

City of Columbia
September Economic Report



Issued: 09-12-2025

Prepared by

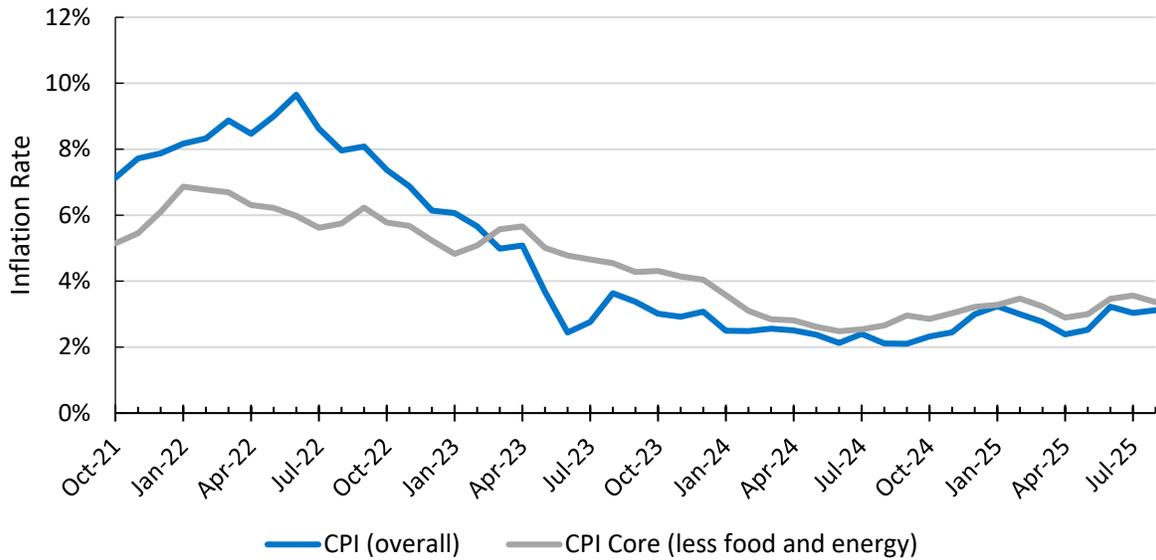
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Summary

- Both in July and August, national unemployment increased. In August, the national unemployment rate increased further by 0.08 percentage points to 4.32%. However, during the same months, inflation went up. This could be due to uncertain trade policies.
- The unemployment rate in Columbia increased by 0.23 percentage points in July, reaching 4.46%. Similarly, Missouri's unemployment rate rose by 0.27 percentage points to 4.66% during this period. Consistently, the national unemployment rate rose by 0.13 percentage points to 4.25% in July.
- Considering the steady increase in the unemployment rate, a rate cut during the Fed's September meeting is highly likely. However, the magnitude of the rate decrease remains uncertain.
- The Producer Price Index (PPI), a measure of wholesale prices on a seasonally adjusted basis, fell year-over-year to 2.63% in August from 3.31% in July. PPI, excluding food and energy, decreased to 2.84% in August, down from 3.64% in July. A declining PPI related to services may further increase the unemployment rate.
- National real GDP estimates for Q2 2025 have increased by 3.3% compared to Q1 2025, which was -0.5% in the previous quarter (Q1 2025 compared to Q4 2024). According to the Bureau of Economic Analysis (BEA, 2025, August 28), this is due to the decrease in imports.
- Meanwhile, the national Consumer Price Index (CPI) rose to 3.11% year-over-year in August. On a seasonally adjusted basis, the CPI rose by approximately 0.4% in August compared to the previous month.
- Consistently, annual inflation among Midwestern cities with a population of less than 2.5 million increased to 3.12% in August compared to 3.03% last month. However, core inflation (excluding food and energy) during the same period decreased by 0.20 percentage points to 3.37%.
- In July 2025, the median home price in Boone County declined by 1.57% compared to last year. Similarly, it has decreased by 2.54% over the last month. The median home price in Columbia in June is \$346,000, which is \$61,000 higher than the median price in Missouri. In July 2025, Boone County home sales totaled 217, a slight annual increase of 0.93%.
- Sales tax collections in September (July tax period) totaled around \$4.78 million, while use tax collections came to \$842,179, respectively, 9.53% (\$503,292) lower and 30.50% (\$196,834) higher than those of last year's September.
- In FY 2025, the City of Columbia's year-to-date total sales and use tax collections are down by \$19,644, a slight 0.03% decrease.
- Marijuana-related excise tax collection in September (July tax period) was \$65,216. The total year-to-date collections for FY 2025 are \$605,471, representing a 19.92% decrease from the same period last year.

Note: All inflation measures are for Midwest cities with a population of less than 2.5 million.

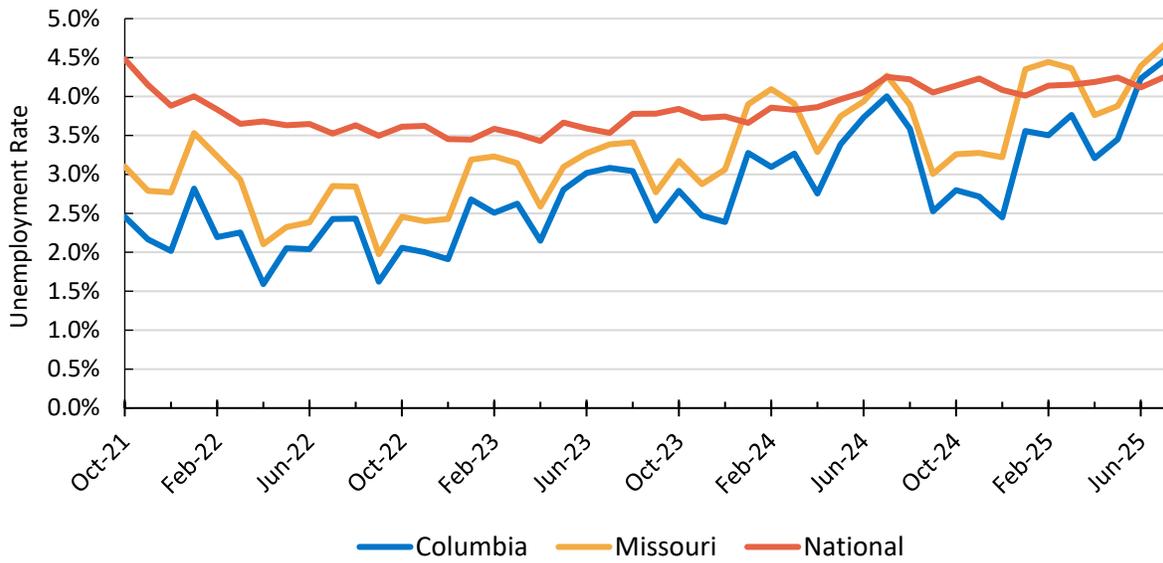
Chart 1: Monthly Consumer Inflation Midwest Cities Less Than 2.5 Million People



- Overall headline inflation drastically increased year-over-year by 1.01%, from 2.11% last August to 3.12% in August of 2025.
- Similarly, core inflation (less food and energy) increased by 0.71%, increasing from 2.54% last August to 3.56% this month.

Source: U.S. Bureau of Labor Statistics, <https://beta.bls.gov/dataViewer/view/timeseries/CUURN200SA0L1E>
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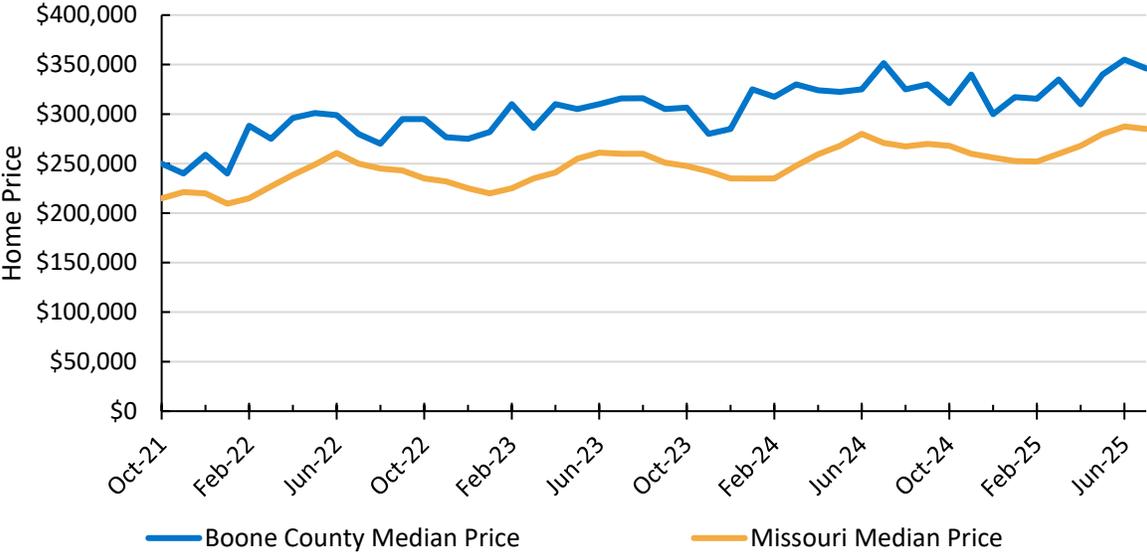
Chart 2: Columbia, MO Monthly Unemployment Rate



- Columbia's unemployment rate increased by 0.23 percentage points, from 4.23% in June to 4.46% in July. Unemployment in Missouri increased by 0.27 percentage points, while the national unemployment rate increased by 0.13 percentage points during this time.

Source: U.S. Bureau of Labor Statistics, <https://beta.bls.gov/dataViewer/view/timeseries/LAUMT291786000000004>
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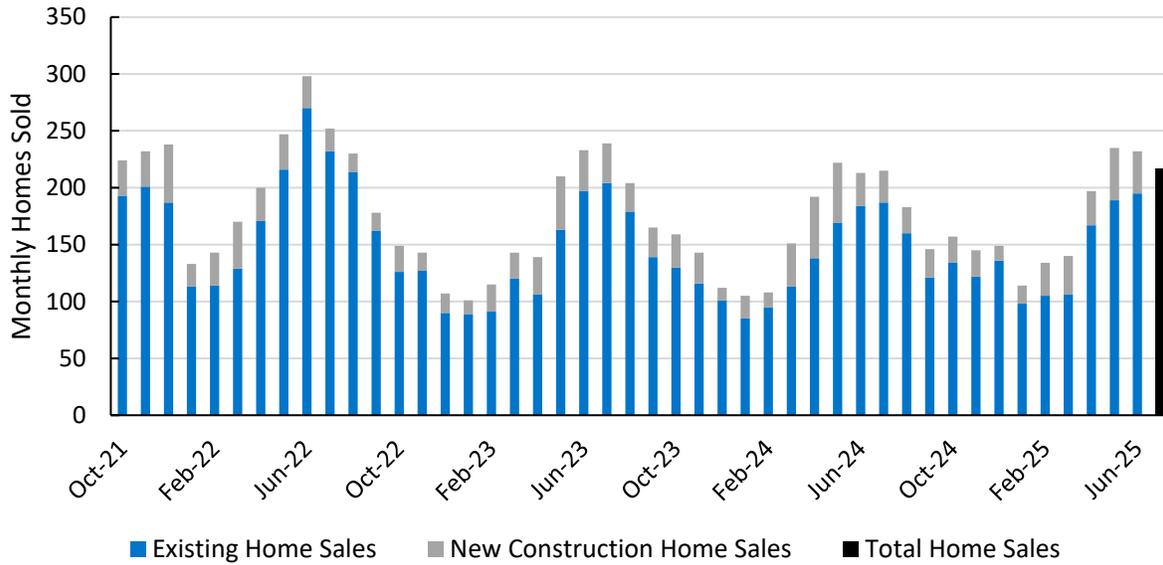
Chart 3: Boone County Single Family Median Home Price



- In July 2025, the median single-family home price in Boone County was \$346,000, 1.57% lower than last year and 2.54% lower than June 2025. The median price of a single-family home in Missouri was \$285,000, 5.22% higher than the previous year.

Source: Columbia Board of Realtors, <https://www.midmohomefinder.com/page/statistics>
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Chart 4: Boone County Monthly Home Sales



- In July 2025, 217 single-family homes were sold, which is a 0.93% increase compared to the same month last year. However, single-family home sales dropped by 15 from June to July of this year.

Source: Columbia Board of Realtors, <https://www.midmohomefinder.com/page/statistics>

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Glossary

Term	Definition
<u>Employment</u>	<ul style="list-style-type: none"> • Worked at least 1 hour as a paid employee. • Worked at least 1 hour in their own business, profession, trade, or farm. • Were temporarily absent from their job, business, or farm, whether or not they were paid for the time off. • Worked without pay for a minimum of 15 hours in a business or farm owned by a member of their family.
<u>Unemployment</u>	<ul style="list-style-type: none"> • They were not employed during the survey reference week. • They were available for work during the survey reference week, except for temporary illness. • They made at least one specific, active effort to find a job during the 4-week period ending with the survey reference week OR they were temporarily laid off and expecting to be recalled to their job.
<u>Consumer Price Index (CPI)</u>	<ul style="list-style-type: none"> • A measure of the average change over time in the prices paid by consumers for a representative basket of consumer goods and services. • The CPI measures inflation as experienced by consumers in their day-to-day living expenses.
Inflation Rate	<ul style="list-style-type: none"> • In this report, year-over-year changes in CPI are defined as inflation. The annual inflation rate is calculated every month as: • $Inflation = \frac{(CPI\ of\ latest\ month\ this\ year) - (CPI\ of\ last\ years'\ same\ month)}{(CPI\ of\ last\ years'\ same\ month)} * 100$



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