

The Lubbock Economy

October 2024



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Lubbock Economic Analysis

A mixed bag of economic factors with expanded retail sales year to date, new vehicle sales up modestly and used vehicle sales down.

Tourism has remained steady. Employment continues to be strong and wage growth has increased. Building activity, both residential and commercial, have struggled to gain any new ground. Interest rates are still a factor in overall new development. Anticipated interest rate reductions in November and December.

Retail sales for September 2024 compared to September 2023 are down 3.89% whereas YTD retail sales are up 4.80% from last year. New vehicle sales are up 2.57% from last September while used vehicle sales are down 14.37%.

Tourism has slightly increased with Hotel/Motel tax collections up 1.05% and airline boardings up 2.69% from last September.

Workers employed are up 1.25% (or 2,000) over the last 12-months on the Employer Survey and 1.36% (or 2,261) on the Household Survey. The labor force has increased 1.57% compared to September 2023 and wages are up 1.18%. Unemployment rate is 3.40 for September 2024 compared to 3.20 for September 2023. Overall, the Lubbock job market continues in a positive trend with both gains in total employment and wage growth.

August building permits totaled \$67.89 million, down \$9.6 million or 12.39% from last year. There were 113 new residential starts in September 2024, down 11.02% from last year. The median house price for September 2024 was \$235 thousand, down 1.67% from one year ago.

Residential building activity through nine months from prior years has not gained any significant ground being up only \$23 million or 6.78%. A reduction in interest rates has not spurred any rapid increase in building activity as was anticipated. Mortgage rates at 6.625% are 15.87% lower than last year's.

Total building activity in September 2024 compared to September 2023 showed a decrease of \$12 million in both residential and commercial. Compared to last year, residential is down \$3 million, roughly 10%, and commercial is down \$9 million, or 25%. There were fewer commercial building permits issued in September 2024 compared to September 2023 comparatively 42 or 30%. Overall, commercial building activity for 2024 has slowed due to higher interest costs in reflection to 2023. Continued interest rate reductions in November and December would be welcome to spur building activity.

Oil prices compared to last year are down 15.62% and natural gas is also down 28.99%. Oil rig count remains steady at 12 from August 2024 to September 2024. Wheat is down 0.15%, corn is down 18.83% and cotton is down 20.63% since last year. Fat cattle are up 0.81% from one year ago and milk prices are also up 34.63%. The agricultural farm bill is still anticipated, crop harvesting is under way and crop yields are down due to adverse weather in August.



Lubbock Economic Pulse

Economic Components	Current Month	Last Month	One Year Ago
Index (Base Jan. 88 @ 100)	254.82	275.30	274.05
Sales Tax Collection	\$ 8,496,174	\$ 8,884,642	\$ 8,840,210
Sales Tax Collections (Year to Date)	\$ 88,122,970	\$ 79,626,796	\$ 84,083,046
New Vehicle Sales	1,037	1,116	1,011
Used Vehicle Sales	1,835	2,180	2,143
Airline Boardings	48,521	48,970	47,251
Hotel/Motel Receipt Tax	\$ 676,326	\$ 883,716	\$ 669,316
Population	263,648	263,648	263,648
Employment – CLF*	174,937	174,687	172,226
Unemployment Rate*	% 3.40	% 3.70	% 3.20
Total Worker Employed* (Household Survey)	168,976	168,185	166,715
Total Worker Employed* (Employer Survey)	161,800	161,400	159,800
Average Weekly Wages	\$ 1,026.00	\$ 1,026.00	\$ 1,014.00
Gas Meters	78,055	78,029	77,026
Interest Rates (30 year mortgage rates)	% 6.625	% 6.000	% 7.875
Building Permits (Dollar Amount)	\$ 67,886,049	\$ 79,390,362	\$ 77,485,290
Year to Date Permits (Dollar Amount)	\$ 803,364,570	\$ 735,478,521	\$ 1,055,008,005
Residential Starts	113	138	127
Year to Date Starts	1,253	1,140	1,397
Median House Sold Price	\$ 235,000	\$ 234,028	\$ 239,000
Drilling Rigs in Panhandle	12	12	13
Oil Per Barrel	\$ 70.45	\$ 71.60	\$ 83.49
Natural Gas	\$ 2.40	\$ 2.28	\$ 3.38
Wheat Per Bushel	\$ 6.78	\$ 6.69	\$ 6.79
Fed Cattle Per CWT	\$ 186.00	\$ 183.40	\$ 184.51
Corn	\$ 4.01	\$ 4.10	\$ 4.94
Cotton (Cents Per Pound)	\$ 65.11	\$ 61.48	\$ 82.03
Milk	\$ 22.55	\$ 23.00	\$ 16.75

Brace yourselves, the legal jargon is about to commence.

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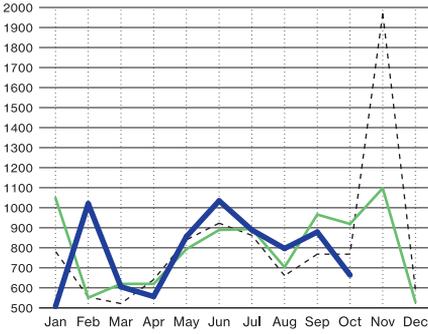
Economic Pulse Charts

2024

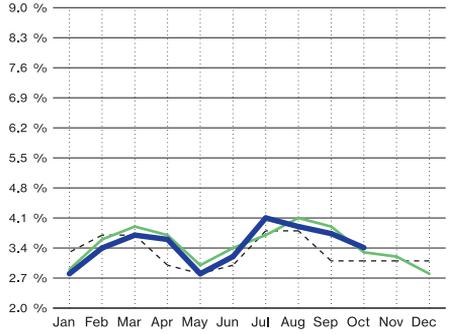
2023

2022

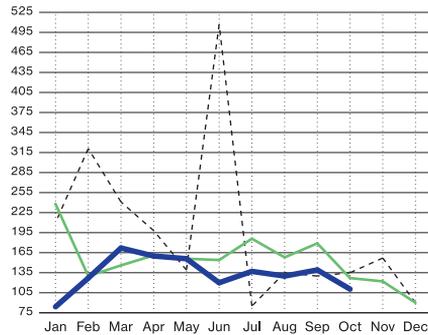
Hotel/Motel Receipt Tax (In Thousands)



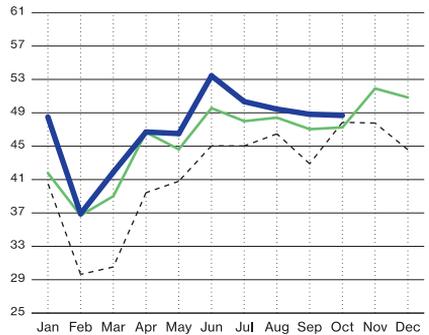
Percent Unemployment (State Adjusted Numbers)



Residential Housing Starts

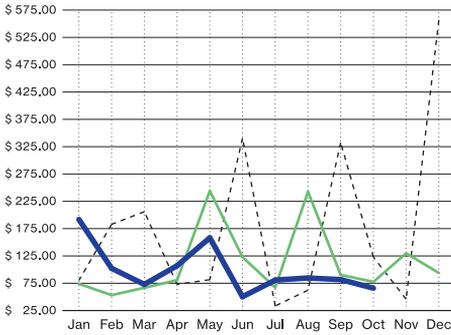


Airline Boardings (In Thousands)

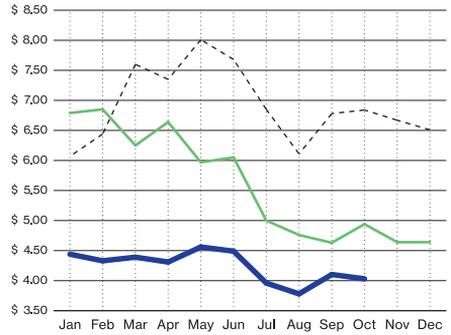


Building Permits

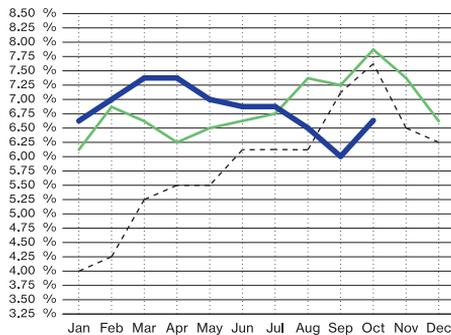
(Residential/Commercial - Millions of Dollars)



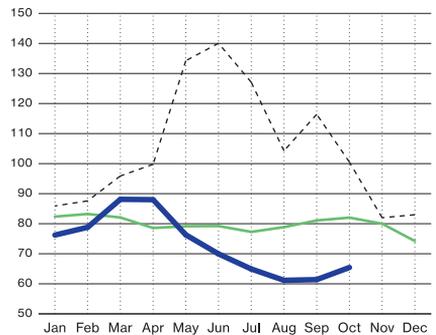
Corn (Price Per Bushel)

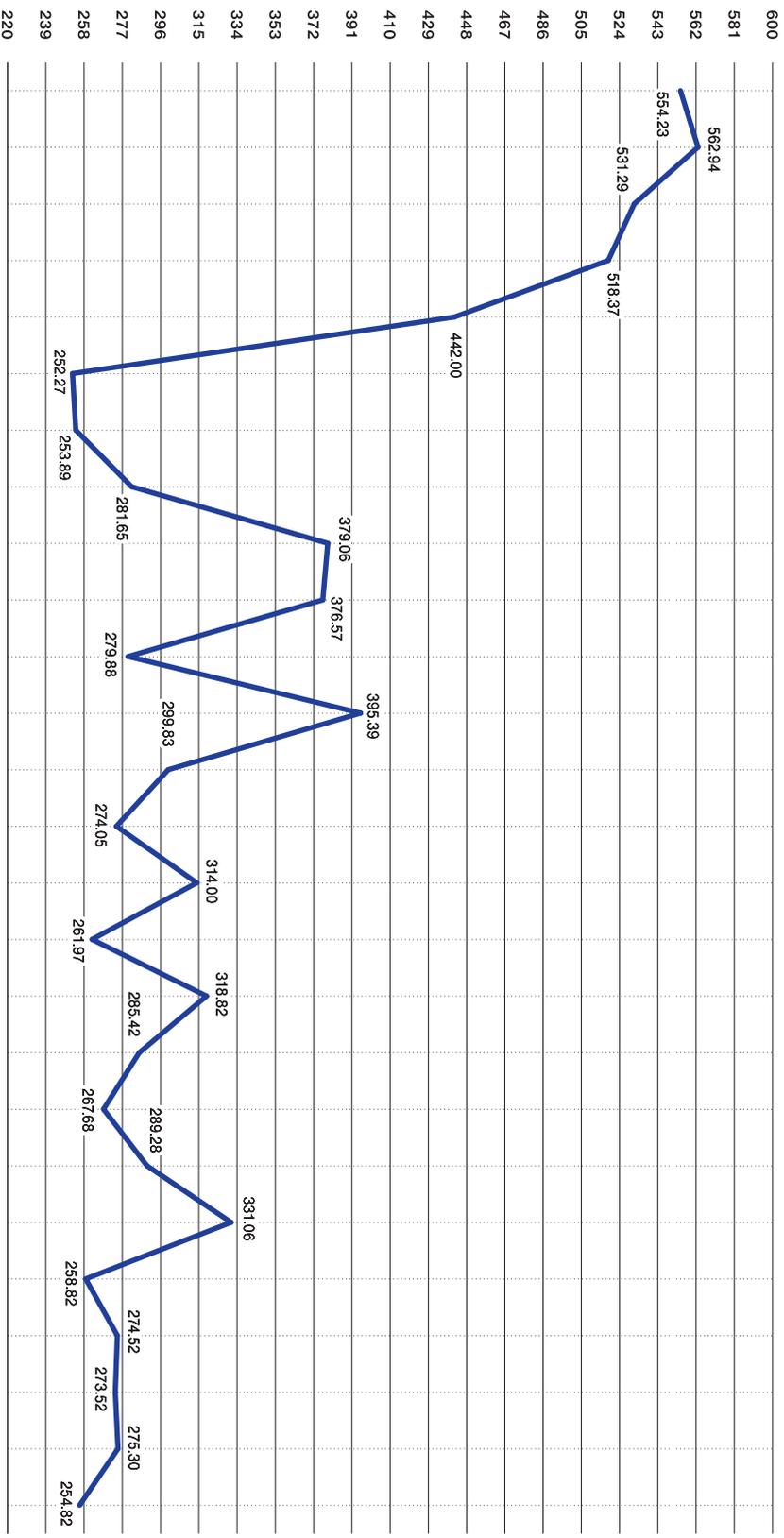


Interest Rates (30 Year Mortgage Rates)



Cotton (Cents Per Pound)





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