

Economic Update

New Hampshire House of Representatives
Ways and Means Committee Economic Briefing, January 14, 2025



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Federal Home Loan Bank of Boston

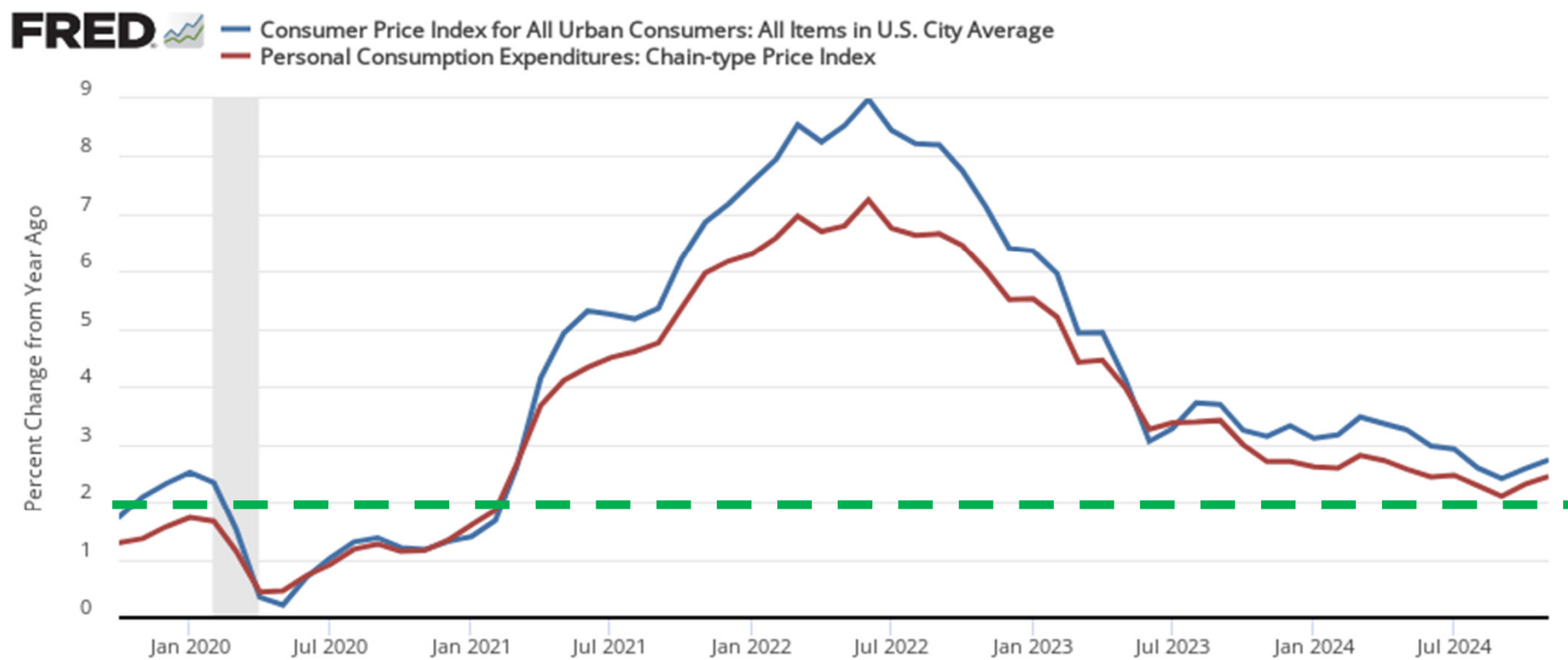
Today's Topics

- Inflation
- Labor Market
- Gross Domestic Product
- Housing Market
- Projections

Inflation



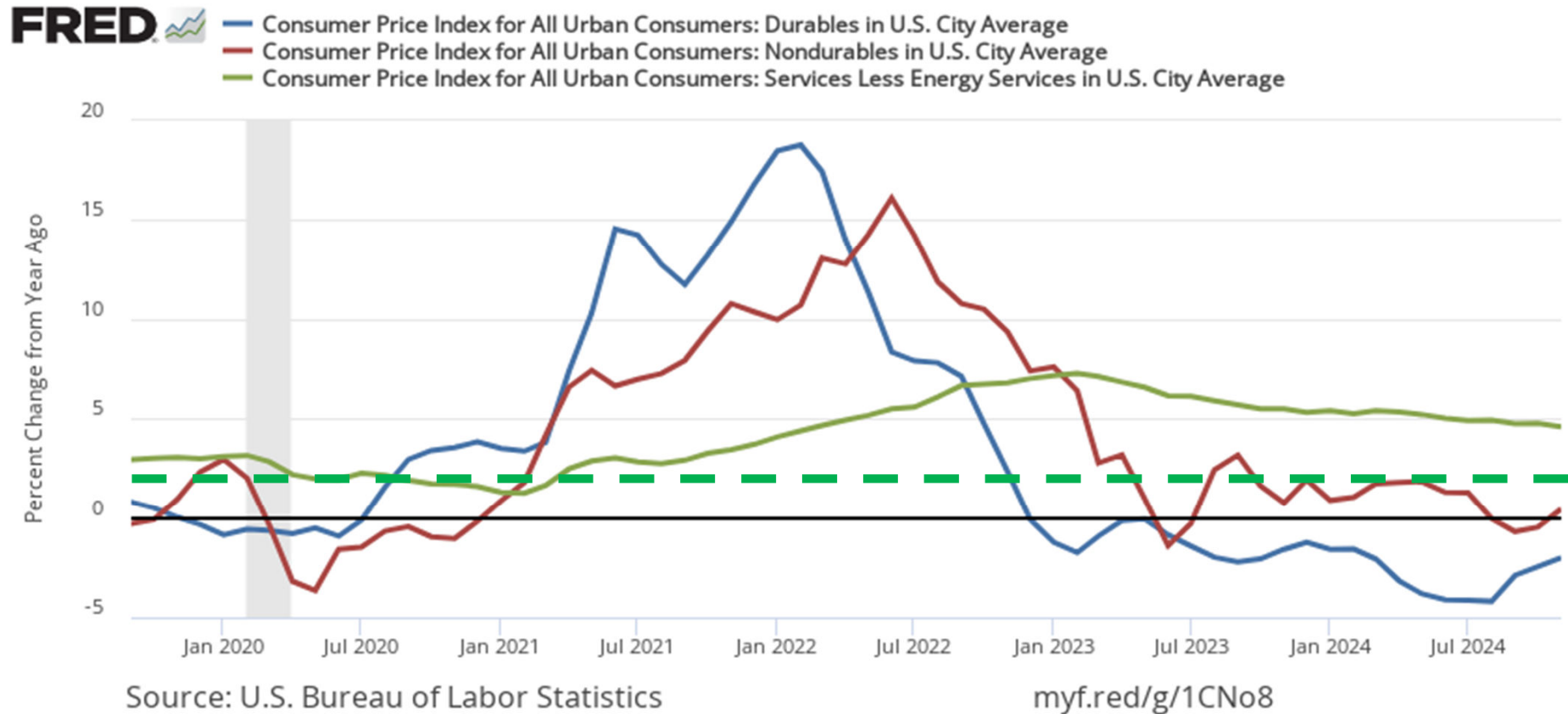
Inflation



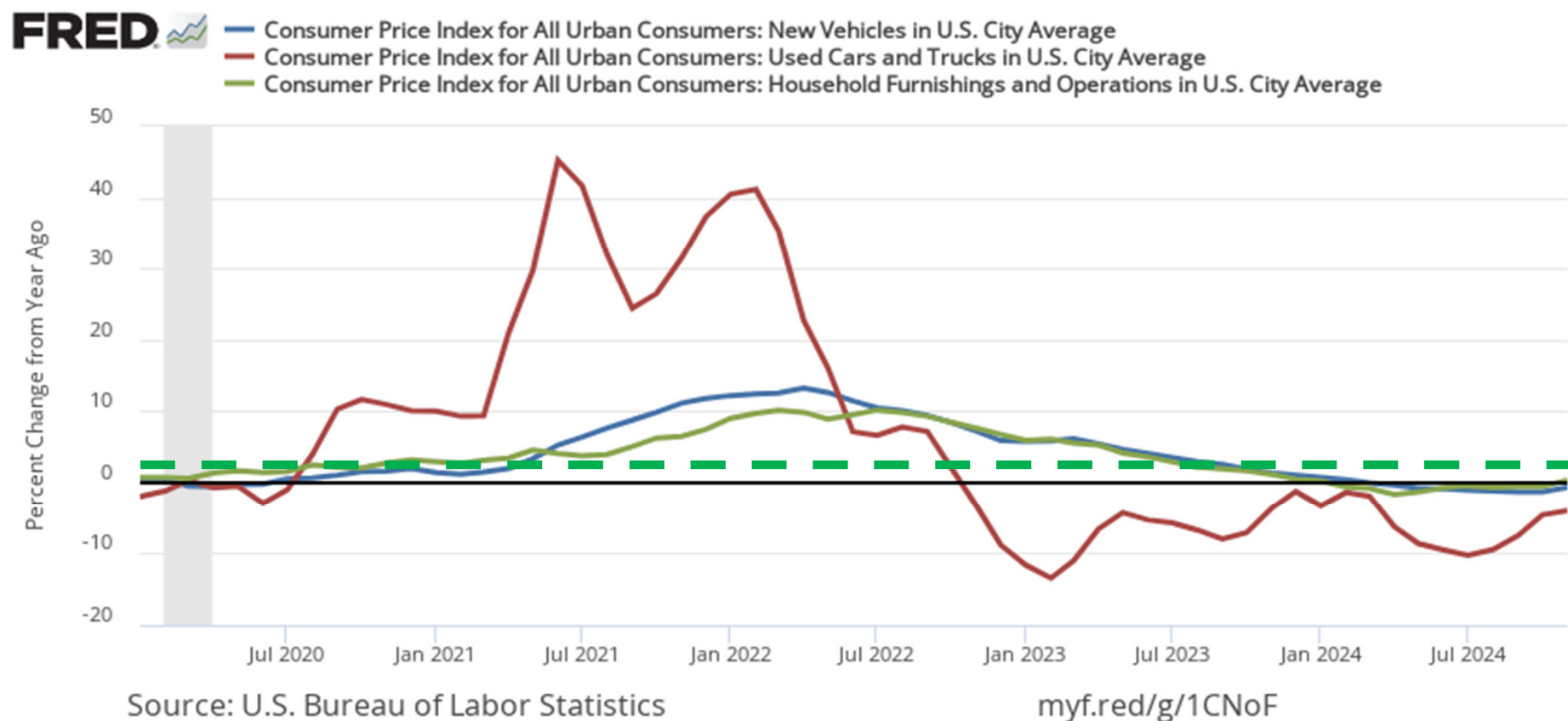
Sources: U.S. Bureau of Economic Analysis; U.S. Bureau of Labor Statistics

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Inflation: Goods vs Services

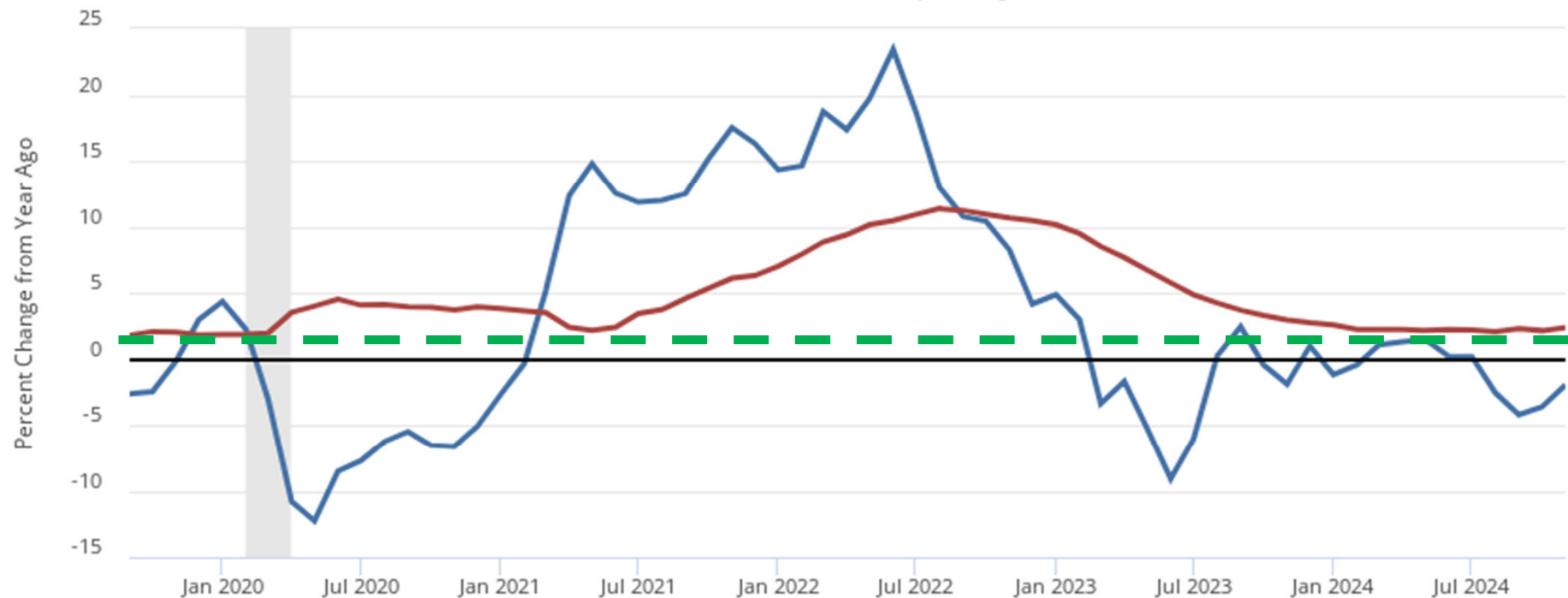


Inflation: Durable Goods



Inflation: Nondurable Goods

FRED  — Consumer Price Index for All Urban Consumers: Nondurables Less Food and Beverages in U.S. City Average
— Consumer Price Index for All Urban Consumers: Food in U.S. City Average



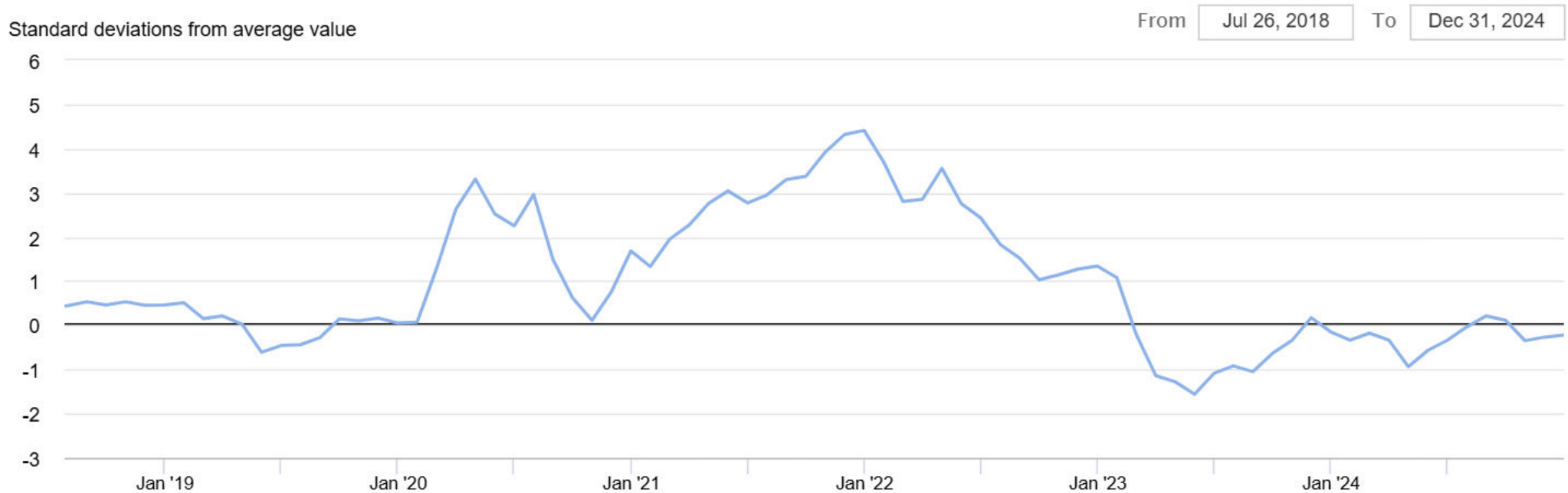
Source: U.S. Bureau of Labor Statistics

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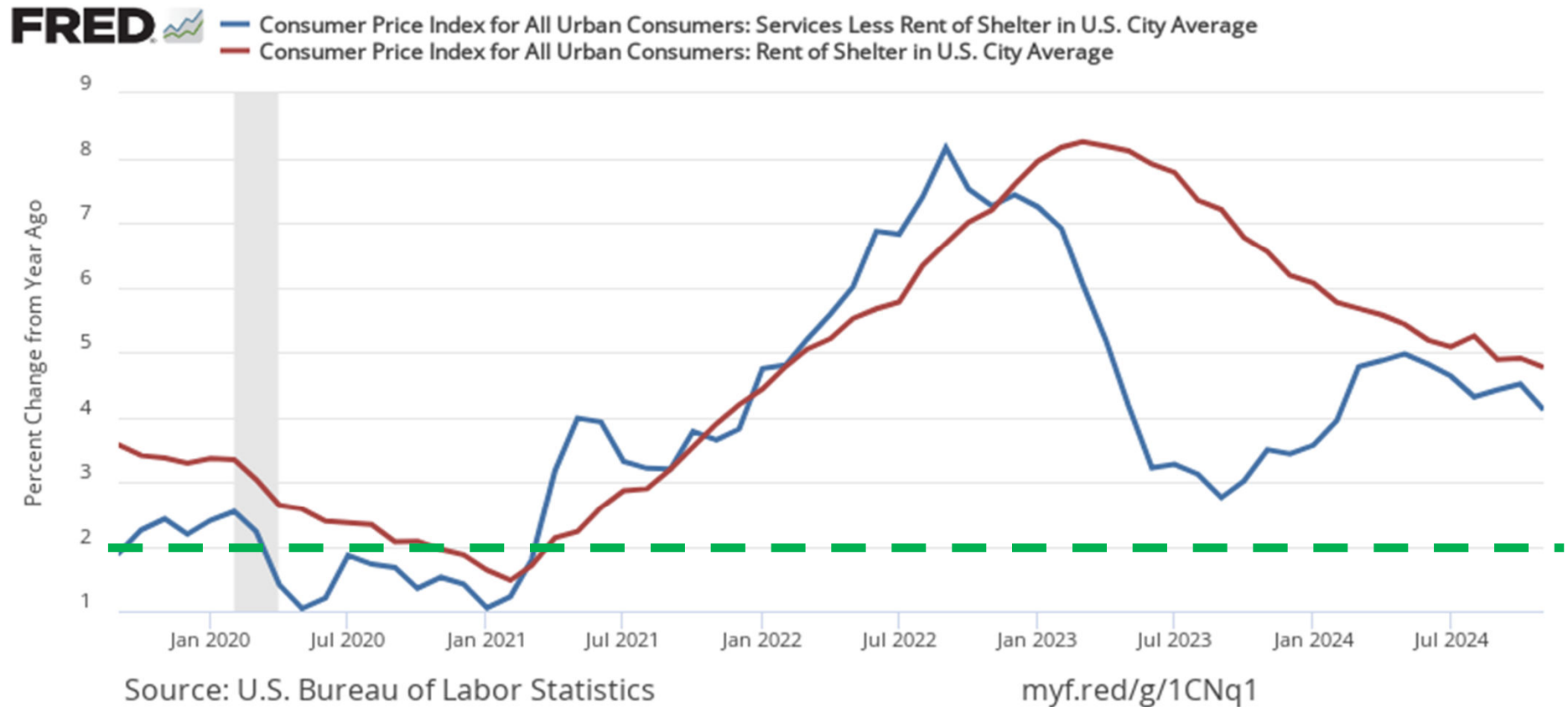
Global Supply Chain Pressure Index

Latest Update December 2024

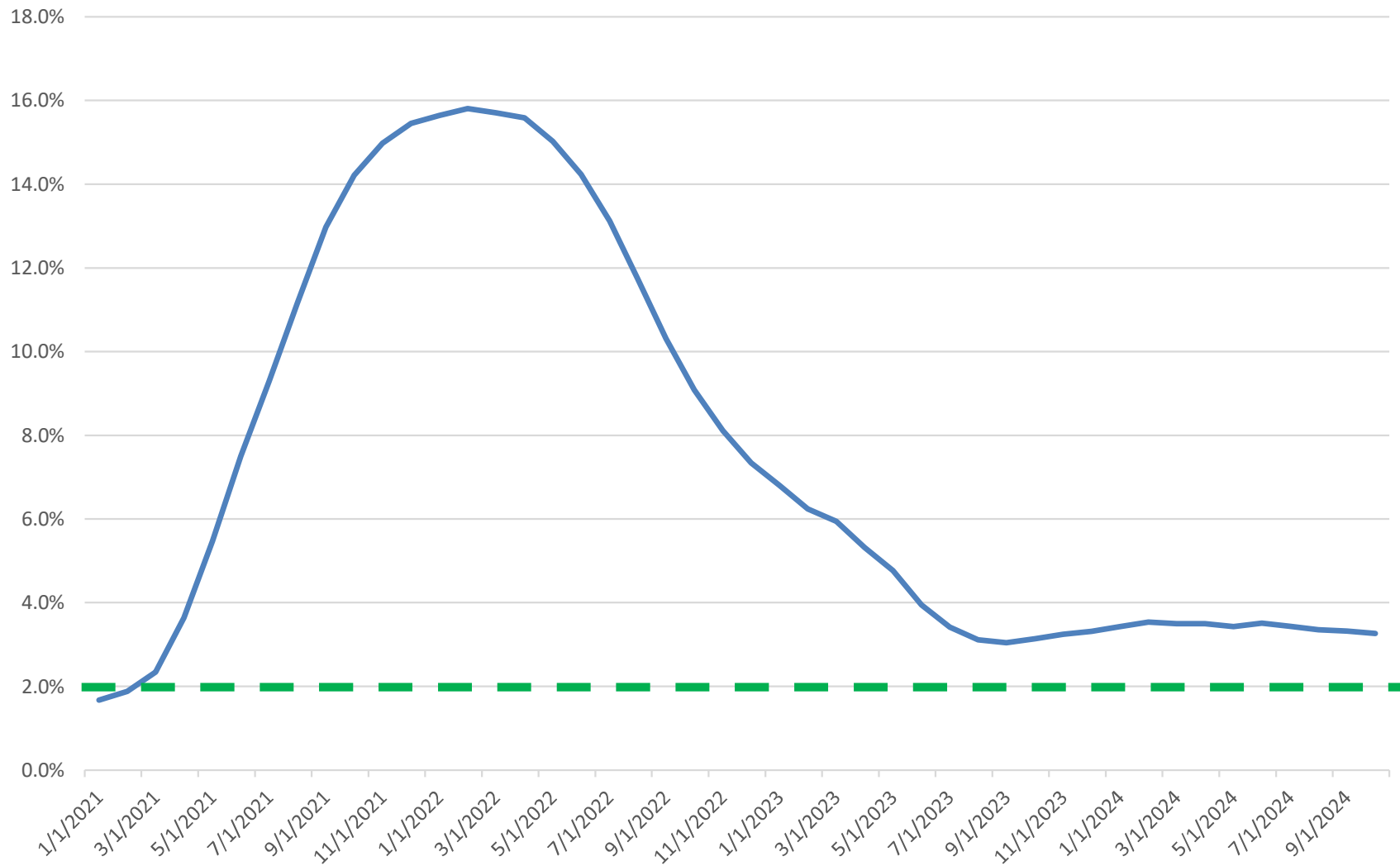
Enter a date range to see monthly estimates or use the slider below to view a specific date range.



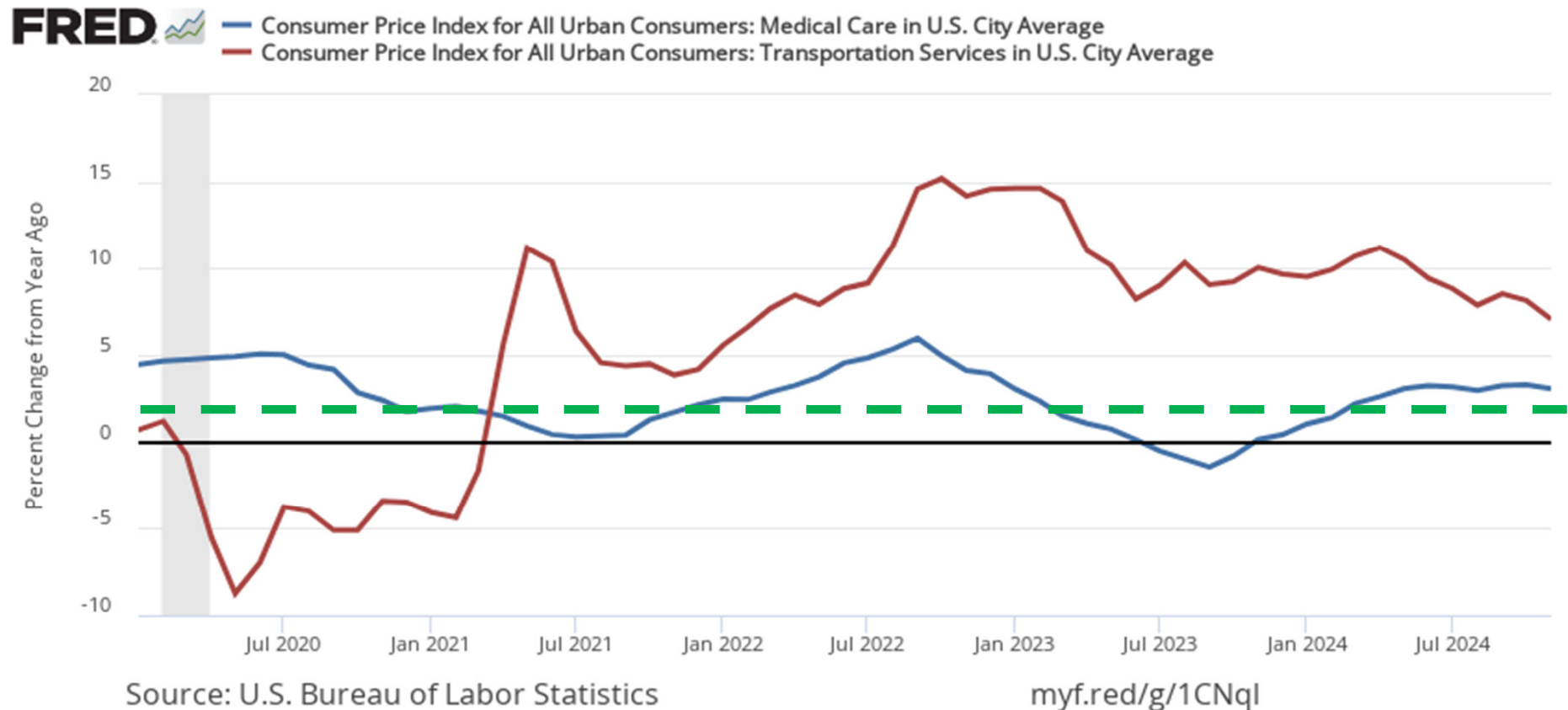
Inflation: Services



Zillow Observed Rent Index: YoY Change



Inflation: Medical and Transportation Services



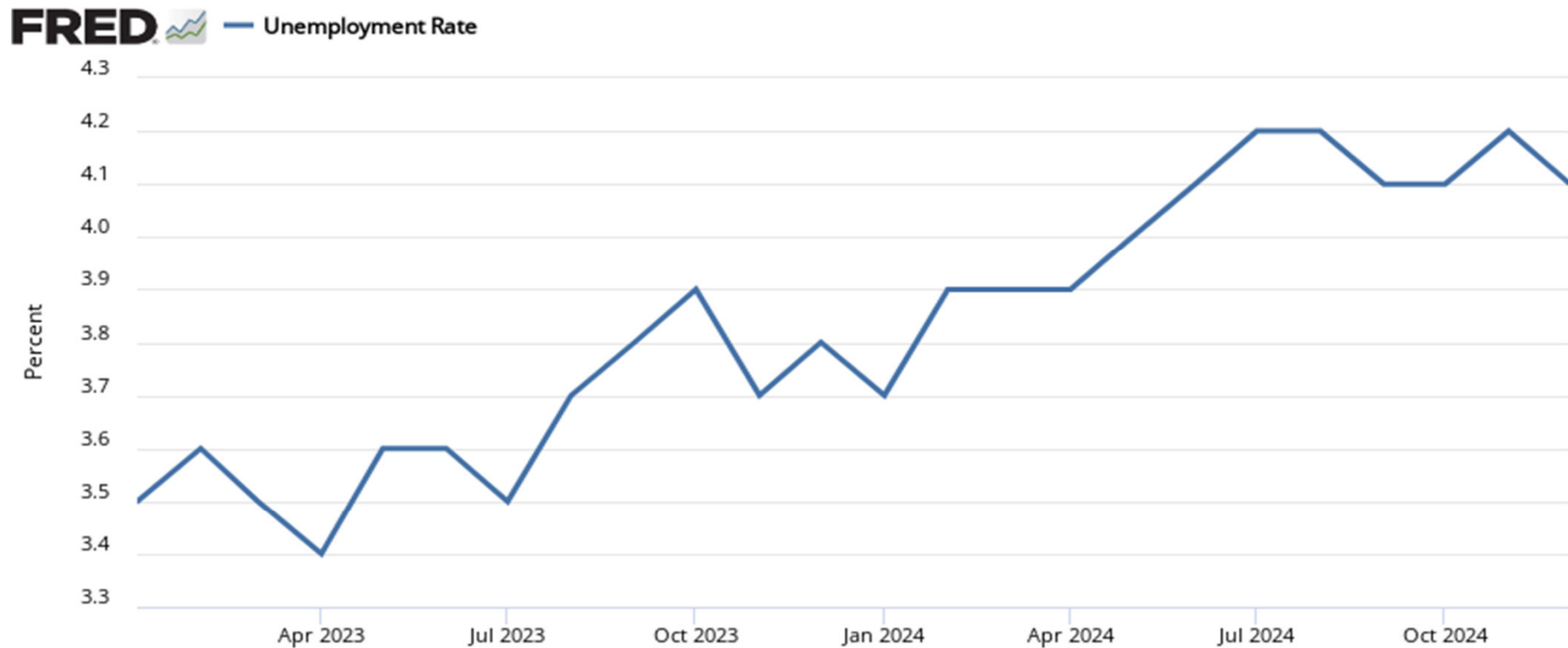
Labor Market



Unemployment Rate in New England States

	Nov 2023	Nov 2024
United States (December)	3.8	4.1
Connecticut	4.2	3.0
Maine	3.4	3.1
Massachusetts	3.3	4.0
New Hampshire	2.6	2.5
Rhode Island	3.4	4.6
Vermont	2.3	2.4

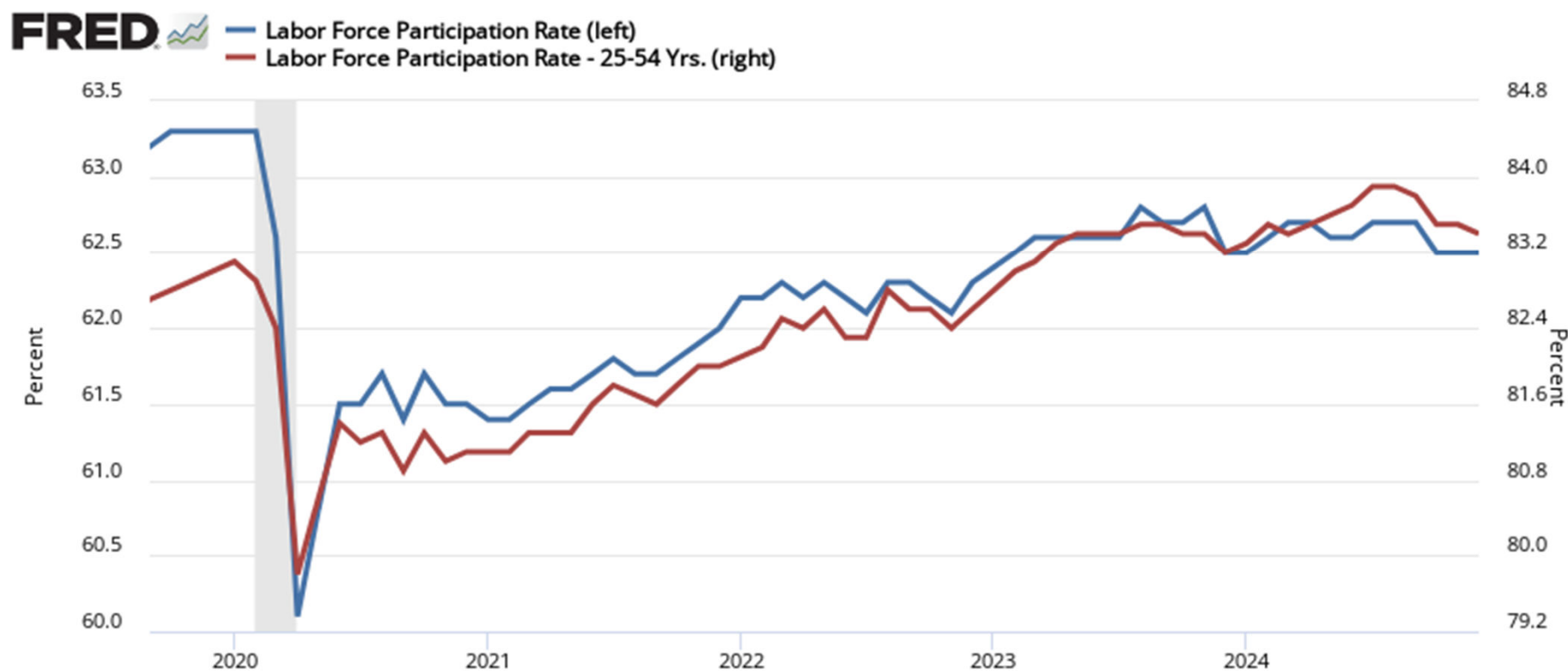
Unemployment Rate



Source: U.S. Bureau of Labor Statistics

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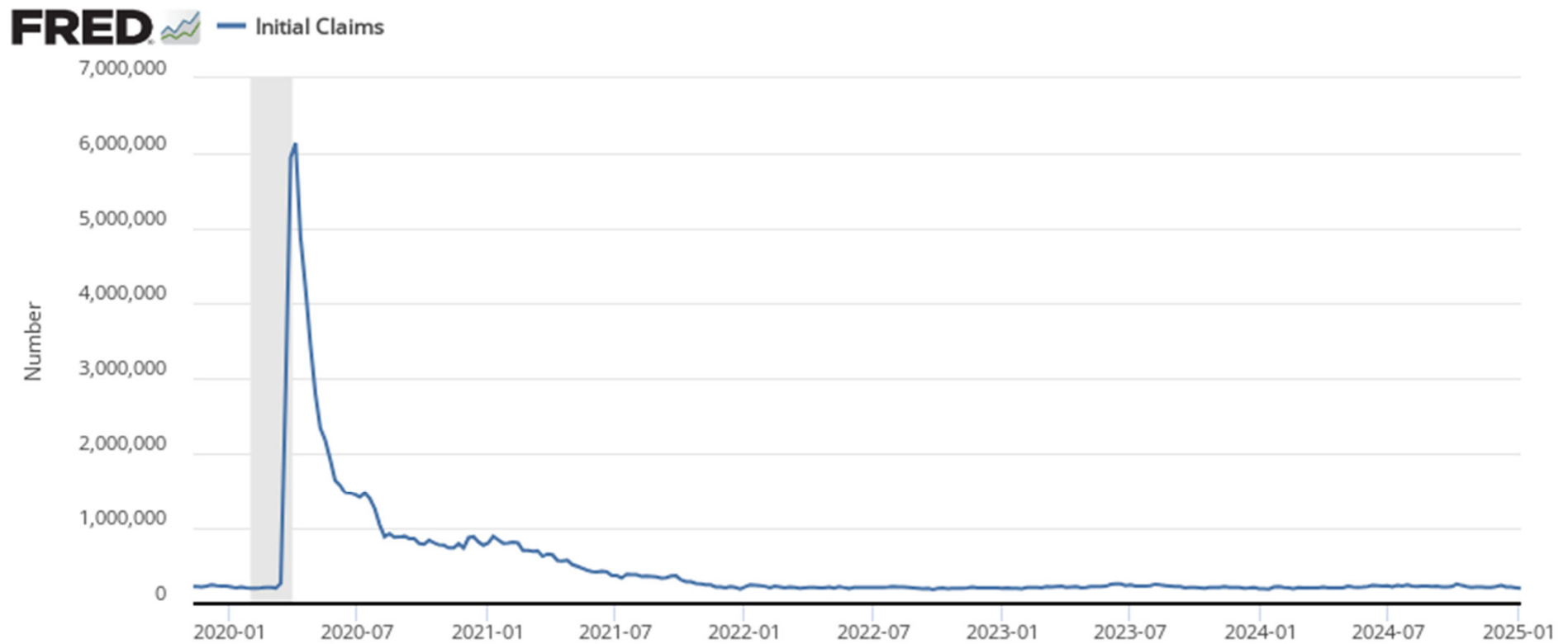
Labor Force Participation Rate



Source: U.S. Bureau of Labor Statistics

[myf.fred/g/1CNI4](https://myf.fred.stlouisfed.org/g/1CNI4)

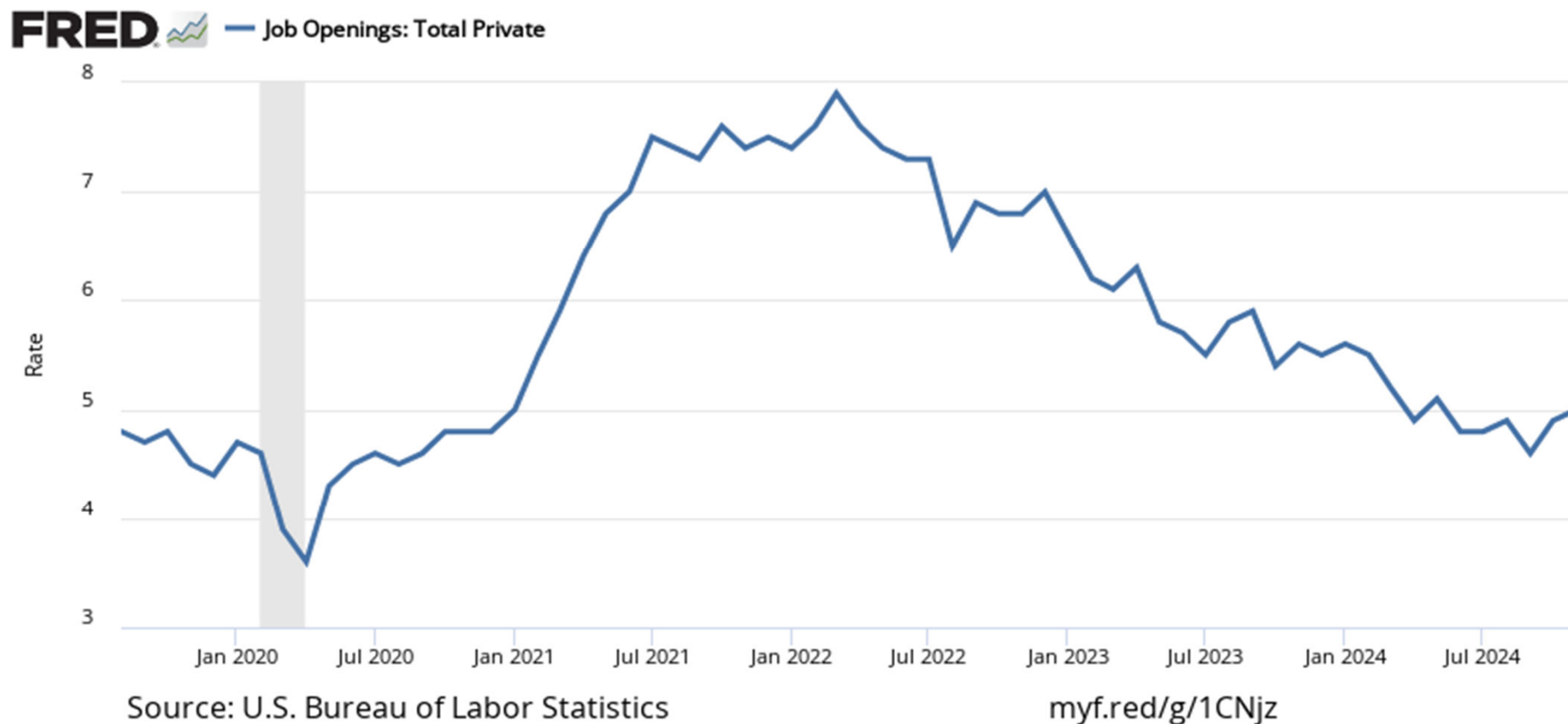
Initial Unemployment Insurance Claims



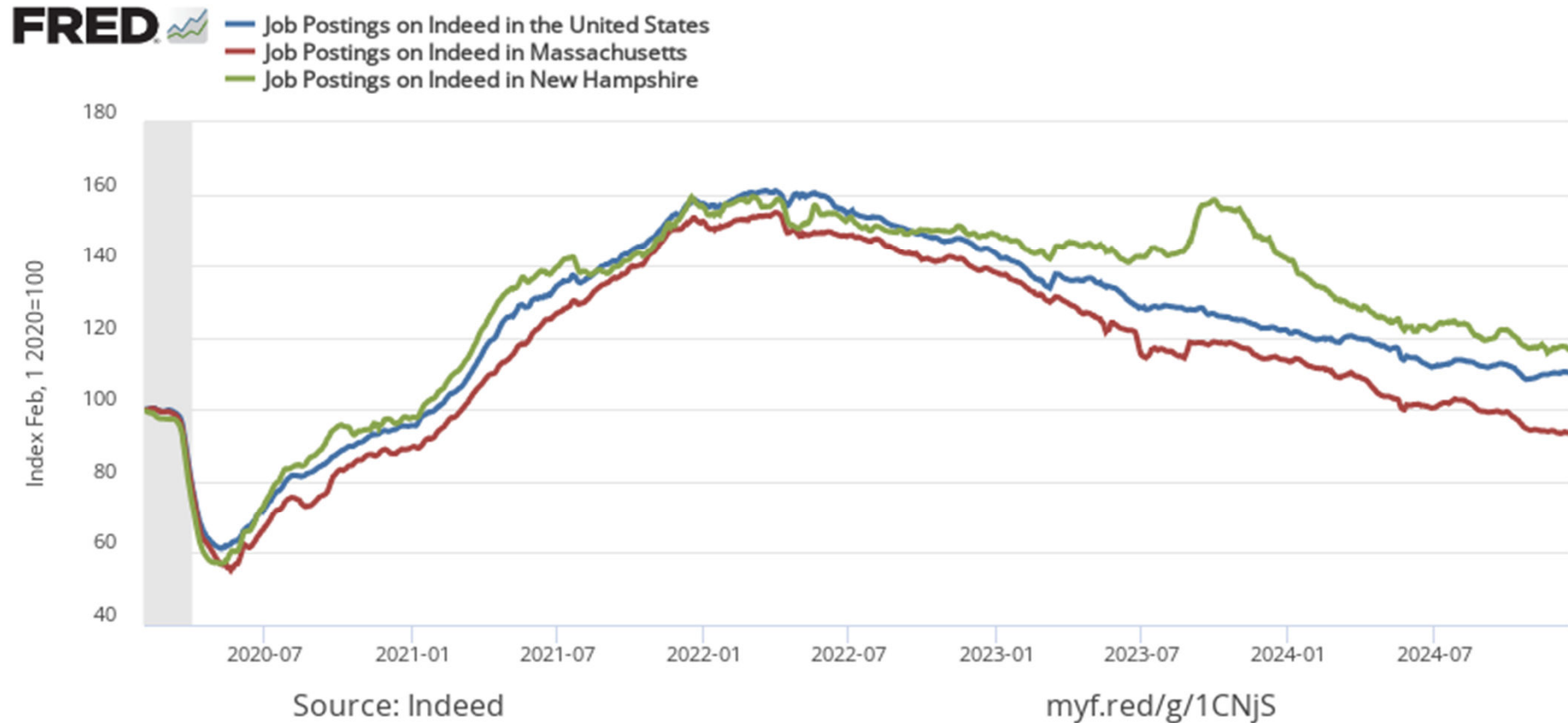
Source: U.S. Employment and Training Administration

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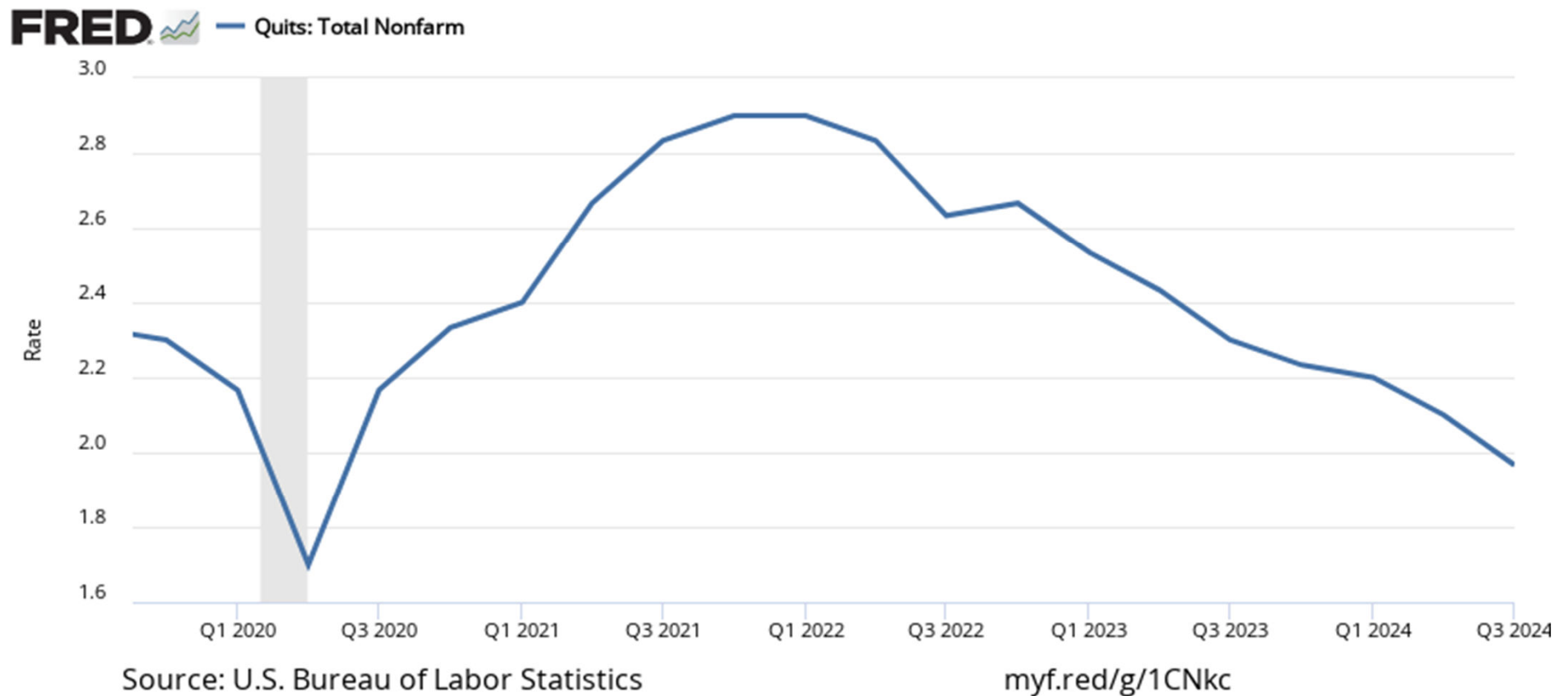
Job Opening Rate



Job Postings



Quit Rate



Wage Growth Rate

Wage Growth Tracker

[Export](#)

three-month moving average of median wage growth, hourly data

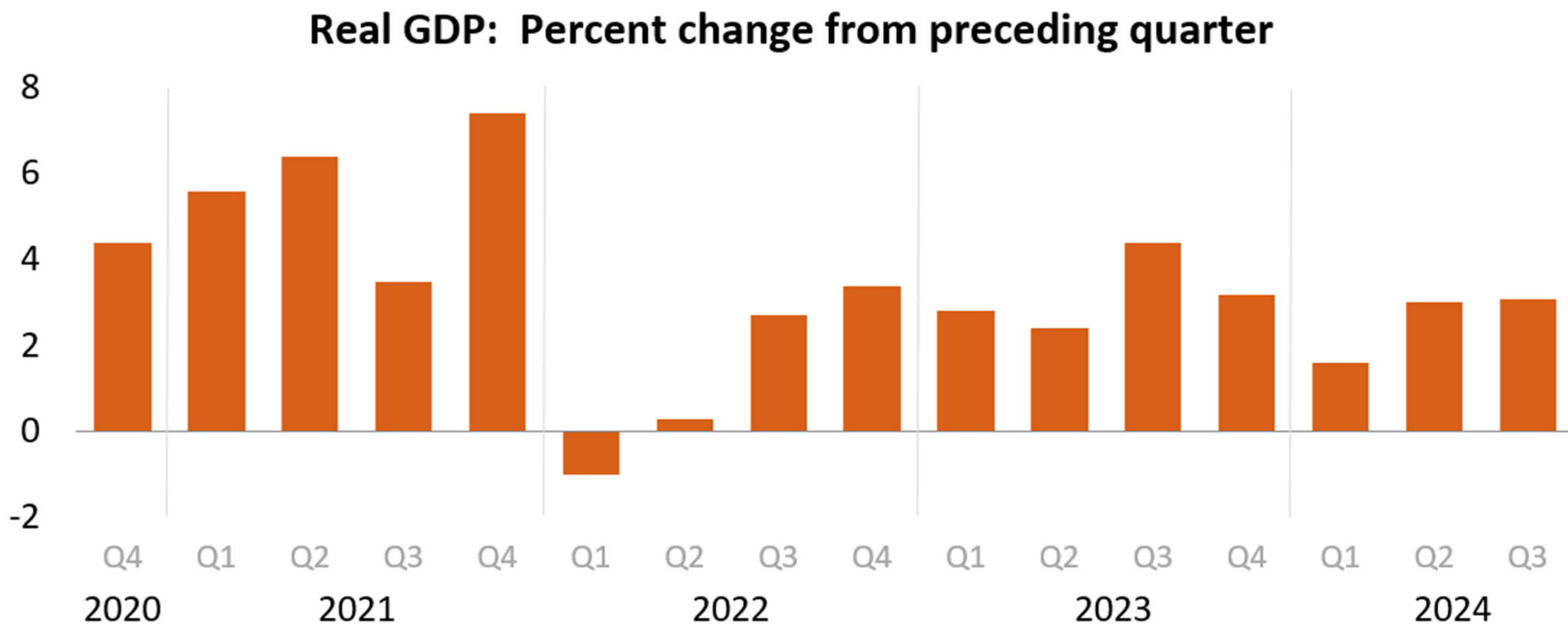


Sources: Current Population Survey, Bureau of Labor Statistics and author's calculations.

Gross Domestic Product



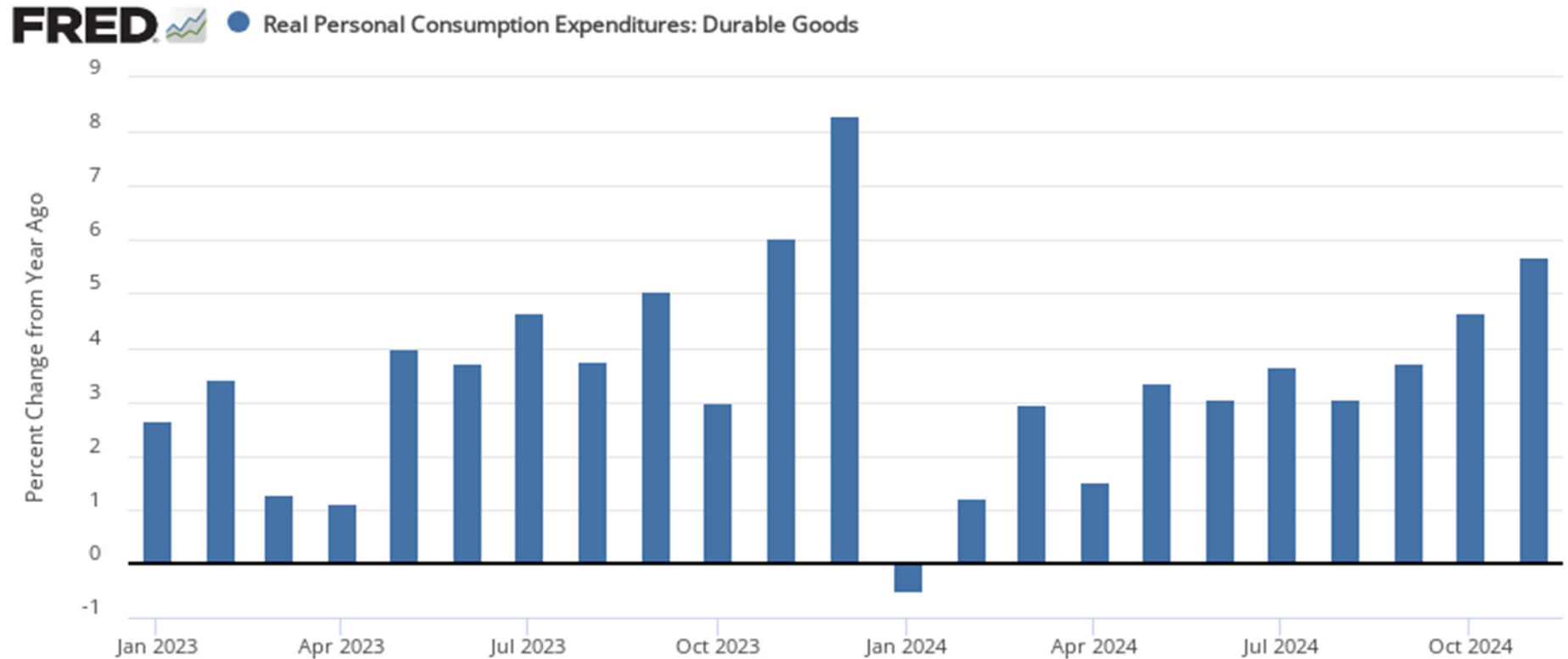
Real GDP Growth



U.S. Bureau of Economic Analysis

Seasonally adjusted annual rates

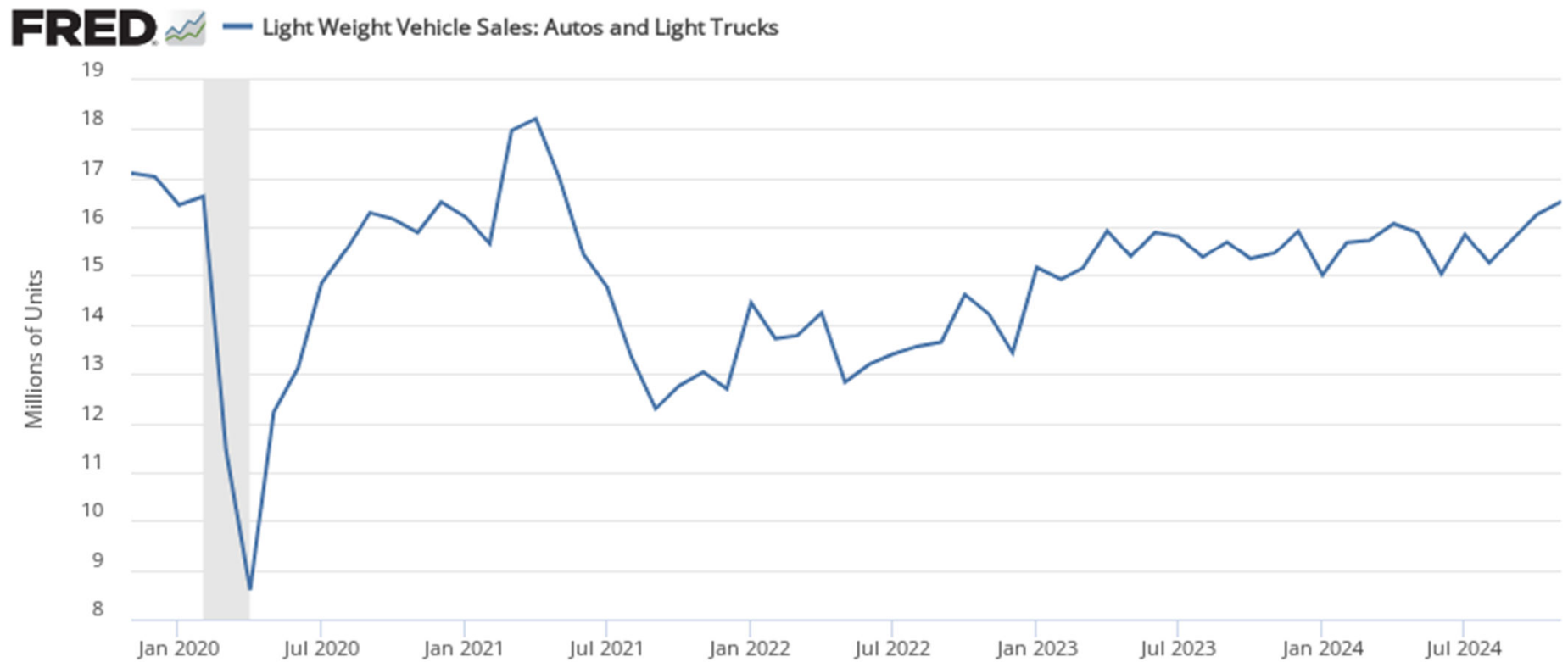
Consumption Growth: Durable Goods



Source: U.S. Bureau of Economic Analysis

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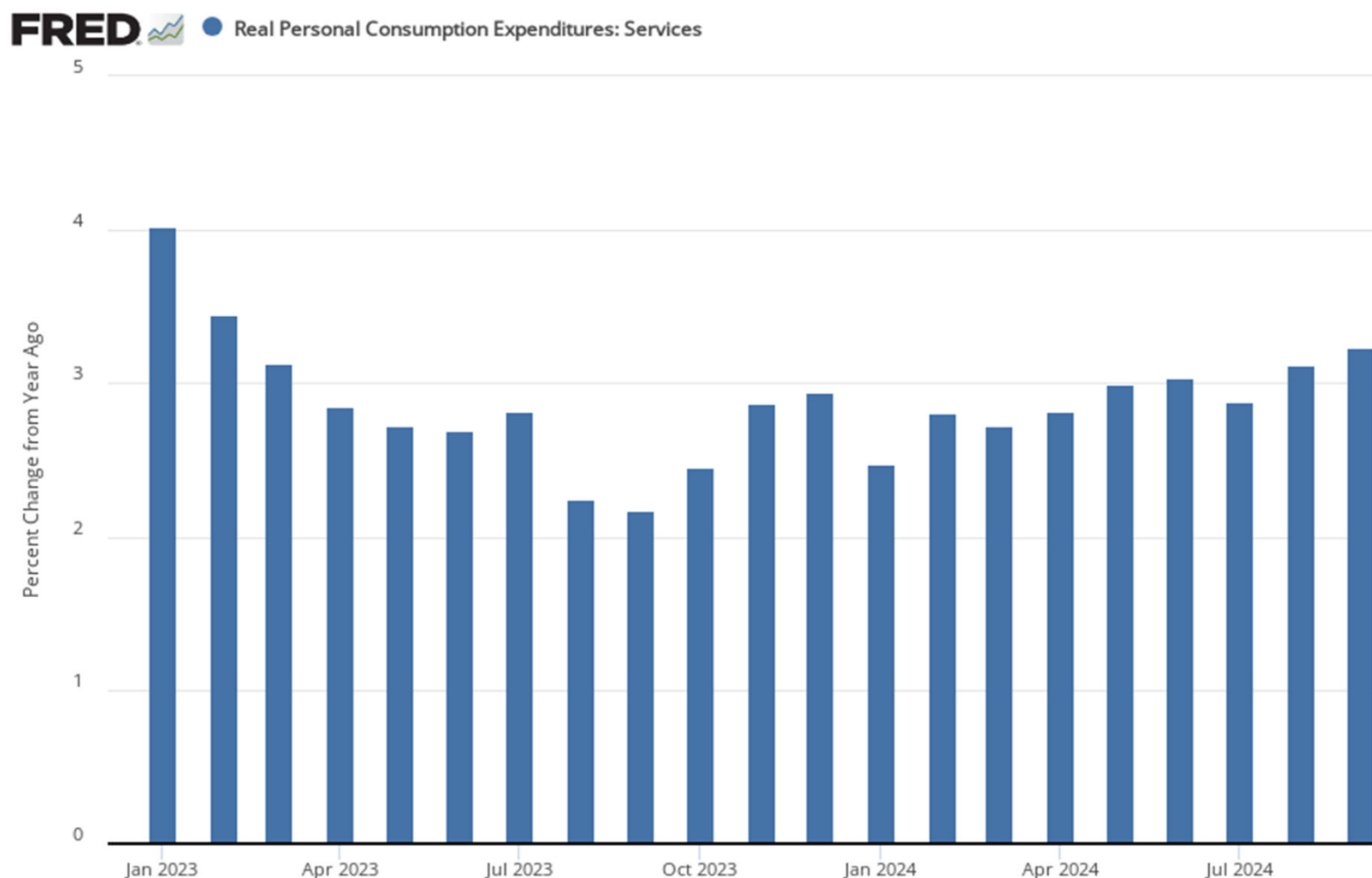
Number of Automobiles Sold



Source: U.S. Bureau of Economic Analysis

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Consumption Growth: Services



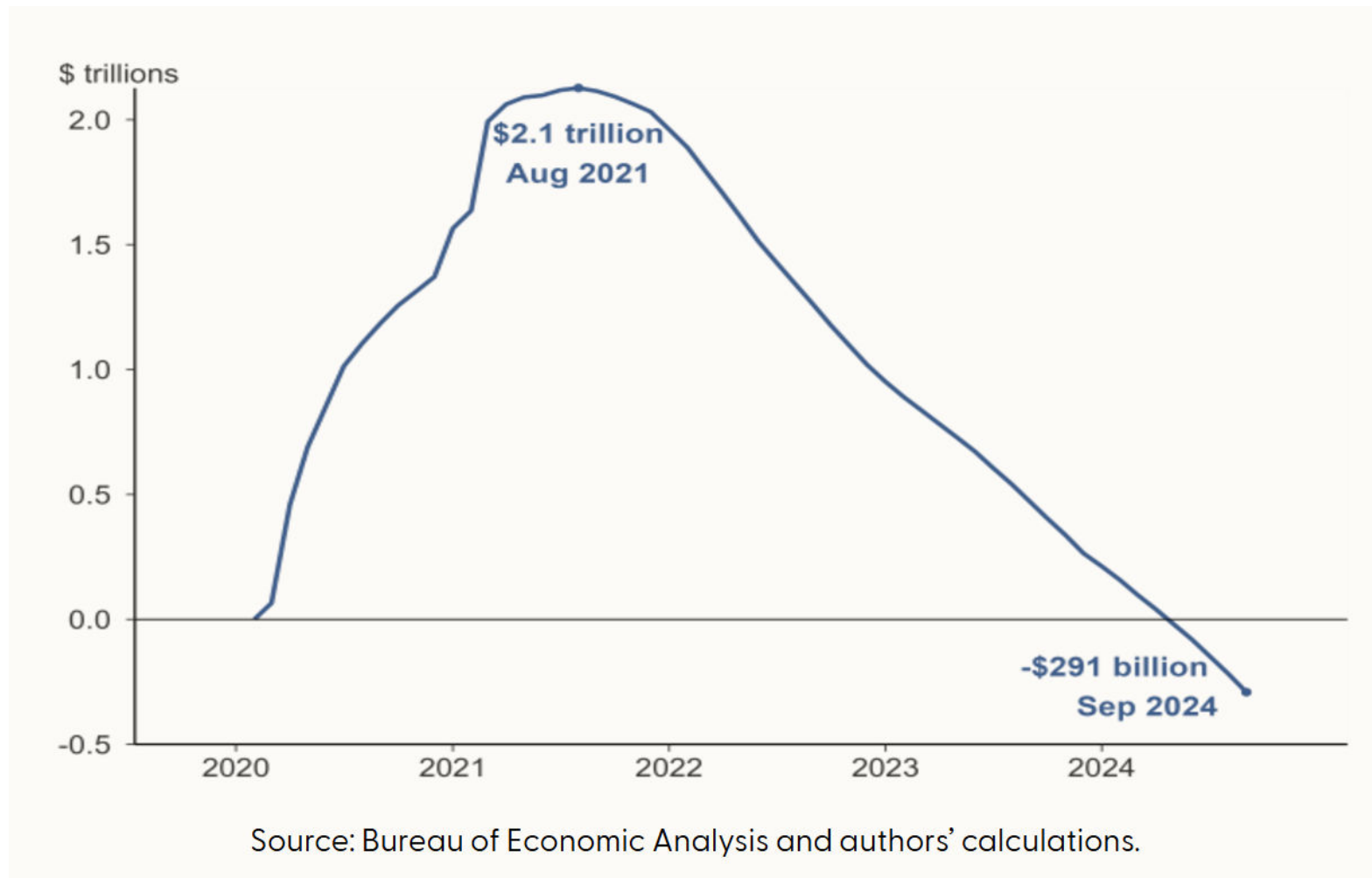
Source: U.S. Bureau of Economic Analysis

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Factors Boosting Consumption

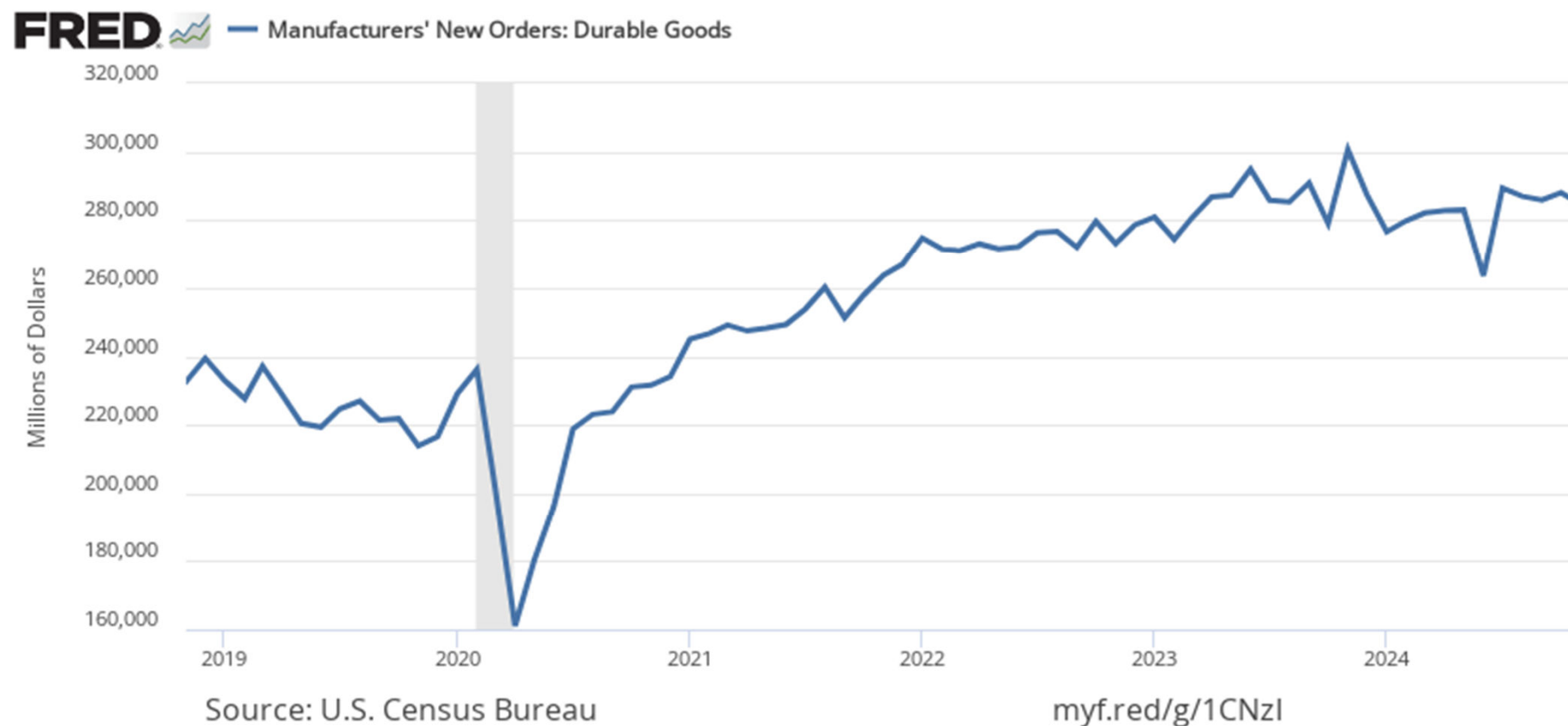
- Strong labor market and job prospects
- Gains in equity and other asset holdings
- Pandemic-era excess savings

Pandemic-Era Excess Savings



Source: Abdelrahman and Oliveira (2024), FRB San Francisco

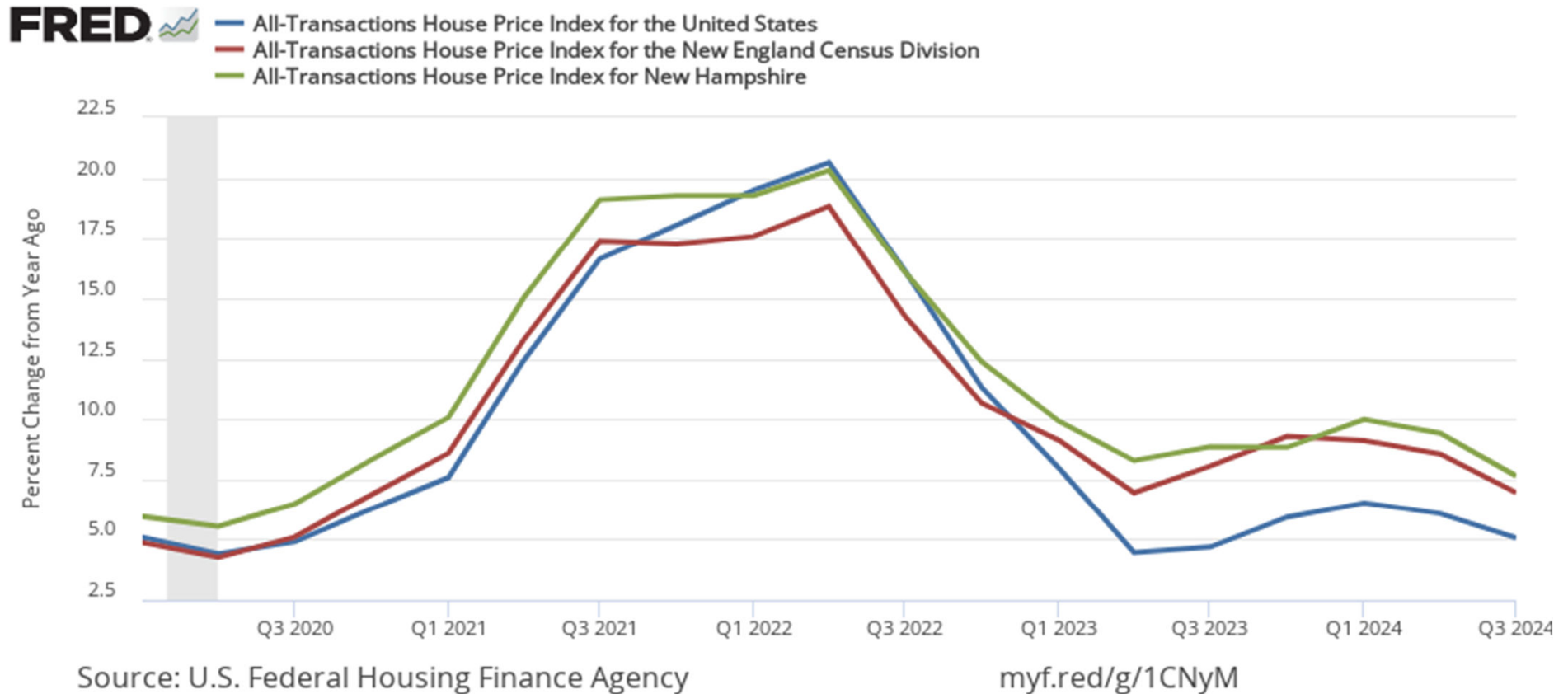
New Orders of Durable Goods



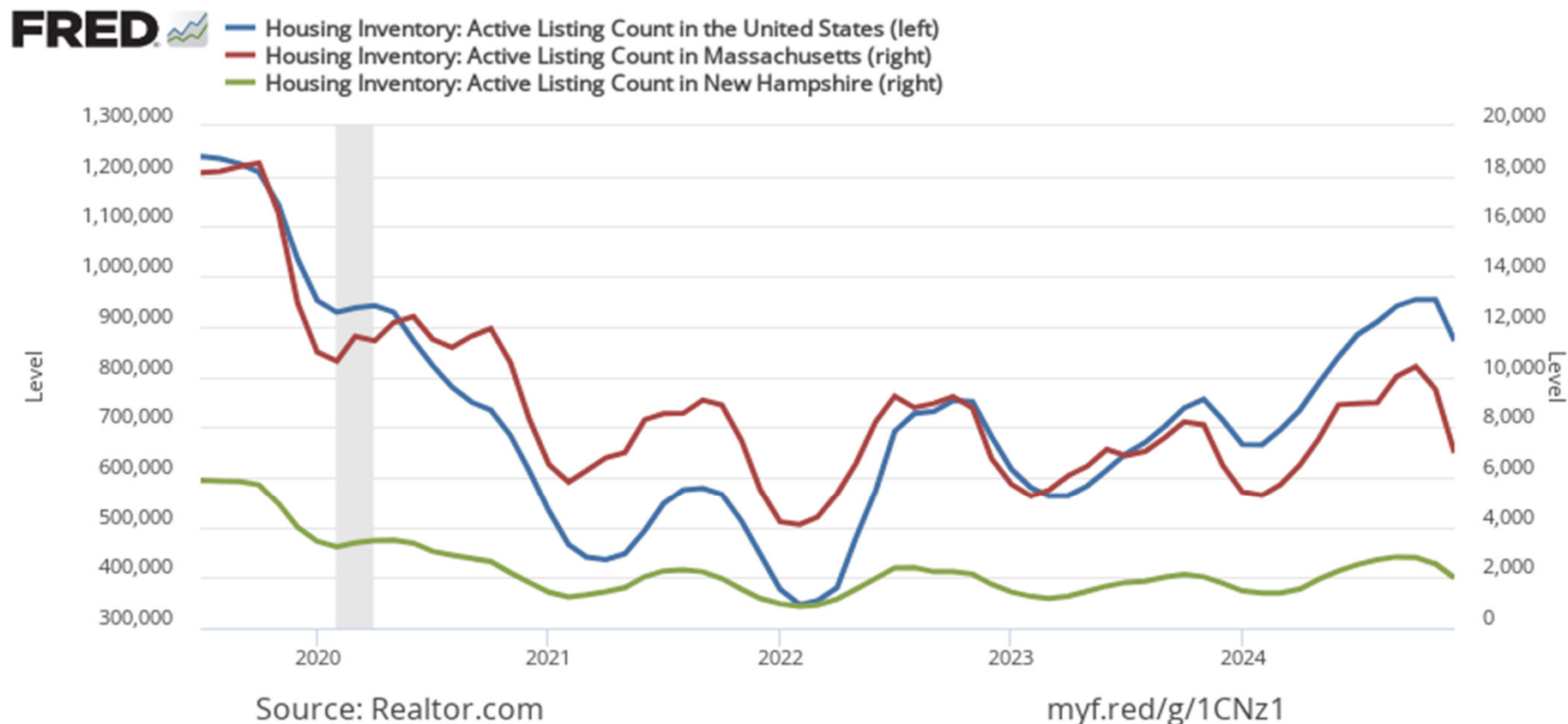
Housing Market



Home Price Appreciation



Housing Inventory



Projections



New Administration Economic Proposals

- Tax
 - Extend the individual income tax provisions of Tax Cut and Jobs Act (2017)
 - Extend business tax provisions of TCJA
 - Eliminate taxes on social security benefits
 - Lower corporate income tax rate to 15%
- Trade
 - 60% tariff on all imports from China
 - 10%-20% tariff across-the-board on all other imports
- Regulation
- Immigration

Survey of Professional Forecasters, Nov 24

	2025	2026
Core CPI Inflation	2.4	2.4
Core PCE Inflation	2.2	2.1
Unemployment Rate	4.3	4.2
Real GDP Growth Rate	2.2	2.1

Fannie Mae Housing Market Outlook, Dec 2024

	2025	2026
Home Price Appreciation	3.6	1.7
30-Yr Fixed Rate Mortgage	6.4	6.1
Housing Starts YoY Change	-1.3	5.3
Total Home Sales YoY Change	5.3	9.2