

The Amarillo Economy

JANUARY 2018



**Amarillo
National
Bank**

Here to Stay

Amarillo Economic Analysis

2018 has started off mixed for Amarillo's economy, as a strong labor environment is offset by drought conditions and a slowdown in construction.

There are more people working in Amarillo, and we have the 2nd lowest unemployment rate in Texas, just barely behind Midland. The Household Survey shows we have 2,000 more people working than a year ago, and the Employers' Survey shows an increase of 1,800. Lubbock is up 2,100 and 1,500 in the same surveys, and Midland/Odessa is up 4,200 and 3,800 as Permian activity is scorching.

Retail Sales are up for the month compared to a year ago for the first time in 7 months. New Car Sales are down 62%, and Used Car Sales are down 9%.

Airline Boardings are flat and hovering around 30,000 per month. The Hotel / Motel tax is up 8%.

Mortgage Rates are higher, with the 30-year at 4.375%, as the 10-year Treasury inches up. Residential Starts (41) are flat with a year ago (39). Building permits are down 65% from a year ago, but the downtown ballpark will boost those numbers in the coming months.

We are off to a scary start to the year in regards to moisture. Drought and windy conditions mean much dryland winter wheat will be grazed out by cattle. Wheat prices are up 30% from a year ago, and corn is up 7%.

Profit margins are getting squeezed at area dairies, as prices are down 11% to \$14.75. Area feedyards are seeing losses around \$25 per head, with Fat prices at \$119.

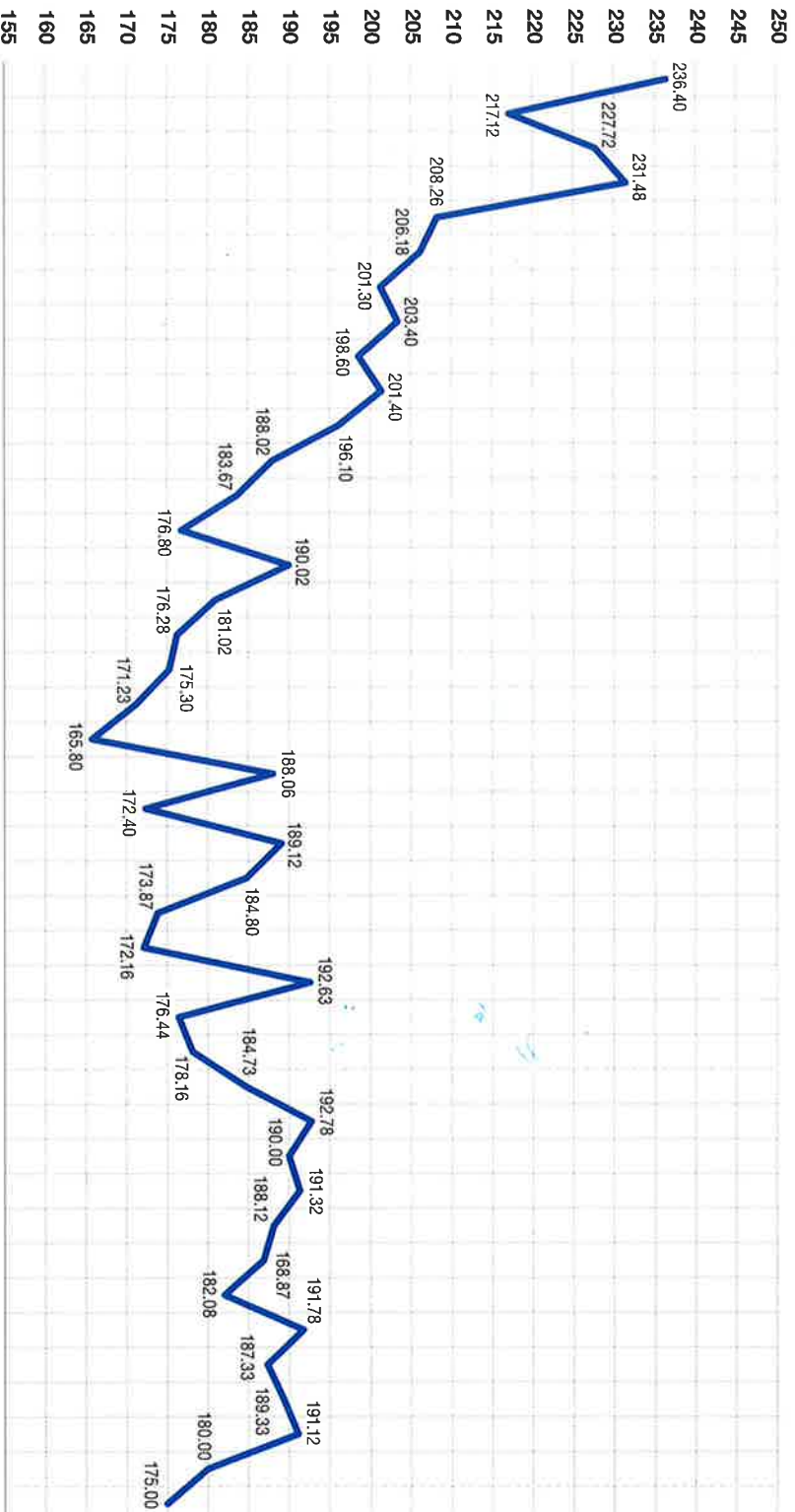
We will keep our eyes on moisture and the very tight labor market in our area.

Amarillo Economic Pulse

Economic Components	Current Month	Last Month	One Year Ago
Index (Base Jan. 88 @ 100)	175.00	180.00	184.73
Sales Tax Collections	\$ 5,954,959	\$ 5,652,937	\$ 5,854,900
Sales Tax Collections – Year to Date	\$ 80,132,489	\$ 74,177,530	\$ 80,267,680
New Vehicle Sales	345	769	915
Used Vehicle Sales	2,203	2,465	2,442
Vehicle Registrations (Stickers)	14,883	14,847	16,308
Airline Boardings	29,740	29,971	29,660
Hotel/Motel Receipt Tax	\$ 521,119	\$ 533,999	\$ 480,036
Population	191,514	191,514	191,514
Employment – CLF*	133,000	132,600	131,800
Unemployment Rate*	% 2.50	% 2.60	% 3.20
Total Workers Employed* (Household Survey)	129,700	129,300	127,700
Total Workers Employed* (Employer Survey)	123,400	123,200	121,600
Average Weekly Wages	\$ 861.39	\$ 861.39	\$ 794.60
Gas	62,652	62,729	62,665
Water Connections	70,653	70,834	69,889
Interest Rates (30 year mortgage rates)	% 4.38	% 4.25	% 4.38
Building Permits (Dollar Amount)	\$ 17,948,950	\$ 32,850,731	\$ 51,138,128
Year to Date Permits (Dollar Amount)	\$ 429,978,339	\$ 412,029,388	\$ 484,144,745
Residential Starts	41	38	39
Year to Date Starts	479	438	492
Median House Sold Price	\$ 154,000	\$ 159,000	\$ 159,000
Drilling Rigs in Panhandle	20	18	10
Oil Per Barrel	\$ 53.16	\$ 51.25	\$ 47.62
Natural Gas	\$ 2.81	\$ 3.10	\$ 3.55
Wheat Per Bushel	\$ 3.77	\$ 3.75	\$ 2.88
Fed Cattle Per CWT	\$ 119.98	\$ 117.03	\$ 117.94
Corn	\$ 3.66	\$ 3.63	\$ 3.41
Cotton (Cents Per Pound)	\$ 67.10	\$ 66.80	\$ 67.10
Milk	\$ 14.75	\$ 15.50	\$ 16.50

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2014 2015 2016 2017 2018
 AUG SEP OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEPT OCT NOV DEC JAN

**Amarillo's
Going Places.**

But We Aren't.

**126 years later, we're still
right here—with you.**



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