



EMBARGOED UNTIL 5:30 P.M U.S. Eastern Time,
Wednesday, October 9, 2024 – OR UPON DELIVERY

Observations on the Economy, and the Vibrancy of Smaller Cities

Remarks at the Worcester Regional Research
Bureau's 39th Annual Meeting

Susan M Collins
President & Chief Executive Officer
Federal Reserve Bank of Boston

October 9, 2024
Worcester, Massachusetts

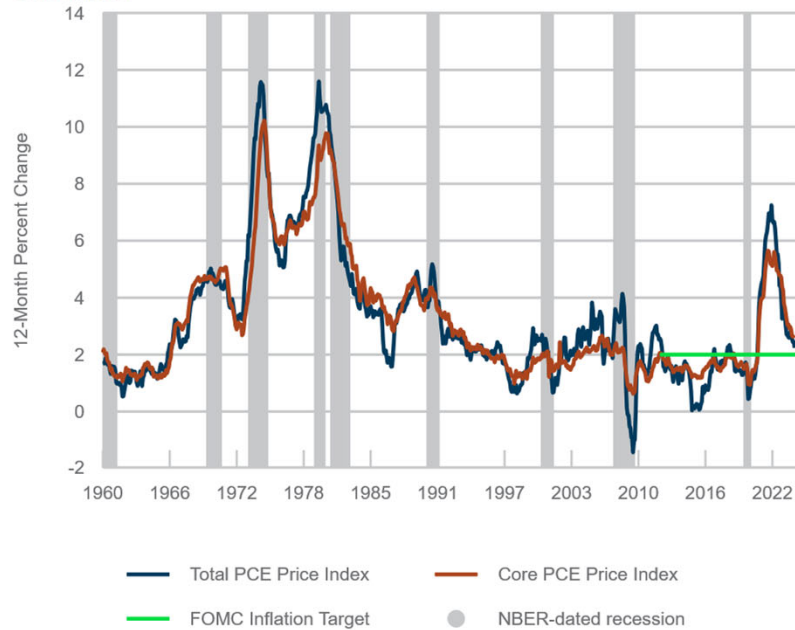


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Figure 1 | Inflation and the Unemployment Rate

A. Personal Consumption Expenditures (PCE) Inflation

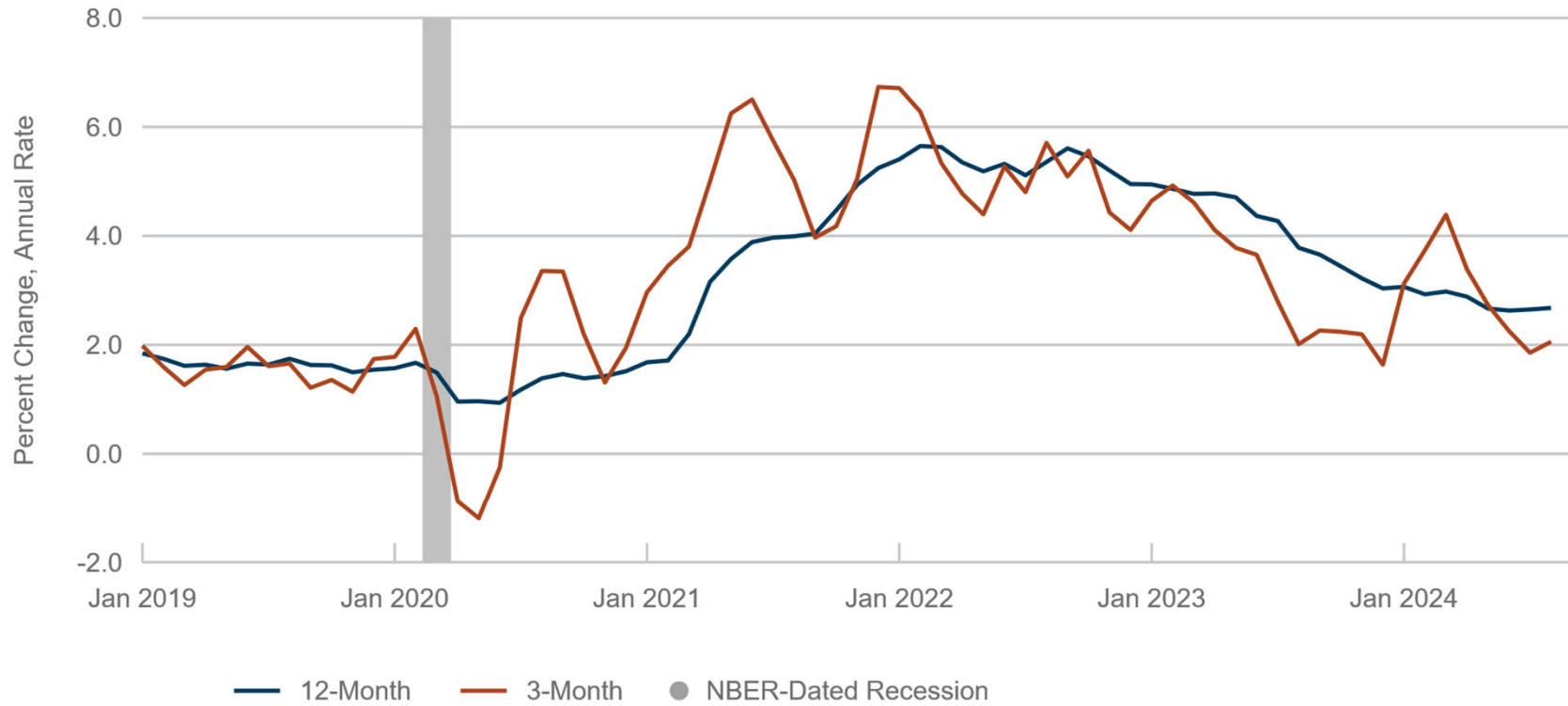


B. Unemployment Rate



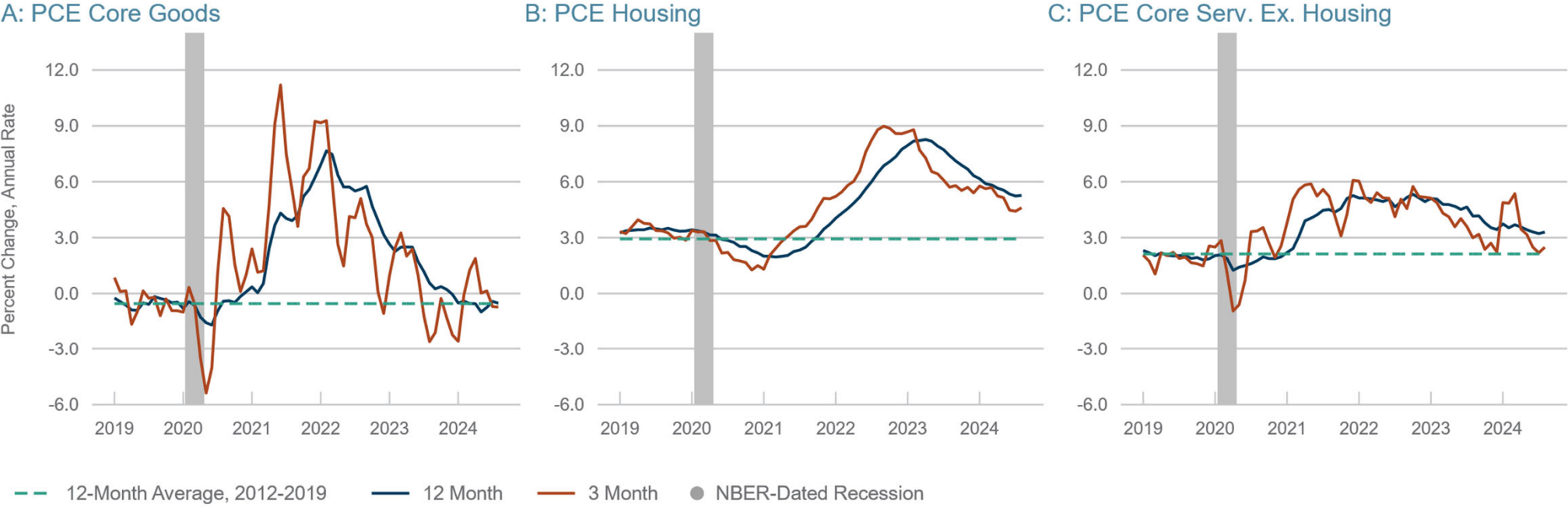
Note: In January 2012 the FOMC formally adopted a 2 percent target for total PCE inflation.
 Source: Bureau of Economic Analysis, Bureau of Labor Statistics / Haver Analytics.

Figure 2 | Core Personal Consumption Expenditures (PCE) Inflation



Source: Bureau of Economic Analysis / Haver Analytics.

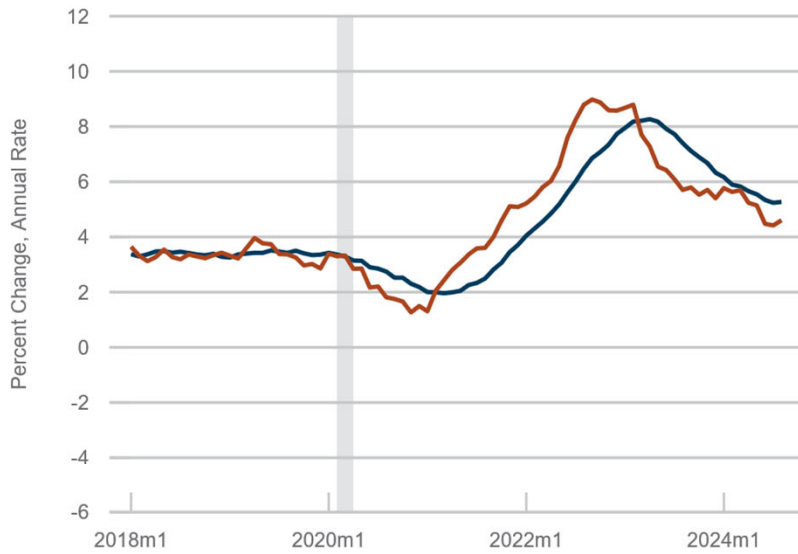
Figure 3 | Components of Core PCE Inflation



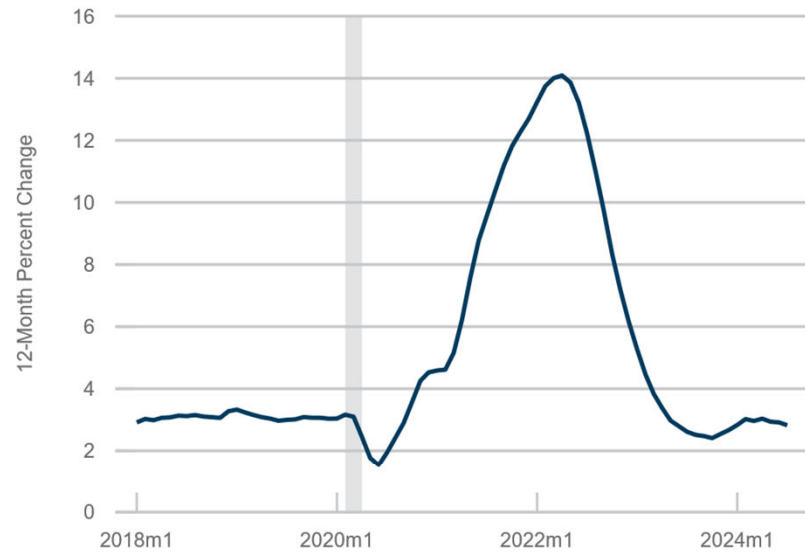
Source: Bureau of Economic Analysis / Haver Analytics.

Figure 4 | Housing Price Inflation

A: PCE Housing



B: CoreLogic Single-Family Rent Index

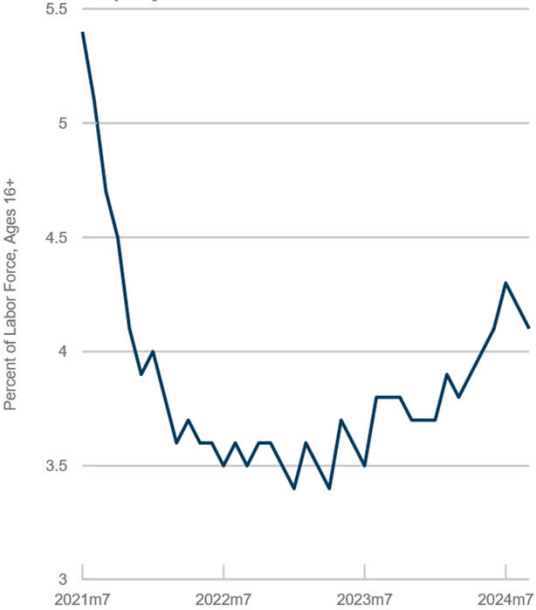


— 3-Month — 12-Month

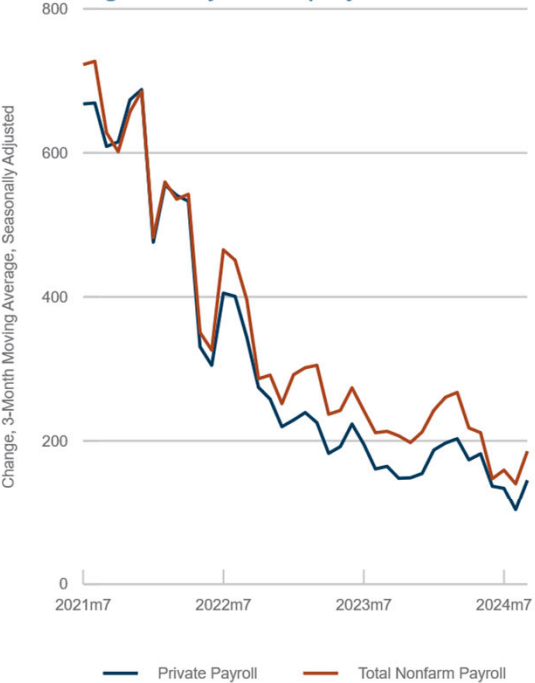
Source: Bureau of Economic Analysis, CoreLogic / Haver Analytics

Figure 5 | Employment Indicators

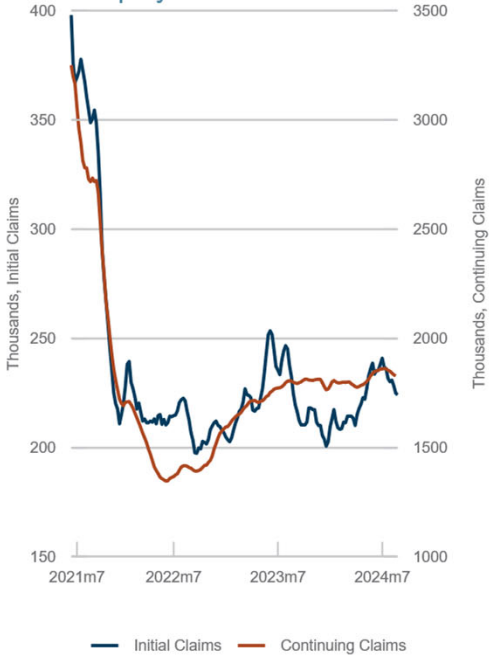
A. Unemployment Rate



B. Change in Payroll Employment



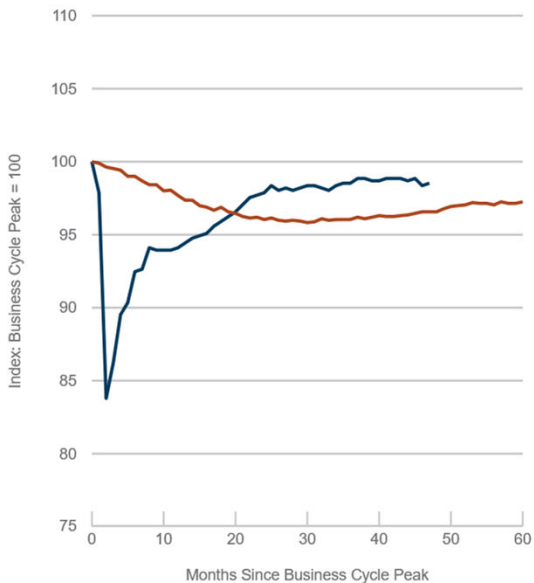
C. Unemployment Insurance Claims



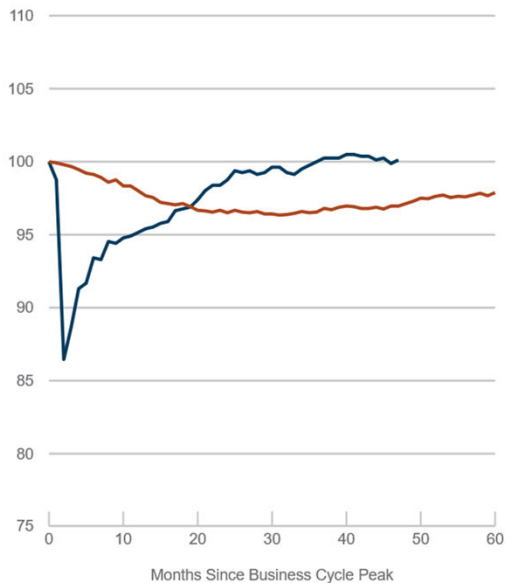
Note: Unemployment insurance claims are four-week moving averages.
 Source: Bureau of Labor Statistics, Department of Labor / Haver Analytics.

Figure 6 | Employment-to-Population Ratio By Age Group

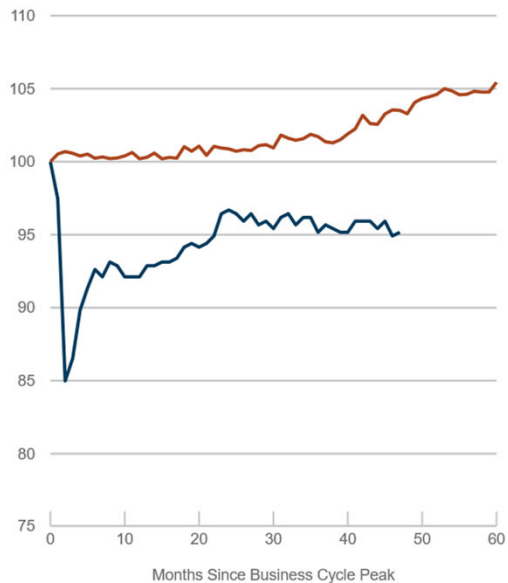
A: Total (Ages 16+)



B: Ages 25-54



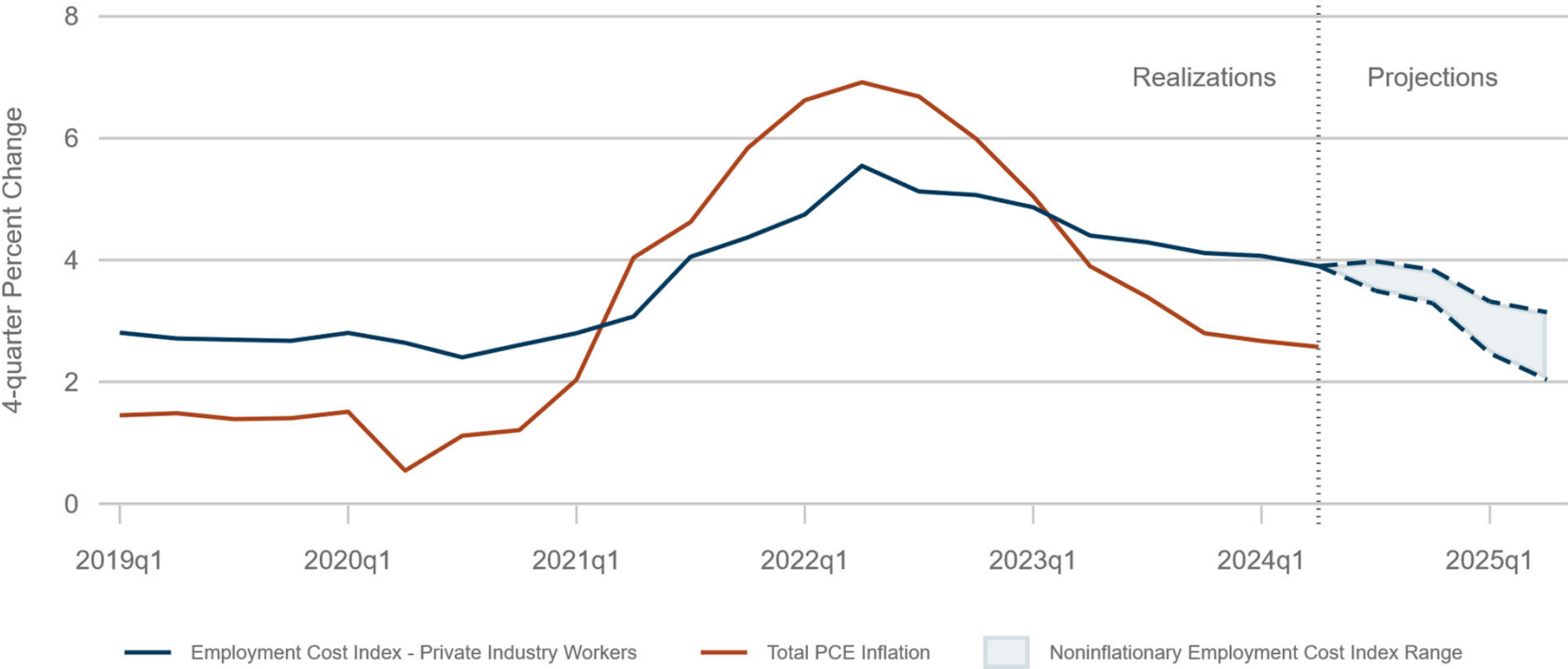
C: Ages 55+



— 2020 Recession — Average of Previous Three Recessions

Note: Previous three recessions: December 2007 to June 2009; March 2001 to November 2001; and July 1990 to March 1991.
 Source: Bureau of Labor Statistics, Author's Calculations / Haver Analytics.

Figure 7 | Wage Growth and Inflation



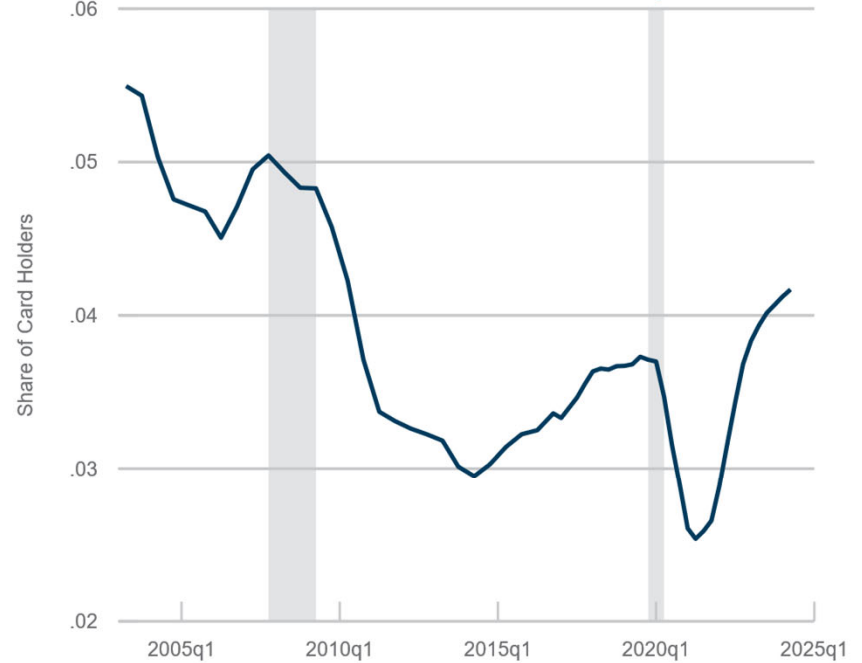
Note: The shaded region shows the range of values for 4-quarter ECI growth that would not lead to a statistically significant revision to the path of future inflation relative to a projection based on past realizations of wages, prices, and productivity. For more details see Andrade, Bräuning, Fillat, and Joaquim, "Is Post-pandemic Wage Growth Fueling Inflation?" Federal Reserve Bank of Boston Current Policy Perspectives 24-1, January 16, 2024.
 Source: Bureau of Economic Analysis, Bureau of Labor Statistics, Authors' Calculations / Haver Analytics.

Figure 8 | Indicators of Consumer Finances

A. Household Net Worth Relative to Income



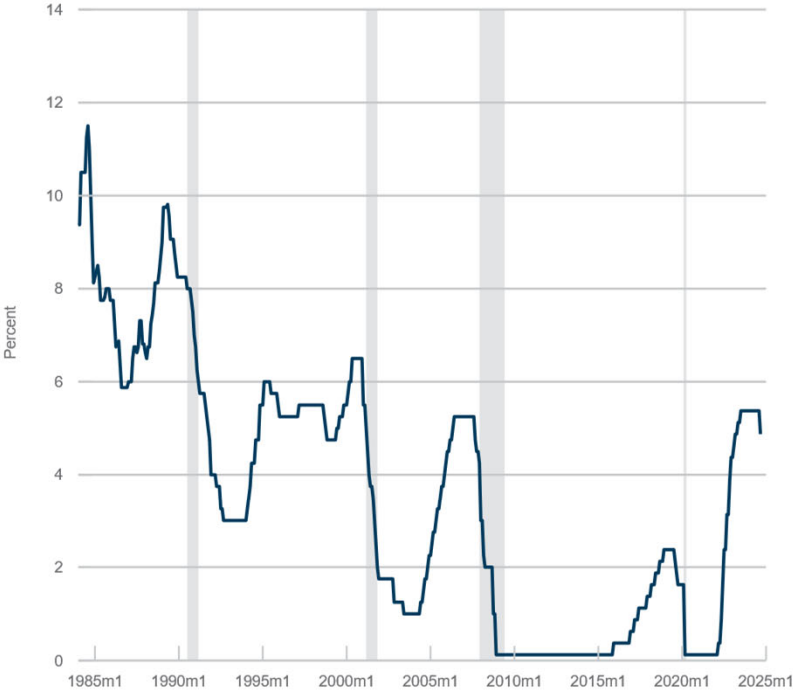
B. Share of Credit Card Holders Delinquent



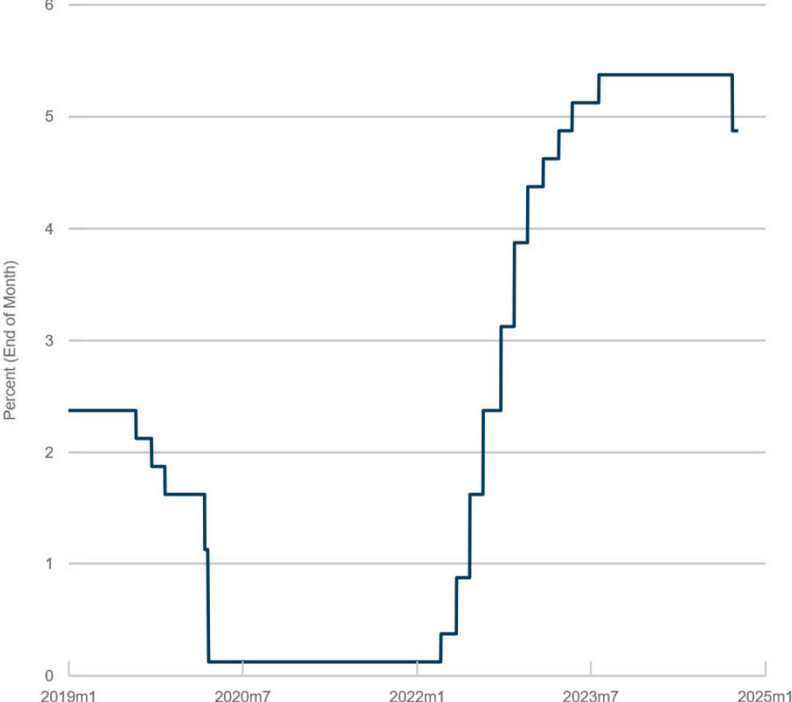
Source: Federal Reserve Board, Federal Reserve Bank of New York, Equifax, Author's Calculations / Haver Analytics.

Figure 9 | Federal Funds Target Rate

A: Longer Horizon

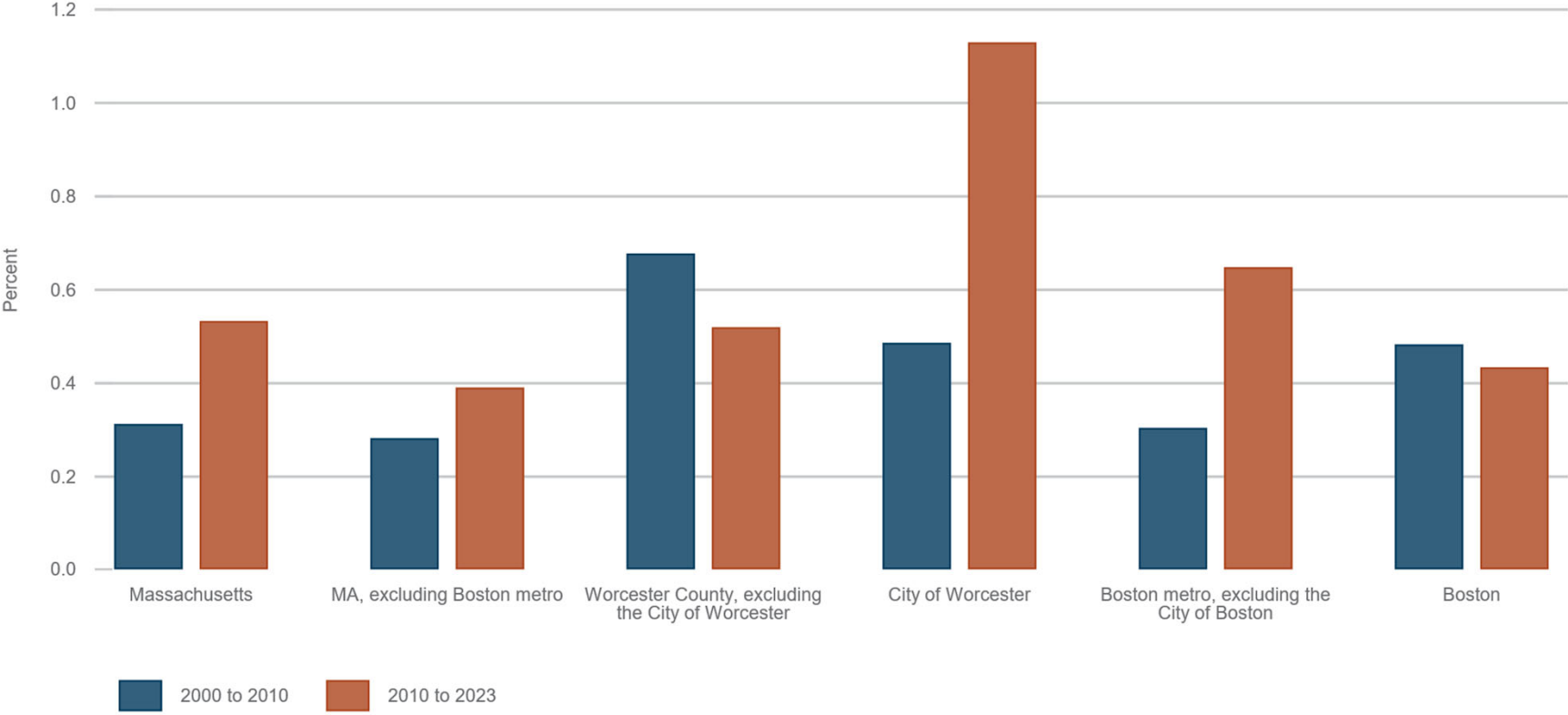


B: Recent Years



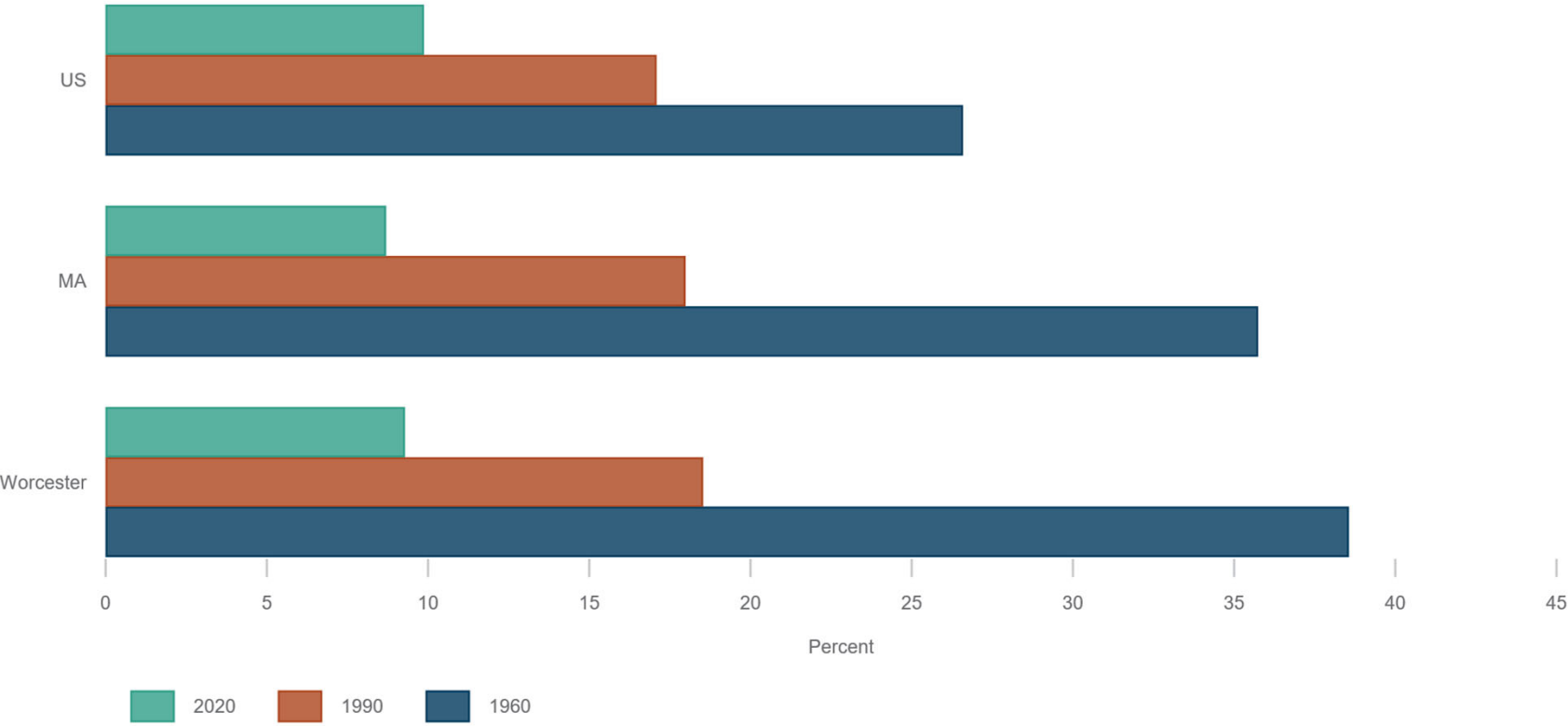
Source: Federal Reserve Board / Haver Analytics.

Figure 10: Average Annual Population Growth Rate



Source: US Census Bureau Decennial Census 2000 and 2010 and ACS 1-year Estimates 2023, Author's Calculations.

Figure 11: Manufacturing Sector Share of Employment



Source: IPUMS USA (1960 5% sample, 1990 5% state sample, ACS 2016-2020 5-year sample), US Census Bureau, Author's Calculations.

Figure 12: In the Region

