Economy improves across US, Fed says

The nation's economy expanded in all 12 Federal Reserve districts in late January and February, though a recent payroll tax increase, the new health care law and the budget standoff in Washington tempered consumer spending and hiring, the Fed said Wednesday.

Overall, the economy has been resilient despite the tax increase and the prospect of $85 billion in federal spending cuts that began to take effect Friday. The economy grew moderately in five districts, modestly in five others and "slowly" in the Boston and Chicago areas, the Fed said in its