

# The Amarillo Economy

May 2024



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## **Slower consumer business is pulling down the Amarillo economy, while construction is the main bright spot.**

Retail Sales are off 3% from last year bringing the YTD to down 1%. Factoring in an inflation rate makes the decline even stronger. Our analysis is that savers have much more spendable income due to higher rates, but the caution of most consumers is slowing sales.

Vehicle Sales rebounded in April, with new up 18% and used up 41%. Some of this is pent up demand from the slower winter months.

Airline Boardings were flat and Motel Collections were down 5%, as this sector flattens out from the growth of previous years.

The Household Survey shows workers employed up 1,600 and the Employer's Survey shows up 1,700. Wages are up 5%.

Commercial Construction continues to boost the economy, with Building Permits double last year's level and up strongly on the YTD based on commercial projects that are started. Building costs are up about 20% on non-commercial projects. Residential housing has slowed, with 45 starts vs 53 12-months ago, and the YTD being 185 vs 216 last year. The median house price is down 2% and active listings have grown 47%. The months of inventory has increased to 3.5 compared to 2.2 last year, as the entire residential sector slows.

Energy is contributing less, with only 3 rigs operating vs 6 last year, while oil prices are up 12%, natural gas is off 2%, and in some areas much more (including prices going negative in the Permian Basin).

Wheat crops look good due to beneficial rains and prices being up from last month. Corn is down in price and cotton is flat with a year ago.

Cattle continue to do well, with fat cattle prices up 6% and dairy profits are increasing.



# Amarillo Economic Pulse

Economic Components	Current Month	Last Month	One Year Ago
Index (Base Jan. 88 @ 100)	190.69	184.64	201.13
Sales Tax Collection	\$ 9,547,613	\$ 7,382,109	\$ 9,842,000
Sales Tax Collections (Year to Date)	\$ 43,068,378	\$ 33,520,764	\$ 43,319,123
New Vehicle Sales	617	655	523
Used Vehicle Sales	1,595	1,615	1,130
Airline Boardings	31,446	33,335	31,333
Hotel/Motel Receipt Tax	\$ 802,946	\$ 536,089	\$ 846,160
Population	201,106	201,106	201,106
Employment – CLF*	139,432	138,798	137,898
Unemployment Rate*	% 2.60	% 3.10	% 2.70
Total Worker Employed* (Household Survey)	135,788	134,467	134,179
Total Worker Employed* (Employer Survey)	129,200	128,554	127,520
Average Weekly Wages	\$ 1,030.00	\$ 1,030.00	\$ 980.00
Gas Meters	69,944	70,233	69,134
Interest Rates (30 year mortgage rates)	% 6.875	% 7.375	% 6.500
Building Permits (Dollar Amount)	\$ 39,203,596	\$ 19,221,287	\$ 12,739,459
Year to Date Permits (Dollar Amount)	\$ 100,078,729	\$ 60,486,198	\$ 20,550,637
Residential Starts	45	45	53
Year to Date Starts	185	145	216
Median House Sold Price	\$ 242,000	\$ 245,000	\$ 249,000
Drilling Rigs in Panhandle	3	3	6
Oil Per Barrel	\$ 78.79	\$ 85.54	\$ 70.04
Natural Gas	\$ 2.38	\$ 1.77	\$ 2.44
Wheat Per Bushel	\$ 7.34	\$ 5.89	\$ 7.02
Fed Cattle Per CWT	\$ 185.00	\$ 186.36	\$ 174.00
Corn	\$ 4.56	\$ 4.31	\$ 5.97
Cotton (Cents Per Pound)	\$ 81.80	\$ 77.60	\$ 80.30
Milk	\$ 18.50	\$ 16.50	\$ 18.25

Now for the annoying legal jargon...

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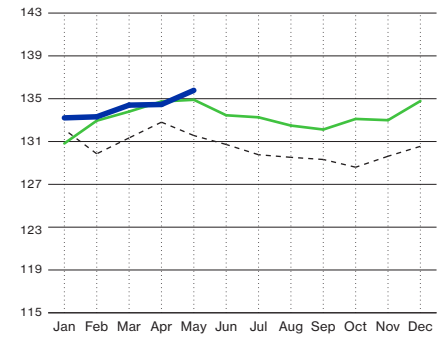
# Economic Pulse Charts

2024

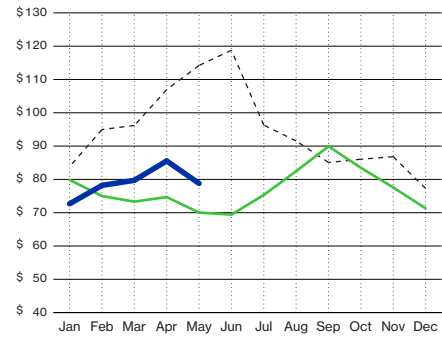
2023

2022

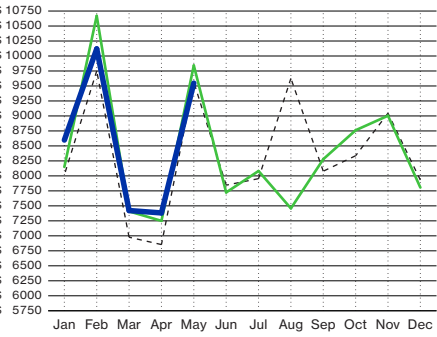
Workers Employed  
(In Thousands - Household Survey)



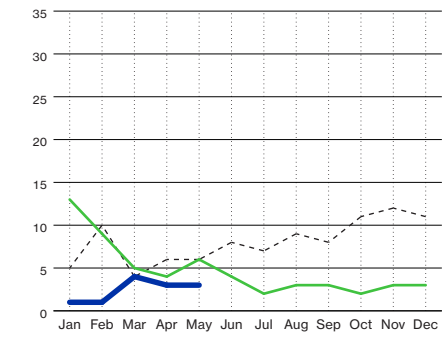
Oil (Price Per Barrel - In Dollars)



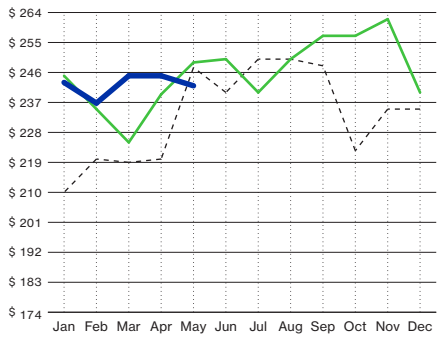
Sales Tax Receipts (In Thousands)



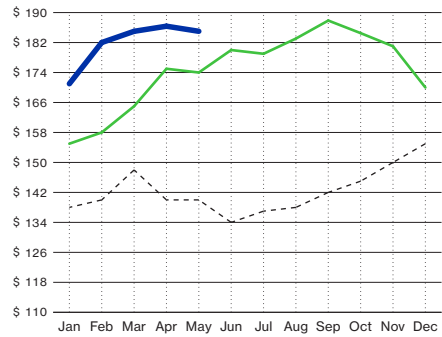
Active Drilling Rigs in Panhandle



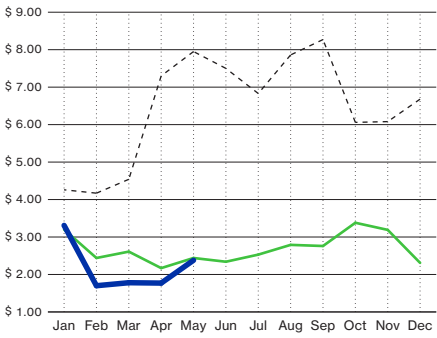
Median House Sold Price (In Thousands)



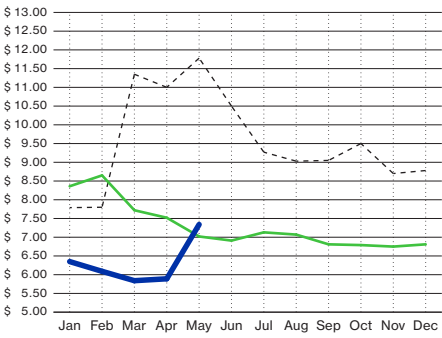
Fed Cattle Per Hundred Weight (In Dollars)

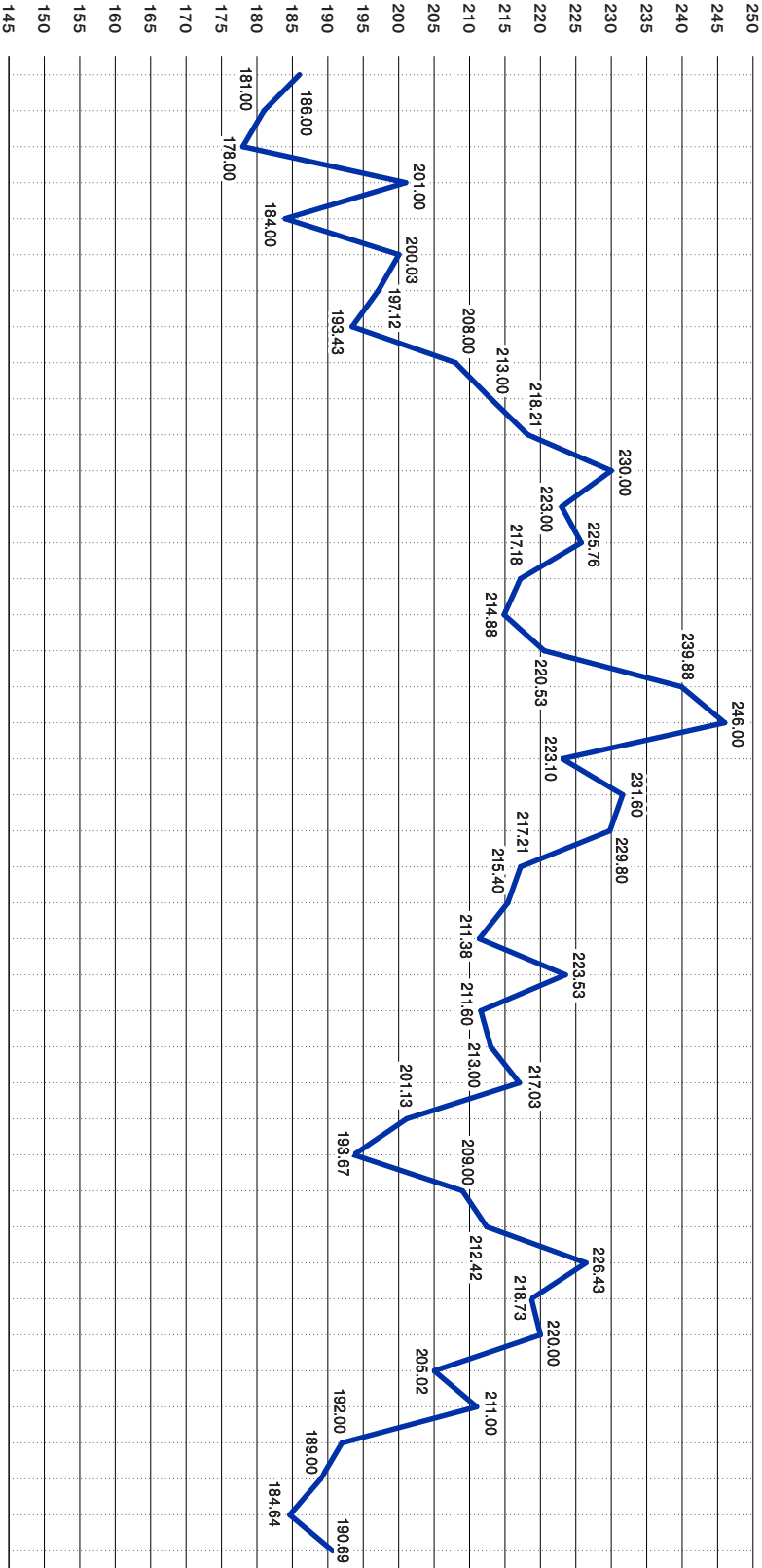


Natural Gas (Price Per Mmbtu - In Thousands)



Wheat (Price Per Bushel)





'20 2021

2022

2023

2024

# A Tale of 3 Cities

## May 2024

	<u>Amarillo</u>	<u>Lubbock</u>	<u>Midland/Odessa</u>
<b>Employment</b>			
Employer's Survey	129,200	161,800	203,700
Increase 12 mos	1,680	3,236	2,195
Household Survey	135,788	168,792	198,547
Increase 12 mos	1,609	3,178	3,084
<b>Airline Boardings YTD</b>	233,717	172,039	184,925
% Increase	9%	3%	24%
<b>Motel Tax YTD</b>	8,981,597	9,296,234	
% Increase	-3.8%	8%	
<b>Sales Tax Receipts YTD</b>	43,068,378	34,521,167	4,492,897
% Increase	-5%	4.6%	-2.25%
<b>Auto Sales April</b>	617	906	1,758
% Change 12 mos	17%	-6.7%	
<b>Housing Starts YTD</b>	185	459	
<b>Building Permits YTD</b>	100,078,729	282,147,939	
<b>Median Price Home</b>	242,000	236,200	303,883
% Change 12 mos	-2.8%	1.6%	6.2%