

Robeson County: Current Economic Picture

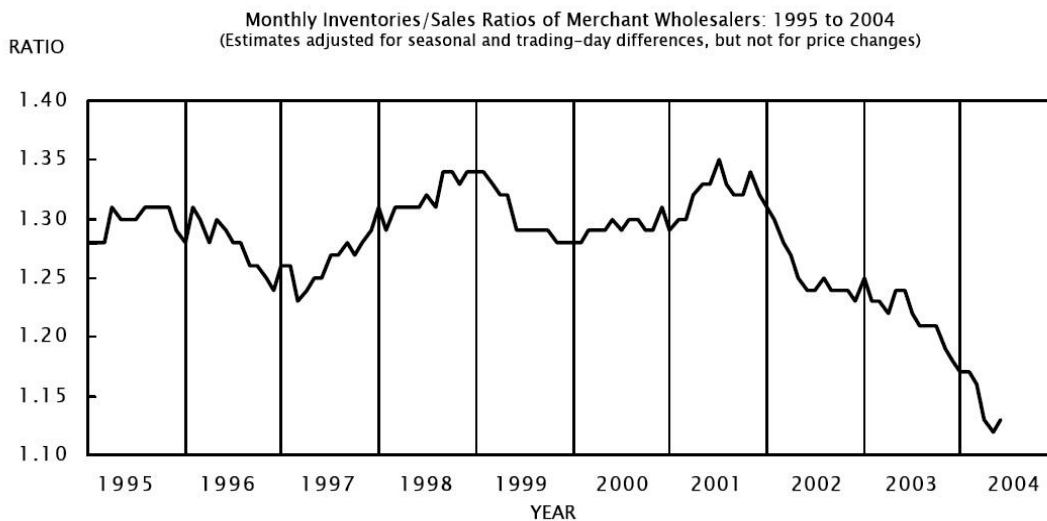
By

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On July 2, 2004 the US Census Bureau released the preliminary Manufacturing, Mining and Construction Statistics. These statistics are gathered through a survey of 3,500 firms. Additional information about the survey documentation may be found at www.census.gov/m3. The results of the survey present a rather not so bright a picture. However, one should be careful in putting too much stock in the month-to-month changes of the economy.

Sales of merchant wholesalers during May 2004 were 270.4 billion, up 0.5% from last month. Month-end inventories were 305.5 billion, up 1.2% from last month. This leads to a rise in the inventories to sales ratio. Figure 1 shows this ratio.

Figure 1

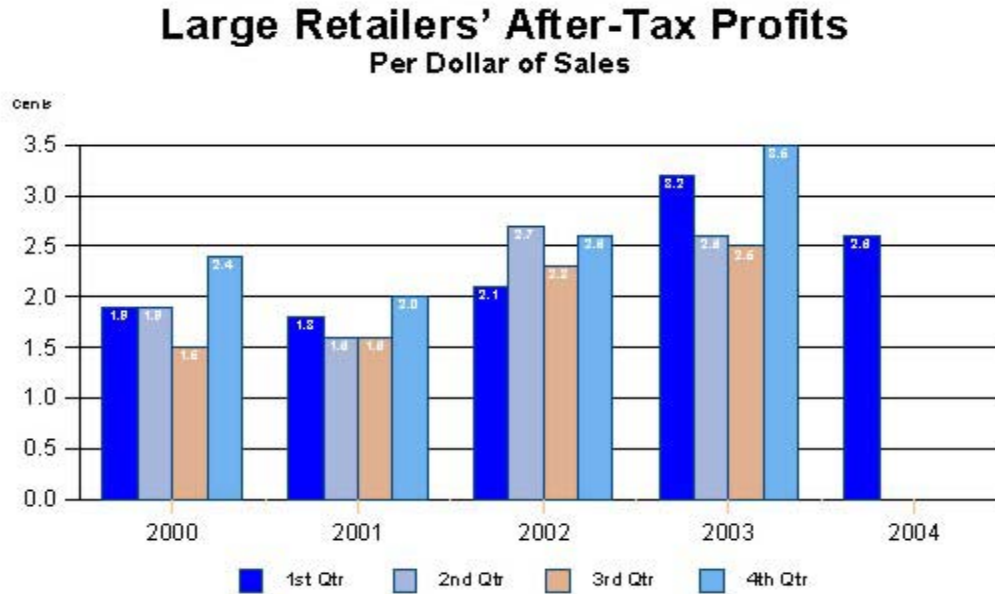


Monthly Wholesale Trade for June is scheduled to be released August 9, 2004 at 10:00 a.m.

Address inquiries concerning this report to Service Sector Statistics Division, U.S. Census Bureau, Washington, DC 20233, or call Nancy Piestro, (301) 763-2747.

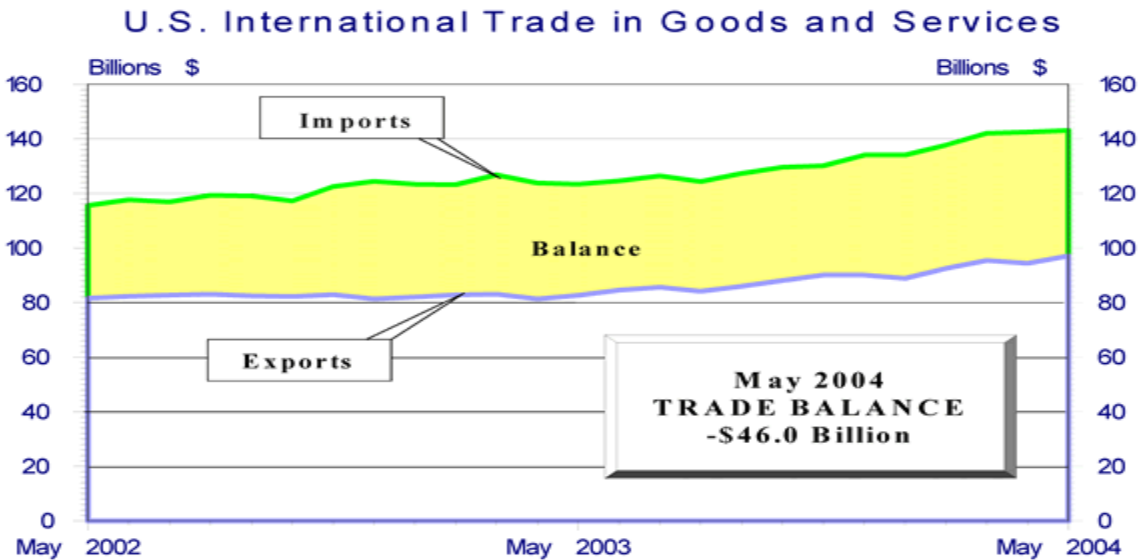
After tax profits of retail corporations with assets of \$50 million or more, averaged around 2.6 cents per dollar of sales during the first quarter of 2004, down 0.9 cents from the preceding quarter. Figure 2 shows these data.

Figure 2



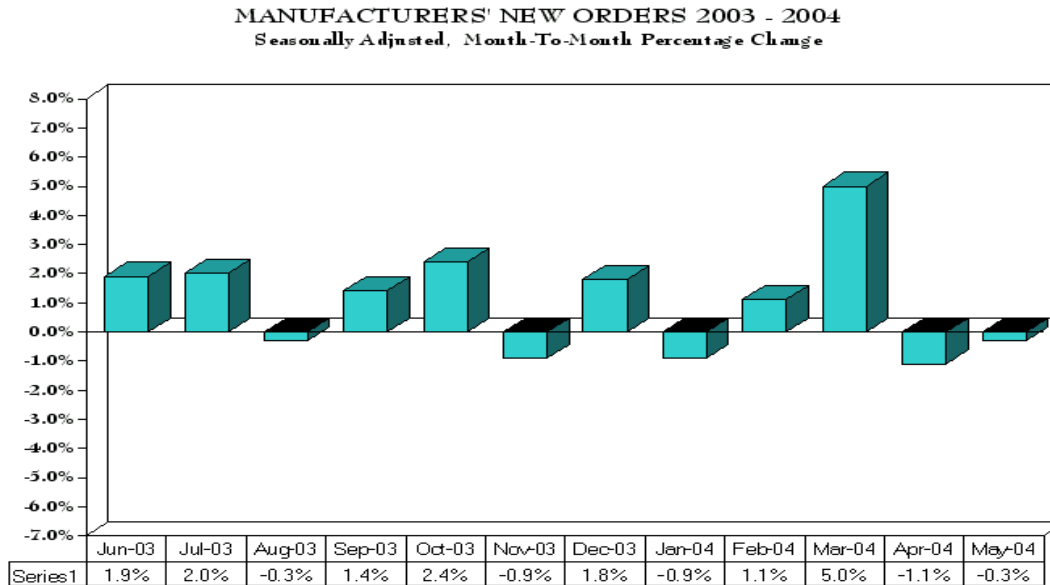
On the brighter side, the US trade deficit, a figure that concerns academics, politicians and policy makers alike, decreased. It decreased to \$46.0 billion during May 2004 from \$48.1 billion during April 2004. Figure 3 plots data on trade deficit.

Figure 3



New orders for manufactured goods decreased during May 2004 by 0.3% to \$358.2 billion. Figure 4 plots these data from Jun 2003 to May 2004.

Figure 4



So what does all this mean for the US and the regional economies? Is the recovery that everyone was talking about up until a few weeks ago disappearing? I am of the opinion that we'll have to wait for a few more months before we can draw any conclusions. Although short-run changes in the vital statistics serve as indicators of the current economic conditions, they are certainly not substitutes for the more informative and veritable underlying "trends" of the economic health of a country or a region. At this point a requiem of the much talked about recovery would probably still be premature.