

THE New Mexico ECONOMIC DATABOOK

*A summary of regional economic indicators
for the state of New Mexico*



SEPTEMBER 24, 2018

FEDERAL RESERVE BANK of KANSAS CITY

SUMMARY OF CURRENT NEW MEXICO ECONOMIC CONDITIONS

In New Mexico, the unemployment rate was 4.6 percent in August, and total payroll employment expanded 2.0 percent compared to the previous year. Employment growth was broad-based across industries, with the strongest gains in the transportation, warehousing, and utilities and construction sectors. New Mexico nominal personal income grew 2.0 percent in the first quarter of 2018 compared to the previous year, with workplace earnings up 2.4 percent. Home prices increased 4.9 percent in the second quarter of 2018 compared to a year ago, while single-family and multifamily permits recorded a 21.3 and -44.2 percent change, respectively, year-to-date through July 2018. In June 2018, crude oil production was up 47.9 percent over last year, and rig counts were well above year-ago levels. New Mexico exports were 14.2 percent higher in the second quarter of 2018 compared to the same period in 2017.

This databook provides current economic indicators to help monitor trends and allow comparison of past information. These indicators include: employment; employment by industry; county and state unemployment; personal income; home prices; housing indicators; manufacturing activity; oil, gas and coal production; and exports. These indicators can be found on the following pages.



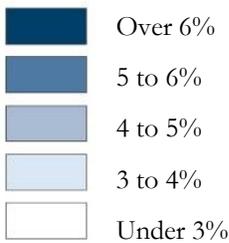
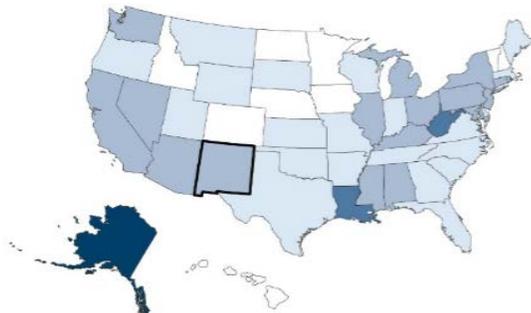
Alison Felix is Vice President and Denver Branch Executive. In this role, Felix is the Federal Reserve Bank of Kansas City's regional economist and lead officer in Colorado, Wyoming and northern New Mexico. She is responsible for briefing the Kansas City Fed's President on the economy in these states and the Tenth District.

Unemployment Rates

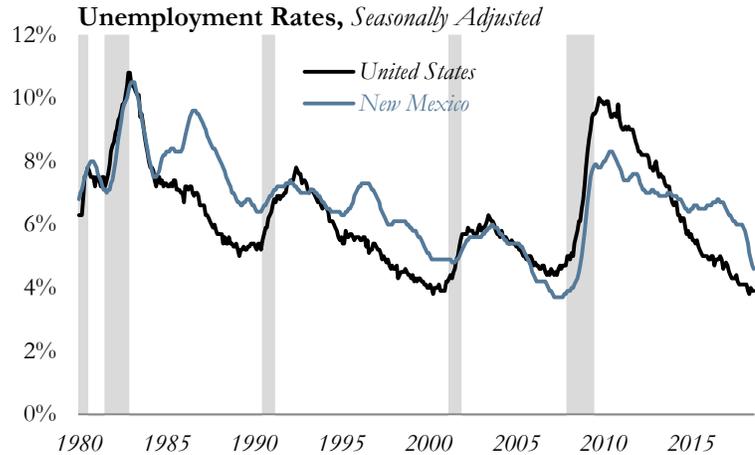
Seasonally Adjusted

August 2018 Unemployment Rates

Seasonally Adjusted



August 2018		
	<i>United States</i>	<i>New Mexico</i>
Unemployment Rate	3.9%	4.6%
Unemployment Rate, <i>Last Year</i>	4.4%	6.0%



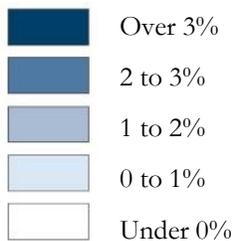
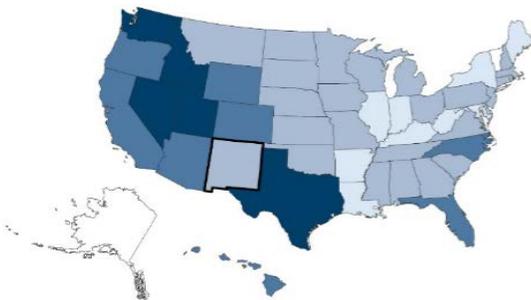
Note: Gray bars indicate recession.

Payroll Employment

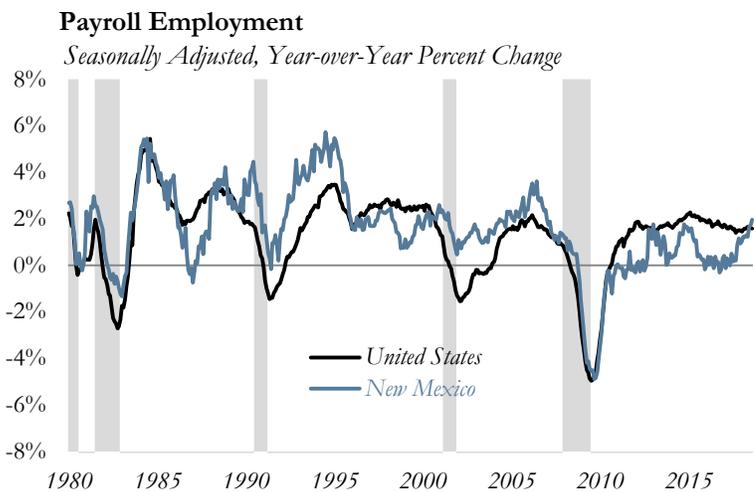
Seasonally Adjusted

August 2018 Payroll Employment

Seasonally Adjusted, Year-over-Year Percent Change



August 2018		
	<i>United States</i>	<i>New Mexico</i>
Jobs (<i>Thousands</i>)	149,279.0	846.3
<i>Change from Last Year</i>	1.6%	2.0%

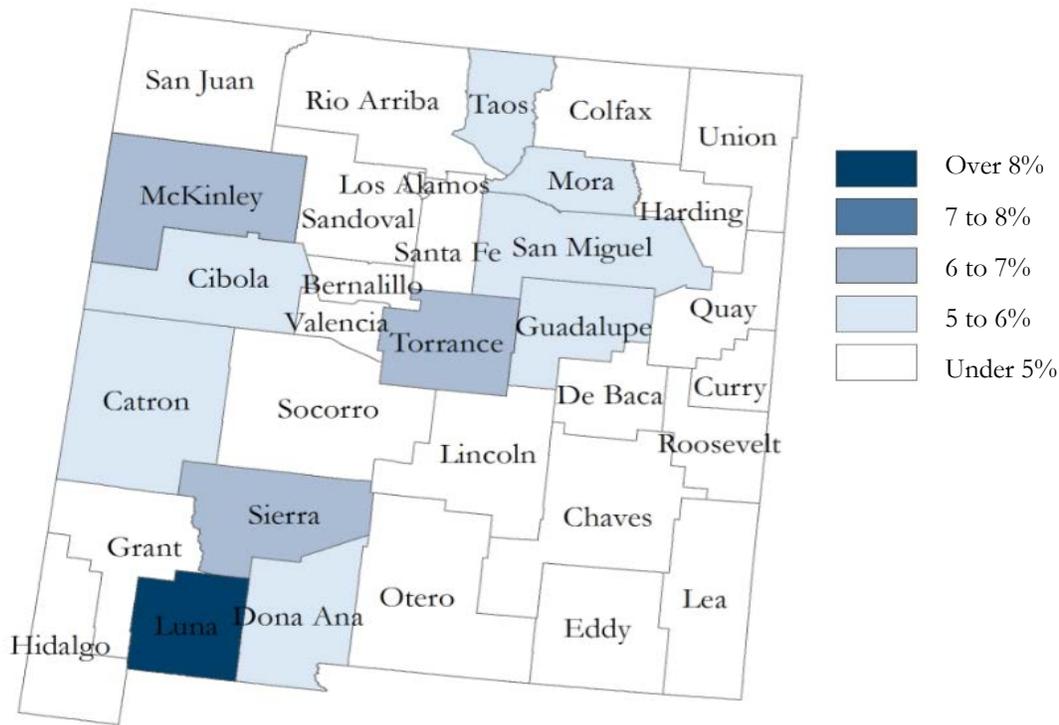


Note: Gray bars indicate recession.

Source: Bureau of Labor Statistics/Haver Analytics

July 2018 Unemployment Rates & Civilian Labor Force

Seasonally Adjusted

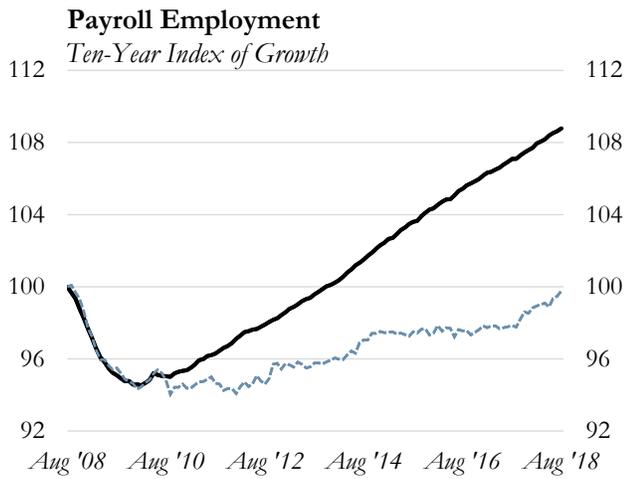


	<i>Percent Unemployed</i>	<i>Labor Force (Thousands)</i>			<i>Percent Unemployed</i>	<i>Labor Force (Thousands)</i>	
United States	3.9%	162,245.0	17	Grant	4.5	12.1	
New Mexico	4.7	939.9	18	Chaves	4.5	26.7	
1	Luna	11.0	10.4	19	Sandoval	4.5	64.8
2	Torrance	6.6	5.6	20	Otero	4.4	24.2
3	Sierra	6.3	4.1	21	Harding	4.4	0.3
4	McKinley	6.1	24.0	22	Quay	4.3	3.2
5	Catron	5.9	1.2	23	Lincoln	4.2	8.8
6	Mora	5.8	2.2	24	Roosevelt	4.1	8.0
7	Taos	5.8	15.1	25	Bernalillo	4.0	331.7
8	Cibola	5.6	8.8	26	De Baca	3.8	0.8
9	San Miguel	5.5	10.7	27	Lea	3.7	29.0
10	Guadalupe	5.3	1.6	28	Curry	3.7	22.2
11	Dona Ana	5.2	93.0	29	Santa Fe	3.6	75.0
12	Valencia	5.0	30.3	30	Hidalgo	3.4	2.1
13	Rio Arriba	4.7	16.9	31	Union	3.2	1.9
14	San Juan	4.7	53.3	32	Eddy	3.1	30.3
15	Socorro	4.7	6.6	33	Los Alamos	3.0	9.4
16	Colfax	4.6	5.5				

Source: Bureau of Labor Statistics/Haver Analytics

Payroll Employment

Seasonally Adjusted

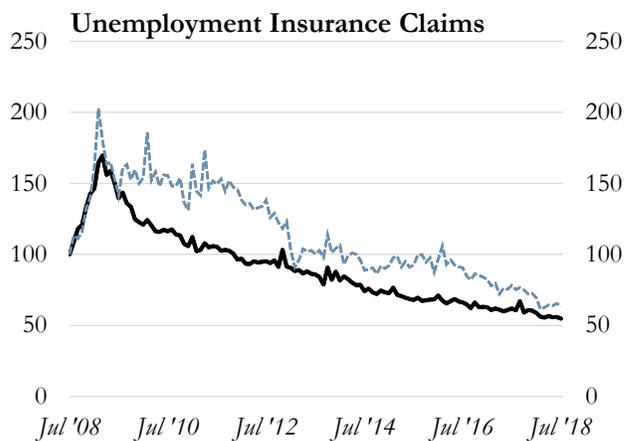
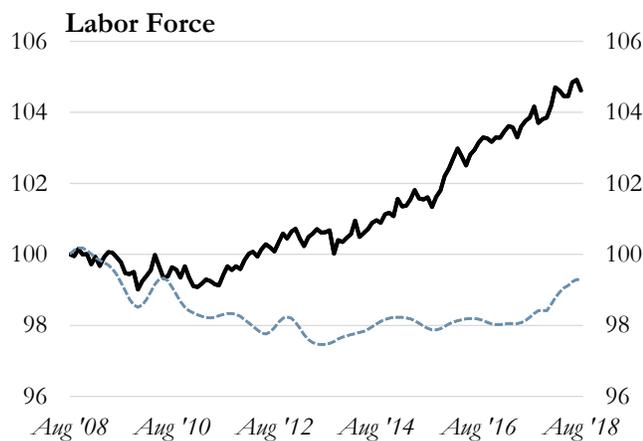
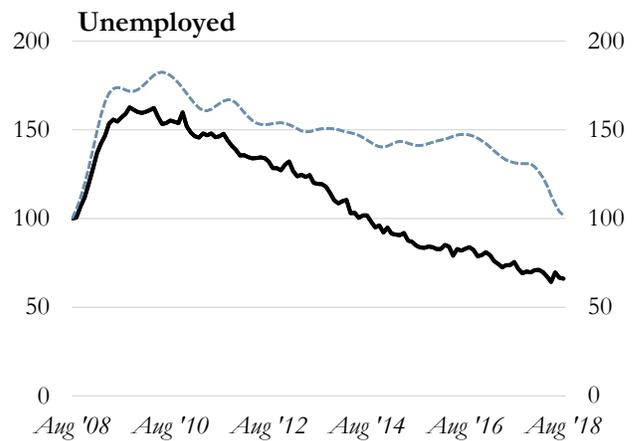
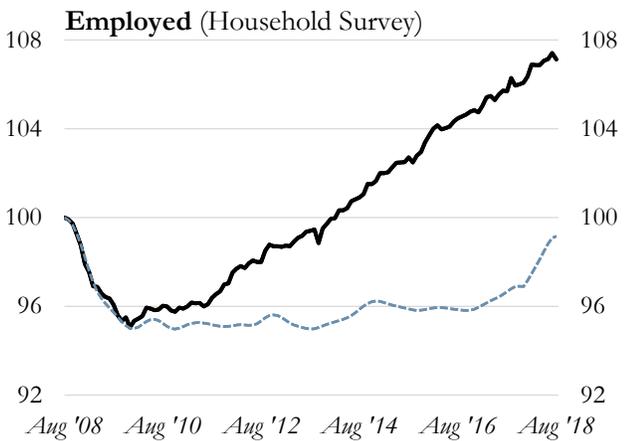


— United States
- - - New Mexico

August 2018		
	United States	New Mexico
Jobs (Thousands)	149,279.0	846.3
Change from Last Year (Thousands)	2,330.0	16.3
Share of U.S. Employment		0.6%

Labor Force Dynamics

Ten-Year Index of Growth, Seasonally Adjusted

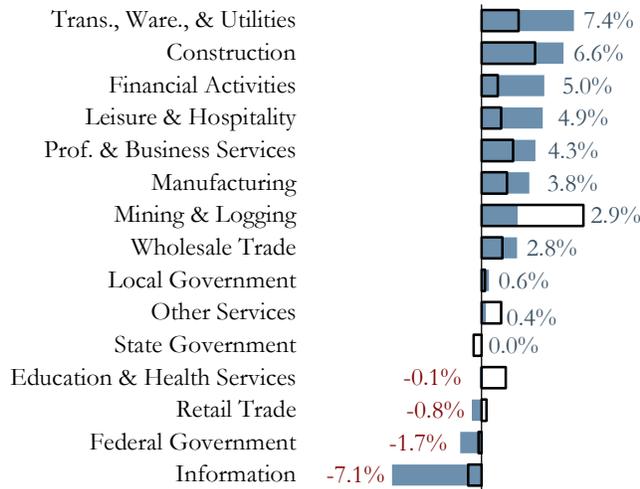


Source: Bureau of Labor Statistics & Department of Labor/Haver Analytics

Payroll Employment by Industry

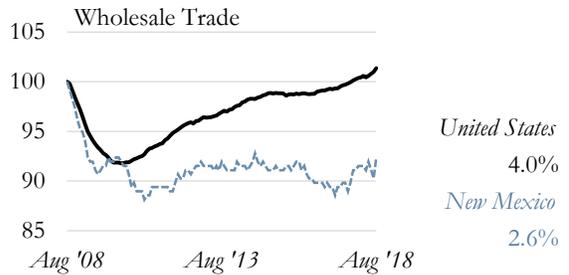
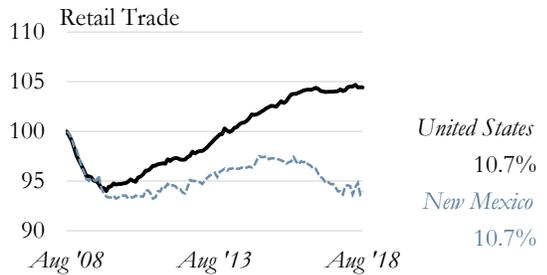
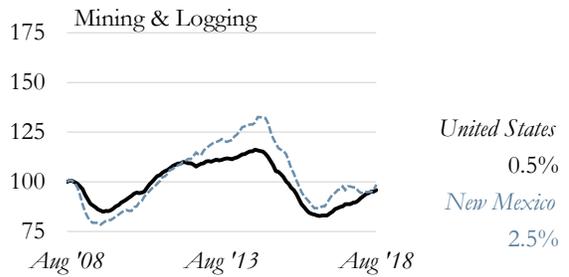
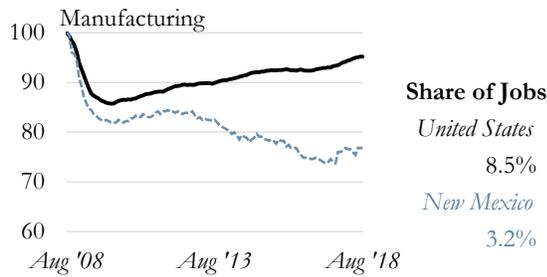
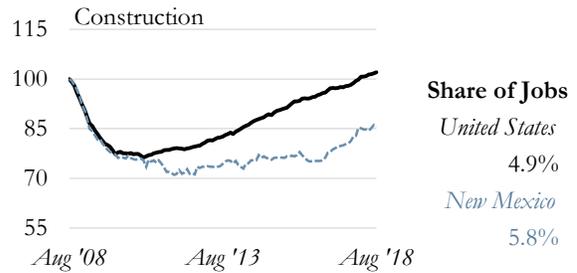
Seasonally Adjusted

August 2018 *Percent Change Year-over-Year*



— United States
 - - - New Mexico

Ten-Year Index of Growth

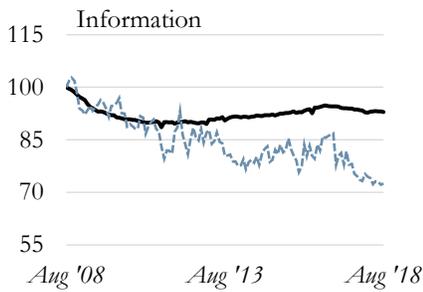


Source: Bureau of Labor Statistics/Haver Analytics

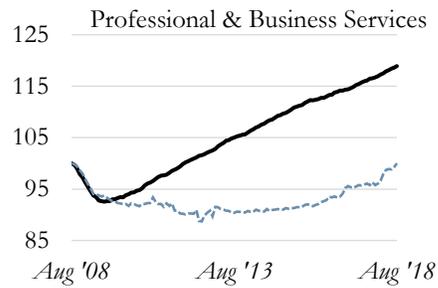
Payroll Employment by Industry

Ten-Year Index of Growth, Seasonally Adjusted

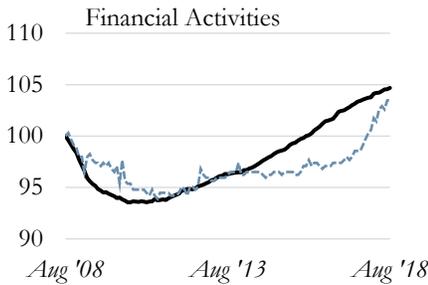
— United States
 - - - New Mexico



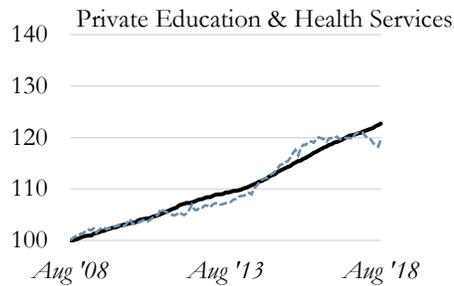
Share of Jobs
 United States
 1.9%
 New Mexico
 1.3%



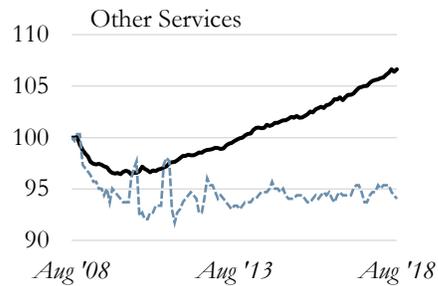
Share of Jobs
 United States
 14.1%
 New Mexico
 12.9%



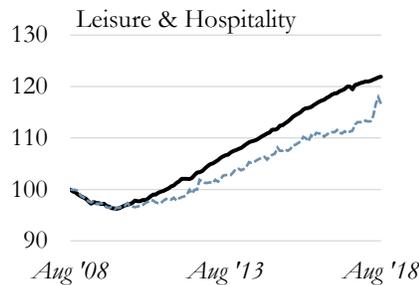
Share of Jobs
 United States
 5.8%
 New Mexico
 4.2%



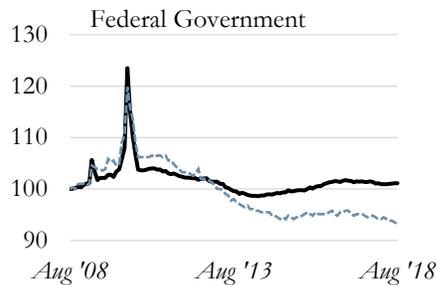
Share of Jobs
 United States
 15.9%
 New Mexico
 16.4%



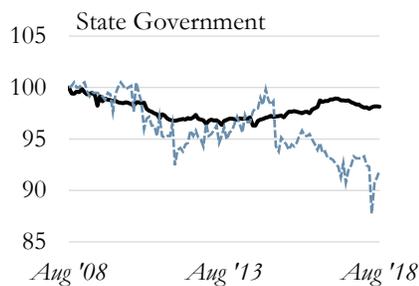
Share of Jobs
 United States
 3.9%
 New Mexico
 3.4%



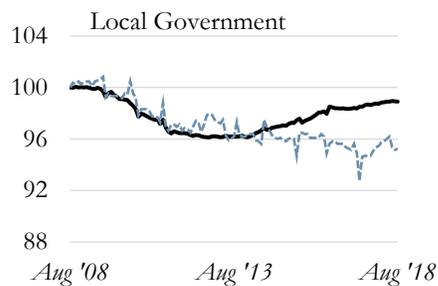
Share of Jobs
 United States
 11.0%
 New Mexico
 11.9%



Share of Jobs
 United States
 1.9%
 New Mexico
 3.4%



Share of Jobs
 United States
 3.4%
 New Mexico
 6.5%

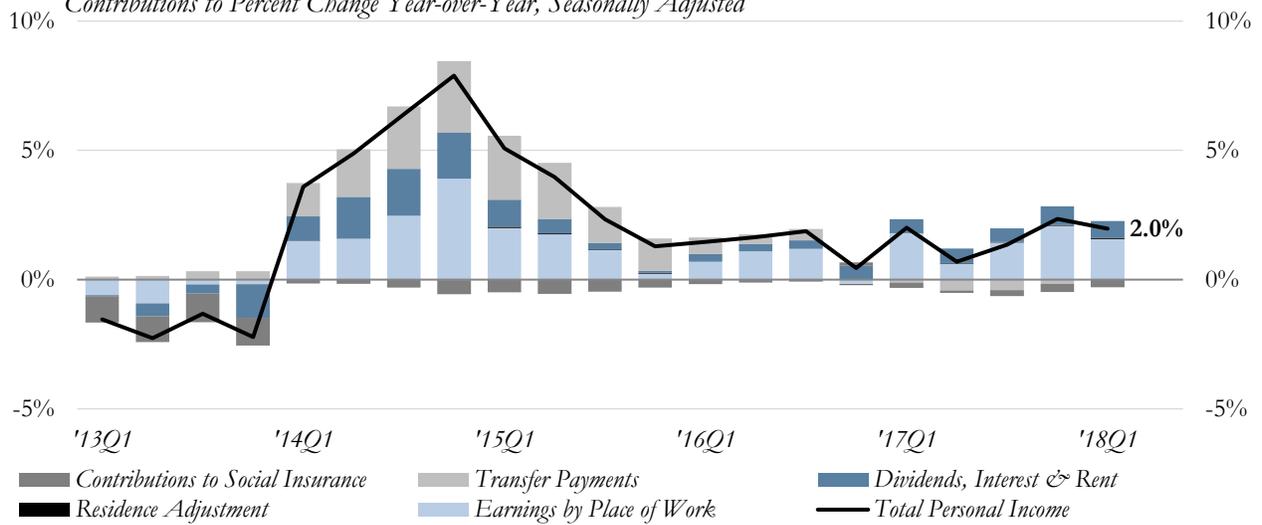


Share of Jobs
 United States
 9.7%
 New Mexico
 12.1%

Source: Bureau of Labor Statistics/Haver Analytics

New Mexico Nominal Personal Income Growth

Contributions to Percent Change Year-over-Year, Seasonally Adjusted

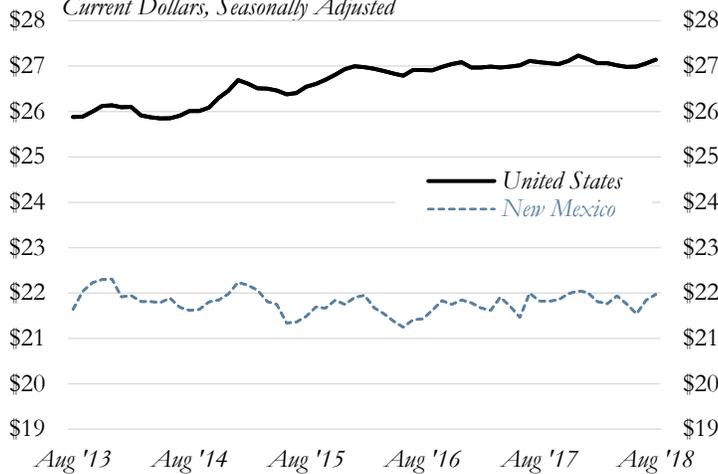


2018Q1	Percent Change Year-over-Year		Share of Personal Income	
	United States	New Mexico	United States	New Mexico
Total Personal Income	4.3%	2.0%		
Earnings by Place of Work	4.6%	2.4%	70.8%	65.8%
Social Insurance*	-4.9%	-3.6%	-7.8%	-8.3%
Residence Adjustment		53.0%		0.1%
Dividends, Interest & Rent	4.3%	3.5%	20.0%	19.1%
Transfer Payments	3.5%	0.0%	16.9%	23.3%

*Subtracted from personal income.

Real Average Hourly Wage

Current Dollars, Seasonally Adjusted

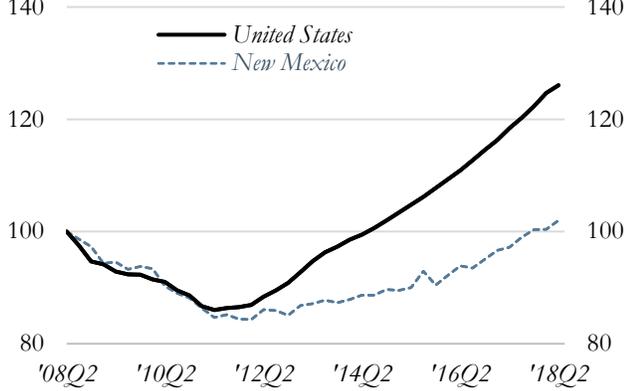


August 2018		
Average	United States	New Mexico
Hourly Wage	\$27.14	\$21.97
<i>Real Change from</i>		
Last Month	0.3%	0.6%
Last Year	0.2%	0.7%

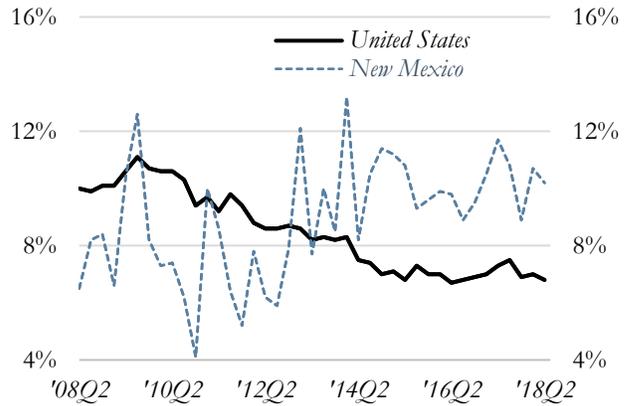
Source: Bureau of Economic Analysis & Bureau of Labor Statistics/Haver Analytics

FHFA Purchase-Only Home Price Index

Ten-Year Index of Growth, Seasonally Adjusted

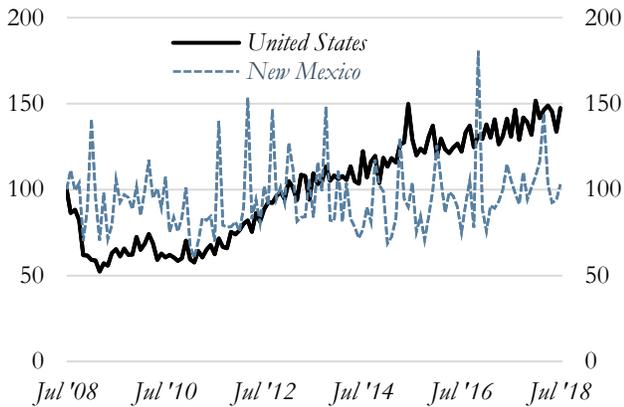


Rental Vacancy Rates



Housing Permits

Ten-Year Index of Growth, Seasonally Adjusted

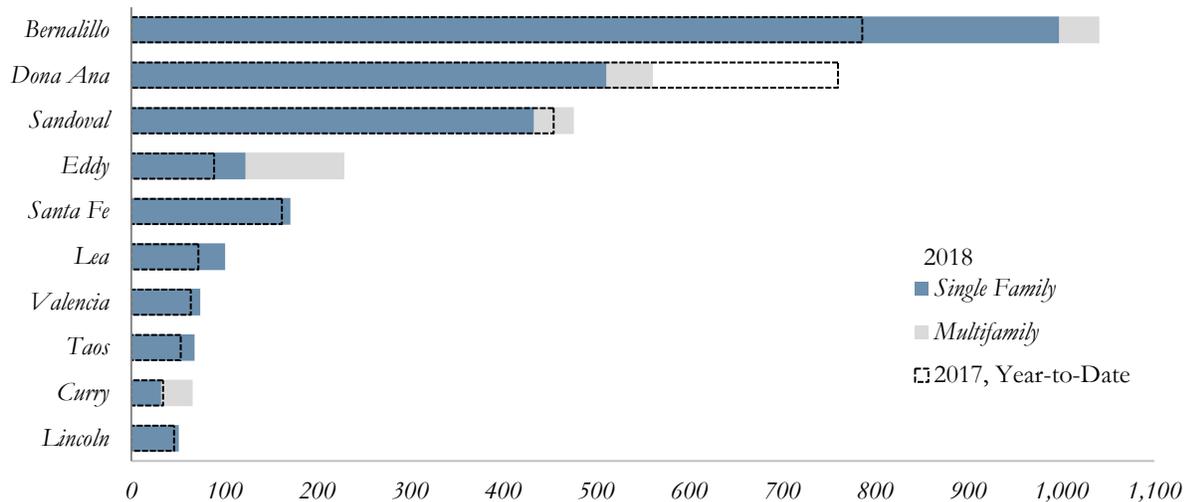


Summary Statistics		
	United States	New Mexico
Prices (2018Q2)*	6.5%	4.9%
Vacancy Rates (2018Q2)	6.8%	10.2%
Permits (Year-to-Date)*		
<i>Single Family</i>	7.0%	21.3%
<i>Multifamily</i>	6.7%	-44.2%

*Percent change year-over-year.

Top 10 New Mexico Counties for Permit Activity

Year-to-Date through July

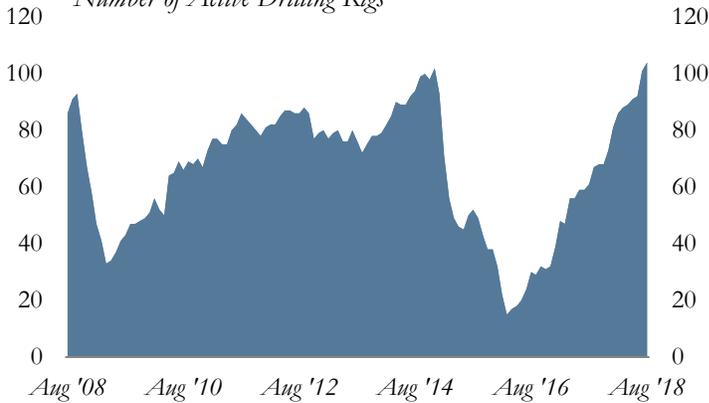


Source: Federal Housing Finance Agency (FHFA) & Census Bureau/Haver Analytics

New Mexico Energy Activity

Oil & Gas Rig Counts

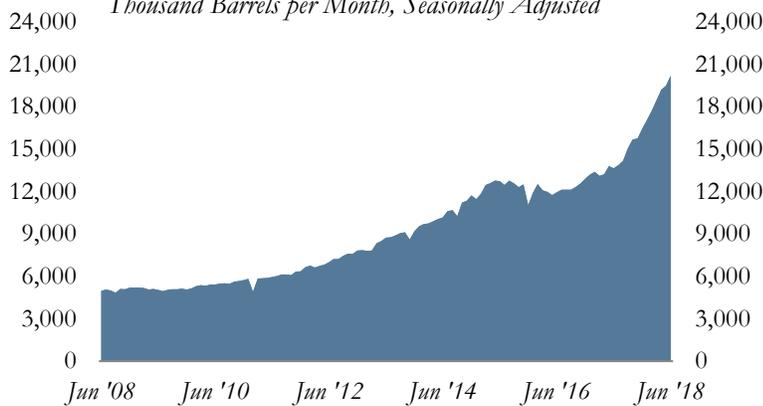
Number of Active Drilling Rigs



August 2018		
	<i>United States</i>	<i>New Mexico</i>
Rig Count	1,050	104
<i>Change from</i>		
Last Month	0	3
Last Year	103	43
Share of U.S. Activity		9.9%

Crude Oil Production

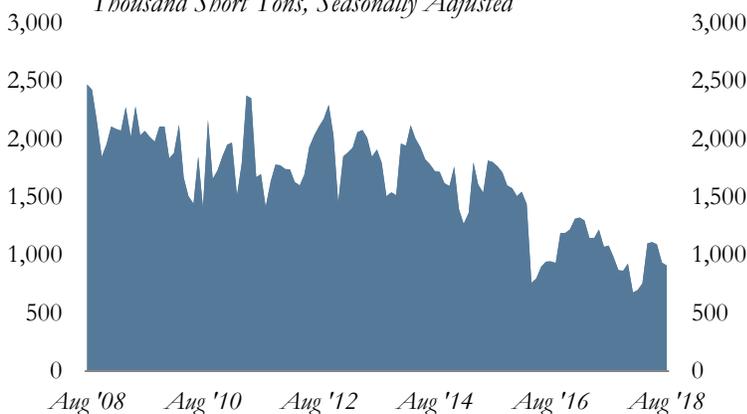
Thousand Barrels per Month, Seasonally Adjusted



June 2018		
	<i>United States</i>	<i>New Mexico</i>
Production	329,547	20,198
<i>Change from</i>		
Last Month	3.4%	3.7%
Last Year	17.7%	47.9%
Share of U.S. Activity		6.1%

Coal Production

Thousand Short Tons, Seasonally Adjusted

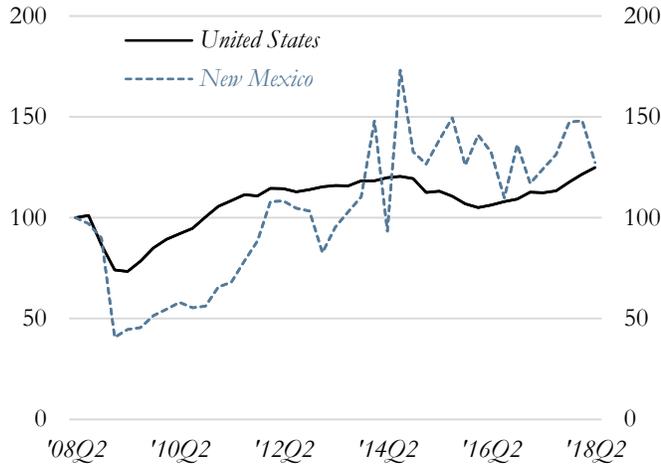


August 2018		
	<i>United States</i>	<i>New Mexico</i>
Production	62,504	909
<i>Change from</i>		
Last Month	-1.4%	-2.7%
Last Year	-1.7%	-16.0%
Share of U.S. Activity		1.5%

Source: Baker Hughes & Department of Energy, Energy Information Administration/Haver Analytics

Global Exports

Ten-Year Index of Growth, Seasonally Adjusted

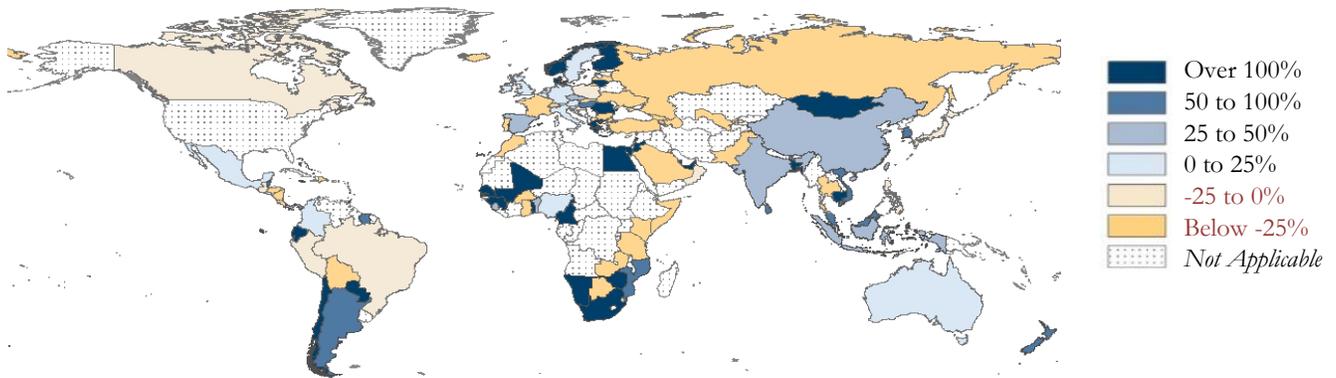


2018Q2		
	United States	New Mexico
Exports (Millions)	\$423,414.9	\$889.1
<i>Change from</i>		
Last Quarter	2.7%	-14.0%
Last Year (year-to-date)	9.5%	14.2%
Share of U.S. Activity		0.2%

2017		
	United States	New Mexico
Exports as a Percent of GDP	7.9%	3.7%

New Mexico Exports Year-to-Date through 2018Q2

Percent Change Year-over-Year



Top Markets	Share
1 Mexico	42.4%
2 China*	34.5
3 Canada	2.8
4 South Korea	2.5
5 Germany	1.9
6 Singapore	1.6
7 Japan	1.2
8 Australia	1.1
9 Belgium	0.9
10 Turkey	0.9

Top Exports	Share
1 Computers & Electronics	55.2%
2 Transportation Equip.	6.4
3 Misc. Manufactures	6.4
4 Fabricated Metal Products	5.7
5 Electronic Equip. & Appliances	5.1
6 Food	3.2
7 Primary Metals	2.7
8 Chemicals & Rare Earth Metals	2.6
9 Plastics & Rubber Products	2.6
10 Machinery (Except Electrical)	2.6

*Includes Hong Kong, Taiwan, and Macao.

Source: Census Bureau, WISERTrade & Bureau of Economic Analysis/Haver Analytics

Pages 2 and 3: County unemployment rates typically lag state data releases by one month. Gray bars show recessionary periods as designated by the National Bureau of Economic Research. The "official" and most commonly reported unemployment rate is calculated as the number of unemployed workers divided by the total civilian labor force. These data are reported from the Bureau of Labor Statistics Current Population Survey, or commonly called the "Household" survey.

Page 2 and 4: Nonfarm employment data from the Bureau of Labor Statistics Current Employment Survey are commonly called "Payroll" employment data. Estimates from this survey are revised throughout the year and a major revision or "benchmark" of the data occurs in March of each year. "Payroll" and "Household" surveys are released monthly, providing the most current estimates of employment published by the Bureau of Labor Statistics. Because methodologies differ between surveys, employment estimates also differ. For more information, visit:

http://www.bls.gov/web/empst/ces_eps_trends.pdf

Initial claims show monthly applications for initial claims for state unemployment insurance benefits.

Pages 5 and 6: Payroll employment by industry is shown for each of the major two-digit North American Industrial Classification System industries.

Page 7: Personal income provides a measure of all income received by residents of a given geographic area. Data shown are in nominal terms (not adjusted for inflation). Transfer payments include social benefits such as unemployment insurance, Social Security, and Medicaid. Contributions to social insurance are subtracted from personal income. These contributions include taxes paid by businesses and employees that support social insurance programs such as unemployment insurance, Social Security and Medicaid. The residence adjustment adds income received outside of a recipient's state of residence and makes a corresponding subtraction from the area where this income was earned or received. Real average hourly wages are calculated as total earnings divided by total employment for a given geographic area. Data are adjusted for inflation using the consumer price index for all urban areas (CPI-U) and are indexed to the most current month of data.

Page 8: Home price indices estimate regional growth in home values based on repeat sales data for detached single family residential properties. Monthly single and multifamily housing permits data are not revised, and therefore, may not sum to published year-end totals.

Page 9: The active rig count is the number of rigs actively exploring for or developing oil or natural gas. Rig counts provide an indicator of new drilling activity and potential for expanded crude oil or natural gas production. Coal production is shown as production during a given month.

Page 10: Exports measure the total physical movement of a given product from the United States to a foreign country.

Data Revisions

Most data are revised periodically to correct for errors and incorporate additional information as it becomes available. Data shown in this report are subject to change.

Seasonal Adjustments

Most data are seasonally adjusted to remove variance caused by seasonal fluctuations in economic activity. Data in this report show the seasonal adjustments of data publishers where available. In other cases, Census X-12 adjustments were applied.

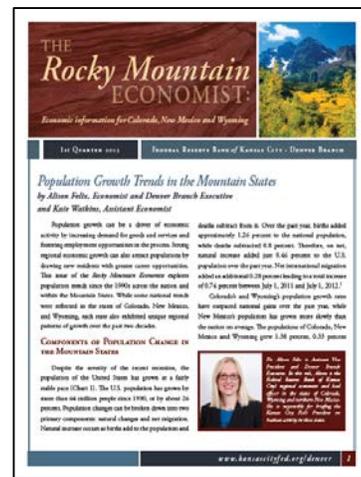
Regional Economic Analysis

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