

Quarterly Economic Summary

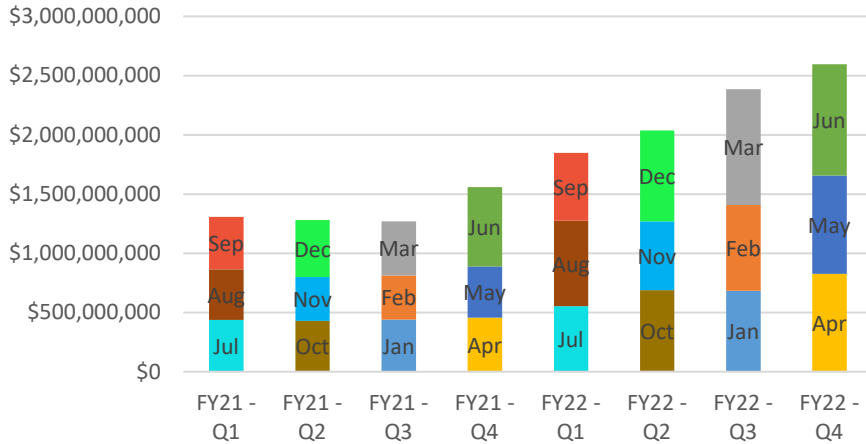
Eddy County



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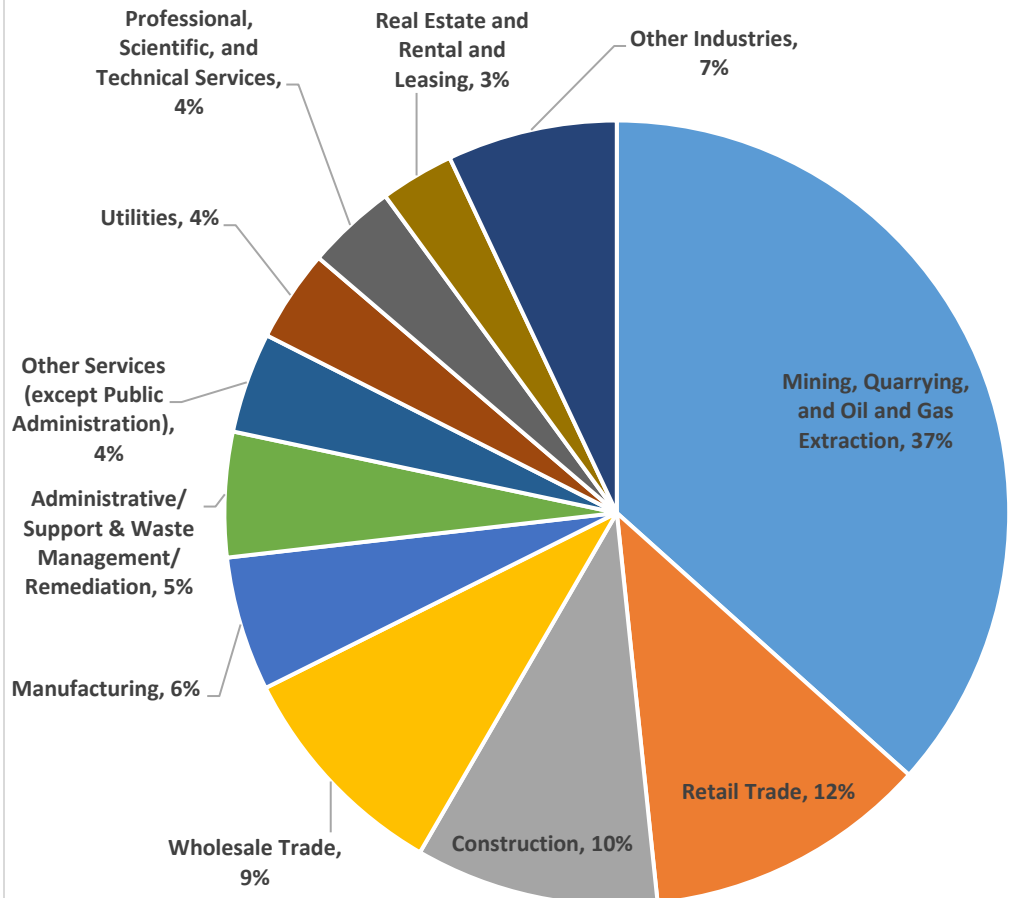
Chart 1. Matched Taxable Gross Receipts Per Quarter



Gross receipts growth across the state significantly outpaced inflation over the last year, and 31 of 33 counties saw growth during that time. The state improved from an already strong third quarter for economic growth in the fourth quarter of FY22 of 20% for all industries compared with the same quarter a year ago and an increase of 29% compared with the same quarter before the COVID-19 pandemic hit. Rising inflation and interest rates pose risks, but the outlook is for continued strong growth in New Mexico.

Eddy County's matched taxable gross receipts (MTGR) crossed a major threshold, reporting \$2.6B for Q4, the third largest amount in the entire state. Over the last sixteen quarters MTGR has averaged \$1.8B in Eddy County, \$774M less than Q4 FY22. During this time MTGR has trended slightly upward. From Q3 FY22 to Q4 FY22 MTGR increased by \$213M or nearly 9%. Table 1, on the next page, shows an increase of \$1B from Q4 in FY21 to FY22 of the same period.

Chart 2. FY22 - Q4 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. FY22 - Q4 Matched Taxable Gross Receipts by Industry

Industries	FY22 - Q4	YOY Growth	YOY % Change	%Change from FY19- Q4 (Pre-COVID)
Accommodation and Food Services	\$ 58,440,089	\$ 8,644,427	17%	-4%
Administrative/Support & Waste Management/Remediation	\$ 133,706,589	\$ (21,464,497)	-14%	36%
Agriculture, Forestry, Fishing, and Hunting	\$ 4,555,972	\$ 1,149,668	34%	182%
Arts, Entertainment, and Recreation	\$ 684,510	\$ 187,246	38%	55%
Construction	\$ 260,365,179	\$ 49,084,589	23%	-18%
Educational Services	\$ 1,654,561	\$ 188,708	13%	362%
Finance and Insurance	\$ 6,051,874	\$ 2,664,743	79%	57%
Health Care and Social Assistance	\$ 13,932,941	\$ (1,213,147)	-8%	-31%
Information	\$ 19,049,594	\$ 4,221,324	28%	-10%
Management of Companies and Enterprises	\$ 160,368	\$ 160,368	N/A	N/A
Manufacturing	\$ 143,891,697	\$ 43,313,469	43%	81%
Mining, Quarrying, and Oil and Gas Extraction	\$ 951,393,116	\$ 517,588,743	119%	72%
Other Services (except Public Administration)	\$ 107,589,631	\$ 45,357,822	73%	32%
Professional, Scientific, and Technical Services	\$ 95,957,335	\$ 48,187,340	101%	45%
Public Administration	\$ -	\$ (4,245)	-100%	N/A
Real Estate and Rental and Leasing	\$ 79,018,638	\$ 33,806,184	75%	22%
Retail Trade	\$ 304,015,568	\$ 104,558,010	52%	23%
Transportation and Warehousing	\$ 41,779,309	\$ (21,841,594)	-34%	-45%
Unclassified Establishments	\$ 35,522,193	\$ 28,751,347	425%	285%
Utilities	\$ 98,444,667	\$ 35,692,693	57%	23%
Wholesale Trade	\$ 240,917,865	\$ 159,606,204	196%	107%
All Industries	\$ 2,597,158,504	\$ 1,038,507,457	67%	37%

All but 5 industries reported a year-over-year (YOY) increase. The largest increase came from the mining, quarrying, and oil and gas extraction industry, which posted a YOY increase of \$517M or 119%. The retail trade industry posted strong YOY growth, with an increase of \$104M.

Gross receipts tax (GRT) revenue collections increased by \$2M, or 15%, from Q3 FY22 to Q4 FY22, shown in Chart 4. Over the last eight quarters, GRT revenue collections has averaged \$12.5M, \$6.3M less than the amount collected during Q4 FY22 (\$18.8M).

Chart 3. Annual Total GRT Revenue Collections

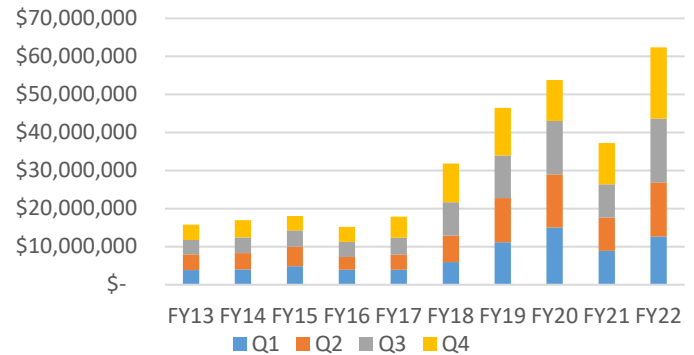


Chart 4. Quarterly GRT Revenue Collections

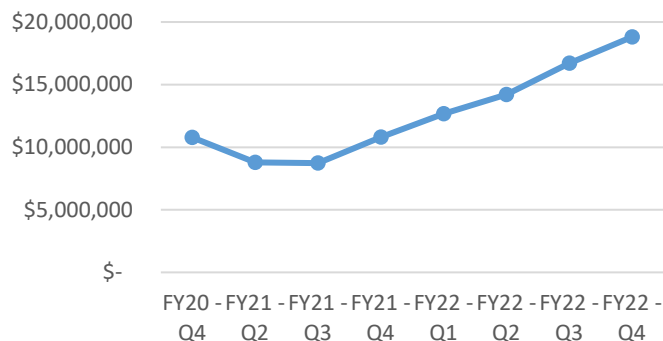
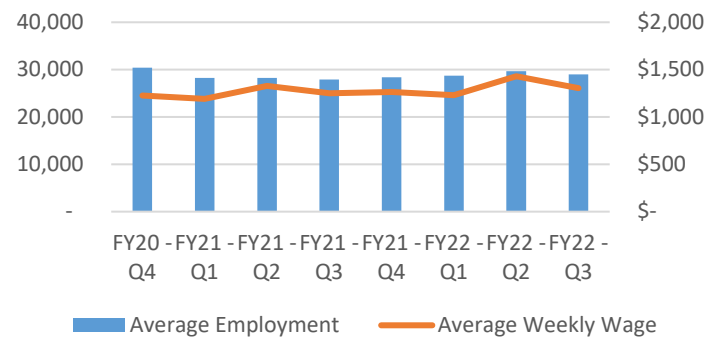


Chart 5. Total Employment & Weekly Wage

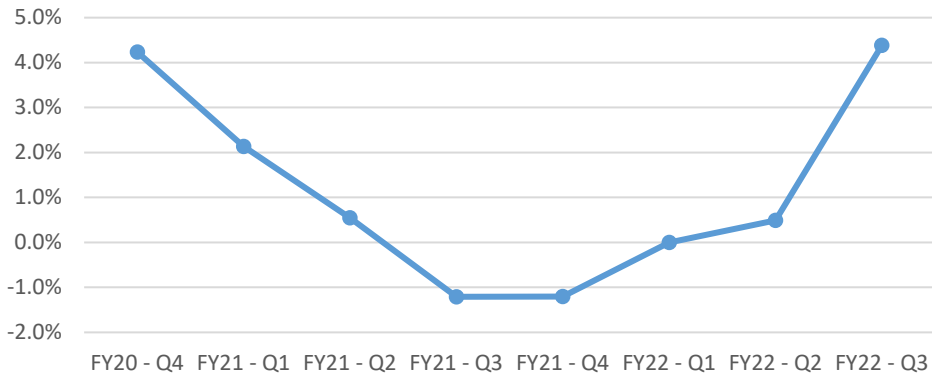


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Chart 6. Establishment Year-Over-Year % Change



An **establishment**, as used in the QCEW and subsequently Chart 6 and Table 2, is an economic unit, such as a farm, factory, or store, which produces goods or provides services at a single physical worksite and engaged, predominantly, in one type of economic activity.

The **Quarterly Census of Employment and Wages**, or the **QCEW**, used in Charts 5-6 and Table 2, produces comprehensive data on the number of establishments, monthly employment and quarterly wages for workers covered by state unemployment insurance (UI) laws and federal workers covered by the Unemployment Compensation for Federal Employees (UCFE) program. These data are aggregated to many different levels, starting at the 6-digit NAICS industry level, to higher industry levels (NAICS industry groups, sectors, and supersectors), and to higher geographic levels (MSA, state and national).

Data are based on information reported by New Mexico employers, covering 97% of nonfarm wage and salary workers. Data are published every quarter. Considered the gold standard for its reliability of industry data, the QCEW data are the most complete universe of monthly employment and quarterly wage information by detailed industry.

Table 2. FY22 - Q3 Employment Data and Establishments by Industry

Industry	Average	YOY Change in	Average	YOY change in	Number of	YOY Change in
	Employment	Average Employment	Weekly Wage	Average Weekly Wage		
Accommodation and Food Services	2,377	20.7%	\$ 461	20.7%	158	3.9%
Administrative/Support & Waste	1,457	-4.0%	\$ 1,582	-6.1%	95	11.8%
Agriculture, Forestry, Fishing, and Hunting	320	-10.9%	\$ 815	2.5%	37	0.0%
Arts, Entertainment, and Recreation	223	30.4%	\$ 689	-4.3%	22	10.0%
Construction	2,642	3.9%	\$ 1,220	8.2%	209	4.5%
Educational Services	2,064	10.2%	\$ 966	-2.7%	38	5.6%
Finance and Insurance	471	-2.7%	\$ 1,033	-0.9%	72	2.9%
Health Care and Social Assistance	2,475	2.1%	\$ 965	2.6%	161	5.9%
Information	206	10.2%	\$ 975	0.1%	21	-4.5%
Management of Companies and Enterprises	117	-5.6%	\$ 2,200	40.5%	12	-7.7%
Manufacturing	1,077	5.4%	\$ 1,660	4.9%	44	7.3%
Mining, Quarrying, and Oil and Gas Extraction	5,750	-3.1%	\$ 2,097	5.7%	292	3.5%
Other Services (except Public Administration)	830	27.3%	\$ 1,072	11.7%	155	9.2%
Professional, Scientific, and Technical Services	1,265	7.0%	\$ 1,502	8.5%	146	5.0%
Public Administration	1,245	-0.5%	\$ 1,485	0.6%	63	-1.6%
Real Estate and Rental and Leasing	508	0.2%	\$ 1,223	14.0%	93	1.1%
Retail Trade	3,308	0.5%	\$ 675	9.9%	178	4.7%
Transportation and Warehousing	1,471	5.4%	\$ 1,480	15.5%	130	2.4%
Utilities	479	2.1%	\$ 1,594	1.6%	29	0.0%
Wholesale Trade	675	23.0%	\$ 1,625	23.8%	93	4.5%
All Industries	28,960	3.8%	\$ 1,303	4.2%	2,048	4.4%

*Some data may be withheld to avoid disclosure of confidential information.