



Consumer Price Index

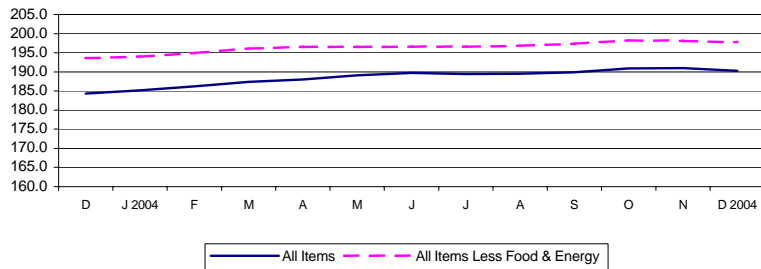
The Consumer Price Index for All Urban Consumers (CPI-U) decreased to 190.3 in December 2004 from 191.0 in November. This represents a 0.4 percent decrease from November 2004, and a 3.3 percent increase from December 2003. The 2004 Annual CPI-U for 2004 was 188.9, an increase of 2.7 percent from 2003. Excluding food and energy, the CPI-U (not seasonally adjusted) decreased to 197.8 in December 2004. This represents a 0.2 percent decrease from November 2004 and a 2.2 percent increase from December 2003. The CPI-I for the Philadelphia Metro area in December 2004 was 197.8.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Pennsylvania Economic Indicators

FOURTH QUARTER 2004

Consumer Price Index: United States, December 2003 - December 2004 (Not Seasonally Adjusted)

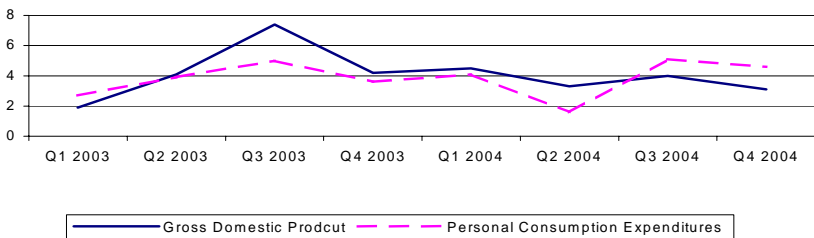


Gross Domestic Product

Real gross domestic product (GDP) increased at an annual rate of 3.1 percent in the fourth quarter of 2004 after an increase of 4.0 percent in the third quarter of 2004, according to the national income and product accounts (NIPAs). Real personal consumption expenditures (PCE) increased 4.6 percent after increasing 5.1 percent in the third quarter of 2004. Durable goods purchases increased 6.7 percent, compared to a 17.2 percent increase in the third quarter. Nondurable goods increased 5.8 percent and services increased 3.7 percent.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Percent Change in Gross Domestic Product (Seasonally Adjusted Rates) United States, Fourth Quarter 2003 – Fourth Quarter 2004

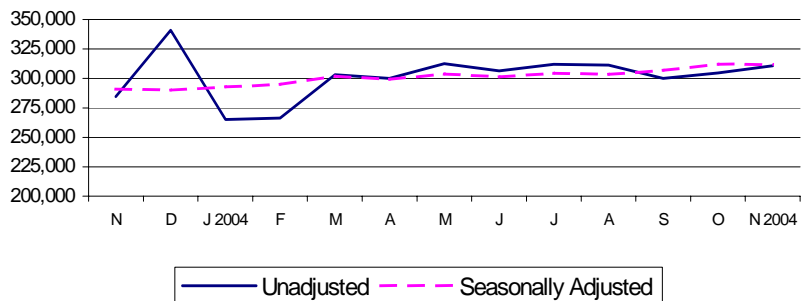


Retail Sales

Retail sales for November 2004 of \$310,900 million represent a 2.1 percent increase from October 2004 and a 9.3 percent increase from November 2003. On a seasonally adjusted basis, retail sales decreased 0.1 percent from October 2004, and increased 7.1 percent from November 2003.

Source: U.S. Department of Commerce, Bureau of the Census.

Retail Sales - Millions of Current Dollars: United States, November 2003 - November 2004

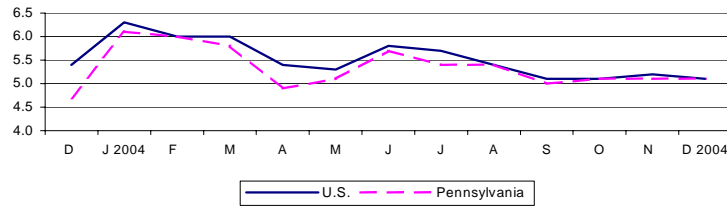


Unemployment Rate

The national unemployment decreased to 5.1 percent in December 2004 from 5.2 percent in November 2004. Pennsylvania's unemployment rate remained at 5.1 percent from November 2004 to December 2004. Pennsylvania's rate increased from a rate of 4.7 percent in December of 2003.

Source: Pennsylvania Department of Labor and Industry.

Unemployment Rate (Percent): United States and Pennsylvania
December 2003 - December 2004 (Unadjusted)

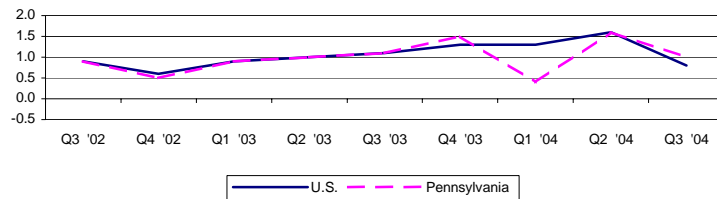


Personal Income

Personal income increased 0.8 percent nationally in the third quarter of 2004 to \$9,670,604 million. Pennsylvania saw an increase of 1.0 percent to \$411,274 million. National per capita personal income stood at \$31,459 in 2003, a 2.2 percent rise from 2002. Pennsylvania, at \$31,706, showed a 2.8 percent increase and ranked 18th in the nation.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Percent Change in Personal Income: United States and Pennsylvania,
Third Quarter 2002 - Third Quarter 2004

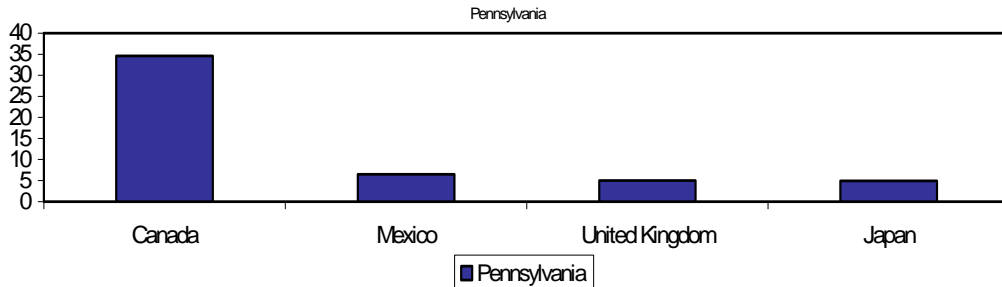


Exports

In 2004, 17.5 percent of Pennsylvania's exports were chemical products. Other top categories were non-electrical machinery (13.1 percent) and computer and electronics (11.9 percent). Pennsylvania ranked 15th in the nation in 2004, exporting 2.3 percent of the nation's total exports. Canada remained the top destination country for exports, receiving 35.6 percent of Pennsylvania's total exports. Mexico, Japan and the United Kingdom followed.

Source: U.S. Census Bureau, refined by Massachusetts Institute for Social and Economic Research (MISER).

Percent of Total Exports by Top Destination Countries: Pennsylvania, 2004



For additional information, contact the Pennsylvania State Data Center.

Pennsylvania State Data Center
Penn State Harrisburg
777 West Harrisburg Pike
Middletown, PA 17057-4898

Phone: 717.948.6336
Fax: 717.948.6754
Email: PaSDC-DATA@psu.edu
URL: PaSDC.hbg.psu.edu