Report of the
CONSENSUS ECONOMIC FORECASTING COMMISSION
November 1, 2023

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Summary

The Maine Consensus Economic Forecasting Commission (CEFC) convened on October 23, 2023, to review and revise its forecast through 2027. This meeting builds on the Commission's forecast update of April 1, 2023, incorporating the most recent updates available for all relevant baseline data. This includes revised actual values, including revisions to personal income through 2022 from the U.S. Bureau of Economic Analysis (BEA). This report provides a summary of the Commission's findings. Prior to its fall forecasting meeting the CEFC held an information gathering session, a summary of which is available online.

The CEFC noted ongoing heightened uncertainty in economic conditions in the near-term, especially regarding geo-political upheaval, but does not anticipate a recession in its forecast. The Commission expects that higher demand for labor will continue to draw enough workers into Maine in the coming years to offset retirements from the Baby Boom generation. However, the Commission recognizes that access to housing may hamper growth in the coming years. High inflation and interest rates have continued into 2023, and the CEFC noted that the Federal Reserve is expected to continue pursuing policies that will constrain inflation, but inflation risks are likely to take several years to fully ease. Inflation and interest rates, demographic changes, access to housing, and a tight labor market were among the key risks to continued economic growth that the CEFC considered as it revised its forecasts.

The Commission left its nonfarm employment forecast unchanged for all years, with the expectation that higher demand for labor will continue to draw enough workers into Maine in the coming years to offset retirements from the Baby Boom generation.

Total personal income growth in 2022 was 3.9%, revised up from the BEA's preliminary estimate of 2.6%. The Commission revised its forecast for total personal income growth in 2023 up from 5.2% to 5.9% but downward for calendar years 2024 through 2027. The Commission revised those years down to 4.5%, 4.3%, 4.4%, and 4.4% from 4.9%, 4.5%, 4.6%, and 4.7%, respectively.

Wage and salary income, the largest component of personal income, increased by 8.5% in 2022, just under the preliminary estimate of 8.6%. The Commission revised its forecast for 2023 up to 7.5% from 6.0% based on data from the Maine Department of Labor and Maine Revenue Services for the first half of 2023. The rest of the forecast remained unchanged.

Supplements to wages and salaries increased by 4.4% in 2022, lower than the previously estimated increase of 5.5%. The Commission revised its forecast down to 3.5% for 2023, 2024, and 2025 (from 5.5%, 5.0%, and 4.0%, respectively) and left the remaining years unchanged.

Growth in nonfarm proprietor's income was 6.2% in 2022, higher than the preliminary estimate of 3.8%. The Commission revised its forecast upwards for 2023, 2024, and 2025, going from 2.0% to 3.8% in 2023, 2.5% to 3.0% in 2024, and 2.8% to 3.0% in 2025. The rest of the forecast remained unchanged.

Dividends, interest, and rent (DIR) increased 7.6% in 2022, higher than the 5.0% preliminary estimate. The Commission revised its forecast up for 2023 from 5.0% to 6.5%, leaving the rest of the forecast unchanged.

Personal current transfer receipts decreased by 5.8% in 2022, up from a preliminary estimate of -9.2%. Downward revisions were made for all forecast years (2023-2027), going from 5.0%, 5.0%, 6.0%, 6.0%, and 6.0% to 3.5%, 3.5%, 5.0%, 5.0%, and 5.0%, respectively.

The Commission revised its forecast for inflation using the Consumer Price Index (CPI) down in all years, going from 5.8% to 4.1% in 2023, 4.0% to 3.2% in 2024, 3.5% to 2.7% in 2025, 3.5 to 2.7% in 2026, and 2.7% from 3.0% in 2027. These revisions were made based on the year-to-date CPI data and to better align with the Moody's Analytics and S&P forecasts for these years.

Corporate profits increased 8.4% in 2022, up from the preliminary estimate of 6.6%. The Commission revised its forecast for 2024- 2027 to better align with the S&P and Moody's Analytics forecasts for these years. These revisions include going from 5.0% to -1.0% in 2024, 5.0% to 0.5% in 2025, 5.0% to 3.0% in 2026, and 5.0% to 3.0% in 2027. The forecast for 2023 was unchanged.

The following table provides the forecast's major indicators along with a comparison to the previous forecast.

Calendar Years	2022	2023	2024	2025	2026	2027
Wage & Salary Employment (Annual Percentage Change)						
CEFC Forecast 04/2023	*2.4*	1.2	0.8	0.4	0.2	0.1
CEFC Forecast 11/2023	*2.4*	1.2	0.8	0.4	0.2	0.1
Personal Income (Annual Percentage Change)						
CEFC Forecast 04/2023	*2.6*	5.2	4.9	4.5	4.6	4.7
CEFC Forecast 11/2023	*3.9*	5.9	4.5	4.3	4.4	4.4
Wage and Salary Income (Annual Percentage Change)						
CEFC Forecast 04/2023	*8.6*	6.0	5.0	4.0	4.3	4.3
CEFC Forecast 11/2023	*8.5*	7.5	5.0	4.0	4.3	4.3
CPI (Annual Percentage Change)						
CEFC Forecast 04/2023	*8.0*	5.8	4.0	3.5	3.5	3.0
CEFC Forecast 11/2023	*8.0*	4.1	3.2	2.7	2.7	2.7

In deliberations leading to consensus, the CEFC considered information presented by the Maine Department of Labor, Maine Revenue Services, and by the Office of the State Economist in the Department of Administrative and Financial Services. The following sections summarize these reports. Additional background materials are available online.

Office of the State Economist (Department of Administrative and Financial Services)

Maine had a fairly strong year of population growth in 2022, gaining just over 8,000 in population. This was driven by net domestic migration, in which Maine's rate ranked 10th in the nation. It is particularly notable that all counties in Maine are experiencing population growth as a result of migration. In fact, some of Maine's most rural counties are experiencing the highest rates of net migration and population growth overall.

Total personal income decreased by 2.7% at a seasonally adjusted, annualized rate in the second quarter of 2023, following a 10.4% increase in the second quarter. The decrease in personal income was driven by a decline in transfer receipts, following the $450 energy relief payments that were issued in the prior quarter. Wage and salary income, the largest component of personal income, has grown 2.4% and 5.2% in the first two quarters of 2023, respectively. Meanwhile, real GDP for Maine has increased for three consecutive quarters, growing to almost $65.5 billion in the first quarter of 2023. Inflation has decelerated from the high in June of 2022, but is still above the Federal Reserve's 2% target. The CPI all-items index grew by 3.7% in September, unchanged from the 3.7% year-over-year increase in August.

The University of Michigan Consumer Sentiment Index was down 2.0% in September from the prior month and up 16.2% year over year. However, a preliminary release for October shows a 7.5% decline month-over-month. In this preliminary release, consumers reported a decline in both expectations of their personal finances and in one-year business conditions. Meanwhile, in September the National Federation of Independent Business (NFIB) Small Business Optimism Index was down 0.5% year over year. September was the 21st consecutive month below the 49-year average.

Gasoline cost $3.73 on average in New England during the week of October 9, about $0.05 less than a year ago. The statewide average cash price of No. 2 heating oil in Maine was $4.001/gal in the second week (October 9) of the 2023-2024 heating oil season, 19.5% lower than the same week of last year, and about 1% lower than the first week of heating oil season.

Single-family existing-home sales have cooled, with the number of sales falling by 18.8% year-over-year in August, although prices continued to increase (9.4%). Maine's House Price Index rose 7.6% in the second quarter of 2023 over the previous year. Maine's year-over-year growth was highest in the nation.

Full background materials are available at: https://www.maine.gov/dafs/economist/economic-forecasting

Maine Department of Labor, Center for Workforce Research and Information

Recent Trends in Jobs and Labor Force Estimates

Nonfarm wage and salary jobs have been stable for most of the last year since reaching record highs in late 2022. Job estimates have not deviated from the average by more than 0.2 percent in any month of 2023. This pattern of stability occurred in most sectors. In all but two sectors, the number of jobs has not diverged from the average by more than two percent in any month.

Labor demand remains relatively high compared to labor supply. This is due to the combination of a strong economy with lots of employers that are competing for workers and the demographic factors that are constraining labor supply, driving the state unemployment rate to record lows. Unemployment has been below four percent for 22 consecutive months – the third longest period of such low rates. Competition for workers is driving wage growth. Average wages across all industries increased by 6.4 percent in 2022 over the year (not adjusting for inflation).

Labor force participation is lower in Maine than the nation because there are more people in higher age ranges where participation rates are lower. If the age distribution of the civilian population (age 16 and over) was the same as the nation and the labor force participation rate in each age group was unchanged, Maine's labor force participation rate would have been 62.4 percent in 2022 (the actual labor force participation rate was 58.4 percent), essentially the same as the national rate of 62.2 percent.

An uptick in in-migration and population growth in 2021 and 2022 contributed to jobs reaching new highs in late 2022. Unemployment rates below 3 percent suggest there is very little slack in the labor market to support additional job growth in the absence of further population and workforce growth. Little change in jobs in the past year may be reflective of population growth and in-migration that are enough to offset the increasing population share reaching retirement ages.

Divergence in Household and Payroll Survey Estimates

Household survey-based labor force participation and employment-to-population rates have increased in 2023 but remain understated based on higher quality signals from other data sources. The household survey-based employment-to-population ratio estimate is up 0.9 percentage points so far in 2023. Bringing household employment estimates into somewhat better alignment with payroll employment data which appears to be a higher quality signal. In the last three months the ratio of payroll jobs-to-population (age 16 and over) is 1.5 percentage points lower than the average in 2019. However, the household survey estimate of employment-to-population (age 16 and over) is 3.4 percentage points lower than the average in 2019.

Recent labor force estimates from the Census American Community Survey (ACS) align with employment estimates from the payroll survey and their benchmark in the Quarterly Census of Employment and Wages. The 2022 household survey labor force participation rate is 2.9 percentage points lower than the 2022 1-year ACS estimate and the historic gap (largely due to differences in the population universe and survey concepts) between the surveys has been flipped. The ACS data and payroll survey data both suggest that participation and employment were affected at the onset of the pandemic and have since recovered, though a larger share of the population is reaching retirement age. 2022 1-year ACS labor force participate rate estimates are very close to the long-term trend since 2010.

Summary

The factors expected to shape job growth are: 1) the business cycle, 2) the population age structure which is constraining the size of the workforce and thus job growth, 3) in-migration and the extent to which population growth can balance out the effect of population aging. Jobs are higher in 2023 relative to before the recession due to the combination of population growth and a modestly lower jobs-to-population (age 16 and over) ratio as the population continues to shift toward retirement ages. Low unemployment rates point to a competitive hiring environment and a labor market still quite favorable to job seekers.

The October 2023 Maine Department of Labor presentation to the Consensus Economic Forecasting Commission is available here.

Maine Revenue Services - Office of Tax Policy (OTP)

In its May 2023 forecast, the Revenue Forecasting Committee (RFC) revised General Fund (GF) revenue estimates up by $223.2 million for FY23 and by $70.7 million for the FY24/25 biennium. Despite the updated FY23 GF revenue forecast, GF revenues ended the fiscal year over budget by $115.1 million; a positive variance of 2.2 percent and year-over-year growth of approximately -0.2 percent. The revenue surplus allowed for a $52.4 million transfer to the Budget Stabilization Fund, bringing the total in the fund to $970.0 million which is the maximum amount allowable under state law: 18.0 percent of FY23 GF revenue.

Through the first quarter of FY24, GF revenue is over budget by $26.6 million (2.0 percent) and has decreased by $37.0 million (2.6 percent) compared to a year ago. Adjusting for the recently enacted semiannual transfer (July and October) of General Fund sales tax revenue from automobile sales to the Highway Fund ($54.1 million), fiscal year 2024 General Fund revenues have increased by 1.2 percent over fiscal year 2023.

Sales and use taxes through the first quarter of FY24 are $38.8 million over budget (6.2 percent) and are up $23.7 million (3.7 percent) over the first quarter of FY23. The May 2023 forecast assumed meals and lodging sales would experience only modest growth during the 2023 summer tourism season and that the 5.5% sales tax base would decrease on a year-over-year basis during the first quarter of the fiscal year as consumers continued to shift their purchasing back to nontaxable services. Thus far, lodging and restaurant sales growth have slowed as forecasted, only increasing during the June-August quarter by 1.6 percent and 4.2 percent, respectively. A wet summer, particularly on weekends, certainly impacted summer tourism, but not enough to prevent positive year-over-year growth. Most of the quarterly surplus is from the sales of goods, that have not slowed as much as forecasted. Building supply, general merchandise, and other retail sales all increased or decreased slightly during the three-month period ending in August. On the other hand, automobile dealership sales increased 8.0 percent during the first quarter of FY24, despite rising interest rates. Year-over-year growth over the remainder of the fiscal year is not currently expected to grow as fast as the first quarter as the resumption of student loan payments, high interest rates, and the transition back to nontaxable services continues.

Individual income tax receipts are $10.3 million under budget (1.7 percent) through September of FY24 and are up $13.4 million (2.2 percent) over the same period of FY23. Most of the year-to-date deficit is from refunds associated with the 2022 tax year being over budget by $12.6 million and estimated payments for tax year 2023 being below budget by $11.1 million. Fiduciary payments are also under budget by $4.5 million through the first quarter of the fiscal year. Withholding and final payments are over budget through September by $6.2 million and $11.7 million, respectively.

Corporate income tax revenue is $1.0 million (1.0 percent) under budget through September and $17.2 million (14.2 percent) below FY23. Year-to-date refunds are over budget by $4.8 million and payments are over budget by $3.8 million. Tax data from corporations is lagged because most large corporations file on extension and the complexity of these returns result in a further lag in posting the returns to the Maine Revenue Services accounting system. It will be some time before we fully understand the recent surge in corporate tax receipts, and need to be aware that refunds and payments over the remainder of FY24 may reflect a normalization of corporate revenues and a quick turnaround from the historic revenues we've experienced since the start of the pandemic.

Macroeconomic Assumptions

Two different baseline economic forecasts were examined at the meeting: the Moody's Analytics and S&P baseline scenarios released in October 2023, respectively. Each forecast was based on a different set of national macroeconomic assumptions. These forecasts were then compared to the CEFC's April 2023 forecast. In addition, the CEFC reviewed its assumptions for the previous forecast and made changes reflecting additional information and shifting concerns. The key assumptions made by the CEFC are as follows:

- There is an unequal distribution of supply and demand in the labor market. Demand for labor is high, supply is low, and unemployment rates are near historic lows in Maine and nationwide. Workers are experiencing higher wage growth, particularly for lower wage jobs. Some demographic trends, including a growing share of the population reaching retirement age will continue to constrain labor supply. However, the Commission is optimistic that Maine will continue to see higher in-migration of working-age people in the coming years that will be more than sufficient to offset retirements in the forecast period despite constraints in the housing market.

- Rising interest rates, low supply of available properties, and ongoing in-migration are continuing to impact the housing market. Home sales are down, while sale prices have continued to increase. Affordability is of particular concern as interest rates have increased, causing more potential buyers to be priced out of the market. Higher home prices have contributed to higher rental prices.

- Large, federally funded infrastructure programs, including the Bipartisan Infrastructure Law (BIL) and Maine Jobs and Recovery Plan (MJRP), will lead to significant investments in Maine, with potential impacts on local job markets. In addition to funds from the MJRP, it is estimated that there will be at least $2.5 billion from the BIL invested in Maine's infrastructure over the next few years, with much of the implementation beginning in 2024.

- High inflation and interest rates have continued into 2023, though there have been improvements in some sectors. The Federal Reserve is expected to continue pursuing policies that will constrain inflation, but inflation risks are likely to take several years to fully ease. In addition, increasing interest rates in an environment of continuing federal budget deficits raises the risk of capital markets pushing interest rates higher still thus increasing the risks of recession in the coming year.

- Overall, employment in the health care and social assistance sector has recovered and is slightly above pre-pandemic levels. However, staffing remains a concern in some subsectors – specifically in hospitals and nursing and residential care facilities.

- The availability of high-speed internet and mobile phone coverage will be an important equalizer between urban and rural areas and could contribute to the diffusion of migration across the state. The creation of the Maine Connectivity Authority and infusion of federal funding will help the successful buildout of high-speed internet. More workers are returning to the office or transitioning to hybrid work arrangements.

- The strength of the U.S. dollar could pose a challenge to exporters in Maine. A high dollar also keeps energy prices high and could also affect the numbers of Canadian tourists choosing to come to Maine.

- Geo-political tensions remain elevated and continue to pose a negative risk to the forecast.

Consensus Forecast

The Commission left its nonfarm employment forecast unchanged for all years. The Commission's assumption is that demographic changes will be offset by continued increases in employment of older workers and increased migration to the state. The forecast anticipates that employment will continue to grow through 2027 to 656,100 with slower increases as 2027 approaches.

This forecast reflects revised personal income data for 2022 released by the U.S. Bureau of Economic Activity on September 29. Total personal income growth in 2022 was 3.9%, up from the preliminary estimate of 2.6%. The Commission revised its forecast for total personal income growth in 2023 up from 5.2% to 5.9%. The forecasts for total personal income for years 2024 through 2027 were revised downward to 4.5% from 4.9% in 2024, 4.5% to 4.3% in 2025, 4.6% to 4.4% in 2026, and 4.7% to 4.4% in 2027. These revisions largely reflect upward revisions to wage and salary income in 2023 and downward revisions to personal current transfer receipts in all years. Details of these categories are provided below.

Wage and salary income, the largest component of personal income, increased by 8.5% in 2022, just under the preliminary estimate of 8.6%. The Commission revised its forecast for 2023 up to 7.5% from 6.0% based on data from the Maine Department of Labor and Maine Revenue Services for the first half of 2023. The rest of the forecast remained unchanged.

Supplements to wages and salaries increased by 4.4% in 2022, lower than the previously estimated increase of 5.5%. The Commission revised its forecast down to 3.5% for 2023, 2024, and 2025 (from 5.5%, 5.0% and 4.0%, respectively) and left the remaining years unchanged.

Growth in nonfarm proprietor's income was 6.2% in 2022, higher than the preliminary estimate of 3.8%. The Commission revised its forecast upwards for 2023, 2024, and 2025, going from 2.0% to 3.8% in 2023, 2.5% to 3.0% in 2024, and 2.8% to 3.0% in 2025. The rest of the forecast remained unchanged.

Dividends, interest, and rent (DIR) increased 7.6% in 2022, higher than the 5.0% preliminary estimate. The Commission revised its forecast up for 2023 from 5.0% to 6.5%. The Commission left the rest of the forecast unchanged.

Personal current transfer receipts decreased by 5.8% in 2022, up from a preliminary estimate of -9.2%. Downward revisions were made for all forecast years (2023-2027), from 5.0%, 5.0%, 6.0%, 6.0%, and 6.0% to 3.5%, 3.5%, 5.0%, 5.0%, and 5.0%, respectively.

The Commission revised their forecast for inflation using the Consumer Price Index (CPI) down in all years, going from 5.8% to 4.1% in 2023, 4.0% to 3.2% in 2024, 3.5% to 2.7% in 2025, 3.5 to 2.7% in 2026, and 2.7% from 3.0% in 2027. These revisions were made based on the year-to-date CPI data and to better align with the Moody's Analytics and S&P forecasts for these years.

Corporate profits increased 8.4% in 2022, up from the preliminary estimate of 6.6%. The Commission revised its forecast for 2024- 2027 to better align with the S&P and Moody's Analytics forecasts for these years. These revisions include going from 5.0% to -1.0% in 2024, 5.0% to 0.5% in 2025, 5.0% to 3.0% in 2026, and 5.0% to 3.0% in 2027. The forecast for 2023 was unchanged.

The following page provides the full forecast.

Maine Consensus Economic Forecasting Commission						
November 2023 Forecast	**History**	**Forecast**				
	2022	**2023**	**2024**	**2025**	**2026**	**2027**
CPI-U* (Annual Change)	8.0%	4.1%	3.2%	2.7%	2.7%	2.7%
CPI for Energy Prices** (Annual Change)	24.9%	-4.0%	1.8%	-2.3%	-0.2%	1.4%
Avg. Price of New Vehicles** (Annual Change)	9.5%	1.8%	-5.5%	-4.0%	3.7%	7.2%
New Vehicle Registrations** (Annual Change)	-11.8%	5.1%	1.6%	4.1%	0.2%	-1.4%
Personal Savings Rate**	3.3%	4.4%	4.9%	5.9%	6.2%	6.3%
Maine Unemployment Rate**	2.9%	2.6%	2.8%	3.4%	3.6%	3.6%
3-Month Treasury Bill Rate**	2.0%	5.1%	5.2%	3.7%	2.6%	2.4%
10-Year Treasury Note Yield**	3.0%	4.0%	4.1%	3.5%	3.3%	3.2%
Before-Tax Corporate Profits* (Annual Change)	8.4%	2.0%	-1.0%	0.5%	3.0%	3.0%
Maine Wage & Salary Employment* (thousands)	638.7	646.4	651.5	654.1	655.4	656.1
Natural Resources	2.1	2.2	2.3	2.4	2.4	2.4
Construction	32.6	33.1	33.4	33.7	33.7	33.8
Manufacturing	54.5	54.4	54.5	54.6	54.5	54.4
Trade/Trans./Public Utils.	119.2	119.7	119.7	120.2	120.4	120.6
Information	7.9	7.9	7.9	8.0	8.0	7.9
Financial Activities	33.9	34.0	34.1	34.2	34.2	34.2
Prof. & Business Services	75.8	77.4	78.6	79.3	80.0	80.5
Education & Health Services	125.8	129.1	131.6	132.5	132.9	132.8
Leisure & Hospitality Services	65.5	66.3	66.7	67.0	67.1	67.0
Other Services	22.0	22.0	21.9	21.8	21.8	21.8
Government	99.4	100.4	100.8	100.6	100.5	100.6
Maine Wage & Salary Employment* (Annual Change)	2.4%	1.2%	0.8%	0.4%	0.2%	0.1%
Natural Resources	0.0%	5.4%	4.2%	3.1%	0.4%	-0.9%
Construction	1.9%	1.4%	0.9%	0.9%	0.2%	0.1%
Manufacturing	1.1%	-0.3%	0.3%	0.2%	-0.3%	-0.1%
Trade/Trans./Public Utils.	1.9%	0.4%	0.0%	0.4%	0.2%	0.2%
Information	5.3%	-0.3%	0.8%	0.6%	-0.1%	-0.5%
Financial Activities	2.4%	0.4%	0.3%	0.1%	0.1%	0.1%
Prof. & Business Services	4.6%	2.1%	1.6%	0.8%	0.9%	0.7%
Education & Health Services	0.1%	2.6%	1.9%	0.7%	0.3%	-0.1%
Leisure & Hospitality Services	7.6%	1.2%	0.6%	0.4%	0.2%	-0.1%
Other Services	4.3%	-0.1%	-0.3%	-0.3%	-0.1%	-0.1%
Government	1.7%	1.0%	0.4%	-0.2%	-0.1%	0.1%
	2022	**2023**	**2024**	**2025**	**2026**	**2027**
Personal Income* ($ million)	83,951	88,864	92,854	96,850	101,092	105,573
Wages & Salaries*	38,678	41,579	43,658	45,404	47,358	49,393
Supplements to Wages & Salaries*	8,757	9,063	9,381	9,709	10,049	10,350
Nonfarm Proprietors' Income*	6,529	6,777	6,980	7,190	7,406	7,702
Farm Proprietors' Income**	175	138	163	196	187	175
Dividends, Interest, & Rent*	15,150	16,135	16,942	17,704	18,501	19,333
Dividends	5,531	5,600	5,862	5,754	5,772	5,993
Interest	5,748	6,228	7,052	8,091	8,824	9,322
Rent	3,872	4,308	4,032	3,859	3,904	4,021
Personal Current Transfer Receipts*	19,932	20,629	21,351	22,419	23,540	24,717
Less: Contributions for Social Ins.**	6,590	6,851	7,077	7,278	7,508	7,719
Adjustment for Residence**	1,320	1,394	1,457	1,506	1,559	1,622
Personal Income* (Annual Change)	3.9%	5.9%	4.5%	4.3%	4.4%	4.4%
Wages & Salaries*	8.5%	7.5%	5.0%	4.0%	4.3%	4.3%
Supplements to Wages & Salaries*	4.4%	3.5%	3.5%	3.5%	3.5%	3.0%
Nonfarm Proprietors' Income*	6.2%	3.8%	3.0%	3.0%	3.0%	4.0%
Farm Proprietors' Income**	21.7%	-20.7%	18.0%	20.0%	-4.4%	-6.8%
Dividends, Interest, & Rent*	7.6%	6.5%	5.0%	4.5%	4.5%	4.5%
Dividends	7.8%	1.3%	4.7%	-1.8%	0.3%	3.8%
Interest	7.9%	8.4%	13.2%	14.7%	9.1%	5.6%
Rent	7.0%	11.3%	-6.4%	-4.3%	1.1%	3.0%
Personal Current Transfer Receipts*	-5.8%	3.5%	3.5%	5.0%	5.0%	5.0%
Less: Contributions for Social Ins.**	8.6%	4.0%	3.3%	2.8%	3.2%	2.8%
Adjustment for Residence**	-1.1%	5.6%	4.5%	3.4%	3.5%	4.0%

*CEFC Forecast

**From S&P and Moody's Analytics baselines (October 2023)

Remaining lines derived from CEFC forecast by CEFC staff and reviewed by CEFC