

# The Amarillo Economy

OCTOBER 2021

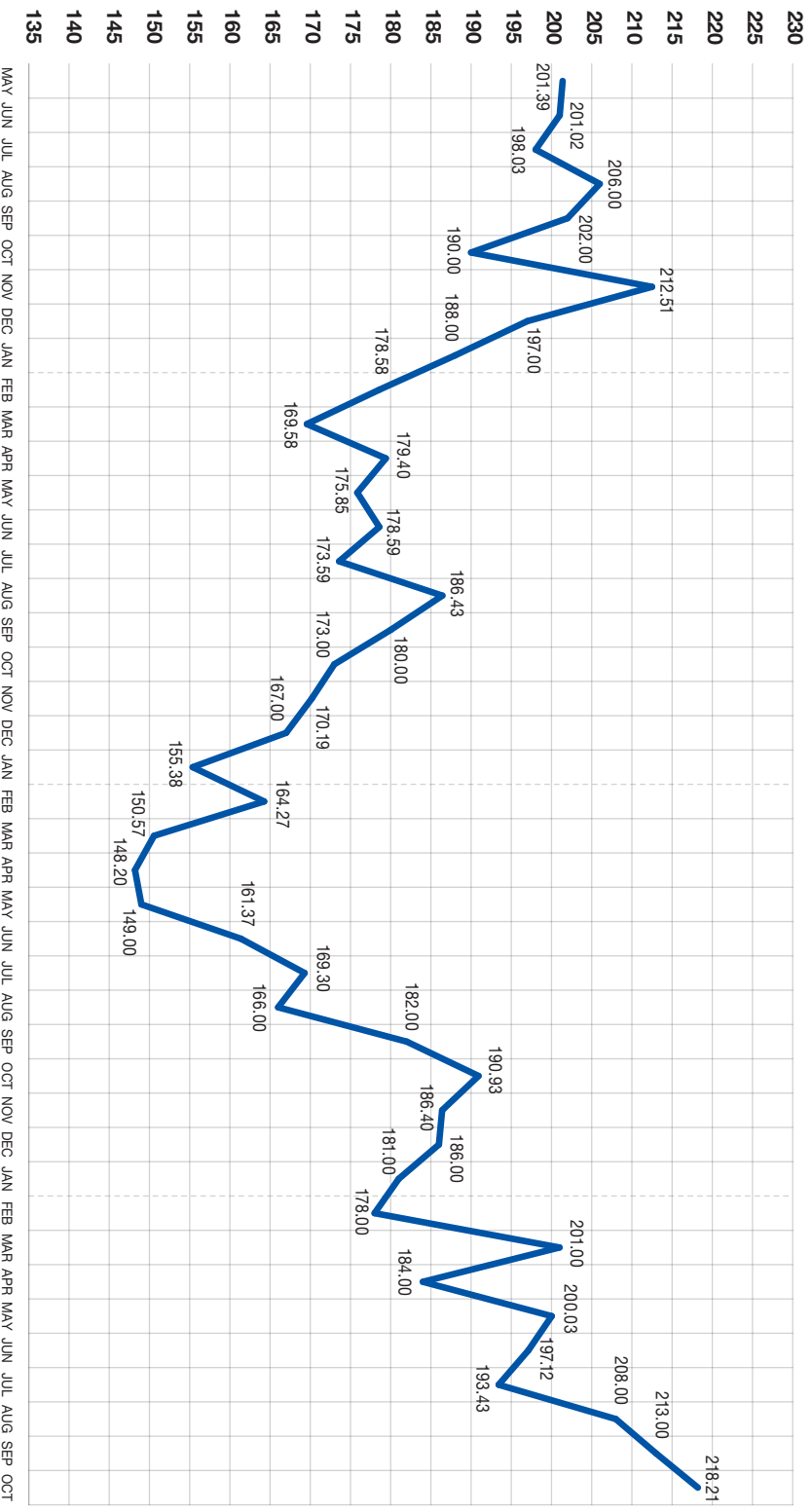


**Amarillo  
National  
Bank**

**Amarillo Before Bank**

# Amarillo Economic Pulse

## OCTOBER 2021



# Amarillo Economic Analysis

Amarillo's economy continues to strengthen, as higher commodity prices and more people working help push retail sales and construction higher.

Retail sales are up 14% from August 2020 (there is a 2-month lag in our monthly numbers). Year to date retail sales are up 13%.

New car sales are down 23% due to lower inventory supplies. Used car sales are down due to price increases from New Cars (substitutes) and lower overall supplies.

Our Household Survey shows an increase of 5,200 jobs (+4%) and the Employers' Survey shows an increase of 4,500 jobs (+4%). Wages are up 1.7%, which is not keeping up with inflation.

Airline Boardings are up two-thirds. Hotel/Motel Tax collections are up 61%.

Residential starts are up 19% (2021- 57 vs. 2020-48) from 12-months ago. Year to Date starts (2021-239 vs. 2020-391) are down 39%. House prices are up 10% and 30-year mortgage rates are up 50 basis points.

Last month's Building Permits are down 25% from 12 months ago. Year to Date permits are up 11%, still bolstered by the Amazon warehouse.

Word from the South Plains is this year's cotton crop could be the best in decades, even though prices are down 6%. Corn prices are up 17% and wheat prices are up 38%. Area farmers expect prices to be up considerably from these levels by next year due to higher inflation and continued supply chain problems.

Cattle prices are up 14%, but feedyards are still losing about \$25 per head. Dairy margins remain squeezed, with lower milk prices (-6%) and higher input costs.

Energy should see a strong rebound in the next 12 months, with 6 drilling rigs in the Panhandle, along with high natural gas- \$5.59- and oil- \$81.55-prices.

Stimulus money is driving demand pull inflation, while supply bottlenecks juice cost push inflation.

Grocery inflation is running 6.8% over 12 months ago.

# Amarillo Economic Pulse

Economic Components	Current Month	Last Month	One Year Ago
Index (Base Jan. 88 @ 100)	218.21	213.00	190.93
Sales Tax Collections	\$ 7,480,368	\$ 7,649,217	\$ 6,541,063
Sales Tax Collections – Year to Date	\$ 75,611,992	\$ 68,131,624	\$ 66,696,093
New Vehicle Sales	519	641	675
Used Vehicle Sales	1,361	1,702	1,580
Airline Boardings	27,172	27,371	16,279
Hotel/Motel Receipt Tax	\$ 851,992	\$ 1,097,794	\$ 529,823
Population	199,747	199,747	191,514
Employment – CLF*	135,590	135,109	131,924
Unemployment Rate*	% 3.40	% 3.60	% 4.70
Total Workers Employed* (Household Survey)	130,955	130,255	125,719
Total Workers Employed* (Employer Survey)	122,600	121,987	118,063
Average Weekly Wages	\$ 915.00	\$ 915.00	\$ 899.70
Gas Meters	69,413	63,654	63,513
Interest Rates (30 year mortgage rates)	% 3.375	% 3.375	% 2.875
Building Permits (Dollar Amount)	\$ 48,885,046	\$ 86,795,690	\$ 65,395,333
Year to Date Permits (Dollar Amount)	\$ 467,815,195	\$ 418,930,149	\$ 419,921,487
Residential Starts	57	46	48
Year to Date Starts	239	183	391
Median House Sold Price	\$ 225,000	\$ 225,000	\$ 205,000
Drilling Rigs in Panhandle	6	8	1
Oil Per Barrel	\$ 81.55	\$ 69.72	\$ 40.27
Natural Gas	\$ 5.59	\$ 4.93	\$ 2.87
Wheat Per Bushel	\$ 7.25	\$ 7.09	\$ 5.25
Fed Cattle Per CWT	\$ 124.00	\$ 124.00	\$ 108.54
Corn	\$ 5.16	\$ 5.32	\$ 4.40
Cotton (Cents Per Pound)	\$ 73.20	\$ 73.00	\$ 57.30
Milk	\$ 17.00	\$ 16.50	\$ 18.00



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