

OVERVIEW OF BUSINESS ACTIVITY

**2nd Quarter, 2002
(April, May, June, 2002)**

Gross business income fell 4.5 percent over last year and almost every sector of the economy showed losses.

The Retail Trade sector gained 0.4 percent and remained almost constant, as compared to the same quarter of last year. Its largest industry, Automotive Dealers & Gas Stations, declined 2.7 percent while its next largest, Miscellaneous Retail, grew 4 percent. Its third largest industry, Food Stores, gained 1.8 percent. This growth was mostly from its Grocery Stores business activity. Grocery Stores increased 1.6 percent over last year.

The Manufacturing sector suffered a loss of 6.2 percent. Its Transportation Equipment industry decreased 14 percent. This is critical because the industry made up almost half of the dollars for this sector. Not surprisingly, the Aircraft and Parts business activity is the source of this major loss. Aircraft and Parts dropped 15.8 percent.

Wholesale Trade did not do any better than the other major sectors. In fact, it suffered a loss of over 8 percent. Under Wholesale Trade, the Durable Goods and Nondurable Goods industries decreased 6.7 and 9.5 percent, respectively. The economy was just not good this quarter.

Next in significance is the Services and Other Business sector. This sector declined 2.6 percent. Its largest industry, Business Services, lost by a great 14.6 percent. This loss was contributed mostly by the Computer Services business activity, which decreased by an amazing 28 percent. On the other hand, the Medical and Health Services industry did quite well with an increase of almost 10 percent over last year. In this industry, doctors and other practitioners gained an impressive 29 percent in gross business income, while hospitals gained 9.6 percent.

Lastly, Finance, Insurance and Real Estate, as a sector, decreased only 1.2 percent. Its Insurance industry did well by growing almost 5 percent, while its Finance industry lost 4.2 percent in gross business income.