

Federal Reserve Report
First District - Boston

- Mid-year (1992) lull after 1st quarter sales increase
- Housing activity increases
- Auto sales show no improvement.
- Manufacturers report sales & orders are equal to or slightly above 1991 levels.
- 1/2 consumers believe the economy is recovering.
1/2 attribute sales improvement to retailers' discounting activity.
- Lower interest rates have lessened inventory carrying costs.
- Boston area tourism (visitor totals) are above last summer's levels.
- Hotel occupancy rates are up.
- Used car market is strong at the expense of new cars.
- Residential real estate sales stronger than 1 year ago, helped by lower interest rates.
- 1/2 of all manufacturers expect unemployment to increase.

Manufacturing Unemployment (Source: Bureau of Labor Statistics)

	<u>1990</u>	<u>1991</u>
U.S. (Total)	5.8%	7.2%
1. Connecticut	5.6%	6.5%
2. Maine	5.7%	7.4%
3. Massachusetts	6.4%	9.9%
4. New Hampshire	5.6%	7.6%
5. Rhode Island	8.0%	9.8%
6. Vermont	4.1%	7.7%

***Consumer Price Index**

	<u>1990</u>	<u>1991</u>
U.S. Total	130.7	136.2
Boston area	138.9	145.0

* Based on 1982-1984 = 100.