

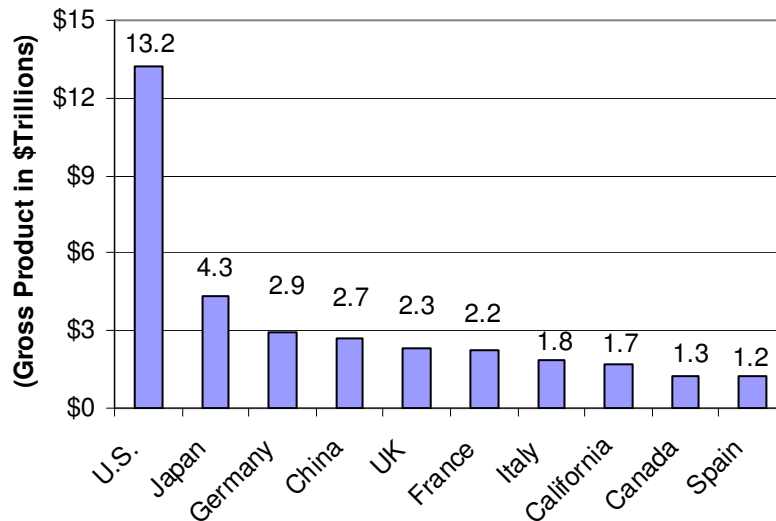
Where Does California Rank—2006 Update

California was the world's eighth-largest economy again in 2006. According to U.S. Department of Commerce estimates, California's GDP (gross domestic product) was slightly more than \$1.7 trillion. GDP is the value of all goods and services produced in California. It is equivalent to the gross domestic product estimates prepared for the nation and other countries.

China is the fastest growing of the world's large economies. According to World Bank estimates, China is now the world's fourth-largest economy having reached that ranking for the first time in 2005. China is on pace to pass Germany and move into third place in 2007 or 2008.

In terms of size, the California economy currently ranks just behind Italy and ahead of Canada and Spain. The next five countries are Brazil (\$1.1 trillion), Russia (\$1 trillion), India (\$906 billion), South Korea (\$888 billion), and Mexico (\$839 billion).

World's Top 10 Economies in 2006



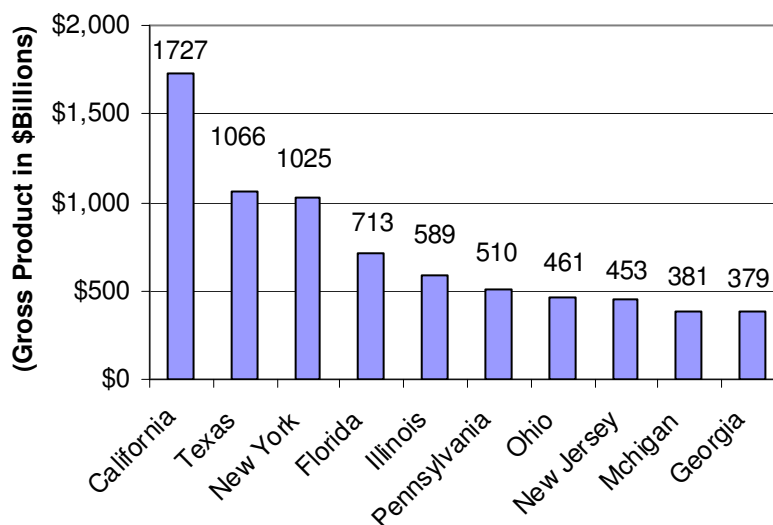
The world GDP data can be found on the World Bank website at <http://siteresources.worldbank.org/DATASTATISTICS/Resources/GDP.pdf>.

The state GDP data can be found on the Bureau of Economic Analysis (BEA) website at <http://www.bea.gov/regional/index.htm#gsp>.

Largest State Economies

California has the largest GDP among states, which is to be expected since the state is 60% larger in terms of population than Texas, the next largest state. California's GDP in 2006 was \$1,727 billion followed by Texas with \$1,066 billion and New York with \$1,025 billion. The next largest state GDPs were in Florida, Illinois, Pennsylvania, Ohio, New Jersey, Michigan and Georgia.

Top State Economies in 2006



How Does California Rank on GDP Growth Rates?

Nevada led all states with a 5.1% annual increase in real (inflation adjusted) GDP between 2000 and 2006 compared to the U.S. annual growth rate of 2.5%. Nevada was followed by Arizona and Florida.

California posted GDP growth of slightly above the national average with real GDP increasing by 2.8% annually between 2000 and 2006. Texas grew slightly faster than California (3.0% per year) while GDP in New York advanced at the national average.

Massachusetts had GDP growth of 1.5% per year while Ohio (1.1% per year) and Michigan with no GDP growth showed the impact of the post-2000 years on some Midwest states.

Real State GDP Growth 2000-2006

