

NOVEMBER 1996

- Total nonfarm employment increased by 1,300 in September, and by 15,200 over the year. (p.6)
- The unemployment rate rose to 4.9 percent in September, which was well below last year's rate of 5.6. (p.6)
- Housing permits in September were up by 5.6 percent from a year earlier, but for the year to date were 11.2% lower than last year. (p.7)
- Inflation remained in check at 3.0 percent over the year. (p.8)
- Retail sales in July were higher by 11.2 percent over July a year ago. (p.7)
- State tax collections for FY97 were running 5.7 percent above FY96. (p.7)

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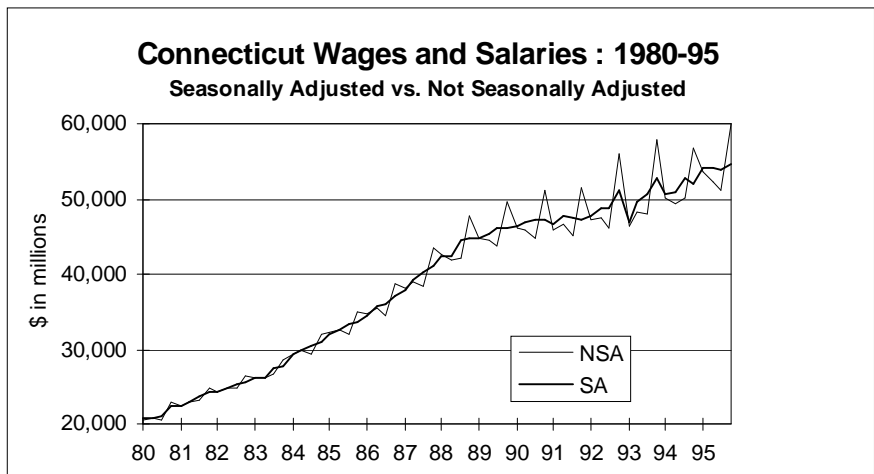
Economic data: to adjust or not to adjust?

by Daniel W. Kennedy, Ph.D., Associate Research Analyst

In the 1950's, Julius Shiskin and others at the U.S. Census Bureau began using the electronic computer to seasonally adjust economic time series. By 1957, more than 3,000 series had been adjusted for seasonal variations. The Census Bureau's method for adjusting time series, the Census II X-11, is today the most widely used method for deseasonalizing

pattern is usually called *seasonal movement* or *seasonality*. For the most part, seasonal effects are due to either one or a combination of the calendar and weather and temperature related factors.

For example, the graph below shows the unadjusted and the seasonally adjusted Connecticut Wages and Salaries series from 1980 to 1995. The saw-toothed



time series data. Seasonally adjusted data play an important part in decisions on national monetary and economic policies, and are regularly reported in the news media. Despite the widespread use and acceptance of seasonally adjusted data, seasonal adjustment is not without its critics. Some even go as far as to question whether it should be done at all.

What Is Seasonality?

If a periodic pattern observed in a time series is shorter than a year, and if this regular pattern of fluctuations tends to repeat from year to year, then this periodic

line represents the unadjusted series, which displays the yearly seasonal peaks in the fourth quarter. Notice that the seasonal peaks become more pronounced by the 1990's. Thus, though a given seasonal effect occurs at the same time of the year, from year to year the magnitude can be changing. The smoothed line represents the Wages and Salaries series after having the seasonal component removed using the Census II, X-11 ARIMA Method.

The table on page 2 'zooms in' on the unadjusted and adjusted Wages and Salaries for the four quarters of 1995. For the unadjusted series, Wages and Salaries

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To adjust or not to adjust?

decline from the first to third quarters, then in the fourth quarter they reach their peak level for 1995, \$59.9 billion, which reflects seasonal effects such as the increased economic activity during the Christmas season and year-end bonuses. However, it may also include nonseasonal effects such as a response to anticipated tax changes. This occurred in the fourth quarter of 1992 after the new administration announced its federal tax change proposals. The seasonally adjusted Wages and Salaries series follows the same pattern as the unadjusted series. Notice, however, that the values for the first three quarters are higher than their corresponding values for the unadjusted series, while the fourth-quarter value of the ad-

**Wages and Salaries (in Millions)
for Connecticut: 1995***

1995	Unadjusted	Adjusted
Q1	53,498	54,078
Q2	52,232	54,062
Q3	51,103	53,861
Q4	59,869	54,643

*For workers covered by Unemployment Insurance.

justed series, at \$54.6 billion, is significantly lower than that for the unadjusted series. This presumably is the result of filtering out all seasonal influences, leaving nonseasonal effects.

The Theory Behind Seasonal Adjustment

Seasonal adjustment of economic data is predicated on the idea that an observed time series can be decomposed into unobserved seasonal and nonseasonal components. The notion that a series of observations over time is composed of separate unobserved components was widely applied by seventeenth century astronomers. Today, four so-called unobserved components are familiar to the time-series analyst: the *seasonal* component (which was described above), *trend*, *cycle*, and *irregular*. The *trend* or *secular trend* is the long-term tendency of a series to rise or fall. *Cycles* are broad contractions and expansions that take place over a period of years

(not within each year). The length of time between successive peaks (or troughs) is not necessarily fixed. The familiar *expansion-recession-recovery-expansion* of the business cycle is a good example of cyclical movement encountered in economic data. The movement left over after accounting for seasonality, trend, and cycle is called the *irregular* component. Borrowing from engineering terminology, the irregular component is often called the 'noise' in the series.

Early on, there was criticism of the empirical methods now embodied in the X-11 (and recently released X-12). These methods use moving-average techniques for isolating and then removing the seasonal component. Critics proposed model-based methods as a preferred alternative to the empirical approach. Recently, there has been interest in using probabilistic models and other methods to do seasonal adjustment based on signal extraction, a concept from the field of communications engineering.

Why Seasonally Adjust Data?

A problem in using business indicators has been the difficulty of separating the underlying, more meaningful cyclical movements from other types of fluctuations. Extracting such information to determine the stage of the business cycle helps in forecasting and provides a factual basis for taking steps to moderate the business cycle. (In fact, the Federal Reserve Board has effectively removed seasonality from interest rates through monetary policy). Three main reasons for seasonal adjustment are: (1) to aid in short-term forecasting; (2) to aid in relating a time series to other time series, external events or policy variables; and (3) to achieve comparability in the series values from month to month.

Criticisms of Seasonal Adjustment

Some economists contend that the seasonal cycle is an important source of variation that should be studied in its own right, as the business cycle is. In fact, they

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maintain that the business cycle and the seasonal cycle display similar characteristics. They refer to it as the 'Seasonal Business Cycle'. Their results argue against removing seasonality from the data.

There are other problems that arise from seasonally adjusting data. Recent research suggests that seasonal adjustment may affect the results of statistical methods used to test for the presence of trends in the data. In his textbook on time-series analysis, Walter Enders warns that though a standardized procedure may be necessary for government agencies such as the U.S. Bureau of Economic Analysis (BEA), which reports hundreds of series, it may not be the best procedure for an individual modeling a single series. Further, seasonally adjusted data may still contain some residual seasonal pattern.

From an administrative and procedural point of view, problems arise from not incorporating changing seasonal effects (as depicted in

the graph), or from a mechanical process which incorporates variation not caused by seasonal phenomena, or caused by (or masked by) classification effects, into calculating seasonal factors. Changing seasonality can be mitigated somewhat by concurrent seasonal adjustment or breaking the series, or both. The monthly nonfarm employment estimates are an example of where classification effects arise. The Office of Management and Budget (OMB) ruled that those employed by the tribal councils be classified in local government. Any seasonal variation in employment specific to tribal councils or local governments, or both, is now submerged in one aggregated seasonal factor. Temporary or one-time events can result in a transitory spike in the magnitude of a seasonal factor (such as the fourth quarter 1992 spike noted earlier). However, this can be accommodated by intervention and concurrent seasonal

adjustment (which the Connecticut Labor Department does on its own series).

To Adjust or Not to Adjust?

So how does one respond to all of this? When it comes to the series that are published by the federal agencies such as BEA, we have no choice in the matter. Many economic series, such as the quarterly Personal Income series, are seasonally adjusted by BEA and other federal agencies before release to the public. For those series developed by the Connecticut Department of Labor, such as the Wages and Salaries series, *both the adjusted and unadjusted* series are forecasted and published (See page 6) in the **Connecticut Economic Digest**. While recognizing the issues discussed here are far from resolved, this follows the practice of the federal statistical agencies and adds additional data on which to track the economy in Connecticut. ■

HOUSING UPDATE

September: housing permits increase

The Connecticut Department of Economic and Community Development announced that Connecticut communities authorized 717 new housing units in September 1996, a one percent increase compared to August 1996 when 710 were authorized.

The Department further indicated that the 717 units permitted in September 1996 represent an increase of 5.8 percent from the 679 units permitted in September 1995, and that the year-to-date numbers are down 11.2 percent, from 6,385 in 1995 to 5,672 in 1996.

Reports from municipal officials throughout the state indicated that New London

County showed the greatest percentage increase in September compared to the previous month; 122 percent. Tolland County reported the greatest percentage decline; 23 percent.

New Haven County documented the largest number of new, authorized units in September with 155. Hartford County followed with 137 units and New London County had 131 units. Norwich led all Connecticut communities with 44 units, followed by Waterford with 24 and Cheshire with 21.

The permit activity figure for September included the following statewide amounts by structure type: detached single-family units, 632, attached single-family units,

4; two units structures, 2; three and four-unit structures, 21; structures containing five or more units, 58.

Year-to-date totals indicate that Hartford County has issued the most building permits through the first nine months of 1996 with 1,291, followed by New Haven County with 1,173 and Fairfield County with 1,111. Southington authorized 154 new permits during this period, followed by Waterford with 134, Shelton with 133, Rocky Hill with 131, and Wallingford with 130. ■

For more information on housing permits, see tables on pages 21-22.

North American Industry Classification System

by Doreen LeBel, Research Analyst Supervisor

The statistical agencies of Mexico, Canada and the United States are cooperating in the design of the *North American Industry Classification System (NAICS)*. This industry classification system will be used by the three countries and will replace the Standard Industrial Classification (SIC) system currently used in the United States by the Bureau of Labor Statistics and other agencies, in the development of labor force statistics and other economic indicators.

In developing NAICS, the three countries agreed that the following principles would be followed:

1. NAICS would be built on a production-oriented framework. Production units which use the identical or similar processes would be grouped together. The current SIC system groups businesses by their products and services.
2. Special attention would be given to new and emerging industries, service industries in general, and industries engaged in the production of advanced technologies.
3. Time series continuity would be maintained whenever possible. However, changes in the economy and establishing comparability between the three countries would have priority.
4. NAICS would attempt to be comparable with Revision 3 of the International Standard Industrial Classification system at the two digit level.

Structure

NAICS is a hierarchical system similar to the SIC, however it will have a six digit structure rather than the four digit SIC structure. Under NAICS there are 1,160 industries grouped into 21 Industry Sectors, as compared to 1,005 industries grouped into nine Major Industry Divisions under the SIC system. The NAICS structure is as follows:

XX	Industry Sector
XXX	Industry Subsector
XXXX	Industry Group
XXXXX	Industry
XXXXXX	Country specific industry detail*

*Identifies important industries particular to the United States

Impact of the Change

A direct match to a NAICS code will be possible for 661 current SIC industries. The remaining 344 SIC industries will be split. These split industries will affect approximately 3.6 million units, with employment of 55.5 million nationally. (An assessment of how many Connecticut employers are in split industries has not yet been made.)

It has been estimated that 511 industries will have a potential time series break. Of these, at least 256 will have breaks involving three percent or more of the units classified, with employment of 39.9 million nationally. To preserve time series continuity, the U.S. statistical agencies will develop a crosswalk to link the SIC and NAICS using the dual coded units to produce the data series using both classification systems. National time series data that will be affected include industry employment developed by the U. S.

NUMBER OF INDUSTRY CLASSES AND EMPLOYMENT AFFECTED BY TIME SERIES BREAKS

SIC Industry Division	No. of Indus. Classes*	National Employment
Agriculture	13	306,800
Mining	0	0
Construction	9	2,325,300
Manufacturing	115	6,062,900
Transp. & Public Util.	29	3,577,600
Trade	1	6,948,000
Finance, Ins. & Real Est.	41	6,308,600
Services	48	14,346,400

* Includes Government
Note: This list of industries assumes no change in the current treatment of auxiliary units and includes only those industries in which three percent or more employment is affected.

indicate the type of establishment. Under NAICS, these establishments will be classified according to the economic activities they themselves perform. For example, under the SIC system, the corporate headquarters of a manufacturing enterprise is assigned a manufacturing code with the auxiliary code for corporate headquarters. Under NAICS, this establishment would not be classified in manufacturing, but

would be classified under the NAICS sector *Management, Support and Remediation Services*.

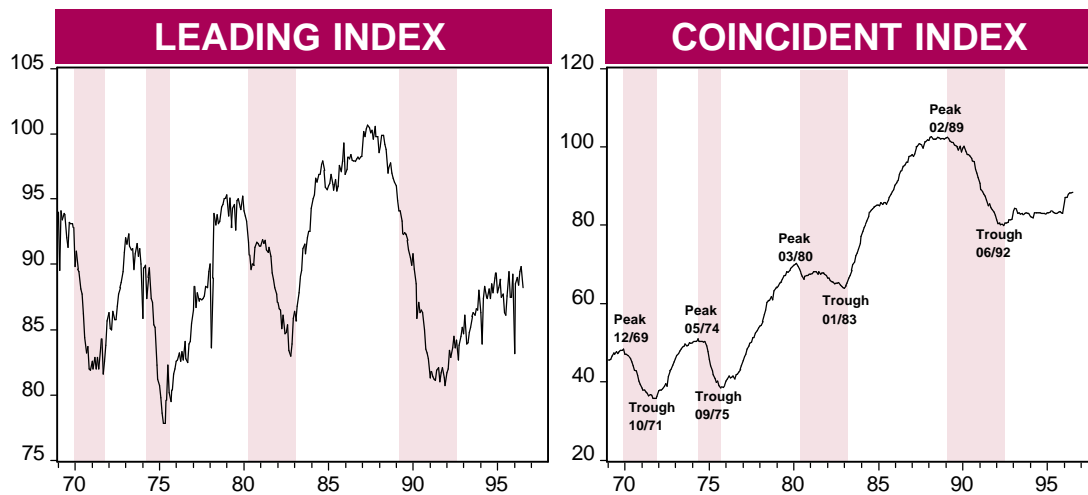
Implementation
Under one current proposal, the conversion to NAICS will be

NAICS INDUSTRY SECTORS	
1. Agriculture, Forestry, Fishing & Hunting	12. Professional, Scientific & Technical Services
2. Mining	13. Management, Support & Remediation Services
3. Utilities	14. Educational Services
4. Construction	15. Health and Social Assistance
5. Manufacturing	16. Arts, Entertainment, and Recreation
6. Wholesale Trade	17. Food Services, Drinking Places & Accommodations
7. Retail Trade	18. Other Services (Except Public Administration)
8. Transportation	19. Public Administration
9. Information	20. Funds, Trusts & Other Financial Vehicles
10. Finance and Insurance	21. Unclassifiable Establishments
11. Real Estate and Rental and Leasing	

Department of Labor, Bureau of Labor Statistics and personal income data produced by the U.S. Department of Commerce, Bureau of Economic Analysis. In Connecticut, the nonfarm employment data series will be impacted, as well as data on employment and wages covered by unemployment insurance .

In addition to the structural changes and the shift in focus to a production-based classification system, another major difference in the two coding systems is the treatment of auxiliary establishments. Under the SIC system, units that perform support functions for other establishments of an enterprise are assigned the industry classification of the establishments they support, with an auxiliary code to further

phased in over a three year period beginning in FY 1998. Approximately 1.7 million units in these split industries will be surveyed each year during FY 1998 and FY 1999 and will be dual coded using both classification systems. In FY 2000, all new businesses and non-respondents will be surveyed and NAICS codes will be applied to any remaining non-respondents. Beginning with the second quarter 2000 data, only NAICS codes will be applied. An alternate implementation schedule would complete the coding in one year, with the exclusive use of NAICS codes beginning in the second quarter 1999. Either way, both the task and the effect of conversion to NAICS will be significant. ■



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 1987=100.

Coincident index continues its upward trek

Connecticut's coincident employment index moved, once again, to its highest level in the current recovery with the release of the (preliminary) August data, having not fallen on a month-to-month basis since December 1995. The leading index, however, remained unchanged from its July level.

The coincident index, a gauge of current employment activity, rose in August, continuing its strong upward momentum that has characterized this year. This experience in 1996 follows weak upward movement in the coincident index in the early phases of the current recovery. In sum, the economy continues to climb out of the Great Recession, and has accelerated its pace in 1996. Connecticut watchers can only hope that this trek continues in the near term.

The leading index, a barometer of future employment activity, has bounced around considerably during 1996. It reached its

highest level in the current expansion in June. We shall continue to monitor the leading index closely to see if, and when, it starts a strong downward move. No such signal is yet observable in the data.

The coincident employment index rose from 83.0 in August 1995 to 88.8 in August 1996. All four index components continued to point in a positive direction on a year-over-year basis with higher nonfarm employment, higher total employment, a lower total unemployment rate, and a lower insured unemployment rate.

Let us examine the individual components a bit more closely. Over the past year, nonfarm employment, which is based on an employer survey, rose by only 1.1 percent. Total employment, which is based on a household survey, rose by 2.5 percent, however. Finally, the insured and total unemployment rates both fell over the year by 13.5 and

14.5 percent, respectively. As a result, the individual components collectively produced a 7 percent rise in the coincident index.

The leading employment index rose from 87.6 in August 1995 to 88.4 in August 1996, or somewhat below its previous peak of June 1996. Two of the five index components sent positive signals on a year-over-year basis with lower initial claims for unemployment insurance and a lower short-duration (less than 15 weeks) unemployment rate. One component sent a negative signal on a year-over-year basis with lower total housing permits. The final two components, average work week of manufacturing production workers and Hartford help wanted advertising were unchanged on a year-over-year basis. ■

Source: Connecticut Center for Economic Analysis, University of Connecticut. Developed by Pami Dua [(203) 322-3466, Stamford Campus (on leave)] and Stephen M. Miller [(860) 486-3853, Storrs Campus]. Tara Blois [(860) 486-4752, Storrs Campus] provided research support.

ECONOMIC INDICATORS OF EMPLOYMENT

Seasonally adjusted total nonfarm employment increased by 1.0 percent over the year. Services added 9,500 jobs, while the Manufacturing lost 5,000 workers.

EMPLOYMENT BY MAJOR INDUSTRY DIVISION

	SEP	SEP	CHANGE		AUG
	1996	1995	NO.	%	1996
<i>(Seasonally adjusted; 000s)</i>					
TOTAL NONFARM	1,584.9	1,569.7	15.2	1.0	1,583.6
Private Sector	1,359.2	1,344.8	14.4	1.1	1,362.8
Construction and Mining	54.9	51.3	3.6	7.0	55.2
Manufacturing	274.5	279.5	-5.0	-1.8	278.3
Transportation, Public Utilities	72.1	71.6	0.5	0.7	71.6
Wholesale, Retail Trade	346.8	340.2	6.6	1.9	348.6
Finance, Insurance & Real Estate	131.9	132.7	-0.8	-0.6	131.9
Services	479.0	469.5	9.5	2.0	477.2
Government	225.7	224.9	0.8	0.4	220.8

Source: Connecticut Department of Labor

Initial claims declined by 16.8 percent over the year, as the number of unemployed fell by 11 percent.

UNEMPLOYMENT

	SEP	SEP	CHANGE		AUG
	1996	1995	NO.	%	1996
<i>(Seasonally adjusted)</i>					
Unemployment Rate, resident (%)	4.9	5.6	-0.7	---	4.7
Labor Force, resident (000s)	1,745.5	1,707.1	38.4	2.2	1,733.6
Employed (000s)	1,660.7	1,611.7	49.0	3.0	1,652.7
Unemployed (000s)	84.9	95.4	-10.5	-11.0	81.0
Average Weekly Initial Claims	4,134	4,966	-832	-16.8	4,364
Help Wanted Index -- Htfd. (1987=100)	35	39	-4	-10.3	32
Avg. Insured Unemp. Rate (%)	2.64	3.10	-0.46	---	2.60

Source: Connecticut Department of Labor; The Conference Board

Average hourly earnings increased 2.3 percent over the year, while manufacturing output has been improving, with a 0.6 percent rise in the index over the same period (see graph on page 13).

MANUFACTURING ACTIVITY

	SEP	SEP	CHANGE		AUG
	1996	1995	NO.	%	1996
<i>(Seasonally adjusted)</i>					
Average Weekly Hours	43.1	43.2	-0.1	-0.2	42.8
Average Hourly Earnings*	\$14.10	\$13.78	\$0.32	2.3	\$14.03
Average Weekly Earnings*	\$607.71	\$595.30	\$12.41	2.1	\$596.28
Mfg. Output Index (1982=100)	119.4	118.7	0.7	0.6	121.5
Production Worker Hours (000s)*	6,961	7,090	-129	-1.8	6,811
Productivity Index (1982=100)	183.4	179.0	4.4	2.5	182.4

Source: Connecticut Department of Labor

*Not seasonally adjusted; **Less than 0.05 percent

Real personal income is forecasted to grow 2.0 percent over the year, with wages of workers covered by unemployment insurance increasing to \$55,686 million.

INCOME

	3Q*	3Q	CHANGE		2Q*
	1996	1995	NO.	%	1996
<i>(Seasonally adjusted; \$ Millions)</i>					
UI Covered Wages	\$55,686	\$53,861	\$1,825	3.4	\$55,288
Personal Income	\$105,169	\$100,391	\$4,778	4.8	\$104,020
Real Personal Income**	\$66,987	\$65,672	\$1,315	2.0	\$66,509

Source: Bureau of Economic Analysis; July 1996 release

*Forecasted by Connecticut Department of Labor

**Adjusted with Consumer Price Index -- All Urban Consumers, U.S. City Average (CPI-U)

BUSINESS ACTIVITY

	MONTH	LEVEL	Y/Y %	YEAR TO DATE		%
			CHG	1996	1995	CHG
New Housing Permits	SEP 1996	717	5.6	5,672	6,385	-11.2
Electricity Sales (mil kWh)	JUL 1996	2,445	-8.3	16,626	16,018	3.8
Retail Sales (Bil. \$)	JUL 1996	2.38	11.2	18.10	17.05	6.2
Construction Contracts						
Index (1980=100)	AUG 1996	233.5	-37.7	---	---	---
New Auto Registrations	SEP 1996	14,420	7.5	139,045	137,563	1.1
Air Cargo Tons	AUG 1996	11,276	4.3	80,788	72,639	11.2

Sources: 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

Although down in July from last year, electricity sales for 1996 to date were higher than in 1995 by 3.8 percent. Retail sales in July were higher by 11.2 percent over July a year ago.

BUSINESS STARTS AND TERMINATIONS

	SEP 1996	% CHANGE		YEAR TO DATE		
		M/M	Y/Y	NO.	% CHG	
STARTS						
Secretary of the State	1,100	-16.5	5.1	11,499	12.3	
Department of Labor	575	-50.3	-20.9	8,040	5.4	
TERMINATIONS						
Secretary of the State	237	-1.3	4.4	1,885	6.4	
Department of Labor	641	-22.5	-16.0	10,017	5.4	

Sources: Connecticut Secretary of the State -- corporations and other legal entities
Connecticut Department of Labor -- unemployment insurance program registrations

Business starts in 1996 are outpacing terminations recorded with the Secretary of the State by almost 10,000.

STATE TAX COLLECTIONS

(Millions of dollars)	SEP 1996	SEP 1995	% CHG	FISCAL YEAR TOTALS		
				1996-97	1995-96	% CHG
TOTAL ALL TAXES*	666.1	641.4	3.9	1,174.3	1,111.3	5.7
Corporate Tax	80.0	92.4	-13.4	87.3	101.0	-13.6
Personal Income Tax	271.4	249.6	8.7	449.2	419.7	7.0
Real Estate Conv. Tax	6.1	4.7	1.4	20.0	17.8	12.4
Sales & Use Tax	190.7	179.9	6.0	391.4	356.9	9.7

Source: Connecticut Department of Revenue Services

*Includes all sources of tax revenue; Only selected taxes are displayed.

Cumulative tax collections were up by 5.7 percent from last year, with the largest percentage increase in the real estate conveyance component among taxes displayed here. The reduction in corporate tax collections was primarily a reflection of tax rate declines and certain credits.

TOURISM AND TRAVEL

	MONTH	LEVEL	Y/Y %	YEAR TO DATE		%
			CHG	1996	1995	CHG
Tourism Inquiries	SEP 1996	21,601	29.6	336,432	293,717	14.5
Info Center Visitors	SEP 1996	56,865	-34.4	411,018	417,045	-1.4
Major Attraction Visitors	SEP 1996	124,971	-17.5	1,492,925	1,646,918	-9.4
Hotel-Motel Occupancy	SEP 1996	80.0	1.4	70.4	69.5	1.3
Air Passenger Count	AUG 1996	478,607	4.9	3,667,621	3,429,440	6.9

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

The number of tourism inquiries were up by 14.5 percent through September this year, and air passenger travel remained strong, up 6.9 percent.

Compensation costs for the Northeast region rose 2.5 percent over the year, while the nation's increased by 2.9 percent.

EMPLOYMENT COST INDEX

Private Industry Workers (June 1989=100)	Seasonally Adjusted			Not Seasonally Adjusted		
	SEP 1996	JUN 1996	3-Mo % Chg	SEP 1996	SEP 1995	12-Mo % Chg
UNITED STATES TOTAL	129.6	128.8	0.6	129.8	126.2	2.9
Wages and Salaries	126.4	125.6	0.6	126.5	122.4	3.3
Benefit Costs	137.8	136.9	0.7	138.1	135.6	1.8
NORTHEAST TOTAL	---	---	---	130.6	127.4	2.5
Wages and Salaries	---	---	---	127.0	123.1	3.2

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

New England consumer confidence climbed another 19.5 percent since last month; however, it showed a significant 64.3 percent gain over a year ago.

CONSUMER NEWS

(Not seasonally adjusted)	SEP 1996	AUG 1996	SEP 1995	% CHG	
				M/M	Y/Y
CONSUMER PRICE INDEX (1982-1984=100)					
<i>All Urban Consumers</i>					
U.S. City Average	157.8	157.3	153.2	0.3	3.0
Northeast Region	164.6	164.0	160.0	0.4	2.9
NY-Northern NJ-Long Island	168.2	167.2	163.2	0.6	3.1
Boston-Lawrence-Salem*	163.5	---	158.6	---	3.1
<i>Urban Wage Earners and Clerical Workers</i>					
U.S. City Average	155.1	154.5	150.6	0.4	3.0
CONSUMER CONFIDENCE (1985=100)					
U.S.	111.8	109.4	97.3	2.2	14.9
New England	98.6	82.5	60.0	19.5	64.3

*The Boston CPI can be used as a proxy for New England and is measured every other month.

Sources: U.S. Department of Labor, Bureau of Labor Statistics, The Conference Board

The Prime rate was lower by half a percentage point from last year, while the mortgage rate jumped up to 8.23 percent over the same period.

INTEREST RATES

(Percent)	SEP 1996	AUG 1996	SEP 1995
Prime	8.25	8.25	8.75
Federal Funds	5.30	5.22	5.80
3 Month Treasury Bill	5.15	5.09	5.26
6 Month Treasury Bill	5.29	5.17	5.28
1 Year Treasury Bill	5.83	5.67	5.62
3 Year Treasury Bill	6.41	6.21	5.89
5 Year Treasury Bond	6.60	6.39	6.00
7 Year Treasury Bond	6.73	6.52	6.13
10 Year Treasury Bond	6.83	6.64	6.20
30 Year Treasury Bond	7.03	6.84	6.55
Conventional Mortgage	8.23	8.00	7.64

Sources: Federal Reserve; Federal Home Loan Mortgage Corp.

NONFARM EMPLOYMENT

	SEP	SEP	CHANGE		AUG
	1996	1995	NO.	%	1996
<i>(Seasonally adjusted; 000s)</i>					
Connecticut	1,584.9	1,569.7	15.2	1.0	1,583.6
Maine	543.4	542.8	0.6	0.1	542.2
Massachusetts	3,030.9	2,990.8	40.1	1.3	3,028.9
New Hampshire	546.9	542.8	4.1	0.8	550.1
New Jersey	3,647.0	3,617.0	30.0	0.8	3,643.1
New York	7,944.8	7,879.2	65.6	0.8	7,934.5
Pennsylvania	5,279.3	5,254.0	25.3	0.5	5,288.3
Rhode Island	444.0	442.7	1.3	0.3	443.5
Vermont	276.5	271.0	5.5	2.0	275.1
United States	119,989.0	117,623.0	2,366.0	2.0	120,029.0

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

Among the states in the northeast, Vermont had the fastest job growth, equalling the nation's growth at 2.0 percent over the year.

LABOR FORCE

	SEP	SEP	CHANGE		AUG
	1996	1995	NO.	%	1996
<i>(Seasonally adjusted; 000s)</i>					
Connecticut	1,745.5	1,707.1	38.4	2.2	1,733.6
Maine	671.6	651.9	19.7	3.0	667.0
Massachusetts	3,175.0	3,167.9	7.1	0.2	3,166.0
New Hampshire	631.8	633.6	-1.8	-0.3	625.2
New Jersey	4,098.8	4,074.1	24.7	0.6	4,095.0
New York	8,584.4	8,481.4	103.0	1.2	8,580.5
Pennsylvania	5,875.0	5,838.3	36.7	0.6	5,898.9
Rhode Island	492.7	483.6	9.1	1.9	492.9
Vermont	326.6	320.3	6.3	2.0	325.4
United States	134,340.0	132,501.0	1,839.0	1.4	133,885.0

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

Connecticut's labor force grew by 2.2 percent over the year, which was second to Maine.

UNEMPLOYMENT RATES

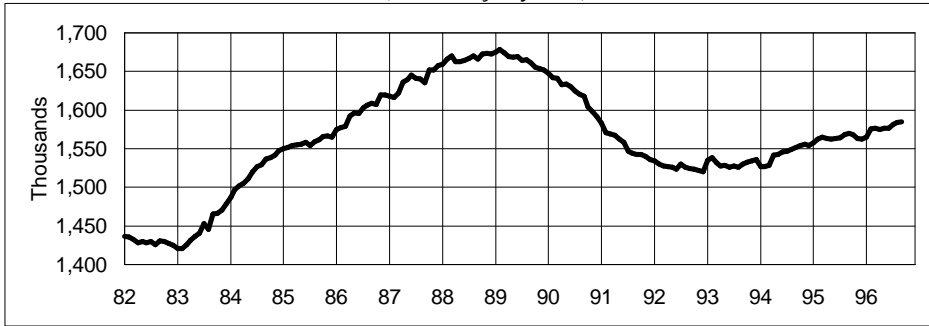
	SEP	SEP	CHANGE	AUG
	1996	1995		1996
<i>(Seasonally adjusted)</i>				
Connecticut	4.9	5.6	-0.7	4.7
Maine	5.1	5.7	-0.6	5.5
Massachusetts	4.2	5.3	-1.1	4.0
New Hampshire	4.3	4.1	0.2	3.8
New Jersey	6.2	6.4	-0.2	6.1
New York	5.9	6.4	-0.5	6.1
Pennsylvania	5.0	5.9	-0.9	5.3
Rhode Island	5.1	7.1	-2.0	5.2
Vermont	4.4	4.3	0.1	4.3
United States	5.2	5.6	-0.4	5.1

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

Connecticut's unemployment rate, 4.9 percent, was well below the national level of 5.2 percent. Rhode Island's unemployment rate took the largest dip, falling by a full two percentage points over the year.

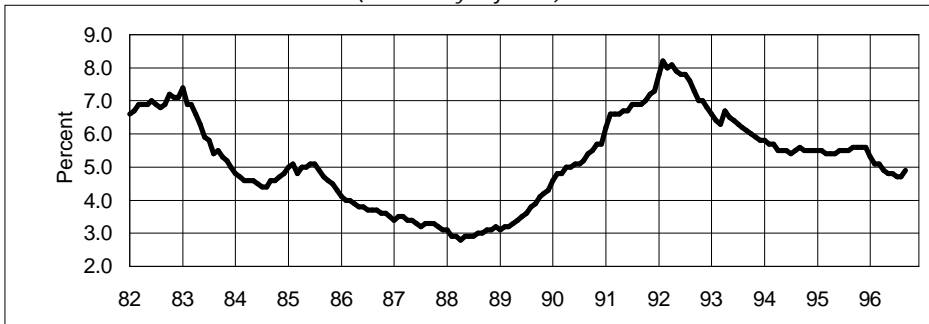
ECONOMIC INDICATOR TRENDS

NONFARM EMPLOYMENT (Seasonally adjusted)



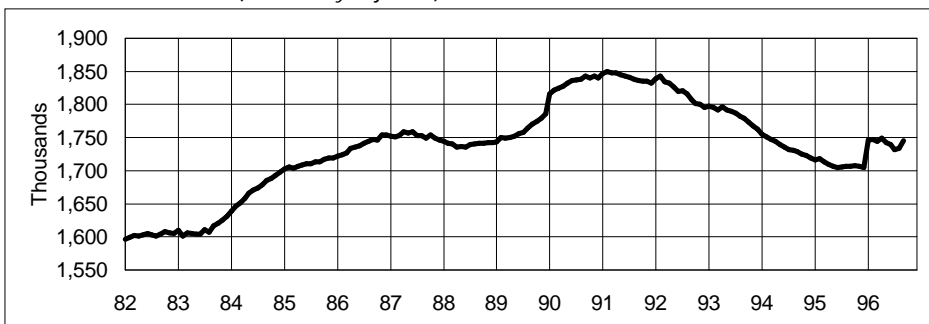
Month	1994	1995	1996
Jan	1,526.7	1,557.6	1,565.2
Feb	1,526.4	1,562.4	1,576.1
Mar	1,528.8	1,565.1	1,576.8
Apr	1,541.8	1,563.5	1,575.0
May	1,542.7	1,562.4	1,576.5
Jun	1,545.5	1,562.9	1,576.5
Jul	1,546.3	1,564.5	1,581.3
Aug	1,549.3	1,568.1	1,583.6
Sep	1,551.8	1,569.7	1,584.9
Oct	1,554.2	1,568.0	
Nov	1,556.0	1,563.1	
Dec	1,554.2	1,562.7	

UNEMPLOYMENT RATE (Seasonally adjusted)



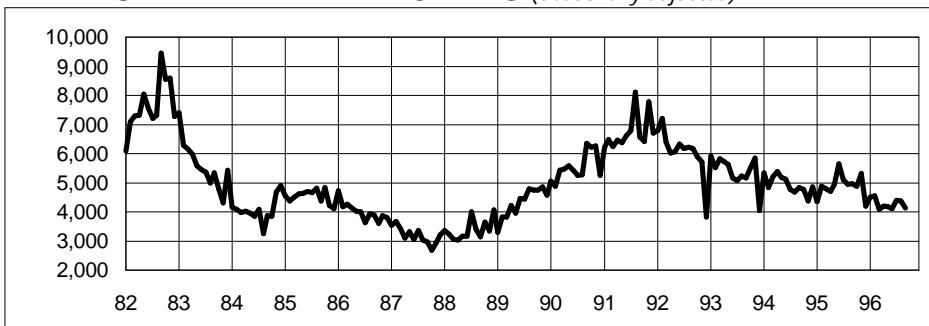
Month	1994	1995	1996
Jan	5.8	5.5	5.3
Feb	5.7	5.5	5.1
Mar	5.7	5.4	5.1
Apr	5.5	5.4	4.9
May	5.5	5.4	4.8
Jun	5.5	5.5	4.8
Jul	5.4	5.5	4.7
Aug	5.5	5.5	4.7
Sep	5.6	5.6	4.9
Oct	5.5	5.6	
Nov	5.5	5.6	
Dec	5.5	5.6	

LABOR FORCE (Seasonally adjusted)



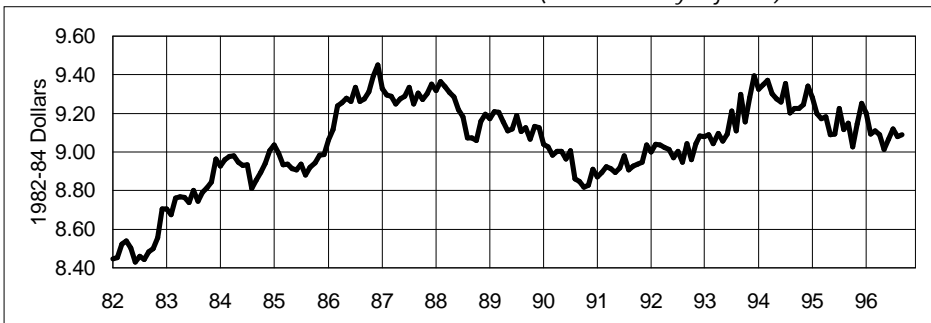
Month	1994	1995	1996
Jan	1,755.0	1,716.6	1,746.1
Feb	1,750.9	1,717.9	1,747.3
Mar	1,747.6	1,713.9	1,744.2
Apr	1,744.3	1,709.8	1,748.9
May	1,739.9	1,706.8	1,742.8
Jun	1,735.6	1,704.9	1,739.4
Jul	1,731.6	1,706.0	1,731.8
Aug	1,730.4	1,706.9	1,733.6
Sep	1,728.5	1,707.1	1,745.5
Oct	1,725.2	1,707.6	
Nov	1,722.8	1,707.0	
Dec	1,719.6	1,704.7	

AVERAGE WEEKLY INITIAL CLAIMS (Seasonally adjusted)



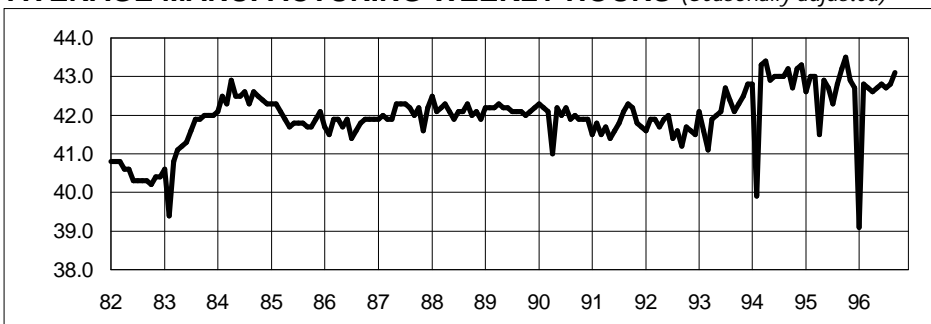
Month	1994	1995	1996
Jan	5,346	4,362	4,510
Feb	4,846	4,884	4,551
Mar	5,213	4,788	4,080
Apr	5,375	4,714	4,204
May	5,185	4,955	4,169
Jun	5,130	5,642	4,111
Jul	4,778	5,098	4,404
Aug	4,678	4,951	4,364
Sep	4,827	4,966	4,134
Oct	4,769	4,873	
Nov	4,375	5,324	
Dec	4,853	4,197	

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



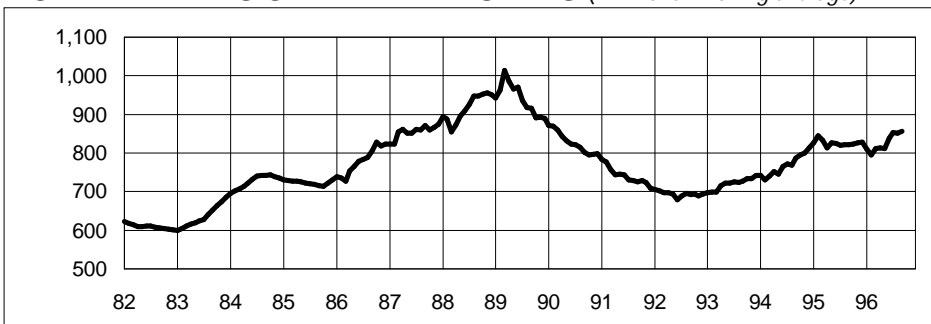
Month	1994	1995	1996
Jan	\$9.32	\$9.28	\$9.20
Feb	9.35	9.20	9.09
Mar	9.37	9.17	9.11
Apr	9.30	9.18	9.09
May	9.28	9.09	9.01
Jun	9.26	9.09	9.07
Jul	9.36	9.23	9.12
Aug	9.20	9.11	9.08
Sep	9.22	9.15	9.09
Oct	9.22	9.03	
Nov	9.25	9.15	
Dec	9.34	9.25	

AVERAGE MANUFACTURING WEEKLY HOURS *(Seasonally adjusted)*



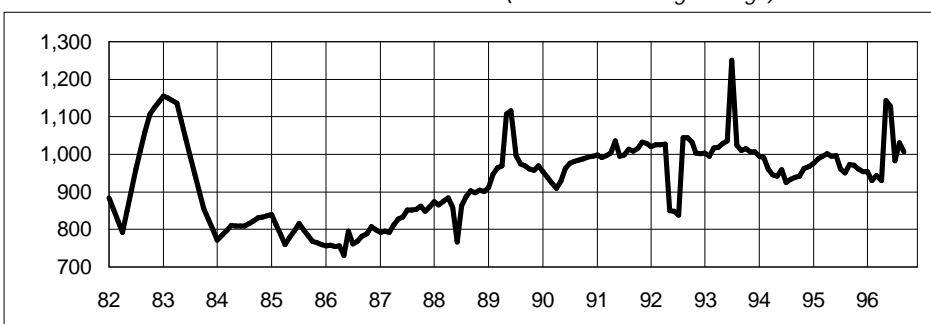
Month	1994	1995	1996
Jan	42.8	42.6	39.1
Feb	39.9	43.0	42.8
Mar	43.3	43.0	42.7
Apr	43.4	41.5	42.6
May	42.9	42.9	42.7
Jun	43.0	42.7	42.8
Jul	43.0	42.3	42.7
Aug	43.0	42.8	42.8
Sep	43.2	43.2	43.1
Oct	42.7	43.5	
Nov	43.2	42.9	
Dec	43.3	42.7	

DOL NEWLY REGISTERED EMPLOYERS *(12-month moving average)*



Month	1994	1995	1996
Jan	620	839	650
Feb	1,032	892	1,108
Mar	1,047	805	813
Apr	665	842	824
May	1,051	1,015	1,332
Jun	777	716	892
Jul	670	693	688
Aug	1,089	1,098	1,158
Sep	709	727	575
Oct	676	718	
Nov	961	979	
Dec	617	396	

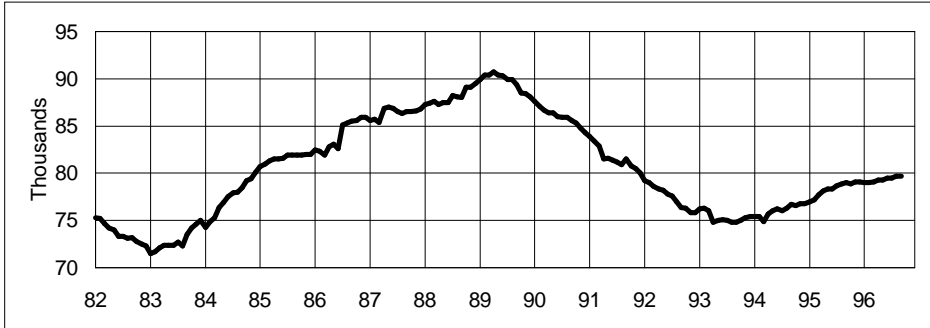
DOL DISCONTINUED EMPLOYERS *(12-month moving average)*



Month	1994	1995	1996
Jan	673	827	554
Feb	607	684	835
Mar	792	863	707
Apr	900	829	3,390
May	1,152	1,168	984
Jun	2,920	2,486	738
Jul	868	754	1,341
Aug	868	1,129	827
Sep	781	763	641
Oct	798	669	
Nov	798	715	
Dec	554	553	

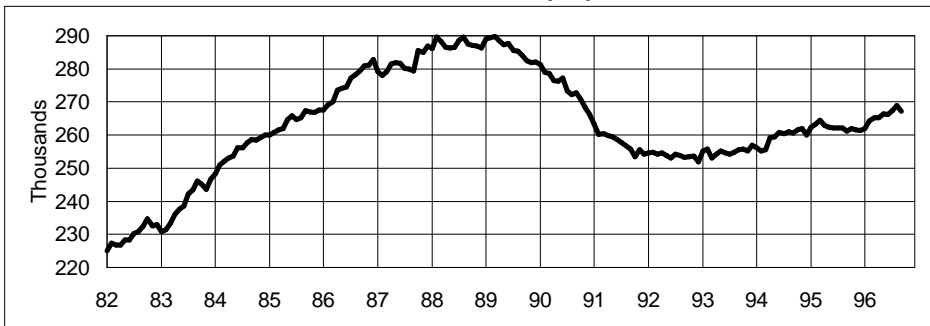
ECONOMIC INDICATOR TRENDS

WHOLESALE TRADE EMPLOYMENT *(Seasonally adjusted)*



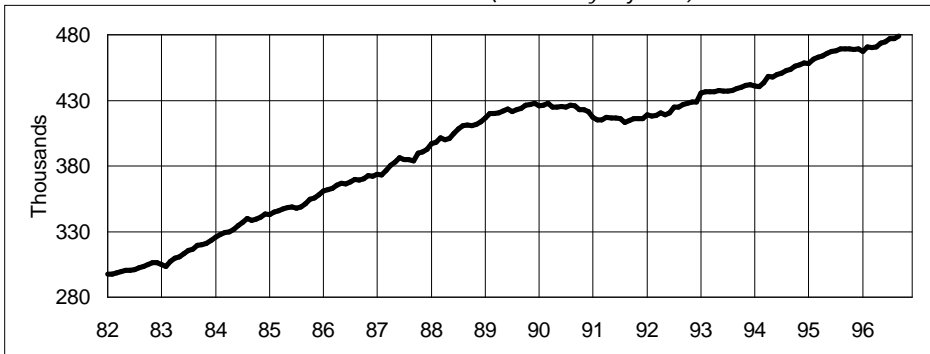
Month	1994	1995	1996
Jan	75.4	77.0	79.0
Feb	75.4	77.2	79.0
Mar	74.9	77.7	79.1
Apr	75.7	78.1	79.3
May	76.0	78.3	79.3
Jun	76.2	78.3	79.5
Jul	76.0	78.7	79.5
Aug	76.3	78.9	79.7
Sep	76.7	79.0	79.7
Oct	76.6	78.9	
Nov	76.8	79.1	
Dec	76.8	79.1	

RETAIL TRADE EMPLOYMENT *(Seasonally adjusted)*



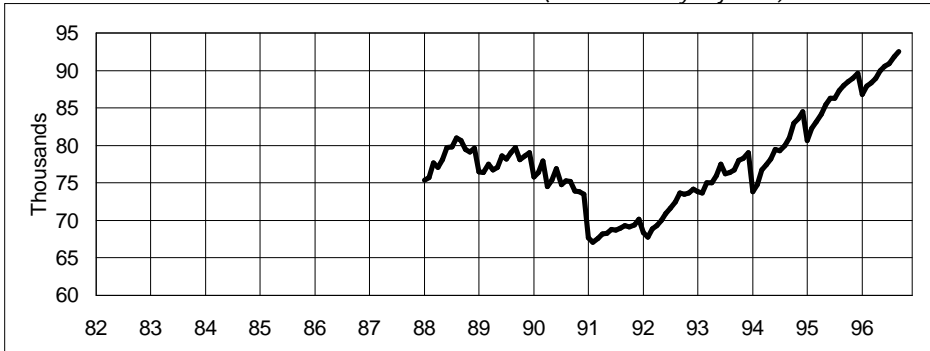
Month	1994	1995	1996
Jan	256.1	262.3	262.0
Feb	255.1	263.4	264.3
Mar	255.6	264.4	265.2
Apr	259.3	263.0	265.2
May	259.4	262.3	266.4
Jun	260.8	262.2	266.3
Jul	260.5	262.1	267.4
Aug	260.9	262.2	268.9
Sep	260.6	261.2	267.1
Oct	261.5	261.9	
Nov	261.9	261.6	
Dec	260.1	261.4	

TOTAL SERVICES EMPLOYMENT *(Seasonally adjusted)*



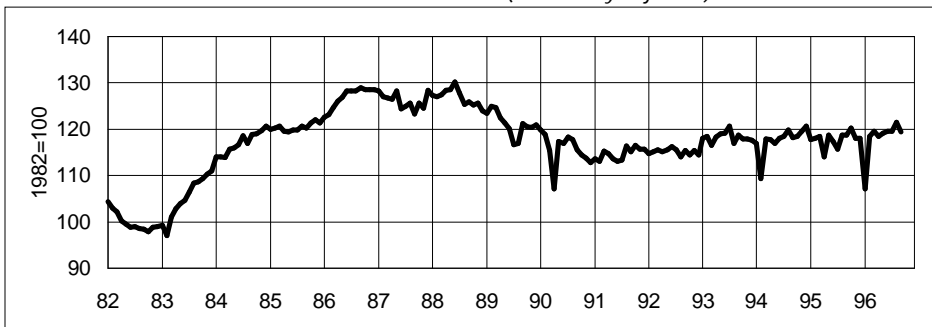
Month	1994	1995	1996
Jan	441.1	458.1	467.5
Feb	440.4	461.3	470.8
Mar	443.3	463.0	470.2
Apr	448.4	464.1	470.5
May	447.9	465.9	473.6
Jun	449.6	467.3	474.8
Jul	450.5	468.0	477.1
Aug	452.5	469.2	477.2
Sep	453.7	469.5	479.0
Oct	455.9	469.1	
Nov	457.2	468.7	
Dec	458.3	469.1	

BUSINESS SERVICES EMPLOYMENT *(Not seasonally adjusted)*



Month	1994	1995	1996
Jan	73.8	80.7	86.8
Feb	74.8	82.3	87.9
Mar	76.7	83.1	88.3
Apr	77.4	84.2	88.9
May	78.2	85.4	90.0
Jun	79.5	86.3	90.6
Jul	79.3	86.3	90.9
Aug	80.0	87.3	91.8
Sep	81.0	88.0	92.5
Oct	83.0	88.5	
Nov	83.6	88.9	
Dec	84.5	89.6	

MANUFACTURING OUTPUT INDEX *(Seasonally adjusted)*



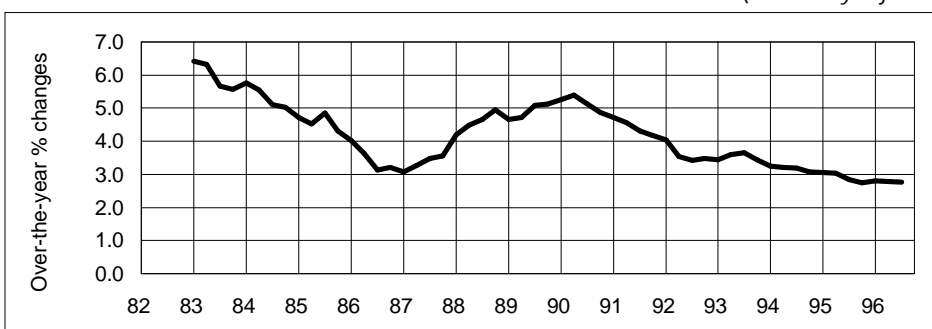
Month	1994	1995	1996
Jan	116.9	117.8	107.1
Feb	109.4	118.0	118.5
Mar	117.9	118.4	119.5
Apr	117.7	114.0	118.5
May	116.9	118.7	119.2
Jun	118.1	117.3	119.6
Jul	118.5	115.7	119.5
Aug	119.9	118.7	121.5
Sep	118.2	118.7	119.4
Oct	118.4	120.3	
Nov	119.6	118.1	
Dec	120.6	118.0	

AVERAGE INSURED UNEMPLOYMENT RATE *(Seasonally adjusted)*



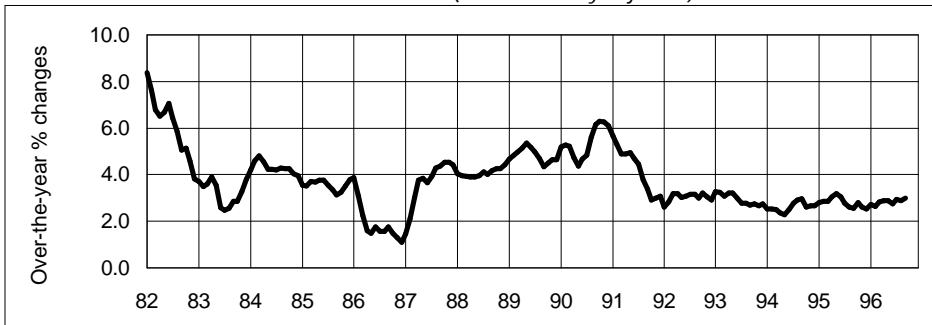
Month	1994	1995	1996
Jan	3.64	3.15	3.25
Feb	3.49	3.25	3.24
Mar	3.49	3.11	3.01
Apr	3.54	3.10	2.76
May	3.34	3.02	2.74
Jun	3.33	2.95	2.70
Jul	3.38	3.26	2.59
Aug	3.24	2.98	2.60
Sep	3.29	3.10	2.64
Oct	3.44	3.10	
Nov	3.24	3.02	
Dec	3.16	3.13	

U.S. EMPLOYMENT COST INDEX - CIVILIAN TOTAL *(Seasonally adjusted)*



Quarter	1994	1995	1996
First	121.0	124.7	128.2
Second	122.0	125.7	129.2
Third	123.0	126.5	130.0
Fourth	123.8	127.5	

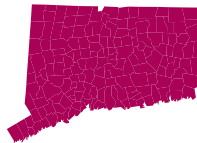
U.S. CONSUMER PRICE INDEX *(Not seasonally adjusted)*



Month	1994	1995	1996
Jan	146.2	150.3	154.4
Feb	146.7	150.9	154.9
Mar	147.2	151.4	155.7
Apr	147.4	151.9	156.3
May	147.5	152.2	156.6
Jun	148.0	152.5	156.7
Jul	148.4	152.5	157.0
Aug	149.0	152.9	157.3
Sep	149.4	153.2	157.8
Oct	149.5	153.7	
Nov	149.7	153.6	
Dec	149.7	153.5	

NONFARM EMPLOYMENT ESTIMATES

CONNECTICUT



(Not seasonally adjusted)

	SEP	SEP	CHANGE		AUG
	1996	1995	NO.	%	1996
TOTAL NONFARM EMPLOYMENT	1,589,500 *	1,574,100 *	15,400	1.0	1,571,200 *
GOODS PRODUCING INDUSTRIES	334,500 *	335,900 *	-1,400	-0.4	335,200 *
CONSTRUCTION & MINING	58,500	54,900	3,600	6.6	60,000
MANUFACTURING	276,000 *	281,000 *	-5,000	-1.8	275,200 *
Durable	193,400	197,500	-4,100	-2.1	192,500
Lumber & Furniture	4,700	4,700	0	0.0	4,700
Stone, Clay & Glass	2,800	2,800	0	0.0	2,800
Primary Metals	9,300	9,400	-100	-1.1	9,200
Fabricated Metals	34,400	34,800	-400	-1.1	34,000
Machinery & Computer Equipment	35,100	35,300	-200	-0.6	34,700
Electronic & Electrical Equipment	27,700	27,900	-200	-0.7	27,700
Transportation Equipment	50,700	52,900	-2,200	-4.2	50,800
Instruments	22,200	23,000	-800	-3.5	22,000
Miscellaneous Manufacturing	6,500	6,700	-200	-3.0	6,600
Nondurable	82,600 *	83,500 *	-900	-1.1	82,700 *
Food	9,200	9,500	-300	-3.2	9,300
Textiles	2,300	2,400	-100	-4.2	2,200
Apparel	4,900	5,200	-300	-5.8	4,800
Paper	8,000	8,200	-200	-2.4	8,100
Printing & Publishing	25,300	25,100	200	0.8	25,300
Chemicals	19,900 *	20,200 *	-300	-1.5	20,100 *
Rubber & Plastics	10,800	11,000	-200	-1.8	10,700
Other Nondurable Manufacturing	2,200	1,900	300	15.8	2,200
SERVICE PRODUCING INDUSTRIES	1,255,000 *	1,238,200 *	16,800	1.4	1,236,000 *
TRANS., COMM. & UTILITIES	72,700	72,300	400	0.6	69,800
Transportation	42,600	42,000	600	1.4	39,800
Motor Freight & Warehousing	16,100	16,100	0	0.0	16,100
Other Transportation	26,500	26,000	500	1.9	23,700
Communications	17,500	17,300	200	1.2	17,400
Utilities	12,600	13,000	-400	-3.1	12,600
TRADE	348,100 *	341,600 *	6,500	1.9	348,600 *
Wholesale	79,900 *	79,200 *	700	0.9	79,700 *
Retail	268,200	262,400	5,800	2.2	268,900
General Merchandise	29,800	27,100	2,700	10.0	30,000
Food Stores	50,200	48,700	1,500	3.1	50,800
Auto Dealers & Gas Stations	27,200	26,800	400	1.5	27,400
Restaurants	77,700	77,000	700	0.9	77,900
Other Retail Trade	83,300	82,800	500	0.6	82,800
FINANCE, INS. & REAL ESTATE	131,900	132,700	-800	-0.6	133,100
Finance	47,400	46,300	1,100	2.4	47,700
Banking	26,600	26,400	200	0.8	27,000
Insurance	69,500	72,000	-2,500	-3.5	70,100
Insurance Carriers	58,700	61,100	-2,400	-3.9	59,300
Real Estate	15,000	14,400	600	4.2	15,300
SERVICES	480,100	470,400 *	9,700	2.1	478,200
Hotels & Lodging Places	11,200	10,800	400	3.7	12,000
Personal Services	17,400	17,100	300	1.8	17,300
Business Services	92,500	88,000	4,500	5.1	91,800
Health Services	155,200	153,000	2,200	1.4	154,700
Legal & Professional Services	46,800	46,800	0	0.0	46,900
Educational Services	39,900	39,800	100	0.3	34,400
Other Services	117,100	114,900 *	2,200	1.9	121,100
GOVERNMENT	222,200	221,200	1,000	0.5	206,300
Federal	22,700	23,900	-1,200	-5.0	22,800
**State, Local & Other Government	199,500	197,300	2,200	1.1	183,500

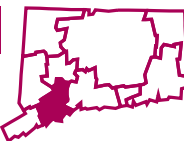
For further information contact Lincoln Dyer at (860) 566-3470.

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 1995.

*Total excludes workers idled due to labor-management disputes. **Includes Indian casinos employment.

NONFARM EMPLOYMENT ESTIMATES

BRIDGEPORT LMA

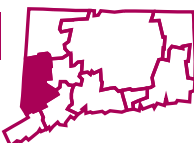


(Not seasonally adjusted)

	SEP	SEP	CHANGE		AUG
	1996	1995	NO.	%	1996
TOTAL NONFARM EMPLOYMENT	180,300	179,800	500	0.3	178,600
GOODS PRODUCING INDUSTRIES	46,700	47,300	-600	-1.3	46,700
CONSTRUCTION & MINING	6,400	5,700	700	12.3	6,400
MANUFACTURING	40,300	41,600	-1,300	-3.1	40,300
Durable Goods	32,400	33,500	-1,100	-3.3	32,400
Fabricated Metals	4,300	4,400	-100	-2.3	4,300
Industrial Machinery	6,200	6,100	100	1.6	6,200
Electronic Equipment	5,900	5,800	100	1.7	5,800
Transportation Equipment	9,800	10,700	-900	-8.4	9,900
Nondurable Goods	7,900	8,100	-200	-2.5	7,900
Printing & Publishing	2,400	2,600	-200	-7.7	2,400
SERVICE PRODUCING INDUSTRIES	133,600	132,500	1,100	0.8	131,900
TRANS., COMM. & UTILITIES	7,300	7,300	0	0.0	7,200
TRADE	40,000	40,000	0	0.0	39,700
Wholesale	9,400	9,600	-200	-2.1	9,300
Retail	30,600	30,400	200	0.7	30,400
FINANCE, INS. & REAL ESTATE	9,700	9,900	-200	-2.0	9,700
SERVICES	56,100	55,500	600	1.1	56,400
Business Services	11,100	11,200	-100	-0.9	11,000
Health Services	19,400	19,500	-100	-0.5	19,500
GOVERNMENT	20,500	19,800	700	3.5	18,900
Federal	1,900	1,900	0	0.0	1,900
State & Local	18,600	17,900	700	3.9	17,000

For further information on the Bridgeport Labor Market Area contact Arthur Famiglietti at (860) 566-3472.

DANBURY LMA



(Not seasonally adjusted)

	SEP	SEP	CHANGE		AUG
	1996	1995	NO.	%	1996
TOTAL NONFARM EMPLOYMENT	81,900	83,300	-1,400	-1.7	80,500
GOODS PRODUCING INDUSTRIES	22,100	22,700	-600	-2.6	22,100
CONSTRUCTION & MINING	3,000	3,200	-200	-6.3	3,000
MANUFACTURING	19,100	19,500	-400	-2.1	19,100
Durable Goods	9,900	10,100	-200	-2.0	9,800
Machinery & Electric Equipment	5,200	5,100	100	2.0	5,200
Instruments	2,600	2,800	-200	-7.1	2,600
Nondurable Goods	9,200	9,400	-200	-2.1	9,300
Printing & Publishing	2,700	2,600	100	3.8	2,600
Chemicals	3,600	3,600	0	0.0	3,700
SERVICE PRODUCING INDUSTRIES	59,800	60,600	-800	-1.3	58,400
TRANS., COMM. & UTILITIES	3,300	3,200	100	3.1	2,900
TRADE	20,800	21,800	-1,000	-4.6	21,000
Wholesale	3,900	4,000	-100	-2.5	3,900
Retail	16,900	17,800	-900	-5.1	17,100
FINANCE, INS. & REAL ESTATE	3,600	3,600	0	0.0	3,500
SERVICES	23,100	23,200	-100	-0.4	23,300
GOVERNMENT	9,000	8,800	200	2.3	7,700
Federal	800	800	0	0.0	800
State & Local	8,200	8,000	200	2.5	6,900

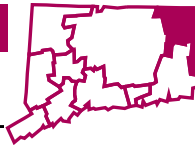
For further information on the Danbury Labor Market Area contact Arthur Famiglietti at (860) 566-3472.

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 1995.

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

NONFARM EMPLOYMENT ESTIMATES

DANIELSON LMA



(Not seasonally adjusted)

	SEP	SEP	CHANGE		AUG
	1996	1995	NO.	%	1996
TOTAL NONFARM EMPLOYMENT	20,600	20,400	200	1.0	20,200
GOODS PRODUCING INDUSTRIES	6,900	7,100	-200	-2.8	6,800
CONSTRUCTION & MINING	1,200	1,000	200	20.0	1,100
MANUFACTURING	5,700	6,100	-400	-6.6	5,700
Durable Goods	2,700	2,800	-100	-3.6	2,700
Nondurable Goods	3,000	3,300	-300	-9.1	3,000
SERVICE PRODUCING INDUSTRIES	13,700	13,300	400	3.0	13,400
TRANS., COMM. & UTILITIES	400	400	0	0.0	400
TRADE	5,500	5,000	500	10.0	5,400
Wholesale	700	700	0	0.0	700
Retail	4,800	4,300	500	11.6	4,700
FINANCE, INS. & REAL ESTATE	500	500	0	0.0	500
SERVICES	4,400	4,400	0	0.0	4,400
GOVERNMENT	2,900	3,000	-100	-3.3	2,700
Federal	100	100	0	0.0	100
State & Local	2,800	2,900	-100	-3.4	2,600

For further information on the Danielson Labor Market Area contact Joseph Slepski at (860) 566-7823.

HARTFORD LMA



(Not seasonally adjusted)

	SEP	SEP	CHANGE		AUG
	1996	1995	NO.	%	1996
TOTAL NONFARM EMPLOYMENT	585,600	588,500	-2,900	-0.5	576,700
GOODS PRODUCING INDUSTRIES	112,200	111,900	300	0.3	111,500
CONSTRUCTION & MINING	22,000	21,600	400	1.9	22,400
MANUFACTURING	90,200	90,300	-100	-0.1	89,100
Durable Goods	70,800	70,500	300	0.4	70,000
Primary & Fabricated Metals	17,100	17,200	-100	-0.6	16,700
Industrial Machinery	14,800	14,900	-100	-0.7	14,600
Electronic Equipment	6,100	6,100	0	0.0	6,100
Transportation Equipment	24,800	24,200	600	2.5	24,600
Nondurable Goods	19,400	19,800	-400	-2.0	19,100
Printing & Publishing	7,800	7,900	-100	-1.3	7,800
SERVICE PRODUCING INDUSTRIES	473,400	476,600	-3,200	-0.7	465,200
TRANS., COMM. & UTILITIES	25,400	25,000	400	1.6	23,700
Transportation	15,500	15,400	100	0.6	13,900
Communications & Utilities	9,900	9,600	300	3.1	9,800
TRADE	121,100	123,200	-2,100	-1.7	120,900
Wholesale	29,600	28,800	800	2.8	29,600
Retail	91,500	94,400	-2,900	-3.1	91,300
FINANCE, INS. & REAL ESTATE	70,900	73,100	-2,200	-3.0	71,600
Deposit & Nondeposit Institutions	11,900	11,800	100	0.8	12,100
Insurance Carriers	47,200	49,200	-2,000	-4.1	47,700
SERVICES	159,300	159,300	0	0.0	159,200
Health Services	57,000	57,200	-200	-0.3	56,700
GOVERNMENT	96,700	96,000	700	0.7	89,800
Federal	8,700	8,800	-100	-1.1	8,700
State & Local	88,000	87,200	800	0.9	81,100

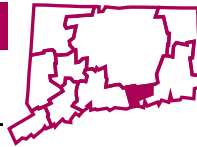
For further information on the Hartford Labor Market Area contact Arthur Famiglietti at (860) 566-3472.

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

NONFARM EMPLOYMENT ESTIMATES

LOWER RIVER LMA

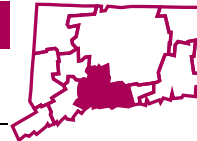


(Not seasonally adjusted)

	SEP	SEP	CHANGE		AUG
	1996	1995	NO.	%	1996
TOTAL NONFARM EMPLOYMENT	9,300	9,200	100	1.1	9,700
GOODS PRODUCING INDUSTRIES	3,100	3,300	-200	-6.1	3,300
CONSTRUCTION & MINING	400	400	0	0.0	400
MANUFACTURING	2,700	2,900	-200	-6.9	2,900
Durable Goods	2,000	2,200	-200	-9.1	2,200
Electronic Equipment	700	800	-100	-12.5	800
Other Durable Goods	1,300	1,400	-100	-7.1	1,400
Nondurable Goods	700	700	0	0.0	700
Rubber & Plastics	300	300	0	0.0	300
Other Nondurable Goods	400	400	0	0.0	400
SERVICE PRODUCING INDUSTRIES	6,200	5,900	300	5.1	6,400
TRANS., COMM. & UTILITIES	400	400	0	0.0	400
TRADE	2,100	1,700	400	23.5	2,200
Wholesale	300	300	0	0.0	300
Retail	1,800	1,400	400	28.6	1,900
FINANCE, INS. & REAL ESTATE	300	300	0	0.0	300
SERVICES	2,500	2,700	-200	-7.4	2,700
GOVERNMENT	900	800	100	12.5	800
Federal	0	0	0	0.0	0
State & Local	900	800	100	12.5	800

For further information on the Lower River Labor Market Area contact Joseph Slepski at (860) 566-7823.

NEW HAVEN LMA



(Not seasonally adjusted)

	SEP	SEP	CHANGE		AUG
	1996	1995	NO.	%	1996
TOTAL NONFARM EMPLOYMENT	242,300 *	242,600 *	-300	-0.1	243,200 *
GOODS PRODUCING INDUSTRIES	49,000	48,800	200	0.4	49,500
CONSTRUCTION & MINING	9,300	8,300	1,000	12.0	9,900
MANUFACTURING	39,700	40,500	-800	-2.0	39,600
Durable Goods	25,300	25,900	-600	-2.3	25,300
Primary & Fabricated Metals	7,100	7,300	-200	-2.7	7,000
Electronic Equipment	4,900	5,100	-200	-3.9	5,100
Nondurable Goods	14,400	14,600	-200	-1.4	14,300
Paper, Printing & Publishing	5,300	5,200	100	1.9	5,200
Chemicals & Allied	5,100	5,100	0	0.0	5,100
SERVICE PRODUCING INDUSTRIES	193,300 *	193,800 *	-500	-0.3	193,700 *
TRANS., COMM. & UTILITIES	16,400	16,600	-200	-1.2	16,500
Communications & Utilities	9,100	9,200	-100	-1.1	9,100
TRADE	51,200 *	50,300 *	900	1.8	51,700 *
Wholesale	11,400 *	11,800 *	-400	-3.4	11,400 *
Retail	39,800	38,500	1,300	3.4	40,300
Eating & Drinking Places	12,700	11,800	900	7.6	12,900
FINANCE, INS. & REAL ESTATE	14,000	13,900	100	0.7	14,300
Finance	4,000	4,200	-200	-4.8	4,100
Insurance	7,800	7,500	300	4.0	8,000
SERVICES	82,200	82,700	-500	-0.6	81,000
Business Services	11,200	10,700	500	4.7	11,400
Health Services	28,500	28,700	-200	-0.7	28,800
GOVERNMENT	29,500	30,300	-800	-2.6	30,200
Federal	4,700	5,300	-600	-11.3	5,000
State & Local	24,800	25,000	-200	-0.8	25,200

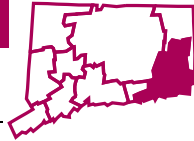
For further information on the New Haven Labor Market Area contact Charles Joo at (860) 566-3470.

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 1995.

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

NONFARM EMPLOYMENT ESTIMATES

NEW LONDON LMA

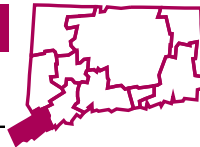


(Not seasonally adjusted)

	SEP	SEP	CHANGE		AUG
	1996	1995	NO.	%	1996
TOTAL NONFARM EMPLOYMENT	134,100	133,200	900	0.7	135,200
GOODS PRODUCING INDUSTRIES	30,000	31,600	-1,600	-5.1	30,300
CONSTRUCTION & MINING	4,700	3,900	800	20.5	4,800
MANUFACTURING	25,300	27,700	-2,400	-8.7	25,500
Durable Goods	16,200	18,300	-2,100	-11.5	16,300
Primary & Fabricated Metals	2,300	2,200	100	4.5	2,300
Other Durable Goods	13,900	16,100	-2,200	-13.7	14,000
Nondurable Goods	9,100	9,400	-300	-3.2	9,200
Paper & Allied	1,000	1,100	-100	-9.1	1,000
Other Nondurable Goods	6,600	6,800	-200	-2.9	6,700
SERVICE PRODUCING INDUSTRIES	104,100	101,600	2,500	2.5	104,900
TRANS., COMM. & UTILITIES	6,300	6,200	100	1.6	6,300
TRADE	29,300	28,500	800	2.8	30,000
Wholesale	3,000	2,900	100	3.4	3,000
Retail	26,300	25,600	700	2.7	27,000
Eating & Drinking Places	8,800	8,600	200	2.3	9,400
Other Retail	17,500	17,000	500	2.9	17,600
FINANCE, INS. & REAL ESTATE	3,600	3,400	200	5.9	3,700
SERVICES	33,300	32,800	500	1.5	33,300
Personal & Business Services	6,300	6,200	100	1.6	6,200
Health Services	11,100	10,900	200	1.8	11,000
GOVERNMENT	31,600	30,700	900	2.9	31,600
Federal	3,500	3,900	-400	-10.3	3,600
State & Local	28,100	26,800	1,300	4.9	28,000
**Local	23,600	21,600	2,000	9.3	23,300

For further information on the New London Labor Market Area contact Lincoln Dyer at (860) 566-3470.

STAMFORD LMA



(Not seasonally adjusted)

	SEP	SEP	CHANGE		AUG
	1996	1995	NO.	%	1996
TOTAL NONFARM EMPLOYMENT	194,900 *	190,800 *	4,100	2.1	196,500 *
GOODS PRODUCING INDUSTRIES	31,600 *	33,100 *	-1,500	-4.5	32,300 *
CONSTRUCTION & MINING	5,300	5,600	-300	-5.4	5,600
MANUFACTURING	26,300 *	27,500 *	-1,200	-4.4	26,700 *
Durable Goods	13,700	14,600	-900	-6.2	13,900
Industrial Machinery	3,900	4,200	-300	-7.1	3,900
Electronic Equipment	2,900	2,700	200	7.4	2,900
Nondurable Goods	12,600	12,900	-300	-2.3	12,800
Paper, Printing & Publishing	5,300	5,300	0	0.0	5,300
Chemicals & Allied	3,400 *	3,400 *	0	0.0	3,500 *
Other Nondurable	3,900	4,200	-300	-7.1	4,000
SERVICE PRODUCING INDUSTRIES	163,300	157,700	5,600	3.6	164,200
TRANS., COMM. & UTILITIES	8,800	8,900	-100	-1.1	8,800
Communications & Utilities	3,000	2,900	100	3.4	3,000
TRADE	41,200	42,200	-1,000	-2.4	41,500
Wholesale	10,700	11,000	-300	-2.7	10,800
Retail	30,500	31,200	-700	-2.2	30,700
FINANCE, INS. & REAL ESTATE	23,100	21,800	1,300	6.0	23,500
SERVICES	73,400	68,000	5,400	7.9	74,100
Business Services	23,400	20,000	3,400	17.0	23,000
Engineering & Mgmt. Services	9,100	8,600	500	5.8	9,100
Other Services	40,900	39,400	1,500	3.8	42,000
GOVERNMENT	16,800	16,800	0	0.0	16,300
Federal	1,800	1,900	-100	-5.3	1,900
State & Local	15,000	14,900	100	0.7	14,400

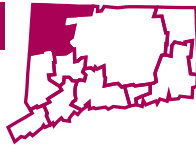
For further information on the Stamford Labor Market Area contact Joseph Slepski at (860) 566-7823.

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 1995.

*Total excludes workers idled due to labor-management disputes. **Includes Indian casinos employment.

NONFARM EMPLOYMENT ESTIMATES

TORRINGTON LMA

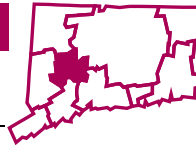


(Not seasonally adjusted)

	SEP	SEP	CHANGE		AUG
	1996	1995	NO.	%	1996
TOTAL NONFARM EMPLOYMENT	27,400	27,900	-500	-1.8	27,600
GOODS PRODUCING INDUSTRIES	7,600	7,700	-100	-1.3	7,700
CONSTRUCTION & MINING	2,200	2,000	200	10.0	2,200
MANUFACTURING	5,400	5,700	-300	-5.3	5,500
Durable Goods	3,700	4,100	-400	-9.8	3,800
Primary & Fabricated Metals	500	500	0	0.0	500
Industrial Machinery	900	1,100	-200	-18.2	1,000
Electronic Equipment	300	400	-100	-25.0	300
Other Durable Goods	2,000	2,100	-100	-4.8	2,000
Nondurable Goods	1,700	1,600	100	6.3	1,700
Rubber & Plastics	700	700	0	0.0	700
Other Nondurable Goods	1,000	900	100	11.1	1,000
SERVICE PRODUCING INDUSTRIES	19,800	20,200	-400	-2.0	19,900
TRANS., COMM. & UTILITIES	1,000	900	100	11.1	800
TRADE	5,600	6,000	-400	-6.7	5,600
Wholesale	1,000	1,000	0	0.0	1,000
Retail	4,600	5,000	-400	-8.0	4,600
FINANCE, INS. & REAL ESTATE	900	900	0	0.0	900
SERVICES	9,000	9,100	-100	-1.1	9,300
GOVERNMENT	3,300	3,300	0	0.0	3,300
Federal	200	200	0	0.0	200
State & Local	3,100	3,100	0	0.0	3,100

For further information on the Torrington Labor Market Area contact Joseph Slepki at (860) 566-7823.

WATERBURY LMA



(Not seasonally adjusted)

	SEP	SEP	CHANGE		AUG
	1996	1995	NO.	%	1996
TOTAL NONFARM EMPLOYMENT	85,700	83,400	2,300	2.8	85,500
GOODS PRODUCING INDUSTRIES	21,600	21,200	400	1.9	21,400
CONSTRUCTION & MINING	3,100	2,800	300	10.7	3,100
MANUFACTURING	18,500	18,400	100	0.5	18,300
Durable Goods	14,500	14,300	200	1.4	14,300
Primary Metals	700	800	-100	-12.5	700
Fabricated Metals	6,100	6,300	-200	-3.2	6,100
Machinery & Electric Equipment	5,100	4,900	200	4.1	5,000
Nondurable Goods	4,000	4,100	-100	-2.4	4,000
Paper, Printing & Publishing	1,200	1,200	0	0.0	1,300
SERVICE PRODUCING INDUSTRIES	64,100	62,200	1,900	3.1	64,100
TRANS., COMM. & UTILITIES	3,600	3,400	200	5.9	3,600
TRADE	15,500	16,400	-900	-5.5	15,700
Wholesale	2,800	3,000	-200	-6.7	2,800
Retail	12,700	13,400	-700	-5.2	12,900
FINANCE, INS. & REAL ESTATE	4,000	4,000	0	0.0	4,100
SERVICES	28,900	26,700	2,200	8.2	28,900
Personal & Business	7,800	6,400	1,400	21.9	7,700
Health Services	10,300	10,200	100	1.0	10,300
GOVERNMENT	12,100	11,700	400	3.4	11,800
Federal	800	900	-100	-11.1	900
State & Local	11,300	10,800	500	4.6	10,900

For further information on the Waterbury Labor Market Area contact Joseph Slepki at (860) 566-7823.

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

LABOR FORCE ESTIMATES

	EMPLOYMENT STATUS	SEP	SEP	CHANGE		AUG
		1996	1995	NO.	%	1996
<i>(Not seasonally adjusted)</i>						
CONNECTICUT	Civilian Labor Force	1,730,800	1,695,000	35,800	2.1	1,768,400
	Employed	1,654,000	1,608,200	45,800	2.8	1,682,400
	Unemployed	76,800	86,800	-10,000	-11.5	86,000
	Unemployment Rate	4.4	5.1	-0.7	---	4.9
BRIDGEPORT LMA	Civilian Labor Force	221,700	217,600	4,100	1.9	225,800
	Employed	209,900	204,300	5,600	2.7	212,900
	Unemployed	11,800	13,300	-1,500	-11.3	12,900
	Unemployment Rate	5.3	6.1	-0.8	---	5.7
DANBURY LMA	Civilian Labor Force	106,700	106,300	400	0.4	108,000
	Employed	103,500	102,700	800	0.8	104,200
	Unemployed	3,100	3,600	-500	-13.9	3,800
	Unemployment Rate	2.9	3.3	-0.4	---	3.5
DANIELSON LMA	Civilian Labor Force	34,700	33,400	1,300	3.9	34,800
	Employed	32,800	31,600	1,200	3.8	32,900
	Unemployed	1,900	1,900	0	0.0	1,900
	Unemployment Rate	5.4	5.6	-0.2	---	5.6
HARTFORD LMA	Civilian Labor Force	592,900	585,700	7,200	1.2	600,200
	Employed	564,800	553,400	11,400	2.1	568,600
	Unemployed	28,200	32,300	-4,100	-12.7	31,500
	Unemployment Rate	4.7	5.5	-0.8	---	5.3
LOWER RIVER LMA	Civilian Labor Force	12,300	11,900	400	3.4	13,000
	Employed	11,900	11,400	500	4.4	12,500
	Unemployed	400	400	0	0.0	500
	Unemployment Rate	3.4	3.8	-0.4	---	3.5
NEW HAVEN LMA	Civilian Labor Force	272,400	266,600	5,800	2.2	281,100
	Employed	260,000	252,800	7,200	2.8	266,800
	Unemployed	12,400	13,800	-1,400	-10.1	14,300
	Unemployment Rate	4.6	5.2	-0.6	---	5.1
NEW LONDON LMA	Civilian Labor Force	155,000	150,300	4,700	3.1	160,400
	Employed	148,000	142,600	5,400	3.8	152,600
	Unemployed	7,000	7,700	-700	-9.1	7,800
	Unemployment Rate	4.5	5.1	-0.6	---	4.8
STAMFORD LMA	Civilian Labor Force	192,000	184,400	7,600	4.1	198,600
	Employed	186,500	177,700	8,800	5.0	192,500
	Unemployed	5,500	6,700	-1,200	-17.9	6,100
	Unemployment Rate	2.8	3.6	-0.8	---	3.1
TORRINGTON LMA	Civilian Labor Force	38,500	38,500	0	0.0	39,700
	Employed	37,200	37,100	100	0.3	38,200
	Unemployed	1,300	1,400	-100	-7.1	1,500
	Unemployment Rate	3.3	3.7	-0.4	---	3.8
WATERBURY LMA	Civilian Labor Force	120,200	115,400	4,800	4.2	123,000
	Employed	114,500	109,000	5,500	5.0	116,700
	Unemployed	5,700	6,500	-800	-12.3	6,200
	Unemployment Rate	4.7	5.6	-0.9	---	5.1
UNITED STATES	Civilian Labor Force	134,230,000	132,341,000	1,889,000	1.4	135,011,000
	Employed	127,529,000	125,173,000	2,356,000	1.9	128,143,000
	Unemployed	6,700,000	7,167,000	-467,000	-6.5	6,868,000
	Unemployment Rate	5.0	5.4	-0.4	---	5.1

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MANUFACTURING HOURS AND EARNINGS

	AVG WEEKLY EARNINGS				AVG WEEKLY HOURS				AVG HOURLY EARNINGS			
	SEP		CHG	AUG	SEP		CHG	AUG	SEP		CHG	AUG
	1996	1995	Y/Y	1996	1996	1995	Y/Y	1996	1996	1995	Y/Y	1996
<i>(Not seasonally adjusted)</i>												
MANUFACTURING	\$607.71	\$595.30	\$12.41	\$596.28	43.1	43.2	-0.1	42.5	\$14.10	\$13.78	\$0.32	\$14.03
DURABLE GOODS	620.78	608.90	11.88	606.48	43.2	43.4	-0.2	42.5	14.37	14.03	0.34	14.27
Lumber & Furniture	468.22	472.34	-4.12	478.19	41.0	42.4	-1.4	41.8	11.42	11.14	0.28	11.44
Stone, Clay and Glass	628.38	629.68	-1.30	622.42	45.7	46.3	-0.6	45.8	13.75	13.60	0.15	13.59
Primary Metals	600.26	548.08	52.18	582.97	45.2	44.2	1.0	44.4	13.28	12.40	0.88	13.13
Fabricated Metals	584.71	555.99	28.72	575.34	43.7	43.1	0.6	43.0	13.38	12.90	0.48	13.38
Machinery	659.63	684.83	-25.20	649.44	44.3	45.9	-1.6	44.3	14.89	14.92	-0.03	14.66
Electrical Equipment	497.12	491.49	5.63	488.38	42.2	43.0	-0.8	41.6	11.78	11.43	0.35	11.74
Trans. Equipment	769.48	755.15	14.33	743.81	43.4	43.6	-0.2	41.6	17.73	17.32	0.41	17.88
Instruments	549.69	535.30	14.39	537.32	40.3	40.4	-0.1	40.4	13.64	13.25	0.39	13.30
Miscellaneous Mfg	562.53	518.75	43.77	551.34	42.2	41.6	0.6	41.8	13.33	12.47	0.86	13.19
NONDUR. GOODS	574.80	559.30	15.50	573.40	42.8	42.5	0.3	42.6	13.43	13.16	0.27	13.46
Food	528.84	522.64	6.20	508.96	45.2	44.9	0.3	43.8	11.70	11.64	0.06	11.62
Textiles	464.82	488.19	-23.37	486.85	41.8	44.3	-2.5	43.9	11.12	11.02	0.10	11.09
Apparel	340.02	340.42	-0.39	351.68	39.4	39.4	0.0	40.1	8.63	8.64	-0.01	8.77
Paper	690.92	664.70	26.22	692.39	46.0	46.0	0.0	46.5	15.02	14.45	0.57	14.89
Printing & Publishing	570.40	531.51	38.89	556.72	40.0	39.4	0.6	39.4	14.26	13.49	0.77	14.13
Chemicals	771.56	753.32	18.24	775.27	45.2	43.9	1.3	45.1	17.07	17.16	-0.09	17.19
Rubber & Misc. Plast.	477.24	471.33	5.91	478.25	41.9	41.6	0.3	41.3	11.39	11.33	0.06	11.58
CONSTRUCTION	762.59	744.38	18.21	795.93	41.4	40.9	0.5	42.7	18.42	18.20	0.22	18.64

LMA's

	AVG WEEKLY EARNINGS				AVG WEEKLY HOURS				AVG HOURLY EARNINGS			
	SEP		CHG	AUG	SEP		CHG	AUG	SEP		CHG	AUG
	1996	1995	Y/Y	1996	1996	1995	Y/Y	1996	1996	1995	Y/Y	1996
<i>(Not seasonally adjusted)</i>												
MANUFACTURING												
Bridgeport	\$636.59	\$606.90	\$29.68	\$618.46	43.1	42.8	0.3	42.8	\$14.77	\$14.18	\$0.59	\$14.45
Danbury	661.05	608.85	52.20	671.89	45.0	45.0	0.0	45.8	14.69	13.53	1.16	14.67
Danielson	488.99	482.38	6.62	503.86	41.3	40.4	0.9	42.7	11.84	11.94	-0.10	11.80
Hartford	648.84	629.59	19.25	633.25	43.9	44.4	-0.5	42.5	14.78	14.18	0.60	14.90
Lower River	495.20	491.78	3.43	485.13	40.0	41.5	-1.5	39.7	12.38	11.85	0.53	12.22
New Haven	588.24	539.15	49.09	561.80	43.0	41.0	2.0	41.4	13.68	13.15	0.53	13.57
New London	633.80	632.03	1.76	622.48	43.5	43.8	-0.3	42.9	14.57	14.43	0.14	14.51
Stamford	596.96	560.56	36.40	583.23	41.6	41.4	0.2	41.6	14.35	13.54	0.81	14.02
Torrington	531.70	496.01	35.68	536.76	42.4	41.3	1.1	42.6	12.54	12.01	0.53	12.60
Waterbury	576.41	562.10	14.30	566.80	43.9	44.4	-0.5	43.4	13.13	12.66	0.47	13.06

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 1995.

NEW HOUSING PERMITS

	SEP	SEP	CHANGE Y/Y		YEAR TO DATE		CHANGE YTD		AUG
	1996	1995	UNITS	%	1996	1995	UNITS	%	1996
Connecticut	717	679	38	5.6	5,672	6,385	-713	-11.2	710
Counties:									
Fairfield	120	154	-34	-22.1	1111	1,744	-633	-36.3	149
Hartford	137	130	7	5.4	1,291	1,133	158	13.9	143
Litchfield	56	54	2	3.7	454	454	0	0.0	71
Middlesex	46	43	3	7.0	373	416	-43	-10.3	41
New Haven	155	147	8	5.4	1,173	1,367	-194	-14.2	160
New London	131	90	41	45.6	671	673	-2	-0.3	59
Tolland	47	34	13	38.2	381	348	33	9.5	61
Windham	25	27	-2	-7.4	218	250	-32	-12.8	26

HOUSING PERMIT ACTIVITY BY TOWN

TOWN	SEP 1996	YR TO DATE 1996	YR TO DATE 1995	TOWN	SEP 1996	YR TO DATE 1996	YR TO DATE 1995	TOWN	SEP 1996	YR TO DATE 1996	YR TO DATE 1995
Andover	3	22	17	Griswold	4	68	40	Preston	2	11	20
Ansonia	0	15	23	Groton	12	54	74	Prospect	1	23	30
Ashford	2	10	15	Guilford	14	80	64	Putnam	0	8	17
Avon	3	48	36	Haddam	6	19	16	Redding*	2	19	22
Barkhamsted	2	14	4	Hamden*	4	40	81	Ridgefield*	6	61	100
Beacon Falls	0	16	11	Hampton*	1	9	7	Rocky Hill	6	131	63
Berlin	8	59	42	Hartford	2	25	0	Roxbury	1	7	19
Bethany	2	21	18	Hartland	1	3	18	Salem	5	15	25
Bethel	1	26	23	Harwinton	2	24	6	Salisbury	1	5	8
Bethlehem*	2	10	9	Hebron*	2	24	31	Scotland	2	8	7
Bloomfield	8	16	15	Kent	1	1	24	Seymour*	2	17	14
Bolton	5	24	14	Killingly*	2	20	29	Sharon	0	5	14
Bozrah	1	4	11	Killingworth	5	41	44	Shelton	11	133	172
Branford	7	35	43	Lebanon	2	28	16	Sherman	1	7	25
Bridgeport	5	17	44	Ledyard	10	38	26	Simsbury	5	47	52
Bridgewater	0	5	10	Lisbon*	2	19	20	Somers	3	29	18
Bristol	15	83	75	Litchfield	4	26	20	South Windsor	8	63	55
Brookfield*	3	32	28	Lyme	3	8	8	Southbury*	4	43	53
Brooklyn	1	14	21	Madison	7	61	77	Southington	17	154	89
Burlington	8	53	39	Manchester	2	50	60	Sprague	0	3	3
Canaan*	0	0	3	Mansfield	1	31	37	Stafford	1	21	27
Canterbury	1	18	23	Marlborough	4	27	13	Stamford	10	126	471
Canton*	3	27	25	Meriden*	2	20	29	Sterling	1	9	18
Chaplin*	1	9	7	Middlebury	0	19	19	Stonington	3	40	38
Cheshire	21	69	74	Middlefield	0	11	11	Stratford	1	22	23
Chester	0	8	21	Middletown	9	100	81	Suffield	3	46	18
Clinton	1	21	22	Milford	11	118	160	Thomaston	3	18	13
Colchester*	3	33	93	Monroe	12	101	85	Thompson	4	21	13
Colebrook	1	12	6	Montville	1	28	49	Tolland	13	56	67
Columbia*	3	26	20	Morris	0	6	5	Torrington	5	58	78
Cornwall	0	0	3	Naugatuck	2	42	56	Trumbull	7	62	60
Coventry*	5	52	42	New Britain*	2	17	29	Union*	0	0	9
Cromwell	4	40	36	New Canaan	6	38	33	Vernon	3	24	22
Danbury*	3	33	43	New Fairfield	3	29	48	Voluntown	3	9	12
Darien	2	13	17	New Hartford*	2	21	24	Wallingford	12	130	138
Deep River	1	9	12	New Haven	0	26	27	Warren	1	9	1
Derby*	8	16	11	New London	0	0	2	Washington	0	8	42
Durham*	1	11	27	New Milford	10	100	75	Waterbury	19	61	173
East Granby	4	26	13	Newington	2	9	23	Waterford	24	134	90
East Haddam	3	29	37	Newtown	15	83	180	Watertown*	6	29	27
East Hampton	8	32	29	Norfolk*	0	1	3	West Hartford	2	15	27
East Hartford	0	3	1	North Branford	3	51	31	West Haven*	1	11	11
East Haven*	3	27	40	North Canaan*	2	19	9	Westbrook*	1	8	19
East Lyme*	5	48	61	North Haven	17	37	51	Weston*	2	22	13
East Windsor	2	48	38	N. Stonington	4	19	14	Westport*	1	10	19
Eastford*	0	1	3	Norwalk	10	101	75	Wethersfield	1	63	49
Easton*	0	3	21	Norwich	44	56	26	Willington	2	12	13
Ellington	6	60	31	Norwich	44	56	26	Wilton	9	48	54
Enfield	6	31	31	Old Lyme	3	56	36	Winchester	2	5	6
Essex	2	15	17	Old Saybrook	4	26	23	Windham	2	10	17
Fairfield	4	81	117	Orange	2	22	9	Windsor*	0	0	57
Farmington	10	93	58	Oxford	7	50	50	Windsor Locks	0	5	14
Franklin*	0	0	9	Plainfield	4	39	33	Wolcott	3	105	60
Glastonbury	13	128	107	Plainville*	0	0	25	Woodbridge	3	18	14
Goshen	3	8	12	Plymouth	5	31	12	Woodbury	3	32	21
Granby*	2	21	61	Pomfret	0	24	20	Woodstock	4	18	20
Greenwich	6	44	71	Portland	1	3	21				

* Not reported -- figures are estimated

BUSINESS STARTS AND TERMINATIONS

DOL newly registered employers are those businesses newly registered with the Labor Department's unemployment insurance program (including reopened accounts) during the month. DOL discontinued employers are those accounts that are terminated due to inactivity (no employees) or business closure. Registrations and terminations of business entities as recorded with the Secretary of the State are an indication of new business formation and activity. These 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.

There is no separate consumer price index for Connecticut or any area within the state.

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.

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 multiple variable coefficient regression 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. Due to the small size of the sample taken in Connecticut, the CPS results are subject to significant sampling error and produce considerable month-to-month fluctuations in estimates derived from the sample. In general, the CPS estimates, at the 90 percent confidence level, have an error range of about 1.5 percentage points on a rate of 6.0 percent. An accepted method for calculating the error range for model estimates is currently not available. 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 in Connecticut except three are federally designated areas for developing labor statistics. Industry employment data for the Danielson, Lower River and Torrington Labor Market Areas are prepared exclusively by the Connecticut Department of Labor, following the same statistical procedures used to prepare estimates for the other Labor Market Areas, which are developed in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

The Bureau of Labor Statistics has identified the five towns of Canaan, Kent, North Canaan, Salisbury and Sharon 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 Labor Market Area. For the same purpose, data for the town of Thompson, which is officially part of the Worcester Metropolitan Statistical Area, are included in the Danielson Labor Market Area. Also, data for Hopkinton and Westerly, Rhode Island are included in the New London Labor Market Area.

LEADING AND COINCIDENT EMPLOYMENT INDICES

The *leading employment index* is a composite of five individual employment-related series — the average workweek of manufacturing production workers, Hartford help-wanted advertising, short-duration (less than 15 weeks) unemployment rate, initial claims for unemployment insurance and total housing permits. The *coincident employment index* is a composite indicator of four individual employment-related series — the total unemployment rate, nonfarm employment (employer survey), total employment (household survey) and the insured unemployment rate.

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) 566-7823 for a more comprehensive breakout of nonfarm employment estimates.

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 5-9 for reference months)

Leading Employment Index +0.9	New Housing Permits +5.6	Tourism
Coincident Employment Index +7.0	Electricity Sales -8.3	Tourism Inquiries +29.6
Total Nonfarm Employment +1.0	Retail Sales +11.2	Tourism Info Centers -34.4
	Construction Contracts Index -37.7	Attraction Visitors -17.5
		Hotel-Motel Occupancy +1.4
Unemployment -0.7*	Business Starts	Employment Cost Index
Labor Force +2.2	Secretary of the State +5.1	Total +2.9
Employed +3.0	Dept. of Labor -20.9	Wages & Salaries +3.3
Unemployed -11.0	Business Terminations	Benefit Costs +1.8
Average Weekly Initial Claims -16.8	Secretary of the State +4.4	
Help Wanted Index -- Hartford -10.3	Dept. of Labor -16.0	Consumer Price Index
Average Ins. Unempl. Rate -0.46*	State Tax Collections +3.9	U.S. City Average +3.0
	Corporate Tax -13.4	Northeast Region +2.9
Average Weekly Hours -0.2	Personal Income Tax +8.7	NY-NJ-Long Island +3.1
Average Hourly Earnings +2.3	Real Estate Conveyance Tax +1.4	Boston-Lawrence-Salem +3.1
Average Weekly Earnings +2.1	Sales & Use Tax +6.0	Consumer Confidence
Manufacturing Output +0.6		U.S. +14.9
Production Worker Hours -1.8	Transportation	New England +64.3
Productivity +2.5	Air Cargo Tons +4.3	
UI Covered Wages +3.4	Air Passenger Count +4.9	Interest Rates
Personal Income +4.8	New Auto Registrations +7.5	Prime -0.50*
Real Personal Income +2.0		Conventional Mortgage +0.59*

*Percentage point change; ** Less than 0.05 percent

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