

# *Economic Outlook*

## *New England and New Hampshire*

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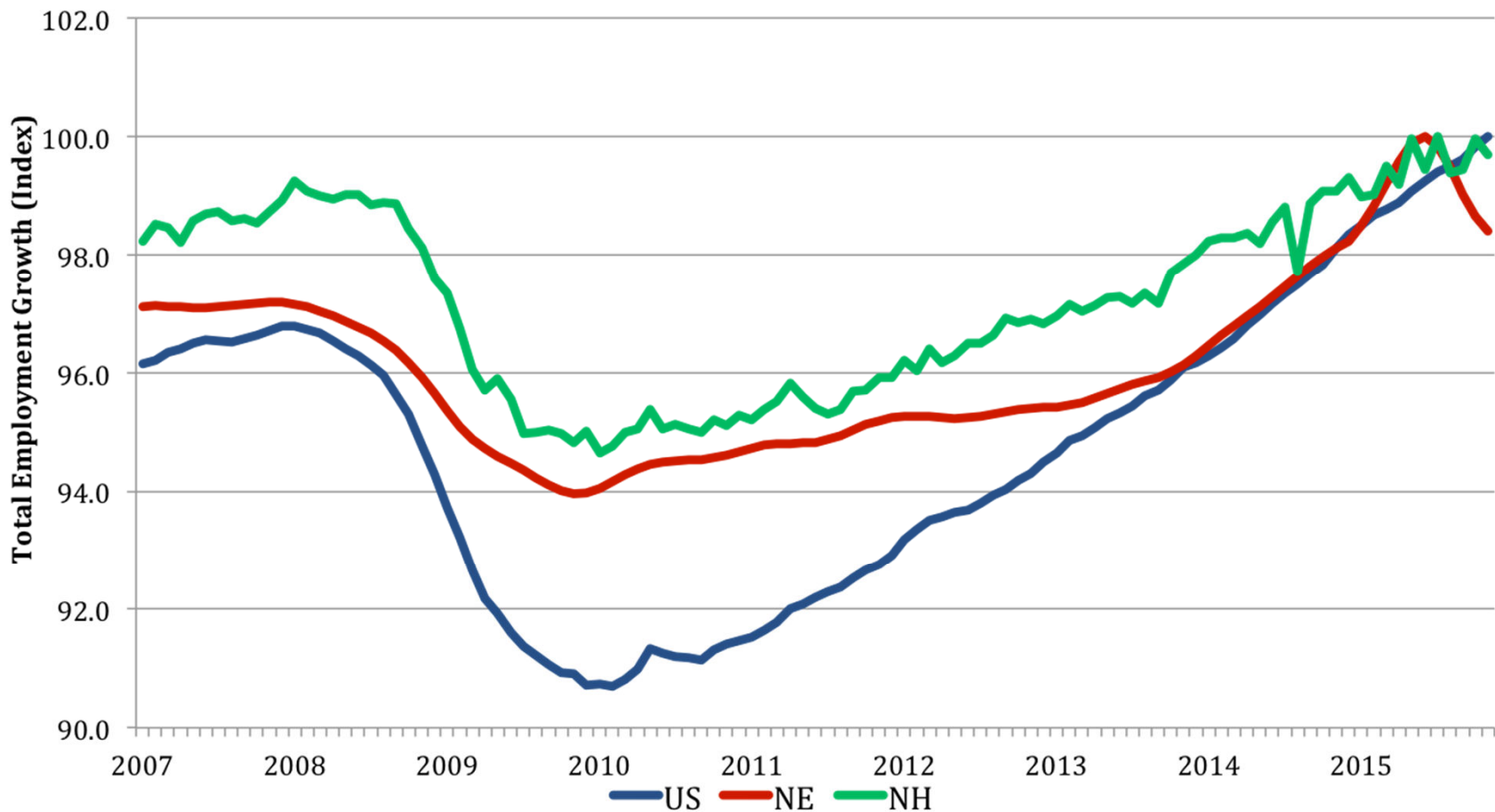
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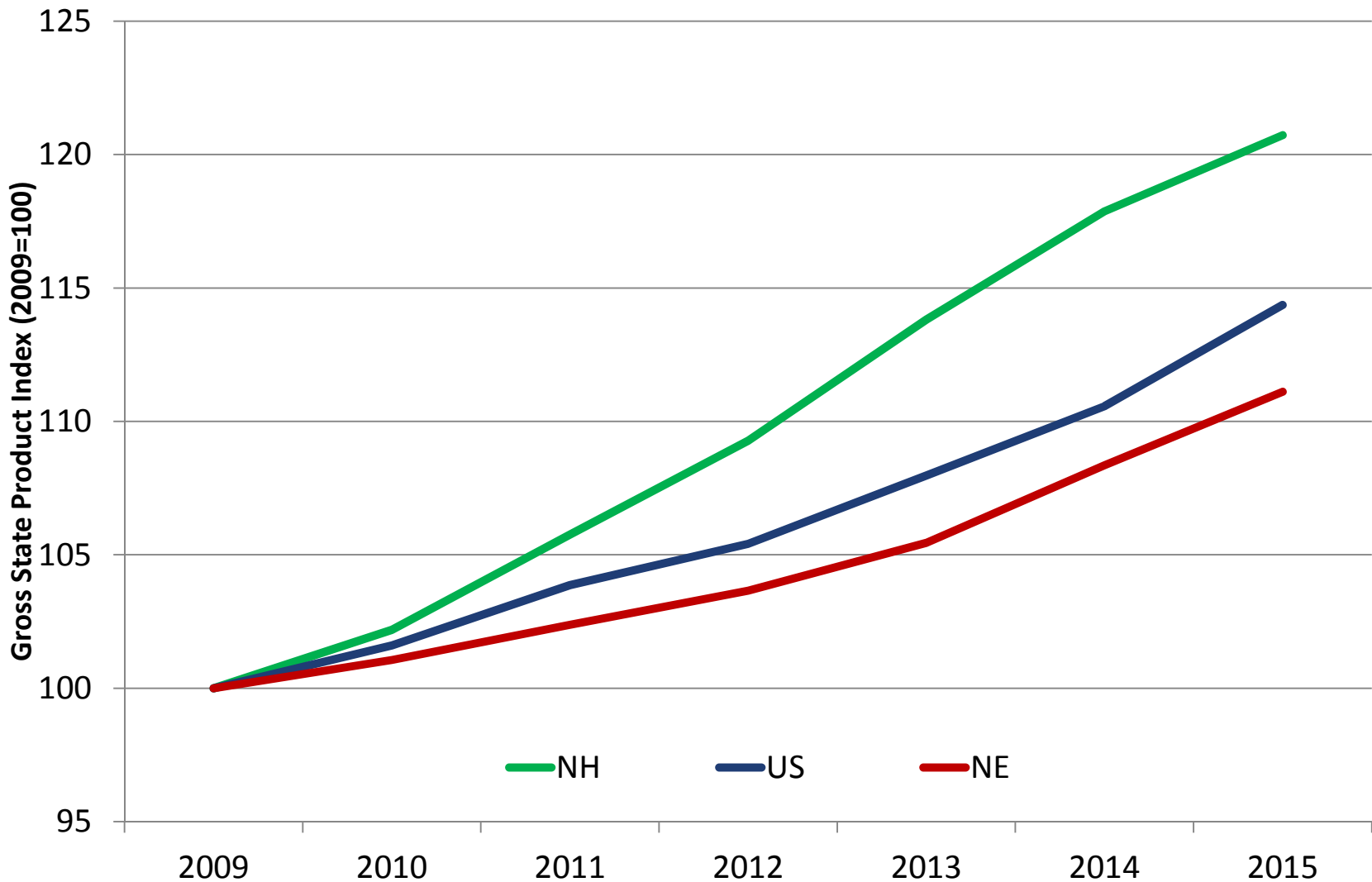
# Economic Outlook Overview

- ☒ **New Hampshire and New England -- 2015 the strongest year in economic performance since Great Recession**
- ☒ **Improvements in:**
  - **Employment growth**
  - **Unemployment, with significant rate decline**
  - **Wages, with increases**
  - **Real Estate prices, in some areas back to and even above pre-recession peaks**

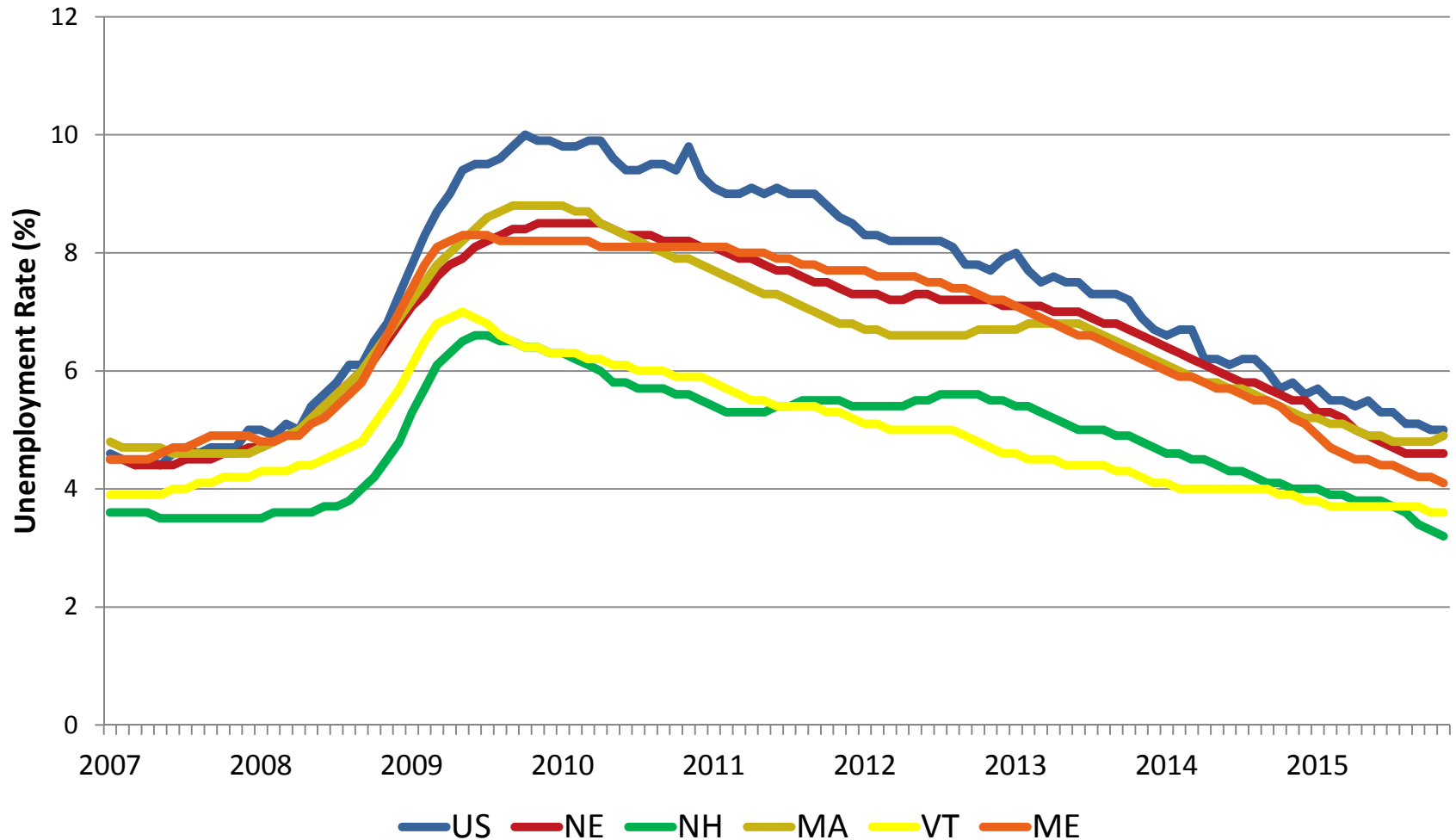
# Total Employment. NH less of a recession decline than US, but slower employment growth rate after recession



# Gross State Product Index (2009=100). Overall Growth **NH** stronger than **US** and **NE**



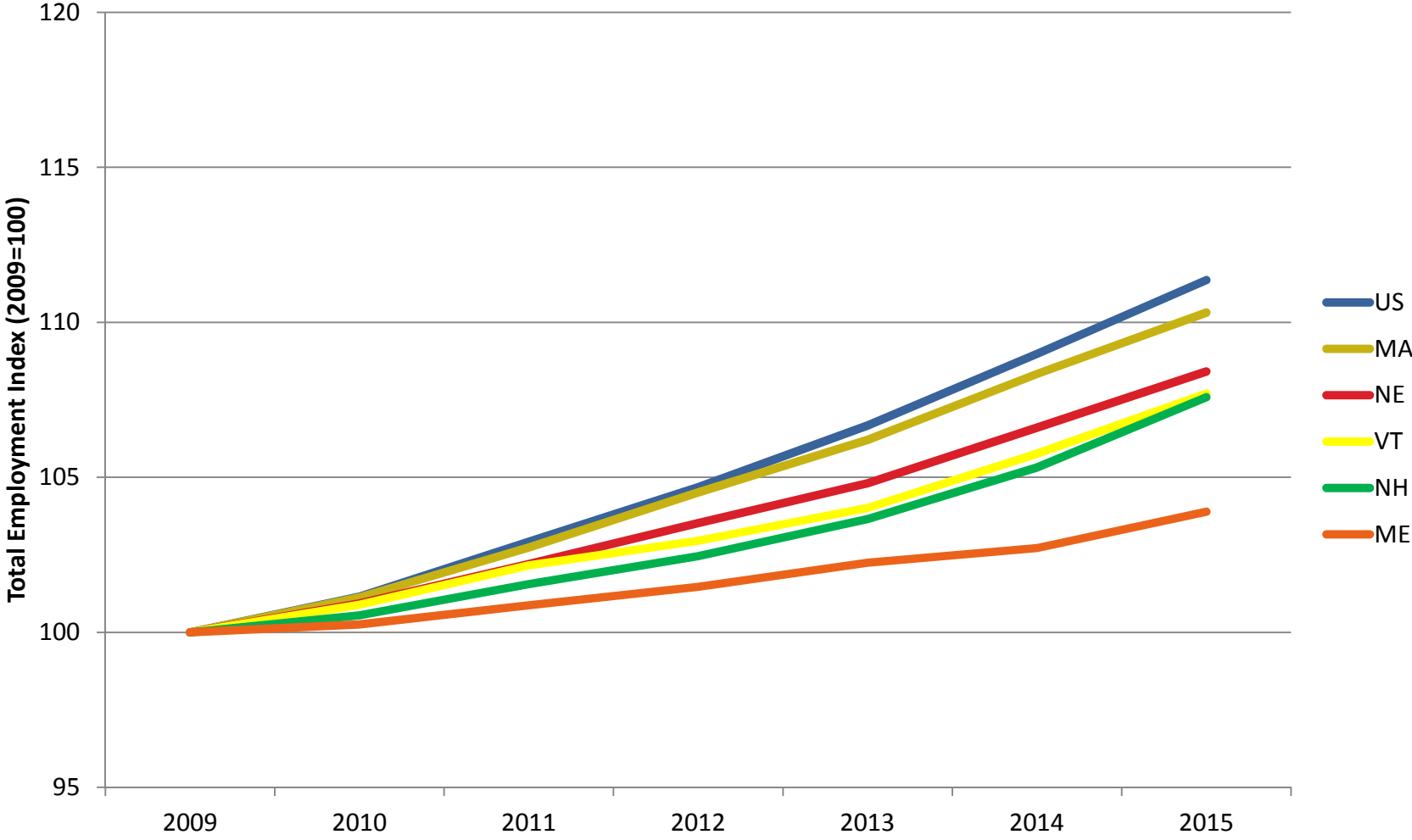
# Unemployment Rates. NH well below US, NE average and now second lowest in the nation



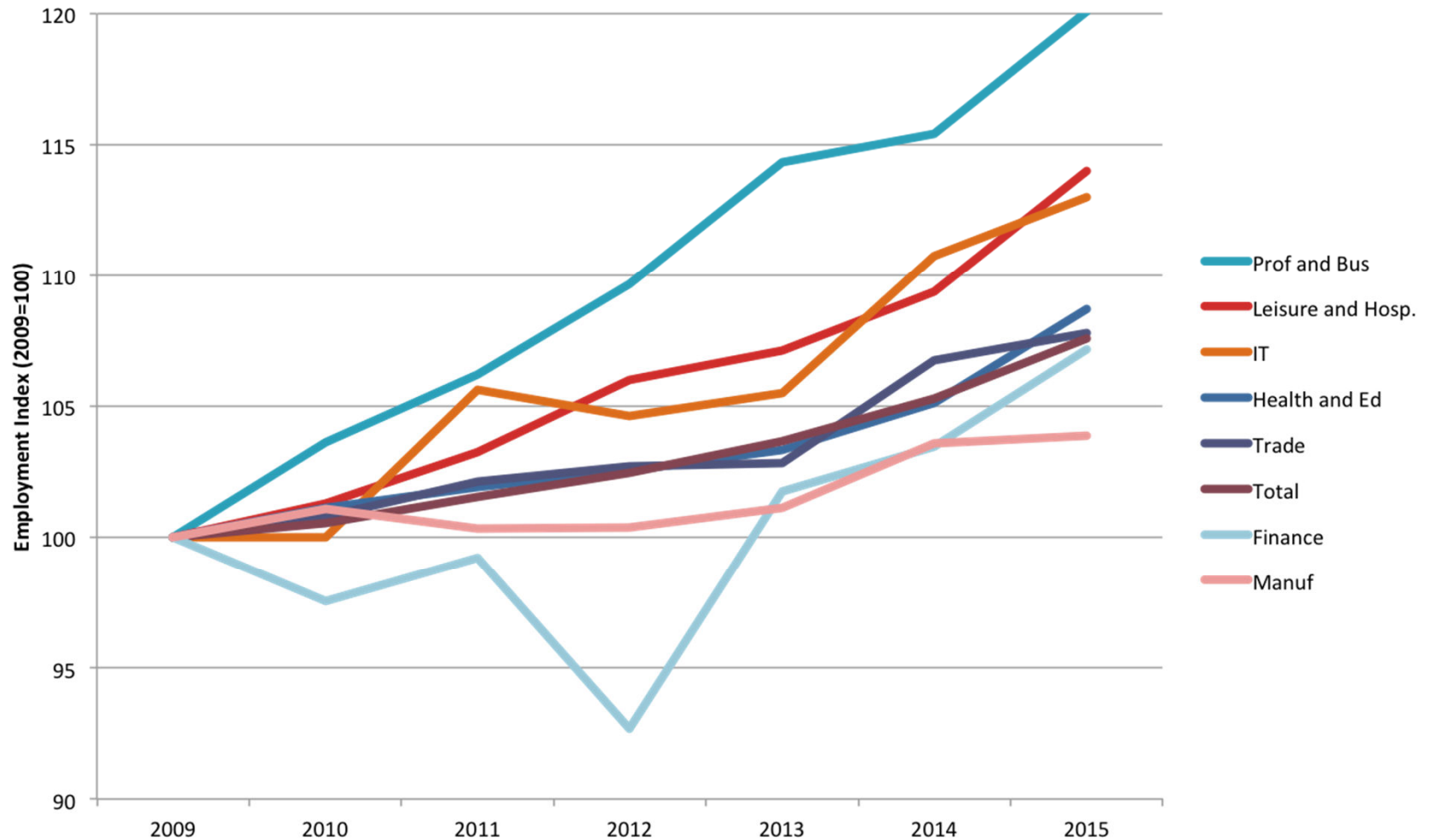
## March 2016 Unemployment Rates (Top 5 and US)

Top 5 States (and US) with lowest unemployment rate	Unemployment Rate
(1) South Dakota	2.5%
<b>(2) New Hampshire</b>	<b>2.6%</b>
(3) Colorado	2.9%
(4) Nebraska	3%
(5) Hawaii	3.1%
US	5.0%

# Total Employment Index (2009=100). NH lags US and MA coming out of the recession until recently

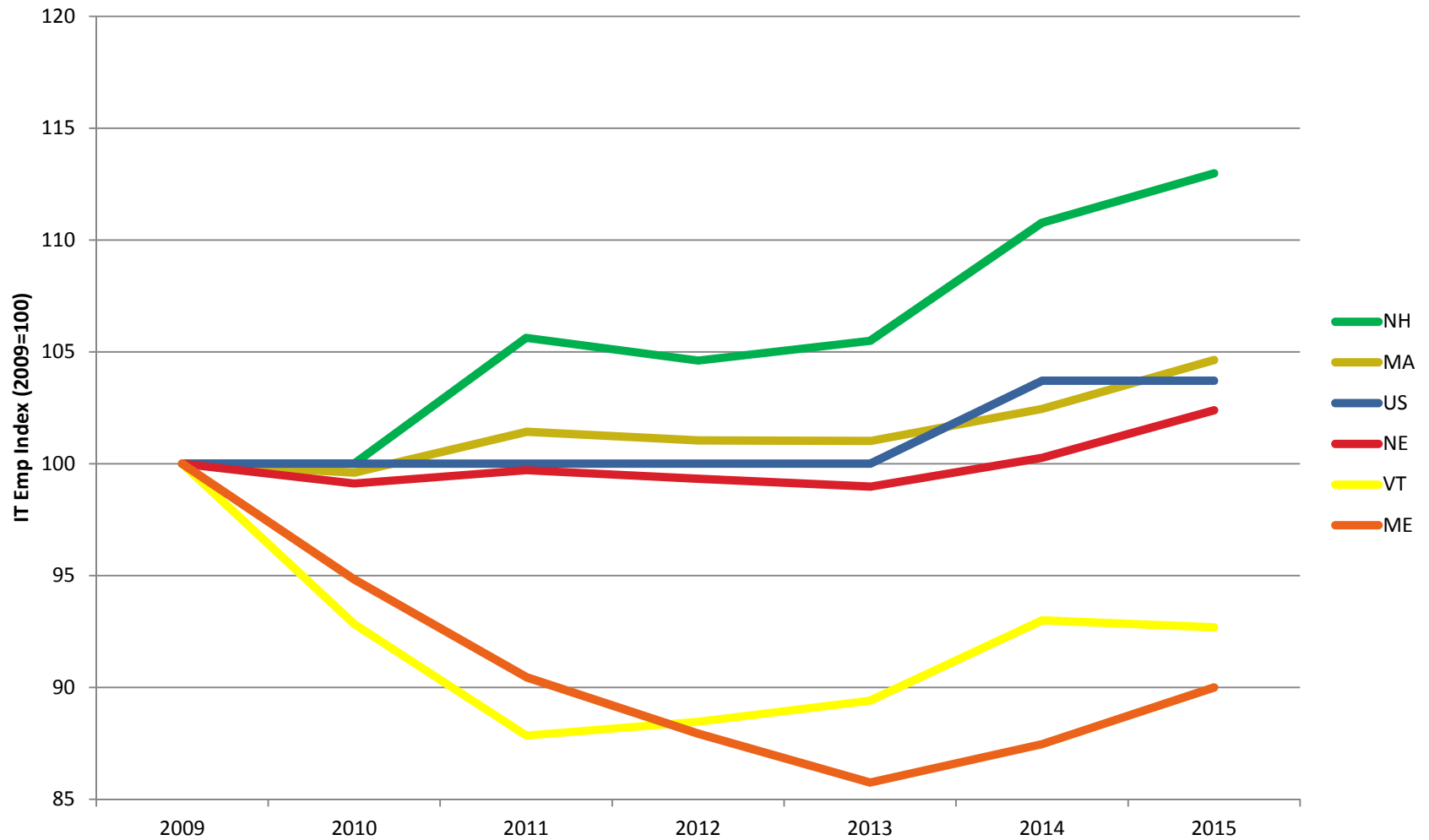


# New Hampshire Employment Index (2009=100) by major industry sector. Professional and Business Services, IT and Leisure & Hospitality lead NH growth post-recession

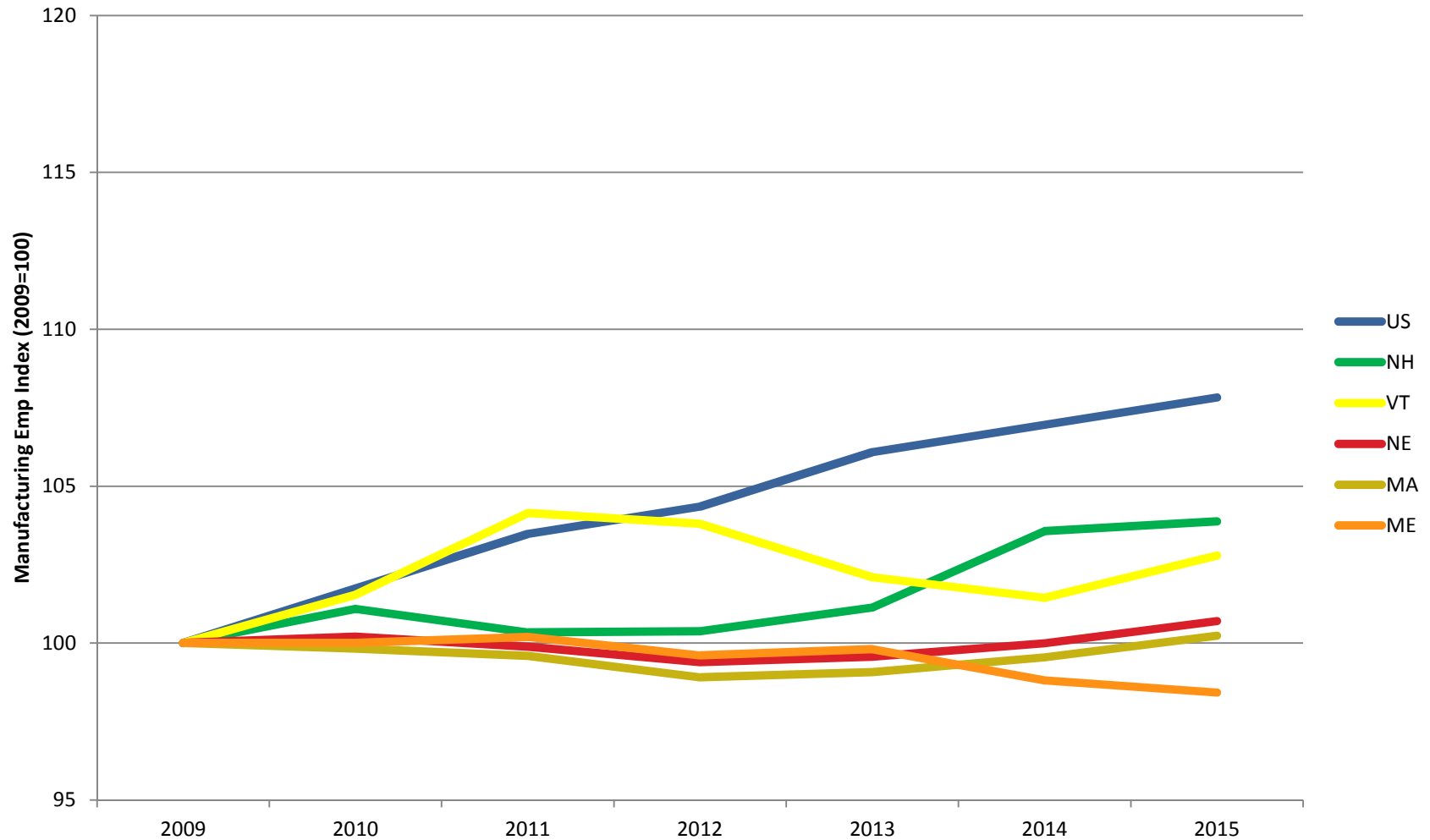




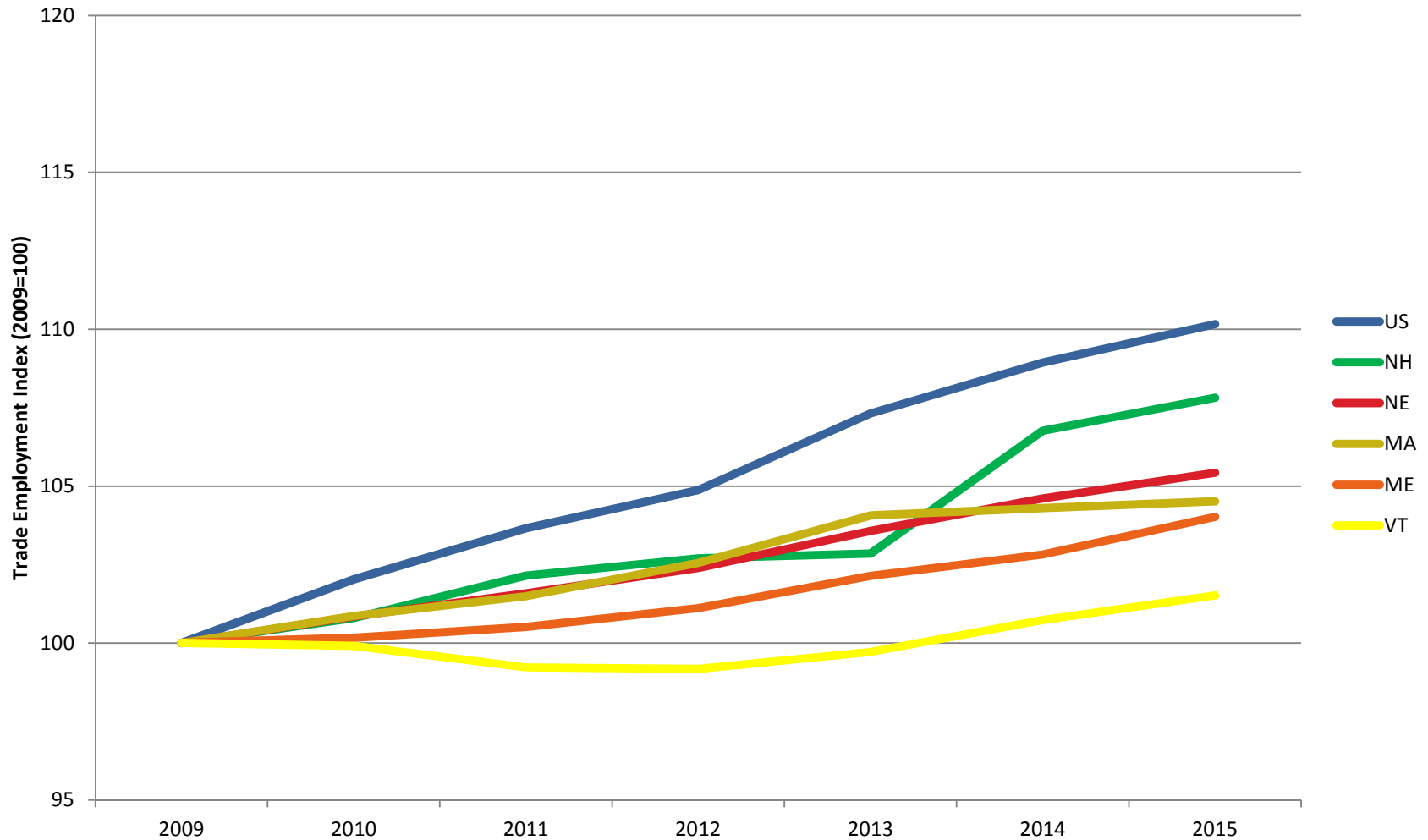
# NH's IT Employment growth, exceeds US and leads New England (Index, 2009=100)



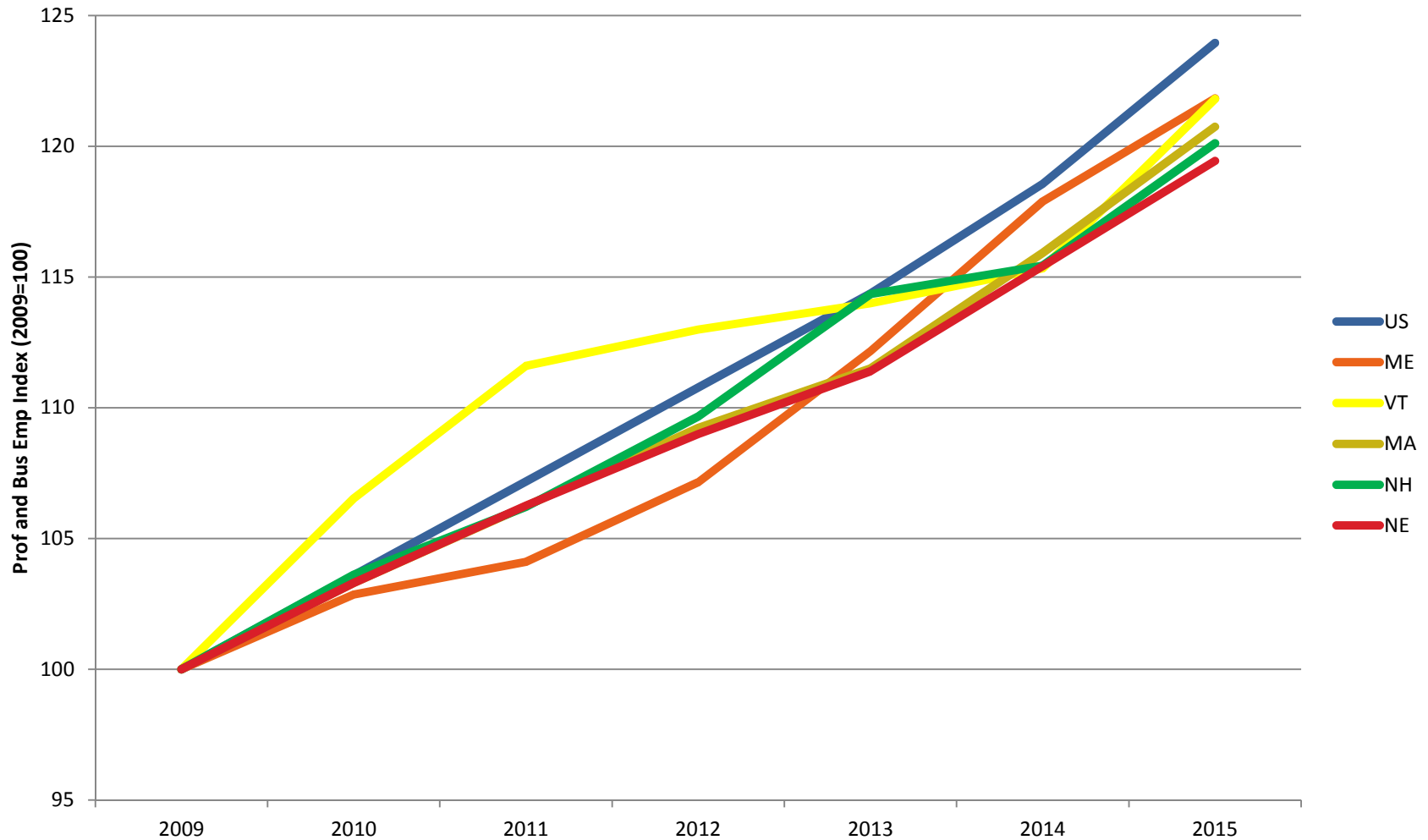
# Manufacturing Employment growth in NH, leads NE but below US average (Index, 2009=100)



# Trade Employment growth in NH, leads NE but below US average (Index, 2009=100)



# Professional & Business Employment growth in NH, similar to New England Region (Index, 2009=100)

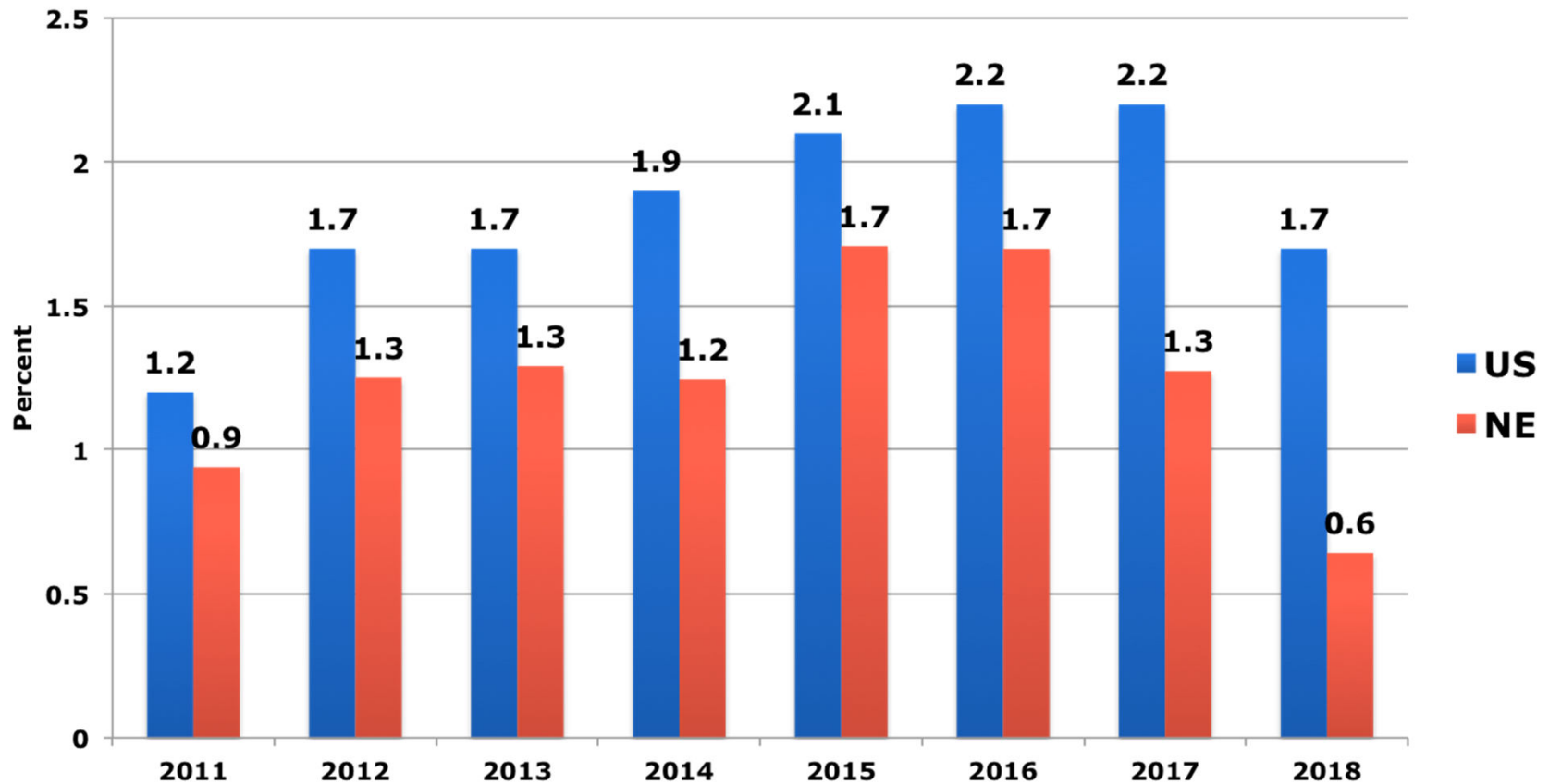


# New England Outlook Summary

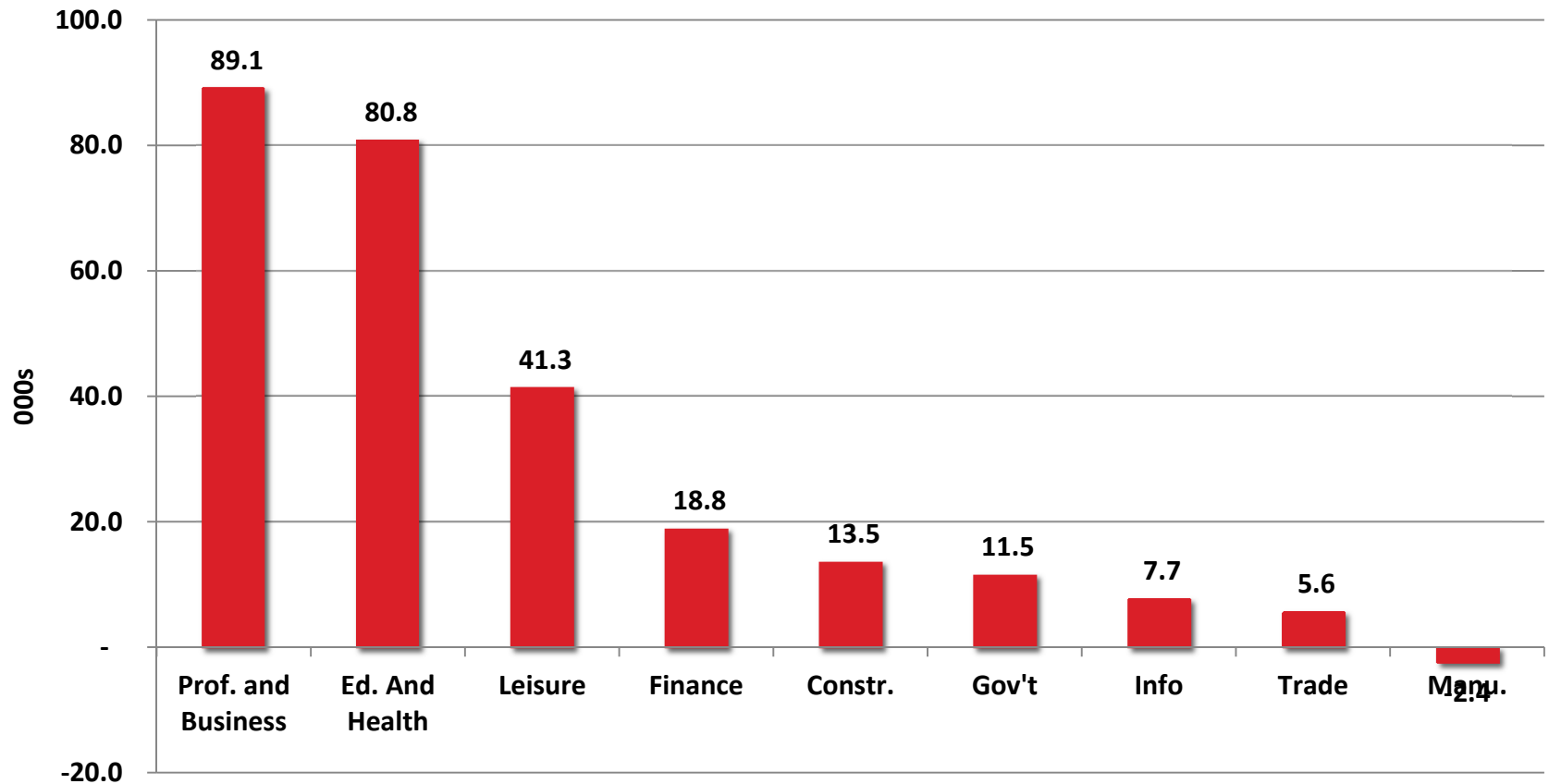
- The New England regional economy has signs of relative resiliency
- Growth rates are higher and unemployment rates lower in 2015 than in any year since the 2008-2009 recession
- New England Economic Partnership (NEEP) Forecast for the region is for 2016 to be the year of strongest growth post-recession, then moderating growth
- Demographic factors, including lower labor force growth than the US average, continue to contribute to slower employment growth in New England than the national average
- Highly educated and skilled population contributes to high per capita income and lower unemployment than US average

## US and New England: Total Employment % Changes

Growth is forecast to peak at 1.7% in 2016 and then dampen. Region's employment growth expected to be 0.4% to 1.1% below US



# New England 2015-2018 Job creators are expected to be Professional & Business Services, Health & Education, and Leisure & Hospitality

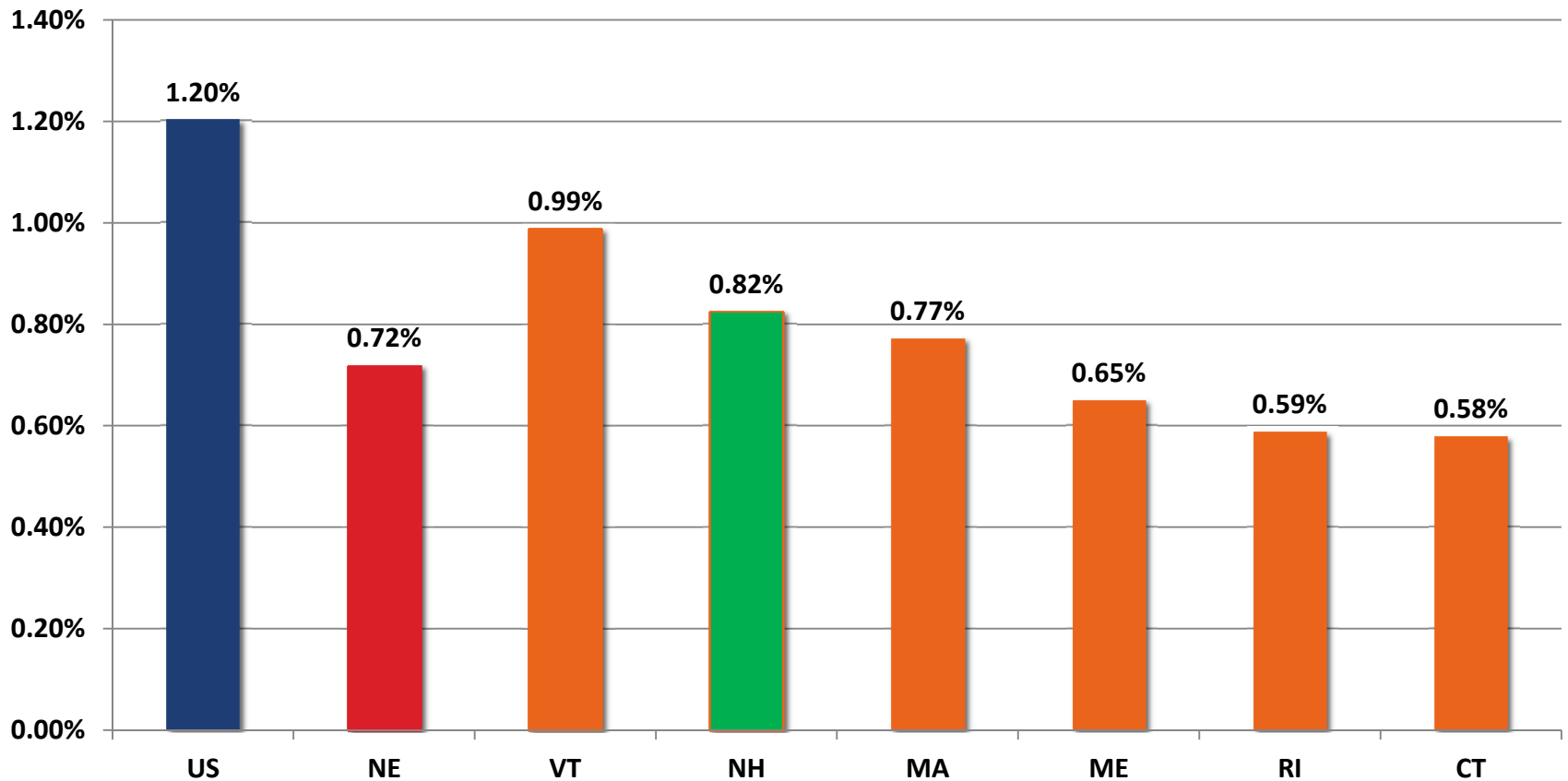


# New Hampshire Economic Outlook

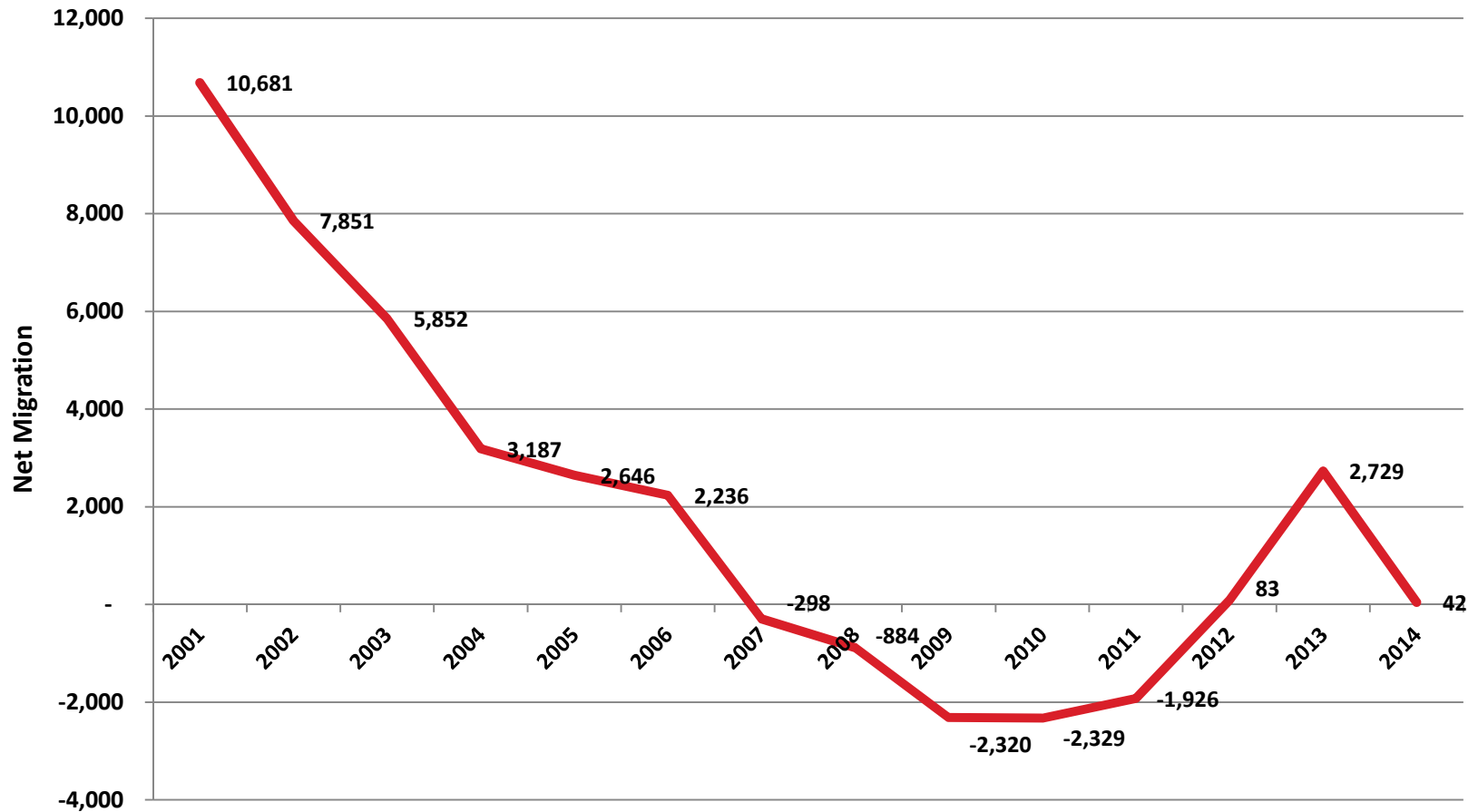
- After several years of job growth below the New England average, the state's economy has improved and NH is expected to have employment growth above the average for the region over the forecast period (through 2018)
- NH unemployment rate declined to 2.6 percent from 4 percent in December-2014 and compared to the US rate of 5 percent. Now the second lowest in the US
- NH private sector employment grew 1.7 percent over last year, growth is expected to be sustained in 2016 and then moderate
- Broad-based employment growth a contributing factor to NH economy's resiliency, an economy without dependence on a single industry or a single employer



# Total Employment Average Annual Growth (2015-2018). New Hampshire along with VT and MA are expected to have strongest growth. But all New England states forecasted below US average



# Demographics and Net-Migration Key Factor in NH Employment growth. Net-Migration into NH stopped in last decade, but recent data suggests some potential for improvement



# Economic Outlook Risk: Global Fear Remains

- Uncertainty overhanging the NH economy... with global economic fears influencing US and state economies
- Equity markets correction and instability after an extended period of strong performance
- Other economies holding back US (NH) economy
- China, European and other economies at risk

# Conclusion: NH in relatively strong position in US and New England: NH Rankings

Unemployment Rate	2.6% (2)	US BLS
Per Capita Income	\$64,712 (6)	US BLS
Median Family Income	\$77,178 (2)	US BLS
Poverty Rate	8.7% (1)	US BLS
% Associates+	47.16% (5)	Lumina Foundation
<b>Business Starts</b>	<b>Rank: 43</b>	<b>Kaufmann Foundation</b>
% Employment in Tech	7.3% (9)	TechAmerica
Tax Climate	Rank: 7	Tax Foundation
<b>Business Climate</b>	<b>Rank: 37</b>	<b>Tax Foundation</b>
State for young families	Rank: 2	Annie E. Casey
State to retire	Rank: 15	Bankrate