



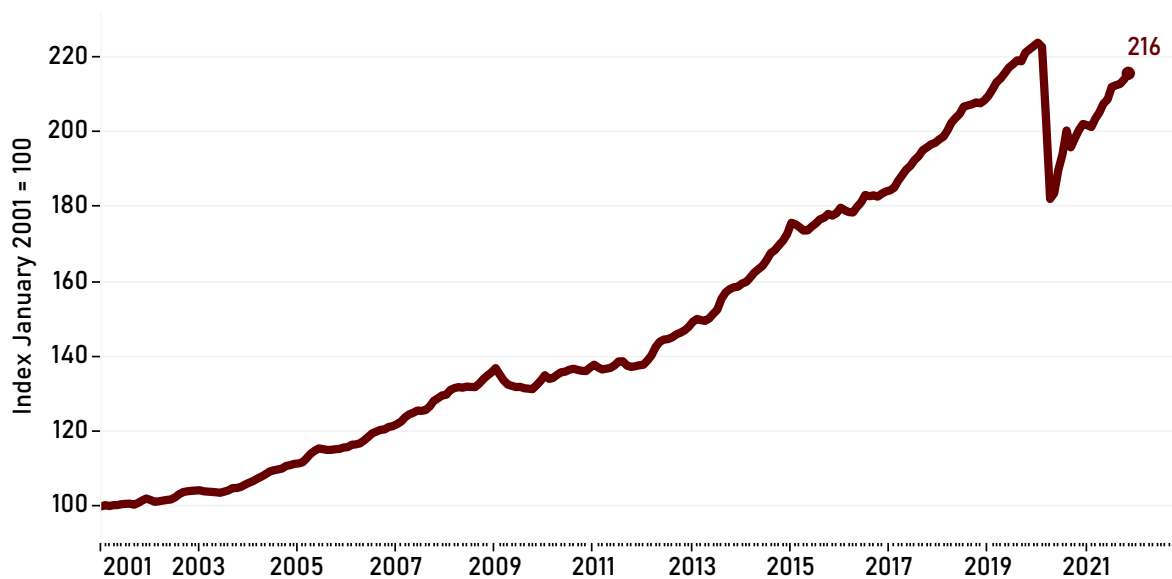
HIGHLIGHTS

- The Business-Cycle Index increased by 0.8% from October to November 2021.
- The local unemployment rate decreased to 3.9% in November from 4.0% in October.
- Local nonfarm employment increased slightly by 0.4% in November and was 3.2% lower than its pre-pandemic high in February 2020.
- Local real taxable sales increased 2.3% from October to November 2021 and were 18.1% higher than the same month in 2020.
- Real Gross Domestic Product (GDP) in the College Station-Bryan MSA shrank 1.4% in 2020 due to the pandemic recession, but it has doubled in size since 2001.

THE COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

The College Station-Bryan Business-Cycle Index increased to 216 in November, as seen in Figure 1. The increase resulted from a decrease in the unemployment rate and increases in both nonfarm employment and inflation adjusted taxable sales.

FIGURE 1. COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

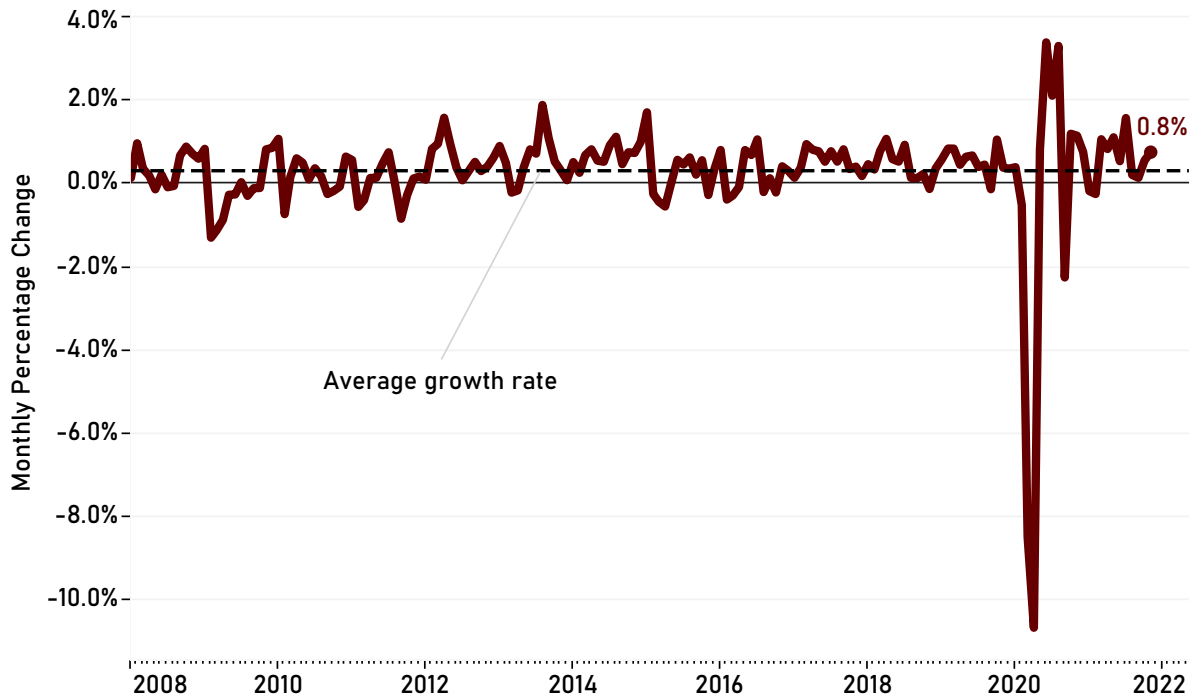


Last reported data point: November 2021 (monthly). Source: Private Enterprise Research Center.

THE COLLEGE STATION-BRYAN BUSINESS-CYCLE

The CSB Business-Cycle increased 0.8% between October and November. The local unemployment rate decreased from 4.0% in October to 3.9% in November. Nonfarm employment showed a modest increase of 0.4% from 120,300 workers in October to 120,700 in November. The third monthly indicator used in estimating the business-cycle, inflation adjusted taxable sales, increased 2.3% between October and November. The fourth input in our model, quarterly real wages, was unchanged.

FIGURE 2. COLLEGE STATION-BRYAN BUSINESS-CYCLE

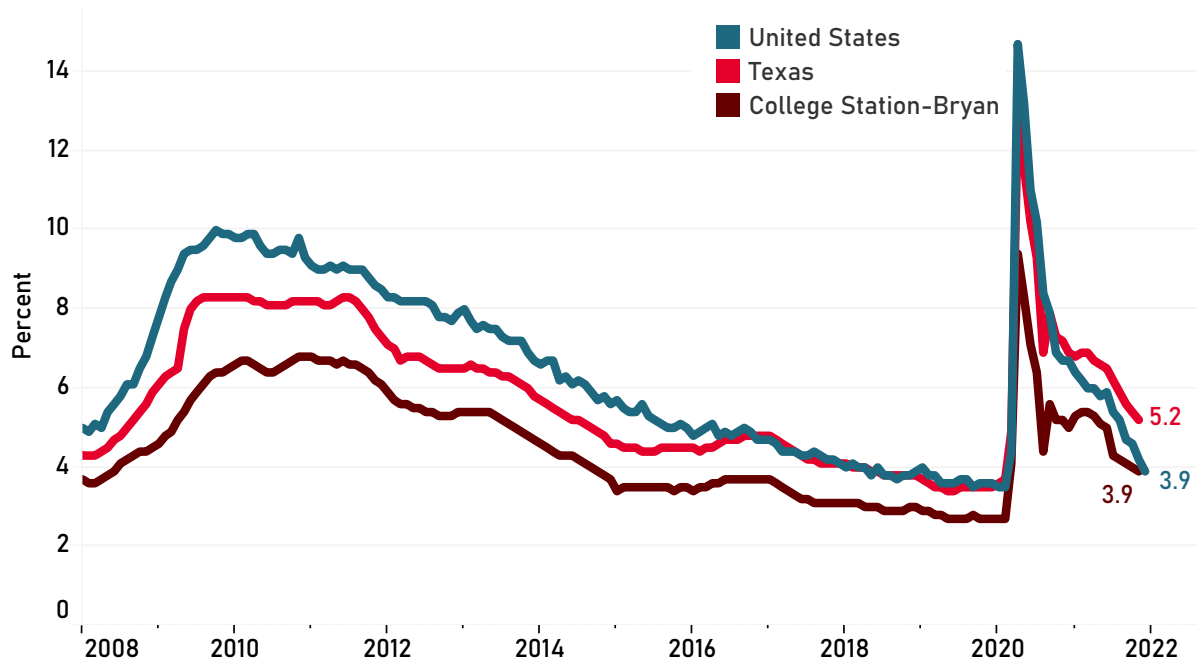


Month-to-month growth rates. Last reported data point: November (monthly). Source: Private Enterprise Research Center.

UNEMPLOYMENT RATE

Figure 3 shows the unemployment rates for College Station-Bryan, Texas, and the U.S. from January 2008 to November 2021. The unemployment rate in College Station-Bryan and in Texas both decreased in November. As mentioned, the local unemployment rate decreased to 3.9% in November from 4.0% in October. The state rate decreased from 5.4% in October to 5.2% in November. The national rate is available up to December and also decreased to 3.9%. The state and metropolitan area unemployment rates for December will be released by the Bureau of Labor Statistics on January 25 and February 2, respectively.

FIGURE 3. UNEMPLOYMENT RATE



Seasonally adjusted. Last reported data point: November 2021 for Texas and College Station-Bryan, December 2021 for the national unemployment rate (monthly). Source: Bureau of Labor Statistics.

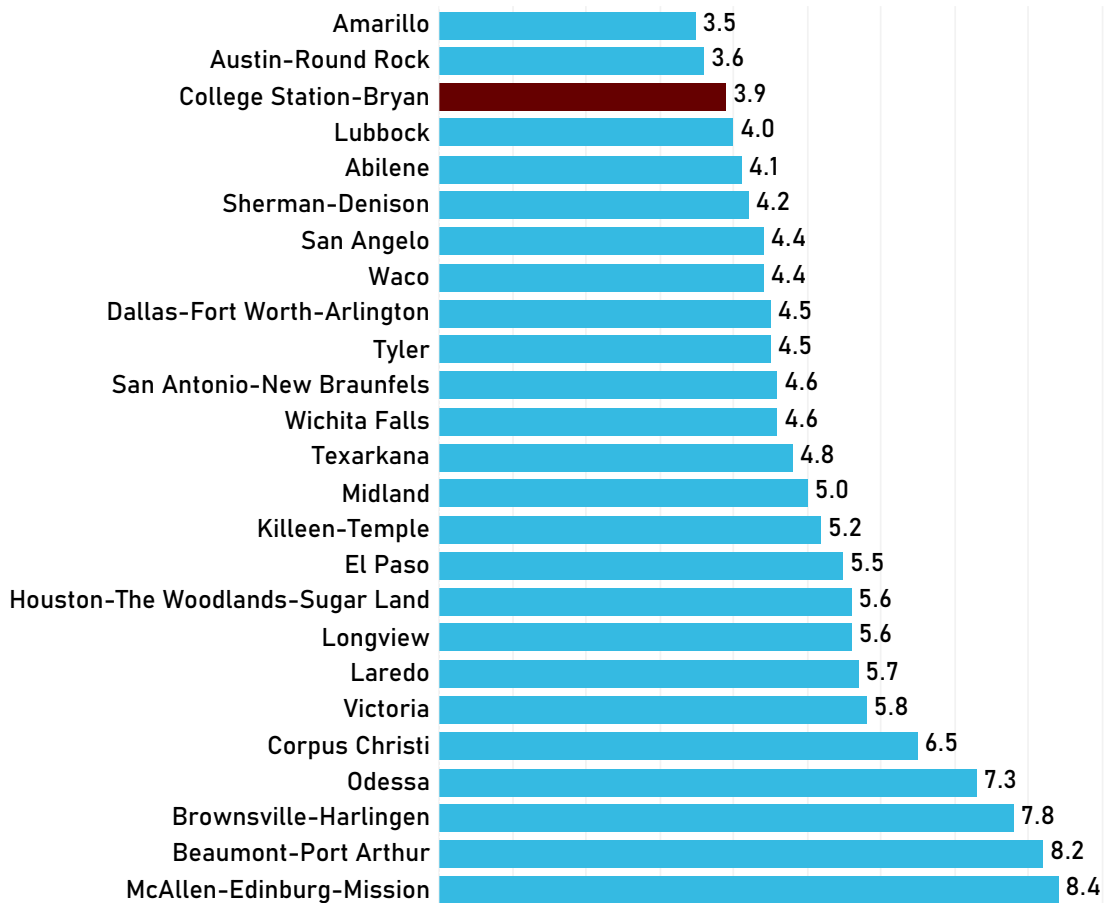
FOCUS ON THE COLLEGE STATION-BRYAN MSA

This month we present the unemployment rates in the Texas MSAs for November, gross domestic product in the local area and in select Texas MSAs, and local air travel out of Easterwood Airport.

TEXAS MSA UNEMPLOYMENT RATES

Figure 4 depicts all Texas MSA unemployment rates for November 2021. The College Station-Bryan MSA's rate of 3.9% in November was third lowest to Amarillo's 3.5% and Austin-Round Rock's 3.6%. McAllen-Edinburg-Mission, Beaumont-Port Arthur, and Brownsville-Harlingen had the three highest November rates at 8.4%, 8.2%, and 7.8%, respectively. Austin-Round Rock had the lowest unemployment rate among the four largest MSAs, Dallas-Fort Worth-Arlington's rate was 4.5%, San Antonio-New Braunfels recorded a rate of 4.6% and Houston-The Woodlands-Sugar Land again had the highest rate in this group at 5.6%.

FIGURE 4. UNEMPLOYMENT RATES IN TEXAS MSAs, NOVEMBER 2021

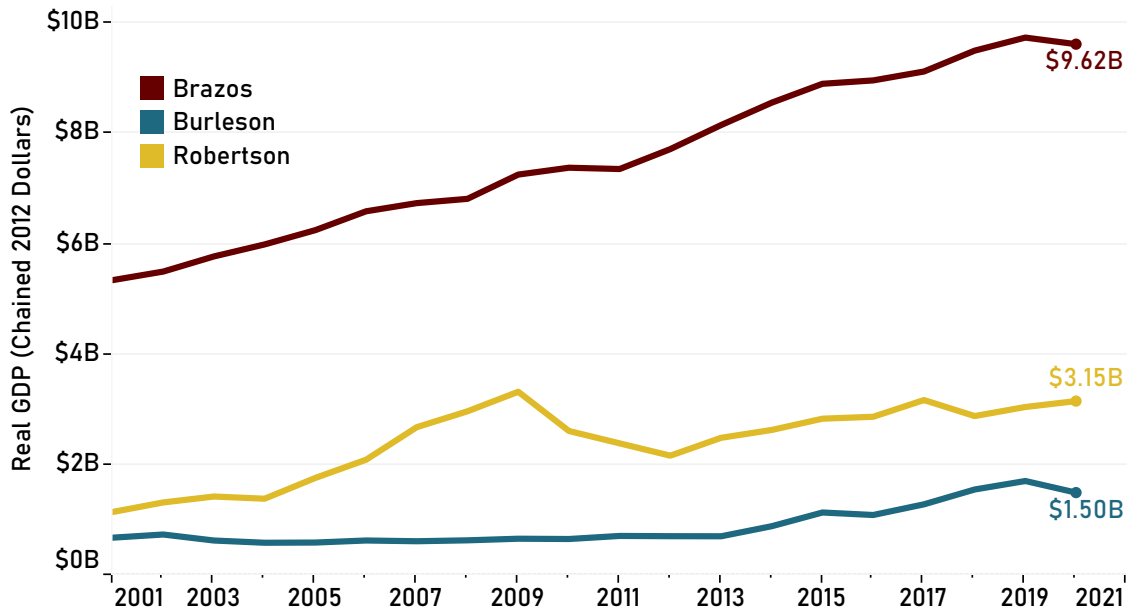


Source: Bureau of Labor Statistics, Local Area Unemployment Statistics, seasonally adjusted, November 2021.

GROSS DOMESTIC PRODUCT IN COLLEGE STATION-BRYAN COUNTIES

In December, the Bureau of Economic Analysis released new county-level gross domestic product (GDP) data for 2020. Figure 5 depicts inflation adjusted gross domestic product (in 2012 dollars) for the three counties that make up the College Station-Bryan MSA. In 2020, Brazos County accounted for 67.4% of economic activity in the metro area, producing \$9.62 billion of the MSA's \$14.3 billion total GDP. Robertson County produced 22.1% of the metro area's total GDP, and Burleson County produced 10.5%.

FIGURE 5. INFLATION ADJUSTED GROSS DOMESTIC PRODUCT IN COLLEGE STATION-BRYAN MSA COUNTIES

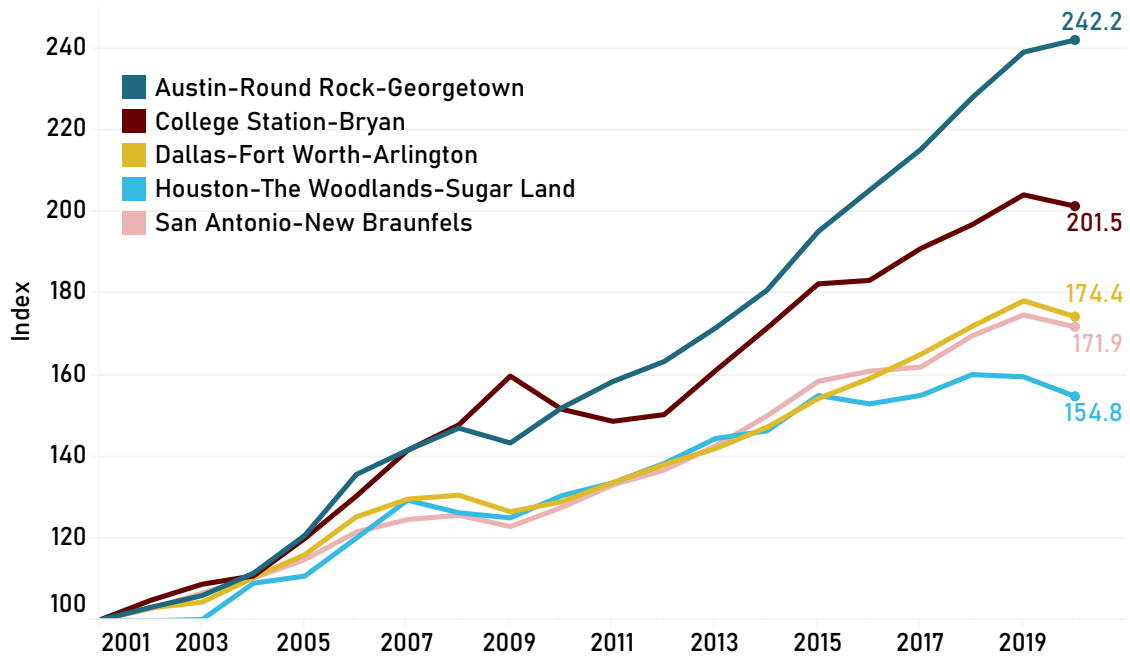


Source: Bureau of Economic Analysis.

INDEXED REAL GROSS DOMESTIC PRODUCT

Figure 6 depicts inflation adjusted gross domestic product, indexed to 2001 for the local economy and the economies of the four largest 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 doubled from 2001 to 2020, reaching an index value of 201.5 in 2020. Of the selected MSAs, Austin-Round Rock-Georgetown grew the most since 2001, with an index value of 242.2 in 2020, or 142.2% growth. Over this same period, Houston-The Woodlands-Sugar Land, Dallas-Fort Worth-Arlington, and San Antonio-New Braunfels grew by 54.8, 74.4% and 71.9%, respectively.

FIGURE 6. INDEXED REAL GROSS DOMESTIC PRODUCT, SELECT TEXAS MSAs

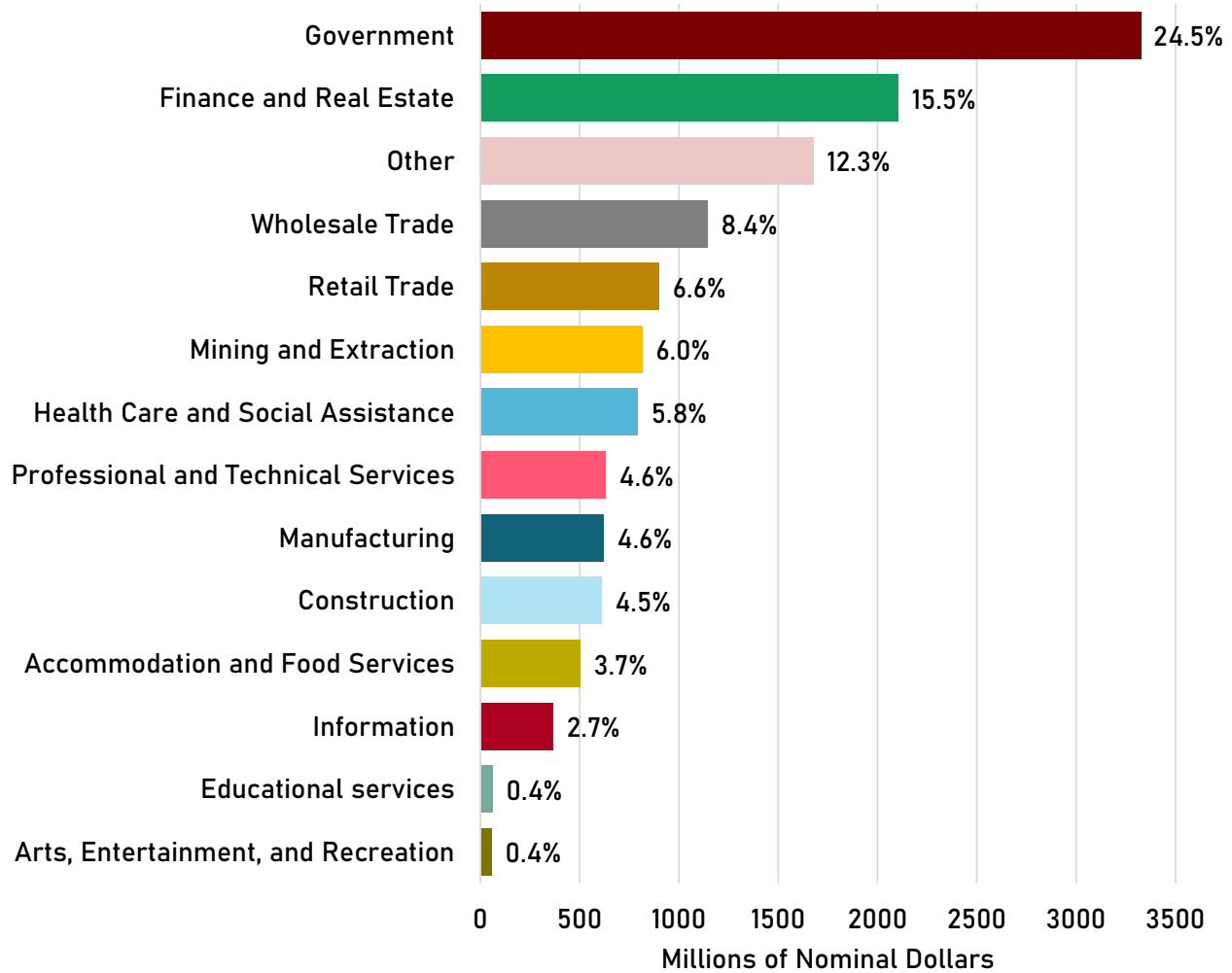


Source: Bureau of Economic Analysis. Index by the Private Enterprise Research Center.

INDUSTRY COMPOSITION OF LOCAL GROSS DOMESTIC PRODUCT

Figure 7 presents the 2020 estimates of nominal gross domestic product by industry in the College Station-Bryan MSA. 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 24.5% 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 2020 was Finance and Real Estate with 15.5%. Wholesale, Trade and Retail Trade comprised 8.4% and 6.6% of the local economy, respectively. In 2019, Mining and Extraction accounted for over 13% of GDP, but with decreased exploration and production in 2020, its share fell to 6%. The hard-hit Accommodation and Food Services industry share in 2020 was 3.7%, down from 4% in 2019.

FIGURE 7. INDUSTRY SHARE OF GDP IN COLLEGE STATION-BRYAN, 2020



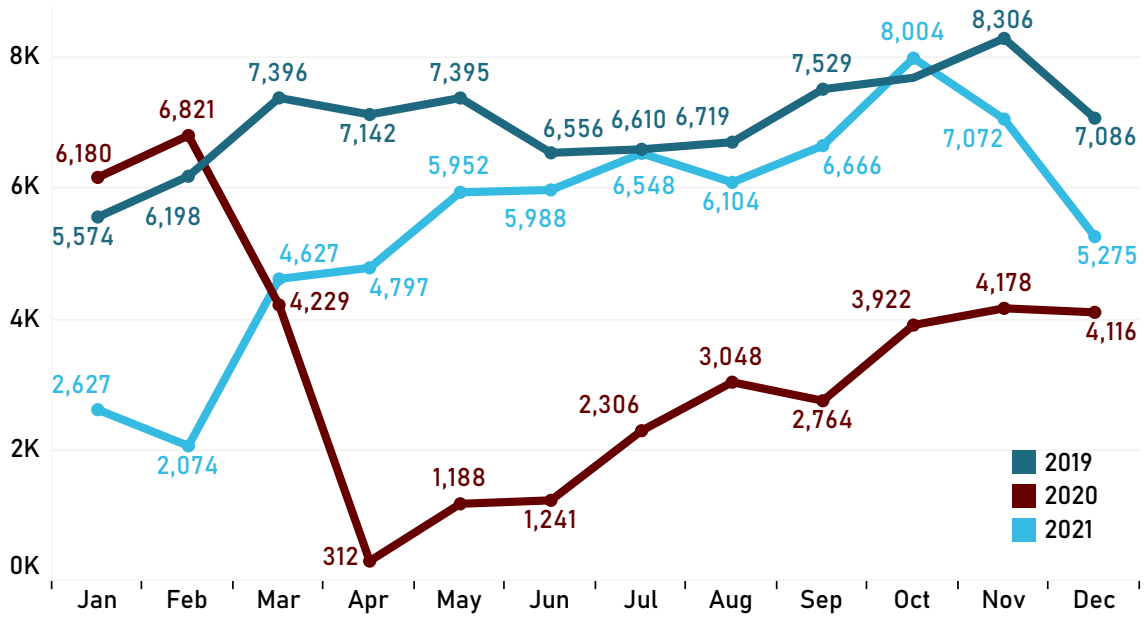
Source: Bureau of Economic Analysis. Calculations by Private Enterprise Research Center.

AIR TRAVEL

The total number of passengers traveling out of Easterwood Airport from January 2019 through December of 2021 is shown in Figure 8. For the year 2021, the total passenger count was 78% of the count in 2019 but 63% more than the total in 2020. October 2021 had a post-pandemic peak of 8,004 enplanements, above the 2019 level of 7,704. Enplanements have declined for two consecutive months since the October peak. Though a decline in December was expected, much of the decline is a consequence of United Airlines’ reduced operations and the decision to cease local operations from Easterwood Airport as of January 3, 2022.

American Airlines’ traveler count out of Easterwood Airport for 2021 was 86% of its 2019 total 2019, while United Airlines’ count in 2021 was 65% of its 2019 total. Over the last half of 2021, the number of travelers on American Airlines exceeded the same months of 2019, indicating that, at least for this airline, recent travel numbers rival their pre-pandemic levels.

FIGURE 8. ENPLANEMENTS AT EASTERWOOD AIRPORT, 2019-2021



Source: Texas A&M University System.

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 January 13, 2022.

Gross Domestic Product

Bureau of Economic Analysis, Table CAGDP2 for industry composition, CAGDP9 for inflation adjusted county and metropolitan area estimates. <https://apps.bea.gov/itable/iTable.cfm?ReqID=70&step=1&acrdrn=5> (accessed 1/13/2022)

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 (inflation-adjusted) using the CPI-U.

Nonfarm Employment

Federal Reserve Bank of Dallas, Texas Workforce Commission, and Bureau of Labor Statistics, Total Non-farm 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.

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>, January 13, 2022.

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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