

# The Amarillo Economy

APRIL 2022



Still Here to Stay

# Amarillo Economic Analysis

Sharply higher commodities and job growth pushed Amarillo's economy ahead during the last month, with increases in most of our categories.

Retail Sales are up a strong 18% from last year and the YTD is up 15%. About half of this is probably inflation. Constrained supply has reduced vehicle sales: New vehicles down 25% and Used down 20%.

Tourism continues its rebound, with Airline Boardings up 26% and Motel Tax up 13% (much of that is probably higher room rates).

The employment situation continues tight, with 2.7% unemployment being the lowest in Texas. 3,500 more people are employed on the Household Survey and 4,200 more on the Worker's Survey. Weekly wages are reported up 4.5% for Amarillo.

Mortgage rates (up 200 basis points) will have a negative effect on the housing market, but the tight supply continues. Residential Starts were 46, up from 25 a year ago, with the YTD starts at 186, up from 117. Median house price is 4.5% higher. Total Building Permits are down 14% (and 71% YTD). Some of the big projects were last year.

Our Energy sector is booming, with Oil up 70% to \$106 and Natural Gas made a recent pop to \$7, up 174% from a year ago. Drilling Rigs bounced up to 6, from 4 last month and 5 a year ago.

Farm prices are excellent, but lack of rain will hurt yields. Wheat prices are up, but the wheat crop will be terrible in most areas. Corn prices are up 27% from last year and Cotton 38% and Milk 36%. Cattle prices are up 27%, but input costs in all areas of agriculture are up strongly.

The inflation is juicing these numbers and making economic activity appear stronger than it actually is; but times continue to be good for most businesses. The Labor Market continues to be tight.

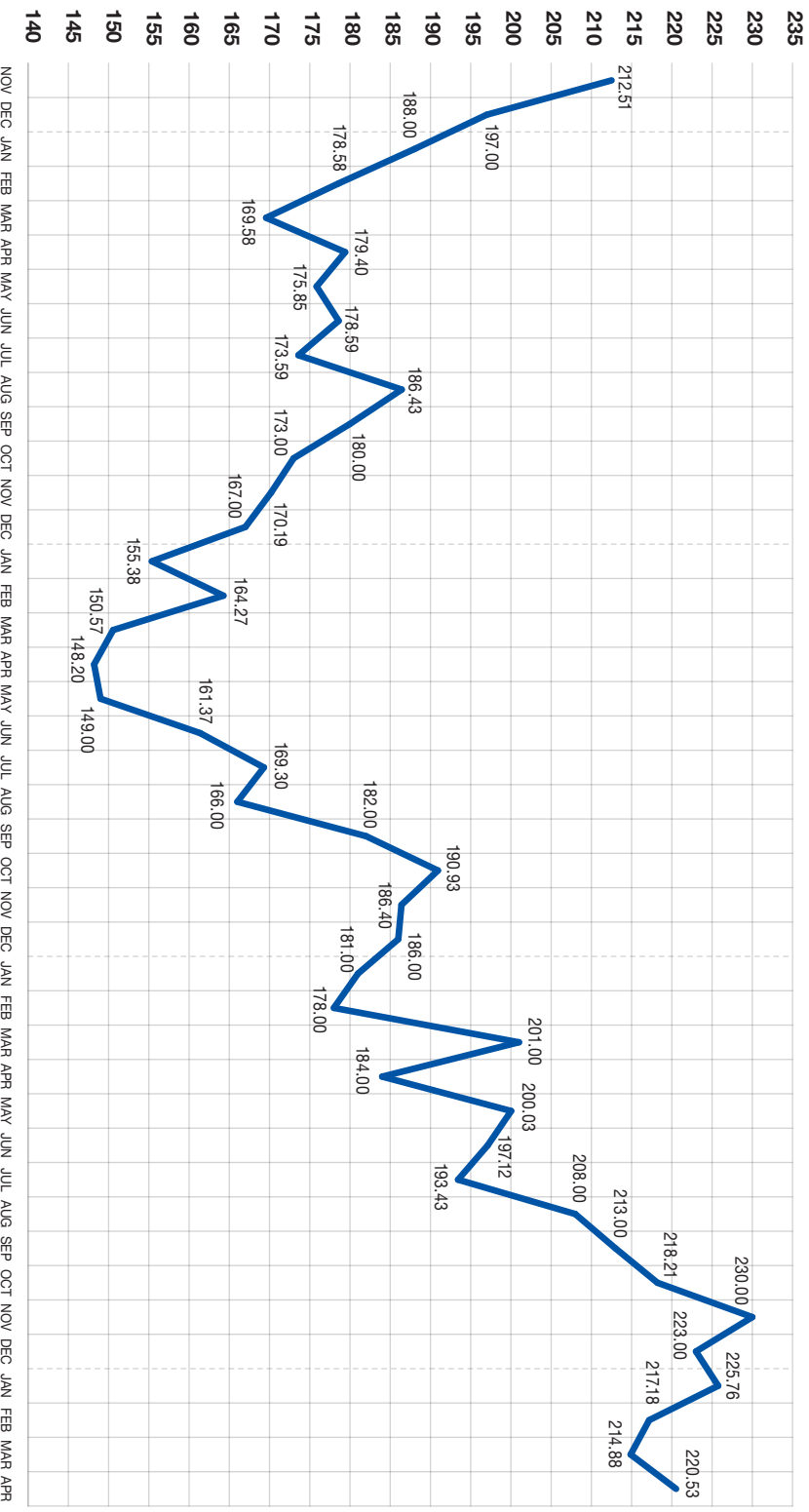
# Amarillo Economic Pulse

Economic Components	Current Month	Last Month	One Year Ago
Index (Base Jan. 88 @ 100)	220.53	214.88	184.00
Sales Tax Collections	\$ 6,854,426	\$ 6,976,928	\$ 5,822,908
Sales Tax Collections – Year to Date	\$ 31,598,500	\$ 24,744,073	\$ 27,497,080
New Vehicle Sales	537	632	722
Used Vehicle Sales	1,586	1,266	1,980
Airline Boardings	27,603	21,615	21,931
Hotel/Motel Receipt Tax	\$ 551,348	\$ 814,184	\$ 487,765
Population	199,747	199,747	191,514
Employment – CLF*	136,476	136,034	134,134
Unemployment Rate*	% 2.70	% 3.40	% 4.40
Total Workers Employed* (Household Survey)	132,798	131,454	128,265
Total Workers Employed* (Employer Survey)	124,300	124,051	120,198
Average Weekly Wages	\$ 936.50	\$ 936.50	\$ 896.50
Gas Meters	70,359	69,842	70,029
Interest Rates (30 year mortgage rates)	% 5.500	% 5.250	% 3.375
Building Permits (Dollar Amount)	\$ 18,099,900	\$ 8,488,939	\$ 21,125,470
Year to Date Permits (Dollar Amount)	\$ 56,384,792	\$ 34,303,622	\$ 195,420,389
Residential Starts	46	75	26
Year to Date Starts	188	142	117
Median House Sold Price	\$ 220,000	\$ 219,000	\$ 211,500
Drilling Rigs in Panhandle	6	4	5
Oil Per Barrel	\$ 106.95	\$ 96.18	\$ 63.12
Natural Gas	\$ 7.30	\$ 4.54	\$ 2.66
Wheat Per Bushel	\$ 11.00	\$ 11.35	\$ 6.54
Fed Cattle Per CWT	\$ 155.00	\$ 148.00	\$ 120.50
Corn	\$ 7.35	\$ 7.60	\$ 5.77
Cotton (Cents Per Pound)	\$ 99.77	\$ 95.90	\$ 72.10
Milk	\$ 24.00	\$ 22.00	\$ 17.59



# Amarillo Economic Pulse

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2018 2019

2020

2021

2022

# Trends and Comparisons

## April 2022

	<u>Amarillo</u> Actual	<u>Lubbock</u> Actual	<u>Midland</u> Actual	<u>Odessa</u> Actual
Retail Sales Tax	\$ 6,854,426	\$ 6,623,551	\$ 5,075,581	\$ 4,492,581
Airline Boardings	27,603	39,434	49,384	
Hotel Motel Tax	\$ 551,348	\$ 641,182		\$ 99,657
Building Permits March	\$18,099,900	\$72,961,124		\$ 750,000
Housing Starts MTD	46	198		87
Housing Starts YTD	188	760		276
New Vehicle Sales	537	727	1,324	Odessa Included
Used Vehicle Sales	1,586	2,098	1,696	Odessa Included
<b><u>Workers Employed</u></b>				
Household Survey	132,798	164,547	100,733	77,407
Employer's Survey	124,300	155,000	105,300	74,000
Civil Labor Force	136,476	169,642	104,383	81,556
Unemployment Rate	2.7%	3.0%	3.5%	5.1%