

OVERVIEW OF BUSINESS ACTIVITY

**2nd Quarter, 2003
(April, May, June 2003)**

In Quarter 2, 2003, gross business income grew 2.8 percent over the same quarter of the year before.

Retail Trade, which was the state's largest sector, increased 4 percent. Its most important industry, Automotive Dealers and Gas Stations, grew 2 percent while its second biggest industry, Miscellaneous Retail, gained 1.5 percent. Unfortunately, Food Stores fell 12.6 percent.

Next in line was Manufacturing, with a noticeable growth of 6.1 percent. Much of this gain was contributed by the Food Products industry, which jumped 31.3 percent over the prior year. Transportation Equipment, the sector's largest industry, dropped 15.6 percent. However, this loss was reduced by the gains experienced in Paper and Allied Products, Chemicals and Allied Products, Petroleum Refining, Machinery (non-electric), and others. These latter industries grew by various magnitudes and together they helped the Manufacturing sector remain strong.

Unfortunately, the state's third largest sector, Wholesale Trade, decreased 1.7 percent. The data suggests that this loss came from its Nondurable Goods industry. Nondurable Goods suffered a loss of 7.2 percent while Durable Goods grew 4 percent.

As for Services and Other Business, it lost 3.1 percent of its size. Under this sector, Medical and Health Services grew 6.1 percent while Business Services declined 9.8 percent.

Lastly, Finance, Insurance and Real Estate gained 24.3 percent. Under this sector, the Finance industry had growth of 40.8 percent while the Other Finance industry lost 68.9 percent of its income.