



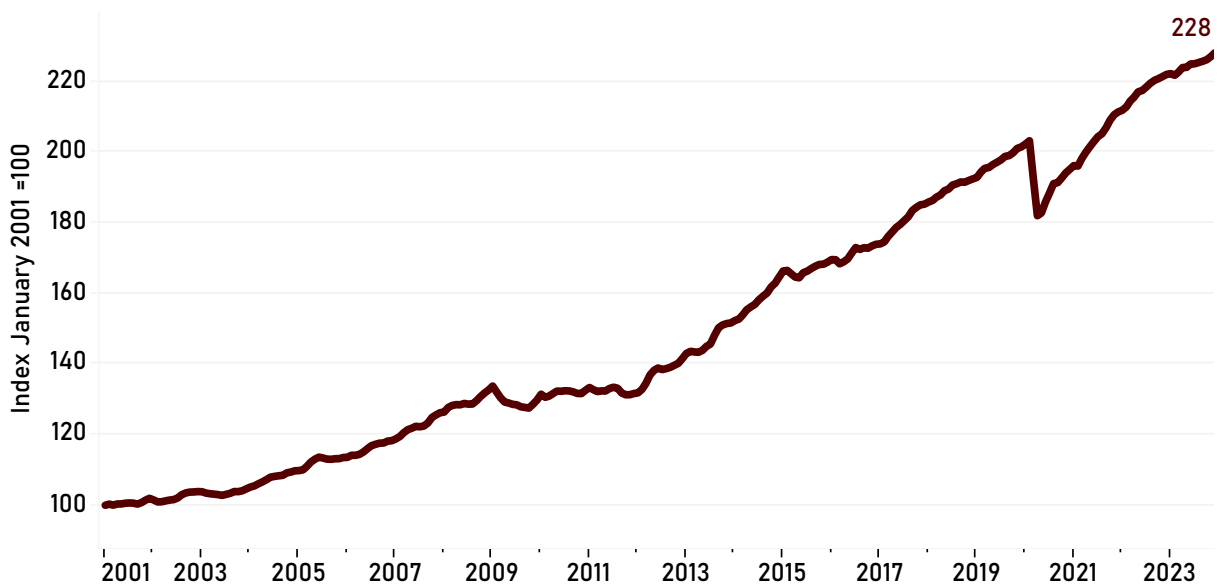
HIGHLIGHTS

- The Business-Cycle Index increased by 0.5% from 227 in November to 228¹ in December 2023.
- The local unemployment rate decreased to 3.1% in December 2023 compared to 3.2% in November.
- Local nonfarm employment in December increased by 0.3% from November’s level.
- December’s inflation-adjusted taxable sales were down by 0.1% from November.
- Hotel revenues in calendar year 2023 exceeded hotel revenues in 2022 by 2.4%.

THE COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

The latest Business-Cycle Index value for December 2023 rose to 228 from 227 in November 2023, an increase of 0.5%. An increase in nonfarm employment, a decrease in the unemployment rate along with a minimal decrease in inflation-adjusted taxable sales led to the increase in the business-cycle index.

FIGURE 1. COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

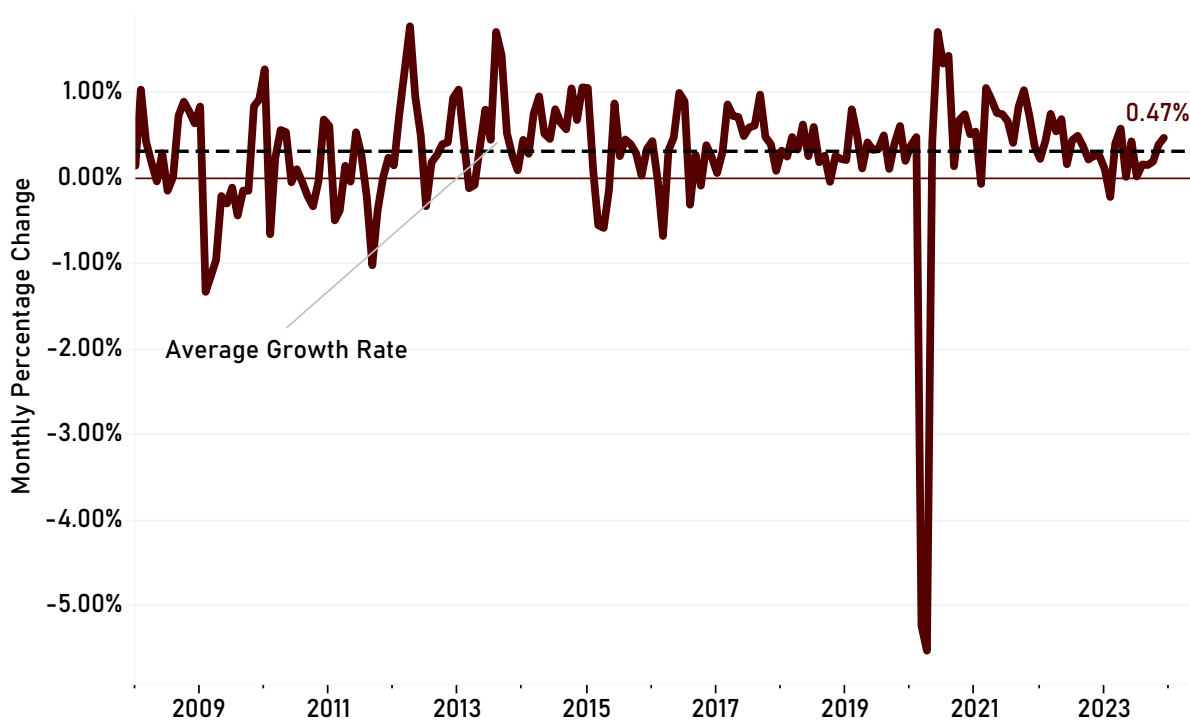


Last reported data point: December 2023 (monthly). Source: Private Enterprise Research Center.

THE COLLEGE STATION-BRYAN BUSINESS-CYCLE

The 0.47% increase in the CSB Business-Cycle from November 2023 to December 2023 is shown in Figure 2. The increase was driven by the decrease in the unemployment rate, an increase in nonfarm employment, and despite a decrease in both inflation-adjusted taxable sales and quarterly wages. The College Station-Bryan MSA added 373 workers, from 138,351 in November to 138,724 in December 2023.

FIGURE 2. COLLEGE STATION-BRYAN BUSINESS-CYCLE

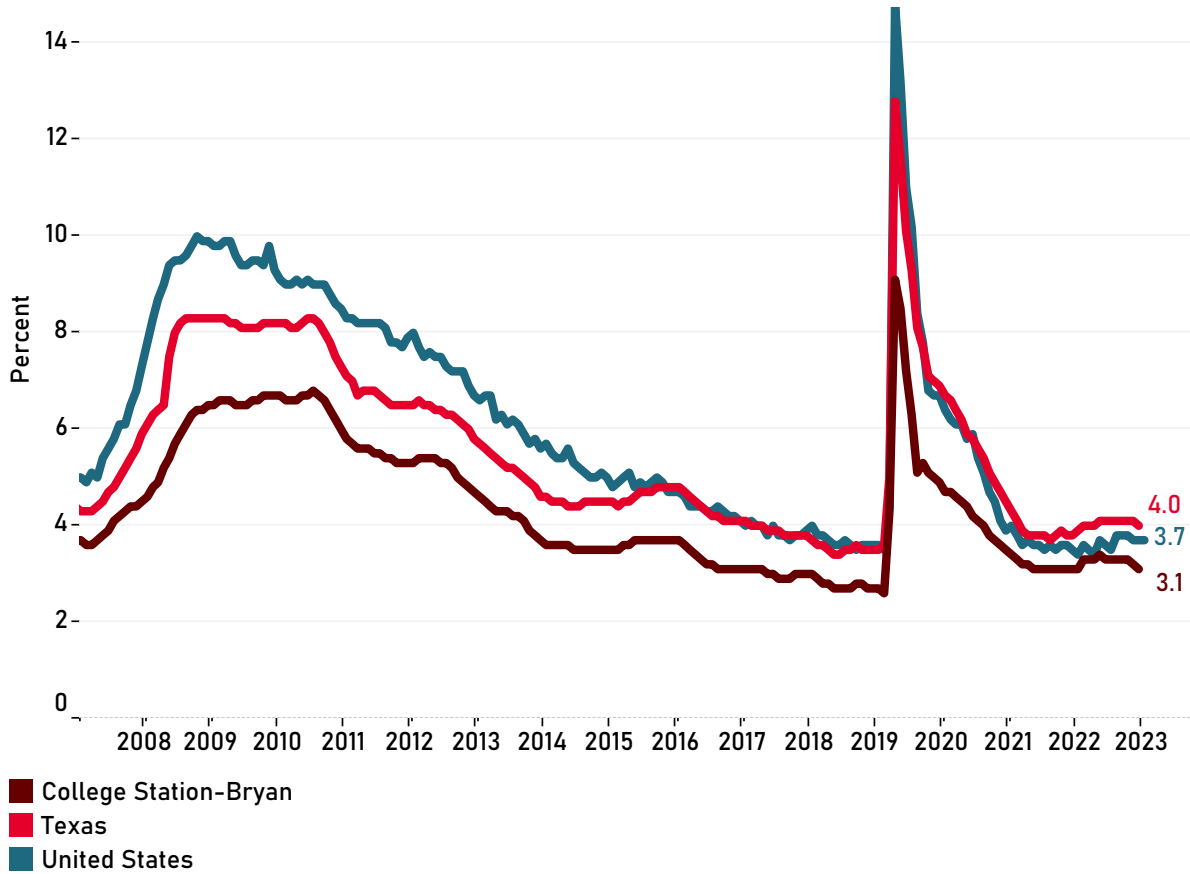


Month-to-month growth rates. Last reported data point: December 2023 (monthly). Source: Private Enterprise Research Center.

UNEMPLOYMENT RATE

Figure 3 shows the unemployment rates for College Station-Bryan and Texas from January 2008 to December 2023, and the nation as a whole through January 2024. The unemployment rate in College Station-Bryan decreased to 3.1% in December from 3.2% in November. Texas also saw a decrease in the unemployment rate in December to 4% compared to 4.1% in November. Nationally the unemployment rate remained unchanged at 3.7% in January 2024 compared to both December and November 2023. The state and metropolitan area unemployment rates for January will be available from the Bureau of Labor Statistics on March 11, 2024 and March 13, 2024, respectively.

FIGURE 3. UNEMPLOYMENT RATE



Seasonally Adjusted. Last reported data point: December 2023 for College Station - Bryan and Texas, January 2024 for the United States. Source: Bureau of Labor Statistics.

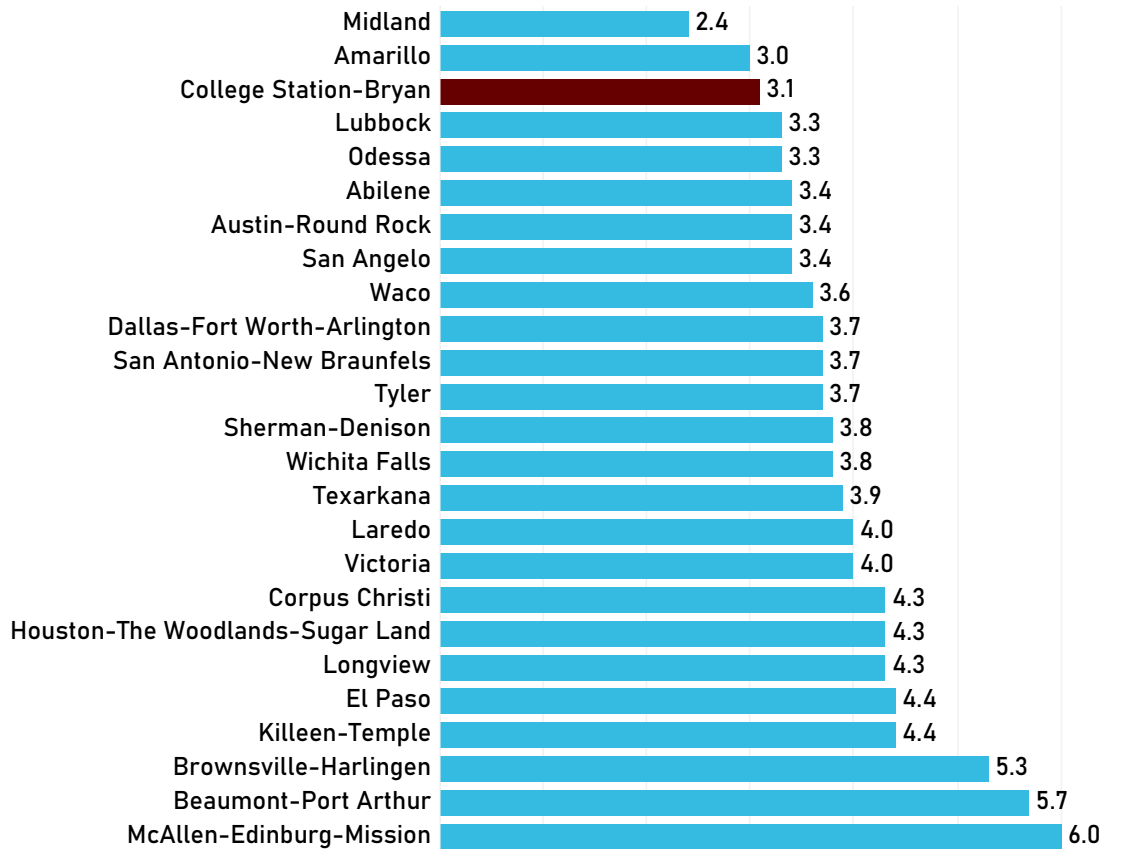
FOCUS ON THE COLLEGE STATION-BRYAN MSA

This month we present the unemployment rates in the Texas Metropolitan Statistical Areas (MSAs) for the month of December, identify local total hotel revenues and revenues per room, and discuss local and national air travel.

TEXAS MSA UNEMPLOYMENT RATES

Figure 4 depicts the local unemployment rates for all Texas MSAs for December 2023. College Station-Bryan's rate of 3.1% is the third lowest in the state. Amarillo was second lowest at 3.0%, and Midland ranked first at 2.4%. McAllen-Edinburg-Mission, Beaumont-Port Arthur, and Brownsville-Harlingen again had the three highest unemployment rates at 6.0%, 5.7%, and 5.3%, respectively. Austin-Round Rock had the lowest unemployment rate among the four largest MSAs at 3.4%, while the rate in both Dallas-Fort Worth-Arlington and San Antonio-New Braunfels was 3.7%. Houston-The Woodlands-Sugar Land again had the highest unemployment rate in this group at 4.3%. All 25 MSAs reported either decreased unemployment rates or unchanged rates from the previous month.

FIGURE 4. UNEMPLOYMENT RATES IN TEXAS MSAs, DECEMBER 2023



Source: Bureau of Labor Statistics, Local Area Unemployment Statistics, seasonally adjusted, December 2023.

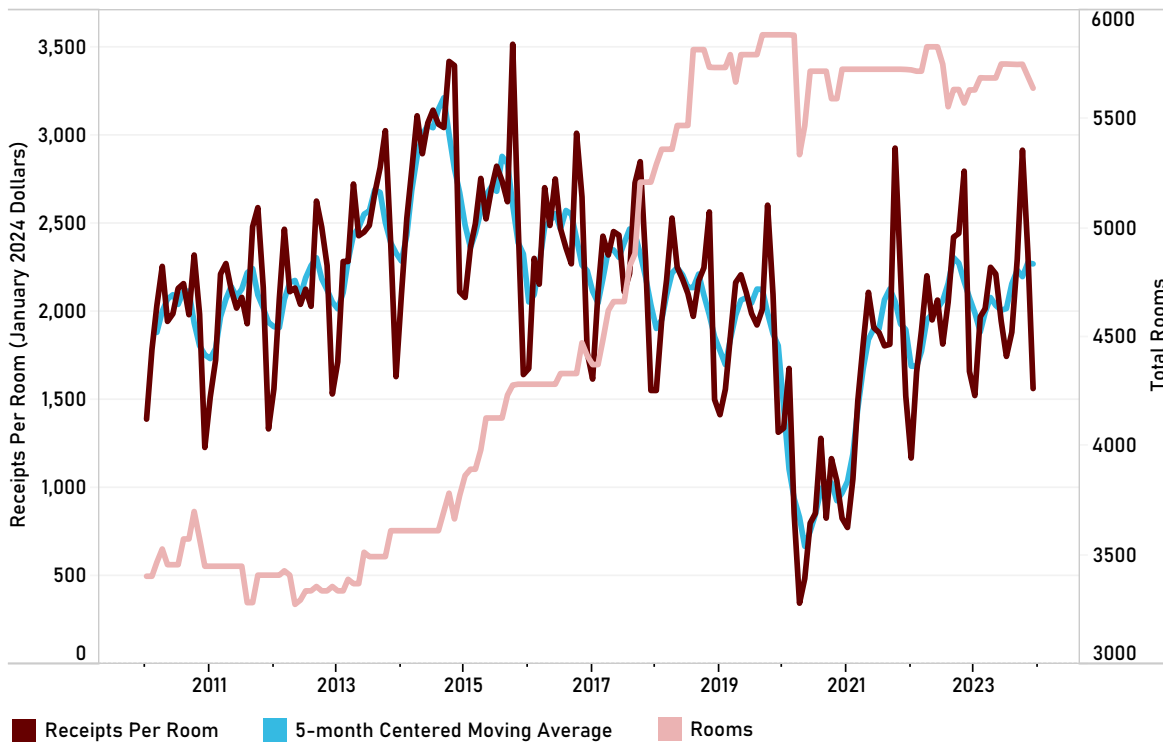
HOTEL RECEIPTS IN BRAZOS COUNTY

Figure 5 presents inflation-adjusted hotel receipts per room and the number of hotel rooms available in Brazos County from January 2010 to December 2023. The number of hotel rooms are measured on the right axis. The monthly count is restricted to hotels with at least 15 rooms. Rooms are counted as available in a month if a hotel reports income in that month. The sharp drop in available rooms during 2020 reflects the temporary closure of some hotels at the outset of the pandemic. The number of available rooms grew rapidly between 2014 and 2018, reaching a peak in 2019. The number of rooms available as of December 2023 was 5,643, just short of the 2019 peak.

Two series that track inflation adjusted receipts per room are measured on the left axis. The substantial variation in the average monthly receipts per room and the 5-month centered moving average of the monthly amounts reflects the unique seasonality of hotel activity in the local area. Hotel room rentals are heavily influenced by events at the Texas A&M University campus. Receipts per room are highest in the fall months, typically October, and are lowest in December and January. The spring months of April and May indicate a secondary high monthly average in the spring.

Average monthly room revenues grew from 2010 to 2014 when the number of rooms were relatively stable, but then declined as the number of rooms expanded. In April 2020, the inflation-adjusted average revenue per room was \$346 during the pandemic lockdowns and closures. In October 2021, monthly revenues reached \$2,932, their highest level since October 2016. October 2023 recorded the second highest monthly per room revenue, \$2,920.

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

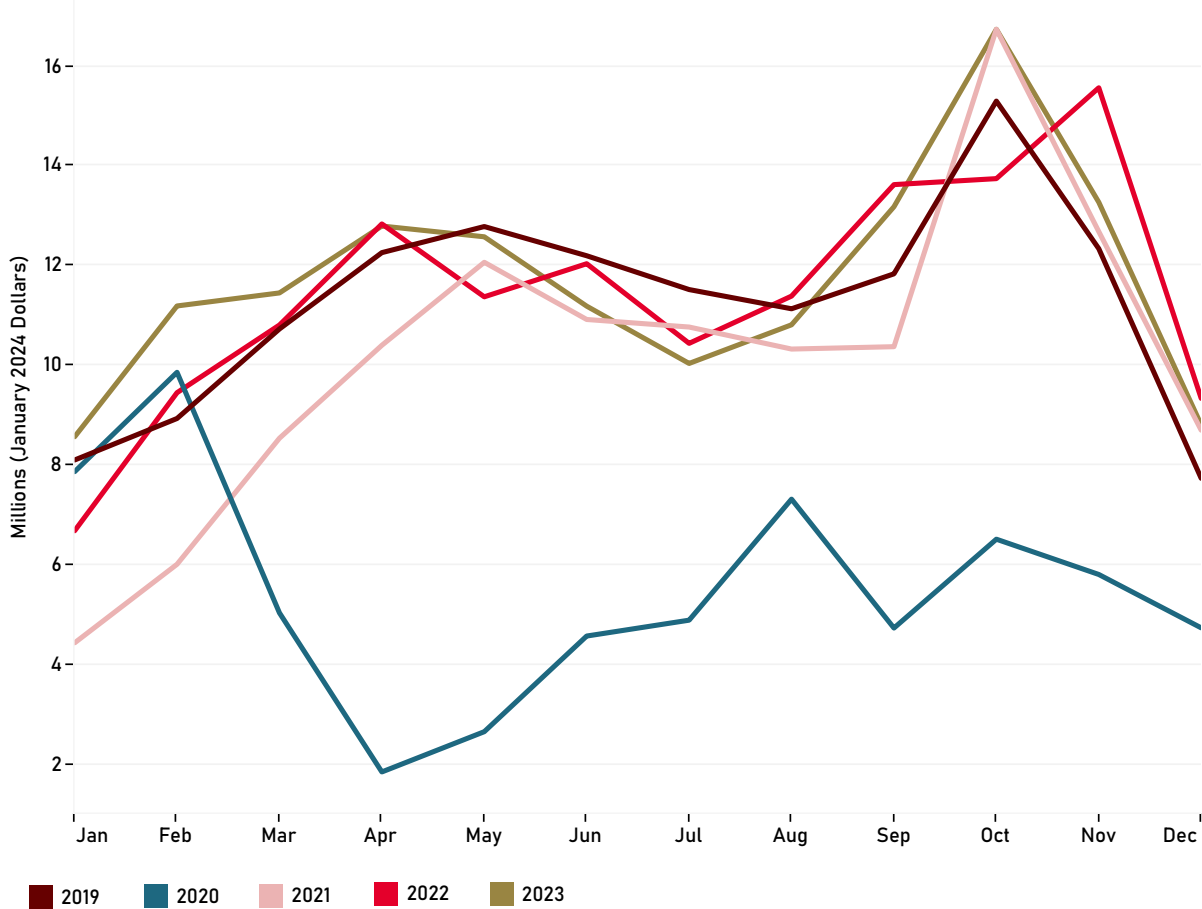


Source: Texas Comptroller of Public Accounts; adjustments by the Private Enterprise Research Center. Reflects hotels in Brazos County and dollar values have been adjusted for inflation (January 2024=100). Last reported data point: December 2023.

MONTHLY COMPARISON OF HOTEL RECEIPTS IN BRAZOS COUNTY

Total monthly inflation-adjusted hotel receipts in 2019, 2020, 2021, 2022 and 2023 are graphed in Figure 6. Using the monthly totals for 2019 as reference points, the within-year seasonal cycle is evident with higher revenues in the spring and fall, lower summer revenues, and the lowest revenues in winter. The Covid-19 shutdowns are evident in 2020, as is the partial recovery in 2021. By the end of 2021, monthly revenues had recovered to levels that exceed the same months of 2019. Total yearly inflation-adjusted revenues for 2022 and 2023 exceeded those of 2019.

FIGURE 6. INFLATION ADJUSTED HOTEL RECEIPTS, BRAZOS COUNTY

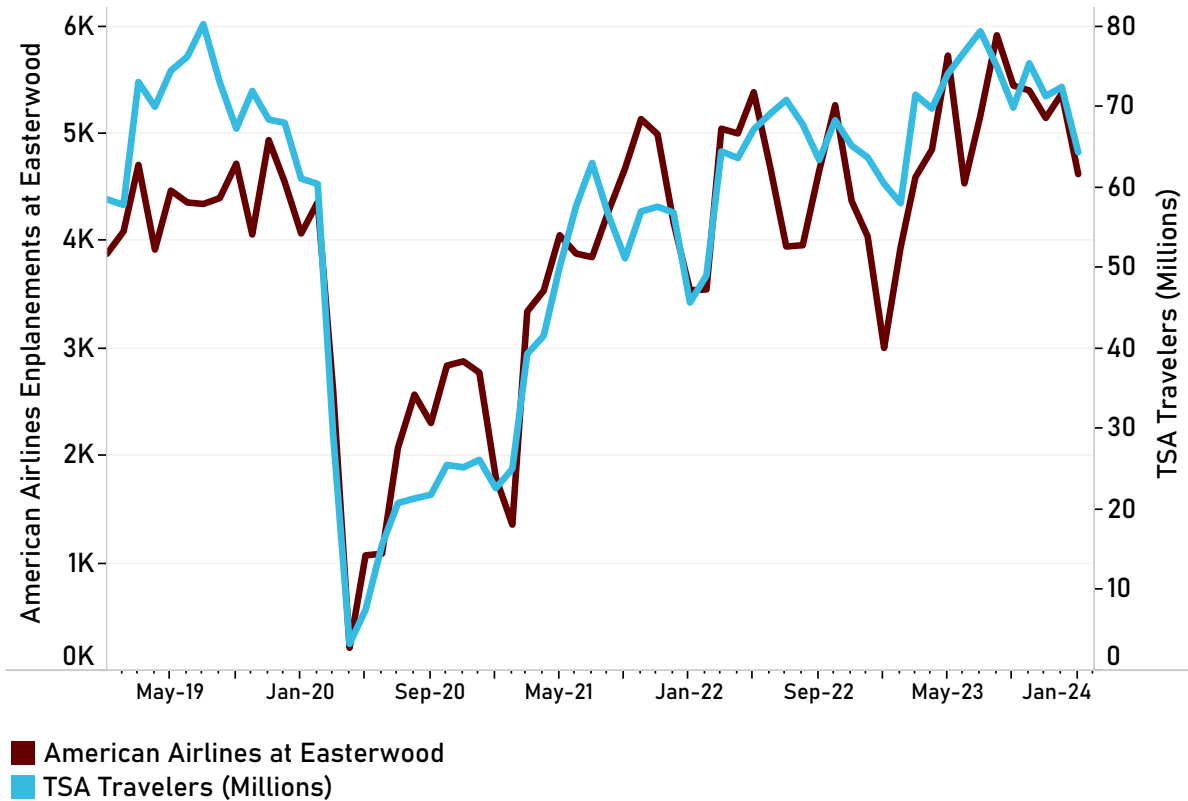


Source: Texas Comptroller of Public Accounts; adjustments by the Private Enterprise Research Center. Reflects hotels in Brazos County and dollar values have been adjusted for inflation (January 2024=100).

AIR TRAVEL

Figure 7 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 January 2024. The national and local passenger counts have followed similar patterns from the beginning of 2019 to the present. National air travel was up 6% in January 2024 compared to January 2023. Locally, air travel out of Easterwood Airport on American Airlines during the twelve months from February 2023 to January 2024 was 14.7% higher than the during the twelve months from February 2022 to January 2023. Comparing January 2024 to the preceding month of December 2023, the local and national air travel passenger counts were down by 13% and 11%, respectively.

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



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

ENDNOTES

¹ BEA's data release for MSA-level and county-level real GDP was rebased to 2017 dollars and was made available only from 2017 - 2022. The BEA stated that it is updating and revising past real GDP values (presumably from 2001-2016) to also base those values on 2017 dollars. The timing of their release of this revised historical data on inflation-adjusted GDP has not been announced. This has impacted the values reported for the Business-Cycle Index this month.

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 6, 2024.

Hotel Receipts

Data retrieved from Texas Comptroller of Public Accounts through Texas Comptroller's Secure Information and File Transfer System, February 2024. <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

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.

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.

979.260.1755 | brazosvalleyedc.org



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