



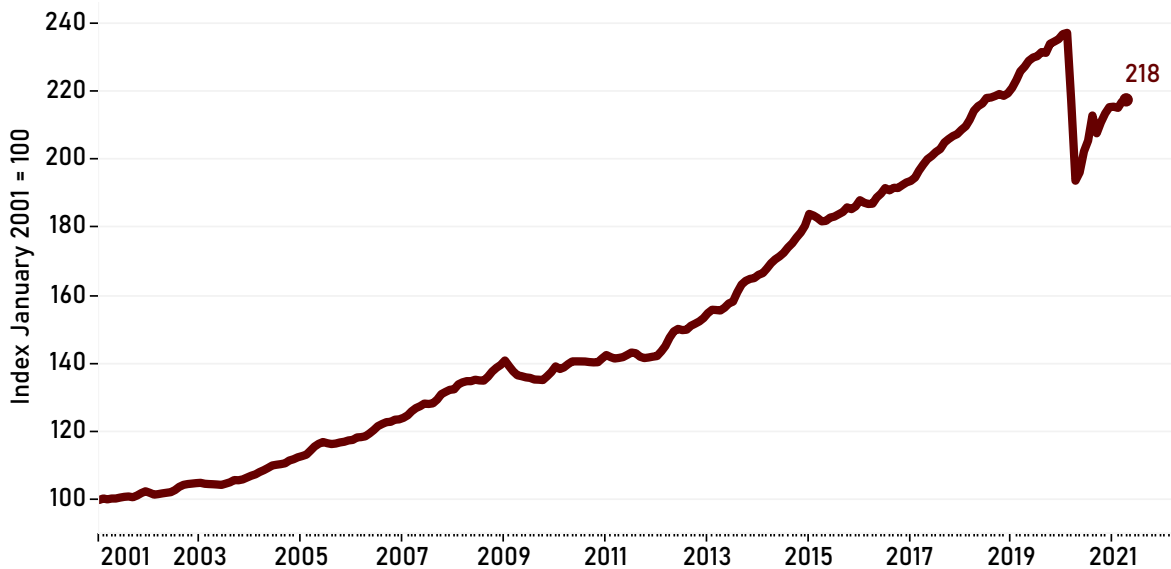
HIGHLIGHTS

- The Business-Cycle Index increased by 0.3% from March 2021 to April 2021.
- The revised local unemployment rate decreased from 5.4% to 5.3% in April.
- Local nonfarm employment decreased slightly by 0.5% in April and was 5.2% below its February 2020 pre-pandemic level.
- Real taxable sales increased 2.2% from March to April and was 4.6% higher than it was in February 2020.
- In College Station-Bryan, quarterly total wages were higher in the fourth quarter of 2020, recovering from a decrease in quarterly wages in the first three quarters of 2020.
- The number of travelers out of Easterwood Airport continued to rise and in May was 80% of the number in May of 2019.

THE COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

The College Station-Bryan Business-Cycle Index rose 0.3% in April to 218, as seen in Figure 1. The increase resulted from a rise in taxable sales, a decrease in the unemployment rate, and despite a slight decrease in nonfarm employment.

FIGURE 1. COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

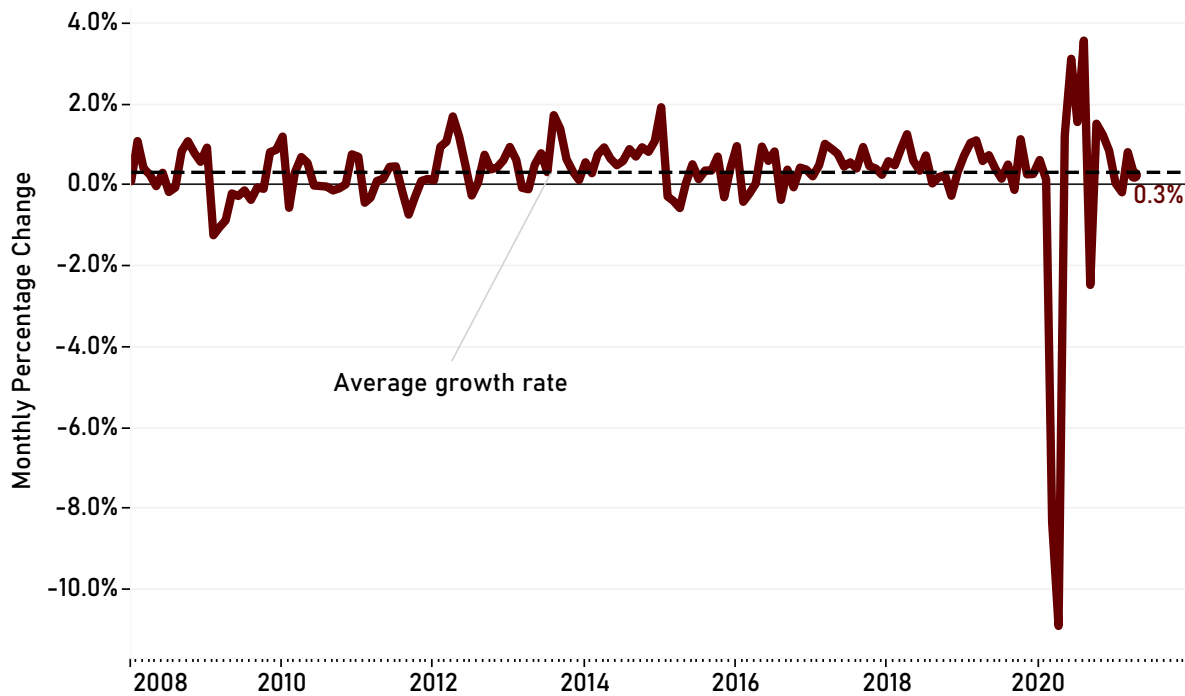


Last reported data point: April 2021 (monthly). Source: Private Enterprise Research Center.

THE COLLEGE STATION-BRYAN BUSINESS-CYCLE

The CSB Business-Cycle rose 0.3% between March and April. The revised local unemployment rate decreased to 5.3% in March. Nonfarm employment showed a decrease of 0.5% from its revised March value of 119,100 workers to 118,500 in April. The third monthly indicator used in estimating the business-cycle, inflation adjusted taxable sales, increased by 2.2% between March and February. The fourth input in our model, total quarterly wages, were released this month. The seasonally adjusted and inflation adjusted series for the fourth quarter of 2020 increased 3.7% from the third quarter.

FIGURE 2. COLLEGE STATION-BRYAN BUSINESS-CYCLE

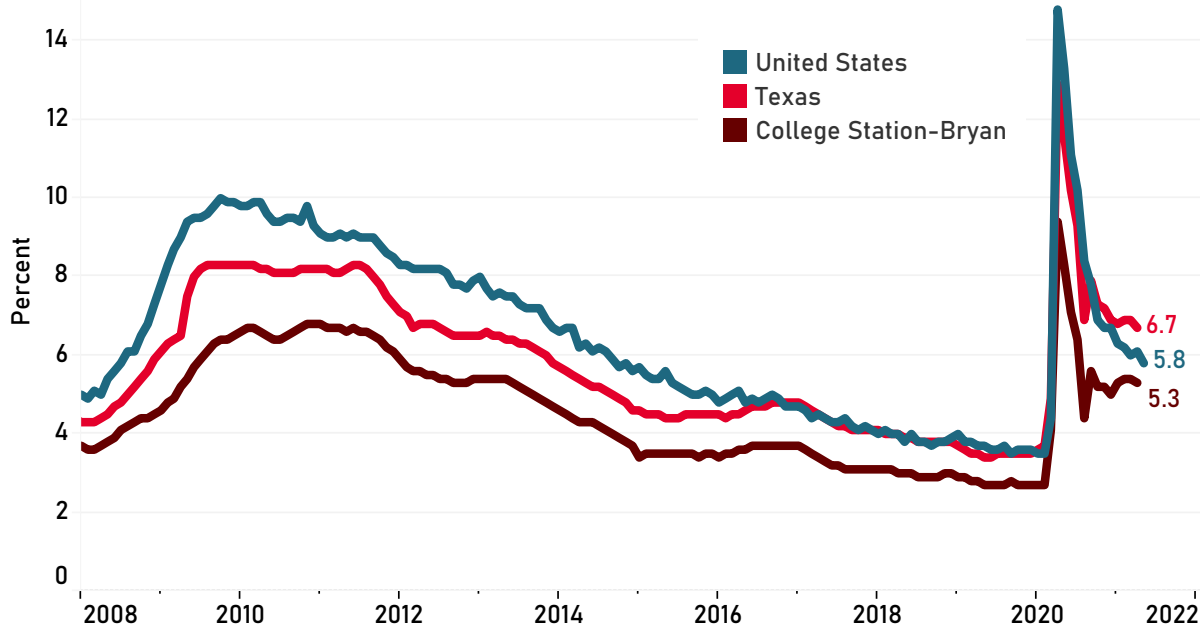


Month-to-month growth rates. Last reported data point: April 2021 (monthly). Source: Private Enterprise Research Center.

UNEMPLOYMENT RATE

Figure 3 shows the unemployment rates for College Station-Bryan, the state of Texas, and the U.S. from January 2008 to April 2021. As mentioned, the revised unemployment rate in College Station-Bryan decreased slightly to 5.3% in April. The statewide rate for Texas decreased from 6.9% in March to 6.7% in April. The national rate is available through May 2021 and decreased to 5.8% from 6.1% in April. The state and metropolitan area unemployment rates for May 2021 will be released by the Bureau of Labor Statistics on June 23 and June 30, respectively.

FIGURE 3. UNEMPLOYMENT RATE



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

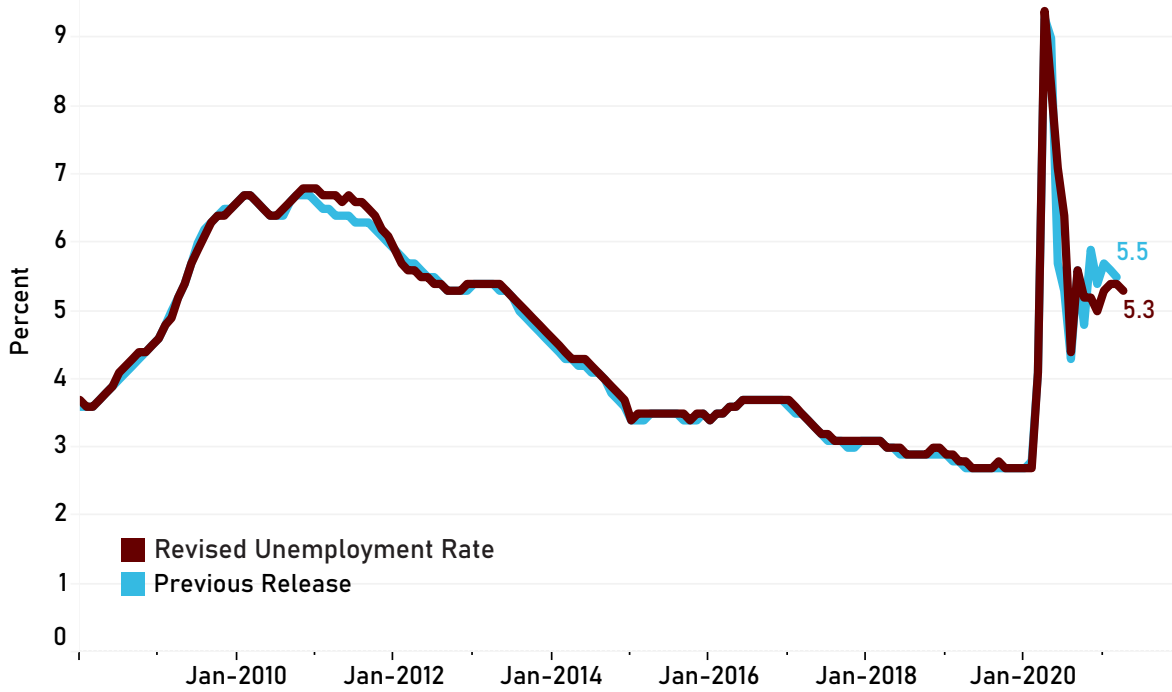
FOCUS ON THE COLLEGE STATION-BRYAN MSA AND RECENT ECONOMIC DATA

This month we present the previous rendition of the unemployment rate series for College Station-Bryan along with a revised version; the April unemployment rates in Texas MSAs; wages and employment as published in the Quarterly Census of Employment and Wages by the Bureau of Labor Statistics; and air travel out of Easterwood Airport.

REVISION TO THE UNEMPLOYMENT RATE

With this month's data release, the Bureau of Labor Statistics made significant revisions to the data series included in its Local Area Unemployment Statistics (LAUS) program, including the unemployment series for the College Station-Bryan MSA. The series in Figure 4 depict the most recent unemployment series for the College Station-Bryan MSA along with last month's release of the same series. As can be seen, the new series is less volatile over the past few months compared to the previous series. Also, the unemployment rate in the revised series has been lower than the rate from the previous series in most of the recent months.

FIGURE 4. PREVIOUS AND REVISED UNEMPLOYMENT RATE SERIES IN COLLEGE STATION-BRYAN

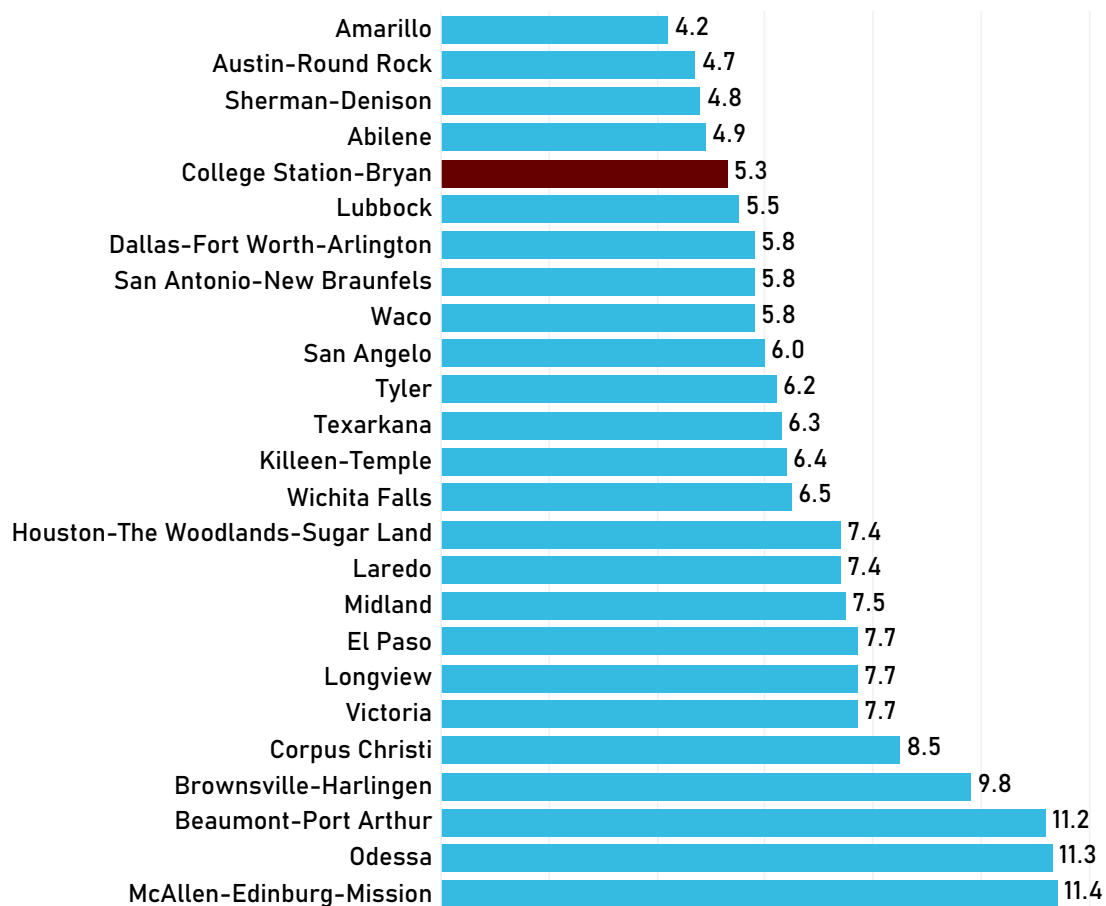


Source: Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS) program, Smoothed Seasonally Adjusted Metropolitan Area Estimates.

TEXAS MSA UNEMPLOYMENT RATES

Figure 4 depicts all Texas MSA unemployment rates for April 2021 based on the new data release. College Station-Bryan MSA's rate of 5.3% in April was the fifth lowest in the state. Amarillo had the lowest April unemployment rate at 4.2%, followed by Austin-Round Rock at 4.7%. Sherman-Denison and Abilene had the third and fourth lowest rates at 4.8% and 4.9%, respectively. McAllen-Edinburg-Mission, Odessa, and Beaumont-Port Arthur had the three highest April rates at 11.4%, 11.3%, and 11.2%, respectively. As noted, Austin-Round Rock had the lowest unemployment rate among the four largest MSAs at 4.7%. Dallas-Fort Worth-Arlington and San Antonio-New Braunfels followed at 5.8% and Houston-The Woodlands-Sugar Land again had the highest rate in this group at 7.4%.

FIGURE 5. UNEMPLOYMENT RATES IN TEXAS MSAs, APRIL 2021



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

WAGE BILL AND EMPLOYMENT IN COLLEGE STATION-BRYAN

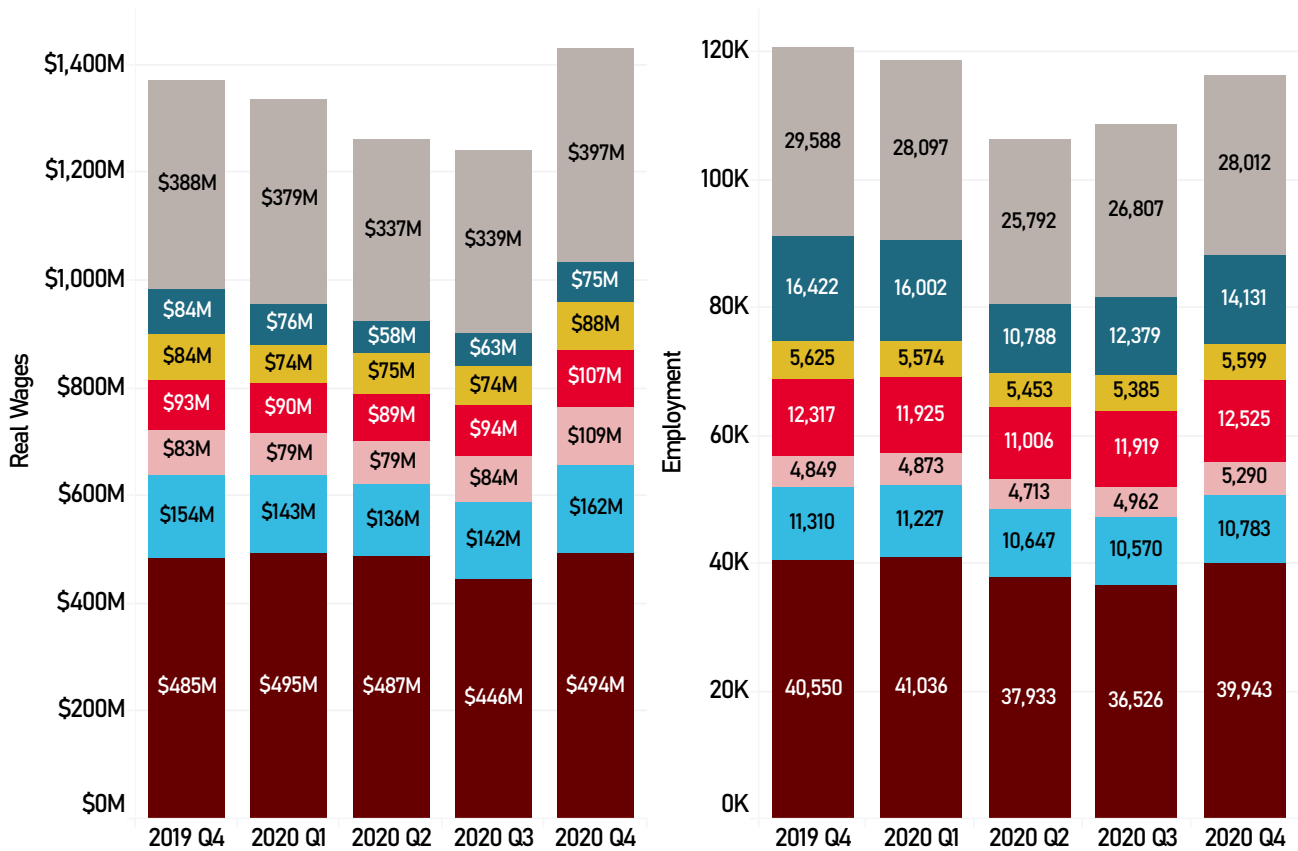
Figure 6 is based on the recently released quarterly wage and employment by industry data from the Bureau of Labor Statistics. The quarterly wage series is one of the four inputs in our model and is the only series released on a quarterly basis. The graph on the left shows total inflation adjusted quarterly wages from the fourth quarter of 2019 to the fourth quarter of 2020. The graph to the right shows average monthly employment for each quarter over the same period of time. Both series are not seasonally adjusted, which allows for the addition of the component industries. Each of these bars is divided (stacked) into the largest 6 industries in the College Station-Bryan MSA and a seventh category named “All Other” composed of all of the smaller industries in the metro area. These large industries were selected using their total wage amount as of the fourth quarter of 2020.

As expected, Government (including Texas A&M University) accounts for the largest shares of both wages and employment. In the fourth quarter of 2020, its share of both was just over 34%. For the higher-paying industries of Health Care, Professional and Technical Services, Construction, and All Other, the wage share is higher than the employment share. For the lower paying industries, Retail and Accommodation and Food Services, the wage share is lower than the employment share. The real wages in the fourth quarter of 2020 were higher than the wages from the fourth quarter of 2019, even as total employment declined over the same period. While employment is still below its pre-pandemic level (as reflected in this quarterly data series or in the monthly nonfarm employment series), total wages have rebounded. As Retail and Accommodation and Food Services continue to rebound, aggregate wages will grow further. In recent months, these industries have recorded some of the highest employment gains.

FIGURE 6. WAGES AND AVERAGE EMPLOYMENT BY QUARTER IN COLLEGE STATION-BRYAN

Quarterly Wages in College Station-Bryan (Not Seasonally Adjusted)

Average Employment by Quarter in College Station-Bryan (Not Seasonally Adjusted)



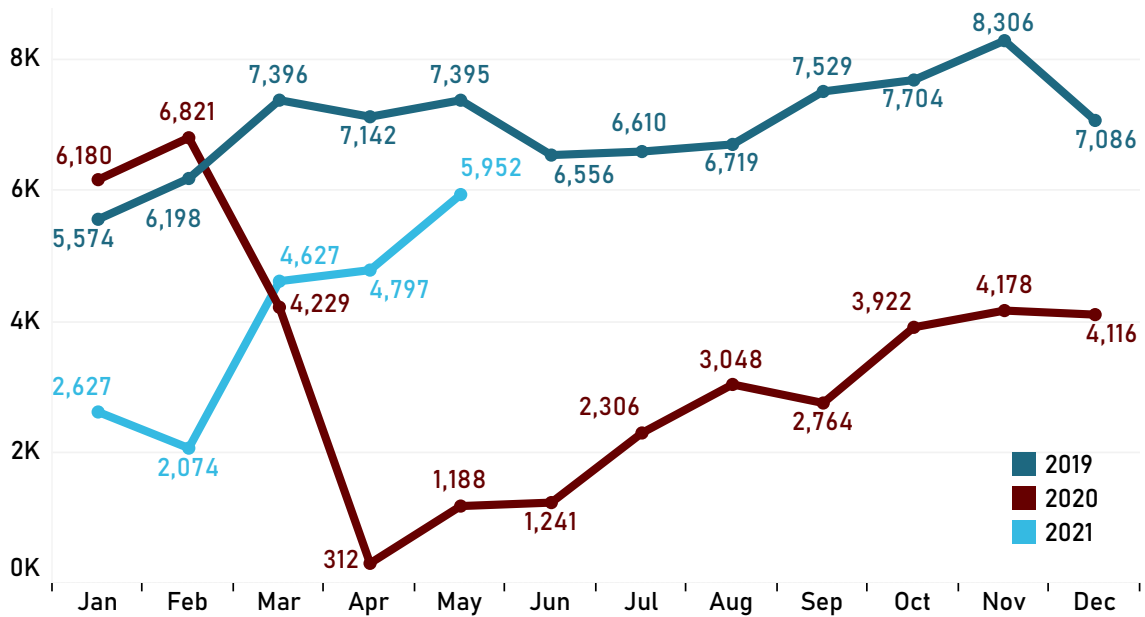
Source: Bureau of Labor Statistics, Quarterly Census of Employment & Wages. Not Seasonally Adjusted. Wages depicted in 2021 Q1 US Dollars.

- All Other
- Construction
- Professional and Technical Services
- Accommodation and Food Services
- Retail Trade
- Health Care and Social Assistance
- Government (includes TAMU)

AIR TRAVEL OUT OF EASTERWOOD AIRPORT

The number of travelers out of Easterwood Airport from January 2019 to May of 2021 is shown in Figure 7. In May, 5,952 travelers departed from Easterwood. This was 80% of the count from May 2019 and 1,155 more than in April. Nationally, May's number of travelers through Transportation Security Administration checkpoints was 67% of the count from May 2019. As was the case last month, local air travel was closer to the pre-pandemic level for the month of May than was air traffic nationally.

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 June 14, 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 Nonfarm 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

Bureau of Labor Statistics, Total Quarterly Wages in College Station-Bryan, TX (MSA), retrieved from <https://www.bls.gov/cew/datatoc.htm>. Quarterly files by area. Seasonal Adjustment by Private Enterprise Research Center.

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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