



Observations on the Economic Outlook, and Small Businesses

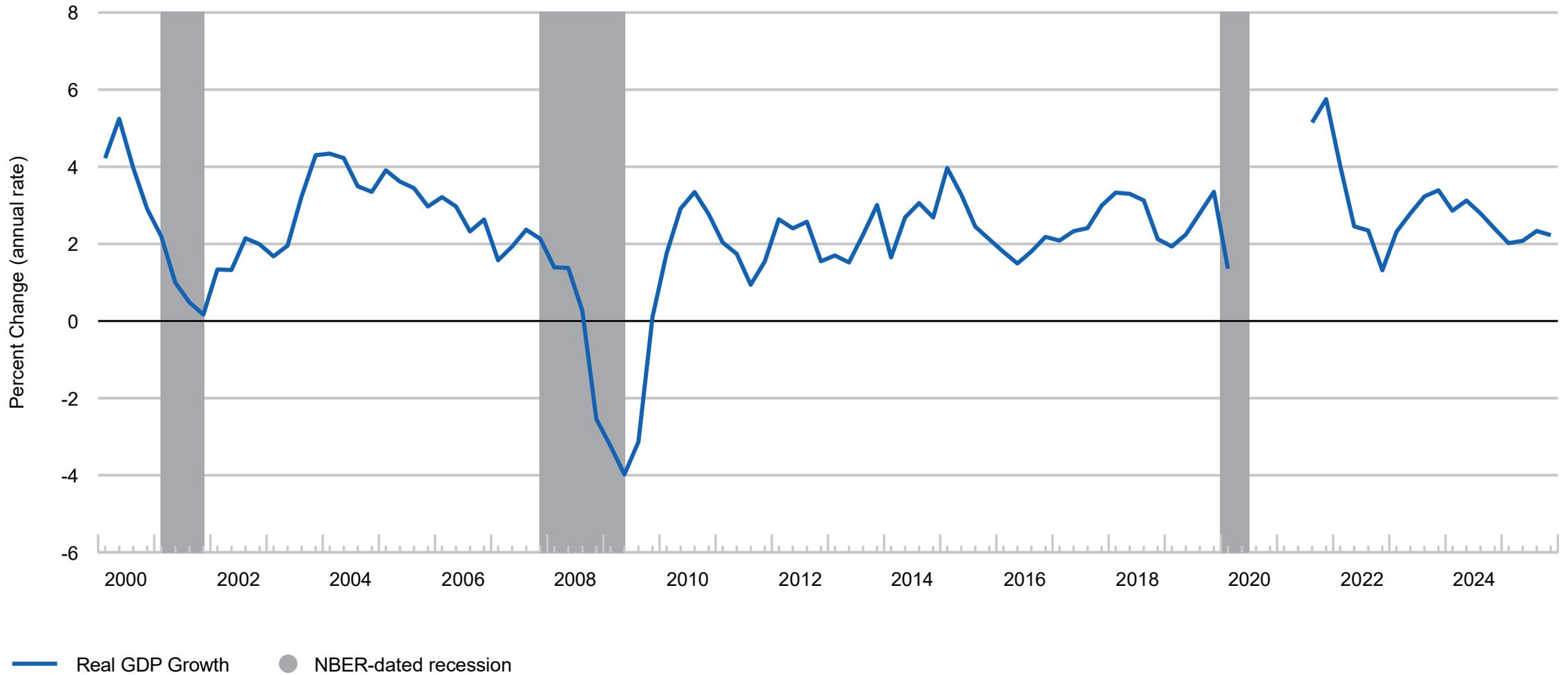
Susan M. Collins
President and Chief Executive Officer
Federal Reserve Bank of Boston

*Outlook 2026, hosted by the Springfield
Regional Chamber*

March 6, 2026



Figure 1 | Real GDP Growth



Note: *Pandemic period data removed for clarity*
Source: *Bureau of Economic Analysis / Haver Analytics.*

Figure 2 | Payroll Growth



Note: Pandemic period data removed for clarity. Data through January 2026.
Source: Bureau of Labor Statistics / Haver Analytics.

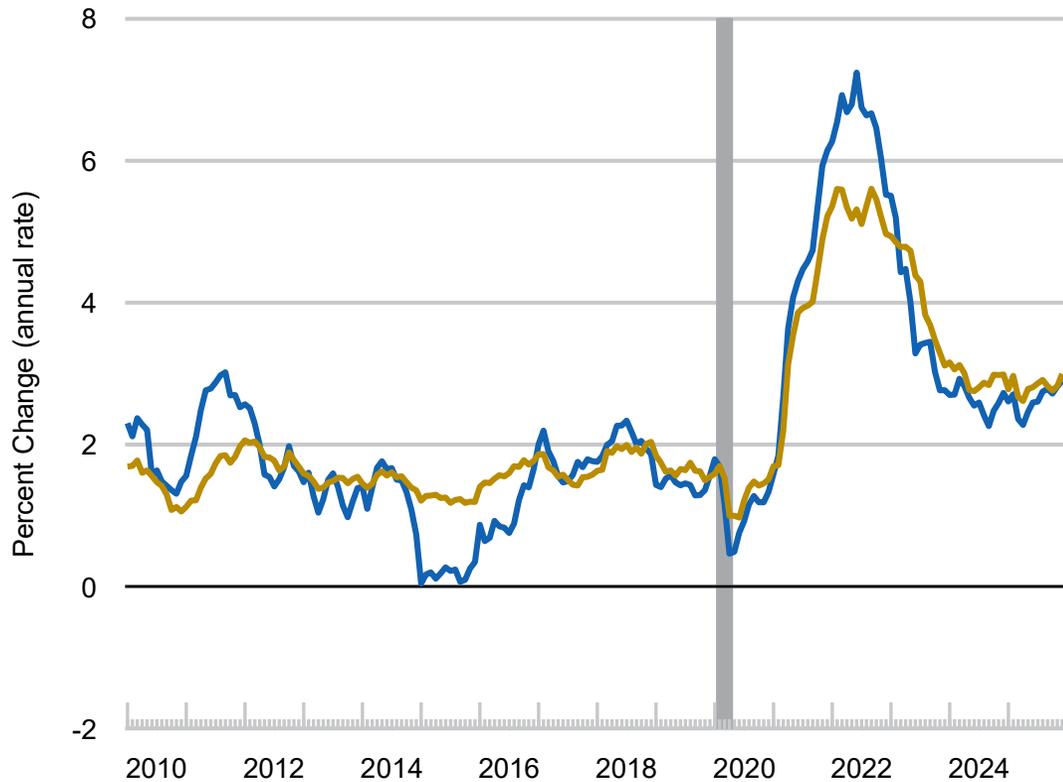
Figure 3 | Unemployment Rate



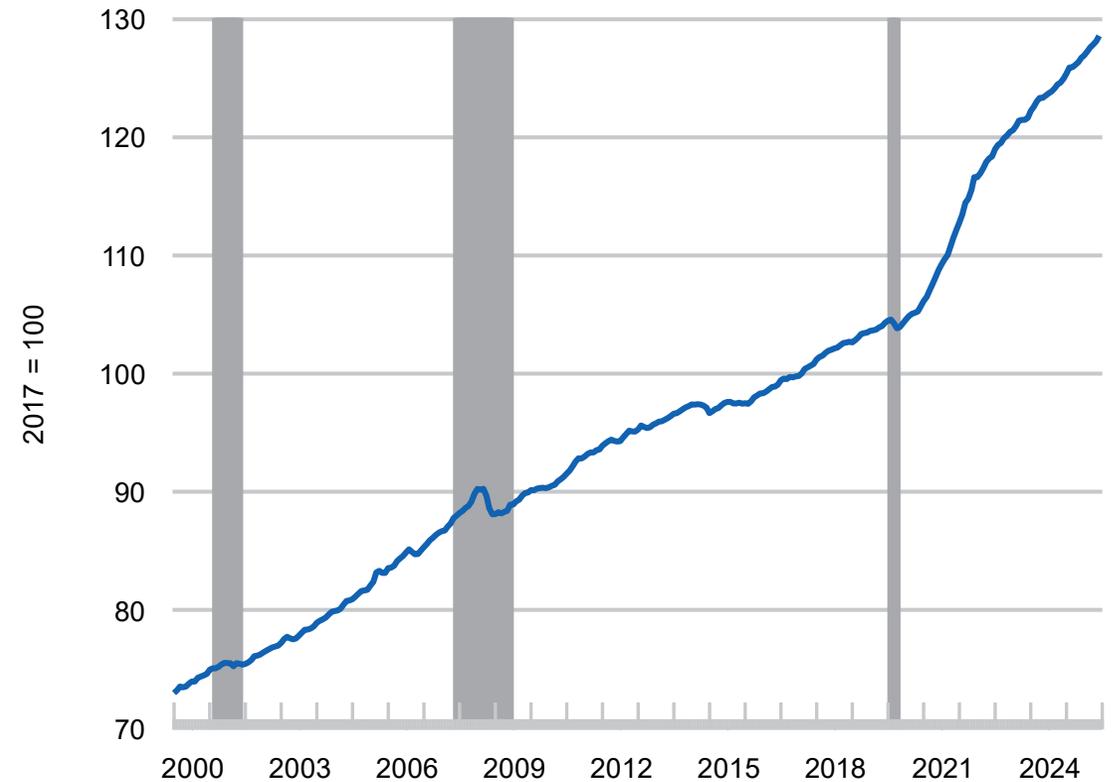
Note: *Pandemic period data removed for clarity . The unemployment rate for October 2025 is unavailable due to suspension of data collection during federal government shutdown Data through January 2026.*
Source: Bureau of Labor Statistics / Haver Analytics.

Figure 4 | Personal Consumption Expenditures (PCE) Prices

A: PCE Inflation



B: PCE Chain Price Index



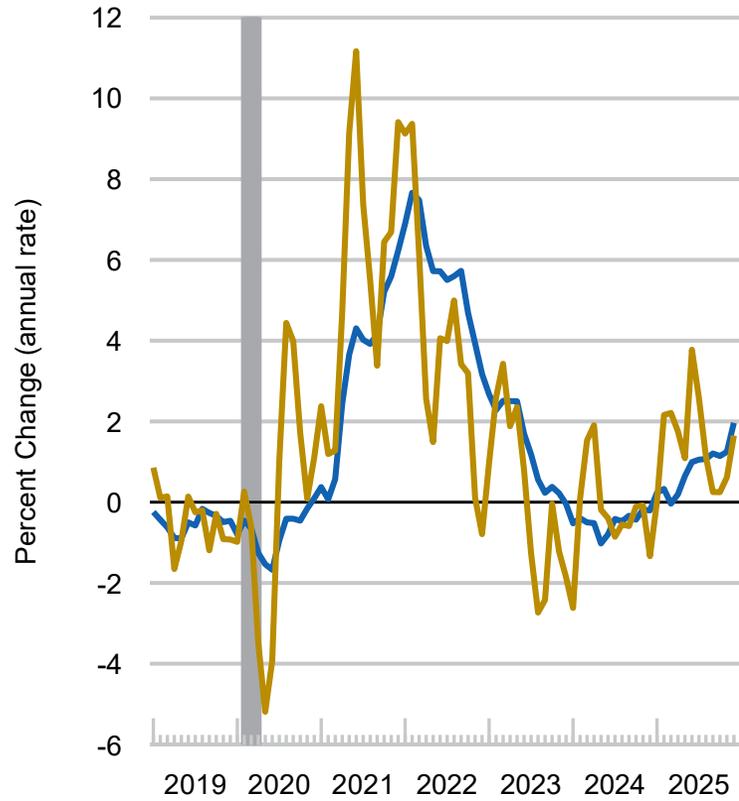
— Total Inflation — Core Inflation ● NBER-dated recession

— PCE: Chain Price Index ● NBER-dated recession

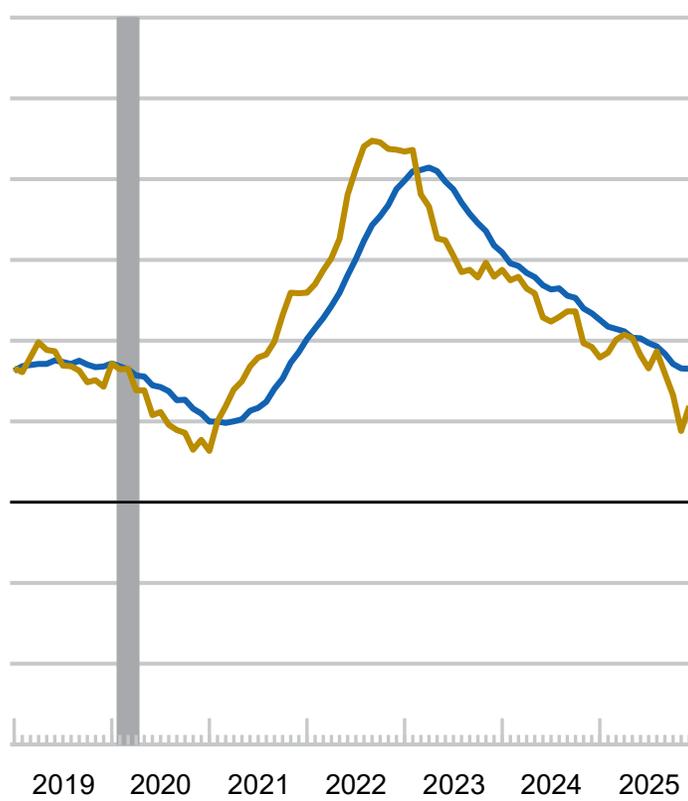
Source: *Bureau of Economic Analysis / Haver Analytics.*

Figure 5 | Components of Core PCE Inflation

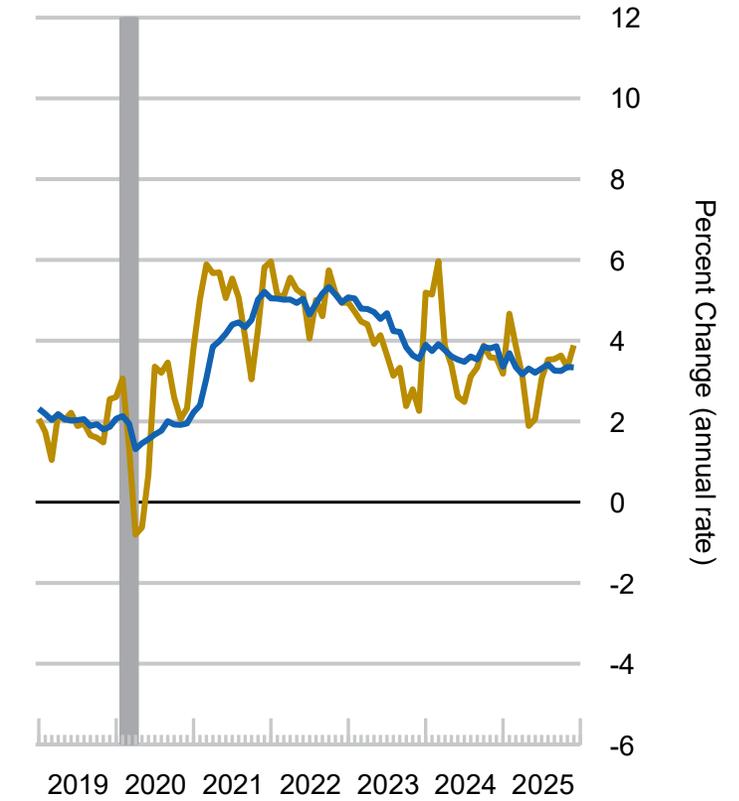
A: Goods



B: Housing



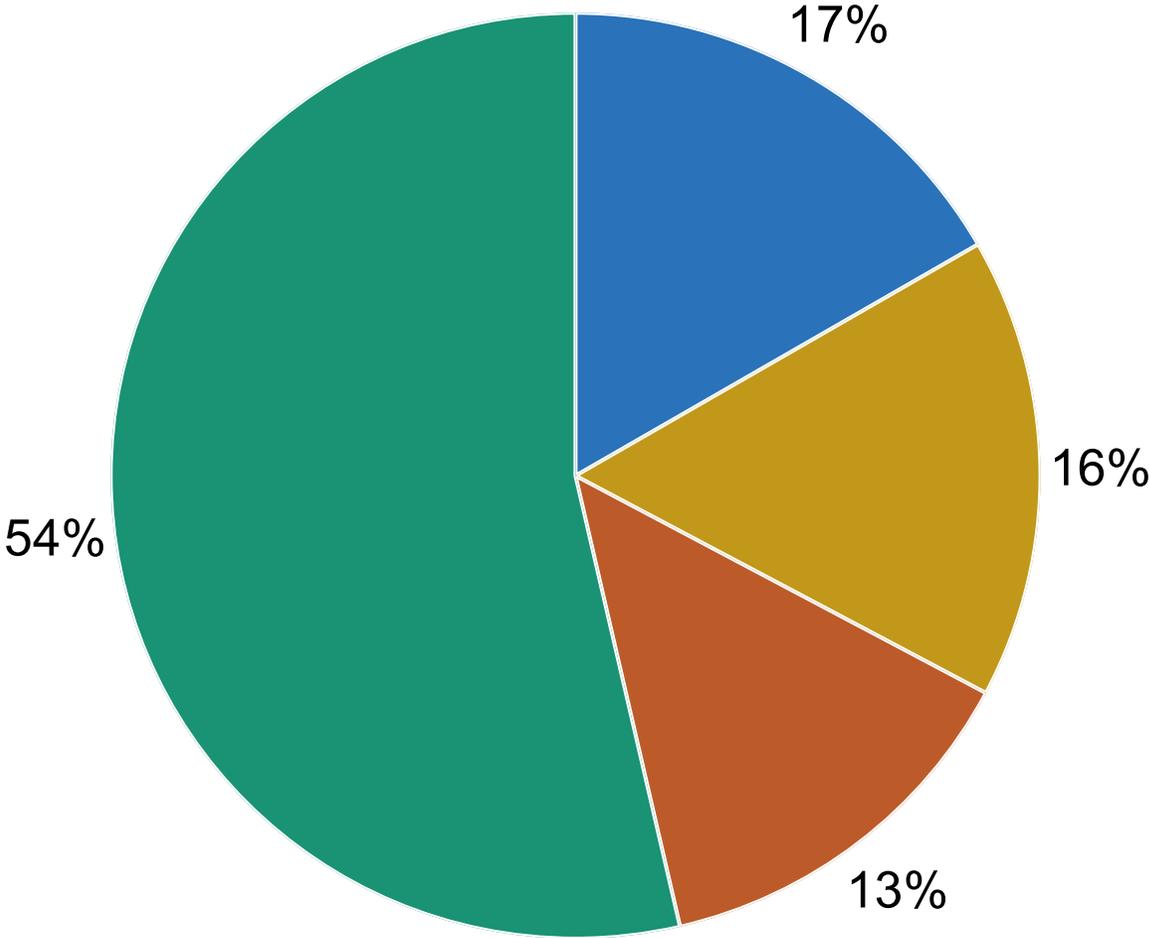
C: Services Excl. Housing



— 12-Month — 3-Month ● NBER-dated recession

Source: Bureau of Economic Analysis/ Haver Analytics.

Figure 6 | Employment Share by Firm Size

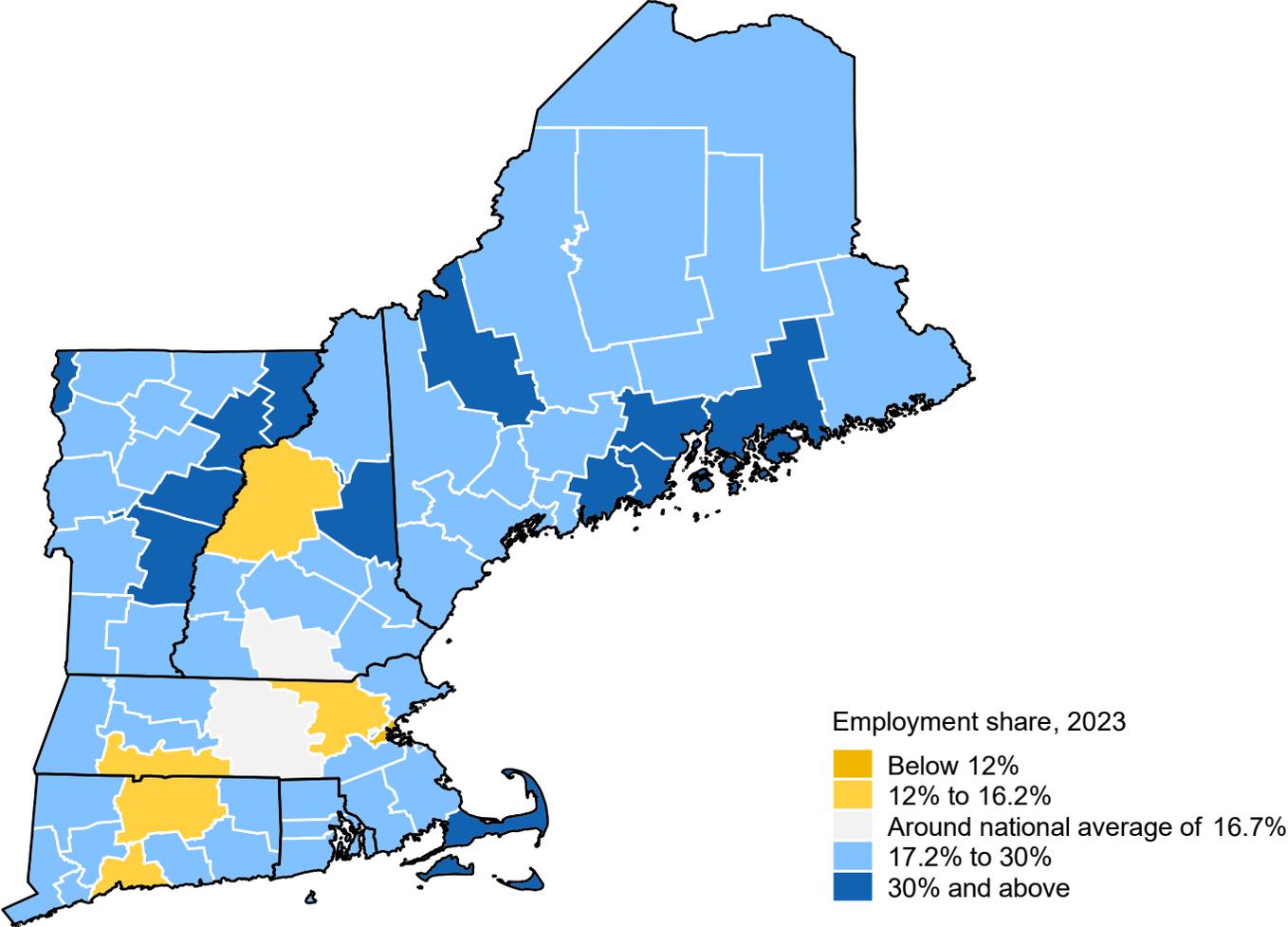


Number of Employees: ■ 1 to 19 ■ 20 to 99 ■ 100 to 499 ■ 500+

Source: 2023 Business Dynamics Survey (BDS) extracts from the US Census Bureau.

Figure 7 | Share of Employment in New England Accounted for by Micro Enterprises

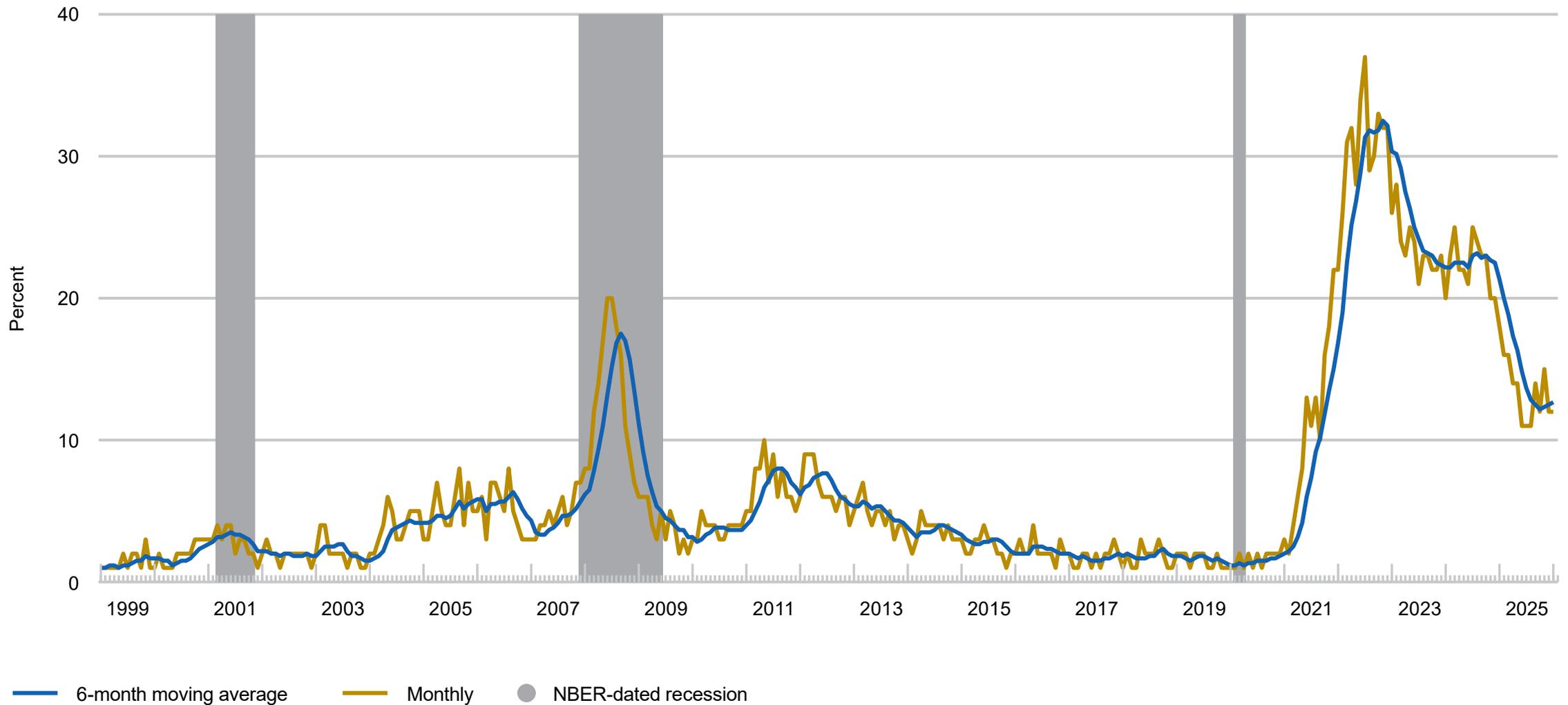
Businesses with 1-19 Employees



Note: The figure shows employment in 1 to 19 employee firms as a share of total employment for each New England county or regional planning district in 2023. Total employment in each county is defined as the sum of employment in 1 to 19 employee firms, 20 to 499 employee firms, and 500+ employee firms. Yellow counties are classified as having an employment share of 1 to 19 employee businesses 0.5 or more percentage points below the U.S. average of 16.7%; blue counties are classified as having an employment share of 1 to 19 employee businesses 0.5 or more percentage points above the U.S. average.

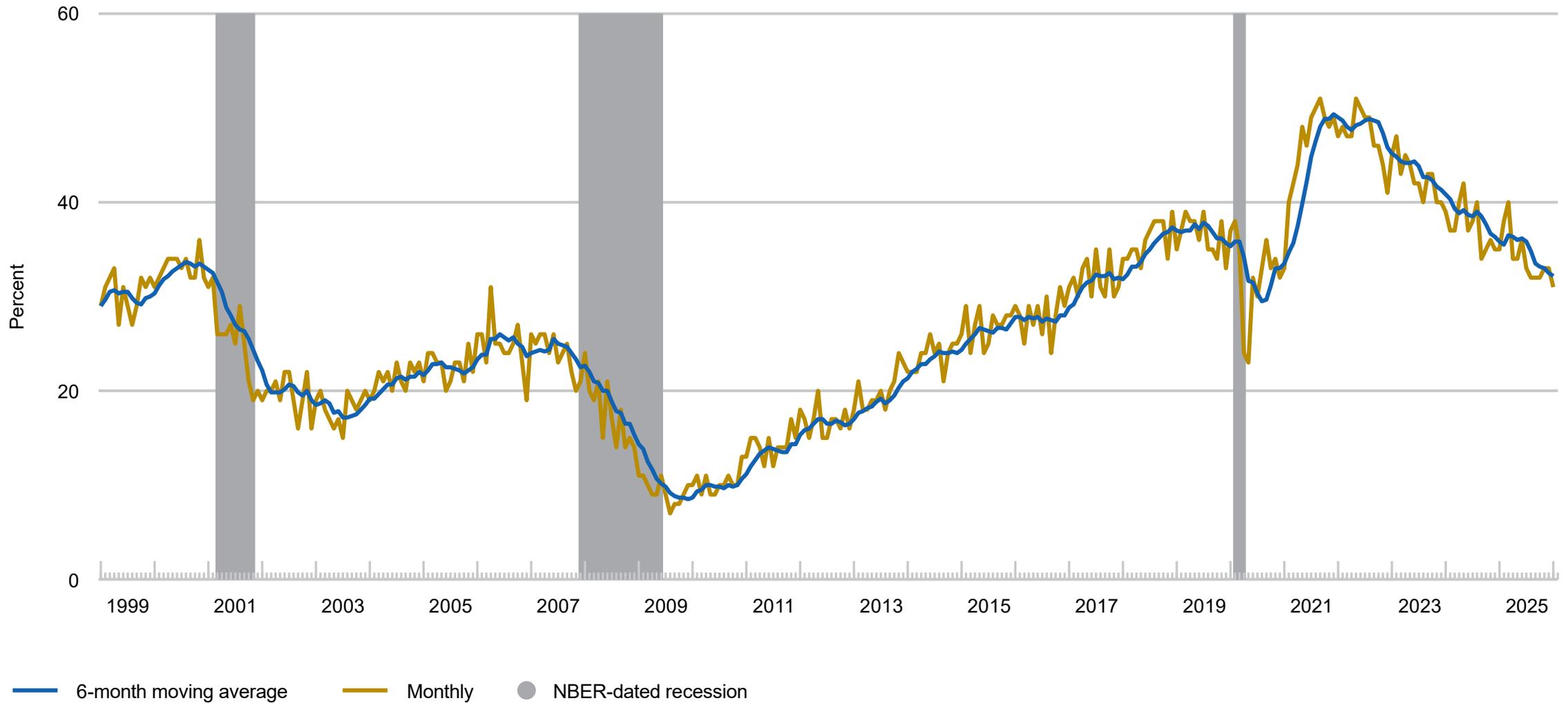
Source: 2023 Business Dynamics Survey (BDS) extracts from the US Census Bureau.

Figure 8 | Share of Independent Businesses Reporting Inflation as the Single Most Important Problem



Note: Based on survey data from the NFIB. The NFIB represents small and independent businesses of various sizes from sole proprietorships to firms with hundreds of employees
Source: National Federation of Independent Business / Haver Analytics.

Figure 9 | Share of Independent Businesses Reporting Having Positions they are Unable to Fill



Note: Based on survey data from the NFIB. The NFIB represents small and independent businesses of various sizes from sole proprietorships to firms with hundreds of employees
Source: National Federation of Independent Business / Haver Analytics.

Figure 10 | Regional Connections

