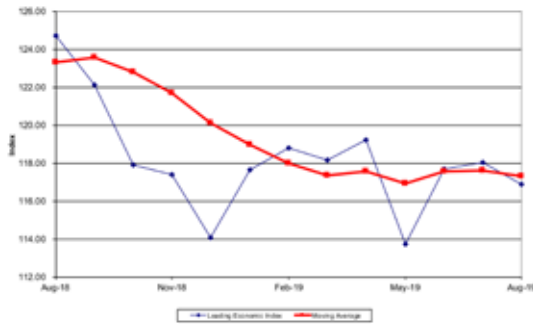


GROWTH CONTINUES; STOCK INDEX LAGS

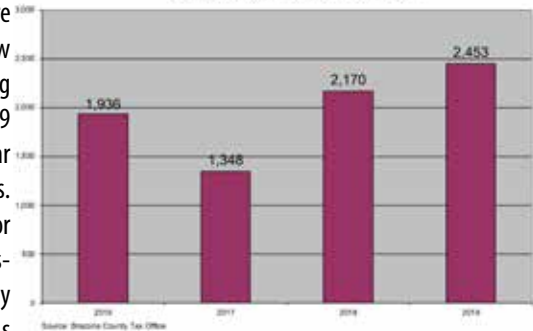
The Brazoria County Index of Leading Economic Indicators decreased to 116.90 over the last year, which is 6.25 percent below the previous year. The Leading Economic Index, which is designed to forecast the economic performance of the county over the next three to six months, has been above the six-month moving average for five of the last seven 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



Three of the four leading economic indicators increased over the last year. The largest increase in the index was in the Brazoria County New Retail Auto Sales, which increased 13.04 percent over the last year (Figure 2).

Figure 2: New Retail Auto Sales (August)



Brazoria County New Single Family Building Permits increased 3.09 percent over the last year from 194 to 200 permits. The preliminary figure for Houston-The Woodlands-Sugarland Average Weekly Manufacturing Hours is 47.40 hours per week compared to 46.10 hours per week last year, which represents an increase of 2.82 percent. The only indicator to decrease was The Brazoria County Stock Index. The stock index, which is made up of the six largest publicly traded manufacturers in the county, decreased by 29.37 percent over the last year.

CURRENT ECONOMIC INDICATORS

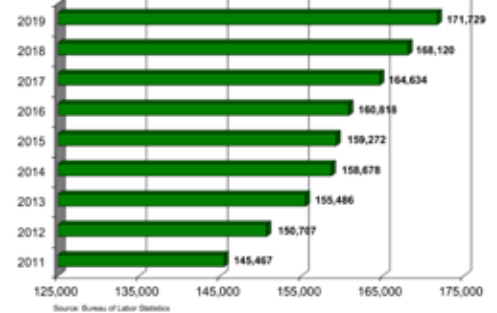
The Brazoria County Index of Current Economic Indicators, which is designed to provide information about the current status of the economy, increased over the last year to 225.19. The index is 0.83 percent above the previous month and

Figure 3: Brazoria County Sales Tax Receipts (July)



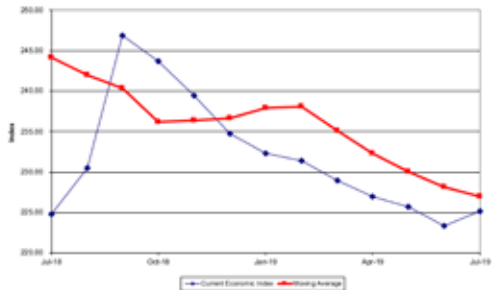
0.19 percent higher than last year. All four current economic indicators were at record setting amounts for the month of July. The largest increase in the index was in Sales Tax Receipts, which increased 14.01 percent over the last year to \$2,939,101 (Figure 3).

Figure 4: Brazoria County Employment (July)



County employment improved from 168,120 last July to 171,729 in July of this year, which represents an increase of 2.15 percent (Figure 4). Hotel/Motel Tax Receipts increased 1.68 percent in July to \$7,265,661 and the Houston-Galveston-Brazoria CPI posted an increase of 1.11 percent over the last year. The Brazoria County Current Economic Index has been below the six-month moving average for eight of the last eleven months. This is significant because if the current economic index is consistently below the six-month moving average then the county is likely experiencing a current decline in economic activity (Figure 5).

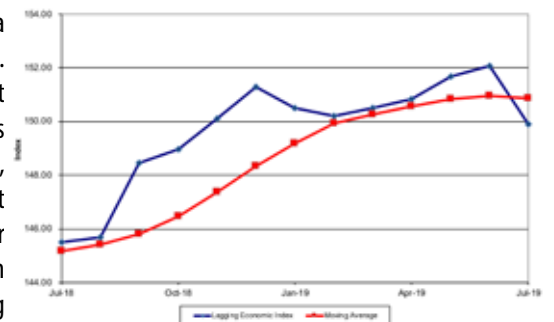
Figure 5: Current Economic Index



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 1.18 percent below the previous year. Brazoria County Foreclosure Notices decreased from 68 last July to 66 in July of this year, which represents a decrease of 2.94 percent. The unemployment rate in the county was 4.48 percent in July, which is the lowest unemployment rate ever recorded in the month of July. The lagging economic index has been above the six-month moving average for the eleven 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

OCTOBER 2019

Brazoria County Economic Indices:	Aug 2019	Jul 2019	Jun 2019	May 2019	Apr 2019
Leading Economic Index (2003 = 100)	116.90	118.03	117.70	113.75	119.22
Current Economic Index (2003=100)	-	225.19	223.33	225.73	226.93
Lagging Economic Index (2003 = 100)	-	149.88	152.08	151.67	150.84

Brazoria County Leading Economic Index	Aug 2019	Jul 2019	Aug 2018	Jul-2019 to Aug-2019	Aug-2018 to Aug-2019
Leading Economic Index (2003 = 100)	116.90	118.03	124.69	-0.95%	-6.25%
Components:					
Brazoria County Stock Index (12/31/2003 = 100)	145.98	158.36	206.69	-7.81%	-29.37%
New Single Family Building Permits (Seasonally Adjusted)	206	212	232	-3.23%	-11.26%
<i>New Single Family Building Permits (Unadjusted)</i>	200	185	194	8.11%	3.09%
Houston-The Woodlands-Sugarland Avg. Wkly. Mfg. Hrs. (Seasonally Adjusted)	46.26	46.05	45.68	0.45%	1.28%
<i>Houston-The Woodlands-Sugarland Avg. Wkly. Mfg. Hrs. (Unadjusted)</i>	47.40	45.80	46.10	3.49%	2.82%
New Retail Auto Sales (Seasonally Adjusted)	2,143	2,086	1,957	2.71%	9.49%
<i>New Retail Auto Sales (Unadjusted)</i>	2,453	2,249	2,170	9.07%	13.04%

Brazoria County Current Economic Index	Jul 2019	Jun 2019	Jul 2018	Jun-2019 to Jul-2019	Jul-2018 to Jul-2019
Current Economic Index (2003 = 100)	225.19	223.33	224.77	0.83%	0.19%
Components:					
Sales Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	1,240,904	1,204,750	1,267,715	3.00%	-2.11%
<i>Sales Tax Receipts (Current \$'s, Unadjusted)</i>	2,939,101	2,787,642	2,577,899	5.43%	14.01%
Household Employment (Seasonally Adjusted)	170,371	170,142	166,470	0.13%	2.34%
<i>Household Employment (Unadjusted)</i>	171,729	171,762	168,120	-0.02%	2.15%
Hotel/Motel Tax Receipts (Constant 1982-1984 \$'s, Seasonally Adjusted)	2,658,607	2,657,134	2,643,765	0.06%	0.56%
<i>Hotel/Motel Tax Receipts (Current \$'s, Unadjusted)</i>	7,265,661	7,439,470	7,145,783	-2.34%	1.68%
Houston-Galveston-Brazoria County CPI	229.37	229.32	226.85	0.02%	1.11%
*(Data for the Current Index is one month behind due to the lag in obtaining the data for hotel/motel tax receipts.)					

Brazoria County Lagging Economic Index	Jul 2019	Jun 2019	Jul 2018	Jun-2019 to Jul-2019	Jul-2018 to Jul-2019
Lagging Economic Index (2003 = 100)	149.88	152.08	151.67	-1.44%	-1.18%
Components:					
Brazoria County Foreclosure Notices (Seasonally Adjusted)	73	72	72	0.34%	1.51%
<i>Brazoria County Foreclosure Notices (Unadjusted)</i>	66	65	68	1.54%	-2.94%
Prime Rate Charged By Banks	5.50	5.50	5.00	0.00%	10.00%
Unemployment Rate (Adjusted)	4.23%	3.93%	4.78%	7.43%	-11.59%
<i>Unemployment Rate (Unadjusted)</i>	4.48%	4.17%	4.77%	7.43%	-6.08%
**(Data for the Lagging Index is two months behind due to lag in obtaining unemployment data.)					