

ECONOMIC INDICATORS SHOW MIXED RESULTS

The Brazoria County Index of Leading Economic Indicators decreased over the last year from 120.63 to 118.18, which is 0.53 percent below the previous month and 2.03 percent lower than 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 above the six-month moving average the last two months. 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 (Figure 1).



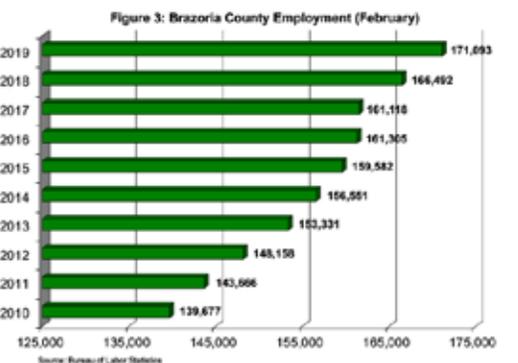
Houston-The Woodlands-Sugarland Average Weekly Manufacturing Hours remained the same as last year at 45.70 hours per week. The largest decrease in the index was due to the BC Stock Index, which is made up of the six largest publicly traded manufacturers within the county.

The stock index decreased 15.52 percent over the last year. Comparatively the Dow Jones Industrial Average increased 8.30 percent over this same time period. Brazoria County New Single Family Building Permits decreased 14.18 percent over the last year from 261 to 224 permits (Figure 2). New Retail Auto Sales decreased 1.11 percent over the last year with 2,308 new vehicles sold in March 2019 compared to 2,334 in March 2018.



CURRENT ECONOMIC INDICATORS

The Brazoria County Index of Current Economic Indicators, which is designed to provide information about the current status of the economy, decreased over the last year to 231.39. The index is 0.40 percent below the previous month and 3.33 percent lower than last year. The largest increase in the index was due to

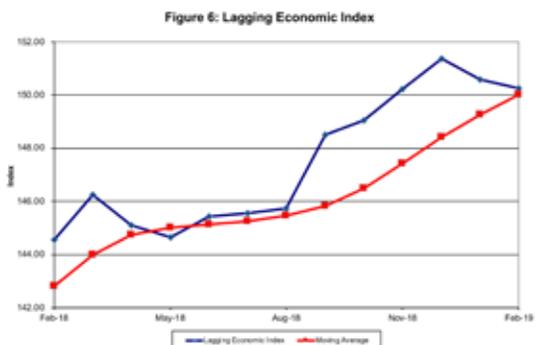
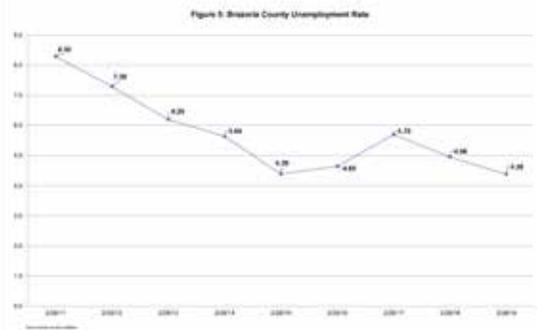


Brazoria County Household Employment, which set a new record of 171,093 individuals employed in the county (Figure 3). Hotel/Motel Tax Receipts accounted for the largest decrease in the index of 10.01 percent. The decrease is partially due to inflated hotel/motel tax receipts last year as people were displaced by flooding caused by Hurricane Harvey. County Sales Tax Receipts decreased 3.27 percent and the Houston-Galveston-Brazoria CPI increased by 0.93 percent over the last year. The Brazoria County Current Economic Index has been below the six-month moving average for the last six months. This is significant because if the current economic index is consistently below the six-month moving average then the county is likely experiencing an economic slowdown (Figure 4).



LAGGING ECONOMIC INDICATORS

The Brazoria County Index of Lagging Economic Indicators is used to confirm the growth or slowdown in the economy. The index is 0.20 percent below the previous month and 0.73 percent lower than last year. There were 75 foreclosure notices filed this February compared to 49 filed in February 2018. Foreclosure notices were unusually low last year due to the loan forbearance program for flood victims. Unemployment within the county decreased to 4.38 percent, which is the lowest unemployment rate recorded in the month of February since the inception of the index (Figure 5). The lagging economic index has been above the six-month moving average for eleven of the last twelve months, which indicates the economy has been experiencing a period of economic growth (Figure 6).



BRAZORIA COUNTY, TEXAS BUSINESS CYCLE INDICATORS

MAY 2019

Brazoria County Economic Indices:	Mar 2019	Feb 2019	Jan 2019	Dec 2018	Nov 2018
Leading Economic Index (2003 = 100)	118.18	118.81	117.65	114.10	117.42
Current Economic Index (2003=100)	-	231.39	232.32	234.74	239.42
Lagging Economic Index (2003 = 100)	-	150.26	150.56	151.37	150.22

Brazoria County Leading Economic Index	Mar 2019	Feb 2019	Mar 2018	Feb-2019 to Mar-2019	Mar-2018 to Mar-2019
Leading Economic Index (2003 = 100)	118.18	118.81	120.63	-0.53%	-2.03%
Components:					
Brazoria County Stock Index (12/31/2003 = 100)	164.86	167.93	195.15	-1.83%	-15.52%
New Single Family Building Permits (Seasonally Adjusted)	239	246	242	-3.06%	-1.28%
<i>New Single Family Building Permits (Unadjusted)</i>	224	238	261	-5.88%	-14.18%
Houston-The Woodlands-Sugarland Avg. Wkly. Mfg. Hrs. (Seasonally Adjusted)	46.01	46.07	45.01	-0.12%	2.22%
<i>Houston-The Woodlands-Sugarland Avg. Wkly. Mfg. Hrs. (Unadjusted)</i>	45.70	46.10	45.70	-0.87%	0.00%
New Retail Auto Sales (Seasonally Adjusted)	2,032	2,030	2,054	0.09%	-1.09%
<i>New Retail Auto Sales (Unadjusted)</i>	2,308	1,875	2,334	23.09%	-1.11%

*(Data for New Single Family Building Permits is unavailable due to Federal government shutdown.)

Brazoria County Current Economic Index	Feb 2019	Jan 2019	Feb 2018	Jan-2019 to Feb-2019	Feb-2018 to Feb-2019
Current Economic Index (2003 = 100)	231.39	232.32	239.38	-0.40%	-3.33%
Components:					
Sales Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	1,234,416	1,236,372	1,259,383	-0.16%	-1.98%
<i>Sales Tax Receipts (Current \$'s, Unadjusted)</i>	2,463,806	2,419,518	2,547,052	1.83%	-3.27%
Household Employment (Seasonally Adjusted)	168,732	168,318	163,750	0.25%	3.04%
<i>Household Employment (Unadjusted)</i>	171,093	169,115	166,492	1.17%	2.76%
Hotel/Motel Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	2,862,742	2,889,026	3,091,580	-0.91%	-7.40%
<i>Hotel/Motel Tax Receipts (Current \$'s, Unadjusted)</i>	5,885,683	5,397,066	6,540,138	9.05%	-10.01%
Houston-Galveston-Brazoria County CPI	226.80	226.68	224.71	0.05%	0.93%

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

Brazoria County Lagging Economic Index	Feb 2019	Jan 2019	Feb 2018	Jan-2019 to Feb-2019	Feb-2018 to Feb-2019
Lagging Economic Index (2003 = 100)	150.26	150.56	151.37	-0.20%	-0.73%
Components:					
Brazoria County Foreclosure Notices (Seasonally Adjusted)	76	73	45	3.32%	69.47%
<i>Brazoria County Foreclosure Notices (Unadjusted)</i>	75	91	49	-17.58%	53.06%
Prime Rate Charged By Banks	5.50	5.50	4.50	0.00%	22.22%
Unemployment Rate (Adjusted)	4.34%	4.63%	4.91%	-6.36%	-11.69%
<i>Unemployment Rate (Unadjusted)</i>	4.38%	4.77%	4.96%	-8.18%	-11.69%