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**New England Public Policy Center**  
at the Federal Reserve Bank of Boston

# Economic Outlook for New England

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Regional & Community Bankers Conference  
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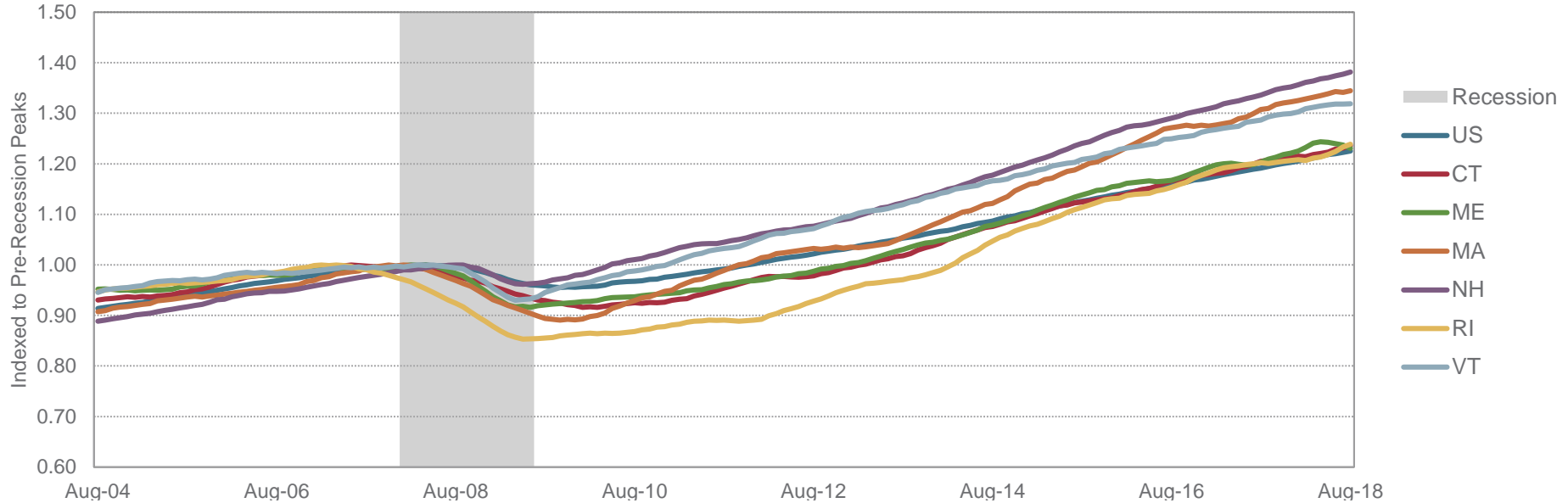
Disclaimer: The views expressed here are those of the speaker and do not necessarily represent the views of the Federal Reserve Bank of Boston or the Federal Reserve System.



# About NEPPC

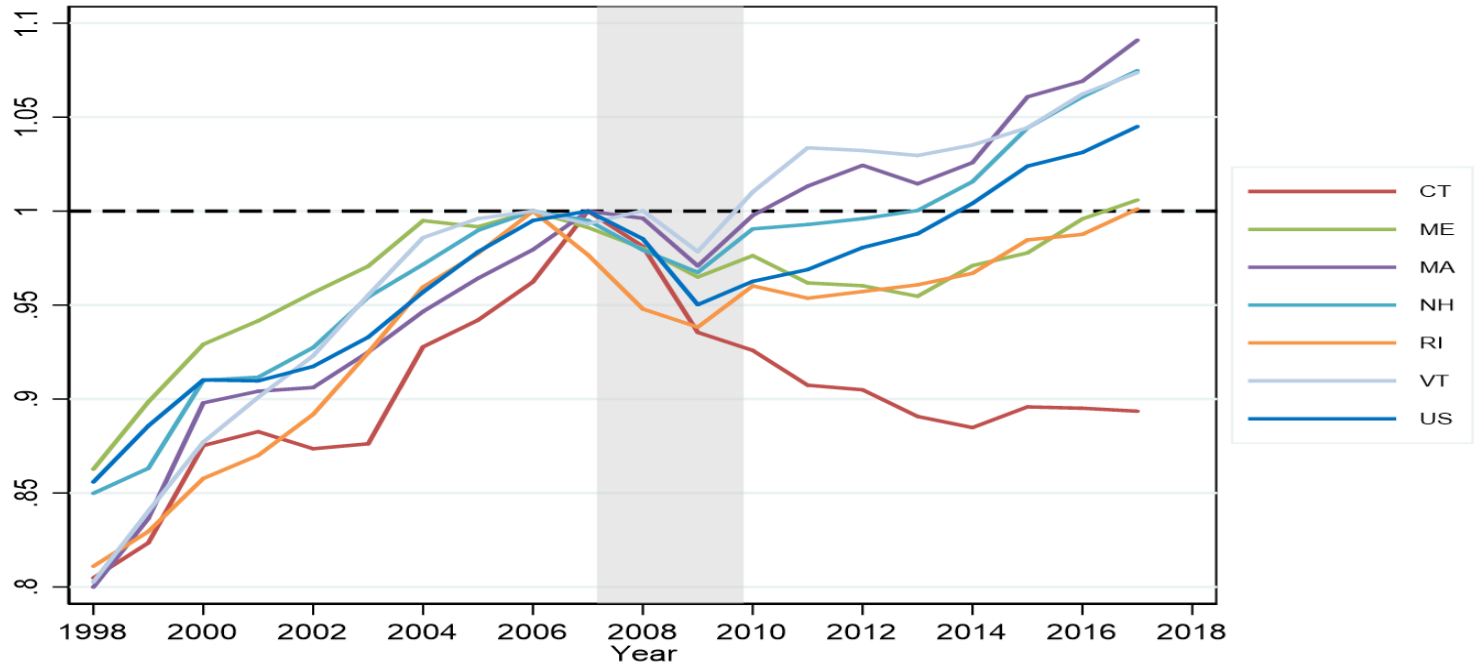
The Boston Fed's New England Public Policy Center promotes better public policy in New England by conducting and disseminating objective, high-quality research and analysis of strategically identified regional economic and policy issues.

# State Coincident Economic Activity Indexes



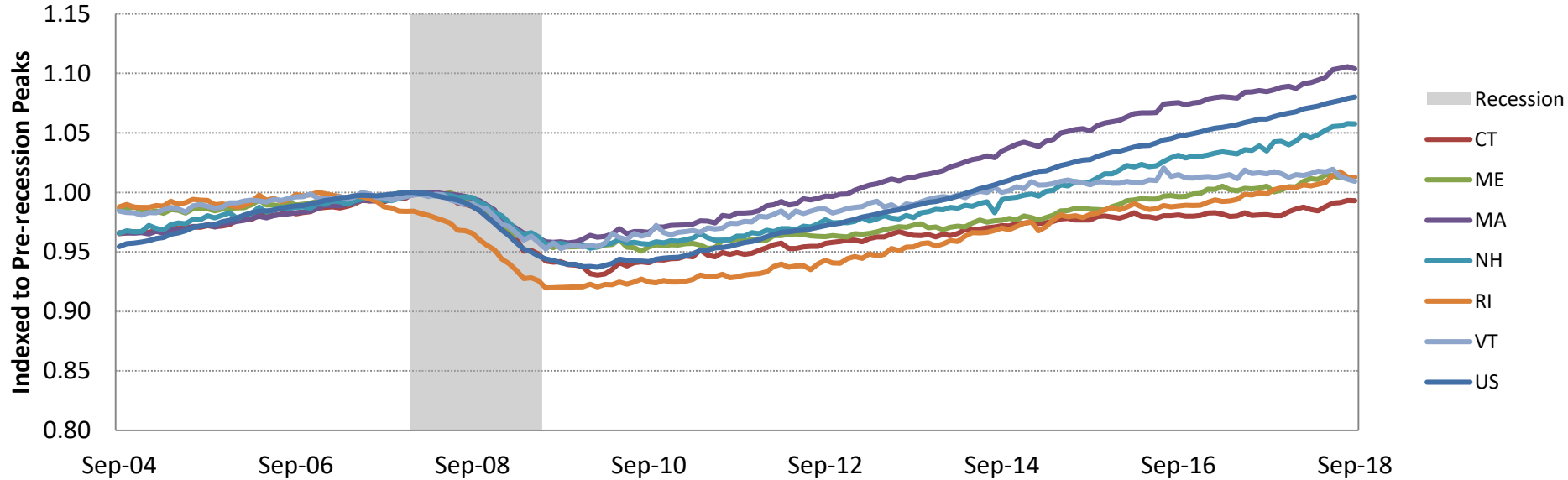
Source: Federal Reserve Bank of Philadelphia, NBER, Haver Analytics

# Real GDP Per Capita



Source: Bureau of Economic Analysis, Haver Analytics

# Non-Agricultural Employment



Source: Bureau of Labor Statistics, NBER, Haver Analytics

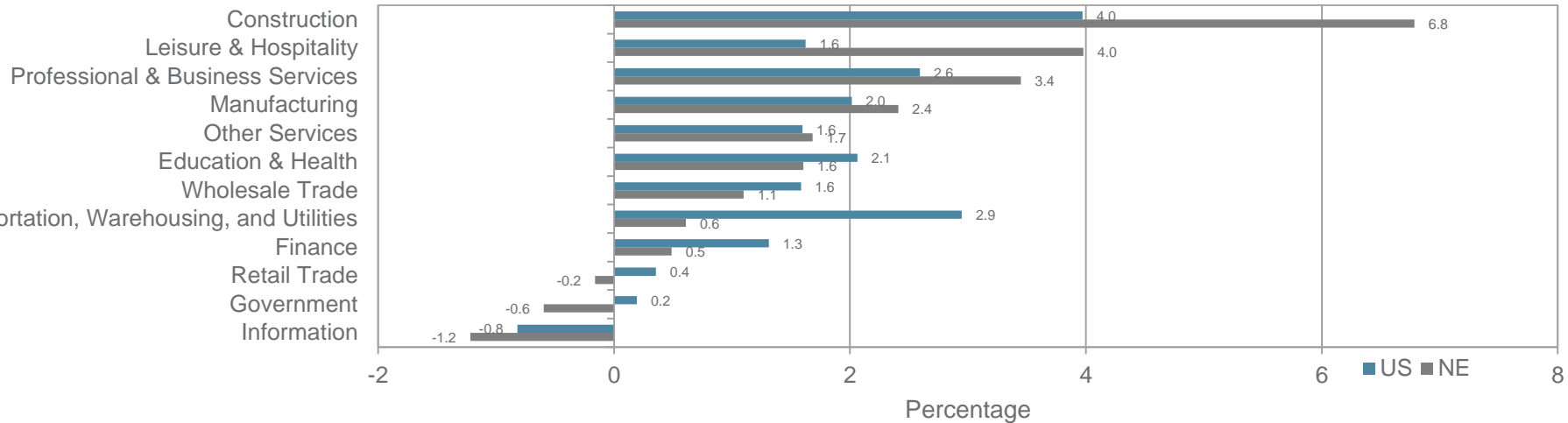
# Employment Growth Rates

	Annual Long-Term Trend	Last 12 Months		Since Peak	
	Percent	Percent	Number	Percent	Number
<b>United States</b>	1.4	1.6	2,417,000	7.9	10,947,000
<b>New England</b>	0.9	1.5	108,500	5.7	407,400
<b>Connecticut</b>	0.5	1.1	18,800	-0.8	-13,700
<b>Maine</b>	1.1	0.8	5,100	1.2	7,400
<b>Massachusetts</b>	0.9	1.9	68,100	10.6	353,400
<b>New Hampshire</b>	1.5	1.8	11,900	5.7	37,400
<b>Rhode Island</b>	0.7	1.3	6,400	1.3	6,200
<b>Vermont</b>	1.3	-0.6	-1,800	1.1	3,300

Source: Bureau of Labor Statistics, Haver Analytics

# Employment Growth by Industry

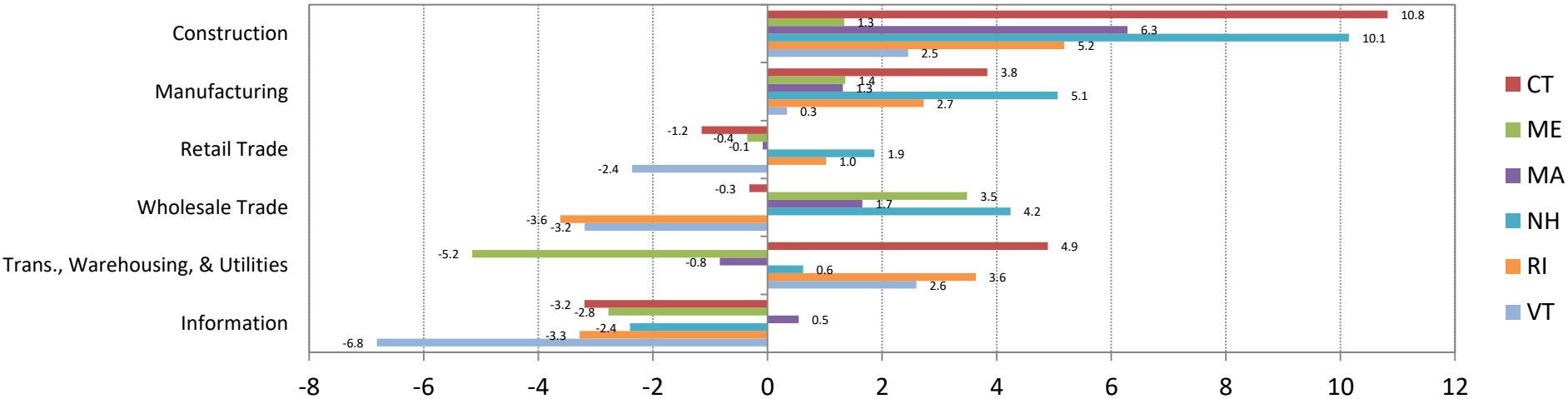
## Percent Change, August 2017 - August 2018



Source: Bureau of Labor Statistics, Haver Analytics

# State Employment Growth by Industry

## Percent Change, September 2017 - September 2018

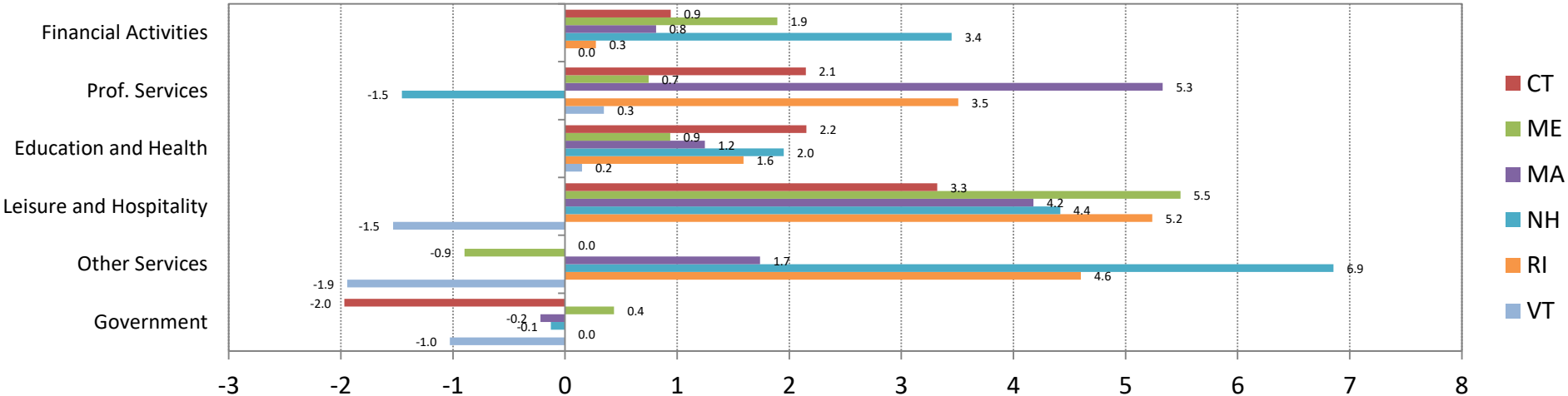


Source: Bureau of Labor Statistics, Haver Analytics



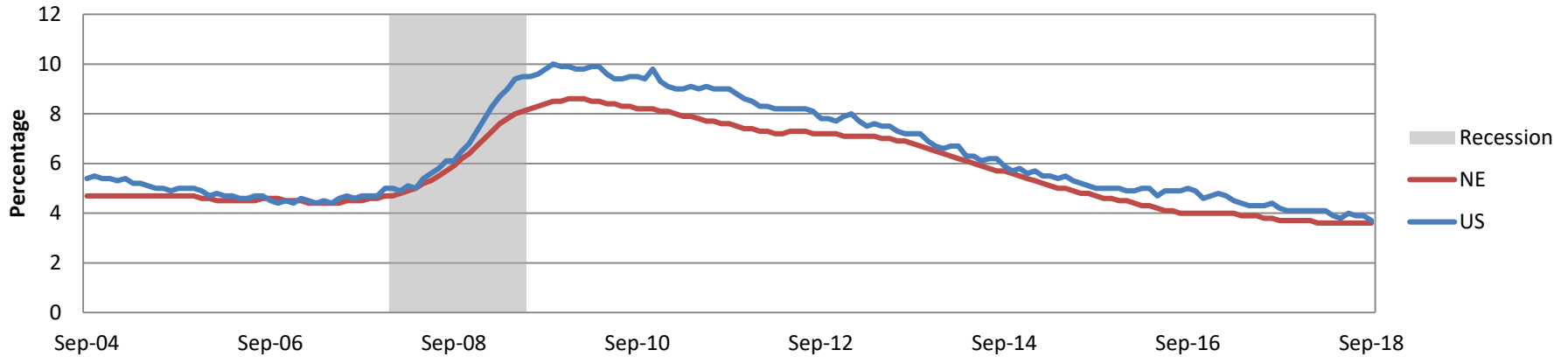
# State Employment Growth by Industry

## Percent Change, September 2017 - September 2018



Source: Bureau of Labor Statistics, Haver Analytics

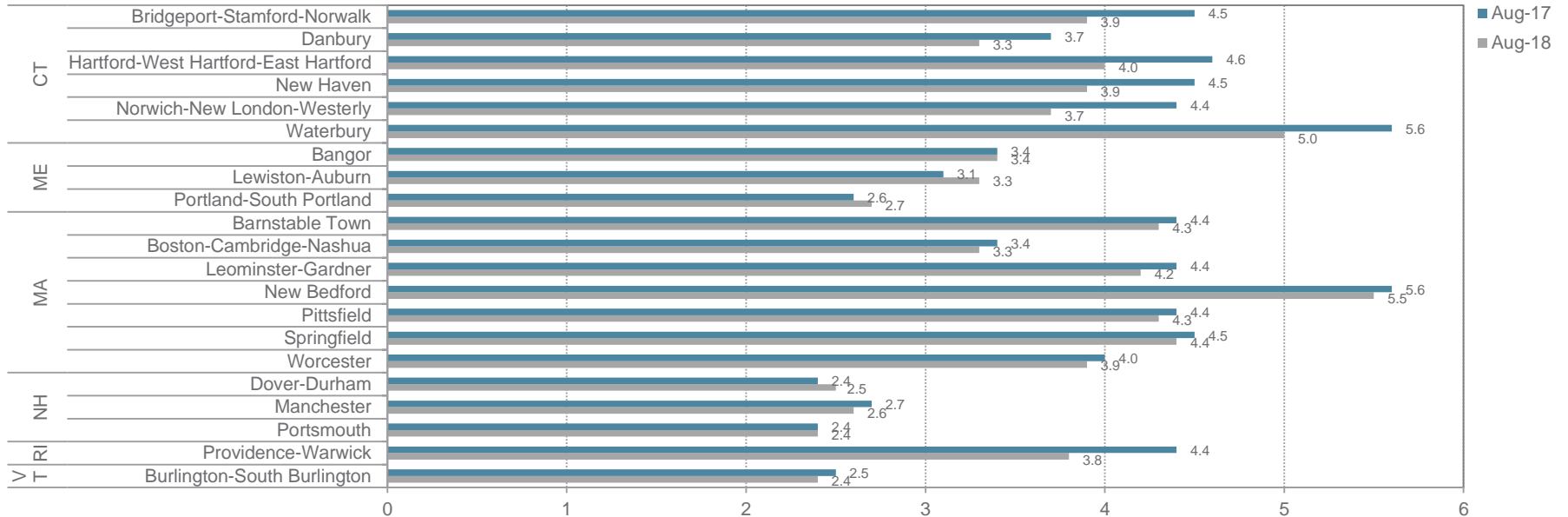
# Unemployment Rates



	Sep-17	Sep-18
United States	4.2	3.7
New England	3.7	3.6
Connecticut	4.5	4.2
Maine	3.3	3.3
Massachusetts	3.6	3.6
New Hampshire	2.6	2.7
Rhode Island	4.5	3.9
Vermont	2.9	2.9

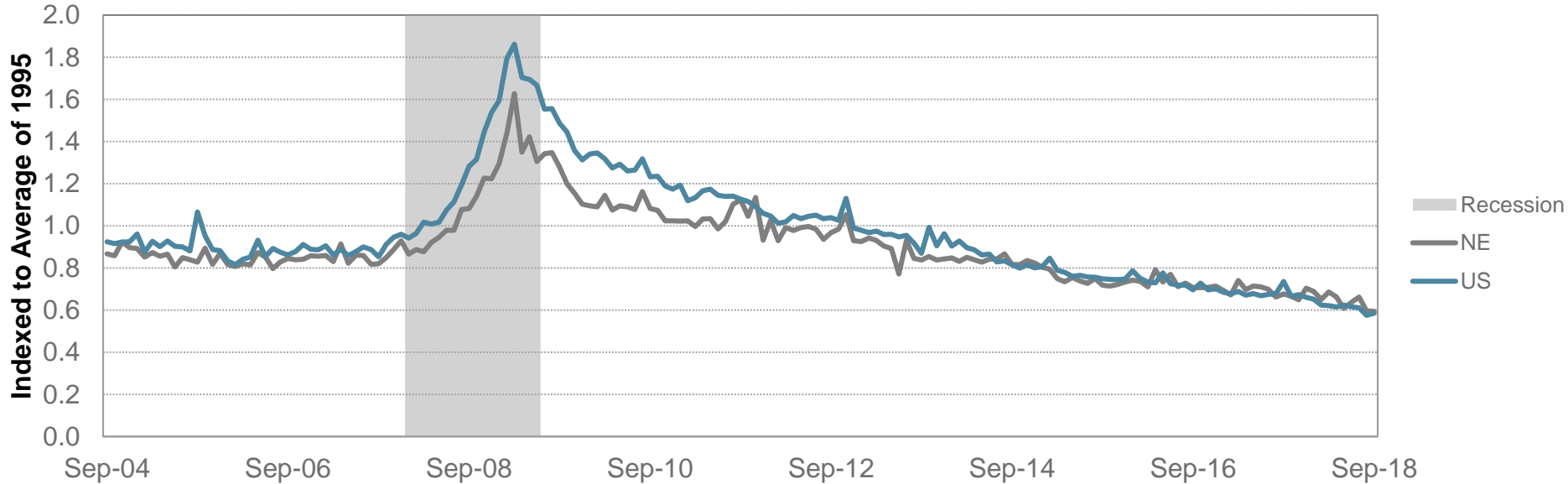
Source: Bureau of Labor Statistics, NBER, Haver Analytics

# Unemployment Rates in New England by Metropolitan Areas



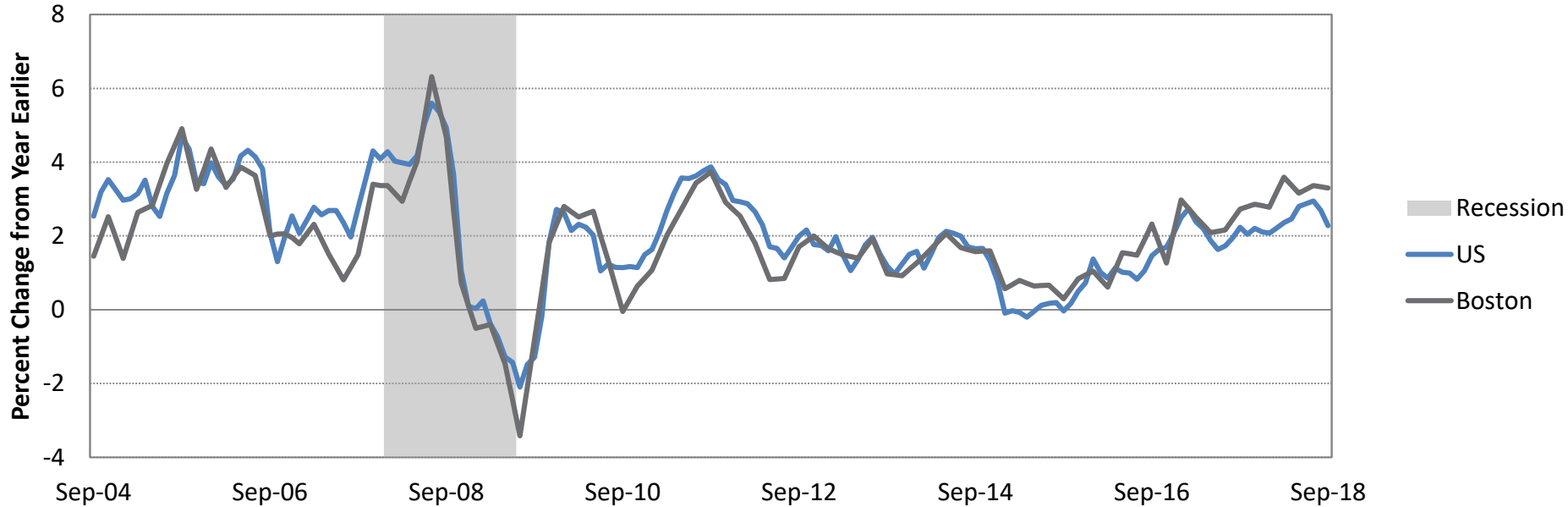
Source: Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Boston

# Initial Claims for Unemployment Insurance



Source: Department of Labor, NBER, Haver Analytics, Federal Reserve Bank of Boston

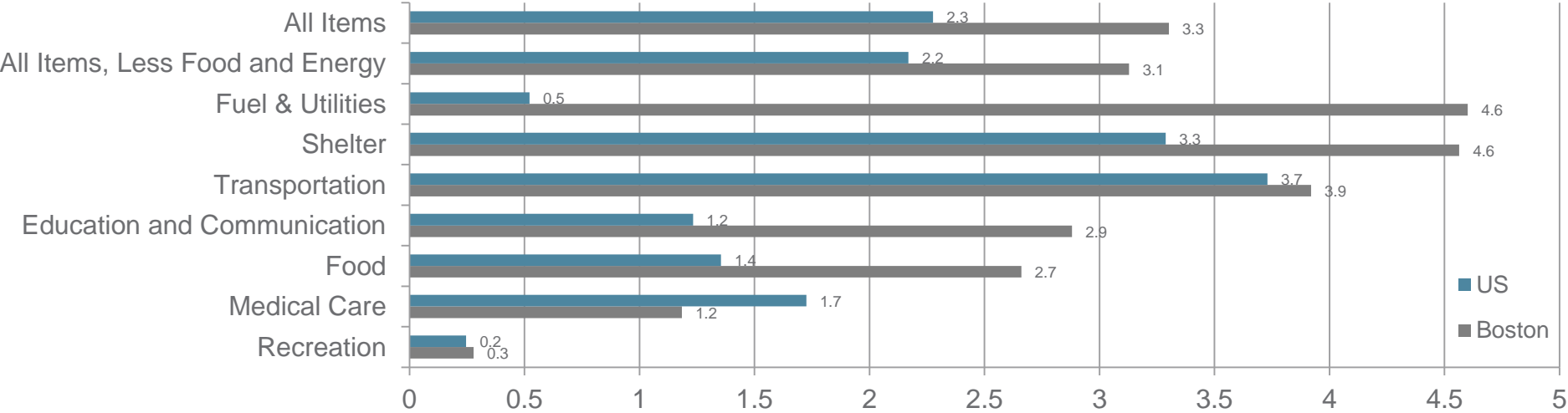
# Consumer Price Index



Source: Bureau of Labor Statistics, NBER, Haver Analytics

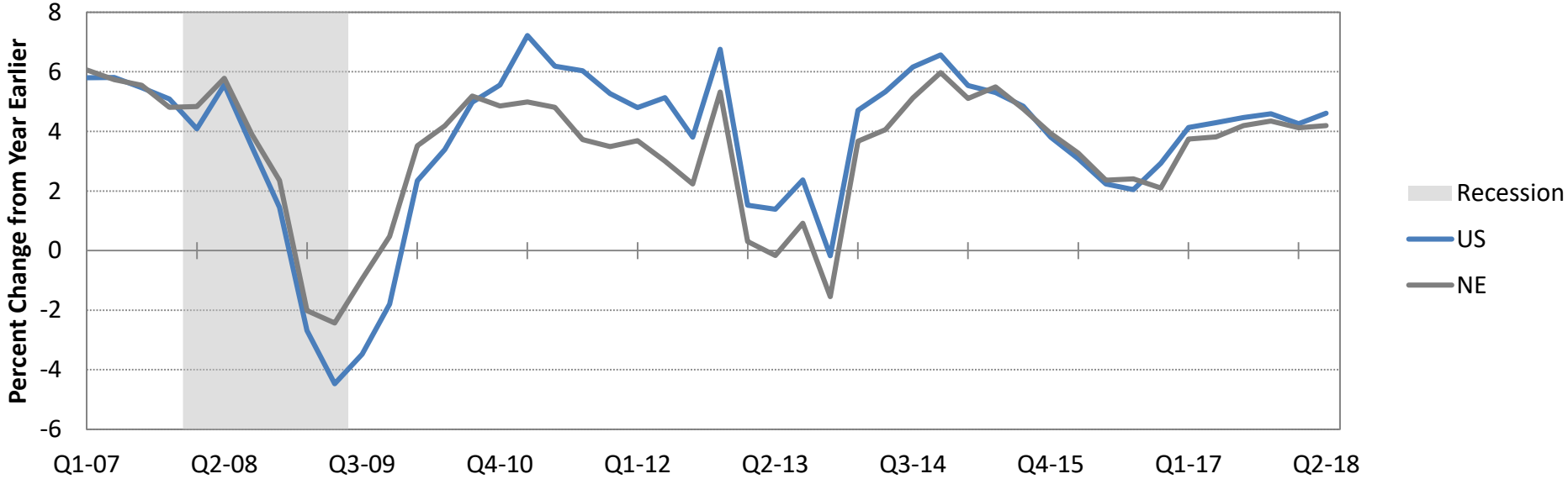
# Components of the Consumer Price Index

Percent Change, September 2017 - September 2018



Source: Bureau of Labor Statistics, Haver Analytics

# Total Personal Income



Source: Bureau of Economic Analysis, Haver Analytics

# Income and Wage Growth

Exhibit 5.2: Income and Wage/Salary Changes - to Q2 2018

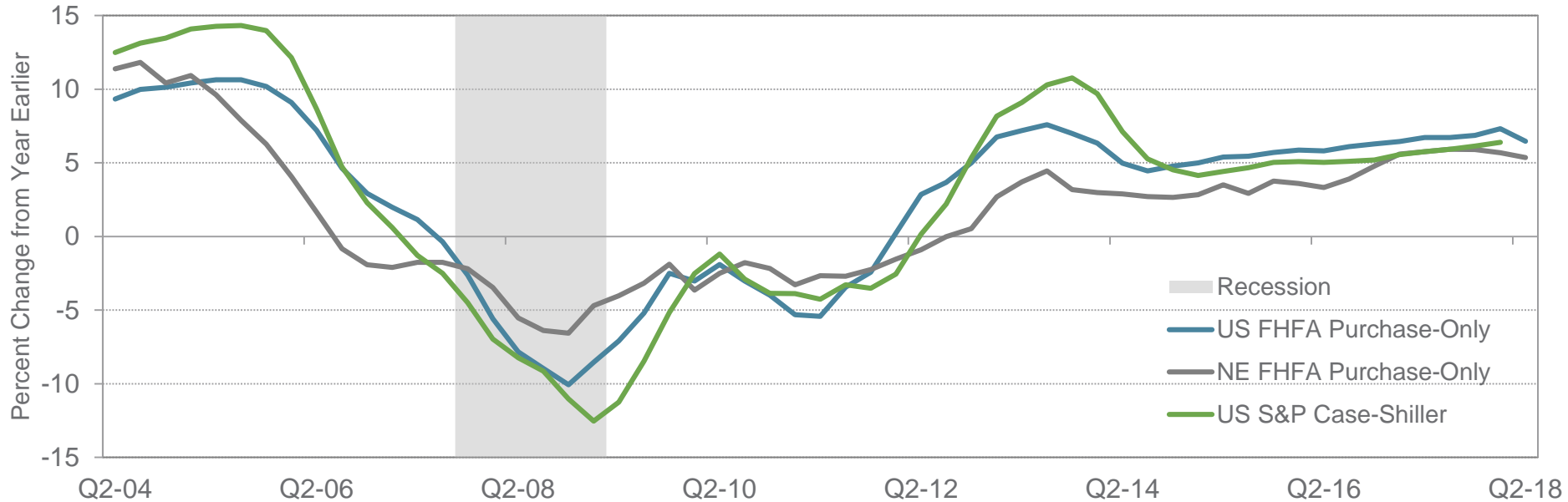
	Personal Income			Wage and Salary Disbursements		
	Jun-2018	1-Qtr. Chg.	1-Yr. Chg.	Jun-2018	1-Qtr. Chg.	1-Yr. Chg.
United States	17,481,958	1.0%	4.6%	8,799,710	1.1%	4.9%
New England	986,478	0.7%	4.2%	494,364	0.5%	4.2%
Connecticut	265,637	1.0%	3.5%	117,067	0.9%	2.1%
Maine	64,421	1.0%	4.6%	29,828	1.2%	4.7%
Massachusetts	481,897	0.5%	4.5%	265,866	0.3%	5.1%
New Hampshire	83,270	0.7%	4.8%	38,652	0.4%	5.7%
Rhode Island	57,780	0.5%	4.0%	27,647	0.3%	2.6%
Vermont	33,473	0.9%	3.1%	15,303	1.1%	3.6%

*Source:* U.S. Bureau of Economic Analysis/Federal Reserve Bank of Boston.

*Note:* Data represent millions of dollars and are seasonally adjusted.



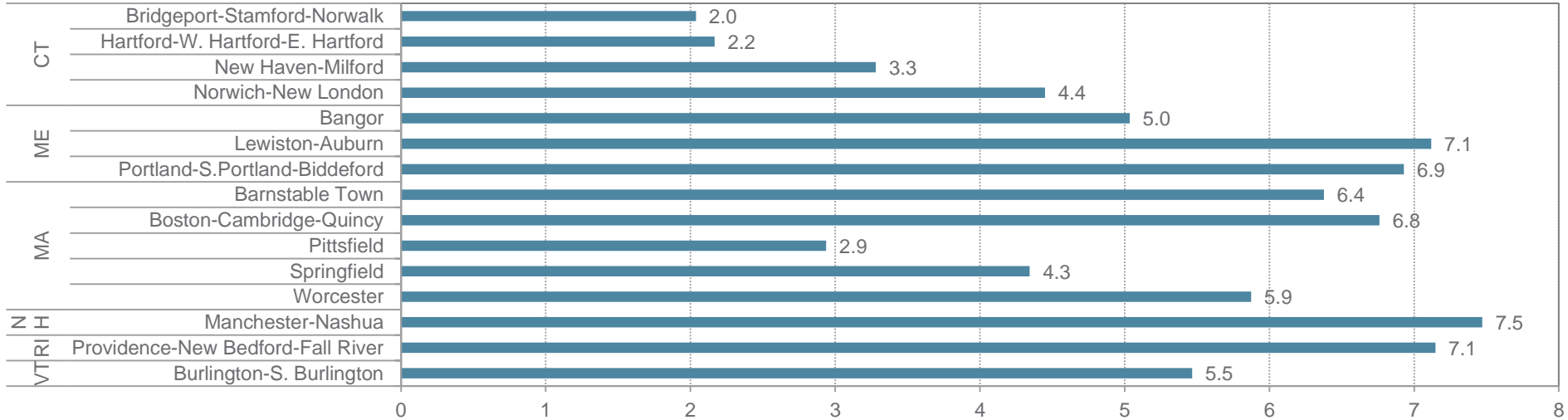
# Repeat-Sales Home Price Index



Source: FHFA, NBER, S&P/Case-Shiller, Haver Analytics

# House Price Changes in New England Metropolitan Areas

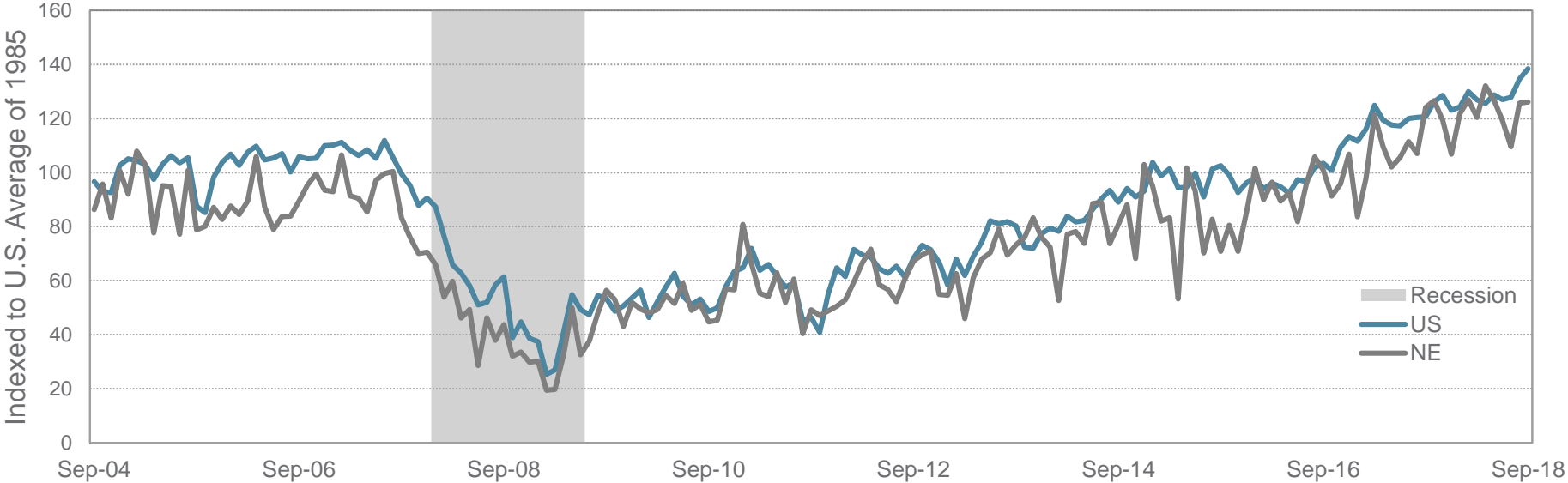
Percent Change, Q2 2017 - Q2 2018



Note: changes calculated using single family homes

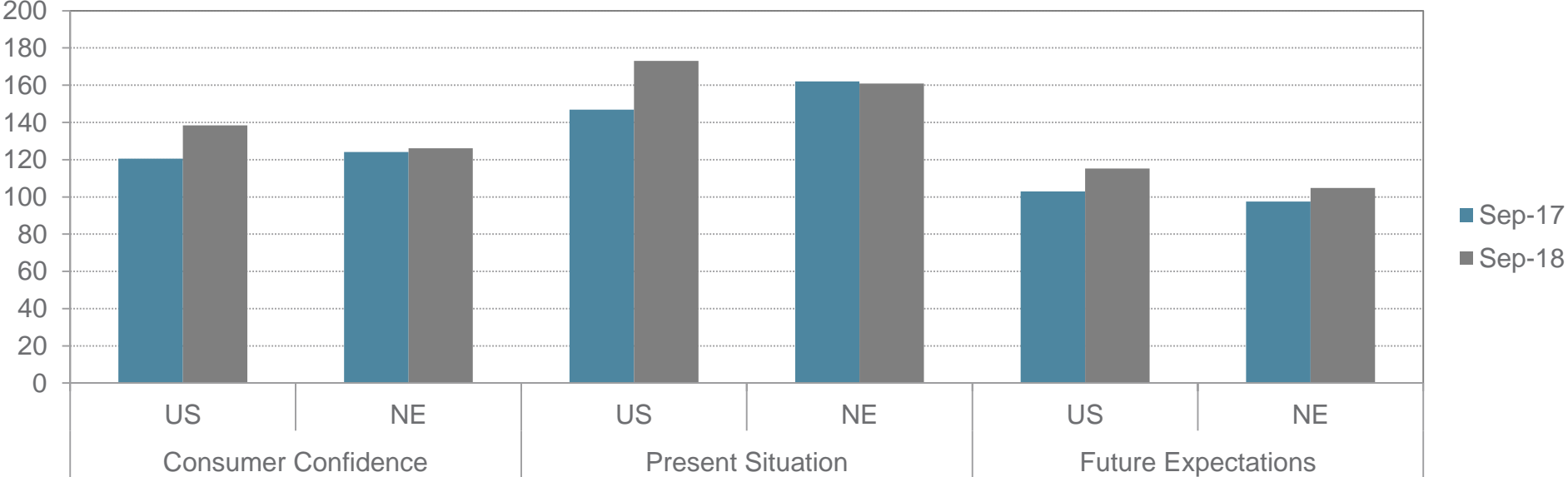
Source: Freddie Mac Home Loan Mortgage Corporation, Haver Analytics

# Consumer Confidence



Source: The Conference Board, NBER, Haver Analytics

# Consumer Confidence



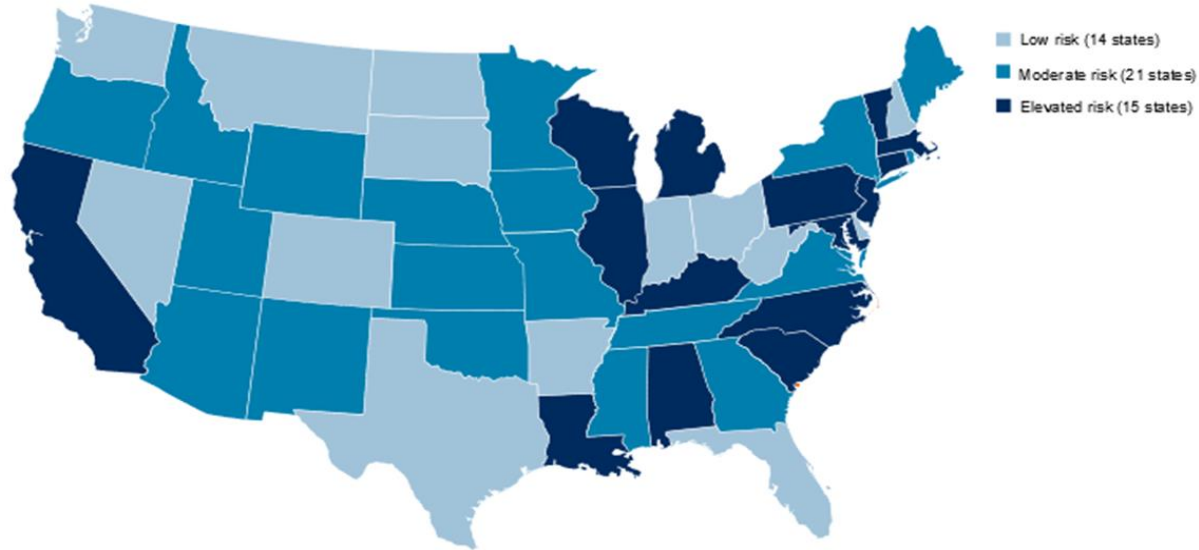
Source: The Conference Board, Haver Analytics

# NEEP Forecast for New England

	2016	2017	2018	2019	2020	2021
	actual	forecast	forecast	forecast	forecast	forecast
<b>Labor force</b>						
In 1,000s	7,817	7,916	7,961	7,999	8,035	8,068
% change	0.2%	1.3%	0.6%	0.5%	0.4%	0.4%
<b>Population</b>						
% change	0.2%	0.3%	0.4%	0.4%	0.4%	0.4%
<b>Gross Product</b>						
% change	1.8%	1.9%	2.1%	1.7%	1.7%	1.9%






Source: New England Economic Partnership, Fall Forecast, November 2017.

# State Susceptibility to Fiscal Distress in Recession



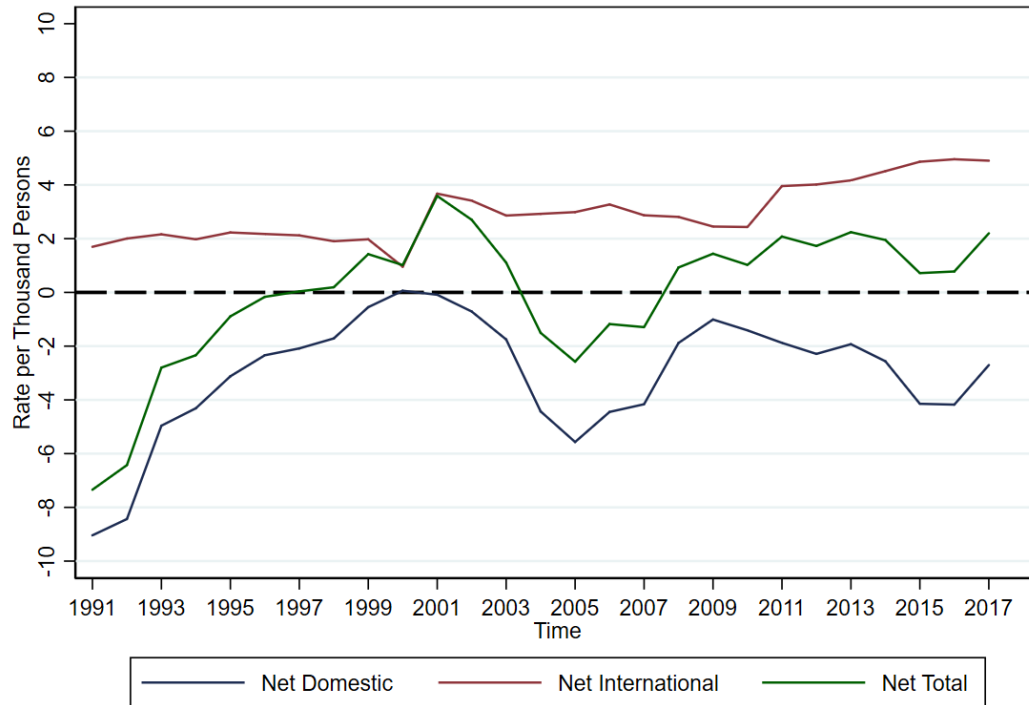
Source: S&P Global Market Intelligence; “When the Credit Cycle Turns, U.S. States May be Tested in Unprecedented Ways”

# Three New England States on U.S. News' Top Ten List

Overall	State	Health Care	Education	Economy	Opportunity	Infrastructure	Crime & Corrections	Fiscal Stability	Quality of Life
#5	 New Hampshire	13	4	11	1	37	2	26	4
#6	 Washington	2	6	3	27	4	39	27	21
#7	 Nebraska	19	9	21	13	9	20	11	14
#8	 Massachusetts	5	1	9	14	45	5	40	25
#9	 Vermont	6	8	31	6	35	7	16	26

Source: U.S. News and World Report: <https://www.usnews.com/news/best-states/rankings>

# Net Migration Rates in New England



Source: Census Bureau/Haver Analytics





# Thank You

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