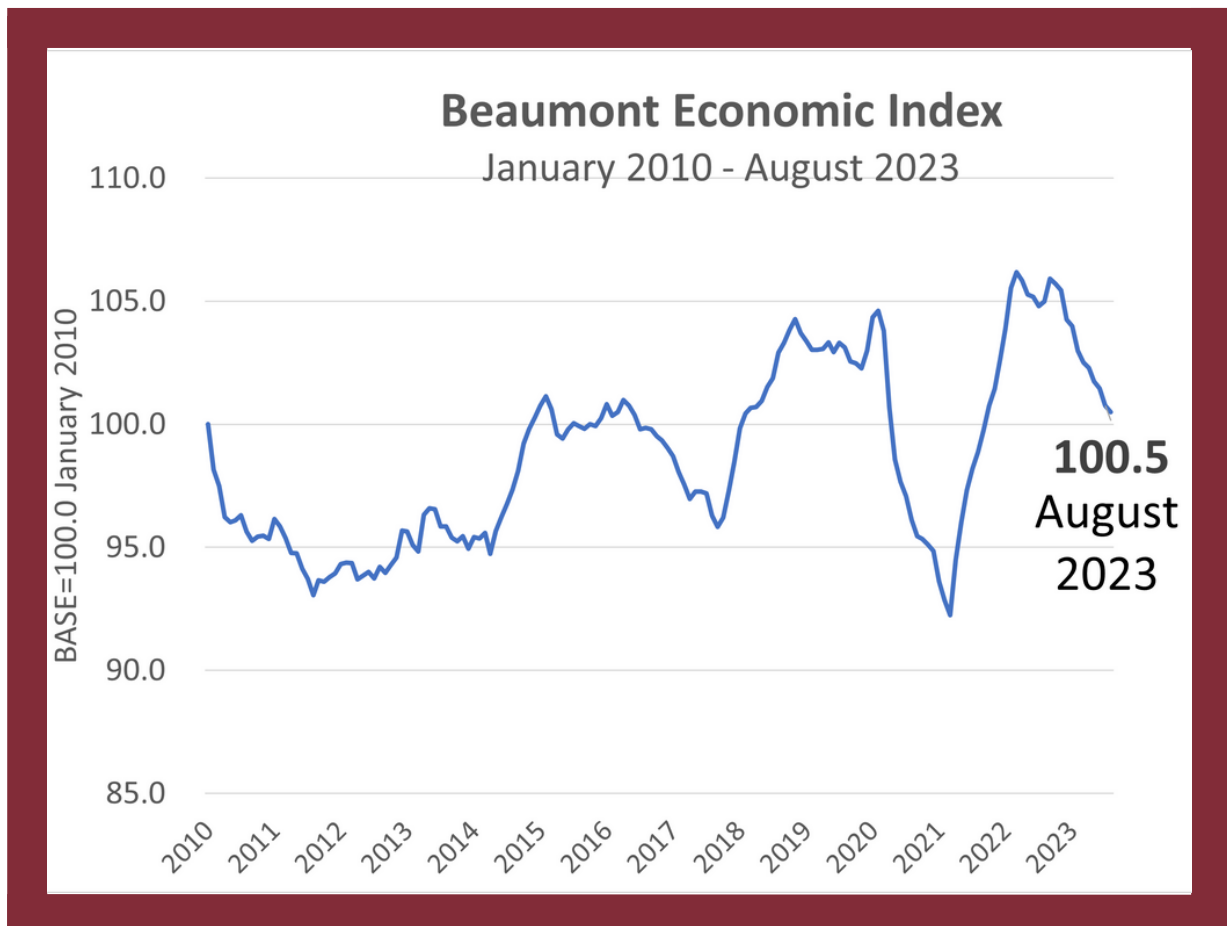


The Beaumont Chamber of Commerce Economic Index

Welcome to the Beaumont Economic Index, the centerpiece of the Beaumont Economic Pulse. The index serves as tool for tracking growth rates and business cycles, and in general the overall performance of the Beaumont economy. It is fully adjusted for inflation, seasonality, and volatility, though local economies have some natural volatility that is difficult to scrub in its entirety without lowering its sensitivity to movements in the economy and/or its various indicators.



THE ECONOMIC INDICATORS ON PAGE 2 ARE USED TO FORMULATE THE OVERALL ECONOMIC PULSE.

THE BEAUMONT ECONOMY

ECONOMIC INDICATORS	BASE YEAR AUG 2010	LAST YEAR AUG 2022	THIS YEAR AUG 2023	% CHANGE 2022-2023
Retail Spending - Month (Taxable-Per Sales Tax Rebates)	\$311,907,334	\$328,043,445	\$310,414,129	-5.4%
Retail Spending - Year-To-Date (Taxable-Per Sales Tax Rebates)	\$2,043,098,898	\$2,506,432,985	\$2,305,007,145	-8.0%
New Businesses (Brick & Mortar) - Month	-	-	6	53
Automobile Spending - Month	\$50,514,580	\$63,234,199	\$70,768,874	11.9%
Automobile Spending - YTD	\$385,570,716	\$505,652,061	\$508,110,248	0.5%
Hotel Motel Revenue - Month	\$3,991,289	\$4,079,345	\$3,956,924	-3.0%
Hotel Motel Revenue - YTD	\$31,666,839	\$31,470,648	\$30,756,950	-2.3%
Building Permits Issued - Dollar Valuation - Month	\$41,803,048	\$12,143,522	\$6,365,863	-47.6%
Building Permits Issued - Dollar Valuation - YTD	\$345,567,974	\$108,342,810	\$102,826,963	-5.1%
Single-Family Residence Permits - Month	13	37	9	-75.7%
Single-Family Residence Permits - YTD	304	255	168	-34.1%
Existing Home Sales - Month	72	100	99	-1.0%
Existing Home Sales - YTD	544	912	741	-18.8%
Average Home Sale Price - Month	\$149,451	\$213,008	\$204,021	-4.2%
Average Home Sale Price - YTD	\$151,715	\$231,310	\$219,687	-5.0%
Dollar Volume Home Sales Activity - Month	\$15,753,547	\$23,176,640	\$20,198,037	-12.9%
Dollar Volume Home Sales Activity - YTD	\$120,562,722	\$234,835,364	\$166,163,343	-29.2%
EMPLOYMENT				
Employment (LAUS) - Month	48,820	45,455	46,825	3.0%
Employment (LAUS) - YTD	48,685	45,565	46,700	2.5%
Unemployment Rate - Month	10.5	5.7	6.1	7.0%
Unemployment Rate - YTD	10.2	5.6	5.8	4.0%
Beaumont Economic Index	95.6	105.6	100.5	-4.3%

With the exception of the monthly average home sale price, all economic indicators expressed in dollar form above, are adjusted for inflation by restating all prior periods in current dollars.

Key Points

The Beaumont Economic Index declined for the 11th straight month in August falling to 100.5 for the month down from 100.8 in July, and down 4.3% from the August 2022 BEI of 105.0. And no wonder, with most components of the index continuing to register year-over-year declines by various measures, with a handful of exceptions.

General spending remains in negative year-over-year territory, though auto sales activity rebounded in August. The only other positive on the table of economic indicators continues to be employment, though the unemployment rate is elevated in 2023 compared to 2022 and that is the case through August as well.

That means the overall employment situation is mixed, with higher employment, but also a higher unemployment rate compared to year-ago levels. The employment total – the number of employed Beaumont residents – is up by a solid 3.0% in August compared to August 2022. July and August represent the highest rates of year-over-year employment growth moving above 3.0% for the first time this year at 3.3% in July, and 3.0% in August.

The unemployment rate for the city, however, is 6.1% in August compared to 5.7% in August 2022.

Auto spending bounced back in August after two straight monthly declines with inflation-adjusted spending on new and used motor vehicles up by nearly 12% compared to August 2022. That also moved the year-to-date total into slightly positive territory, up by 0.5% compared to the first eight months of a year ago.

Not so general overall spending, however, as reflected by Beaumont sales tax data. Real (inflation-adjusted) spending per the August sales tax rebate to the city was down by 5.4% compared to the August 2022 monthly total. For the year-to-date, general real spending is off by 8.0% compared to the total through August of a year ago.

Hotel/motel activity remains on the wane as well with real spending on lodging down by 3% in August, and 2.3% for the year-to-date compared to 2022 totals.

Construction per building permit valuations was down sharply for the second straight month, and the third of the last four months, with inflation-adjusted permit activity down by 48% in August compared to August 2022, pulling the year-to-date total below year-ago levels, down by 5.1% now through August.

Single-family housing construction is contributing to the low overall totals, with the number of new home building permits issued in August in the single digits for the second straight month with just nine permits compared to 37 in August 2022. Those nine permits packed a punch, however – the average valuation of those permits was \$259,577, the highest per-home average on record (in nominal, or unadjusted for inflation terms) in Beaumont.

Key Points

Existing home sales were essentially flat – one fewer closed sale – in August compared to August 2022, but home sales remain lower for the year with a nearly 19% decline in the number of sales through the first eight months of the year. After spiking upward in July, the average price of those sales was down by just over 4% in August. The year-to-date average is down as well, off by 5% compared to the January-August 2022 home sale average price.

This puts the inflation-adjusted total dollar volume of residential real estate sales in Beaumont down by nearly 13% in August, and a sharp 29% for the year-to-date. The lion's share of that decline is on the sales side, but the price decline along with the inflation adjustment widens the margin of year-over-year decline even further.