

# NEW ENGLAND ECONOMIC CONDITIONS

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Federal Reserve Bank of Boston

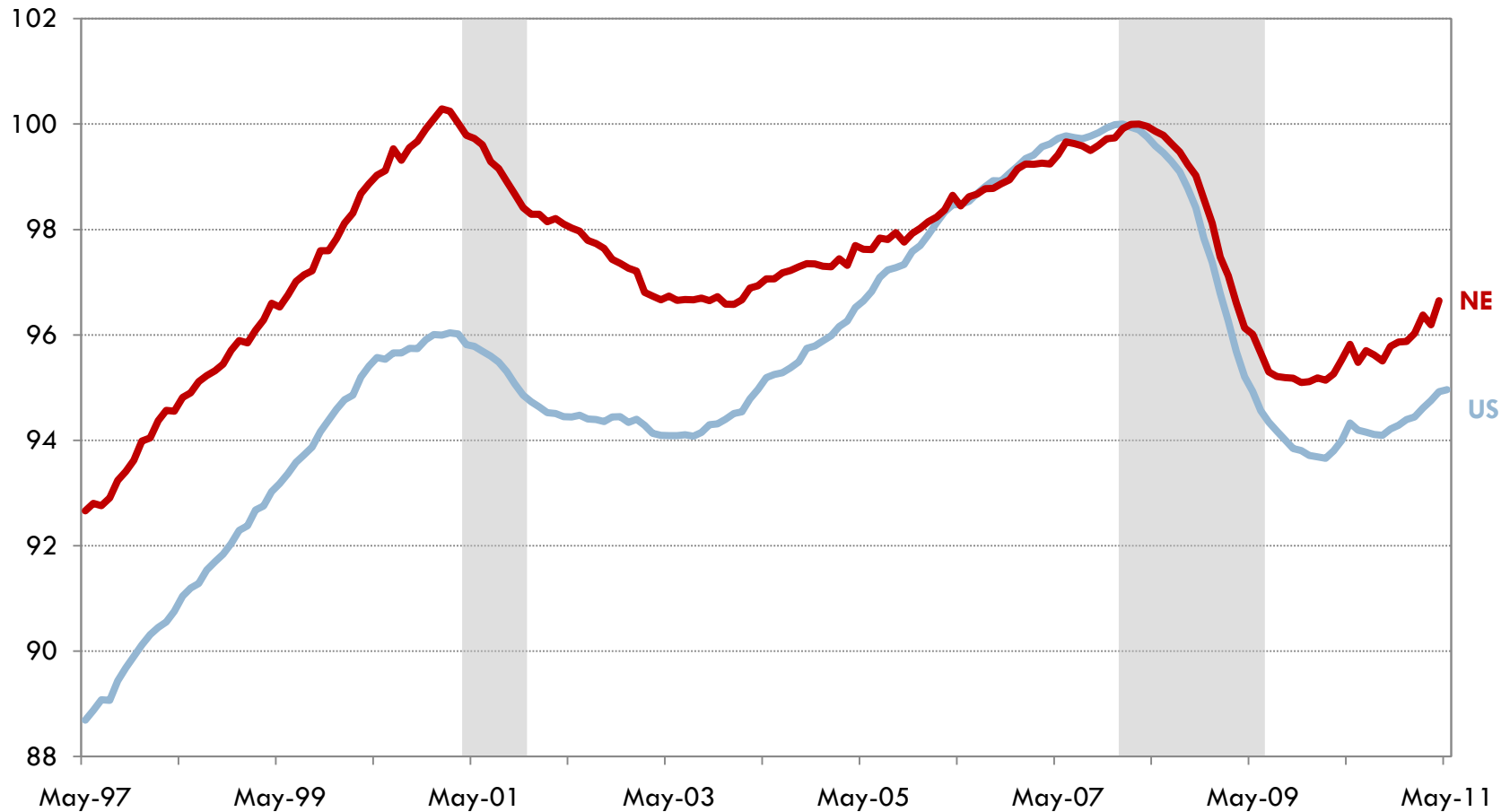
June 8, 2011

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# Overview

- The economic recovery has continued at a moderate pace in both New England and the nation.
- New England continues to fare better than the U.S. along a number of important measures.
- Consumer confidence remains fragile although forward-looking indicators suggest positive growth in the near future.

# Total Nonfarm Employment

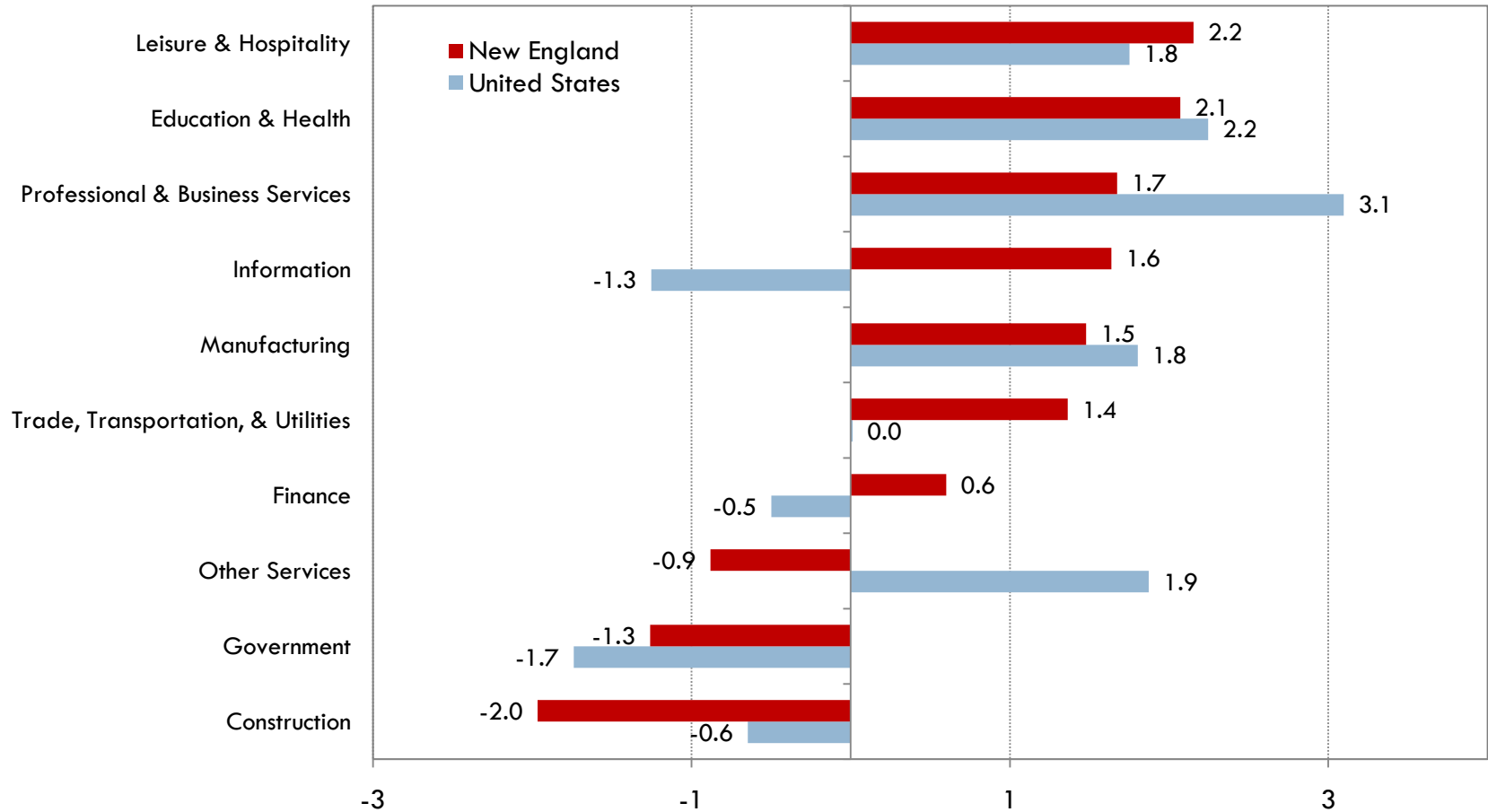


Index: Each geography's recent pre-recession peak is equal to 100. Shaded bars are recessions.

Sources: Bureau of Labor Statistics and NBER/Haver Analytics

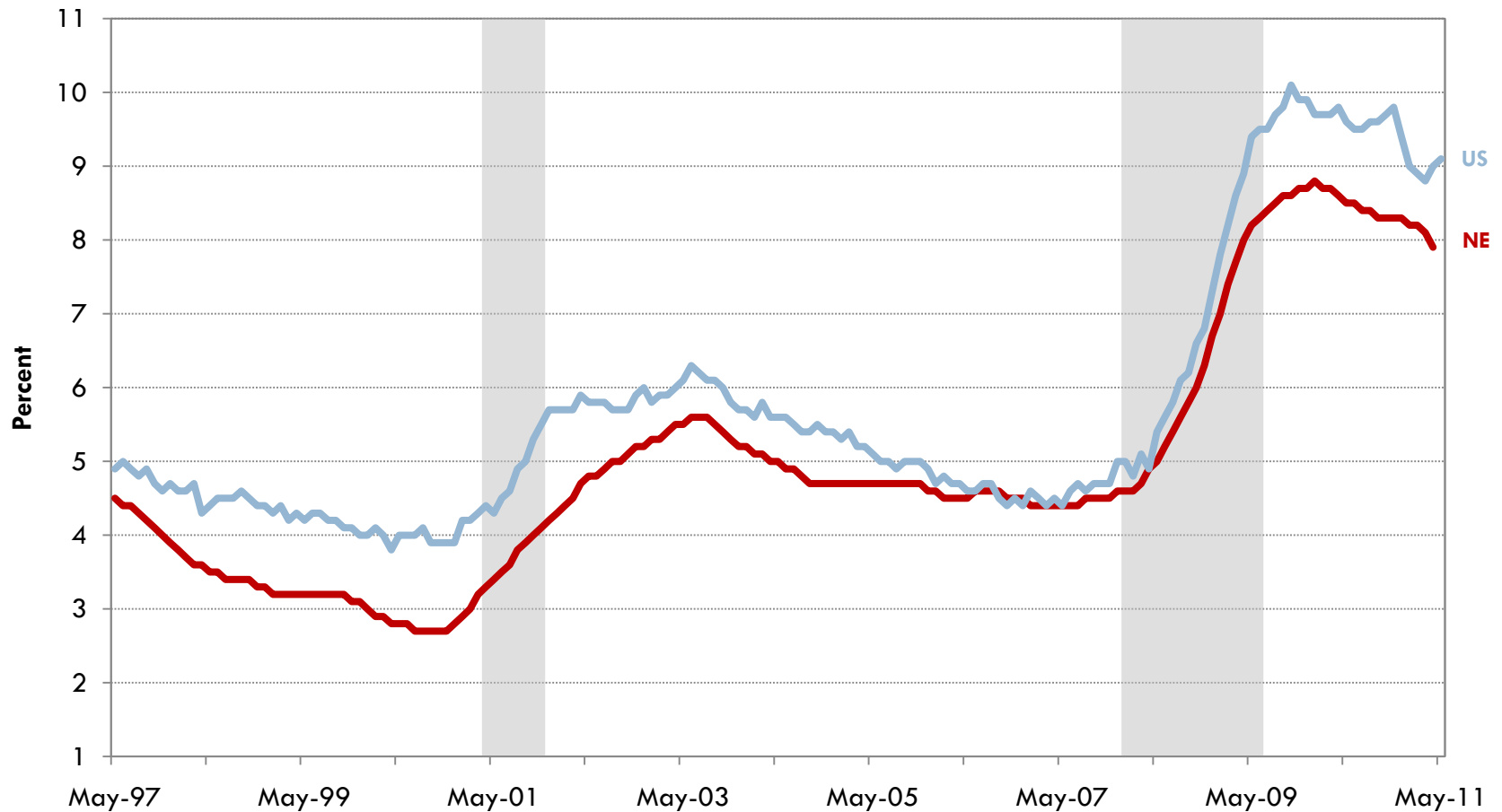
# Employment Growth by Industry

Percent Change, April 2010 – April 2011



Sources: Bureau of Labor Statistics/Haver Analytics

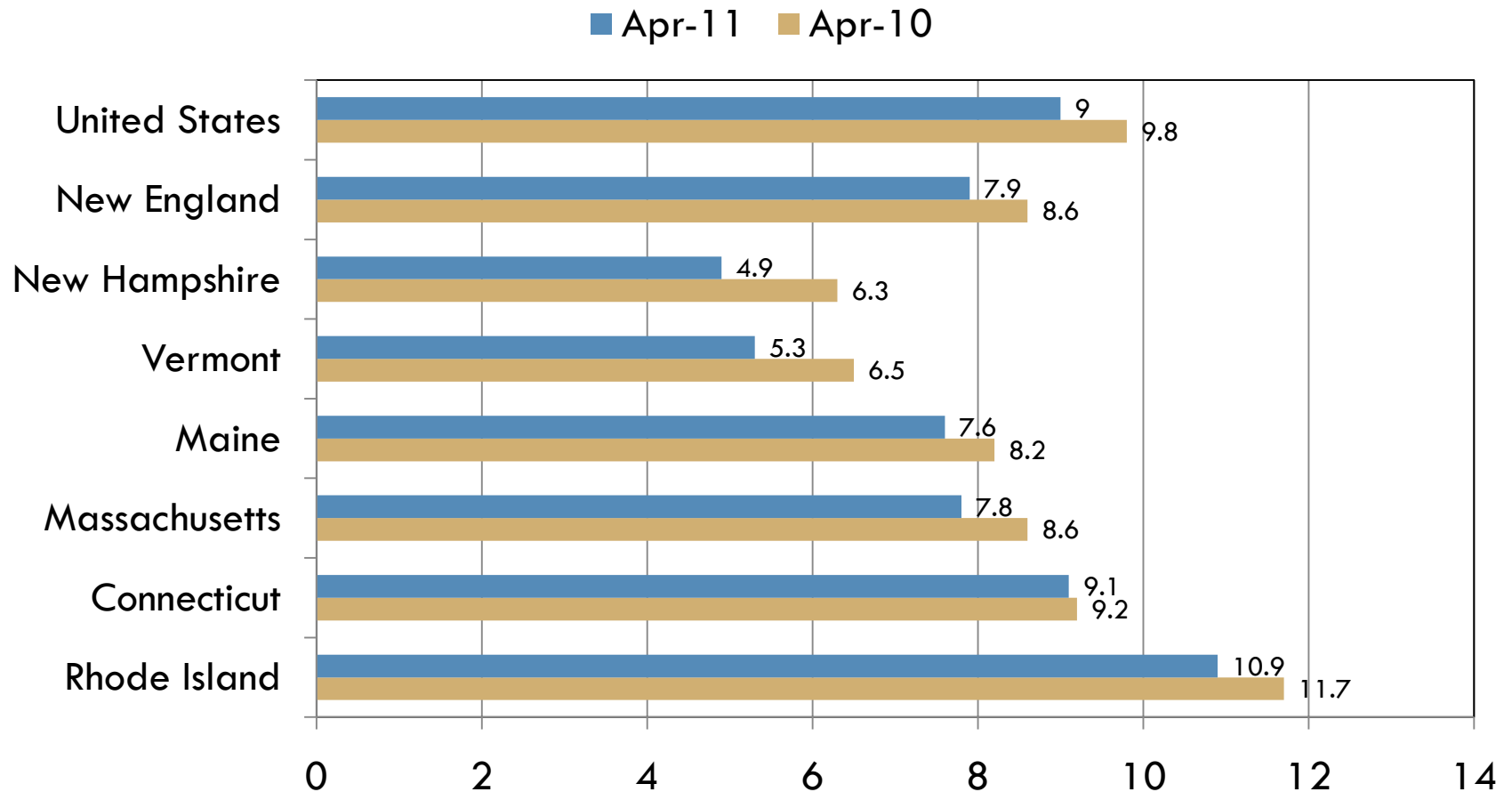
# Unemployment Rates



Note: Shaded bars are recessions. Rates are seasonally adjusted.

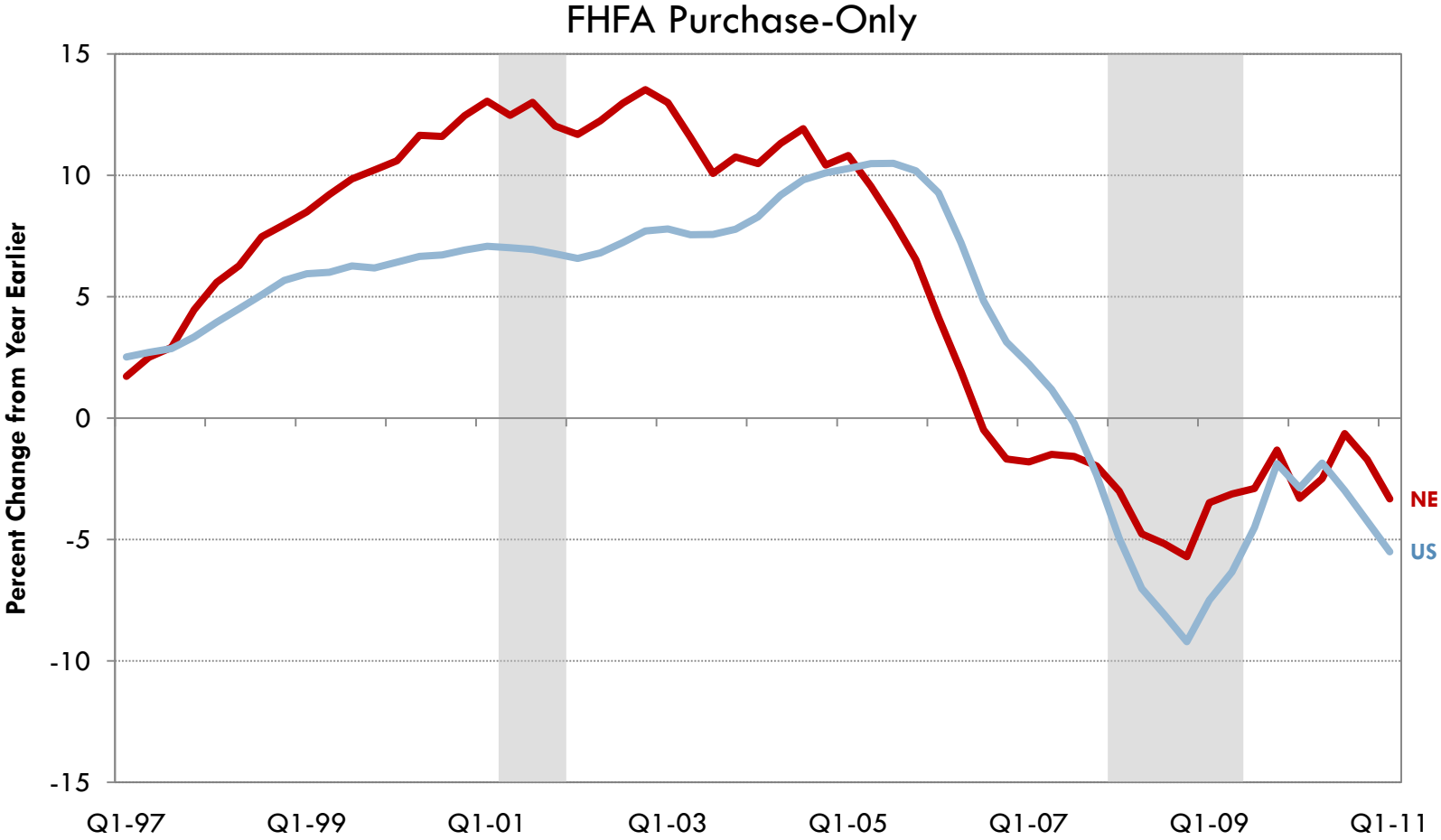
Sources: Bureau of Labor Statistics and NBER/Haver Analytics

# Unemployment Rates in New England States



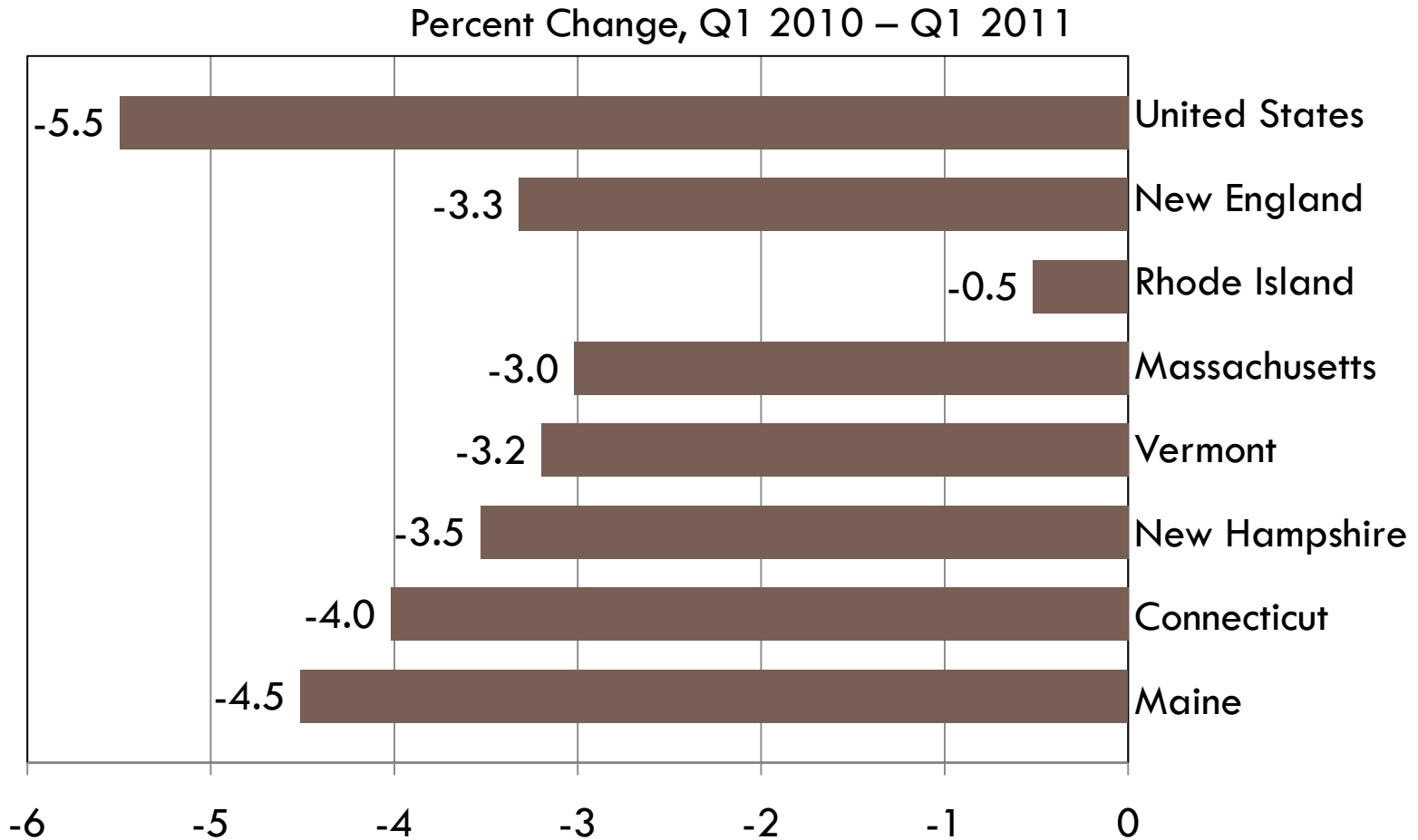
Sources: Bureau of Labor Statistics and NBER/Haver Analytics

# House Price Index



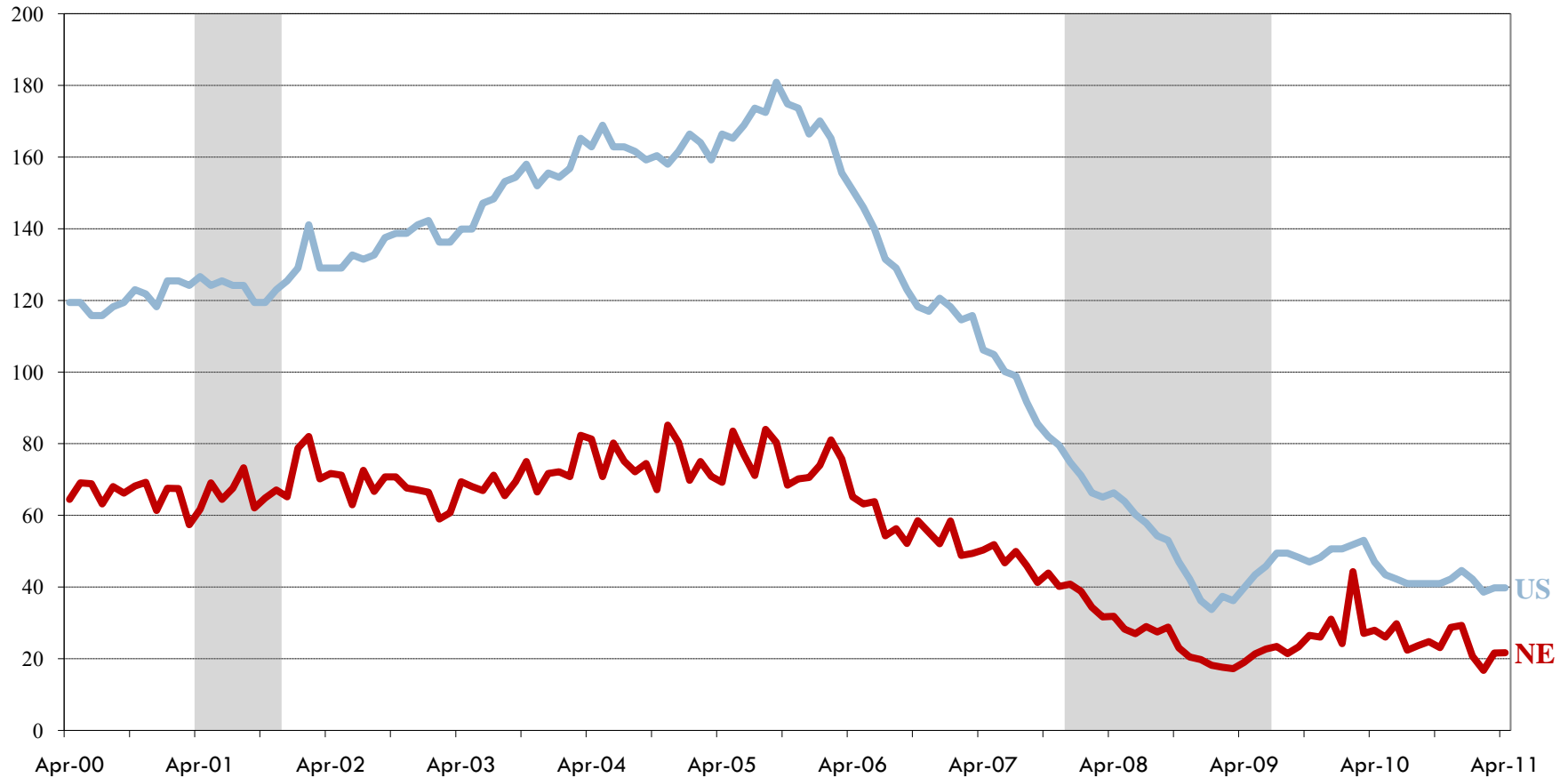
Sources: FHFA/Haver Analytics

# Change in House Price in New England States



Sources: FHFA/Haver Analytics

# Housing Permits: Single-Family

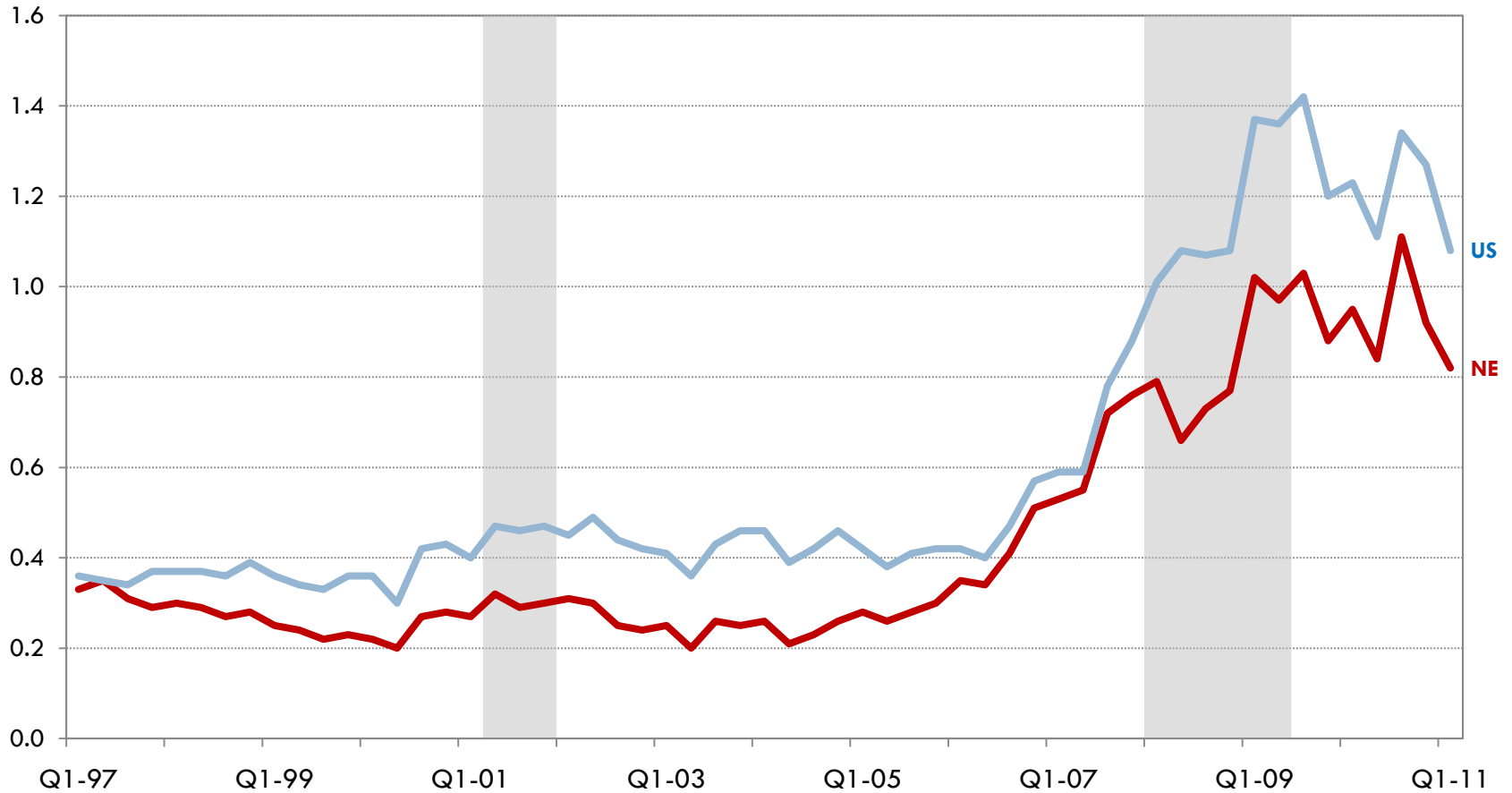


Index: Data are indexed to 1988=100.

Sources: US Census Bureau

# Foreclosures Started as a Percent of All Loans

Percent



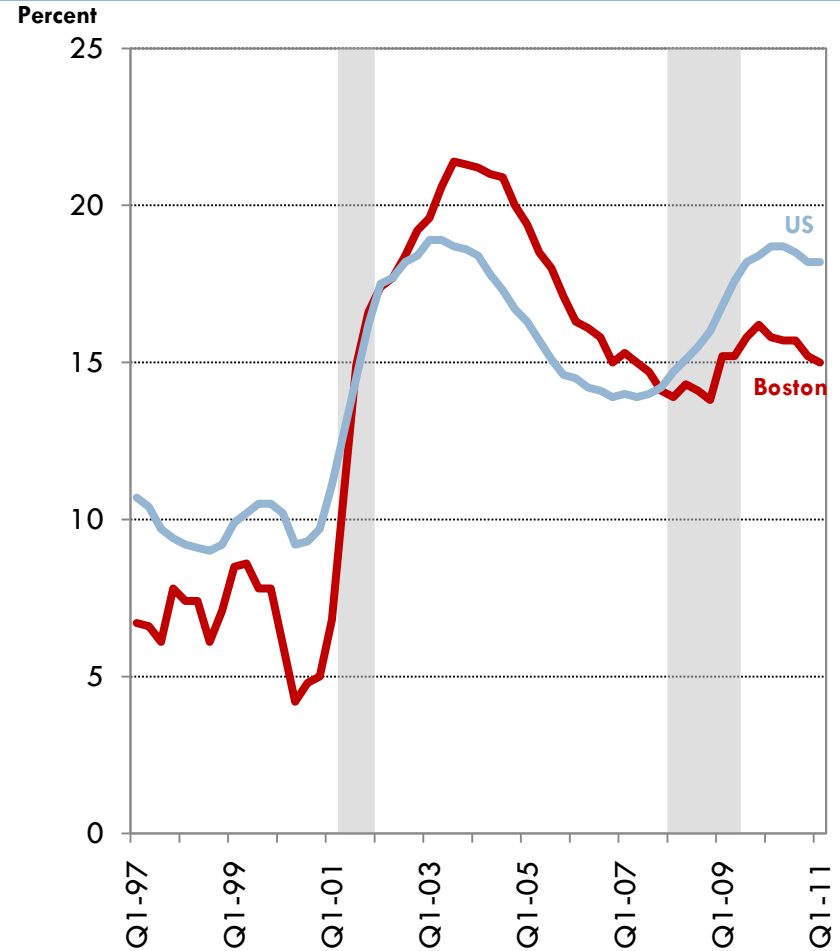
Sources: Mortgage Bankers Association/Haver Analytics

# Commercial Real Estate: Vacancy Rate

## Downtown



## Suburban

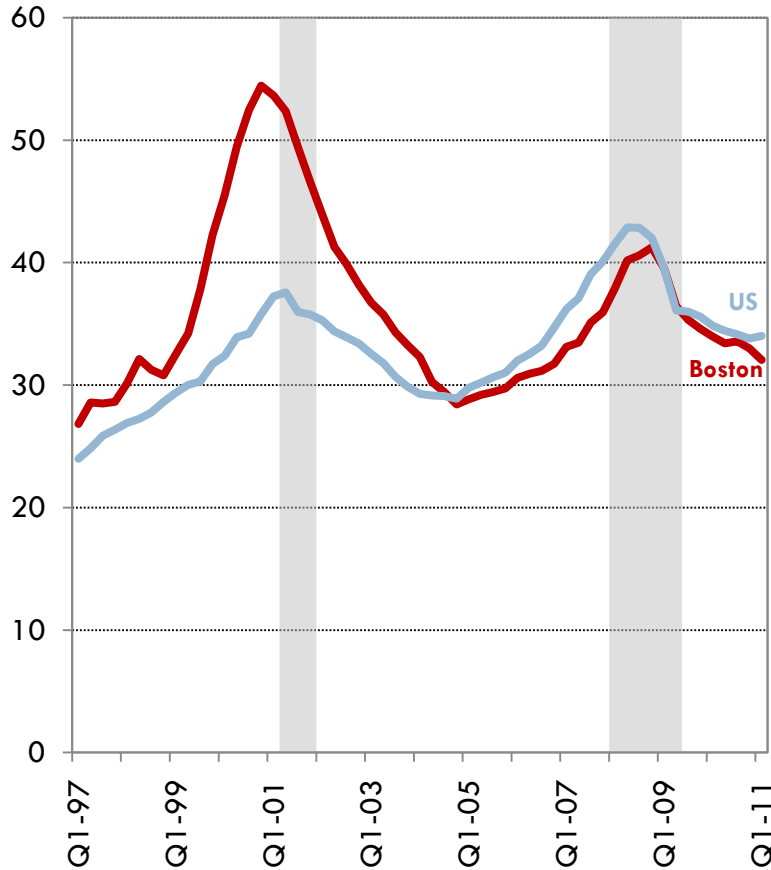


Sources: CB Richard Ellis Econometric Advisors and NBER

# Commercial Real Estate: Office Rents

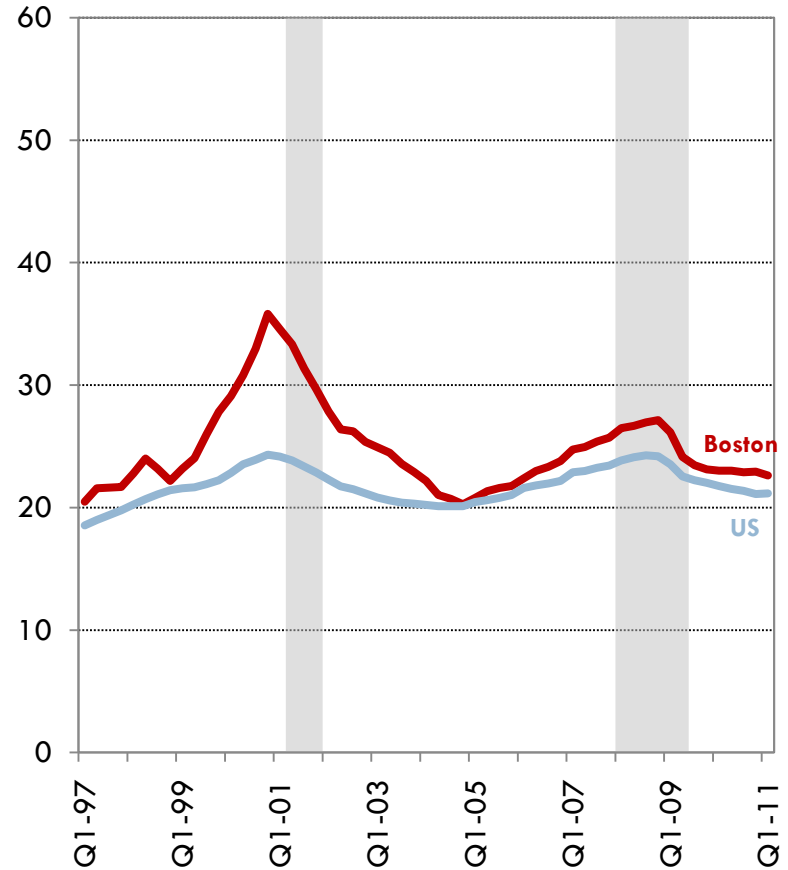
Adjusted Asking  
Rent Per S/F

**Downtown**



Adjusted Asking  
Rent Per S/F

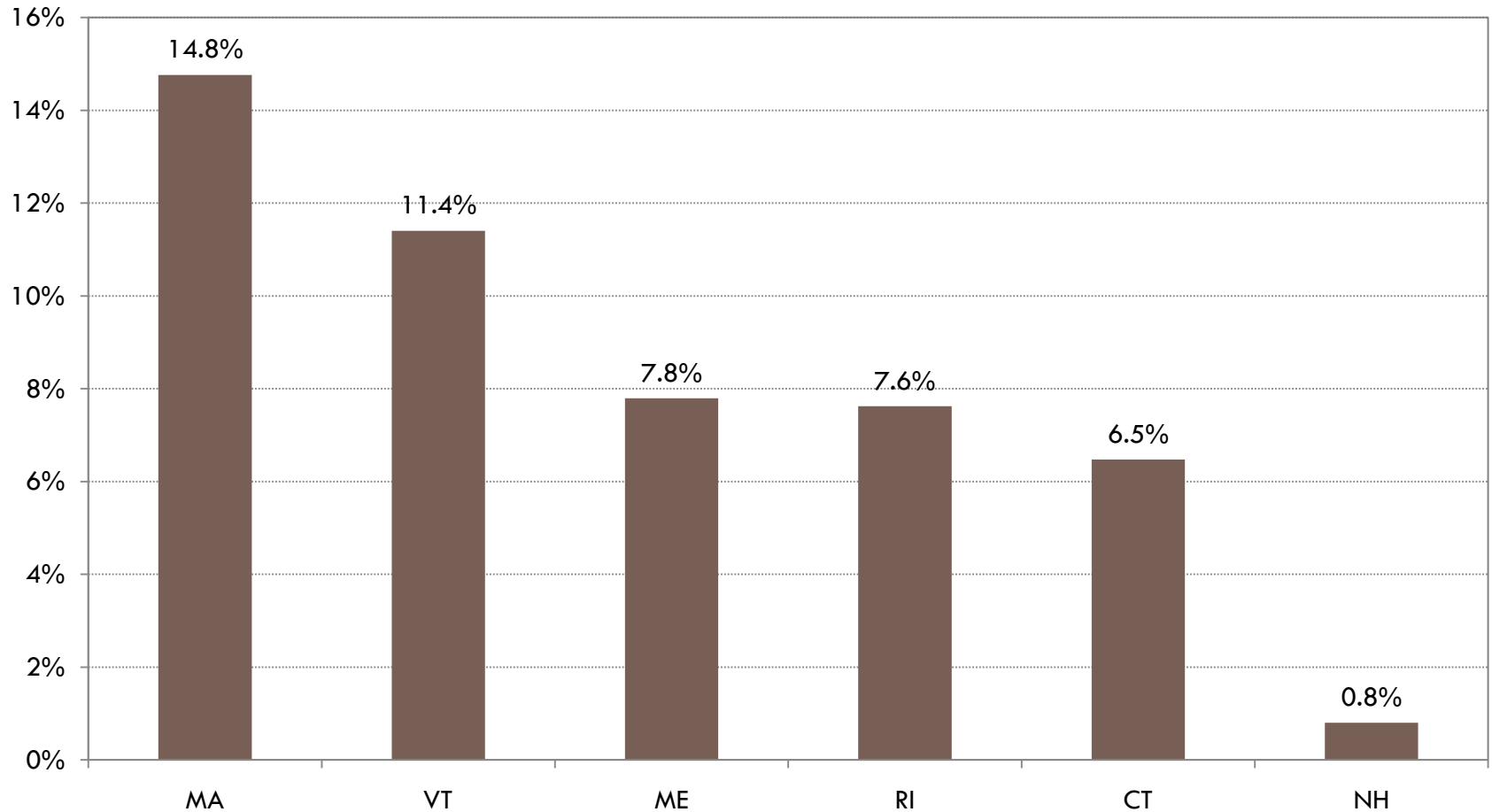
**Suburban**



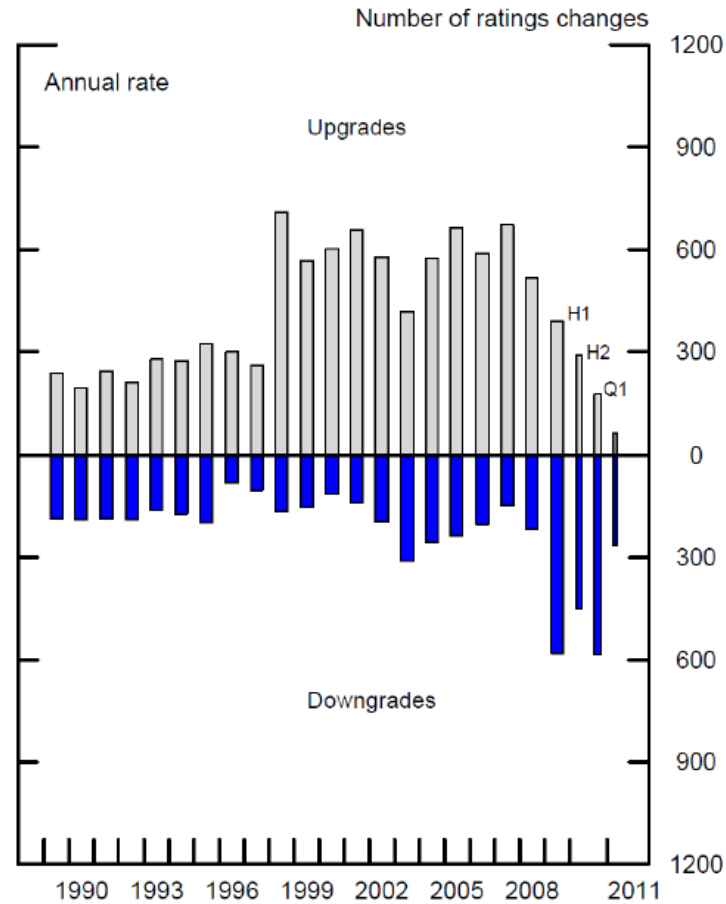
Sources: CB Richard Ellis Econometric Advisors and NBER

# State Revenue Collections

Percent Change, FYTD April 2010 to FYTD April 2011

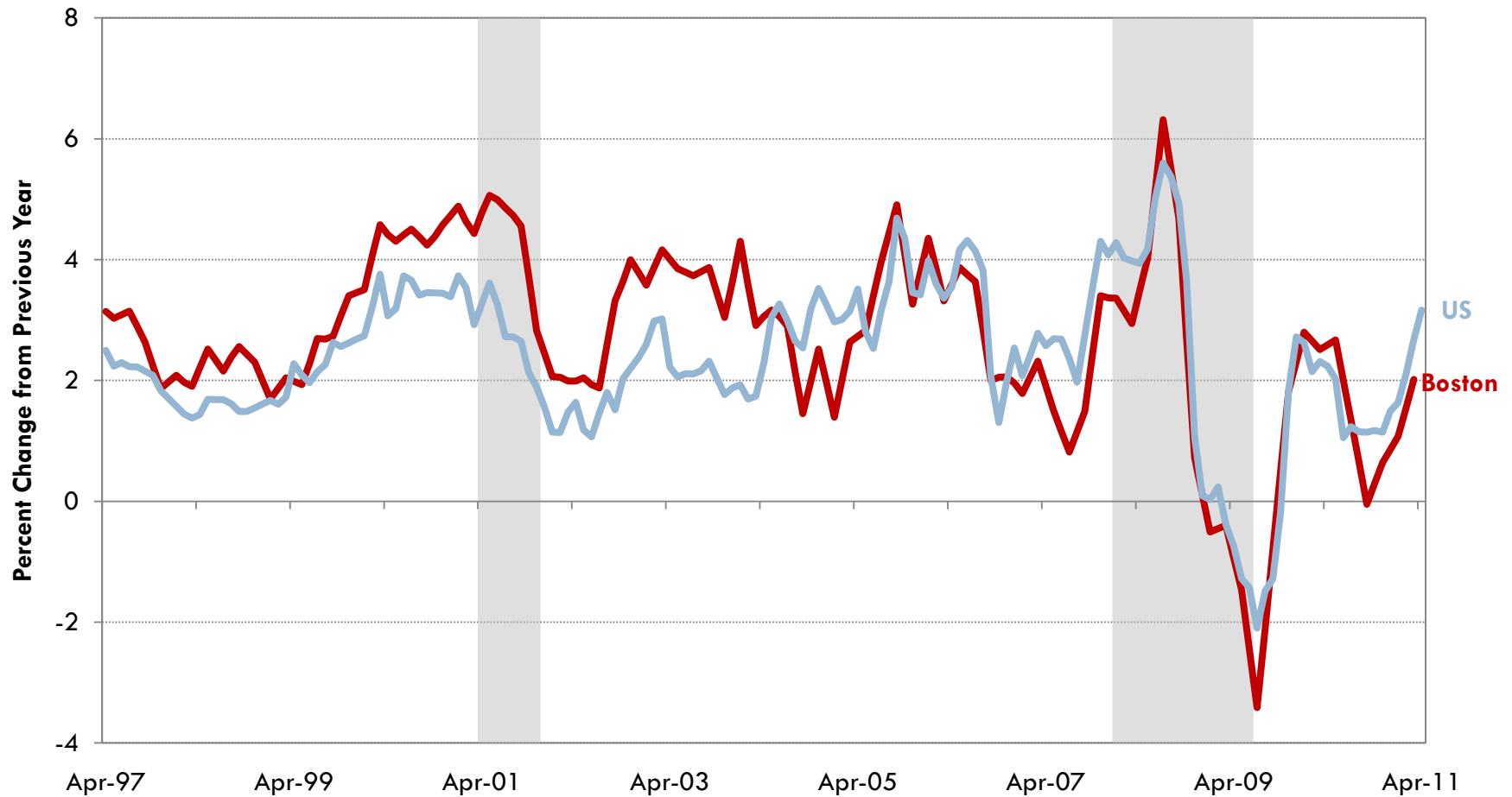


# Concerns on Muni. Credit Risk Remain



Source: Moody's Credit Trends.

# Consumer Price Index

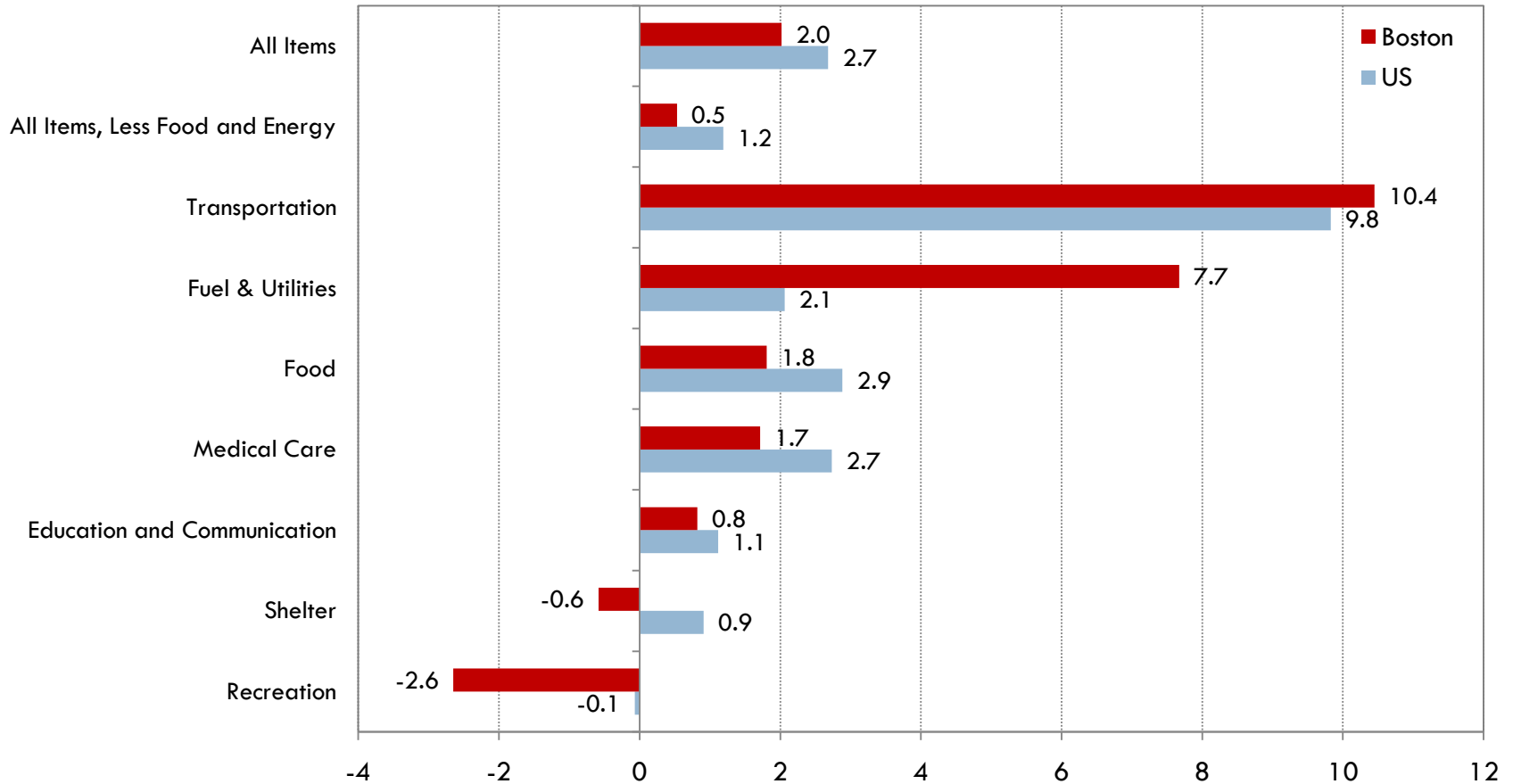


Note: CPI is for all urban consumers.

Sources: Bureau of Labor Statistics/Haver Analytics

# Change in Prices by Category

Percent Change, March 2010 – March 2011

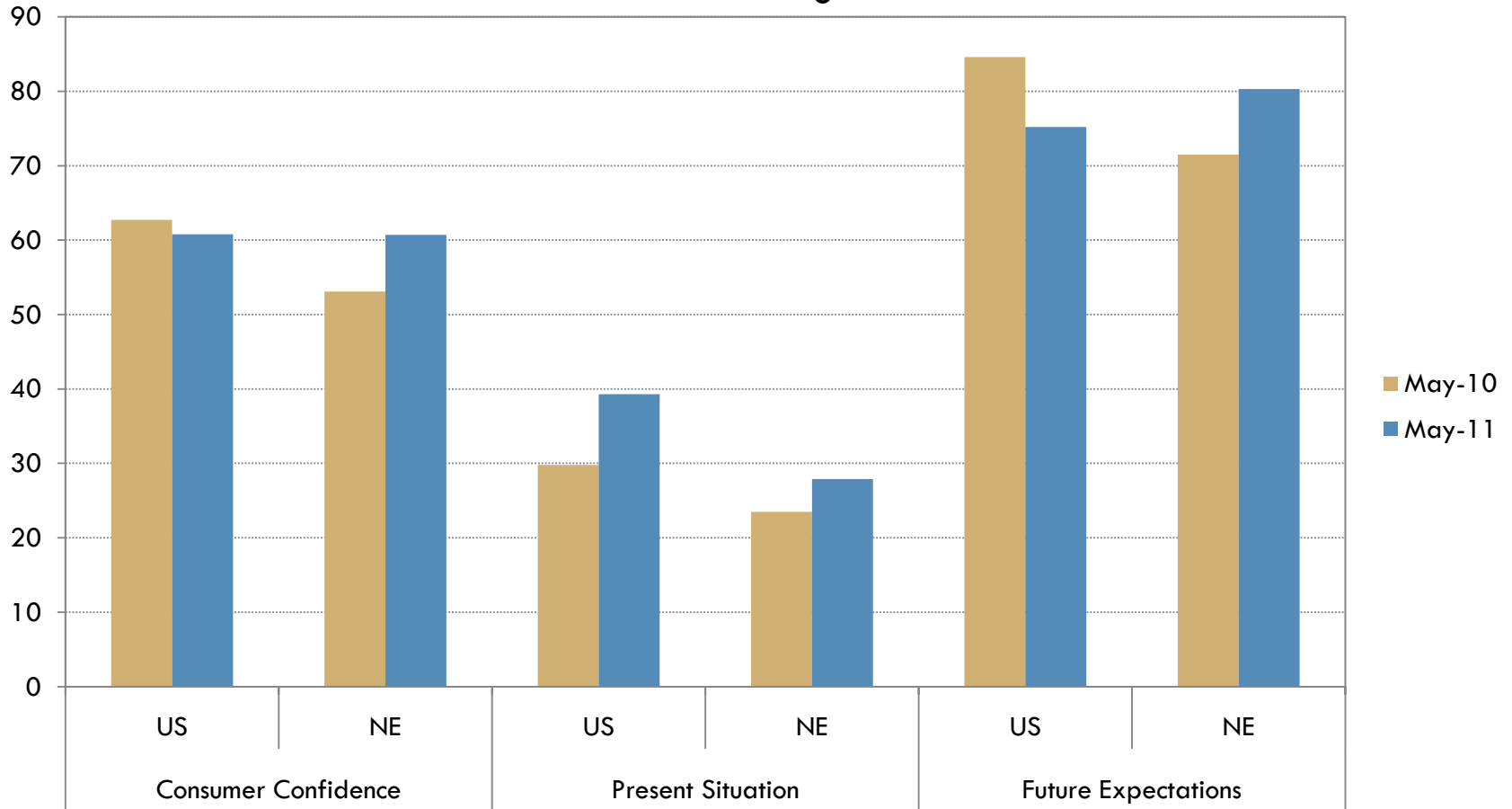


Note: CPI is for all urban consumers.

Sources: Bureau of Labor Statistics/Haver Analytics

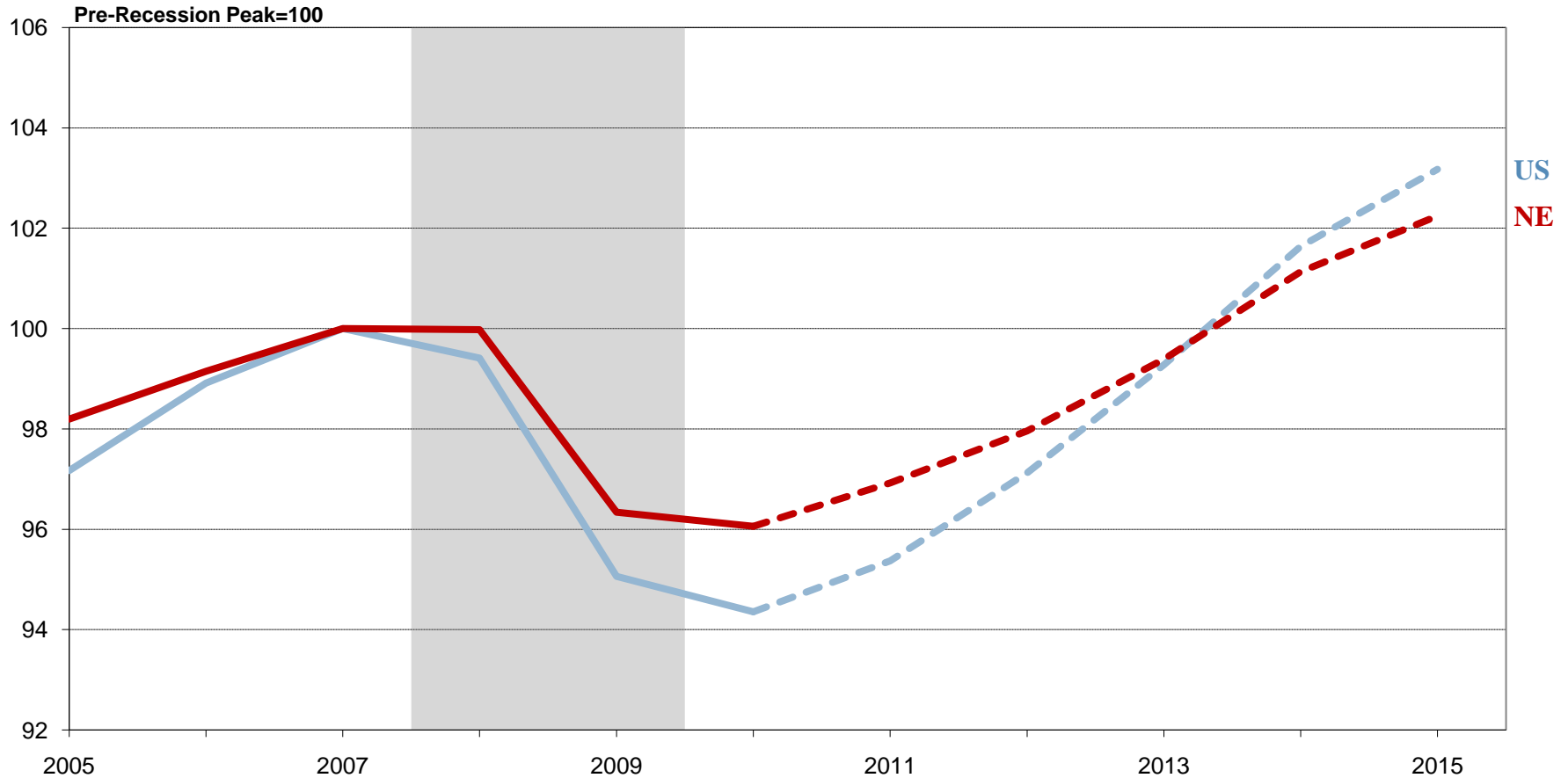
# Consumer Confidence

1985 U.S. Average = 100



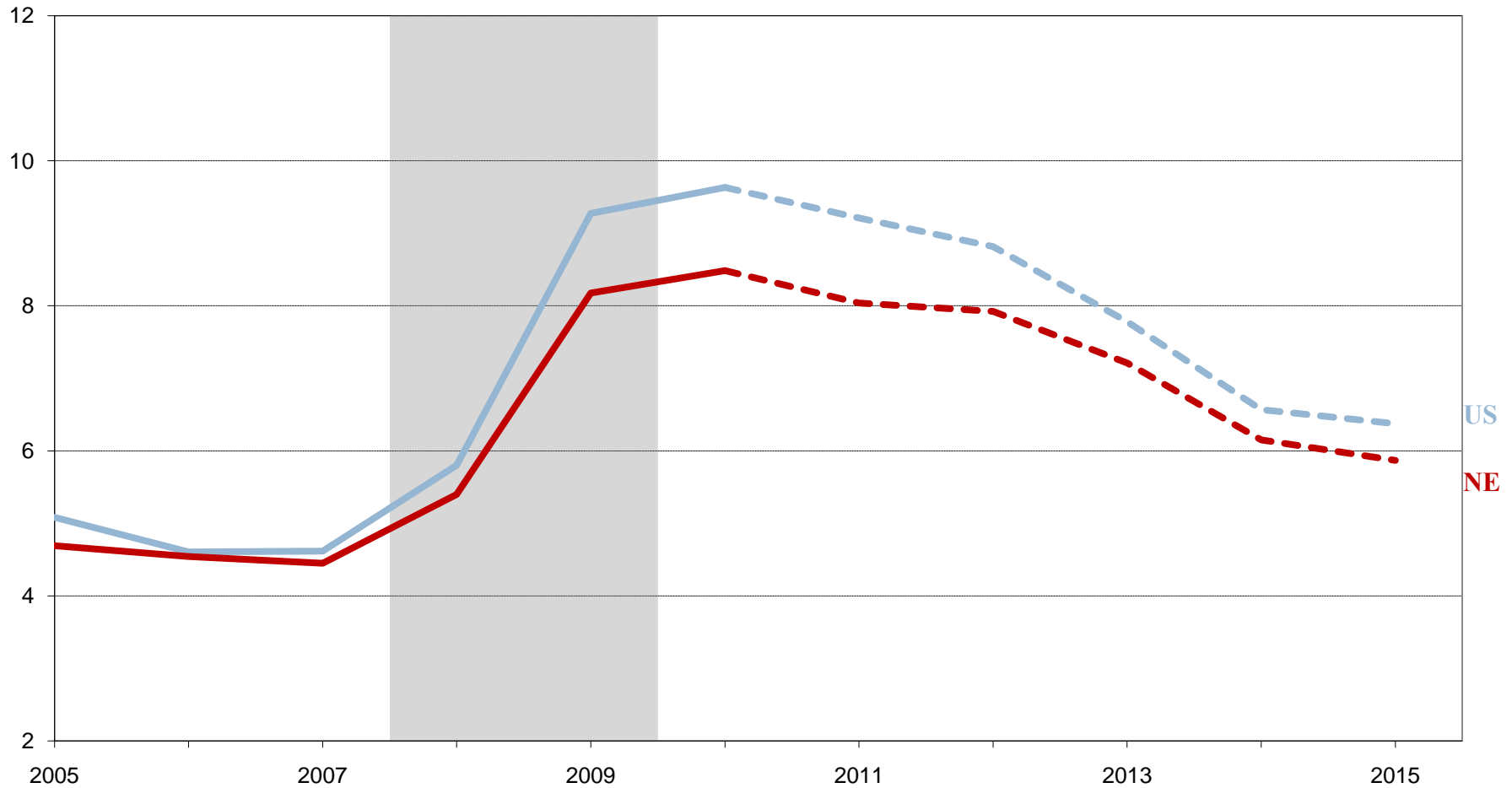
Sources: The Conference Board/Haver Analytics

# Nonfarm Employment Forecast



**Note: Dotted lines represent New England Economic Partnership forecasts.**  
**Sources: Bureau of Labor Statistics, New England Economic Partnership**

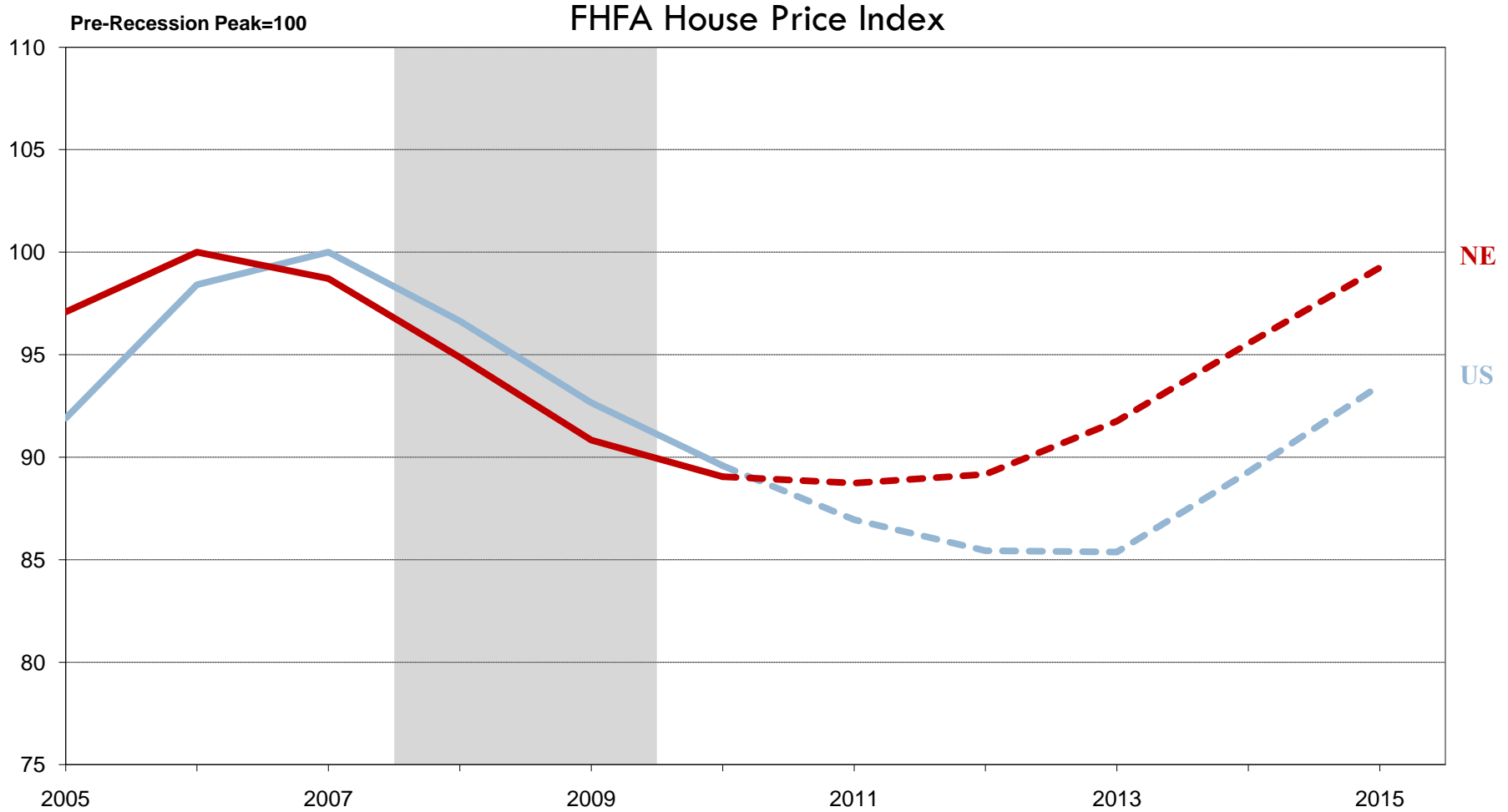
# Unemployment Forecast



**Note:** Dotted lines represent New England Economic Partnership forecasts.

**Sources:** Bureau of Labor Statistics, New England Economic Partnership

# House Price Forecast



**Note: Dotted lines represent New England Economic Partnership forecasts.**  
**Sources: Federal Housing Finance Authority, New England Economic Partnership**

# Summary

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- New England's economic recovery is continuing.
- The region is performing somewhat better than the nation on a whole.
- Forward-looking indicators suggest positive growth in the near future.

# Fed's Work on Regional Economy

- Resources
  - Data: New England Economic Indicators
  - FIRO New England Snapshot
  
- Research on the Region
  - State aid formula redesign
  - Business tax credits
  - Labor mismatch
  
- Boston Fed's Research Website:  
[www.bostonfed.org/economic](http://www.bostonfed.org/economic)