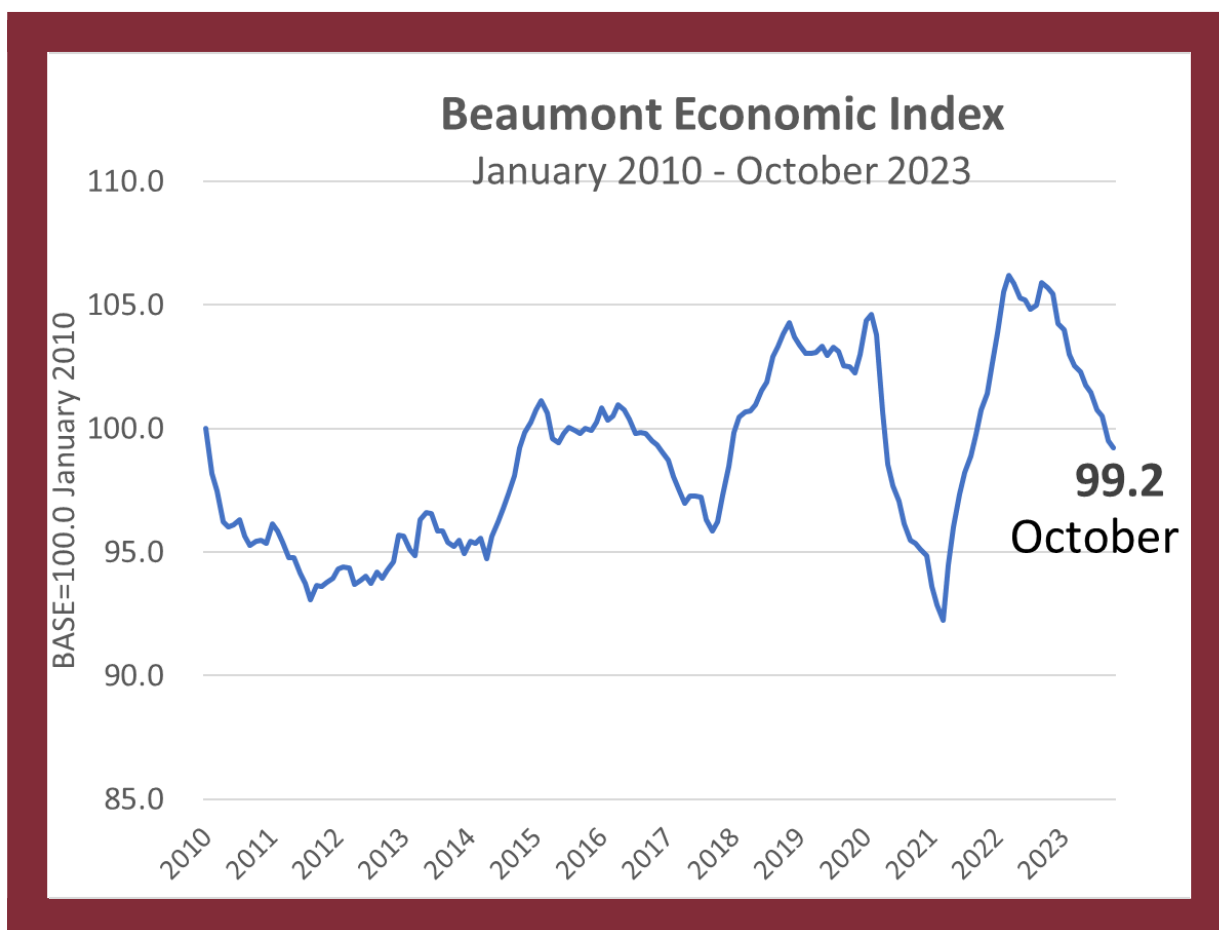


The Beaumont Chamber of Commerce Economic Index

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 OCT 2010 | LAST YEAR OCT 2022 | THIS YEAR OCT 2023 | % CHANGE 2022-2023 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| Retail Spending - Month (Taxable-Per Sales Tax Rebates) | \$231,649,923 | \$337,658,841 | \$266,039,169 | -21.2% |
| Retail Spending - Year-To-Date (Taxable-Per Sales Tax Rebates) | \$2,548,225,894 | \$3,131,673,427 | \$2,848,941,564 | -9.0% |
| New Businesses (Brick & Mortar) - Month | - | - | 8 | 61 |
| Automobile Spending - Month | \$41,704,018 | \$57,107,473 | \$63,940,619 | 12.0% |
| Automobile Spending - YTD | \$474,341,480 | \$623,686,812 | \$630,136,865 | 1.0% |
| Hotel Motel Revenue - Month | \$3,338,323 | \$3,589,008 | \$3,705,517 | 3.2% |
| Hotel Motel Revenue - YTD | \$39,428,041 | \$39,118,924 | \$37,967,863 | -2.9% |
| Building Permits Issued - Dollar Valuation - Month | \$45,208,824 | \$15,179,957 | \$24,313,854 | 60.2% |
| Building Permits Issued - Dollar Valuation - YTD | \$442,442,976 | \$141,170,702 | \$133,425,989 | -5.5% |
| Single-Family Residence Permits - Month | 14 | 30 | 12 | -60.0% |
| Single-Family Residence Permits - YTD | 329 | 316 | 203 | -35.8% |
| Existing Home Sales - Month | 64 | 85 | 72 | -15.3% |
| Existing Home Sales - YTD | 663 | 1,100 | 891 | -19.0% |
| Average Home Sale Price - Month | \$161,591 | \$226,546 | \$204,723 | -9.6% |
| Average Home Sale Price - YTD | \$152,047 | \$230,714 | \$217,501 | -5.7% |
| Dollar Volume Home Sales Activity - Month | \$15,300,217 | \$20,843,410 | \$14,740,081 | -29.3% |
| Dollar Volume Home Sales Activity - YTD | \$148,803,712 | \$283,744,187 | \$198,909,829 | -29.9% |
| EMPLOYMENT | | | | |
| Employment (LAUS) - Month | 49,190 | 46,165 | 47,020 | 1.9% |
| Employment (LAUS) - YTD | 48,750 | 45,665 | 46,745 | 2.4% |
| Unemployment Rate - Month | 9.8 | 5.0 | 5.3 | 6.0% |
| Unemployment Rate - YTD | 10.1 | 5.5 | 5.7 | 4.6% |
| Beaumont Economic Index | 95.4 | 105.7 | 99.2 | -6.1% |

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 13th straight month in October falling to 99.2 for the month down from 99.5 in September, and down 6.1% from the October 2022 BEI of 105.7.

General spending, home building, and existing home sales were all down significantly compared to year-ago levels, while auto spending, hotel/motel activity were higher, along with sharply higher construction activity per building permit valuations in October. Employment also remains positive, though the rate of year-over-year increase has narrowed.

General real (inflation-adjusted) spending per the October sales tax rebate was sharply lower compared to the October 2022 total, which in turn was up by over 27% compared to October of the prior year. So, in that context the October 2023 year-over-year drop is not quite as troublesome. Still, general spending has been trending downward all year long and is off by 9% through October compared to the first ten months of a year ago.

Auto spending turned positive again in October with inflation-adjusted spending on new and used motor vehicles up by 12% for the month compared to October 2022. That, along with slowing inflation in the automobile sector – in fact, it is now deflation – pulled the year-to-date total into positive territory up by 1.0% compared to the total through October 2022.

Hotel/motel activity was higher compared to its year-ago level in October for the first time in the last five months at 3.2% improved over the October 2022 total. For the year-to-date real spending on lodging in the city is down by a modest 2.9%.

Building permit valuations were the third highest of the year in October (behind January and February) at over \$24 million. That is the value of permits issued for new residential and commercial construction, and residential and commercial alterations/remodels, with the grand total then adjusted for inflation. That also pulled the year-to-date total positive after falling below its year-ago level in September at 3.5% higher year-over-year.

A relatively small portion of that came from new housing construction, with just 12 new permits issued in October. Through the first ten months of the year new single-family permits are off by a sharp 36%.

October was another month of double-digit percentage decline in existing home sales in the Beaumont market as well, with the 72 closed sales down by 15% compared to October of a year ago. Year-to-date housing sales are down by 19% through October. The average price of those sales was down by 9% compared to the October 2022 monthly average, and for the year-to-date the average home sale price is down by 5.7%.

Key Points

The real (inflation-adjusted) total dollar volume of housing sales in Beaumont was sharply lower with lower sales at lower prices, down by nearly 30% for the month and year-to-date.

Employment (the estimated number of employed Beaumont residents) continues to climb, but the margin of year-on-year growth was narrower again in October as it was in September. October employment growth is estimated at 1.9% compared to October 2022 (and 1.7% in September) after posting gains of over 3% in July and August, and averaging 2.5% through the first eight months of the year.

The Beaumont city unemployment rate of 5.3% is slightly elevated compared to the October 2022 unemployment rate of 5.0%.