ECONOMIC INDICATORS
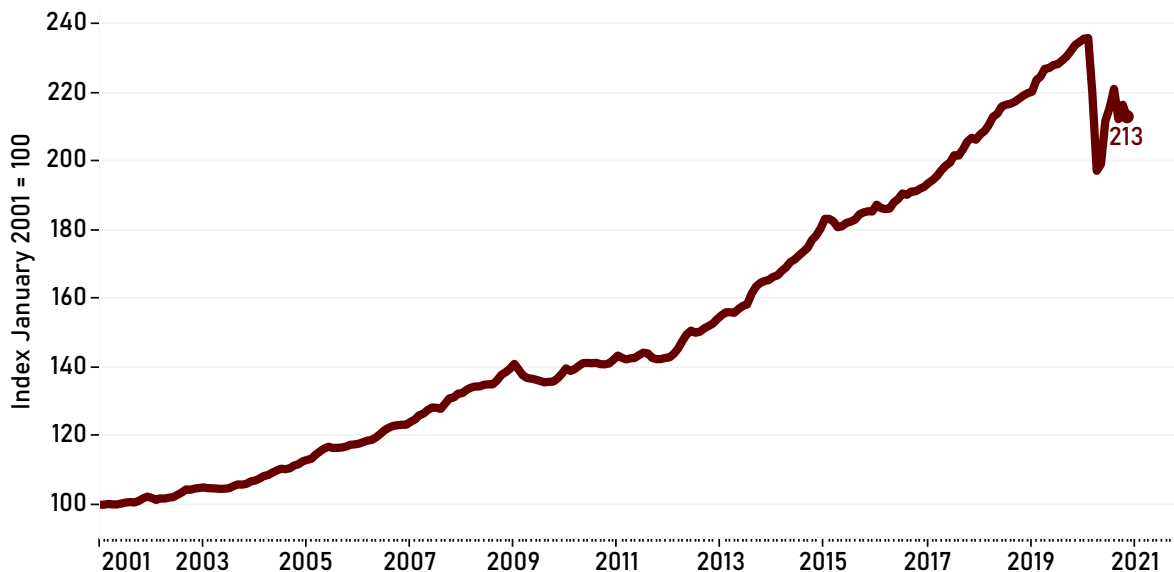## OF THE COLLEGE STATION-BRYAN MSA

JANUARY 2021

HIGHLIGHTS

- The Business-Cycle Index decreased by 1.6% from October to November 2020.
- The local unemployment rate increased to 5.9% in November from 4.8% in October but remained the second-lowest rate among Texas metros.
- Local nonfarm employment increased slightly by 0.23% in November and is 4.9% lower than it was in November 2019.
- Local real taxable sales increased 2% from October to November but were 6.7% lower than the same month last year.
- Real Gross Domestic Product (GDP) in the College Station-Bryan MSA grew 1.7% in 2019 and is almost double its size relative to 2001.

THE COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

After a month of growth in October, the College Station-Bryan Business-Cycle Index decreased to 213 in November, as seen in Figure 1. The decrease resulted from an increase in the unemployment rate despite slight increases in both nonfarm employment and inflation adjusted taxable sales.

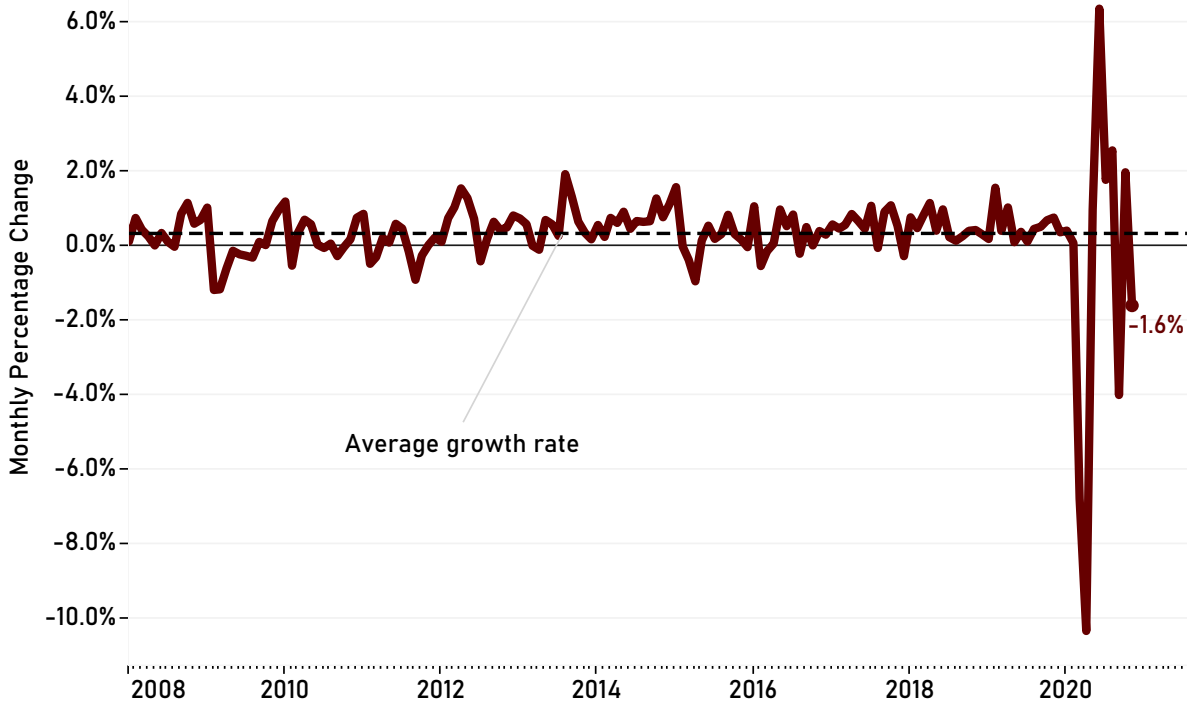**FIGURE 1. COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX**

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

THE COLLEGE STATION-BRYAN BUSINESS-CYCLE

The CSB Business-Cycle decreased 1.6% between October and November. This decrease comes after a month of slight growth. The local unemployment rate increased from 4.8% in October to 5.9% in November. Nonfarm employment showed a modest increase of 0.2% from 118,800 workers in October to 119,100 in November. The third monthly indicator used in estimating the business-cycle, inflation adjusted taxable sales, increased 2% between October and November.

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

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

UNEMPLOYMENT RATE

Figure 3 shows the unemployment rates for College Station-Bryan, Texas, and the U.S. from January 2008 to November 2020. The unemployment rate in College Station-Bryan and in Texas both increased in November. As mentioned, the local unemployment rate increased to 5.9% in November from 4.8% in October. The state rate increased from 6.9% in October to 8.1% in November. The national rate is available up to December and remained at its November level of 6.7%. The state and metropolitan area unemployment rates for December will be released by the Bureau of Labor Statistics on January 26 and February 3, respectively.

FIGURE 3. UNEMPLOYMENT RATE
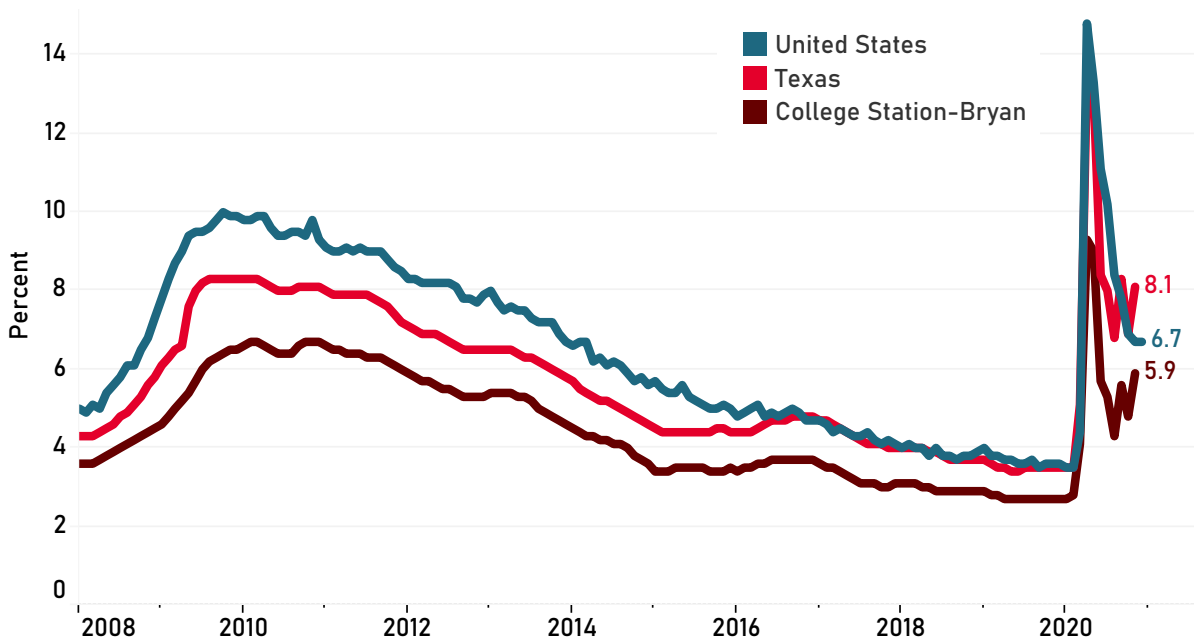
Seasonally adjusted. Last reported data point: November 2020 for College Station-Bryan and Texas, December 2020 for the U.S. Source: Bureau of Labor Statistics.
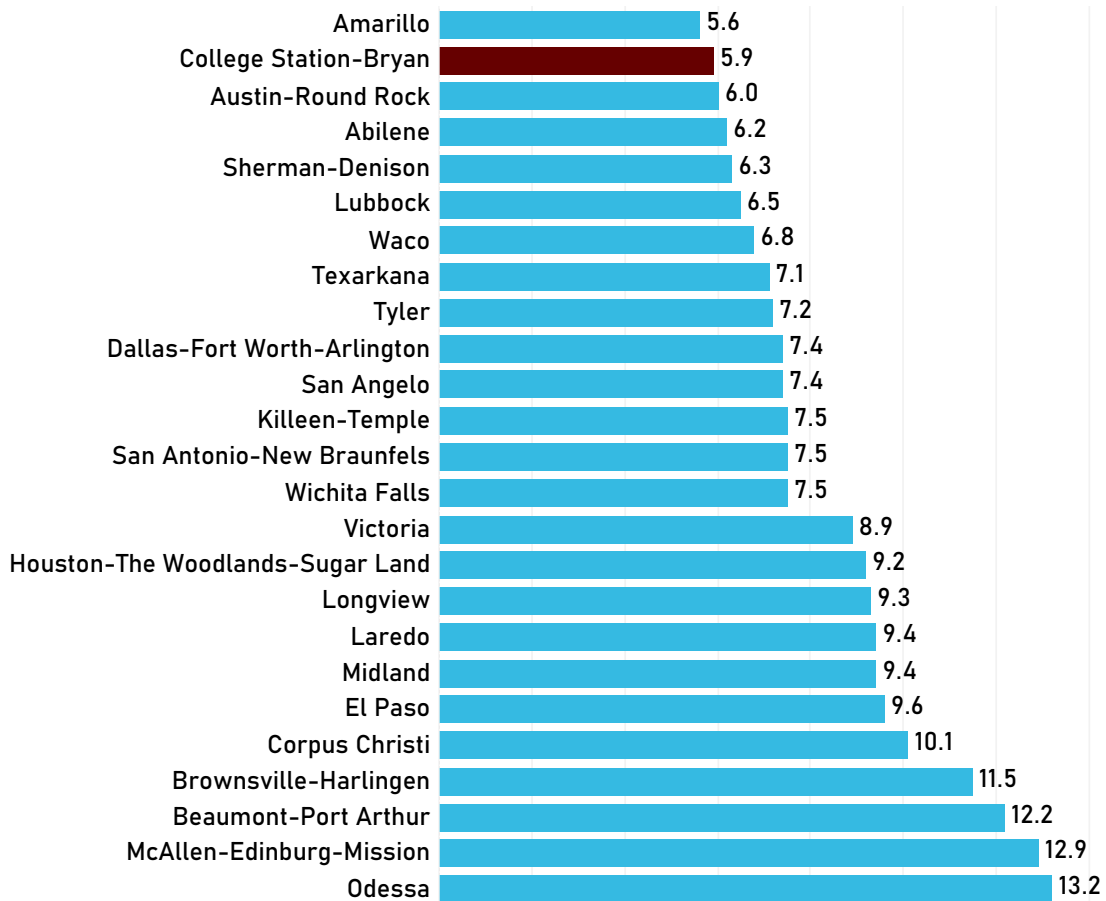
FOCUS ON THE COLLEGE STATION-BRYAN MSA AND RECENT ECONOMIC DATA

This month we present the unemployment rates in the Texas MSAs for November, the unemployment insurance claims for the College Station-Bryan MSA, Gross Domestic Product in the local area and in selected Texas MSAs, and local air travel out of Easterwood Airport.

TEXAS MSA UNEMPLOYMENT RATES

Figure 4 depicts all Texas MSA unemployment rates for November 2020. The College Station-Bryan MSA's rate of 5.9% in November was second lowest to Amarillo's 5.6%. Austin-Round Rock recorded the third-lowest rate at 6%. Odessa, McAllen-Edinburg-Mission and Beaumont-Port Arthur had the three highest November rates at 13.2%, 12.9%, and 12.2%, respectively. Austin-Round Rock had the lowest unemployment rate among the four largest MSAs at 6.0%, Dallas-Fort Worth-Arlington's rate was 7.4%, San Antonio-New Braunfels recorded a rate of 7.5% and Houston-The Woodlands-Sugar Land again had the highest rate in this group at 9.2%.

FIGURE 4. UNEMPLOYMENT RATES IN TEXAS MSAs, NOVEMBER 2020

| MSA	Rate
Amarillo	5.6
College Station-Bryan	5.9
Austin-Round Rock	6.0
Abilene	6.2
Sherman-Denison	6.3
Lubbock	6.5
Waco	6.8
Texarkana	7.1
Tyler	7.2
Dallas-Fort Worth-Arlington	7.4
San Angelo	7.4
Killeen-Temple	7.5
San Antonio-New Braunfels	7.5
Wichita Falls	7.5
Victoria	8.9
Houston-The Woodlands-Sugar Land	9.2
Longview	9.3
Laredo	9.4
Midland	9.4
El Paso	9.6
Corpus Christi	10.1
Brownsville-Harlingen	11.5
Beaumont-Port Arthur	12.2
McAllen-Edinburg-Mission	12.9
Odessa	13.2

Source: Bureau of Labor Statistics, Local Area Unemployment Statistics, seasonally adjusted, November 2020.

LOCAL UNEMPLOYMENT INSURANCE CLAIMS

Figure 5 depicts the weekly unemployment insurance claims in College Station-Bryan as reported by the Texas Workforce Commission. These counts include claims filed in Brazos, Burleson, and Robertson counties. From mid-September to the end of November, weekly claims remained below 250. However, December claims exceeded the 250 mark twice and for the week ending on January 2, 288 claims were filed, the highest number of claims since September 12, 2020.

## FIGURE 5. WEEKLY UNEMPLOYMENT INSURANCE CLAIMS FOR COLLEGE STATION-BRYAN
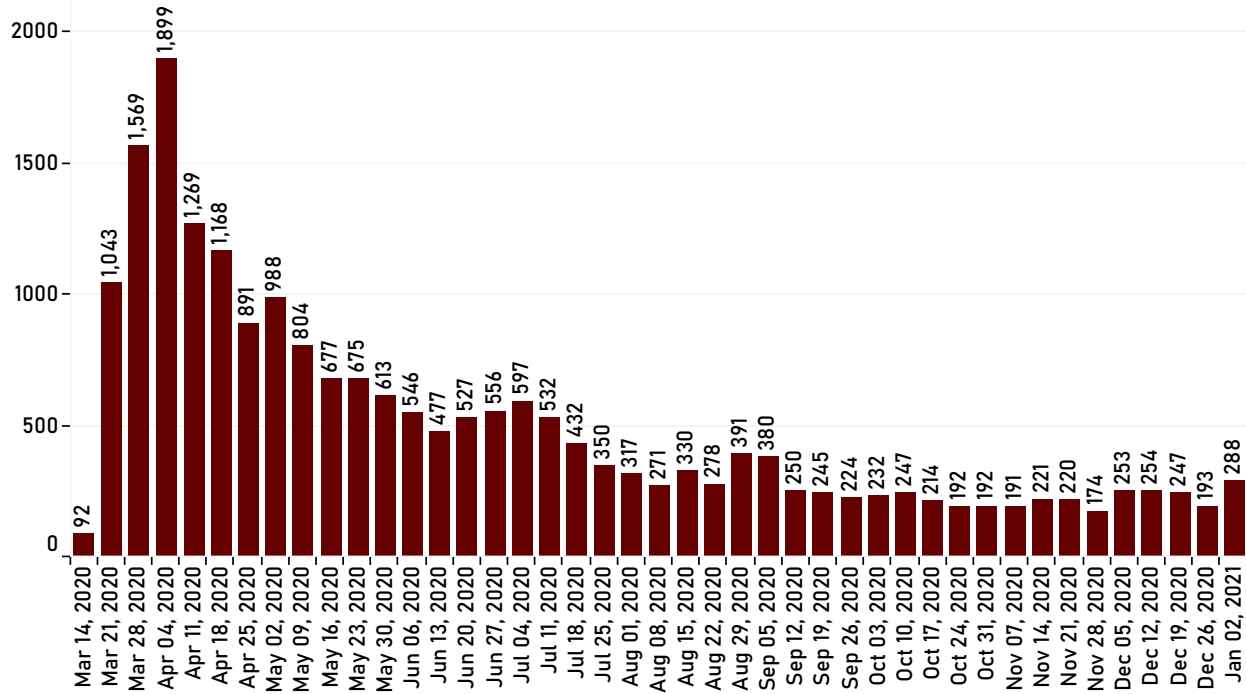
Source: Texas Workforce Commission.

GROSS DOMESTIC PRODUCT IN COLLEGE STATION-BRYAN COUNTIES

Gross Domestic Product data at the county and MSA levels are released with a one-year lag. In December, the Bureau of Economic Analysis released new county-level GDP data for 2019. Figure 6 depicts inflation adjusted gross domestic product (2012 dollars) for the three counties that make up the College Station-Bryan MSA. In 2019, Brazos County accounted for 68% of economic activity in the metro area, producing $9.63 billion of the MSA's $14.2 billion total GDP. Robertson County produced 20% of the metro area's total GDP, and Burleson County produced 12%.

FIGURE 6. INFLATION ADJUSTED GROSS DOMESTIC PRODUCT IN BRAZOS, BURLESON, & ROBERTSON COUNTIES
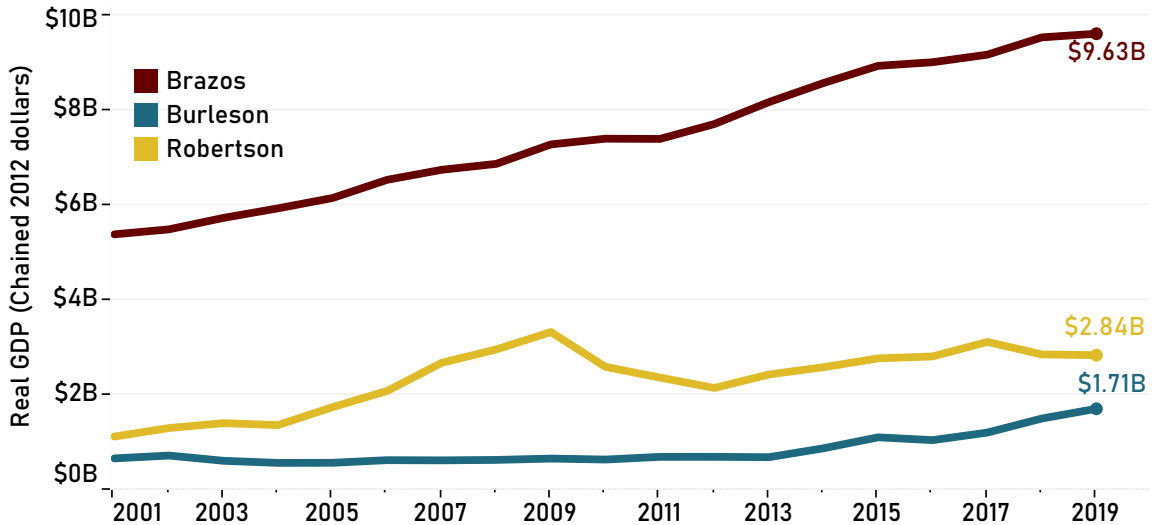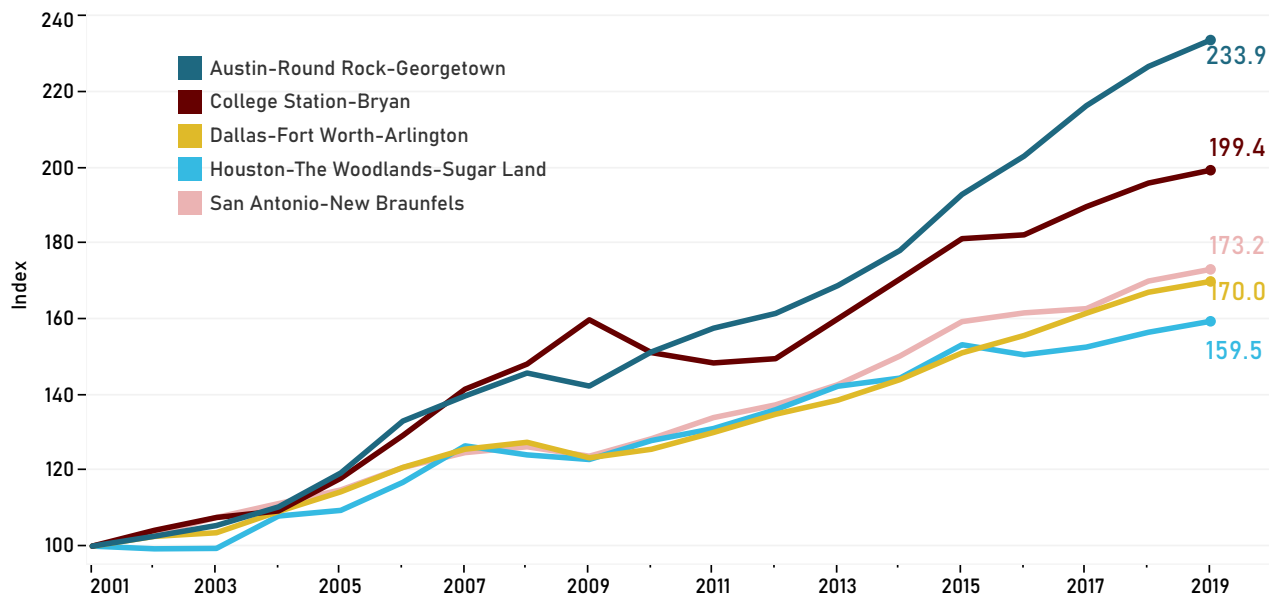

Source: Bureau of Economic Analysis.

INDEXED GROSS DOMESTIC PRODUCT

Figure 7 depicts inflation adjusted Gross Domestic Product, indexed to 2001 for the local economy and the economies of the large Texas MSAs. The end values reflect the growth that each Texas metro area experienced since its original value of 100 in 2001. College Station-Bryan's Gross Domestic Product almost doubled from 2001 to 2019, reaching an index value of 199.4 in 2019.[1] Of the selected MSAs, Austin-Round Rock-Georgetown grew the most since 2001, with an index value of 233.9 in 2019, or growth of 133.9%. Over this same period Houston-The Woodlands-Sugar Land, Dallas-Fort Worth-Arlington, and San Antonio-New Braunfels grew by 59.5%, 70% and 73.2%, respectively.

**FIGURE 7. INDEXED REAL GROSS DOMESTIC PRODUCT BY SELECTED TEXAS MSA**

Source: Bureau of Economic Analysis. Indexed by Private Enterprise Research Center.

INDUSTRY COMPOSITION OF LOCAL GROSS DOMESTIC PRODUCT

Figure 8 presents the 2019 estimates of nominal Gross Domestic Product by industry in College Station-Bryan. The bar graph is sorted in descending order, with the largest local industry at the top and the smallest at the bottom. Government accounted for 22.9% of local GDP, largely due to the presence of Texas A&M University and its classification as a government entity (and not educational services) under Gross Domestic Product accounting. The second largest local industry in 2019 was Finance and Real Estate with 13.8%, followed by Mining and Extraction with 13.1% of local GDP. The industries that have been hardest hit during the pandemic, Retail Trade; Accommodation and Food Services; and Arts, Entertainment, and Recreation comprise 5.7%, 4.0%, and 0.4% of local GDP, respectively.

## FIGURE 8. INDUSTRY SHARE OF GDP IN COLLEGE STATION-BRYAN IN 2019
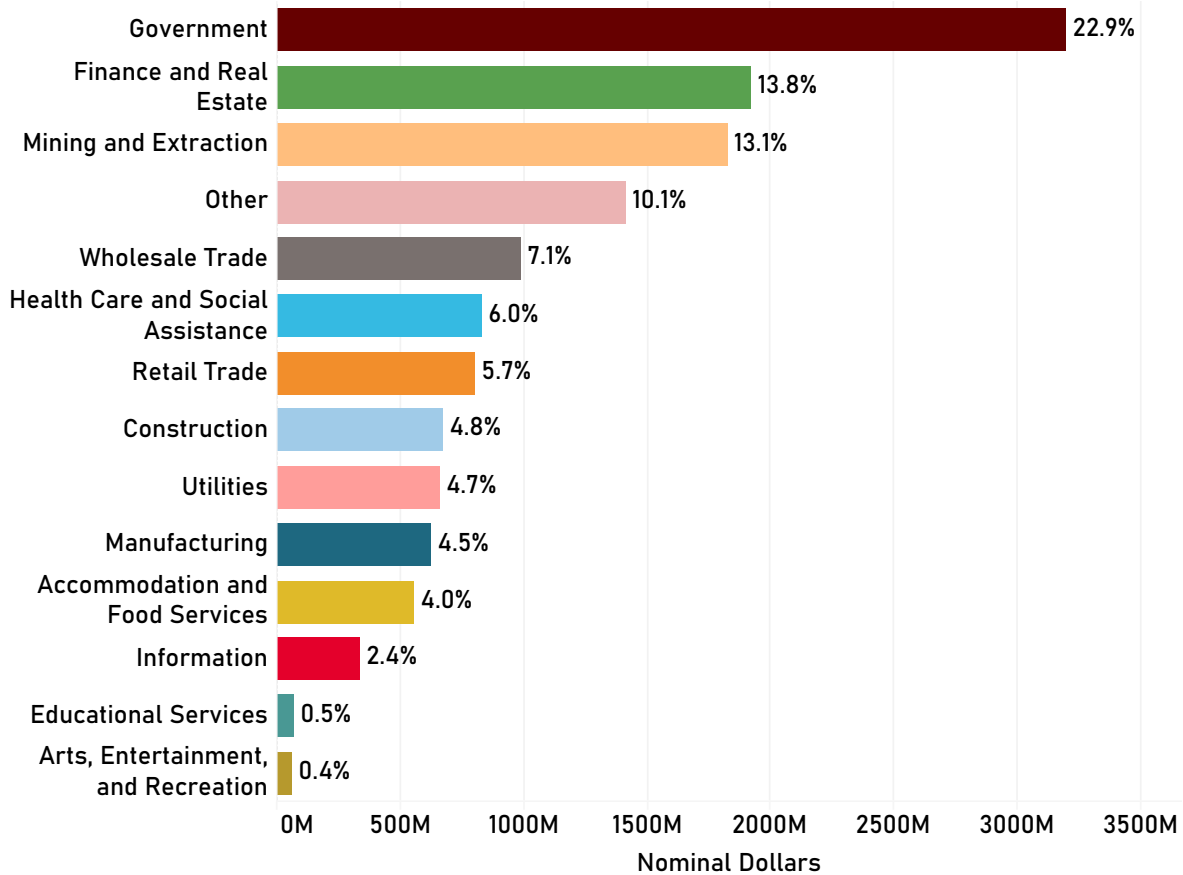
Source: Bureau of Economic Analysis. Calculations by Private Enterprise Research Center.

TEXAS MSA ECONOMIC INDEXES

The Federal Reserve Bank of Dallas (FRBD) produces business-cycle indexes for several Texas MSAs including those depicted in Figure 7. Figure 9 depicts these business-cycle indexes, rebased to begin in January 2001, along with the Business-Cycle Index for College Station-Bryan. To create the series in the figure, the FRBD business-cycle indices for the period January 2001 to November 2020 were demeaned and then set to grow at their respective real GDP growth rates from 2001 to 2019. Austin-Round Rock had an average annual real growth rate of 4.7%, Dallas-Fort Worth-Arlington's growth rate was 2.9%, Houston-The Woodlands-Sugarland had a rate of 2.6%, and the average rate for San Antonio-New Braunfels was 3.1%. As seen in Figure 9, for November 2020 College Station-Bryan had both the second highest average real GDP growth rate, 3.8%, and the second highest index value, 213. Austin-Round Rock took first place with a final index value of 255.

FIGURE 9. BUSINESS-CYCLE INDICES FOR SELECT TEXAS MSAs, JANUARY 2001 – NOVEMBER 2020
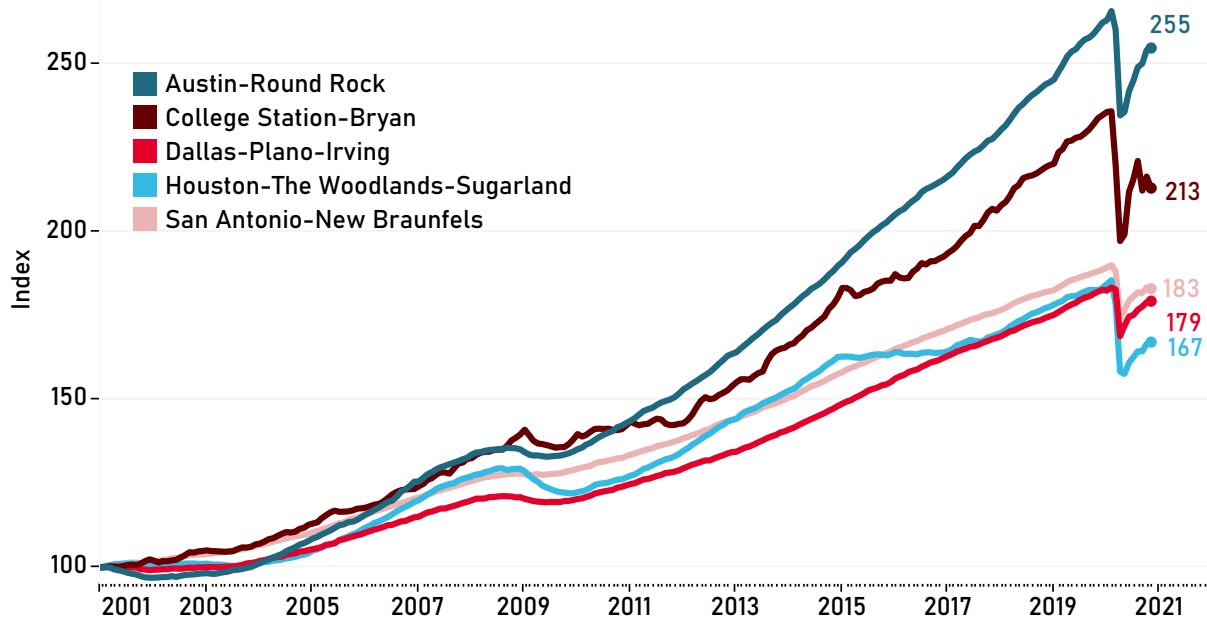

Sources: Federal Reserve Bank of Dallas for the MSA business-cycle indexes other than the index for CSB. Bureau of Economic Analysis for underlying GDP growth for each MSA. Rebasing the indexes by Private Enterprise Research Center.

AIR TRAVEL

The total number of passengers traveling out of Easterwood Airport during 2019 through December of 2020 is shown in Figure 10. For the year of 2020, the total passenger count was 48% of the count for the year of 2019. Since April, enplanements have generally risen as a percent of the corresponding monthly counts in 2019. While enplanements in December 2020 declined slightly from the previous month, an even larger decline occurred between November and December in 2019. Enplanements in December 2020 were 58% of December 2019 levels, the highest percentage of the 2019 corresponding monthly total since February.

FIGURE 10. ENPLANEMENTS AT EASTERWOOD AIRPORT, 2019 VS. 2020
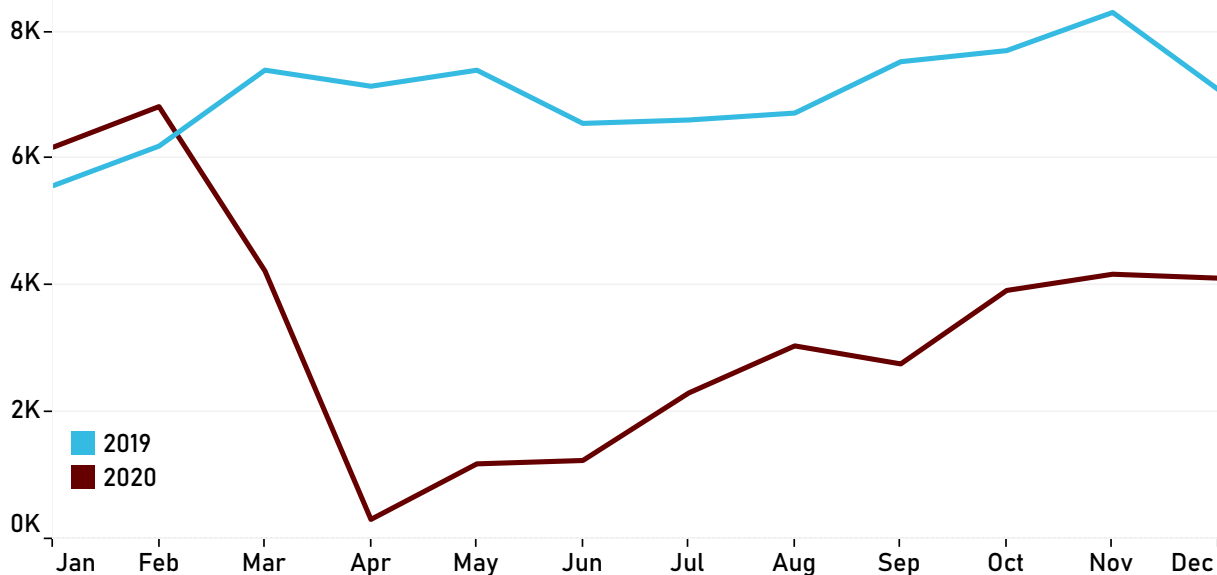
Source: Texas A&M University System.

ENDNOTES

[1]The average real growth rate between 2001 and 2019 was 3.8%. Each year when the new GDP values for the MSAs are released, the revised growth rate and its standard deviation are used to derive the business-cycle and the Business-Cycle Index.

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

Business-Cycle Indexes
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Nonfarm Employment
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Taxable Sales (Sales and Use Tax Allocation)
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Unemployment Rate
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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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