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.
Outline

- Labor market conditions
- Housing prices
- Consumer prices
- Consumer confidence
Non-agricultural Employment

Indexed to Pre-recession Peaks

Dec-05 Dec-07 Dec-09 Dec-11 Dec-13 Dec-15 Dec-17

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

Percent Change, December 2016 - December 2017

Construction: 3.2%
Other Services: 2.4%
Professional & Business Services: 2.2%
 Wholesale Trade: 2.0%
Education & Health: 1.8%
Finance: 1.7%
Manufacturing: 1.6%
Transportation, Warehousing, and Utilities: 1.5%
Leisure & Hospitality: 1.3%
Retail Trade: 0.0%
Government: -0.4%
Information: -1.6%

Source: Bureau of Labor Statistics, Haver Analytics
Unemployment Rates

Source: Bureau of Labor Statistics, NBER, Haver Analytics
Unemployment Rates within New England

Source: Bureau of Labor Statistics, Haver Analytics
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
Housing Price Changes within New England

Percent Change, Q4 2016 - Q4 2017

United States: 6.7
New England: 5.8
Rhode Island: 8.0
New Hampshire: 7.6
Vermont: 7.1
Massachusetts: 6.1
Maine: 5.6
Connecticut: 3.8

Source: FHFA, Haver Analytics
FHFA Purchase-Only Home Price

Source: FHFA, Haver Analytics
Components of the Consumer Price Index

Percent Change, January 2017 - January 2018

- All Items
  - US: 2.1%
  - Boston: 2.8%
- All Items, Less Food and Energy
  - US: 1.8%
  - Boston: 2.1%
- Fuel & Utilities
  - US: 2.7%
- Shelter
  - US: 3.2%
  - Boston: 3.7%
- Transportation
  - US: 3.0%
  - Boston: 2.8%
- Medical Care
  - US: 2.0%
  - Boston: 1.9%
- Education and Communication
  - US: -1.7%
- Food
  - US: 1.7%
  - Boston: 1.5%
- Recreation
  - US: 1.1%

Source: Bureau of Labor Statistics, Haver Analytics
Consumer Confidence

Source: The Conference Board, Haver Analytics
Concluding Observations

- Labor markets are tight
- Housing prices continue to rise
- Core inflation is low
- Consumer confidence is up