

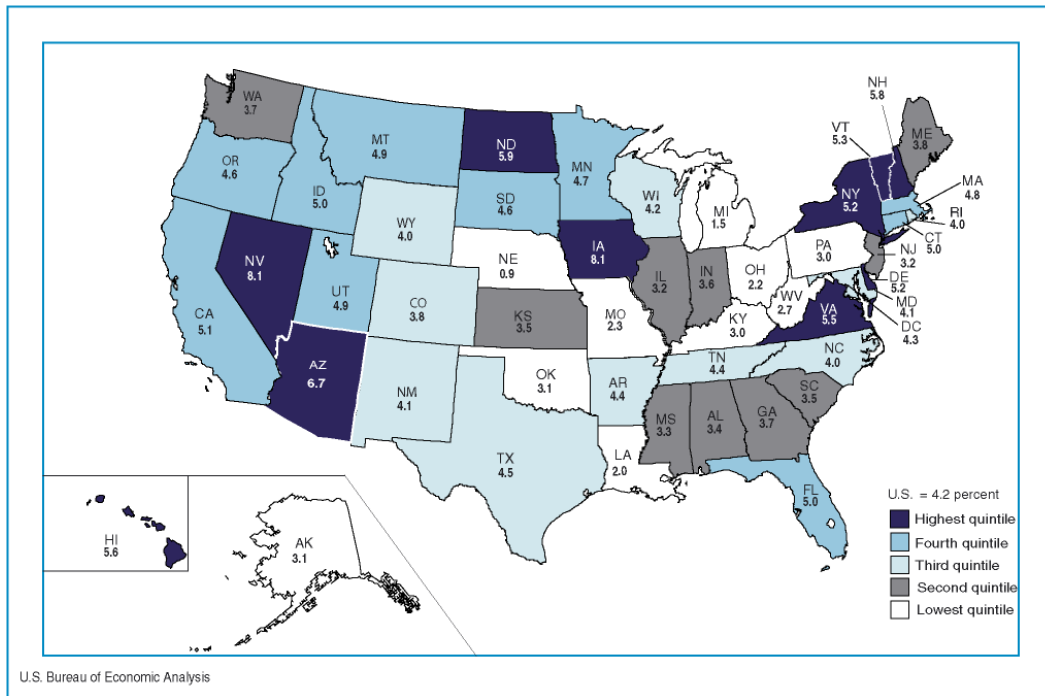


### Economies Grow in all States in 2004 Prototype Gross State Product (GSP) estimates

In 2004, strong U.S. real economic growth was widespread; real GSP grew in all 50 states and the District of Columbia, according to estimates released by the U.S. Bureau of Economic Analysis.<sup>1</sup> GSP is the most comprehensive measure of overall economic activity in each state.

- Growth in real U.S. GSP accelerated from 2.8 percent in 2003 to 4.2 percent in 2004; all but seven states shared in that acceleration.
- The financial services and information-communications-technology industries were the largest contributors to growth, and most of the fastest-growing states have large concentrations in one or both of these sectors.

Chart 1. Percent Change in Real Gross State Product, 2003-2004



Revised estimates of GSP for 2003 (based on BEA's regular GSP estimation methodology) show that:

- Real GSP grew in all states except Alaska. Growth in services-providing industries was strong in all states.
- The financial services sector was the largest contributor to growth in 19 states; durable goods manufacturing was the largest contributor to growth in 12 states.
- BEA's improved measures of banking output, fully incorporated into this set of GSP estimates, resulted in stronger growth in that industry for 44 states.
- Overall, the revisions had a limited impact on relative growth rates across states. The earlier prototype estimates for 2003 indicated successfully whether a state's growth was high, medium, or low (relative to national growth) for 78 percent of the states.

<sup>1</sup> 2004 estimates are based on a prototype methodology to speed up release of BEA's GSP estimates—one of BEA's major goals in its strategic plan, subject to funding. BEA is interested in the views of its data users on this initiative; please send your comments to [gspread@bea.gov](mailto:gspread@bea.gov). Estimates for 2003 and earlier are based on BEA's regular GSP methodology. For further details, see the forthcoming July 2005 *Survey of Current Business* article on gross state product.

BEA's data—including GDP, personal income, the balance of payments, foreign direct investment, the input-output accounts, and economic data for states and industries—are available on its Web site: <[www.bea.gov](http://www.bea.gov)>.

NOTE: Prototype accelerated NAICS sector-level estimates of GSP for 2004, along with revised 2004 GSP totals, will be released in the Fall, 2005.