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BRAZORIA COUNTY  
**ECONOMIC  
INDICATORS**

A QUARTERLY NEWSLETTER OF THE



BRAZOSPORT COLLEGE  
**ECONOMIC FORECASTING CENTER**

## INFLATION SLOWS PLUS RECORD-SETTING EMPLOYMENT

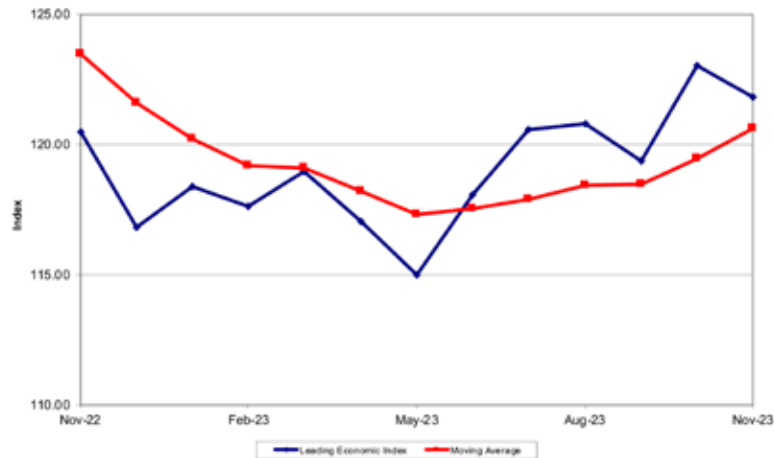
The Brazoria County Index of Leading Economic Indicators increased to 121.83 in November. The leading index is 0.98 percent lower than last month, but slightly higher than last year recording a 1.12 percent increase. The Leading Economic Index, which is designed to forecast the economic performance of the county over the next three to six months, has been above the six-month moving average for the last six months (Figure 1). This is significant because if the leading economic index is consistently above the six-month moving average, then the county is likely entering into or currently experiencing a period of economic growth. *Note: The leading index is only updated through November as building permits at the county level had not been posted by the Census Bureau for December at the time the newsletter was prepared.*

The largest increase in the leading economic index was in New Single Family Building Permits within the county, which increased by 12.90 percent in November 2023 when compared to November 2022. This increase was impressive but nowhere near the record setting number of new single family building permits filed in October 2023 (Figure 2). The 501 permits filed in October is unusual for this time of year as Spring and Summer months are typically more popular for construction projects. The Brazoria County Stock Index, which is made up of the five largest publicly traded manufacturers, increased 1.12 percent for the twelve-month period ending in November. Comparatively, the Dow Jones Industrial Average increased 13.33 percent over the same period. Philips 66 made up the largest increase in the stock index at 17.80 percent over the last year, while Olin was the largest decrease at 17.53 percent. Olin increased a massive 50.25 percent in the month of December, which more than made up for the loss in stock value over the last year (Figure 3). Manufacturing workers in the region worked on average 0.47 hours more per week in November of 2023 compared to last year. The only leading economic indicator to decrease over the last year is New Retail Auto Sales, which declined 1.26 percent as there were 21 fewer new vehicles sold in the county when compared to last year.

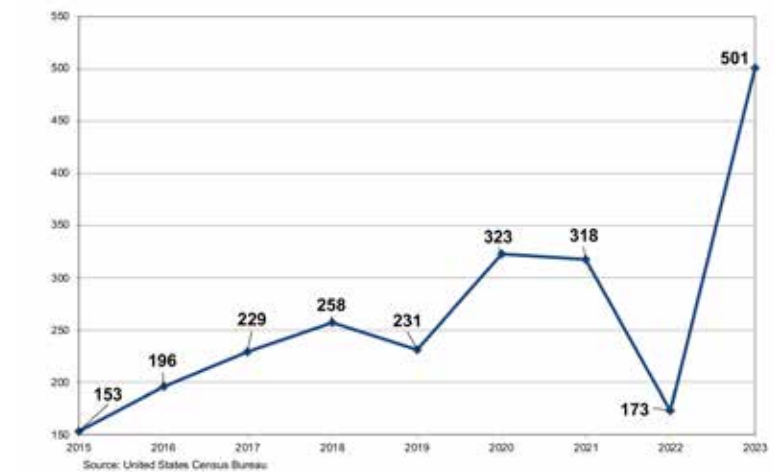
### CURRENT ECONOMIC INDICATORS

The Brazoria County Index of Current Economic Indicators is designed to provide information about the status of the cur-

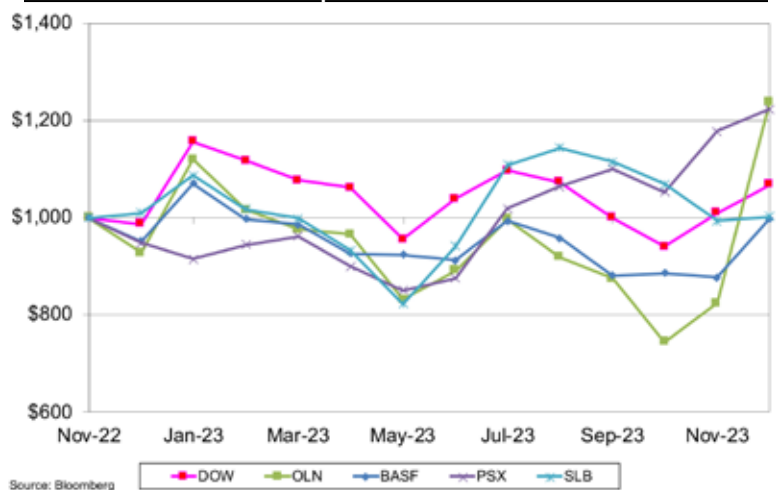
**FIGURE 1 : Leading Economic Index**



**FIGURE 2 : New Single Family Building Permits (October)**



**FIGURE 3 : BC Stock Index – Component Performance**



# BRAZORIA COUNTY ECONOMIC INDICATORS JANUARY 2024

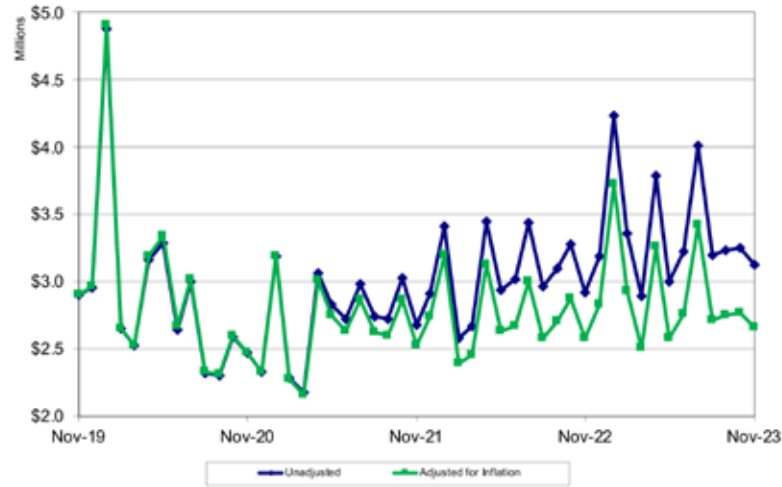


rent economy. Three of the four current economic indicators increased in November, however the index decreased by 1.74 percent over the last month and 11.53 percent over the last year. The decrease in the index is due to a sharp decrease in Brazoria County Hotel/Motel Tax Receipts, which decreased 10.22 percent over the last month and 23.08 percent over the last year. The largest increase in the current index was Brazoria County Sales Tax Receipts, which increased 7.22 percent over the last year. The local inflation rate, as measured by Houston-The Woodlands-Sugar Land CPI, has slowed since last year. Annual price increases topped 10 percent at times in 2022, while November 2023 saw prices increase at an annual rate of 3.71 percent. Sales tax receipts are measured in current dollars so the increase in sales tax receipts is partially due to higher prices. Adjusted for the increases in prices, sales tax receipts today are lower than 2019 (pre-COVID). This indicates consumers are paying more for less goods and services than they were receiving in 2019 (Figure 4). Employment within the county increased from 177,636 to 183,568 over the last year (Figure 5). This represents an increase in employment of 5,932, which is a larger increase when compared to last year's 4,105 employment increase over the same period. The Current Economic Index has been below the six-month moving average for the last four months (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 a period of slow or negative economic growth.

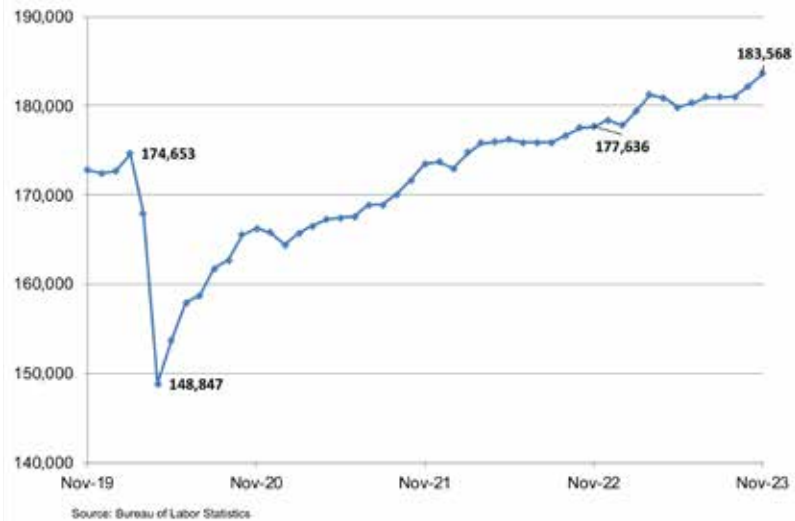
## LAGGING ECONOMIC INDICATORS

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 increased 0.22 percent over the last month and 6.64 percent over the last year. The November unemployment rate in the county was 3.91 percent, which is lower than last year's figure of 4.17 percent. The Federal Reserve began raising interest rates in March of 2022 to combat inflation, which has caused the prime rate to increase from 3.25 percent to 8.50 percent. The prime rate has remained at 8.50 percent for the last 5 months as price level increases have slowed to a level considered acceptable by The Federal Reserve. Brazoria County Foreclosure Notices increased from 65 to 72 over the last year, which is an increase of 10.77 percent. The lagging economic index has been above the six-month moving average for over twelve months, which indicates that the county has been experiencing a period of economic growth.

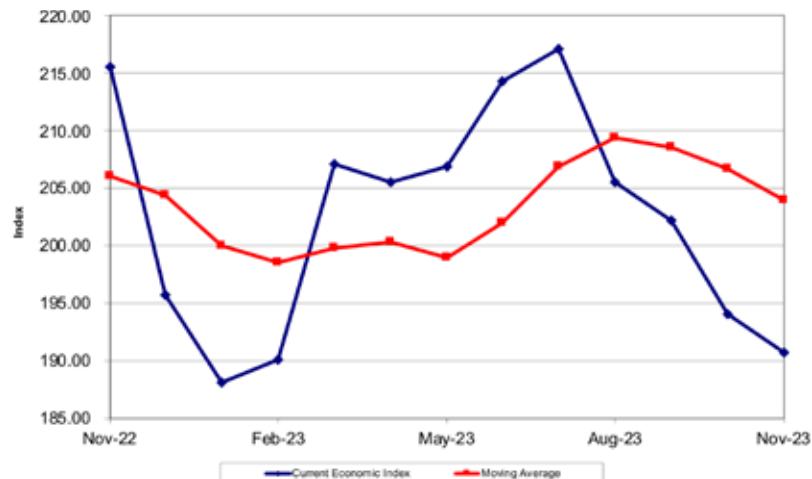
**FIGURE 4: Sales Tax Receipts**



**FIGURE 5: Brazoria County Employment**



**FIGURE 6: Current Economic Index**



# BRAZORIA COUNTY TEXAS BUSINESS CYCLE INDICATORS JANUARY 2024

<b>Brazoria County Economic Indices:</b>	<b>Nov 2023</b>	<b>Oct 2023</b>	<b>Sep 2023</b>	<b>Aug 2023</b>	<b>Jul 2023</b>
Leading Economic Index (2003 = 100)	121.83	123.04	119.35	120.81	120.59
Current Economic Index (2003=100)	190.72	194.11	202.26	205.57	217.17
Lagging Economic Index (2003 = 100)	176.15	175.76	174.86	174.88	174.65

<b>Brazoria County Leading Economic Index</b>	<b>Nov 2023</b>	<b>Oct 2023</b>	<b>Nov 2022</b>	<b>Oct-2023 to Nov-2023</b>	<b>Nov-2022 to Nov-2023</b>
Leading Economic Index (2003 = 100)	121.83	123.04	120.48	-0.98%	1.12%
<b>Components:</b>					
Brazoria County Stock Index (12/31/2003 = 100)	211.79	200.42	209.43	5.67%	1.12%
New Single Family Building Permits (Seasonally Adjusted)	314	340	300	-7.42%	4.67%
<i>New Single Family Building Permits (Unadjusted)</i>	175	501	155	-65.07%	12.90%
Houston-The Woodlands-Sugar Land Avg. Wkly. Mfg. Hrs. (Seasonally Adjusted)	42.33	42.23	42.06	0.23%	0.64%
<i>Houston-The Woodlands-Sugar Land Avg. Wkly. Mfg. Hrs. (Unadjusted)</i>	42.60	42.20	42.40	0.95%	0.47%
New Retail Auto Sales (Seasonally Adjusted)	1,831	1,759	1,870	4.11%	-2.07%
<i>New Retail Auto Sales (Unadjusted)</i>	1,642	1,563	1,663	5.05%	-1.26%

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

<b>Brazoria County Current Economic Index</b>	<b>Nov 2023</b>	<b>Oct 2023</b>	<b>Nov 2022</b>	<b>Oct-2023 to Nov-2023</b>	<b>Nov-2022 to Nov-2023</b>
Current Economic Index (2003 = 100)	190.72	194.11	215.58	-1.74%	-11.53%
<b>Components:</b>					
Sales Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	1,272,393	1,274,226	1,229,773	-0.14%	3.47%
<i>Sales Tax Receipts (Current \$'s, Unadjusted)</i>	3,129,606	3,255,439	2,918,977	-3.87%	7.22%
Household Employment (Seasonally Adjusted)	180,500	179,939	175,372	0.31%	2.92%
<i>Household Employment (Unadjusted)</i>	183,568	182,210	177,636	0.75%	3.34%
Hotel/Motel Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	1,907,163	2,037,904	3,022,466	-6.42%	-36.90%
<i>Hotel/Motel Tax Receipts (Current \$'s, Unadjusted)</i>	5,035,890	5,608,902	6,546,754	-10.22%	-23.08%
Houston-The Woodlands-Sugar Land CPI	270.13	270.23	260.48	-0.04%	3.71%

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

<b>Brazoria County Lagging Economic Index</b>	<b>Nov 2023</b>	<b>Oct 2023</b>	<b>Nov 2022</b>	<b>Oct-2023 to Nov-2023</b>	<b>Nov-2022 to Nov-2023</b>
Lagging Economic Index (2003 = 100)	176.15	175.76	165.18	0.22%	6.64%
<b>Components:</b>					
Brazoria County Foreclosure Notices (Adjusted)	69	69	52	0.03%	34.10%
<i>Brazoria County Foreclosure Notices (Unadjusted)</i>	72	55	65	30.91%	10.77%
Prime Rate Charged By Banks	8.50	8.50	6.95	0.00%	22.30%
Unemployment Rate (Adjusted)	4.48%	4.59%	4.71%	-2.27%	-4.88%
<i>Unemployment Rate (Unadjusted)</i>	3.91%	4.16%	4.17%	-6.01%	-6.24%

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