THE CONNECTICUT ECONOMIC DIGEST

Vol.12 No.4 A joint publication of the Connecticut Department of Labor & the Connecticut Department of Economic and Community Development

APRIL 2007

IN THIS ISSUE...

In February...

Nonfarm Employment
- Connecticut 1,690,900
  - Change over month 0.05%
  - Change over year 1.1%
- United States 137,410,000
  - Change over month 0.07%
  - Change over year 1.5%

Unemployment Rate
- Connecticut 4.2%
- United States 4.5%

Consumer Price Index
- United States 203.5
  - Change over year 2.4%

Connecticut Exports - 2006 A Very Good Year

By Laura Jaworski, Economic and Community Development Agent, DECD

In a global economy, the role of exports is of increasing significance. Exports to other states or countries serve as an economic growth engine and are key to business success. Connecticut's exports had a record high in 2006 and the importance of this sector cannot be overstated. Exports are a boon for the State's economy and highlight the competitiveness of Connecticut companies on the international stage. To illustrate the State's 2006 export story, a review of export categories follows. Please note that reported dollar figures are not adjusted for inflation.

Annual Export Figures

Connecticut's annual commodity exports (exclusive of services) hit an all-time high in 2006. State exports tallied an impressive $12.24 billion in 2006, an astounding 26.3% increase from the $9.69 billion recorded in 2005. This tremendous percentage increase follows a 13.2% jump between 2004-2005, an indication of the strength and vitality of this sector. State export data from 2003 to the present reveals a steady, healthy trend upward. With U.S. exports topping $1.03 trillion in 2006, a 14.7% increase over 2005, Connecticut's export growth easily outperformed the nation in this area last year.

Between 2005-2006, Connecticut's commodity exports as a percentage of total U.S. commodity exports ticked up slightly, from 1.07% in 2005 to 1.18% in 2006. Connecticut's export ranking among the states held steady between 2005-2006 at 28th. Connecticut actually ranks 26th if Puerto Rico and various export sales attributed to "unknown state" are removed from the rankings.

In the New England region, only Massachusetts' exports ranked higher than Connecticut's as a percentage of total U.S. exports, as was the case in 2005. However, among the New England states, Connecticut recorded the largest percentage increase in exports between 2005-2006. With the exception of Vermont, all of the New England states increased trade with their international partners in 2006.

State Export Partners

In 2006, the State's top five export partners were Canada, France, Germany, the United Kingdom and Singapore. Among these top markets, changes occurred

Table A: Connecticut Exports by Country

Rank	Description	ANNUAL 2005	ANNUAL 2006	%2004- 05	%2005- 06
	TOTAL ALL COUNTRIES	$9,687,291,825	$12,238,324,203	13.18	26.33
1	CANADA	$1,680,077,135	$1,931,582,958	14.1	14.97
2	FRANCE	$1,602,190,862	$1,216,584,306	35.59	-24.07
3	GERMANY	$832,232,504	$1,212,296,934	9.18	45.67
4	UNITED KINGDOM	$696,946,466	$857,032,749	27.23	22.97
5	SINGAPORE	$246,578,873	$839,741,109	-27.68	240.56
6	MEXICO	$559,772,543	$707,008,175	-4.53	26.3
7	JAPAN	$436,807,306	$702,836,070	-12.9	60.9
8	SWITZERLAND	$160,656,829	$418,974,996	-29.31	160.79
9	NETHERLANDS	$364,540,439	$412,080,762	34.96	13.04
10	KOREA, REPUBLIC OF	$170,912,157	$379,531,987	-12.68	122.06

THE CONNECTICUT
ECONOMIC DIGEST

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between 2005 and 2006. Mexico dropped from 5th to 6th, and Singapore jumped from 10th to 5th. In 2006, Connecticut's other top export partners were Japan, Switzerland, the Netherlands and Korea, ranked 7-10, respectively (Table A).

Among its top ten trade partners, Connecticut's trade increased most substantially with Singapore. Between 2005 and 2006, Connecticut's annual exports to Singapore grew a significant 240.6% to over $839 million. Each of Connecticut's top five industries in terms of exports to Singapore experienced significant growth in 2006, notably transportation equipment, which increased 381%, and fabricated metal products, which increased 848%. It is unclear whether such exports are sustainable or if the rapid growth of Connecticut's exports to Singapore is a temporary occurrence.

Upon examination of Connecticut's trade partners in 2006, there are two items of interest. First, China fell out of Connecticut's top ten export destinations, dropping from 8th in 2005 to 11th position in 2006 despite a 9.6% increase in the State's exports to that country. Exports to China will be an interesting subject to monitor in 2007 as the U.S. recently filed a request for World Trade Organization dispute settlement consultations with China regarding export subsidies. The case involves Chinese government incentives for foreign investors in China and their Chinese partners to export to the U.S. and other markets. Other Chinese subsidy programs at issue provide incentives for companies in China to purchase domestic equipment and accessories instead of buying U.S. exports. China applies a series of measures that allow for refunds, reductions or exemptions from taxes owed to the government designed to support the purchase of domestic over imported equipment.[1]

In 2006, Connecticut's exports to France declined 24%, from $1.6 billion in 2005 to $1.22 billion in 2006. France was the only country among Connecticut's top ten export partners to experience a decline in State exports. State industry sectors that declined included transportation equipment, miscellaneous manufactured commodities and plastics/rubber products. State transportation equipment exports to France are an area to watch in 2007, especially given the volatility of sales in the aircraft and spacecraft industry, as well as the significant delays in production of the new Airbus A380. The EADS group, which has major operations in France, includes aircraft manufacturer Airbus.

Canada retained its position as the number one export destination for Connecticut, the U.S. and the New England states, showing Canada's popularity as a steadfast trading partner continues. Connecticut's exports to Canada increased by almost 15% in 2006 to $1.93 billion, up from $1.68 billion in 2005. As a whole, 15.6% of Connecticut's exports were destined for Canada in 2006, while 22.2% of all U.S. exports headed to Canada. Once again, Canada claimed virtually one quarter of U.S. exports in 2006, $230.3 billion out of $1.03 trillion. Eighteen percent of New England exports went to Canada in 2006 amounting to $8.83 billion.

The U.S. and the New England states' mix of top trade partners were similar in composition to Connecticut's. The top five U.S. export destinations in 2006 were Canada, Mexico, Japan, China and the United Kingdom. The top export markets for the New England states were Canada, Germany, Japan, the Netherlands and the United Kingdom.

Given the Netherlands' reputation as a logistics center and cargo hub, it will be interesting to see whether Bradley Airport's new nonstop service to Amsterdam's Schiphol Airport, beginning July 1, 2007, will impact State exports.

Composition of Connecticut's Exports

As was the case in 2005, Connecticut's top export industries were transportation equipment, machinery, computers/electronic products, chemicals, and primary metal manufacturing. Electrical equipment/appliances/components, miscellaneous manufactured commodities and paper were also among the State's top ten industries (Table B).

Once again, and not surprising given Connecticut's historic strength in this industry, transportation equipment led all export sectors in 2006. This sector's exports grew a

--Continued on page 5--

TOWN/CITY PROFILE

BARKHAMSTED

By Cynthia L. DeLisa, Research Analyst, DOL

Better late than never ...

Barkhamsted was one of the last Connecticut towns to be occupied by early settlers. Without the advantages of a major waterway or superior farmland, Barkhamsted was not settled until the mid-1700s and was not fully incorporated until 1779. In 1732, the land making up Barkhamsted was assigned to the town of Windsor, ending a dilemma that started almost 50 years earlier. The issue involved not only Barkhamstead but also the entire northwest portion of the colony of Connecticut. In 1686 the colony was fearful of losing control of these unoccupied and unassigned lands to the greedy King James of England. In an effort to prevent the loss of these lands, the Connecticut General Assembly hastily deeded all the unassigned lands over to the towns of Hartford and Windsor.

In 1732, the Hartford and Windsor land was divided up and the boundaries set. Hartford would own Winchester, Hartland, New Hartford and the eastern half of Harwinton. Windsor got Barkhamsted, Colebrook, Torrington and the western half of Harwinton. The settlement stipulated that each taxpayer (or proprietor) would receive land in those towns in proportion to the amount of taxes he paid in 1720. Hence, Windsor needed to allocate the lands of Barkhamsted among the 108 proprietors who paid taxes in 1720. Imagine if you were one of these lucky proprietors! You now had rights to what would be a number of parcels of land in four towns including Barkhamsted.

By 1760, Barkhamsted still had much of its land unoccupied, but had sufficient population that it could be considered a settled town, although it would be almost 20 more years before it was officially incorporated as a Connecticut township in 1779. During the 1600s and 1700s – well before the growth of industry, farming was by far the primary occupation and settlers relied on a cash crop to put food on their table. Therefore, the colonists were very perceptive when it came to evaluating land quality for farming, and essentially Barkhamsted's hilly, rock infested land of poor soil quality did not make the cut. New settlers moved first to areas with better land and soil, bypassing Barkhamsted until virtually all other towns in Connecticut had been established.

There's no place like home

Connecticut's first census, taken in 1756, lists 18 people living in Barkhamsted. The census of 1800 lists just over 1,400 residents, depicting a surge of settlers to the area over the latter part of the 18th century. The town's population declined steadily during the 100+ years that followed, bottoming out around 1930 with fewer than 700 residents. 3,700+ people called Barkhamsted 'home' in 2005 (up slightly from 3,494 in 2000), and this figure is expected to grow at a rate of 1.6% per year from 2005 to 2010. The town encompasses 36 square miles, of which 82% is open land. Within the occupied land area, there are 1,500 housing units (91% single family homes), of which 80% are owner occupied. The average median price of a single-family home in 2005 was $248,000, which was about $22,000 more than the average median price of a home in Litchfield County as a whole.

Working for a living

Barkhamsted boasted a median household income of $74,570 in 2005, which eclipsed the countywide and statewide median household income of $62,360 and $59,760, respectively. The town's highest paying private sector industries in 2005 were manufacturing, where workers earned on average $42,600, followed by trade, transportation, and utilities with $35,300. In the spring of 2006, Barkhamsted suffered a tough blow to its business infrastructure. The closings of Hitchcock Fine Home Furnishings and the Sweet Shop will likely affect the town's retail sales revenues for years to come.

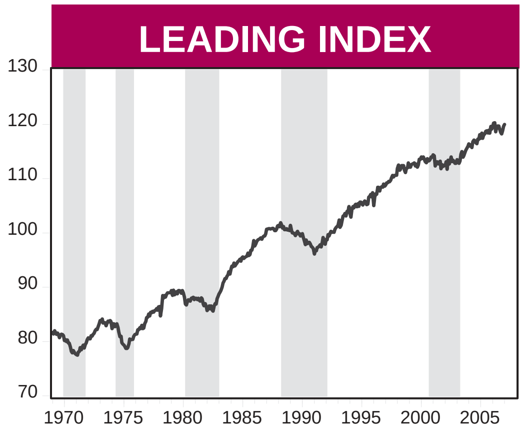
The MDC tops Barkhamsted's Grand List with over $20 million in total annual revenues. Of note, CL&P is second on the town's Grand List with $3.6 million. In 2006, the Old Riverton Inn and Sterling Engineering were Barkhamsted's major employers. Both sites may just be the workplace for the over 300 commuters who travel into Barkhamsted from nearby Winchester, Torrington, and New Hartford each day. ■

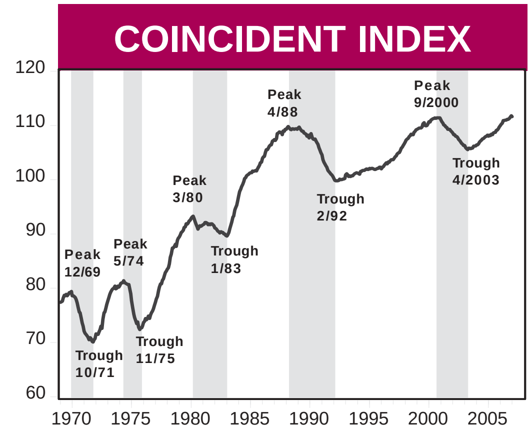
Barkhamsted economic trends

Industry Sector	2003			2004			2005		
	Estab.	Jobs	Wages	Estab.	Jobs	Wages	Estab.	Jobs	Wages
Total	79	607	$32,188	83	624	$32,746	78	611	$32,599
Construction	12	49	$29,150	14	48	$30,188	11	46	$27,580
Manufacturing	6	132	$41,889	6	141	$43,507	7	136	$42,636
Trade, Transportation and Utilities	13	113	$32,873	12	112	$32,815	13	111	$35,269
Information	ND	ND	ND	ND	ND	ND	ND	ND	ND
Financial Activities	5	7	$35,635	6	6	$32,611	5	5	$25,820
Professional and Business Services	10	36	$27,862	9	34	$32,247	9	33	$30,996
Educational and Health Services	ND	ND	ND	ND	ND	ND	ND	ND	ND
Leisure and Hospitality	10	64	$12,783	13	73	$12,387	13	77	$11,829
Other Services	ND	ND	ND	5	8	$17,679	3	9	$24,064
Government	12	134	$39,207	12	133	$40,490	12	128	$41,441

ND = Nondisclosable

Economic Indicators \ Year	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Population	3,475	3,489	3,505	3,542	3,567	3,494	3,585	3,610	3,656	3,687	3,711
Labor Force	1,994	2,021	2,009	1,990	2,019	2,046	2,077	2,121	2,148	2,170	2,171
Employed	1,922	1,931	1,942	1,954	1,981	2,013	2,025	2,036	2,040	2,057	2,081
Unemployed	72	90	67	36	38	33	52	85	108	113	90
Unemployment Rate	3.6	4.5	3.3	1.8	1.9	1.6	2.5	4.0	5.0	5.2	4.1
New Housing Permits	5	20	23	26	19	16	24	23	15	17	NA
Retail Sales ($ in 000s)	NA	NA	NA	NA	NA	NA	NA	NA	NA	338.6	437.0





The distance from peak to trough, indicated by the shaded areas, measures the duration of an employment cycle recession. The vertical scale in both charts is an index with 1992=100.

Connecticut's Economy in 2007: Cautiously Optimistic

The Federal Open Market Committee (FOMC) maintained the target federal funds rate at 5.25% at its second 2007 meeting on March 21, 2007. Recent indicators have been mixed and the adjustment in the housing sector is ongoing. Nevertheless, the U.S. economy seems likely to continue to expand at a moderate pace over coming quarters.

The CCEA-ECRI Connecticut coincident employment index is a measure of contemporaneous activity. This index rose on a year-to-year basis from 110.0 in January 2006 to 111.6 in January 2007, using the latest benchmarked data from the Connecticut Department of Labor. The four components of this index contribute positively, with a lower insured rate (2.37% vs. 2.43% a year ago) and total unemployment rate (4.43% vs. 4.54% a year ago), as well as higher total non-farm employment (rising 1.5% since January 2006), and higher total employment (rising 0.95% in the year past).

On a month-to-month basis, the coincident index dipped slightly from 111.8 in December 2006 to 111.6 in January 2007. Non-farm employment inched upward and the total insured unemployment rate eased downward, contributing positively to this index. Total employment declined 0.08% from last month and the total unemployment rate inched upward from 4.13% in December to 4.43% in January contributing negatively to this index.

The Connecticut Coincident Index published by the Philadelphia Federal Reserve Bank (FRB) rose from 154.05 in January 2006 to 158.92 in January 2007. On a month-to-month basis, the Philadelphia FRB's Connecticut Coincident Index rose from 158.63 in December 2006 to 158.92 in January 2007. The CCEA-ECRI and the Philadelphia FRB indexes agree on a year-to-year basis differ slightly on a month-to-month basis.

The CCEA-ECRI Connecticut leading employment index rose from 119.6 in January 2006 to 120.0 in January 2007. A negative contributor to this index is manufacturing employment that declined by 900 jobs from 193,800 a year ago. Manufacturing average weekly hours declined as well by 0.4 hours per week. Initial claims for unemployment insurance climbed by more than 2,500 from a year ago contributing negatively to this index. Total housing permits declined from 693 to 675 over the period contributing negatively to this index. A higher Moody's Baa corporate bond yield also contributed negatively to this index, moving from 6.24% to 6.34% over the year. However, a lower short duration (less than 15 weeks) unemployment rate, and higher average weekly hours worked in construction and 1,500 additional construction jobs offset the negative contributions. The 12-month moving average growth rate (1.08%) of this index ostensibly portends slow but positive growth in the Connecticut economy in the near term. This is confirmed by the persistent upward trend in the leading indicator graph since the trough of the last cycle in April 2003. On a month-to-month basis, the revised CCEA-ECRI Connecticut leading employment index rose exactly as it did on a yearly basis and each variable contributed in the same way.

The Chicago FRB National Activity Index was +0.03 in February, up from –0.72 in January. The production and income categories made strong positive contributions to the index, which was offset by the negative contributions in the other three broad categories of indicators—employment, consumption and housing, and sales. Let us hope that Connecticut will make key investments in education and infrastructure to enhance its prospects for growth in the coming year.

Stan McMillen [(860) 270-8166, DECD, 505 Hudson Street, Hartford, CT 06106-7106]. Professors Pami Dua and Stephen M. Miller, in cooperation with Anirvan Banerji at the Economic Cycle Research Institute developed the leading and coincident employment indexes. The views expressed herein are the author's own and do not necessarily represent those of the Department of Economics, the University of Connecticut, the Connecticut Department of Labor, or the Connecticut Department of Economic and Community Development. Components of the indexes are described in the Technical Notes on page 23.

Table B: Connecticut Exports by Industry

Rank	Description	ANNUAL 2005	ANNUAL 2006	%2004- 05	%2005- 06
	TOTAL ALL INDUSTRIES	$9,687,291,825	$12,238,324,203	13.18	26.33
1	TRANSPORTATION EQUIPMENT	$3,936,716,835	$5,339,060,543	23.88	35.62
2	MACHINERY, EXCEPT ELECTRICAL	$1,129,158,212	$1,387,389,526	2.02	22.87
3	COMPUTER AND ELECTRONIC PRODUCTS	$885,393,225	$1,076,997,348	10.18	21.64
4	CHEMICALS	$590,389,432	$749,002,071	-2.93	26.87
5	PRIMARY METAL MANUFACTURING	$325,880,523	$639,733,786	18.18	96.31
6	ELECTRICAL EQUIPMENT, APPLIANCES, AND COMPONENT	$432,977,758	$551,314,330	-7.82	27.33
7	FABRICATED METAL PRODUCTS, NESOI	$408,245,001	$540,137,884	0.44	32.31
8	MISCELLANEOUS MANUFACTURED COMMODITIES	$562,071,320	$285,826,104	-7.28	-49.15
9	SPECIAL CLASSIFICATION PROVISIONS, NESOI	$253,198,637	$250,595,641	28.17	-1.03
10	PAPER	$219,841,365	$230,336,857	32.55	4.77

--Continued from page 2--

remarkable 35.6%, from $3.94 billion in 2005 to $5.34 billion in 2006, placing Connecticut 11th among the 50 states. Again, this is a volatile sector, greatly affected by the peaks and valleys of commercial aircraft procurement cycles. Following a dip in Connecticut transportation equipment exports in 2004, they increased in both 2005 and 2006.

Within the State's top ten export industries, all but miscellaneous manufactured commodities and special classification provisions posted increased sales. In 2006, the primary metal manufacturing sector experienced exceptional growth. Between 2005 and 2006, this industry grew 96.3%, with State exports increasing from roughly $325 million to over $639 million. Petroleum/coal products, prepackaged software and food/kindred products had impressive gains in 2006 as well.

For reference, the U.S. and New England states' top export industries were similar to Connecticut's in 2006. The top five U.S. exports included transportation equipment, computers/electronic products, chemicals, machinery and miscellaneous manufactured commodities. The top five export sectors for New England included the top U.S. industries, but ranked differently: computers/electronic products, chemicals, transportation equipment, machinery and miscellaneous manufactured commodities.

Challenges and Opportunities

Although exporting may present challenges to the business community with respect to logistics, financial transactions and legal and cultural issues, these matters are not insurmountable. Other more unpredictable issues that affect trade relations and require monitoring include currency valuation and the relative strength/weakness of the U.S. dollar, the protection of intellectual property rights, trade agreement negotiations, the national trade deficit and the cost of energy. That said, these results clearly demonstrate that exports are a powerful driver for the State's economy and international markets must continue to be researched and explored for their business and job growth potential. ■

(Data source: World Institute for Strategic Economic Research)

The Connecticut Department of Economic and Community Development's (DECD) International Affairs Division is committed to assisting local companies compete in the global marketplace, whether it is helping a company reach new markets or raising awareness of the many export opportunities that may help a business thrive and grow. For more information about DECD's international programs and services, please call Laura Jaworski at 860/270-8068.

(Footnotes)

[1] Source: Office of the U.S. Trade Representative

GENERAL ECONOMIC INDICATORS

(Seasonally adjusted)	4Q 2006	4Q 2005	CHANGE NO.	CHANGE %	3Q 2006
Employment Indexes (1992=100)*					
Leading	118.7	119.0	-0.2	-0.2	119.1
Coincident	111.6	109.0	2.6	2.4	110.5
General Drift Indicator (1986=100)*					
Leading	101.9	103.2	-1.3	-1.3	102.7
Coincident	100.3	100.0	0.3	0.3	99.7
Banknorth Business Barometer (1992=100)**	112.3	119.4	-7.1	-5.9	120.3

*Sources: *The Connecticut Economy, Connecticut Center for Economic Analysis, University of Connecticut*
***Banknorth Bank*

The Connecticut Economy's **General Drift Indicators** are composite measures of the four-quarter change in three coincident (Connecticut Manufacturing Production Index, nonfarm employment, and real personal income) and four leading (housing permits, manufacturing average weekly hours, Hartford help-wanted advertising, and initial unemployment claims) economic variables, and are indexed so 1986 = 100.

The **Banknorth Business Barometer** is a measure of overall economic growth in the state of Connecticut that is derived from non-manufacturing employment, real disposable personal income, and manufacturing production.

Total nonfarm employment increased over the year.

EMPLOYMENT BY INDUSTRY SECTOR

(Seasonally adjusted; 000s)	FEB 2007	FEB 2006	CHANGE NO.	CHANGE %	JAN 2007
TOTAL NONFARM	1,690.9	1,673.3	17.6	1.1	1,690.1
Natural Res & Mining (Not Sea. Adj.)	0.6	0.7	-0.1	-14.3	0.6
Construction	68.6	67.1	1.5	2.2	68.4
Manufacturing	193.2	194.4	-1.2	-0.6	193.0
Trade, Transportation & Utilities	310.9	310.4	0.5	0.2	312.2
Information	37.7	37.9	-0.2	-0.5	37.7
Financial Activities	144.4	143.8	0.6	0.4	144.6
Professional and Business Services	207.6	203.3	4.3	2.1	205.3
Educational and Health Services	282.9	276.6	6.3	2.3	283.2
Leisure and Hospitality Services	134.9	131.2	3.7	2.8	134.8
Other Services	63.8	62.9	0.9	1.4	63.9
Government*	246.3	245.0	1.3	0.5	246.4

Source: Connecticut Department of Labor ** Includes Native American tribal government employment*

Initial claims for unemployment insurance rose from a year ago.

UNEMPLOYMENT

(Seasonally adjusted)	FEB 2007	FEB 2006	CHANGE NO.	CHANGE %	JAN 2007
Unemployment Rate, resident (%)	4.2	4.4	-0.2	---	4.4
Labor Force, resident (000s)	1,854.6	1,833.5	21.1	1.1	1,859.6
Employed (000s)	1,777.1	1,753.3	23.8	1.4	1,777.3
Unemployed (000s)	77.6	80.3	-2.7	-3.3	82.3
Average Weekly Initial Claims	4,343	4,145	198	4.8	3,869
Help Wanted Index -- Htfd. (1987=100)	13	12	1	8.3	15
Avg. Insured Unemp. Rate (%)	1.92	2.45	-0.54	---	1.72

Sources: Connecticut Department of Labor; The Conference Board

The production worker weekly earnings rose over the year.

MANUFACTURING ACTIVITY

(Not seasonally adjusted)	FEB 2007	FEB 2006	CHANGE NO.	CHANGE %	JAN 2007	DEC 2006
Average Weekly Hours	42.4	42.3	0.1	0.2	42.1	--
Average Hourly Earnings	20.27	19.52	0.75	3.8	20.26	--
Average Weekly Earnings	859.45	825.70	33.75	4.1	852.95	--
CT Mfg. Production Index (2000=100)	93.6	96.6	-3.1	-3.2	92.7	97.4
Production Worker Hours (000s)	4,895	4,908	-13	-0.3	4,863	--
Industrial Electricity Sales (mil kWh)*	365	393	-28.1	-7.2	362	387

Sources: Connecticut Department of Labor; U.S. Department of Energy
**Latest two months are forecasted.*

Personal income for second quarter 2007 is forecasted to increase 4.7 percent from a year earlier.

INCOME

(Seasonally adjusted) (Annualized; $ Millions)	2Q* 2007	2Q 2006	CHANGE NO.	CHANGE %	1Q* 2007
Personal Income	$182,180	$174,004	$8,176	4.7	$180,912
UI Covered Wages	$94,090	$91,341	$2,750	3.0	$93,694

Source: Bureau of Economic Analysis: December 2006 release
**Forecasted by Connecticut Department of Labor*

BUSINESS ACTIVITY

New auto registrations increased over the year.

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	YEAR TO DATE PRIOR	% CHG
New Housing Permits*	FEB 2007	372	-44.8	894	1,218	-26.6
Electricity Sales (mil kWh)	DEC 2006	2,636	-10.7	31,626	33,095	-4.4
Retail Sales (Bil. $)	OCT 2003	3.28	-0.6	34.19	34.55	-1.0
Construction Contracts Index (1980=100)	FEB 2007	287.3	-23.3	---	---	---
New Auto Registrations	FEB 2007	15,622	22.9	29,517	28,876	2.2
Air Cargo Tons	FEB 2007	12,230	-2.6	25,104	22,782	10.2
Exports (Bil. $)	4Q 2006	3.16	20.3	12.24	9.69	26.3

Sources: Connecticut Department of Economic and Community Development; U.S. Department of Energy, Energy Information Administration; Connecticut Department of Revenue Services; F.W. Dodge; Connecticut Department of Motor Vehicles; Connecticut Department of Transportation, Bureau of Aviation and Ports

* Estimated by the Bureau of the Census

BUSINESS STARTS AND TERMINATIONS

Net business formation, as measured by starts minus stops registered with the Secretary of the State, was up over the year.

	MO/QTR	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	YEAR TO DATE PRIOR	% CHG
STARTS						
Secretary of the State	FEB 2007	2,479	-0.7	5,537	5,340	3.7
Department of Labor*	1Q 2006	2,899	-1.9	2,899	2,954	-1.9
TERMINATIONS						
Secretary of the State	FEB 2007	659	-12.0	1,619	1,589	1.9
Department of Labor*	1Q 2006	1,268	-23.9	1,268	1,666	-23.9

Sources: Connecticut Secretary of the State; Connecticut Department of Labor

* Revised methodology applied back to 1996; 3-months total

STATE REVENUES

Total revenues were up from a year ago.

(Millions of dollars)	FEB 2007	FEB 2006	% CHG	YEAR TO DATE CURRENT	YEAR TO DATE PRIOR	% CHG
TOTAL ALL REVENUES*	819.7	753.1	8.8	2,413.9	2,184.7	10.5
Corporate Tax	15.3	33.4	-54.2	38.0	63.4	-40.1
Personal Income Tax	407.1	371.4	9.6	1275.4	1,125.9	13.3
Real Estate Conv. Tax	12.4	12.0	3.3	31.2	26.1	19.5
Sales & Use Tax	273.4	231.5	18.1	725.5	620.5	16.9
Indian Gaming Payments**	33.3	34.1	-2.4	65.8	67.0	-1.9

Sources: Connecticut Department of Revenue Services; Division of Special Revenue

*Includes all sources of revenue; Only selected sources are displayed; Most July receipts are credited to the prior fiscal year and are not shown. **See page 23 for explanation.

TOURISM AND TRAVEL

Gaming slots fell over the year.

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	YEAR TO DATE PRIOR	% CHG
Info Center Visitors	FEB 2007	14,056	-13.1	29,620	31,749	-6.7
Major Attraction Visitors	FEB 2007	92,357	-8.0	156,865	171,520	-8.5
Air Passenger Count	FEB 2007	454,942	-14.0	952,705	1,043,604	-8.7
Indian Gaming Slots (Mil.$)*	FEB 2007	1,501	-3.0	2,991	3,052	-2.0
Travel and Tourism Index**	4Q 2006	---	4.7	---	---	---

Sources: Connecticut Department of Transportation, Bureau of Aviation and Ports; Connecticut Department of Economic and Community Development; Connecticut Lodging & Attractions Association; Division of Special Revenue

*See page 23 for explanation

**The Connecticut Economy, Connecticut Center for Economic Analysis, University of Connecticut

Compensation cost for the nation rose 3.2 percent over the year.

EMPLOYMENT COST INDEX

Private Industry Workers (Dec. 2005 = 100)	Seasonally Adjusted DEC 2006	SEP 2006	3-Mo % Chg	Not Seasonally Adjusted DEC 2006	DEC 2005	12-Mo % Chg
UNITED STATES TOTAL	103.3	102.5	0.8	103.2	100.0	3.2
Wages and Salaries	103.2	102.5	0.7	103.2	100.0	3.2
Benefit Costs	103.5	102.5	1.0	103.1	100.0	3.1
NORTHEAST TOTAL	---	---	---	103.3	100.0	3.3
Wages and Salaries	---	---	---	103.1	100.0	3.1

Source: U.S. Department of Labor, Bureau of Labor Statistics

U.S. inflation rate increased 2.4 percent over the year.

CONSUMER NEWS

(Not seasonally adjusted)	MO/QTR	LEVEL	% CHANGE Y/Y	P/P*
CONSUMER PRICES				
CPI-U (1982-84=100)				
U.S. City Average	FEB 2007	203.5	2.4	0.5
Purchasing Power of $ (1982-84=$1.00)	FEB 2007	$0.491	-2.4	-0.5
Northeast Region	FEB 2007	216.7	2.4	0.4
NY-Northern NJ-Long Island	FEB 2007	223.1	3.1	0.6
Boston-Brockton-Nashua**	JAN 2007	224.4	1.8	0.6
CPI-W (1982-84=100)				
U.S. City Average	FEB 2007	198.6	2.3	0.5
CONSUMER CONFIDENCE (1985=100)				
Connecticut***	4Q 2006	NA	NA	NA
New England	FEB 2007	NA	NA	NA
U.S.	FEB 2007	NA	NA	NA

Sources: U.S. Department of Labor, Bureau of Labor Statistics; The Conference Board
**Change over prior monthly or quarterly period*
***The Boston CPI can be used as a proxy for New England and is measured every other month.*
****The Connecticut Economy, Connecticut Center for Economic Analysis, University of Connecticut*

Conventional mortgage rate rose to 6.29 percent over the month.

INTEREST RATES

(Percent)	FEB 2007	JAN 2007	FEB 2006
Prime	8.25	8.25	7.50
Federal Funds	5.26	5.25	4.49
3 Month Treasury Bill	5.16	5.11	4.54
6 Month Treasury Bill	5.16	5.15	4.69
1 Year Treasury Note	5.05	5.06	4.68
3 Year Treasury Note	4.75	4.79	4.64
5 Year Treasury Note	4.71	4.75	4.57
7 Year Treasury Note	4.71	4.75	4.56
10 Year Treasury Note	4.72	4.76	4.57
20 Year Treasury Note	4.93	4.95	4.73
Conventional Mortgage	6.29	6.22	6.25

Sources: Federal Reserve; Federal Home Loan Mortgage Corp.

NONFARM EMPLOYMENT

All nine states in the region added jobs over the year.

(Seasonally adjusted; 000s)	FEB 2007	FEB 2006	CHANGE NO.	CHANGE %	JAN 2007
Connecticut	1,690.9	1,673.3	17.6	1.1	1,690.1
Maine	615.6	612.9	2.7	0.4	617.0
Massachusetts	3,264.5	3,232.2	32.3	1.0	3,260.3
New Hampshire	642.0	638.9	3.1	0.5	641.0
New Jersey	4,084.6	4,066.4	18.2	0.4	4,090.8
New York	8,671.1	8,577.2	93.9	1.1	8,667.6
Pennsylvania	5,790.5	5,737.6	52.9	0.9	5,787.9
Rhode Island	495.8	490.7	5.1	1.0	495.0
Vermont	307.7	307.0	0.7	0.2	308.2
United States	137,410.0	135,410.0	2,000.0	1.5	137,313.0

Source: U.S. Department of Labor, Bureau of Labor Statistics

LABOR FORCE

All nine states posted increases in the labor force from last year.

(Seasonally adjusted; 000s)	FEB 2007	FEB 2006	CHANGE NO.	CHANGE %	JAN 2007
Connecticut	1,854.6	1,833.5	21.1	1.2	1,859.6
Maine	713.5	706.5	7.0	1.0	719.6
Massachusetts	3,417.8	3,389.7	28.1	0.8	3,427.4
New Hampshire	743.9	733.9	10.0	1.4	743.2
New Jersey	4,520.9	4,500.7	20.2	0.4	4,528.6
New York	9,491.1	9,481.1	10.0	0.1	9,518.6
Pennsylvania	6,308.2	6,284.1	24.1	0.4	6,351.6
Rhode Island	579.5	574.5	5.0	0.9	580.5
Vermont	362.0	359.7	2.3	0.6	363.0
United States	152,784.0	150,477.0	2,307.0	1.5	152,974.0

Source: U.S. Department of Labor, Bureau of Labor Statistics

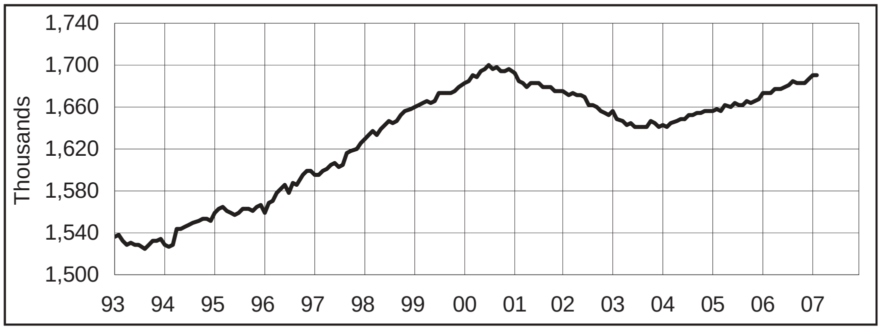
UNEMPLOYMENT RATES

Five of nine states showed a decrease in its unemployment rate over the year.

(Seasonally adjusted)	FEB 2007	FEB 2006	CHANGE	JAN 2007
Connecticut	4.2	4.4	-0.2	4.4
Maine	4.4	4.4	0.0	4.4
Massachusetts	5.3	4.8	0.5	5.3
New Hampshire	3.7	3.4	0.3	3.7
New Jersey	4.1	4.7	-0.6	4.2
New York	4.4	4.7	-0.3	4.3
Pennsylvania	4.0	4.6	-0.6	4.7
Rhode Island	4.4	5.2	-0.8	4.7
Vermont	3.9	3.6	0.3	4.0
United States	4.5	4.8	-0.3	4.6

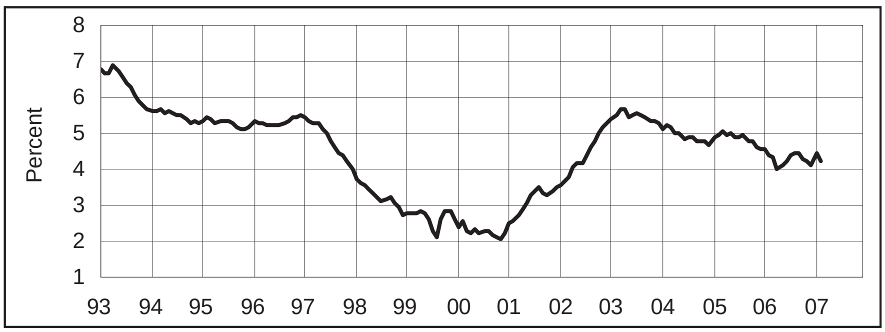
Source: U.S. Department of Labor, Bureau of Labor Statistics

NONFARM EMPLOYMENT *(Seasonally adjusted)*



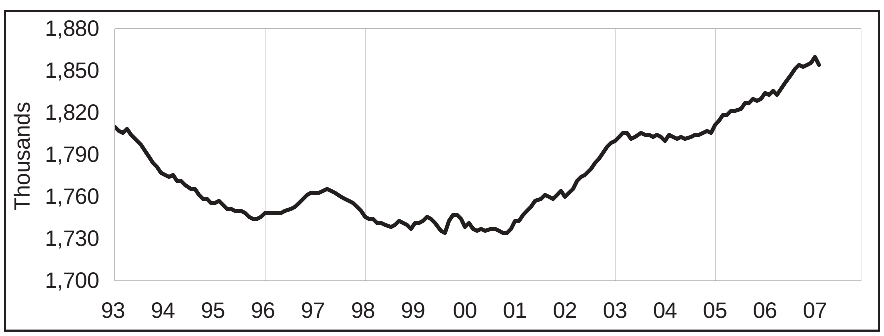
Month	2005	2006	2007
Jan	1,655.4	1,674.0	1,690.1
Feb	1,658.9	1,673.3	1,690.9
Mar	1,656.6	1,673.3	
Apr	1,662.3	1,676.3	
May	1,660.5	1,677.6	
Jun	1,663.3	1,679.6	
Jul	1,662.4	1,681.8	
Aug	1,661.4	1,685.0	
Sep	1,666.1	1,683.0	
Oct	1,663.3	1,682.0	
Nov	1,665.4	1,683.6	
Dec	1,668.4	1,686.0	

UNEMPLOYMENT RATE *(Seasonally adjusted)*



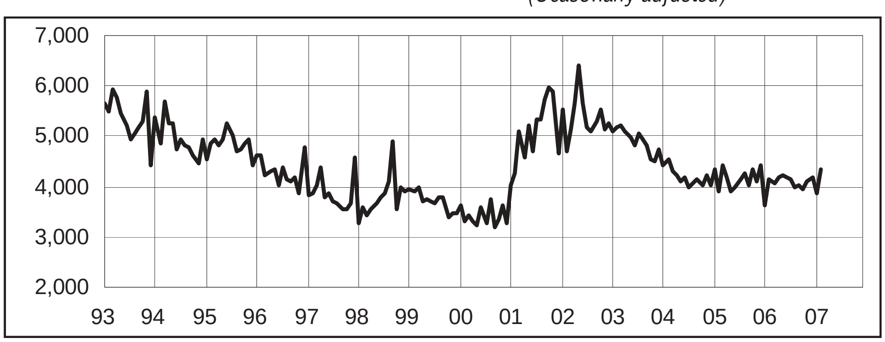
Month	2005	2006	2007
Jan	4.9	4.5	4.4
Feb	4.9	4.4	4.2
Mar	5.0	4.3	
Apr	4.9	4.0	
May	5.0	4.1	
Jun	4.9	4.2	
Jul	4.9	4.4	
Aug	4.9	4.5	
Sep	4.8	4.4	
Oct	4.8	4.3	
Nov	4.6	4.2	
Dec	4.5	4.1	

LABOR FORCE *(Seasonally adjusted)*



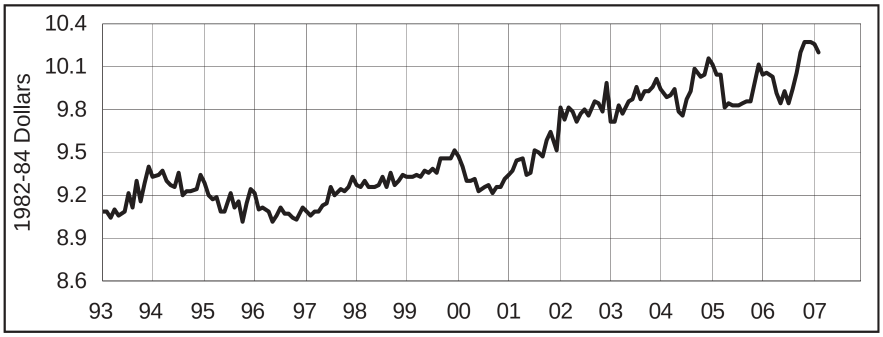
Month	2005	2006	2007
Jan	1,812.1	1,833.7	1,859.6
Feb	1,814.4	1,833.5	1,854.6
Mar	1,818.3	1,835.5	
Apr	1,818.4	1,832.4	
May	1,822.1	1,837.5	
Jun	1,822.1	1,841.9	
Jul	1,823.5	1,847.2	
Aug	1,827.5	1,851.8	
Sep	1,826.8	1,853.9	
Oct	1,829.7	1,853.4	
Nov	1,829.1	1,854.9	
Dec	1,830.5	1,855.1	

AVERAGE WEEKLY INITIAL CLAIMS *(Seasonally adjusted)*



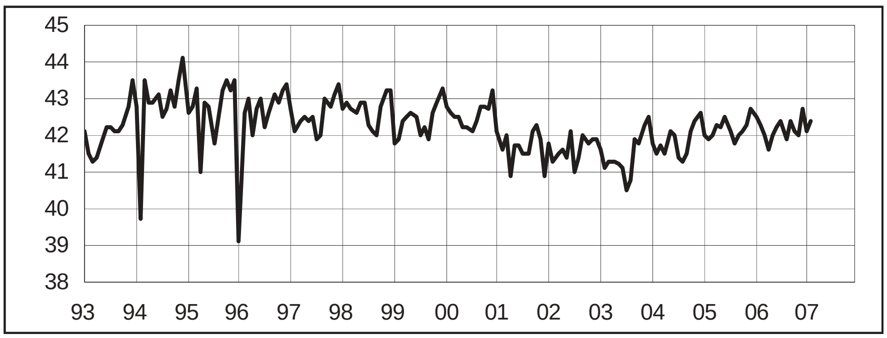
Month	2005	2006	2007
Jan	4,335	3,611	3,869
Feb	3,919	4,145	4,343
Mar	4,416	4,059	
Apr	4,174	4,188	
May	3,914	4,207	
Jun	3,976	4,164	
Jul	4,147	4,125	
Aug	4,263	3,986	
Sep	4,026	4,032	
Oct	4,324	3,941	
Nov	4,114	4,112	
Dec	4,428	4,185	

REAL AVG MANUFACTURING HOURLY EARNINGS *(Not seasonally adjusted)**



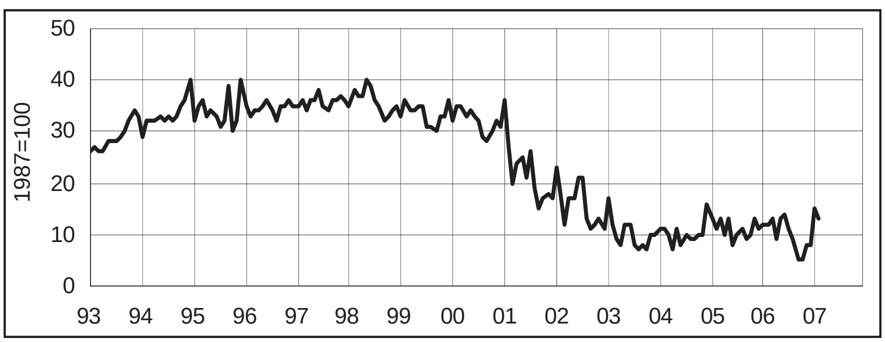
Month	2005	2006	2007
Jan	$10.12	$10.04	$10.25
Feb	$10.05	$10.05	$10.21
Mar	$10.04	$10.03	
Apr	$9.82	$9.92	
May	$9.84	$9.84	
Jun	$9.83	$9.93	
Jul	$9.82	$9.84	
Aug	$9.85	$9.94	
Sep	$9.85	$10.06	
Oct	$9.86	$10.20	
Nov	$9.98	$10.27	
Dec	$10.12	$10.27	

AVG MANUFACTURING WEEKLY HOURS *(Not seasonally adjusted)*



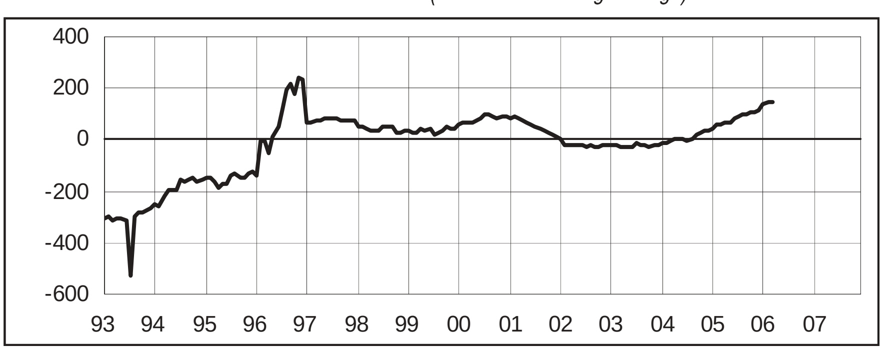
Month	2005	2006	2007
Jan	42.0	42.5	42.1
Feb	41.9	42.3	42.4
Mar	42.0	42.0	
Apr	42.3	41.6	
May	42.2	42.0	
Jun	42.5	42.2	
Jul	42.1	42.4	
Aug	41.8	41.9	
Sep	42.0	42.4	
Oct	42.1	42.1	
Nov	42.3	42.0	
Dec	42.7	42.7	

HARTFORD HELP WANTED INDEX *(Seasonally adjusted)*



Month	2005	2006	2007
Jan	13	12	15
Feb	11	12	13
Mar	13	13	
Apr	10	9	
May	13	13	
Jun	8	14	
Jul	10	11	
Aug	11	9	
Sep	9	5	
Oct	10	5	
Nov	13	8	
Dec	11	8	

DOL NET BUSINESS STARTS *(12-month moving average)***



Month	2005	2006	2007
Jan	45	136	
Feb	57	143	
Mar	55	149	
Apr	66		
May	70		
Jun	80		
Jul	93		
Aug	96		
Sep	95		
Oct	106		
Nov	106		
Dec	111		

*New series began in 2001; prior years are not directly comparable

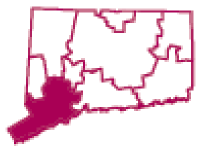
CONNECTICUT

Not Seasonally Adjusted

	FEB 2007	FEB 2006	CHANGE NO.	CHANGE %	JAN 2007
TOTAL NONFARM EMPLOYMENT	**1,668,700**	**1,650,700**	**18,000**	**1.1**	**1,665,600**
GOODS PRODUCING INDUSTRIES	**255,100**	**254,800**	**300**	**0.1**	**255,900**
CONSTRUCTION, NAT. RES. & MINING	**62,300**	**61,100**	**1,200**	**2.0**	**63,000**
MANUFACTURING	**192,800**	**193,700**	**-900**	**-0.5**	**192,900**
Durable Goods	**145,300**	**145,200**	**100**	**0.1**	**145,400**
Fabricated Metal	34,100	33,700	400	1.2	34,200
Machinery	18,200	18,200	0	0.0	18,200
Computer and Electronic Product	14,400	14,500	-100	-0.7	14,400
Transportation Equipment	43,300	44,100	-800	-1.8	43,300
Aerospace Product and Parts	31,100	30,900	200	0.6	31,100
Non-Durable Goods	**47,500**	**48,500**	**-1,000**	**-2.1**	**47,500**
Chemical	16,300	16,700	-400	-2.4	16,300
SERVICE PROVIDING INDUSTRIES	**1,413,600**	**1,395,900**	**17,700**	**1.3**	**1,409,700**
TRADE, TRANSPORTATION, UTILITIES	**306,000**	**305,400**	**600**	**0.2**	**312,000**
Wholesale Trade	67,700	66,800	900	1.3	67,800
Retail Trade	185,500	186,400	-900	-0.5	191,300
Motor Vehicle and Parts Dealers	21,700	22,300	-600	-2.7	21,800
Building Material	15,700	14,900	800	5.4	15,700
Food and Beverage Stores	41,300	41,100	200	0.5	42,400
General Merchandise Stores	23,200	24,400	-1,200	-4.9	24,500
Transportation, Warehousing, & Utilities	52,800	52,200	600	1.1	52,900
Utilities	7,900	8,300	-400	-4.8	7,900
Transportation and Warehousing	44,900	43,900	1,000	2.3	45,000
INFORMATION	**37,600**	**37,900**	**-300**	**-0.8**	**37,500**
Telecommunications	12,700	12,800	-100	-0.8	12,500
FINANCIAL ACTIVITIES	**143,500**	**142,700**	**800**	**0.6**	**143,700**
Finance and Insurance	123,000	122,000	1,000	0.8	123,200
Credit Intermediation	31,300	31,800	-500	-1.6	31,500
Securities and Commodity Contracts	21,100	19,900	1,200	6.0	21,100
Insurance Carriers & Related Activities	65,600	65,200	400	0.6	65,600
Real Estate and Rental and Leasing	20,500	20,700	-200	-1.0	20,500
PROFESSIONAL & BUSINESS SERVICES	**202,500**	**198,500**	**4,000**	**2.0**	**199,900**
Professional, Scientific	94,300	90,700	3,600	4.0	93,000
Legal Services	14,300	14,400	-100	-0.7	14,400
Computer Systems Design	21,300	19,500	1,800	9.2	21,000
Management of Companies	24,200	25,000	-800	-3.2	24,400
Administrative and Support	84,000	82,800	1,200	1.4	82,500
Employment Services	31,400	31,000	400	1.3	30,500
EDUCATIONAL AND HEALTH SERVICES	**285,200**	**278,400**	**6,800**	**2.4**	**281,300**
Educational Services	57,400	55,400	2,000	3.6	52,800
Health Care and Social Assistance	227,800	223,000	4,800	2.2	228,500
Hospitals	57,200	55,900	1,300	2.3	57,600
Nursing & Residential Care Facilities	57,400	56,900	500	0.9	57,600
Social Assistance	39,700	37,700	2,000	5.3	39,700
LEISURE AND HOSPITALITY	**125,600**	**121,800**	**3,800**	**3.1**	**126,200**
Arts, Entertainment, and Recreation	19,800	19,500	300	1.5	20,100
Accommodation and Food Services	105,800	102,300	3,500	3.4	106,100
Food Serv., Restaurants, Drinking Places	94,500	91,300	3,200	3.5	94,800
OTHER SERVICES	**62,900**	**61,800**	**1,100**	**1.8**	**63,000**
GOVERNMENT	**250,300**	**249,400**	**900**	**0.4**	**246,100**
Federal Government	19,400	19,600	-200	-1.0	19,400
State Government	68,800	67,600	1,200	1.8	64,900
Local Government**	162,100	162,200	-100	-0.1	161,800

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2006.
**Total excludes workers idled due to labor-management disputes. **Includes Indian tribal government employment.*

BRIDGEPORT - STAMFORD LMA

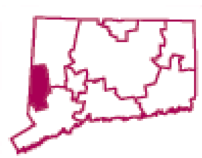


Not Seasonally Adjusted

	FEB 2007	FEB 2006	CHANGE NO.	CHANGE %	JAN 2007
TOTAL NONFARM EMPLOYMENT	**412,800**	**408,900**	**3,900**	**1.0**	**412,300**
GOODS PRODUCING INDUSTRIES	**56,100**	**55,100**	**1,000**	**1.8**	**55,900**
CONSTRUCTION, NAT. RES. & MINING	**14,800**	**14,200**	**600**	**4.2**	**14,900**
MANUFACTURING	**41,300**	**40,900**	**400**	**1.0**	**41,000**
Durable Goods	**30,500**	**29,900**	**600**	**2.0**	**30,200**
SERVICE PROVIDING INDUSTRIES	**356,700**	**353,800**	**2,900**	**0.8**	**356,400**
TRADE, TRANSPORTATION, UTILITIES	**75,200**	**75,100**	**100**	**0.1**	**76,400**
Wholesale Trade	14,600	14,700	-100	-0.7	14,600
Retail Trade	49,300	49,700	-400	-0.8	50,500
Transportation, Warehousing, & Utilities	11,300	10,700	600	5.6	11,300
INFORMATION	**11,200**	**11,200**	**0**	**0.0**	**11,300**
FINANCIAL ACTIVITIES	**44,700**	**43,100**	**1,600**	**3.7**	**44,500**
Finance and Insurance	38,400	36,600	1,800	4.9	38,100
PROFESSIONAL & BUSINESS SERVICES	**69,400**	**69,300**	**100**	**0.1**	**68,900**
EDUCATIONAL AND HEALTH SERVICES	**60,600**	**60,300**	**300**	**0.5**	**59,900**
Health Care and Social Assistance	50,600	50,700	-100	-0.2	50,900
LEISURE AND HOSPITALITY	**31,100**	**30,300**	**800**	**2.6**	**31,300**
Accommodation and Food Services	24,200	23,300	900	3.9	24,300
OTHER SERVICES	**16,700**	**16,700**	**0**	**0.0**	**16,800**
GOVERNMENT	**47,800**	**47,800**	**0**	**0.0**	**47,300**
Federal	3,300	3,400	-100	-2.9	3,300
State & Local	44,500	44,400	100	0.2	44,000

For further information on the Bridgeport-Stamford Labor Market Area contact Arthur Famiglietti at (860) 263-6297.

DANBURY LMA



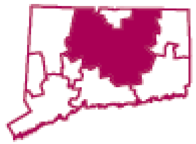
Not Seasonally Adjusted

	FEB 2007	FEB 2006	CHANGE NO.	CHANGE %	JAN 2007
TOTAL NONFARM EMPLOYMENT	**68,400**	**68,000**	**400**	**0.6**	**68,800**
GOODS PRODUCING INDUSTRIES	**13,000**	**12,600**	**400**	**3.2**	**13,000**
SERVICE PROVIDING INDUSTRIES	**55,400**	**55,400**	**0**	**0.0**	**55,800**
TRADE, TRANSPORTATION, UTILITIES	**15,400**	**15,400**	**0**	**0.0**	**15,900**
Retail Trade	11,400	11,500	-100	-0.9	12,000
PROFESSIONAL & BUSINESS SERVICES	**8,400**	**8,300**	**100**	**1.2**	**8,300**
LEISURE AND HOSPITALITY	**5,200**	**5,100**	**100**	**2.0**	**5,300**
GOVERNMENT	**8,300**	**8,300**	**0**	**0.0**	**8,100**
Federal	600	600	0	0.0	600
State & Local	7,700	7,700	0	0.0	7,500

For further information on the Danbury Labor Market Area contact Arthur Famiglietti at (860) 263-6297.

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2006.
**Total excludes workers idled due to labor-management disputes.*

HARTFORD LMA



Not Seasonally Adjusted

	FEB 2007	FEB 2006	CHANGE NO.	CHANGE %	JAN 2007
TOTAL NONFARM EMPLOYMENT	**545,700**	**541,800**	**3,900**	**0.7**	**545,200**
GOODS PRODUCING INDUSTRIES	**84,700**	**83,800**	**900**	**1.1**	**85,400**
CONSTRUCTION, NAT. RES. & MINING	**20,300**	**19,900**	**400**	**2.0**	**20,800**
MANUFACTURING	**64,400**	**63,900**	**500**	**0.8**	**64,600**
Durable Goods	**53,800**	**53,300**	**500**	**0.9**	**53,900**
Transportation Equipment	18,600	18,600	0	0.0	18,700
SERVICE PROVIDING INDUSTRIES	**461,000**	**458,000**	**3,000**	**0.7**	**459,800**
TRADE, TRANSPORTATION, UTILITIES	**88,100**	**88,100**	**0**	**0.0**	**90,000**
Wholesale Trade	19,600	19,500	100	0.5	19,700
Retail Trade	53,900	54,000	-100	-0.2	55,600
Transportation, Warehousing, & Utilities	14,600	14,600	0	0.0	14,700
Transportation and Warehousing	11,700	11,400	300	2.6	11,800
INFORMATION	**12,000**	**12,000**	**0**	**0.0**	**12,000**
FINANCIAL ACTIVITIES	**66,700**	**67,600**	**-900**	**-1.3**	**67,000**
Depository Credit Institutions	7,800	7,700	100	1.3	7,900
Insurance Carriers & Related Activities	45,100	45,400	-300	-0.7	45,000
PROFESSIONAL & BUSINESS SERVICES	**59,800**	**58,600**	**1,200**	**2.0**	**59,600**
Professional, Scientific	29,800	28,700	1,100	3.8	29,800
Administrative and Support	23,800	23,800	0	0.0	23,700
EDUCATIONAL AND HEALTH SERVICES	**87,200**	**85,800**	**1,400**	**1.6**	**86,700**
Health Care and Social Assistance	75,800	74,300	1,500	2.0	75,800
Ambulatory Health Care	22,800	22,400	400	1.8	22,800
LEISURE AND HOSPITALITY	**37,900**	**37,600**	**300**	**0.8**	**37,900**
Accommodation and Food Services	33,000	31,900	1,100	3.4	33,000
OTHER SERVICES	**20,600**	**20,500**	**100**	**0.5**	**20,600**
GOVERNMENT	**88,700**	**87,800**	**900**	**1.0**	**86,000**
Federal	5,900	5,900	0	0.0	5,900
State & Local	82,800	81,900	900	1.1	80,100

For further information on the Hartford Labor Market Area contact Arthur Famiglietti at (860) 263-6297.

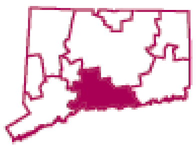
Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2006.
**Total excludes workers idled due to labor-management disputes.*

BUSINESS AND ECONOMIC NEWS

- **Fourth-quarter productivity growth revised downward**
  In the nonfarm business sector (in U.S.), productivity-as measured by output per hour-increased at a revised seasonally adjusted annual rate of 1.6 percent in the fourth quarter of 2006. This represented a downward revision from the preliminary productivity estimate of 3.0 percent. Output in the nonfarm business sector increased at an annual rate of 2.5 percent in the fourth quarter of 2006; the preliminary estimate was 4.2 percent. Hours of all persons-employees, proprietors, and unpaid family workers-rose 0.9 percent, following an initially reported estimate of 1.2 percent. These data are from the BLS Productivity and Costs program. Data in this report are seasonally adjusted annual rates. These estimates are subject to revision. Additional information is available in "Productivity and Costs, Fourth Quarter and Annual Averages, 2006 Revised" news release USDL 07-0338. (The Editor's Desk, Bureau of Labor Statistics, March 7, 2007)

--Continued on the following page--

NEW HAVEN LMA



Not Seasonally Adjusted

	FEB 2007	FEB 2006	CHANGE NO.	CHANGE %	JAN 2007
TOTAL NONFARM EMPLOYMENT	**274,800**	**273,700**	**1,100**	**0.4**	**272,600**
GOODS PRODUCING INDUSTRIES	**42,800**	**43,100**	**-300**	**-0.7**	**42,800**
CONSTRUCTION, NAT. RES. & MINING	**10,400**	**10,100**	**300**	**3.0**	**10,300**
MANUFACTURING	**32,400**	**33,000**	**-600**	**-1.8**	**32,500**
Durable Goods	**22,100**	**22,500**	**-400**	**-1.8**	**22,200**
SERVICE PROVIDING INDUSTRIES	**232,000**	**230,600**	**1,400**	**0.6**	**229,800**
TRADE, TRANSPORTATION, UTILITIES	**50,100**	**50,400**	**-300**	**-0.6**	**50,900**
Wholesale Trade	11,200	11,500	-300	-2.6	11,300
Retail Trade	30,400	29,800	600	2.0	31,000
Transportation, Warehousing, & Utilities	8,500	9,100	-600	-6.6	8,600
INFORMATION	**8,300**	**8,300**	**0**	**0.0**	**8,100**
FINANCIAL ACTIVITIES	**14,600**	**14,000**	**600**	**4.3**	**14,800**
Finance and Insurance	10,500	10,300	200	1.9	10,600
PROFESSIONAL & BUSINESS SERVICES	**25,700**	**25,600**	**100**	**0.4**	**24,800**
Administrative and Support	12,500	12,000	500	4.2	12,100
EDUCATIONAL AND HEALTH SERVICES	**67,400**	**66,700**	**700**	**1.0**	**65,400**
Educational Services	24,600	25,100	-500	-2.0	22,500
Health Care and Social Assistance	42,800	41,600	1,200	2.9	42,900
LEISURE AND HOSPITALITY	**19,700**	**19,500**	**200**	**1.0**	**19,900**
Accommodation and Food Services	16,600	16,900	-300	-1.8	16,800
OTHER SERVICES	**11,200**	**10,600**	**600**	**5.7**	**11,200**
GOVERNMENT	**35,000**	**35,500**	**-500**	**-1.4**	**34,700**
Federal	5,300	5,400	-100	-1.9	5,300
State & Local	29,700	30,100	-400	-1.3	29,400

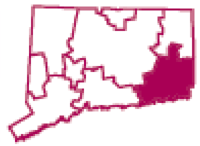
For further information on the New Haven Labor Market Area contact Joseph Slepski at (860) 263-6278.

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2006.
**Total excludes workers idled due to labor-management disputes. **Value less than 50*

BUSINESS AND ECONOMIC NEWS (Cont.)

- **Unit labor costs in fourth quarter of 2006**
  Unit labor costs in nonfarm business (in U.S.) increased at a revised annual rate of 6.6 percent (seasonally adjusted) in the fourth quarter of 2006, after rising 1.1 percent in the third quarter. Unit labor costs-the cost of the labor input required to produce one unit of output-are computed by dividing labor costs in nominal terms by real output. Unit labor costs can also be expressed as the ratio of hourly compensation to labor productivity. The rise in unit labor costs in the fourth quarter reflected an 8.2-percent increase in hourly compensation and a 1.6-percent increase in labor productivity. These data are a product of the BLS Productivity and Costs program. Data in this report are seasonally adjusted annual rates. These estimates are subject to further revision. Additional information is available in "Productivity and Costs, Fourth Quarter and Annual Averages, 2006 Revised," news release USDL 07-0338. (The Editor's Desk, Bureau of Labor Statistics, March 9, 2007)

NORWICH - NEW LONDON LMA

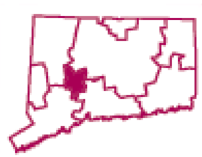


Not Seasonally Adjusted

	FEB 2007	FEB 2006	CHANGE NO.	CHANGE %	JAN 2007
TOTAL NONFARM EMPLOYMENT	**133,000**	**132,800**	**200**	**0.2**	**134,000**
GOODS PRODUCING INDUSTRIES	**20,700**	**22,100**	**-1,400**	**-6.3**	**20,700**
CONSTRUCTION, NAT. RES. & MINING	**4,100**	**4,100**	**0**	**0.0**	**4,100**
MANUFACTURING	**16,600**	**18,000**	**-1,400**	**-7.8**	**16,600**
Durable Goods	**10,800**	**11,700**	**-900**	**-7.7**	**10,900**
Non-Durable Goods	**5,800**	**6,300**	**-500**	**-7.9**	**5,700**
SERVICE PROVIDING INDUSTRIES	**112,300**	**110,700**	**1,600**	**1.4**	**113,300**
TRADE, TRANSPORTATION, UTILITIES	**22,300**	**21,900**	**400**	**1.8**	**23,000**
Wholesale Trade	2,100	2,000	100	5.0	2,100
Retail Trade	15,900	15,700	200	1.3	16,600
Transportation, Warehousing, & Utilities	4,300	4,200	100	2.4	4,300
INFORMATION	**2,100**	**2,000**	**100**	**5.0**	**2,100**
FINANCIAL ACTIVITIES	**3,500**	**3,400**	**100**	**2.9**	**3,500**
PROFESSIONAL & BUSINESS SERVICES	**10,200**	**9,700**	**500**	**5.2**	**10,100**
EDUCATIONAL AND HEALTH SERVICES	**19,400**	**19,000**	**400**	**2.1**	**19,300**
Health Care and Social Assistance	16,600	16,200	400	2.5	16,700
LEISURE AND HOSPITALITY	**11,500**	**11,300**	**200**	**1.8**	**11,700**
Accommodation and Food Services	10,000	9,600	400	4.2	10,100
Food Serv., Restaurants, Drinking Places	8,400	8,000	400	5.0	8,400
OTHER SERVICES	**3,800**	**3,700**	**100**	**2.7**	**3,900**
GOVERNMENT	**39,500**	**39,700**	**-200**	**-0.5**	**39,700**
Federal	2,500	2,400	100	4.2	2,500
State & Local**	37,000	37,300	-300	-0.8	37,200

For further information on the Norwich-New London Labor Market Area contact Lincoln Dyer at (860) 263-6292.

WATERBURY LMA



Not Seasonally Adjusted

	FEB 2007	FEB 2006	CHANGE NO.	CHANGE %	JAN 2007
TOTAL NONFARM EMPLOYMENT	**68,300**	**67,400**	**900**	**1.3**	**68,100**
GOODS PRODUCING INDUSTRIES	**12,400**	**12,600**	**-200**	**-1.6**	**12,500**
CONSTRUCTION, NAT. RES. & MINING	**2,500**	**2,500**	**0**	**0.0**	**2,600**
MANUFACTURING	**9,900**	**10,100**	**-200**	**-2.0**	**9,900**
SERVICE PROVIDING INDUSTRIES	**55,900**	**54,800**	**1,100**	**2.0**	**55,600**
TRADE, TRANSPORTATION, UTILITIES	**13,100**	**13,100**	**0**	**0.0**	**13,300**
Wholesale Trade	2,100	2,100	0	0.0	2,100
Retail Trade	9,000	9,000	0	0.0	9,200
Transportation, Warehousing, & Utilities	2,000	2,000	0	0.0	2,000
INFORMATION	**900**	**900**	**0**	**0.0**	**900**
FINANCIAL ACTIVITIES	**2,500**	**2,600**	**-100**	**-3.8**	**2,500**
PROFESSIONAL & BUSINESS SERVICES	**6,500**	**6,300**	**200**	**3.2**	**6,300**
EDUCATIONAL AND HEALTH SERVICES	**14,700**	**14,500**	**200**	**1.4**	**14,700**
Health Care and Social Assistance	13,400	13,100	300	2.3	13,300
LEISURE AND HOSPITALITY	**5,200**	**4,600**	**600**	**13.0**	**5,100**
OTHER SERVICES	**2,800**	**2,700**	**100**	**3.7**	**2,800**
GOVERNMENT	**10,200**	**10,100**	**100**	**1.0**	**10,000**
Federal	600	600	0	0.0	600
State & Local	9,600	9,500	100	1.1	9,400

For further information on the Waterbury Labor Market Area contact Joseph Slepski at (860) 263-6278.

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2006.
**Total excludes workers idled due to labor-management disputes. **Includes Indian tribal government employment.*

SMALLER LMAS

Not Seasonally Adjusted

	FEB 2007	FEB 2006	CHANGE NO.	CHANGE %	JAN 2007
TOTAL NONFARM EMPLOYMENT					
ENFIELD LMA	**48,900**	**47,900**	**1,000**	**2.1**	**49,500**
TORRINGTON LMA	**36,200**	**35,700**	**500**	**1.4**	**37,300**
WILLIMANTIC - DANIELSON LMA	**37,000**	**36,600**	**400**	**1.1**	**37,000**

NOTE: More industry detail data is available for the State and its nine labor market areas at: http://www.ctdol.state.ct.us/lmi/202/covered.htm. The data published there differ from the data in the preceding tables in that they are developed from a near-universe count of Connecticut employment covered by the unemployment insurance (UI) program, while the data here is sample-based. The data drawn from the UI program does not contain estimates of employment not covered by unemployment insurance, and is lagged several months behind the current employment estimates presented here.

SPRINGFIELD, MA-CT NECTA*

Not Seasonally Adjusted

	FEB 2007	FEB 2006	CHANGE NO.	CHANGE %	JAN 2007
TOTAL NONFARM EMPLOYMENT	**295,300**	**292,100**	**3,200**	**1.1**	**294,000**
GOODS PRODUCING INDUSTRIES	**45,800**	**46,800**	**-1,000**	**-2.1**	**46,200**
CONSTRUCTION, NAT. RES. & MINING	**9,500**	**9,500**	**0**	**0.0**	**9,900**
MANUFACTURING	**36,300**	**37,300**	**-1,000**	**-2.7**	**36,300**
Durable Goods	**23,400**	**23,500**	**-100**	**-0.4**	**23,300**
Non-Durable Goods	**12,900**	**13,800**	**-900**	**-6.5**	**13,000**
SERVICE PROVIDING INDUSTRIES	**249,500**	**245,300**	**4,200**	**1.7**	**247,800**
TRADE, TRANSPORTATION, UTILITIES	**60,100**	**60,000**	**100**	**0.2**	**61,400**
Wholesale Trade	11,600	11,100	500	4.5	11,700
Retail Trade	35,100	35,100	0	0.0	36,100
Transportation, Warehousing, & Utilities	13,400	13,800	-400	-2.9	13,600
INFORMATION	**4,500**	**4,500**	**0**	**0.0**	**4,400**
FINANCIAL ACTIVITIES	**17,100**	**16,700**	**400**	**2.4**	**17,300**
Finance and Insurance	13,200	12,800	400	3.1	13,300
Insurance Carriers & Related Activities	8,500	7,900	600	7.6	8,600
PROFESSIONAL & BUSINESS SERVICES	**24,300**	**23,800**	**500**	**2.1**	**24,000**
EDUCATIONAL AND HEALTH SERVICES	**56,300**	**55,100**	**1,200**	**2.2**	**54,500**
Educational Services	12,900	12,900	0	0.0	11,100
Health Care and Social Assistance	43,400	42,200	1,200	2.8	43,400
LEISURE AND HOSPITALITY	**25,100**	**24,200**	**900**	**3.7**	**24,900**
OTHER SERVICES	**11,500**	**11,300**	**200**	**1.8**	**11,600**
GOVERNMENT	**50,600**	**49,700**	**900**	**1.8**	**49,700**
Federal	6,600	6,600	0	0.0	6,700
State & Local	44,000	43,100	900	2.1	43,000

* New England City and Town Area

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2006.
**Total excludes workers idled due to labor-management disputes.*

LABOR FORCE ESTIMATES

(Not seasonally adjusted)	EMPLOYMENT STATUS	FEB 2007	FEB 2006	CHANGE NO.	CHANGE %	JAN 2007
CONNECTICUT	Civilian Labor Force	1,836,300	1,816,100	20,200	1.1	1,843,000
	Employed	1,750,400	1,727,300	23,100	1.3	1,751,400
	Unemployed	85,900	88,800	-2,900	-3.3	91,600
	Unemployment Rate	4.7	4.9	-0.2	---	5.0
BRIDGEPORT - STAMFORD LMA	Civilian Labor Force	466,300	460,900	5,400	1.2	467,400
	Employed	447,200	440,500	6,700	1.5	446,900
	Unemployed	19,000	20,400	-1,400	-6.9	20,400
	Unemployment Rate	4.1	4.4	-0.3	---	4.4
DANBURY LMA	Civilian Labor Force	90,200	89,100	1,100	1.2	90,800
	Employed	86,900	85,800	1,100	1.3	87,300
	Unemployed	3,300	3,300	0	0.0	3,500
	Unemployment Rate	3.6	3.7	-0.1	---	3.8
ENFIELD LMA	Civilian Labor Force	49,100	48,300	800	1.7	48,700
	Employed	46,600	45,800	800	1.7	46,300
	Unemployed	2,500	2,500	0	0.0	2,400
	Unemployment Rate	5.1	5.1	0.0	---	4.9
HARTFORD LMA	Civilian Labor Force	576,800	570,300	6,500	1.1	578,800
	Employed	548,400	541,200	7,200	1.3	548,700
	Unemployed	28,300	29,100	-800	-2.7	30,100
	Unemployment Rate	4.9	5.1	-0.2	---	5.2
NEW HAVEN LMA	Civilian Labor Force	307,400	304,200	3,200	1.1	306,800
	Employed	292,700	289,300	3,400	1.2	290,900
	Unemployed	14,700	14,900	-200	-1.3	15,900
	Unemployment Rate	4.8	4.9	-0.1	---	5.2
NORWICH - NEW LONDON LMA	Civilian Labor Force	148,300	147,800	500	0.3	150,300
	Employed	141,700	140,700	1,000	0.7	143,100
	Unemployed	6,600	7,100	-500	-7.0	7,300
	Unemployment Rate	4.5	4.8	-0.3	---	4.8
TORRINGTON LMA	Civilian Labor Force	53,900	53,200	700	1.3	55,100
	Employed	51,200	50,600	600	1.2	52,300
	Unemployed	2,700	2,700	0	0.0	2,800
	Unemployment Rate	5.0	5.0	0.0	---	5.0
WATERBURY LMA	Civilian Labor Force	100,800	99,500	1,300	1.3	101,400
	Employed	94,700	93,200	1,500	1.6	94,800
	Unemployed	6,100	6,400	-300	-4.7	6,500
	Unemployment Rate	6.1	6.4	-0.3	---	6.4
WILLIMANTIC-DANIELSON LMA	Civilian Labor Force	57,000	56,200	800	1.4	57,300
	Employed	53,600	52,800	800	1.5	53,800
	Unemployed	3,400	3,400	0	0.0	3,500
	Unemployment Rate	5.9	6.0	-0.1	---	6.1
UNITED STATES	Civilian Labor Force	151,879,000	149,686,000	2,193,000	1.5	151,924,000
	Employed	144,479,000	141,994,000	2,485,000	1.8	144,275,000
	Unemployed	7,400,000	7,692,000	-292,000	-3.8	7,649,000
	Unemployment Rate	4.9	5.1	-0.2	---	5.0

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2006.

CONNECTICUT

(Not seasonally adjusted)	AVG WEEKLY EARNINGS FEB 2007	FEB 2006	CHG Y/Y	JAN 2007	AVG WEEKLY HOURS FEB 2007	FEB 2006	CHG Y/Y	JAN 2007	AVG HOURLY EARNINGS FEB 2007	FEB 2006	CHG Y/Y	JAN 2007
MANUFACTURING	**$859.45**	**$825.70**	**$33.75**	**$852.95**	**42.4**	**42.3**	**0.1**	**42.1**	**$20.27**	**$19.52**	**$0.75**	**$20.26**
DURABLE GOODS	**886.58**	**854.55**	**32.03**	**875.70**	**42.4**	**42.2**	**0.2**	**42.0**	**20.91**	**20.25**	**0.66**	**20.85**
Fabricated Metal	785.67	759.29	26.39	795.80	42.4	42.3	0.1	42.9	18.53	17.95	0.58	18.55
Machinery	842.96	789.97	52.99	833.12	41.1	40.1	1.0	41.0	20.51	19.70	0.81	20.32
Computer & Electronic	699.32	664.40	34.92	699.84	40.4	40.0	0.4	40.5	17.31	16.61	0.70	17.28
Transport. Equipment	1,093.12	1,045.72	47.40	1,089.18	42.6	42.2	0.4	42.2	25.66	24.78	0.88	25.81
NON-DUR. GOODS	**784.24**	**749.70**	**34.54**	**792.46**	**42.3**	**42.5**	**-0.2**	**42.4**	**18.54**	**17.64**	**0.90**	**18.69**
CONSTRUCTION	**906.74**	**875.90**	**30.84**	**899.38**	**38.7**	**38.4**	**0.3**	**38.8**	**23.43**	**22.81**	**0.62**	**23.18**

LMAs

MANUFACTURING	AVG WEEKLY EARNINGS FEB 2007	FEB 2006	CHG Y/Y	JAN 2007	AVG WEEKLY HOURS FEB 2007	FEB 2006	CHG Y/Y	JAN 2007	AVG HOURLY EARNINGS FEB 2007	FEB 2006	CHG Y/Y	JAN 2007
Bridgeport - Stamford	$824.10	$811.13	$12.97	$907.21	41.6	41.3	0.3	43.7	$19.81	$19.64	$0.17	$20.76
New Haven	798.37	646.41	151.96	783.07	39.7	39.2	0.5	40.7	20.11	16.49	3.62	19.24
Norwich - New London	850.84	819.52	31.32	856.24	42.1	42.2	-0.1	42.2	20.21	19.42	0.79	20.29

Due to constraints of the sample upon which estimates are made, manufacturing hours and earnings estimates for the Hartford and Waterbury labor market areas are being suspended.

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2006.

BUSINESS AND EMPLOYMENT CHANGES ANNOUNCED IN THE NEWS MEDIA

- In February 2007, the Cummings & Lockwood law firm disclosed plans to relocate to West Hartford's Blue Back Square. This will allow the firm to hire 10 new employees. A new Home Depot store has opened in the Montville Commons shopping center with 120 people being hired.

- In February, Tribune Company television stations in Hartford and New Haven laid off 11 employees due to technological changes that will reduce the need for workers. Due to the high prices of energy and raw materials, Ansonia Copper & Brass will lay off 84 employees in April. Madison's, a Shelton restaurant, has gone out of business resulting in the loss of 30 jobs. Woodworking Loft, a Winsted woodworking company has gone out of business leading to 30 layoffs.

Business & Employment Changes Announced in the News Media lists start-ups, expansions, staff reductions, and layoffs reported by the media, both current and future. The report provides company name, the number of workers involved, date of the action, the principal product or service of the company, a brief synopsis of the action, and the source and date of the media article. This publication is available in both HTML and PDF formats at the Connecticut Department of Labor Web site, http://www.ctdol.state.ct.us/lmi/busemp.htm.

LABOR FORCE ESTIMATES BY TOWN

(By Place of Residence - Not Seasonally Adjusted)

FEBRUARY 2007

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
BRIDGEPORT-STAMFORD	**466,271**	**447,246**	**19,025**	**4.1**
Ansonia	9,871	9,333	538	5.5
Bridgeport	62,186	57,713	4,473	7.2
Darien	9,084	8,857	227	2.5
Derby	6,810	6,463	347	5.1
Easton	3,748	3,617	131	3.5
Fairfield	28,033	27,064	969	3.5
Greenwich	29,959	29,113	846	2.8
Milford	31,197	30,028	1,169	3.7
Monroe	10,573	10,185	388	3.7
New Canaan	8,839	8,595	244	2.8
Newtown	14,171	13,721	450	3.2
Norwalk	48,240	46,343	1,897	3.9
Oxford	6,848	6,595	253	3.7
Redding	4,512	4,387	125	2.8
Ridgefield	11,608	11,325	283	2.4
Seymour	9,107	8,671	436	4.8
Shelton	22,406	21,484	922	4.1
Southbury	8,987	8,653	334	3.7
Stamford	66,054	63,602	2,452	3.7
Stratford	25,804	24,636	1,168	4.5
Trumbull	17,757	17,167	590	3.3
Weston	4,853	4,746	107	2.2
Westport	12,530	12,198	332	2.6
Wilton	8,243	8,037	206	2.5
Woodbridge	4,847	4,710	137	2.8
DANBURY	**90,232**	**86,949**	**3,283**	**3.6**
Bethel	10,755	10,391	364	3.4
Bridgewater	1,028	996	32	3.1
Brookfield	8,920	8,617	303	3.4
Danbury	43,651	41,999	1,652	3.8
New Fairfield	7,509	7,270	239	3.2
New Milford	16,239	15,610	629	3.9
Sherman	2,130	2,066	64	3.0
ENFIELD	**49,091**	**46,593**	**2,498**	**5.1**
East Windsor	6,168	5,792	376	6.1
Enfield	23,868	22,715	1,153	4.8
Somers	4,697	4,459	238	5.1
Suffield	7,305	6,955	350	4.8
Windsor Locks	7,052	6,671	381	5.4
HARTFORD	**576,768**	**548,431**	**28,337**	**4.9**
Andover	1,958	1,892	66	3.4
Ashford	2,594	2,480	114	4.4
Avon	9,027	8,767	260	2.9
Barkhamsted	2,223	2,116	107	4.8
Berlin	10,920	10,460	460	4.2
Bloomfield	9,889	9,380	509	5.1
Bolton	3,018	2,921	97	3.2
Bristol	34,078	32,148	1,930	5.7
Burlington	5,281	5,084	197	3.7

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
HARTFORD cont....				
Canton	5,618	5,426	192	3.4
Colchester	8,635	8,301	334	3.9
Columbia	3,014	2,905	109	3.6
Coventry	6,958	6,649	309	4.4
Cromwell	7,743	7,431	312	4.0
East Granby	2,902	2,783	119	4.1
East Haddam	5,090	4,892	198	3.9
East Hampton	6,786	6,445	341	5.0
East Hartford	25,144	23,599	1,545	6.1
Ellington	8,572	8,213	359	4.2
Farmington	12,731	12,277	454	3.6
Glastonbury	17,986	17,405	581	3.2
Granby	6,184	5,976	208	3.4
Haddam	4,729	4,567	162	3.4
Hartford	48,248	43,736	4,512	9.4
Hartland	1,201	1,147	54	4.5
Harwinton	3,146	2,999	147	4.7
Hebron	5,418	5,224	194	3.6
Lebanon	4,301	4,094	207	4.8
Manchester	31,487	30,099	1,388	4.4
Mansfield	12,800	12,310	490	3.8
Marlborough	3,554	3,428	126	3.5
Middlefield	2,376	2,264	112	4.7
Middletown	26,172	24,992	1,180	4.5
New Britain	34,376	31,879	2,497	7.3
New Hartford	3,769	3,607	162	4.3
Newington	16,491	15,773	718	4.4
Plainville	10,058	9,521	537	5.3
Plymouth	6,861	6,426	435	6.3
Portland	5,303	5,075	228	4.3
Rocky Hill	10,585	10,174	411	3.9
Simsbury	11,901	11,558	343	2.9
Southington	23,868	22,864	1,004	4.2
South Windsor	14,578	14,089	489	3.4
Stafford	6,792	6,453	339	5.0
Thomaston	4,617	4,373	244	5.3
Tolland	8,227	7,948	279	3.4
Union	471	448	23	4.9
Vernon	17,089	16,286	803	4.7
West Hartford	28,966	27,884	1,082	3.7
Wethersfield	13,257	12,682	575	4.3
Willington	3,875	3,741	134	3.5
Windsor	15,901	15,240	661	4.2

All Labor Market Areas(LMAs) in Connecticut except three are federally-designated areas for developing labor statistics.For the sake of simplicity, the federal Bridgeport-Stamford-Norwalk NECTA is referred to in Connecticut DOL publications as the Bridgeport-Stamford LMA, and the Hartford-West Hartford-East Hartford NECTA is the Hartford LMA.

The Bureau of Labor Statistics has identified 17 towns in the northwest part of the state as a separate area for reporting labor force data. For the convenience of our data users, these towns are included in the Torrington LMA. For the same purpose, five towns which are part of the Springfield, MA area are published as the Enfield LMA. Similarly the towns of Putnam, Thompson and Woodstock-part of the Worcester, MA area-plus four towns estimated separately are included in the Willimantic-Danielson LMA.

LABOR FORCE CONCEPTS

The **civilian labor force** comprises all state residents age 16 years and older classified as employed or unemployed in accordance with criteria described below. Excluded are members of the military and persons in institutions (correctional and mental health, for example).

The **employed** are all persons who did any work as paid employees or in their own business during the survey week, or who have worked 15 hours or more as unpaid workers in an enterprise operated by a family member. Persons temporarily absent from a job because of illness, bad weather, strike or for personal reasons are also counted as employed whether they were paid by their employer or were seeking other jobs.

The **unemployed** are all persons who did not work, but were available for work during the survey week (except for temporary illness) and made specific efforts to find a job in the prior four weeks. Persons waiting to be recalled to a job from which they had been laid off need not be looking for work to be classified as unemployed.

LABOR FORCE ESTIMATES BY TOWN

(By Place of Residence - Not Seasonally Adjusted)

FEBRUARY 2007

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
NEW HAVEN	**307,369**	**292,710**	**14,659**	**4.8**
Bethany	3,065	2,955	110	3.6
Branford	17,182	16,540	642	3.7
Cheshire	14,565	14,036	529	3.6
Chester	2,270	2,183	87	3.8
Clinton	7,903	7,594	309	3.9
Deep River	2,576	2,476	100	3.9
Durham	4,197	4,048	149	3.6
East Haven	16,008	15,206	802	5.0
Essex	3,772	3,637	135	3.6
Guilford	12,852	12,441	411	3.2
Hamden	30,575	29,312	1,263	4.1
Killingworth	3,552	3,439	113	3.2
Madison	9,984	9,699	285	2.9
Meriden	31,477	29,672	1,805	5.7
New Haven	55,346	51,362	3,984	7.2
North Branford	8,327	7,967	360	4.3
North Haven	13,012	12,481	531	4.1
Old Saybrook	5,438	5,234	204	3.8
Orange	7,263	7,030	233	3.2
Wallingford	25,070	24,049	1,021	4.1
Westbrook	3,637	3,506	131	3.6
West Haven	29,301	27,846	1,455	5.0
*NORWICH-NEW LONDON				
	134,948	**128,994**	**5,954**	**4.4**
Bozrah	1,457	1,386	71	4.9
Canterbury	3,139	2,981	158	5.0
East Lyme	9,431	9,085	346	3.7
Franklin	1,170	1,125	45	3.8
Griswold	7,018	6,650	368	5.2
Groton	19,539	18,680	859	4.4
Ledyard	8,408	8,109	299	3.6
Lisbon	2,535	2,432	103	4.1
Lyme	1,140	1,096	44	3.9
Montville	10,714	10,223	491	4.6
New London	13,382	12,639	743	5.6
No. Stonington	3,247	3,099	148	4.6
Norwich	20,255	19,250	1,005	5.0
Old Lyme	4,174	4,029	145	3.5
Preston	2,813	2,683	130	4.6
Salem	2,563	2,469	94	3.7
Sprague	1,767	1,672	95	5.4
Stonington	10,309	9,989	320	3.1
Voluntown	1,588	1,517	71	4.5
Waterford	10,299	9,881	418	4.1

*Connecticut portion only. For whole NECTA, including Rhode Island town, see below.

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
NORWICH-NEW LONDON				
	148,327	**141,705**	**6,622**	**4.5**
Westerly, RI	13,379	12,711	668	5.0

Labor Force estimates are prepared following statistical procedures developed by the U.S. Department of Labor, Bureau of Labor Statistics.

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
TORRINGTON	**53,852**	**51,165**	**2,687**	**5.0**
Bethlehem	2,006	1,922	84	4.2
Canaan	601	575	26	4.3
Colebrook	817	797	20	2.4
Cornwall	815	793	22	2.7
Goshen	1,561	1,504	57	3.7
Kent	1,565	1,516	49	3.1
Litchfield	4,325	4,147	178	4.1
Morris	1,298	1,235	63	4.9
Norfolk	950	903	47	4.9
North Canaan	1,734	1,641	93	5.4
Roxbury	1,349	1,309	40	3.0
Salisbury	1,976	1,903	73	3.7
Sharon	1,541	1,498	43	2.8
Torrington	19,298	18,063	1,235	6.4
Warren	728	695	33	4.5
Washington	1,903	1,846	57	3.0
Winchester	5,983	5,598	385	6.4
Woodbury	5,402	5,220	182	3.4
WATERBURY	**100,819**	**94,712**	**6,107**	**6.1**
Beacon Falls	3,223	3,086	137	4.3
Middlebury	3,770	3,640	130	3.4
Naugatuck	17,197	16,225	972	5.7
Prospect	5,292	5,044	248	4.7
Waterbury	50,002	46,307	3,695	7.4
Watertown	12,380	11,830	550	4.4
Wolcott	8,956	8,580	376	4.2
WILLIMANTIC-DANIELSON				
	56,998	**53,609**	**3,389**	**5.9**
Brooklyn	3,806	3,594	212	5.6
Chaplin	1,430	1,357	73	5.1
Eastford	983	943	40	4.1
Hampton	1,180	1,116	64	5.4
Killingly	9,318	8,731	587	6.3
Plainfield	8,375	7,851	524	6.3
Pomfret	2,259	2,159	100	4.4
Putnam	5,212	4,877	335	6.4
Scotland	987	956	31	3.1
Sterling	1,968	1,868	100	5.1
Thompson	5,384	5,060	324	6.0
Windham	11,521	10,726	795	6.9
Woodstock	4,576	4,371	205	4.5

Not Seasonally Adjusted:				
CONNECTICUT	**1,836,300**	**1,750,400**	**85,900**	**4.7**
UNITED STATES	**151,879,000**	**144,479,000**	**7,400,000**	**4.9**
Seasonally Adjusted:				
CONNECTICUT	**1,854,600**	**1,777,100**	**77,600**	**4.2**
UNITED STATES	**152,784,000**	**145,919,000**	**6,865,000**	**4.5**

LABOR FORCE CONCEPTS (Continued)

The **unemployment rate** represents the number unemployed as a percent of the civilian labor force.

With the exception of those persons temporarily absent from a job or waiting to be recalled to one, persons with no job and who are not actively looking for one are counted as "not in the labor force".

Over the course of a year, the size of the labor force and the levels of employment undergo fluctuations due to such seasonal events as changes in weather, reduced or expanded production, harvests, major holidays and the opening and closing of schools. Because these seasonal events follow a regular pattern each year, their influence on statistical trends can be eliminated by adjusting the monthly statistics. **Seasonal Adjustment** makes it easier to observe cyclical and other nonseasonal developments.

HOUSING PERMIT ACTIVITY BY TOWN

TOWN	Feb 2007	YR TO DATE 2007	YR TO DATE 2006	TOWN	Feb 2007	YR TO DATE 2007	YR TO DATE 2006	TOWN	Feb 2007	YR TO DATE 2007	YR TO DATE 2006
Andover	0	0	1	**Griswold**	na	na	na	**Preston**	0	2	3
Ansonia	1	1	0	**Groton**	2	5	7	**Prospect**	na	na	na
Ashford	1	2	2	**Guilford**	2	5	13	**Putnam**	1	2	4
Avon	1	3	6	**Haddam**	1	7	11	**Redding**	na	na	na
Barkhamsted	na	na	na	**Hamden**	0	1	3	**Ridgefield**	0	3	6
Beacon Falls	na	na	na	**Hampton**	0	1	2	**Rocky Hill**	2	3	12
Berlin	15	35	7	**Hartford**	2	6	134	**Roxbury**	na	na	na
Bethany	na	na	na	**Hartland**	na	na	na	**Salem**	1	1	2
Bethel	0	0	3	**Harwinton**	0	0	4	**Salisbury**	na	na	na
Bethlehem	na	na	na	**Hebron**	na	na	na	**Scotland**	1	1	2
Bloomfield	na	na	na	**Kent**	0	1	2	**Seymour**	0	3	11
Bolton	1	2	3	**Killingly**	5	7	28	**Sharon**	0	0	0
Bozrah	0	0	3	**Killingworth**	na	na	na	**Shelton**	3	9	19
Branford	na	na	na	**Lebanon**	0	0	3	**Sherman**	na	na	na
Bridgeport	9	20	25	**Ledyard**	1	2	2	**Simsbury**	2	3	8
Bridgewater	na	na	na	**Lisbon**	0	4	1	**Somers**	2	3	6
Bristol	1	7	6	**Litchfield**	na	na	na	**South Windsor**	1	6	19
Brookfield	na	na	na	**Lyme**	0	0	1	**Southbury**	2	6	3
Brooklyn	0	4	6	**Madison**	4	5	10	**Southington**	18	20	10
Burlington	0	2	0	**Manchester**	55	109	14	**Sprague**	0	0	2
Canaan	1	1	0	**Mansfield**	2	4	8	**Stafford**	na	na	na
Canterbury	1	1	6	**Marlborough**	1	3	4	**Stamford**	9	26	20
Canton	0	2	2	**Meriden**	1	5	2	**Sterling**	na	na	na
Chaplin	1	2	2	**Middlebury**	na	na	na	**Stonington**	1	7	12
Cheshire	1	4	6	**Middlefield**	0	0	0	**Stratford**	0	11	4
Chester	na	na	na	**Middletown**	13	30	28	**Suffield**	1	2	4
Clinton	0	0	1	**Milford**	16	41	44	**Thomaston**	na	na	na
Colchester	1	12	9	**Monroe**	1	2	2	**Thompson**	na	na	na
Colebrook	0	0	0	**Montville**	2	2	5	**Tolland**	2	2	10
Columbia	1	1	2	**Morris**	1	1	0	**Torrington**	11	16	7
Cornwall	0	0	2	**Naugatuck**	3	3	8	**Trumbull**	2	7	4
Coventry	2	4	12	**New Britain**	na	na	na	**Union**	0	0	0
Cromwell	2	7	0	**New Canaan**	1	5	8	**Vernon**	11	28	27
Danbury	8	32	39	**New Fairfield**	na	na	na	**Voluntown**	2	3	2
Darien	na	na	na	**New Hartford**	2	4	3	**Wallingford**	4	15	5
Deep River	0	0	1	**New Haven**	0	6	15	**Warren**	0	1	1
Derby	na	na	na	**New London**	3	7	10	**Washington**	na	na	na
Durham	2	5	6	**New Milford**	2	5	7	**Waterbury**	16	23	18
East Granby	0	0	1	**Newington**	4	5	25	**Waterford**	3	5	5
East Haddam	4	10	2	**Newtown**	2	4	5	**Watertown**	1	3	11
East Hampton	1	6	4	**Norfolk**	0	0	0	**West Hartford**	1	1	42
East Hartford	na	na	na	**North Branford**	na	na	na	**West Haven**	na	na	na
East Haven	2	3	5	**North Canaan**	1	2	0	**Westbrook**	1	2	1
East Lyme	2	4	14	**North Haven**	1	3	2	**Weston**	na	na	na
East Windsor	2	4	6	**North Stonington**	2	2	3	**Westport**	4	10	13
Eastford	1	1	2	**Norwalk**	1	6	17	**Wethersfield**	na	na	na
Easton	0	0	1	**Norwich**	0	2	5	**Willington**	0	1	0
Ellington	10	22	14	**Old Lyme**	na	na	na	**Wilton**	na	na	na
Enfield	na	na	na	**Old Saybrook**	2	2	0	**Winchester**	0	1	2
Essex	0	1	1	**Orange**	na	na	na	**Windham**	0	1	3
Fairfield	4	10	20	**Oxford**	1	2	14	**Windsor**	na	na	na
Farmington	1	4	41	**Plainfield**	0	3	4	**Windsor Locks**	na	na	na
Franklin	0	1	0	**Plainville**	0	2	0	**Wolcott**	4	4	6
Glastonbury	7	14	30	**Plymouth**	0	1	3	**Woodbridge**	na	na	na
Goshen	1	3	5	**Pomfret**	0	1	3	**Woodbury**	0	5	1
Granby	2	3	4	**Portland**	1	1	10	**Woodstock**	2	5	5
Greenwich	7	21	31								

For further information on the housing permit data, contact Kolie Sun of DECD at (860) 270-8167.

BUSINESS STARTS AND TERMINATIONS
Registrations and terminations of business entities as recorded with the Secretary of the State and the Connecticut Department of Labor (DOL) are an indication of new business formation and activity. DOL business starts include new employers which have become liable for unemployment insurance taxes during the quarter, as well as new establishments opened by existing employers. DOL business terminations are those accounts discontinued due to inactivity (no employees) or business closure, and accounts for individual business establishments that are closed by still active employers. The Secretary of the State registrations include limited liability companies, limited liability partnerships, and foreign-owned (out-of-state) and domestic-owned (in-state) corporations.

CONSUMER PRICE INDEX
The Consumer Price Index (CPI), computed and published by the U.S. Bureau of Labor Statistics, is a measure of the average change in prices over time in a fixed market basket of goods and services. It is based on prices of food, clothing, shelter, fuels, transportation fares, charges for doctors' and dentists' services, drugs and other goods and services that people buy for their day-to-day living. The Northeast region is comprised of the New England states, New York, New Jersey and Pennsylvania.

EMPLOYMENT COST INDEX
The Employment Cost Index (ECI) covers both wages and salaries and employer costs for employee benefits for all occupations and establishments in both the private nonfarm sector and state and local government. The ECI measures employers' labor costs free from the influences of employment shifts among industries and occupations. The base period for all data is June 1989 when the ECI is 100.

HOURS AND EARNINGS ESTIMATES
Production worker earnings and hours estimates include full- and part-time employees working within manufacturing industries. Hours worked and earnings data are computed based on payroll figures for the week including the 12th of the month. Average hourly earnings are affected by such factors as premium pay for overtime and shift differential as well as changes in basic hourly and incentive rates of pay. Average weekly earnings are the product of weekly hours worked and hourly earnings. These data are developed in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

INDIAN GAMING DATA
Indian Gaming Payments are amounts received by the State as a result of the slot compact with the two Federally recognized tribes in Connecticut, which calls for 25 percent of net slot receipts to be remitted to the State. Indian Gaming Slots are the total net revenues from slot machines only received by the two Federally recognized Indian tribes.

INITIAL CLAIMS
Average weekly initial claims are calculated by dividing the total number of new claims for unemployment insurance received in the month by the number of weeks in the month. A minor change in methodology took effect with data published in the March 1997 issue of the DIGEST. Data have been revised back to January 1980.

INSURED UNEMPLOYMENT RATE
Primarily a measure of unemployment insurance program activity, the insured unemployment rate is the 13-week average of the number of people claiming unemployment benefits divided by the number of workers covered by the unemployment insurance system.

LABOR FORCE ESTIMATES
Labor force estimates are a measure of the work status of people who live in Connecticut. Prepared under the direction of the U.S. Bureau of Labor Statistics, the statewide estimates are the product of a signal-plus noise model, which uses results from the Current Population Survey (CPS), a monthly survey of Connecticut households, counts of claimants for unemployment benefits, and establishment employment estimates. Beginning with the publication of January 2005 data, an improved methodology is being used to develop labor force estimates, by which monthly state model-based employment and unemployment estimates are controlled to add to the national CPS levels. This will ensure that national economic events are reflected in the state estimates, and it will significantly reduce end-of-year revisions. (For more information, please see the Connecticut Economic Digest, December 2004 issue.) Labor force data, reflecting persons employed by place of residence, are not directly comparable to the place-of-work industry employment series. In the labor force estimates, workers involved in labor disputes are counted as employed. The labor force data also includes agricultural workers, unpaid family workers, domestics and the self-employed. Because of these conceptual differences, total labor force employment is almost always different from nonfarm wage and salary employment.

LABOR MARKET AREAS
All Labor Market Areas (LMAs) in Connecticut except three are federally-designated areas for developing labor statistics. For the sake of simplicity, the federal Bridgeport-Norwalk-Stamford Metropolitan Statistical Area (MSA) is referred to in Connecticut Department of Labor publications as the Bridgeport-Stamford LMA, and the Hartford-West Hartford-East Hartford MSA is called the Hartford LMA. The Bureau of Labor Statistics has identified the 17 towns in the in the northwestern part of the state as a separate area for reporting labor force data. For the convenience of our data users, data for these towns are included in the Torrington LMA. For the same purpose, data for the towns of East Windsor, Enfield, Somers, Suffield and Windsor Locks, which are officially part of the Springfield MSA, are published as the Enfield LMA. Similarly, the towns of Putnam, Thompson and Woodstock - part of the Worcester MSA - are included in the Willimantic-Danielson LMA. Also, data for Westerly, Rhode Island are included in the Norwich-New London LMA. Industry employment and labor force data estimates contained in Connecticut Department of Labor publications are prepared following the same statistical procedures developed by the U.S. Department of Labor, Bureau of Labor Statistics, whether for federally designated or state-determined areas.

LEADING AND COINCIDENT EMPLOYMENT INDICES
The leading employment index is a composite of six individual largely employment-related series -- the average workweek of manufacturing production and construction workers, Hartford help-wanted advertising index, short-duration (less than 15 weeks) unemployment rate, initial claims for unemployment insurance, total housing permits, and Moody's BAA corporate bond yield. While not employment-sector variables, housing permits are closely related to construction employment and the corporate bond yield adds important information about the movement in interest rates. The coincident employment index is a composite indicator of four individual employment-related series -- the total unemployment rate, nonfarm employment (employer survey), total employment (state residents employed measured by a household survey), and the insured unemployment rate. All data are seasonally adjusted and come from the Connecticut Labor Department, the Federal Reserve Bank of Boston, and the Board of Governors of the Federal Reserve System.

NONFARM EMPLOYMENT ESTIMATES
Nonfarm employment estimates are derived from a survey of businesses to measure *jobs* by industry. The estimates include all full- and part-time wage and salary employees who worked during or received pay for the pay period which includes the 12th of the month. Excluded from these estimates are proprietors, self-employed workers, private household employees and unpaid family workers. In some cases, due to space constraints, all industry estimates are not shown. Call (860) 263-6275 for a more comprehensive breakout of nonfarm employment estimates. These data are developed in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

UI COVERED WAGES
UI covered wages is the total amount paid to those employees who are covered under the Connecticut's Unemployment Insurance (UI) law for services performed during the quarter. The fluctuations in the 1992-93 period reflect the effect of the changes in the tax law and the massive restructuring in the state's economy.

ECONOMIC INDICATORS AT A GLANCE

(Percent change from prior year; see pages 5-8 for reference months or quarters)

Leading Employment Index	**+0.3**
Coincident Employment Index	**+1.5**
Leading General Drift Indicator	**-1.3**
Coincident General Drift Indicator	**+0.3**
Banknorth Business Barometer	**-5.9**
Total Nonfarm Employment	**+1.1**
Unemployment Rate	**-0.2**
Labor Force	+1.1
Employed	+1.4
Unemployed	-3.3
Average Weekly Initial Claims	**+4.8**
Help Wanted Index -- Hartford	**+8.3**
Avg Insured Unempl. Rate	**-0.54***
Average Weekly Hours, Mfg	**+0.2**
Average Hourly Earnings, Mfg	**+3.8**
Average Weekly Earnings, Mfg	**+4.1**
CT Mfg. Production Index	**-3.2**
Production Worker Hours	-0.3
Industrial Electricity Sales	-7.2
Personal Income	**+4.7**
UI Covered Wages	**+3.0**

Business Activity	
New Housing Permits	-44.8
Electricity Sales	-10.7
Retail Sales	-0.6
Construction Contracts Index	-23.3
New Auto Registrations	+22.9
Air Cargo Tons	-2.6
Exports	+20.3
Business Starts	
Secretary of the State	-0.7
Dept. of Labor	-1.9
Business Terminations	
Secretary of the State	-12.0
Dept. of Labor	-23.9
State Revenues	**+8.8**
Corporate Tax	-54.2
Personal Income Tax	+9.6
Real Estate Conveyance Tax	+3.3
Sales & Use Tax	+18.1
Indian Gaming Payments	-2.4

**Percentage point change; **Less than 0.05 percent; NA = Not Available*

Tourism and Travel	
Info Center Visitors	-13.1
Attraction Visitors	-8.0
Air Passenger Count	-14.0
Indian Gaming Slots	-3.0
Travel and Tourism Index	+4.7
Employment Cost Index (U.S.)	
Total	+3.2
Wages & Salaries	+3.2
Benefit Costs	+3.1
Consumer Prices	
U.S. City Average	+2.4
Northeast Region	+2.4
NY-NJ-Long Island	+3.1
Boston-Brockton-Nashua	+1.8
Consumer Confidence	
Connecticut	NA
New England	NA
U.S.	NA
Interest Rates	
Prime	+0.75*
Conventional Mortgage	+0.04*

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