

# Maine Economic Indicators

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Maine Department of Administrative and Financial Services

Office of the State Economist

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Maine Economic Indicators is a monthly report assembled by the Office of the State Economist that provides a synopsis of current economic trends and indicators for the state in comparison to New England and the United States. The intent of this report is to provide the public with a single document containing data aggregated from different sources typically used to track current economic and demographic conditions in the state.

The appendix provides comprehensive information related to the data presented herein. Data included in this report are assembled from various sources, subject to frequent revision, and provided in this report “as is” at the time of publication. Therefore, data presented in this report are subject to change over time.

**Please note that changes in economic indicators cannot uniquely be interpreted as the impact of COVID-19.**

## Contents

1	Snapshot.....	3
2	Annual Indicators.....	4
3	Quarterly and Monthly Indicators .....	4
3.1	Gross Domestic Product (GDP).....	4
3.1.1	GDP Now from the Federal Reserve Bank of Atlanta.....	5
3.2	Recession Indicators.....	6
3.2.1	Real-time Sahm Rule Recession Indicator.....	6
3.3	Labor Markets .....	7
3.3.1	Unemployment Rate: November 2021 = 4.8% .....	7
3.3.2	Labor Force Participation Rate: November 2021 = 60.3%.....	7
<b>3.3.3</b>	<b>Total Nonfarm Payroll Job Estimates: November 2021 = 613,100.....</b>	<b>8</b>
3.4	National inflation measures.....	9
3.4.1	Consumer Price Index vs. Personal Consumption Expenditures .....	9
3.4.2	Expenditure categories of the CPI.....	9
3.5	Energy.....	10
3.5.1	Heating Oil .....	10
3.5.2	Gasoline .....	11
3.6	Housing.....	12
3.6.1	Sales .....	12
3.6.2	House Price Index.....	12
3.6.3	Housing inventory.....	13
3.7	Sentiment .....	14
3.8	Trade Outlook.....	14
3.8.1	Exports and trade partners.....	14
3.8.2	Real Trade-Weighted Value of the Dollar .....	15
4	Appendix .....	16
4.1.1	Data Sources.....	16
5	Glossary .....	17

# 1 Snapshot

Indicators in this section provide a summary of Maine's current economic status. Figures for Maine are compared to New England and the United States. Sources are given in the appendix.

Reference Period		Maine	New England	United States
2021	Total population	1,372,247	15,092,739	331,893,745
2020-2021	Annual population percent change	0.7%	-0.05%	0.1%
2010-2020	Cumulative population percent change	2.6%	4.7%	7.4%
2020	Average earnings per job	\$56,760	\$78,373	\$69,204
2019-2020	Average earnings per job percent change	8.2%	7.6%	7.1%
November 2021	Unemployment rate	4.8%	5.1%	4.2%
November 2021	Total private nonfarm employment	517,400	6,277,700	126,711,000
November 2021	Labor Force	678,800	7,855,800	162,052,000
November 2021	Labor Force Participation Rate	60.3%	N/A	61.8%

## Annualized Percent Change from the previous quarter and Compound Annual Growth Rate (CAGR)

<b>Real GDP</b>	2020:Q4	2021:Q1	2021:Q2	2021:Q3	2020:Q3-2021:Q4
Maine	3.8	1.3	5.5	1.7	3.1
New England	3.5	3.7	7.1	2.6	4.2
United States	4.5	6.3	6.7	2.3	4.9
<b>Total Personal Income</b>	2020:Q4	2021:Q1	2021:Q2	2021:Q3	2020:Q2-2021:Q2
Maine	3.1	60.7	-24.9	0.8	5.8
New England	-1.2	41.0	-13.7	1.3	5.0
United States	-4.6	56.9	-20.2	2.6	5.2
<b>Per Capita Personal Income</b>	2020:Q4	2021:Q1	2021:Q2	2021:Q3	2020:Q2-2021:Q2
Maine	2.8	60.5	-25.1	0.5	5.6
New England	-1.2	41.3	-13.5	1.4	5.2
United States	-5.0	56.6	-20.4	2.3	4.9
<b>Wages &amp; Salaries</b>	2020:Q4	2021:Q1	2021:Q2	2021:Q3	2020:Q2-2021:Q2
Maine	15.4	-2.2	16.6	9.8	9.6
New England	17.6	-2.7	18.6	10.1	10.6
United States	16.9	4.0	12.8	11.6	11.2

## 2 Annual Indicators

Indicators summarized below are updated annually on various release dates and provide a general summary of Maine's demographic and economic status.

Reference Period		Maine	New England	United States
2021	Total population	1,372,247	15,092,739	331,893,745
2020-2021	Annual population percent change	0.7%	-0.05%	0.1%
2010-2020	Cumulative population percent change	2.6%	4.7%	7.4%
2021	Births	11,291	136,347	3,581,986
2021	Deaths	17,635	159,721	3,433,943
2021	Net migration	16,340	13,765	244,622
2020-2021	Annual rate of total net migration, per thousand (Maine ranks 7 <sup>th</sup> in the U.S.)	1.2%	.1%	0.1%
2019	Median age, years (American Community Survey)	45.1	40.9	38.5
2019	Associate degree: percent of population age 25 and above	10.0%	8.1%	8.6%
2019	Bachelor's degree: percent of population age 25 and above	20.8%	23.2%	20.3%
2019	Graduate or professional degree: percent of population age 25 and above	12.4%	17.8%	12.8%
2019	Percent of population below poverty level	10.9%	9.6%	12.3%
2019	Median family income	\$76,316	\$99,309	\$80,944
2019	Median household income	\$58,924	\$77,482	\$65,712
2020	Per capita personal consumption expenditures	\$45,272	\$50,154	\$42,635
2020	Per capita disposable personal income	\$49,072	\$64,398	\$53,080

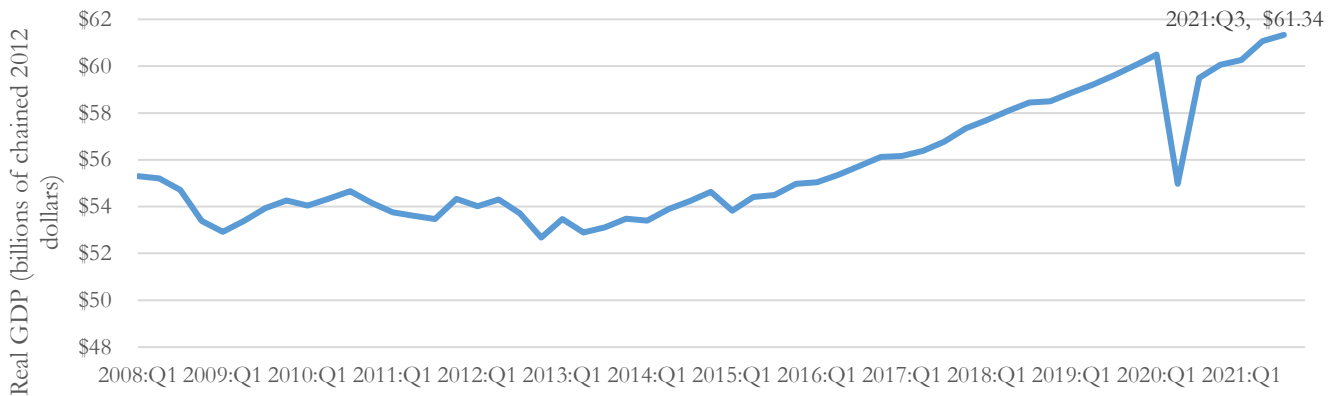
## 3 Quarterly and Monthly Indicators

### 3.1 Gross Domestic Product (GDP)

Real GDP in Maine grew by 1.7 percent from the preceding quarter at an annual rate (2021:Q2 to 2021:Q3), ranking 25<sup>th</sup> in the U.S. and fourth in New England. The industry sectors that contributed the most to Maine's third quarter growth in real GDP were accommodation and food services (0.55 percentage points), professional, scientific and technical services (0.55 percentage points), finance and insurance (0.52 percentage points) and real estate and rental and leasing (0.41 percentage points). Gains were offset by losses in other industries, such as retail trade (-1.32 percentage points), construction (-0.48 percentage points), nondurable goods manufacturing (-0.36 percentage points) and wholesale trade (-0.35 percentage points), among several others.

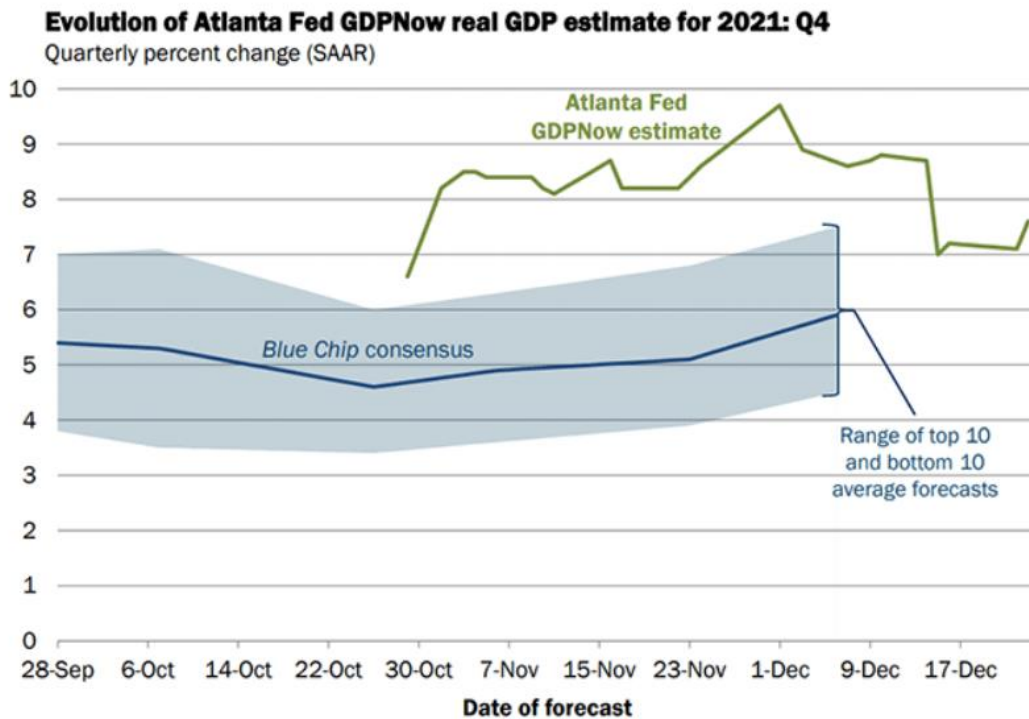
Reference Period		Maine	United States
2021:Q3	Total GDP (Current dollars)	\$76.04 billion	\$23.2 trillion

## Real GDP (billions of chained 2012 dollars) - Maine



### 3.1.1 GDP Now from the Federal Reserve Bank of Atlanta

GDPNow, which is reported by the Atlanta Fed, is “a running estimate of real GDP growth based on available data for the current quarter.” This model uses a similar methodology to the one used by the U.S. Bureau of Economic Analysis in their official GDP estimates and is revised each time the monthly source data is updated. The nowcast for 2021:Q4 as of December 23<sup>rd</sup> estimates U.S. real GDP to **increase by 7.6 percent** at an annual rate.



Sources: Blue Chip Economic Indicators and Blue Chip Financial Forecasts

Note: The top (bottom) 10 average forecast is an average of the highest (lowest) 10 forecasts in the Blue Chip survey.

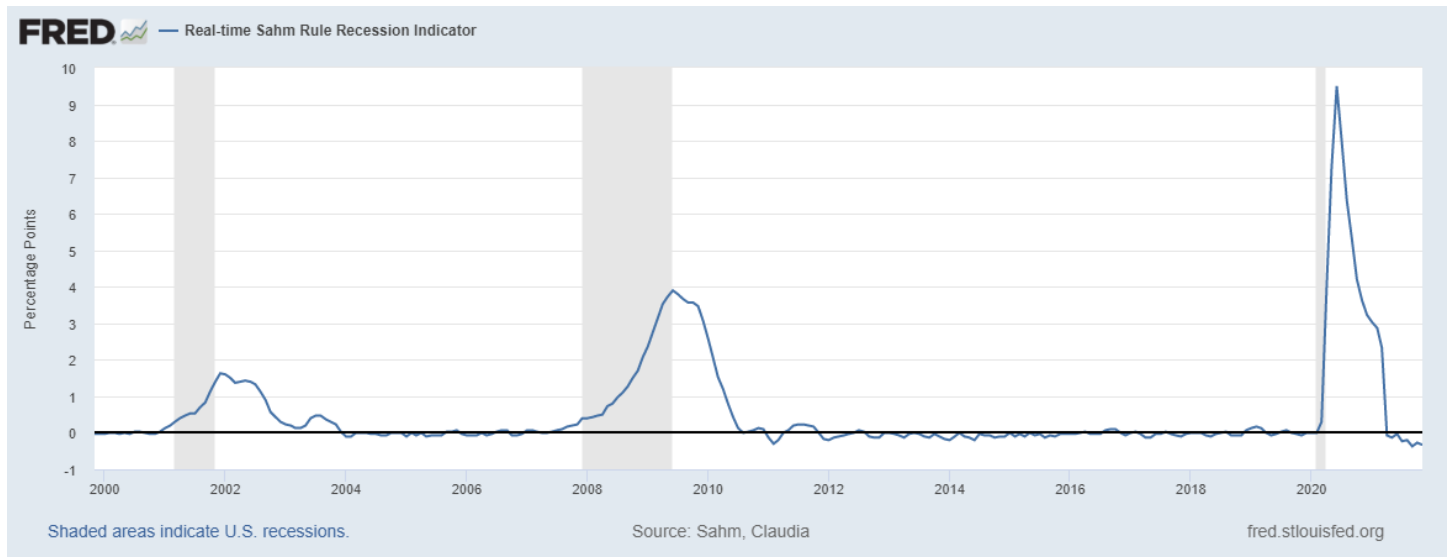
### 3.2 Recession Indicators

The National Bureau of Economic Research (NBER) declared that the United States was officially in recession starting in February and ending in April 2020, as of July 19, 2021. NBER is the primary source in the United States that declares when recessions begin and end. Other recession indicators are used to estimate business cycles in real time but are not official sources for when recessions begin and end.

#### 3.2.1 Real-time Sahm Rule Recession Indicator

The Real-time Sahm Rule Recession Indicator<sup>1</sup> signals a recession when the 3-month moving average of the national unemployment rate (U3) rises by at least 0.5 percentage points relative to its low in the previous 12 months.

In November 2021, this indicator showed that the three-month average of national U3 was **-.33 points under its 12-month low**. This lends evidence that the economy is not still in a recession.

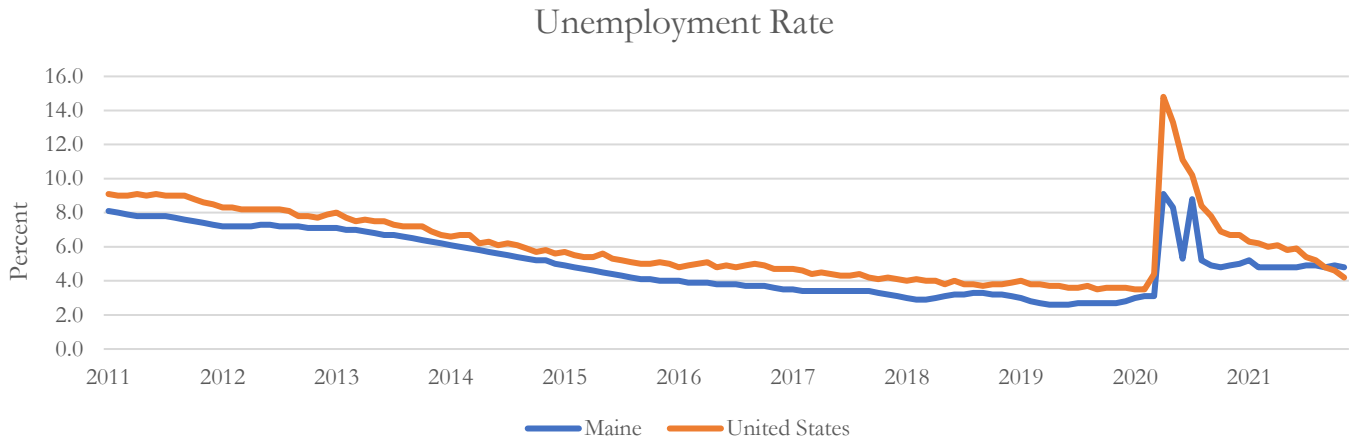


<sup>1</sup> Created by Dr. Claudia Sahm, Federal Reserve Board of Governors

### 3.3 Labor Markets<sup>2</sup>

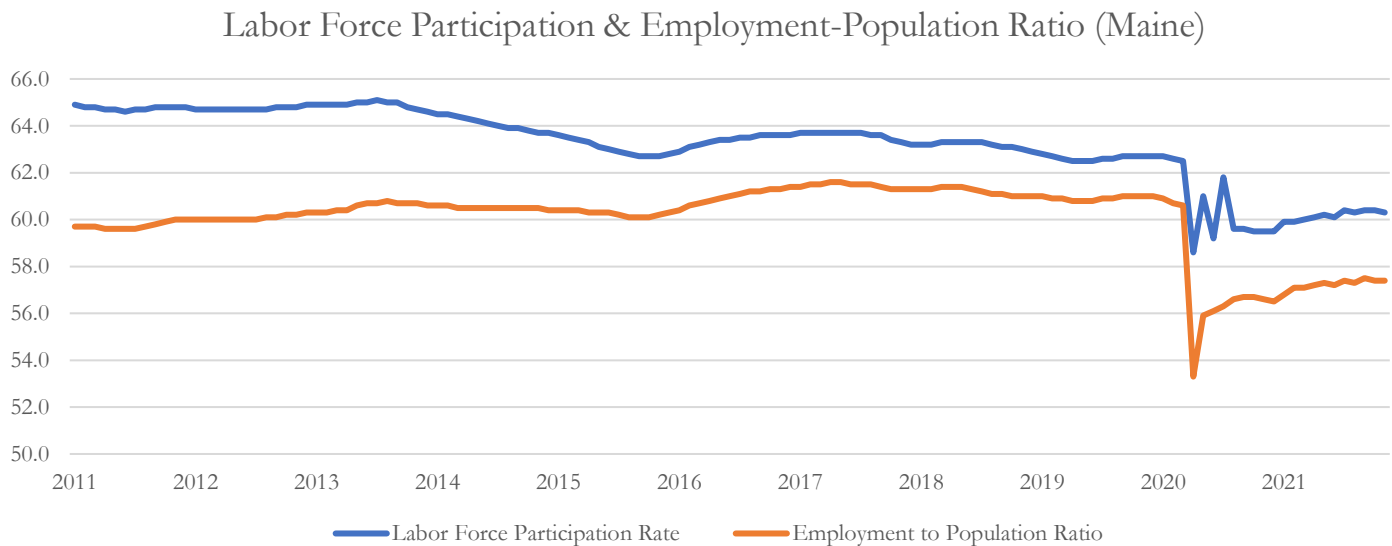
#### 3.3.1 Unemployment Rate: November 2021 = 4.8%

The unemployment rate was 4.8% in November, higher than the U.S. rate of 4.2% but lower than New England's 5.1%. The unemployment rate has been flat at 4.8% or 4.9% since February 2021.



#### 3.3.2 Labor Force Participation Rate: November 2021 = 60.3%

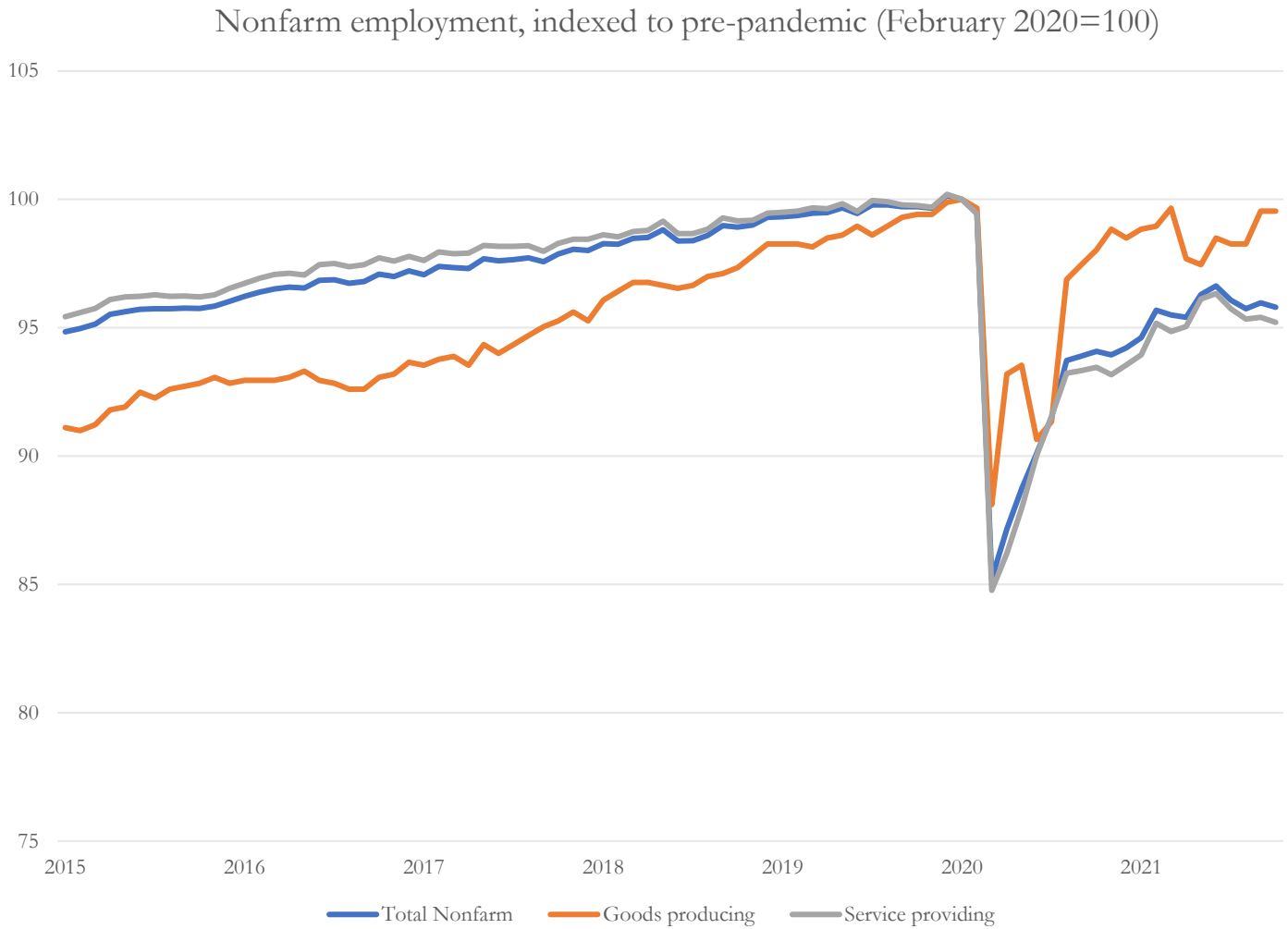
Labor force participation (LFP) was 60.3% in November, below the nation's 61.8%. The employment to population ratio (EPOP), an alternative measure of labor market activity which measures the total number of employed working-age adults divided by the total working-age population, was at 57.4%. LFP and EPOP are both higher than a year ago but remain 2.2 points and 3.2 percentage points below pre-pandemic, respectively.



<sup>2</sup> The data for unemployment rates and labor force are derived from the Local Area Unemployment Statistics (LAUS) program and data for nonfarm payroll jobs are derived from the Current Employment Statistics (CES) program. The numbers presented below are estimates which vary month to month in either direction and are subject to substantial revision. The Maine Department of Labor cautions users to analyze general trends over several months as opposed to making conclusions based on changes month to month.

### 3.3.3 Total Nonfarm Payroll Job Estimates: November 2021 = 613,100

Seasonally adjusted total nonfarm employment was down by 1,100 in November. Most jobs saw little change, although Healthcare and Social Assistance fell by 1,300 jobs, comprising most of the monthly decline. New England gained 25,400 jobs in November, while the U.S. gained 210,000. Compared to pre-pandemic, employment in Maine is down -4.2%, or 26,900 jobs. Maine has gained about 11,900 jobs in 2021.



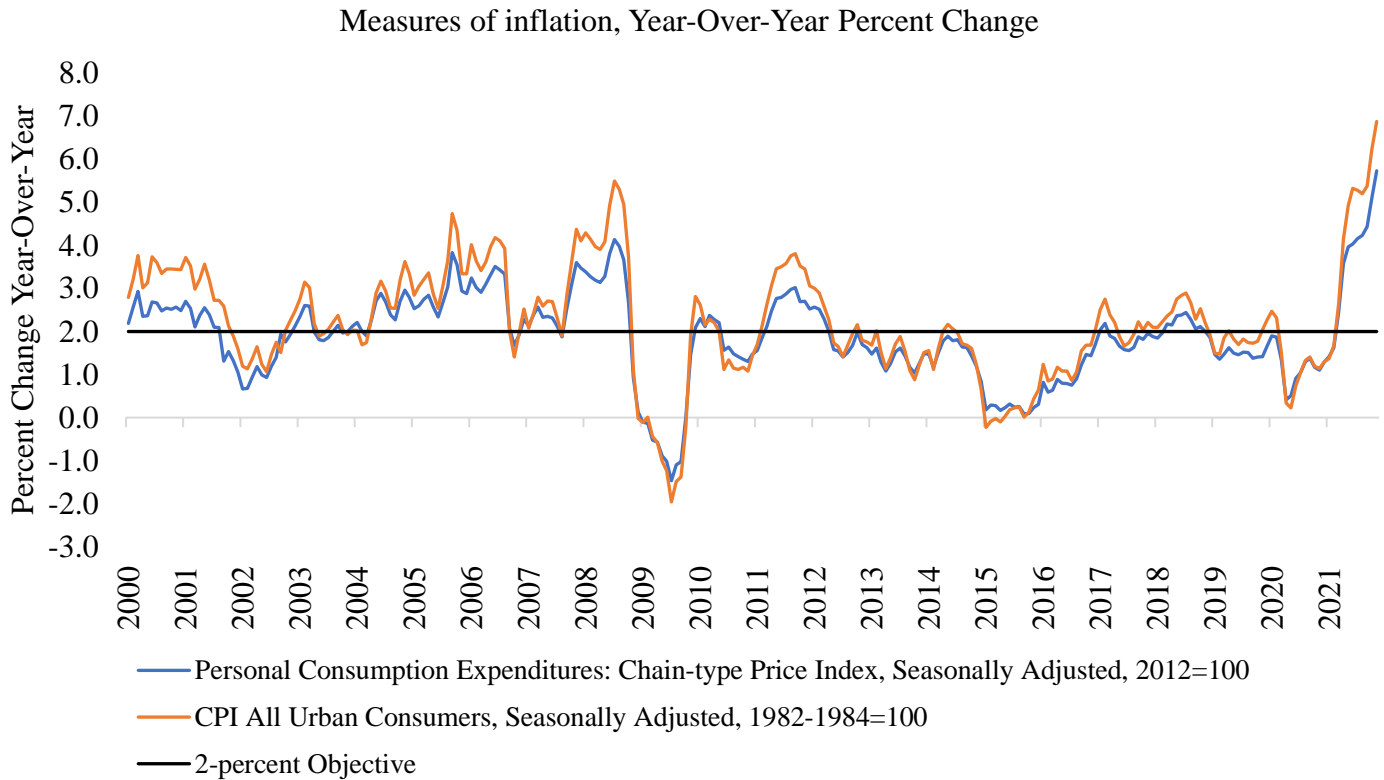


### 3.4 National inflation measures

#### 3.4.1 Consumer Price Index vs. Personal Consumption Expenditures

There are two measures of inflation in the United States: the Consumer Price Index (CPI) and the Personal Consumption Expenditures price index (PCE). The CPI is released by the Bureau of Labor Statistics and is based on surveys of urban consumers, while PCE is calculated by the Bureau of Economic Analysis based on surveys of what businesses are selling. Both are used officially for various federal purposes, although the Federal Reserve focuses on PCE in monetary policy decisions.

In November 2021, both measures continued to accelerate. The PCE price index grew by 5.7% year-over-year, while the CPI all-items index grew by 6.8% before seasonal adjustment. This marks the highest 12-month increase in the CPI since June 1982.



#### 3.4.2 Expenditure categories of the CPI

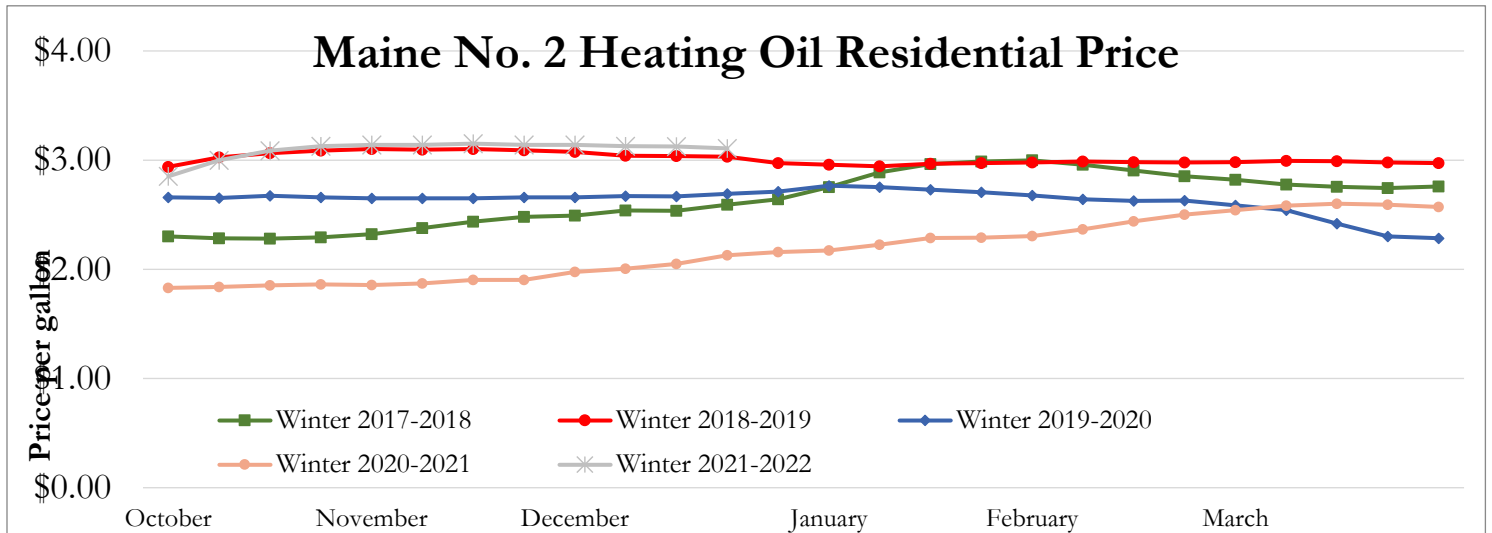
While the CPI-all items index rose 6.8% year-over-year, core inflation, which excludes volatile food and energy prices, grew by 4.9%. Food and energy prices are rising faster than other commodities and services, at 6.1% and 33.3% year-over-year and 3.5% since the previous month. Excluding food and energy, commodities saw 9.4% growth between November 2020 and November 2021, driven by transportation commodities (19.2%). The index for services grew 3.4%

Expenditure Category	November Y/Y	November M/M
All items	6.8	0.8
Food	6.1	0.7
Energy	33.3	3.5
<i>All items less food and energy</i>	4.9	0.5
Commodities (less food and energy)	9.4	0.9
Household furnishings and supplies	6.0	0.7
Apparel	5.0	1.3
Transportation commodities (less motor fuel)	19.2	1.7
Medical care commodities	0.2	0.1
Recreation commodities	3.9	0.3
Education and communication commodities	0.9	-1.0
Alcoholic beverages	1.9	0.0
Other goods	4.3	0.3
Services (less energy)	3.4	0.4
Shelter	3.8	0.5
Water and sewer and trash collection	3.5	0.0
Household operation	8.4	1.1
Medical care services	2.1	0.3
Transportation services	3.9	0.7
Recreation services	2.8	-0.5
Education and communication services	1.7	0.0
Other personal services	4.5	0.1

### 3.5 Energy

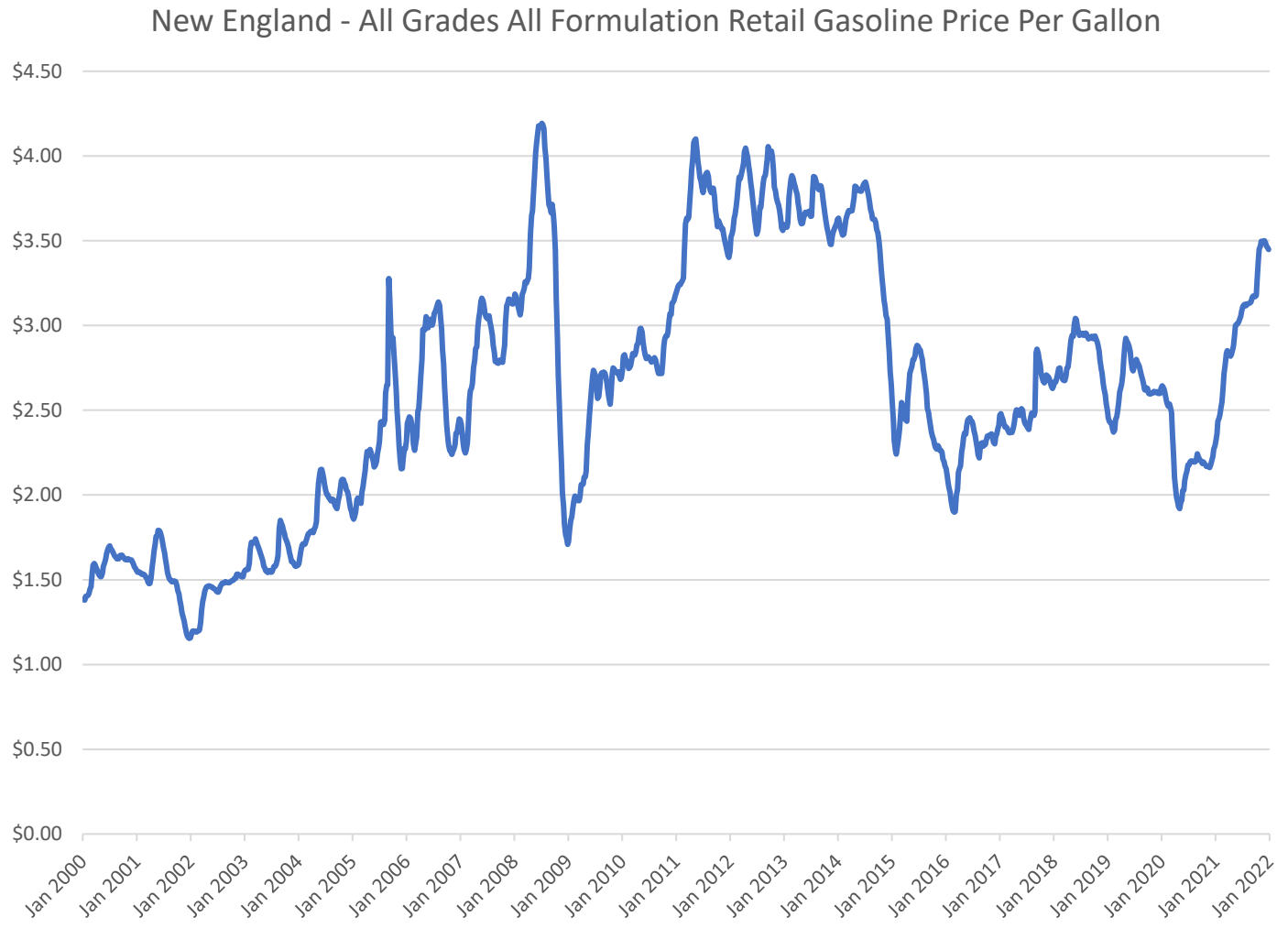
#### 3.5.1 Heating Oil

The price of residential heating oil in Maine has risen significantly in recent months, averaging \$3.119 in, down about \$0.02 compared to November. According to the 2019 American Community Survey, 60.1% of homes in Maine rely on fuel oil as a primary heating source.



### 3.5.2 Gasoline

For the week of December 27, 2021, gasoline in New England averaged \$3.448 per gallon. This is \$0.01 less than a week prior, \$0.05 less than a month prior, and \$1.16 higher than a year prior.



## 3.6 Housing

### 3.6.1 Sales

Home sales declined year-over-year in November for the fifth consecutive month. The 1,808 single-family units sold was 8.0% fewer than in November 2020 but 20.7% higher than November 2019. Meanwhile the median sale price continues to grow by double-digits, to \$300,000 statewide, 11.1% higher than November 2020. All counties except Washington had year-over-year growth in the median sale price, while only four had year-over-year growth in units sold. Kennebec had the highest year-over-year growth in the number of sales at 22.6%, while Aroostook had the highest growth in median sale price, 48.3%.

Geography	No. of Units Sold	One Year Change (units)	Median Sale Price	One Year Change (Price)
Androscoggin	125	4.2%	\$250,000	19.1%
Aroostook	85	-10.5%	\$145,300	48.3%
Cumberland	346	-12.4%	\$428,500	11.3%
Franklin	46	-14.8%	\$256,000	24.3%
Hancock	86	-34.9%	\$314,500	4.0%
Kennebec	168	22.6%	\$230,750	6.8%
Knox	59	-9.2%	\$350,000	24.6%
Lincoln	55	-22.5%	\$369,000	0.0%
Oxford	104	-11.1%	\$272,500	21.1%
Penobscot	182	6.4%	\$215,000	20.5%
Piscataquis	42	-17.7%	\$149,500	25.7%
Sagadahoc	41	0.0%	\$350,000	21.1%
Somerset	85	10.4%	\$175,000	8.7%
Waldo	46	-32.4%	\$290,000	2.3%
Washington	54	-18.2%	\$159,500	-10.8%
York	284	-6.9%	\$401,025	11.4%
<b>Maine</b>	<b>1,808</b>	<b>-8.0%</b>	<b>\$300,000</b>	<b>11.1%</b>

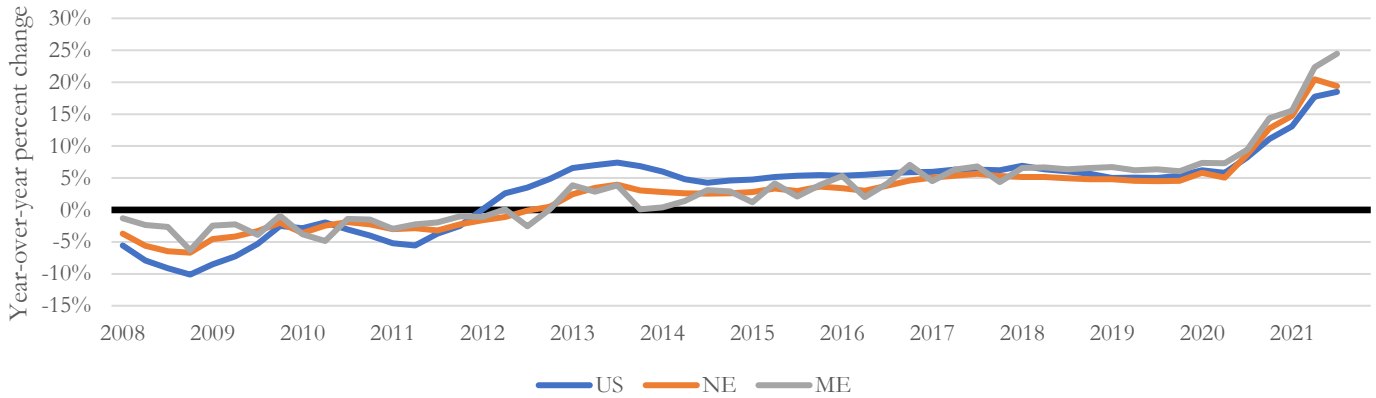
### 3.6.2 House Price Index

In the third quarter of 2021, year-over-year growth in the house price index (HPI)<sup>3</sup> continued to accelerate in both the United States and Maine, while slightly decelerating in New England. Maine's year-over-year HPI growth rate was higher than both the regional growth rate and the national growth rate at 24.5% compared to 19.4% in New England and 18.5% in the U.S. These growth rates break the record as the highest ever recorded in the U.S. and Maine for the third consecutive quarter. Maine had the sixth highest growth rate of all 50 states and DC.

Reference Period		Maine	New England	United States
2020:Q3-2021:Q3	HPI percent change from previous year	24.5%	19.4%	18.5%

<sup>3</sup> According to the Federal Housing Finance Agency (FHFA), the HPI "measures average price changes in repeat sales or refinancing on the same properties."

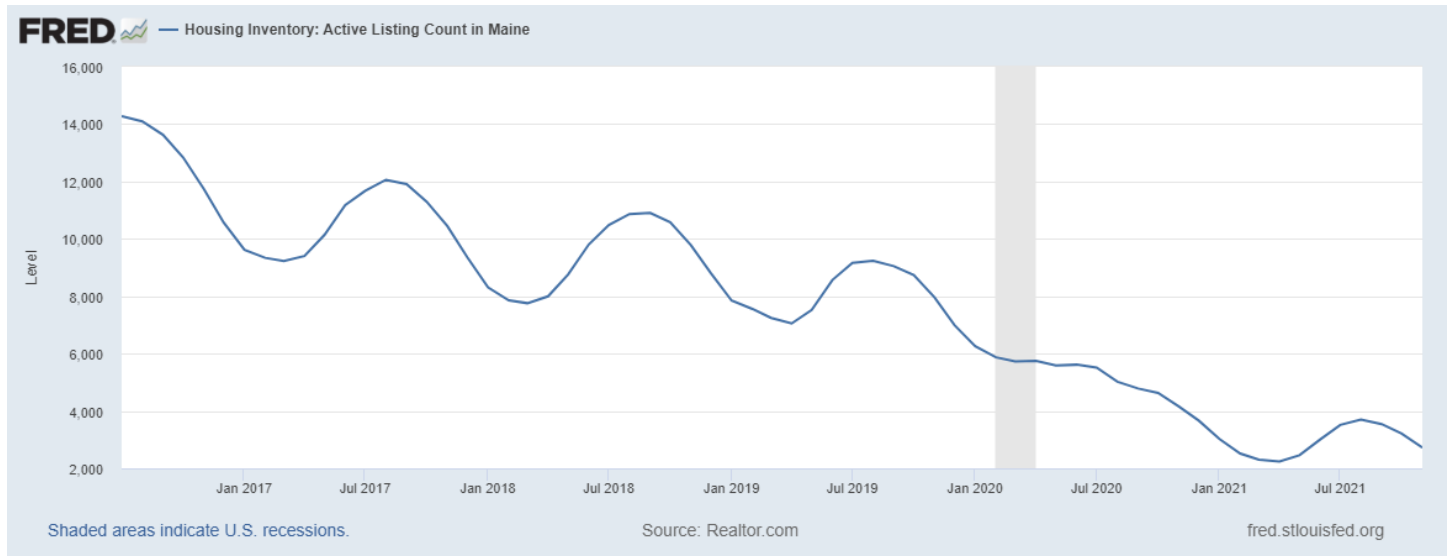
## Percent Changes, Year-over-year in FHFA House Price Index (Seasonally Adjusted)



### 3.6.3 Housing inventory

A contributor to Maine’s tight housing market is low inventory. Normal seasonal patterns typically lead to lower inventory during winter months and higher inventory in the summer months. This seasonal pattern was disrupted by the COVID-19 pandemic, with inventory falling consistently until recent months.

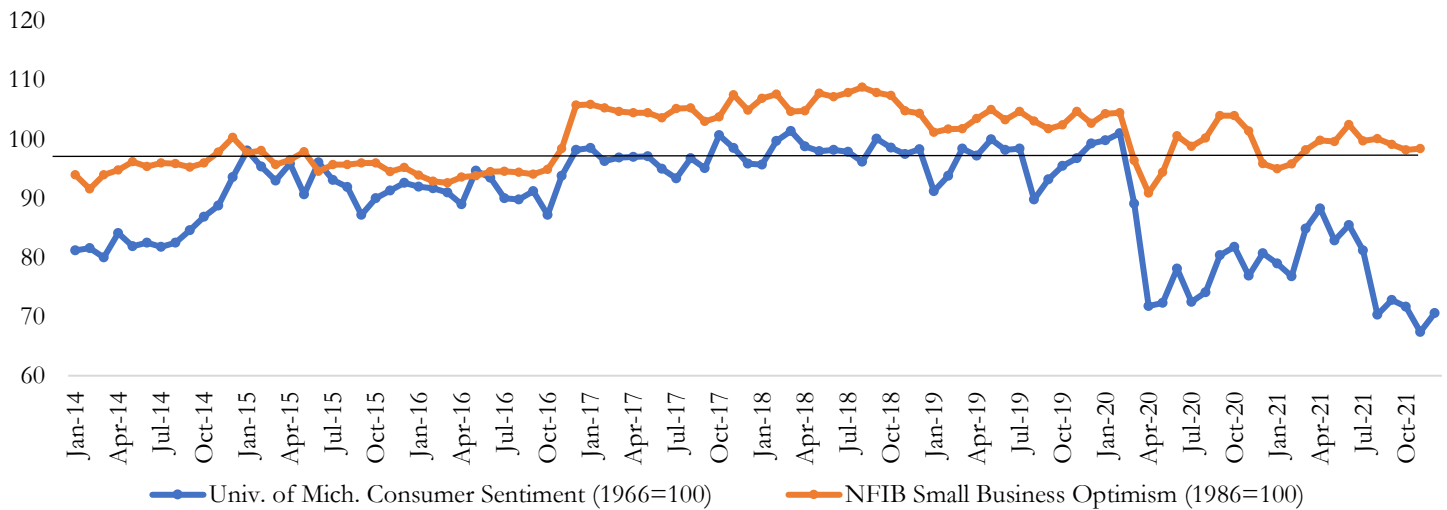
In November 2021, there were 2,723 active listings for single-family homes in Maine on Realtor.com, 1,439 fewer than November 2020. Active listings have fallen year-over-year in every month since recording began, though these year-over-year declines have decelerated in recent months.



### 3.7 Sentiment

The Index of Consumer Sentiment from the University of Michigan improved in December, and income gains in the bottom third of households was cited as a primary driver of the uptick. This index rose 4.7% month-over-month after falling 6.0% in November but is down 12.5% from a year ago. The Small Business Optimism Index, as measured by the National Federation of Independent Businesses, rose marginally in November (December not yet available) by 0.2% month-over-month and was down by 3.0% from a year ago.

### Consumer Sentiment and Small Business Optimism Indexes

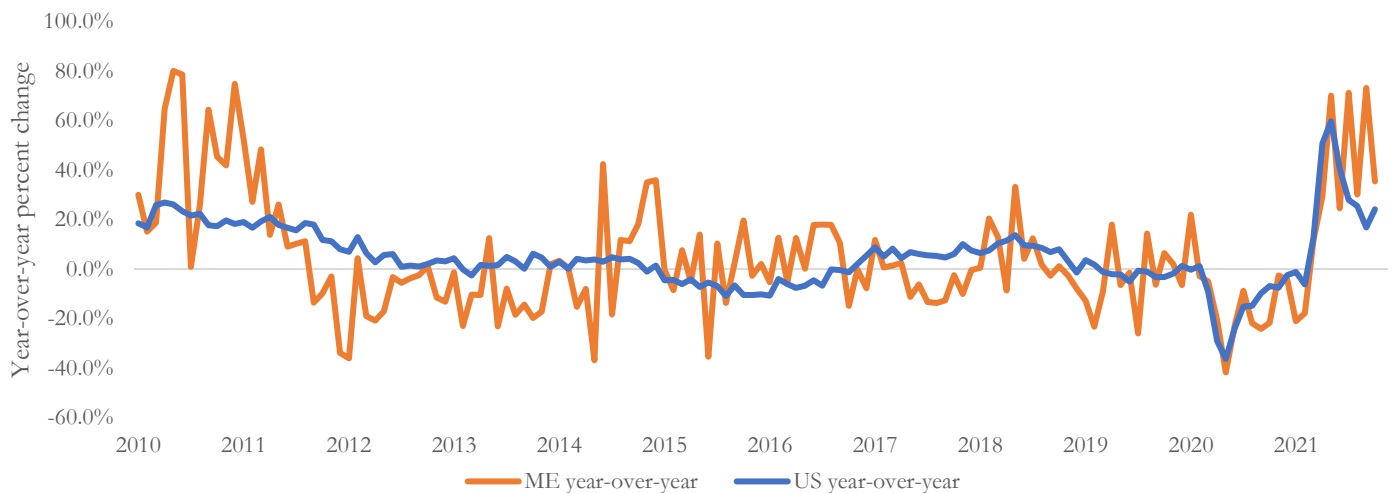


### 3.8 Trade Outlook

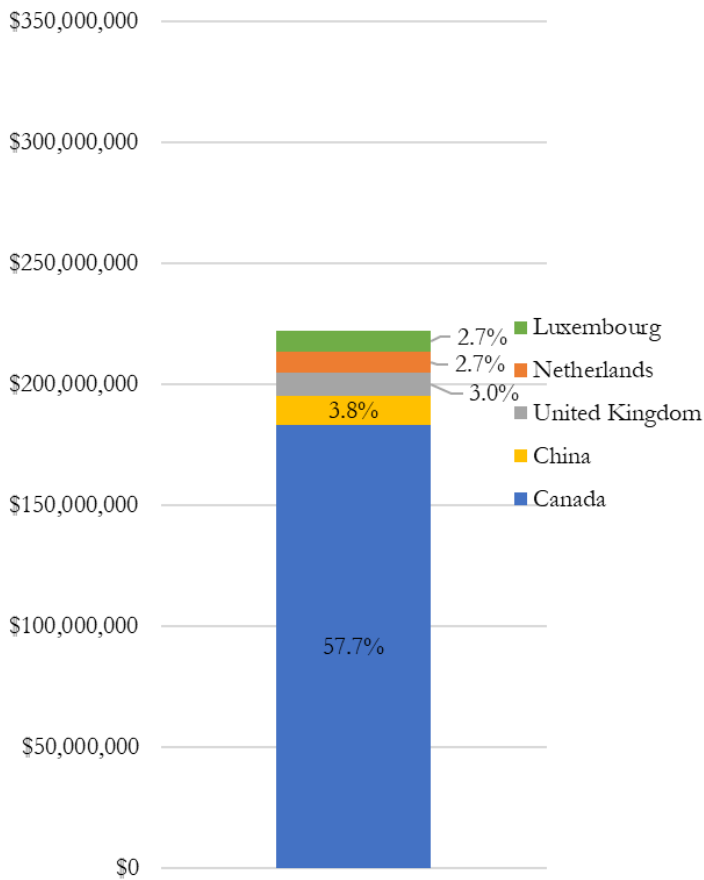
#### 3.8.1 Exports and trade partners

In October 2021, total exports were up 35.4% in Maine and 24.1% nationwide compared to October 2020. Maine's top trade partner was Canada, which accounted for 44.5% of imports and 57.7% of exports. Total imports to Maine were valued at \$554.3 million while exports totaled \$317.3 million.

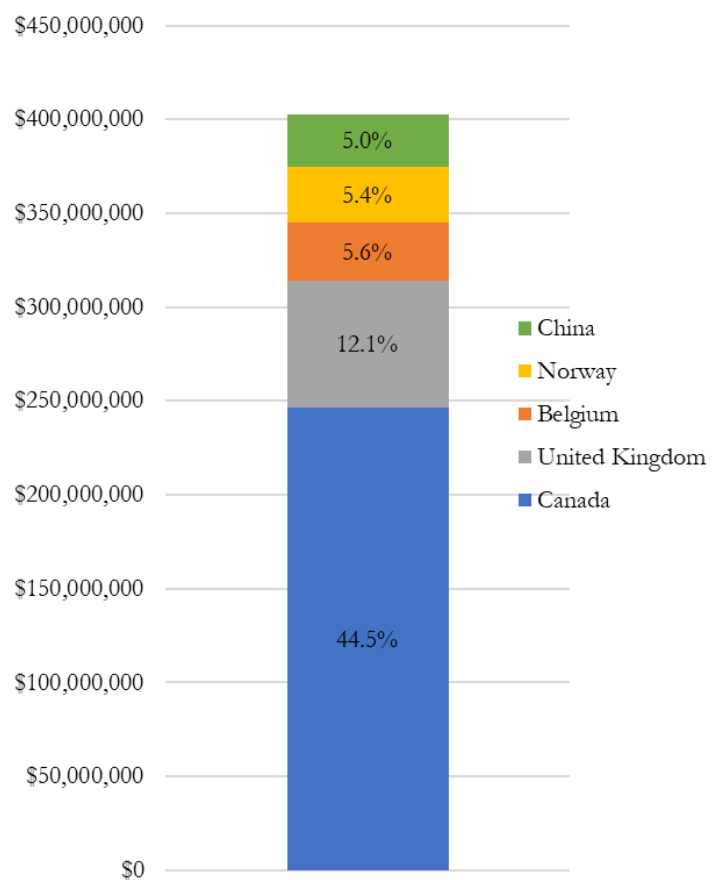
### Percent Changes, Year-over-year in Total Exports



Value of exports to top 5 export partners



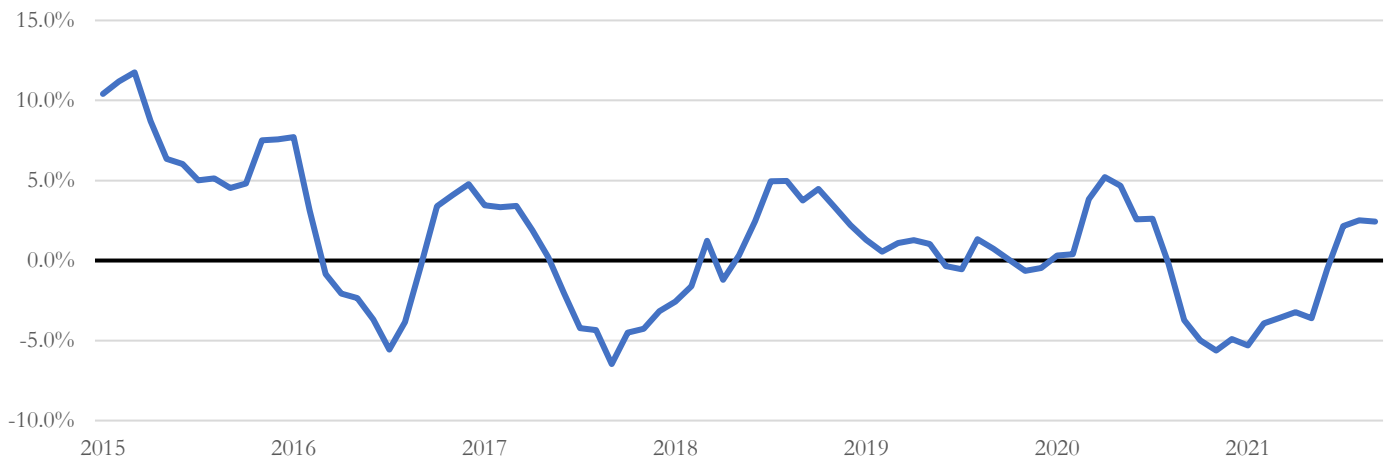
Value of imports from top 5 import partners



### 3.8.2 Real Trade-Weighted Value of the Dollar

The Real Trade-Weighted Value of the Dollar index calculates the inflation-adjusted value of the US Dollar against the currencies of countries with which the state trades, which allows for a more precise analysis of how movements in exchange rates affect demand for states' imports. In October 2021, Maine's RTWVD 6-month change was 2.0%.

Real Trade-Weighted Value of the Dollar: Maine, 6-month change



## 4 Appendix

### 4.1.1 Data Sources

Indicator	Source	Reference Period	Release Date
<a href="#">Population: estimates and percent change</a>	Census Bureau – Pop. Ests. And 2020 Decennial Census	2021	December 21, 2021
<a href="#">Net migration: total and percent change</a>	Census Bureau – Pop. Ests.	2021	December 21, 2021
<a href="#">Median age</a>	American Community Survey 1 year	2019	September 17, 2020
<a href="#">Educational attainment</a>	Census Bureau – ACS 1-year	2019	September 17, 2020
<a href="#">Poverty level</a>	Census Bureau – ACS 1-year	2019	September 17, 2020
<a href="#">Income</a>	Census Bureau – ACS 1-year	2019	September 17, 2020
<a href="#">Per capita personal consumption expenditure</a>	U.S. Bureau of Economic Analysis	2020	October 8, 2021
<a href="#">Per capita personal income</a>	U.S. Bureau of Economic Analysis	2021:Q3	December 17, 2021
<a href="#">Average earnings per job</a>	U.S. Bureau of Economic Analysis	2020	September 23, 2021
<a href="#">Gross domestic product</a>	U.S. Bureau of Economic Analysis	2021:Q3	December 23, 2021
<a href="#">GDPNow</a>	Atlanta Fed	2021:Q4	December 23, 2021
<a href="#">Real-time Sahm Rule Recession Indicator</a>	Sahm, Claudia/FRED	November 2021	December 3, 2021
<a href="#">Personal income: total, per capita, and wages and salaries</a>	U.S. Bureau of Economic Analysis	2021:Q3	December 17, 2021
<a href="#">Unemployment rate</a>	U.S. Bureau of Labor Statistics	November 2021	December 17, 2021
<a href="#">Labor force participation</a>	U.S. Bureau of Labor Statistics	November 2021	December 17, 2021
<a href="#">Nonfarm payroll job estimates</a>	U.S. Bureau of Labor Statistics	November 2021	December 17, 2021
<a href="#">Consumer Price Index</a>	U.S. Bureau of Labor Statistics	November 2021	December 17, 2021
<a href="#">PCE Price Index</a>	U.S. Bureau of Economic Analysis/FRED	November 2021	December 23, 2021
<a href="#">Heating Oil</a>	Energy Information Administration	December 27, 2021	December 29, 2021
<a href="#">Gasoline</a>	Energy Information Administration	December 27, 2021	December 29, 2021
<a href="#">House price index</a>	Federal Housing Finance Agency	2021:Q3	November 30, 2021
<a href="#">Housing: Units and Median Sale Price</a>	Maine Association of REALTORS®	November 2021	December 22, 2021
<a href="#">Index of Consumer Sentiment</a>	Michigan Survey of Consumers	December 2021	December 2021
<a href="#">Small Business Optimism Index</a>	National Federation of Independent Businesses	November 2021	December 2021
<a href="#">Imports &amp; Exports</a>	USA Trade Online	October 2021	December 7, 2021
<a href="#">Real Trade-Weighted Value of the Dollar</a>	Federal Reserve Bank of Dallas	October 2021	December 7, 2021



## 5 Glossary

**Average earnings per job:** Total earnings, which is the sum of wages and salaries, supplements to wages and salaries, and proprietors' income, divided by total full-time and part-time employment.

$$\text{Compound Annual Growth Rate:} = \left( \frac{\text{Final Value}}{\text{Initial Value}} \right)^{\frac{1}{\text{No. of Periods}}} - 1$$

**Gross Domestic Product:** The measure of the market value of all final goods and services produced within a state in a particular period of time. GDP by state differs from national GDP for the following reasons: GDP by state excludes and national GDP includes the compensation of federal civilian and military personnel stationed abroad and government consumption of fixed capital for military structures located abroad and for military equipment, except office equipment. ***Real GDP:*** Real GDP by state is an inflation-adjusted measure of each state's gross product that is based on national prices for the goods and services produced within the state. The real estimates of gross domestic product (GDP) by state are measured in chained (2012) dollars.

**Housing Price Index:** A weighted, repeat-sales index, meaning that it measures average price changes in repeat sales or refinancing on the same properties.

**Labor Force Participation Rate:** The labor force as a percent of the civilian noninstitutional population ages 16 years and older.

**Net Migration Rate:** The U.S. Census Bureau defines the net migration rate as the difference between the number of migrants entering and those leaving an area in a year, per 1,000 midyear population. May also be expressed in percent. A positive figure is known as a net immigration rate and a negative figure as a net emigration rate.

**Personal Consumption Expenditures by State:** A measure of spending on goods and services purchased by, and on behalf of, households based on households' state of residence divided by the resident population of the area.

**Personal Income:** Income that persons residing in the area receive in return for their provision of labor, land, and capital used in current production as well as other income, such as personal current transfer receipts. *Per capita personal income:* The personal income of a given area divided by the resident population of the area. *Per capita disposable personal income:* The income available to persons for spending or saving (personal income less personal current taxes) of a given area divided by the resident population of the area.

**Poverty Level:** The U.S. Census Bureau uses a set of money income thresholds that vary by family size and composition to determine who is in poverty. If a family's total income is less than the family's threshold, then that family and every individual in it is considered in poverty.

**Real Trade Weighted Value of the Dollar:** An index that calculates the inflation-adjusted value of the U.S. dollar against the currencies of countries with which the state trades.

**Total merchandise exports:** Total exports are calculated by adding domestic exports (goods that are grown, produced, or manufactured in the United States) to foreign exports (foreign-origin goods that have previously entered the United States, Puerto Rico, or the U.S. Virgin Islands for consumption, entry into a CBP bonded warehouse, or a U.S. **Foreign Trade Zone (FTZ)**, and at the time of exportation, have undergone no change in form or condition or enhancement in value by further manufacturing).

[Total Private nonfarm employment](#): Each month Current Employment Statistics (CES) surveys a sample of about 2,700 nonfarm private employers (plus federal, state, and local government employers) in Maine asking them to report the number of jobs, hours, and earnings of workers on their payroll during the week including the 12th day of each month. The sample accounts for just 7% of employers, but 34% of nonfarm jobs in the state because a high share of large employers are surveyed.

[Unemployment Rate](#): Number of unemployed as a percent of the labor force. To be classified as unemployed, persons must be aged 16 years and older with no employment during the reference week, were available for work, except for temporary illness, and had made specific efforts to find employment sometime during the 4-week period ending with the reference week.

[Wages and Salaries](#): Remuneration receivable by employees (including corporate officers) from employers for the provision of labor services, measured before deductions such as social security contributions, union dues, and voluntary employee contributions to defined contribution pension plans.