



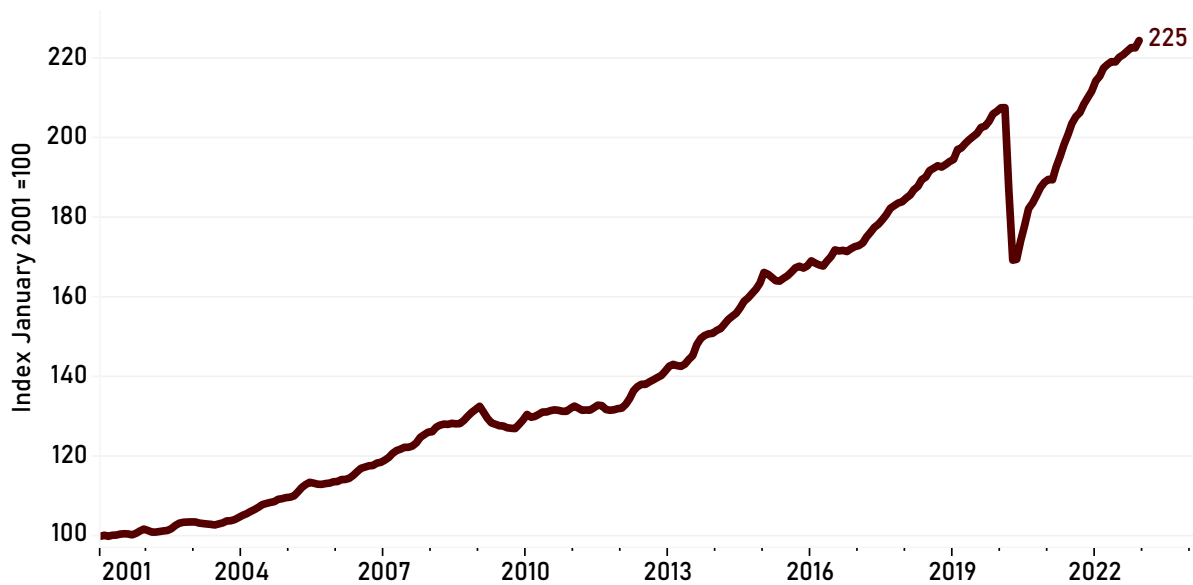
## HIGHLIGHTS

- The Business-Cycle Index increased 0.8% from November 2022 to December 2022.
- The local unemployment rate decreased to 3.1% in December 2022 compared to 3.2% in November.
- December's local nonfarm employment increased by 0.3% from November to December.
- Inflation-adjusted taxable sales were down by almost 1% from November to December.
- The inflation-adjusted median listing price per square foot for local housing increased 21% from January 2021 to December 2022.

## THE COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

The Business-Cycle Index increased to 225 in December compared to 224 in November 2022. This substantial increase of 0.8% from its November value resulted from a decreased unemployment rate, a moderate increase in nonfarm employment, and despite a decrease in inflation-adjusted taxable sales. Quarterly total wages were not updated this month.

FIGURE 1. COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

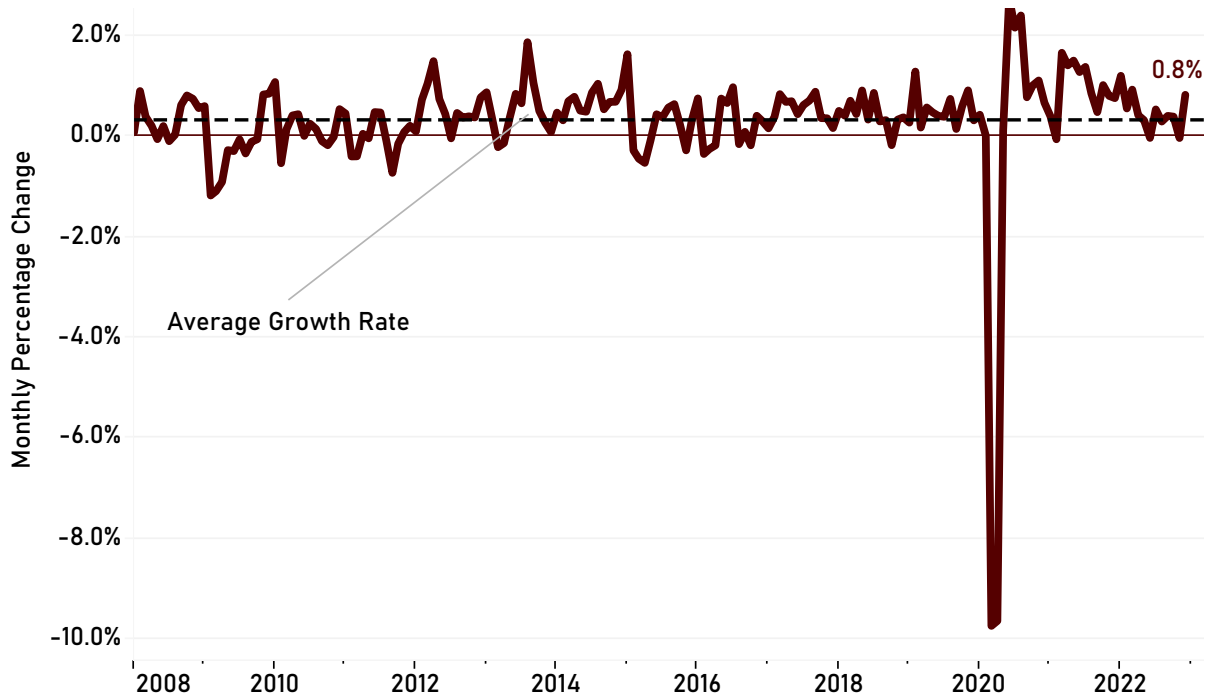


Last reported data point: December 2022 (monthly). Source: Private Enterprise Research Center.

## THE COLLEGE STATION-BRYAN BUSINESS-CYCLE

The 0.8% increase in the CSB Business-Cycle from November 2022 to December 2022 is shown in Figure 2. The local unemployment rate decreased to 3.1% in December and nonfarm employment increased by 343 workers from 130,116 in November 2022 to 130,459 in December. The third monthly variable, inflation-adjusted taxable sales, decreased by 1% between November and December. The fourth variable used to estimate in the business cycle, quarterly inflation-adjusted total wages, was not updated this month, but new figures for the third quarter of 2022 will be released on February 22, 2023.

**FIGURE 2. COLLEGE STATION-BRYAN BUSINESS-CYCLE**

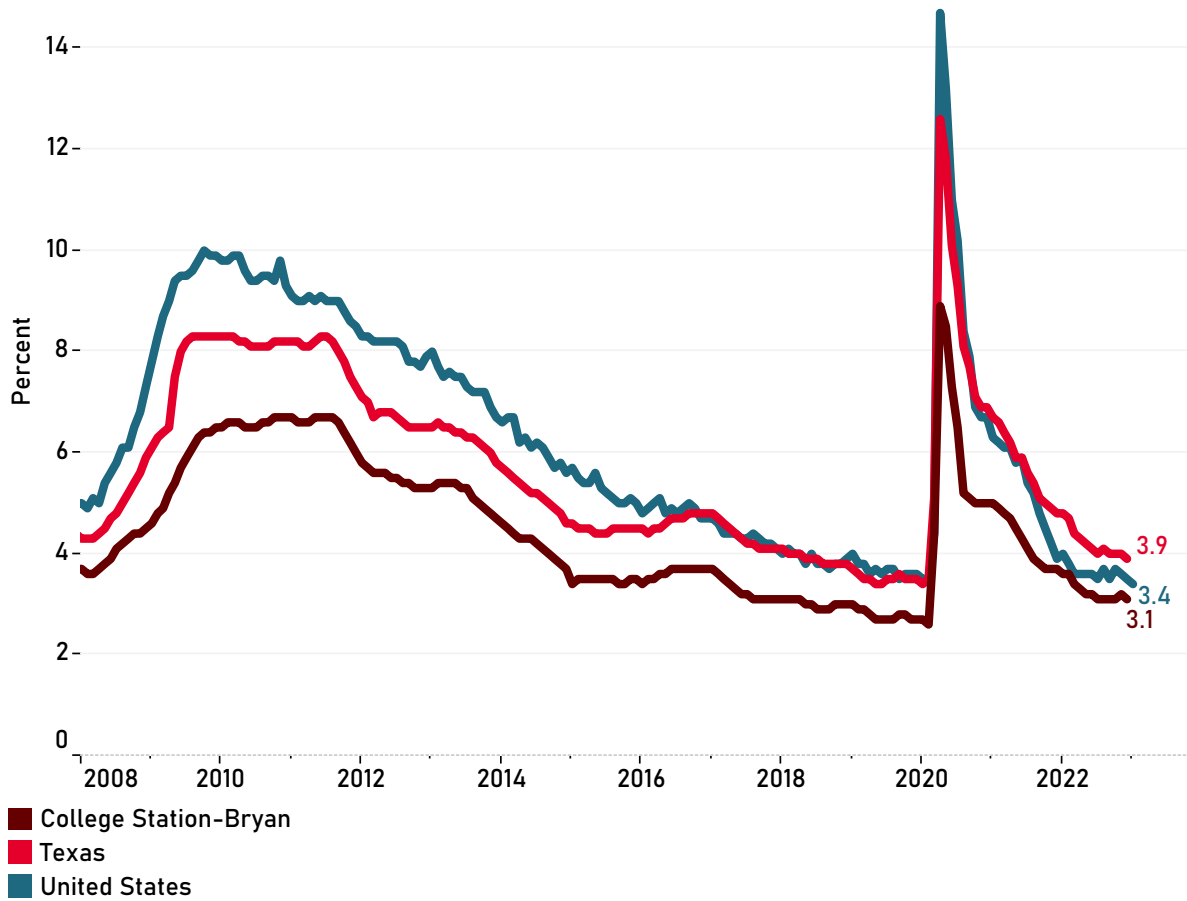


Month-to-month growth rates. Last reported data point: December 2022 (monthly). Source: Private Enterprise Research Center.

## UNEMPLOYMENT RATE

Figure 3 shows the unemployment rates for College Station-Bryan and for Texas from January 2008 to December 2022, and for the nation as a whole through January 2023. The unemployment rates in College Station-Bryan decreased to 3.1% in December and the Texas rate declined to 3.9%. At the national level, the rate was 3.5% in December. The January 2023 national unemployment rate has also been released and decreased further to 3.4%. The state and metropolitan area unemployment rates for January will be released by the Bureau of Labor Statistics on March 13 and March 17, 2023, respectively.

FIGURE 3. UNEMPLOYMENT RATE



Source: Bureau of Labor Statistics. Seasonally adjusted. Last reported data point: December 2022 for College Station-Bryan and Texas and January 2023 for the United States (monthly).

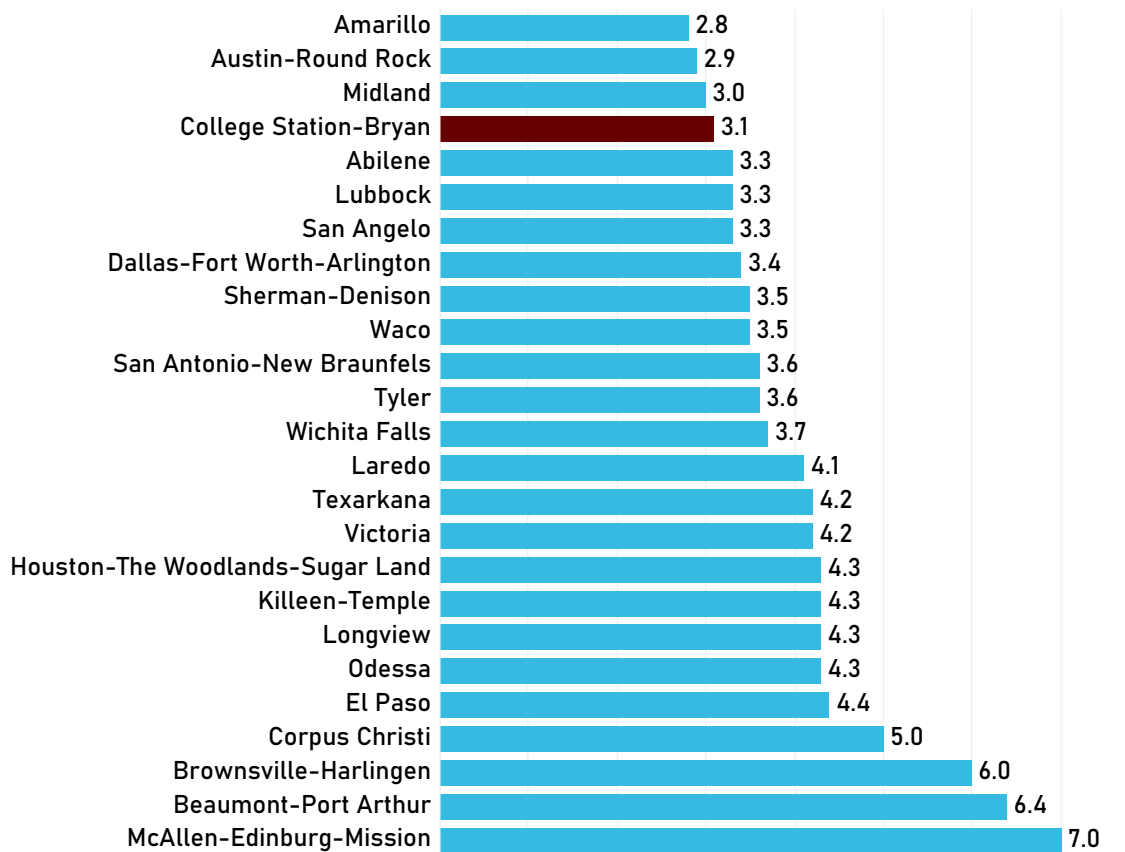
### FOCUS ON THE COLLEGE STATION-BRYAN MSA

This month we present the unemployment rates in the Texas Metropolitan Statistical Areas (MSAs) for the month of December. We also present local housing prices, and the number of local single-family permits and their values. Lastly, we track local and national air travel.

## TEXAS MSA UNEMPLOYMENT RATES

Figure 4 depicts the local unemployment rates for all Texas MSAs for December 2022. College Station-Bryan's rate of 3.1% was fourth lowest, behind the 2.8% rate of Amarillo, 2.9% rate for Austin-Round Rock, and the 3.0% rate for Midland. At the other extreme, McAllen-Edinburg-Mission, Beaumont-Port Arthur, and Brownsville-Harlingen had the three highest unemployment rates at 7.0%, 6.4%, and 6.0%, respectively. Austin-Round Rock had the lowest unemployment rate among the four largest MSAs, while Dallas-Fort Worth-Arlington's rate was at 3.4%, San Antonio-New Braunfels' rate was 3.6%, and Houston-The Woodlands-Sugar Land again had the highest unemployment rate in this group at 4.3%.

**FIGURE 4. UNEMPLOYMENT RATES IN TEXAS MSAs, DECEMBER 2022**

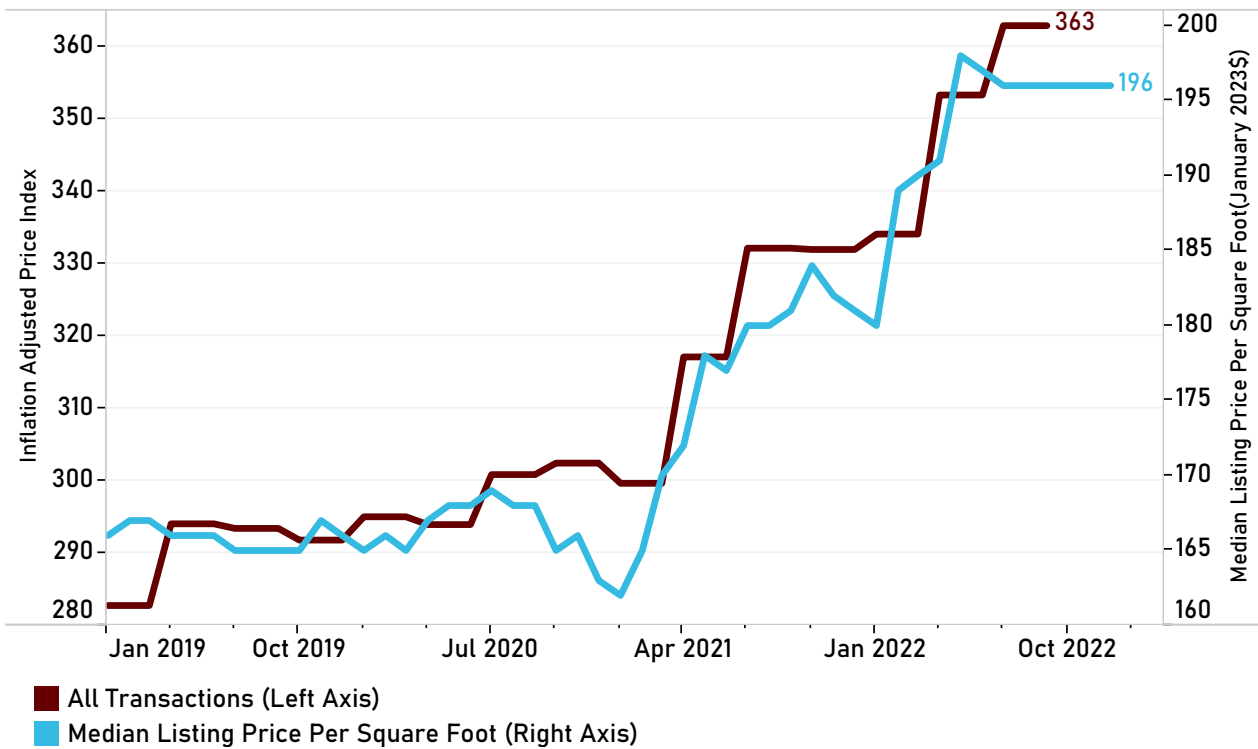


Source: Bureau of Labor Statistics, Local Area Unemployment Statistics, seasonally adjusted, December 2022.

## HOUSING PRICE INDEX AND LISTING PRICES PER SQUARE FOOT IN THE COLLEGE STATION-BRYAN MSA

Figure 5 presents the inflation-adjusted quarterly housing price index and the median listing price per square foot in the College Station-Bryan MSA. Note that the median listing price per square foot is a monthly series while the 'all transactions' house price index is a quarterly series. As seen in the figure, both the index and price per square foot move together over time. From January 2019 to the start of 2021, both series were relatively stable, but since then, housing prices have been on the rise. Between January 2021 and May 2022, the inflation-adjusted median listing price per square foot rose by 22% in the local area. However, since May the median listing price per square foot has declined slightly and stood at \$196 in December. From January 2021 to December 2021, the real median price per square foot rose 21%. The inflation-adjusted housing price index based on all transactions also increased to 21% between the start of 2021 and the third quarter of 2022.

**FIGURE 5. INFLATION-ADJUSTED HOUSE PRICE INDEX, MEDIAN LISTING PRICE PER SQUARE FOOT, COLLEGE STATION-BRYAN MSA**

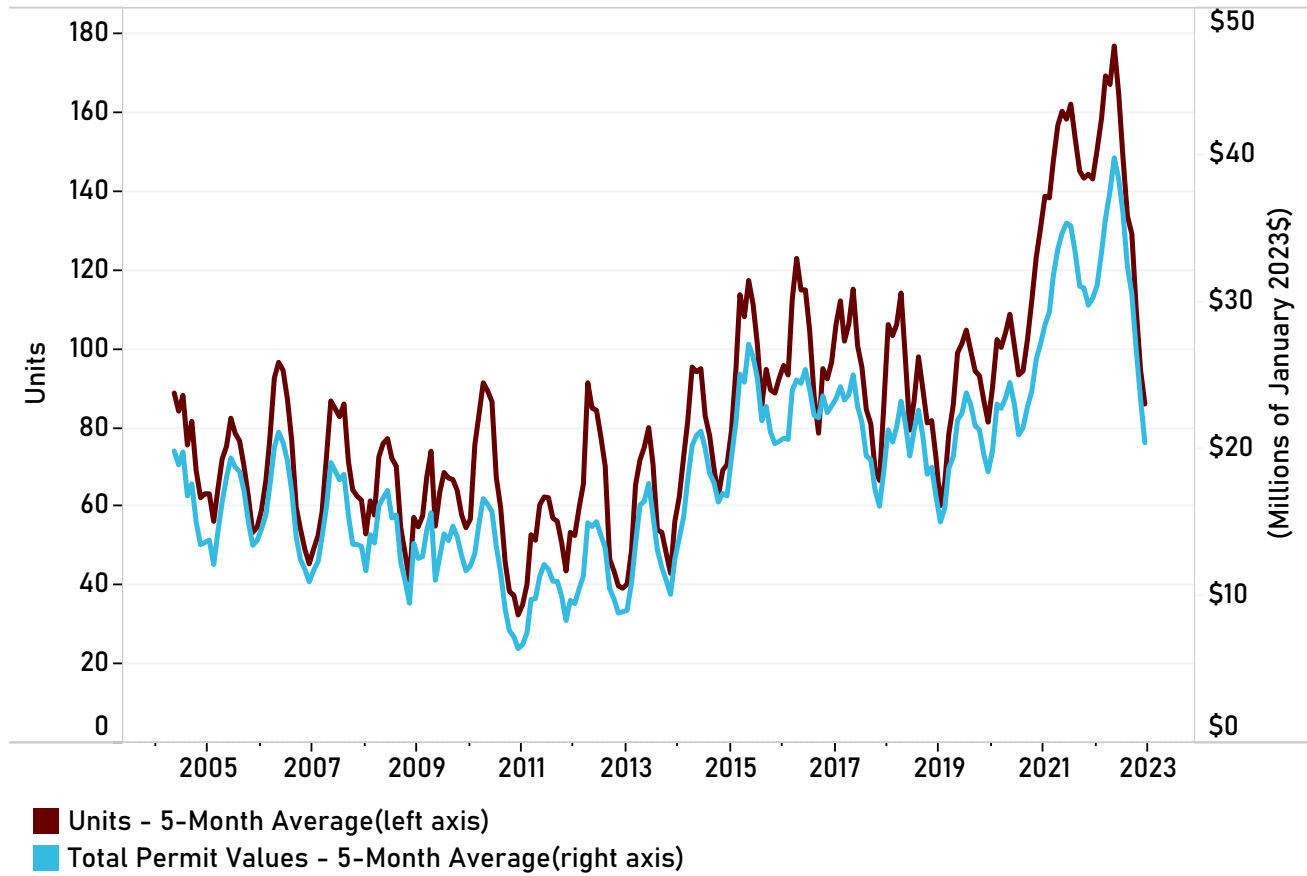


Source: U.S. Federal Housing Finance Agency, for quarterly All-Transactions House Price Index and Realtor.com for Median Listing Price Per Square Foot, retrieved from FRED, Federal Reserve Bank of St. Louis, not seasonally adjusted. Inflation adjusted by CPI-U, January 2023 = 100.

### SINGLE FAMILY HOUSING PERMITS AND TOTAL PERMIT VALUES

Figure 6 presents single-family housing permits and total permit values in the College Station-Bryan MSA. The figure depicts the five-month average number of permits and the inflation-adjusted average monthly permit values from 2004 to the present. Because housing permits are variable from month to month, averaging over five months helps uncover the series' underlying cycles. The five-month average number of housing permits has fallen substantially in recent months. Since May 2022, the five-month average has fallen by 91 new homes. Inflation-adjusted monthly housing values have followed suit. In May, the average total permitted values over the previous 5 months was \$39.8 million. It fell sharply to \$20.4 million in December 2022. Housing permits and total permit values across Texas have also declined since May. The state's average total permitted values over the previous 5 months fell 38% from May to December 2022.

**FIGURE 6. SINGLE FAMILY PERMITS & INFLATION-ADJUSTED PERMIT VALUES, COLLEGE STATION - BRYAN**

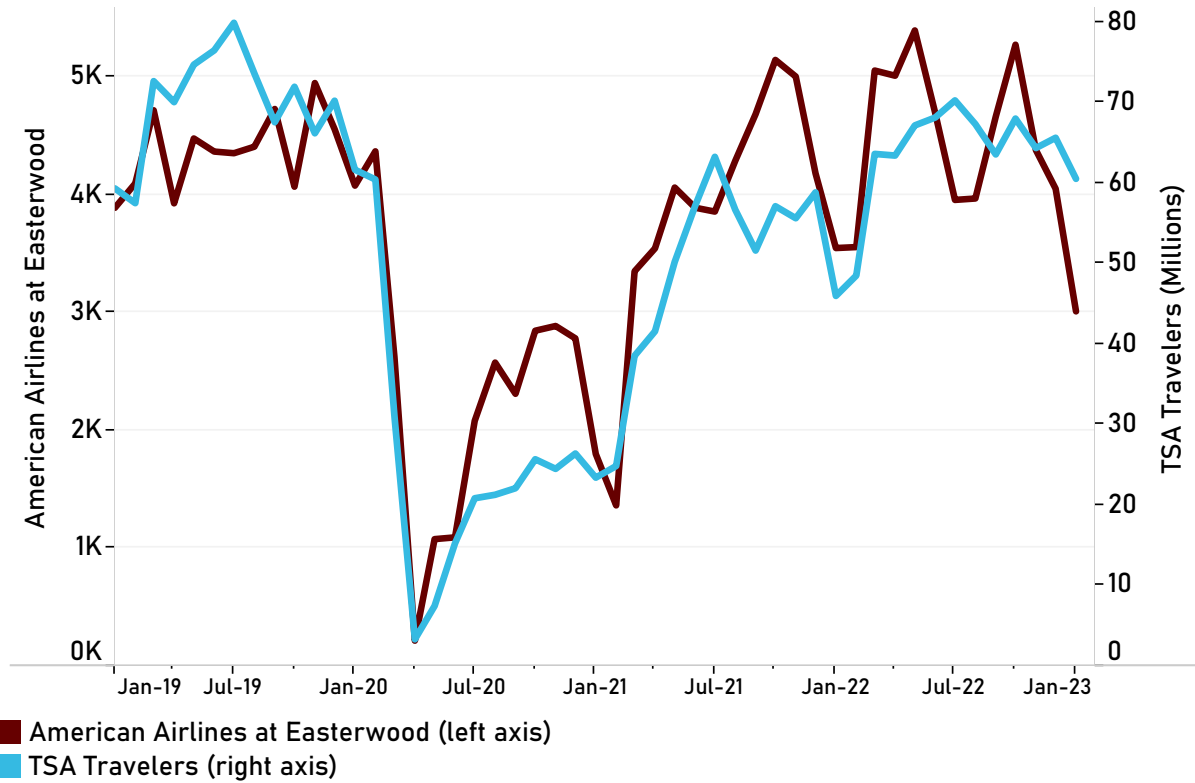


Source: U.S. Census Bureau. Inflation-adjusted by CPI-U, January 2023 = 100.

**AIR TRAVEL**

Figure 7 depicts the enplanements at Easterwood Airport on American Airlines (left axis) and the number of travelers passing through Transportation Security Administration (TSA) checkpoints (right axis) from January 2019 to January 2023. As seen in the figure, the national and local passenger counts have followed similar patterns from the beginning of 2019 to the present. Both show substantial declines in 2020 during the first months of the pandemic. Nationally, January’s air travel, while much higher than travel in January 2021 and 2022, was 2% lower than the number of travelers in January 2020 (just before the onset of the pandemic restrictions that hit the air travel industry) and January 2019. Local air travel out of Easterwood Airport on American Airlines in January 2023 was 22% lower than in January 2019, partly due to the winter storm in the Dallas area at the end of the month.

**FIGURE 7. AMERICAN AIRLINES ENPLANEMENTS AT EASTERWOOD AIRPORT & TOTAL TRAVELERS THROUGH TSA CHECKPOINTS**



Sources: Texas A&M University System and Transportation Security Administration. Last reported data point January 2023 (monthly).

**NOTES AND LINKS**

The extent of the College Station-Bryan MSA is defined by the Census Bureau and includes Brazos, Burleson, and Robertson counties. The Business-Cycle Index is re-estimated each month using the most recent data for the four economic variables included in the model: the unemployment rate, nonfarm employment, real wages, and real taxable sales. The real wage series is released on a quarterly basis and the other three are released monthly. The underlying data series are subject to revision. With new monthly data and revisions of past data, each month the Index and the Business-Cycle will differ from previous estimates.

For more details about the CSB Business-Cycle Index see: *Methodology for Constructing an Economic Index for the College Station-Bryan Metropolitan Statistical Area.*

## DATA SOURCES

### **Enplanements at Easterwood Airport**

Texas A&M University System based on email request. Received February 10, 2023.

### **Housing Permits and Values**

U.S. Census Bureau, Building Permits Survey, Permits by Metropolitan Area; <https://www.census.gov/construction/bps/msamonthly.html>

### **Housing Prices**

U.S. Federal Housing Finance Agency, All-Transactions Housing Price Index for College Station-Bryan, not seasonally adjusted. Realtor.com, median listing price per square foot, not seasonally adjusted. Both series were retrieved from FRED, Federal Reserve Bank of St. Louis.

### **Inflation**

U.S. Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers: All Items [CPIAUCSL], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/CPIAUCSL>. Wages and Taxable Sales are converted to real dollars

### **Nonfarm Employment**

Federal Reserve Bank of Dallas, Texas Workforce Commission, and Bureau of Labor Statistics, Total Non-farm Payroll Employment for Texas Metropolitan Statistical Areas, two-step Seasonally Adjusted, retrieved from Federal Reserve Bank of Dallas. <https://www.dallasfed.org/research/econdata/brysa.aspx>

### **Taxable Sales (Sales and Use Tax Allocation)**

Texas Comptroller of Public Accounts, Allocation Payment Detail, Current Period Collections. Data available through Texas Comptroller of Public Accounts: <https://mycpa.cpa.state.tx.us/allocation/AllocDetail>. Historical data prior to 2016 from Texas Comptroller of Public Accounts. Seasonal Adjustment by Private Enterprise Research Center.

### **Travelers through TSA Checkpoints**

Transportation Security Administration <https://www.tsa.gov/coronavirus/passenger-throughput>

### **Unemployment Rate**

Bureau of Labor Statistics, Unemployment by Metropolitan Area, Seasonally Adjusted, Local Area Unemployment Statistics, retrieved from Bureau of Labor Statistics, <https://www.bls.gov/lau/metrossa.htm>

### **Wages**

U.S. Bureau of Labor Statistics and Federal Reserve Bank of St. Louis, Total Quarterly Wages in College Station-Bryan, TX (MSA) [ENUC177830010SA], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/ENUC177830010SA>.

## CONTACT



The Brazos Valley Economic Development Corporation serves Brazos County, the City of Bryan, the City of College Station, Texas A&M University, the surrounding region and private sector investors through the Invest Brazos Valley program. BVEDC helps companies launch, grow, and locate in the Brazos Valley.

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