

WHAT'S HAPPENING IN THE BAYOU REGION?

Although seasonally unadjusted employment throughout the region is 3,339 below last year's numbers, an increase of 434 since January is encouraging.

However, recent dips in the price of oil despite an increase in the number of working rigs remains troubling. Crude oil prices for Louisiana crude oil remained below \$50 per barrel since February and was at \$44.27 in June. *West Texas Intermediate* was \$51.85 at the end of September. *Brent* was \$59.42 in September. According to the US Energy Information Administration, both are expected to average about \$50/barrel through 2018.

In other industry news, *Metal Shark* was awarded another contract, this one worth \$29.8 million to build 11 next-generation patrol boats for the U.S. Navy. *Bollinger Shipyards* delivered another 4, Fast Response Cutters to the USCG so far, this year. *Danos* continues to win fabrication and production management contracts. *Verdia* is ramping up its operations upon completion of its \$60 million project. *John Deere* has steady work. And, *Fouchon LNG LLC* continues to work with Energy World USA on its \$888 million-dollar investment having completed their pre-filling with the US Federal Energy Regulatory Commission (FERC) in August. And, more expansions are planned with 20 projects having filed advance notifications with the State since January for \$46.6 million in new projects that will create 442 construction jobs and 285 permanent jobs within the region.

Parish year over year employment changes from August 2016 to August 2017 were: Assumption Parish down 74 jobs at 8,251; Lafourche down 944 at 39,090; St. Mary down 1,191 at 18,402, and; Terrebonne down, 1,130 at 44,154. The two hardest hit sectors are mining and transportation and warehousing. Since peak employment in July of 2014, mining has lost 2,446 jobs, transportation and warehousing 6,049.

THE FAST FACTS OF QUARTER 3

- 1 August's regional employment was 109,897; up 434 from January, but down 3,339 from one year ago.
- 2 The Houma-Thibodaux MSA not seasonally adjusted unemployment rate in August was 5.7%; down 1.4 points from one year ago.
- 3 The seasonally unadjusted unemployment rate for Louisiana in August was 5.6%, the nation's rate was 4.4%.
- 4 Louisiana's Rotary Rig count on September 29th was 67 up 27 over the past year.
- 5 Twenty-three buildings and 44 sites are listed for sale or lease on the Bayou Region database:
<http://www.louisianasiteselection.com/bayouregion/Buildings-and-Sites.aspx>

Agriculture. Sugar cane planting is underway and harvesting has begun on some farms. Farmers hope for a dry fall and no early freezes. In 2016, statewide, the industry farmed 431,342 acres and processed 12.82 million tons of cane. The average price for raw sugar was \$0.25 per pound. Last year's yield per acre was the third best in the history of the Louisiana industry at an average field yield of 31.8 tons/acre.

Written by Jim Edmonson at jim@jimedmonson.com.

Designed and Edited by White Car.

VISUALIZING THE INFORMATION OF QUARTER 3

CHART 1 Regional Employment/Unemployment

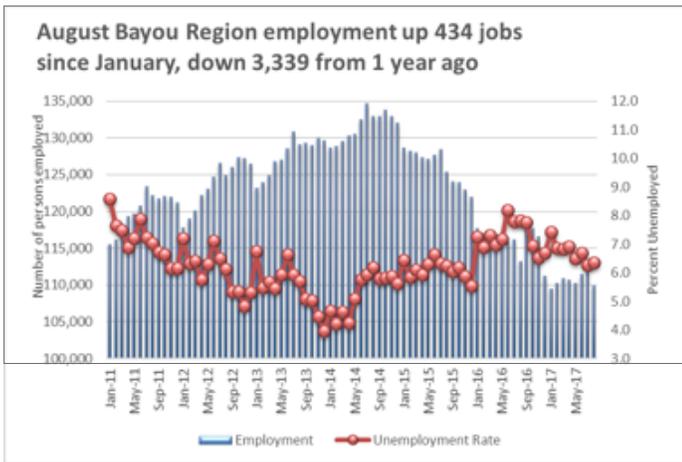


CHART 2 Regional Employment by Sector, 1st Quarter 2017

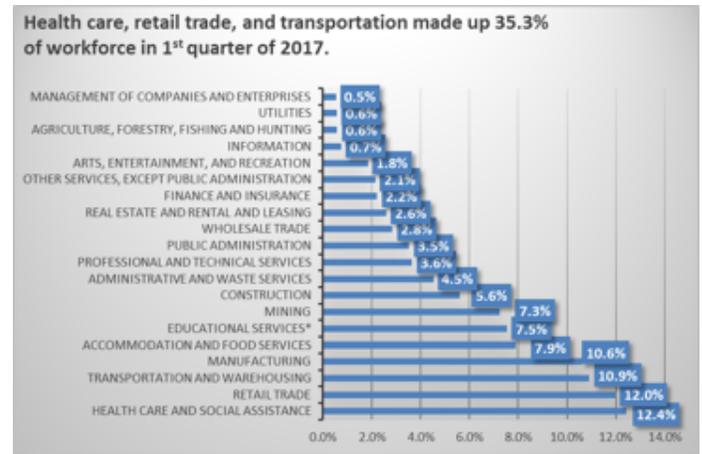


CHART 3 Rig Count

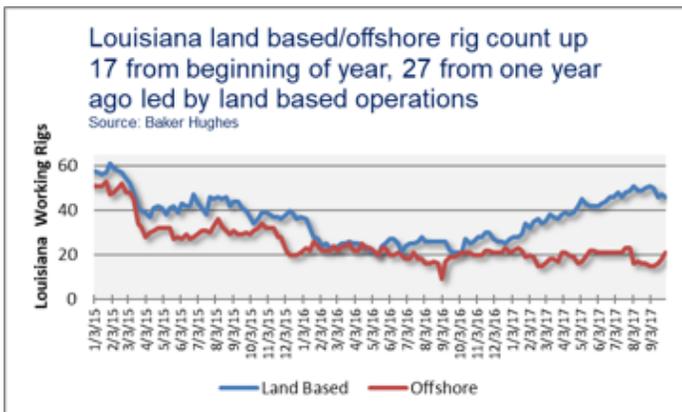


CHART 4 Oil & Natural Gas Prices

