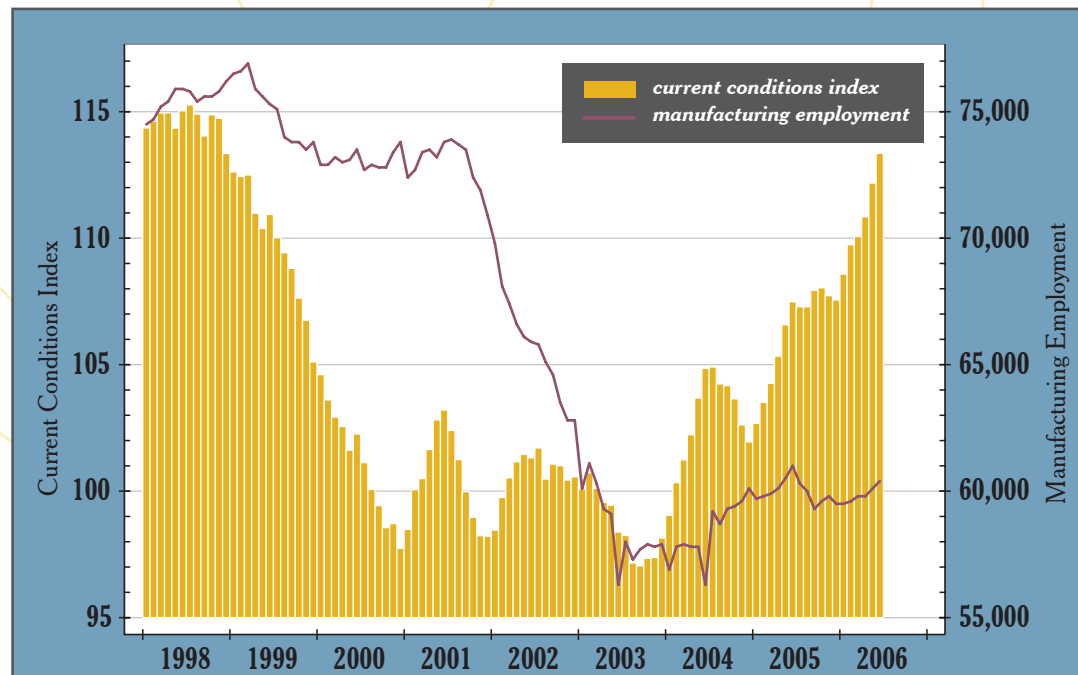


*economic overview ::*

*Background Music*



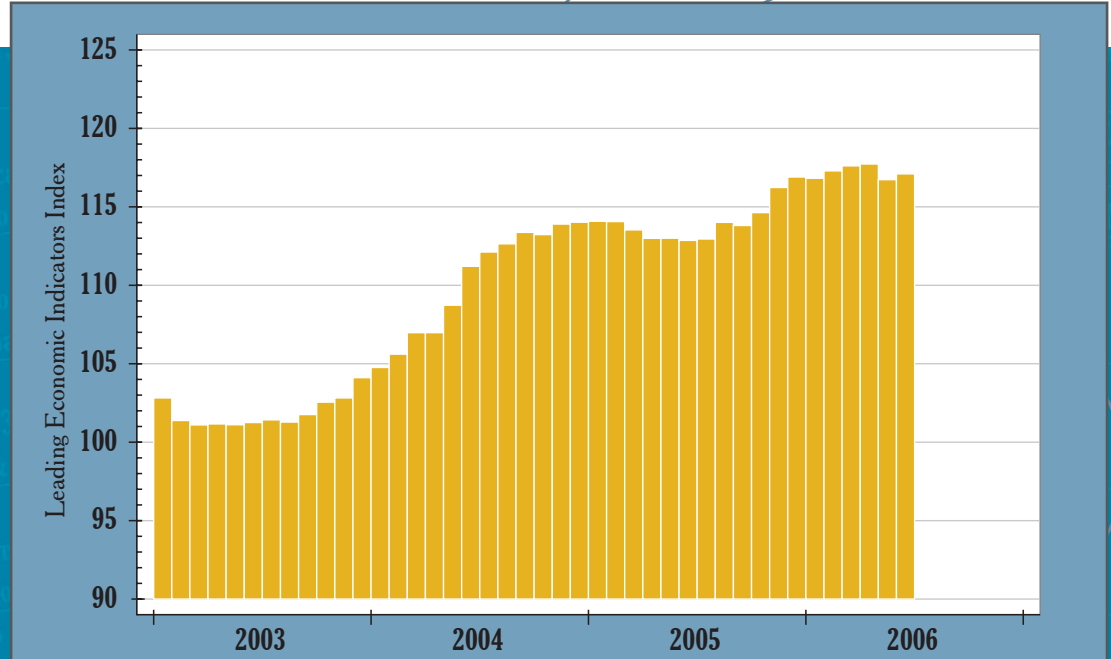
Wichita still hums to the tune of the aviation industry, and of late that has been a pleasant tune indeed. The WSU Current Conditions Index has risen by over 16 percent since it bottomed out at the end of 2003, reflecting a steady strengthening in the local economy. Future economic growth continues to look promising as well. The WSU Leading Economic Indicators Index has been rising for the past three years, increasing by 15.8 percent.



*WSU current conditions index and the manufacturing employment cycle*

*"Manufacturing employment should grow over the next few years, following the lead of the overall economy."*

*"Current and leading economic indicators reflect a strong and growing economy."*



*WSU leading economic indicators index*

Manufacturing employment in Wichita typically trails the overall economy by about 2½ years as a result of the long production cycle for aircraft. Based on this relationship, the recent run-up in the Current Conditions Index suggests we can expect another two to three years of growth in manufacturing employment.

The availability of high wage jobs often encourages people to move. Historically net in-migration into the Wichita metro area has risen with manufacturing employment. With new workers and their families expected to move into the market, this should fuel home sales over the next two to three years.

*Janet Harrah  
Director, Center for Economic Development and Business Research*