



Federal Reserve
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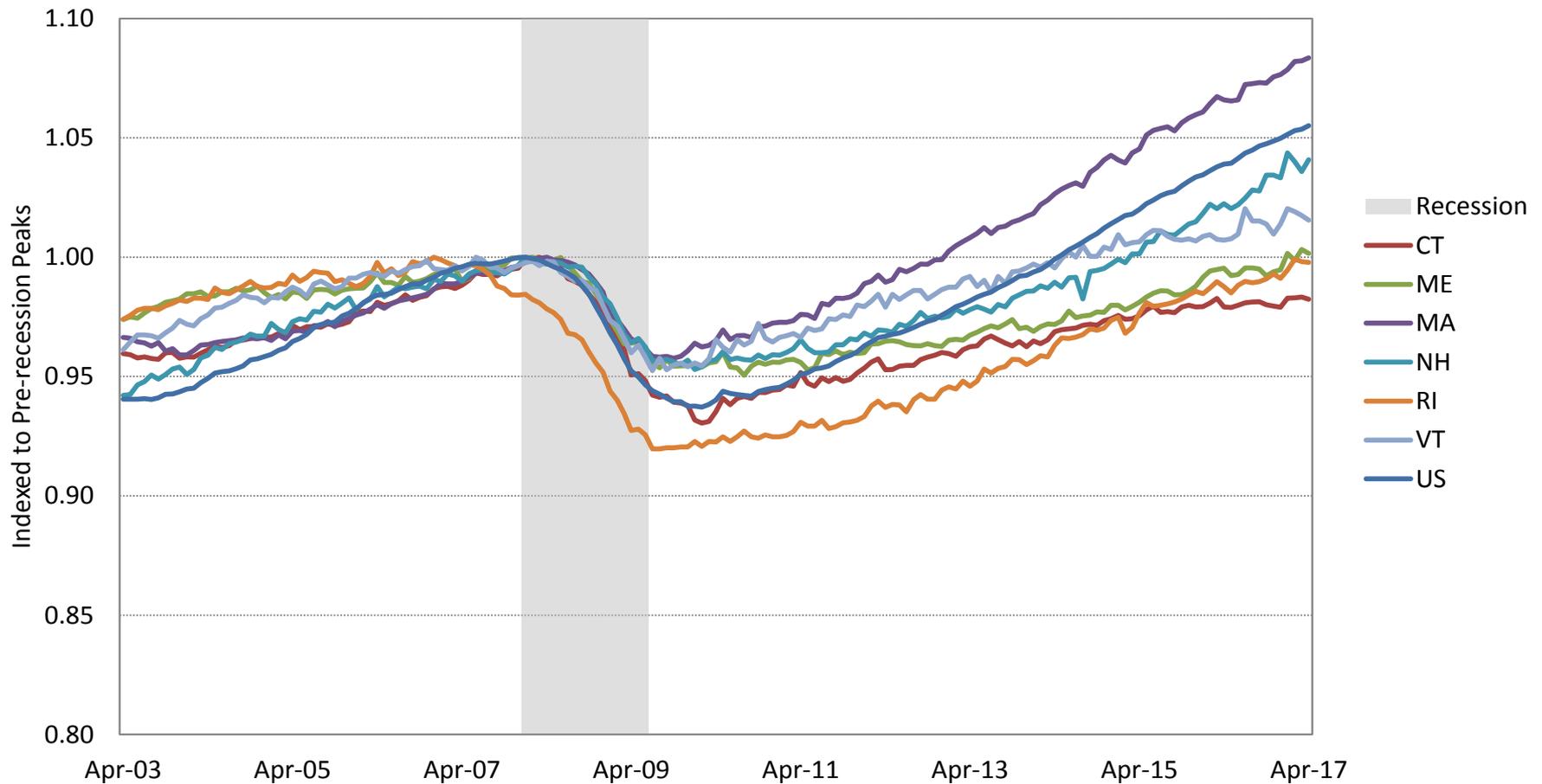
New England Economic Outlook

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June 2, 2017

Emerging Leaders in New England's Banking Industry
Federal Reserve Bank of Boston/Connolly Center

Payroll Employment: Recovery Mixed Across New England States

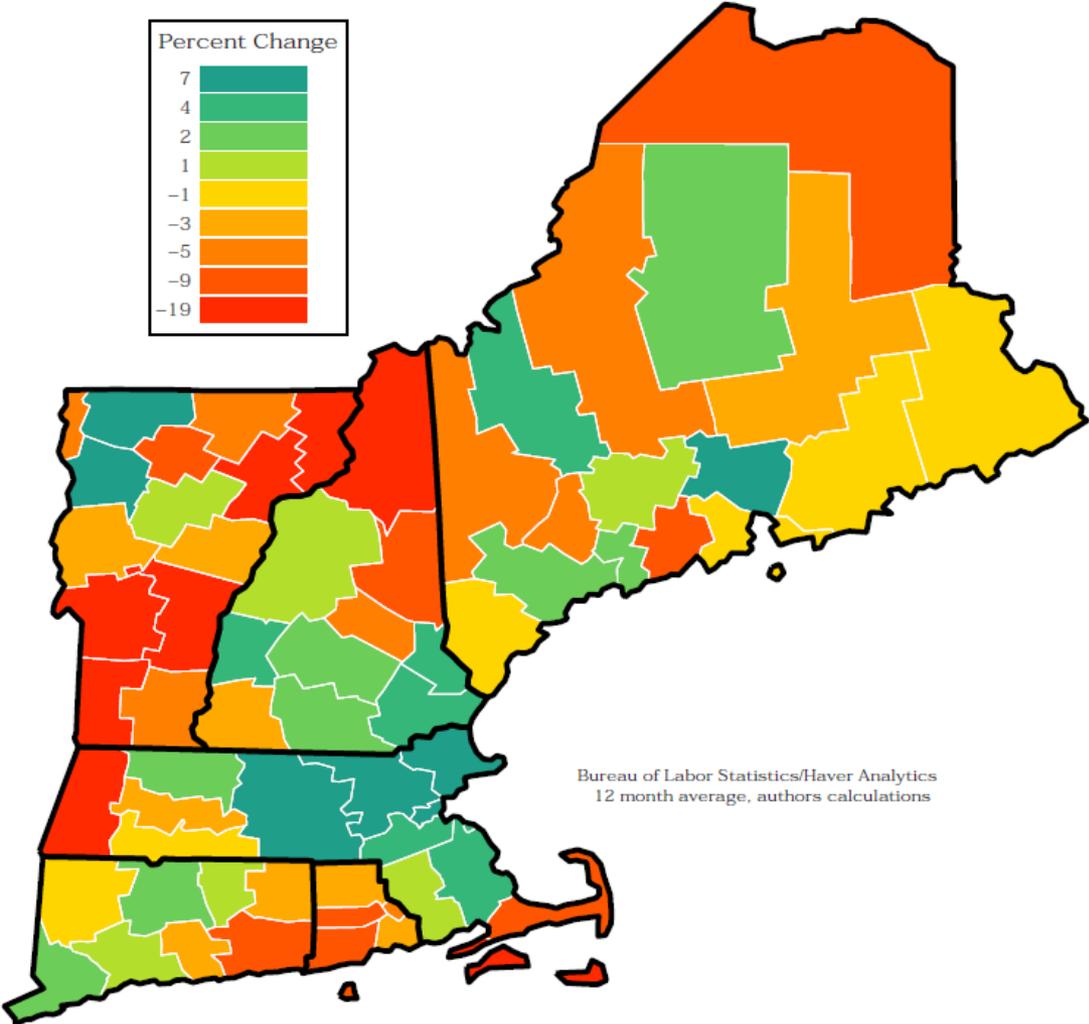


NH and MA Boosted Employment Growth in Region (since April 2016)

	Annual Long-term Trend	Last 12 months		Since Peak	
	Percent	Percent	Number	Percent	Number
United States	1.4	1.6	2,237,000	5.5	7,633,000
New England	0.9	1.2	87,600	4.1	293,000
Connecticut	0.5	0.3	5,500	-1.8	-30,100
Maine	1.2	0.6	3,900	0.2	1,000
Massachusetts	0.9	1.7	58,600	8.3	278,100
New Hampshire	1.5	1.8	12,000	4.1	26,600
Rhode Island	0.7	1.0	5,000	-0.2	-1,100
Vermont	1.3	0.8	2,600	1.6	4,800

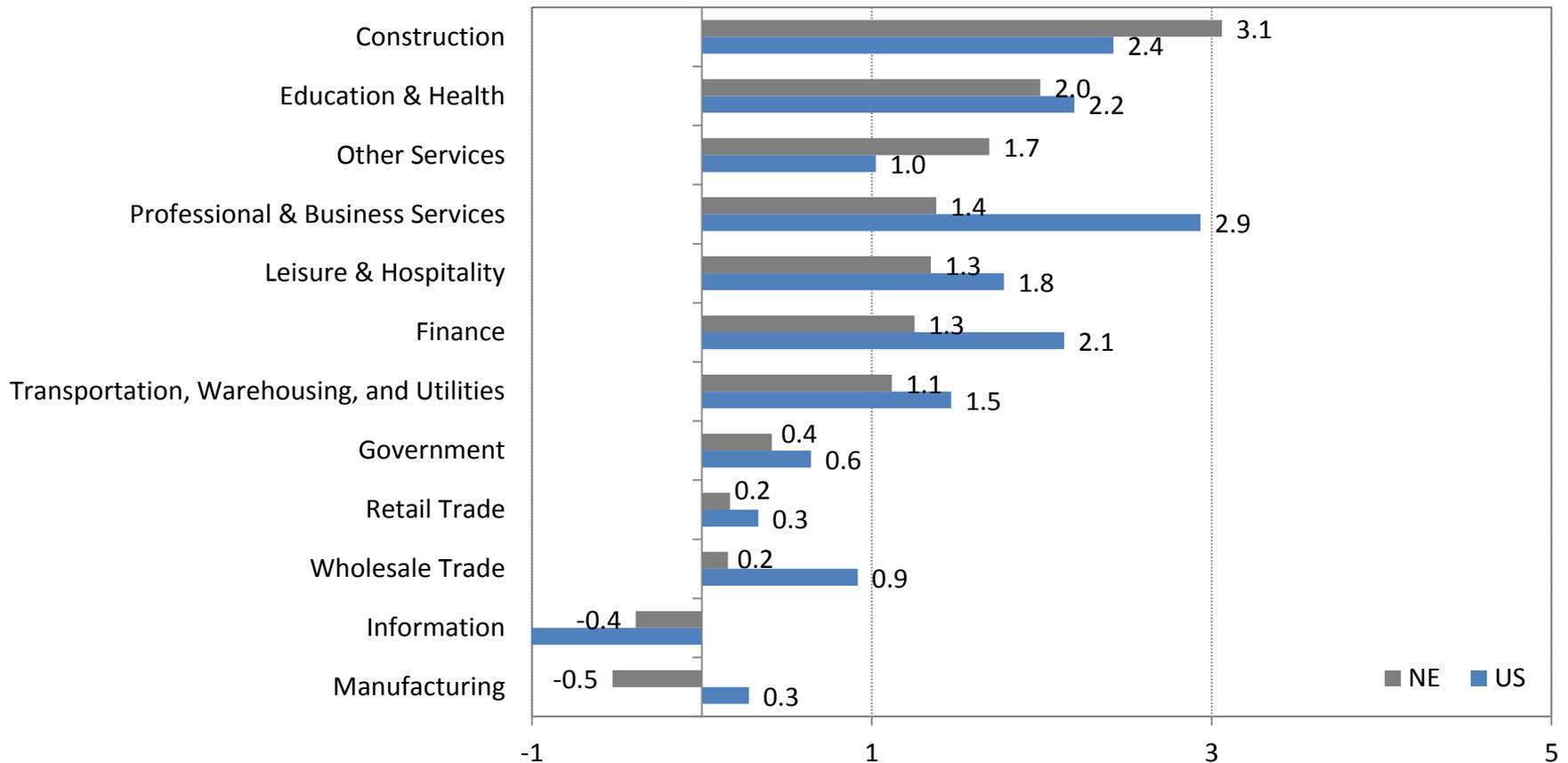
- Long-Term Trend: average emp. growth rate 1985-2015
- Last 12 Months: emp. growth rate April 2016-April 2017
- Since Peak: net change to April 2017 from pre-recession peak

Net Job Gains Since March 2008: Rural Counties Still Haven't Recovered



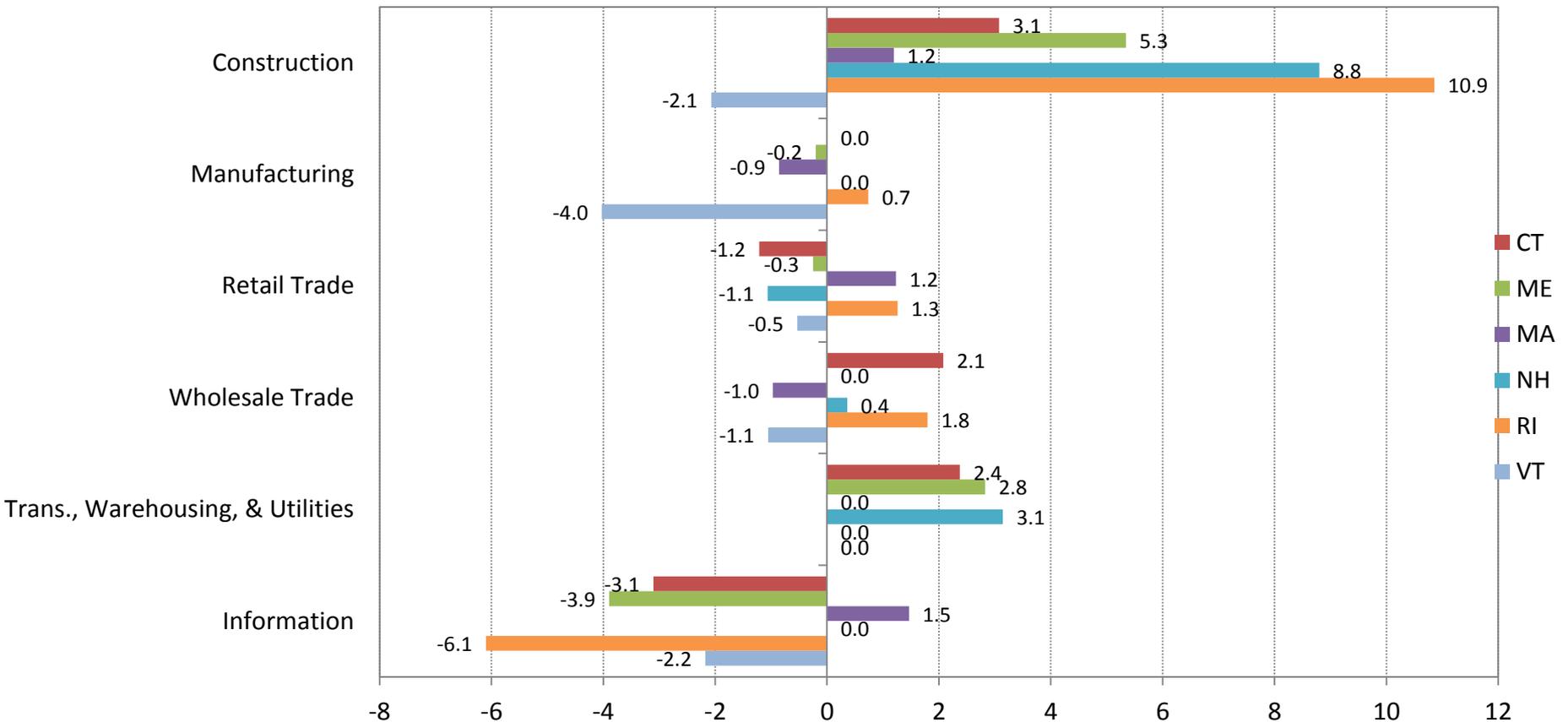
Construction Employment Rebounding in Region...

Percent Change, April 2016 - April 2017



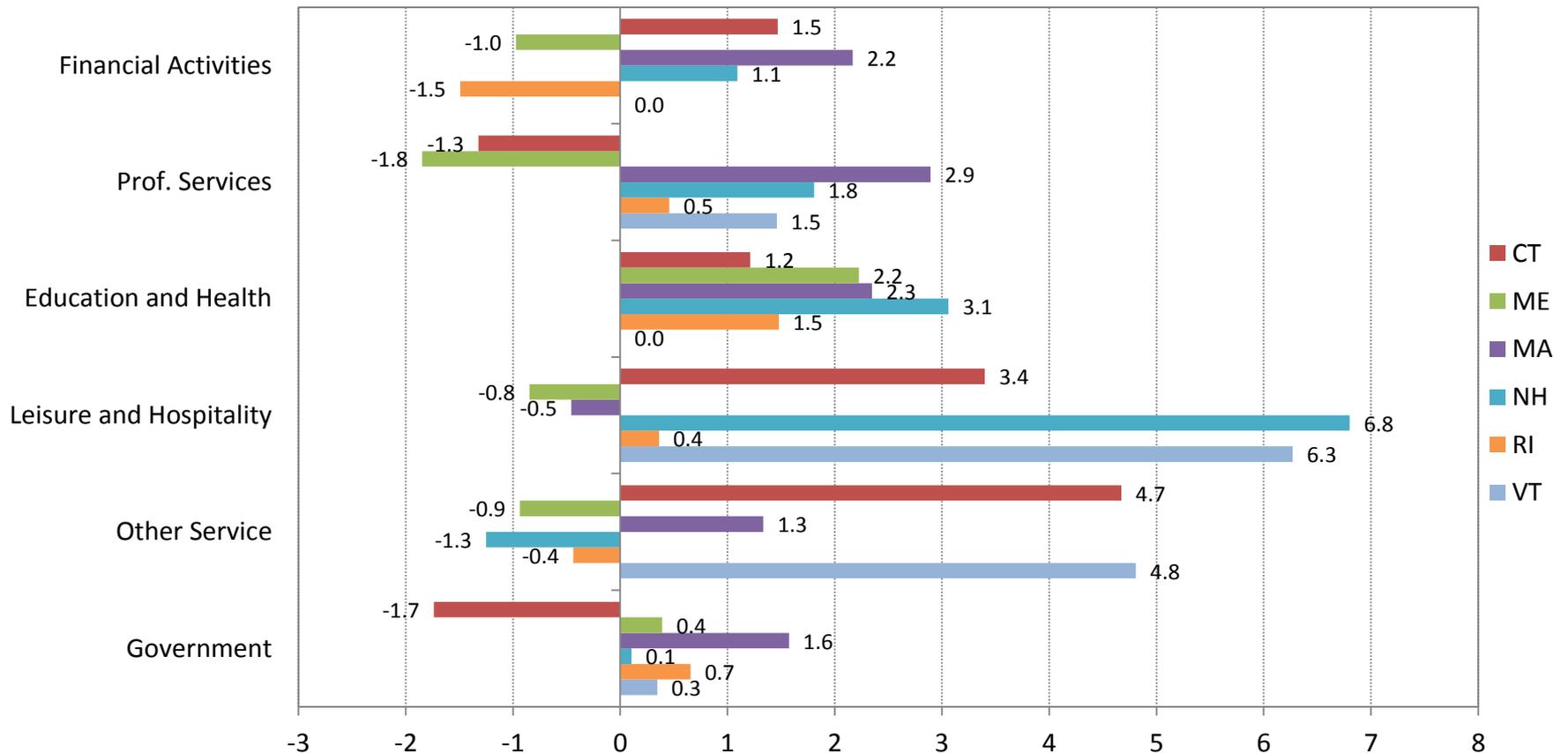
...Especially in Rhode Island and New Hampshire

Percent Change, April 2016 - April 2017

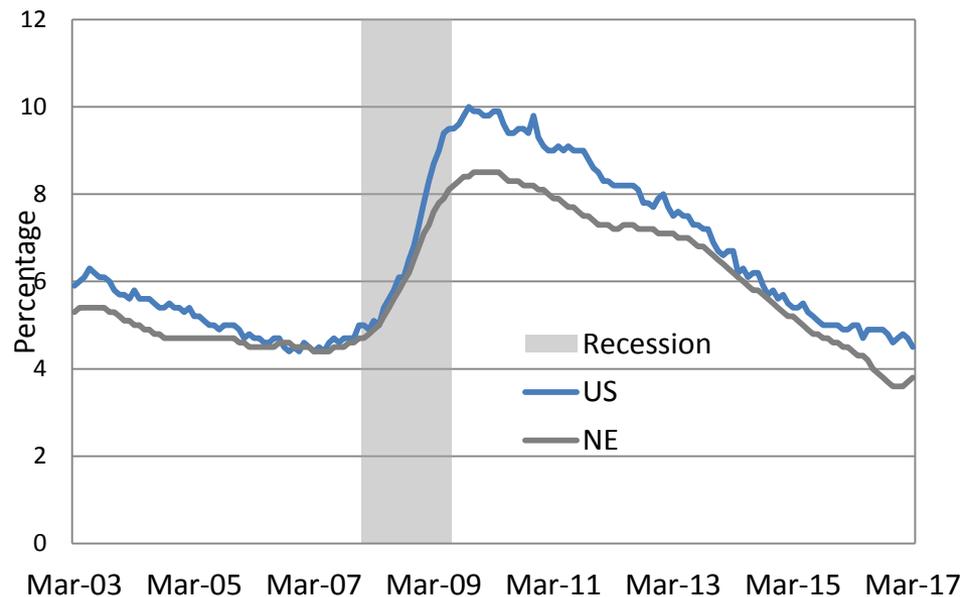


Education-Health Sector Adding Jobs in All States (Flat in VT)

Percent Change, April 2016 - April 2017

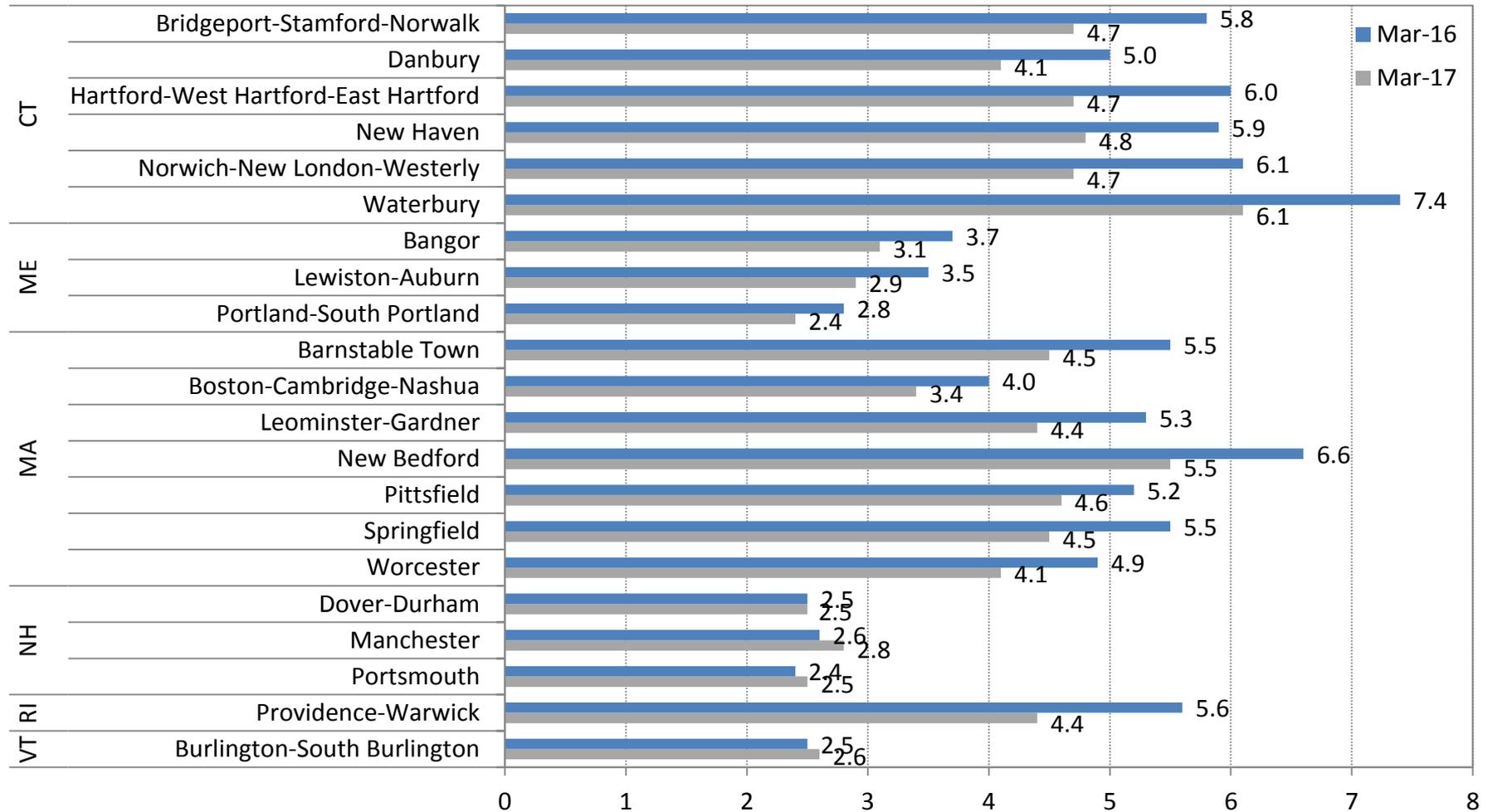


Unemployment Rate in New England Below its Pre-Recession Minimum



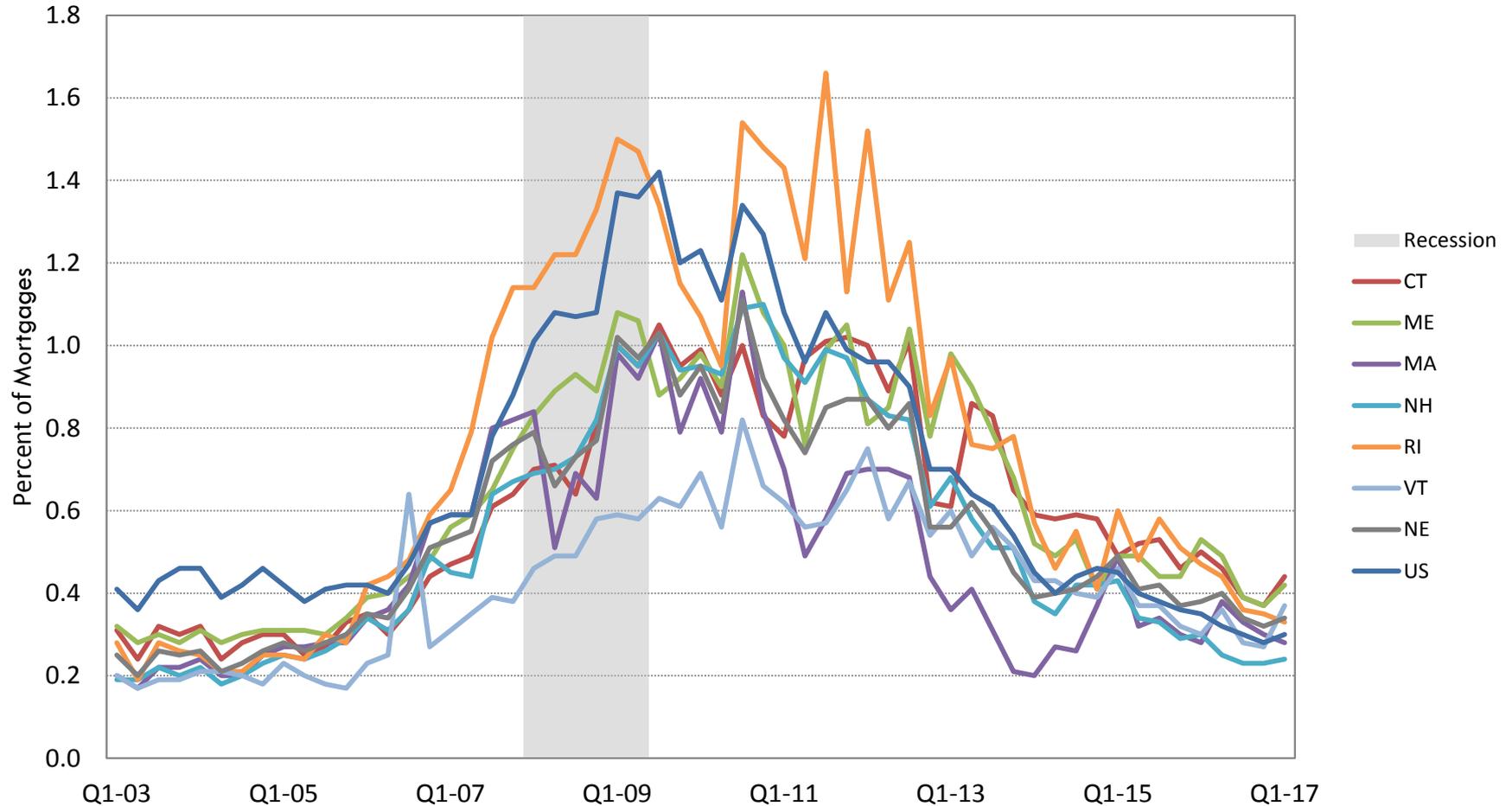
	Apr-16	Apr-17
United States	5.0	4.4
New England	4.3	3.9
Connecticut	5.4	4.9
Maine	3.8	3.0
Massachusetts	4.0	3.9
New Hampshire	2.8	2.8
Rhode Island	5.4	4.3
Vermont	3.3	3.1

Unemployment Rates Vary Across Metro Areas, But Most are Lower than One Year Ago

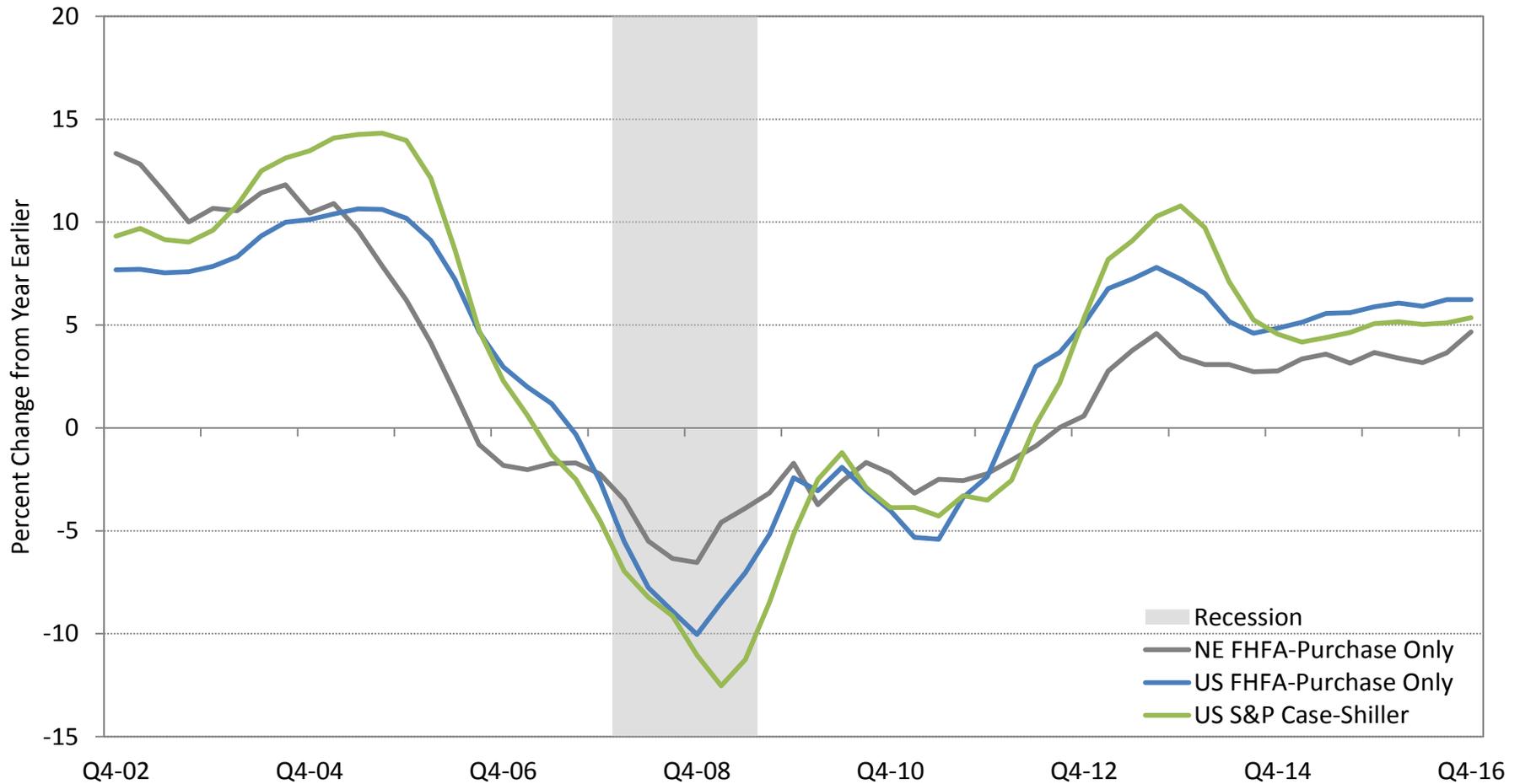


Source: Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Boston

Foreclosure Rates Close to Pre-Recession Lows in New England



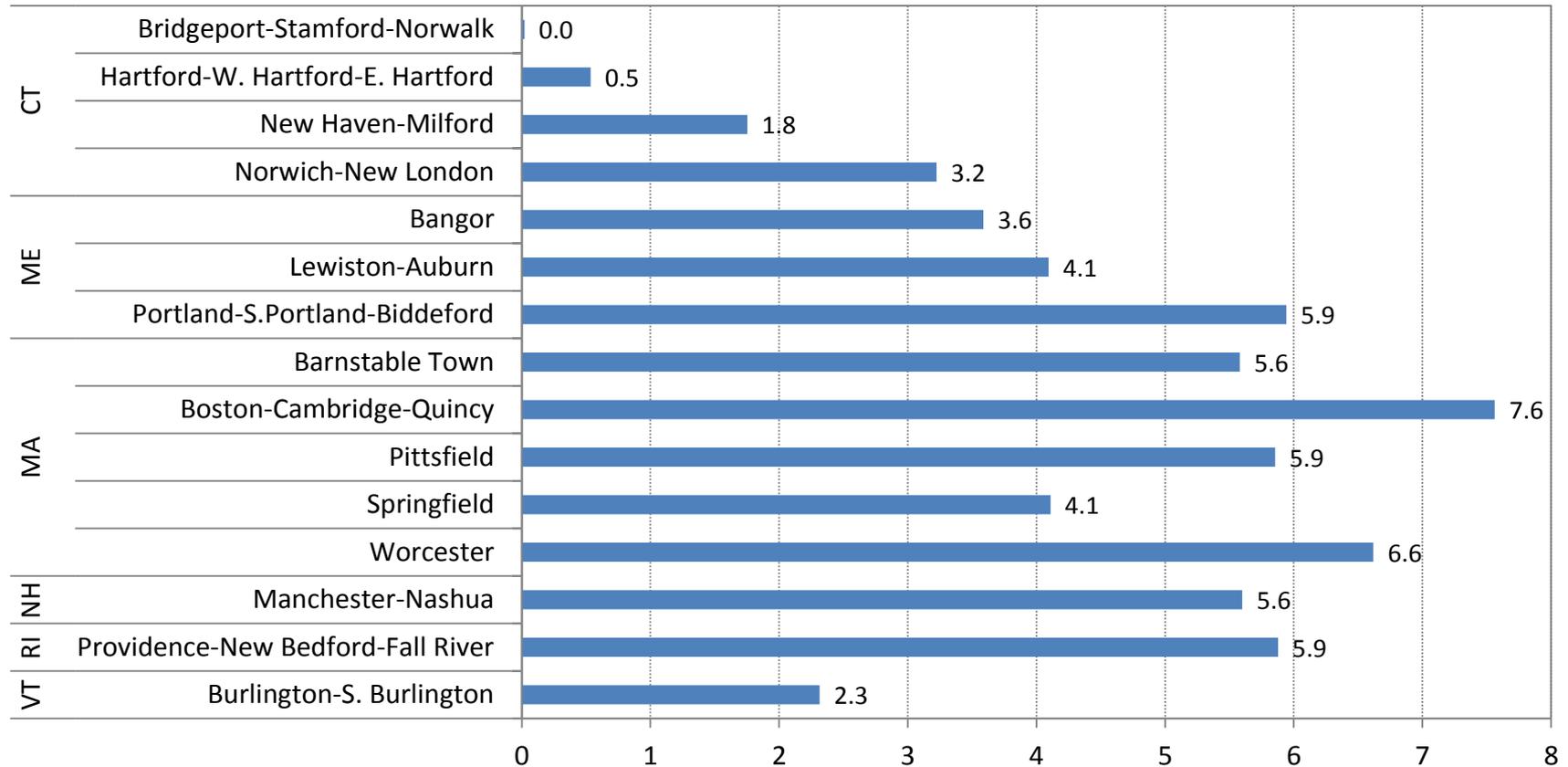
Region's House Price Growth Accelerated in 2016



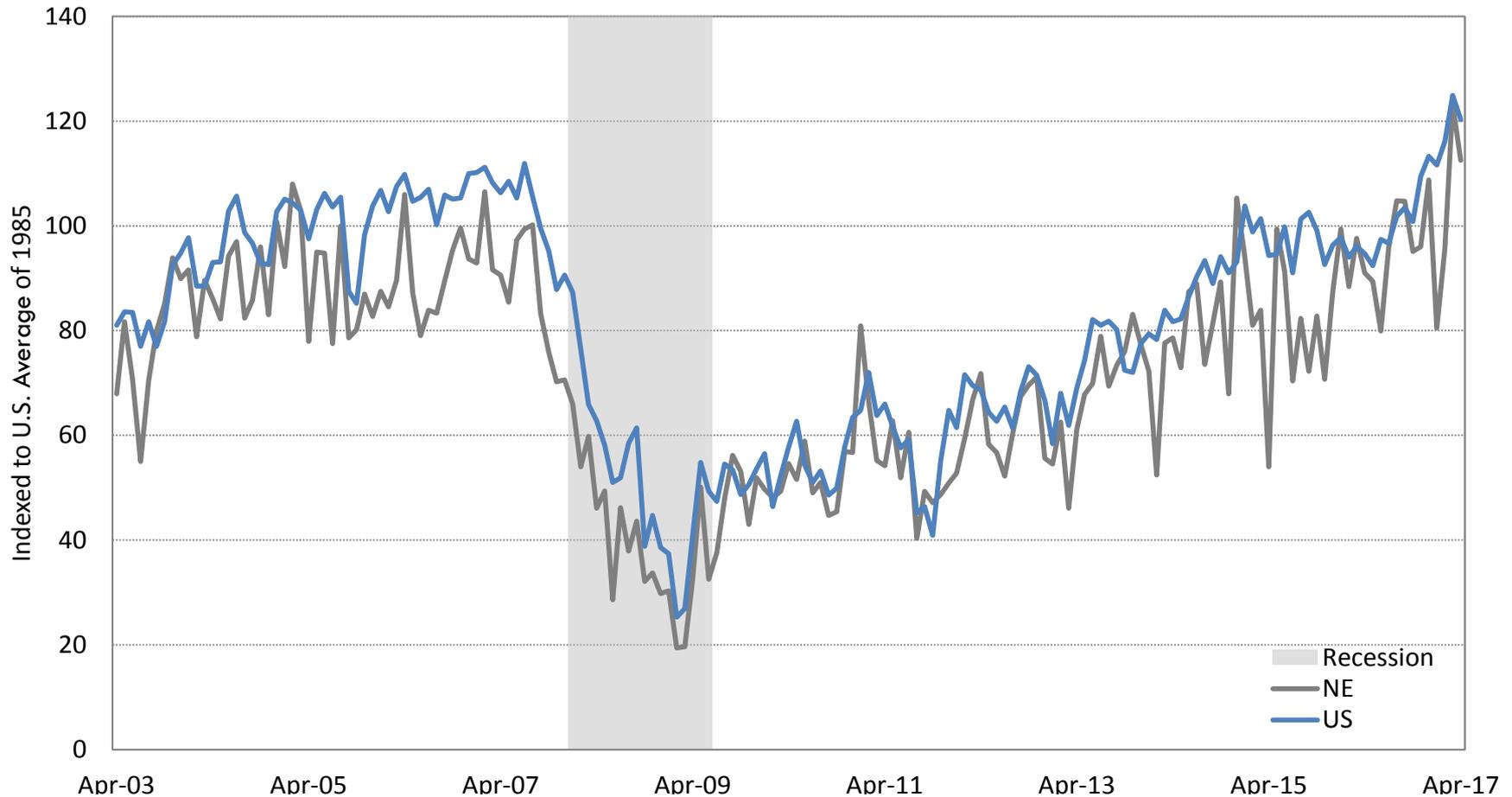
House Price Gains Highest in Boston Metro Area; Weakest in CT

(Single Family Homes)

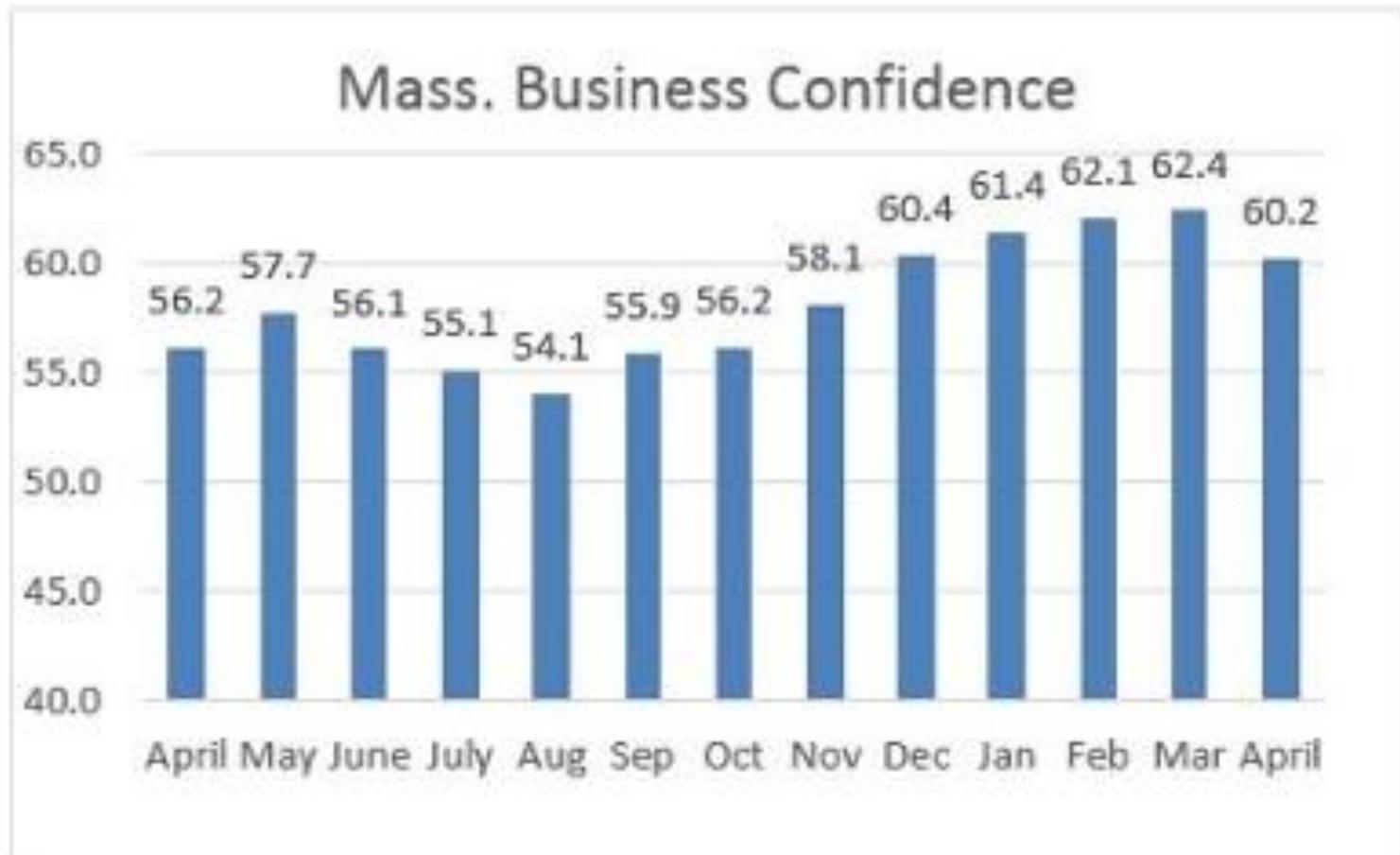
Percent Change, Q1 2016 - Q1 2017



Consumer Confidence Recently Surged Above Pre-Recession Highs



MA Business Confidence Moderates After Reaching 13-Year High

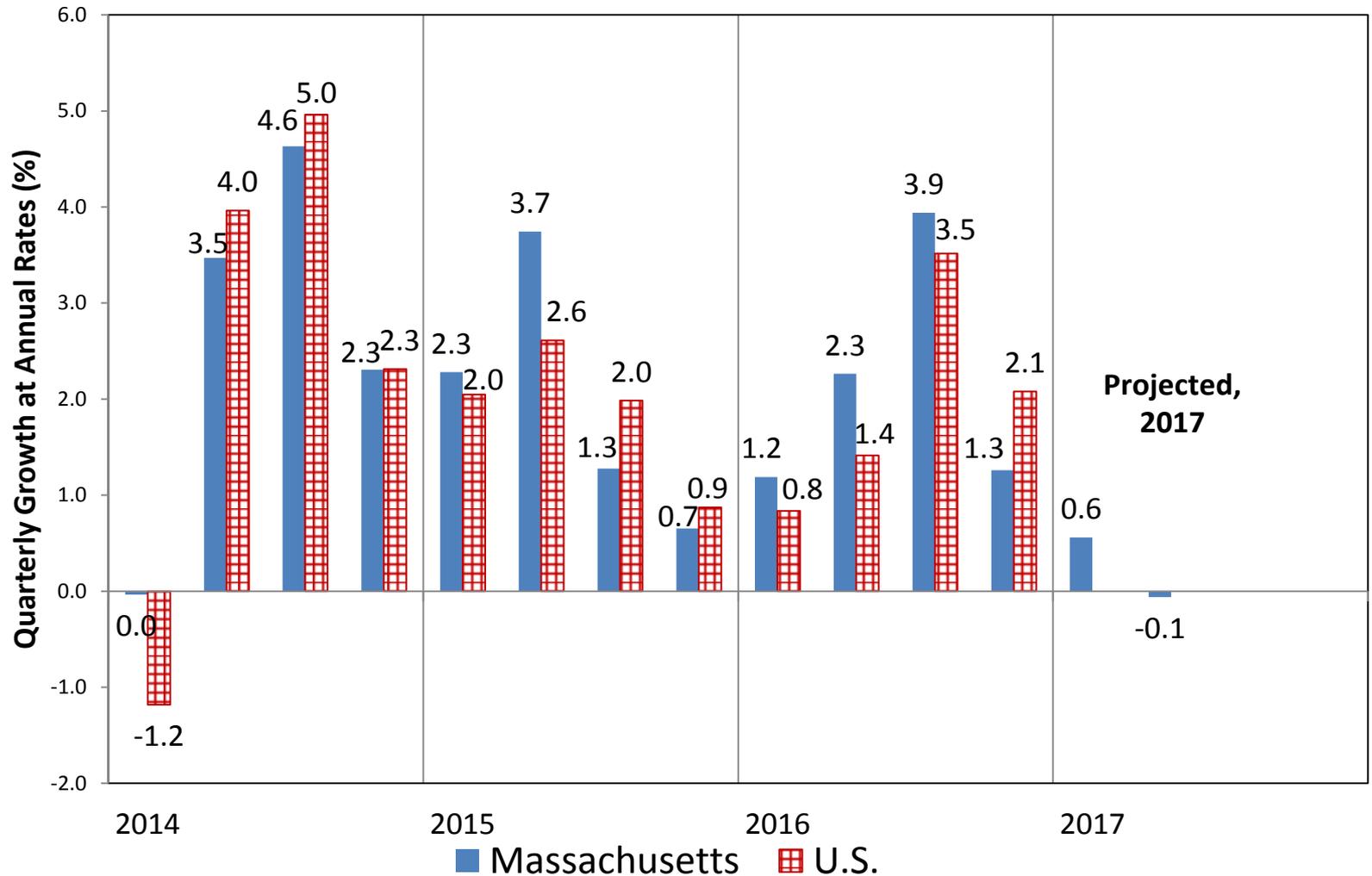


Source: Associated Industries of Massachusetts; <http://blog.aimnet.org/AIM-IssueConnect>

Economic Growth in Massachusetts Slowed in Late 2016; State's Growth Pace May Moderate Further in 2017

Growth in Real Product, Massachusetts vs. U.S.

Source: U.S., Bureau of Economic Analysis; Massachusetts: MassBenchmarks



Risks to the Outlook for the Region

- Downside risks to economic growth
 - Labor supply constraints: very little slack in market; demographics a drag as well
 - Infrastructure needs work
 - New England states facing fiscal pressures
- Upside risks
 - National policies may create fiscal stimulus
 - Labor participation on the upswing recently