

Through February 2021, both the New England region and the United States experienced sharp declines in economic conditions relative to the first months of 2020. Payroll employment dropped and unemployment rates have risen relative to one year prior, though the February 2021 rates have improved relative to the spring of 2020. Leisure & hospitality employment is affected most among the supersectors. Through the fourth quarter of 2020, in both the region and the nation home prices appreciated compared to the same period in 2019.

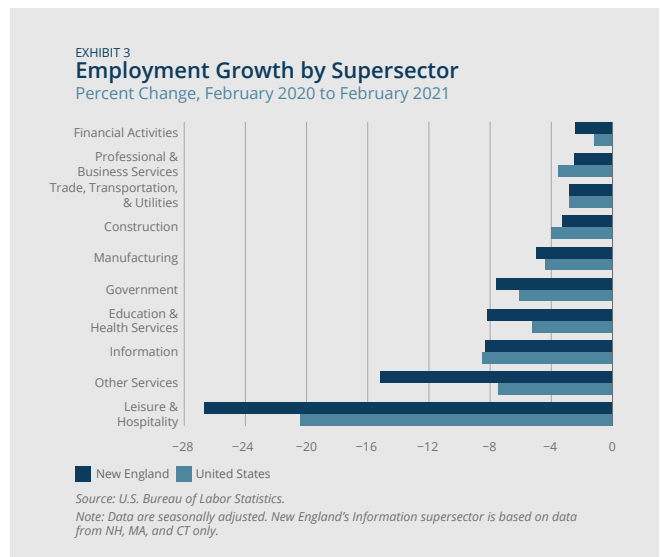
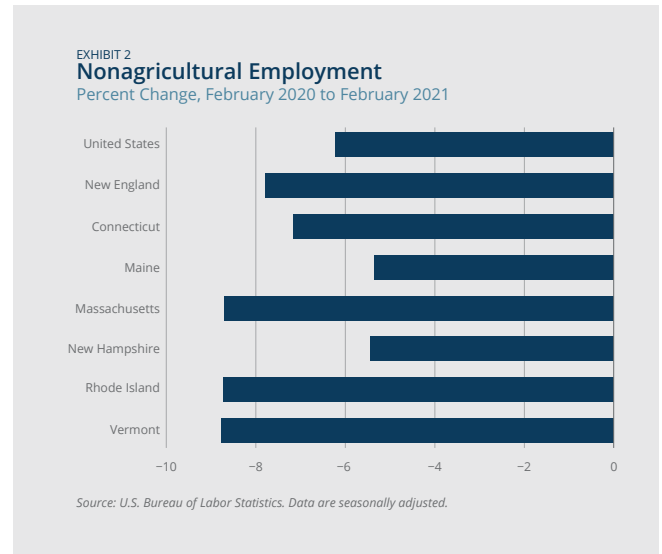
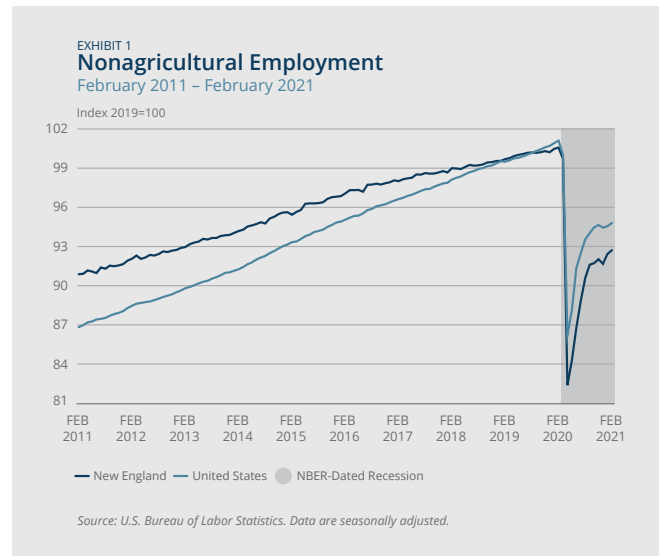
## Payroll Employment

### Employment declined more sharply in four of the six New England states than in the nation

The United States and New England experienced sharp declines in payroll employment through February 2021 (Exhibit 1). Payrolls declined 6.2 percent nationally and 7.8 percent regionally between February 2020 and February 2021 (Exhibit 2). Within New England, four of the six states posted job losses greater than the national average. The exceptions were Maine and New Hampshire with declines of 5.3 percent and 5.4 percent, respectively. The largest year-over-year decline was in Vermont (-8.8 percent) followed by Rhode Island and Massachusetts (both -8.7 percent), and Connecticut (-7.2 percent).

### Leisure & hospitality job losses in New England surpass national declines

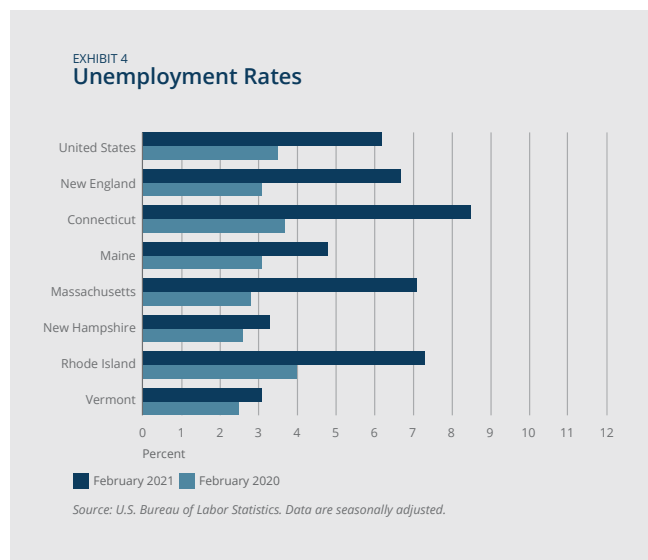
In February, employment decreased year-over-year in every supersector in New England and the United States (Exhibit 3). The leisure & hospitality supersector had the largest declines both regionally (-26.7 percent) and nationally (-20.4 percent). Declines in the leisure & hospitality supersector were larger in five of the six New England states than the national average, ranging across the region from -17.5 percent in New Hampshire to -32.4 percent in Vermont. The regional declines in the information, construction, and professional & business services supersectors were smaller than the corresponding national losses. Losses in trade, transportation, and utilities were -2.9 percent in both New England and the US. Employment losses in all other supersectors in the region exceeded those of the nation.



## Unemployment

### Unemployment rates in CT, MA, and RI remain above the national rate

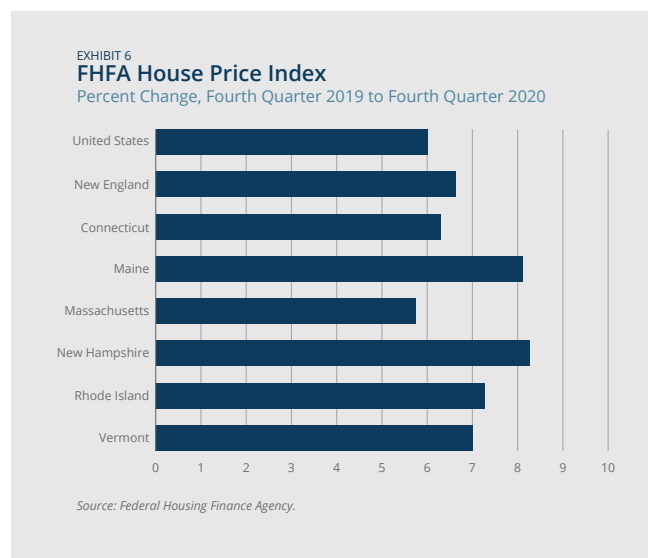
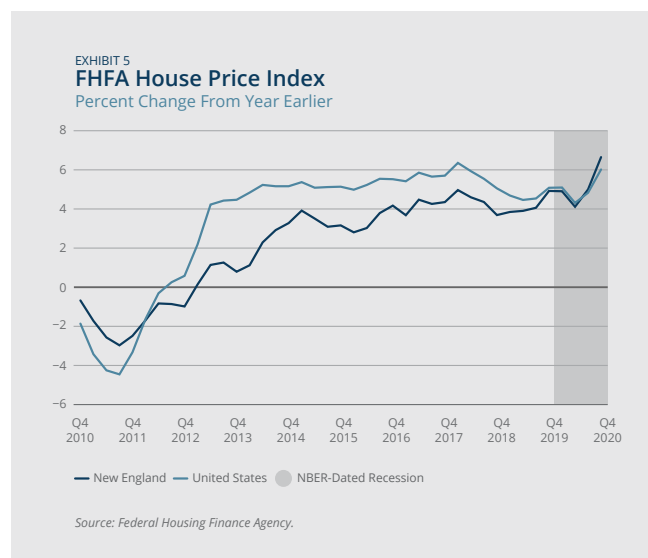
The February 2021 unemployment rate was 6.2 percent nationally and 6.7 percent regionally. All six New England states saw unemployment rate increases between February 2020 and February 2021, with Connecticut posting the largest increase of 4.8 percentage points, landing at 8.5 percent (Exhibit 4). The unemployment rate in Massachusetts (7.1 percent) and Rhode Island (7.3 percent) were also above the national average. Maine (4.8 percent), New Hampshire (3.3 percent), and Vermont (3.1 percent) saw rates lower than the national average, but each state had significant increases compared to February 2020.



## Home Prices

### New Hampshire recorded the fastest house price growth in the region through Q4 2020

Home prices continued to rise in the nation and region, with the regional growth rate continuing to narrowly exceed the national rate for the most recent two quarters for the first time since 2011 (Figure 5). Between the fourth quarter of 2019 and the fourth quarter of 2020, home prices increased 6.0 percent nationally and 6.6 percent regionally. All six New England states reported year-over-year appreciation in house prices (Exhibit 6). House price growth in Massachusetts (5.7 percent) was the lowest in the region over the period considered, and it was the only New England state lower than the national average house price growth rate. Connecticut (6.3 percent), New Hampshire (8.3 percent), Maine (8.1 percent), Rhode Island (7.3 percent), and Vermont (7.0 percent) outpaced the national average rate.



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New England Economic Indicators aggregates data released prior to March 27, 2021.

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