



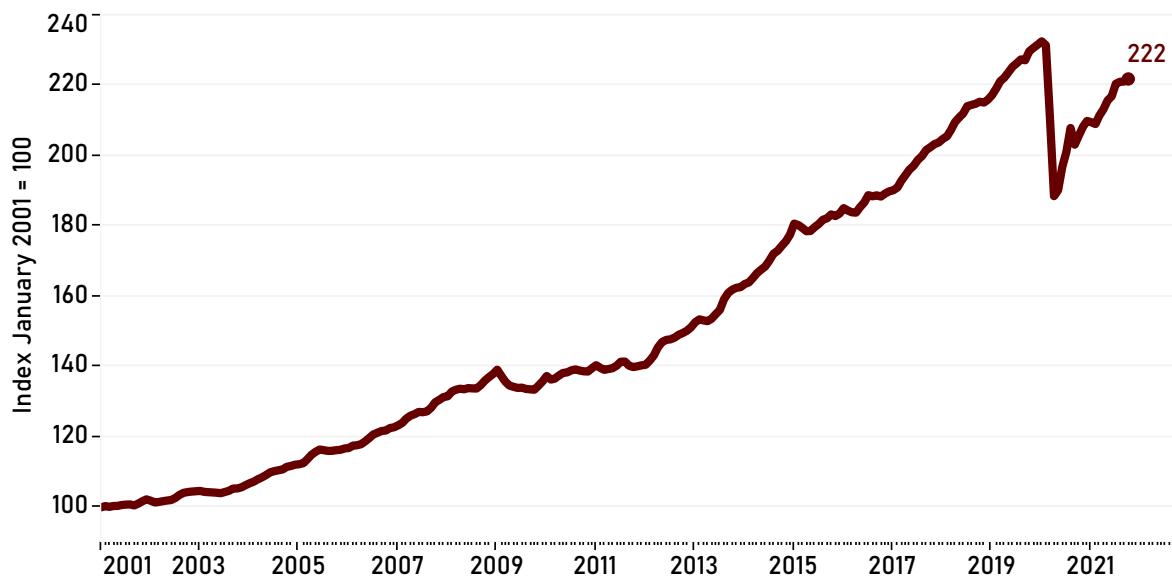
## HIGHLIGHTS

- The Business-Cycle Index increased by 0.3% from September to October 2021.
- The revised local unemployment rate decreased from 4.1 to 4.0% in October.
- Local nonfarm employment increased slightly by 0.1% in October and was 3.8% below its February 2020 pre-pandemic level.
- Real taxable sales increased by 0.5% from September to October and were 4.6% higher than in February 2020.
- Real quarterly wages in College Station-Bryan increased by 5.2% in the second quarter compared to the first quarter of 2021.
- The count of air travelers out of Easterwood Airport in November 2021 was 85% of the November 2019 count.

## THE COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

The October College Station-Bryan Business-Cycle Index stands at 222, as seen in Figure 1. Between September and October, the unemployment rate decreased, nonfarm employment increased slightly, and real taxable sales increased. Recently released real quarterly wages for the second quarter of 2021 also increased.

FIGURE 1. COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

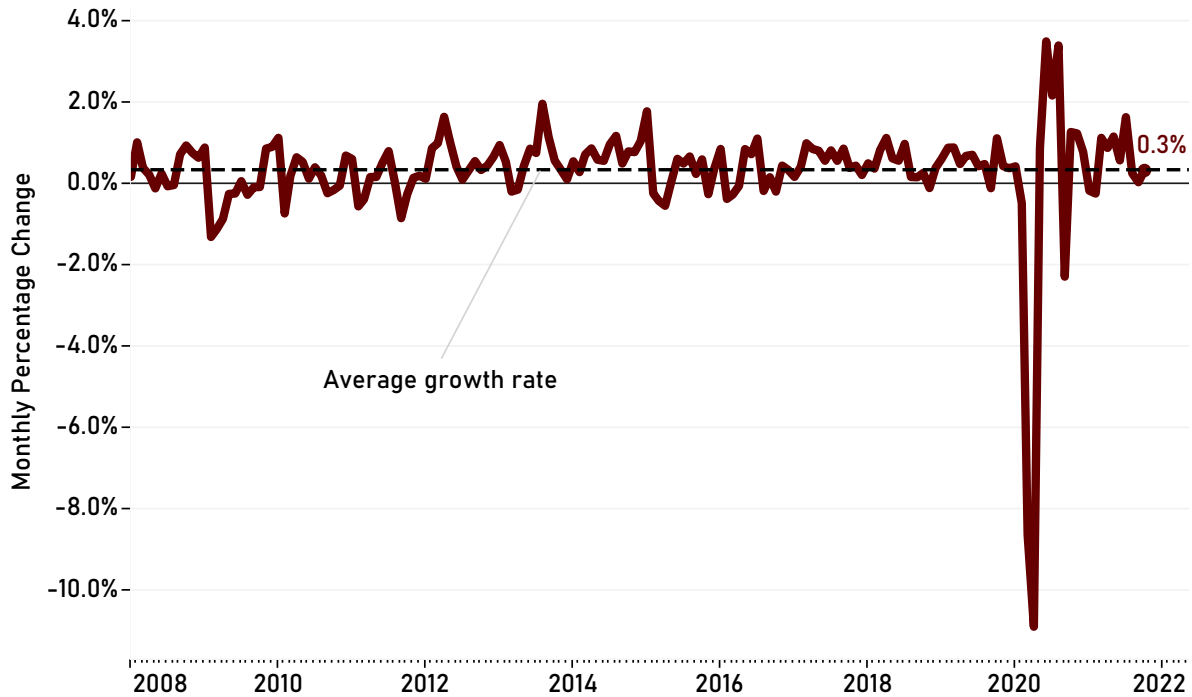


Last reported data point: October 2021 (monthly). Source: Private Enterprise Research Center.

## THE COLLEGE STATION-BRYAN BUSINESS-CYCLE

The CSB Business-Cycle rose 0.3% between September and October. The local unemployment rate decreased to 4.0% in October. Nonfarm employment increased of 0.1% from its revised September value of 119,800 workers to October's value of 119,900. Inflation adjusted taxable sales, the third monthly indicator used in the model, increased by 0.5%. The fourth input in our model, quarterly real wages, was released for the second quarter of 2021 and was up 5.2% from the first quarter.

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

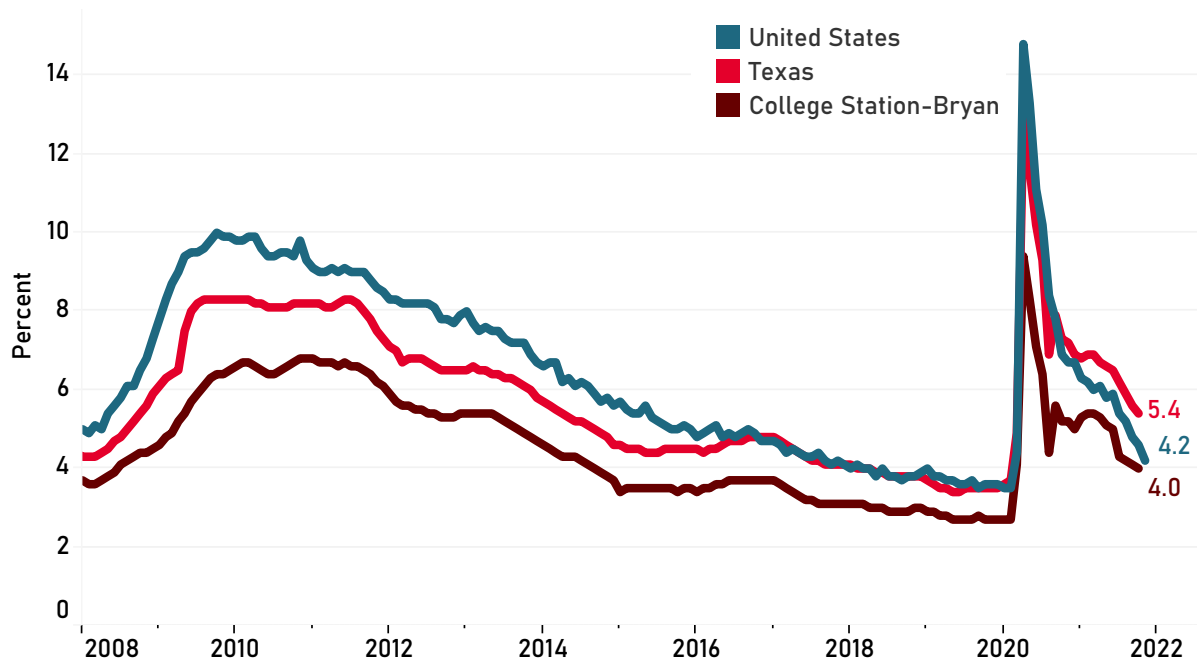


Month-to-month growth rates. Last reported data point: October (monthly). Source: Private Enterprise Research Center.

## UNEMPLOYMENT RATE

Figure 3 shows the unemployment rates for College Station-Bryan, the state of Texas, and the U.S. beginning in January 2008. The revised unemployment rate in College Station-Bryan decreased to 4.0% in October from 4.1% in September. The statewide rate for Texas decreased from 5.6% in September to 5.4% in October. The national rate was 4.6% in October. The national unemployment rate, already available for November 2021, decreased for the fifth consecutive month to 4.2%.

FIGURE 3. UNEMPLOYMENT RATE



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

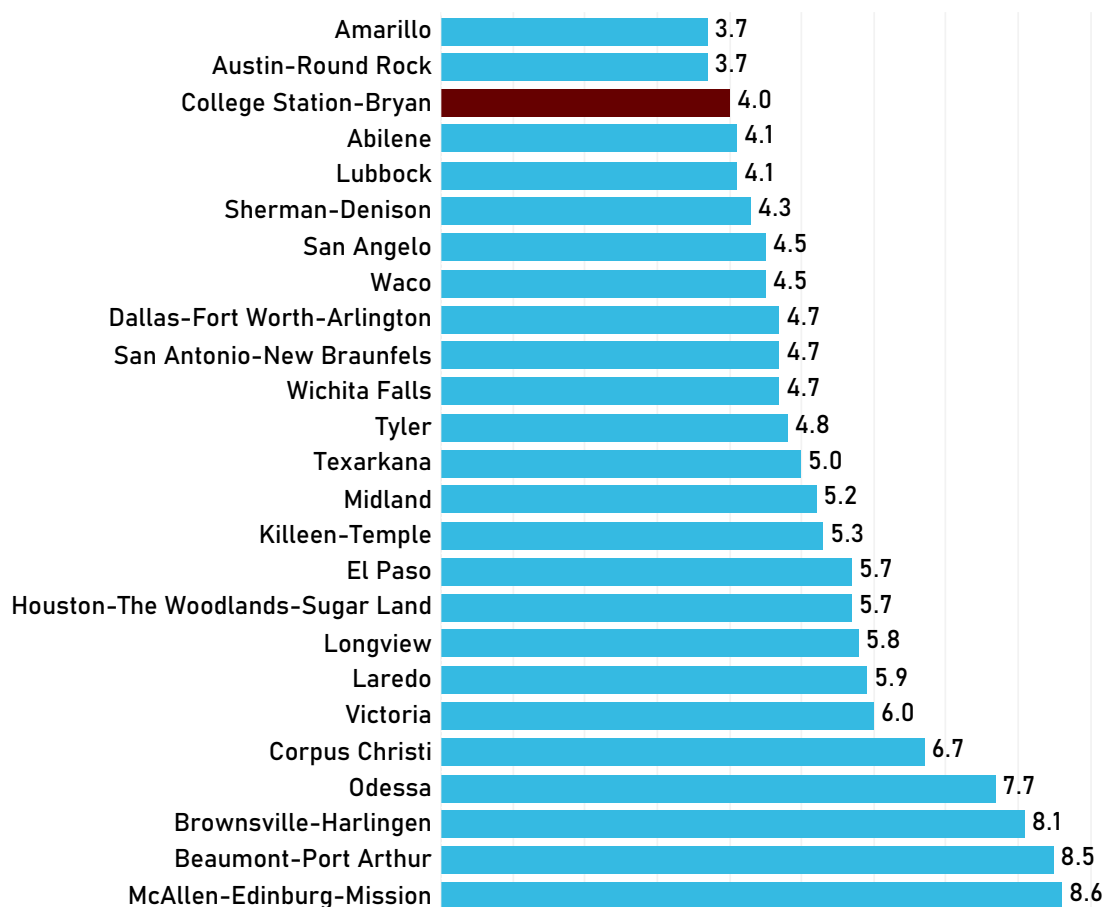
### FOCUS ON THE COLLEGE STATION-BRYAN MSA

This month we present October's unemployment rates in Texas MSAs. We also track how nonfarm employment has changed relative to its pre-pandemic levels for the College Station-Bryan MSA, other Texas MSAs, for the state and for the U.S. For the local area, we investigate how employment by industry has changed since February 2020. Lastly, we present the monthly counts of air travelers out of Easterwood Airport since January 2019.

### TEXAS MSA UNEMPLOYMENT RATES

Figure 4 depicts all Texas MSA unemployment rates for October 2021. At 3.7%, Amarillo and Austin-Round Rock held the lowest unemployment rates in Texas. College Station-Bryan MSA's rate was the third lowest at 4.0%. Two MSAs with high unemployment rates rely heavily on the oil and gas industry for employment. Beaumont-Port Arthur had the highest unemployment rate at 8.5%, and Odessa had the fourth highest rate at 7.7%. McAllen-Edinburg-Mission and Brownsville-Harlingen's unemployment rates of 8.6% and 8.1% were the second and third highest, respectively. As noted, Austin-Round Rock had the lowest unemployment rate among the four largest MSAs at 3.7%. Dallas-Fort Worth-Arlington and San Antonio-New Braunfels followed, both at 4.7%. Houston-The Woodlands-Sugar Land again had the highest rate in this group at 5.7%.

**FIGURE 4. UNEMPLOYMENT RATES IN TEXAS MSAs, OCTOBER 2021**



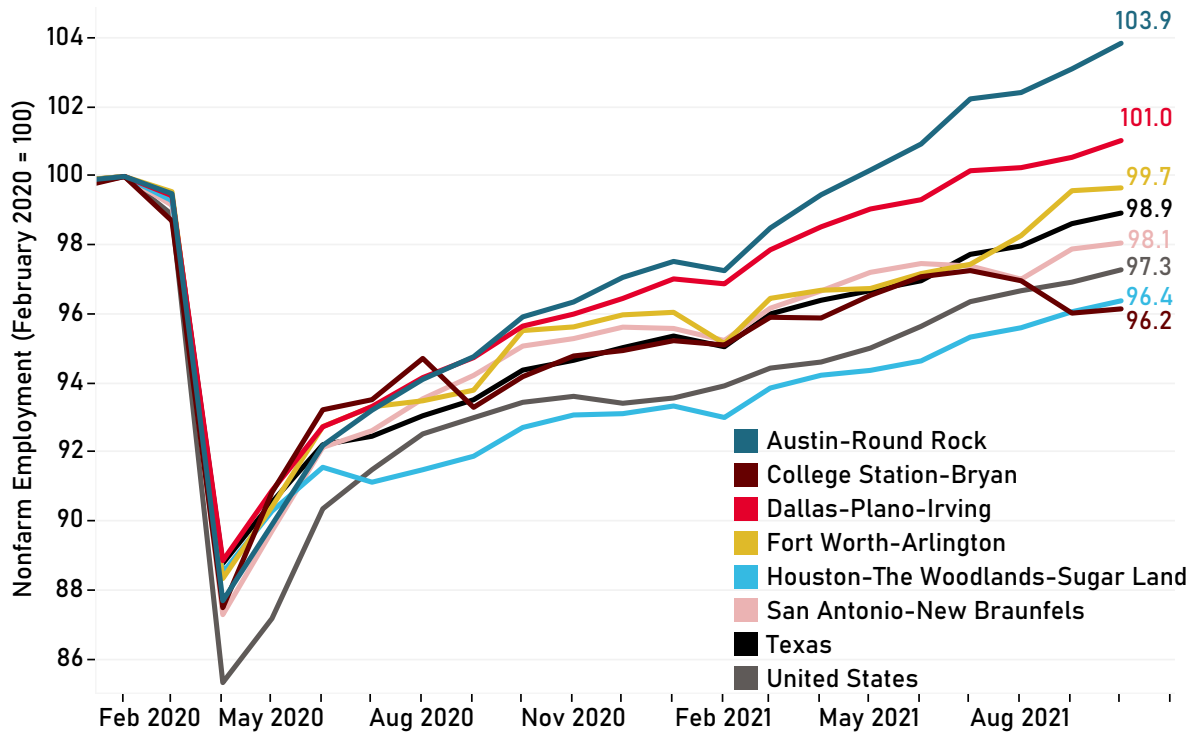
Source: Bureau of Labor Statistics, Local Area Unemployment Statistics, seasonally adjusted, October 2021.

## NONFARM EMPLOYMENT

Figure 5 depicts how nonfarm employment levels in selected Texas MSAs, the state, and the nation have changed relative to their pre-pandemic levels as of February 2020. Employment in the Austin-Round Rock MSA has grown the most and, as of October, was 3.9% higher than in February 2020. By October, employment in Dallas-Plano-Irving exceeded its pre-pandemic level by 1%. Fort Worth's employment in October had essentially rebounded to its pre-pandemic level, standing at 99.7% of its employment in February 2020. Across the state, employment was 98.9% of its pre-pandemic level. This compares favorably to the nation as a whole, where employment is 97.3% of its pre-pandemic level. October's employment in San Antonio-New Braunfels was 98.1% of February 2020's level while employment nationally was 97.3%. Houston-The Woodlands-Sugarland's October employment was 96.4% of its pre-pandemic employment. Local employment was 96.2% of its pre-pandemic level, or 3.8% lower.

The local area's lower employment rebound has trailed the rebound elsewhere, while at the same time it has had one of the lowest unemployment rates in the state throughout the pandemic. The low unemployment rate combined with the slower employment rebound indicates that the local labor force has declined relative to its pre-pandemic level. Part of the explanation of the low unemployment rate alongside the lower employment level is in the way students are counted. Students who leave their jobs are not recorded as unemployed and consequently, the labor force declines.

**FIGURE 5. INDEXED NONFARM EMPLOYMENT IN SELECT TEXAS MSAs**



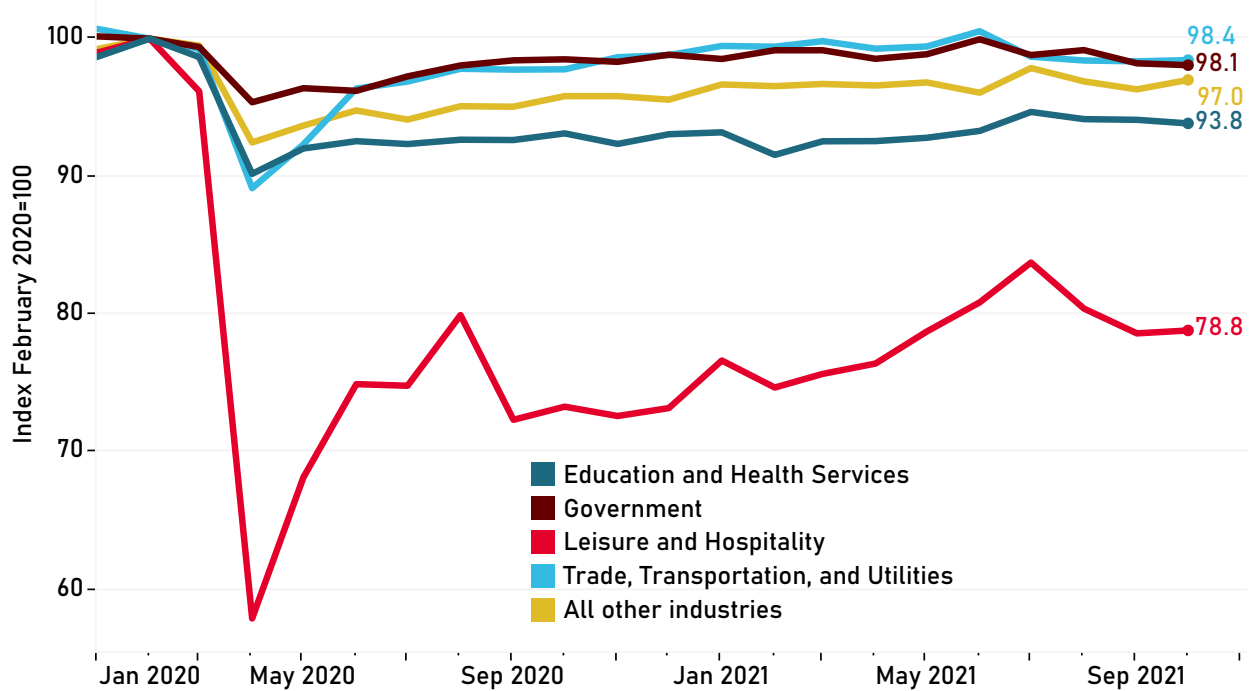
Source: Bureau of Labor Statistics, Retrieved from Federal Reserve Bank of Dallas.

### EMPLOYMENT BY INDUSTRY IN THE COLLEGE STATION-BRYAN MSA

Figure 6 illustrates how employment levels in each of the local area’s four largest industries have changed relative to their pre-pandemic levels. The remaining industries are included in the ‘All Other’ category. In October, employment in Trade, Transportation, and Utilities along with Government employment were above 98% of their pre-pandemic levels. Government employment includes employment at Texas A&M University. October’s employment in All Other Industries was 97% of employment in February 2020, while employment in Education and Health Services was 93.8%.

As has been the case throughout the pandemic, local Leisure and Hospitality employment remains the furthest from its pre-pandemic level at 78.8% in October. Nationally and in Texas, employment levels in this industry group in October were much closer to their pre-pandemic levels at 92% and 93.2%, respectively. The slower rebound in this industry’s local employment reflects a substantial departure from the state and national trends. This accounts for the lower relative total nonfarm employment in October in the local area when compared to pre-pandemic employment.

**FIGURE 6. INDEXED EMPLOYMENT BY INDUSTRY IN COLLEGE STATION-BRYAN MSA**



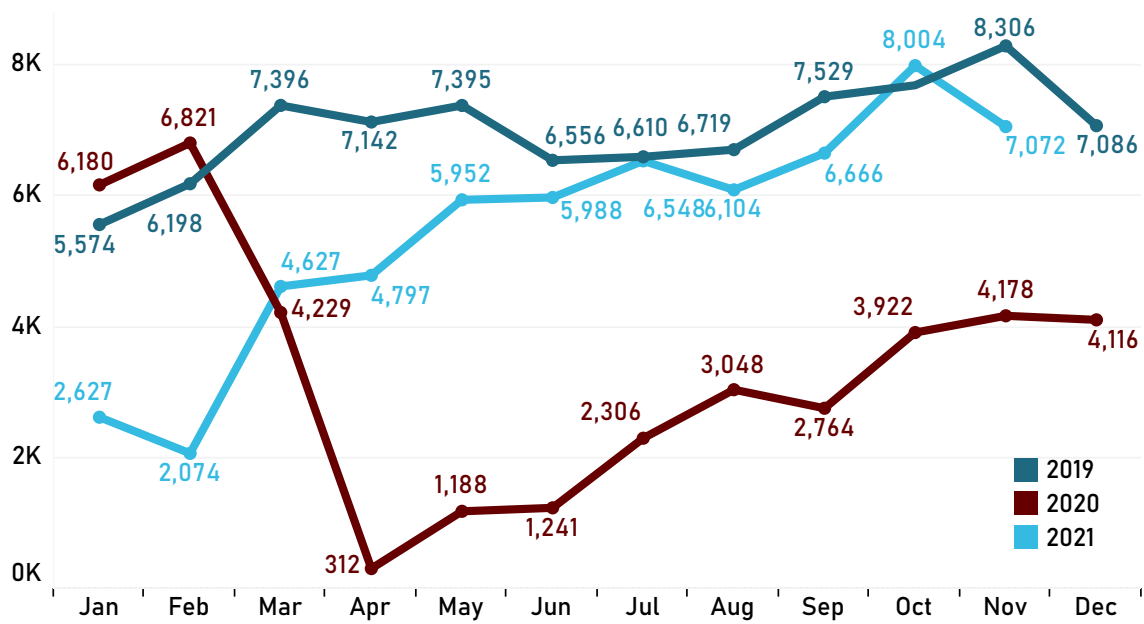
Source: Bureau of Labor Statistics, retrieved from FRED, Federal Reserve Bank of St. Louis.

### AIR TRAVEL OUT OF EASTERWOOD AIRPORT

The counts of travelers out of Easterwood Airport from January 2019 to November 2021 are shown in Figure 7. Local air travel during 2020 was 48% of travel in 2019. The number of travelers out of Easterwood Airport from January to November of 2021 was 78% of the count for the same months of 2019. Local air travel in November 2021 was down 15% compared to the November 2019 count. In October of this year, the local count exceeded the October 2019 count by 4%. American Airlines’ traveler count in November was about the same as its count in November of 2019, but United Airlines’ traveler count in November was only 62% of the count in November 2019.

As discussed in November’s issue of Economic Indicators, United Airlines will end service to and from Easterwood Airport on January 3, 2022 as part of a broader reduction in its service to regional airports. Local competition will be reduced in the coming months and United travelers will lose flexibility. November’s traveler count is a prelude to how travel out of Easterwood will be impacted in the near term by the departure of United Airlines.

FIGURE 7. ENPLANEMENTS AT EASTERWOOD AIRPORT BY MONTH, 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 December 13, 2021.

### **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>

### **Nonfarm Employment by Industry**

U.S. Bureau of Labor Statistics, State Employment and Unemployment, in College Station-Bryan, TX (MSA) [COLL748NA], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/graph/?g=BSLs>

### **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>

## 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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