

# Louisiana Economic Forecast<sup>TM SM</sup>

## State and MSAs: 2026 and 2027

Prepared by: Dr. Loren C. Scott, President, Loren C. Scott & Associates, Inc.



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# Louisiana Economic Forecast: State and MSAs 2026 and 2027

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Copies of the Louisiana Economic Forecast: State & MSAs are available for purchase by contacting Dr. Scott at [LScottecon@gmail.com](mailto:LScottecon@gmail.com).

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## **ACKNOWLEDGEMENTS**

### **“Grat’-i-tude: readiness to show appreciation for kindness”**

Sitting back after finishing the first draft, looking all the numbers, all the company names, all the charts, I am reminded again of just how much the efforts of other people went into production of the 2026-27 Louisiana Economic Forecast. We don’t just sit in an office analyzing BLS data on the State. All year long we are keeping a finger on the economic pulse of the State, often by asking people from all over Louisiana to take our calls and provide us with data. I am overcome with grat’-i-tude.

We are especially thankful to our 11 sponsors. Without their financial support, there is no forecast. Four of them---**Blue Cross Blue Shield of Louisiana, Cleco, J.P. Morgan Chase, and Roy O. Marin**—are very generous Platinum Sponsors and the remaining vital seven are our Gold Sponsors--- **Acadian Companies, BRF, the Cyber Innovation Center, Entergy, HomeBank, the Port of Baton Rouge, and Turner Industries.** Many thanks to you all for saying “yes.”

Grat’-i-tude came immediately to mind when I reflected on all the phone calls answered and the tedious data gathering at individual firms, by economic developers, staff at ports, and so many others. The staff of Secretary **Susan Bourgeois’s** Louisiana Department of Economic Development figured critically in this work, and we give a special shout-out to **Paige Carter, Rachel Shields,** and **Ileana Ledet** for a lengthy review of announcements across the State. My great friend, and former LDED International Specialist---**Larry Collins**---is always a veritable fount of excellent information. A non-exhaustive list of persons who gathered data for us includes **Art Farve, Shane Recile, Jay Hardman, Stephanie Cargill, Melody Lockwood, Candace Oby, Chad Hinton, Greg Albrecht, Ed Jimenez, Loren Marino, Anna Bellow, Leah Brown, Craig Betbeze, Eric Chouest, Kevin Nolten, Matthew Saacks, David Broussard, Gary Ryder, Joshua Benoit, Kayla Moore, Kate MacArthur, Andrew Fitzgerald, Russell Richardson, David Broussard, Scott Gammel, Matt Purser, Jim Rock, Kevin Melton, Amanda DeBlanc, Rich Self, Courtney Bryan, Eric England, Bob Fudickar, Graig Romero, Chett Chassion, Larry Deroussell, Dale Logan, Connie Fabre, Katy LeBlanc, Rocky Rockett, Lane Callaway, Debra Randolph, Zell Dudley, Micah Comier, Gloria Pigner, Michelle Hall, John Paul Domiano, Creed Romano, Buck Vandersteen, Stacey Zawaki, Ginger Cangelosi, Roy Heatherly, Mike Edwards, Charles Tillotson, Stephen Nosaka, Lafe Jones, Rick Ranson, Anna Johnson, Mandi Mitchell, Channing**

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Grat'-i-tude: I am overwhelmed.

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## EXECUTIVE SUMMARY

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Peering into the national economy is not like gazing into a clear Rocky Mountain stream. It is more like the Mississippi, muddy and difficult to see through. The stimulus effects of the BBB and the President's deregulation efforts cannot be minimized, but nor can the de-stimulating effects of the President's tariff policies.

We believe the Louisiana economy will be operating in an environment of a slow growth **national economy** (RGDP near 2%) and still elevated **interest rates** over 2026-27. If the Saudis reverse course, and reduce output to protect their sovereign budget, **oil prices** will hopefully return to at least the high \$70s range. Driven by increased demand from LNG and Mexico exports we are projecting **natural gas prices** in the lower \$4 per mmBTU range, which will invigorate the Haynesville Shale. The large gap between U.S. natural gas prices and those in Europe and Asia will continue to promote expansions in chemical and LNG export facilities in Louisiana.

With these underlying assumptions, we project the following for Louisiana's ten MSAs and its rural area:

- Venture Global Plaquemines' \$18 billion 3<sup>rd</sup> phase will play a major role in generating the 11,400 new jobs (+2.4%) projected for the **New Orleans MSA** over 2026-27. This MSA has \$44.2 billion in industrial projects under construction and \$30.4 billion awaiting a Final Investment Decision (FID). Over-coming resistance from NGOs in the area will be critical in generating FIDs from this latter group and further jump-starting this economy. About \$2.6 billion in non-industrial projects will add a further boost. Several plant closures, a still lagging conventions market, and difficulties at UNO will act as a bit of a drag.
- Development of the RiverPlex MegaPark in Ascension Parish has been a key element in luring new companies to the **Baton Rouge MSA**. With \$21.3 billion in industrial projects underway and another \$19 billion awaiting an FID, this MSA is poised to be the 3<sup>rd</sup> fastest growing MSA in Louisiana, adding 21,600 jobs (+4.9%) over 2026-27. Being the headquarters location for such industrial construction giants as Turner Industries, Performance Contractors, Cajun Industries, MMR, and ISC means even more jobs for the region.
- Moribund drilling activity in the Gulf and layoffs at SafeSource will act as a drag on the **Lafayette MSA**, a region projected to add 5,300 jobs (+2.8%) over 2026-27. Good growth prospects from four of the region's six large, non-energy related companies will help offset the drag coming from the Gulf.

- In the Northwest corner of the State, the **Shreveport-Bossier MSA** is one that might seriously exceed our forecast of 5,700 jobs (+3.3%) over the next two years, because this area is most likely to attract a new data center. Nice growth prospects exist at the Cyber Research Park, the old GM facility, and the Port of Caddo-Bossier.
- We project the **Lake Charles MSA** is entering a period for spectacular growth, adding at least 8,600 jobs (+8%) over the next two years---tied for the fastest growth rate in the State. Over \$45 billion in LNG projects have been announced in the past six months, and we anticipate a minimum of \$20 billion more perhaps by year end. Chennault Airpark and the largest gaming industry in the State will add to the firm foundation of this economy.
- Louisiana's newest MSA---**St. Tammany**---has a long history of steady job-growth which is expected to continue unabated. Another 3,600 jobs (3.4%) are projected over 2026-27, with its key offshore exploration companies, plus Globalstar and Pool Corp providing a strong foundation.
- Like Lafayette, the very energy-intensive **Houma MSA** economy will feel the drag of a lethargic Gulf drilling period. Still the vibrant shipbuilding and offshore servicing companies will join to help create 1,700 new jobs (+1.7%) over the next two years.
- We are projecting a "gold rush days" economy over the next two years for the **Monroe MSA**. Attraction of the multi-billion-dollar Meta Data Center and the accompanying two Entergy power plants should thrust Monroe into a tie with Lake Charles for the fastest growing MSA in the State (7,500 new jobs---an 7.5% growth rate).
- The **Alexandria MSA** is projected to add 1,100 jobs (+1.8% over 2026-27). Two events could dramatically change this growth pattern for the better: (1) attraction of a data center and (2) an FID on the Beaver Lake Renewable Energy project. Major players in the area---P&G, PlastiPak, Cleco, Crest, Union Tank Car, and Roy O. Martin---continue to provide great stability to this central Louisiana MSA.
- Steady expansions by its two largest players---North Oaks Health System and SLU---should keep the **Hammond MSA** on a track to add 1,800 jobs (+3.4%) over the next two years. Solid workforces at very large, active companies---Walmart Distribution, Wayne Sanderson Farms, Intralox, Medline, Elmer's Candy, Southland Steel, and Smitty's---provide great stability to this economy.

- The **rural parishes** in Louisiana are projected to add 6,200 jobs (+2.6%) over 2026-26. Coastal parishes, Iberia and St. Mary, will contribute heartily to this number as large industrial contractors will use ports in the area for constructing modular components for LNG and chemical firms expanding along the coast. Regional universities in rural parishes with are struggling with enrollment issues.
- Summing up these individual forecasts leads to **Louisiana** adding 74,500 jobs (+3.7%) over 2026-27, finally breaking through the 2,000,000 total mark this year and continuing into 2027.

An Executive Summary table is provided on the next page.

## EXECUTIVE SUMMARY

Item	2025	2026	2027
<b>BASIC ASSUMPTIONS:</b>			
Real Gross Domestic Product: Growth	1.5%	1.8%	2.5%
Inflation Rate	2.8%	2.8%	2.3%
Oil Price: barrel	\$68	\$71	\$73
Natural Gas Price: MMBtu	\$3.90	\$4.05	\$4.20
<b>STATE PROJECTIONS:</b>			
Non-Farm Employment (000s):	2007.0	2,042.8	2,081.5
Absolute Growth Rate	24.7	35.8	38.7
Percent Growth Rate: Employment	1.2%	1.8%	1.9%
<b>MSA EMPLOYMENT (000s)</b>			
Alexandria	62.3	62.9	63.4
Absolute Change	0.4	0.6	0.5
Percent Growth Rate	0.6%	1.0%	0.8%
Baton Rouge	436.5	447.0	458.1
Absolute Change	6.0	10.5	11.1
Percent Growth Rate	1.4%	2.4%	2.5%
Hammond	51.6	52.5	53.4
Absolute Change	1.0	0.9	0.9
Percent Growth Rate	2.0%	1.7%	1.7%
Houma	86.3	87.1	88.0
Absolute Change	0.6	0.8	0.9
Percent Growth Rate	0.7%	0.9%	1.0%
Lafayette	187.1	189.6	192.4
Absolute Change	3.1	2.5	2.8
Percent Growth Rate	1.7%	1.3%	1.5%
Lake Charles	105.5	109.6	114.1
Absolute Change	1.5	4.1	4.5
Percent Growth Rate	1.4%	3.9%	4.1%
Monroe	92.2	95.7	99.7
Absolute Change	0.9	3.5	4.0
Percent Growth Rate	1.0%	3.8%	4.2%
New Orleans	478.9	484.2	490.3
Absolute Change	5.0	5.3	6.1
Percent Growth Rate	1.1%	1.1%	1.3%
Shreveport-Bossier	169.7	172.4	175.4
Absolute Change	2.0	2.7	3.0
Percent Growth Rate	1.2%	1.6%	1.7%
St. Tammany	103.5	105.3	107.1
Absolute Change	2.2	1.8	1.8
Percent Growth Rate	2.2%	1.7%	1.7%
<b>RURAL EMPLOYMENT</b>	<b>233.4</b>	<b>236.5</b>	<b>239.6</b>
Absolute Change	2.0	3.1	3.1
Percent Growth Rate	0.9%	1.3%	1.3%

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## **UNDERLYING ASSUMPTIONS: 2026-27 FORECAST**

Thinking about Louisiana's future requires thinking about what drives it. Internal forces---the Governor and Legislature's general attitude towards business, state and local taxing, state environmental regulations, etc.---certainly play a significant role, and will be discussed below where appropriate.

Some of the bigger drivers, however, tend to be external to the State. What are the prospects for the national economy? While Louisiana is not as dramatically impacted by a national recession (or a strong boom period), fluctuations in **real gross domestic product** (RGDP) do move our State's economy.

Louisiana is still very much an energy-intensive state. That means movements in the **prices of oil** (determined in a global market) and **natural gas** (determined in a national market) can have an out-sized influence on certain areas of the State's economy. Louisiana is home (or a prospective home) to very capital-intensive industries like refineries, chemical plants, and LNG export facilities. Expansions in these plants require huge amounts of financial capital, so movements in **interest rates** can radically impact the rate of return on an investment. Our review will also discover that policies coming out of Washington tend to be inconsistent.

### **The National Economy: Inconsistency #1**

Glasses used for any economic forecast are always made cloudy by uncertainty. The greater the level of uncertainty, the more clouded the glasses. In last year's forecast, the cloudiness was especially acute because of the pending presidential election, a match between a populist and a far left socialist. One candidate offered a "Drill baby, drill" agenda while the other was more associated with climate activists. These were stark differences in potential policies for a state as energy-intensive as Louisiana.

Mr. Trump won that battle and almost immediately pursued an angle that once again, clouded the glasses for the national outlook. Evidence of this is illustrated in Table 1, which shows the quarterly RGDP projections by the excellent Wells Fargo Economics Department over four periods: August 2024, and February, May, and July of 2025.

Table 1

Wells Fargo RGDP Forecasts: Select Quarters\*

Quarter	August '24	February '25	May '25	July '25
2025-I	1.2%	3.0%	-0.3%**	-0.5%***
2025-II	2.1%	1.9%	1.6%	1.8%
2025-III	2.8%	1.2%	-1.5%	0.9%
2025-IV	3.0%	1.3%	0.3%	1.0%

\*U.S. Economic Outlook; \*\* actual first estimate; \*\*\*actual revised

Note first, the **decline in optimism** from the pre-election August 2024 forecast through the three months shown in 2025. Second, note the **significant variation** in the monthly forecast over the short, 5-month period from February 2025 through July 2025. Third, data are now in on the 2025-I quarter and after one revision it is measured at **-0.5%**.

### Tariffs Always Tap the Brakes

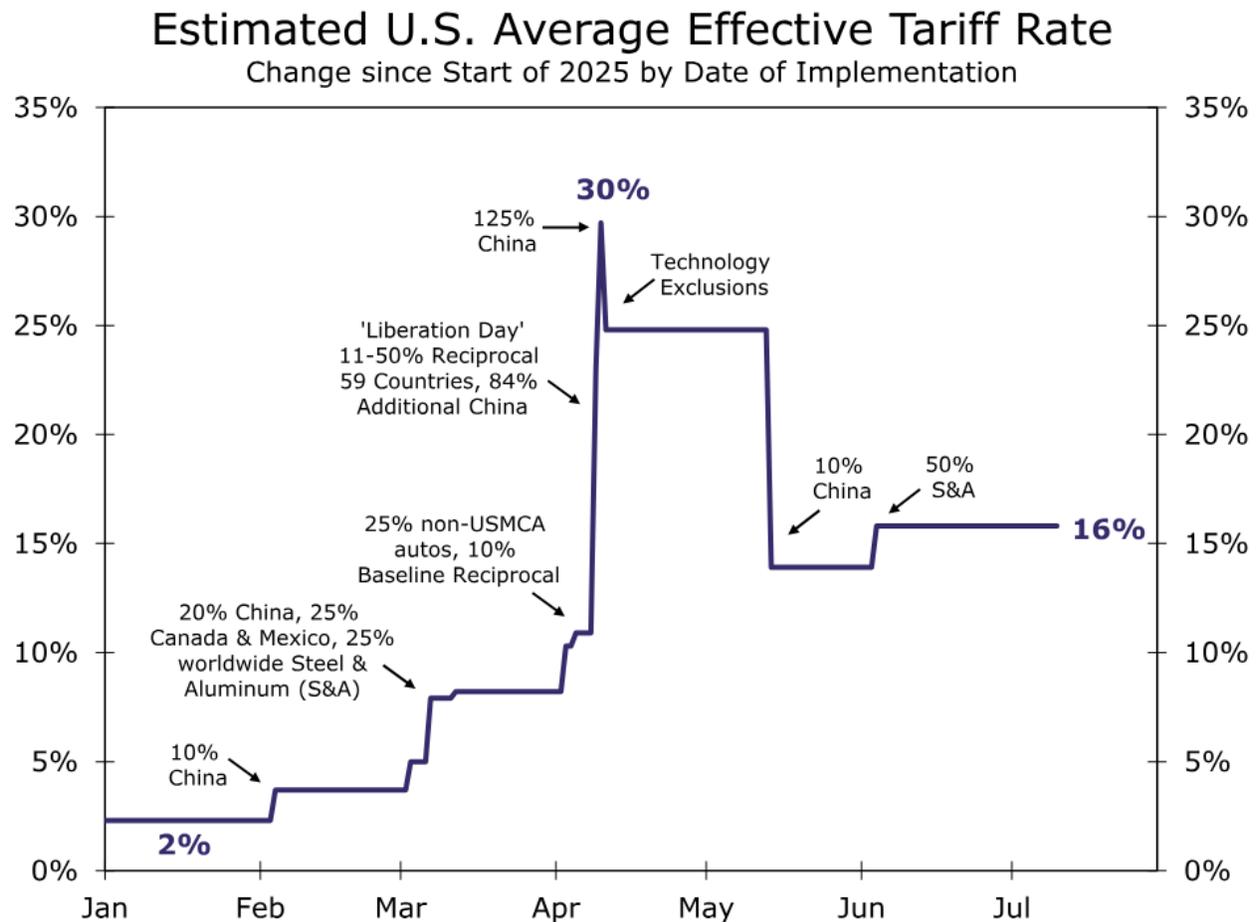
The culprit behind the decline in optimism is the President's focus on tariffs. "Tariff is a beautiful word" according to President Trump. Unfortunately, several centuries of economic research and evidence suggest precisely the opposite. A key concept in economics is the **Law of Comparative Advantage**. It is called a "law" because we have no scientific evidence of this law ever being violated. Basically, this law says if you remove barriers to trade between two countries, the standard of living in both countries goes up. If you raise barriers to trade between two countries, the standard of living in both countries goes down. Thus, the impact of Trump's tariffs is very predictable---our growth rate will slow down, and our economy will be worse off than it could have been.<sup>1</sup>

What is behind the significant variation in the RGDP forecast in the short period between February and July? The answer is seen in Figure 1. This figure tracks the average tariff rate in the U.S. from January through July. Note the rate started off very low---only 2%. On the amusingly-named "Liberation Day" the

<sup>1</sup> For an excellent, easy to read analysis of tariff effects we strongly recommend a series of articles by Scott Burns and Caleb Fuller at [www.independent.org](http://www.independent.org).

effective rate was driven up by a factor of 15 to 30%. Since then, the President has engaged in negotiations that have lowered the rate to 16%---still eight times higher than in January. Note how the forecast changes in Table 1 mirror the graph in Figure 1. The higher the rate, the worse the forecast. Backing off from Liberation Day levels improved the forecasts, but they were still much lower than in August 2024. Tariffs tap the brakes on an economy.

**Figure 1**



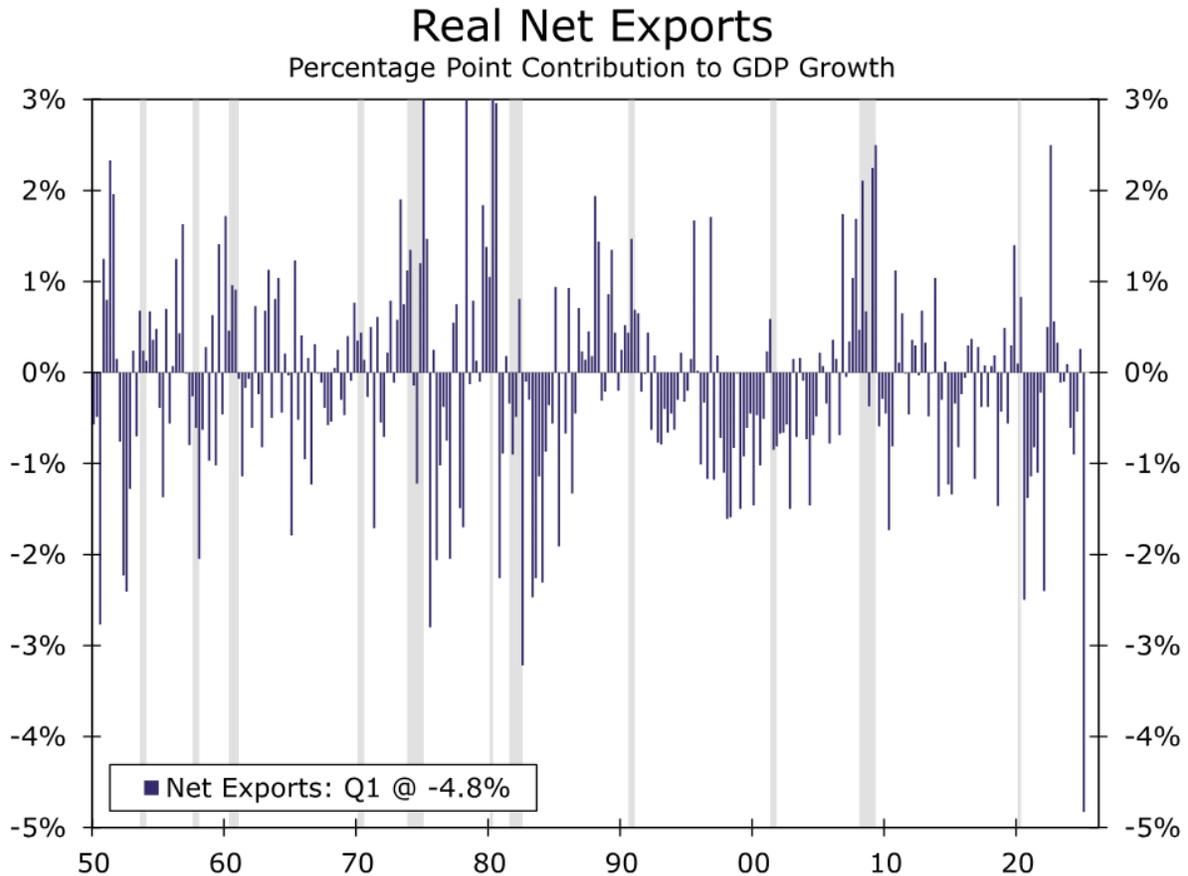
Source: Wells Fargo

The third point about the data in Table 1 referred to the -0.5% decline in actual RGDP in 2025-I. Was this a sign that the tariffs were serious enough to start a recession? The short answer is "no," but the tariffs did create an oddity that led to this negative number.

Recall that RGDP is measured by adding up all the spending on U.S. goods and services in a given quarter. The largest components are consumer spending, business spending, and government spending. A relatively small, and usually negative, spending component is foreign spending. When foreigners spend money on U.S. goods, called exports, that measures goods produced in the U.S. When we spend on foreign products, called imports, that is spending by Americans on things we do not produce. Subtracting imports from exports results in Net Exports---the amount of foreign spending on U.S. products and services. Because we import more than we export, this number is typically negative.

Figure 2 shows what happened to this negative number in 2025-I. Imports were so large, net exports (exports minus imports) dropped to levels not seen since quarterly data began to be gathered on net exports in the 1950s! This negative component was so large that it drove RGDP into negative territory. What happened was businesses in the U.S. knew the President was about to impose large tariffs on their imported goods, so they stocked up like crazy on imports to beat the expected price increase. Radical decline in imports in 2025Q2 caused RGDP to increase by 3%.

Figure 2



Source: Wells Fargo Economics

## Big Beautiful Booster

A reasonable question is, if tariffs are so harmful why isn't the U.S. poised to go into a recession? The first answer is the President pushed through the Big Beautiful Bill (BBB) which provides a nice fiscal boost to the economy. The stimuli come in several forms:

- The tax cuts in the 2017 Tax Credit and Jobs Act were set to expire, levying a tax increase on about 62% of filers. Not only were the cuts made permanent, the standard deduction was increased.
- Temporary measures were passed for "no tax on tips," "no tax on overtime," an expanded SALT deduction, business, and an auto loan interest deduction (cars assembled in U.S.).
- Permanently restored 100% bonus depreciation for short-lived investments.

- A temporary measure was passed for 100% expensing of qualified business structures.
- 100% bonus depreciation of R&D expenses was made permanent.
- Full deduction was passed for intangible drilling costs and development costs.
- A 10-year delay was imposed on federal fee on excess methane emissions.
- Lowered oil and gas royalty rates from 16.7%-18.7% to 12.5%-16.7%.

**The Tax Foundation has estimated that the stimulative effects of these changes would boost RGDP by an estimated 1.2 percentage points. Unfortunately, this gain would be offset by a 0.5 percentage point reduction in RGDP caused by the tariffs.** The combination of these two factors helps explain the rather weak RGDP July forecasts for 2025 back in Table 1.

### **Deregulation: A Radical Reversal**

It would border on the criminal not to mention another critical position the president has taken to stimulate the economy---a **massive deregulation effort**. This is particularly relevant to the fossil-fuel oriented Louisiana economy.

Former President Biden was surrounded by climate activists who helped use the presidential pen to spike up regulations, particularly those involving fossil fuels. President Biden was responsible for the “pause” in permitting new LNG export facilities. Biden appointees to FERC delayed issuing not only LNG permits, but also those for pipelines. Prior to his administration, there were two lease sales a year in the Gulf of America. Biden’s Interior Department initially dawdled in issuing a new 5-year leasing plan. Then when one was issued it was for one lease sale every other year---a 70% reduction in frequency of lease sales. His administration issued new CAFÉ standards for automobiles that could only be met by building more electric vehicles. Millions of EPA dollars were provided to NGOs in Louisiana to lobby and protest new chemical/LNG export plants or expansions of existing facilities on grounds of new emissions or environmental justice.

Essentially, President Trump has used his pen to reverse each of these measures. Permits are beginning to flow out of FERC---so many that two multi-billion dollar LNG projects have issued a final investment decision (FID) and we expect at least one more by the end of 2025. The Department of the Interior is reverting back to twice-a-year lease sales, and there is now no monetary penalty for violating CAFÉ standards. NGOs no longer receive federal monies to fight industrial expansions.

Reducing the regulatory burden will now make some projects profitable and primed for an FID. It is difficult to overstate how important these deregulatory changes will be for the Louisiana economy. For example, we think lifting of the “pause” on LNG facilities will take the Lake Charles MSA from one of the most moribund in the U.S. to one of the fastest growing in the country.

**Bottom Line: No Recession, But No Boom**

What is the net result of the positives from the BBB and deregulation, offset by the negative effects of the tariffs? Our estimates are shown in Table 2. There are no red or negative numbers in the table, meaning no recession is expected. On the other hand, while green, none of the growth numbers exceed 3%--- considered a strong growth rate.

**Table 2**  
**Forecasts: 2025-27**

Year	RGDP Growth
2025	1.5%
2026	1.8%
2027	2.5%

Source: Loren C. Scott & Associates, Inc.

There is always the chance that the “Great Negotiator” is actually using the threat of these tariffs to force other countries to lower their trade barriers so that we all end up with lower barriers across the board than before the President started this gambit. That would be most excellent. Then all the numbers in Table 2 would be showing BOOM.

Still, there remains an inconsistency in the President's fiscal policy. He is rightly desiring economic growth and using the BBB and deregulation to achieve it, but these efforts are being at least partly offset by the negative tariff effects.

**Interest Rates: Inconsistency #2**

Another key metric impacting the economy is interest rates. A spike in rates can be enough to render a proposed industrial or commercial project unprofitable. Readers are keenly aware that the recent spike in home mortgage



interest rates has been a killer to the housing market. Bloomberg BQNT has used data from the National Association of Realtors and Bankrate.com to estimate the impact on the monthly mortgage payment on the median existing home price between early 2022 and 2025. The monthly payment jumped from \$977 to \$2,334 strictly due to the rise in interest rates.

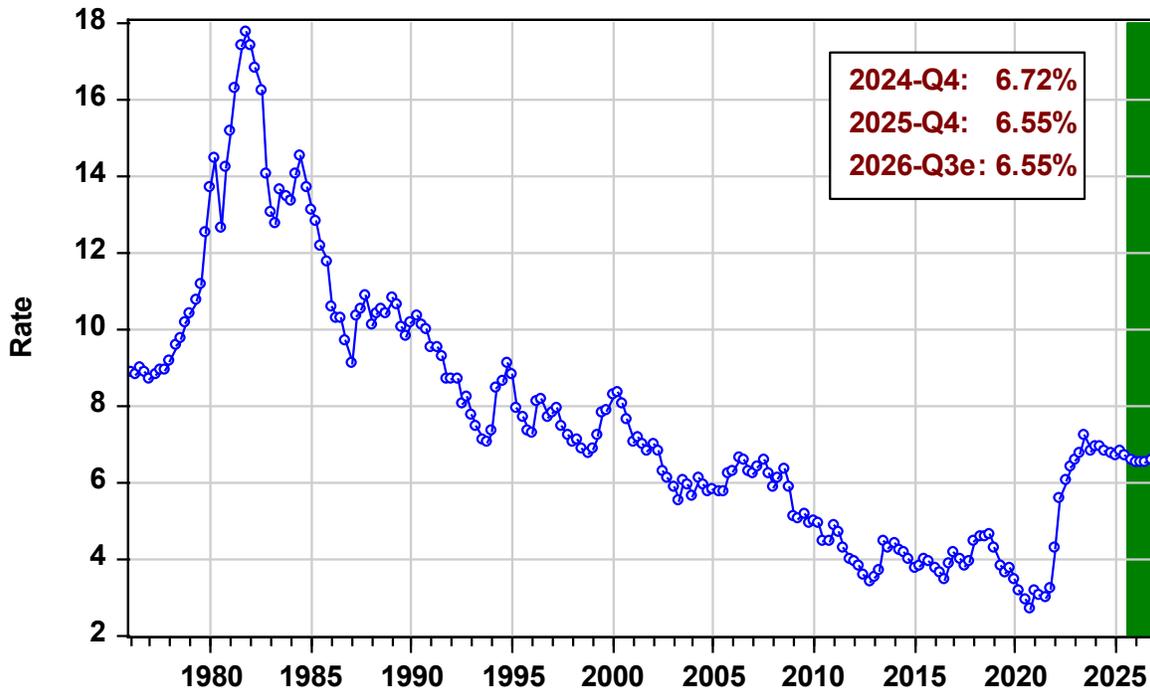
### **The Housing Market: Little Relief Ahead**

The impact on existing home sales in the U.S. was dramatic. They declined from about 6.5 million sales in 2022 to 4 million in 2025---a decline of just over 38%. It was not just this increase in the monthly note that discouraged the purchase of a new home. Homeowners setting on a 4% mortgage were very reluctant to sell their home and take on another mortgage at over 6.5%.

What are the prospects for interest rates over our forecast period? Figure 3 tracks the mortgage interest rate by quarter from 1976-I through 2025-II, along with forecasts through 2026-IV provided by Wells Fargo. Note that Wells Fargo is expecting basically **no change through next year**. Purchasers waiting for a return to those nice 4% rates pre-2022 may have a bit of a wait ahead.

Why would Wells Fargo---and Consensus Forecast USA---expect little change in interest rates? As an aid, consider the information in Table 3, which describes the components of an interest rate. Suppose I want to borrow \$100 a year from you the reader. You will first tell me you have to be paid something for giving up the use of your money for a year, what economists call the “basic rate.” This is generally 3%. At the end of the year, you want to be paid \$3 for giving up the use of your money for a year. If you think there is some risk that I may not pay back the loan, you would add a risk premium. Knowing me, you consider me a riskless loan, so that component is 0% (insert smiley emoji here).

**Figure 3**  
**Conventional Mortgage Rate**



Forecast: Wells Fargo Economics, July 2025

**Table 3**  
**Components of the Interest Rate**

Component	Percent
Basic Charge	3%
Risk Premium	0%
<i>Inflation Premium</i>	3%
<b>Total Rate</b>	<b>6%</b>

Finally, if you anticipate 3% inflation over the period of the loan, you will add a 3% inflationary premium, because you want your \$3 back in real purchasing power. The total rate charge on my loan will thus be 6%.

## Inflation Drives Rates

This means that for any set of loans of a set risk quality, **the primary thing that that moves interest rates is the inflationary premium.** Why were rates so high back in 1981? Because at one point the CPI was rocking along at 18 1/2% and so the prime rate was 21 1/2%! Why did rates fall so much through 2021? The Fed did a great job of dropping inflation to almost zero. Why did rates pop up again in 2022? Inflation jumped to over 9% at one point.

Note in Figure 3 that Wells Fargo has the 30-year conventional mortgage rate staying elevated through 2026, a forecast mimicked by the Consensus Forecast USA group. Neither group is expecting inflation to fall much from its present level, so neither will interest rates. Our expectation is this trend will continue into 2027 as well. **The bottom line: Homeowners should get used to a new, higher level of rates for a while.**

## Who Is in Charge of Interest Rates?

President Trump has been attacking Fed Chairman Powell for not lowering interest rates so the housing market and the general economy can be spurred to greater growth (and, of course, the interest charge on our growing federal debt would be lowered).

We would argue that Chairman Powell does not *directly* control interest rates. Interest rates are set by the market--by the supply of and demand for loanable funds. In fact, we would argue that the Fed follows the market, only lowering rates if the market has already done so, and vice versa. Powell is not lowering rates a lot because the market has not lowered them a lot (see Figure 3). Indeed, **the Fed kept rates unchanged at its July 30<sup>th</sup> meeting.**

Also, Powell is watching the inflation rate and seeing how it reacts to Trump's tariffs. Exporters to the U.S. predominately pass on U.S. tariffs to American consumers in the form of price hikes. This can create at least a one-time bump in the inflation rate, leading to that nasty inflationary premium in interest rates. Trump's tariff policy has generated another policy inconsistency: You cannot impose tariffs and hope for lower interest rates at the same time.

One final point: Though the Fed cannot directly control interest rates (by simply raising or lowering them), it can indirectly move rates through its control of the money supply. Nobel Laureate Milton Friedman put it plainly: Inflation is just too much money chasing too few goods and services. We experienced 9.1% inflation because the Fed allowed the money supply to expand too much in

response to the COVID shutdown. To bring down that inflationary premium component of the interest rate, the Fed has to use open market operations---the sale of bonds to financial institutions---to reduce the amount of money in the system. It is the money supply, not the interest rate that the Fed controls.

### **Oil Prices: Inconsistency #3**

When teaching executive MBAs forecasting techniques, the author told the class that oil prices were **the second most difficult item to forecast in the economy**.<sup>2</sup> The reason is oil prices are highly variable, and it is almost impossible to predict the things that create the variability. For example, who could have predicted in late 2014 that the Saudis would suddenly pump huge amounts of oil on the market to drive down oil prices in an attempt to kill the shale industry in the U.S.? Oil prices suddenly went from over \$100 per barrel to under \$30. The gambit did not work, but who could have predicted it?

Which begs the question: Why would anyone put an oil price forecast down in ink? Unfortunately, Louisiana is still very much a fossil fuel-focused economy---especially in the Lafayette/Houma area of the State. Having a sense of the direction of oil prices is absolutely necessary in forecasting the Louisiana economy.

### **Trump Policy: The Good**

It has been jaw-dropping to see both the quantity and quality of the positive changes for the fossil fuel industry in just the first six months of the Trump Administration. When he ran on a platform of "Drill Baby Drill" (DBD) he apparently was not just blowing political smoke. In addition to a generally positive attitude toward the industry, he:

- Tripled the number of lease sales in the Gulf over the next five years;
- Lowered the royalty rate on oil and gas severed in the Gulf;
- Established a 10-year delay on excess methane production;
- Restored the tax deduction for intangible drilling costs;
- Accelerated the NEPA permitting process;
- Staffed FERC with members more favorable to permitting of pipelines, LNG projects, and other industry permitting;
- Removed the "pause" on LNG permitting.

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<sup>2</sup> Number one is the weather/climate.

These were major changes, and all were done in just six months. It was a remarkable performance. There is no way to minimize the importance of these policy changes.

### **Trump Policy: The Bad**

Unfortunately, there is a negative side to Trump policies that is offsetting the major positives listed in the bullet points above. First, while the President promotes DBD, he also has made it clear he wants much lower oil prices. A Goldman Sachs review of Trump's social media posts indicated he likes \$40 a barrel oil.<sup>3</sup> It is easy to see why. One of the great vote-getters is lower gasoline prices at the pump. It would also be an important factor in lowering inflation, which would, in turn, mean lower interest rates (see the last section above).

There are lots of positives associated with a much lower oil price. Unfortunately, it is totally inconsistent with DBD and greater U.S. energy independence. Note that on January 13, 2025 the price of oil was \$79.57. By July 18<sup>th</sup> it was at \$68.53 after spending most of May in the low \$60s. The result is that in the past year, the oil rig count in the U.S. has declined from 482 rigs to 415 rigs, a 14% drop. Most of that decline occurred in the sections of Texas and New Mexico that represent the Permian Basin, the largest shale play in the Country. It does not take much imagination to guess what will happen to the rig count if the price actually dropped to \$40.

There is another reason that despite Trump's very positive energy policies, companies like Coterra Energy, Diamondback Energy, EOG Resources, and Matador Resources all plan to reduce drilling in 2025.<sup>4</sup> The President's tariffs are hitting the industry from at least two angles. First, tariffs reduce the standard of living in all countries involved (our Law of Comparative Advantage). These companies are assuming that global demand for oil will decline as these economies slow, and oil prices will fall further.

Second, the exploration industry is a heavy user of metals---like steel, aluminum, and copper---all products from around the world on which the President has levied large tariffs. Even before the 50% tariff on copper was levied, Rystad had estimated the tariffs would increase offshore oil and gas projects by 8% and onshore by 12%.<sup>5</sup> Many exploration projects will be put on hold or

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<sup>3</sup> Oil and Gas Journal, May-June 2025, p.7.

<sup>4</sup> Ibid.

<sup>5</sup> <https://www.wsj.com/m/opinion/tariffs-copper-energy-Rystad-report-donald-trump-trade-9d9efdc9>

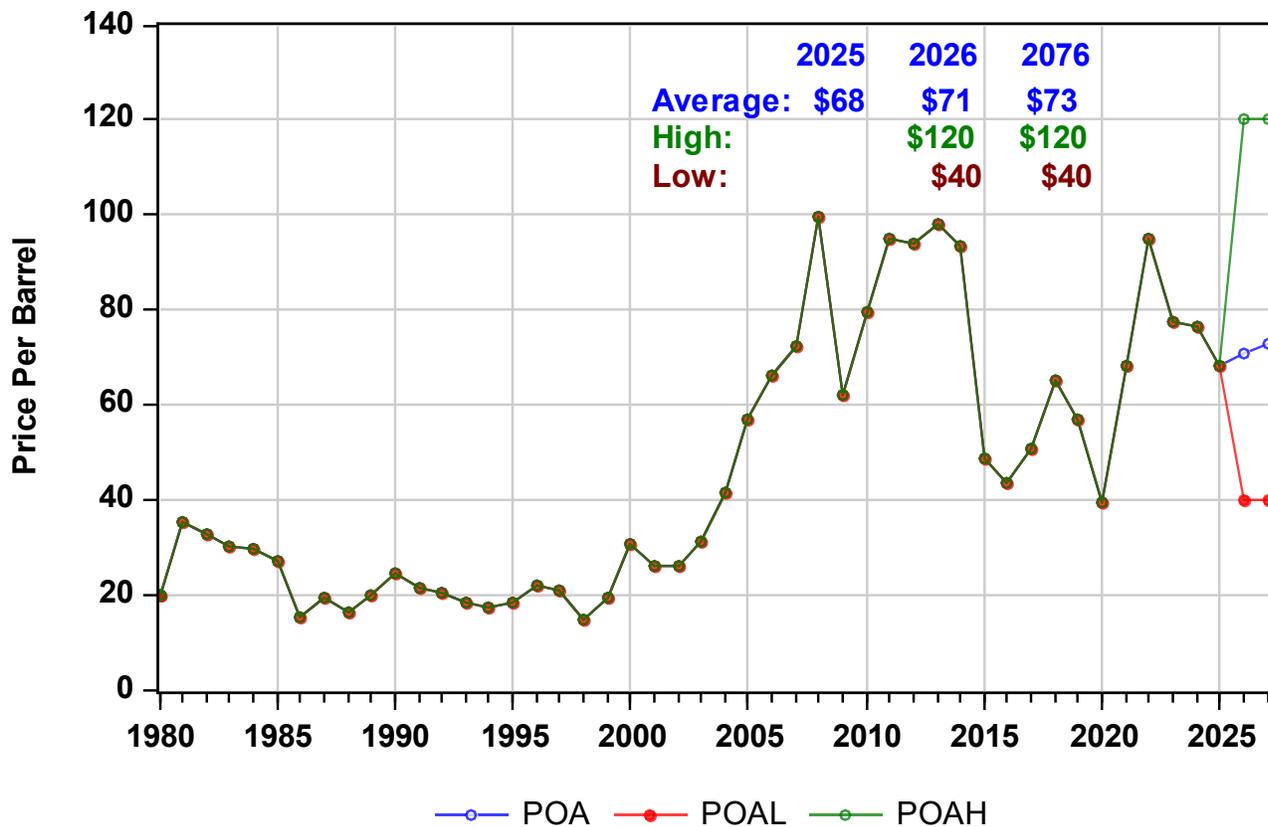
canceled because of (1) uncertainty about the longevity of the tariffs, and (2) the fact that the increased costs make projects unprofitable.

Again, tariffs are totally inconsistent with DBD.

### Oil Prices – 2026-27

Figure 4 tracks actual oil prices over 1980-2024 plus our estimates for 2025-27. Our projections are based on oil prices rising slightly to \$71 in 2026 and \$73 in 2027. These point forecasts are around a confidence range of \$40-\$120 a barrel.

**Figure 4**  
**Oil Price Forecasts**



Why such a wide confidence range? Because this is a highly variable metric and the causes of the variations are almost totally unpredictable. In forecasting that means a very wide confidence interval. We can very easily make a case for oil prices collapsing to \$30 or skyrocketing to \$120.

## Won't Supply Push Down Prices?

Industry analysts might reasonably argue excess supply will push oil prices lower not higher. After all, four major projects will be coming on line in the Gulf of America, adding about 275,000 barrels per day (b/d). Output is increasing a million b/d from offshore Brazil as five new FPSOs<sup>6</sup> are added over 2026-27. Guyana is adding the new Yellowtail FPSO this year and another in 2026, bumping up its production by 160,000 b/d. North Sea oil production is also projected to rise. Trump is working hard on a nuclear deal with Iran, which if resolved, will pump about 3 million more barrels per day on the market.

In addition, Saudi Arabia, Russia, and six other OPEC+ members are putting back on the market 548,000 b/d in August 2025. This is after adding 411,000 b/d in May, June, and July. These increases are designed to recover the 2.2 million b/d of production that were taken off the market to boost prices in 2023. This is an awful lot of oil coming on the market. What grounds are there for expecting prices to go up?

## Keep an Eye on the Saudis

Readers should keep a focus on one important point: **The Saudis need about \$80 a barrel oil for its sovereign budget.** Yet OPEC+ is pushing an extra 2.2 million b/d on the market, the primary driver behind the recent oil price drop. That increase is made possible almost exclusively by the two countries in OPEC+ that have the excess production capacity to deliver that many extra barrels---Saudi Arabia and the UAE.

Why would the Saudis participate in such a gambit? One reason might be to support President Trump, whose policies the Saudis believe are contributing to stability in the Middle East. Trump wants lower gasoline prices at the pump (as mentioned above), so the Saudis may be trying to accommodate.

More likely is that the Saudis are playing a role they have assumed since the cartel was formed in the 1970s---the role of discipline enforcer. Cartels are formed for one basic reason---to get prices higher. That is achieved by removing significant production from the market. That is achieved by assigning each member of the cartel an output quota. If each member adheres to its quota, overall output is reduced, the oil price of oil goes up a lot, and all cartel members make more money.

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<sup>6</sup> Floating Production Storage and Offloading ships

The problem with all cartels is that individual members learn early on if they cheat just a little bit on their quota, they reap huge financial rewards. This is a powerful incentive, so members start to cheat, and the price starts to weaken. Those adhering to their quota, lose.

Discipline has to be enforced, and that job has always fallen to the cartel's largest producer, the Saudis. When cheating became rampant in the early 1980s, the Saudis suddenly pumped large amounts of oil on the market, and the price plummeted from over \$30 to under \$10. Everyone lost net revenues, the cheaters said "Kings X," discipline was restored, and the oil price rose back again.

Iraq and Kazakhstan are presently producing well above their assigned quotas. We believe the Saudis are dumping this 2.2 million b/d back on the market primarily to restore discipline within OPEC+. If this is, in fact, a disciplinary action, once discipline is restored the Saudis will begin reducing its output and prices will rise back again to suit that country's budget needs.

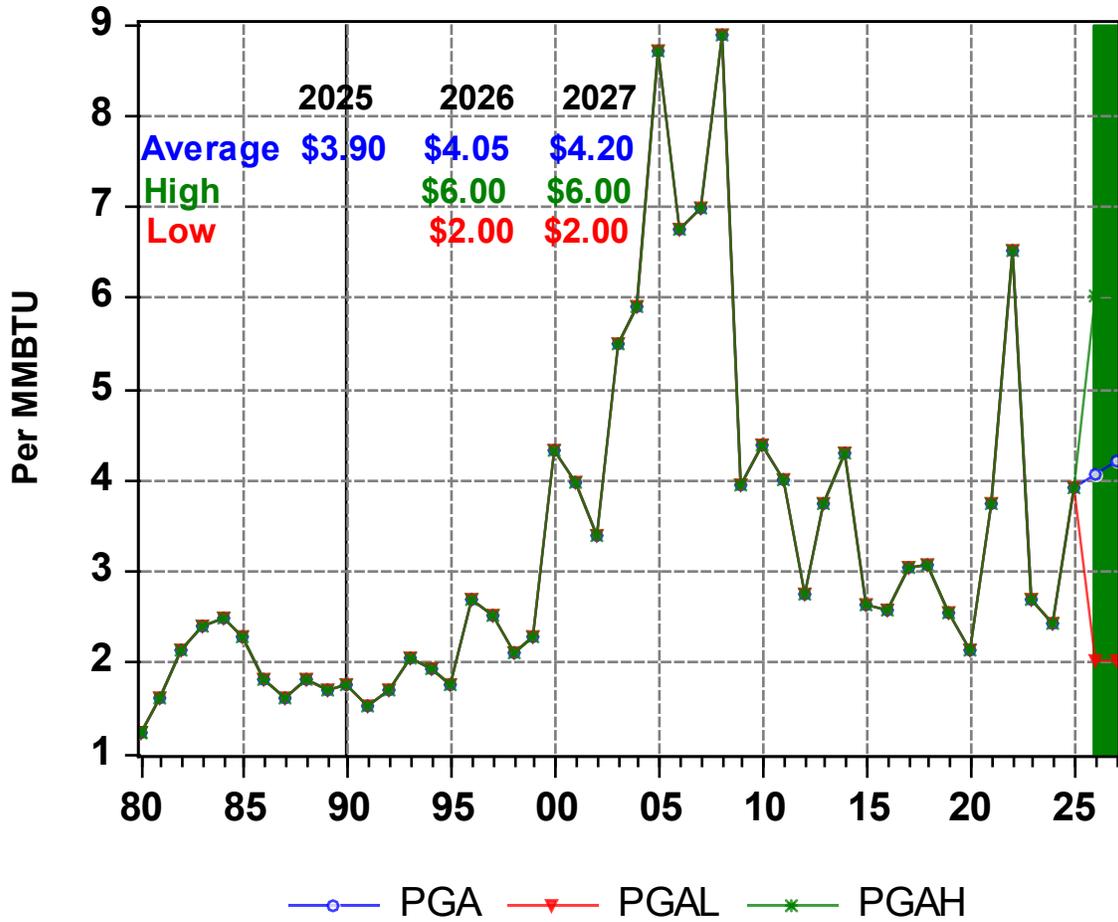
This is the fundamental issue behind our forecast that oil prices will tend toward recovery, instead of continuing to decline. See why the price of oil is the second most difficult item in the economy to forecast?

### **Natural Gas Prices: Driver Behind the Boom**

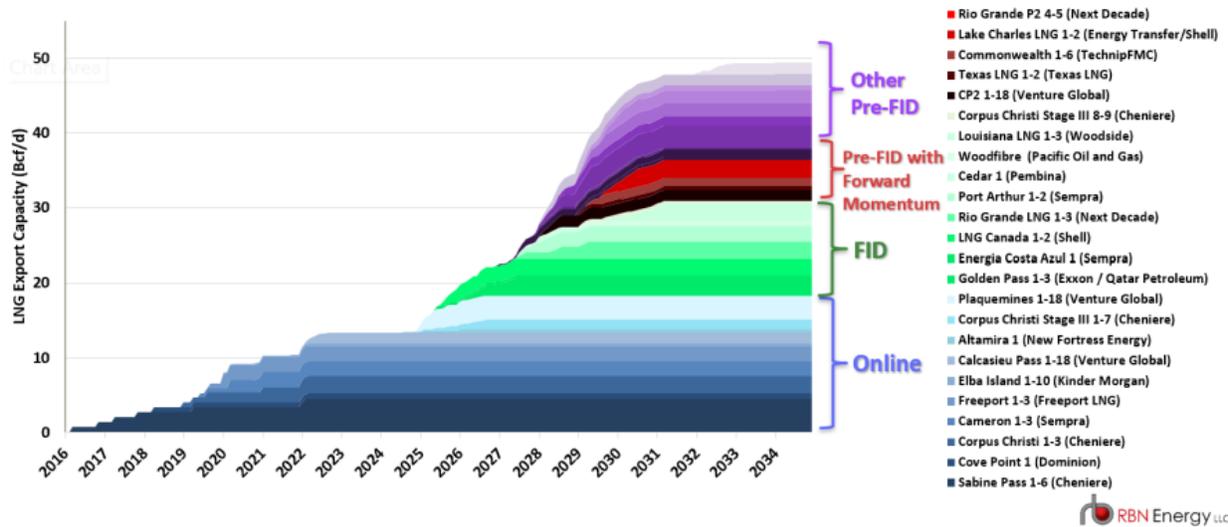
Figure 5 tracks the historical price of natural gas in the U.S. over 1980-2024, plus our projections for 2025-27. Our overall forecasts this year are based on a price of \$3.90 per million British Thermal Units (mmbtu) in 2025, rising slowly to \$4.20 per mmbtu in 2027. Our confidence range of \$2 - \$6 per mmbtu is much narrower than for oil prices.

Readers can see that there has been a bump upward in natural gas prices in 2025, a bump that is expected to be sustained over the next two years. This is basically a demand side phenomenon, driven by three key factors. The first is the burgeoning demand coming from LNG export facilities. This is nicely illustrated by RBN Energy's chart shown in Figure 6. Starting in 2025, two new LNG export facilities---Venture Global's Plaquemine LNG and Corpus Christi LNG---are coming on line and this trend continues well into the 2030s.

Figure 5  
 Price of Natural Gas: Henry Hub

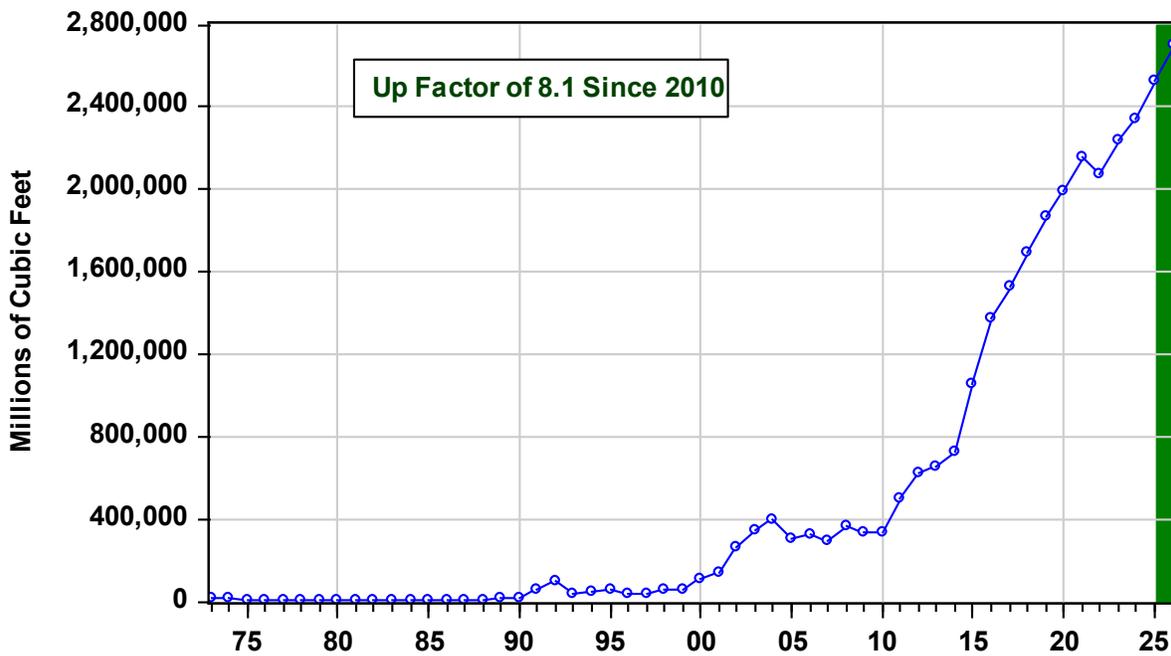


**Figure 6**  
**LNG Natural Gas Demand**



Exports to Mexico are a second major demand source, as documented in Figure 7. Mexico has successfully moved to replace dirty coal-fired power plants with natural gas fired turbines. U.S. companies have obliged by building several pipelines to move natural gas primarily from the prolific Permian Basin into Mexico. Exports to that country have increased by a factor of more than eight since 2010, and no letup in this trend is expected over the next two years.

**Figure 7**  
**Natural Gas Exports to Mexico**



Source: Energy Information Administration. 2025 & 2026 estimated

A final factor driving natural gas demand is the explosion in data centers to feed the AI movement. Electricity consumption by data centers boggles the imagination. For example, the Meta Data Center under construction in Richland Parish is projected to increase total Louisiana electricity consumption by 15%. That is under the present proposed size of the facility which will measure one mile from front to back. Meta Chief Mark Zuckerberg says the company is considering making this site a Hyperion Center that would cover an area the size of Manhattan. We are aware that other data centers are hunting all over north-central Louisiana looking for additional locations. A great deal of natural gas will be needed to power these centers.

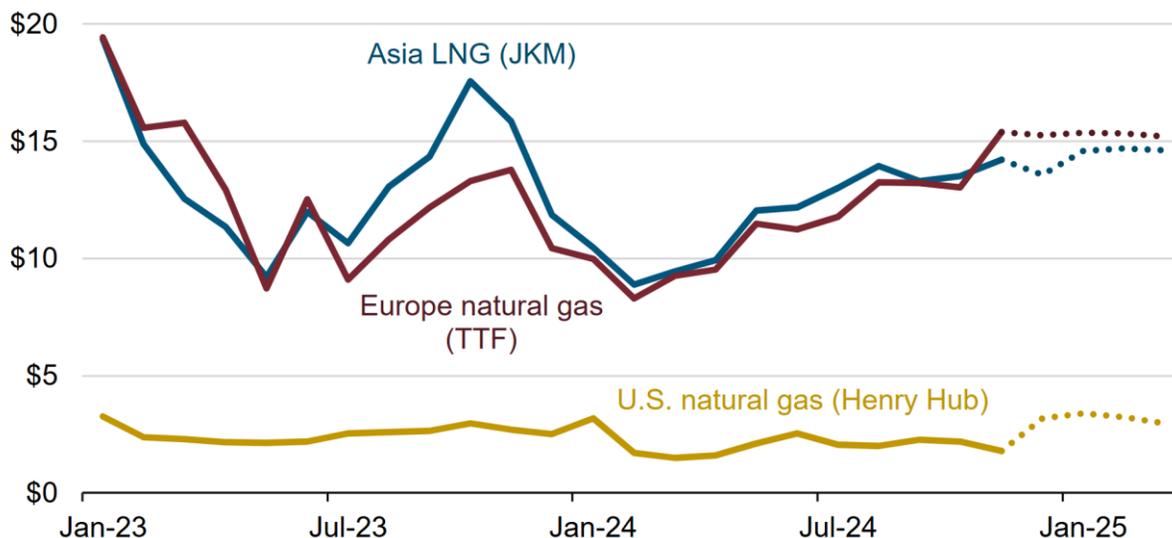
**U.S.-Asia-EU Price Differentials Fuel a Boom**

Higher natural gas prices will certainly enhance exploration activity in Louisiana’s Haynesville Shale in the northwestern corner of the State. But there is another key role this fossil fuel plays in Louisiana’s immediate economic future. This is illustrated in Figure 8, which shows the trends in the price of natural gas in the U.S. versus the price in Asia and Europe.

Figure 8

Monthly spot and forward natural gas and LNG prices (Jan 2023–Mar 2025)

dollars per million British thermal units



Source: Energy Information Administration

Because Europe outlawed fracking and has largely cut off supplies from Russia, post the Ukrainian invasion, the EU must rely heavily on imports via LNG tankers. Asia--in particular Japan--is in a similar predicament.

Note how much higher the price is in the U.S. versus Asia or the EU. If you are a chemical firm in the EU that makes ammonia fertilizer out of \$15 per mmBTU natural gas, there is no way you can compete with CF Industries in Gonzales which is making the exact same product out of \$3.50 per mmBTU gas. The result is that chemical firms in the EU and Asia are “chasing the cheaper molecules.” They are relocating to the U.S., especially to south Texas and southern Louisiana. There they find a huge network of easily accessible natural gas pipelines and deepwater ports with accessibility by ship to world markets. For Louisiana, that is on the Mississippi River from Baton Rouge to the mouth of the river and along the Calcasieu Ship Channel from the Gulf up to Lake Charles.

This industrial boom started in Louisiana in the mid-2010s and continues through the present. Table 4 documents the list of projects under construction or announced and awaiting a final investment decision (FID) as of July 2025. **We have tabulated \$98.1 billion in projects under construction and another \$119.1**

**billion in projects announced but yet to issue an FID.** These projects will be listed and discussed in detail when each of these MSAs is discussed later in this report.

**Table 4**  
**Industrial Projects Under Construction & Announced (8/25/25)**

<b>Area</b>	<b>Under Construction</b>	<b>Announced: No FID</b>
<b>New Orleans</b>	\$44.2 Billion	\$31.7 Billion
<b>Baton Rouge</b>	\$21.3 Billion	\$19.0 Billion
<b>Lake Charles</b>	\$32.6 Billion	\$68.4 Billion
<b>Totals</b>	<b>\$98.1 Billion</b>	<b>\$119.1 Billion</b>

Source: Loren C. Scott & Associates, Inc.

**Recovery From COVID**

It is disturbing that it is mid-2025 and this topic is still around. Thankfully, in January 2025 the Louisiana economy finally recovered the over one quarter of a million jobs (-285,800) lost during the COVID shutdown. By June 2025---as seen in Figure 9---the State was up by an estimated 8,900 jobs.

What has taken the State so long to fully recover? The data in Table 5 reveal the answer. Most MSAs in the State are either fully recovered or within a single-digit percentage of attaining the goal. The glaring outliers are New Orleans and Lake Charles. The former is only 79% recovered, held back mainly by a convention sector that still remains below pre-COVID levels. Lake Charles was not only leveled by COVID, but also by two terrible hurricanes, a flood, and Winter Storm Uri, leaving the MSA only 47% recovered. This MSA would have been much further along---perhaps fully recovered---but the Biden Administration “pause” on permitting new LNG export facilities delayed several billion dollars in projects.



Figure 9

Louisiana Nonfarm Employment (SA)

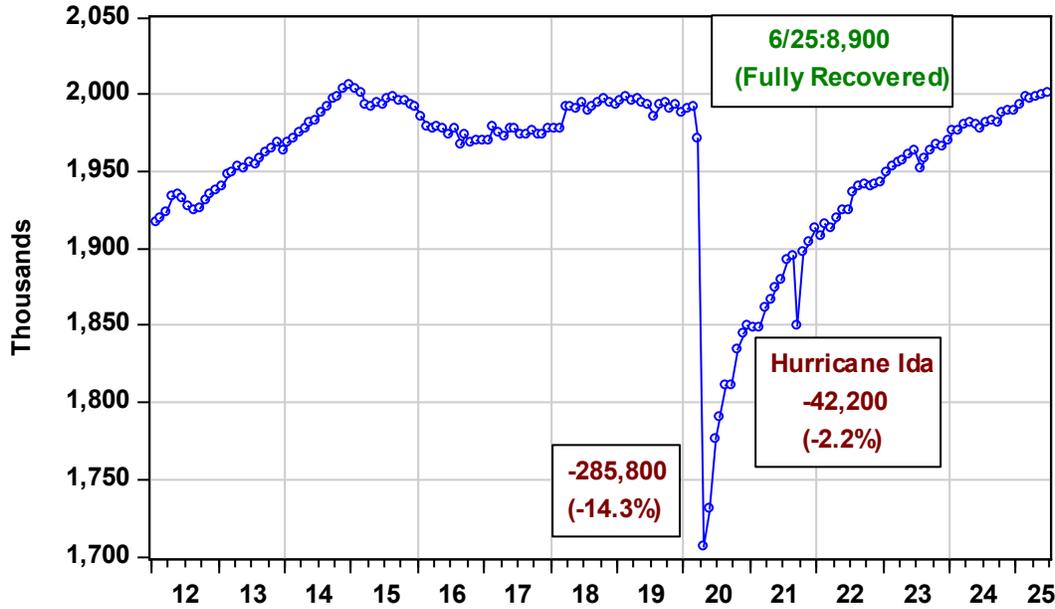


Table 5

Status of COVID Jobs Recovery: June 2025

MSA	Jobs Compared to Pre Covid
Alexandria	200
Baton Rouge	21,300
Hammond	4,500
Houma-Thibodaux	-1,000
Lafayette	8,000
Lake Charles	-14,200
Monroe	1,200
New Orleans	-18,900
Shreveport-Bossier	300
St. Tammany	8,800
Rural	-1,300
<b>Total</b>	<b>8,900</b>

Source: Loren C. Scott & Associates, Inc.

## THE LOUISIANA METROPOLITAN STATISTICAL AREAS (MSAs)

Our focus now turns to the economies and the outlook for the ten MSAs in Louisiana. The U.S. Bureau of Economic Analysis (BEA), within the Department of Commerce, has designated 36 of Louisiana's 64 parishes as residing in one of these MSAs. We lump the remaining 28 parishes (in white) into the category "rural." The grouping of the MSA parishes is shown in Figure 10.

Figure 10

### MSA Designations

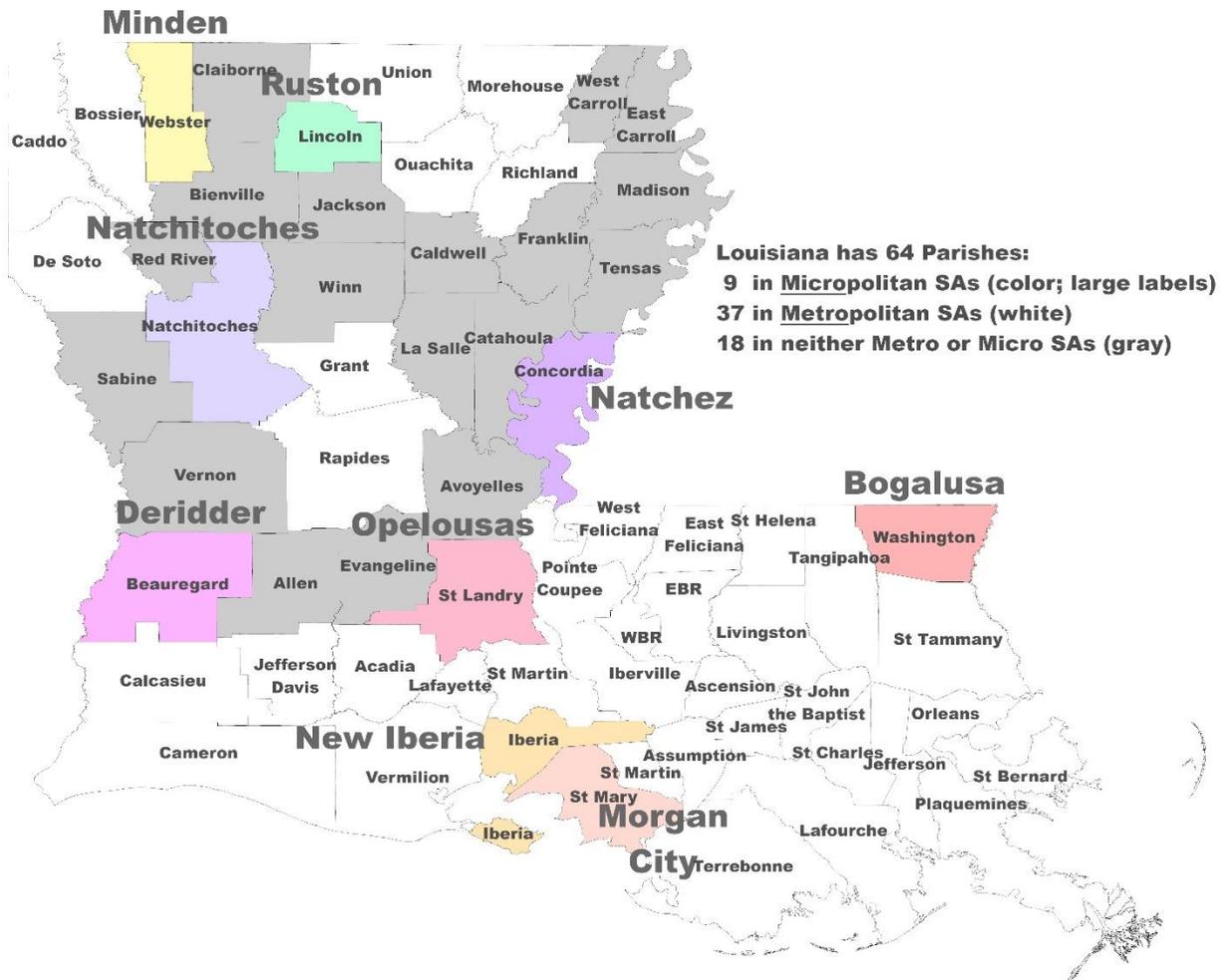


Source: Loren C. Scott & Associates, Inc.

In reality, the U.S. Office of Management and Budget breaks our "rural" group into two more categories. One is rural and the other group is micropolitan areas. This latter group is made up of parishes that have populations between 50,000 and 99,999 with insufficient commuting ties with abutting MSAs. This includes the following eight parishes: St. Landry, Iberia, Lincoln, St. Mary,

Washington, Beauregard, Natchitoches, and Webster. These micropolitan and rural parishes are parsed out in Figure 11. Unfortunately, timely employment data are not broken out between these two groups by the U.S. Bureau of Labor Statistics, so for forecasting purposes the two groups are lumped together as “rural.”

**Figure 11**  
**Micropolitan & Rural Parishes in Louisiana**



## THE NEW ORLEANS MSA

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### FIDs Badly needed

As seen back in Figure 10, the New Orleans MSA is located in the southeast corner of the state and is the largest MSA in the state both employment and population-wise. It is composed of seven parishes---Orleans, Plaquemines, Jefferson, St. Charles, St. John the Baptist, St. James, and St. Bernard. St. Tammany has been removed from the New Orleans MSA and is now its own separate MSA.

Because of its geographic location near the mouth of the Mississippi River, this MSA is a **major port region**, including the nation's largest in terms of tonnage moved (the Port of South Louisiana), the huge Port of New Orleans, and the Louisiana Gateway Port in Plaquemines Parish. The river provides access to deep draft ships and a huge mass of pipelines provide easy access to natural gas and oil, so numerous **refineries** (including the nation's second largest) and **chemical plants** line its banks. The MSA's first **LNG export terminal** is also coming on line in Plaquemines Parish. Most of these plants are not behind the levy in New Orleans Proper---Orleans and Jefferson Parishes. Instead, the plants are located outside the CBD in the parishes to the west and east along the river. Numerous **exploration companies** such as Chevron and Shell have significant locations in the area in order to direct exploration activity in the Gulf of Mexico.

Its unique culture and cuisine---plus the French Quarter---have made the city proper a major **tourism/convention site**. The Morial Convention Center is the 6<sup>th</sup> largest in the country and the French Quarter is a major tourist draw. Tourists are also attracted by the region's **gaming industry**. New Orleans is home to three casinos and the Fairgrounds racetrack. In addition to several community colleges, **the University of New Orleans, Tulane University, Loyola University, and Dillard University** are located within its boundaries.

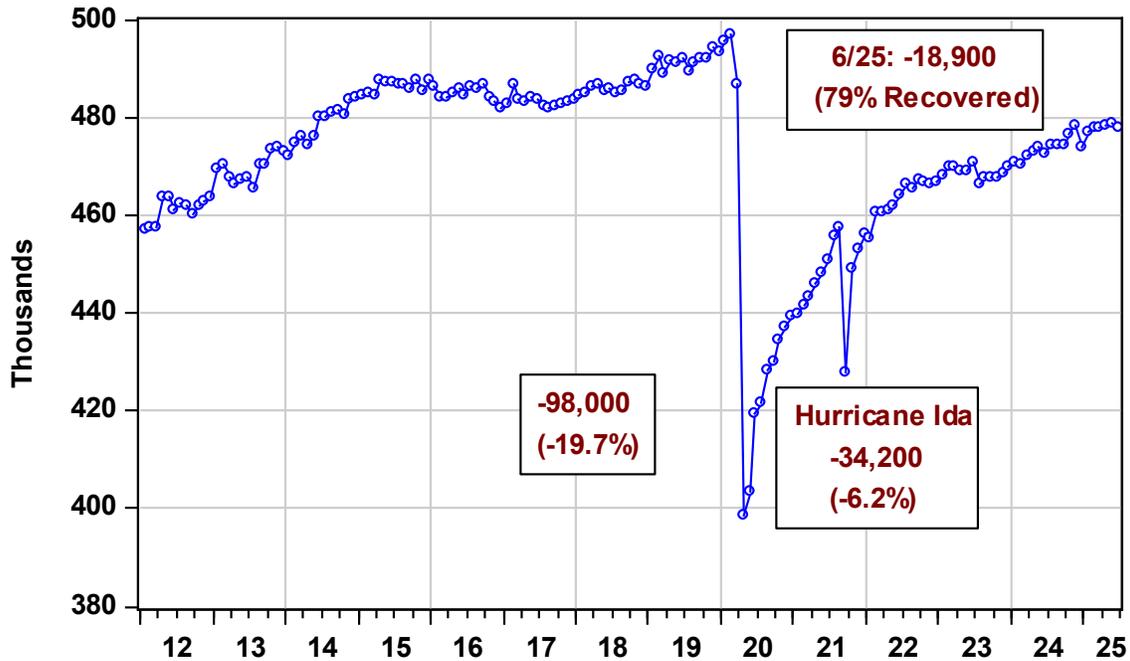
As of 2025, there are about 478,900 people employed in the MSA. The New Orleans MSA is in the first-place employment position, having about 10% more jobs than the Baton Rouge MSA. We expect this gap to narrow further over 2025-27.

### Recovering From COVID: Convention Trends

As hinted in the last part of the "Assumptions" section, a major reason the Louisiana economy has not fully recovered from the COVID shutdown is because its largest MSA is still far from full recovery. Figure 12 graphs seasonally adjusted

non-farm employment in the New Orleans MSA from January 2019 through June 2025.

**Figure 12**  
**New Orleans MSA Nonfarm Employment (SA)**



This MSA was the hardest hit in the State by the COVID shutdown, suffering a prodigious loss of 98,000 jobs---almost a fifth of its workforce. Five years later, the MSA is still 18,900 jobs short of a full recovery. One key reason is explained by the data in Table 6 which tracks the number of conventions scheduled, the number canceled, and the number of conventions held virtually from 2019 through 2025.

**Table 6**

**Conventions Scheduled, Canceled, & Virtual in New Orleans: 2019-25**

Conventions	2019	2020	2021	2022	2023	2024	2025
Scheduled	138	155	124	100	97	85	87
Canceled	0	66	48	0	0	0	0
Virtual	0	46	42	1	0	1	0

Source: <https://eventsinamerica.com/events/Louisiana/New-Orleans/2024>. Loren C. Scott & Associates Inc.

There were 155 conventions scheduled for 2020, but once the shutdown occurred in late March of that year 66 were canceled and another 46 were held virtually. It is not a challenging mental exercise to know the cascading negative impacts on hotels, restaurants, casinos, and other entertainment venues.

The problem for the New Orleans MSA is the post-COVID period has not enjoyed a strong rebound in these figures. The number of conventions scheduled for 2025 is 87, a 44% decline from 2020. Reversing course of this major sector of the New Orleans economy is one vital key to getting employment on a much sounder growth path.

One very positive note in Figure 12 is how quickly the MSA recovered from the impact of Hurricane Ida. Employment in the MSA dropped by 34,200, but all those jobs were recovered in only five months.

### **Forecast for 2026-27: New Orleans MSA**

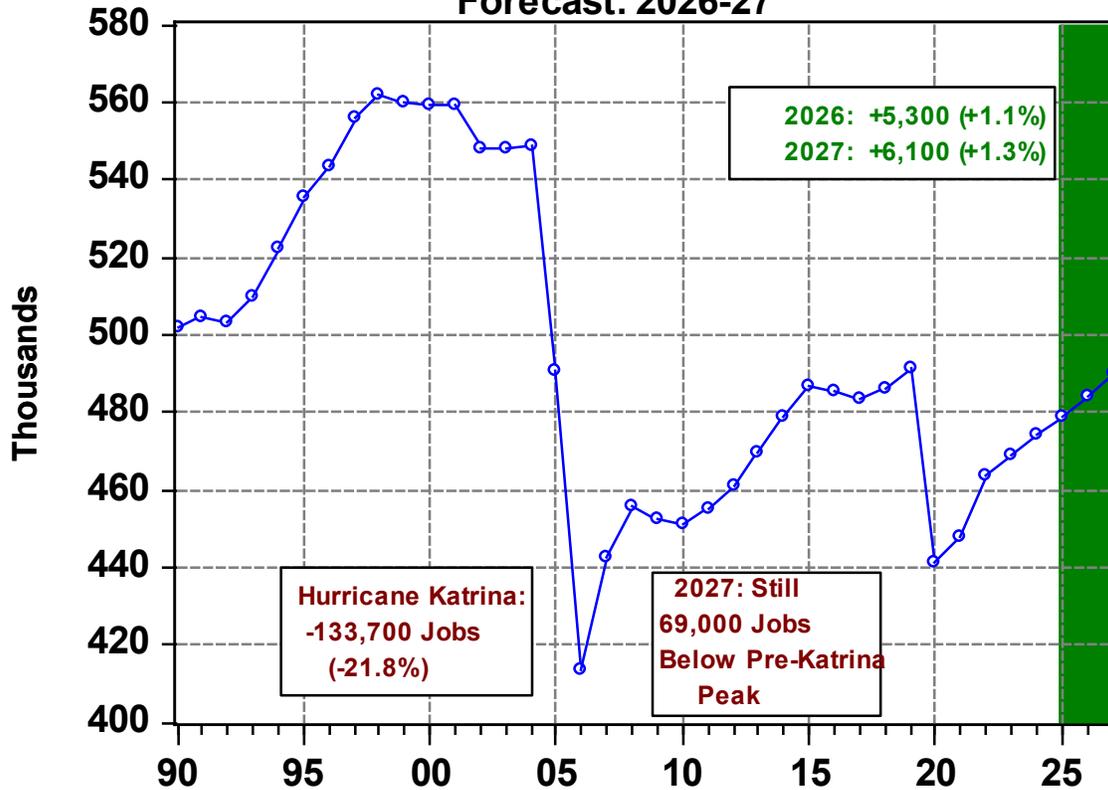
Figure 13 tracks nonfarm employment in the New Orleans MSA from 1990 through 2025, along with our forecasts for 2026-27. **We are projecting 5,300 new jobs (+1.1%) in 2026 and another 6,100 jobs (+1.3%) in 2027.**

Note in Figure 13 that our forecast basically continues the trend of the past four years, with no declines expected over 2026-27. That is the good news. The not so good news is this growth rate of 2.4% over 2026-27 will rank the MSA #8 among the 10 MSAs in the State. If these forecasts hit the mark, by 2027 the MSA (1) will still not have recovered all the jobs lost to the COVID shutdown, and (2) will still be 69,000 jobs below its pre-Katrina job peak in 1998.

Figure 13

**New Orleans MSA Non-Farm Employment**

**Forecast: 2026-27**



There is a very real prospect that our forecasts for the New Orleans MSA will turn out to be too pessimistic. However, this MSA's future is replete with troublesome issues that restrains that optimism. But first, there is the positive news:

**Industrial Construction Projects: VG is Huge**

As indicated back in Table 4, this MSA has a whopping **\$44.2 billion in industrial projects under construction**. By way of reference, prior to 2015, if there were \$300 million in projects that would have been considered a good year.

This list is heavily dominated by the \$23.5 billion **Venture Global LNG** export terminal in the Louisiana Gateway Port in Plaquemine. Phases 1 and 2 should near completion this year, adding 400+ jobs. Phase 3 will be another \$18 billion addition (+300 permanent jobs) that was announced this year. This will be a 24-train facility that can export 18 million tons per annum of LNG. **Bunge Chevron Renewables** is well into construction of a \$1 billion expansion of a grain elevator.

The expansion will add an oilseed processing plant for aviation fuel made from soy beans and should create 30 new jobs.

Construction began in February on **UBE Corporation's** \$500 million facility at the Cornerstone complex to manufacture EV lithium battery components. Once completed in early 2027, the plant will create 56 new jobs. Construction is also underway in St. Charles Parish on **Air Liquide's** \$200 million project to modernize and connect an air separation unit to its existing network with the goal of servicing Dow's plant in Taft. Thirty miles of pipeline will be added along the coast, and construction is scheduled for completion in early 2027.

### **Nice Bump from Non-Industrial Construction Projects**

The New Orleans MSA is enjoying a significant boost from some unusually large non-industrial construction projects underway that total over \$2.6 billion. Leading the pack is the \$1 billion **River District Project**, which will have 142,000 square feet of office space, a 67,000 square foot sports entertainment complex (occupied by Top Golf), a hotel, and 900 mixed-income condos. Shell's 800-person Gulf operations center will be located in the complex.

Work will continue at least through the end of 2027 on the \$600 million renovation of the old **Charity Hospital**. 1532 Tulane Partners & Domain Companies are in charge of the renovations, which will include space for Tulane, 300 residential units, a charter high school, and 90,000 square feet of retail space. The New Orleans Exhibition Hall Authority has approved the construction of a \$557 million, 1,000-room **Omni Hotel** across from the Convention Center. It is expected to take until late 2029 to complete the hotel, which will also contain 100,000 square feet of meeting space.

Thanks to the generosity of Gayle Benson, **Ochsner's Gayle and Tom Benson Ochsner Children's Hospital** (see Figure 14) is under construction. The \$300 million, 343,000 square foot hospital should open in late 2027, and is the largest single construction project in Ochsner's history. On a smaller scale, permits have been issued for a \$68.5 million, 280,000 square foot, 8-story office building in the **Lower Garden District**, and Tulane will be spending \$44 million to renovate the **Hutchinson Building**, home to the Tulane School of Medicine.

Figure 14

Ochsner Gayle & Tom Benson Children's Hospital



**LIT: Another Positive**

Progress is on target to start construction of the \$1.8 billion **Louisiana International Terminal** (LIT). Illustrated in Figure 15, the LIT will be built on 1,200 acres on the Mississippi River in St. Bernard Parish. Through its capital outlays program, the State has dedicated \$140 million towards the LIT, plus \$50 million for the St. Bernard Corridor project and \$30 million for the St. Claude Bridge Project--both to improve the movement of containers from the terminal to the market. It is expected that 180,000 to 280,000 containers will move through the LIT in its first year of operation, growing to its capacity of two million containers over time. Construction start is scheduled for end of 2025 and opening January 2031.

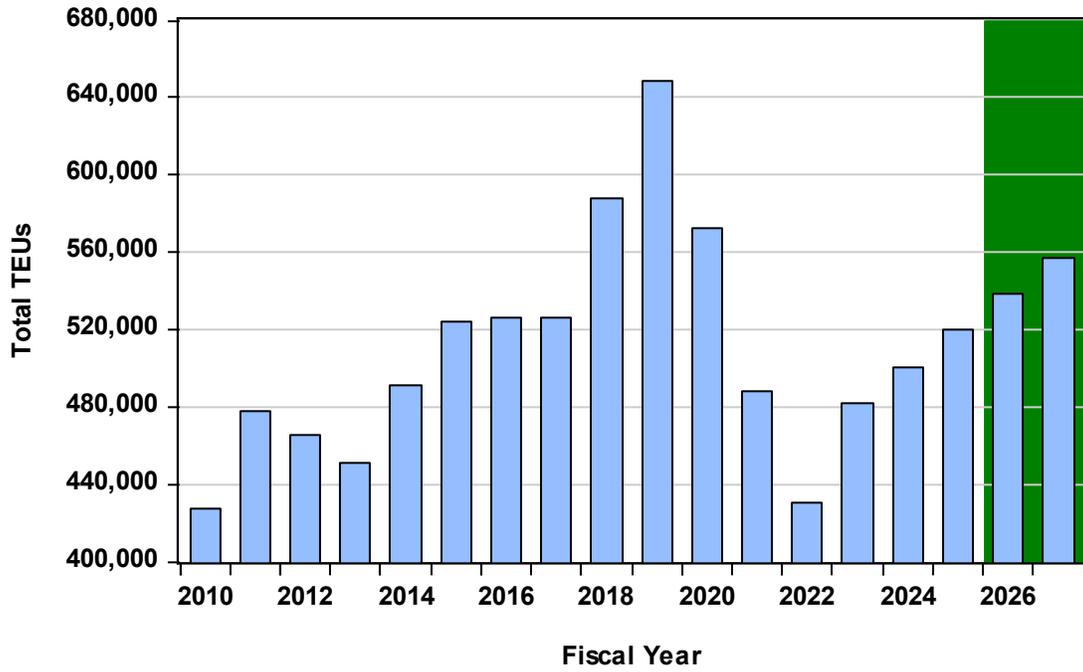
**Figure 15**  
**Louisiana International Terminal**



Source: Port of New Orleans

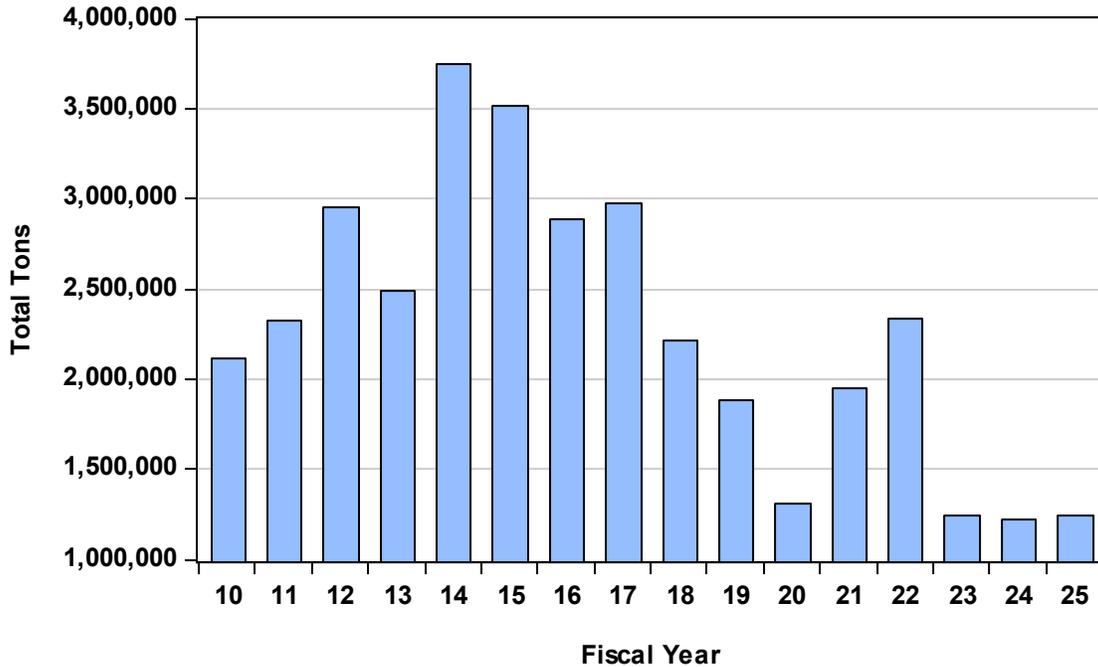
As seen in Figure 16, container traffic at the Port of New Orleans has been recovering nicely since bottoming out in 2022, but is at levels in 2025 that are over 100,000 TEUs below the peak in 2019. While container traffic has been improving, the same cannot be said for bulk tonnage (see Figure 17), which is down by at least a factor of three compared to 2014---almost entirely the result of tariffs imposed on steel imports.

**Figure 16**  
**Port of New Orleans TEU Traffic**



Source: Port of New Orleans & Loren C. Scott & Associates, Inc.

**Figure 17**  
**Port of New Orleans Breakbulk Traffic**



Source: Port of New Orleans & Loren C. Scott & Associates, Inc.



## **Michoud: Imagine a Rocket Dodging a Bullet**

There were several months of weeping and gnashing of teeth at the **Michoud Assembly Facility (MAF)** as the Big Beautiful Bill (BBB) was being negotiated. President Trump had indicated that the Artemis program was too expensive, rockets should be produced by the private commercial sector, and NASA's budget needed to be cut by 20%.

MAF is where Boeing produces the core stage for Artemis' space launch system, and where Lockheed Martin builds the Orion Capsule for Artemis. Artemis 1 was launched in 2022, and Artemis 2 was completed in mid-2024. Artemis 3, 4, and 5 were at various stages of production, and parts were starting to arrive for Artemis 6. There are 2,857 people employed at MAF, and many of those jobs would have been tanked under the President's wishes.

Fortunately for MAF, Senator Ted Cruz jumped into the fray and not only saved the program, but also got full funding for Artemis 3, 4, and 5 plus \$30 million for maintenance and upgrade projects at the facility.

2025 was not a great year employment-wise for MAF. Total employment at the site is 2,857, down from 3,142 last year. Both Boeing (-89 jobs) and Lockheed Martin (-9 jobs) engaged in layoffs. The facilities support company---now Nova Space Solutions---is down 82 jobs, and the Coast Guard has reduced its force at MAF by 45. The biggest cuts came at the USDA Finance Center, which is the largest payroll services provider in government, where employment declined from 998 to 724. We believe this cut is largely due to the DOGE efforts. The main point is the job reduction appears to be over.

We understand that MAF has come to the attention of the Department of Defense, and hopefully more jobs will be coming to the facility. We expect MAF to be adding jobs to this economy over 2026-27.

## **Troublesome Issue: Moving Announced to FID**

Really very positive news for this MSA is the huge \$31.7 billion in industrial projects announced for the region. The real question mark is how many of them will move to a final investment decision (FID) and actually build a plant? There are two basic issues regarding these announced projects. First, some of them are what might be called "climate-related." They will make products out of renewables (woody waste, soy beans, etc.) instead of fossil fuels. While encouraged under the Biden Administration, incentives and tax relief has not necessarily flowed over into the Trump Administration.

Second, a number of these projects are scheduled for the MSA's river parishes---St. James, St. John the Baptist, and St. Charles Parishes. In these parishes, non-governmental organizations (NGOs), funded by the Biden EPA, Blumberg, and other out-of-state sources, have vociferously opposed new developments along the river in these parishes. They have packed hearings over permits and filed lawsuits against projects. These NGOs have been quite effective in delaying projects and in some cases getting them totally canceled. President Trump has already cut off their funding from the EPA. If business leaders want these projects to proceed, they must be as vigorous (actually, more vigorous) in funding and managing opposition to these NGOs.

Here is a list of announced projects that have not issued an FID:

- The \$9.4 billion **Formosa Petrochemical Complex** proposed for St. James Parish is a classic case of the power of NGOs to stymie a project. Projected to create 1,200 direct jobs, a state judge revoked its permits in 2022. The State Appellate Court has reinstated those permits and we understand the opponents have exhausted their time to appeal. Formosa has invested millions of dollars in site work, and to our knowledge has not given up on the project. The Trump Administration will be more favorable to the project, but our intuition is the NGOs are not giving up. Probability: 70-30.
- **St. Charles Clean Fuels** wants to construct a \$4.6 billion ammonia production facility at the IMTT site in St. Charles Parish. The project would take 3-5 years to construct, and would require IMTT to invest about \$350 million in new pipelines, tanks, and dockage to service the plant. The company has not received approval for a Class VI well to inject carbon dioxide. Our understanding is that the Class VI well and necessary pipeline approvals have not been received because the site for injection has not been determined. Once opened, St. Charles would hire 220 people paying \$80,000-\$90,000 annually. Probability: 70-30
- **DG Fuels** has an option on 3,000 acres in St. James Parish to construct a \$4.96 billion refinery to make aviation fuel out of bagasse and wood waste. In December, an offtake agreement was signed with Air France KLM for up to 30,000 tons per year of fuel. This is one of those projects that may require

DOE loan guarantees, which are less likely in the Trump Administration. Probability: 50-50

- **Gulf Stream LNG** is proposing an LNG export facility in Plaquemines Parish--in the Louisiana Gateway Port---on the West Bank just below the VG site. Much smaller than VG's project, this export facility would have only three trains exporting up to four million tons per annum. No exact capital investment has been released, but we believe it will be in the \$3.5-\$4 billion range. DOE has already granted Gulf Stream permission to export to non-free trade countries, and the company has begun the year-long FREC pre-filing process, that will be followed by 18-30 months in filing. We expect a possible FID on this project outside of our forecast period.
- At the Atlantic Alumina site in St. John the Baptist Parish, **ElementUSA** announced intentions to build a \$2 billion plant to extract rare earths from aluminum byproducts. The company was granted an ITEP by The Commerce and Industry Board in mid-2024. This project has "gone quiet" in the words of one economic developer. Probability: Low
- Also, in St. John the Baptist Parish, **Woodland Biofuels** announced plans last year to construct a \$1.35 billion biofuels production facility at the Port of South Louisiana Globalplex in Reserve, Louisiana. Phase 1 would be \$450 million and create 60 jobs; phase 2 would cost \$900 million and create 60 jobs. 1.5 million tons of wood waste would be used to produce sustainable biofuels for use in transportation, heating, and electricity. An FID is expected by year-end. Probability: 60-40
- **Entergy** will spend about \$1.3 billion on a gas-fired power plant in St. Charles Parish to generate electricity to support the new Meta Data Center in Northeast Louisiana.
- Convent, in St. James Parish, is the proposed site for a \$1.3 billion sustainable aviation fuels complex by **Shell Refining**. This plant would make fuels from crop oils and animal feedstocks. No FID is scheduled by the company at this time. Probability: 50-50

- **APM Terminals** has signed a letter of intent to build a \$467 million state-of-the-art container terminal on the west bank in the Louisiana Gateway Port. The Port has leased 200 acres to APM with options for 900 more. APM's berths would be capable of handling the largest container ships going through the Panama Canal. It would also be the closest port to the mouth of the Mississippi River. Governor Landry has recently formed the Louisiana Ports and Waterways Investment Commission (LPWIC) to push a strategic plan where all the ports work together. The question is how will the LPWIC fit the APM Terminal in with LIT?
- On a much smaller scale, **Life for Tyres Group** (L4T Louisiana) is considering a \$46 million tire recycling plant on 10 acres at the Port of South Louisiana. The project would recycle used tires into advanced biofuels feedstock, recovered carbon black, and scrap steel. Some site work is being done, along with final due diligence. Probability: 75-25

This impressive list provides a great deal of hope for the New Orleans MSA to exceed our projections for 2026-27. If FIDs could be landed for Formosa, St. Charles Clean Fuels, and Woodland Biofuels it would be a much rosier outlook indeed.

### **Troublesome Issue: Plant Closures & Layoffs**

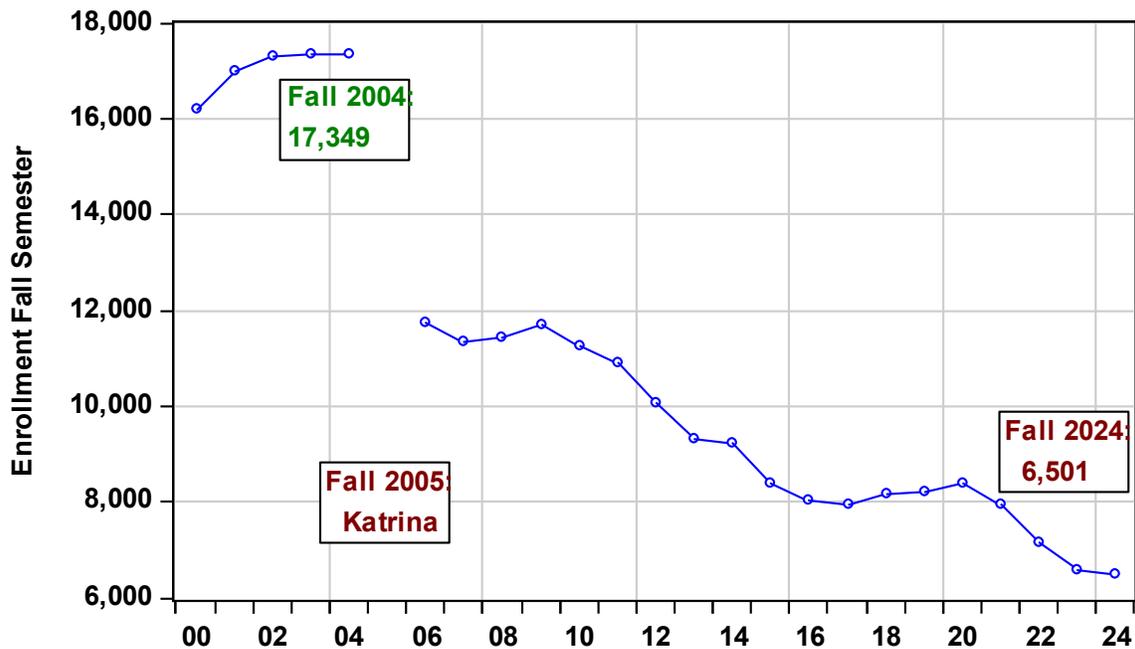
This year has seen an unusually large number of plant closures and layoffs in this region. In May, St. John the Baptist Parish took a blow when the **Denka Elastomers** plant announced it was shuttering its doors. About 360 company and contractor jobs disappeared along with almost \$1.7 million in property taxes. The **Rohm Plant** in Westwego is in the process of closing at the cost of 203 jobs. An oversupply of acrylonitrile has forced **Cornerstone** to shut down that unit, laying off 116 people or 29% of its workforce.

Many of the regional universities across the State are suffering from very significant enrollment declines. **UNO** has been spared as seen by the history of that university's Fall enrollment data since 2000, tracked in Figure 18. Enrollment peaked in 2004 at 17,349. Hurricane Katrina forced a closure in Fall 2005. Enrollments sank to less than 12,000, and not only did it not recover, but it has steadily declined to only 6,501 in Fall 2024. In February 290 employees were furloughed, and other employees were required to take unpaid time off during

every 2-week pay period. Unfortunately, we do not see a quick reversal of this trend.

**General Dynamics**, at Lakeshore, joined this crowd, laying off 77 people. The good news is that by the time the year turns into 2026, all these layoffs will be in the rearview mirror. We are unaware of others lurking.

**Figure 18**  
**UNO Fall Enrollment: Fall 2000 - Fall 2024**



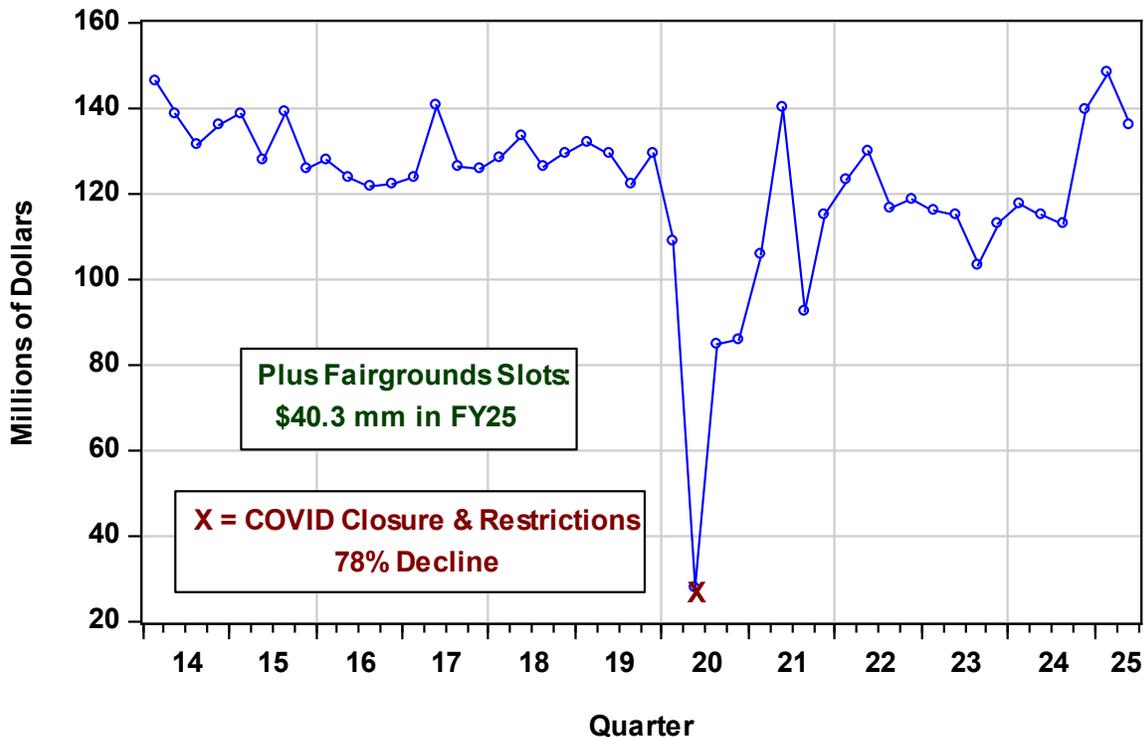
Source: University of Louisiana System Office

**Troublesome Issue: Casinos+ But Fairgrounds?**

New Orleans is home to three casinos---**Caesars, Treasure Chest, and Boomtown**---and the **Fairgrounds Racetrack**. This is now the second largest gaming market in Louisiana, having edged by the Shreveport-Bossier market for the first time. New Orleans' casinos brought in \$536.9 million in adjusted gross revenues (AGR) in FY25, compared to first place Lake Charles (\$703.9 million) and third place Shreveport-Bossier (\$533.7 million). The Fairgrounds, with \$40.3 million in AGR ranks third among the State's four racetracks.

Figure 19 tracks the AGR from the three casinos by quarter from 2014Q1 through 2025Q2. In the past two years significant sums of money were spent on improvements by two of the casinos. Caesars spent \$325 million on upgrades and a new hotel, and Treasure Chest spent \$100 million to move its riverboat casino on land. These investments clearly paid off for the casinos. Note the clear step up in total AGR of over \$20 million a quarter in the last three quarters. We suspect the especially good 2025Q1 was due to the city hosting the Super Bowl. AGR from these three casinos leapt from \$447.3 million in FY24 to \$536.9 million in FY25---a 20% increase.

**Figure 19**  
**Casino Gross Revenues: New Orleans**



Source: Louisiana Gaming Control Board Reports & Loren C. Scott & Associates, Inc.

Investments by the casinos also generated more casino jobs, though the increase was not proportional to the AGR increase. In 2024Q1, there were 2,683 people employed in the casinos, and a year later that number was up to 2,829. All this is very positive news from the casino side of gaming.

The troublesome side comes from the Fairgrounds Racetrack. AGR from the track is basically unchanged from a year ago at \$40 million. Employment at the track has actually declined slightly from 195 to 179. Kentucky-based Churchill Downs owns the track. The company sent a letter to state legislators indicating the company was taking preliminary steps to voluntarily surrender its Fairgrounds license.

The company opposed a ruling by the Louisiana Supreme Court that Historical Horse Racing machines were unconstitutional without approval in every parish. Then two bills were passed in the Legislature, one increasing the number of video poker machines at truck stops, bars, and restaurants, and another involved legalization of fixed-odds wagering on horse racing. Churchill's threat to close the track is not an idle one. The company recently closed tracks in Illinois and Florida. Hopefully, the Fairgrounds will escape the cutting block.

### **Troublesome Issue: Big Public Projects**

Large sums of money will be coming to the New Orleans MSA over 2026-27 via two main sources. One is monies for **state road lettings**. Happily, state road letting over 2025-27 total \$626.4 million, up 9% from \$574.5 million last year. The top three projects are:

- \$116.1 million on the LA434 interchange to LA36;
- \$52.1 million for the LA3213 Gramercy Bridge rehabilitation, and;
- \$30.3 million on the US90 IHNC rehabilitation.

The second major source is much larger. The Coastal Protection and Restoration Authority (CPRA) still has a large amount of money sourced from the BP oil spill settlement. A remarkable **\$2.8 billion** has been set aside for projects within the New Orleans MSA. Spending almost \$3 billion in this economy would have been a serious job-producing injection.

Unfortunately, the biggest project in this MSA's list was the \$1.7 billion allocated for the **Mid-Barataria Sediment Diversion Project**. With the Governor's urging, this project was canceled. In addition to the negative impacts on the shrimp and oyster industry, the belief was it was too much money to spend on one project.

This money will now be reallocated across all the coastal parishes for various smaller projects. It is doubtful that the New Orleans MSA will retain all \$1.7 billion within its boundaries.

## THE BATON ROUGE MSA

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### Industrial Construction Fuels Growth

The Baton Rouge MSA is the second largest in the state with 436,500 jobs in 2025, just behind the New Orleans MSA (479,400 jobs). This MSA contains the largest number of parishes (10) of all the MSAs: East Baton Rouge, West Baton Rouge, Livingston, Ascension, Iberville, Assumption, St. Helena, Pointe Coupee, East Feliciana, and West Feliciana (see Figure 10).

According to the Bureau of Economic Analysis, in 2020, East Baton Rouge Parish had the highest population in the state at 456,781. Interestingly, three of the top eight fastest growing parishes in the state, in terms of population, over 2010-2020 were in this MSA---Ascension (+18%), West Baton Rouge (+14.4%) and Livingston (+11.4%).

A combination of (1) access to the Mississippi by deep draft ships, (2) access to plentiful natural gas, and (3) access to salt domes for brine made this region a haven for the **petrochemical industry**. Louisiana is the 6<sup>th</sup> largest producer of chemicals---especially first-stage bulk chemicals that can be moved via ocean-going ships---and the Baton Rouge MSA is their largest home in Louisiana. Huge national and international firms like BASF, Dow, ExxonMobil, Eastman, Westlake, Shell, and others have very large facilities located within this MSA's boundaries.

Louisiana has an enormous pipeline network in the state, enough miles of pipelines to circle the globe four times. Access to those pipelines and access to the river to move their products helped Baton Rouge land the nation's fourth largest refinery (ExxonMobil), and, across the river, a smaller lube plant (ExxonMobil) and another smaller refinery (Placid).

The combination of the chemical plants and refineries is typically referred to as the petrochemical industry. These are very capital-intensive facilities located largely outdoors. A vast **industrial construction industry**---the largest in the state---resides within these plants to maintain them daily. In some cases, the number of "resident contractors" working at a plant equals the number of people wearing the petrochemical company's shirt. Huge contracting firms such as Turner Industries, Performance Contractors, ISC, MMR, and Cajun Contractors make their headquarters in Baton Rouge.

Baton Rouge is as far up the Mississippi River as deep-draft ships can go, stymied by the Old River Bridge in north Baton Rouge. Inside this region is the

nation's 8<sup>th</sup> largest port, the **Port of Greater Baton Rouge**. Louis Dreyfus has a large grain elevator at the port, and Drax Biomass runs its wood pellets through the port heading for power plants in Europe.

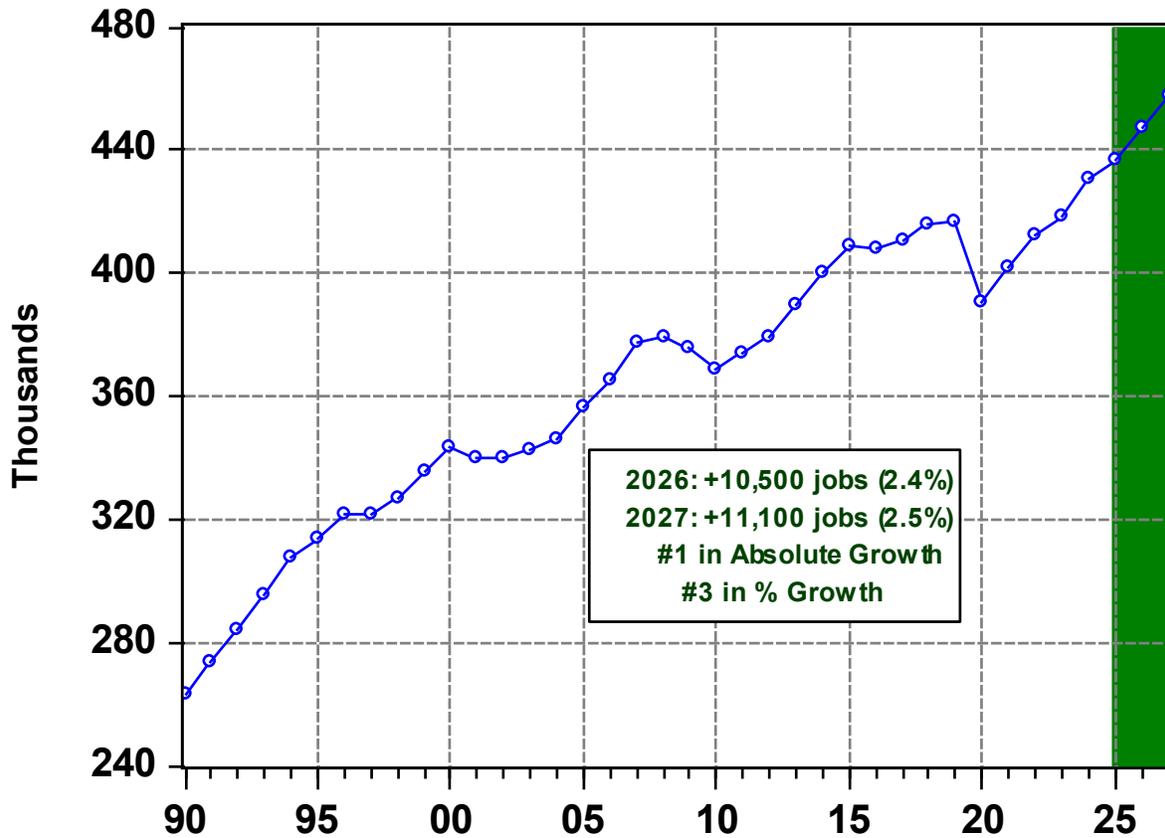
Government plays an outsized role in this MSA since Baton Rouge is the home of the **State Capitol** and its vast office complexes. Two state-supported universities are in Baton Rouge, **LSU**, and the historically black college---**Southern University**. Started up only a few years ago, **Baton Rouge Community College** is among the more successful of the community colleges in the state. East Feliciana Parish is the home to the large **East Louisiana Mental Health System** and the **Villa Feliciana Medical Complex**, which between them employ 1,511 people with an annual budget of \$258 million. **Blue Cross Blue Shield** claims Baton Rouge as its headquarters, where over 3,000 people are employed.

### **Forecasts for 2026-27: Construction Provides the Fuel**

One of the more enviable pictures readers will see in this year's Louisiana Economic Forecast is Figure 20. There, nonfarm employment in this MSA is tracked from 1990 through 2015, along with our projections for 2026-27. **We are forecasting an additional 10,500 jobs (+2.4%) in 2026 and another 11,100 jobs (+2.5%) in 2027.**

This would make the Baton Rouge MSA the fastest growing in the State in absolute growth, and #3 in percentage growth. Lake Charles and Monroe tie for #1 in terms of percentage growth, because of some unusually large investments heading into those two relatively smaller MSAs. Absent the hit from COVID, the Baton Rouge MSA has enjoyed a nice, steady, upward trajectory since 1990. A review of similar charts for the other nine MSAs will find only the much smaller Hammond and St. Tammany MSAs have similar pictures. A comparison to the similar chart for New Orleans (Figure 13) will demonstrate just how fortunate the Baton Rouge area is.

**Figure 20**  
**Baton Rouge MSA Non-Farm Employment**  
**Forecast: 2026-27**



Source: Louisiana Workforce Commission & Loren C. Scott & Associates, Inc.

### A Rocket Lit Under Industrial Construction

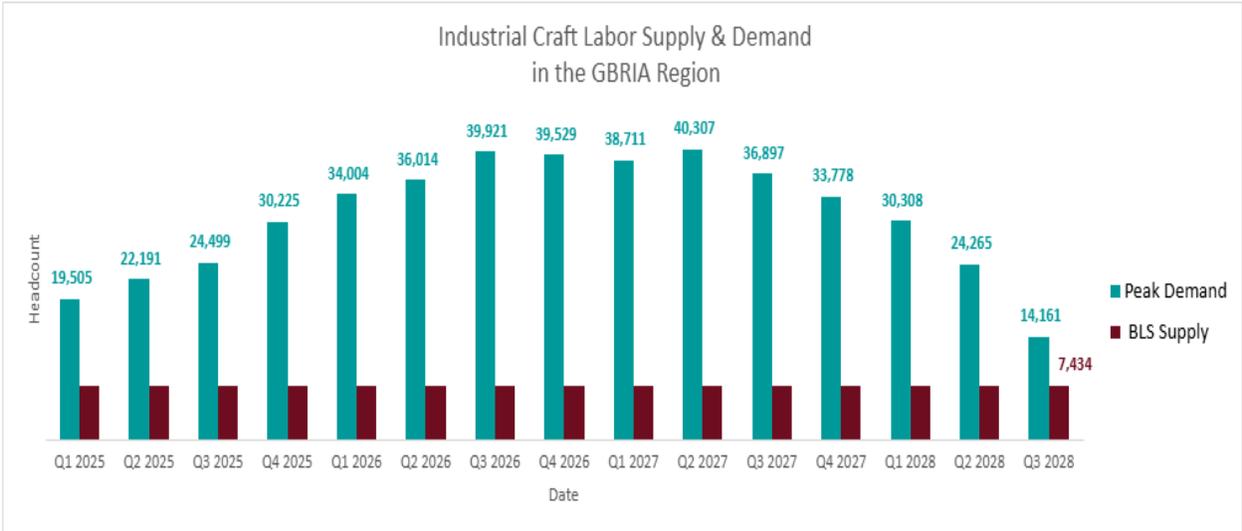
Generally, a 1.5% workforce growth rate is considered “good.” Why are we expecting Baton Rouge’s to be so much higher? The answer is the very bullish outlook for **industrial construction** in the MSA. Baton Rouge is the headquarters to large industrial contractors such as Turner Industries, Performance Contractors, Cajun Industries, MM&R, ISC, the Newtron Group and others. Because of recent FIDs announced, and others expected soon, these companies are engaged in a rapid build up of their workforces.

We present anecdotal and survey evidence to support these energized hiring prospects. First, we have had discussions with executives in just three of

these firms, which together plan to add at least 10,000 jobs over 2026-27. Not all of those will be in the Baton Rouge MSA, but many will.

Second, the Greater Baton Rouge Industrial Alliance (GBRIA) did a more thorough survey of firms in the MSA. Their estimates of construction workforce demand by quarter are shown in Figure 21. This survey suggests construction worker demand will increase from 22,191 in 2025Q2 to 39,921 in 2026Q3—an **increase of 17,730 workers**. In our judgment these results are a bit optimistic, but the point is major growth lies ahead.

**Figure 21**

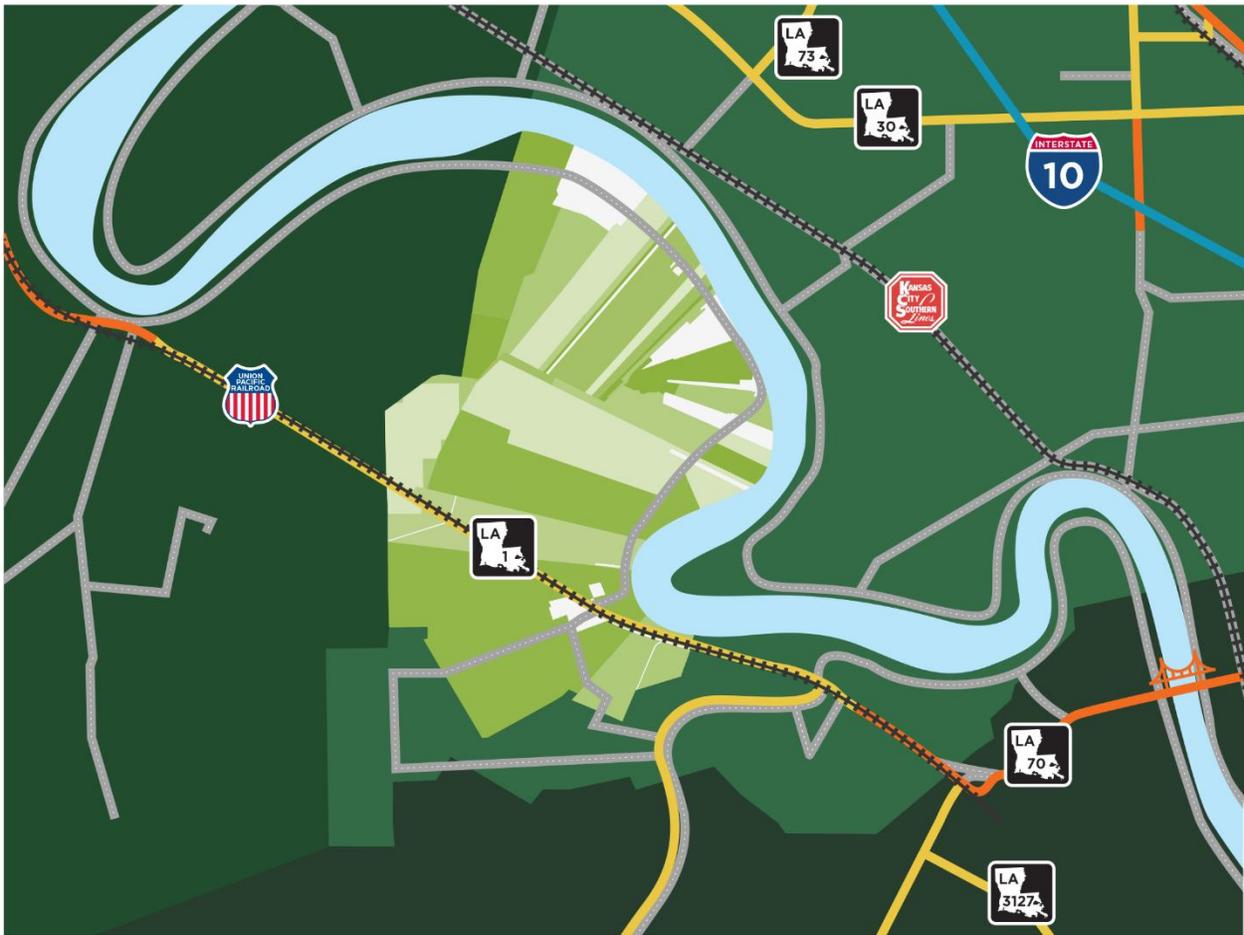


**Drivers of Construction Growth: Announced Industrial FIDs**

Partly, this projected construction sector growth is driven by projects newly underway or well into their building process. As indicated back in Table 4, about **\$21.3 billion in industrial projects in this MSA have issued FIDs**. Careful readers will find the majority of these projects are in Ascension Parish, where officials give NGOs their day in court, but largely promote industrial growth. In fact, the Parish has recently set up a new tax increment financing district on the west bank of the river called the **RiverPlex MegaPark** (see Figure 22). Now some 17,000 acres of river front property is available for new projects, and the property is being gobbled up.

Figure 22

RiverPlex MegaPark: Ascension Parish



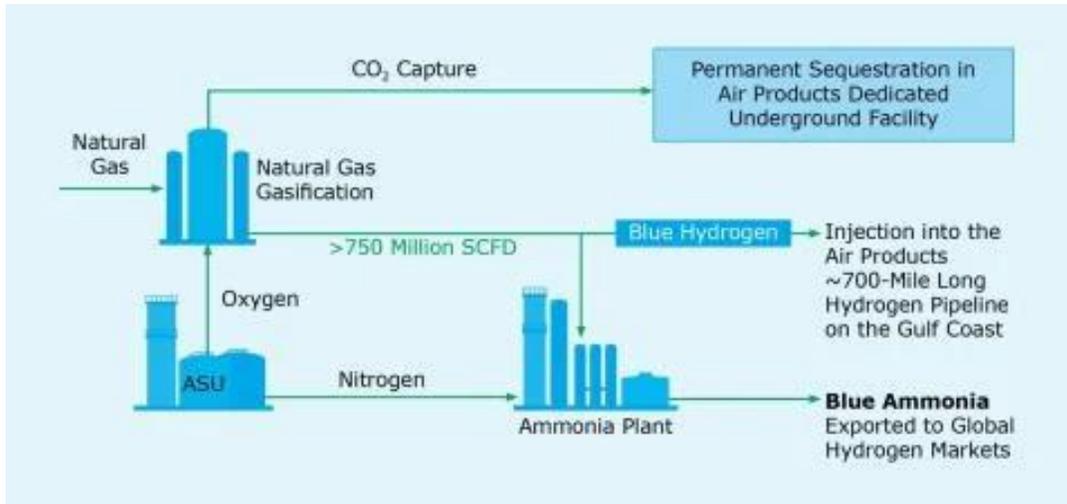
Source: <https://riverplexmegapark.com/explore-our-mega-site>

The two largest projects in our FID list---composing 80% of the total---have only recently announced so are in just the initial stages of their projects. These include:

- **Air Products** is just starting construction of an \$8 billion blue hydrogen complex in Ascension Parish at Burnside. This project has stalled a bit until Air Products can get a partner to handle the carbon capture and sequestration (ccs) part of the project. Air permits were received in June 2025. Once operational, there will be 170 new jobs at the complex paying \$93,000 annually. Figure 23 provides a schematic for this complex. It is the upper part of the drawing for which Air Products is seeking a partner.

Figure 23

### The Air Products Blue Hydrogen Project



- Great excitement---from both President Trump and Governor Landry---surrounded the announcement that **Hyundai** wants to build a \$5.8 billion steel mill in the RiverPlex MegaPark to provide steel for its cars and those of Kia. The firm has set a 2026Q3 schedule for an FID, with construction completed in 2029, creating 1,400 jobs. A rendering of this impressive site is seen in Figure 24.

**Figure 24**

**Hyundai Steel Mill Ascension Parish**



Source: Louisiana Department of Economic Development

- **CF Industries**, in a joint venture with JERA and Mitsui, has issued an FID in April for a \$4 billion blue ammonia plant at the RiverPlex MegaPark. The project is on schedule to begin construction in early 2026. The new plant will employ 103 workers at an average salary of \$110,000. CF is also spending \$75 million on upgrades at its existing Donaldsonville plant to produce more diesel exhaust fluid and merchant grade nitric acid, an upgrade that will add two jobs to its existing 541-person workforce.
- **Kindle Energy** is well into the construction of its \$740 million advanced-class combined cycle power plant that will use hydrogen for 50% of its fuel. Start up will occur soon with 20-25 permanent jobs.
- Exploding activity at the RiverPlex MegaPark is requiring **Entergy Corporation** to spend \$498 million on the new Commodore Substation to connect to major voltage systems. Sixty new miles of transmission lines will be built between the Waterford Power Plant and Commodore, and upgrades will be made to six other substations.

- **Linde** is building its \$400 million air separation unit in the RiverPlex MegaPark. Linde's unit will supply oxygen and nitrogen to the blue ammonia joint venture between CF Industries, Jera, and Mitsui for which an FID has already been issued.
- **Capchem Technology** will start construction in 2025Q3 on a \$350 million plant to produce materials for rechargeable batteries. When opened in 2028, the firm will hire 95 employees paying \$71,000 annually.
- In Port Allen, **Shell** is spending \$121.7 million to boost output at its catalyst plant (the largest catalyst plant in the world). Begun back in 2023, the plant is about midway completed and will add 17 jobs at \$94,000 annually.
- In St. Francisville, **Hood Industries** will be spending \$118.9 million to modernize its mill to increase production by 80,000 tons per year. Hood will be buying 204,000 tons of wood chips and 22,000 tons of recycled paper boxes, and retain 295 jobs.
- As a part of its "suite of projects," **ExxonMobil** will be spending \$100 million at its chemical plant to produce ultra-pure isopropyl alcohol. The unit will open in 2027 and help retain existing jobs.
- **Honeywell** received an ITEP from the State to support Project Zeus---a \$72.5 million project to produce lithium fluorosulfonyl imide, an important electrolyte salt that enhances performance of lithium batteries. Construction is underway.
- Though among the smaller ones on our project list at \$69 million, the new **John H Carter** assembly and distribution center for flow control valves will be 285,000 square feet and generate 175 new jobs.

Considering that the first three of these projects---which total \$18 billion---are just starting up construction, it is easy to see why industrial construction employment would be on the rise. In addition, the prospects for projects that have been announced, but have not issued an FID, are relatively positive in the

Baton Rouge region as opposed to the New Orleans region. This list that includes \$19 billion in spending includes:

- Another project proposed for the RiverPlex MegaPark is **Ascension Clean Energy's** \$7.5 billion project to produce clean ammonia and hydrogen. The company is going through the frontend engineering and design (FEED) process with McDermott with regulatory approval expected by the end of 2025. ACE will be producing fuel to decarbonize hard-to-abate sectors such as power generation, marine shipping (Mitsui O.S.K Lines is a shareholder), and heavy transportation. The completed complex would employ 350 high-wage workers (\$116,000 annually). The marginalization of climate issues likely makes this a 50/50 probability of going to FID.
- A similar level of excitement came with an announcement from **Hut 8**, which operates bitcoin mining facilities and data centers. Hut 8 is proposing a \$2.5 billion data center (with \$10 billion in computers inside) on 611 acres off of LA964 near St. Francisville that would ultimately create 50 new jobs. Like all data centers, this one will require large amounts of electricity, 300 megawatts in this case, enough to service 54,000 households. As an aside, Hut 8 is named after the building where Alan Turing's group broke Germany's enigma code during WWII. Site work is already underway, but no FID has been formally issued.
- Another project scheduled for the RiverPlex MegaPark is a joint venture between **CF Industries and Posco** to build a \$2 billion blue ammonia plant. The project would be export focused, shipping the product to Korea to reduce the coal-fired power plants of Posco. An FID is expected in 2026, and once completed would generate 50 new jobs at \$106,000 annually. We are very positive on this project.
- FEED work is presently being conducted for a \$2 billion blue ammonia plant by **Indorama** in Ascension Parish.
- We are very optimistic about an FID being issued around 2026Q2 for **Shell's** \$1.4 billion expansion of its olefin facility in Geismar. The project has received an ITEP from the State and will create 12 new jobs paying \$85,000 a year.

- While no formal announcement has been made, we expect the very successful **Shintech Corporation** to continue its schedule of starting a new expansion just after one is completed. We have no data or other information, just history to lead to an expectation of a fourth plant in the \$1.3 billion range.
- It has been several years since Gron Fuels announced its intentions to build a \$1.2 billion facility at the Port of Baton Rouge to produce renewable jet fuel from wood waste and also clean hydrogen. The renewable jet fuels component now appears unlikely. Instead, **AtmosClear BR**, a unit of Gron, should announce by the end of 2025 an FID for the \$800 million component to produce hydrogen out of bagasse and wood trimmings. The company would also have a CCS component to support Microsoft's decarbonization efforts. Prospects for this project look very positive.
- **Element 25's** \$480 million project, originally targeted for Ascension Parish, is now looking at a site closer to ExxonMobil's facility in north Baton Rouge. The plant would manufacture high-purity manganese sulfate monohydrate for use in EV batteries. Credits for these batteries were reduced in the BBB. We understand the company's board will be meeting before year-end to decide about an FID.
- An FID is forecasted for 2025Q4 for **Monarch Energy's** \$426 million green hydrogen production facility near Donaldsonville. If the project moves forward, it would open in 2027 with 44 new jobs paying \$63,000 annually.
- Finally, **River Parish Sequestration** is proposing a \$250 million carbon capture and sequestration project to service firms in the RiverPlex MegaPark. Presently, only one well is in the permitting process. Construction on this project is not scheduled until 2028, outside of our forecast range.

Note that this list of projects has gone on for five pages. Is it any wonder that industrial contractors are in a hiring mode like none in recent memory? As it turns out, these companies are heavily involved in building out the multi-billion projects in Lake Charles as well.

## LSU Leads in Non-Industrial Construction

Our focus to this point has been on industrial projects, but there are over \$800 million in non-industrial projects scheduled for 2026-27 as well. **Four projects at LSU** lead the pack in this group.

The \$400 million **LSU Entertainment Center** was about to issue an official “go” to Denver-based Oak View Group. Then, the top official with that company was indicted for an alleged price-fixing scheme involving a similar project in another state. We expect this will just delay, but not terminate, this project.

In June, LSU announced plans to start construction of **two new residence halls**. This \$215 million project will produce 1,266 new beds across 650 units, and is projected to be ready for the Fall 2027 semester. Construction is underway on the \$148 million **Our Lady of the Lake Health Interdisciplinary Science Building** which should be completed late this year. Ground-breaking is projected for 2026 for a new \$107 million **Construction Management Building**. At this writing, the project was still some \$75 million short of full funding.

Two significant hospital projects are underway. Baton Rouge General is building a new \$50 million **Livingston Neighborhood Hospital** in Denham Springs. Ground-breaking takes place this year, with an opening scheduled for 2027. **Ochsner** has a \$35.5 million expansion underway, generating 20,000 square feet of new space for its Grove Hospital, doubling operating rooms, adding 30 examination rooms, and adding a lab.

## Public Works Projects: Roads & CPRA

Over the next two years this MSA will get right at a billion dollars in **state road lettings** and **CPRA funds**. The State is allocating \$757.3 million for various state road projects in this 10-parish region. Three of the larger projects are:

- \$250.3 million for continuing work on the LA1 to LA415 connector;
- \$65.1 million for reconstruction work on I110 from North Street to Plank Road, and;
- \$37.2 million on US61 from Florida Boulevard to I110 to add capacity and bike lanes.

These monies do not include the \$716 million on-going project to widen I10 from LA415 to the I10/I12 split.

The **Coastal Restoration and Protection Authority** (CPRA) is allocating almost \$330.1 million for projects in this MSA. The largest of these projects is \$182.5 million for the reintroduction of the Mississippi River into Lake Maurepas.

### **A New Guest at the Port?**

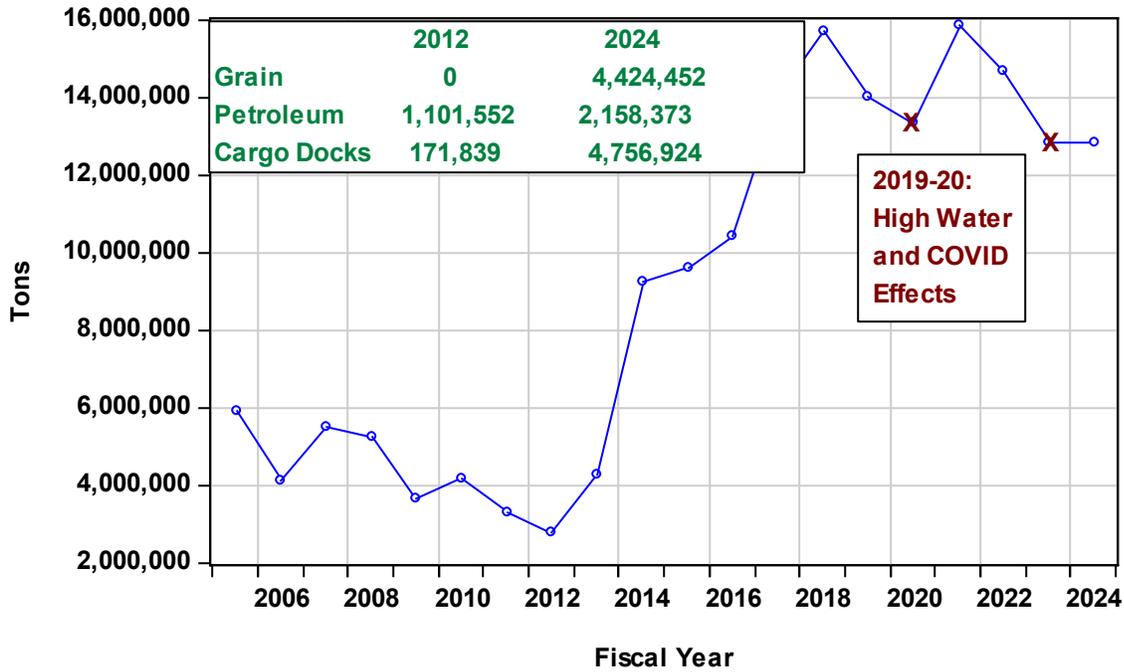
This MSA is home to the nation's 8<sup>th</sup> largest port (in tonnage moved)---the **Port of Greater Baton Rouge**. As seen in Figure 25, the Port enjoyed a quadrupling in its tonnage handled between 2014 and 2018. It was during this time that the **Louis Dreyfus Grain Elevator** was constructed, which alone added 4.4 million of those tons. It was also during that period that **Drax Biomass** built the two dome-shaped structures on the north side of the Mississippi River Bridge to hold the wood pellets produced at Drax's plants in north Louisiana and Mississippi. These pellets are shipped to the UK to be used as fuel for power plants.

The Port is also home to the relatively new (2017) **Inland Rivers Marine Terminal** which is now owned by Ingram Barge. This terminal warehouses containers which are primarily used by chemical firms to move their products further down river. Starting with 8,018 containers, in 2024 the terminal handled 10,365.

A careful eye should be focused on the Port over the next two years for two significant projects. The first was discussed above in our list of projects announced in Baton Rouge that have not issued an FID---**AtmosClear**. If this project comes to fruition, it will be a great new addition to the Port. Word is expected near year end.

Figure 25

Tonnage Handled at Port Of Baton Rouge: 2005-24



Source: Port of Baton Rouge & Loren C. Scott & Associates, Inc.

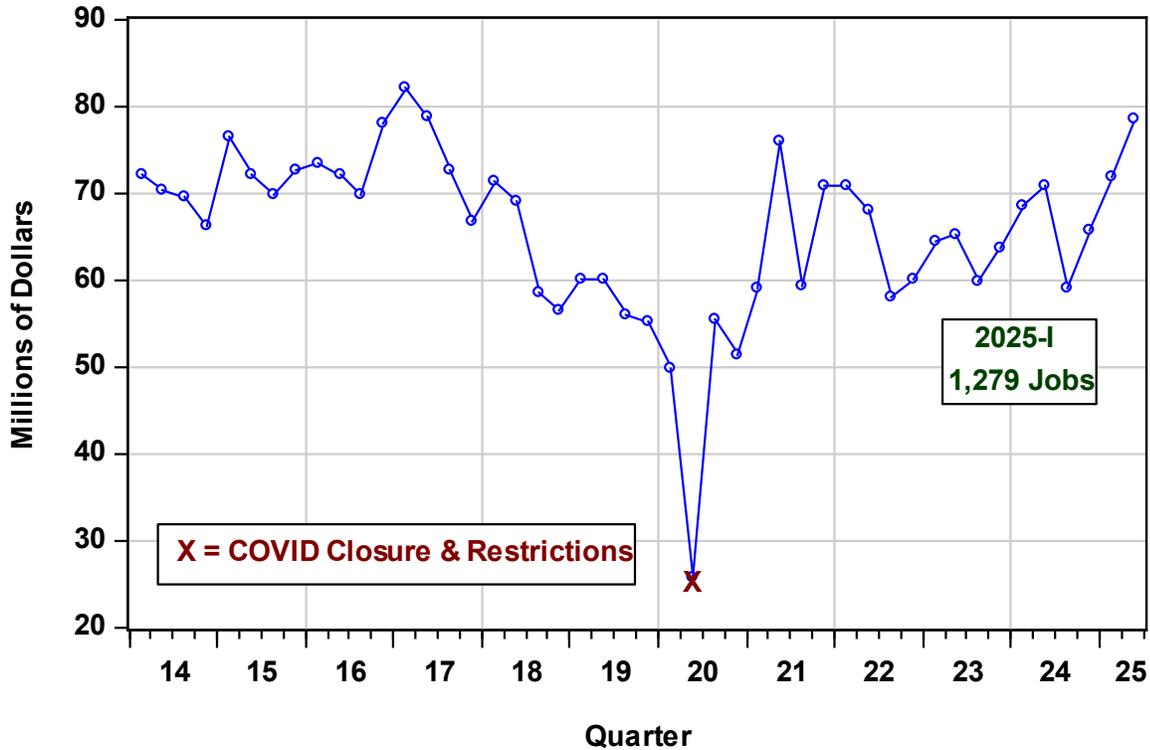
Second, work should start this year on the \$20million expansion of the **Northern Liquid Bulk Terminal**. Initially stymied by permitting issues with the Corps and with PIANCE (the international berthing standards group), this project appears to have surmounted those challenges.

**Gaming: Bally’s Comes Onshore**

Though it is the smallest of Louisiana four gaming markets, gaming in Baton Rouge has been in a state of very positive change for the last two years. It began in August, 2023 when the Hollywood Casino spent \$85 million to move on land. The casino was subsequently rebranded the Queen. In the past 12 months, the former Belle Casino---now Bally’s Casino---has spent \$141 million to also move onshore and to perform major upgrades to its hotel. Bally’s will open at its new site in 2025Q4.

Figure 26

Casino Gross Revenues: Baton Rouge



Source: Louisiana Gaming Control Board Reports & Loren C. Scott & Associates, Inc.

As seen in Figure 26, the movement of the Queen landside has on the net grown the casino market, achieving adjusted gross revenues not seen since back in 2016. Our expectation is that when Bally's opens its boutique casino later this year, there will be a further boost in the MSA's gaming market, and the industry's employment level will marginally rise from its present 1,279-person level.

## THE LAFAYETTE MSA

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### Send Higher Oil & Rubber Glove Prices

Lafayette is the second most oil-dominant MSA in the state and is composed of four parishes: Lafayette, St. Martin, Vermillion, and Acadia Parishes (see Figure 10). This year, the U.S. Office of Management and Budget (OMB) made the seemingly puzzling decision to remove Iberia Parish from this MSA. The primary reason for this change was commuting patterns between Iberia Parish and the Lafayette MSA did not achieve levels necessary for inclusion. Iberia Parish is now considered a Micropolitan Statistical Area (see Figure 11).

Lafayette is the third largest MSA in the State by employment and is located in the south-central part of Louisiana along and below I-10. In 2025, there were about 187,100 people employed in this region, and of that amount 4.1% were directly employed in oil and gas extraction and support activities for the industry. That is more than three times the state average and is closely connected to the oil and gas exploration that goes on in the Gulf of America. For example, **Halliburton** employs over 1,100 in this region.

A distinct advantage Lafayette has over Houma (another oil-dominated MSA) is that Lafayette is far more diversified. Consider the following non-energy firms:

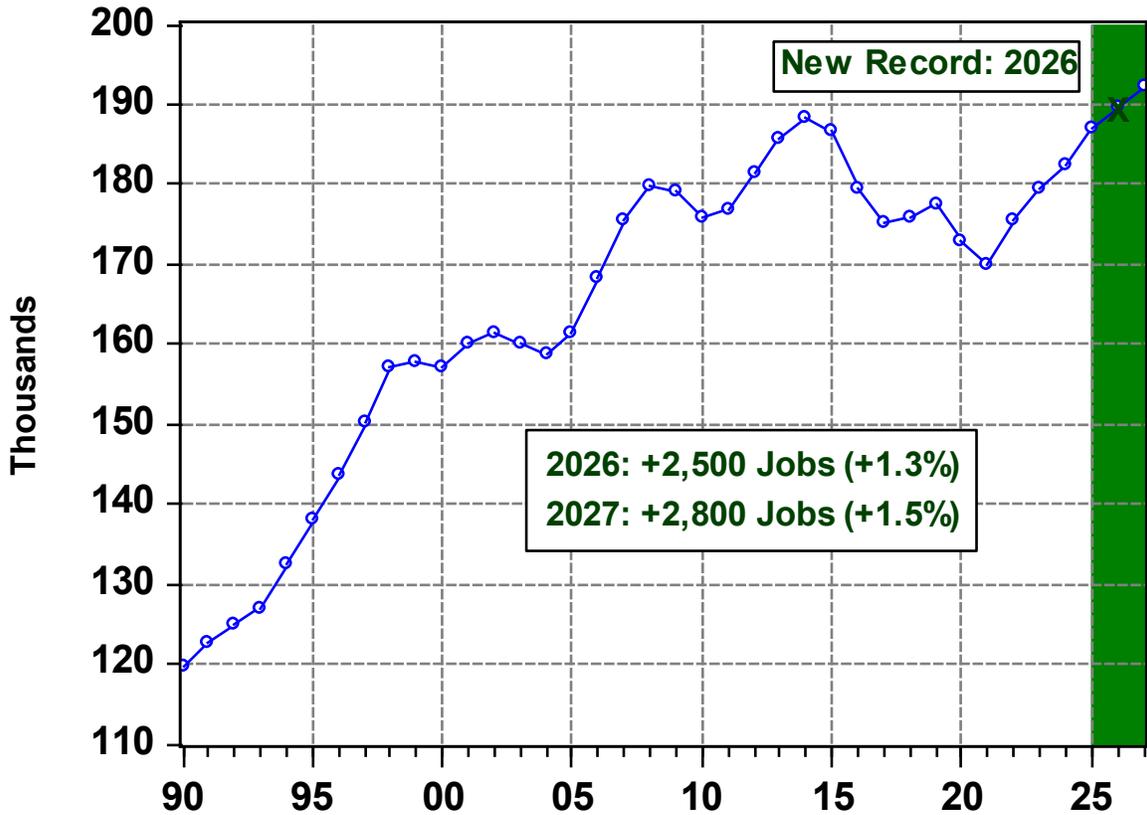
- **Acadian Ambulance:** 1,475 employees and a subsidiary that monitors over 200,000 alarms in 40 states and monitors businesses and houses via videos
- **Stuller Inc.:** 1,554 employees and the nation's largest jewelry settings manufacturer
- **LHC: 738** employees just in Lafayette, with 2,800+ employees across the State
- **CGI:** 750+ employees in a growing, high-tech firm

Lafayette is also the home of one of the state's larger public universities---the **University of Louisiana at Lafayette**---making it a significant university town.

### Forecasts for 2026-27: Bring Recovery to the Gulf!

Figure 27 traces the employment history of the Lafayette MSA over 1990-2025, along with our forecast for 2026-27. **We are projecting the MSA will continue the trend of the past couple of years, adding 2,500 jobs in 2026 (+1.3%) and another 2,800 jobs in 2027 (+1.5%).** Among the State's 10 MSAs, Lafayette's forecast would rank 6<sup>th</sup> in absolute growth and 7<sup>th</sup> in percentage growth.

**Figure 27**  
**Lafayette MSA Non-Farm Employment**  
**Forecast: 2026-2027**

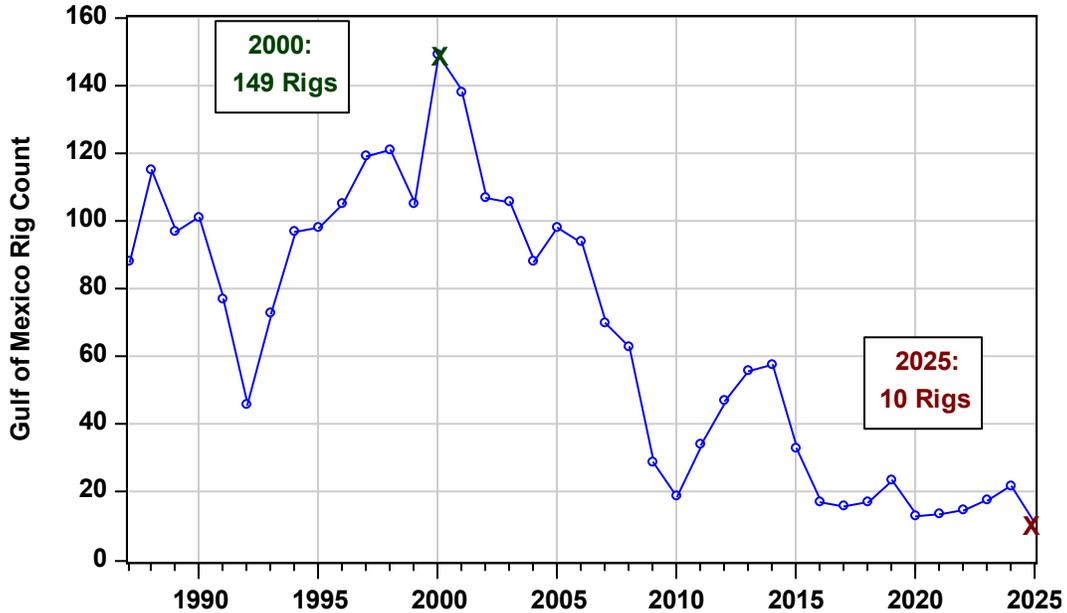


**GOA Remains a Drag**

This otherwise vibrant city has been held back for about a decade by moribund oil and gas exploration activity in the Gulf. The problem is seen clearly in Figure 28, which tracks the rig count in the Gulf of America from 1985 through 2025.

It is easy to see why the 1990 through the early 2006 period was such a good period for this home to exploration companies and firms that service that industry. With the exception of three years in the early 90s, the rig count in the Gulf hovered around the 100-mark, reaching a peak of 149 in 2000,

**Figure 28**  
**Gulf of America Rig Count:**  
**Month of August**



Source: Baker Hughes & Loren C. Scott & Associates, Inc. Data are for Louisiana & Texas

The oil price collapse in late 2014 dropped the rig count to under 20, a place from which it has not recovered. In fact, the 2025 number of 10 (which is for July), represents a new low for the Gulf rig count. This lethargy cannot be blamed on oil prices, which have exceeded \$60 a barrel for the last three years--well above the breakeven point for Gulf exploration projects.

We put the blame primarily on the back of the previous administration that was very anti-fossil fuels, delaying permits, threatening additional taxes, adding regulations, reducing lease sales in the Gulf by 70%, and raising royalty rates. Deepwater exploration firms have found the waters off Brazil, Guyana, and the North Sea more appetizing. Relief is coming from the "Drill, Baby, Drill" administration in terms of more lease sales, more timely and easier permitting, favorable tax treatment of intangible drilling costs, and lower royalty rates. Unfortunately, these more favorable conditions are being offset somewhat by higher tariffs on steel, aluminum, and copper---all heavy components of offshore exploration and production.

## Big 6 Remain Vibrant---Except Two

How can Lafayette perform as well as it does in the face of a stagnant Gulf? The answer is this MSA is home to six large, non-oil and gas related firms that---with the exception of one---add a real vibrancy to the region. They include:

- A relatively new player in **SafeSource Direct** which has invested \$400 million in the past two years in two manufacturing plants that produce personal protective equipment such as rubber gloves, face masks, and other items for the healthcare industry. The company also has a \$145 million nitrile butadiene rubber plant under construction, the first of its kind in the U.S. *Unfortunately, in late August the company cited intense competition from China for suspending operations at its sterile glove and man-made fiber plants and laying off 541 people.*
- **Stuller Settings** is the largest jewelry settings manufacturer in the U.S. It has grown to 1,550 employees, and is running up against the physical limits of the plant. Stuller is big into the web-based business, and can manufacture any setting within five days due to its computerized programs.
- Similar in size to Stuller, **Acadian Companies** employes 1,475 people in the ambulance business in the Lafayette MSA. Company-wide employment is 5,250. Acadian is also expanding in Mississippi, Tennessee, and Texas. Recruiting EMT's remains difficult, so Acadian is exploring the use of AI where possible.
- Tech firm **CGI** has now grown to 750 employees, and hopes to add about 80 more if contracts fall in place. Some contingency hiring is underway now, with average annual salaries in the \$75,000-\$100,000 range. Summer internships are a key pipeline to more qualified employees.
- Employment at **VieMed** is at 430 jobs in the Lafayette MSA (1,121 across the country), up slightly from last year. VieMed is an in-home clinical care provider of post-acute respiratory healthcare equipment and services across the U.S. Eleven percent growth in employment is projected over the next two years.

- The nice gains in the firms listed above are being somewhat offset by employment trends at **LHC**, where jobs have been declining since being purchased by United Health. For example, two years ago, LCH employment was at 936; today, it is at 738.

This economy was heartened by the announcement this June that **Green Fuels Operating PC** will be spending \$110 million to transform the Evangeline Processing facility into a net zero emissions technology refinery. Construction is to start in Fall 2025 and open in 2026 with 60 new jobs paying \$80,000 annually. The company would produce marine-grade diesel, asphalt, and bunker fuel with no emissions or odors.

### **Boost from Public Projects**

The Lafayette MSA will receive a nice injection of public monies into its economy over 2026-27, coming from two sources. One is **state road lettings**, which will total \$418.6 million over the next two years. The top projects scheduled are:

- \$200.5 million for a new intersection at I49 South and Verot School Road;
- \$35 million to remove and replace PCCP on US90 between LA668 and LA318, and;
- \$26.8 million to remove and replace PCCP and upgrades on US90 from LA83 to LA85.

This region will also receive about \$51.4 million between now and 2027 from the **Coastal Protection and Restoration Authority**. The biggest project will be \$29 million for the White Lake Shoreline and Levee stabilization.

## THE SHREVEPORT-BOSSIER MSA

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### Will a data center create a “gold mining town” atmosphere again?

The Shreveport-Bossier MSA is Louisiana's fourth largest MSA and is located in the northwest corner of the state. Three parishes---Caddo, Bossier, and DeSoto--make up the Shreveport-Bossier MSA (see Figure 10). Webster Parish was removed from this MSA this year and is classified as a micropolitan area. There are an estimated 169,700 non-farm jobs in these three parishes in 2025.

Unlike the other eight MSAs, a key metric for this MSA is its relatively high dependency on durable goods manufacturing employment, which makes the area much more susceptible to national recessions. Some of the larger durable-goods manufacturers are:

- **Sabre Industries** – (formerly, CellXion) a manufacturer of cellular towers
- **Frymaster** – a manufacturer of deep fryers and similar products for McDonalds and KFC
- **Ternium** – a steel components manufacturer
- **Benteler Steel** – a large steel plant at the Port of Caddo Bossier

Three other major players in this market are:

- The **Caddo-Bossier Port** which is home to several firms including Ronpak, Sports South, the Ternium steel firm, the Pratt recycling company, Morris-Dickson, OMNI, Calumet Packaging, and Benteler Steel. Altogether, tenants at the Port employ about 2,047 people.
- The **Cyber Research Center** is a major new and growing player in the region with 2,102 employees at its three centers.
- **BRF** employs 614 people at its various facilities, including its incubator support for new firms. It is home to the new Center for Molecular Imaging & Therapy.

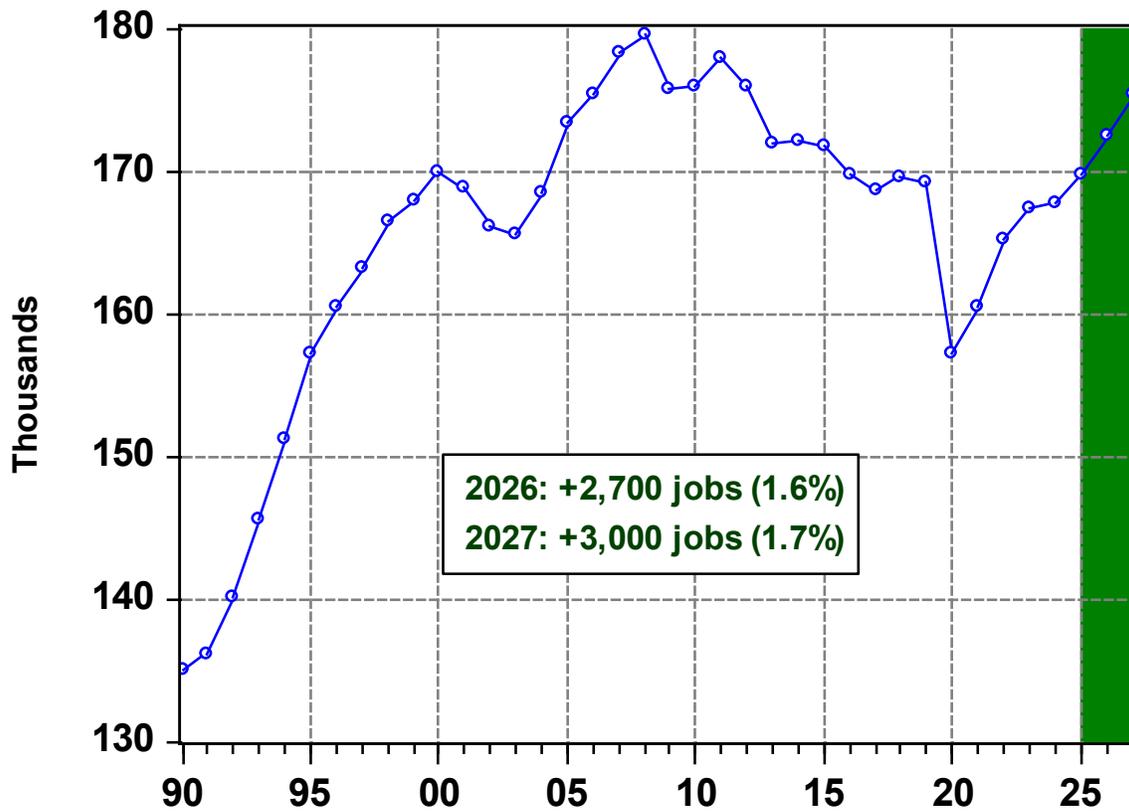
Shreveport-Bossier is also home of the **Haynesville Shale**---a very large deposit of natural gas. One of the first plays to use fracking technology, exploration companies invested \$4.5 billion in new dollars (including about \$3.2 billion in mineral lease payments) into the northwest section of the state in 2008. The following year, that figure rose to \$7 billion (including about \$1 billion in mineral lease payments). The Haynesville is poised to be a significant factor in this region's economy over the next two years.

The military plays an out-sized role in this MSA, because Bossier City is home to **Barksdale Air Force Base**, an employer of nearly 9,100 military/civilian workers. Shreveport-Bossier is also the **state's second largest gaming market**. This MSA now has five large river boat casinos and the newly opened, onshore Live! Casino plus the Harrah's Racetrack, which altogether employed 3,642 people in 2025Q1.

**Forecast for 2026-27: Haynesville Revival & Data Center?**

Figure 29 contains historical data on this MSA's nonfarm employment over 1990-2025, along with our forecast for 2026-27. **We are projecting the Shreveport-Bossier MSA will add 2,700 jobs (+1.6%) in 2026 and 3,000 jobs (+1.7%) in 2027.** This would be the 5<sup>th</sup> largest absolute growth rate among the State's 10 MSAs, and #6 in terms of percentage growth.

**Figure 29**  
**Shreveport-Bossier MSA Non-Farm Employment**  
**Forecast: 2026-27**



Source: Louisiana Workforce Commission and Loren C. Scott & Associates, Inc.



## One Data Center: Way Better

Whispers abound that this MSA is poised for a new data center announcement. Attraction of just one data center to this MSA could make our forecasts ridiculously pessimistic. Instead of the projections in Figure 29, we would expect a boom like the region experienced back in 2005-08 in the early days of the Haynesville Shale development. Shreveport-Bossier was like a gold mining town in the gold rush days. A \$10 billion data center can have that kind of transformative impact.

This region is actually developing a critical mass of companies to support a data center. First, is the **Haynesville Shale** which houses the natural gas for generating the humongous electricity demand from a data center. Just outside the MSA in Webster Parish is **Fibrebond**, a company that builds blast-resistant modules containing power units. A spin-off of Fibrebond---**Module X**---builds similar boxes. **SLB**, at the old GM plant, manufactures the cooling systems and racking for these centers, while **Gordon, Inc.** specializes in inside finishes. These local sources, combined with a lot of available land should make the MSA particularly attractive to data centers.

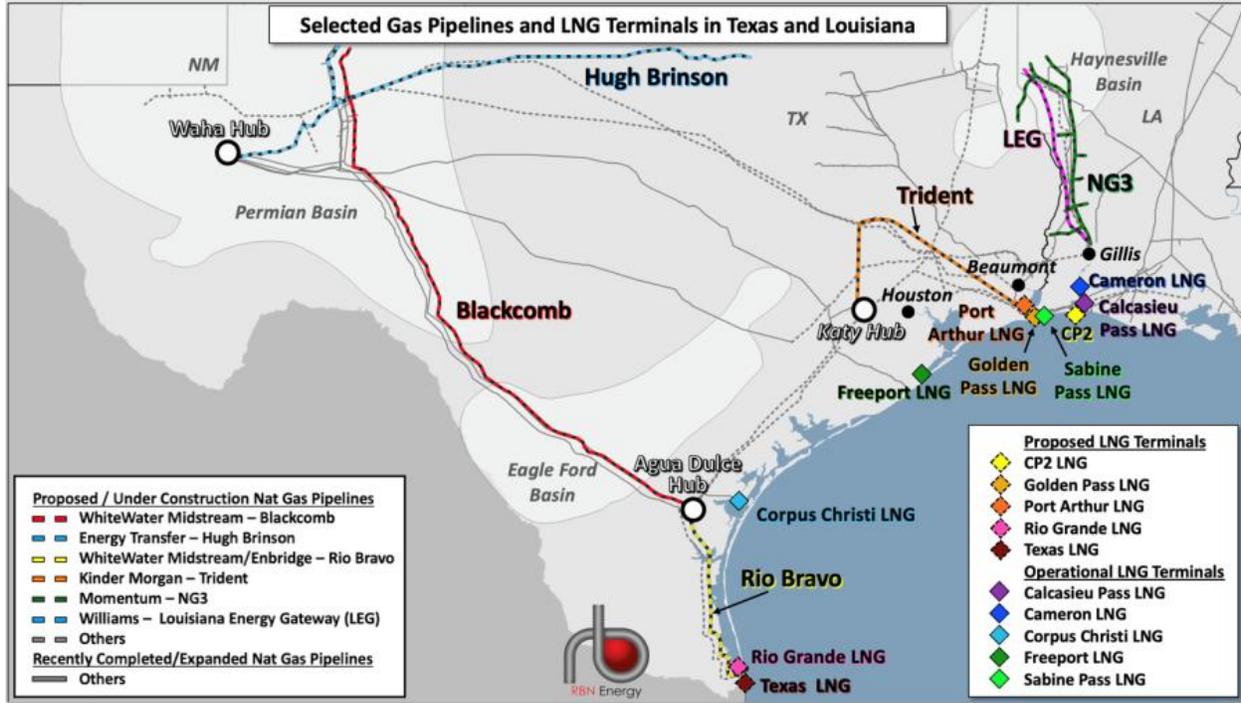
## Resurging Haynesville: Thank You LNG

New **LNG export facilities** will be creating a prodigious increase in the demand for natural gas over our forecast period (see Figure 6). In a 45-day period this summer, FIDs were issued on two new LNG plants in the Lake Charles area totaling \$39.5 billion. We are expecting one or possibly two more, announcements to be made before year-end. Venture Global Plaquemines is completing phases 1 and 2 of its massive LNG plant on the lower Mississippi River, which will add to the demand. **RBN Energy projects that these LNG projects alone, plus the ones on the Texas coast, will boost demand about 1.5 bcf/d in 2025 and to 4.3 bcf/d more in 2028.**

One reason is the Haynesville Shale is the closest shale play to these facilities. Several new pipelines have been built to transport this gas to the coast. As seen in Figure 30, the new **Louisiana Energy Gateway** Pipeline (LEG) is now in service carrying 1.8 bcf/d, and **Momentum Midstream's** new gas gathering system (NG3 in Figure 30) will bring another 2.2 bcf/d of gas to the coast.

The new Meta Data Center in Richland Parish will add to the gas needs. If another center is announced for this MSA, demand will really explode. We are keeping our fingers crossed.

Figure 30



Source: RBN Energy

A resurgence in the Haynesville will clearly favor companies that provide services and products to the industry. Specifically, **Halliburton** employs about 246 people at two sites, a number that should grow simultaneously with the Haynesville. **Alpine Silica** and **Sierra Sand** will find a growing market for their fracking sand.

**SLB, Amazon & Cyber: Out-Performing Expectations**

Three key players in this MSA have, or are about to, out-perform expectations about their potential. The **Amazon Fulfillment Center** was initially thought to cost \$200 million and employ 1,300. The firm decided to make this its most technologically advanced site in its fleet, so total cost of the project was \$1 billion and the site now employs 2,200 people.

**SLB** does production and testing of components for customers to support their digital infrastructure. An estimated \$18.5 million was spent to renovate the site in the old GM facility, and initial employment was 400. It is now 800 employees. SLB has plenty of space to expand (only 2 million square feet of the 3.3 million available are in use), and given the explosion in data centers and LNG facilities, we expect SLB will be growing even more over 2026-27.

This has been a banner period for the **Cyber Research Park** in Bossier City. Employment has risen from 1,854 in 2024 to 2,102 this year, and projections are for the workforce to jump to 2,885 by 2027. The Park received \$40 million in appropriations this year for work on its CYBER.COM and Strikewerx projects, up from \$18.8 million in 2024. If the Park lands Project T, that will add 750 jobs to the site and require a \$40 million building and \$15 million in land acquisition fees.

### **Port of Caddo-Bossier: Potential Big Wins Ahead**

A record of regular job creation surrounds this bright light in the Shreveport-Bossier MSA. There are **2,047 people working** at the various companies at the Port of Caddo-Bossier, a number projected to grow to 2,189 by 2027. There are **\$66.1 million in capital expansion projects** planned among these companies over the next two years, not counting a \$98 million project that one company has under consideration.

The largest resident at the Port is **Bentler Steel** with 420 employees. This manufacturer will be spending \$25 million over the next two years to add a second threadline and to expand its heat-treating capacity. The large, 315-person distribution company **Morris Dickson** is examining a potential new \$25 million building on its site. Design will take place in 2026, with possible construction starting in 2027. Distribution company **Sports South** is now at 320 employees and is expected to keep that number stable.

Lubricant packing firm **OMNI** is now at 267 employees, with plans to expand to 335 by 2027. Also, construction will begin soon on the company's \$3 million overhead bulk tanker loading unit. **Ronpak** makes packaging products for companies such as What-a-Burger, Five Guys, Popeyes, etc. The company is expected to grow its 206-person workforce over 2026-27. Not surprisingly, steel company **Ternium** is having difficulty managing the steel tariffs changes, but has grown its employment this year to 186, with an expectation of reaching 193 by year-end 2026. Ternium will have about 16 small capital projects over 2026-27 that will total \$3.5 million.

**Pratt Industries** is part of the nation's 6<sup>th</sup> largest paper and packaging company. With 127 employees at the Port site, Pratt will add about five more employees over our forecast period and spend about \$3.5 million on ventilation upgrades. **Odyessy Logistics** is a warehousing firm with 117 warehouse workers and 9 drivers. About six new workers will be added in the immediate future. **Calumet Packaging** has 70 employees at the Port, and **Alpine Silica** has 71. We

believe the latter firm will enjoy a nice growth spurt as the Haynesville Shale rebounds. Alpine will be spending \$4 million on (1) an expansion of its wet plant and (2) a barge loading system.

The first \$100 million phase of the **Heirloom** direct-air-capture for carbon is under construction, with another \$550 million second phase under consideration. Both phases will employ about 100 people and will use limestone as a super absorber to imbed the captured carbon in cement for used in building projects.

A keen eye should be kept on two large prospective new entities at the Port. Investors behind the proposed \$1.2 billion **Bia Energy** low carbon methanol plant recently renewed their lease at the Port. Trumps BBB has brought some regulatory certainty to enable the firm to obtain critical offtake agreements. Our understanding is the BBB eliminated the crucial 45V tax credit unless construction on the plant begins before the end of 2027. We should know soon.

### **Barksdale: Weapons Generation Adds Jobs**

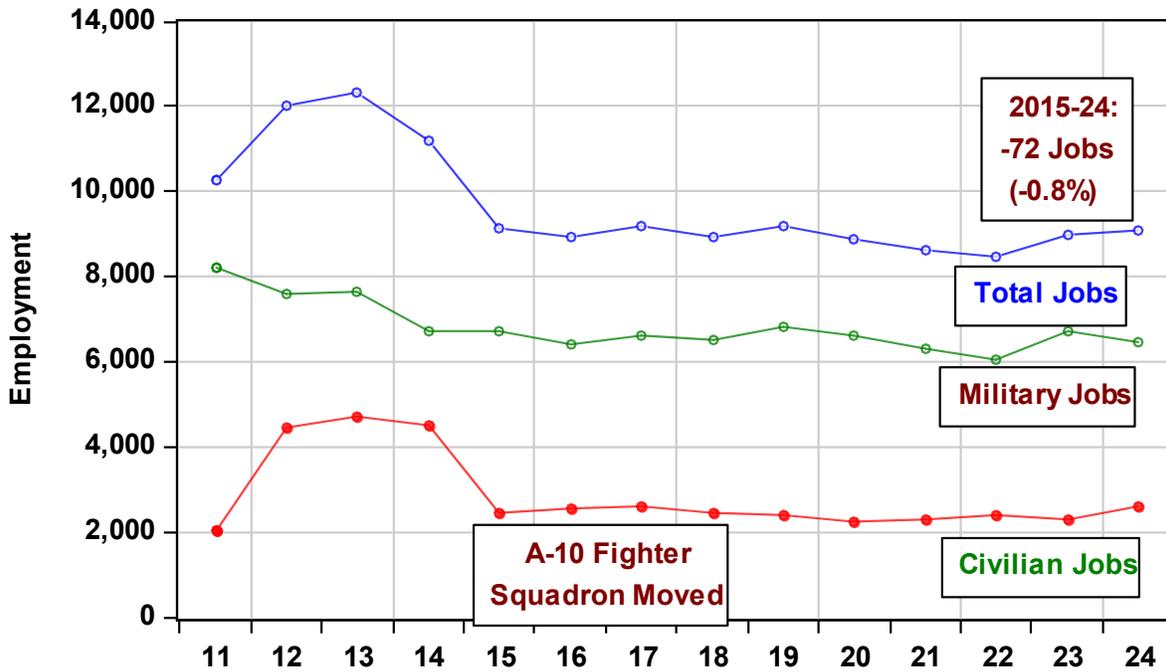
Figure 31 graphs the change in military and civilian employment at Barksdale AFB. As of 2024, there were 9,083 people working at the base---2,608 military and 6,475 civilians. Barksdale is by far the largest single employer in the MSA.

Barksdale is home to (1) the 2<sup>nd</sup> Bomber Wing, (2) the Air Force Global Strike Command, (3) headquarters of the 8<sup>th</sup> Air Force, and (4) headquarters of the 307<sup>th</sup> Bomb Wing. The Base's new **\$210 million weapons generation facility** should be completed after the first of the year. This new complex has five new buildings and a renovated building on 28 acres within the Base. Just over 100 new jobs will accompany the new complex, which consolidates weapons maintenance, training, and storage.

In 2024, nearly two-thirds of a billion dollars (\$622.3 million) was injected into this economy in the form of military and civilian pay. Another \$329.2 million was spent on other operating expenditures. Barksdale is clearly a key driver in this MSA's economy.

Figure 31

Barksdale Military, Civilian and Total Employment



Source: Barksdale AFB Economic Impact Analyses by Fiscal Year: Lane Callaway

An important partner for the Base is **BRF**, which---through its Entrepreneurial Accelerator Program---works to get Air Force research monies from the Department of Defense for firms in the MSA. Since its founding, BRF has secured \$576.4 million through this program, \$95 million since 2020. BRF has requested \$97.8 million for FY26 for technology development at the Global Strike Command. Apart from its work with Barksdale, BRF ramrodded development of the \$25 million **Chasing Aces Entertainment Complex**, which opened this June, adding 120 jobs to the workforce. In 2026, a pharmaceutical manufacturing firm recruited by BRF, will open in the InterTech Park with 50 new jobs paying \$90,000 a year. BRF is also intimately involved in the Bia Energy project at the Port of Caddo-Bossier mentioned above.

**New Airport Tenant, Ascentek, & Ochsner**

New jobs are coming to Shreveport Regional Airport when **SkyWest** opens a new maintenance, repair, and overhaul (MRO) facility at the airport. Moving into a hangar formerly used by Rockwell, SkyWest will employ 150 people earning an average annual pay of \$70,000. The facility should be open before we go to press.

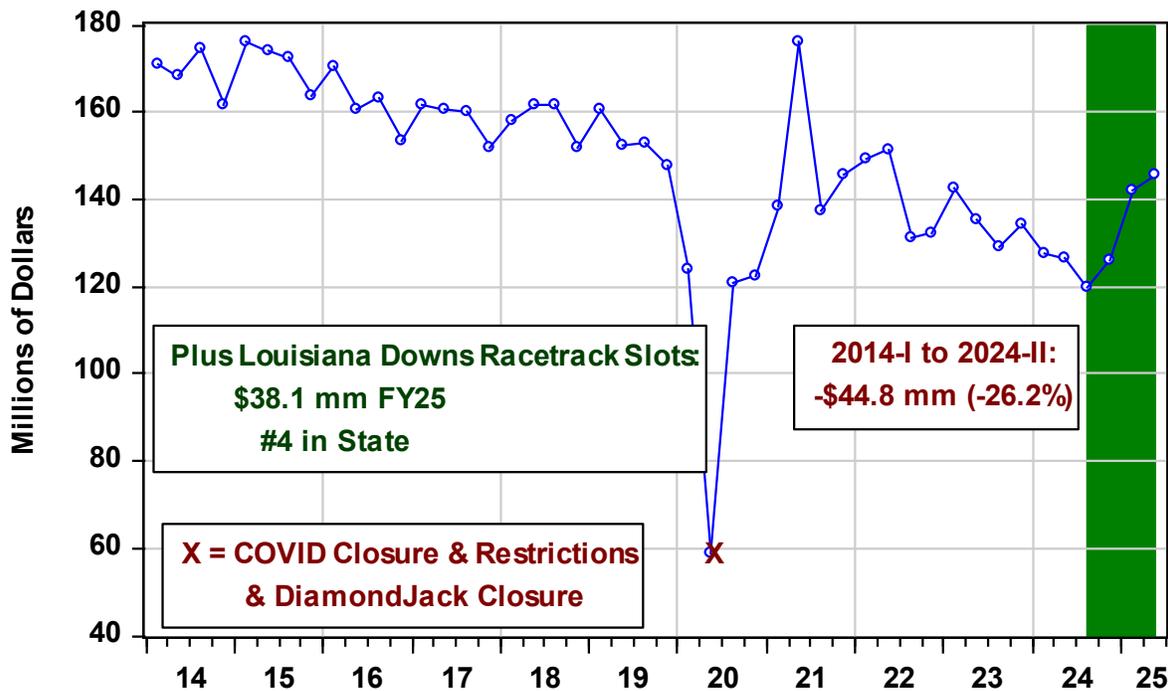
**Ascentek** is spending \$50 million to enhance its facility with an additional 270,000 square feet to manufacture industrial fluids, chemicals, and lubricants. It will take 18-24 months to build the new facility once construction starts in 2025Q4. Ninety-one new jobs will be added to Ascentek's existing 105-person workforce.

**Ochsner LSU Health** will be spending \$43 million in 2026 at its academic medical center and at St. Mary's Hospital. The expansions---which will increase ICU bed capacity by 15 and add 20 med/surgical beds---is projected to generate 67 new permanent jobs.

**Gaming: A Reversal of Trend**

This MSA is home to the second largest gaming market in Louisiana, second only to Lake Charles. This MSA is home to five large river boat casinos and the newly opened, onshore Live! Casino, plus the Harrah's Racetrack. Altogether these gaming establishments employed 3,642 people in 2025-Q1. Figure 32 tracks the adjusted gross revenues (AGR) from the casinos from 2014Q1 through 2025Q2. In FY25, the sixth casino brought in \$533.7 million in AGR.

**Figure 32**  
**Casino Gross Revenues: Shreveport-Bossier**



Source: Louisiana Gaming Control Board & Loren C. Scott & Associates, Inc.



Note that from 2014 through FY24, the trend in the region's AGR was steadily downward. Increasing competition from Indian casinos in Oklahoma significantly cut into Shreveport-Bossier's share of the Dallas-Ft. Worth Metroplex market. However, note the reversal in AGR trend for the last three quarters of FY25.

We believe this was due to the movement onshore and the brand new **Live! Casino** that opened in February. In its first 5 months of operation, the Live! Casino brought in \$51.7 million in AGR. Part of that new AGR was cannibalized from the other 5 casinos, which saw their AGR decline by \$35.7 million in total in FY25. That means in just 5 months of operation, Live! Casino grew the region's gaming market a net of \$11 million in AGR. Will this incentivize other casinos in the market to move onshore?

### **Roads & Bridges Bring Big Dollars**

Over 2026-27, the Shreveport-Bossier MSA will pick up \$190.9 million in new state road lettings. The top three projects funded are:

- \$24.4 million for the Kansas City Railroad overpass replacement at US371;
- \$12.8 million for the Market Street Bridge replacement at US71, and;
- 13.6 million for the Cross Bayou Bridge replacement.

In last year's edition we mentioned funding problems to replace the **Jimmie Davis Bridge**. That funding issue has been resolved and the \$361.7 million project is underway. In addition to a 4-lane bridge just north of the existing structure, the roadway on each side of the bridge will be widened and reconstructed to accommodate two lanes of traffic in each direction.

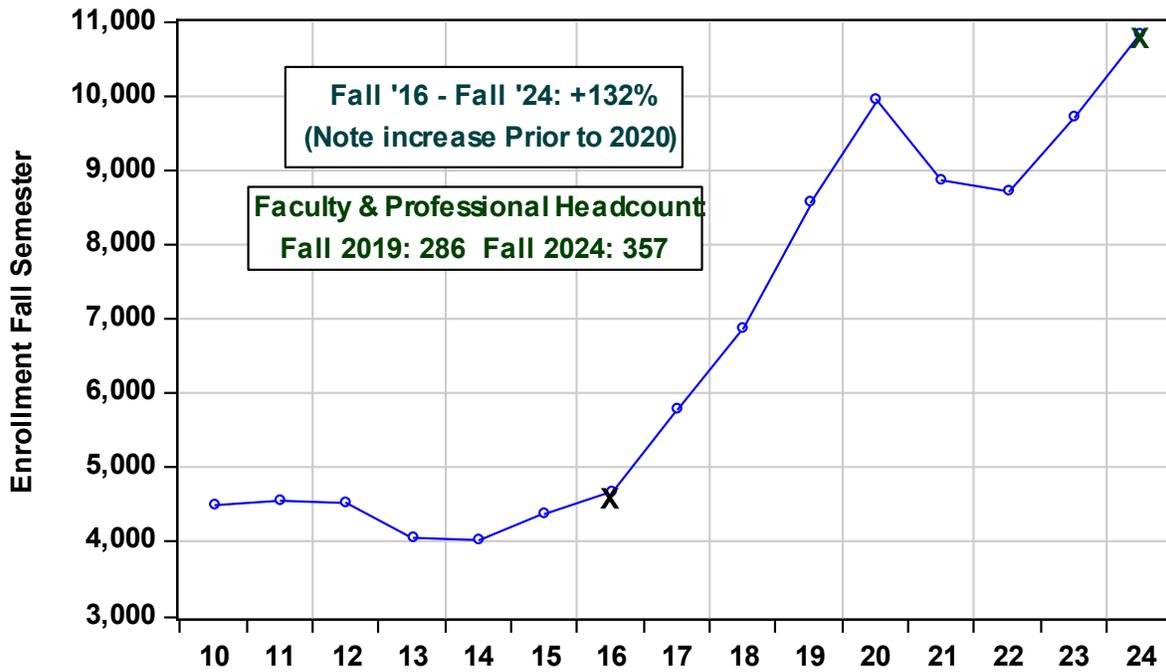
### **Are You Kidding Me? 59-0!!!**

Okay, this is an economic report, but how can one talk about the Shreveport-Bossier area without mentioning the remarkable 59-0 performance of LSU-S' Pilot baseball team. Anyone familiar with the sport knows it is impossible to go a whole baseball season without losing a single game. Isn't it? Congratulations to the Pilots for that remarkable season.

Speaking of LSU-S, Figure 33 tracks Fall enrollment at this university from 2010 through 2024. LSU-S is one of the few regional universities that has enjoyed a steady upward spike in enrollments over this period. Most have seen their enrollments dramatically fall. LSU-S enrollments have more than doubled since

2016. More enrollments mean more jobs. Faculty and professional headcount at LSU-S has risen from 286 in Fall 2019 to 357 in Fall 2024. By contrast, UNO's enrollment in Fall 2024 was less than half of what it was in Fall 2004, and the university is furloughing people.

**Figure 33**  
**LSU-S Enrollment**  
**Fall 2010 - Fall 2024**



Source: Board of Regents

## THE LAKE CHARLES MSA

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### Pedal to the Metal: Here Comes LNG

There are three parishes in this MSA—Calcasieu, Cameron, and Jeff Davis--the latter being added to the MSA for the first time this year.

These parishes are very different from each other. Calcasieu Parish is a very industrialized and thriving parish with the fifth fastest growing population in the state between 2010 and 2020. Cameron Parish is the largest in geographic size in the state but the second least populated parish in the state. Of the 64 parishes in the state, Cameron's population change over 2010-2020 was the second worst in the state (-18.2%). The development of the LNG export industry in Cameron has radically increased its growth prospects. Jeff Davis Parish has a much bigger agricultural base than the other two.

The parishes are located in the far southwestern corner of Louisiana (see Figure 10). The petrochemical industry is a dominating force in this MSA. Large firms in the region produce chemicals and refinery products. It is also now home to a new type of tenant: LNG exporters, three of which are operating in the MSA. A huge employer, the petrochemical/LNG industry employs over 8,000 direct employees and about 4,000 contractors at its 16 different chemical plants, two refineries, three LNG export facilities, and three industrial gas processing plants. Because these are very capital-intensive firms, there is an associated huge industrial construction sector for maintenance, repair, and construction work for these firms.

A second key industry is aircraft maintenance, repair, and overhaul (MRO). A major source of jobs in the region is the tenants at Chennault International Airport. Among the larger employers there are Northrop Grumman, Landlock Aviation, and Citadel Completions. Historically, there have been some very significant changes at the Airport that caused meaningful swings in this MSA's employment.

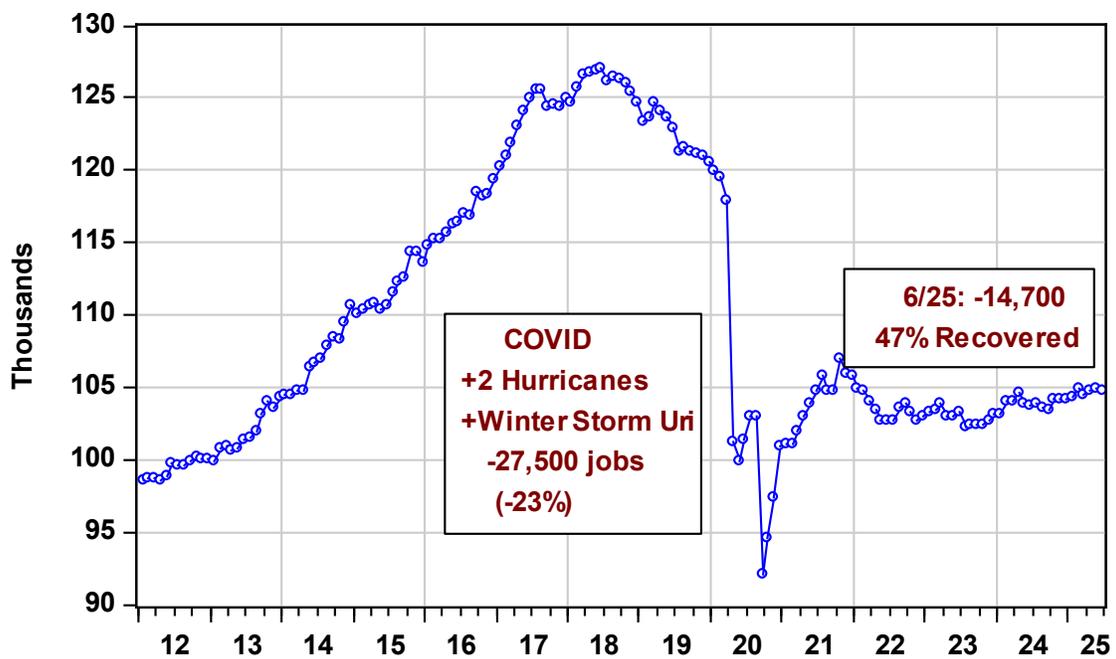
The gaming industry is particularly large in this MSA. In fact, Lake Charles has the largest casino market in the state, drawing as it does from the nearby Houston market. Three casinos operate in the MSA, plus the Delta Downs Racetrack. The two largest casinos are the riverboats L'Auberge du Lac and the Golden Nugget. The Horseshoe Casino (formerly the Isle of Capri) is the smallest of the three casinos but is the only one that has moved its operations onshore. The three casinos employed 3,817 people in 2025Q1. When **Delta Downs** added slot

machines it became a “racino,” and presently employs 493 people---making it the largest of the State’s four horserace tracks.

### Struggle to Recover from COVID

Unfortunately, Lake Charles has the worst record in the State in terms of recovery from the impacts of COVID. As seen in Figure 34, the MSA has recovered only 47% of the 27,500 jobs lost and remains 14,700 jobs short of full recovery.

**Figure 34**  
**Lake Charles MSA Nonfarm Employment (SA)**

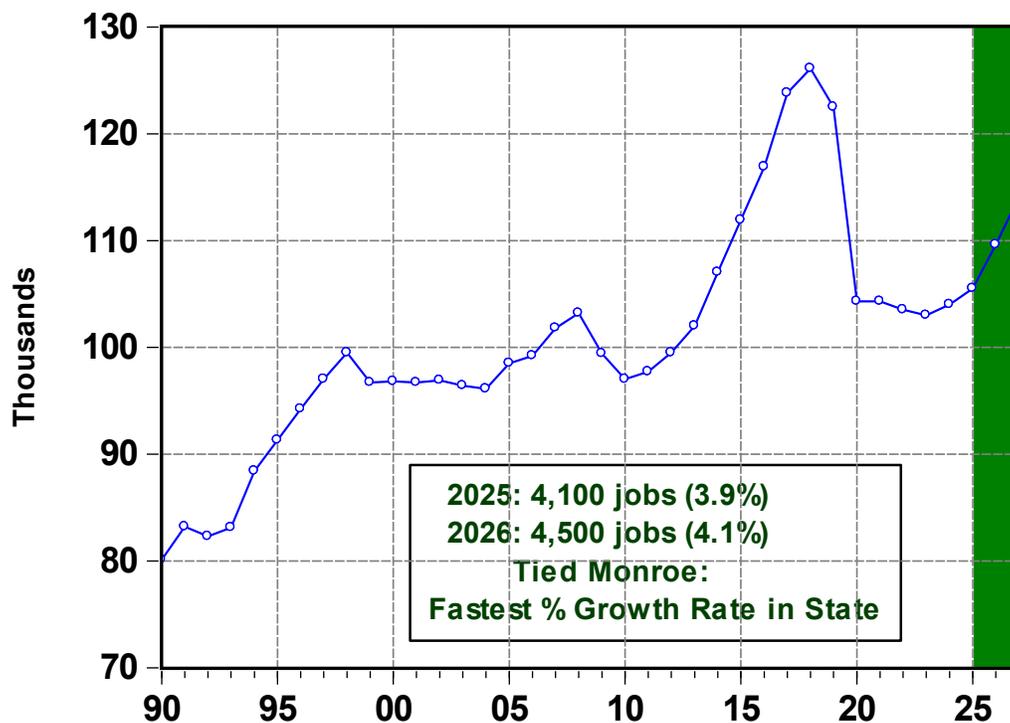


Of course, anyone living in this region can tell you that COVID was not the only disaster in 2020 and early 2021. Remarkably, the region was also hammered by two major hurricanes, Winter Storm Uri, and a flood. The Biden Administration added to the woes by placing the pause on further permitting of LNG export terminals, and the Calcasieu Ship Channel is the most LNG-Export-rich section in the entire country. We would argue that the region would have been fully recovered absent that pause.

## Forecast for 2026-27: Better Stand Back Folks

Figure 35 traces historical nonfarm employment in the Lake Charles MSA from 1990 through 2025, along with our forecast for the region for the next two years. **We are projecting 4,100 new jobs (3.9%) in 2026 and 4,500 jobs (+4.1%) in 2027.** This would tie the Monroe MSA for fastest growing MSA in the State and third in terms of absolute growth---behind the much larger MSA of Baton Rouge and New Orleans. Stand back folks; this rocket is taking off!

**Figure 35**  
**Lake Charles MSA Non-Farm Employment**  
**Forecast: 2026-27**



Source: Louisiana Workforce Commission & Loren C. Scott & Associates, Inc.

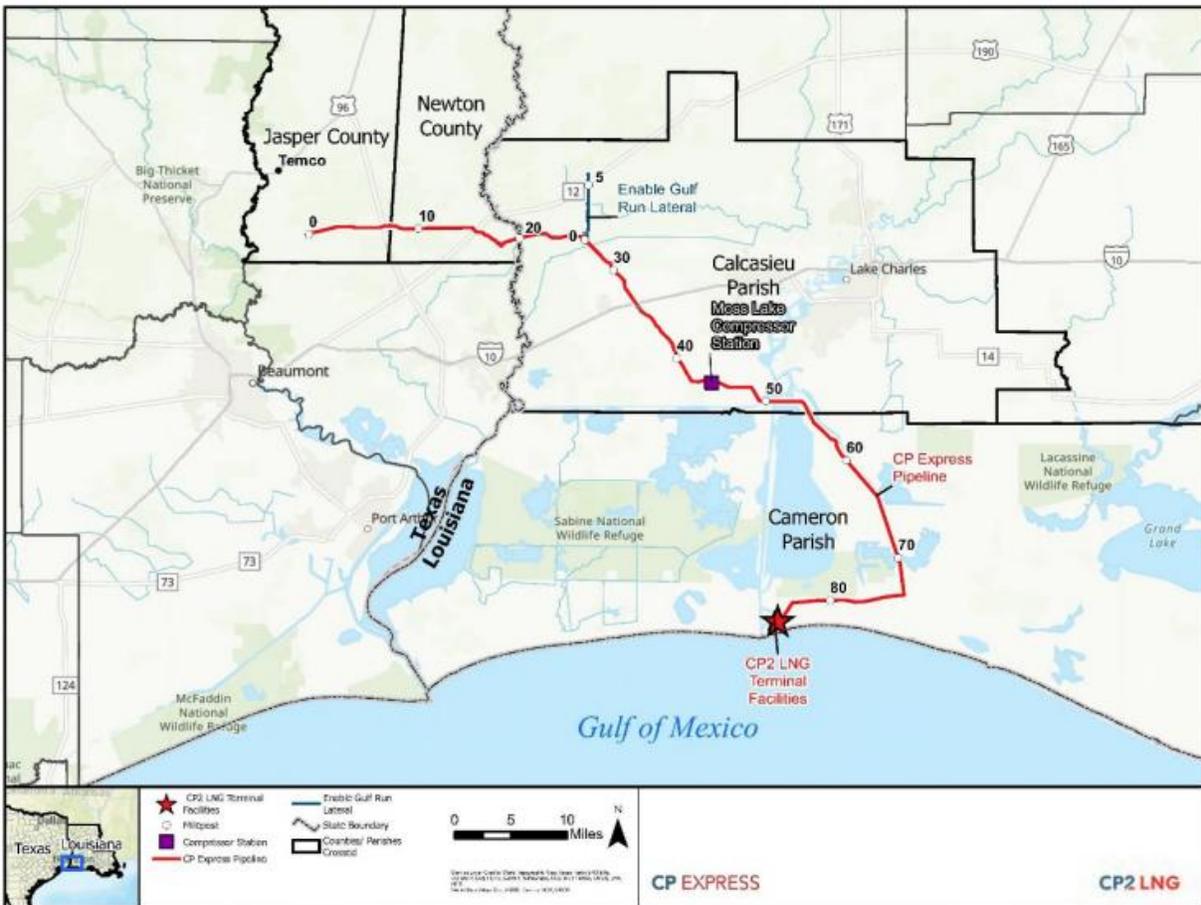
## New LNG FIDs Lighting the Rocket

Typically, a good employment growth rate in a region would be about 1.5%. What could possibly justify 3.9% and 4.1%, respectively over 2026 and 2027 for this MSA? The answer is the huge new LNG construction projects coming to the region now that the “pause” has been lifted.

In April, Woodside Energy announced an FID for its massive \$17.5 billion **Louisiana LNG** project. It was odd that the FID was issued with only 1 mmt/a (million tons per annum) of its 16.5 mmt/a capacity under contract to Malaysia. Stonespeak is investing \$5.7 billion in the project for a 40% equity share. The project will involve three 5.5 mmt/a trains, two storage tanks, two marine berths, and a 37-mile pipeline for feedgas. A great deal of site work had already been completed when the project was under Tellurian's Driftwood.

Woodside's great announcement was followed in July by Venture Global's FID for its \$15.1 billion **CP2** facility. This plant---an 18-train facility---will be located next to Venture Global's existing Calcasieu Pass project. It will involve the construction of the CP Express Pipeline (see Figure 36), a 91-mile pipeline to bring natural gas from the Haynesville Shale to the site.

**Figure 36**  
**CP2 Express Pipeline**



**Figure 1.1.2.1-1 Regional Location of the Proposed Project**

These two projects combine for a whopping **\$32.6 billion** in construction coming to the Lake Charles MSA. There is a high probability that before yearend, one or two more large LNG projects will issue an FID. At the top of this list is an \$11 billion **Commonwealth LNG** project. Permission was received from the DOE in June to export to non-free trade countries, and final permission orders have been received for FERC.

There has been a lot of action around Energy Transfer's proposed **Lake Charles LNG** project. This \$10 billion retrofit of a previously LNG import terminal has completed all permitting. Recently a "heads of agreement" was signed with MidOcean to fund 30% of the cost of the project. The site already has four storage tanks, two berths, and a trunkline system to connect to feedgas supplies. We are highly optimistic that an FID will be issued before year-end 2026.

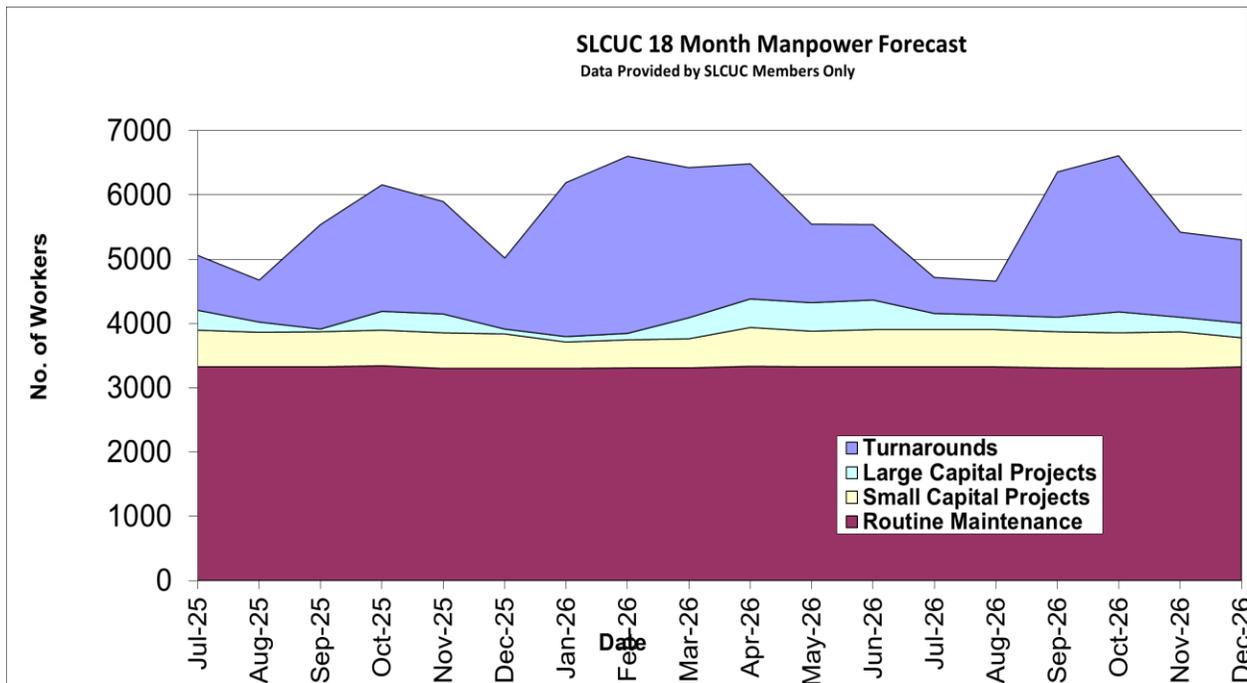
### **Industrial Construction: Expect Man Camps**

Multi-billion dollars in construction are going to generate thousands of industrial constructions jobs. So many that we expect the necessary return of man camps as occurred in the last 2013-18 boom.

Figure 37 shows the **South Louisiana Construction Users Council** survey of construction manpower needs through December 2026. Note that manpower needs were rising from 5,000 to about 6,500 by January 2026 simply due to planned turnarounds at existing plants.

Readers should focus on the very thin aqua portion that represents large, new capital projects. The huge Louisiana LNG and CP2 projects are going to radically widen the aqua portion. If Commonwealth and Lake Charles LNG issue FIDs as we expect, the aqua portion will likely exceed the width of the "routine maintenance" portion in the graph. A survey conducted by the **Greater Baton Rouge Industrial Alliance** for this area indicates nearly 25,000 more construction workers will be needed by 2026Q4. Man camps will be needed to house the workers.

**Figure 37**



**Stick-to-Modular Will Temper Construction Growth**

There is one key factor that will temper somewhat the growth rate in construction employment in the MSA. A major technological change has taken place in industrial construction in the past few years. Typically, a plant was built using **stick construction**. Site work was done, then foundations were laid, and then the vertical parts of the plant were constructed piecemeal on site. All the construction workers had to be at the plant site.

Now these plants are built using **modular construction**. While the site work is being done and foundations are being laid, construction of the vertical components are already underway—possibly at a different location, in an enclosed environment where there are no weather delays. Modular parts are then moved by barge into the Gulf to the plant site and tinker-toyed together.

Having these modular components built at, say, the Port of Iberia or the old McDermott site in St. Mary Parish, means all the construction workers do not have to be in the same locale. There are tremendous efficiency gains and cost savings. This is a primary reason we are projecting especially nice growth over 2026-27 in Iberia and St. Mary Parishes.

This will not detract from the virtual explosion in construction worker jobs in the Lake Charles MSA.

### **Good Grief, Even More May Be Coming**

Only projects that have issued an FID, or have a very high probability of issuing one before year-end, have been described. There is a mind-boggling \$68.4 billion in other projects announced for the MSA that have not yet issued an FID. They include:

- Venture Global's **CP3** project is projected to be the company's largest LNG export project to date---\$28 billion. A 20mmt/a plant, an FID is forecasted for 2027. Given the track record of this company, we place a high probability of this one reaching an FID.
- It would not be surprising to hear of an FID being issued by **Cameron LNG** for a fourth train, capable of producing 6.75 mmt/a, to be added at its site. No CAPEX has been announced for the project, but we suspect it will exceed \$4 billion. Sempra already owns the land and a short pipeline, which raises significantly the probability that this project may achieve an FID, possibly before yearend.
- **Cheniere LNG** is now projecting 2026 for an FID for the 5<sup>th</sup> stage at its Sabine Pass site. No CAPEX has been indicated, but we believe it will exceed \$4 billion. The company may build a pipeline to connect to the Haynesville or other natural gas sources.
- **Lake Charles Methanol** signed another option with the Port of Lake Charles on land for its \$3.2 billion hydrogen-to-methanol project. We understand the project is on schedule to secure all major permits to start construction, and the company is in the process of going to bank groups and private equity for funding. After 10 years of watching this project, we are losing confidence in its future.
- In late 2024, **Crescent Midstream** announced plans for a \$1 billion integrated carbon capture and storage (CCS) project. It would capture emissions from Entergy's Lake Charles Power Station.

- An ITEP was received in 2024 by **Crescent Coast Energy** to build a \$436.8 million solar farm on 2,000 acres of land. It will involve multiple rows of solar panels, along with transformers and transmission lines.
- **Black Bayou Gas Storage** is proposing a \$400 million project to help firms manage price volatility and increased demand intermittency. It would involve four storage caverns located 18 miles south of the Gulf coast. Work is planned for a 27-mile pipeline to the industrial users, with a hope to start service in 2028.
- We understand that **CITGO** has major new projects on the planning board over the next three years that would total \$400 million. CITGO is in the process of being acquired by Dalimar Energy Corporation, a Canadian company.
- Last year we indicated that **W.R. Grace** would like to construct a \$234 million expansion of its Zeolite water softening process. This would include new equipment, upgrades of existing equipment, new storage tanks, and a 54,000 square foot warehouse. Our understanding is that this project is on hold.
- It appears there is a low probability that **Project Cypress** will be initiated over our forecast period. This is a \$100 million direct carbon capture project at the GCS storage site that would create 140 permanent jobs.
- Not included in our \$68.4 billion in announced projects is the **Delfin LNG** export project. This would be a \$7 billion **floating** LNG system located 37-41 miles off the coast. Plans are for four floating LNG (FLNG) ships housing all the trains. An FID is projected for later this year with the first FLNG due from Samsung Heavy Industries Shipyard in 2029.

### Major Industries Remain Solid

Happily, the huge chemical/refining base in this MSA remains very solid. **Westlake** employs 1,846 Westlake personnel and 475 contractors at its four sites, and is examining plans to expand its south plant (formerly PPG). **GITGO's** headcount is now at 1,085 GITGO workers and about 2,000 resident contractors.

As mentioned above, the company is expecting to spend about \$400 million on capital projects over the next three years.

At **Phillips 66**, there are about 716 company employees and 400 resident contractors. An ITEP is being sought for a \$99 million upgrade of the refinery. The large **Sasol** complex employs 779 people with another 404 resident contractors on site. Its joint venture with Lyondell Basel employs 450 people and 1,000+ contractors. The JV between **Lotte and Westlake** is finishing up \$110 million in capital projects. This unit employs 263 people and 75-100 contractors. **W.R Grace** employs 358 at its plant in Sulfur.

**Firestone** has 277 at its tire manufacturing plant, a number that is expected to be stable. The PPG Silica plant was purchased by a Polish company---**Qemefica**. Now at 201 employees, the company is looking for opportunities to modernize and improve. Add to this list the people presently working at the region's three existing LNG facilities: **Cheniere** – 459; **Venture Global** – 354; **Cameron** – 309.

### **Chennault: New Hangar Ahead?**

A significant contributor to diversity in the Lake Charles economy is **Chennault Air Park**. There are currently 1,065 people employed at the various companies at Chennault, ranking it #3 among all 68 airports in the State by this metric. It ranks #2 in total payrolls.

The largest employer at the site is **Northrop Grumman** with 350 employees. NG provides MRO services for many military aircraft and is now partnering with private carriers for this work. Pending new contract awards, the company expects to expand by 75 jobs.

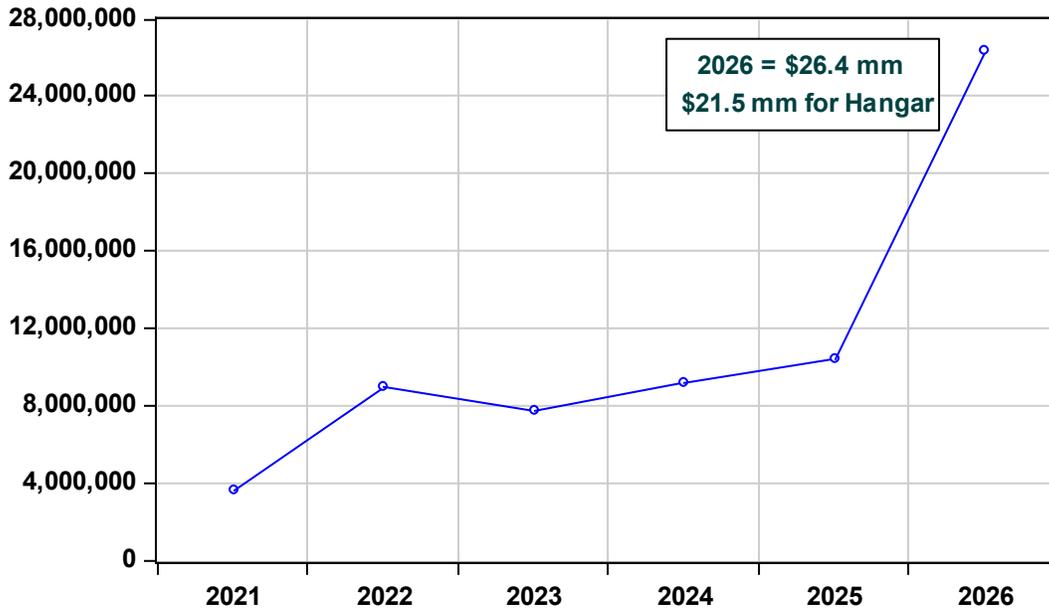
**Citadel Completions** performs aircraft interior modifications for large, commercial-sized aircraft. The company also performs MRO work on these aircraft, which focuses on high wealth individuals. Citadel occupies two hangars and an administrative building, employing 209 employees. The expectation is to grow this number to 280 by 2027. Currently, Citadel has 10 planes on deck at a time.

A current workforce of 130 people works for **LandLocked Aviation**. This company paints aircraft for military (KC30, C130, P3, C40, etc.), commercial, (United, Delta) and VIP clients, and plans to add 30 more people by the end of 2025. If final funding is managed for a new hangar, LandLocked will add another 100 people.

The prospects of the new hangar is what is responsible for the expected spike in capital expenditures at Chennault shown in Figure 38. Of the \$26.4 million planned for 2026, \$21.5 million is for the new hangar.

**Figure 38**

**Chennault Capital Expenditures: 2021-26**



Source: Chennault International Airport

A smaller, but steady, long-term tenant at the Airpark is **Louisiana Millworks**, Louisiana largest supplier of residential interior and exterior doors. A subsidiary of Owens Corning, the company employs 63 people and has annual revenues of over \$35 million. **Louisiana Wildlife and Fisheries** maintains an office on site with 59 employees. Chennault has serves as an important staging area for emergency and catastrophic events, such as Hurricanes Laura and Delta.

**Also Solid: Gaming**

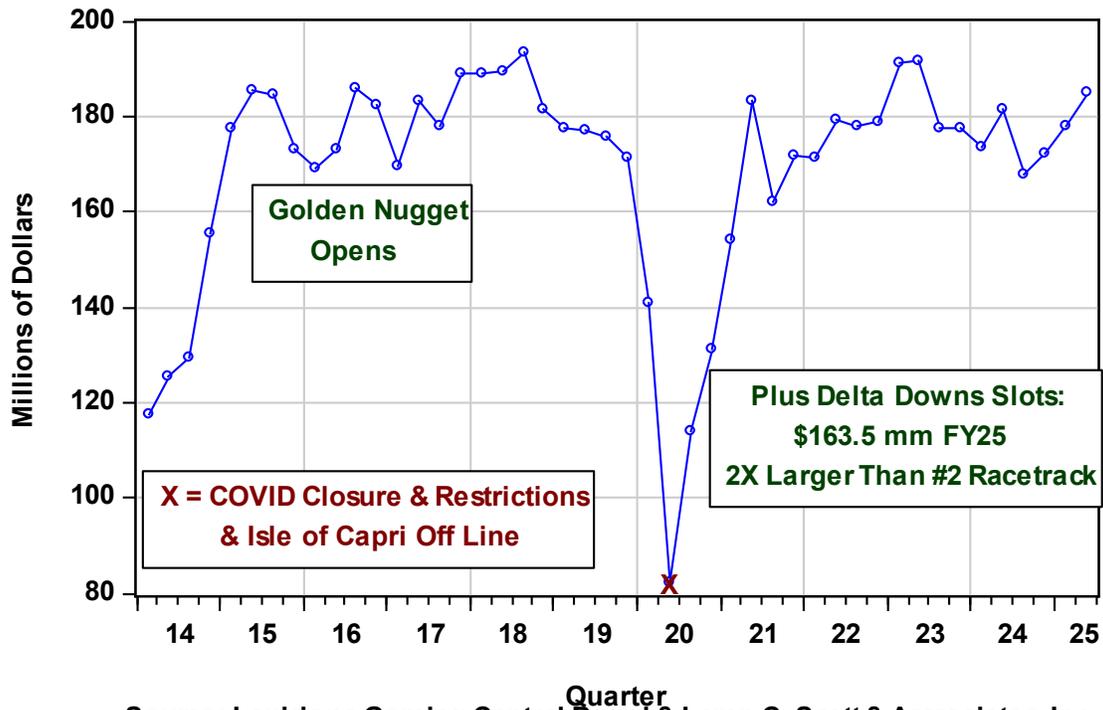
Louisiana’s largest gaming market is in Lake Charles. Being close to the enormous Houston market, with little or no gaming competition, has made this an attractive market for Texas gamblers. In 2025Q1 there were 3,817 people employed in the three casinos, and another 493 at the Delta Downs Racetracks.

Note in Figure 39 that the average quarterly adjusted gross revenues from the areas three casinos has been in the \$180 million market since post-COVID. In FY25, the total AGR from the three casinos was \$703.9 million---31% higher than #2

New Orleans. Delta Downs Racetrack added another \$163.5 million in AGR for the market. Delta Downs' AGR is twice that of the #2 racetrack in the State.

**Figure 39**

**Casino Gross Revenues: Lake Charles**



Source: Louisiana Gaming Control Board & Loren C. Scott & Associates, Inc.

**Rebound at the Port**

This year was a down one for Corps spending at the Port. From \$69.8 million in 2024, Corps spending declined by one-third to \$43.5 million this year. The really good news is the Corps plans to spend \$120.4 million in 2026---almost doubling the 2024 number. The \$135 million project for berth and transit sheds 4, 5, and 6---the largest capital project in the Port's history---will be completed in 2026Q3

Phase one of the Industrial Canal Redevelopment is scheduled for starting August 2025. It will support new and existing clients and increase general cargo handling capacity. The Port is working with the Lake Charles Methanol project (mentioned above) on a logistical study to get modules and equipment to its site at the Port.

## Finally: A New I10 Bridge

A nice positive jolt for the Lake Charles economy will come from the \$2.3 billion project to construct a new **I10 bridge replacement**. A seven-year build-out will be required for this enormous capital project that will cover 5.5 miles in total. About \$1.2 billion of the cost will be covered by State and federal monies. The rest will come from tolls to cross the structure.

A major stimulus will come to the region from the **Coastal Protection and Restoration Authority**. The CPRA will be pumping \$254.7 million into the region over 2026-27. The largest project will be \$147.5 million Calcasieu-Sabine large scale marsh and hydrologic restoration.

**State road lettings** over the next two years total \$63.6 million, down from \$90.1 million last year. The largest projects are:

- \$7.6 million to overlay US90 from LA397 to Jeff Davis Parish, and;
- \$5.6 million on LA1138 improvements.

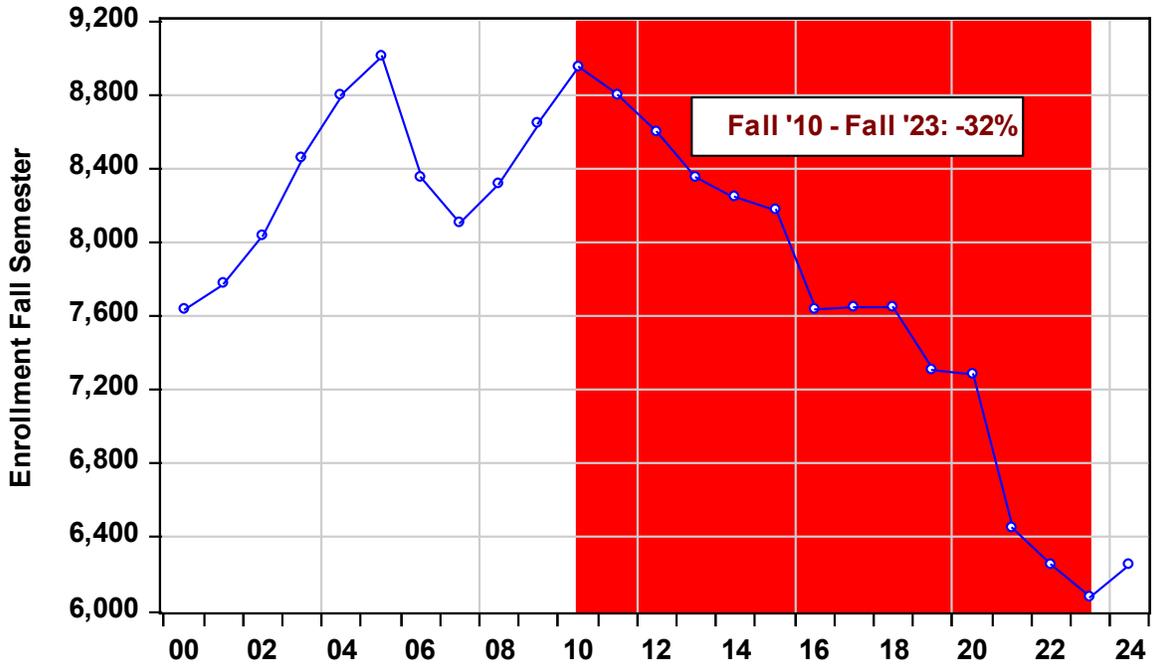
## The One Worrisome Issue: McNeese State

**McNeese State University** is an important economic, and diversifying, cog in the Lake Charles economy. The university has, unfortunately, been in an enrollment skid (see Figure 40) that desperately needs a reversal. Enrollments have fallen one-third, from near 9,000 in Fall 2010 to around 6,300 in Fall 2024.

This deteriorating enrollment phenomenon is not unique to Lake Charles. Similar trends have occurred at Northwestern, Nichols, Louisiana Tech, and especially UNO. Fewer enrollments mean fewer restaurant meals, clothing sales, sales tax collections, entertainment expenditures, etc. Decision makers may want to look at LSU-S and LSU-A where enrollment trends have gone steadily upwards.

Figure 40

McNeeseState University Enrollment  
Fall 2000 - Fall 2024



Source: Board of Regents

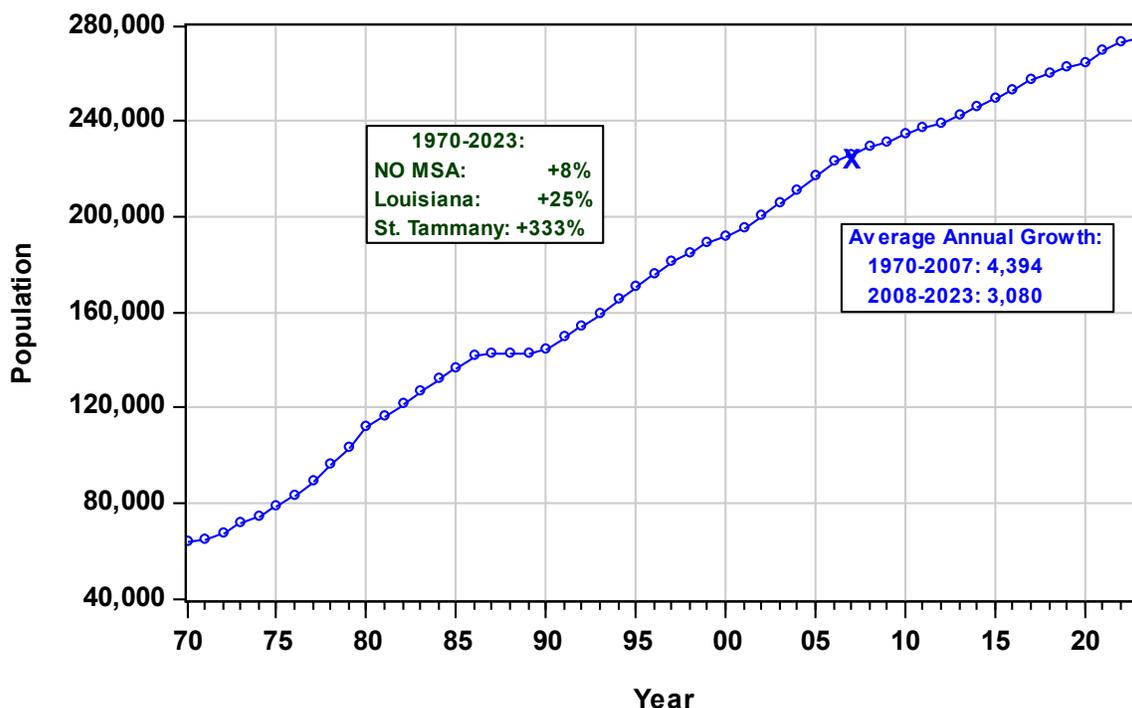
## THE ST. TAMMANY MSA

### Bedroom Community Never Stops Growing

This is the first year of existence for the St. Tammany MSA (formally known as the Slidell-Mandeville-Covington MSA). Since at least the 1970s, the population of St. Tammany Parish has been the fastest growing of any of Louisiana's 64 parishes. As seen in Figure 41, the Parish's population has been a freight train moving steadily upwards.

Figure 41

### St. Tammany MSA Population 1970-2023



### Bedroom Community of New Orleans

This remarkable growth pattern was fueled by people fleeing the greater New Orleans public schools and high crime rates for this bedroom community on the Northshore. St. Tammany households gave up their residencies in Orleans and Jefferson Parishes, but not their jobs. **While the population of the New Orleans MSA expanded by only 8% over 1970-2023, St. Tammany's exploded by 333%! Over that same time period, the State's population expanded by 25%.**

St. Tammany's close ties to the New Orleans economy can be parsed out in two other ways. First, readers might note an almost imperceptible change in St. Tammany's population growth rate starting in the 2006-07 timeframe. Up to this point the Parish's population was adding about 4,394 people annually. Post this time frame, the population still rose steadily, but at a slower 3,080 people annually. The source of this reduction can be easily viewed back in Figure 13, which tracks employment in the New Orleans MSA. **Hurricane Katrina** dropped the New Orleans MSA employment by a stunning 133,700 jobs (-21.8%) and its population by 346,000 (-25%) ---a decline from which the MSA is far from recovering. An associated bedroom community could not avoid the negative impacts of that storm on its major income source.

**A Much Smaller “Bedroom” Component**

An obvious question is: Why didn't the St. Tammany population face the same calamitous fall as the New Orleans area? The answer is seen in our second point, documented in Table 7. St. Tammany Parish has become less and less dependent on the New Orleans economy for its jobs and has been steadily developing its own unique jobs cluster. Back in 1980, almost two-thirds (62.5%) of the earnings of people living in St. Tammany Parish were earned outside of the Parish. The latest data (2023) show that percentage now is 28.7%. While this figure is still high, it is clear that **St. Tammany is becoming more and more independent.**

**Table 7**

**Total and Out-of-Parish Earnings of St. Tammany Parish Residents**

Year	Total	Out-Of-Parish	% Out of Parish
1980	\$881.2 Million	\$551.3 Million	62.5%
2001	\$4,364.5 Million	\$2,198.4 Million	50.3%
2023	\$13,612.1 Million	\$3,905.4 Million	28.7%

Source: [www.bea.gov](http://www.bea.gov) & Loren C. Scott & Associates, Inc.

What evidence is there of this growing independence? **Chevron's Gulf of Mexico Business Unit**, from which it directs the company's huge operations in the Gulf, is located in Covington. The large operator of offshore service supply vessels--**Hornbeck**--- is also located there. **C-Innovations**, an Edison Chouest (EC) company, manages the company's subsea operation from Covington, as does another EC company, **Marine Technologies**, a dynamic positioning and controls systems manufacturer.



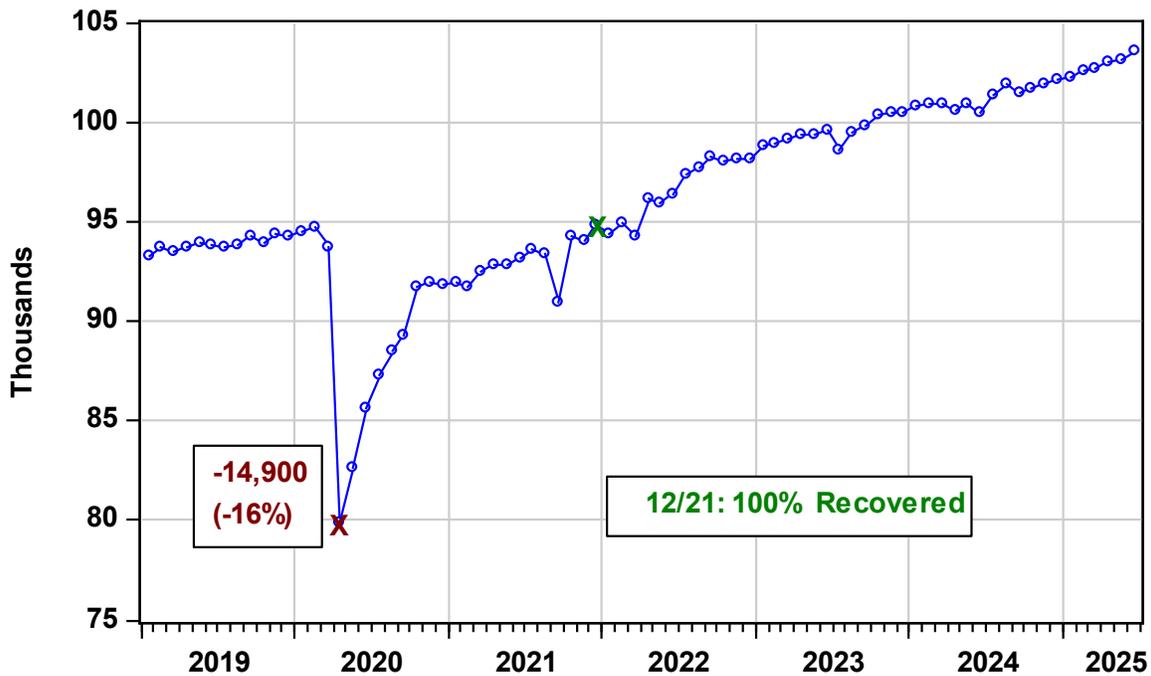
The world's largest distributor of swimming pool supplies and equipment, **Pool Corp**, has its headquarters on the Northshore, as are two benefits coordinating companies---**Healthcomp** and **Gilsbar**. **Zeno Grain** manages its grain elevators and barges out of its Mandeville office. The large EPC firm---**Ampirical**---makes its home in Covington, and **Textron Marine** manufactures a wide assortment of vehicles at its plant in Slidell.

These are just a few of the firms that have moved that 62.5% figure in Table 7 down to 28.7%. As an aside, St. Tammany is the only MSA in the State without a major university within its boundaries.

### Rapid Recovery from COVID & Ida

This MSA has an enviable record in recovering from the COVID shutdown and the effects of Hurricane Ida. Figure 42 shows the trail of monthly seasonally adjusted nonfarm employment in this MSA from January 2019 through June 2025.

**Figure 42**  
**St. Tammany MSA Nonfarm Employment (SA)**



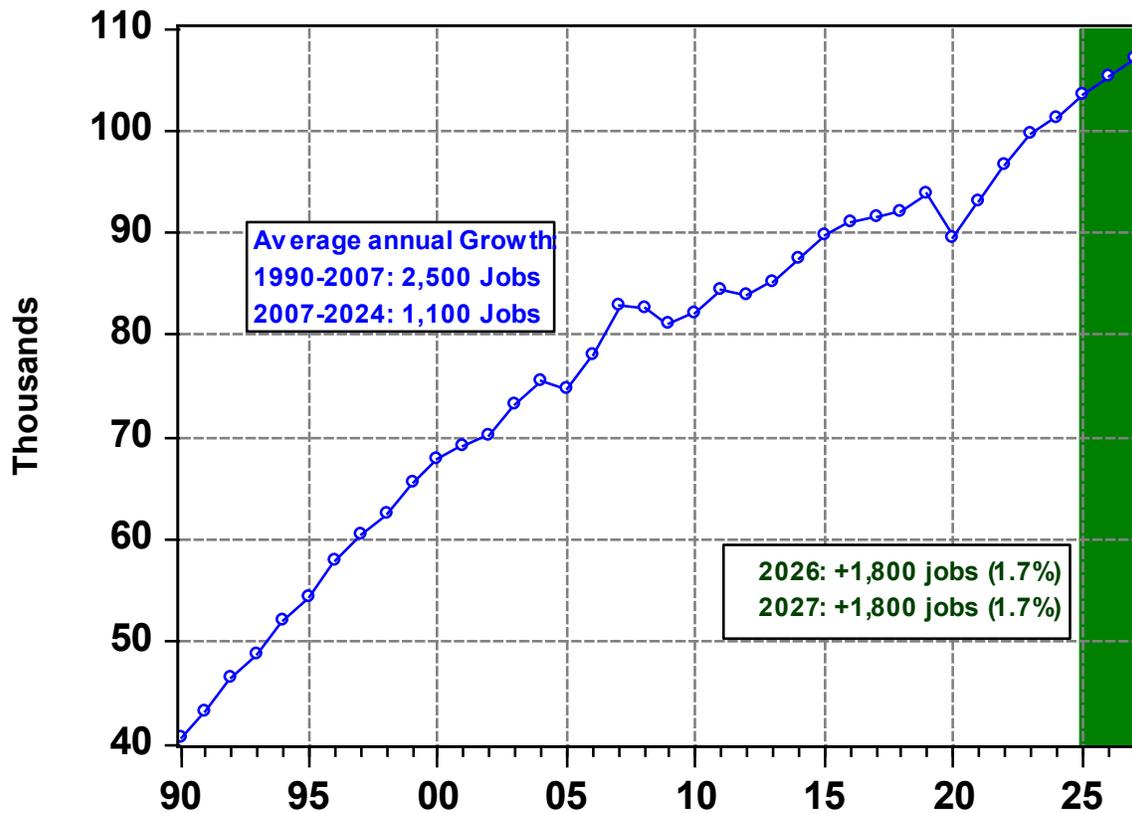
After dropping 14,900 jobs (-16%) due to the shutdown, St. Tammany began a steadfast job-creation pace that resulted in full recovery by December, 2021, one of the fastest recoveries among Louisiana's 10 MSAs. This occurred despite

the interruption of Hurricane Ida, from which St. Tammany recovered in only one month.

**Forecast for 2026-27: Freight Train Keeps Chugging**

Figure 43 shows St. Tammany’s nonfarm job growth from 1990 through 2025, along with our forecasts for 2026-27. There appears to us no barrier to keep this freight train from continuing its climb. **We are projecting that this MSA’s growth pattern will stay the course over the next two years, creating 1,800 new jobs a year (1.7% annually).** This would rank the Parish 7<sup>th</sup> among the 10 MSAs in absolute growth and 5<sup>th</sup> in terms of percentage growth.

**Figure 43**  
**St. Tammany MSA Non-Farm Employment**  
**Forecast: 2026-27**



Source: Louisiana Workforce Commission & Loren C. Scott & Associates, Inc.



## Consistent Job Growth Among Big Players

One reason this freight train should continue its unwavering climb is the expected job expansions among the larger players on the Northshore. Specifically, **Amazon** is expected to open its 140,000 square foot “last mile” delivery center in Slidell toward the end of 2025. This will create 250-400 jobs paying \$15 an hour.

**Ampirical** performs engineering and general EPC work for electrical grids and substations, a sector that is booming now due to growth in the LNG export sector. Now at 336 employees on the Northshore, Ampirical is spending \$43 million on a new 5-story building. The first three floors will be fully built out, and the 4<sup>th</sup> and 5<sup>th</sup> floors will be completed when needed. The company plans to add 50 new employees a year over 2026-27.

**Pool Corp** now has 5,000 employees in 13 countries. There are 400 people employed at its headquarters in Covington, a number that is projected to grow about 4% annually. Benefits companies **Healthcomp** and **Gilsbar** were at 454 employees at our last count and are expected to continue to add jobs.

Satellite phone company **Globalstar** is also headquartered in Covington, with 400 employees worldwide and 160 in Covington. The company recently opened a new 10,000 square foot Satellite operations control office and project adding 75 new jobs. In July, Globalstar inked an agreement with Space X to add nine new low earth satellites in orbit. The Army is researching the ability of Globalstar satellites to support covert surveillance, drone operations, location targeting, etc. This could lead to another spurt in employment on the Northshore.

**Textron Marine and Land Systems** employs 170 at its headquarters and manufacturing site in Slidell. This unit of Textron has delivered over 12,000 of its COMMANDO family of armored security vehicles worldwide and it also manufactures the Big Dog 4X4 wildland fire truck. Textron has built two prototypes of the Cottonmouth, a 6X6 amphibious vehicle for the Marines. Swim tests have been completed and Textron is one of two companies competing for a major award that could notably boost the company's employment in Slidell.

## Unclear Path for Offshore

While the jobs future for the companies listed above are fairly straightforward, the waters are muddier for two major companies working the

offshore oil and gas exploration sector. Chief among these is the 541-person **Chevron Gulf of Mexico Business Unit**. Figure 44 illustrates the major Chevron assets in the Gulf that are overseen by this unit.

**Figure 44**



Source: Chevron Gulf of Mexico Business Unit

Production was started in the Ballymore and Whale Fields this year, and oil has been discovered in the Far South Field. Chevron announced in July that it would be going through a significant restructuring that would reduce its workforce 15-20%, but “with local variances.” That phrase in quotes may be the very thing that protects present employment in Covington from a major hit. If there are layoffs, they would not likely be large enough to trigger a WARN (Worker Adjustment & Retraining Notification) notice to the Louisiana Workforce Commission. Fingers crossed.

Another offshore player with significant employment in Covington is offshore supply vessel company **Hornbeck**. Hornbeck now operates 52 offshore supply vessels (OSVs), and has two more under construction and a third under conversion. The company has 1,501 employees, most of whom operate out of Port Fourchon, with some in Mexico and Brazil. There are 185 people employed at the Covington headquarters, a number expected to expand to 208. Hornbeck's future job situation is more positive than Chevron's, with the possibility of bringing 18-20 ships---presently cold-stacked---into service over the next three years.

### **Lettings Down, CPRA Up**

When it comes to big public construction monies, the message for St. Tammany is mixed. **State road lettings** for 2026-27 are at \$178.1 million, down significantly from last year (\$271.7 million). The largest project on this Parish's list is \$116.1 million for an interchange at I12 and LA434.

Somewhat offsetting the decline in road lettings is a bump in monies coming from the **Costal Protection and Restoration Authority**. Last year, the CPRA's allotment to St. Tammany was \$35.3 million. This year it is \$52.2 million with the two largest projects being:

- \$34.5 million for the Bayou Cane Marsh Creation project, and;
- \$8.9 million for the Eden Isle Flood Risk Reduction project.

## THE HOUMA MSA

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### Desperate Need for Gulf Rebound

No MSA in the State---actually no MSA in the country---is more energy dependent than this one. Of its total employment, 6.5% is directly in oil and gas exploration versus 1.6% at the state level. Located in Southcentral Louisiana on the coast (see Figure 10), it is comprised of two parishes---Lafourche and Terrebonne. Not only are there a large number of direct jobs in the exploration industry, but there are many other support companies---machinery, fabrication, shipbuilding, water-borne transportation, and a port---that feed off of extraction activities.

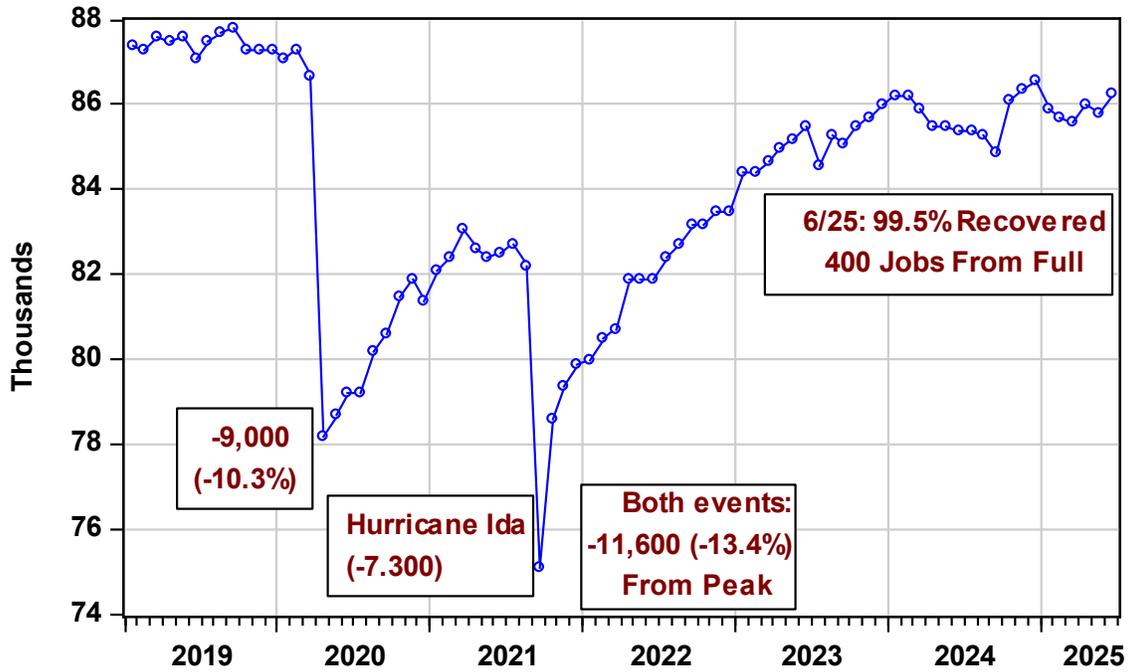
The fabrication industry is quite large in this region, largely founded on building components for offshore oil and gas exploration/production. Now many are busy trying to diversify into non-oil and gas related work. They also have shifted towards more maintenance and repair work on offshore facilities, led by companies such as **Grande Isle Shipyards**, **Danos**, **Gulf Island Fabricators** and **Chett Morrison**.

Shipbuilding is a major employer in the region---an industry that used to be totally focused on offshore energy work but has now diversified into other areas. Perhaps the largest of these ship-building companies is **Edison Chouest** a firm that owns and operates some 300 supply boats servicing the offshore industry but also builds boats to service the offshore wind industry and other vessels. Many of these ships operate out of **Port Fourchon**, a small city on the Gulf, which services about 90 percent of the offshore platforms and drill ships in the Gulf of America. **Bollinger Shipyards** is another huge shipbuilding player in the region. Originally building ships for offshore work, this company now has long-term contracts with the Coast Guard to build several Fast Response Cutters. **Thomas-Sea** is a shipyard that has made the shift into non-oil and gas vessels such as research vessels and brown-water barges.

### Finally Recovered from COVID & Ida

It has been a long slog for this MSA, but it appears that by late summer or early Fall, the Houma MSA will be completely recovered from the 11,600 jobs the region shed from a combination of the COVID shutdown and Hurricane Ida. As of June, 2025 the Houma MSA was short only 400 jobs from full recovery (see Figure 45).

**Figure 45**  
**Houma MSA Nonfarm Employment (SA)**

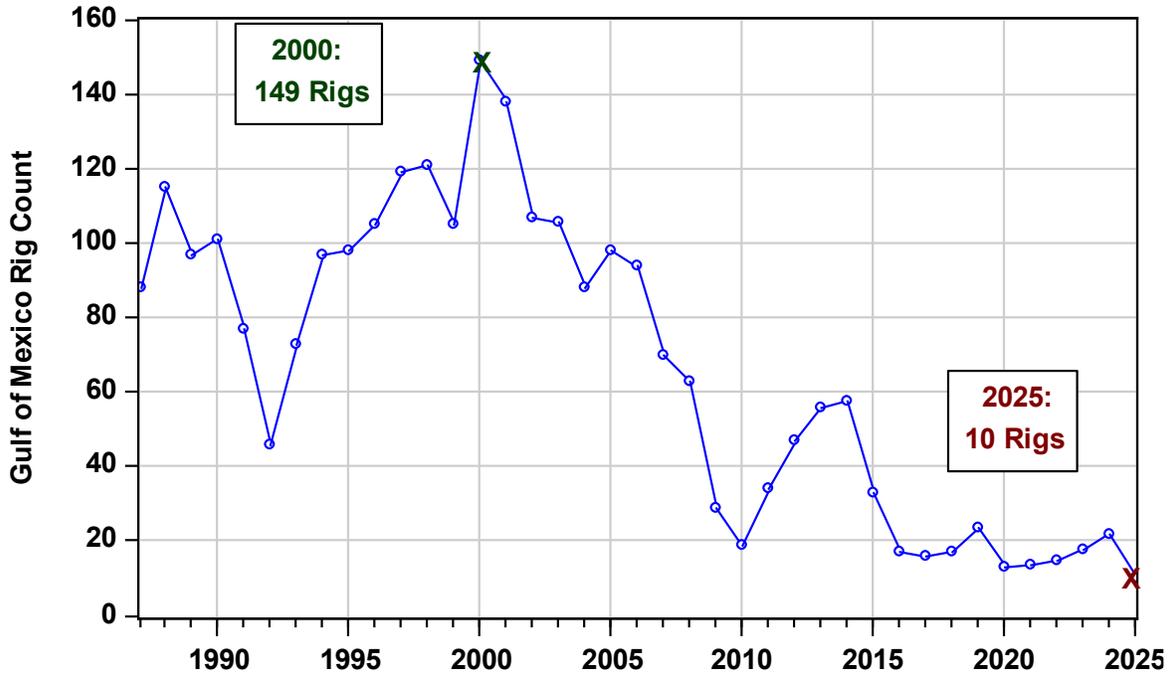


Source: Louisiana Workforce Commission & Loren C. Scott & Associates, Inc.

While the recovery from those two devastating events is certainly great news, careful readers will note how sluggish employment has been since mid-2023. We attribute that weak performance to the attack by the Biden Administration on all fossil fuels, and particularly on exploration activity in the Gulf. The combination of greatly reduced lease sales, higher royalty rates, increased regulation, and slower permitting has had exactly the impact for which that administration was hoping.

We recreate the Gulf rig count data from Figure 28, back in the Lafayette section, below again in Figure 46. This summer the Gulf rig count has declined to just 10, a level not seen in at half a century. This MSA is heavily wedded to the offshore industry. When it is exuberant, so is the Houma MSA's economy. Unfortunately, the opposite is also true. Getting this Gulf rig count out of the doldrums is the very key to the health of this economy.

**Figure 46**  
**Gulf of America Rig Count:**  
**Month of August**



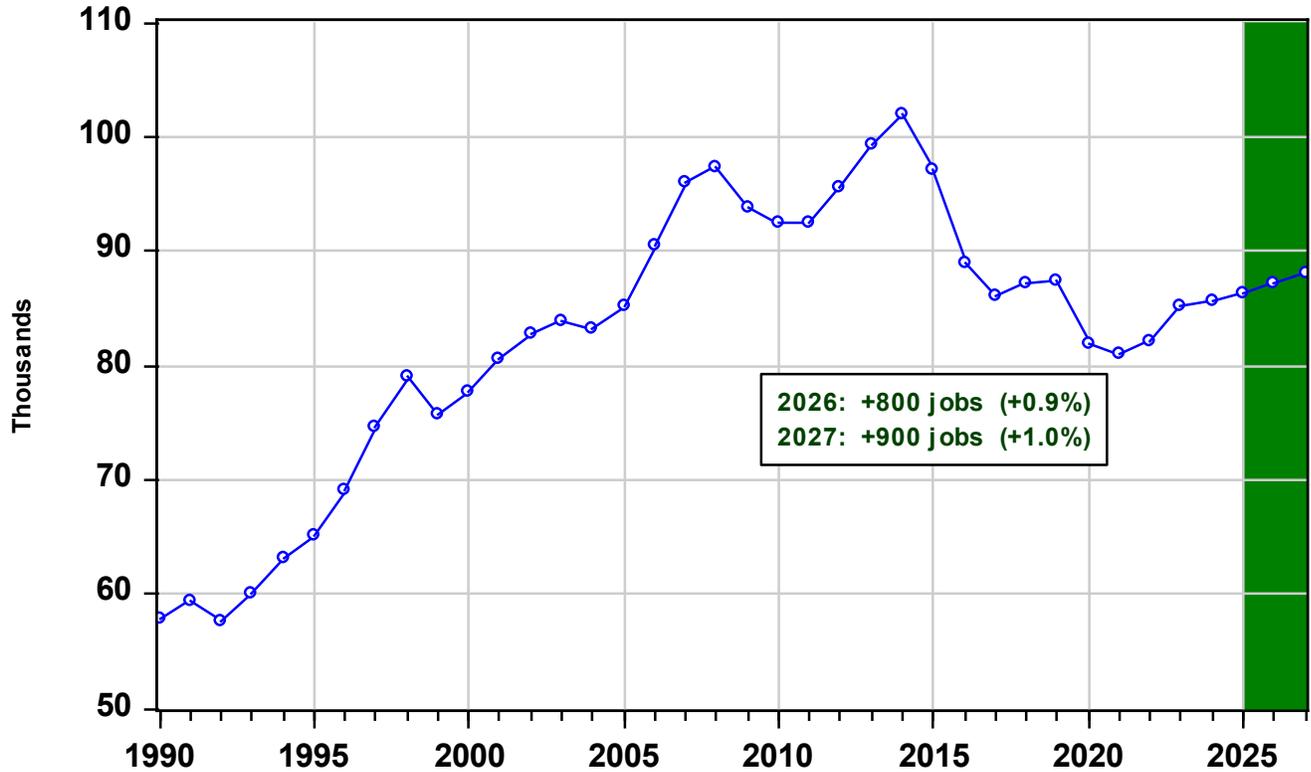
Source: Baker Hughes & Loren C. Scott & Associates, Inc. Data are for Louisiana & Texas

**Forecast for 2026-27: Come on Gulf!**

Figure 47 tracks nonfarm employment in the Houma MSA from 1990 through 2025, along with our forecasts for 2026-27. **We are projecting 800 new jobs in 2026 (+0.9% and another 900 jobs in 2027 (+1%)).** This forecast basically continues the trend of the past two years and would rank the MSA 9<sup>th</sup> among the 10 MSAs in the State in both absolute and percentage growth.

Figure 47

### Houma MSA Employment Forecast 2026-27



Source: Louisiana Workforce Commission & Loren C. Scott & Associates, Inc.

### Hope for Relief in the Gulf

Hope for a much better growth trend than the one we have projected depends almost exclusively on a more invigorated recovery in the Gulf. Biden's anti-fossil fuel policies have pushed deepwater exploration firms into the waters off Brazil, Guyana, and the North Sea.

The good news is that President Trump has been very busy reversing all those impediments under his "Drill, Baby, Drill" program. Relief is coming from the administration in terms of many more lease sales, more timely and easier permitting, favorable tax treatment of intangible drilling costs, and lower royalty rates. It would be difficult to overstate the value of these changes to the industry.

Unfortunately, these more favorable conditions are being heavily offset by (1) higher tariffs on steel, aluminum, and copper---all heavy components of

offshore exploration and production, and (2) the President's desire for oil prices in the \$40 a barrel range. As covered in the "Assumptions" section of the LEF, the President's energy policies are inconsistent. One cannot have energy independence and tariffs on aluminum/steel/copper and \$40 a barrel oil simultaneously. OPEC+ is not helping matters by returning its 2.2 mmb/d in previous output cuts back on the market.

The one source of hope for this MSA is that the Saudis do not like low oil prices. By one account, the kingdom needs \$81 a barrel oil to cover its sovereign budget. Will the Saudis ultimately reverse engines and pull back enough output to get the price near \$80 again? That would overcome a lot of negative tariff impacts.

### **Shipbuilders Provide a Punch**

A very healthy shipbuilding industry provides a solid foundation for this MSA. The largest is **Edison Chouest** (EC). In addition to its 550-person headquarters, EC has three other shipyards. In addition to a 5-10% growth at the headquarters, EC's LaShip Shipyard is expected to add 200 jobs to its 800-person workforce. There are about 600 maintenance workers at EC's North American Shipyard, with plans to add about 30 more over our forecast period. A real potential for growth exists at the North American Shipyard at Port Fourchon, where about 1,000 people work, as the Port develops Fourchon Island. That lies outside our forecast period.

Another very healthy and large shipyard in the region is **Bollinger Shipyard** in Lockport (see Figure 48). Bollinger's 650-person workforce looks very solid for the near future due to its production of the Coast Guard's Sentinel-Class Fast Response Cutter. In May 2024, contracts were awarded for the 68<sup>th</sup> and 69<sup>th</sup> cutters in the program, and Trump's Big Beautiful Bill has allocated another \$1 billion for the program and \$4.3 billion for 9 offshore patrol cutters. This July, Bollinger was awarded a contract to build a rocket landing platform for Rocket Lab for its reusable 14-foot rocket program. A 400-foot barge will be retrofitted with thrusters to keep it stable and with a heat shield.

**Figure 48**  
**Bollinger Shipyard - Lockport**



With 500 employees now, the **Thoma-Sea Shipyard** has launched two NOAA research vessels, has contracts for four more, and there are options for two more. About 20% of Thoma-Sea's workforce is dedicated to tug and barge repair work, which remains robust. Thoma-Sea has teamed with Austal Shipyard in Mobile on a \$3.2 billion contract to start building the T-Eagos Subhunter. Some extra hiring will be needed for this project.

### **Offshore Maintenance & Repair: Strong Without Rig Count**

Even if the rig count is down (see back in Figure 46), there remain hundreds of production wells and platforms in the Gulf that require maintenance and repair work. Several firms in this MSA specialize in that kind of activity. **Gulf Island Fabricators** has about 800 employees and about 75% of those are in the maintenance/repair/scaffolding/coating/cleaning business. The other 25% are doing fabrication work that focuses primarily on subsea items like plets, plems,

jumper spools, etc. GIF is also expanding into fabricating work for LNG facilities and bridge infrastructures. The firm hopes to add 150 people to its workforce over 2026-27.

**Gulf Island Shipyards (GIS)** is a company that wears a lot of hats, working all across the State. GIS employs about 130 at its new office in Houma, and another 700 in the Houma MSA area. The company has a bunkhouse for 100-120 in Lafourche housing workers that do environmental repairs, painting, sand-blasting, etc. GIS employs a number of workers from the Philippines in its environmental cleaning of tanks and boats.

With about 215 at its Houma headquarters and another 2,200 in the area and offshore, **Danos** provides platform operator services to offshore companies like Shell, BP, Eni, and Beacon. Danos also provides maintenance work (pipefitters, welders, instrumentation, etc.) and logistics for offshore operators. The company expects its workforce to be relatively stable over 2026-27.

About 450 people are employed by **Cheff Morrison**. Of that number, about 300 are involved in inland pipeline remediation work and onshore pipeline maintenance. The other 150 people are working on platform abandonment efforts in the Gulf. Employment is up from last year, but projected to be stable over our forecast period.

**Halliburton** employs about 258 people at eight different sites in the region. The company does not expect a meaningful change in that number.

### **Port Fourchon: Two Big Projects Ahead**

Two significant projects at Port Fourchon will be wrapping up this year, with two even larger ones ahead. Late this year the \$16 million project to add 1,600 linear feet to the bulkhead in Slip D will be completed. Work to upgrade the South Lafourche Leonard Miller Junior Airport should also be completed by year-end. This includes \$35 million for the airport corridor road work, \$4.3 million for a state-of-the-art terminal, and \$843,000 for replacing a hangar damaged by Hurricane Ida.

It is exciting to report two more major projects at the Port that will be starting up in the next 12 months or so. The Corps has finalized its study of the feasibility of **dredging the Bell Pass and Bayou Lafourche to 35 feet**. This \$30 million project should begin in late 2025. Once completed the Corps will be responsible for maintaining the depth.

Permits are expected to be released on the development of **Port Fourchon Island**. This \$1 billion project will allow the Island to be used for offshore rig repair/refurbishment, project cargo, decommissioning, recommissioning, and fabrication. C-Logistics, Bollinger, and GIS have already signed leases on the property. Work on the \$35 million bridge to access the island and the dredging work will commence in early 2026. On a much smaller scale, work will also start in late 2025 on the **Coastal Wetlands Park**, a \$1.2 million project to construct a parking lot and an elevated viewing tower overlooking the newly created wetlands.

On July 9<sup>th</sup> the Greater Lafourche Port Commission approved the payment and acquisition of a 743-acre tract from the State, which paves the way for the development of the 900-acre **Argent LNG** export terminal. Argent is expected to enter the FERC filing process soon and may begin construction of this \$20 billion project within our forecast period. A milestone in this process was the awarding of the FEED study to GIS. If Argent proceeds with construction in 2026, our employment projections for this MSA will be wildly understated.

### **Entergy & Neuro.io Add to the Mix**

Two other significant job creation projects are on the Houma MSA's horizon. **Entergy** will be spending \$411 million on the Bayou Power Station, a 112 MW floating natural gas station, to support Golden Meadow, Leeville, Port Fourchon and Grand Isle through a microgrid system. Entergy may actually go with a stronger grid system instead. Either way, multi-millions of dollars will be spent.

An intriguing announcement was made in June that **Neuro.io** would be taking the old Houma Courier Building for an innovations campus. This multi-phase project could start construction late this year. It would involve a pharmaceutical manufacturing facility, a digital therapeutics training center, neuro devices manufacturing, engineering clusters, cognitive labs, and medical applications of AI. The proposed employment schedule starts with 93 employees over 2026-27, growing gradually to 1,108 in 2035.

### **Public Works May Play Out-Sized Role**

As hard as this may be to believe, work on the \$445 million, 9-mile **elevated LA1 project** should be completed within our forecast period. The project is about 35% complete. \$125 million is scheduled to be spent this year, \$90 million in 2026, and only \$5 million in 2027.

The Houma MSA region received a nice upward boost in **state road lettings** for 2026-27---\$148.9 million, up from \$128.3 million last year. The three largest projects are:

- \$44 million for the Boudreaux Canal Bridge replacement at LA56;
- \$19 million to rehab the B. Lafour moveable bridge, and;
- \$11.9 million to overlay the Canal Bridge near Larose on LA308.

This MSA is a huge winner in the scramble for **Coastal Protection & Restoration Authority** funds. Presently, the region has been awarded a whopping \$813.6 million for projects in Terrebonne and Lafourche parishes. The bigger projects are:

- \$57 million for Morganza to the Gulf;
- \$50 million for the Bayou Des Allemands floodgate;
- \$42.2 million for Port Fourchon marsh creations, and;
- \$34.3 million for the West Fourchon Marsh creation.

These CPRA funds may expand heartily as we progress into 2026-27. The \$1.7 billion Mid Barataria Sediment Diversion project has been canceled by the Governor, and those funds will now be spread out among the parishes along the Louisiana coast. The two parishes in the Houma MSA are likely to get a large bite out of that apple.

## THE MONROE MSA

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### The “Gold Mining Town” Effect

The Monroe MSA is located in the Northeast corner of the state (see Figure 10) and is the fourth smallest MSA in Louisiana. It is composed of four parishes---Ouachita, Union, Richland, and Morehouse Parishes.

**Foster Farms** employs 1,500 at its chicken processing facility, and **Graphic Packaging**---a paper/carton plant---is one of the largest private employers with about 1,105 people at its two sites. Another 1,000+ employer is **JPMorgan Chase Mortgage** which operates an 825-person center in Monroe.

**Lumen Technologies** (the former CenturyLink) used to be a 2,300-person workforce but has now dropped to an estimated 700 (many remote workers) as many of its operations have been moved to Denver. **IBM** has a 321-person operation near Lumen that provides support to Lumen among others.

Monroe is also a university town, hosting the **University of Louisiana Monroe** with its 300 faculty members. A new medical school---**Edwards Via College of Osteopathic Medicine**---opened in fall 2020 with 150 freshmen and is now up to a full 4-year program of students.

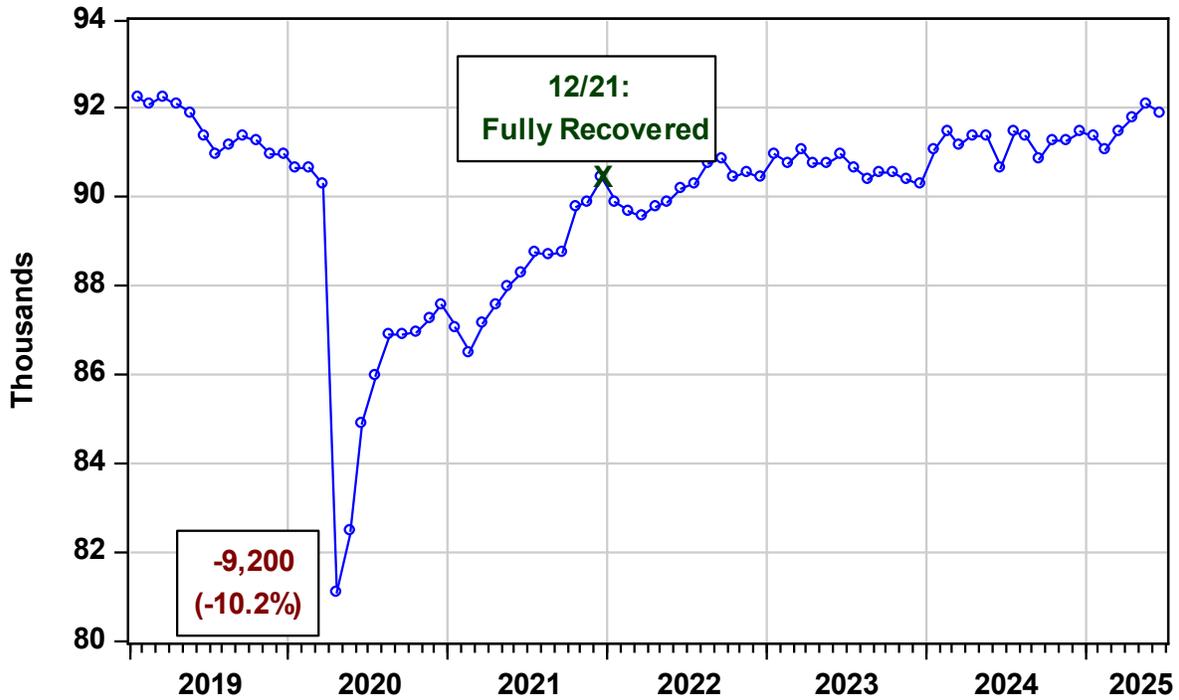
The **Ochsner/LSU Health Sciences Center Partnership** has renovated the old E.A. Conway Charity Hospital and added clinics, raising its employment to 840 in the region. **Gardner Denver** is a 250-person facility that manufactures pumps for medical equipment.

### Fully Recovered From COVID

Figure 49 shows seasonally-adjusted, nonfarm employment by month in this MSA from January 2019 through June, 2025. This graph demonstrates that the Monroe region lost 9,200 jobs (-10.2%) due to the COVID shutdown, and by December, 2021 it had fully recovered those lost jobs. This is one of the smaller declines (percentage-wise) and one of the fastest recovery records in the State.

The employment growth after the recovery can be most kindly described as “modest.” In fact, nonfarm employment in the Monroe MSA peaked at 93,800 jobs in June, 2002! **The most recent data for June, 2025 reveals employment still 1,900 jobs below that previous peak, 23 years ago.** Boy, is that about to change.

**Figure 49**  
**Monroe MSA Nonfarm Employment (SA)**

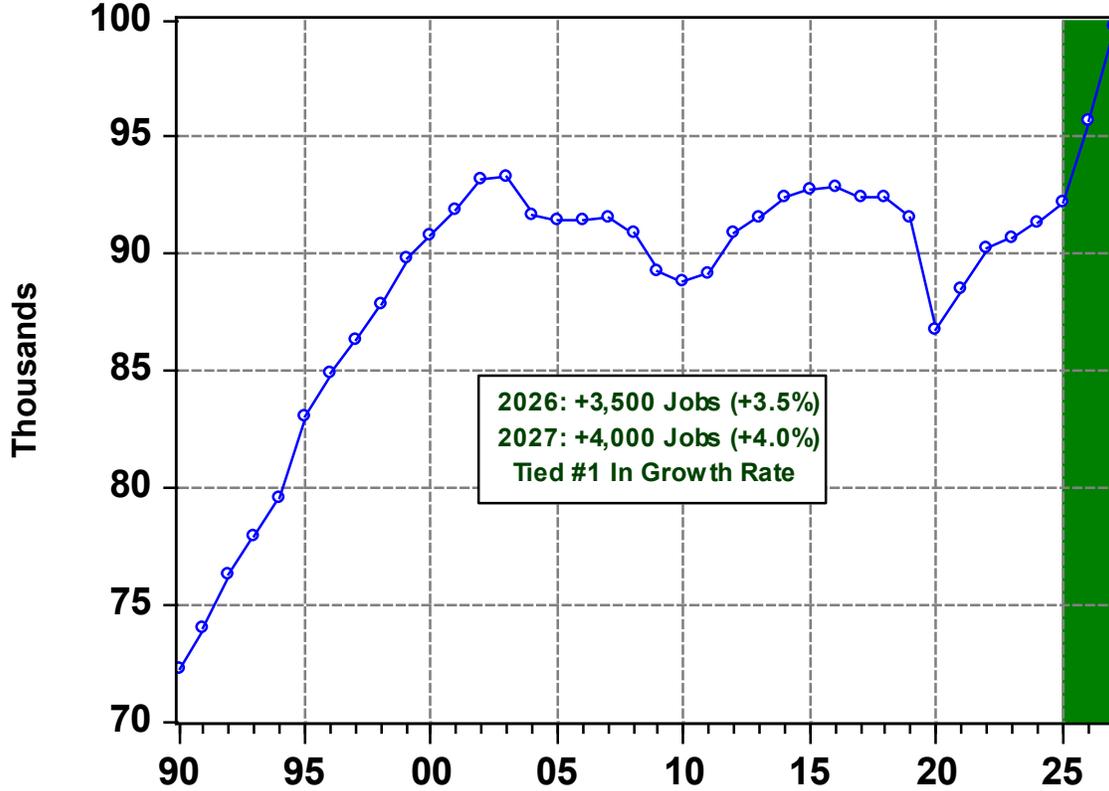


Source: Louisiana Workforce Commission & Loren C. Scott & Associates, Inc.

**Forecast for 2026-27: The Gold Rush Is On!**

Figure 50 contains the history of nonfarm employment annually in the Monroe MSA from 1990 through 2025, along with our projections for 2026-27. **We are projecting +3,500 new jobs in 2026 (3.5%) and 4,000 jobs in 2027 (+4%).** This is one of the first times in 40 years of projecting employment for this MSA where the annual job forecast required a comma. Our job forecast for the Monroe MSA have it tied for first place (with Lake Charles) as the fastest growing MSA in the State. The reader's attention is called to the steepness of the line shooting up in the last two years in Figure 50. What the heck is going on here?

**Figure 50**  
**Monroe MSA Wage & Salary Employment**  
**Forecast: 2026-27**



Source: Louisiana Workforce Commission & Loren C. Scott & Associates, Inc.

**Meta Hyperscaler Creates Gold Rush Atmosphere**

The announcement came in November, 2024. It was one of those “transformative moments” in the history of this, the poorest corner of the State. **Meta** was going to build a **\$10 billion data center** on 2,250 acres at the Franklin Farm site in in Richland Parish. As depicted in Figure 51, this facility will measure more than one mile from back to front, and when finished will employ 500 well-paid people. Delta Community College is receiving \$250,000 for workforce rapid response training in anticipation of Meta’s opening.

Data centers are enormous consumers of electricity. One estimate from the Center for Energy Studies at LSU suggests Meta’s consumption alone will boost



electricity consumption in Louisiana by 15%. **Entergy will spend \$2.2 billion on two gas-fired power plants** adjoining the site just to serve Meta.

**Figure 51**  
**Meta Hyperscaler Data Center**



The impact on the Monroe MSA has been like that of a gold mining town during the Gold Rush days. Airport boardings in May 2025 were at 21,028 compared to 16,000 a year earlier. We are aware of a newly renovated hotel that has been leased up for five years. We were told anecdotally that an acre of land on nearby I20 that was selling for \$3,000 an acre before the announcement is now selling for \$150,000 an acre. Restaurants are fully booked, and one tire dealership finds itself totally sold out of tires.

Special legislation was required to land the project. Typically, state and local sales taxes could be levied on equipment at the facility. This would have been a major expense, because a data center trades out its equipment about every four years. Legislation was passed to exempt the data center equipment from state and local sales taxes. We understand an agreement has been reached for a 30-year Payment in Lieu of Taxes (PILOT), that will levy property taxes on 20% of the value of un-moveable property, and zero percent on moveable

property. Even with these concessions, Richland Parish is about to experience a super abundance of new revenues---as will surrounding parishes.

Mark Zuckerberg, CEO of Meta, says there is potential for this site to become a **Hyperion Center**, named after the Titan in Greek mythology known as the god of heavenly light. A Hyperion Center would cover an area the size of Manhattan and cost \$50 billion. It boggles the mind to think of the electrical power needs of such a facility.

Meta is what is making that 2026-27 line shoot upwards in Figure 50. Transformative may be an understatement.

### **Absent Meta: Only Modest Trend Upward**

Without Meta in the picture, we would be describing an economy still struggling to surpass that previous 2002 employment peak. A couple of major companies are poised to expand, but many are in the downsizing role. The MSA's two largest employers have recently made capital investments that created new jobs and are now looking at a stable employment picture.

**Foster Farms**, recently acquired by a venture capital firm, made a \$34 million investment to add a 4<sup>th</sup> line at the plant. Now at 1,500 employees, the plant plans to maintain that level over 2026-27. **Graphics Packaging** also recently had a significant new investment. Employment at its paper plant is at 684, and at 421 in its carton plant. Neither number is projected to change much over our forecast period.

**Chase Mortgage** will undergo a significant campus refresh in 2027. The company employs 825 at this site---known for being the low-cost center for Chase---90% of whom work in mortgage servicing. Employment will be at best flat, but more likely declining over the next two years due to automation and AI.

The **Blue Cross Health Plan**, which purchased Advantage Health, is now at 431 employees compared to 610 two years ago. Associated **Monroe Surgical** employment is down from 175 to 155. About 170 people remain on staff at **Affinity Health**, which is poised to shed several jobs. On a more positive note in the healthcare sector, **Ochsner/LSU Health** will be spending \$14 million in 2026 on emergency room expansions, a cancer treatment facility, and technological upgrades. Twenty-eight new jobs will be created.

**Midsouth Extrusions** has been a more positive beacon in the community. Last September, the company made a \$17 million investment to upgrade its plant

and add two production lines. In April, the firm announced a second \$12.5 million project to add two polyethylene extrusion lines. Now at 225 employees, the company expects to be at 250-270 by the end of 2026.

**Advancion Chemicals** (formerly, Augus Chemicals) produces hand sanitizers and test kits and has a stable workforce of 172. **Drax Biomass** has its North American headquarters in Monroe and has 226 employees at its wood pellet plant in Morehouse Parish. No change is expected in that number. **EPC**, in the broadband expansion nook, will be adding about 50 jobs to its 125-person workforce.

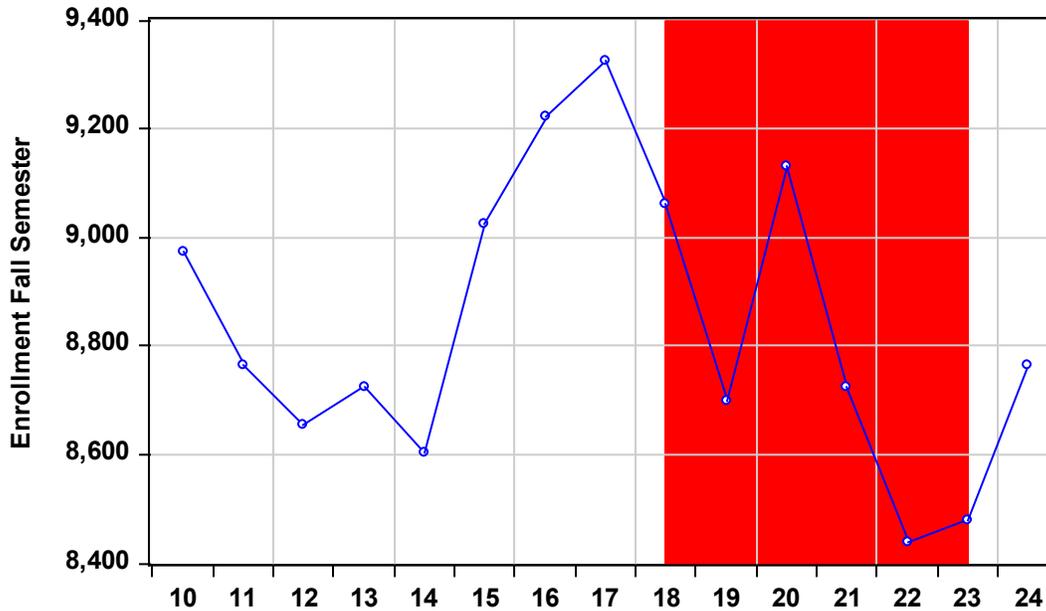
### **Mixed Signals on Education Front**

Monroe's two large higher education establishments are currently at different ends of the economic spectrum. The **Edwards Via College of Osteopathic Medicine** now has all four years going. VCOM graduated its second class this May and will have another freshman class of 150 coming in. One hundred percent of VCOM's graduates were placed in residency. The faculty count is at 38 with expectations for adding five more over the next two years.

At the other end of the spectrum is **ULM**. Figure 52 pictures fall enrollment at ULM from Fall 2000 through Fall 2024.

The red-shaded area in Figure 52 is somewhat exaggerated by the scaling on the vertical axis, but between Fall 2017 and Fall 2022 enrollment did decline by 9.5% or 881 students. By Fall 2024, 330 of those enrollments had been recovered, but enrollments were still 6% below the 2017 peak. ULM's financial difficulties were compounded by a seemingly good thing---the donation of a building by Lumen. However, along with that building came an estimated \$3 million in expenses. In April it was announced that the university would experience a \$5-\$6 million shortfall by June 30<sup>th</sup>. A hiring freeze was imposed and furloughs began in May.

**Figure 52**  
**University of Louisiana Monroe Enrollment**  
**Fall 2000 - Fall 2024**



Source: University of Louisiana System Office

This MSA took another hit when the **state road lettings** were announced for 2026-27. Last year, these lettings totaled \$221.1 million. This year, lettings fell by \$62.9 million to \$158.2 million (-28%). The two largest projects listed were:

- \$48.7 million for the Kansas Lane-Garrett Road connector, and;
- \$34.1 million for the extension of Kansas Lane.

A careful review of the last two subsections would indicate that absent Meta, we would once again be projecting Monroe would be in the bottom of the stack among Louisiana's 10 MSAs. What a difference one large project can make.

## THE ALEXANDRIA MSA

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### Needed: A Breakthrough on Beaver Lake or a Data Center

Louisiana's second smallest MSA is located in the dead center of the state (see Figure 10) and is comprised of Rapides and Grant Parishes. There are 62,300 non-farm employees in the MSA in 2025. While there are some notably large manufacturing firms in this MSA, the manufacturing and mining sectors are small compared to other MSAs in Louisiana.

Some large firms add an important private sector base to this MSA. The 1,200-person **Procter & Gamble** is the largest manufacturer in the region, and nearby **PlastiPak** (nearly 300 jobs) makes the containers to hold P&G's products. Equivalent in employment size to P&G, utility company **Cleco** is headquartered in Pineville and is an important economic driver for the community. **Crest Industries** is a 1,000-person conglomerate (1,400 companywide) that is engineering-focused but also has a major subsidiary manufacturing equipment for the utility industry. England Airpark is host to **Union Tank Car** (about 400 employees), which manufactures railroad tank cars to primarily transport chemical products.

Alexandria has a very significant government base (22.3% of its employment), second only to Hammond in its dependency on this sector. **Pinecrest Support and Services Center**, which provides care for the mentally disabled, **Central Louisiana Support and Services Center** and **Central State Hospital**---a facility for the mentally ill---are all located in the MSA and between them employ almost 1,900 people.

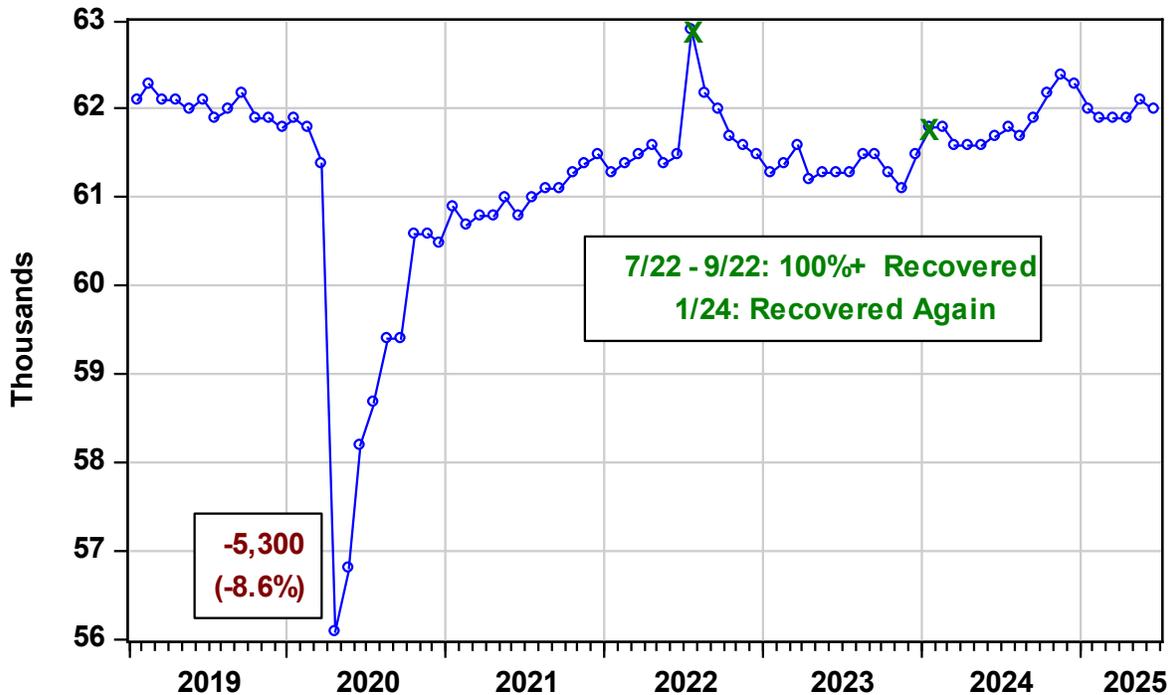
Just outside the borders of this MSA are very large employers with close economic ties to the MSA. **Fort Polk**, in Vernon Parish to the west, is the largest military installation in the state, with nearly 15,000 permanent military/civilians on site and another 5,000 troops rotating through nine months out of the year. This makes the base the largest single employer in Louisiana. **Roy O. Martin** employs just over 900 at two wood processing sites a couple of miles outside of Rapides Parish to the north and south.

### Strange, Plodding Recovery From COVID

Figure 53 tracks seasonally-adjusted nonfarm employment in the Alexandria MSA by month from January 2019 through June 2025. This MSA endured one of the smallest job hits from the COVID shutdown, dropping 5,300 jobs (8.6%). Note in Figure 53 that the MSA had an unusual growth spurt over July-

September, 2022 when those lost jobs were fully recovered. Once the 2022 3-month spurt was over, employment again declined below pre-COVID where it stayed until January, 2024 when the MSA was fully recovered again.

**Figure 53**  
**Alexandria MSA Nonfarm Employment (SA)**



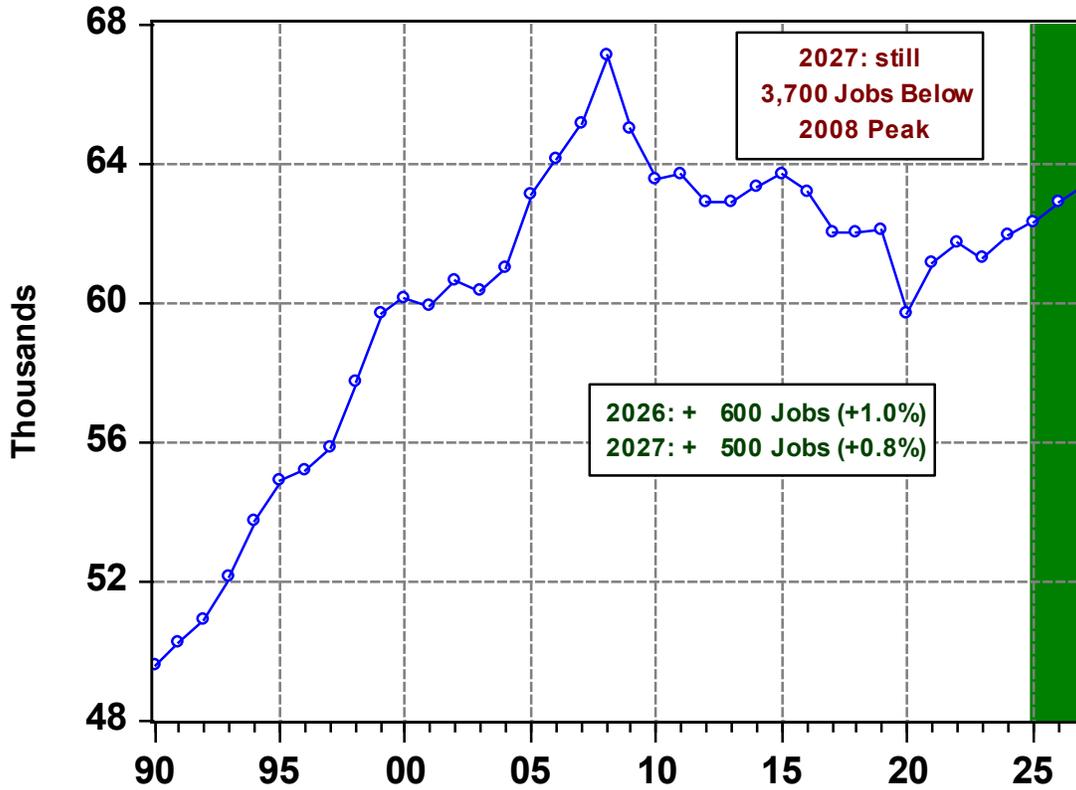
Source: Louisiana Workforce Commission & Loren C. Scott & Associates, Inc.

What civic leaders in this community should focus on is the post-COVID trend line in Figure 53. It can best be described as plodding. The region needs a big win or two to generate a more vigorous growth pattern. The good news is there are some very real possibilities out there.

**Forecast for 2026-27: Beaver Lake or a Data Center?**

Figure 54 shows actual nonfarm employment in the Alexandria MSA from 1990 through 2025, plus our forecast for 2026-27. **We are projecting 600 new jobs (+1%) in 2026 and 500 new jobs (+0.8%) in 2027.** This projected pattern will rank this MSA 10<sup>th</sup> among the 10 MSAs in Louisiana both in terms of absolute and percentage growth rates.

**Figure 54**  
**Alexandria MSA Non-Farm Employment**  
**Forecast: 2026-27**



Source: Louisiana Workforce Commission & Loren C. Scott & Associates, Inc.

Even with these projected growth rates, by the end of 2027 we have the MSA 3,700 jobs below its peak employment level back in 2008. That previous peak was fueled by some unusually large construction projects occurring simultaneously: (1) construction of I49 through the Parish, (2) Cleco's \$1 billion Rodemacher Power Plant, (3) Union Tank Cars \$132 million project, and (4) just outside the MSA boundary Roy O. Martin was building its new oriented strand board plant in Oakdale.

**Hope on the Horizon**

It is apparent from even a casual observation of Figure 54 that Alexandria desperately needs a big win. The good news is that there are two very hopeful candidates waiting in the wings. The **Beaver Lake Renewable Energy (BLRE)**

project is still alive. This \$2 billion project would noticeably alter the MSA's growth path and create 109 jobs paying \$78,000 annually once opened. It would also provide a nice shot in the arm for the local timber industry (which urgently needs it), because wood fiber would be the input from which BLRE makes its methanol.

On the positive side, Danish shipping company A.P. Moller-Maersk has (1) signed a letter of intent to purchase the methanol and (2) has combined with C2X and ENEOS to make a \$100 million investment to fund the final phase. Frontend engineering and design work is scheduled for completion 2026Q2. If the project is to use 45V tax credits, it must begin construction before December 31, 2027. The Port of Alexandria will invest \$18 million on roads, docks, and other infrastructure. For all these reasons, the Louisiana Department of Economic Development still considers BLRE a very viable project.

Of course, what would light an even larger fire under its economy would be to land a **data center**. The appetite remains very strong for one in this region, where there is plenty of land available and options for generating the electricity the center would need. Rumors abound that discussions are being held for a data center in central Louisiana, but no specifics because the parties involved have signed very strict NDAs with potential prospects. We are seeing what a data center can do to an economy by watching Meta's impact on the Monroe area. Just one of these units could turn Alexandria's economy around dramatically.

### **Cleco Sale Impacts**

A status review of the larger players in the Alexandria MSA reveals good, solid stability, but few expansion plans. **Cleco Power** is headquartered in Pineville and employs 1,200 people. Cleco was purchased in October 2014 by an Australian firm---Macquarie Infrastructure and Real Assets---and a condition of purchase demanded by the Public Service Commission was for employment to be at least maintained at 1,200. Macquarie had indicated all along its plan to sell the company after about 10 years and return the invested monies to its investors.

That is why Cleco is now on the market. We expect that whichever entity purchases Cleco will face the same condition for the PSC as levied on Macquarie--to maintain employment in Cleco at 1,200. We referred last year to Cleco's "**Diamond Vault**" project, a \$1.1-1.6 billion carbon capture project at the Madison 3 Brame Energy Center. If this project goes forward it will likely be outside of our forecast period.

## Good Stability Among Other Large Companies

Other major players in the MSA will provide a good, stable base to the Alexandria MSA economy. **P&G** is investing \$96.7 million in its facility to install advanced production lines and boost capacity. The project will add 15 jobs to the current 572 P&G employees and 700 resident contractors. Nearby **Plastipak** employs 300+ people to make the containers for P&G.

**Crest Industries**---the umbrella company for DIS-TRAN Packaged Substations, Beta Engineering, Avant Organics, and Crest Natural Resources---employs about 1,400 people company-wide, with about 1,000 of those in the Alexandria area. Crest companies produce products for the steel pole transmission market and substation market, which are all very active now. Bids are out for new manufacturing/warehousing facilities for DIS-TRAN at the Port of Alexandria.

At England Airpark, **Union Tank Car** manufactures railroad tank cars to transport specialty chemicals and agricultural products. Now at 400 employees, UTC expects employment to hover in the 300-500 range over 2026-27. Also at the Airpark, work is underway on the \$150 million **Ucore** project---a rare earth element separation and purification unit. The final product will make the oxides required in V motors and wind turbine generators. When completed in 2026Q3, the company will employ 100+ people.

## Action at the Airpark

Tenants Ucore and Union Tank Car are not the only action at **England Airpark**. A new airline was recently attracted to the airport. **Global Crossing Airline** will bring a fleet of 21 A-320 aircraft providing non-scheduled service for professional and collegiate sports teams and government contracts. The airline is moving its training and maintenance operations from Miami to the Airpark, where it will lease a 41,000 square foot hangar. Employment will be between 50-75, including pilots, flight attendants, operations personnel, and aircraft mechanics.

The Airpark has \$31 million in capital projects scheduled over 2026-27. These include:

- \$8.8 million for the Aviation Career and Education hangar/lab;
- \$8 million for noise abatement projects;

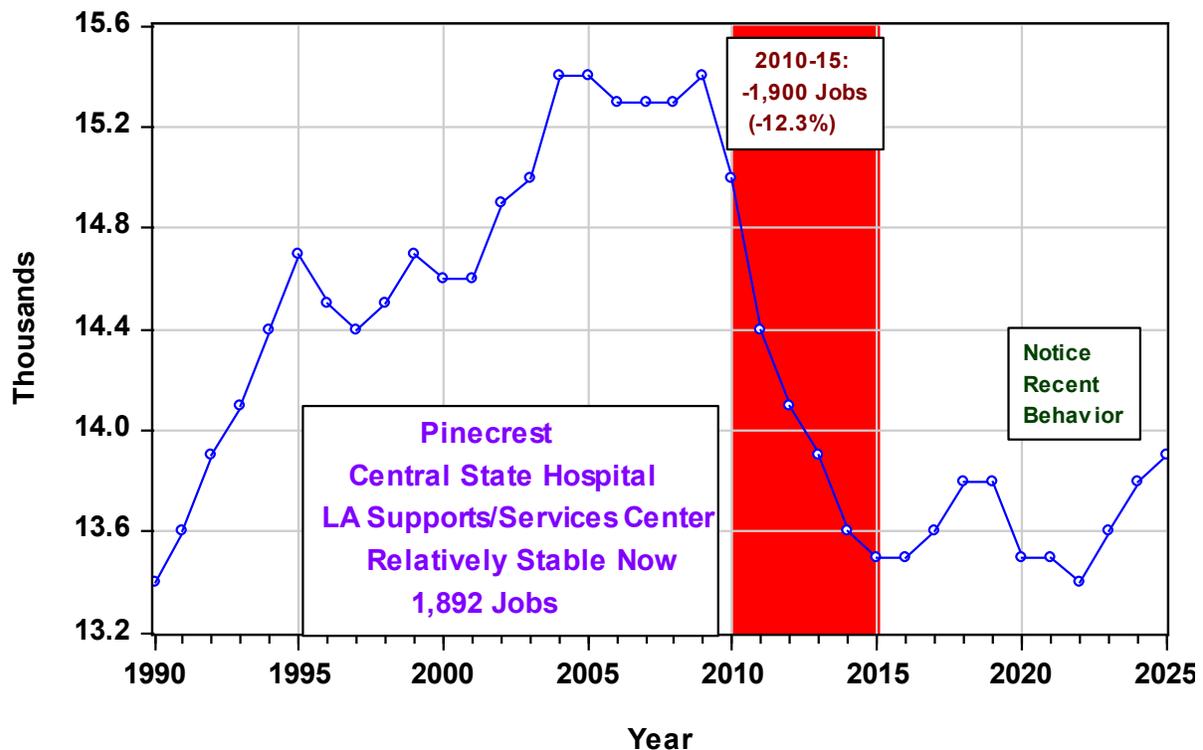
- \$7.6 million for the south general aviation ramp expansion, needed due to increased activity at the GEO/ICE deportation facility, and;
- \$6.7 million for a runway 18/36 precision approach project.

### Government Employment Looms Large

Employment in the government sector is unusually large in this MSA. Government jobs are about 16.2% of nonfarm jobs statewide. In this MSA the percentage is 22.3%.

Figure 55 tracks nonfarm government jobs in the Alexandria MSA from 1990 through 2025. After declining by 1,900 jobs (-12.3%) between 2010 and 2015, government employment has hovered in the 13,500 range since then. However, note that the past three years have shown a steady upward trend.

**Figure 55**  
**Alexandria MSA Government Employment**

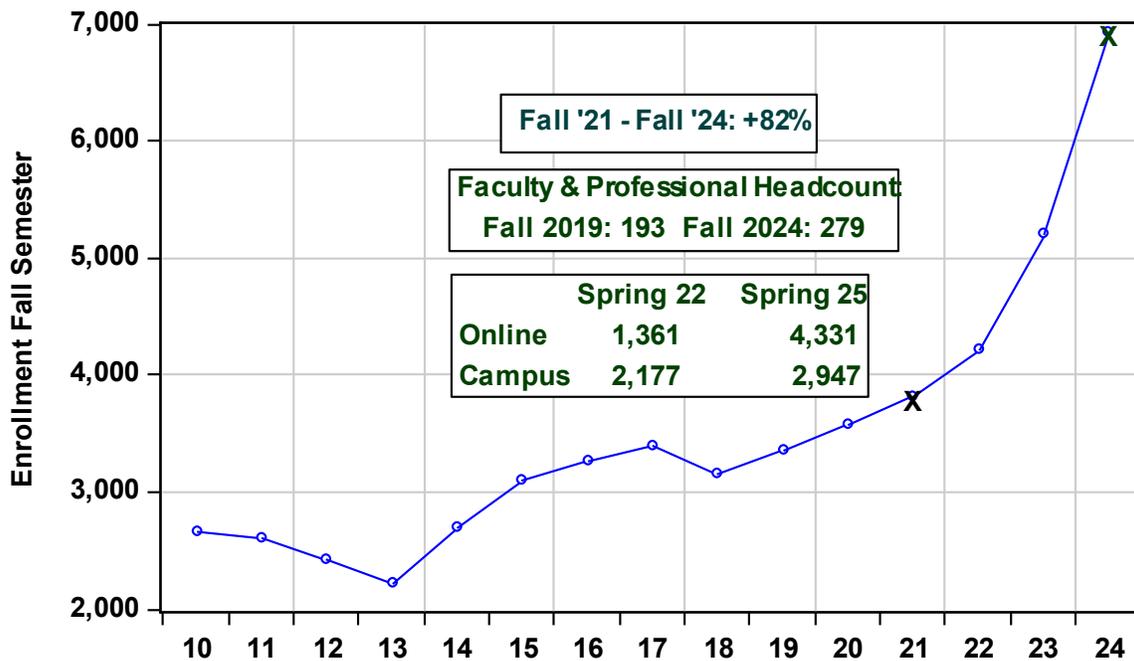


Much of this growth is due to expansions at the three large state units in the Pineville area. **Pinecrest Supports and Services Center**, which provides care for

the mentally challenged, employs 1,414 people and has an annual budget of \$141 million. **Central Louisiana State Hospital** for the mentally ill has 281 on staff and a budget of \$63.8 million. The **Central Louisiana Supports and Services Center** employs 197 staff with a budget of \$23.8 million. These three units employ 1,892 people---up from 1,814 in 2023---and inject a quarter of a billion dollars in spending into the MSA's economy.

Unlike most other regional universities in the state, **LSU-A** is enjoying a stellar enrollment trend of late, as seen in Figure 56. Between Fall of 2021 and Fall 2024, LSU-A's enrollment has jumped 82%. Note in the insert box that most of this growth has come from online enrollments, which recently increased 218% from 1,361 in Spring 2022 to 4,331 in Spring 2025. We are told that a significant number of these online students are from Mississippi and Arkansas.

**Figure 56**  
**LSU-A Enrollment**  
**Fall 2010 - Fall 2024**



Source: Board of Regents

Of course, online students do little for the local restaurant, rental, or department store businesses. But readers should note that both the faculty/staff count and campus enrollments have been increasing significantly, which is good for the local economy. The MSAs that house Northwestern State, Louisiana Tech, McNeese, UNO, and Nichols State would kill to have an enrollment picture like Figure 56.

Somewhat of an offset to this generally good government jobs news is the latest **state road letting** data for this 2-parish MSA. Lettings for 2026-27 are at \$51.1 million, down from \$76.8 million last year. The two biggest projects listed for this area are:

- \$7.7 million for I49 maintenance from LA498 to LA1200, and;
- \$4.9 million to replace the Big Creek Bridge.

### **Little Help from the “Edges”**

There are two major employers just outside the boundaries of this MSA that can have a meaningful impact on the MSA's economy. **Roy O. Martin Sustainable Resources** has an 80-person headquarters office in Alexandria, but a much bigger job number come from ROM's 200-person oriented strand board facility in Oakdale and its plywood mill in Chopin where 735 people work. The company is adding a \$50 million robotic patch line and vattens line at the plywood facility that will add 16 new jobs. Otherwise, employment is expected to be fairly stable over 2026-27 due to an under-performing housing market.

Via the Army's ARSTRUC program to restructure activities at its bases, employment at **Fort Polk**---a few miles west of Alexandria---has declined from 15,129 to 14,181 (-6%). Fort Polk is still the largest single-site employer in Louisiana. The good news is that in 2027 the base will become home to the Multi-Role Bridge Company, adding 187 military. Also, in that year the 46 EN was supposed to be inactivated (-145 military), but thankfully that inactivation has been canceled. There is a possibility that the Gray Eagles, an aerial systems group may come to the base (+28 military).

While these two huge economic drivers will not be expanding, they remain a solid foundation for the Alexandria MSA economy.

## THE HAMMOND MSA

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### Steady Pattern of a College Town

About 40 miles due east of Baton Rouge is Tangipahoa Parish (see Figure 10) which is the Hammond MSA. It is the smallest MSA in the state with 51,600 nonfarm employees in 2025. Data on this MSA only started in 1990, so our review of its employment history is more limited than for the other eight.

**Some 24% of this parish's residents earn their income outside of the Parish.** This is actually higher than the percentage in 2001 (18.5%). Downtown New Orleans is a short commute away, as are the plants along the Mississippi River, the State Capitol in Baton Rouge, and St. Tammany to the east. This, plus the relative lack of underlying basic industries, has turned Tangipahoa Parish into a commuter parish.

Because it is smaller, its economy is in most ways simpler. Its largest city is Hammond, which is a college town---home of **Southeastern Louisiana University** (1,400 employees). In most cities the hospital is the largest employer, because the facility employs people 24/7, 365 days a year. This MSA is no different. Its largest employer (aside from the School Board) is **North Oaks Medical Center** (3,017 employees). Combined with SLU, these two players and associated clinics represent almost a fifth of employment in this MSA. **Government employment** (24.1%) is tied with Alexandria in terms of its dominance in the economy. **North Lake Division Evergreen Life Services** (230 employees) provides services to over 200 residents with intellectual and developmental disabilities.

Distribution centers have also found a good home here, as Hammond abuts both north-south and east-west interstate highways. An 840-person **Walmart Distribution Center** is located in Tangipahoa Parish, as is the 375-person **C&S Wholesale Grocers**. A new \$45 million **Medline** distribution center will ultimately bring 450 new jobs. **Scarino Wholesale Foods** is another distributor located in Baptist.

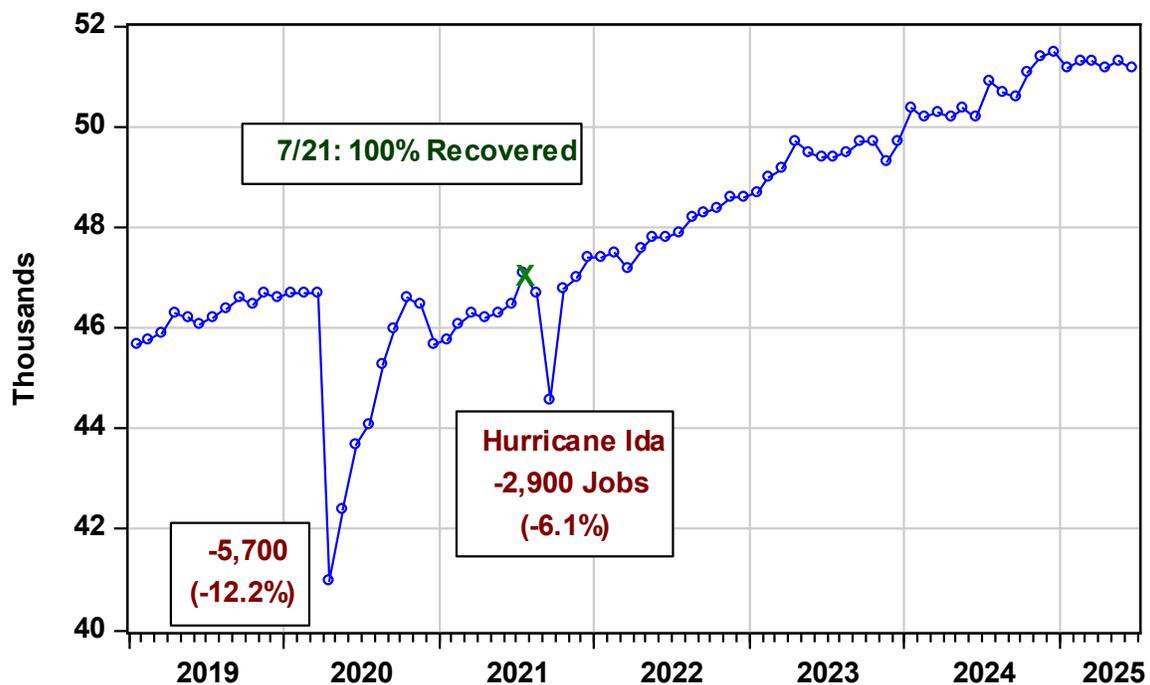
Manufacturing is not as large an element in this MSA (5.3% of employment) as is the case at the state level (7.0%). Manufacturing is dominated by food processing such as the 600-person **Sanderson Farms** poultry processing plant and the 380-person (and growing) **Elmer's Candy** plant. **Intralox** has a 270-person facility (and expanding) manufacturing modular plastic conveyer belts, and **Smitty Supply** of Roseland is a motor oil blending, packaging and distribution firm

that employs 358. **Southland Steel Fabricators** employs about 450 people at its three units in Amite.

### Quick Recovery from COVID & Ida

Figure 57 illustrates the pattern of the Hammond MSA's seasonally-adjusted monthly nonfarm employment data from January 2019 through June, 2025. The COVID shutdown hit this MSA for 5,700 jobs (-12.2%). However, the region came within 100 jobs of getting all of those jobs back within six months. A slight setback delayed full recovery until July 2021, still one of the most rapid recoveries in Louisiana.

**Figure 57**  
**Hammond MSA Nonfarm Employment (SA)**



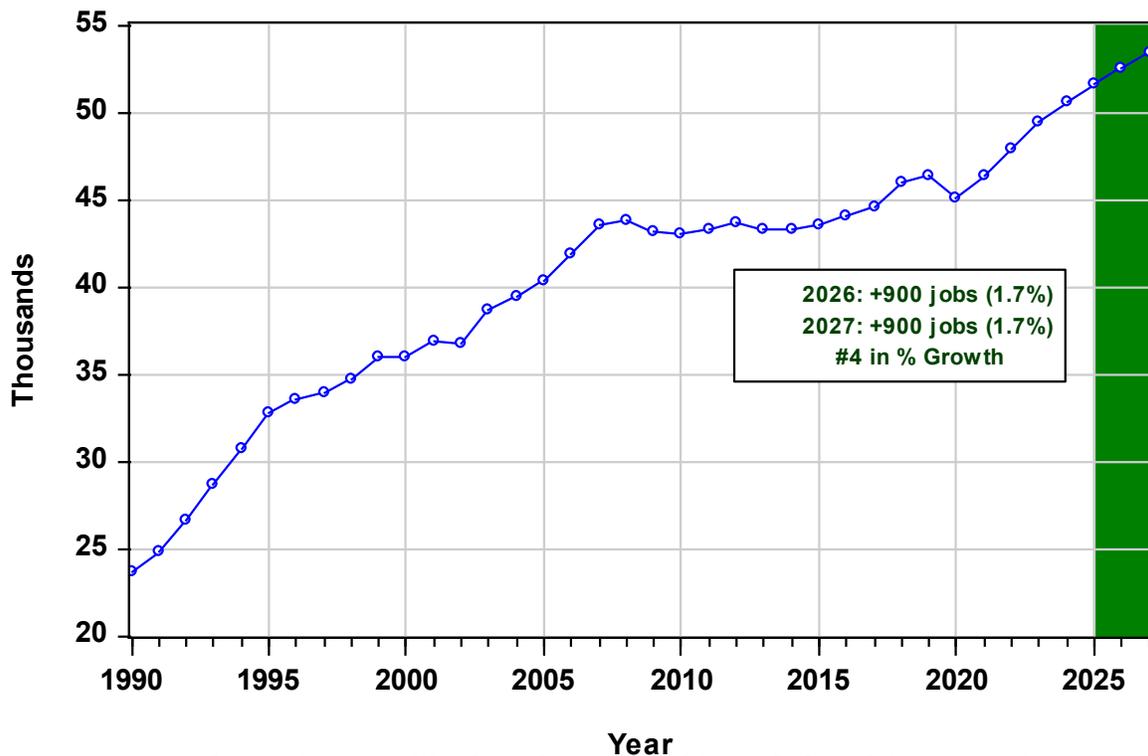
The MSA took a hit from Hurricane Ida as well, losing 2,900 jobs, but as seen in Figure 57, the job recovery from Hurricane Ida was almost instantaneous. Within just two months all the lost jobs were recovered.

The nice, steady job growth over the last four years should not be lost on the reader. MSAs such as New Orleans, Lake Charles, Monroe, Alexandria, and Shreveport would love to have experienced a chart like this one.

## Forecast 2026-27: No Stopping This Train

Figure 58 illustrates actual nonfarm employment in the Hammond MSA by year from 1990 through 2025, along with our forecast for 2026-27. **Our forecast for the next two years is for the Hammond MSA to gain 900 jobs (+1.7%) a year.** In percentage growth this would rank this MSA #4 among the 10 MSAs in Louisiana. Basically, we see nothing stopping the freight train of growth this MSA has been on for the past five years.

**Figure 58**  
**Hammond MSA Nonfarm Employment Forecast**  
**2026-27**



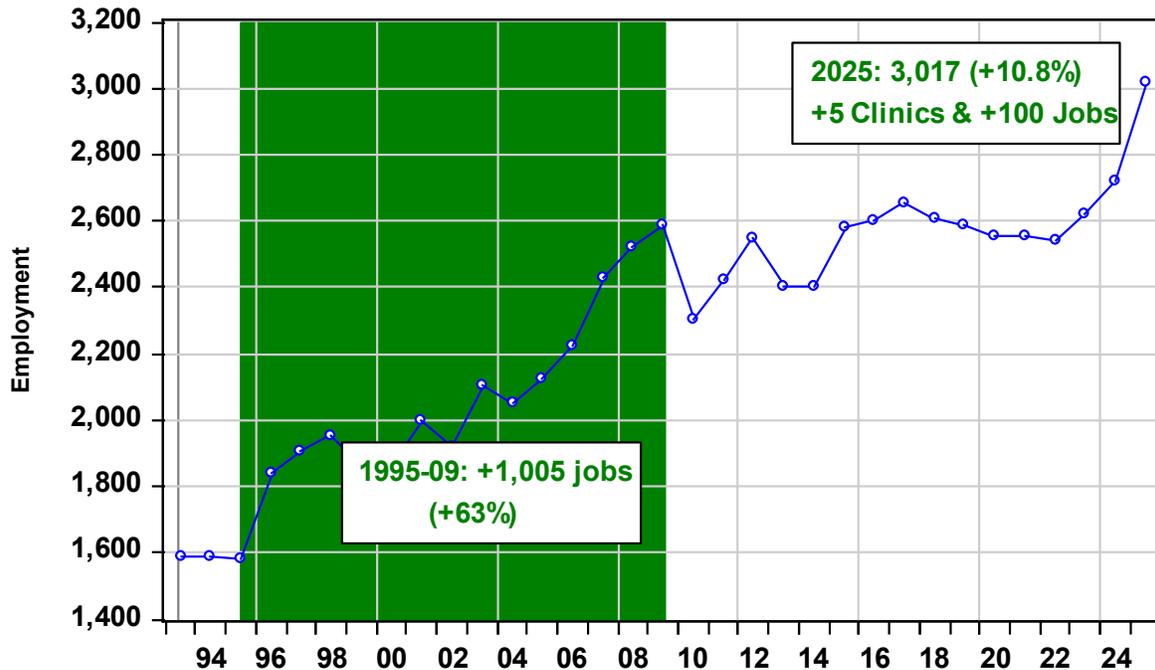
Source: Louisiana Workforce Commission & Loren C. Scott & Associates, Inc.

## Excellent Prospects for the Big Guys

One reason for our optimistic outlook is the prospects for the two biggest performers in this market. Note the employment growth track for the **North Oaks Health System** in Figure 59. Key in especially on the past three years where growth

has really begun to spurt. North Oaks now has 3,017 employees and 252 vacancies. Employment was up nearly 11% in 2025 alone.

**Figure 59**  
**North Oaks Health System Employment**



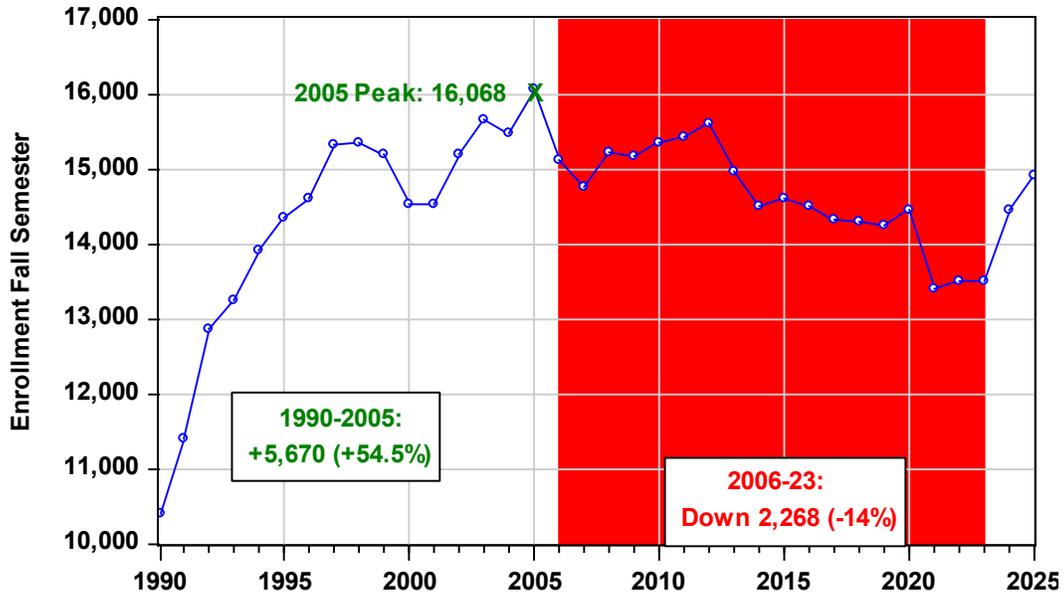
Source: North Oaks Health System

This health system has just completed a \$46 million, 5-story medical office building and is in the planning stage for an \$11 million Outpatient Rehabilitation Services unit. About \$2.1 million will be spent to remodel an operating room area to relocate endoscopy services. The System's Graduate Medical Education program has expanded to two residences and had 24 residents as of this June. North Oaks will continue to fuel the Hammond MSA through 2027.

The other major player in this MSA is **Southeastern Louisiana University**. After an 18-year period of declining enrollments from 2006-2023 (see Figure 60), SLU has turned things around and has enjoyed the start of a nice recovery for the past two fall enrollment periods. Note in Figure 61 that SLU's budget continues to set records, and in FY26 will reach \$144.5 million, pumped by the first tuition increase since 2017. That is a lot of money being pumped into the Hammond MSA economy.

Figure 60

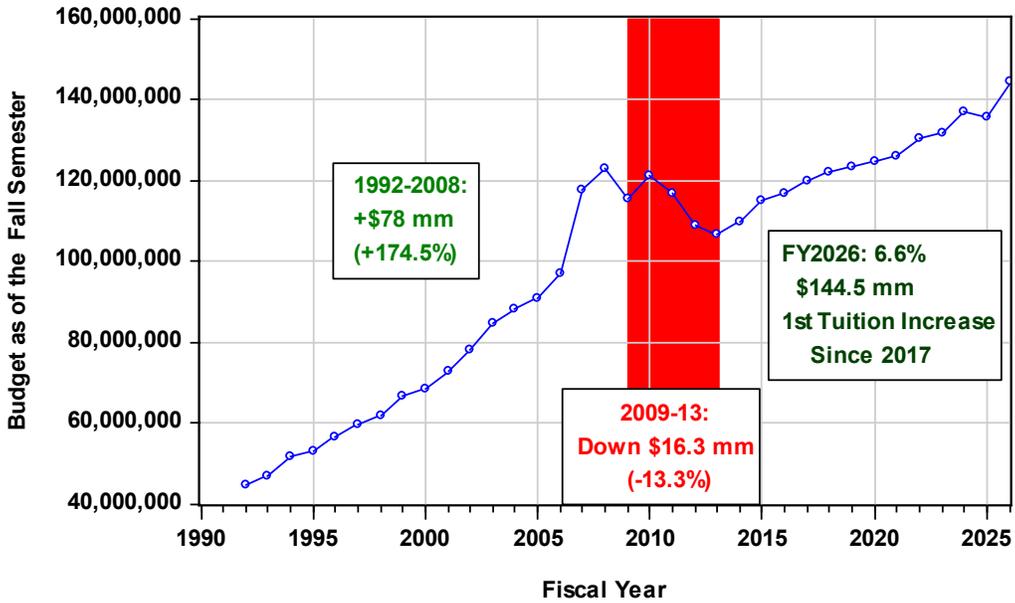
Southeastern Louisiana University Enrollment  
Fall 1990 - Fall 2025



Source: SLU Office of Institutional Research & Loren C. Scott & Associates, Inc.

Figure 61

Southeastern Louisiana University Budget  
FY1992 - FY2026



Source: Office of Finance, SLU & Loren C. Scott & Associates, Inc.



## Good, Sound Prospects Among Second Tier

Once below North Oaks and SLU, one encounters a second tier of firms that look very healthy over the next two years. The intersection of I12 and I55 have made the MSA a haven for distribution companies. While the **Walmart Distribution Center** in Robert has had some layoffs lately, it is now at 840 employees and expects to at least stay there over 2026-27. The relatively new **Medline Distribution Center** now has 250 employees and is on a schedule to add about 25 jobs a year over the next two years.

**Wayne Sanderson Farms** poultry processing facility has 600 employees and will engage in moderate hiring over 2026-27. **Southland Steel Fabricators** recently added Southland Industrial Coatings and Southland Grid Structures under its umbrella. The firm is spending \$25 million to add 100,000 square feet of production space that will add 74 jobs to its estimated 450-person workforce.

**Intralox** recently completed a \$60 million expansion to add 300,000 square feet to its existing 130,000 square foot facility. We believe employment is about 320 at this facility, which was purposely over-built for growth. The company's schedule is to add about 25 jobs a year through 2030. **Smitty's** employment was at 450, and the company had added a bottle blow line and a new grease tube filling line. Unfortunately, a major explosion occurred at the site in mid-August, and employees were encouraged to file for unemployment payments and food stamps. We suspect it will be at least 19-24 months before the site will resume operations. **Elmer's Candy** was recently acquired by a Florida firm. The announcement indicated no change in the 380-person workforce that supplies those wonderful Gold Brick Eggs.

**Evergreen Life Services** employs 230 people in the Hammond area to provide services to intellectually disabled individuals in community-based group homes. Evergreen's employment is projected to be stable through 2027. **Graham Packaging** should complete a \$35 million project to enhance its operations in 2027. The project will enable the firm to retain all 100 workers at its site.

## Ditto for the Third Tier

At another employment level down are two relatively new firms in the area that are doing quite well. **Niagara Botting** is now operational 24/7, and this new firm is up to 63 employees.

**SkyX** has made a \$5 million investment at the Hammond Airport for a maintenance facility, two hangars, and a hangar/terminal unit. SkyX performs maintenance/repair/overhaul (MRO) work on charter jets and is a full service FBO. The company is already up to 21 employees. **Blu Morpho** has spent \$2.5 million on a facility to make fermented tea. Plans are to grow to 35 employees. **Project X** is scouting the Hammond area to possibly locate a new services firm in the transportation area. The company is talking about a \$10-\$12 million investment.

While not a big employer, **Amite Solar** has just completed construction of a \$229 million solar farm in Northwest Tangipahoa Parish. The farm---on 1,500 acres-- is now operational and hopes are high that the firm will also construct a \$100 million battery storage facility at the site.

### **Public Projects Will Add a Jolt**

This MSA got the good news recently that its allocation of **state road lettings** will be up (to \$53.7 million) over 2026-27 as compared to last year (\$49.2 million). The three largest projects on the list are:

- \$16.7 million to overlay LA16 from LA445 to Duncan Avenue;
- \$3.4 million for overlay of South Tangipahoa roads, and;
- \$1.8 million to replace old Genesis Road bridges.

This Parish will also receive \$894,116 from the **Coastal Protection and Restoration Authority** over 2026-27. The great majority of these dollars are for the Manchac Landbridge (rock breakwater) shoreline protection project.

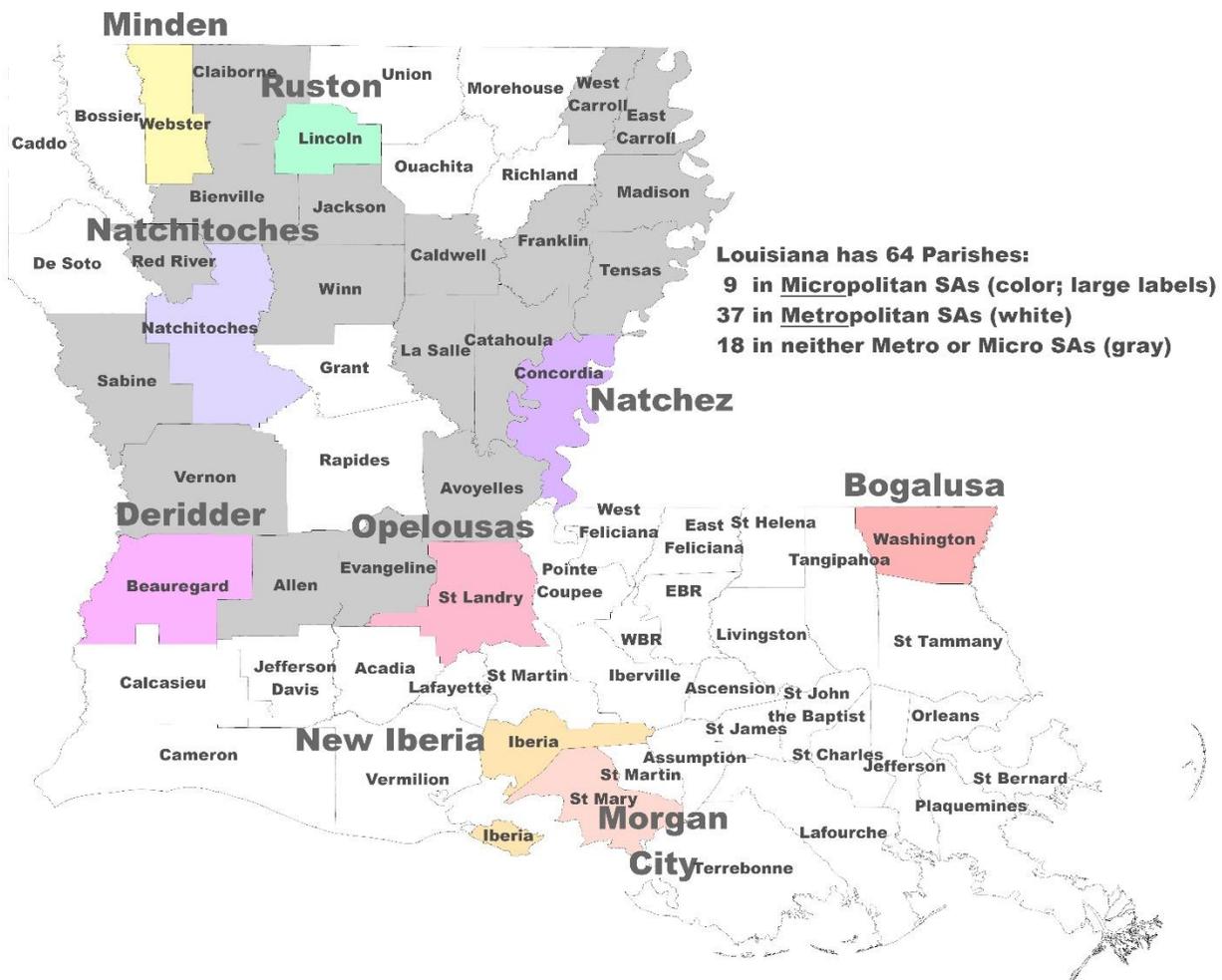
# RURAL LOUISIANA

## Keep an Eye on Iberia and St. Mary Parishes

There are 37 of the state's 64 parishes located in the 10 MSAs that have been covered to this point. The remaining 27 parishes we designate as "rural," a title dictated by the way the BLS publishes data. In reality, these 27 parishes are further broken down by the U.S. Office of Management and Budget into (2) **micropolitan areas** and (2) **rural areas**. Figure 11 is recreated in Figure 62 below to show these differences. There are nine of these micropolitan areas in Louisiana.

Figure 62

### Rural & Micropolitan Areas in Louisiana



Unfortunately, the U.S. Bureau of Labor Statistics only publishes employment data on MSAs and “the rest;” no micropolitan area data are published. The result is we have to lump both rural and micropolitan areas into one group--rural.

About 11.6% of the state's employment exists in these 27 parishes (233,400 jobs). Figure 63 shows nonfarm employment in these rural parishes from 1990-2025, along with our forecast to 2026-27.

**Figure 63**  
**Non-Farm Employment - Rural Parishes**  
**1990-2027**



Source: Louisiana Workforce Commission & Loren C. Scott & Associates, Inc.

Readers should note three key points in Figure 63. First, it is clear that this area of the state was not immune from the effects of the COVID shutdown. The region lost 20,200 jobs in 2020, an 8.6% drop. In percentage terms, this was one of the smallest losses of any region of the State. Despite this smaller magnitude drop, it took until 2023 for the rural area to regain all those lost jobs.

Second, note that nonfarm employment in rural Louisiana had been in a decline since 2006---dropping 53,500 jobs (-20%) over 2006-2020. Population has been moving from the rural areas to the MSAs for some time (all across the U.S.), and we do not expect this out-migration trend to let up over our forecast period. For example, of Louisiana's 27 rural parishes, only three experienced population gains between 2010 and 2020---Lincoln, Beauregard, and Jeff Davis---while ten rural parishes found their populations fell by 10% or more.

Third, it is important to note that Figure 63 covers nonfarm employment in these rural parishes. The latest State Agricultural Overview indicates that in 2024 there were 24,600 farms operating in the state on about 8 million acres. Farm earnings in that year were \$173.9 million. (This number does not include livestock and timber.) While \$173.9 million is obviously no small number, total non-farm earnings in Louisiana were \$180 billion. Farm earnings were 0.1% of that figure. Farming is still a major part of the rural parish economy.

### **Forecast for 2026-27: Watch the “Offshore” Parishes**

Figure 63 also contains our rural employment forecast for 2026-27. **We are projecting this part of the Louisiana economy will gain 3,100 jobs a year which is a healthy 1.3% annually.** As a reference point, three of Louisiana's 10 MSAs are projected to have slower growth rates over the next two years. A review of these parish economies might best be achieved by breaking them down into (1) the offshore parishes, (2) the university parishes, and (3) all others.

### **Offshore Parishes - Iberia: Large Gains Ahead**

Note in Figure 62 that there are two rural parishes that are on the Louisiana coast---**Iberia** and **St. Mary Parishes**. These two are very unique compared to their other 25 “associates,” in that their economies are heavily tied to offshore oil and gas exploration companies or the new modular industrial construction sector.

Iberia Prish is arguably the most vigorously active of the 27 rural parishes. This year, there are almost 1,600 people, with a total payroll at \$151 million, working for various companies at **the Port of Iberia**. The deepening of the Acadian Gulf of Mexico Access Channel to 16 feet has enabled the Port to attract new tenants. Among those is **Turner Industries** which will use its Port site to build modular components for the LNG and chemical plants being built in Lake Charles and Plaquemines Parish. TI will be adding almost 500 jobs at the site over 2026-27. We also expect a big employment boost from the new site being developed by **Cajun Industries** (see Figure 64) at the Port. Cajun is another

company producing modular components for LNG facilities. **Chart Industries** employs 328 people at the Port to manufacture “cold boxes” for LNG export facilities and has a 5-year backlog of work. **Bayou Coatings** is a long-time tenant of the Port and employs about 180 people in its very successful pipe coating business.

**Figure 64**  
**Rendition of Cajun Site at Port of Iberia**



Source: Port of Iberia

A massive win for Iberia Parish occurred last year when **First Solar** announced it would construct a \$1.1 billion solar panels plant at the Acadiana Regional Airport. Construction should be completed by the end of this year, and the company has already hired 550 of the 850-1,000 workers it will ultimately hire. An estimated 100-150 semi-trailer trucks will come through the facility each day once at full capacity.

Also at the airport is the increasingly successful **Aviation Exteriors**, a company that performs MRO working and aircraft painting for FedEx. Now at 225 employees (up from 88 last year), that number will increase to 250 as soon as the company adds Air Canada and Allied out of Algeria to its customer mix. By 2027, AE expects to add maintenance and heavy checks for FedEx that will require 150 more employees. AE and airport officials are working hard to put together \$65

million for a new 200,000 square foot hangar for the company. A new hangar would enable the company to handle three more aircraft.

Two other large employers add stability to this parish. **Metal Shark Boats** in Jeanerette employs 240 people to build autonomous boats for the Marines and Navy. The company is trying to add another line to its production, which would require 10 more employees. **Delta Biofuels** has now opened its \$100 million facility to manufacture biomass fuel pellets out of bagasse. DB now employs 126 people.

The **ULL New Iberia Research Center**---a world-class primates (9,000 primates now) research center---has a bio-safety lab under construction, which will enable a lot more research to be done at the Center rather than elsewhere in the country. A further consequence is the likely development of a Bio Innovations Accelerator to manufacture vaccines, pharmaceuticals, etc. That step would likely create 300-400 new jobs by the end of 2027.

Iberia Parish will be receiving \$106.8 million in **state road lettings** over 2026-27. The larger projects in the list are:

- \$35 million for improvements on US90 from LA688 to LA318;
- \$7.6 million for LA997 improvements, and;
- \$7 million for a roundabout on LA675 at Airport Road.

Iberia Parish will also pick up \$55.7 million in **Coastal Protection and Restoration Authority** (CPRA) monies over 2026-27. These CPRA awards may increase for the parish as the money previous allocated for the now canceled Mid-Barataria Sediment Diversion project is redirected.

### **Offshore Parishes – St. Mary: Major Performance Injection**

St. Mary Parish is awash in firms performing fabrication work and services for the offshore exploration industry. Those firms may find it difficult rowing ahead because activity in the Gulf is in the doldrums for now.

The Parish is still in for a massive economic shot in the arm coming from **Performance Contractors (PC)**. A couple of years ago, PC took over the old McDermott yard and is using it as a site to manufacture modules for the LNG export facilities being constructed in coastal Louisiana. Now at 1,000 employees, PC expects this to ramp up to the 3,000-4,000 range as PC works on contracts for Venture Global's CP2 and Plaquemines Stage 3 projects. This number is expected to be solid for several more years.

St. Mary Parish will also pick up \$21 million in **Coastal Protection and Restoration Authority** (CPRA) monies over 2026-27. The largest project will be \$14.4 million for St. Mary Back Lakeside Flood Protection projects. CPRA awards may increase for the parish as the money previously scheduled for the now canceled Mid-Barataria Sediment Diversion project is redirected.

### **Fibrebond Energizes Webster**

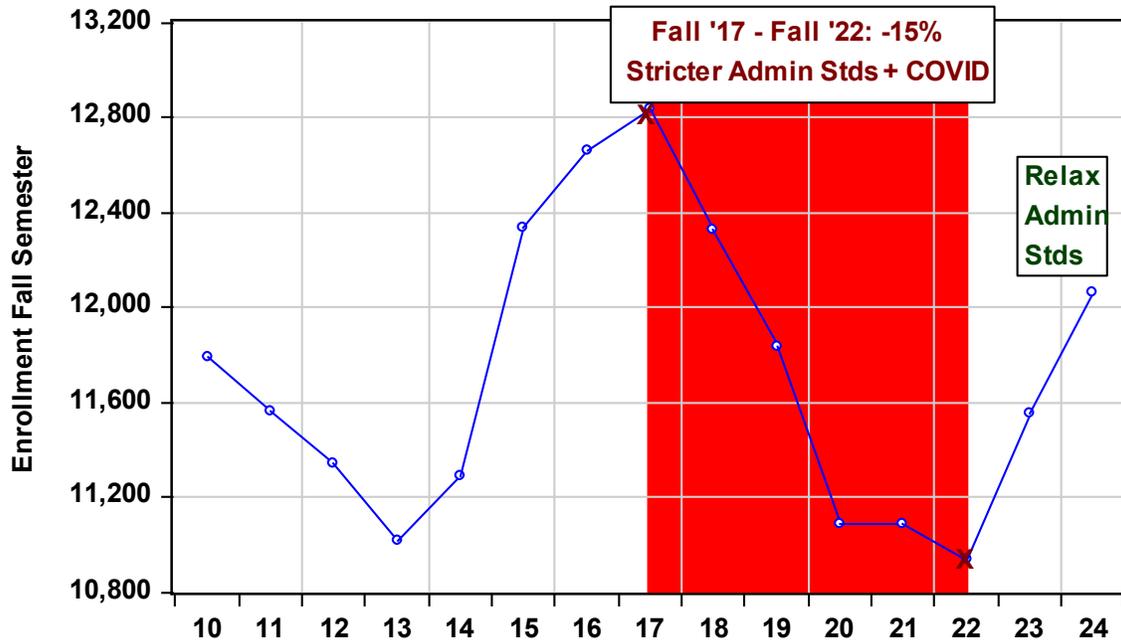
The Shreveport-Bossier MSA lost a big one when the Office of Management and Budget removed Webster Parish from that MSA. That is because Webster is the home parish of **Fibrebond**, a company that manufactures modular electrical enclosures for data centers, LNG export facilities, and chemical plants. Already at 1,000+ employees, Fibrebond expects that number to grow at double-digit rates over 2026-27. Human resources at the company says there is a need for 150 more electricians today and the company should reach 1,300 employees by the end of 2026. Fibrebond is just finishing up a \$15 million expansion project.

### **The University Parishes – Lincoln: Can Tech Keep It Up?**

A key question for Lincoln is whether **Louisiana Tech** can keep its new enrollment momentum going. Figure 65 tracks Fall enrollments at the university from 2010 through 2024.

Stricter admissions standards and the COVID shutdown combined to nail LA Tech's enrollment with a -15% hit between Fall 2017 and Fall 2022. A loss of over 1,900 potential consumers in the parish was no small thing. The good news is that a relaxation in admissions standards has helped the university recover about half of those losses. It is obviously important to the Parish economy for this recovery trend to continue.

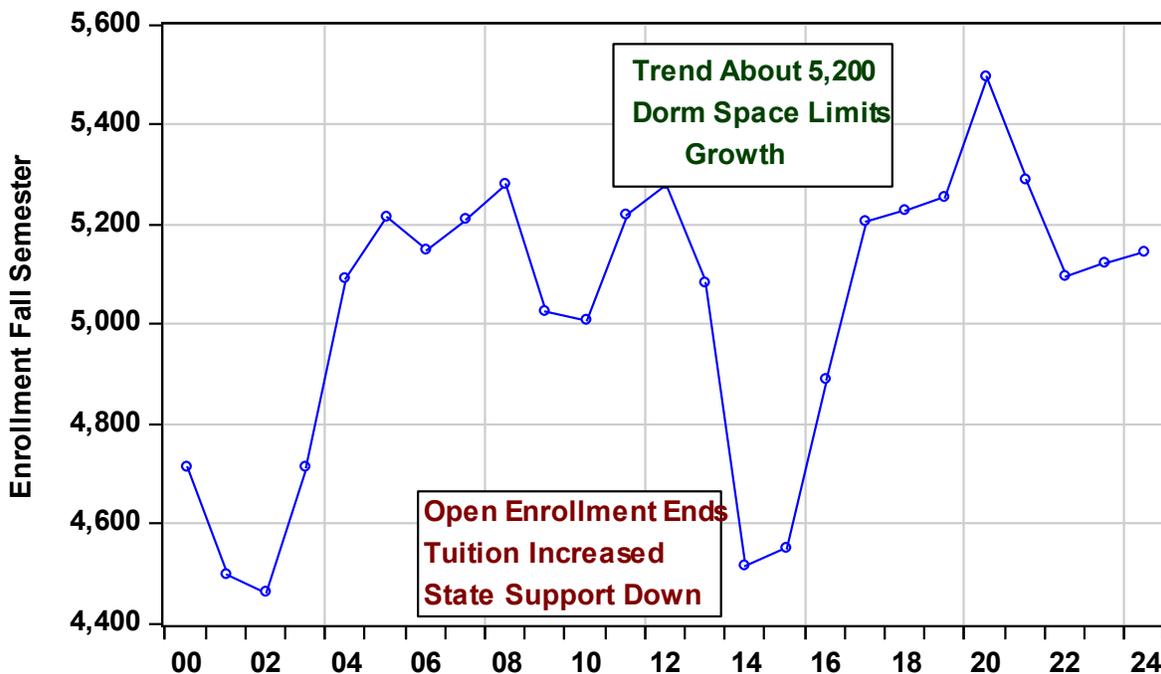
**Figure 65**  
**Louisiana Tech Enrollment**  
**Fall 2010 - Fall 2024**



Source: Board of Regents

Fall enrollments at **Grambling State University** also had a period of enrollment decline over a 3-year period from 2012-15, a loss of 764 students (see Figure 66). This has been attributed to a combination of stricter enrollment standards, tuition increases, and reduced state support. Since then, enrollments have hovered around 5,200 which is about the number imposed by dorm space limits.

**Figure 66**  
**Grambling State Enrollment**  
**Fall 2010 - Fall 2024**



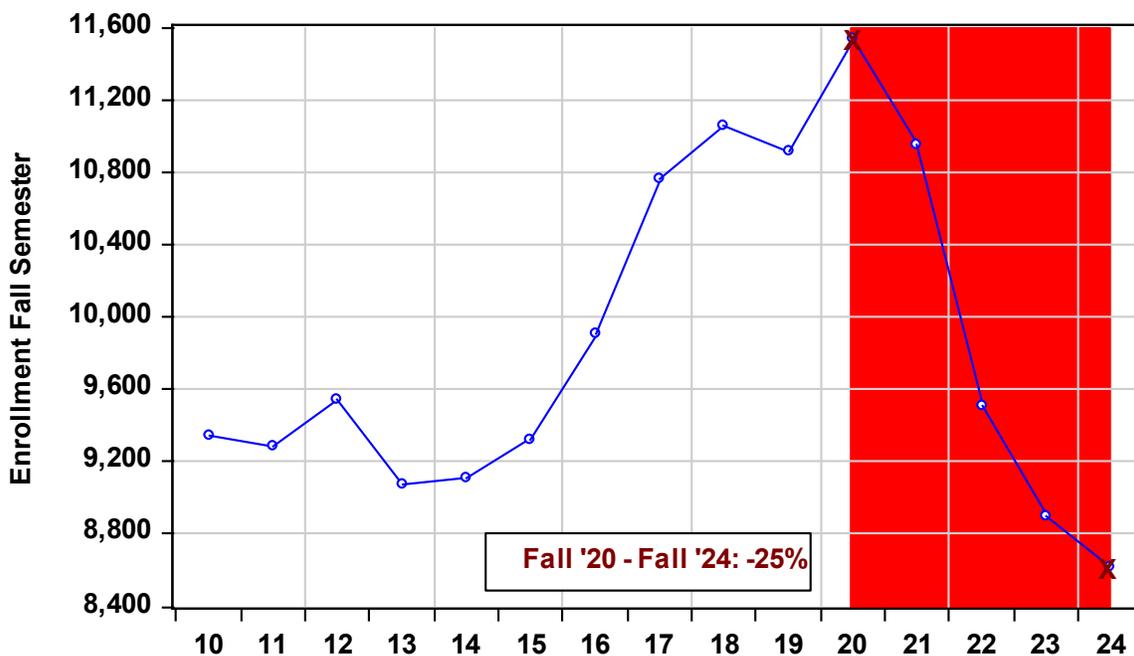
Source: Board of Regents

Three other factors are poised to give this parish a nice economic boost. **Radiance Technologies** is investing \$370 million to build a state-of-the-art microchip packaging facility in Ruston. To open in summer 2027, the facility will employ 150 people at an average salary of \$86,000. **J. P. Morgan Chase** is very close to finishing construction of its new operations center in Ruston. Once complete, 50 new jobs will be generated, with a longer-term aim for 200. **Buc-ee's** has announced it will be building a \$50 million travel center on I20 near Ruston. Some 200 new positions will come available when it opens. Some \$27 million in **state road projects** have also been let for Lincoln Parish.

**The University Parishes – Natchitoches: Two Difficult Hits**

Natchitoches Parish is facing very different prospects than Lincoln. Whereas LA Tech enrollments have turned the corner and started to grow again, this is not the case at Northwestern. Fall enrollments for 2010 through 2024 are illustrated in Figure 67.

**Figure 67**  
**Northwestern State University Enrollment**  
**Fall 2010 - Fall 2024**



Source: Board of Regents

Enrollments at Northwestern have fallen 25% (-2,927) since 2020 and no end appears in sight. The loss of three thousand spenders in the community is especially tough on the food/beverage industry, entertainment, and housing. A new president has been appointed who can hopefully turn this trend around.

Another major blow was landed on this parish when the **International Paper** container board plant at Campti was closed his past spring. A total of 450, very good-paying jobs vanished, not counting the hit taken by loggers in the region.

An unusual positive event may be on the horizon for Natchitoches Parish. The **Coushatta Indian Tribe** in Allen Parish is exploring the possibility of a \$20-\$22 million travel plaza on I49 in Natchitoches Parish. If the Bureau of Indian Affairs allows the land to be put into trust, travelers will be able to purchase gasoline and other items at the plaza without paying a state or local sales tax. That could make this a very successful travel stop.

Another piece of good news is that Natchitoches is the home of the **Roy O. Martin Sustainable Resources** plywood plant. That facility employs 735 people, a number about 35 people short of needed over 2026-27.

### **Allen Parish: Clever Business Moves by Coshattas**

Allen Parish is the tribal home to the **Coshatta Indian Tribe**, which owns one of the largest and most successful casinos in the state---Grand Casino Coshatta. The tribe is near completion of a \$150 million, 8-story, 204-room hotel near the casino. About 150-200 new jobs will be needed to operate it.

As mentioned two paragraphs above, the tribe is initiating a new, and very clever business venture. The Bureau of Indian Affairs has put into trust land that the tribe owns adjoining I10 in Jeff Davis Parish. The tribe will build a travel plaza on the land. Because the land is in tribal trust, gasoline and other items purchased at the plaza will not be assessed a state or local sales tax. Similar plazas are planned for Calcasieu and Natchitoches Parishes. An absence of taxes will make all items at the plazas much cheaper and make the plazas wildly successful.

Allen Parish is also home to the **Roy O. Martin Sustainable Resources** oriented strand board plant. That facility employs 200 people, a number expected to remain stable over 2026-27.

### **Caldwell Parish: An FID for Strategic?**

A potentially big win for the rural region of the State would be a final Investment Decision (FID) issued by **Strategic Biofuels** at the Port of Caldwell. This \$4.3 billion project would make sustainable aviation fuel from soybeans and wood products. A key component of the process is carbon capture and storage. The company is awaiting the permit for its required Class VI well for injecting carbon. Once that permit is in hand, the company expects to announce an FID late 2026 and start its 3-year construction in 2027. About 150 new permanent jobs will be generated once opened.

### **Fort Polk: An End to Retrenching**

Via the Army's ARSTRUC program to restructure activities at its bases, employment at **Fort Polk**---a few miles west of Alexandria in Vernon Parish---has declined from 15,129 to 14,181 (-6%). Fort Polk is still the largest single-site employer in Louisiana. The good news is that in 2027 the base will become home to the Multi-Role Bridge Company, adding 187 military. Also, in that year the 46 EN was

supposed to be inactivated (-145 military), but thankfully that inactivation has been canceled. There is a possibility that the Gray Eagles, an aerial systems group may come to the base (+28 military). The good news is that more civilian and military jobs are likely at the Base over 2026-27.

### **State Road Lettings Number Big**

Three-quarters of a billion dollars in **state road lettings** have been announced for Louisiana's rural parishes. The largest of these projects are:

- \$50 million for the Sabine River Bridge;
- \$36.4 million for the Castor Creek Bridge replacement, and:
- \$34.5 million for the Cane River Bridge at Church Street.

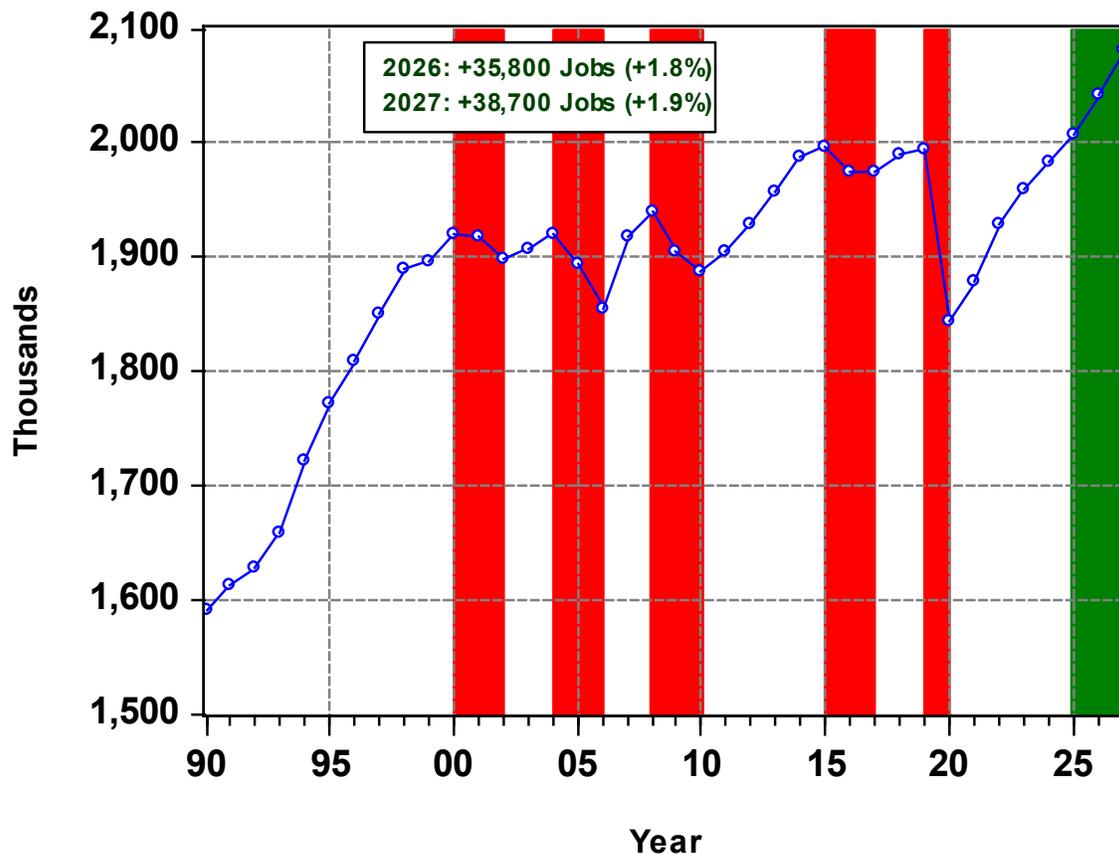
## THE LOUISIANA ECONOMY: 2025-26

### Living Above 2,000,000

In the sections above we described the forecast for the state's ten MSAs and its rural region. Figure 68 illustrates what happens when you add them all up to get the state total (red bars are State recessions). We are projecting that **the state will add 35,800 jobs in 2026 (+1.8%) and 38,700 jobs in 2027 (+1.9%).**

Figure 68

### Louisiana Non-Farm Employment: Forecast 2026-27



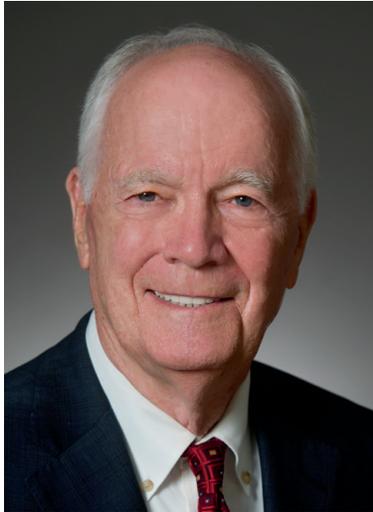
Source: Louisiana Workforce Commission & Loren C. Scott & Associates, Inc.

It is troubling to see the performance of this economy over the past quarter of a century. Each time Louisiana gets near the 2,000,000-job mark, something

happens---either a national recession, a large oil price decline, or the COVID shutdown. Now the State has enjoyed good, solid growth for 5 straight years, and appears this year to have just edged over that threshold with 2,007,000 jobs.

Will the new LNG export facilities, chemical plants, and data centers keep us moving well past that mark, or will something else pull us back down again? Are you watching AI? This is a BIG disruption afoot. What will it mean for employment?

Let's hope for the best.



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Dr. Scott is the President of Loren C. Scott & Associates, Inc., a 44-year old economic consulting firm that currently conducts impact studies, policy analyses, and litigation support for various size private/public companies and governmental bodies. The firm's clients span diverse industries and have included national firms such as BP, Capital One Financial, Entergy, ExxonMobil, J.P. Morgan Chase, Nucor, Sasol, Chesapeake Energy. A frequent public speaker, Dr. Scott gives 50-70 speeches a year across the country on the state of the economy.

Dr. Scott is an energy specialist on the National Business Economic Issues Council. NBEIC is a 52-member council, which meets quarterly to collaborate on issues of state, national, and international interest. The group includes experts who cover international trade, Washington economic policy, retail trade, trucking, steel, chemicals, etc.

He has been interviewed on CNBC, MSNBC, and Bloomberg TV, in addition to several local TV stations, and his work has been cited in such publications as the *Wall Street Journal*, *Forbes*, the *Los Angeles Times*, the *New York Times*, *USA Today*, the *Moscow Times*, and the *Financial Times*, to name a few.

His career started at Louisiana State University in 1969 where he spent 33 years, rising through the ranks from assistant professor to the prestigious Freeport McMoran Endowed Chair of Economics and the Director of the Division of Economic Development and Forecasting. Over the thirteen-year period from 1983-96, he was the chairman of the LSU Economics Department. During that time, the Department's ranking among the 3,000 economics departments in the U.S. rose from 101st to 38th. He is presently Professor Emeritus at LSU. He received seven awards at LSU for outstanding classroom teaching and authored numerous peer reviewed publications.



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Image: LA DOTD



Image: Southern International Terminal