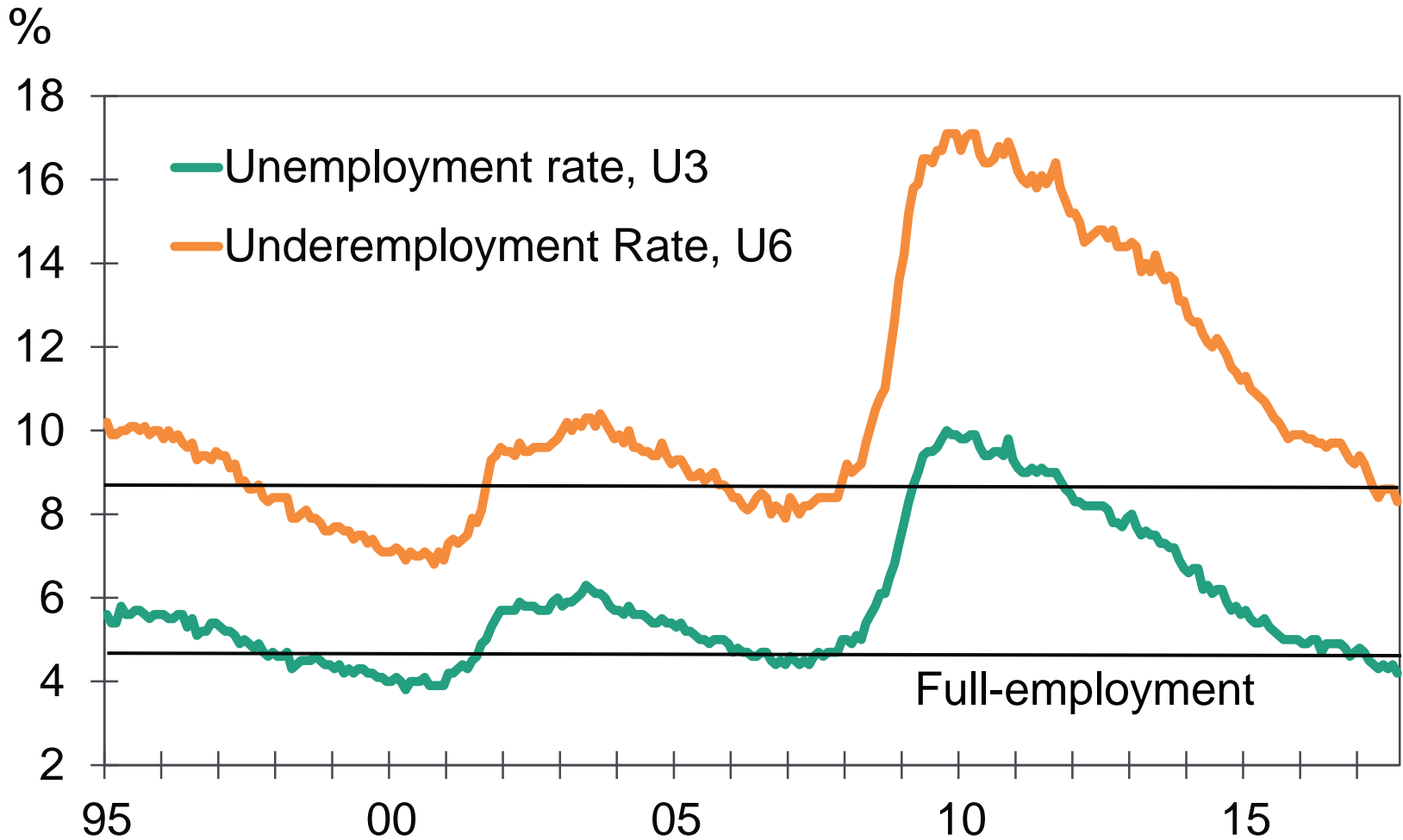


Steady Growth Amid Risks

EDWARD FRIEDMAN, DIRECTOR

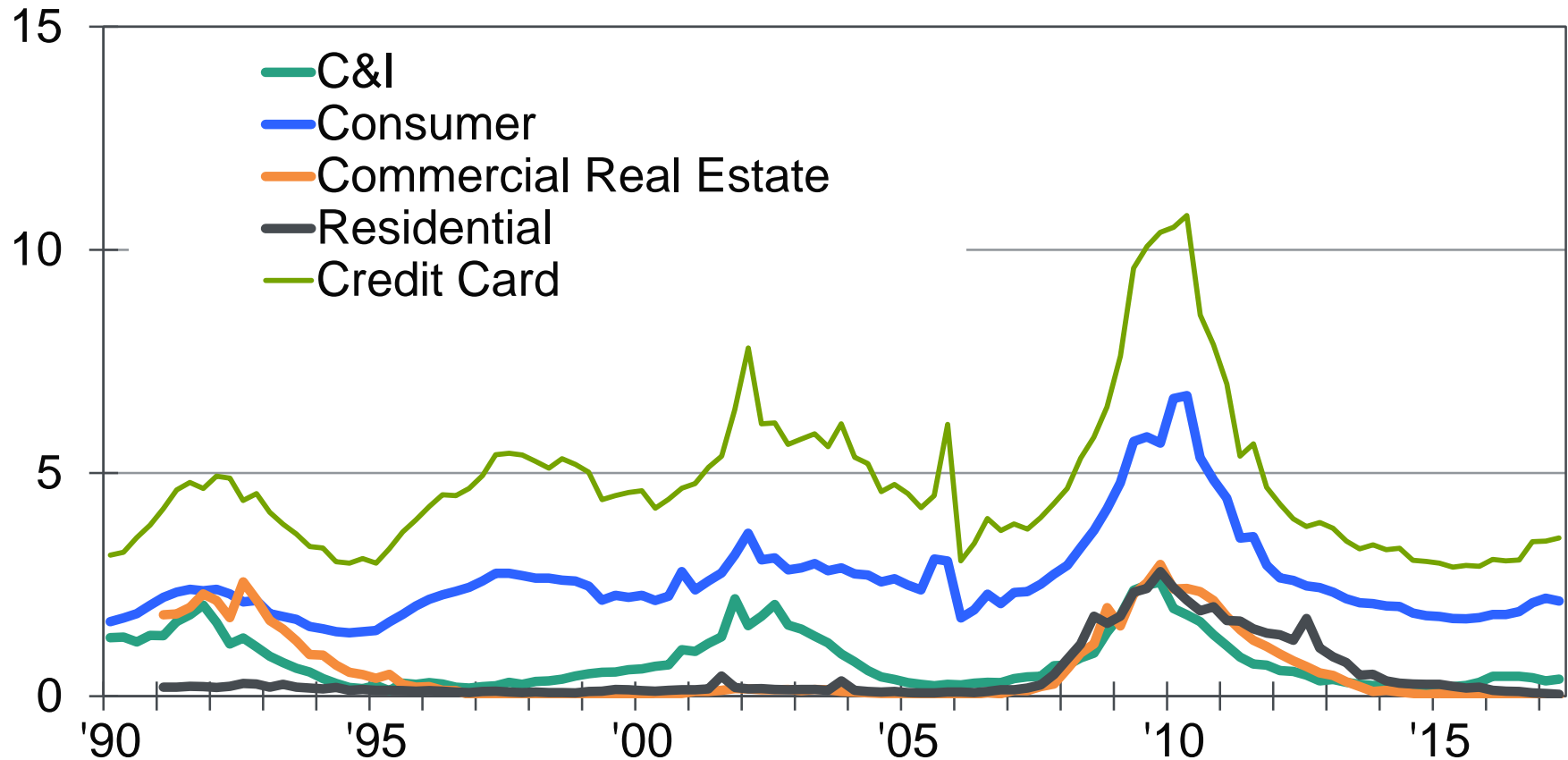
Full Employment At Last



Sources: BLS, Moody's Analytics

Credit Quality In Good Shape

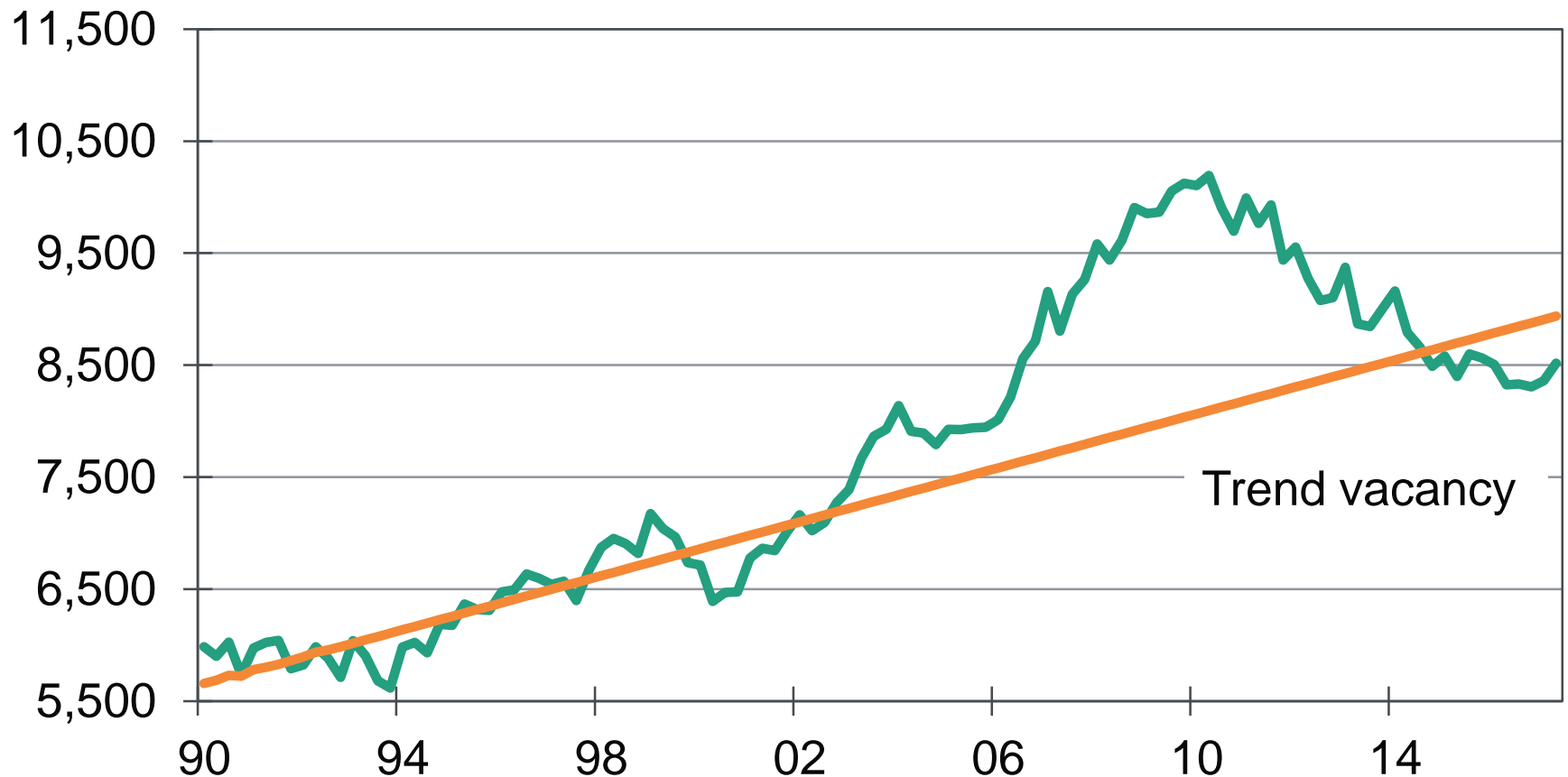
Commercial bank charge-off rate, %



Source: Federal Reserve Board

Housing Demand is Strong

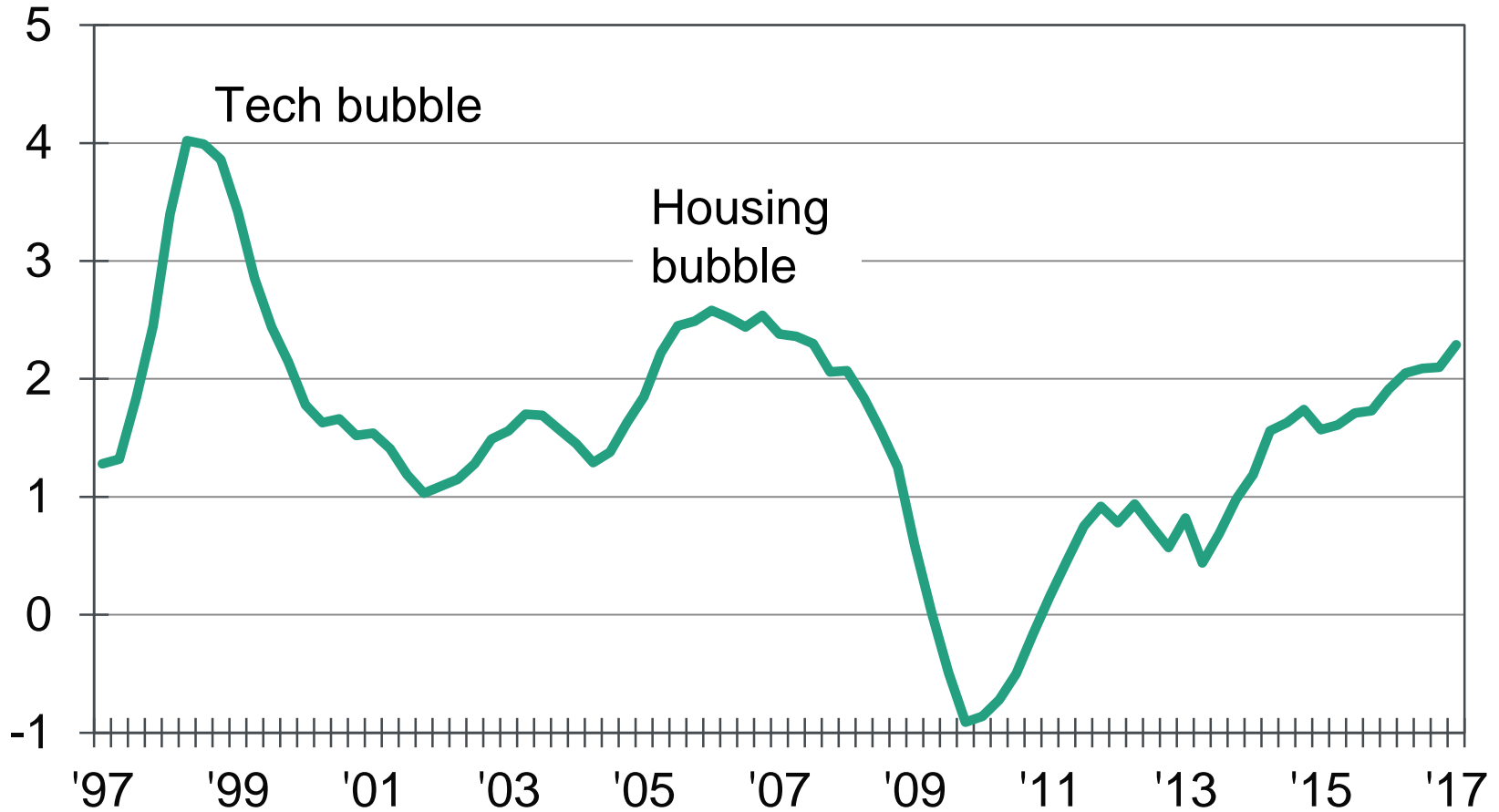
Vacant homes for sale, for rent and held off market, ths



Sources: Census Bureau, Moody's Analytics

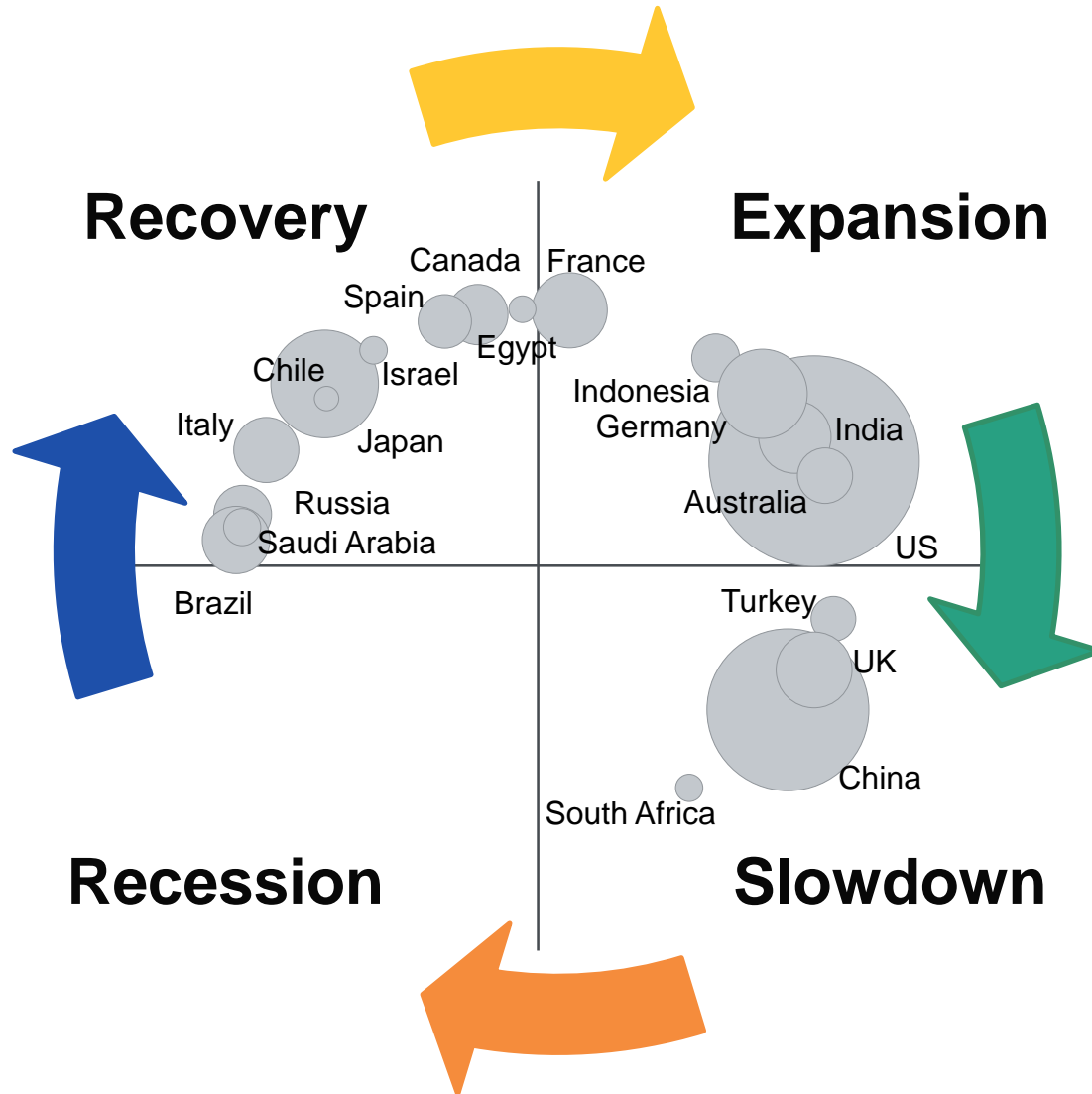
Entrepreneurship Comes Back to Life

Growth in new establishments, % chg yr ago



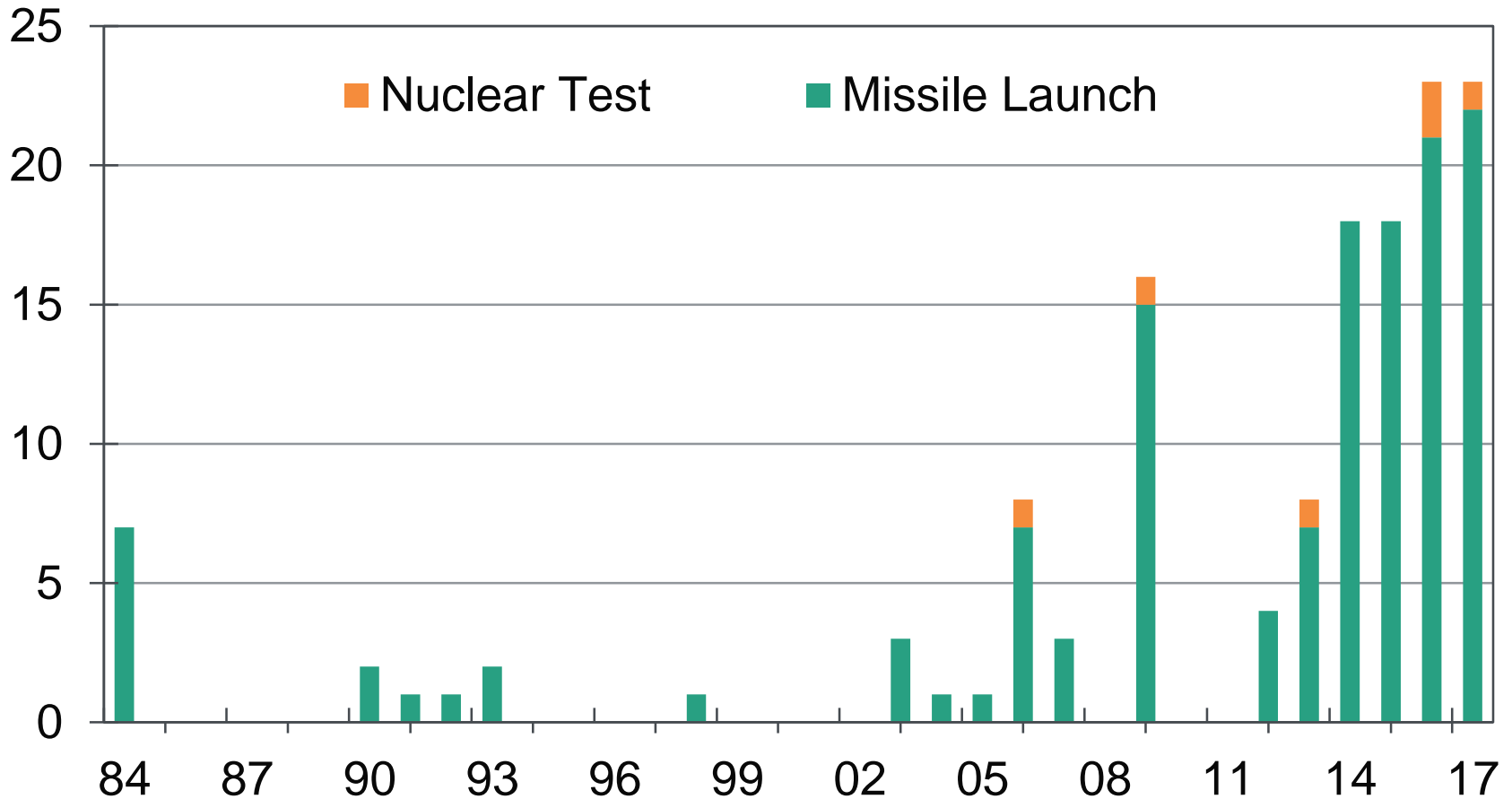
Sources: BLS, Moody's Analytics

The Global Economy Is On the Same Page



But Big Geopolitical Threats

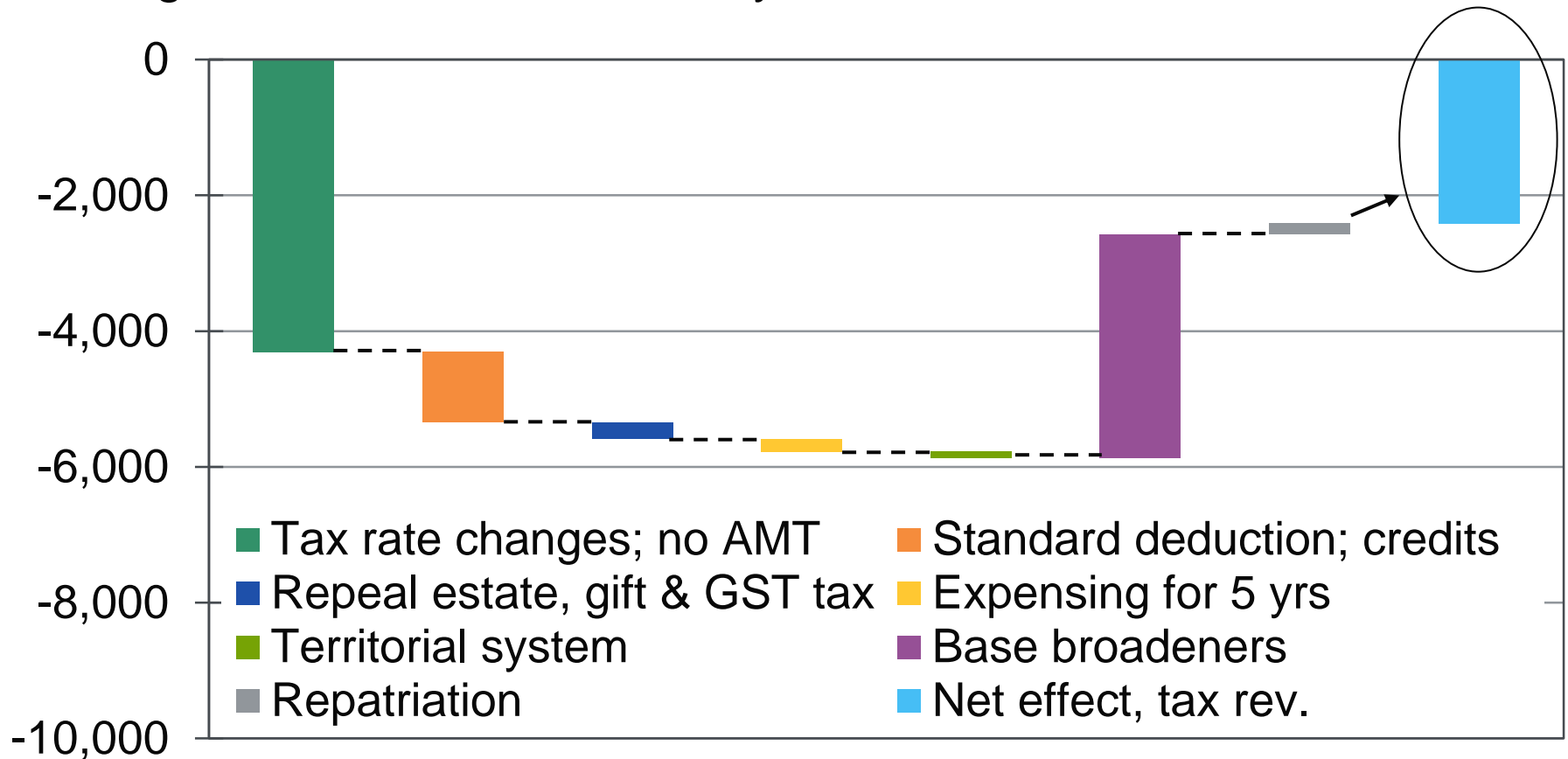
North Korean Military Activity, number of events



Sources: Center for Strategic and International Studies, Bloomberg, Moody's Analytics

Tax Reform a Moderate Stimulus

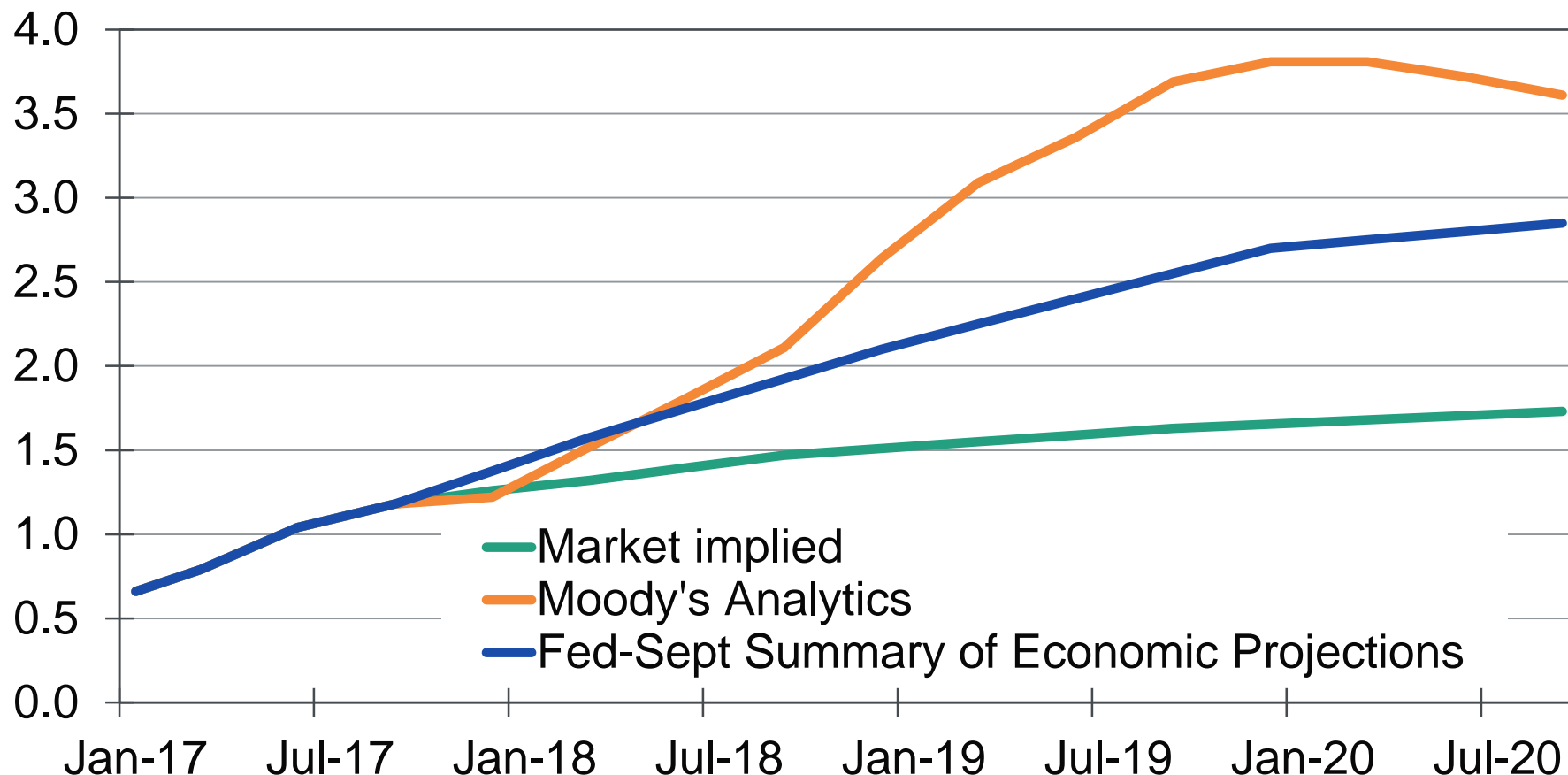
Change to tax revenue over 10 yrs, \$ bil



Sources: Tax Policy Center, Moody's Analytics

Disconnect on Interest Rate Expectations

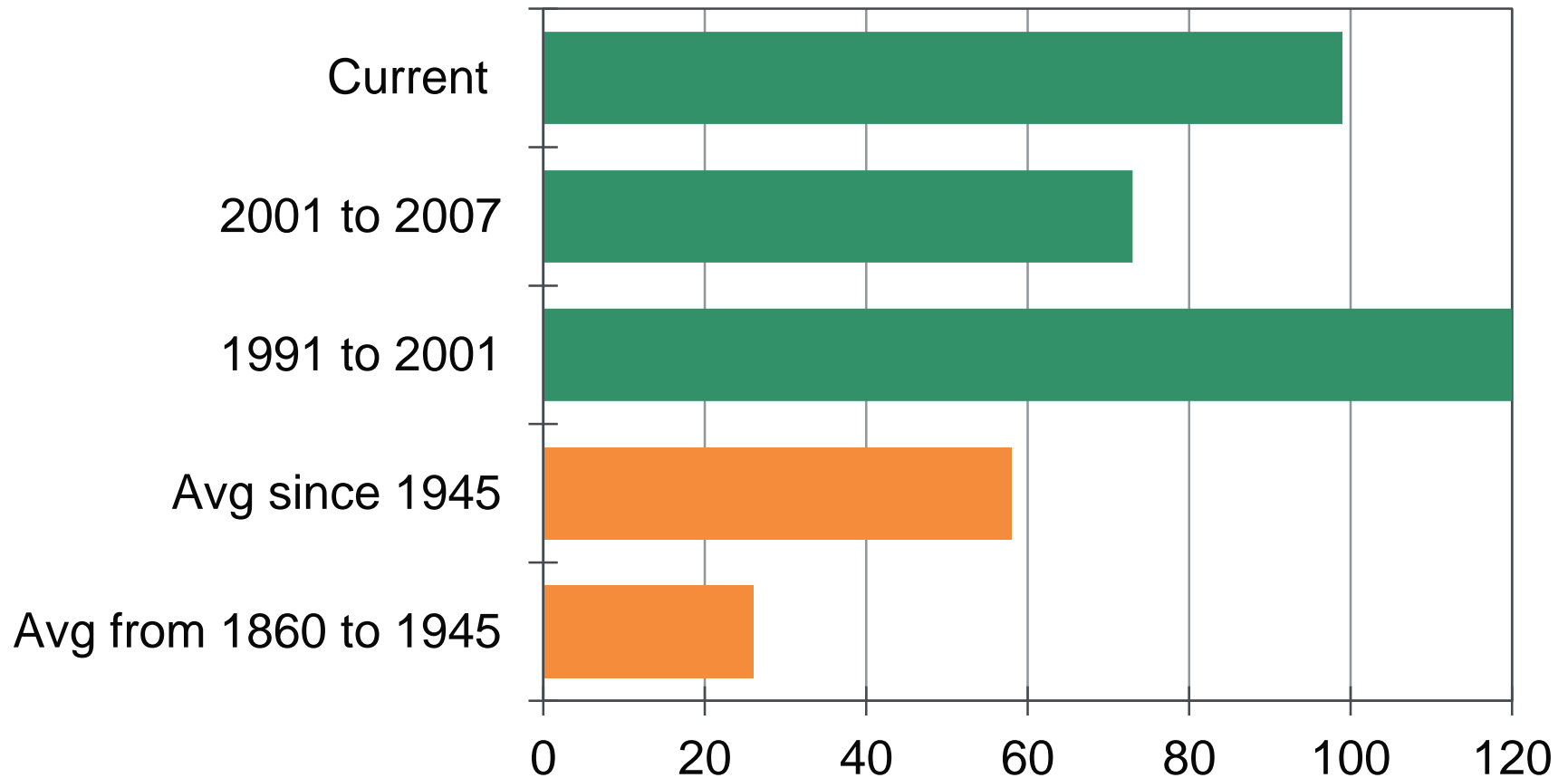
Fed funds rate, %



Sources: Federal Reserve, Bloomberg L.P., Moody's Analytics

This Expansion is Aging

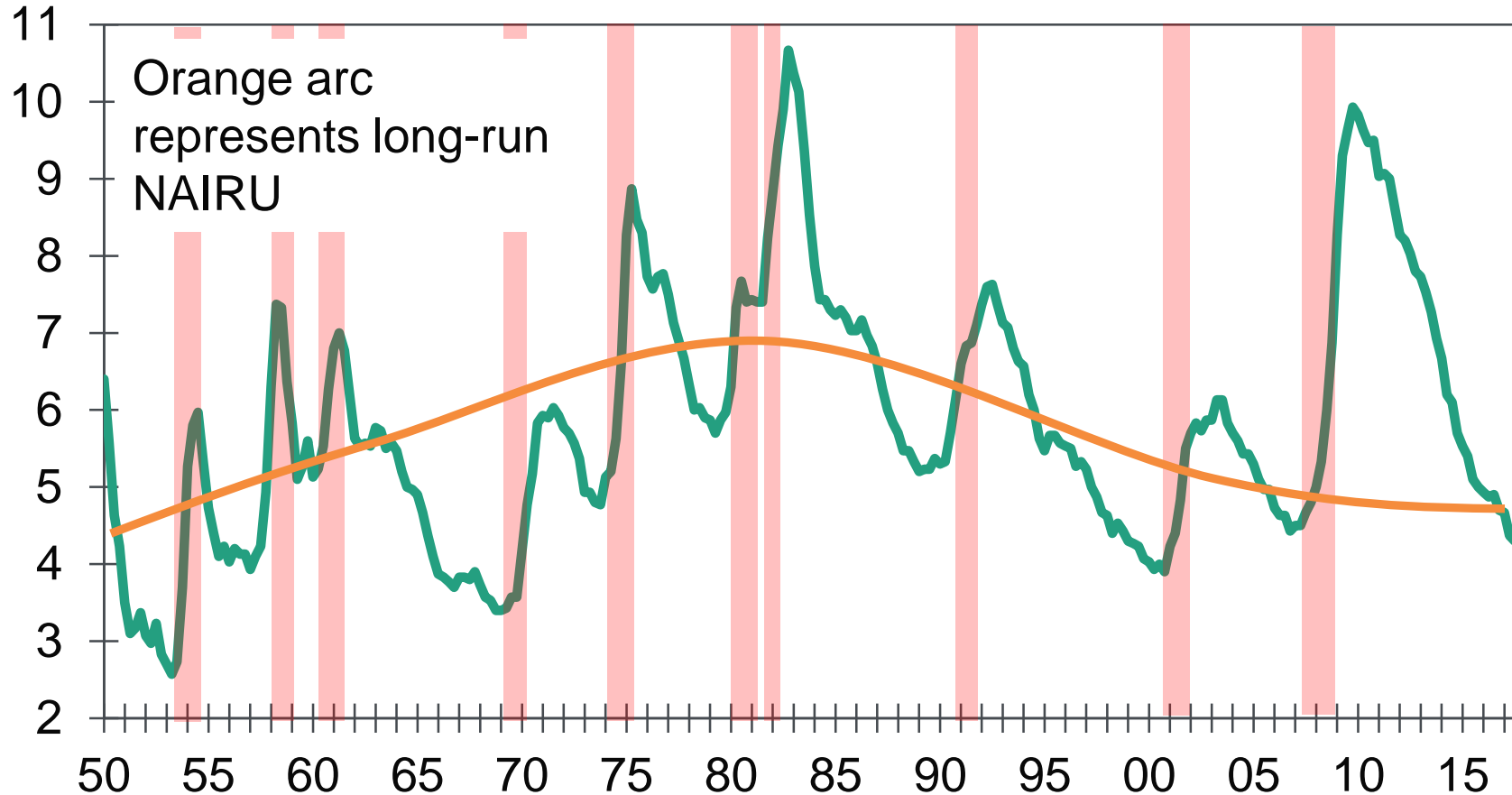
Duration of U.S. expansions, months



Sources: NBER, Moody's Analytics

When is the Next Recession...

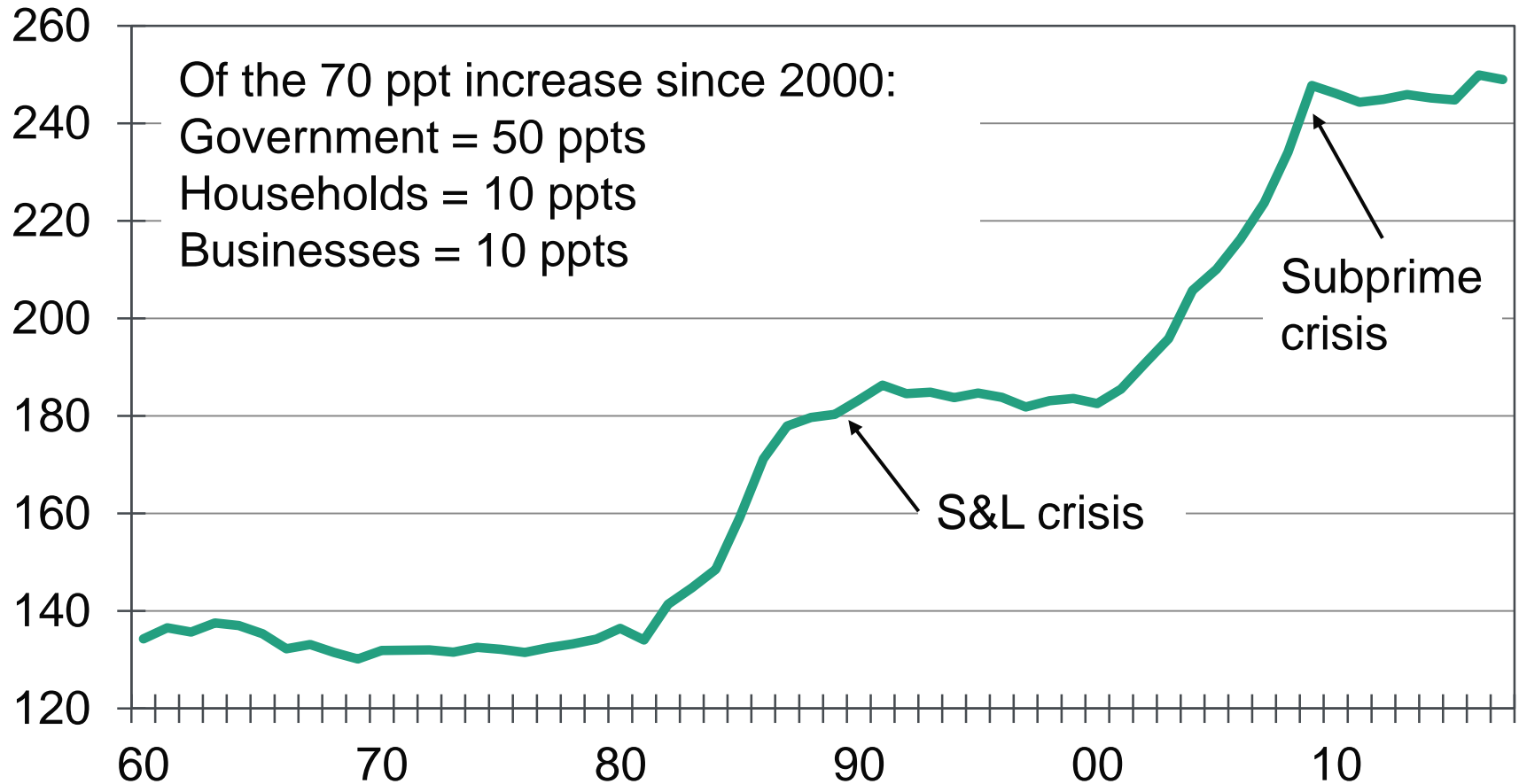
Unemployment rate, %



Sources: BLS, Moody's Analytics

...and What Will Cause It?

Domestic nonfinancial debt to GDP ratio

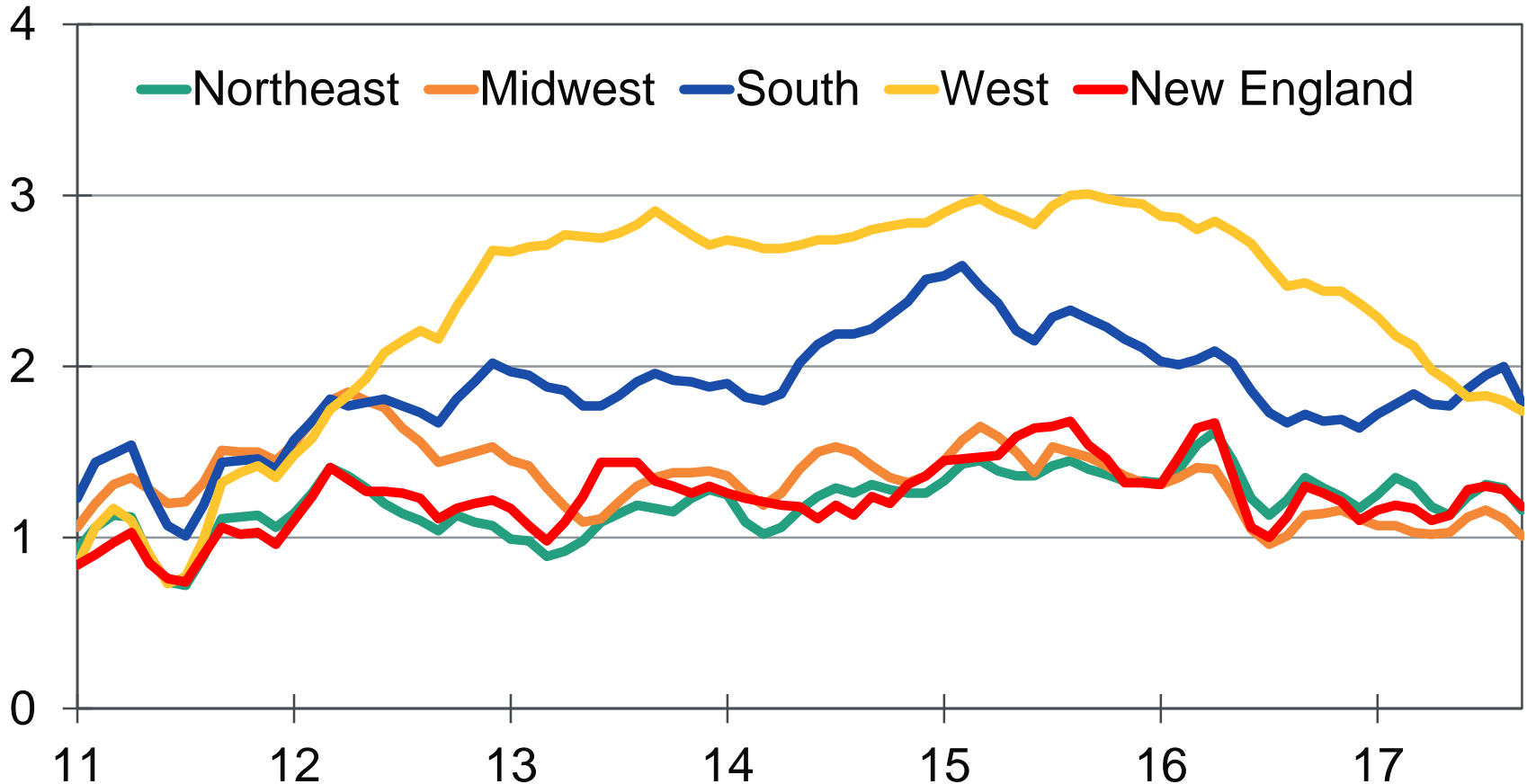


Sources: Federal Reserve, Moody's Analytics

New England

New England Job Gains Slow But Steady

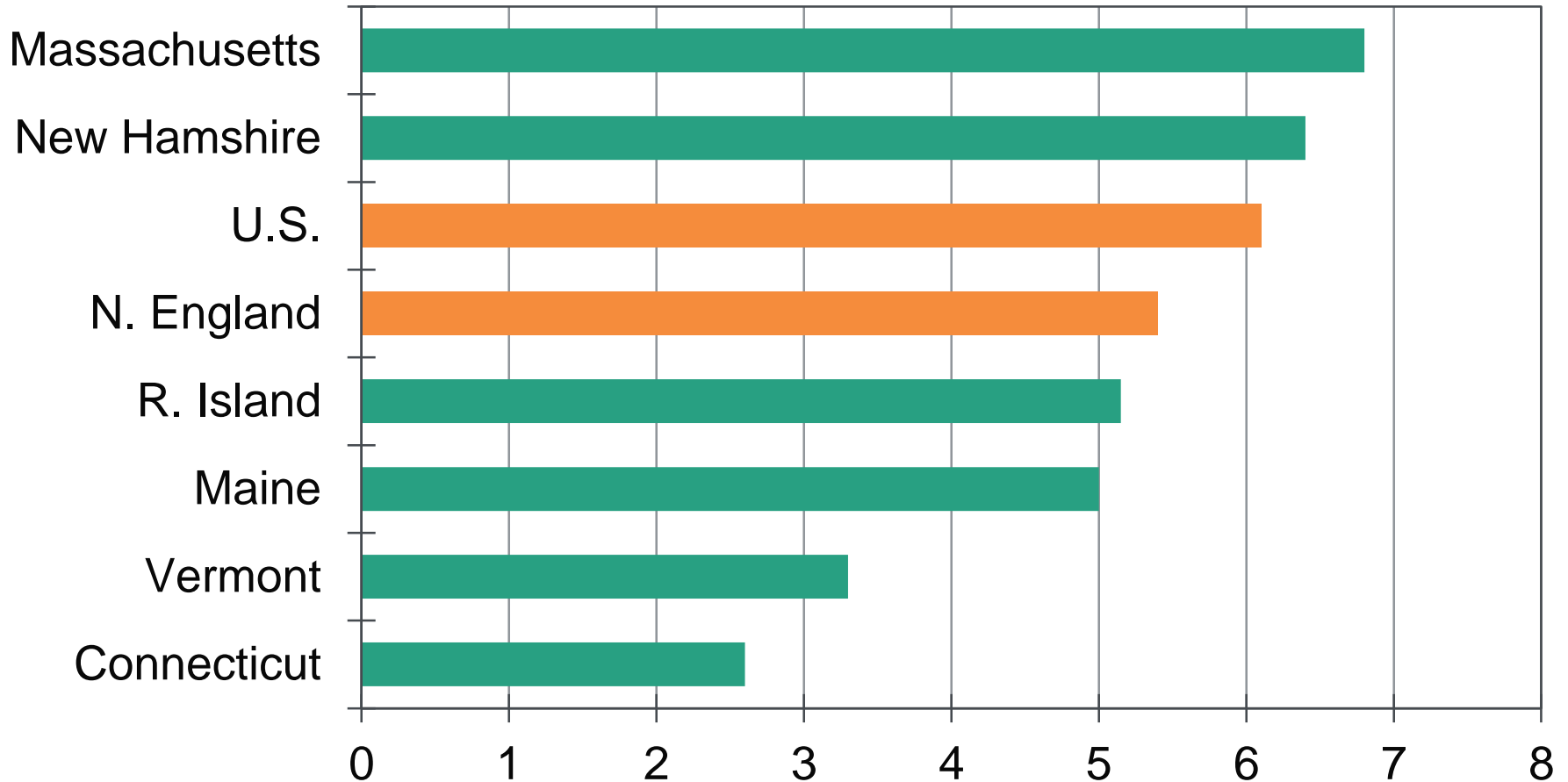
Employment, 3-mo MA, % change yr ago



Sources: BLS, Moody's Analytics

House Price Gains Mostly Keeping Up

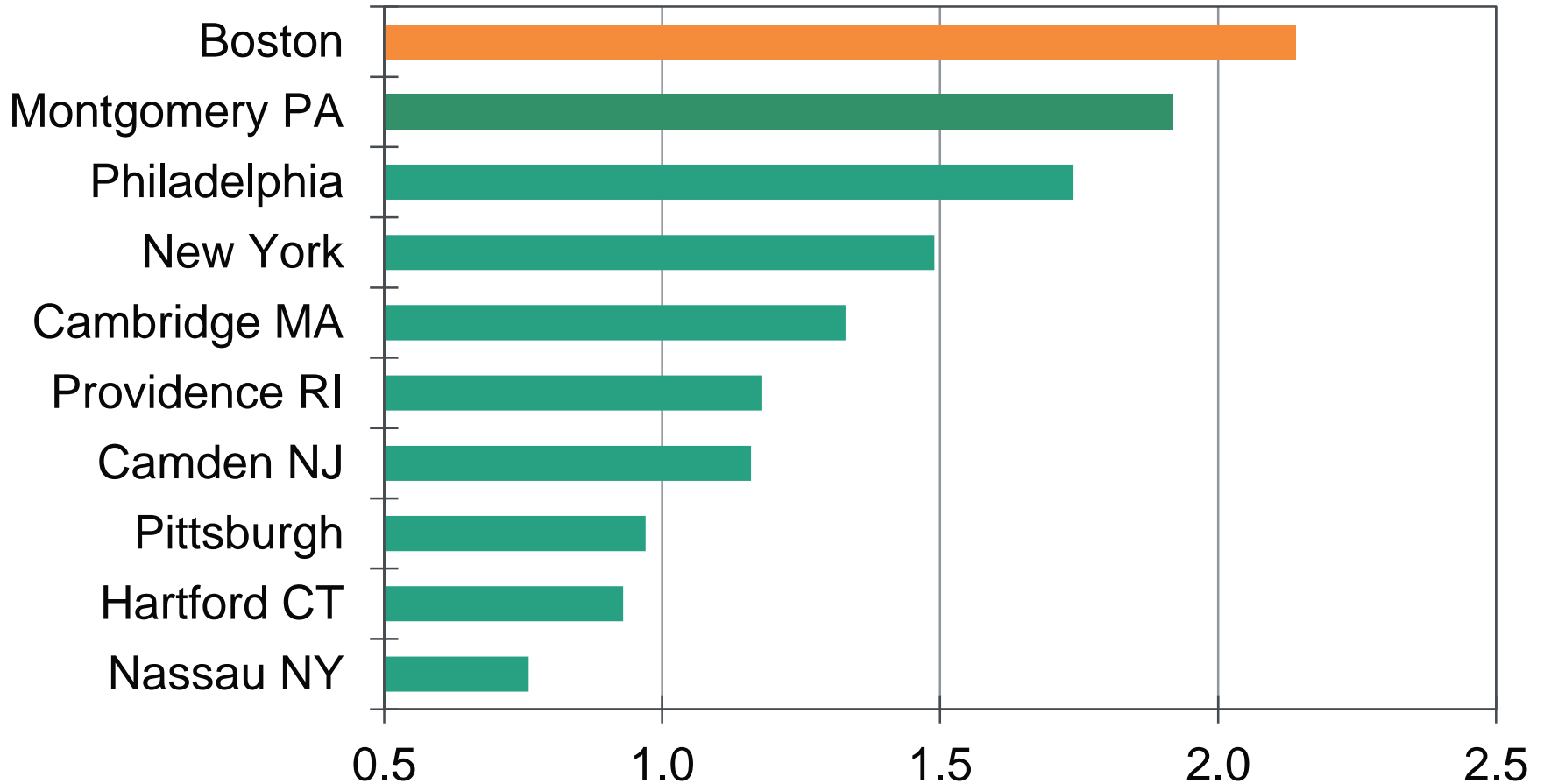
Case Shiller House Price Index, % change yr ago, Aug 2017



Sources: CoreLogic®, Inc., Moody's Analytics

Boston Leads Large Northeast Economies

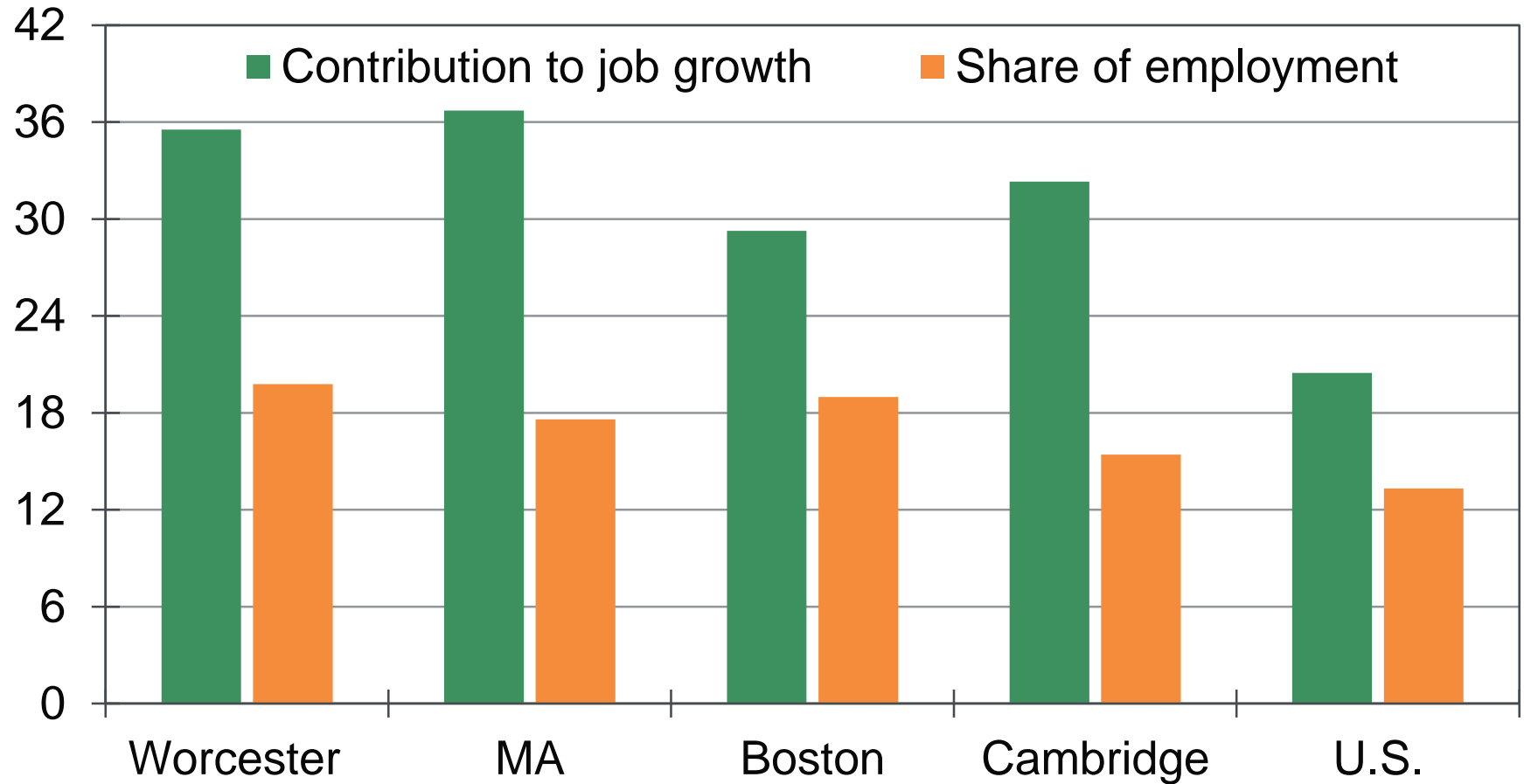
Payroll employment, 3-mo MA, % change yr ago, Sep 2017



Sources: BLS, Moody's Analytics

Healthcare Remains a Driver in Massachusetts

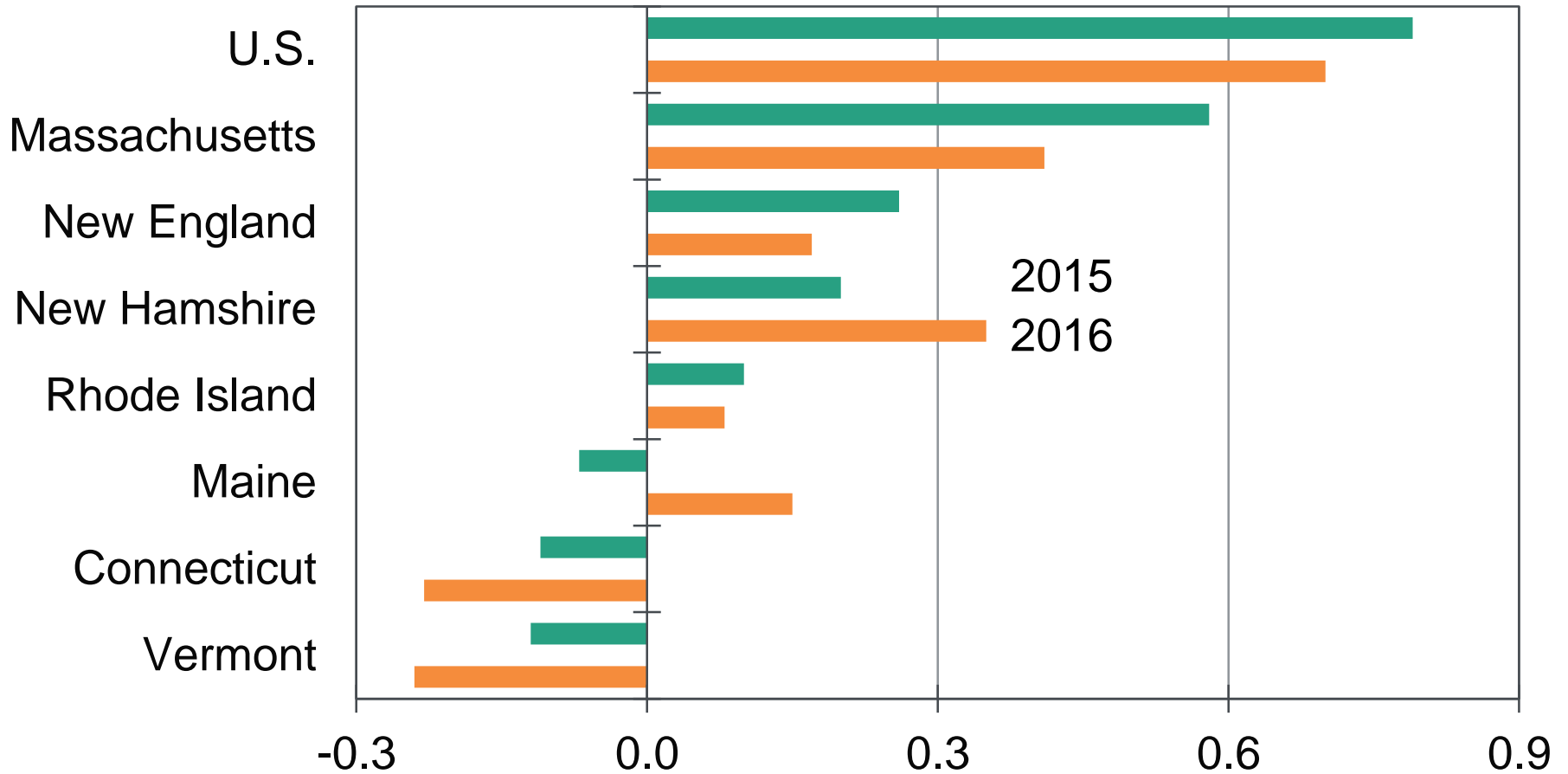
Healthcare, Sep 2017, 3-mo MA



Sources: BLS, Moody's Analytics

Demographics Still an Issue Across Region

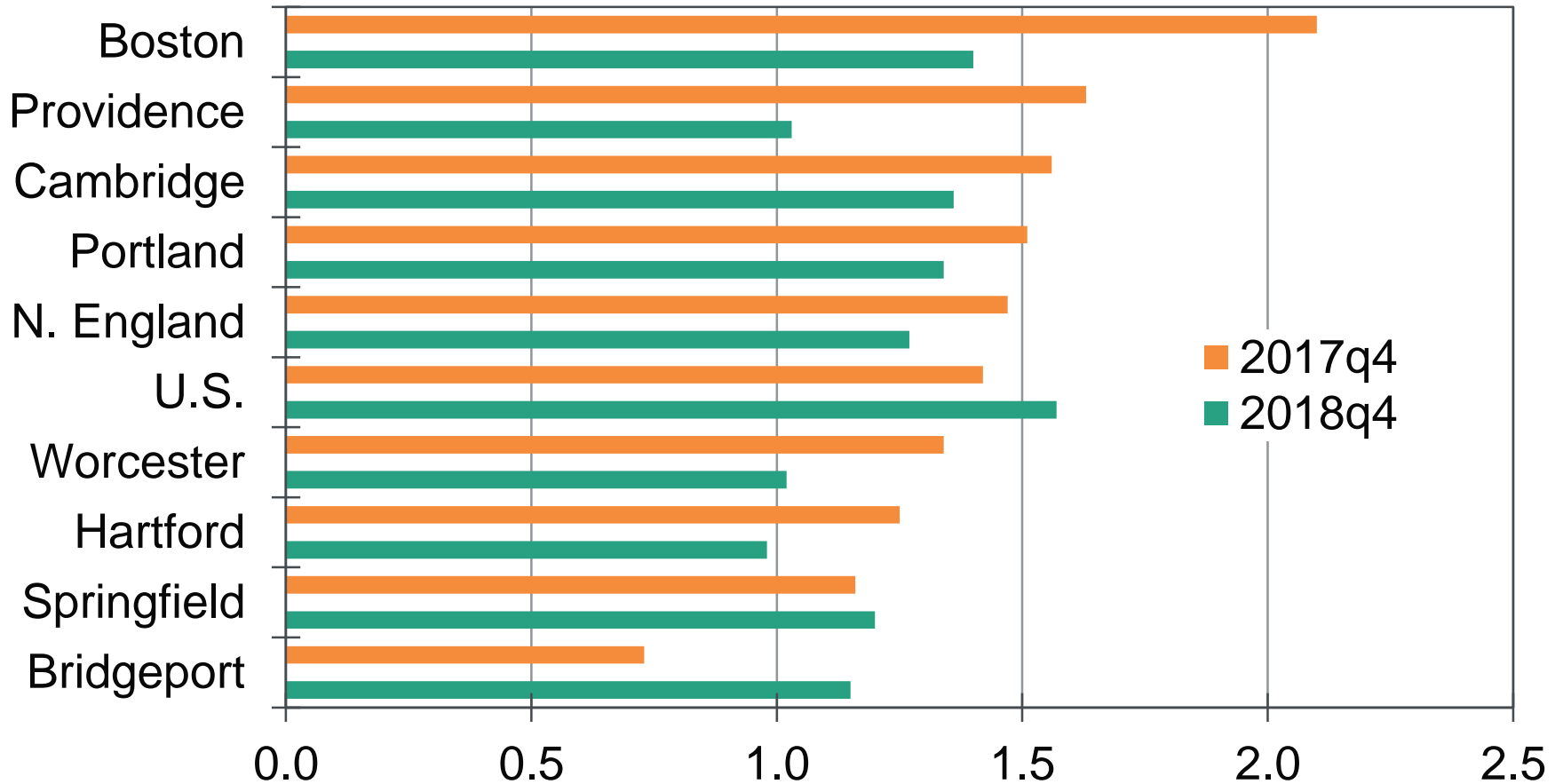
Population, % change



Sources: Census Bureau, Moody's Analytics

Expansion Will Continue in 2018

Employment, % change yr ago



Source: Moody's Analytics

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