

Quarterly Economic Summary

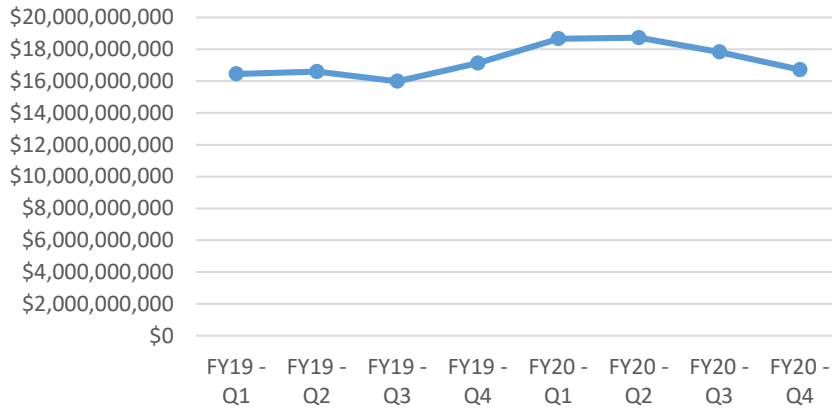
New Mexico

Released: August 2020



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

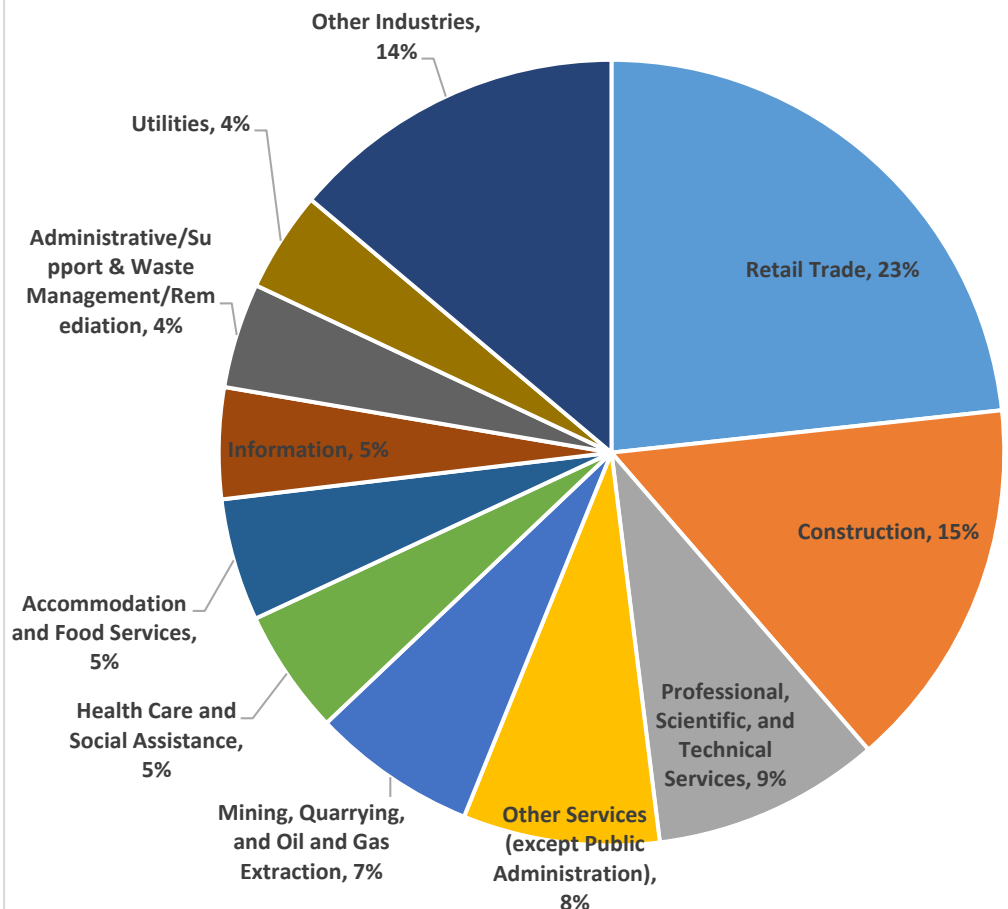
Chart 1. Matched Taxable Gross Receipts Per Quarter



New Mexico's total matched taxable gross receipts (MTGR) saw a 6% (\$1.1B) decrease from Q3 to Q4 of FY20, as seen in Chart 1. New Mexico's MTGR generally experience a seasonal low in the third quarter of the fiscal year. This is the first time the state has seen a decrease in MTGR from Q3 to Q4 since FY16. Q4 FY20 saw a year over year (YOY) decrease of 2%, as seen in Table 1 on page 2. The arts, entertainment/rec industry saw the largest YOY percent decline, 68%. The oil and gas industry, along with the accommodations and food services

and wholesale trade industries saw the largest overall declines, declining by \$555.7M, \$382.7M and \$295.3M, respectively. The construction industry performed particularly well in Q4 FY20, growing by \$562.2M or 28%. The retail trade and information industries also saw notable YOY growth, increasing by \$388.6M and \$104.8M, respectively, compared to Q4 FY19.

Chart 2. FY20 - Q4 Industry Size by Matched Taxable Gross Receipts



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

Quarterly Economic Summary

New Mexico



Table 1. Matched Taxable Gross Receipts by Industry

Industry	FY19 - Q4	FY20 - Q4	Growth	Year over year Change
Accommodation and Food Services	\$ 1,224,731,183	\$ 842,046,223	\$ (382,684,959)	-31%
Administrative/Support & Waste Management/Remediation	\$ 805,848,860	\$ 722,783,985	\$ (83,064,875)	-10%
Agriculture, Forestry, Fishing, and Hunting	\$ 30,185,225	\$ 31,655,701	\$ 1,470,476	5%
Arts, Entertainment, and Recreation	\$ 98,039,450	\$ 31,471,495	\$ (66,567,955)	-68%
Construction	\$ 2,005,203,503	\$ 2,567,464,106	\$ 562,260,604	28%
Educational Services	\$ 73,158,189	\$ 65,188,945	\$ (7,969,244)	-11%
Finance and Insurance	\$ 90,214,104	\$ 94,497,466	\$ 4,283,362	5%
Health Care and Social Assistance	\$ 838,900,190	\$ 858,628,191	\$ 19,728,001	2%
Information	\$ 659,613,350	\$ 764,420,487	\$ 104,807,136	16%
Management of Companies and Enterprises	\$ 9,813,165	\$ 9,707,214	\$ (105,951)	-1%
Manufacturing	\$ 587,201,434	\$ 454,615,277	\$ (132,586,157)	-23%
Mining, Quarrying, and Oil and Gas Extraction	\$ 1,690,306,705	\$ 1,134,586,058	\$ (555,720,647)	-33%
Other Services (except Public Administration)	\$ 1,335,773,146	\$ 1,351,714,321	\$ 15,941,174	1%
Professional, Scientific, and Technical Services	\$ 1,534,696,394	\$ 1,567,394,975	\$ 32,698,581	2%
Public Administration	\$ 201,914,756	\$ 186,897,510	\$ (15,017,247)	-7%
Real Estate and Rental and Leasing	\$ 475,034,704	\$ 395,463,894	\$ (79,570,810)	-17%
Retail Trade	\$ 3,499,803,533	\$ 3,888,433,579	\$ 388,630,045	11%
Transportation and Warehousing	\$ 262,370,859	\$ 211,640,537	\$ (50,730,322)	-19%
Unclassified Establishments	\$ 159,150,633	\$ 213,867,330	\$ 54,716,697	34%
Utilities	\$ 620,942,213	\$ 691,136,772	\$ 70,194,559	11%
Wholesale Trade	\$ 925,379,879	\$ 630,129,335	\$ (295,250,544)	-32%
All Industries	\$ 17,128,281,475	\$ 16,713,743,401	\$ (414,538,074)	-2%

A significant unexplained increase in initial unemployment claims can be an early indicator of an economic downturn. Explained increases commonly include seasonal job fluctuations, federal government shutdowns resulting in employee furloughs, or the closing of a major regional facility. This unprecedented uptick in initial unemployment claims is obviously tied directly to the COVID-19 pandemic and subsequent furloughs and layoffs by affected businesses. As the phased reopening continues, it is likely the number of initial unemployment claims will flatten out and then decrease, but it is impossible to predict how quickly the employment numbers will return to pre-COVID levels.

Chart 3. Monthly Matched Taxable Gross Receipts

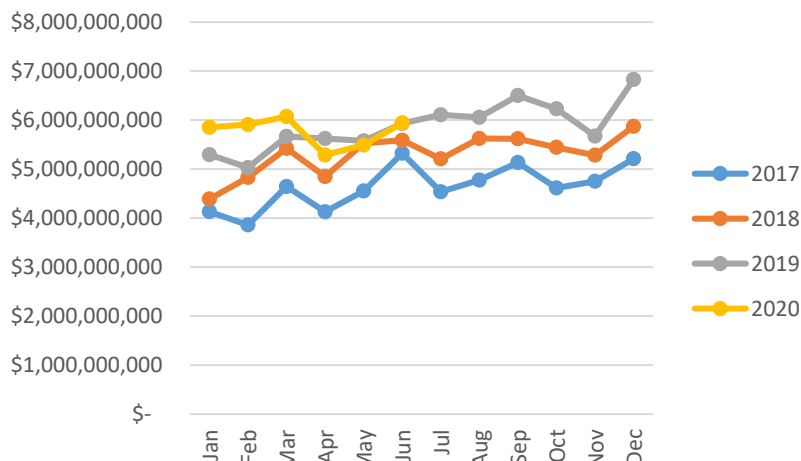
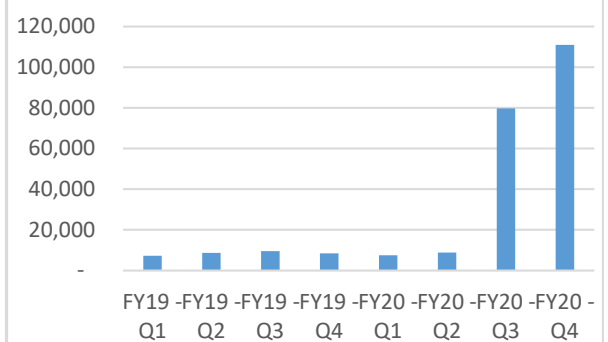


Chart 4. Quarterly Initial Unemployment Claims



*Weeks with low IUC amounts have total claims withheld to avoid disclosure of confidential information. The sum of all weeks may not reflect the true total and may include a few days outside of the quarter.

Quarterly Economic Summary

New Mexico



Chart 5. Quarterly Average Total Employment & Weekly Wage

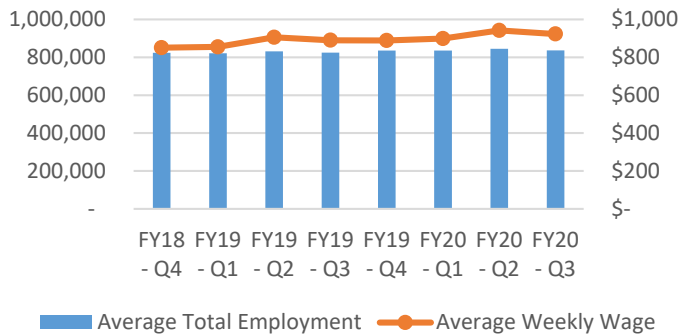


Chart 6. Calendar Year % Change In Real GDP Year Over Year

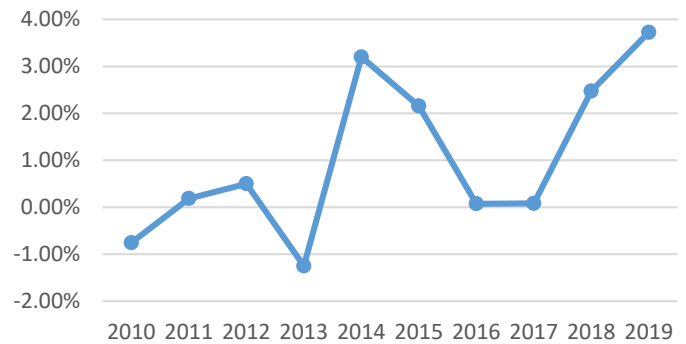
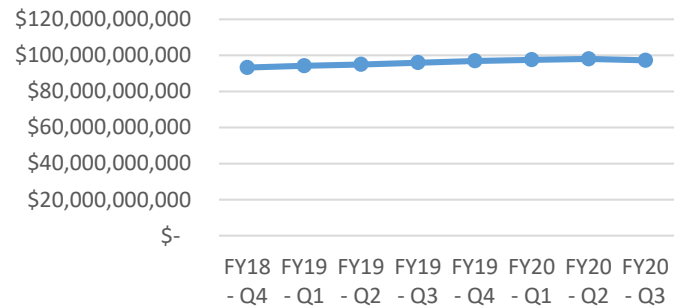


Chart 7. Gross Domestic Product Per Quarter



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.

Table 2. Gross Domestic Product by Industry

Industry	FY19 - Q3	FY20 - Q3	Growth	Year Over Year Change
Private Industries	\$ 75,924,400,000	\$ 77,038,800,000	\$ 1,114,400,000	1%
Accommodation and Food Services	\$ 2,747,200,000	\$ 2,672,900,000	\$ (74,300,000)	-3%
Administrative/Support & Waste Management/Remediation	\$ 2,483,700,000	\$ 2,530,000,000	\$ 46,300,000	2%
Agriculture, Forestry, Fishing, and Hunting	\$ 1,979,500,000	\$ 2,104,800,000	\$ 125,300,000	6%
Arts, Entertainment, and Recreation	\$ 656,600,000	\$ 600,300,000	\$ (56,300,000)	-9%
Construction	\$ 2,874,900,000	\$ 3,035,700,000	\$ 160,800,000	6%
Educational Services	\$ 485,300,000	\$ 466,900,000	\$ (18,400,000)	-4%
Finance and Insurance	\$ 2,731,000,000	\$ 2,664,400,000	\$ (66,600,000)	-2%
Health Care and Social Assistance	\$ 7,034,900,000	\$ 7,061,300,000	\$ 26,400,000	0%
Information	\$ 3,110,300,000	\$ 3,047,100,000	\$ (63,200,000)	-2%
Management of Companies and Enterprises	\$ 598,200,000	\$ 631,800,000	\$ 33,600,000	6%
Manufacturing	\$ 4,123,200,000	\$ 4,187,100,000	\$ 63,900,000	2%
Manufacturing (Durable Goods)	\$ 2,008,300,000	\$ 2,046,300,000	\$ 38,000,000	2%
Manufacturing (Nondurable Goods)	\$ 2,134,000,000	\$ 2,160,300,000	\$ 26,300,000	1%
Mining, Quarrying, and Oil and Gas Extraction	\$ 15,481,800,000	\$ 16,791,300,000	\$ 1,309,500,000	8%
Other Services (except Public Administration)	\$ 1,834,300,000	\$ 1,736,800,000	\$ (97,500,000)	-5%
Professional, Scientific, and Technical Services	\$ 6,865,800,000	\$ 6,971,800,000	\$ 106,000,000	2%
Public Administration	\$ 20,167,300,000	\$ 20,367,800,000	\$ 200,500,000	1%
Real Estate and Rental and Leasing	\$ 11,503,700,000	\$ 11,492,100,000	\$ (11,600,000)	0%
Retail Trade	\$ 5,436,000,000	\$ 5,583,200,000	\$ 147,200,000	3%
Transportation and Warehousing	\$ 2,408,200,000	\$ 2,327,100,000	\$ (81,100,000)	-3%
Utilities	\$ 1,519,300,000	\$ 1,626,800,000	\$ 107,500,000	7%
Wholesale Trade	\$ 3,037,200,000	\$ 3,064,300,000	\$ 27,100,000	1%
All Industries	\$ 95,932,800,000	\$ 97,236,300,000	\$ 1,303,500,000	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