

BRAZORIA COUNTY ECONOMIC INDICATORS

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BRAZOSPORT COLLEGE ECONOMIC FORECASTING CENTER

THE COUNTY'S LEADING & CURRENT INDICATORS SHOW GROWTH

The Brazoria County Index of Leading Economic Indicators increased in April to 107.01, which is 1.38 percent above the previous month's index and 13.73 percent above April 2010. The Leading Economic Index, which is designed to forecast the economic performance of the county over the next three to six months, has been above the six month moving average for the last eight months. This is significant because if the leading economic index is consistently above the six month moving average the county is likely entering into or currently experiencing a period of economic growth (Figure 1).



Three of the four seasonally adjusted leading economic indicators increased over the last year (Figure 2). The largest increase in the index was due to an increase in the Brazoria County Stock Index. The Brazoria County stock index increased by 2.81 percent in the month of April and increased by 28.24 percent during the last year. There were 20,258 individuals filing initial unemployment claims in the county in April 2011 compared with 22,823 in April 2010, which represents a decrease of 11.24 percent. Houston-Baytown-Sugarland average weekly manufacturing hours were at 51.20 (preliminary) hours per week in April 2011 (Figure 3). Manufacturing hours eclipsed 45 hours per week for the first time since the inception of the index in November 2009. April 2011 is the first time manufacturing hours has been above 50 hours per week. There were 126 new single-family building permits filed in April 2011 compared to 143 permits in April 2010. This 9.17 percent decrease in building permits is the only leading economic indicator that decreased during the month.

Indicator	Change	Percentage
Index of BC Stocks	▲	28.24%
Initial Unemployment Claims Index - Gulf Coast WDA	▲	-11.24%
Single Family Building Permits Index	▼	-9.33%
Houston-Baytown-Sugarland Avg. Weekly Mfg. Hrs.	▲	6.11%
Leading Indicators Index	▲	13.73%



CURRENT ECONOMIC INDICATORS

The Brazoria County Index of Current Economic Indicators, which is designed to provide

information about the current status of the economy, increased to 125.02 in March, which is 0.17 percent higher than the previous month and 5.82 percent higher than March 2010. The largest increase in the index over last year was in the unadjusted Brazoria County hotel/motel tax receipts, which were 7.19 percent higher than March 2010 (Figure 4). The unadjusted sales tax receipts for the county increased 1.34 percent and household employment increased by 1.83 percent over the last year. Consumer confidence decreased during the month of March by 1.51 percent, but increased over the last year by 0.72 percent. The Brazoria County Current Economic Index has been above the six-month moving average for the last eight months. This is significant because if the current economic index is consistently above the six month moving average then the county is likely experiencing a period of economic growth (Figure 5).

Figure 4: Hotel/Motel Tax Receipts (March)

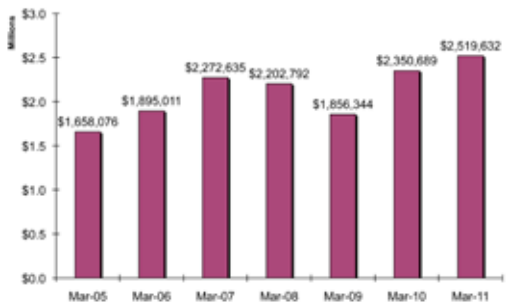
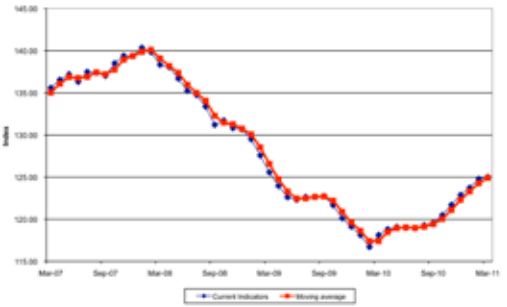


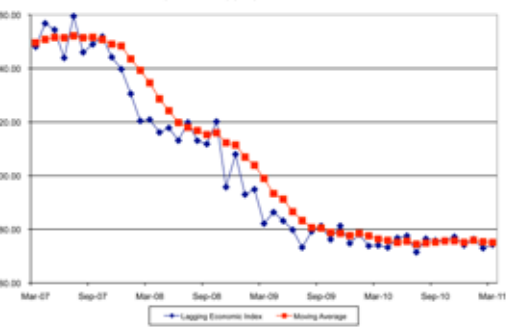
Figure 5: Current Economic Index



LAGGING ECONOMIC INDICATORS

The Brazoria County Index of Lagging Economic Indicators is used to confirm the growth or slowdown in the economy. The Lagging Economic Index increased to 74.21, which is 1.72 percent above last month and 0.28 percent above March 2010. The largest increase in the index was caused by a decrease in foreclosure notices filed over the last year. There were 5.40 percent less foreclosure notices filed in March 2011 compared to March 2010. The unemployment rate for Brazoria County decreased from 9.00 percent in March 2010 to 8.90 percent in March 2011, while the prime rate charged by banks remained unchanged. The lagging economic index has been slightly below the six-month moving average for three of the last four months, which indicates the economy has been experiencing a period of slow economic growth (Figure 6).

Figure 6: Lagging Economic Index



BRAZORIA COUNTY, TEXAS BUSINESS CYCLE INDICATORS

JUNE 2011

Brazoria County Economic Indices:	Apr 2011	Mar 2011	Feb 2011	Jan 2011	Dec 2010
Leading Economic Index (2003 = 100)	107.01	105.55	104.68	102.23	101.08
Current Economic Index (2003=100)	-	125.02	124.81	123.75	122.89
Lagging Economic Index (2003 = 100)	-	71.12	71.15	71.26	71.53

Brazoria County Leading Economic Index*	Apr 2011	Mar 2011	Apr 2010	Mar-2011 to Apr-2011	Apr-2010 to Apr-2011
Leading Economic Index (2003 = 100)	107.01	105.55	94.09	1.38%	13.73%
Components:					
Brazoria County Stock Index (12/31/2003 = 100)	165.29	160.77	128.89	2.81%	28.24%
Gulf Coast Initial Unemployment Claims (Seasonally Adjusted)	20,016	20,454	22,550	-2.14%	-11.24%
<i>Gulf Coast Initial Unemployment Claims (Unadjusted)</i>	<i>20,258</i>	<i>19,329</i>	<i>22,823</i>	<i>4.81%</i>	<i>-11.24%</i>
New Single Family Building Permits (Seasonally Adjusted)	129	132	143	-2.07%	-9.33%
<i>New Single Family Building Permits (Unadjusted)</i>	<i>126</i>	<i>131</i>	<i>145</i>	<i>-3.82%</i>	<i>-13.10%</i>
Houston-Baytown-Sugarland Avg. Weekly Manufacturing Hrs. (Seasonally Adjusted)	47.92	47.33	45.16	1.26%	6.11%
<i>Houston-Baytown-Sugarland Avg. Weekly Manufacturing Hrs. (Unadjusted)</i>	<i>51.20</i>	<i>49.40</i>	<i>46.90</i>	<i>3.64%</i>	<i>9.17%</i>

*(Data for the Leading Index is one month behind due to the lag in getting the building permits)

Brazoria County Current Economic Index**	Mar 2011	Feb 2011	Mar 2010	Feb-2011 to Mar-2011	Mar-2010 to Mar-2011
Current Economic Index (2003 = 100)	125.02	124.81	118.14	0.17%	5.82%
Components:					
Sales Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	648,821	641,328	633,124	1.17%	2.48%
<i>Sales Tax Receipts (Current \$'s, Unadjusted)</i>	<i>1,569,658</i>	<i>1,068,716</i>	<i>1,548,841</i>	<i>46.87%</i>	<i>1.34%</i>
Household Employment (Seasonally Adjusted)	135,859	135,696	133,137	0.12%	2.04%
<i>Household Employment (Unadjusted)</i>	<i>136,839</i>	<i>136,150</i>	<i>134,375</i>	<i>0.51%</i>	<i>1.83%</i>
West South Central Consumer Confidence (Present Situation)	84.48	85.77	83.87	-1.51%	0.72%
Hotel/Motel Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	1,239,929	1,236,021	1,087,911	0.32%	13.97%
<i>Hotel/Motel Tax Receipts (Current \$'s, Unadjusted)</i>	<i>2,519,632</i>	<i>2,489,992</i>	<i>2,350,689</i>	<i>1.19%</i>	<i>7.19%</i>

** (Data for the Current Index is two months behind due to the lag in getting the hotel/motel tax receipts)

Brazoria County Lagging Economic Index***	Mar 2011	Feb 2011	Mar 2010	Feb-2011 to Mar-2011	Mar-2010 to Mar-2011
Lagging Economic Index (2003 = 100)	74.21	72.96	74.00	1.72%	0.28%
Components:					
Brazoria County Foreclosure Notices (Seasonally Adjusted)	319	306	337	4.07%	-5.40%
<i>Brazoria County Foreclosure Notices (Unadjusted)</i>	<i>298</i>	<i>258</i>	<i>315</i>	<i>15.50%</i>	<i>-5.40%</i>
Prime Rate Charged By Banks	3.25	3.25	3.25	0.00%	0.00%
Unemployment Rate (Adjusted)	8.99%	9.01%	9.09%	-0.22%	-1.11%
<i>Unemployment Rate (Unadjusted)</i>	<i>8.90%</i>	<i>9.10%</i>	<i>9.00%</i>	<i>-2.20%</i>	<i>-1.11%</i>

*** (Data is two month behind due to lag in obtaining unemployment data)