

BRAZORIA COUNTY ECONOMIC INDICATORS

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BRAZOSPORT COLLEGE ECONOMIC FORECASTING CENTER

LEADING ECONOMIC INDEX INCREASES IN NOVEMBER; ALL THREE INDEXES UP OVER THE LAST YEAR

The Brazoria County Index of Leading Economic Indicators increased in November to 104.46, which is 1.29 percent above the previous month's index and 6.10 percent above November 2010. The Leading Economic Index, which is designed to forecast the economic performance of the county over the next three to six months, was above the six-month moving average in November after falling below the moving average in July, August, September, and October. This is significant because if the leading economic index is consistently below the six-month moving average the county is likely entering into or currently experiencing a period of slow or negative economic growth (Figure 1).

Three of the four seasonally adjusted leading economic indicators increased over the last year (Figure 2). The indicator that posted the largest increase during the last year was the Brazoria County stock index. The stock index, which is made up of the eight largest publicly traded employers, increased 4.31 percent in the month of November and 7.11 percent over the last year. Houston-Baytown-Sugarland average weekly manufacturing hours were at 48.40 (preliminary) hours per week in November 2011 compared to 47.90 in October. Hours were also up compared to the 46.80 hours per week recorded in November of last year (Figure 3). There were 20,234 individuals filing initial unemployment claims in November 2011 compared with 20,479 last year, which represents a decrease of 1.20 percent. New single family building permits was the only leading indicator to decrease for the year. There were 124 permits filed in November 2011 compared to 157 permits filed in November 2010.



Indicator	Change	Percentage
Index of BC Stocks	▲	7.11%
Initial Unemployment Claims Index - Gulf Coast WDA	▲	-1.20%
Single Family Building Permits Index	▼	-0.67%
Houston-Baytown-Sugarland Avg. Weekly Mfg. Hrs.	▲	4.79%
Leading Indicators Index	▲	6.10%



which is 0.80 percent lower than the previous month and 9.18 percent higher than November 2010. Employment continued to shine increasing every month in 2011. Brazoria County employment was 140,470 in October, which is the highest number of individuals ever employed in the county (Figure 4). The unadjusted sales tax receipts for the county increased 6.53 percent and hotel/motel receipts increased by 3.35 percent over the last year. Consumer confidence was the only current indicator to decrease over the last year. The decrease in consumer confidence was 4.85 percent in the month of October and 0.91 percent over the last year. The Brazoria County Current Economic Index has been above the six-month moving average for fourteen out of the last sixteen 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).



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 84.92, which is 5.35 percent above last month and 10.03 percent above November 2010. There were 11.78 percent fewer foreclosure notices filed in November 2011 compared to November 2010. The unemployment rate for Brazoria County decreased from 9.00 percent last November to 8.40 percent in November 2011, while the prime rate charged by banks remained unchanged. The lagging economic index has been above the six-month moving average for thirteen out of the last sixteen months, which indicates the economy has been experiencing a period of economic growth (Figure 6).



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 131.56 in October,

BRAZORIA COUNTY, TEXAS BUSINESS CYCLE INDICATORS

JANUARY 2012

Brazoria County Economic Indices:	Nov 2011	Oct 2011	Sep 2011	Aug 2011	Jul 2011
Leading Economic Index (2003 = 100)	104.46	103.13	98.77	101.11	105.53
Current Economic Index (2003=100)	-	131.56	132.63	132.34	131.07
Lagging Economic Index (2003 = 100)	84.62	80.61	81.68	78.99	78.38

Brazoria County Leading Economic Index*	Nov 2011	Oct 2011	Nov 2010	Oct-2011 to Nov-2011	Nov-2010 to Nov-2011
Leading Economic Index (2003 = 100)	104.46	103.13	98.45	1.29%	6.10%
Components:					
Brazoria County Stock Index (12/31/2003 = 100)	145.58	139.56	135.92	4.31%	7.11%
Gulf Coast Initial Unemployment Claims (Seasonally Adjusted)	22,587	16,477	22,861	37.08%	-1.20%
<i>Gulf Coast Initial Unemployment Claims (Unadjusted)</i>	<i>20,234</i>	<i>19,002</i>	<i>20,479</i>	<i>6.46%</i>	<i>-1.20%</i>
New Single Family Building Permits (Seasonally Adjusted)	139	136	140	2.45%	-0.67%
<i>New Single Family Building Permits (Unadjusted)</i>	<i>124</i>	<i>156</i>	<i>157</i>	<i>-20.51%</i>	<i>-21.02%</i>
Houston-Baytown-Sugarland Avg. Weekly Manufacturing Hrs. (Seasonally Adjusted)	48.25	48.22	46.04	0.06%	4.79%
<i>Houston-Baytown-Sugarland Avg. Weekly Manufacturing Hrs. (Unadjusted)</i>	<i>48.40</i>	<i>47.90</i>	<i>46.80</i>	<i>1.04%</i>	<i>3.42%</i>

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

Brazoria County Current Economic Index**	Oct 2011	Sep 2011	Oct 2010	Sep-2011 to Oct-2011	Oct-2010 to Oct-2011
Current Economic Index (2003 = 100)	131.56	132.63	120.50	-0.80%	9.18%
Components:					
Sales Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	675,946	678,871	637,670	-0.43%	6.00%
<i>Sales Tax Receipts (Current \$'s, Unadjusted)</i>	<i>1,219,244</i>	<i>1,439,166</i>	<i>1,144,488</i>	<i>-15.28%</i>	<i>6.53%</i>
Household Employment (Seasonally Adjusted)	137,783	137,337	135,149	0.32%	1.95%
<i>Household Employment (Unadjusted)</i>	<i>140,470</i>	<i>138,857</i>	<i>136,367</i>	<i>1.16%</i>	<i>3.01%</i>
West South Central Consumer Confidence (Present Situation)	80.18	84.27	80.91	-4.85%	-0.91%
Hotel/Motel Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	1,405,912	1,405,780	1,157,138	0.01%	21.50%
<i>Hotel/Motel Tax Receipts (Current \$'s, Unadjusted)</i>	<i>2,883,972</i>	<i>3,105,551</i>	<i>2,790,618</i>	<i>-7.13%</i>	<i>3.35%</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***	Nov 2011	Oct 2011	Nov 2010	Oct-2011 to Nov-2011	Nov-2010 to Nov-2011
Lagging Economic Index (2003 = 100)	84.92	80.61	77.18	5.35%	10.03%
Components:					
Brazoria County Foreclosure Notices (Seasonally Adjusted)	267	215	303	24.50%	-11.78%
<i>Brazoria County Foreclosure Notices (Unadjusted)</i>	<i>277</i>	<i>254</i>	<i>314</i>	<i>9.06%</i>	<i>-11.78%</i>
Prime Rate Charged By Banks	3.25	3.25	3.25	0.00%	0.00%
Unemployment Rate (Adjusted)	8.40%	8.47%	9.00%	-0.82%	-6.67%
<i>Unemployment Rate (Unadjusted)</i>	<i>8.40%</i>	<i>8.30%</i>	<i>9.00%</i>	<i>1.20%</i>	<i>-6.67%</i>

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