

# The Analyst

ST. TAMMANY CORPORATION'S ECONOMIC RESEARCH PUBLICATION

Q4 2020 and Q1 2021  
Economic Trends Report



# Introduction

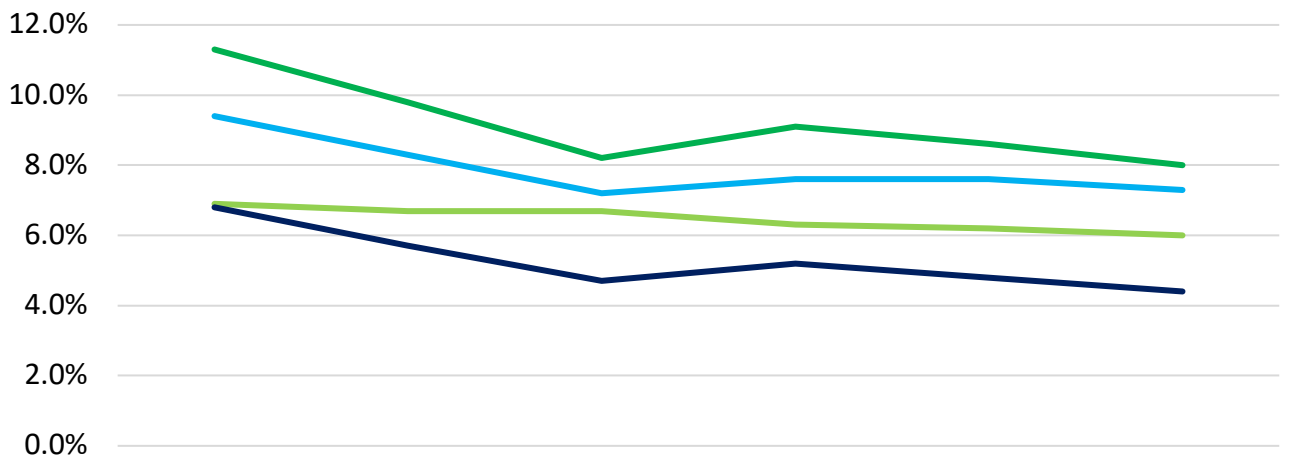
Welcome to St. Tammany Corporation's publication of our Quarterly Economic Trends Report, a curated collection of economic indicators that help us make sense of our local, regional, and national economies and their interconnectivity. Tracking and understanding economic trends is an important exercise for economic developers, public officials, business professionals, and the general citizenry that empowers us to make the best possible decisions to help our community prosper.

This report covers the fourth quarter of 2020 and the first quarter of 2021.

Through our publication of this and future quarterly economic trends reports, and other products of ***The AnalyST***, St. Tammany Corporation strives to fulfill our mission of being economic truth-tellers and providing meaningful, thoughtful analysis that lays the groundwork for transformational, results-driven economic development.

# Unemployment

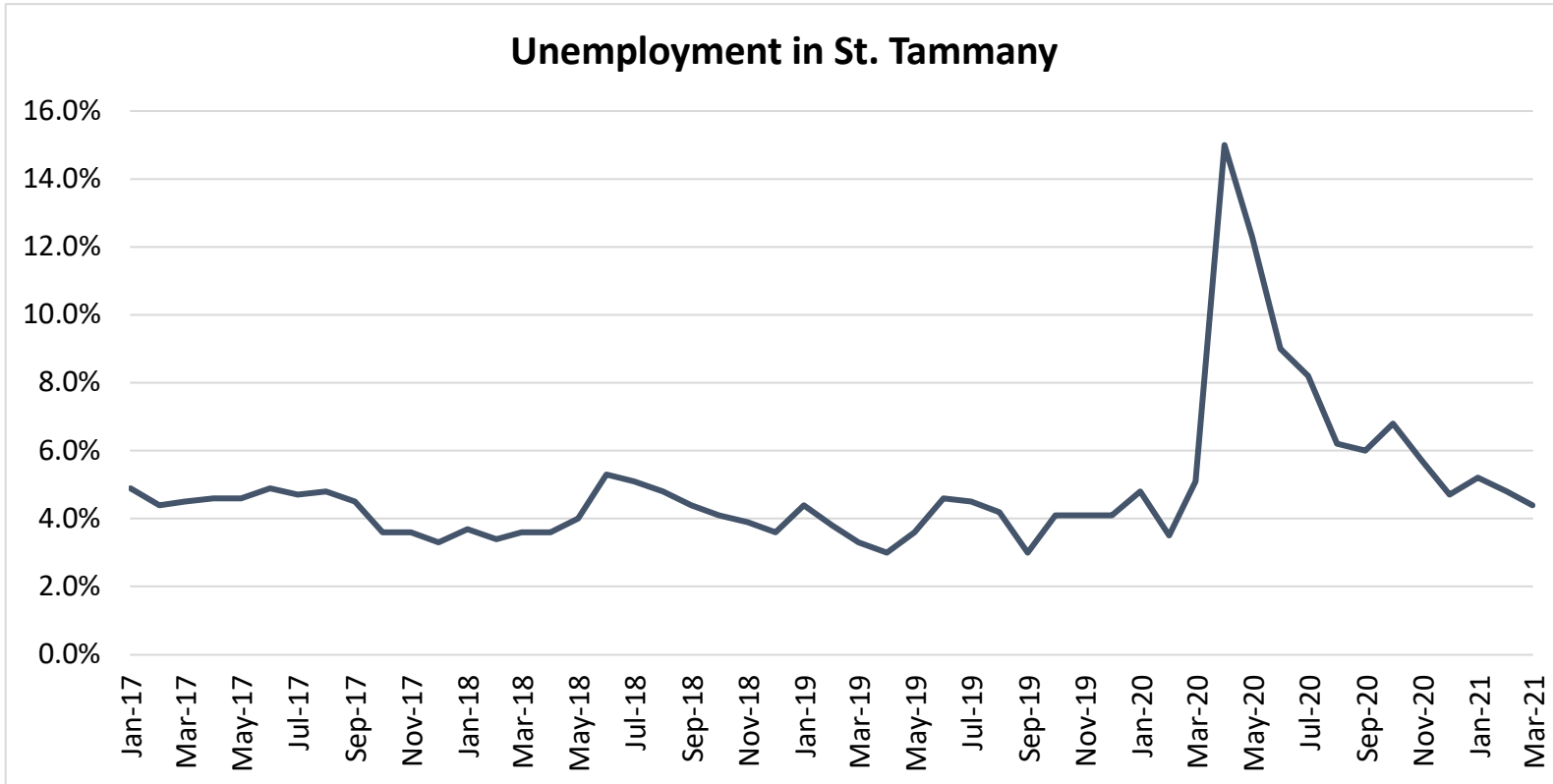
- The Federal Reserve says that the natural rate of unemployment is between 3.5-4.5% for a healthy, competitive economy.
- Historically, St. Tammany has consistently had lower unemployment rates than the state and metro. After the second quarter of this year saw the unemployment rate spike to unprecedented levels, however, St. Tammany continued to have lower rate than the state, region and nation as it navigates the economic recovery in Q1 2020.



	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
United States	6.90%	6.70%	6.70%	6.30%	6.20%	6.00%
Louisiana	9.40%	8.30%	7.20%	7.60%	7.60%	7.30%
Greater New Orleans	11.30%	9.80%	8.20%	9.10%	8.60%	8.00%
St. Tammany Parish	6.80%	5.70%	4.70%	5.20%	4.80%	4.40%

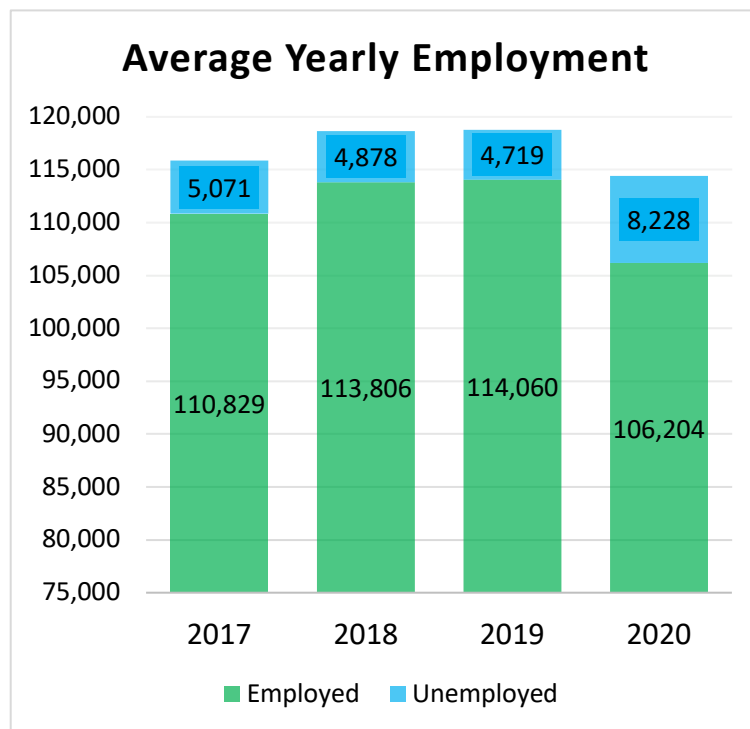
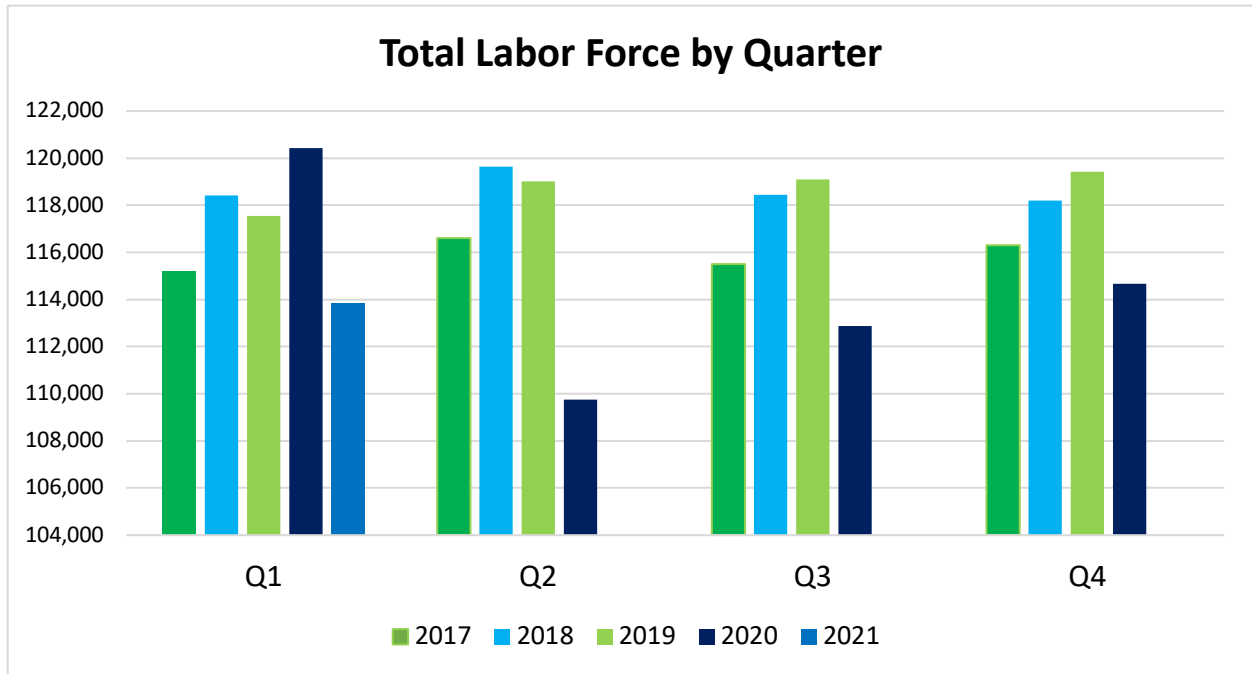
# Unemployment

- The graph below shows the historical unemployment rate in St. Tammany Parish, spanning from 2017 through Q1 2021.



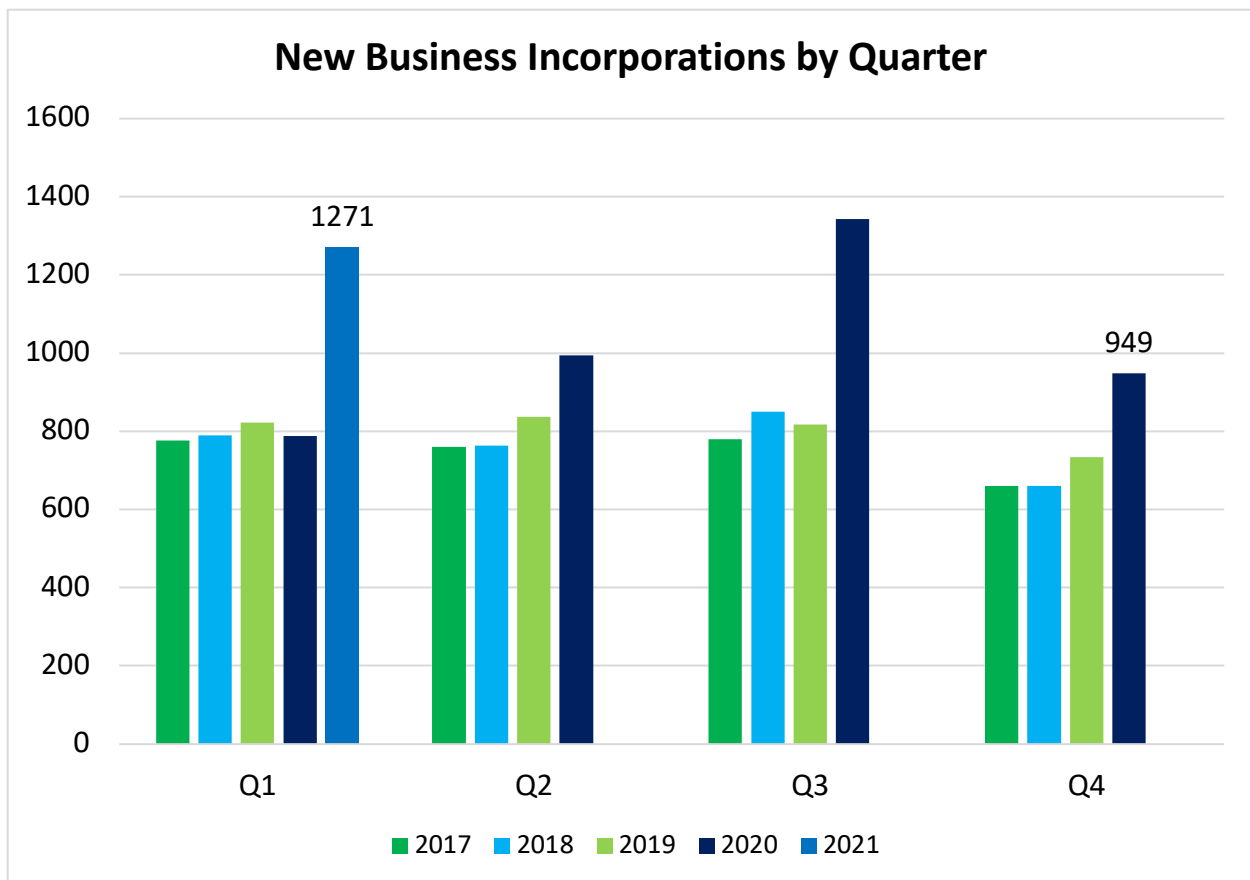
# Labor Force

- According to data from the Louisiana Workforce Commission, St. Tammany’s labor force decreased in both Q4 2020 and Q1 2021 compared to the same times the previous year.

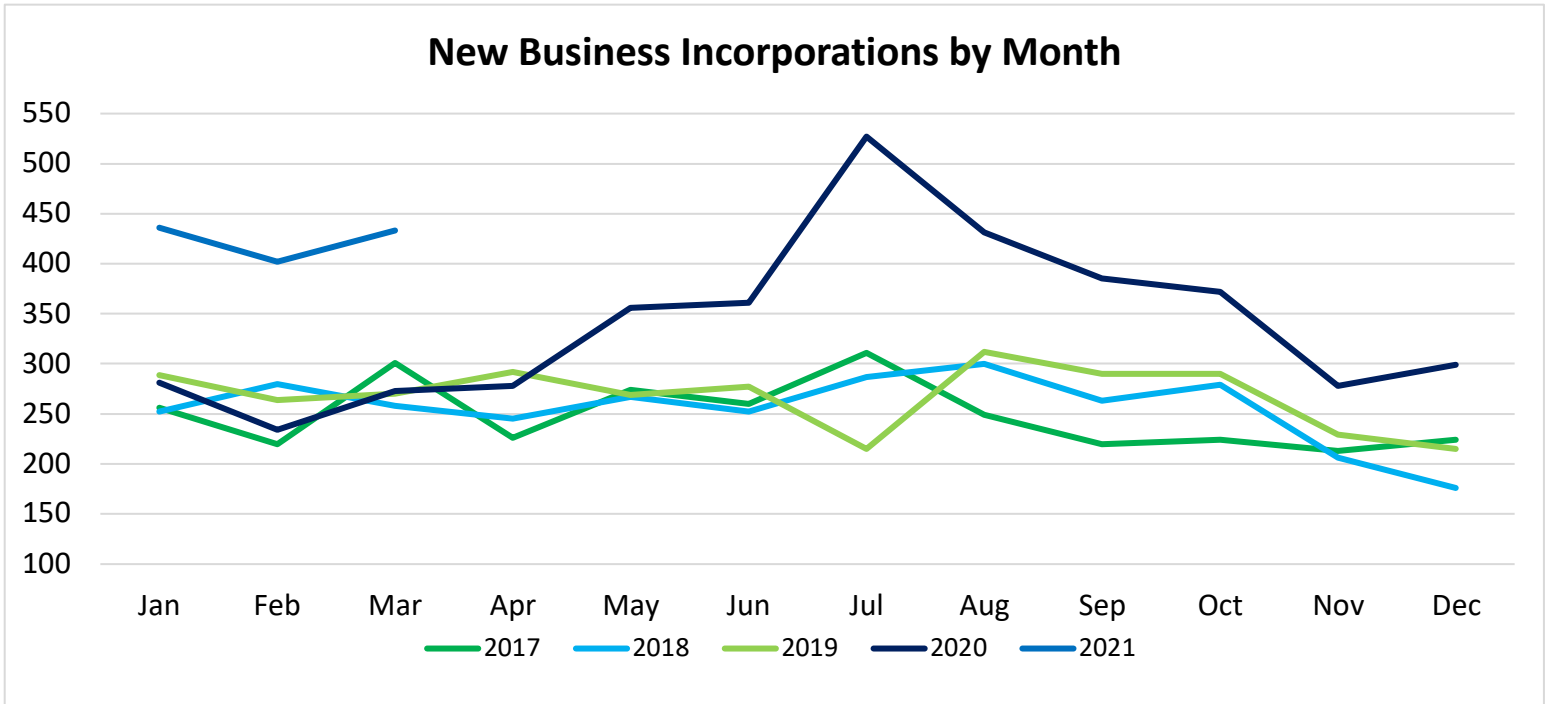


# New Business Incorporations

- New business filings increased by 29% in Q4 2020 compared to Q4 2019.
- New business filings during Q1 2021 were nearly double compare to any other given year.
- Although a spike in new business incorporation filings may indicate many people’s desire to work for themselves, there is usually a lag in job creation as business filings are not a direct indicator for start of business operations.



# New Business Incorporations



**Q4 2020**

**949**  
New Businesses Incorporated

**63**  
Average Filings per Week

**Q1 2021**

**1,271**  
New Businesses Incorporated

**91**  
Average Filings per Week

# Building Permits

- Tracking the values and volumes of building permits, both commercial and residential, is helpful in assessing the rate of the community's growth.
- More building permits at higher values means a more competitive market.

## 2020

Commercial permits			
Month	Value	Units	Average
January	\$300,000	1	\$300,000
February	\$21,030,000	6	\$3,505,000
March	\$3,490,000	4	\$872,500
April	\$40,130,000	6	\$6,688,333
May	\$210,000	1	\$210,000
June	\$1,560,000	4	\$390,000
July	\$1,800,000	2	\$900,000
August	\$6,450,000	6	\$1,075,000
September	\$5,660,000	1	\$5,660,000
October	\$2,000,000	3	\$666,667
November	\$40,030,000	12	\$3,335,833
December	\$6,880,000	6	\$1,146,667
<b>Total:</b>	<b>\$129,540,000</b>	<b>52</b>	<b>\$2,491,154</b>

Residential permits			
Month	Value	Units	Average
January	\$5,010,000	20	\$250,500
February	\$44,870,000	211	\$212,654
March	\$23,470,000	102	\$230,098
April	\$38,380,000	183	\$209,727
May	\$11,510,000	71	\$162,113
June	\$14,520,000	81	\$179,259
July	\$10,850,000	60	\$180,833
August	\$43,380,000	195	\$222,462
September	\$24,970,000	122	\$204,672
October	\$41,130,000	178	\$231,067
November	\$48,420,000	186	\$260,323
December	\$41,600,000	123	\$338,211
<b>Total:</b>	<b>\$348,110,000</b>	<b>1532</b>	<b>\$227,226</b>

## 2021

Commercial permits			
Month	Value	Units	Average
January	\$536,000	2	\$268,000
February	\$3,224,000	5	\$644,800
March	\$120,000	1	\$120,000
<b>Total</b>	<b>\$3,880,000</b>	<b>8</b>	<b>\$485,000</b>

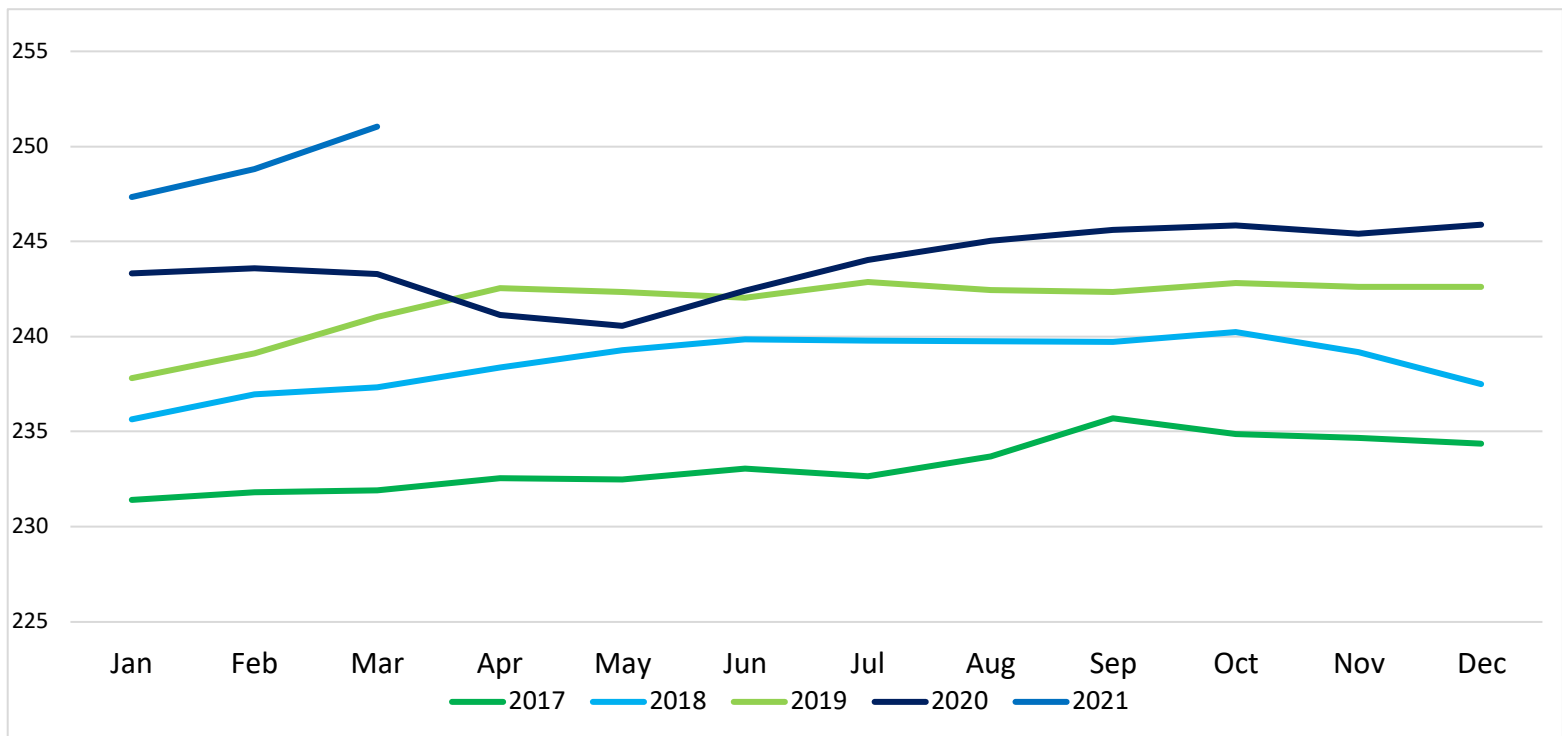
Residential permits			
Month	Value	Units	Average
January	\$2,480,000	8	\$310,000
February	\$68,500,000	257	\$266,537
March	\$26,690,000	108	\$247,130
<b>Total</b>	<b>\$97,670,000</b>	<b>373</b>	<b>\$261,850</b>



# Consumer Price Index

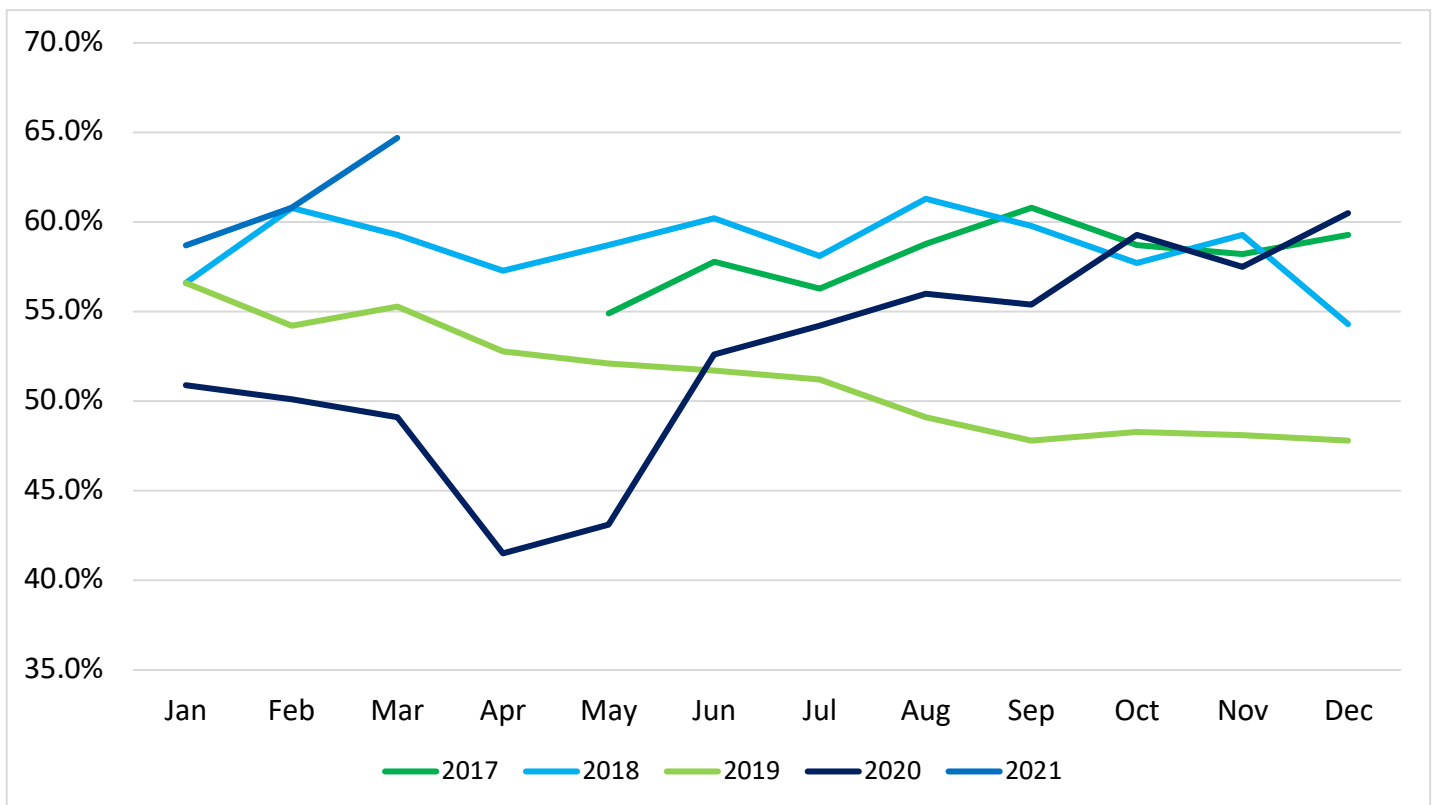
## Southern Region

- The Consumer Price Index (CPI) measures **inflation** by averaging prices of a basket of consumer goods and services, such as transportation, food, and medical care.
- Tracking CPI is important because it helps measure how the economy as a whole is faring.
- The graph shows that year after year since 2017, prices have continued to inflate at varying rates; 2017's line is the bottom-most of the four years, and each subsequent year is higher than the last. The first quarter of 2021 showed the highest CPIs each month so far.
  - The exceptions are April and May 2020, during which the pandemic-induced recession caused a temporary decrease in the overall price of consumer goods.



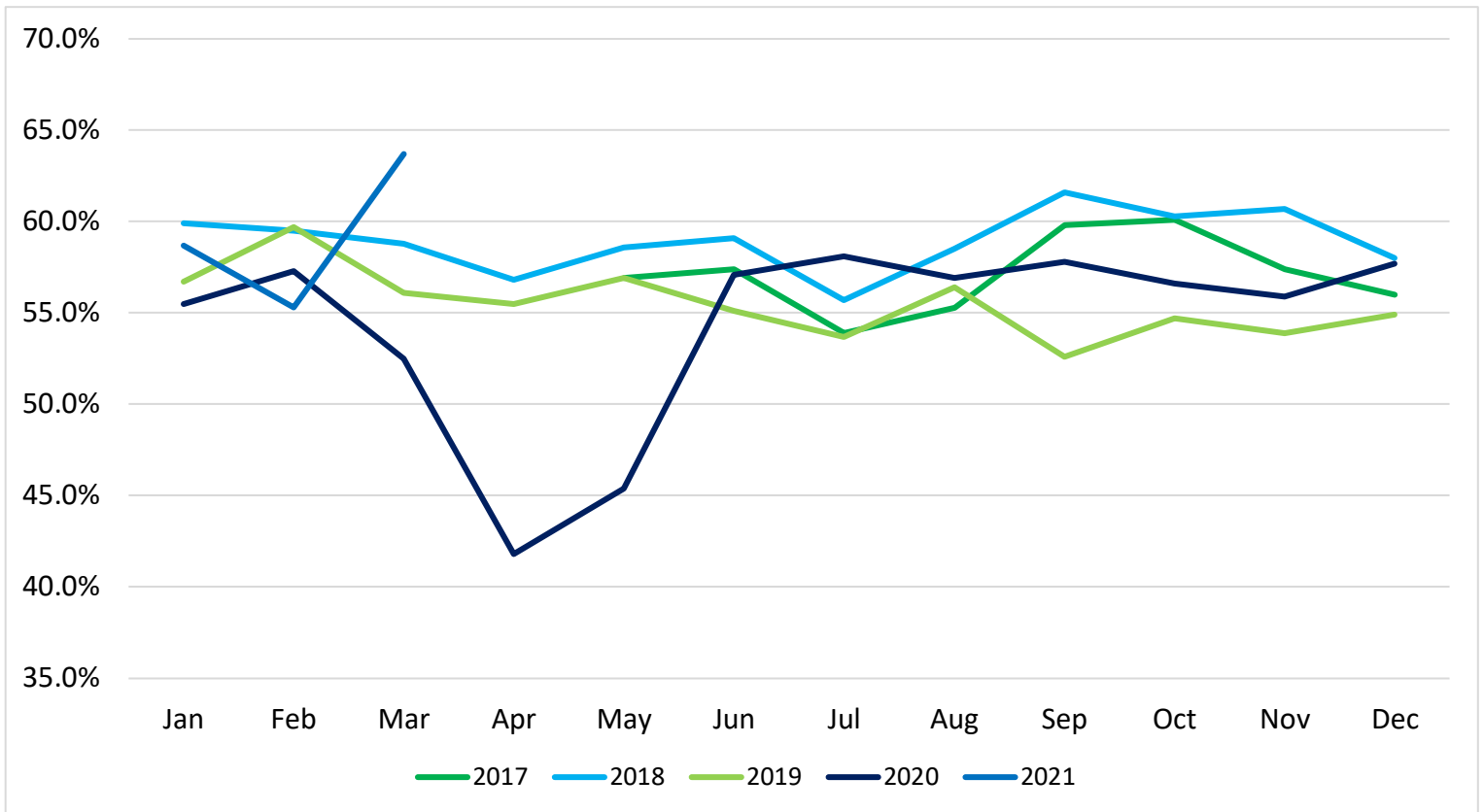
# Manufacturing Industry

- The Institute for Supply Management (ISM) Manufacturing Purchasing Managers' Index (PMI) measures manufacturing activity based on a monthly survey, conducted by the ISM, of purchasing managers at more than 300 manufacturing firms across the nation.
- Indicators factored into the index include business activity, new orders, employment, inventory and backlogs, exports and imports, and prices.
- A PMI Index score above 50 indicates overall growth of the manufacturing economy, while a score below 50 indicates a contraction in manufacturing industry activities.
- During Q4 2020, commodities in short supply include: aluminum, electric components, steel, and personal protective equipment (PPE). In Q1 2021, PPE, particularly gloves, were in short supply, as well as, adhesives, electric components, and steel, among others.



# Service Industry

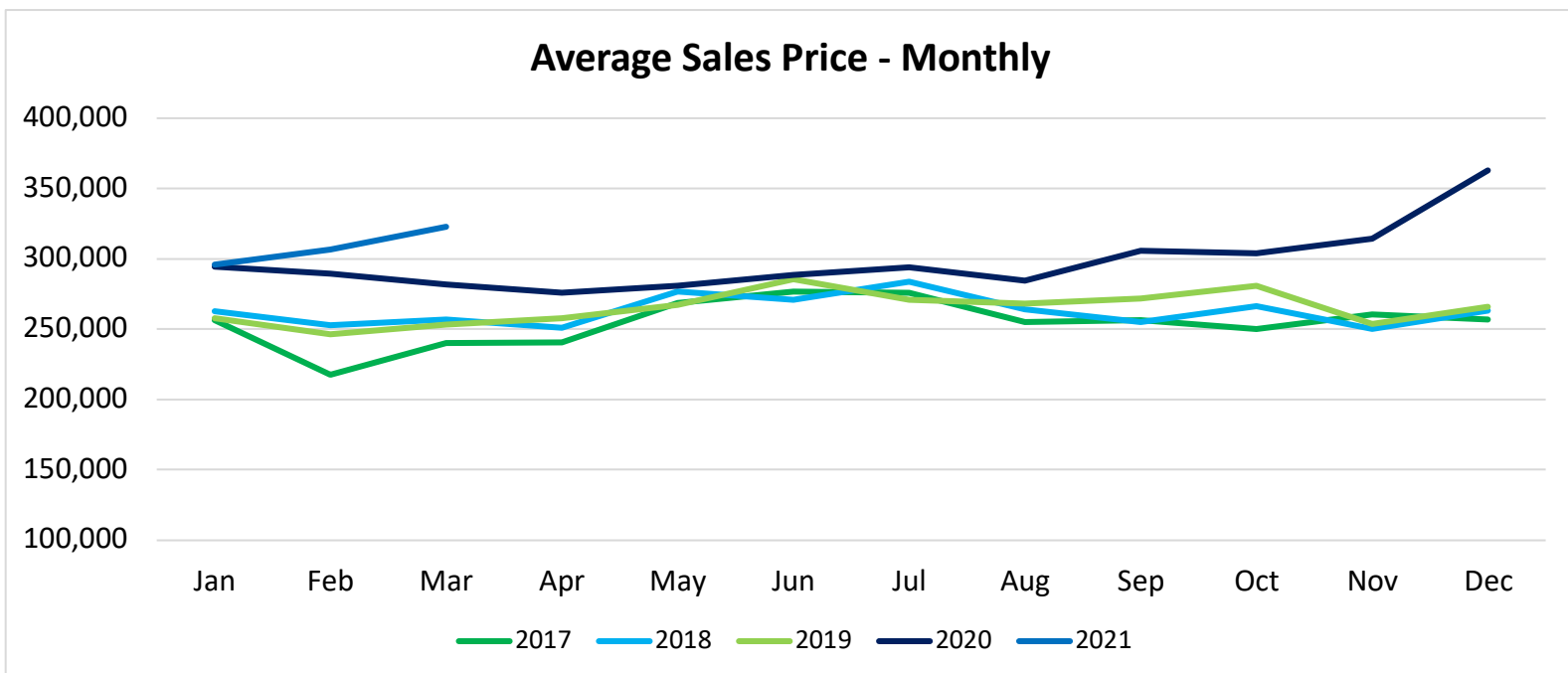
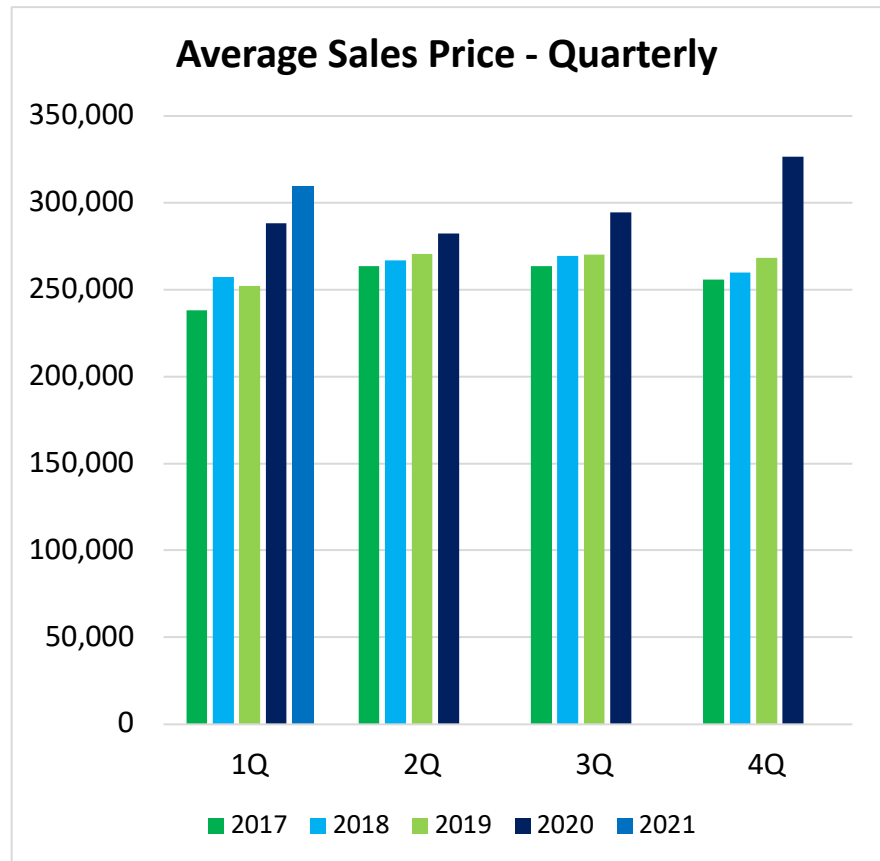
- The ISM also measures non-manufacturing industries with the Services Industry Purchasing Managers' Index. Nearly all industry sectors other than manufacturing are included in this index.
- Like the Manufacturing Index, a Services PMI score above 50 indicates overall growth of the services economy, while a score below 50 indicates a contraction in service industry activities.
- During Q4 2020, commodities in short supply included: Personal Protective Equipment (PPE) gloves and N95 masks, construction contractors, PVC products, and sterile water. In Q1 2021, PPE commodities were down in price, construction contractors were in short supply, as was temporary and construction labor, sharps disposal containers, and PVC products.



# Housing

## Residential Real Estate

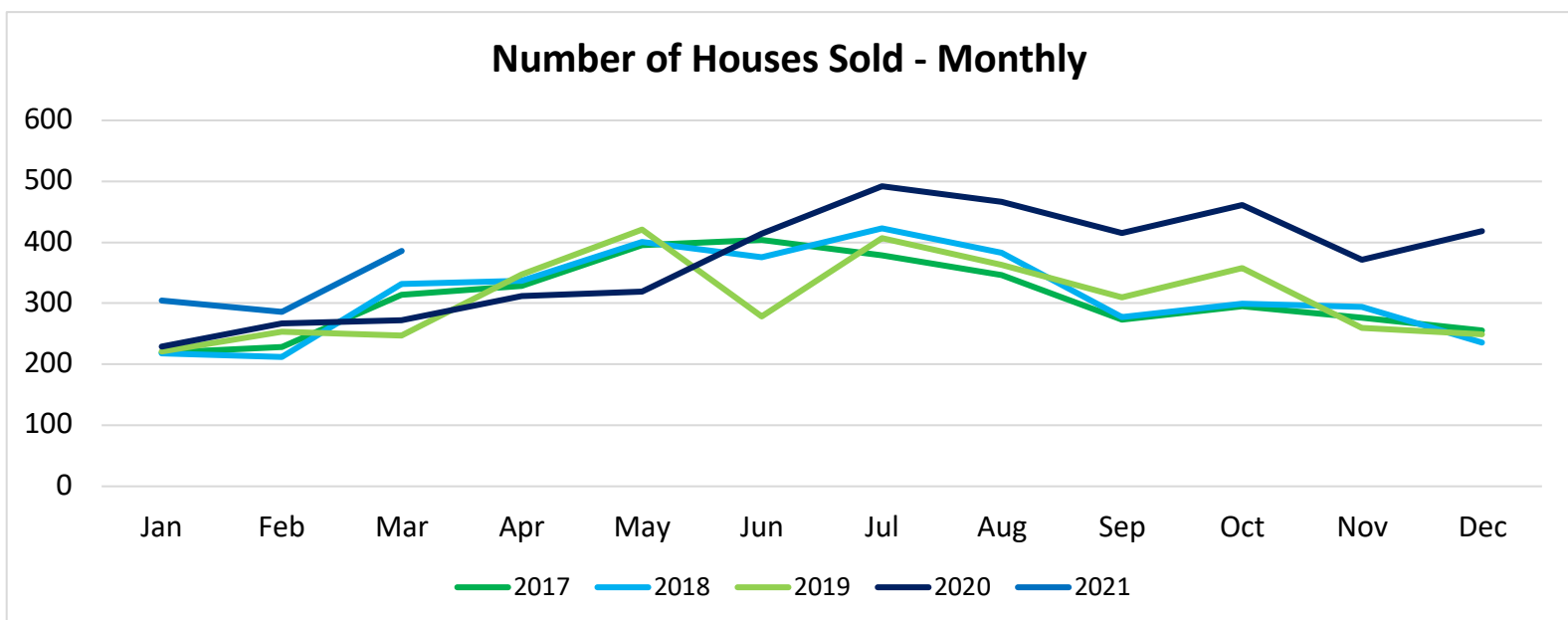
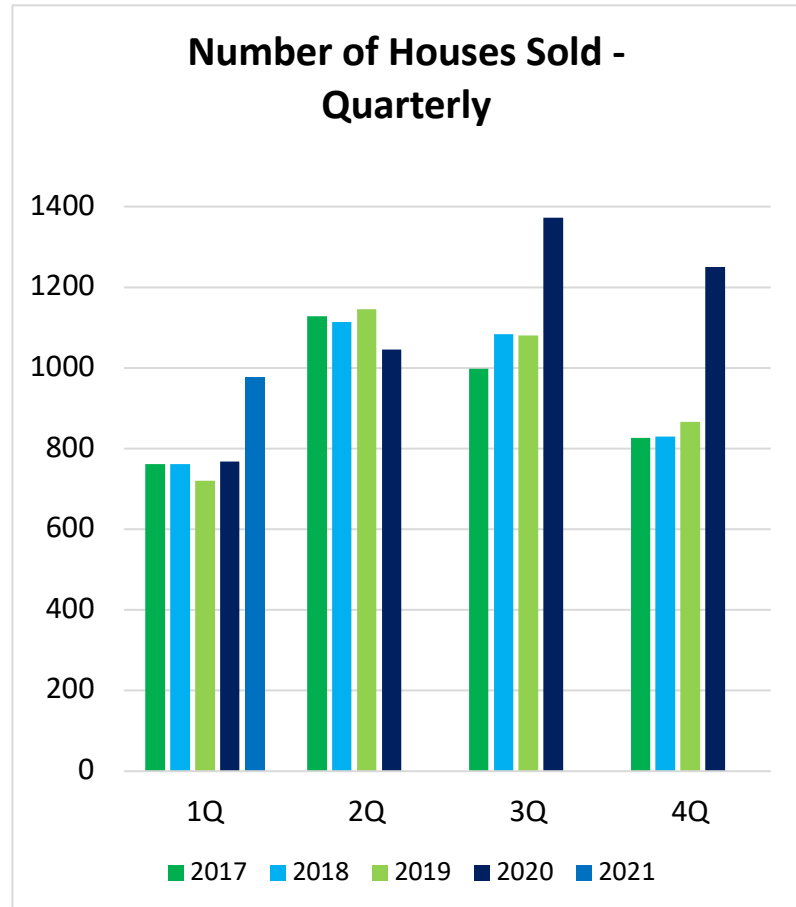
- The graphs to the right and below show the changes in average home sale prices over time in St. Tammany.
- In Q4 2020, the average home sale price was **\$326,731**, continuing a year-to-date trend of higher average prices than previous years.
- In Q1 2021, the average home sale price was **\$309,715**.



# Housing

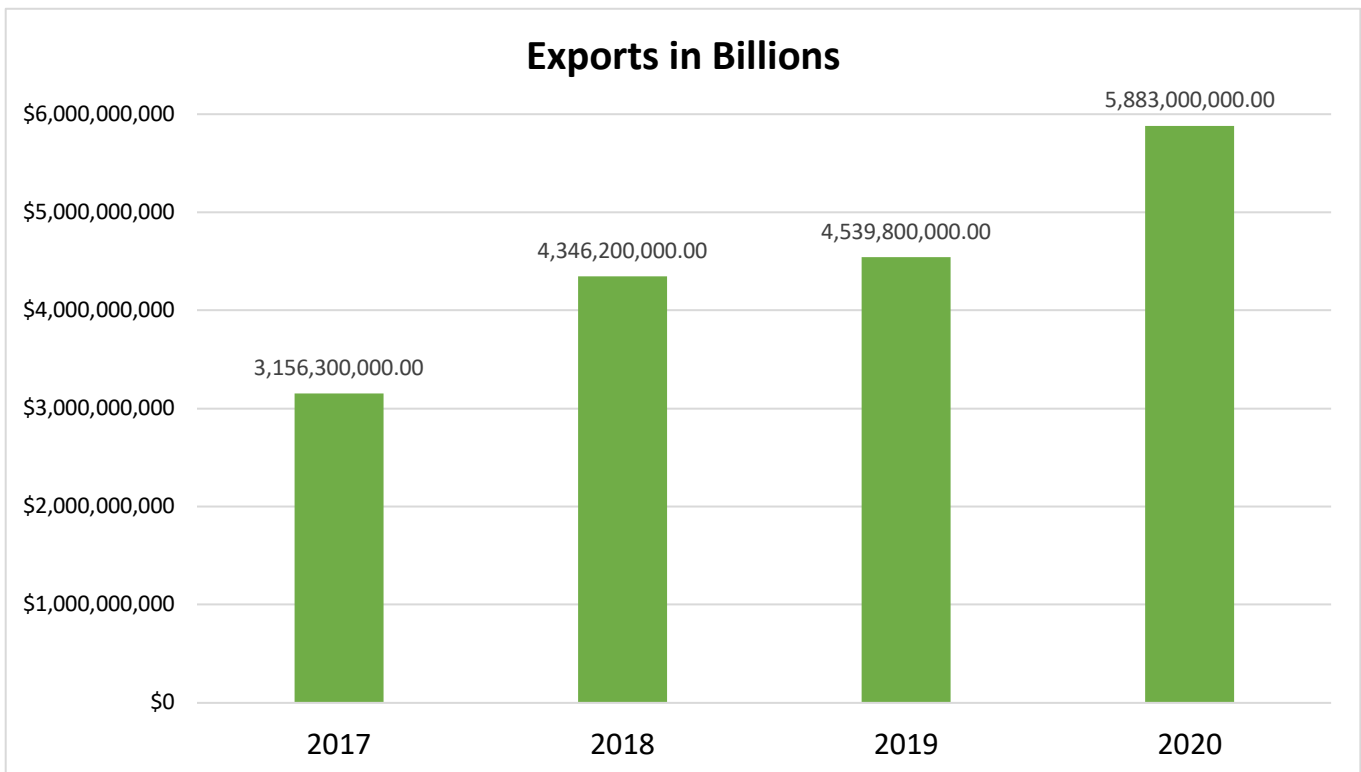
## Residential Real Estate

- The graphs to the right and below show changes in home sale volumes over time in St. Tammany.
- The number of homes sold in Q4 2020 was **1,250—44% higher** than 2019's numbers.
- The number of homes sold in Q1 2021 was **977—27% higher** than 2020's numbers.



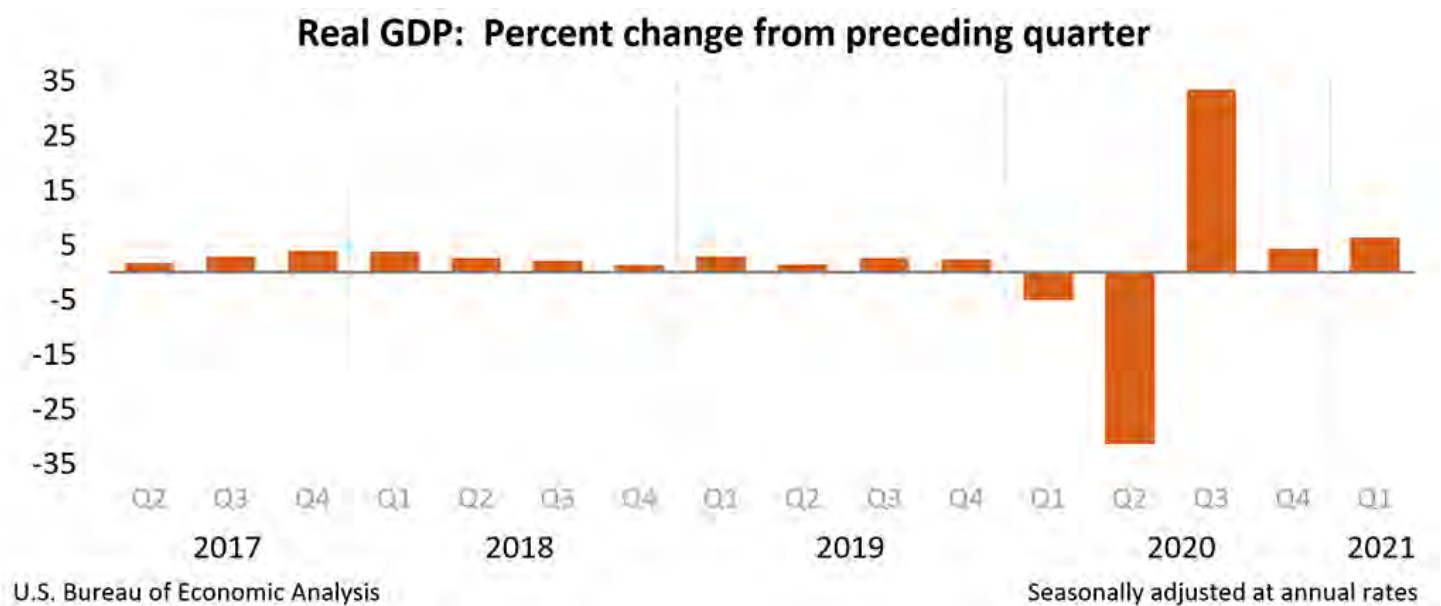
# Exports

- In 2020, St. Tammany Parish was the **third** highest performing parish within the greater New Orleans area, with international exports reaching nearly **\$6 billion**.
  - St. Tammany Parish is the **only** parish within the New Orleans metro region to see an increase in exports between 2019 and 2020.
- Just three years before, in 2017, St. Tammany’s exports totaled just over \$3 billion, meaning that exports **nearly doubled** in that timeframe.
- Metro New Orleans was the **6th largest Metro Exporter** in the country in 2020.



# Gross Domestic Product (GDP)

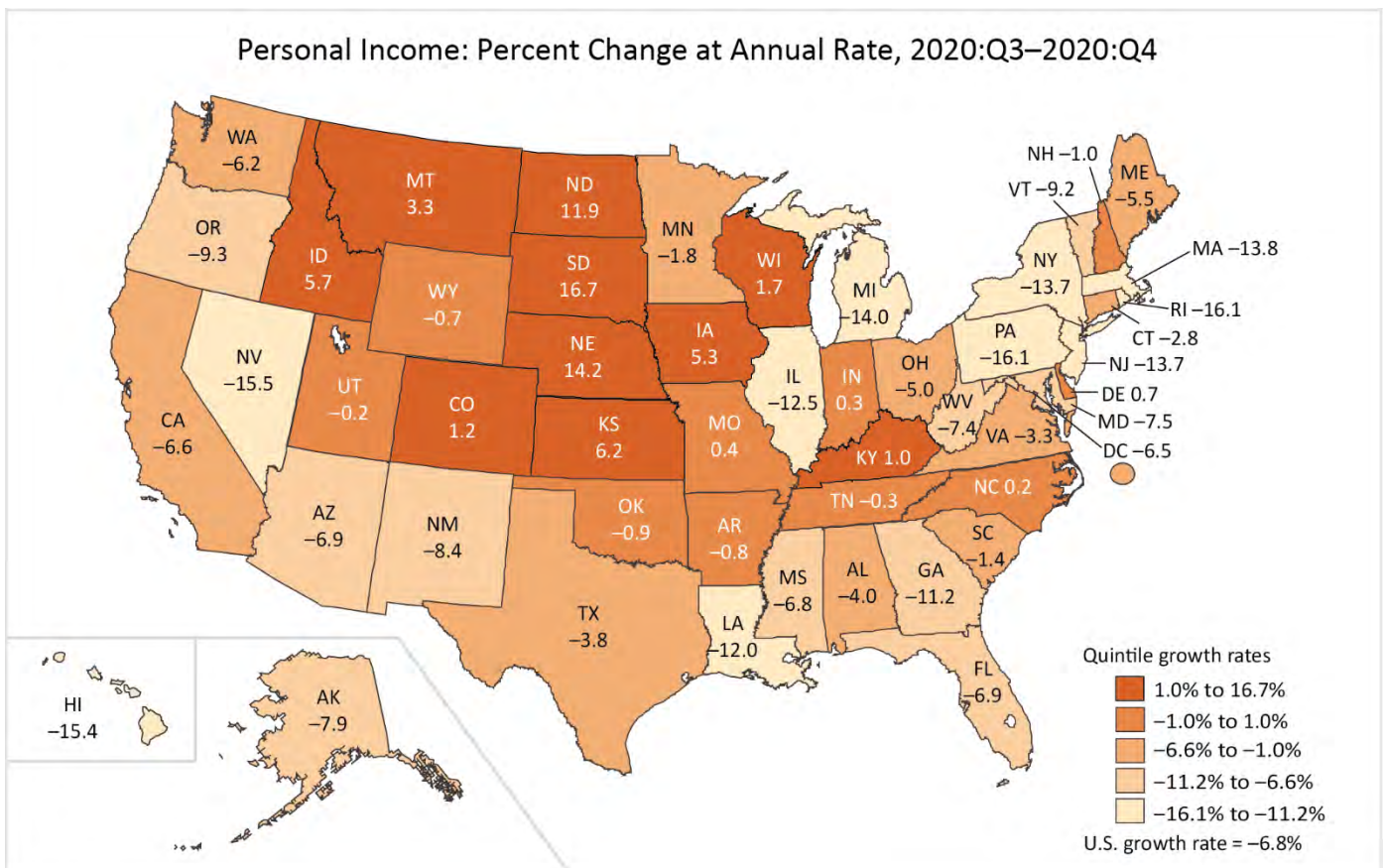
- GDP is a measure of all goods and services produced in an economy, helpful in showing the size of a nation's economy and whether it is growing or contracting.
- Real gross domestic product (GDP) increased at an annual rate of 4.3% during Q4 2020, whereas, in Q1 2021, real GDP increased 6.4%.
- Note: Real GDP is GDP adjusted for inflation.



# Personal Income

## Q4 2020

- Personal Income is a measure of the income people living in each state get from wages, proprietors' income, dividends, interest, rents, and government benefits. These statistics help assess and compare the economic well-being of state residents.
- Nationally, personal income decreased 6.8% at an annual rate during Q4 2020, after decreasing 11.3% in Q3 2020.
- Personal income in Louisiana decreased 12.0% in Q4 2020.



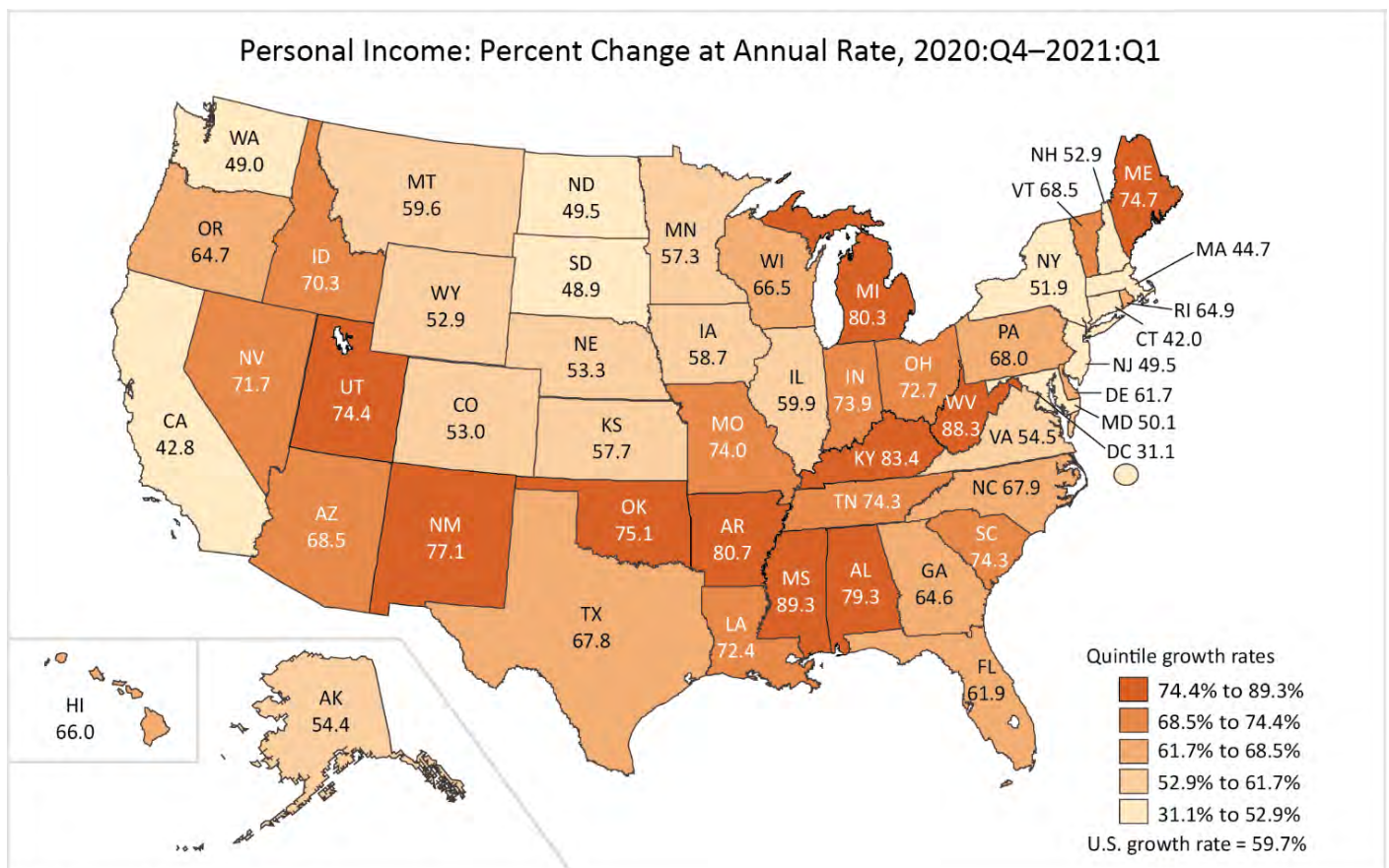
U.S. Bureau of Economic Analysis



# Personal Income

## Q1 2021

- Personal Income is a measure of the income people living in each state get from wages, proprietors' income, dividends, interest, rents, and government benefits. These statistics help assess and compare the economic well-being of state residents.
- Nationally, personal income increased 59.7% at an annual rate during Q1 2021, after decreasing 3.9% in Q4 2020.
- Personal income in Louisiana increased 72.4% in Q1 2021, which is above the national average.



U.S. Bureau of Economic Analysis

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ST. TAMMANY  
STATS

The logo for St. Tammany Stats features the text "ST. TAMMANY" in a blue, sans-serif font at the top. Below it, the word "STATS" is written in a larger, bold font with a green-to-blue gradient. The letters "A" and "I" in "STATS" are stylized with white circular nodes connected by thin blue lines, resembling a network or data visualization.

[www.sttammanystats.com](http://www.sttammanystats.com)

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