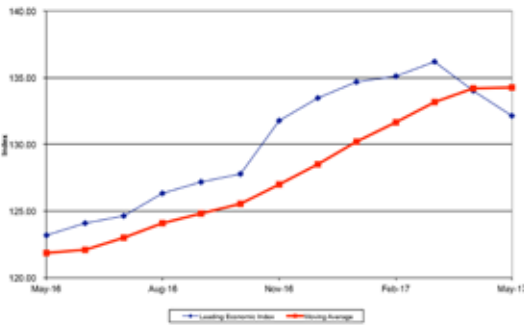


ALL THREE INDEXES INDICATE GROWTH CONTINUES

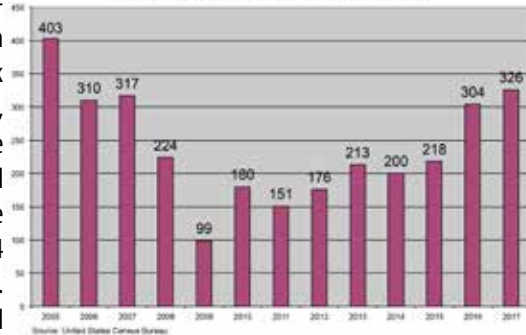
The Brazoria County Index of Leading Economic Indicators decreased in May to 132.15, which is 1.42 percent below the previous month's index and 7.30 percent above the previous year. The Leading Economic Index, which is designed to forecast the economic performance of the county over the next three to six months, has been above the six-month moving average for ten of the last twelve months. This is significant because if the leading economic index is consistently above the six-month moving average the county is likely entering into or currently experiencing a period of positive economic growth (Figure 1).

Figure 1: Leading Economic Index



The largest annual increase in the index was in the Brazoria County Stock Index. The stock index, which is made up of the six largest publicly traded companies within the county, increased 10.44 percent over the last year. While the stock index did post an annual increase there were month over month decreases in April and May, which caused the Leading Economic Index to fall as indicated in Figure 1. Brazoria County New Single Family Building Permits increased 7.24 percent over the last year from 304 to 326 permits, which is the most permits filed in the month of May since 2005 (Figure 2). The preliminary figure for Houston-The Woodlands-Sugarland Average Weekly Manufacturing Hours in May is 45.10 hours per week compared to 43.30 hours per week last year, which represents an increase of 4.16 percent.

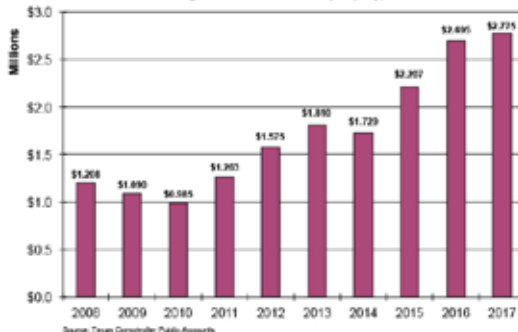
Figure 2: New Single Family Building Permits (May)



CURRENT ECONOMIC INDICATORS

The Brazoria County Index of Current Economic Indicators, which is designed to provide information about the current status of the economy, increased to 172.38 in May. The index is 0.39 percent above the previous month and 2.96 percent higher than last

Figure 3: Sales Tax Receipts (May)



year. Sales Tax Receipts were 0.64 percent higher than last month and 4.86 percent higher than the last year. The \$2,774,951 of receipts is the highest amount of receipts ever recorded in the month of May (Figure 3). The county recorded 161,263 individuals employed in May, which is the largest ever reported for the month of May (Figure 4). The highest number of individuals ever employed in the county is 162,092, which occurred in April 2017. Houston-Galveston-Brazoria CPI posted an increase of 0.22 percent over the last month and 1.81 percent over the last year. The Brazoria County Current Economic Index has been above the six-month moving average for ten of the last twelve months. This is significant because if the current economic index is consistently above the six-month moving average then the county is likely experiencing a period of economic growth (Figure 5).

Figure 4: Brazoria County Employment (May)

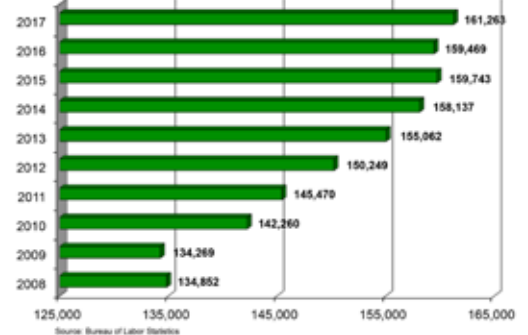
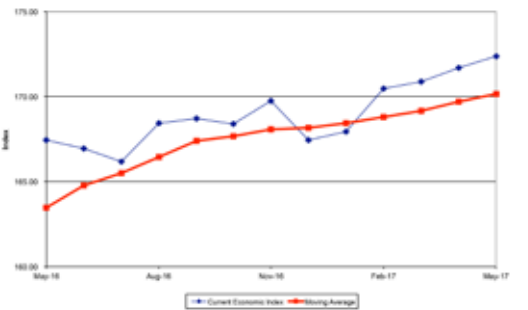


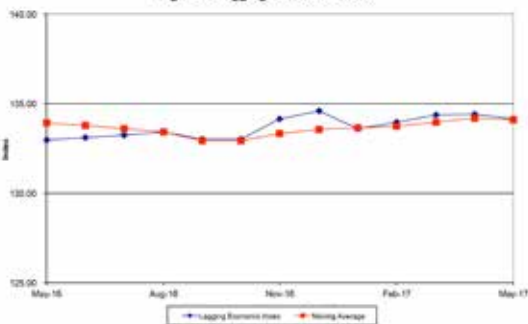
Figure 5: Current Economic Index



LAGGING ECONOMIC INDICATORS

The Brazoria County Index of Lagging Economic Indicators is used to confirm the growth or slowdown in the economy. The lagging economic index is 0.18 percent below the previous month's index and 0.90 percent above the previous year. Brazoria County Foreclosure Notices decreased from 84 to 72 foreclosure notices over the last year. The 72 notices is the lowest number of foreclosures notices filed in the month of May since the inception of the index. The unemployment rate in the county was 5.35 percent compared to 4.69 percent in May of last year. The lagging economic index has been above the six-month moving average for the ten of the last twelve months, which indicates the economy has been experiencing a period of economic growth (Figure 6).

Figure 6: Lagging Economic Index



BRAZORIA COUNTY, TEXAS BUSINESS CYCLE INDICATORS

JULY 2017

Brazoria County Economic Indices:	May 2017	Apr 2017	Mar 2017	Feb 2017	Jan 2017
Leading Economic Index (2003 = 100)	132.15	134.05	136.19	135.13	134.70
Current Economic Index (2003=100)	172.38	171.71	170.87	170.48	167.92
Lagging Economic Index (2003 = 100)	134.16	134.40	134.35	133.96	133.61

Brazoria County Leading Economic Index	May 2017	Apr 2017	May 2016	Apr-2017 to May-2017	May-2016 to May-2017
Leading Economic Index (2003 = 100)	132.15	134.05	123.15	-1.42%	7.30%
Components:					
Brazoria County Stock Index (12/31/2003 = 100)	188.88	196.91	171.02	-4.08%	10.44%
New Single Family Building Permits (Seasonally Adjusted)	258	254	240	1.68%	7.64%
<i>New Single Family Building Permits (Unadjusted)</i>	326	280	304	16.43%	7.24%
Houston-The Woodlands-Sugarland Avg. Wkly. Mfg. Hrs. (Seasonally Adjusted)	43.72	43.47	42.98	0.58%	1.72%
<i>Houston-The Woodlands-Sugarland Avg. Wkly. Mfg. Hrs. (Unadjusted)</i>	45.10	44.10	43.30	2.27%	4.16%

*(Data for the Leading Index is one month behind due to the lag in obtaining building permits.)

Brazoria County Current Economic Index	May 2017	Apr 2017	May 2016	Apr-2017 to May-2017	May-2016 to May-2017
Current Economic Index (2003 = 100)	172.38	171.71	167.43	0.39%	2.96%
Components:					
Sales Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	1,281,041	1,272,912	1,221,702	0.64%	4.86%
<i>Sales Tax Receipts (Current \$'s, Unadjusted)</i>	2,774,951	2,606,749	2,694,989	6.45%	2.97%
Household Employment (Seasonally Adjusted)	160,670	160,507	159,521	0.10%	0.72%
<i>Household Employment (Unadjusted)</i>	161,263	162,092	159,469	-0.51%	1.12%
Houston-Galveston-Brazoria County CPI	220.33	219.85	216.41	0.22%	1.81%

** (Data for the Current Index is one month behind due to the lag in obtaining the data for sales tax receipts.)

*** (Hotel/motel tax receipts are not included in the index due to Senate Bill 1086 passed by the Texas Legislature, which now prohibits this information from being published on the internet.)

Brazoria County Lagging Economic Index	May 2017	Apr 2017	May 2016	Apr-2017 to May-2017	May-2016 to May-2017
Lagging Economic Index (2003 = 100)	134.16	134.40	132.96	-0.18%	0.90%
Components:					
Brazoria County Foreclosure Notices (Seasonally Adjusted)	74	72	73	2.28%	0.57%
<i>Brazoria County Foreclosure Notices (Unadjusted)</i>	72	58	84	24.14%	-14.29%
Prime Rate Charged By Banks	4.00	4.00	3.50	0.00%	14.29%
Unemployment Rate (Adjusted)	5.46%	5.74%	4.79%	-4.89%	14.07%
<i>Unemployment Rate (Unadjusted)</i>	5.35%	5.51%	4.69%	-2.90%	14.07%

**** (Data for the Lagging Index is one month behind due to lag in obtaining unemployment data.)