



**PRIVATE ENTERPRISE
RESEARCH CENTER**
TEXAS A&M UNIVERSITY

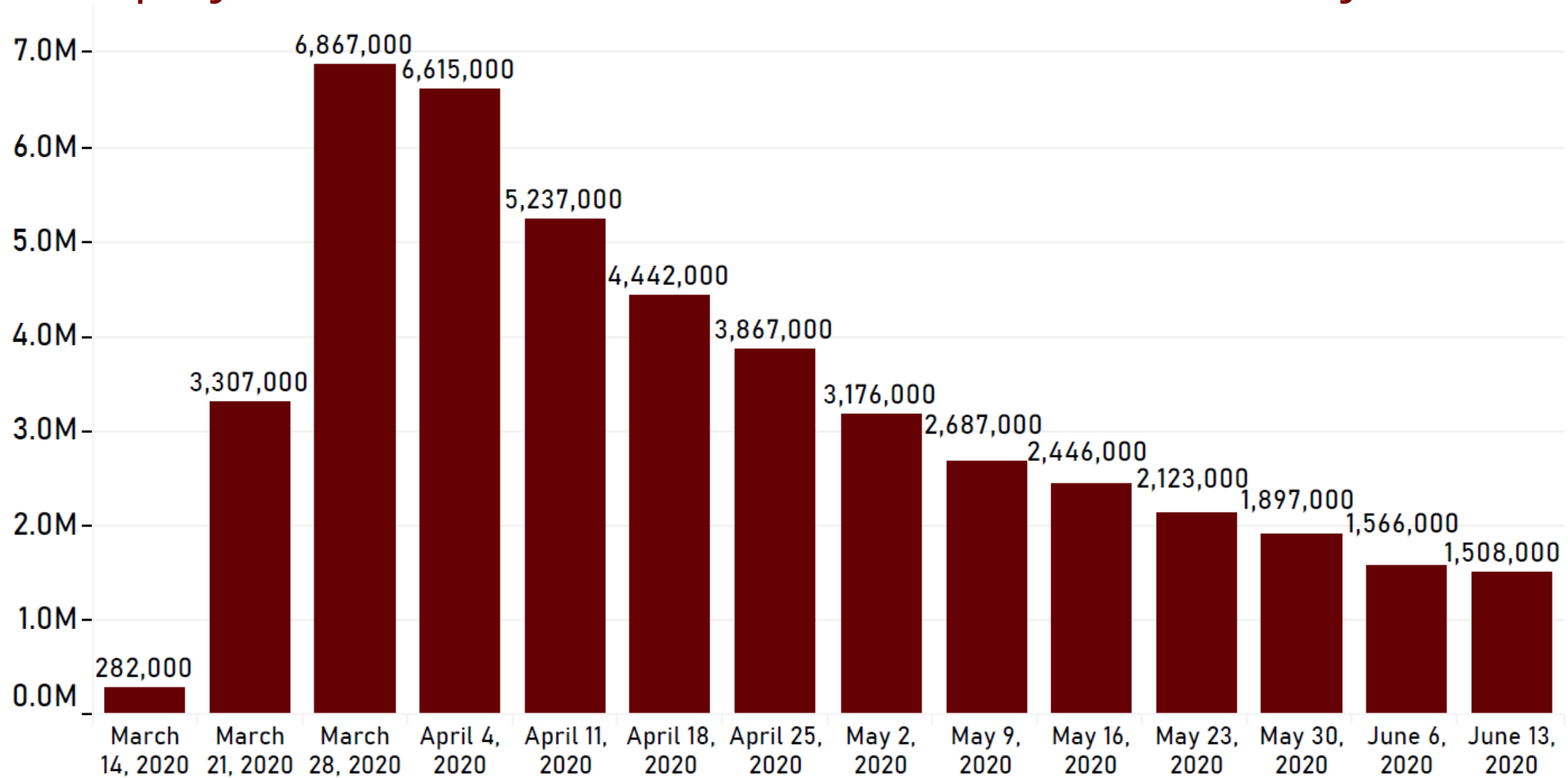
Coronavirus and the Economy

A Presentation by the Private Enterprise
Research Center at Texas A&M University

Dennis Jansen, Director, and Andy Rettenmaier, Executive Associate Director

June 25, 2020

Unemployment Insurance Claims in the United States By Week

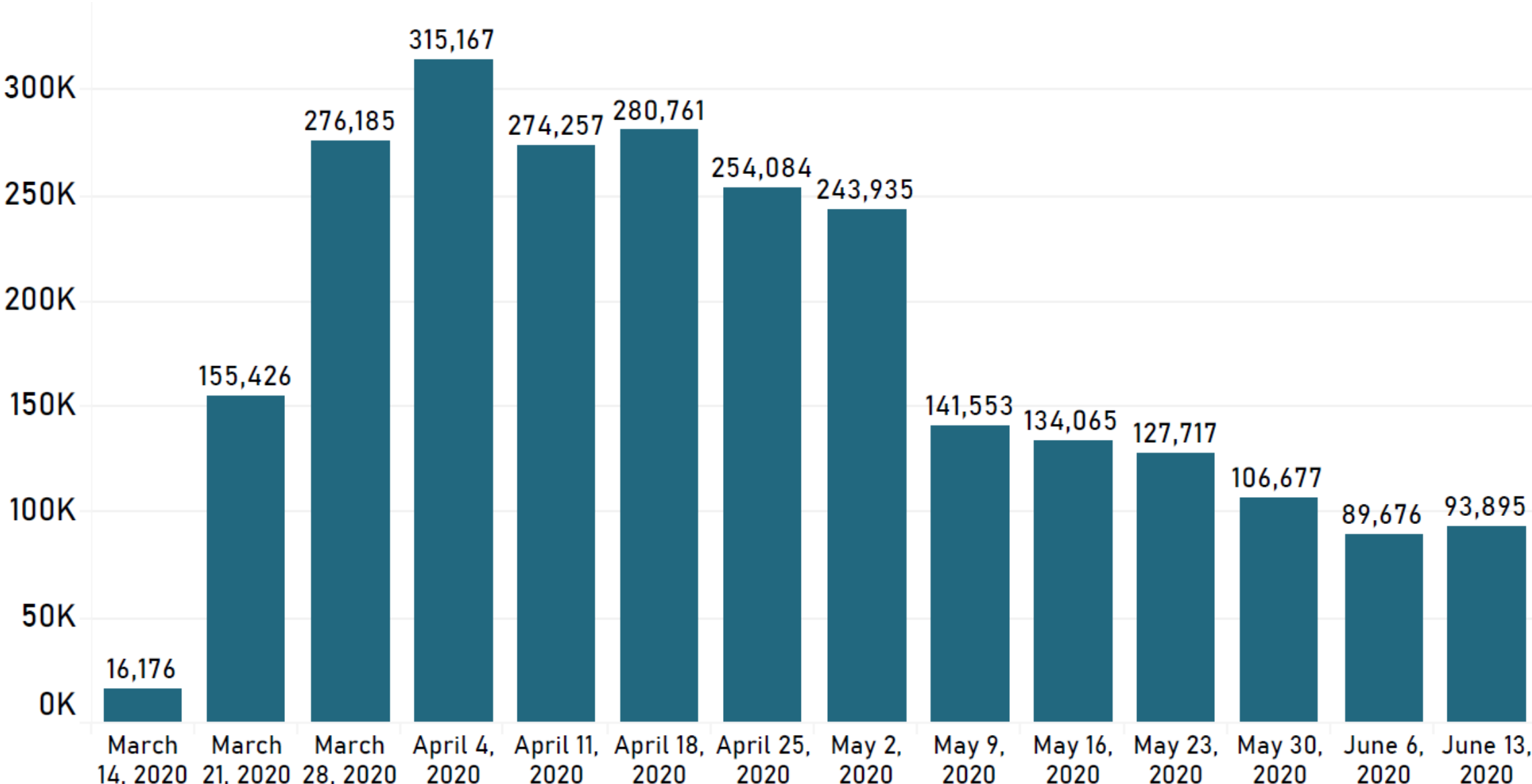


Source: U.S. Department of Labor.



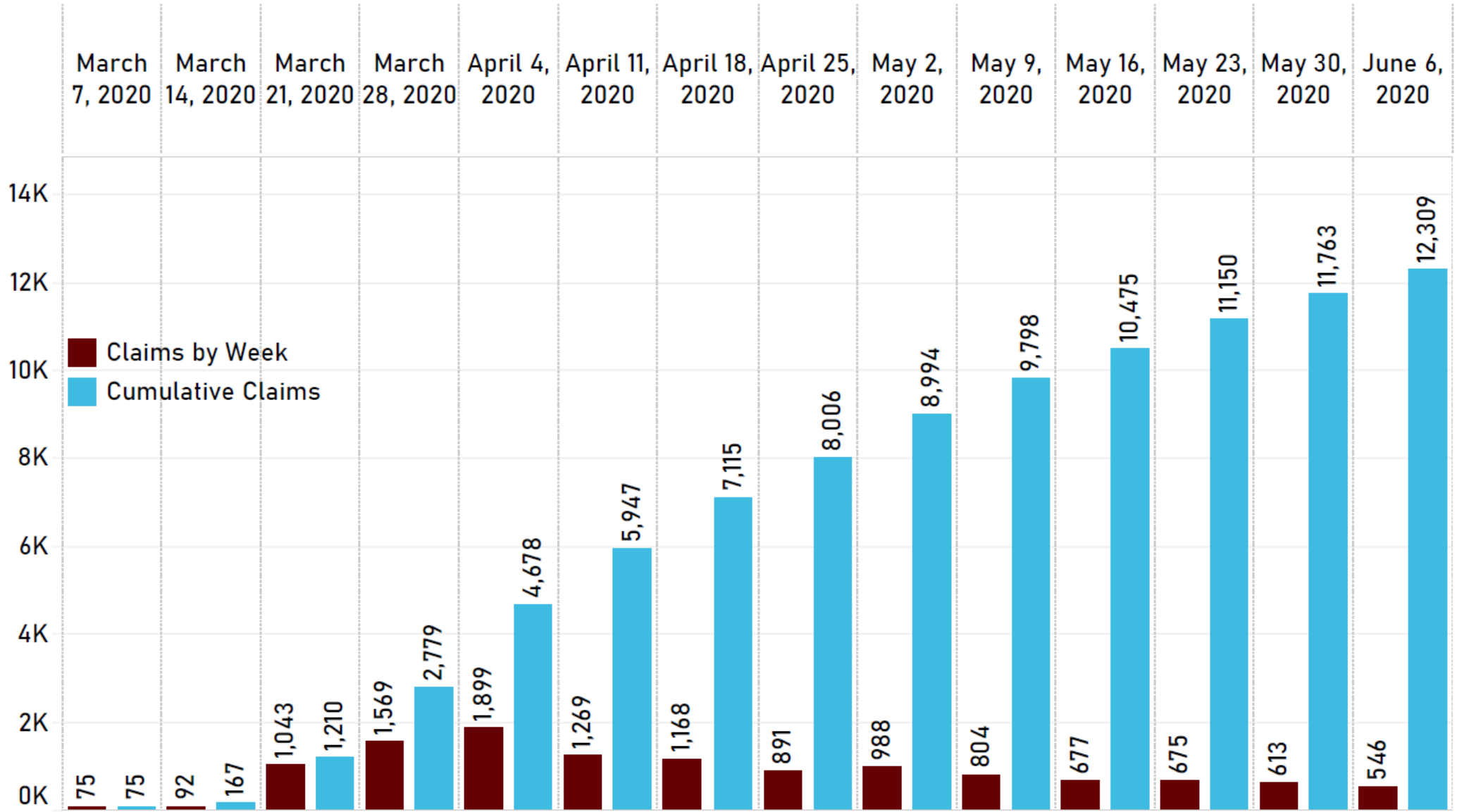
**PRIVATE ENTERPRISE
RESEARCH CENTER**
TEXAS A&M UNIVERSITY

Unemployment Insurance Claims in Texas By Week



Source: U.S. Department of Labor.

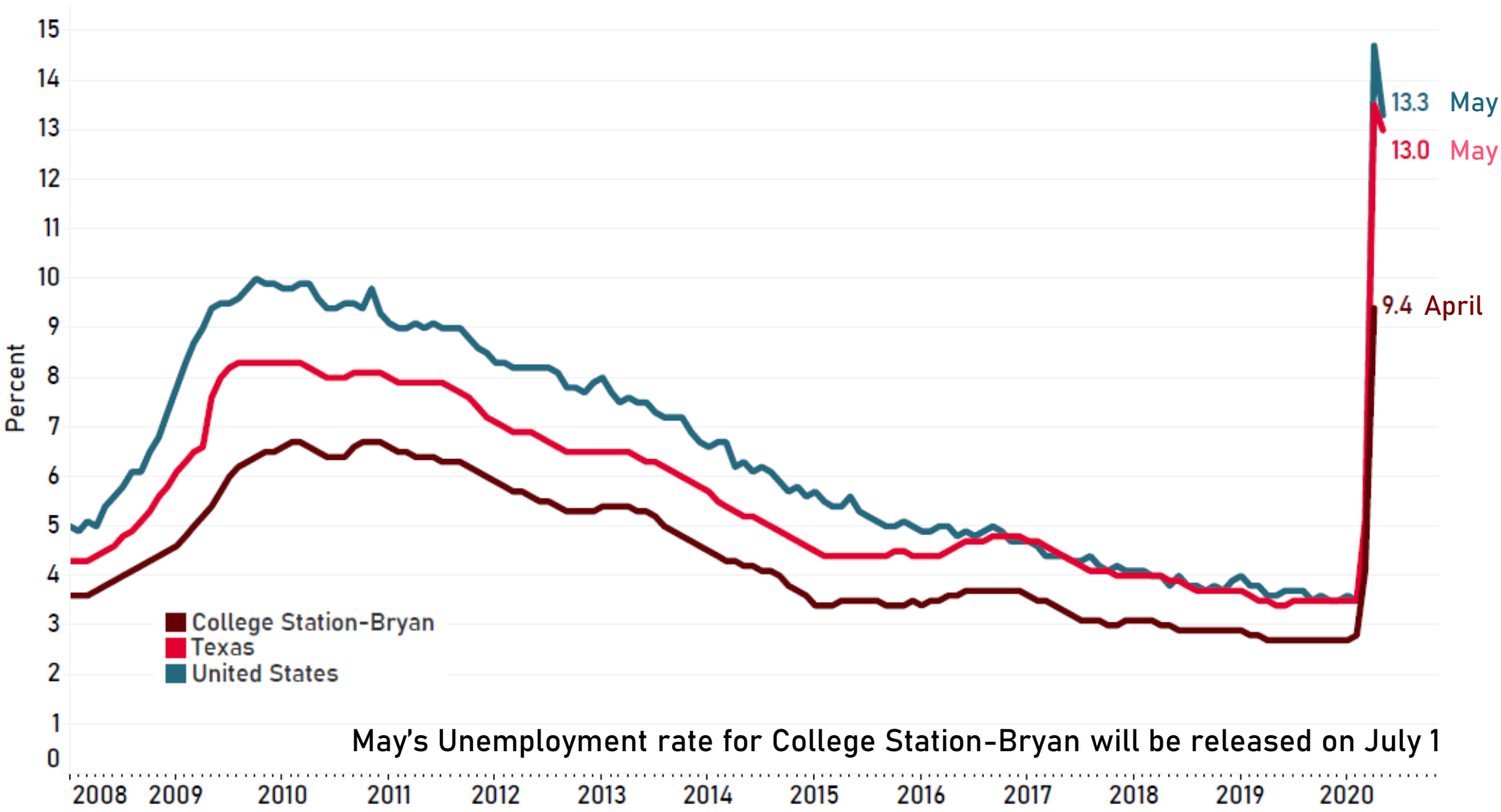
Weekly and Total UI Claims in College Station-Bryan



Source: Texas Workforce Commission. Includes Brazos, Burleson, and Robertson Counties.



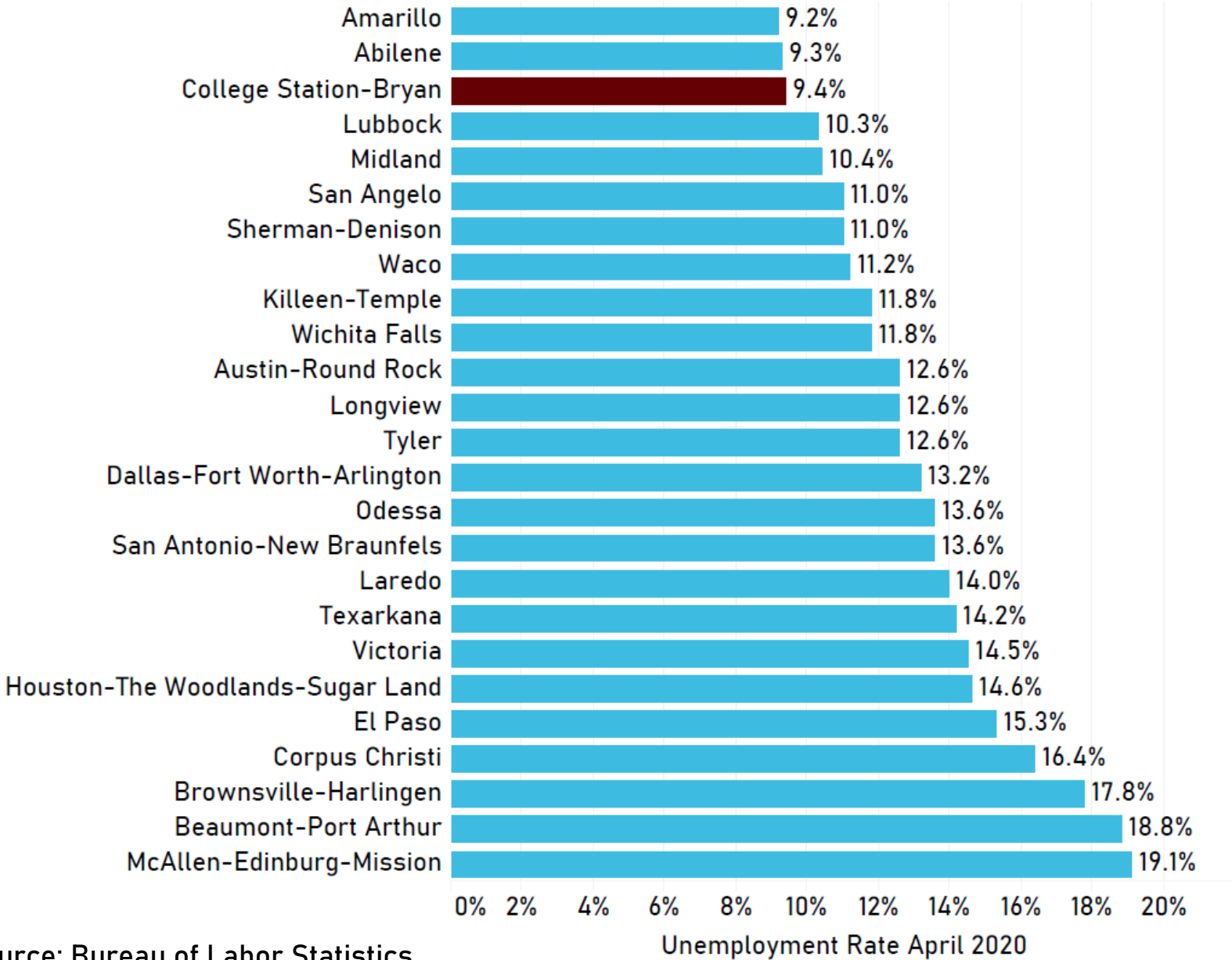
Unemployment Rate for CSB, Texas and the United States



May's Unemployment rate for College Station-Bryan will be released on July 1

Seasonally Adjusted. Last reported data point: April 2020 for College Station-Bryan; May 2020 for Texas and US (Monthly).
Source: Bureau of Labor Statistics

Unemployment Rates in Texas MSAs – April 2020

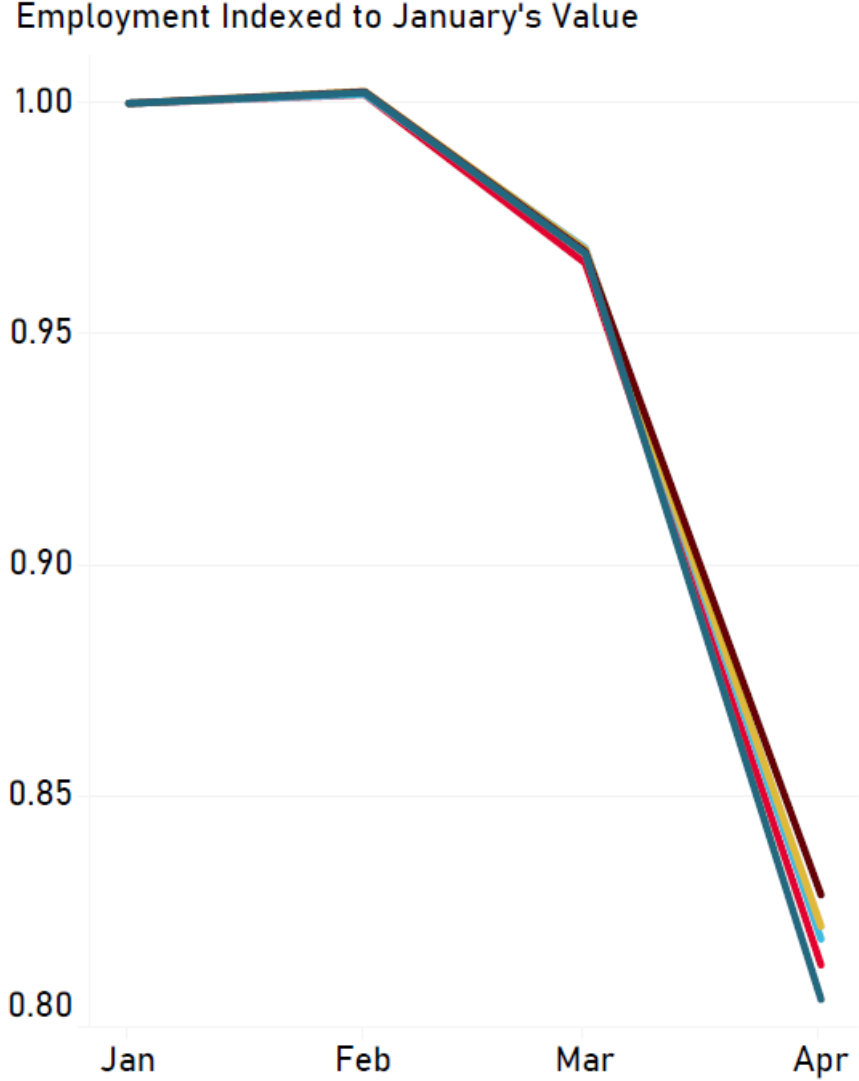
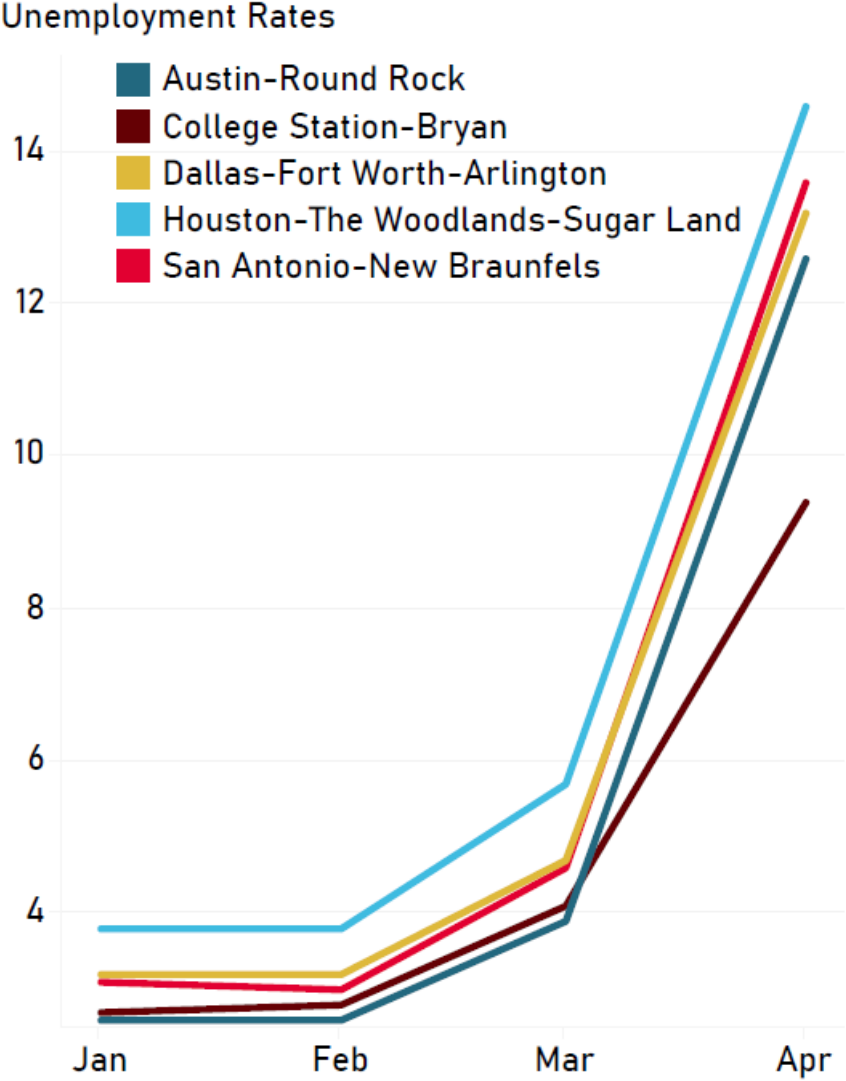


Source: Bureau of Labor Statistics



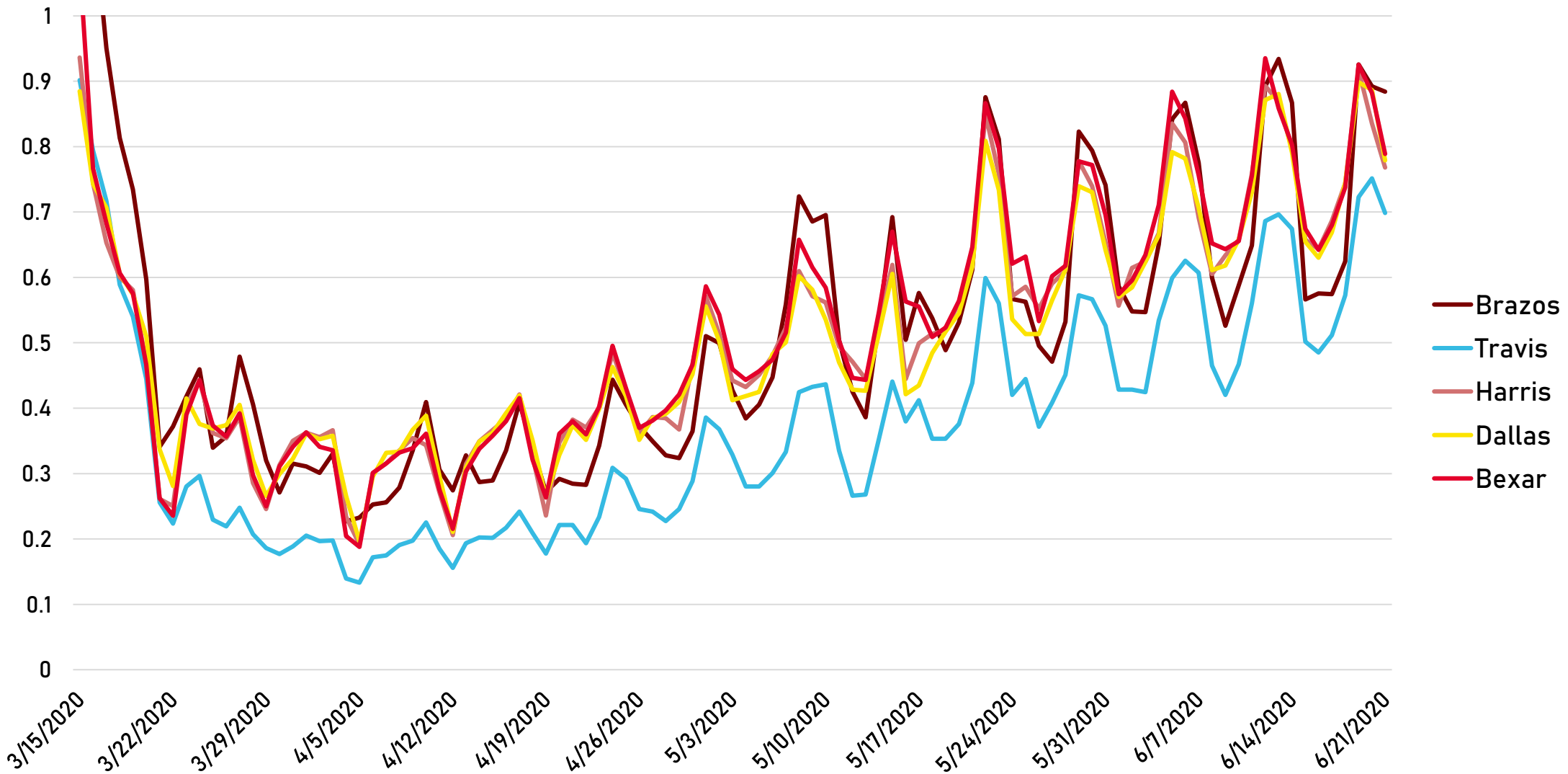
**PRIVATE ENTERPRISE
RESEARCH CENTER**
TEXAS A&M UNIVERSITY

Unemployment Rates and Indexed Employment in Select Texas MSAs January – April 2020



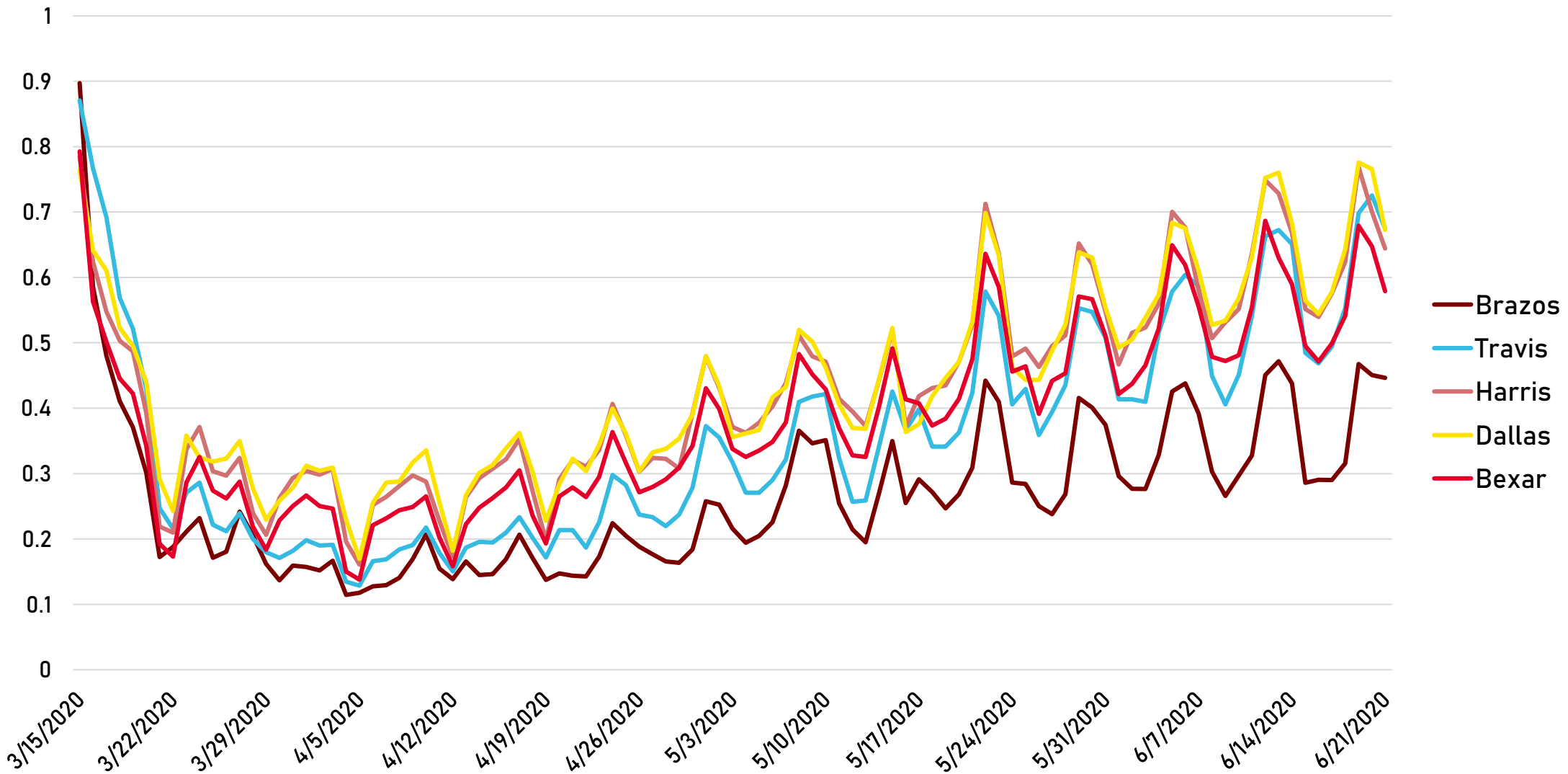
Source: U.S. Bureau of Labor Statistics

Vehicle Miles Driven Relative to January's Average by County



Source: StreetLight Data, Inc., comparison to January's average.

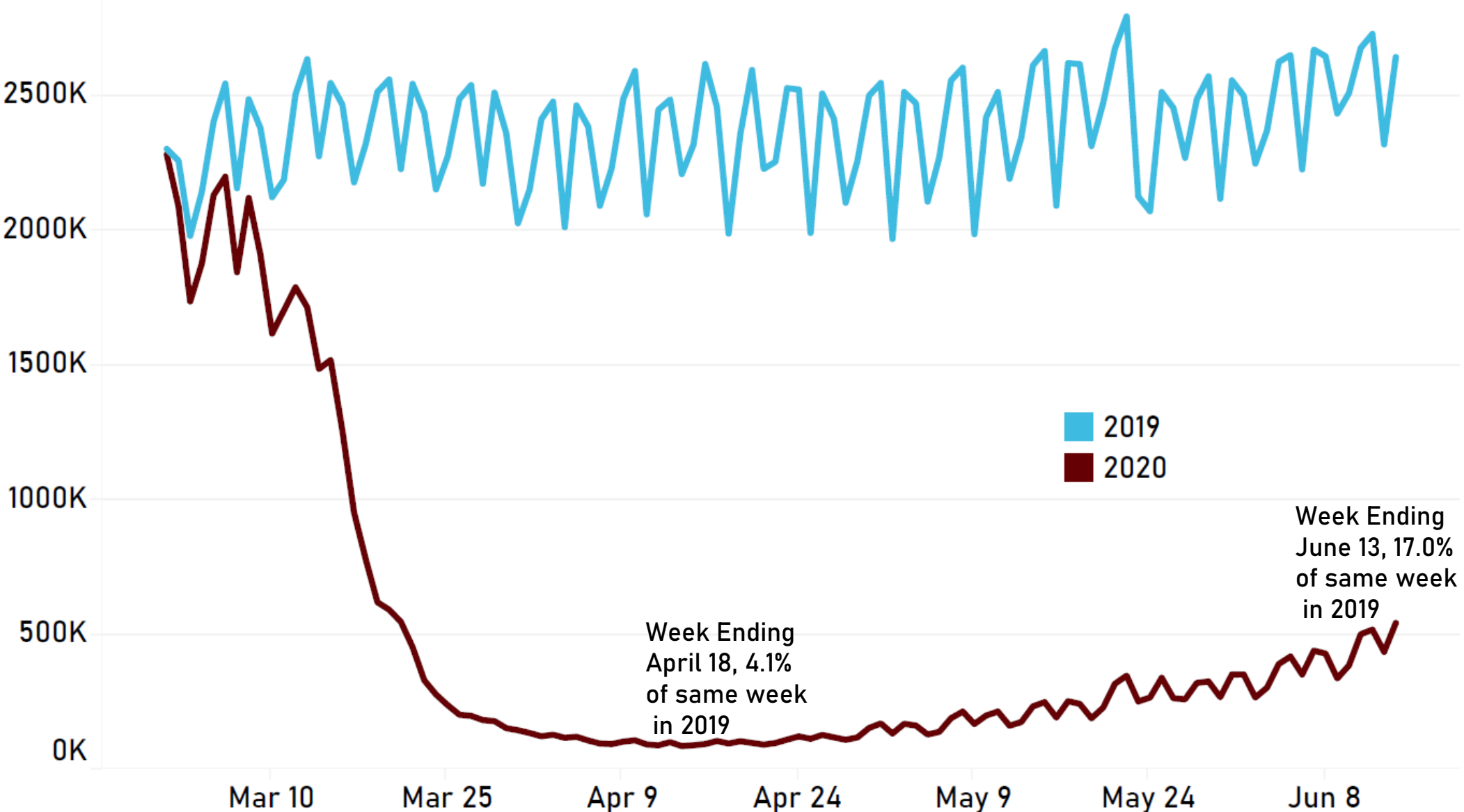
Vehicle Miles Driven Relative to the First Week of March by County



Source: StreetLight Data, Inc., comparison to the average traffic for the reference week March 1-7.



TSA Traveler Throughput 2019 vs. 2020

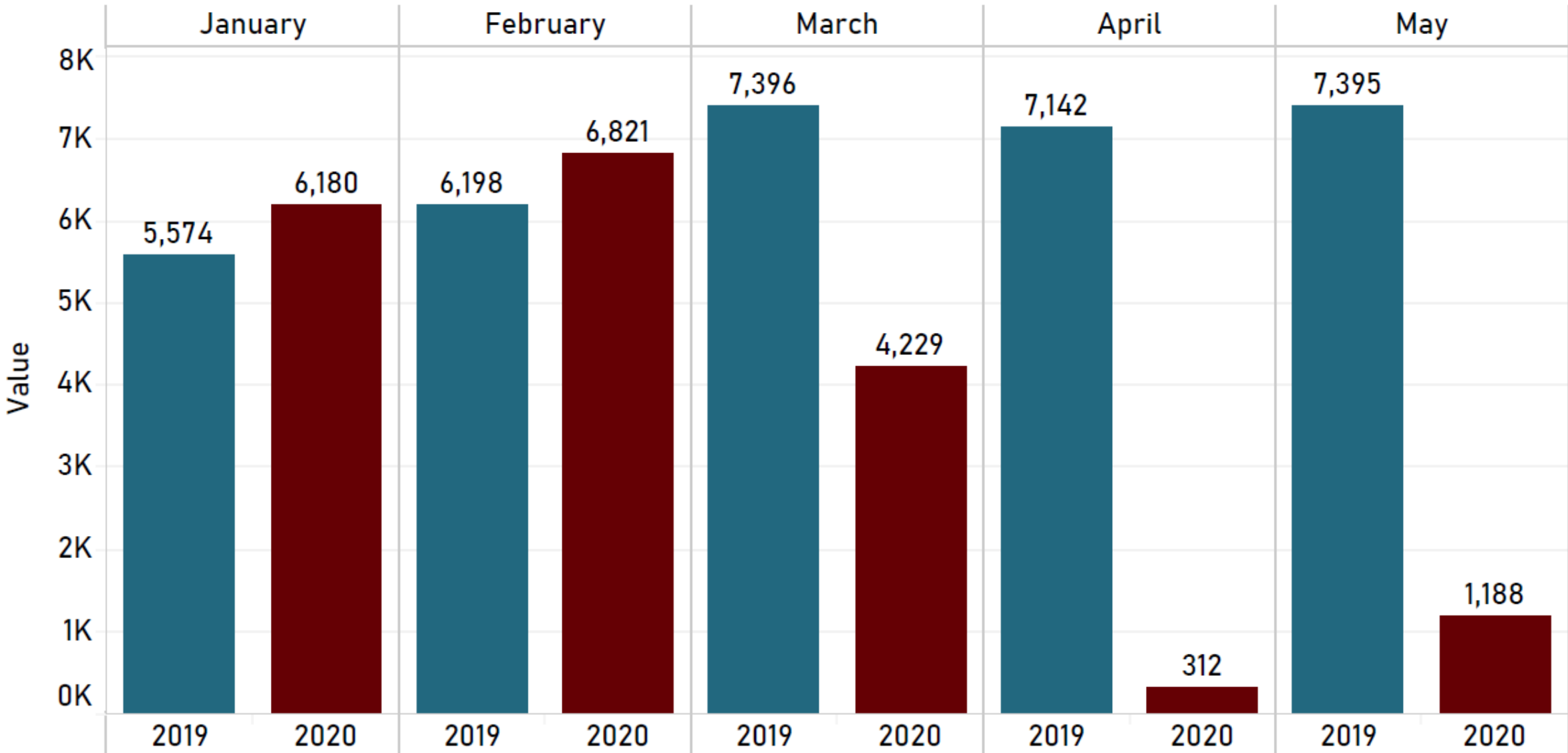


Source: Transportation Security Administration. Data from 2019 is 1 year apart on the same weekday.



**PRIVATE ENTERPRISE
RESEARCH CENTER**
TEXAS A&M UNIVERSITY

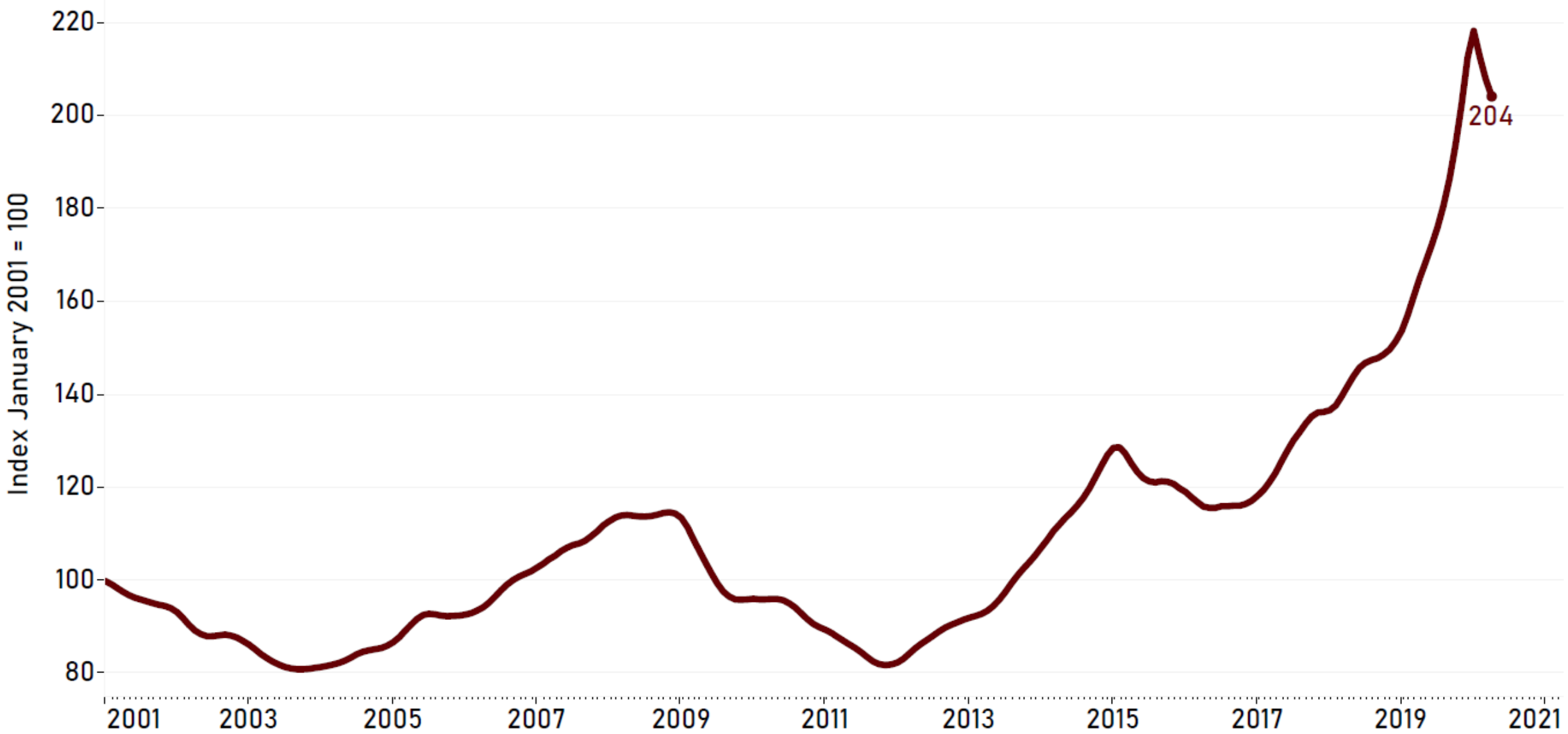
Enplanements at Easterwood Airport 2019 vs. 2020



Source: Texas A&M University System.



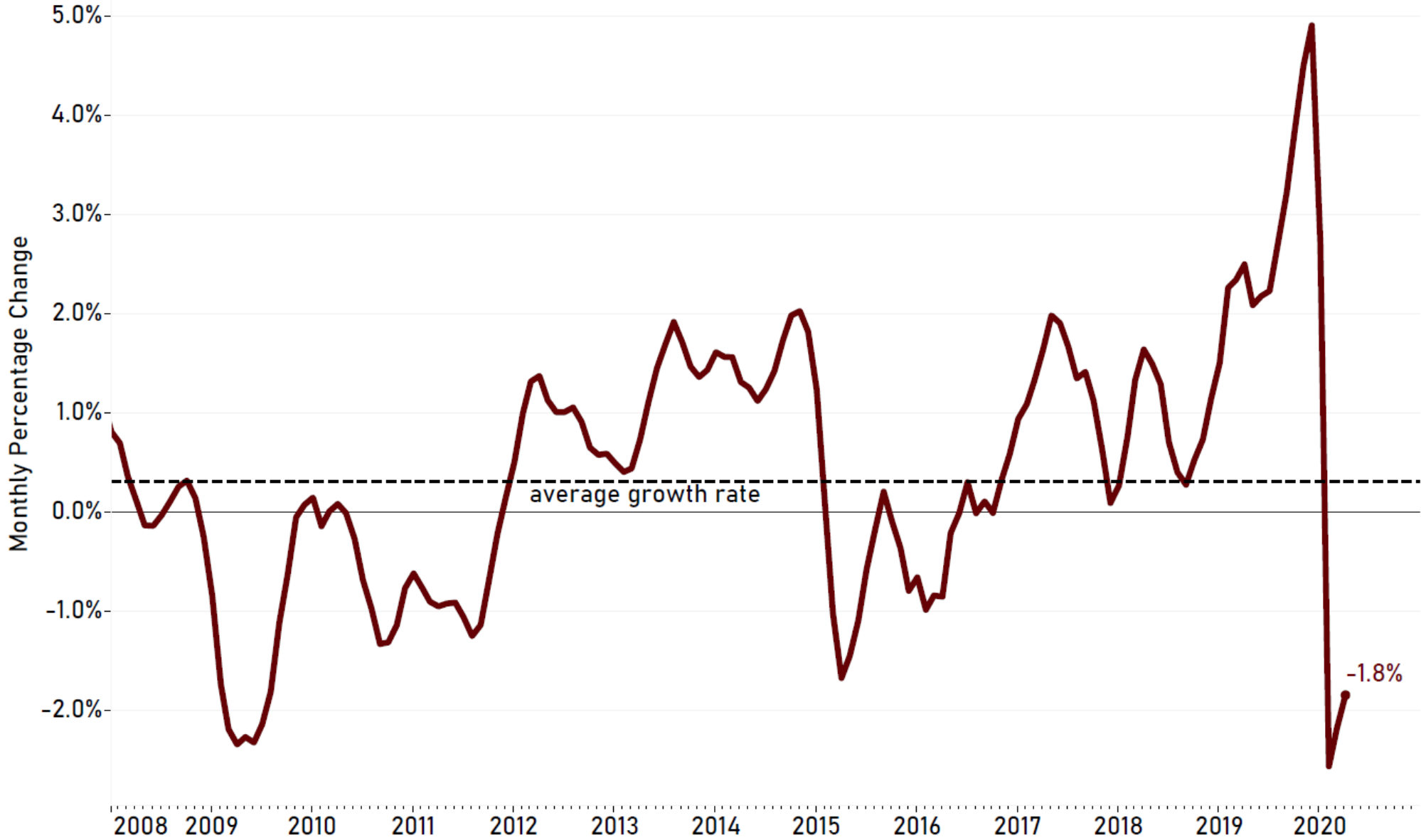
College Station–Bryan Business-Cycle Index



Last reported data point: April 2020(monthly). Source: Private Enterprise Research Center.



College Station-Bryan Business-Cycle

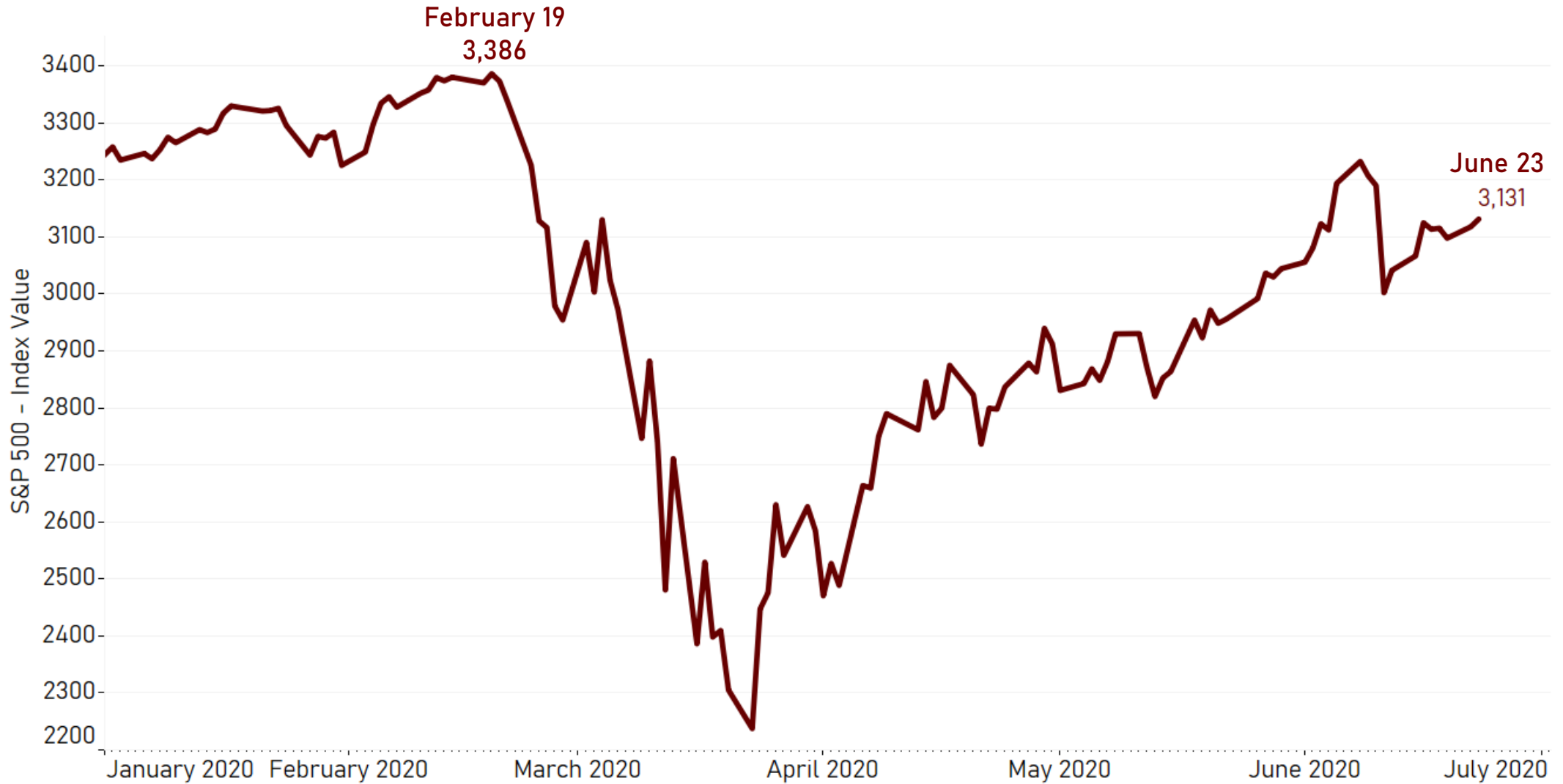


Month-to-month growth rates. Last reported data point: April 2020(monthly). Source: Private Enterprise Research Center.



**PRIVATE ENTERPRISE
RESEARCH CENTER**
TEXAS A&M UNIVERSITY

S&P 500



S&P Dow Jones Indices LLC, S&P 500 [SP500], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/SP500>, June 24, 2020. Last reported data point: June 23, 2020



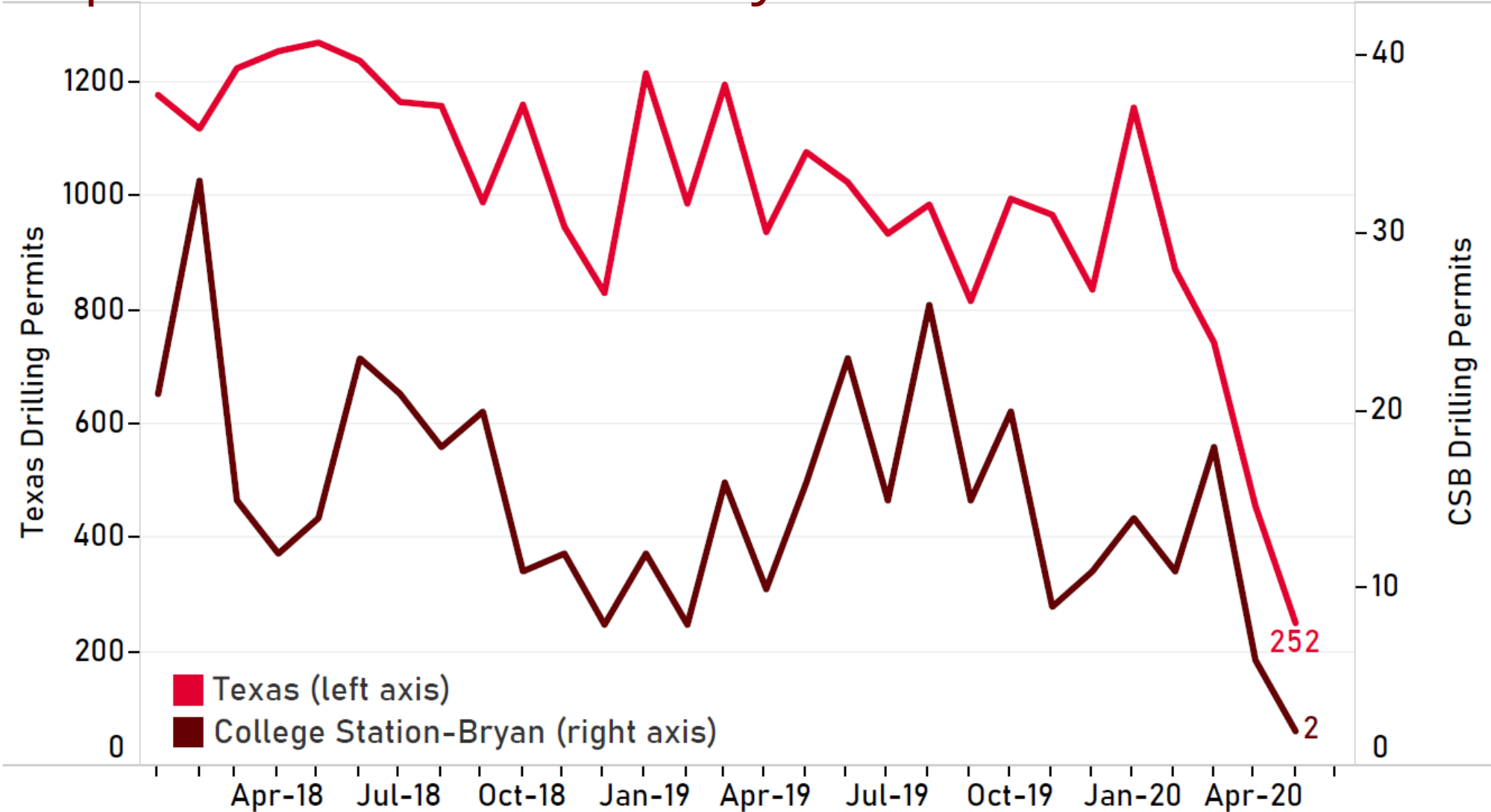
Oil Prices



U.S. Energy Information Administration, Crude Oil Prices: West Texas Intermediate (WTI) - Cushing, Oklahoma [DCOILWTICO], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/DCOILWTICO>, June 24, 2020. Last reported data point: June 22, 2020



Total Approved Drilling Permits in Texas and College Station-Bryan Metropolitan Statistical Area by Month



Source: Railroad Commission of Texas. Last Reported data point (May 2020).



PRIVATE ENTERPRISE RESEARCH CENTER
TEXAS A&M UNIVERSITY

State Budget Scenario

- FY 2020 (September 2019 – August 2020)
- September – February: Tax collections up 5.5% over FY 2019
- March: Tax collections down 3.7% over March 2019
- April: Tax collections down **19.8%** over April 2019
- May: Tax collections down **25.8%** over May 2019* (adjusted b/c franchise tax deadline moved to July)
- June – August: Tax collections will decline by ??
 - Sales tax collections: down 13.2% in May.
 - Motor Vehicle Sales Taxes: down 38.2% in May.
 - Motor Fuel tax collections: down 29.9% in May.
 - Franchise tax collections: down 81.2% in May.(b/c due date moved to July)
 - Oil Production tax: down 75.4% in May.
 - Natural Gas Production tax: down 76.0% in May.
 - Hotel Occupancy tax: down 86.4% in May.
 - Alcoholic Beverages Taxes: down 76.3% in May.
 - Cigarette and Tobacco Taxes: down 14.4% in May.



Local Budget Impact

Entity	Proportion of Tax Revenue		
	Sales Taxes	Alcoholic Beverage Tax	Hotel Tax
Bryan	32.9%	0.3%	2.5%
College Station	34.7%	0.9%	6.7%
Brazos County	19.3%	1.0%	--
April Reduction	-9%	-55%	-63%
May Reduction	-13%	-76%	-86%

Annualized Impact on Tax Collections

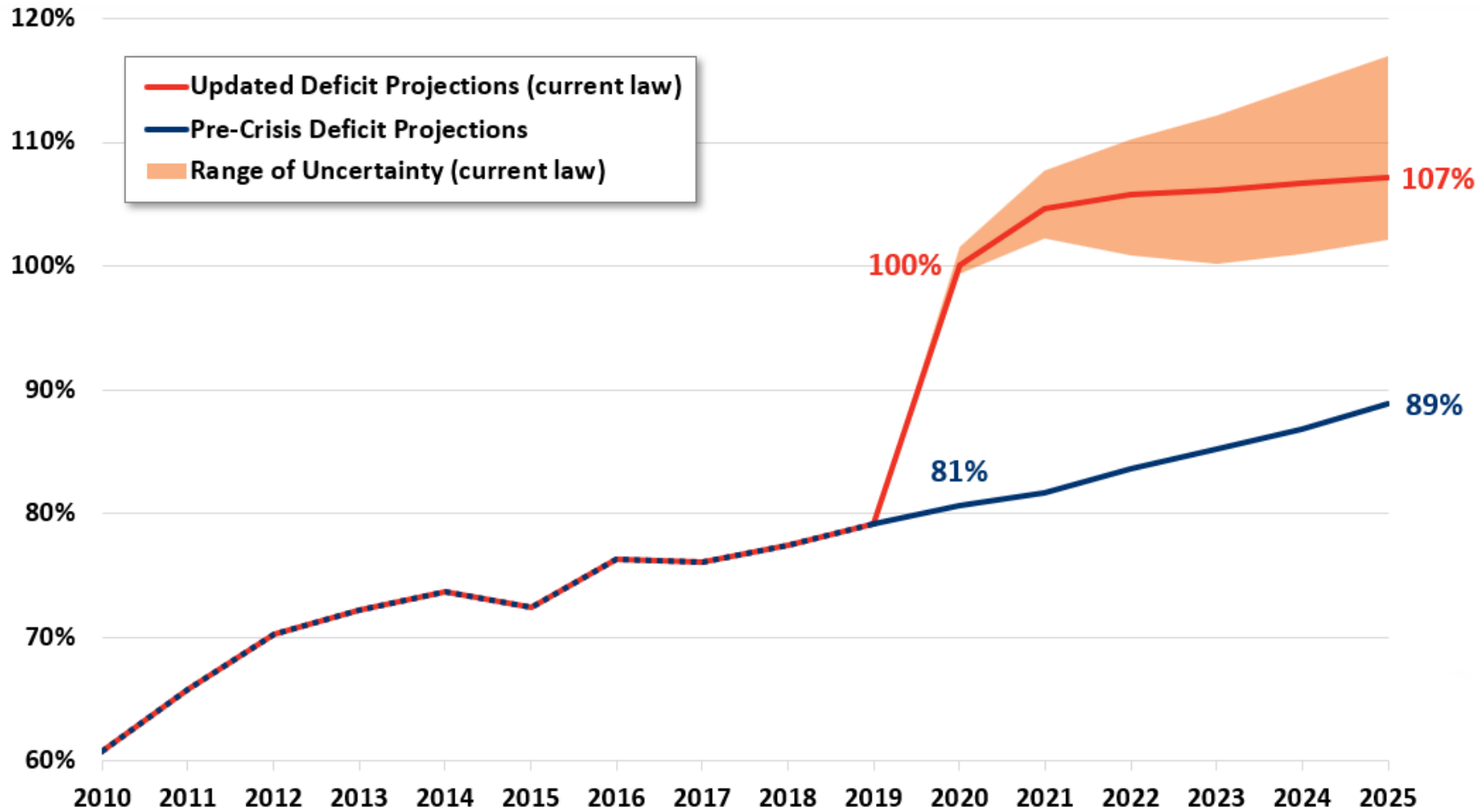
Bryan: -5.5%

College Station: -9.5%

Brazos County: -2.8%



Debt Will Equal Size of Economy This Year



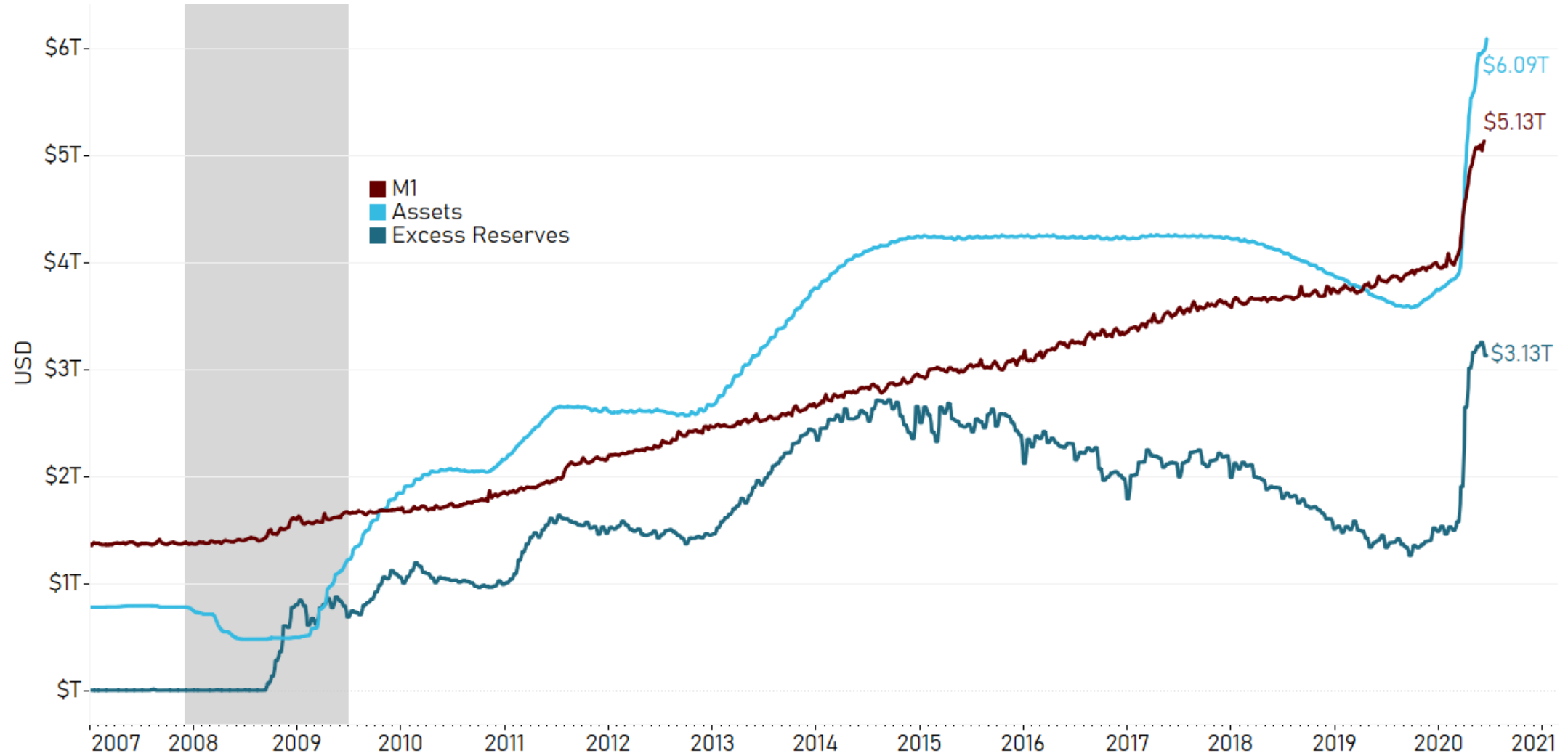
Source: CRFB Calculations

CRFB.org



**PRIVATE ENTERPRISE
RESEARCH CENTER**
TEXAS A&M UNIVERSITY

Money Stock, Federal Reserve Assets and Liabilities



Source: Federal Reserve Bank of St. Louis; fred.stlouisfed.org, June 25, 2020.



International Monetary Fund and Federal Open Market Committee Real GDP Projections

IMF – RGDP Projections				
	2019	2020	2021	2022
USA	+2.3%	-8.0%	+4.5%	
Euro-area	+1.3%	-10.2%	+6.0%	
U.K.	+1.4%	-10.2%	+6.3%	
Japan	+0.7%	-5.8%	+2.4%	
China	+6.1%	+1.0%	+8.2%	
Canada	+1.7%	-8.4%	+4.9%	
Mexico	-0.3%	-10.5%	+3.3%	
World	+2.9%	-4.9%	+5.4%	
FOMC Projections June 2020				
USA – RGDP		-6.5%	+5.0%	+3.5%
USA – UE Rate		9.3%	6.5%	5.5%
FOMC Projections December 2019				
USA-RGP		2.0%	1.9%	1.8%
USA – UE Rate		3.5%	3.6%	3.7%

IMF: USA RGDP will be 96% of 2019 value by end of 2021

FOMC: USA RGDP will be 98% of 2019 value by end of 2021, 101.6% of 2019 value by end of 2022.



Economic Indicators of the College Station-Bryan MSA

- The July edition of *Economic Indicators* will be released on July 16
- Dennis Jansen can be reached at dennisjansen@tamu.edu
- Andy Rettenmaier can be reached at a-rettenmaier@tamu.edu
- Research by Carlos Navarro at cinavarro@tamu.edu
- Issues of *Economic Indicators* are available at perc.tamu.edu or brazosvalleyedc.org

