

THE ECONOMY AT A GLANCE

HOUSTON



GREATER HOUSTON
PARTNERSHIP
Making Houston Greater.

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Broadcast fees, promotions, and costs associated with game day and event operations totaled \$135.8 million. Visitors directly spent \$292.3 million while here, a little more than \$500 per visitor per day. Hotels, restaurants and bars collected about half of that sum. The report did not include the cost of Super Bowl tickets in these calculations.

SUPER BOWL LI VISITOR SPENDING

	\$ millions	% share
Hotels	\$88.3	30.2
Food and Beverage	59.4	20.3
Entertainment	56.2	19.2
Retail and Shopping	44.9	15.4
Transportation	30.9	10.6
Other	12.6	4.3
Total	\$292.3	100.0%

Source: Rockport Analytics

Rockport’s estimate did not attempt to measure the impact of less quantifiable benefits to Houston, such as the millions of social media impressions that were generated or the potential that visitors will return because of their experience here.

IMPROVEMENTS IN THE OIL PATCH

On May 25, the Organization of the Petroleum Exporting Countries (OPEC) and 11 non-OPEC countries agreed to extend existing crude production targets to March 31, 2018. The targets, set in November ’16, removed 1.8 million barrels of crude per day from global supply. The cuts have helped stabilize oil prices. Since the initial agreement, West Texas Intermediate (WTI), the U.S. benchmark for light sweet crude, has traded between \$45 and \$54 per barrel.

Rising U.S. production has muted the effects of the OPEC and non-OPEC production cuts. Since December ’16, U.S. production has grown by 600,000 barrels per day, hitting 9.3 million in May. In April, the U.S. Energy Information Administration forecasted U.S. production to average 9.3 million barrels per day this year and 10.0 million barrels in ’18. Given continued growth in the rig count, the agency is likely to raise its forecast. The number of rigs drilling for oil hit a two-year high at the beginning of June. Because of the

SUPER BOWL LI IMPACT

February’s big game generated \$428 million in total spending and drew more than 150,000 visitors to the Houston metro area, according to Rockport Analytics, the consulting firm the Houston Super Bowl Host Committee engaged to study the event. Accounting for both displaced travelers who would have otherwise visited and spending on the event outside the region, Houston reaped a net economic benefit of \$347 million. Of that, \$228 million went to local wages, the equivalent of 4,480 annual jobs, the report says. Visitor spending generated \$39 million in state and local sales tax.

SUPER BOWL LI ECONOMIC IMPACT

	\$ millions
Gross Spending	\$428
Less Displaced Tourism	-90
Less Spending Outside Houston	-93
Economic Ripple Effect	102
Net Benefit to Houston’s GDP	\$347

Source: Rockport Analytics

Only about 43 percent of out-of-town visitors attended the game. The others were either tourists who came for event-related festivities (31 percent), credentialed Super Bowl support staff (24 percent), or media members (two percent).

lag between the deployment of drilling rigs and actual oil production, recent rig increases indicate that U.S. oil production will likely rise further in the coming months.

ENERGY INDUSTRY OVERVIEW

	Peak	Trough	Current
U.S. Rig Count	1,931 <i>Sep '14</i>	404 <i>May '16</i>	916 <i>May '17</i>
Well Starts YTD ¹	16,714 <i>'14</i>	4,355 <i>'16</i>	7,609 <i>'17</i>
Spot Crude Price ²	\$107.95 <i>June '14</i>	\$26.19 <i>Feb '16</i>	\$47.66 <i>May '17</i>
U.S. Production ³	9.6 M <i>Apr '15</i>	8.6 M <i>Sep '16</i>	9.3 M <i>May '17</i>
Energy Employment ⁴	301,700 <i>Dec '14</i>	222,000 <i>Jan '17</i>	225,700 <i>April '17</i>

¹ N. America, onshore and offshore, through May of each year

² West Texas Intermediate, dollars per barrel

³ Million barrels per day

⁴ Includes exploration and production, oil field services, fabricated metal products, and engineering.

Sources: Baker Hughes, U.S. Energy Information Administration, Texas Workforce Commission

The worst appears to be over for the energy industry. According to international corporate law firm Haynes and Boone, 17 U.S. oilfield service firms filed for bankruptcy during the first four months of this year, down from 22 during the same period last year. Nine exploration firms have filed for bankruptcy so far this year, compared to 29 over the same period last year. Of the two dozen publicly-traded energy firms tracked by the Partnership, only 12 reported losses in Q1/17, down from 19 in Q3/16. And through April of this year, the exploration and production, oil field equipment manufacturing, and engineering sectors lost a combined 3,300 jobs while oil field services added 1,700. This year's performance compares favorably with a loss of 13,400 jobs in the same four sectors during the same period last year.

The EIA forecasts WTI to average \$51 this year and \$55 next year. Brent, the benchmark for crude traded in Europe and Asia, is forecast to trade \$2 higher than WTI in both years.

MORE OF US IN TOWN

The city of Houston added 18,666 residents in the 12 months ending July 1, 2016, according to the latest estimates from the U.S. Census Bureau. From April 1, 2010 to July 1, 2016, the city gained 204,031 residents, the largest increase of any Texas city and the second largest in the U.S. New York City led the nation, adding 362,540

residents, and the city of Los Angeles ranked third, with 183,701 new residents.

With 2,303,482 residents, Houston remains the nation's fourth most populous city, behind New York, Los Angeles, and Chicago. The Windy City's population still exceeds Houston's by more than 400,000 residents. At current growth rates, Houston won't overtake Chicago for another 15 years.

Most of Houston's growth occurred between '12 and '15, when 12-month job growth for the metro averaged 90,000 and the city's population growth averaged 38,000 residents per year. Population growth will remain subdued until job growth returns. The Partnership's [forecast](#) calls for the nine-county region to add 29,700 jobs in '17, about half what a typical year's job growth should be for the region.

Six of the nation's 20 most populous cities are now in Texas—Houston, San Antonio, Dallas, Austin, Fort Worth and El Paso.

Houston's surrounding cities also posted significant gains from '10 to '16. The largest cities outside of Houston are Pasadena (153,351 residents), Pearland (113,570), League City (102,010) and Sugar Land (88,177). Conroe added 26,079 residents, a 46.4 percent increase from '10 to '16, to reach a total population of 82,286. Conroe was the fastest growing U.S. city of more than 50,000 residents in '16.

Only incorporated places are included in the analysis. Census Designated Places (CDPs) are not shown. CDPs are the statistical counterparts of incorporated places that are identifiable by name but are not legally incorporated under the laws of the state in which they are located (e.g., The Woodlands). Maps providing additional insight into city population growth appear on page 7.

EMPLOYMENT CONTINUES TO RECOVER

The Houston-The Woodlands-Sugar Land metro area created 18,700 jobs in April, according to the Texas Workforce Commission (TWC). That performance represents one of the best Aprils in the past 35 years. When Houston's economy is in a recovery or growth mode, the region typically creates between 8,000 and 12,000 jobs in April. During the fracking boom ('11-'14), growth in April averaged 15,800 jobs.

The report, however, shows that hiring in oil and gas continues to be constrained, the downshift in construction starts has begun to affect employment in that sector, and the finance and insurance sector has weakened. On the bright side, growth has returned to the transportation and

wholesale trade sectors—most likely a result of the rise in the rig count and the growing volume of trade through the region’s four ports.

TWC may have overestimated April job growth. Year-to-date, city of Houston sales tax collections are down 0.2 percent, air travel down 0.6 percent, city building permits down 3.7 percent, and vehicles sales down 20.2 percent. The jump in the rig count and reasonably stable oil prices have not translated into profits (and thus hiring) for the oil and gas industry. Approximately half of the large public oil and gas firms with significant Houston operations reported losses in Q1/17.

Of note in the report is that employment services, a subset of professional and business services, added 4,800 jobs in April and 14,400 jobs over the previous 12 months. This sector tends to act as a bellwether for the rest of the economy, being the first to lose jobs going into a downturn and the first to experience strong job growth as the economy recovers. Houston has seen growth in employment services in 11 of the past 12 months. The job gains in February, March and April were particularly strong, suggesting Houston’s economy is well on the road to recovery.

For the 12-months ending April ’17, the region added 41,900 jobs. Four sectors account for most of the growth—employment services (14,400 jobs), government, primarily public education (12,300 jobs), health care (10,100 jobs), and food services and dining establishments (8,700 jobs). Unfortunately, growth in these sectors was somewhat offset by losses in oil and gas extraction (-5,500), construction (-7,600), engineering services (-3,500) and wholesale trade (-2,900).

Houston's April unemployment rate was 5.3 percent, down from 5.7 percent in March but up from 4.8 percent in April ’16. Texas' unemployment rate was 4.5 percent in April, down from 5.0 percent in March but up from 4.3 percent in April ’16. The U.S. rate was 4.1 percent in April, down from 4.9 percent in March and from 4.7 percent in April ’16. The rates are not seasonally adjusted.

A HALF DECADE OF GROWTH

Metro Houston added more than 13,000 business establishments between ’10 and ’15, according to the Partnership’s analysis of the most recent *County Business Patterns* (CBP), the U.S. Census Bureau’s annual survey of payroll, employment, and business establishments across the nation. Over the past five years, the number of establishments here rose 10.9 percent, employment increased 18.4 percent, and annual payroll grew 36.7 percent.

The number of establishments increased for each of the nine counties in metro Houston, with Fort Bend experiencing the largest five-year and one-year growth in ’15, 31.7 percent and 6.9 percent respectively.

HOUSTON ESTABLISHMENTS - CBP

Geography	Establishments		
	2010	2015	% Δ
Houston Metro	122,517	135,923	10.9
Austin County	575	609	5.9
Brazoria County	4,817	5,355	11.2
Chambers County	493	584	18.5
Fort Bend County	9,223	12,144	31.7
Galveston County	5,115	5,587	9.2
Harris County	91,528	99,121	8.3
Liberty County	1,049	1,049	0.0
Montgomery County	8,883	10,759	21.1
Waller County	653	715	9.5

Source: U.S. Census Bureau, 2010 and 2015 County Business Patterns

Employment increased for eight of the nine counties in the Houston metro area between ’10 and ’15. The exception was Austin County, where it declined by nearly one-fifth. Chambers County stood out with five-year employment growth of 38.9 percent—significantly higher than the region’s rate of 18.4 percent during the same time. More than half of this growth came from transportation, warehousing and manufacturing industries, specifically, fabricated metal manufacturing, chemical manufacturing, warehousing and storage, and pipeline transportation. This employment gain is not surprising given the recent \$60 billion investment in petrochemical expansion projects in the region.

HOUSTON EMPLOYMENT - CBP

Geography	Employment		
	2010	2015	% Δ
Houston Metro	2,176,567	2,576,412	18.4
Austin County	9,439	7,665	-18.7
Brazoria County	70,292	86,188	22.6
Chambers County	8,176	11,356	38.9
Fort Bend County	114,920	154,307	34.3
Galveston County	77,680	82,813	6.6
Harris County	1,754,182	2,059,669	17.4
Liberty County	11,405	12,787	12.1
Montgomery	120,627	149,976	24.3
Waller County	8,820	11,651	32.1

Note: Employment numbers reported in CBP will differ from that reported by the U.S. Bureau of Labor Statistics because the two agencies use different sources and methodologies.

Source: U.S. Census Bureau, 2010 and 2015 County Business Patterns

Between '14 and '15, the establishment counts in metro Houston increased for all industries except finance and insurance. However, a decline in finance and insurance establishments also occurred in half of the 20 most populous metros in the country. These declines could be the aftermath of the Great Recession—in particular, persistently low interest rates, increased government oversight, and the growth of nontraditional lending sources.

Health care and social assistance added 1,344 establishments in '15—the most among the industries. Demand for health care is closely tied to demographics, and the Houston area added more residents than any other metro in the country during this period—nearly 700,000.

Employment also grew for all industries in the Houston region between '10 and '15—a period of major economic boom. Oil exploration and production firms increased employment 68.6 percent during this time, dwarfing the second-highest increase of 34.4 percent in the management industry.

HOUSTON PAYROLL - CBP

Geography	Annual payroll (\$ millions)		
	2010	2015	% Δ
Houston Metro	116,472.3	159,246.6	36.7
Austin County	368.9	299.3	-18.9
Brazoria County	2,913.1	4,388.2	50.6
Chambers County	427.9	692.1	61.8
Fort Bend County	4,665.1	7,022.6	50.5
Galveston County	2,919.4	3,328.2	14.0
Harris County	98,602.3	134,039.8	35.9
Liberty County	400.5	497.0	24.1
Montgomery County	5,804.9	8,477.0	46.0
Waller County	341.8	502.4	47.0

Source: U.S. Census Bureau, 2010 and 2015 County Business Patterns

Payroll in the region grew from \$116.5 billion in '10 to \$159.2 billion in '15, a 36.7 percent increase. Payroll grew for all counties except in Austin County, where it fell by nearly one-fifth, consistent with its employment declines.

Upstream energy witnessed major expansion during '10 and '14, and payroll in mining increased 72.7 percent. Then the price of oil dropped precipitously, and payroll declined 5.2 percent between '14 and '15. Oil and gas companies

and the region's professional firms and transportation companies are heavily connected. Declines in the former affect the latter. As a result, payroll declined 2.3 percent among professional firms and 4.1 percent in transportation from '14 to '15.

UNDENIABLY "GLOBAL" HOUSTON¹

Analysts and academics draw on hundreds of criteria when trying to determine if a place is truly a "global" city, but four seem to best define a global *business* center:

- The importance of exports to a city's economy,
- The amount of foreign investment in the region,
- Connections to the rest of the world, and
- Dominance in at least one aspect of the global economy.

How does Houston measure up?

Trade

U.S. trade data are available from a variety of sources, the three best being the U.S. International Trade Administration (ITA), Brookings Institution, and the U.S. Bureau of the Census. Each has its strengths and weaknesses, but combined they provide a nearly complete picture of Houston's trade activity.

ITA reports that metro Houston has led the U.S. in exports four years in a row. Exports totaled \$97.1 billion in '15, the latest year for which data are available. New York ranked second, Seattle third and Los Angeles fourth. The data suggest that exports support more than 400,000 jobs in Houston.

The Brookings Institution estimates Houston exports totaled \$80.1 billion in '15—\$61.4 billion in goods and \$18.7 billion in services. The region ranks third in value of exports behind New York (\$131.6 billion) and Los Angeles (\$98.2 billion), but ahead of Chicago (\$63.1 billion) and Dallas-Fort Worth (\$59.1 billion). Exports accounted for 15.9 percent of Houston's GDP in '15 and supported 346,978 Houston-area jobs, or nearly one in every nine in the region.

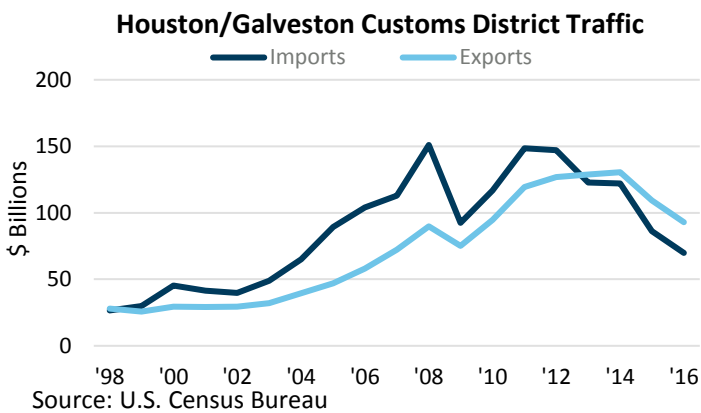
Census reports that the Houston/Galveston Customs District handled more than \$162 billion in goods and commodities in '16. That reflects a 16.7 percent drop in value from '15 and a 40.3 percent drop from the previous peak

¹ This section of *Glance* is extracted from *Global Houston 2017*. The Partnership released the study at its third annual State of Houston's Global Economy event in May. A full copy of the study is available at <http://www.houston.org/economy/>.

in '12. Volume has fared somewhat better. More than 242 million metric tons of cargo crossed Houston's wharves in '16, down 3.0 percent from '15 and 8.6 percent from '10, the previous peak.

Other districts have suffered declines as well. The strong dollar (which makes U.S. goods more expensive overseas) and weak global growth (which reduces demand in general) have slowed traffic at many U.S. districts. Values are down at all but three of the nation's top 20, tonnage at all but one. Much of Houston's decline in trade reflects the rise of fracking. Domestic crude production has nearly doubled over the past 10 years, reducing the need to import crude. Prices have fallen, also reducing the value of shipments.

A profound shift overtook Houston several years ago. Exports now outweigh and outnumber imports through the district. Put more succinctly, Houston has shifted from an import-oriented to an export-oriented economy. Fifteen years ago, exports were less than 20 percent of all tonnage through the district. Exports now account for more than half.



Latin America remains Houston's leading trading partner, having overtaken Europe 11 years ago. Two years ago, Asia rose to second place, Europe slipping to third. Africa remains a distant fourth.

Investments

Brookings estimates that foreign-owned firms supported more than 178,000 Houston jobs in '11 (most recent data available), or 8.0 percent of the total, ranking Houston fourth among U.S. metros. Assuming their share of employment has at least held constant over the past five years, foreign-owned firms may now support more than 250,000 jobs in the region.

Nationally, the bulk of FDI occurs as a merger or acquisition (M&A) of an existing company. When one domestic firm acquires another, layoffs often ensue. In many instances,

the purchaser wants only the firm's patents and market share. Consequently, the purchaser folds production into its own operations and closes what it has acquired. However, when a foreign firm buys a domestic firm, the prime motivation is usually market access, so existing operations are kept in place.

The Partnership has identified 45 examples of foreign investment in Houston through merger or acquisition dating back to '11. About half of these acquisitions involved companies based in Canada or the United Kingdom. The most frequent targets have been firms in energy or manufacturing.

Houston is unique, however, in that most FDI in the region is not M&A but greenfield, *i.e.*, construction on land not already developed. Much of the recent \$60 billion in local petrochemical plant construction matches this description.

The Partnership has identified more than 300 greenfield FDI projects that landed in Houston over the past six years ('11-'16). Those investments align with sectors associated with Houston's top exports—chemicals, engineering, oil and gas extraction, chemicals and plastics. The lead countries investing in Houston: Germany (36 projects), the Netherlands (32), Japan (31), the United Kingdom (29) and Canada (28).

Owning a Piece of Houston

Foreign investors like to acquire Houston real estate for a variety of reasons—the resilient economy, the business-friendly climate, the higher levels of liquidity, and the potential for asset appreciation. Working with CBRE, the Partnership has identified more than 500 Houston real estate transactions involving foreign parties since '02 with an aggregate worth more than \$15 billion. Foreign transactions peaked in '15 with 118 deals valued at nearly \$2.5 billion. The weak local economy kept foreign buyers away last year, with only 13 acquisitions valued at \$191 million.

More than 90 foreign firms own nearly 350 properties in Houston. If consumers vote with their pocketbooks and investors with their capital, these owners have placed Houston on their own lists of the world's truly global cities.

Connections

A city can be connected to global commerce through its corporate ties, its transportation infrastructure, or its people. Houston wins on all three counts.

Nearly 5,000 Houston-area firms are engaged in global commerce. That's almost triple the number three decades ago. Manufacturing companies account for about two-

thirds of Houston-area firms involved in foreign trade; service firms, the remaining third. These firms trade goods or services with virtually every country in the world, the few exceptions being North Korea and a handful of island nations such as St. Helena and Pitcairn Island.

Many of Houston’s public companies derive a sizable portion of their revenues from their overseas operations. The average is 30 percent, but companies such as Halliburton and Oceaneering receive more than half their revenues from international sales and operations.

Sixty-six of the 100 largest non-U.S. firms on the Forbes Global 2000 and 58 on the Fortune Global 500 have operations in Houston. Many are household names, such as Shell Oil, AIG and DHL. Half of Houston’s 100 largest private sector employers are recognized global companies.

Houston firms continue to strengthen their global business connections through acquisitions, investments, and contracts with companies overseas. Over the past 12 months, local companies have completed deals with firms in 29 countries.

Infrastructure

Houston has four seaports (Houston, Galveston, Freeport and Texas City) and two international airports (Bush Intercontinental and Houston Hobby). The Houston Airport System offers non-stop or direct service to 70 international destinations. Bush Intercontinental ranks as the nation’s eighth busiest international passenger gateway. The Houston Airport System is moving forward with plans to expand its Mickey Leland International Terminal (Terminal D) at George Bush Intercontinental.

TOP U.S. AIRPORTS, RANKED BY INTERNATIONAL DESTINATIONS SERVED, CY '17

Rank	Airport	Int'l Cities Served
1	New York John F. Kennedy	125
2	Miami International	106
3	Los Angeles International	90
4	Newark Liberty International	85
5	Atlanta Hartsfield-Jackson	76
6	Houston Bush Intercontinental	70
7	Chicago O'Hare	67
8	Fort-Lauderdale-Hollywood	62
9	Dallas-Fort Worth	56
10	Boston Logan	55

Source: Houston Airport System

Port Houston ranks as the number one U.S. port in foreign tonnage. More than 8,000 ships call on the Port of Houston each year. The port authority plans to invest \$920 million over the next five years on cranes, wharves, warehouses, dredging and other improvements to ensure Port Houston remains competitive.

People

The U.S. Census Bureau estimates Houston’s foreign-born population at 1.6 million, or about one in four residents. This number underrepresents the foreign-born contribution to overall population growth. Forty percent of all residents under the age of 18—more than 650,000 children—have at least one foreign-born parent. Aggregating the foreign-born and their offspring, immigrants account for more than 2.2 million residents, or about a third of Houston’s population. Without them, Houston’s population sinks to 4.5 million, about the size of Detroit’s.

Global Dominance

A true global city is one that serves as headquarters for a global industry. For Houston, it’s energy. According to McKinsey & Company:

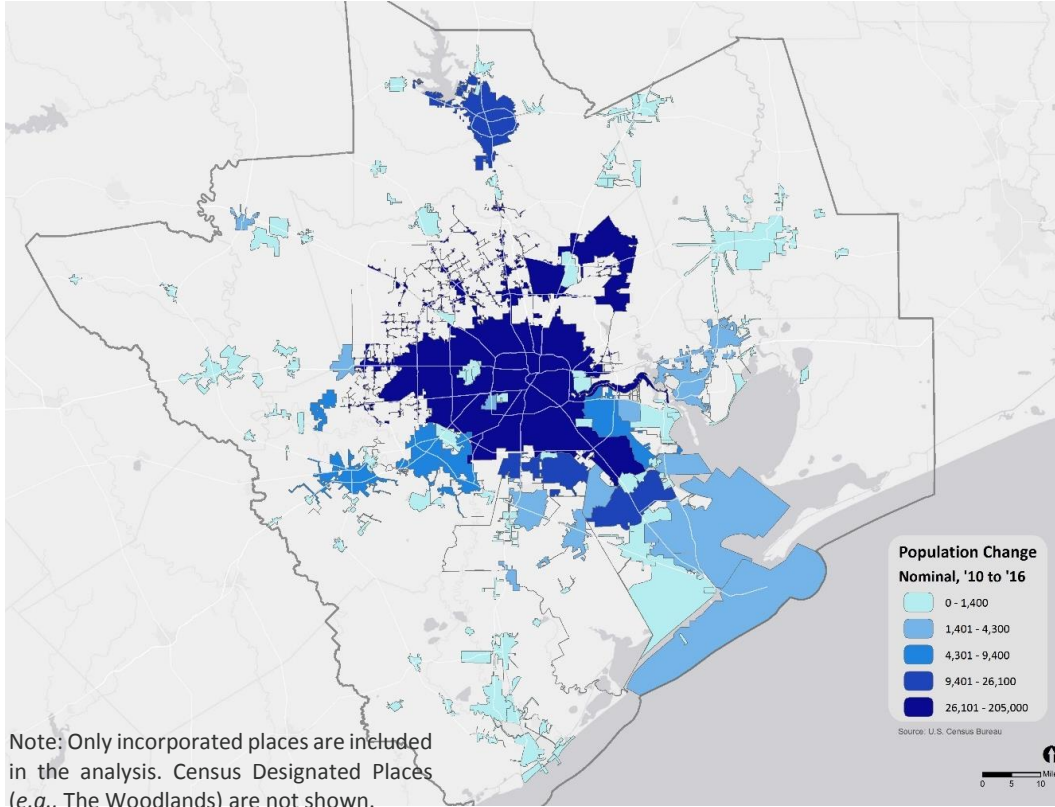
- Around one-fifth of the world’s national oil companies (e.g., Saudi Aramco, PetroChina, Gazprom) have operations in Houston, including seven of the 10 largest.
- Two-thirds of the global integrated oil companies (e.g., ExxonMobil, Shell, Chevron) have operations here, including eight of the 10 largest.
- Of the 167 oil field service firms based outside North America (e.g., TechnipFMC, Aker, Subsea7), over half have offices in Houston, including 21 of the 25 largest.
- More than half the world’s top 100 grossing chemical companies (e.g., BASF, Sinopec, INEOS) have Houston plants and facilities.
- Of the 25 non-U.S. exploration and production firms (e.g., Cairn India, ITOCHU, SK Energy), 13 have offices in Houston.

Despite Houston’s recent struggles, trade continues to grow, foreign investors continue to inject capital into the city, the region’s international population continues to expand, and Houston retains its place as headquarters of the global energy industry.

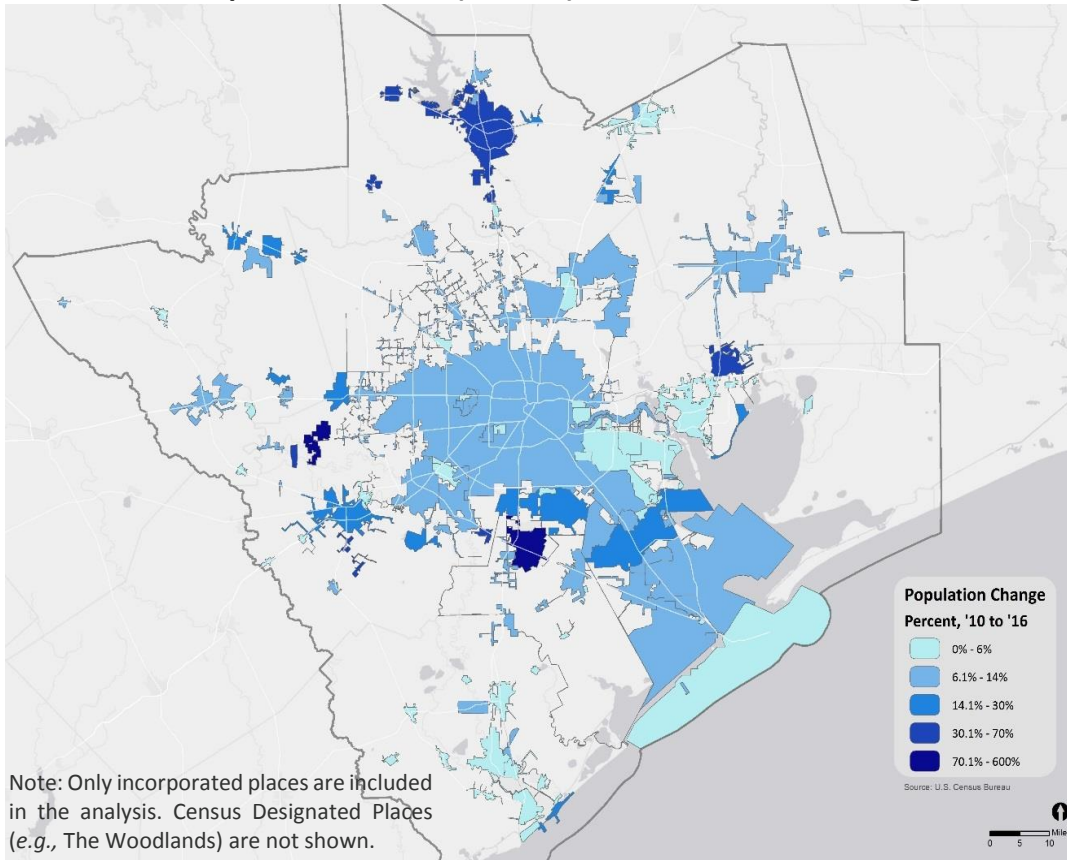
Fifty years ago, Houston was known as “Space City, U.S.A.” The words “Houston” and “NASA” were almost synonymous. For years, civic leaders reminded everyone that “Houston” was the first word spoken from the moon. Today, trade, investment, and global connections define the region. It doesn’t take a rocket scientist to see that Houston is now a global city.

SUPPLEMENTAL MAPS FOR CITY POPULATION CHANGE (continued from page 2)

'10-'16 Population Growth (Nominal), Cities in the Houston Region



'10-'16 Population Growth (Percent), Cities in the Houston Region



SNAPSHOT — KEY ECONOMIC INDICATORS



Aviation — The Houston Airport System handled 17.3 million passengers through the first four months of this year, down 0.6 percent from the 17.4 million handled over the same period in '16. Domestic passengers totaled 13.714 million, unchanged from '16. International passengers totaled 3.6 million, down 2.7 percent from the 3.7 million handled YTD in '16.



Building Permits — City of Houston building permits totaled \$485.0 million in April '17, down 1.9 percent from \$494.4 million in April '16, according to the City's Department of Public Works & Engineering Planning & Development Services. For the 12 months ending April '17, city building permits totaled \$6.5 billion, down 15.5 percent from \$7.7 billion in the prior 12 months.



Inflation — The cost of consumer goods and services as measured by the Consumer Price Index for All Urban Consumers (CPI-U) rose 2.2 percent nationwide from April '16 to April '17, according to the U.S. Bureau of Labor Statistics. Core inflation (all items less the often volatile food and energy categories) increased 1.9 percent since April '16. Consumer prices in the Houston region grew 2.0 percent from April '16. Core inflation rose 1.1 percent.



Home Sales — Houston's housing market set another record with 93,140 properties sold in the 12 months ending April '17. For the month, realtors sold 8,014 units, a 4.2 percent increase from April '16. Prices also hit new highs, with the median price of a single-family home reaching \$228,000 and the average sales price of a single-family home climbing to \$291,770, both records for an April. For the second consecutive month, more than 12,000 single-family homes were newly listed, bumping up inventory to 4.0 months and priming the market for the summer buying season. Nationally, housing inventory stands at a 3.8-month supply, according to the latest report from the National Association of Realtors. Days on Market, or the number of days it took the average home to sell, decreased from 56 days in April '16 to 55 days in April '17.



Vehicle Sales — Houston-area auto dealers sold 22,504 vehicles in April '17, a 4.9 percent decrease from the 23,652 vehicles sold in April '16, according to *TexAuto Facts*, published by InfoNation, Inc. of Sugar Land. For the 12 months ending April '17, 286,946 vehicles were sold, a 20.4 percent decline from the same period last year. Nationally, vehicle sales were down 4.7 percent over the year to 1,427,000 in April '17. The average retail sales price per vehicle in Houston in April fell to \$36,370, the lowest in six months.



Purchasing Managers Index — The Houston Purchasing Managers Index, a short-term leading indicator for regional production, registered 54.1 in April, signaling economic expansion in metro Houston for the seventh consecutive month, according to the Institute for Supply Management-Houston (ISM-Houston). The April reading is up from the March PMI of 51.4.



Sales Tax Collections — City of Houston sales tax collections totaled \$59.050 million in May '17, down 0.2 percent from \$59.160 million in May '16. Through the first five months of the year, the city collected \$270.6 million, down 0.2 percent from \$271.2 million from the same period last year.

Patrick Jankowski, Roel Martinez, Josh Pherigo, Jenny Philip and Nadia Valliani contributed to this issue of Houston: The Economy at a Glance.

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The Key Economic Indicators table is updated ***whenever any data change*** — typically, six or so times per month. If you would like to receive these updates by e-mail, usually accompanied by commentary, please click [here](#).

HOUSTON ECONOMIC INDICATORS

	Month	MONTHLY DATA			YEAR-TO-DATE TOTAL or YTD AVERAGE*		
		Most Recent	Year Earlier	% Change	Most Recent	Year Earlier	% Change
ENERGY							
U.S. Active Rotary Rigs	May '17	893	407	119.4	792 *	505 *	56.8
Spot Crude Oil Price (\$/bbl, West Texas Intermediate)	Apr '17	51.06	40.75	25.3	51.59 *	35.07 *	47.1
Spot Natural Gas (\$/MMBtu, Henry Hub)	Apr '17	3.10	1.92	61.5	3.03 *	2.83 *	7.1
UTILITIES AND PRODUCTION							
Houston Purchasing Managers Index	Apr '17	54.1	44.2	22.4	53.5 *	45.1 *	18.6
Nonresidential Electric Current Sales (Mwh, CNP Service)	Apr '17	4,564,799	4,558,616	0.1	18,165,442	17,570,101	3.4
CONSTRUCTION							
Total Building Contracts (\$, Houston MSA)	April '17	1,050,770,000	1,195,037,000	-12.1	5,204,958,000	5,634,913,000	-7.6
Nonresidential	April '17	301,173,000	500,378,000	-39.8	2,223,103,000	2,724,728,000	-18.4
Residential	April '17	749,597,000	694,659,000	7.9	2,981,855,000	2,910,185,000	2.5
Building Permits (\$, City of Houston)	April '17	484,964,178	494,394,709	-1.9	1,981,018,370	2,058,119,584	-3.7
Nonresidential	April '17	262,986,485	288,951,819	-9.0	1,268,100,834	1,282,342,072	-1.1
<i>New Nonresidential</i>	<i>April '17</i>	<i>54,158,695</i>	<i>129,760,368</i>	<i>-58.3</i>	<i>413,620,108</i>	<i>423,505,132</i>	<i>-2.3</i>
<i>Nonresidential Additions/Alterations/Conversions</i>	<i>April '17</i>	<i>208,827,790</i>	<i>159,191,451</i>	<i>31.2</i>	<i>854,480,726</i>	<i>858,836,940</i>	<i>-0.5</i>
Residential	April '17	221,977,693	205,442,890	8.0	712,917,536	775,777,512	-8.1
<i>New Residential</i>	<i>April '17</i>	<i>194,469,151</i>	<i>145,820,994</i>	<i>33.4</i>	<i>616,774,096</i>	<i>627,730,276</i>	<i>-1.7</i>
<i>Residential Additions/Alterations/Conversions</i>	<i>April '17</i>	<i>27,508,542</i>	<i>59,621,896</i>	<i>-53.9</i>	<i>96,143,440</i>	<i>148,047,236</i>	<i>-35.1</i>
Multiple Listing Service (MLS) Activity							
Property Sales	Apr '17	8,014	7,694	4.2	27,682	26,042	6.3
Median Sales Price - SF Detached	Apr '17	228,000	218,000	4.6	222,188 0	209,998 *	5.8
Active Listings	Apr '17	39,567	34,855	13.5	37,034 *	33,697 *	9.9
EMPLOYMENT (Houston-Sugar Land-Baytown MSA)							
Nonfarm Payroll Employment	Apr '17	3,042,800	3,000,900	1.4	3,018,000 *	2,990,650 *	0.9
Goods Producing (Natural Resources/Mining/Const/Mfg)	Apr '17	531,300	536,200	-0.9	529,150 0	540,500 *	-2.1
Service Providing	Apr '17	2,511,500	2,464,700	1.9	2,488,850 0	2,450,150 *	1.6
Unemployment Rate (%) - Not Seasonally Adjusted							
Houston-Sugar Land-Baytown MSA	Apr '17	5.3	4.8		5.3 *	4.8 *	
Texas	Apr '17	4.5	4.3		4.6 *	4.4 *	
U.S.	Apr '17	4.1	4.7		4.8 *	5.1 *	
TRANSPORTATION							
Port of Houston Authority Shipments (Short Tons)	Apr '17	4,082,102	3,878,589	5.2	15,285,153	14,768,800	3.5
Air Passengers (Houston Airport System)	Apr '17	4,384,761	4,259,474	2.9	17,323,300	17,423,002	-0.6
Domestic Passengers	Apr '17	3,484,156	3,392,132	2.7	13,713,745	13,713,138	0.0
International Passengers	Apr '17	900,605	867,342	3.8	3,609,555	3,709,864	-2.7
Air Freight (metric tons)	Apr '17	35,460	34,642	2.4	141,705	133,839	5.9
CONSUMERS							
New Car and Truck Sales (Units, Houston MSA)	Apr '17	22,504	23,652	-4.9	92,440	104,955	-11.9
Car	Apr '17	7,266	8,411	-13.6	31,079	38,791	-19.9
Trucks, SUVs and Commercial	Apr '17	15,238	15,241	0.0	61,361	66,164	-7.3
Total Retail Sales (\$000,000, Houston MSA, NAICS Basis)	Q2/16	27,284	28,630	-4.7	26,215	27,305	-4.0
Consumer Price Index for All Urban Consumers ('82-'84=100)							
Houston-Galveston-Brazoria CMSA	Apr '17	219.852	215.513	2.0	219.195 *	215.031 *	1.9
United States	Apr '17	244.524	239.261	2.2	243.692 *	237.855 *	2.5
Hotel Performance (Houston MSA)							
Occupancy (%)	Q4/16	57.2	64.3		62.3 *	68.6 *	
Average Room Rate (\$)	Q4/16	99.05	106.37	-6.9	104.45 *	108.51 *	-3.7
Revenue Per Available Room (\$)	Q4/16	56.67	68.41	-17.2	65.32 *	74.47 *	-12.3
SOURCES							
Aviation	City of Houston Department of Aviation						
Building Construction Contracts	Dodge Data & Analytics						
Car and Truck Sales	TexAuto Facts Report , InfoNation, Inc., Sugar Land TX						
City of Houston Building Permits	Public Works & Engineering Planning & Development, City of Houston						
Consumer Price Index	U.S. Bureau of Labor Statistics						
Electricity	CenterPoint Energy						
Employment, Unemployment	Texas Workforce Commission						
Hotels	CBRE						
Houston Purchasing Managers Index	Institute for Supply Management-Houston						
MLS Data	Houston Association of Realtors®						
Port Shipments	Port of Houston Authority						
Retail Sales	Texas Comptroller's Office						
Rig Count	Baker Hughes Incorporated						

HOUSTON MSA NONFARM PAYROLL EMPLOYMENT (000)

			Change from		% Change from		
	17-Apr	17-Mar	16-Apr	17-Mar	16-Apr	17-Mar	16-Apr
Total Nonfarm Payroll Jobs	3,042.8	3,024.1	3,000.9	18.7	41.9	0.6	1.4
Total Private	2,624.9	2,607.0	2,595.3	17.9	29.6	0.7	1.1
Goods Producing	531.3	532.7	536.2	-1.4	-4.9	-0.3	-0.9
Service Providing	2,511.5	2,491.4	2,464.7	20.1	46.8	0.8	1.9
Private Service Providing	2,093.6	2,074.3	2,059.1	19.3	34.5	0.9	1.7
Mining and Logging	301.4	305.2	311.4	-3.8	-10.0	-1.2	-3.2
Oil & Gas Extraction	87.6	87.3	90.0	0.3	-2.4	0.3	-2.7
Support Activities for Mining	45.9	46.5	51.4	-0.6	-5.5	-1.3	-10.7
Construction	213.8	217.9	221.4	-4.1	-7.6	-1.9	-3.4
Manufacturing	229.9	227.5	224.8	2.4	5.1	1.1	2.3
Durable Goods Manufacturing	146.3	144.7	142.4	1.6	3.9	1.1	2.7
Nondurable Goods Manufacturing	83.6	82.8	82.4	0.8	1.2	1.0	1.5
Wholesale Trade	160.6	159.9	163.5	0.7	-2.9	0.4	-1.8
Retail Trade	304.3	301.8	303.7	2.5	0.6	0.8	0.2
Transportation, Warehousing and Utilities	139.5	138.5	139.1	1.0	0.4	0.7	0.3
Utilities	16.0	15.9	16.2	0.1	-0.2	0.6	-1.2
Air Transportation	21.7	21.7	21.6	0.0	0.1	0.0	0.5
Truck Transportation	24.5	24.4	24.7	0.1	-0.2	0.4	-0.8
Pipeline Transportation	10.8	10.8	11.0	0.0	-0.2	0.0	-1.8
Information	32.1	32.5	32.4	-0.4	-0.3	-1.2	-0.9
Telecommunications	13.7	13.9	14.3	-0.2	-0.6	-1.4	-4.2
Finance & Insurance	99.3	100.1	98.8	-0.8	0.5	-0.8	0.5
Real Estate & Rental and Leasing	54.2	53.8	55.4	0.4	-1.2	0.7	-2.2
Professional & Business Services	479.7	472.7	467.9	7.0	11.8	1.5	2.5
Professional, Scientific & Technical Services	216.4	215.0	220.7	1.4	-4.3	0.7	-1.9
Legal Services	24.8	24.7	24.6	0.1	0.2	0.4	0.8
Accounting, Tax Preparation, Bookkeeping	27.7	28.1	27.3	-0.4	0.4	-1.4	1.5
Architectural, Engineering & Related Services	64.3	63.8	67.8	0.5	-3.5	0.8	-5.2
Computer Systems Design & Related Services	31.9	31.8	32.3	0.1	-0.4	0.3	-1.2
Admin & Support/Waste Mgt & Remediation	226.0	221.0	210.3	5.0	15.7	2.3	7.5
Administrative & Support Services	214.2	209.1	198.8	5.1	15.4	2.4	7.7
Employment Services	90.4	85.6	76.0	4.8	14.4	5.6	18.9
Educational Services	60.5	59.8	57.9	0.7	2.6	1.2	4.5
Health Care & Social Assistance	330.0	328.1	319.9	1.9	10.1	0.6	3.2
Arts, Entertainment & Recreation	35.3	34.8	33.3	0.5	2.0	1.4	6.0
Accommodation & Food Services	288.2	284.0	279.1	4.2	9.1	1.5	3.3
Other Services	109.9	108.3	108.1	1.6	1.8	1.5	1.7
Government	417.9	417.1	405.6	0.8	12.3	0.2	3.0
Federal Government	28.7	28.6	28.1	0.1	0.6	0.3	2.1
State Government	86.1	85.2	84.4	0.9	1.7	1.1	2.0
State Government Educational Services	51.7	51.0	50.1	0.7	1.6	1.4	3.2
Local Government	303.1	303.3	293.1	-0.2	10.0	-0.1	3.4
Local Government Educational Services	216.5	217.2	205.9	-0.7	10.6	-0.3	5.1

SOURCE: Texas Workforce Commission