NEW ENGLAND ECONOMIC UPDATE

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Disclaimer: The views expressed here are those of the speaker and do not necessarily represent the views of the Federal Reserve Bank of Boston or the Federal Reserve System.
Overview

- Labor Market Conditions
- Inflation Rate
- Housing Prices
- Consumer Economic Sentiment
Non-Agricultural Employment

Indexed to Pre-recession Peaks

Source: Bureau of Labor Statistics, NBER, Haver Analytics
## Employment Growth Rates

<table>
<thead>
<tr>
<th>State</th>
<th>Annual Long-term Trend</th>
<th>Last 12 months</th>
<th>Since Peak</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Percent</td>
<td>Percent</td>
<td>Number</td>
</tr>
<tr>
<td>United States</td>
<td>1.4</td>
<td>1.6</td>
<td>2,363,000</td>
</tr>
<tr>
<td>New England</td>
<td>0.9</td>
<td>1.3</td>
<td>97,800</td>
</tr>
<tr>
<td>Connecticut</td>
<td>0.5</td>
<td>0.7</td>
<td>11,500</td>
</tr>
<tr>
<td>Maine</td>
<td>1.1</td>
<td>1.4</td>
<td>8,400</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>0.9</td>
<td>1.6</td>
<td>56,100</td>
</tr>
<tr>
<td>New Hampshire</td>
<td>1.5</td>
<td>1.9</td>
<td>12,900</td>
</tr>
<tr>
<td>Rhode Island</td>
<td>0.7</td>
<td>1.5</td>
<td>7,500</td>
</tr>
<tr>
<td>Vermont</td>
<td>1.3</td>
<td>0.4</td>
<td>1,400</td>
</tr>
</tbody>
</table>

Source: Bureau of Labor Statistics, Haver Analytics
Employment Growth by Industry

Source: Bureau of Labor Statistics, Haver Analytics
Unemployment Rates

<table>
<thead>
<tr>
<th>Location</th>
<th>May-17</th>
<th>May-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>4.3</td>
<td>3.8</td>
</tr>
<tr>
<td>New England</td>
<td>3.9</td>
<td>3.6</td>
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<tr>
<td>Connecticut</td>
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</tr>
<tr>
<td>Maine</td>
<td>3.4</td>
<td>2.8</td>
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<tr>
<td>Massachusetts</td>
<td>3.8</td>
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<tr>
<td>New Hampshire</td>
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<tr>
<td>Rhode Island</td>
<td>4.4</td>
<td>4.4</td>
</tr>
<tr>
<td>Vermont</td>
<td>3.1</td>
<td>2.8</td>
</tr>
</tbody>
</table>

Source: Bureau of Labor Statistics, NBER, Haver Analytics
Labor Force Participation Rates

Source: Bureau of Labor Statistics, NBER, Haver Analytics
U-6 Rates

4-Quarter Average

Note: U-6 includes total unemployed, plus all marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers.

Source: Bureau of Labor Statistics, NBER, Haver Analytics
Consumer Price Index

Source: Bureau of Labor Statistics, NBER, Haver Analytics
Components of the Consumer Price Index

Percent Change, May 2017 - May 2018

- All Items
- All Items, Less Food and Energy
- Fuel & Utilities
- Transportation
- Shelter
- Education and Communication
- Medical Care
- Food
- Recreation

Source: Bureau of Labor Statistics, Haver Analytics
Foreclosures Started

Source: Mortgage Bankers Association, NBER, Haver Analytics
Repeat-Sales Home Price Index

![Graph showing the percent change from year earlier from Q1-04 to Q1-18. The graph includes two lines representing US FHFA Purchase-Only and NE FHFA Purchase-Only. The gray shaded area indicates a recession.]
House Price Changes

Percent Change, Q1 2017 - Q1 2018

- United States: 6.9%
- New England: 5.4%
- Rhode Island: 7.0%
- Massachusetts: 6.9%
- Maine: 5.1%
- New Hampshire: 4.6%
- Connecticut: 3.6%
- Vermont: 2.8%

Source: FHFA, Haver Analytics
Consumer Confidence

Source: The Conference Board, Haver Analytics
Labor markets in New England are tight overall, with continued growth in employment and low unemployment.

Core inflation, which excludes food and energy prices, is above 2 percent.

House prices in the region increased compared to one year ago, although still below the national trend.

Consumer confidence about the economy has risen.