

Maine Economic Indicators

November 2023



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.

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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
2022	Total population	1,385,340	15,129,548	333,287,557
2021-2022	Annual population percent change	0.6%	0.05%	0.4%
2020-2022	Cumulative population percent change	1.6%	0.4%	0.5%
2022	Average earnings per job	\$61,708	\$80,905	\$71,586
2021-2022	Average earnings per job percent change	4.2%	1.0%	1.7%
October 2023	Unemployment rate	2.8%	2.8%	3.9%
October 2023	Total private nonfarm employment	549,000	6,638,100	134,031,000
October 2023	Labor Force	686,800	7,984,400	167,728,000
October 2023	Labor Force Participation Rate	58.8%	N/A	62.7%

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

Real GDP ¹	2022:Q2	2022:Q3	2022:Q4	2023:Q1	2022:Q2-2023:Q1
Maine	-1.2	2.8	2.3	1.6	2.2
New England	-2.8	2.7	2.0	1.6	2.1
United States	-0.6	3.2	2.6	2.0	2.6
Total Personal Income	2022:Q3	2022:Q4	2023:Q1	2023:Q2	2022:Q3-2023:Q2
Maine	7.7	1.7	10.4	-2.7	3.0
New England	5.5	9.3	3.1	4.2	5.5
United States	6.7	4.7	6.8	4.3	5.3
Per Capita Personal Income	2022:Q3	2022:Q4	2023:Q1	2023:Q2	2022:Q3-2023:Q2
Maine	6.8	0.9	9.8	-3.4	2.3
New England	5.2	9.0	3.0	4.1	5.3
United States	6.1	4.1	6.3	3.8	4.7
Wages & Salaries	2022:Q3	2022:Q4	2023:Q1	2023:Q2	2022:Q3-2023:Q2
Maine	2.9	8.5	2.4	5.2	5.4
New England	6.4	5.1	4.9	6.3	5.4
United States	10.7	1.6	9.1	6.6	5.7

¹ GDP by state for 2023:Q2 will be released in December along with revisions to previous years.

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.

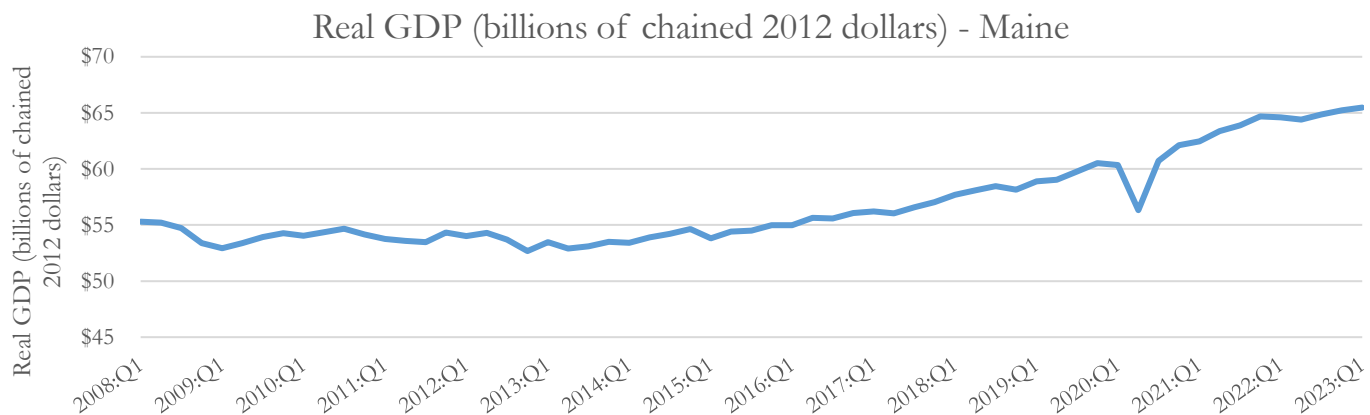
Reference Period		Maine	New England	United States
2022	Total population	1,385,340	15,129,548	333,287,557
2021-2022	Annual population percent change	0.6%	0.05%	0.4%
2020-2022	Cumulative population percent change	1.6%	0.4%	0.5%
2022	Births	12,030	146,423	3,688,179
2022	Deaths	17,973	149,549	3,443,099
2022	Net migration	14,125	13,421	1,010,923
2021-2022	Annual rate of total net migration, per thousand (Maine ranks 11 th in the U.S.)	10.2	0.9	3.0
2022	Median age, years (American Community Survey)	45.1	41.2	39.0
2022	Associate degree: percent of population age 25 and above	10.7%	8.1%	8.8%
2022	Bachelor's degree: percent of population age 25 and above	22.3%	24.3%	21.6%
2022	Graduate or professional degree: percent of population age 25 and above	13.8%	19.1%	14.0%
2022	Percent of population below poverty level	10.8%	10.0%	12.6%
2022	Median family income	\$88,063	\$111,960	\$92,148
2022	Median household income	\$69,543	\$87,451	\$74,755
2022	Per capita personal consumption expenditures	\$55,789	\$61,033	\$52,542
2022	Per capita disposable personal income	\$53,011	\$65,072	\$56,062

3 Quarterly and Monthly Indicators

3.1 Gross Domestic Product (GDP)

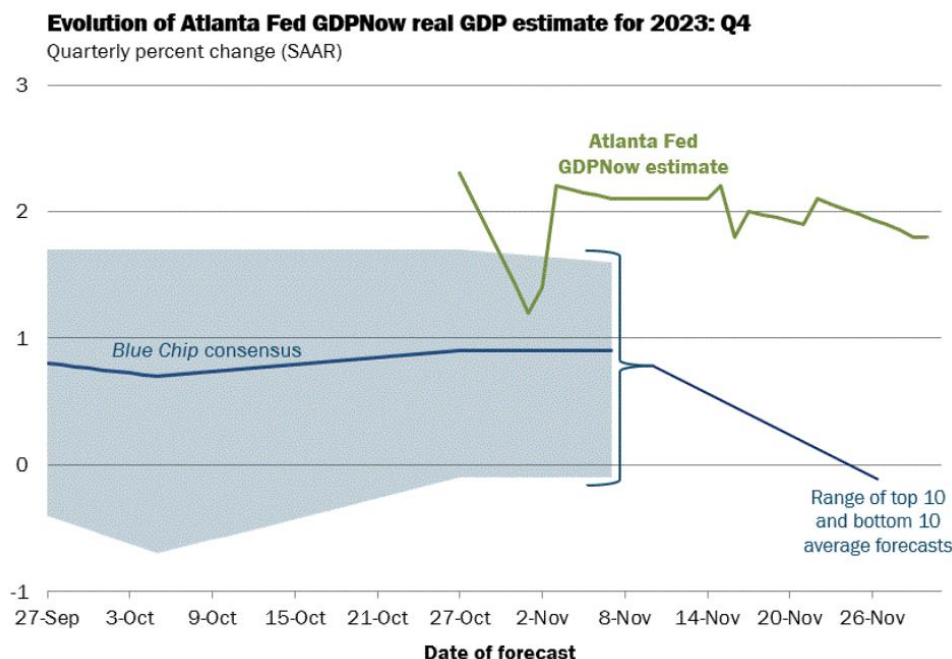
Maine's real GDP grew 1.6% at an annualized rate in the first quarter of 2023, ranking 29th in the U.S. (growth of 2.0%) and second in New England (growth of 1.6%). The industry sectors that contributed the most to Maine's first quarter growth were health care and social assistance (+0.76 percentage points), agriculture, forestry, fishing, and hunting (+0.75 percentage points), and retail trade (+0.54 percentage points). These gains were partially offset by declines in other industries, including durable goods manufacturing (-0.53 percentage points), finance and insurance (-0.50 percentage points), and nondurable goods manufacturing (-0.31 percentage points).

2023:Q1	Maine	United States
Nominal GDP (Current dollars)	\$88.3 billion	\$26.5 trillion
Real GDP (Chained 2012 Dollars)	\$65.4 billion	\$20.3 trillion



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 estimate for 2023:Q4 as of November 30, is that U.S. real GDP will **increase by 1.8 percent** at an annual rate.



3.2 Recession Indicators

NBER is the primary source in the United States that declares when recessions begin and end and defines a recession as a significant decline in economic activity that is spread across the economy and lasts more than a few months. Other recession indicators are used to estimate business cycles in real time but are not official sources for when recessions begin and end.

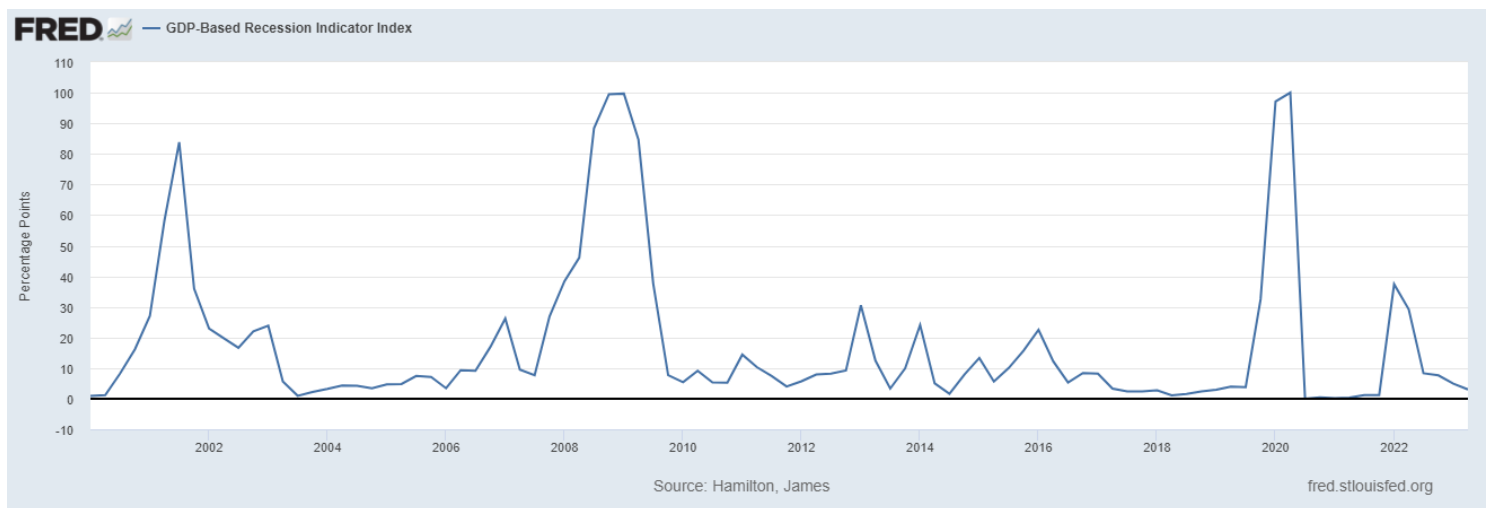
3.2.1 Real-time Sahm Rule Recession Indicator

The Real-time Sahm Rule Recession Indicator² 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 October 2023, this indicator showed that the three-month average of national U3 was 0.33 percentage points above its 12-month low.



3.2.2 GDP-Based Recession Indicator Index

The GDP-Based Recession Indicator Index³ is 3.0 percentage points (2023:Q2), down from 4.9 in the first quarter of 2023. The index ranges from 0 to 100, and values above 67 provide a historically reliable indicator that the economy is in recession. This index is calculated with a one quarter lag, which allows for extra insight and accounts for data revisions to make dependable inference. Therefore, the index does not get revised once it is published.



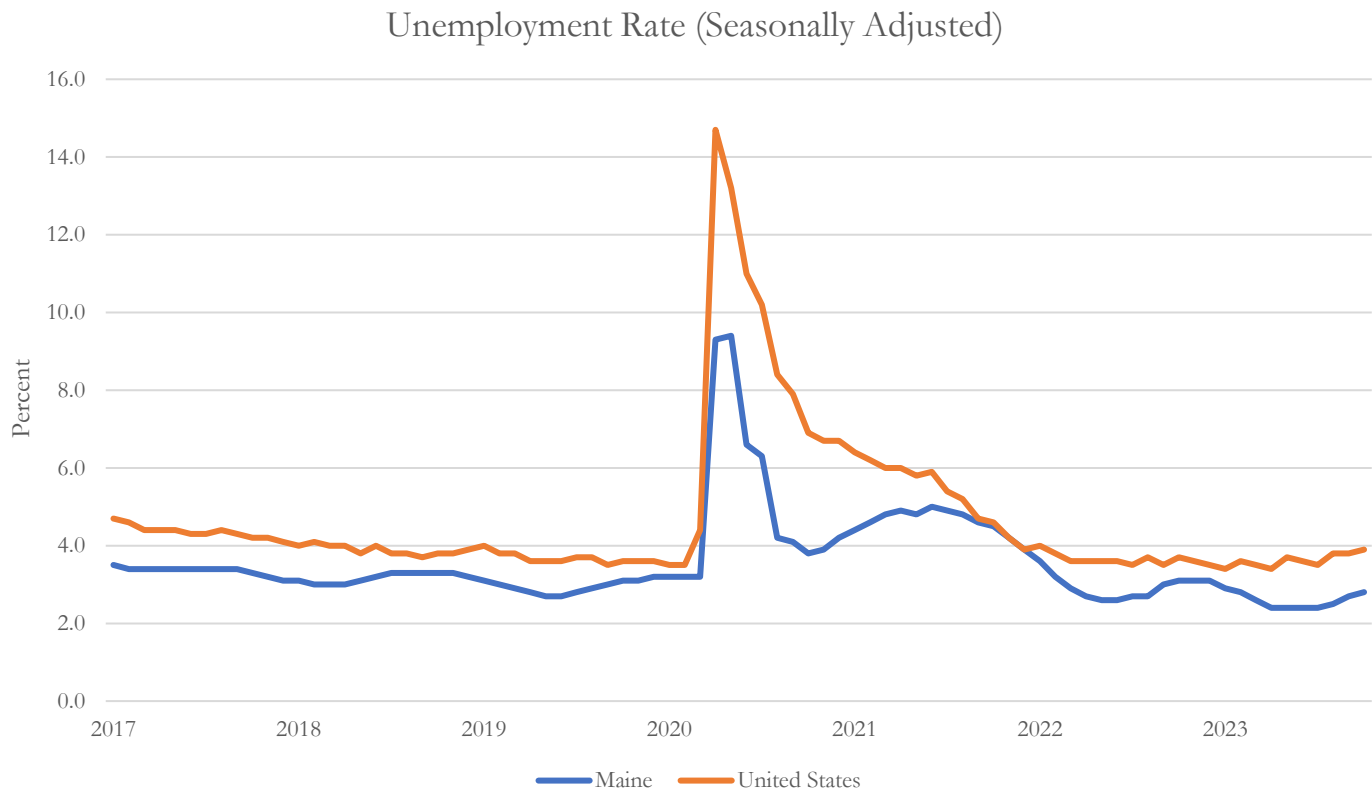
² Created by Dr. Claudia Sahm, Federal Reserve Board of Governors

³ Created by Dr. James Hamilton, University of California San Diego

3.3 Labor Markets⁴

3.3.1 Unemployment Rate October 2023: 2.8%

Maine's seasonally adjusted unemployment rate was 2.8% in October, a slight increase from 2.7% in September. Maine's 3-month average unemployment rate from August to October was 2.7%, up from 2.4% for the three months ending in July. Maine's unemployment rate has been trending below the U.S. unemployment rate since early 2022 and currently matches the New England rate of 2.8%.



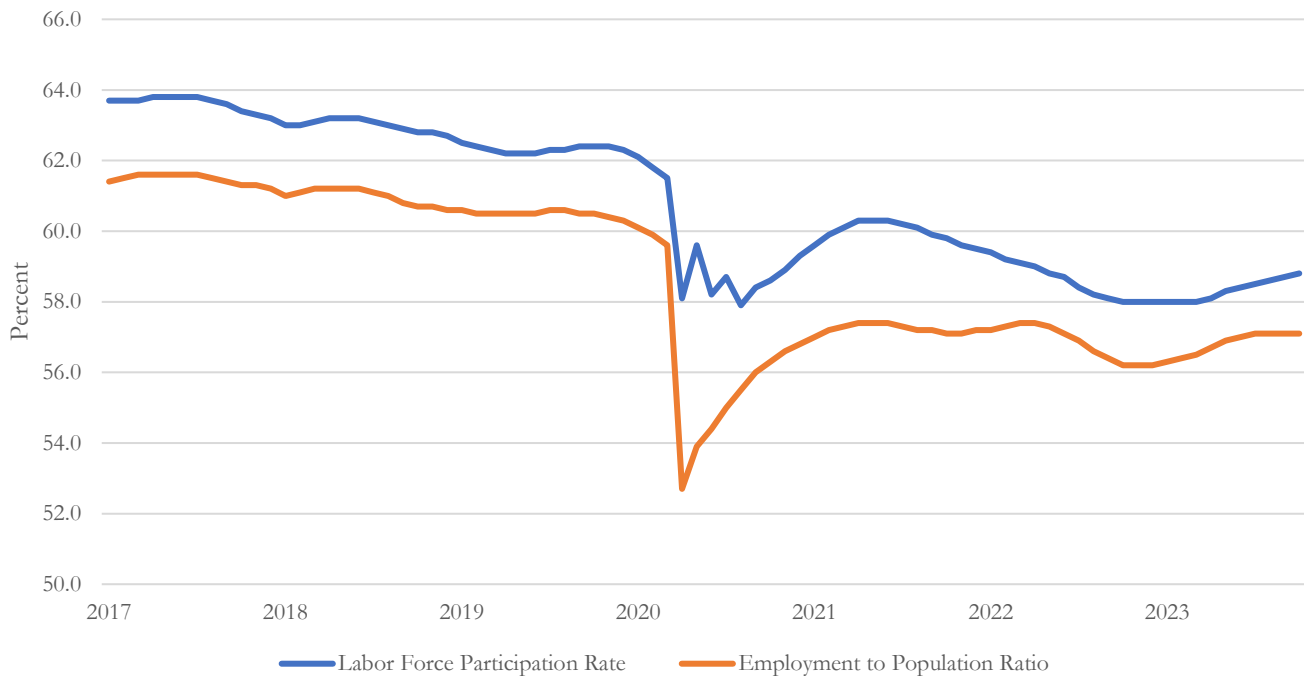
3.3.2 Labor Force Participation Rate October 2023: 58.8%

Labor force participation (LFP) was 58.8% in October, up 0.1% from September. Maine Department of Labor is continuing to track the [divergence between payroll survey data and household survey data](#). Household survey data, the source of the labor force participation figures, may be underestimating the labor force.

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 57.1% in October, unchanged from September. Labor force participation and EPOP have gradually increased this year. Both measures are up by 0.8 percentage points since January.

⁴ 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.

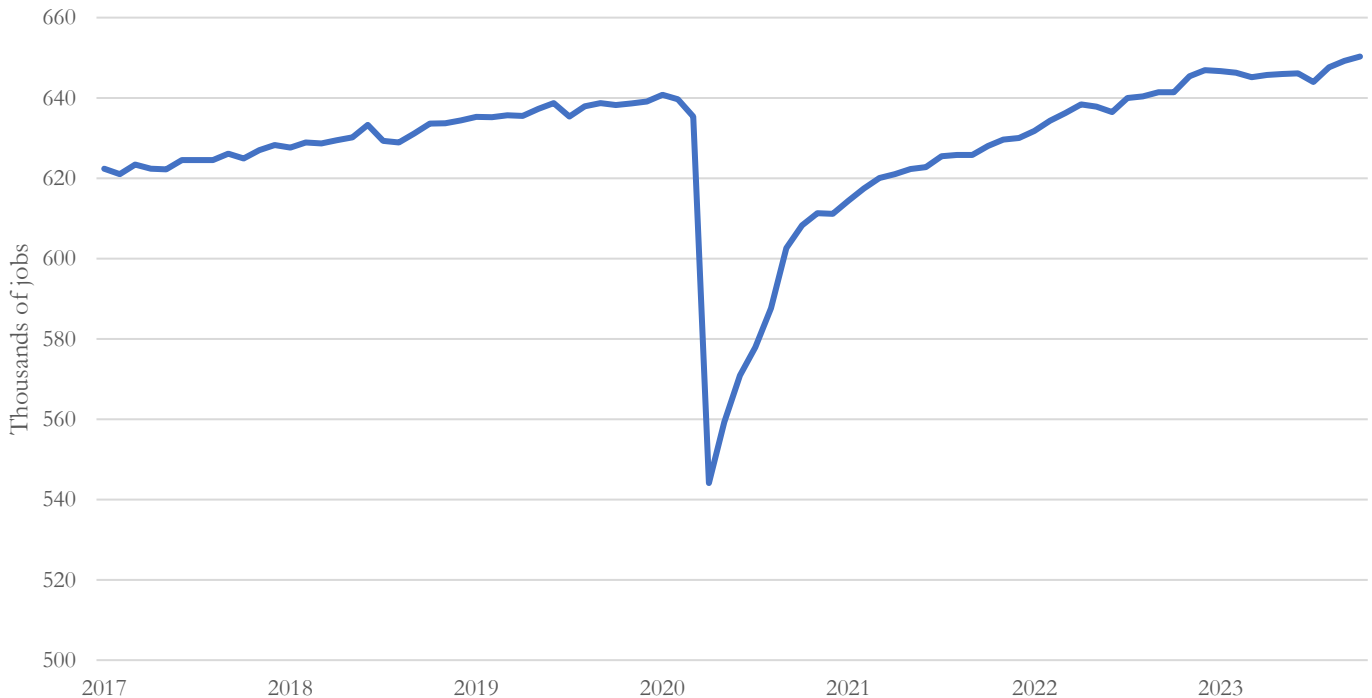
Labor Force Participation & Employment-Population Ratio (Maine)



3.3.3 Total Nonfarm Payroll Job Estimates October 2023: 650,300

Seasonally adjusted nonfarm jobs increased by 1,100 to a record 650,300 in October, following a large upward revision for September. On an annual basis, nonfarm jobs are up 8,900 from October 2022.

Total Nonfarm Employment Maine (seasonally adjusted)



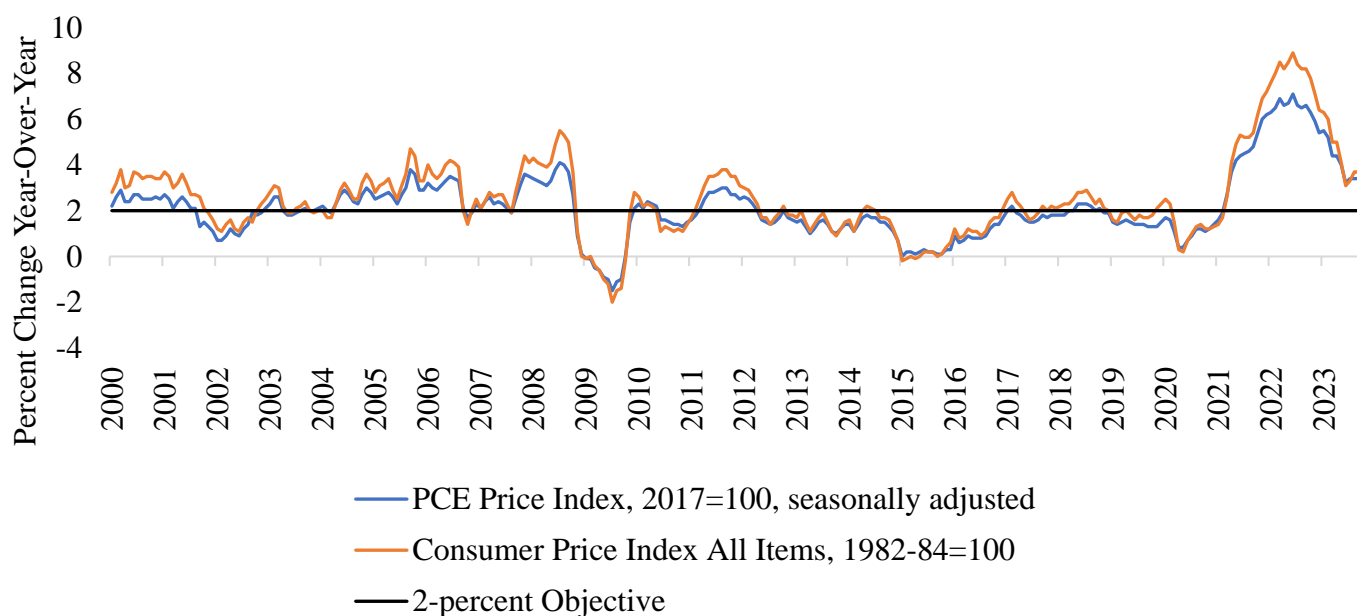
3.4 National inflation measures

3.4.1 Consumer Price Index vs. Personal Consumption Expenditures

There are two measures of inflation in the United States. The Consumer Price Index is released by the Bureau of Labor Statistics and is based on surveys of urban consumers, while Personal Consumption Expenditures price index is calculated by the Bureau of Economic Analysis and 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 October the PCE price index grew by 3.0% year-over-year, down from 3.4% in September. This is the lowest annual growth in the PCE price index since March 2021. The CPI all-items index grew by 3.2% in October before seasonal adjustment, down from 3.7% in September. Growth in both indexes has decelerated considerably since June 2022 but both remain above the 2% Federal Reserve target.

Measures of inflation, Year-Over-Year Percent Change



3.4.2 Expenditure categories of the CPI

The CPI for all urban consumers increased 3.2% year-over-year in October and 0.0% from a month prior. Shelter (+0.3%) was the largest contributor to the all-items increase in October and offset a decline (-5.0%) in the gasoline index.

The energy index overall was down 2.5% in October on a monthly basis and is down 4.5% from October 2022. Fuel oil was down 0.8% in October after increasing by around 9% in both August and September.

The food index was up 0.3% in October and up 3.3% year-over-year. The core index, which excludes volatile food and energy prices, increased 0.2% from September and is up 4.0% year-over-year.

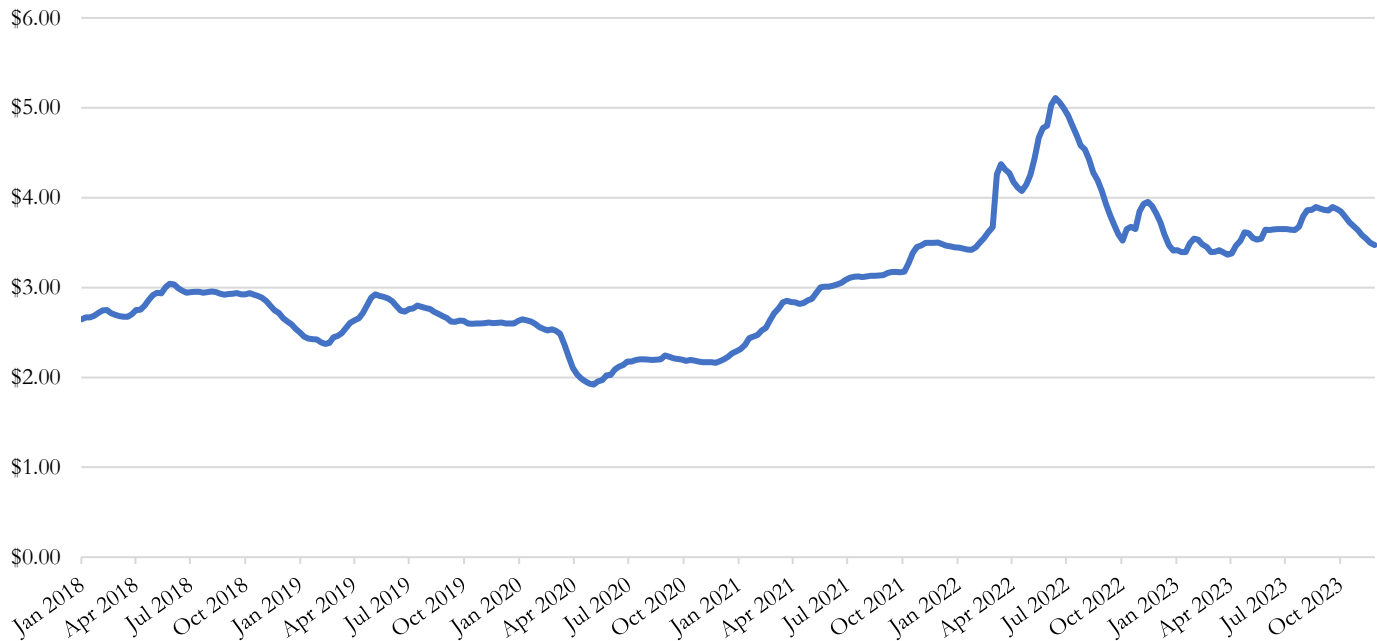
Table 1. Percent Change in Consumer Price Index by Expenditure Category	Year-Over-Year (not seasonally adjusted)		Month-Over-Month (seasonally adjusted)	
	Sep-23	Oct-23	Sep-23	Oct-23
All items	3.7	3.2	0.4	0.0
Food	3.7	3.3	0.2	0.3
Energy	-0.5	-4.5	1.5	-2.5
<i>All items less food and energy</i>	4.1	4.0	0.3	0.2
Commodities (less food and energy)	0.0	0.1	-0.4	-0.1
Household furnishings and supplies	0.9	0.7	-0.3	-0.2
Apparel	2.3	2.6	-0.8	0.1
Transportation commodities (less motor fuel)	-2.3	-2.1	-0.9	-0.4
Medical care commodities	4.2	4.7	-0.3	0.4
Recreation commodities	0.2	-0.4	0.3	0.1
Education and communication commodities	-7.3	-7.1	0.3	-1.3
Alcoholic beverages	4.2	3.7	0.8	0.2
Other goods	5.1	5.6	0.5	1.1
Services (less energy)	5.7	5.5	0.6	0.3
Shelter	7.2	6.7	0.6	0.3
Water and sewer and trash collection	5.2	5.3	0.2	0.3
Medical care services	-2.6	-2.0	0.3	0.3
Transportation services	9.1	9.2	0.7	0.8
Recreation services	6.4	5.7	0.5	0.1
Education and communication services	2.5	2.3	0.1	0.0
Other personal services	6.8	6.7	0.6	0.3

3.5 Energy

3.5.1 Gasoline

The average price of a gallon of gasoline in New England was \$3.473 on November 27, \$0.17 lower than a month prior and \$0.35 lower than the same week of 2022. The average price of gasoline in the month of November was down \$0.21 from October.

New England - All Grades and Formulations Gasoline Price Per Gallon



3.5.2 Brent Spot Prices

The weekly Brent spot price averaged \$83.82 for the month of November and was at \$81.62 for the week ending November 24, 2023. The Brent spot price decreased by \$8.22 since the week ending October 27, 2023.

Weekly Brent Spot Price - Dollars per Barrel

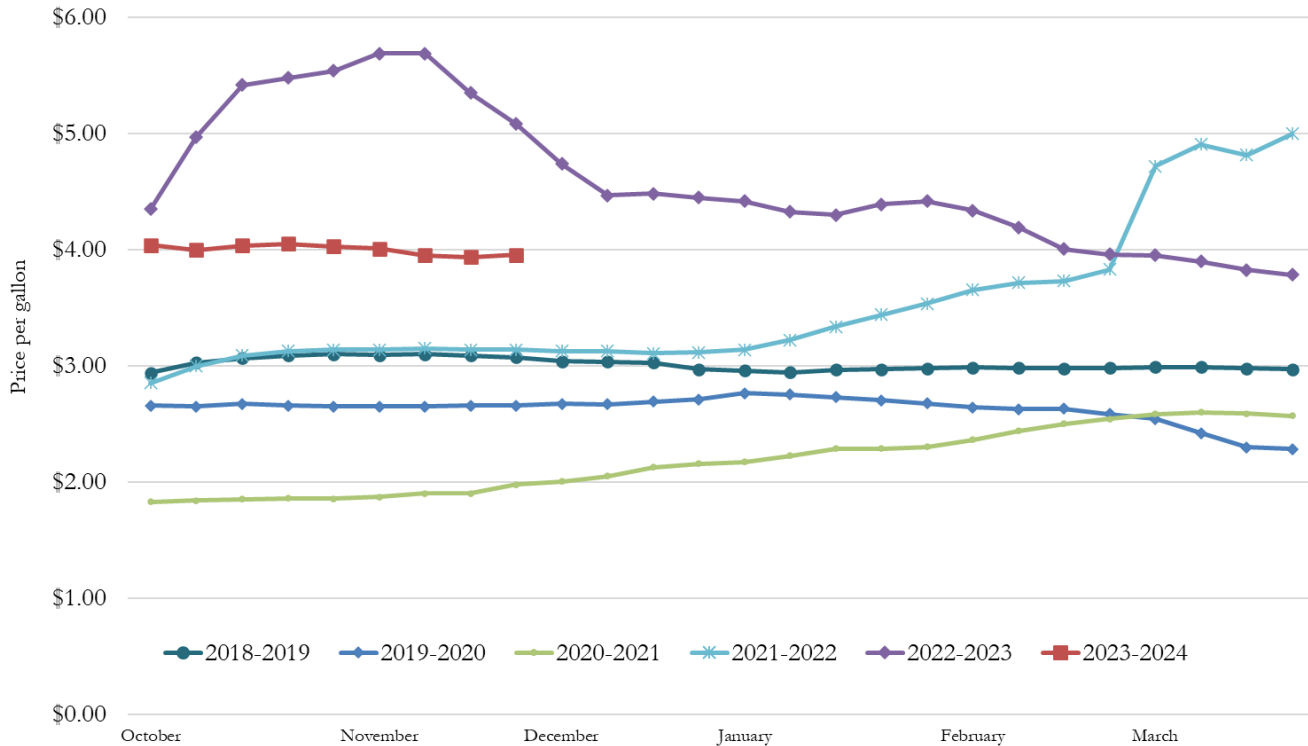


3.5.3 Heating Oil

The price of a gallon of heating oil in Maine averaged \$3.96 in the week ending November 27, down \$0.07 from the month prior. Prices are down by \$1.13 from the same week last year, but \$0.78 above the five-year average of the same week in 2018-2022.

According to the Governor's Energy Office, prices on the most recent date measured (November 27) were highest in the Northern region of the state, at \$4.07 per gallon on average, and lowest in the Southwest/West-Central region of the state, at \$3.94 per gallon on average.

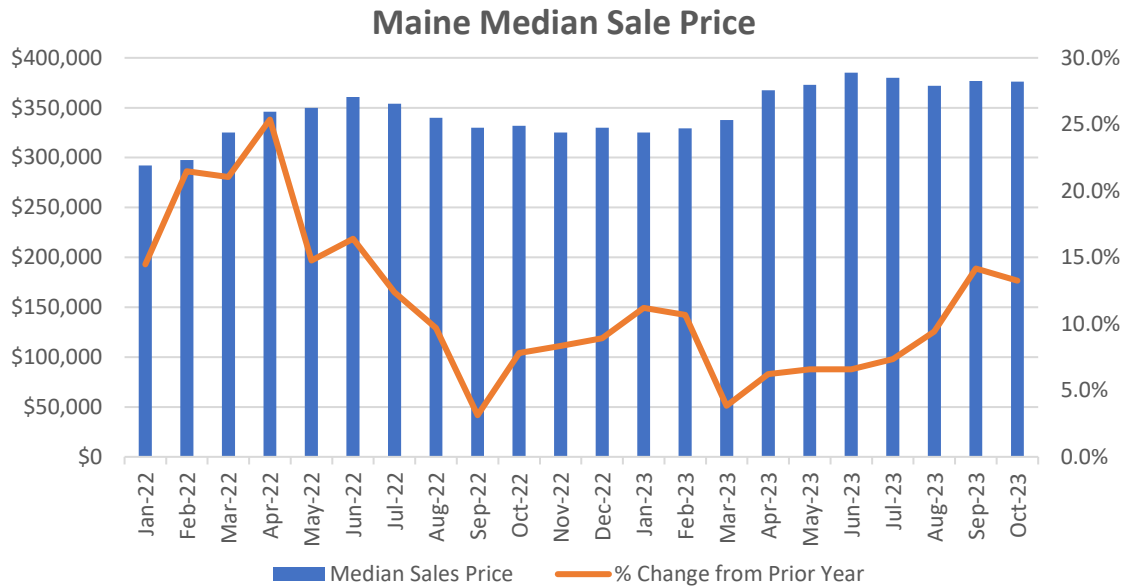
Maine No. 2 Heating Oil Residential Price



3.6 Housing

3.6.1 Sales

Home sales decreased statewide by 10.1% in October 2023 compared to October 2022, reflecting continued low inventory. The median sale price in Maine was \$376,000, an increase of 1.3% from September and an increase of 13.3% year-over-year. When looking at 3-month rolling averages, all Maine counties had a decrease in homes sold and all counties had increases in median sale prices compared to the same three months of 2022. The annual change in prices ranged from 4.1% in Sagadahoc County to 22.6% in Knox County.

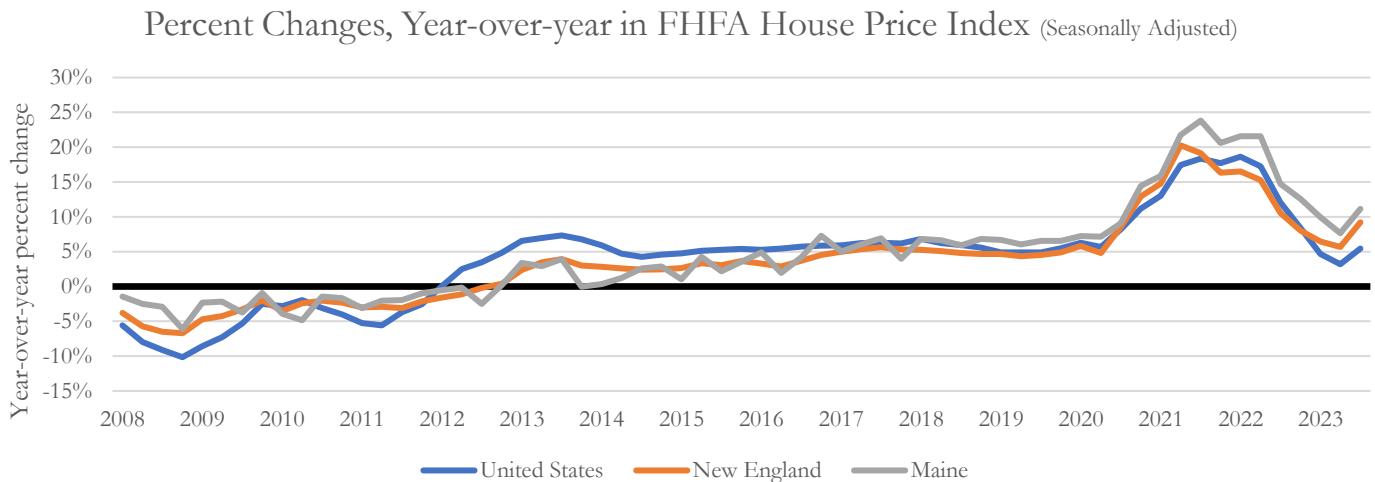


August 1, 2023 – October 31, 2023 Home Sales				
Geography	No. of Units Sold	One Year Change (Units)	Median Sale Price	One Year Change (Price)
Androscoggin	287	-15.8%	\$ 320,000	16.4%
Aroostook	223	-18.6%	\$164,600	13.5%
Cumberland	888	-14.0%	\$549,950	10.2%
Franklin	122	-27.0%	\$272,500	9.4%
Hancock	213	-13.1%	\$435,000	20.0%
Kennebec	396	-22.8%	\$315,000	14.6%
Knox	152	-5.6%	\$482,500	22.6%
Lincoln	145	-12.7%	\$450,000	11.0%
Oxford	222	-21.0%	\$319,250	14.0%
Penobscot	453	-20.0%	\$250,000	4.4%
Piscataquis	95	-18.1%	\$229,000	15.7%
Sagadahoc	126	-6.7%	\$400,835	4.1%
Somerset	154	-28.4%	\$210,000	5.0%
Waldo	126	-24.1%	\$332,500	14.3%
Washington	124	-21.5%	\$229,500	15.7%
York	629	-22.4%	\$489,900	4.4%
Maine	4355	-18.5%	\$375,000	11.9%

3.6.2 House Price Index

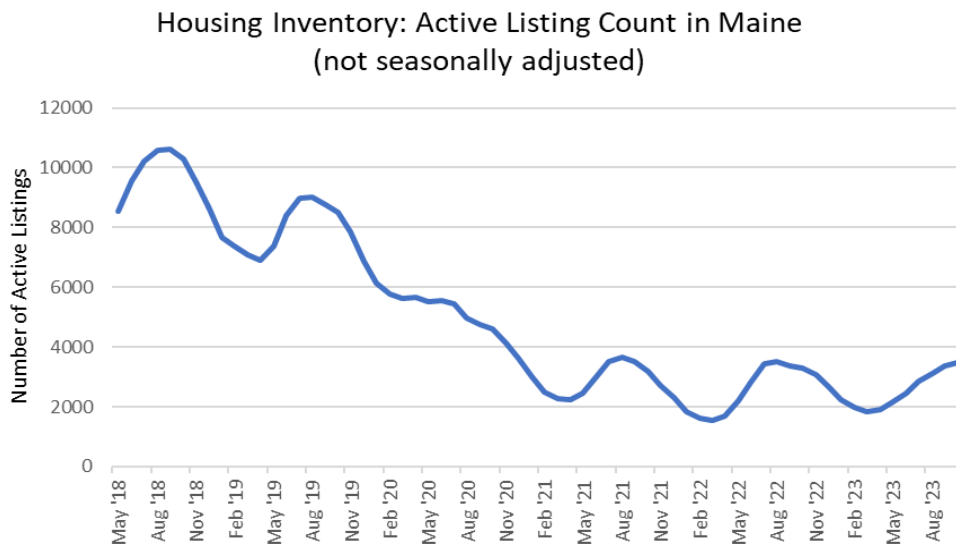
In the third quarter of 2023, Maine’s year-over-year growth in the house price index (HPI)⁵ was 11.1% (seasonally adjusted), second highest in the nation for year-over-year growth after Vermont (11.8%). On a seasonally adjusted quarterly basis, Maine’s house price index increased 2.7% from the second quarter of 2023 compared to 3.8% in New England and 1.7% in the U.S. As shown in the chart below, Maine’s percent change in HPI remains well above the U.S. and New England, and all three saw an uptick in HPI growth in Q3 following recent declines.

Reference Period		Maine	New England	United States
2022:Q3-2023:Q3	HPI percent change from previous year	11.1%	9.2%	5.5%



3.6.3 Inventory

There were 3,484 active listings of single-family and condo homes in Maine in October. Since inventory levels have a defined seasonal pattern, it is most useful to look at changes year-over-year. Inventory has been at historically low levels since 2020. The number of active listings in October 2023 was up 5.3% from October 2022, but down 66% from October 2018.

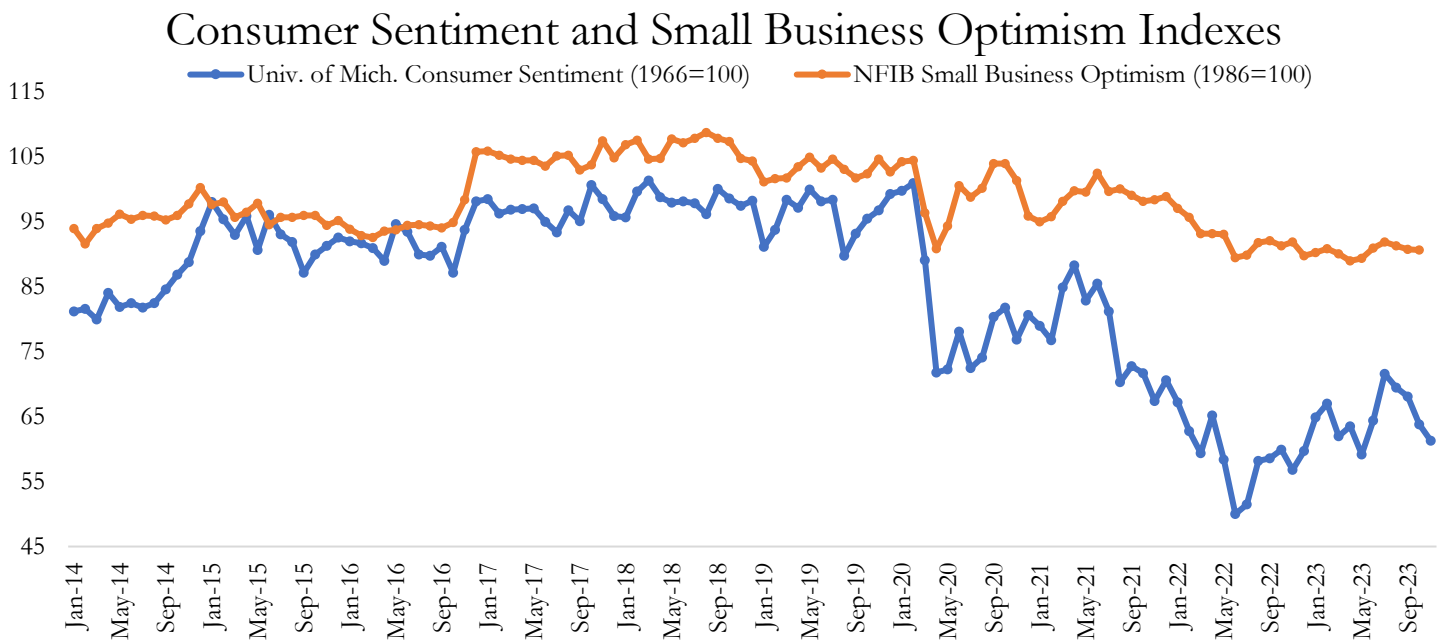


⁵ According to the Federal Housing Finance Agency (FHFA), the HPI “measures average price changes in repeat sales or refinancing on the same properties.”

3.7 Sentiment

The **Index of Consumer Sentiment** from the University of Michigan was down 3.9% in November from the prior month but up 7.9% from the prior year. Consumers had more favorable perceptions of personal finances in November, but the decline in expected business conditions offset these improvements. Young and middle-aged consumers had strong declines in economic attitudes while consumer sentiment of consumers aged 55 and older improved from the prior month.

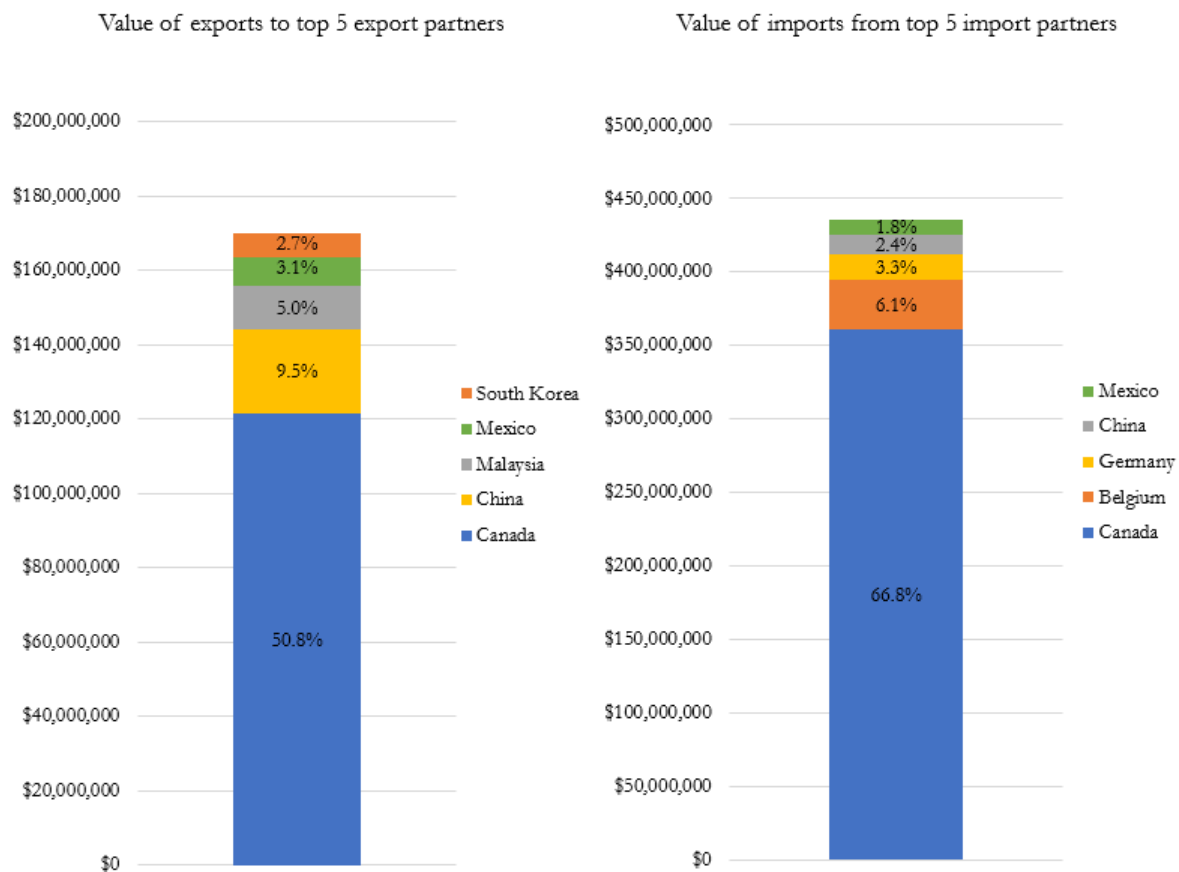
The **Small Business Optimism Index**, as measured by the National Federation of Independent Businesses, was relatively unchanged in October (-0.1%) and down 0.7% in the past 12 months. October was the 22nd consecutive month below the 50-year average.



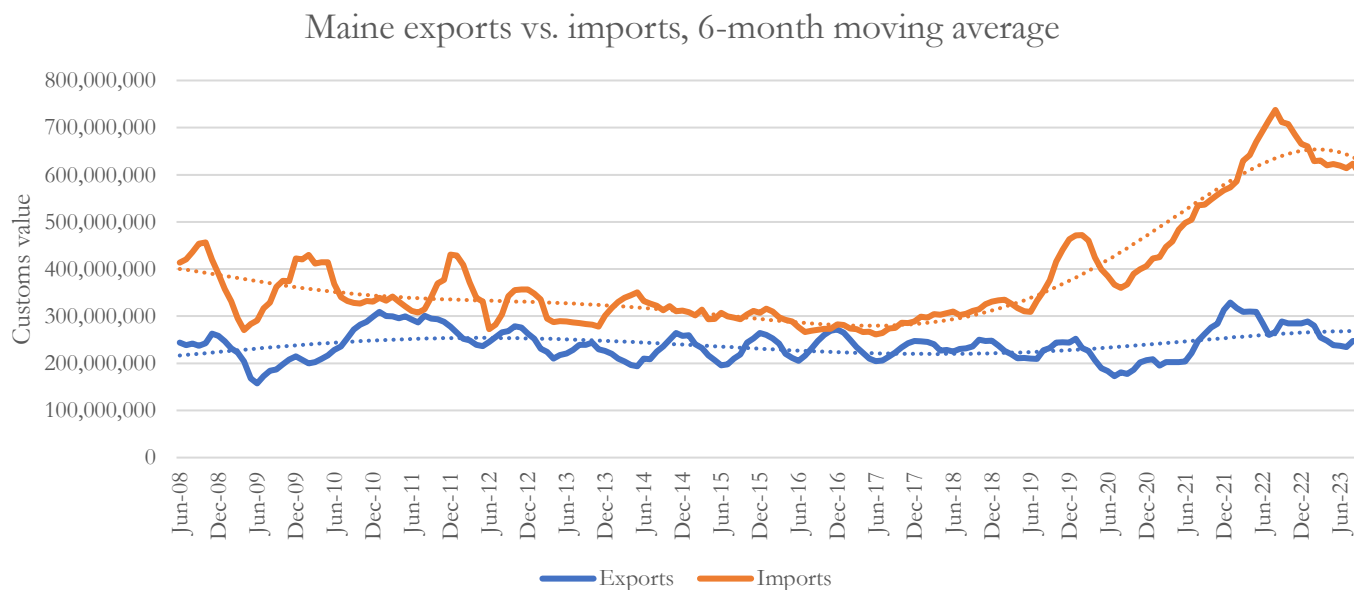
3.8 Trade Outlook

3.8.1 Exports and trade partners

In September 2023, total exports were down 39.1% in Maine, down 8.6% in New England, and down 2.7% nationwide compared to September 2022. Year-over-year exports have been volatile since early 2021. Maine's top trade partner was Canada, which accounted for 67% of imports and 51% of exports.



Similar to the nation, Maine's trade deficit has grown in recent months as the U.S. dollar has strengthened relative to foreign currencies, which makes imports from other countries cheaper and more attractive. Conversely, a strong U.S. dollar can lead to decreasing exports, as goods and services from the U.S. are more expensive for international consumers. These dynamics contribute to a large trade deficit, both in Maine and the U.S. After peaking in August 2022 at -\$471 million, the six month average trade deficit was -\$356 million as of September 2023.



4 Appendix

4.1.1 Data Sources

Indicator	Source	Reference Period	Release Date
Population: estimates and percent change	Census Bureau – Pop. Ests.	2022	December 22, 2022
Net migration: total and percent change	Census Bureau – Pop. Ests.	2022	December 22, 2022
Median age	Census Bureau – ACS 1-year	2022	September 14, 2023
Educational attainment	Census Bureau – ACS 1-year	2022	September 14, 2023
Poverty level	Census Bureau – ACS 1-year	2022	September 14, 2023
Income	Census Bureau – ACS 1-year	2022	September 14, 2023
Per capita personal consumption expenditure	U.S. Bureau of Economic Analysis	2022	October 4, 2023
Per capita personal income	U.S. Bureau of Economic Analysis	2022	September 29, 2023
Average earnings per job	U.S. Bureau of Economic Analysis	2022	September 29, 2023
Gross domestic product	U.S. Bureau of Economic Analysis	2023:Q1	June 30, 2023
GDPNow	Atlanta Fed	2023:Q4	November 30, 2023
Real-time Sahm Rule Recession Indicator	Sahm, Claudia/FRED	October 2023	November 14, 2023
GDP-Based Recession Indicator Index	Hamilton, James/FRED	2023:Q2	October 26, 2023
Personal income: total, per capita, and wages and salaries	U.S. Bureau of Economic Analysis	2023: Q2	September 29, 2023
Unemployment rate	U.S. Bureau of Labor Statistics	October 2023	November 17, 2023
Labor force participation	U.S. Bureau of Labor Statistics	October 2023	November 17, 2023
Nonfarm payroll job estimates	U.S. Bureau of Labor Statistics	October 2023	November 17, 2023
Consumer Price Index	U.S. Bureau of Labor Statistics	October 2023	November 14, 2023
PCE Price Index	U.S. Bureau of Economic Analysis/FRED	October 2023	November 30, 2023
Brent Spot Prices	Energy Information Administration	Nov. 24, 2023	November 29, 2023
Gasoline	Energy Information Administration	Nov. 27, 2023	November 27, 2023
Heating Oil Prices	Energy Information Administration	Nov. 27, 2023	November 29, 2023
House price index	Federal Housing Finance Agency	2023:Q3	November 28, 2023
Housing: Units and Median Sale Price	Maine Association of REALTORS®	August-October 2023	November 21, 2023
Housing Inventory – Active Listing Count in Maine	Realtor.com via FRED	October 2023	November 7, 2023
Index of Consumer Sentiment	University of Michigan Survey of Consumers	Nov. 2023	November 30, 2023
Small Business Optimism Index	National Federation of Independent Businesses	October 2023	November 14, 2023
Imports & Exports	USA Trade Online	Sept. 2023	November 7, 2023

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.