

## **OVERVIEW OF BUSINESS ACTIVITY**

### **2004 Fourth Quarter**

As a whole, the state did well in Quarter 4, 2004 as its total gross business income increased by 11.3 percent over the same quarter of last year.

This quarter, the largest of the state's economic sectors grew by healthy margins. Manufacturing gained 4.6 percent, Wholesale Trade gained 19.3 percent, and Retail Trade gained 9.7 percent over Quarter 4, 2003.

Under Manufacturing, Petroleum Refining increased 42.6 percent and Transportation Equipment fell 13.9 percent. Food Products, which is also one of Manufacturing's biggest industries, lost 13.0 percent of its gross income in Quarter 4, 2004 as compared to the same quarter of last year. Despite these losses, however, many of the moderate size industries under Manufacturing did do well.

With Wholesale Trade, both Durable and Nondurable Goods did great. Durable Goods increased 13.5 percent, mostly contributed by its Other Wholesalers and Prof/Comm. Equip & Supplies business activities. Nondurable Goods grew 25.0 percent, primarily due to the performance in Groceries and Related Products and Petroleum and Petroleum Products.

As for Retail Trade, its industries performed generally well. Automotive Dealers & Gas Stations increased 12.7 percent, General Merchandise Stores grew 16.3 percent, and Miscellaneous Retail jumped 7.9 percent. However, Food Stores did fall by 2.0 percent. As a whole, Retail Trade was strong.

Another major sector, Services and Other Businesses, increased 15.0 percent. All three of its largest industries expanded. Business Services gained 15.1 percent, Medical and Health Services increased 5.2 percent and Other Services leaped almost 20.0 percent. Almost all of its industries net a gain of various magnitudes.