3	1.0
Durable	130.0	130.0	129.8	128.3	127.8	1.3	1.8
Nondurable	36.9	36.5	36.3	36.5	36.4	-3.2	-1.8
Trans., Comm. & Publ. Util.	86.5	84.6	85.0	85.1	84.9	3.2	3.7
Trade	388.7	376.4	378.3	378.2	379.3	1.9	2.6
Wholesale	92.1	91.5	92.2	92.4	91.9	2.0	2.1
Retail	296.6	284.9	286.1	285.8	287.4	1.8	2.7
Finance, Ins. & Real Estate	123.1	121.7	121.8	122.4	122.9	3.1	2.5
Services	533.2	520.8	526.1	528.0	528.0	1.8	4.8
Government	208.4	197.9	206.8	207.4	207.5	3.1	3.6
Sales ($000s) ADOR							
Aggregate Retail Sales	3,808,658	3,060,069	2,923,273	3,395,775	...	7.8	7.6
Retail	2,839,963	2,116,404	1,954,616	2,404,037	...	9.8	7.2
Food, EBR	391,435	400,106	402,319	403,453	...	8.0	5.7
Restaurants & Bars	387,465	365,686	385,904	411,879	...	2.3	6.5
Gasoline, EBR	189,794	177,873	180,434	176,405	...	-3.9	21.3
Contracting	703,151	599,977	603,378	697,451	...	5.4	2.9
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total Awards	651,616	844,927	851,280	826,924	785,720	-23.2	-4.0
Residential Building	353,756	462,964	479,588	502,688	600,795	7.6	-2.8
Non-Residential Building	278,574	375,796	295,661	302,157	162,624	-54.6	-3.2
Non-Building	19,286	6,167	76,031	22,079	22,301	-79.0	-14.8
New Housing Units Authorized, Census C-40							
Total Units	2,559	2,837	4,224	4,160	...	-19.7	-9.0
Single Family Units	2,186	2,606	2,812	3,205	...	-6.2	-7.3
2-4 Unit Structures	34	57	131	82	...	-18.0	58.6
5-plus Unit Structures	339	174	1,281	873	...	-47.6	-18.2
Housing Sales and Prices, ARMLS							
Total Sales ($000s)	790,574	598,469	694,925	1,116,005	904,207	-2.9	8.4
Total Units	4,539	3,442	4,172	6,377	5,252	-1.3	1.7
Average Price ($)	174,174	173,872	166,569	175,005	172,164	-1.6	6.5
Phoenix Skyharbor International Airport, PSIA							
Total Passengers	3,000,795	2,898,849	2,863,955	3,530,922	...	3.2	6.0
Total Aircraft Movements	53,695	54,254	50,172	56,822	...	0.9	10.0

PHOENIX-MESA METROPOLITAN REGION (MARICOPA AND PINAL) - QUARTERLY DATA	I 2000	II 2000	III 2000	IV 2000	I 2001	% change versus year ago for: most recent quarter	most recent 4-quarters
Demographics & Vital Statistics (000s, seas adj) ADHS & EBR							
Population	3,224.7	3,249.7	3,274.6	3,299.5	3,324.2	3.1	3.2
Natural Increase	7.8	7.9	8.0	8.0	8.2	5.5	6.4
Births	13.6	13.8	13.9	14.0	14.2	4.3	4.3
Deaths	5.9	5.9	5.9	6.0	6.0	2.6	1.5
Net Migration	17.6	17.1	16.8	16.9	16.5	-6.3	-8.2
Personal Income by Source ($mil, SAAR) EBR							
Total Personal Income	88,988	90,703	92,183	93,499	95,201	7.0	8.8
Earnings by Place of Work	67,071	68,484	69,733	70,864	72,317	7.8	9.4
Less: Contributions for Social Insurance	4,218	4,306	4,388	4,465	4,558	8.0	9.0
Plus: Adjustment for Residence	-100	-100	-100	-99	-99	1.8	1.9
Plus: Dividends, Interest & Rents	16,528	16,737	16,867	16,941	17,151	3.8	7.0
Plus: Transfer Payments	9,707	9,889	10,071	10,258	10,389	7.0	7.4
Per Capita Personal Income ($, SAAR) EBR	27,595	27,911	28,151	28,337	28,639	3.8	5.4

See notes at bottom of Arizona - Quarterly table.

	DEC 2000	JAN 2001	FEB 2001	MAR 2001	APR 2001	% change versus year ago for: most recent month	most recent 12-months
TUCSON METROPOLITAN REGION (PIMA)							
Civilian Labor Force (000s) ADES	390.6	388.1	392.9	395.6	396.8	4.2	0.2
Employment	380.5	376.7	381.0	383.7	385.2	3.9	0.6
Unemployment	10.1	11.4	11.9	11.9	11.6	16.0	-12.6
Unemployment Rate, Seas. Adj. (%)	2.6	2.9	3.1	3.3	3.4	13.3	-12.0
Employees on Nonagricultural Payrolls (000s) ADES							
Total	357.9	349.7	355.1	356.6	357.4	1.6	2.7
Mining	1.9	1.9	1.9	1.9	1.8	-5.3	0.4
Construction	21.8	21.4	21.4	21.4	21.5	0.0	-0.8
Manufacturing	33.6	33.4	33.4	33.2	33.3	1.5	4.8
Durable	28.3	28.2	28.3	28.3	28.4	3.6	7.1
Nondurable	5.3	5.2	5.1	4.9	4.9	-9.3	-6.3
Trans., Comm. & Publ. Util.	12.3	11.8	12.1	12.0	12.0	0.8	0.1
Trade	75.1	73.1	73.4	73.7	74.0	1.5	1.5
Wholesale	11.1	10.9	10.7	10.8	10.7	-0.9	0.8
Retail	64.0	62.2	62.7	62.9	63.3	1.9	1.6
Finance, Ins. & Real Estate	14.0	13.6	13.6	13.7	14.0	2.9	-2.7
Services	120.1	118.5	120.6	120.9	121.1	2.0	3.5
Government	79.1	76.0	78.7	79.8	79.7	1.7	4.0
Sales ($000s) ADOR							
Aggregate Retail Sales	873,975	685,611	706,232	756,535	...	2.9	6.9
Retail	635,003	456,291	467,511	515,850	...	4.4	6.2
Food, EBR	97,213	95,509	96,038	96,308	...	3.8	5.9
Restaurants & Bars	88,509	84,657	90,101	93,722	...	5.1	5.8
Gasoline, EBR	53,251	49,154	52,582	50,654	...	-14.2	18.5
Contracting	125,913	119,465	114,260	123,466	...	1.1	3.7
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total Awards	103,543	124,479	123,972	124,297	132,742	-9.9	-20.3
Residential Building	83,818	87,257	82,152	101,027	95,984	-16.4	-8.0
Non-Residential Building	15,905	33,024	13,017	15,417	31,873	16.8	-36.9
Non-Building	3,820	4,198	28,803	7,853	4,885	-7.8	-40.4
New Housing Units Authorized, Census C-40 adjusted by EBR							
Total Units	479	609	765	759	...	2.9	-7.2
Single Family Units	444	509	576	626	...	-3.9	-5.7
2-5-plus Unit Structures	35	100	190	133	...	53.9	-13.2
Housing Sales and Prices, TAR							
Total Sales ($000s)	120,288	106,353	113,845	164,662	...	-2.0	2.0
Total Units	741	698	759	1,069	...	-3.3	-4.0
Average Price ($)	162,333	152,368	149,994	154,034	...	1.3	6.4
Tucson International Airport, TAA							
Total Passengers	310,013	308,188	318,039	364,184	343,350	8.7	4.8
Total Aircraft Movements	17,608	21,920	21,272	26,370	22,000	0.1	-6.7

TUCSON METROPOLITAN REGION (PIMA) - QUARTERLY DATA	I 2000	II 2000	III 2000	IV 2000	I 2001	% change versus year ago for: most recent quarter	most recent 4-quarters
Demographics & Vital Statistics (000s, seas adj) ADHS & EBR							
Population	858.3	863.5	868.6	874.0	879.2	2.4	2.4
Natural Increase	1.2	1.2	1.2	1.2	1.2	-0.1	3.7
Births	3.0	3.0	3.1	3.1	3.1	1.6	3.6
Deaths	1.8	1.8	1.8	1.8	1.9	2.7	3.5
Net Migration	3.9	3.9	3.9	4.2	3.9	1.3	1.1
Personal Income by Source ($mil, SAAR) EBR							
Total Personal Income	20,272	20,600	20,893	21,163	21,464	5.9	7.2
Earnings by Place of Work	12,898	13,116	13,312	13,493	13,704	6.2	7.6
Less: Contributions for Social Insurance	770	784	796	807	820	6.4	7.7
Plus: Adjustment for Residence	139	141	143	147	149	7.1	0.3
Plus: Dividends, Interest & Rents	4,928	5,000	5,058	5,106	5,176	5.0	6.8
Plus: Transfer Payments	3,078	3,127	3,175	3,225	3,256	5.8	6.5
Per Capita Personal Income ($, SAAR) EBR	23,619	23,858	24,053	24,213	24,413	3.4	4.6

See notes at bottom of Arizona - Quarterly table

	DEC 2000	JAN 2001	FEB 2001	MAR 2001	APR 2001	% change versus year ago for: most recent month	most recent 12-months
ARIZONA MONTHLY DATA							
Civilian Labor Force (000s) ADES	2,403.8	2,382.5	2,400.6	2,414.6	2,426.6	5.1	1.1
Employment	2,323.4	2,296.0	2,311.4	2,322.5	2,330.9	4.7	1.5
Unemployment	80.4	86.5	89.2	92.1	95.7	17.3	-7.3
Unemployment Rate, Seas. Adj. (%)	3.7	3.9	4.1	4.4	4.3	10.3	-8.2
Employees on Nonagricultural Payrolls (000s) ADES							
Total	2,312.7	2,256.0	2,285.8	2,290.7	2,292.7	2.2	3.4
Mining	9.7	9.7	9.6	9.6	9.5	-2.1	-6.1
Construction	165.7	163.2	165.1	165.3	165.9	4.7	5.0
Manufacturing	217.2	216.6	216.5	214.7	214.3	0.7	1.6
Durable	169.6	169.5	169.5	167.8	167.5	1.9	2.7
Nondurable	47.6	47.1	47.0	46.9	46.8	-3.5	-2.0
Trans., Comm. & Publ. Util.	112.0	109.2	109.7	109.8	109.7	2.9	3.3
Transportation	74.8	71.8	72.3	72.6	72.7	3.7	3.9
Trade	545.9	528.7	531.4	532.6	533.6	2.1	2.6
Wholesale	114.9	113.8	114.5	114.5	113.6	2.6	2.1
Retail	431.0	414.9	416.9	418.1	420.0	2.0	2.7
Finance, Ins. & Real Estate	146.2	144.3	144.4	145.0	145.8	3.0	2.1
Services	733.4	717.5	725.7	728.7	728.8	1.9	4.8
Government	382.6	366.8	383.4	385.0	385.1	2.0	3.1
Federal	47.3	46.1	46.3	46.6	46.7	-6.6	0.6
State & Local	335.3	320.7	337.1	338.4	338.4	3.3	3.5
Schools	185.9	171.2	186.8	187.1	187.0	3.1	4.2
Hours Worked Per Week, Manufacturing, ADES	40.7	40.6	40.6	40.2	39.5	-2.0	-0.1
Average Hourly Earnings ($) ADES							
Construction	15.81	16.05	15.72	16.05	16.01	8.0	8.2
Manufacturing	12.89	12.78	12.79	12.86	12.97	0.9	0.4
Utilities	20.09	20.52	20.57	20.52	21.15	13.0	11.4
Retail Trade	11.05	11.17	11.28	11.36	11.46	-2.6	-1.9
Wholesale Trade	14.90	14.45	14.88	14.54	14.48	4.0	5.2
Sales ($000s) ADOR							
Aggregate Retail Sales	5,522,974	4,432,351	4,328,039	4,888,635	...	5.4	7.6
Retail	4,042,964	2,995,969	2,853,809	3,384,621	...	7.6	6.6
Food, EBR	609,168	615,526	618,931	620,676	...	6.7	8.6
Restaurants & Bars	551,537	522,551	550,893	576,077	...	0.8	7.2
Gasoline, EBR	319,305	298,304	304,406	307,261	...	-9.9	17.8
Gallons (000s) ADOT	207,868	205,359	208,440	212,564	...	-2.4	1.9
Utilities	425,723	460,452	447,491	414,649	...	10.4	11.2
Communications	265,128	240,012	227,870	239,361	...	12.0	16.5
Amusements	62,006	69,470	71,170	86,037	...	18.0	1.5
Rentals - Personal Property	308,833	321,732	289,904	317,432	...	-2.6	6.0
Contracting	964,294	831,836	842,414	940,325	...	3.5	3.1
Mining - Metal, Oil & Gas	35,219	32,799	26,020	28,309	...	-27.2	-43.4
Hotel/Motel	126,462	181,007	204,883	234,806	...	3.0	6.9
Value of Construction Contract Awards ($000s)							
Total Awards	838,162	1,062,639	1,109,796	1,092,256	1,077,697	-17.5	-6.2
Residential Building	495,539	608,583	636,075	687,263	783,863	2.0	-3.3
Non-Residential Building	308,230	428,261	325,698	351,766	222,763	-45.6	-8.8
Non-Building	34,393	25,795	148,023	53,227	71,071	-44.9	-14.4
New Housing Units Authorized, Census C-40							
Total Units	3,442	3,758	5,308	5,427	...	-16.5	-8.5
Single Family Units	3,031	3,504	3,781	4,393	...	-5.7	-6.2
2-4 Unit Structures	67	75	172	156	...	-1.9	17.0
5-plus Unit Structures	344	179	1,355	878	...	-47.8	-20.1
Bankruptcy Filings, U.S. Bankruptcy Court							
Total	1,592	1,521	1,605	2,497	2,296	32.3	1.3
Chapter 7	1,262	1,139	1,225	2,085	1,896	34.0	2.0
Chapter 11	36	23	30	21	27	-6.9	-11.8
Chapter 13	294	359	350	391	373	28.2	-0.6

See notes at bottom of Arizona - Quarterly table.

	I 2000	II 2000	III 2000	IV 2000	I 2001	% change versus year ago for: most recent quarter	most recent 4-quarters
ARIZONA QUARTERLY DATA							
Demographics & Vital Statistics (000s, seas adj) ADHS & EBR							
Population	5,095.6	5,131.9	5,167.8	5,203.6	5,239.8	2.8	2.9
Natural Increase	11.2	11.2	11.0	11.5	11.1	-0.5	6.3
Births	21.1	21.1	21.3	21.5	21.3	0.9	4.5
Deaths	9.9	9.9	10.3	10.0	10.1	2.5	2.6
Net Migration	25.1	25.1	24.6	24.5	25.2	0.4	-5.5
Personal Income Derivation ($mil, SAAR) EBR							
Total Personal Income	129,770	129,474	132,306	134,258	136,853	5.5	7.7
Earnings by Place of Work	92,621	92,219	94,506	96,157	98,196	6.0	8.3
Less: Contributions for Social Insurance	5,684	5,663	5,782	5,867	6,042	6.3	7.6
Plus: Adjustment for Residence	414	422	441	458	476	15.1	9.6
Plus: Dividends, Interest & Rents	25,722	25,418	25,851	26,183	26,604	3.4	6.4
Plus: Transfer Payments	16,697	17,078	17,289	17,327	17,619	5.5	6.5
Components of Earnings ($mil, SAAR) BEA							
Wages and Salaries	75,291	75,238	76,737	78,041	...	9.5	10.6
Other Labor Income	7,564	7,560	7,644	7,731	...	5.9	6.2
Proprietor's Income	9,530	9,868	10,052	9,823	...	4.4	8.1
Farm	392	459	560	340	...	-31.5	-8.5
Nonfarm	9,139	9,409	9,492	9,483	...	6.4	9.0
Per Capita Personal Income ($, SAAR) EBR	25,467	25,229	25,602	25,801	26,118	2.6	4.7
Average Wage Per Employee, Annual Rate ($) EBR	33,463	33,063	33,349	33,870	...	5.9	6.5

TRAVEL AND TOURISM - MONTHLY DATA	DEC 2000	JAN 2001	FEB 2001	MAR 2001	APR 2001	% change versus year ago for: most recent month	most recent 12-months
Visits to Parks & Other Recreational Areas, ADOT, NPS & ASPB							
Northern Arizona	834,667	869,277	898,776	1,370,323	1,829,384	-2.1	-3.2
Historical	79,275	72,002	91,639	154,538	212,861	13.1	-5.0
Scenic	265,889	224,521	209,372	445,476	518,321	-6.4	-4.1
Water Based Recreation	489,503	572,754	597,765	770,309	1,098,202	-2.5	-2.5
Southern Arizona	208,456	277,590	364,497	493,899	358,596	7.0	-0.0
Historical	42,603	57,172	74,582	76,298	60,093	5.2	-1.6
Scenic	152,561	197,990	259,041	366,348	245,250	9.8	2.4
Water Based Recreation	13,292	22,428	30,874	51,253	53,253	-2.4	-8.8
International Border Crossings, USINS & USCS							
U.S. Citizens	839,157	720,638	681,289	755,448	...	-5.6	0.3
Aliens	2,449,476	1,995,068	2,030,659	2,209,472	...	2.5	5.7
Vehicles	943,295	905,197	...	...	...	6.5	3.3

MEASURES OF INFLATION AND PRICES - MONTHLY DATA	DEC 2000	JAN 2001	FEB 2001	MAR 2001	APR 2001	% change versus year ago for: most recent month	most recent 12-months
Consumer Price Index (1982-1984=100) BLS							
U.S. - All Urban	174.0	175.1	175.8	176.2	176.9	3.3	3.4
U.S. - Wage Earners	170.7	171.7	172.4	172.6	173.5	3.3	3.4

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
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

	I 2000	II 2000	III 2000	IV 2000	I 2001	% change versus year ago for: most recent quarter	most recent 4-quarters
Consumer Price index (1982-84=100) BLS							
Western Region (U.S.)	173.5	174.3	176.6	177.1	180.1	3.8	3.8
U.S. - All Urban Consumers	169.9	171.7	173.1	174.0	175.7	3.4	3.4
U.S. - Urban Wage Earners	166.7	168.5	169.7	170.7	172.2	3.3	3.4
Price Indexes (1992=100) BEA							
Gross Domestic Product	106.2	106.8	107.2	107.8	108.1	1.8	2.1
Personal Consumption Expenditures	106.6	107.1	107.6	108.1	108.7	2.0	2.3

See notes at bottom of Arizona - Quarterly table.

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