UCLA ANDERSON FORECAST DATA RELEASE
SEASONALLY ADJUSTED REGIONAL JOB DATA FOR CALIFORNIA
July 2005 Release (August 19 2005)

Headline economic data announced for the U.S. economy are invariably published in seasonally adjusted form, and most of the statewide data are so adjusted as well. California is a very large economy, with many highly diverse regional economies. Unfortunately the regional data are not seasonally adjusted by state agencies. As a result, the local data are not amenable to analysis of recent short-run trends in the local economies, since in the absence of seasonal adjustment, analysts typically look at job levels and growth rates compared to those of a year earlier, in order to abstract from seasonal influences. This practice provides a relevant perspective on how regional economic growth has developed over the past year, but it says little or nothing about how regional growth has progressed in recent months.

To address these deficiencies in the local data, the UCLA Anderson Forecast will publish seasonally adjusted versions of employment data for the ten major metropolitan economies within California. On the 2nd Friday of each month, when the unadjusted regional data are released by EDD, our economists will compile seasonally adjusted versions of the major components of payroll employment, aggregate employment within both the household and payroll surveys, and unemployment rates. Soon after the EDD data release we will publish a summary table of our seasonally adjusted employment data for each of the covered metropolitan regions, along with summary charts.

The ten economic regions covered at this time will be Los Angeles County, Orange County, San Diego County, the Riverside-San Bernardino (Inland Empire) economic region, Ventura County, Santa Clara County (San Jose MSA), the San Francisco-San Mateo-Marin metro region (San Francisco MSA), the Alameda-Contra Costa (Oakland MSA) region, the Sacramento-Placer-El Dorado area (Sacramento MSA) and Fresno-Madera region (Fresno MSA).

Any or all of these summary tables can be obtained through the Media Relations Office at the UCLA Anderson School of Management (call Hilary Rehder, 310-206-7707). For our economists' commentary on the data, please refer to the following contact list. If you are unable to reach one of economists please contact Hilary Rehder. For general information about the UCLA Anderson Forecast please call 310-825-1623.

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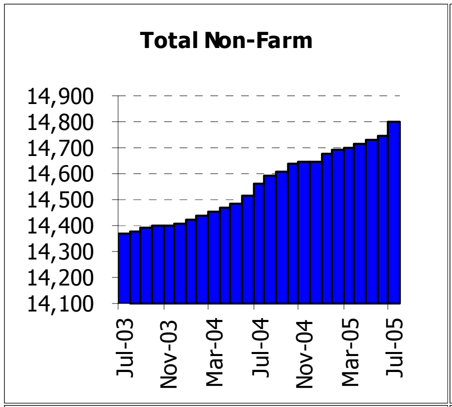
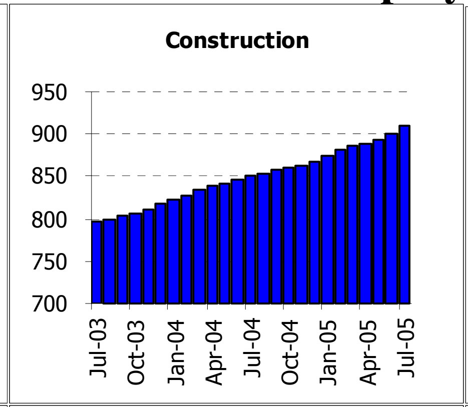
California Overview

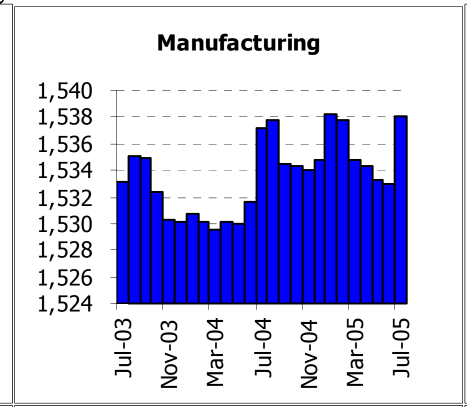
Payroll Employment

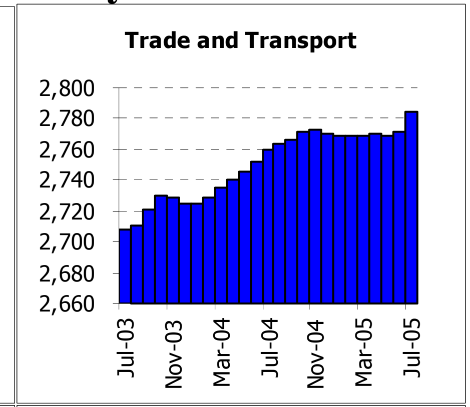
	Current	Monthly Change							
	Level	Jun-05	May-05	Quarterly Change		Year-to-date 2005		Year-to-date 2004	
	Jul-05	Jul-05	Jun-05	Abs.	% AR	Abs.	% AR	Abs.	% AR
California	14796.3	49.8	17.3	77.8	2.1%	146.3	1.7%	153.0	1.8%
Los Angeles	4040.1	12.8	7.5	26.1	2.6%	46.9	2.0%	14.7	0.6%
Orange County	1490.2	6.7	3.8	12.4	3.4%	19.7	2.3%	21.3	2.5%
Riverside	1172.7	4.4	1.1	5.2	1.8%	9.9	1.5%	28.9	4.4%
San Diego	1281.9	5.9	2.6	9.6	3.1%	17.0	2.3%	14.3	2.0%
Ventura	286.7	0.1	-0.2	-0.3	-0.4%	2.1	1.3%	0.4	0.2%
Santa Barbara	173.3	1.2	0.8	2.5	6.0%	4.3	4.4%	1.3	1.3%
Bakersfield	215.9	0.3	0.3	1.3	2.4%	3.3	2.7%	3.7	3.1%
East Bay	1041.2	6.6	4.2	13.5	5.4%	17.0	2.9%	3.6	0.6%
San Francisco	947.7	2.6	0.4	3.3	1.4%	6.7	1.2%	-0.6	-0.1%
San Jose	861.7	4.3	1.4	6.6	3.1%	5.3	1.1%	-0.7	-0.1%
Sacramento	867.6	1.1	0.8	2.2	1.0%	5.0	1.0%	3.8	0.8%
Santa Rosa	187.0	1.0	0.4	1.5	3.3%	1.7	1.6%	1.6	1.5%
Fresno	290.9	0.5	0.1	0.3	0.4%	3.1	1.9%	1.2	0.7%

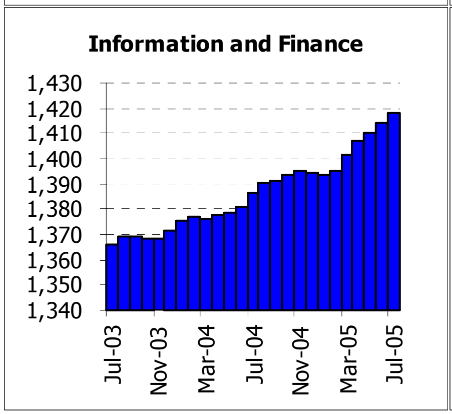
State of California: Employment Charts and Summary

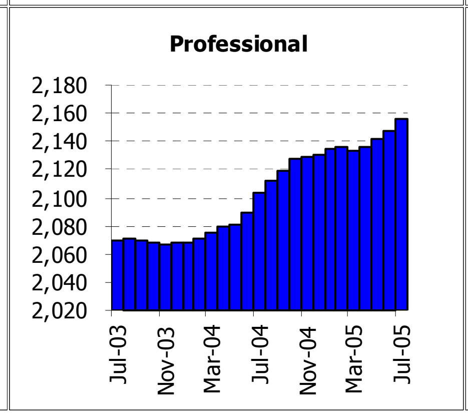


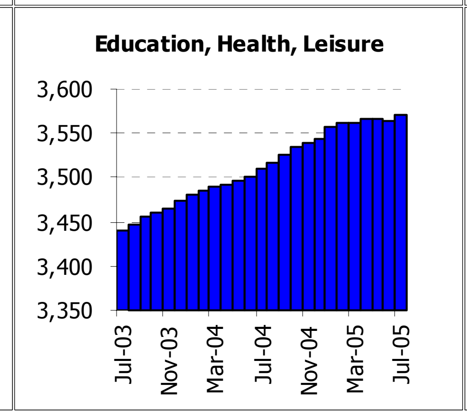


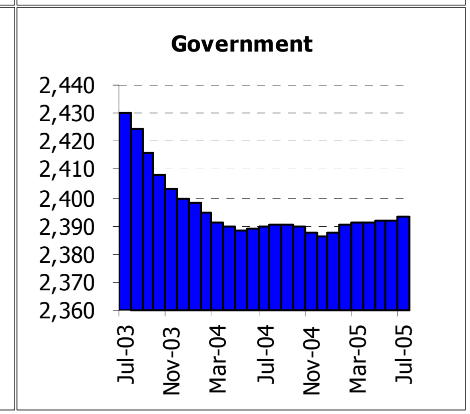












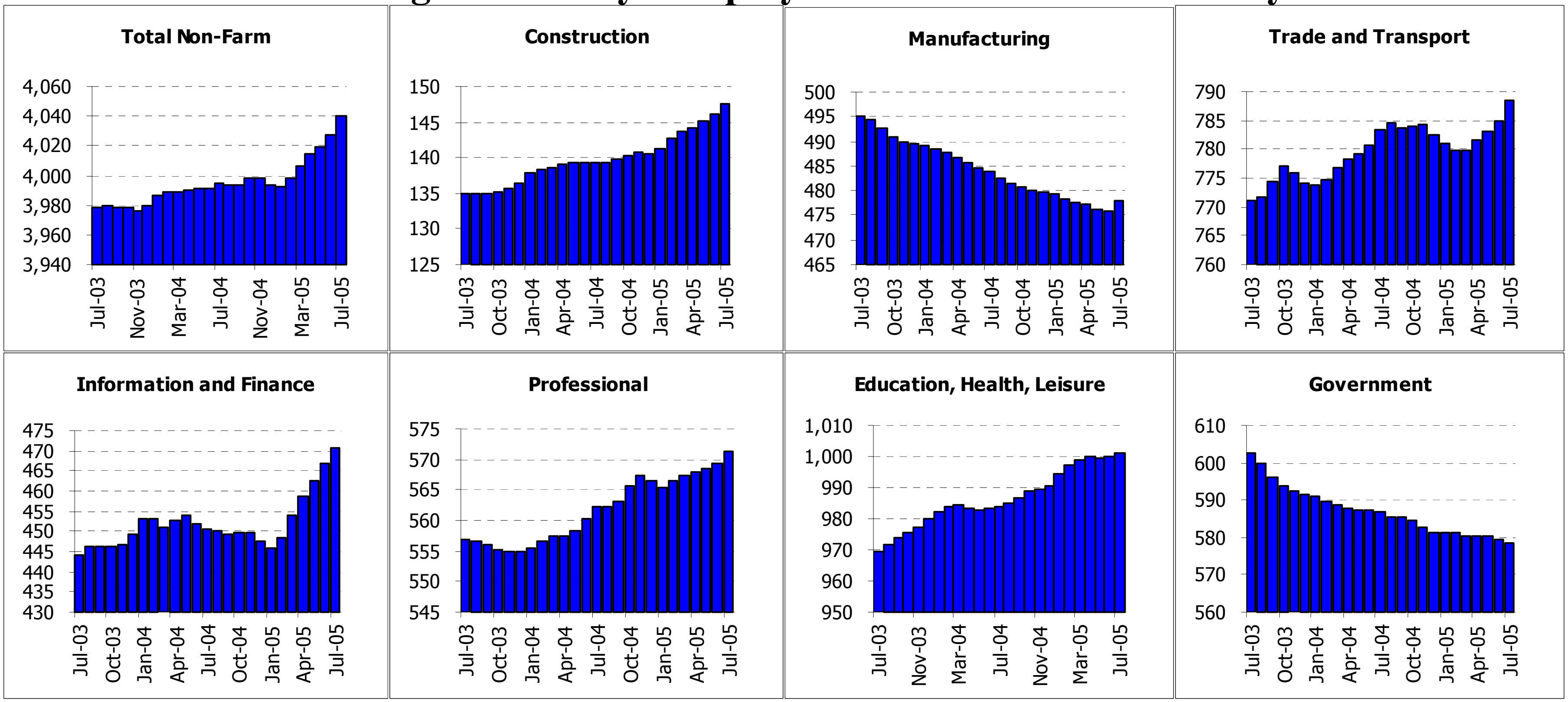
Summary: California job numbers saw a big gain in July for the second year in a row. The State added 50,000 new payroll jobs last month bringing the quarterly total up to 78,000, a very solid 2.1% growth rate. This is very similar to last year when the state experienced a similar mid-summer surge in employment. There are multiple reasons to view this report with a lot of enthusiasm. The gains came across the board from a sector by sector perspective, and primarily in the private sector. Even manufacturing saw some solid increases-the first time since last year. Only the public sector remained weak, along with transportation. It was also a good report from the fact that the gains were across the board regionally. The Bay area saw increases in employment across the board, instead of the gains being strictly from the southern and central portions of the state. Caution is in order however, since the fastest growing sector by terms of employment remains construction, largely due to the continuing real estate bubble the state is experiencing.

State of California: Employment Tables (thousands)

	Current	Monthly Change							
	Level	Jun-05	May-05	Quarterly Change		Year-to-date 2005		Year-to-date 2004	
Payroll Statistics	Jul-05	Jul-05	Jun-05	Abs.	% AR	Abs.	% AR	Abs.	% AR
Total Non-Farm	14796.3	49.8	17.3	77.8	2.1%	146.3	1.7%	153.0	1.8%
Total Private	12403.3	49.0	17.3	76.1	2.5%	139.2	2.0%	162.8	2.3%
Construction	910.8	10.6	6.8	21.0	9.8%	43.4	8.7%	33.9	7.2%
Durable Manufacturing	985.2	4.2	0.0	4.2	1.7%	5.1	0.9%	7.6	1.4%
Non-Durable Manufacturing	552.9	1.0	-0.2	-0.3	-0.2%	-1.7	-0.5%	-0.6	-0.2%
Wholesale Trade	660.1	0.8	0.0	0.6	0.4%	2.3	0.6%	7.8	2.1%
Retail Trade	1639.9	11.8	3.8	15.7	3.9%	14.8	1.6%	23.3	2.5%
Transportation and Utilities	484.1	-0.3	-1.3	-2.8	-2.3%	-2.5	-0.9%	4.4	1.6%
Information	498.2	2.1	3.3	8.5	7.1%	18.2	6.6%	2.9	1.0%
Financial Activities	920.2	2.3	0.8	2.9	1.3%	5.4	1.0%	12.5	2.4%
Professional Services	928.0	3.9	3.3	10.6	4.7%	14.6	2.8%	9.6	1.8%
Management Companies	230.7	0.2	-0.1	0.1	0.2%	0.0	0.0%	-7.5	-5.3%
Administrative Support	997.8	5.4	2.2	9.0	3.7%	12.2	2.1%	33.0	6.2%
Education and Healthcare	1585.7	2.7	0.0	4.3	1.1%	12.4	1.4%	14.4	1.6%
Leisure and Hospitality	1476.6	3.6	-0.9	2.3	0.6%	13.5	1.6%	20.9	2.5%
Other Services	509.5	0.6	-0.8	-1.1	-0.9%	1.1	0.4%	-0.5	-0.2%
Total Government	2393.0	0.9	-0.1	1.7	0.3%	7.1	0.5%	-9.8	-0.7%
Federal Government	247.4	0.1	0.2	0.7	1.1%	0.2	0.1%	-3.1	-2.1%
State and Local Education	1144.4	0.5	-0.3	0.2	0.1%	3.0	0.5%	2.2	0.3%
Other State and Local	1001.2	0.5	-0.1	1.0	0.4%	4.0	0.7%	-8.9	-1.5%
Household Statistics									
Labor Force	17859.3	33.4	40.0	144.5	3.3%	222.4	2.2%	117.6	1.2%
Household Employment	16953.0	61.3	60.3	193.3	4.7%	356.7	3.7%	180.4	1.9%
Unemployment Rate	5.1%	-0.17%	-0.13%	-0.32%		-0.83%		-0.40%	

The California EDD also releases seasonally adjusted data for California. As the EDD uses a different algorithm for this process, their numbers may different from ours on a month to month basis.

Los Angeles County: Employment Charts and Summary

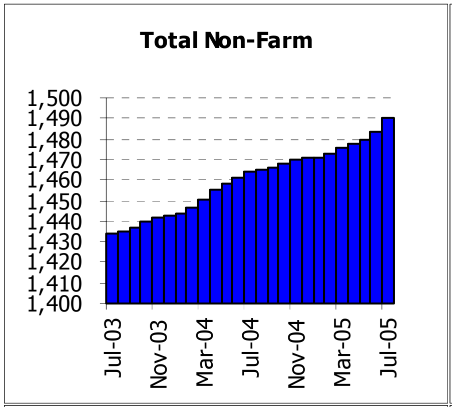


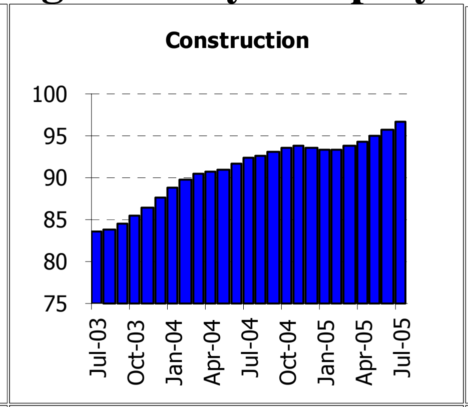
Summary: Reflective of statewide developments, payroll jobs rose strongly in L.A. County in July, following up on good gains in June. Year-to-date gains in private-sector jobs in the County are ALREADY more than twice as large as the gains for ALL of 2004. Earlier in 2005, L.A.'s job gains had been focused in the construction and motion picture (part of information services) industries. However, in recent months, growth has become much more widespread, with previously dormant sectors such as manufacturing, retailing, and professional services all beginning to register sizable job gains.

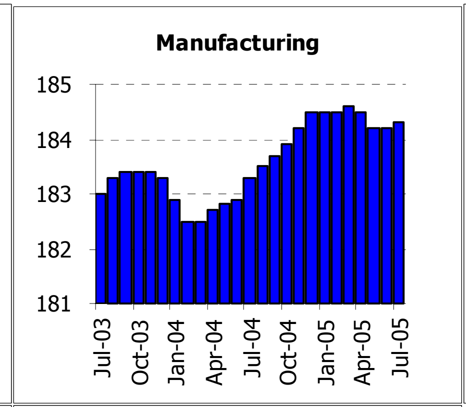
Los Angeles County: Employment Tables (thousands)

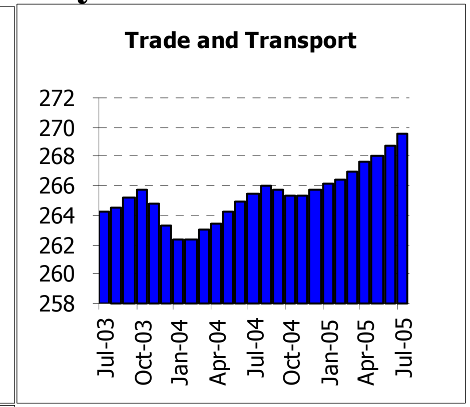
	Current	Monthly Change							
	Level	Jun-05	May-05	Quarterly Change		Year-to-date 2005		Year-to-date 2004	
Payroll Statistics	Jul-05	Jul-05	Jun-05	Abs.	% AR	Abs.	% AR	Abs.	% AR
Total Non-Farm	4040.1	12.8	7.5	26.1	2.6%	46.9	2.0%	14.7	0.6%
Total Private	3461.4	13.6	8.2	27.8	3.3%	49.5	2.5%	19.4	1.0%
Construction	147.5	1.4	1.0	3.3	9.5%	6.9	8.6%	2.7	3.4%
Durable Manufacturing	266.9	0.5	-0.2	0.2	0.3%	0.1	0.1%	-1.3	-0.8%
Non-Durable Manufacturing	211.0	1.4	0.0	0.7	1.3%	-1.5	-1.2%	-4.4	-3.4%
Wholesale Trade	212.8	0.2	0.0	0.4	0.8%	-0.8	-0.6%	0.9	0.7%
Retail Trade	411.1	2.8	1.7	5.9	6.0%	7.0	3.0%	5.9	2.5%
Transportation and Utilities	164.5	0.7	0.0	0.6	1.5%	1.6	1.7%	2.6	2.8%
Information	224.8	3.1	4.3	11.1	22.5%	21.6	18.9%	-0.7	-0.6%
Financial Activities	245.8	0.5	0.2	0.8	1.3%	1.4	1.0%	2.1	1.5%
Professional Services	241.1	0.7	0.6	1.8	3.0%	2.2	1.6%	3.5	2.6%
Management Companies	70.6	-0.2	-0.2	-0.6	-3.3%	0.2	0.5%	-3.3	-7.5%
Administrative Support	259.7	1.6	0.4	2.4	3.8%	2.5	1.7%	7.0	4.9%
Education and Healthcare	474.8	0.6	0.3	0.9	0.8%	3.6	1.3%	1.5	0.6%
Leisure and Hospitality	380.6	0.7	0.0	0.5	0.5%	6.5	3.0%	3.4	1.6%
Other Services	145.9	0.0	0.0	0.1	0.3%	0.5	0.6%	-0.7	-0.8%
Total Government	578.7	-0.7	-0.8	-1.7	-1.2%	-2.6	-0.8%	-4.7	-1.4%
Federal Government	53.8	-0.3	0.0	-0.1	-0.7%	0.1	0.3%	-0.2	-0.6%
State and Local Education	288.3	-0.5	-0.7	-1.4	-1.9%	-4.4	-2.6%	-2.6	-1.5%
Other State and Local	236.6	0.2	-0.1	0.0	0.0%	1.8	1.3%	-2.0	-1.4%
Household Statistics									
Labor Force	4889.5	-11.2	-13.0	-8.3	-0.7%	50.8	1.8%	38.0	1.4%
Household Employment	4642.6	4.4	1.9	24.8	2.2%	111.0	4.2%	50.7	2.0%
Unemployment Rate	5.0%	-0.31%	-0.29%	-0.67%		-1.30%		-0.32%	

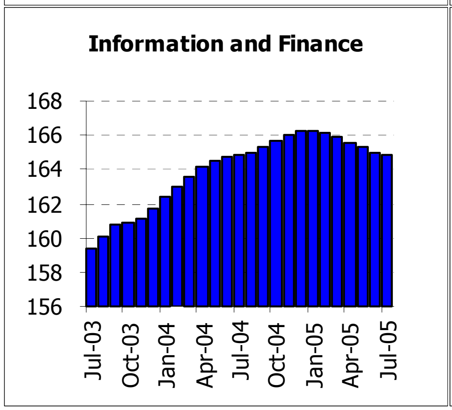
Orange County: Employment Charts and Summary

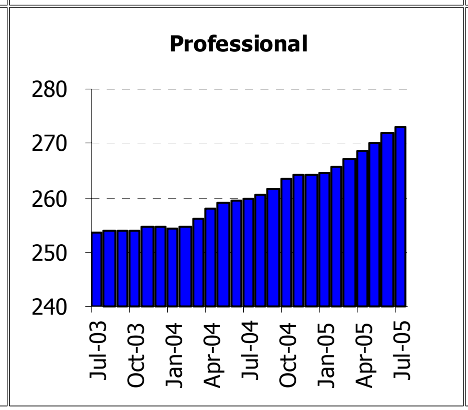


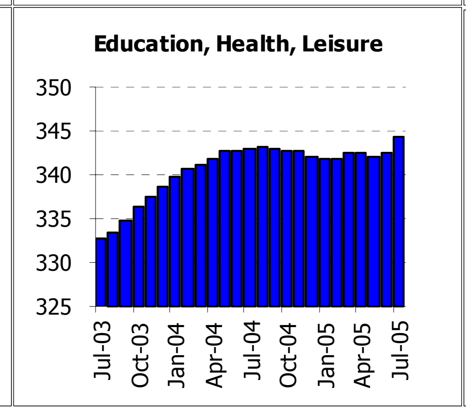


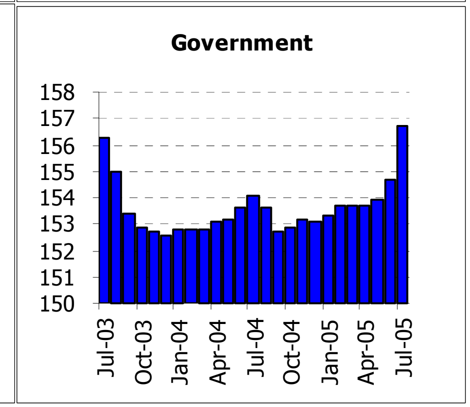










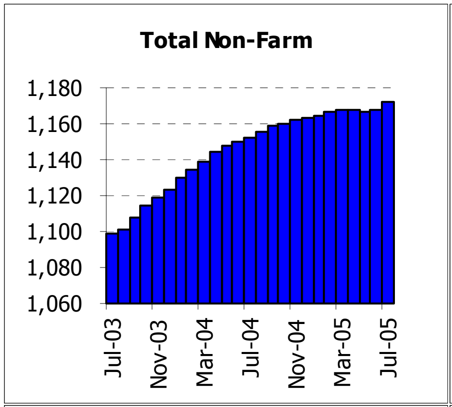


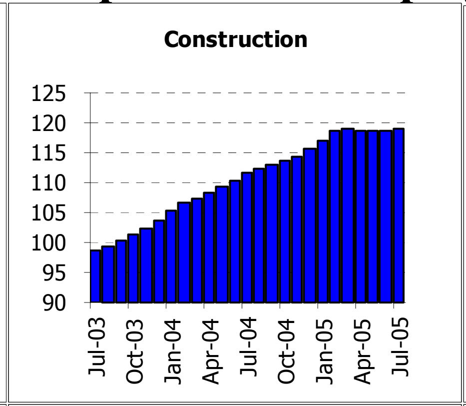
Summary: The Anaheim-Santa Ana MSA registered strong job gains in both June and July. On net, Orange County is on pace to match the robust, 2.2% growth in private-sector jobs enjoyed in 2004. Recent gains have been propelled by reversals in the manufacturing, transportation/warehousing, information services, and education/health sectors, each of which either registered gains over June-July, after having lost jobs earlier in the year. Meanwhile, Orange County continued to enjoy robust job growth in such sectors as construction, retailing, and professional services.

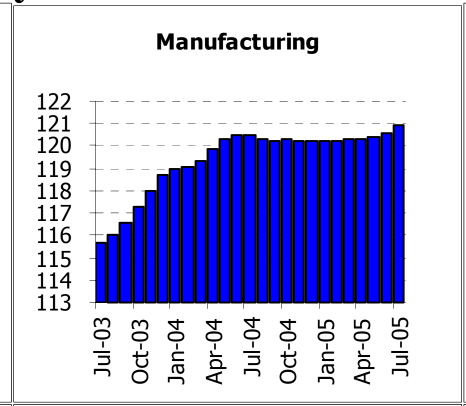
Orange County: Employment Tables (thousands)

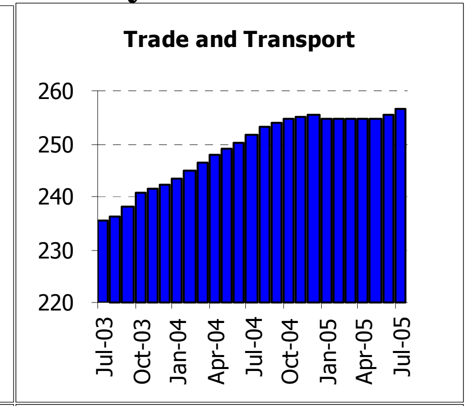
	Current	Monthly Change							
	Level	Jun-05	May-05	Quarterly Change		Year-to-date 2005		Year-to-date 2004	
Payroll Statistics	Jul-05	Jul-05	Jun-05	Abs.	% AR	Abs.	% AR	Abs.	% AR
Total Non-Farm	1490.2	6.7	3.8	12.4	3.4%	19.7	2.3%	21.3	2.5%
Total Private	1333.5	4.8	2.9	9.4	2.9%	16.2	2.1%	19.9	2.7%
Construction	96.7	1.1	0.7	2.3	10.1%	3.1	5.7%	4.8	9.6%
Durable Manufacturing	128.2	0.3	0.1	0.3	0.9%	0.6	0.8%	0.1	0.1%
Non-Durable Manufacturing	56.1	-0.1	-0.2	-0.5	-3.5%	-0.6	-1.8%	-0.2	-0.6%
Wholesale Trade	82.7	0.2	0.2	0.4	2.0%	0.6	1.3%	0.3	0.6%
Retail Trade	157.8	0.7	0.4	1.6	4.2%	4.2	4.7%	2.0	2.3%
Transportation and Utilities	29.1	0.1	-0.1	-0.1	-1.4%	-0.1	-0.6%	-0.1	-0.6%
Information	32.3	0.0	-0.3	-0.5	-6.0%	-0.9	-4.6%	-0.9	-4.5%
Financial Activities	132.6	-0.1	0.0	-0.2	-0.6%	-0.4	-0.5%	4.0	5.4%
Professional Services	100.2	0.7	0.5	1.7	7.1%	2.7	4.8%	1.5	2.7%
Management Companies	31.3	0.0	0.2	0.5	6.7%	0.5	2.8%	0.0	0.0%
Administrative Support	141.5	0.5	0.9	2.3	6.8%	5.5	7.0%	3.9	5.3%
Education and Healthcare	131.9	1.0	0.5	1.5	4.7%	1.4	1.8%	1.5	2.0%
Leisure and Hospitality	164.3	0.5	-0.1	0.1	0.2%	0.0	0.0%	2.5	2.7%
Other Services	48.2	0.3	0.1	0.3	2.5%	0.9	3.3%	0.4	1.5%
Total Government	156.7	2.0	0.8	3.0	8.0%	3.6	4.1%	1.5	1.7%
Federal Government	11.4	0.1	0.0	0.2	7.3%	-0.1	-1.5%	0.0	0.0%
State and Local Education	94.0	1.9	0.9	3.0	13.9%	3.7	7.1%	1.5	2.9%
Other State and Local	51.3	0.1	-0.1	0.0	0.0%	0.1	0.3%	0.0	0.0%
Household Statistics									
Labor Force	1629.0	6.6	9.4	25.8	6.6%	31.2	3.4%	19.7	2.2%
Household Employment	1571.7	7.6	9.9	26.9	7.1%	37.7	4.2%	24.7	2.8%
Unemployment Rate	3.5%	-0.08%	-0.05%	-0.13%		-0.48%		-0.37%	

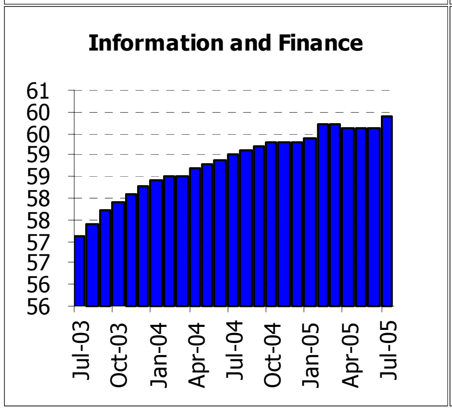
Inland Empire MSA: Employment Charts and Summary

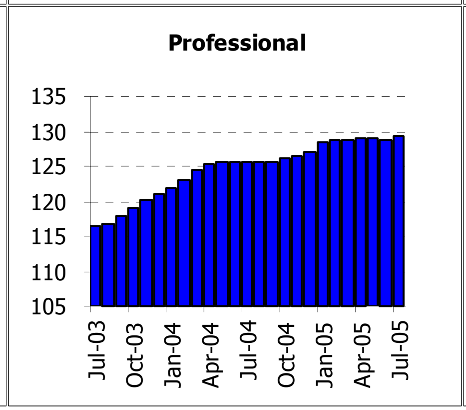


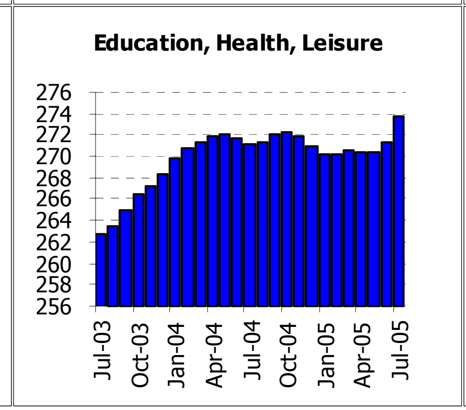


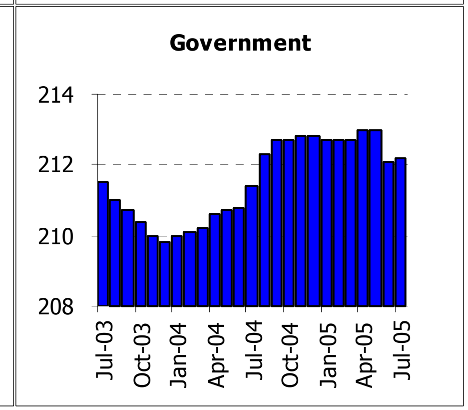












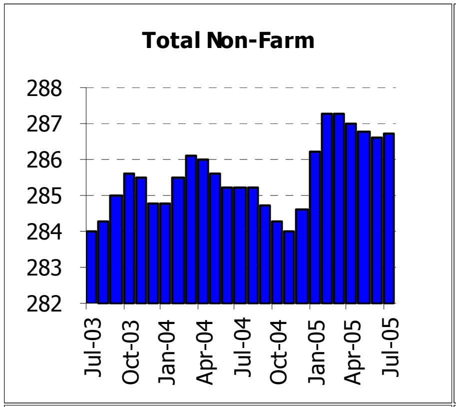
Summary: After sagging in the Spring, Inland Empire jobs have begun to pick up in the last two months. Recent gains look to be most substantial in such sectors as manufacturing, retailing, education/health, and tourism (leisure/hospitality). However, wholesaling, transportation/warehousing, finance, and professional services also registered recent gains, beginning to reverse March-June declines. The current data for the region show decent year-to-date growth in total jobs, but at a pace well below that of 2004. Keep in mind, though, that preliminary (current-year) Inland Empire job data are notorious for being understated, with subsequent benchmark revisions typically marking up growth rates substantially. This is likely to be the case presently as well. (Benchmark revisions to 2005 data will be released early next year.)

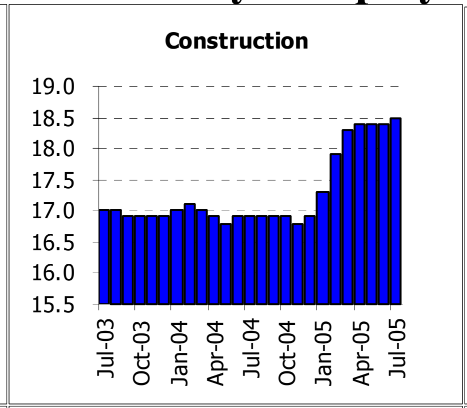
Inland Empire MSA: Employment Tables (thousands)

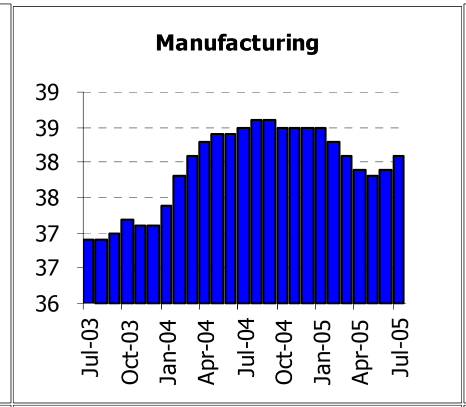
	Current	Monthly Change								
	Level	Jun-05	May-05	Quarterly Change		Year-to-date 2005		Year-to-date 2004		
Payroll Statistics	Jul-05	Jul-05	Jun-05	Abs.	% AR	Abs.	% AR	Abs.	% AR	
Total Non-Farm	1172.7	4.4	1.1	5.2	1.8%	9.9	1.5%	28.9	4.4%	
Total Private	960.5	4.4	1.9	6.1	2.6%	10.5	1.9%	27.2	5.2%	
Construction	119.0	0.2	0.1	0.3	1.0%	3.4	5.1%	7.9	13.4%	
Durable Manufacturing	86.1	0.2	0.2	0.5	2.4%	0.1	0.2%	1.6	3.3%	
Non-Durable Manufacturing	34.8	0.1	0.1	0.1	1.2%	0.6	3.0%	0.2	1.0%	
Wholesale Trade	45.3	0.1	0.0	0.1	0.9%	-0.1	-0.4%	1.1	4.4%	
Retail Trade	154.7	0.9	0.6	1.6	4.2%	1.2	1.3%	5.5	6.5%	
Transportation and Utilities	56.5	0.1	0.0	0.0	0.0%	0.9	2.8%	2.9	9.8%	
Information	13.5	-0.1	-0.1	-0.2	-5.7%	-0.1	-1.3%	-0.2	-2.5%	
Financial Activities	46.4	0.4	0.1	0.5	4.4%	0.7	2.6%	0.9	3.5%	
Professional Services	32.6	0.4	0.3	1.0	13.3%	1.3	7.2%	2.3	13.9%	
Management Companies	12.0	0.2	0.0	0.3	10.7%	0.5	7.6%	0.1	1.5%	
Administrative Support	84.7	0.0	-0.4	-0.9	-4.1%	0.4	0.8%	2.0	4.3%	
Education and Healthcare	118.1	0.1	0.2	0.4	1.4%	1.0	1.5%	0.8	1.2%	
Leisure and Hospitality	115.9	1.9	0.7	2.3	8.3%	0.6	0.9%	2.1	3.2%	
Other Services	39.7	0.3	0.2	0.6	6.3%	1.2	5.4%	-0.1	-0.4%	
Total Government	212.2	0.1	-0.9	-0.8	-1.5%	-0.6	-0.5%	1.6	1.3%	
Federal Government	17.6	0.2	0.2	0.6	14.9%	0.7	7.2%	-0.1	-1.0%	
State and Local Education	105.6	-0.2	-1.3	-2.2	-7.9%	-3.0	-4.7%	1.0	1.6%	
Other State and Local	89.0	0.2	0.3	0.8	3.7%	1.9	3.8%	0.6	1.2%	
Household Statistics										
Labor Force	1687.3	5.0	7.2	19.5	4.8%	23.2	2.4%	35.6	3.8%	
Household Employment	1606.5	7.4	8.3	23.0	5.9%	32.7	3.6%	39.3	4.5%	
Unemployment Rate	4.8%	-0.16%	-0.09%	-0.27%		-0.64%		-0.35%		

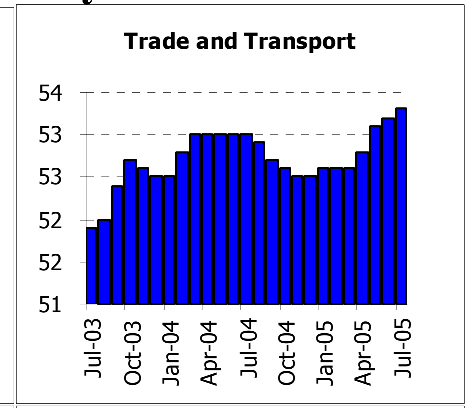
The Inland Empire is made up of Riverside and San Bernardino counties

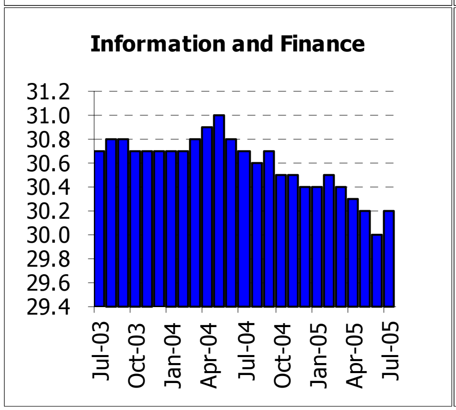
Ventura County: Employment Charts and Summary

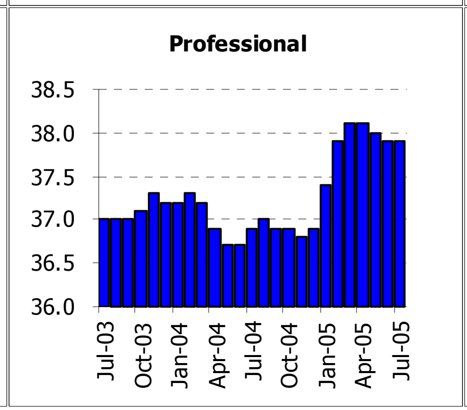


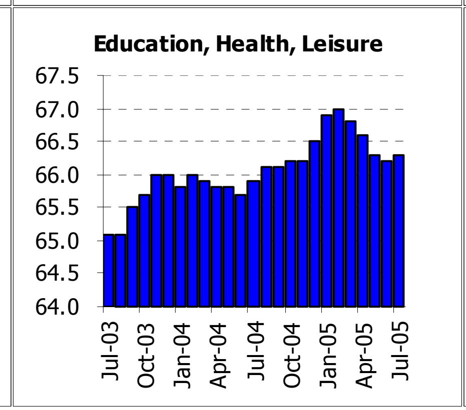


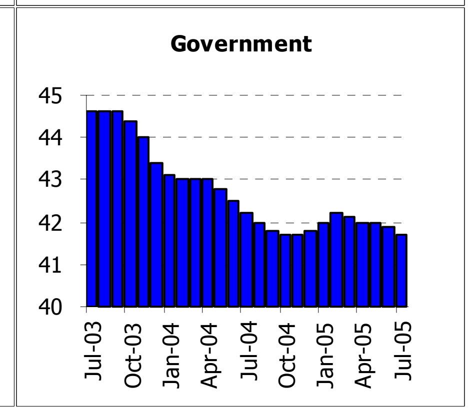










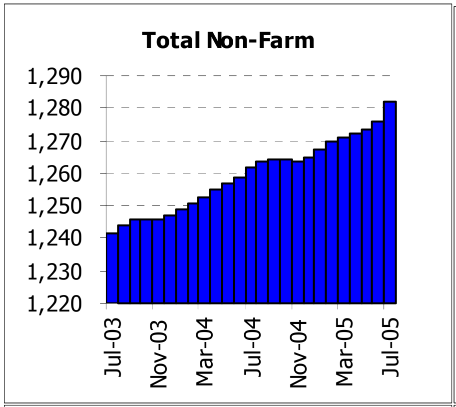


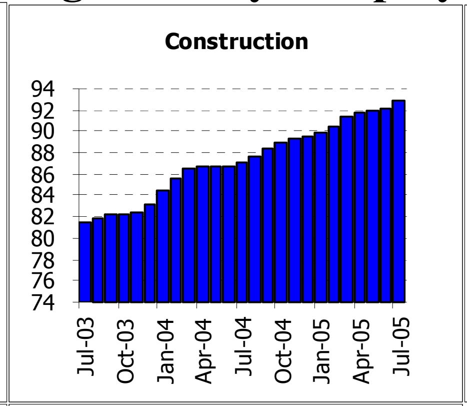
Summary: Unlike the rest of Southern California, Ventura County registered only modest job gains in July. Then again, the Oxnard-Ventura MSA had shown much stronger early-2005 growth than the rest of the region. On net, the year-to-date data for the County already show stronger gains than were seen in all of 2004 (though 2004 growth was tepid). The strongest-performing sectors in Ventura remain the construction, retailing, and professional services sectors, though wholesaling and transportation/warehousing have also shown some recent signs of life.

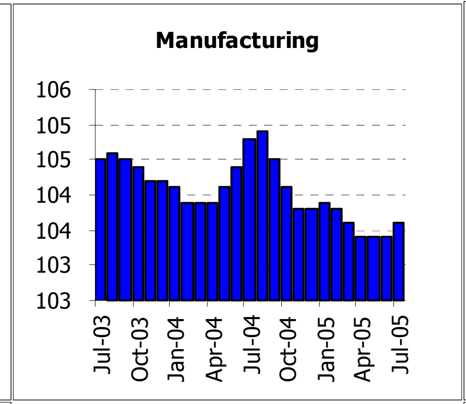
Ventura County: Employment Tables (thousands)

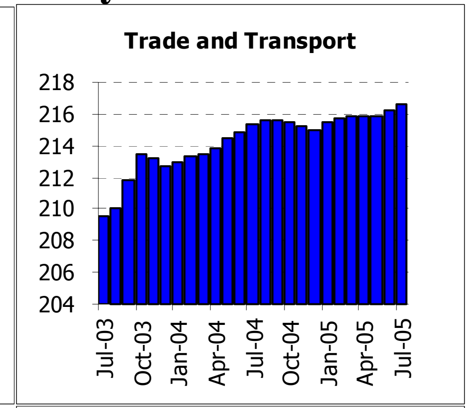
	Current	Monthly Change							
	Level	Jun-05	May-05	Quarterly Change		Year-to-date 2005		Year-to-date 2004	
Payroll Statistics	Jul-05	Jul-05	Jun-05	Abs.	% AR	Abs.	% AR	Abs.	% AR
Total Non-Farm	286.7	0.1	-0.2	-0.3	-0.4%	2.1	1.3%	0.4	0.2%
Total Private	245.0	0.3	-0.1	0.0	0.0%	2.3	1.6%	1.6	1.1%
Construction	18.5	0.1	0.0	0.1	2.2%	1.6	16.8%	0.0	0.0%
Durable Manufacturing	24.2	0.1	0.0	0.1	1.7%	-0.1	-0.7%	0.5	3.6%
Non-Durable Manufacturing	13.9	0.1	0.1	0.2	6.0%	-0.3	-3.6%	0.9	11.9%
Wholesale Trade	11.8	0.1	0.0	0.2	7.1%	-0.1	-1.4%	0.3	4.4%
Retail Trade	35.9	0.1	0.1	0.3	3.4%	1.0	5.0%	0.2	1.0%
Transportation and Utilities	5.6	0.0	0.0	0.0	0.0%	0.1	3.1%	0.0	0.0%
Information	6.7	0.0	-0.1	-0.1	-5.8%	0.1	2.6%	-0.1	-2.4%
Financial Activities	23.5	0.2	-0.1	0.0	0.0%	-0.3	-2.2%	0.1	0.7%
Professional Services	14.1	0.1	0.0	0.2	5.9%	0.4	5.1%	0.3	3.8%
Management Companies	3.5	0.0	0.1	0.1	12.3%	0.1	5.1%	-0.3	-12.8%
Administrative Support	20.3	-0.1	-0.1	-0.3	-5.7%	0.6	5.3%	-0.3	-2.6%
Education and Healthcare	27.9	0.0	-0.1	-0.3	-4.2%	-0.2	-1.2%	-0.3	-1.8%
Leisure and Hospitality	28.3	0.1	0.0	0.0	0.0%	0.0	0.0%	0.3	1.8%
Other Services	10.1	0.0	0.0	0.0	0.0%	0.0	0.0%	-0.1	-1.7%
Total Government	41.7	-0.2	-0.1	-0.3	-2.8%	-0.1	-0.4%	-1.2	-4.7%
Federal Government	7.5	0.0	0.0	0.0	0.0%	0.0	0.0%	0.1	2.2%
State and Local Education	18.7	-0.3	-0.1	-0.5	-10.0%	-0.1	-0.9%	-0.8	-6.9%
Other State and Local	16.1	0.1	0.1	0.2	5.1%	0.1	1.1%	-0.4	-4.1%
Household Statistics									
Labor Force	421.7	0.4	1.0	2.8	2.7%	5.4	2.2%	2.9	1.2%
Household Employment	403.0	1.2	1.3	4.0	4.1%	7.6	3.3%	3.9	1.7%
Unemployment Rate	4.4%	-0.19%	-0.08%	-0.32%		-0.59%		-0.28%	

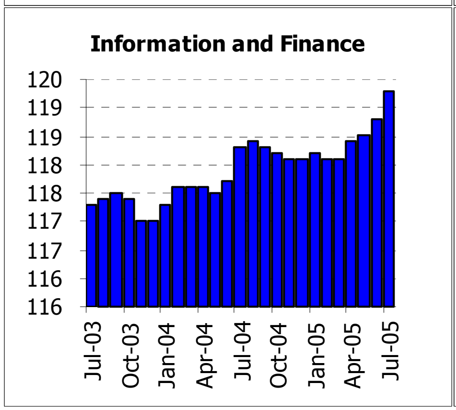
San Diego County: Employment Charts and Summary

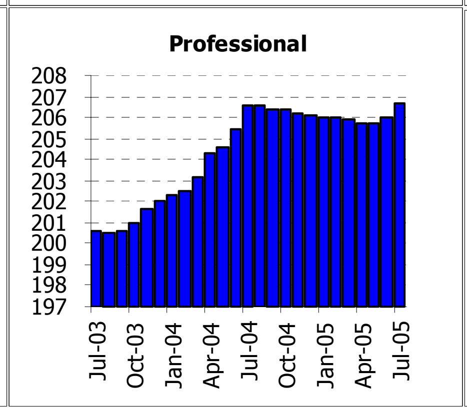


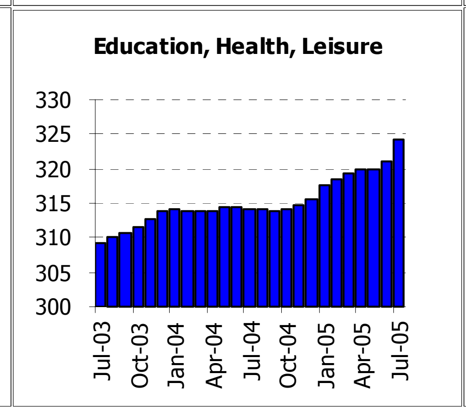


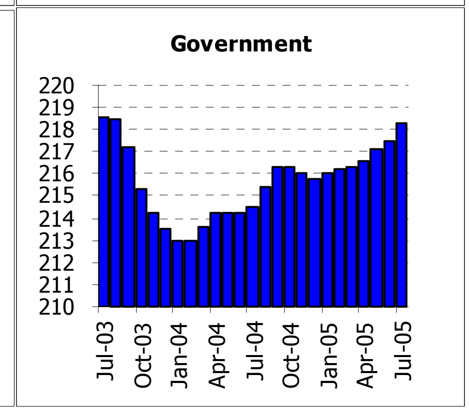










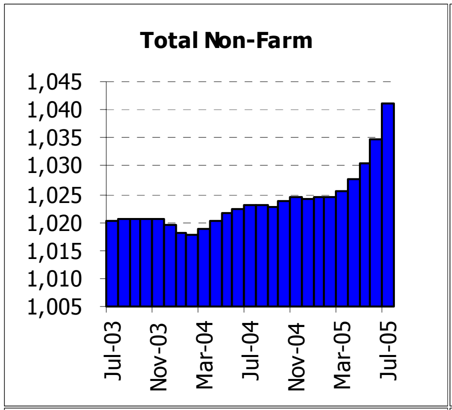


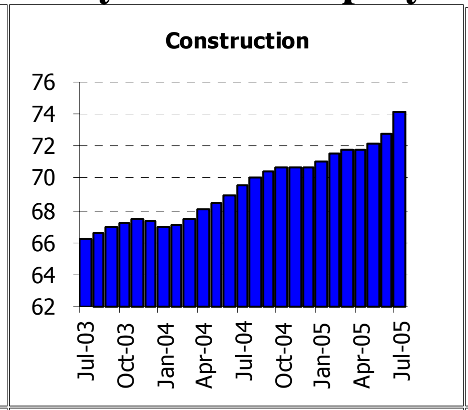
Summary: Job growth accelerated markedly in San Diego County in July, following sluggish growth over April-June. The July gains in total jobs were paced by very strong growth in construction, finance, education/health, and tourism (leisure/hospitality), with manufacturing, retailing, and professional services also registering healthy gains. Overall, year-to-date gains in private-sector jobs have already surpassed the full-year gains seen in 2004.

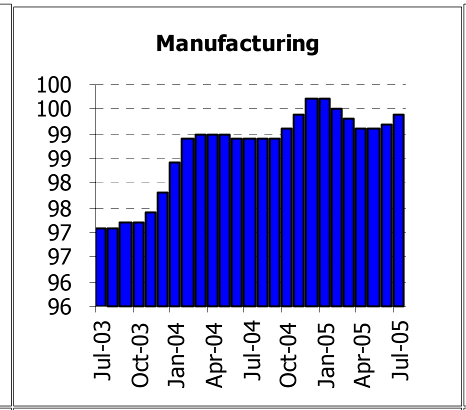
San Diego County: Employment Tables (thousands)

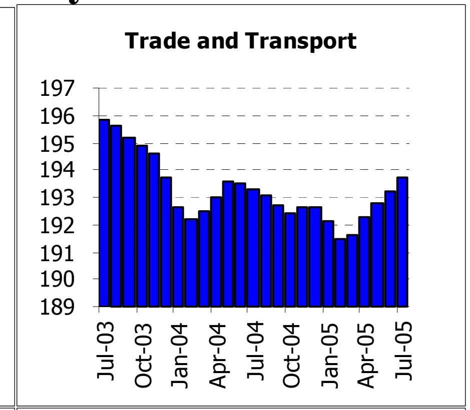
	Current	Monthly Change		Quarterly Change		Year-to-date 2005		Year-to-date 2004	
	Level	Jun-05	May-05						
Payroll Statistics	Jul-05	Jul-05	Jun-05	Abs.	% AR	Abs.	% AR	Abs.	% AR
Total Non-Farm	1281.9	5.9	2.6	9.6	3.1%	17.0	2.3%	14.3	2.0%
Total Private	1063.6	5.2	2.1	7.9	3.0%	14.6	2.4%	13.2	2.2%
Construction	92.8	0.6	0.3	1.1	4.9%	3.2	6.2%	3.9	8.2%
Durable Manufacturing	77.8	0.1	0.0	0.1	0.5%	0.1	0.2%	0.5	1.1%
Non-Durable Manufacturing	25.8	0.1	0.0	0.1	1.6%	-0.2	-1.3%	0.1	0.7%
Wholesale Trade	42.1	0.0	0.1	0.0	0.0%	0.0	0.0%	0.0	0.0%
Retail Trade	146.3	0.5	0.3	0.9	2.5%	2.5	3.0%	2.3	2.8%
Transportation and Utilities	28.2	0.0	-0.1	-0.2	-2.8%	-0.3	-1.8%	0.2	1.2%
Information	36.7	0.0	0.0	0.0	0.0%	0.4	1.9%	0.4	1.9%
Financial Activities	82.6	0.5	0.3	0.9	4.5%	0.8	1.7%	0.9	1.9%
Professional Services	99.9	0.4	0.3	0.9	3.7%	0.6	1.0%	-1.8	-3.0%
Management Companies	18.4	0.2	0.0	0.3	6.8%	0.3	2.9%	-0.1	-0.9%
Administrative Support	88.4	0.2	-0.1	-0.2	-0.9%	-0.3	-0.6%	6.5	14.1%
Education and Healthcare	124.8	1.7	0.7	2.5	8.4%	3.5	5.0%	-1.7	-2.4%
Leisure and Hospitality	150.0	1.0	0.3	1.4	3.8%	4.2	5.0%	1.7	2.0%
Other Services	49.4	0.4	0.1	0.4	3.3%	0.8	2.8%	0.3	1.1%
Total Government	218.3	0.8	0.4	1.7	3.2%	2.5	2.0%	1.0	0.8%
Federal Government	38.8	0.0	0.1	0.0	0.0%	-0.2	-0.9%	-0.2	-0.9%
State and Local Education	100.7	0.7	0.6	2.1	8.8%	2.3	4.0%	0.5	0.9%
Other State and Local	78.8	0.1	-0.2	-0.3	-1.5%	0.5	1.1%	0.8	1.8%
Household Statistics									
Labor Force	1528.9	6.2	8.7	23.4	6.4%	29.8	3.4%	17.8	2.1%
Household Employment	1467.2	7.3	9.0	24.8	7.1%	35.4	4.3%	21.6	2.7%
Unemployment Rate	4.0%	-0.09%	-0.04%	-0.16%		-0.45%		-0.31%	

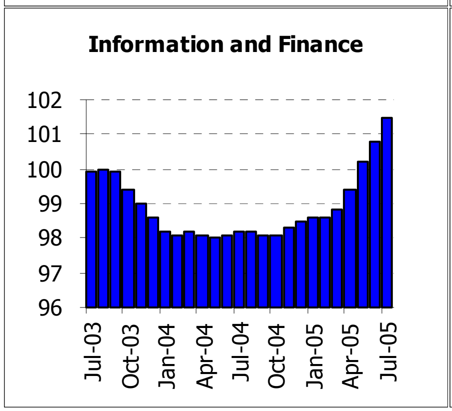
East Bay MSA: Employment Charts and Summary

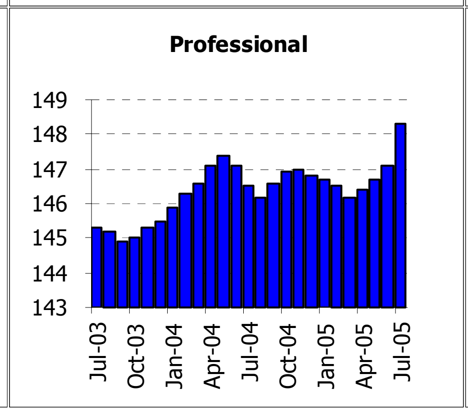


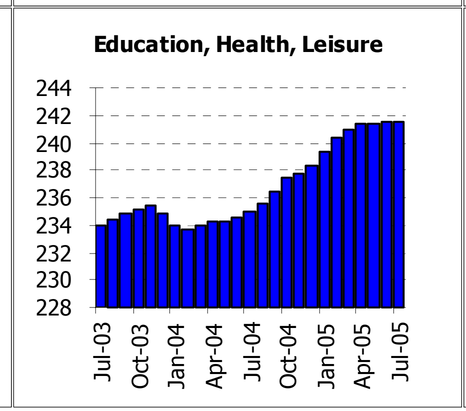


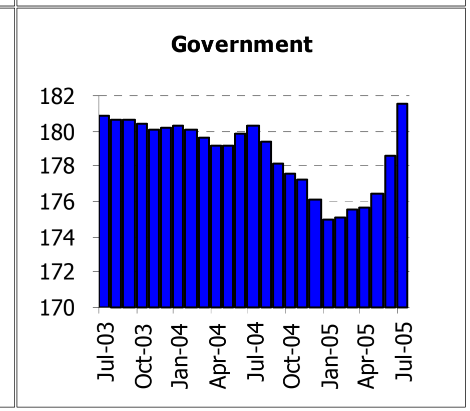












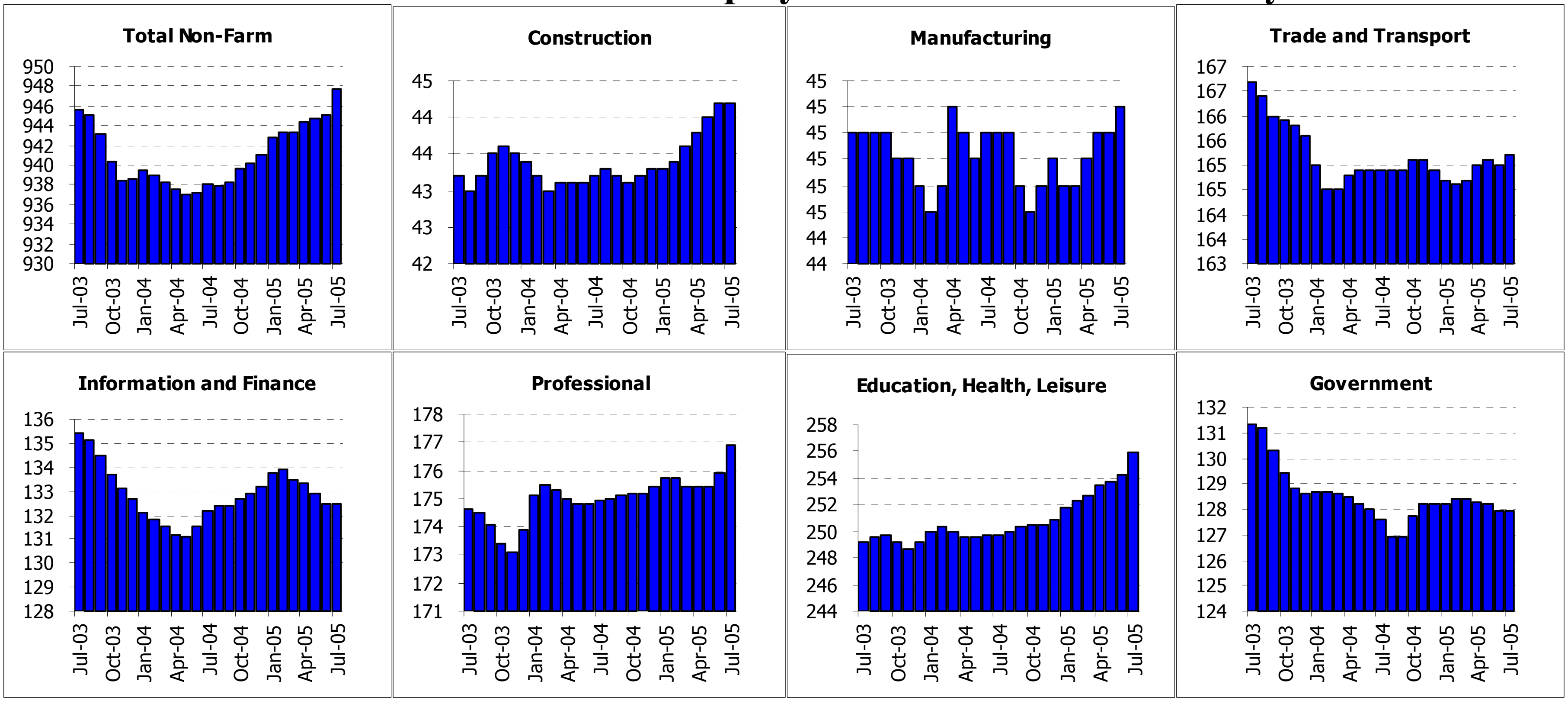
Summary: The East Bay saw a very solid employment gains in July along with a substantial upward revision in the gains from last month. All in all this has put the pace of job growth over the last quarter up to 13,500 new jobs—a blistering 5.4% annualized growth rate. The gains were across the board with the exception of leisure and hospitality. The unemployment rate fell by .2 percentage points as well. This is the best job outcome for the region since prior to the 2001 downturn, and points to a solid rest of the year. Three points of caution. The surge in public employment is largely due to public education. The recent creation of a year-round schedule for instruction in some school districts has had the influence of creating ghost jobs in the summer periods. This will likely reverse itself. Additionally it should be noted that overall last July was similar in that it was a very solid month for job creation, but this was followed by mediocre job creation for the rest of the year. It is not yet clear whether this time we will see the same pattern. Finally the largest private sector for growth remains construction, adding 7,700 job in the past 3 months. The housing sector in the state is seriously distended, and we are expecting a real estate led slowdown in the state's economy at some point over the next two years. Many of these jobs are likely to be temporary. But all in all, a very good report for the East Bay.

East Bay MSA: Employment Tables (thousands)

	Current Level	Monthly Change		Quarterly Change		Year-to-date 2005		Year-to-date 2004	
		Jun-05	May-05						
Payroll Statistics	Jul-05	Jul-05	Jun-05	Abs.	% AR	Abs.	% AR	Abs.	% AR
Total Non-Farm	1041.2	6.6	4.2	13.5	5.4%	17.0	2.9%	3.6	0.6%
Total Private	859.7	3.7	2.2	7.7	3.7%	11.6	2.4%	3.5	0.7%
Construction	74.1	1.3	0.7	2.3	13.4%	3.4	8.4%	2.2	5.7%
Durable Manufacturing	63.1	0.2	-0.1	0.0	0.0%	-0.5	-1.3%	1.4	3.9%
Non-Durable Manufacturing	36.3	0.1	0.1	0.3	3.4%	0.3	1.4%	-0.3	-1.4%
Wholesale Trade	48.2	0.0	0.1	0.2	1.7%	-0.5	-1.8%	-0.4	-1.4%
Retail Trade	110.8	0.3	0.1	0.7	2.6%	1.5	2.4%	0.4	0.6%
Transportation and Utilities	34.7	0.3	0.1	0.6	7.2%	0.7	3.6%	-0.4	-2.0%
Information	30.8	0.3	0.1	0.6	8.2%	0.5	2.8%	-0.7	-3.8%
Financial Activities	70.7	0.4	0.5	1.5	9.0%	2.5	6.4%	0.3	0.8%
Professional Services	70.5	0.4	0.3	1.1	6.5%	0.7	1.7%	0.2	0.5%
Management Companies	21.2	0.1	-0.1	0.0	0.0%	0.2	1.6%	-0.4	-3.1%
Administrative Support	56.6	0.9	0.1	0.8	5.9%	0.6	1.8%	1.2	3.9%
Education and Healthcare	123.1	0.5	0.4	1.0	3.3%	3.4	4.9%	0.5	0.7%
Leisure and Hospitality	81.7	-0.4	-0.2	-0.7	-3.4%	0.0	0.0%	-0.3	-0.6%
Other Services	36.7	-0.1	-0.1	-0.2	-2.2%	-0.2	-0.9%	-0.1	-0.5%
Total Government	181.5	2.9	2.1	5.8	13.9%	5.4	5.3%	0.1	0.1%
Federal Government	17.0	0.1	0.0	0.1	2.4%	0.0	0.0%	-0.7	-6.6%
State and Local Education	90.0	2.9	1.9	5.5	28.7%	6.7	14.2%	2.6	5.4%
Other State and Local	74.5	0.0	0.2	0.4	2.2%	-1.2	-2.7%	-1.9	-4.1%
Household Statistics									
Labor Force	1282.3	4.0	7.7	20.3	6.6%	20.2	2.8%	-3.9	-0.5%
Household Employment	1224.6	6.5	9.2	24.7	8.5%	30.8	4.5%	5.5	0.8%
Unemployment Rate	4.5%	-0.21%	-0.15%	-0.42%		-0.91%		-0.73%	

East Bay is also known as the Oakland MSA. It is made up of Alameda and Contra Costa counties.

San Francisco MSA: Employment Charts and Summary



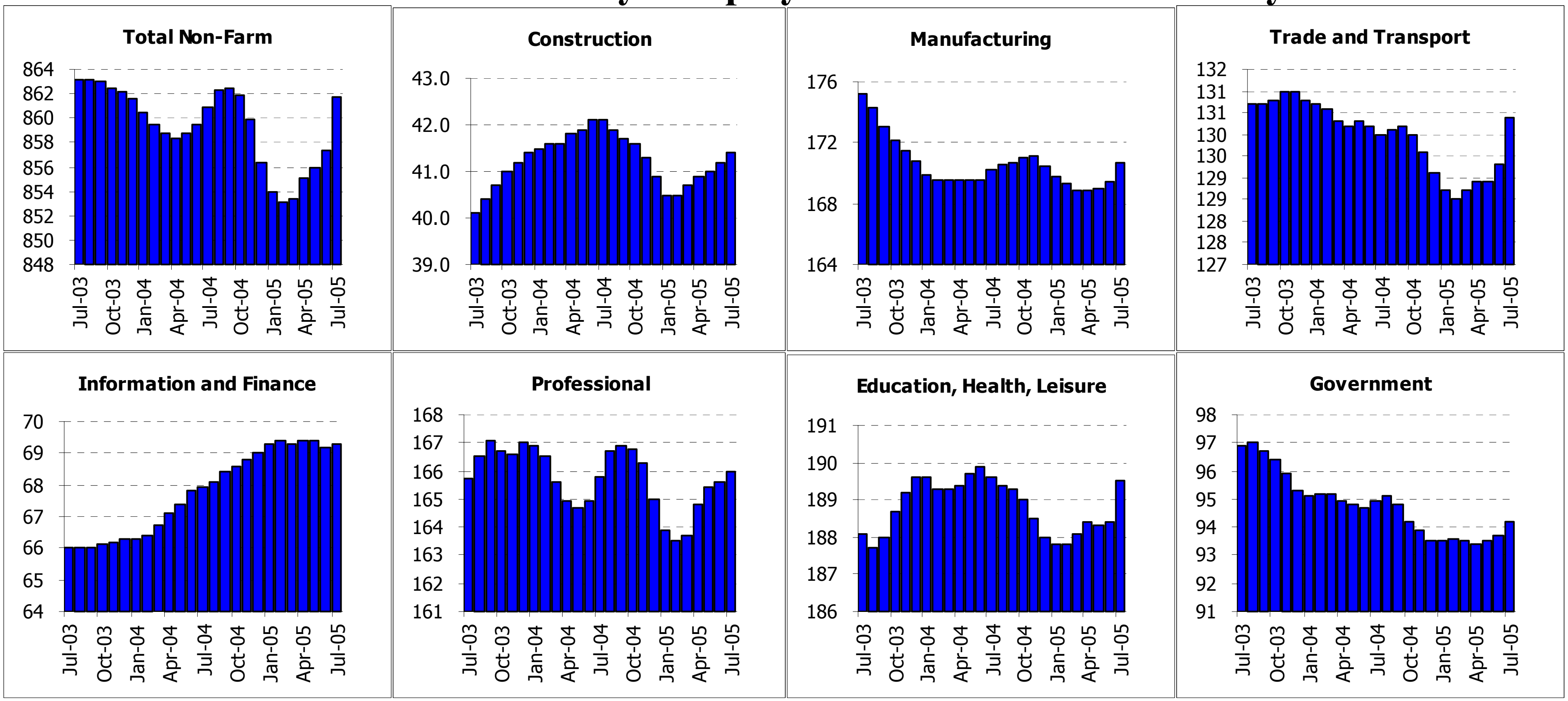
Summary: San Francisco, like the state and many local regions including around the Bay area, saw a very substantial gain in jobs last month. Overall non-farm employment for the MSA grew by 2,600 being the quarterly total up to 3,300 jobs, a 1.4% annualized growth rate. This largely erases what appeared to be a general slowdown in the recovery, and put the region back on track. Trade, finance, professional services and the leisure and hospitality sectors led the way for growth. While the information sector remains weak, manufacturing has stabilized. The unemployment rate remained steady.

San Francisco MSA: Employment Tables (thousands)

	Current	Monthly Change							
	Level	Jun-05	May-05	Quarterly Change		Year-to-date 2005		Year-to-date 2004	
Payroll Statistics	Jul-05	Jul-05	Jun-05	Abs.	% AR	Abs.	% AR	Abs.	% AR
Total Non-Farm	947.7	2.6	0.4	3.3	1.4%	6.7	1.2%	-0.6	-0.1%
Total Private	819.8	2.7	0.7	3.8	1.9%	7.0	1.5%	0.4	0.1%
Construction	44.2	0.0	0.2	0.4	3.7%	0.9	3.6%	-0.3	-1.2%
Durable Manufacturing	22.2	0.0	-0.1	-0.2	-3.5%	-0.2	-1.5%	0.0	0.0%
Non-Durable Manufacturing	22.7	0.1	0.1	0.4	7.4%	0.6	4.7%	0.2	1.6%
Wholesale Trade	26.9	0.1	0.0	0.2	3.0%	0.3	1.9%	-0.2	-1.3%
Retail Trade	93.9	0.3	0.1	0.5	2.2%	0.9	1.7%	0.0	0.0%
Transportation and Utilities	44.4	-0.1	-0.3	-0.4	-3.5%	-0.3	-1.1%	-0.4	-1.5%
Information	42.4	-0.3	-0.4	-1.1	-9.7%	-1.4	-5.4%	-0.6	-2.3%
Financial Activities	90.1	0.3	0.0	0.3	1.3%	0.7	1.3%	0.1	0.2%
Professional Services	99.4	0.3	0.2	0.5	2.0%	0.3	0.5%	1.4	2.5%
Management Companies	21.3	0.1	-0.1	-0.2	-3.7%	-0.2	-1.6%	-1.5	-10.9%
Administrative Support	56.2	0.7	0.4	1.4	10.6%	1.4	4.4%	1.3	4.2%
Education and Healthcare	101.5	0.3	0.1	0.5	2.0%	1.5	2.6%	0.5	0.9%
Leisure and Hospitality	117.3	1.0	0.3	1.4	4.9%	2.8	4.2%	0.5	0.8%
Other Services	37.1	0.3	0.2	0.6	6.7%	0.7	3.3%	-0.5	-2.3%
Total Government	127.9	0.0	-0.3	-0.4	-1.2%	-0.3	-0.4%	-1.0	-1.3%
Federal Government	21.4	0.0	0.0	-0.1	-1.8%	-0.3	-2.4%	-0.2	-1.6%
State and Local Education	47.7	-0.1	-0.3	-0.5	-4.1%	-0.3	-1.1%	-0.9	-3.2%
Other State and Local	58.8	0.2	0.0	0.3	2.1%	0.5	1.5%	0.0	0.0%
Household Statistics									
Labor Force	932.6	3.1	3.6	10.8	4.8%	11.8	2.2%	-2.6	-0.5%
Household Employment	893.0	3.8	4.2	12.3	5.7%	18.0	3.6%	2.9	0.6%
Unemployment Rate	4.2%	-0.09%	-0.08%	-0.21%		-0.73%		-0.58%	

The San Francisco MSA includes Marin, San Francisco and San Mateo counties

Santa Clara County: Employment Charts and Summary



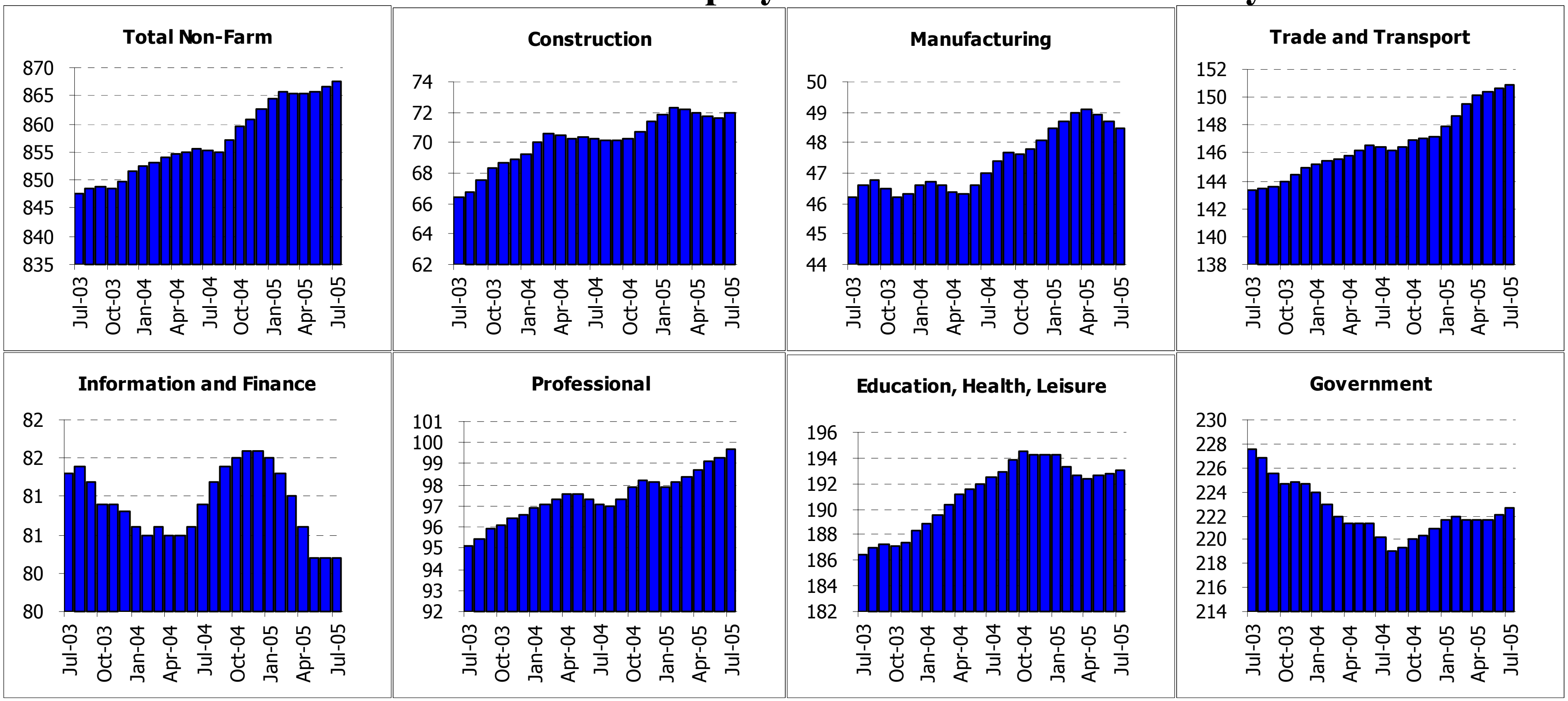
Summary: San Jose’s economy, battered by the tech bust, seems to have finally started to achieve some new growth. After seeing jobs begin to fall again at the end of 04, the recovery that started at the beginning of 05 seems to have finally picked up some steam. The region added 4,300 jobs in July, bringing the quarterly gains up to 6,600, a 3.1% annualized growth rates. Big drivers of the gains include manufacturing, trade, professional services and education and healthcare. While transport and information jobs remain weak, all in all this is a very solid report for the region. Unemployment dropped by a slight amount as well. One note of caution—last year July also saw very large increases in employment across the state that was followed by job gains that were relatively weaker. While it is not clear whether we will see the same pattern this year, it is possible. Still- this report has given the recovery in the area some teeth, finally matching signs elsewhere that a turnaround is in the works.

Santa Clara County: Employment Tables (thousands)

	Current	Monthly Change							
	Level	Jun-05	May-05	Quarterly Change		Year-to-date 2005		Year-to-date 2004	
Payroll Statistics	Jul-05	Jul-05	Jun-05	Abs.	% AR	Abs.	% AR	Abs.	% AR
Total Non-Farm	861.7	4.3	1.4	6.6	3.1%	5.3	1.1%	-0.7	-0.1%
Total Private	767.5	3.9	1.1	5.8	3.1%	4.7	1.1%	-0.3	-0.1%
Construction	41.4	0.2	0.2	0.5	5.0%	0.5	2.1%	0.7	2.9%
Durable Manufacturing	158.6	1.1	0.3	1.5	3.9%	0.6	0.7%	-0.3	-0.3%
Non-Durable Manufacturing	12.1	0.2	0.1	0.4	14.4%	-0.2	-2.8%	-0.4	-5.6%
Wholesale Trade	34.9	0.2	0.1	0.3	3.5%	0.3	1.5%	0.0	0.0%
Retail Trade	82.6	0.9	0.5	1.5	7.6%	1.9	4.1%	-0.3	-0.6%
Transportation and Utilities	12.9	0.0	0.0	-0.2	-6.0%	-0.5	-6.3%	-0.5	-6.1%
Information	34.0	0.1	-0.2	-0.1	-1.2%	0.3	1.5%	1.4	7.7%
Financial Activities	35.3	0.0	0.0	0.0	0.0%	0.0	0.0%	0.2	1.0%
Professional Services	95.5	0.4	0.1	0.5	2.1%	-0.7	-1.2%	-1.8	-3.1%
Management Companies	14.5	-0.2	-0.1	-0.4	-10.3%	-0.7	-7.8%	-0.1	-1.1%
Administrative Support	56.0	0.3	0.2	1.2	9.1%	2.4	7.8%	0.8	2.6%
Education and Healthcare	96.3	0.6	0.2	0.9	3.8%	1.1	2.0%	0.3	0.5%
Leisure and Hospitality	68.3	0.5	-0.1	0.2	1.2%	0.3	0.8%	-0.1	-0.2%
Other Services	24.9	0.0	0.0	0.0	0.0%	0.1	0.7%	-0.2	-1.4%
Total Government	94.2	0.5	0.2	0.8	3.5%	0.7	1.3%	-0.4	-0.7%
Federal Government	9.8	0.0	0.0	0.0	0.0%	-0.3	-5.0%	-0.1	-1.7%
State and Local Education	45.9	0.5	0.1	0.7	6.3%	0.9	3.5%	0.6	2.3%
Other State and Local	38.5	0.1	0.1	0.3	3.2%	0.2	0.9%	-0.9	-3.9%
Household Statistics									
Labor Force	857.5	4.5	3.9	13.1	6.4%	9.3	1.9%	-8.7	-1.7%
Household Employment	812.9	5.0	5.0	15.1	7.8%	15.6	3.4%	1.8	0.4%
Unemployment Rate	5.2%	-0.09%	-0.15%	-0.32%		-0.80%		-1.15%	

The San Jose MSA is Santa Clara and San Benito counties.

Sacramento MSA: Employment Charts and Summary



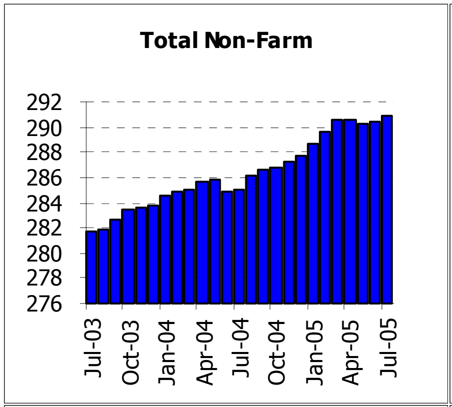
Summary: Sacramento was relatively recession proof up until 2005 when job losses in manufacturing, construction and the information sector began to hurt the economy. July's job report for the economy was somewhat more positive, with the area adding back 1,100 jobs bringing the quarterly total job gain up to 2,200 total, a 1% annualized growth rate. The gains were largely across the board, but professional services and trade continue to lead the way. The unemployment rate remained largely the same.

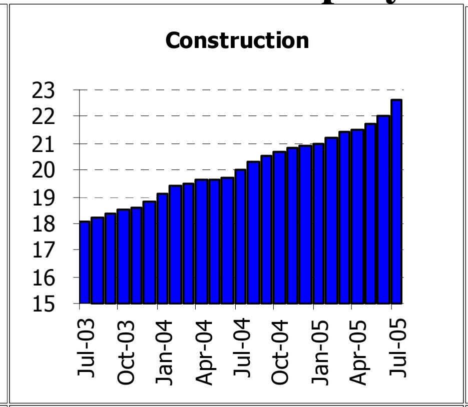
Sacramento MSA: Employment Tables (thousands)

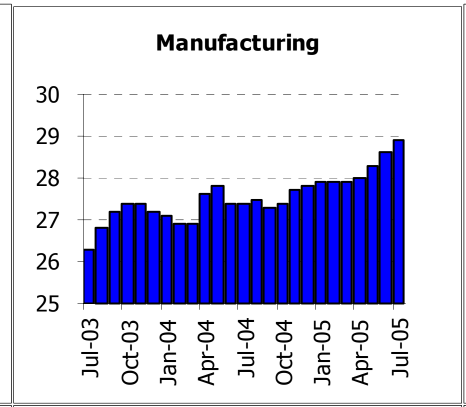
	Current	Monthly Change							
	Level	Jun-05	May-05	Quarterly Change		Year-to-date 2005		Year-to-date 2004	
Payroll Statistics	Jul-05	Jul-05	Jun-05	Abs.	% AR	Abs.	% AR	Abs.	% AR
Total Non-Farm	867.6	1.1	0.8	2.2	1.0%	5.0	1.0%	3.8	0.8%
Total Private	645.0	0.7	0.3	1.2	0.7%	3.4	0.9%	8.3	2.3%
Construction	72.0	0.4	-0.1	0.0	0.0%	0.6	1.4%	1.4	3.5%
Durable Manufacturing	34.0	-0.1	-0.1	-0.4	-4.6%	0.4	2.0%	0.1	0.5%
Non-Durable Manufacturing	14.5	-0.1	0.0	-0.1	-2.7%	0.0	0.0%	0.6	7.7%
Wholesale Trade	26.3	0.1	0.0	0.1	1.5%	0.2	1.3%	-0.1	-0.6%
Retail Trade	100.4	0.2	0.2	0.8	3.3%	3.4	6.1%	1.2	2.2%
Transportation and Utilities	24.2	0.0	0.0	0.0	0.0%	0.5	3.6%	0.5	3.9%
Information	19.6	0.0	-0.1	-0.4	-7.8%	-1.1	-8.9%	-0.8	-6.3%
Financial Activities	60.6	0.0	0.1	0.0	0.0%	-0.3	-0.8%	0.9	2.6%
Professional Services	43.7	0.2	0.2	0.7	6.7%	1.0	4.0%	0.2	0.8%
Management Companies	9.0	0.1	0.1	0.2	9.4%	0.1	1.9%	-0.8	-13.4%
Administrative Support	47.0	0.1	0.0	0.2	1.7%	0.6	2.2%	1.1	4.3%
Education and Healthcare	86.1	0.0	0.1	0.1	0.5%	0.2	0.4%	2.5	5.3%
Leisure and Hospitality	78.4	0.2	0.2	0.7	3.7%	-1.5	-3.2%	1.5	3.3%
Other Services	28.5	0.0	-0.1	-0.2	-2.8%	0.1	0.6%	0.2	1.2%
Total Government	222.6	0.5	0.4	1.0	1.8%	1.7	1.3%	-4.5	-3.4%
Federal Government	12.2	0.1	0.1	0.2	6.8%	0.1	1.4%	-0.5	-6.7%
State and Local Education	91.0	0.1	0.4	0.7	3.1%	1.2	2.3%	-0.2	-0.4%
Other State and Local	119.4	0.3	0.0	0.2	0.7%	0.5	0.7%	-3.8	-5.3%
Household Statistics									
Labor Force	1024.0	2.9	4.1	12.3	5.0%	13.9	2.4%	5.5	0.9%
Household Employment	978.2	3.4	4.8	13.3	5.6%	19.3	3.5%	8.4	1.5%
Unemployment Rate	4.5%	-0.06%	-0.09%	-0.15%		-0.60%		-0.32%	

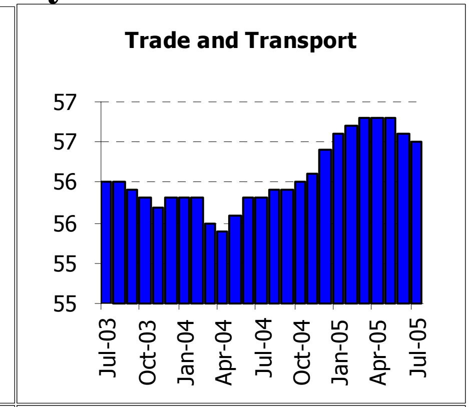
The Sacramento MSA is made up of El Dorado, Placer, Yolo & Sacramento counties

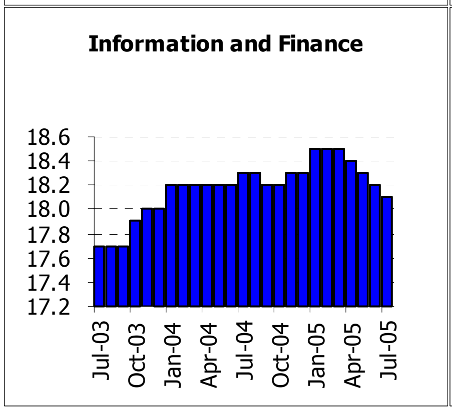
Fresno MSA: Employment Charts and Summary

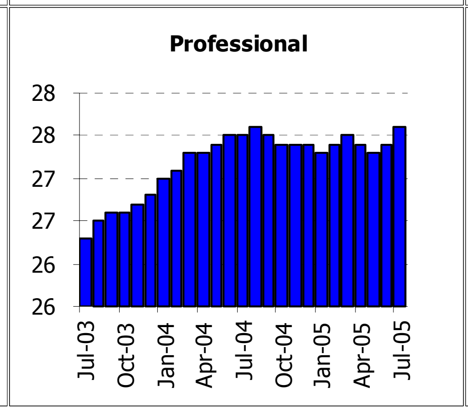


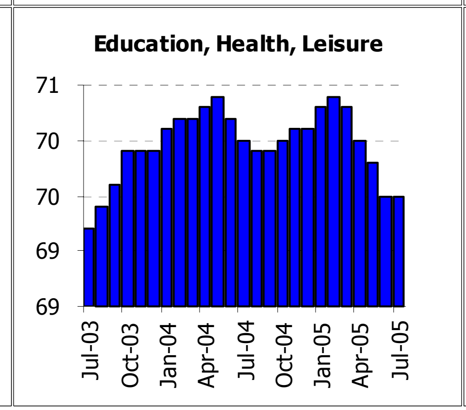


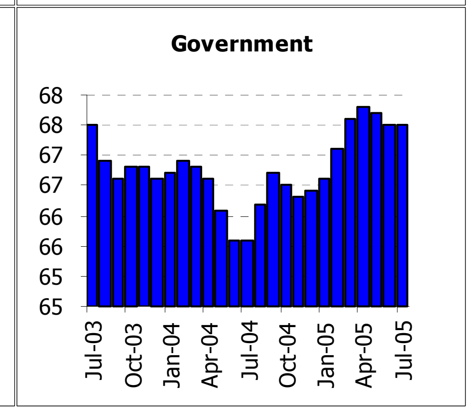












Summary: In contrast with most of the other metro regions in California, Fresno County registered only mild job gains in July, after essentially zero-growth over the Spring. Consonant with the rest of California, Fresno is enjoying strong job growth in construction, and local manufacturing jobs have risen strongly in recent months. However, the region is currently losing jobs in wholesaling, transportation/warehousing, finance, and tourism (leisure/hospitality), and these sectors are holding down aggregate growth in Fresno.

Fresno MSA: Employment Tables (thousands)

	Current	Monthly Change							
	Level	Jun-05	May-05	Quarterly Change		Year-to-date 2005		Year-to-date 2004	
Payroll Statistics	Jul-05	Jul-05	Jun-05	Abs.	% AR	Abs.	% AR	Abs.	% AR
Total Non-Farm	290.9	0.5	0.1	0.3	0.4%	3.1	1.9%	1.2	0.7%
Total Private	223.4	0.6	0.3	0.7	1.3%	2.0	1.6%	2.2	1.7%
Construction	22.6	0.6	0.3	1.1	22.1%	1.7	14.3%	1.2	11.2%
Durable Manufacturing	11.4	0.2	0.1	0.5	19.7%	0.9	15.1%	0.1	1.7%
Non-Durable Manufacturing	17.5	0.1	0.2	0.4	9.7%	0.2	2.0%	0.0	0.0%
Wholesale Trade	12.3	-0.1	0.0	-0.2	-6.2%	-0.2	-2.7%	0.2	2.9%
Retail Trade	34.3	0.1	-0.1	0.1	1.2%	0.4	2.0%	-0.2	-1.0%
Transportation and Utilities	9.9	0.0	-0.1	-0.1	-3.9%	0.1	1.8%	0.0	0.0%
Information	4.5	0.0	0.0	0.0	0.0%	0.1	3.9%	0.1	3.9%
Financial Activities	13.6	-0.1	-0.1	-0.3	-8.4%	-0.3	-3.7%	0.2	2.5%
Professional Services	9.6	0.0	0.1	0.1	4.3%	0.1	1.8%	0.1	1.8%
Management Companies	3.7	0.0	0.0	0.0	0.0%	0.0	0.0%	-0.1	-4.4%
Administrative Support	14.3	0.2	0.1	0.1	2.8%	0.2	2.4%	0.6	7.8%
Education and Healthcare	35.5	0.1	0.0	0.1	1.1%	0.2	1.0%	-0.2	-1.0%
Leisure and Hospitality	23.6	-0.1	-0.2	-0.5	-8.0%	-0.5	-3.5%	0.3	2.2%
Other Services	10.4	0.0	-0.1	-0.1	-3.8%	-0.3	-4.8%	0.0	0.0%
Total Government	67.5	0.0	-0.2	-0.3	-1.8%	1.1	2.9%	-1.0	-2.6%
Federal Government	11.1	0.1	-0.2	-0.3	-10.1%	1.0	17.6%	-1.0	-14.8%
State and Local Education	32.9	-0.1	-0.1	-0.1	-1.2%	-0.2	-1.0%	0.0	0.0%
Other State and Local	23.5	0.1	0.0	0.1	1.7%	0.4	3.0%	0.1	0.8%
Household Statistics									
Labor Force	415.2	4.2	2.8	8.1	8.2%	7.7	3.3%	-0.2	-0.1%
Household Employment	377.6	3.0	2.3	5.9	6.5%	8.8	4.1%	1.1	0.5%
Unemployment Rate	9.1%	0.20%	0.06%	0.36%		-0.44%		-0.31%	

The Fresno MSA is made up of Fresno County only now.