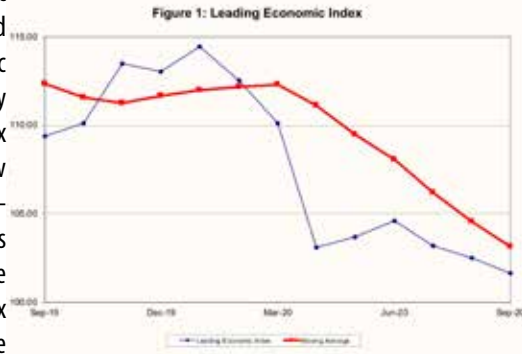
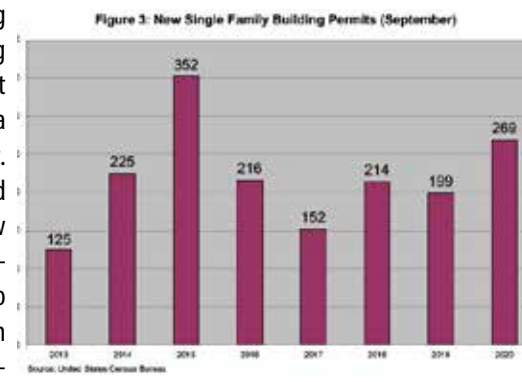
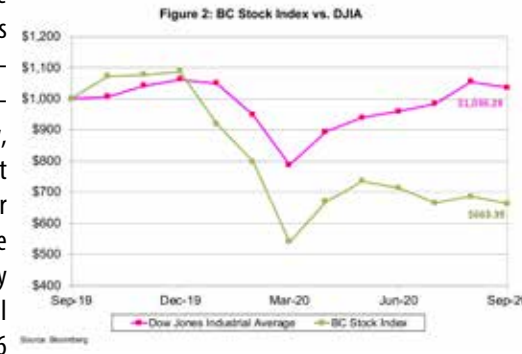


COUNTY EMPLOYMENT, BUILDING PERMITS, AND AUTO SALES IMPROVE

The Brazoria County Index of Leading Economic Indicators decreased to 101.33 in September, which is 0.31 percent below the previous month and 8.00 percent below the 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 since March. This is significant because if the leading economic index is consistently below the six-month moving average the county is likely entering into or currently experiencing an economic contraction (Figure 1).

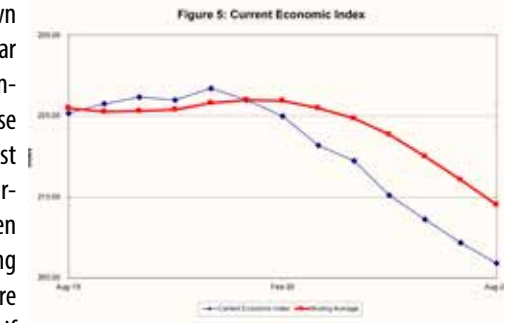
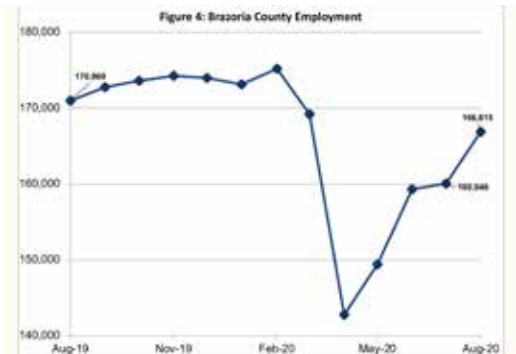


The two leading indicators pulling the leading economic index down in September were the Brazoria County Stock Index and Houston-The Woodlands-Sugarland Average Weekly Manufacturing Hours. The BC Stock Index, which is made up of the five largest publicly traded manufacturers in the county, decreased by 3.26 percent in the month of September and 33.66 percent over the last year. Comparatively the Dow Jones Industrial Average decreased by 1.76 percent in September, but posted an increase of 3.63 percent over the last year (Figure 2). The preliminary figure for weekly manufacturing hours is 38.30 hours per week in September. Manufacturing workers were averaging 46.90 hours per week last year, which represents a decrease of 18.34 percent. Low interest rates helped drive Brazoria County New Single Family Building Permits from 199 last year to 269 in September, which is an increase of 35.18 percent (Figure 3). New Retail Auto Sales in the county also posted a healthy increase of 5.71 percent over the last year.



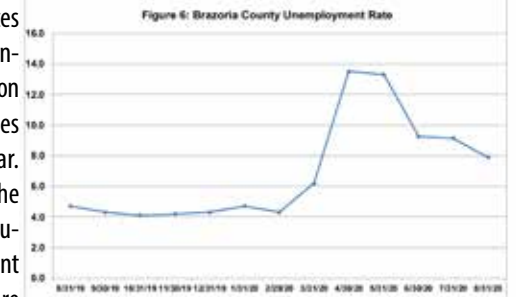
CURRENT ECONOMIC INDICATORS

The Brazoria County Index of Current Economic Indicators, which is designed to provide information about the current status of the economy, decreased 1.21 percent over the last month and 8.23 percent over the last year. The largest decrease in the index was a 16.70 percent fall in Brazoria County Sales Tax Receipts. Employment within the county added 6,769 jobs in August, however employment remains down over the last year. There were 170,969 individuals employed in the county in August of 2019 compared to 166,815 this year (Figure 4). Hotel/Motel Tax Receipts were down 15.87 percent over the last year and the Houston-Galveston-Brazoria CPI posted a decrease of 0.19 percent over the last year. The Brazoria County Current Economic Index has been below the six-month moving average since February (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 16.87 percent below the previous year. Brazoria County Foreclosure Notices decreased from 79 last August to 25 in October of this year, which represents a decrease of 68.35 percent. The decrease in foreclosure notices is in large part due to the extension suspending foreclosures on many federal held mortgages through the end of the year. The unemployment rate in the county was 7.90 percent in August compared to 4.70 percent in August of 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.



BRAZORIA COUNTY, TEXAS BUSINESS CYCLE INDICATORS

OCTOBER 2020

Brazoria County Economic Indices:	Sep 2020	Aug 2020	Jul 2020	Jun 2020	May 2020
Leading Economic Index (2003 = 100)	101.33	101.64	102.52	103.20	104.58
Current Economic Index (2003=100)	-	206.83	209.36	212.21	215.26
Lagging Economic Index (2003 = 100)	-	123.53	122.78	122.90	122.79

Brazoria County Leading Economic Index	Sep 2020	Aug 2020	Sep 2019	Aug-2020 to Sep-2020	Sep-2019 to Sep-2020
Leading Economic Index (2003 = 100)	101.33	101.64	110.13	-0.31%	-8.00%
Components:					
Brazoria County Stock Index (12/31/2003 = 100)	117.12	121.07	176.55	-3.26%	-33.66%
New Single Family Building Permits (Seasonally Adjusted)	224	221	201	1.36%	11.62%
<i>New Single Family Building Permits (Unadjusted)</i>	269	208	199	29.33%	35.18%
Houston-The Woodlands-Sugarland Avg. Wkly. Mfg. Hrs. (Seasonally Adjusted)	41.32	41.87	46.33	-1.31%	-10.81%
<i>Houston-The Woodlands-Sugarland Avg. Wkly. Mfg. Hrs. (Unadjusted)</i>	38.30	39.00	46.90	-1.79%	-18.34%
New Retail Auto Sales (Seasonally Adjusted)	2,215	2,072	1,753	6.92%	26.34%
<i>New Retail Auto Sales (Unadjusted)</i>	2,221	2,265	2,101	-1.94%	5.71%

Brazoria County Current Economic Index	Aug 2020	Jul 2020	Aug 2019	Jul-2020 to Aug-2020	Aug-2019 to Aug-2020
Current Economic Index (2003 = 100)	206.83	209.36	225.39	-1.21%	-8.23%
Components:					
Sales Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	1,250,339	1,279,498	1,250,911	-2.28%	-0.05%
<i>Sales Tax Receipts (Current \$'s, Unadjusted)</i>	2,300,406	2,319,781	2,761,600	-0.84%	-16.70%
Household Employment (Seasonally Adjusted)	163,939	163,338	170,593	0.37%	-3.90%
<i>Household Employment (Unadjusted)</i>	166,815	160,046	170,969	4.23%	-2.43%
Hotel/Motel Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	2,168,531	2,203,470	2,649,031	-1.59%	-18.14%
<i>Hotel/Motel Tax Receipts (Current \$'s, Unadjusted)</i>	5,150,599	6,107,890	6,122,510	-15.67%	-15.87%
Houston-Galveston-Brazoria County CPI	228.98	228.94	229.42	0.02%	-0.19%

*(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	Aug 2020	Jul 2020	Aug 2019	Jul-2020 to Aug-2020	Aug-2019 to Aug-2020
Lagging Economic Index (2003 = 100)	123.53	122.78	148.60	0.61%	-16.87%
Components:					
Brazoria County Foreclosure Notices (Seasonally Adjusted)	50	55	73	-8.80%	-31.06%
<i>Brazoria County Foreclosure Notices (Unadjusted)</i>	25	32	79	-21.88%	-68.35%
Prime Rate Charged By Banks	3.25	3.25	5.25	0.00%	-38.10%
Unemployment Rate (Adjusted)	7.67%	8.62%	4.23%	-11.05%	81.18%
<i>Unemployment Rate (Unadjusted)</i>	7.90%	9.14%	4.70%	-13.57%	68.09%

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