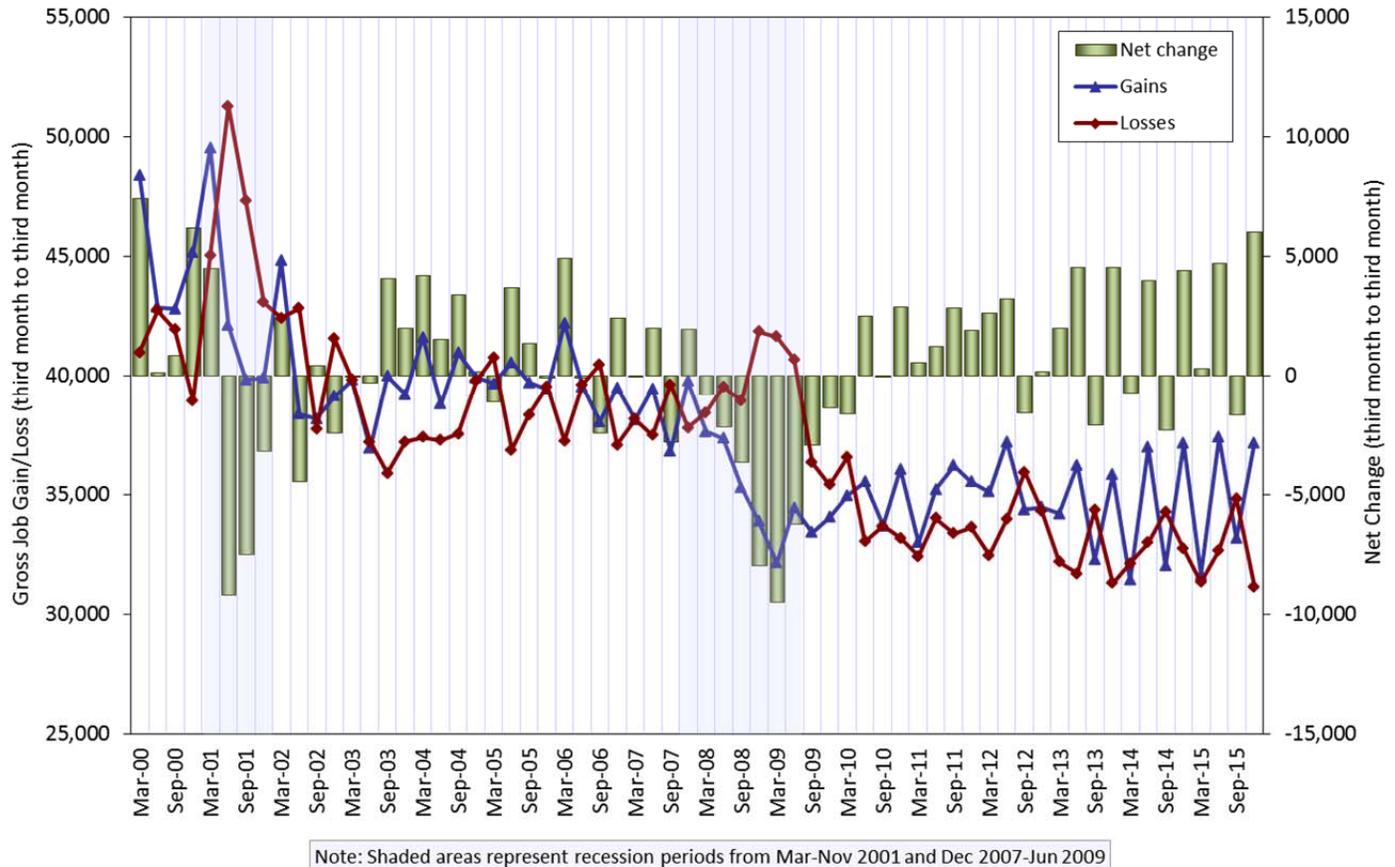


New Hampshire Business Employment Dynamics Quarter Ending December 2015

**New Hampshire Private Sector Employment Dynamics
Seasonally Adjusted Quarterly Employment**



Private Sector Gross Job Gains and Losses in New Hampshire, Seasonally Adjusted¹

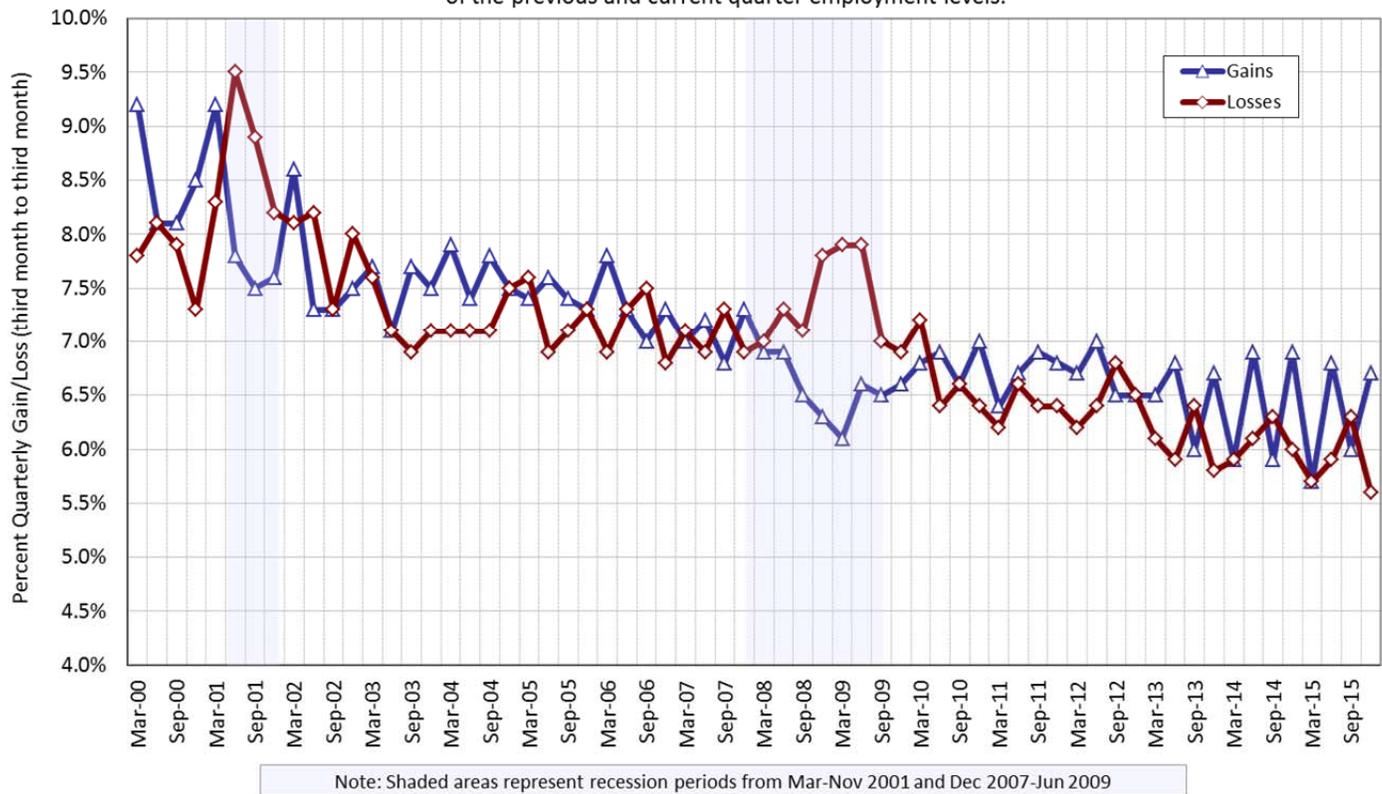
- New Hampshire experienced a net gain of 6,022 jobs between the quarters ending September 2015 and December 2015. The net gain followed a net loss of 1,667 during the prior quarter. This net gain was the largest net gain since the quarter ending December 2000.²
- There were 37,153 private sector gross jobs gains, seasonally adjusted, at new or expanding firms in New Hampshire during the quarter. Over-the-quarter gross job gains were higher than the gross jobs gains in the prior quarter and about the same as the quarter ending December 2014.
- Seasonally adjusted gross job losses at closing or contracting businesses totaled 31,131. These losses were lower than in the previous quarter and lowest level since the quarter ending September 1993.
- Total gains and total losses continue to be at subdued levels in comparison to the historical trend.

¹ For a description of this data series, see *About the BED Data Series* at <http://www.nhes.nh.gov/elmi/products/documents/about-bed.pdf>

² The BED data series measures employment in the last (third) month of each referenced quarter.

New Hampshire Private Sector Gross Job Gains, Gross Job Losses (percent), Seasonally Adjusted, March 2000 – December 2015

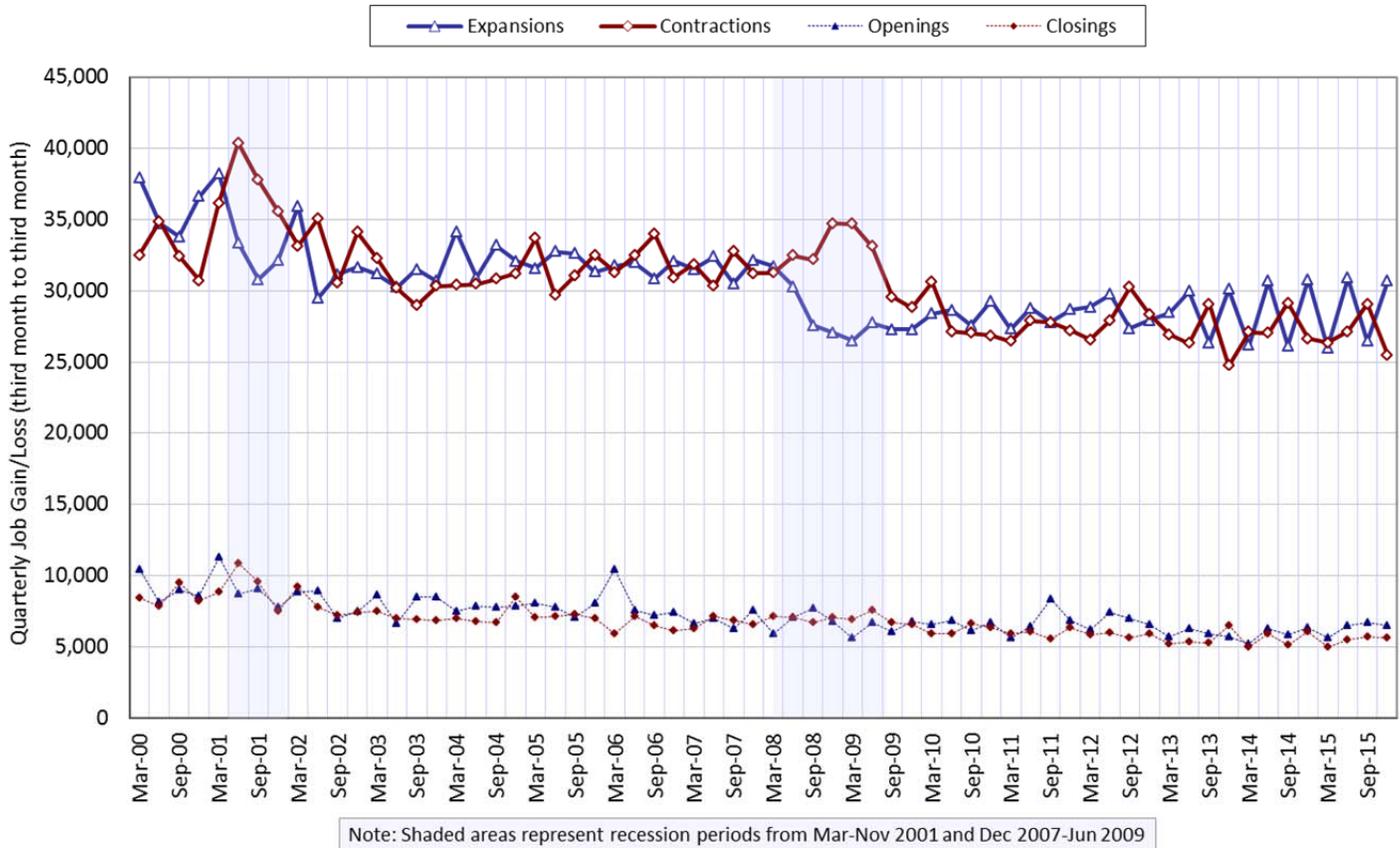
The rates measure gross job gains and job losses as a percentage of the average of the previous and current quarter employment levels.



Gross Job Gains and Losses as a Percentage of Total Private Employment, Seasonally Adjusted

- Gross job gains for the quarter ending December 2015 accounted for 6.7 percent of total private employment (an average of employment for the second and third quarters of 2015); whereas gross job losses accounted for 5.6 percent of total private employment.
- Compared to the previous quarter, the 6.7 percent of gross job gained was 0.7 percentage points higher, and the 5.6 percent of gross jobs lost was 0.7 percentage points lower.
- The increase in gross job gains and the decrease in gross job losses resulted in a 1.1 percent increase in seasonally adjusted total private employment.

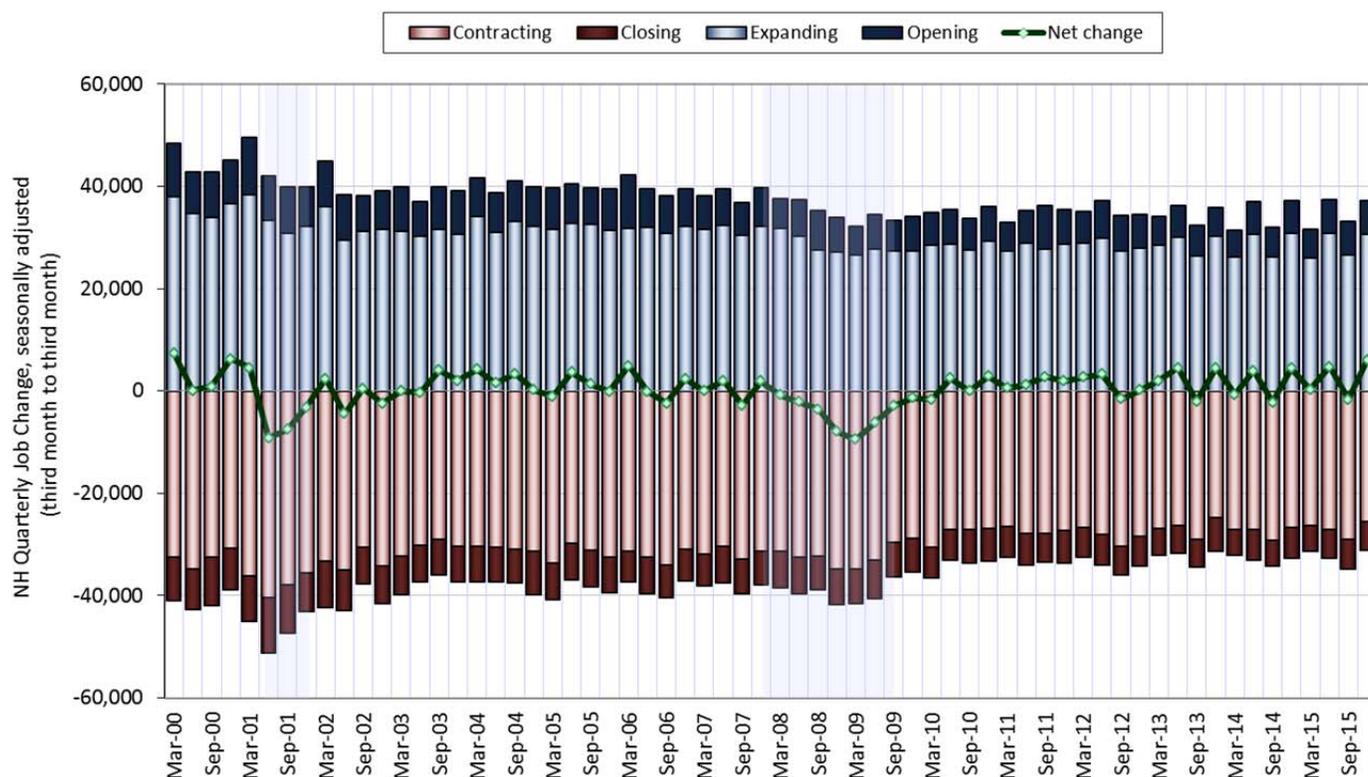
Components of New Hampshire Private Sector Gross Job Gains and Job Losses, Seasonally Adjusted, March 2000 – December 2015



Components of Gross Job Gains and Gross Job Losses — Private Sector, Seasonally Adjusted

- Private sector gross job gains and gross job losses are each measured using two factors. *Gross job gains* are the sum of added employment at firms that are opening or expanding, while *gross job losses* are the sum of employment lost at firms that are contracting or closing.
- For the quarter ending December 2015, opening firms added 6,466 jobs, while 30,687 jobs were added at expanding firms. Jobs gained from opening firms were lower than previous quarter but jobs gained from expanding firms were well above the previous quarter. Combined, 37,153 jobs were added from opening and expanding firms, about 4,000 jobs more than in the previous quarter.
- Jobs lost due to closing firms (-5,623) and contracting firms (-25,508) in the quarter ending December 2015 were both lower than in the previous quarter. Combined, job losses for the quarter (-31,131) were about 3,700 less than the previous quarter.
- Gross jobs gained in the first quarter of an opening establishment and the jobs shed in the last quarter of a closing establishment do not represent the full impact of business openings and closings. It is not unusual for a business to close following an extended period of contraction, while a new business may start with a skeleton workforce and will not reach intended staffing levels for some time.

New Hampshire Private Sector Net Employment Change and Factors of Employment Change, Seasonally Adjusted

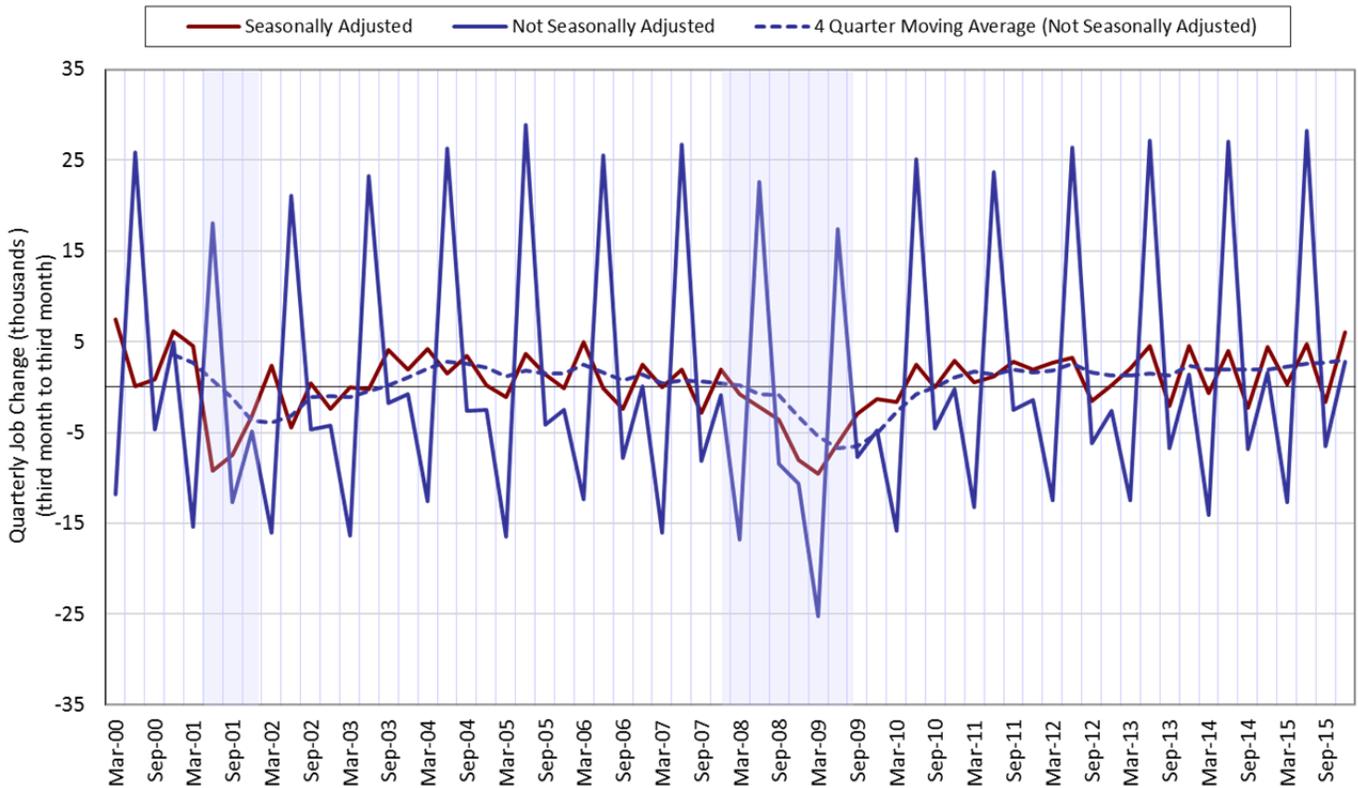


Note: Shaded areas represent recession periods from Mar-Nov 2001 and Dec 2007-Jun 2009

Net Employment Change and Factors of Employment Change, Seasonally Adjusted

- *Net employment change* is the sum of gross job gains and gross job losses. *Positive net change* is the result of a larger number of jobs gained due to opening or expanding firms than the number of jobs lost due to closing or contracting firms. *Negative net change* is the result of a larger number of jobs lost due to closing or contracting firms than were gained due to opening or expanding firms.
- In the quarter ending December 2015, net employment change was positive (+6,022), which can be attributed to more jobs added at expanding firms combined with fewer jobs lost at contracting firms when compared to the prior quarter.
- Since the quarter ending December 2010, 16 of the 21 quarters posted a positive net employment change, indicative of an economy adding jobs. This positive change is largely due to fewer job losses due to contracting or closing firms, rather than job gains due to expanding or opening firms.
- For the past several years, the net employment change in the private sector has been similar to levels experienced in 2005 and 2006, although the business dynamics are more subdued. Both gross job gains and gross job losses have declined over time, though net employment change has returned to a pre-recession pattern.

**New Hampshire BED Quarterly Net Employment Change,
March 2000 – December 2015 Seasonally vs. Not Seasonally Adjusted**



Note: Shaded areas represent recession periods from Mar-Nov 2001 and Dec 2007-Jun 2009

Seasonal Adjustment

- In New Hampshire, not seasonally adjusted net employment spikes in the quarter ending in June each year, while the largest negative change falls in the quarter ending in March each year.
- For the quarter ending December 2015, the not seasonally adjusted net employment change was 2,844. In comparison, the not seasonally adjusted net employment change in the same quarter of the previous year, ending December 2014, was 1,599. In the prior quarter, ending September 2015, not seasonally adjusted net employment change was -6,447.
- The seasonally adjusted series for employment and establishments at opening, expanding, closing, and contracting establishments are independently adjusted and the net changes are calculated based on the difference between gross job gains and gross job losses.