

The Lubbock Economy

November 2024



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Lubbock Economic Analysis

Lubbock's economy marches along with steady retail sales growth, both in monthly and yearly volume increases.

Tourism, although steady, has not increased substantially. Employment increases remained constant along with wage growth. Building activity remains flat for residential and commercial activity with little movement. Potential future rate decreases lead us to believe there is anticipated economic expansion in commercial activity as well as expansion in the general economy.

Retail sales for October 2024 compared to October 2023 are up 2.83%. YTD retail sales are also up 4.60% from last year. New vehicle sales are up 11.08% from last October while used vehicle sales are down 3.96%.

Tourism has remained steady with Hotel/Motel tax collections and airline boardings up 1.35% from last October.

Workers employed are up 1.18% (or 1,900) over the last 12 months on the Employer Survey and 1.41% (or 2,360) on the Household Survey. The labor force has increased 1.91% from October 2023 and wages are slightly up. Unemployment rate is 3.60 as of October 2024 compared to 3.10 for October 2023. The Lubbock job market remains a strong factor in the health of the Lubbock economy with continued gains in labor and wages.

October building permits totaled \$78.22 million, down \$51.59 million or 39.74% from last year. There were 140 new residential starts in October 2024, up 14.75% from last year. The median house price for October 2024 was \$235 thousand, down 2.89% from one year ago.

Residential building activity for 2024 compared to 2023 is flat with no increase in dollars. Total building permits are down 129, or 8% YTD. Interest rates have not yet produced any significant residential building activity for 2024 as anticipated with the FED rate cuts. Interest rates at 7.00% are 5.08% lower than last year's but remain historically high.

Total building activity in October 2024 compared to October 2023 showed a decrease of \$51 million in both residential and commercial. Compared to last year, residential is down \$21 million, roughly 32%, and commercial is down \$26 million, or 47%. There were fewer commercial building permits issued in October 2024 compared to October 2023 comparatively 8 or 7%. Overall, commercial building activity for 2024 has decreased 41%, or \$296 million. 2023, as we recall, had several large projects including the Texas Tech Football South End Zone expansion of \$200 million and a new Frenship High School of \$29 million. Continued interest rate reductions in December would be welcome to spur both residential and commercial building activity.

Oil prices compared to last year are down 11.78%, and natural gas is also down 9.52%. Oil rig count dropped from 12 to 4 from September 2024 to October 2024. Wheat is down 10.67%, corn is down 7.54%, and cotton is down 17.70% since last year. Fat cattle are up 3.31% from one year ago, and milk prices are also up 17.28%. While the agricultural farm bill is anticipated. Crop harvesting is 60% complete, while recent rains are welcome, there is slight grade degradation in the cotton crop.



Lubbock Economic Pulse

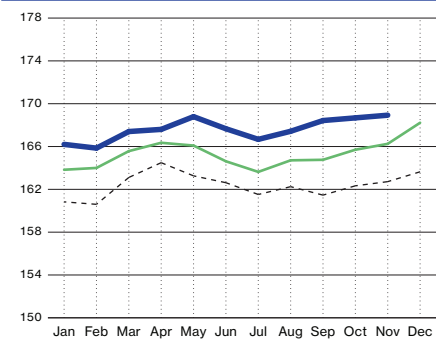
Economic Components	Current Month	Last Month	One Year Ago
Index (Base Jan. 88 @ 100)	277.58	254.82	314.00
Sales Tax Collection	\$ 9,876,216	\$ 8,496,174	\$ 9,604,191
Sales Tax Collections (Year to Date)	\$ 97,999,186	\$ 88,122,970	\$ 93,687,237
New Vehicle Sales	1,053	1,037	948
Used Vehicle Sales	1,769	1,835	1,842
Airline Boardings	52,615	48,521	51,914
Hotel/Motel Receipt Tax	\$ 1,078,719	\$ 676,326	\$ 1,097,768
Population	263,648	263,648	263,648
Employment – CLF*	175,433	174,944	172,151
Unemployment Rate*	% 3.60	% 3.40	% 3.10
Total Worker Employed* (Household Survey)	169,180	168,985	166,820
Total Worker Employed* (Employer Survey)	163,300	161,800	161,400
Average Weekly Wages	\$ 1,024.00	\$ 1,026.00	\$ 1,014.00
Gas Meters	77,838	78,055	77,147
Interest Rates (30 year mortgage rates)	% 7.000	% 6.625	% 7.375
Building Permits (Dollar Amount)	\$ 78,215,776	\$ 67,886,049	\$ 129,804,936
Year to Date Permits (Dollar Amount)	\$ 881,580,346	\$ 803,364,570	\$ 1,184,812,941
Residential Starts	140	113	122
Year to Date Starts	1,393	1,253	1,519
Median House Sold Price	\$ 235,000	\$ 235,000	\$ 242,000
Drilling Rigs in Panhandle	4	12	22
Oil Per Barrel	\$ 68.61	\$ 70.45	\$ 77.77
Natural Gas	\$ 2.85	\$ 2.40	\$ 3.15
Wheat Per Bushel	\$ 6.03	\$ 6.78	\$ 6.75
Fed Cattle Per CWT	\$ 187.00	\$ 186.00	\$ 181.00
Corn	\$ 4.29	\$ 4.01	\$ 4.64
Cotton (Cents Per Pound)	\$ 65.83	\$ 65.11	\$ 79.99
Milk	\$ 19.75	\$ 22.55	\$ 16.84

Attention: Legal lingo incoming!

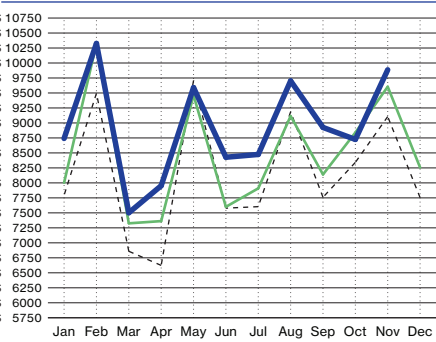
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Economic Pulse Charts

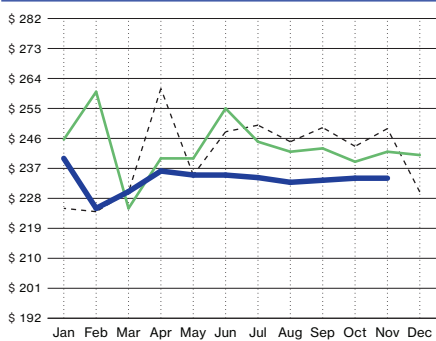
Workers Employed
(In Thousands - Household Survey)



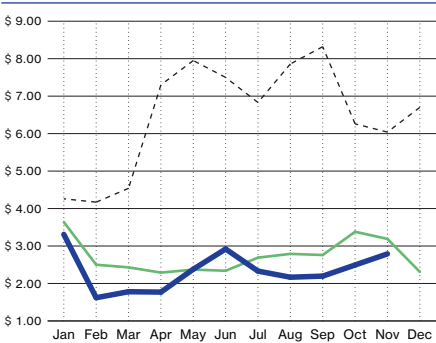
Sales Tax Receipts (In Thousands)



Median House Sold Price (In Thousands)

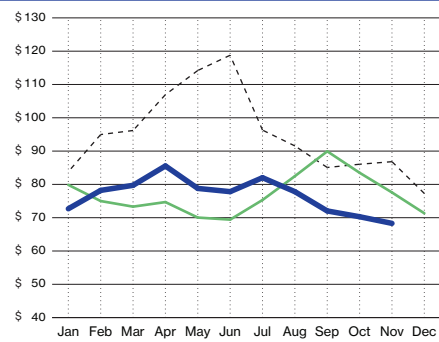


Natural Gas (Price Per Mmbtu - In Thousands)

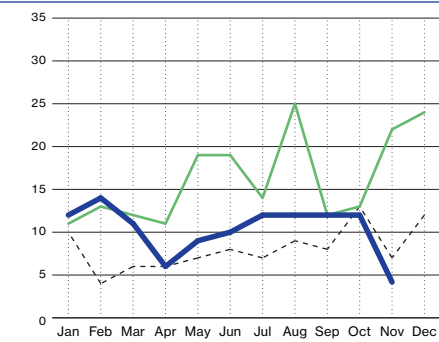


2024 2023 2022

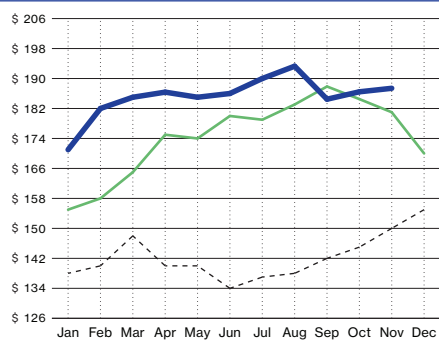
Oil (Price Per Barrel - In Dollars)



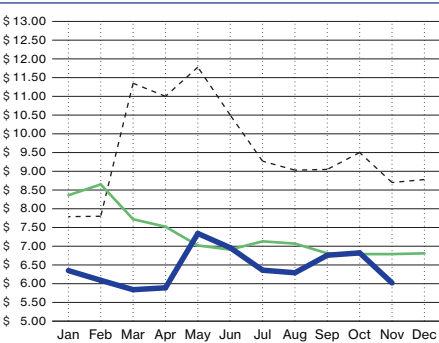
Active Drilling Rigs in Panhandle

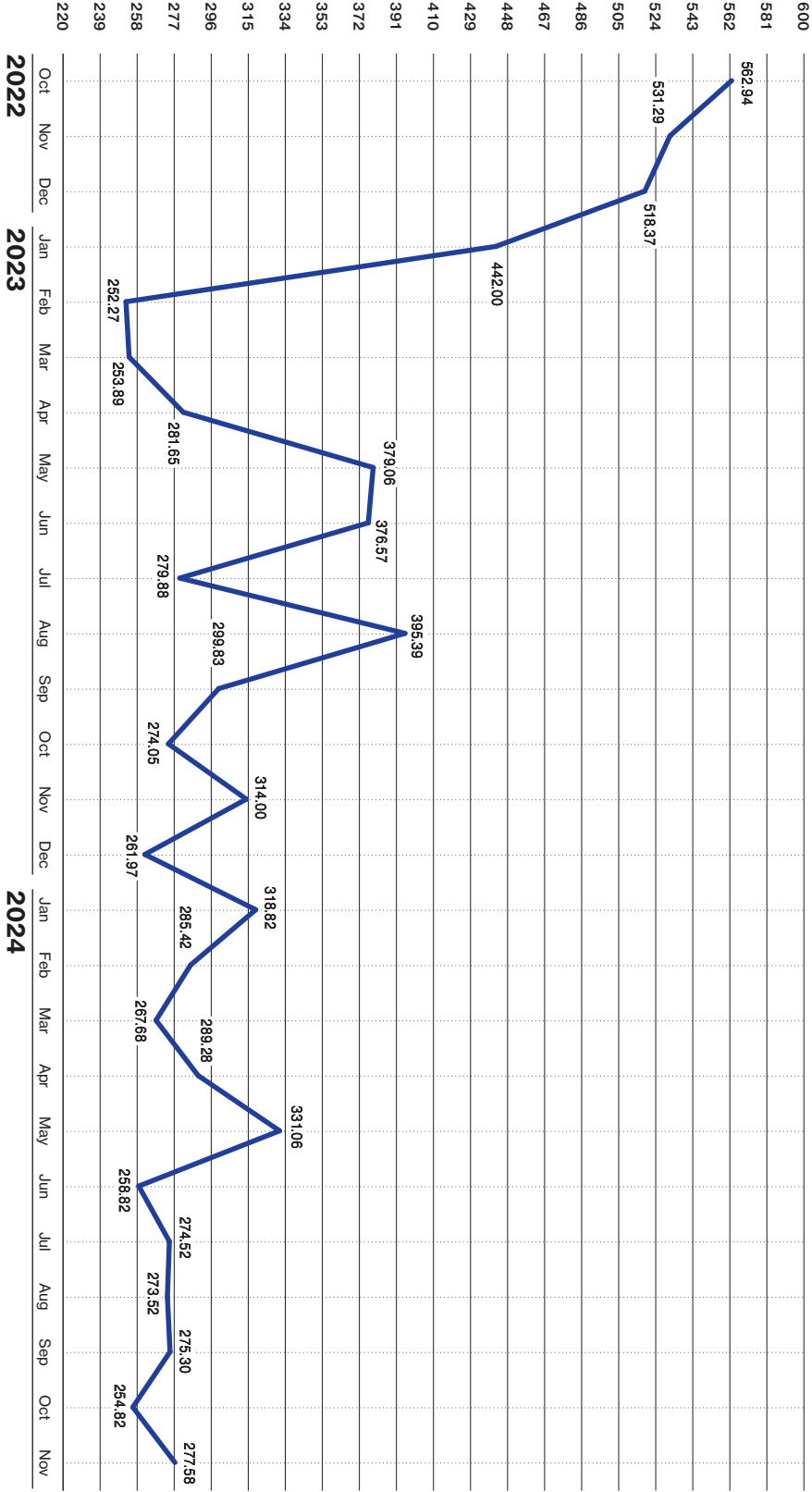


Fed Cattle Per Hundred Weight (In Dollars)



Wheat (Price Per Bushel)







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