

Quarterly Economic Summary

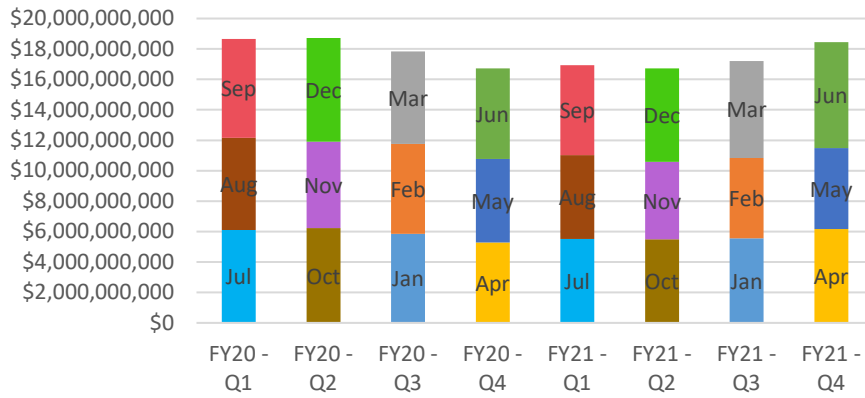
New Mexico



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Prepared by: Joel Salas, Economist; Ryan Eustice, Economist

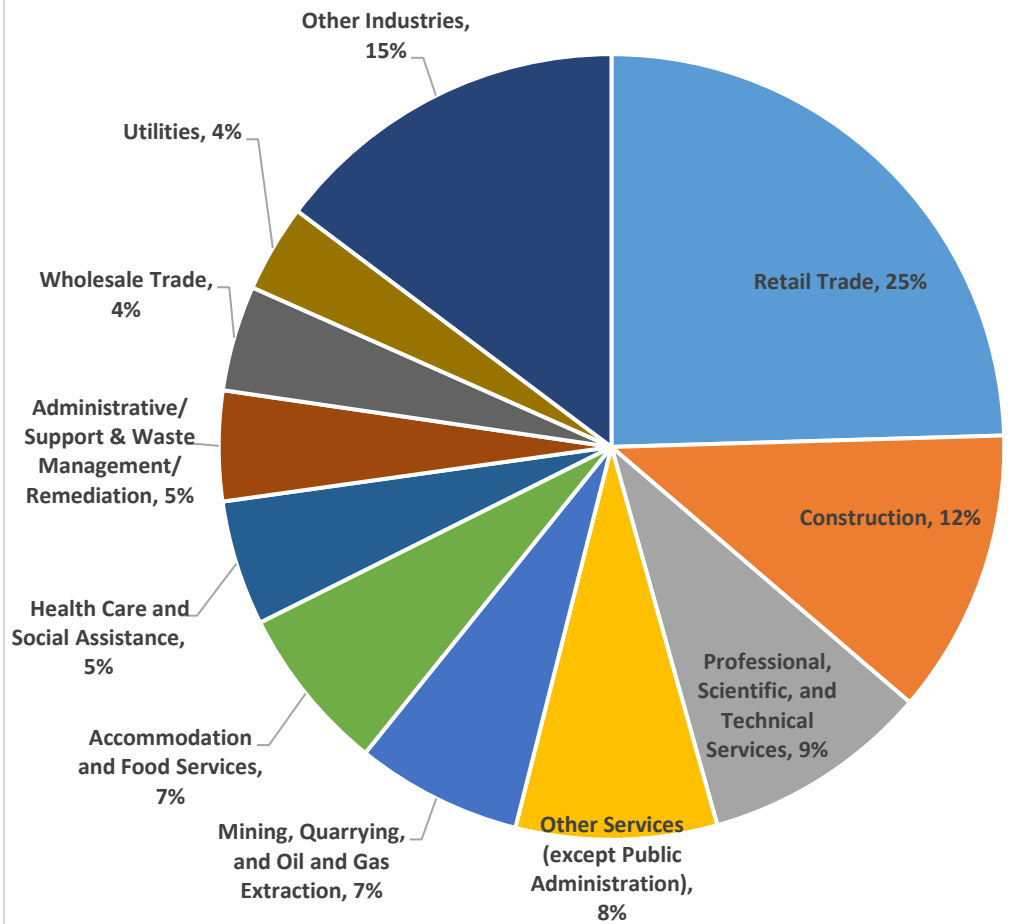
Chart 1. Matched Taxable Gross Receipts Per Quarter



New Mexico's total matched taxable gross receipts (MTGR) increased by 7.1% from Q3 to Q4 in FY21. June 2021 had the highest total monthly MTGR the state has seen (\$6.9B). Q3 FY21 was the third largest quarter, in terms of MTGR, trailing behind Q1 and Q2 of FY20 only. The continued easing of business restrictions due to COVID-19, as well as pent-up consumer demand, are likely the main factors in June's and the quarter's performance. The retail trade industry continues to remain the largest contributor to MTGR in NM, reporting a

16% year-over-year (YoY) increase in Q4 FY21 and the largest YoY dollar increase (\$631M) shown in Table 1. The arts, entertainment and recreation industry saw the highest YoY percent change in Q4 FY21, increasing by 164%. However, the industry has not fully recovered from the impact of the pandemic as evidenced by two-year percent decline of 15% when comparing Q4 FY21 to, pre-pandemic, Q4 FY19. Gross Domestic Product (GDP) has increased by \$6.6B from its lowest point of the pandemic in Q4 FY20 to Q3 FY21.

Chart 2. FY21 - Q3 Industry Size by Matched Taxable Gross Receipts



Matched Taxable Gross Receipts (MTGR) are the best tax data available to show underlying economic activity. The data collection process matches a tax payment with reported receipts for each taxpayer by industry.

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Table 1. FY21 - Q4 Matched Taxable Gross Receipts by Industry

Industries	FY21 - Q4	YOY Growth	YOY % Change	2-Year % Change
Accommodation and Food Services	\$ 1,260,490,245	\$ 418,444,022	50%	3%
Administrative/Support & Waste Management/Remediation	\$ 834,992,615	\$ 112,208,630	16%	4%
Agriculture, Forestry, Fishing, and Hunting	\$ 44,542,468	\$ 12,886,766	41%	48%
Arts, Entertainment, and Recreation	\$ 82,937,100	\$ 51,465,604	164%	-15%
Construction	\$ 2,161,631,746	\$ (405,832,361)	-16%	8%
Educational Services	\$ 100,010,444	\$ 34,821,499	53%	37%
Finance and Insurance	\$ 119,519,244	\$ 25,021,778	26%	32%
Health Care and Social Assistance	\$ 949,571,644	\$ 90,943,453	11%	13%
Information	\$ 510,279,900	\$ (254,140,587)	-33%	-23%
Management of Companies and Enterprises	\$ 11,888,374	\$ 2,181,160	22%	21%
Manufacturing	\$ 630,019,815	\$ 175,404,538	39%	7%
Mining, Quarrying, and Oil and Gas Extraction	\$ 1,260,668,806	\$ 126,082,748	11%	-25%
Other Services (except Public Administration)	\$ 1,524,905,659	\$ 173,191,338	13%	14%
Professional, Scientific, and Technical Services	\$ 1,729,220,727	\$ 161,825,752	10%	13%
Public Administration	\$ 224,530,676	\$ 37,633,167	20%	11%
Real Estate and Rental and Leasing	\$ 496,512,979	\$ 101,049,085	26%	5%
Retail Trade	\$ 4,519,434,836	\$ 631,001,257	16%	29%
Transportation and Warehousing	\$ 247,213,652	\$ 35,573,115	17%	-6%
Unclassified Establishments	\$ 260,246,543	\$ 46,379,212	22%	64%
Utilities	\$ 663,942,414	\$ (27,194,358)	-4%	7%
Wholesale Trade	\$ 799,759,116	\$ 169,629,781	27%	-14%
All Industries	\$ 18,437,719,315	\$ 1,723,975,913	10%	8%

A significant increase in initial unemployment claims can be an early indicator of an economic downturn, and a reduction can be an early sign of an upturn. However, these numbers are also impacted by seasonal job fluctuations, federal government shutdowns resulting in temporary employee furloughs, or the closing of a major regional facility. The current unprecedented uptick in initial unemployment claims is clearly tied directly to the COVID-19 pandemic. As vaccination levels and other health indicators continue to improve and result in lessened health concerns and fewer business restrictions, these claims should decline, but it is impossible to predict how quickly employment numbers will return to pre-COVID-19 levels.

Chart 3. Monthly Matched Taxable Gross Receipts

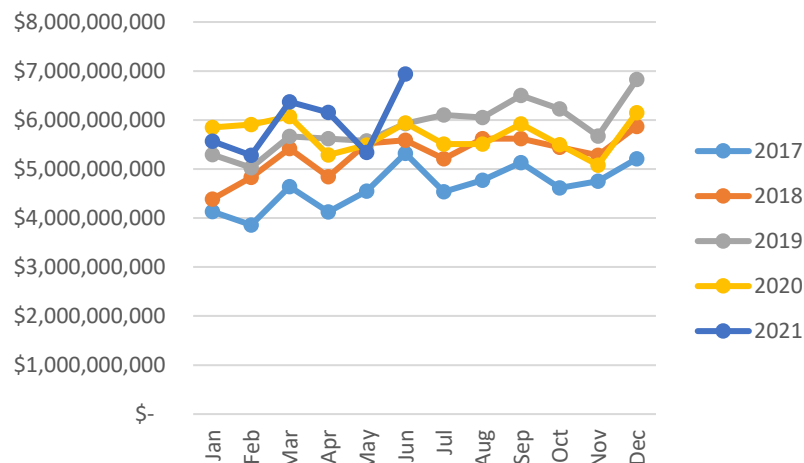
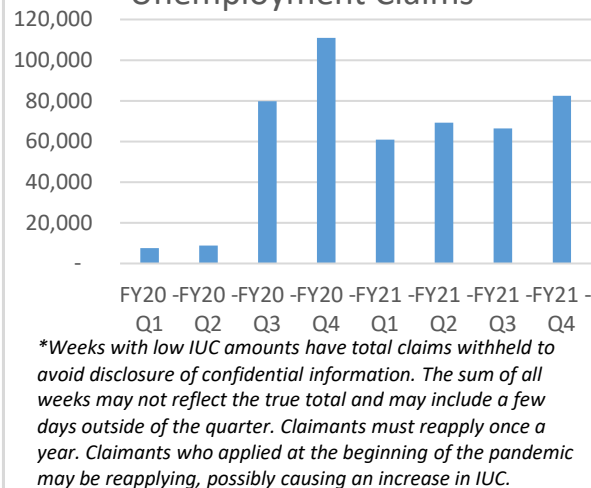


Chart 4. Quarterly Initial Unemployment Claims



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Chart 5. Quarterly Average Total Employment & Weekly Wage

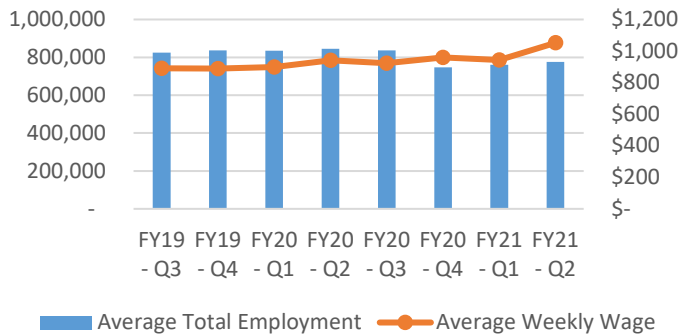
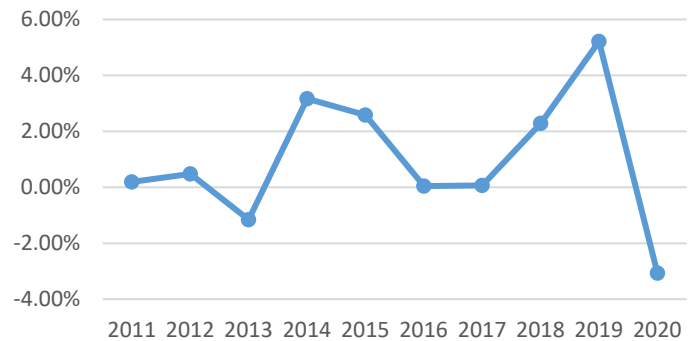


Chart 7. Calendar Year % Change In Real GDP Year Over Year



The value of all goods and services produced in New Mexico is the **Gross Domestic Product (GDP)**. The percentage that GDP grew (or shrank) from one period to another is an important way for the state to gauge how the economy is performing.

Chart 7. Gross Domestic Product Per Quarter

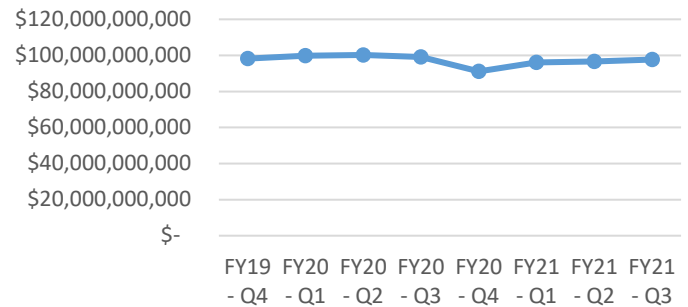


Table 2. Gross Domestic Product by Industry

Industry	FY20 - Q3	FY21 - Q3	Growth	Year Over Year Change
Private Industries	\$ 78,252,900,000	\$ 76,963,700,000	\$ (1,289,200,000)	-2%
Accommodation and Food Services	\$ 2,696,500,000	\$ 2,565,400,000	\$ (131,100,000)	-5%
Administrative/Support & Waste Management/Remediation	\$ 2,546,300,000	\$ 2,703,300,000	\$ 157,000,000	6%
Agriculture, Forestry, Fishing, and Hunting	\$ 2,189,600,000	\$ 1,745,800,000	\$ (443,800,000)	-20%
Arts, Entertainment, and Recreation	\$ 639,000,000	\$ 515,200,000	\$ (123,800,000)	-19%
Construction	\$ 3,121,300,000	\$ 3,114,100,000	\$ (7,200,000)	0%
Educational Services	\$ 509,800,000	\$ 461,400,000	\$ (48,400,000)	-9%
Finance and Insurance	\$ 2,464,500,000	\$ 2,760,500,000	\$ 296,000,000	12%
Health Care and Social Assistance	\$ 6,963,800,000	\$ 6,904,100,000	\$ (59,700,000)	-1%
Information	\$ 2,665,400,000	\$ 2,709,300,000	\$ 43,900,000	2%
Management of Companies and Enterprises	\$ 657,100,000	\$ 709,200,000	\$ 52,100,000	8%
Manufacturing	\$ 4,809,600,000	\$ 4,849,700,000	\$ 40,100,000	1%
Manufacturing (Durable Goods)	\$ 2,020,700,000	\$ 2,095,600,000	\$ 74,900,000	4%
Manufacturing (Nondurable Goods)	\$ 2,817,700,000	\$ 2,774,700,000	\$ (43,000,000)	-2%
Mining, Quarrying, and Oil and Gas Extraction	\$ 17,771,900,000	\$ 14,588,700,000	\$ (3,183,200,000)	-18%
Other Services (except Public Administration)	\$ 1,851,900,000	\$ 1,680,100,000	\$ (171,800,000)	-9%
Professional, Scientific, and Technical Services	\$ 7,282,400,000	\$ 7,430,400,000	\$ 148,000,000	2%
Public Administration	\$ 20,923,800,000	\$ 20,868,600,000	\$ (55,200,000)	0%
Real Estate and Rental and Leasing	\$ 11,549,200,000	\$ 11,666,800,000	\$ 117,600,000	1%
Retail Trade	\$ 5,423,400,000	\$ 5,665,400,000	\$ 242,000,000	4%
Transportation and Warehousing	\$ 2,349,700,000	\$ 2,018,600,000	\$ (331,100,000)	-14%
Utilities	\$ 1,565,900,000	\$ 1,535,400,000	\$ (30,500,000)	-2%
Wholesale Trade	\$ 2,976,700,000	\$ 3,016,600,000	\$ 39,900,000	1%
All Industries	\$ 99,030,800,000	\$ 97,736,000,000	\$ (1,294,800,000)	-1%

SOURCES: NEW MEXICO TAXATION AND REVENUE DEPT, NEW MEXICO DEPARTMENT OF WORKFORCE SOLUTIONS, U.S. BUREAU OF LABOR STATISTICS, U.S. BUREAU OF ECONOMIC ANALYSIS AND EDD CALCULATIONS