SUMMARY OF CURRENT NEW MEXICO ECONOMIC CONDITIONS

In New Mexico, the unemployment rate was 4.6 percent in November, and total payroll employment expanded 2.1 percent compared to the previous year. Employment growth was broad-based across industries, with the strongest gains in the leisure and hospitality and transportation, warehousing, and utilities sectors. New Mexico nominal personal income grew 3.6 percent in the third quarter of 2018 compared to the previous year, with workplace earnings up 3.2 percent. Home prices increased 3.4 percent in the third quarter of 2018 compared to a year ago, while single-family and multifamily permits recorded a 13.9 and -36.0 percent change, respectively, year-to-date through October 2018. In September 2018, crude oil production was up 48.5 percent over last year, and rig counts were well above year-ago levels. New Mexico exports were 6.7 percent higher in the third 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.
United States New Mexico

Unemployment Rate 3.7% 4.6%

Unemployment Rate, Last Year 4.1% 6.0%

Payroll Employment
Seasonally Adjusted

Jobs (Thousands)

<table>
<thead>
<tr>
<th>November 2018</th>
<th>United States</th>
<th>New Mexico</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jobs (Thousands)</td>
<td>149,893.0</td>
<td>854.0</td>
</tr>
<tr>
<td>Change from Last Year</td>
<td>1.7%</td>
<td>2.1%</td>
</tr>
</tbody>
</table>

Source: Bureau of Labor Statistics/Haver Analytics

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## October 2018 Unemployment Rates & Civilian Labor Force

*Seasonally Adjusted*

<table>
<thead>
<tr>
<th>County</th>
<th>Percent Unemployed</th>
<th>Labor Force (Thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>3.7%</td>
<td>162,637.0</td>
</tr>
<tr>
<td>New Mexico</td>
<td>4.6%</td>
<td>943.2</td>
</tr>
<tr>
<td>1 Luna</td>
<td>12.0</td>
<td>10.1</td>
</tr>
<tr>
<td>2 Torrance</td>
<td>7.1</td>
<td>5.6</td>
</tr>
<tr>
<td>3 McKinley</td>
<td>7.0</td>
<td>23.9</td>
</tr>
<tr>
<td>4 Sierra</td>
<td>6.7</td>
<td>4.2</td>
</tr>
<tr>
<td>5 Catron</td>
<td>6.2</td>
<td>1.1</td>
</tr>
<tr>
<td>6 Cibola</td>
<td>6.0</td>
<td>8.9</td>
</tr>
<tr>
<td>7 Taos</td>
<td>6.0</td>
<td>15.2</td>
</tr>
<tr>
<td>8 Mora</td>
<td>5.9</td>
<td>2.3</td>
</tr>
<tr>
<td>9 Dona Ana</td>
<td>5.6</td>
<td>93.5</td>
</tr>
<tr>
<td>10 San Miguel</td>
<td>5.6</td>
<td>10.9</td>
</tr>
<tr>
<td>11 San Juan</td>
<td>5.2</td>
<td>53.3</td>
</tr>
<tr>
<td>12 Guadalupe</td>
<td>5.2</td>
<td>1.6</td>
</tr>
<tr>
<td>13 Valencia</td>
<td>5.1</td>
<td>30.7</td>
</tr>
<tr>
<td>14 Rio Arriba</td>
<td>5.0</td>
<td>16.9</td>
</tr>
<tr>
<td>15 Harding</td>
<td>5.0</td>
<td>0.3</td>
</tr>
<tr>
<td>16 Socorro</td>
<td>5.0</td>
<td>6.5</td>
</tr>
<tr>
<td>17 Grant</td>
<td>4.8</td>
<td>12.2</td>
</tr>
<tr>
<td>18 Colfax</td>
<td>4.8</td>
<td>5.4</td>
</tr>
<tr>
<td>19 Chaves</td>
<td>4.7</td>
<td>27.1</td>
</tr>
<tr>
<td>20 Quay</td>
<td>4.7</td>
<td>3.3</td>
</tr>
<tr>
<td>21 Otero</td>
<td>4.6</td>
<td>24.5</td>
</tr>
<tr>
<td>22 De Baca</td>
<td>4.5</td>
<td>0.8</td>
</tr>
<tr>
<td>23 Sandoval</td>
<td>4.5</td>
<td>66.1</td>
</tr>
<tr>
<td>24 Roosevelt</td>
<td>4.4</td>
<td>7.9</td>
</tr>
<tr>
<td>25 Lincoln</td>
<td>4.4</td>
<td>8.6</td>
</tr>
<tr>
<td>26 Bernalillo</td>
<td>4.2</td>
<td>337.3</td>
</tr>
<tr>
<td>27 Lea</td>
<td>4.0</td>
<td>29.5</td>
</tr>
<tr>
<td>28 Santa Fe</td>
<td>3.9</td>
<td>74.1</td>
</tr>
<tr>
<td>29 Hidalgo</td>
<td>3.9</td>
<td>2.2</td>
</tr>
<tr>
<td>30 Curry</td>
<td>3.7</td>
<td>22.2</td>
</tr>
<tr>
<td>31 Eddy</td>
<td>3.3</td>
<td>31.8</td>
</tr>
<tr>
<td>32 Union</td>
<td>3.1</td>
<td>1.8</td>
</tr>
<tr>
<td>33 Los Alamos</td>
<td>3.1</td>
<td>9.3</td>
</tr>
</tbody>
</table>

Source: Bureau of Labor Statistics/Haver Analytics

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Payroll Employment
Seasonally Adjusted

<table>
<thead>
<tr>
<th>Year</th>
<th>United States</th>
<th>New Mexico</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jobs (Thousands)</td>
<td>149,893.0</td>
<td>854.0</td>
</tr>
<tr>
<td>Change from Last Year (Thousands)</td>
<td>2,443.0</td>
<td>17.7</td>
</tr>
<tr>
<td>Share of U.S. Employment</td>
<td>0.6%</td>
<td></td>
</tr>
</tbody>
</table>
Payroll Employment by Industry

November 2018 Percent Change Year-over-Year

Leisure & Hospitality
7.0%
Trans., Ware., & Utilities
6.5%
Construction
6.2%
Prof. & Business Services
3.0%
Financial Activities
2.6%
Local Government
2.0%
Wholesale Trade
1.9%
Manufacturing
1.1%
Education & Health Services
0.8%
Other Services
0.7%
Retail Trade
0.0%
Mining & Logging
-0.5%
Information
-0.7%
Federal Government
-1.0%
State Government
-2.0%

Ten-Year Index of Growth

Share of Jobs

Construction

United States
4.9%
New Mexico
5.9%

Mining & Logging

United States
0.5%
New Mexico
2.5%

Wholesale Trade

United States
4.0%
New Mexico
2.6%

Transportation, Warehousing, & Utilities

United States
4.0%
New Mexico
3.1%
Payroll Employment by Industry
Ten-Year Index of Growth, Seasonally Adjusted

Information

Share of Jobs
United States 1.8%
New Mexico 1.3%

Professional & Business Services

Share of Jobs
United States 14.1%
New Mexico 12.7%

Financial Activities

United States 5.8%
New Mexico 4.1%

Private Education & Health Services

United States 15.9%
New Mexico 16.5%

Leisure & Hospitality

United States 11.0%
New Mexico 12.2%

State Government

United States 3.4%
New Mexico 6.4%

Source: Bureau of Labor Statistics/Haver Analytics

www.KansasCityFed.org
New Mexico Nominal Personal Income Growth

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

<table>
<thead>
<tr>
<th></th>
<th>'13Q3</th>
<th>'14Q3</th>
<th>'15Q3</th>
<th>'16Q3</th>
<th>'17Q3</th>
<th>'18Q3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions to Social Insurance</td>
<td>-5%</td>
<td>0%</td>
<td>5%</td>
<td>0%</td>
<td>5%</td>
<td>0%</td>
</tr>
<tr>
<td>Transfer Payments</td>
<td>0%</td>
<td>5%</td>
<td>0%</td>
<td>5%</td>
<td>0%</td>
<td>5%</td>
</tr>
<tr>
<td>Residence Adjustment</td>
<td>5%</td>
<td>0%</td>
<td>5%</td>
<td>0%</td>
<td>5%</td>
<td>0%</td>
</tr>
<tr>
<td>Earnings by Place of Work</td>
<td>0%</td>
<td>5%</td>
<td>0%</td>
<td>5%</td>
<td>0%</td>
<td>5%</td>
</tr>
<tr>
<td>Total Personal Income</td>
<td>0%</td>
<td>5%</td>
<td>0%</td>
<td>5%</td>
<td>0%</td>
<td>5%</td>
</tr>
</tbody>
</table>

2018Q3 Percent Change Year-over-Year

<table>
<thead>
<tr>
<th></th>
<th>United States</th>
<th>New Mexico</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Personal Income</td>
<td>4.4%</td>
<td>3.6%</td>
</tr>
<tr>
<td>Earnings by Place of Work</td>
<td>4.1%</td>
<td>3.2%</td>
</tr>
<tr>
<td>Social Insurance*</td>
<td>-4.6%</td>
<td>-3.8%</td>
</tr>
<tr>
<td>Residence Adjustment</td>
<td>30.9%</td>
<td>0.1%</td>
</tr>
<tr>
<td>Dividends, Interest &amp; Rent</td>
<td>5.7%</td>
<td>3.7%</td>
</tr>
<tr>
<td>Transfer Payments</td>
<td>4.2%</td>
<td>4.4%</td>
</tr>
</tbody>
</table>

Share of Personal Income

<table>
<thead>
<tr>
<th></th>
<th>United States</th>
<th>New Mexico</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Personal Income</td>
<td>70.7%</td>
<td>64.5%</td>
</tr>
<tr>
<td>Earnings by Place of Work</td>
<td>70.7%</td>
<td>64.5%</td>
</tr>
<tr>
<td>Social Insurance*</td>
<td>-7.7%</td>
<td>-7.9%</td>
</tr>
<tr>
<td>Residence Adjustment</td>
<td>-0.1%</td>
<td>0.1%</td>
</tr>
<tr>
<td>Dividends, Interest &amp; Rent</td>
<td>20.1%</td>
<td>19.7%</td>
</tr>
<tr>
<td>Transfer Payments</td>
<td>17.0%</td>
<td>23.6%</td>
</tr>
</tbody>
</table>

*Subtracted from personal income.

Real Average Hourly Wage

Current Dollars, Seasonally Adjusted

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

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Top 10 New Mexico Counties for Permit Activity
Year-to-Date through October

<table>
<thead>
<tr>
<th>County</th>
<th>Single Family</th>
<th>Multifamily</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bernalillo</td>
<td>2,500</td>
<td>1,500</td>
<td>2018</td>
</tr>
<tr>
<td>Dona Ana</td>
<td>2,000</td>
<td>700</td>
<td>2018</td>
</tr>
<tr>
<td>Sandoval</td>
<td>1,500</td>
<td>600</td>
<td>2018</td>
</tr>
<tr>
<td>Eddy</td>
<td>1,000</td>
<td>500</td>
<td></td>
</tr>
<tr>
<td>Santa Fe</td>
<td>800</td>
<td>400</td>
<td></td>
</tr>
<tr>
<td>Otero</td>
<td>500</td>
<td>200</td>
<td></td>
</tr>
<tr>
<td>Valencia</td>
<td>500</td>
<td>200</td>
<td></td>
</tr>
<tr>
<td>Curry</td>
<td>200</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>Lincoln</td>
<td>200</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

*Percent change year-over-year.

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

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New Mexico Energy Activity

**Oil & Gas Rig Counts**

*Number of Active Drilling Rigs*

- **November 2018**
  - United States: 1,077
  - New Mexico: 106
  - Change from Last Month: 14
  - Change from Last Year: 166
  - Share of U.S. Activity: 9.8%

- **September 2018**
  - United States: 349,912
  - New Mexico: 22,326
  - Change from Last Month: 1.1%
  - Change from Last Year: 20.9%
  - Share of U.S. Activity: 6.4%

**Crude Oil Production**

*Thousand Barrels per Month, Seasonally Adjusted*

- **November 2018**
  - United States: 24,000
  - New Mexico: 22,326
  - Change from Last Month: 1.1%
  - Change from Last Year: 48.5%
  - Share of U.S. Activity: 6.4%

- **September 2018**
  - United States: 24,000
  - New Mexico: 22,326
  - Change from Last Month: 1.1%
  - Change from Last Year: 48.5%
  - Share of U.S. Activity: 6.4%

**Coal Production**

*Thousand Short Tons, Seasonally Adjusted*

- **November 2018**
  - United States: 60,293
  - New Mexico: 660
  - Change from Last Month: -0.9%
  - Change from Last Year: -26.7%
  - Share of U.S. Activity: 1.1%

- **September 2018**
  - United States: 60,293
  - New Mexico: 660
  - Change from Last Month: -0.9%
  - Change from Last Year: -26.7%
  - Share of U.S. Activity: 1.1%

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

Ten-Year Index of Growth, Seasonally Adjusted

- United States
- New Mexico

Exports (Millions)
- United States: $417,374.4
- New Mexico: $871.1

Change from
- Last Quarter: -1.0% -1.6%
- Last Year (year-to-date): 9.0% 6.7%

Share of U.S. Activity: 0.2%

Top Markets

1. Mexico 41.2%
2. China* 34.9%
3. Canada 3.1%
4. South Korea 2.9%
5. Germany 1.8%
6. Singapore 1.2%
7. Australia 1.2%
8. Japan 1.1%
9. Belgium 0.9%
10. Netherlands 0.8%

*Includes Hong Kong, Taiwan, and Macao.

Top Exports

1. Computers & Electronics 55.5%
2. Misc. Manufactures 6.2%
3. Transportation Equip. 5.6%
4. Fabricated Metal Products 5.5%
5. Electronic Equip. & Appliances 4.8%
6. Food 3.3%
7. Chemicals & Rare Earth Metals 3.0%
8. Machinery (Except Electrical) 2.9%
9. Plastics & Rubber Products 2.8%
10. Primary Metals 2.5%

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

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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/empsit/ces_cps_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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