



COMMERCE NATIONAL BANK

The Bryan-College Station Economic Index April 2013

May 23, 2013

The Bryan-College Station continues to enjoy growth and expansion through the first four months of 2013 with another solid increase in the B-CS Economic Index. **The index improved to 126.9 in April up from 126.2 in March, and up 4.6% from the April 2012 B-CS Economic Index of 121.3.** All local economic indicators are improved compared to year-ago levels, with the exception of new residential construction which was down compared to extraordinarily high numbers in April of 2012. The April B-CS Economic Index is now down only .4% compared to its all-time high of 127.4 from December 2008.

The *concurrent* trends in two important sectors of the local economy best represent its current condition, and these are general consumer spending (as represented by inflation-adjusted retail spending), and the metro area's employment situation as represented by payroll employment and the unemployment rate.

- General taxable spending per April sales tax receipts in B-CS was up by 6.3% compared to April 2012, which in turn was up by over 10% compared to April of the prior year. For the year-to-date, real spending is up by 5.3% compared to the first four months of 2012. Technically, the general spending sector remains in 'recovery' mode, as it has to fully return to pre-recession peak levels; however, that is certain to happen in the coming months and real spending will shift into new growth territory.
- The B-CS economy continues to add jobs at a solid clip with April employment up by 2.8% compared to April of a year ago, an addition of an estimated 2,700 jobs over the last 12 months. That is a net job growth figure, which includes the loss of an estimated 1,400 public sector (government) jobs; the private sector in Bryan-College Station added an estimated 4,100 jobs over the last 12 months for a private sector year-over-year growth rate of a very stout 6.7%. The unemployment rate fell to 5.0% in April, the lowest April monthly unemployment rate since 2009 when the unemployment rate was on the way up.

The auto sales sector continues to put up some big numbers with another sharp increase in April. Inflation-adjusted spending on new and used automobiles was up by over 19% for the month compared to April of a year ago, and the year-to-date total is now up by over 11% compared to the first four months of 2012.

The April building permit valuation total – the estimated construction value of projects for which building permits were issued – was the fifth highest monthly total on record, and is easily the largest April monthly total on record at over \$66 million, a 155% increase over the April 2012 building permit total. That pulls the year-to-date total back into positive territory, now up by some 35% compared to the January-April 2012 time period.

Housing construction per new single-family residence building permits was down by about 60% in April compared to April of a year ago; however, the April 2012 total was unusually high at 154 permits, the 2nd highest monthly total in the metro area over the entire history of the B-CS Economic Index (and nearly double the April 2011 permit total). In that context, housing construction continues to fare reasonably well in Bryan-College Station in 2013, and the overall trend is one of expansion in the home building sector.

Existing home sales continued to explode through record territory in April with the number of home sales up by over 38% compared to April of a year ago, and up by about 24% for the year-to-date through April. The 720 closed sales for the January-April period are the highest on record for the first four months of the year. The April average sale price was up by a solid 4.4%, and the average sale price through April is up by a healthy 3.1% compared to the first four months of 2012.



ECONOMIC INDICATORS

April 2013

	BASE YEAR 2000	LAST YEAR 2012	THIS YEAR 2013	% Change 2012 - 2013
Retail Sales (Per Sales Tax Rebates - April, Adjusted for Inflation)	\$ 107,857,294	\$ 136,031,164	\$ 144,533,316	6.3%
Retail Sales (Year-To-Date)	\$ 492,608,836	\$ 600,226,435	\$ 632,135,080	5.3%
Automobile Sales (Dollars Spent on Auto Purchases - April, Adjusted for Inflation)	\$ 18,452,729	\$ 29,177,730	\$ 34,821,690	19.3%
Automobile Sales (YTD)	\$ 75,990,813	\$ 114,892,445	\$ 127,739,340	11.2%
Hotel/Motel Tax Receipts (Year-To-Date)	\$ 554,903	\$ 1,194,935	\$ 1,556,171	30.2%
Airline Enplanements (April)	7,608	5,625	7,641	35.8%
Airline Enplanements (YTD)	29,657	21,373	26,264	22.9%
Value All Construction (April)	\$ 11,554,985	\$ 25,974,502	\$ 66,454,950	155.8%
Value All Construction (YTD)	\$ 65,710,363	\$ 95,380,389	\$ 129,184,665	35.4%
Single-Family Housing Permits (April)	69	154	63	-59.1%
Single-Family Housing Permits (YTD)	289	359	307	-14.5%
Number of Home Sales (April)	107	193	267	38.3%
Number of Home Sales (YTD)	345	581	720	23.9%
Average Home Sale Price (April)	\$ 117,300	\$ 183,082	\$ 191,222	4.4%
Average Home Sale Price (YTD)	\$ 110,250	\$ 176,252	\$ 181,741	3.1%
EMPLOYMENT				
Wage & Salary Employment (April)	83,500	97,700	100,400	2.8%
Wage & Salary Employment (YTD Average)	81,800	95,575	98,150	2.7%
Unemployment Rate (April)	3.4	5.3	5.0	-5.7%
Unemployment Rate (YTD Average)	3.9	5.7	5.3	-7.0%
INDEX - April (Base = 100 January 2000)	101.2	121.3	126.9	4.6%



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The B-CS Economic Index January 2000 - April 2013

