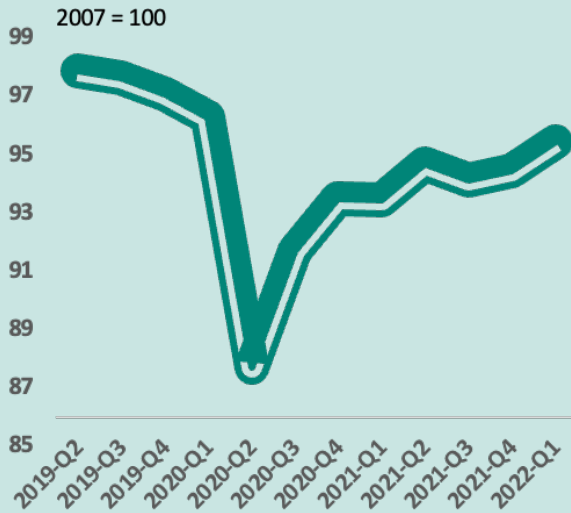


## Rising Manufacturing Output Buys Coincident Indicator



Buoyed by rising manufacturing output, the General Drift Indicator (GDI) surged ahead once again in 2022-Q1. Other indicators of current activity also posted gains.

The GDI rose by 1.0% in 2022-Q1 — a marked improvement over its slim 0.3% advance in 2021-Q4. The GDI has been re-

covering from a 10.1% tumble in the first half of 2020 as the Coronavirus stormed through the state. Rising prices, supply shortages and Covid variants have stalled the GDI's progress of late.

The GDI's first-quarter resurgence owes to a 4.3% jump in the Connecticut Manufac-

turing Production Index (CMPI). Employers continued to hire in 2022-Q1, though the pace slowed from 0.6% in 2021-Q4 to its current reading of 0.4%. Real personal income (net of transfer payments) is projected to have inched up by 0.1% despite inflation's toll on household purchasing power.

## State's Future Job Growth Faces Mounting Headwinds

Connecticut employers are poised to add 6,700 new jobs in 2022-Q2, after hiring 7,000 new workers in 2022-Q1. That forecast is based on prospects for the U.S. economy and recent trends in the state's labor market.

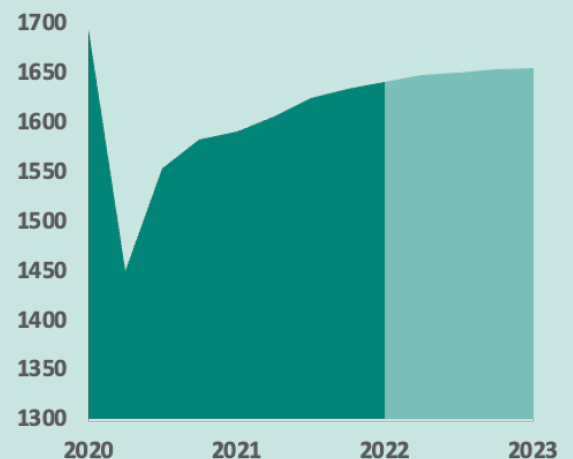
Connecticut's employment outlook has

dimmed considerably as the economy faces mounting headwinds to future growth. Russia's invasion of Ukraine and China's renewed lockdowns are choking off supply channels, while the Fed's redoubled inflation fight is raising borrowing costs to households and businesses alike, with the

intent of tamping down overheated demand.

Waning virus fears may have fueled a return of workers to the state's labor force in 2022-Q1, but the struggle to fill posts continues. With job openings outpacing job seekers, employers face the tightest labor market in a generation.

1750 Jobs (000s)



## GREEN SHEET SCORECARD

Quarter	GDI (2007 = 100)	Actual Job Changes	Prior Job Change Forecast	New Job Change Forecast
2021-Q2	94.7	15,100		
2021-Q3	94.1	18,700		
2021-Q4	94.5	9,800		
2022-Q1	95.4	7,000	9,500	
2022-Q2			7,100	6,700
2022-Q3			6,400	2,900
2022-Q4			7,000	2,900
2023-Q1				1,600