

BRAZORIA COUNTY ECONOMIC INDICATORS

LEADING INDEX TRENDING UPWARD

The Brazoria County Index of Leading Economic Indicators increased to 107.81 in November, which is 4.52 percent above the previous month and 4.60 percent below 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 had been below the six-month moving average since February but beat the six-month moving average in October and November (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 (Figure 1).

Two of the four leading economic indicators increased over the last year. Brazoria County New Single Family Building Permits increased by 62.43 percent over the last year, which represents the largest number of building permits ever filed during the month of November (Figure 2). The second indicator to increase was New Retail Auto Sales, which posted an increase 0.46 percent over the last year. Houston-The Woodlands-Sugarland Average Weekly Manufacturing Hours and The Brazoria County Stock Index both decreased over the last year. The preliminary figure for average weekly manufacturing hours is 35.10 hours per week compared to 46.80 hours per week last year, which represents a decrease of 25.00 percent.

The Brazoria County Stock Index, which is made up of the five largest publicly traded manufacturers in the county, increased by 28.79 percent in the month of November. The substantial increase in November did not make up for all the losses recorded throughout the year as the stock index was still down 23.06 percent for the year (Figure 3).

Figure 1: Leading Economic Index

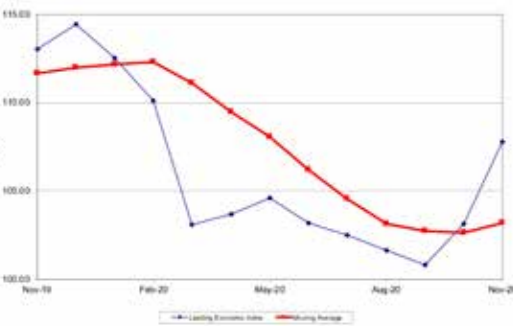


Figure 2: New Single Family Building Permits (November)

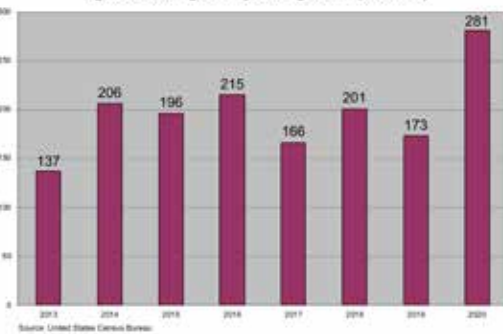
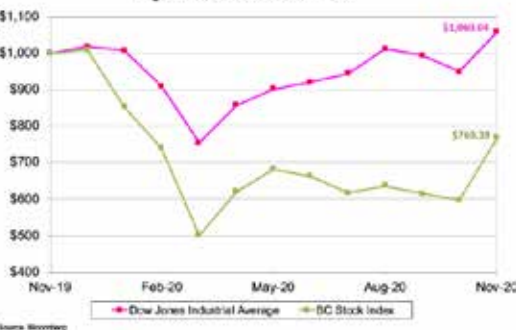


Figure 3: BC Stock Index vs. DJIA



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 by 11.80 percent. Three of the four current economic indicators decreased over the last year. The largest decrease in the index was a 21.27 percent decline in Brazoria County Sales Tax Receipts. County employment fell from 173,972 last November to 164,450 in November of this year, which represents a decrease of 5.47 percent. Employment has improved since the low of 142,698 recorded in April (Figure 4). Hotel/Motel Tax Receipts within the county decreased by 19.59 percent over the last year to \$3,606,975, which is the lowest reported for the month of November since 2013 (Figure 5). Houston-Galveston-Brazoria CPI is the only indicator posting an increase over the last year of 0.32 percent. The Brazoria County Current Economic Index has been below the six-month moving average since February (Figure 6). 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.

Figure 4: Brazoria County Employment

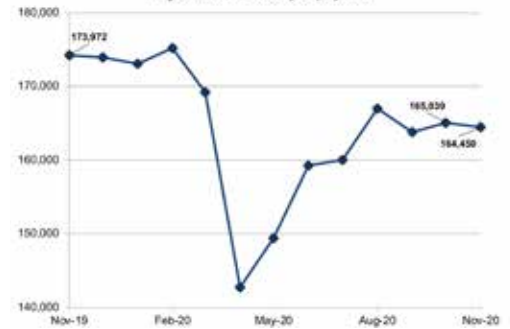


Figure 5: Hotel/Motel Tax Receipts (November)

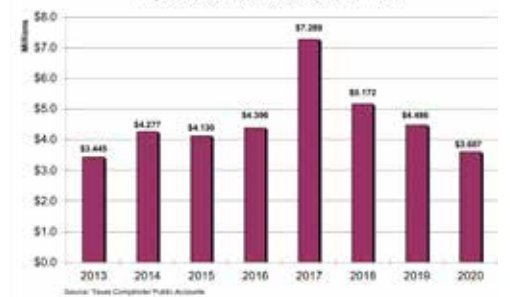
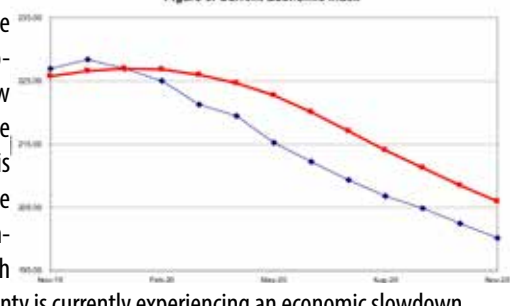


Figure 6: Current Economic Index



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 14.82 percent below the previous year. Brazoria County Foreclosure Notices decreased from 68 last November to 10 in November of this year, which represents a decrease of 85.29 percent. The decrease in foreclosure notices is in large part due to the moratorium on evictions and foreclosures due to COVID-19. The unemployment rate in the county was 9.36 percent in November compared to 4.20 percent last year. The lagging economic index remains below the six-month moving average, which confirms that economic activity within the county has slowed.

BRAZORIA COUNTY TEXAS BUSINESS CYCLE INDICATOR

JANUARY 2021

Brazoria County Economic Indices:	Nov 2020	Oct 2020	Sep 2020	Aug 2020	Jul 2020
Leading Economic Index (2003 = 100)	107.81	103.15	100.83	101.64	102.52
Current Economic Index (2003=100)	200.16	202.52	204.88	206.84	209.36
Lagging Economic Index (2003 = 100)	123.81	123.87	123.11	123.52	122.78

Brazoria County Leading Economic Index	Nov 2020	Oct 2020	Nov 2019	Oct-2020 to Nov-2020	Nov-2019 to Nov-2020
Leading Economic Index (2003 = 100)	107.81	103.15	113.01	4.52%	-4.60%
Components:					
Brazoria County Stock Index (12/31/2003 = 100)	146.44	113.70	190.33	28.79%	-23.06%
New Single Family Building Permits (Seasonally Adjusted)	254	249	207	2.05%	22.89%
<i>New Single Family Building Permits (Unadjusted)</i>	281	323	173	-13.00%	62.43%
Houston-The Woodlands-Sugarland Avg. Wkly. Mfg. Hrs. (Seasonally Adjusted)	38.92	39.61	46.54	-1.75%	-16.38%
<i>Houston-The Woodlands-Sugarland Avg. Wkly. Mfg. Hrs. (Unadjusted)</i>	35.10	33.60	46.80	4.46%	-25.00%
New Retail Auto Sales (Seasonally Adjusted)	2,096	2,383	2,104	-12.05%	-0.41%
<i>New Retail Auto Sales (Unadjusted)</i>	1,977	2,560	1,968	-22.77%	0.46%

*(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	Nov 2020	Oct 2020	Nov 2019	Oct-2020 to Nov-2020	Nov-2019 to Nov-2020
Current Economic Index (2003 = 100)	200.16	202.52	226.95	-1.16%	-11.80%
Components:					
Sales Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	1,204,352	1,230,228	1,294,103	-2.10%	-6.94%
<i>Sales Tax Receipts (Current \$'s, Unadjusted)</i>	2,329,923	2,470,404	2,959,313	-5.69%	-21.27%
Household Employment (Seasonally Adjusted)	164,158	164,102	171,777	0.03%	-4.44%
<i>Household Employment (Unadjusted)</i>	164,450	165,039	173,972	-0.36%	-5.47%
Hotel/Motel Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	2,037,248	2,069,584	2,627,117	-1.56%	-22.45%
<i>Hotel/Motel Tax Receipts (Current \$'s, Unadjusted)</i>	3,606,975	4,382,562	4,485,640	-17.70%	-19.59%
Houston-Galveston-Brazoria County CPI	230.14	229.89	229.40	0.11%	0.32%

** (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	Nov 2020	Oct 2020	Nov 2019	Oct-2020 to Nov-2020	Nov-2019 to Nov-2020
Lagging Economic Index (2003 = 100)	123.81	123.87	145.36	-0.05%	-14.82%
Components:					
Brazoria County Foreclosure Notices (Seasonally Adjusted)	37	42	72	-11.85%	-48.91%
<i>Brazoria County Foreclosure Notices (Unadjusted)</i>	10	20	68	-50.00%	-85.29%
Prime Rate Charged By Banks	3.25	3.25	4.75	0.00%	-31.58%
Unemployment Rate (Adjusted)	9.36%	7.85%	4.23%	19.28%	121.33%
<i>Unemployment Rate (Unadjusted)</i>	9.36%	7.69%	4.20%	21.72%	122.86%

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