

## Personal Consumption Expenditures in New Hampshire 2014

In 2014, the *personal consumption expenditures* (PCE) of New Hampshire households totaled \$61,874 million, up 4.2 percent from \$59,373 million in 2013. Personal consumption expenditures for each state are a measure of the goods and services purchased by or on behalf of households by state of residence.<sup>1</sup>

Personal consumption expenditures are categorized as *Goods or Services*. *Goods* are tangible products that can be stored or inventoried. *Services* are products that cannot be stored or inventoried and are usually consumed at the place and time of purchase. New Hampshire households expended almost \$2.00 on services for every \$1.00 expended on goods.

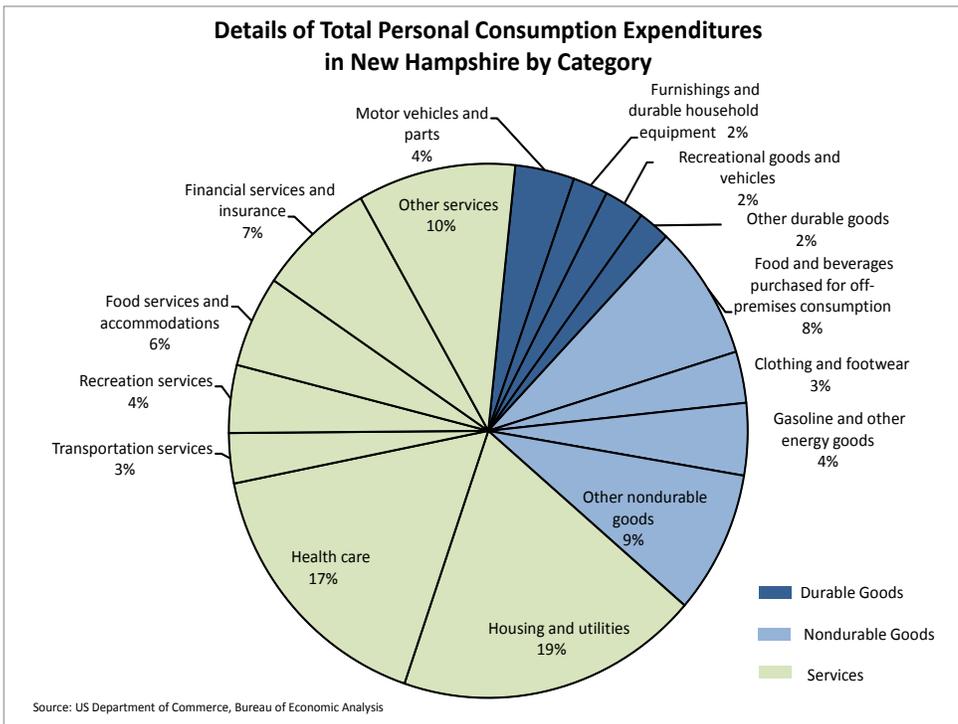
### Personal Consumption Expenditures on Services

*Services* accounted for 67.0 percent of total personal consumption expenditures by New Hampshire households in 2014. Among services categories, 18.0 percent of total personal expenditures were for *Housing and utilities*, accounting for the largest share, and 15.8 percent were for *Health care*, the second-largest share. These two categories represented more than half of personal consumption expenditures in services. Out of total personal expenditures, 9.4 percent were for *Other services*, including communication, education services, and other personal services, 7.0 percent were for *Financial services and*

*insurance*, and 5.3 percent were for *Food services and accommodations*, which consists of expenditures on purchased meals and beverages and food furnished to employees (including military).

### Personal Consumption Expenditures on Goods

In 2014, 33.0 percent of personal consumption expenditures by New Hampshire households were for *Goods*, which are categorized into two groups: durable goods and nondurable goods. *Durable goods* are defined as products that have an average life of at least three years, while *Nondurable goods* are products that have an average life of less than three years.



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<sup>1</sup> U.S. Department of Commerce, Bureau of Economic Analysis, News Release BEA-15-58, Personal Consumption Expenditures by State, 1997 – 2014. <http://www.bea.gov/regional/definitions/> Personal Consumption Expenditures are measured in current dollars.

Over 23 percent of expenditures for New Hampshire households were on nondurable goods. Among nondurable goods categories, 8.2 percent of total expenditures were for *Other nondurable goods*, including medical products, tobacco, pharmaceutical products, household supplies and magazines and newspapers, closely followed by 7.8 percent for *Off-premise food and beverages products*. Of total personal expenditures, 4.2 percent was spent on *Gasoline and other energy goods*, and 3.0 percent was on *Clothing and footwear*.

Durable goods accounted for 9.9 percent of total personal expenditures by New Hampshire households. Among durable goods categories, 3.5 percent of total expenditures were on *Motor vehicles and parts*. Out of total personal

consumption expenditures, 2.4 percent was for *Recreational goods and vehicles*, 2.1 percent was for *Furnishings and durable household equipment*, and 1.9 percent was for *Other durable goods*, which includes purchases of jewelry, therapeutic equipment, educational books, luggage and similar personal items, and telephones and facsimile equipment.

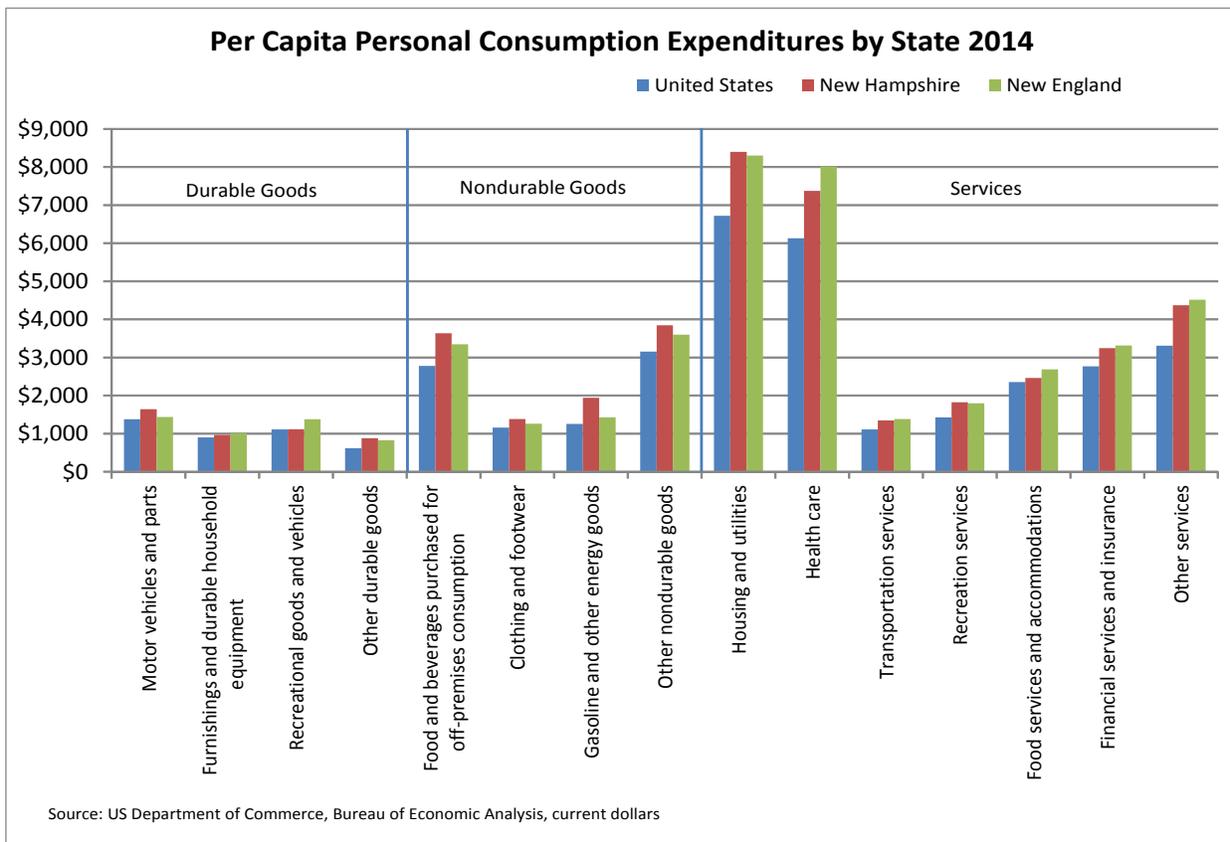
**Per Capita Personal Consumption Expenditures**

Like personal income measures, total personal consumption expenditures for New Hampshire are difficult to compare to other states because of the differences in population. Per capita measures are used to gain better insight into expenditure patterns between states by eliminating population bias.

In 2014, New Hampshire per capita personal consumption expenditures averaged \$46,633. New Hampshire residents surpassed per capita expenditures of New England as a whole, which had per capita expenditures of \$46,008, as well as the nation, which had per capita expenditures of \$37,196.

**New Hampshire vs. United States**

Per capita personal consumption expenditures for New Hampshire were more than \$9,400 above the national average, and were also higher in all consumption categories. The biggest difference was in *Housing and utilities* - New Hampshire per capita expenditures were \$1,677 more than the national average. New Hampshire per capita expenditures on *Health care* were \$1,247 above the national average, and \$1,064 higher on *Other services*.



### New Hampshire vs. New England

Comparing per capita expenditures for New Hampshire to those of New England as a whole may be more valuable because of regional similarities. Per capita personal consumption expenditures for New Hampshire were \$625 higher than per capita expenditures for New England. Expenditures in all categories were more comparable between the state and the region than between the state and the nation.

Among durable goods categories, per capita expenditures for New Hampshire were nearly the same as New England, on *Furnishings and durable household equipment* and *Other durable goods*. New Hampshire per capita expenditures on *Motor vehicles and parts* were \$204 higher than New England as a whole, while expenditures on *Recreational goods and vehicles* were \$265 higher for

New England than New Hampshire. Overall, the differences in per capita expenditures for durable goods were \$56 lower for New Hampshire than New England as a whole.

Per capita expenditures by New Hampshire residents on all nondurable goods were \$10,802, which was higher than the \$9,632 per capita expenditures for New England residents. The biggest difference between New Hampshire and New England as a whole was on *Gasoline and other energy goods*, with per capita expenditures for New Hampshire \$514 more than New England overall. Per capita expenditures were higher in New Hampshire than New England as a whole for *Food and beverages purchased for off-premises consumption*, (\$289 higher); *Other nondurable goods*, including medical products, tobacco, pharmaceutical products, household supplies and

magazines and newspapers (\$246 higher); and *Clothing and footwear* (\$121 higher).

Comparing per capita expenditures on Services between New Hampshire and New England, *Transportation services* and *Recreation services* were nearly the same. New Hampshire per capita expenditures on *Health care* were \$641 less than New England overall; \$222 less on *Food services and accommodation*; \$142 less on *Other services*, including communication, education services, and other personal services; and \$71 less on *Financial services and insurance*. Per capita personal expenditures on *Housing and utilities* were the only services category that was higher in New Hampshire than New England, with the state exceeding the region by \$97. New Hampshire per capita expenditures on all services categories were \$488 lower than in New England as a whole.