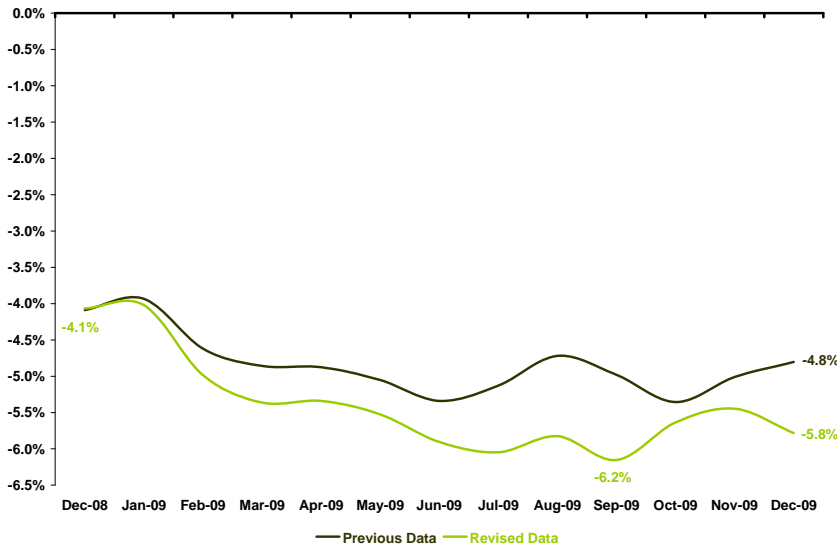


A monthly report examining the health and performance of the Sacramento Region's economy

SACRAMENTO'S EMPLOYMENT DATA RECEIVED A DOWNWARD REVISION

Sacramento Region Annual Job Growth Benchmark Comparison



Data Sources: CA Employment Development Department and U.S. Bureau of Labor Statistics

Revised data for the six-county Sacramento Region show that the economy was weaker than initially reported by the California Employment Development Department (EDD) throughout 2009. For the fourth straight year, monthly payroll job data for the Sacramento Region received a downward revision during EDD's annual benchmark process where ongoing estimates are updated to reflect official information from tax records. The revised data show that the Region posted notably lower annual job growth than the previous data with an average difference of about 0.6 percentage points in 2009. In other words, Sacramento actually shed over 5,600 more jobs last year than what previous EDD estimates were showing. The job growth pattern reflected by the new data demonstrates that the low point last year was in September at -6.2 percent (one month earlier and much lower than the previous data) and the year ended with a slight downturn (compared to an uptick reflected in the previous data).

THE REVISED DATA SHOW GREATER LOSSES IN MOST MAJOR SECTORS

Sacramento Region Major Sector Annual Job Gains and Losses Benchmark Comparison

Sector	Annual Average 2008-2009		
	Previous Data	Revised Data	Difference
Total Nonfarm	-45,100	-50,733	-5,633
Private Sector	-43,958	-50,850	-6,892
Public Sector	-1,142	58	1,200
Leisure & Hospitality	-5,400	-4,142	1,258
Government	-1,142	58	1,200
Information	-1,892	-908	983
Financial Activities	-4,433	-3,892	542
Mining & Logging	-42	-275	-233
Prof. & Business Svcs.	-9,300	-9,600	-300
Other Services	-525	-967	-442
Construction	-12,150	-13,692	-1,542
Manufacturing	-2,950	-4,625	-1,675
Trade, Trans., & Util.	-10,800	-12,717	-1,917
Edu. & Health Svcs.	3,533	-33	-3,567

Data Source: CA Employment Development Department
 Note: Differences due to rounding, average calculations, and source reported data.

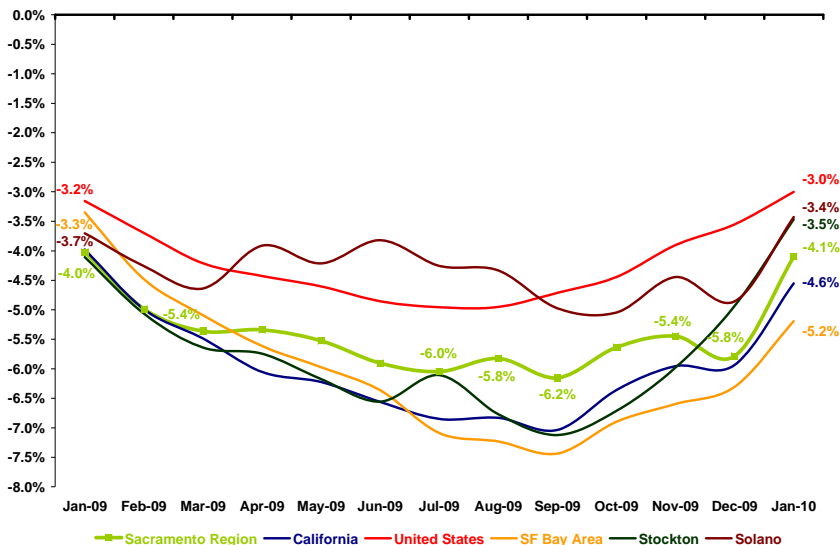
The revised data show a total annual average loss in 2009 of 50,733 jobs compared to the previous estimate of 45,100 jobs, a difference of 5,633 jobs. This shift is in large part the result of more severe losses in six of the Sacramento Region's 11 major sectors (with Construction; Manufacturing; and Trade, Transportation & Utilities seeing the most significant changes). In addition, the revision shifted the Educational & Health Services sector from healthy positive growth to slightly negative growth. Three sectors were revised to show fewer annual job losses while the Government sector moved from negative to positive territory, becoming the only sector to post job gains in 2009.

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ANNUAL JOB GROWTH IN THE REGION POSTED A NOTABLE UPTICK

Annual Job Growth



Data Sources: CA Employment Development Department and U.S. Bureau of Labor Statistics

JOB GAINS IN THE REGION WERE CONFINED TO THE GOVERNMENT SECTOR

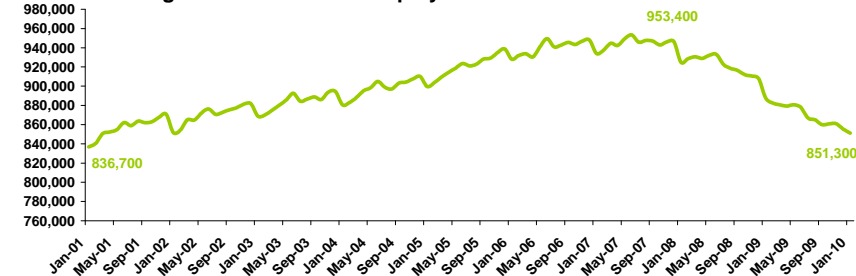
Major Sector Annual Job Gains and Losses

Sector	January 2009-2010				
	Sacramento Region	California	SF Bay Area	Stockton	Solano
Total Nonfarm	-36,400	-652,900	-147,000	-6,800	-4,100
Private Sector	-39,200	-615,000	-135,600	-6,600	-3,100
Public Sector	2,800	-37,900	-11,400	-200	-1,000
Government	2,800	-37,900	-11,400	-200	-1,000
Mining & Logging	0	-3,500	0	0	-100
Edu. & Health Svcs.	-800	14,000	-4,400	-600	-100
Information	-1,100	-12,800	-6,500	-100	300
Other Services	-1,300	-26,200	-5,100	200	-100
Manufacturing	-2,900	-114,900	-20,800	-1,600	-600
Leisure & Hospitality	-3,100	-49,900	-5,300	-600	-200
Financial Activities	-4,800	-35,400	-9,600	-300	-100
Trade, Trans., & Util.	-6,600	-150,000	-26,200	-1,100	-800
Prof. & Business Svcs.	-8,300	-117,900	-34,100	-1,000	-500
Construction	-10,300	-118,400	-23,600	-1,500	-900

Data Source: CA Employment Development Department (totals may not match sum of sectors due to source rounding methodology)

SACRAMENTO'S TOTAL EMPLOYMENT MOVED DOWN TO 2001 LEVELS

Sacramento Region Total Nonfarm Employment



Data Source: CA Employment Development Department

Job growth in the six-county Sacramento Region experienced a considerable uptick at the beginning of 2010. Preliminary data for January 2010 show that Sacramento lost 4.1 percent of all payroll jobs in the past 12 months, equating to a decline of 36,400 jobs. The Region remained above the statewide average and below the national average. Two neighboring regions posted slightly less severe rates of loss, Stockton and Solano, while the SF Bay Area continued to experience significant losses below the statewide rate. Government, Sacramento's largest sector, moved back into positive territory in January 2010 (with gains concentrated in local government education) while other large sectors (including Trade, Transportation, & Utilities and Professional & Business Services) have seen rates of loss ease in recent months. Overall, after a period of historically weak job growth, Sacramento has moved up to close to the same level of growth it was seeing back in January 2009.

Only one major sector in the Sacramento Region added jobs during the 12 months ending January 2010, Government. Preliminary data show that all other major sectors either saw no growth or shed jobs in the past year. The largest job losses were posted in the Construction; Professional & Business Services; and Trade, Transportation; & Utilities sectors. The net loss of 36,400 jobs pulled total employment in Sacramento down to 851,300, which is around the same level of jobs supported by public and private sector establishments in early-2001.

Statewide, job gains were limited to the Educational & Health Services sector while losses were the heaviest in Trade, Transportation, & Utilities. In the past 12 months, the SF Bay Area saw losses or no growth in every major sector with Professional & Business Services posting the most severe decline. Stockton experienced minimal gains in only the Other Services sector between January 2009 and 2010 while its Manufacturing sector shed the most jobs. Solano's Information sector was the only major sector to show positive job growth with Government seeing the greatest decline.

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