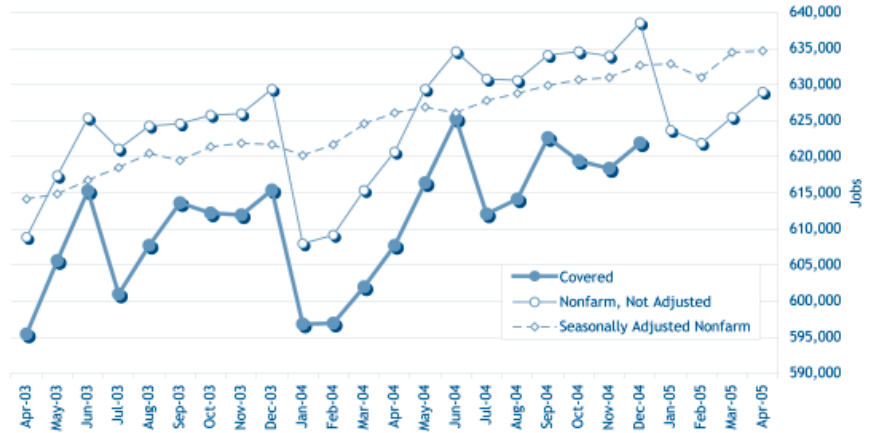


The state's economy has been on a slow but steady recovery since the 2001 recession. Spring brought with it high hopes of the seasonal push from Construction and landscaping businesses. Both business and consumer confidence had been improving to a comfort level of considering investing in increasing staff levels and making major purchases. Affordable housing has been a growing topic of interest, and total and personal income levels in the state have continued to grow. Employment levels have been gradually growing in strong industries and losses in the weaker industries have been stabilizing.

## Synopsis of Summary of the New Hampshire Economy, Spring 2005

### Total Employment



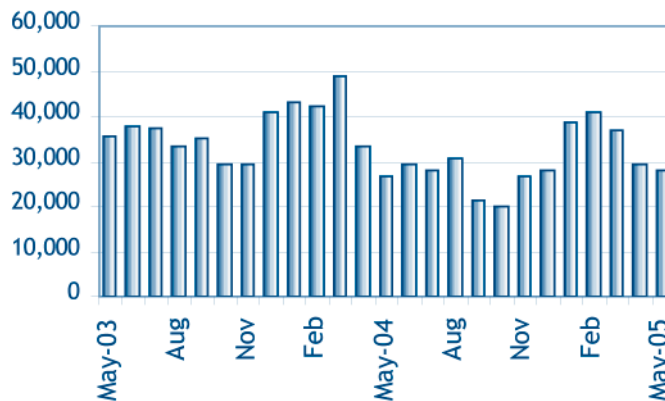
*Continued on page 8*

### Unemployment Compensation Claims Activity

Total Regular Unemployment Compensation Programs:			Change from Previous				
	May-05	April-05	May-04	Month		Year	
				Net	Percent	Net	Percent
Initial Claims	3,088	4,004	2,897	-916	-22.9%	191	6.6%
Continued Weeks	28,160	29,302	26,775	-1,142	-3.9%	1,385	5.2%

### Unemployment Compensation Fund

Unemployment compensation fund balance at the end of May	\$262,901,333.91
Average payment for a week of total unemployment:	\$251.71
Net benefits paid:	\$7,367,263.57
Net contributions received during the month:	\$32,837,748.03
Interest Received:	\$0.00
Reed Act Distribution:	\$0.00
Reed Act Withdrawal for Administrative Costs:	\$166.88



### Claims Activity

### Trust Fund

### Continued Weeks Claimed

May 2003 - May 2005  
Continued weeks claims increased over-the-month for the first time in 21 months.

			Change from Previous	
May-05	Apr-05	May-04	Month	Year
194.4	194.6	189.1	-0.1%	2.8%

United States  
All Urban Areas (CPI-U)  
(1982-1984=100)

### Consumer Price Index

Continued from page 3

The weather had been extremely fickle, from cold and wet to hot and muggy back to cold and wet. How will the summer add to the economy this year? What other elements will come into play? An answer came when the Department of Defense announced that the Portsmouth Naval Shipyard was on their list of recommended closures under the 2005 round of Base Realignment and Closure (BRAC) act.

Even with the BRAC recommendation to close the shipyard, the time frame required for any closure would extend out a few years before a complete shut down. At this point, the state economy is growing, but not robustly. So the con-

cern is, will the shock of the news about the possible shipyard closure stall the recovery?

The Yard news may cause consumers to hesitate to invest in homes as well as refrain from large durable goods purchases such as cars and large appliances. The financial community may also start to approach things more conservatively in preparation for an increase in possible defaults.

Maybe the weather will improve as we go into summer giving a boost to the upcoming tourist season and the economy will continue to be bright.

Anita Josten

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