

New Hampshire ECONOMIC CONDITIONS

July 2024

Mill Buildings/Merrimack River, Manchester NH PHOTO CREDIT

Hiking Franconia Ridge, White Mountains, NH PHOTO CREDIT

Hampton Beach, Hampton NH PHOTO CREDIT

Gross Domestic Product Growth in New Hampshire

New Hampshire's gross domestic product (GDP) increased at an annualized rate of 3.3 percent in the fourth quarter of 2023, which followed 4.4 percent annualized growth in the third quarter. Prior to this, New Hampshire's GDP had stagnated, increasing just 0.6 percent over eight quarters, between the second quarter of 2021 and the second quarter of 2023.

New Hampshire's GDP increased at a rate similar to U.S. GDP. U.S. GDP growth also accelerated over the second half of 2023, growing at an annualized 4.9 percent rate in the third quarter and 3.4 percent in the fourth quarter. U.S. GDP growth slowed in the first quarter of 2024 to an annualized 1.3 percent increase. (State GDP growth estimates for the first quarter are not yet available).

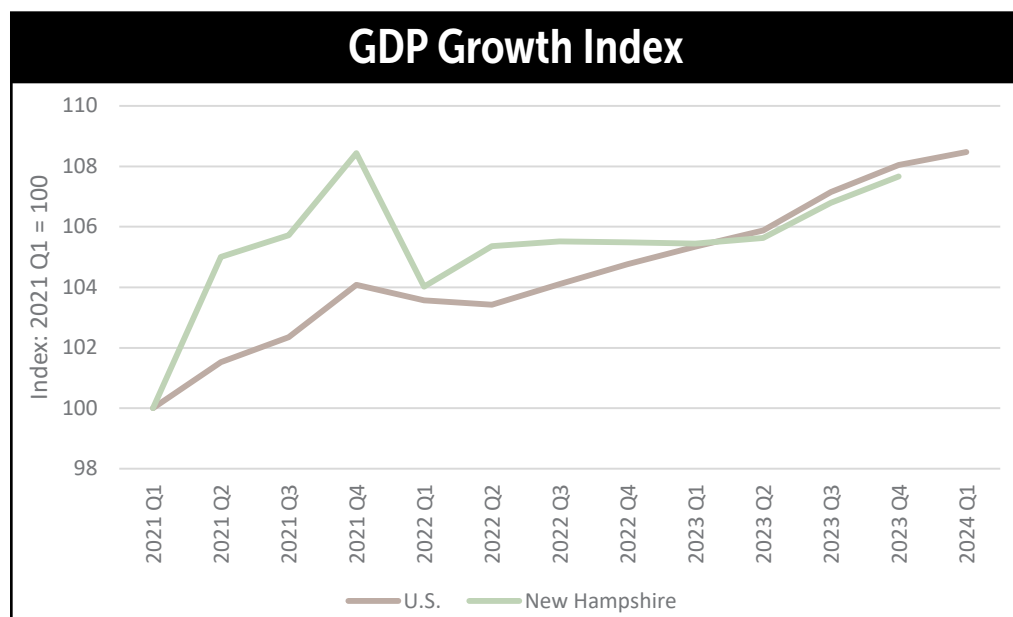
GDP Growth by Industry

Value added measures each industry's contributions to overall GDP by determining the increase in dollar value of a good or service resulting from the inputs, or value, of New Hampshire-based labor and materials used in its production.

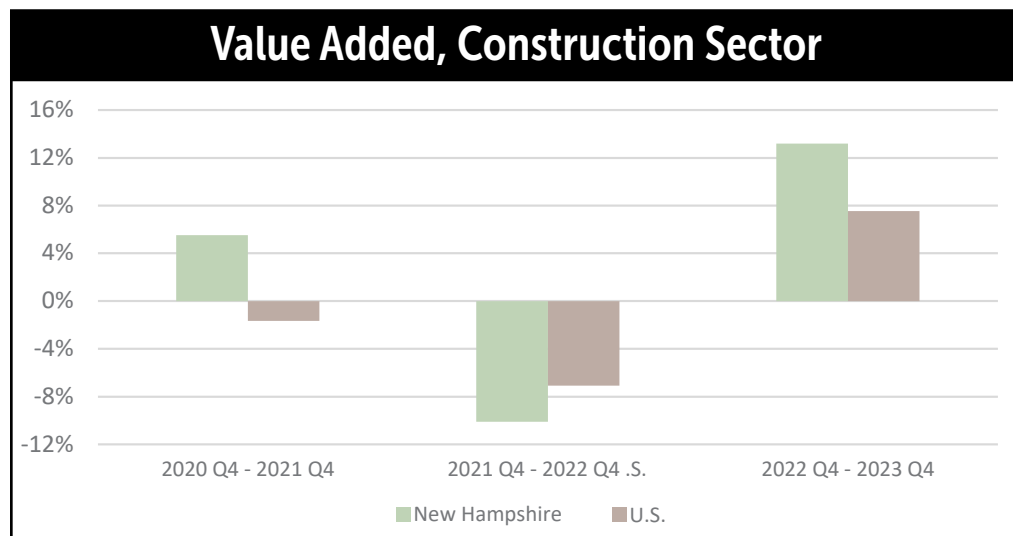
After falling between the fourth quarter of 2021 and the fourth

quarter of 2022, value added for New Hampshire's construction sector increased 13 percent over-the-year in the fourth quarter of 2023, the largest increase for any sector over that time. Construction sector value added followed a similar trend in the U.S. overall, decreasing in 2022 before experiencing above-average growth in 2023.

Transportation and warehousing had been one of the best performing sectors early in the pandemic, as consumer preferences shifted towards at-home delivery of goods, including retail goods and meals from restaurants. Value added for this sector increased 24 percent in New Hampshire between the fourth quarter of 2019 and the first quarter of 2021. Value added declined



Source: U.S. Bureau of Economic Analysis, Gross Domestic Product



Source: U.S. Bureau of Economic Analysis, Gross Domestic Product

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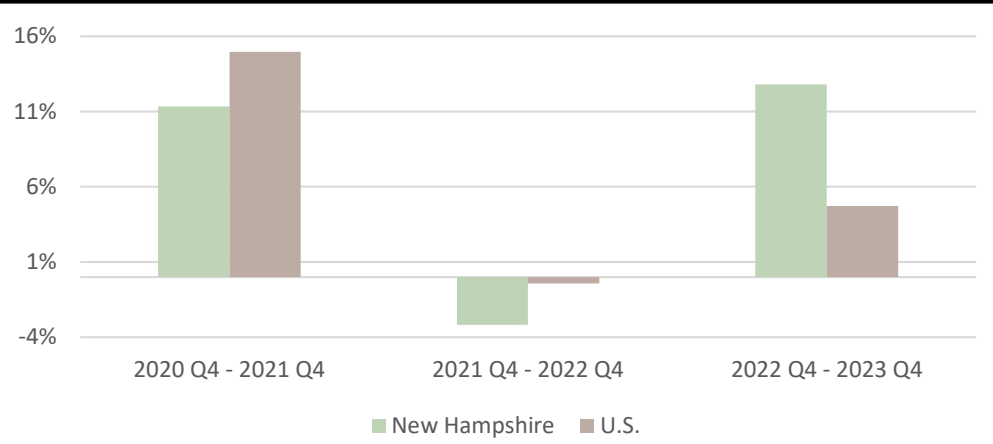
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Value Added, Transportation and Warehousing Sector



Source: U.S. Bureau of Economic Analysis, Gross Domestic Product

slightly in late 2021 and throughout 2022, before increasing 13 percent over-the-year in the fourth quarter of 2023.

Like the construction sector, this growth followed a nationwide trend, although value added in New Hampshire increased at more than double the U.S. rate in 2023. Nationwide, transportation and warehousing value added increased five percent over-the-year in the fourth quarter of 2023.

Value added for the educational services, manufacturing, retail trade and professional, scientific, and technical services sectors experienced above-average over-the-year growth in the fourth quarter of 2023. Value added in these sectors increased between six and eight percent, compared to two percent growth for overall New Hampshire GDP. In all four of these sectors, value added growth increased relative to growth in 2022.

Interestingly, for some sectors which had experienced strong value added growth during 2021 and 2022, growth slowed or even declined in 2023. Value added for the real estate and rental and leasing sector increased substantially during the pandemic, as both home sales and prices increased. Value added declined two percent over-the-year in the fourth quarter of 2023; while home sale prices continued to increase in 2023, the limited supply of housing for sale led to a decrease in overall residential real estate sales volume. Commercial real estate struggled in 2023 as well, with vacancy rates in New Hampshire increasing from 10.6 percent in the first quarter of 2023 to 13.6 percent in the fourth quarter.¹

Value added for the information sector followed a similar trend, increasing 11 percent over-the-year in the fourth quarter of 2022, then declining two percent over-the-year in the fourth quarter of 2023. In the other services sector, value added fell seven percent over-the-year in the fourth quarter of 2023, after a two percent increase over the previous four quarters. Value added for the arts, entertainment, and recreation sector increased 0.4 percent over-the-year in the fourth quarter of 2023, down from six percent over-the-year growth in the fourth quarter of 2022.

Comparing Employment and GDP Growth

While New Hampshire's GDP growth slowed between the second quarter of 2021 and the second quarter of 2023, employment increased steadily, growing 5.6 percent (36,300 jobs) over that time. Generally, employment and GDP increase together since the new labor produces something of value. One sector appears to be primarily responsible for the disparity in growth rates, management of companies and enterprises. This sector includes establishments perform decision making and organizational planning for establishments within a larger firm, or that invest in and influence management decisions of other firms.

Management of companies and enterprises is a relatively small sector, accounting for less than two percent of New Hampshire's employment and GDP in 2019. Value added for this sector surged in 2021, increasing more than 200 percent, before losing most of these gains in the first quarter of 2022. While value added rose and fell dramatically, employment remained relatively stable, increasing steadily throughout 2021, 2022 and 2023.

Value Added, by Sector (1)

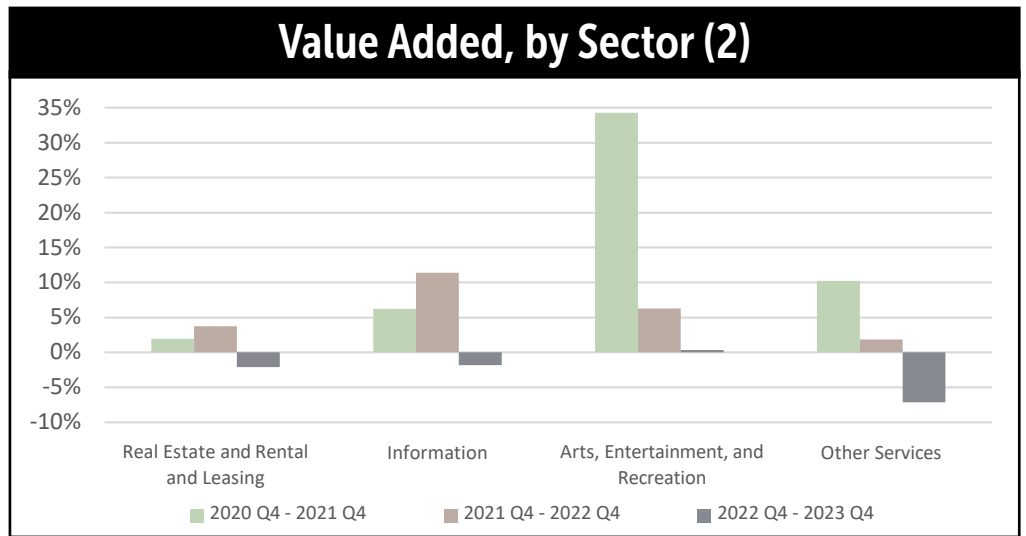


Source: U.S. Bureau of Economic Analysis, Gross Domestic Product

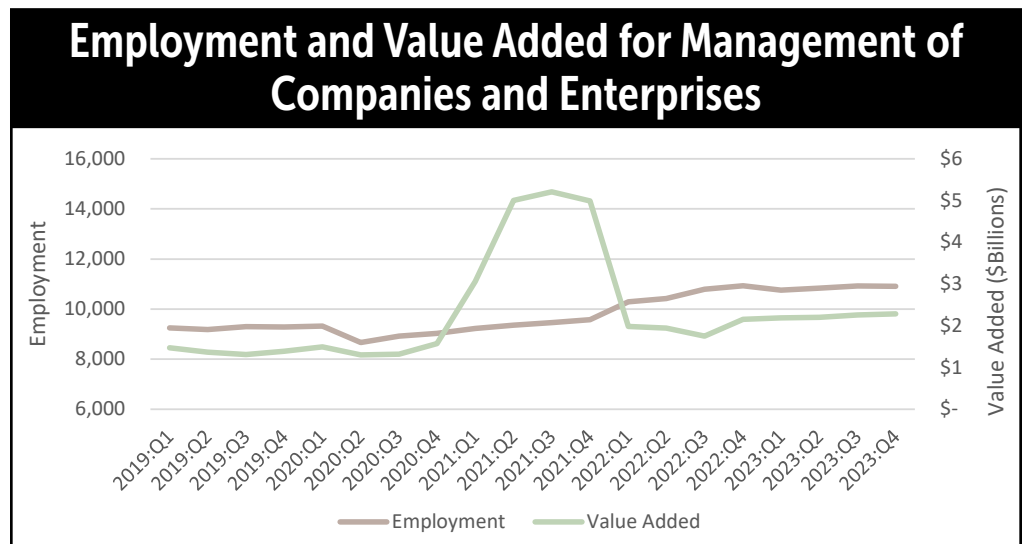
1 Paul Briand, "Q1 real estate in NH: a mixed bag for residential, office, industrial," NHBR, May 14, 2024. <https://www.nhbr.com/q1-real-estate-in-nh-a-mixed-bag-for-residential-office-industrial/>.

This is unusual, as it suggests worker productivity in this sector increased approximately 200 percent in 2021, then returned to previous levels the following year. (Average wages in this sector also increased approximately 200 percent, before returning to prior levels in 2022). The temporary increase in value added was large enough to have a substantial effect on New Hampshire's total GDP; if management of companies and enterprises is excluded, GDP growth throughout 2021 and 2022 is more gradual and consistent, and more closely follows employment growth.

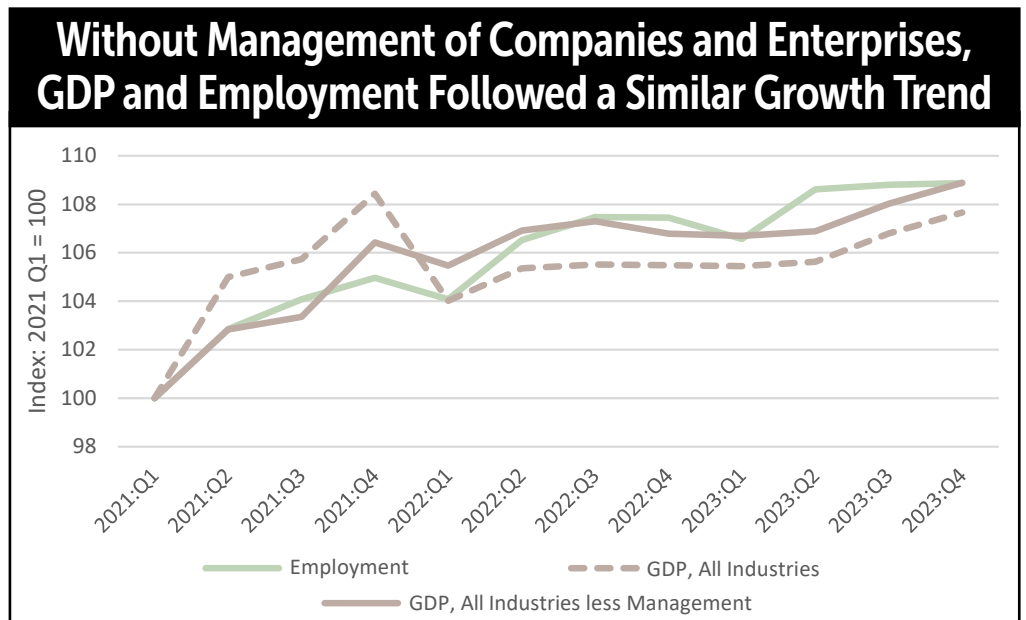
– Greg David, Economist



Source: U.S. Bureau of Economic Analysis, Gross Domestic Product



Source: U.S. Bureau of Economic Analysis, Gross Domestic Product, U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages



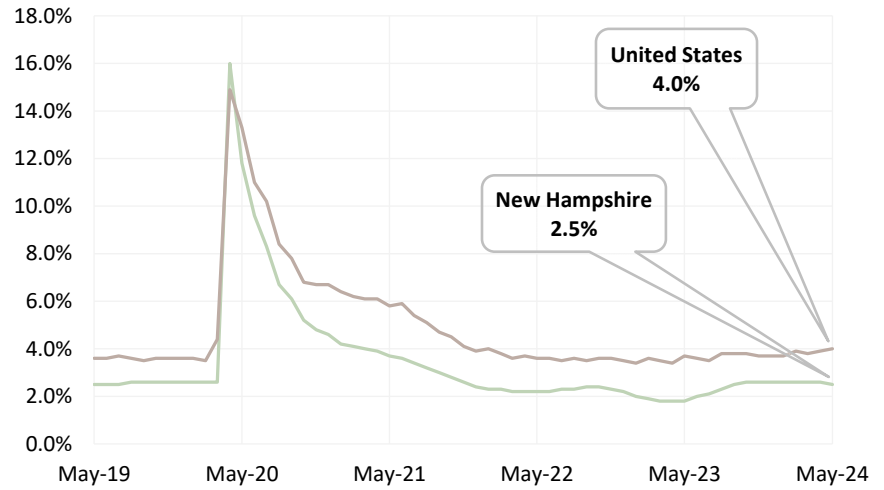
Source: U.S. Bureau of Economic Analysis, Gross Domestic Product, U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages

SEASONALLY ADJUSTED ESTIMATES

Unemployment Estimates by Region

Seasonally Adjusted	May-24	Apr-24	May-23
United States	4.0%	3.9%	3.7%
Northeast	3.9%	3.9%	3.6%
New England	3.4%	3.3%	3.0%
Connecticut	4.3%	4.4%	3.3%
Maine	3.0%	3.1%	2.5%
Massachusetts	3.0%	2.9%	3.3%
New Hampshire	2.5%	2.6%	1.8%
Rhode Island	4.3%	4.1%	2.6%
Vermont	2.1%	2.1%	1.7%
Mid Atlantic	4.1%	4.1%	3.8%
New Jersey	4.6%	4.7%	4.2%
New York	4.2%	4.2%	3.9%
Pennsylvania	3.4%	3.4%	3.3%

**Local Area Unemployment Statistics (LAUS)
Unemployment Rate, NH and US**



Current Employment Statistics (CES) by Place of Establishment

	Number of Jobs			Change From Previous	
	May-24	Apr-24	May-23	Month	Year
Total Nonfarm	708,400	706,200	698,000	2,200	10,400
Total Private	620,300	618,000	611,400	2,300	8,900
Mining and Logging	900	800	800	100	100
Construction	31,900	32,000	31,200	-100	700
Manufacturing	69,600	69,900	70,900	-300	-1,300
Durable Goods	51,600	51,800	52,800	-200	-1,200
Non-Durable Goods	18,000	18,100	18,100	-100	-100
Trade, Transportation, and Utilities	140,400	140,100	140,500	300	-100
Wholesale Trade	30,800	30,600	31,300	200	-500
Retail Trade	90,600	90,500	90,600	100	0
Transportation, Warehousing, and Utilities	19,000	19,000	18,600	0	400
Information	11,200	11,200	11,900	0	-700
Financial Activities	34,500	34,100	34,300	400	200
Financial and Insurance	26,800	26,500	27,100	300	-300
Real Estate and Rental and Leasing	7,700	7,600	7,200	100	500
Professional and Business Services	99,800	98,900	98,400	900	1,400
Professional, Scientific, and Technical Services	48,600	48,200	47,600	400	1,000
Management of Companies and Enterprises	11,200	11,100	11,000	100	200
Administrative and Support and Waste Management and Remediation Services	40,000	39,600	39,800	400	200
Education and Health Services	132,500	132,500	125,300	0	7,200
Educational Services	33,100	33,400	30,600	-300	2,500
Health Care and Social Assistance	99,400	99,100	94,700	300	4,700
Leisure and Hospitality	74,600	73,700	73,300	900	1,300
Arts, Entertainment, and Recreation	14,900	14,800	13,800	100	1,100
Accommodation and Food Services	59,700	58,900	59,500	800	200
Other Services	24,900	24,800	24,800	100	100
Government	88,100	88,200	86,600	-100	1,500
Federal Government	9,100	9,100	8,800	0	300
State Government	22,000	22,200	22,200	-200	-200
Local Government	57,000	56,900	55,600	100	1,400

Current month is preliminary; past months are revised

Prior data and area data are available on our website at: www.nhes.nh.gov/elmi/statistics/ces-htm

NOT SEASONALLY ADJUSTED ESTIMATES BY PLACE OF RESIDENCE

Labor Force Estimates

New Hampshire	May-24	Apr-24	May-23
Total Civilian Labor Force	765,900	767,150	751,540
Employed	750,720	748,500	738,410
Unemployed	15,180	18,650	13,130
Unemployment Rate	2.0%	2.4%	1.7%

United States (# in thousands)	May-24	Apr-24	May-23
Total Civilian Labor Force	167,576	167,484	166,702
Employed	161,341	161,590	161,002
Unemployed	6,235	5,894	5,700
Unemployment Rate	3.7%	3.5%	3.4%

Unemployment Rates by Area

Counties	May-24	Apr-24	May-23
Belknap	1.8%	2.4%	1.7%
Carroll	2.0%	2.4%	1.8%
Cheshire	1.9%	2.4%	1.8%
Coös	2.3%	2.9%	2.2%
Grafton	1.6%	2.0%	1.6%
Hillsborough	2.2%	2.6%	1.8%
Merrimack	1.6%	2.0%	1.5%
Rockingham	2.1%	2.6%	1.8%
Strafford	1.8%	2.3%	1.7%
Sullivan	1.6%	2.0%	1.5%

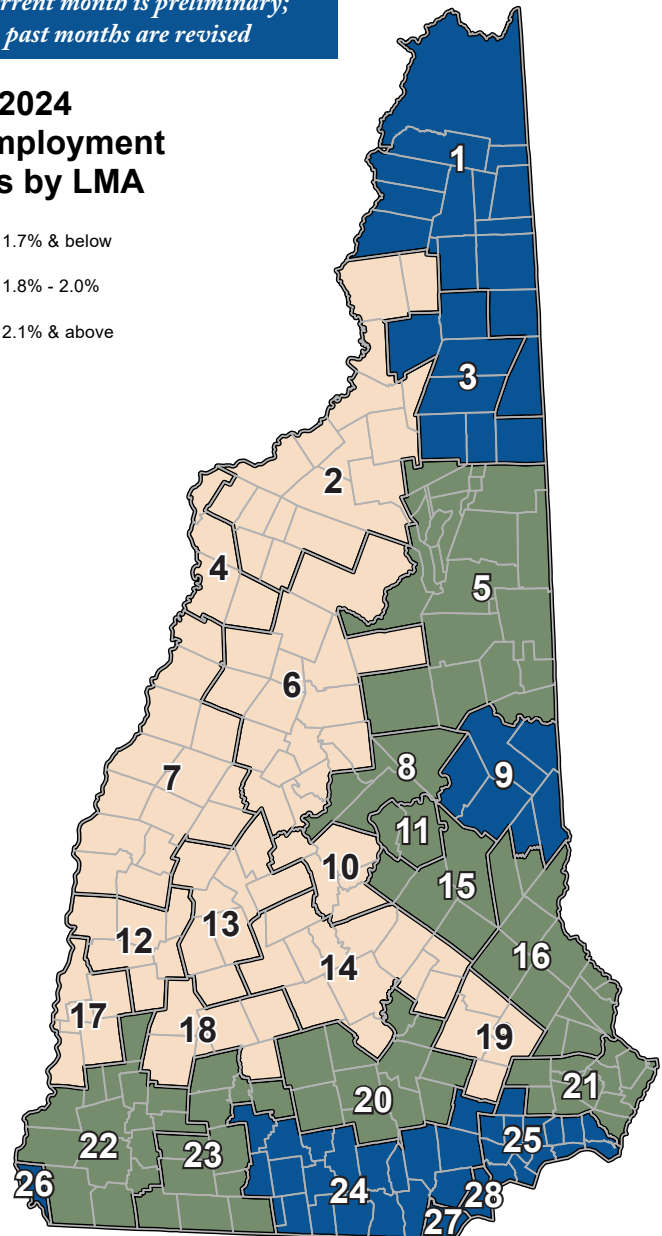
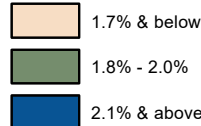
Map Key	Labor Market Areas	May-24	Apr-24	May-23
1	Colebrook, NH-VT LMA, NH Portion	3.5%	3.9%	3.0%
2	Littleton, NH-VT LMA, NH Portion	1.6%	2.1%	1.6%
3	Berlin NH Micropolitan NECTA	2.3%	3.1%	2.4%
4	Haverhill, NH LMA	1.7%	2.4%	1.7%
5	Conway, NH-ME LMA, NH Portion	1.8%	2.4%	1.8%
6	Plymouth, NH LMA	1.7%	2.0%	1.7%
7	Lebanon, NH-VT Micropolitan NECTA, NH Portion	1.6%	1.9%	1.5%
8	Meredith, NH LMA	2.0%	2.2%	1.6%
9	Wolfeboro, NH LMA	2.1%	2.6%	1.9%
10	Franklin, NH LMA	1.6%	2.1%	1.6%
11	Laconia, NH Micropolitan NECTA	1.9%	2.4%	1.9%
12	Expanded Claremont, NH estimating area	1.7%	2.0%	1.5%
13	New London, NH LMA	1.7%	2.1%	1.7%
14	Concord, NH Micropolitan NECTA	1.6%	2.0%	1.5%
15	Belmont, NH LMA	1.8%	2.5%	1.6%
16	Dover-Durham, NH-ME Metropolitan NECTA, NH Portion	1.8%	2.3%	1.7%
17	Charlestown, NH LMA	1.6%	2.0%	1.5%
18	Hillsborough, NH LMA	1.7%	2.0%	1.5%
19	Raymond, NH LMA	1.7%	2.1%	1.6%
20	Manchester, NH Metropolitan NECTA	2.0%	2.4%	1.7%
21	Portsmouth, NH-ME Metropolitan NECTA, NH Portion	1.8%	2.1%	1.6%
22	Keene, NH Micropolitan NECTA	1.9%	2.4%	1.8%
23	Peterborough, NH LMA	1.9%	2.3%	1.8%
24	Nashua, NH-MA NECTA Division, NH Portion	2.3%	2.8%	1.9%
25	Seabrook-Hampstead Area, NH Portion, Haverhill-Newburyport-Amesbury MA-NH NECTA Division	2.4%	3.0%	2.0%
26	Hinsdale Town, NH Portion, Brattleboro, VT-NH LMA	2.4%	3.2%	2.2%
27	Pelham Town, NH Portion, Lowell-Billerica-Chelmsford, MA-NH NECTA Division	2.9%	3.6%	2.6%
28	Salem Town, NH Portion, Lawrence-Methuen-Salem, MA-NH NECTA Division	2.6%	3.1%	2.2%

Unemployment Rates by Region

Not Seasonally Adjusted	May-24	Apr-24	May-23
United States	3.7%	3.5%	3.4%
Northeast	3.8%	3.5%	3.5%
New England	3.5%	3.1%	2.9%
Connecticut	4.1%	3.5%	3.4%
Maine	2.7%	2.8%	2.6%
Massachusetts	3.8%	3.1%	3.2%
New Hampshire	2.0%	2.4%	1.7%
Rhode Island	4.4%	3.7%	2.5%
Vermont	2.0%	2.3%	1.6%
Mid Atlantic	3.9%	3.6%	3.7%
New Jersey	4.5%	4.1%	4.3%
New York	4.2%	3.9%	3.9%
Pennsylvania	3.2%	2.9%	3.2%

Current month is preliminary; past months are revised

May 2024 Unemployment Rates by LMA



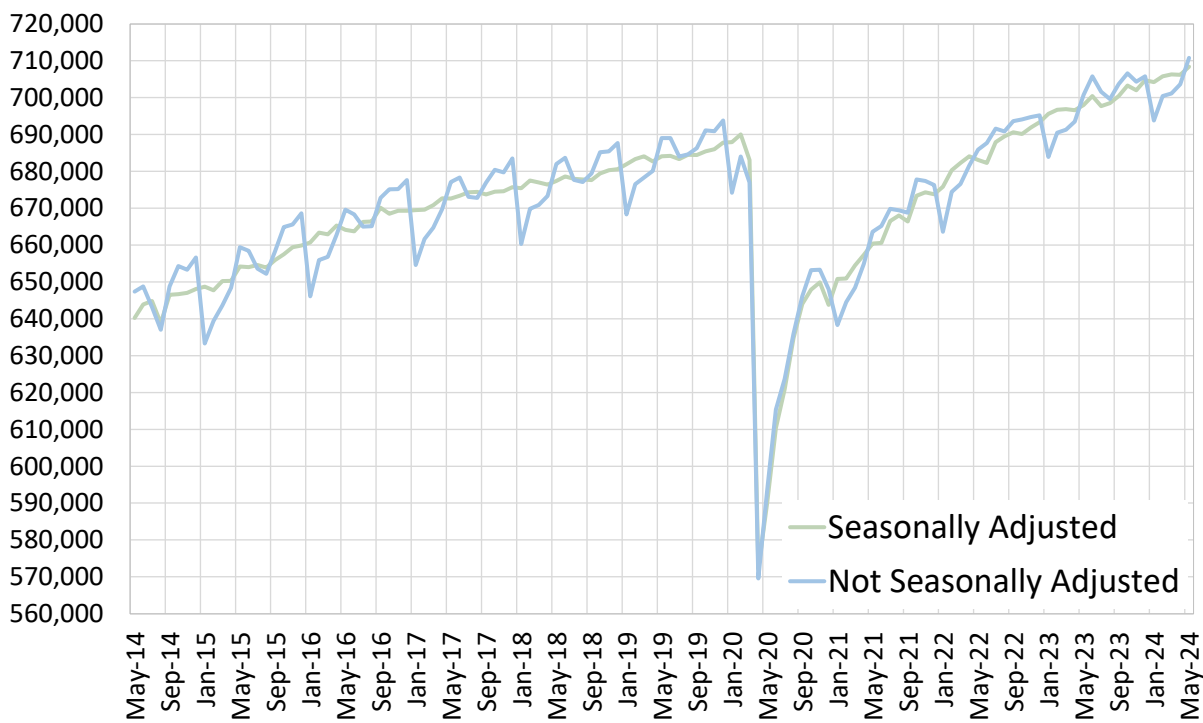
MONTHLY ESTIMATES BY PLACE OF ESTABLISHMENT

**New Hampshire Nonfarm Employment Statewide
Not Seasonally Adjusted**

*Current month
is preliminary;
past months
are revised*

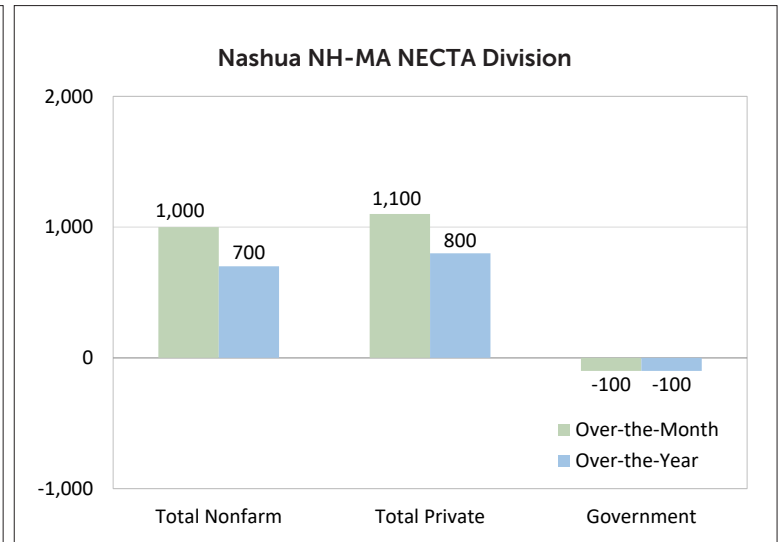
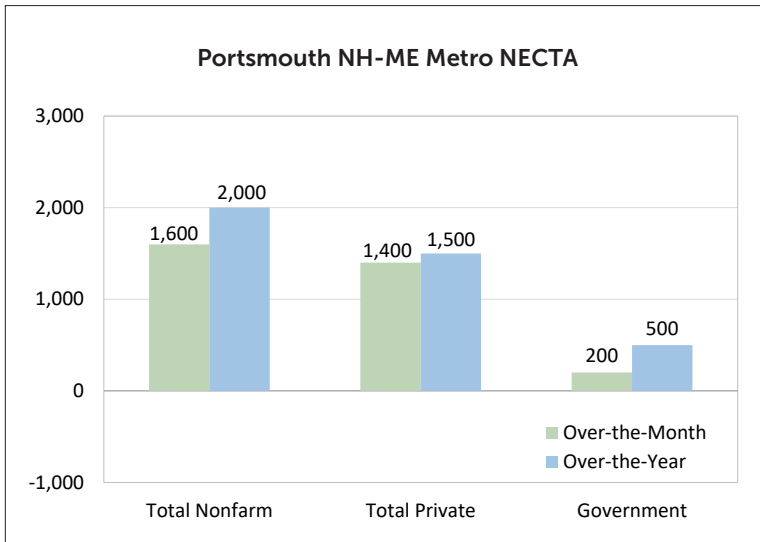
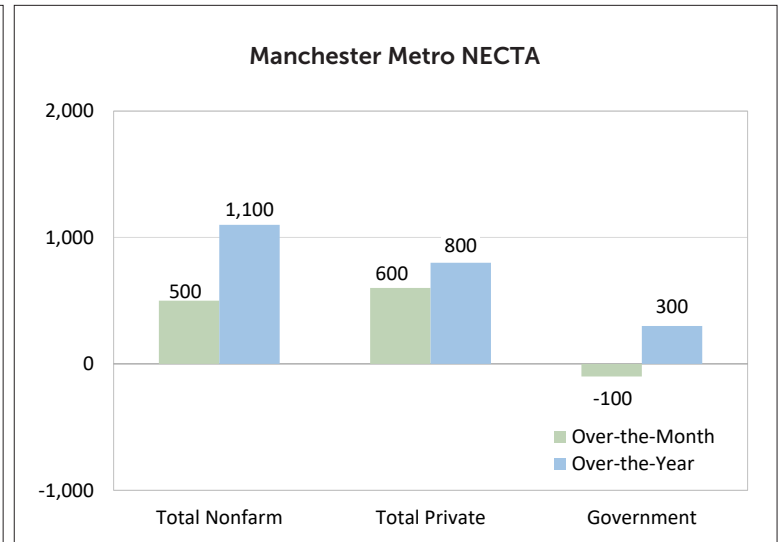
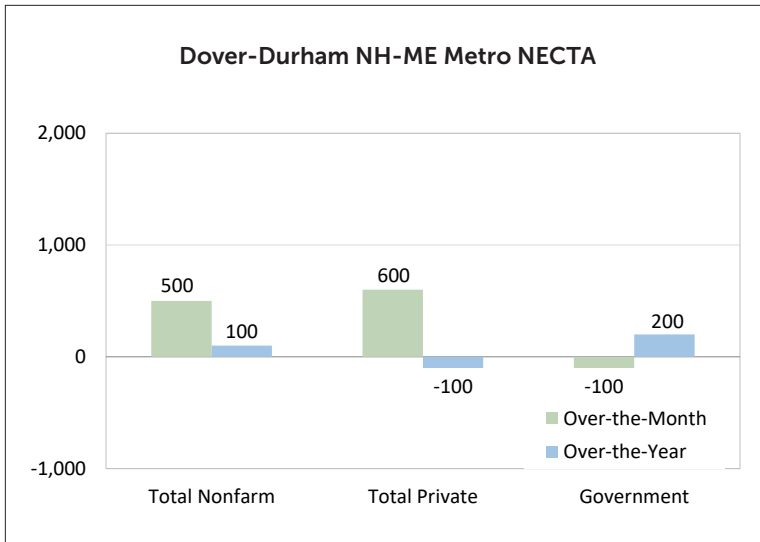
	Number of Jobs			Change From Previous	
	May-24	Apr-24	May-23	Month	Year
Total Nonfarm	710,800	703,600	700,700	7,200	10,100
Total Private	620,200	612,800	612,000	7,400	8,200
Mining and Logging	900	800	800	100	100
Construction	32,200	31,600	31,600	600	600
Manufacturing	69,200	69,700	70,800	-500	-1,600
Durable Goods	51,300	51,600	52,700	-300	-1,400
Non-Durable Goods	17,900	18,100	18,100	-200	-200
Trade, Transportation, and Utilities	139,500	138,900	139,900	600	-400
Wholesale Trade	30,700	30,500	31,300	200	-600
Retail Trade	90,200	89,900	90,200	300	0
Transportation, Warehousing, and Utilities	18,600	18,500	18,400	100	200
Information	11,300	11,200	11,900	100	-600
Financial Activities	34,200	33,800	34,300	400	-100
Professional and Business Services	101,000	99,600	98,600	1,400	2,400
Education and Health Services	133,500	134,200	126,700	-700	6,800
Leisure and Hospitality	73,700	68,500	72,700	5,200	1,000
Other Services	24,700	24,500	24,700	200	0
Government	90,600	90,800	88,700	-200	1,900
Federal Government	9,100	9,100	8,800	0	300
State Government	22,900	23,500	22,700	-600	200
Local Government	58,600	58,200	57,200	400	1,400

Total Nonfarm Employment Trend Through May 2024

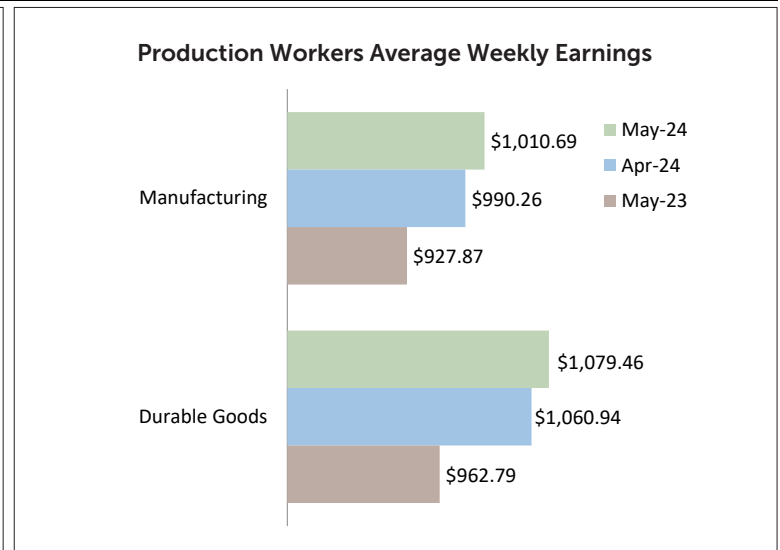
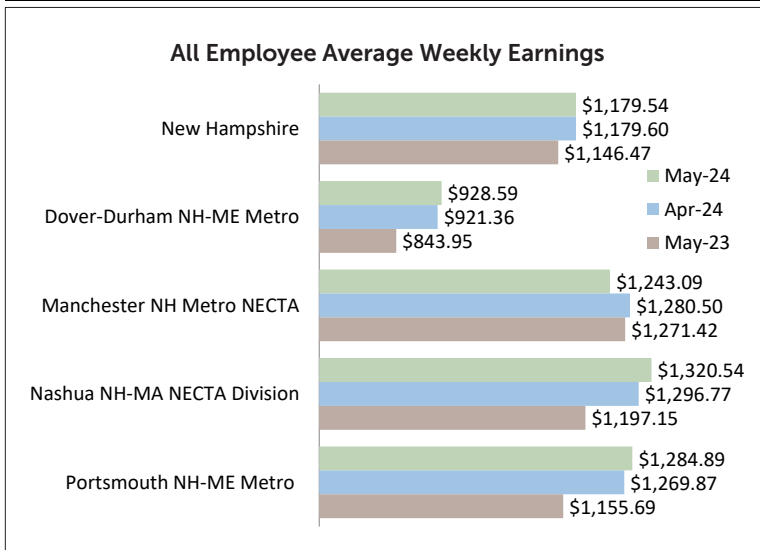


MONTHLY ESTIMATES BY PLACE OF ESTABLISHMENT

Nonfarm Employment by Metropolitan Statistical Areas - May 2024



Total Private Average Weekly Earnings Data



Sector data for the four areas and hours earnings data are available on our website: www.nhes.nh.gov/elmi/statistics/ces-data.htm

MONTHLY ANALYSIS OF CURRENT EMPLOYMENT STATISTICS (CES)

Seasonally Adjusted

Total nonfarm employment increased to 708,400 jobs in May, based on preliminary seasonally adjusted estimates. This was an increase of 2,300 non-farm private industry jobs while government employment decreased by 100 over the month. Six private industry supersectors experienced over-the-month employment gains and two supersectors experienced losses. Seasonally adjusted over-the-month changes reflect the number of jobs that are not attributable to a regular seasonal pattern of employment variability.

Employment in both the professional and business services and leisure and hospitality supersectors increased by 900 in May. Financial activities expanded payrolls by 400, while trade, transportation, and utilities added 300 positions. Both the mining and logging and other services supersectors gained 100 jobs over the month. Employment in the information and private education and health services supersectors was unchanged over the month. Employment in construction declined by 100, while manufacturing employment contracted by 300 after the seasonal adjustment.

Total nonfarm employment in May 2024 was 18,400 jobs above the pre-pandemic level in February 2020. Employment in professional and business services was 14,800 above the pre-pandemic level, while employment in the private education and health services supersector was 5,800 jobs above the February 2020 level.

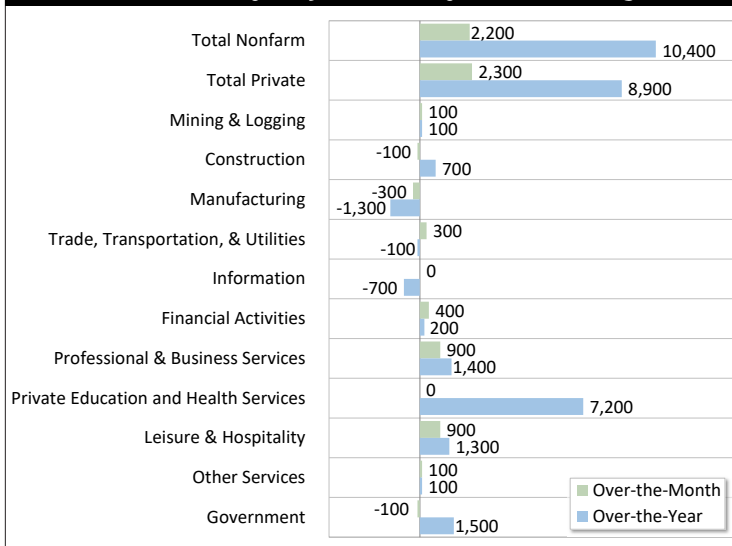
Not Seasonally Adjusted

Preliminary unadjusted estimates for May 2024 indicate that total nonfarm employment increased by 10,100 jobs since May 2023. Five private industry supersectors experienced over the year employment gains and four experienced over-the-year losses. Employment in the other services supersector was unchanged from May 2023, while government employment increased by 1,900 over the year.

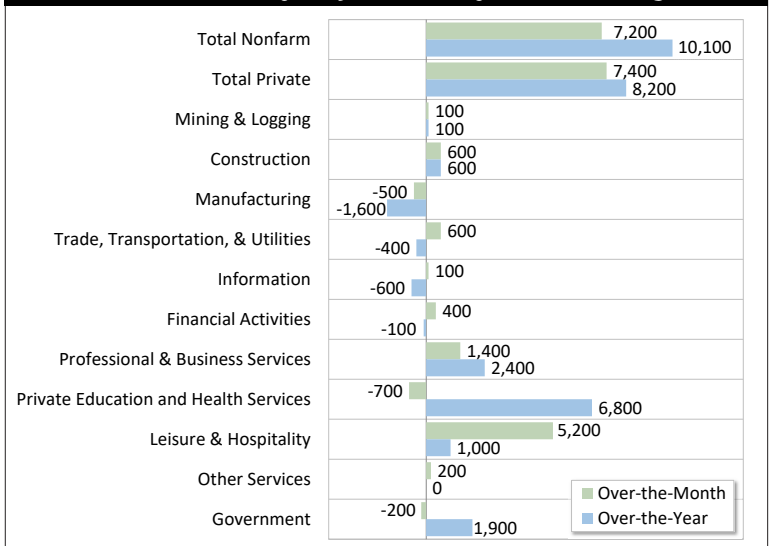
Private education and health services experienced the largest increase, with 6,800 more positions than in May 2023. The professional and business services supersector expanded payrolls by 2,400, while leisure and hospitality added 1,000 jobs. Construction employment increased by 600 over the year and mining and logging added 100 positions. Financial activities lost 100 jobs, while employment in the trade, transportation, and utilities supersector declined by 400. The information supersector contracted by 600 positions over the year. Employment in the manufacturing supersector was 1,600 less than a year earlier.

– Robert Cote, Assistant Director

Seasonally Adjusted May 2024 Change



Not Seasonally Adjusted May 2024 Change



Consumer Price Index

United States, All Urban Consumers

Not Seasonally Adjusted (CPI-U) (1982-1984=100)

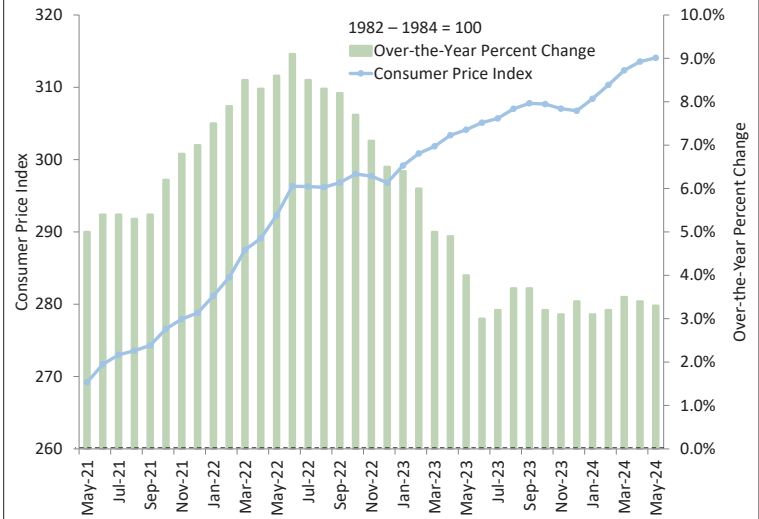
			Change From Previous	
May-24	Apr-24	May-23	Month	Year
314.069	313.548	304.127	0.2%	3.3%

Northeast, All Urban Consumers

Not Seasonally Adjusted (CPI-U) (1982-1984=100)

			Change From Previous	
May-24	Apr-24	May-23	Month	Year
324.439	323.035	312.241	0.4%	3.9%

Consumer Price Index United States, All Urban Consumers



Unemployment Compensation Claims Activity

	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24
Initial Claims	2,505	2,471	2,398	1,906	2,188	1,571
Continued Weeks Claimed	12,049	15,796	14,798	15,218	14,347	12,061
Average payment for a week of unemployment	\$379.35	\$369.97	\$372.80	\$369.69	\$375.19	\$375.44

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Claims calls: 1-800-266-2252



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Local Area Unemployment Statistics	228-4167
Occupational Employment and Wage Statistics	229-4315

