



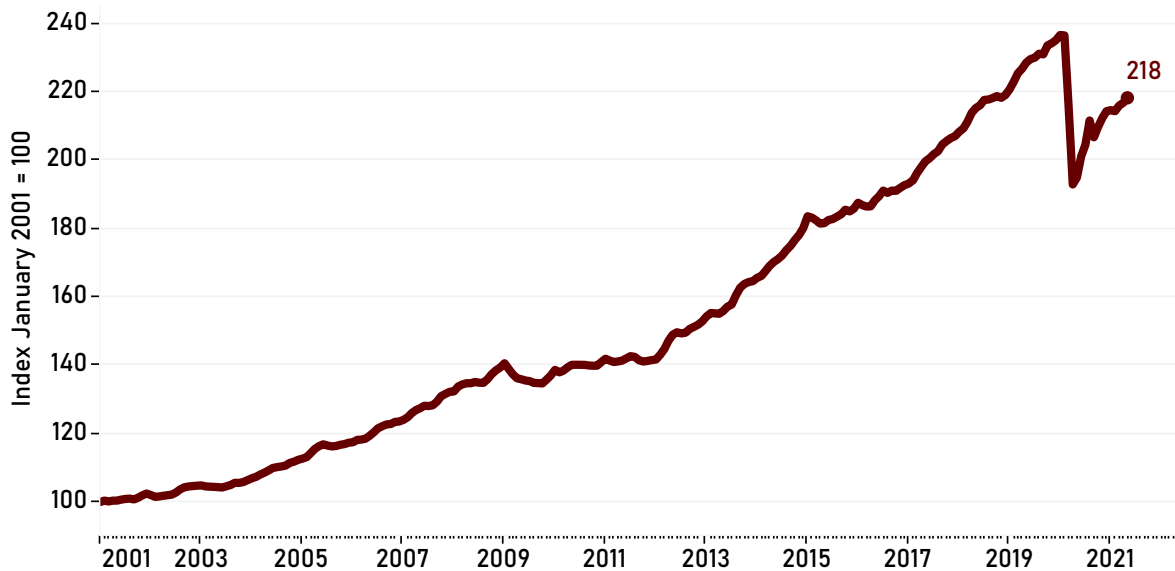
HIGHLIGHTS

- The Business-Cycle Index increased by 0.7% from April 2021 to May 2021.
- The revised local unemployment rate decreased from 5.3% to 5.2% in May.
- Local nonfarm employment increased slightly by 0.8% in May and was 4.3% below its February 2020 pre-pandemic level.
- Real taxable sales decreased 2.7% from April to May and was 0.8% lower than it was in February 2020.
- Single family housing permits and values have risen in recent months to their highest levels in 15 years.
- The number of travelers out of Easterwood Airport was slightly higher in June 2021 than in May and was 91.3% of the number in June 2019.

THE COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

The College Station-Bryan Business-Cycle Index rose 0.7% in May to 218, as seen in Figure 1. The increase resulted from a decrease in the unemployment rate, a rise in nonfarm employment, and despite a decrease in taxable sales.

FIGURE 1. COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

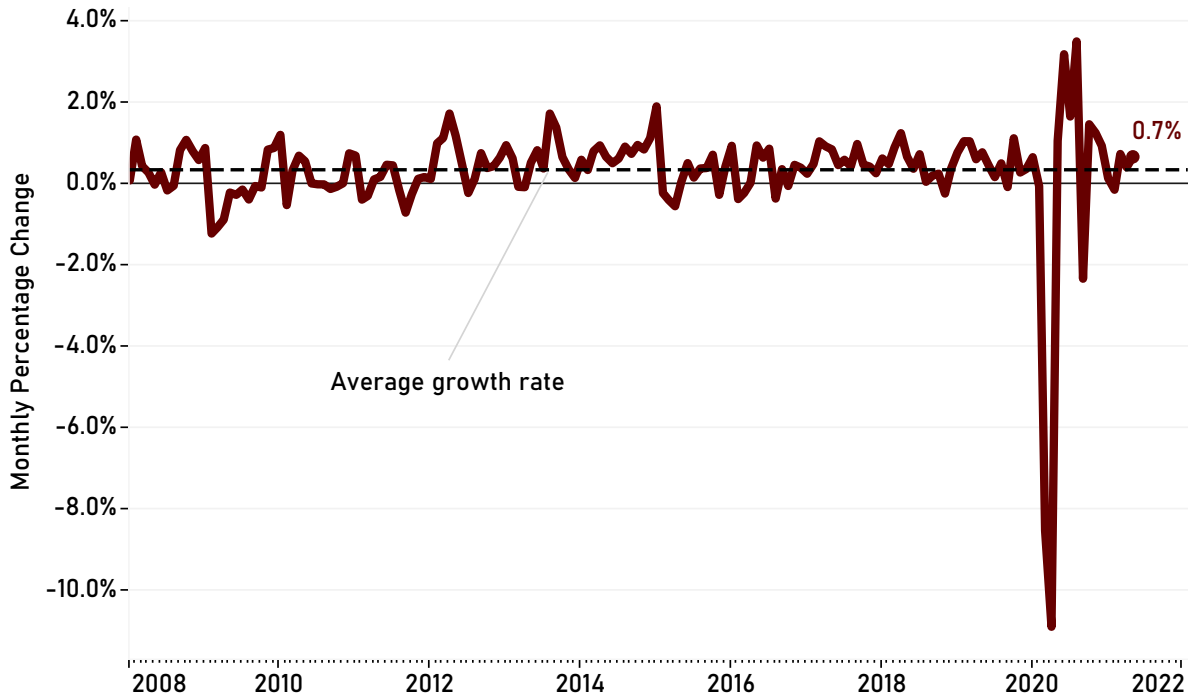


Last reported data point: May 2021 (monthly). Source: Private Enterprise Research Center.

THE COLLEGE STATION-BRYAN BUSINESS-CYCLE

The CSB Business-Cycle rose 0.7% between April and May. The revised local unemployment rate decreased to 5.2% in May. Nonfarm employment showed an increase of 0.8% from its revised April value of 118,600 workers to May's value of 119,500. Inflation-adjusted taxable sales, the third monthly indicator used in the model, decreased by 2.7% between April and May. The fourth input in our model, quarterly real wages, remained unchanged and the next update will be available in August.

FIGURE 2. COLLEGE STATION-BRYAN BUSINESS-CYCLE

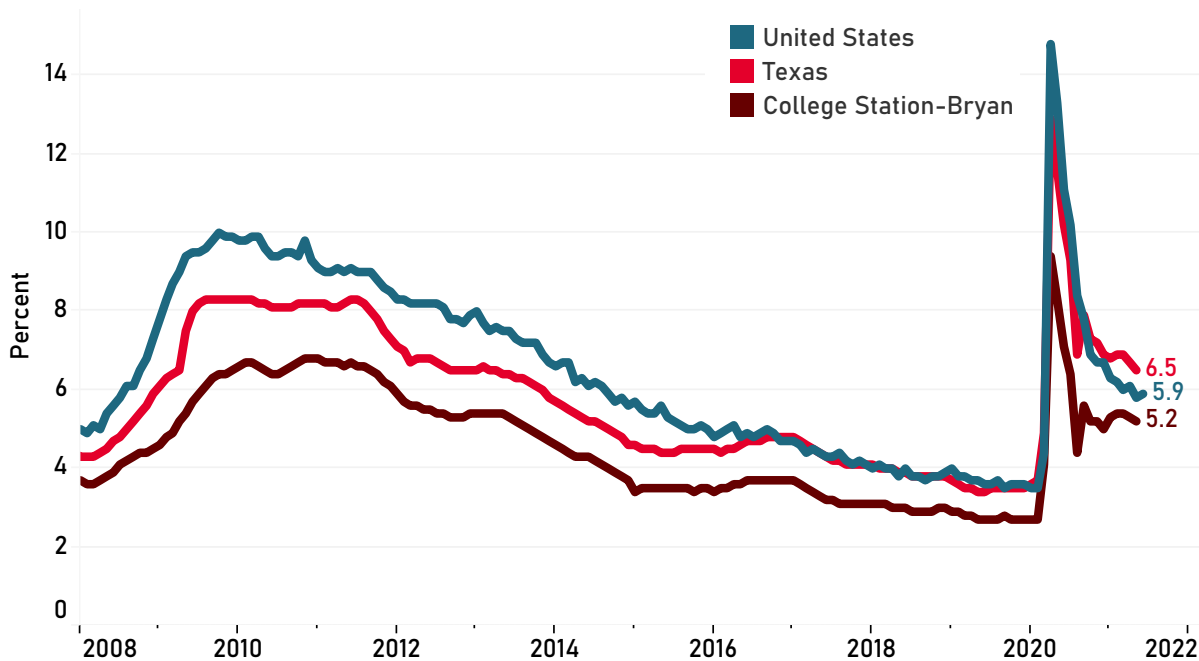


Month-to-month growth rates. Last reported data point: May 2021 (monthly). Source: Private Enterprise Research Center.

UNEMPLOYMENT RATE

Figure 3 shows the unemployment rates for College Station-Bryan, the state of Texas, and the U.S. from January 2008 to May 2021. As mentioned, the revised unemployment rate in College Station-Bryan decreased slightly to 5.2% in May. The statewide rate for Texas decreased from 6.7% in April to 6.5% in May. The national rate is available through June 2021 and increased to 5.9% from 5.8% in May. The state and metropolitan area unemployment rates for June 2021 will be released by the Bureau of Labor Statistics on July 16 and July 28, respectively.

FIGURE 3. UNEMPLOYMENT RATE



Seasonally adjusted. Last reported data point: May 2021 for Texas and College Station-Bryan, June 2021 for the national unemployment rate (monthly). Source: Bureau of Labor Statistics.

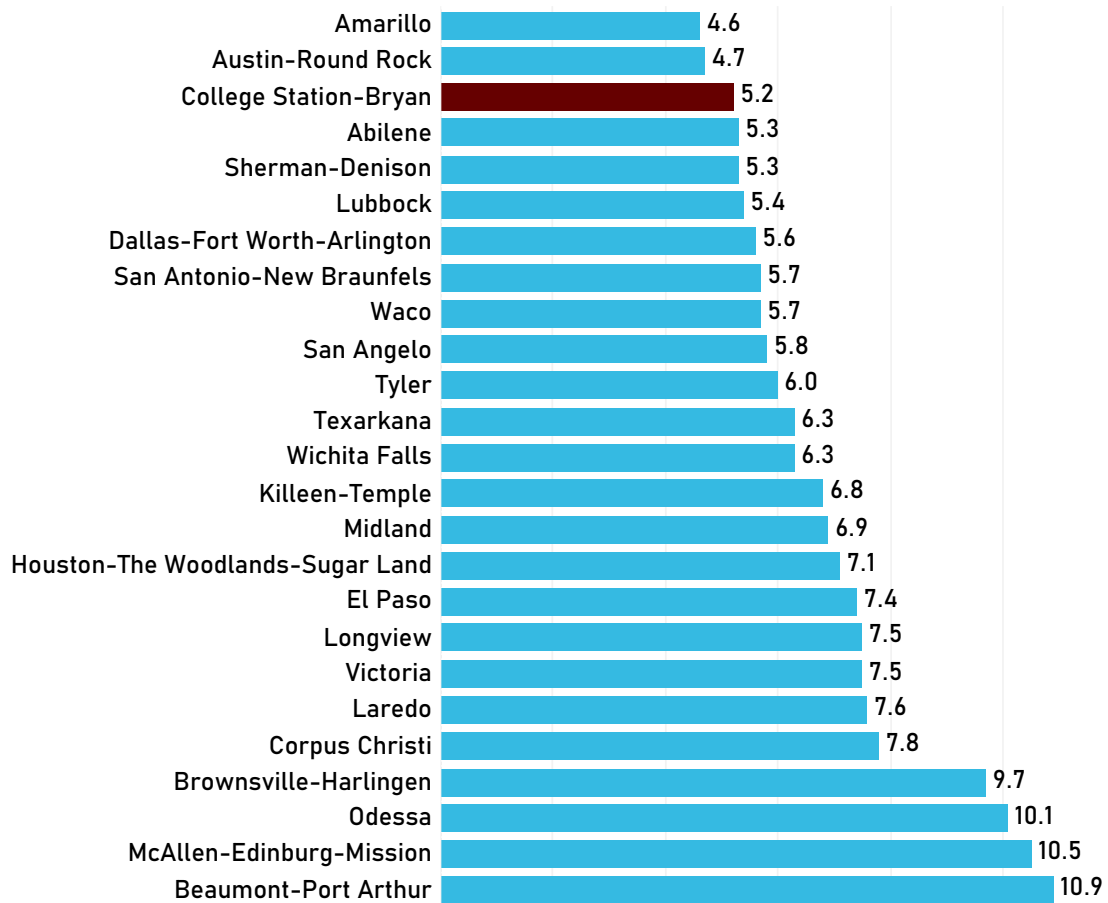
FOCUS ON THE COLLEGE STATION-BRYAN MSA AND RECENT ECONOMIC DATA

This month, we present the May unemployment rates in Texas MSAs, local employment indices by industry, local housing permits, values, and prices, and air travel out of Easterwood Airport.

TEXAS MSA UNEMPLOYMENT RATES

Figure 4 depicts all Texas MSA unemployment rates for May 2021. College Station-Bryan MSA's rate of 5.2% was the third lowest in the state. Amarillo had the lowest May unemployment rate at 4.6%, followed by Austin-Round Rock at 4.7%. Beaumont-Port Arthur, McAllen-Edinburg-Mission, and Odessa had the three highest May rates at 10.9%, 10.5%, and 10.1%, respectively. As noted, Austin-Round Rock had the lowest unemployment rate among the four largest MSAs at 4.7%. Dallas-Fort Worth-Arlington and San Antonio-New Braunfels followed at 5.6% and 5.7% respectively. Houston-The Woodlands-Sugar Land again had the highest rate in this group at 7.1%.

FIGURE 4. UNEMPLOYMENT RATES IN TEXAS MSAs, MAY 2021

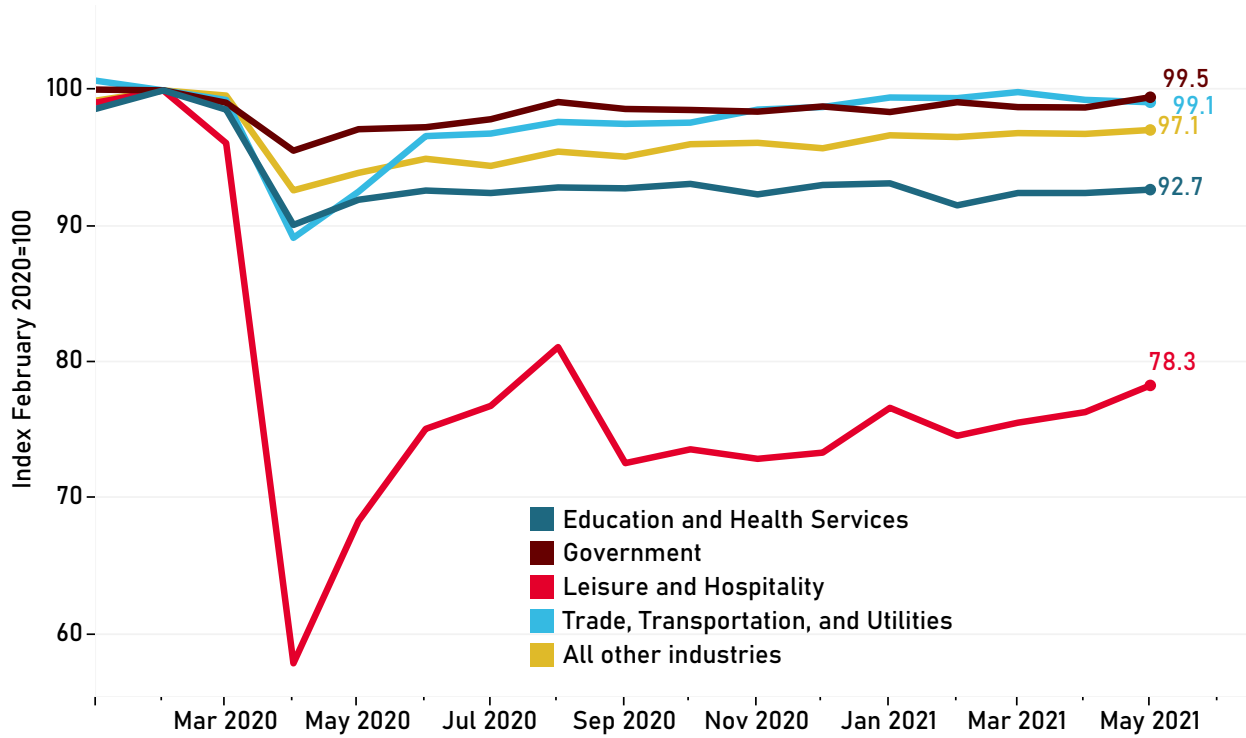


Source: Bureau of Labor Statistics, Local Area Unemployment Statistics, seasonally adjusted, May 2021.

EMPLOYMENT BY INDUSTRY IN THE COLLEGE STATION-BRYAN MSA

The series shown in Figure 5 identify how employment levels within each of the four largest local industries have changed from their pre pandemic levels in February 2020 up to May of 2021. All other remaining industries are included as the 'All Other' category. Government employment, which includes federal, state (including Texas A&M University), and local employment, was 99.5% of its February 2020 level. Employment in Trade, Transportation, and Utilities in May 2021 was 99.1% of its pre-pandemic employment. May's employment in Education and Health Services was 92.7% of its pre-pandemic level. The outlier is Leisure and Hospitality with employment at only 78.3% of this industry's February 2020 level. Employment in all other industries in May was 97.1% of their collective February 2020 level.

FIGURE 5. EMPLOYMENT BY INDUSTRY IN COLLEGE STATION-BRYAN

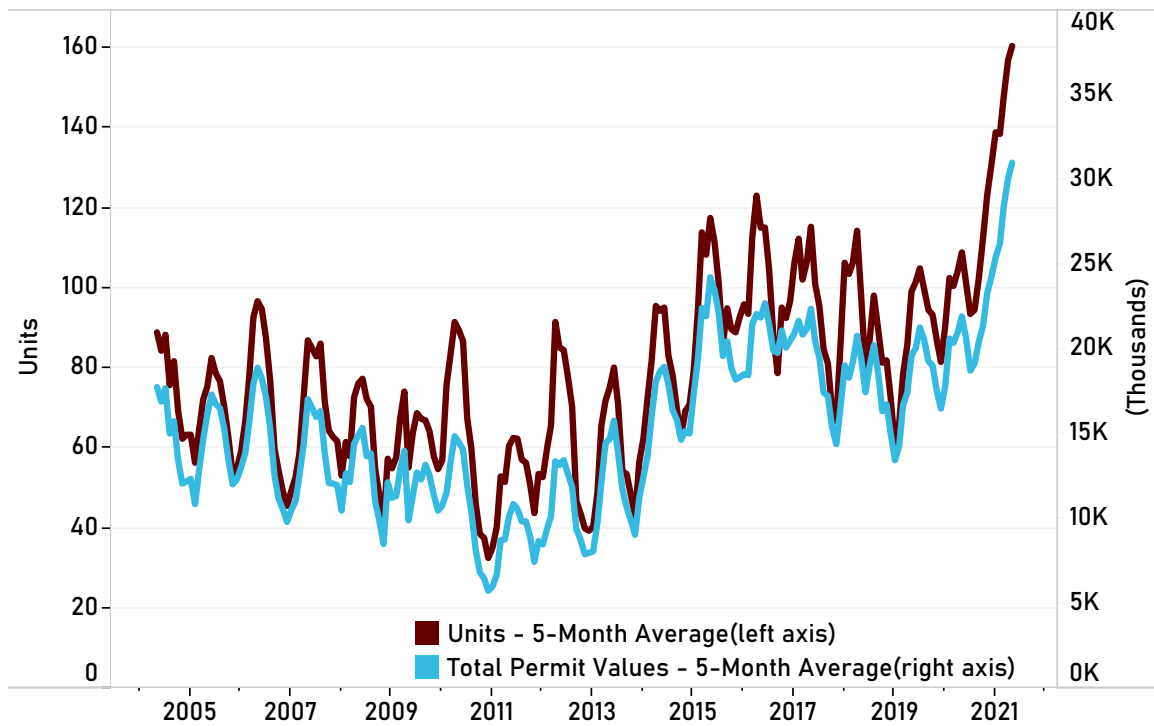


Indexed to February 2020. Source: Bureau of Labor Statistics. Based on seasonally adjusted series.

COLLEGE STATION-BRYAN HOUSING MARKET

Figure 6 presents single-family housing permits and total permit values in the local area. 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 starts are variable from month to month, averaging over five months helps uncover the series' underlying cycles. The five-month average number of housing starts has risen substantially in recent months. Since December, the five-month average has exceeded 130 new homes. Inflation-adjusted monthly housing values have followed suit. In May, the average monthly permitted value over the previous 5 months was \$31 million. Since December 2020, both the five-month number of permits and their values have exceeded their previous highs.

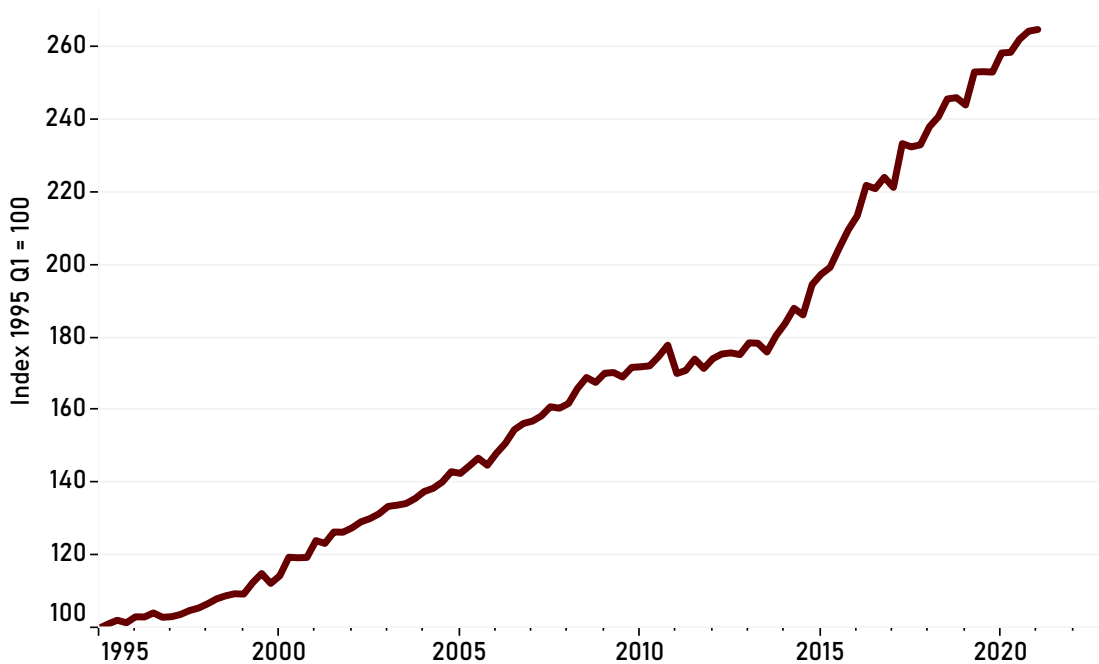
FIGURE 6. SINGLE FAMILY PERMITS & INFLATION-ADJUSTED PERMIT VALUES IN COLLEGE STATION-BRYAN



Source: U.S. Census Bureau. Inflation-adjusted by CPI-U, May 2021 = 100.

A housing price index for College Station-Bryan from the U.S. Federal Housing Agency is shown in Figure 7. This quarterly index is based on all transactions and is not adjusted for inflation or seasonality. The last data point is the first quarter of 2021 (January-March). Based on this index, housing prices in College Station-Bryan have risen 2.5% over the past year, and after adjusting for inflation, they have risen 0.6%.

FIGURE 7. HOUSING PRICE INDEX FOR COLLEGE STATION-BRYAN

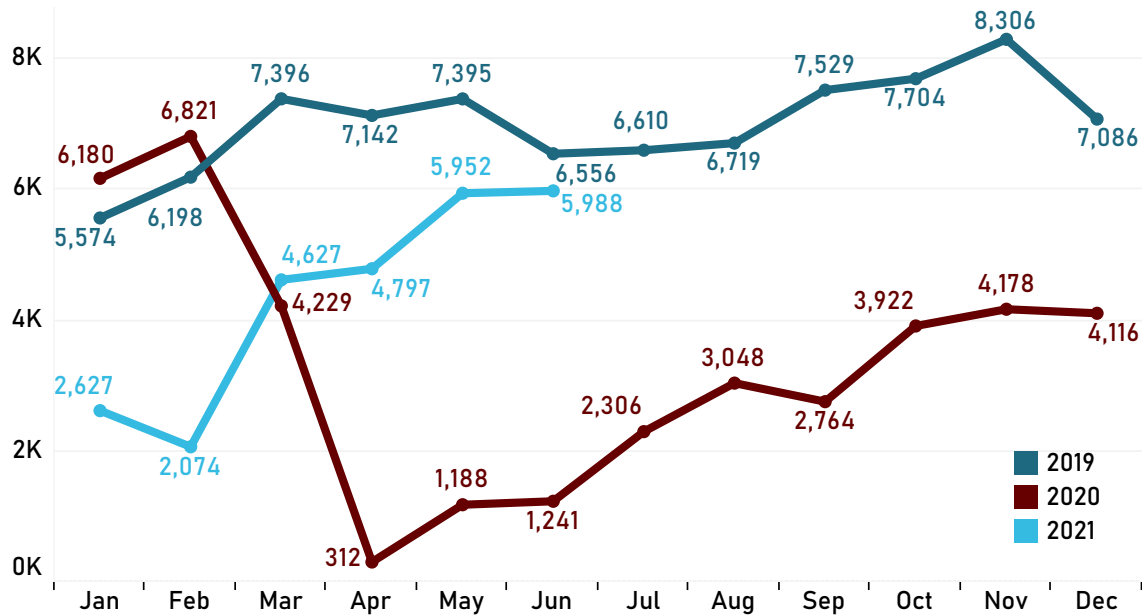


Source: U.S. Federal Housing Finance Agency, All-Transactions House Price Index for College Station-Bryan.

AIR TRAVEL OUT OF EASTERWOOD AIRPORT

The number of travelers out of Easterwood Airport from January 2019 to June of 2021 is shown in Figure 8. In June, 5,988 travelers departed from Easterwood. This was 91.3% of the count from June 2020. Nationally, June's number of travelers through Transportation Security Administration checkpoints was 74% of the count from May 2019. As has been the case for the last few months, local air travel was closer to the pre-pandemic level for the month of June than was air traffic nationally.

FIGURE 8. ENPLANEMENTS AT EASTERWOOD AIRPORT BY MONTH 2019 - 2021



Source: Texas A&M University System.

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

Employment by Industry

U.S. Bureau of Labor Statistics, State Employment and Unemployment, in College Station-Bryan, TX (MSA) [COLL748NA], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/graph/?g=BSLs>

Enplanements at Easterwood Airport

Texas A&M University System based on email request. Received July 6, 2021.

Housing Permits and Values

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

Housing Price Index

U.S. Federal Housing Finance Agency, All-Transactions Housing Price Index for College Station-Bryan, TX (MSA) [ATNHPIUS17780Q], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/ATNHPIUS17780Q>.

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 (inflation-adjusted) using the CPI-U.

Nonfarm Employment

Federal Reserve Bank of Dallas, Texas Workforce Commission, and Bureau of Labor Statistics, Total Nonfarm 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.

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

Bureau of Labor Statistics, Total Quarterly Wages in College Station-Bryan, TX (MSA), retrieved from <https://www.bls.gov/cew/datatoc.htm>. Quarterly files by area. Seasonal Adjustment by Private Enterprise Research Center.

CONTACT



BRAZOS VALLEY
ECONOMIC DEVELOPMENT
CORPORATION

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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