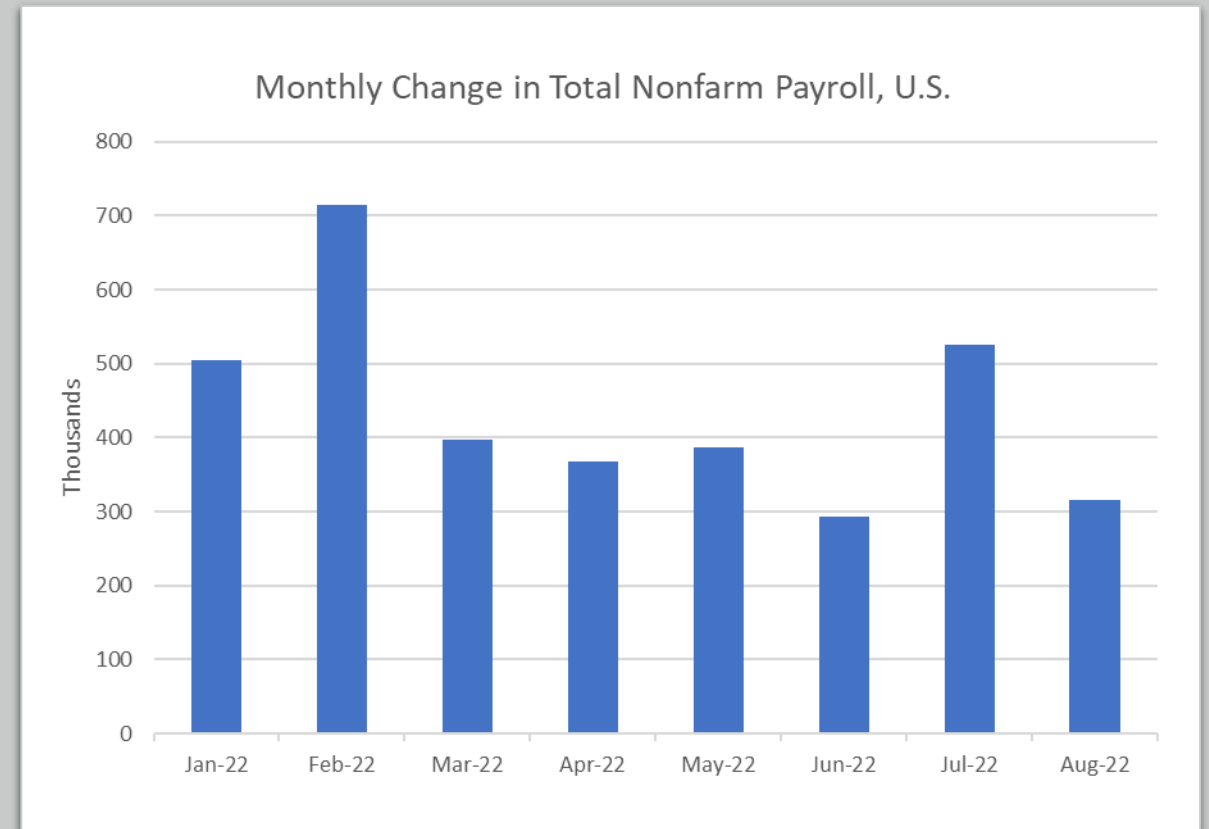
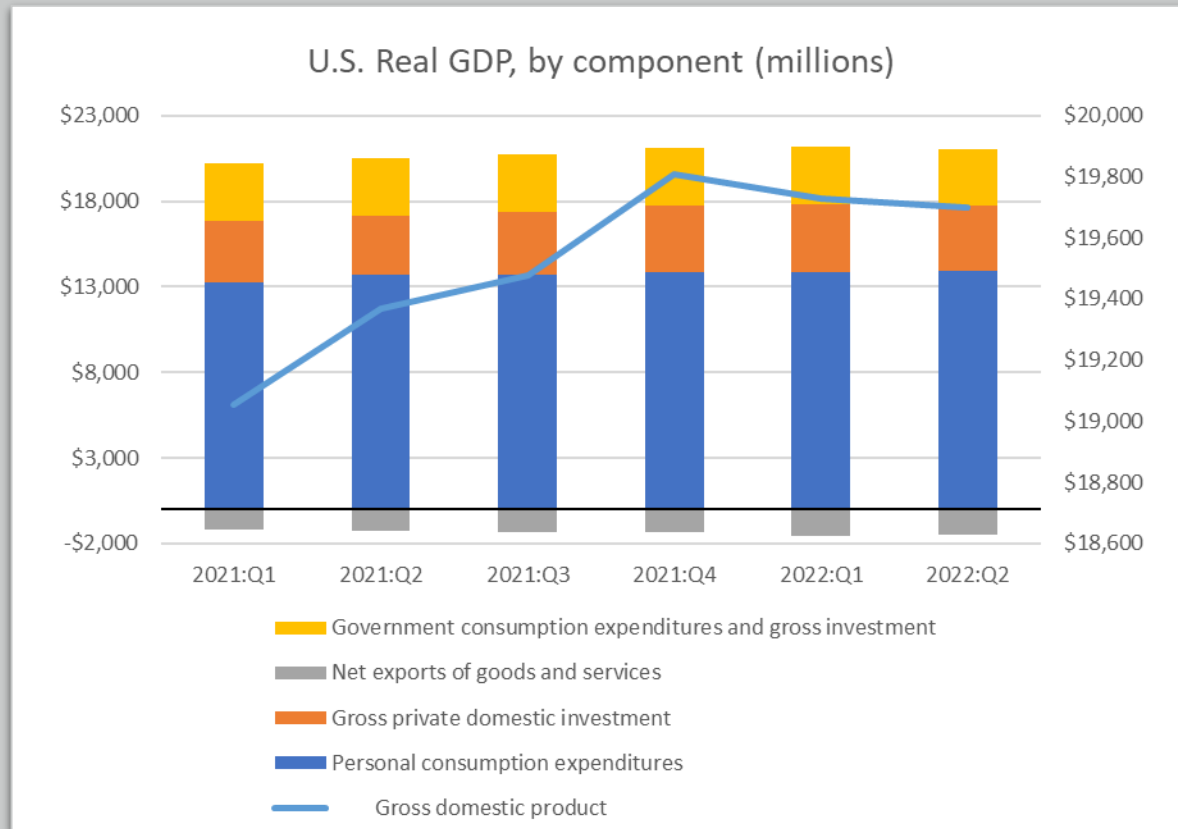


CEFC/RFC Joint Meeting Economic Update

September 7, 2022

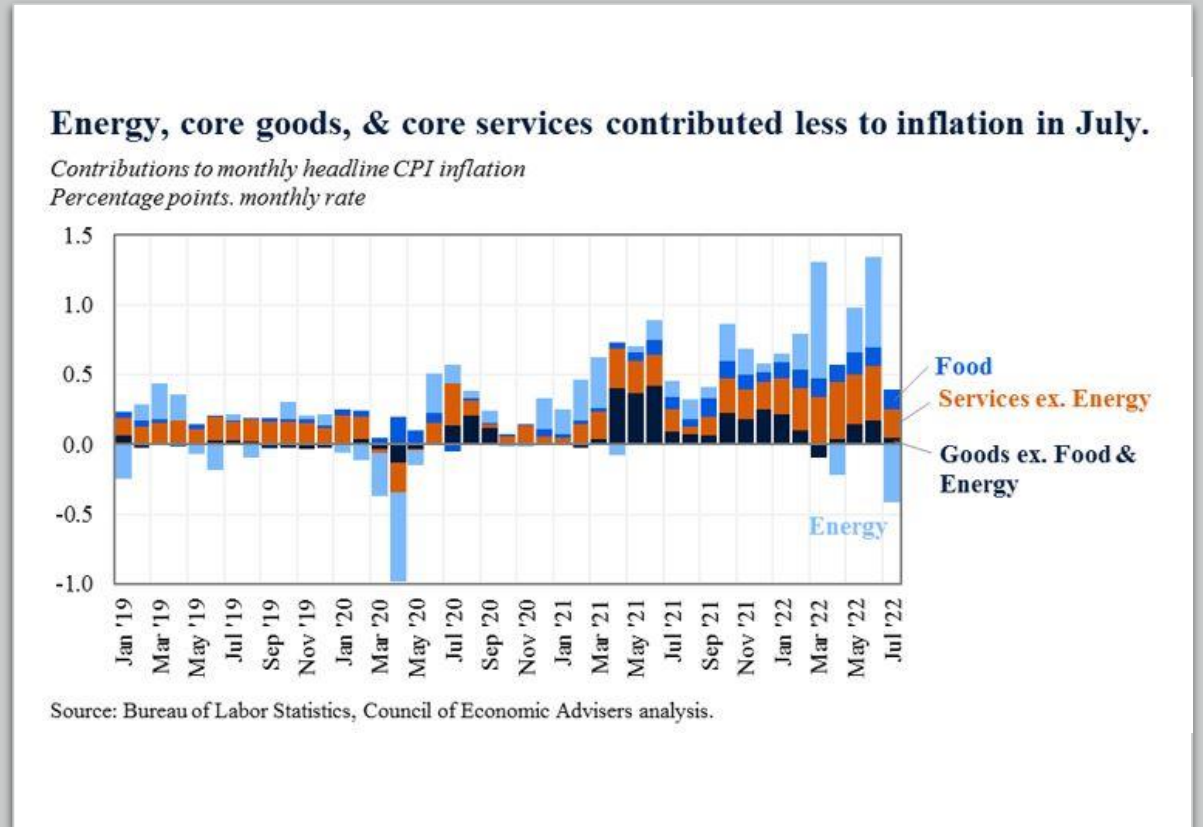
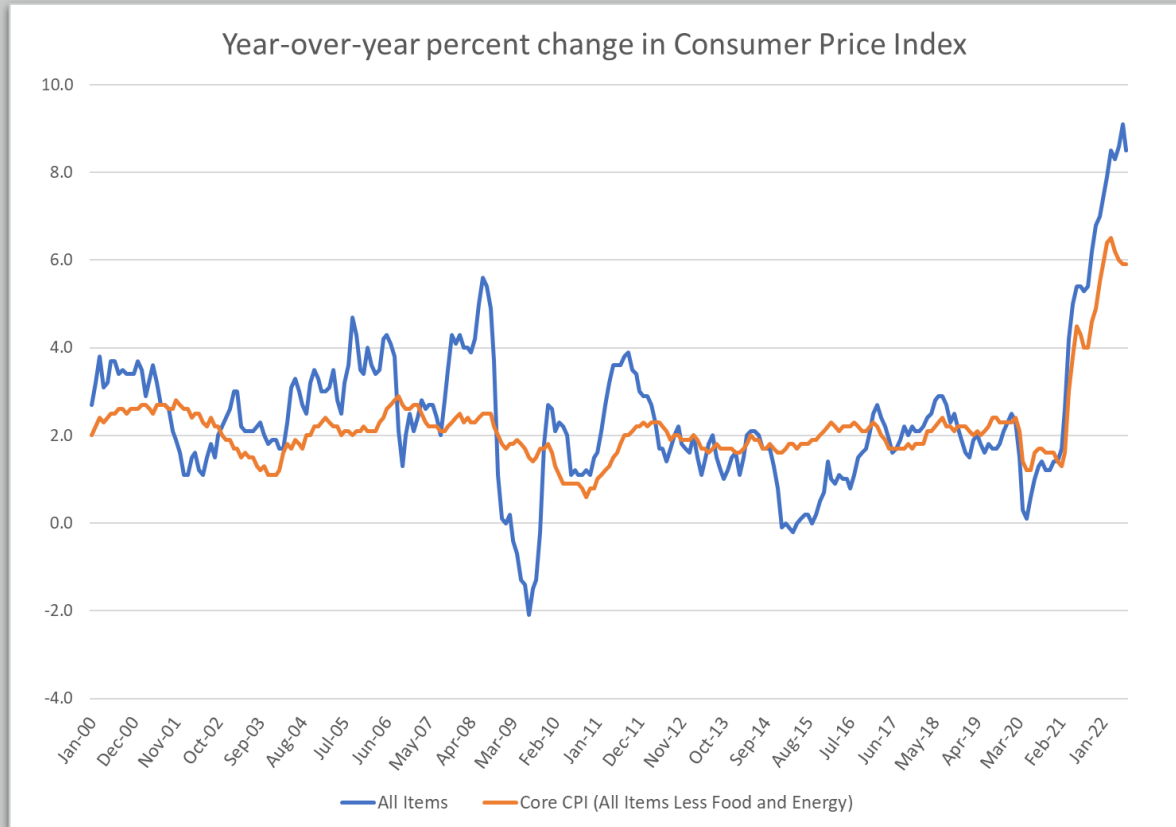
Real GDP declining nationally, but not necessarily signaling recession

- U.S. Real GDP declined for the first two quarters of 2022 consecutively; consumption remains strong while declining government spending and widening trade deficit inhibit growth
- Meanwhile, national employment growth is robust
- Atlanta Fed's GDPNow currently projects 2.6% growth in the third quarter

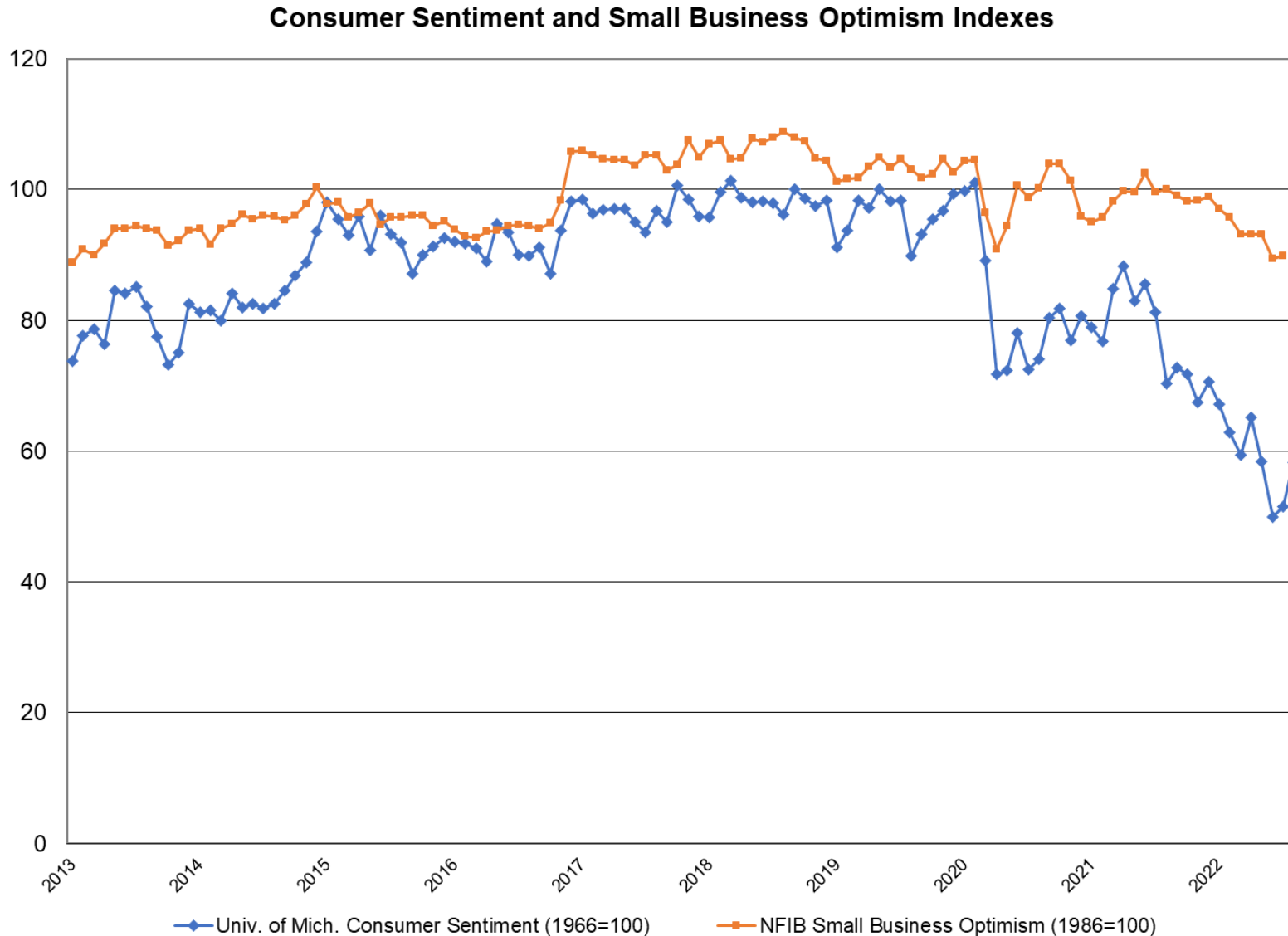


Inflation remains high; decelerating slightly

- The all-items index rose 8.5% year-over-year in July, slightly down from 9.1% in June, while core CPI grew by 5.9% year-over-year for the second month in a row
- Food and shelter continued to see increasing prices
- With energy prices continuing to decline, expectations are for inflation to continue easing

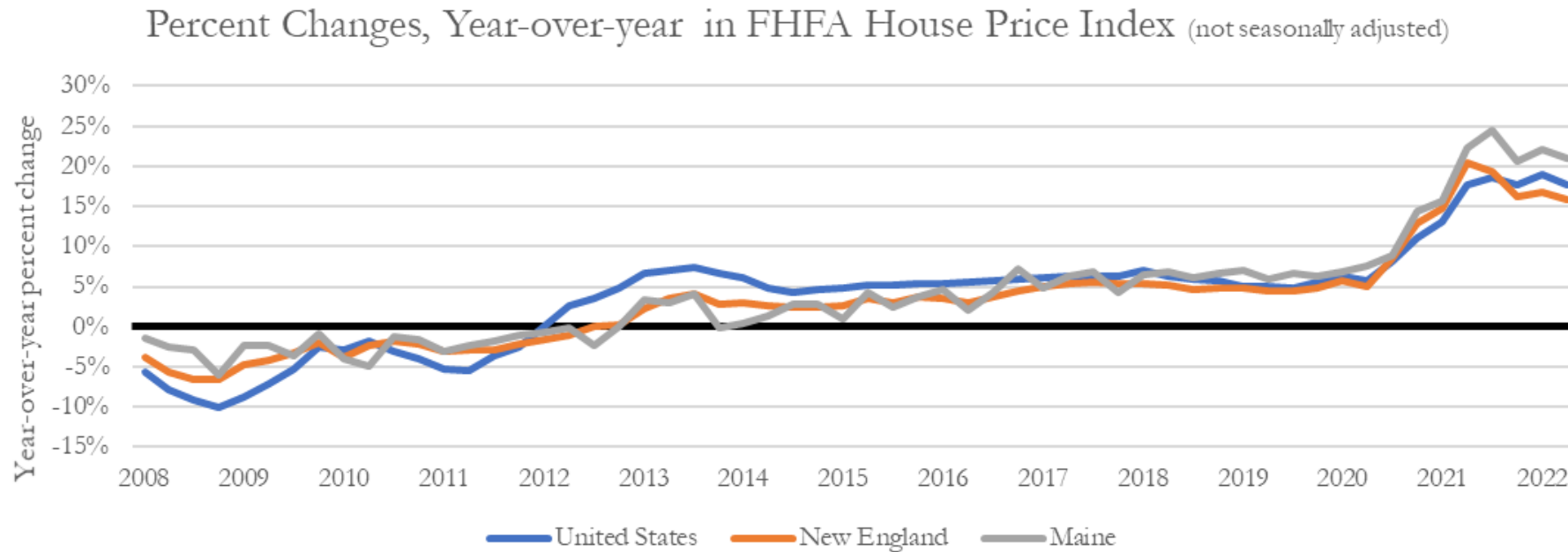


Consumer sentiment rose in August, but remains near record lows



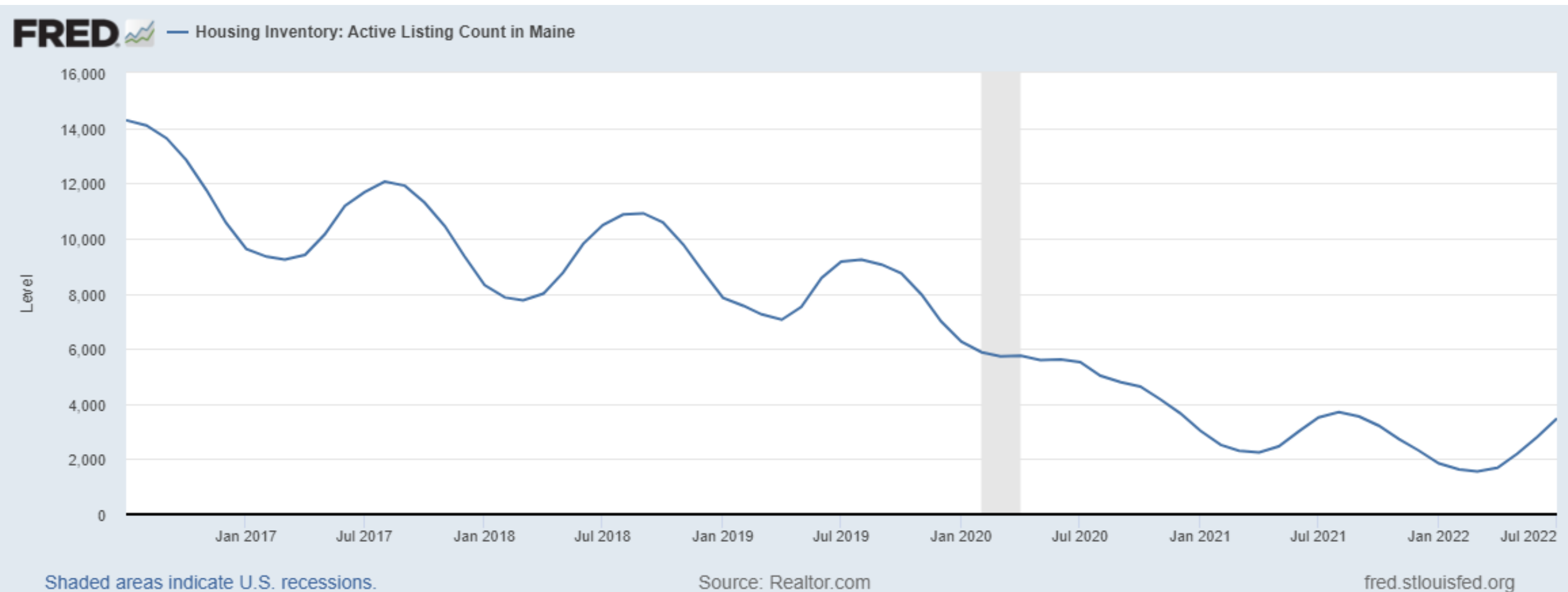
Inflation has been a major contributor to the downward trend in consumer sentiment over the past year; easing gas prices ahead of August survey helped improve year-ahead outlook and current sentiment

House price index

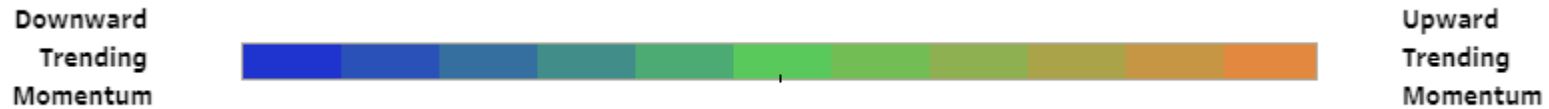


- Maine was up 21.0% over the year, higher than the U.S. and New England averages
- July data show year-over-year declines in home sales in nearly all counties in Maine, while prices continued increasing in nearly all counties

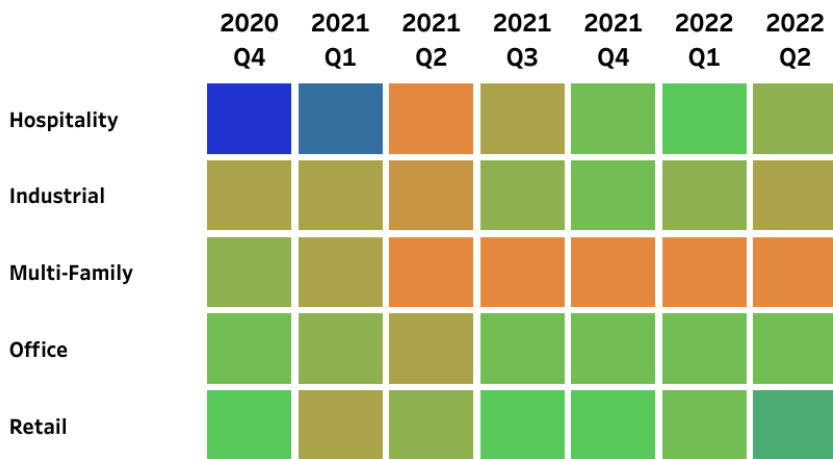
Housing inventory on par with last year, but remains well below pre-pandemic levels



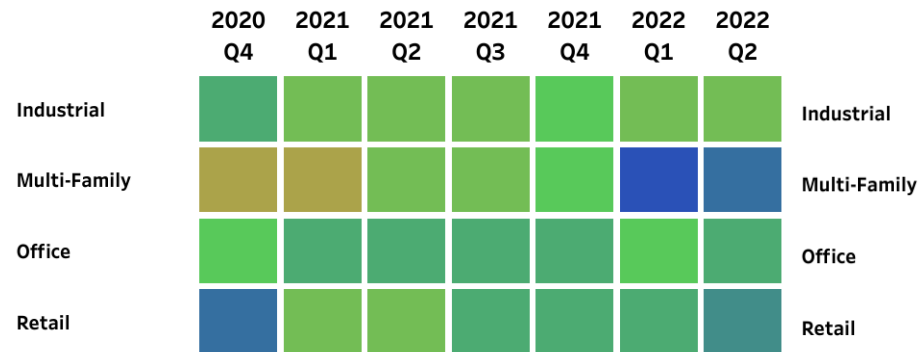
Multi-family real estate has been hot in recent quarters in Portland and Bangor MSAs



Portland, ME



Lewiston-Auburn, ME



Bangor, ME

