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Private Enterprise
Research Center

The Local Economy at the Start of 2023

BCS Chamber of Commerce
Economic Outlook Conference

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Executive Associate Director
Private Enterprise Research Center
January 25, 2022

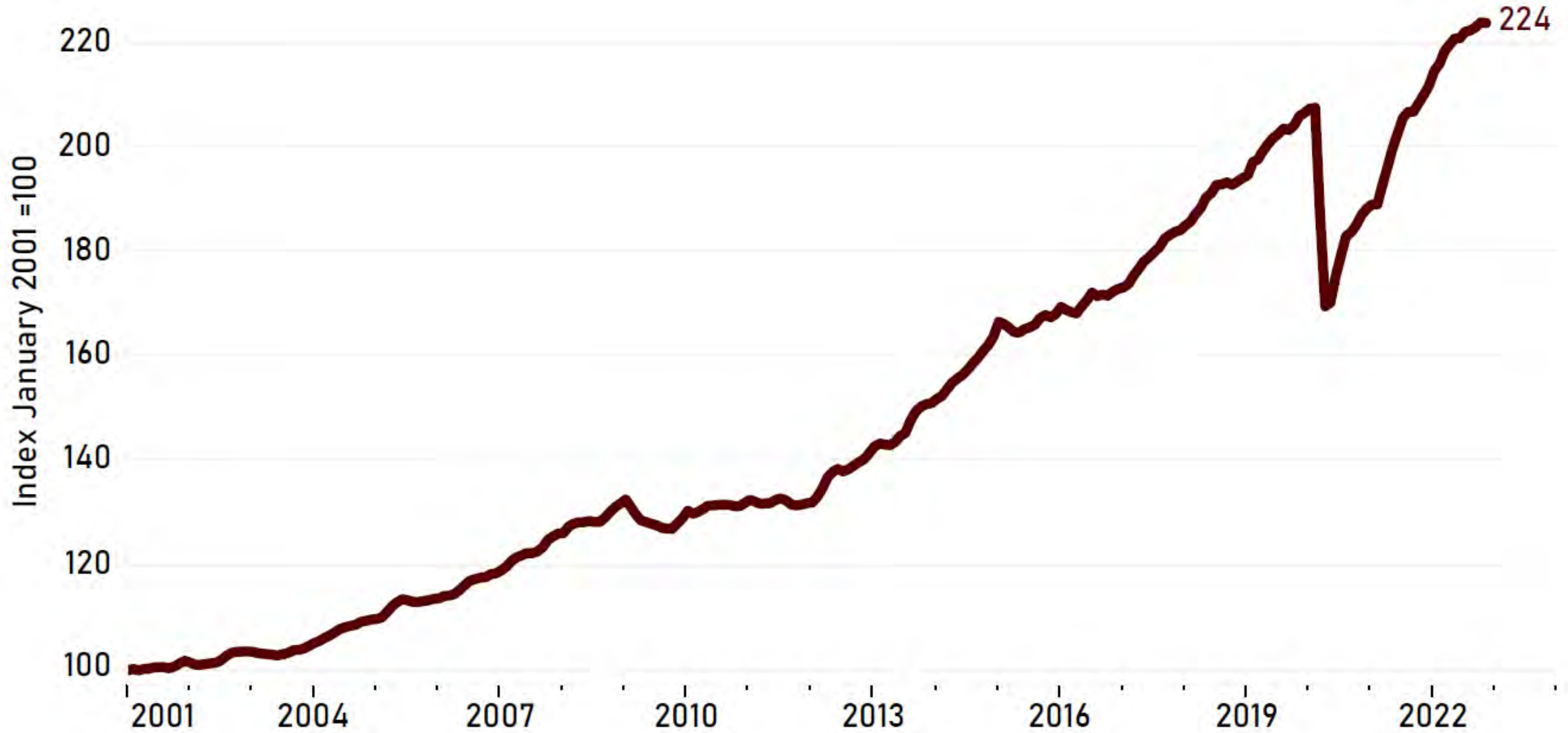
Economic Indicators of the College Station-Bryan MSA

January 2023 Edition



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College Station-Bryan Business-Cycle Index

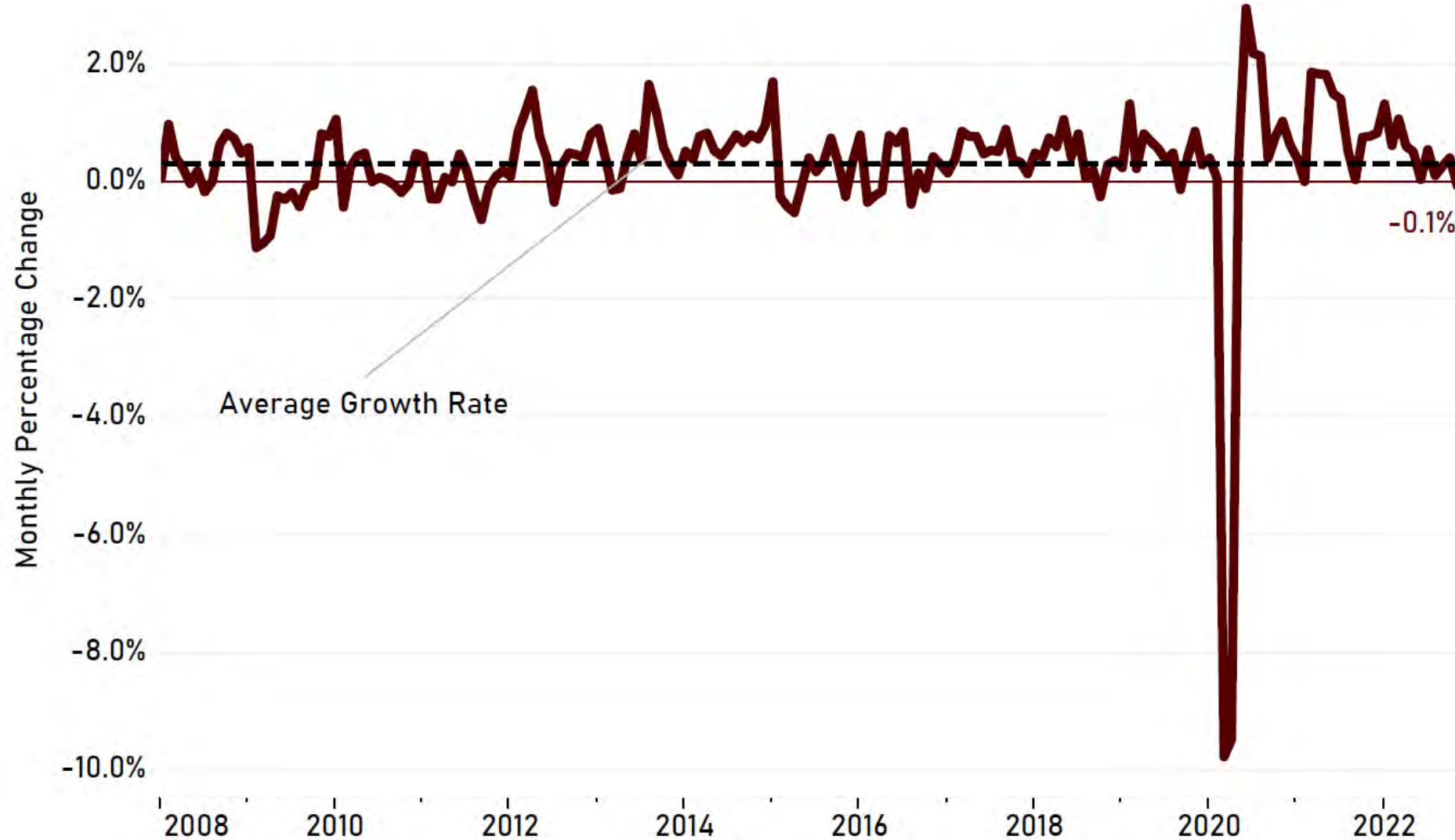


Last reported data point: November 2022 (monthly). Source: Private Enterprise Research Center.



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College Station-Bryan Business-Cycle



Month-to-month growth rates. Last reported data point: November 2022 (monthly). Source: Private Enterprise Research Center.

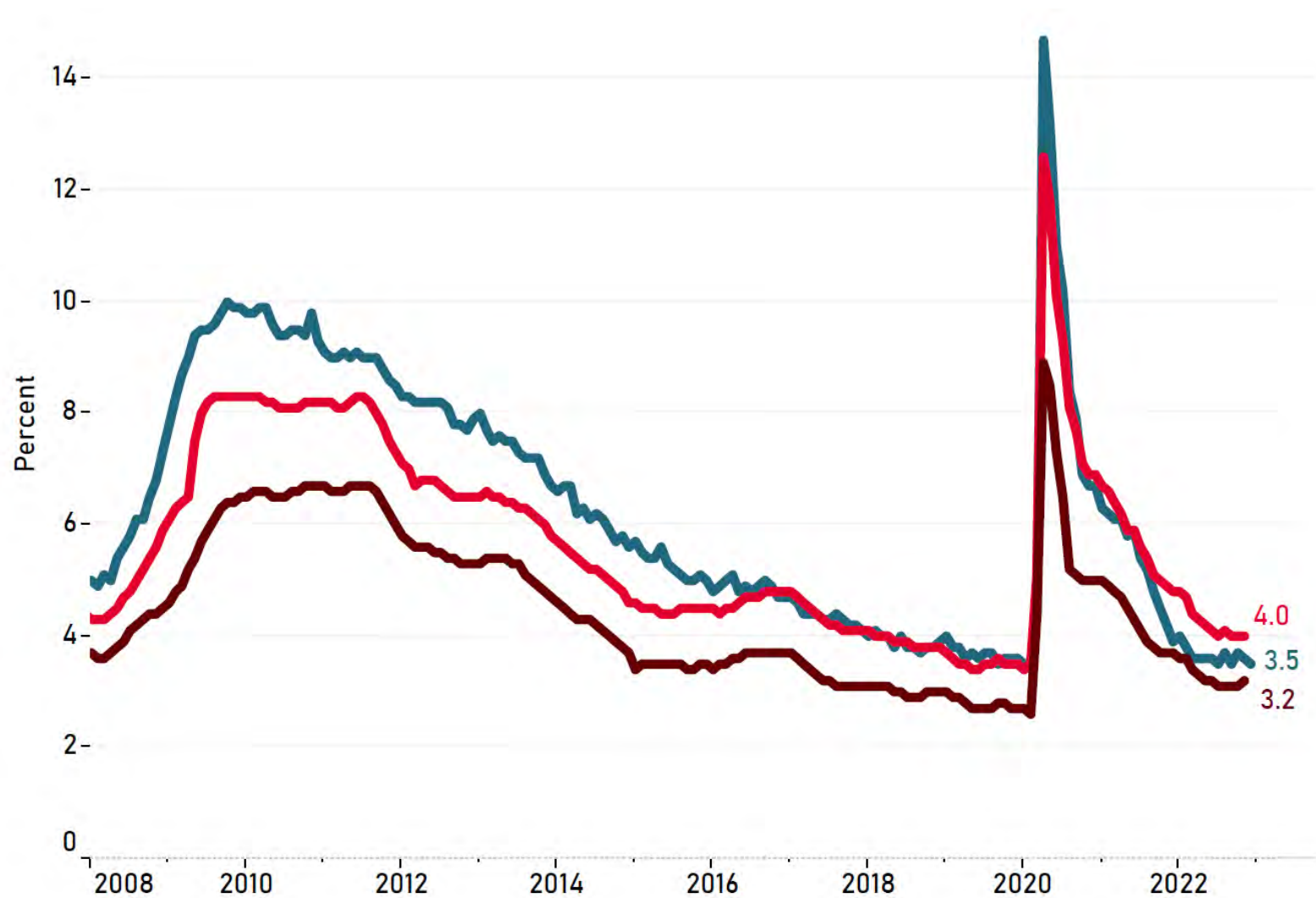


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The Four Economic Indicators Used to Estimate College Station-Bryan Business Cycle



Unemployment Rates for College Station-Bryan, Texas & the United States

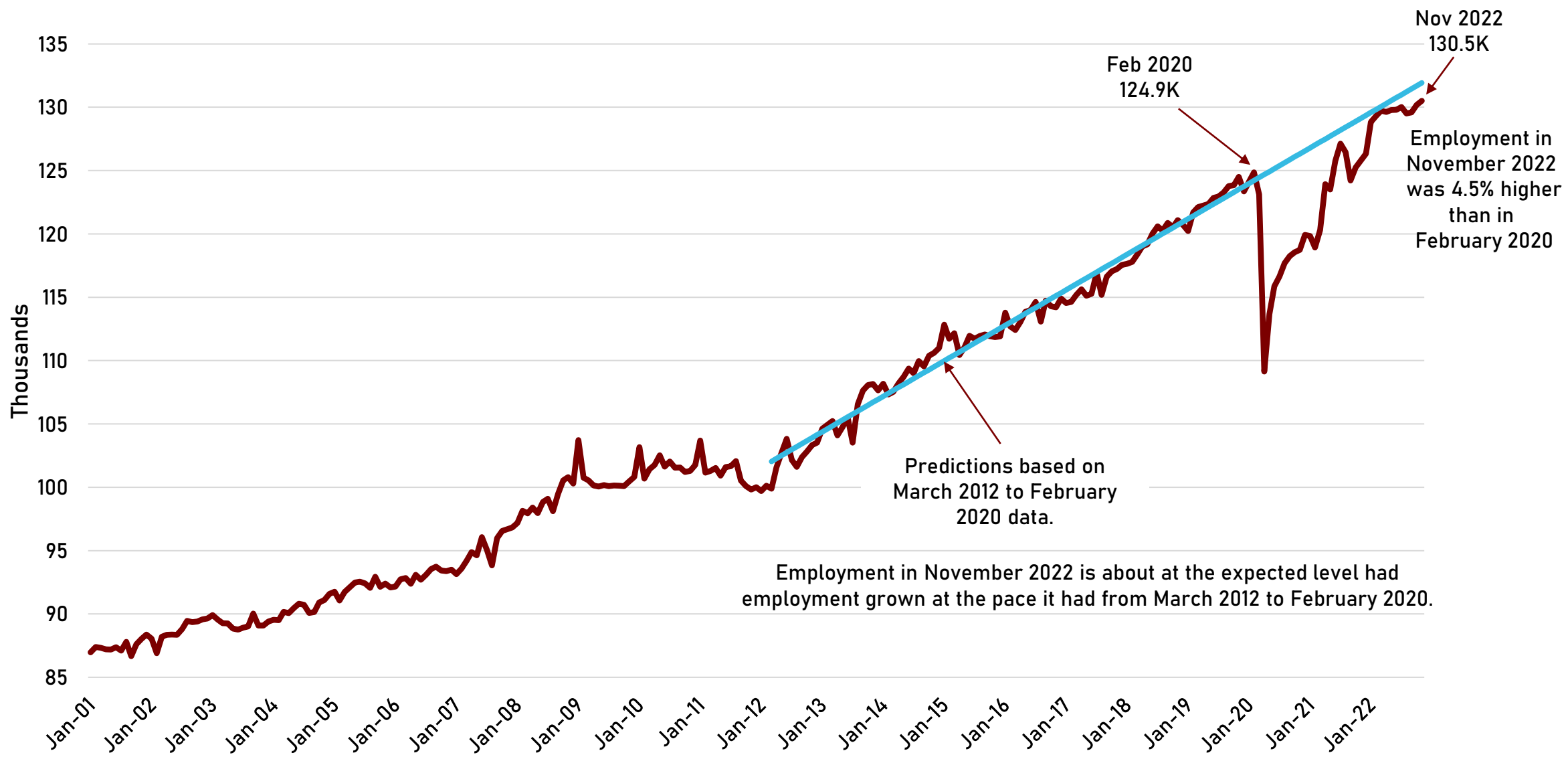


Seasonally Adjusted. Last reported data point: November 2022 for Texas and College Station-Bryan, December 2022 for national unemployment rate (monthly). Source: Bureau of Labor Statistics.



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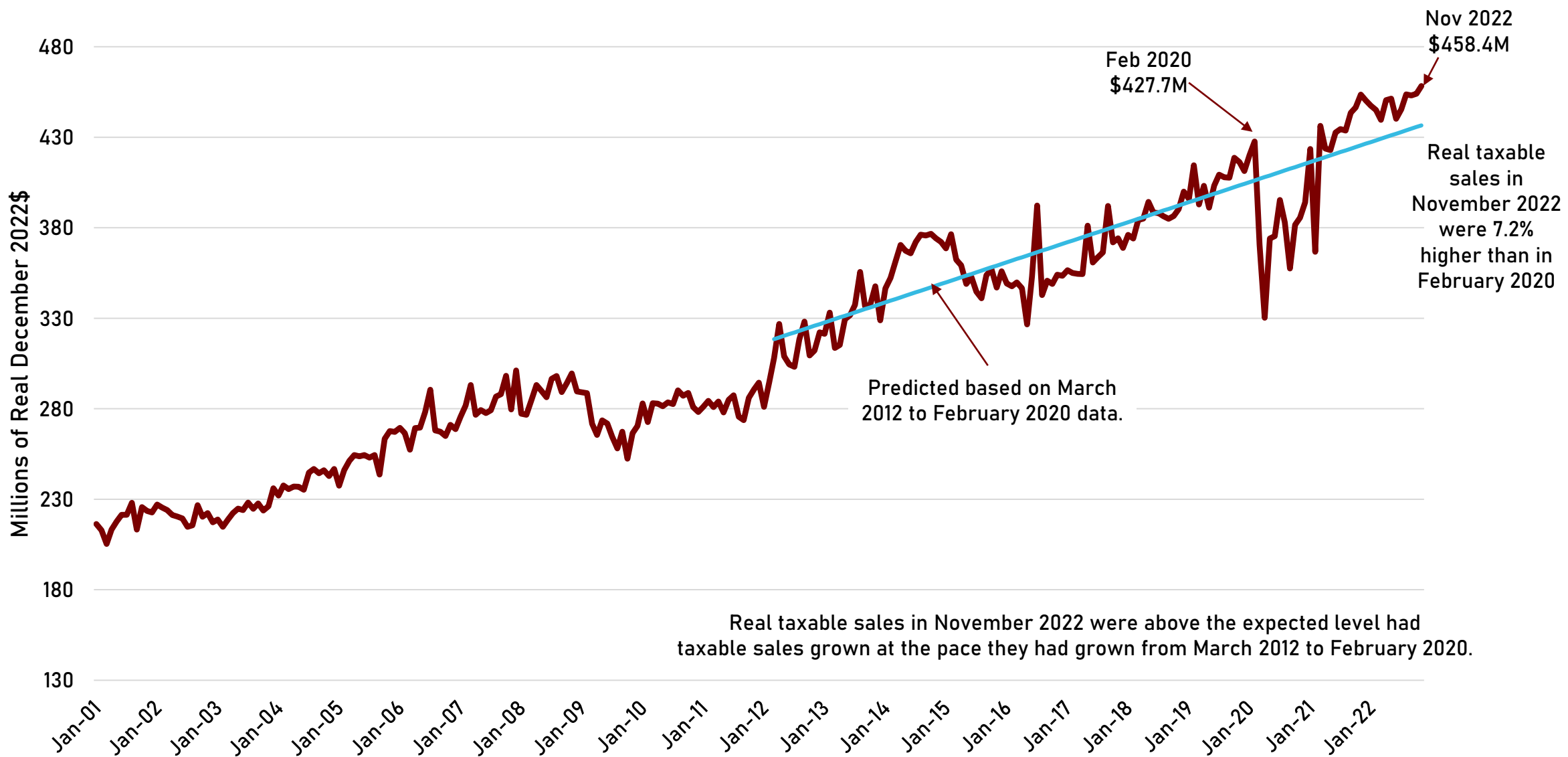
Nonfarm Employment College Station-Bryan MSA



Employment in November 2022 is about at the expected level had employment grown at the pace it had from March 2012 to February 2020.

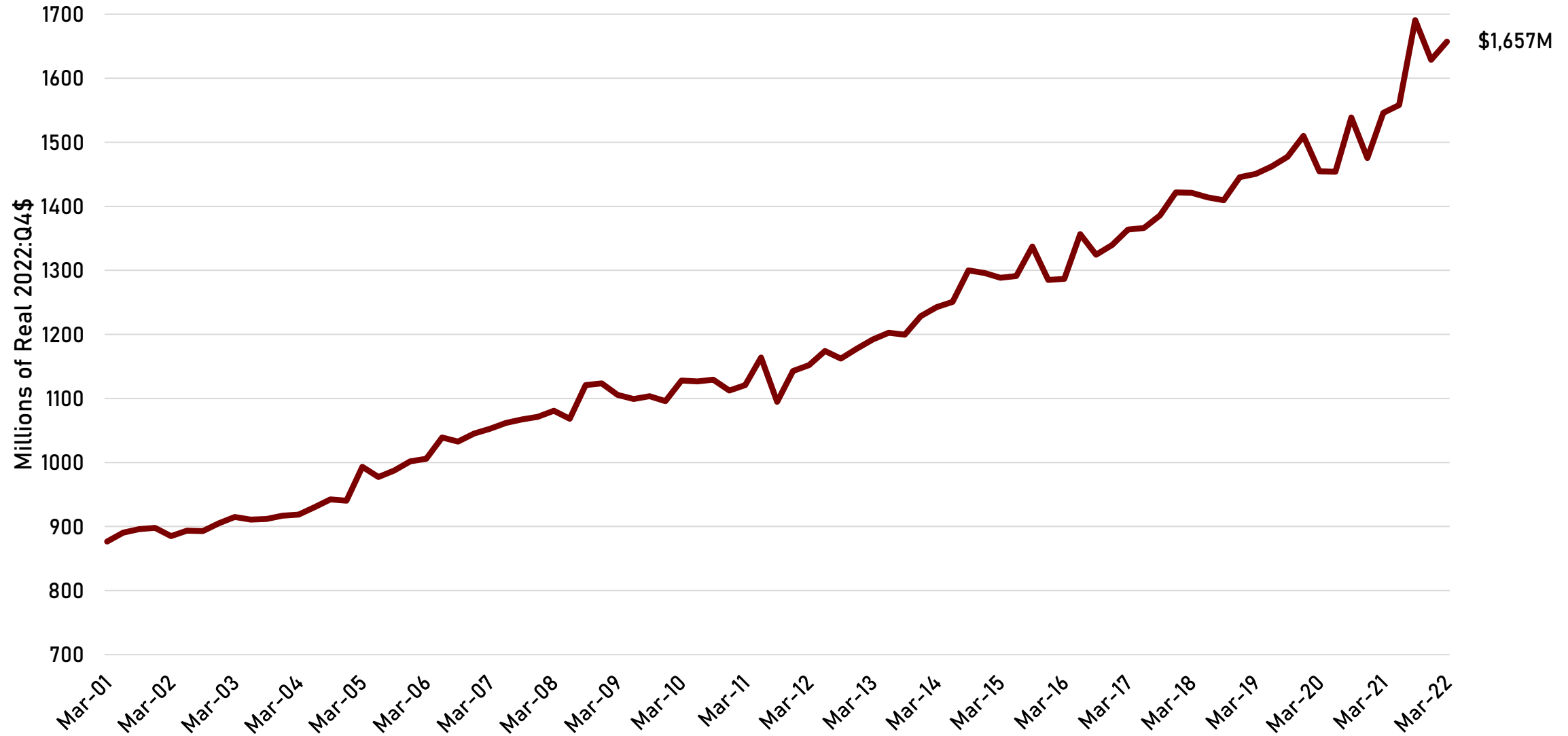
Source: Federal Reserve Dallas, College Station-Bryan Total Nonfarm Payroll Employment, two-step seasonally adjusted.

Real Taxable Sales in College Station-Bryan MSA



Source: Texas Comptroller: Inflation and seasonal adjustment by the Private Enterprise Research Center.

Real Quarterly Total Earnings in College Station-Bryan MSA



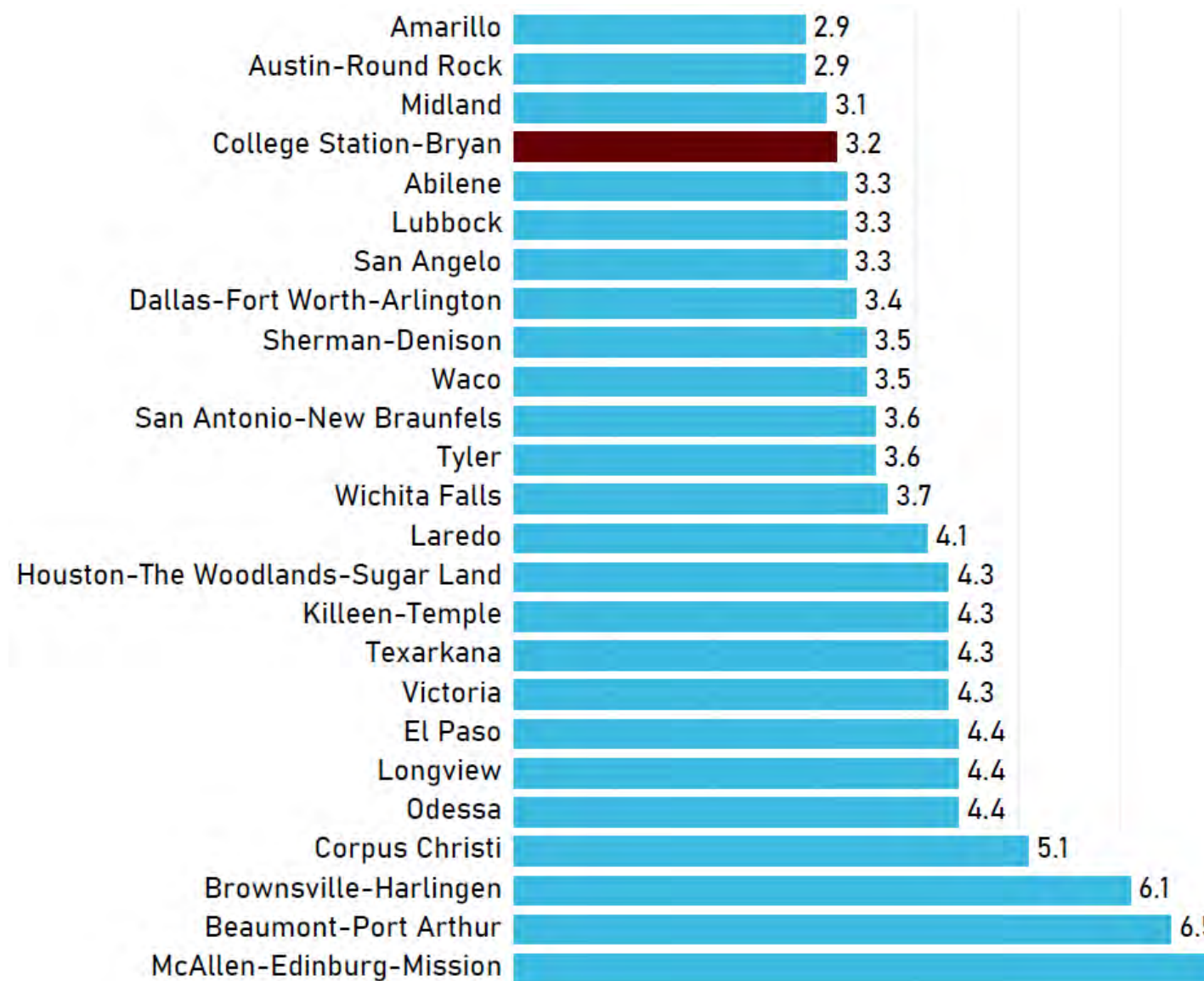
Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages, Private Enterprise Research Center for inflation.



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Unemployment Rates in Texas MSAs

November 2022

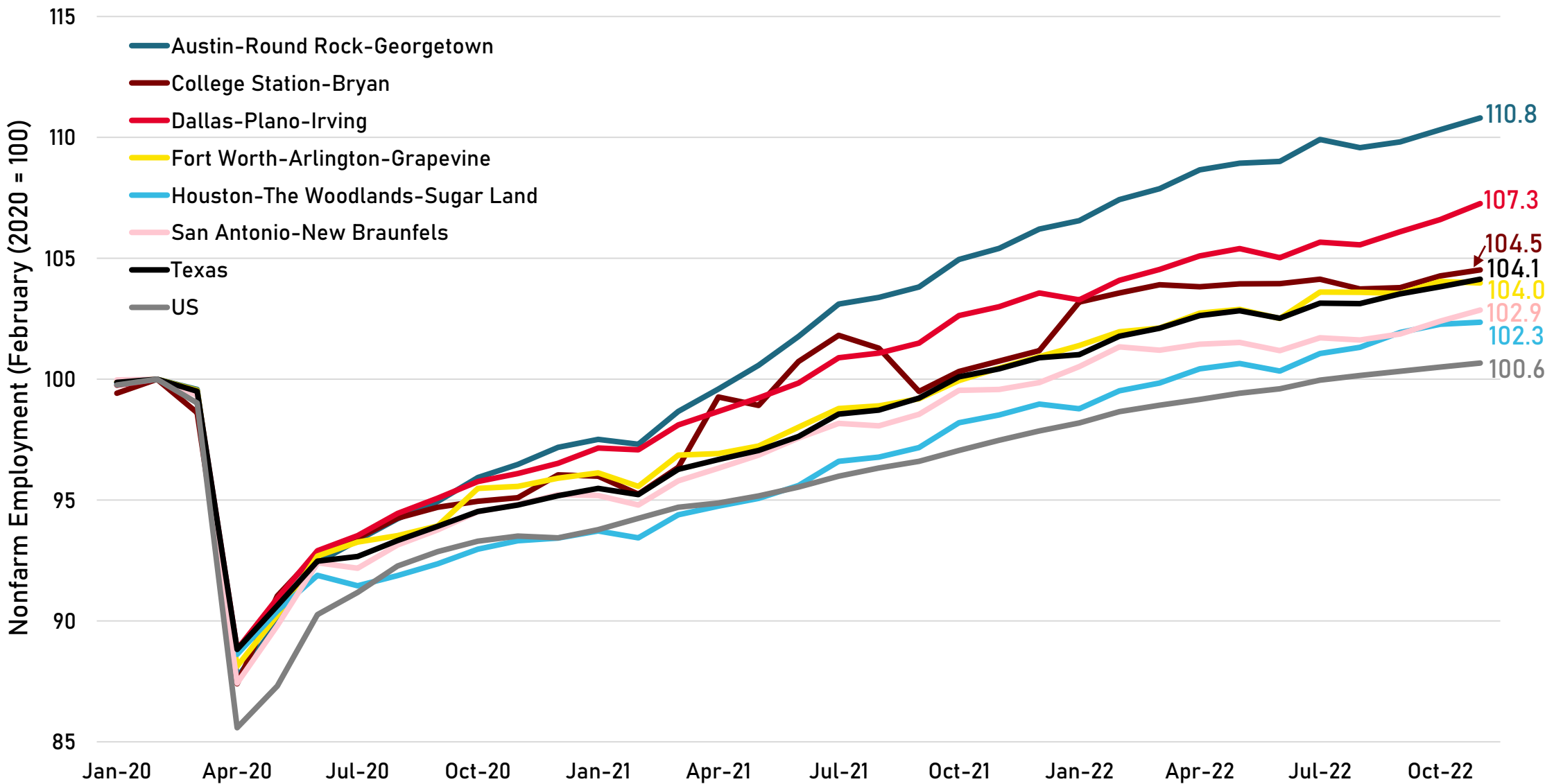


Source: Bureau of Labor Statistics, Local Area Unemployment Statistics, seasonally adjusted, November 2022.



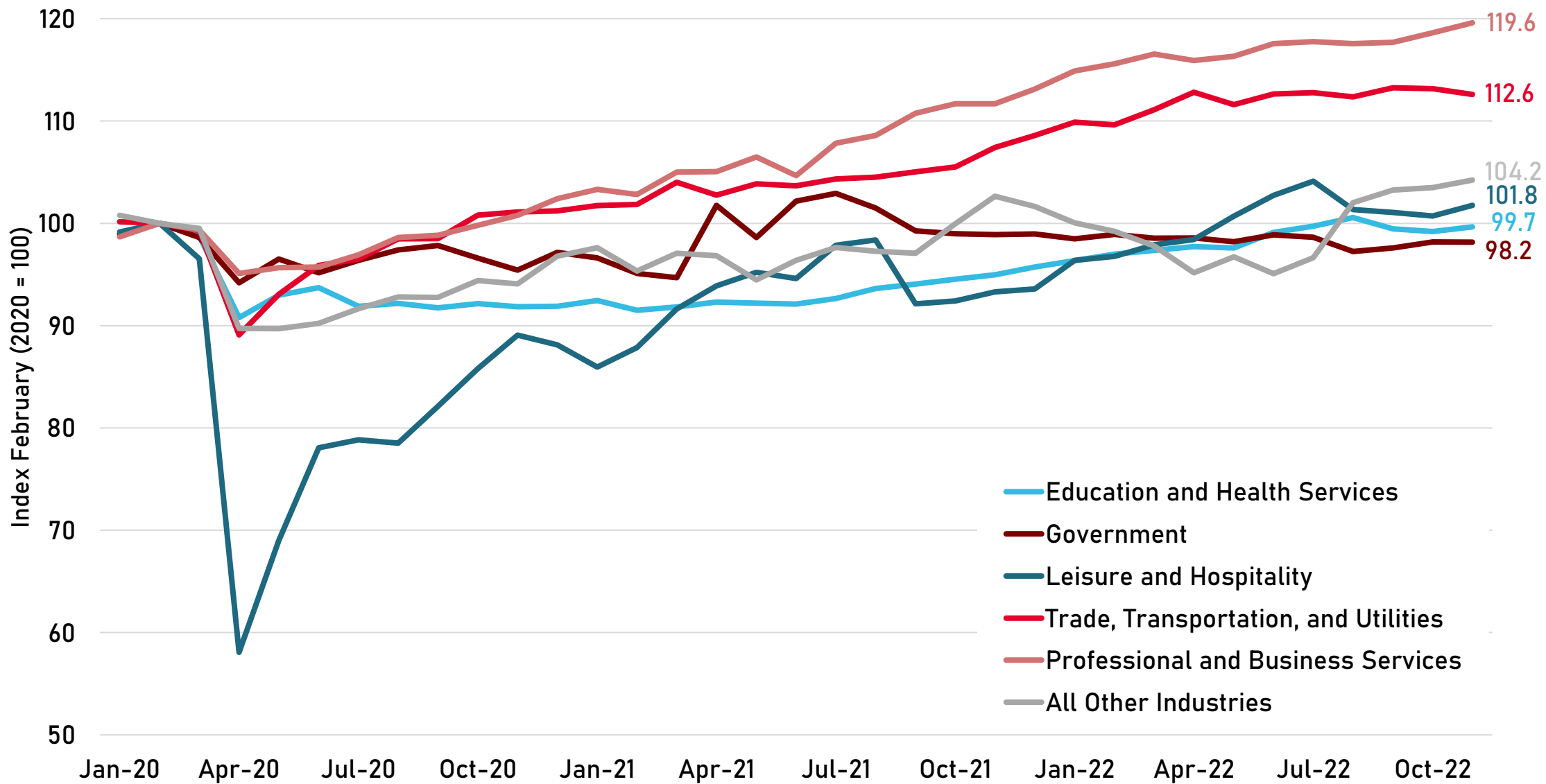
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Indexed Nonfarm Employment in Select Texas MSAs



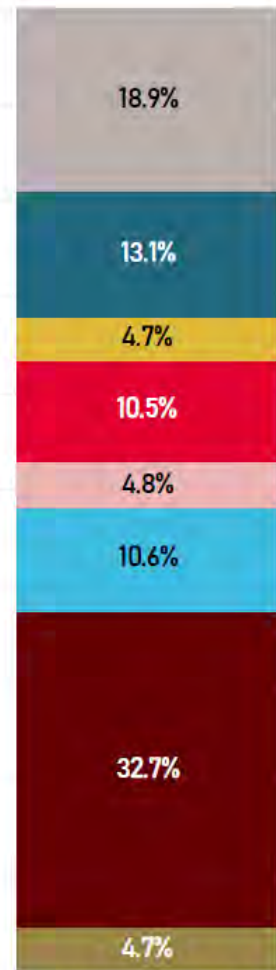
Source: Bureau of Labor Statistics, retrieved from the Federal Reserve Bank of Dallas, last reported data point November 2022.

Employment by Industry, College Station-Bryan

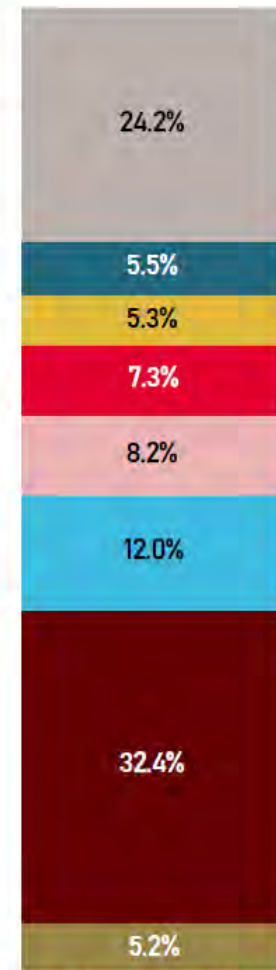


Source: Bureau of Labor Statistics, retrieved from the FRED, last reported data point November 2022.

Total Employment and Total Wage Shares by Industry



Employment, 2022 Q1



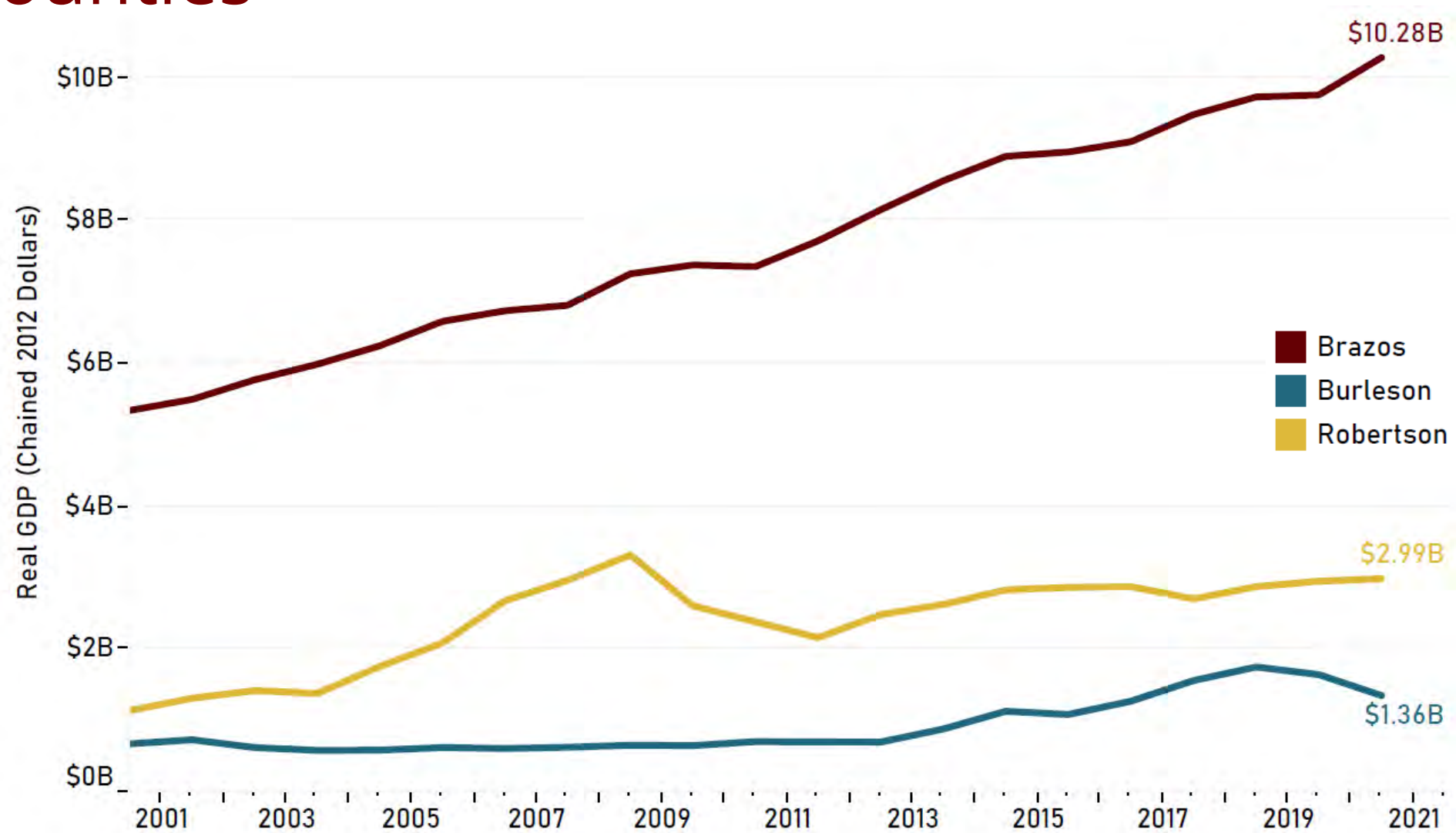
Real Wages, 2022 Q1

Source: Bureau of Labor Statistics, Quarterly Census of employment & Wages.

- All other
- Accommodation and food services
- Construction
- Retail trade
- Professional and technical services
- Health care and social assistance
- Government
- Manufacturing



Inflation-Adjusted GDP in the College Station-Bryan MSA Counties

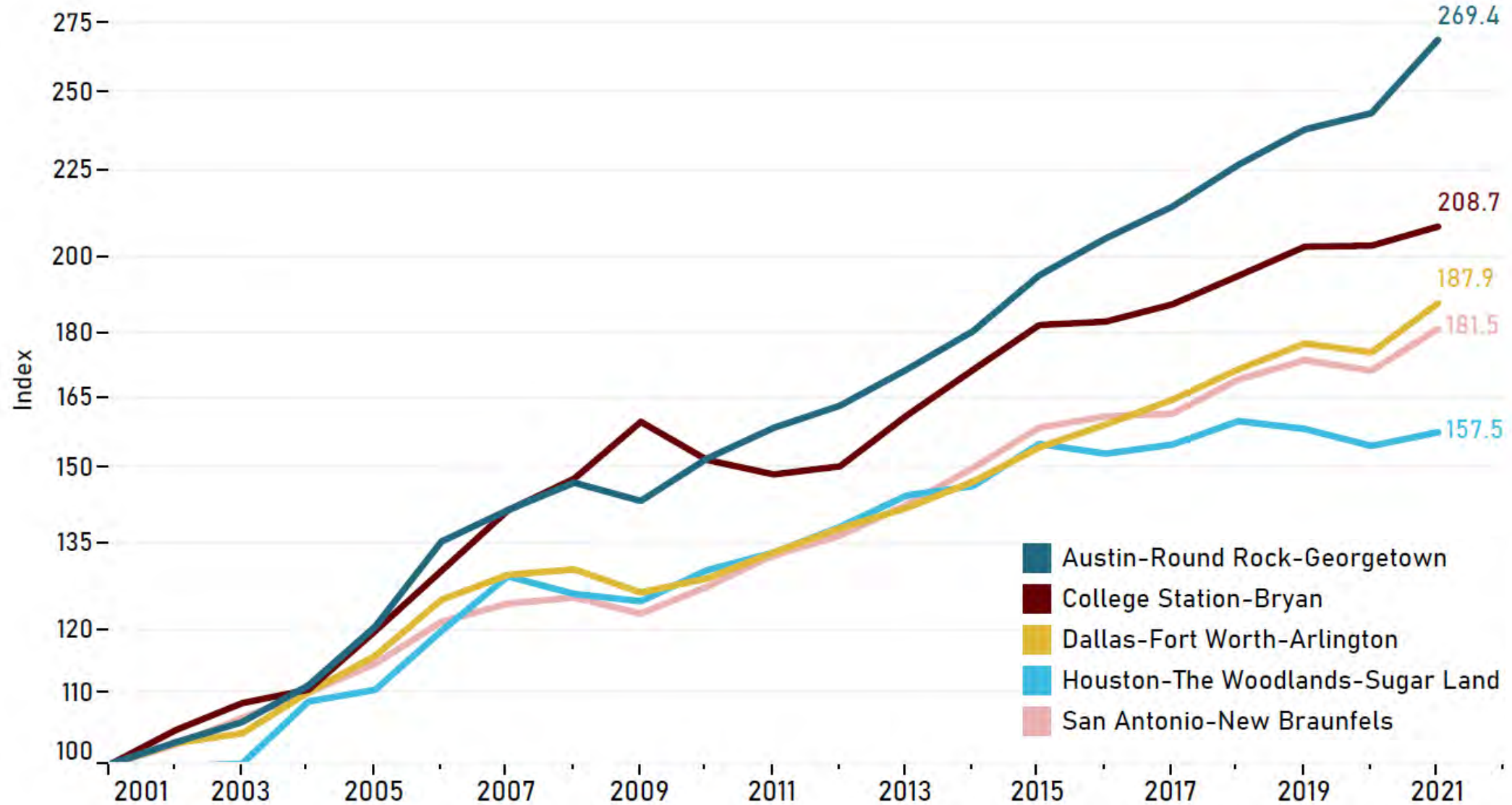


Source: Bureau of Economic Analysis. Last data point 2021 (annual).



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Indexed Inflation-Adjusted GDP for Select Texas MSAs

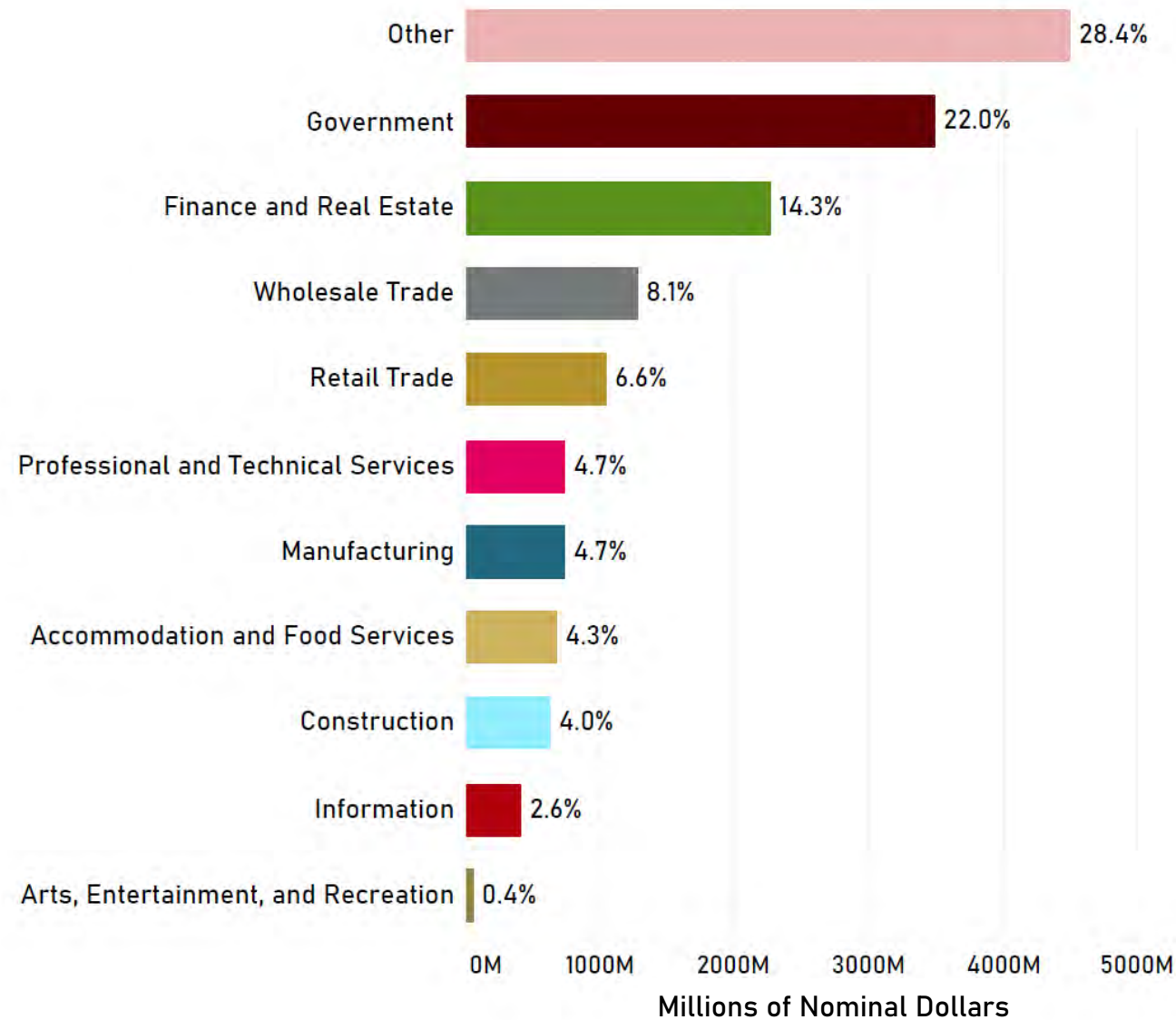


Source: Bureau of Economic Analysis. Last data point 2021 (annual).



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Industry Share of GDP in College Station Bryan, 2021

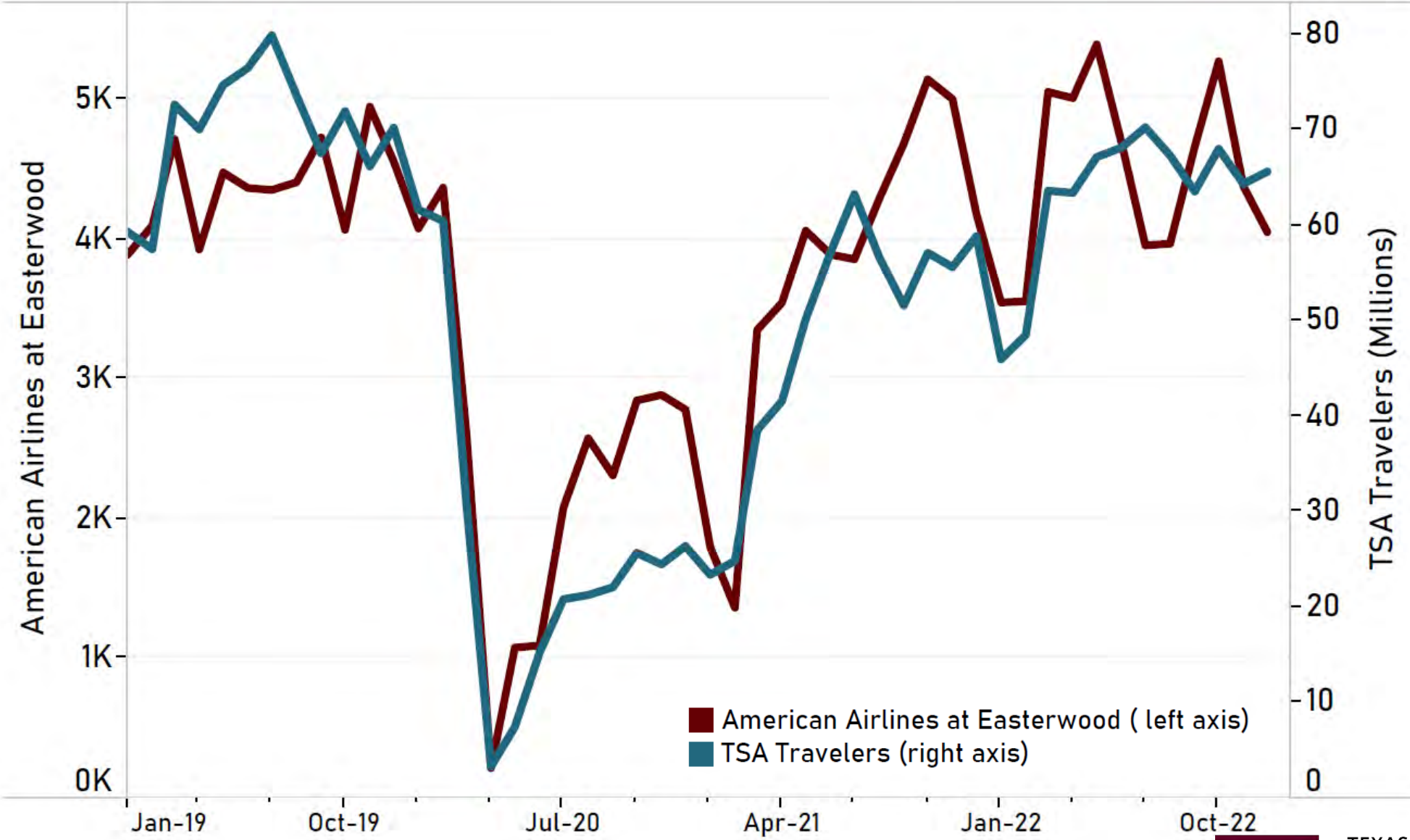


Source: Bureau of Economic Analysis.



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National and Local Air Travel



Source: Texas A&M University System and Transportation Security Administration. Last data point October 2022 (monthly).

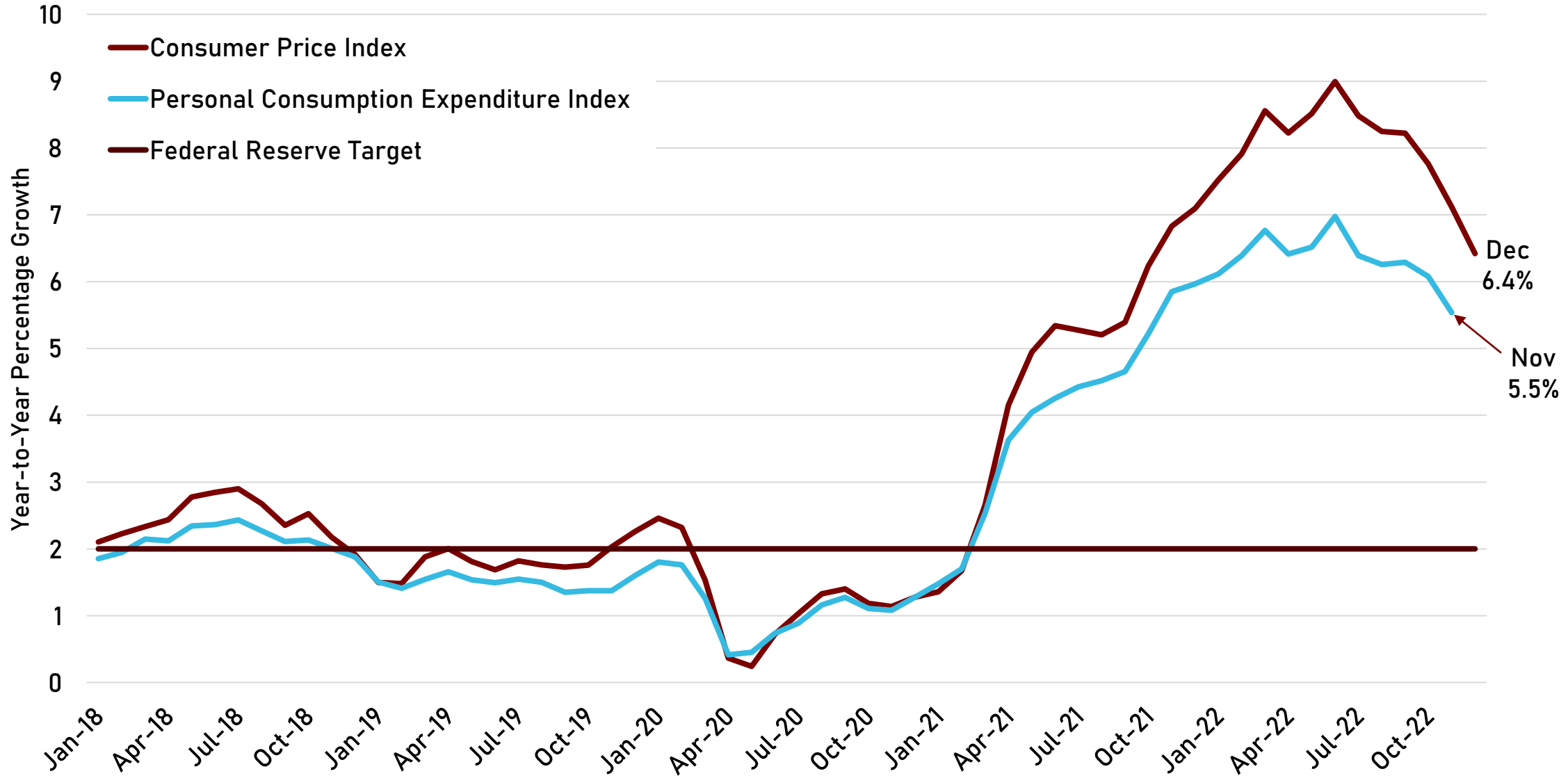


National

- United States
 - Inflation
 - GDP

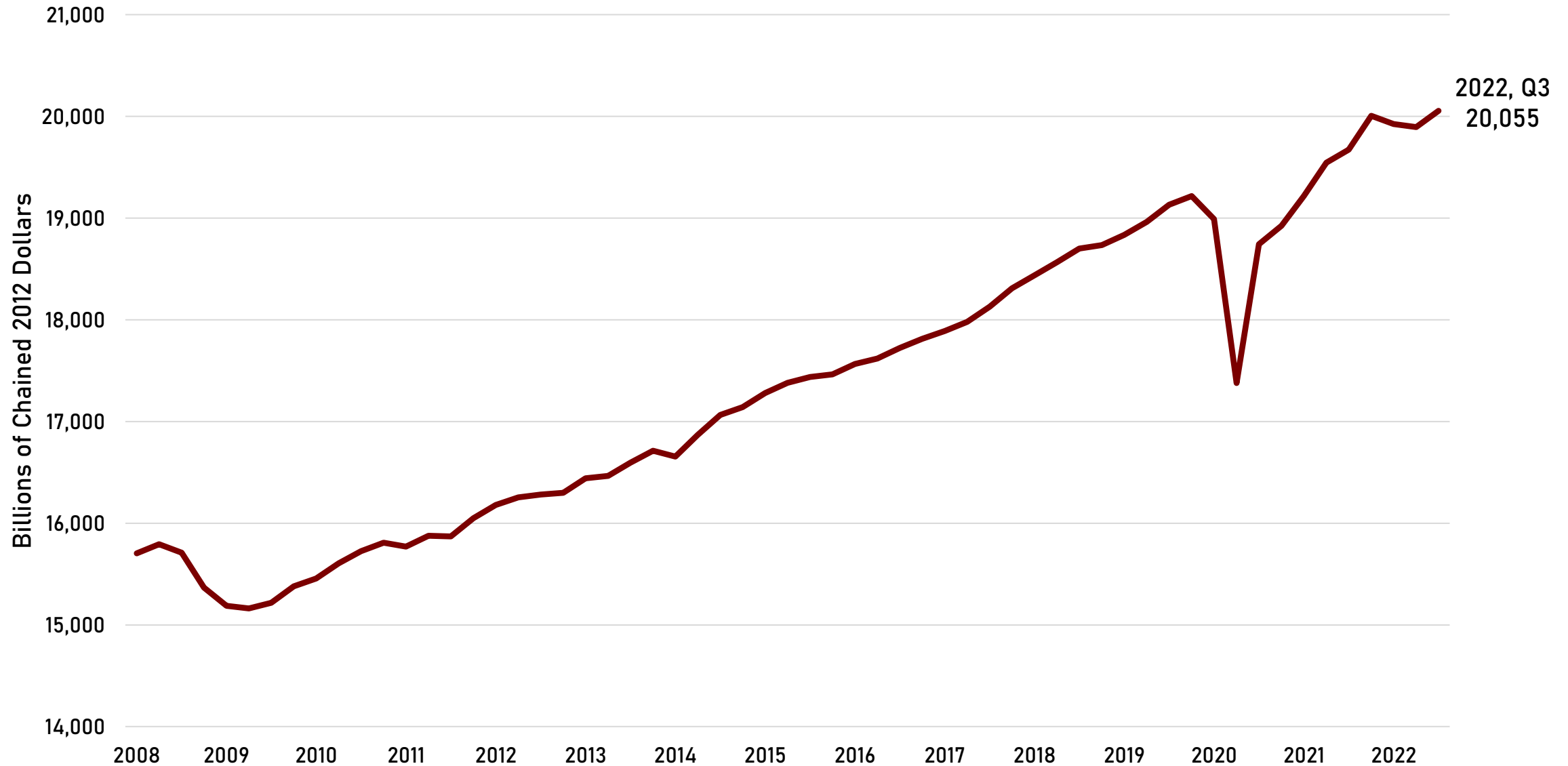


Inflation Rates



Sources: Bureau of Economic Analysis and Bureau of Labor Statistics

Real Gross Domestic Product



Source: U.S. Bureau of Economic Analysis, Real Gross Domestic Product [GDPC1], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/GDPC1>. Seasonally adjusted.



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Current State of the Local Economy

- The local economy experienced a small decline between October and November 2022.
- The unemployment rate in College Station-Bryan increased from 3.1% to 3.2% in November.
- Local employment rose slightly between October and November as did real taxable sales.
- Quarterly total earnings were unchanged (next release in February).



Local Economy Moving Forward

- The unemployment rate in College Station-Bryan has remained one of the lowest in the state over the last three years.
- Local employment and inflation-adjusted taxable sales have been on the rise and are at or above projected levels based on the growth prior to the COVID induced recession.
- Texas employment growth has outpaced national growth since the COVID recession.
- Inflation-adjusted national GDP rose in the third quarter of 2022 after declining the two previous quarters.
- While the inflation rate has declined in recent months, the Federal Reserve's efforts to slow inflation have raised concerns of a recession.



Economic Indicators of the College Station-Bryan MSA is sponsored by the Brazos Valley Economic Development Corporation



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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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Founded in 1977 through the generosity of former students, corporations and foundations, the Private Enterprise Research Center pursues a dual mission of supporting academic research at Texas A&M University and developing market-oriented solutions to public policy problems.

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