

St. Tammany Economic Growth Index

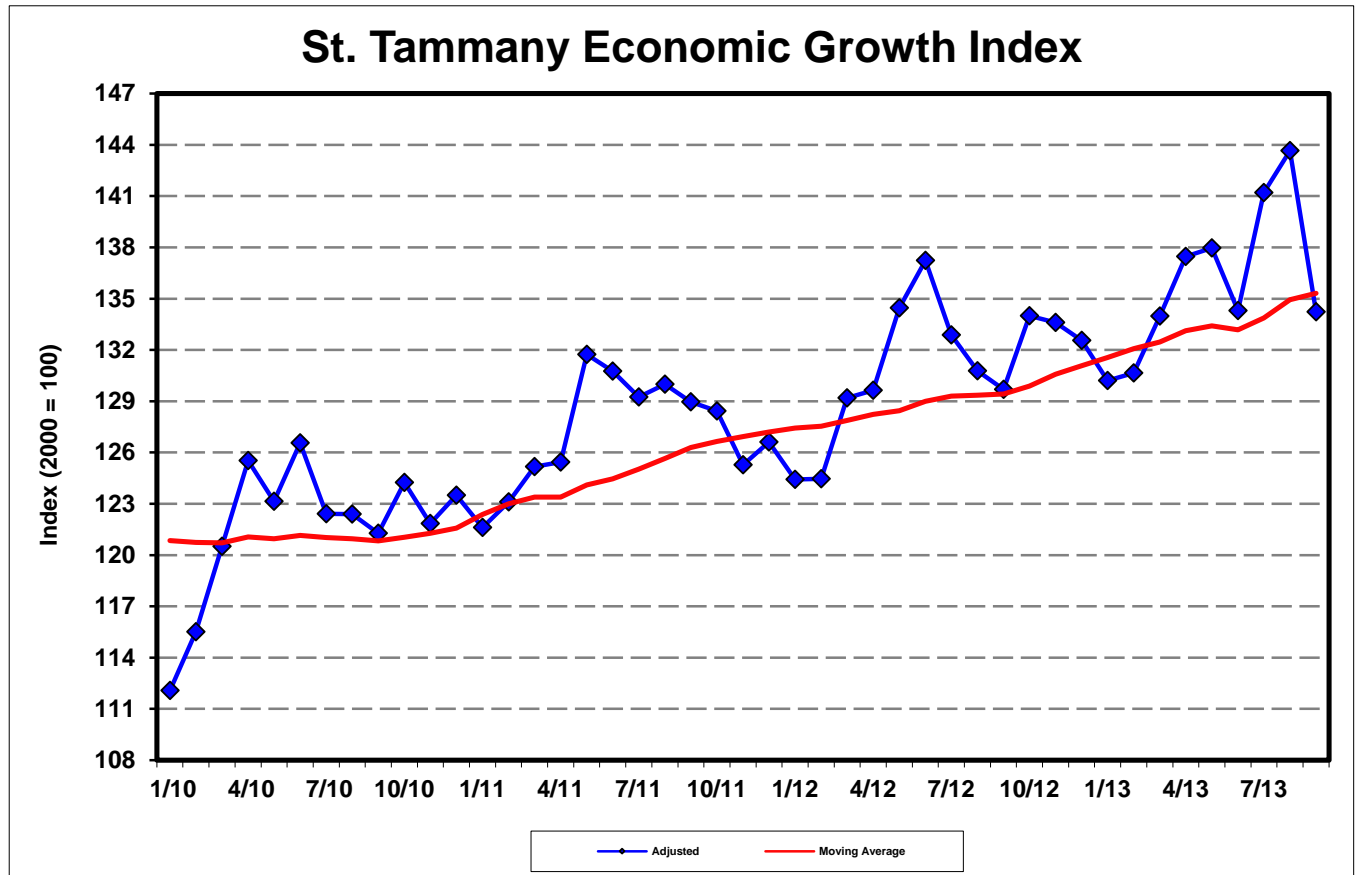
St. Tammany Economic Development Foundation

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Third Quarter 2013



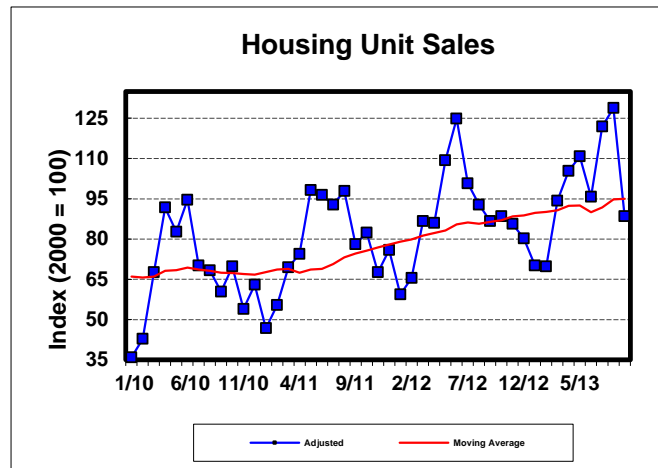
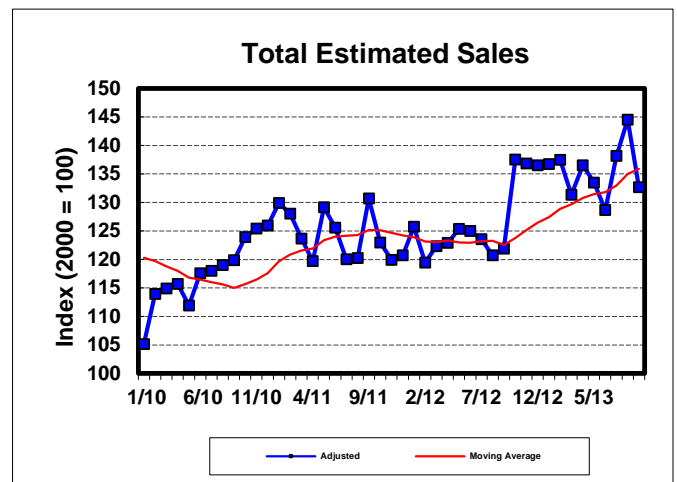
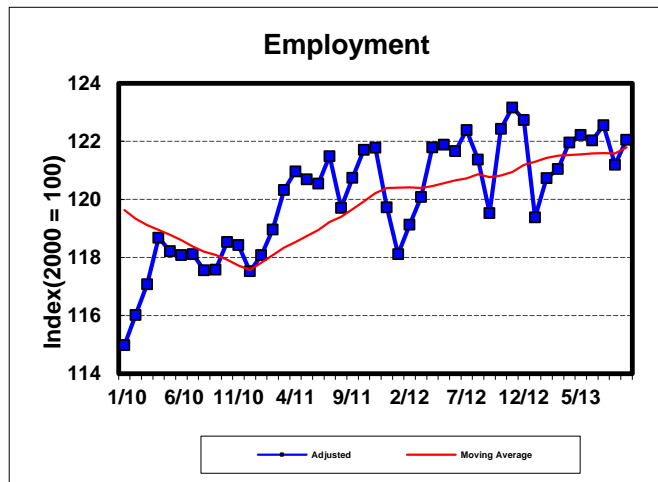
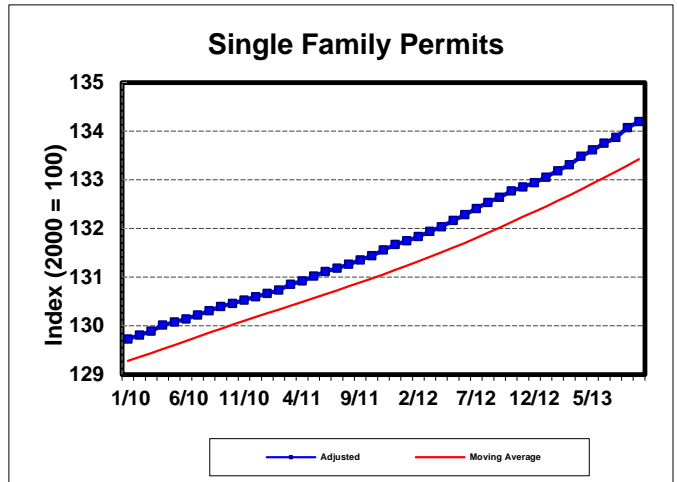
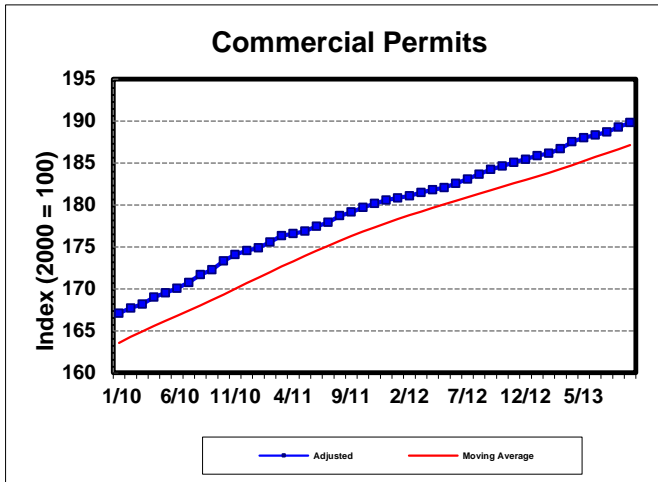
Notes

The St. Tammany Parish Economic Growth Index is a measure of economic expansion comparing changes in five economic components over time thus, collectively, tracking changes and growth of the St. Tammany economy. Components used to develop the composite economic index include employment, single family building permits, Parish total sales (computed from parish sales tax), housing unit sales, and commercial building permits. Weighted ratios of each component are totaled to produce a composite index. For a look at the components comprising the composite index, see the back of this page.

Quarterly Summary

The St. Tammany Parish economy picked up some steam in 3Q13. 3Q13 overall growth was 6.6% compared with 3Q12 growth of 2.2%. Looking at the five indicators making up the composite index, the largest contributors to the quarterly growth was housing unit sales (20.6%) and total retail sales tax/sales (13.5%). 3Q13 increased composite growth helped 12-month growth to a 4.6% increase over previous 12-month period. All five of the components making up the composite index each had increases in the third quarter starting with housing unit sales, up 20.6% followed by total sales tax/sales, up 13.5%; commercial building permits, up 3.0%; single family building permits, up 1.1% and employment, up 0.7%. It should be noted the estimation of total sales are likely over estimated as DMV sales tax collections on vehicles sold to St. Tammany residents are included in total sales tax/sales figures. Based on discussions concerning consumer spending going forward, "spending is determined by disposable income and to get higher income growth requires creation of "catalyst jobs" says Rajeev Dhawan, Director of the Economic Forecasting Center at Georgia State University's Robinson College of Business. This and other economic forecasters such as those with The Conference Board and tracking of the Consumer Confidence Index (The Conference Board) shows that the 4Q13 shopping season could be very sluggish.

St. Tammany Economy At A Glance



Sources: St. Tammany Sheriff's Office; St. Tammany Parish Permit Office, Latter & Blum, Realtors through the Gulf South Real Estate information network, CLECO, Louisiana Department of Labor, and St. Tammany Parish Tourist and Convention Commission.

The ST. TAMMANY ECONOMIC GROWTH INDEX is developed by John C. Borland, CCR, Director of Borland Econometrics and published quarterly by the St. Tammany Economic Development Foundation. Correspondence should be addressed to: 21489 Koop Drive, Suite 7, Mandeville, LA 70471. Telephone: (985) 809-7874. Web: www.stedf.org. Copyright 2004. All rights reserved.