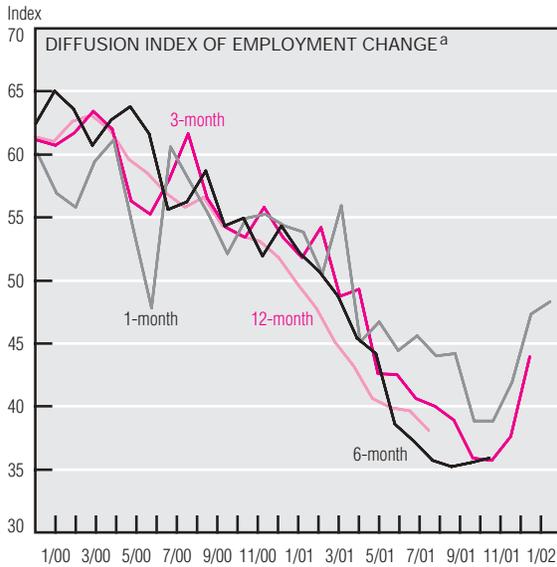


Employment Change



	Percent change					Thousands
	Peak to trough ^b		Last month			
	3/01-12/01	10/01-11/01	11/01-12/01	12/01-1/02	1/02-2/02	
New England	-1.1	0.0	-0.1	0.2	0.0	6,996
Middle Atlantic	-0.9	-0.1	0.0	-0.1	-0.1	18,226
South Atlantic	-1.0	-0.3	-0.2	0.0	-0.1	24,518
East South Central	-0.6	0.0	-0.1	0.3	0.0	7,577
East North Central ^c	-0.5	-0.2	-0.6	—	—	22,016
West North Central	-1.1	-0.1	-0.2	0.2	-0.1	9,797
West South Central	-0.8	-0.1	-0.1	0.1	0.0	14,055
Mountain	-1.0	-0.2	-0.1	0.3	0.0	8,559
Pacific	-0.8	-0.3	0.0	0.1	0.0	19,745

	Percent change					Thousands
	Peak to trough ^b		Last month			
	3/01-12/01	10/01-11/01	11/01-12/01	12/01-1/02	1/02-2/02	2/02
Goods-producing						
Mining	1.3	-0.4	-0.5	-0.4	-1.1	556
Construction	-1.1	0.0	0.0	-0.9	0.4	6,812
Manufacturing	-5.9	-1.0	-0.7	-0.6	-0.3	16,879
Service-producing						
TPU ^d	-3.0	-0.9	-0.5	-0.3	0.1	6,901
Wholesale trade	-1.8	-0.4	0.0	-0.1	-0.2	6,919
Retail trade	-0.4	0.0	-0.3	0.2	0.2	23,464
FIRE ^e	0.2	0.1	-0.1	0.1	-0.1	7,626
Services ^f	-0.3	-0.3	0.2	0.1	0.1	41,021
Government	1.7	0.0	0.3	0.0	0.1	21,083

	Peak 3/01	Trough ^b 12/01	Most recent 1/02
U.S.	4.3	5.8	5.6
New England	3.2	4.3	4.1
Middle Atlantic	4.2	5.5	5.5
South Atlantic	4.1	5.4	5.1
East South Central	4.8	5.8	5.5
East North Central	4.5	5.4	5.3
West North Central	3.8	4.2	4.0
West South Central	4.5	5.7	5.5
Mountain	4.0	5.6	5.6
Pacific	5.0	6.4	6.5

NOTE: All data are seasonally adjusted. The recession start date is from the NBER. U.S. regions follow the standard census division of states.
a. The diffusion index of employment change is based on seasonally adjusted data for 1-, 3-, and 6-month spans and unadjusted data for a 12-month span. Data are centered within the span. Figures show the percent of industries with employment increasing plus half of the industries with unchanged employment.
b. Estimated; the NBER has not set an end date.
c. The most recent data available for the region are for December 2001 rather than February 2002.
d. Transportation and public utilities.
e. Finance, insurance, and real estate.
f. The services industry includes travel; business support; recreation and entertainment; private and/or parochial education; personal services; and health services.
SOURCES: U.S. Department of Labor, Bureau of Labor Statistics; and National Bureau of Economic Research.

The National Bureau of Economic Research dated the start of the latest recession at March 2001. Many analysts have proposed December 2001, or perhaps January 2002, as an ending date, and recent labor market data tend to support their view.

The diffusion index of employment is based on firms' responses as to whether they have increased employment, decreased it, or kept it the same. The index turned around in December. As reported in February, it approached 50 for the 1-month time

span, indicating that the same fraction of firms increased employment as decreased it in February.

Between the beginning of the recession and its presumed end in December, employment declined in all regions and almost all industries. However, while the declines were about the same size in all regions, they were much more concentrated in some industries than in others.

Most regions posted month-to-month employment declines until December. In that month, most regions showed net gains. The positive

changes in January were smaller, and some changes were negative.

Employment was hardest hit in manufacturing and in transportation and public utilities. Since October, percentage losses have been smaller, but the manufacturing sector is still posting employment declines, and wholesale trade shows no sure signs of recovery.

Unemployment rates have also begun to drop. In December, the Pacific region was the only one in which they rose.