Ms. Cummings called the meeting to order at approximately 10:30 a.m.

1. The National Economy
   Mr. Peach gave a high-level overview of the current state of the U.S. economy.

2. Regional Update
   Mr. Orr discussed economic trends in the Second Federal Reserve District.

3. International Update
   Mr. Clark spoke about international economic developments in the euro area, Japan, and the emerging market economies, including China.

4. Luncheon Discussion
   Mr. Dudley joined the group for the luncheon discussion. Members were asked to comment
on changes in sales volume, projected hiring and investment in plant and equipment for the second half of the year, pricing expectations, and access to credit.

A majority of members reported sales growth during the first half of 2014, with some firms reporting no loss of sales during the first quarter, in spite of harsh winter weather. Most members expected similar levels of growth to continue during the second half of the year.

Some members reported plans for modest increases in employment, while others plan to keep employment levels stable. Across sectors, members have experienced varying degrees of labor marketing tightening with some firms reporting increased competition for top talent. Several firms cited the information technology field as a specific area of competition.

Several members reported making new investments in plant and equipment, while other member firms have recently concluded upgrades. Research and development was cited as an area of continued investment. Some firms also noted new pricing pressures due to factors such as increasing regulation and rising fuel and raw material costs.

In general, members noted that credit conditions remain largely unchanged with relatively easy access to credit.

The meeting adjourned at approximately 2:00 p.m.