

BRAZORIA COUNTY ECONOMIC INDICATORS

LEADING INDEX PREDICTS ECONOMIC GROWTH

The Brazoria County Index of Leading Economic Indicators increased to 116.40 in February, which is 4.06 percent above the previous month and 5.72 percent above last year. The Leading Economic Index is designed to forecast the economic performance of the county over the next three to six months. The index fell below the six-month moving average in February of last year but has been above the six-month moving average for five consecutive months (Figure 1). This is significant because if the leading economic index is consistently above the six-month moving average, the county is likely entering into or currently experiencing a period of economic growth.

Two of the four leading economic indicators increased over the last year. The largest increase was in the Brazoria County Stock Index, which is made up of the five largest publicly traded manufacturers in the county. The stock index increased 18.12 percent in the month of February and 28.23 percent over the last year (Figure 2). Brazoria County New Single Family Building Permits increased 16.93 percent over the last year to 297, which surpassed February's previous record number of permits of 284 filed in 2006 (Figure 3). New Retail Auto Sales had recorded annual increases for five consecutive months leading up to February. However, February recorded a decrease of 23.54 percent, but bounced back in March with a 43.00 percent increase. The preliminary figure for average weekly manufacturing hours is 36.00 hours per week compared to 44.10 hours per week last year, which represents a decrease of 18.37 percent.

CURRENT ECONOMIC INDICATORS

The Brazoria County Index of Current Economic Indicators, which is designed to provide in-

formation about the current status of the economy, decreased over the last year by 13.84 percent. Three of the four current economic indicators decreased over the last year. The largest decrease in the index was in Hotel/Motel Tax Receipts within the county, which decreased by 18.50 percent over the last year. Brazoria County Sales Tax Receipts declined 13.67 percent compared to last year and employment with Brazoria County fell from 175,160 in February of last year to 161,305 in February of this year, which represents a decrease of 7.91 percent. Employment has improved since the low of 142,698 recorded in April 2020, but still not back to pre-pandemic levels (Figure 4). Houston-Galveston-Brazoria CPI posted an increase of 0.44 percent in the month of February and increased 1.00 percent over the last year. The Brazoria County Current Economic Index has been below the six-month moving average since February of last year (Figure 5). This is significant because if the current economic index is consistently below the six-month moving average then the county is currently experiencing an economic slowdown.

LAGGING ECONOMIC INDICATORS

The Brazoria County Index of Lagging Economic Indicators is used to confirm either the growth or the slowdown in the economy. The lagging economic index is 8.81 percent below the previous year. Brazoria County Foreclosure Notices decreased from 88 last February to 17 in February of this year, which represents a decrease of 80.68 percent. The decrease in foreclosure notices is in large part due to the extension of COVID-19 forbearance and foreclosure protections for homeowners through June 30, 2021. The unemployment rate in the county was 9.02 percent in February compared to 4.30 percent last year (Figure 6). The lagging economic index remains below the six-month moving average, which confirms that economic activity within the county has slowed.

Figure 1: Leading Economic Index

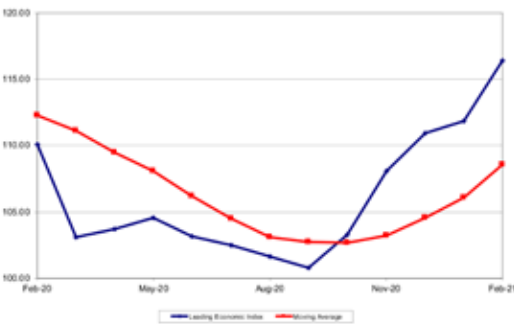


Figure 2: BC Stock Index vs. DJIA

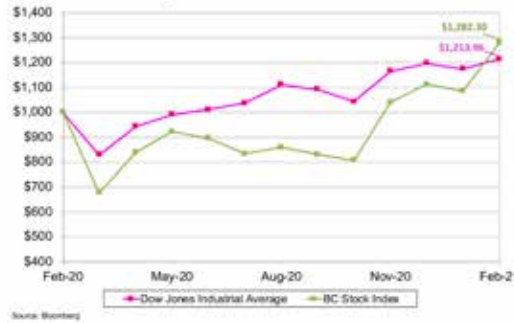


Figure 3: New Single Family Building Permits (February)

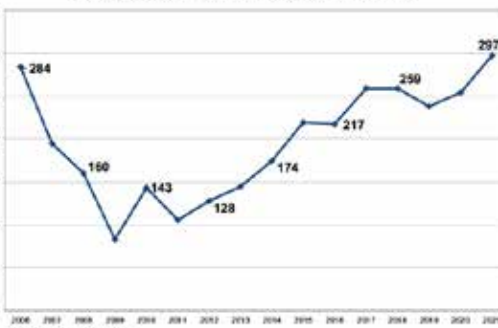


Figure 4: Brazoria County Employment

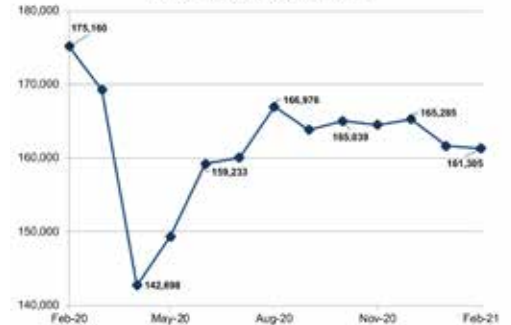


Figure 5: Current Economic Index

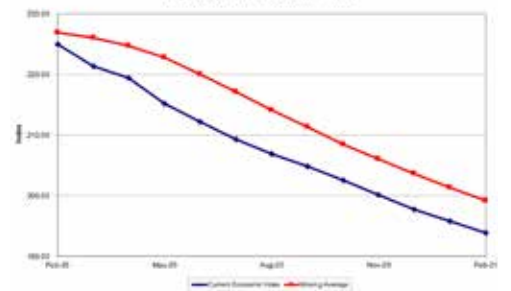
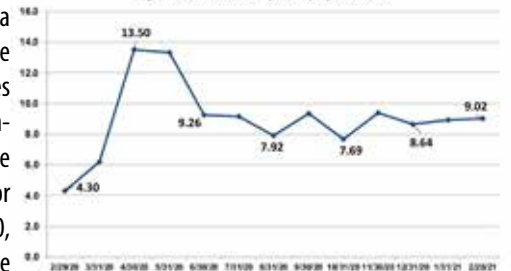


Figure 6: Brazoria County Unemployment Rate



BRAZORIA COUNTY TEXAS BUSINESS CYCLE INDICATOR

APRIL 2021

Brazoria County Economic Indices:	Feb 2021	Jan 2021	Dec 2020	Nov 2020	Oct 2020
Leading Economic Index (2003 = 100)	116.40	111.85	110.90	108.06	103.26
Current Economic Index (2003=100)	193.84	195.82	197.71	200.16	202.52
Lagging Economic Index (2003 = 100)	123.74	123.79	123.82	123.81	123.87

Brazoria County Leading Economic Index	Feb 2021	Jan 2021	Feb 2020	Jan-2020 to Feb-2020	Feb-2020 to Feb-2021
Leading Economic Index (2003 = 100)	116.40	111.85	110.10	4.06%	5.72%
Components:					
Brazoria County Stock Index (12/31/2003 = 100)	180.70	152.98	140.91	18.12%	28.23%
New Single Family Building Permits (Seasonally Adjusted)	295	281	243	4.77%	21.47%
<i>New Single Family Building Permits (Unadjusted)</i>	297	252	254	17.86%	16.93%
Houston-The Woodlands-Sugarland Avg. Wkly. Mfg. Hrs. (Seasonally Adjusted)	37.94	38.29	45.92	-0.92%	-17.38%
<i>Houston-The Woodlands-Sugarland Avg. Wkly. Mfg. Hrs. (Unadjusted)</i>	36.00	36.50	44.10	-1.37%	-18.37%
New Retail Auto Sales (Seasonally Adjusted)	1,853	2,318	2,284	-20.08%	-18.89%
<i>New Retail Auto Sales (Unadjusted)</i>	1,663	2,173	2,175	-23.47%	-23.54%

*(Data for the Leading Index is one month behind due to the lag in obtaining the data for building permit and weekly manufacturing hours.)

Brazoria County Current Economic Index	Feb 2021	Jan 2021	Feb 2020	Jan-2021 to Feb-2021	Feb-2020 to Feb-2021
Current Economic Index (2003 = 100)	193.84	195.82	224.98	-1.01%	-13.84%
Components:					
Sales Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	1,150,297	1,167,817	1,317,786	-1.50%	-12.71%
<i>Sales Tax Receipts (Current \$'s, Unadjusted)</i>	2,180,322	2,289,106	2,525,579	-4.75%	-13.67%
Household Employment (Seasonally Adjusted)	163,521	163,938	172,715	-0.25%	-5.32%
<i>Household Employment (Unadjusted)</i>	161,305	161,638	175,160	-0.21%	-7.91%
Hotel/Motel Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	1,927,130	1,960,740	2,530,644	-1.71%	-23.85%
<i>Hotel/Motel Tax Receipts (Current \$'s, Unadjusted)</i>	3,917,833	3,124,950	4,807,368	25.37%	-18.50%
Houston-Galveston-Brazoria County CPI	232.44	231.42	230.15	0.44%	1.00%

** (Data for the Current Index is one month behind due to the lag in obtaining the data for sales tax receipts.)

Brazoria County Lagging Economic Index	Feb 2021	Jan 2021	Feb 2020	Jan-2021 to Feb-2021	Feb-2020 to Feb-2021
Lagging Economic Index (2003 = 100)	123.74	123.79	135.70	-0.04%	-8.81%
Components:					
Brazoria County Foreclosure Notices (Seasonally Adjusted)	31	33	81	-5.92%	-61.74%
<i>Brazoria County Foreclosure Notices (Unadjusted)</i>	17	24	88	-29.17%	-80.68%
Prime Rate Charged By Banks	3.25	3.25	4.75	0.00%	-31.58%
Unemployment Rate (Adjusted)	8.93%	8.64%	4.30%	3.36%	107.72%
<i>Unemployment Rate (Unadjusted)</i>	9.02%	8.90%	4.30%	1.35%	109.77%

*** (Data for the Lagging Index is one month behind due to lag in obtaining unemployment data.)