

The Lubbock Economy

April 2024



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Lubbock Economic Analysis

Coming out of the first quarter, 2024 retail sales were the major driver in Lubbock's economy with stronger employment due to continued added jobs. However, there was slower growth in new and used vehicles and a softening in tourism.

Building activity continues to be affected by higher interest costs and prolonged high interest rates are a driver in future building activity. With the Fed's continued fight on inflation, interest rate decreases may be further out in the future than originally anticipated. Lubbock's economy for the first quarter holds steady, but future activity will remain mixed as inflation remains stubborn.

Retail sales for March 2024 are up 8.01%. YTD retail sales are up 4.56% from last year. New vehicle sales saw a 6.98% decrease from last March, while used vehicle sales are also down 13.87%.

Hotel/Motel tax collections saw a 10.16% decrease from last March, while airline boardings saw a slight increase of 0.09%.

Workers employed are up 1.32% (or 2,100) over the last 12 months on the Employer Survey and 1.20% (or 1,991) on the Household Survey. The labor force has increased 1.19% compared to March 2023 and wages are up 6.21%. Unemployment is steady compared to last year at this time. Employment increase in jobs, wage growth and low employment numbers are helping drive our economy.

March Building permits totaled \$107 million, up 32.84% from last year. There were 160 new residential starts in March 2024, slightly down 0.62% from last year. The median house price for March 2024 was \$236,200, down 1.58% from one year ago. Continued high interest rates in the Mortgage sector are still slowing growth compared to previous years. Mortgage rates at 7.375% are higher than last year's at 6.37%.

Total building activity, both residential and commercial, were up \$26 million from 2023. Compared to last year, residential is up \$3 million (less than one percent) and commercial is up \$22 million or 56%. There were less commercial building permits issued in March 2024 compared to March 2023. If you exclude the building permit for the new medical examiner's office of \$40 million, commercial building activity in dollars was down from March 2023.

Oil prices compared to last year are up 14.53% and natural gas has dropped by 24.03%. Oil rig count has decreased from 11 to 6 from February 2024 to March 2024. Wheat is down 21.68%, corn is down 35.09% and cotton is up 12.00% since last year. Fat cattle are up 6.49% from one year ago, while milk prices are down 8.84%. Recent rains have helped and continued rains will still be needed for planting season. But overall, we see a better start than last spring.



Lubbock Economic Pulse

Economic Components	Current Month	Last Month	One Year Ago
Index (Base Jan. 88 @ 100)	289.28	267.68	281.65
Sales Tax Collection	\$ 7,952,475	\$ 7,501,745	\$ 7,362,574
Sales Tax Collections (Year to Date)	\$ 34,521,167	\$ 26,568,692	\$ 33,014,834
New Vehicle Sales	906	832	974
Used Vehicle Sales	2,267	1,775	2,632
Airline Boardings	46,709	41,898	46,665
Hotel/Motel Receipt Tax	\$ 556,953	\$ 605,255	\$ 619,962
Population	263,648	263,648	263,648
Employment – CLF*	173,578	173,763	171,531
Unemployment Rate*	% 3.60	% 3.70	% 3.60
Total Worker Employed* (Household Survey)	167,351	167,310	165,360
Total Worker Employed* (Employer Survey)	160,900	161,300	158,800
Average Weekly Wages	\$ 1,026.00	\$ 1,026.00	\$ 966.00
Gas Meters	78,606	78,536	78,179
Interest Rates (30 year mortgage rates)	% 7.375	% 7.000	% 6.250
Building Permits (Dollar Amount)	\$ 107,071,360	\$ 72,881,947	\$ 80,600,424
Year to Date Permits (Dollar Amount)	\$ 282,147,939	\$ 175,076,576	\$ 200,465,970
Residential Starts	160	172	161
Year to Date Starts	459	299	437
Median House Sold Price	\$ 236,200	\$ 230,028	\$ 240,000
Drilling Rigs in Panhandle	6	11	11
Oil Per Barrel	\$ 85.54	\$ 81.52	\$ 74.69
Natural Gas	\$ 1.77	\$ 1.84	\$ 2.33
Wheat Per Bushel	\$ 5.89	\$ 5.84	\$ 7.52
Fed Cattle Per CWT	\$ 186.36	\$ 185.00	\$ 175.00
Corn	\$ 4.31	\$ 4.39	\$ 6.64
Cotton (Cents Per Pound)	\$ 88.00	\$ 88.11	\$ 78.57
Milk	\$ 16.50	\$ 16.40	\$ 18.10

Now for the annoying legal jargon...

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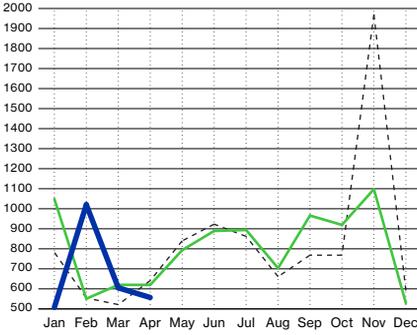
Economic Pulse Charts

2024

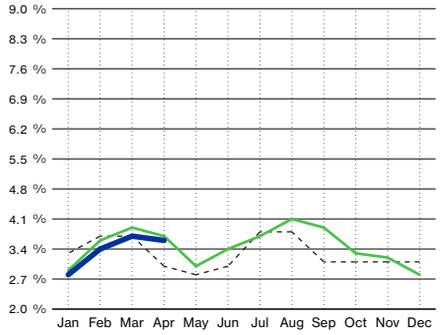
2023

2022

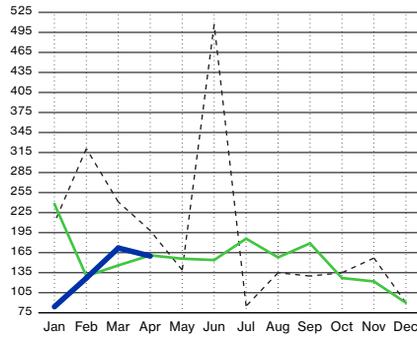
Hotel/Motel Receipt Tax (In Thousands)



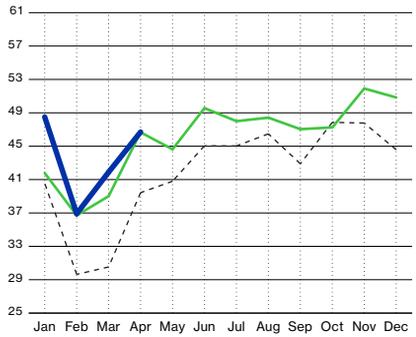
Percent Unemployment (State Adjusted Numbers)



Residential Housing Starts

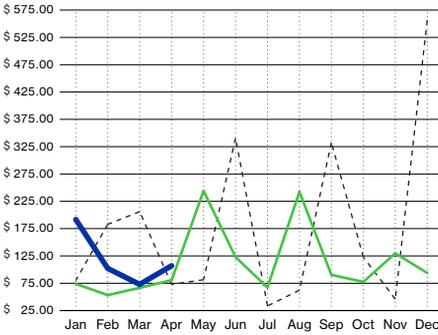


Airline Boardings (In Thousands)

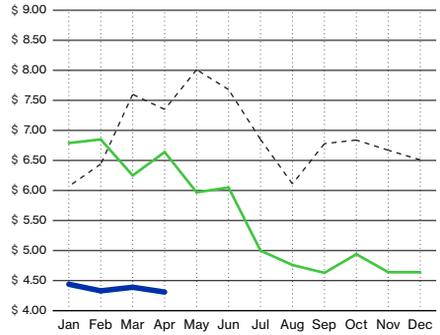


Building Permits

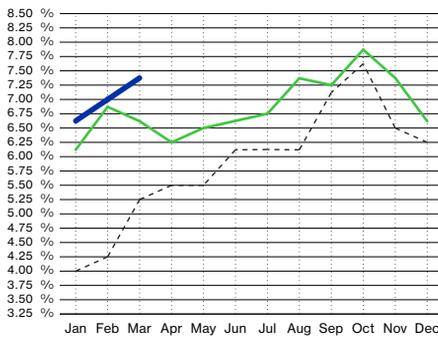
(Residential/Commercial - Millions of Dollars)



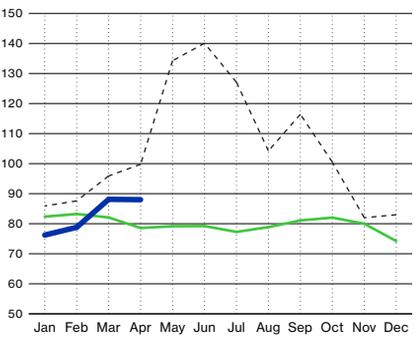
Corn (Price Per Bushel)

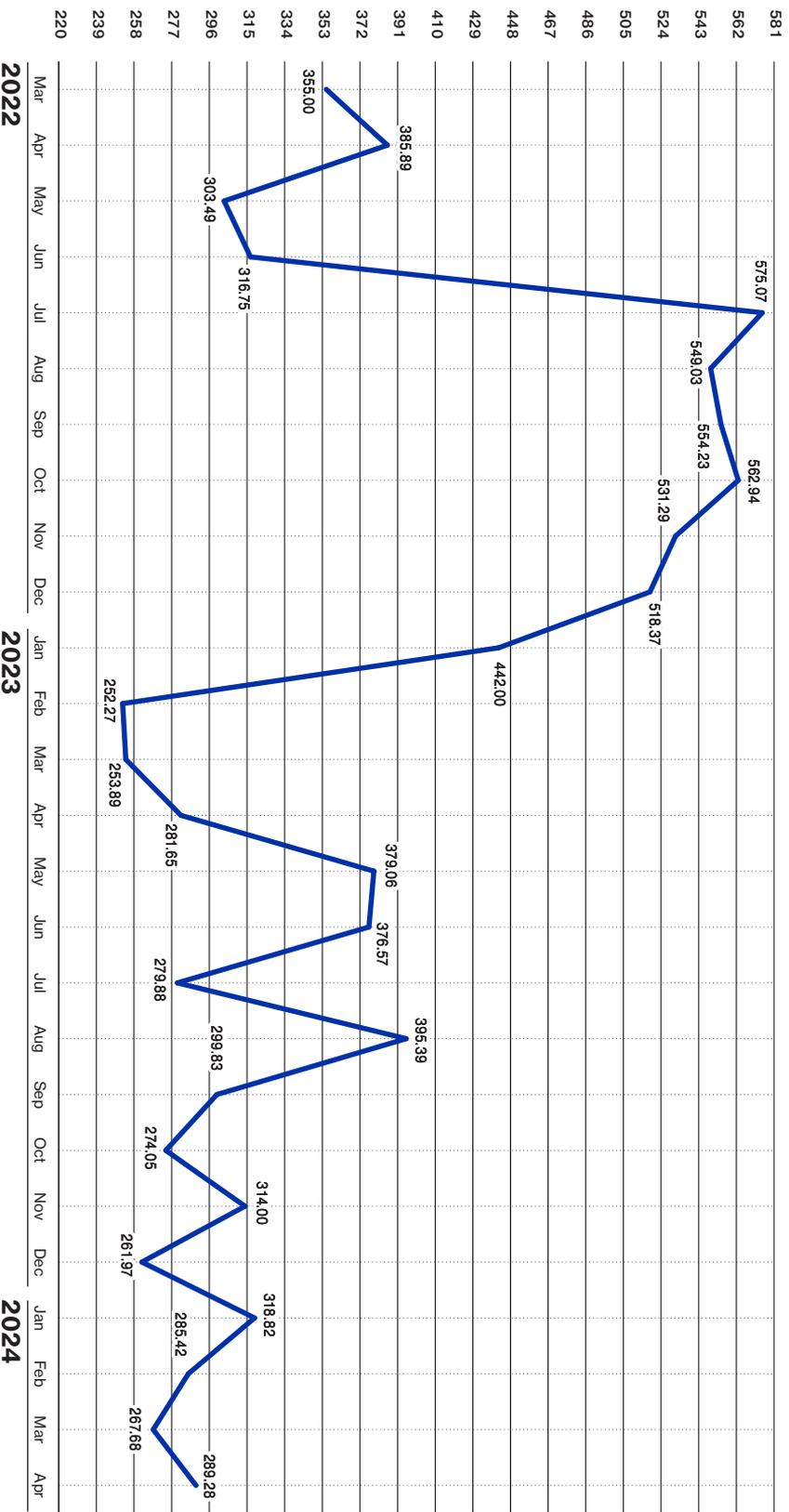


Interest Rates (30 Year Mortgage Rates)



Cotton (Cents Per Pound)





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