



January 2026 • Volume 20 • Number 1



# BRAZORIA COUNTY **ECONOMIC INDICATORS**

A QUARTERLY NEWSLETTER OF THE



**BRAZOSPORT COLLEGE  
ECONOMIC FORECASTING CENTER**

# BRAZORIA COUNTY **ECONOMIC INDICATORS** JANUARY 2026



## INDICATORS POINT TO SLOWER EMPLOYMENT GROWTH

### LEADING ECONOMIC INDICATORS

The Brazoria County Index of Leading Economic Indicators declined by 0.51 percent over the past month and by 2.08 percent over the past year. Because the index is designed to forecast economic conditions three to six months ahead, this downward trend suggests weakening future economic activity. The index had been above the six-month moving average in August, September, and October, but fell below the moving average in November. The index has been below the moving average for 13 of the past 18 months (Figure 1). A prolonged period in which the index remains below its moving average typically indicates that the local economy has slowed down or is currently entering a period of weak or negative growth.

In November, three of the four Brazoria County Leading Economic Indicators posted year over year decreases, pointing to continued economic weakness. The local labor market showed further signs of softening, with average monthly initial unemployment claims rising from 224 to 310, an increase of 38.39 percent. This represents the highest level of initial unemployment claims reported in the county since the COVID pandemic (Figure 2). After several months of growth, new single family building permits declined in November by 25.26 percent, with construction activity still concentrated in the northern part of the county, particularly in Iowa Colony, Manvel, and Angleton. This decline is likely a one-month fluctuation rather than the start of a sustained downward trend. The Brazoria County Stock Index fell 14.59 percent over the past year, as Olin, Dow, and Schlumberger posted share price declines of 51.42, 46.70, and 17.29 percent, while BASF and Phillips 66 recorded gains of 4.58 and 2.66 percent (Figure 3). In contrast, the Dow Jones Industrial Average rose 5.91 percent over the past twelve months, highlighting weaker local stock performance compared to national trends. The only leading indicator to increase in November was the local auto market, with new auto sales rising 3.22 percent compared to the same month last year, continuing the positive trend seen in ten of the last twelve months.

### CURRENT ECONOMIC INDICATORS

The Brazoria County Index of Current Economic Indicators increased by 5.30 percent in November and by 4.12 percent over the past year. The largest contributor to the increase was Hotel/Motel Tax Receipts, which rose 6.38 percent over the past year after declining year-over-year for seven consecutive months from April through October. It is important to note that the declines in

FIGURE 1: Leading Economic Index

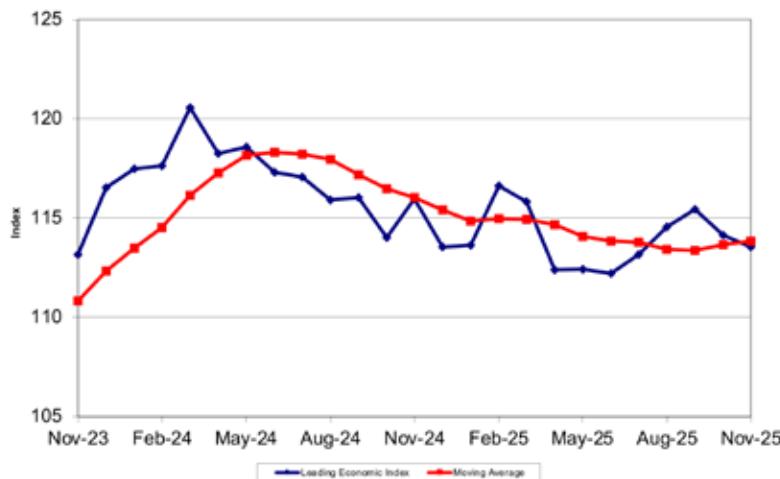


FIGURE 2: Brazoria County Avg. Initial Unemployment Claims

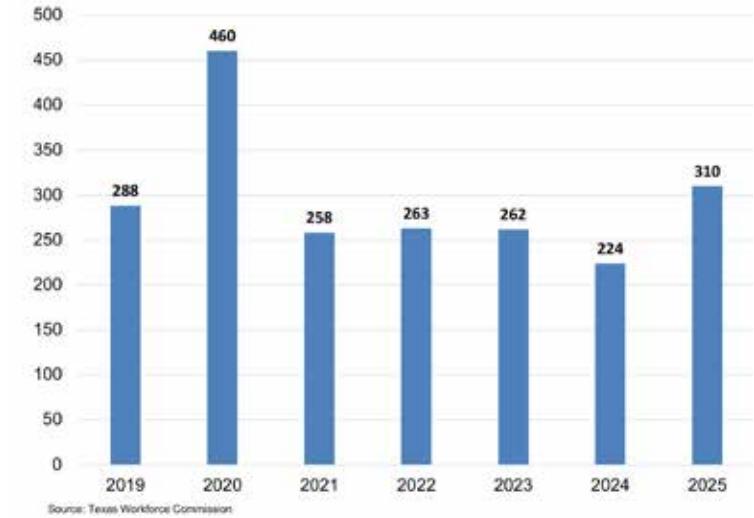
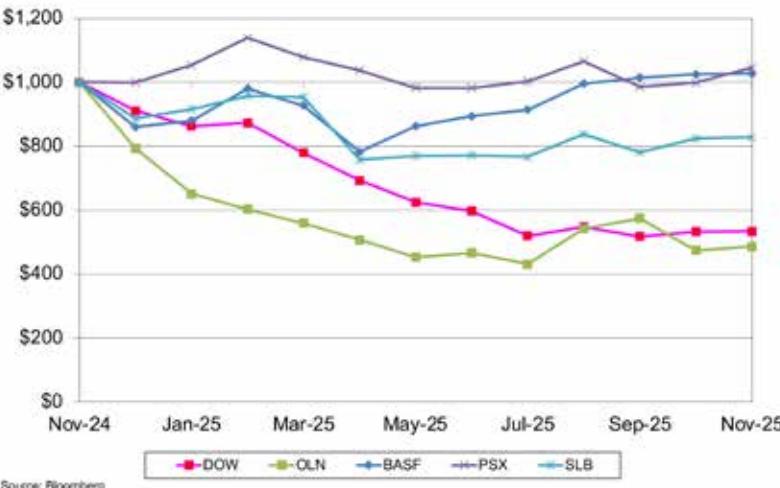


FIGURE 3: Brazoria County Stock Index – Component Performance



Source: Bloomberg

# BRAZORIA COUNTY ECONOMIC INDICATORS JANUARY 2026



2025 were partly due to abnormally high receipts in 2024 due to a temporary boost from homeowners displaced and contractors working in the area after Hurricane Beryl. Total county employment increased from 191,104 to 193,701, remaining below the all-time high of 194,292 reported in April 2025. The 2,597 jobs added over the past twelve months represent slower growth compared to the 3,311 jobs added over the same period in 2024 and the 8,347 added in 2023, suggesting the local labor market has slowed (Figure 4). The Houston–The Woodlands–Sugar Land Consumer Price Index increased 1.13 percent over the past year, down sharply from a peak of 10.24 percent in July 2022, providing some relief to households and businesses. After posting significant increases in August, September, and October, Brazoria County Sales Tax Receipts declined slightly in November, falling 0.31 percent compared to last year. Growth in sales tax receipts has largely been driven by retail expansion, increased auto sales, and continued residential development in the faster growing northern communities. While the current index exceeded the six-month moving average by 5.30 percent in November, it has hovered just below or slightly above the moving average since February 2025, signaling that Brazoria County is experiencing a period of slow or modest economic growth (Figure 5).

## LAGGING ECONOMIC INDICATORS

The Brazoria County Index of Lagging Economic Indicators is designed to confirm whether the local economy is experiencing growth or a slowdown. The index declined 5.38 percent over the past year, signaling continued weakness in local economic conditions. The largest negative contributor was foreclosure notices, which increased 12.50 percent compared to the same period last year, reflecting growing financial strain among some households. Meanwhile, the prime rate charged by banks declined from 7.81 percent to 7.00 percent over the past year. In response to easing inflation pressures and signs of a softening labor market, the Federal Reserve has shifted toward a more accommodative policy stance, signaling increased emphasis on supporting economic growth rather than strictly focusing on inflation control. The county's unemployment rate also edged higher, rising to 4.74 percent from 4.37 percent one year ago, suggesting further softening in local labor market conditions, consistent with slower employment growth and rising average initial unemployment claims (Figure 6). After remaining above the six-month moving average for more than four years, the lagging index has now fallen below the moving average for fifteen consecutive months, confirming that the local economy is experiencing a period of slow or modest economic growth.

FIGURE 4: Brazoria County Annual Change in Employment

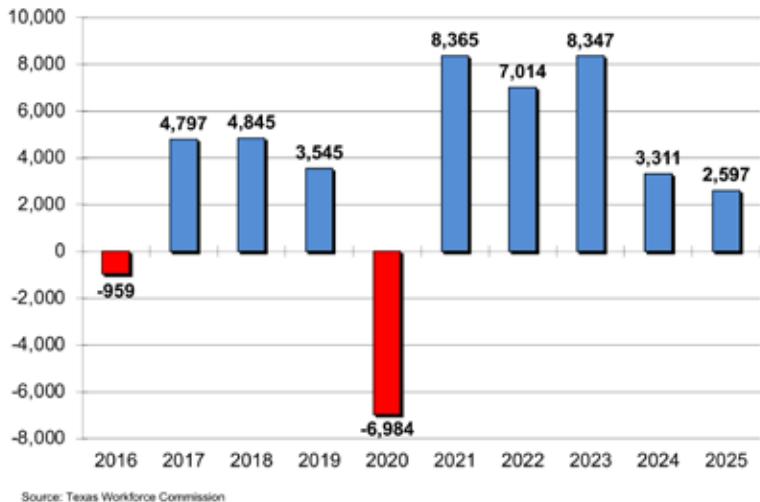


FIGURE 5: Current Economic Index

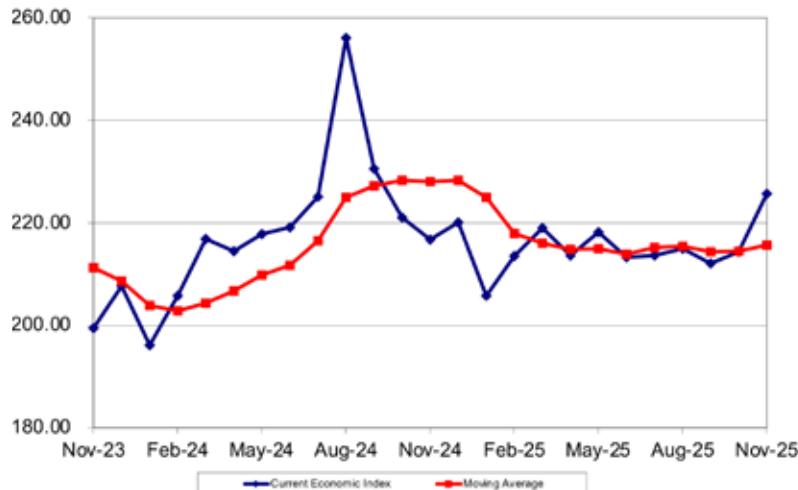
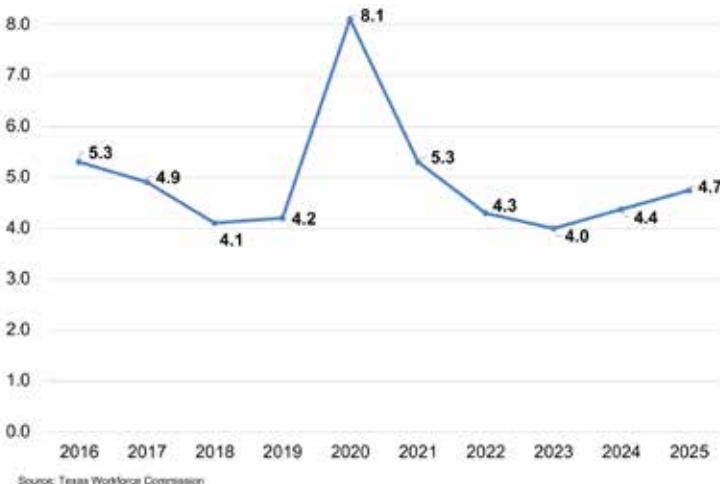


FIGURE 6: Brazoria County Unemployment Rate



# BRAZORIA COUNTY TEXAS BUSINESS CYCLE INDICATORS JANUARY 2026

<u>Brazoria County Economic Indices:</u>	<u>Nov 2025</u>	<u>Oct 2025</u>	<u>Sep 2025</u>	<u>Aug 2025</u>	<u>Jul 2025</u>
Leading Economic Index (2003 = 100)	113.56	114.14	115.44	114.57	113.15
Current Economic Index (2003=100)	225.67	214.31	212.06	214.97	213.67
Lagging Economic Index (2003 = 100)	163.63	165.48	166.75	167.94	167.89

<u>Brazoria County Leading Economic Index</u>	<u>Nov 2025</u>	<u>Oct 2025</u>	<u>Nov 2024</u>	<u>Oct-2025 to Nov-2025</u>	<u>Nov-2024 to Nov-2025</u>
Leading Economic Index (2003 = 100)	113.56	114.14	115.97	-0.51%	-2.08%
<b>Components:</b>					
Brazoria County Stock Index (12/31/2003 = 100)	172.33	170.38	201.78	1.15%	-14.59%
Average Initial Unemployment Claims (Seasonally Adjusted)	291	289	246	0.61%	18.22%
Average Initial Unemployment Claims (Unadjusted)	310	255	224	21.57%	38.39%
New Single Family Building Permits (Seasonally Adjusted)	316	323	299	-2.30%	5.80%
<i>New Single Family Building Permits (Unadjusted)</i>	219	297	293	-26.26%	-25.26%
New Retail Auto Sales (Seasonally Adjusted)	2,127	2,189	2,139	-2.82%	-0.56%
<i>New Retail Auto Sales (Unadjusted)</i>	2,051	2,073	1,987	-1.06%	3.22%

\*(Data for the Leading Index is typically one month behind due to the lag in obtaining the data for new retail auto sales at the county level.)

<u>Brazoria County Current Economic Index</u>	<u>Nov 2025</u>	<u>Oct 2025</u>	<u>Nov 2024</u>	<u>Oct-2025 to Nov-2025</u>	<u>Nov-2024 to Nov-2025</u>
Current Economic Index (2003 = 100)	225.67	214.31	216.75	5.30%	4.12%
<b>Components:</b>					
Sales Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	1,382,714	1,396,613	1,307,501	-1.00%	5.75%
<i>Sales Tax Receipts (Current \$'s, Unadjusted)</i>	3,342,253	3,606,073	3,352,546	-7.32%	-0.31%
Household Employment (Seasonally Adjusted)	192,249	191,982	189,040	0.14%	1.70%
<i>Household Employment (Unadjusted)</i>	193,701	192,991	191,104	0.37%	1.36%
Hotel/Motel Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	2,691,609	2,289,579	2,563,124	17.56%	5.01%
<i>Hotel/Motel Tax Receipts (Current \$'s, Unadjusted)</i>	6,224,727	6,236,722	5,851,327	-0.19%	6.38%
Houston-The Woodlands-Sugar Land CPI	278.11	278.77	274.53	-0.24%	1.30%

\*\*(Data for the Current Index is one month behind due to the lag in obtaining the data for county employment.)

<u>Brazoria County Lagging Economic Index</u>	<u>Nov 2025</u>	<u>Oct 2025</u>	<u>Nov 2024</u>	<u>Oct-2025 to Nov-2025</u>	<u>Nov-2024 to Nov-2025</u>
Lagging Economic Index (2003 = 100)	163.63	165.48	172.94	-1.11%	-5.38%
<b>Components:</b>					
Brazoria County Foreclosure Notices (Adjusted)	66	67	55	-1.44%	20.56%
<i>Brazoria County Foreclosure Notices (Unadjusted)</i>	63	69	56	-8.70%	12.50%
Prime Rate Charged By Banks	7.00	7.23	7.81	-3.18%	-10.37%
Unemployment Rate (Adjusted)	4.62%	4.60%	4.43%	0.46%	4.50%
<i>Unemployment Rate (Unadjusted)</i>	4.74%	4.91%	4.37%	-3.46%	8.47%

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