Maine Economic Indicators

October 2024

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.

Contents

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
2023	Total population	1,395,722	15,159,777	334,914,895
2022-2023	Annual population percent change	0.5%	0.3%	0.5%
2020-2023	Cumulative population percent change	2.4%	0.3%	1.0%
2023	Average earnings per job	$64,310	$83,918	$74,499
2022-2023	Average earnings per job percent change	3.0%	1.8%	2.5%
September 2024	Unemployment rate	2.8%	3.5%	4.1%
September 2024	Total private nonfarm employment	553,600	6,636,400	135,684,000
September 2024	Labor Force	704,400	8,178,500	168,699,000
September 2024	Labor Force Participation Rate	60.1%	N/A	62.7%

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

Real GDP	2023:Q3	2023:Q4	2024:Q1	2024:Q2	2023:Q3-2024:Q2
Maine	5.3	3.5	2.8	1.7	2.6
New England	2.6	3.4	3.6	2.2	3.0
United States	4.4	3.2	1.6	3.0	2.6
Total Personal Income	2023:Q3	2023:Q4	2024:Q1	2024:Q2	2023:Q3-2024:Q2
Maine	4.8	5.4	10.1	4.4	6.6
New England	3.3	5.2	11.3	3.5	6.7
United States	4.2	4.7	9.3	5.3	6.4
Per Capita Personal Income	2023:Q3	2023:Q4	2024:Q1	2024:Q2	2023:Q3-2024:Q2
Maine	4.2	4.9	9.6	3.9	6.1
New England	2.9	4.9	11.1	3.3	6.4
United States	3.6	4.1	8.8	4.8	5.9
Wages & Salaries	2023:Q3	2023:Q4	2024:Q1	2024:Q2	2023:Q3-2024:Q2
Maine	7.1	4.4	9.6	4.7	6.2
New England	4.3	4.1	14.7	3.3	7.3
United States	6.4	4.5	10.3	6.2	7.0

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
2023	Total population	1,395,722	15,159,777	334,914,895
2022-2023	Annual population percent change	0.5%	0.3%	0.5%
2020-2023	Cumulative population percent change	2.4%	0.3%	1.0%
2023	Births	11,945	142,522	3,653,356
2023	Deaths	16,998	142,818	3,148,861
2023	Net migration	11,425	39,037	1,138,989
2022-2023	Annual rate of total net migration, per thousand (Maine ranks 9th in the U.S.)	8.2	2.6	3.4
2023	Median age, years (American Community Survey)	44.9	41.4	39.2
2023	Associate degree: percent of population age 25 and above	10.5%	8.0%	8.8%
2023	Bachelor's degree: percent of population age 25 and above	23.2%	24.4%	21.8%
2023	Graduate or professional degree: percent of population age 25 and above	13.7%	19.7%	14.3%
2023	Percent of population below poverty level	10.4%	10.1%	12.5%
2023	Median family income	$91,546	$115,746	$96,401
2023	Median household income	$73,733	$92,017	$77,719
2023	Per capita personal consumption expenditures	$60,250	$65,660	$56,202
2023	Per capita disposable personal income	$58,110	$71,982	$61,291

3 Quarterly and Monthly Indicators

3.1 Gross Domestic Product (GDP)

Maine's real GDP grew 1.7% at an annualized rate in the second quarter of 2024, ranking 44th in the U.S. (growth of 3.0%) and last in New England (growth of 2.2%). The industry sectors that contributed the most to Maine's growth were health care and social assistance (+0.47 percentage points), real estate and rental and leasing (+0.45 percentage points), and finance and insurance (+0.39 percentage points). These gains were partially offset by declines in other industries, including accommodation and food services (-0.32 percentage points), state and local government (-0.16 percentage points), and management of companies and enterprises (-0.10 percentage points).

| 2024:Q2	Maine	United States
Nominal GDP (Current dollars)	$97.9 billion	$29.0 trillion
Real GDP (Chained 2017 Dollars)	$77.1 billion	$23.2 trillion

Real GDP (billions of chained 2017 dollars) - Maine
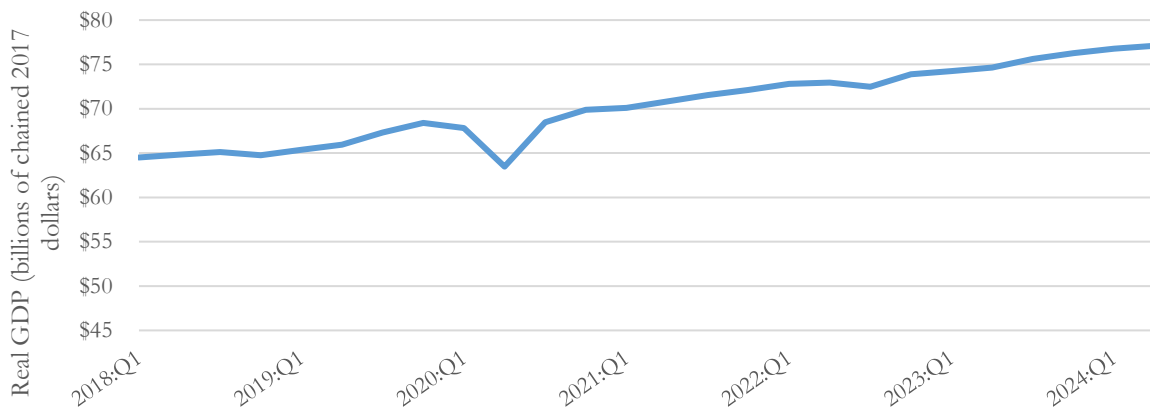
3.1.1 GDP Now from the Federal Reserve Bank of Atlanta

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 estimate for 2024:Q4 as of October 31, is that U.S. real GDP will **increase by 2.7 percent** at an annual rate.

Evolution of Atlanta Fed GDPNow real GDP estimate for 2024: Q4
Quarterly percent change (SAAR)
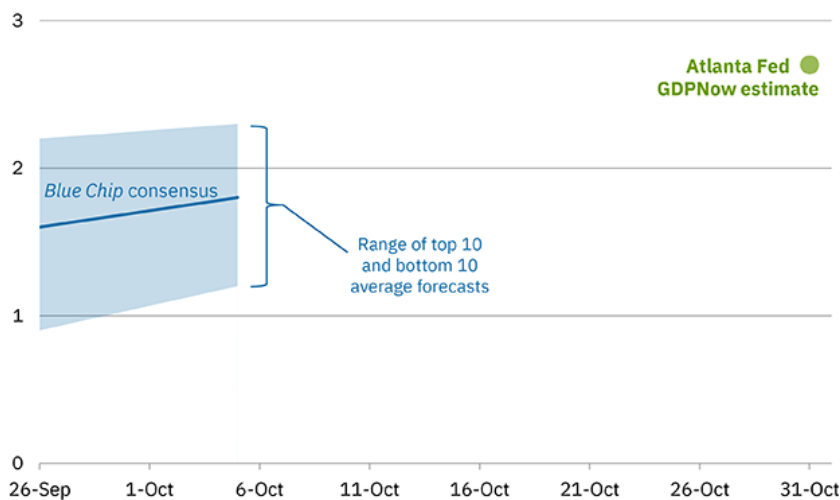
3.2 Recession Indicators

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 Indicator[1] 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 September 2024, this indicator showed that the three-month average of national U3 was **0.50 percentage points above its 12-month low, triggering the Sahm rule for the third consecutive month**.

The Sahm rule has been triggered during nearly all U.S. recessions. However, the current economic situation differs from these previous cases in important ways. In 2024, rising unemployment rates are *not* due to layoffs, as was the case in most past recessions. Instead, the rise in a historically low unemployment rate is a result of an expanding labor supply, due in part to increased levels of immigration.
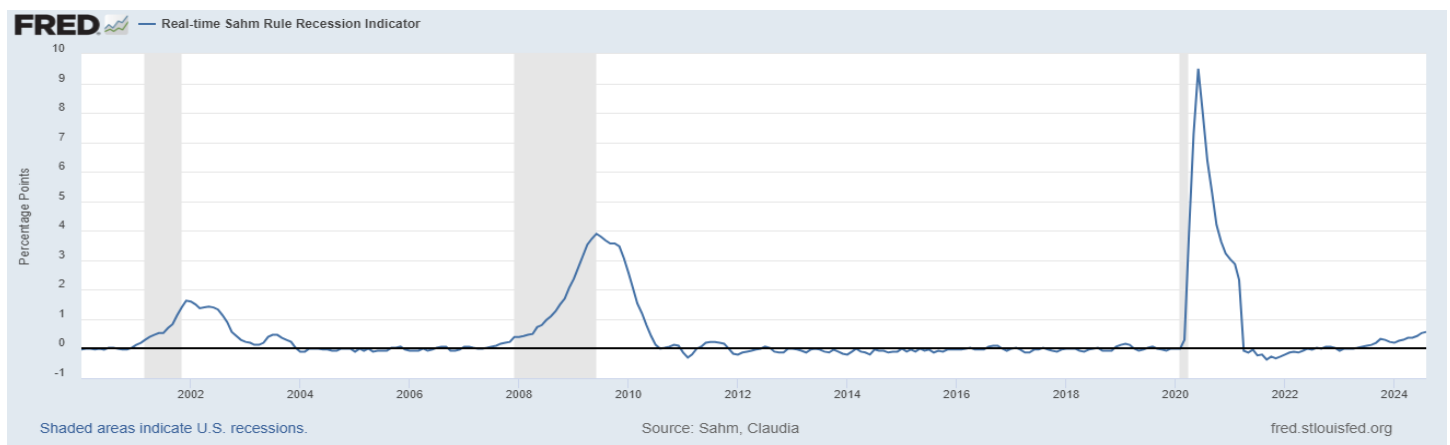
3.2.2 GDP-Based Recession Indicator Index

The GDP-Based Recession Indicator Index[2] is 2.4 percentage points (2024:Q2), down from 4.0 in the first quarter of 2024. 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.


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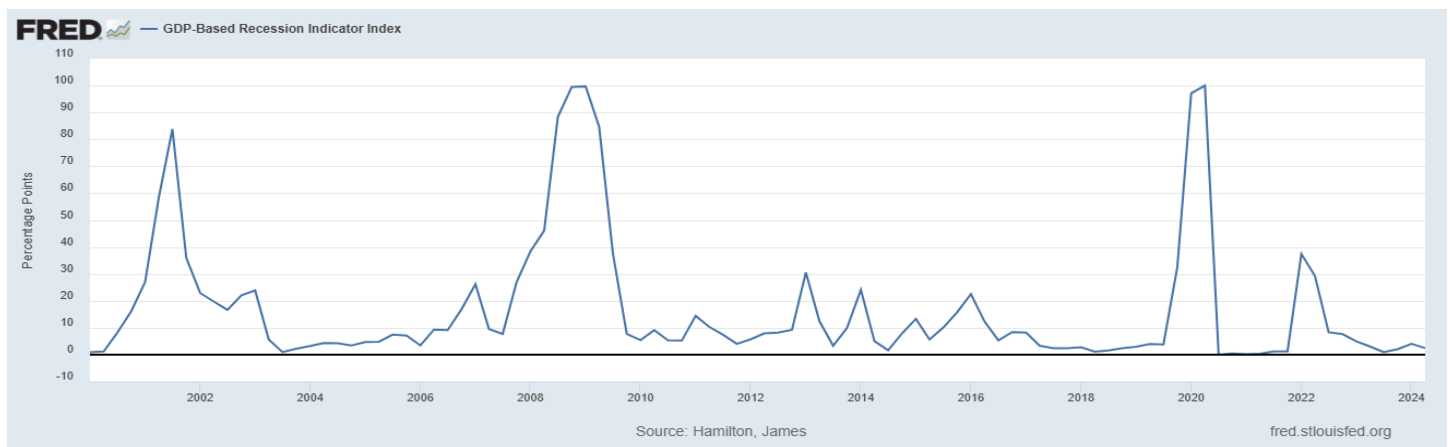
[1] Created by Dr. Claudia Sahm, Federal Reserve Board of Governors
[2] Created by Dr. James Hamilton, University of California San Diego

3.3 Labor Markets[3]

3.3.1 Unemployment Rate **September 2024: 2.8%**

Maine's seasonally adjusted unemployment rate was 2.8% in September, unchanged from August. Maine's 3-month average unemployment rate from July to September was 2.8%, down from 3.0% for the three months prior. Maine's unemployment rate has been trending below the U.S. unemployment rate since early 2022 and was below the New England rate of 3.5% in September.

Unemployment Rate (Seasonally Adjusted)
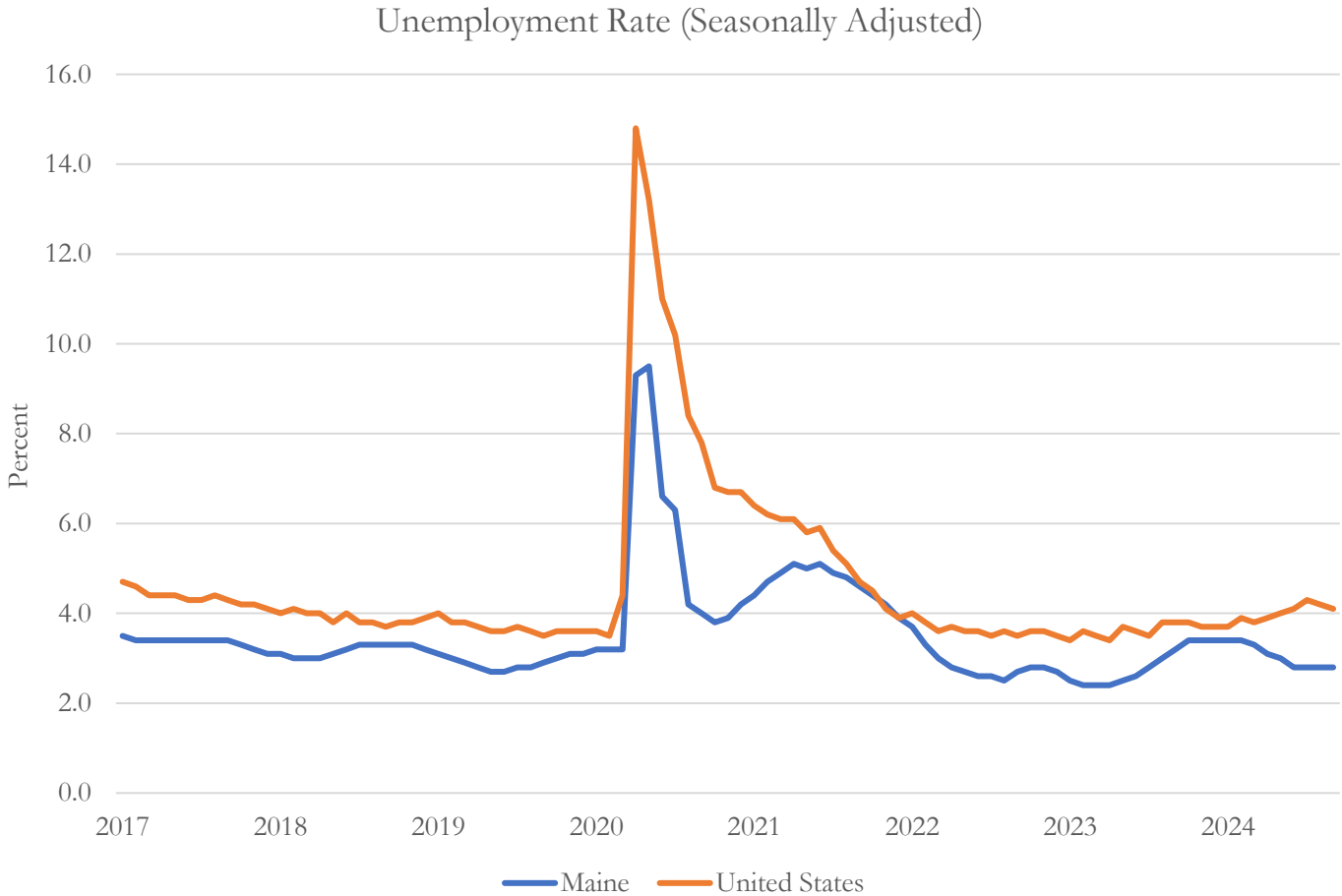
3.3.2 Labor Force Participation Rate **September 2024: 60.1%**

Labor force participation (LFP) was 60.1% in September, up from 59.9% in August.

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 58.3% in September, up from 58.2% in August.

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[3] 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)

Labor Force Participation Rate   Employment to Population Ratio
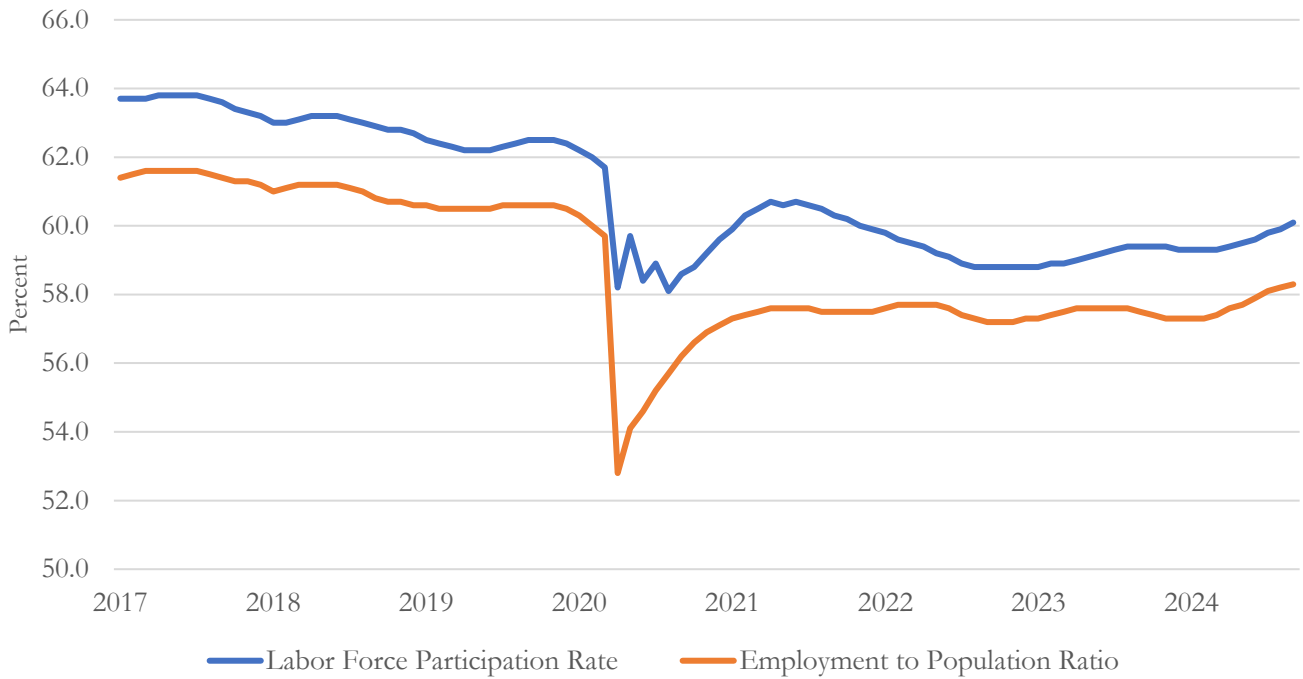
3.3.3   Total Nonfarm Payroll Job Estimates **September 2024: 656,900**

Seasonally adjusted nonfarm jobs increased by 300 to 656,900 in September. On an annual basis, nonfarm jobs are up 5,600 from September 2023, but there has been very little change in jobs over the past nine months. Seventy percent of year-over-year job gains are in healthcare and social assistance.

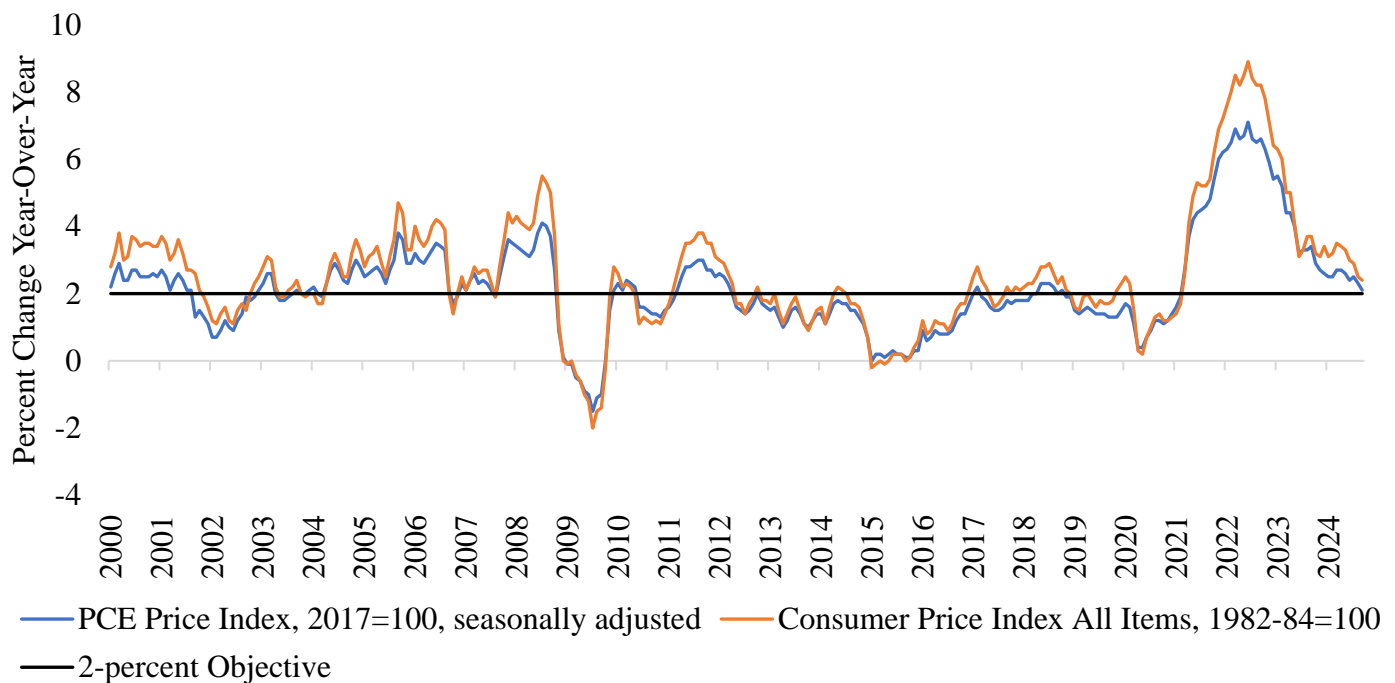Total Nonfarm Employment Maine (seasonally adjusted)

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 September the PCE price index grew by 2.1% year-over-year (down from a 2.3% year-over-year change in August). On a monthly basis, it grew 0.2%. The CPI all-items index grew by 2.4% in September before seasonal adjustment. Growth in both indexes has decelerated since June 2022 and are close to the 2% Federal Reserve target. On September 18, the Federal Reserve Federal Open Market Committee cut its target interest rate by 0.5%. The Committee will meet again on November 6 and 7 to determine whether to make additional cuts.

Measures of inflation, Year-Over-Year Percent Change

Legend: PCE Price Index, 2017=100, seasonally adjusted — Consumer Price Index All Items, 1982-84=100 — 2-percent Objective

3.4.2 Expenditure categories of the CPI

The CPI for all urban consumers increased 2.4% year-over-year in September, down from 2.5% in August and the smallest increase since February 2021. On a seasonally-adjusted monthly basis, the all-items index was up 0.2% from the month before. Food and shelter contributed over 75% of the all-items increase.

The shelter index was up 0.2% in September and is up 4.9% year-over-year. The food index increased 0.4% in September and is up 2.3% year-over-year.

The energy index was down 1.9% in September and is down 6.8% from a year ago. Fuel oil (-22.4%) and gasoline (-15.3%) are both significantly down from a year ago. The core index, which excludes volatile food and energy prices, increased 0.3% from the prior month and is up 3.3% 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)	
	Aug-24	Sep-24	Aug-24	Sep-24
All items	2.5	2.4	0.2	0.2
Food	2.1	2.3	0.1	0.4
Energy	-4.0	-6.8	-0.8	-1.9
All items less food and energy	3.2	3.3	0.3	0.3
Commodities (less food and energy)	-1.9	-1.0	-0.2	0.2
Household furnishings and supplies	-2.6	-2.2	-0.3	0.0
Apparel	0.3	1.8	0.3	1.1
Transportation commodities (less motor fuel)	-4.4	-2.3	-0.3	0.3
Medical care commodities	2.0	1.6	-0.2	-0.7
Recreation commodities	-0.9	-1.5	-0.2	-0.3
Education and communication commodities	-5.9	-6.9	-0.4	-0.7
Alcoholic beverages	1.9	1.5	0.0	0.1
Other goods	3.2	3.0	0.2	0.3
Services (less energy)	4.9	4.7	0.4	0.4
Shelter	5.2	4.9	0.5	0.2
Water and sewer and trash collection	4.2	4.8	0.2	0.7
Medical care services	3.2	3.6	-0.1	0.7
Transportation services	7.9	8.5	0.9	1.4
Recreation services	3.2	2.2	0.0	-0.5
Education and communication services	2.3	2.3	0.2	0.1
Other personal services	4.6	4.1	0.2	0.1

3.5 Energy

3.5.1 Gasoline

The average price of a gallon of gasoline in New England was $3.18 on October 28, $0.02 higher than the month prior and $0.46 lower than the same week in 2023. The average price of gasoline in the month of October was down $0.12 from September.
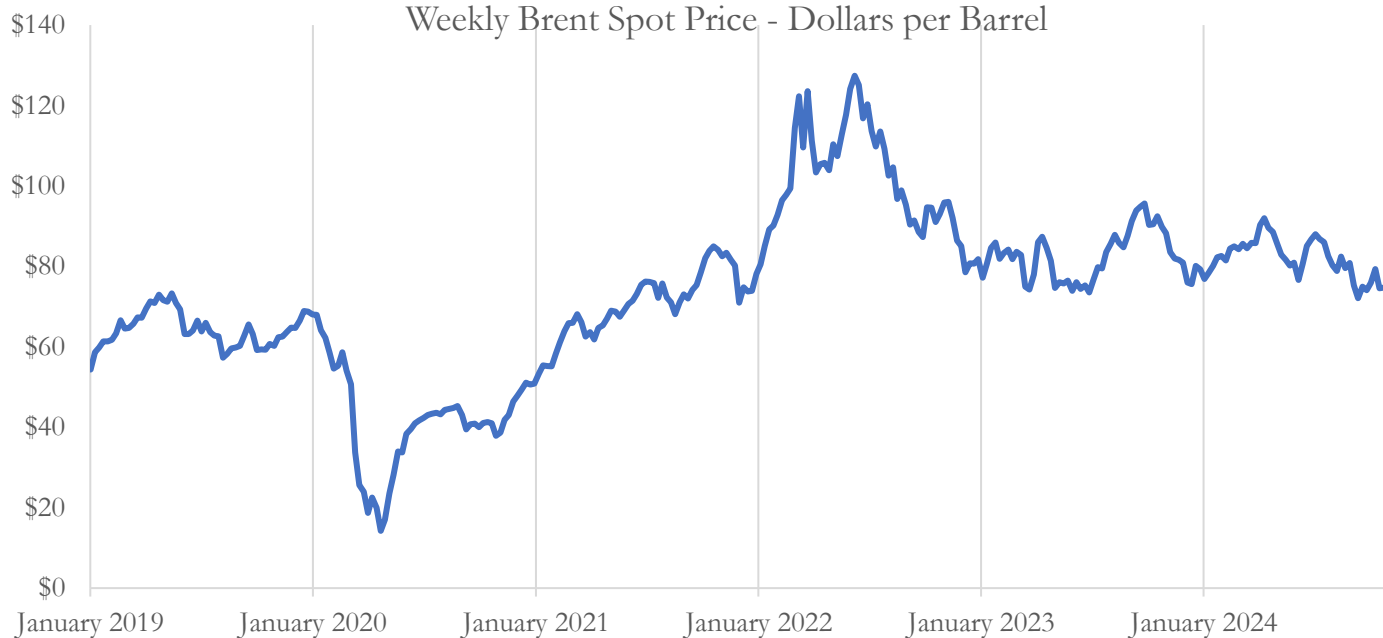
New England - All Grades and Formulations Gasoline Price Per Gallon

3.5.2 Brent Spot Prices

The weekly Brent spot price averaged $76.34 for the month of October and was at $74.69 for the week ending October 25, 2024. The spot price has increased by $0.62 since the week ending September 27.

Weekly Brent Spot Price - Dollars per Barrel

3.5.3   Heating Oil

The price of a gallon of heating oil in Maine averaged $3.25 in the week ending October 29. Prices are down $0.80 from the same week last year and are below the five-year average of $3.44 for that week.

According to the Governor's Energy Office, prices on the most recent date measured (October 21) were highest in the Southeast/Greater Portland region of the state, at $3.52 per gallon on average, and lowest in the Central region of the state, at $3.29 per gallon on average.

Weekly Average Price of Residential Heating Oil in Maine (October-March)
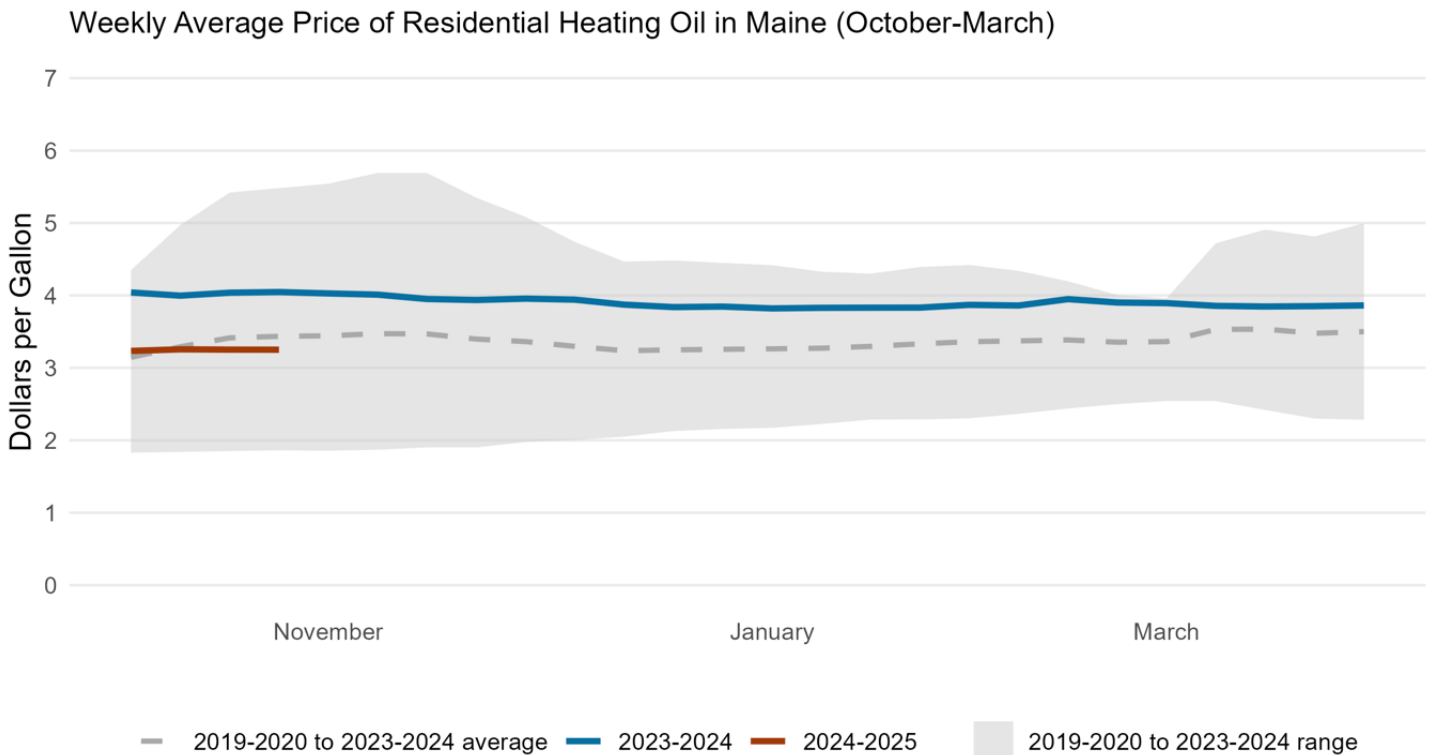
Source: U.S. Energy Information Agency

3.6   Housing

3.6.1   Sales

The number of home sales in Maine increased by 5.4% in September 2024 compared to September 2023. The median sale price in Maine was $409,450, an increase of 2.4% from August and an increase of 8.7% year-over-year.

Maine Median Sale Price

Legend: Median Sales Price — % Change from Prior Year
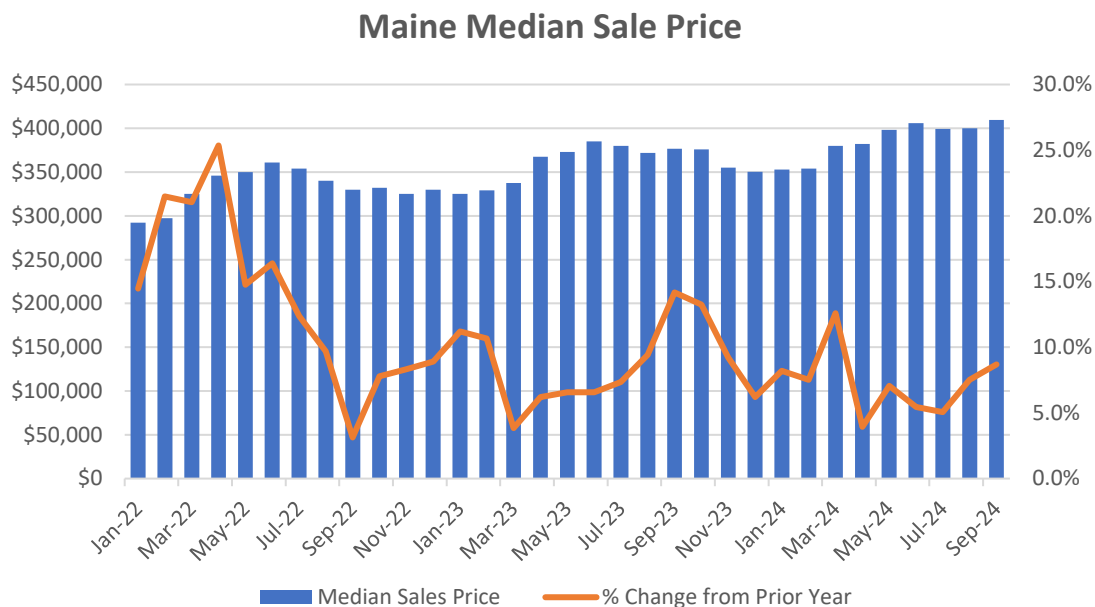
Over the past three months, nine counties had increases in homes sold compared to a year ago, five had decreases, and two were little changed. All counties except Knox had increases in median home prices compared to a year ago.

| July 1, 2024 – September 30, 2024 Home Sales				
Geography	**No. of Units Sold**	**One Year Change (Units)**	**Median Sale Price**	**One Year Change (Price)**
Androscoggin	297	9.2%	$335,000	4.7%
Aroostook	207	-0.5%	$175,000	9.8%
Cumberland	915	6.5%	$580,000	5.5%
Franklin	133	13.7%	$308,000	20.8%
Hancock	235	19.3%	$436,000	2.6%
Kennebec	418	3.7%	$321,000	4.6%
Knox	148	-1.3%	$449,250	-0.7%
Lincoln	125	-11.4%	$495,000	10.0%
Oxford	210	-6.3%	$325,500	3.3%
Penobscot	479	6.2%	$275,000	4.8%
Piscataquis	91	-14.2%	$228,000	9.9%
Sagadahoc	109	-15.5%	$475,000	18.8%
Somerset	174	17.6%	$249,250	19.0%
Waldo	137	14.2%	$360,000	3.0%
Washington	117	0.0%	$250,000	13.6%
York	708	15.3%	$527,750	8.8%
Maine	**4,503**	**5.8%**	**$400,000**	**6.7%**

3.6.2   House Price Index

In the second quarter of 2024, Maine's year-over-year growth in the house price index (HPI)[4] was 6.3% (seasonally adjusted), 23rd in the nation for year-over-year growth and last in New England. (Vermont, Rhode Island, and Connecticut were all in the top 10). Maine and New England have both had faster year-over-year growth than the U.S. for more than a year. On a seasonally adjusted quarterly basis, Maine's HPI increased 0.5% from the first quarter of 2024 compared to growth of 1.2% in New England and 0.9% in the U.S.

Reference Period		Maine	New England	United States
2023:Q2-2024:Q2	HPI percent change from previous year	6.3%	7.9%	5.7%

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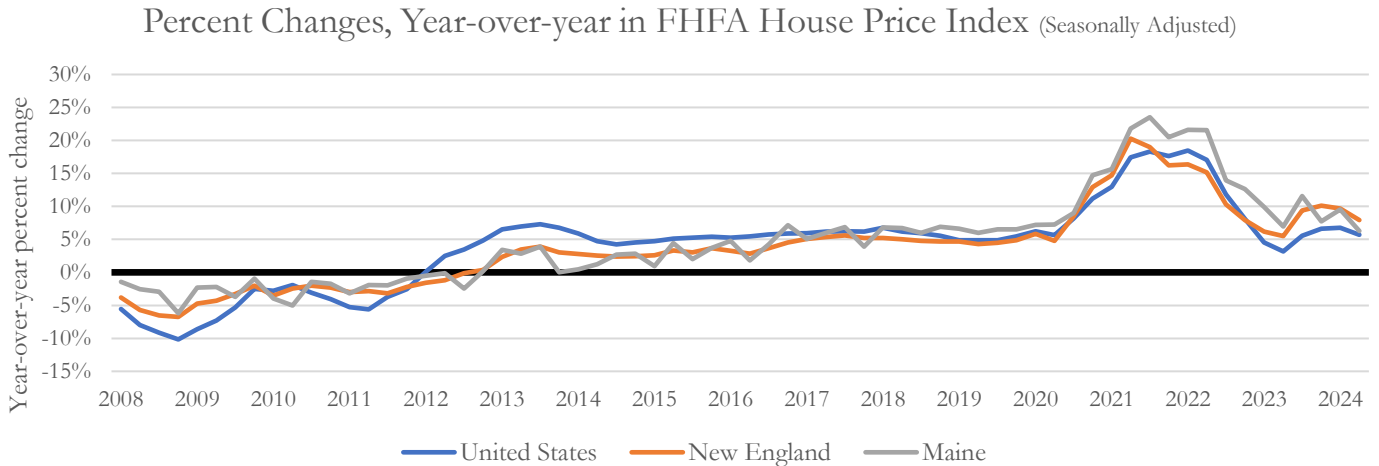
3.6.3   Inventory

There were 4,510 active listings of single-family and condo homes in Maine in September. Inventory was at its highest since October 2020, though it remains low compared to five years ago. The number of active listings in September 2024 was up 34% from September 2023, but down 49% from September 2019. Since inventory levels have a defined seasonal pattern, it is most useful to look at changes year-over-year.

Housing Inventory: Active Listing Count in Maine (not seasonally adjusted)

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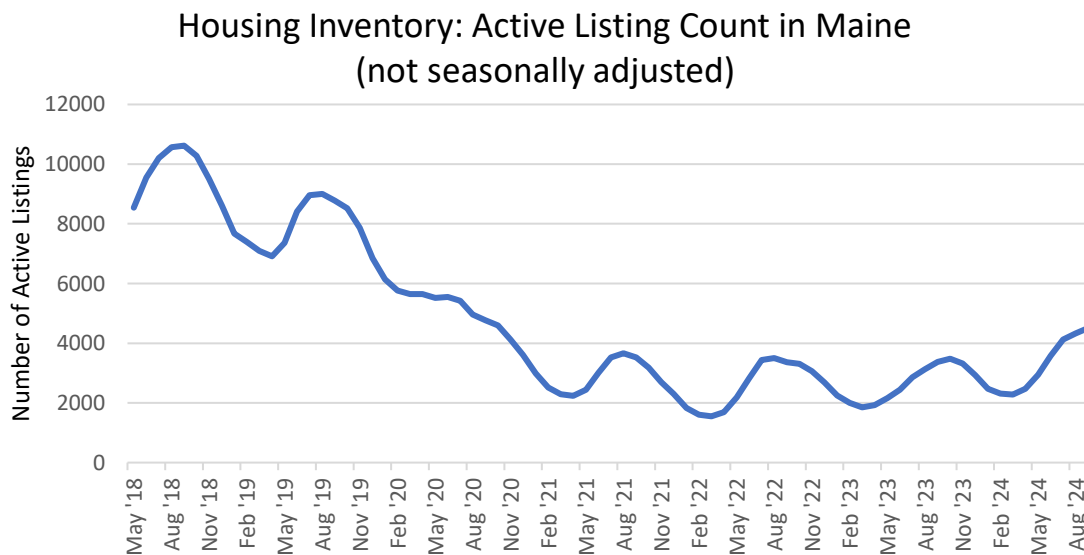
[4] According to the Federal Housing Finance Agency (FHFA), the HPI "measures average price changes in repeat sales or refinancing on the same properties."

3.7   Sentiment

The **Index of Consumer Sentiment** from the University of Michigan was up 0.6% in October and up 10.5% year-over year. The improvement this month was mostly tied to perceptions of buying conditions for durable goods (related, in part, to lower interest rates). The upcoming election remains an important consideration for consumers, many of whom expect to update their expectations following the results.

The **Small Business Optimism Index**, as measured by the National Federation of Independent Businesses, was little changed in September (+0.3%) and little changed (+0.8%) from a year ago. Small business owners reported very high levels of uncertainty (the highest recorded) and inflation remains the top concern for business owners.

Consumer Sentiment and Small Business Optimism Indexes
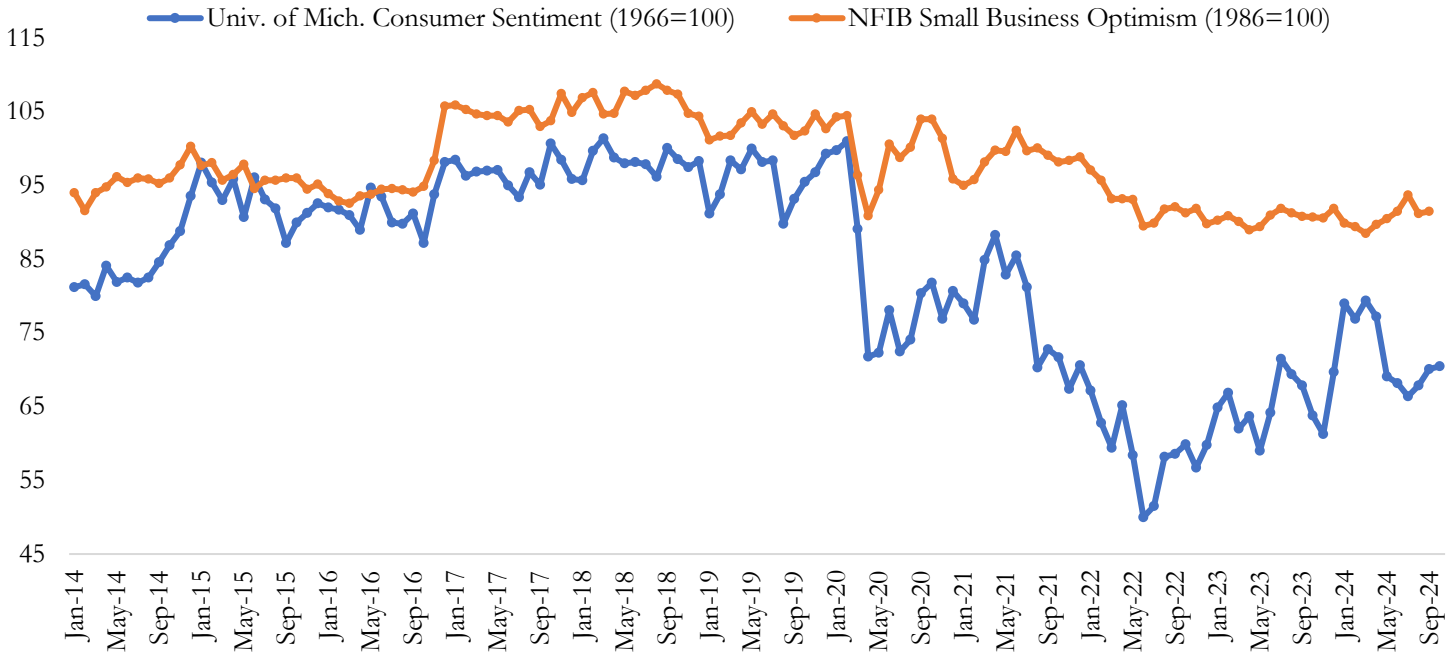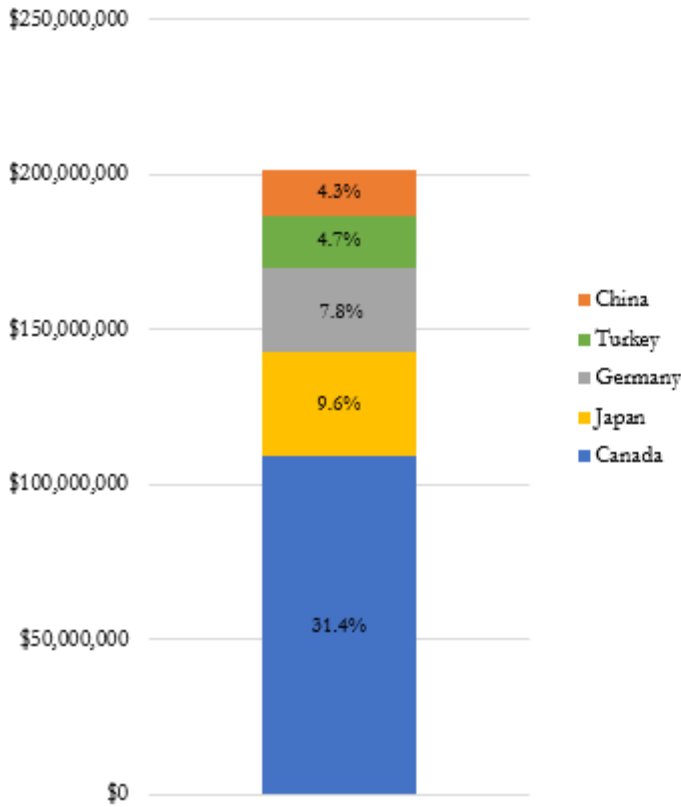


3.8   Trade Outlook

3.8.1   Exports and trade partners

In August 2024, total exports were up 12.1% in Maine, 9.2% in New England, and 5.2% nationwide compared to August 2023. Year-over-year exports have been volatile since early 2021. Maine's top trade partner was Canada, which accounted for 70% of imports and 31% of exports.

**Value of exports to top 5 export partners**

Value of imports from top 5 import partners
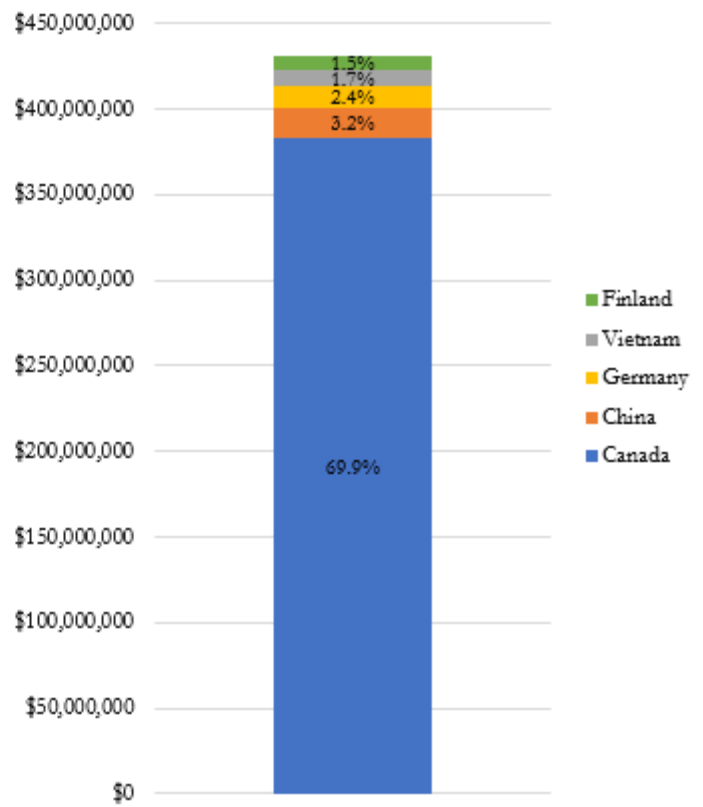
Similar to the nation, Maine's trade deficit has grown in recent years as the U.S. dollar has strengthened relative to foreign currencies, which makes imports from other countries cheaper and more attractive. Conversely, a strong U.S. dollar can lead to decreasing exports, as goods and services from 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, Maine's six-month average trade deficit was -$317 million as of August 2024.

Maine exports vs. imports, 6-month moving average
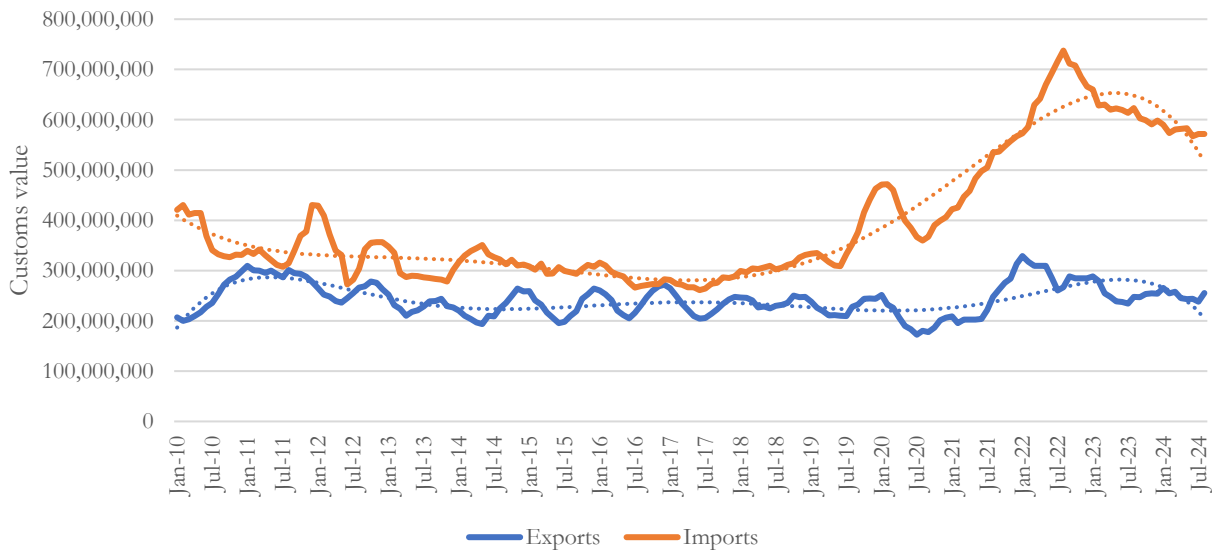
4 Appendix

4.1.1   Data Sources

Indicator	Source	Reference Period	Release Date
Population: estimates and percent change	Census Bureau – Pop. Ests.	2023	December 19, 2023
Net migration: total and percent change	Census Bureau – Pop. Ests.	2023	December 19, 2023
Median age	Census Bureau – ACS 1-year	2023	September 12, 2024
Educational attainment	Census Bureau – ACS 1-year	2023	September 12, 2024
Poverty level	Census Bureau – ACS 1-year	2023	September 12, 2024
Income	Census Bureau – ACS 1-year	2023	September 12, 2024
Per capita personal consumption expenditure	U.S. Bureau of Economic Analysis	2023	October 3, 2024
Per capita disposable personal income	U.S. Bureau of Economic Analysis	2023	September 27, 2024
Average earnings per job	U.S. Bureau of Economic Analysis	2023	September 27, 2024
Gross domestic product	U.S. Bureau of Economic Analysis	2024:Q2	September 27, 2024
GDPNow	Atlanta Fed	2024:Q4	October 31, 2024
Real-time Sahm Rule Recession Indicator	Sahm, Claudia/FRED	September 2024	October 4, 2024
GDP-Based Recession Indicator Index	Hamilton, James/FRED	2024:Q2	October 30, 2024
Personal income: total, per capita, and wages and salaries	U.S. Bureau of Economic Analysis	2024: Q2	September 27, 2024
Unemployment rate	U.S. Bureau of Labor Statistics	September 2024	October 22, 2024
Labor force participation	U.S. Bureau of Labor Statistics	September 2024	October 22, 2024
Nonfarm payroll job estimates	U.S. Bureau of Labor Statistics	September 2024	October 22, 2024
Consumer Price Index	U.S. Bureau of Labor Statistics	September 2024	October 10, 2024
PCE Price Index	U.S. Bureau of Economic Analysis/FRED	September 2024	October 31, 2024
Brent Spot Prices	Energy Information Administration	October 25, 2024	October 30, 2024
Gasoline	Energy Information Administration	October 28, 2024	October 28, 2024
Heating Oil Prices	Energy Information Administration	October 28, 2024	October 30, 2024
House price index	Federal Housing Finance Agency	2024:Q2	August 27, 2024
Housing: Units and Median Sale Price	Maine Association of REALTORS®	July 2024 – September 2024	October 23, 2024
Housing Inventory – Active Listing Count in Maine	Realtor.com via FRED	September 2024	October 3, 2024
Index of Consumer Sentiment	University of Michigan Survey of Consumers	October 2024	October 25, 2024
Small Business Optimism Index	National Federation of Independent Businesses	September 2024	October 8, 2024
Imports & Exports	USA Trade Online	August 2024	October 8, 2024

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.

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

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 (2017) 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.

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.

<u>Unemployment Rate</u>**:** 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.

<u>Wages and Salaries</u>**:** 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.