The Federal Reserve Bank of Philadelphia has released the coincident indexes for the 50 states for March 2020. Over the past three months, the indexes increased in 18 states, decreased in 29, and remained stable in three, for a three-month diffusion index of -22. In the past month, the indexes increased in 12 states, decreased in 34 states, and remained stable in four, for a one-month diffusion index of -44. For comparison purposes, the Philadelphia Fed has also developed a similar coincident index for the entire United States. The Philadelphia Fed’s U.S. index declined 0.2 percent over the past three months and 0.5 percent in March.

** See the Special Notice Regarding the Potential Impacts of the Coronavirus (COVID-19) Pandemic on the March 2020 State Unemployment Rates and State Coincident Indexes and Regarding South Carolina Employment and Wages Data on the third page.

The next release date of the state coincident indexes will be May 27, 2020.

![Map of March 2020 State Coincident Indexes: Three-Month Change](image)

Source: Federal Reserve Bank of Philadelphia

Historical data for the state coincident indexes and diffusion indexes are available in Excel format. Click [here](#) to download the files.
THIRD DISTRICT COINCIDENT INDEXES: MARCH 2020

Pennsylvania

In the three months to March, the coincident index for Pennsylvania fell 2.5 percent. Payroll employment dropped sharply, while the unemployment rate rose. However, average hours worked in manufacturing increased during the same period. Overall, Pennsylvania’s economic activity as measured by the coincident index has declined 2.0 percent over the past 12 months.

New Jersey

In the three months to March, the coincident index for New Jersey was unchanged. During the same period, payroll employment declined sharply, while the unemployment rate increased. However, average hours worked in manufacturing rose during the three-month period. Overall, New Jersey’s economic activity as measured by the coincident index has increased 1.5 percent over the past 12 months.

Delaware

In the three months to March, the coincident index for Delaware fell 1.5 percent. Payroll employment increased. However, the unemployment rate rose over the three-month period, while average hours worked in manufacturing fell. Overall, Delaware’s economic activity as measured by the coincident index has declined 1.0 percent over the past 12 months.

March 2020 DATA: Third District Coincident Indexes

<table>
<thead>
<tr>
<th>Area</th>
<th>March 2020*</th>
<th>1-Month Change</th>
<th>3-Month Change</th>
<th>12-Month Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pennsylvania</td>
<td>119.4</td>
<td>-2.5%</td>
<td>-2.6%</td>
<td>-2.0%</td>
</tr>
<tr>
<td>New Jersey</td>
<td>126.7</td>
<td>-0.1%</td>
<td>0.0%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Delaware</td>
<td>126.2</td>
<td>-2.6%</td>
<td>-1.5%</td>
<td>-1.0%</td>
</tr>
<tr>
<td>US</td>
<td>129.7</td>
<td>-0.5%</td>
<td>-0.2%</td>
<td>1.9%</td>
</tr>
</tbody>
</table>

* Indexed to 2007 annual average. Values are subject to monthly revision.

Visit our website for data, maps, and more information on the state coincident indexes.

Please contact Joey Lee for media inquiries.
Phone: 215-574-3840
**Potential Impacts of the COVID-19 Pandemic on the March 2020 State Unemployment Rates and the Philadelphia Fed’s State Coincident Indexes**

In March 2020, most states exhibited a significant increase in their unemployment rate, while a sizable minority showed little or no change. The monthly unemployment rate is typically the most influential factor underlying a state’s coincident index for most states. Thus, this dichotomy of responses to the pandemic is also evident in our state coincident indexes.

However, the Bureau of Labor Statistics (BLS) noted two aspects of its standard methodology that could suggest the possibility that those states exhibiting little or no change may, in fact, have also experienced increases in their unemployment rates.

- **Handling outliers:** The BLS routinely examines each state’s Current Population Survey inputs for outliers. If an outlier is sufficiently large — passes certain statistical tests — the information is retained, or preserved as a level shift. If not, the information is discounted. Generally, the need to implement level shifts does not occur during normal month-to-month processing. For March 2020, level shifts were implemented for many states, but not for all. [See State Employment and Unemployment — March 2020].

- **Handling misclassifications:** The BLS noted that in March 2020 an atypically large number of workers were classified as employed, but not at work for “other reasons,” and suggested that some of these workers should have been classified as “unemployed on temporary layoff.” The BLS noted that the national unemployment rate might have been as high as 5.4 percent (not seasonally adjusted). [See FAQ: The Impact of the Coronavirus (COVID-19) Pandemic on the Employment Situation for March 2020].

Finally, the BLS also noted:

- greater uncertainty around the March 2020 estimates because the response rate for the household survey was about 10 percentage points less than in preceding months, and

- the potential for March results to miss some of the impact from COVID-19 because the survey reference week of March 8 through March 14 preceded business closings and school closings in most states.

**Special Notice Regarding South Carolina Employment and Wages Data**

According to the Bureau of Labor Statistics (BLS), “QCEW and BED data for 2018 and the 1st quarter of 2019 for South Carolina are showing unusual movements, potentially as a result of a change in reporting. These unusual movements coincide with a modernization of the South Carolina unemployment insurance system. Both QCEW and BED data are subject to changes in the administrative data produced by state unemployment insurance systems. The BLS is working with its South Carolina partners to identify any impact this system change may have. Data from both QCEW and BED are considered preliminary until the release of their final revision.” [Read the report].