

## Economic activity continued to improve into 2019

New England and the United States continued to experience improving economic conditions. Through August 2019, employment increased and unemployment rates fell relative to one year prior. Through the second quarter of 2019, home prices continued to climb both regionally and nationally compared to the same period in 2018.

## Payroll Employment

### Employment grew in New England at a slower pace than across the nation

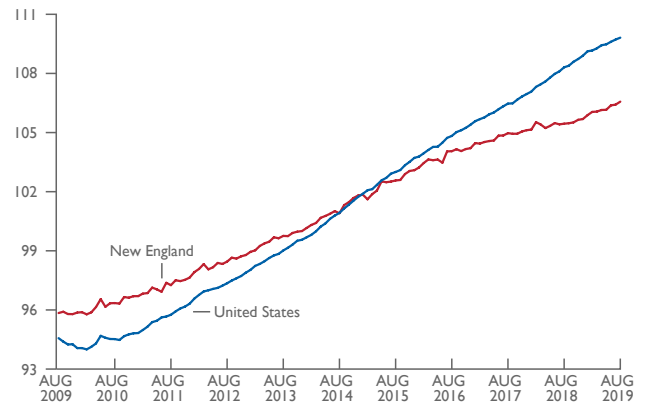
The United States and New England continued to post job gains through August 2019. Payroll employment increased 1.4 percent nationally and 1.1 percent regionally between August 2018 and August 2019 (Exhibit 1). Within New England, New Hampshire (1.9 percent) posted the strongest year-over-year job gains through August 2019, surpassing the national rate (Exhibit 2). Rhode Island, at 1.5 percent, saw employment growth above the national rate as well. Connecticut (0.4 percent), Maine (1.1 percent), Massachusetts (1.2 percent), and Vermont (0.2 percent) each saw increased payroll employment, but experienced smaller gains than the national average.

### Manufacturing job decline in New England despite national growth

In August, manufacturing employment decreased 0.3 percent year-over-year in New England compared to a stronger national growth rate of 1.1 percent. Manufacturing jobs increased in two of the six New England states: Maine (2.1 percent) and Connecticut (0.2 percent), though only Maine outpaced the national rate. Manufacturing employment decreased in Massachusetts (-0.2 percent), New Hampshire (-1.5 percent), and Rhode Island (-3.2 percent), but remained flat in Vermont. The education & health services supersector led the region in employment growth, with year-over-year gains (2.2 percent) that trailed national employment growth in the corresponding supersector (2.4 percent) (Exhibit 3). Over the same period, government jobs grew 0.7 percent in the region and 0.4 percent nationally.

## Exhibit 1 Nonagricultural Employment

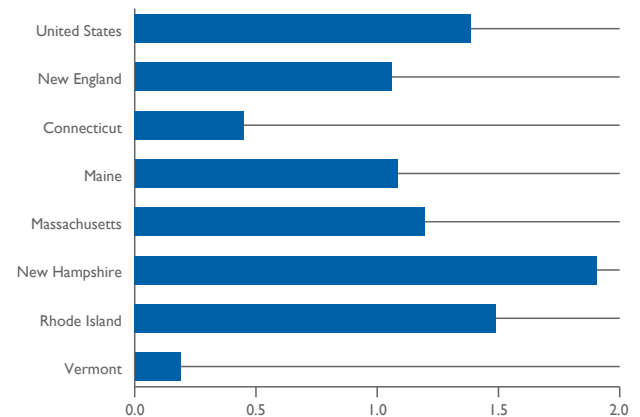
August 2009 – August 2019  
Index 2007=100



Source: U.S. Bureau of Labor Statistics. Data are seasonally adjusted.

## Exhibit 2 Nonagricultural Employment

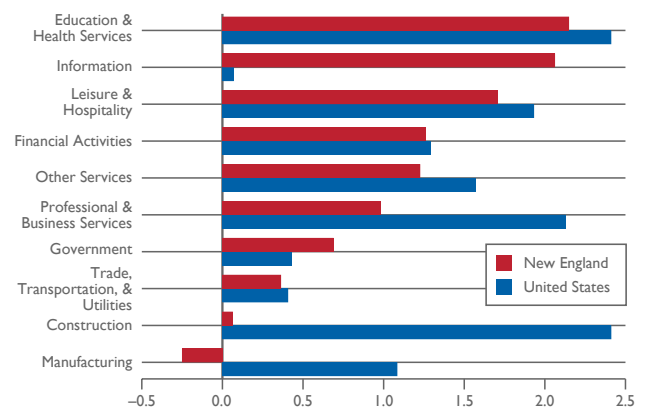
Percent Change, August 2018 to August 2019



Source: U.S. Bureau of Labor Statistics. Data are seasonally adjusted.

## Exhibit 3 Employment Growth by Supersector

Percent Change, August 2018 to August 2019



Source: U.S. Bureau of Labor Statistics.

Note: Data are seasonally adjusted. New England's Information supersector is based on data from NH, MA, and CT only.

## Unemployment

### Unemployment rates declined in five New England states relative to one year prior

Five of the six New England states saw unemployment rate declines between August 2018 and August 2019, with Maine posting the largest decline (0.6 percentage points) (Exhibit 4). The exception was New Hampshire, where the unemployment rate remained constant at 2.5 percent over the same period. The region as a whole experienced a year-over-year decrease in the unemployment rate of 0.4 percentage points, landing at 3.0 percent in August 2019, the lowest rate for New England since January 2001. As of August 2019, all six New England states had unemployment rates below the national rate (3.7 percent). Vermont, at 2.1 percent, had the lowest unemployment rate in the region. Rhode Island and Connecticut, which both had unemployment rates of 3.6 percent in August 2019, tied for having the highest rate in the region.

## Home Prices

### New Hampshire recorded the fastest house price growth in the region

Home prices continued to rise in the nation and region, with the national growth rate still exceeding the regional rate (Exhibit 5). Between the second quarter of 2018 and the second quarter of 2019, home prices increased 5.0 percent nationally and 4.3 percent regionally. All six New England states reported positive year-over-year growth in house prices (Exhibit 6), but their average pace of gains eased from previous quarters. House price growth in Connecticut (3.3 percent) was the lowest in the region over the period considered. New Hampshire, at 5.7 percent, was the only New England state to outpace the national average of 5.7 percent.

New England Economic

# INDICATORS

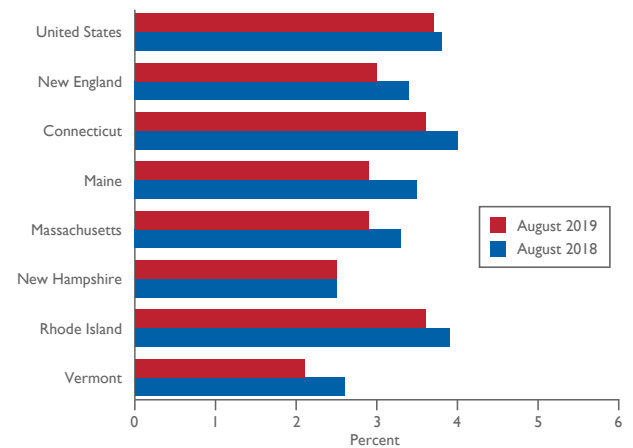
New England Economic Indicators is published by the Federal Reserve Bank of Boston.

New England Economic Indicators aggregates data released prior to September 26, 2019.

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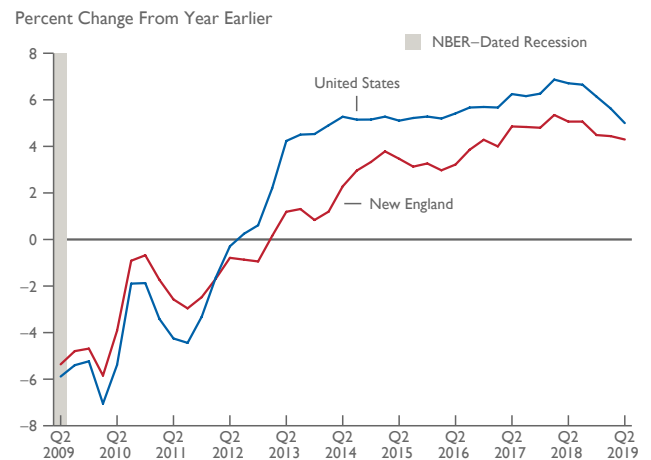


Exhibit 4 Unemployment Rates



Source: U.S. Bureau of Labor Statistics. Data are seasonally adjusted.

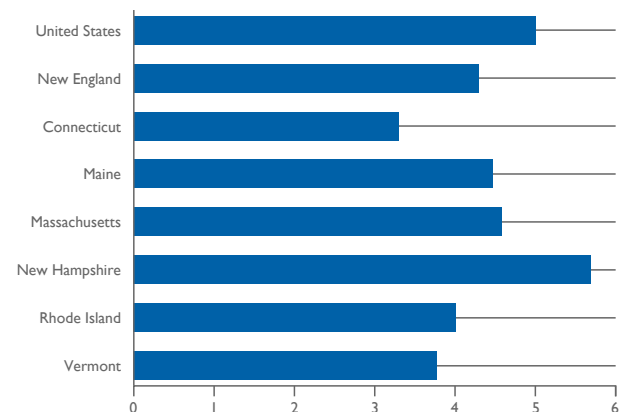
Exhibit 5 FHFA House Price Index



Source: Federal Housing Finance Agency.

Exhibit 6 FHFA House Price Index

Percent Change, Second Quarter 2018 to Second Quarter 2019



Source: Federal Housing Finance Agency.