



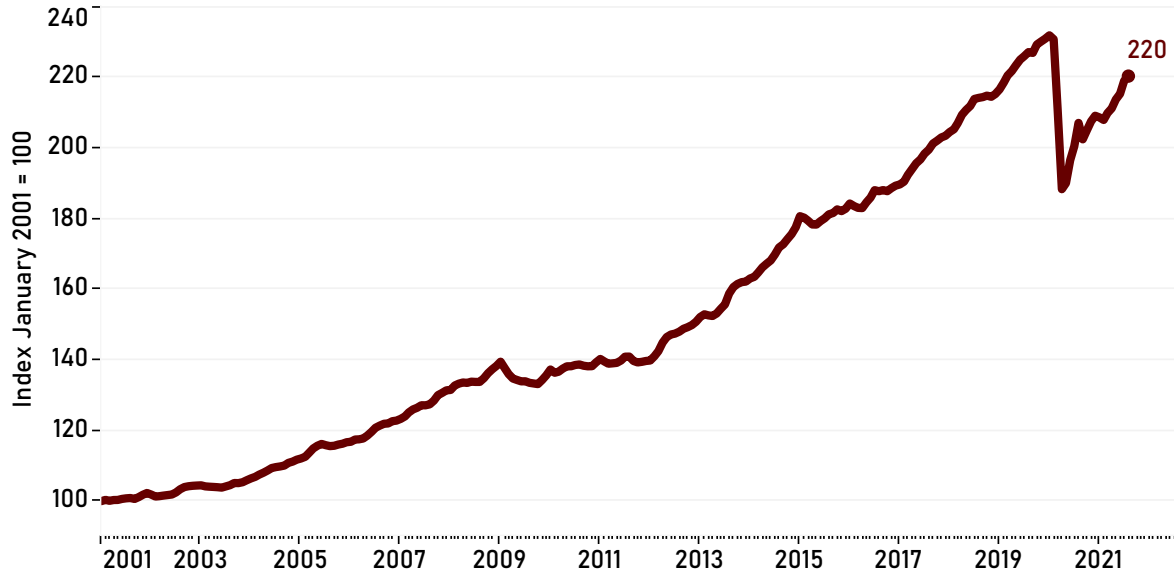
HIGHLIGHTS

- The Business-Cycle Index increased by 0.6% from July to August 2021.
- The revised local unemployment rate decreased from 4.3% to 4.2% in August.
- Local nonfarm employment decreased slightly, by 0.1% in August, and was 3.1% below its February 2020 pre-pandemic level.
- Real taxable sales increased by 1.2% from July to August and were 1.1% higher than in February 2020.
- Hotels in Brazos County are rebounding, with total hotel receipts for the months of May to August reaching 93% of total receipts for the same months of 2019.
- The number of travelers out of Easterwood Airport was 9% higher in September 2021 than in August 2021 and was 89% of the number from September 2019.

THE COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

The August College Station-Bryan Business-Cycle Index stands at 220, as seen in Figure 1. The unemployment rate and nonfarm employment decreased, while taxable sales increased.

FIGURE 1. COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

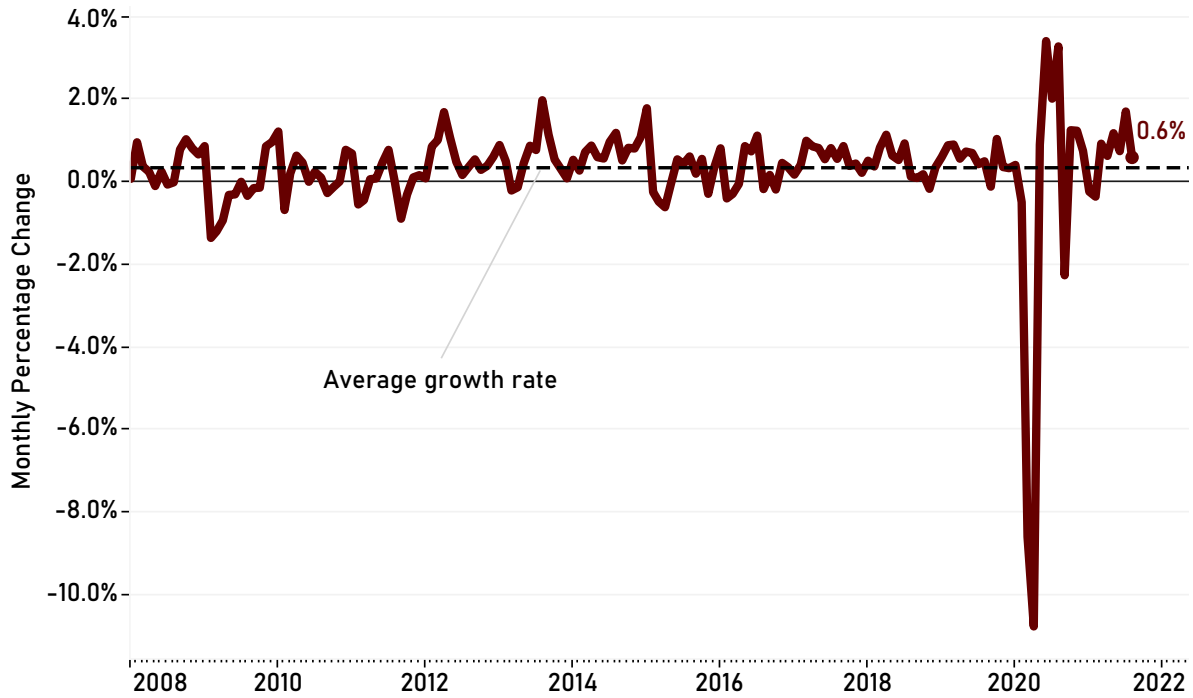


Last reported data point: August 2021 (monthly). Source: Private Enterprise Research Center.

THE COLLEGE STATION-BRYAN BUSINESS-CYCLE

The CSB Business-Cycle rose 0.6% between July and August. The local unemployment rate decreased to 4.2% in August. Nonfarm employment showed a decrease of 0.1% from its revised July value of 120,900 workers to August's value of 120,800. Inflation adjusted taxable sales, the third monthly indicator used in the model, increased by 1.2%. The fourth input in our model, quarterly real wages, will be updated in December 2021.

FIGURE 2. COLLEGE STATION-BRYAN BUSINESS-CYCLE

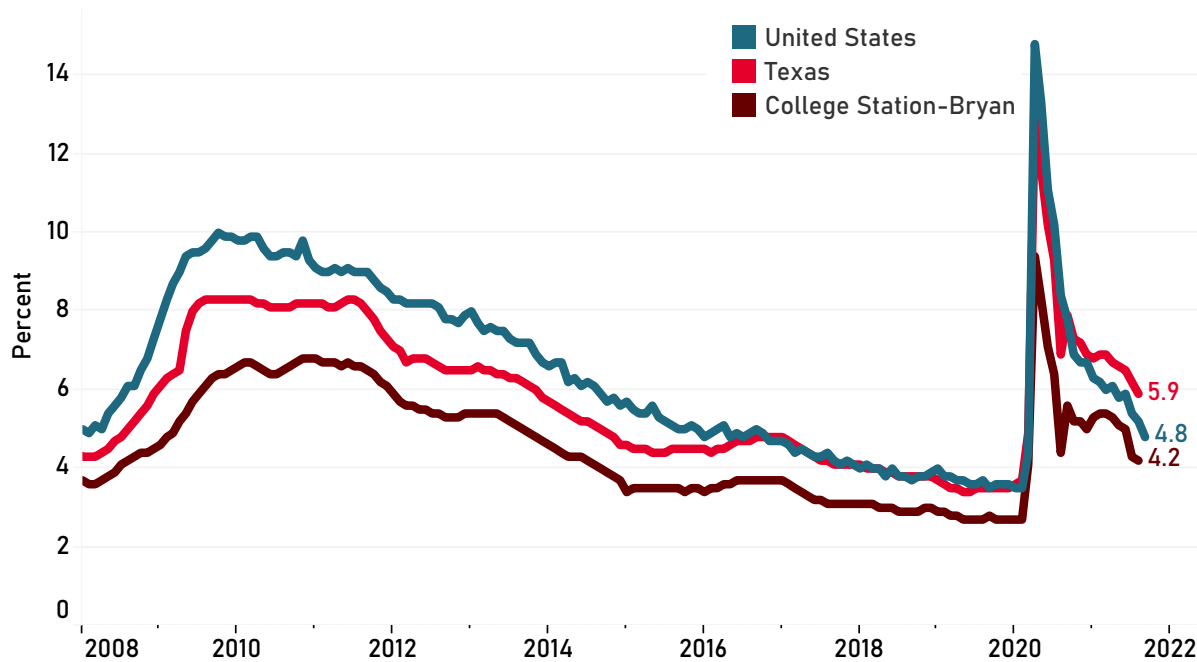


Month-to-month growth rates. Last reported data point: August 2021 (monthly). Source: Private Enterprise Research Center.

UNEMPLOYMENT RATE

Figure 3 shows the unemployment rates for College Station-Bryan, the state of Texas, and the U.S. beginning in January 2008. The revised unemployment rate in College Station-Bryan decreased to 4.2% in August from 4.3% in July. The statewide rate for Texas decreased from 6.2% in July to 5.9% in August. The national rate was 5.2% in August. Data on the national unemployment rate in September 2021 is already available and decreased to 4.8%.

FIGURE 3. UNEMPLOYMENT RATE



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

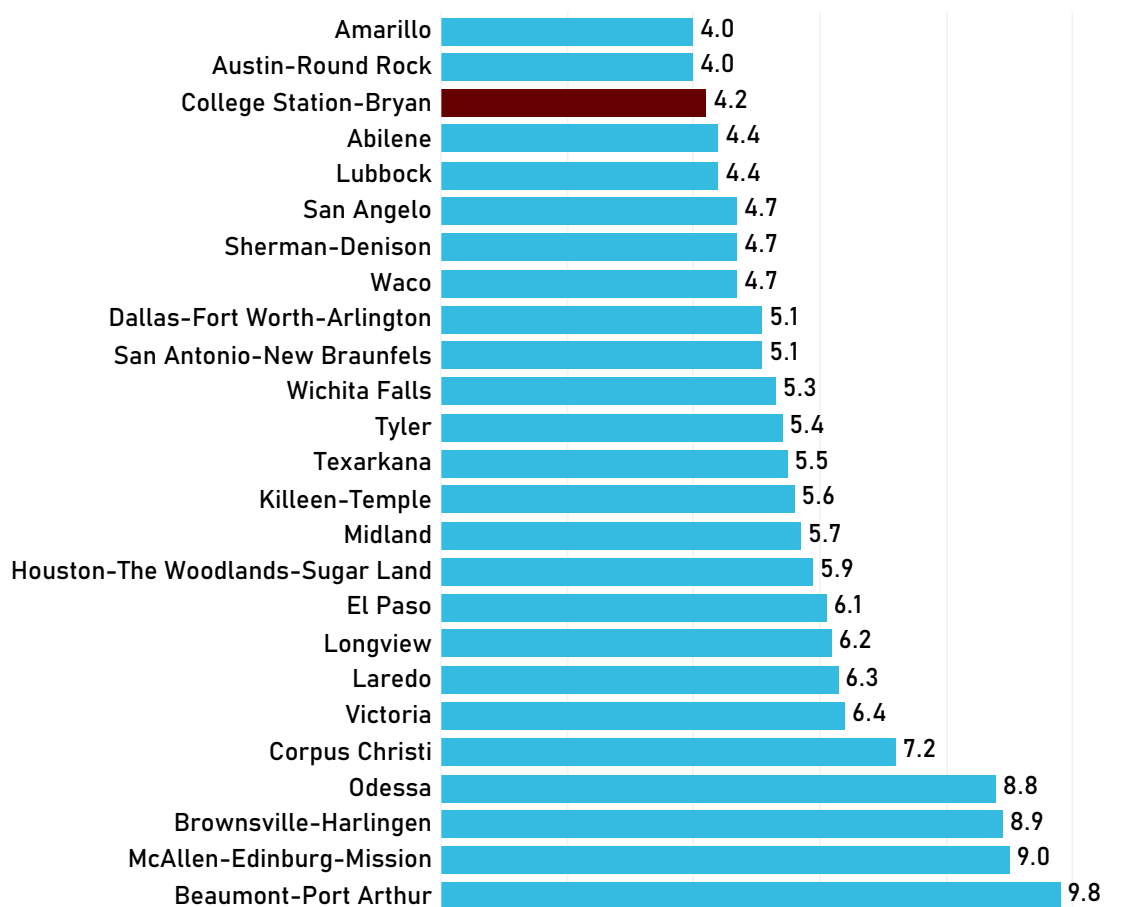
FOCUS ON THE COLLEGE STATION-BRYAN MSA AND RECENT ECONOMIC DATA

This month we present unemployment rates in Texas MSAs. We also track monthly hotel receipts per room, total monthly hotel receipts in Brazos County, and air travel out of Easterwood Airport.

TEXAS MSA UNEMPLOYMENT RATES

Figure 4 depicts all Texas MSA unemployment rates for August 2021. At 4.0%, Amarillo and Austin-Round Rock held the lowest unemployment rates in Texas. College Station-Bryan MSA's rate was the third lowest, at 4.2%. Two MSAs that reported high unemployment rates also rely heavily on the oil and gas industry for employment. Beaumont-Port Arthur had the highest unemployment rate at 9.8%, and Odessa had the fourth highest rate at 8.8%. McAllen-Edinburg-Mission and Brownsville-Harlingen's unemployment rates of 9.0% and 8.9% were the second and third highest, respectively. As noted, Austin-Round Rock had the lowest unemployment rate among the four largest MSAs at 4.0%. Dallas-Fort Worth-Arlington and San Antonio-New Braunfels followed at 5.1%. Houston-The Woodlands-Sugar Land again had the highest rate in this group at 5.9%.

FIGURE 4. UNEMPLOYMENT RATES IN TEXAS MSAs, AUGUST 2021



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

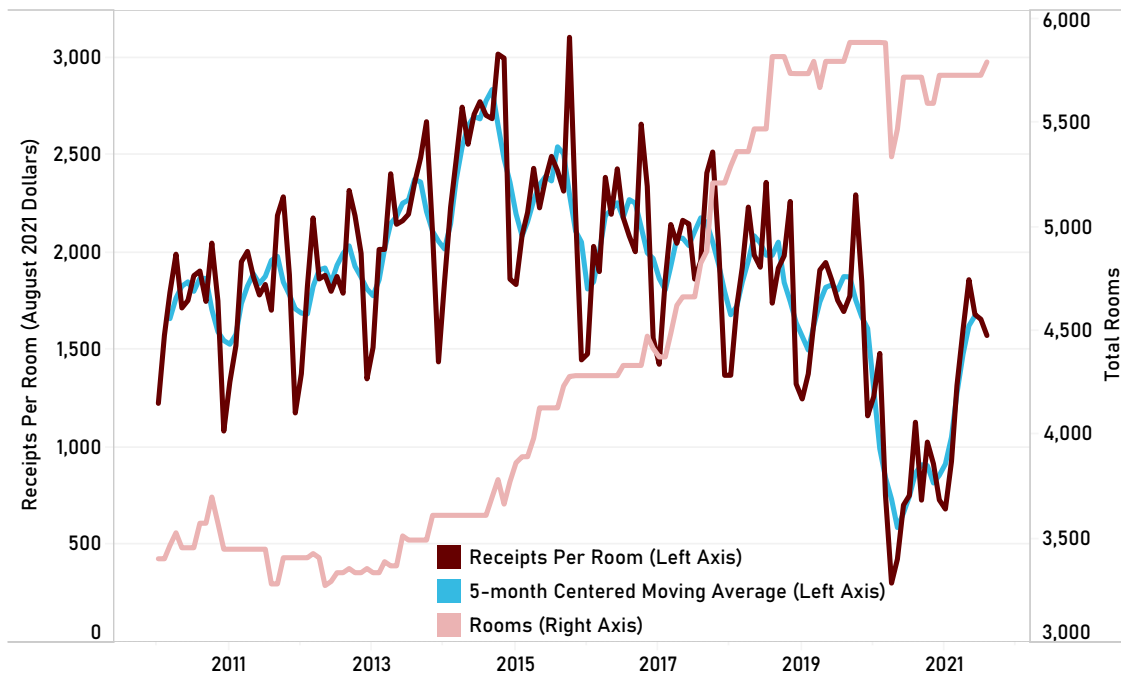
HOTEL RECEIPTS IN BRAZOS COUNTY

The number of Brazos County hotel rooms available in the summer of 2021 was about 70% higher than the number available in the summer of 2011, as seen in Figure 5. The available rooms are measured on the right axis of the graph. For this figure, rooms are not counted as available in a month if a hotel reports no income for the month. Note that the number of available rooms declined sharply in April of 2020 as some hotels temporarily closed. The available room count has rebounded since then, although counts have not returned to the pre-pandemic high.

Two series, measured on the left axis, identify inflation-adjusted monthly average receipts per room across all available rooms, and also the 5-month centered moving average of the monthly numbers. The annual peak in per-room receipts typically occurs in October, and the lowest monthly average is typically in the months of December or January. Revenues per room also typically reaches a secondary annual high in the spring months of April and May. Average receipts per room grew between 2010 and 2014, when the number of rooms was stable, but average receipts per room have declined as the supply of available rooms has expanded.

The average revenues per room reached a low of only \$306 in April of 2020 during the initial pandemic lockdowns and closures. So far this year, the highest average per room revenue occurred in May, reaching \$1,862, or about 4.5% lower than the pre-pandemic value from May 2019.

FIGURE 5. INFLATION ADJUSTED HOTEL RECEIPTS PER ROOM & AVAILABLE ROOM COUNT, BRAZOS COUNTY

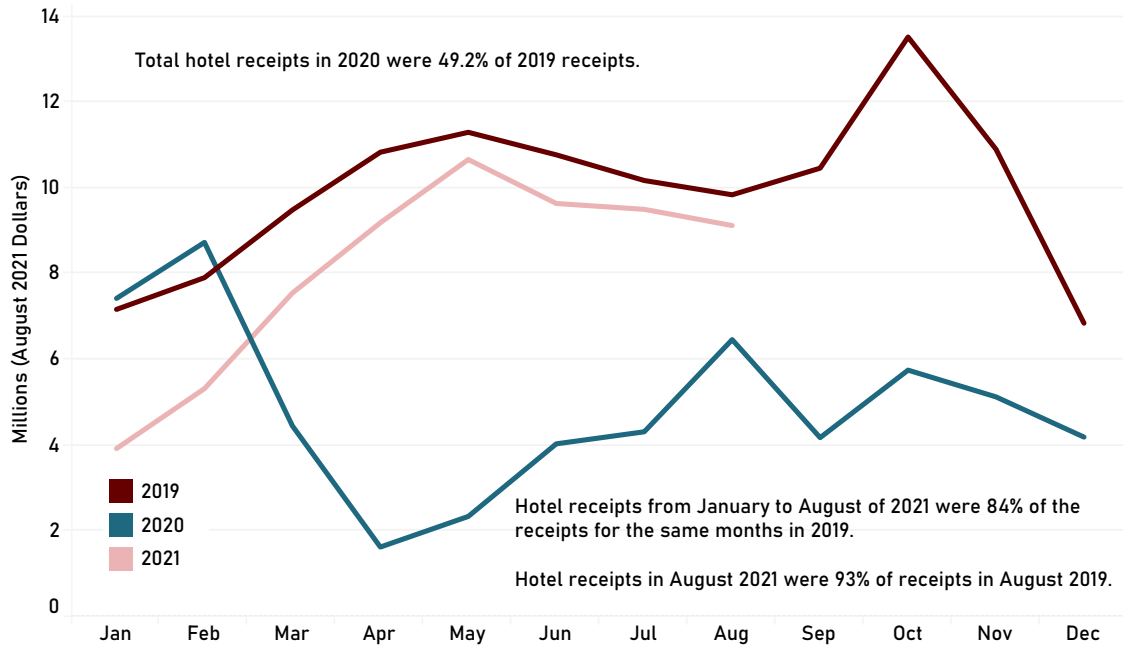


Source: Texas Comptroller of Public Accounts; adjustments by Private Enterprise Research Center. Reflects hotels in Brazos County and dollar values have been adjusted for inflation (August 2021=100). Last reported data point: August 2021.

MONTHLY COMPARISON OF HOTEL RECEIPTS IN BRAZOS COUNTY

Monthly total inflation-adjusted hotel receipts in Brazos County for 2019, 2020, and the first eight months of 2021 are shown in Figure 6. Total receipts in 2020 were only 49% of the annual receipts from 2019. From January to August of 2021, total receipts were 84% of the receipts for the same months of 2019. As seen in the figure, the gap in monthly receipts between 2019 and 2021 has narrowed considerably. In fact, from May to August 2021, total receipts were 93% of total receipts for the same months of 2019.

FIGURE 6. INFLATION ADJUSTED HOTEL RECEIPTS, BRAZOS COUNTY

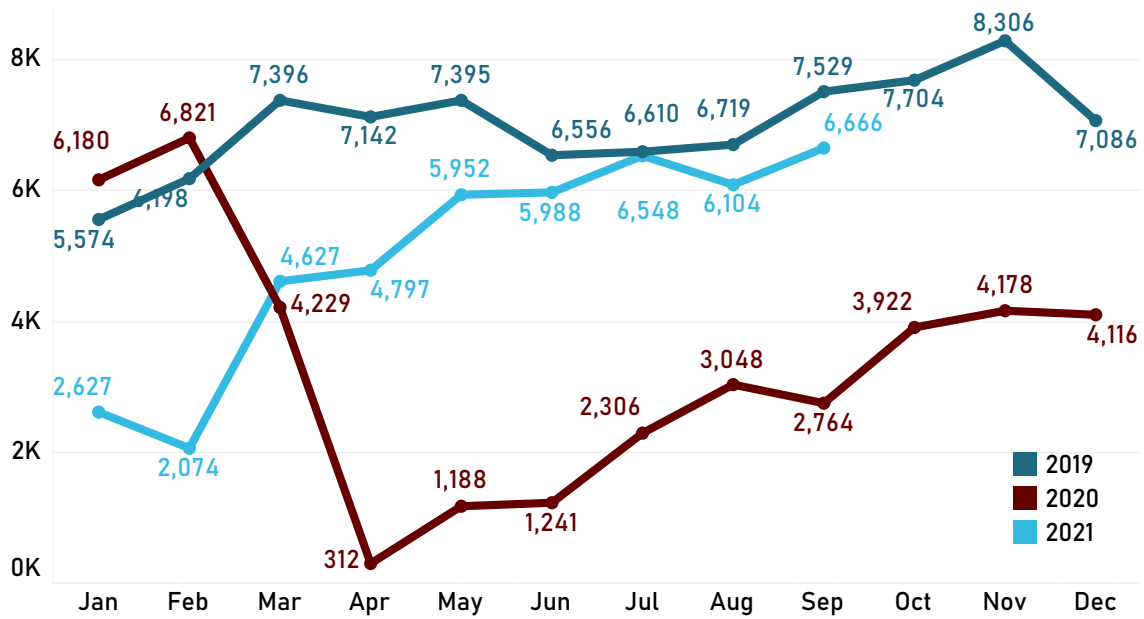


Source: Texas Comptroller of Public Accounts; adjustments by Private Enterprise Research Center. Reflects hotels in Brazos County and dollar values have been adjusted for inflation (August 2021=100).

AIR TRAVEL OUT OF EASTERWOOD AIRPORT

The number of travelers out of Easterwood Airport from January 2019 to September 2021 is shown in Figure 7. September’s departures from Easterwood totaled 6,666 travelers. This represents a 9.2% increase from August but was 88.5% of the count from September 2019. August’s traveler count was 91% of the count from August 2019, and in July, the number of travelers out of Easterwood was 99% of the July 2019 count. Nationally, September’s number of travelers through Transportation Security Administration checkpoints was 76% of the count from September 2019. The national August 2021 count was 77% of the August 2019 count, while the July 2021 count was 80% of the July 2019 count. As noted last month, the reversal in air travel’s return to pre-pandemic levels during August and September was likely due to travelers’ concerns about the rise in positive Covid-19 cases.

FIGURE 7. EASTERWOOD AIRPORT ENPLANEMENTS 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

Enplanements at Easterwood Airport

Texas A&M University System based on email request. Received October 18, 2021.

Hotel Receipts

Data retrieved from Texas Comptroller of Public Accounts through Texas Comptroller's Secure Information and File Transfer System, October 2021. <https://comptroller.texas.gov/transparency/open-data/hotel-receipts/>

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 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.

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



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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