METROPOLITAN REPORT

Economic Indicators for the New Orleans Area

Division of Business and Economic Research, University of New Orleans

Volume 16, No. 2 Forecasts for the 2nd Quarter, 2004, through the 1st Quarter, 2006 August 2004

HIGHLIGHTS

- The U.S. economy experienced growth of 4.5% during the first quarter 2004. Job creation lagged as about 250,000 more jobs were created than existed by the end of first quarter 2003. The job creation statistics on the national level were below predictions made by national economists.

- Overall the New Orleans area job market slowed during the first quarter 2004, with few areas of the local economy adding jobs when compared to the first quarter 2003.

- Crude oil prices continued to rise in the first quarter 2004 as worldwide elevated demand combined with uncertainties in supply flow. Although the price of natural gas was down 16.8% compared to the first quarter 2003, it continued to rise throughout the first quarter 2004. Very recent trends reveal 21-year highs for crude oil and uncharacteristically high prices during warm weather. Natural resources and mining employment was stable, adding a modest 33 jobs over the last year.

- Passenger activity at the Louis Armstrong International Airport has started to show signs of increasing after its post 9/11 drop. Visitor growth, fueled by reasonable hotel room rates and availability, is reflected in the passenger deplanement statistics. However, leisure and hospitality employment , which includes gaming, restaurants and hotels, produced 1,300 fewer jobs by the end of first quarter 2004 compared to first quarter 2003.

- The New Orleans area manufacturing sector as a whole is continuing its long-term downward trend, with the one bright spot being growth in the shipbuilding industry.

- Employment activity in the service-providing sector was mixed for the first quarter 2004. Growth in employment appeared in the education, government and health service groups.

- Retail trade experienced gains in employment while employment was down in wholesale trade during the year ending in first quarter 2004.

- Construction contracts awarded for the first quarter 2004 totaled $349.9 million, up $10.5 million (3.1%) from first quarter 2003.

- At the end of the first quarter 2004, New Orleans metropolitan area population was up slightly, increasing by 3,000 individuals over first quarter 2003 population levels. Total personal income and per capita personal income continue to exhibit slow growth.

THE UNO MODEL

The UNO Forecasting Model provides detailed forecasts of economic activity in the New Orleans regional labor market area which includes Jefferson, Orleans, Plaquemines, St. Bernard, St. Charles, St. James, St. John the Baptist, and St. Tammany Parishes. These quarterly predictions are based upon forecasts of national macroeconomic variables provided by the Economic Forecasting Center at Georgia State University.

Selected national macroeconomic concurrent indicators, reflecting recent economic performance, are presented in Table 1. Table 3 offers concurrent employment indicators for the New Orleans area, focusing on non-farm employment by sector. Other local concurrent indicators, including measures of industry and overall economic activity, are contained in Table 4. These concurrent indicators are reported and analyzed over the last five calendar quarters, the latest of which is the first quarter of 2004.

Quarterly forecasts for the second quarter of 2004 through the first quarter of 2006 of key national macroeconomic variables used in the UNO Model are displayed in Table 2. Table 5 presents the resulting quarterly forecasts of employment by industrial sector, and other output-related measures for the New Orleans metropolitan area economy.

THE NATIONAL ECONOMY

By the end of the first quarter 2004 the U.S. economy had experienced growth of 4.9% and created about 250,000 more jobs than existed during first quarter 2003. The unemployment rate decreased slightly in the first quarter from 5.8% to 5.6% respectively.

New residential construction continued to remain strong during the first quarter 2004 as housing starts were up 11.9% over first quarter 2003. At 5.6%, mortgage interest rates were still historically low and were 0.2% below their first quarter 2003 levels. Sales of automobiles and light trucks continued to grow over first quarter 2003 sales by 300,000 units (2.4%).

Inflation in the 12 months ending in first quarter 2004, was running at a moderate 1.8%. However looking at activity in just the first quarter 2004, inflation measures show sharper increases. Seasonally adjusted prices paid by urban consumers for all items rose 5.1% (compound annual rate) in the first quarter driven largely by increases in the transportation and energy expenditure categories.

Seasonally adjusted annual rates of productivity for non-farm businesses in the U.S., and unit labor costs, rose by 3.8% and 0.8%, respectively, over fourth quarter 2003 levels. Prices paid in production of finished, intermediate, and crude goods for the 3-month period ended in March 2004 rose by 5.1%, 10.1%, and 26.3%, respectively.

Although the 2nd half of 2003 experienced an average growth rate of 5.8%, Georgia State's forecast for the 2nd half of 2004 is more moderate at 3.5% with a similar pace of around 4.0% through 2006. The long-term outlook for the unemployment rate is to hold steady at around 5.5%, while employment is slated to continue its growth through 2005 and lose momentum as we enter 2006.

Corporate profits should continue their recent upward trend, while investment by firms may start to wane in 2005-2006 if, as predicted, the federal funds rate climbs to around 4.0%. Also, if, as predicted, mortgage interest rates reach 6.75% by year's end housing starts will likely level off during 2005-2006. A continued downward trend in the real exchange rate will likely have a positive impact on real export growth, which is forecast at around 10% through 2006,

Table 1. Quarterly U.S. Business Indicators, 2003:1-2004:1

	2003:1	2003:2	2003:3	2003:4	2004:1	Percentage Change 2003:4 to 2004:1	Percentage Change 2003:1 to 2004:1
GDP - Nominal ($Bill) - Annual Rate*	10735.8	10846.7	11107.0	11262.0	11447.8	1.6	6.6
GDP - Real (2000$Bill) - Annual Rate*	10210.4	10288.3	10493.1	10600.1	10708.6	1.0	4.9
Personal Income ($Bill) - Annual Rate	9048.7	9145.9	9256.3	9363.9	9492.8	1.4	4.9
Total Non-farm Employment (Mill)	128.7	130.4	129.7	131.0	128.9	-1.5	0.2
Housing Starts (Thou) - Annual Rate	1737.0	1739.0	1884.0	2031.0	1944.0	-4.3	11.9
Unit Sales of Automobiles (Mill) - Annual Rate	16.0	16.4	17.4	16.8	16.3	-3.0	2.4
Unemployment Rate (%)	5.8	6.1	6.1	5.9	5.6	-0.3	-0.2
CPI-U (1982-84=100)*	183.1	183.4	184.5	184.8	186.4	0.9	1.8
Industrial Production Index (1997=100)	112.0	111.1	112.1	113.8	115.4	1.4	3.1
Prime Interest Rate (%)	4.3	4.2	4.0	4.0	4.0	0.0	-0.3
Mortgage Interest Rate (%)	5.8	5.5	6.0	5.9	5.6	-0.3	-0.2
Trade Weighted Value of $ (1973=100)	96.3	91.9	91.7	86.5	84.0	-2.9	-12.8
Crude Oil Price ($) per barrel	34.1	29.0	30.2	31.2	35.4	13.4	3.8
Natural Gas Price ($) per 1000 cub ft	6.4	5.4	4.7	4.9	5.3	8.6	-16.8
Value of Imports ($Bill) - Annual Rate	1254.3	1272.3	1275.5	1331.2	1371.1	3.0	9.3
Value of Exports ($Bill) - Annual Rate	707.7	707.7	722.1	764.5	783.4	2.5	10.7
Merchandise Trade Balance ($Bill) - Annual Rate	-546.6	-564.6	-553.4	-566.7	-587.7	3.7	7.5
Rig Count	901	1,028	1,088	1,108	1,119	1.0	24.2

* *seasonally adjusted.*

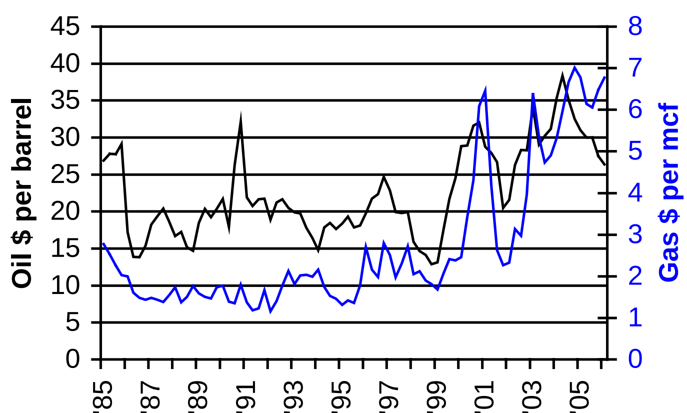
Figure 1. Mortgage Rate

Table 2. Quarterly Forecast of U.S. Business Indicators and Model Assumptions, 2004:2-2006:1

	Actual	Forecast							
	2004:1	2004:2	2004:3	2004:4	2005:1	2005:2	2005:3	2005:4	2006:1
GDP - Nominal ($Bill) - Annual Rate	11447.8	11662.3	11821.7	11946.1	12106.5	12247.4	12388.4	12540.6	12717.0
GDP - Real (2000$Bill) - Annual Rate	10708.6	10838.2	10945.4	11024.8	11123.1	11208.9	11293.9	11385.9	11491.6
Personal Income ($Bill)	9492.8	9615.7	9727.0	9834.9	9953.3	10074.5	10195.9	10343.4	10507.7
Total Non-Farm Employment (Mill)	128.9	130.8	131.4	131.9	132.4	133.1	133.6	134.2	134.9
Housing Starts (Thou) - Annual Rate	1944.0	1970.0	1691.0	1577.0	1599.0	1553.0	1541.0	1532.0	1538.0
Unemployment Rate (%)	5.6	5.6	5.6	5.6	5.6	5.7	5.7	5.6	5.5
CPI-U (1982=84=100)	186.4	187.9	189.1	190.1	191.2	192.2	193.0	193.9	194.7
Industrial Production Index (1987=100)	115.4	117.0	118.9	120.6	122.9	124.1	125.5	126.9	128.3
Prime Interest Rate (%)	4.0	4.0	4.1	4.4	5.0	5.5	5.7	6.0	6.0
Mortgage Interest Rate (%)	5.6	6.2	6.5	6.7	6.8	6.8	6.8	6.9	7.0
Trade Weighted Value of $ 190-82=100)	84.0	86.3	84.6	81.6	81.2	81.0	81.0	81.1	80.9
Value of Imports ($Bill) - Annual Rate	1371.1	1419.5	1447.2	1464.7	1478.3	1501.5	1523.1	1536.3	1553.4
Value of Exports ($Bill) - Annual Rate	783.4	817.4	848.4	874.6	898.1	925.9	952.6	976.2	999.2
Merchandise Trade Balance ($Bill) - Annual Rate	-587.7	-602.1	-598.8	-590.2	-580.2	-575.6	-570.5	-560.1	-554.2
Crude Oil Price ($)	35.4	38.3	35.1	32.5	31.0	30.0	30.0	27.5	26.4
Natural Gas Price ($)	5.3	5.7	6.4	6.7	6.5	5.9	5.8	6.2	6.5

Source: Economic Forecasting Center, Georgia State University

Figure 2. Oil and Natural Gas Prices



THE NEW ORLEANS AREA ECONOMY

OVERVIEW

Overall the New Orleans area job market has shown little improvement for the first quarter 2004 compared to the first quarter 2003. Total non-farm employment in the New Orleans area was down about 1,366 jobs (-0.2%) compared to the first quarter 2003. The overall manufacturing sector posted a net job loss, producing an estimated 700 fewer jobs than during the first quarter 2003. Transportation equipment manufacturing was one of the few manufacturing areas that experienced an increase in employment, with an estimated 533 more jobs than in the first quarter 2003.

Results show there are 166 fewer jobs in the service-providing jobs than during the first quarter 2003. Areas within services which experienced the greatest increases in employment were educational, informational, government, and healthcare and social services. The largest losses in this area were in leisure and hospitality and professional services. Government employment as a whole was up 933 jobs over its first quarter 2003 level.

The unemployment rate remains below the first quarter 2003 value of 6.7%. The help wanted index for the first quarter 2004 fell from 102 during the first quarter 2003 to 97 during the first quarter 2004, a decrease of 4.6%.

Crude oil and natural gas prices rose sharply above fourth quarter 2003 prices. Rig count can be expected to lag oil prices. Activity in rig count slowly occurred as one additional rig was added to the Louisiana count during the first quarter 2004 and 4 more existed than during first quarter 2003. Louisiana oil and natural gas production for first quarter 2004 were at 1,533,000 barrels per day and 112,000,000 thousand cubic feet respectively, both slightly below first and fourth quarter 2003 production levels.

Table 3. Quarterly New Orleans Metropolitan Employment Indicators, 2003:1-2004:1

						Percentage Change	
	2003:1	2003:2	2003:3	2003:4	2004:1	2003:4 to 2004:1	2003:1 to 2004:1
Total Nonfarm Employment	612,867	621,800	611,633	615,867	611,500	-0.7	-0.2
Natural Resources and Mining	9,167	9,400	9,133	9,067	9,100	0.4	-0.7
Construction	30,567	32,533	31,533	31,233	31,533	1.0	3.2
Manufacturing	41,700	41,633	41,500	41,133	41,000	-0.3	-1.7
Durable Goods	21,300	21,200	21,167	21,167	21,333	0.8	0.2
Transportation Equipment	10,533	10,500	10,667	10,833	11,067	2.2	5.1
Nondurable Goods	20,400	20,433	20,333	19,967	19,667	-1.5	-3.6
Chemical Manufacturing	6,133	6,000	5,933	6,000	5,967	-0.6	-2.7
Wholesale Trade	27,033	26,667	26,600	26,633	26,000	-2.4	-3.8
Retail Trade	66,533	67,033	67,233	68,167	66,667	-2.2	0.2
Food and Beverage Stores	14,200	14,133	13,733	13,867	13,500	-2.6	-4.9
General Merchandise Stores	12,567	12,633	12,667	13,400	12,767	-4.7	1.6
Transport, Warehous., & Utilities	28,333	28,167	28,467	28,633	27,833	-2.8	-1.8
Information	9,800	10,633	9,367	9,500	10,133	6.7	3.4
Financial Activities	36,033	35,933	36,067	35,733	35,767	0.1	-0.7
Depository Credit Intermediation	8,933	9,033	9,167	9,033	9,033	0.0	1.1
Insurance Carriers and Related	10,100	9,967	10,100	10,067	10,100	0.3	0.0
Professional & Business Services	71,833	72,967	71,700	71,267	70,333	-1.3	-2.1
Educational Services	22,667	21,967	20,433	24,300	24,367	0.3	7.5
Health Care & Social Assistance	60,400	61,667	61,833	61,433	61,000	-0.7	1.0
Leisure and Hospitality	81,033	84,533	82,167	81,000	79,700	-1.6	-1.6
Arts, Entertain. & Recreation	12,800	14,600	13,933	12,633	12,133	-4.0	-5.2
Accommodation	15,867	16,000	15,200	15,000	14,867	-0.9	-6.3
Food Services & Drinking Places	52,367	53,933	53,033	53,367	52,700	-1.2	0.6
Other Services	23,733	23,733	22,767	22,733	23,100	1.6	-2.7
Government	104,033	104,933	102,833	105,033	104,967	-0.1	0.9
Federal Government	16,333	16,267	16,267	16,433	16,400	-0.2	0.4
State and Local Government	87,700	88,667	86,567	88,600	88,567	0.0	1.0
Unemployment Rate (%)	6.7	6.7	6.8	6.0	6.1	0.1	-0.6
Unemployment Claims - Initial	11,409	13,350	12,875	12,082	11,866	-1.8	4.0
Unemployment Claims - Continued	8,562	8,499	9,899	9,148	9,039	-1.2	5.6
Help Wanted Index (1967=100)	102	94	93	96	97	1.0	-4.6

Table 4. Other Quarterly New Orleans Metropolitan Economic Indicators, 2003:1-2004:1

	2003:1	2003:2	2003:3	2003:4	2004:1	Percent Change 2003:4 to 2004:1	Percent Change 2003:1 to 2004:1
Crude Oil Price ($ per barrel)	34.06	29.04	30.22	31.17	35.35	13.4	3.8
Natural Gas Price ($ per thou cf)	6.40	5.35	4.74	4.90	5.32	8.6	-16.8
Louisiana Rig Count	158	156	156	161	162	0.8	2.5
Louisiana Oil Production (Thou Bbls/Day)	1,541	1,562	1,561	1,536	1,533	-0.2	-0.6
Louisiana Natural Gas Production (Bill Cub Ft)	113	116	115	113	112	-1.2	-1.2
Imports (Thou tons) New Orleans Port	4,357	4,004	3,680	3,730	3,809 p	2.1	-12.6
Exports (Thou tons) New Orleans Port	3,623	3,074	3,127	4,191	4,117 p	-1.8	13.6
Air Freight Cargo Tonnage	35,920	20,361	20,386	20,877	21,397	2.5	-40.4
Hotel/Motel Sales ($Mill)*	217.5	212.2	141.4	176.4	226.2p	28.2	4.0
Convention Room Nights (Thou)	450.6	409.4	334.4	398.2	328.0	-17.6	-27.2
Deplanements (Thou)	1140.6	1198.7	1089.4	1214.4	1189.6	-2.0	4.3
Hotel Room Rate ($)**	127.8	123.1	95.8	112.6	127.3	13.1	-0.4
Hotel Occupancy Rate (%) **	69.4	69.7	62.4	65.5	68.0	2.5	-1.4
Total Gambling Revenues ($Mill)	145.4	139.5	142.0	135.5	154.8	14.2	6.5
Riverboat Casino Revenues ($Mill)	73.1	71.0	70.5	68.2	74.7	9.6	2.2
Harrah's Casino Revenues ($Mill)	72.3	68.5	71.5	67.3	80.1	18.9	10.8
Construction Contracts Awarded ($Mill)***	339.4	362.6	420.6	373.3	349.9	-6.3	3.1
Residential ($Mill)***	222.2	220.8	243.8	251.1	234.8	-6.5	5.7
Non-Residential ($Mill)***	117.2	141.8	176.8	122.2	115.1	-5.8	-1.8
Construction Contracts in Progress ($Mill)***	1481.9	1502.0	1540.7	1557.2	1529.2	-1.8	3.2
Residential ($Mill) WIP	600.5	636.6	676.8	715.7	729.7	2.0	21.5
Non-Residential ($Mill) WIP	881.4	865.4	863.9	841.5	799.5	-5.0	-9.3
Housing Starts	1894.0	1670.0	1414.0	1530.0	1393.0	-9.0	-26.5
Population (Thou)	1,337	1,338	1,339	1,340	1,340	0.1	0.3
Total Personal Income ($Mil)*****	38,207	38,290	38,385	38,542	38,798	0.7	1.5
Per Capita Personal Income ($)*****	29,043	29,084	29,134	29,233	29,410	0.6	1.3
Taxable Sales - excluding Motor Vehicle Sales($Mill)****	3,864	3,881	3,767	4,047	3,906	-3.5	1.1
Motor Vehicle Sales ($Mill)	491	529	560	480	463	-3.6	-5.7

** Orleans and Jefferson Parishes Only. 2004:1 contains estimate for March 2004.*
*** Occupancy rates and room rates supplied by PKF Consulting.*
**** Construction figures are proprietary data supplied by F. W. Dodge Division, McGraw-Hill, Inc.*
***** Taxable sales do not include Plaquemine Parish.*
****** Personal income does not include St. James*
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Figure 3. Total N.O. Employment

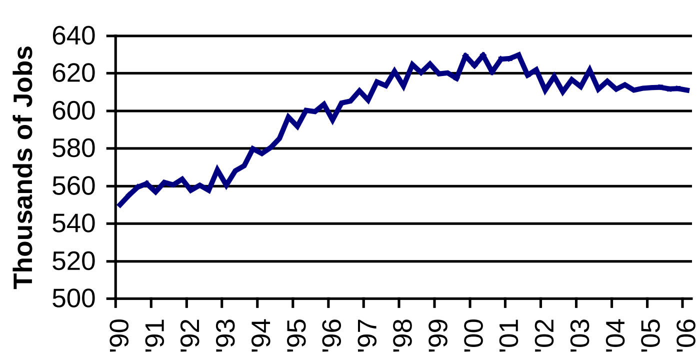
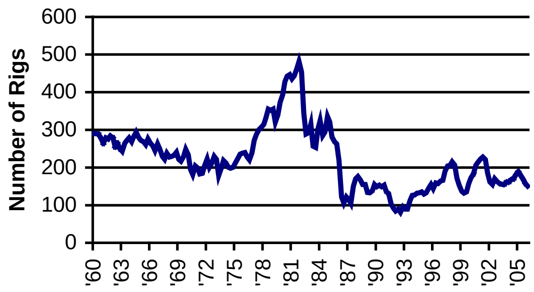


Figure 4. Louisiana Rig Count



OIL AND GAS

Crude oil prices continued to rise in the first quarter 2004 as worldwide elevated demand combined with uncertainties in supply flow. Crude oil prices were up $4.18 per barrel (13.4%) over fourth quarter 2003 to $35.35, which was $1.29 per barrel (3.8%) over last year's first quarter price. Locally, Louisiana oil production was down slightly compared to the first and fourth quarters of 2003 by 8,000 and 3,000 barrels per day, respectively.

Although the price of natural gas was down 16.8% compared to the first quarter 2003, it continued to rise throughout the first quarter 2004 to $5.32 per thousand cubic feet (up 8.6% over fourth quarter 2003).

According to the U.S. Coast Guard, Freeport-McMoRan has applied for a permit to build a deepwater port facility to receive and process liquefied natural gas (LNG). The facility would be located 16 miles off the coast of Southeast Louisiana due East of Venice. According to the application, if permit is granted the facility will likely be ready for production in late 2007 (which is outside the UNO Model's forecast window). If built, the facility would enter the New Orleans area into a very important segment of the energy market with significant economic potential. Currently only 4 LNG facilities exist in the U.S, one of which is in Lake Charles, LA.

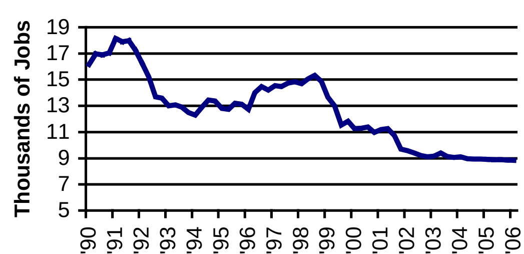
Despite the strong energy prices, the natural resources and mining employment sector added a modest 33 jobs by the end of first quarter 2004. Employment in this sector has not seen a significant increase in employment since the early part of the decade and is slated to continue the trickling loss of jobs through 2004 and 2005 as companies continue to move corporate employees to Houston. It is estimated that almost 200 jobs will be lost by the early 2005 and an additional 60 jobs by the first quarter 2006.

PORT

2003 was a difficult year for the Port of New Orleans partly due to the tariffs on imported steel. Having been in effect for 21 months, the tariff was eliminated in December of 2003. Prior to the tariffs, imported steel accounted for approximately 30-50% of their general cargo imports.

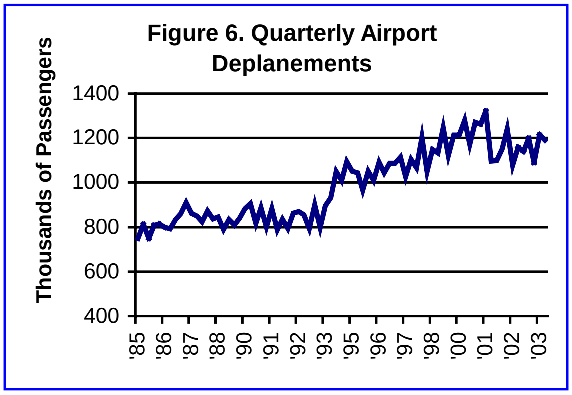
Cargo imports were up 2.1% at 3.8 million tons and exports down 1.8% at 4.1 million tons for the first quarter 2004, but the opposite is true when compared to first quarter 2003 where imports were down 12.6% and exports up 13.6%. Imports are expected to increase steadily over the next two years by a total of 70,000 tons as the U.S. economy expands. Exports are slated to rise by 6.9% (284,000 tons) in the next year, and by 2.8% (122,000 tons) in the following year, partly due to expectations that the value of the dollar will stay low, reducing the relative value of U.S. goods to the rest of the world.

Figure 5. Mining Employment



TOURISM

Passenger activity at the Louis Armstrong International Airport has started to show signs of increasing volume after its 9/11 slump. Deplanements of domestic passengers during first quarter 2004 were up 4.7% over first quarter 2003, while deplanements of international passengers were up 6.7%. A total of 1,189,588 domestic and international passengers deplaned at the airport during the first quarter 2004.

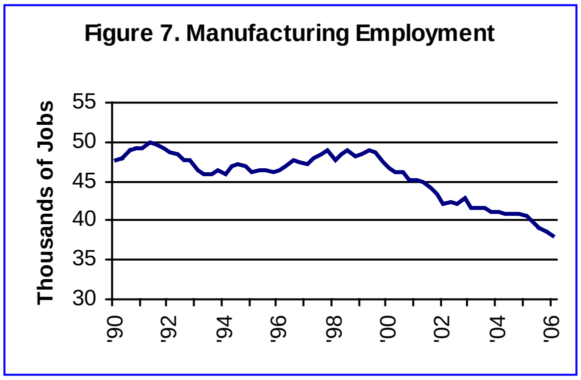


The average hotel room rate and the occupancy rate are slightly below first quarter 2003 levels. According to PKF Travel, the average room rate for the first quarter was $127.30, which was 0.4% lower than the same busy quarter last year. Hotel occupancy for the quarter stood at 68%, which was also slightly lower than the same quarter in 2003. However, Hotel/Motel sales dollars for the Orleans and Jefferson parish areas were 4.0% higher than sales posted in the first quarter 2003. Ample room supply and growth in the drive-in market, combined with the growing success of online bookings has brought changes to this sector of the New Orleans economy. Convention room-nights are 27.2%, lower than levels posted in first quarter 2003. Hotel and Motel sales are expected to grow $23 million (10.2%) by first quarter 2005 and continue to grow into 2006.

On balance the leisure and hospitality sector produced 1,333 fewer jobs by the end of first quarter 2004 than first quarter 2003 (-1.6%). Although the food services and drinking places sector produced 333 more jobs over first quarter 2003 (.6%), both the entertainment and the accommodation sectors produced 666 and 1,000 fewer jobs, respectively (-5.2% and -6.3%). A recovery in the leisure and hospitality sector is expected to recover 2,000 more jobs by first quarter 2005, an increase of 3.1%. The largest of this increase is within the food services and drinking places sector, which is slated to produce 1,000 more jobs by the end of the first quarter 2005. The leisure sector is expected to continue experiencing job growth through first quarter 2006.

MANUFACTURING

The New Orleans area manufacturing sector as a whole is continuing its long-term downward trend, especially due to losses in non-durable manufacturing. Manufacturing produced 700 fewer jobs, which was 1.7% below first quarter 2003. The one bright spot was the transportation equipment sector, dominated by shipbuilding, which produced 533 additional jobs (5.1% over first quarter 2003) by the end of first quarter 2004. The durable goods sector in total, however, only stayed even as it created a modest 33 jobs (0.2%) over the first quarter 2003 due to losses in other durable goods areas other than shipbuilding. Non-durable goods manufacturing performed poorly compared to the first quarter 2003, creating 733 fewer jobs (-3.6%). Within this sector, chemical manufacturing, which can be affected by high energy costs, produced 166 fewer jobs (-2.7%) compared to first quarter 2003.



Manufacturing in the New Orleans area economy is expected to continue losing jobs through first quarter 2006. It is estimated that 500 fewer jobs (-1.2%) will exist in manufacturing by the end of first quarter 2005, and 2,000 fewer jobs (-6.1%) by the end of first quarter 2006. As can be seen in Table 5, the durable and non-durable sectors are not expected to increase jobs through first quarter 2006.

SERVICES

Employment activity in the services was mixed for the first quarter 2004. This sector in total stayed basically even, produced 165 fewer jobs than existed during first quarter 2003 only if government is included in the mix. Sectors experiencing gains in employment by the end of first quarter 2004, over first quarter 2003 levels, include the following: information services up 333 jobs (3.4%); educational services up 1,700 jobs (7.5%); healthcare and social assistance up 600 jobs (1.0%); and government up 933 jobs (.9%). Sectors producing fewer jobs compared to first quarter 2003 include the following: financial services down 266 jobs (-0.7%); professional and business services down 1,500 jobs (-2.1%), with the bulk of the loss in the professional, scientific, and technical sub-sector; leisure and hospitality down 1,333 jobs (-1.6%) with 1,000 jobs (-6.3%) lost in the accommodation sub-sector and 666 jobs (-5.2%) lost in the arts, entertainment, and recreation sub-sector; and other services down 633 jobs (-2.7%).

The outlook for the services sector of the New Orleans area economy is for it to remain relatively stable with increases and decreases in various sectors canceling each other out. Professional and business services is expected to continue its recent trend and lose 3,000 jobs (-4.7%) by first quarter 2005. However, the leisure and hospitality sector is expected to add an additional 2,000 jobs (3.1%) by that same time. Other sectors predicted to improve through first quarter 2005 include information services up 400 jobs (3.9%); financial services up 550 jobs (1.6%); educational services up 116 jobs (.5%), and other services up 180 jobs (0.8%). Job losses in the professional and business services sector are expected to slow through the first quarter 2006 as are the gains in educational services, and leisure and hospitality sectors.

GAMING

Total gambling revenues reported by local casinos were up $9.4 million (6.5%) over first quarter 2003. For the first quarter 2004 Harrah's posted $12.7 million increase in revenue (18.9%) while the various riverboat casinos' revenue rose $6.5 million (9.6%). Compared to first quarter 2003, Harrah's revenues rose $7.8 million (10.8%), and the riverboat casinos' revenue rose $1.6 million (2.2%).

Gambling employment is included in the arts, entertainment and recreation sector of the leisure and hospitality data shown in Table 5. The gambling industry within the New Orleans area economy produced an estimated 466 fewer jobs (-7.7%) between first quarters of 2003 and 2004. Gambling employment has been exhibiting a downward trend since December 1999 where it experienced a historical peak of 7,100 jobs. An estimated total of 5,633 jobs were produced by this industry at the end of first quarter 2004.

Figure 8. Percent Change in Total Metro Employment

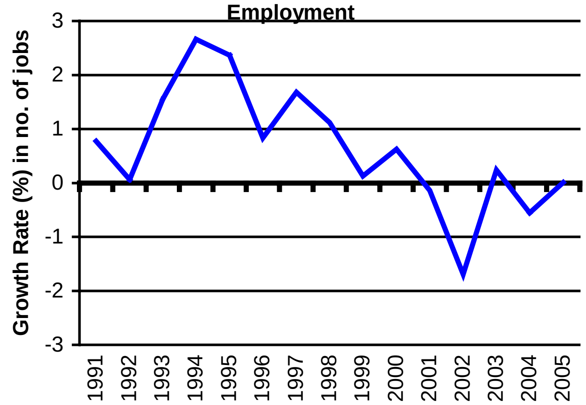


Table 5. Quarterly New Orleans Metropolitan Economic Forecasts, 2004:2-2006:1

	Actual	Forecast								Percent Change	
	2004:1	2004:2	2004:3	2004:4	2005:1	2005:2	2005:3	2005:4	2006:1	2004:1 to 2005:1	2005:1 to 2006:1
Total Nonfarm Employment	611,500	613,867	611,017	612,109	612,365	612,625	611,726	611,930	611,036	0.1	-0.2
Natural Resources and Mining	9,100	8,967	8,948	8,930	8,913	8,897	8,881	8,867	8,853	-2.1	-0.7
Construction	31,533	31,833	31,878	31,903	31,893	31,605	30,979	30,440	29,704	1.1	-6.9
Manufacturing	41,000	40,933	40,956	40,769	40,496	39,859	39,181	38,585	38,042	-1.2	-6.1
Durable Goods	21,333	21,133	21,257	21,340	21,306	20,906	20,461	20,073	19,781	-0.1	-7.2
Transportation Equipment	11,067	11,033	11,173	11,171	11,075	10,910	10,801	10,706	10,625	0.1	-4.1
Nondurable Goods	19,667	19,800	19,699	19,429	19,190	18,953	18,720	18,511	18,261	-2.4	-4.8
Chemical Manufacturing	5,967	5,900	5,854	5,640	5,457	5,276	5,099	4,947	4,754	-8.5	-12.9
Wholesale Trade	26,000	26,233	26,194	26,135	26,070	26,004	25,931	25,861	25,796	0.3	-1.1
Retail Trade	66,667	67,700	67,566	67,577	67,563	67,820	67,823	67,780	67,700	1.3	0.2
Food and Beverage Stores	13,500	13,800	13,776	13,748	13,719	13,694	13,675	13,657	13,646	1.6	-0.5
General Merchandise Stores	12,767	12,900	12,793	12,687	12,580	12,474	12,367	12,261	12,154	-1.5	-3.4
Transport, Warehous., & Utilities	27,833	28,300	28,295	28,256	28,225	28,207	28,244	28,277	28,288	1.4	0.2
Information	10,133	10,533	10,533	10,533	10,533	10,533	10,533	10,533	10,533	3.9	0.0
Financial Activities	35,767	36,100	36,171	36,255	36,325	36,739	36,885	37,031	37,178	1.6	2.3
Depository Credit Intermediation	9,033	9,000	9,056	9,115	9,175	9,232	9,289	9,343	9,395	1.6	2.4
Insurance Carriers and Related	10,100	10,300	10,300	10,300	10,300	10,300	10,300	10,300	10,300	2.0	0.0
Professional & Business Services	70,333	67,500	67,236	67,019	67,001	66,875	66,655	66,491	66,260	-4.7	-1.1
Educational Services	24,367	24,033	21,736	24,233	24,483	23,752	24,062	25,115	25,267	0.5	3.2
Health Care and Social Assistance	61,000	61,400	61,796	60,424	60,583	60,798	60,641	60,563	60,580	-0.7	0.0
Leisure and Hospitality	79,700	81,833	81,639	81,946	82,145	82,891	83,216	83,557	83,897	3.1	2.1
Arts, Entertain. & Recreation	12,133	12,633	12,688	12,728	12,803	13,359	13,612	13,883	14,173	5.5	10.7
Accommodation	14,867	15,533	15,294	15,516	15,620	15,681	15,735	15,797	15,853	5.1	1.5
Food Services & Drinking Places	52,700	53,667	53,657	53,702	53,722	53,852	53,870	53,876	53,871	1.9	0.3
Other Services	23,100	23,233	23,258	23,244	23,284	23,609	23,754	23,835	23,874	0.8	2.5
Government	104,967	105,267	104,909	105,019	105,014	105,127	105,046	105,141	105,269	0.0	0.2
Federal Government	16,400	16,400	16,409	16,369	16,314	16,377	16,446	16,491	16,569	-0.5	1.6
State and Local Government	88,567	88,867	88,500	88,650	88,700	88,750	88,600	88,650	88,700	0.2	0.0
Louisiana Rig Count	162	168	170	180	189	180	169	158	151	16.5	-19.9
Imports (Thou tons)	3,809p	3,827	3,844	3,862	3,879	3,897	3,914	3,931	3,949	1.8	1.8
Exports (Thou tons)	4,117p	4,320	4,442	4,320	4,401	4,523	4,523	4,523	4,523	6.9	2.8
Hotel/Motel Sales ($Mill)*	226.2p	247.0	233.1	244.6	249.2	247.4	249.4	251.4	266.8	10.2	7.1
Residential Contracts in Progress ($Mill)	729.7	736.8	755.8	721.0	673.3	635.1	619.8	620.9	622.3	-7.7	-7.6
Non-Res Contracts in Progress ($Mill)	799.5	805.8	811.0	815.4	819.8	824.3	827.5	831.4	835.1	2.5	1.9
Population (Thou)	1,340	1,341	1,343	1,344	1,346	1,348	1,350	1,351	1,353	0.4	0.5
Total Personal Income ($Mil)**	38,798	39,283	39,868	40,468	41,080	41,657	42,085	42,529	42,876	5.9	4.4
Per Capita Personal Income ($)**	29,410	29,762	30,167	30,582	31,004	31,398	31,678	31,968	32,185	5.4	3.8

** Orleans and Jefferson Parishes Only.*
*** Personal Income calculations do not include St. James Parish*
p preliminary

WHOLESALE AND RETAIL TRADE

Trends in retail activity can be approximated by looking at items such as taxable sales. Taxable sales were up for the first quarter 2004 to $42 million, a 1.1% increase over first quarter 2003 sales. Because not all retail sales of goods and services are taxable and taxable sales include business equipment and construction materials, taxable sales are not exactly comparable to retail sales measures. Another useful measure of economic activity related to wholesale and retail trade is motor vehicle sales. Motor vehicle sales were down $10 million during the first quarter 2004 representing a 6.1% drop below first quarter 2003 levels.

Employment was down across the board in wholesale trade during the first quarter 2004. Overall this sector lost 1,033 jobs representing a 3.8% drop below first quarter 2003 employment levels. Employment within merchant wholesalers of durable goods fell 733 jobs (-5.7%). Durable goods include those goods that have a useful life greater than one year. Likewise, employment by merchant wholesalers of non-durable goods fell by 2.2%, losing an estimated 233 jobs.

While the retail trade sector as a whole experienced gains in employment, results were mixed within its component groups. Overall 133 additional jobs were created within retail trade representing a 0.2% increase over first quarter 2003 levels. Seven hundred jobs were lost in food and beverage stores, which was 4.9% below first quarter 2003 levels of employment, mostly in grocery stores. Offsetting these losses were gains within health and personal care stores, up 666 jobs or 12.4% above first quarter 2003, and general merchandise stores, up 200 jobs or 1.6% above first quarter 2003.

Wholesale trade employment is expected to add 70 additional jobs between second quarter 2004 and first quarter 2005. If realized this will represent a modest 0.3% increase over first quarter 2004 levels. Retail trade is expected to produce an additional 700 jobs by the end of first quarter 2005, representing a 1.1% increase. By the end of first quarter 2005 an additional 200 jobs are expected within the food and beverage store sub-sector of retail trade (1.6% above first quarter 2004); general merchandise stores are expected to lose 190 jobs (-1.5% below first quarter 2004); and other retail stores are expected to produce an additional 700 jobs (1.7% above first quarter 2004). The other retail category includes the health and personal care stores discussed earlier that experienced 12.4% growth in employment during the first quarter 2004.

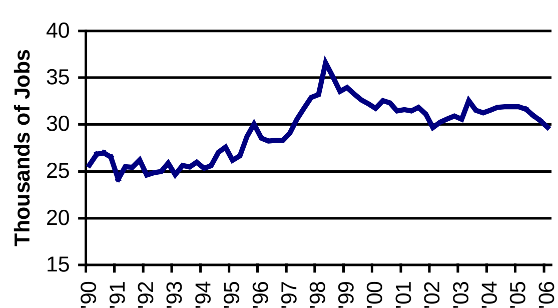
CONSTRUCTION

For the metropolitan area as a whole, construction contracts awarded for the first quarter 2004 totaled $349.9 million, up $10.5 million (3.1%) from first quarter 2003. The value of residential construction contracts awarded during the first quarter 2004 was up $12.6 million (5.7%) over the first quarter 2003. Housing starts in the New Orleans area economy were down 501 units (-26.5%) to 1,393, well below first quarter 2003. Interestingly the average square footage of a one-family house built during the first quarter 2004 was approximately 2100 square feet.

In contrast, non-residential construction contracts (including office buildings, but not such items as roads) awarded during that same time period were down $2.1 million (-1.8%) below first quarter 2003. The value of non-residential construction contracts awarded is made up of fewer but large contracts, and therefore can exhibit greater volatility than residential contracts.

Significant residential construction activity occurred within Jefferson and St. Tammany parishes. Also, St. Tammany showed a spurt of activity is non-residential construction. Parish details are shown for third quarter 2003 in Tables 6 and 7.

Figure 9. Construction Employment



Construction contracts in progress were up during the first quarter 2004 to $1.529 billion, or $47.3 million (3.2%) higher than during the first quarter 2003. During the first quarter 2004 this measure was still picking up the value of contracts awarded as a result of the very active housing-starts market during the summer 2003 as well as adding new activity as the healthy housing market continued. Residential construction contracts in progress during the first

quarter 2004 were up $129.2 million (21.5%), over first quarter 2003, to $729.7 million. Non-residential construction contracts in progress were down $81.9 million (-9.3%) to $799.5 million during the first quarter 2004.
Overall construction employment produced 966 more jobs by the end of the first quarter 2004, an increase of 3.2% over first quarter 2003 levels. With construction, 2 sectors exhibited improvement during the first quarter 2004. Heavy and civil engineering construction produced 300 additional jobs by the end of first quarter 2004 over the first quarter 2003. Likewise, the specialty trade contractors sub-sector experienced job growth of 300 jobs, a 2.0% increase over the first quarter 2003.

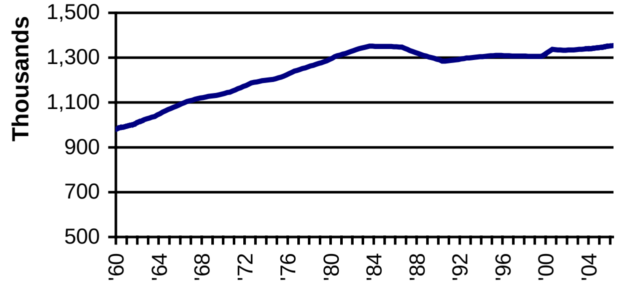
Construction is expected to add 360 additional jobs by the end of the first quarter 2005, an increase of 1.1% over first quarter 2004. This sector is however expected to slow in the New Orleans area throughout the remainder of 2005 and into first quarter 2006, losing an additional 2,000 jobs (-6.9%) during that period. This is most likely due to the anticipated decrease in residential construction contracts associated with the expected rise in interest rates over the next two years.

OTHER SECTORS

The transportation, warehousing, and utilities sub-sector produced 500 fewer jobs by the end of the first quarter 2004, representing a 1.8% drop below first quarter 2003 levels. The other transportation and warehousing sector lost 840 jobs between the first quarters of 2003 and 2004. This number would include losses, if any, within the water transportation sub-sector of the New Orleans area economy. Interestingly, rail transportation added 400 jobs between the first quarters of 2003 and 2004, representing a large 25% increase. Communications and utilities employment fell 2.3% (70 jobs) below first quarter 2003 levels.

Overall the transportation, warehousing, and utilities sector is expected to experience modest improvements over the next two years gaining about 400 jobs by the end of first quarter 2005. The majority of the improvement during the first year is expected to occur within rail transportation, which expected to continue its recent ascent, and other transportation and warehousing which is expected to gain around 200 jobs.

Figure 10. New Orleans Metro Population

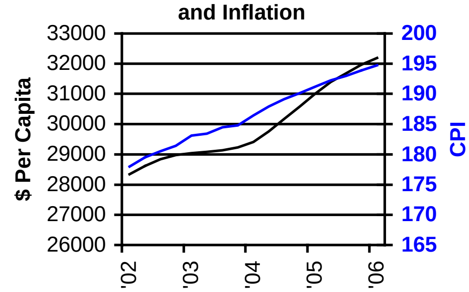


POPULATION AND PERSONAL INCOME

By the end of the first quarter 2004, the New Orleans metropolitan area population was showing a slight increase of 3,000 individuals, a 0.2% rise over first quarter 2003 population levels. Population is expected to pick up pace somewhat over the next two years adding an anticipated 6,000 individuals by the end of first quarter 2005, and an additional 7,000 individuals by the end of first quarter 2006.

Total personal income in the New Orleans area increased $591 million over first quarter 2003, representing a 1.5% increase. By the end of the first quarter 2004 New Orleans area total personal income is expected to rise by $2.2 million over the next year, representing a 5.9% increase over first quarter 2004. It is anticipated that total personal income will continue its growth into the following year increasing by 4.4%, or $1.7 million. Total personal income is the total of all earnings for the population of the metropolitan area, whereas per capita income calculates the average income earned by each person in the region. Figures 11 shows the relative growths in inflation and per capita personal income Due to a change in the Bureau of Census definition of the New Orleans Metropolitan Statistical Area, personal income shown in the tables does not include St. James Parish.

Figure 11. Per Capita Personal Income and Inflation



PARISH INDICATORS

Indicators available to monitor economic activity in individual parishes in the New Orleans metropolitan area are shown on Tables 6 and 7. The number of employees subject to unemployment insurance taxation and the total wages paid to those workers form the basis for local parish economic analysis. These "covered" employment and wages are reported quarterly for major industries, on a place-of-work basis. These parish indicators are not adjusted for seasonal variation. The time lag in receiving the parish data is longer than for other indicators in this publication. Consequently, information is only reported through the third quarter of 2003.

TECHNICAL NOTES

Metropolitan Statistical Area Definition

The Bureau of the Census defines Metropolitan Statistical Areas. This determines how the government releases economic data including personal income. Due to a change in commuting patterns, in early 2003, St. James Parish was removed from the New Orleans MSA and the change has started to take effect in the economic statistics. However, St. James Parish is still part of the regional unit used to report employment by the Bureau of Labor. The other 7 parishes included in both are Orleans, Jefferson, St. Tammany, St. Bernard, Plaquemines, St. Charles and St. John the Baptist.

Conversion from Nonagricultural Employment by SIC to Non-farm Employment by NAICS

Beginning with the January 2003 employment estimates for the state and metropolitan areas, all states have adopted the North American Industry Classification System (NAICS), which replaces the Standard Industrial Classification (SIC). NAICS is the product of a collaborative effort between the United States, Canada and Mexico. Sharing a common classification system allows, for the first time ever, a direct comparison of economic data across borders in North America. The SIC system used four-digit classification codes, had 11 divisions, and 1,004 industries; the NAICS system uses six digit classification codes, has 20 sectors and 1,174 plus industries. The most significant changes are in the service providing industries, which are now broken into seven sectors to reflect the growing importance and diversity of the services industry in our economy. The seven sector titles are trade, transportation, and utilities; information; financial activities; professional and business services; educational and health services; leisure and hospitality; and other services.

For more detailed information on NAICS and its impact on the monthly current employment statistics (CES) program, refer to http://stats.bls.gov/sae/saenaics.htm#naics. An additional source of information can be found at http://www.laworks.net/forms/lmi/naicsoverview.pdf.

Some examples of how the changes in classification affect this report are: geophysical surveying and mapping moved from mining to professional and technical services

- Office supply stores moved from wholesale trade to retail trade
- Spring water bottling & processing and packaging & boxing meat moved from wholesale trade to manufacturing
- Eating and drinking places moved from retail trade to accommodations and food services
- Hotels moved from services to accommodations and food services
- Legal services moved from “other” services to professional, scientific, and technical services
- Entertainment moved from “other” services to arts entertainment and recreation
- Repair services remained in “other” services and is now joined by laundry, religious, civic, and private households

Another way in which the model has been affected by the NAICS conversion is that history on employment sectors is only available starting in 1990.

Table 6: Quarterly Jefferson, Orleans, St. Bernard, and St. Charles Parishes' Concurrent Economic Indicators, 2002-2003

	Jefferson					Orleans					St. Bernard					St. Charles				
				Percentage Chg					Percentage Chg					Percentage Chg					Percentage Chg	
	2002:3	2003:2	2003:3	2003:2 to 2003:3	2002:3 to 2003:3	2002:3	2003:2	2003:3	2003:2 to 2003:3	2002:3 to 2003:3	2002:3	2003:2	2003:3	2003:2 to 2003:3	2002:3 to 2003:3	2002:3	2003:2	2003:3	2003:2 to 2003:3	2002:3 to 2003:3
Total Employment	209,952	212,439	212,032	-0.2	1.0	251,351	253,523	248,187	-2.1	-1.3	16,494	17,120	17,138	0.1	3.9	20,082	21,288	21,172	-0.5	5.4
Agriculture/Fishing	66	76	63	-17.1	-4.5	66	89	103	15.7	55.3						15	13	16	23.1	4.3
Mining	2,480	2,250	2,276	1.2	-8.2	4,711	4,748	4,478	-5.7	-4.9	68	67	65	-3.0	-3.9					
Utilities	1,473	1,462	1,493	2.1	1.4	2,123	2,024	1,974	-2.5	-7.0	126	126	124	-1.6	-1.3	872	879	893	1.6	2.4
Construction	14,811	15,366	14,913	-2.9	0.7	6,455	7,560	7,217	-4.5	11.8	1,344	1,713	1,700	-0.8	26.5	1,816	2,078	2,148	3.4	18.3
Manufacturing	17,342	18,040	18,209	0.9	5.0	8,786	8,073	7,940	-1.6	-9.6	1,606	1,750	1,787	2.1	11.3	5,041	4,850	4,805	-0.9	-4.7
Wholesale Trade	14,146	14,114	14,030	-0.6	-0.8	6,990	6,339	6,291	-0.8	-10.0	485	417	405	-2.9	-16.6	1,663	1,882	1,882	0.0	13.1
Retail Trade	30,553	30,087	29,904	-0.6	-2.1	19,505	19,483	19,467	-0.1	-0.2	2,556	2,684	2,655	-1.1	3.9	1,855	1,655	1,665	0.6	-10.2
Transport & Warehousing	8,791	8,837	8,943	1.2	1.7	13,949	13,619	13,737	0.9	-1.5	901	826	804	-2.7	-10.8	1,399	1,361	1,348	-1.0	-3.6
Information	3,951	3,627	3,625	-0.1	-8.2	4,724	5,888	4,788	-18.7	1.4	117	110	115	4.5	-1.7	221	160	162	1.3	-26.8
Finance and Insurance	8,880	9,360	9,379	0.2	5.6	10,865	10,615	10,674	0.6	-1.8	399	430	432	0.5	8.3	276	295	294	-0.3	6.7
Real Estate and Rental	4,748	4,813	4,788	-0.5	0.8	4,806	4,468	4,437	-0.7	-7.7	217	196	199	1.5	-8.4	255	248	233	-6.0	-8.5
Professional & Tech Svcs	9,794	10,009	9,794	-2.1	0.0	14,381	15,022	14,818	-1.4	3.0	293	332	309	-6.9	5.3	425	446	449	0.7	5.6
Mgmt. of Enterprises	2,084	2,050	1,928	-6.0	-7.5	4,939	4,501	4,501	0.0	-8.9	119	90	93	3.3	-21.6	68	77	76	-1.3	11.2
Admin. & Waste Services	16,480	16,230	16,301	0.4	-1.1	16,553	15,698	14,916	-5.0	-9.9	455	397	377	-5.0	-17.1	986	1,662	1,794	7.9	81.9
Educational Services						28,930	31,810	30,235	-5.0	4.5										
Health Care & Soc. Assist.	25,246	26,361	26,643	1.1	5.5	36,025	35,077	34,985	-0.3	-2.9	2,478	2,563	2,584	0.8	4.3	1,325	1,364	1,319	-3.3	-0.5
Arts/Entertainment	5,925	5,322	5,439	2.2	-8.2	8,681	8,836	8,912	0.9	2.7	318	353	350	-0.8	9.9	306	237	256	8.0	-16.4
Accommodation and Food	21,029	21,819	21,638	-0.8	2.9	33,522	34,138	33,373	-2.2	-0.4	1,664	1,661	1,667	0.4	0.2	974	1,045	1,004	-3.9	3.1
Other Services	6,809	7,123	6,917	-2.9	1.6	7,884	7,567	7,455	-1.5	-5.4	717	747	740	-0.9	3.3	270	256	276	7.8	2.2
Public Administration	6,770	6,671	6,740	1.0	-0.4	17,004	17,653	17,504	-0.8	2.9	930	885	941	6.3	1.2	725	700	726	3.7	0.2
Total Earnings ($Mill)	1,558	1,612	1,614	0.1	3.6	2,087	2,173	2,172	0.0	4.1	111	120	121	0.5	9.2	204	221	216	-2.3	5.5
Unemployment Rate (%)	4.6	4.7	5.4	0.7	0.8	6.4	6.1	7.3	1.2	0.9	6.6	6.5	6.9	0.4	0.3	5.5	5.4	6.6	1.2	1.0
Unemployment Claims (Initial)	3843.0	4189.0	4031.0	-3.8	4.9	5078.0	5007.0	5086.0	1.6	0.2	743.0	802.0	739.0	-7.9	-0.5	427.0	549.0	460.0	-16.2	7.7
Unemployment Claims (Continued)	2882.7	2723.6	3149.1	15.6	9.2	3539.3	3089.8	3776.7	22.2	6.7	535.7	519.9	539.1	3.7	0.6	352.3	319.0	386.7	21.2	9.8
Res. Const. Contracts ($Mill)**	30.6	52.7	52.4	-0.6	71.2	28.1	47.3	25.6	-45.9	-8.9	2.8	3.3	3.8	15.2	35.7	9.3	13.5	9.6	-28.9	3.2
Res. Const. Contracts In-Progress ($Mill)	108.3	144.5	114.6	-20.7	5.8	103.0	120.4	56.6	-53.0	-45.0	10.6	7.7	5.8	-24.7	-45.3	27.7	32.3	22.7	-29.7	-18.1
Non-Res. Const Contracts ($Mill)**	42.7	47.7	27.3	-42.8	-36.1	92.9	47.4	69.9	47.5	-24.8	1.4	8.4	2.8	-66.7	100.0	5.0	10.5	1.2	-88.6	-76.0
Non-Res. Const Contracts In-Progress ($Mill)	282.3	253.1	186.6	-26.3	-33.9	451.9	395.4	308.1	-22.1	-31.8	16.9	29.8	22.6	-24.2	33.7	26.5	40.4	31.5	-22.0	18.9
Taxable Sales ($Mill)	1462.1	1578.5	1548.3	-1.9	5.9	970.3	1164.2	1067.1	-8.3	10.0	155.8	147.5	159.4	8.0	2.3	188.8	187.9	167.5	-10.9	-11.3
Motor Vehicle Sales ($)	201.5	201.4	213.2	5.9	5.8	116.1	118.5	121.5	2.6	4.7	23.0	23.4	24.7	5.5	7.3	24.5	24.5	26.5	8.0	8.1

* The number of jobs and corresponding wages for establishments subject to unemployment insurance taxation. Notable exclusions are employees of very small businesses (under 4 employees), self-employed persons and salespersons on commission-only bases.

** Proprietary data provided by F. W. Dodge Division, McGraw-Hill, Inc.

Table 7: Quarterly St. John, St. Tammany, Plaquemines, and St. James Parishes' Concurrent Economic Indicators, 2002-2003

	St. John					St. Tammany					Plaquemines					St. James				
				Percentage Chg					Percentage Chg					Percentage Chg					Percentage Chg	
	2002:3	2003:2	2003:3	2003:2 to 2003:3	2002:3 to 2003:3	2002:3	2003:2	2003:3	2003:2 to 2003:3	2002:3 to 2003:3	2002:3	2003:2	2003:3	2003:2 to 2003:3	2002:3 to 2003:3	2002:3	2003:2	2003:3	2003:2 to 2003:3	2002:3 to 2003:3
Total Employment	13,045	12,405	12,471	0.5	-4.4	60,546	63,754	63,456	-0.5	4.8	15,235	15,552	15,333	-1.4	0.6	7,289	7,139	7,080	-0.8	-2.9
Agriculture/Fishing	49	40	45	12.5	-8.2	170	170	154	-9.4	-9.6	62	66	64	-3.0	2.7	253	228	266	16.7	5.0
Mining	202	212	233	9.9	15.3	174	182	189	3.8	8.4	1,528	1,825	1,777	-2.6	16.3					
Utilities	154	163	160	-1.8	3.9	394	404	399	-1.2	1.3										
Construction	1,639	1,301	1,266	-2.7	-22.8	4,052	4,347	4,368	0.5	7.8	1,641	1,802	1,644	-8.8	0.2	357	223	232	4.0	-35.1
Manufacturing	2,421	2,374	2,376	0.1	-1.9	2,370	2,237	2,094	-6.4	-11.6	2,358	2,059	2,039	-1.0	-13.5	2,344	2,312	2,318	0.3	-1.1
Wholesale Trade	564	486	461	-5.1	-18.3	2,533	2,572	2,525	-1.8	-0.3	888	772	760	-1.6	-14.4	142	146	143	-2.1	0.9
Retail Trade	1,509	1,455	1,449	-0.4	-4.0	10,740	10,881	11,343	4.2	5.6	651	636	665	4.6	2.2	709	645	621	-3.7	-12.4
Transport & Warehousing	769	726	730	0.6	-5.1	1,084	1,582	1,623	2.6	49.8	1,919	1,873	1,825	-2.6	-4.9	409	385	384	-0.3	-6.1
Information	146	138	134	-2.9	-8.2	992	1,091	1,144	4.9	15.3	42					22	26	26	0.0	18.2
Finance and Insurance	301	306	317	3.6	5.3	2,112	2,256	2,253	-0.1	6.7	125	130	132	1.5	5.6	138	146	145	-0.7	5.1
Real Estate and Rental	160	180	181	0.6	13.1	847	1,048	1,064	1.5	25.6	543	566	598	5.7	10.1	138	146	133	-8.9	-3.9
Professional & Tech Svcs	219	256	227	-11.3	3.5	2,576	2,715	2,803	3.2	8.8	300	320	290	-9.4	-3.3	162	182	177	-2.7	9.3
Mgmt. of Enterprises	80	78	74	-5.1	-7.9	805	846	818	-3.3	1.6		127	148	16.5		69	71	73	2.8	5.8
Admin. & Waste Services	625	496	554	11.7	-11.4	2,048	2,011	2,082	3.5	1.7	415	507	536	5.7	29.1	354	328	289	-11.9	-18.4
Educational Services											1,376	1,539	1,532	-0.5	11.3					
Health Care & Soc. Assist.	1,101	1,155	1,197	3.6	8.7	11,174	11,420	11,444	0.2	2.4	400	517	513	-0.8	28.1	498	504	491	-2.6	-1.3
Arts/Entertainment	215	218	252	15.6	17.0	1,226	1,123	1,209	7.7	-1.4	69	63	52	-17.5	-24.3	148	158	173	9.5	16.6
Accommodation and Food	993	925	956	3.4	-3.7	7,159	7,525	7,386	-1.8	3.2	1,114	908	912	0.4	-18.1	291	313	290	-7.3	-0.2
Other Services	278	261	255	-2.3	-8.2	1,662	1,835	1,756	-4.3	5.7	261	275	287	4.4	10.0	84	82	90	9.8	7.6
Public Administration	506	472	485	2.8	-4.1	2,516	2,596	2,606	0.4	3.6	1,408	1,414	1,408	-0.4	0.0	389	414	413	-0.2	6.3
Total Earnings ($Mill)	100	105	95	-10.2	-5.0	396	422	433	2.8	9.5	143	148	152	2.7	6.4	66	63	64	2.7	-3.1
Unemployment Rate (%)	8.1	7.8	8.6	0.8	0.5	4.4	4.5	4.8	0.3	0.4	5.2	5.5	5.4	-0.1	0.2	10.1	11.6	13.8	2.2	3.7
Unemployment Claims (Initial)	573.0	705.0	624.0	-11.5	8.9	1328.0	1349.0	1339.0	-0.7	0.8	200.0	208.0	167.0	-19.7	-16.5	366.0	541.0	429.0	-20.7	17.2
Unemployment Claims (Continued)	467.0	427.7	484.6	13.3	3.8	1041.3	985.8	1068.2	8.3	2.6	142.0	144.5	133.5	-7.6	-6.0	264.3	288.8	361.4	25.1	36.7
Res. Const. Contracts ($Mill)***	9.4	10.1	7.7	-23.8	-18.1	100.9	101.9	107.3	5.3	6.3	2.0	5.5	6.3	14.5	215.0	1.6	2.6	2.2	-15.4	37.5
Res. Const. Contracts In-Progress ($Mill)	31.4	30.0	23.4	-22.0	-25.5	251.6	283.7	195.2	-31.2	-22.4	8.7	12.4	10.6	-14.5	21.8	5.3	5.6	4.1	-26.8	-22.6
Non-Res. Const Contracts ($Mill)***	4.3	6.2	9.5	53.2	120.9	16.4	29.7	49.0	65.0	198.8	2.3	0.0	0.0	-	-100.0	0.4	0.7	0.0	-100.0	-100.0
Non-Res. Const Contracts In-Progress ($Mill)	8.9	15.9	14.8	-6.9	66.3	128.6	123.4	105.0	-14.9	-18.4	4.5	3.6	3.4	-5.6	-24.4	3.7	3.8	2.6	-31.6	-29.7
Taxable Sales ($Mill)	109.7	107.1	121.9	13.8	11.1	553.3	612.3	621.9	1.6	12.4	120.0	*N/a*	*N/a*	*N/a*	*N/a*	98.9	83.8	80.6	-3.9	-18.5
Motor Vehicle Sales ($)	18.4	20.2	19.1	-5.6	4.0	118.2	114.4	127.3	11.3	7.7	16.3	16.3	18.7	15.1	15.2	10.3	10.1	9.4	-6.6	-8.2

* The number of jobs and corresponding wages for establishments subject to unemployment insurance taxation. Notable exclusions are employees of very small businesses (under 4 employees), self-employed persons and salespersons on commission-only bases.
** Proprietary data provided by F. W. Dodge Division, McGraw-Hill, Inc.
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