

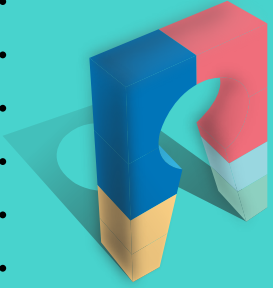


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September

City of Columbia, Missouri

Monthly Economic Report



City of Columbia
September Economic Report



Issued: 9-12-2024

Prepared by

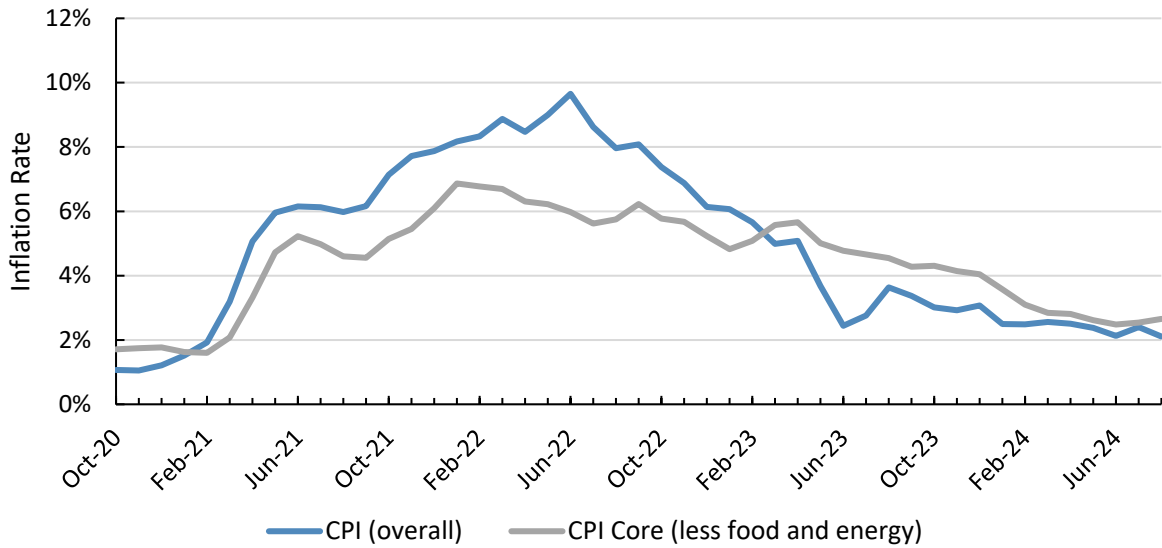
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Summary

- In August, the national headline remained stable at 3.20% while core inflation decreased to 2.53%, compared to 3.17% and 2.89% in July.
- However, overall headline inflation among Midwestern cities with a population of less than 2.5 million in August 2024 decreased to 2.11% from 2.40% in July, while core inflation (excluding food and energy) increased to 2.66%, compared to 2.54% last month.
- Housing inflation among Midwestern cities remained high at 4.63% in August 2024, higher than July's 4.17%, and Columbia is not the exception. This is mainly due to the seasonal nature of the housing/rental market.
- The unemployment rate in Columbia increased by 0.32 percentage points in July to 3.95%, compared to 3.63% in June 2024. Missouri's unemployment rate followed a similar pattern and increased by 0.42 percentage points in July to 4.60%, compared to 4.18% in June 2024. Akin to local and state, the national unemployment rate slightly increased by 0.20 percentage points during this time, from 4.05% to 4.25%. In August 2024, the national unemployment rate is 4.22%.
- In July 2024, unemployment rates at the local, state, and national levels reached their highest points over the last few years. In Columbia, the last time unemployment was this high was January 2021; in Missouri, it was June 2021; and at the national level, it was October 2021.
- Considering the decreasing inflation and increasing unemployment rates, it may be anticipated that Fed. may lower the interest rate by 0.25 percent points during their September meeting.
- The median home price in Boone County is higher than that of the state of Missouri by over \$80,000. In July 2024, the median home price in Boone County increased by 11.27%, while the average price increased by 19.38%.
- Sales tax collections in September (July tax period) totaled around \$5.28 million, while Use tax collections came to about \$645,345, 4.97%, and 14.97% lower than last year in September. The July 2024 Use tax collections are equivalent to 12.22% of the total Sales tax collections, which is the lowest share in FY 24. This could be due to less consumer spending – as the universities and public school districts in Columbia were closed.
- In September (July tax period), marijuana-related excise tax collection was \$61,261, around \$21,279 less than the previous month.

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

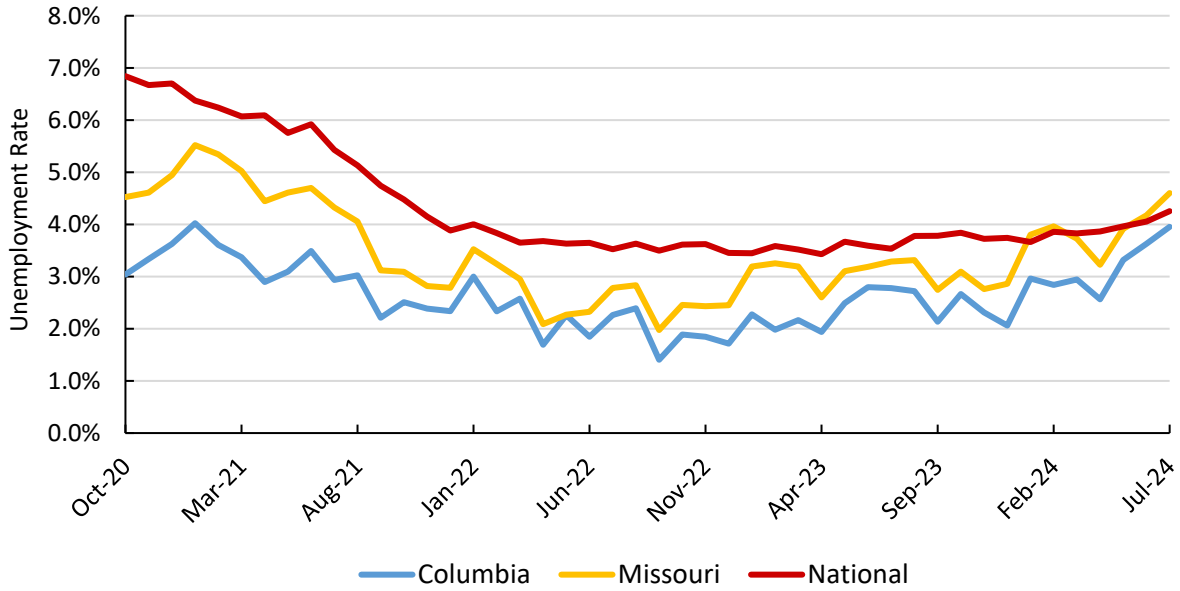
Chart 1: Monthly Consumer Inflation Midwest Cities Less Than 2.5 Million People



- Year-over-year overall headline inflation decreased from 3.64% last August to 2.11% in August 2024.
- Year-over-year core inflation (less food and energy) decreased from 4.55% in August 2023 to 2.66% in August 2024.

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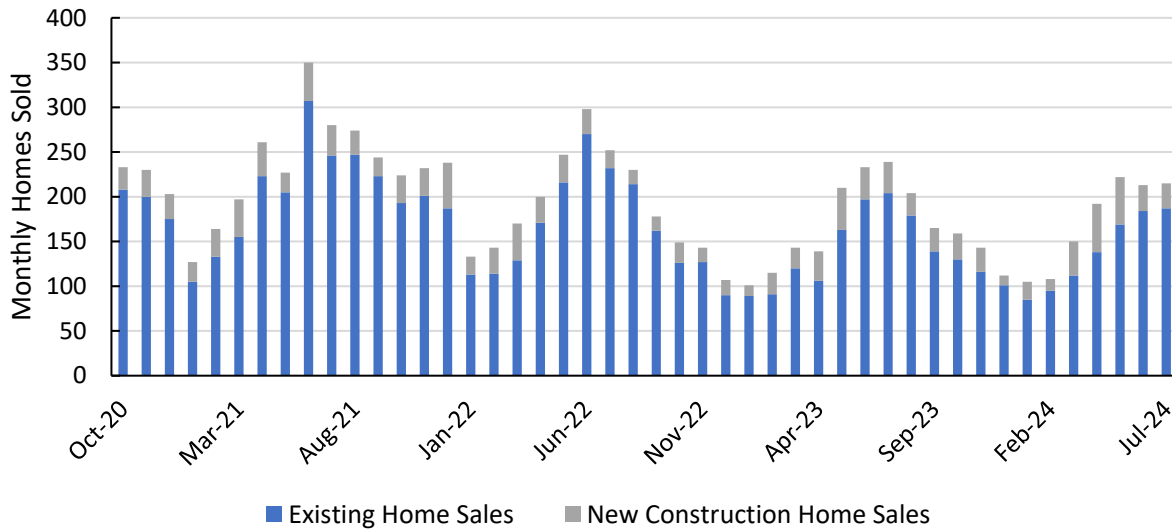
Chart 2: Columbia, MO Monthly Unemployment Rate



- In July 2024, Columbia's unemployment rate increased by 0.32 percentage points, from 3.63% to 3.95%, compared to June 2024. Similarly, Missouri's increased by 0.42 percentage points. Meanwhile, the national unemployment rate increased by 0.20 percentage points.

Source: U.S. Bureau of Labor Statistics, <https://beta.bls.gov/dataViewer/view/timeseries/LAUMT29178600000004>
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Chart 3: Boone County Monthly Home Sales

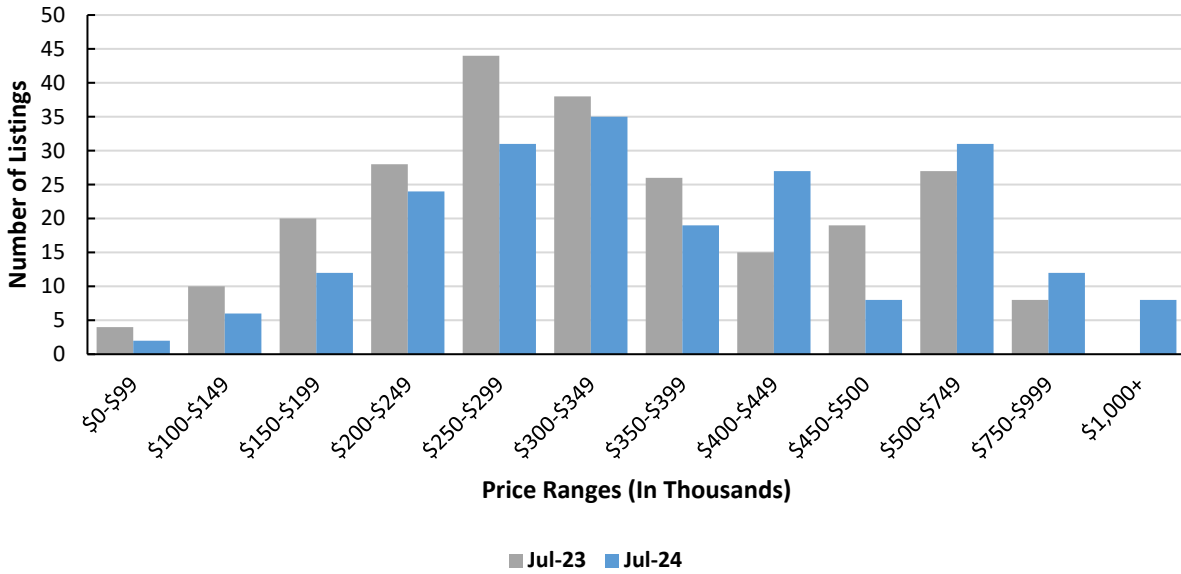


- In July 2024, 215 single-family homes were sold, a 10.04% decrease from the same month last year, while the new home sales have decreased by around 20.0%.

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

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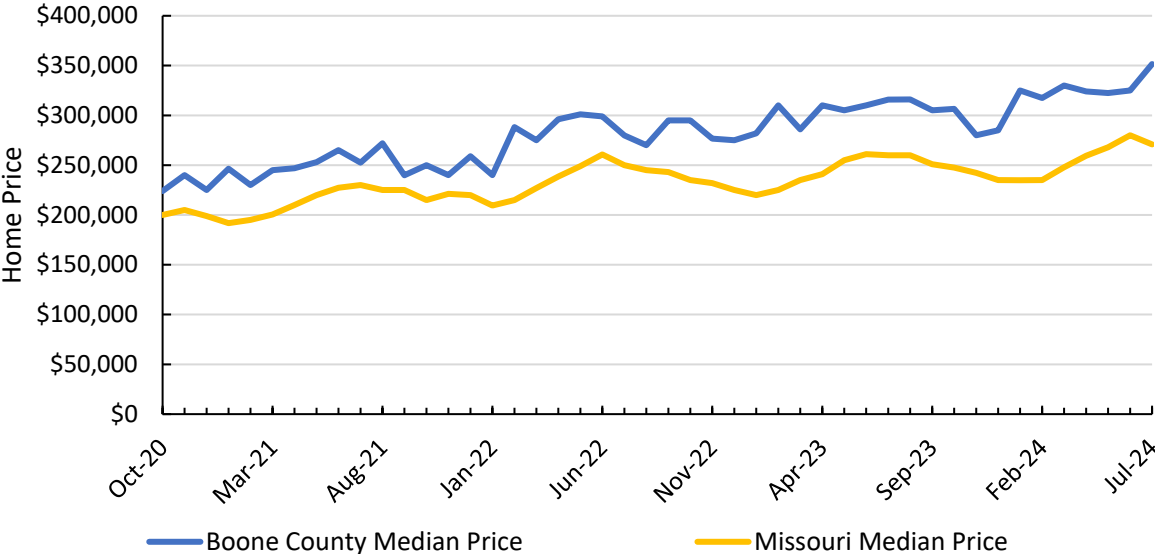
Chart 4: Boone County July Home Sales



- In July 2023, most homes sold in Boone County were in the \$250,000 - \$299,999 price range. However, considering the July 2024 rise in home prices, the majority of homes sold were between \$300,000 and \$349,999.
- Additionally, more expensive houses are becoming increasingly prominent in the Boone County housing market, with 31 homes sold in July 2024 in the \$500,000 - \$749,999 price range, which was 27 in July 2023.

Source: Columbia Board of Realtors, <https://www.midmohomefinder.com/page/Statistics>
 Last Updated: 9/10/2024

Chart 5: Boone County Single Family Median Home Price




- In July 2024, the median single-family home price in Boone County was \$351,505, 11.27% higher compared to last year this month. The Missouri median single-family home price in July was \$270,850, 4.21% higher compared to the previous year this month.

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