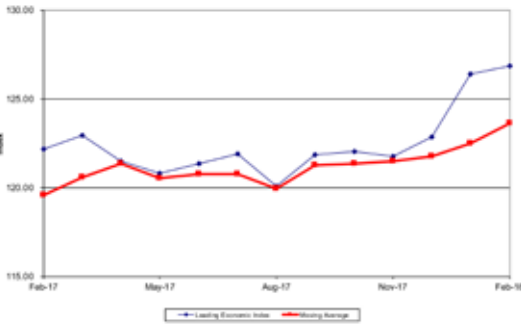


INDEXES CONTINUE TO SHOW GROWTH

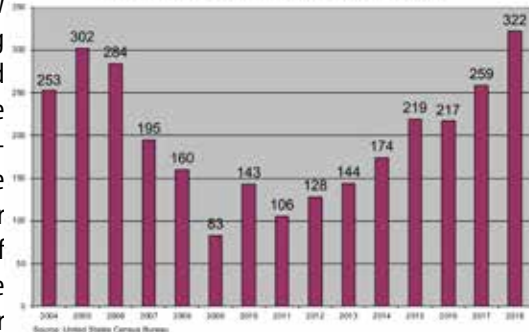
The Brazoria County Index of Leading Economic Indicators increased over the last year to 126.88, which is 3.83 percent above the previous year. The Leading Economic Index, which is designed to forecast the economic performance of the county over the next three to six months, has been above the six-month moving average for 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



All three of the leading economic indicators increased over the last year. The largest increase in the index was in Brazoria County New Single Family Building Permits, which increased 24.32 percent over the last year. The 322 building permits filed in the county is the largest ever reported for the month of February (Figure 2). The preliminary figure for Houston-The Woodlands-Sugarland Average Weekly Manufacturing Hours in February is 45.40 hours per week compared to 43.20 hours per week last year, which represents an increase of 5.09 percent. The Brazoria County Stock Index, which is made up of the six largest publicly traded manufacturers within the county, posted an increase of only 0.21 percent over the last year. Comparatively the Dow Jones Industrial Average increased 19.40 percent over this same time period.

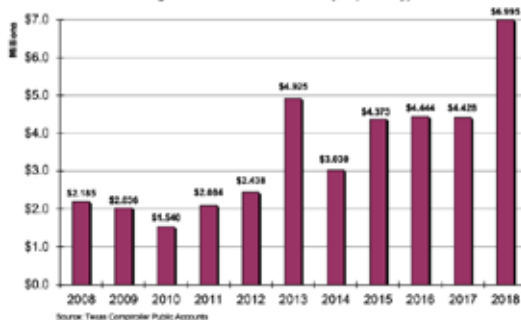
Figure 2: New Single Family Building Permits (February)



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 over the last year to 237.28. The index is 1.55 percent above the previous month and 10.66

Figure 3: Hotel/Motel Tax Receipts (January)



percent higher than last year. Hotel/Motel Tax Receipts increased 57.98 percent over the last year as families continued to be displaced by the flood (Figure 3). The county recorded employment of 164,036 in January, which is the largest number of individuals ever employed in Brazoria County (Figure 4). Houston-Galveston-Brazoria CPI posted an increase of 2.17% over the last year, while Sales Tax Receipts in the county increased by 2.72 percent. The Brazoria County Current Economic Index has been above the six-month moving average for eleven 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 (January)

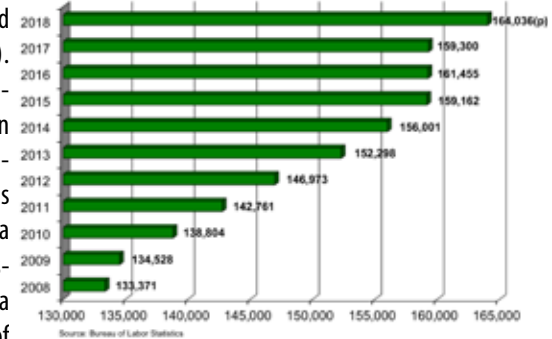
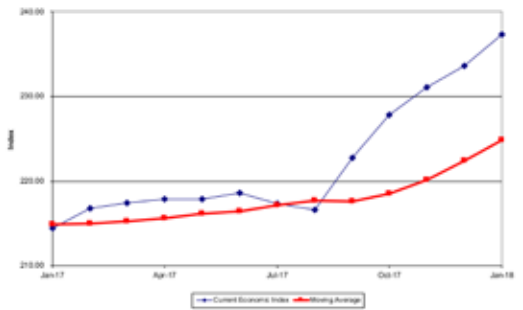


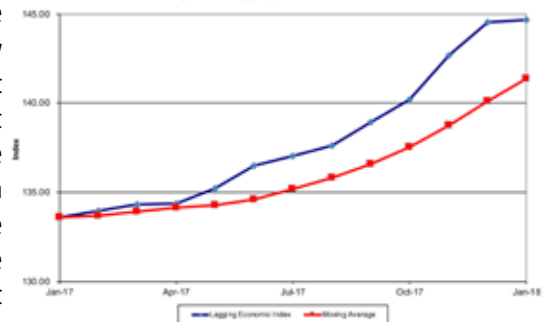
Figure 5: Current Economic Index



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 8.26 percent above the previous year. There were 37 foreclosure notices filed in January compared to 85 filed last January. This is the lowest number of foreclosure notices ever reported in the month of January. The unemployment rate in the county was 5.20 percent compared to 5.94 percent in January of last year. The lagging economic index has been above the six-month moving average for 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

APRIL 2018

Brazoria County Economic Indices:	Feb 2018	Jan 2018	Dec 2017	Nov 2017	Oct 2017
Leading Economic Index (2003 = 100)	126.88	126.39	122.85	121.78	122.06
Current Economic Index (2003=100)	-	237.28	233.65	231.12	227.81
Lagging Economic Index (2003 = 100)	-	144.66	144.51	142.68	140.19

Brazoria County Leading Economic Index	Feb 2018	Jan 2018	Feb 2017	Jan-2018 to Feb-2018	Feb-2017 to Feb-2018
Leading Economic Index (2003 = 100)	126.88	126.39	122.20	0.38%	3.83%
Components:					
Brazoria County Stock Index (12/31/2003 = 100)	200.22	219.62	199.80	-8.83%	0.21%
New Single Family Building Permits (Seasonally Adjusted)	275	248	256	10.71%	7.57%
<i>New Single Family Building Permits (Unadjusted)</i>	322	265	259	21.51%	24.32%
Houston-The Woodlands-Sugarland Avg. Wkly. Mfg. Hrs. (Seasonally Adjusted)	44.89	44.79	43.33	0.21%	3.60%
<i>Houston-The Woodlands-Sugarland Avg. Wkly. Mfg. Hrs. (Unadjusted)</i>	45.40	44.50	43.20	2.02%	5.09%

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

Brazoria County Current Economic Index	Jan 2018	Dec 2017	Jan 2017	Dec-2017 to Jan-2018	Jan-2017 to Jan-2018
Current Economic Index (2003 = 100)	237.28	233.65	214.42	1.55%	10.66%
Components:					
Sales Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	1,256,219	1,255,996	1,220,292	0.02%	2.94%
<i>Sales Tax Receipts (Current \$'s, Unadjusted)</i>	2,469,154	3,355,280	2,403,784	-26.41%	2.72%
Household Employment (Seasonally Adjusted)	161,978	161,483	160,167	0.31%	1.13%
<i>Household Employment (Unadjusted)</i>	164,036	163,010	159,300	0.63%	2.97%
Hotel/Motel Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	3,054,117	2,961,818	2,490,673	3.12%	22.62%
<i>Hotel/Motel Tax Receipts (Current \$'s, Unadjusted)</i>	6,994,989	6,625,699	4,427,642	5.57%	57.98%
Houston-Galveston-Brazoria County CPI	223.14	221.57	218.41	0.71%	2.17%

** (Data for the Current Index is two months behind due to the lag in obtaining the data for employment and sales tax receipts.)

Brazoria County Lagging Economic Index	Jan 2018	Dec 2017	Jan 2017	Dec-2017 to Jan-2018	Jan-2017 to Jan-2018
Lagging Economic Index (2003 = 100)	144.66	144.51	133.61	0.10%	8.26%
Components:					
Brazoria County Foreclosure Notices (Seasonally Adjusted)	42	43	70	-1.15%	-39.80%
<i>Brazoria County Foreclosure Notices (Unadjusted)</i>	37	17	85	117.65%	-56.47%
Prime Rate Charged By Banks	4.50	4.40	3.75	2.27%	20.00%
Unemployment Rate (Adjusted)	5.02%	4.82%	5.77%	4.02%	-12.98%
<i>Unemployment Rate (Unadjusted)</i>	5.20%	4.68%	5.94%	11.11%	-12.46%

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