



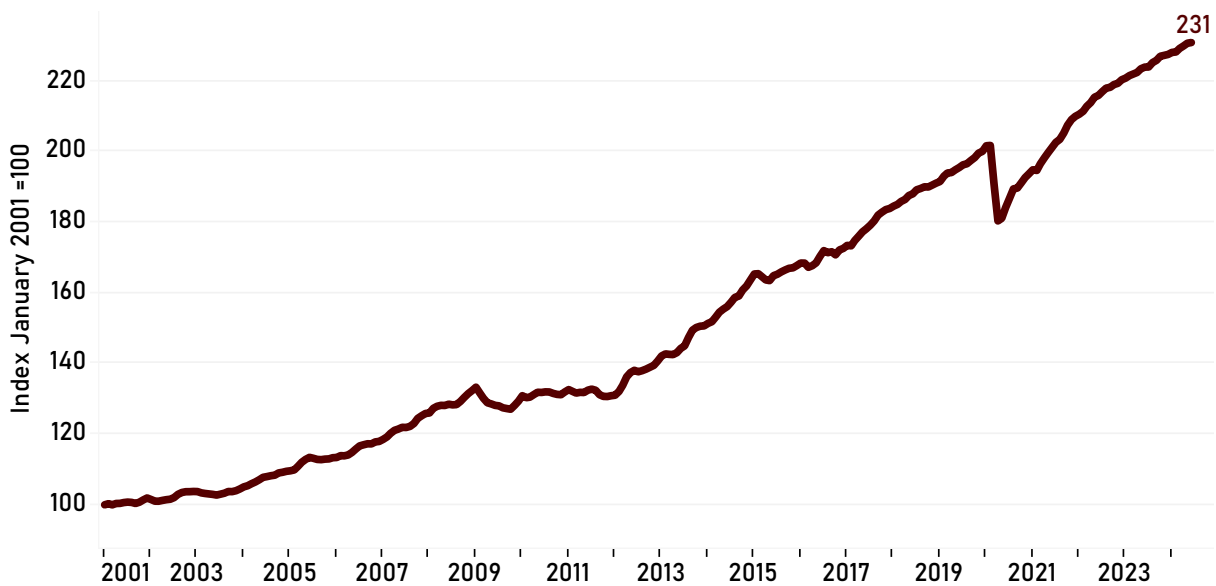
## HIGHLIGHTS

- The Business-Cycle Index increased 0.08% from May 2024 to June 2024.
- The local unemployment rate for June 2024 was 3.2%, up from 3.1% in May.
- Local nonfarm employment increased by 0.5% from May to June 2024.
- Inflation-adjusted taxable sales increased by 1.9% from May 2024 to June 2024.
- Average real (inflation-adjusted) hourly earnings in College Station-Bryan in June 2024 were 8.2% lower than in February 2020. Nationwide, average real hourly earnings were 0.6% higher over this same period.

## THE COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

In June 2024, the Business-Cycle Index rose to 231, marking an increase of 0.08% from its May figure. This slight increase is attributed to a rise in nonfarm employment, a rise in quarterly wage payments and inflation-adjusted taxable sales, but an increase in the unemployment rate.

FIGURE 1. COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

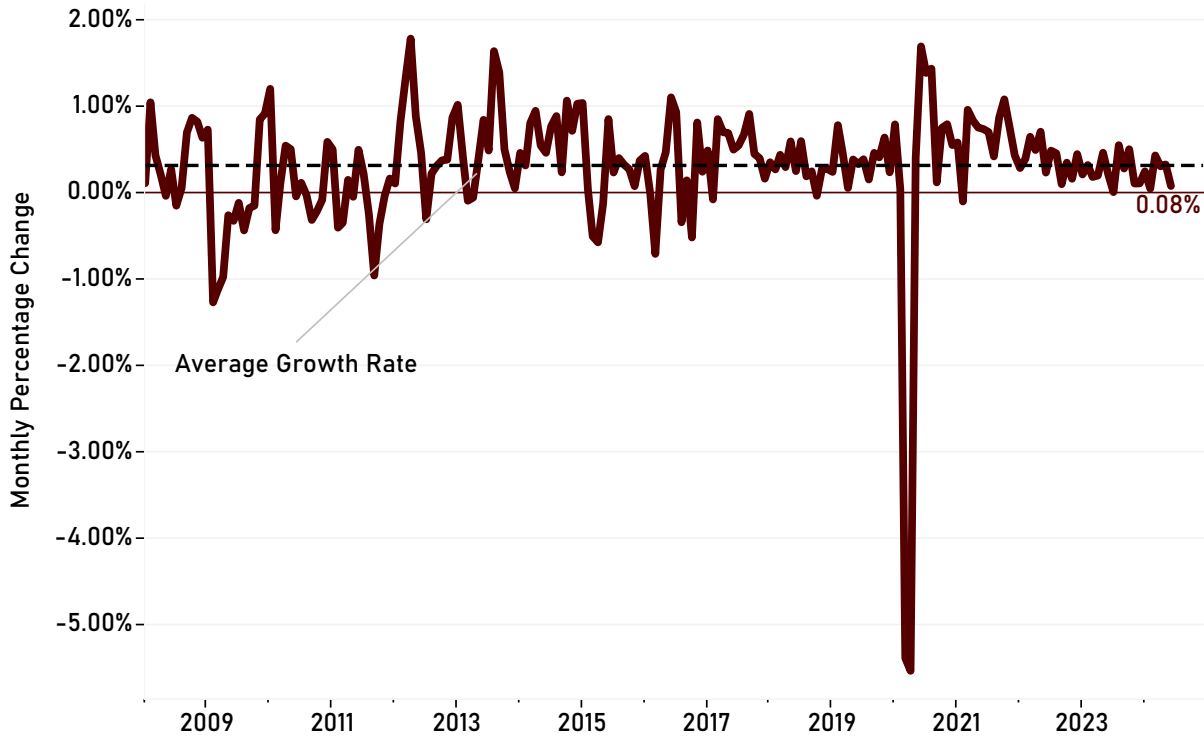


Last reported data point: June 2024 (monthly). Source: Private Enterprise Research Center.

## THE COLLEGE STATION-BRYAN BUSINESS-CYCLE

The 0.08% increase in the CSB Business-Cycle from May 2024 to June 2024 is shown in Figure 2. The local unemployment rate increased to 3.2% in June from May 2024 after holding steady at 3.1% for four consecutive months. The College Station-Bryan MSA added 687 jobs in the month of June, a 0.5% increase from the prior month. The third monthly variable, inflation-adjusted taxable sales, increased by 1.9% between May and June. The fourth variable used to estimate the business cycle, quarterly inflation-adjusted total wage payments showed an inflation-adjusted 2.8% increase from the previous quarter, and an increase of 3.3% from the previous year.

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

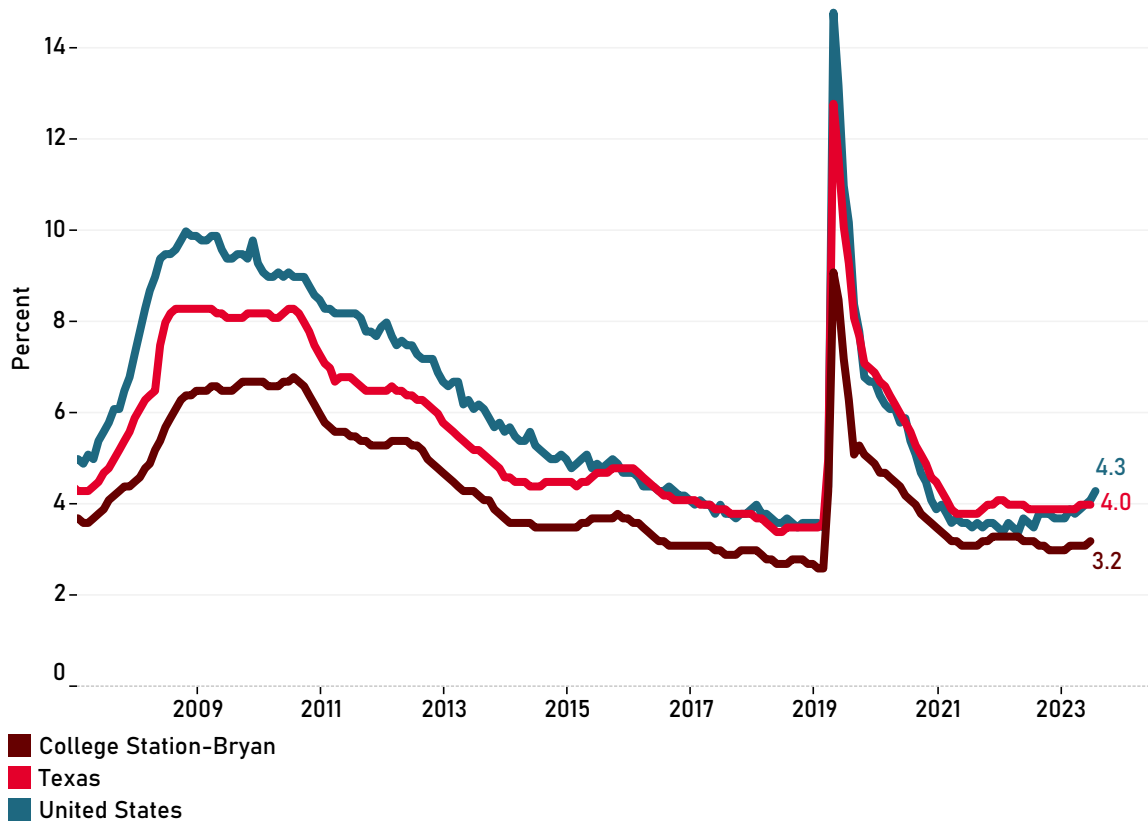


Month-to-month growth rates. Last reported data point: June 2024 (monthly). Source: Private Enterprise Research Center.

## UNEMPLOYMENT RATE

Figure 3 illustrates the unemployment rates for College Station-Bryan and Texas from January 2008 to June 2024, as well as for the entire nation through July 2024. The unemployment rate in College Station-Bryan rose from 3.1% in May to 3.2% in June. In Texas, the unemployment rate remained steady at 4.0% in June, the same as in May. Nationally, the unemployment rate was 4.1% in June but increased to 4.3% in July, marking the highest rate since October 2021. The Bureau of Labor Statistics will release the July unemployment rate for Texas on August 16, 2024, and the July unemployment rate for College Station - Bryan MSA on August 28, 2024.

FIGURE 3. UNEMPLOYMENT RATE



Seasonally Adjusted. Last reported data point: June 2024 for College Station - Bryan and Texas, July 2024 for the United States. Source: Bureau of Labor Statistics.

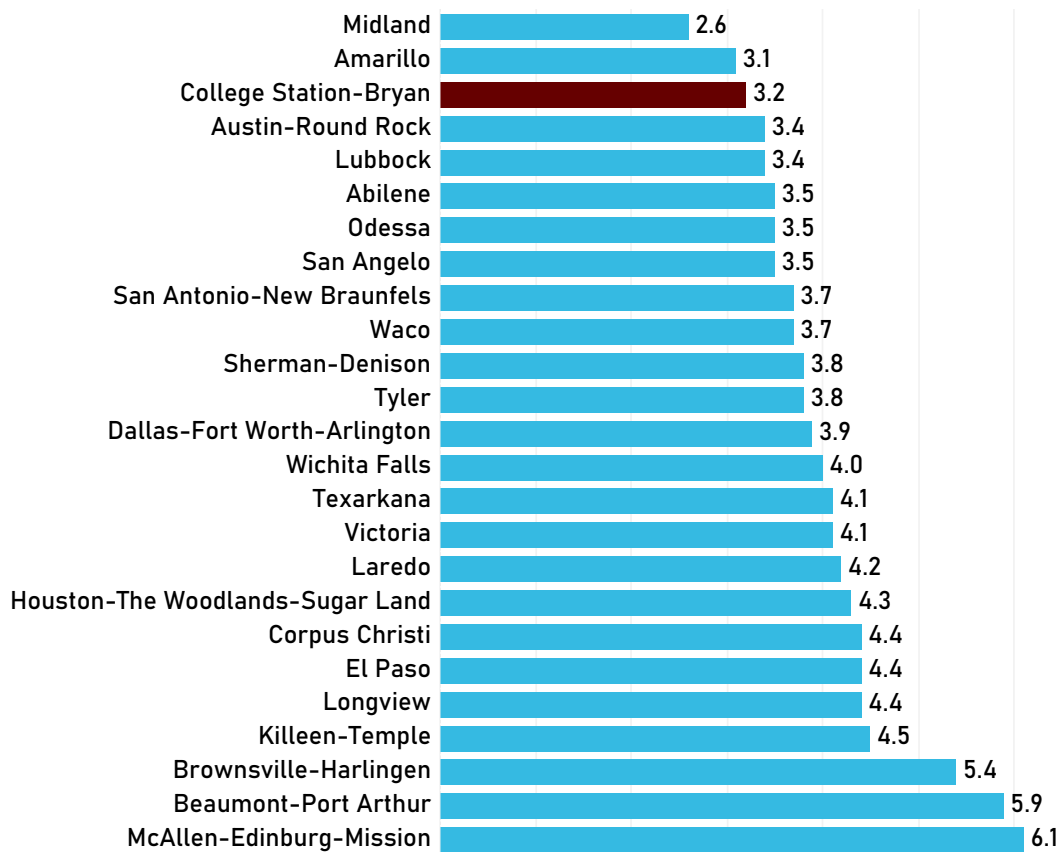
## FOCUS ON THE COLLEGE STATION-BRYAN MSA

This month, we analyze the unemployment rates in the Texas Metropolitan Statistical Areas (MSAs) for June. Our focus also covers the trends in inflation adjusted average hourly earnings in selected cities from February 2020 to the present. Lastly, we compare local and national air travel statistics.

### TEXAS MSA UNEMPLOYMENT RATES

Figure 4 compares the unemployment rates for all Texas MSAs in June 2024. College Station-Bryan's unemployment rate of 3.2% was the third lowest, following Midland at 2.6% and Amarillo at 3.1%. On the higher end, McAllen-Edinburg-Mission, Beaumont-Port Arthur, and Brownsville-Harlingen recorded the highest unemployment rates at 6.1%, 5.9%, and 5.4%, respectively. Among the four largest MSAs, Austin-Round Rock had the lowest unemployment rate at 3.4%, while San Antonio-New Braunfels stood at 3.7%, Dallas-Fort Worth-Arlington at 3.9%, and Houston-The Woodlands-Sugar Land at 4.3%, the highest in this group. Out of 25 MSAs in Texas, 17 experienced an increase in their unemployment rate in June.

FIGURE 4. UNEMPLOYMENT RATES IN TEXAS MSAs, JUNE 2024



Source: Bureau of Labor Statistics, Local Area Unemployment Statistics, seasonally adjusted, June 2024.

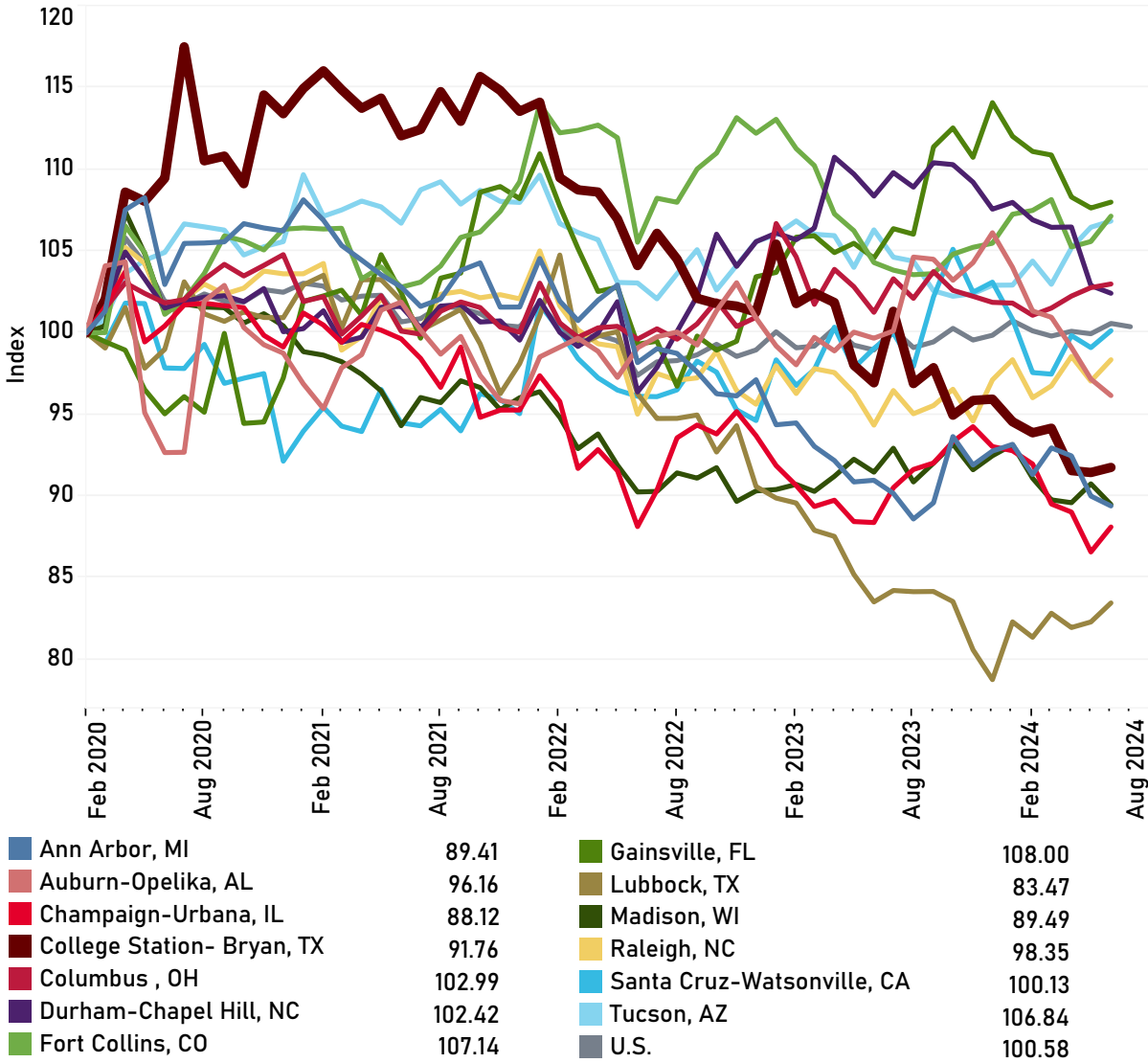
## INDEXED AVERAGE INFLATION-ADJUSTED HOURLY EARNINGS BY SELECT CITIES

Average hourly earnings represent the average gross income of employees in a specific sector or industry. This information is derived monthly from the Current Employment Statistics (CES) program, which is published by the Bureau of Labor Statistics (BLS). To calculate this metric, the total payroll for a given period is divided by the total number of hours worked by employees during that time. The data focuses on private sector employees, excluding those in agriculture and private households. For this analysis, we utilized average hourly earnings data, inflation adjusted the said series by the Consumer Price Index and indexed it to February 2020 for 13 selected cities. The resulting analysis highlights the trends in real hourly earnings from February 2020 to June 2024. February 2020 represents the month immediately prior to the COVID-19 pandemic; here, the data comparison is from immediately prior to the pandemic recession to the present.

Figure 5 depicts the indexed earnings trends from February 2020 onwards for select cities. Tucson, AZ, and Fort Collins, CO, consistently showed higher average real earnings compared to the national average. By June 2024, these cities exhibited real earnings increases of 6.8% and 7.1% above the pre-pandemic levels of February 2020. Gainesville, FL; Durham - Chapel Hill, NC; and Columbus, OH also maintained average real earnings above the inflation adjusted national average. Conversely, Madison, WI; and Champaign-Urbana, IL consistently fell below the inflation adjusted national average in indexed earnings from late 2020 onwards. By June 2024, these cities experienced declines of 10.5% and 11.8% in average real hourly earnings compared to February 2020. Lubbock, TX reported the lowest real earnings as of June 2024, while Gainesville, FL, showed a notable recovery with an 8% increase in real hourly earnings from February 2020.

From February 2020 to June 2024, average real hourly earnings in College Station-Bryan demonstrated an early peak, but have since been on the decline, and have declined by 8.2% over this period. Prior to the pandemic, local real average earnings were \$26.92 per hour in February 2020. During the pandemic, mandated closures caused changes in the labor force as workers from the Leisure and Hospitality sector, a predominantly lower-paid industry, disproportionately left the labor force due to lay-offs and business closures. This decline in the percent of lower-paid workers, coupled with low inflation, led to an increase in the measure of local real average earnings, which peaked at \$31.60 per hour in July 2020. Real average hourly earnings remained consistently above the February 2020 level for the next two years. However, from February 2022 to June 2024, measured real average hourly earnings saw a decline of 16.2%, dropping from \$29.48 per hour to \$24.71 per hour. This decline in real hourly earnings is due mainly to two causes: prices increased by 10.0% and, as the Leisure and Hospitality industry rebounded, average hourly earnings declined by 7.8%. In May 2023, the average real earnings for College Station-Bryan dropped below the national average for the first time post-pandemic. In summary, measured real average earnings in College Station - Bryan have not kept pace with inflation over the past four and one-third years.

FIGURE 5. INDEXED AVERAGE HOURLY EARNINGS FROM SELECT CITIES

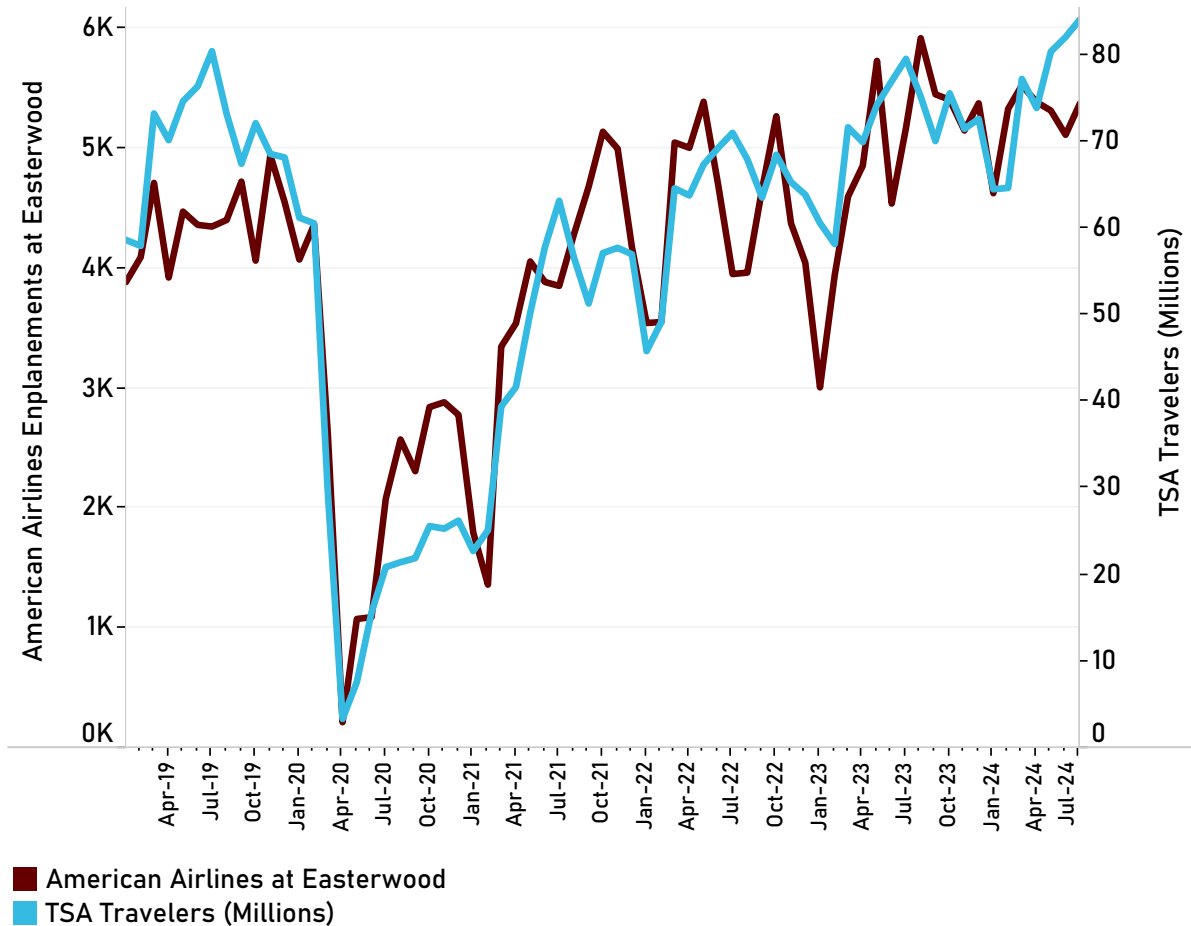


Source: Current Employment Statistics Program (CES), Bureau of Labor Statistics, retrieved from FRED.

## AIR TRAVEL

Figure 6 depicts the enplanements at Easterwood Airport on American Airlines (left axis) and the number of travelers nationwide passing through Transportation Security Administration (TSA) checkpoints (right axis) from January 2019 to July 2024. The national and local passenger counts have followed similar overall patterns, despite monthly volatility, from the beginning of 2019 to the present. National air travel was up 6% and local air travel was up by 4% in July 2024 compared to July 2023. Locally, air travel out of Easterwood Airport on American Airlines during the twelve months from July 2023 to July 2024 was 18.9% higher than during the twelve months from July 2022 to July 2023. Comparing July 2024 to the preceding month, local passenger counts were down by 5.1% while national travel count was up by 2.5%.

**FIGURE 6. AMERICAN AIRLINES ENPLANEMENTS AT EASTERWOOD AIRPORT & TOTAL TRAVELERS THROUGH TSA CHECKPOINTS**



Source: Last reported data point: June 2024 (monthly). Sources: Texas A&M University System and Transportation Security Administration.

## 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 August 7, 2024.

### **Private Sector Average Hourly Earnings**

U.S. Bureau of Labor Statistics and Federal Reserve Bank of St. Louis, Average Hourly Earnings of All Employees: Total Private in College Station-Bryan, TX (MSA) [SMU48177800500000003], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://www.bls.gov/sae/>

### **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 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/smallmetros/brysa>

### **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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