

WHAT'S HAPPENING IN THE BAYOU REGION?

Despite predictions of a national growth rate of 2-2.5% in 2016, energy firms won't see much improvement in oil prices and additional business closings in the sector most likely will occur similar to the oil bust of the 1980's. And a strong US dollar is hurting many US manufacturers too. Local sales tax collections are down across the region. Consumer spending should pick-up as lower energy prices have some benefits. **Looking ahead, growth should be seen in housing construction, health care, and, leisure and hospitality; but probably not nearly enough to offset the current oil bust in South Louisiana.**

Further evidence of the impact of the oil industry on the region is the rapid decline of average weekly wages paid. The decline in wages over the past year amounts to \$91 per week as a result of highly paid workers being let go, and pay cuts instituted by many companies in the industry to those who survived the cuts.

Parish year over year employment changes from November 2014 to November 2015 were: Assumption Parish down 314 jobs at 9,196; Lafourche down 2,028 at 44,706; St. Mary down 1,026 at 23,137, and; Terrebonne down 2,215 at 50,565 jobs. Sector loses in employment were led by support activities for mining - 19.4%, and mining - 17.1%. There were growth sectors in the region over the November to November year and these were: construction + 3.8%; support activities for transportation + 3.1%; administrative and support services + 2.2%; leisure and hospitality + 1.2%. State employment, not nearly impacted by the oil sector as hard as the Bayou Region, was up 40,734 jobs over the past year.

The number of project applications filed with Louisiana Economic Development seeking development incentives in the region for the first 6 months of 2015

THE FAST FACTS OF QUARTER 4

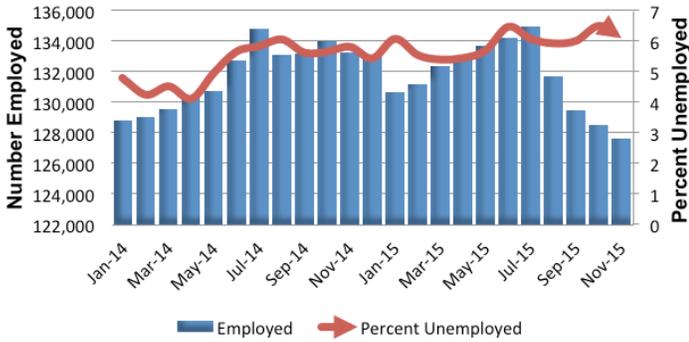
- 1 Developments in 2015 resulted in \$115,444,472 in new capital investments, 432 new jobs, and 27 retained jobs.
- 2 November Regional Employment was 127,604; down 5,553 from one year ago.
- 3 The Houma-Thibodaux MSA had the 2nd-lowest unemployment rate in the state in November at 5.6%; up .2% from one year ago.
- 4 Louisiana's unemployment rate in November was 5.9%. The nation's rate was 4.8%.
- 5 Louisiana's Rotary Rig count—both land and offshore—was 54 on January 22; down 56 from one year ago.
- 6 Twenty-five buildings and 40 sites are listed for sale or lease on the Bayou Region database:
<http://www.louisianasiteselection.com/bayouregion/Buildings-and-Sites.aspx>

included 36 companies representing \$114,724,475 in new investment resulting in 432 new jobs. Two projects were filed in the second half of the year that represented \$719,997 in new investment and 127 retained jobs.

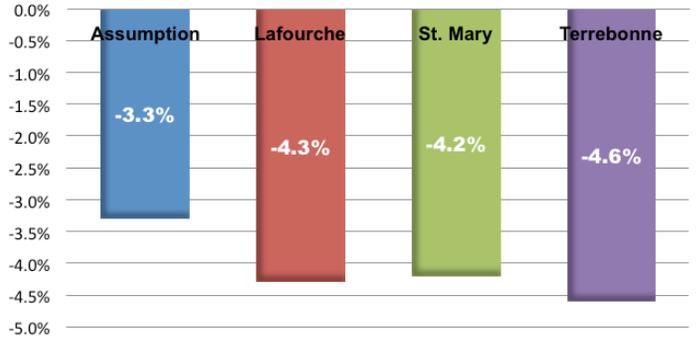
If the oil bust wasn't enough, heavy rains and downed cane in October and November caused a slow start to harvest and yields down 10% to 20%. Prices remained suppressed at 1980 levels. Shrimp and seafood harvests and price were also stung by low prices and production. Statewide, shrimp landings in November were down 11.8 million pounds compared to last year. An increase in Asian imports has suppressed US prices.

VISUALIZING THE INFORMATION OF QUARTER 4

Unemployment rate creeps upward as employment falls from a high in July

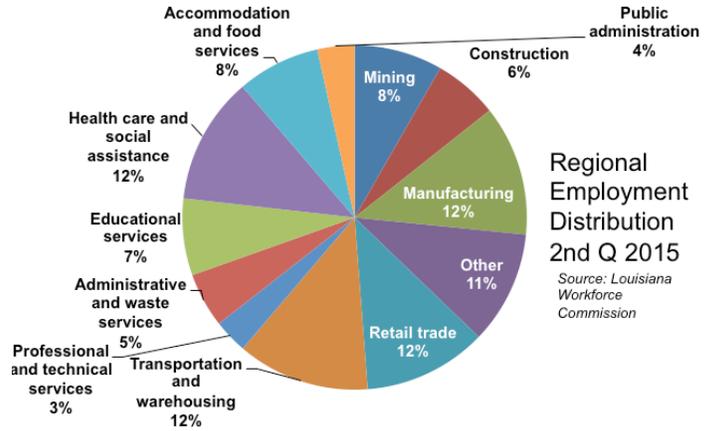
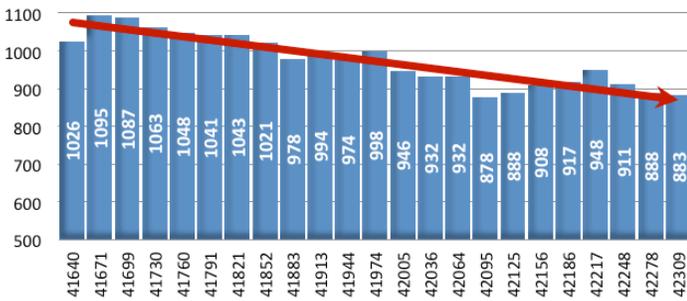


One year change in employment, November 2014 to November 2015



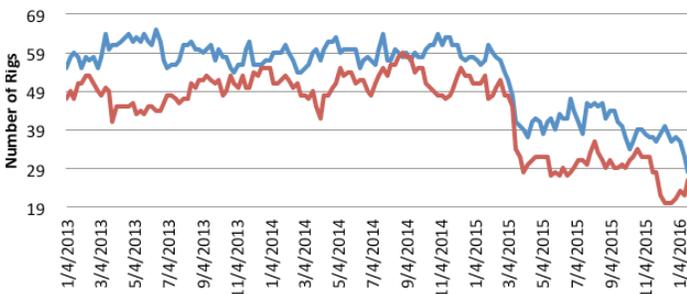
Average weekly wages decline with loss of oil jobs

Source: Louisiana Workforce Commission, Not Seasonally Adjusted



Offshore rig count inches up while land rigs down

Source: Baker Hughes



Louisiana crude oil production and State first purchase price continue slide

Source: EIA

