

New Hampshire ECONOMIC CONDITIONS

May 2023

Moss on Tucker Falls PHOTO CREDIT *Willie 2012*

Madame Sherri's Stairs PHOTO CREDIT

Chester Covered Bridge PHOTO CREDIT

Wild Mushrooms PHOTO CREDIT

Comparing New Hampshire and U.S. Employment Trends

Adjusted for seasonal factors, U.S. nonfarm employment increased by 253,000 jobs in April 2023. While this was a larger increase than the 165,000 jobs added in March, employment growth has slowed gradually throughout 2022 and early 2023. Despite this slowdown, U.S. employment growth remains strong compared to pre-pandemic growth. The U.S. added an average of 160,000 jobs per month in 2019, and 190,000 jobs per month in 2018.

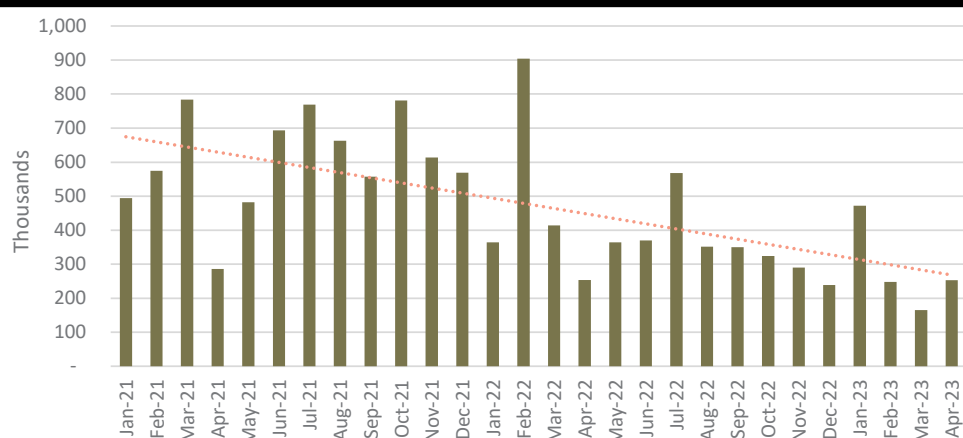
Nonfarm employment in New Hampshire appears to follow a similar trend, increasing by 1,300 jobs in March 2023. Although employment growth in New Hampshire has been more volatile month-to-month than national employment, quarterly gains indicate growth in New Hampshire has been similar to the national trend.

While overall employment continued to grow, employment in several industries has declined in recent

months. Nationwide, employment in the information sector declined by 33,000 jobs (1.1 percent) between October 2022 and April 2023. Information employment in New Hampshire followed a similar trajectory, declining by 300 jobs (2.5 percent) between October 2022 and March 2023. The information sector includes several technology-related industry groups, including software publishers, and broadcasting and content providers, which includes media streaming distribution services, social networks, and other media networks and content providers. Technology firms are disproportionately affected by interest rate increases, as many rely on investor capital or loans, rather than profits, to fund new products and research.¹ Rising interest rates have resulted in less funding available for these businesses, and many began laying off staff and reducing hiring in late 2022.

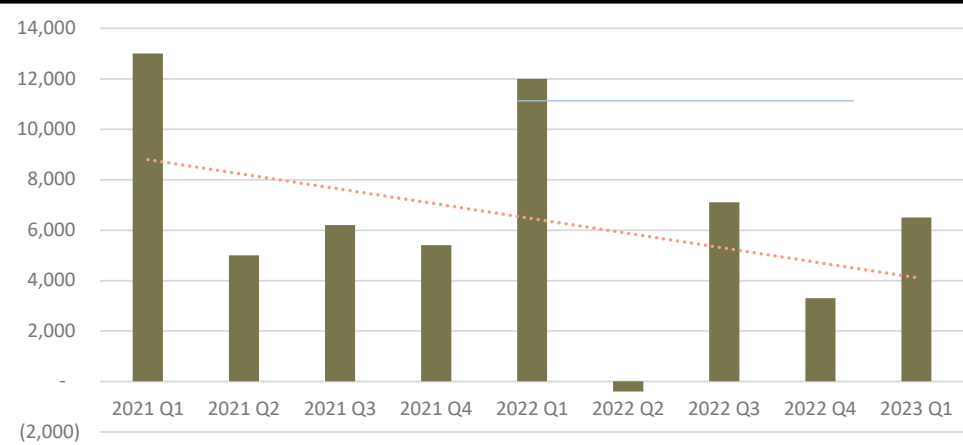
The finance and insurance sector has also been affected by high interest rates, and the collapse of three regional banks – Silicon Valley Bank, Signature Bank, and First Republic Bank – in

U.S. Nonfarm Employment Growth



Source: U.S. Bureau of Labor Statistics, Current Employment Statistics, Seasonally Adjusted

New Hampshire Nonfarm Employment Growth



Source: New Hampshire Employment Security, Current Employment Statistics, Seasonally Adjusted

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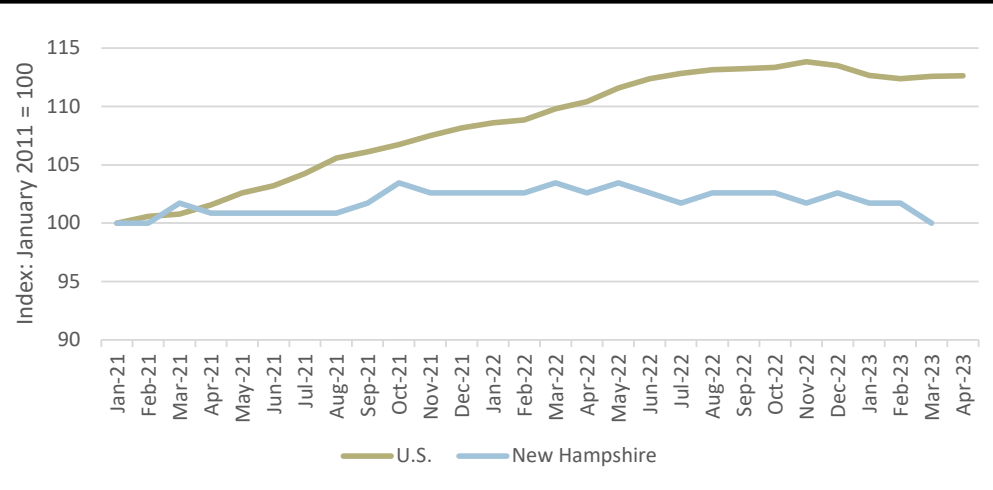
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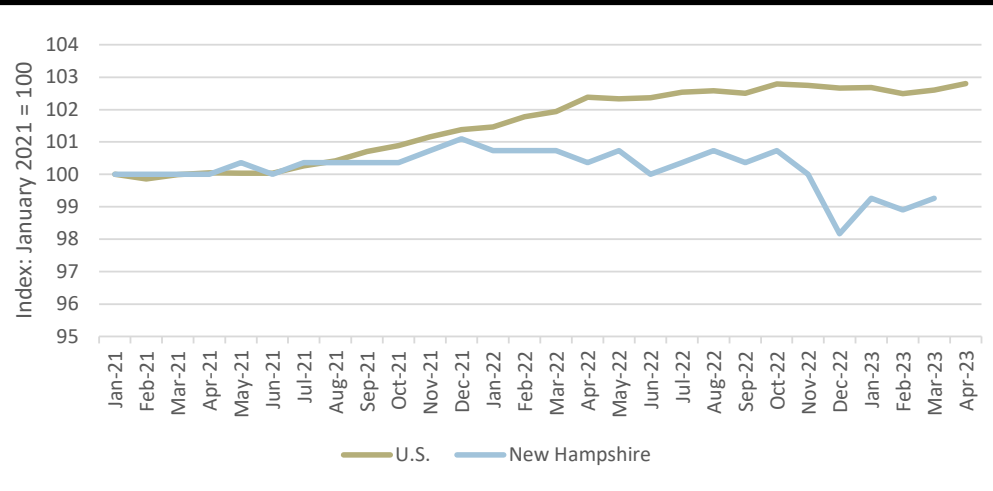
¹ Mallika Mitra, "Why Tech Stocks Are Doing Especially Poorly During the Market Selloff," CNN, May 31, 2022. <https://money.com/why-are-tech-stocks-down-2022>.

Information Employment Index



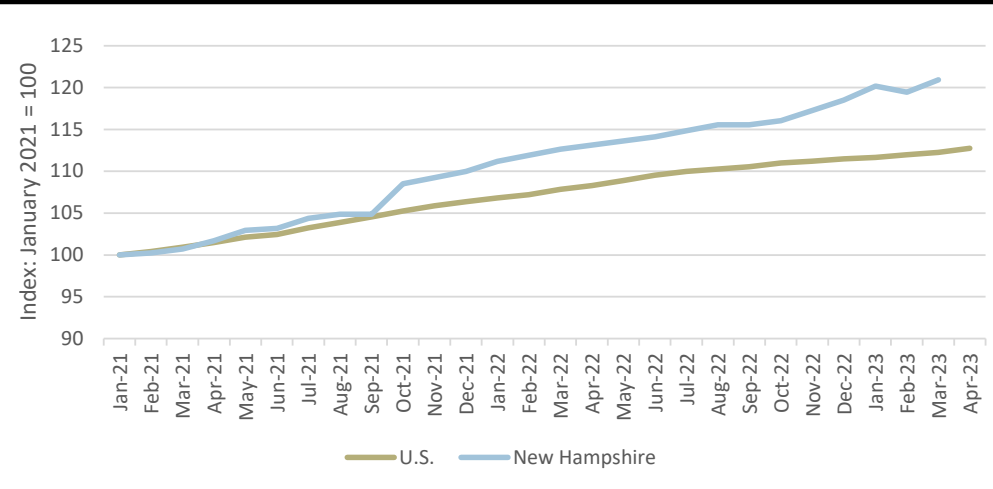
Source: U.S. Bureau of Labor Statistics, Current Employment Statistics, Seasonally Adjusted

Finance and Insurance Employment Index



Source: U.S. Bureau of Labor Statistics, Current Employment Statistics, Seasonally Adjusted

Professional, Scientific, and Technical Services Employment Index



Source: U.S. Bureau of Labor Statistics, Current Employment Statistics, Seasonally Adjusted

spring 2023, raised concerns that some banks in the U.S., particularly mid-sized banks, were financially unsound following rapid interest rate increases in 2022.² While the banking industry appears to have stabilized, this crisis resulted in banks prioritizing liquidity, while tightening credit availability.³ More conservative lending will result in lower spending by both individuals and firms, and could slow the broader economy.

After steady growth through the first three quarters of 2022, employment in the U.S. finance and insurance sector has been flat since October 2022, adding 600 jobs (less than 0.1 percent) between October and April 2023. Finance and insurance employment in New Hampshire lagged behind national growth, with essentially no growth over the first three quarters of 2022. Between October 2022 and March 2023, finance and insurance employment declined by 400 jobs, or 1.5 percent.

Employment growth in the professional, scientific, and technical services and accommodation and food services sectors show no sign of slowing, either nationally or in New Hampshire. Through the first four months of 2023, professional, scientific, and technical services employment increased 1.1 percent in the U.S., and accommodation and food services employment increased 1.4 percent. Job growth in these sectors was even stronger in New Hampshire, with professional, scientific, and technical services employment increasing 2.1 percent between January 2023 and March 2023, and accommodation and food services employment increasing 3.5 percent.

2 Hugh Son, "Here's How the Second Biggest Bank Collapse in U.S. History Happened in Just 48 Hours," CNBC, March 10, 2023. <https://www.cnbc.com/2023/03/10/silicon-valley-bank-collapse-how-it-happened.html>.

3 Dana M. Peterson and Mitchell Barnes, "2023 Banking Crisis, US By The Numbers," The Conference Board, April 6, 2023. <https://www.conference-board.org/pdfdownload.cfm?masterProductID=46115>.

Job Openings Data

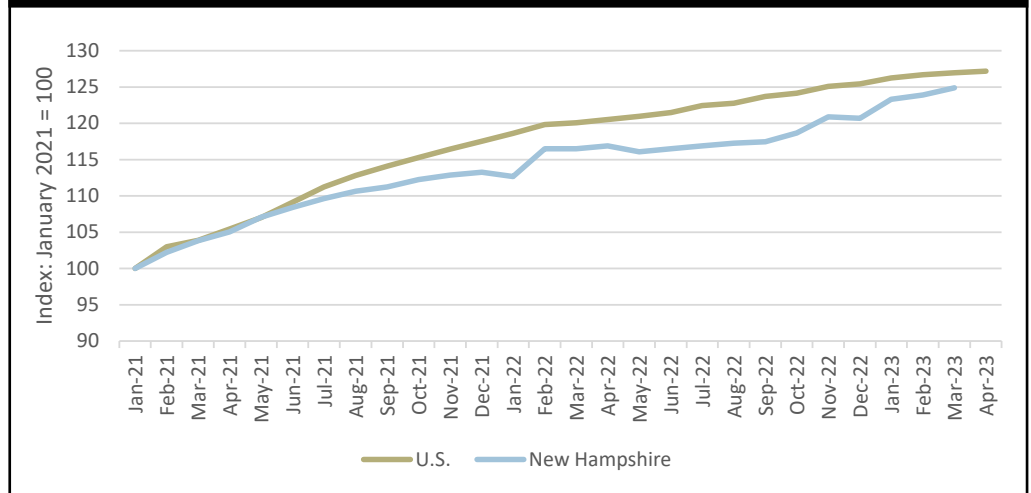
According to the U.S. Bureau of Labor Statistics' Job Openings and Labor Turnover Survey (JOLTS) program, the U.S. job openings rate (percentage of total jobs that are currently unfilled) has been elevated since early 2021, and reached a high of 7.4 percent in March 2022. A high percentage of job vacancies indicates that employer demand for workers exceeds the supply of individuals looking for work, evidence of a tight labor market. The job openings rate in March 2023, 5.8 percent, was the lowest since March 2021, but remained well above 2019 rates, which ranged between 4.2 and 4.8 percent.

Similar to slowing nonfarm employment growth, the declining job openings rate indicates slowing demand for labor beginning in 2022 and continuing into early 2023. However, job openings rates remain above pre-pandemic rates, suggesting that demand for labor remains strong.

The job openings rate in New Hampshire was higher than the national rate for most of 2022, suggesting a tighter labor market than in the U.S. overall. However, the gap between the U.S. and New Hampshire job openings rates narrowed over the second half of 2022, and New Hampshire's job opening rate of 5.9 percent in February 2023 was 0.1 percentage points lower than the U.S. average. New Hampshire's February 2023 job openings rate also dropped 2.5 percentage points compared to February 2022, suggesting that demand for workers, while still high, has declined substantially.

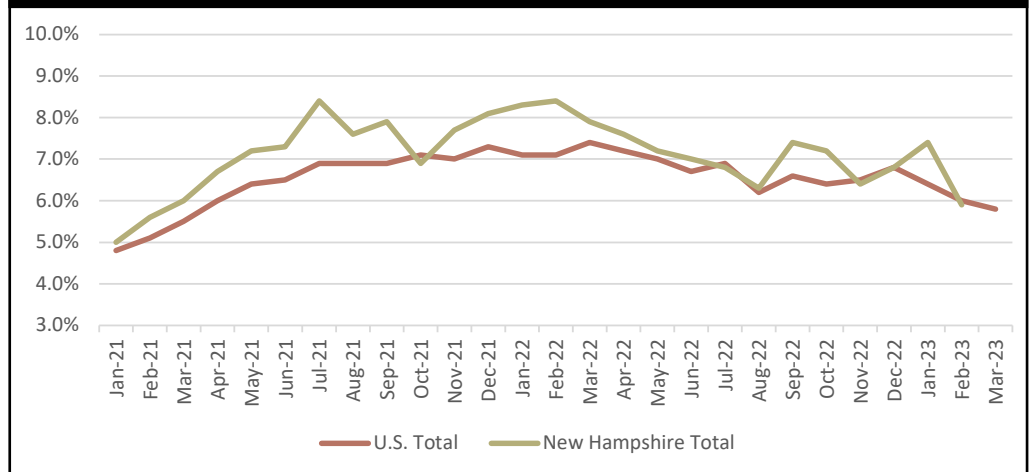
National job opening rates were down over-the-year in every industry, with the exception of arts, entertainment, and recreation. The decline was particularly large in the information sector, falling from 6.4 percent in November 2022 to 3.4 percent in December, before increasing to 5.6 percent by March 2023.

Accommodation and Food Services Employment Index



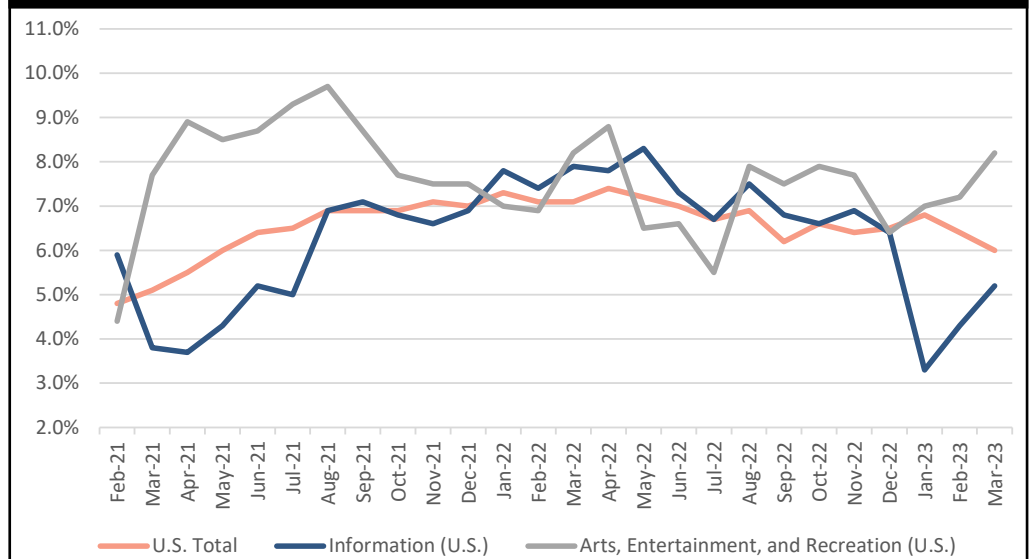
Source: U.S. Bureau of Labor Statistics, Current Employment Statistics, Seasonally Adjusted

Job Openings Rate



Source: U.S. Bureau of Labor Statistics, Job Openings and Labor Turnover Survey

Job Openings Rate, by Industry



Source: U.S. Bureau of Labor Statistics, Job Openings and Labor Turnover Survey

Unemployment Claims

Since late 2022, mass layoffs by technology firms have been widely publicized, but there does not appear to be a similar trend in the overall labor market. The number of workers who filed continuing unemployment claims, indicating that they were determined eligible for unemployment benefits and continue to be unemployed, increased slightly in early 2023, but remained low by historical standards.

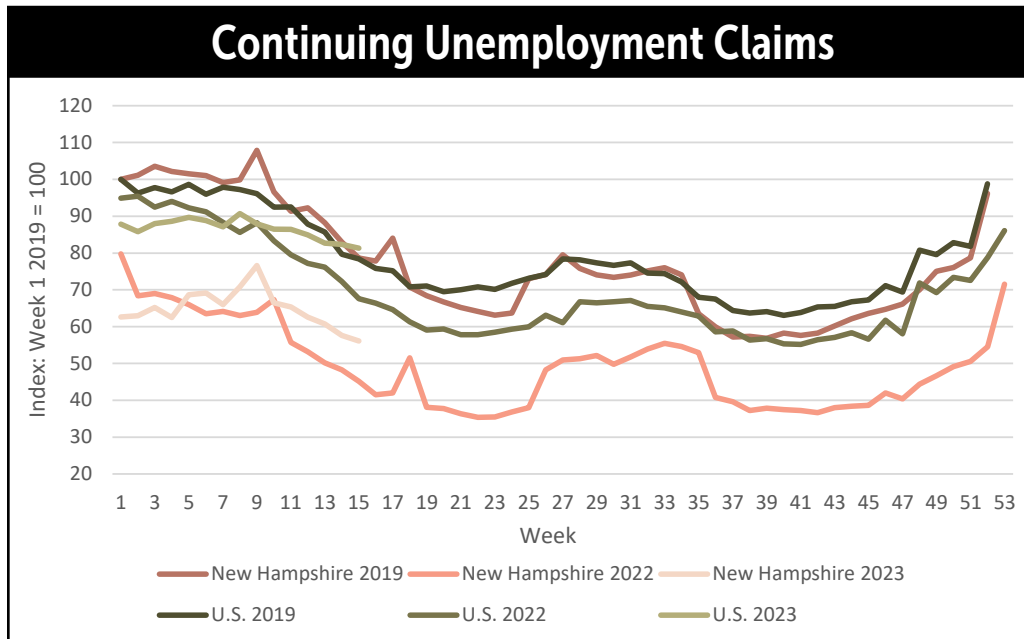
The number of claims filed in 2022 were historically low, with the number of continued claims filed weekly at the lowest levels since the 1960s. In both New Hampshire and the U.S., continuing claims increased over-the-year beginning in February 2023. U.S. continuing claims exceeded 2019 levels in April 2023, while in New Hampshire, claims remained below pre-pandemic levels.

Summary

Recent trends in employment growth, unemployment claims and job openings all suggest that the labor market in New Hampshire and the U.S. overall, while still strong, is slowing. Many economists expect the U.S. to enter a recession in the near future, with the recent banking crisis and resulting contraction in credit availability increasing the possibility of a recession.

Personal spending, which accounts for approximately two-thirds of gross domestic product, declined modestly in both February 2023 and March 2023. The Consumer Confidence Index produced by nonpartisan think tank The Conference Board declined in April 2023, suggesting that consumers are becoming increasingly concerned about the economy.⁴ In particular, the Consumer Confidence Index suggested that while most consumers felt that business conditions and the labor market were currently in good shape, they were pessimistic about conditions over the next six months. The good news is that while the labor market is slowing, along with consumer expenditures, neither is doing so at an alarming rate. Each should contribute to lower inflation moving forward and provide conditions necessary for lowering inflation without producing a recession, or the so called “soft landing” for the economy that the Federal Reserve and economist are hoping for.

– Greg David, Economist



Source: U.S. Employment and Training Administration, Unemployment Insurance Weekly Claims Report

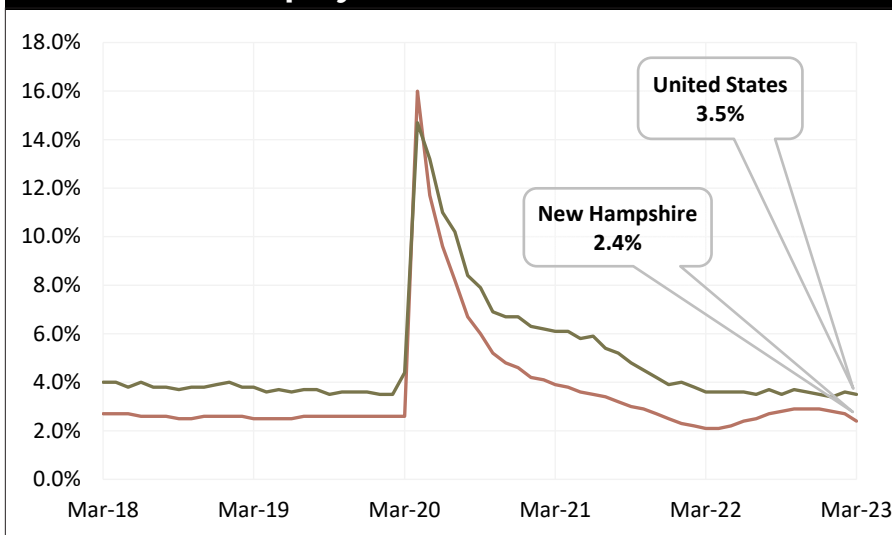
4 The Conference Board, “US Consumer Confidence Declined in April.” <https://www.conference-board.org/topics/consumer-confidence>.

SEASONALLY ADJUSTED ESTIMATES

Unemployment Estimates by Region

Seasonally Adjusted	Mar-23	Feb-23	Mar-22
United States	3.5%	3.6%	3.6%
Northeast	3.8%	3.9%	4.1%
New England	3.4%	3.5%	3.5%
Connecticut	4.0%	4.0%	4.3%
Maine	2.6%	2.8%	2.9%
Massachusetts	3.5%	3.7%	3.7%
New Hampshire	2.4%	2.7%	2.1%
Rhode Island	3.1%	3.1%	3.0%
Vermont	2.7%	2.8%	2.3%
Mid Atlantic	4.0%	4.1%	4.3%
New Jersey	3.5%	3.5%	4.1%
New York	4.1%	4.2%	4.4%
Pennsylvania	4.2%	4.4%	4.4%

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



Current Employment Statistics (CES) by Place of Establishment

	Number of Jobs			Change From Previous	
	Mar-23	Feb-23	Mar-22	Month	Year
Total Nonfarm	700,500	699,200	684,000	1,300	16,500
Total Private	614,200	612,700	597,500	1,500	16,700
Mining and Logging	1,000	1,000	1,000	0	0
Construction	30,700	30,200	30,000	500	700
Manufacturing	71,500	71,700	70,200	-200	1,300
Durable Goods	53,400	53,400	52,300	0	1,100
Non-Durable Goods	18,100	18,300	17,900	-200	200
Trade, Transportation, and Utilities	140,100	140,100	139,200	0	900
Wholesale Trade	32,100	32,000	31,100	100	1,000
Retail Trade	89,600	89,600	89,400	0	200
Transportation, Warehousing, and Utilities	18,400	18,500	18,700	-100	-300
Information	11,600	11,800	12,000	-200	-400
Financial Activities	34,300	34,100	34,400	200	-100
Financial and Insurance	27,100	27,000	27,500	100	-400
Real Estate and Rental and Leasing	7,200	7,100	6,900	100	300
Professional and Business Services	101,200	100,500	94,700	700	6,500
Professional, Scientific, and Technical Services	49,700	49,100	46,300	600	3,400
Management of Companies and Enterprises	10,600	10,600	10,400	0	200
Administrative and Support and Waste Management and Remediation Services	40,900	40,800	38,000	100	2,900
Education and Health Services	124,900	125,000	121,600	-100	3,300
Educational Services	31,300	31,300	29,500	0	1,800
Health Care and Social Assistance	93,600	93,700	92,100	-100	1,500
Leisure and Hospitality	74,100	73,300	70,400	800	3,700
Arts, Entertainment, and Recreation	11,900	11,600	12,400	300	-500
Accommodation and Food Services	62,200	61,700	58,000	500	4,200
Other Services	24,800	25,000	24,000	-200	800
Government	86,300	86,500	86,500	-200	-200
Federal Government	8,700	8,600	8,500	100	200
State Government	21,600	21,500	22,300	100	-700
Local Government	56,000	56,400	55,700	-400	300

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	Mar-23	Feb-23	Mar-22
Total Civilian Labor Force	758,630	766,160	764,820
Employed	741,910	747,680	745,780
Unemployed	16,720	18,480	19,040
Unemployment Rate	2.2%	2.4%	2.5%

United States (# in thousands)	Mar-23	Feb-23	Mar-22
Total Civilian Labor Force	166,783	166,178	164,274
Employed	160,741	159,713	158,106
Unemployed	6,043	6,465	6,168
Unemployment Rate	3.6%	3.9%	3.8%

Unemployment Rates by Area

Counties	Mar-23	Feb-23	Mar-22
Belknap	2.1%	2.4%	2.6%
Carroll	2.3%	2.4%	2.7%
Cheshire	2.3%	2.5%	2.7%
Coös	3.0%	3.0%	3.3%
Grafton	1.8%	1.9%	2.2%
Hillsborough	2.3%	2.6%	2.6%
Merrimack	1.8%	2.0%	2.2%
Rockingham	2.4%	2.7%	2.6%
Strafford	1.8%	2.0%	2.2%
Sullivan	1.7%	1.9%	2.2%

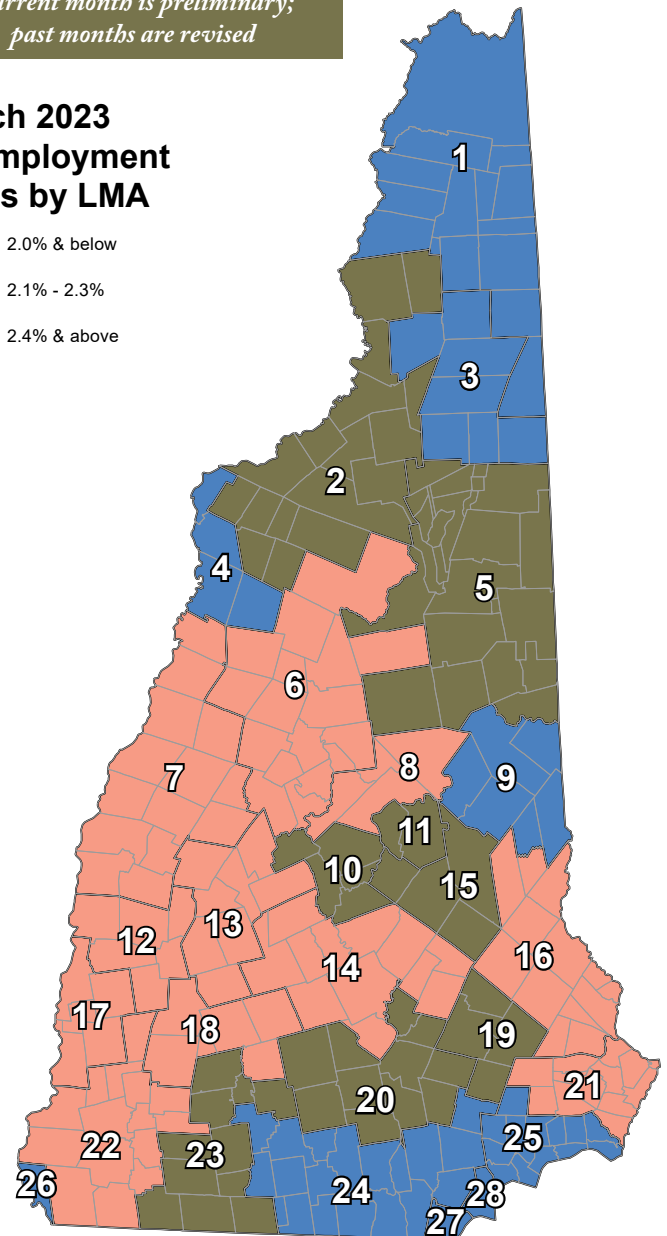
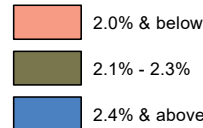
Map Key	Labor Market Areas	Mar-23	Feb-23	Mar-22
1	Colebrook, NH-VT LMA, NH Portion	3.8%	3.9%	3.0%
2	Littleton, NH-VT LMA, NH Portion	2.1%	2.3%	2.6%
3	Berlin NH Micropolitan NECTA	3.2%	3.2%	3.6%
4	Haverhill, NH LMA	3.0%	3.0%	3.6%
5	Conway, NH-ME LMA, NH Portion	2.1%	2.2%	2.4%
6	Plymouth, NH LMA	1.9%	1.9%	2.0%
7	Lebanon, NH-VT Micropolitan NECTA, NH Portion	1.6%	1.7%	2.0%
8	Meredith, NH LMA	1.9%	2.2%	2.4%
9	Wolfeboro, NH LMA	2.7%	2.7%	3.1%
10	Franklin, NH LMA	2.1%	2.6%	2.6%
11	Laconia, NH Micropolitan NECTA	2.3%	2.6%	2.7%
12	Expanded Claremont, NH estimating area	1.8%	1.9%	2.2%
13	New London, NH LMA	1.9%	1.9%	2.2%
14	Concord, NH Micropolitan NECTA	1.7%	1.9%	2.1%
15	Belmont, NH LMA	2.2%	2.4%	2.7%
16	Dover-Durham, NH-ME Metropolitan NECTA, NH Portion	1.8%	2.0%	2.2%
17	Charlestown, NH LMA	1.9%	2.2%	2.6%
18	Hillsborough, NH LMA	1.8%	2.2%	2.3%
19	Raymond, NH LMA	2.3%	2.5%	2.5%
20	Manchester, NH Metropolitan NECTA	2.1%	2.2%	2.4%
21	Portsmouth, NH-ME Metropolitan NECTA, NH Portion	2.0%	2.1%	2.3%
22	Keene, NH Micropolitan NECTA	2.0%	2.3%	2.5%
23	Peterborough, NH LMA	2.3%	2.5%	2.6%
24	Nashua, NH-MA NECTA Division, NH Portion	2.5%	2.7%	2.6%
25	Seabrook-Hampstead Area, NH Portion, Haverhill-Newburyport-Amesbury MA-NH NECTA Division	2.9%	3.3%	3.2%
26	Hinsdale Town, NH Portion, Brattleboro, VT-NH LMA	3.5%	3.4%	4.0%
27	Pelham Town, NH Portion, Lowell-Billerica-Chelmsford, MA-NH NECTA Division	3.5%	3.9%	3.5%
28	Salem Town, NH Portion, Lawrence-Methuen-Salem, MA-NH NECTA Division	3.0%	3.5%	3.0%

Unemployment Rates by Region

Not Seasonally Adjusted	Mar-23	Feb-23	Mar-22
United States	3.6%	3.9%	3.8%
Northeast	3.8%	4.3%	4.3%
New England	3.6%	4.0%	3.8%
Connecticut	4.3%	4.6%	4.5%
Maine	2.9%	3.1%	3.5%
Massachusetts	3.9%	4.2%	3.9%
New Hampshire	2.2%	2.4%	2.5%
Rhode Island	3.6%	3.9%	3.2%
Vermont	2.4%	2.8%	2.5%
Mid Atlantic	3.9%	4.4%	4.5%
New Jersey	3.8%	4.1%	4.4%
New York	4.0%	4.5%	4.7%
Pennsylvania	3.7%	4.6%	4.3%

Current month is preliminary; past months are revised

March 2023 Unemployment Rates by LMA



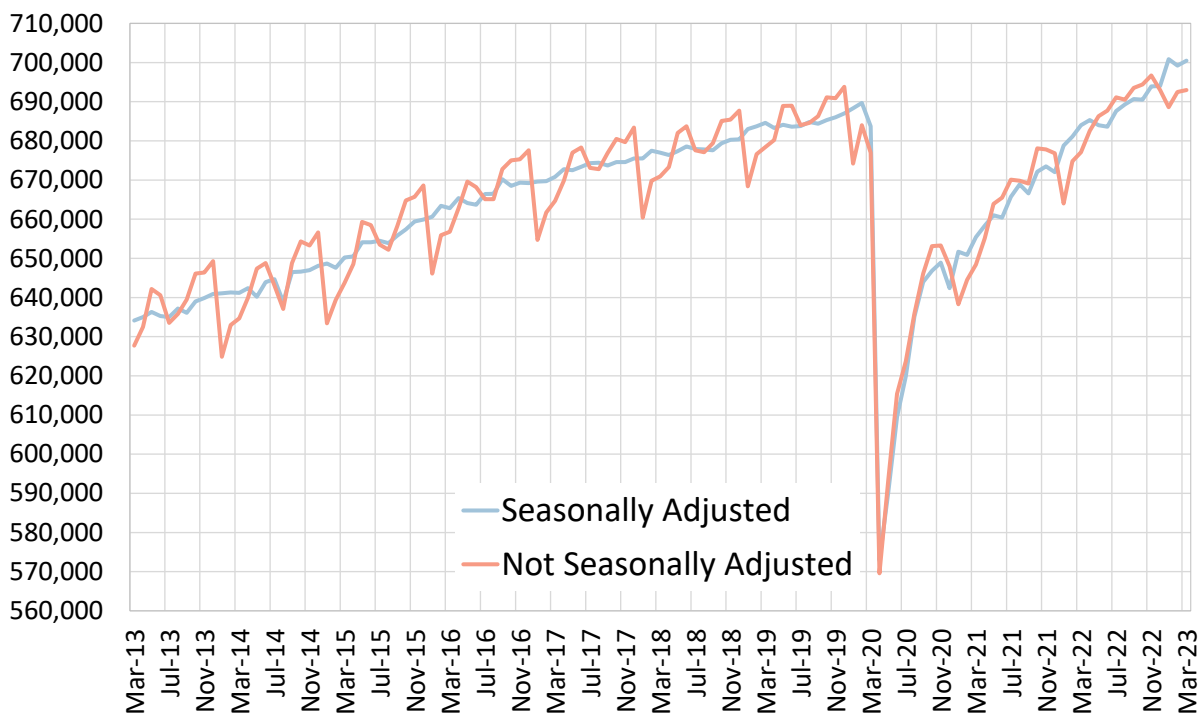
MONTHLY ESTIMATES BY PLACE OF ESTABLISHMENT

New Hampshire Nonfarm Employment Statewide
Not Seasonally Adjusted

Current month
is preliminary;
past months
are revised

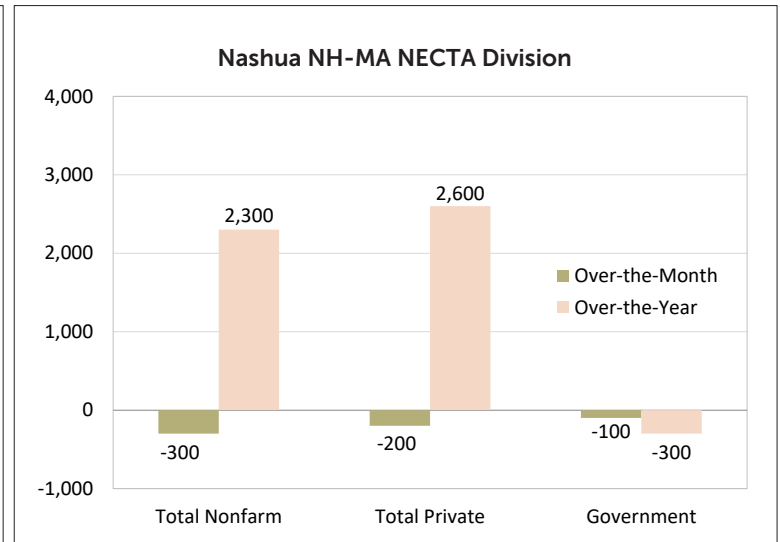
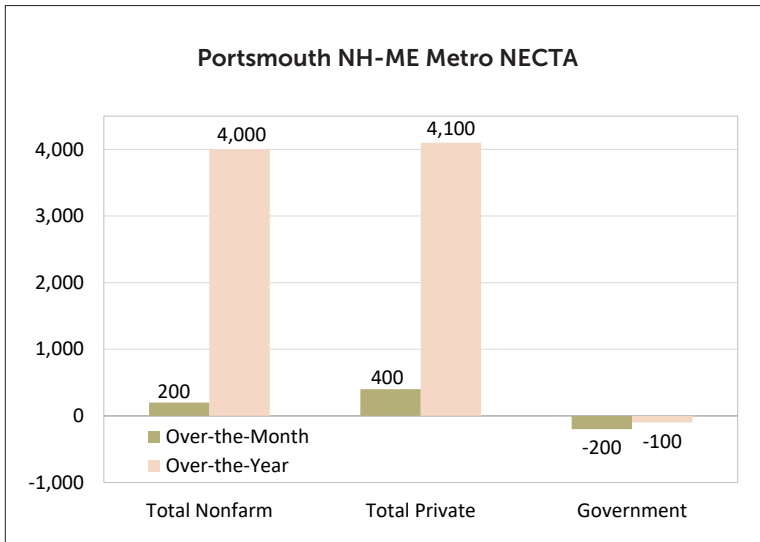
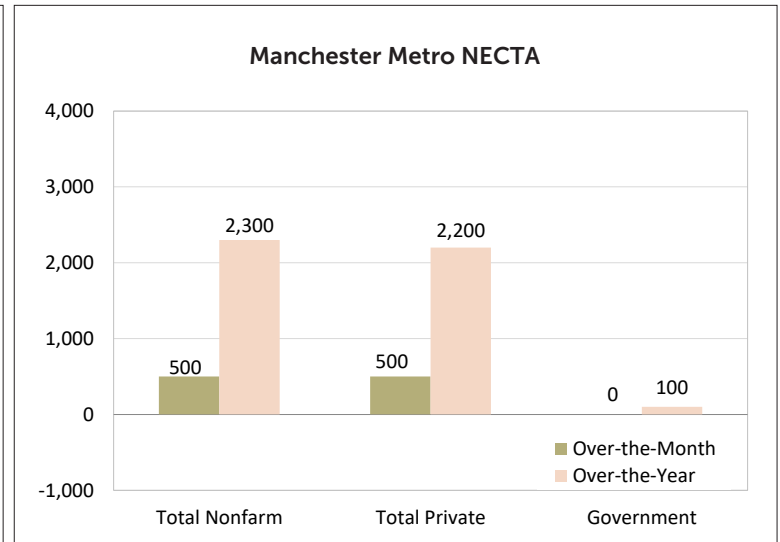
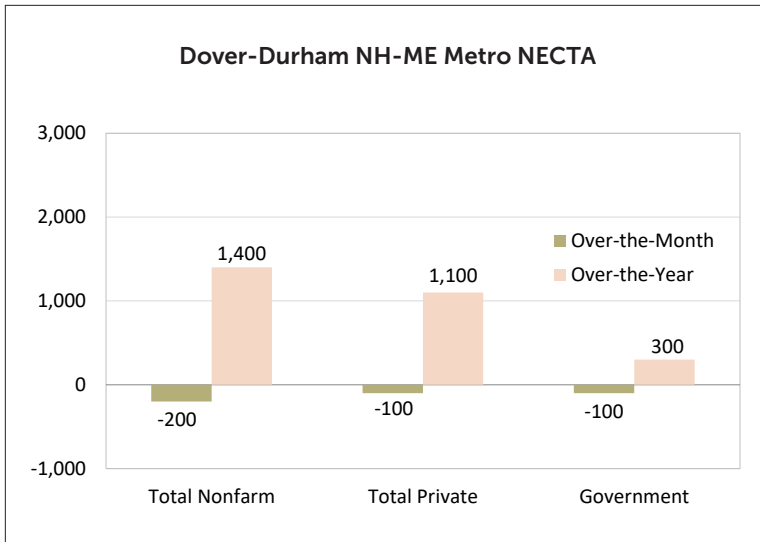
	Number of Jobs			Change From Previous	
	Mar-23	Feb-23	Mar-22	Month	Year
Total Nonfarm	693,000	692,500	677,100	500	15,900
Total Private	603,200	602,600	587,500	600	15,700
Mining and Logging	900	900	900	0	0
Construction	28,900	28,500	28,300	400	600
Manufacturing	71,000	71,200	70,000	-200	1,000
Durable Goods	53,100	53,100	52,200	0	900
Non-Durable Goods	17,900	18,100	17,800	-200	100
Trade, Transportation, and Utilities	138,900	138,700	137,100	200	1,800
Wholesale Trade	32,100	31,800	31,100	300	1,000
Retail Trade	88,700	88,500	87,500	200	1,200
Transportation, Warehousing, and Utilities	18,100	18,400	18,500	-300	-400
Information	11,600	11,700	11,900	-100	-300
Financial Activities	34,100	33,900	34,200	200	-100
Professional and Business Services	100,200	99,800	93,000	400	7,200
Education and Health Services	125,400	127,000	123,600	-1,600	1,800
Leisure and Hospitality	67,700	66,400	65,000	1,300	2,700
Other Services	24,500	24,500	23,500	0	1,000
Government	89,800	89,900	89,600	-100	200
Federal Government	8,600	8,600	8,400	0	200
State Government	23,000	22,900	23,400	100	-400
Local Government	58,200	58,400	57,800	-200	400

Total Nonfarm Employment Trend Through March 2023

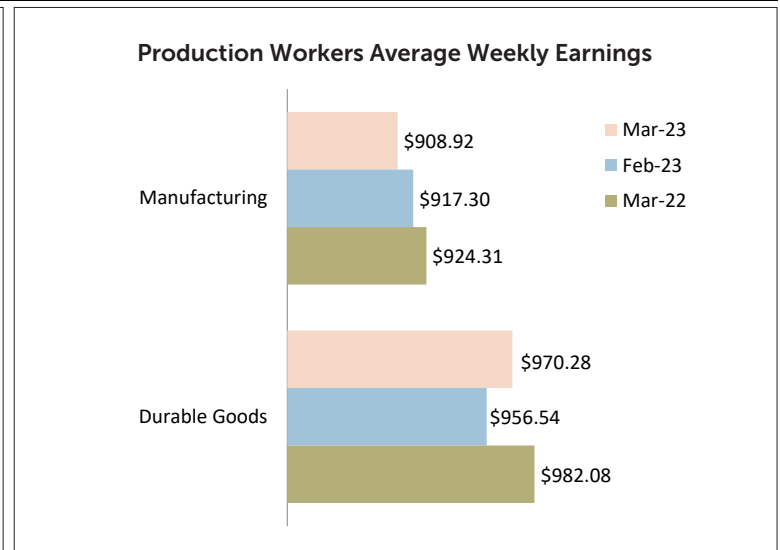
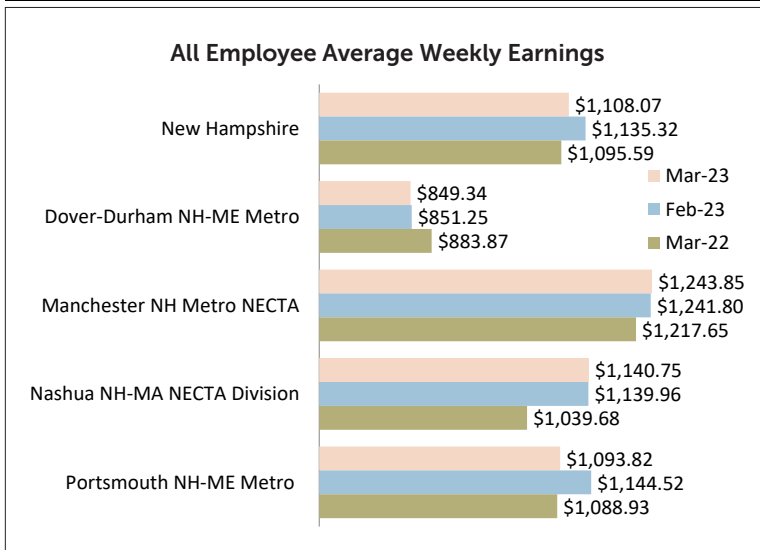


MONTHLY ESTIMATES BY PLACE OF ESTABLISHMENT

Nonfarm Employment by Metropolitan Statistical Areas - March 2023



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 700,500 jobs in March, based on preliminary seasonally adjusted estimates. This was an increase of 1,300 non-farm jobs over the month, as private industry employment increased by 1,500 and government employment decreased by 200 after the seasonal adjustment. Four private industry supersectors experienced over-the-month employment gains, four supersectors experienced losses and two supersectors were unchanged. Seasonally adjusted over-the-month changes reflect the number of jobs that are not attributable to a regular seasonal pattern of employment variability.

Leisure and hospitality expanded payrolls by 800 over the month, while professional and business services employment increased by 700 in March. Construction added 500 jobs while financial activities gained 200 positions. Private education and health services employment declined by 100 after the seasonal adjustment. Employment in the manufacturing, information and other services supersectors decreased by 200. The mining and logging and trade, transportation, and utilities supersectors were unchanged over the month.

Total nonfarm employment in March 2023 was 10,800 jobs above the pre-pandemic level in February 2020. Employment in the leisure and hospitality, private education and health services, financial activities, information, other services and government supersectors remained below the February 2020 level.

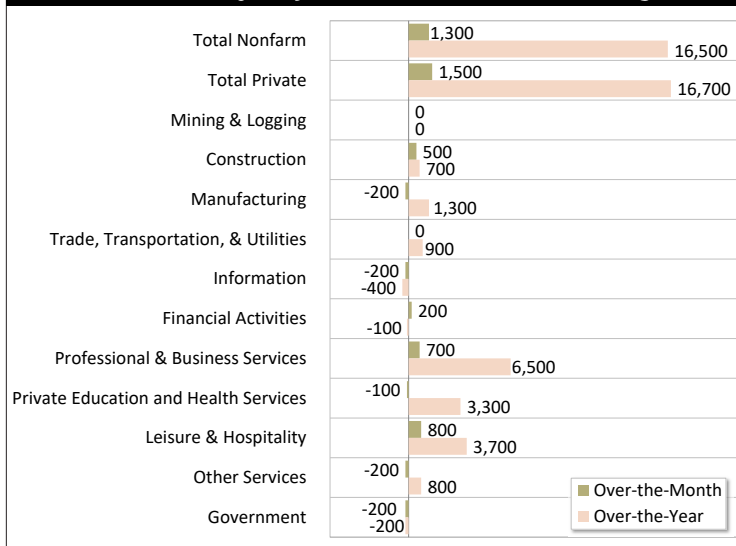
Not Seasonally Adjusted

Preliminary unadjusted estimates for March 2023 indicate that total nonfarm employment increased by 15,900 jobs since March 2022. Seven private industry supersectors experienced over the year employment gains and two experienced over-the-year losses. Government employment increased by 200, while mining and logging employment was unchanged from March 2022 to March 2023.

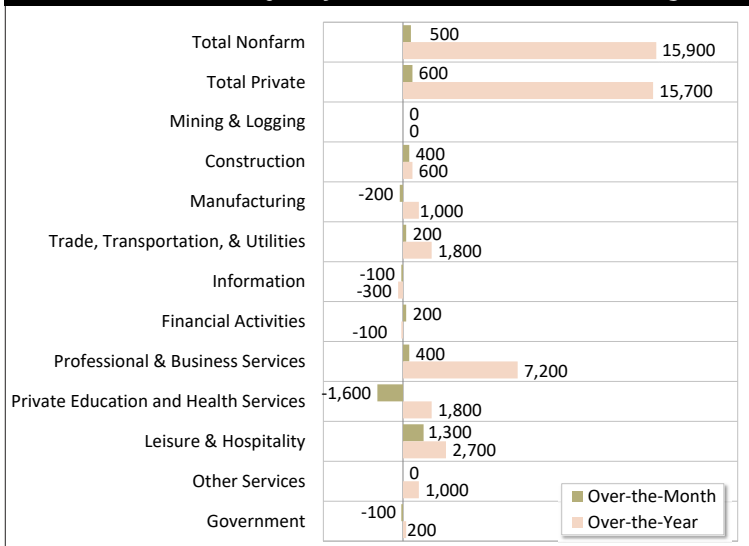
Professional and business services experienced the largest increase, with 7,200 more jobs than in March 2022. The leisure and hospitality supersector increased employment by 2,700, while the private education and health services and the trade, transportation, and utilities supersectors each added 1,800 positions. The manufacturing and the other services supersectors each expanded payrolls by 1,000. Construction added 600 jobs over the year. Employment in the financial activities supersector was 100 fewer than a year earlier and information lost 300 jobs.

– Robert Cote, Research Analyst

Seasonally Adjusted March 2023 Change



Not Seasonally Adjusted March 2023 Change

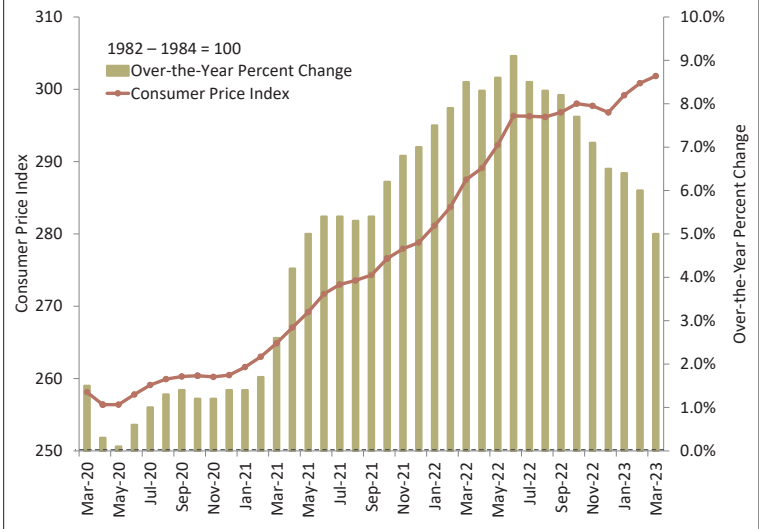


Consumer Price Index

United States, All Urban Consumers				
Not Seasonally Adjusted (CPI-U) (1982-1984=100)				
			Change From Previous	
Mar-23	Feb-23	Mar-22	Month	Year
301.836	300.840	287.504	0.3%	5.0%

Northeast, All Urban Consumers				
Not Seasonally Adjusted (CPI-U) (1982-1984=100)				
			Change From Previous	
Mar-23	Feb-23	Mar-22	Month	Year
311.243	311.986	298.403	-0.2%	4.3%

Consumer Price Index United States, All Urban Consumers



Unemployment Compensation Claims Activity

	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23
Initial Claims	1,368	1,564	2,331	2,165	1,977	1,814
Continued Weeks Claimed	7,422	7,442	8,707	13,105	11,490	12,383
Average payment for a week of unemployment	\$357.49	\$354.17	\$356.19	\$353.19	\$361.18	\$356.86

New Hampshire Economic Conditions is published monthly in coordination with the Bureau of Labor Statistics and the Employment Training Administration of the U.S. Department of Labor.

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