

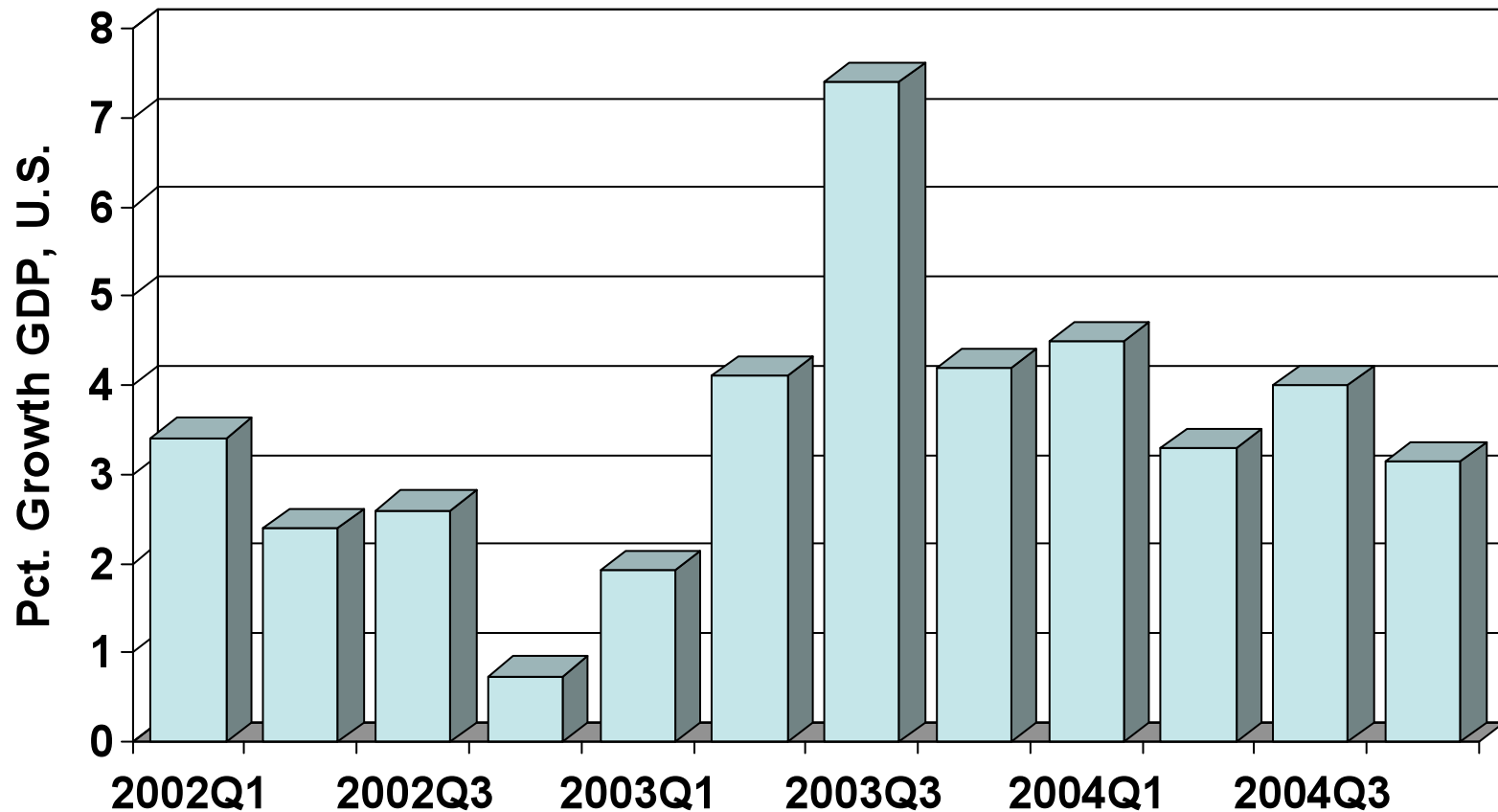
Review and Preview of the State and National Economies

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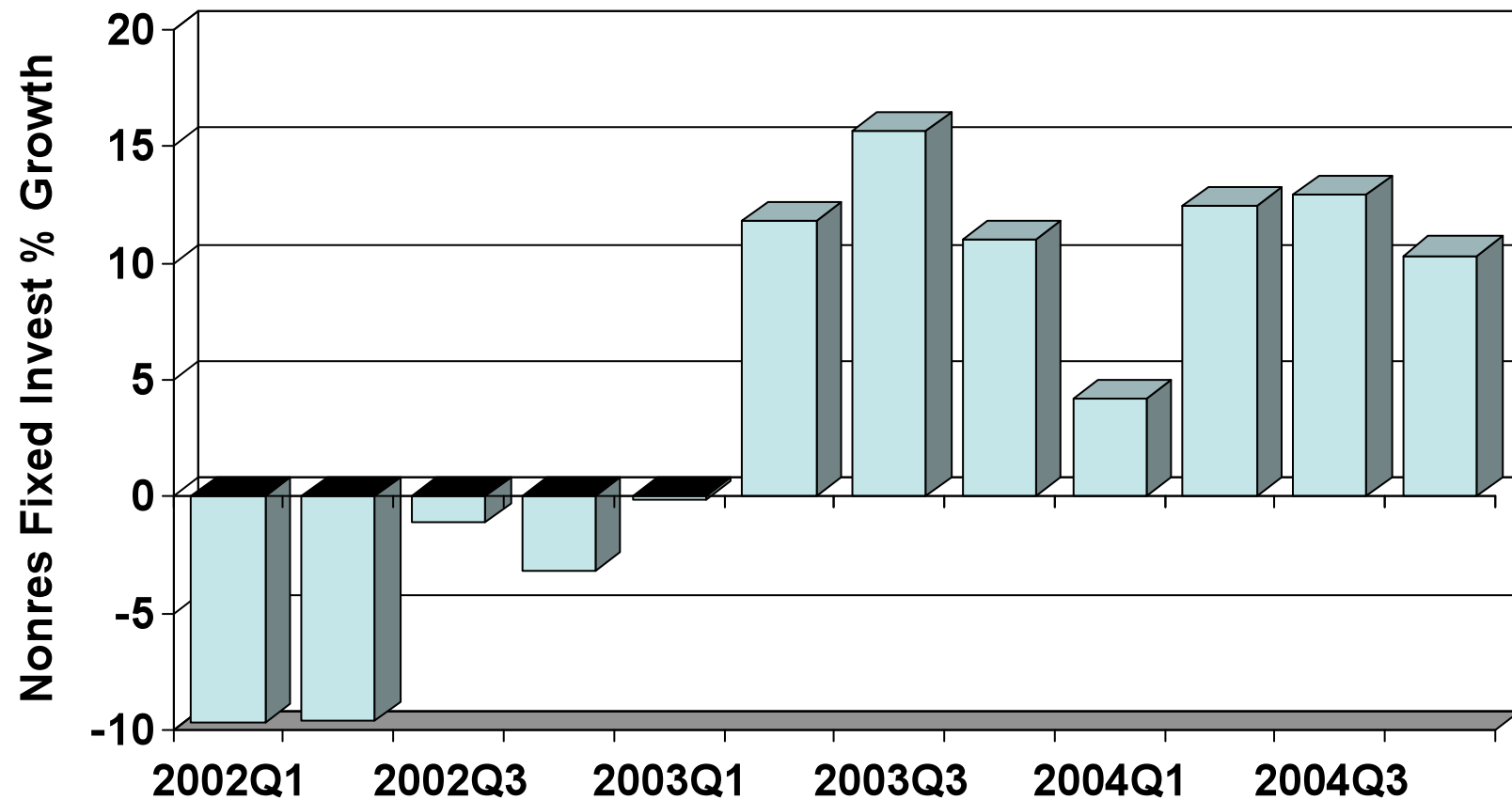
Data Highlights

- U.S. GDP grew at 3.1 percent in Q4
- Federal Reserve continues to nudge up interest rates
- Employment gains remain steady
- Productivity growth weakens
- Trade, budget deficits swell
- Indiana growth on target?

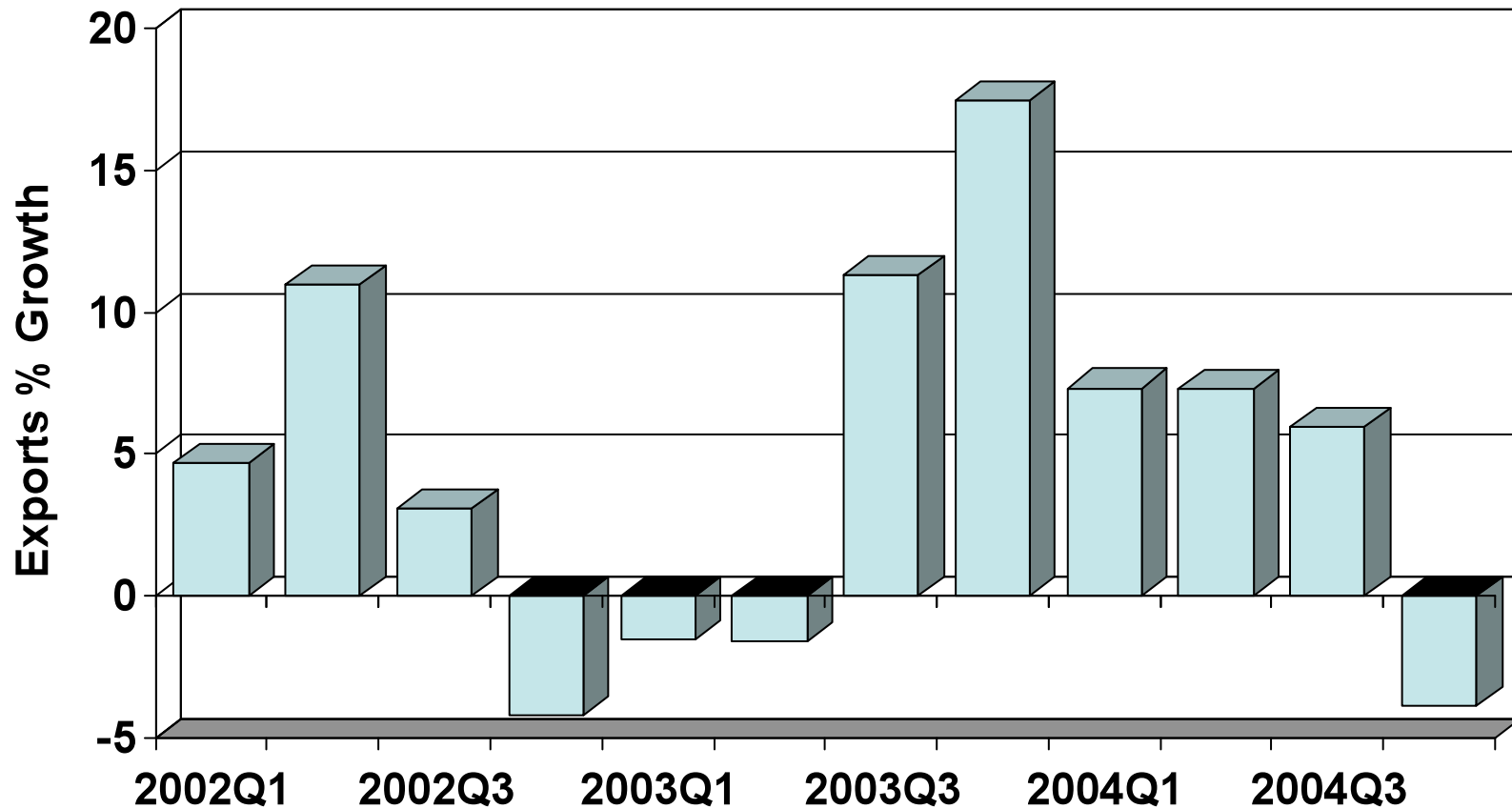
Fourth Quarter Growth Cooler Than Some Expected



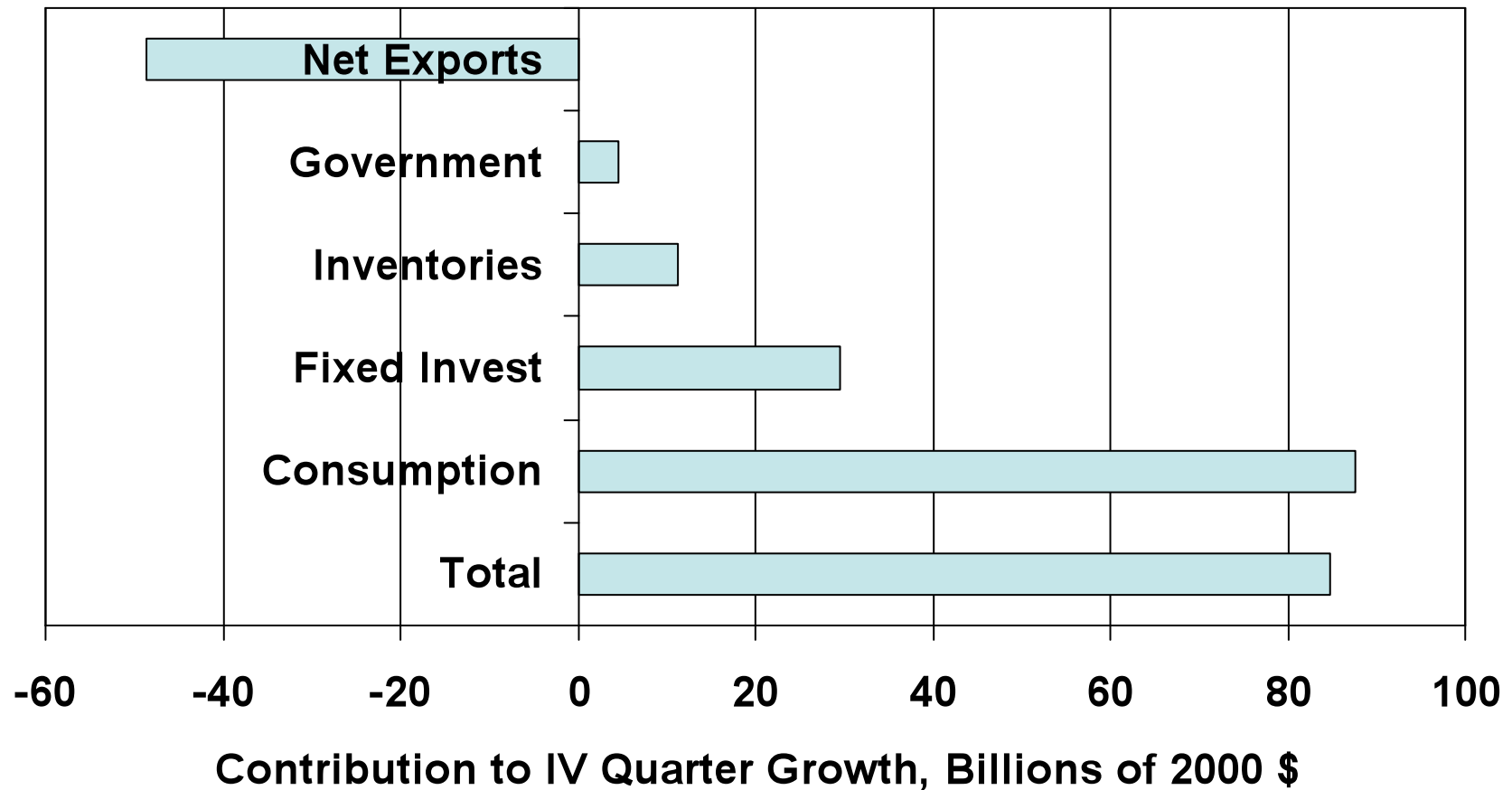
Business Spending Still Brisk



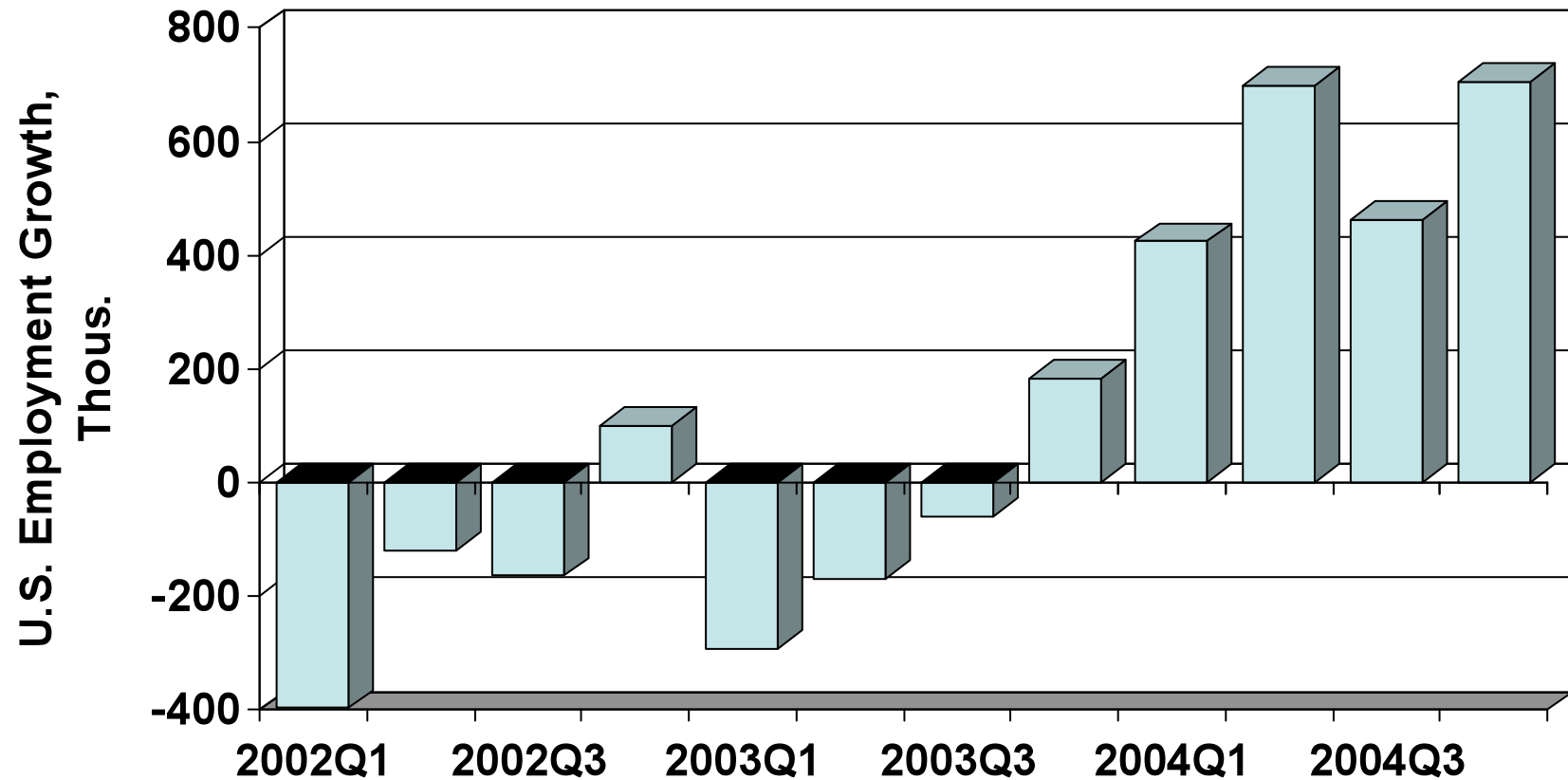
Exports Growth Streak Halted



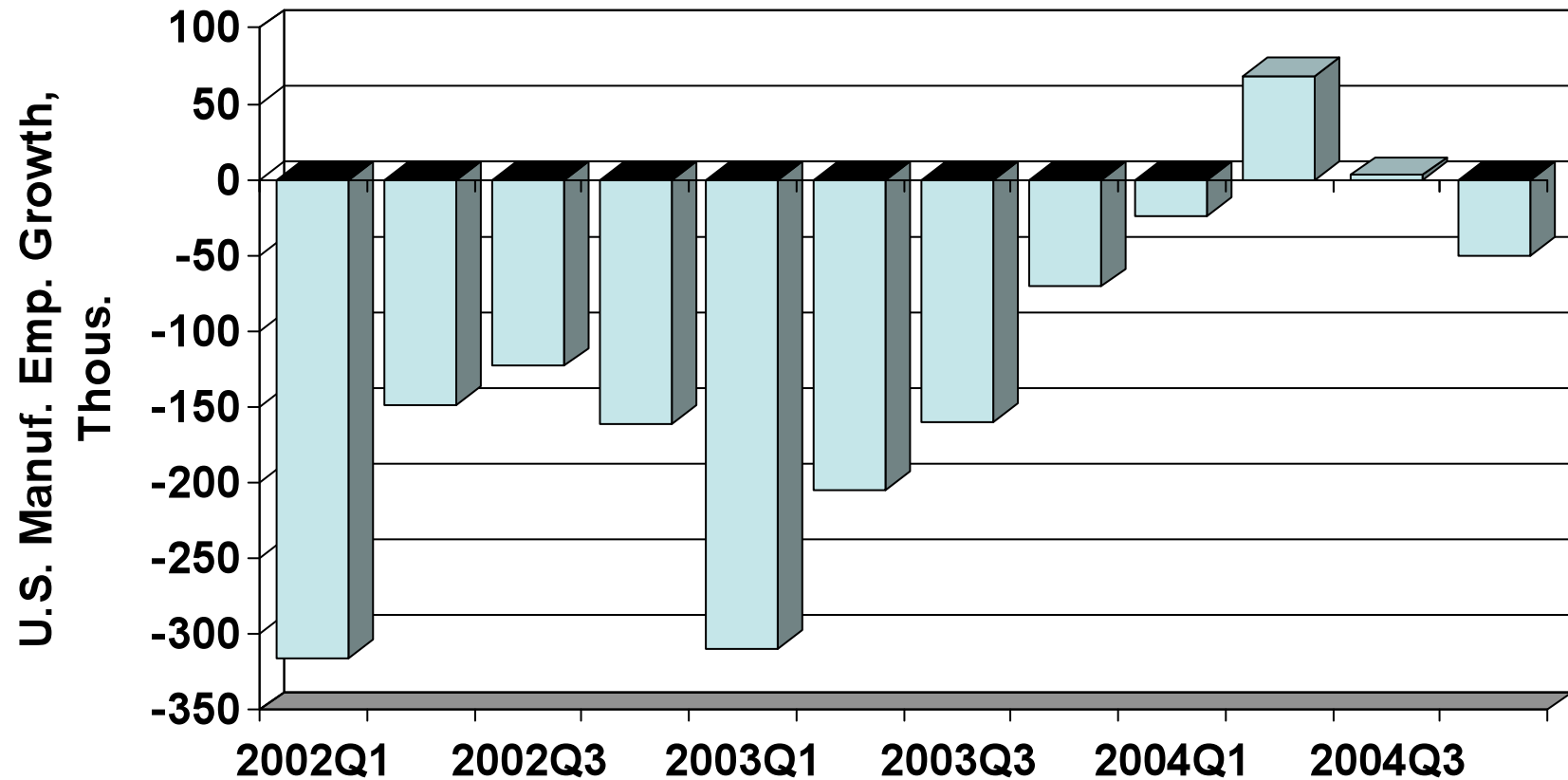
Export Sector Held Growth Back in Fourth Quarter



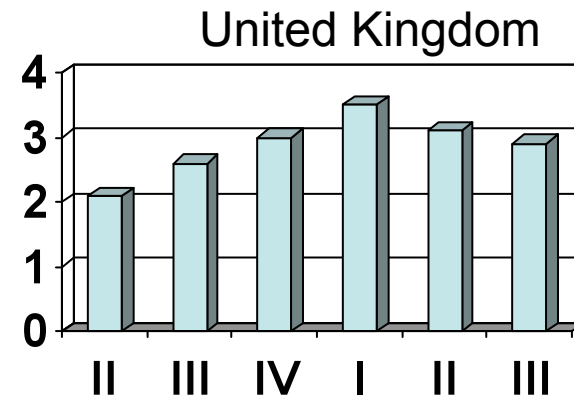
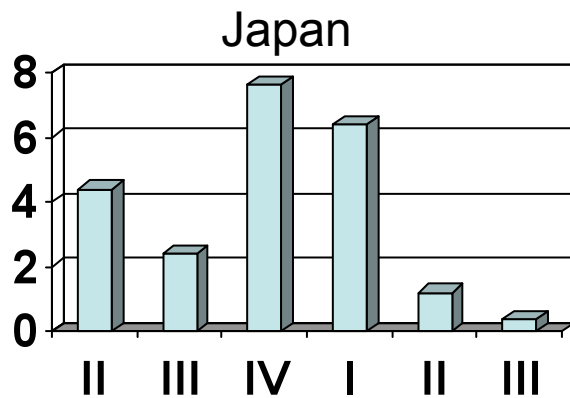
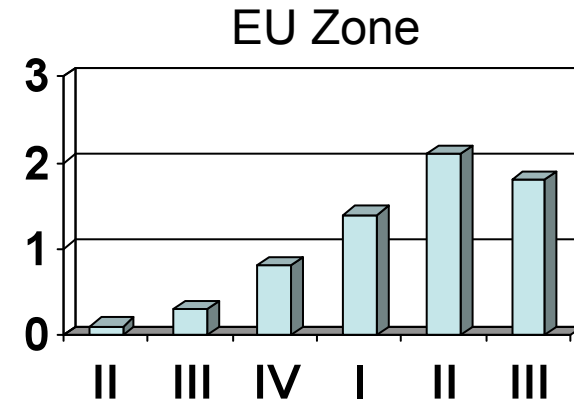
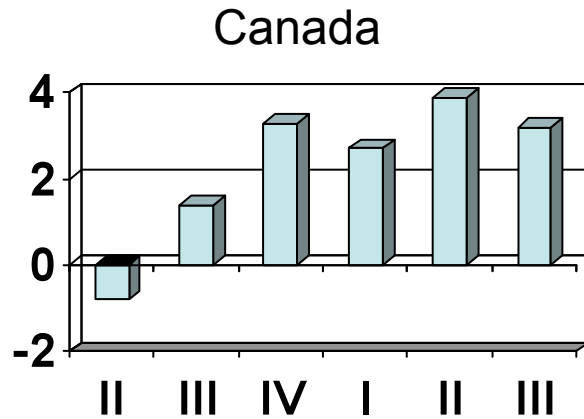
2004 a Breakout Year for Job Market



Even Manufacturing Payrolls Stayed Afloat in 2004

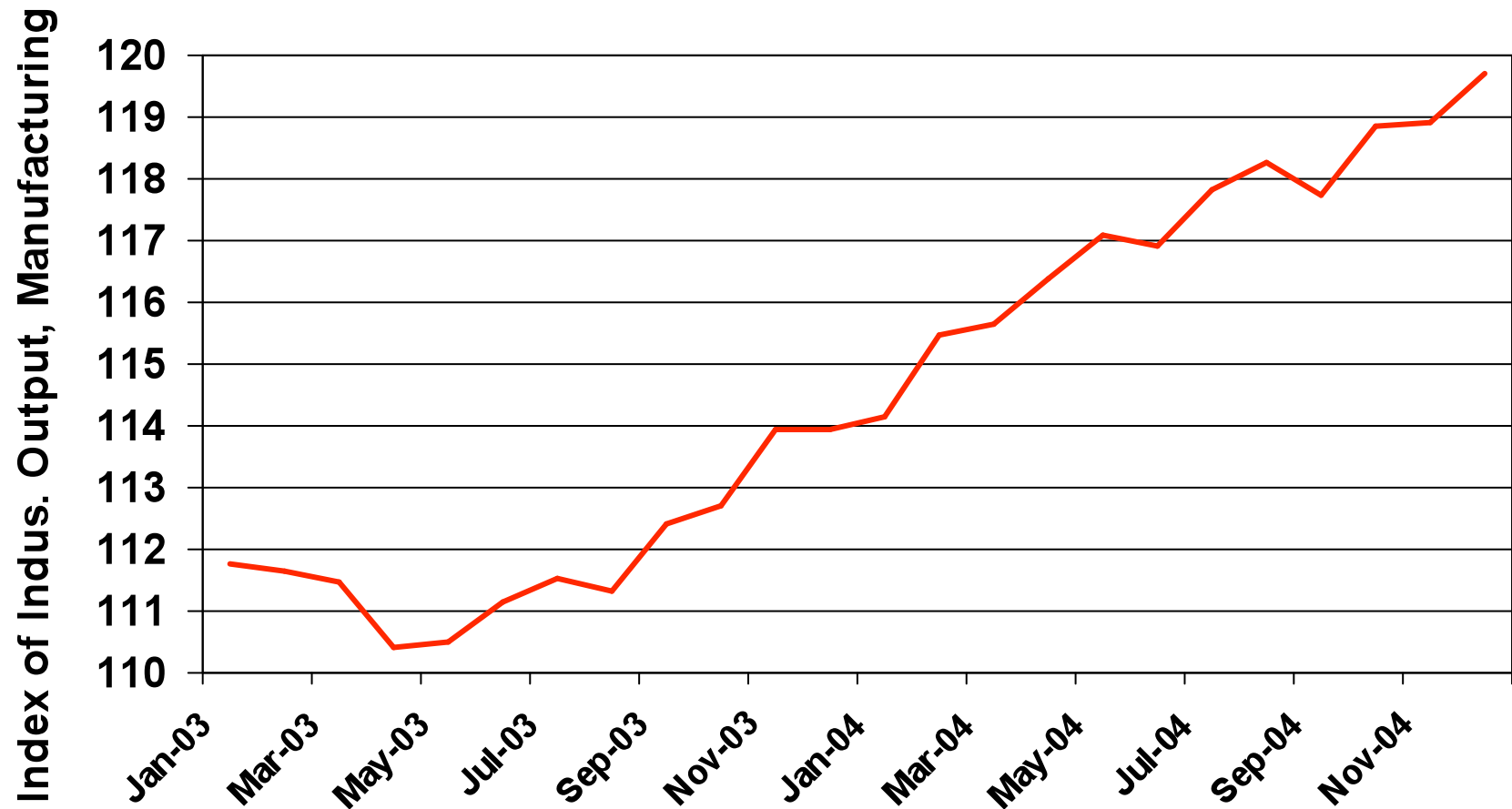


Mixed Performance of Major Trading Partners

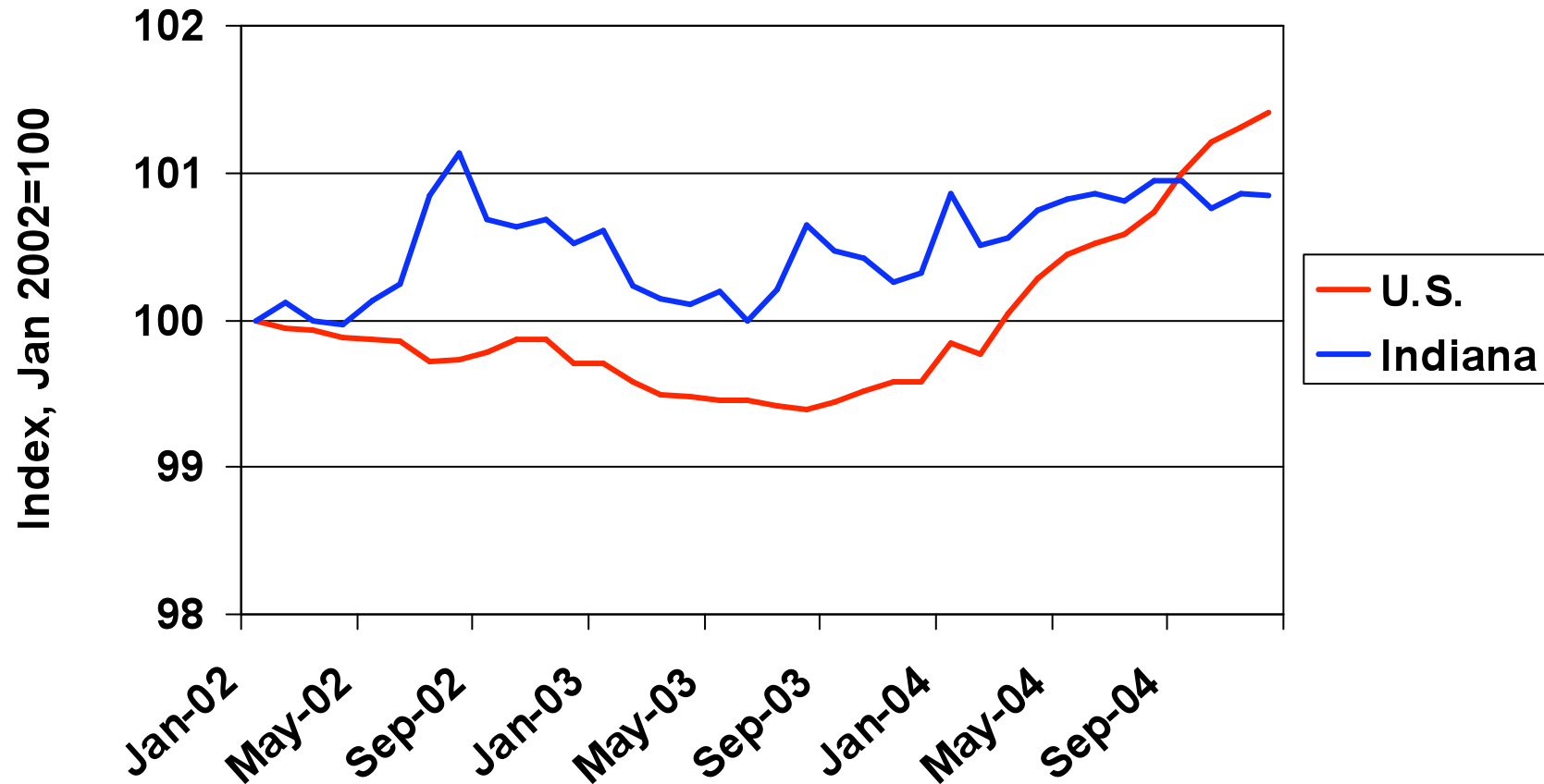


GDP Growth, 2003-04

U.S. Manufacturing Output is Surging

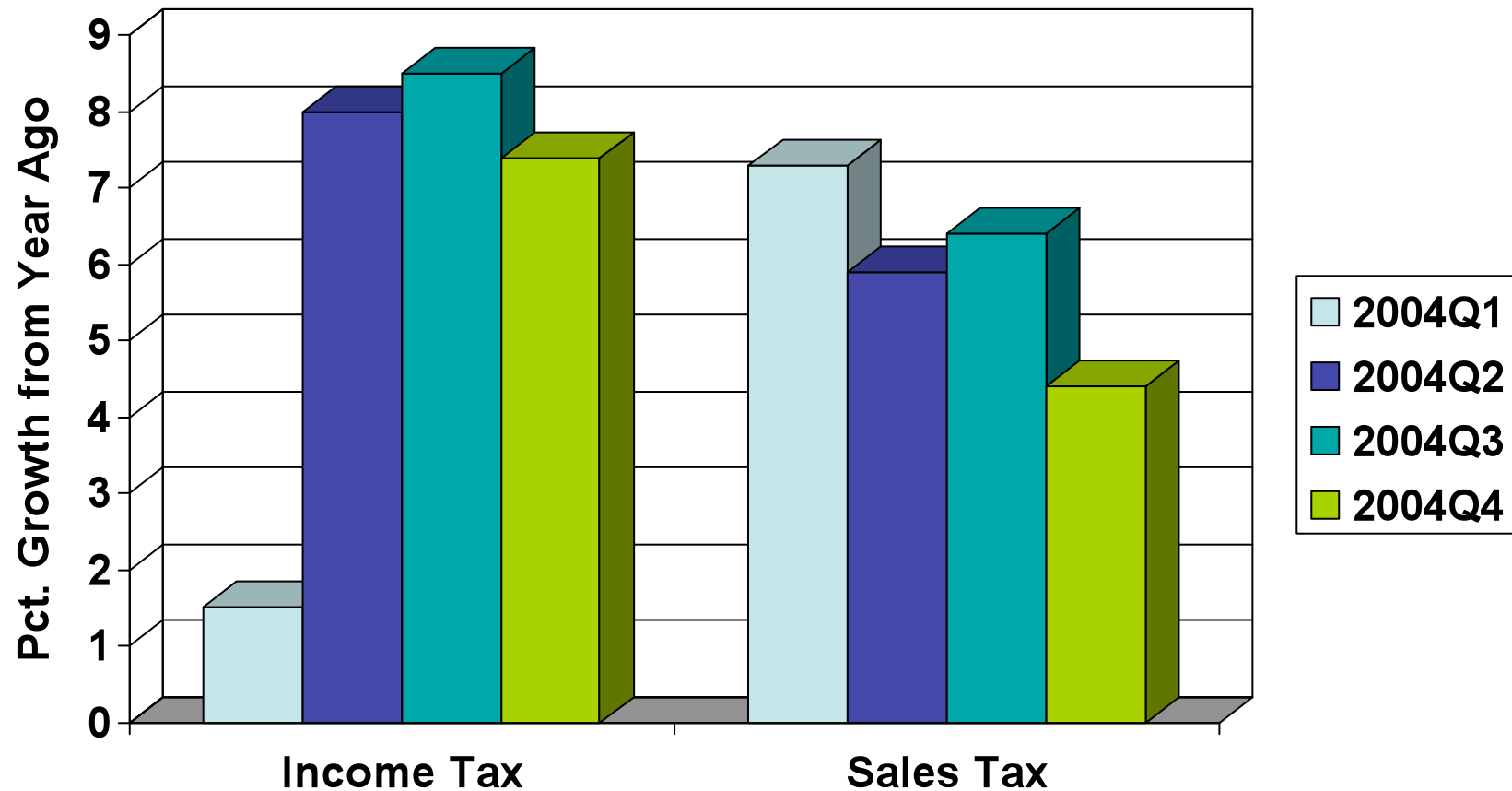


Indiana Employment Slowly Responding

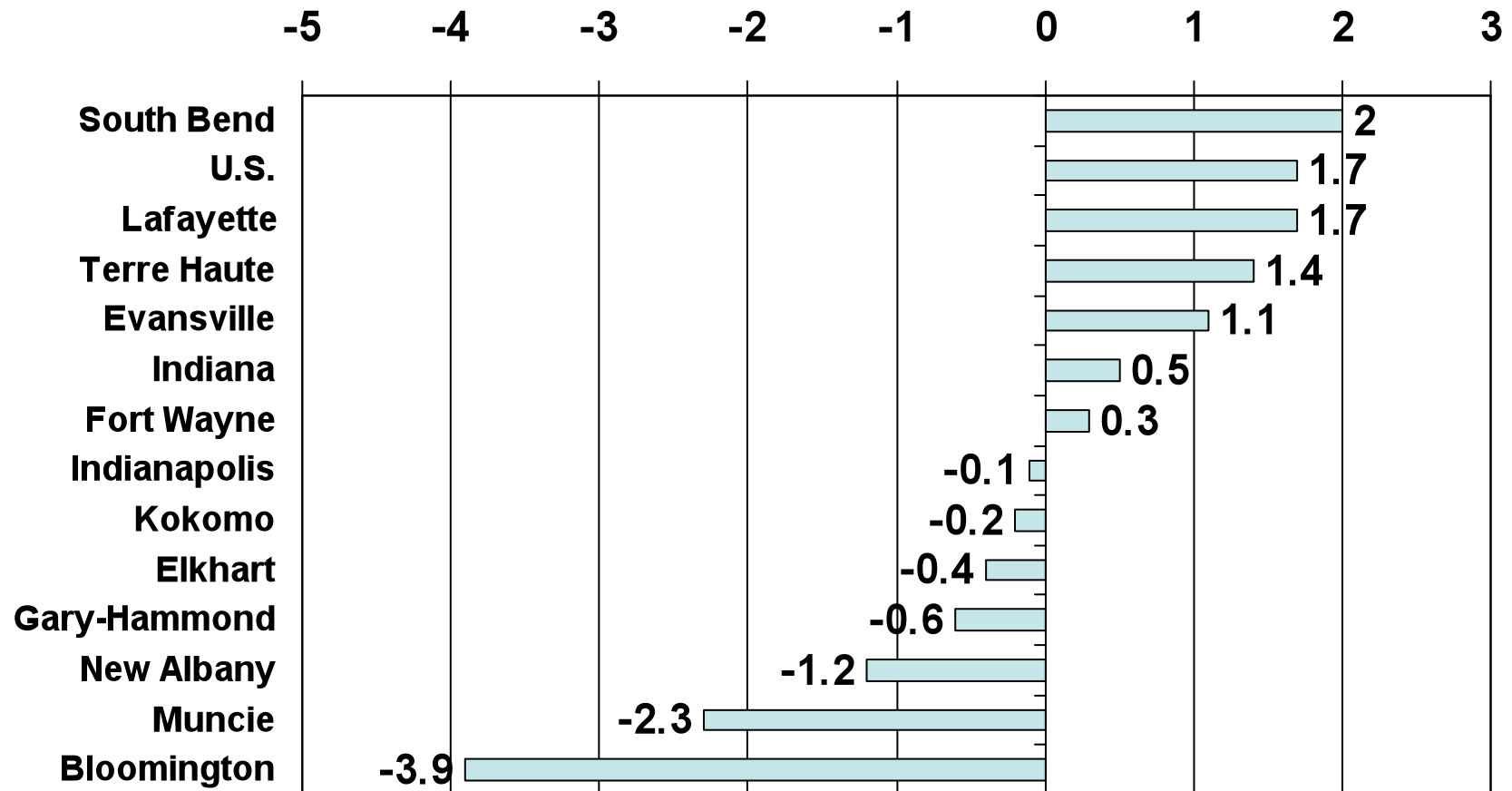


Total Employment, U.S. and Indiana

State Tax Receipts Are Up in Indiana



Many Indiana Cities Still in Red



Percent Employment Change, Dec 2003-04