



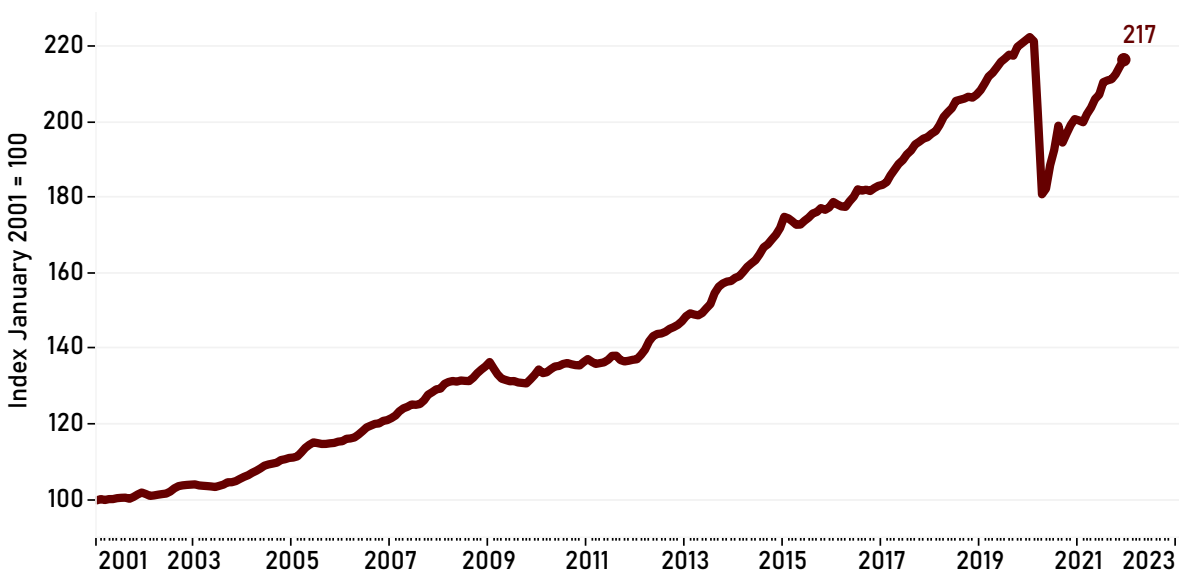
HIGHLIGHTS

- The Business-Cycle Index increased by 0.8% from November to December 2021.
- The local unemployment rate decreased to 3.8% in December from 3.9% in November.
- Local nonfarm employment increased by 0.6% in December and was 2.5% lower than its pre-pandemic high in February 2020.
- Local real taxable sales slightly decreased 0.6% from November to December 2021 but were 14.7% higher than the same month in 2020.
- Nationally, the total number of air travelers in 2021 rebounded to 69% of the 2019 count, with November and December rising to 84% of the same months in 2019.

THE COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

The College Station-Bryan Business-Cycle Index increased to 217 in December, as seen in Figure 1. The increase resulted from a decrease in the unemployment rate, an increase in nonfarm employment, and despite a decline in inflation-adjusted taxable sales.

FIGURE 1. COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

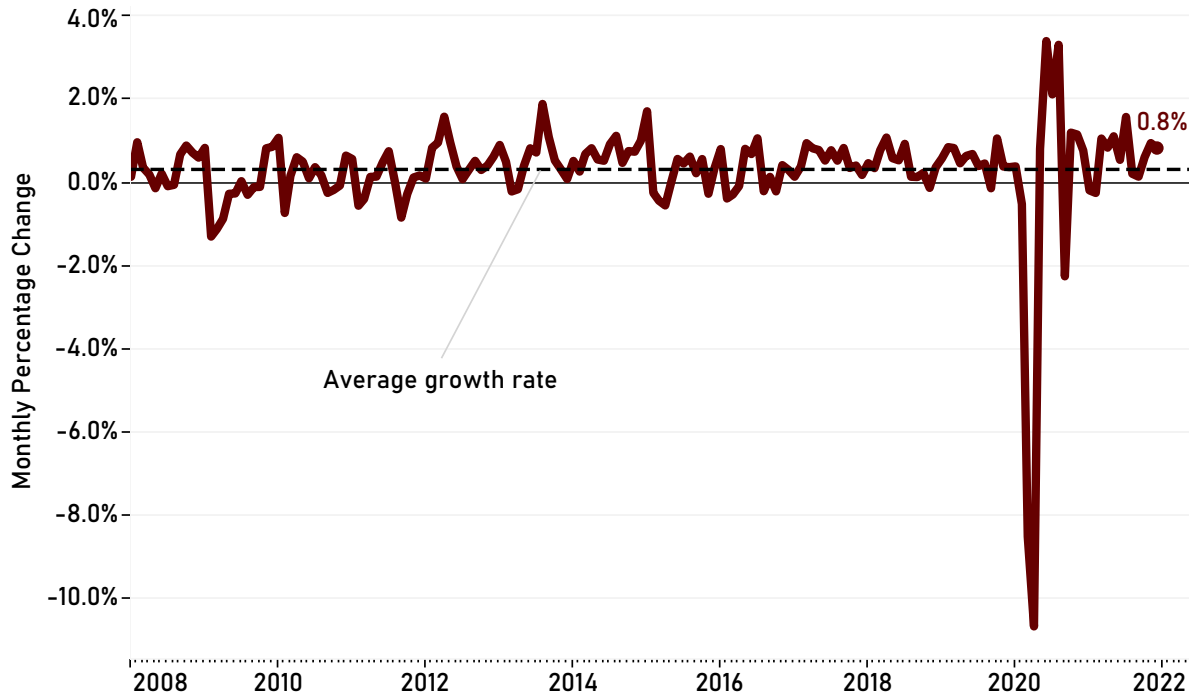


Last reported data point: December 2021 (monthly). Source: Private Enterprise Research Center.

THE COLLEGE STATION-BRYAN BUSINESS-CYCLE

The CSB Business-Cycle increased 0.8% from November to December. The local unemployment rate decreased from 3.9% in November to 3.8% in December. Nonfarm employment showed a modest increase of 0.6% from 120,900 workers in November to 121,600 in December. The third monthly indicator used in estimating the business-cycle, inflation adjusted taxable sales, decreased 0.6% between November and December. The fourth indicator, quarterly total wages, remained unchanged.

FIGURE 2. COLLEGE STATION-BRYAN BUSINESS-CYCLE

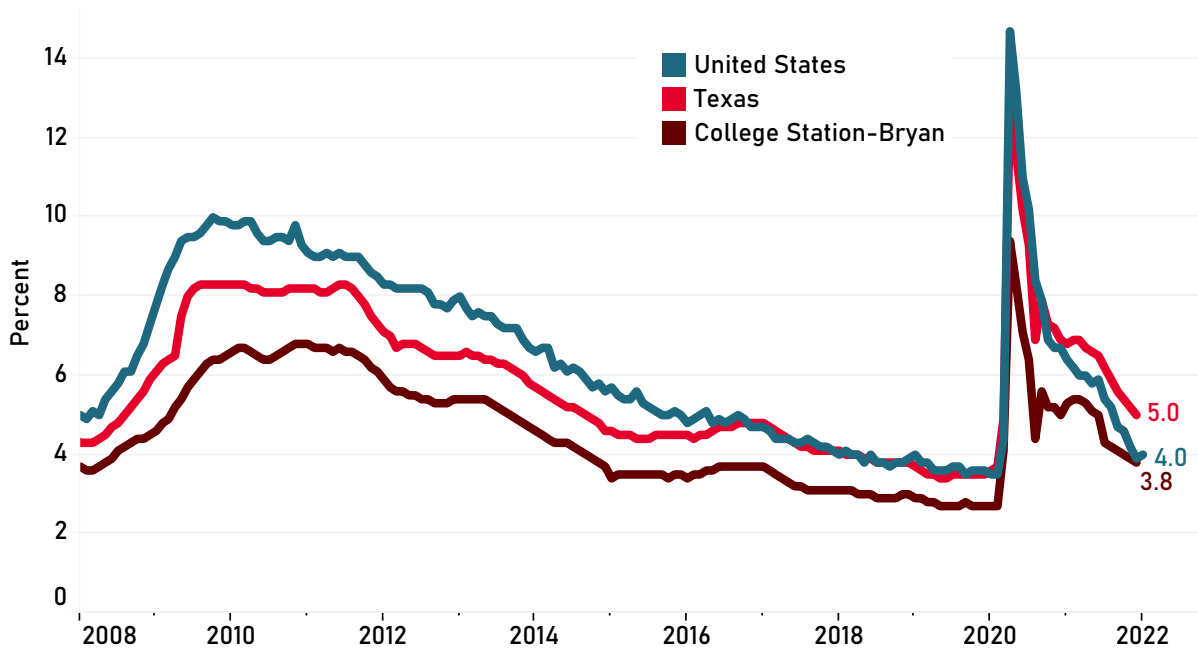


Month-to-month growth rates. Last reported data point: December 2021 (monthly). Source: Private Enterprise Research Center.

UNEMPLOYMENT RATE

Figure 3 shows the unemployment rates for College Station-Bryan, Texas, and the U.S. from January 2008 to December 2021. The unemployment rate in College Station-Bryan and in Texas both decreased in December. As mentioned, the local unemployment rate decreased to 3.8% in December from 3.9% in November. The state rate decreased from 5.2% in November to 5.0% in December. The national rate is available up to January 2022 and shows an uptick from 3.9% to 4.0%. The state and metropolitan area unemployment rates for January will be released by the Bureau of Labor Statistics on March 14 and March 18, respectively.

FIGURE 3. UNEMPLOYMENT RATE



Seasonally adjusted. Last reported data point: December 2021 for Texas and College Station-Bryan, January 2022 for the national unemployment rate (monthly). Source: Bureau of Labor Statistics.

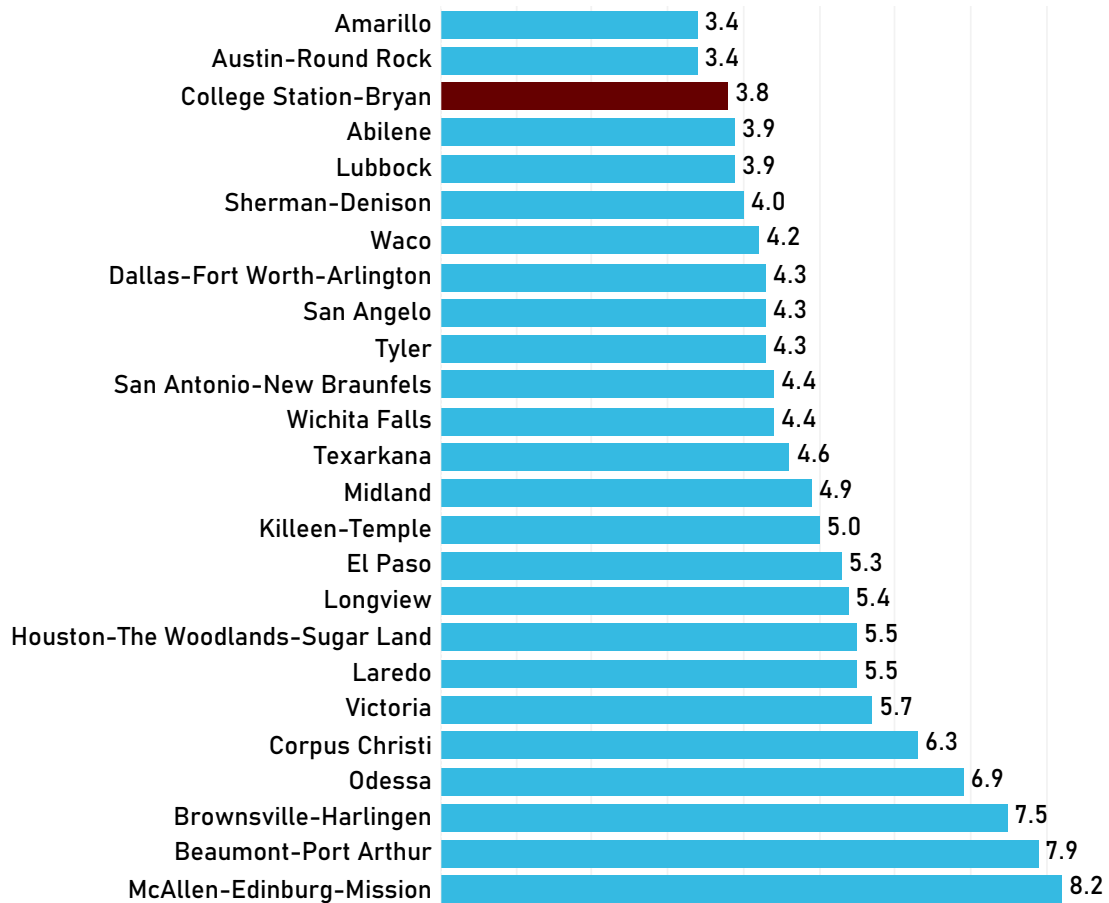
FOCUS ON THE COLLEGE STATION-BRYAN MSA

This month we present the unemployment rates in the Texas MSAs for December, identify the long-run movements in local taxable sales and nonfarm employment, and discuss local and national air travel.

TEXAS MSA UNEMPLOYMENT RATES

Figure 4 depicts all Texas MSA unemployment rates for December 2021. College Station-Bryan MSA's rate of 3.8% in December was third-lowest to Amarillo and Austin-Round Rock's 3.4%. McAllen-Edinburg-Mission, Beaumont-Port Arthur, and Brownsville-Harlingen had the three highest December rates at 8.2%, 7.9%, and 7.5%, respectively. Austin-Round Rock had the lowest unemployment rate among the four largest MSAs, Dallas-Fort Worth-Arlington's rate was 4.3%, San Antonio-New Braunfels recorded a rate of 4.4% and Houston-The Woodlands-Sugar Land again had the highest rate in this group at 5.5%.

FIGURE 4. UNEMPLOYMENT RATES IN TEXAS MSAs, DECEMBER 2021

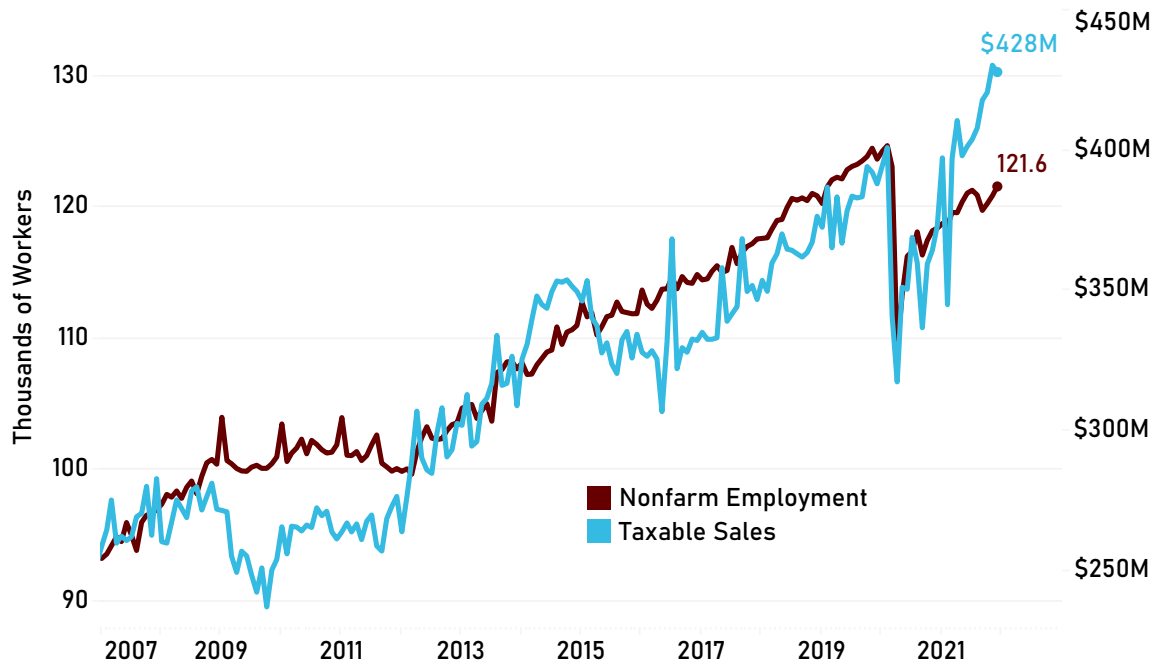


Source: Bureau of Labor Statistics, Local Area Unemployment Statistics, seasonally adjusted, December 2021.

NONFARM EMPLOYMENT & REAL TAXABLE SALES IN COLLEGE STATION-BRYAN

Nonfarm employment and inflation-adjusted taxable sales in the College Station-Bryan MSA from January 2008 to the present are depicted in Figure 5. As seen in the figure, these series move similarly through time, and their patterns are reflected in the Business-Cycle Index. After the Great Recession, both series experienced slow growth for a number of years, but from the beginning of 2012 to February 2020, nonfarm employment grew steadily, while the growth in taxable sales was more variable. As of December 2022, inflation-adjusted taxable sales were 6.7% higher than in February 2020, while nonfarm employment was 2.5% lower than in February 2020.

FIGURE 5. NONFARM EMPLOYMENT AND REAL TAXABLE SALES, COLLEGE STATION-BRYAN MSA

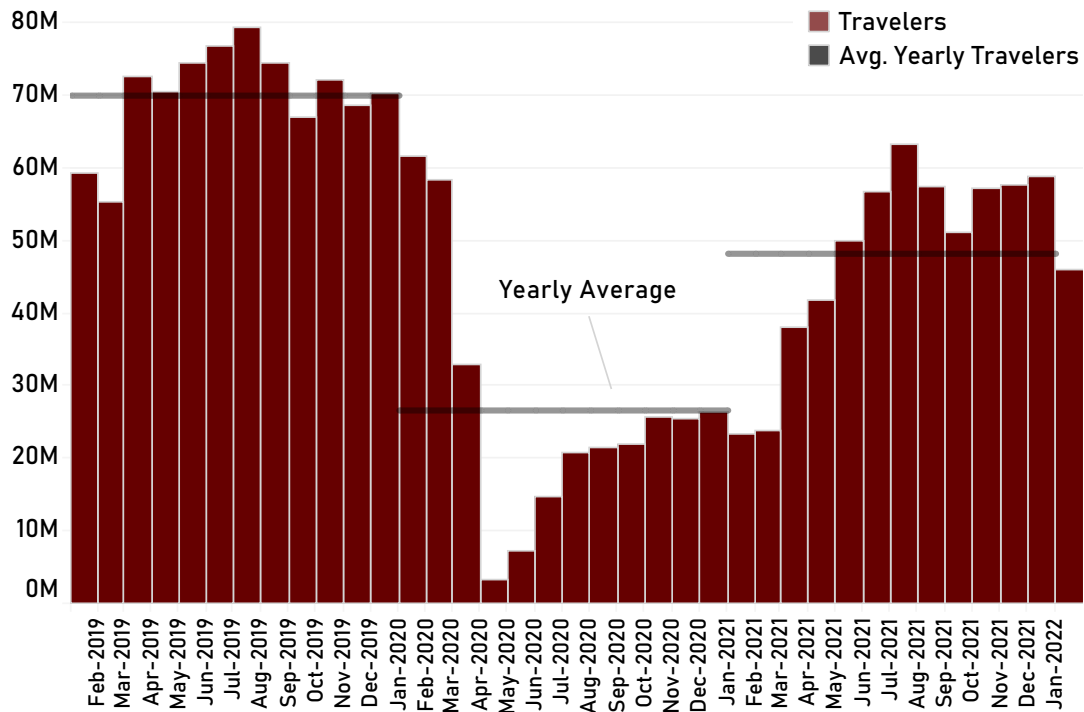


Source: Nonfarm Employment from Federal Reserve Bank Dallas, Texas Workforce Commission, and Bureau of Labor Statistics, Total Nonfarm Payroll Employment for Texas Metropolitan Statistical Areas, two-step Seasonally Adjusted, retrieved from Federal Reserve Bank of Dallas. Taxable sales from Texas Comptroller of Public Accounts, seasonal adjustment by Private Enterprise Research Center.

AIR TRAVEL

Figure 6 depicts the number of travelers through Transportation Security Administration (TSA) checkpoints from January 2019 to January 2022. The annual averages for 2019, 2020, and 2021 are also shown. The sharp pandemic-induced decline in air travel began in March 2020 and has yet to recover to pre-pandemic levels on a month-to-month basis. The total number of travelers in 2020 was 62% lower than in 2019, and in 2021 was 31% lower than in 2019. As 2021 progressed, monthly travel counts moved closer to the 2019 counts, with the counts in November and December of 2021 at about 84% of the counts for the same months in 2019. In January 2022, travel declined due to regular seasonal effects, but also due to concerns about the increase in COVID cases. The number of travelers in January 2022 was 78% of the traveler count in January 2019 and 75% of the count in January 2020.

FIGURE 6. TRAVELERS THROUGH TSA CHECKPOINTS

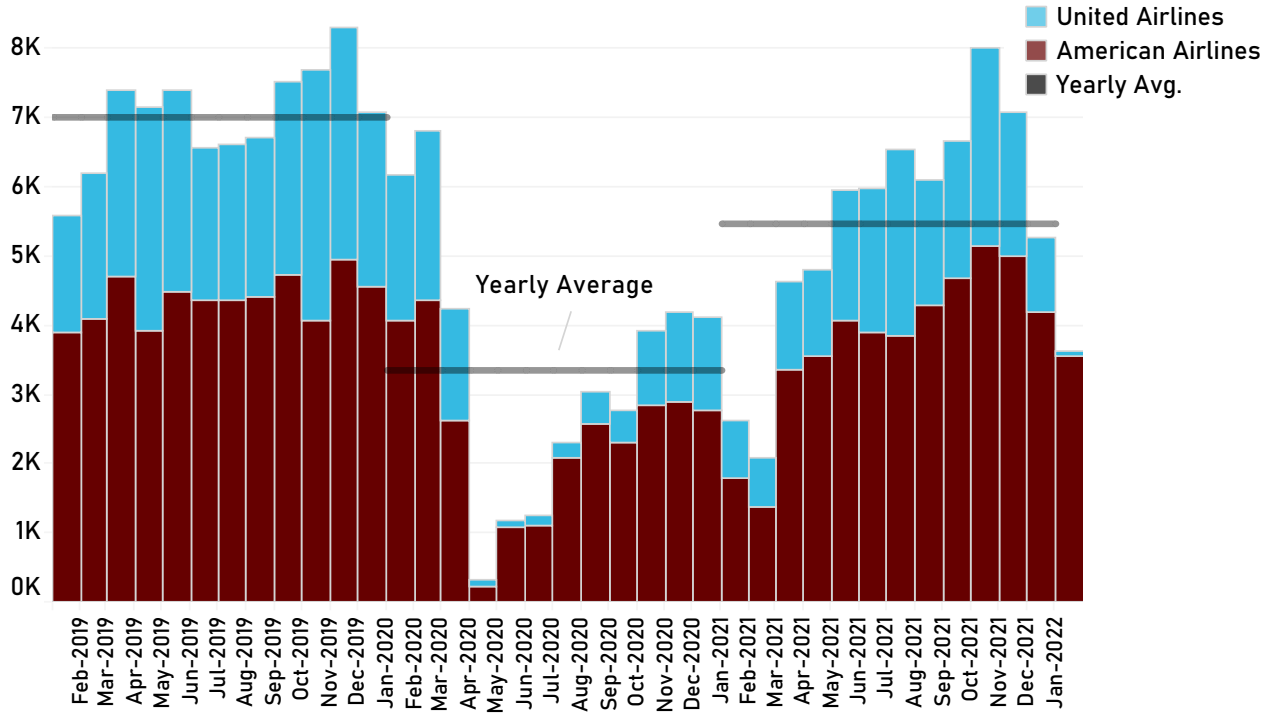


Source: Transportation Security Administration.

The total numbers of passengers traveling out of Easterwood Airport from January 2019 through January 2022 are shown in Figure 7, decomposed by carrier. Over these months, travelers on American Airlines accounted for 67% of all enplanements while United Airlines accounted for the remaining 33%. The total passenger count in 2021 was 78% of the count for 2019. The American Airlines’ traveler count for 2021 was 86% of its 2019 total, while United Airlines’ traveler count in 2021 was 65% of its 2019 total.

United Airlines discontinued service to Easterwood Airport on January 3, 2022 with only 80 enplanements for the month. As is clear from the figure, the number of travelers on United was declining in recent months. However, between July and December 2021, the total number of American Airlines passengers exceeded the total for the same months of 2019.

FIGURE 7. 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 February 8, 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.

Travelers through TSA Checkpoints

Transportation Security Administration <https://www.tsa.gov/coronavirus/passenger-throughput>

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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