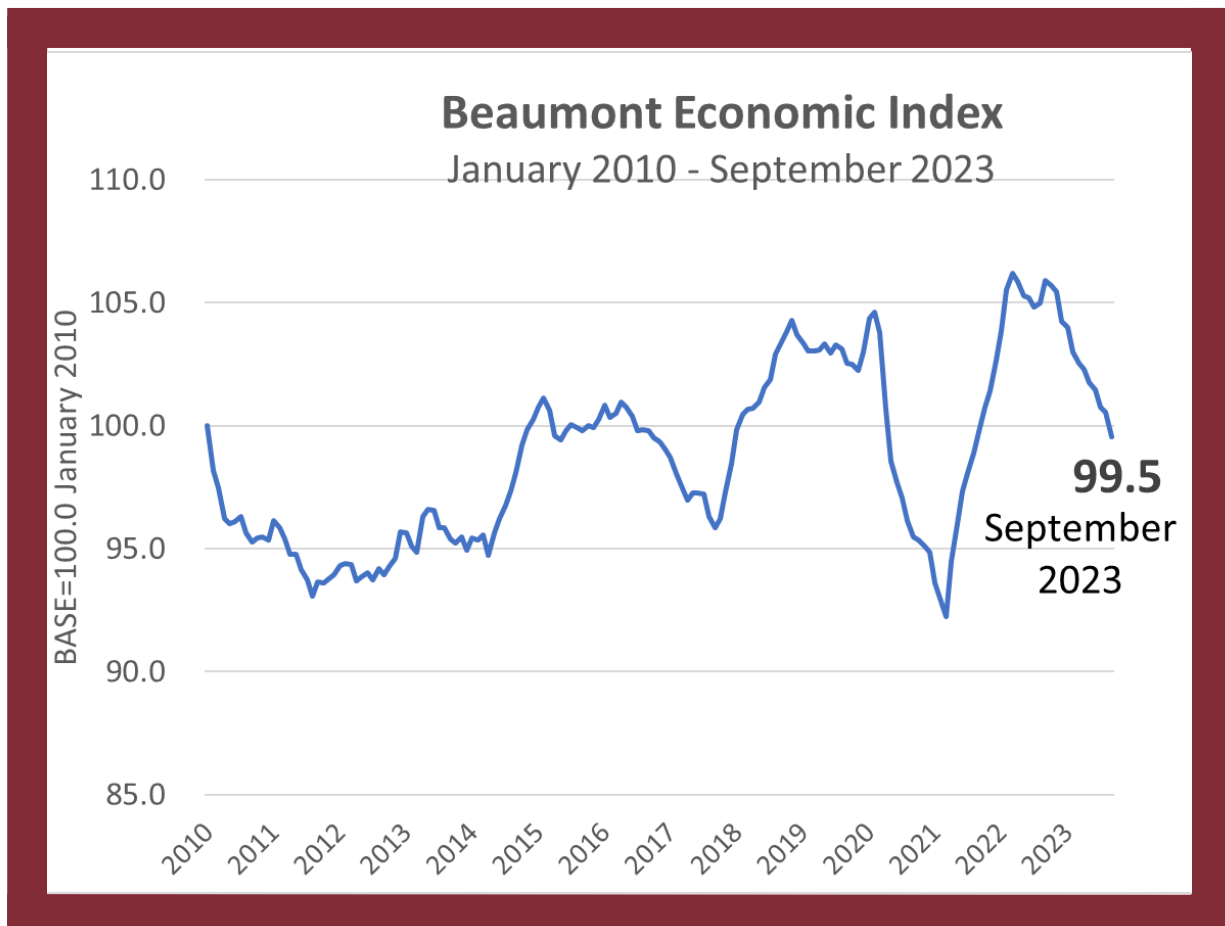


The Beaumont Chamber of Commerce Economic Index

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)	\$253,558,170	\$263,357,104	\$255,558,229	-3.0%
Retail Spending - 2nd Quarter (Taxable-Per Sales Tax Rebates)	\$799,078,169	\$863,138,037	\$831,429,344	-3.7%
Retail Spending - Year-To-Date (Taxable-Per Sales Tax Rebates)	\$2,306,344,654	\$2,781,674,628	\$2,571,494,829	-7.6%
New Businesses (Brick & Mortar) - Month	-	-	16	69
Automobile Spending - Month	\$48,632,535	\$62,979,271	\$60,139,219	-4.5%
Automobile Spending - 2nd Quarter	\$147,488,201	\$186,630,151	\$186,655,274	0.0%
Automobile Spending - YTD	\$433,419,161	\$567,603,047	\$567,216,184	-0.1%
Hotel Motel Revenue - Month	\$3,545,227	\$3,758,352	\$3,214,204	-14.7%
Hotel Motel Revenue - 2nd Quarter	\$13,250,105	\$12,109,822	\$11,148,693	-7.9%
Hotel Motel Revenue - YTD	\$35,896,086	\$35,306,725	\$34,047,117	-3.6%
Building Permits Issued - Dollar Valuation - Month	\$51,988,283	\$17,750,343	\$6,365,863	-64.1%
Building Permits Issued - Dollar Valuation - 2nd Quarter	\$198,346,517	\$37,922,518	\$15,104,146	-60.2%
Building Permits Issued - Dollar Valuation - YTD	\$397,623,593	\$126,114,264	\$109,220,065	-13.4%
Single-Family Residence Permits - Month	11	31	23	-25.8%
Single-Family Residence Permits - 2nd Quarter	92	96	38	-60.4%
Single-Family Residence Permits - YTD	315	286	191	-33.2%
Existing Home Sales - Month	55	103	78	-24.3%
Existing Home Sales - 2nd Quarter	195	312	267	-14.4%
Existing Home Sales - YTD	599	1,015	822	-19.0%
Average Home Sale Price - Month	\$144,223	\$228,871	\$219,220	-4.2%
Average Home Sale Price - 2nd Quarter	\$146,210	\$219,969	\$223,958	1.8%
Average Home Sale Price - YTD	\$151,027	\$231,063	\$219,548	-5.0%
Dollar Volume Home Sales Activity - Month	\$11,676,386	\$25,588,991	\$17,099,137	-33.2%
Dollar Volume Home Sales Activity - 2nd Quarter	\$41,955,044	\$75,059,282	\$60,137,542	-19.9%
Dollar Volume Home Sales Activity - YTD	\$132,867,783	\$261,648,906	\$184,713,238	-29.4%
EMPLOYMENT				
Employment (LAUS) - Month	48,860	45,995	46,775	1.7%
Employment (LAUS) - 2nd Quarter	48,890	45,585	46,810	2.7%
Employment (LAUS) - YTD	48,700	45,610	46,710	2.4%
Unemployment Rate - Month	10.1	5.3	5.7	7.5%
Unemployment Rate - 2nd Quarter	10.3	5.5	6.0	7.8%
Unemployment Rate - YTD	10.2	5.5	5.8	4.4%
Beaumont Economic Index	95.3	105.9	99.5	-6.0%

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 general economy has now been in a state of contraction for a full year with the 12th straight monthly decline in the Beaumont Economic Index. The monthly tracking device for the local economy fell below its base monthly level in September to 99.5 down from 100.5 in August, and down 6.0% from the September 2022 BEI of 105.9, which is also the peak level for the index thus far. The Beaumont Economic Index is based at 100.0 in January 2010.

The pace of decline worsened in the third quarter, with an annualized rate of decline in the Beaumont Economic Index of 7.5%.

Only employment – the estimated number of employed Beaumont residents – managed to post an improvement over year-ago levels. Elsewhere in the economy, general spending, auto spending, hotel/motel activity, construction, home building, and existing home sales also logged year-over-year declines by varying rates, and the unemployment rate is elevated compared to year-ago levels.

Employment, while still indicating year-over-year growth, narrowed considerably in September in terms of the rate of that growth. Employment in the city of Beaumont by the Local Area Unemployment Statistics (LAUS) series posted year-over-year increases of 3.3% and 3.1% in July and August, respectively, but fell to 1.7% in September. The Beaumont city unemployment rate of 5.7% is up compared to the 5.3% unemployment rate recorded in September 2022.

General spending continued its decline with real (inflation-adjusted) spending per September sales tax receipts down by 3.0% compared to September of a year ago, and down by 3.7% in the third quarter. Through the first nine months of the year general real spending is down by 7.6% compared to the January-September total of a year ago.

-Auto spending was flat in the third quarter and year-to-date, but inflation-adjusted spending on new and used vehicles per Jefferson County motor vehicle sales tax collections was down by 4.5% in September compared to September 2022.

Hotel/motel activity in September was down by nearly 15% year-over-year in terms of inflation-adjusted spending on lodging in the city. Third quarter real hotel/motel spending was off by nearly 8% year-over-year, and the year-to-date total is now down by 3.6%.

Third quarter construction activity declined sharply compared to year-ago levels. The real value of all building permits issued (for residential and commercial, new construction and alterations/remodels) was down by 60% compared to the third quarter 2022, including a 64% decline in September. The year-to-date real construction permit valuation total is now down by 13.6% compared to the first nine months of a year ago.

Key Points

The number of new single-family housing construction permits moved above single-digits for the first time in the quarter (6 permits in July and 9 permits in August), with 23 permits issued in September. Still, the number of permits issued in the third quarter was down by a sharp 60% year-over-year. Through September the 191 permits issued is down by 33% compared to the total through September of a year ago, which in turn was down by 35% compared to the first nine months of a huge year for housing construction in Beaumont.

Existing home sales are lower as well with the number of closed sales down by 24% in September and 14% in the third quarter. For the year-to-date housing sales in the Beaumont market are down by 19% compared to the first nine months of 2022. The average price of those sales (unadjusted for inflation) posted a 1.8% increase in the third quarter, but was lower in September, and the year-to-date average is down by 5.0%.

The lower sales totals pushed the inflation-adjusted total dollar volume of residential real estate sales sharply downward compared to year-ago levels. September real housing activity was down by 33%, while the third quarter total logged a 20% year-over-year decline. For the year-to-date, home sales activity by this measure is down by some 29% compared to the total through September of a year ago.