**GDP Inflation Adjusted**

Survey of Professional Forecasters

We forecasters expect continued strong growth.

**Net New Jobs**

3 months of good job growth now.

**Consumer Spending**

Consumers have not shied away from spending.

**ISM Index**

Formerly Purchasing Managers Index

Purchasing managers see expanding activity.
Caroleyn on the Economy

June 2004

Oil Price in Dollars & Euros

- Part of the oil price issue is the weak dollar, part the strong world economy.

Corporate Profits After-Tax

- Profits continue to be strong, which bodes well for capital spending.

Interest Rates

- Long rates have already risen, and the Fed is very likely to hike rates by the end of this month.

Stock Market

- Rising costs & interest rates are troubling, but look for gains in the 2nd half of the year.

Bill Conerly's consulting projects include market studies, competition analysis, corporate strategy. To discuss your needs, call 503-675-3138.
Oregon's strong cyclical recovery is helping us on the upside.

Solid job gains, but the states' in-migration prevents unemployment from dropping too much.

Migration into the states of the Northwest, plus land use controls, help keep home prices.

But rising interest rates will limit future increases.