



TEXAS A&M UNIVERSITY
Private Enterprise
Research Center

*Seeking private sector solutions
to public sector problems since 1977*

PERC Publications



ECONOMIC INDICATORS
OF THE COLLEGE STATION-BRYAN MSA

SPONSORED BY



JULY 2025

HIGHLIGHTS

- The Business-Cycle Index increased 0.5% from April 2025 to May 2025.
- Local nonfarm employment increased by 0.4% from April 2025 to May 2025.
- The College Station-Bryan MSA unemployment rate remained unchanged at 3.5% in May 2025 as compared to April 2025.¹
- Inflation-adjusted taxable sales increased by 0.6% from April 2025 to May 2025.
- Inflation-adjusted quarterly wage payments increased by 5.9% in the fourth quarter of 2024 compared to the same quarter in the previous year.
- Of the top 21 occupational categories in the College Station-Bryan MSA, 14 reported average hourly wages below the Texas state average of \$30.60.

THE COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

The Business-Cycle Index for May 2025 rose to a value of 259, reflecting a 0.5% increase from its April level. This uptick was largely supported by an unchanged unemployment rate, an increase in nonfarm employment, an increase in inflation adjusted taxable sales and an increase in the inflation adjusted quarterly wage.

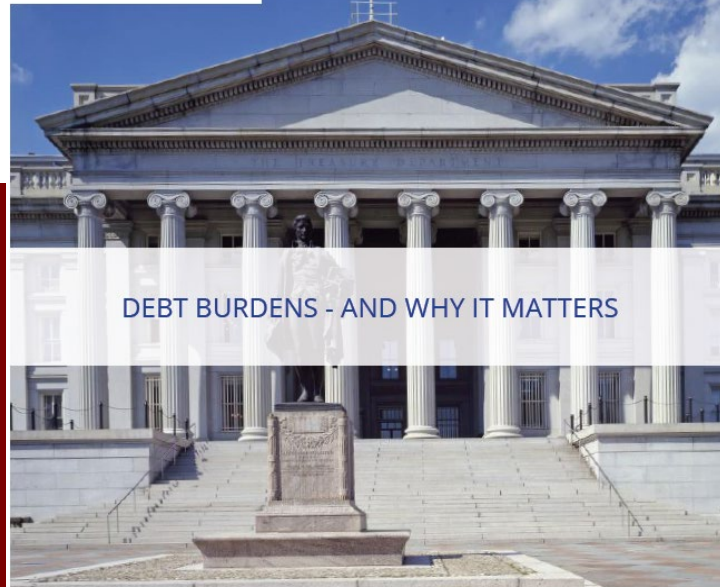
FIGURE 1. COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX



- Policy studies cover a wide range of topics such as U.S. Federal Liabilities, Texas Pensions, and changes in the Energy Industry.
- Working papers are submitted by PERC Professors, Fellows and Graduate Students



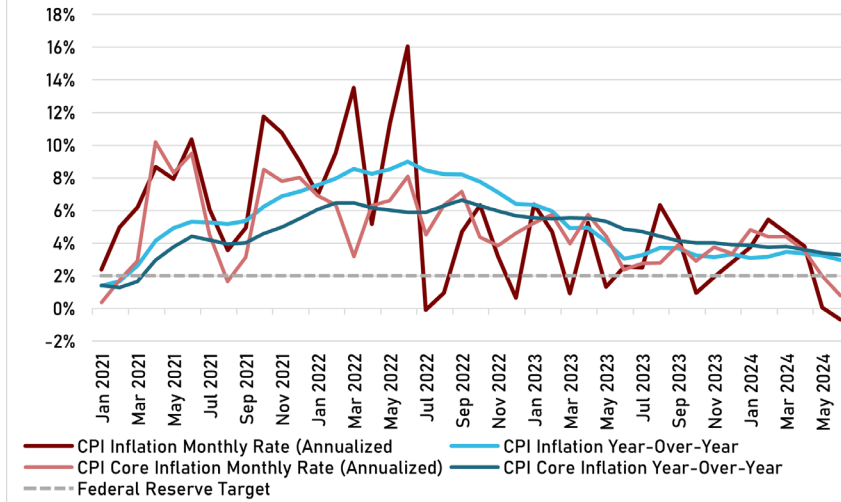
POLICY STUDY



DEBT BURDENS - AND WHY IT MATTERS

Dennis W. Jansen
Somali Ghosh Sinha
PERC Policy Study 2503
JUNE 2025

Figure 1. Inflation Measures Monthly (Annualized) & Year-Over-Year



- Recent blog posts:
 - Short-term and long-term changes in CPI inflation
 - Changes in Texas Public & Charter School Enrollment
 - Post-pandemic employment in Texas vs. U.S.
 - The Trump Administration & Stock Market Wealth



TEXAS A&M UNIVERSITY
Private Enterprise
Research Center

- Monthly report created and published by PERC
- Shows economic health of the College Station-Bryan metro area through Business-Cycle Index, unemployment rate, inflation-adjusted taxable sales, inflation-adjusted quarterly wages
- Special topics: Enrollment compared to other college towns, industry employment, demographics, Texas state tax revenues, housing prices, indexed GDP by metro area, etc.

Upcoming Event



Public Talk by Senator Phil Gramm

5:30 PM | Thursday, September 25, 2025

George Bush Presidential Library & Museum

Senator Gramm will discuss his latest book, *“Debunking the Seven Great Myths of American Capitalism.”*

Phil Gramm served 6 years in the U.S. House of Representatives and 18 years in the U.S. Senate. As Chairman of the Banking Committee, Senator Gramm steered through legislation modernizing banking, insurance and securities law. Senator Gramm currently serves as Vice Chairman for Lone Star Funds.



TEXAS A&M UNIVERSITY
Private Enterprise
Research Center

The State of the Economy

Private Enterprise Research Center

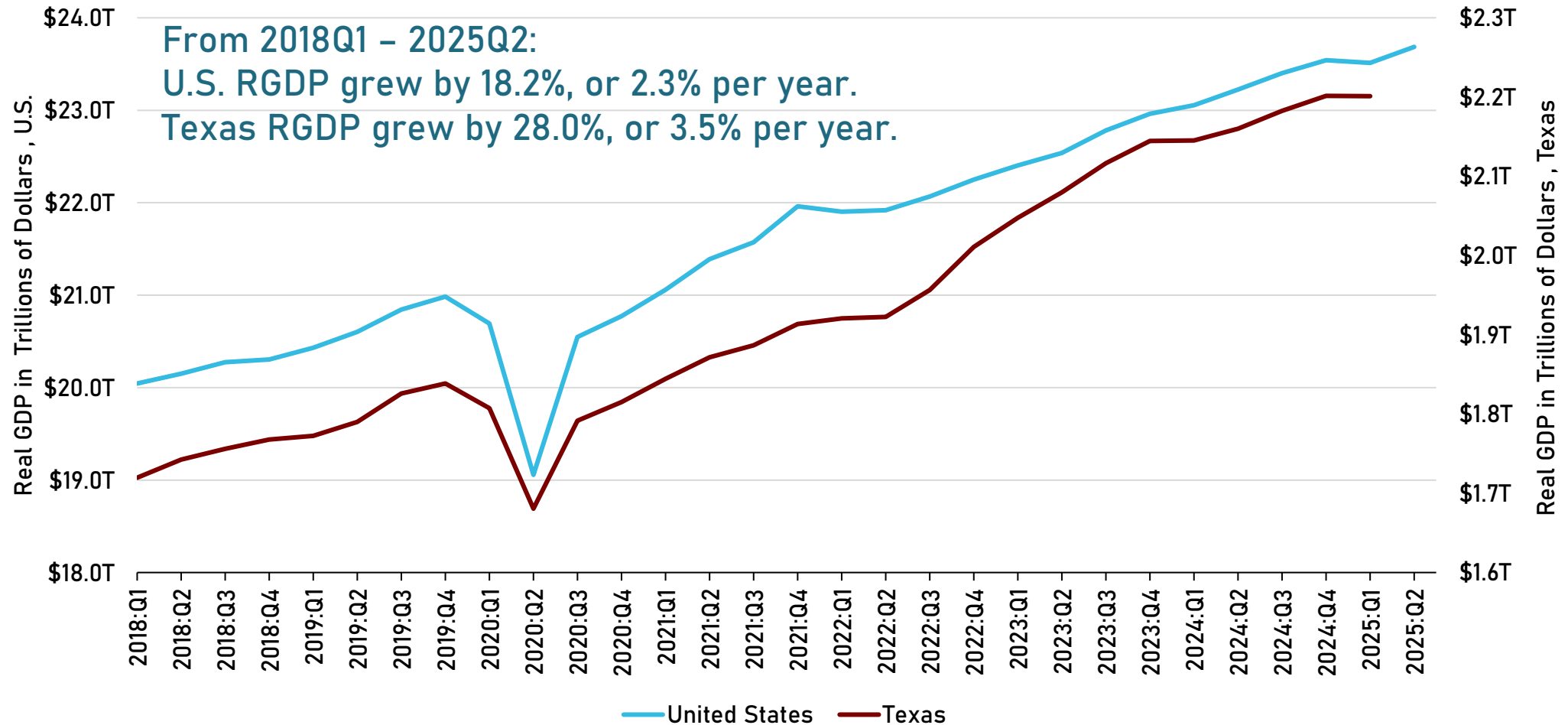
August 20, 2025

Professor Dennis W. Jansen, Director

Jeff Montgomery Professor of Economics and Interim Department Head

U.S. Real GDP 2018Q1 – 2025Q2 & Texas Real GDP 2018Q1 – 2025Q1

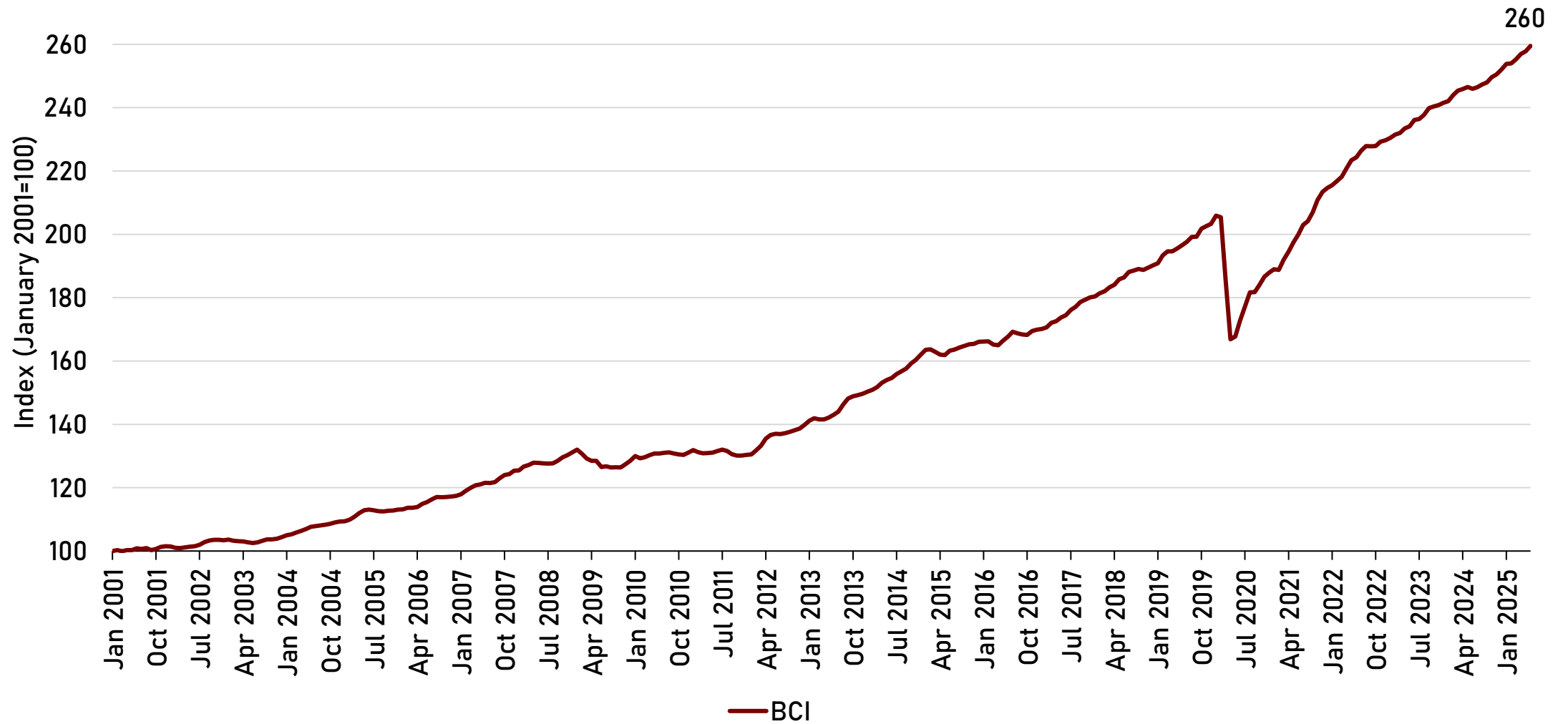
(Trillions of dollars, inflation-adjusted)



Source: Bureau of Economic Analysis, retrieved from Federal Reserve Bank of St. Louis's FRED database.



Business Cycle Index- College Station – Bryan MSA

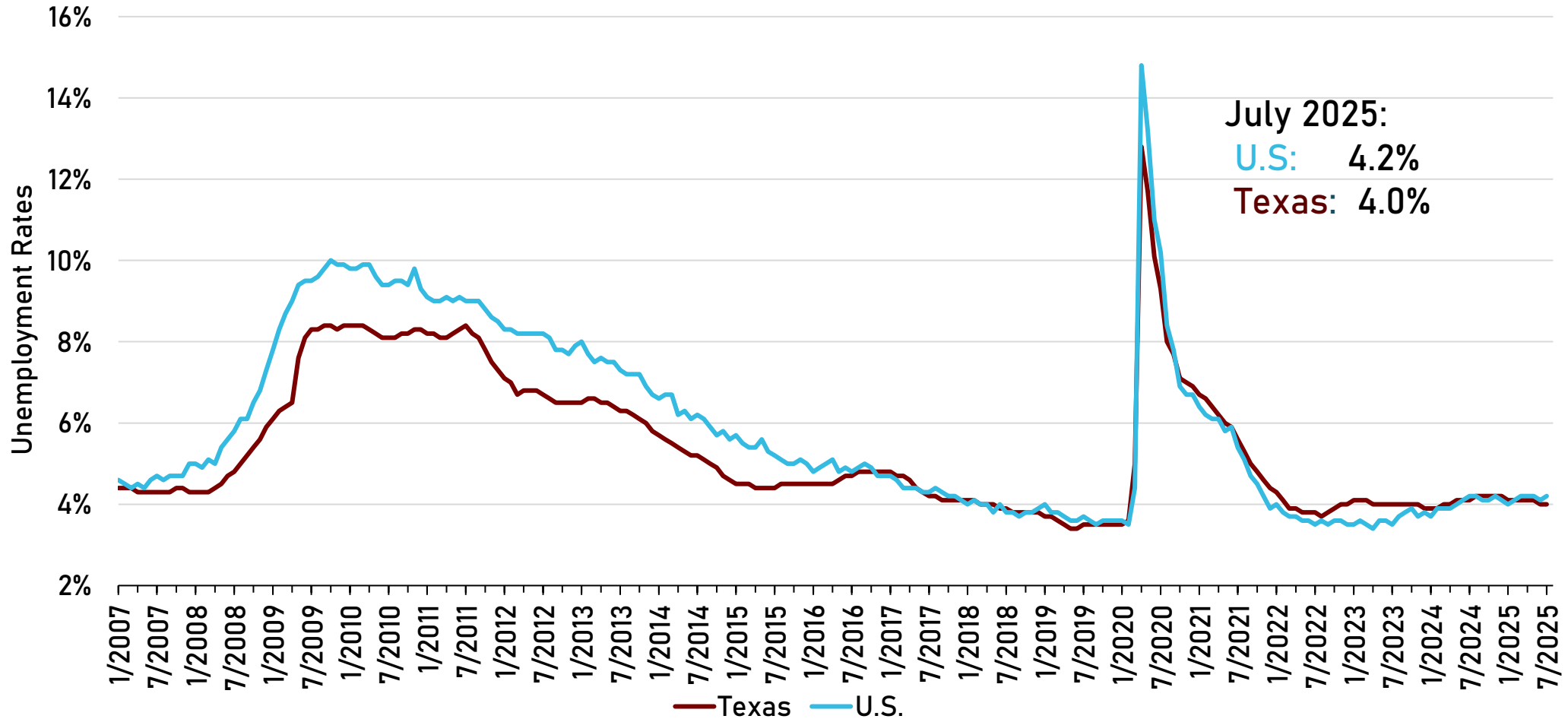


Source: Private Enterprise Research Center.



TEXAS A&M UNIVERSITY
Private Enterprise
Research Center

Unemployment Rates for Texas & the United States, Jan 2007 – July 2025

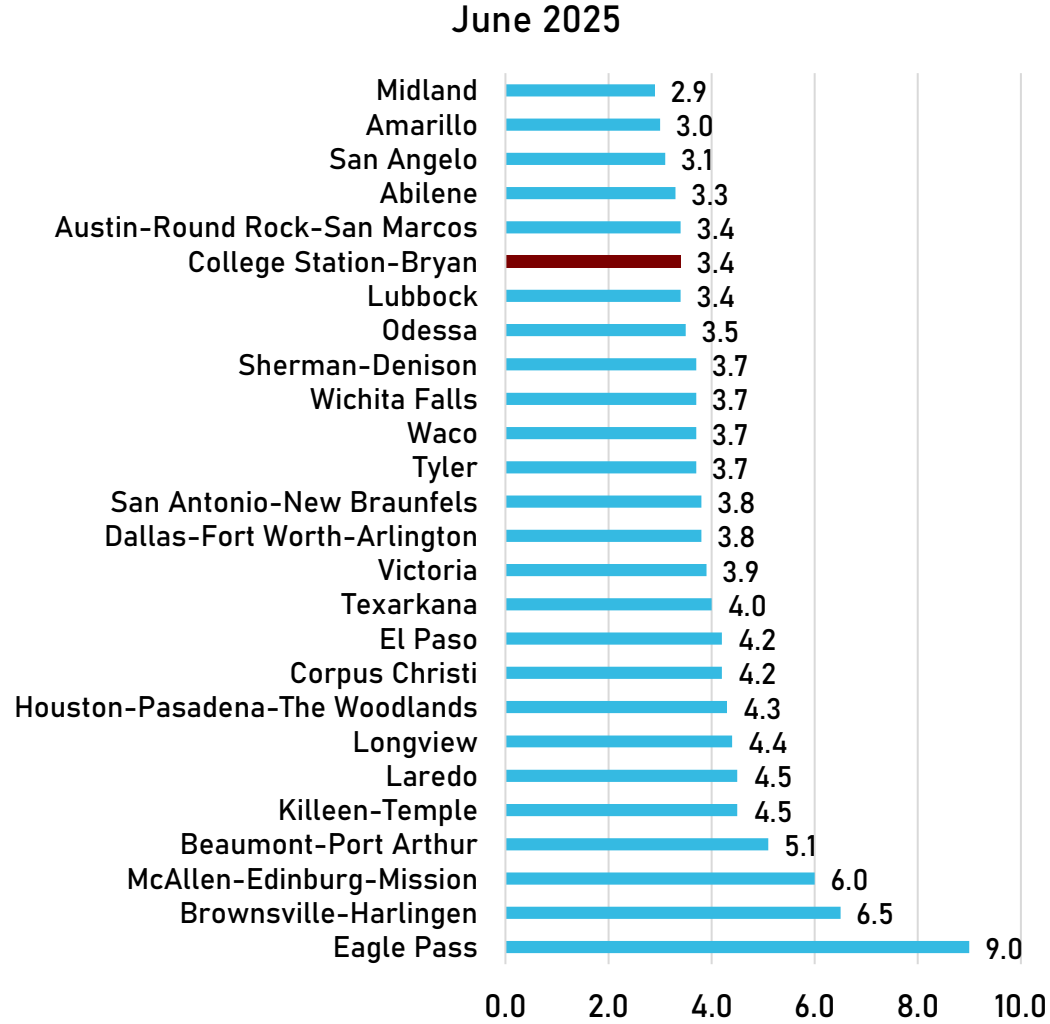
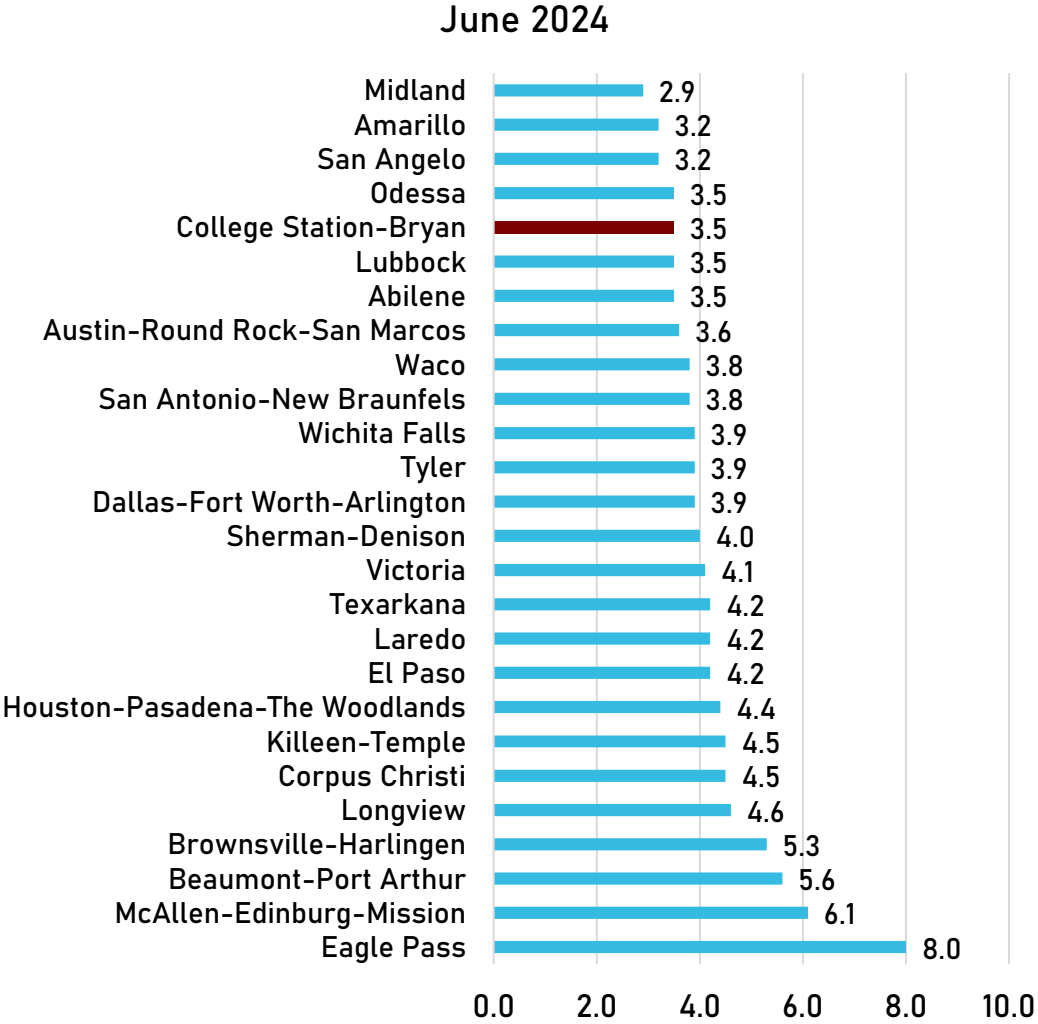


Seasonally Adjusted. Last reported data point: July 2025 for Texas and U.S. Source: Bureau of Labor Statistics and Federal Reserve Bank of St. Louis's FRED database.



TEXAS A&M UNIVERSITY
Private Enterprise
Research Center

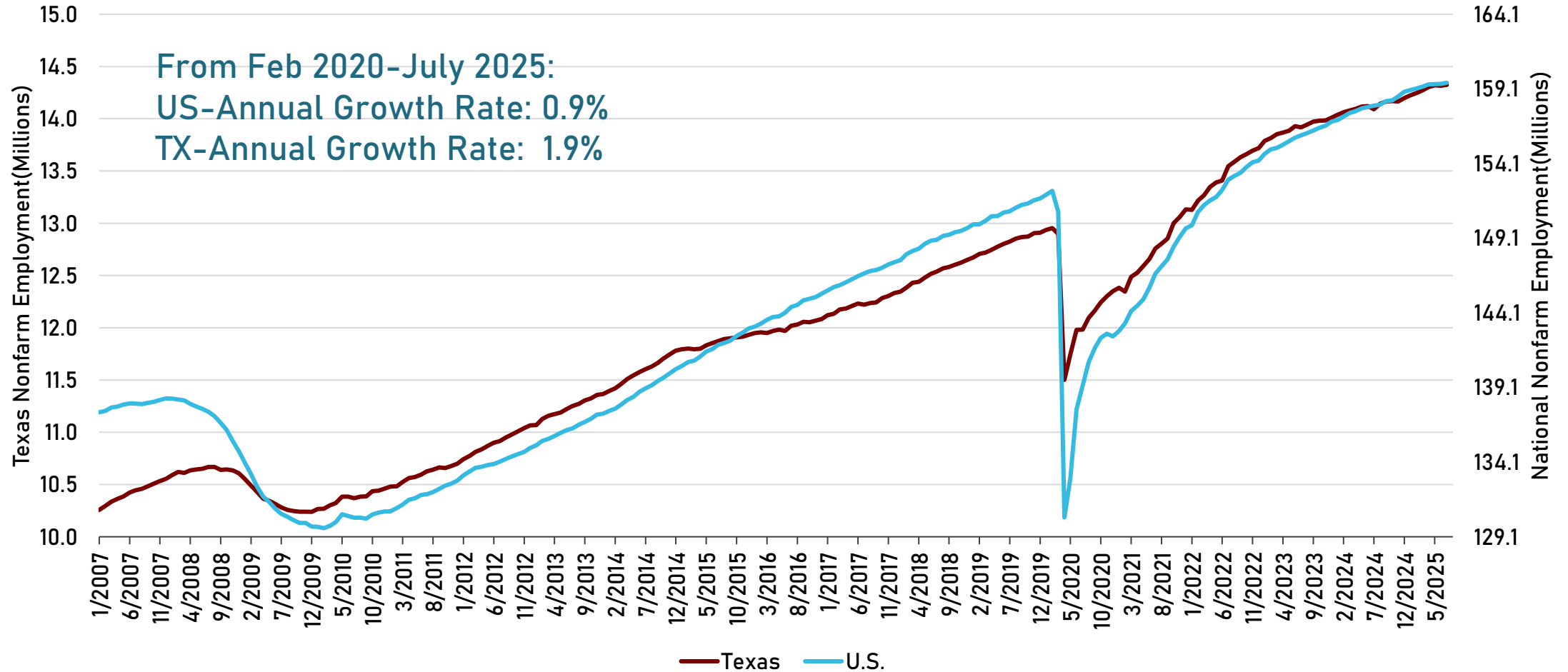
Unemployment Rates in Texas MSAs: June 2024 vs. June 2025



Source: Bureau of Labor Statistics, Local Area Unemployment Statistics, seasonally adjusted, June 2025.

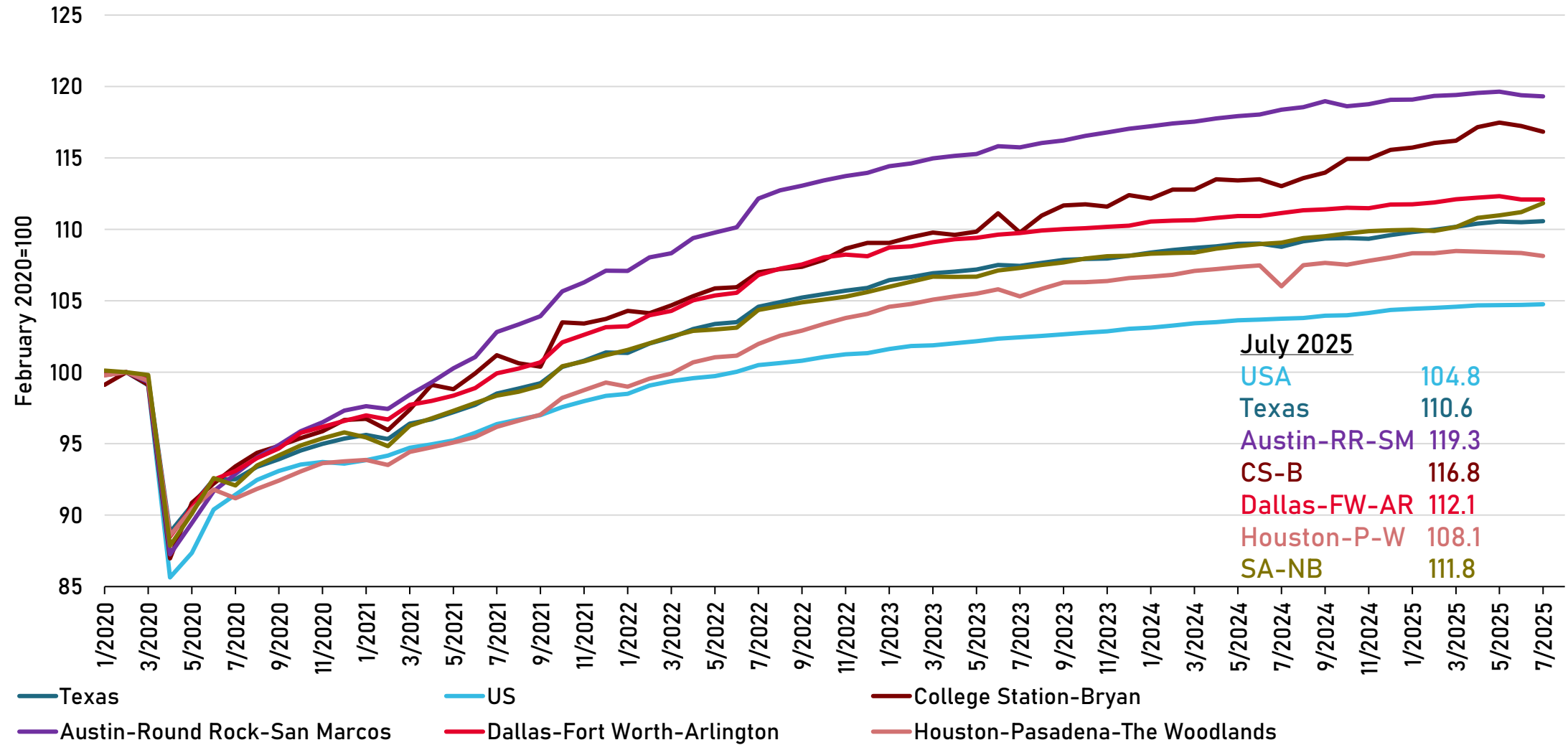
Nonfarm Employment for U.S. and Texas, Jan 2007 – July 2025

Millions



Source: Bureau of Labor Statistics, retrieved from Fred, seasonally adjusted, July 2025 for Texas and U.S.

Indexed Total Nonfarm Employment for U.S., Texas & Select Texas MSAs, Jan 2020 – July 2025

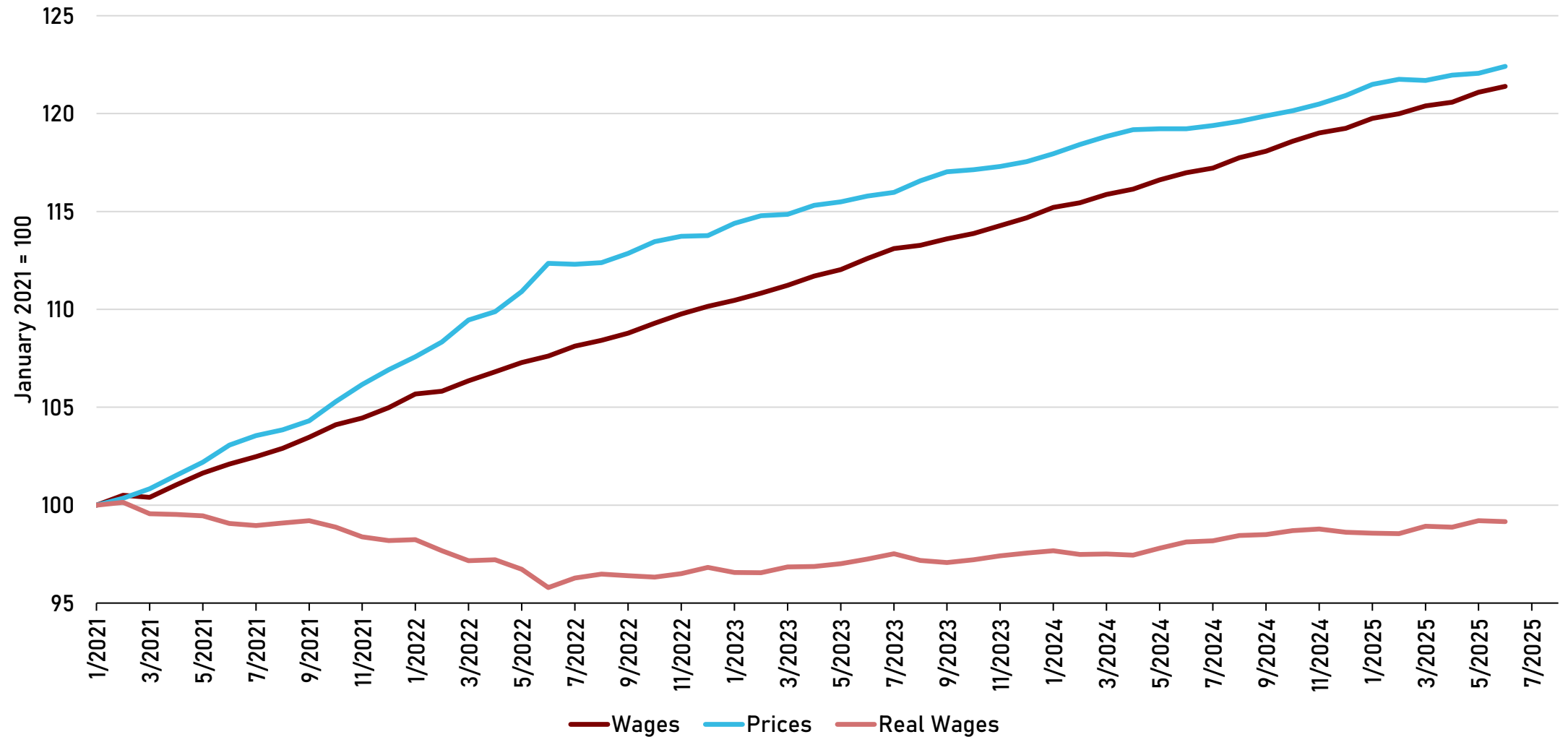


Source: Bureau of Labor Statistics and Federal Reserve Bank of St. Louis.



TEXAS A&M UNIVERSITY
Private Enterprise
Research Center

U.S. Wages, Prices, and Real Wages, Jan 2021 – July 2025

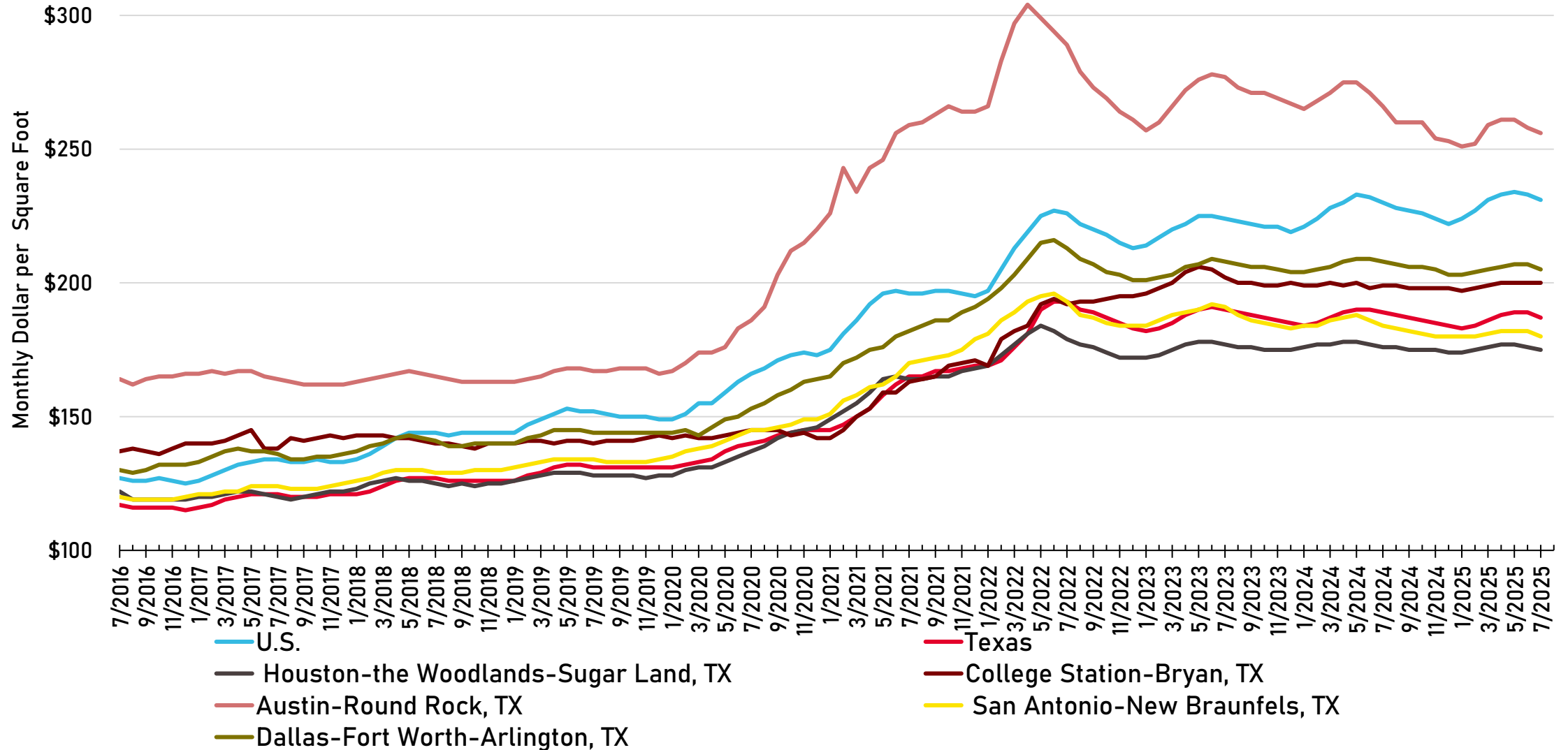


Source: Bureau of Labor Statistics, retrieved from FRED, Federal Reserve Bank of St. Louis.



TEXAS A&M UNIVERSITY
Private Enterprise
Research Center

Median Listing Price Per Square Foot in Texas MSAs, July 2016 – July 2025



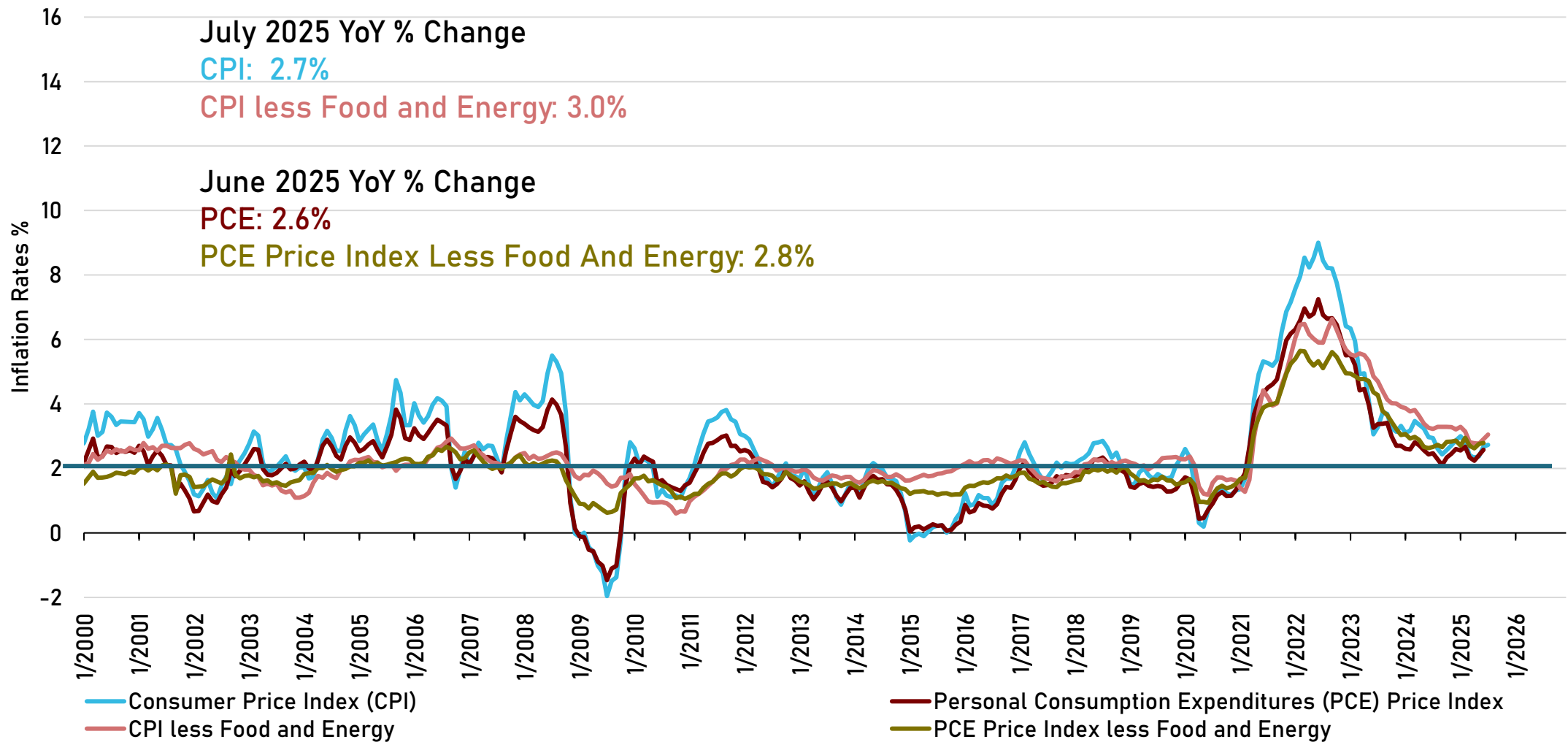
U.S., Texas, and Texas MSAs, Median House Listing Prices Per Square Foot, July 2025

	U.S.	Texas	Austin-Round Rock	College Station-Bryan	Dallas-Fort Worth	Houston-Woodlands-Sugarland	San Antonio-New Braunfels
Feb '20	\$151	\$132	\$170	\$143	\$145	\$130	\$137
July '24	\$230	\$189	\$266	\$199	\$208	\$176	\$184
July '25	\$231	\$187	\$256	\$200	\$205	\$175	\$180
Pct Change 2/20-5/25	53.0%	41.7%	50.6%	39.9%	41.4%	34.6%	31.4%

Source: Realtor.com, retrieved from Federal Reserve Bank of St. Louis



Inflation Rates – Year-Over-Year Percent Change in Price Level, January 2000 – June 2025 (PCE) and July 2025 (CPI)

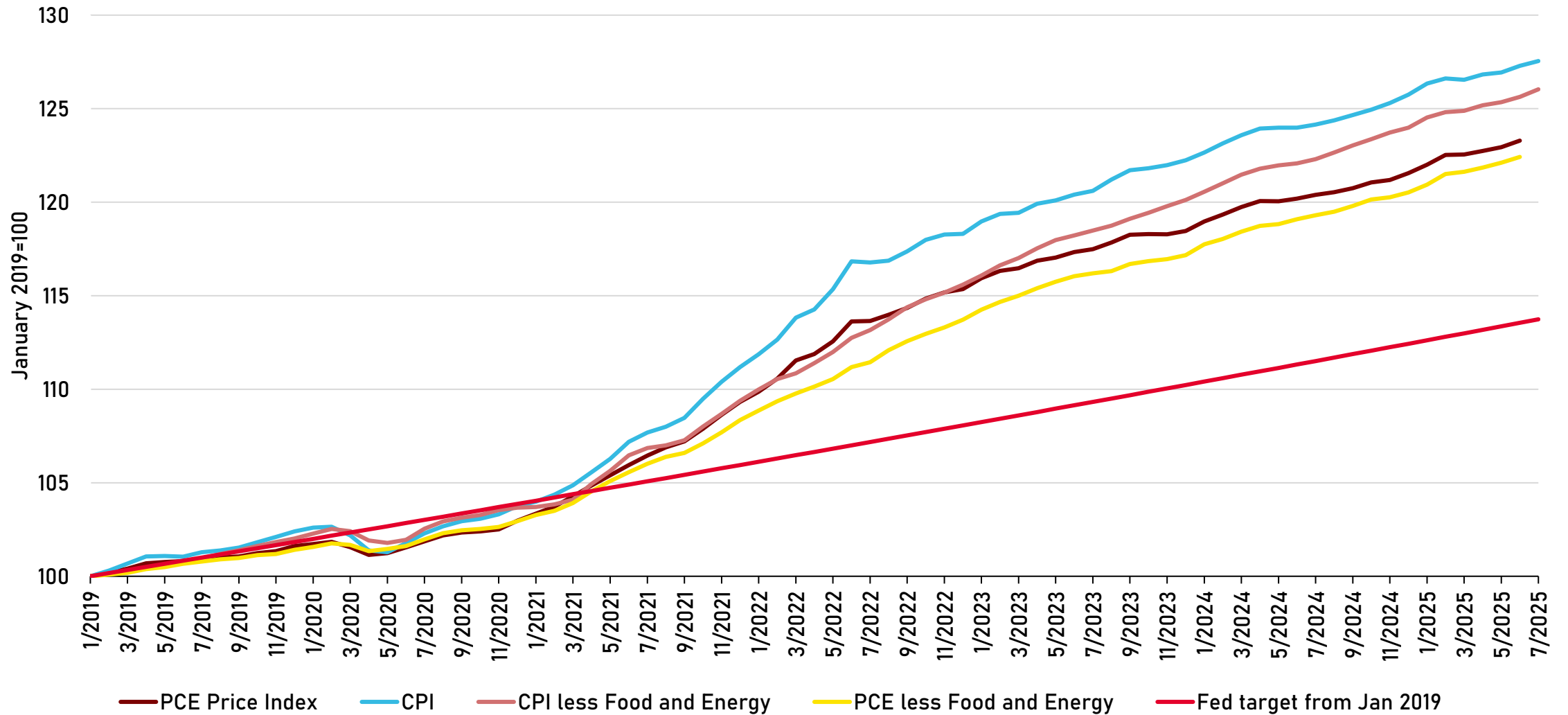


Sources: Consumer Price Index: U.S. Bureau of Labor Statistics, Personal Consumption Expenditures Index: U.S. Bureau of Economic Analysis, retrieved from Federal Reserve Bank of St. Louis.



TEXAS A&M UNIVERSITY
Private Enterprise
Research Center

Normalized Consumer Price Index Measures, January 2019 – June 2025 (PCE) and July 2025 (CPI)



Source: Bureau of Labor Statistics, retrieved from FRED, Federal Reserve Bank of St. Louis.



TEXAS A&M UNIVERSITY
Private Enterprise
Research Center

Most Recent Projections of Federal Reserve System (June 2025)

	2025	2026	2027	Longer Run
Real GDP Growth	1.4% (1.7%)	1.6%(1.8%)	1.8%	1.8%
Unemployment Rate	4.5% (4.4%)	4.5% (4.3%)	4.4% (4.3%)	4.2%
PCE Inflation	3.0% (2.7%)	2.4% (2.2%)	2.1%(2.0%)	2.0%
Federal Funds Rate	3.9%	3.6% (3.4%)	3.4% (3.1%)	3.0%

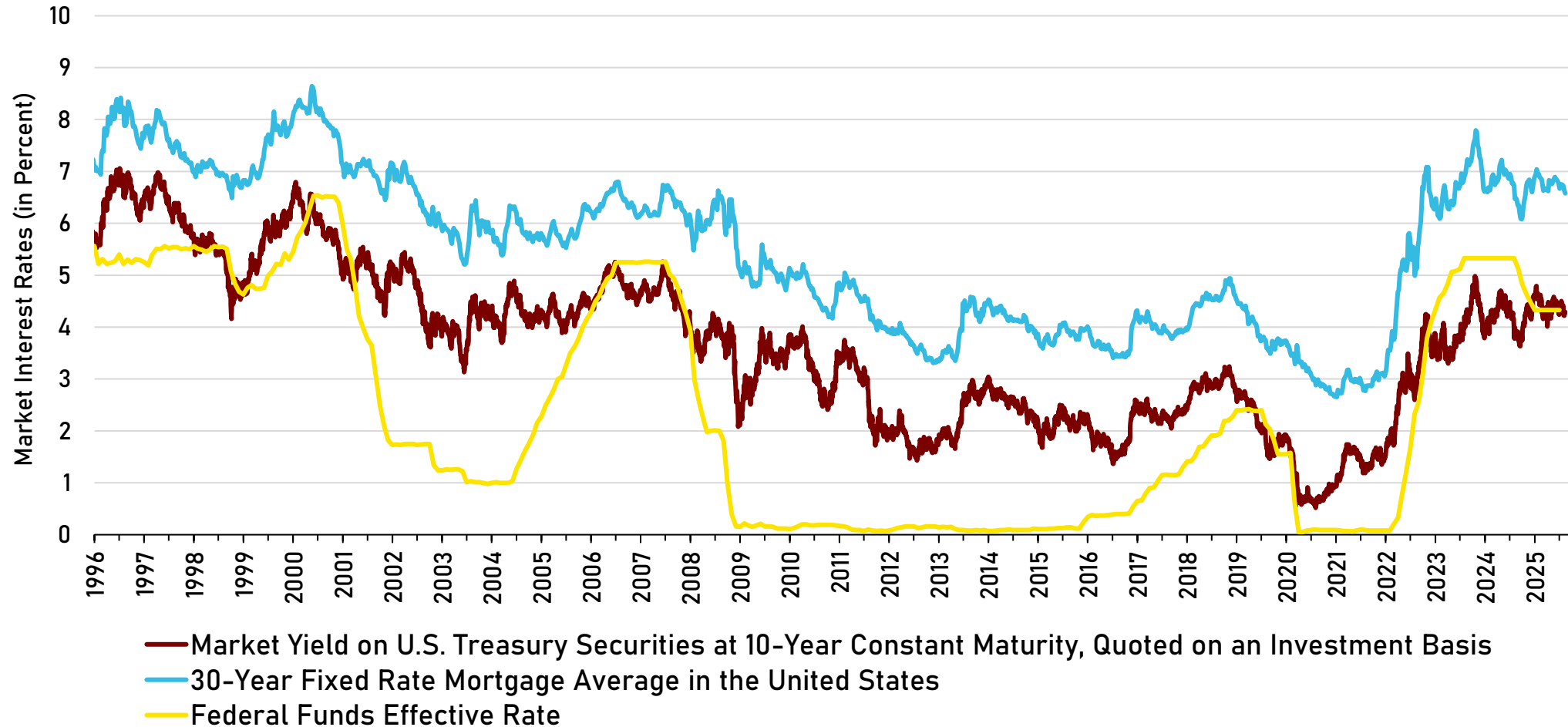
Source: Federal Reserve System.

**Comments: Unemployment rate forecast up. 4.2% is considered “full employment.”
Inflation forecast is up considerably. 2.0% is the long run target.
Fed Funds Rate forecast is up.**



Market Interest Rates: 1996 - August 2025

Mortgage Rate: 6.6% (August 14, 2025), FFR: 4.3% (July 1, 2025), 10 Year Treasury: 4.3% (August 12, 2025)

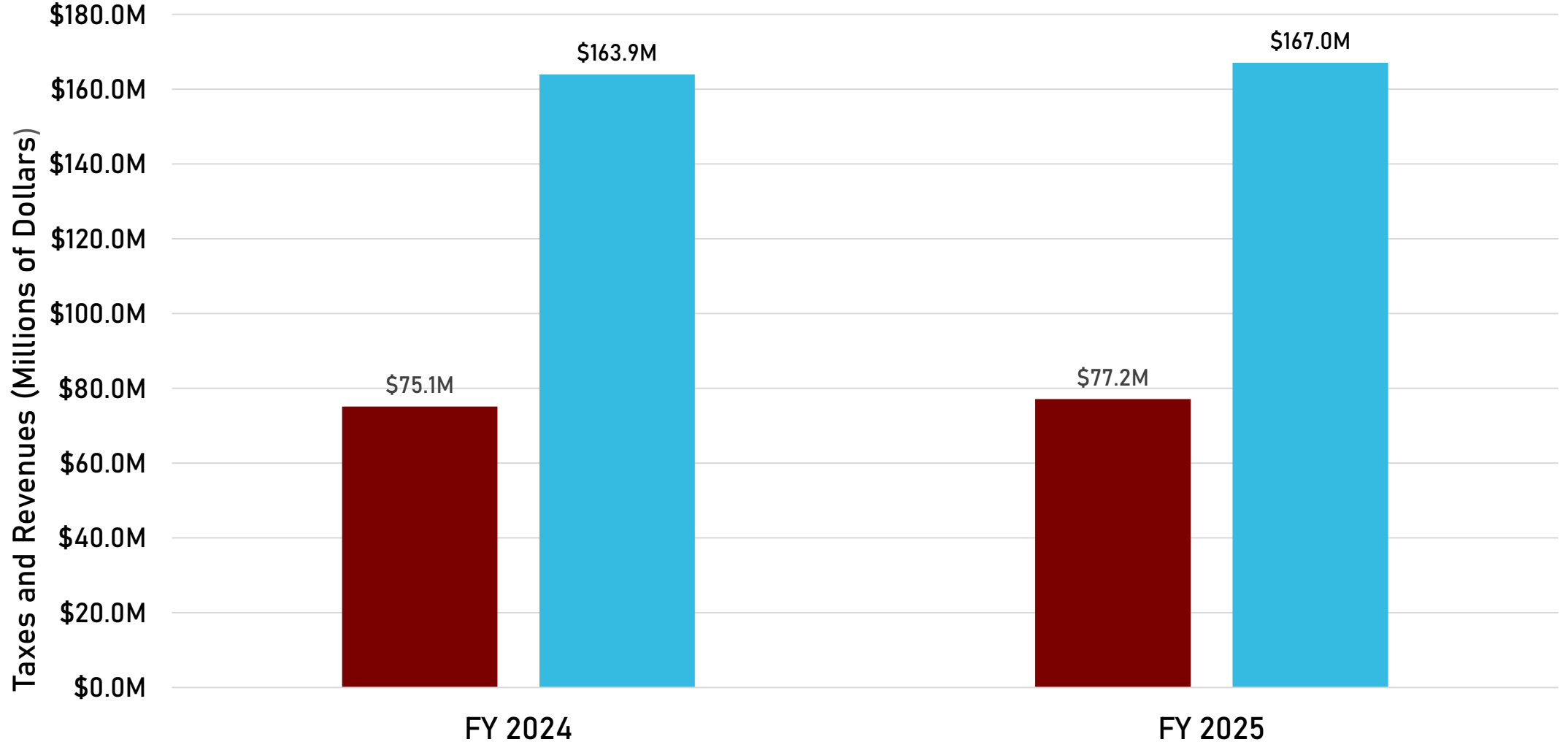


Source: Board of Governors; FHLMC; New York Fed.



TEXAS A&M UNIVERSITY
Private Enterprise
Research Center

Texas State Taxes & Total Revenue FY 2024 and FY 2025 (both through July)



Source: Texas Comptroller.

■ Tax ■ Revenue



TEXAS A&M UNIVERSITY
Private Enterprise
Research Center

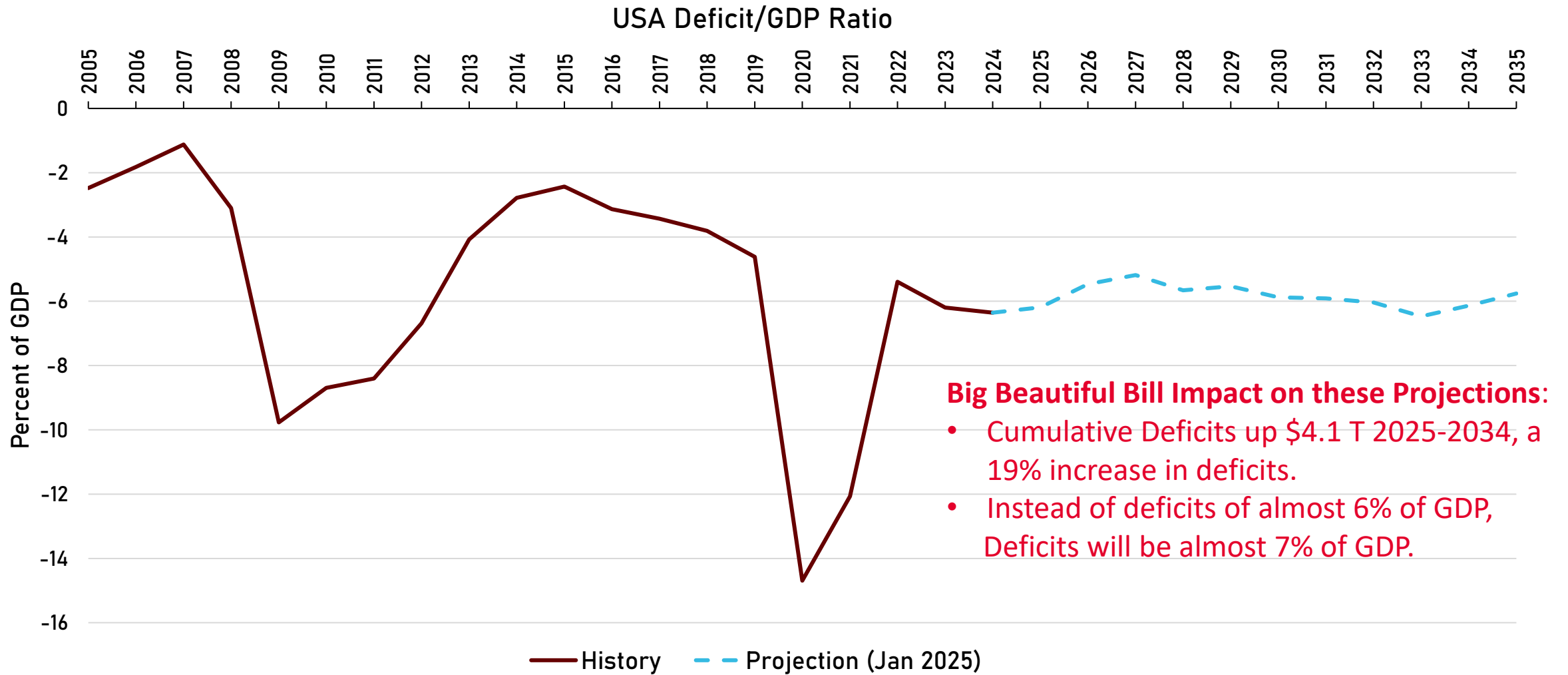
Texas State Taxes & Total Revenue FY 2019-2024 - Nominal

	State Taxes	State Revenue	Population (June Preceding the FY)	Inflation (CPI-August)
FY2019	\$59,380,723	\$127,941,403	28,624,564	256.04
FY2024	\$81,874,230	\$181,117,484	30,727,890	314.13
Pct Change	37.9%	41.6%	6.6%	22.7%

Sources: Texas Comptroller, US Census, Bureau of Labor Statistics, author calculations.



Long Run: Unsustainable Fiscal Policy, Projection through 2035

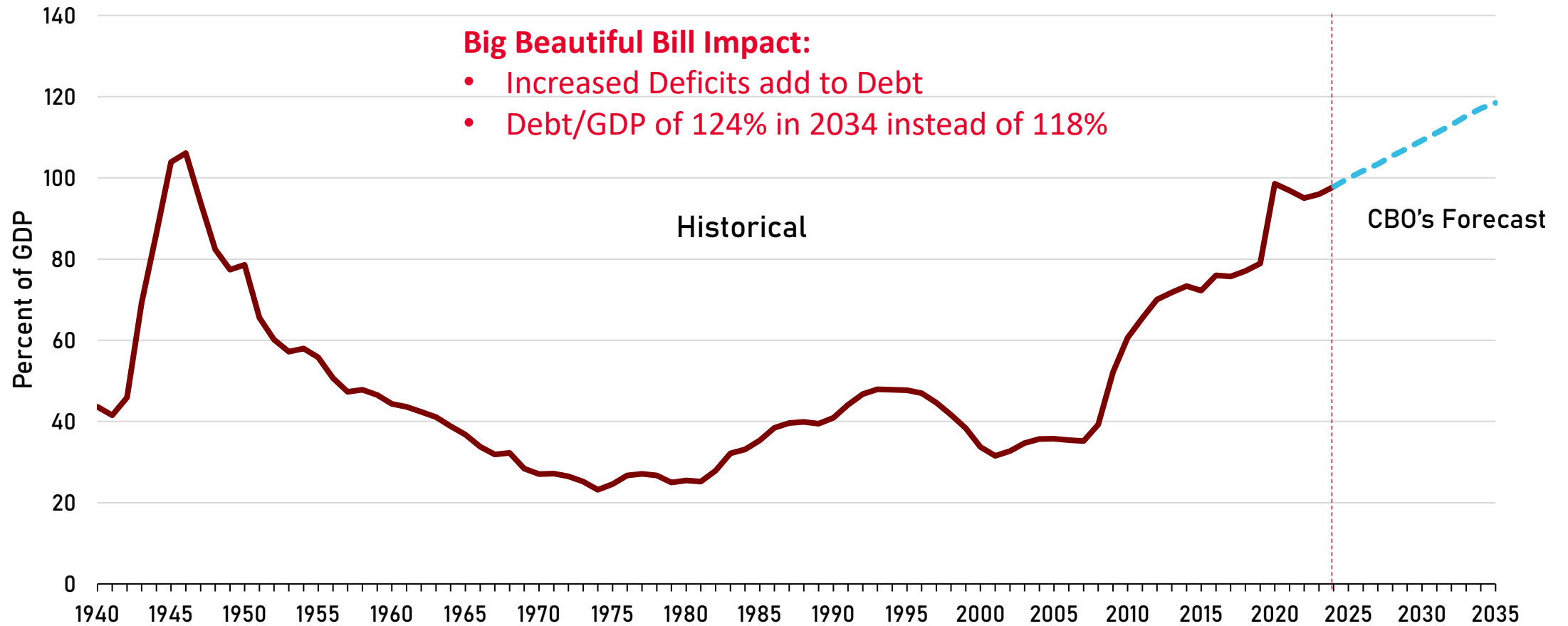


Source: Congressional Budget Office and U.S. Office of Management and Budget.



TEXAS A&M UNIVERSITY
Private Enterprise
Research Center

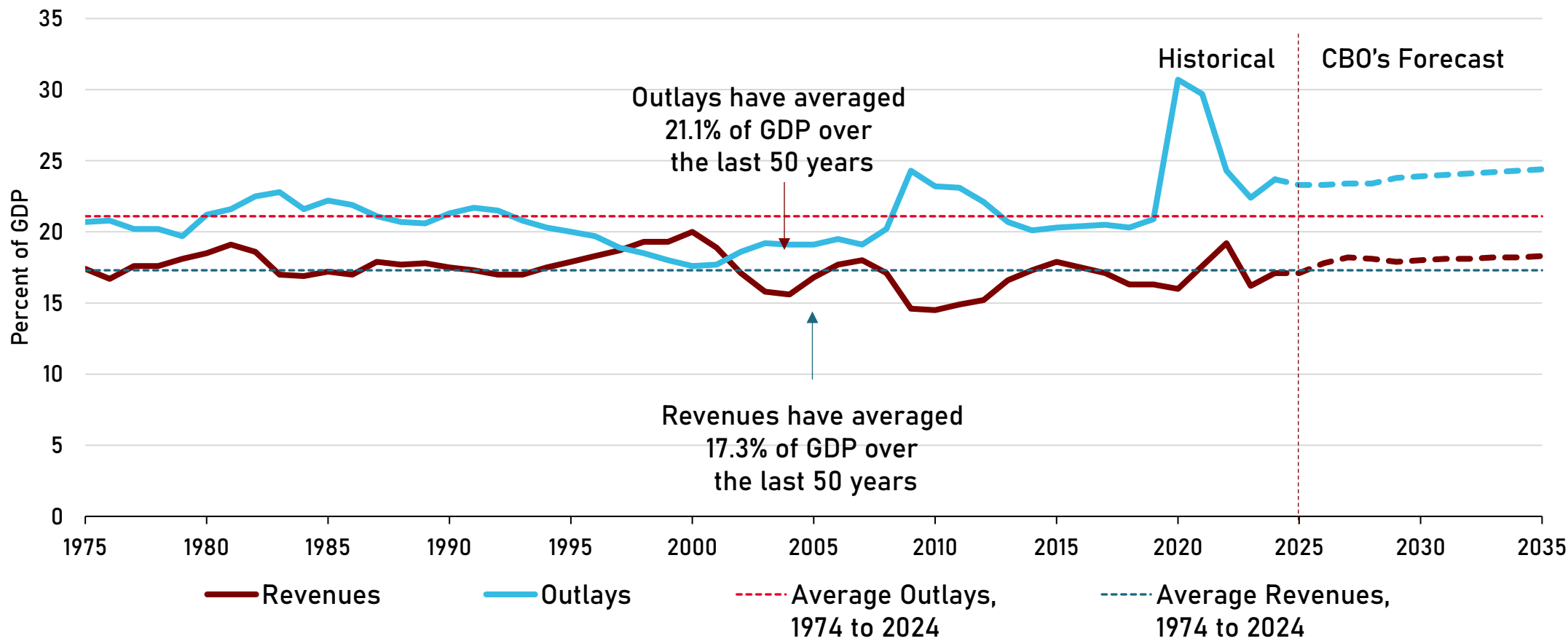
Debt Held by the Public as a Percent of GDP, Projections through 2035



Sources: Congressional Budget Office, The Budget and Economic Outlook 2025 to 2035, Figure 6.

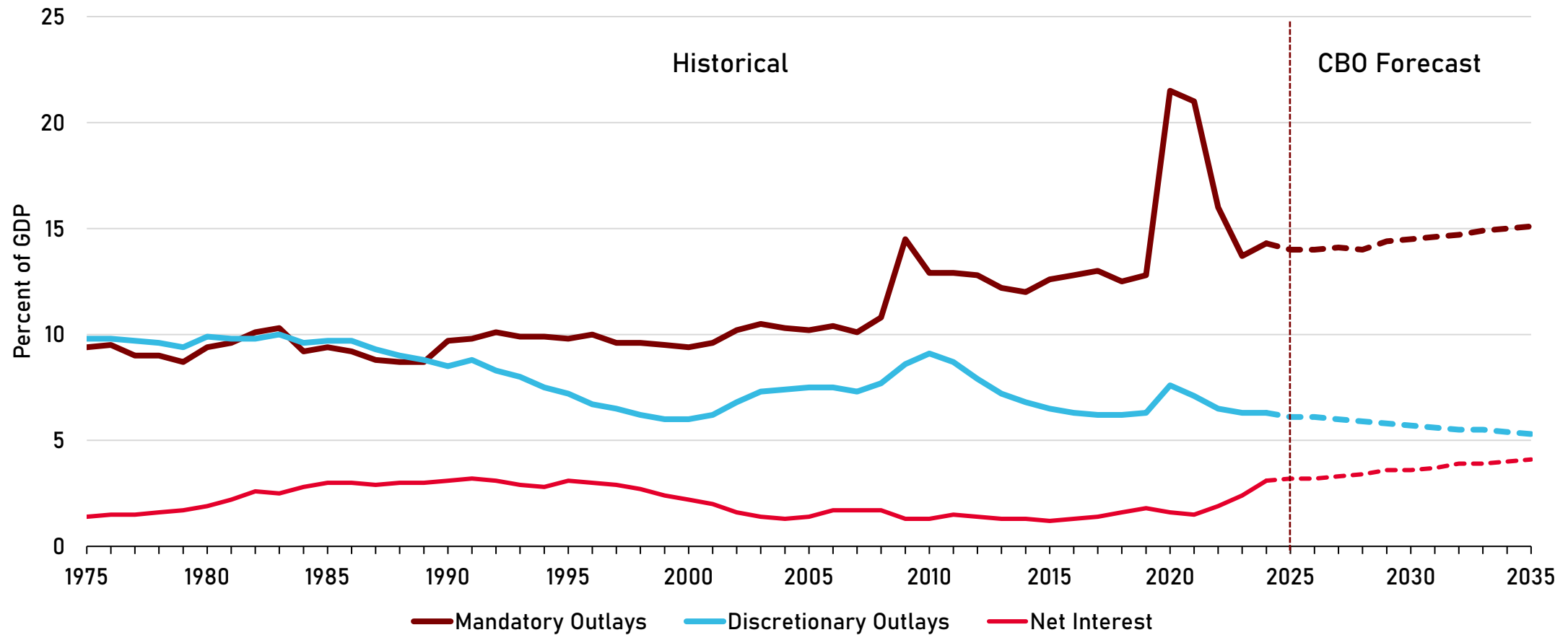


Federal Government Revenues and Outlays as Percentages of GDP



Sources: Office of Management and Budget, Historical Tables, *Budget of the U.S. Government*, Table 1.2 and Congressional Budget Office, *The Budget and Economic Outlook 2025 to 2035*, Figure 1.

Mandatory, Discretionary Outlays, and Net Interest as Percentages of GDP



Sources: Congressional Budget Office, An Update to the Budget and Economic Outlook 2025 to 2035, Figure 2.



Some Thoughts on the Future

- The US and the Texas economies are generally doing well at the moment.
- There are some signs of slowing growth
 - Unemployment slightly up over the year but still at low levels
 - Higher mortgage rates facing new buyers, and low mortgage rates for existing potential sellers, have slowed transactions in the housing market.
 - Inflation rate has declined but is stubbornly above the 2% target
- Texas state budget is in good shape. 89th Legislative session ended June 2, 2025.
- Universities (including TAMU) under some financial pressure on grants front; cuts in grants and cuts in overhead rates.



Concerns Moving Forward

- Federal Reserve and interest rate policy – when will cuts begin?
 - Ongoing inflation over 2% versus signs of slowing economy.
- Tariffs.
 - Uncertainty. Changes in announced rates. Legal challenges.
 - Economic impacts will grow over the coming months.
- Federal Government budget is unsustainable ← #1 problem
 - Taxes and spending decisions on entitlements.
 - Need for more defense spending?
 - Politics.
- International
 - Conflict: Ukraine/Russia, Middle East/Iran, & Taiwan/China

