

NEW ENGLAND ECONOMIC UPDATE

Presented to the New England Advisory Council
September 12, 2016

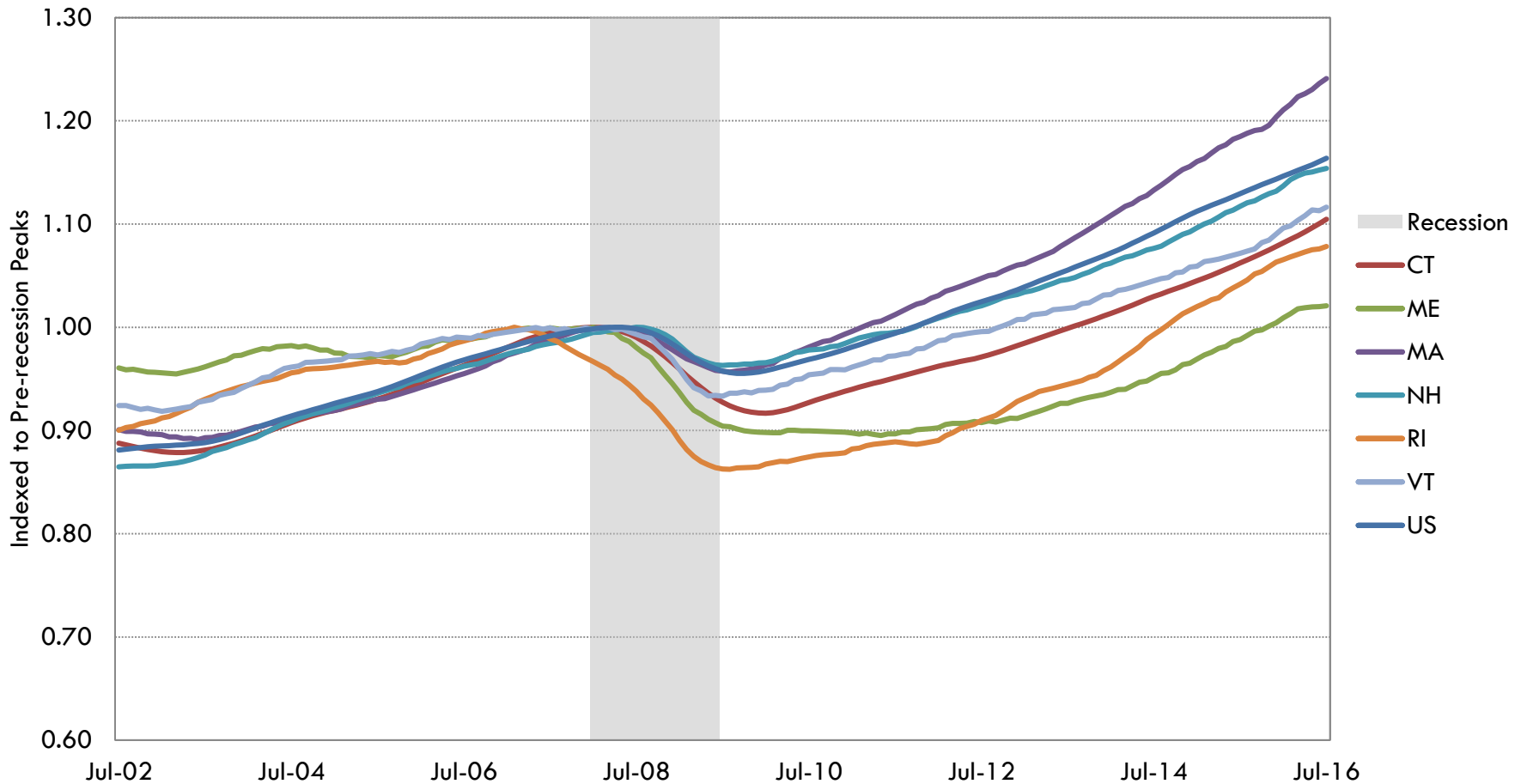
Mary A. Burke
Senior Economist
Federal Reserve Bank of Boston

Preview

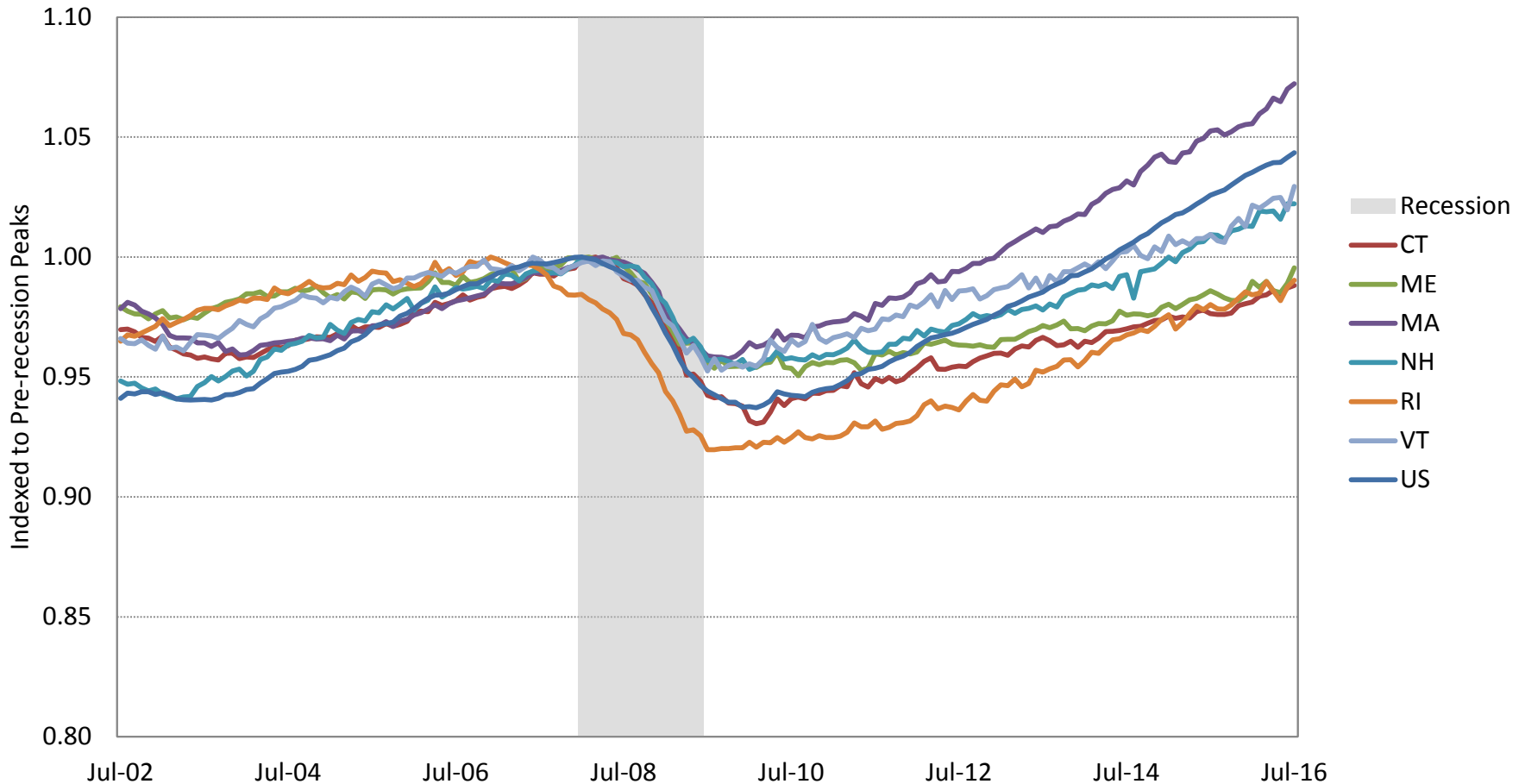


- Region as a whole growing more slowly than U.S.
- Massachusetts growing faster than the U.S.
- Unemployment very low in region
- Consumer confidence strengthened in region
- Forecast predicts slower growth in some states

State Coincident Economic Activity Indexes



Non-Agricultural Employment



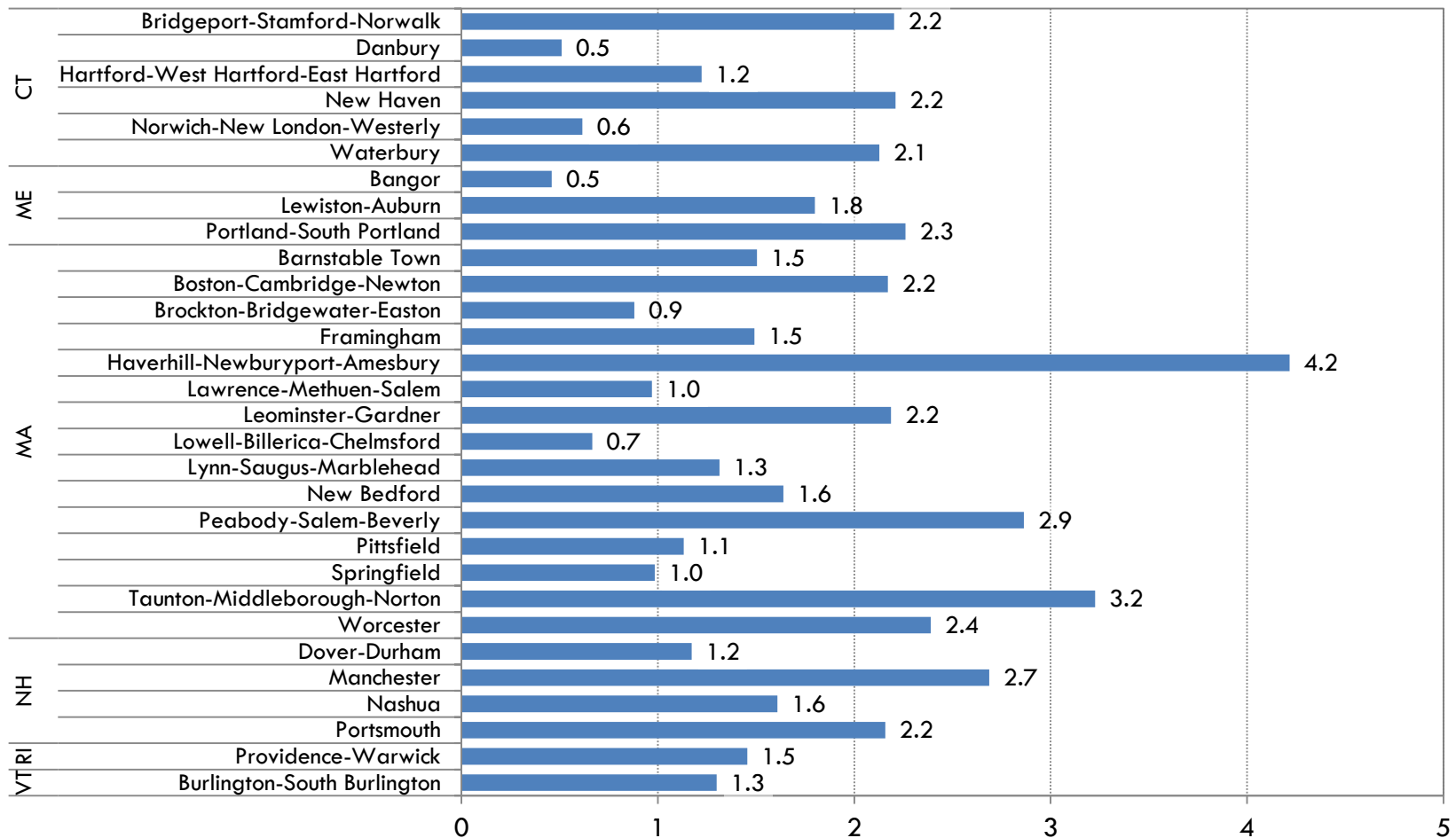
Employment Growth Rates

(to July 2016)

	Annual Long-term Trend	Last 12 months		Since Peak	
	Percent	Percent	Number	Percent	Number
United States	1.4	1.7	2,446,000	4.3	6,015,000
New England	0.8	1.5	111,200	3.5	250,100
Connecticut	0.5	1.2	20,200	-1.2	-20,300
Maine	1.2	1.0	5,900	-0.5	-2,800
Massachusetts	0.8	1.9	65,500	7.2	240,500
New Hampshire	1.5	1.3	8,400	2.2	14,500
Rhode Island	0.7	1.0	5,000	-1.0	-4,800
Vermont	1.3	2.0	6,200	2.9	9,100

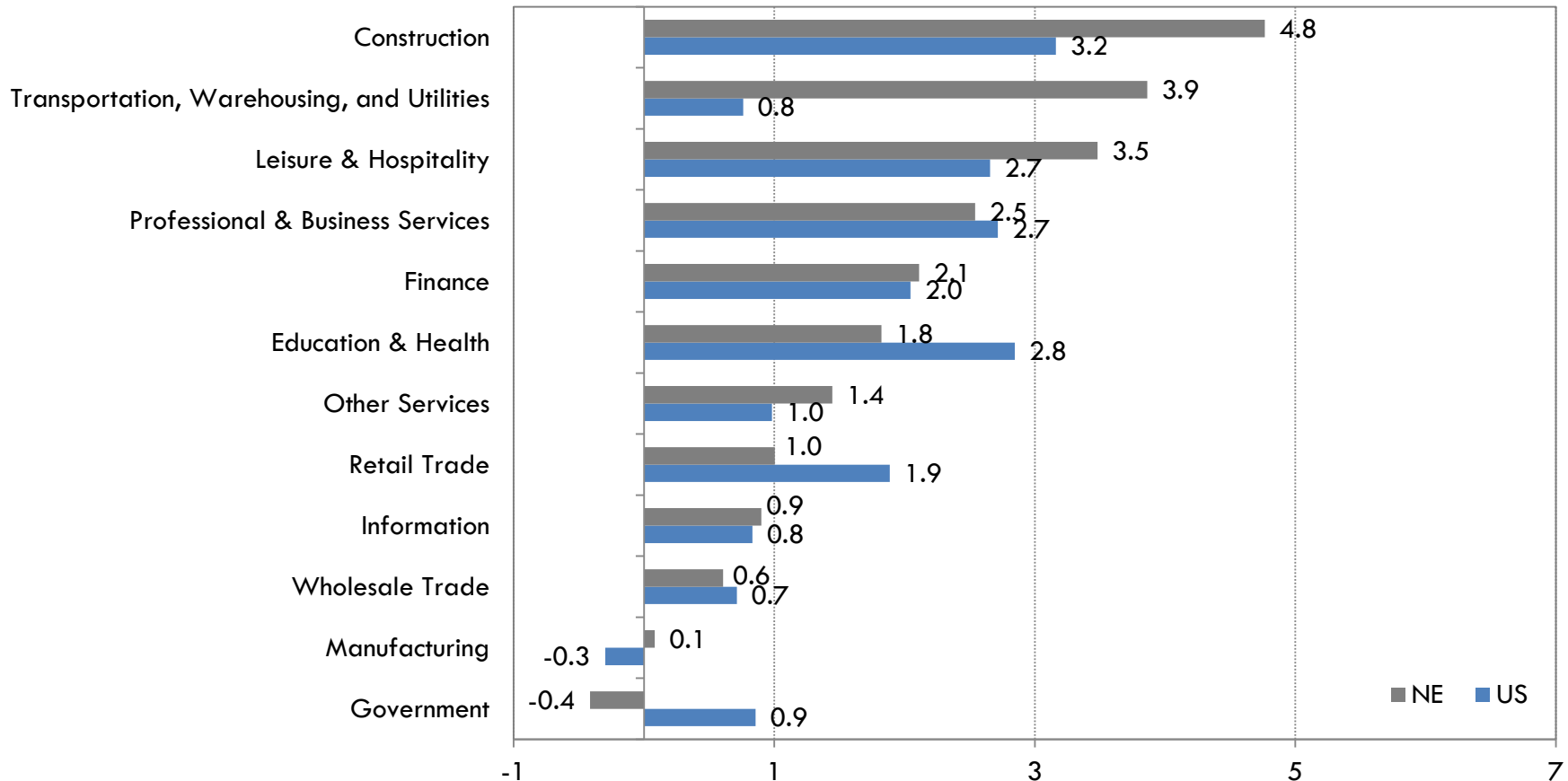
Employment Change in New England Metropolitan Areas

Percent Change, July 2015 - July 2016

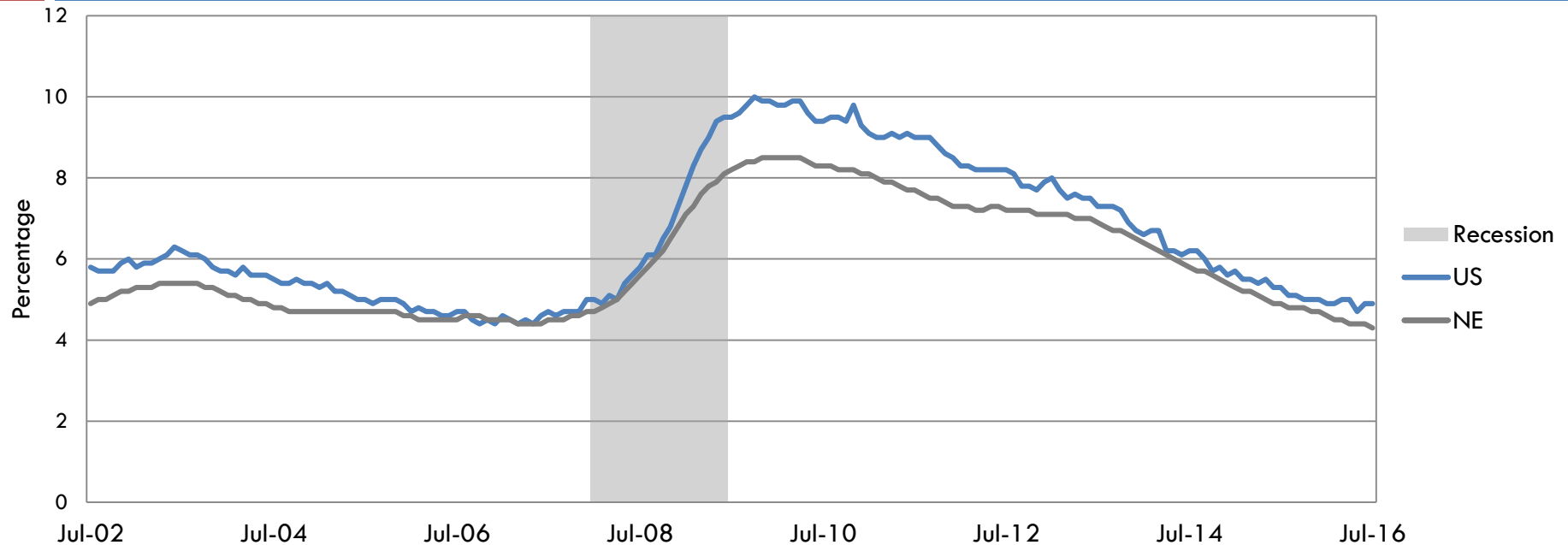


Employment Growth by Industry

Percent Change, July 2015 - July 2016

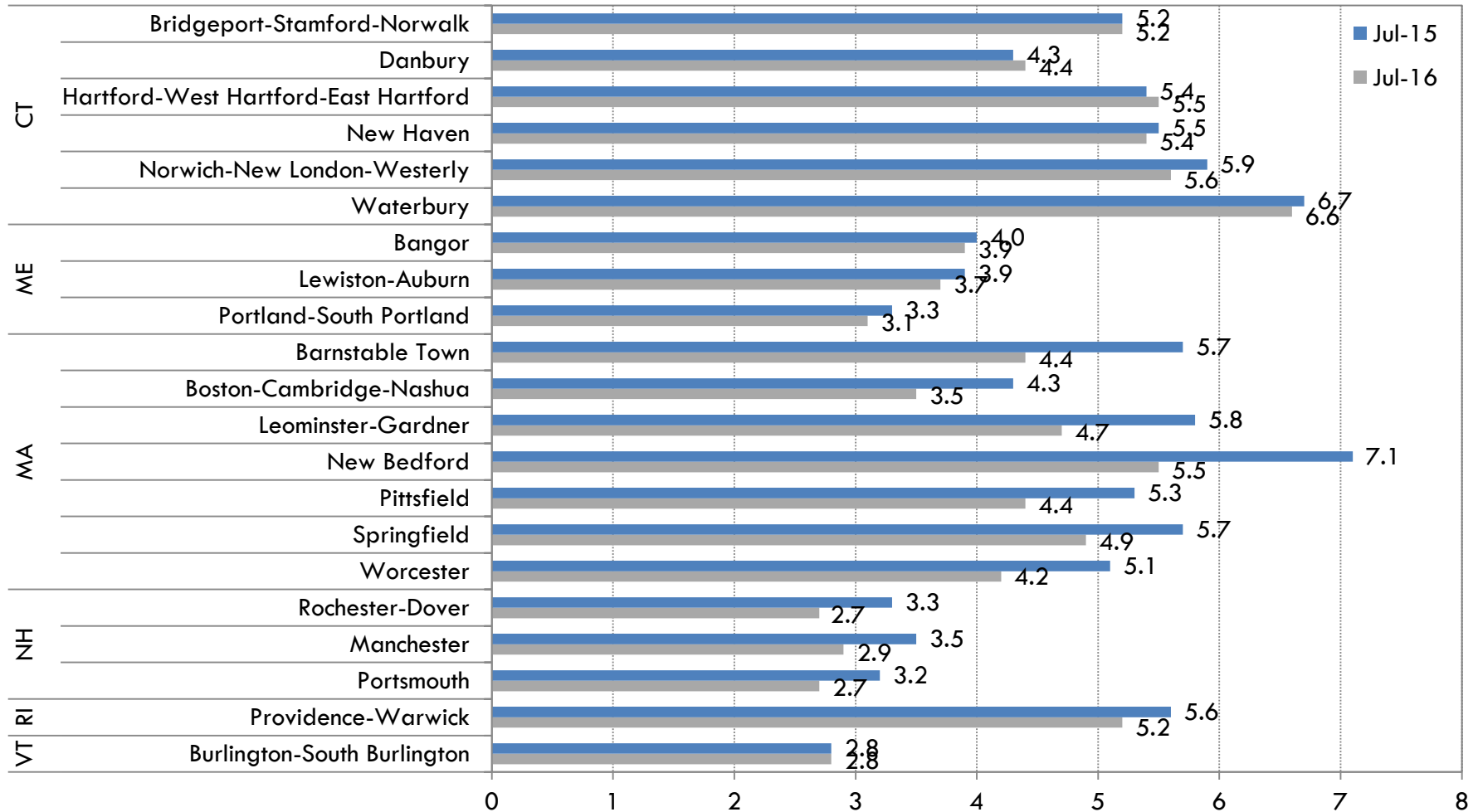


Unemployment Rates



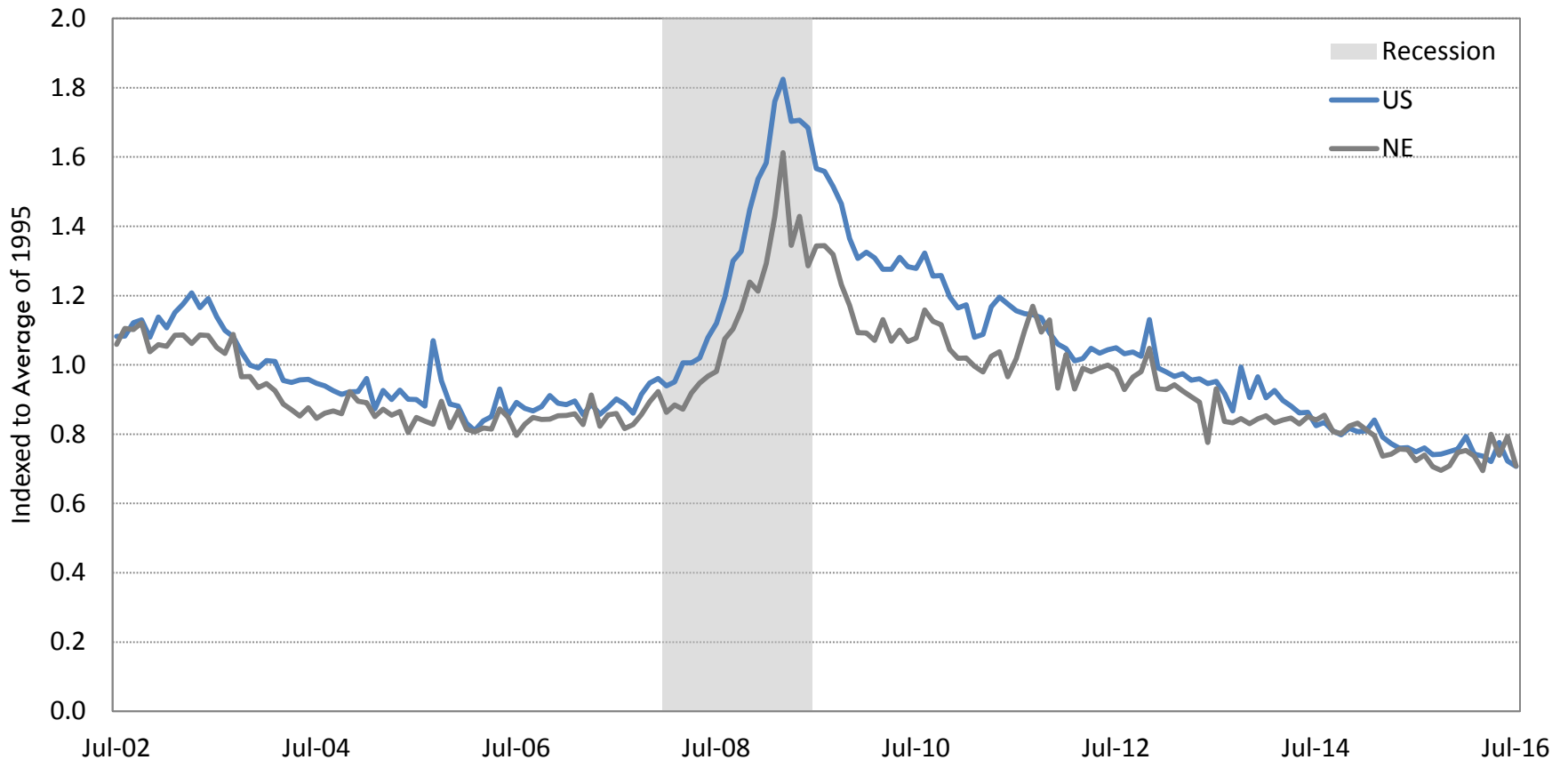
	Jul-15	Jul-16
United States	5.3	4.9
New England	4.9	4.3
Connecticut	5.4	5.7
Maine	4.4	3.9
Massachusetts	4.8	4.1
New Hampshire	3.4	2.9
Rhode Island	5.9	5.5
Vermont	3.7	3.2

Unemployment Rates in New England by Metropolitan Areas

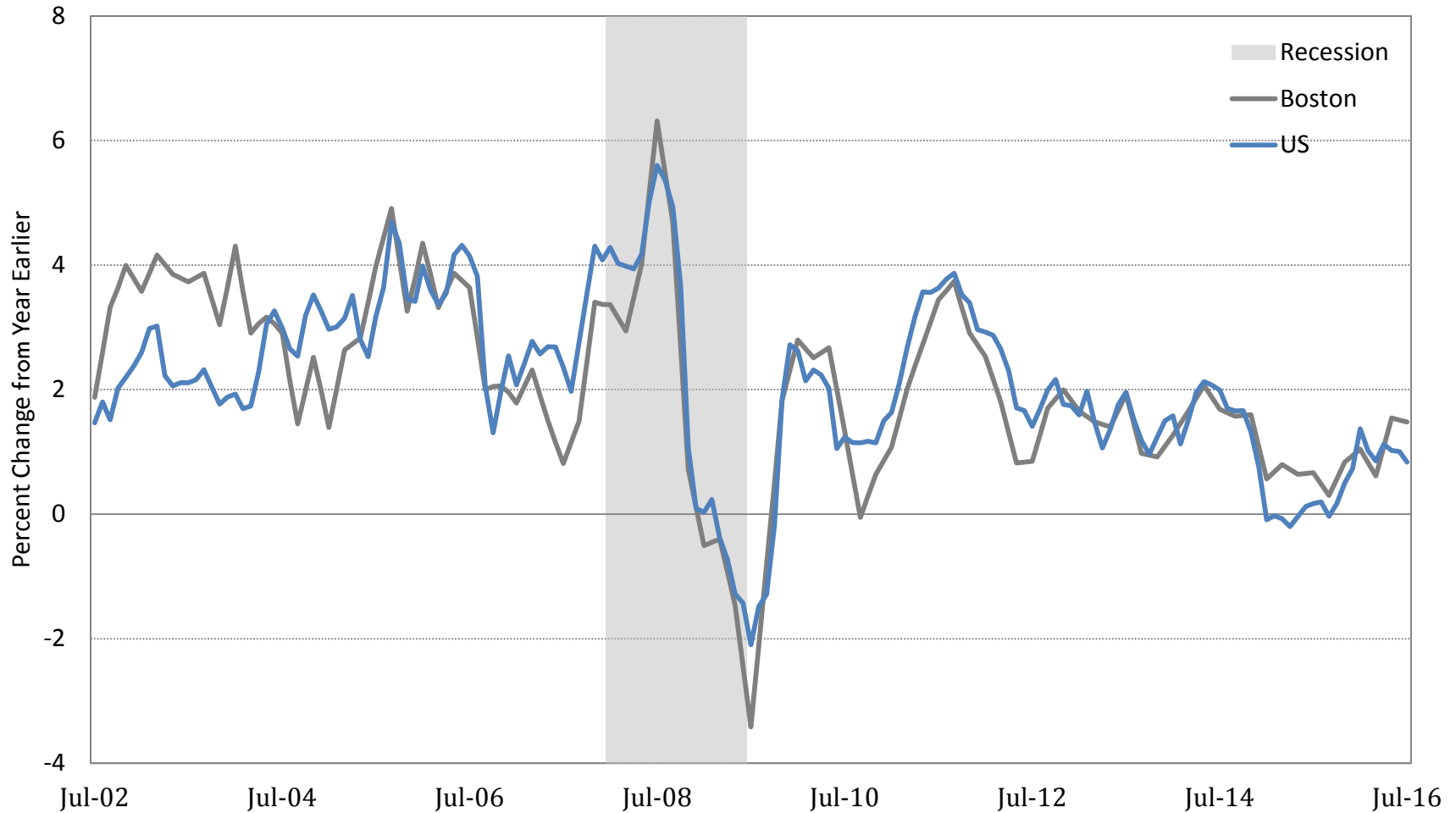


Source: Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Boston

Initial Claims for Unemployment Insurance

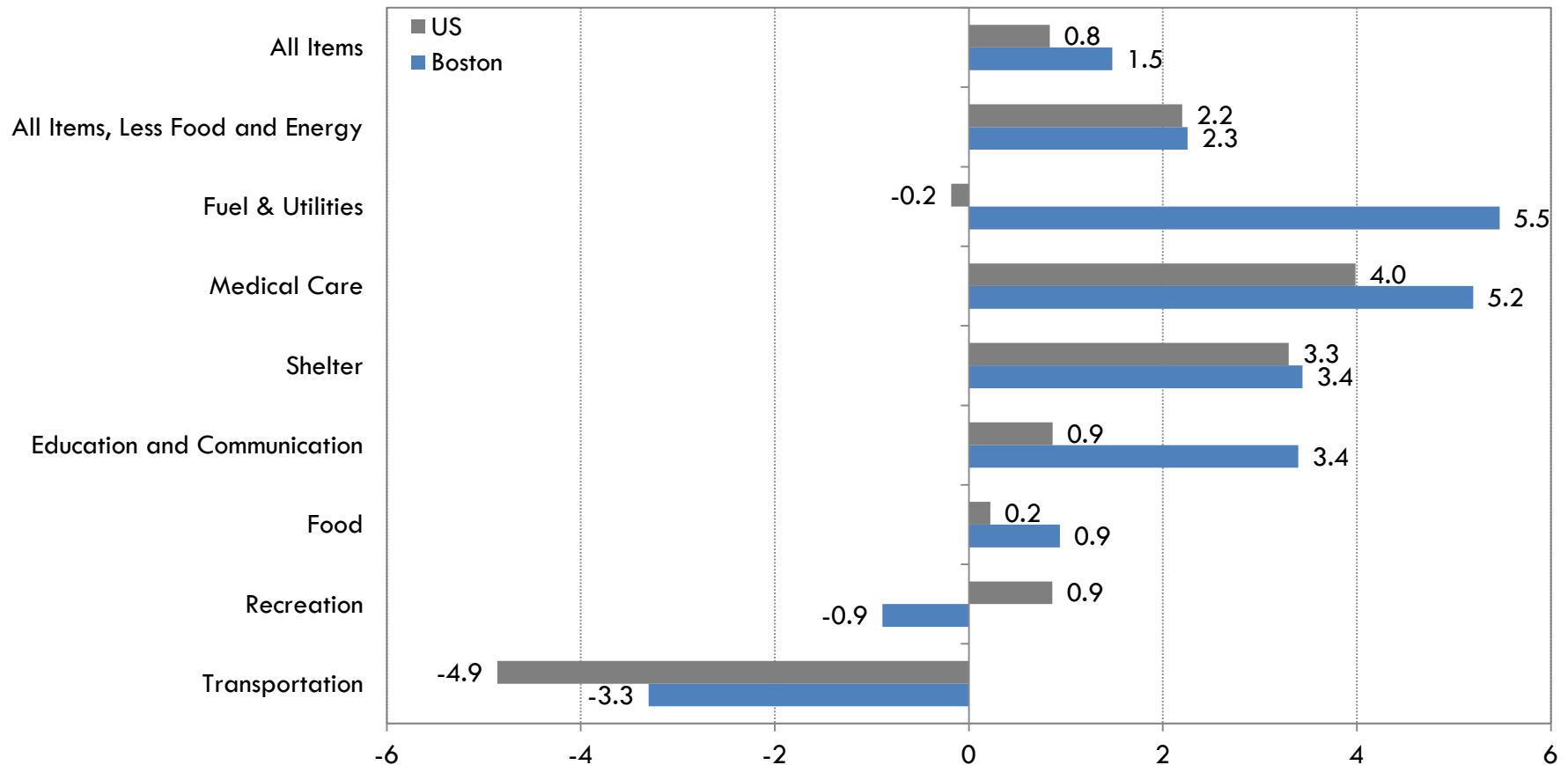


Consumer Price Index

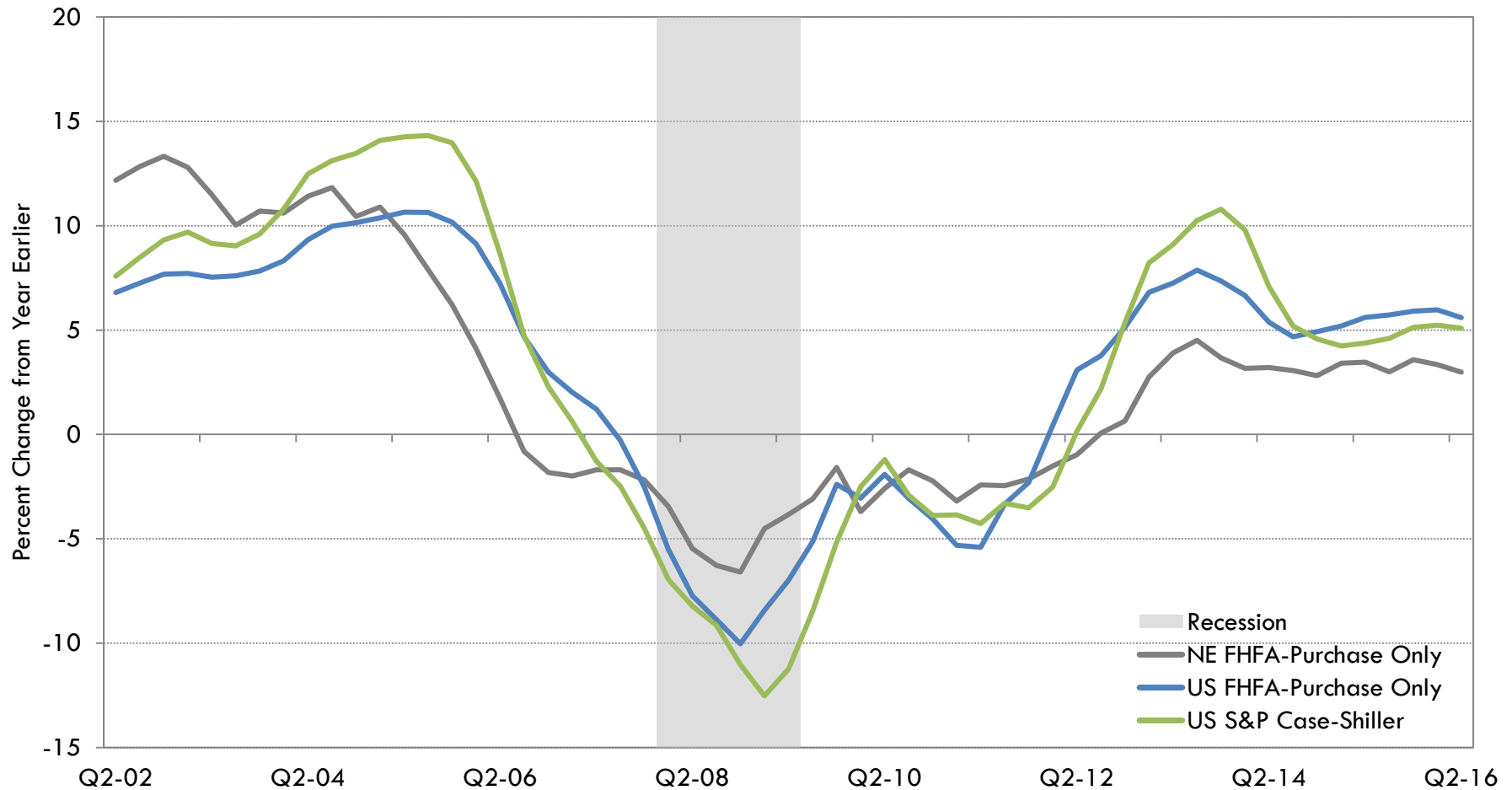


Components of the Consumer Price Index

Percent Change, July 2015 - July 2016

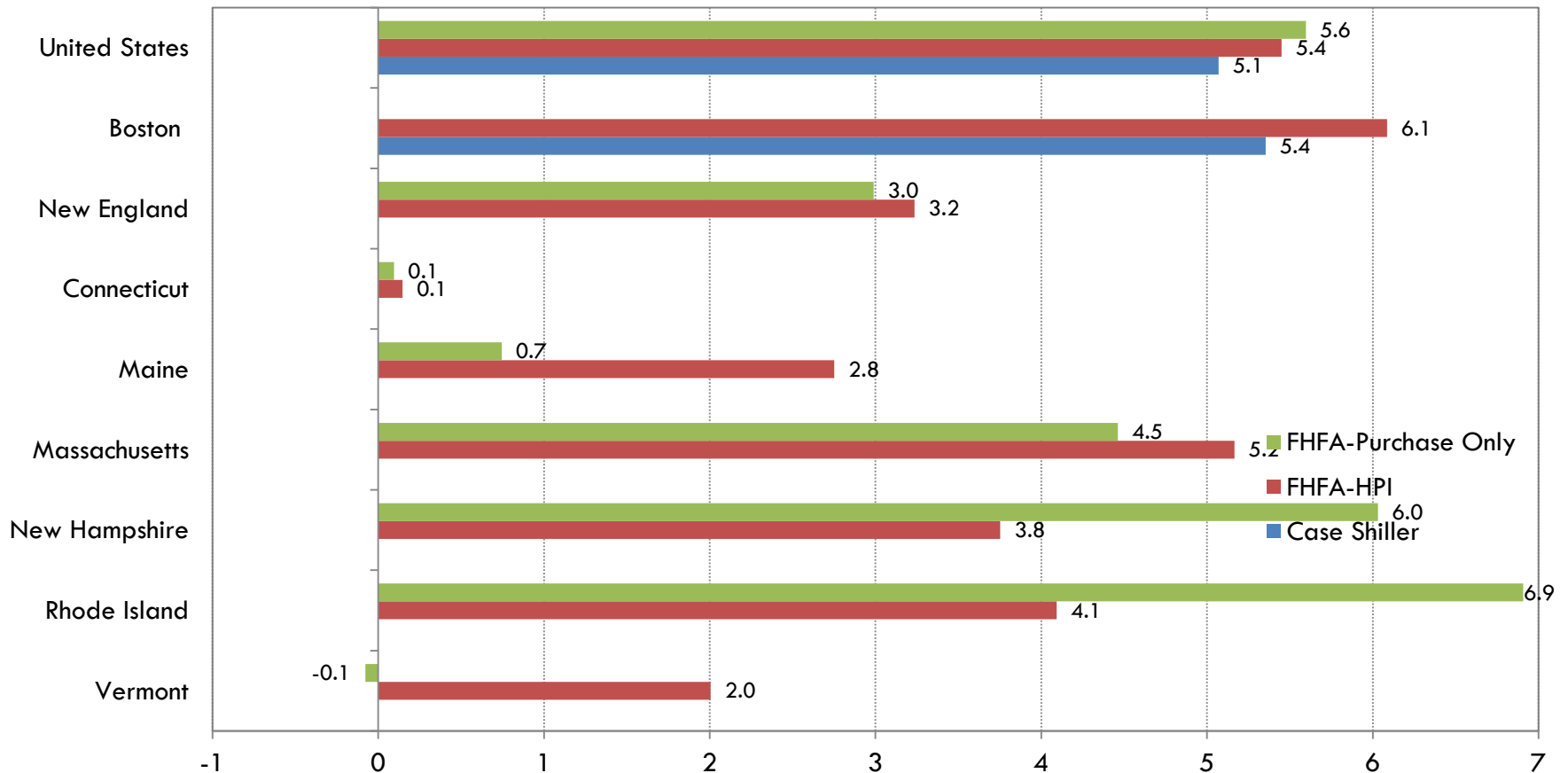


Repeat-Sales Home Price Index



House Price Changes

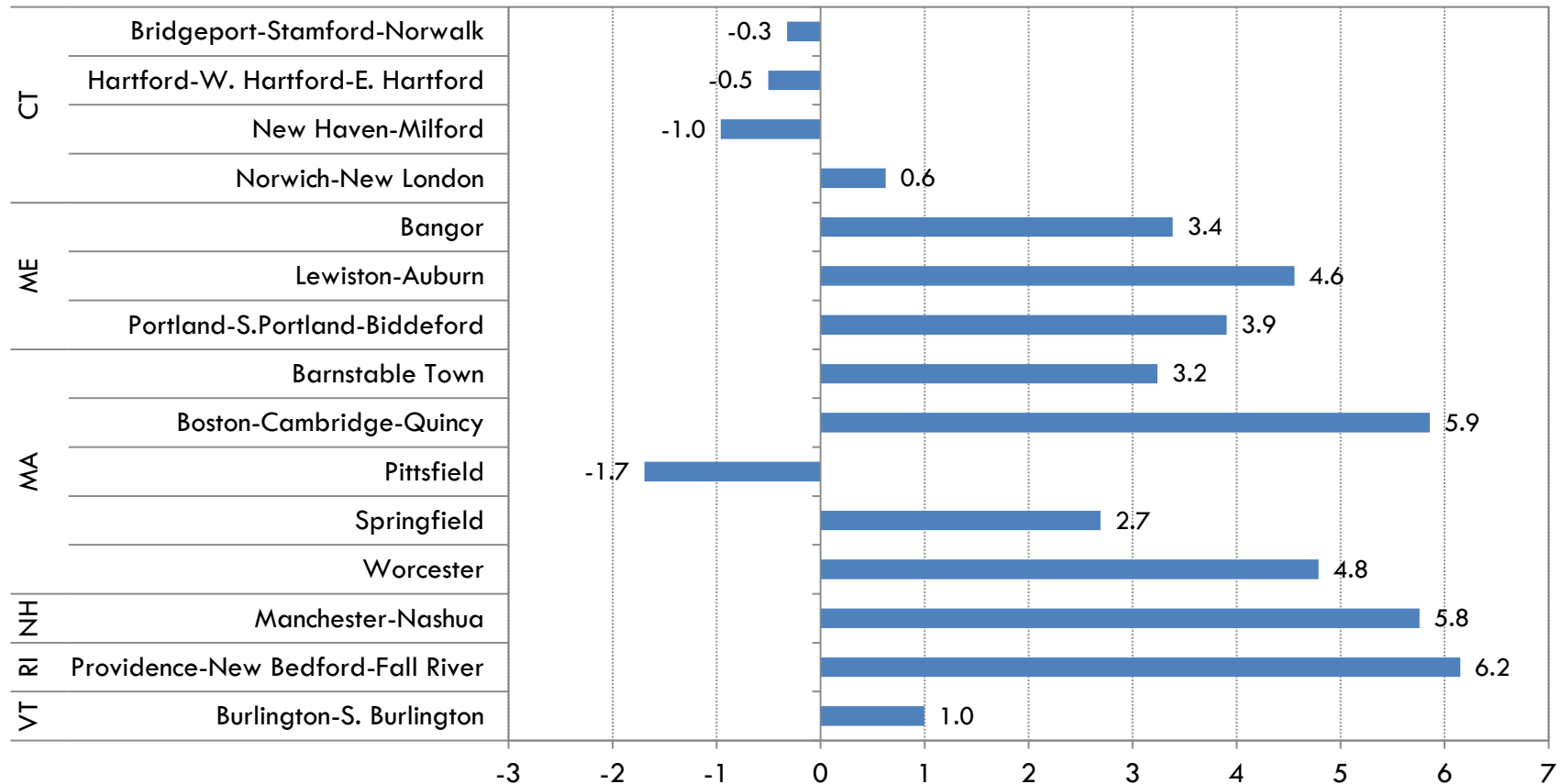
Percent Change, Q2 2015 - Q2 2016



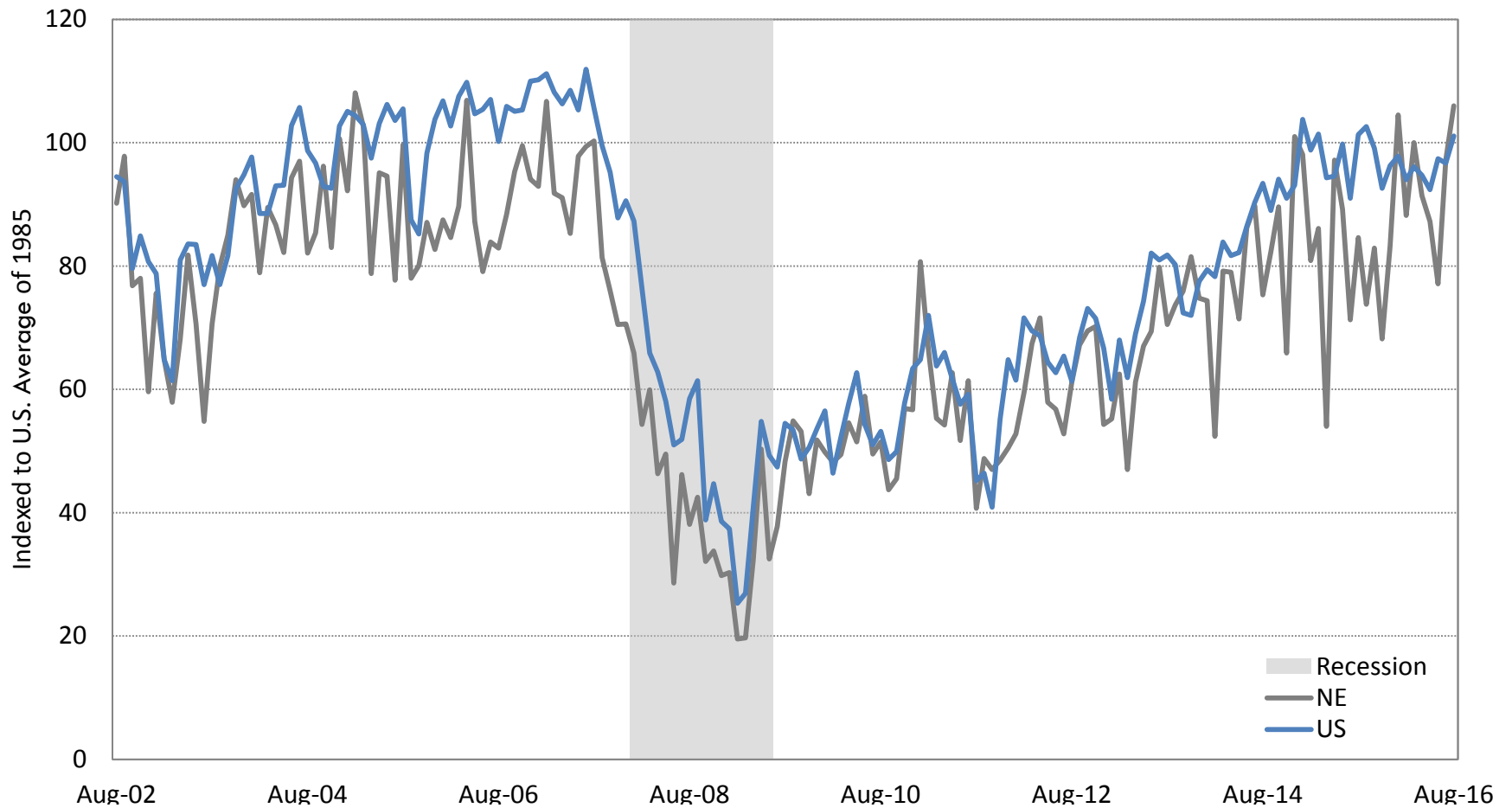
House Price Changes in New England Metropolitan Areas

(Single Family Homes)

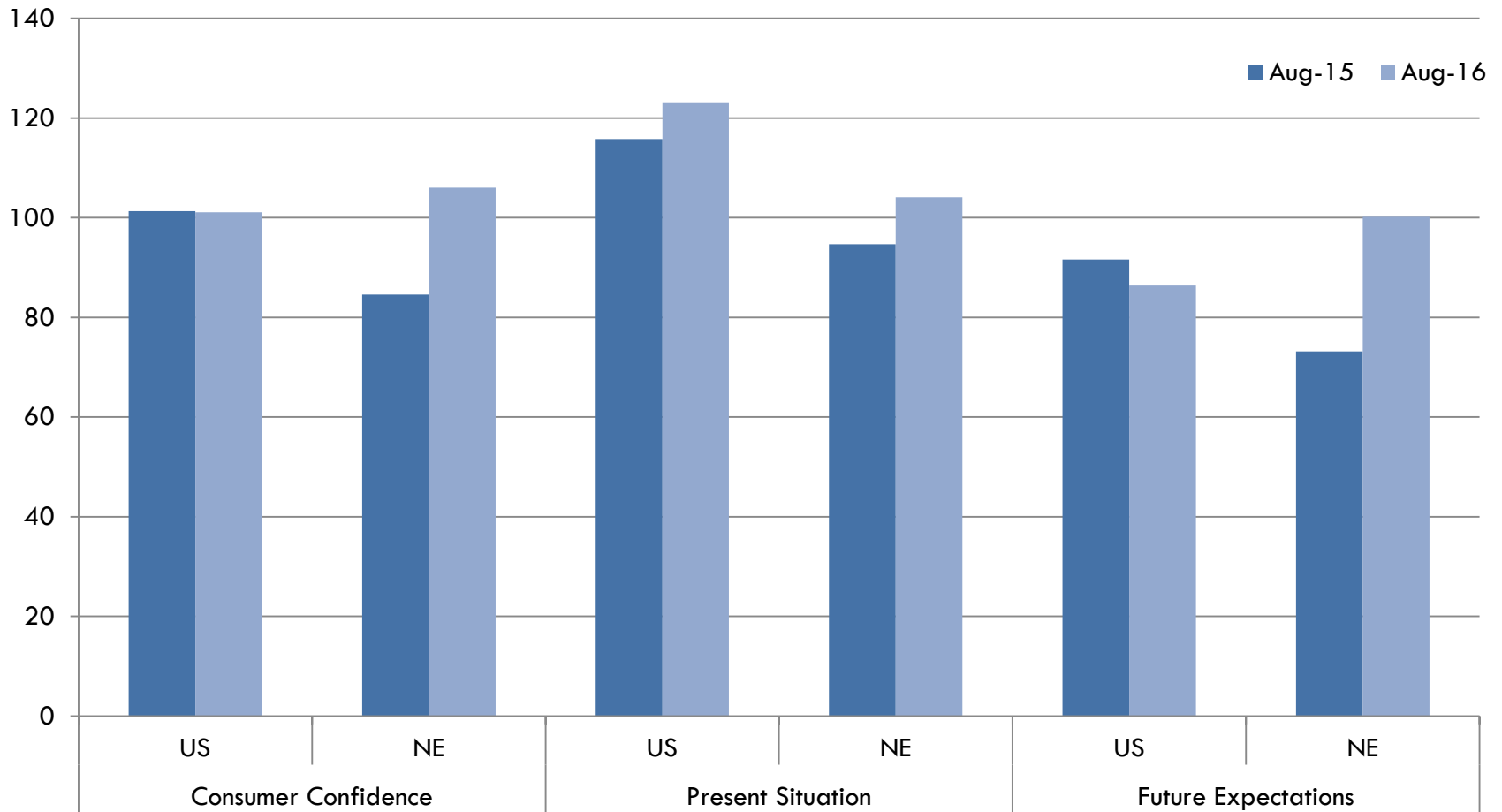
Percent Change, Q2 2015 - Q2 2016



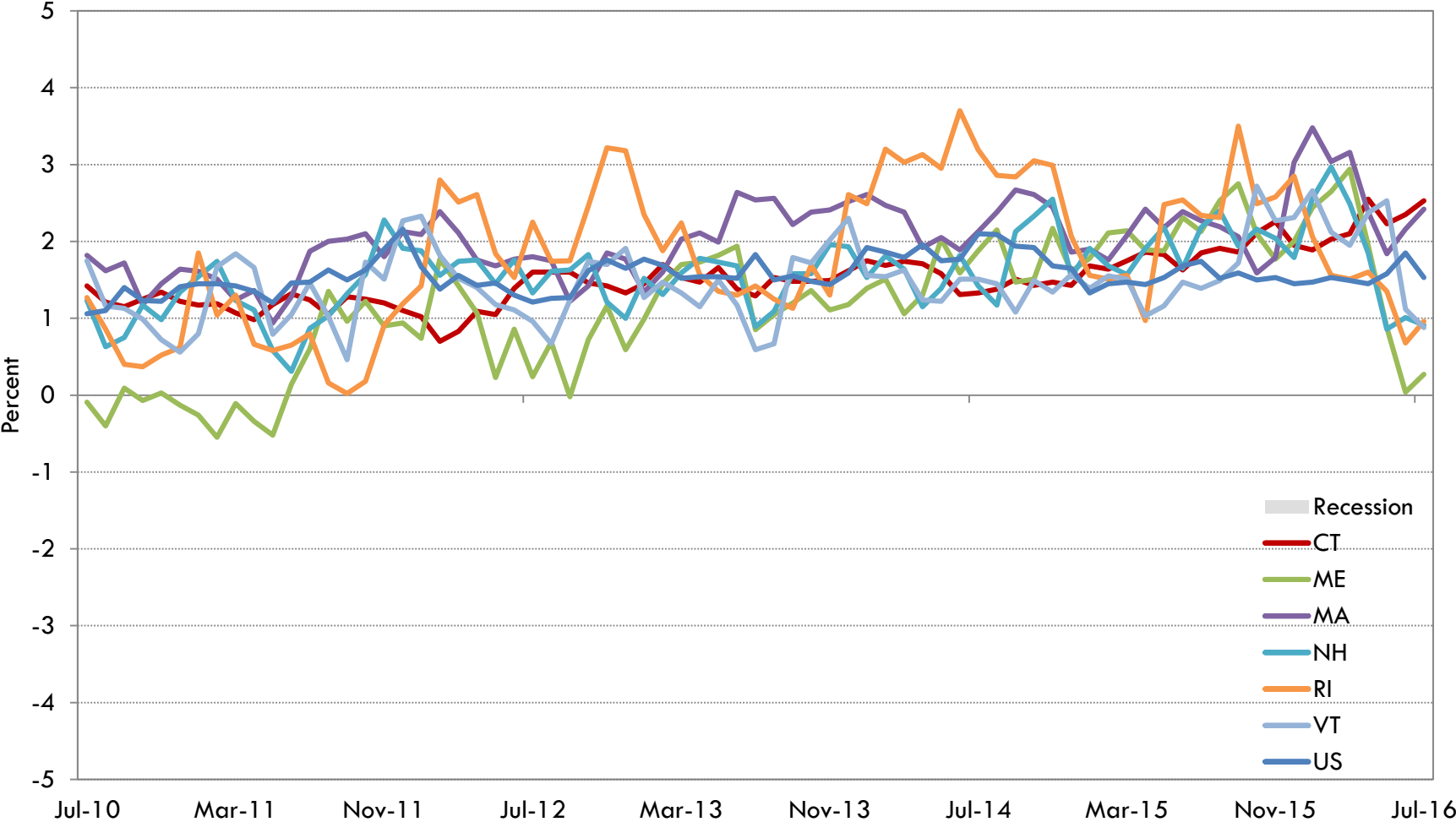
Consumer Confidence



Consumer Confidence



State Leading Economic Activity Indexes



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

Summing up

- Economic performance remains mixed in the region
- Leisure/hospitality employment up in all states
- Unemployment at very low levels in some states
- Region's consumers have improved outlook
- But Philly Fed sees slower growth ahead