

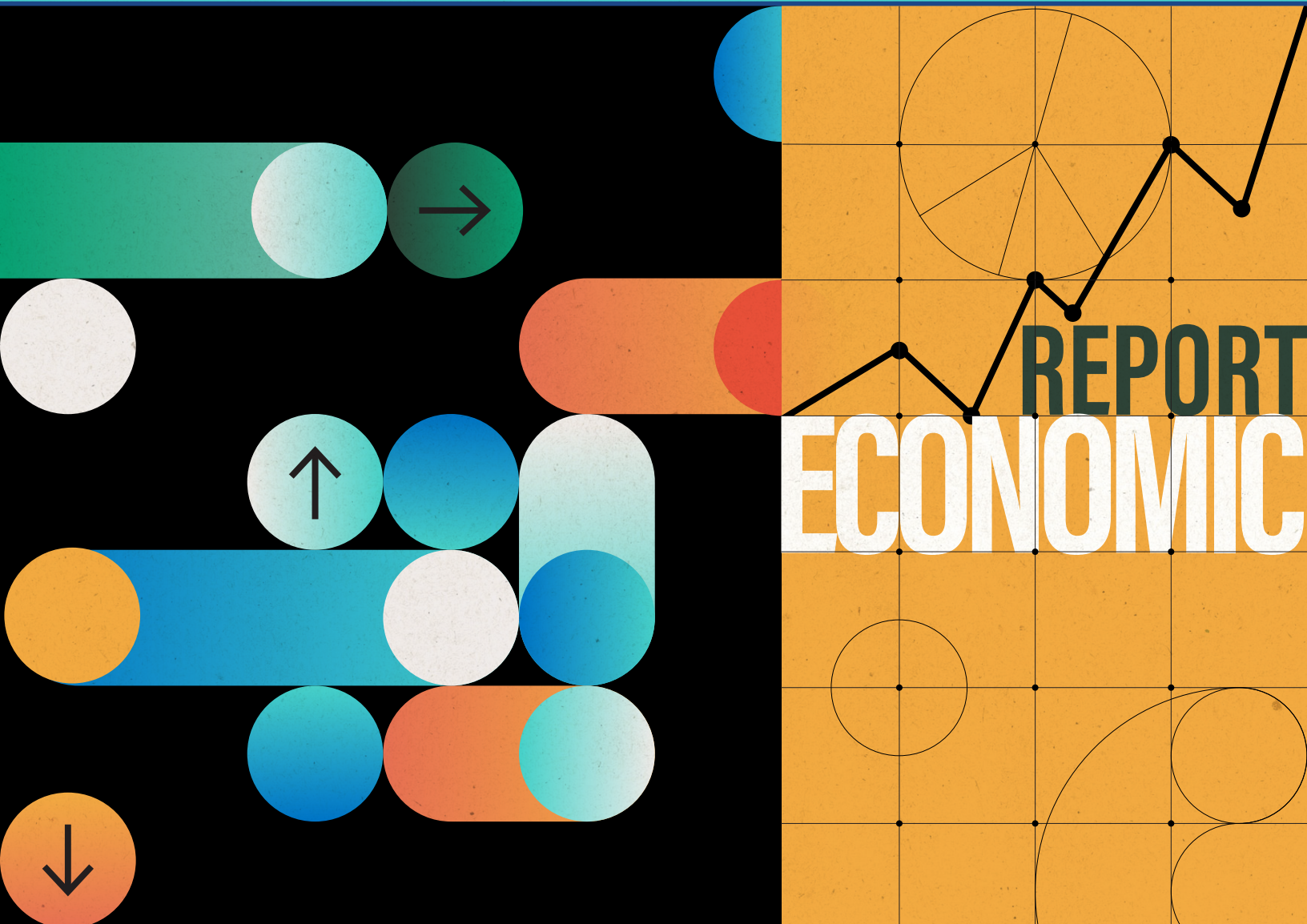
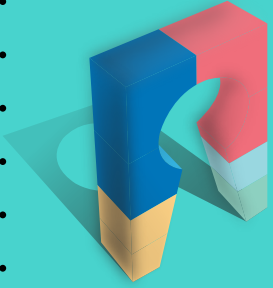


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October

City of Columbia, Missouri

Monthly Economic Report



City of Columbia
October Economic Report



Issued: 10-14-2024

Prepared by

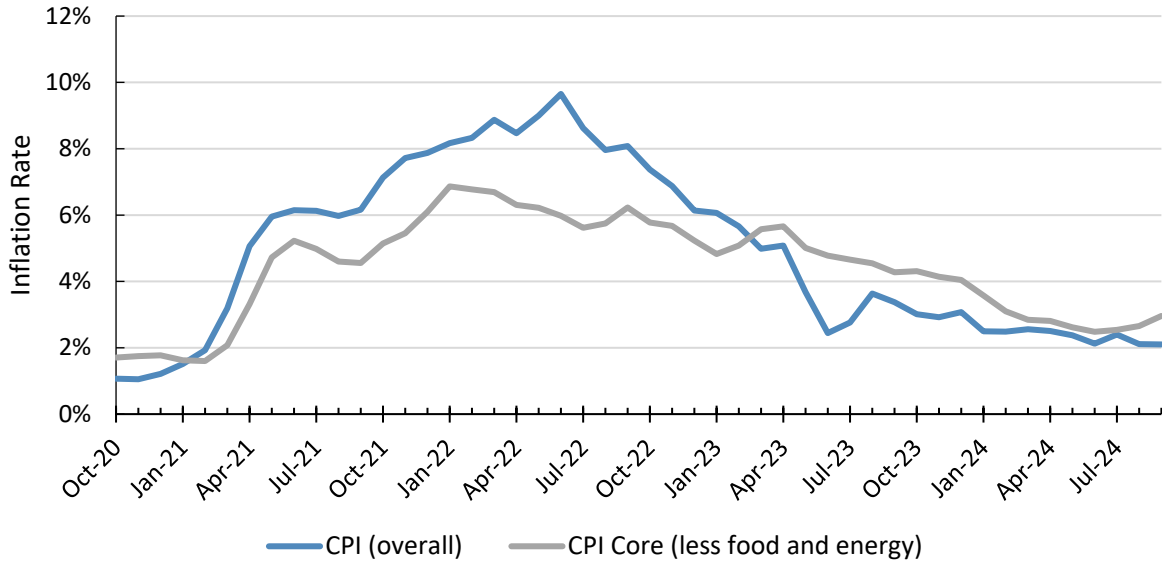
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Summary

- In September, the national headline increased to 3.31% while core inflation decreased to 2.44%, compared to 3.20% and 2.53% in August.
- However, overall headline inflation among Midwestern cities with a population of less than 2.5 million in September 2024 remained stable at 2.10% from 2.11% in August, while core inflation (excluding food and energy) increased to 2.96%, compared to 2.66% last month.
- Housing inflation among Midwestern cities remained high at 4.69% in September 2024, higher than August's 4.63%, and Columbia is not the exception. This is mainly due to the seasonal nature of the housing/rental market.
- The unemployment rate in Columbia decreased by 0.69 percentage points in August to 3.24%, compared to 3.93% in July 2024. Missouri's unemployment rate followed a similar pattern and decreased by 0.72 percentage points in August to 3.87%, compared to 4.59% in July 2024. Akin to local and state, the national unemployment rate slightly decreased by 0.03 percentage points during this time, from 4.25% to 4.22%.
- Following a similar trend, in September 2024, the national unemployment rate fell to 4.05%, around seventeen percentage points.
- The Federal Reserve decided to reduce the interest rate from 5.25 - 5.50% to 4.75 - 5.00% by 50 basis points (bp), or 0.5%. This is the first time the Federal Reserve has cut interest rates since March 2020.
- The median home price in Boone County is higher than that of the state of Missouri by around \$57,600. In August 2024, the median home price in Boone County increased by 2.85%, while the average price increased by 5.25%.
- Sales tax collections in October (August tax period) totaled around \$5.18 million, while Use tax collections came to about \$1,235,893, 7.83%, and 52.51% higher than last year in October. The August 2024 Use tax collections are equivalent to 23.86% of the total Sales tax collections, which is the highest share in FY 24. This could be due to increased consumer spending – as the universities and public-school districts in Columbia are back in session.
- In October (August tax period), marijuana-related excise tax collection was \$62,269, around \$1,000 more than the previous month.

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

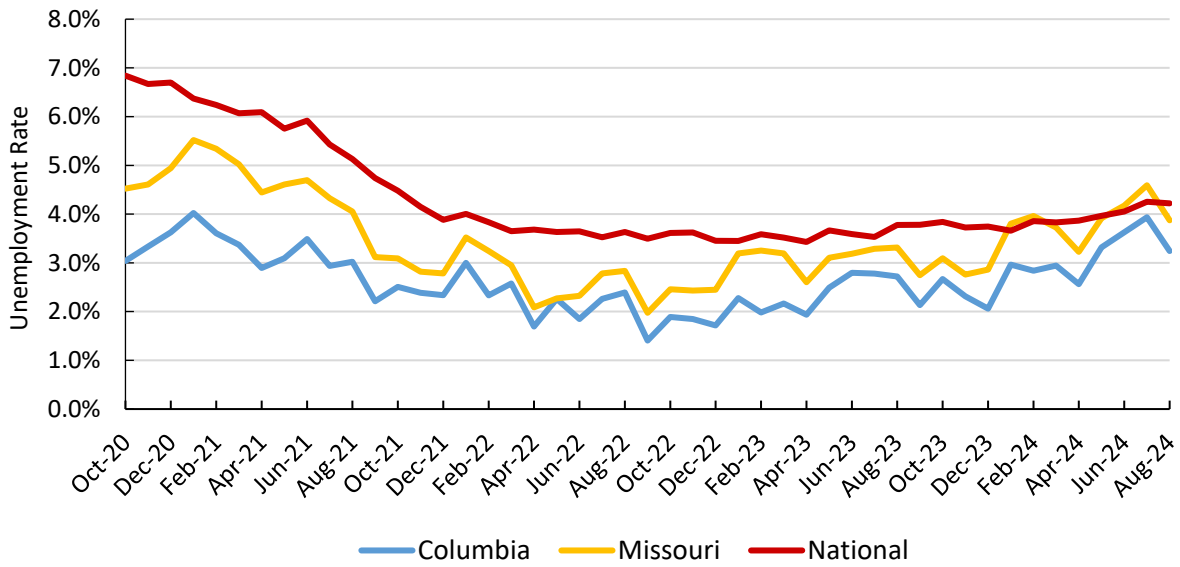
Chart 1: Monthly Consumer Inflation Midwest Cities Less Than 2.5 Million People



- Year-over-year overall headline inflation decreased from 3.37% last September to 2.10% in September 2024.
- Year-over-year core inflation (less food and energy) decreased from 4.28% in September 2023 to 2.96% in September 2024.

Source: U.S. Bureau of Labor Statistics, <https://beta.bls.gov/dataViewer/view/timeseries/CUURN200SA0L1E>
Last Updated: 10/10/2024

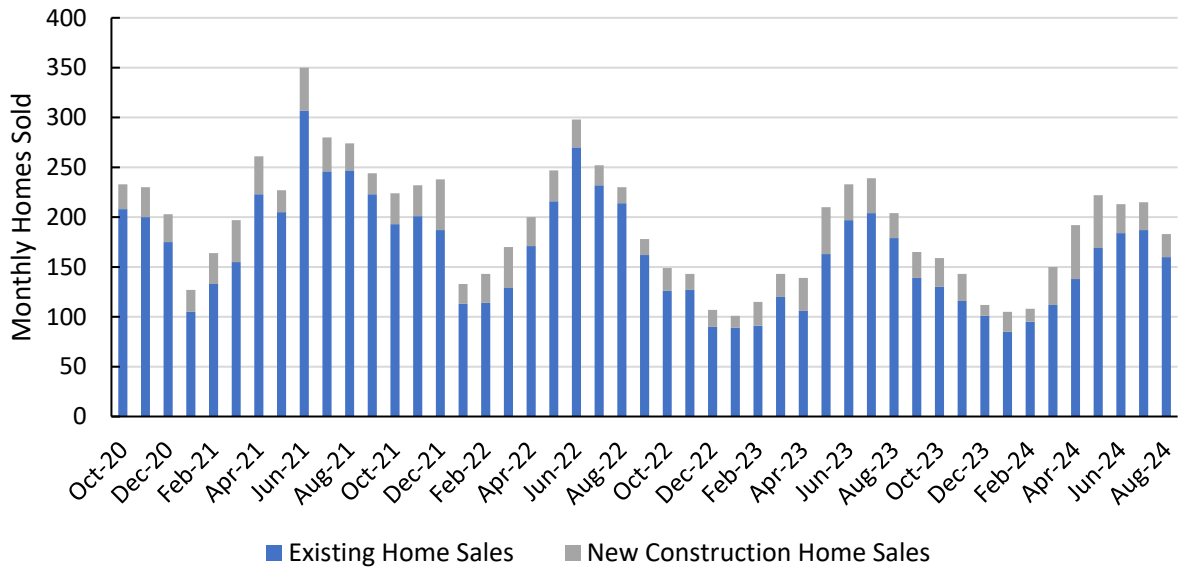
Chart 2: Columbia, MO Monthly Unemployment Rate



- In August 2024, Columbia's unemployment rate decreased by 0.69 percentage points, from 3.93% to 3.24%, compared to July 2024. Similarly, Missouri's decreased by 0.72 percentage points. Meanwhile, the national unemployment rate decreased by 0.03 percentage points.

Source: U.S. Bureau of Labor Statistics, <https://beta.bls.gov/dataViewer/view/timeseries/LAUMT291786000000004>
 Last Updated: 10/10/2024

Chart 3: Boone County Monthly Home Sales

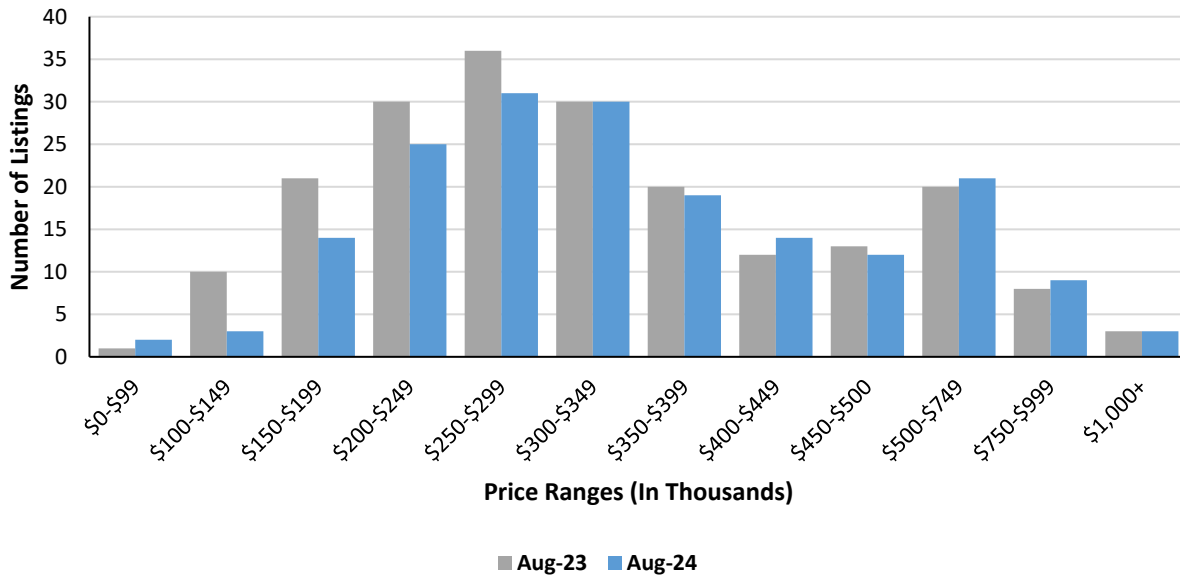


- In August 2024, 183 single-family homes were sold, a 10.29% decrease from the same month last year, while the new home sales have decreased by around 8.0%.

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

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Chart 4: Boone County August Home Sales

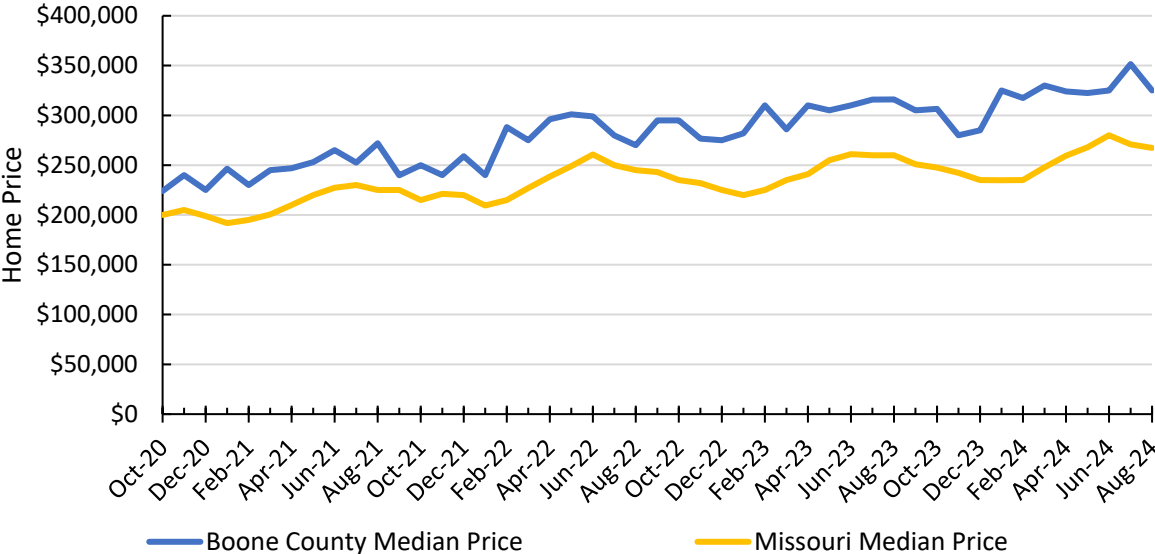


- In August 2024, most homes sold in Boone County were in the \$250,000 - \$299,999 price range. However, it is becoming increasingly clear that, year-over-year, the median home price is shifting towards higher ranges, as thirty homes were sold in the \$300,000-\$349,999 price range compared to thirty-one in the \$250,000 - \$299,999 range.
- Additionally, more expensive houses are becoming increasingly popular in the Boone County housing market, with 21 homes sold in August 2024 in the \$500,000 - \$749,999 price range, which was 20 in August 2023.

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

Last Updated: 10/10/2024

Chart 5: Boone County Single Family Median Home Price




- In August 2024, the median single-family home price in Boone County was \$325,000, 2.85% higher compared to last year this month. The Missouri median single-family home price in August was \$267,375, 2.86% higher compared to the previous year this month.


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