

# Maine Economic Indicators

June 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.

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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
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%
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%
May 2024	Unemployment rate	3.0%	3.4%	4.0%
May 2024	Total private nonfarm employment	555,000	6,630,500	135,224,000
May 2024	Labor Force	695,400	8,111,200	167,732,000
May 2024	Labor Force Participation Rate	59.5%	N/A	62.5%

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

	2023:Q2	2023:Q3	2023:Q4	2024:Q1	2023:Q2-2024:Q1
<b>Real GDP</b>					
Maine	0.6	4.9	4.4	0.6	3.3
New England	1.8	4.7	3.2	1.0	3.0
United States	2.1	4.9	3.4	1.4	3.2
<b>Total Personal Income</b>					
Maine	-1.6	3.2	4.1	6.8	4.6
New England	3.2	2.2	2.5	6.3	3.1
United States	4.0	3.9	2.8	7.0	4.5
<b>Per Capita Personal Income</b>					
Maine	-2.1	2.6	3.5	6.3	4.1
New England	2.9	1.9	2.1	6.1	4.0
United States	3.5	3.2	2.2	6.5	3.3
<b>Wages &amp; Salaries</b>					
Maine	7.7	5.2	3.9	4.3	4.5
New England	3.9	3.0	0.6	5.2	2.9
United States	6.0	6.4	2.0	5.5	4.6

## 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 9 <sup>th</sup> in the U.S.)	8.2	2.6	3.4
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
2023	Per capita disposable personal income	\$56,489	\$70,349	\$60,299

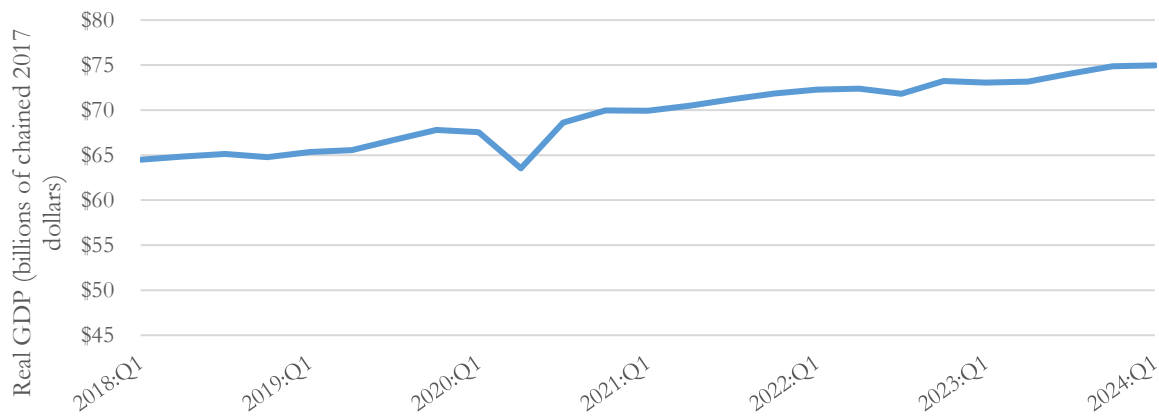
### 3 Quarterly and Monthly Indicators

#### 3.1 Gross Domestic Product (GDP)

Maine’s real GDP grew 0.6% at an annualized rate in the first quarter of 2024, ranking 36<sup>th</sup> in the U.S. (growth of 1.4%) and last in New England (growth of 1.0%). The industry sectors that contributed the most to Maine’s first quarter growth were health care and social assistance (+0.60 percentage points), retail trade (+0.27 percentage points), and agriculture, forestry, fishing and hunting (+0.18 percentage points). These gains were partially offset by declines in other industries, including educational services (-0.28 percentage points), durable goods manufacturing (-0.23 percentage points), and management of companies and enterprises (-0.16 percentage points).

2024:Q1	Maine	United States
Nominal GDP (Current dollars)	\$94.0 billion	\$28.3 trillion
Real GDP (Chained 2017 Dollars)	\$75.0 billion	\$22.8 trillion

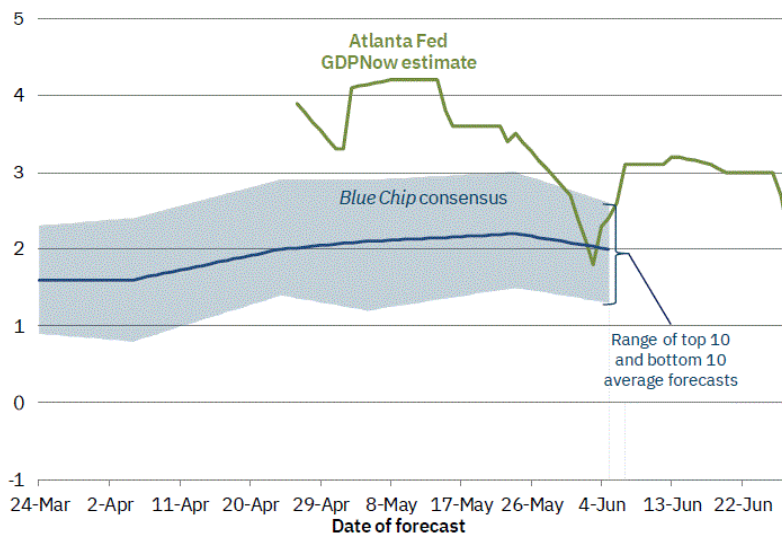
Real GDP (billions of chained 2017 dollars) - Maine



#### 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:Q2 as of June 28, is that U.S. real GDP will **increase by 2.2 percent** at an annual rate.

Evolution of Atlanta Fed GDPNow real GDP estimate for 2024: Q2  
Quarterly percent change (SAAR)

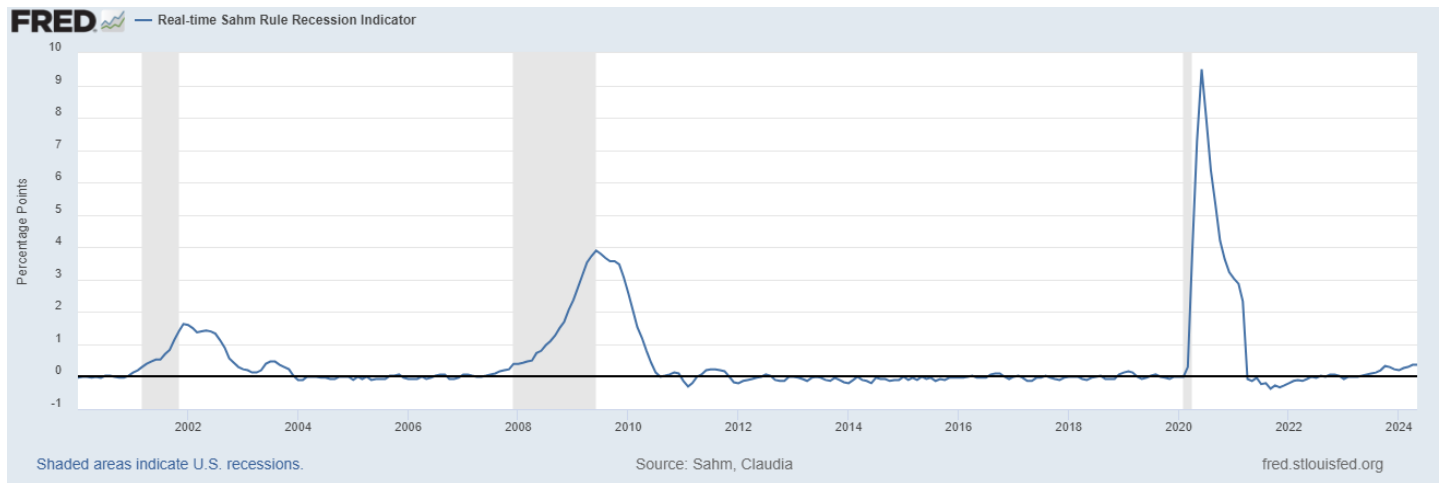


### 3.2 Recession Indicators

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.

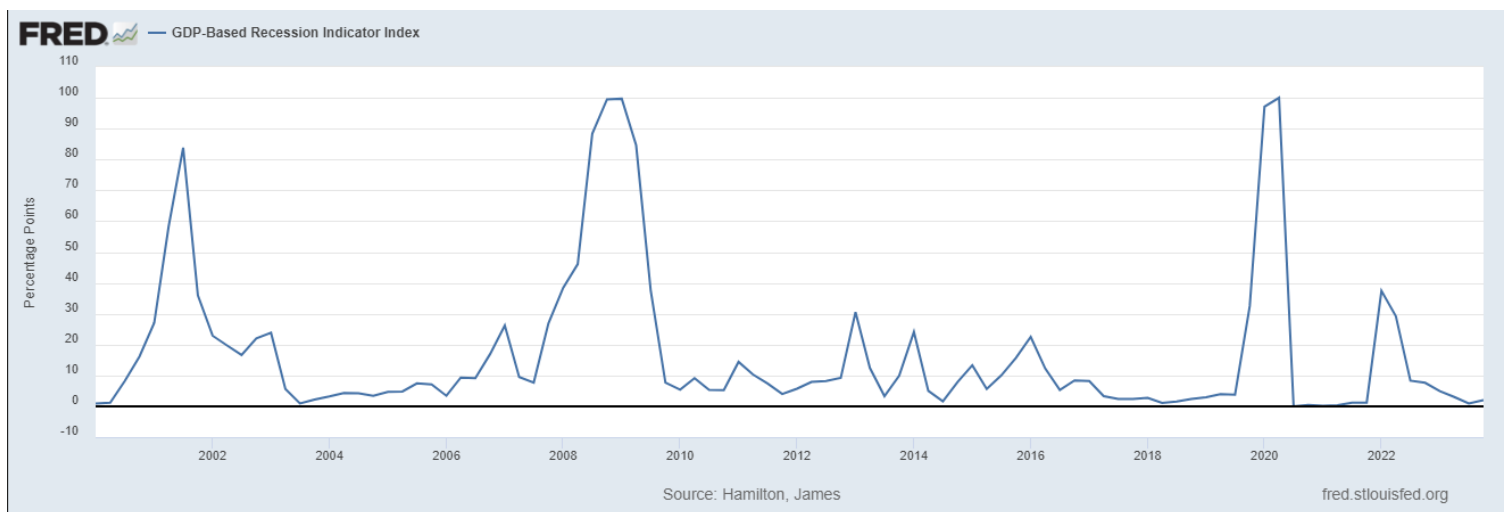
#### 3.2.1 Real-time Sahm Rule Recession Indicator

The Real-time Sahm Rule Recession Indicator<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 May 2024, this indicator showed that the three-month average of national U3 was 0.37 percentage points above its 12-month low.



#### 3.2.2 GDP-Based Recession Indicator Index

The GDP-Based Recession Indicator Index<sup>2</sup> is 2.0 percentage points (2023:Q4), up from 0.9 in the second 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.



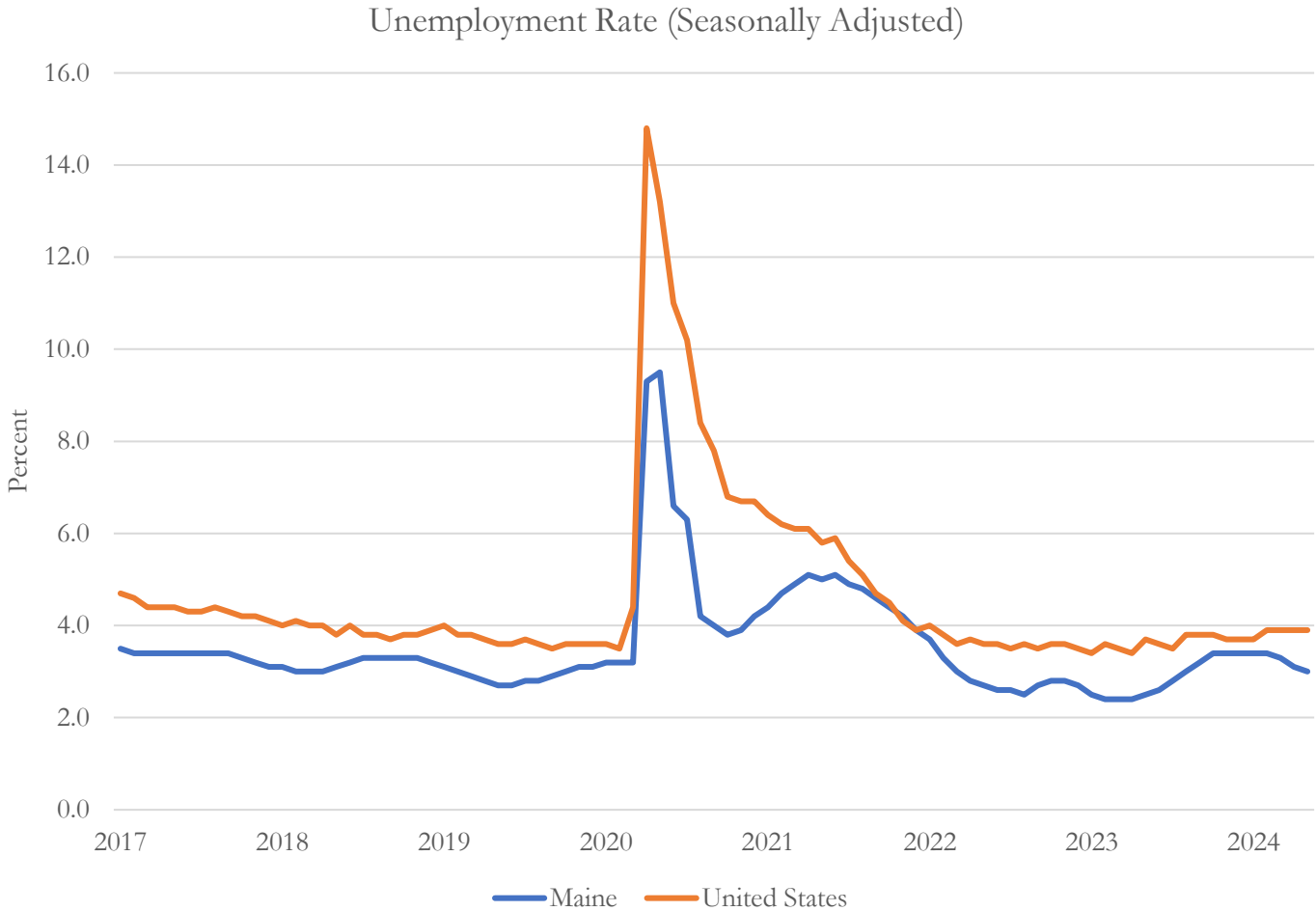
<sup>1</sup> Created by Dr. Claudia Sahm, Federal Reserve Board of Governors

<sup>2</sup> Created by Dr. James Hamilton, University of California San Diego

### 3.3 Labor Markets<sup>3</sup>

#### 3.3.1 Unemployment Rate **May 2024: 3.0%**

Maine's seasonally adjusted unemployment rate was 3.0% in May, down from 3.1% in April. Maine's 3-month average unemployment rate from March to May was 3.1%, down from 3.4% 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 3.4% in May.



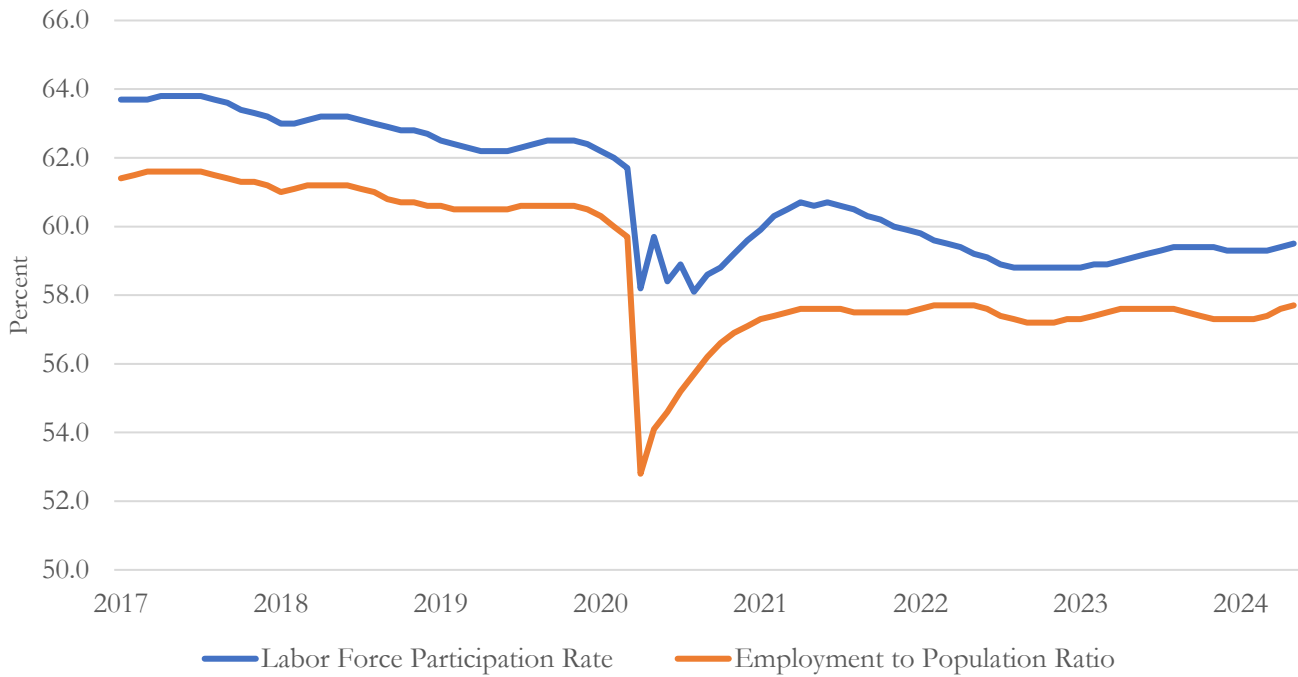
#### 3.3.2 Labor Force Participation Rate **May 2024: 59.5%**

Labor force participation (LFP) was 59.5% in May, up slightly from 59.4% in April.

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 57.7% in May, up from 57.6% in April.

<sup>3</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.

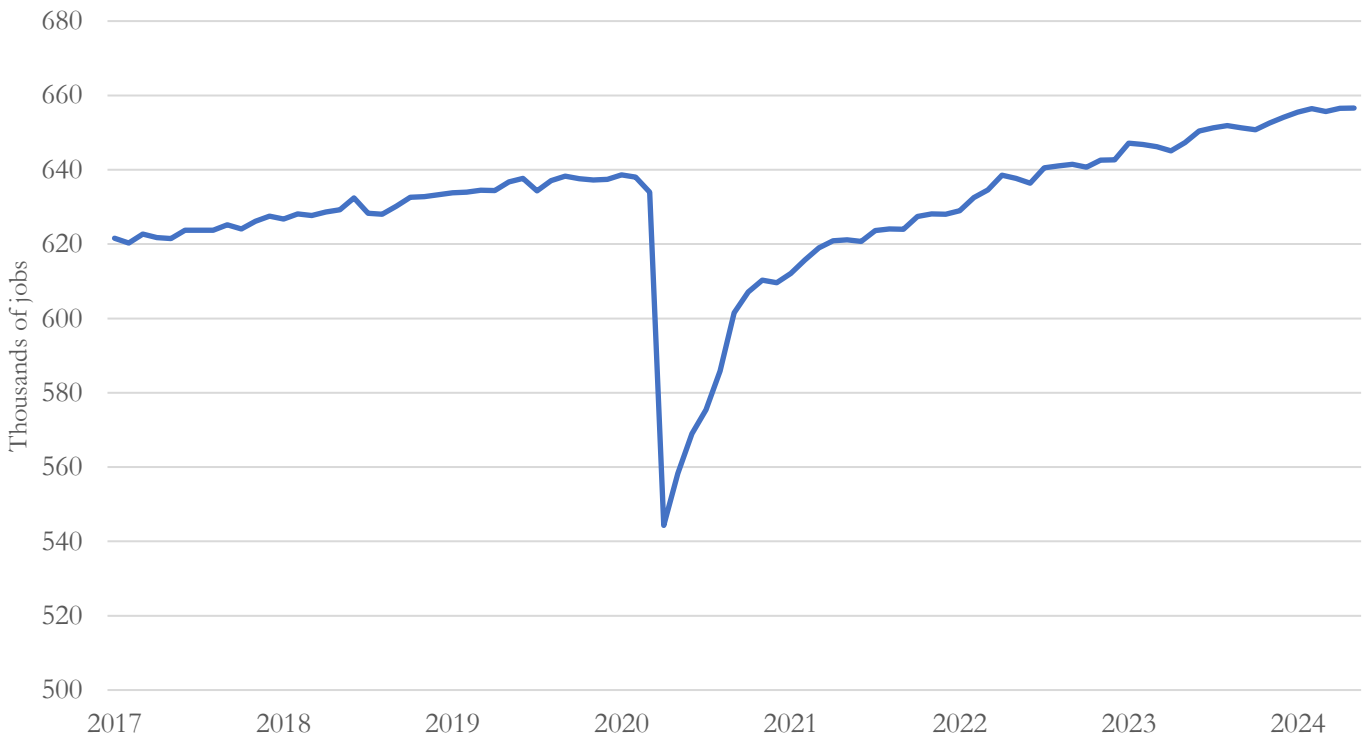
### Labor Force Participation & Employment-Population Ratio (Maine)



### 3.3.3 Total Nonfarm Payroll Job Estimates **May 2024: 656,600**

Seasonally adjusted nonfarm jobs increased by 100 to 656,600 in May. On an annual basis, nonfarm jobs are up 9,300 from May 2023. More than half of the year-over-year job gains were in healthcare and social assistance.

### Total Nonfarm Employment Maine (seasonally adjusted)





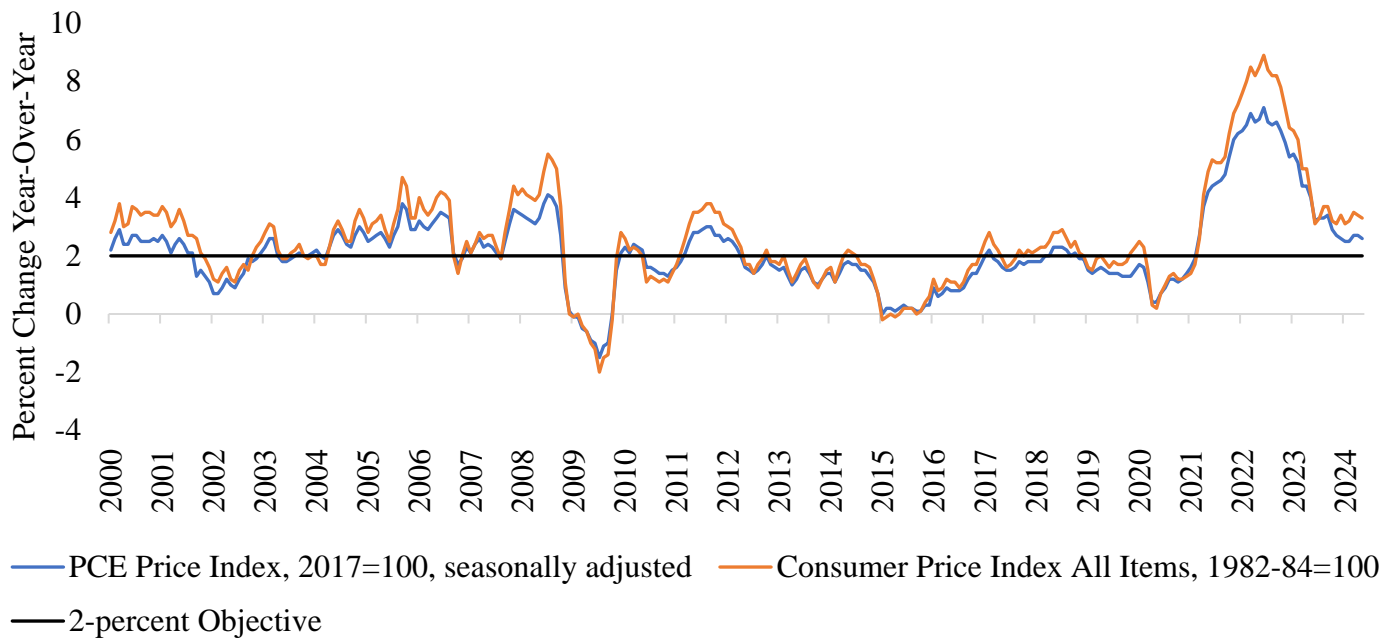
### 3.4 National inflation measures

#### 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 May the PCE price index grew by 2.6% year-over-year, down from 2.7% in April. On a monthly basis, it was flat at 0.0%. The CPI all-items index grew by 3.3% in May before seasonal adjustment, down from 3.4% in April. Growth in both indexes has decelerated since June 2022 but remains 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 3.3% year-over-year in May and was unchanged (0.0%) from a month prior. This was the **lowest monthly change in the all-items index since July 2022**. The shelter index (+0.4%) offset a decline in the gasoline index (-3.6%) during the month.

The energy index overall decreased -2.0% on a monthly basis and is up 3.7% year-over-year. The food index increased 0.1% in May and is up 2.1% year-over-year.

The core index, which excludes volatile food and energy prices, increased 0.2% from last month and is up 3.4% year-over-year.

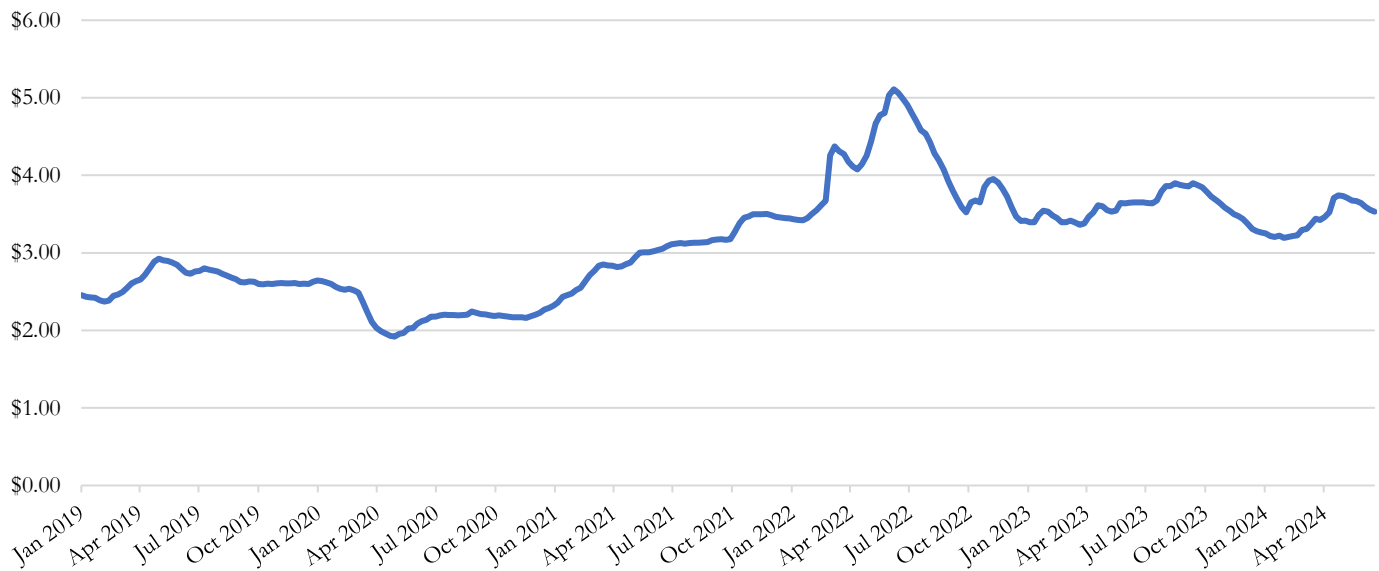
Table 1. Percent Change in Consumer Price Index by Expenditure Category	Year-Over-Year (not seasonally adjusted)		Month-Over-Month (seasonally adjusted)	
	Apr-24	May-24	Apr-24	May-24
<b>All items</b>	<b>3.4</b>	<b>3.3</b>	<b>0.3</b>	<b>0.0</b>
Food	2.2	2.1	0.0	0.1
Energy	2.6	3.7	1.1	-2.0
<i>All items less food and energy</i>	3.6	3.4	0.3	0.2
Commodities (less food and energy)	-1.3	-1.7	-0.1	0.0
Household furnishings and supplies	-2.8	-2.5	-0.4	0.0
Apparel	1.3	0.8	1.2	-0.3
Transportation commodities (less motor fuel)	-2.7	-3.9	-0.7	-0.5
Medical care commodities	2.5	3.1	0.4	1.3
Recreation commodities	-2.2	-2.3	0.0	-0.1
Education and communication commodities	-6.0	-7.4	0.1	-1.6
Alcoholic beverages	2.0	1.7	0.1	0.1
Other goods	3.6	3.4	-0.1	0.5
Services (less energy)	5.3	5.3	0.4	0.2
Shelter	5.5	5.4	0.4	0.4
Water and sewer and trash collection	5.3	4.8	0.4	0.1
Medical care services	2.7	3.1	0.4	0.3
Transportation services	11.2	10.5	0.9	-0.5
Recreation services	4.1	3.9	0.3	-0.2
Education and communication services	1.6	2.0	0.2	0.3
Other personal services	4.9	4.1	1.1	-0.3

### 3.5 Energy

#### 3.5.1 Gasoline

The average price of a gallon of gasoline in New England was \$3.53 on June 24, \$0.14 lower than a month prior and \$0.12 lower than the same week in 2023. The average price of gasoline in the month of June was down \$0.12 from May.

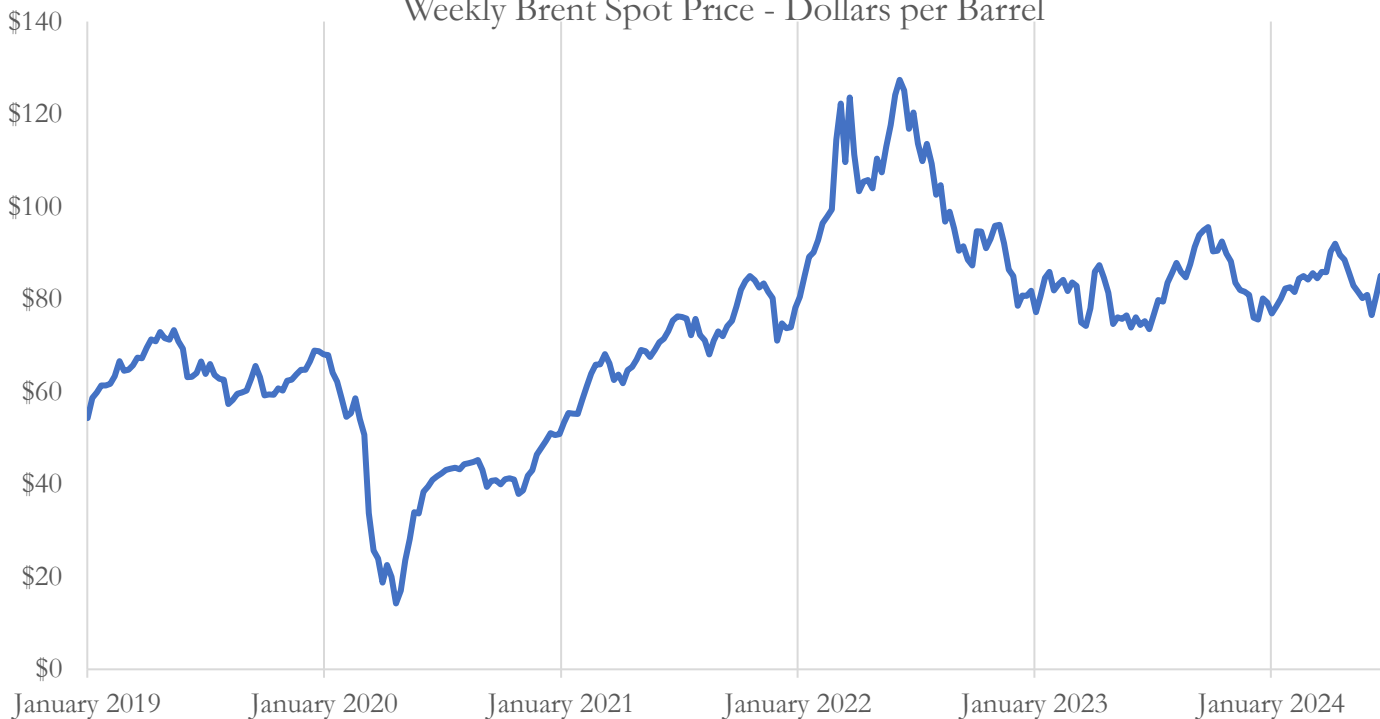
New England - All Grades and Formulations Gasoline Price Per Gallon



#### 3.5.2 Brent Spot Prices

The weekly Brent spot price averaged \$80.76 for the month of June and was at \$85.04 for the week ending June 21, 2024. The Brent spot price has increased by \$4.12 since the week ending May 31, 2024.

Weekly Brent Spot Price - Dollars per Barrel

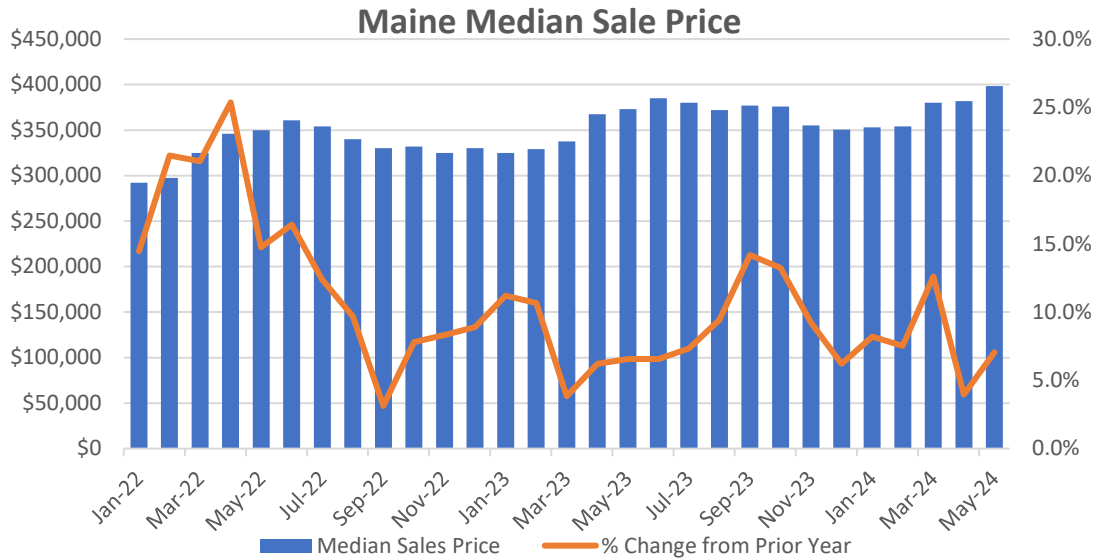


### 3.6 Housing

#### 3.6.1 Sales

Home sales increased statewide by 4% in May 2024 compared to May 2023. The median sale price in Maine was \$398,250, an increase of 4.3% from April and an increase of 7.1% year-over-year.

Over the past three months, nine counties had increases in homes sold compared to a year ago, six had decreases, and one had no change. All counties except Washington (-4%) had increases in median sale price, ranging from +1.8% in Aroostook to +30.7% in Piscataquis. There is more volatility in the median price data for small counties since there are fewer home sales, so it is important to also consider longer term trends at the county level.

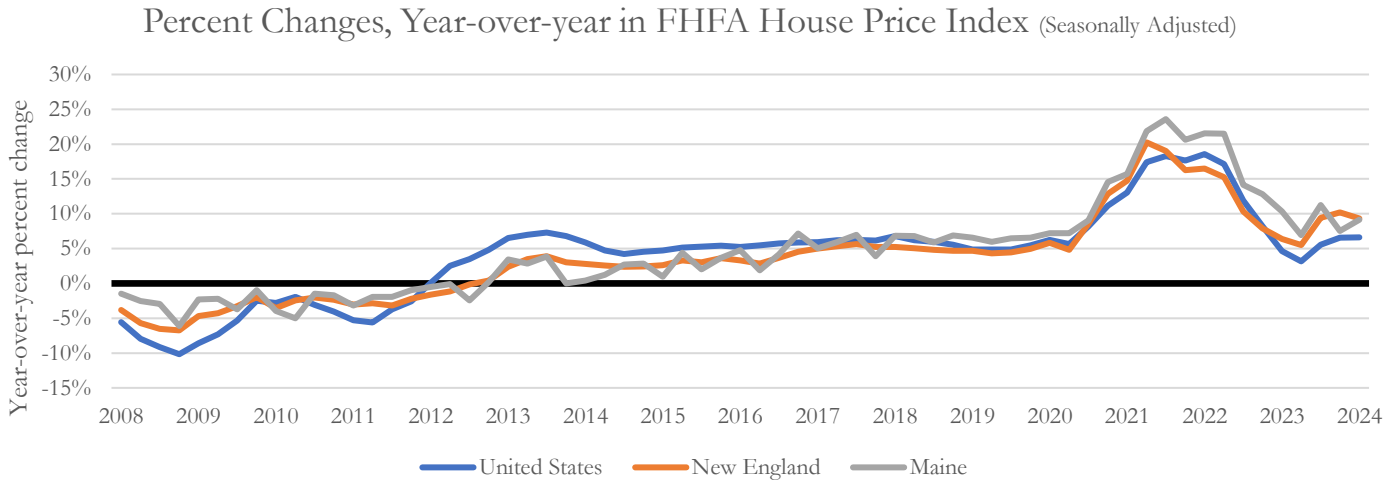


March 1, 2024 – May 31, 2024 Home Sales				
Geography	No. of Units Sold	One Year Change (Units)	Median Sale Price	One Year Change (Price)
Androscoggin	235	29.8%	\$329,000	8.4%
Aroostook	132	-16.5%	\$158,300	1.8%
Cumberland	583	-2.4%	\$570,000	6.2%
Franklin	78	0.0%	\$294,950	19.4%
Hancock	154	23.2%	\$385,000	6.7%
Kennebec	250	-4.9%	\$315,000	5.0%
Knox	125	45.4%	\$475,000	5.6%
Lincoln	80	17.7%	\$395,000	6.3%
Oxford	157	3.3%	\$325,000	5.5%
Penobscot	314	11.0%	\$276,000	10.4%
Piscataquis	68	3.0%	\$236,500	30.7%
Sagadahoc	72	-1.4%	\$434,750	14.4%
Somerset	90	-15.9%	\$222,500	6.0%
Waldo	82	34.4%	\$377,750	23.9%
Washington	71	-10.1%	\$217,000	-4.0%
York	510	24.4%	\$508,500	6.7%
<b>Maine</b>	<b>3,001</b>	<b>7.7%</b>	<b>\$387,000</b>	<b>8.3%</b>

### 3.6.2 House Price Index

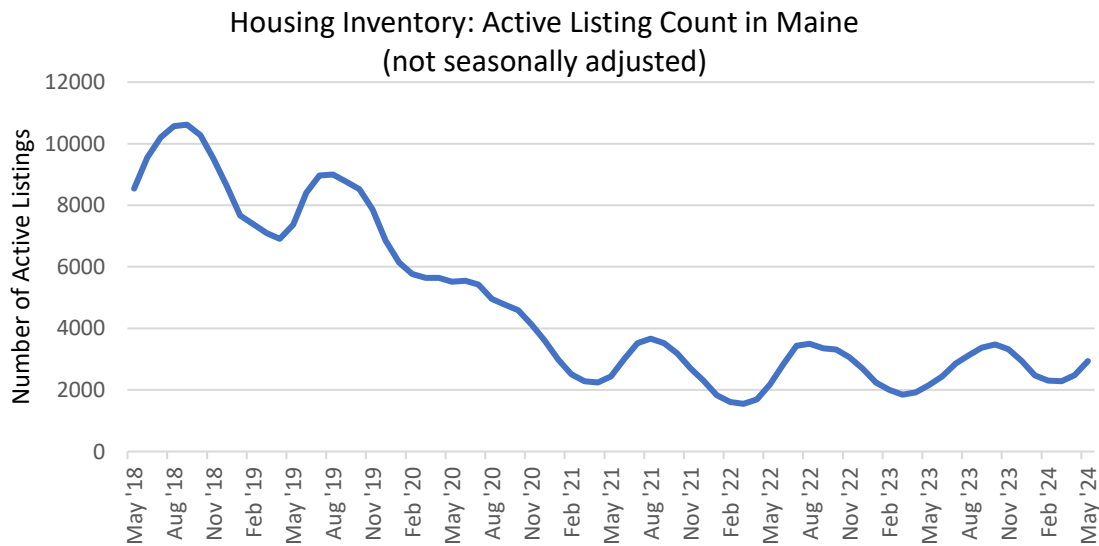
In the first quarter of 2024, Maine’s year-over-year growth in the house price index (HPI)<sup>4</sup> was 9.1% (seasonally adjusted), 10<sup>th</sup> in the nation for year-over-year growth and third in New England, after Vermont (1<sup>st</sup> in the nation) and New Hampshire (9<sup>th</sup> in the nation). Maine and New England have had faster growth than the U.S. since for more than a year. On a seasonally adjusted quarterly basis, Maine’s HPI increased 3.6% from the fourth quarter of 2023 compared to growth of 1.7% in New England and 1.1% in the U.S.

Reference Period		Maine	New England	United States
2023:Q1-2024:Q1	HPI percent change from previous year	9.1%	9.3%	6.5%



### 3.6.3 Inventory

There were 2,942 active listings of single-family and condo homes in Maine in May. 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 though there has been improvement since October 2023. The number of active listings in May 2024 was up 36% from May 2023, but down 60% from five years ago (May 2019).



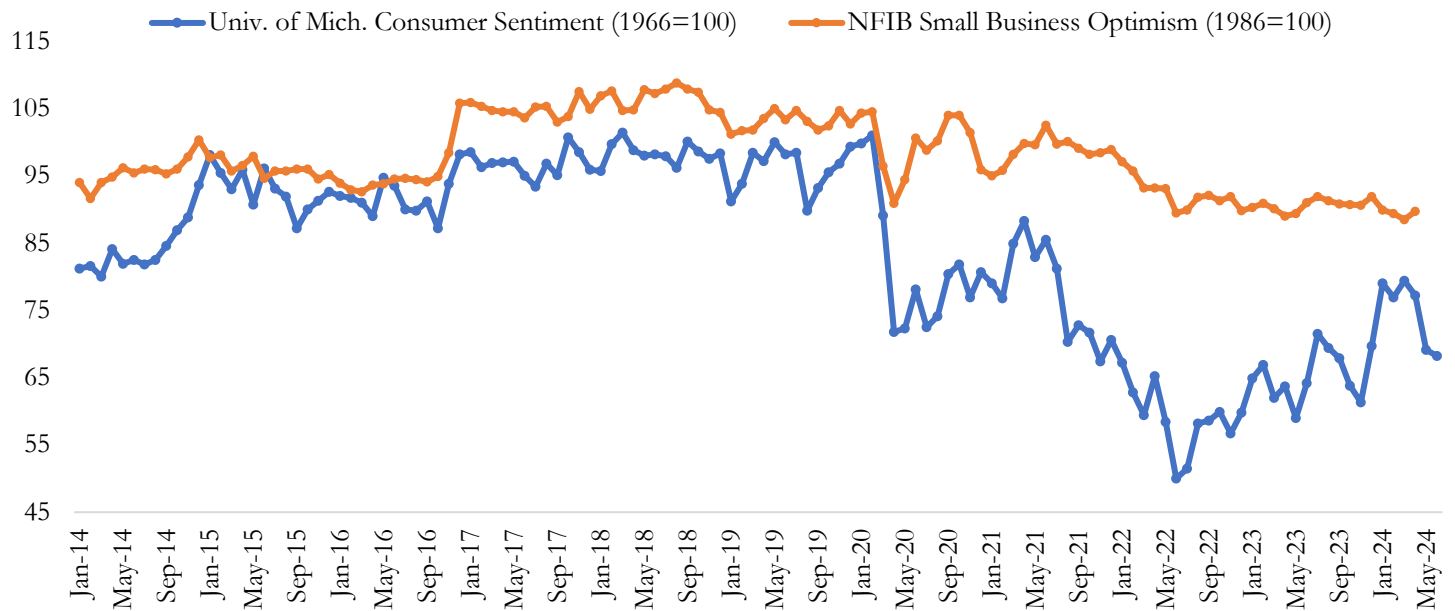
<sup>4</sup> According to the Federal Housing Finance Agency (FHFA), the HPI “measures average price changes in repeat sales or refinancing on the same properties.”

### 3.7 Sentiment

The **Index of Consumer Sentiment** from the University of Michigan was little changed in June from the prior month. (A slight decline of 1.3% in the index was not considered statistically significant). Improvements in expectations around business conditions and interest rates were offset by concerns about high prices and weakening incomes. Consumer sentiment remains up 6.2% compared to June 2023.

The **Small Business Optimism Index**, as measured by the National Federation of Independent Businesses, was up 0.9% in May, reaching its highest level of 2024. While the index is up 1.2% over the past 12 months, it remains well below the historical average. Inflation remains the top concern for small business owners, but there were modest improvements in other areas, including the number of businesses planning to hire additional employees.

Consumer Sentiment and Small Business Optimism Indexes

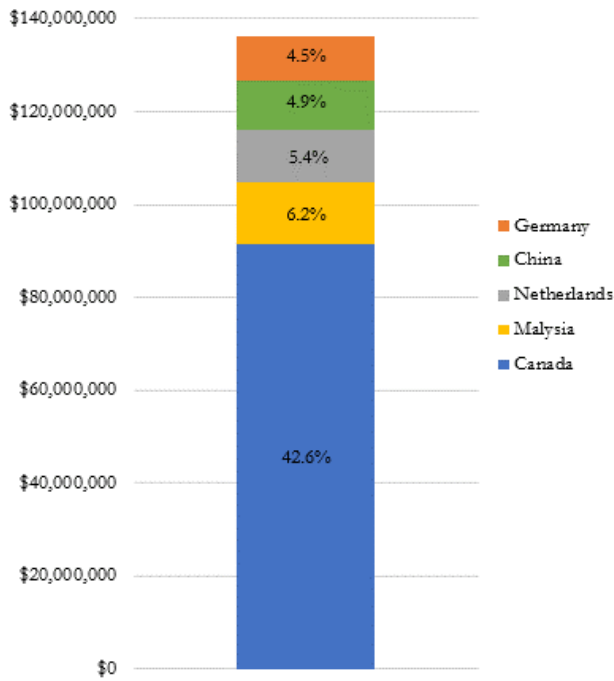


### 3.8 Trade Outlook

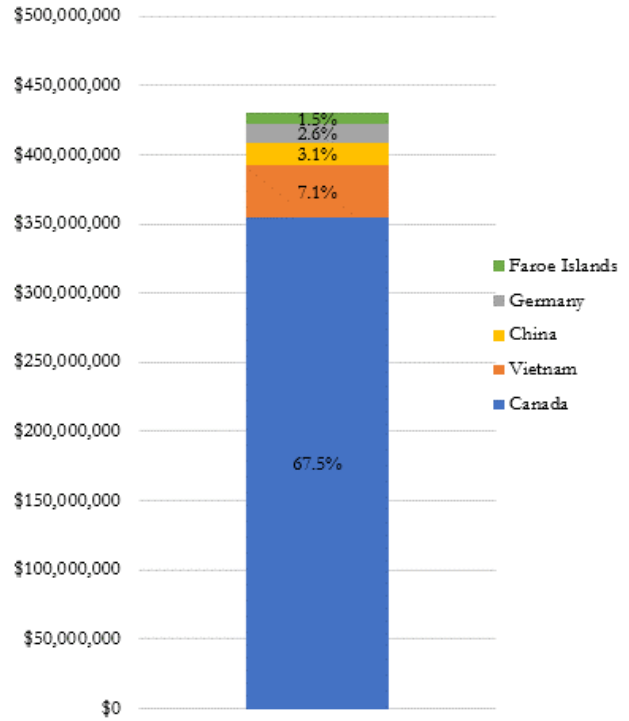
#### 3.8.1 Exports and trade partners

In April 2024, total exports were down 14.9% in Maine, up 1.9% in New England, and up 5.7% nationwide compared to April 2023. Year-over-year exports have been volatile since early 2021. Maine's top trade partner was Canada, which accounted for 68% of imports and 43% of exports. Paper (\$34 million), computer and electronic products (\$32 million), and transportation equipment (\$24 million) were Maine's top exports.

Value of exports to top 5 export partners

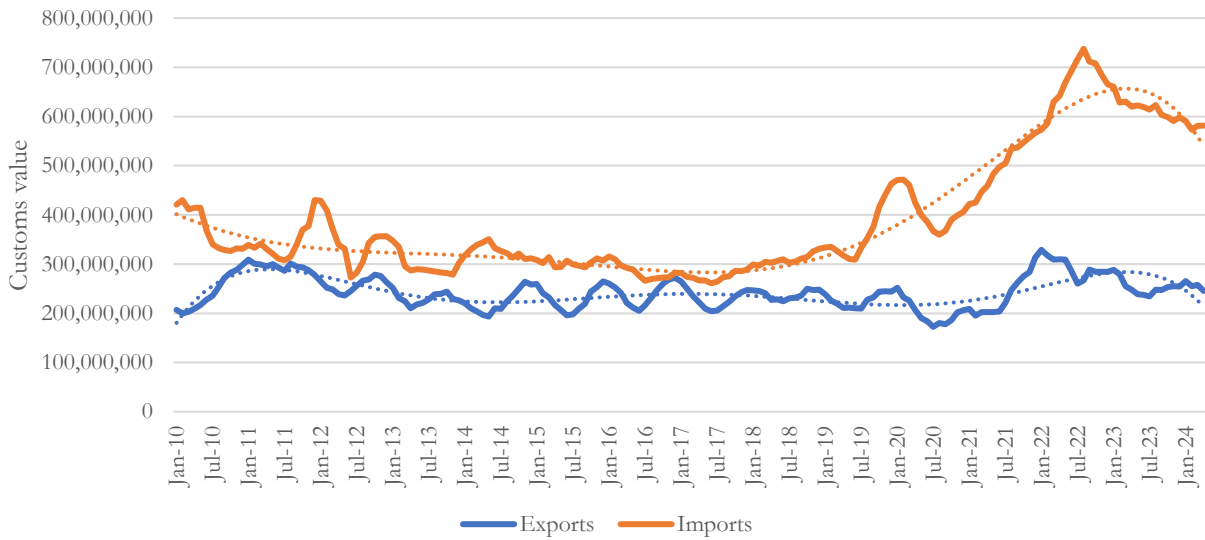


Value of imports from top 5 import partners



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 -\$336 million as of April 2024.

Maine exports vs. imports, 6-month moving average



## 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.	2023	December 19, 2023
<a href="#">Net migration: total and percent change</a>	Census Bureau – Pop. Ests.	2023	December 19, 2023
<a href="#">Median age</a>	Census Bureau – ACS 1-year	2022	September 14, 2023
<a href="#">Educational attainment</a>	Census Bureau – ACS 1-year	2022	September 14, 2023
<a href="#">Poverty level</a>	Census Bureau – ACS 1-year	2022	September 14, 2023
<a href="#">Income</a>	Census Bureau – ACS 1-year	2022	September 14, 2023
<a href="#">Per capita personal consumption expenditure</a>	U.S. Bureau of Economic Analysis	2022	October 4, 2023
<a href="#">Per capita disposable personal income</a>	U.S. Bureau of Economic Analysis	2023	March 29, 2024
<a href="#">Average earnings per job</a>	U.S. Bureau of Economic Analysis	2022	March 29, 2024
<a href="#">Gross domestic product</a>	U.S. Bureau of Economic Analysis	2024:Q1	June 28, 2024
<a href="#">GDPNow</a>	Atlanta Fed	2024:Q2	June 28, 2024
<a href="#">Real-time Sahm Rule Recession Indicator</a>	Sahm, Claudia/FRED	May 2024	June 7, 2024
<a href="#">GDP-Based Recession Indicator Index</a>	Hamilton, James/FRED	2023:Q4	April 25, 2024
<a href="#">Personal income: total, per capita, and wages and salaries</a>	U.S. Bureau of Economic Analysis	2024: Q1	June 28, 2024
<a href="#">Unemployment rate</a>	U.S. Bureau of Labor Statistics	May 2024	June 25, 2024
<a href="#">Labor force participation</a>	U.S. Bureau of Labor Statistics	May 2024	June 25, 2024
<a href="#">Nonfarm payroll job estimates</a>	U.S. Bureau of Labor Statistics	May 2024	June 25, 2024
<a href="#">Consumer Price Index</a>	U.S. Bureau of Labor Statistics	May 2024	June 12, 2024
<a href="#">PCE Price Index</a>	U.S. Bureau of Economic Analysis/FRED	May 2024	June 28, 2024
<a href="#">Brent Spot Prices</a>	Energy Information Administration	June 21, 2024	June 26, 2024
<a href="#">Gasoline</a>	Energy Information Administration	June 24, 2024	June 24, 2024
<a href="#">House price index</a>	Federal Housing Finance Agency	2024:Q1	May 28, 2024
<a href="#">Housing: Units and Median Sale Price</a>	Maine Association of REALTORS®	Mar. 2024 - May 2024	June 21, 2024
<a href="#">Housing Inventory – Active Listing Count in Maine</a>	Realtor.com via FRED	May 2024	June 4, 2024
<a href="#">Index of Consumer Sentiment</a>	University of Michigan Survey of Consumers	June 2024	June 28, 2024
<a href="#">Small Business Optimism Index</a>	National Federation of Independent Businesses	May 2024	June 11, 2024
<a href="#">Imports &amp; Exports</a>	USA Trade Online	April 2024	June 6, 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.

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

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 (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.

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.