

## **OVERVIEW OF BUSINESS ACTIVITY**

**4th Quarter, 2001  
(October, November, December 2001)**

Gross business income fell 3.5 percent from last year. Overall, the economy did poorly and every sector showed declines.

Wholesale Trade, our biggest sector, declined by 8.2 percent. Within this sector, Durable Goods fell 6.9 percent while Nondurable Goods declined by 9.4 percent.

Our second largest sector, Retail Trade, did better with a loss of only 1.9 percent over last year. Its major industry, Miscellaneous Retail, fell 6.7 percent while its second largest, Automotive Dealers and Gas Stations, increased 2.4 percent. Retail Trade was helped by its Food Stores and General Merchandise Stores that had increases of 3.9 and 5.2 percent, respectively. These moderate-sized industries appeared to prosper while the state economy, as a whole, was weak.

Unlike Wholesale Trade and Retail Trade, Manufacturing essentially stayed the same with a loss of only 0.3 percent. Given the state of the economy, this was actually good. Manufacturing was saved by its largest industry, Transportation Equipment, with an increase of 13 percent. This was, in turn, contributed mostly to the Aircraft and Parts business activity, which showed an impressive 14.5 percent gain. The next significant industry under Manufacturing, Food Products, fell 1.5 percent.

The fourth largest sector in the state, Services and Other Business, remained stable with a decrease of only 0.5 percent. Its largest industry, Business Services, fell 7.9 percent. At the same time, its next largest industry, Medical and Health Services, gained a marked 7.9 percent.

Lastly, the Communication and Utilities sector suffered a 12.3 percent loss. Under this category, Communication fell 13.2 percent and Electric Companies declined 19.7 percent.