



July 2025 • Volume 19 • Number 3

BRAZORIA COUNTY **ECONOMIC INDICATORS**

A QUARTERLY NEWSLETTER OF THE



BRAZOSPORT COLLEGE
ECONOMIC FORECASTING CENTER



EMPLOYMENT RISES WHILE LEADING INDICATORS SIGNAL CONCERN

LEADING ECONOMIC INDICATORS

The Brazoria County Index of Leading Economic Indicators decreased by 1.36 percent over the last month and 5.85 percent over the last year. This index, which forecasts the county's economic performance over the next three to six months, has remained below the moving average for the past three months. Although the index had been in decline for an extended period, it showed three months of positive growth, possibly driven by optimism surrounding a new president taking office. However, once that initial excitement passed, the downward trend resumed (Figure 1). A sustained period when the moving average consistently outpaces the leading index often signals that the economy has already slowed or is beginning to slow.

In June, three of the four Brazoria County's leading economic indicators posted decreases over the last year. New single-family building permits in Brazoria County have declined over the past couple of years, largely due to higher interest rates (Figure 2). Most of the growth in building permits remains concentrated in the northern part of the county, with Iowa Colony, Alvin, and Manvel leading the way. The local auto market experienced a slight dip in sales this June compared to the same month last year. However, over the past 10 months, new auto sales have surged well ahead of last year's recorded data (Figure 3). In the manufacturing sector, the average number of hours worked per week rose to 46.70 hours, up from 45.00 hours the previous year, marking a 3.78 percent increase and suggesting a boost in production activity. The Brazoria County Stock Index posted a modest gain of 1.51 percent in June. Despite this short-term improvement, the index remains down 27.99 percent over the past year. All five companies included in the index have seen declines in their stock prices compared to the same time last year. Olin Corporation and Dow Chemical experienced the most significant losses, with declines of 57.87 percent and 50.13 percent (Figure 4). In contrast, the broader market has performed more favorably. The Dow Jones Industrial Average rose by 4.41 percent in June and has gained 10.66 percent over the past twelve months, highlighting the relative weakness of the local index in comparison to national trends.

CURRENT ECONOMIC INDICATORS

The Brazoria County Index of Current Economic Indicators rose by 0.13 percent over the past year, reflecting almost no

FIGURE 1: Leading Economic Index

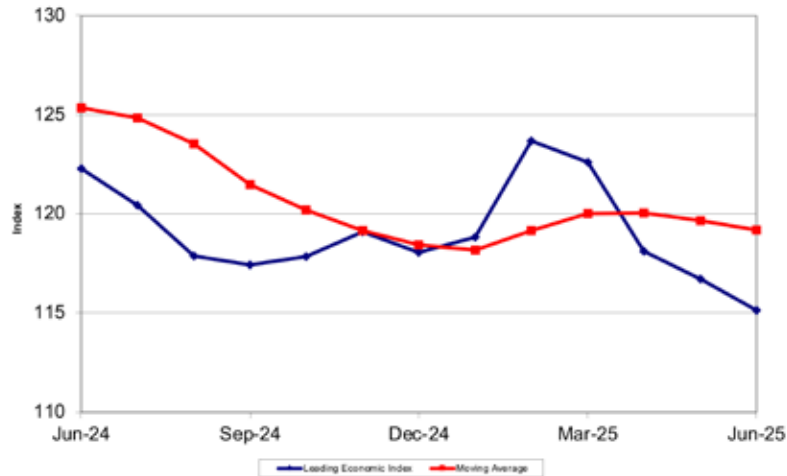


FIGURE 2: New Single-Family Building Permits (June)

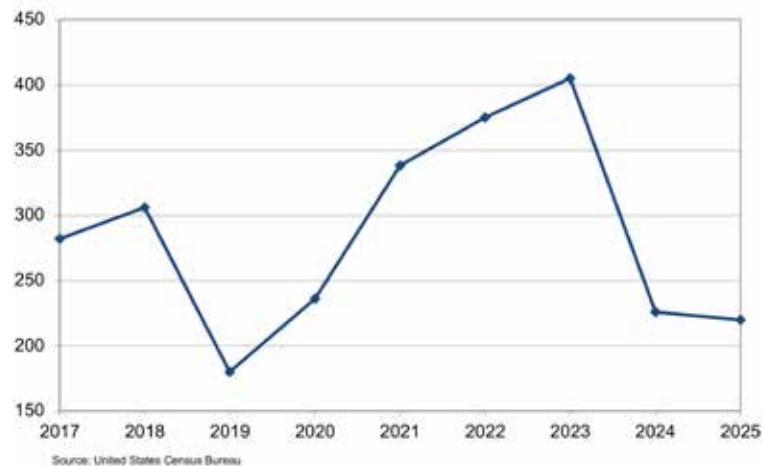
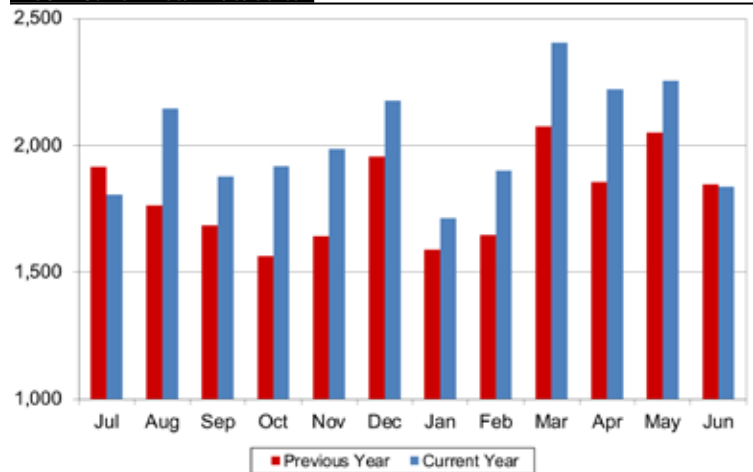
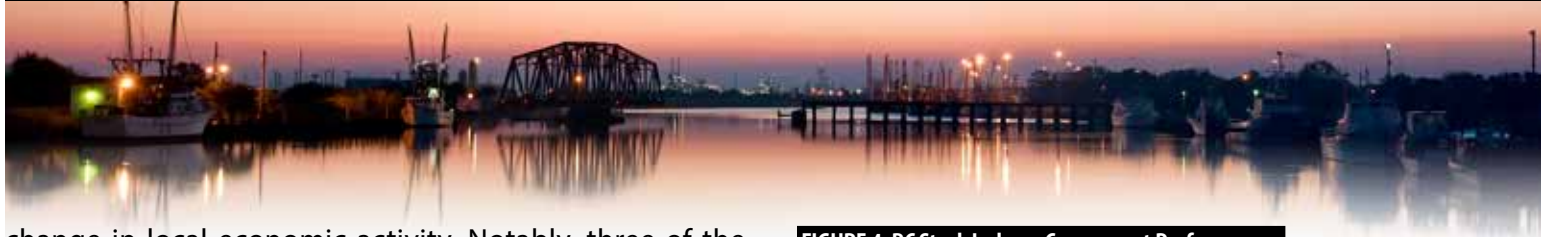


FIGURE 3: New Retail Auto Sales



BRAZORIA COUNTY ECONOMIC INDICATORS JULY 2025



change in local economic activity. Notably, three of the index's key components posted year-over-year increases. The largest gain came from Sales Tax Receipts, which are up 6.78 percent compared to the same period last year. However, after adjusting for inflation, the real increase in the volume of goods and services sold is smaller. The Woodlands Sugar Land Consumer Price Index rose 1.49 percent over the past year, a sharp decline from its peak of 10.24 percent in July 2022. After gradually lowering interest rates at the end of 2024, the Federal Reserve has paused any further cuts due to continued uncertainty surrounding tariffs and their potential impact on prices. A continued bright spot in the local economy is county employment, which over the past year rose from 189,068 to 192,124, an increase of 3,056 jobs, according to the Bureau of Labor Statistics (Figure 5). The 192,124 jobs recorded in May marked a new record level of employment for that month, while April reached an all-time high with 194,292 jobs. Hotel and motel tax receipts had been trending downward but saw a temporary boost from contractors and displaced homeowners following Hurricane Beryl. That boost may have come to an end, as the most recent two months of tax receipts declined compared to the same period last year. April recorded a 2.75 percent decrease, and May a 1.39 percent decrease. The current index has fallen below the moving average in six of the last eight months, suggesting that Brazoria County is likely experiencing a period of slow or negative economic growth (Figure 6).

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 decreased by 4.39 percent over the last year. The largest decrease in the index was due to foreclosure notices increasing 19.05 percent over the last year. The prime rate charged by banks decreased from 8.50 percent to 7.50 percent over the last year. The Federal Reserve lowered interest rates in response to easing inflation and concerns about slowing growth but has recently held rates steady amid continued economic uncertainty. The unemployment rate in the county increased to 4.40 percent, up from 4.00 percent at the same time last year. After consistently beating the six-month moving average for just over four years, the lagging economic index has fallen below the moving average for the last eight months, which indicates that the county has been experiencing a period of slow or negative economic growth.

FIGURE 4: BC Stock Index – Component Performance

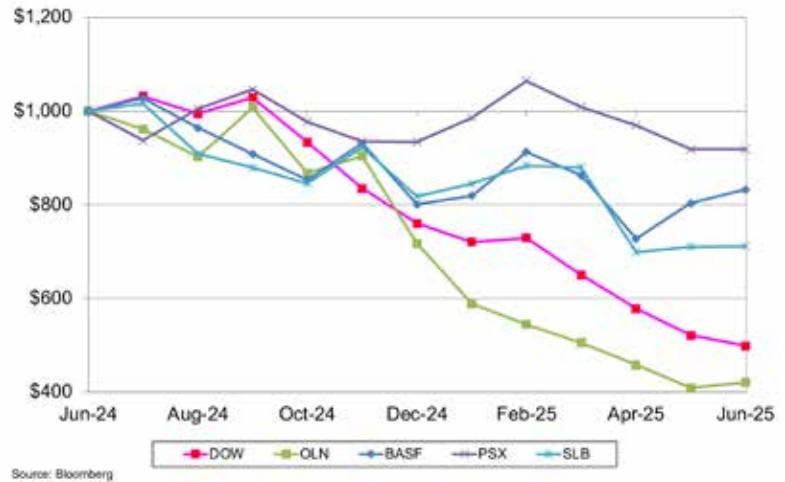


FIGURE 5: Brazoria County Employment

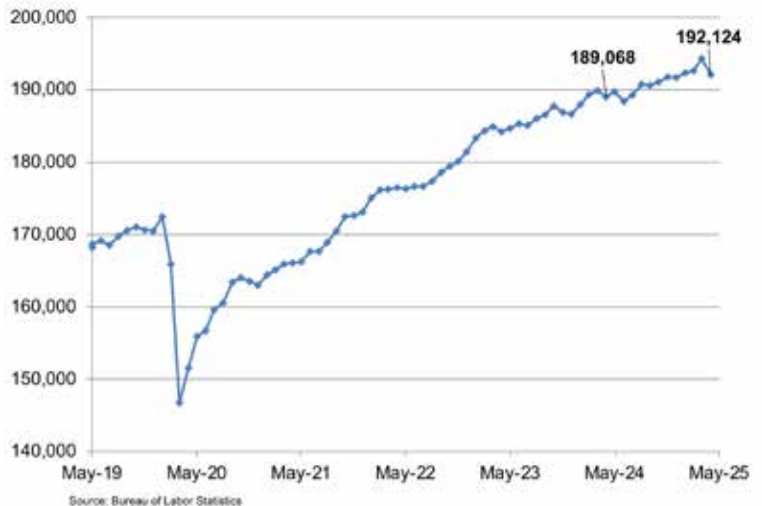
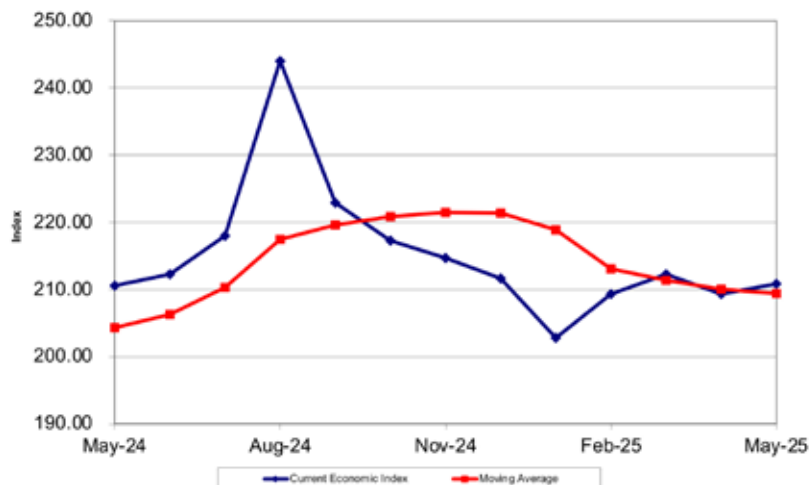


FIGURE 6: Current Economic Index



BRAZORIA COUNTY TEXAS BUSINESS CYCLE INDICATORS JULY 2025

<u>Brazoria County Economic Indices:</u>	<u>Jun 2025</u>	<u>May 2025</u>	<u>Apr 2025</u>	<u>Mar 2025</u>	<u>Feb 2025</u>
Leading Economic Index (2003 = 100)	115.14	116.72	118.12	122.62	123.62
Current Economic Index (2003=100)	-	210.82	209.29	212.31	209.33
Lagging Economic Index (2003 = 100)	-	168.60	168.44	168.71	168.93

Brazoria County Leading Economic Index

	<u>Jun 2025</u>	<u>May 2025</u>	<u>Jun 2024</u>	<u>May-2025 to Jun-2025</u>	<u>Jun-2024 to Jun-2025</u>
Leading Economic Index (2003 = 100)	115.14	116.72	122.30	-1.36%	-5.85%
Components:					
Brazoria County Stock Index (12/31/2003 = 100)	158.61	156.25	220.27	1.51%	-27.99%
New Single Family Building Permits (Seasonally Adjusted)	283	298	301	-5.07%	-5.89%
New Single Family Building Permits (Unadjusted)	220	241	226	-8.71%	-2.65%
Houston-The Woodlands-Sugar Land Avg. Wkly. Mfg. Hrs. (Seasonally Adjusted)	45.21	44.89	43.76	0.71%	3.30%
Houston-The Woodlands-Sugar Land Avg. Wkly. Mfg. Hrs. (Unadjusted)	46.70	45.30	45.00	3.09%	3.78%
New Retail Auto Sales (Seasonally Adjusted)	1,856	2,092	1,867	-11.25%	-0.54%
New Retail Auto Sales (Unadjusted)	1,836	2,255	1,846	-18.58%	-0.54%

*(Data for the Leading Index is typically one month behind due to the lag in obtaining the data for building permits at the county level.)

Brazoria County Current Economic Index

	<u>May 2025</u>	<u>Apr 2025</u>	<u>May 2024</u>	<u>Apr-2025 to May-2025</u>	<u>May-2024 to May-2025</u>
Current Economic Index (2003 = 100)	210.82	209.29	210.54	0.73%	0.13%
Components:					
Sales Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	1,309,863	1,273,929	1,294,421	2.82%	1.19%
Sales Tax Receipts (Current \$'s, Unadjusted)	3,594,018	3,485,677	3,365,688	3.11%	6.78%
Household Employment (Seasonally Adjusted)	191,307	191,093	186,997	0.11%	2.30%
Household Employment (Unadjusted)	192,124	194,292	189,068	-1.12%	1.62%
Hotel/Motel Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	2,542,526	2,469,382	2,616,997	2.96%	-2.85%
Hotel/Motel Tax Receipts (Current \$'s, Unadjusted)	7,655,307	6,729,498	7,763,533	13.76%	-1.39%
Houston-The Woodlands-Sugar Land CPI	278.57	278.07	274.47	0.18%	1.49%

**(Data for the Current Index is two months behind due to the lag in obtaining the data for county employment.)

Brazoria County Lagging Economic Index

	<u>May 2025</u>	<u>Apr 2025</u>	<u>May 2024</u>	<u>Apr-2025 to May-2025</u>	<u>May-2024 to May-2025</u>
Lagging Economic Index (2003 = 100)	168.60	168.44	176.35	0.10%	-4.39%
Components:					
Brazoria County Foreclosure Notices (Adjusted)	67	69	73	-2.29%	-7.77%
Brazoria County Foreclosure Notices (Unadjusted)	51	74	63	-31.08%	-19.05%
Prime Rate Charged By Banks	7.50	7.50	8.50	0.00%	-11.76%
Unemployment Rate (Adjusted)	4.36%	4.34%	4.27%	0.55%	1.96%
Unemployment Rate (Unadjusted)	4.40%	4.00%	4.00%	10.00%	10.00%

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