

BRAZORIA COUNTY ECONOMIC INDICATORS

NEARLY ALL INDICATORS IMPROVE IN 2021

The Brazoria County Index of Leading Economic Indicators decreased to 116.15 in November, which is 0.32 percent below the previous month and 7.49 percent above last year. The Leading Economic Index, which is designed to forecast the economic performance of the county over the next three to six months, has been below the six-month moving average for the last five months (Figure 1). This is significant because if the leading economic index is consistently below the six-month moving average, then the county is likely entering into or currently experiencing a period of slow economic growth.

Three of the four leading economic indicators increased over the last year. The Brazoria County Stock Index, which is made up of the five largest publicly traded manufacturers in the county, posted the largest increase of 21.18 percent over the last year. Comparatively the Dow Jones Industrial Average increased by 16.38 percent over the same period (Figure 2).

New Single Family Building Permits increased from 286 permits to 324 permits over the last year. This is an increase of 13.29 percent over the last year. Average Weekly Manufacturing Hours increased almost 7 hours per week over the last year, but still have not returned to pre-pandemic levels (Figure 3). The only leading indicator to decrease over the last year was Brazoria County New Retail Auto Sales, which fell by 8.45 percent over the last year.

CURRENT ECONOMIC INDICATORS

The Brazoria County Index of Current Economic Indicators, which is designed to provide information about the current status of the economy, increased over the last year by 9.58 percent. All four of the current economic indicators increased over the last year. The largest increase in the index was in Hotel/Motel Tax Receipts within the county, which increased by 35.93 percent over the last year. The \$5,957,064 is the second largest amount of Hotel/Motel Tax Receipts ever recorded in Brazoria County for the month of October (Figure 4). The highest amount of Hotel/Motel Tax Receipts collected in

October was an anomaly due to Hurricane Harvey, which displaced residents from their homes in 2017. Employment within the county increased by 5,040 over the last year, bringing the total number of employed workers within the county up to 170,079. Employment has improved since the low of 142,698 recorded in April 2020, but still hasn't returned to pre-pandemic levels (Figure 5). Brazoria County Sales Tax Receipts increased 8.32 percent when compared to last year and Houston-The Woodlands-Sugar Land CPI posted an increase of 6.06 percent. The Brazoria County Current Economic Index has been above the six-month moving average for eight consecutive months (Figure 6). This is significant because if the current economic index is consistently above the six-month moving average then the county is currently experiencing a period of economic growth.

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 increased 4.93 percent over the last year. Brazoria County Foreclosure Notices increased from 10 to 35 notices over the last year. Foreclosure notices have been historically low due to forbearance and foreclosure protections for homeowners during the COVID-19 pandemic. The unemployment rate in the county peaked at 13.50 percent in April 2020 due to the COVID-19 pandemic. The increase in foreclosure notices is due to some of these protections expiring on September 30th, 2021. The unemployment rate in November was 5.62 percent compared to 9.36 percent in November of last year. The lagging economic index has been above the six-month moving average for the last twelve months, which confirms that the county has been experiencing a period of economic growth.

Figure 1: Leading Economic Index



Figure 2: BC Stock Index vs. DJIA

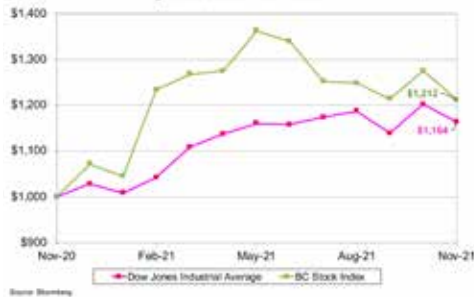


Figure 3: Manufacturing Hours (November)

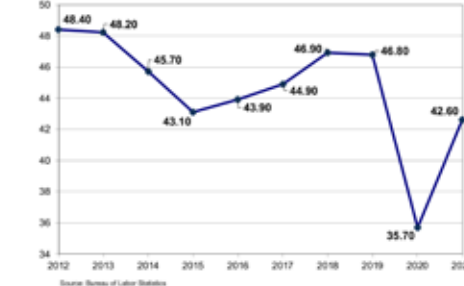


Figure 4: Hotel/Motel Tax Receipts (October)

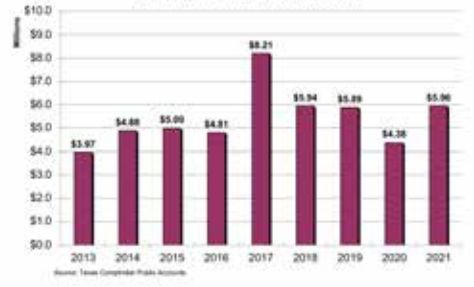


Figure 5: Brazoria County Employment

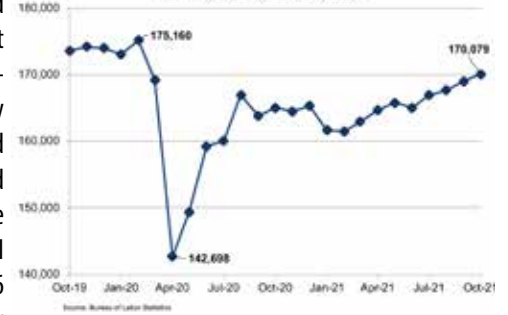
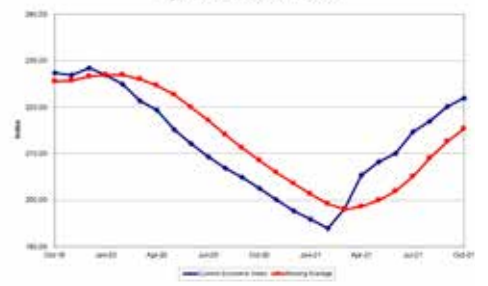


Figure 6: Current Economic Index



BRAZORIA COUNTY TEXAS BUSINESS CYCLE INDICATOR

JANUARY 2022

Brazoria County Economic Indices:	Nov 2021	Oct 2021	Sep 2021	Aug 2021	Jul 2021
Leading Economic Index (2003 = 100)	116.15	116.53	114.75	117.36	119.78
Current Economic Index (2003=100)	-	221.91	220.09	216.94	214.72
Lagging Economic Index (2003 = 100)	129.91	129.21	128.43	127.37	126.74

Brazoria County Leading Economic Index	Nov 2021	Oct 2021	Nov 2020	Oct-2021 to Nov-2021	Nov-2020 to Nov-2021
Leading Economic Index (2003 = 100)	116.15	116.53	108.06	-0.32%	7.49%
Components:					
Brazoria County Stock Index (12/31/2003 = 100)	177.45	186.75	146.44	-4.98%	21.18%
New Single Family Building Permits (Seasonally Adjusted)	296	291	255	1.82%	16.23%
<i>New Single Family Building Permits (Unadjusted)</i>	324	286	286	13.29%	13.29%
Houston-The Woodlands-Sugar Land Avg. Wkly. Mfg. Hrs. (Seasonally Adjusted)	39.19	38.52	39.15	1.73%	0.08%
<i>Houston-The Woodlands-Sugar Land Avg. Wkly. Mfg. Hrs. (Unadjusted)</i>	42.60	39.40	35.70	8.12%	19.33%
New Retail Auto Sales (Seasonally Adjusted)	2,025	1,799	2,096	12.61%	-3.36%
<i>New Retail Auto Sales (Unadjusted)</i>	1,810	1,814	1,977	-0.22%	-8.45%

*(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	Oct 2021	Sep 2021	Oct 2020	Sep-2021 to Oct-2021	Oct-2020 to Oct-2021
Current Economic Index (2003 = 100)	221.91	220.09	202.52	0.83%	9.58%
Components:					
Sales Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	1,208,433	1,210,638	1,230,228	-0.18%	-1.77%
<i>Sales Tax Receipts (Current \$'s, Unadjusted)</i>	2,675,997	3,024,952	2,470,404	-11.54%	8.32%
Household Employment (Seasonally Adjusted)	166,351	165,724	164,102	0.38%	1.37%
<i>Household Employment (Unadjusted)</i>	170,079	168,999	165,039	0.64%	3.05%
Hotel/Motel Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	2,572,277	2,527,537	2,069,584	1.77%	24.29%
<i>Hotel/Motel Tax Receipts (Current \$'s, Unadjusted)</i>	5,957,064	6,663,200	4,382,562	-10.60%	35.93%
Houston-The Woodlands-Sugar Land CPI	243.81	242.45	229.89	0.56%	6.06%

** (Data for the Current Index is two months behind due to the lag in obtaining the data for CPI and sales tax receipts.)

Brazoria County Lagging Economic Index	Nov 2021	Oct 2021	Nov 2020	Oct-2021 to Nov-2021	Nov-2020 to Nov-2021
Lagging Economic Index (2003 = 100)	129.91	129.21	123.81	0.54%	4.93%
Components:					
Brazoria County Foreclosure Notices (Adjusted)	26	25	37	5.40%	-28.86%
<i>Brazoria County Foreclosure Notices (Unadjusted)</i>	35	33	10	6.06%	250.00%
Prime Rate Charged By Banks	3.25	3.25	3.25	0.00%	0.00%
Unemployment Rate (Adjusted)	5.62%	5.94%	8.12%	-5.37%	-30.77%
<i>Unemployment Rate (Unadjusted)</i>	5.62%	5.82%	9.36%	-3.44%	-39.96%

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