

SALES TAX AND H/M TAX RECEIPTS AT ALL TIME HIGHS

The Brazoria County Index of Leading Economic Indicators increased in June to 117.64, which is 1.32 percent above the previous month's index and 0.95 percent below June 2015. 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 four 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).

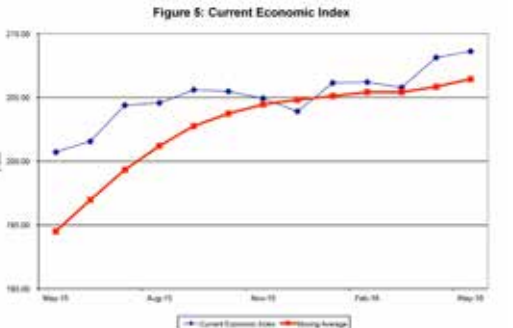
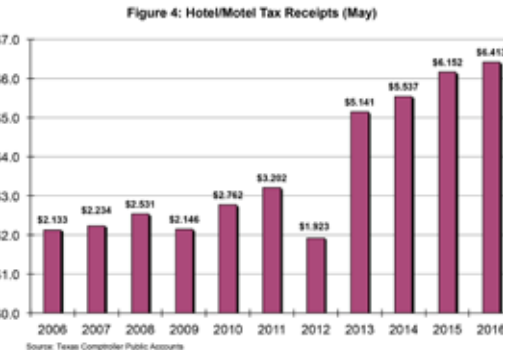
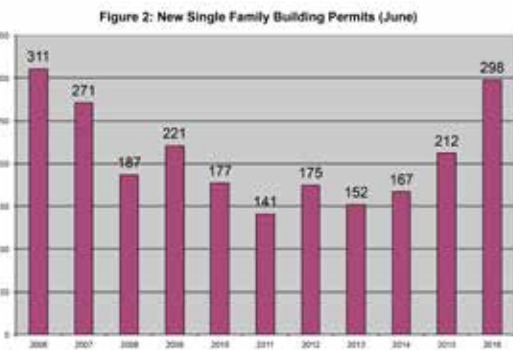
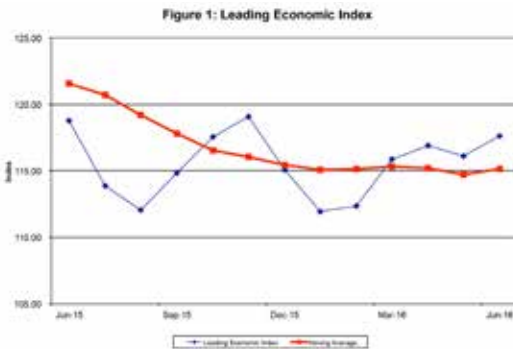
Two of the three leading economic indicators increased over the last year. The largest increase in the index was in New Single Family Building Permits, which increased 40.57 percent over the last year. This is the highest number of permits filed in the month of June since 2006 (Figure 2). Houston-The Woodlands-Sugarland Average Weekly Manufacturing Hours increased in June to 43.90 hours per week compared to 43.10 hours per week last year, which represents an increase of 1.86 percent. The Brazoria County Stock Index, which is made up of the eight largest publicly traded companies within the county, increased 1.59% over the last month but decreased over the last year by 4.00 percent. By comparison the Dow Jones Industrial Average increased 1.00 percent in the month of June and increased 1.62 percent over the last year.

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 208.63 in May. The index is 0.25 percent higher than the previous month and 3.94 percent higher than

last May. Brazoria County Sales Tax Receipts and Hotel/Motel Tax Receipts were at the highest amounts ever posted for the month of May. The largest increase in the index was in Sales Tax Receipts, which increased by 22.13 percent over the last year to \$2,694,989 (Figure 3). Brazoria County Hotel/Motel Tax Receipts increased by 4.23 percent to \$6,412,904 (Figure 4). Employment in the county decreased to 159,511 over the last year, which is 0.15 percent lower than the record high set last May of 159,743. Texas Consumer Confidence

decreased by 8.24% over the last year. 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).



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 3.01 percent above May 2015. Brazoria County Foreclosure Notices increased to 84, which is 16.67 percent higher than the record low of 72 foreclosure notices filed last May. The unemployment rate in the county was 4.68 percent compared to 4.31 percent in May of last year. The lagging economic index has been above the six-month moving average for ten of the last twelve months, which indicates the economy has been experiencing a period of economic growth (Figure 6).



BRAZORIA COUNTY, TEXAS BUSINESS CYCLE INDICATORS

AUGUST 2016

Brazoria County Economic Indices:	Jun 2016	May 2016	Apr 2016	Mar 2016	Feb 2016
Leading Economic Index (2003 = 100)	117.64	116.11	116.90	115.87	112.35
Current Economic Index (2003=100)	-	208.63	208.10	205.78	206.20
Lagging Economic Index (2003 = 100)	-	132.97	133.69	134.08	134.60

Brazoria County Leading Economic Index*	Jun 2016	May 2016	Jun 2015	May-2016 to Jun-2016	Jun-2015 to Jun-2016
Leading Economic Index (2003 = 100)	117.64	116.11	118.78	1.32%	-0.95%
Components:					
Brazoria County Stock Index (12/31/2003 = 100)	152.25	149.87	158.59	1.59%	-4.00%
New Single Family Building Permits (Seasonally Adjusted)	245	240	228	1.97%	7.37%
<i>New Single Family Building Permits (Unadjusted)</i>	298	304	212	-1.97%	40.57%
Houston-The Woodlands-Sugarland Avg. Wkly. Mfg. Hrs. (Seasonally Adjusted)	43.12	42.98	44.72	0.33%	-3.58%
<i>Houston-The Woodlands-Sugarland Avg. Wkly. Mfg. Hrs. (Unadjusted)</i>	43.90	43.30	43.10	1.39%	1.86%

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

Brazoria County Current Economic Index**	May 2016	Apr 2016	May 2015	Apr-2016 to May-2016	May-2015 to May-2016
Current Economic Index (2003 = 100)	208.63	208.10	200.73	0.25%	3.94%
Components:					
Sales Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	1,221,702	1,211,220	1,066,570	0.87%	14.54%
<i>Sales Tax Receipts (Current \$'s, Unadjusted)</i>	2,694,989	2,689,329	2,206,575	0.21%	22.13%
Household Employment (Seasonally Adjusted)	159,527	159,476	159,089	0.03%	0.28%
<i>Household Employment (Unadjusted)</i>	159,511	159,712	159,743	-0.13%	-0.15%
Texas Consumer Confidence Index	111.51	112.38	121.53	-0.78%	-8.24%
Hotel/Motel Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	2,481,329	2,474,902	2,402,952	0.26%	3.26%
<i>Hotel/Motel Tax Receipts (Current \$'s, Unadjusted)</i>	6,412,904	5,835,304	6,152,432	9.90%	4.23%

** (Data for the Current Index is two months behind due to the lag in obtaining the data for hotel/motel tax receipts)

Brazoria County Lagging Economic Index***	May 2016	Apr 2016	May 2015	Apr-2016 to May-2016	May-2015 to May-2016
Lagging Economic Index (2003 = 100)	132.97	133.69	129.08	-0.54%	3.01%
Components:					
Brazoria County Foreclosure Notices (Seasonally Adjusted)	73	69	86	6.14%	-15.03%
<i>Brazoria County Foreclosure Notices (Unadjusted)</i>	84	72	72	16.67%	16.67%
Prime Rate Charged By Banks	3.50	3.50	3.25	0.00%	7.69%
Unemployment Rate (Adjusted)	4.78%	4.82%	4.40%	-0.98%	8.58%
<i>Unemployment Rate (Unadjusted)</i>	4.68%	4.63%	4.31%	1.08%	8.58%

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