THE CONNECTICUT
ECONOMIC DIGEST

Vol.14 No.1 A joint publication of the Connecticut Department of Labor & the Connecticut Department of Economic and Community Development

JANUARY 2009

IN THIS ISSUE...

In November...

Nonfarm Employment
Connecticut 1,693,400
Change over month .... -0.3%
Change over year .... -0.6%

United States 136,167,000
Change over month .... -0.39%
Change over year .... -1.4%

Unemployment Rate
Connecticut 6.6%
United States 6.7%

Consumer Price Index
United States 212.4
Change over year 1.0%

The 2009 Connecticut Economic Outlook

By Stanley McMillen, Ph.D., Managing Economist, DECD

The Nation

It is evident that the nation and the world are in a serious recession and it is unlike others experienced in the past. What started with the burst of the housing bubble more than a year ago has spread to most sectors of the economy and in most states. Foreclosures arising from mortgage delinquencies have increased substantially as housing prices declined and subprime borrowers could not keep up. The packaged and repackaged mortgage-backed securities sold to many large institutions around the world have lost much of their value. Several large banks have failed and the resulting credit crunch has slowed business activity and made the smooth operation of several states and municipalities a difficult prospect. The federal government and the Federal Reserve Bank have intervened in creative ways to shore up weak banks, infuse capital in many others to unfreeze the credit market, and essentially (temporarily) nationalized the largest mortgage holders in the country. Inflation fears have been replaced with the prospect of a deflation that is as difficult to manage and as harmful if not more so than rapidly rising prices. The prospect of a liquidity trap arises in which people are indifferent between holding bonds or cash as interest rates hover close to zero (the federal funds rate has declined from 5.25% to 1% over the past year).

The recently enacted Troubled Assets Relief Program (TARP) is unprecedented in its scale and scope of assistance to banks, insurance companies and other institutions threatened by the financial crisis. The Economic Stimulus Act of 2008 and the Housing and Economic Recovery Act (HERA) of 2008 aim to stem falling consumer spending with cash to households on the one hand and assist at-risk borrowers, ensure the sound operation of Fannie and Freddie, and help lenders refinance risky mortgages among other provisions on the other. These actions will help but the pain of recession in lost jobs, lost sales and lost state and local revenue will take their toll on families and the public services they require for survival. Unemployment may reach 8% or more over the next four to six quarters (new claims for unemployment insurance stand at 529,000). This reflects in orders for durable goods that fell by 6.2% in October 2008.

Consumption spending represents 70% of all spending and with November's consumer confidence index down 2.3 points to 55.3, its lowest level in 28 years, it suggests the recession will worsen as consumers try to get a grip on their balance sheets. As new home sales continue to decline, falling by 5.3% in October (the lowest level in 18 years), the average selling price of a new home fell by 7% to $218,000.

To put the current situation in context, Nick Perna in a recent article[1] suggests we are not looking at a condition comparable to the Great Depression; rather we are in a serious global recession that will

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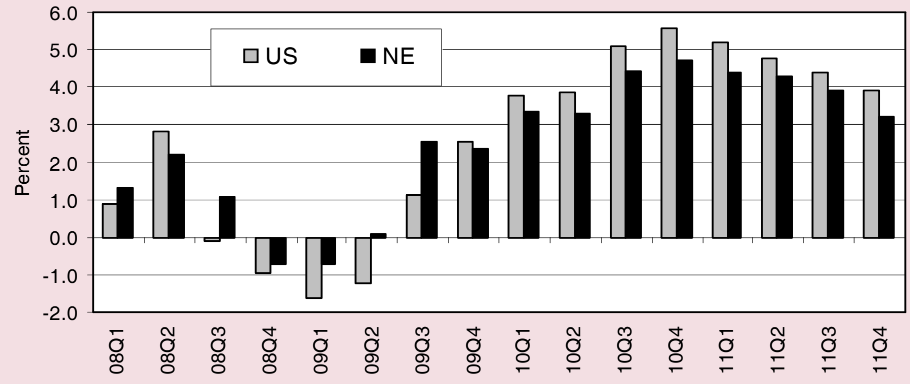
Figure 1: U.S. and New England GDP Growth, 2008 to 2011



more likely resemble those of 1974-75 and 1981-82. The federal government and the Federal Reserve Bank are not likely to repeat the blunders of the 1930s and there is hope their coordinated actions will mitigate the duration and depth of this recession.

New England

Despite hopes of avoiding recession, the New England states are being pulled into a trough due to spreading and worsening national and global financial and economic conditions. The New England Economic Partnership's (NEEP) forecasters expect the region to lose about 250,000 jobs or 3.6% of its employment over the forecast period (through 2011). Unemployment may rise to its highest level since 1992 to 8% in mid-2010. New England employment tracks U.S. employment more closely in the forecast period. All major sectors in the region will experience some job loss with construction and manufacturing declines expected to be 14% and 13% respectively.

The New England region's GDP forecast is similar to the underlying Moody's economy.com national 'moderate recession' forecast. Figure 1 above shows NEEP's New England region GDP forecast. There are two consecutive quarters of decline in region GDP in 2008Q4 and 2009Q1 while 2009Q2 is expected to experience almost zero growth and increasing growth thereafter as the federal stimulus packages take effect.

New England's and the nation's real per capita income are expected to decline by an annualized rate of 4.4% in 2008Q4 and experience zero growth in 2009. Only in 2011 is regional real per capita income expected to reach 3% growth. The decline in real per capita income in New England is expected to be greater in this recession than in the three previous recessions because of the disproportionate share of financial activities sector jobs in the region. This in turn will ripple through the region's retail, construction and manufacturing sectors contributing to a longer and deeper employment decline than in other regions.

NEEP forecasters expect the New England region to experience a weak recovery beginning in 2010 due to the unprecedented financial activities sector changes necessary to restore health to these sectors and their higher relative density here than in other regions. By the end of the forecast period (2011Q4), NEEP forecasters expect the region to have 157,000 fewer jobs (2.2%) than in 2008Q1.

Connecticut

Connecticut entered the current recession somewhat later than other states did because there was a backlog of financial sector bonuses that were paid out in 2008. Further, Connecticut experienced a relatively limited housing bubble due to restrained home building and less subprime lending than elsewhere. In addition, the weak dollar and relatively generous defense spending buoyed Connecticut's economy.

However, Connecticut will likely experience a later exit from the

Figure 2: Connecticut and U.S. Job Growth, 2002-2012

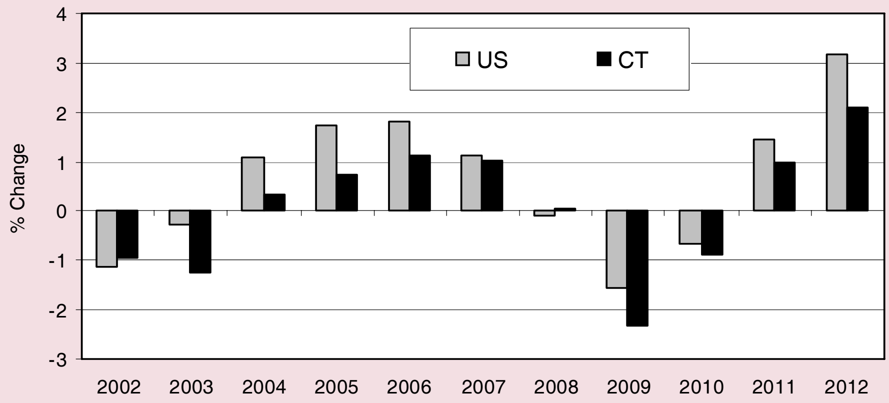


Figure 3: Connecticut and U.S. Unemployment Rate, 2002-2012

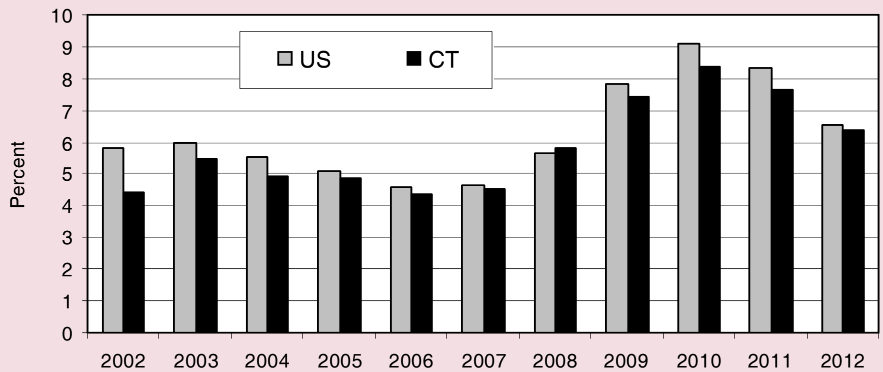


Figure 4: Connecticut and U.S. Per Capita Income Growth, 2002-2012

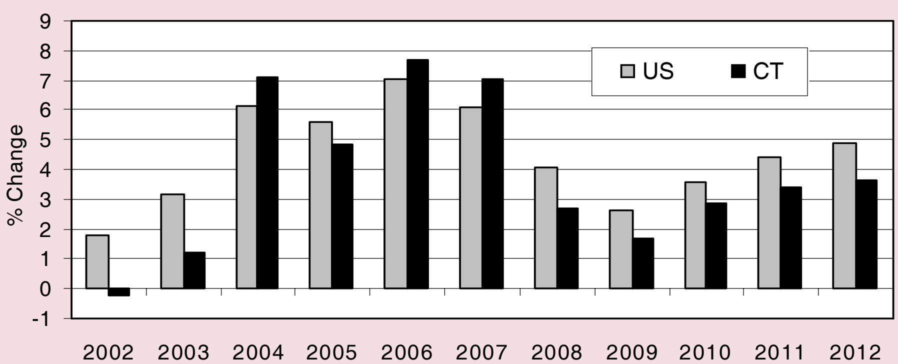
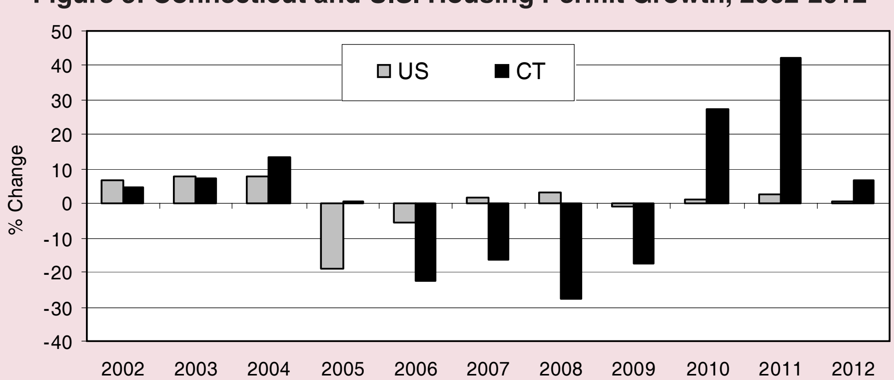


Figure 5: Connecticut and U.S. Housing Permit Growth, 2002-2012



current recession because of the difficult process of restructuring the weakened financial activities sector. Moreover, the loss and redistribution of financial sector jobs in the region will take place over several quarters as consolidations, mergers and acquisitions occur. The stronger dollar and potentially reduced defense spending will dampen Connecticut's recovery as well. Increasing state and local budget deficits (as diminished capital gains and bonus income reduce state revenue and declining property values reduce local revenue) will curtail infrastructure spending and reduce public services.

Jobs in Connecticut peaked in December 2007 and declined by 13,100 through November 2008. Employment of state residents peaked in January 2008 and declined by 19,800 as of November. Connecticut's unemployment rate stood at 6.6% in November, slightly below the U.S. rate of 6.7%. Average weekly initial claims for unemployment insurance rose 41% from November 2007 to November 2008. Casino revenues through November were down 5.9% over the year and this, as well as unemployment and compensation losses, contributes to the state's projected multi-billion dollar budget deficit over the next biennium.

Connecticut's housing construction picture is bleak as well: permits declined by 16.1% in 2007 and by 28% during the first three quarters of 2008. The peak permit year was 2005 with 11,885 permits statewide while 2007 experienced the lowest permit level since 1991. Existing home sales declined by 12% in 2007 and by 24.5% in the first three quarters of 2008. Median home sales prices increased 2% in 2007 to $320,600, but have moderated considerably dropping 8.3% in the first three quarters of 2008 to $275,000. Connecticut foreclosure filings in October 2008 were up 136%, the highest rate in the U.S., while the state's subprime delinquency filings stood at 27.1% in 2008Q3 compared to 26.8% for the nation.

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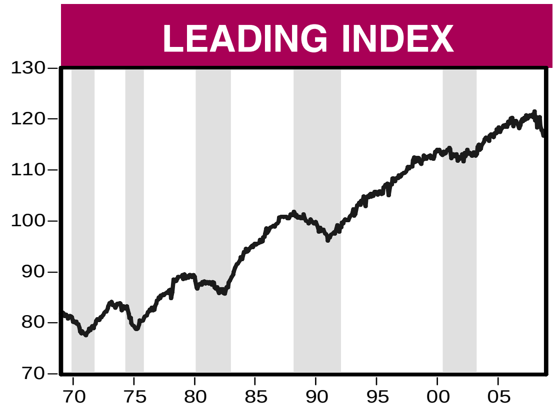

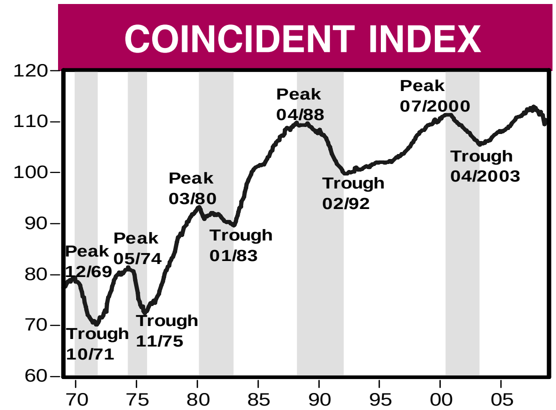

The distance from peak to trough, indicated by the shaded areas, measures the duration of an employment cycle recession. The vertical scale in both charts is an index with 1992=100.

Connecticut's Economy Struggles; U.S. Already in Year-Long Recession

The National Outlook

As the nation approached the 2008 presidential election, the U.S. economy continued to decline. Consumer confidence fell to a 28-year low. Auto sales fell 31.9% in October and then plunged 37% to a new 26-year low in November. The “Big Three” automakers (Ford, GM, and Chrysler) sought a rescue from “imminent peril” by the federal government. The Conference Board’s Help-Wanted Online index noted that jobs advertised for the first time lapsed by 34,000 in October. The unemployment rate jumped from 6.5% to 6.7%. Revised nonfarm payroll employment sank by 320,000 in October and accrued job losses amounted to 403,000 in September and 533,000 in November. The National Bureau of Economic Research (NBER) that dates business cycles found the peak in payroll employment in December 2007, marking the beginning of the current recession.

Connecticut Employment Indexes

The DECD-ECRI Connecticut coincident employment index is a measure of contemporaneous activity and declined from 112.1 in October 2007 to 109.8 in October 2008. Total employment (from the household survey) decreased by 0.10% or 1,721 persons but was offset by an increase in nonfarm employment (from the employer survey) of 0.21% from October 2007. Connecticut’s insured unemployment rate (3% vs. 2.37% a year ago) and total unemployment rate (6.5% vs. 4.8% a year ago) contributed negatively to the year-over-year change in this index.

On a month-over-month basis, the October 2008 index at 109.8 declined from 110.3 a month ago. This index’s 12-month moving average growth rate (-2.6%) continued its downward trend. Total employment increased by 3,300 persons to 1.786 million compared with the previous month’s 1.782 million persons and contributed positively. However, the 0.4 percentage point increase in the total unemployment rate to 6.5% from 6.1% the previous month, the insured unemployment rate that increased from 2.91% last month to 3.00% in October 2008, and total nonfarm employment that decreased by 3,600 jobs contributed negatively to the month-over-month change in this index value.

The DECD-ECRI Connecticut leading employment index that estimates future economic activity decreased in October from 120.6 a year ago to 116.7 in October 2008. Manufacturing employment that decreased by 2,800 jobs from 190,900 jobs a year ago to 188,300 jobs in October 2008 contributed negatively to the year-over-year change in this index. Construction employment that decreased from 69,200 in October 2007 to 67,500 in October 2008 contributed negatively as well. October’s manufacturing average weekly hours (42.3) decreased by 3.1 hours but average weekly hours edged up slightly in construction by 0.6 hours to 39.6 from a revised 39.0 a year ago. Both declined from a year ago. Moody’s Baa bond yield rose from 7.31% in October 2007 to 8.88% in October 2008. Short duration unemployment increased to 1.93% from 1.43% a year ago and initial claims that increased 37.5% from 18,832 a year ago to 25,895 were negative contributors. The Hartford help-wanted index stood at 10 in October 2007 but slumped to 3 in October 2008. Seasonally adjusted housing permits, down 16.4% from 546 units in October 2007 to 451 units in October 2008, brought down the leading index as well on a year-over-year basis.

On a month-over-month basis, Connecticut’s leading employment index of 116.7 decreased in October 2008 from 117.0 the previous month. Negative contributors to the month-over-month change in this index include construction employment, down 3,100 jobs to 70,600 in October, manufacturing employment, lower by 100 jobs from a revised 188,800 in September, the Hartford help-wanted index revised downward in September from 4 to 3, initial claims, up by 1,586 (6.4%), and Moody’s corporate bond yield up from 7.31% to 8.88%. The short duration unemployment rate increased from the previous month’s 1.89% to1.93%. Average weekly hours in manufacturing edged down from 42.6 to 42.3 in October. Construction average weekly hours, that edged up 0.3 hours per week in October and housing permits, up 67 units (9.0%) after seasonal adjustment, were small but positive contributors.

Connecticut’s leading index has fallen for five consecutive months, suggesting we may have passed the latest peak. The question is how deep will the trough be and how long before the turnaround? Connecticut’s resourcefulness and creativity will be challenged in the months ahead.

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Components of the indexes are described in the Technical Notes on page 23.

--Continued from page 3--

Figure 2 on page 3 depicts the forecast for Connecticut's job growth relative to the nation. Note that Connecticut's job growth lags behind that of the U.S. except for 2008 in which it is relatively unchanged for both.

Figure 3 shows Connecticut's unemployment rate relative to that of the nation from 2002 through 2012. Note that Connecticut's forecast unemployment rate is below that of the nation.

Figure 4 shows the growth in nominal income per capita for Connecticut and the nation from 2002 through 2012. Note that Connecticut's income growth is below the nation's in each year of the forecast period.

Figure 5 illustrates Connecticut's housing permit activity relative to the nation. Note that the state is forecast to have significant permit activity in 2010 and 2011 relative to the nation. Except for 2004 and 2005, the state lagged the nation and is expected to continue to do so until 2009.

In summary, Connecticut entered this recession at about the same time as, but with less early effects than, the nation, and forecasts are that the state will be later out of it (the U.S. will climb out in 2009Q3 while Connecticut will follow in 2010Q2). Job losses in the state are forecast to be less than in the 1989-1992 downturn, but greater than in the 2000-2003 period. Nominal income growth will be smaller than it has been historically in part because of the structural changes occurring in the financial activities sector. New housing permits will experience a larger decline, and reduced housing construction will last longer than in previous recessions, in order to work off the inventory of unsold homes and find qualified buyers. The state's decline in home prices will be larger, but of shorter duration, than in the 1989-1992 period. Finally, Connecticut is forecast to experience higher mortgage delinquency rates than it did in either of the two previous recession periods (1989-1992 and 2000-2003).

Where to from here?

As stated in last year's report, metropolitan areas drive the U.S. and its regional economies.[2] With many of these areas in financial distress, there is little prospect of significant, near-term growth from these sources. This argues for substantial federal support for states and in turn municipalities that need to maintain and enhance their infrastructures. This would create jobs and in turn generate tax revenues for states and municipalities while reasserting our global competitiveness in transportation, education, affordable housing and workforce quality. This stressful time challenges us to be creative and think through our public sector organizational structure and make it more efficient and cost-effective. It argues for increased cooperation among Connecticut's municipalities to reduce costs and build more competitive regional assets. Connecticut's greatest asset is its people: hard working, intelligent and creative. Connecticut is the most productive state (GDP per capita) in the nation and to sustain that we need to increase our investment in our education system and our workforce. There are many worthy ideas for moving our state into the forefront of technology and quality of life. Challenging times are ahead; challenge presents abundant opportunities. Connecticut's future competitiveness requires us to meet these opportunities head on. ■

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[1] Courant.com/news/opinion/commentary/hc-commentaryperna1116.artnov16,0,1189148.story

[2] See http://www.brookings.edu/%7E/media/Files/rc/reports/2007/1106_metronation_berube/MetroNationbp.pdf, "...metropolitan areas encompass large cities, old and new suburbs, and even exurban and rural areas that, by virtue of their interwoven labor and housing markets, share common economic destinies."

GENERAL ECONOMIC INDICATORS

(Seasonally adjusted)	3Q 2008	3Q 2007	CHANGE NO.	CHANGE %	2Q 2008
Employment Indexes (1992=100)*					
Leading	118.1	120.5	-2.4	-2.0	119.5
Coincident	110.2	112.0	-1.9	-1.7	111.5
General Drift Indicator (1986=100)*					
Leading	109.2	114.2	-5.0	-4.4	112.4
Coincident	114.3	116.0	-1.7	-1.5	114.4
Banknorth Business Barometer (1992=100)**	124.5	125.7	-1.2	-0.9	124.9

*Sources: *The Connecticut Economy, 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 decreased over the year.

EMPLOYMENT BY INDUSTRY SECTOR

(Seasonally adjusted; 000s)	NOV 2008	NOV 2007	CHANGE NO.	CHANGE %	OCT 2008
TOTAL NONFARM	1,693.4	1,703.9	-10.5	-0.6	1,698.5
Natural Res & Mining (Not Sea. Adj.)	0.8	0.8	0.0	0.0	0.8
Construction	66.5	68.9	-2.4	-3.5	67.2
Manufacturing	187.4	190.8	-3.4	-1.8	188.3
Trade, Transportation & Utilities	306.9	312.6	-5.7	-1.8	309.4
Information	38.5	39.1	-0.6	-1.5	38.5
Financial Activities	141.8	143.3	-1.5	-1.0	142.0
Professional and Business Services	203.5	206.1	-2.6	-1.3	204.2
Educational and Health Services	294.4	289.5	4.9	1.7	293.8
Leisure and Hospitality Services	138.2	137.7	0.5	0.4	138.1
Other Services	63.9	64.6	-0.7	-1.1	64.1
Government*	251.5	250.5	1.0	0.4	252.1

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

Initial claims for unemployment insurance rose from a year ago.

UNEMPLOYMENT

(Seasonally adjusted)	NOV 2008	NOV 2007	CHANGE NO.	CHANGE %	OCT 2008
Unemployment Rate, resident (%)	6.6	4.9	1.7	---	6.5
Labor Force, resident (000s)	1,902.3	1,881.1	21.2	1.1	1,910.7
Employed (000s)	1,775.9	1,789.4	-13.5	-0.8	1,785.7
Unemployed (000s)	126.3	91.7	34.6	37.7	125.0
Average Weekly Initial Claims	6,170	4,375	1,794	41.0	5,855
Avg. Insured Unemp. Rate (%)	3.51	2.38	1.13	---	3.05

Sources: Connecticut Department of Labor

The production worker weekly earnings rose over the year.

MANUFACTURING ACTIVITY

(Not seasonally adjusted)	NOV 2008	NOV 2007	CHANGE NO.	CHANGE %	OCT 2008	SEP 2008
Average Weekly Hours	42.0	42.4	-0.4	-0.9	42.3	--
Average Hourly Earnings	21.84	21.01	0.83	4.0	21.84	--
Average Weekly Earnings	917.28	890.82	26.46	3.0	923.83	--
CT Mfg. Production Index (2000=100)	116.0	119.7	-3.7	-3.1	122.4	128.6
Production Worker Hours (000s)	4,667	4,846	-179	-3.7	4,716	--
Industrial Electricity Sales (mil kWh)*	420	447	-27.1	-6.1	451	481

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

Personal income for first quarter 2009 is forecasted to increase 3.6 percent from a year earlier.

INCOME

(Seasonally adjusted) (Annualized; $ Millions)	1Q* 2009	1Q 2008	CHANGE NO.	CHANGE %	4Q* 2008
Personal Income	$203,121	$196,030	7,091	3.6	$200,701
UI Covered Wages	$102,110	$99,731	2,379	2.4	$100,963

Source: Bureau of Economic Analysis: September 2008 release
**Forecasted by Connecticut Department of Labor*

BUSINESS ACTIVITY

New auto registrations decreased over the year.

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
New Housing Permits*	NOV 2008	578	-9.4	5,216	7,023	-25.7
Electricity Sales (mil kWh)	SEP 2008	2,962	8.5	25,534	25,661	-0.5
Construction Contracts Index (1980=100)	NOV 2008	322.1	-11.9	---	---	---
New Auto Registrations	NOV 2008	12,083	-38.3	179,554	197,619	-9.1
Air Cargo Tons	NOV 2008	10,593	-22.7	134,032	147,595	-9.2
Exports (Bil. $)	3Q 2008	3.92	16.3	11.42	10.07	13.4

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	PRIOR	% CHG
STARTS						
Secretary of the State	NOV 2008	1,745	-24.6	25,650	28,831	-11.0
Department of Labor*	2Q2008	1,553	-18.8	3,747	4,470	-16.2
TERMINATIONS						
Secretary of the State	NOV 2008	1,157	20.5	11,028	9,452	16.7
Department of Labor*	2Q2008	1,316	-21.5	2,828	3,317	-14.7

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

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

STATE REVENUES

Total revenues were down from a year ago.

(Millions of dollars)	NOV 2008	NOV 2007	% CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
TOTAL ALL REVENUES*	685.3	794.3	-13.7	12,750.0	12,463.3	2.3
Corporate Tax	18.0	28.7	-37.3	629.5	694.9	-9.4
Personal Income Tax	334.4	348.7	-4.1	6,820.5	6,387.4	6.8
Real Estate Conv. Tax	7.3	11.3	-35.4	115.9	200.9	-42.3
Sales & Use Tax	185.5	309.2	-40.0	3,176.2	3,350.6	-5.2
Indian Gaming Payments**	30.3	32.4	-6.4	367.8	390.7	-5.9

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	PRIOR	% CHG
Info Center Visitors	NOV 2008	23,508	1.0	382,662	381,469	0.3
Major Attraction Visitors	NOV 2008	103,013	-3.1	1,591,496	1,623,026	-1.9
Air Passenger Count	NOV 2008	439,155	-17.2	5,648,140	6,021,758	-6.2
Indian Gaming Slots (Mil.$)*	NOV 2008	1,451	-6.3	17,343	18,064	-4.0
Travel and Tourism Index**	3Q 2008	---	-5.2	---	---	---

Sources: Connecticut Department of Transportation, Bureau of Aviation and Ports; Connecticut Commission on Culture and Tourism; Division of Special Revenue

**See page 23 for explanation*

***The Connecticut Economy, University of Connecticut*

Compensation cost for the nation rose 2.8 percent over the year.

EMPLOYMENT COST INDEX

Private Industry Workers (Dec. 2005 = 100)	Seasonally Adjusted SEP 2008	JUN 2008	3-Mo % Chg	Not Seasonally Adjusted SEP 2008	SEP 2007	12-Mo % Chg
UNITED STATES TOTAL	108.6	107.9	0.6	108.7	105.7	2.8
Wages and Salaries	109.0	108.4	0.6	109.1	106.0	2.9
Benefit Costs	107.5	106.9	0.6	107.5	105.0	2.4
NORTHEAST TOTAL	---	---	---	108.7	106.2	2.4
Wages and Salaries	---	---	---	108.7	106.1	2.5

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

U.S. inflation rate increased 1.0 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	NOV 2008	212.4	1.0	-1.9
Purchasing Power of $ (1982-84=$1.00)	NOV 2008	$0.471	-1.0	2.0
Northeast Region	NOV 2008	227.2	1.7	-1.6
NY-Northern NJ-Long Island	NOV 2008	234.5	2.2	-1.6
Boston-Brockton-Nashua**	NOV 2008	232.4	0.7	-2.6
CPI-W (1982-84=100)				
U.S. City Average	NOV 2008	207.3	0.7	-2.3

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.*

Conventional mortgage fell to 6.09 percent over the month.

INTEREST RATES

(Percent)	NOV 2008	OCT 2008	NOV 2007
Prime	4.00	4.56	7.50
Federal Funds	0.39	0.97	4.49
3 Month Treasury Bill	0.19	0.69	3.35
6 Month Treasury Bill	0.74	1.23	3.58
1 Year Treasury Note	1.07	1.42	3.50
3 Year Treasury Note	1.51	1.86	3.35
5 Year Treasury Note	2.29	2.73	3.67
7 Year Treasury Note	2.82	3.19	3.87
10 Year Treasury Note	3.53	3.81	4.15
20 Year Treasury Note	4.27	4.45	4.56
Conventional Mortgage	6.09	6.20	6.21

Sources: Federal Reserve; Federal Home Loan Mortgage Corp.

NONFARM EMPLOYMENT

Eight of nine states in the region lost jobs over the year.

(Seasonally adjusted; 000s)	NOV 2008	NOV 2007	CHANGE NO.	CHANGE %	OCT 2008
Connecticut	1,693.4	1,703.9	-10.5	-0.6	1,698.5
Maine	611.8	618.9	-7.1	-1.1	614.2
Massachusetts	3,275.2	3,285.9	-10.7	-0.3	3,283.2
New Hampshire	657.2	653.3	3.9	0.6	656.3
New Jersey	4,048.2	4,076.0	-27.8	-0.7	4,054.4
New York	8,736.9	8,769.2	-32.3	-0.4	8,760.2
Pennsylvania	5,760.4	5,802.0	-41.6	-0.7	5,786.4
Rhode Island	471.8	489.9	-18.1	-3.7	475.8
Vermont	306.5	308.3	-1.8	-0.6	307.1
United States	136,167.0	138,037.0	-1,870.0	-1.4	136,700.0

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

LABOR FORCE

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

(Seasonally adjusted; 000s)	NOV 2008	NOV 2007	CHANGE NO.	CHANGE %	OCT 2008
Connecticut	1,902.3	1,881.1	21.2	1.1	1,910.7
Maine	711.3	705.5	5.8	0.8	710.9
Massachusetts	3,422.8	3,403.6	19.2	0.6	3,423.0
New Hampshire	743.0	739.8	3.2	0.4	744.4
New Jersey	4,520.7	4,462.6	58.1	1.3	4,552.7
New York	9,623.7	9,534.9	88.8	0.9	9,660.2
Pennsylvania	6,413.9	6,285.8	128.1	2.0	6,447.0
Rhode Island	570.2	576.6	-6.4	-1.1	570.5
Vermont	357.0	352.6	4.4	1.2	356.3
United States	154,616.0	153,828.0	788.0	0.5	155,038.0

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

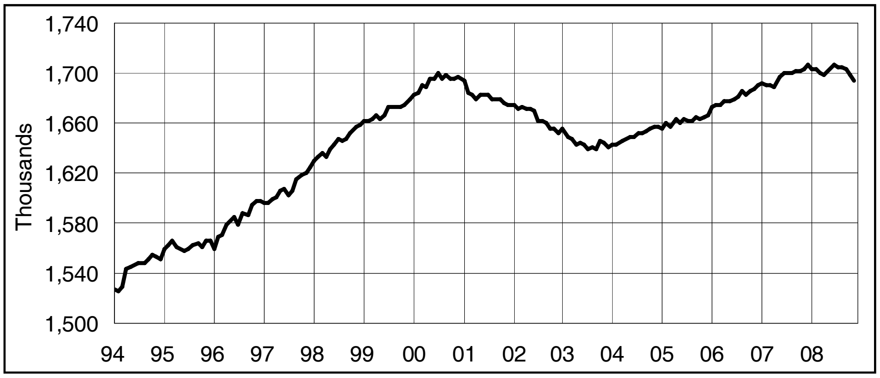
UNEMPLOYMENT RATES

All nine states showed an increase in its unemployment rate over the year.

(Seasonally adjusted)	NOV 2008	NOV 2007	CHANGE	OCT 2008
Connecticut	6.6	4.9	1.7	6.5
Maine	6.3	4.9	1.4	5.7
Massachusetts	5.9	4.3	1.6	5.5
New Hampshire	4.3	3.4	0.9	4.1
New Jersey	6.1	4.2	1.9	6.0
New York	6.1	4.6	1.5	5.7
Pennsylvania	6.1	4.4	1.7	5.8
Rhode Island	9.3	5.2	4.1	9.3
Vermont	5.7	3.8	1.9	5.2
United States	6.7	4.7	2.0	6.5

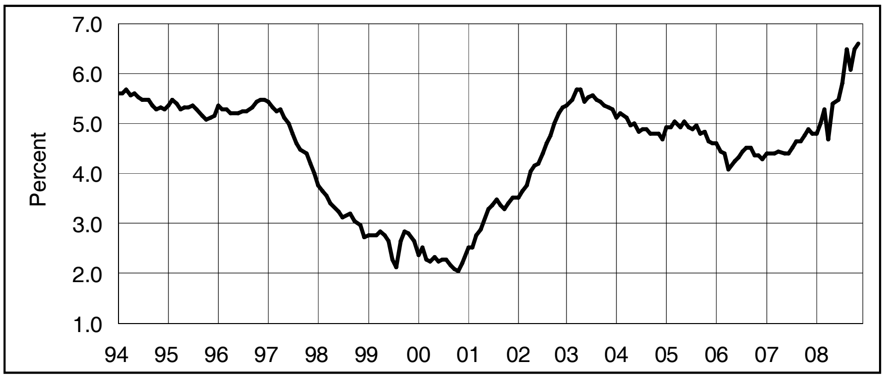
Source: U.S. Department of Labor, Bureau of Labor Statistics

NONFARM EMPLOYMENT *(Seasonally adjusted)*



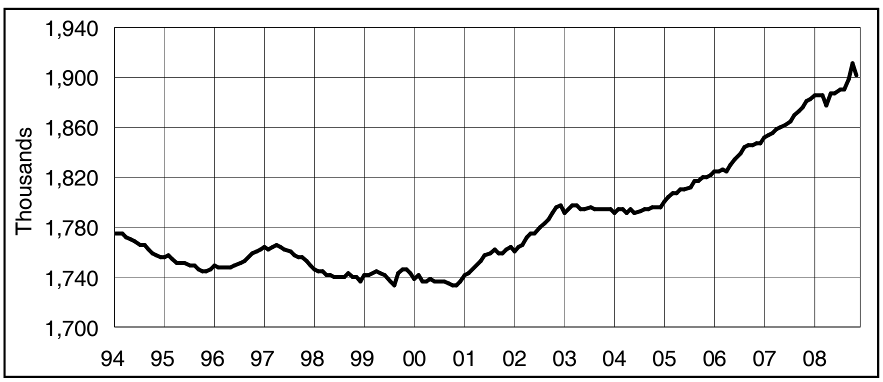
Month	2006	2007	2008
Jan	1,673.0	1,691.2	1,704.0
Feb	1,674.0	1,691.0	1,702.7
Mar	1,674.0	1,689.9	1,699.7
Apr	1,677.9	1,689.1	1,698.9
May	1,678.2	1,696.7	1,702.2
Jun	1,679.1	1,699.9	1,705.9
Jul	1,680.5	1,699.3	1,704.7
Aug	1,684.9	1,700.7	1,704.7
Sep	1,682.8	1,701.7	1,702.4
Oct	1,685.1	1,702.2	1,698.5
Nov	1,687.1	1,703.9	1,693.4
Dec	1,690.4	1,706.5	

UNEMPLOYMENT RATE *(Seasonally adjusted)*



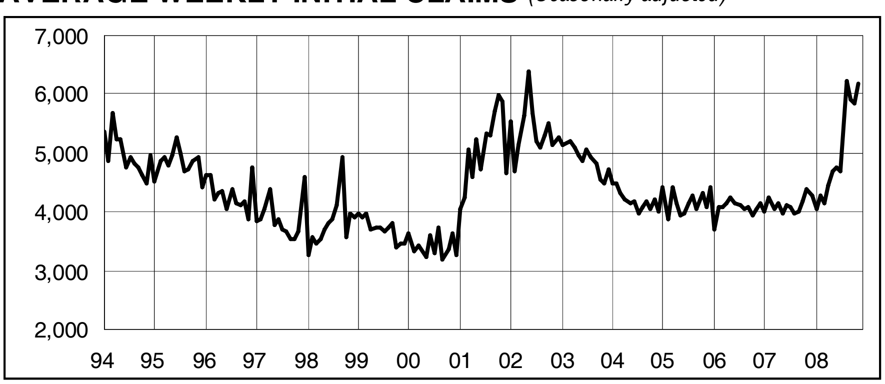
Month	2006	2007	2008
Jan	4.6	4.4	4.8
Feb	4.4	4.4	5.0
Mar	4.4	4.4	5.3
Apr	4.1	4.4	4.7
May	4.2	4.4	5.4
Jun	4.3	4.4	5.5
Jul	4.4	4.5	5.8
Aug	4.5	4.6	6.5
Sep	4.5	4.6	6.1
Oct	4.4	4.8	6.5
Nov	4.3	4.9	6.6
Dec	4.3	4.8	

LABOR FORCE *(Seasonally adjusted)*



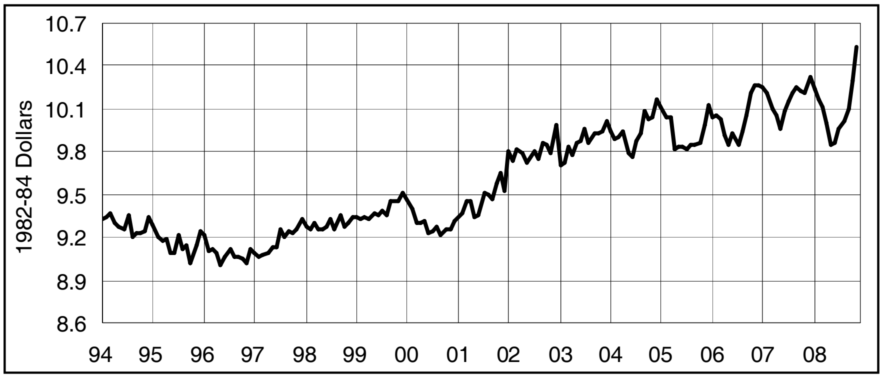
Month	2006	2007	2008
Jan	1,824.9	1,851.5	1,885.7
Feb	1,824.7	1,853.6	1,885.3
Mar	1,827.0	1,855.6	1,885.2
Apr	1,824.3	1,857.7	1,878.2
May	1,829.8	1,859.2	1,886.5
Jun	1,834.2	1,861.1	1,886.8
Jul	1,839.2	1,865.2	1,889.9
Aug	1,843.6	1,869.8	1,890.4
Sep	1,845.5	1,872.1	1,898.8
Oct	1,845.1	1,876.7	1,910.7
Nov	1,846.6	1,881.1	1,902.3
Dec	1,847.5	1,882.2	

AVERAGE WEEKLY INITIAL CLAIMS *(Seasonally adjusted)*



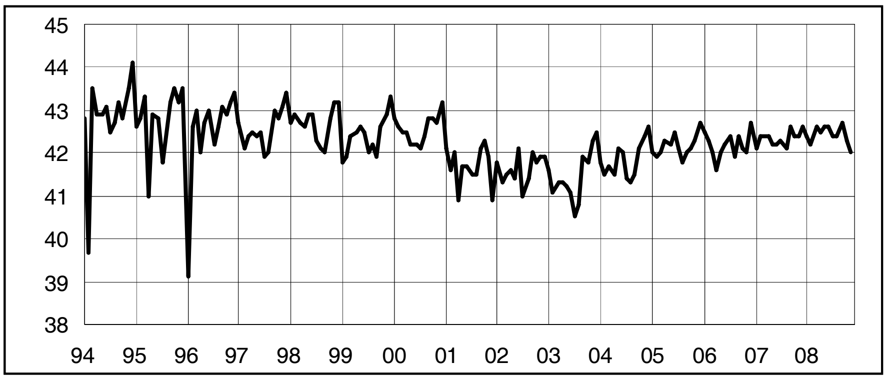
Month	2006	2007	2008
Jan	3,702	3,991	4,032
Feb	4,062	4,243	4,283
Mar	4,079	4,030	4,135
Apr	4,133	4,129	4,443
May	4,260	3,987	4,695
Jun	4,144	4,103	4,756
Jul	4,111	4,078	4,685
Aug	4,027	3,980	6,208
Sep	4,084	4,009	5,927
Oct	3,930	4,160	5,855
Nov	4,031	4,375	6,170
Dec	4,147	4,275	

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



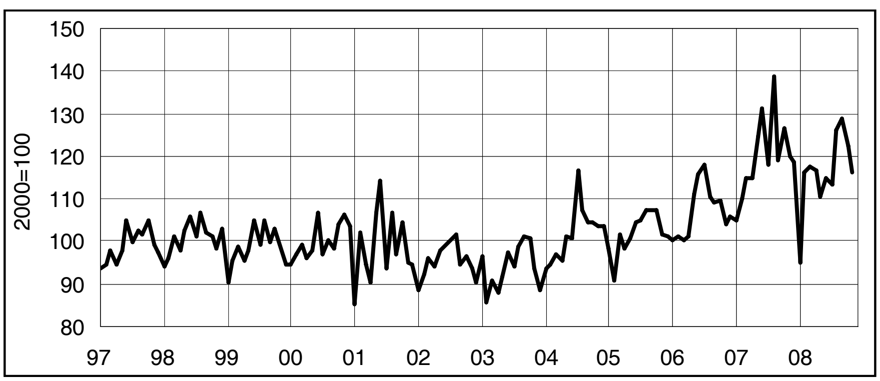
Month	2006	2007	2008
Jan	$10.04	$10.25	$10.24
Feb	$10.05	$10.22	$10.17
Mar	$10.03	$10.10	$10.11
Apr	$9.92	$10.05	$10.00
May	$9.84	$9.96	$9.84
Jun	$9.93	$10.09	$9.86
Jul	$9.84	$10.15	$9.95
Aug	$9.95	$10.21	$10.02
Sep	$10.06	$10.26	$10.09
Oct	$10.20	$10.23	$10.29
Nov	$10.27	$10.20	$10.54
Dec	$10.27	$10.32	

AVG MANUFACTURING WEEKLY HOURS *(Not seasonally adjusted)*



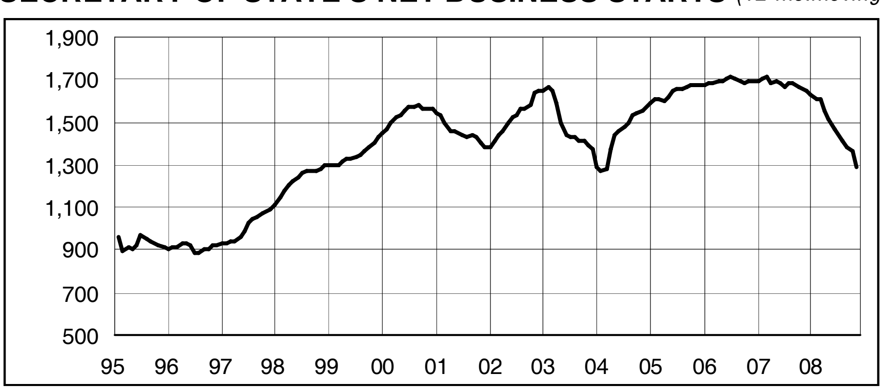
Month	2006	2007	2008
Jan	42.5	42.1	42.4
Feb	42.3	42.4	42.2
Mar	42.0	42.4	42.6
Apr	41.6	42.4	42.5
May	42.0	42.2	42.6
Jun	42.2	42.2	42.6
Jul	42.4	42.3	42.4
Aug	41.9	42.1	42.4
Sep	42.4	42.6	42.7
Oct	42.1	42.4	42.3
Nov	42.0	42.4	42.0
Dec	42.7	42.6	

CT MANUFACTURING PRODUCTION INDEX *(Not seasonally adjusted)*



Month	2006	2007	2008
Jan	100.2	104.9	94.9
Feb	100.9	109.9	116.4
Mar	100.1	114.6	117.7
Apr	101.3	114.8	116.8
May	111.0	124.7	110.4
Jun	115.7	131.1	114.9
Jul	118.2	117.8	113.3
Aug	110.7	139.0	126.2
Sep	109.4	118.8	128.6
Oct	109.5	126.6	122.4
Nov	104.0	119.7	116.0
Dec	106.0	118.3	

SECRETARY OF STATE'S NET BUSINESS STARTS *(12-mo.moving avg)*



Month	2006	2007	2008
Jan	1,674	1,698	1,625
Feb	1,681	1,706	1,607
Mar	1,688	1,712	1,605
Apr	1,695	1,688	1,556
May	1,690	1,694	1,512
Jun	1,705	1,681	1,472
Jul	1,708	1,667	1,444
Aug	1,701	1,687	1,412
Sep	1,693	1,682	1,384
Oct	1,686	1,661	1,366
Nov	1,694	1,654	1,292
Dec	1,693	1,649	

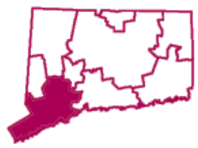
CONNECTICUT

Not Seasonally Adjusted

	NOV 2008	NOV 2007	CHANGE NO.	CHANGE %	OCT 2008
TOTAL NONFARM EMPLOYMENT	**1,711,300**	**1,722,000**	**-10,700**	**-0.6**	**1,708,700**
GOODS PRODUCING INDUSTRIES	**256,500**	**262,400**	**-5,900**	**-2.2**	**258,300**
CONSTRUCTION, NAT. RES. & MINING	**68,800**	**71,300**	**-2,500**	**-3.5**	**70,200**
MANUFACTURING	**187,700**	**191,100**	**-3,400**	**-1.8**	**188,100**
Durable Goods	**143,600**	**144,500**	**-900**	**-0.6**	**143,800**
Fabricated Metal	32,900	33,200	-300	-0.9	32,900
Machinery	17,700	18,100	-400	-2.2	17,700
Computer and Electronic Product	14,100	14,000	100	0.7	14,200
Transportation Equipment	44,100	43,700	400	0.9	44,200
Aerospace Product and Parts	32,200	31,700	500	1.6	32,300
Non-Durable Goods	**44,100**	**46,600**	**-2,500**	**-5.4**	**44,300**
Chemical	14,400	15,400	-1,000	-6.5	14,400
SERVICE PROVIDING INDUSTRIES	**1,454,800**	**1,459,600**	**-4,800**	**-0.3**	**1,450,400**
TRADE, TRANSPORTATION, UTILITIES	**313,500**	**319,400**	**-5,900**	**-1.8**	**309,500**
Wholesale Trade	69,300	68,300	1,000	1.5	69,400
Retail Trade	191,000	197,500	-6,500	-3.3	187,000
Motor Vehicle and Parts Dealers	21,800	22,100	-300	-1.4	21,900
Building Material	15,500	16,100	-600	-3.7	15,700
Food and Beverage Stores	41,700	42,300	-600	-1.4	41,300
General Merchandise Stores	26,300	27,300	-1,000	-3.7	25,200
Transportation, Warehousing, & Utilities	53,200	53,600	-400	-0.7	53,100
Utilities	8,300	8,200	100	1.2	8,300
Transportation and Warehousing	44,900	45,400	-500	-1.1	44,800
INFORMATION	**38,500**	**39,100**	**-600**	**-1.5**	**38,400**
Telecommunications	13,000	13,100	-100	-0.8	13,000
FINANCIAL ACTIVITIES	**141,900**	**143,400**	**-1,500**	**-1.0**	**142,100**
Finance and Insurance	122,000	122,800	-800	-0.7	122,000
Credit Intermediation	29,000	30,500	-1,500	-4.9	29,000
Securities and Commodity Contracts	22,900	22,300	600	2.7	22,800
Insurance Carriers & Related Activities	65,200	65,200	0	0.0	65,300
Real Estate and Rental and Leasing	19,900	20,600	-700	-3.4	20,100
PROFESSIONAL & BUSINESS SERVICES	**204,500**	**207,100**	**-2,600**	**-1.3**	**204,900**
Professional, Scientific	93,000	92,600	400	0.4	93,000
Legal Services	14,300	14,400	-100	-0.7	14,300
Computer Systems Design	22,700	21,900	800	3.7	22,600
Management of Companies	24,800	25,200	-400	-1.6	24,700
Administrative and Support	86,700	89,300	-2,600	-2.9	87,200
Employment Services	29,600	32,100	-2,500	-7.8	29,300
EDUCATIONAL AND HEALTH SERVICES	**299,400**	**294,400**	**5,000**	**1.7**	**298,100**
Educational Services	59,400	58,800	600	1.0	58,900
Health Care and Social Assistance	240,000	235,600	4,400	1.9	239,200
Hospitals	59,200	58,600	600	1.0	59,000
Nursing & Residential Care Facilities	60,000	59,400	600	1.0	59,600
Social Assistance	43,900	41,900	2,000	4.8	43,600
LEISURE AND HOSPITALITY	**134,500**	**134,000**	**500**	**0.4**	**136,900**
Arts, Entertainment, and Recreation	22,600	23,200	-600	-2.6	24,100
Accommodation and Food Services	111,900	110,800	1,100	1.0	112,800
Food Serv., Restaurants, Drinking Places	100,300	99,000	1,300	1.3	100,800
OTHER SERVICES	**63,600**	**64,300**	**-700**	**-1.1**	**63,800**
GOVERNMENT	**258,900**	**257,900**	**1,000**	**0.4**	**256,700**
Federal Government	19,000	19,400	-400	-2.1	19,200
State Government	73,400	72,700	700	1.0	72,900
Local Government**	166,500	165,800	700	0.4	164,600

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2007.
**Total excludes workers idled due to labor-management disputes. **Includes Indian tribal government employment.*

BRIDGEPORT - STAMFORD LMA



Not Seasonally Adjusted

	NOV 2008	NOV 2007	CHANGE NO.	CHANGE %	OCT 2008
TOTAL NONFARM EMPLOYMENT	**424,900**	**426,100**	**-1,200**	**-0.3**	**424,200**
GOODS PRODUCING INDUSTRIES	**56,500**	**56,900**	**-400**	**-0.7**	**57,000**
CONSTRUCTION, NAT. RES. & MINING	**15,800**	**16,100**	**-300**	**-1.9**	**16,100**
MANUFACTURING	**40,700**	**40,800**	**-100**	**-0.2**	**40,900**
Durable Goods	**30,100**	**30,100**	**0**	**0.0**	**30,400**
SERVICE PROVIDING INDUSTRIES	**368,400**	**369,200**	**-800**	**-0.2**	**367,200**
TRADE, TRANSPORTATION, UTILITIES	**76,200**	**78,400**	**-2,200**	**-2.8**	**75,500**
Wholesale Trade	14,100	14,600	-500	-3.4	14,100
Retail Trade	50,300	52,100	-1,800	-3.5	49,600
Transportation, Warehousing, & Utilities	11,800	11,700	100	0.9	11,800
INFORMATION	**12,200**	**12,200**	**0**	**0.0**	**12,200**
FINANCIAL ACTIVITIES	**45,900**	**45,600**	**300**	**0.7**	**46,000**
Finance and Insurance	39,500	38,900	600	1.5	39,200
PROFESSIONAL & BUSINESS SERVICES	**70,700**	**71,600**	**-900**	**-1.3**	**70,400**
EDUCATIONAL AND HEALTH SERVICES	**63,600**	**63,200**	**400**	**0.6**	**63,200**
Health Care and Social Assistance	53,700	52,900	800	1.5	53,600
LEISURE AND HOSPITALITY	**33,800**	**33,100**	**700**	**2.1**	**34,500**
Accommodation and Food Services	25,400	25,100	300	1.2	25,600
OTHER SERVICES	**17,500**	**17,400**	**100**	**0.6**	**17,500**
GOVERNMENT	**48,500**	**47,700**	**800**	**1.7**	**47,900**
Federal	3,000	3,200	-200	-6.3	3,100
State & Local	45,500	44,500	1,000	2.2	44,800

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

DANBURY LMA

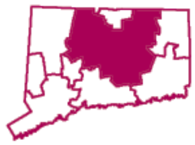
Not Seasonally Adjusted

	NOV 2008	NOV 2007	CHANGE NO.	CHANGE %	OCT 2008
TOTAL NONFARM EMPLOYMENT	**72,000**	**71,000**	**1,000**	**1.4**	**71,400**
GOODS PRODUCING INDUSTRIES	**13,000**	**13,000**	**0**	**0.0**	**13,100**
SERVICE PROVIDING INDUSTRIES	**59,000**	**58,000**	**1,000**	**1.7**	**58,300**
TRADE, TRANSPORTATION, UTILITIES	**16,200**	**16,600**	**-400**	**-2.4**	**15,500**
Retail Trade	12,100	12,400	-300	-2.4	11,600
PROFESSIONAL & BUSINESS SERVICES	**8,000**	**8,300**	**-300**	**-3.6**	**8,000**
LEISURE AND HOSPITALITY	**5,800**	**5,700**	**100**	**1.8**	**5,900**
GOVERNMENT	**8,900**	**8,400**	**500**	**6.0**	**8,700**
Federal	600	600	0	0.0	600
State & Local	8,300	7,800	500	6.4	8,100

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 2007.
**Total excludes workers idled due to labor-management disputes.*

HARTFORD LMA



Not Seasonally Adjusted

	NOV 2008	NOV 2007	CHANGE NO.	CHANGE %	OCT 2008
TOTAL NONFARM EMPLOYMENT	**570,200**	**565,300**	**4,900**	**0.9**	**570,500**
GOODS PRODUCING INDUSTRIES	**87,500**	**88,100**	**-600**	**-0.7**	**88,600**
CONSTRUCTION, NAT. RES. & MINING	**23,000**	**23,400**	**-400**	**-1.7**	**23,700**
MANUFACTURING	**64,500**	**64,700**	**-200**	**-0.3**	**64,900**
Durable Goods	**53,500**	**53,800**	**-300**	**-0.6**	**54,000**
Transportation Equipment	18,000	18,300	-300	-1.6	18,200
SERVICE PROVIDING INDUSTRIES	**482,700**	**477,200**	**5,500**	**1.2**	**481,900**
TRADE, TRANSPORTATION, UTILITIES	**91,100**	**92,500**	**-1,400**	**-1.5**	**89,800**
Wholesale Trade	20,000	19,800	200	1.0	20,100
Retail Trade	56,000	57,500	-1,500	-2.6	54,800
Transportation, Warehousing, & Utilities	15,100	15,200	-100	-0.7	14,900
Transportation and Warehousing	12,000	12,100	-100	-0.8	11,900
INFORMATION	**12,600**	**12,100**	**500**	**4.1**	**12,500**
FINANCIAL ACTIVITIES	**65,700**	**66,200**	**-500**	**-0.8**	**65,800**
Depository Credit Institutions	7,500	7,600	-100	-1.3	7,500
Insurance Carriers & Related Activities	44,200	44,900	-700	-1.6	44,300
PROFESSIONAL & BUSINESS SERVICES	**62,300**	**61,200**	**1,100**	**1.8**	**62,300**
Professional, Scientific	30,400	29,700	700	2.4	30,400
Administrative and Support	24,300	24,700	-400	-1.6	24,600
EDUCATIONAL AND HEALTH SERVICES	**95,200**	**91,900**	**3,300**	**3.6**	**95,000**
Health Care and Social Assistance	81,300	79,000	2,300	2.9	81,100
Ambulatory Health Care	24,200	23,700	500	2.1	24,300
LEISURE AND HOSPITALITY	**41,800**	**40,800**	**1,000**	**2.5**	**43,100**
Accommodation and Food Services	35,100	34,100	1,000	2.9	35,500
OTHER SERVICES	**21,100**	**20,900**	**200**	**1.0**	**21,200**
GOVERNMENT	**92,900**	**91,600**	**1,300**	**1.4**	**92,200**
Federal	5,900	5,900	0	0.0	6,000
State & Local	87,000	85,700	1,300	1.5	86,200

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

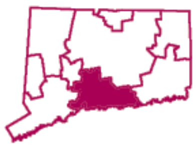
Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2007.
**Total excludes workers idled due to labor-management disputes.*

BUSINESS AND ECONOMIC NEWS

- **Consumer expenditures in 2007**
  Average annual expenditures per consumer unit, which is similar to a household, rose 2.6 percent in 2007 (in U.S.) following an increase of 4.3 percent in 2006. Spending kept pace with inflation in 2007 as the increase in expenditures from 2006 to 2007 was close to the 2.8 percent rise in the annual average Consumer Price Index (CPI-U) over this period. Moderate increases in spending on housing (3.4 percent), transportation (2.9 percent), and food (0.4 percent), the three largest components of spending, contributed to the small overall increase in 2007. Among the other major components, spending increased for personal insurance and pensions (1.3 percent), health care (3.1 percent), entertainment (13.6 percent), and apparel and services (0.4 percent). These data come from the Consumer Expenditure Survey. Find out more in "Consumer Expenditures in 2007," (PDF) (HTML) news release 08-1746. (The Editor's Desk, Bureau of Labor Statistics, November 26, 2008)

--Continued on the following page--

NEW HAVEN LMA



Not Seasonally Adjusted

	NOV 2008	NOV 2007	CHANGE NO.	CHANGE %	OCT 2008
TOTAL NONFARM EMPLOYMENT	**281,000**	**281,700**	**-700**	**-0.2**	**279,600**
GOODS PRODUCING INDUSTRIES	**42,800**	**43,600**	**-800**	**-1.8**	**43,200**
CONSTRUCTION, NAT. RES. & MINING	**11,900**	**11,900**	**0**	**0.0**	**12,200**
MANUFACTURING	**30,900**	**31,700**	**-800**	**-2.5**	**31,000**
Durable Goods	**21,800**	**22,200**	**-400**	**-1.8**	**21,900**
SERVICE PROVIDING INDUSTRIES	**238,200**	**238,100**	**100**	**0.0**	**236,400**
TRADE, TRANSPORTATION, UTILITIES	**51,700**	**52,900**	**-1,200**	**-2.3**	**51,300**
Wholesale Trade	11,500	11,600	-100	-0.9	11,600
Retail Trade	31,500	32,300	-800	-2.5	31,000
Transportation, Warehousing, & Utilities	8,700	9,000	-300	-3.3	8,700
INFORMATION	**7,800**	**8,000**	**-200**	**-2.5**	**7,700**
FINANCIAL ACTIVITIES	**13,300**	**13,400**	**-100**	**-0.7**	**13,200**
Finance and Insurance	9,400	9,700	-300	-3.1	9,400
PROFESSIONAL & BUSINESS SERVICES	**27,100**	**26,700**	**400**	**1.5**	**27,000**
Administrative and Support	13,500	13,000	500	3.8	13,500
EDUCATIONAL AND HEALTH SERVICES	**71,000**	**69,800**	**1,200**	**1.7**	**70,100**
Educational Services	26,700	26,400	300	1.1	26,100
Health Care and Social Assistance	44,300	43,400	900	2.1	44,000
LEISURE AND HOSPITALITY	**22,000**	**21,100**	**900**	**4.3**	**22,100**
Accommodation and Food Services	18,200	17,800	400	2.2	18,200
OTHER SERVICES	**11,200**	**11,100**	**100**	**0.9**	**11,200**
GOVERNMENT	**34,100**	**35,100**	**-1,000**	**-2.8**	**33,800**
Federal	5,000	5,200	-200	-3.8	5,100
State & Local	29,100	29,900	-800	-2.7	28,700

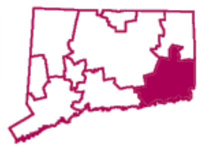
For further information on the New Haven Labor Market Area contact Joseph Slepski at (860) 263-6278.

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2007.
**Total excludes workers idled due to labor-management disputes. **Value less than 50*

BUSINESS AND ECONOMIC NEWS (Cont.)

- **Jobs with most injuries and illnesses resulting in days away from work**
  Laborers and freight, stock, and material movers experienced the highest number of nonfatal occupational injuries and illnesses requiring days away from work in 2007 (in U.S.) with 79,000, a 7-percent decline from 85,120 in 2006. Following this occupation were heavy and tractor-trailer truck drivers (57,050), nursing aides, orderlies, and attendants (44,930), construction laborers (34,180), and light or delivery service truck drivers (32,930). Of these five occupations, only the light or delivery service truck drivers had an increase in cases (23 percent) from 2006. In all, ten occupations had more than 20,000 injuries and illnesses in 2007. These ten occupations (including the five mentioned above) made up 33 percent of all injuries and illnesses with days away from work in 2007, and have had more than 20,000 injuries and illnesses every year since 2003. These data are from the BLS Injuries, Illnesses, and Fatalities program. Additional information is available from "Nonfatal Occupational Injuries and Illnesses Requiring Days Away from Work, 2007," (PDF) (HTML) news release USDL 08-1716. (The Editor's Desk, Bureau of Labor Statistics, December 1, 2008)

NORWICH - NEW LONDON LMA

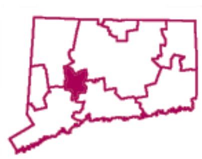


Not Seasonally Adjusted

	NOV 2008	NOV 2007	CHANGE NO.	CHANGE %	OCT 2008
TOTAL NONFARM EMPLOYMENT	**135,700**	**136,800**	**-1,100**	**-0.8**	**136,400**
GOODS PRODUCING INDUSTRIES	**20,000**	**20,700**	**-700**	**-3.4**	**20,300**
CONSTRUCTION, NAT. RES. & MINING	**4,100**	**4,600**	**-500**	**-10.9**	**4,200**
MANUFACTURING	**15,900**	**16,100**	**-200**	**-1.2**	**16,100**
Durable Goods	**10,700**	**10,700**	**0**	**0.0**	**10,800**
Non-Durable Goods	**5,200**	**5,400**	**-200**	**-3.7**	**5,300**
SERVICE PROVIDING INDUSTRIES	**115,700**	**116,100**	**-400**	**-0.3**	**116,100**
TRADE, TRANSPORTATION, UTILITIES	**23,400**	**24,100**	**-700**	**-2.9**	**23,100**
Wholesale Trade	2,500	2,400	100	4.2	2,500
Retail Trade	16,000	16,800	-800	-4.8	15,600
Transportation, Warehousing, & Utilities	4,900	4,900	0	0.0	5,000
INFORMATION	**1,800**	**2,000**	**-200**	**-10.0**	**1,800**
FINANCIAL ACTIVITIES	**3,100**	**3,300**	**-200**	**-6.1**	**3,100**
PROFESSIONAL & BUSINESS SERVICES	**9,800**	**9,900**	**-100**	**-1.0**	**9,800**
EDUCATIONAL AND HEALTH SERVICES	**20,000**	**19,900**	**100**	**0.5**	**20,000**
Health Care and Social Assistance	17,300	17,100	200	1.2	17,200
LEISURE AND HOSPITALITY	**13,400**	**13,000**	**400**	**3.1**	**14,200**
Accommodation and Food Services	11,700	11,200	500	4.5	12,000
Food Serv., Restaurants, Drinking Places	9,800	9,300	500	5.4	10,100
OTHER SERVICES	**3,800**	**3,900**	**-100**	**-2.6**	**3,800**
GOVERNMENT	**40,400**	**40,000**	**400**	**1.0**	**40,300**
Federal	2,700	2,600	100	3.8	2,700
State & Local**	37,700	37,400	300	0.8	37,600

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

WATERBURY LMA



Not Seasonally Adjusted

	NOV 2008	NOV 2007	CHANGE NO.	CHANGE %	OCT 2008
TOTAL NONFARM EMPLOYMENT	**68,900**	**69,800**	**-900**	**-1.3**	**68,900**
GOODS PRODUCING INDUSTRIES	**12,500**	**12,800**	**-300**	**-2.3**	**12,700**
CONSTRUCTION, NAT. RES. & MINING	**2,900**	**2,900**	**0**	**0.0**	**3,000**
MANUFACTURING	**9,600**	**9,900**	**-300**	**-3.0**	**9,700**
SERVICE PROVIDING INDUSTRIES	**56,400**	**57,000**	**-600**	**-1.1**	**56,200**
TRADE, TRANSPORTATION, UTILITIES	**13,800**	**14,100**	**-300**	**-2.1**	**13,600**
Wholesale Trade	2,200	2,200	0	0.0	2,200
Retail Trade	9,500	9,500	0	0.0	9,100
Transportation, Warehousing, & Utilities	2,100	2,400	-300	-12.5	2,300
INFORMATION	**800**	**800**	**0**	**0.0**	**800**
FINANCIAL ACTIVITIES	**2,400**	**2,400**	**0**	**0.0**	**2,400**
PROFESSIONAL & BUSINESS SERVICES	**6,300**	**6,400**	**-100**	**-1.6**	**6,100**
EDUCATIONAL AND HEALTH SERVICES	**15,200**	**14,900**	**300**	**2.0**	**15,200**
Health Care and Social Assistance	13,700	13,500	200	1.5	13,700
LEISURE AND HOSPITALITY	**5,000**	**5,100**	**-100**	**-2.0**	**5,000**
OTHER SERVICES	**2,600**	**2,600**	**0**	**0.0**	**2,600**
GOVERNMENT	**10,300**	**10,700**	**-400**	**-3.7**	**10,500**
Federal	500	600	-100	-16.7	600
State & Local	9,800	10,100	-300	-3.0	9,900

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 2007.
**Total excludes workers idled due to labor-management disputes. **Includes Indian tribal government employment.*

SMALLER LMAS

Not Seasonally Adjusted

	NOV 2008	NOV 2007	CHANGE NO.	CHANGE %	OCT 2008
TOTAL NONFARM EMPLOYMENT					
ENFIELD LMA	48,100	48,900	-800	-1.6	47,700
TORRINGTON LMA	37,700	37,800	-100	-0.3	37,600
WILLIMANTIC - DANIELSON LMA	38,500	39,200	-700	-1.8	38,500

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

	NOV 2008	NOV 2007	CHANGE NO.	CHANGE %	OCT 2008
TOTAL NONFARM EMPLOYMENT	**297,700**	**300,400**	**-2,700**	**-0.9**	**298,500**
GOODS PRODUCING INDUSTRIES	**46,700**	**48,000**	**-1,300**	**-2.7**	**46,900**
CONSTRUCTION, NAT. RES. & MINING	**10,200**	**10,900**	**-700**	**-6.4**	**10,400**
MANUFACTURING	**36,500**	**37,100**	**-600**	**-1.6**	**36,500**
Durable Goods	**23,300**	**23,600**	**-300**	**-1.3**	**23,300**
Non-Durable Goods	**13,200**	**13,500**	**-300**	**-2.2**	**13,200**
SERVICE PROVIDING INDUSTRIES	**251,000**	**252,400**	**-1,400**	**-0.6**	**251,600**
TRADE, TRANSPORTATION, UTILITIES	**60,400**	**61,400**	**-1,000**	**-1.6**	**59,700**
Wholesale Trade	11,500	11,600	-100	-0.9	11,500
Retail Trade	35,400	36,300	-900	-2.5	34,700
Transportation, Warehousing, & Utilities	13,500	13,500	0	0.0	13,500
INFORMATION	**4,300**	**4,500**	**-200**	**-4.4**	**4,300**
FINANCIAL ACTIVITIES	**17,000**	**17,000**	**0**	**0.0**	**17,000**
Finance and Insurance	13,400	13,500	-100	-0.7	13,300
Insurance Carriers & Related Activities	8,700	8,600	100	1.2	8,600
PROFESSIONAL & BUSINESS SERVICES	**22,400**	**23,100**	**-700**	**-3.0**	**22,800**
EDUCATIONAL AND HEALTH SERVICES	**59,100**	**57,700**	**1,400**	**2.4**	**58,700**
Educational Services	13,200	13,100	100	0.8	13,000
Health Care and Social Assistance	45,900	44,600	1,300	2.9	45,700
LEISURE AND HOSPITALITY	**25,800**	**26,000**	**-200**	**-0.8**	**27,100**
OTHER SERVICES	**11,100**	**11,500**	**-400**	**-3.5**	**11,200**
GOVERNMENT	**50,900**	**51,200**	**-300**	**-0.6**	**50,800**
Federal	7,300	7,200	100	1.4	7,300
State & Local	43,600	44,000	-400	-0.9	43,500

* New England City and Town Area

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2007.
**Total excludes workers idled due to labor-management disputes.*

LABOR FORCE ESTIMATES

(Not seasonally adjusted)	EMPLOYMENT STATUS	NOV 2008	NOV 2007	CHANGE NO.	CHANGE %	OCT 2008
CONNECTICUT	Civilian Labor Force	1,900,000	1,882,100	17,900	1.0	1,907,700
	Employed	1,778,300	1,796,000	-17,700	-1.0	1,791,500
	Unemployed	121,800	86,100	35,700	41.5	116,200
	Unemployment Rate	6.4	4.6	1.8	---	6.1
BRIDGEPORT - STAMFORD LMA	Civilian Labor Force	481,500	478,800	2,700	0.6	484,100
	Employed	452,700	458,700	-6,000	-1.3	456,100
	Unemployed	28,900	20,100	8,800	43.8	28,000
	Unemployment Rate	6.0	4.2	1.8	---	5.8
DANBURY LMA	Civilian Labor Force	94,100	93,100	1,000	1.1	94,300
	Employed	89,400	89,700	-300	-0.3	89,700
	Unemployed	4,700	3,400	1,300	38.2	4,600
	Unemployment Rate	5.0	3.6	1.4	---	4.9
ENFIELD LMA	Civilian Labor Force	49,900	49,800	100	0.2	49,900
	Employed	46,600	47,400	-800	-1.7	47,100
	Unemployed	3,300	2,300	1,000	43.5	2,800
	Unemployment Rate	6.5	4.7	1.8	---	5.6
HARTFORD LMA	Civilian Labor Force	601,300	591,600	9,700	1.6	604,200
	Employed	562,600	564,000	-1,400	-0.2	567,300
	Unemployed	38,700	27,600	11,100	40.2	36,900
	Unemployment Rate	6.4	4.7	1.7	---	6.1
NEW HAVEN LMA	Civilian Labor Force	316,100	314,100	2,000	0.6	316,900
	Employed	295,400	298,900	-3,500	-1.2	296,800
	Unemployed	20,700	15,200	5,500	36.2	20,100
	Unemployment Rate	6.5	4.8	1.7	---	6.3
NORWICH - NEW LONDON LMA	Civilian Labor Force	152,200	151,700	500	0.3	152,900
	Employed	142,200	145,100	-2,900	-2.0	143,600
	Unemployed	10,000	6,600	3,400	51.5	9,300
	Unemployment Rate	6.6	4.4	2.2	---	6.1
TORRINGTON LMA	Civilian Labor Force	55,500	55,200	300	0.5	55,700
	Employed	52,200	52,900	-700	-1.3	52,600
	Unemployed	3,300	2,300	1,000	43.5	3,000
	Unemployment Rate	5.9	4.2	1.7	---	5.4
WATERBURY LMA	Civilian Labor Force	103,700	102,600	1,100	1.1	103,800
	Employed	95,100	96,600	-1,500	-1.6	95,600
	Unemployed	8,600	6,000	2,600	43.3	8,200
	Unemployment Rate	8.3	5.8	2.5	---	7.9
WILLIMANTIC-DANIELSON LMA	Civilian Labor Force	59,000	58,700	300	0.5	59,200
	Employed	54,500	55,600	-1,100	-2.0	55,000
	Unemployed	4,600	3,200	1,400	43.8	4,100
	Unemployment Rate	7.7	5.4	2.3	---	7.0
UNITED STATES	Civilian Labor Force	154,624,000	154,035,000	589,000	0.4	155,012,000
	Employed	144,609,000	147,118,000	-2,509,000	-1.7	145,543,000
	Unemployed	10,015,000	6,917,000	3,098,000	44.8	9,469,000
	Unemployment Rate	6.5	4.5	2.0	---	6.1

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2007.

CONNECTICUT	AVG WEEKLY EARNINGS				AVG WEEKLY HOURS				AVG HOURLY EARNINGS			
	NOV		CHG	OCT	NOV		CHG	OCT	NOV		CHG	OCT
(Not seasonally adjusted)	2008	2007	Y/Y	2008	2008	2007	Y/Y	2008	2008	2007	Y/Y	2008
MANUFACTURING	**$917.28**	**$890.82**	**$26.46**	**$923.83**	**42.0**	**42.4**	**-0.4**	**42.3**	**$21.84**	**$21.01**	**$0.83**	**$21.84**
DURABLE GOODS	**941.49**	**920.13**	**21.37**	**952.03**	**41.9**	**42.5**	**-0.6**	**42.2**	**22.47**	**21.65**	**0.82**	**22.56**
Fabricated Metal	814.23	816.43	-2.20	822.21	41.5	42.5	-1.0	41.8	19.62	19.21	0.41	19.67
Transport. Equipment	1,185.75	1,162.72	23.03	1,204.00	42.5	43.0	-0.5	43.0	27.90	27.04	0.86	28.00
NON-DUR. GOODS	**846.53**	**815.12**	**31.41**	**839.52**	**42.2**	**42.3**	-0.1	**42.4**	**20.06**	**19.27**	**0.79**	**19.80**
CONSTRUCTION	**1,034.90**	**935.52**	**99.38**	**1,045.15**	**39.5**	**38.2**	**1.3**	**39.8**	**26.20**	**24.49**	**1.71**	**26.26**

Due to constraints of the sample upon which estimates are made, statewide manufacturing hours and earnings for machinery and computer and electronic sectors are no longer published.

Due to cuts in the federal Bureau of Labor Statistics fiscal year 2008 budget allocations to state agencies that cooperatively develop labor statistics with the BLS, the Office of Research is suspending development and publication of production worker hours and earnings data for its labor market areas.

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2007.

BUSINESS AND EMPLOYMENT CHANGES ANNOUNCED IN THE NEWS MEDIA

- In November 2008, Strain Measurement Devices of Wallingford announced plans to hire 14 additional employees. AT&T is hiring 100 workers in Rocky Hill. Café Ra, a Wallingford restaurant, will open in February with 40 employees. Alden Tool Co. in Berlin has received a State loan and will add 10 jobs.

- November 2008 saw these job cuts: The Hartford (125), MeadWestvaco of Enfield (75), Beit Brothers Grocery in Uncasville (60), Theis Precision Steel in Bristol (20), BAE Systems Ship Repair in Groton (130), CT Public Broadcasting (11), New London Day (10), Mystic Aquarium (12), Linens N' Things in Danbury (25), Tweeter in Danbury (12), Ingersoll Rand of New Haven (100), Valassis in Windsor (14), New Haven Register (20) and Hamilton Sundstrand (11).

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

Town

(By Place of Residence - Not Seasonally Adjusted)

NOVEMBER 2008

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
BRIDGEPORT-STAMFORD	**481,535**	**452,666**	**28,869**	**6.0**
Ansonia	10,227	9,399	828	8.1
Bridgeport	64,345	58,065	6,280	9.8
Darien	9,390	8,955	435	4.6
Derby	7,041	6,513	528	7.5
Easton	3,833	3,643	190	5.0
Fairfield	28,995	27,452	1,543	5.3
Greenwich	30,882	29,448	1,434	4.6
Milford	32,381	30,573	1,808	5.6
Monroe	10,867	10,282	585	5.4
New Canaan	9,105	8,697	408	4.5
Newtown	14,673	13,909	764	5.2
Norwalk	49,623	46,858	2,765	5.6
Oxford	7,445	7,031	414	5.6
Redding	4,810	4,581	229	4.8
Ridgefield	11,927	11,385	542	4.5
Seymour	9,404	8,833	571	6.1
Shelton	23,472	22,153	1,319	5.6
Southbury	9,241	8,779	462	5.0
Stamford	67,728	64,078	3,650	5.4
Stratford	26,576	24,769	1,807	6.8
Trumbull	18,125	17,242	883	4.9
Weston	5,011	4,802	209	4.2
Westport	12,961	12,359	602	4.6
Wilton	8,512	8,101	411	4.8
Woodbridge	4,962	4,758	204	4.1
DANBURY	**94,089**	**89,397**	**4,692**	**5.0**
Bethel	11,121	10,567	554	5.0
Bridgewater	1,053	1,022	31	2.9
Brookfield	9,327	8,861	466	5.0
Danbury	45,724	43,377	2,347	5.1
New Fairfield	7,808	7,435	373	4.8
New Milford	16,850	16,012	838	5.0
Sherman	2,205	2,123	82	3.7
ENFIELD	**49,897**	**46,645**	**3,252**	**6.5**
East Windsor	6,299	5,836	463	7.4
Enfield	24,154	22,564	1,590	6.6
Somers	4,736	4,449	287	6.1
Suffield	7,527	7,131	396	5.3
Windsor Locks	7,181	6,665	516	7.2
HARTFORD	**601,338**	**562,645**	**38,693**	**6.4**
Andover	2,026	1,939	87	4.3
Ashford	2,682	2,555	127	4.7
Avon	9,424	9,047	377	4.0
Barkhamsted	2,274	2,166	108	4.7
Berlin	11,651	11,010	641	5.5
Bloomfield	10,431	9,635	796	7.6
Bolton	3,121	2,975	146	4.7
Bristol	35,343	32,868	2,475	7.0
Burlington	5,493	5,235	258	4.7

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
HARTFORD cont....				
Canton	5,888	5,639	249	4.2
Colchester	8,998	8,511	487	5.4
Columbia	3,164	2,994	170	5.4
Coventry	7,228	6,822	406	5.6
Cromwell	8,050	7,583	467	5.8
East Granby	3,003	2,864	139	4.6
East Haddam	5,305	5,039	266	5.0
East Hampton	7,198	6,746	452	6.3
East Hartford	26,175	24,048	2,127	8.1
Ellington	8,962	8,500	462	5.2
Farmington	13,250	12,622	628	4.7
Glastonbury	18,630	17,816	814	4.4
Granby	6,451	6,173	278	4.3
Haddam	4,968	4,744	224	4.5
Hartford	50,977	44,898	6,079	11.9
Hartland	1,234	1,180	54	4.4
Harwinton	3,253	3,089	164	5.0
Hebron	5,663	5,372	291	5.1
Lebanon	4,441	4,181	260	5.9
Manchester	32,997	30,913	2,084	6.3
Mansfield	13,355	12,727	628	4.7
Marlborough	3,747	3,540	207	5.5
Middlefield	2,443	2,317	126	5.2
Middletown	27,239	25,654	1,585	5.8
New Britain	35,902	32,463	3,439	9.6
New Hartford	3,934	3,722	212	5.4
Newington	17,025	16,102	923	5.4
Plainville	10,385	9,712	673	6.5
Plymouth	7,069	6,575	494	7.0
Portland	5,499	5,227	272	4.9
Rocky Hill	11,077	10,460	617	5.6
Simsbury	12,352	11,837	515	4.2
Southington	24,786	23,509	1,277	5.2
South Windsor	15,175	14,452	723	4.8
Stafford	7,062	6,589	473	6.7
Thomaston	4,794	4,473	321	6.7
Tolland	8,616	8,209	407	4.7
Union	478	464	14	2.9
Vernon	17,825	16,777	1,048	5.9
West Hartford	30,012	28,377	1,635	5.4
Wethersfield	13,708	12,905	803	5.9
Willington	4,001	3,824	177	4.4
Windsor	16,574	15,566	1,008	6.1

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 referred to as 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

Town

(By Place of Residence - Not Seasonally Adjusted)

NOVEMBER 2008

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
NEW HAVEN	**316,134**	**295,435**	**20,699**	**6.5**
Bethany	3,158	3,012	146	4.6
Branford	17,686	16,702	984	5.6
Cheshire	14,759	14,075	684	4.6
Chester	2,332	2,214	118	5.1
Clinton	8,122	7,691	431	5.3
Deep River	2,631	2,494	137	5.2
Durham	4,330	4,145	185	4.3
East Haven	16,496	15,351	1,145	6.9
Essex	3,848	3,672	176	4.6
Guilford	13,221	12,604	617	4.7
Hamden	31,314	29,492	1,822	5.8
Killingworth	3,665	3,495	170	4.6
Madison	10,217	9,786	431	4.2
Meriden	32,508	29,920	2,588	8.0
New Haven	56,980	51,649	5,331	9.4
North Branford	8,552	8,091	461	5.4
North Haven	13,474	12,695	779	5.8
Old Saybrook	5,605	5,326	279	5.0
Orange	7,403	7,053	350	4.7
Wallingford	25,840	24,339	1,501	5.8
Westbrook	3,751	3,554	197	5.3
West Haven	30,240	28,073	2,167	7.2
*NORWICH-NEW LONDON				
	138,817	**129,701**	**9,116**	**6.6**
Bozrah	1,481	1,399	82	5.5
Canterbury	3,275	3,053	222	6.8
East Lyme	9,651	9,159	492	5.1
Franklin	1,195	1,131	64	5.4
Griswold	7,298	6,760	538	7.4
Groton	19,441	18,124	1,317	6.8
Ledyard	8,688	8,194	494	5.7
Lisbon	2,603	2,442	161	6.2
Lyme	1,158	1,104	54	4.7
Montville	11,136	10,410	726	6.5
New London	13,890	12,742	1,148	8.3
No. Stonington	3,350	3,141	209	6.2
Norwich	21,107	19,447	1,660	7.9
Old Lyme	4,252	4,058	194	4.6
Preston	2,905	2,739	166	5.7
Salem	2,646	2,509	137	5.2
Sprague	1,837	1,694	143	7.8
Stonington	10,666	10,102	564	5.3
Voluntown	1,645	1,528	117	7.1
Waterford	10,590	9,964	626	5.9

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

NORWICH-NEW LONDON				
	152,228	**142,190**	**10,038**	**6.6**
Westerly, RI	13,411	12,489	922	6.9

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	**55,469**	**52,211**	**3,258**	**5.9**
Bethlehem	2,044	1,947	97	4.7
Canaan	619	586	33	5.3
Colebrook	846	816	30	3.5
Cornwall	839	808	31	3.7
Goshen	1,633	1,562	71	4.3
Kent	1,625	1,548	77	4.7
Litchfield	4,475	4,255	220	4.9
Morris	1,350	1,252	98	7.3
Norfolk	967	920	47	4.9
North Canaan	1,770	1,668	102	5.8
Roxbury	1,402	1,343	59	4.2
Salisbury	2,002	1,921	81	4.0
Sharon	1,592	1,529	63	4.0
Torrington	19,846	18,412	1,434	7.2
Warren	752	721	31	4.1
Washington	1,976	1,885	91	4.6
Winchester	6,135	5,707	428	7.0
Woodbury	5,596	5,331	265	4.7
WATERBURY	**103,712**	**95,073**	**8,639**	**8.3**
Beacon Falls	3,377	3,158	219	6.5
Middlebury	3,928	3,740	188	4.8
Naugatuck	17,540	16,308	1,232	7.0
Prospect	5,388	5,086	302	5.6
Waterbury	51,647	46,250	5,397	10.4
Watertown	12,645	11,887	758	6.0
Wolcott	9,187	8,644	543	5.9
WILLIMANTIC-DANIELSON				
	59,039	**54,480**	**4,559**	**7.7**
Brooklyn	3,967	3,658	309	7.8
Chaplin	1,514	1,411	103	6.8
Eastford	1,037	981	56	5.4
Hampton	1,244	1,171	73	5.9
Killingly	9,729	8,914	815	8.4
Plainfield	8,655	7,884	771	8.9
Pomfret	2,314	2,184	130	5.6
Putnam	5,240	4,834	406	7.7
Scotland	1,026	993	33	3.2
Sterling	2,111	1,950	161	7.6
Thompson	5,411	4,985	426	7.9
Windham	12,113	11,117	996	8.2
Woodstock	4,678	4,398	280	6.0

Not Seasonally Adjusted:				
CONNECTICUT	**1,900,000**	**1,778,300**	**121,800**	**6.4**
UNITED STATES	**154,624,000**	**144,609,000**	**10,015,000**	**6.5**
Seasonally Adjusted:				
CONNECTICUT	**1,902,300**	**1,775,900**	**126,300**	**6.6**
UNITED STATES	**154,616,000**	**144,285,000**	**10,331,000**	**6.7**

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	NOV 2008	YR TO DATE 2008	YR TO DATE 2007
Andover	0	3	7
Ansonia	0	5	12
Ashford	1	8	10
Avon	1	14	38
Barkhamsted	na	na	na
Beacon Falls	na	na	na
Berlin	3	40	89
Bethany	na	na	na
Bethel	4	25	8
Bethlehem	na	na	na
Bloomfield	na	na	na
Bolton	1	5	12
Bozrah	0	2	8
Branford	na	na	na
Bridgeport	47	120	185
Bridgewater	na	na	na
Bristol	1	28	99
Brookfield	na	na	na
Brooklyn	1	26	36
Burlington	1	13	27
Canaan	0	1	5
Canterbury	0	8	13
Canton	0	11	23
Chaplin	0	10	14
Cheshire	1	39	47
Chester	na	na	na
Clinton	0	6	9
Colchester	2	24	57
Colebrook	0	3	0
Columbia	3	9	8
Cornwall	0	2	7
Coventry	0	14	31
Cromwell	1	22	37
Danbury	2	87	288
Darien	na	na	na
Deep River	0	2	5
Derby	na	na	na
Durham	2	21	29
East Granby	0	18	19
East Haddam	2	18	35
East Hampton	2	41	68
East Hartford	na	na	na
East Haven	0	11	27
East Lyme	0	27	94
East Windsor	14	107	88
Eastford	0	2	6
Easton	0	5	5
Ellington	3	85	93
Enfield	na	na	na
Essex	0	7	26
Fairfield	3	56	89
Farmington	1	26	44
Franklin	0	2	5
Glastonbury	1	38	83
Goshen	1	20	31
Granby	1	10	26
Greenwich	7	126	173
Griswold	na	na	na
Groton	0	60	60
Guilford	1	41	36
Haddam	2	28	45
Hamden	0	16	20
Hampton	1	10	14
Hartford	1	65	115
Hartland	na	na	na
Harwinton	2	11	14
Hebron	na	na	na
Kent	1	6	8
Killingly	2	29	70
Killingworth	na	na	na
Lebanon	0	8	15
Ledyard	0	4	15
Lisbon	0	7	9
Litchfield	na	na	na
Lyme	0	6	6
Madison	0	19	24
Manchester	1	224	324
Mansfield	2	22	43
Marlborough	0	5	21
Meriden	1	31	67
Middlebury	na	na	na
Middlefield	0	2	8
Middletown	7	171	198
Milford	10	261	254
Monroe	1	16	17
Montville	1	18	35
Morris	0	3	5
Naugatuck	3	39	43
New Britain	na	na	na
New Canaan	1	26	45
New Fairfield	na	na	na
New Hartford	0	11	14
New Haven	0	58	32
New London	2	31	48
New Milford	0	28	32
Newington	0	66	80
Newtown	0	20	34
Norfolk	0	2	4
North Branford	na	na	na
North Canaan	1	8	5
North Haven	0	4	14
North Stonington	0	4	19
Norwalk	0	204	92
Norwich	1	21	91
Old Lyme	na	na	na
Old Saybrook	0	12	10
Orange	na	na	na
Oxford	0	70	64
Plainfield	1	19	11
Plainville	1	26	43
Plymouth	0	8	13
Pomfret	0	9	7
Portland	0	9	12
Preston	1	8	14
Prospect	na	na	na
Putnam	1	15	23
Redding	na	na	na
Ridgefield	2	105	105
Rocky Hill	0	17	32
Roxbury	na	na	na
Salem	0	7	8
Salisbury	na	na	na
Scotland	0	4	8
Seymour	2	35	26
Sharon	0	7	9
Shelton	1	111	92
Sherman	na	na	na
Simsbury	2	9	24
Somers	1	22	33
South Windsor	2	26	32
Southbury	1	9	32
Southington	6	96	105
Sprague	1	10	6
Stafford	na	na	na
Stamford	344	682	504
Sterling	na	na	na
Stonington	2	29	51
Stratford	0	13	45
Suffield	4	27	29
Thomaston	na	na	na
Thompson	na	na	na
Tolland	0	16	52
Torrington	2	17	62
Trumbull	0	20	29
Union	0	3	2
Vernon	3	160	170
Voluntown	1	5	9
Wallingford	2	36	67
Warren	0	2	10
Washington	na	na	na
Waterbury	0	52	138
Waterford	2	26	60
Watertown	1	34	44
West Hartford	5	112	94
West Haven	na	na	na
Westbrook	0	12	22
Weston	na	na	na
Westport	3	57	75
Wethersfield	na	na	na
Willington	0	5	3
Wilton	na	na	na
Winchester	0	15	20
Windham	1	12	16
Windsor	na	na	na
Windsor Locks	na	na	na
Wolcott	1	24	31
Woodbridge	na	na	na
Woodbury	1	16	27
Woodstock	1	16	25

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	**-3.2**
Coincident Employment Index	**-2.1**
Leading General Drift Indicator	**-4.4**
Coincident General Drift Indicator	**-1.5**
Banknorth Business Barometer	**-0.9**
Total Nonfarm Employment	**-0.6**
Unemployment Rate	**+1.7***
Labor Force	+1.1
Employed	-0.8
Unemployed	+37.7
Average Weekly Initial Claims	**+41.0**
Avg Insured Unempl. Rate	**+1.13***
Average Weekly Hours, Mfg	**-0.9**
Average Hourly Earnings, Mfg	**+4.0**
Average Weekly Earnings, Mfg	**+3.0**
CT Mfg. Production Index	**-3.1**
Production Worker Hours	-3.7
Industrial Electricity Sales	-6.1
Personal Income	**+3.6**
UI Covered Wages	**+2.4**

Business Activity	
New Housing Permits	-9.4
Electricity Sales	+8.5
Construction Contracts Index	-11.9
New Auto Registrations	-38.3
Air Cargo Tons	-22.7
Exports	+16.3
Business Starts	
Secretary of the State	-24.6
Dept. of Labor	-18.8
Business Terminations	
Secretary of the State	+20.5
Dept. of Labor	-21.5
State Revenues	**-13.7**
Corporate Tax	-37.3
Personal Income Tax	-4.1
Real Estate Conveyance Tax	-35.4
Sales & Use Tax	-40.0
Indian Gaming Payments	-6.4

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

Tourism and Travel	
Info Center Visitors	+1.0
Attraction Visitors	-3.1
Air Passenger Count	-17.2
Indian Gaming Slots	-6.3
Travel and Tourism Index	-5.2
Employment Cost Index (U.S.)	
Total	+2.8
Wages & Salaries	+2.9
Benefit Costs	+2.4
Consumer Prices	
U.S. City Average	+1.0
Northeast Region	+1.7
NY-NJ-Long Island	+2.2
Boston-Brockton-Nashua	+0.7
Interest Rates	
Prime	-3.50*
Conventional Mortgage	-0.12*

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