

THE New Mexico ECONOMIC DATABOOK

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



AUGUST 3, 2020

FEDERAL RESERVE BANK of KANSAS CITY

SUMMARY OF CURRENT NEW MEXICO ECONOMIC CONDITIONS

The unemployment rate in New Mexico ended the second quarter of 2020 at 8.3 percent, but reached 11.9 percent in April, the highest on record for the state. Total payroll employment at the end of the second quarter was 7.2 percent below year-ago levels. Moreover, the share of the population participating in the labor force declined by 3 percentage points. The most notable declines in payroll employment throughout the quarter were in the mining & logging, leisure & hospitality and professional & business services sectors. Although the number of active oil & gas rigs have been stable throughout the last year, drilling activity in the state declined precipitously in the second quarter of this year.

This databook provides current economic indicators to help monitor trends and allow comparison of past information. The 2020 quarter two databook is the first look at these indicators following the onset of the COVID-19 pandemic, which 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.



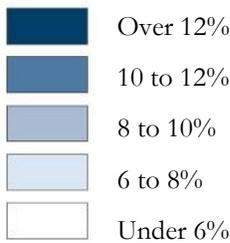
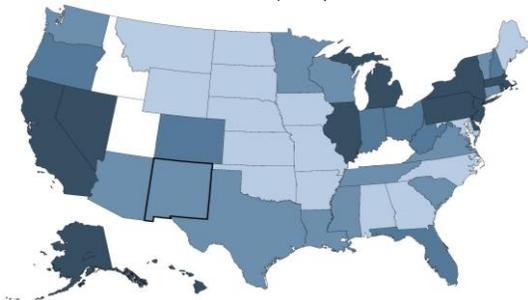
Nicholas Sly is Assistant Vice President and Denver Branch Executive. In this role, Sly is the Federal Reserve Bank of Kansas City's regional economist representing the Bank in Colorado, Wyoming and in northern New Mexico. He serves as the lead officer in the Denver Branch and is responsible for briefing the President of the Kansas City Fed on economic conditions in the Rocky Mountain states within the Tenth District.

Unemployment Rates

Seasonally Adjusted

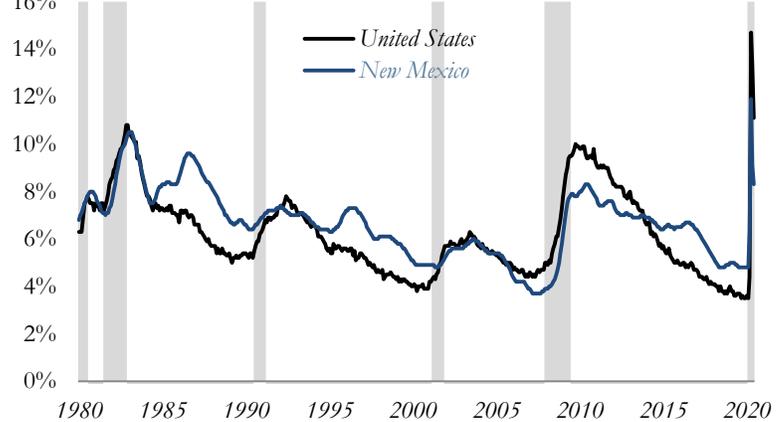
June 2020 Unemployment Rates

Seasonally Adjusted



June 2020		
	<i>United States</i>	<i>New Mexico</i>
Unemployment Rate	11.1%	8.3%
Unemployment Rate, <i>Last Year</i>	3.7%	4.9%

Unemployment Rates, Seasonally Adjusted



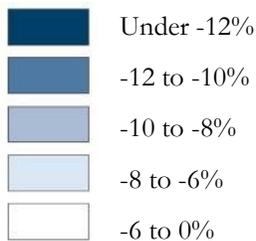
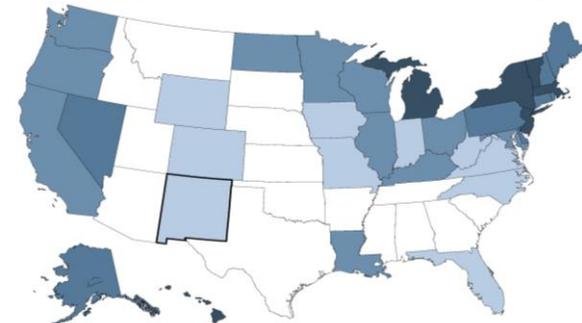
Note: Gray bars indicate recession.

Payroll Employment

Seasonally Adjusted

June 2020 Payroll Employment

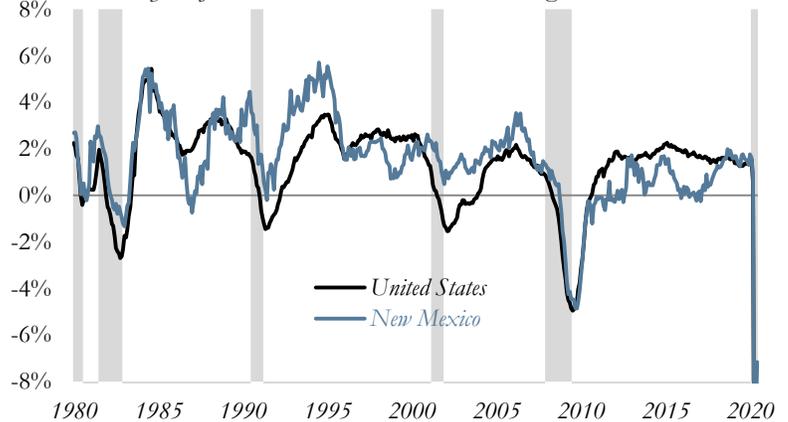
Seasonally Adjusted, Year-over-Year Percent Change



June 2020		
	<i>United States</i>	<i>New Mexico</i>
Jobs (<i>Thousands</i>)	137,802.0	794.9
<i>Change from Last Year</i>	-8.6%	-7.2%

Payroll Employment

Seasonally Adjusted, Year-over-Year Percent Change

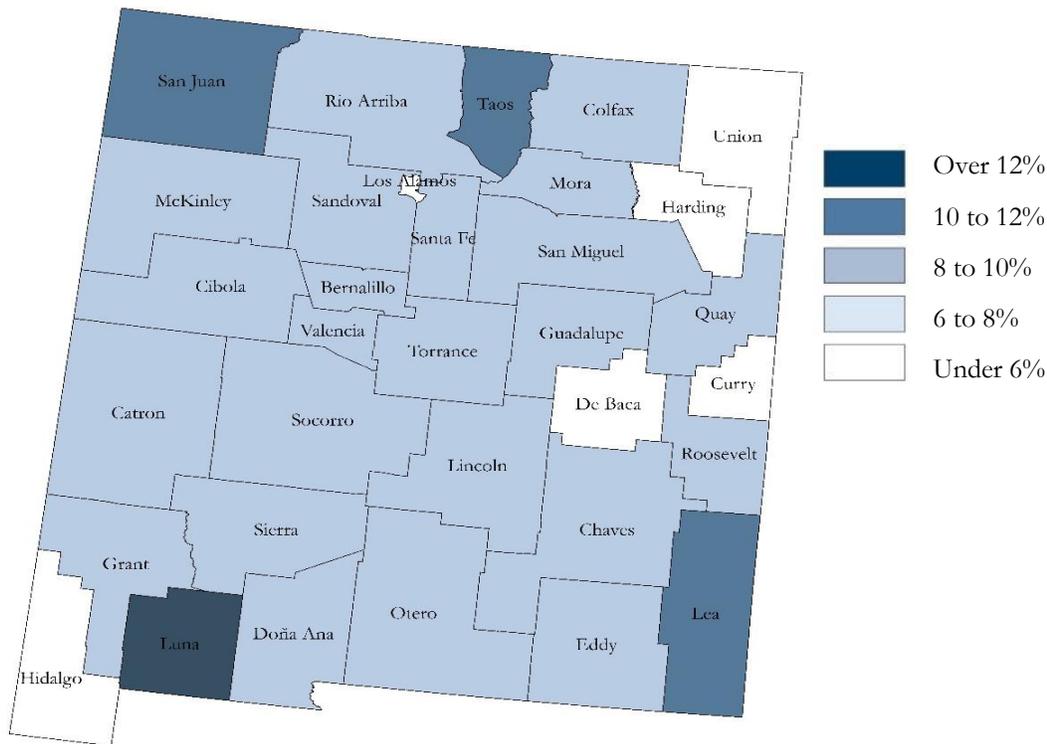


Note: Gray bars indicate recession.

Source: Bureau of Labor Statistics/Haver Analytics

June 2020 Unemployment Rates & Civilian Labor Force

Seasonally Adjusted

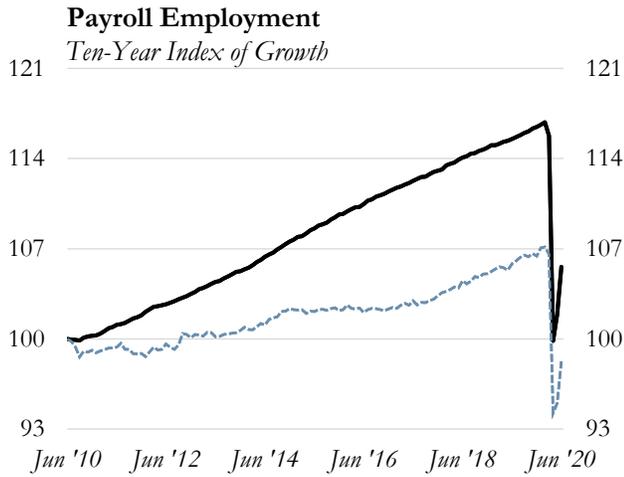


		<i>Percent Unemployed</i>	<i>Labor Force (Thousands)</i>			<i>Percent Unemployed</i>	<i>Labor Force (Thousands)</i>
United States		11.1%	159,932.0	17	Mora	7.9	2.0
New Mexico		8.3	922.5	18	Rio Arriba	7.7	15.9
1	Luna	15.1	10.9	19	Chaves	7.7	27.5
2	Taos	11.0	16.2	20	Catron	7.5	1.1
3	San Juan	10.5	47.0	21	Colfax	7.3	4.6
4	Lea	9.6	32.8	22	San Miguel	7.2	10.8
5	Lincoln	9.4	8.6	23	Quay	6.4	3.1
6	Sierra	9.3	3.8	24	Guadalupe	6.2	1.4
7	Torrance	9.2	5.3	25	Eddy	6.2	35.4
8	Grant	9.0	12.5	26	Socorro	6.1	6.2
9	Santa Fe	9.0	69.4	27	Roosevelt	5.4	8.1
10	Cibola	8.7	8.9	28	Hidalgo	5.2	2.0
11	McKinley	8.7	24.3	29	Curry	4.9	21.5
12	Sandoval	8.7	63.9	30	Union	4.9	1.6
13	Otero	8.6	25.2	31	De Baca	4.1	0.7
14	Bernalillo	8.2	321.8	32	Los Alamos	3.5	9.2
15	Dona Ana	8.0	92.5	33	Harding	2.9	0.3
16	Valencia	7.9	29.2				

Source: Bureau of Labor Statistics/Haver Analytics

Payroll Employment

Seasonally Adjusted

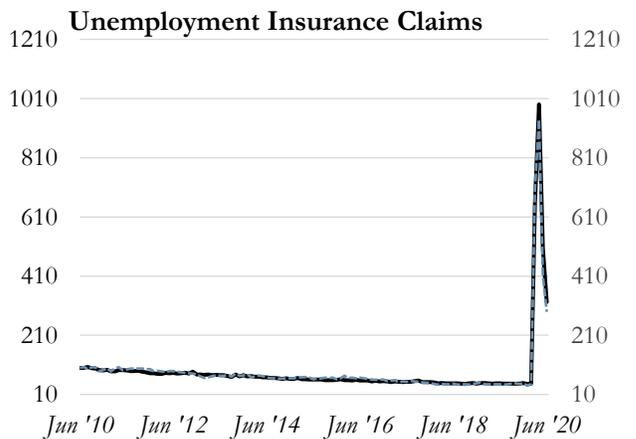
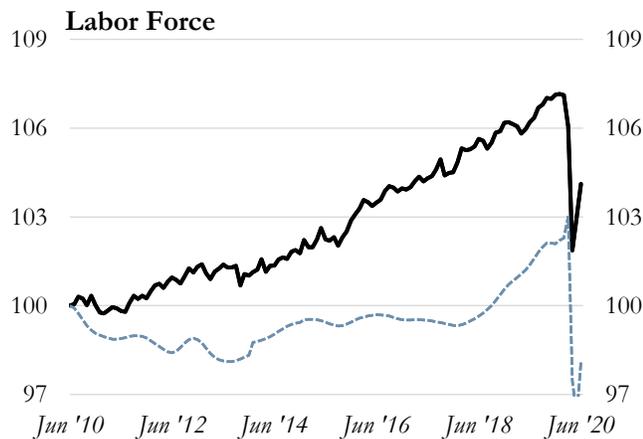
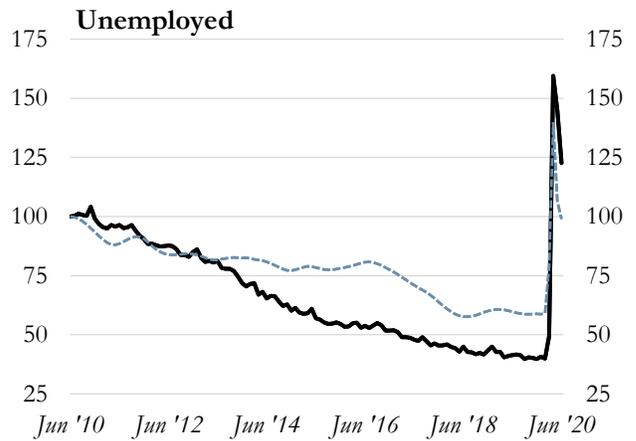
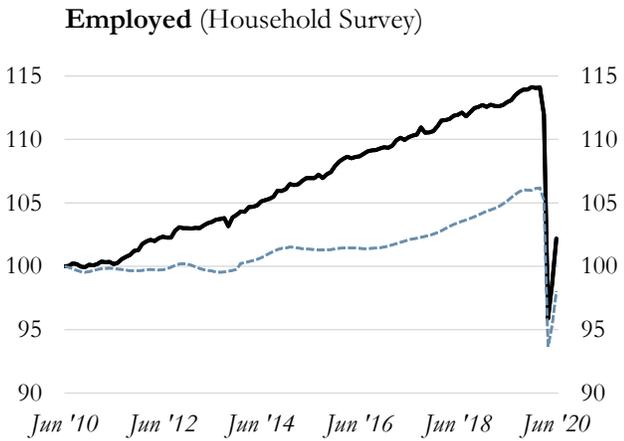


— United States
- - - New Mexico

June 2020		
	United States	New Mexico
Jobs (Thousands)	137,802.0	794.9
Change from Last Year (Thousands)	(12,957.0)	-61.3
Share of U.S. Employment		0.6%

Labor Force Dynamics

Ten-Year Index of Growth, Seasonally Adjusted

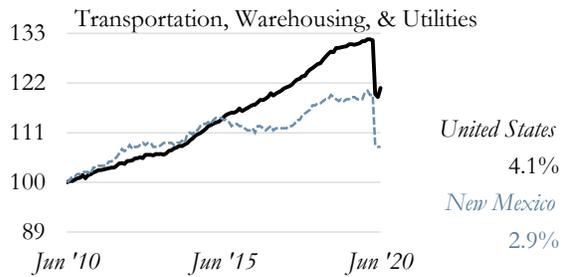
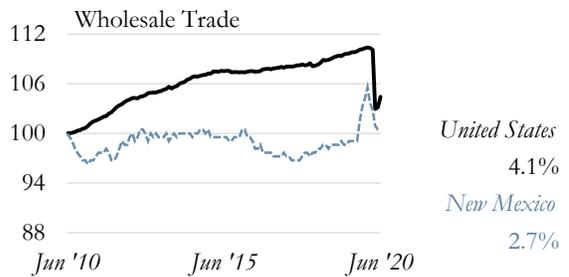
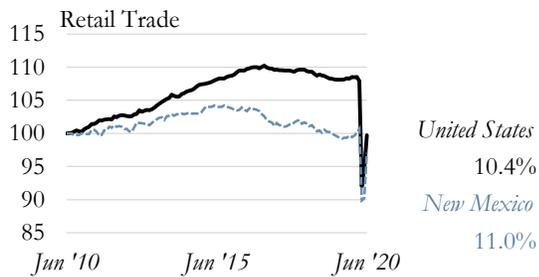
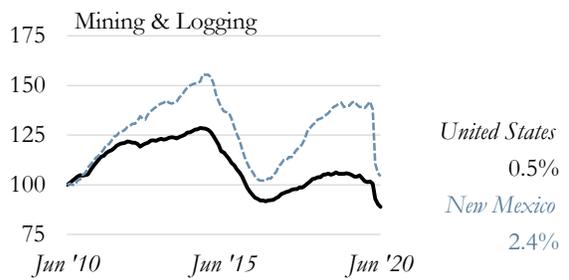
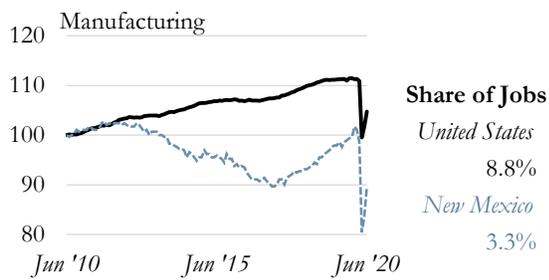
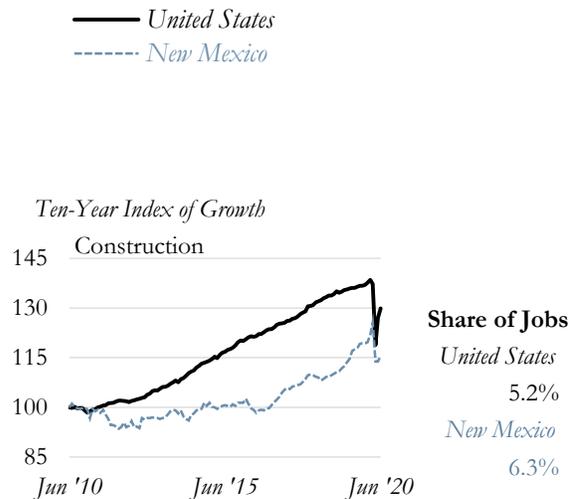
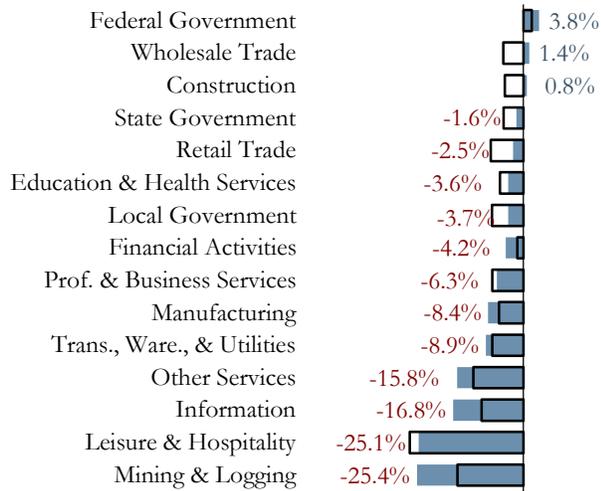


Source: Bureau of Labor Statistics & Department of Labor/Haver Analytics

Payroll Employment by Industry

Seasonally Adjusted

June 2020 *Percent Change Year-over-Year*

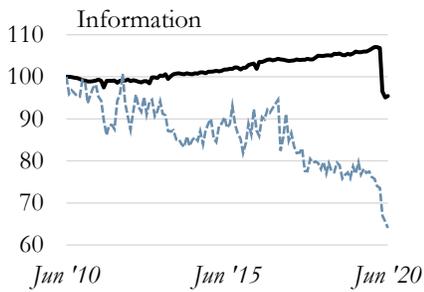


Source: Bureau of Labor Statistics/Haver Analytics

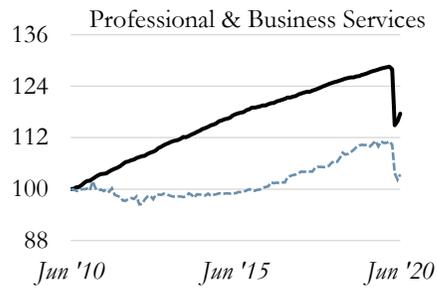
Payroll Employment by Industry

Ten-Year Index of Growth, Seasonally Adjusted

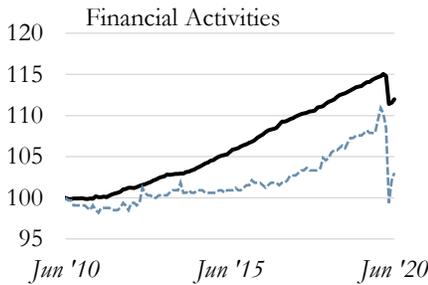
— United States
 - - - New Mexico



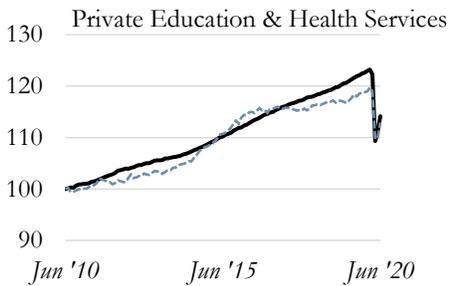
Share of Jobs
 United States 1.9%
 New Mexico 1.2%



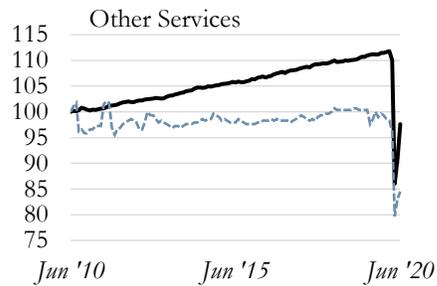
Share of Jobs
 United States 14.3%
 New Mexico 13.1%



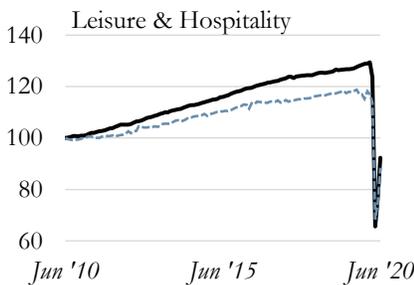
Share of Jobs
 United States 6.2%
 New Mexico 4.3%



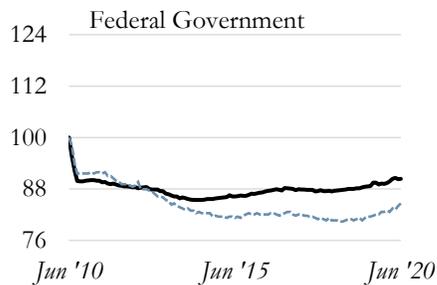
Share of Jobs
 United States 16.5%
 New Mexico 17.1%



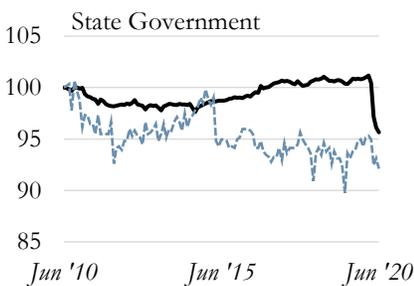
Share of Jobs
 United States 3.8%
 New Mexico 3.1%



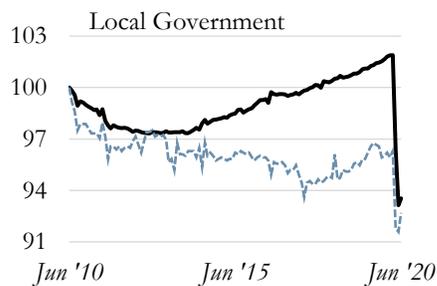
Share of Jobs
 United States 8.7%
 New Mexico 9.4%



Share of Jobs
 United States 2.1%
 New Mexico 3.8%



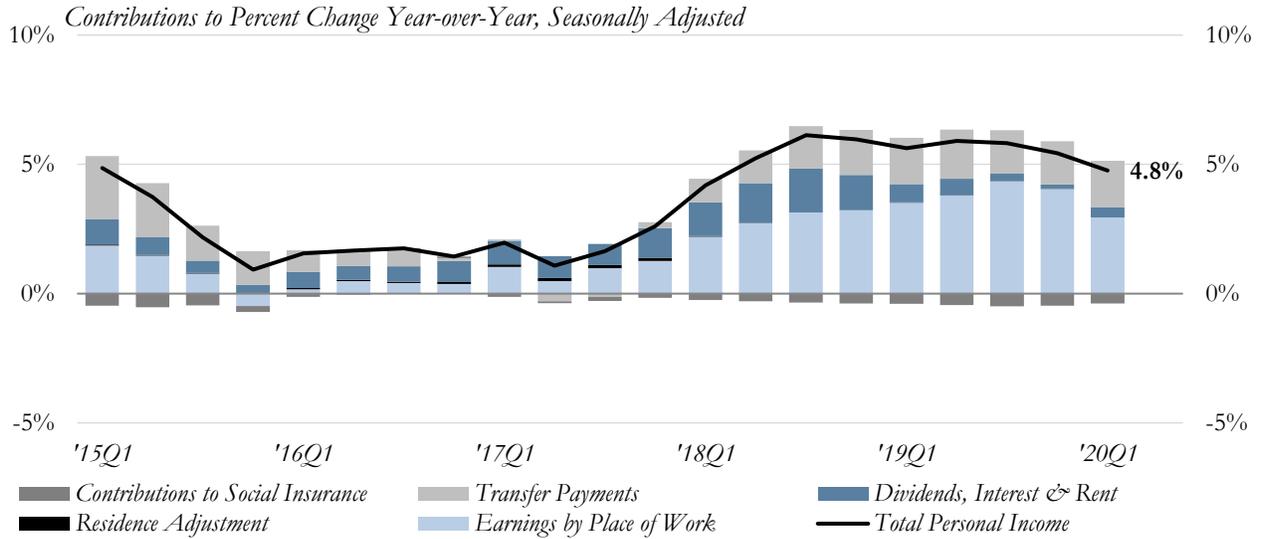
Share of Jobs
 United States 3.6%
 New Mexico 6.9%



Share of Jobs
 United States 9.8%
 New Mexico 12.6%

Source: Bureau of Labor Statistics/Haver Analytics

New Mexico Nominal Personal Income Growth

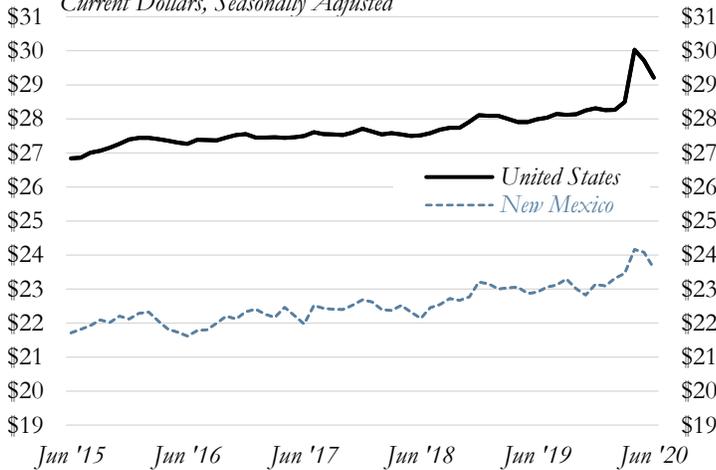


2020Q1	Percent Change Year-over-Year		Share of Personal Income	
	United States	New Mexico	United States	New Mexico
Total Personal Income	3.2%	4.8%		
Earnings by Place of Work	2.7%	4.6%	70.1%	63.4%
Social Insurance*	-2.9%	-4.9%	-7.6%	-7.8%
Residence Adjustment		-2.2%		0.1%
Dividends, Interest & Rent	2.2%	2.0%	20.1%	19.6%
Transfer Payments	6.2%	7.5%	17.4%	24.7%

*Subtracted from personal income.

Real Average Hourly Wage

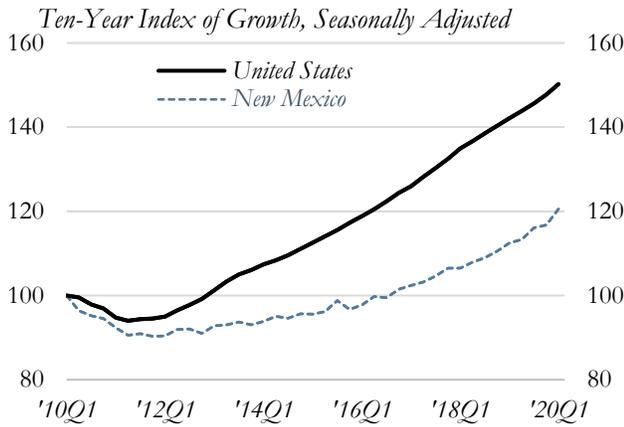
Current Dollars, Seasonally Adjusted



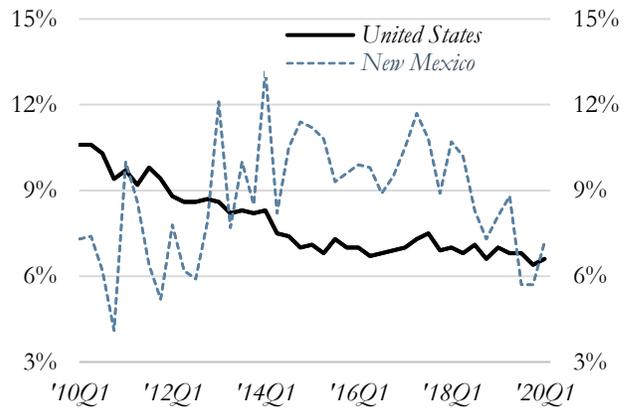
June 2020		
Average	United States	New Mexico
Hourly Wage	\$29.21	\$23.61
<i>Real Change from</i>		
Last Month	-1.7%	-1.9%
Last Year	4.4%	3.1%

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

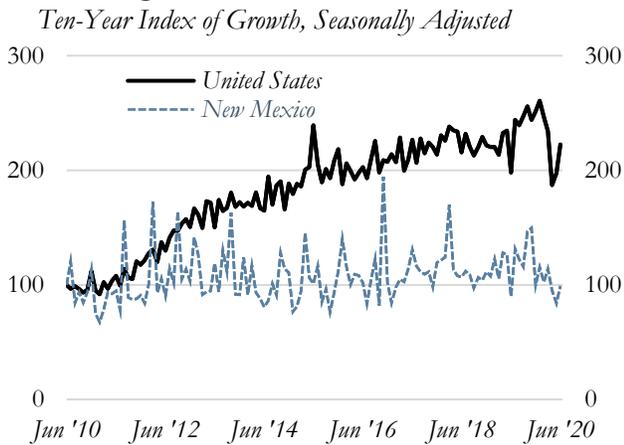
FHFA Purchase-Only Home Price Index



Rental Vacancy Rates



Housing Permits

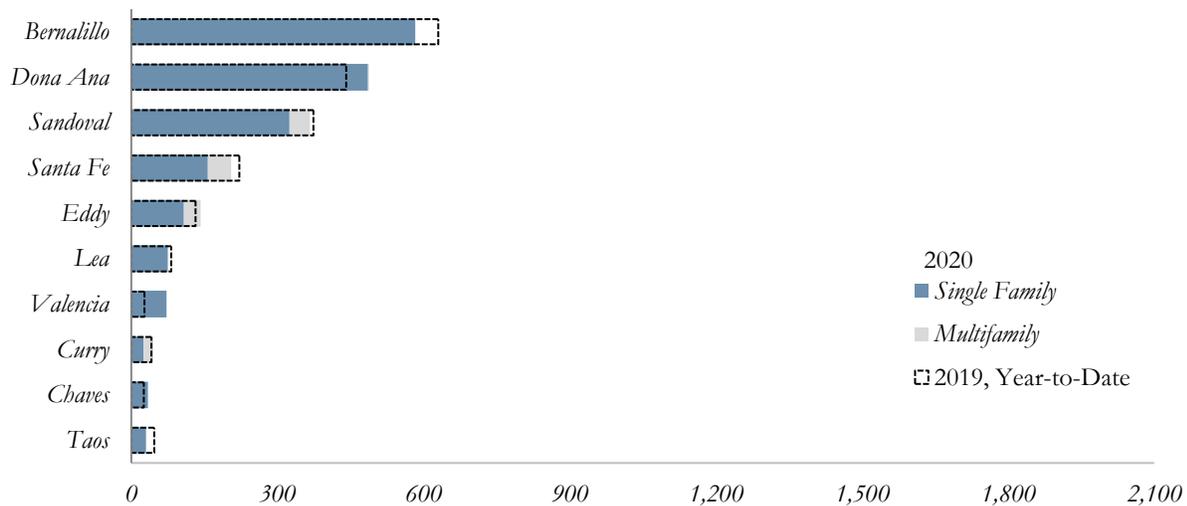


Summary Statistics		
	United States	New Mexico
Prices (2020Q1)*	5.7%	7.1%
Vacancy Rates (2020Q1)	6.6%	7.2%
Permits (Year-to-Date)*		
Single Family	3.8%	3.7%
Multifamily	-3.3%	-39.4%

*Percent change year-over-year.

Top 10 New Mexico Counties for Permit Activity

Year-to-Date through June

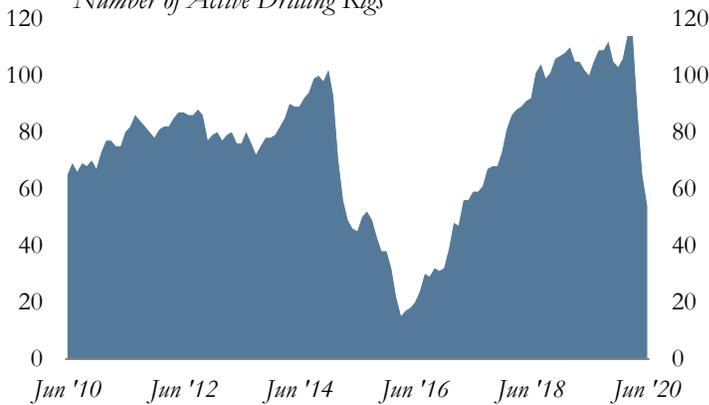


Source: Federal Housing Finance Agency (FHFA) & Census Bureau/Haver Analytics

New Mexico Energy Activity

Oil & Gas Rig Counts

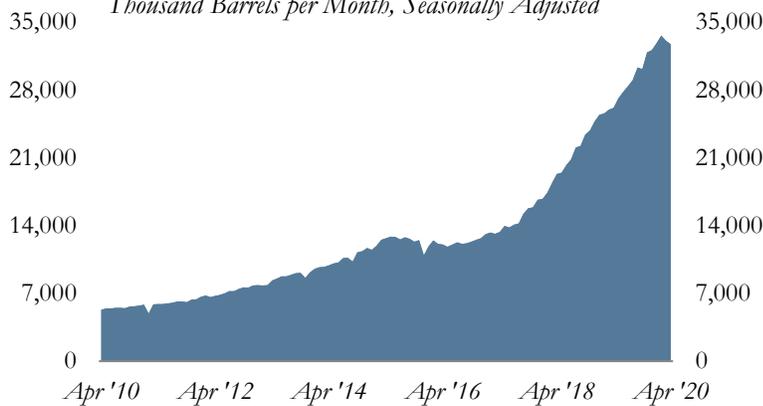
Number of Active Drilling Rigs



June 2020		
	United States	New Mexico
Rig Count	274	54
<i>Change from</i>		
Last Month	-74	-11
Last Year	-696	-46
Share of U.S. Activity		19.7%

Crude Oil Production

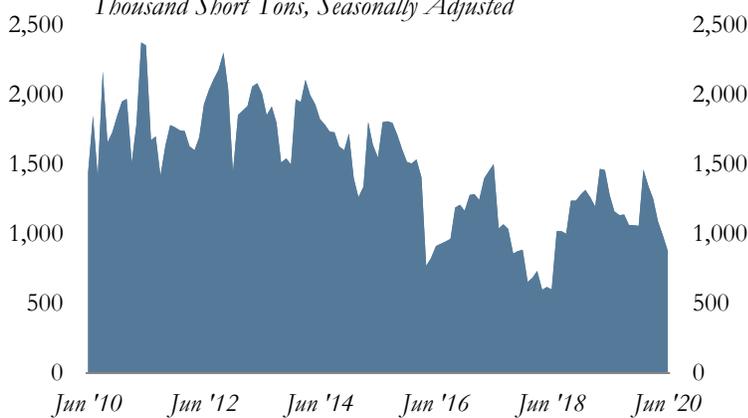
Thousand Barrels per Month, Seasonally Adjusted



April 2020		
	United States	New Mexico
Production	367,686	32,722
<i>Change from</i>		
Last Month	-4.7%	-1.0%
Last Year	-0.5%	25.2%
Share of U.S. Activity		8.9%

Coal Production

Thousand Short Tons, Seasonally Adjusted

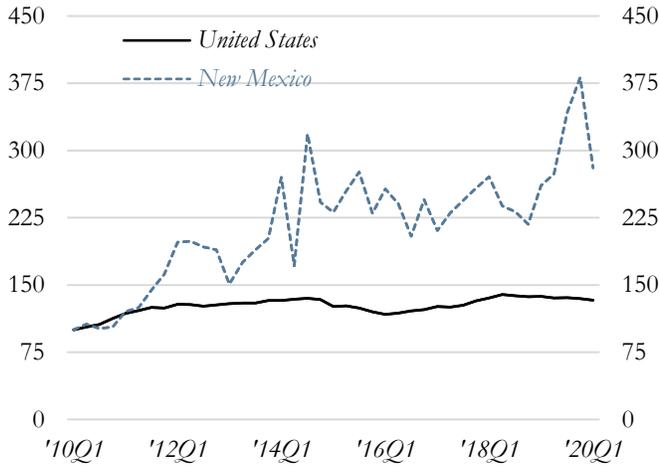


June 2020		
	United States	New Mexico
Production	39,403	880
<i>Change from</i>		
Last Month	2.5%	-10.8%
Last Year	-31.8%	-31.2%
Share of U.S. Activity		2.2%

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

Global Exports

Ten-Year Index of Growth, Seasonally Adjusted

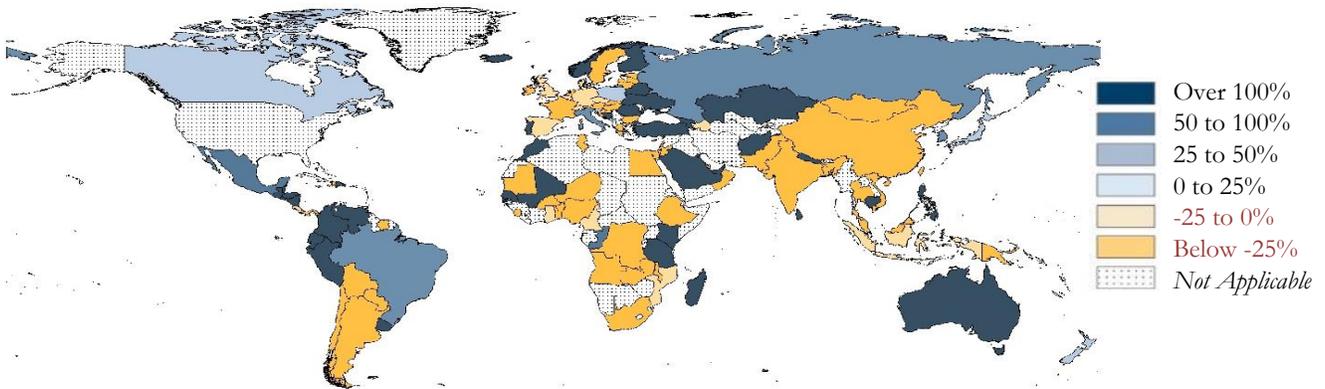


2020Q1		
	United States	New Mexico
Exports (Millions)	\$402,694.6	\$1,067.9
<i>Change from</i>		
Last Quarter	-1.4%	-26.5%
Last Year (year-to-date)	-3.2%	7.5%
Share of U.S. Activity		0.3%

2019		
Exports as a	United States	New Mexico
Percent of GDP	7.7%	4.6%

New Mexico Exports Year-to-Date through 2020Q1

Percent Change Year-over-Year



Top Markets	Share
1 Mexico	55.2%
2 China*	20.7
3 South Korea	3.5
4 Canada	2.7
5 Singapore	2.1
6 Australia	1.8
7 Romania	1.8
8 Germany	1.7
9 Japan	1.2
10 Belgium	0.9

Top Exports	Share
1 Computers & Electronics	56.9%
2 Electronic Equip. & Appliances	5.5
3 Fabricated Metal Products	5.4
4 Chemicals & Rare Earth Metals	4.8
5 Transportation Equip.	4.2
6 Misc. Manufactures	3.9
7 Food	3.7
8 Machinery (Except Electrical)	3.4
9 Plastics & Rubber Products	2.6
10 Oil & Gas	2.4

*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/empstat/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.

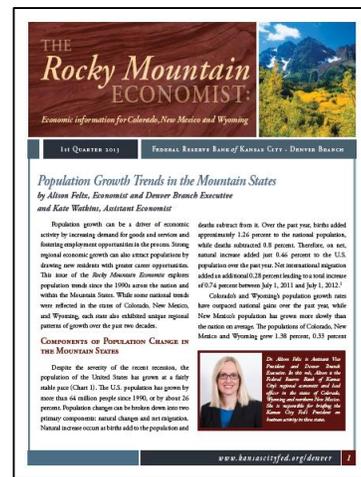
Regional Economic Analysis

Sign up to receive *The New Mexico Economic Databook* and other publications each month via email using the link below:

<http://www.kansascityfed.org/ealert/>

For regional economic analysis on the state of New Mexico, read the latest issues of *The Rocky Mountain Economist*:

<http://www.kansascityfed.org/publications/research/>



Additional Resources Available

- Agricultural Surveys
- Manufacturing Survey
- Energy Survey
- Regional Economic Analysis
- Speeches
- Banker Resources
- Economic Indicators
- Economic Research
- Educational Tools

Visit: www.KansasCityFed.org

