

Amarillo Economic Analysis

Amarillo's economy continues at a level flat for the last 3 months, as employment is holding steady, and retail sales are basically flat, but construction is providing a strong boost.

Retail sales for the last 3 months have been essentially flat, with 12 months before and YTD being up 1%. Lubbock is up 2.8%, while Midland/Odessa are down 20.2%. This is better than the statewide average, which showed a 6% drop. Vehicle sales slowed from their stronger pace and are down about 20% from last year.

Airline Boardings are down 47% from last year and about flat with the month before; however, motels are doing relatively better, being down only 22%, as auto trips have replaced airplane trips.

Employment is down in Amarillo 5.2%, Lubbock 3.6% and Midland/Odessa 12.1%. There are 6,000 people less working in Amarillo (Household Survey down 6,600 and Employer's Survey down 6,000). The unemployment rate is listed at 5.1%, but adding back the numbers who have left the labor force, gets the actual rate to around 8%. However, wages are up 2.4% from last year.

Construction is strong, with monthly Building Permits up 130% from last year and up 44% YTD. Residential Starts are much of this increase this month, with Starts up 33% and YTD up 23%. This September saw 366 existing homes sold—the highest in history for September. The average house price is up 16%, which is helped by the low mortgage rates.

Energy continues very weak, with only 1 drilling rig running, down from 4 last year and 18 2-years ago. Oil prices are hovering at \$40, but Natural Gas prices are up to \$2.80 from \$2.30 last month and \$2.20 last year.

Farming is hurt by lack of rain, but prices are up; with Wheat up 35%, Corn up 12% and Cotton flat with a year ago. Milo was a good profitable crop this year.

Cattle continue to do better, with prices up this month to about the same level as last year, with the same for Dairy, up from last month and level with last year.

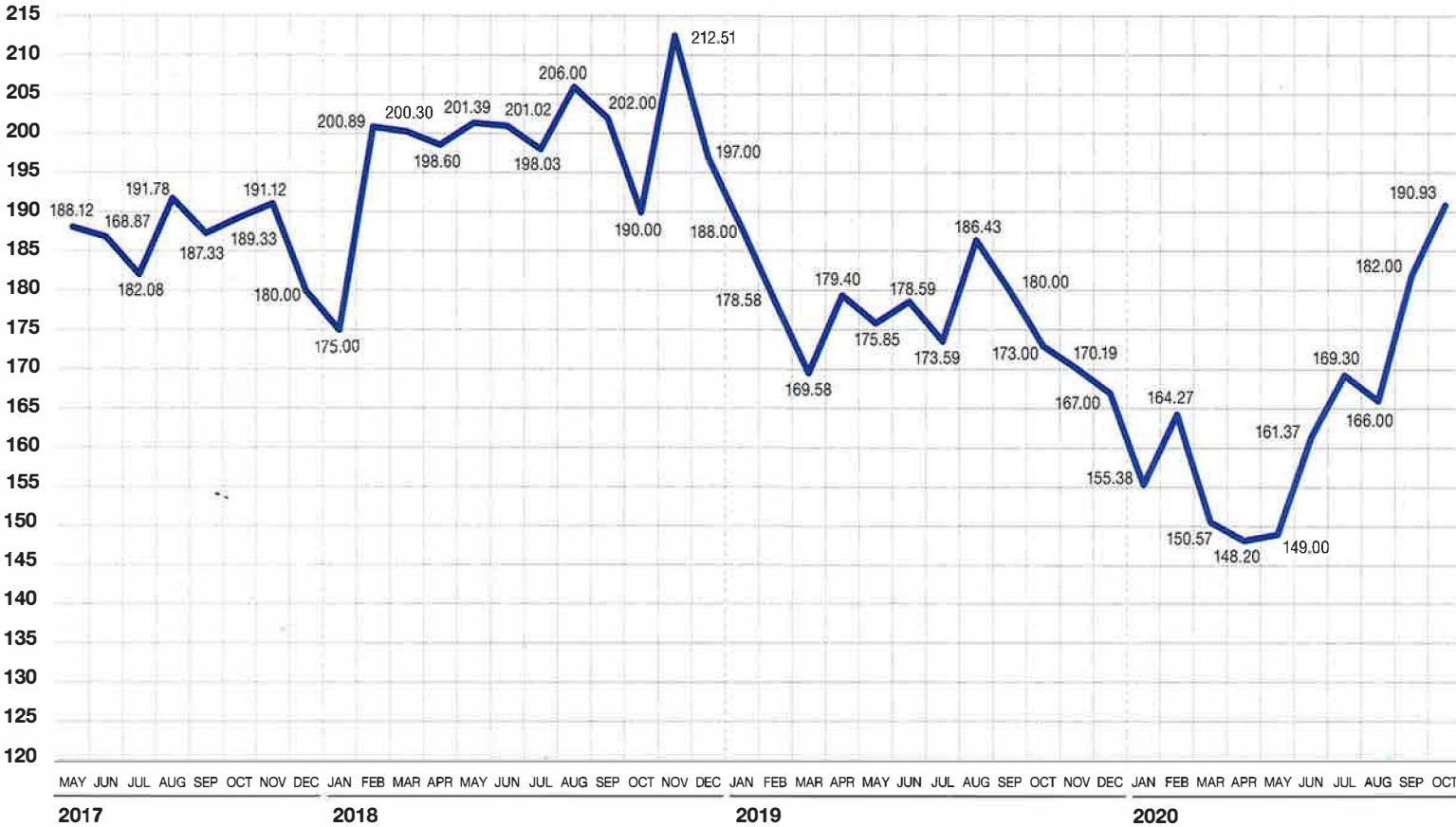
These results are certainly adequate and much better than the levels that we feared would occur when the virus hit in March.

Amarillo Economic Pulse

Economic Components	Current Month	Last Month	One Year Ago
Index (Base Jan. 88 @ 100)	190.93	182.00	173.00
Sales Tax Collections	\$ 6,541,063	\$ 6,753,486	\$ 6,508,488
Sales Tax Collections – Year to Date	\$ 66,696,093	\$ 60,155,030	\$ 65,856,116
New Vehicle Sales	675	646	897
Used Vehicle Sales	1,580	1,782	2,007
Airline Boardings	16,279	16,297	30,856
Hotel/Motel Receipt Tax	\$ 529,823	\$ 587,609	\$ 681,862
Population	191,514	191,514	191,514
Employment – CLF*	129,137	129,550	132,435
Unemployment Rate*	% 5.10	% 4.30	% 2.50
Total Workers Employed* (Household Survey)	122,521	124,035	129,103
Total Workers Employed* (Employer Survey)	114,700	116,764	120,664
Average Weekly Wages	\$ 899.70	\$ 899.70	\$ 878.86
Gas	63,513	68,008	67,447
Interest Rates (30 year mortgage rates)	% 2.875	% 2.875	% 4.00
Building Permits (Dollar Amount)	\$ 65,395,333	\$ 88,594,969	\$ 28,440,720
Year to Date Permits (Dollar Amount)	\$ 419,921,487	\$ 354,511,155	\$ 290,896,581
Residential Starts	48	57	36
Year to Date Starts	391	343	318
Median House Sold Price	\$ 205,000	\$ 200,000	\$ 175,500
Drilling Rigs in Panhandle	1	1	4
Oil Per Barrel	\$ 40.27	\$ 37.39	\$ 54.70
Natural Gas	\$ 2.87	\$ 2.28	\$ 2.21
Wheat Per Bushel	\$ 5.25	\$ 4.93	\$ 3.87
Fed Cattle Per CWT	\$ 108.54	\$ 101.34	\$ 108.65
Corn	\$ 4.40	\$ 3.70	\$ 3.93
Cotton (Cents Per Pound)	\$ 57.30	\$ 60.40	\$ 56.60
Milk	\$ 18.00	\$ 16.00	\$ 17.50

Amarillo Economic Pulse

OCTOBER 2020



Trends and Comparisons

Steady October 2020

Comparisons

(vs. 12 months ago)

	<u>Amarillo</u>		<u>Lubbock</u>	
	<u>August</u>	<u>Sept.</u>	<u>August</u>	<u>Sept.</u>
Retail Sales	+ .5%	+ .5%	+ 2%	+ 2%
Airline Boardings	- 52%	- 47%	- 54%	- 52%
Hotel Motel Tax	- 23%	- 22%	- 33%	- 59%
Building Permits Month	+116%	+129%	- 40%	+ 38%
Housing Starts Month	+119%	+ 33%	+ 2%	+114%
Housing Starts YTD	+ 35%	+ 23%	+ 28%	+ 34%
Median House Price	+ 14%	+ 16%	+ 13%	+ 16%

Actuals

New Vehicle Sales	646	675	987	971
Used Vehicle Sales	1,782	1,580	2,314	2,038
Workers Employed				
Household	124,035	122,521	156,340	153,249
Employers	116,764	114,700	143,451	144,900
Civil Labor Force	129,550	129,137	164,873	163,206
Jobless Claims (since March)	17,970		25,038	
	+ 647		+ 962	

Federal Stimulus Funds:

(Total Allocated: 20% released so far)

City	\$11 million	\$14.113 million
Counties	\$1.975 million	\$1.896 million
Airport	\$7 million	\$9.5 million
Transit (Bus)	\$7 million	\$9.6 million

