

The Lubbock Economy

FEBRUARY 2024



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Lubbock Economic Analysis

Looking two months into Lubbock's economy retail sales are up year over year - A good indicator of continued growth in the retail sector. Employment was steady with continued new job opportunities. Building activity shows minimal growth in residential and commercial over last year but still lags behind prior years as higher interest rates remain a factor in expanding building activities. Tourism grew from the same period last year and new vehicle sales are modestly up. Inflation still remains above the Fed target and interest rate cuts still questionable in 2024 on when and how much. Overall, the Lubbock economy remains steady and growing.

Retail sales for January 2024 are up slightly – 0.03%. YTD retail sales are up 4.04% from last year. New vehicle sales saw a 3.57% increase from last January, while used vehicle sales are down 11.66%.

Hotel/Motel tax collections see an 85.22% increase from last January and Airline boardings also increased 0.53%.

Workers Employed are up 2,200 over the last 12 months on the Employer Survey and 2,370 on the Household Survey. The labor force has increased 1.23% compared to January 2023 and wages are up 6.21%. Unemployment is down 3.45% compared to last year at this time and the employment rate is 2.80%. Lubbock's labor force continues to be healthy and holding as we begin 2024.

January Building Permits totaled \$102 million, up 91.96% from last year. There were 127 new residential starts in January, down 2.31% from last year continuing to show the stress from the interest rate environment. The median house price was \$255 thousand, down 13.46% from one year ago.

Total building activity both residential and commercial were up \$49 million from 2023. Residential is up \$11 million or 44% and Commercial is up \$38 million or 60%. There were more commercial building permits issued in January 2024 compared to January 2023, but the total dollars of permits were for smaller building projects and finishing out some of the newer school building projects in Lubbock Cooper and Frenship school districts.

Oil prices compared to last year are down 1.14% and natural gas has dropped by 32%. Oil rig count has remained steady at 12 from December 2023 to January 2024. Wheat is down 29.60%, corn is down 346.79% and cotton has also dropped 5.33% since last year. Fat cattle are up 15.19% from one year ago, while milk prices are down 10%. Current rains and recent snowfall should help with winter moisture going into spring for the planting season.

Lubbock Economic Pulse

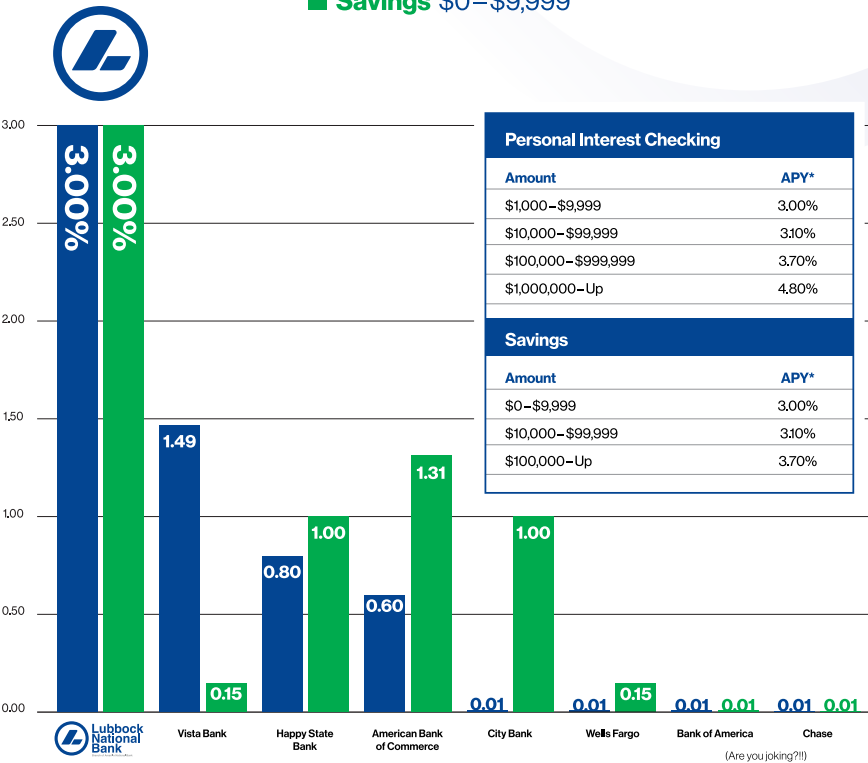
Economic Components	Current Month	Last Month	One Year Ago
Index (Base Jan. 88 @ 100)	285.42	318.82	252.37
Sales Tax Collections	\$ 10,326,285	\$ 8,740,661	\$ 10,323,551
Sales Tax Collections – Year to Date	\$ 19,066,946	\$ 8,740,661	\$ 18,326,958
New Vehicle Sales	871	758	841
Used Vehicle Sales	1,516	1,344	1,716
Airline Boardings	36,915	48,506	36,719
Hotel/Motel Receipt Tax	\$ 1,020,330	\$ 507,436	\$ 550,882
Population	263,648	263,648	263,648
Employment – CLF*	170,905	170,905	168,831
Unemployment Rate*	% 2.80	% 2.80	% 2.90
Total Workers Employed* (Household Survey)	166,201	166,201	163,831
Total Workers Employed* (Employer Survey)	161,900	161,900	159,700
Average Weekly Wages	\$ 1026.00	\$ 1014.00	\$ 966.00
Gas Meters	78,508	77,838	77,451
Interest Rates (30 year mortgage rates)	% 7.000	% 6.625	% 6.875
Building Permits (Dollar Amount)	\$ 102,194,632	\$ 191,788,043	\$ 53,237,852
Year to Date Permits (Dollar Amount)	\$ 102,194,632	\$ 1,470,402,816	\$ 53,237,852
Residential Starts	127	84	130
Year to Date Starts	127	1,693	130
Median House Sold Price	\$ 225,000	\$ 240,000	\$ 260,000
Drilling Rigs in Panhandle	12	12	13
Oil Per Barrel	\$ 78.20	\$ 72.68	\$ 79.10
Natural Gas	\$ 1.70	\$ 3.31	\$ 2.50
Wheat Per Bushel	\$ 6.09	\$ 6.35	\$ 8.65
Fed Cattle Per CWT	\$ 182.00	\$ 171.00	\$ 158.00
Corn	\$ 4.33	\$ 4.44	\$ 6.85
Cotton (Cents Per Pound)	\$ 78.80	\$ 76.22	\$ 83.24
Milk	\$ 16.20	\$ 16.00	\$ 18.00

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Interest Checking and Savings Comparison APY%*

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*Annual Percentage Yield (APY) is effective as of February 9, 2024. Rates are variable and subject to change daily.
For Personal Interest Checking Account, \$50 minimum deposit required to open, \$1,000 average daily balance is required to earn interest.
For Personal Savings Account, a minimum deposit of \$30 is required to open account, Fees may reduce earnings.

