

Tennessee

Business and Economic
Outlook

FALL, 2002



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Tami Richards

Chandler Wilson

For further information, contact CBER at
1000 Volunteer Blvd.
Suite 100 Glocker Bldg.
Knoxville, TN 37996-4170;
telephone (865) 974-5441; fax (865) 974-3100.

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Tennessee

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FALL, 2002

U.S. FORECAST

Current Economic Conditions

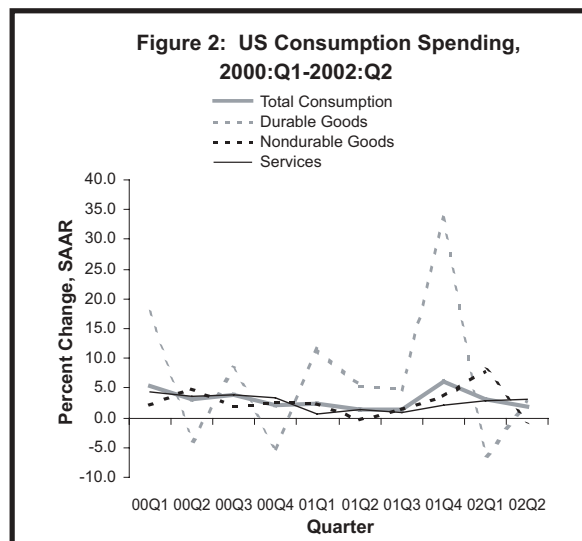
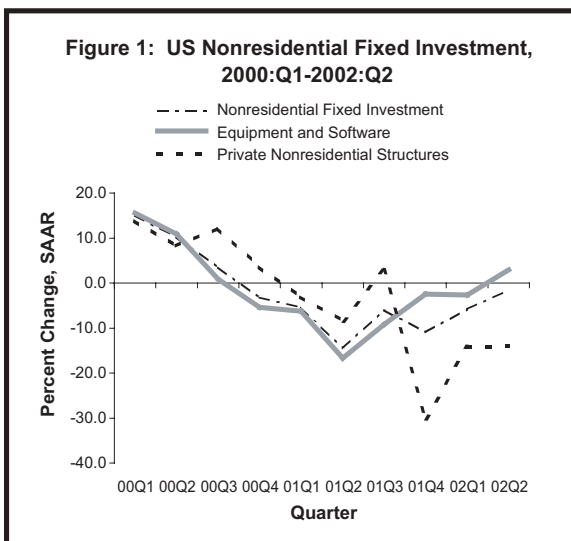
So where is the recovery? Back in the early spring, most observers of the national economy were anticipating that an economic turnaround would take place sometime in the summer of 2002. The expected recovery and rebound in economic activity simply did not materialize. US gross domestic product did surge in 2002:Q1, but growth then returned to a more subdued pace in the second quarter. The US economy continues to shed jobs, especially in manufacturing, consumer confidence is falling, the global economic outlook remains fragile, domestic equity markets continue to struggle, and the risk of international conflict has increased. What happens when you put all the pieces together? You have a weak foundation for economic growth. Accordingly, the short-term outlook for the national economy remains guarded. Economic growth is expected to accelerate slowly in the upcoming quarters, picking up speed by the middle of 2003. In short, analysts have simply delayed the starting point of sincere post-recession expansion, a starting point initially pegged for the summer of 2002.

The expected catalyst for economic expansion was a turnaround in otherwise lethargic business investment. But given the crisis of confidence created by recent accounting scandals and the ability of firms to meet consumer demand, the business sector has not made significant new investments in productive capacity. Nonresidential fixed investment slowed significantly in 2000:Q3 and has contracted since then, as shown in Figure 1. The contraction has generally been broad based, reflecting weaknesses in all major components of nonresidential fixed investment. By 2001:Q2, all components of investment—including structures—were in the red. Declines of 39.5 percent, 20.3 percent and 8.0 percent were witnessed in communications equipment, computers and software. By 2002:Q2, the decline in investment spending had been reduced to 1.6 percent while computer, software and communications equipment investments had returned to the black.

Consumer spending helped avert a deeper recession and sustained spending has helped buoy the economy through the last several quarters. Instrumental has been consumers' eagerness to invest in new housing and new automobiles, benefiting from historically-low mortgage interest rates and favorable financing offers from automobile dealers. Moreover, despite sluggish labor markets, personal income has continued to fare reasonably well, having grown 3.3 percent in 2001, with expectations calling for similar growth in 2002. Total consumption spending clearly slowed due to the recent recession but has remained positive since 2000:Q1, as shown in Figure 2. A sharp surge in automobile sales in 2001:Q4 helped produce a spike in consumer durable goods spending. Housing starts, including mobile home shipments, have been strong, hovering in the range of 1.7 to 2.0 million units. However, consumer confidence slipped for the third consecutive month in September raising concerns about the future health of the housing and automobile markets, as well as other areas of consumer spending. The economy cannot afford to have consumers retrench at this point in the business cycle.

US inflation-adjusted gross domestic product grew only 0.3 percent in 2001, although growth moved positive in 2001:Q4. The 5.0 percent (seasonally adjusted annual rate, or SAAR) jump in 2002:Q1, while viewed somewhat as an aberration at the time, nonetheless offered false hope about a quick economic recovery. Growth cooled off to 1.1 percent (SAAR) in the second quarter of the year. With the investment and international sectors sapping the economy's strength, there was little else that could happen to national output.

Despite the strength of consumer spending, job growth has struggled especially in manufacturing. Establishment employment was up only 0.2 percent in 2001 and is projected to contract 0.8 percent in 2002. The nation's manufacturing sector saw jobs shrivel at a 4.2 percent pace in 2001 with estimates of a 5.0 percent setback being put forth for 2002. The durable goods sector has experienced sharper contraction than the nondurable goods sector, despite strong consumer spending on durable goods. Accompanying weak employment growth has been a rising



unemployment rate. Averaging only 4.0 percent in 2000, the unemployment rate increased to 4.8 percent in 2001. During the second quarter of the current year, the unemployment rate averaged 5.9 percent. Some relief was offered in August when the nation's rate fell back to 5.7 percent. Unfortunately, the decline in the unemployment rate was not accompanied by resurgence in employment growth.

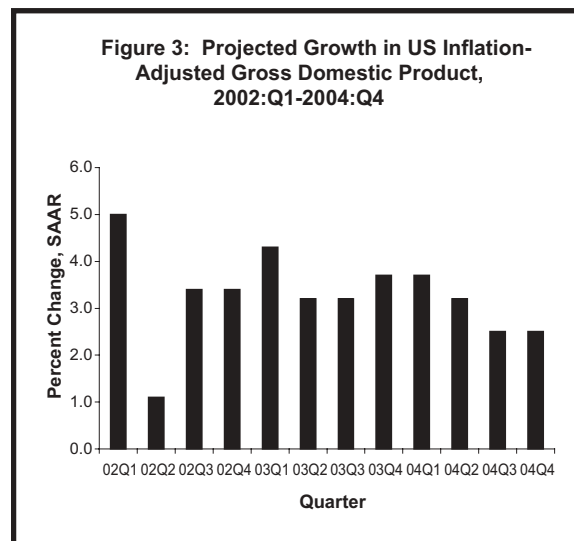
With the Federal Funds rate resting at 1.75 percent, the Federal Reserve chose not to take action at its September meeting. It is not clear whether lower interest rates could offer much benefit to the national economy in the current environment. Some consumer interest rates are already at historical lows so a significant boost in spending would not likely follow from further rate cuts. Businesses will not likely respond to interest rate cuts absent an improved outlook for sales.

US Forecast Summary

US inflation-adjusted gross domestic product growth is projected to improve from its weak second quarter showing of 1.1 percent (SAAR), as shown in Figure 3, yielding growth for 2002 of 2.5 percent. This represents substantial improvement over the 0.3 percent pace of growth recorded for 2001. Growth is expected to further improve to 3.4 percent in 2003. Stronger economy-wide growth should benefit from the much-anticipated resurgence in investment spending. Nonresidential fixed investment is projected to jump 6.5 percent in 2003 on the heels of a 5.3 percent setback in 2002. Computer and software investments are projected at 16.7 percent and 13.1 percent in 2003. Residential investment is projected to slip 1.2 percent in 2003 as housing starts move to 96 percent of the level in 2002.

Consumer spending is anticipated to grow 2.9 percent in 2003, slightly lower than the 3.1 percent rate of growth in 2002. Growth in both durable goods and nondurable goods spending will slow, while expenditures on services will accelerate. Light vehicle sales are projected to total 17.3 million units for the year. The current account trade deficit should widen in each quarter through the end of 2004, dampening overall growth prospects for the economy.

The nation's labor markets will show slow but steady improvement over the short-run forecast horizon. The unemployment rate is expected to fall from 6.0 percent in 2002:Q3 to 5.1 percent by the final quarter of 2004. The number of jobs (i.e., payroll employment) will move back into the black by 2002:Q3 (0.3 percent) but tally a 0.8 percent loss for the year as a whole. Job growth is projected at 1.5 percent and 2.1 percent in 2003 and 2004. Manufacturing is expected to see positive job growth by 2002:Q4, with annual growth of 0.4 percent projected in 2003 as both the durable goods and nondurable goods sectors expand.



US Forecast at a Glance

The thirty-year mortgage rate will slip further as the year progresses, averaging 6.6 percent for 2003, then rise to 6.8 percent and 8.0 percent in 2003 and 2004. The prime interest rate will average 4.8 percent in 2003 and 5.1 percent in 2004. Inflation, as measured by the implicit deflator for gross domestic product, will close out 2002 with 1.3 percent growth, accelerating to 2.7 percent growth in 2003. The consumer price index (urban consumers) will be up 1.8 percent in 2002 and 3.1 percent in 2003.

- The US economy has not been able to turn the corner from the last recession, and economic conditions remain mixed. While there are some signs of strength, including strong consumer spending, there remain important weaknesses such as national labor markets and business fixed investment. Expect improvement and broader-based growth as the economy moves into 2003.

- Inflation-adjusted gross domestic product will advance 3.4 percent in each of the last two quarters of the year and will grow 3.4 percent in 2003. Nominal personal income will grow 3.3 percent in 2002 and improve further to 4.9 percent growth in 2003.

- Nonresidential fixed investment will become positive in 2002:Q3 and reach double-digit growth by 2003:Q3. Annual growth for 2003 is projected at 6.5 percent.

- Inflation will remain low but accelerate slightly as the forecast horizon unfolds. Expect the implicit price deflator for gross domestic product to rise 1.3 percent in 2002 and 2.7 percent in 2003.

- The prime interest rate will average 4.8 percent and 5.1 percent in 2002 and 2003.

TENNESSEE FORECAST

Current Economic Conditions

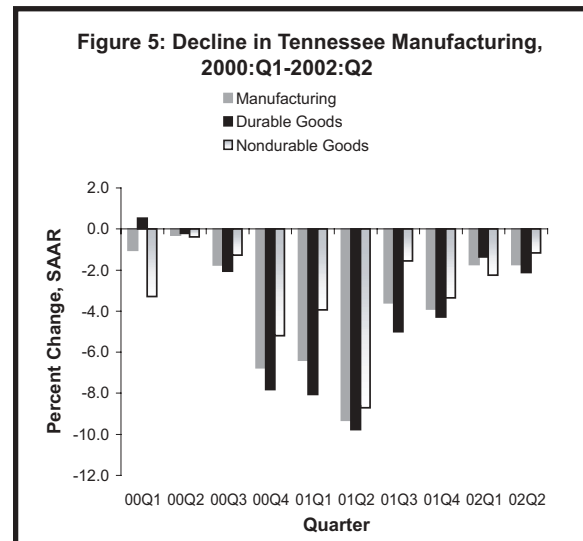
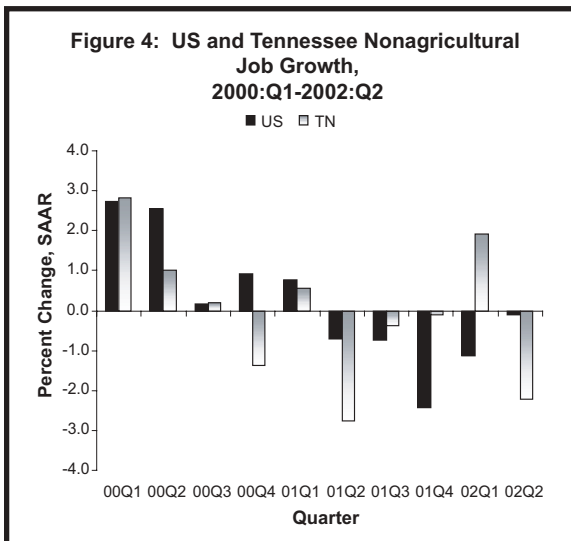
Like its national counterpart, the Tennessee economy has failed to experience an economic rebound on the heels of the last recession. Economic conditions remain uneven with some signs of strength and other signs of sustained weakness. A more consistent pattern of economic expansion for the state economy is not expected until 2003.

The Tennessee economy experienced a 0.6 percent setback in nonagricultural jobs in 2001, while the national economy was able to eke out job growth totaling 0.2 percent. Quarterly data illustrate the declining job trend for the state and nation, as shown in Figure 4. On a

seasonally adjusted basis, jobs advanced 1.9 percent in the first quarter and fell 2.2 percent in the second quarter. Tennessee's year-over-year job losses for the first two quarters of 2002 totaled 0.4 percent and 0.2 percent.

Job losses in Tennessee have been particularly pronounced in the state's manufacturing sector, as shown in Figure 5. In fact, the manufacturing sector has shed jobs going back to 1999. Between 1999 and the close of 2002:Q2, the state lost nearly 45,000 jobs in manufacturing. (Over the same time period, nearly 48,000 jobs were created in the service sector.) In 2001, job losses totaled 5.6 percent, with a 6.5 percent contraction in durable goods manufacturing and a 4.2 percent setback in nondurable goods manufacturing. The first two quarters of 2002 offer little comfort as only slight improvement was realized on a year-over-year basis.

A sector-by-sector analysis illustrates the breadth of the problem in manufacturing. In durable goods manufacturing, the only sector to expand in 2001 was instruments, which accounts for a small share of overall jobs.



Double-digit losses were recorded for furniture and fixtures and electrical machinery. In nondurable goods manufacturing, the only sectors to enjoy job growth in 2001 were food, paper and petroleum refining. Double-digit setbacks were experienced in textiles, apparel and leather.

The service sector has generally produced the strongest rate of job growth in recent quarters. While the overall number of jobs fell 0.6 percent in 2001, the service sector engineered job growth of 1.7 percent. Service sector job growth was up 7.1 percent and down 1.6 percent (SAARs) in the first two quarters of the year; year-over-year job growth was 2.4 percent and 2.3 percent. Finance, insurance and real estate (FIRE) and transportation, communications and public utilities (TCPU) also experienced positive job growth in 2001. The TCPU sector endured significant setbacks in the first two quarters of 2002.

The state unemployment rate remained below 5.0 percent through 2001:Q4, then spiked to 5.5 percent in the first quarter of 2002 before falling back to 5.1 percent in 2002:Q2. US unemployment rates have been higher than prevailing rates in Tennessee going back to 2001:Q1. The average for Tennessee in 2001 was 4.5 percent versus 4.8 percent for the nation.

Tennessee nominal personal income grew 6.1 percent in 2000 and then advanced only 3.2 percent in 2001. (US personal income grew 3.3 percent in 2001.) Note that personal income advanced despite a 0.6 percent loss in jobs in 2001. A noticeable jump of 8.7 percent occurred in 2002:Q1 that should benefit calendar year personal income growth. Unfortunately per capita personal income

growth in Tennessee has trailed the nation, translating into a wider disparity in the levels of personal income. Tennessee per capita income was up 5.0 percent and 2.4 percent in 2000 and 2001 as opposed to 7.1 percent and 2.5 percent for the US. At the close of 2002:Q2, per capita income in Tennessee was only 84.3 percent of the national average, down from 86.4 percent in 1999.

Nominal taxable sales have been hit hard by slower economic growth. Following growth of only 3.2 percent in 2000, sales slipped 0.2 percent in 2001. Year-over-year growth in taxable sales totaled only 0.8 percent in the first two quarters of 2002. Taxable sales were up only 0.4 percent for fiscal year 2001/02. Automobile dealers, eating and drinking establishments and other retail and services have fared better than most other sectors of the economy.

Tennessee Forecast Summary

Expect economic conditions to remain mixed for the remainder of the year. Growth will slowly become more balanced and broad-based as the national economy picks up steam in 2003. Tennessee's economic outlook, like that of the nation, hinges on stronger growth in business fixed investment.

State labor markets are expected to struggle for the remainder of the year. A 0.6 percent loss in nonagricultural jobs in the third quarter coupled with a 0.7 percent gain in the fourth quarter (SAARs) will produce a calendar year job loss of 0.2 percent. Job losses in Tennessee will not be as pronounced as the 0.8 percent loss in jobs expected for the national economy in 2002. Job growth in Tennessee will total 1.0 percent in 2003 but will lag the nation's 1.5 percent pace of job

creation. Year-over-year job growth estimates are presented in Figure 6 for broad sectors of the state economy.

The state's manufacturing sector will struggle throughout the short-term forecast horizon. With 4.0 percent and 0.8 percent (SAAR) setbacks in the third and fourth quarters, job losses for the year will total 3.1 percent. Durable goods manufacturing will generally outperform nondurable goods manufacturing in the quarters ahead. For 2003, jobs in durable goods manufacturing will advance 0.5 percent while jobs in nondurable goods will fall by 2.6 percent. On net, jobs in manufacturing will fall 0.8 percent in 2003. Jobs in the nation's manufacturing sector will rise 0.4 percent in 2003.

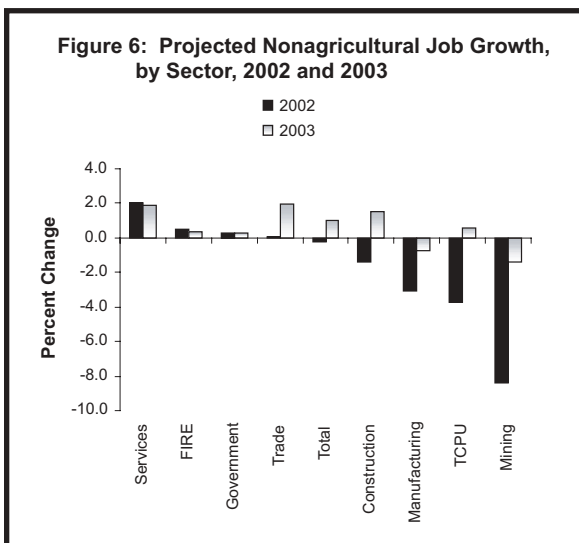
The service sector will continue to fare better than other sectors of the state economy, racking up 2.0 percent growth in 2002 and 1.9 percent growth in 2003. Jobs in the trade sector will be up only 0.1 percent in 2002, improving to 1.9 percent in 2003. At the close of 2003, services will account for 29 percent of all nonagricultural jobs in the state versus

16.7 percent for manufacturing and nearly 24 percent for trade. Construction is expected to benefit from the rising economic tide in 2003 yielding calendar year growth of 1.5 percent.

Weak employment growth will sustain unemployment rates in the 4.7 to 4.8 percent range through the short-term. The state unemployment rate is expected to fall to 4.8 percent in the third quarter and to 4.7 percent in the fourth quarter, appreciably lower than its national counterpart. In 2003, the state unemployment rate will average 4.8 percent versus 5.9 percent for the nation. Labor force growth and growth in the number of employed people will slow in 2003.

Tennessee nominal personal income growth will total 2.6 percent in 2002, down slightly from the 3.2 percent rate of growth recorded in 2001. Improvements in job growth will contribute to stronger personal income growth of 4.4 percent in 2003. Income growth in Tennessee will trail growth for the US in both 2002 and 2003. Nominal per capita personal income growth in Tennessee will be 1.6 percent and 3.2 percent in 2002 and 2003. The US will again enjoy stronger rates of growth in both years. Tennessee per capita income will be 83.3 percent of the national average in 2003.

Taxable sales will slowly show improvement as the economy builds momentum. Year-over-year nominal sales growth is projected at 1.6 percent and 3.3 percent in 2002:Q3 and 2002:Q4, producing growth of only 1.6 percent for the year. Sales growth for the 2002/03 fiscal year is expected to be 2.8 percent. Especially strong growth will take place in automobile dealer sales and in transportation and communications in both



Tennessee Forecast at a Glance

2002 and 2003. Weakness in manufacturing activity will depress purchases from manufacturers, miscellaneous durable goods and miscellaneous nondurable goods for 2002 with substantial improvement expected in 2003. Other retail and services will experience growth of 2.0 percent in 2002 and 3.4 percent in 2003.

- Broad-based economic expansion is not expected until 2003. Expect mixed economic signals through the remainder of 2002.

- Tennessee nonagricultural jobs will fall 0.2 percent in 2002 and grow at a 1.0 percent pace in 2003. US job growth will total 1.5 percent in 2003.

- The state's manufacturing sector will continue to struggle in the quarters ahead. Jobs will decline at a 3.1 percent rate in 2002 and fall 0.8 percent in 2003.

- The state unemployment rate will fall to 4.8 percent in 2002:Q3 and 4.7 percent in 2002:Q4. The unemployment rate in Tennessee will average 4.8 percent in 2003 compared with 5.9 percent for the nation.

- Nominal Tennessee personal income has fared well considering the performance of state labor markets. Expect nominal personal income to expand 2.6 percent in 2002 and 4.4 percent in 2003. Personal income growth for the 2002/03 fiscal year is forecast at 3.3 percent.

- Taxable sales growth will total only 1.6 percent in 2002, improving to 4.1 percent growth in 2003. Sales growth for the 2002/03 fiscal year will be 2.8 percent.



Forecast Data

2002:03 to 2004:03
Quarterly Tennessee Econometric Model
(Baseline Forecast as of September 2002)

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*Key: SA=Seasonally Adjusted; NSA=Not Seasonally Adjusted; SAAR=Seasonally Adjusted Annual Rate

TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TABLE 1: SELECTED U.S. AND TENNESSEE ECONOMIC INDICATORS
 SEASONALLY ADJUSTED

HISTORY	FORECAST - DATA												ANNUAL		
	200201	200202	200203	200204	200301	200302	200303	200304	200401	200402	200403	2001	2002	2003	
US GDP (BIL96\$) SAAR.....	9363.2	9387.9	9466.8	9546.4	9647.1	9721.9	9799.3	9888.5	9979.2	10057.3	10119.8	9214.5	9441.1	9764.2	
% CHG PREV QTR SAAR.....	5.04	1.06	3.40	3.41	4.28	3.14	3.22	3.69	3.72	3.17	2.51	0.25	2.46	3.42	
% CHG SAME QTR LAST YR.....	1.44	2.12	3.05	3.22	3.03	3.56	3.51	3.58	3.44	3.45	3.27	0.25	2.46	3.42	
US GDP (BIL\$) SAAR.....	10313.1	10369.9	10516.8	10676.5	10881.9	11037.8	11201.0	11376.9	11553.8	11710.8	11851.5	10082.2	10469.1	11124.4	
% CHG PREV QTR SAAR.....	6.46	2.22	5.79	6.21	7.92	5.86	6.04	6.43	6.36	5.55	4.89	2.62	3.84	6.26	
% CHG SAME QTR LAST YR.....	2.84	3.18	4.15	5.16	5.51	6.44	6.51	6.56	6.17	6.10	5.81	2.62	3.84	6.26	
IMPLICIT DEFILATOR, GDP.....	110.1	110.5	111.1	111.8	112.8	113.5	114.3	115.1	115.8	116.4	117.1	109.4	110.9	113.9	
% CHG PREV QTR SAAR.....	1.32	1.17	2.30	2.73	3.48	2.65	2.70	2.65	2.56	2.30	2.32	2.37	1.34	2.74	
% CHG SAME QTR LAST YR.....	1.37	1.04	1.06	1.88	2.42	2.79	2.89	2.87	2.64	2.55	2.46	2.37	1.34	2.74	
US PERS CONS DEFL (1996=100)...	110.1	110.8	111.4	112.2	113.1	113.8	114.6	115.4	116.1	116.8	117.5	109.6	111.2	114.2	
% CHG PREV QTR SAAR.....	1.10	2.57	2.22	2.65	3.21	2.64	2.77	2.79	2.41	2.43	2.45	2.02	1.45	2.75	
% CHG SAME QTR LAST YR.....	0.91	1.09	1.67	2.13	2.66	2.68	2.82	2.85	2.65	2.60	2.52	2.02	1.45	2.75	
TN PERSONAL INCOME (MIL96\$) SAAR...	141300	141119	141567	139898	141975	143658	143977	143037	145410	146603	147598	139362	140971	143162	
% CHG PREV QTR SAAR.....	7.50	-0.51	1.28	-4.63	6.07	4.83	0.89	-2.59	6.80	3.32	2.74	1.17	1.15	1.55	
% CHG SAME QTR LAST YR.....	1.41	1.40	1.00	0.81	0.48	1.80	1.70	2.24	2.42	2.05	2.52	1.17	1.15	1.55	
US PERSONAL INCOME (BIL96\$) SAAR...	7999.3	8049.0	8108.9	8143.1	8188.9	8229.8	8269.0	8306.5	8382.9	8440.5	8493.3	7927.3	8075.1	8248.6	
% CHG PREV QTR SAAR.....	3.99	2.51	3.01	1.69	2.27	2.02	1.92	1.82	1.73	2.78	2.53	1.27	1.86	2.15	
% CHG SAME QTR LAST YR.....	0.84	1.71	2.10	2.80	2.37	2.25	1.97	2.01	2.37	2.56	2.71	1.27	1.86	2.15	
TN PERSONAL INCOME (MIL\$) SAAR...	155628	156417	157777	156937	160531	163497	164983	165036	168777	171188	173399	152689	156690	163512	
% CHG PREV QTR SAAR.....	8.68	2.04	3.52	-2.11	9.48	7.60	3.69	0.13	9.38	5.84	5.27	3.21	2.62	4.35	
% CHG SAME QTR LAST YR.....	2.33	2.51	2.68	2.96	3.15	4.53	4.57	5.16	5.14	4.70	5.10	3.21	2.62	4.35	
US PERSONAL INCOME (BIL\$) SAAR...	8810.4	8921.5	9037.4	9134.9	9259.2	9366.4	9475.5	9584.0	9730.1	9856.0	9977.9	8685.3	8976.0	9421.3	
% CHG PREV QTR SAAR.....	5.13	5.14	5.30	4.39	5.55	4.71	4.74	4.66	6.24	5.28	5.04	3.32	3.35	4.96	
% CHG SAME QTR LAST YR.....	1.76	2.83	3.80	4.99	5.09	4.99	4.85	4.92	5.09	5.23	5.30	3.32	3.35	4.96	
TN NONAGRIC JOBS (THOUS).....	2718.8	2703.7	2699.4	2704.1	2724.5	2721.4	2731.4	2758.0	2769.7	2777.5	2781.2	2712.5	2706.5	2733.8	
% CHG PREV QTR SAAR.....	1.93	-2.21	-0.62	0.69	3.05	-0.45	1.48	3.95	1.71	1.13	0.54	-0.61	-0.22	1.01	
% CHG SAME QTR LAST YR.....	-0.35	-0.21	-0.27	-0.06	0.21	0.66	1.18	1.99	1.66	2.06	1.82	-0.61	-0.22	1.01	
US NONAGRIC JOBS (MIL).....	130.8	130.7	130.8	131.1	131.7	132.3	133.1	133.9	134.6	135.2	135.9	131.9	130.8	132.7	
% CHG PREV QTR SAAR.....	-1.12	-0.12	0.31	0.71	2.06	1.90	2.19	2.43	2.08	1.95	1.94	0.16	-0.82	1.46	
% CHG SAME QTR LAST YR.....	-1.26	-1.11	-0.85	-0.06	0.73	1.24	1.71	2.14	2.15	2.16	2.10	0.16	-0.82	1.46	
TN UNEMPLOYMENT RATE (%).....	5.5	5.1	4.8	4.7	4.8	4.8	4.8	4.8	4.7	4.7	4.7	4.5	5.0	4.8	
US UNEMPLOYMENT RATE (%).....	5.6	5.9	6.0	6.1	6.1	6.0	5.9	5.7	5.6	5.4	5.2	4.8	5.9	5.9	
BANK PRIME INTEREST RATE (%).....	4.8	4.8	4.8	4.8	4.8	4.8	4.8	5.1	5.7	6.0	6.6	7.0	6.9	4.8	
TN MFG JOBS (THOUS).....	468.0	466.0	461.2	460.3	460.3	462.0	459.1	460.0	459.4	462.1	460.8	478.7	463.9	460.4	
% CHG PREV QTR SAAR.....	-1.72	-1.73	-4.04	-2.77	0.00	1.46	-2.47	0.79	-0.54	2.36	-1.11	-5.57	-3.10	-0.76	
% CHG SAME QTR LAST YR.....	-4.68	-2.74	-2.85	-2.07	-1.65	-0.86	-0.46	-0.07	-0.20	0.02	0.37	-5.57	-3.10	-0.76	

(CONTINUED ON NEXT PAGE)

TABLE 1: TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 SELECTED U.S. AND TENNESSEE ECONOMIC INDICATORS (CONT.)
 SEASONALLY ADJUSTED

HISTORY	FORECAST - DATA												ANNUAL		
	200201	200202	200203	200204	200301	200302	200303	200304	200401	200402	200403	2001	2002	2003	
TN TAXABLE SALES (MIL96\$).....	17045	17015	16674	17410	17078	17151	17032	17774	17383	17295	17507	68039	68144	69036	
% CHG PREV QTR SAAR.....	-3.94	-0.72	-7.77	18.86	-7.40	1.71	-2.75	18.60	-8.51	-2.01	5.00	-2.14	0.15	1.31	
% CHG SAME QTR LAST YR.....	-0.13	-0.33	-0.06	1.12	0.19	0.80	2.15	2.09	1.78	0.84	2.79	-2.14	0.15	1.31	
TN TAXABLE SALES (MIL\$).....	18774	18859	18583	19530	19311	19520	19517	20508	20177	20195	20567	74546	75746	78855	
% CHG PREV QTR SAAR.....	-2.88	1.83	-5.72	22.00	-4.43	4.40	-0.05	21.90	-6.31	0.38	7.57	-0.16	1.61	4.10	
% CHG SAME QTR LAST YR.....	0.78	0.77	1.60	3.27	2.86	3.50	5.03	5.00	4.48	3.46	5.38	-0.16	1.61	4.10	
TN AVG ANNUAL WAGE, NONAG (96\$) ..	28866	28973	29064	28642	28775	29436	29194	28748	29183	29431	29454	28928	28886	29038	
% CHG PREV QTR SAAR.....	2.87	1.50	1.25	-5.68	1.87	9.52	-3.25	-5.97	6.19	3.43	0.32	0.32	-0.15	0.53	
% CHG SAME QTR LAST YR.....	-0.14	0.00	-0.37	-0.07	-0.31	1.60	0.45	0.37	1.42	-0.02	0.89	0.32	-0.15	0.53	
TN AVG ANNUAL WAGE, NONAG (\$).....	31793	32114	32391	32131	32536	33502	33453	33170	33873	34366	34603	31694	32107	33165	
% CHG PREV QTR SAAR.....	4.00	4.11	3.50	-3.18	5.14	12.41	-0.58	-3.35	8.75	5.95	2.79	2.35	1.30	3.30	
% CHG SAME QTR LAST YR.....	0.77	1.10	1.29	2.06	2.34	4.32	3.28	3.23	4.11	2.58	3.44	2.35	1.30	3.30	

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TABLE 2: TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 SELECTED PER CAPITA U.S. AND TENNESSEE ECONOMIC INDICATORS
 SEASONALLY ADJUSTED

	FORECAST - DATA												ANNUAL		
	HISTORY	200201	200202	200203	200204	200301	200302	200303	200304	200401	200402	200403	2001	2002	2003
US GDP (96\$) SAAR.....	33654	33675	33891	34104	34392	34591	34800	35041	35292	35497	35648	33290	33831	34706	
% CHG PREV QTR SAAR.....	4.19	0.25	2.59	2.54	3.42	2.33	2.43	2.80	2.90	2.34	1.72	-0.57	1.63	2.59	
% CHG SAME QTR LAST YR.....	0.62	1.29	2.22	2.38	2.19	2.72	2.68	2.75	2.62	2.62	2.44	-0.57	1.63	2.59	
US GDP (\$), SAAR.....	37068	37197	37650	38141	38795	39274	39778	40315	40861	41333	41748	36424	37514	39540	
% CHG PREV QTR SAAR.....	5.59	1.40	4.96	5.32	7.03	5.03	5.23	5.51	5.52	4.70	4.08	1.78	2.99	5.40	
% CHG SAME QTR LAST YR.....	2.00	2.35	3.31	4.30	4.66	5.58	5.65	5.70	5.33	5.24	4.95	1.78	2.99	5.40	
TN PERSONAL INCOME (96\$) SAAR.....	24482	24362	24370	24050	24332	24530	24511	24315	24637	24744	24915	24271	24316	24422	
% CHG PREV QTR SAAR.....	6.59	-1.96	0.14	-5.15	4.76	3.30	-0.31	-3.15	5.40	1.74	2.81	0.41	0.19	0.43	
% CHG SAME QTR LAST YR.....	0.60	0.40	-0.07	-0.18	-0.62	0.69	0.58	1.10	1.25	0.87	1.65	0.41	0.19	0.43	
TN PERSONAL INCOME (\$) SAAR.....	26965	27003	27161	26980	27512	27918	28087	28055	28596	28893	29271	26592	27027	27893	
% CHG PREV QTR SAAR.....	7.76	0.56	2.36	-2.64	8.13	6.03	2.45	-0.45	7.94	4.22	5.33	2.43	1.64	3.20	
% CHG SAME QTR LAST YR.....	1.52	1.50	1.60	1.94	2.03	3.39	3.41	3.99	3.94	3.49	4.21	2.43	1.64	3.20	
US PERSONAL INCOME (96\$) SAAR.....	28752	28872	29030	29091	29194	29282	29365	29435	29647	29790	29919	28639	28936	29319	
% CHG PREV QTR SAAR.....	3.14	1.69	2.20	0.84	1.43	1.22	1.14	0.95	2.91	1.95	1.73	0.44	1.04	1.32	
% CHG SAME QTR LAST YR.....	0.02	0.89	1.28	1.96	1.54	1.42	1.16	1.18	1.55	1.73	1.88	0.44	1.04	1.32	
US PERSONAL INCOME (\$) SAAR.....	31667	32002	32354	32634	33009	33326	33650	33962	34411	34786	35148	31378	32164	33487	
% CHG PREV QTR SAAR.....	4.27	4.30	4.47	3.51	4.68	3.89	3.94	3.76	5.40	4.43	4.23	2.47	2.51	4.11	
% CHG SAME QTR LAST YR.....	0.93	1.99	2.97	4.14	4.24	4.14	4.01	4.07	4.25	4.38	4.45	2.47	2.51	4.11	
TN TAXABLE SALES (96\$) SAAR.....	2953	2937	2870	2993	2927	2929	2900	3021	2945	2919	2955	11850	11754	11777	
% CHG PREV QTR SAAR.....	-4.75	-2.16	-8.81	18.22	-8.55	0.23	-3.91	17.91	-9.72	-3.51	5.06	-2.88	-0.81	0.19	
% CHG SAME QTR LAST YR.....	-0.92	-1.31	-1.12	0.12	-0.90	-0.29	1.02	0.95	0.63	-0.33	1.92	-2.88	-0.81	0.19	
TN TAXABLE SALES (\$) SAAR.....	3253	3256	3199	3358	3309	3333	3323	3486	3419	3409	3472	12983	13065	13451	
% CHG PREV QTR SAAR.....	-3.70	0.35	-6.78	21.35	-5.61	2.88	-1.25	21.20	-7.54	-1.16	7.64	-0.91	0.64	2.96	
% CHG SAME QTR LAST YR.....	-0.02	-0.23	0.53	2.25	1.74	2.38	3.86	3.83	3.30	2.27	4.49	-0.91	0.64	2.96	

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TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TABLE 3: TENNESSEE PERSONAL INCOME BY COMPONENTS
 SEASONALLY ADJUSTED ANNUAL RATES
 MILLIONS OF 1996 DOLLARS

	FORECAST - DATA												ANNUAL		
	200201	200202	200203	200204	200301	200302	200303	200304	200401	200402	200403	2001	2002	2003	
HISTORY															
TOTAL PERSONAL INCOME.....	141300	141119	141567	139898	141975	143658	143977	143037	145410	146603	147598	139362	140971	143162	
% CHG PREV QTR SAAR.....	7.50	-0.51	1.28	-4.63	6.07	4.83	0.89	-2.59	6.80	3.32	2.74	1.17	1.15	1.55	
% CHG SAME QTR LAST YR.....	1.41	1.40	1.00	0.81	0.48	1.80	1.70	2.24	2.42	2.05	2.52	1.17	1.15	1.55	
WAGES AND SALARIES.....	79411	79273	79404	78408	79362	81082	80722	80277	81827	82752	82939	79281	79124	80361	
% CHG PREV QTR SAAR.....	5.16	-0.69	0.66	-4.92	4.96	8.95	-1.76	-2.19	7.95	4.60	0.91	-0.24	-0.20	1.56	
% CHG SAME QTR LAST YR.....	-0.30	-0.02	-0.45	-0.01	-0.06	2.28	1.66	2.38	3.11	2.06	2.75	-0.24	-0.20	1.56	
OTHER LABOR INCOME.....	8879	8669	9007	8811	8689	8620	8930	8988	9044	8905	9090	8725	8841	8806	
% CHG PREV QTR SAAR.....	8.20	-9.12	16.54	-8.43	-5.44	-3.12	15.16	2.62	2.54	-6.01	8.58	0.92	1.33	-0.40	
% CHG SAME QTR LAST YR.....	1.99	-0.41	2.53	1.21	-2.14	-0.56	-0.86	2.01	4.09	3.31	1.80	0.92	1.33	-0.40	
PROPRIETORS INCOME.....	14315	14471	14495	14065	13922	14520	14794	14677	14627	15510	15708	13969	14336	14478	
% CHG PREV QTR SAAR.....	10.86	4.41	0.66	-11.35	-3.99	18.33	7.75	-3.13	-1.35	26.42	5.21	0.68	2.63	0.99	
% CHG SAME QTR LAST YR.....	3.14	3.52	3.05	0.81	-2.75	0.34	2.06	4.35	5.06	6.82	6.18	0.68	2.63	0.99	
RENT INTEREST DIVIDENDS.....	21213	21191	21129	20691	21909	21057	21178	20747	21671	21152	21305	21297	21056	21223	
% CHG PREV QTR SAAR.....	3.89	-0.42	-1.16	-8.04	25.72	-14.66	2.31	-7.90	19.05	-9.23	2.92	-0.04	-1.13	0.79	
% CHG SAME QTR LAST YR.....	-1.57	-0.64	-0.80	-1.53	3.28	-0.63	0.23	0.27	-1.09	0.45	0.60	-0.04	-1.13	0.79	
TRANSFER PAYMENTS.....	24799	24869	24855	25136	25386	25814	25783	25753	25748	25915	26219	23338	24915	25684	
% CHG PREV QTR SAAR.....	17.06	1.13	-0.24	4.61	4.03	6.91	-0.47	-0.47	-0.08	2.61	4.78	7.75	6.76	3.09	
% CHG SAME QTR LAST YR.....	8.64	7.57	5.47	5.43	2.37	3.80	3.74	2.45	1.43	0.39	1.69	7.75	6.76	3.09	
LESS: PERS CONT FOR SOC INS.....	6321	6328	6310	6190	6261	6405	6390	6359	6458	6575	6601	6223	6287	6354	
% CHG PREV QTR SAAR.....	9.78	0.42	-1.14	-7.37	4.65	9.51	-0.90	-1.91	6.36	7.45	1.57	1.53	1.03	1.06	
% CHG SAME QTR LAST YR.....	1.60	1.76	0.55	0.24	-0.95	1.21	1.28	2.74	3.15	2.66	3.30	1.53	1.03	1.06	
RESIDENCE ADJUSTMENT.....	-996	-1026	-1012	-1023	-1032	-1031	-1039	-1045	-1050	-1057	-1063	-1025	-1014	-1037	
% CHG PREV QTR SAAR.....	5.29	12.59	-5.28	4.28	3.66	-0.26	3.07	2.31	1.70	2.74	2.31	-4.40	-1.05	2.24	
% CHG SAME QTR LAST YR.....	-5.14	-0.72	-2.07	4.02	3.62	0.52	2.67	2.18	1.70	2.45	2.27	-4.40	-1.05	2.24	
PER CAPITA PERSONAL INCOME (\$)...	24482	24362	24370	24050	24332	24530	24511	24315	24637	24744	24915	24271	24316	24422	
% CHG PREV QTR SAAR.....	6.59	-1.96	0.14	-5.15	4.76	3.30	-0.31	-3.15	5.40	1.74	2.81	0.41	0.19	0.43	
% CHG SAME QTR LAST YR.....	0.60	0.40	-0.07	-0.18	-0.62	0.69	0.58	1.10	1.25	0.87	1.65	0.41	0.19	0.43	

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TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TABLE 4: TENNESSEE PERSONAL INCOME BY COMPONENTS
 SEASONALLY ADJUSTED ANNUAL RATES
 MILLIONS OF CURRENT DOLLARS

	FORECAST - DATA												ANNUAL		
	200201	200202	200203	200204	200301	200302	200303	200304	200401	200402	200403	2001	2002	2003	
HISTORY															
TOTAL PERSONAL INCOME.....	155628	156417	157777	156937	160531	163497	164983	165036	168777	171188	173399	152689	156690	163512	
% CHG PREV QTR SAAR.....	8.68	2.04	3.52	-2.11	9.48	7.60	3.69	0.13	9.38	5.84	5.27	3.21	2.62	4.35	
% CHG SAME QTR LAST YR.....	2.33	2.51	2.68	2.96	3.15	4.53	4.57	5.16	5.14	4.70	5.10	3.21	2.62	4.35	
WAGES AND SALARIES.....	87463	87867	88496	87958	89735	92279	92499	92624	94977	96630	97437	86862	87946	91784	
% CHG PREV QTR SAAR.....	6.32	1.86	2.89	-2.41	8.33	11.84	0.96	0.54	10.56	7.14	3.39	1.77	1.25	4.36	
% CHG SAME QTR LAST YR.....	0.61	1.07	1.21	2.12	2.60	5.02	4.52	5.30	5.84	4.71	5.34	1.77	1.25	4.36	
OTHER LABOR INCOME.....	9779	9609	10038	9884	9824	9810	10232	10370	10498	10399	10679	9560	9827	10059	
% CHG PREV QTR SAAR.....	9.39	-6.79	19.12	-6.01	-2.40	-0.56	18.34	5.48	5.02	-3.72	11.24	2.96	2.80	2.36	
% CHG SAME QTR LAST YR.....	2.92	0.68	4.24	3.37	0.46	2.10	1.93	4.92	6.85	5.99	4.37	2.96	2.80	2.36	
PROPRIETORS INCOME.....	15767	16039	16154	15778	15742	16526	16952	16934	16977	18111	18454	15305	15935	16538	
% CHG PREV QTR SAAR.....	12.07	7.09	2.90	-9.01	-0.91	21.46	10.73	-0.43	1.03	29.50	7.79	2.71	4.12	3.79	
% CHG SAME QTR LAST YR.....	4.08	4.65	4.77	2.96	-0.16	3.03	4.94	7.33	7.85	9.59	8.86	2.71	4.12	3.79	
RENT INTEREST DIVIDENDS.....	23364	23488	23548	23211	24772	23965	24267	23937	25153	24700	25029	23333	23403	24236	
% CHG PREV QTR SAAR.....	5.03	2.13	1.03	-5.61	29.75	-12.41	5.14	-5.33	21.92	-7.02	5.44	1.97	0.30	3.56	
% CHG SAME QTR LAST YR.....	-0.68	0.45	0.86	0.57	6.03	2.03	3.06	3.13	1.54	3.06	3.14	1.97	0.30	3.56	
TRANSFER PAYMENTS.....	27314	27565	27700	28198	28704	29379	29545	29714	29886	30261	30802	25571	27694	29336	
% CHG PREV QTR SAAR.....	18.34	3.73	1.98	7.38	7.38	9.74	2.28	2.31	2.33	5.11	7.35	9.92	8.31	5.93	
% CHG SAME QTR LAST YR.....	9.63	8.75	7.23	7.68	5.09	6.58	6.66	5.38	4.12	3.00	4.25	9.92	8.31	5.93	
LESS:PERS CONT FOR SOC INS.....	6962	7014	7032	6944	7079	7289	7327	7337	7496	7678	7755	6818	6988	7257	
% CHG PREV QTR SAAR.....	10.98	3.00	1.05	-4.92	8.01	12.41	1.85	0.82	8.93	10.06	4.06	3.59	2.50	3.85	
% CHG SAME QTR LAST YR.....	2.52	2.87	2.22	2.37	1.68	3.93	4.13	5.67	5.89	5.33	5.90	3.59	2.50	3.85	
RESIDENCE ADJUSTMENT.....	-1097	-1137	-1128	-1147	-1167	-1174	-1191	-1206	-1218	-1234	-1248	-1123	-1127	-1184	
% CHG PREV QTR SAAR.....	6.45	15.48	-3.18	7.04	6.99	2.38	5.92	5.16	4.16	5.24	4.82	-2.48	0.39	5.05	
% CHG SAME QTR LAST YR.....	-4.28	0.37	-0.44	6.24	6.37	3.22	5.56	5.10	4.39	5.12	4.84	-2.48	0.39	5.05	
PER CAPITA PERSONAL INCOME (\$)...	26965	27003	27161	26980	27512	27918	28087	28055	28596	28893	29271	26592	27027	27893	
% CHG PREV QTR SAAR.....	7.76	0.56	2.36	-2.64	8.13	6.03	2.45	-0.45	7.94	4.22	5.33	2.43	1.64	3.20	
% CHG SAME QTR LAST YR.....	1.52	1.50	1.60	1.94	2.03	3.39	3.41	3.99	3.94	3.49	4.21	2.43	1.64	3.20	

CENTER FOR BUSINESS AND ECONOMIC RESEARCH, UT-KNOXVILLE.

TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TABLE 5: TENNESSEE NONAGRICULTURAL EMPLOYMENT BY SECTOR
 THOUSANDS OF JOBS

	FORECAST - DATA												ANNUAL		
	HISTORY	200201	200202	200203	200204	200301	200302	200303	200304	200401	200402	200403	2001	2002	2003
TOTAL NONAGRICULTURAL.....	2687.3	2708.9	2700.7	2728.7	2692.8	2726.6	2732.8	2783.0	2736.9	2782.8	2783.2	2711.5	2706.4	2733.8	
% CHG SAME QTR LAST YR.....	-0.27	-0.17	-0.26	-0.06	0.20	0.66	1.19	1.99	1.64	2.06	1.84	-0.64	-0.19	1.01	
MINING.....	3.6	3.7	3.7	3.6	3.6	3.6	3.7	3.6	3.5	3.6	3.6	4.0	3.7	3.6	
% CHG SAME QTR LAST YR.....	-7.69	-9.76	-9.44	-6.69	-1.11	-1.47	-1.44	-1.41	-1.38	-1.35	-1.33	-3.03	-8.42	-1.36	
CONSTRUCTION.....	115.6	120.0	121.6	120.1	115.7	122.1	124.2	122.8	119.8	126.9	128.4	121.2	119.3	121.2	
% CHG SAME QTR LAST YR.....	-1.89	-1.80	-1.88	-0.69	0.04	1.68	2.14	2.23	3.57	3.93	3.33	-2.98	-1.57	1.54	
MANUFACTURING.....	467.1	466.4	461.0	461.0	459.4	462.3	458.9	460.7	458.5	462.4	460.6	478.5	463.9	460.3	
% CHG SAME QTR LAST YR.....	-4.45	-2.80	-2.84	-2.07	-1.65	-0.87	-0.45	-0.07	-0.20	0.02	0.37	-5.58	-3.05	-0.76	
DURABLE GOODS.....	274.3	273.6	272.0	271.6	271.1	275.4	274.9	275.6	274.9	279.1	279.1	281.3	272.9	274.2	
% CHG SAME QTR LAST YR.....	-4.95	-3.36	-2.12	-1.53	-1.18	0.65	1.06	1.49	1.41	1.37	1.54	-6.49	-3.01	0.50	
NONDURABLE GOODS.....	192.8	192.8	189.0	189.5	188.3	187.0	184.0	185.1	183.6	183.3	181.5	197.1	191.0	186.1	
% CHG SAME QTR LAST YR.....	-3.71	-2.00	-3.87	-2.83	-2.32	-3.01	-2.64	-2.30	-2.51	-1.96	-1.38	-4.27	-3.10	-2.57	
TRADE.....	627.9	633.5	638.5	656.1	633.5	645.3	654.6	672.2	652.5	663.6	671.2	638.5	639.0	651.4	
% CHG SAME QTR LAST YR.....	-0.37	-0.41	0.10	0.95	0.89	1.86	2.52	2.46	3.00	2.84	2.54	-0.51	0.07	1.94	
SERVICES.....	759.4	773.3	778.8	771.7	768.4	779.3	789.8	802.8	795.7	807.5	815.5	754.9	770.8	785.1	
% CHG SAME QTR LAST YR.....	2.78	2.36	2.10	1.22	1.19	0.78	1.42	4.03	3.55	3.62	3.25	1.63	2.11	1.86	
FIN, INS, REAL EST.....	132.5	132.4	133.4	133.6	132.6	133.7	133.9	133.3	132.7	134.3	135.6	132.3	133.0	133.4	
% CHG SAME QTR LAST YR.....	1.45	0.13	0.04	0.33	0.04	1.01	0.45	-0.18	0.10	0.44	1.22	1.05	0.48	0.33	
TRANS, COMM, PUB UTIL.....	173.9	174.0	172.8	173.1	172.6	175.3	174.8	174.8	168.7	177.9	178.1	179.8	173.4	174.4	
% CHG SAME QTR LAST YR.....	-3.10	-3.08	-4.11	-3.98	-0.73	0.73	1.18	1.02	-2.25	1.49	1.89	0.77	-3.57	0.55	
GOVERNMENT.....	407.3	405.6	391.0	409.5	407.1	405.0	392.9	412.8	405.5	406.6	390.2	402.2	403.3	404.4	
% CHG SAME QTR LAST YR.....	0.63	0.41	-0.06	0.12	-0.07	-0.15	0.49	0.80	-0.39	0.40	-0.67	0.81	0.28	0.27	
FEDERAL, CIVILIAN.....	50.5	50.7	50.3	49.9	50.5	51.3	50.6	50.2	50.8	51.6	50.9	51.1	50.4	50.6	
% CHG SAME QTR LAST YR.....	-2.07	-2.37	-1.57	-0.08	-0.03	1.10	0.52	0.61	0.65	0.61	0.62	-4.66	-1.54	0.55	
STATE AND LOCAL.....	356.8	354.9	340.6	359.6	356.6	353.7	342.3	362.6	354.6	355.0	339.3	351.1	353.0	353.8	
% CHG SAME QTR LAST YR.....	1.02	0.82	0.17	0.15	-0.07	-0.33	0.48	0.83	-0.54	0.37	-0.87	1.66	0.54	0.23	

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TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TABLE 6: TENNESSEE DURABLE GOODS MANUFACTURING EMPLOYMENT
 THOUSANDS OF JOBS

	FORECAST - DATA												ANNUAL		
	HISTORY	200201	200202	200203	200204	200301	200302	200303	200304	200401	200402	200403	2001	2002	2003
TOTAL DURABLE GOODS.....	274.3	273.6	272.0	271.6	271.1	275.4	274.9	275.6	274.9	279.1	279.1	281.3	272.9	274.2	0.50
% CHG SAME QTR LAST YR.....	-4.95	-3.36	-2.12	-1.53	-1.18	0.65	1.06	1.49	1.41	1.37	1.54	-6.49	-3.01	0.50	
LUMBER AND WOOD.....	22.1	22.2	22.8	22.7	22.4	22.9	23.0	22.9	22.7	23.0	23.4	22.1	22.4	22.8	
% CHG SAME QTR LAST YR.....	-0.30	0.00	2.70	2.49	1.22	3.20	1.15	1.21	1.35	0.34	1.62	-7.23	1.22	1.69	
FURNITURE AND FIXTURES.....	22.6	22.8	22.4	22.6	22.1	22.7	22.8	22.9	22.7	23.4	23.0	23.6	22.6	22.6	
% CHG SAME QTR LAST YR.....	-10.78	-5.14	-0.98	-0.10	-2.21	-0.44	1.52	1.62	2.52	3.17	1.11	-12.35	-4.45	0.12	
STONE,CLAY AND GLASS.....	16.3	16.2	16.3	16.2	16.1	16.3	16.4	16.4	16.4	16.4	16.7	16.6	16.6	16.3	
% CHG SAME QTR LAST YR.....	-1.61	-2.40	-2.30	-1.98	-0.82	0.57	0.66	1.10	1.80	2.32	2.09	-1.77	-2.08	0.38	
PRIMARY METALS.....	15.3	14.5	14.1	13.8	13.5	14.6	14.4	14.1	13.8	14.9	14.9	16.4	14.4	14.2	
% CHG SAME QTR LAST YR.....	-11.07	-11.92	-12.34	-12.86	-11.47	0.72	1.58	2.33	1.92	1.71	3.48	-7.81	-12.03	-1.91	
FABRICATED METALS.....	43.9	43.9	43.2	43.7	43.7	44.1	44.4	44.7	44.7	44.8	45.3	44.9	43.7	44.2	
% CHG SAME QTR LAST YR.....	-4.50	-2.51	-3.27	-0.79	-0.55	0.30	2.70	2.31	2.34	1.64	2.15	-5.49	-2.79	1.18	
NONELECTRICAL MACHINERY.....	48.3	47.9	46.4	45.7	46.5	47.3	45.9	45.6	46.2	47.3	45.7	49.3	47.1	46.3	
% CHG SAME QTR LAST YR.....	-4.86	-4.64	-4.01	-4.86	-3.89	-1.15	-1.08	-0.10	-0.50	-0.16	-0.45	-3.91	-4.60	-1.58	
ELECTRICAL MACHINERY.....	35.0	34.9	34.9	35.0	35.0	35.4	35.4	35.6	35.5	36.1	35.9	36.2	35.0	35.4	
% CHG SAME QTR LAST YR.....	-6.75	-3.85	-2.02	-1.10	0.00	1.28	1.43	1.69	1.46	1.91	1.36	-10.13	-3.48	1.10	
TRANSPORTATION EQUIPMENT.....	49.9	50.2	51.0	51.3	50.6	50.8	51.7	52.2	51.3	51.5	52.6	51.1	50.6	51.3	
% CHG SAME QTR LAST YR.....	-3.86	-1.76	0.35	1.80	1.42	1.29	1.28	1.59	1.48	1.44	1.70	-6.34	-0.89	1.39	
INSTRUMENTS.....	11.3	11.3	11.4	11.4	11.4	11.5	11.6	11.6	11.7	11.7	11.8	11.1	11.3	11.6	
% CHG SAME QTR LAST YR.....	1.50	1.50	2.53	1.43	1.61	2.03	1.81	1.87	1.90	1.90	1.92	2.45	1.74	1.83	
MISCELLANEOUS.....	9.7	9.7	9.4	9.1	9.8	9.7	9.3	9.4	9.9	9.8	9.7	9.8	9.5	9.6	
% CHG SAME QTR LAST YR.....	-4.29	-3.01	-2.45	-3.92	1.01	0.63	-0.79	3.51	1.40	0.81	4.75	-8.20	-3.42	1.07	

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TABLE 7: TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 THOUSANDS OF JOBS

	FORECAST - DATA												ANNUAL		
	HISTORY	200201	200202	200203	200204	200301	200302	200303	200304	200401	200402	200403	2001	2002	2003
TOTAL NONDURABLE GOODS.....	192.8	192.8	189.0	189.5	188.3	187.0	184.0	185.1	183.6	183.3	181.5	197.1	191.0	186.1	
% CHG SAME QTR LAST YR.....	-3.71	-2.00	-3.87	-2.83	-2.32	-3.01	-2.64	-2.30	-2.51	-1.96	-1.38	-4.27	-3.10	-2.57	
FOOD.....	41.0	41.0	41.3	41.3	40.9	41.3	41.4	41.4	41.1	41.4	41.5	40.8	41.1	41.3	
% CHG SAME QTR LAST YR.....	2.59	1.15	-0.12	-0.27	-0.13	0.72	0.27	0.35	0.38	0.35	0.36	2.77	0.82	0.30	
TOBACCO.....	1.1	1.1	1.1	1.1	1.2	1.1	1.1	1.1	1.2	1.1	1.1	1.0	1.1	1.1	
% CHG SAME QTR LAST YR.....	-5.71	10.00	9.68	9.68	6.25	0.00	0.00	0.00	0.00	0.00	0.00	-3.85	5.45	1.56	
TEXTILES.....	12.9	12.7	12.2	11.8	11.4	11.0	11.4	11.3	10.9	10.6	10.4	13.8	12.4	11.3	
% CHG SAME QTR LAST YR.....	-10.02	-8.39	-10.91	-10.09	-11.48	-13.52	-6.94	-4.30	-4.05	-3.91	-8.48	-11.47	-9.85	-9.18	
APPAREL.....	17.3	17.1	16.5	16.2	15.6	15.6	15.0	14.7	14.0	14.7	12.8	18.9	16.8	15.2	
% CHG SAME QTR LAST YR.....	-14.89	-10.47	-9.96	-9.47	-10.00	-8.67	-9.34	-9.30	-10.23	-5.64	-14.61	-13.94	-11.30	-9.33	
PAPER.....	22.2	22.6	22.8	22.0	22.4	22.2	22.2	21.7	22.2	22.0	22.5	22.0	22.4	22.1	
% CHG SAME QTR LAST YR.....	1.68	3.35	2.51	-0.83	1.10	-1.78	-2.66	-1.62	-1.00	-0.95	1.65	0.76	1.67	-1.25	
PRINTING AND PUBLISHING.....	34.8	34.6	34.9	35.0	34.6	34.5	34.8	34.7	34.3	34.2	34.7	36.1	34.8	34.6	
% CHG SAME QTR LAST YR.....	-5.26	-3.80	-3.34	-1.77	-0.51	-0.48	-0.31	-0.90	-0.82	-0.67	-0.39	-4.05	-3.55	-0.55	
CHEMICALS.....	27.2	27.0	26.5	26.4	26.2	25.3	25.3	24.8	24.8	23.7	25.0	27.6	26.8	25.4	
% CHG SAME QTR LAST YR.....	-3.66	-1.22	-2.70	-3.60	-3.93	-6.26	-4.56	-5.73	-5.16	-6.39	-1.10	-3.33	-2.80	-5.12	
PETROLEUM REFINING.....	1.2	1.2	1.2	1.2	1.2	1.3	1.3	1.3	1.2	1.3	1.3	1.2	1.2	1.3	
% CHG SAME QTR LAST YR.....	9.09	-7.69	-5.78	-3.34	-0.57	4.81	5.11	4.77	4.23	3.90	-0.32	2.76	-2.36	3.54	
RUBBER AND PLASTICS.....	33.2	33.4	30.7	32.7	33.1	32.7	29.8	32.3	32.2	32.3	30.3	33.5	32.5	32.0	
% CHG SAME QTR LAST YR.....	-2.54	0.10	-7.99	-1.25	-0.46	-2.31	-2.75	-1.15	-2.78	-1.13	1.62	-5.35	-2.92	-1.65	
LEATHER.....	1.9	1.9	1.9	1.7	1.7	2.0	1.9	1.7	1.6	1.9	1.9	2.2	1.8	1.8	
% CHG SAME QTR LAST YR.....	-23.29	-13.64	-9.89	-11.45	-6.55	4.08	-0.13	1.04	-6.27	-6.21	1.97	-27.58	-14.95	-0.40	

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TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TABLE 8: TENNESSEE NONAGRICULTURAL EMPLOYMENT BY SECTOR
 THOUSANDS OF SEASONALLY ADJUSTED JOBS

	FORECAST - DATA												ANNUAL		
	HISTORY	200201	200202	200203	200204	200301	200302	200303	200304	200401	200402	200403	2001	2002	2003
TOTAL NONAGRICULTURAL.....		2718.8	2703.7	2699.4	2704.1	2724.5	2721.4	2731.4	2758.0	2769.7	2777.5	2781.2	2712.5	2706.5	2733.8
% CHG PREV QTR SAAR.....		1.93	-2.21	-0.62	0.69	3.05	-0.45	1.48	3.95	1.71	1.13	0.54	-0.61	-0.22	1.01
% CHG SAME QTR LAST YR....		-0.35	-0.21	-0.27	-0.06	0.21	0.66	1.18	1.99	1.66	2.06	1.82	-0.61	-0.22	1.01
MINING.....		3.7	3.7	3.7	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	4.0	3.7	3.6
% CHG PREV QTR SAAR.....		-21.87	0.00	-1.51	-1.48	-1.45	-1.42	-1.40	-1.37	-1.34	-1.31	-1.29	-3.04	-8.40	-1.36
% CHG SAME QTR LAST YR....		-7.56	-9.84	-9.44	-6.69	-1.11	-1.47	-1.44	-1.41	-1.38	-1.35	-1.33	-3.04	-8.40	-1.36
CONSTRUCTION.....		122.4	118.7	117.8	119.2	122.5	120.7	120.3	121.9	126.8	125.5	124.3	121.2	119.5	121.3
% CHG PREV QTR SAAR.....		8.24	-11.55	-3.18	4.94	11.45	-5.59	-1.42	5.32	17.37	4.25	-3.69	-3.05	-1.40	1.51
% CHG SAME QTR LAST YR....		-0.97	-2.06	-1.88	-0.69	0.04	1.68	2.14	2.23	3.57	3.93	3.33	-3.05	-1.40	1.51
MANUFACTURING.....		468.0	466.0	461.2	460.3	460.3	462.0	459.1	460.0	459.4	462.1	460.8	478.7	463.9	460.4
% CHG PREV QTR SAAR.....		-1.72	-1.73	-4.04	-0.77	0.00	1.46	-2.47	0.79	-0.54	2.36	-1.11	-5.57	-3.10	-0.76
% CHG SAME QTR LAST YR....		-4.68	-2.74	-2.85	-2.07	-1.65	-0.86	-0.46	-0.07	-0.20	0.02	0.37	-5.57	-3.10	-0.76
DURABLE GOODS.....		274.5	273.0	272.5	271.2	271.3	274.8	275.4	275.3	275.1	278.6	279.6	281.3	272.8	274.2
% CHG PREV QTR SAAR.....		-1.35	-2.12	-0.74	-1.90	0.09	5.30	0.87	-0.21	-0.22	5.14	1.54	-6.50	-3.03	0.50
% CHG SAME QTR LAST YR....		-5.15	-3.20	-2.13	-1.53	-1.17	0.65	1.05	1.49	1.41	1.37	1.54	-6.50	-3.03	0.50
NONDURABLE GOODS.....		193.5	193.0	188.7	189.1	189.0	187.2	183.7	184.8	184.3	183.5	181.2	197.4	191.1	186.2
% CHG PREV QTR SAAR.....		-2.24	-1.17	-8.56	0.88	-0.13	-3.87	-7.22	2.31	-1.01	-1.68	-5.02	-4.21	-3.20	-2.56
% CHG SAME QTR LAST YR....		-4.00	-2.08	-3.87	-2.84	-2.32	-2.99	-2.64	-2.29	-2.51	-1.96	-1.38	-4.21	-3.20	-2.56
TRADE.....		639.7	635.3	635.9	643.8	645.4	647.1	652.0	659.6	664.8	665.5	668.5	638.2	638.7	651.0
% CHG PREV QTR SAAR.....		1.28	-2.76	0.42	5.01	1.06	1.02	3.06	4.76	3.19	0.40	1.87	-0.57	0.07	1.93
% CHG SAME QTR LAST YR....		-0.34	-0.40	0.10	0.95	0.89	1.86	2.52	2.46	3.00	2.84	2.54	-0.57	0.07	1.93
SERVICES.....		772.5	769.4	772.3	768.6	781.7	775.4	783.2	799.5	809.5	808.7	808.7	755.4	770.7	785.0
% CHG PREV QTR SAAR.....		7.14	-1.60	1.50	-1.90	7.00	-3.18	4.09	8.60	5.07	-2.93	2.61	1.71	2.03	1.85
% CHG SAME QTR LAST YR....		2.44	2.34	2.10	1.22	1.19	0.78	1.42	4.03	3.55	3.62	3.25	1.71	2.03	1.85
FIN, INS, REAL EST.....		133.4	132.2	132.7	133.5	133.5	133.5	133.3	133.2	133.6	134.1	134.9	132.3	132.9	133.4
% CHG PREV QTR SAAR.....		1.21	-3.74	1.67	2.29	0.05	0.06	-0.58	-0.26	1.19	1.41	2.56	1.05	0.47	0.33
% CHG SAME QTR LAST YR....		1.47	0.05	0.04	0.33	0.04	1.01	0.45	-0.18	0.10	0.44	1.22	1.05	0.47	0.33
TRANS, COMM, PUB UTIL.....		175.4	173.6	172.2	172.7	174.1	174.8	174.2	174.4	170.2	177.4	177.5	180.2	173.5	174.4
% CHG PREV QTR SAAR.....		-9.43	-4.19	-3.09	1.07	3.46	1.57	-1.32	0.44	-9.32	18.05	0.24	0.98	-3.73	0.54
% CHG SAME QTR LAST YR....		-3.29	-3.52	-4.11	-3.98	-0.73	0.73	1.18	1.02	-2.25	1.49	1.89	0.98	-3.73	0.54
GOVERNMENT.....		403.6	404.9	403.6	402.5	403.3	404.2	405.6	405.7	401.7	405.9	402.9	402.5	403.6	404.7
% CHG PREV QTR SAAR.....		1.60	1.29	-1.20	-1.17	0.83	0.95	1.36	0.07	-3.86	4.20	-2.94	0.84	0.29	0.27
% CHG SAME QTR LAST YR....		0.67	0.41	-0.05	0.12	-0.07	-0.15	0.49	0.80	-0.39	0.40	-0.68	0.84	0.29	0.27
FEDERAL, CIVILIAN.....		50.5	50.0	50.4	50.4	50.5	50.5	50.6	50.7	50.8	50.9	50.9	51.1	50.3	50.6
% CHG PREV QTR SAAR.....		0.26	-3.65	2.93	0.24	0.46	0.78	0.58	0.62	0.63	0.61	0.61	-4.69	-1.54	0.55
% CHG SAME QTR LAST YR....		-1.82	-2.66	-1.57	-0.08	-0.03	1.10	0.52	0.61	0.65	0.61	0.62	-4.69	-1.54	0.55
STATE AND LOCAL.....		353.1	354.9	353.3	352.1	352.8	353.7	355.0	355.0	350.9	355.0	351.9	351.4	353.3	354.1
% CHG PREV QTR SAAR.....		1.79	2.02	-1.77	-1.38	0.88	0.98	1.48	-0.01	-4.49	4.73	-3.44	1.70	0.55	0.23
% CHG SAME QTR LAST YR....		1.04	0.86	0.17	0.15	-0.07	-0.33	0.48	0.83	-0.54	0.37	-0.87	1.70	0.55	0.23
STATISTICAL DISCREPANCY.....		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

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TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TABLE 9: TENNESSEE DURABLE GOODS MANUFACTURING EMPLOYMENT
 THOUSANDS OF SEASONALLY ADJUSTED JOBS

	FORECAST - DATA												ANNUAL		
	200201	200202	200203	200204	200301	200302	200303	200304	200401	200402	200403	2001	2002	2003	
TOTAL DURABLE GOODS.....	274.5	273.0	272.5	271.2	271.3	274.8	275.4	275.3	275.1	278.6	279.6	281.3	272.8	274.2	
% CHG PREV QTR SAAR.....	-1.35	-2.12	-0.74	-1.90	0.09	5.30	0.87	-0.21	-0.22	5.14	1.54	-6.50	-3.03	0.50	
% CHG SAME QTR LAST YR.....	-5.15	-3.20	-2.13	-1.53	-1.17	0.65	1.05	1.49	1.41	1.37	1.54	-6.50	-3.03	0.50	
LUMBER AND WOOD.....	22.3	22.2	22.6	22.6	22.6	22.9	22.9	22.9	22.9	23.0	23.3	22.2	22.4	22.8	
% CHG PREV QTR SAAR.....	5.56	-2.37	7.95	-0.81	0.42	5.47	-0.38	-0.58	1.01	1.33	4.80	-7.19	1.18	1.69	
% CHG SAME QTR LAST YR.....	-0.59	0.15	2.70	2.49	1.22	3.20	1.15	1.21	1.35	0.34	1.62	-7.19	1.18	1.69	
FURNITURE AND FIXTURES.....	22.7	22.6	22.7	22.5	22.2	22.5	23.0	22.9	22.7	23.2	23.3	23.7	22.6	22.6	
% CHG PREV QTR SAAR.....	2.39	-1.75	1.94	-2.87	-5.98	5.52	10.22	-2.49	-2.60	8.23	1.66	-12.21	-4.52	0.12	
% CHG SAME QTR LAST YR.....	-10.88	-5.31	-0.98	-0.10	-2.21	-0.44	1.52	1.62	2.92	3.17	1.11	-12.21	-4.52	0.12	
STONE, CLAY AND GLASS.....	16.4	16.2	16.2	16.2	16.2	16.3	16.3	16.4	16.5	16.6	16.7	16.6	16.2	16.3	
% CHG PREV QTR SAAR.....	-4.74	-4.80	1.26	0.52	-0.14	0.64	1.64	2.26	2.66	2.72	0.75	-1.97	-2.08	0.38	
% CHG SAME QTR LAST YR.....	-1.80	-2.22	-2.30	-1.98	-0.82	0.57	0.66	1.10	1.80	2.32	2.09	-1.97	-2.08	0.38	
PRIMARY METALS.....	15.2	14.5	14.2	13.8	13.5	14.6	14.4	14.1	13.7	14.9	14.9	16.4	14.4	14.2	
% CHG PREV QTR SAAR.....	-13.59	-17.15	-8.82	-11.66	-7.96	38.83	-5.70	-9.00	-9.45	37.70	1.05	-7.85	-12.12	-1.90	
% CHG SAME QTR LAST YR.....	-11.26	-12.10	-12.34	-12.86	-11.47	0.72	1.58	2.33	1.92	1.71	3.48	-7.85	-12.12	-1.90	
FABRICATED METALS.....	43.9	44.0	43.2	43.6	43.7	44.1	44.4	44.6	44.7	44.9	45.3	45.0	43.7	44.2	
% CHG PREV QTR SAAR.....	0.30	0.61	-7.03	3.27	1.28	4.08	2.21	1.71	1.39	1.25	4.28	-5.48	-2.84	1.18	
% CHG SAME QTR LAST YR.....	-4.77	-2.44	-3.27	-0.79	-0.55	0.30	2.70	2.31	2.34	1.64	2.15	-5.48	-2.84	1.18	
NONMETALLIC MACHINERY.....	47.8	47.7	47.2	45.8	45.9	47.2	46.7	45.7	45.7	47.1	46.5	49.4	47.1	46.4	
% CHG PREV QTR SAAR.....	-2.74	-0.83	-3.90	-11.60	1.29	10.96	-3.62	-8.06	-0.32	12.51	-4.73	-3.66	-4.53	-1.57	
% CHG SAME QTR LAST YR.....	-4.78	-4.47	-4.01	-4.86	-3.89	-1.15	-1.08	-0.10	-0.50	-0.16	-0.45	-3.66	-4.53	-1.57	
ELECTRICAL MACHINERY.....	35.2	34.8	34.8	34.9	35.2	35.2	35.3	35.5	35.7	35.9	35.8	36.3	34.9	35.3	
% CHG PREV QTR SAAR.....	-1.87	-4.11	-0.19	1.88	2.55	0.91	0.39	2.93	1.63	2.69	-1.76	-10.04	-3.75	1.10	
% CHG SAME QTR LAST YR.....	-7.21	-4.40	-2.02	-1.10	0.00	1.28	1.43	1.69	1.46	1.91	1.36	-10.04	-3.75	1.10	
TRANSPORTATION EQUIPMENT.....	50.0	50.2	50.8	51.3	50.7	50.8	51.5	52.1	51.5	51.6	52.4	50.9	50.6	51.3	
% CHG PREV QTR SAAR.....	-2.60	1.29	5.27	3.41	-4.05	0.76	5.23	4.67	-4.45	0.61	6.32	-6.66	-0.74	1.39	
% CHG SAME QTR LAST YR.....	-4.10	-0.91	0.55	1.80	1.42	1.29	1.28	1.59	1.48	1.44	1.70	-6.66	-0.74	1.39	
INSTRUMENTS.....	11.3	11.3	11.4	11.4	11.5	11.5	11.6	11.6	11.7	11.7	11.8	11.1	11.3	11.5	
% CHG PREV QTR SAAR.....	1.10	0.23	2.75	1.65	1.80	1.93	1.86	1.90	1.91	1.92	1.94	2.10	1.89	1.83	
% CHG SAME QTR LAST YR.....	1.22	2.39	2.53	1.43	1.61	2.03	1.81	1.87	1.90	1.90	1.92	2.10	1.89	1.83	
MISCELLANEOUS.....	9.7	9.6	9.4	9.2	9.8	9.7	9.3	9.5	9.9	9.7	9.8	9.8	9.5	9.6	
% CHG PREV QTR SAAR.....	7.18	-4.06	-8.17	-9.74	30.93	-5.51	-13.26	6.98	20.55	-7.69	1.14	-8.27	-3.42	1.07	
% CHG SAME QTR LAST YR.....	-4.28	-3.03	-2.45	-3.92	1.01	0.63	-0.79	3.51	1.40	0.81	4.75	-8.27	-3.42	1.07	
STATISTICAL DISCREPANCY.....	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	

CENTER FOR BUSINESS AND ECONOMIC RESEARCH, UT-KNOXVILLE.

TABLE 10: TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TENNESSEE NONDURABLE GOODS MANUFACTURING EMPLOYMENT
 THOUSANDS OF SEASONALLY ADJUSTED JOBS

	FORECAST - DATA												ANNUAL		
	HISTORY	200201	200202	200203	200204	200301	200302	200303	200304	200401	200402	200403	2001	2002	2003
TOTAL NONDURABLE GOODS.....	193.5	193.0	188.7	189.1	189.0	187.2	183.7	184.8	184.3	183.5	181.2	197.4	191.1	186.2	
% CHG PREV QTR SAAR.....	-2.24	-1.17	-8.56	0.88	-0.13	-3.87	-7.22	2.31	-1.01	-1.68	-5.02	-4.21	-3.20	-2.56	
% CHG SAME QTR LAST YR.....	-4.00	-2.08	-3.87	-2.84	-2.32	-2.99	-2.62	-2.29	-2.51	-1.96	-1.38	-4.21	-3.20	-2.56	
FOOD.....	41.3	41.0	41.2	41.2	41.2	41.3	41.3	41.3	41.4	41.4	41.4	40.9	41.2	41.3	
% CHG PREV QTR SAAR.....	-0.32	-2.88	2.15	0.04	0.24	0.48	0.32	0.36	0.36	0.35	0.35	3.02	0.66	0.30	
% CHG SAME QTR LAST YR.....	2.23	0.82	-0.12	-0.27	-0.13	0.72	0.27	0.35	0.38	0.35	0.36	3.02	0.66	0.30	
TOBACCO.....	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	
% CHG PREV QTR SAAR.....	13.54	27.44	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
% CHG SAME QTR LAST YR.....	6.67	9.68	9.68	9.68	6.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
TEXTILES.....	12.9	12.7	12.2	11.8	11.4	11.0	11.4	11.3	11.0	10.6	10.4	13.8	12.4	11.3	
% CHG PREV QTR SAAR.....	-6.90	-7.02	-14.70	-11.50	-15.33	14.38	-1.03	-11.56	-14.84	-5.88	-11.47	-9.73	-9.18	-9.18	
% CHG SAME QTR LAST YR.....	-9.77	-8.19	-10.91	-10.09	-11.48	-13.52	-6.94	-4.30	-4.05	-3.91	-8.48	-11.47	-9.73	-9.18	
APPAREL.....	17.4	17.0	16.5	16.1	15.7	15.5	15.0	14.6	14.1	14.6	12.8	18.9	16.8	15.2	
% CHG PREV QTR SAAR.....	-7.99	-9.58	-10.45	-9.86	-10.11	-4.14	-13.02	-9.72	-13.72	16.98	-41.66	-13.94	-11.42	-9.33	
% CHG SAME QTR LAST YR.....	-14.82	-10.99	-9.96	-9.47	-10.00	-8.67	-9.34	-9.30	-10.23	-5.64	-14.61	-13.94	-11.42	-9.33	
PAPER.....	22.4	22.8	22.5	22.0	22.7	22.4	21.9	21.7	22.5	22.2	22.3	22.1	22.4	22.2	
% CHG PREV QTR SAAR.....	3.65	6.70	-4.86	-8.07	11.96	-4.94	-8.24	-4.06	14.81	-4.76	1.76	0.95	1.58	-1.24	
% CHG SAME QTR LAST YR.....	1.36	3.32	2.51	-0.83	1.10	-1.78	-2.66	-1.62	-1.00	-0.95	1.65	0.95	1.58	-1.24	
PRINTING AND PUBLISHING.....	34.8	34.8	34.9	34.9	34.6	34.6	34.8	34.6	34.3	34.4	34.6	36.2	34.8	34.7	
% CHG PREV QTR SAAR.....	-8.35	0.00	0.72	0.86	-3.56	0.12	1.43	-1.53	-3.22	0.69	2.60	-4.00	-3.62	-0.55	
% CHG SAME QTR LAST YR.....	-5.61	-3.69	-3.34	-1.77	-0.51	-0.48	-0.31	-0.90	-0.82	-0.67	-0.39	-4.00	-3.62	-0.55	
CHEMICALS.....	27.2	27.1	26.5	26.3	26.1	25.4	25.3	24.8	24.7	23.7	25.0	27.6	26.8	25.4	
% CHG PREV QTR SAAR.....	-2.31	-1.54	-7.82	-2.58	-3.66	-10.76	-0.93	-7.26	-1.33	-15.29	23.43	-3.33	-3.00	-5.12	
% CHG SAME QTR LAST YR.....	-4.33	-1.35	-2.70	-3.60	-3.93	-6.26	-4.56	-5.73	-5.16	-6.39	-1.10	-3.33	-3.00	-5.12	
PETROLEUM REFINING.....	1.2	1.2	1.2	1.3	1.2	1.3	1.3	1.3	1.3	1.3	1.3	1.2	1.2	1.3	
% CHG PREV QTR SAAR.....	-18.99	-10.38	8.54	10.79	-9.32	10.65	9.79	9.35	-11.16	9.26	-6.98	2.76	-1.04	3.52	
% CHG SAME QTR LAST YR.....	5.71	0.00	-5.78	-3.34	-0.57	4.81	5.11	4.77	4.23	3.90	-0.32	2.76	-1.04	3.52	
RUBBER AND PLASTICS.....	33.3	33.4	30.7	32.5	33.2	32.7	29.8	32.2	32.2	32.3	30.3	33.5	32.5	32.0	
% CHG PREV QTR SAAR.....	4.51	1.34	-29.31	27.03	7.89	-6.01	-30.56	35.61	0.95	0.52	-22.52	-5.33	-3.12	-1.65	
% CHG SAME QTR LAST YR.....	-3.14	-0.08	-7.99	-1.25	-0.46	-2.31	-2.75	-1.15	-2.78	-1.13	1.62	-5.33	-3.12	-1.65	
LEATHER.....	1.9	1.9	1.9	1.7	1.8	2.0	1.9	1.7	1.7	1.9	1.9	2.2	1.8	1.8	
% CHG PREV QTR SAAR.....	-7.04	2.14	-8.40	-29.30	15.28	57.17	-22.33	-25.94	-14.62	57.55	8.51	-27.76	-14.82	-0.42	
% CHG SAME QTR LAST YR.....	-22.78	-13.55	-9.89	-11.45	-6.55	4.08	-0.13	1.04	-6.27	-6.21	1.97	-27.76	-14.82	-0.42	
STATISTICAL DISCREPANCY.....	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	

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TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TABLE 11: TENNESSEE AVERAGE ANNUAL WAGE AND SALARY RATE BY SECTOR
 1996 DOLLARS

HISTORY	FORECAST - DATA												ANNUAL		
	200201	200202	200203	200204	200301	200302	200303	200304	200401	200402	200403	2001	2002	2003	
TOTAL NONAGRICULTURAL.....	29204	28918	29051	28384	29114	29380	29179	28489	29533	29374	29434	28941	28889	29041	
% CHG SAME QTR LAST YR....	-0.22	-0.04	-0.37	-0.08	-0.31	1.60	0.44	0.37	1.44	-0.02	0.87	0.35	-0.18	0.52	
MINING.....	45901	44096	43933	44798	45734	44669	44513	45431	46497	45463	45341	41797	44682	45087	
% CHG SAME QTR LAST YR....	8.55	7.15	12.19	0.47	-0.36	1.30	1.32	1.41	1.67	1.78	1.86	2.02	6.90	0.90	
CONSTRUCTION.....	33661	31564	31032	31922	34103	31955	31361	32237	34501	32343	31765	32291	32045	32414	
% CHG SAME QTR LAST YR....	-2.38	-1.88	-0.33	1.73	1.31	1.24	1.06	0.99	1.17	1.21	1.29	-1.76	-0.76	1.15	
MANUFACTURING.....	32747	33196	33497	32471	32759	33425	33698	32651	33014	33500	33997	33147	32978	33133	
% CHG SAME QTR LAST YR....	-2.77	-0.53	0.79	0.54	0.04	0.69	0.60	0.56	0.78	0.23	0.89	-1.25	-0.51	0.47	
DURABLE GOODS.....	32620	33128	33833	32810	33053	33547	34196	33172	33519	33686	34688	33051	33098	33492	
% CHG SAME QTR LAST YR....	-2.57	-0.68	2.06	1.84	1.33	1.27	1.07	1.10	1.41	1.44	1.44	-2.69	0.14	1.19	
NONDURABLE GOODS.....	32927	33293	33015	31984	32337	33244	32955	31877	32258	33217	32936	33284	32805	32603	
% CHG SAME QTR LAST YR....	-3.07	-0.32	-1.02	-1.32	-1.79	-0.15	-0.18	-0.34	-0.24	-0.08	-0.06	0.91	-1.44	-0.61	
TRADE.....	22356	21820	22018	21551	21981	22328	22166	21859	22753	22449	21619	21866	21936	22084	
% CHG SAME QTR LAST YR....	-0.07	-0.45	0.83	1.01	-1.68	2.33	0.67	1.43	3.51	0.54	-2.47	-1.48	0.32	0.67	
SERVICES.....	28718	28065	27686	27364	28674	29055	27936	27604	29494	28954	29542	28222	27958	28317	
% CHG SAME QTR LAST YR....	0.03	0.82	-2.52	-2.06	-0.15	3.53	0.90	0.88	2.86	-0.35	5.75	2.67	-0.93	1.28	
FIN, INS, REAL EST.....	42261	42672	42057	43194	43436	43014	42534	42803	43295	43106	39719	41986	42546	42947	
% CHG SAME QTR LAST YR....	3.72	-1.35	-0.17	3.31	2.78	0.80	1.13	-0.90	-0.32	0.21	-6.62	2.31	1.33	0.94	
TRANS, COMM, PUB UTIL.....	35536	36583	36047	35044	35481	36519	35934	34807	35414	36488	35935	35471	35803	35685	
% CHG SAME QTR LAST YR....	-0.66	2.64	1.59	0.17	-0.16	-0.18	-0.31	-0.68	-0.19	-0.08	0.00	-2.01	0.93	-0.33	
GOVERNMENT.....	28237	28011	29723	27827	28006	28122	29690	27804	28016	28101	29804	28182	28449	28406	
% CHG SAME QTR LAST YR....	2.79	0.20	0.52	0.32	-0.82	0.40	-0.11	-0.08	0.04	-0.07	0.38	2.89	0.95	-0.15	
FEDERAL CIVILIAN.....	48669	45500	46878	47184	47078	46411	47220	47765	47681	47063	47853	46762	47058	47119	
% CHG SAME QTR LAST YR....	4.63	-2.38	0.02	0.27	-3.27	2.00	0.73	1.23	1.28	1.40	1.34	8.79	0.63	0.13	
STATE AND LOCAL.....	25345	25512	27189	25141	25305	25472	27099	25041	25198	25347	27096	25477	25797	25729	
% CHG SAME QTR LAST YR....	2.66	1.23	0.82	0.36	-0.16	-0.16	-0.33	-0.40	-0.42	-0.49	-0.01	1.98	1.25	-0.26	

CENTER FOR BUSINESS AND ECONOMIC RESEARCH, UT-KNOXVILLE.

TABLE 12: TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TENNESSEE AVERAGE ANNUAL WAGE AND SALARY RATE BY SECTOR
 SEASONALLY ADJUSTED 1996 DOLLARS

	FORECAST - DATA												ANNUAL		
	200201	200202	200203	200204	200301	200302	200303	200304	200401	200402	200403	2001	2002	2003	
TOTAL NONAGRICULTURAL.....	28866	28973	29064	28642	28775	29436	29194	28748	29183	29431	29454	28928	28886	29038	
% CHG PREV QTR SAAR.....	2.87	1.50	1.25	-5.68	1.87	9.52	-3.25	-5.97	6.19	3.43	0.32	0.32	-0.15	0.53	
% CHG SAME QTR LAST YR....	-0.14	0.00	-0.37	-0.07	-0.31	1.60	0.45	0.37	1.42	-0.02	0.89	0.32	-0.15	0.53	
MINING.....	45067	44497	44660	44798	44902	45075	45249	45431	45652	45876	46091	41865	44755	45164	
% CHG PREV QTR SAAR.....	4.37	-4.96	1.47	1.23	0.93	1.55	1.62	1.98	1.96	1.98	1.88	1.93	6.90	0.91	
% CHG SAME QTR LAST YR....	8.40	7.24	12.19	0.47	-0.36	1.30	1.32	1.41	1.67	1.78	1.86	1.93	6.90	0.91	
CONSTRUCTION.....	31791	31910	32049	32153	32209	32305	32389	32470	32585	32697	32806	32267	31976	32343	
% CHG PREV QTR SAAR.....	2.37	1.50	1.76	1.30	0.70	1.20	1.04	1.01	1.42	1.39	1.34	-1.72	-0.90	1.15	
% CHG SAME QTR LAST YR....	-3.29	-1.61	-0.33	1.73	1.31	1.24	1.06	0.99	1.17	1.21	1.29	-1.72	-0.90	1.15	
MANUFACTURING.....	32681	33222	33481	32521	32691	33448	33682	32702	32945	33524	33983	33129	32976	33131	
% CHG PREV QTR SAAR.....	4.21	6.78	3.16	-10.99	2.11	9.59	2.83	-11.15	3.01	7.22	5.58	-1.26	-0.46	0.47	
% CHG SAME QTR LAST YR....	-2.54	-0.59	0.80	0.54	0.03	0.68	0.60	0.55	0.78	0.23	0.89	-1.26	-0.46	0.47	
DURABLE GOODS.....	32596	33196	33764	32851	33025	33616	34128	33213	33489	33755	34622	33050	33102	33495	
% CHG PREV QTR SAAR.....	4.27	7.57	7.02	-10.39	2.13	7.36	6.24	-10.31	3.37	3.22	10.67	-2.67	0.16	1.19	
% CHG SAME QTR LAST YR....	-2.37	-0.84	2.08	1.84	1.31	1.26	1.08	1.10	1.41	0.42	1.44	-2.67	0.16	1.19	
NONDURABLE GOODS.....	32802	33259	33073	32048	32212	33202	33014	31940	32132	33174	32997	33240	32796	32592	
% CHG PREV QTR SAAR.....	4.13	5.69	-2.21	-11.83	2.06	12.88	-2.26	12.38	2.43	13.61	-2.11	0.84	-1.34	-0.62	
% CHG SAME QTR LAST YR....	-2.78	-0.24	-1.02	-1.30	-1.80	-0.17	-0.18	-0.34	-0.25	-0.09	-0.05	0.84	-1.34	-0.62	
TRADE.....	21943	21761	22106	21963	21574	22267	22254	22277	22333	22388	21706	21873	21943	22093	
% CHG PREV QTR SAAR.....	3.72	-3.28	6.49	-2.55	-6.89	13.48	-0.23	0.41	1.00	-11.65	-1.42	0.32	0.68	0.68	
% CHG SAME QTR LAST YR....	-0.10	-0.46	0.83	1.01	-1.68	2.33	0.67	1.43	3.51	0.54	-2.47	-1.42	0.32	0.68	
SERVICES.....	28230	28206	27919	27475	28187	29201	28171	27716	28993	29099	29791	28199	27958	28319	
% CHG PREV QTR SAAR.....	2.54	-0.34	-4.01	-6.21	10.77	15.18	-13.38	-6.30	19.73	1.48	9.86	2.60	-0.86	1.29	
% CHG SAME QTR LAST YR....	0.35	0.84	-2.52	-2.06	-0.15	3.53	0.90	0.88	2.86	-0.35	5.75	2.60	-0.86	1.29	
FIN, INS, REAL EST.....	41976	42737	42258	43227	43143	43079	42737	42836	43003	43171	39909	41985	42549	42949	
% CHG PREV QTR SAAR.....	1.30	7.45	-4.41	9.49	-0.77	-0.59	-3.14	0.93	1.57	1.58	-26.97	2.30	1.34	0.94	
% CHG SAME QTR LAST YR....	3.70	-1.28	-0.17	3.31	2.78	0.80	1.13	-0.90	-0.32	0.21	-6.62	2.30	1.34	0.94	
TRANS, COMM, PUB UTIL.....	35219	36675	36161	35122	35164	36610	36048	34884	35098	36579	36048	35403	35794	35677	
% CHG PREV QTR SAAR.....	1.78	17.59	-5.49	-11.01	0.48	17.50	-6.01	-12.30	2.47	17.98	-5.68	-2.21	1.10	-0.33	
% CHG SAME QTR LAST YR....	-0.47	3.10	1.59	0.17	-0.16	-0.18	-0.31	-0.68	-0.19	-0.08	0.00	-2.21	1.10	-0.33	
GOVERNMENT.....	28500	28061	28789	28314	28267	28174	28757	28291	28277	28153	28869	28152	28416	28372	
% CHG PREV QTR SAAR.....	3.99	-6.02	10.78	-6.43	-0.66	-1.32	8.54	-6.33	-0.20	-1.74	10.57	2.84	0.94	-0.15	
% CHG SAME QTR LAST YR....	2.74	0.20	0.52	0.32	-0.82	0.40	-0.11	-0.08	0.03	-0.07	0.39	2.84	0.94	-0.15	
FEDERAL, CIVILIAN.....	48701	46137	46847	46716	47109	47061	47189	47291	47713	47722	47822	46804	47100	47163	
% CHG PREV QTR SAAR.....	19.38	-19.46	6.30	-1.11	3.41	-0.41	1.09	0.87	3.61	0.08	0.84	8.86	0.63	0.13	
% CHG SAME QTR LAST YR....	4.37	-2.10	0.02	0.27	-3.27	2.00	0.73	1.23	1.28	1.40	1.34	8.86	0.63	0.13	
STATE AND LOCAL.....	25613	25515	26215	25680	25573	25474	26129	25577	25465	25349	26126	25439	25756	25688	
% CHG PREV QTR SAAR.....	0.40	-1.53	11.43	-7.91	-1.66	-1.53	10.68	-8.18	-1.75	-1.80	12.82	1.92	1.24	-0.26	
% CHG SAME QTR LAST YR....	2.64	1.20	0.82	0.36	-0.16	-0.16	-0.33	-0.40	-0.42	-0.49	-0.01	1.92	1.24	-0.26	

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TABLE 13: TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TENNESSEE AVERAGE ANNUAL WAGE AND SALARY RATE BY SECTOR
 CURRENT DOLLARS

HISTORY	FORECAST - DATA												ANNUAL		
	200201	200202	200203	200204	200301	200302	200303	200304	200401	200402	200403	2001	2002	2003	
TOTAL NONAGRICULTURAL	32165	32052	32377	31841	32919	33438	33436	32871	34279	34300	34579	31707	32109	33166	
% CHG SAME QTR LAST YR....	0.68	1.06	1.29	2.05	2.35	4.32	3.27	3.23	4.13	2.58	3.42	2.38	1.27	3.29	
Mining	50556	48876	48964	50255	51711	50837	51007	52418	53970	53087	53267	45794	49663	51493	
% CHG SAME QTR LAST YR....	9.54	8.32	14.06	2.61	2.29	4.01	4.17	4.30	4.37	4.42	4.43	4.09	8.45	3.69	
CONSTRUCTION	37074	34986	34586	35810	38560	36368	35937	37195	40045	37767	37318	35375	35614	37015	
% CHG SAME QTR LAST YR....	-1.49	-0.80	1.33	3.90	4.01	3.95	3.91	3.87	3.85	3.84	3.84	0.23	0.67	3.93	
MANUFACTURING	36067	36794	37333	36426	37041	38040	38615	37673	38319	39118	39940	36315	36655	37842	
% CHG SAME QTR LAST YR....	-1.89	0.56	2.47	2.68	2.70	3.39	3.43	3.42	3.45	2.83	3.43	0.74	0.94	3.24	
DURABLE GOODS	35928	36719	37706	36807	37372	38180	39185	38273	38905	39335	40751	36210	36790	38253	
% CHG SAME QTR LAST YR....	-1.69	0.41	3.77	4.01	4.02	3.98	3.92	3.98	4.10	3.03	4.00	-0.72	1.60	3.98	
NONDURABLE GOODS	36266	36902	36795	35880	36563	37835	37763	36779	37441	38787	38693	36465	36461	37235	
% CHG SAME QTR LAST YR....	-2.19	0.77	0.63	0.79	0.82	2.53	2.63	2.51	2.40	2.52	2.46	2.94	-0.01	2.12	
TRADE	24623	24186	24539	24176	24854	25412	25400	25221	26410	26214	25398	23956	24381	25222	
% CHG SAME QTR LAST YR....	0.83	0.64	2.51	3.16	0.94	5.07	3.51	4.32	6.26	3.16	-0.01	0.52	1.77	3.45	
SERVICES	31630	31108	30856	30697	32422	33067	32012	31849	34234	33809	34707	30920	31073	32338	
% CHG SAME QTR LAST YR....	0.94	1.92	-0.89	0.03	2.50	6.30	3.75	3.76	5.59	2.24	8.42	4.76	0.49	4.07	
FIN, INS, REAL EST.	46547	47298	46873	48455	49113	48954	48739	49387	50253	50335	46662	46002	47293	49048	
% CHG SAME QTR LAST YR....	4.66	-0.27	1.50	5.51	5.51	3.50	3.98	1.92	2.32	2.82	-4.26	4.37	2.81	3.71	
TRANS, COMM, PUB UTIL	39139	40549	40175	39312	40118	41562	41177	40160	41106	42607	42216	38862	39794	40754	
% CHG SAME QTR LAST YR....	0.24	3.76	3.28	2.30	2.50	2.50	2.50	2.16	2.46	2.51	2.52	-0.03	2.40	2.41	
GOVERNMENT	31100	31047	33126	31216	31666	32006	34022	32080	32518	32814	35014	30878	31622	32444	
% CHG SAME QTR LAST YR....	3.73	1.30	2.20	2.46	1.82	3.09	2.70	2.77	2.69	2.52	2.91	4.97	2.41	2.60	
FEDERAL CIVILIAN	53604	50432	52245	52931	53231	52821	54109	55111	55344	54956	56218	51234	52303	53818	
% CHG SAME QTR LAST YR....	5.58	-1.32	1.69	2.40	-0.69	4.74	3.57	4.12	3.97	4.04	3.90	10.96	2.09	2.90	
STATE AND LOCAL	27915	28278	30302	28204	28613	28990	31053	28892	29247	29598	31833	27914	28675	29387	
% CHG SAME QTR LAST YR....	3.59	2.34	2.50	2.50	2.52	2.48	2.44	2.22	2.10	2.51	4.04	2.72	2.48	2.48	

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TABLE 14: TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TENNESSEE AVERAGE ANNUAL WAGE AND SALARY RATE BY SECTOR
 SEASONALLY ADJUSTED CURRENT DOLLARS

	FORECAST - DATA												ANNUAL		
	200201	200202	200203	200204	200301	200302	200303	200304	200401	200402	200403	2001	2002	2003	
TOTAL NONAGRICULTURAL.....	31793	32114	32391	32131	32536	33502	33453	33170	33873	34366	34603	31694	32107	33165	
% CHG PREV QTR SAAR.....	4.00	4.11	3.50	-3.18	5.14	12.41	-0.58	3.35	8.75	5.95	2.79	2.35	1.30	3.30	
% CHG SAME QTR LAST YR....	0.77	1.10	1.29	2.06	2.34	4.32	3.28	3.23	4.11	2.58	3.44	2.35	1.30	3.30	
MINING.....	49636	49321	49773	50255	50771	51299	51850	52418	52988	53569	54147	45870	49746	51585	
% CHG PREV QTR SAAR.....	5.52	-2.52	3.72	3.93	4.17	4.23	4.36	4.45	4.42	4.46	4.39	3.99	8.45	3.70	
% CHG SAME QTR LAST YR....	9.38	8.42	14.06	2.61	2.29	4.01	4.17	4.30	4.37	4.42	4.43	3.99	8.45	3.70	
CONSTRUCTION.....	35015	35369	35719	36069	36418	36767	37114	37464	37821	38180	38540	35351	35543	36941	
% CHG PREV QTR SAAR.....	3.50	4.10	4.02	3.98	3.93	3.88	3.84	3.82	3.87	3.85	3.83	0.26	0.54	3.93	
% CHG SAME QTR LAST YR....	-2.41	-0.54	1.33	3.90	4.01	3.95	3.91	3.87	3.85	3.84	3.84	0.26	0.54	3.93	
MANUFACTURING.....	35995	36823	37315	36482	36964	38068	38597	37731	38239	39146	39923	36296	36654	37840	
% CHG PREV QTR SAAR.....	5.35	9.53	5.45	-8.63	5.38	12.49	5.68	-8.67	5.50	9.83	8.17	0.73	0.99	3.24	
% CHG SAME QTR LAST YR....	-1.65	0.50	2.48	2.68	2.69	3.38	3.44	3.42	3.45	2.83	3.44	0.73	0.99	3.24	
DURABLE GOODS.....	35902	36795	37630	36852	37341	38258	39108	38321	38871	39416	40674	36210	36795	38257	
% CHG PREV QTR SAAR.....	5.41	10.33	9.39	-8.02	5.41	10.19	9.18	-7.81	5.87	5.73	13.38	-0.71	1.61	3.97	
% CHG SAME QTR LAST YR....	-1.49	0.25	3.78	4.01	4.01	3.98	3.93	3.99	4.10	3.03	4.00	-0.71	1.61	3.97	
NONDURABLE GOODS.....	36128	36864	36860	35952	36422	37788	37830	36853	37296	38737	38765	36418	36451	37223	
% CHG PREV QTR SAAR.....	5.27	8.40	-0.04	-9.49	5.34	15.86	0.45	-9.94	4.90	16.37	0.29	2.87	0.09	2.12	
% CHG SAME QTR LAST YR....	-1.89	0.86	0.63	0.80	0.81	2.51	2.63	2.51	2.40	2.51	2.47	2.87	0.09	2.12	
TRADE.....	24168	24120	24637	24638	24394	25343	25501	25703	25921	26143	25500	23965	24391	25235	
% CHG PREV QTR SAAR.....	4.86	-0.79	8.85	0.02	-3.90	16.48	2.53	3.20	3.44	3.46	-9.48	0.57	1.78	3.46	
% CHG SAME QTR LAST YR....	0.81	0.63	2.51	3.16	0.94	5.07	3.51	4.32	6.26	3.16	-0.01	0.57	1.78	3.46	
SERVICES.....	31093	31264	31116	30822	31871	33234	32281	31979	33652	33979	34999	30895	31074	32341	
% CHG PREV QTR SAAR.....	3.67	2.22	-1.88	-3.73	14.33	18.23	-10.98	-3.69	22.62	3.95	12.55	4.67	0.58	4.08	
% CHG SAME QTR LAST YR....	1.26	1.94	-0.89	0.03	2.50	6.30	3.75	3.76	5.59	2.24	8.42	4.67	0.58	4.08	
FIN, INS, REAL EST.....	46233	47370	47096	48492	48782	49028	48972	49424	49914	50411	46885	46002	47298	49051	
% CHG PREV QTR SAAR.....	2.41	10.20	-2.29	12.39	2.41	2.04	-0.46	3.74	4.02	4.05	-25.18	4.36	2.82	3.71	
% CHG SAME QTR LAST YR....	4.64	-0.20	1.50	5.51	5.51	3.50	3.98	1.92	2.32	2.82	-4.26	4.36	2.82	3.71	
TRANS, COMM, PUB UTIL.....	38790	40650	40301	39399	39760	41666	41307	40250	40738	42714	42349	38789	39785	40746	
% CHG PREV QTR SAAR.....	2.90	20.61	-3.39	-8.66	3.71	20.60	-3.40	-9.85	4.95	20.85	-3.37	-0.24	2.57	2.41	
% CHG SAME QTR LAST YR....	0.43	4.23	3.28	2.30	2.50	2.50	2.50	2.16	2.46	2.51	2.52	-0.24	2.57	2.41	
GOVERNMENT.....	31390	31103	32085	31763	31962	32064	32953	32642	32821	32874	33915	30844	31585	32405	
% CHG PREV QTR SAAR.....	5.13	-3.61	13.24	-3.96	2.53	1.29	11.55	-3.72	2.21	0.65	13.28	4.92	2.40	2.60	
% CHG SAME QTR LAST YR....	3.68	1.30	2.19	2.46	1.82	3.09	2.70	2.77	2.69	2.52	2.92	4.92	2.40	2.60	
FEDERAL, CIVILIAN.....	53639	51138	52211	52406	53267	53560	54074	54565	55380	55725	56182	51280	52349	53866	
% CHG PREV QTR SAAR.....	20.69	-17.39	8.66	1.50	6.73	2.22	3.89	3.68	6.11	2.52	3.32	11.05	2.08	2.90	
% CHG SAME QTR LAST YR....	5.31	-1.03	1.69	2.40	-0.69	4.74	3.57	4.12	3.97	4.04	3.90	11.05	2.08	2.90	
STATE AND LOCAL.....	28210	28280	29216	28808	28915	28992	29941	29511	29557	29600	30692	27873	28629	29340	
% CHG PREV QTR SAAR.....	1.50	1.00	13.91	-5.47	1.50	1.07	13.74	-5.62	0.62	0.59	15.59	3.98	2.71	2.48	
% CHG SAME QTR LAST YR....	3.57	2.30	2.50	2.50	2.50	2.52	2.48	2.44	2.22	2.10	2.51	3.98	2.71	2.48	

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TABLE 15: TENNESSEE ECONOMETRIC MODEL, September 2002 UPDATE
 TENNESSEE CIVILIAN LABOR FORCE AND UNEMPLOYMENT RATE

	HISTORY												FORECAST - DATA												ANNUAL		
	200201	200202	200203	200204	200301	200302	200303	200304	200401	200402	200403	2001	2002	2003	2001	2002	2003	2001	2002	2003							
CIVILIAN LABOR FORCE (THOUS).....	2867	2877	2913	2909	2909	2923	2960	2963	2976	2968	3018	2818	2891	2939	2867	2877	2913	2818	2891	2939							
% CHG SAME QTR LAST YR.....	3.28	2.59	2.42	2.17	1.47	1.62	1.61	1.86	2.32	1.53	1.97	0.69	2.61	1.64	3.28	2.59	2.42	0.69	2.61	1.64							
EMPLOYED PERSONS (THOUS).....	2701	2736	2770	2778	2762	2789	2815	2829	2828	2833	2873	2692	2746	2798	2701	2736	2770	2692	2746	2798							
% CHG SAME QTR LAST YR.....	1.80	1.86	2.09	2.31	2.28	1.93	1.62	1.83	2.40	1.60	2.09	0.13	2.02	1.91	1.80	1.86	2.09	0.13	2.02	1.91							
UNEMPLOYED PERSONS (THOUS).....	166	141	143	131	147	134	145	134	148	135	145	126	145	140	166	141	143	126	145	140							
% CHG SAME QTR LAST YR.....	35.13	19.29	9.13	-0.76	-11.70	-4.39	1.49	2.51	0.76	0.13	-0.24	14.34	15.26	-3.48	35.13	19.29	9.13	14.34	15.26	-3.48							
PARTICIPATION RATE (PERCENT).....	63.0	63.0	63.6	63.5	63.3	63.3	63.9	63.9	64.0	63.6	64.7	62.2	63.3	63.6	63.0	63.0	63.6	62.2	63.3	63.6							
% CHG SAME QTR LAST YR.....	2.56	1.62	1.35	1.20	0.38	0.53	0.49	0.73	1.15	0.35	1.19	0.04	1.68	0.53	2.56	1.62	1.35	0.04	1.68	0.53							
UNEMPLOYMENT RATE (PERCENT).....	5.8	4.9	4.9	4.5	5.0	4.6	4.9	4.5	5.0	4.5	4.8	4.5	5.0	4.8	5.8	4.9	4.9	4.5	5.0	4.8							

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TABLE 16: TENNESSEE ECONOMETRIC MODEL, September 2002 UPDATE
 TENNESSEE CIVILIAN LABOR FORCE AND UNEMPLOYMENT RATE
 SEASONALLY ADJUSTED

	FORECAST - DATA												ANNUAL		
	200201	200202	200203	200204	200301	200302	200303	200304	200401	200402	200403	2001	2002	2003	
CIVILIAN LABOR FORCE (THOUS).....	2898	2883	2887	2896	2942	2930	2933	2949	3010	2975	2991	2818	2891	2938	
% CHG PREV QTR SAAR.....	9.27	-2.00	0.44	1.27	6.50	-1.59	0.44	2.26	8.45	-4.61	2.22	0.69	2.60	1.65	
% CHG SAME QTR LAST YR.....	3.24	2.58	2.41	2.16	1.51	1.61	1.61	1.86	2.32	1.53	1.97	0.69	2.60	1.65	
EMPLOYED PERSONS (THOUS).....	2738	2738	2748	2759	2801	2790	2793	2809	2868	2835	2851	2692	2746	2798	
% CHG PREV QTR SAAR.....	6.35	-0.12	1.58	1.53	6.22	-1.46	0.34	2.38	8.62	-4.51	2.28	0.13	2.01	1.91	
% CHG SAME QTR LAST YR.....	1.77	1.86	2.09	2.31	2.28	1.93	1.62	1.83	2.40	1.60	2.09	0.13	2.01	1.91	
UNEMPLOYED PERSONS (THOUS).....	160	146	138	137	141	139	140	140	142	140	140	126	145	140	
% CHG PREV QTR SAAR.....	79.32	-30.31	-19.22	-3.92	12.37	-4.18	2.55	0.01	4.89	-6.55	1.05	14.37	15.15	-3.37	
% CHG SAME QTR LAST YR.....	37.21	18.32	9.13	-0.76	-11.70	-4.39	1.49	2.51	0.76	0.13	-0.24	14.37	15.15	-3.37	
PARTICIPATION RATE (PERCENT).....	63.7	63.2	63.0	63.2	64.0	63.5	63.4	63.6	64.7	63.7	64.1	62.2	63.3	63.6	
% CHG PREV QTR SAAR.....	8.43	-3.50	-0.69	0.89	5.16	-3.11	-0.78	1.83	6.96	-6.17	2.61	0.04	1.66	0.54	
% CHG SAME QTR LAST YR.....	2.52	1.61	1.35	1.19	0.42	0.52	0.50	0.73	1.16	0.35	1.20	0.04	1.66	0.54	
UNEMPLOYMENT RATE (PERCENT).....	5.5	5.1	4.8	4.7	4.8	4.8	4.8	4.8	4.7	4.7	4.7	4.5	5.0	4.8	

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TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TABLE 17: TENNESSEE TAXABLE SALES
 MILLIONS OF 1996 DOLLARS

	FORECAST - DATA												ANNUAL		
	HISTORY	200201	200202	200203	200204	200301	200302	200303	200304	200401	200402	200403	2001	2002	2003
TOTAL.....	15767	17222	16843	18272	15827	17357	17204	18644	16116	17500	17669	67966	68104	69031	1.36
% CHG SAME QTR LAST YR.....	0.18	-0.41	-0.07	1.07	0.38	0.78	2.14	2.04	1.83	0.83	2.70	-2.13	0.20	1.36	
AUTO DEALERS.....	1904	2029	2090	2037	2106	2081	2076	2155	2211	2094	2122	7865	8060	8419	4.45
% CHG SAME QTR LAST YR.....	2.55	3.36	6.27	-1.98	10.59	2.56	-0.66	5.83	5.02	0.63	2.20	0.69	2.48	3479	
PURCHASES FROM MANUFACTURERS..	733	889	894	927	734	891	907	947	779	920	903	3605	3443	3479	1.04
% CHG SAME QTR LAST YR.....	-13.83	-7.59	-0.30	3.51	0.15	0.22	1.45	2.12	6.17	3.28	-0.52	-7.76	-4.49	1.04	
MISC DURABLE GOODS.....	2538	2928	2662	2846	2548	2951	2870	2851	2532	2911	2781	11278	10974	11221	2.25
% CHG SAME QTR LAST YR.....	-2.96	-3.19	-3.71	-0.96	0.38	0.79	7.82	0.19	-0.61	-1.37	-3.11	-6.69	-2.69	2.25	
EATING AND DRINKING PLACES.....	1424	1545	1547	1467	1422	1553	1564	1492	1453	1585	1600	5882	5982	6031	0.81
% CHG SAME QTR LAST YR.....	3.02	3.12	1.67	-0.92	-0.13	0.52	1.11	1.72	2.20	2.10	2.31	1.83	1.70	0.81	
FOOD STORES.....	1703	1779	1790	1931	1632	1724	1745	1873	1642	1735	1742	7384	7203	6974	3.18
% CHG SAME QTR LAST YR.....	-2.54	-3.12	-2.42	-1.79	-4.18	-3.07	-2.51	-3.01	0.58	0.64	-0.15	-2.48	-2.46	-3.18	
LIQUOR STORES.....	86	88	85	112	84	86	83	110	83	85	82	362	371	363	2.04
% CHG SAME QTR LAST YR.....	2.64	2.37	3.41	1.06	-2.30	-2.25	-2.02	-1.69	-1.26	-1.20	-1.11	1.28	2.27	-2.04	
HOTELS AND MOTELS.....	321	431	451	412	325	431	451	411	325	431	451	1627	1615	1617	0.13
% CHG SAME QTR LAST YR.....	-4.65	-1.37	0.72	1.73	1.24	-0.05	-0.16	-0.23	-0.07	-0.05	-0.01	-4.29	-0.70	0.13	
OTHER RETAIL AND SERVICE.....	4505	4864	4621	5632	4388	4876	4733	5784	4426	4930	5088	19518	19622	19782	0.81
% CHG SAME QTR LAST YR.....	1.58	1.36	-1.07	0.33	-2.60	0.24	2.43	2.71	0.86	1.12	7.50	-2.32	0.53	0.81	
MISC NONDURABLE GOODS.....	1296	1365	1318	1658	1334	1400	1333	1719	1359	1425	1437	5745	5637	5786	2.65
% CHG SAME QTR LAST YR.....	-5.02	-3.43	-1.95	2.12	2.98	2.59	1.10	3.68	1.83	1.78	7.82	-2.51	-1.89	2.65	
TRANSPORTATION, COMMUNICATION..	1258	1304	1385	1251	1254	1363	1442	1301	1306	1382	1463	4699	5197	5361	3.14
% CHG SAME QTR LAST YR.....	17.77	2.37	4.54	21.11	-0.28	4.53	4.14	4.03	4.16	1.43	1.46	7.74	10.60	3.14	
PER CAPITA (\$).	2732	2973	2899	3141	2712	2964	2929	3169	2731	2954	2983	11836	11746	11774	0.74
% CHG SAME QTR LAST YR.....	-0.62	-1.40	-1.12	0.07	-0.71	-0.32	1.01	0.90	0.67	-0.34	1.83	-2.87	-0.76	0.74	

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TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TABLE 18: TENNESSEE TAXABLE SALES
 MILLIONS OF SEASONALLY ADJUSTED 1996 DOLLARS

	FORECAST - DATA												ANNUAL		
	200201	200202	200203	200204	200301	200302	200303	200304	200401	200402	200403	2001	2002	2003	
TOTAL	17045	17015	16674	17410	17078	17151	17032	17774	17383	17295	17507	68039	68144	69036	
% CHG PREV QTR SAAR	-3.94	-0.72	-7.77	18.86	-7.40	1.71	-2.75	18.60	-8.51	-2.01	5.00	-2.14	0.15	1.31	
% CHG SAME QTR LAST YR	-0.13	-0.33	-0.06	1.12	0.19	0.80	2.15	2.09	1.78	0.84	2.79	-2.14	0.15	1.31	
AUTO DEALERS	1915	1959	1959	2258	2116	2012	1946	2389	2222	2024	1988	7910	8091	8463	
% CHG PREV QTR SAAR	-52.16	9.54	-0.17	76.36	-22.81	-18.36	-12.50	127.46	-25.15	-31.15	-6.92	1.27	2.30	4.59	
% CHG SAME QTR LAST YR	2.36	3.56	6.27	-1.96	10.49	2.66	-0.66	5.83	5.02	0.63	2.20	1.27	2.30	4.59	
PURCHASES FROM MANUFACTURERS	825	840	875	901	825	842	887	920	876	869	883	3614	3440	3474	
% CHG PREV QTR SAAR	-19.17	7.60	17.55	12.41	-29.52	8.30	23.44	15.42	-17.67	-2.99	6.23	-7.67	-4.81	0.99	
% CHG SAME QTR LAST YR	-14.00	-7.61	-0.15	3.54	0.05	0.21	1.45	2.12	6.17	3.28	-0.52	-7.67	-4.81	0.99	
MISC DURABLE GOODS	2770	2777	2624	2810	2775	2803	2829	2815	2758	2764	2742	11285	10981	11222	
% CHG PREV QTR SAAR	-9.44	1.04	-20.27	31.46	-4.89	4.10	3.85	-2.02	-7.88	0.96	-3.27	-6.91	-2.70	2.20	
% CHG SAME QTR LAST YR	-3.33	-2.92	-3.51	-1.04	0.18	0.93	7.82	0.19	-0.61	-1.37	-3.11	-6.91	-2.70	2.20	
EATING AND DRINKING PLACES	1496	1498	1499	1490	1493	1506	1516	1516	1525	1538	1551	5883	5983	6031	
% CHG PREV QTR SAAR	-2.17	0.65	0.31	-2.40	0.68	3.70	2.58	-0.03	2.58	3.31	3.43	1.83	1.70	0.80	
% CHG SAME QTR LAST YR	2.88	3.18	1.72	-0.91	-0.20	0.55	1.11	1.72	2.20	2.10	2.31	1.83	1.70	0.80	
FOOD STORES	1821	1793	1797	1793	1745	1738	1752	1739	1755	1749	1749	7387	7205	6974	
% CHG PREV QTR SAAR	-0.98	-6.15	0.96	-0.85	-10.34	-1.58	3.23	-2.87	3.68	-1.30	0.00	-2.44	-2.47	-3.20	
% CHG SAME QTR LAST YR	-2.58	-3.09	-2.43	-1.79	-4.20	-3.05	-2.51	-3.01	0.58	0.64	-0.15	-2.44	-2.47	-3.20	
LIQUOR STORES	93	93	93	92	91	91	91	90	90	90	90	362	371	363	
% CHG PREV QTR SAAR	11.34	-1.78	-1.92	-2.51	-3.14	-1.47	-0.94	-1.20	-1.43	-1.23	-0.57	1.12	2.35	-2.08	
% CHG SAME QTR LAST YR	2.55	2.34	3.38	1.12	-2.34	-2.26	-2.02	-1.69	-1.26	-1.20	-1.11	1.12	2.35	-2.08	
HOTELS AND MOTELS	400	404	405	405	405	405	404	404	404	404	404	1630	1615	1618	
% CHG PREV QTR SAAR	1.48	4.53	0.52	0.07	-0.52	0.00	-0.16	-0.21	0.11	0.06	0.01	-4.33	-0.95	0.19	
% CHG SAME QTR LAST YR	-4.85	-1.24	0.86	1.63	1.13	0.02	-0.16	-0.23	-0.07	-0.05	-0.01	-4.33	-0.95	0.19	
OTHER RETAIL AND SERVICE	4996	4959	4758	4917	4862	4972	4874	5050	4904	5027	5239	19525	19631	19758	
% CHG PREV QTR SAAR	8.27	-2.93	-15.24	13.99	-4.41	9.36	-7.64	15.27	-11.11	10.46	17.98	-2.42	0.54	0.65	
% CHG SAME QTR LAST YR	1.37	1.38	-1.01	0.38	-2.69	0.25	2.43	2.71	0.86	1.12	7.50	-2.42	0.54	0.65	
MISC NONDURABLE GOODS	1422	1401	1368	1443	1462	1438	1383	1496	1488	1463	1491	5757	5634	5778	
% CHG PREV QTR SAAR	2.81	-5.79	-9.16	23.74	5.41	-6.44	-14.40	36.90	-1.95	-6.60	7.78	-2.39	-2.14	2.56	
% CHG SAME QTR LAST YR	-5.37	-3.40	-1.69	2.15	2.79	2.61	1.10	3.68	1.83	1.78	7.82	-2.39	-2.14	2.56	
TRANSPORTATION, COMMUNICATION	1307	1290	1296	1302	1305	1346	1350	1354	1360	1365	1370	4686	5194	5356	
% CHG PREV QTR SAAR	117.70	-5.10	2.15	1.69	1.08	12.94	1.32	1.26	1.59	1.53	1.47	7.38	10.86	3.10	
% CHG SAME QTR LAST YR	18.22	2.02	4.48	21.04	-0.09	4.36	4.14	4.03	4.16	1.43	1.46	7.38	10.86	3.10	
PER CAPITA (\$)	2953	2937	2870	2993	2927	2929	2900	3021	2945	2919	2955	11850	11754	11777	
% CHG PREV QTR SAAR	-4.75	-2.16	-8.81	18.22	-8.55	0.23	-3.91	17.91	-9.72	-3.51	5.06	-2.88	-0.81	0.19	
% CHG SAME QTR LAST YR	-0.92	-1.31	-1.12	0.12	-0.90	-0.29	1.02	0.95	0.63	-0.33	1.92	-2.88	-0.81	0.19	

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TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TABLE 19: TENNESSEE TAXABLE SALES
 MILLIONS OF CURRENT DOLLARS

	FORECAST - DATA												ANNUAL		
	HISTORY	200201	200202	200203	200204	200301	200302	200303	200304	200401	200402	200403	2001	2002	2003
TOTAL	17366	19089	18772	20497	17895	19754	19714	21511	18705	20435	20757	74473	75724	78874	
% CHG SAME QTR LAST YR.....	1.08	0.68	1.60	3.22	3.05	3.48	5.02	4.95	4.53	3.45	5.29	-0.16	1.68	4.16	
AUTO DEALERS.....	2097	2249	2330	2285	2381	2369	2379	2487	2567	2446	2493	8618	8961	9616	
% CHG SAME QTR LAST YR.....	3.48	4.49	8.04	0.11	13.54	5.31	2.13	8.85	7.80	3.25	4.78	2.76	3.98	7.31	
PURCHASES FROM MANUFACTURERS..	807	985	997	1040	830	1014	1040	1092	904	1074	1060	3950	3829	3976	
% CHG SAME QTR LAST YR.....	-13.05	-6.58	1.37	5.71	2.82	2.91	4.31	5.03	8.98	5.97	1.99	-5.91	-3.06	3.83	
MISC DURABLE GOODS.....	2796	3245	2967	3193	2881	3359	3289	3290	2939	3399	3267	12358	12200	12819	
% CHG SAME QTR LAST YR.....	-2.08	-2.13	-2.11	1.15	3.05	3.50	10.86	3.05	2.03	1.20	-0.66	-4.79	-1.27	5.07	
EATING AND DRINKING PLACES.....	1568	1712	1724	1646	1608	1767	1792	1722	1687	1851	1880	6445	6650	6889	
% CHG SAME QTR LAST YR.....	3.95	4.25	3.37	1.19	2.53	3.21	3.96	4.62	4.91	4.76	4.89	3.89	3.18	3.59	
FOOD STORES.....	1876	1972	1994	2166	1846	1962	1999	2161	1905	2026	2046	8091	8008	7968	
% CHG SAME QTR LAST YR.....	-1.65	-2.06	-0.79	0.30	-1.63	-0.47	0.23	-0.25	3.24	3.26	2.37	-0.52	-1.02	-0.51	
LIQUOR STORES.....	94	98	94	125	95	98	95	127	96	100	97	397	412	415	
% CHG SAME QTR LAST YR.....	3.57	3.49	5.13	3.22	0.30	0.37	0.74	1.12	1.36	1.37	1.39	3.29	3.80	0.67	
HOTELS AND MOTELS.....	354	478	503	462	368	490	516	474	377	503	529	1783	1796	1848	
% CHG SAME QTR LAST YR.....	-3.79	-0.29	2.40	3.89	3.93	2.63	2.66	2.62	2.58	2.55	2.51	-2.38	0.77	2.89	
OTHER RETAIL AND SERVICE.....	4962	5392	5150	6318	4961	5549	5424	6674	5137	5757	5978	21389	21821	22609	
% CHG SAME QTR LAST YR.....	2.50	2.47	0.58	2.47	0.00	2.93	5.31	5.64	3.54	3.75	10.21	-0.37	2.02	3.61	
MISC NONDURABLE GOODS.....	1427	1513	1469	1860	1509	1594	1527	1983	1577	1664	1688	6295	6269	6613	
% CHG SAME QTR LAST YR.....	-4.15	-2.37	-0.31	4.30	5.72	5.34	3.94	6.64	4.53	4.43	10.54	-0.58	-0.42	5.49	
TRANSPORTATION, COMMUNICATION..	1385	1445	1543	1403	1418	1551	1653	1502	1516	1614	1719	5149	5777	6123	
% CHG SAME QTR LAST YR.....	18.83	3.49	6.28	23.69	2.37	7.33	7.08	7.00	6.93	4.06	4.02	9.93	12.20	5.99	
PER CAPITA (\$)	3009	3295	3231	3524	3067	3373	3356	3657	3169	3449	3504	12969	13059	13453	
% CHG SAME QTR LAST YR.....	0.28	-0.32	0.53	2.20	1.93	2.36	3.86	3.78	3.34	2.25	4.40	-0.91	0.70	3.01	

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TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TABLE 20: TENNESSEE TAXABLE SALES
 MILLIONS OF SEASONALLY ADJUSTED CURRENT DOLLARS

	FORECAST - DATA												ANNUAL		
	200201	200202	200203	200204	200301	200302	200303	200304	200401	200402	200403	2001	2002	2003	
TOTAL	18774	18859	18583	19530	19311	19520	19517	20508	20177	20195	20567	74546	75746	78855	
% CHG PREV QTR SAAR	-2.88	1.83	-5.72	22.00	-4.43	4.40	-0.05	21.90	-6.31	0.38	7.57	-0.16	1.61	4.10	
% CHG SAME QTR LAST YR	0.78	0.77	1.60	3.27	2.86	3.50	5.03	5.00	4.48	3.46	5.38	-0.16	1.61	4.10	
AUTO DEALERS	2110	2172	2183	2533	2393	2289	2230	2757	2580	2364	2336	8667	8997	9669	
% CHG PREV QTR SAAR	-51.63	12.35	2.05	81.24	-20.33	-16.20	-10.07	133.80	-23.35	-29.48	-4.63	3.35	3.81	7.46	
% CHG SAME QTR LAST YR	3.29	4.69	8.04	0.12	13.43	5.41	2.13	8.85	7.80	3.25	4.78	3.35	3.81	7.46	
PURCHASES FROM MANUFACTURERS	908	931	975	1010	933	958	1017	1061	1017	1015	1037	3959	3824	3969	
% CHG PREV QTR SAAR	-18.28	10.37	20.15	15.39	-27.26	11.17	26.86	18.63	-15.68	-0.63	8.84	-5.80	-3.40	3.78	
% CHG SAME QTR LAST YR	-13.22	-6.60	1.51	5.75	2.71	2.90	4.31	5.03	8.98	5.97	1.99	-5.80	-3.40	3.78	
MISC DURABLE GOODS	3051	3078	2925	3152	3137	3190	3242	3248	3201	3228	3221	12364	12205	12818	
% CHG PREV QTR SAAR	-8.44	3.64	-18.50	34.94	-1.84	6.86	6.73	0.71	-5.66	3.42	-0.90	-5.01	-1.28	5.02	
% CHG SAME QTR LAST YR	-2.46	-1.86	-1.90	1.07	2.85	3.64	10.86	3.05	2.03	1.20	-0.66	-5.01	-1.28	5.02	
EATING AND DRINKING PLACES	1647	1660	1671	1672	1688	1714	1737	1749	1771	1796	1822	6446	6650	6888	
% CHG PREV QTR SAAR	-1.09	3.23	2.54	0.18	3.91	6.44	5.42	2.76	5.05	5.83	5.97	3.89	3.17	3.58	
% CHG SAME QTR LAST YR	3.81	4.31	3.42	1.20	2.46	3.24	3.96	4.62	4.91	4.76	4.89	3.89	3.17	3.58	
FOOD STORES	2006	1987	2003	2012	1973	1978	2008	2007	2037	2043	2055	8094	8008	7965	
% CHG PREV QTR SAAR	0.10	-3.74	3.20	1.77	-7.46	1.03	6.08	-0.16	6.19	1.10	2.45	-0.47	-1.06	-0.53	
% CHG SAME QTR LAST YR	-1.70	-2.03	-0.80	0.30	-1.65	-0.46	0.23	-0.25	3.24	3.26	2.37	-0.47	-1.06	-0.53	
LIQUOR STORES	103	103	103	103	103	103	104	104	105	105	105	397	412	415	
% CHG PREV QTR SAAR	12.56	0.74	0.26	0.07	-0.03	1.13	1.81	1.56	0.95	1.17	1.87	3.17	3.83	0.62	
% CHG SAME QTR LAST YR	3.48	3.46	5.11	3.28	0.26	0.36	0.74	1.12	1.36	1.37	1.39	3.17	3.83	0.62	
HOTELS AND MOTELS	441	448	451	454	457	460	463	466	469	472	475	1786	1795	1848	
% CHG PREV QTR SAAR	-2.59	7.21	2.75	2.71	2.68	2.64	2.60	2.57	2.53	2.49	2.46	-2.39	0.49	2.94	
% CHG SAME QTR LAST YR	-3.99	-0.16	2.54	3.80	3.82	2.70	2.66	2.62	2.58	2.55	2.51	-2.39	0.49	2.94	
OTHER RETAIL AND SERVICE	5503	5497	5303	5516	5497	5658	5585	5827	5692	5870	6155	21392	21819	22567	
% CHG PREV QTR SAAR	9.46	-0.44	-13.36	17.01	-1.34	12.26	-5.08	18.48	-8.96	13.15	20.88	-0.45	1.99	3.43	
% CHG SAME QTR LAST YR	2.29	2.49	0.64	2.32	-0.11	2.94	5.31	5.64	3.54	3.75	10.21	-0.45	1.99	3.43	
MISC NONDURABLE GOODS	1566	1553	1524	1618	1653	1636	1585	1726	1728	1709	1752	6307	6262	6600	
% CHG PREV QTR SAAR	3.94	-3.38	-7.14	27.01	8.79	-3.96	-12.03	40.71	0.42	-4.32	10.42	-0.42	-0.71	5.39	
% CHG SAME QTR LAST YR	-4.51	-2.34	-0.05	4.32	5.52	5.36	3.94	6.64	4.53	4.43	10.54	-0.42	-0.71	5.39	
TRANSPORTATION, COMMUNICATION	1439	1429	1445	1460	1476	1532	1547	1563	1578	1594	1609	5134	5774	6117	
% CHG PREV QTR SAAR	120.09	-2.66	4.42	4.38	4.33	15.93	4.13	4.09	4.04	4.00	3.96	9.56	12.46	5.95	
% CHG SAME QTR LAST YR	19.29	3.14	6.23	23.61	2.57	7.15	7.08	7.00	6.93	4.06	4.02	9.56	12.46	5.95	
PER CAPITA (\$)	3253	3256	3199	3358	3309	3333	3323	3486	3419	3409	3472	12983	13065	13451	
% CHG PREV QTR SAAR	-3.70	0.35	-6.78	21.35	-5.61	2.88	-1.25	21.20	-7.54	-1.16	7.64	-0.91	0.64	2.96	
% CHG SAME QTR LAST YR	-0.02	-0.23	0.53	2.25	1.74	2.38	3.86	3.83	3.30	2.27	4.49	-0.91	0.64	2.96	

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Historical Data

1999:04 to 2002:02

Quarterly Tennessee Econometric Model
(History as of September 2002)

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*Key: SA=Seasonally Adjusted; NSA=Not Seasonally Adjusted; SAAR=Seasonally Adjusted Annual Rate

TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TABLE 1: SELECTED U.S. AND TENNESSEE ECONOMIC INDICATORS
 SEASONALLY ADJUSTED

	HISTORICAL - DATA												ANNUAL		
	1999Q4	2000Q1	2000Q2	2000Q3	2000Q4	2001Q1	2001Q2	2001Q3	2001Q4	2002Q1	2002Q2	1999	2000	2001	
US GDP (BIL96\$) SAAR.....	9040.1	9097.4	9205.7	9218.7	9243.8	9229.9	9193.0	9186.4	9248.8	9363.2	9387.9	8858.9	9191.4	9214.5	
% CHG PREV QTR SAAR.....	7.07	2.56	4.85	0.56	1.10	-0.60	-1.59	-0.29	2.74	5.04	1.06	4.11	3.75	0.25	
% CHG SAME QTR LAST YR.....	4.29	4.17	4.90	3.73	2.25	1.46	-0.14	-0.35	0.05	1.44	2.12	4.11	3.75	0.25	
US GDP (BIL\$) SAAR.....	9516.4	9649.5	9820.7	9874.8	9953.6	10028.1	10049.9	10097.7	10152.9	10313.1	10369.9	9274.3	9824.7	10082.2	
% CHG PREV QTR SAAR.....	8.86	5.71	7.29	2.22	3.23	3.03	0.87	1.92	2.20	6.46	2.22	5.61	5.93	2.62	
% CHG SAME QTR LAST YR.....	5.92	6.12	7.08	5.99	4.59	3.92	2.33	2.26	2.00	2.84	3.18	5.61	5.93	2.62	
IMPLICIT DEFlator,GDP.....	105.3	106.1	106.7	107.1	107.7	108.7	109.3	109.9	109.8	110.1	110.5	104.7	106.9	109.4	
% CHG PREV QTR SAAR.....	1.69	3.07	2.32	1.66	2.11	3.65	2.49	2.21	-0.51	1.32	1.17	1.44	2.11	2.37	
% CHG SAME QTR LAST YR.....	1.56	1.87	2.08	2.18	2.29	2.43	2.47	2.61	1.95	1.37	1.04	1.44	2.11	2.37	
US PERS CONS DEFL (1996=100)....	105.6	106.5	107.1	107.7	108.3	109.2	109.6	109.6	109.8	110.1	110.8	104.7	107.4	109.6	
% CHG PREV QTR SAAR.....	2.38	3.45	2.23	2.11	2.21	3.33	1.81	-0.07	0.81	1.10	2.57	1.65	2.54	2.02	
% CHG SAME QTR LAST YR.....	2.01	2.56	2.56	2.54	2.50	2.47	2.36	1.81	1.46	0.91	1.09	1.65	2.54	2.02	
TN PERSONAL INCOME (MIL96\$) SAAR	134315	135913	137571	138485	139055	139339	139169	140172	138769	141300	141119	133101	137756	139362	
% CHG PREV QTR SAAR.....	1.97	4.85	4.97	2.69	1.66	0.82	-0.49	2.91	-3.94	7.50	-0.51	2.16	3.50	1.17	
% CHG SAME QTR LAST YR.....	1.70	3.23	3.62	3.61	3.53	2.52	1.16	1.22	-0.21	1.41	1.40	2.16	3.50	1.17	
US PERSONAL INCOME (BIL96\$) SAAR	7536.7	7709.0	7795.9	7883.2	7922.2	7932.3	7913.3	7942.1	7921.4	7999.3	8049.0	7434.5	7827.6	7927.3	
% CHG PREV QTR SAAR.....	5.53	9.46	4.59	4.55	1.99	0.51	-0.95	1.46	-1.04	3.99	2.51	3.15	5.29	1.27	
% CHG SAME QTR LAST YR.....	3.00	4.58	5.44	6.02	5.12	2.90	1.51	0.75	-0.01	0.84	1.71	3.15	5.29	1.27	
TN PERSONAL INCOME (MIL\$) SAAR...	141863	144775	147352	149107	150541	152089	152585	153656	152424	155628	156417	139404	147944	152689	
% CHG PREV QTR SAAR.....	4.40	8.47	7.31	4.85	3.90	4.18	1.31	2.84	-3.17	8.68	2.04	3.84	6.13	3.21	
% CHG SAME QTR LAST YR.....	3.74	5.87	6.27	6.24	6.12	5.05	3.55	3.05	1.25	2.33	2.51	3.84	6.13	3.21	
US PERSONAL INCOME (BIL\$) SAAR...	7960.2	8211.6	8350.2	8487.8	8576.6	8658.1	8676.2	8706.2	8700.9	8810.4	8921.5	7786.5	8406.6	8685.3	
% CHG PREV QTR SAAR.....	8.05	13.24	6.93	6.76	4.25	3.86	0.84	1.39	-0.24	5.13	5.14	4.85	7.96	3.32	
% CHG SAME QTR LAST YR.....	5.07	7.26	8.13	8.71	7.74	5.44	3.90	2.57	1.45	1.76	2.83	4.85	7.96	3.32	
TN NONAGRIC JOBS (THOUS).....	2706.9	2725.8	2732.5	2733.8	2724.5	2728.4	2709.3	2706.6	2705.8	2718.8	2703.7	2684.4	2729.2	2712.5	
% CHG PREV QTR SAAR.....	1.99	2.81	1.00	0.19	-1.36	0.57	-2.77	-0.39	-0.12	1.93	-2.21	1.78	1.67	-0.61	
% CHG SAME QTR LAST YR.....	1.87	2.41	2.13	1.49	0.65	0.10	-0.85	-0.99	-0.69	-0.35	-0.21	1.78	1.67	-0.61	
US NONAGRIC JOBS (MIL).....	130.1	131.0	131.8	131.9	132.2	132.4	132.2	131.9	131.1	130.8	130.7	128.9	131.7	131.9	
% CHG PREV QTR SAAR.....	2.78	2.73	2.56	0.18	0.91	0.76	-0.72	-0.75	-2.43	-1.12	-0.12	2.42	2.18	0.16	
% CHG SAME QTR LAST YR.....	2.46	2.52	2.58	2.06	1.59	1.10	0.28	0.05	-0.79	-1.26	-1.11	2.42	2.18	0.16	
TN UNEMPLOYMENT RATE (%).....	3.9	3.8	3.9	4.0	4.1	4.1	4.4	4.5	4.9	5.5	5.1	4.0	3.9	4.5	
US UNEMPLOYMENT RATE (%).....	4.1	4.0	4.0	4.1	4.0	4.2	4.5	4.8	5.6	5.6	5.9	4.2	4.0	4.8	
BANK PRIME INTEREST RATE (%)....	8.4	8.7	9.3	9.5	9.5	8.6	7.3	6.6	5.2	4.8	4.8	8.0	9.2	6.9	
TN MFG JOBS (THOUS).....	511.9	510.6	510.2	508.0	499.2	491.0	479.1	474.8	470.1	468.0	466.0	510.9	507.0	478.7	
% CHG PREV QTR SAAR.....	-1.27	-1.04	-0.29	-1.74	-6.75	-6.39	-9.32	-3.60	-3.90	-1.72	-1.73	-0.66	-0.77	-5.57	
% CHG SAME QTR LAST YR.....	0.35	0.29	0.21	-1.08	-2.49	-3.83	-6.09	-6.54	-5.83	-4.68	-2.74	-0.66	-0.77	-5.57	

(CONTINUED ON NEXT PAGE)

TABLE 1: TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 SELECTED U.S. AND TENNESSEE ECONOMIC INDICATORS (CONT.)
 SEASONALLY ADJUSTED

	HISTORICAL - DATA												ANNUAL		
	1999Q4	2000Q1	2000Q2	2000Q3	2000Q4	2001Q1	2001Q2	2001Q3	2001Q4	2002Q1	2002Q2	1999	2000	2001	
TN TAXABLE SALES (MIL96\$).....	17501	17779	17325	17324	17102	17067	17070	16685	17217	17045	17015	69069	69531	68039	
% CHG PREV QTR SAAR.....	4.51	6.50	-9.82	-0.03	-5.02	-0.82	0.07	-8.74	13.40	-3.94	-0.72	7.41	0.67	-2.14	
% CHG SAME QTR LAST YR.....	3.90	3.81	1.13	0.08	-2.28	-4.00	-1.47	-3.69	0.67	-0.13	-0.33	7.41	0.67	-2.14	
TN TAXABLE SALES (MIL\$).....	18485	18938	18557	18653	18515	18629	18716	18290	18912	18774	18859	72339	74663	74546	
% CHG PREV QTR SAAR.....	7.00	10.17	-7.81	2.08	-2.92	2.48	1.88	-8.80	14.31	-2.88	1.83	9.17	3.21	-0.16	
% CHG SAME QTR LAST YR.....	5.99	6.47	3.72	2.63	0.16	-1.63	0.86	-1.95	2.14	0.78	0.77	9.17	3.21	-0.16	
TN AVG ANNUAL WAGE, NONAG (96\$)...	28678	28644	28774	28937	28989	28906	28973	29171	28662	28866	28973	28581	28836	28928	
% CHG PREV QTR SAAR.....	-0.76	-0.48	1.83	2.28	0.72	-1.14	0.93	2.77	-6.80	2.87	1.50	2.00	0.89	0.32	
% CHG SAME QTR LAST YR.....	1.35	1.20	0.59	0.71	1.08	0.92	0.69	0.81	-1.13	-0.14	0.00	2.00	0.89	0.32	
TN AVG ANNUAL WAGE, NONAG (\$).....	30290	30511	30820	31157	31383	31551	31766	31978	31483	31793	32114	29934	30968	31694	
% CHG PREV QTR SAAR.....	1.60	2.96	4.11	4.44	2.94	2.16	2.75	-6.05	4.00	4.11	4.11	3.68	3.46	2.35	
% CHG SAME QTR LAST YR.....	3.39	3.79	3.16	3.27	3.61	3.41	3.07	2.64	0.32	0.77	1.10	3.68	3.46	2.35	

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TABLE 2: TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 SELECTED PER CAPITA U.S. AND TENNESSEE ECONOMIC INDICATORS
 SEASONALLY ADJUSTED

	HISTORICAL - DATA												ANNUAL		
	199904	200001	200002	200003	200004	200101	200102	200103	200104	200201	200202	1999	2000	2001	
US GDP (96\$) SAAR.....	33103	33244	33568	33546	33568	33448	33246	33154	33311	33654	33675	32542	33481	33290	
% CHG PREV QTR SAAR.....	6.18	1.71	3.96	-0.27	0.26	-1.42	-2.40	-1.09	1.90	4.19	0.25	3.23	2.89	-0.57	
% CHG SAME QTR LAST YR.....	3.41	3.30	4.02	2.87	1.40	0.61	-0.96	-1.17	-0.76	0.62	1.29	3.23	2.89	-0.57	
US GDP (\$\$) SAAR.....	34847	35261	35811	35933	36145	36340	36344	36443	36567	37068	37197	34067	35787	36424	
% CHG PREV QTR SAAR.....	7.96	4.83	6.38	1.38	2.38	2.18	0.04	1.09	1.37	5.59	1.40	4.71	5.05	1.78	
% CHG SAME QTR LAST YR.....	5.02	5.23	6.18	5.11	3.72	3.06	1.49	1.42	1.17	2.00	2.35	4.71	5.05	1.78	
TN PERSONAL INCOME (96\$) SAAR.....	23721	23936	24160	24267	24326	24336	24266	24388	24095	24482	24362	23608	24172	24271	
% CHG PREV QTR SAAR.....	0.84	3.68	3.80	1.78	0.98	0.15	-1.15	2.03	-4.72	6.59	-1.96	0.93	2.39	0.41	
% CHG SAME QTR LAST YR.....	0.50	2.04	2.46	2.52	2.55	1.67	0.44	0.50	-0.95	0.60	0.40	0.93	2.39	0.41	
TN PERSONAL INCOME (\$) SAAR.....	25054	25497	25878	26128	26336	26562	26605	26734	26466	26965	27003	24725	25960	26592	
% CHG PREV QTR SAAR.....	3.24	7.26	6.12	3.92	3.22	3.49	0.64	1.96	-3.96	7.76	0.56	2.59	4.99	2.43	
% CHG SAME QTR LAST YR.....	2.52	4.65	5.08	5.12	5.12	4.18	2.81	2.32	0.49	1.52	1.50	2.59	4.99	2.43	
US PERSONAL INCOME (96\$) SAAR.....	27598	28170	28427	28686	28768	28745	28618	28664	28530	28752	28872	27309	28513	28639	
% CHG PREV QTR SAAR.....	4.65	8.55	3.71	3.69	1.15	-0.32	-1.77	0.65	-1.85	3.14	1.69	2.28	4.41	0.44	
% CHG SAME QTR LAST YR.....	2.13	3.70	4.55	5.13	4.24	2.04	0.67	-0.08	-0.83	0.02	0.89	2.28	4.41	0.44	
US PERSONAL INCOME (\$) SAAR.....	29149	30007	30449	30886	31144	31376	31376	31421	31338	31667	32002	28602	30621	31378	
% CHG PREV QTR SAAR.....	7.15	12.30	6.02	5.87	3.39	3.00	0.01	0.57	-1.06	4.27	4.30	3.96	7.06	2.47	
% CHG SAME QTR LAST YR.....	4.19	6.36	7.23	7.81	6.85	4.56	3.05	1.73	0.62	0.93	1.99	3.96	7.06	2.47	
TN TAXABLE SALES (96\$) SAAR.....	3091	3131	3043	3036	2992	2981	2976	2903	2989	2953	2937	12250	12201	11850	
% CHG PREV QTR SAAR.....	3.35	5.31	-10.83	-0.91	-5.65	-1.48	-0.59	-9.51	12.48	-4.75	-2.16	6.12	-0.40	-2.88	
% CHG SAME QTR LAST YR.....	2.68	2.61	0.00	-0.97	-3.20	-4.80	-2.18	-4.37	-0.08	-0.92	-1.31	6.12	-0.40	-2.88	
TN TAXABLE SALES (\$) SAAR.....	3265	3335	3259	3269	3239	3254	3263	3182	3284	3253	3256	12830	13102	12983	
% CHG PREV QTR SAAR.....	5.81	8.95	-8.83	1.17	-3.56	1.80	1.21	-9.58	13.38	-3.70	0.35	7.86	2.12	-0.91	
% CHG SAME QTR LAST YR.....	4.74	5.24	2.55	1.55	-0.78	-2.45	0.13	-2.64	1.38	-0.02	-0.23	7.86	2.12	-0.91	

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TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TABLE 3: TENNESSEE PERSONAL INCOME BY COMPONENTS
 SEASONALLY ADJUSTED ANNUAL RATES
 MILLIONS OF 1996 DOLLARS

	HISTORICAL - DATA												ANNUAL		
	1999Q4	2000Q1	2000Q2	2000Q3	2000Q4	2001Q1	2001Q2	2001Q3	2001Q4	2002Q1	2002Q2	1999	2000	2001	
TOTAL PERSONAL INCOME.....	134315	135913	137571	138485	139055	139339	139169	140172	138769	141300	141119	133101	137756	139362	
% CHG PREV QTR SAAR.....	1.97	4.85	4.97	2.69	1.66	0.82	-0.49	2.91	-3.94	7.50	-0.51	2.16	3.50	1.17	
% CHG SAME QTR LAST YR.....	1.70	3.23	3.62	3.61	3.53	2.52	1.16	1.22	-0.21	1.41	1.40	2.16	3.50	1.17	
WAGES AND SALARIES.....	78390	78867	79394	79886	79746	79649	79292	79766	78418	79411	79273	77487	79473	79281	
% CHG PREV QTR SAAR.....	1.21	2.46	2.70	2.50	-0.70	-0.49	-1.78	2.41	-6.59	5.16	-0.69	3.84	2.56	-0.24	
% CHG SAME QTR LAST YR.....	3.23	3.63	2.71	2.22	1.73	0.99	-0.13	-0.15	-1.67	-0.30	-0.02	3.84	2.56	-0.24	
OTHER LABOR INCOME.....	8634	8585	8599	8702	8696	8705	8705	8785	8705	8879	8669	8591	8645	8725	
% CHG PREV QTR SAAR.....	-0.38	-2.23	0.63	4.88	-0.27	0.45	-0.03	3.73	-3.57	8.20	-9.12	2.82	0.63	0.92	
% CHG SAME QTR LAST YR.....	2.18	1.04	0.09	0.69	0.72	1.40	1.24	0.96	0.11	1.99	-0.41	2.82	0.63	0.92	
PROPRIETORS INCOME.....	13519	13878	13933	13770	13919	13879	13979	14066	13951	14315	14471	13304	13875	13969	
% CHG PREV QTR SAAR.....	3.72	11.05	1.60	-4.61	4.41	-1.15	2.92	2.50	-3.22	10.86	4.41	4.99	4.30	0.68	
% CHG SAME QTR LAST YR.....	3.50	6.90	4.63	2.79	2.96	0.01	0.33	2.15	0.23	3.14	3.52	4.99	4.30	0.68	
RENT INTEREST DIVIDENDS.....	20191	20723	21231	21521	21744	21551	21326	21298	21011	21213	21191	20179	21305	21297	
% CHG PREV QTR SAAR.....	3.92	10.95	10.16	5.59	4.20	-3.50	-4.11	-0.52	-5.28	3.89	-0.42	-4.52	5.58	-0.04	
% CHG SAME QTR LAST YR.....	-4.82	1.34	5.75	7.62	7.69	4.00	0.45	-1.04	-3.37	-1.57	-0.64	-4.52	5.58	-0.04	
TRANSFER PAYMENTS.....	20676	21051	21608	21831	22146	22826	23118	23565	23842	24799	24869	20585	21659	23338	
% CHG PREV QTR SAAR.....	1.84	7.46	11.00	4.19	5.90	12.87	5.22	7.96	4.78	17.06	1.13	1.71	5.22	7.75	
% CHG SAME QTR LAST YR.....	2.22	2.44	5.24	6.07	7.11	8.43	6.99	7.95	7.66	8.64	7.57	1.71	5.22	7.75	
LESS: PERS CONT FOR SOC INS.....	6111	6126	6121	6144	6125	6222	6219	6275	6175	6321	6328	6071	6129	6223	
% CHG PREV QTR SAAR.....	-0.30	0.99	-0.31	1.51	-1.21	6.46	-0.20	3.70	-6.22	9.78	0.42	3.87	0.95	1.53	
% CHG SAME QTR LAST YR.....	3.36	2.25	0.86	0.47	0.24	1.57	1.60	2.14	0.82	1.60	1.76	3.87	0.95	1.53	
RESIDENCE ADJUSTMENT.....	-985	-1066	-1073	-1080	-1071	-1050	-1033	-1034	-983	-996	-1026	-972	-1072	-1025	
% CHG PREV QTR SAAR.....	-4.18	37.12	2.73	2.80	-3.50	-7.49	-6.16	0.07	-18.10	5.29	12.59	9.05	10.27	-4.40	
% CHG SAME QTR LAST YR.....	9.04	15.28	8.88	8.53	8.72	-1.46	-3.67	-4.31	-8.16	-5.14	-0.72	9.05	10.27	-4.40	
PER CAPITA PERSONAL INCOME (\$)...	23721	23936	24160	24267	24326	24336	24266	24388	24095	24482	24362	23608	24172	24271	
% CHG PREV QTR SAAR.....	0.84	3.68	3.80	1.78	0.98	0.15	-1.15	2.03	-4.72	6.59	-1.96	0.93	2.39	0.41	
% CHG SAME QTR LAST YR.....	0.50	2.04	2.46	2.52	2.55	1.67	0.44	0.50	-0.95	0.60	0.40	0.93	2.39	0.41	

CENTER FOR BUSINESS AND ECONOMIC RESEARCH, UT-KNOXVILLE.

TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TABLE 4: TENNESSEE PERSONAL INCOME BY COMPONENTS
 SEASONALLY ADJUSTED ANNUAL RATES
 MILLIONS OF CURRENT DOLLARS

	HISTORICAL - DATA												ANNUAL		
	199904	200001	200002	200003	200004	200101	200102	200103	200104	200201	200202	1999	2000	2001	
TOTAL PERSONAL INCOME.....	141863	144775	147352	149107	150541	152089	152585	153656	152424	155628	156417	139404	147944	152689	
% CHG PREV QTR SAAR.....	4.40	8.47	7.31	4.85	3.90	4.18	1.31	2.84	-3.17	8.68	2.04	3.84	6.13	3.21	
% CHG SAME QTR LAST YR.....	3.74	5.87	6.27	6.24	6.12	5.05	3.55	3.05	1.25	2.33	2.51	3.84	6.13	3.21	
WAGES AND SALARIES.....	82795	84009	85039	86013	86333	86937	86936	87440	86134	87463	87867	81157	85349	86862	
% CHG PREV QTR SAAR.....	3.63	6.00	5.00	4.66	1.50	2.83	0.00	2.34	-5.84	6.32	1.86	5.55	5.16	1.77	
% CHG SAME QTR LAST YR.....	5.30	6.29	5.33	4.82	4.27	3.49	2.23	1.66	-0.23	0.61	1.07	5.55	5.16	1.77	
OTHER LABOR INCOME.....	9119	9145	9210	9369	9414	9502	9544	9630	9562	9779	9609	8998	9285	9560	
% CHG PREV QTR SAAR.....	2.00	1.15	2.87	7.09	1.94	3.79	1.78	3.65	-2.79	9.39	-6.79	4.52	3.19	2.96	
% CHG SAME QTR LAST YR.....	4.23	3.63	2.65	3.25	3.24	3.90	3.63	2.79	1.57	2.92	0.68	4.52	3.19	2.96	
PROPRIETORS INCOME.....	14279	14783	14924	14826	15069	15149	15327	15419	15324	15767	16039	13934	14901	15305	
% CHG PREV QTR SAAR.....	6.20	14.88	3.87	-2.60	6.72	2.14	4.78	2.42	-2.44	12.07	7.09	6.72	6.94	2.71	
% CHG SAME QTR LAST YR.....	5.58	9.64	7.31	5.40	5.53	2.48	2.70	4.00	1.69	4.08	4.65	6.72	6.94	2.71	
RENT INTEREST DIVIDENDS.....	21326	22074	22740	23172	23540	23523	23382	23347	23079	23364	23488	21133	22882	23333	
% CHG PREV QTR SAAR.....	6.40	14.79	12.63	7.82	6.51	-0.29	-2.38	-0.60	-4.51	5.03	2.13	-2.95	8.28	1.97	
% CHG SAME QTR LAST YR.....	-2.90	3.93	8.45	10.35	10.38	6.56	2.82	0.76	-1.96	-0.68	0.45	-2.95	8.28	1.97	
TRANSFER PAYMENTS.....	21838	22424	23144	23505	23975	24915	25347	25832	26188	27314	27565	21559	23262	25571	
% CHG PREV QTR SAAR.....	4.27	11.17	13.48	6.39	8.24	16.63	7.12	7.88	5.63	18.34	3.73	3.39	7.90	9.92	
% CHG SAME QTR LAST YR.....	4.27	5.06	7.93	8.76	9.79	11.11	9.52	9.90	9.23	9.63	8.75	3.39	7.90	9.92	
LESS: PERS CONT FOR SOC INS.....	6454	6525	6556	6615	6631	6791	6818	6879	6783	6962	7014	6359	6582	6818	
% CHG PREV QTR SAAR.....	2.07	4.47	1.91	3.65	0.97	10.01	1.60	3.63	-5.47	10.98	3.00	5.58	3.51	3.59	
% CHG SAME QTR LAST YR.....	5.44	4.87	3.44	3.02	2.74	4.08	4.00	3.99	2.29	2.52	2.87	5.58	3.51	3.59	
RESIDENCE ADJUSTMENT.....	-1040	-1135	-1149	-1163	-1159	-1146	-1133	-1133	-1080	-1097	-1137	-1019	-1152	-1123	
% CHG PREV QTR SAAR.....	-1.90	41.86	5.03	4.96	-1.37	-4.41	-4.46	0.00	-17.44	6.45	15.48	10.86	13.06	-2.48	
% CHG SAME QTR LAST YR.....	11.23	18.23	11.66	11.29	11.44	0.97	-1.39	-2.58	-6.82	-4.28	0.37	10.86	13.06	-2.48	
PER CAPITA PERSONAL INCOME (\$)...	25054	25497	25878	26128	26336	26562	26605	26734	26466	26965	27003	24725	25960	26592	
% CHG PREV QTR SAAR.....	3.24	7.26	6.12	3.92	3.22	3.49	0.64	1.96	-3.96	7.76	0.56	2.59	4.99	2.43	
% CHG SAME QTR LAST YR.....	2.52	4.65	5.08	5.12	5.12	4.18	2.81	2.32	0.49	1.52	1.50	2.59	4.99	2.43	

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TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TABLE 5: TENNESSEE NONAGRICULTURAL EMPLOYMENT BY SECTOR
 THOUSANDS OF JOBS

	HISTORICAL - DATA												ANNUAL		
	199904	200001	200002	200003	200004	200101	200102	200103	200104	200201	200202	1999	2000	2001	
TOTAL NONAGRICULTURAL.....	2731.7	2692.2	2737.1	2735.0	2751.3	2694.5	2713.4	2707.8	2730.2	2687.3	2708.9	2685.4	2728.9	2711.5	
% CHG SAME QTR LAST YR....	1.79	2.43	2.01	1.36	0.72	0.09	-0.86	-1.00	-0.76	-0.27	-0.17	1.78	1.62	-0.64	
MINING.....	4.2	4.2	4.2	4.2	4.0	3.9	4.1	4.1	3.9	3.6	3.7	4.3	4.1	4.0	
% CHG SAME QTR LAST YR....	-3.08	-0.79	-3.85	-4.55	-5.56	-6.40	-1.60	-2.38	-1.68	-7.69	-9.76	-1.15	-3.70	-3.03	
CONSTRUCTION.....	125.4	122.1	125.7	128.1	124.0	117.9	122.2	124.0	120.9	115.6	120.0	123.5	125.0	121.2	
% CHG SAME QTR LAST YR....	1.79	5.81	0.40	-0.03	-1.14	-3.44	-2.76	-3.23	-2.50	-1.89	-1.80	2.14	1.16	-2.98	
MANUFACTURING.....	512.6	509.0	511.0	506.9	500.2	488.8	479.8	474.5	470.8	467.1	466.4	511.1	506.8	478.5	
% CHG SAME QTR LAST YR....	0.18	0.20	0.05	-1.21	-2.41	-3.97	-6.10	-6.39	-5.89	-4.45	-2.80	-0.71	-0.84	-5.58	
DURABLE GOODS.....	303.1	302.9	304.2	300.2	296.1	288.6	283.1	277.9	275.8	274.3	273.6	300.2	300.8	281.3	
% CHG SAME QTR LAST YR....	2.71	2.12	1.65	-0.49	-2.33	-4.73	-6.95	-7.43	-6.86	-4.95	-3.36	2.54	0.22	-6.49	
NONDURABLE GOODS.....	209.5	206.1	206.7	206.7	204.2	200.2	196.7	196.6	195.0	192.8	192.8	210.9	205.9	197.1	
% CHG SAME QTR LAST YR....	-3.28	-2.49	-2.21	-2.24	-2.53	-2.85	-4.85	-4.87	-4.49	-3.71	-2.00	-4.98	-2.37	-4.27	
TRADE.....	649.0	627.8	641.4	644.9	653.2	630.2	636.2	637.8	649.9	627.9	633.5	630.8	641.8	638.5	
% CHG SAME QTR LAST YR....	2.07	2.14	2.45	1.78	0.65	0.39	-0.82	-1.10	-0.50	-0.37	-0.41	1.67	1.74	-0.51	
SERVICES.....	735.2	722.4	744.7	751.9	752.1	738.8	755.5	762.7	762.4	759.4	773.3	721.9	742.8	754.9	
% CHG SAME QTR LAST YR....	3.14	3.81	3.08	2.43	2.30	2.28	1.45	1.44	1.37	2.78	2.36	2.63	2.89	1.63	
FIN, INS, REAL EST.....	130.8	130.4	130.7	131.5	131.1	130.6	132.2	133.3	133.1	132.5	132.4	131.2	130.9	132.3	
% CHG SAME QTR LAST YR....	0.33	0.51	-0.71	-0.70	0.23	0.15	1.12	1.39	1.53	1.45	0.13	3.49	-0.17	1.05	
TRANS, COMM, PUB UTIL.....	176.1	174.0	178.1	180.1	181.7	179.4	179.5	180.2	180.2	173.9	174.0	172.4	178.5	179.8	
% CHG SAME QTR LAST YR....	3.91	3.65	3.75	3.49	3.18	3.12	0.80	0.06	-0.83	-3.10	-3.08	6.26	3.51	0.77	
GOVERNMENT.....	398.3	402.4	401.3	387.5	404.9	404.8	403.9	391.2	409.0	407.3	405.6	390.2	399.0	402.2	
% CHG SAME QTR LAST YR....	0.61	2.47	2.62	2.34	1.66	0.60	0.66	0.96	1.01	0.63	0.41	1.20	2.27	0.81	
FEDERAL CIVILIAN.....	51.0	52.1	57.8	53.9	50.7	51.6	51.9	51.1	49.9	50.5	50.7	51.2	53.6	51.1	
% CHG SAME QTR LAST YR....	-1.99	1.56	11.29	6.38	-0.46	-1.02	-10.20	-5.13	-1.58	-2.07	-2.37	0.77	4.72	-4.66	
STATE AND LOCAL.....	347.3	350.3	343.4	333.6	354.2	353.2	352.0	340.1	359.1	356.8	354.9	338.9	345.4	351.1	
% CHG SAME QTR LAST YR....	1.01	2.61	1.29	1.72	1.97	0.84	2.49	1.95	1.38	1.02	0.82	1.26	1.90	1.66	

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TABLE 6: TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TENNESSEE DURABLE GOODS MANUFACTURING EMPLOYMENT
 THOUSANDS OF JOBS

	HISTORICAL - DATA												ANNUAL		
	1999Q4	2000Q1	2000Q2	2000Q3	2000Q4	2001Q1	2001Q2	2001Q3	2001Q4	2002Q1	2002Q2	1999	2000	2001	
TOTAL DURABLE GOODS.....	303.1	302.9	304.2	300.2	296.1	288.6	283.1	277.9	275.8	274.3	273.6	300.2	300.8	281.3	
% CHG SAME QTR LAST YR.....	2.71	2.12	1.65	-0.49	-2.33	-4.73	-6.95	-7.43	-6.86	-4.95	-3.36	2.54	0.22	-6.49	
LUMBER AND WOOD.....	23.7	23.8	24.2	24.1	23.4	22.2	22.2	22.2	22.1	22.1	22.2	23.7	23.9	22.1	
% CHG SAME QTR LAST YR.....	1.14	0.70	3.71	0.00	-1.27	-6.99	-8.53	-7.89	-5.42	-0.30	0.00	2.23	0.77	-7.23	
FURNITURE AND FIXTURES.....	27.6	27.3	27.5	26.7	26.4	25.4	24.0	22.6	22.6	22.6	22.8	27.4	27.0	23.6	
% CHG SAME QTR LAST YR.....	0.73	1.23	0.12	-3.37	-4.58	-7.20	-12.73	-15.34	-14.29	-10.78	-5.14	1.42	-1.67	-12.35	
STONE, CLAY AND GLASS.....	16.9	16.9	17.1	16.9	16.7	16.5	16.6	16.7	16.6	16.3	16.2	16.7	16.9	16.6	
% CHG SAME QTR LAST YR.....	5.19	4.75	2.40	-0.20	-0.99	-2.17	-2.73	-1.18	-1.00	-1.61	-2.40	2.77	1.45	-1.77	
PRIMARY METALS.....	18.0	17.9	17.9	17.8	17.6	17.2	16.5	16.1	15.9	15.3	14.5	18.0	17.8	16.4	
% CHG SAME QTR LAST YR.....	0.94	-0.37	-0.55	-1.66	-1.86	-4.10	-7.99	-9.19	-10.02	-11.07	-11.92	1.50	-1.11	-7.81	
FABRICATED METALS.....	48.0	47.6	47.9	47.6	47.0	46.0	45.1	44.7	44.0	43.9	43.9	47.1	47.5	44.9	
% CHG SAME QTR LAST YR.....	3.38	2.29	2.86	0.78	-2.02	-3.50	-5.98	-6.16	-6.31	-4.50	-2.51	3.75	0.96	-5.49	
NON ELECTRICAL MACHINERY.....	50.8	51.7	51.8	50.9	51.1	50.8	50.2	48.3	48.0	48.3	47.9	49.5	51.3	49.3	
% CHG SAME QTR LAST YR.....	5.69	5.94	5.36	3.18	0.52	-1.74	-2.96	-4.98	-6.01	-4.86	-4.64	4.96	3.72	-3.91	
ELECTRICAL MACHINERY.....	41.5	40.6	41.1	40.6	39.0	37.5	36.3	35.6	35.4	35.0	34.9	41.4	40.3	36.2	
% CHG SAME QTR LAST YR.....	0.40	-0.98	-0.73	-2.80	-6.02	-7.55	-11.53	-12.16	-9.22	-6.75	-3.85	2.39	-2.64	-10.13	
TRANSPORTATION EQUIPMENT.....	55.5	55.5	55.2	54.1	53.3	51.9	51.1	50.9	50.4	49.9	50.2	54.8	54.5	51.1	
% CHG SAME QTR LAST YR.....	4.59	3.03	0.85	-1.58	-3.97	-6.60	-7.49	-5.92	-5.32	-3.86	-1.76	2.43	-0.44	-6.34	
INSTRUMENTS.....	10.6	10.8	10.8	10.9	11.0	11.1	11.1	11.1	11.2	11.3	11.3	10.8	10.9	11.1	
% CHG SAME QTR LAST YR.....	-2.45	0.00	0.00	0.62	3.76	2.46	3.09	2.45	1.81	1.50	1.50	-3.65	1.08	2.45	
MISCELLANEOUS.....	10.6	10.7	10.7	10.7	10.6	10.1	10.0	9.6	9.5	9.7	9.7	10.8	10.7	9.8	
% CHG SAME QTR LAST YR.....	-0.94	-0.93	-3.60	-1.53	0.00	-5.31	-6.85	-10.56	-10.09	-4.29	-3.01	-0.84	-1.54	-8.20	

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TABLE 7: TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TENNESSEE NONDURABLE GOODS MANUFACTURING EMPLOYMENT
 THOUSANDS OF JOBS

	HISTORICAL - DATA												ANNUAL		
	1999Q4	2000Q1	2000Q2	2000Q3	2000Q4	2001Q1	2001Q2	2001Q3	2001Q4	2002Q1	2002Q2	1999	2000	2001	
TOTAL NONDURABLE GOODS.....	209.5	206.1	206.7	204.2	200.2	196.7	196.6	195.0	192.8	192.8	192.8	210.9	205.9	197.1	
% CHG SAME QTR LAST YR.....	-3.28	-2.49	-2.21	-2.24	-2.53	-2.85	-4.85	-4.87	-4.49	-3.71	-2.00	-4.98	-2.37	-4.27	
FOOD.....	38.9	38.9	39.5	40.2	40.3	40.0	40.5	41.3	41.4	41.0	41.0	38.4	39.7	40.8	
% CHG SAME QTR LAST YR.....	2.55	3.09	3.86	3.52	3.51	2.83	2.70	2.90	2.65	2.59	1.15	2.70	3.50	2.77	
TOBACCO.....	1.0	1.2	1.1	1.0	1.0	1.2	1.0	1.0	1.0	1.1	1.1	1.1	1.1	1.0	
% CHG SAME QTR LAST YR.....	-8.82	-5.26	6.45	0.00	0.00	-2.78	-9.09	-3.33	0.00	-5.71	10.00	-7.14	0.00	-3.85	
TEXTILES.....	15.8	15.7	15.8	15.6	15.1	14.3	13.9	13.7	13.2	12.9	12.7	16.2	15.6	13.8	
% CHG SAME QTR LAST YR.....	-5.75	-4.67	-4.05	-2.50	-4.42	-8.72	-12.03	-12.18	-13.00	-10.02	-8.39	-7.83	-3.91	-11.47	
APPAREL.....	24.5	23.0	22.3	21.7	21.0	20.4	19.1	18.3	17.9	17.3	17.1	26.1	22.0	18.9	
% CHG SAME QTR LAST YR.....	-17.12	-17.29	-16.08	-14.77	-14.40	-11.32	-14.22	-15.64	-14.76	-14.89	-10.47	-21.26	-15.69	-13.94	
PAPER.....	22.0	21.4	21.7	22.6	21.8	21.8	21.9	22.2	22.2	22.2	22.6	22.1	21.9	22.0	
% CHG SAME QTR LAST YR.....	1.23	-1.54	-2.11	0.15	-0.91	2.03	0.92	-1.77	1.99	1.68	3.35	0.99	-1.09	0.76	
PRINTING AND PUBLISHING.....	38.6	38.0	38.0	37.5	37.1	36.7	36.0	36.1	35.7	34.8	34.6	38.6	37.7	36.1	
% CHG SAME QTR LAST YR.....	-2.36	-0.61	-1.30	-3.76	-4.06	-3.42	-5.26	-3.73	-3.78	-5.26	-3.80	-1.93	-2.44	-4.05	
CHEMICALS.....	29.3	28.5	28.6	28.5	28.4	28.3	27.4	27.3	27.3	27.2	27.0	29.7	28.5	27.6	
% CHG SAME QTR LAST YR.....	-5.49	-4.89	-4.13	-3.93	-2.96	-0.82	-4.42	-4.33	-3.76	-3.66	-1.22	-8.97	-3.99	-3.33	
PETROLEUM REFINING.....	1.0	1.1	1.3	1.2	1.2	1.1	1.3	1.3	1.3	1.2	1.2	1.0	1.2	1.2	
% CHG SAME QTR LAST YR.....	0.00	13.79	18.18	12.12	16.13	0.00	0.00	5.41	5.56	9.09	-7.69	0.00	15.08	2.76	
RUBBER AND PLASTICS.....	35.0	35.3	35.4	35.3	35.5	34.1	33.4	33.3	33.1	33.2	33.4	34.6	35.4	33.5	
% CHG SAME QTR LAST YR.....	1.55	3.22	2.22	1.83	1.43	-3.31	-5.56	-5.66	-6.85	-2.54	0.10	0.31	2.17	-5.35	
LEATHER.....	3.2	3.1	3.1	3.0	2.7	2.4	2.2	2.1	1.9	1.9	1.9	3.1	3.0	2.2	
% CHG SAME QTR LAST YR.....	-3.06	0.00	-1.06	-3.19	-14.74	-22.34	-29.03	-30.77	-28.40	-23.29	-13.64	-6.22	-4.77	-27.58	

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TABLE 8: TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TENNESSEE NONAGRICULTURAL EMPLOYMENT BY SECTOR
 THOUSANDS OF SEASONALLY ADJUSTED JOBS

	HISTORICAL - DATA										ANNUAL			
	1999Q4	2000Q1	2000Q2	2000Q3	2000Q4	2001Q1	2001Q2	2001Q3	2001Q4	2002Q1	2002Q2	1999	2000	2001
TOTAL NONAGRICULTURAL.....	2706.9	2725.8	2733.5	2733.8	2724.5	2728.4	2709.3	2706.6	2705.8	2718.8	2703.7	2684.4	2729.2	2712.5
% CHG PREV QTR SAAR.....	1.99	2.81	1.00	0.19	-1.36	0.57	-2.77	-0.39	-0.12	1.93	-2.21	1.78	1.67	-0.61
% CHG SAME QTR LAST YR....	1.87	2.41	2.13	1.49	0.65	0.10	-0.85	-0.99	-0.69	-0.35	-0.21	1.78	1.67	-0.61
MINING.....	4.2	4.3	4.1	4.1	4.0	4.0	4.1	4.0	3.9	3.7	3.7	4.3	4.1	4.0
% CHG PREV QTR SAAR.....	-6.06	3.19	-11.93	-3.19	-12.39	0.00	10.47	-3.24	-12.58	-21.87	0.00	-1.15	-3.89	-3.04
% CHG SAME QTR LAST YR....	-3.05	-0.78	-3.88	-4.65	-6.30	-7.03	-1.61	-1.63	-1.68	-7.56	-9.84	-1.15	-3.89	-3.04
CONSTRUCTION.....	125.3	128.0	124.6	124.1	123.5	123.6	121.2	120.0	120.0	122.4	118.7	123.7	125.0	121.2
% CHG PREV QTR SAAR.....	3.59	8.90	-10.12	-1.49	-2.13	0.54	-7.54	-3.90	0.00	8.24	-11.55	2.27	1.07	-3.05
% CHG SAME QTR LAST YR....	2.40	5.38	0.48	-0.03	-1.44	-3.39	-2.70	-3.30	-2.78	-0.97	-2.06	2.27	1.07	-3.05
MANUFACTURING.....	511.9	510.6	510.2	508.0	499.2	491.0	479.1	474.8	470.1	468.0	466.0	510.9	507.0	478.7
% CHG PREV QTR SAAR.....	-1.27	-1.04	-0.29	-1.74	-6.75	-6.39	-9.32	-3.60	-3.90	-1.72	-1.73	-0.66	-0.77	-5.57
% CHG SAME QTR LAST YR....	0.35	0.29	0.21	-1.08	-2.49	-3.83	-6.09	-6.54	-5.83	-4.68	-2.74	-0.66	-0.77	-5.57
DURABLE GOODS.....	302.9	303.3	303.2	301.6	295.5	289.4	282.1	278.5	275.4	274.5	273.0	300.1	300.9	281.3
% CHG PREV QTR SAAR.....	0.49	0.53	-0.22	-2.05	-7.81	-8.05	-9.76	-5.01	-4.29	-1.35	-2.12	2.58	0.28	-6.50
% CHG SAME QTR LAST YR....	2.88	2.29	1.67	-0.32	-2.44	-4.59	-6.96	-7.67	-6.80	-5.15	-3.20	2.58	0.28	-6.50
NONDURABLE GOODS.....	209.0	207.2	207.0	206.4	203.6	201.6	197.1	196.3	194.6	193.5	193.0	210.9	206.1	197.4
% CHG PREV QTR SAAR.....	-3.74	-3.28	-0.39	-1.28	-5.19	-3.93	-8.70	-1.55	-3.35	-2.24	-1.17	-4.94	-2.27	-4.21
% CHG SAME QTR LAST YR....	-3.09	-2.51	-1.85	-2.18	-2.55	-2.72	-4.81	-4.88	-4.42	-4.00	-2.08	-4.94	-2.27	-4.21
TRADE.....	636.8	639.2	642.9	643.9	641.2	641.9	637.8	635.3	637.7	639.7	635.3	630.5	641.8	638.2
% CHG PREV QTR SAAR.....	3.20	1.52	2.34	0.62	-1.67	0.44	-2.53	-1.58	1.52	1.28	-2.76	1.66	1.79	-0.57
% CHG SAME QTR LAST YR....	2.11	2.07	2.51	1.92	0.69	0.42	-0.79	-1.34	-0.55	-0.34	-0.40	1.66	1.79	-0.57
SERVICES.....	732.4	737.4	740.9	744.2	748.2	754.1	751.8	756.4	759.3	772.5	769.4	721.6	742.7	755.4
% CHG PREV QTR SAAR.....	3.86	2.80	1.88	1.81	2.17	3.17	-1.20	2.45	1.56	7.14	-1.60	2.63	2.92	1.71
% CHG SAME QTR LAST YR....	3.26	3.77	3.19	2.58	2.16	2.26	1.48	1.63	1.48	2.44	2.34	2.63	2.92	1.71
FIN, INS, REAL EST.....	130.9	131.3	130.6	130.8	131.1	131.5	132.1	132.7	133.0	133.4	132.2	131.2	130.9	132.3
% CHG PREV QTR SAAR.....	-1.91	1.23	-2.11	0.41	0.92	1.33	1.84	1.73	1.11	1.21	-3.74	3.54	-0.16	1.05
% CHG SAME QTR LAST YR....	0.54	0.46	-0.58	-0.61	0.10	0.13	1.12	1.45	1.50	1.47	0.05	3.54	-0.16	1.05
TRANS, COMM, PUB UTIL.....	174.6	176.2	178.5	179.2	179.8	181.4	179.9	179.6	179.8	175.4	173.6	172.6	178.4	180.2
% CHG PREV QTR SAAR.....	3.11	3.72	5.32	1.50	1.27	3.68	-3.27	-0.67	0.52	-9.43	-4.19	6.30	3.37	0.98
% CHG SAME QTR LAST YR....	4.07	3.61	3.56	3.40	2.94	2.93	0.77	0.22	0.04	-3.29	-3.52	6.30	3.37	0.98
GOVERNMENT.....	390.8	398.7	400.6	399.5	397.6	400.9	403.2	403.9	402.0	403.6	404.9	389.6	399.1	402.5
% CHG PREV QTR SAAR.....	1.38	8.41	1.92	-1.09	-1.89	3.29	2.35	0.66	-1.87	1.60	1.29	1.09	2.45	0.84
% CHG SAME QTR LAST YR....	0.31	2.48	2.97	2.59	1.76	0.54	0.64	1.08	1.09	0.67	0.41	1.09	2.45	0.84
FEDERAL CIVILIAN.....	51.2	52.0	57.3	54.2	50.9	51.4	51.4	51.2	50.4	50.5	50.0	51.2	53.6	51.1
% CHG PREV QTR SAAR.....	1.58	6.68	47.09	-19.56	-22.21	3.72	-0.26	-1.55	-5.61	0.26	-3.65	0.72	4.70	-4.69
% CHG SAME QTR LAST YR....	-2.17	1.36	11.49	6.41	-0.46	-1.15	-10.30	-5.65	-0.98	-1.82	-2.66	0.72	4.70	-4.69
STATE AND LOCAL.....	339.6	346.7	343.4	345.3	346.7	349.5	351.8	352.7	351.5	353.1	354.9	338.4	345.5	351.4
% CHG PREV QTR SAAR.....	1.35	8.67	-3.83	2.27	1.63	3.23	2.74	0.99	-1.32	1.79	2.02	1.15	2.11	1.70
% CHG SAME QTR LAST YR....	0.69	2.64	1.68	2.02	2.09	0.79	2.47	2.14	1.39	1.04	0.86	1.15	2.11	1.70
STATISTICAL DISCREPANCY.....	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

CENTER FOR BUSINESS AND ECONOMIC RESEARCH, UT-KNOXVILLE.

TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TABLE 9: TENNESSEE DURABLE GOODS MANUFACTURING EMPLOYMENT
 THOUSANDS OF SEASONALLY ADJUSTED JOBS

	HISTORICAL - DATA												ANNUAL		
	199904	200001	200002	200003	200004	200101	200102	200103	200104	200201	200202	1999	2000	2001	
TOTAL DURABLE GOODS.....	302.9	303.3	303.2	301.6	295.5	289.4	282.1	278.5	275.4	274.5	273.0	300.1	300.9	281.3	
% CHG PREV QTR SAAR.....	0.49	0.53	-0.22	-2.05	-7.81	-8.05	-9.76	-5.01	-4.29	-1.35	-2.12	2.58	0.28	-6.50	
% CHG SAME QTR LAST YR.....	2.88	2.29	1.67	-0.32	-2.44	-4.59	-6.96	-7.67	-6.80	-5.15	-3.20	2.58	0.28	-6.50	
LUMBER AND WOOD.....	23.7	24.1	24.2	23.9	23.4	22.5	22.2	22.0	22.0	22.3	22.2	23.7	23.9	22.2	
% CHG PREV QTR SAAR.....	-1.12	6.92	1.67	-4.87	-8.63	-14.54	-5.24	-2.38	0.00	5.56	-2.37	2.30	0.88	-7.19	
% CHG SAME QTR LAST YR.....	1.57	0.70	3.71	0.56	-1.41	-6.78	-8.40	-7.81	-5.71	-0.59	0.15	2.30	0.88	-7.19	
FURNITURE AND FIXTURES.....	27.5	27.4	27.2	27.1	26.2	25.4	23.8	22.9	22.5	22.7	22.6	27.4	27.0	23.7	
% CHG PREV QTR SAAR.....	-5.62	-1.45	-1.93	-1.94	-13.08	-10.75	-22.89	-14.77	-6.25	2.39	-1.75	1.39	-1.67	-12.21	
% CHG SAME QTR LAST YR.....	0.73	1.23	-0.37	-2.75	-4.73	-7.06	-12.48	-15.50	-13.89	-10.88	-5.31	1.39	-1.67	-12.21	
STONE,CLAY AND GLASS.....	16.9	17.1	17.0	16.8	16.8	16.7	16.5	16.6	16.6	16.4	16.2	16.6	16.9	16.6	
% CHG PREV QTR SAAR.....	2.40	3.19	-1.55	-4.62	0.80	-3.90	-3.16	1.62	-0.80	-4.74	-4.80	2.72	1.65	-1.97	
% CHG SAME QTR LAST YR.....	4.74	4.92	2.62	-0.20	-0.59	-2.34	-2.75	-1.19	-1.58	-1.80	-2.22	2.72	1.65	-1.97	
PRIMARY METALS.....	17.9	17.9	18.0	17.9	17.6	17.2	16.5	16.2	15.8	15.2	14.5	18.0	17.8	16.4	
% CHG PREV QTR SAAR.....	-4.34	-1.48	2.26	-2.21	-5.84	-9.49	-13.96	-7.82	-9.52	-13.59	-17.15	1.55	-0.88	-7.85	
% CHG SAME QTR LAST YR.....	0.94	-0.19	0.00	-1.47	-1.86	-3.92	-7.98	-9.33	-10.23	-11.26	-12.10	1.55	-0.88	-7.85	
FABRICATED METALS.....	47.6	47.7	48.0	47.9	46.7	46.1	45.1	44.7	43.9	43.9	44.0	47.0	47.6	45.0	
% CHG PREV QTR SAAR.....	2.56	1.13	1.97	-0.83	-9.66	-4.49	-8.66	-3.79	-6.69	0.30	0.61	3.68	1.17	-5.48	
% CHG SAME QTR LAST YR.....	3.40	2.73	2.79	1.20	-1.96	-3.35	-5.98	-6.69	-5.93	-4.77	-2.44	3.68	1.17	-5.48	
NONELECTRICAL MACHINERY.....	51.1	51.0	51.4	51.7	50.9	50.2	49.9	49.2	48.1	47.8	47.7	49.6	51.2	49.4	
% CHG PREV QTR SAAR.....	5.12	-0.52	2.91	2.36	-5.56	-5.64	-2.11	-5.75	-8.39	-2.74	-0.83	4.89	3.40	-3.66	
% CHG SAME QTR LAST YR.....	5.44	6.18	5.48	2.45	-0.26	-1.57	-2.79	-4.77	-5.50	-4.78	-4.47	4.89	3.40	-3.66	
ELECTRICAL MACHINERY.....	41.2	41.0	41.2	40.3	38.8	37.9	36.4	35.5	35.3	35.2	34.8	41.4	40.3	36.3	
% CHG PREV QTR SAAR.....	-3.17	-1.93	1.97	-8.46	-13.78	-9.27	-14.92	-9.53	-1.86	-1.87	-4.11	2.43	-2.60	-10.04	
% CHG SAME QTR LAST YR.....	0.57	-0.81	-0.88	-2.97	-5.74	-7.56	-11.65	-11.91	-9.01	-7.21	-4.40	2.43	-2.60	-10.04	
TRANSPORTATION EQUIPMENT.....	55.7	55.6	54.9	54.4	53.4	52.2	50.6	50.6	50.3	50.0	50.2	54.8	54.6	50.9	
% CHG PREV QTR SAAR.....	4.67	-0.61	-5.13	-3.18	-7.12	-9.25	-11.11	0.06	-2.34	-2.60	1.29	2.67	-0.30	-6.66	
% CHG SAME QTR LAST YR.....	5.31	3.19	0.90	-1.13	-4.04	-6.20	-7.71	-6.95	-5.78	-4.10	-0.91	2.67	-0.30	-6.66	
INSTRUMENTS.....	10.7	10.9	10.7	10.9	11.1	11.1	11.0	11.1	11.3	11.3	11.3	10.8	10.9	11.1	
% CHG PREV QTR SAAR.....	-2.37	5.78	-5.03	6.67	7.40	1.75	-4.24	2.18	6.13	1.10	0.23	-3.44	1.23	2.10	
% CHG SAME QTR LAST YR.....	-1.91	0.15	0.09	1.14	3.58	2.57	2.79	1.69	1.39	1.22	2.39	-3.44	1.23	2.10	
MISCELLANEOUS.....	10.6	10.7	10.6	10.8	10.6	10.1	9.9	9.6	9.5	9.7	9.6	10.8	10.7	9.8	
% CHG PREV QTR SAAR.....	-8.32	3.82	-3.67	5.11	-6.05	-16.48	-8.90	-10.35	-4.09	7.18	-4.06	-0.76	-1.31	-8.27	
% CHG SAME QTR LAST YR.....	-0.62	-0.92	-3.04	-0.92	-0.31	-5.59	-6.90	-10.53	-10.06	-4.28	-3.03	-0.76	-1.31	-8.27	
STATISTICAL DISCREPANCY.....	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	

CENTER FOR BUSINESS AND ECONOMIC RESEARCH, UT-KNOXVILLE.

TABLE 10: TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TENNESSEE NONDURABLE GOODS MANUFACTURING EMPLOYMENT
 THOUSANDS OF SEASONALLY ADJUSTED JOBS

	HISTORICAL - DATA												ANNUAL		
	199904	200001	200002	200003	200004	200101	200102	200103	200104	200201	200202	1999	2000	2001	
TOTAL NONDURABLE GOODS.....	209.0	207.2	207.0	206.4	203.6	201.6	197.1	196.3	194.6	193.5	193.0	210.9	206.1	197.4	
% CHG PREV QTR SAAR.....	-3.74	-3.28	-0.39	-1.28	-5.19	-3.93	-8.70	-1.55	-3.35	-2.24	-1.17	-4.94	-2.27	-4.21	
% CHG SAME QTR LAST YR.....	-3.09	-2.51	-1.85	-2.18	-2.55	-2.72	-4.81	-4.88	-4.42	-4.00	-2.08	-4.94	-2.27	-4.21	
FOOD.....	38.7	39.2	39.5	39.8	40.2	40.4	40.6	41.2	41.3	41.3	41.0	38.3	39.7	40.9	
% CHG PREV QTR SAAR.....	3.16	4.91	3.44	3.07	3.39	2.01	2.67	6.04	0.65	-2.88	2.73	3.54	3.02	3.02	
% CHG SAME QTR LAST YR.....	2.56	3.07	3.76	3.64	3.70	2.98	2.78	3.51	2.82	2.23	0.82	2.73	3.54	3.02	
TOBACCO.....	1.0	1.1	1.2	1.1	1.1	1.0	1.0	1.0	1.0	1.1	1.1	1.1	1.1	1.0	
% CHG PREV QTR SAAR.....	-22.13	13.54	43.11	-20.97	0.00	-31.70	14.01	0.00	0.00	13.54	27.44	-5.71	0.76	-7.52	
% CHG SAME QTR LAST YR.....	-6.06	-8.57	6.06	0.00	6.45	-6.25	-11.43	-6.06	-6.06	6.67	9.68	-5.71	0.76	-7.52	
TEXTILES.....	15.8	15.8	15.7	15.6	15.1	14.3	13.8	13.7	13.2	12.9	12.7	16.2	15.5	13.8	
% CHG PREV QTR SAAR.....	-3.30	-1.67	-1.68	-2.52	-12.22	-18.81	-13.24	-3.80	-14.69	-6.90	-7.02	-8.15	-3.82	-11.47	
% CHG SAME QTR LAST YR.....	-6.68	-4.44	-3.88	-2.30	-4.63	-9.09	-11.89	-12.18	-12.80	-9.77	-8.19	-8.15	-3.82	-11.47	
APPAREL.....	24.6	23.1	22.3	21.7	20.9	20.5	19.1	18.4	17.8	17.4	17.0	26.1	22.0	18.9	
% CHG PREV QTR SAAR.....	-13.86	-21.83	-13.67	-9.80	-13.40	-8.62	-24.15	-14.50	-11.78	-7.99	-9.58	-21.13	-15.68	-13.94	
% CHG SAME QTR LAST YR.....	-16.82	-17.11	-15.76	-14.90	-14.79	-11.40	-14.22	-15.36	-14.97	-14.82	-10.99	-21.13	-15.68	-13.94	
PAPER.....	22.0	21.7	21.9	22.0	21.9	22.1	22.1	22.0	22.2	22.4	22.8	22.1	21.9	22.1	
% CHG PREV QTR SAAR.....	0.61	-5.34	2.48	3.08	-1.80	3.70	-1.20	-1.80	4.94	3.65	6.70	0.95	-0.98	0.95	
% CHG SAME QTR LAST YR.....	1.69	-2.10	-1.50	0.15	-0.45	1.84	0.91	-0.30	1.37	1.36	3.32	0.95	-0.98	0.95	
PRINTING AND PUBLISHING.....	38.5	38.2	38.2	37.4	36.9	36.9	36.1	36.1	35.6	34.8	34.8	38.6	37.7	36.2	
% CHG PREV QTR SAAR.....	-2.72	-3.75	0.00	-7.80	-4.90	-0.72	-7.72	-0.74	-5.43	-8.35	0.00	-1.95	-2.35	-4.00	
% CHG SAME QTR LAST YR.....	-2.12	-0.61	-1.04	-3.61	-4.15	-3.41	-5.33	-3.57	-3.70	-5.61	-3.69	-1.95	-2.35	-4.00	
CHEMICALS.....	29.2	28.5	28.6	28.7	28.3	28.4	27.4	27.2	27.3	27.2	27.1	29.7	28.5	27.6	
% CHG PREV QTR SAAR.....	-8.41	-9.14	1.16	1.64	-5.33	0.82	-12.91	-2.60	1.11	-2.31	-1.54	-8.84	-3.80	-3.33	
% CHG SAME QTR LAST YR.....	-5.05	-4.90	-3.42	-3.82	-3.02	-0.47	-4.13	-5.14	-3.57	-4.33	-1.35	-8.84	-3.80	-3.33	
PETROLEUM REFINING.....	1.1	1.2	1.2	1.2	1.2	1.2	1.2	1.3	1.3	1.2	1.2	1.1	1.2	1.2	
% CHG PREV QTR SAAR.....	-11.58	60.18	11.58	-10.38	0.00	-10.66	11.93	37.74	0.00	-18.99	-10.38	0.78	11.54	2.76	
% CHG SAME QTR LAST YR.....	0.00	12.50	12.12	9.09	12.50	-2.78	-2.70	8.33	8.33	5.71	0.00	0.78	11.54	2.76	
RUBBER AND PLASTICS.....	34.8	35.3	35.4	35.7	35.3	34.4	33.5	33.3	33.0	33.3	33.4	34.6	35.4	33.5	
% CHG PREV QTR SAAR.....	-2.90	5.88	0.47	4.77	-5.30	-9.42	-10.54	-1.69	-4.26	4.51	1.34	0.46	2.37	-5.33	
% CHG SAME QTR LAST YR.....	1.86	3.34	2.98	1.92	1.28	-2.59	-5.38	-6.80	-6.55	-3.14	-0.08	0.46	2.37	-5.33	
LEATHER.....	3.1	3.2	3.1	3.0	2.7	2.5	2.2	2.1	1.9	1.9	1.9	3.1	3.0	2.2	
% CHG PREV QTR SAAR.....	0.81	3.14	-2.96	-12.71	-39.64	-28.44	-34.97	-22.39	-24.19	-7.04	2.14	-6.10	-4.57	-27.76	
% CHG SAME QTR LAST YR.....	-2.48	-0.13	-0.31	-3.12	-14.78	-22.22	-29.63	-31.67	-27.66	-22.78	-13.55	-6.10	-4.57	-27.76	
STATISTICAL DISCREPANCY.....	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	

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TABLE 11: TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 1996 DOLLARS

	HISTORICAL - DATA												ANNUAL		
	199904	200001	200002	200003	200004	200101	200102	200103	200104	200201	200202	1999	2000	2001	
TOTAL NONAGRICULTURAL.....	28418	29001	28727	28924	28707	29269	28929	29159	28406	29204	28918	28572	28840	28941	
% CHG SAME QTR LAST YR....	1.43	1.18	0.71	0.84	1.02	0.93	0.70	0.81	-1.05	-0.22	-0.04	2.00	0.94	0.35	
MINING.....	41929	39429	43917	40246	40286	42285	41155	39160	44587	45901	44096	42477	40970	41797	
% CHG SAME QTR LAST YR....	-9.99	-11.34	9.21	-7.03	-3.92	7.24	-6.29	-2.70	10.68	8.55	7.15	-6.50	-3.55	2.02	
CONSTRUCTION.....	32480	34393	32814	31582	32687	34481	32168	31135	31379	33661	31564	32370	32869	32291	
% CHG SAME QTR LAST YR....	2.45	2.28	2.38	0.83	0.64	0.25	-1.97	-1.42	-4.00	-2.38	-1.88	3.70	1.54	-1.76	
MANUFACTURING.....	33721	33143	33629	33673	33816	33681	33373	33235	32298	32747	33196	33280	33565	33147	
% CHG SAME QTR LAST YR....	4.05	1.36	1.79	0.04	0.28	1.62	-0.76	-1.30	-4.49	-2.77	-0.53	2.96	0.86	-1.25	
DURABLE GOODS.....	34241	33435	33987	34045	34385	33482	33355	33149	32218	32620	33128	33891	33963	33051	
% CHG SAME QTR LAST YR....	4.00	0.29	0.95	-0.80	0.42	0.14	-1.86	-2.63	-6.30	-2.57	-0.68	2.80	0.21	-2.69	
NONDURABLE GOODS.....	32969	32714	33103	33134	32991	33969	33400	33357	32411	32927	33293	32411	32985	33284	
% CHG SAME QTR LAST YR....	3.99	2.87	2.97	1.25	0.07	3.83	0.90	0.67	-1.76	-3.07	-0.32	2.96	1.77	0.91	
TRADE.....	21731	22601	22054	22272	21845	22372	21918	21837	21335	22356	21820	22252	22193	21866	
% CHG SAME QTR LAST YR....	1.33	0.39	-2.45	0.53	0.53	-1.01	-0.61	-1.96	-2.33	-0.07	-0.45	3.21	-0.26	-1.48	
SERVICES.....	26997	28062	27461	27098	27325	28710	27837	28401	27939	28718	28065	27121	27487	28222	
% CHG SAME QTR LAST YR....	0.21	1.58	1.84	0.75	1.21	2.31	1.37	4.81	2.25	0.03	0.82	0.97	1.35	2.67	
FIN, INS, REAL EST.....	39729	39708	40156	42586	41700	40747	43258	42129	41810	42261	42672	38745	41038	41986	
% CHG SAME QTR LAST YR....	0.23	4.89	3.54	10.29	4.96	2.62	7.72	-1.07	0.26	3.72	-1.35	-0.25	5.92	2.31	
TRANS, COMM, PUB UTIL.....	35338	36451	36019	36126	36199	35772	35643	35484	34985	35536	36583	36046	36199	35471	
% CHG SAME QTR LAST YR....	0.19	0.92	0.56	-2.12	2.44	-1.86	-1.04	-1.78	-3.35	-0.66	2.64	2.00	0.42	-2.01	
GOVERNMENT.....	26916	26993	27101	28345	27127	27469	27954	29569	27738	28237	28011	27262	27391	28182	
% CHG SAME QTR LAST YR....	1.37	-0.25	0.14	1.20	0.79	1.77	3.15	4.32	2.25	2.79	0.20	1.28	0.47	2.89	
FEDERAL CIVILIAN.....	42448	42435	40116	43802	45590	46513	46611	46867	47058	48669	45500	42447	42986	46762	
% CHG SAME QTR LAST YR....	1.48	-0.97	-4.55	3.15	7.40	9.61	16.19	7.00	3.22	4.63	-2.38	0.38	1.27	8.79	
STATE AND LOCAL.....	24637	24696	24910	25847	24482	24689	25201	26968	25051	25345	25512	24968	24984	25477	
% CHG SAME QTR LAST YR....	1.63	0.03	0.56	0.28	-0.63	-0.03	1.17	4.34	2.32	2.66	1.23	1.56	0.06	1.98	

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TABLE 12: TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TENNESSEE AVERAGE ANNUAL WAGE AND SALARY RATE BY SECTOR
 SEASONALLY ADJUSTED 1996 DOLLARS

	HISTORICAL - DATA												ANNUAL		
	199904	200001	200002	200003	200004	200101	200102	200103	200104	200201	200202	1999	2000	2001	
TOTAL NONAGRICULTURAL.....	28678	28644	28774	28937	28989	28906	28973	29171	28662	28866	28973	28581	28836	28928	
% CHG PREV QTR SAAR.....	-0.76	-0.48	1.83	2.28	0.72	-1.14	0.93	2.77	-6.80	2.87	1.50	2.00	0.89	0.32	
% CHG SAME QTR LAST YR....	1.35	1.20	0.59	0.71	1.08	0.92	0.69	0.81	-1.13	-0.14	0.00	2.00	0.89	0.32	
MINING.....	41599	38505	44272	41228	40286	41574	41492	39807	44587	45067	44497	42465	41073	41865	
% CHG PREV QTR SAAR.....	-22.22	-26.59	74.75	-24.79	-8.83	13.42	-0.79	-15.28	57.40	4.37	-4.96	-6.44	-3.28	1.93	
% CHG SAME QTR LAST YR....	-10.01	-11.36	9.24	-6.93	-3.16	7.97	-6.28	-3.45	10.68	8.40	7.24	-6.44	-3.28	1.93	
CONSTRUCTION.....	32523	32808	33104	32592	32828	32872	32433	32155	31605	31791	31910	32288	32833	32267	
% CHG PREV QTR SAAR.....	2.51	3.55	3.66	-6.05	2.94	0.54	-5.24	-3.38	-6.67	2.37	1.50	3.56	1.69	-1.72	
% CHG SAME QTR LAST YR....	1.84	2.70	2.29	0.83	0.94	0.20	-2.03	-1.34	-3.73	-3.29	-1.61	3.56	1.69	-1.72	
MANUFACTURING.....	33767	33044	33679	33600	33888	33533	33420	33216	32346	32681	33222	33292	33553	33129	
% CHG PREV QTR SAAR.....	1.64	-8.30	7.92	-0.94	3.47	-4.13	-1.34	-2.41	-10.07	4.21	6.78	2.91	0.78	-1.26	
% CHG SAME QTR LAST YR....	3.87	1.27	1.63	-0.09	0.36	1.48	-0.77	-1.14	-4.55	-2.54	-0.59	2.91	0.78	-1.26	
DURABLE GOODS.....	34264	33391	34106	33883	34447	33389	33477	33077	32257	32596	33196	33904	33957	33050	
% CHG PREV QTR SAAR.....	0.61	-9.81	8.85	-2.59	6.82	-11.72	1.05	-4.69	-9.55	4.27	7.57	2.76	0.15	-2.67	
% CHG SAME QTR LAST YR....	3.83	0.12	0.93	-0.96	0.53	-0.01	-1.84	-2.38	-6.36	-2.37	-0.84	2.76	0.15	-2.67	
NONDURABLE GOODS.....	33048	32535	33055	33187	33077	33738	33337	33413	32472	32802	33259	32421	32964	33240	
% CHG PREV QTR SAAR.....	3.10	-6.06	6.54	1.61	-1.32	8.24	-4.67	0.91	-10.80	4.13	5.69	2.90	1.67	0.84	
% CHG SAME QTR LAST YR....	3.79	2.89	2.59	1.19	0.09	3.70	0.86	0.68	-1.83	-2.78	-0.24	2.90	1.67	0.84	
TRADE.....	22145	22195	22003	22307	22252	21965	21861	21924	21743	21943	21761	22257	22189	21873	
% CHG PREV QTR SAAR.....	-1.34	0.92	-3.43	5.65	-0.99	-5.06	-1.87	1.15	-3.25	3.72	-3.28	3.20	-0.30	-1.42	
% CHG SAME QTR LAST YR....	1.28	0.46	-2.51	0.39	0.48	-1.04	-0.64	-1.72	-2.28	-0.10	-0.46	3.20	-0.30	-1.42	
SERVICES.....	27103	27489	27603	27380	27469	28130	27973	28640	28053	28230	28206	27126	27485	28199	
% CHG PREV QTR SAAR.....	-1.66	5.82	1.67	-3.19	1.31	9.98	-2.22	9.89	-7.94	2.54	-0.34	0.96	1.32	2.60	
% CHG SAME QTR LAST YR....	0.09	1.62	1.72	0.60	1.35	2.33	1.34	4.60	2.13	0.35	0.84	0.96	1.32	2.60	
FIN, INS, REAL EST.....	39699	39436	40187	42814	41722	40479	43291	42330	41841	41976	42737	38748	41040	41985	
% CHG PREV QTR SAAR.....	8.94	-2.62	7.83	28.82	-9.82	-11.39	30.82	-8.59	-4.54	1.30	7.45	-0.29	5.91	2.30	
% CHG SAME QTR LAST YR....	0.02	4.95	3.41	10.18	5.10	2.64	7.72	-1.13	0.29	3.70	-1.28	-0.29	5.91	2.30	
TRANS, COMM, PUB UTIL.....	35642	35989	35931	36301	36595	35384	35570	35596	35063	35219	36675	36002	36204	35403	
% CHG PREV QTR SAAR.....	-14.42	3.96	-0.64	4.18	3.29	-12.59	2.12	0.28	-5.85	1.78	17.59	1.98	0.56	-2.21	
% CHG SAME QTR LAST YR....	0.04	0.97	0.74	-2.04	2.68	-1.68	-1.00	-1.94	-4.19	-0.47	3.10	1.98	0.56	-2.21	
GOVERNMENT.....	27435	27241	27144	27489	27623	27739	28005	28641	28223	28500	28061	27294	27374	28152	
% CHG PREV QTR SAAR.....	3.06	-2.80	-1.41	5.18	1.97	1.69	3.89	9.41	-5.71	3.99	-6.02	1.38	0.29	2.84	
% CHG SAME QTR LAST YR....	1.68	-0.26	-0.21	0.95	0.69	1.83	3.17	4.19	2.17	2.74	0.20	1.38	0.29	2.84	
FEDERAL, CIVILIAN.....	42282	42516	40513	43533	45411	46664	47125	46836	46592	48701	46137	42465	42993	46804	
% CHG PREV QTR SAAR.....	0.66	2.24	-17.56	33.32	18.41	11.50	4.01	-2.43	-2.07	19.38	-19.46	0.42	1.24	8.86	
% CHG SAME QTR LAST YR....	1.67	-0.78	-4.72	3.13	7.40	9.76	16.32	7.59	2.60	4.37	-2.10	0.42	1.24	8.86	
STATE AND LOCAL.....	25198	24950	24914	24969	25009	24955	25213	26002	25588	25613	25515	24998	24961	25439	
% CHG PREV QTR SAAR.....	3.65	-3.87	-0.57	0.88	0.65	-0.86	4.20	13.11	-6.22	0.40	-1.53	1.67	-0.15	1.92	
% CHG SAME QTR LAST YR....	1.95	-0.01	0.17	-0.02	-0.75	0.02	1.20	4.14	2.31	2.64	1.20	1.67	-0.15	1.92	

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TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TABLE 13: TENNESSEE AVERAGE ANNUAL WAGE AND SALARY RATE BY SECTOR
 CURRENT DOLLARS

	HISTORICAL - DATA												ANNUAL		
	199904	200001	200002	200003	200004	200101	200102	200103	200104	200201	200202	1999	2000	2001	
TOTAL NONAGRICULTURAL.....	3015	30891	30769	31143	31078	31947	31717	31964	31201	32165	32052	29923	30970	31707	
% CHG SAME QTR LAST YR.....	3.47	3.77	3.28	3.41	3.54	3.42	3.08	2.64	0.40	0.68	1.06	3.68	3.50	2.38	
MINING.....	44286	42000	47040	43333	43613	46154	45122	42927	48974	50556	48876	44483	43997	45794	
% CHG SAME QTR LAST YR.....	-8.18	-9.07	12.00	-4.67	-1.52	9.89	-4.08	-0.94	12.29	9.54	8.32	-4.96	-1.09	4.09	
CONSTRUCTION.....	34305	36636	35147	34005	35387	37636	35269	34130	34467	37074	34986	33898	35294	35375	
% CHG SAME QTR LAST YR.....	4.51	4.90	5.00	3.40	3.15	2.73	0.35	0.37	-2.60	-1.49	-0.80	5.40	4.12	0.23	
MANUFACTURING.....	35616	35304	36020	36256	36609	36763	36590	36432	35476	36067	36794	34857	36047	36315	
% CHG SAME QTR LAST YR.....	6.14	3.96	4.39	2.58	2.79	4.13	1.58	0.49	-3.09	-1.89	0.56	4.66	3.42	0.74	
DURABLE GOODS.....	36166	35615	36403	36656	37225	36545	36570	36338	35389	35928	36719	35497	36475	36210	
% CHG SAME QTR LAST YR.....	6.09	2.86	3.53	1.73	2.93	2.61	0.46	-0.87	-4.93	-1.69	0.41	4.50	2.76	-0.72	
NONDURABLE GOODS.....	34822	34847	35456	35675	35716	37077	36619	36566	35600	36266	36902	33947	35424	36465	
% CHG SAME QTR LAST YR.....	6.08	5.51	5.60	3.82	2.57	6.40	3.28	2.50	-0.32	-2.19	0.77	4.66	4.35	2.94	
TRADE.....	22952	24074	23622	23981	23649	24420	24031	23937	23434	24623	24186	23302	23832	23956	
% CHG SAME QTR LAST YR.....	3.36	2.96	0.04	3.09	3.04	1.43	1.73	-0.18	-0.91	0.83	0.64	4.90	2.27	0.52	
SERVICES.....	28515	29892	29413	29177	29583	31337	30520	31133	30689	31630	31108	28403	29516	30920	
% CHG SAME QTR LAST YR.....	2.22	4.18	4.44	3.31	3.74	4.83	3.76	6.70	3.74	0.94	1.92	2.63	3.92	4.76	
FIN, INS, REAL EST.....	41962	42297	43011	45852	45145	44476	47428	46182	45924	46547	47298	40582	44076	46002	
% CHG SAME QTR LAST YR.....	2.24	7.58	6.19	13.09	7.59	5.15	10.27	0.72	1.73	4.66	-0.27	1.40	8.61	4.37	
TRANS, COMM, PUB UTIL.....	37324	38828	38579	38897	39189	39045	39079	38897	38428	39139	40549	37750	38873	38862	
% CHG SAME QTR LAST YR.....	2.20	3.51	3.13	0.37	5.00	0.56	1.30	0.00	-1.94	0.24	3.76	3.68	2.98	-0.03	
GOVERNMENT.....	28428	28752	29028	30519	29368	29883	30649	32413	30467	31100	31047	28552	29417	30878	
% CHG SAME QTR LAST YR.....	3.41	2.30	2.70	3.78	3.30	4.28	5.58	6.21	3.74	3.73	1.30	2.95	3.03	4.97	
FEDERAL CIVILIAN.....	44833	45202	42968	47161	49356	50769	51104	51375	51689	53604	50432	44454	46172	51234	
% CHG SAME QTR LAST YR.....	3.52	1.57	-2.11	5.78	10.09	12.32	18.93	8.94	4.73	5.58	-1.32	2.03	3.86	10.96	
STATE AND LOCAL.....	26021	26306	26681	27830	26504	26948	27631	29562	27516	27915	28278	26149	26830	27914	
% CHG SAME QTR LAST YR.....	3.67	2.59	3.13	2.83	1.86	2.44	3.56	6.22	3.82	3.59	2.34	3.24	2.60	4.04	

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TABLE 14: TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TENNESSEE AVERAGE ANNUAL WAGE AND SALARY RATE BY SECTOR
 SEASONALLY ADJUSTED CURRENT DOLLARS

	HISTORICAL - DATA												ANNUAL		
	1999Q4	2000Q1	2000Q2	2000Q3	2000Q4	2001Q1	2001Q2	2001Q3	2001Q4	2002Q1	2002Q2	1999	2000	2001	
TOTAL NONAGRICULTURAL.....	30290	30511	30820	31157	31383	31551	31766	31978	31483	31793	32114	29934	30968	31694	
% CHG PREV QTR SAAR.....	1.60	2.96	4.11	4.44	2.94	2.16	2.75	2.69	-6.05	4.00	4.11	3.68	3.46	2.35	
% CHG SAME QTR LAST YR....	3.39	3.79	3.16	3.27	3.61	3.41	3.07	2.64	0.32	0.77	1.10	3.68	3.46	2.35	
MINING.....	43937	41016	47419	44390	43613	45378	45492	43636	48974	49636	49321	44473	44110	45870	
% CHG PREV QTR SAAR.....	-20.37	-24.06	78.66	-23.21	-6.82	17.19	1.01	-15.34	58.66	5.52	-2.52	-4.90	-0.82	3.99	
% CHG SAME QTR LAST YR....	-8.20	-9.09	12.03	-4.56	-0.74	10.64	-4.06	-1.70	12.29	9.38	8.42	-4.90	-0.82	3.99	
CONSTRUCTION.....	34351	34947	35457	35091	35540	35880	35560	35249	34715	35015	35369	33817	35259	35351	
% CHG PREV QTR SAAR.....	4.95	7.12	5.98	-4.07	5.21	3.89	-3.53	-3.45	-5.91	3.50	4.10	5.27	4.27	0.26	
% CHG SAME QTR LAST YR....	3.89	5.33	4.91	3.40	3.46	2.67	0.29	0.45	-2.32	-2.41	-0.54	5.27	4.27	0.26	
MANUFACTURING.....	35665	35198	36074	36178	36687	36601	36641	36412	35529	35995	36823	34869	36034	36296	
% CHG PREV QTR SAAR.....	4.06	-5.14	10.33	1.15	5.75	-0.94	0.44	-2.48	-9.35	5.35	9.53	4.61	3.34	0.73	
% CHG SAME QTR LAST YR....	5.96	3.87	4.22	2.45	2.87	3.99	1.57	0.65	-3.16	-1.65	0.50	4.61	3.34	0.73	
DURABLE GOODS.....	36189	35568	36531	36482	37292	36444	36704	36259	35431	35902	36795	35510	36468	36210	
% CHG PREV QTR SAAR.....	3.00	-6.69	11.28	-0.34	9.18	-8.79	2.88	-4.76	-8.82	5.41	10.33	4.46	2.70	-0.71	
% CHG SAME QTR LAST YR....	5.92	2.69	3.51	1.56	3.05	2.46	0.47	-0.61	-4.99	-1.49	0.25	4.46	2.70	-0.71	
NONDURABLE GOODS.....	34905	34657	35405	35733	35809	36825	36551	36628	35667	36128	36864	33958	35401	36418	
% CHG PREV QTR SAAR.....	5.55	-2.82	8.92	3.75	0.86	11.84	-2.95	0.84	-10.08	5.27	8.40	4.60	4.25	2.87	
% CHG SAME QTR LAST YR....	5.88	5.53	5.21	3.76	2.59	6.26	3.24	2.50	-0.40	-1.89	0.86	4.60	4.25	2.87	
TRADE.....	23389	23642	23567	24018	24090	23974	23969	24033	23883	24168	24120	23309	23829	23965	
% CHG PREV QTR SAAR.....	1.01	4.40	-1.27	7.88	1.20	-1.90	-0.10	1.07	-2.47	4.86	-0.79	4.90	2.23	0.57	
% CHG SAME QTR LAST YR....	3.31	3.04	-0.02	2.95	2.29	1.40	1.70	0.06	-0.86	0.81	0.63	4.90	2.23	0.57	
SERVICES.....	28626	29281	29565	29480	29738	30704	30669	31395	30814	31093	31264	28410	29516	30895	
% CHG PREV QTR SAAR.....	0.69	9.47	3.94	-1.15	3.55	13.64	-0.46	9.81	-7.20	3.67	2.22	2.63	3.90	4.67	
% CHG SAME QTR LAST YR....	2.10	4.22	4.33	3.16	3.88	4.86	3.73	6.50	3.62	1.26	1.94	2.63	3.90	4.67	
FIN, INS, REAL EST.....	41930	42008	43044	46097	45168	44183	47464	46402	45958	46233	47370	40586	44079	46002	
% CHG PREV QTR SAAR.....	11.54	0.75	10.24	31.54	-7.83	-8.44	33.19	-8.65	-3.77	2.41	10.20	1.36	8.61	4.36	
% CHG SAME QTR LAST YR....	2.03	7.64	6.06	12.98	7.72	5.18	10.27	0.66	1.75	4.64	-0.20	1.36	8.61	4.36	
TRANS, COMM, PUB UTIL.....	37645	38336	38486	39085	39618	38622	38999	39020	38513	38790	40650	37706	38881	38789	
% CHG PREV QTR SAAR.....	-12.38	7.55	1.58	6.37	5.57	-9.68	3.97	0.21	-5.09	2.90	20.61	3.67	3.12	-0.24	
% CHG SAME QTR LAST YR....	2.05	3.56	3.32	0.45	5.24	0.75	1.33	-0.17	-2.79	0.43	4.23	3.67	3.12	-0.24	
GOVERNMENT.....	28976	29017	29074	29597	29904	30277	30704	31396	31000	31390	31103	28585	29398	30844	
% CHG PREV QTR SAAR.....	5.51	0.56	0.79	7.39	4.22	5.08	5.77	9.33	-4.96	5.13	-3.61	3.05	2.84	4.92	
% CHG SAME QTR LAST YR....	3.72	2.30	2.34	3.52	3.20	4.34	5.61	6.08	3.66	1.30	3.05	3.05	2.84	4.92	
FEDERAL CIVILIAN.....	44658	45288	43393	46872	49162	50934	51668	51342	51176	53639	51138	44473	46179	51280	
% CHG PREV QTR SAAR.....	3.06	5.77	-15.72	36.13	21.03	15.21	5.89	-2.50	-1.28	20.69	-17.39	2.07	3.84	11.05	
% CHG SAME QTR LAST YR....	3.71	1.77	-2.28	5.75	10.09	12.47	19.07	9.54	4.10	-1.03	-1.03	2.07	3.84	11.05	
STATE AND LOCAL.....	26614	26577	26686	26884	27075	27239	27644	28503	28105	28210	28280	26181	26805	27873	
% CHG PREV QTR SAAR.....	6.12	-0.56	1.65	3.00	2.88	2.44	6.08	13.02	-5.46	1.50	1.00	3.34	2.38	3.98	
% CHG SAME QTR LAST YR....	4.00	2.55	2.73	2.53	1.73	2.49	3.59	6.02	3.80	3.57	2.30	3.34	2.38	3.98	

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TABLE 15: TENNESSEE ECONOMETRIC MODEL, September 2002 UPDATE
 TENNESSEE CIVILIAN LABOR FORCE AND UNEMPLOYMENT RATE

	HISTORICAL - DATA												ANNUAL		
	1999Q4	2000Q1	2000Q2	2000Q3	2000Q4	2001Q1	2001Q2	2001Q3	2001Q4	2002Q1	2002Q2	1999	2000	2001	
CIVILIAN LABOR FORCE (THOUS).....	2829	2772	2792	2820	2809	2776	2804	2844	2847	2867	2877	2816	2798	2818	
% CHG SAME QTR LAST YR.....	0.69	-0.13	-0.60	-1.00	-0.70	0.12	0.43	0.84	1.36	3.28	2.59	2.03	-0.61	0.69	
EMPLOYED PERSONS (THOUS).....	2724	2659	2687	2705	2701	2653	2686	2713	2715	2701	2736	2702	2688	2692	
% CHG SAME QTR LAST YR.....	0.79	0.27	-0.54	-0.96	-0.82	-0.24	-0.05	0.30	0.51	1.80	1.86	2.21	-0.52	0.13	
UNEMPLOYED PERSONS (THOUS).....	105	113	104	115	108	123	118	131	132	166	141	113	110	126	
% CHG SAME QTR LAST YR.....	-1.76	-8.65	-2.06	-2.01	2.38	8.58	12.93	13.44	22.75	35.13	19.29	-2.04	-2.82	14.34	
PARTICIPATION RATE (PERCENT).....	63.3	61.9	62.1	62.6	62.3	61.5	62.0	62.8	62.7	63.0	63.0	64.4	62.2	62.2	
% CHG SAME QTR LAST YR.....	-3.83	-4.63	-5.10	-2.02	-1.59	-0.63	-0.18	0.24	0.71	2.56	1.62	-0.80	-3.35	0.04	
UNEMPLOYMENT RATE (PERCENT).....	3.7	4.1	3.7	4.1	3.8	4.4	4.2	4.6	4.6	5.8	4.9	4.0	3.9	4.5	

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TABLE 16: TENNESSEE ECONOMETRIC MODEL, September 2002 UPDATE
 TENNESSEE CIVILIAN LABOR FORCE AND UNEMPLOYMENT RATE
 SEASONALLY ADJUSTED

	HISTORICAL - DATA																ANNUAL		
	1999Q4	2000Q1	2000Q2	2000Q3	2000Q4	2001Q1	2001Q2	2001Q3	2001Q4	2002Q1	2002Q2	1999	2000	2001					
CIVILIAN LABOR FORCE (THOUS).....	2816	2804	2799	2795	2796	2807	2811	2819	2834	2898	2883	2816	2798	2818					
% CHG PREV QTR SAAR.....	-1.13	-1.63	-0.74	-0.54	0.14	1.59	0.54	1.13	2.26	9.27	-2.00	2.03	-0.61	0.69					
% CHG SAME QTR LAST YR.....	0.79	-0.13	-0.60	-1.01	-0.70	0.11	0.43	0.85	1.38	3.24	2.58	2.03	-0.61	0.69					
EMPLOYED PERSONS (THOUS).....	2705	2698	2689	2684	2683	2691	2688	2692	2697	2738	2738	2702	2688	2692					
% CHG PREV QTR SAAR.....	-0.84	-1.03	-1.30	-0.71	-0.21	1.22	-0.47	0.66	0.68	6.35	-0.12	2.21	-0.52	0.13					
% CHG SAME QTR LAST YR.....	0.94	0.25	-0.54	-0.97	-0.81	-0.25	-0.05	0.30	0.52	1.77	1.86	2.21	-0.52	0.13					
UNEMPLOYED PERSONS (THOUS).....	111	106	110	111	113	116	123	127	138	160	146	113	110	126					
% CHG PREV QTR SAAR.....	-8.04	-15.49	14.19	3.84	8.87	10.64	26.05	11.60	40.50	79.32	-30.31	-2.00	-2.79	14.37					
% CHG SAME QTR LAST YR.....	-2.84	-8.91	-2.14	-2.03	2.20	9.32	12.05	14.09	21.61	37.21	18.32	-2.00	-2.79	14.37					
PARTICIPATION RATE (PERCENT).....	63.0	62.6	62.3	62.1	62.0	62.2	62.2	62.2	62.4	63.7	63.2	64.4	62.2	62.2					
% CHG PREV QTR SAAR.....	-2.22	-2.72	-1.84	-1.35	-0.39	1.05	0.00	0.34	1.52	8.43	-3.50	-0.79	-3.36	0.04					
% CHG SAME QTR LAST YR.....	-3.74	-4.63	-5.10	-2.03	-1.58	-0.64	-0.18	0.25	0.73	2.52	1.61	-0.79	-3.36	0.04					
UNEMPLOYMENT RATE (PERCENT).....	3.9	3.8	3.9	4.0	4.1	4.1	4.4	4.5	4.9	5.5	5.1	4.0	3.9	4.5					

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TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TABLE 17: TENNESSEE TAXABLE SALES
 MILLIONS OF 1996 DOLLARS

	HISTORICAL - DATA												ANNUAL		
	199904	200001	200002	200003	200004	200101	200102	200103	200104	200201	200202	1999	2000	2001	
TOTAL.....	18436	16337	17569	17517	18025	15739	17293	16855	18078	15767	17222	69050	69448	67966	
% CHG SAME QTR LAST YR.....	3.81	4.39	1.00	-0.30	-2.23	-3.66	-1.57	-3.78	0.30	0.18	-0.41	7.19	0.58	-2.13	
AUTO DEALERS.....	1763	1988	2056	2055	1712	1857	1963	1967	2078	1904	2029	7748	7811	7865	
% CHG SAME QTR LAST YR.....	8.72	7.43	0.92	-2.00	-2.88	-6.62	-4.49	-4.28	21.35	2.55	3.36	12.02	0.82	0.69	
PURCHASES FROM MANUFACTURERS..	1024	885	1032	1014	978	850	962	897	896	733	889	4038	3908	3605	
% CHG SAME QTR LAST YR.....	-3.93	-4.10	-4.52	0.33	-4.55	-3.94	-6.79	-11.51	-8.37	-13.83	-7.59	-2.64	-3.22	-7.76	
MISC DURABLE GOODS.....	3142	2963	3130	3059	2934	2616	3024	2765	2873	2538	2928	12250	12087	11278	
% CHG SAME QTR LAST YR.....	5.88	8.91	-2.97	-3.22	-6.62	-11.73	-3.39	-9.62	-2.07	-2.96	-3.19	11.52	-1.33	-6.69	
EATING AND DRINKING PLACES.....	1396	1371	1493	1494	1418	1382	1498	1521	1481	1424	1545	5595	5776	5882	
% CHG SAME QTR LAST YR.....	2.94	4.09	3.93	3.44	1.52	0.79	0.33	1.80	4.46	3.02	3.12	5.23	3.24	1.83	
FOOD STORES.....	2044	1768	1893	1883	2027	1748	1836	1834	1966	1703	1779	7538	7571	7384	
% CHG SAME QTR LAST YR.....	0.06	-0.12	3.03	-0.11	-0.86	-1.15	-3.02	-2.63	-2.99	-2.54	-3.12	2.33	0.45	-2.48	
LIQUOR STORES.....	111	81	86	84	107	83	86	82	111	86	88	350	358	362	
% CHG SAME QTR LAST YR.....	8.22	3.99	6.25	4.20	-3.69	2.76	0.64	-2.04	3.25	2.64	2.37	6.49	2.12	1.28	
HOTELS AND MOTELS.....	428	350	450	467	433	337	437	448	405	321	431	1672	1700	1627	
% CHG SAME QTR LAST YR.....	0.82	4.42	3.40	-1.52	1.20	-3.80	-2.90	-3.95	-6.50	-4.65	-1.37	3.09	1.65	-4.29	
OTHER RETAIL AND SERVICE.....	5749	4525	4913	4892	5652	4435	4799	4671	5613	4505	4864	19718	19982	19518	
% CHG SAME QTR LAST YR.....	3.49	3.95	2.10	1.83	-1.69	-2.00	-2.32	-4.51	-0.69	1.58	1.36	5.87	1.34	-2.32	
MISC NONDURABLE GOODS.....	1704	1324	1430	1441	1699	1364	1413	1344	1623	1296	1365	5884	5893	5745	
% CHG SAME QTR LAST YR.....	4.95	-0.09	-1.22	2.43	-0.34	3.07	-1.14	-6.74	-4.42	-5.02	-3.43	11.04	0.16	-2.51	
TRANSPORTATION, COMMUNICATION..	1073	1081	1086	1127	1067	1068	1274	1325	1033	1258	1304	4257	4361	4699	
% CHG SAME QTR LAST YR.....	7.49	10.70	8.45	-6.47	-0.60	-1.25	17.28	17.50	-3.17	17.77	2.37	11.74	2.46	7.74	
PER CAPITA (\$)..	3256	2877	3086	3069	3153	2749	3015	2932	3139	2732	2973	12245	12185	11836	
% CHG SAME QTR LAST YR.....	2.58	3.19	-0.13	-1.35	-3.15	-4.46	-2.28	-4.46	-0.45	-0.62	-1.40	5.91	-0.49	-2.87	

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TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TABLE 18: TENNESSEE TAXABLE SALES
 MILLIONS OF SEASONALLY ADJUSTED 1996 DOLLARS

	HISTORICAL - DATA												ANNUAL		
	1999Q4	2000Q1	2000Q2	2000Q3	2000Q4	2001Q1	2001Q2	2001Q3	2001Q4	2002Q1	2002Q2	1999	2000	2001	
TOTAL.....	17501	17779	17325	17324	17102	17067	17070	16685	17217	17045	17015	69069	69531	68039	
% CHG PREV QTR SAAR.....	4.51	6.50	-9.82	-0.03	-5.02	-0.82	0.07	-8.74	13.40	-3.94	-0.72	7.41	0.67	-2.14	
% CHG SAME QTR LAST YR.....	3.90	3.81	1.13	0.08	-2.28	-4.00	-1.47	-3.69	0.67	-0.13	-0.33	7.41	0.67	-2.14	
AUTO DEALERS.....	1950	2012	1976	1925	1897	1871	1892	1843	2303	1915	1959	7750	7810	7910	
% CHG PREV QTR SAAR.....	-3.11	13.14	-6.91	-9.83	-5.75	-5.36	4.55	-9.98	143.78	-52.16	9.54	12.02	0.78	1.27	
% CHG SAME QTR LAST YR.....	9.04	6.90	1.25	-2.06	-2.73	-6.98	-4.24	-4.28	21.39	2.36	3.56	12.02	0.78	1.27	
PURCHASES FROM MANUFACTURERS..	993	1001	977	987	949	959	909	876	870	825	840	4048	3914	3614	
% CHG PREV QTR SAAR.....	6.10	3.23	-9.29	4.12	-14.68	4.44	-19.23	-13.81	-2.79	-19.17	7.60	-2.47	-3.30	-7.67	
% CHG SAME QTR LAST YR.....	-3.74	-4.67	-4.72	0.85	-4.50	-4.22	-6.96	-11.25	-8.31	-14.00	-7.61	-2.47	-3.30	-7.67	
MISC DURABLE GOODS.....	3120	3270	2951	2997	2904	2865	2861	2720	2839	2770	2777	12256	12123	11285	
% CHG PREV QTR SAAR.....	6.33	20.71	-33.68	6.32	-11.83	-5.23	-0.66	-18.29	18.78	-9.44	1.04	11.90	-1.09	-6.91	
% CHG SAME QTR LAST YR.....	5.47	7.85	-2.63	-2.47	-6.93	-12.39	-3.07	-9.25	-2.23	-3.33	-2.92	11.90	-1.09	-6.91	
EATING AND DRINKING PLACES.....	1418	1446	1446	1446	1439	1454	1452	1474	1504	1496	1498	5598	5778	5883	
% CHG PREV QTR SAAR.....	6.73	8.09	0.03	0.01	-1.85	4.05	-0.53	6.18	8.41	-2.17	0.65	5.32	3.20	1.83	
% CHG SAME QTR LAST YR.....	2.94	3.57	4.12	3.65	1.50	0.54	0.40	1.91	4.48	2.88	3.18	5.32	3.20	1.83	
FOOD STORES.....	1900	1892	1906	1892	1882	1870	1850	1842	1826	1821	1793	7535	7572	7387	
% CHG PREV QTR SAAR.....	1.45	-1.61	2.87	-2.96	-1.98	-2.61	-4.18	-1.74	-3.39	-0.98	-6.15	2.50	0.50	-2.44	
% CHG SAME QTR LAST YR.....	-0.25	-0.10	3.19	-0.09	-0.95	-1.20	-2.94	-2.64	-2.99	-2.58	-3.09	2.50	0.50	-2.44	
LIQUOR STORES.....	91	89	90	91	88	91	91	90	91	93	93	349	358	362	
% CHG PREV QTR SAAR.....	18.01	-11.02	7.70	4.89	-14.28	14.97	-0.97	-5.81	6.50	11.34	-1.78	6.40	2.59	1.12	
% CHG SAME QTR LAST YR.....	8.19	4.01	6.03	4.36	-3.65	2.72	0.59	-2.08	3.38	2.55	2.34	6.40	2.59	1.12	
HOTELS AND MOTELS.....	424	439	421	417	427	420	410	402	399	400	404	1674	1704	1630	
% CHG PREV QTR SAAR.....	3.51	14.75	-15.53	-3.73	10.09	-6.06	-9.94	-7.60	-2.95	1.48	4.53	3.34	1.78	-4.33	
% CHG SAME QTR LAST YR.....	-0.02	3.58	3.79	-0.86	0.68	-4.24	-2.69	-3.69	-6.67	-4.85	-1.24	3.34	1.78	-4.33	
OTHER RETAIL AND SERVICE.....	5003	5047	5010	5027	4927	4929	4892	4807	4898	4996	4959	19718	20010	19525	
% CHG PREV QTR SAAR.....	6.56	3.52	-2.91	1.42	-7.77	0.16	-2.96	-6.75	7.79	8.27	-2.93	6.11	1.48	-2.42	
% CHG SAME QTR LAST YR.....	3.78	3.42	2.02	2.09	-1.53	-2.34	-2.35	-4.38	-0.58	1.37	1.38	6.11	1.48	-2.42	
MISC NONDURABLE GOODS.....	1481	1468	1469	1484	1477	1503	1450	1391	1412	1422	1401	5891	5898	5757	
% CHG PREV QTR SAAR.....	12.68	-3.57	0.36	4.19	-1.90	7.18	-13.25	-15.31	6.16	2.81	-5.79	11.80	0.11	-2.39	
% CHG SAME QTR LAST YR.....	5.18	-1.04	-1.37	3.24	-0.27	2.40	-1.27	-6.25	-4.38	-5.37	-3.40	11.80	0.11	-2.39	
TRANSPORTATION, COMMUNICATION..	1119	1115	1079	1057	1112	1105	1264	1241	1076	1307	1290	4249	4364	4686	
% CHG PREV QTR SAAR.....	-4.85	-1.51	-12.32	-7.89	22.56	-2.52	71.11	-7.15	-43.53	117.70	-5.10	11.31	2.69	7.38	
% CHG SAME QTR LAST YR.....	7.21	11.51	8.28	-6.73	-0.63	-0.89	17.14	17.38	-3.29	18.22	2.02	11.31	2.69	7.38	
PER CAPITA (\$)..	3091	3131	3043	3036	2992	2981	2976	2903	2989	2953	2937	12250	12201	11850	
% CHG PREV QTR SAAR.....	3.35	5.31	-10.83	-0.91	-5.65	-1.48	-0.59	-9.51	12.48	-4.75	-2.16	6.12	-0.40	-2.88	
% CHG SAME QTR LAST YR.....	2.68	2.61	0.00	-0.97	-3.20	-4.80	-2.18	-4.37	-0.08	-0.92	-1.31	6.12	-0.40	-2.88	

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TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TABLE 19: TENNESSEE TAXABLE SALES
 MILLIONS OF CURRENT DOLLARS

	HISTORICAL - DATA												ANNUAL		
	199904	200001	200002	200003	200004	200101	200102	200103	200104	200201	200202	1999	2000	2001	
TOTAL	19472	17402	18818	18860	19514	17180	18960	18476	19857	17366	19089	72341	74595	74473	
% CHG SAME QTR LAST YR.....	5.89	7.06	3.58	2.24	0.22	-1.28	0.76	-2.04	1.76	1.08	0.68	8.96	3.12	-0.16	
AUTO DEALERS.....	1862	2118	2202	2213	1854	2027	2153	2156	2282	2097	2249	8114	8386	8618	
% CHG SAME QTR LAST YR.....	10.91	10.18	3.50	0.49	-0.46	-4.31	-2.23	-2.55	23.13	3.48	4.49	13.85	3.36	2.76	
PURCHASES FROM MANUFACTURERS..	1082	943	1105	1091	1058	928	1055	983	984	807	985	4230	4198	3950	
% CHG SAME QTR LAST YR.....	-2.00	-1.65	-2.08	2.88	-2.16	-1.56	-4.59	-9.91	-7.03	-13.05	-6.58	-1.04	-0.76	-5.91	
MISC DURABLE GOODS.....	3319	3156	3353	3294	3177	2855	3316	3031	3156	2796	3245	12833	12980	12358	
% CHG SAME QTR LAST YR.....	8.01	11.70	-0.49	-0.76	-4.29	-9.55	-1.11	-7.99	-0.64	-2.08	-2.13	13.36	1.14	-4.79	
EATING AND DRINKING PLACES.....	1475	1461	1599	1609	1535	1508	1642	1668	1626	1568	1712	5860	6203	6445	
% CHG SAME QTR LAST YR.....	5.01	6.76	6.59	6.07	4.06	3.27	2.70	3.64	5.99	3.95	4.25	6.96	5.86	3.89	
FOOD STORES.....	2159	1883	2028	2028	2194	1908	2013	2010	2159	1876	1972	7897	8133	8091	
% CHG SAME QTR LAST YR.....	2.07	2.44	5.67	2.43	1.61	1.29	-0.73	-0.86	-1.57	-1.65	-2.06	4.03	3.00	-0.52	
LIQUOR STORES.....	118	86	92	90	116	91	95	90	122	94	98	367	384	397	
% CHG SAME QTR LAST YR.....	10.39	6.65	8.96	6.85	-1.28	5.30	3.02	-0.26	4.76	3.57	3.49	8.28	4.69	3.29	
HOTELS AND MOTELS.....	452	373	482	502	468	368	479	491	444	354	478	1752	1826	1783	
% CHG SAME QTR LAST YR.....	2.84	7.09	6.05	0.98	3.73	-1.43	-0.61	-2.22	-5.14	-3.79	-0.29	4.80	4.22	-2.38	
OTHER RETAIL AND SERVICE.....	6072	4820	5263	5267	6119	4841	5262	5121	6165	4962	5392	20663	21468	21389	
% CHG SAME QTR LAST YR.....	5.57	6.61	4.71	4.42	0.76	0.42	-0.01	-2.78	0.76	2.50	2.47	7.63	3.90	-0.37	
MISC NONDURABLE GOODS.....	1800	1410	1531	1552	1839	1489	1550	1474	1783	1427	1513	6165	6332	6295	
% CHG SAME QTR LAST YR.....	7.06	2.46	1.31	5.03	2.15	5.62	1.20	-5.05	-3.03	-4.15	-2.37	12.87	2.70	-0.58	
TRANSPORTATION, COMMUNICATION..	1134	1152	1163	1214	1155	1166	1396	1452	1135	1385	1445	4460	4684	5149	
% CHG SAME QTR LAST YR.....	9.65	13.53	11.22	-4.09	1.88	1.19	20.05	19.63	-1.76	18.83	3.49	13.61	5.03	9.93	
PER CAPITA (\$)	3439	3065	3305	3305	3414	3000	3306	3215	3448	3009	3295	12828	13088	12969	
% CHG SAME QTR LAST YR.....	4.65	5.83	2.42	1.16	-0.73	-2.10	0.03	-2.73	1.00	0.28	-0.32	7.66	2.03	-0.91	

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TENNESSEE ECONOMETRIC MODEL September 2002 UPDATE
 TABLE 20: TENNESSEE TAXABLE SALES
 MILLIONS OF SEASONALLY ADJUSTED CURRENT DOLLARS

	HISTORICAL - DATA												ANNUAL		
	1999Q4	2000Q1	2000Q2	2000Q3	2000Q4	2001Q1	2001Q2	2001Q3	2001Q4	2002Q1	2002Q2	1999	2000	2001	
TOTAL.....	18485	18938	18557	18653	18515	18629	18716	18290	18912	18774	18859	72339	74663	74546	
% CHG PREV QTR SAAR.....	7.00	10.17	-7.81	2.08	-2.92	2.48	1.88	-8.80	14.31	-2.88	1.83	9.17	3.21	-0.16	
% CHG SAME QTR LAST YR.....	5.99	6.47	3.72	2.63	0.16	-1.63	0.86	-1.95	2.14	0.78	0.77	9.17	3.21	-0.16	
AUTO DEALERS.....	2060	2143	2116	2073	2054	2042	2075	2020	2530	2110	2172	8117	8386	8667	
% CHG PREV QTR SAAR.....	-0.80	17.05	-4.83	-7.93	-3.67	-2.21	6.44	-10.04	145.74	-51.63	12.35	13.86	3.32	3.35	
% CHG SAME QTR LAST YR.....	11.23	9.64	3.84	0.43	-0.30	-4.68	-1.98	-2.54	23.16	3.29	4.69	13.86	3.32	3.35	
PURCHASES FROM MANUFACTURERS..	1049	1066	1047	1063	1027	1047	997	960	955	908	931	4238	4203	3959	
% CHG PREV QTR SAAR.....	8.62	6.79	-7.27	6.31	-12.79	7.91	-17.77	-13.87	-2.01	-18.28	10.37	-0.88	-0.84	-5.80	
% CHG SAME QTR LAST YR.....	-1.81	-2.23	-2.28	3.41	-2.11	-1.85	-4.76	-9.65	-6.97	-13.22	-6.60	-0.88	-0.84	-5.80	
MISC DURABLE GOODS.....	3296	3484	3161	3227	3144	3127	3136	2981	3119	3051	3078	12837	13016	12364	
% CHG PREV QTR SAAR.....	8.86	24.88	-32.20	8.56	-9.88	-2.08	1.14	-18.35	19.74	-8.44	3.64	13.73	1.39	-5.01	
% CHG SAME QTR LAST YR.....	7.59	10.62	-0.14	0.01	-4.60	-10.23	-0.79	-7.61	-0.80	-2.46	-1.86	13.73	1.39	-5.01	
EATING AND DRINKING PLACES.....	1498	1540	1549	1557	1558	1587	1592	1616	1652	1647	1660	5863	6204	6446	
% CHG PREV QTR SAAR.....	9.28	11.82	2.26	2.12	0.32	7.52	1.26	6.11	9.28	-1.09	3.23	7.05	5.82	3.89	
% CHG SAME QTR LAST YR.....	5.01	6.22	6.79	6.28	4.04	3.02	2.77	3.76	6.00	3.81	4.31	7.05	5.82	3.89	
FOOD STORES.....	2007	2016	2041	2037	2038	2041	2028	2019	2006	2006	1987	7891	8131	8094	
% CHG PREV QTR SAAR.....	3.87	1.78	5.17	-0.91	0.18	0.63	-2.45	-1.81	-2.61	0.10	-3.74	4.18	3.05	-0.47	
% CHG SAME QTR LAST YR.....	1.75	2.46	5.83	2.45	1.53	1.24	-0.64	-0.87	-1.57	-1.70	-2.03	4.18	3.05	-0.47	
LIQUOR STORES.....	96	94	97	98	95	99	100	98	100	103	103	366	385	397	
% CHG PREV QTR SAAR.....	20.82	-7.95	10.10	7.10	-12.38	18.80	0.82	-5.88	7.36	12.56	0.74	8.17	5.18	3.17	
% CHG SAME QTR LAST YR.....	10.36	6.68	8.74	7.02	-1.25	5.26	2.96	-0.31	4.89	3.48	3.46	8.17	5.18	3.17	
HOTELS AND MOTELS.....	448	468	451	449	462	459	449	440	438	441	448	1753	1830	1786	
% CHG PREV QTR SAAR.....	5.98	18.71	-13.64	-1.70	12.52	-2.94	-8.31	-7.67	-2.17	2.59	7.21	5.03	4.36	-2.39	
% CHG SAME QTR LAST YR.....	1.99	6.24	6.44	1.66	3.19	-1.87	-0.39	-1.94	-5.31	-3.99	-0.16	5.03	4.36	-2.39	
OTHER RETAIL AND SERVICE.....	5284	5376	5366	5413	5334	5380	5363	5269	5380	5503	5497	20652	21488	21392	
% CHG PREV QTR SAAR.....	9.10	7.10	-0.74	3.55	-5.73	3.50	-1.20	-6.82	8.66	9.46	-0.44	7.85	4.05	-0.45	
% CHG SAME QTR LAST YR.....	5.86	6.07	4.63	4.68	0.93	0.07	-0.05	-2.65	0.87	2.29	2.49	7.85	4.05	-0.45	
MISC NONDURABLE GOODS.....	1564	1563	1573	1598	1599	1640	1590	1525	1551	1566	1553	6170	6334	6307	
% CHG PREV QTR SAAR.....	15.36	-0.25	2.61	6.38	0.27	10.75	-11.69	-15.37	7.01	3.94	-3.38	13.61	2.66	-0.42	
% CHG SAME QTR LAST YR.....	7.29	1.49	1.15	5.87	2.22	4.93	1.07	-4.55	-2.99	-4.51	-2.34	13.61	2.66	-0.42	
TRANSPORTATION, COMMUNICATION..	1182	1188	1156	1138	1204	1206	1386	1360	1181	1439	1429	4452	4686	5134	
% CHG PREV QTR SAAR.....	-2.58	1.89	-10.36	-5.95	25.27	0.73	74.20	-7.22	-43.08	120.09	-2.66	13.17	5.26	9.56	
% CHG SAME QTR LAST YR.....	9.36	14.37	11.05	-4.35	1.85	1.56	19.91	19.50	-1.88	19.29	3.14	13.17	5.26	9.56	
PER CAPITA (\$)..	3265	3335	3259	3269	3239	3254	3263	3182	3284	3253	3256	12830	13102	12983	
% CHG PREV QTR SAAR.....	5.81	8.95	-8.83	1.17	-3.56	1.80	1.21	-9.58	13.38	-3.70	0.35	7.86	2.12	-0.91	
% CHG SAME QTR LAST YR.....	4.74	5.24	2.55	1.55	-0.78	-2.45	0.13	-2.64	1.38	-0.02	-0.23	7.86	2.12	-0.91	

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