

OVERVIEW OF BUSINESS ACTIVITY

Calendar 2005

State gross business income increased \$40.2 billion, or 8.8 percent, in calendar 2005 compared to calendar 2004.

A large share of the increase was in the Manufacturing industry, which realized \$11.2 billion in growth. Nearly half of that growth was realized by the Petroleum Refining sector, which grew by 40.1 percent, or \$5.03 billion. The next largest gain was realized by the Aircraft, Aerospace and Parts sector with a \$2.97 billion gain.

In addition to contributing to the strong growth in the Petroleum Refining industry, record high gas prices also helped the retail Gas Station industry to grow by more than \$1.4 billion.

While some of the largest gains were seen in industries related to petroleum products, many other industries realized strong growth during 2005. Special Trade Contractors realized a gain of \$3.05 billion; the wholesale trade of Nondurable Goods grew nearly \$2.8 billion; the Banks and Credit Unions industry grew nearly \$3.3 billion; Administrative and Support Services realized more than \$1.8 billion; and Health Services grew by \$2.1 billion.

Overall, Retail Trade grew by \$7.1 billion, Manufacturing increased \$11.2 billion, Wholesale Trade grew \$1.1 billion, the Business, Personal and Other Services sector increased by \$9.7 billion, and the Finance, Insurance and Real Estate sector increased by \$5.1 billion.