

| Regional Model Forecasts (as of June 25, 2014) |        |        |      |          |      |      |          |      |            |  |  |
|--|--------|--------|------|----------|------|------|----------|------|------------|--|--|
| Nonfarm Employment (Percent Change)            |        |        |      |          |      |      |          |      |            |  |  |
|  | 2012   | 2013   | 2014 |          |      | 2015 |          |      | Historical |  |  |
|  | Actual | Actual | Low  | Forecast | High | Low  | Forecast | High | mean       |  |  |
| Minnesota                                      | 1.6    | 2.0    | 0.3  | 1.1      | 1.9  | -1.7 | 0.1      | 2.0  | 1.4        |  |  |
| Montana  | 2.2    | 1.2    | 0.7  | 1.8      | 2.8  | -1.1 | 1.0      | 3.1  | 1.4        |  |  |
| North Dakota                                   | 6.4    | 3.6    | 3.7  | 4.6      | 5.5  | 2.3  | 3.9      | 5.5  | 1.8        |  |  |
| South Dakota                                   | 1.3    | 0.5    | -0.1 | 0.8      | 1.7  | -1.7 | 0.1      | 1.9  | 1.6        |  |  |
| Wisconsin                                      | 1.3    | 1.5    | 0.5  | 1.2      | 2.0  | -1.8 | 0.0      | 1.9  | 1.1        |  |  |
| U.P. of Michigan                               | 0.5    | 0.5    | -2.5 | -0.9     | 0.7  | -2.5 | 0.2      | 2.9  | 0.7        |  |  |
| United States                                  | 1.7    | 1.8    |      | 1.9      |      |      | 1.3      |      | 1.2        |  |  |
| Unemployment Rate (Percent)                    |        |        |      |          |      |      |          |      |            |  |  |
|  | 2012   | 2013   | 2014 |          |      | 2015 |          |      | Historical |  |  |
|  | Actual | Actual | Low  | Forecast | High | Low  | Forecast | High | mean       |  |  |
| Minnesota                                      | 5.4    | 4.8    | 3.9  | 4.4      | 4.9  | 3.5  | 4.7      | 5.8  | 5.0        |  |  |
| Montana  | 5.9    | 5.4    | 4.0  | 4.3      | 4.5  | 3.4  | 4.1      | 4.8  | 5.8        |  |  |
| North Dakota                                   | 3.0    | 2.7    | 2.2  | 2.5      | 2.8  | 1.8  | 2.5      | 3.2  | 4.0        |  |  |
| South Dakota                                   | 4.0    | 3.6    | 3.4  | 3.8      | 4.1  | 3.1  | 3.8      | 4.5  | 3.9        |  |  |
| Wisconsin                                      | 6.9    | 6.4    | 4.9  | 5.5      | 6.0  | 4.2  | 5.8      | 7.3  | 5.7        |  |  |
| U.P. of Michigan                               | 8.8    | 9.7    | 7.9  | 9.2      | 10.6 | 6.5  | 8.8      | 11.1 | 9.8        |  |  |
| United States                                  | 7.8    | 7.0    |      | 6.0      |      |      | 5.7      |      | 6.5        |  |  |
| Personal Income (Percent Change)               |        |        |      |          |      |      |          |      |            |  |  |
|  | 2012   | 2013   | 2014 |          |      | 2015 |          |      | Historical |  |  |
|  | Actual | Actual | Low  | Forecast | High | Low  | Forecast | High | mean       |  |  |
| Minnesota                                      | 6.0    | 1.0    | 0.6  | 3.1      | 5.7  | -1.0 | 2.5      | 6.2  | 5.8        |  |  |
| Montana  | 6.1    | 1.1    | -1.6 | 2.1      | 5.9  | -1.1 | 3.7      | 8.5  | 5.3        |  |  |
| North Dakota                                   | 19.1   | 3.2    | -6.0 | 0.7      | 7.8  | -2.5 | 6.0      | 15.6 | 6.1        |  |  |
| South Dakota                                   | 2.9    | -0.4   | -3.4 | 0.5      | 4.6  | -2.9 | 2.4      | 7.8  | 5.7        |  |  |
| Wisconsin                                      | 5.1    | 1.6    | 0.3  | 2.3      | 4.4  | -0.6 | 2.3      | 5.2  | 5.2        |  |  |
| United States                                  | 5.8    | 1.6    |      | 4.6      |      |      | 4.4      |      | 5.7        |  |  |

| Housing Units Authorized (Percent Change)   |        |        |       |          |       |       |          |            |      |  |
|---|--------|--------|-------|----------|-------|-------|----------|------------|------|--|
|   | 2012   | 2013   | 2014  |          | 2015  |       |          | Historical |      |  |
|   | Actual | Actual | Low   | Forecast | High  | Low   | Forecast | High       | mean |  |
| Minnesota   | 112.8  | -18.5  | -35.9 | -16.6    | 8.7   | -36.1 | -9.5     | 28.3       | 1.9  |  |
| Montana   | 10.0   | 36.4   | -61.9 | -42.9    | -15.3 | -37.0 | 1.7      | 66.3       | 11.2 |  |
| North Dakota  | 99.3   | -13.7  | -57.2 | -26.2    | 26.4  | -60.6 | -20.0    | 59.3       | 13.6 |  |
| South Dakota  | 146.7  | -25.7  | -13.7 | 30.9     | 98.1  | -45.9 | -8.8     | 54.0       | 10.9 |  |
| Wisconsin   | 29.2   | 14.5   | -28.1 | -8.5     | 16.3  | -35.9 | -11.3    | 22.0       | 1.1  |  |
| United States   | 33.2   | 13.1   |       | -5.1     |       |       | -4.5     |            | 1.6  |  |
| Notes to Table  |        |        |       |          |       |       |          |            |      |  |
| The baseline forecasts for 2014 and 2015 are surrounded by the range over which there is a 70% estimated chance they will fall inside.  |        |        |       |          |       |       |          |            |      |  |
| The unemployment rate is expressed in percent over the 4th quarter, and its historical average is computed over the 4th quarters of 1980 - 2013. All other series are expressed in percent change of 4th quarter over previous 4th quarter and historical averages are computed over the 4th quarters of 1980 - 2012, except housing permits which are computed from 1981 - 2013. |        |        |       |          |       |       |          |            |      |  |
| Personal income is in current dollars.  |        |        |       |          |       |       |          |            |      |  |
| All series are seasonally adjusted.   |        |        |       |          |       |       |          |            |      |  |
| The forecasts are made by the Research Department of the Federal Reserve Bank of Minneapolis through a statistical procedure called Bayesian vector autoregression.   |        |        |       |          |       |       |          |            |      |  |
| Further details are available on request.   |        |        |       |          |       |       |          |            |      |  |
| Sources of data are Haver Analytics and the Michigan Employment Security Agency.  |        |        |       |          |       |       |          |            |      |  |