THE ECONOMY AT A GLANCE
HOUSTON

GREATER HOUSTON PARTNERSHIP.
Making Houston Greater.

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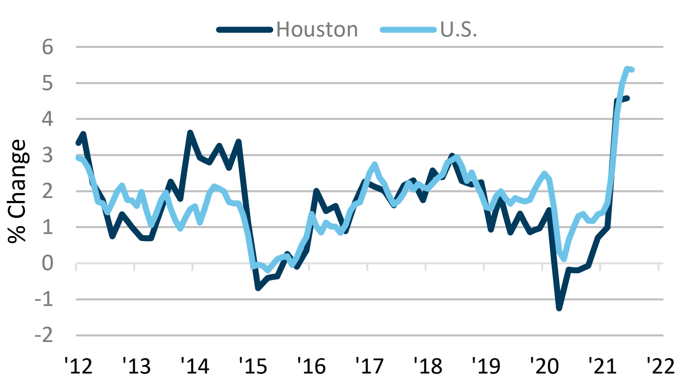
NO CAUSE FOR ALARM

The U.S. Bureau of Labor Statistics reports that inflation, as measured by changes in the Consumer Price Index, rose 5.3 percent in the 12 months ending August '21. The rate has averaged 5.0 percent or better since May of this year.

INFLATION, 12-MONTH CHANGE



Source: U.S. Bureau of Labor Statistics

The report fueled speculation as to when the U.S. Federal Reserve (the Fed) will raise interest rates to keep inflation in check. The bank now treads a fine line. Raise rates too soon and the Fed stifles the recovery, raise them too late and inflation becomes more difficult to reign in, raise rates too high and the nation falls back into recession.

The Federal Open Market Committee met September 21-22 to discuss the pace of recovery for the U.S. economy. Afterwards, Fed Chair Jerome Powell held a press conference to shed light on the direction the central bank will take over the next 12 to 18 months. He reiterated that the current bout of inflation is transitory, brought on by supply chain issues related to reopening, and that substantial progress has been achieved on recovering jobs lost early in the pandemic. Since the early stages of the pandemic the Fed has purchased $120 billion in treasury bills and mortgage-backed securities each month to keep the economy afloat. While Powell didn't set a specific deadline, analysts believe the Fed will begin scaling back these purchases before the end of the year, perhaps as early as November. He emphasized that slowing bond purchases did not signa that the Fed was prepared to raise interest rates. Most analysts believe the Fed won't hike rates until mid-'22.

A little inflation is good for the economy; it drives consumers to buy now to avoid higher prices later. That boosts demand, but not so much that production and wages can't keep up. Stores, restaurants, and factories hire additional workers to meet that increase. It creates what economists refer to as a "virtuous cycle, boosting economic growth, which leads to businesses hiring additional workers, which leads to more growth. The optimum rate in the U.S. appears to be around 2.0 percent, which the Fed has set as its long-term inflation target.

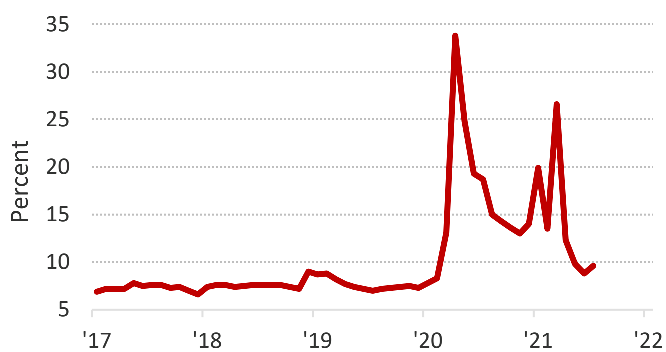
Inflation is a problem when it persistently exceeds 4.0 percent. Consumers buy more than they need, stocking up now to avoid higher prices later. The boost in demand compels producers to raise prices. Pay raises lag price hikes and consumer purchasing power slowly erodes.

Inflation above 10.0 percent is a serious problem. Money loses value so rapidly that the pay raises can't keep up. Businesses, unable to forecast costs, struggle to price their goods and services. Consumers rush to spend their paychecks to get ahead of the next round of inflation. There's no incentive to save since any return is eaten up by inflation. The economy enters an inflation spiral that can't be halted without significant pain and hardship.

The U.S. last experienced double-digit inflation in the 1970s and early-1980s, the delayed effect of two oil price shocks, U.S. government spending on the Vietnam War, and on programs initiated under President Johnson's Great Society. Inflation peaked at 14.6 percent in March in 1980. The Fed raised interest rates to near 20 percent, the U.S. suffered through two recessions, and one in ten workers lost their jobs before inflation was brought under control.

The seeds of the current bout of inflation were sown early in the pandemic. Consumers, unable to travel, dine out, attend concerts, or cheer at sporting events saved 20 to 30 percent of their paychecks, three to four times the normal rate. Fear of losing one's job was also a great motivator to pare spending and build a nest egg.

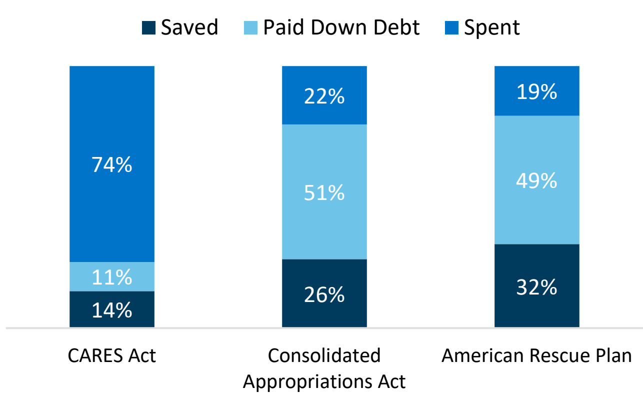
PERSONAL SAVINGS RATE



Source: U.S. Bureau of Economic Analysis

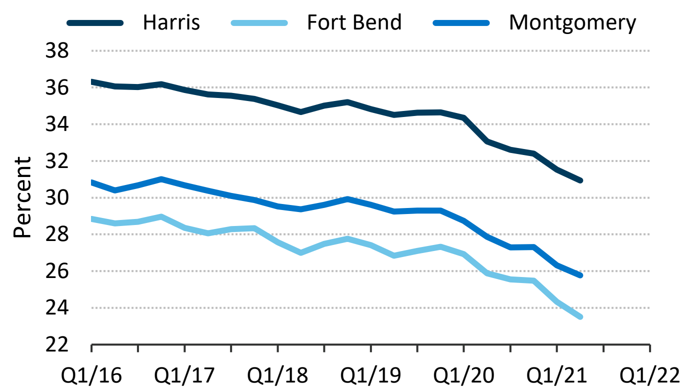
Nearly 85 percent of U.S. households received stimulus checks during the pandemic. According to the Peter G. Peterson Foundation, the typical household spent three-fourths of their first check and saved or paid down debt with the rest. By the time the third check arrived, consumers spent less than 20 percent and saved or paid down debt with the remainder.

HOW RECIPIENTS USED STIMULUS CHECKS



The share of households with subprime credit scores has steadily shrunk since the end of the Great Recession, but the trend accelerated during the pandemic as households used their stimulus checks to pay down debt. The share of Houston consumers with subprime credit scores is at its lowest level in records dating back to 1999.

% POPULATION WITH SUBPRIME CREDIT SCORE
Three Most Populous Houston-Area Counties*



* Credit score below 660
Sources: Equifax; Federal Reserve Bank of New York

Consumers now find themselves flush with cash and a significant amount credit and are eager to spend, which is a major factor driving up prices.

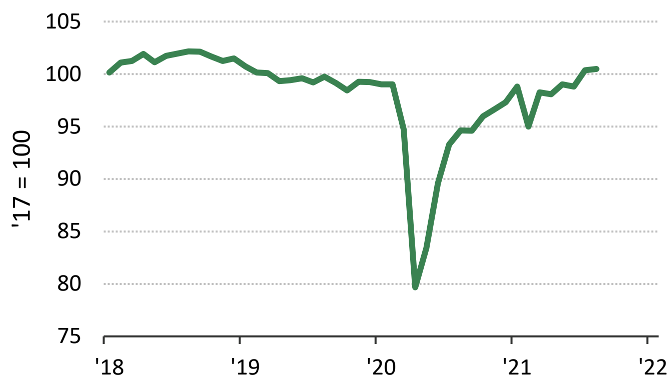
Merchants and manufacturers responded to the March-April '20 collapse as they do with any recession. They cancelled orders, sold off inventories, scaled back production, and in some cases shutdown entire factories. Retail inventories, already low after the holiday shopping season, fell 13.7 percent from March '20 to June '20 and have yet to return to pre-pandemic levels. In July, inventories were at their lowest level in five years, according to U.S. Census Bureau data.

RETAILERS' INVENTORY TO SALES RATIO

Source: U.S. Census Bureau

With fewer orders on the books, factory output fell as well, down 4.4 percent in March '20 and 15.4 percent in April. Output has only recently returned to pre-pandemic levels.

INDUSTRIAL PRODUCTION INDEX: MANUFACTURING



Source: Board of Governors of the Federal Reserve System

As merchants now rush to replenish inventories and manufacturers restock warehouses, they confront logistical logjams and higher shipping costs as well. As of late-September, 72 ships were anchored outside of the Port of Los Angeles waiting for a berth. According to *The Wall Street Journal*, the cost of shipping a container from Asia to the U.S. risen between four- and tenfold since last summer.

The surge in inflation coincided with the increase in vaccinations. As consumers received the shot, they grew less worried about getting seriously ill and returned to stores, restaurants, and ball parks with hungry appetites and fat wallets. They found merchants with lean inventtories and restaurants short-staffed. Some restaurants, unable to hire waitstaff and kitchen help, have scaled back menus or reduced operating hours. It's rare to find a restaurant in Houston that doesn't have a sign in the window that declares "Help Wanted."

U.S. VACCINATION AND INFLATION RATES

	% Pop With At Least One Dose	Annual Inflation Rate
Jan	8.1	1.4
Feb	15.4	1.7
Mar	31.3	2.6
Apr	47.1	4.2
May	55.2	5.0
Jun	59.1	5.4
Jul	61.7	5.4
Aug	65.3	5.3

Sources: Our World in Data and the U.S. Bureau of Labor Statistics

Chairman Powell views these shortages as transitory and expects inflation to subside as supply chain and labor issues are resolved. Most economists agree. Of the 62 surveyed by *The Wall Street Journal* in July, one-third expect inflation to average 3.9 percent or less this year, another third peg it at 4.0 to 4.5 percent, and the remaining third between 4.6 and 5.3 percent. The group expects inflation to moderate after this year. The average forecast is for 3.0 percent or less in '22 and '22. The forecast excludes the volatile food and energy components.

U.S. INFLATION RATE FORECAST

Year-Over-Year Change in the CPI

Dec '21	Jun '22	Dec '22	June '23	Dec '23
4.11	2.69	2.50	2.50	2.45

Source: The Wall Street Journal Economic Forecasting Survey

Several factors could throw off those forecasts. The spread of the Delta variant continues to disrupt supply chains, creating shortages of inputs for manufacturers and finished goods for merchants. And firms, desperate for workers, are bidding up wages. Those cost increases will eventually be passed along to consumers. Workers might start to demand higher wages. To counter those demands, businesses will be forced to raise prices. This can lead to a wage-price spiral that becomes more difficult for the Fed to control.

That is a true concern. In its most recent University of Michigan Survey of Consumers, respondents expect inflation to average 4.7 through July '22 and 2.9 percent over the next five years. It's too soon, though, to see if this will lead to upward pressure on wages. The Partnership agrees with the Fed's assessment that the current bout of high inflation might last longer than first anticipated but the surge will eventually fade.

A PEAK INSIDE THE BLACK BOX

The Bureau of Labor Statistics prepares the monthly CPI for the U.S., its four geographic regions, nine census divisions and 23 metro areas. Houston is one of those metros. The index is used to adjust income eligibility for government assistance, tax brackets, Social Security payments, private sector wage and salary increases, poverty measures, and rent escalations.

The federal government began gathering data for the CPI back in 1913. The Partnership has data on Houston-area inflation dating back to 1915. The goods and services tracked by the BLS over 100 years ago are likely much different than what's tracked today.

BLS prices over 200 items and services each month to produce the CPI. Those prices fall into eight major categories:

- Food and beverages (breakfast cereal, milk, coffee, chicken, wine, full-service meals, snacks)
- Housing (rent of primary residence, owners' equivalent rent, utilities, bedroom furniture)
- Apparel (men's shirts and sweaters, women's dresses, baby clothes, shoes, jewelry)
- Transportation (new vehicles, airline fares, gasoline, motor vehicle insurance)
- Medical care (prescription drugs, medical equipment and supplies, physicians' services, eyeglasses and eye care, hospital services)
- Recreation (televisions, toys, pets and pet products, sports equipment, park and museum admissions)
- Education and communication (college tuition, postage, telephone services, computer software)
- Other goods and services (tobacco products, haircuts and other personal services, funeral expenses)

The bureau prices approximately 80,000 goods and services each month at over 23,000 establishments. Some of the data is gathered in the field, some via the internet, and some from vendors like the J.D. Power Information Network and the National Automobile Dealers Association.

Prices for some items are straightforward, like a pound of bacon or a gallon of regular, unleaded gasoline. Others are a bit fuzzy, like the cost of funeral services or the price of an airline ticket. And some are downright obtuse. The cost of housing falls in that category.

BLS considers a house to be a capital good, not an item that's consumed. The function of the house is to provide shelter. It's the shelter function that BLS prices. For a rental property, that's straightforward. The cost is equal to the monthly rent. For a house owned by the occupant, it becomes more difficult. BLS calculates the owner's equivalent rent (OER), *i.e.,* what the owner would pay if they rented the same house rather than owned it. BLS reassess the homes in its survey twice a year to capture any theoretical increase in rent that would have occurred over the previous six months.

In the final CPI calculations, BLS assigns an importance to each item based on a typical household's spending patterns. These weights are determined by the Consumer Expenditure Survey, another BLS project, which tracks household spending over 12 months.

WEIGHTING OF THE CPI COMPONENTS

Item	Percent
Shelter	33.3
Food	14.1
Private transportation	14.1
Medical care services	7.3
Household furnishings and operations	4.7
Fuels and utilities	4.4
Communication	3.8
Education	3.0
Personal care	2.6
Recreation services	1.9
Medical care commodities	1.6
Video and audio	1.5
Pets, pet products and services	1.2
Public transportation	1.1
Women's and girls' apparel	1.1
Men's and boys' apparel	0.7
Footwear	0.6
Tobacco and smoking products	0.6
Sporting goods	0.6
Recreational goods	0.4
All Other Items	1.4
Total	**100.0**

Source: U.S. Census Bureau

The CPI measures changes in prices that a typical household pays for a market basket of goods and services. Of course, there's no such thing as a "typical" household. For instance, 95 percent of Houston households own at least once vehicle, but only two-thirds own a pet, and less than 15 percent of the population smokes. If one doesn't travel, changes in the cost of airfare have no impact on the family budget. Owner's equivalent rent (OER) comprises a third of the CPI, but 60 percent of all housing units in metro Houston are owner-occupied, so any increases in OER likely overstate changes in shelter costs for those households.

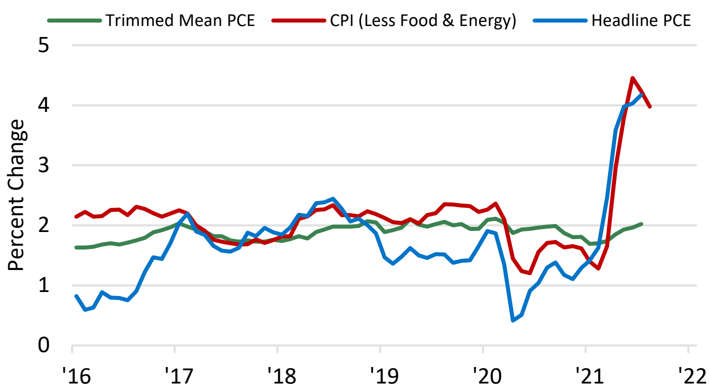
An Alternate Measure of Inflation

Though the media focuses on changes in the CPI, the Federal Reserve focuses on a different measure of inflation, the Personal Consumption Expenditures Index (PCE), when setting monetary policy. The Bureau of Economic Analysis (BEA) produces the PCE, which includes many of the same concepts as the CPI, but with a few exceptions.

The PCE captures changes in consumer behavior due to changes in prices. For example, if the price of beef rises, shoppers will likely buy more chicken and less red meat.

The Fed also removes outliers from the PCE, items whose prices have swung in recent months due to one-off events (droughts, hurricanes, port closures) that don't reflect overall price trends. The result is what the Fed refers to as the "trimmed mean PCE inflation rate." The CPI and the headline PCE tend to track each other, but in recent months the 12-month trimmed mean PCE has run much cooler than the CPI.

U.S. ANNUAL INFLATION RATES



Source: U.S. Bureaus of Labor Statistics and Economic Analysis

This lower PCE inflation rate has factored into the Fed's decision to postpone raising interest rates until next year, along with projections by the various Fed branch banks that inflation will taper off soon.

FORECASTED PCE INFLATION

	'21	'22	'23	'24
Annual Percent Change*	4.2	2.2	2.2	2.1

*Median of participants in September FOMC meeting
Source: Federal Open Market Committee

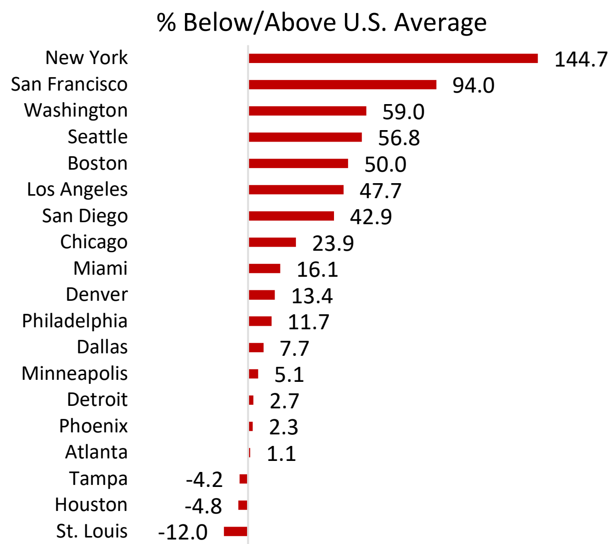
The Impact on Houston

Houston's recovery is tied to the U.S. recovery. The region will receive little help from the energy industry this time. When the Fed raises interest rates to moderate U.S. growth, local growth will moderate as well. Buying on credit will be more costly, tamping down consumer demand. Higher rates will hike monthly mortgage payments, which will cool the over-heated housing market. And businesses will pay more to finance inventories, equipment purchases and new buildings, slowing local business invest. Most importantly, a rate hike will signal that the Fed has determined the U.S. economy has price stability is approaching full employment. As noted earlier, the Fed is expected to start raising interest rates the middle of next year.

A DIFFERENT SORT OF INDEX

Three times a year, the Partnership's research team fans out to gather prices on a host of items—bananas, tuna, single-family homes, utility bills, movie tickets, teeth cleaning, tire rotation and the like. The Partnership is one of over 300 organizations that regularly gathers data for the Cost-of-Living Index (COLI) prepared by the Council for Community and Economic Research (C2ER). While the CPI and PCE measure inflation, COLI measures differences in living costs among U.S. metro areas. The index illustrates how affordable Houston is compared to other U.S. metros. The most recent COLI, released in September, found that cost of living in Houston is 4.8 percent below the national average. It also shows that its twice as expensive to live in New York or San Francisco than Houston.

Cost of Living Comparison, 20 Most Populous Metros



Historically, Houston has compared favorably against other metros, primarily due to relatively affordable housing. But the gap between Houston and other metros has narrowed in recent years as local housing costs have gone up.

Cost of Living Index, Houston Advantage

Quarter/Year	% Below U.S. Average
Q2/21	6.2
Q2/16	1.5
Q2/11	11.8
Q2/06	11.9
Q2/03	9.0

Source: Partnership Calculations based on C2ER data

Additional information can be found at the Partnership's website www.houston.org or by clicking here.

SAVE THE DATE

’21 proved to be another challenging year for Houston. COVID-19 infections peaked in January, then trended down as more Houstonians received the vaccine, only to surge again in late summer as the Delta variant spread and vaccine holdouts became infected overwhelming our hospitals and forcing businesses to delay returning to the office.

The region has struggled to recoup jobs lost early in the pandemic. The overbuilt office and industrial markets weighed on construction while shareholder pressures, lack of access to capital, and tepid demand slowed the recovery in the oil patch.

Will ’22 be any better? The answer is forthcoming. On December 1, the Partnership will host its Houston Region Economic Outlook event and address the issues of energy, health care, construction, finance, employment, and real estate.

The event, held at the Royal Sonesta, begins at 10 a.m. Experts from the above-mentioned sectors will share their insights into Houston’s economy in a panel discussion moderated by KHOU-11 anchor Shern-Min Chow. The panelists and their areas of expertise:

- **Energy** - Eric Mullins, Chairman and Co-CEO, Lime Rock Resources
- **Healthcare** - David L. Callender, President and CEO, Memorial Hermann Health System
- **Small Business** - Alex López Negrete, President and CEO, Lopez Negrete Communications
- **Real Estate/Construction** - Daniel G. Bellow, President, Houston, JLL
- **Banking/Finance** - Julie Sudduth, Regional President, Houston, PNC

The luncheon portion of the event convenes at noon. Patrick Jankowski, the Partnership’s Senior Vice President of Research, will present the Partnership’s employment forecast for ’22. The Partnership has invited a keynote speaker from outside the region to provide the U.S. We’re currently waiting on his accepting our request.

To register for the event, go to the Events section of the Partnership’s webpage, www.houston.org, or by clicking here.

EMPLOYMENT UPDATE

Metro Houston added 4,800 jobs in July, according to the Texas Workforce Commission (TWC). That was somewhat weaker than expected. In a healthy economy, Houston would add 6,000 to 10,000 jobs in August. The shortfall this year is due to the surge in the Delta variant and its impact on the leisure and hospitality sector (arts, entertainment, hotels restaurants and bars) which shed 4,900 jobs in August.

The losses in public education were also larger than expected. The sector typically sheds 3,000 to 4,000 jobs in August. This year, it shed 6,600, presumably the result of educators deciding not to return to campus during the pandemic.

On the bright side, three sectors that have struggled since prior to the pandemic added jobs in August—energy (1,400 jobs), construction (2,100) and manufacturing (1,500). As a group, they remain 64,800 jobs below February ’20 employment levels.

Two other bright spots, professional and business services added 5,500 jobs, another sign Houston’s services sector continues to recover. Educational services added 3,000 jobs as students and teachers at private schools returned to campus.

TWC revised employment data for July, indicating the region created 200 jobs that month. While a small gain, it’s notable since the region typically losses 15,000 to 20,000 jobs in the month, the losses typically occurring in public education. TWC revised several sectors upward, the greatest changes occurring in education and health services (+3,900 jobs), government (+2,500), and other services (+2,000), while revising downward manufacturing (-1,400) and leisure and hospitality (-700).

Since last May, when the economy began to reopen, metro Houston has recouped 221,500 of the 361,400 jobs lost in the early stages of the pandemic. This puts the region well beyond the halfway point in the recovery. Houston had recouped 61.3 percent of the jobs lost in March and April of ’20. However, Houston remains well behind the nation, which has recouped 76.2 percent.

METRO HOUSTON RECOVERY, AS OF AUGUST '21

Industry/Sector	Still to be Recovered	
	Jobs	Percent*
Fully Recovered		
Finance and Insurance	-	-
Transportation, Warehousing, Utilities	-	-
Almost There		
Food Services and Drinking Places	2,100	2.1
Health Care and Social Assistance	3,700	9.8
Retail Trade	4,400	11.0
Professional, Scientific and Tech Services	1,700	12.3
Administrative Support, Waste Management	3,700	14.5
Other Services	4,600	15.2
Arts, Entertainment, and Recreation	3,100	17.8
Educational Services	1,500	18.8
Significant Progress Made		
Hotels	5,700	51.8
Still Struggling		
Information	3,700	82.2
Wholesale Trade	7,400	83.1
Real Estate and Equipment Rentals	6,400	100.0
Construction	32,600	135.8
Energy (Exploration, Oil Field Services)	8,500	139.3
Manufacturing	23,700	206.1
Government	41,100	451.6

* A percentage above 100 indicates the sector continued to shed jobs after the May '20 reopening of the economy.
Source: Partnership calculations based on Texas workforce commission data

Through the first eight months of this year, the region has created 56,600 jobs. In a robust economy, Houston might create 50,000 to 60,000 jobs September through October. In a weak economy, 20,000 to 40,000. Given the impact the Delta variant is having, Houston is likely to finish the year in the lower range, with a net gain of 75,000 to 100,000 jobs in '21. That's above the long-term range of 60,000 to 70,000, but it would still leave the region at least 100,000 jobs below pre-pandemic employment levels.

HOUSTON NEAR THE TOP FOR GLOBAL INNOVATON

Houston ranks among the top science and technology clusters in the world, according to a new report on global innovation.

The 2021 Global Innovation Index, published by the World Intellectual Property Organization, ranks the 100 most innovative science and technology clusters based on two main criteria: patent filings and scientific research publications. Houston ranked 16th among the top 100 Science and Technology Clusters, falling just behind London and ahead of Amsterdam, Munich and Singapore.

Among U.S. metros, Houston had the seventh highest ranking on the list, beating Seattle (#17), Chicago (#23) and Philadelphia (#30). Houston had the highest ranking of the three Texas Metros on the list, beating both Dallas (#65) and Austin (#88).

The report considered five years of research and patent filings. From '15 to '19, Houston inventors filed 1,973 international patent applications per 1 million residents, 6th most in the U.S. During the same period, Houston researchers published 8,679 scientific papers per 1 million residents, 9th most in the U.S.

The index named Tokyo the most innovative metro in the world, accounting for 10.8 percent of international patents considered in the report. By comparison, San Jose-San Francisco, the top ranked U.S. metro, accounted for 3.7 percent. Houston accounted for 1.0 percent of patents, Dallas for 0.49 percent and Austin for 0.35 percent.

'21 GLOBAL INNOVATION INDEX

US Rank	US Metros	Global Rank
1	San Jose–San Francisco, CA	5
2	Boston–Cambridge, MA	7
3	New York City, NY	9
4	San Diego, CA	11
5	Washington, DC–Baltimore, MD	13
6	Los Angeles, CA	14
7	**Houston, TX**	**16**
8	Seattle, WA	17
9	Chicago, IL	23
10	Philadelphia, PA	30
11	Minneapolis, MN	34
12	Raleigh, NC	38
13	Portland, OR	44
14	Denver, CO	51
15	Atlanta, GA	57
16	Cincinnati, OH	61
17	**Dallas, TX**	**65**
18	Pittsburgh, PA	67
19	Ann Arbor, MI	70
20	Cleveland, OH	80

Source: Global Innovation Index 2021

KEY ECONOMIC INDICATORS

Aviation — The Houston Airport System (HAS) handled 4.4 million passengers in August '21, up from 1.6 million in August '20. This marked the third consecutive month with passenger volume exceeding 4.0 million.

Crude Oil — The closing spot price for West Texas Intermediate (WTI), the U.S. benchmark for light, sweet crude, averaged $67.73 per barrel in August '21, up from $42.34 for the same period in '20, according to the U.S. Energy Information Administration (EIA). August '21 marked the sixth month in a row when prices averaged over $60.

Foreign Trade — The Houston-Galveston Customs District handled 199.6 million metric tons of goods and commodities in the first seven months of '21, a 13.9 percent increase over the comparable period in '20. These shipments were valued at $144.0 billion, up 25.8 percent from '20. This year-over-year increase was largely due to growth in three commodities: fuels, oil, and refined products; organic materials; and motor vehicles and parts.

Home Sales — Houston-area realtors sold 9,890 single-family homes in August '21, up 8.5 percent from the same month last year, according to the Houston Association of Realtors (HAR). For the 12 months ending in August '21, realtors sold 106,743 single-family homes, up 20.5 percent from the same period in '20.

Natural Gas — August's natural gas prices averaged $4.07 per million British thermal units (MMBtu), up 77.0 percent from $2.30 in August the year before. For the 12 months ending August '21, gas prices averaged $3.08 per MMBtu, compared to $2.06 for the same period in '20.

Purchasing Managers Index — Houston's economic expansion strengthened in August, according to the most recent Houston Purchasing Managers Index (PMI). The August '21 PMI of 57.5, up from 57.2 in July, marks the 13th consecutive month above 50. Readings above 50 correlate with expansion of the Houston's overall economy.

Rig Count — Baker Hughes reports 512 drilling rigs were working in the U.S. during the second week of September '21. That's up from 255 rigs the same week in September last year.

Sales Tax — Sales and use tax collections for the 12 most populous Houston-area cities1 totaled $1.0 billion in the 12 months ending July '21, up 6.6 percent from $976.4 million for the same period a year ago. Collections for the month of July totaled $90.5 million, up 20.1 percent from $75.3 million in July '20. July sales tax collections statewide surpassed pre-pandemic levels, with non-retail sectors outpacing retail trade in collections.

Unemployment — The unemployment rate for metro Houston was 6.1 percent in August '21, down from 6.8 percent in July '21 and 8.1 percent in August '20. The Texas rate was 5.3 percent, down from 6.0 percent in July and 6.9 percent in August of last year. The U.S. rate was 5.3 percent, down from 5.7 percent in July and 8.5 percent last August. The rates are not seasonally adjusted.

Vehicle Sales — Houston-area auto dealers sold 16,633 new vehicles in August '21, a 7.5 percent decrease the 17,974 vehicles sold in August '20, according to TexAuto Facts, published by InfoNation, Inc. of Houston. Truck/SUV sales slipped 6.5 percent; car sales slipped 10.8 percent compared to August of last year.

Elizabeth Balderrama, Heath Duran, Annaissa Flores, Patrick Jankowski, Roel Martinez and Josh Pherigo contributed to this issue of Houston, The Economy at a Glance.

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The Key Economic Indicators table is **updated whenever any data change** — typically, six or so times per month. If you would like to receive these updates by e-mail, usually accompanied by commentary, click here.

HOUSTON MSA NONFARM PAYROLL EMPLOYMENT (000)

				Change from		% Change from	
	August '21	July '21	August '20	July '21	August '20	July '21	August '20
Total Nonfarm Payroll Jobs	**3,052.3**	**3,047.5**	**2,912.9**	**4.8**	**139.4**	**0.2**	**4.8**
Total Private	***2,665.0***	***2,652.5***	***2,523.3***	***12.5***	***141.7***	***0.5***	***5.6***
Goods Producing	***485.5***	***480.7***	***480.6***	***4.8***	***4.9***	***1.0***	***1.0***
Service Providing	***2,566.8***	***2,566.8***	***2,432.3***	***0.0***	***134.5***	***0.0***	***5.5***
Private Service Providing	***2,179.5***	***2,171.8***	***2,042.7***	***7.7***	***136.8***	***0.4***	***6.7***
Mining and Logging	69.9	68.5	62.6	1.4	7.3	2.0	11.7
Oil & Gas Extraction	34.8	34.0	33.7	0.8	1.1	2.4	3.3
Support Activities for Mining	33.1	32.5	27.5	0.6	5.6	1.8	20.4
Construction	204.8	202.7	207.1	2.1	-2.3	1.0	-1.1
Manufacturing	210.8	209.5	210.9	1.3	-0.1	0.6	0.0
Durable Goods Manufacturing	129.6	127.9	130.0	1.7	-0.4	1.3	-0.3
Nondurable Goods Manufacturing	81.2	81.6	80.9	-0.4	0.3	-0.5	0.4
Wholesale Trade	163.4	162.5	158.8	0.9	4.6	0.6	2.9
Retail Trade	296.7	296.1	292.5	0.6	4.2	0.2	1.4
Transportation, Warehousing and Utilities	171.2	170.7	155.7	0.5	15.5	0.3	10.0
Utilities	17.1	17.3	17.1	-0.2	0.0	-1.2	0.0
Air Transportation	18.4	18.4	18.6	0.0	-0.2	0.0	-1.1
Truck Transportation	27.3	27.2	26.5	0.1	0.8	0.4	3.0
Pipeline Transportation	11.5	11.5	12.1	0.0	-0.6	0.0	-5.0
Information	29.0	29.0	27.5	0.0	1.5	0.0	5.5
Telecommunications	12.5	12.5	12.6	0.0	-0.1	0.0	-0.8
Finance & Insurance	106.8	106.7	104.2	0.1	2.6	0.1	2.5
Real Estate & Rental and Leasing	58.1	56.7	59.4	1.4	-1.3	2.5	-2.2
Professional & Business Services	507.0	501.5	482.1	5.5	24.9	1.1	5.2
Professional, Scientific & Technical Services	245.8	242.2	232.1	3.6	13.7	1.5	5.9
Legal Services	*28.6*	*28.7*	*27.9*	*-0.1*	*0.7*	*-0.3*	*2.5*
Accounting, Tax Preparation, Bookkeeping	*24.0*	*23.9*	*23.6*	*0.1*	*0.4*	*0.4*	*1.7*
Architectural, Engineering & Related Services	*67.6*	*67.8*	*66.7*	*-0.2*	*0.9*	*-0.3*	*1.3*
Computer Systems Design & Related Services	*37.4*	*36.8*	*34.2*	*0.6*	*3.2*	*1.6*	*9.4*
Admin & Support/Waste Mgt & Remediation	215.7	213.7	205.2	2.0	10.5	0.9	5.1
Administrative & Support Services	*202.3*	*200.4*	*193.7*	*1.9*	*8.6*	*0.9*	*4.4*
Employment Services	*73.6*	*73.3*	*68.9*	*0.3*	*4.7*	*0.4*	*6.8*
Educational Services	64.6	61.6	60.1	3.0	4.5	4.9	7.5
Health Care & Social Assistance	344.6	343.6	332.7	1.0	11.9	0.3	3.6
Arts, Entertainment & Recreation	32.4	34.1	27.6	-1.7	4.8	-5.0	17.4
Accommodation & Food Services	291.2	294.4	241.5	-3.2	49.7	-1.1	20.6
Other Services	114.5	114.9	100.6	-0.4	13.9	-0.3	13.8
Government	387.3	395.0	389.6	-7.7	-2.3	-1.9	-0.6
Federal Government	31.1	30.9	35.3	0.2	-4.2	0.6	-11.9
State Government	89.6	89.2	88.6	0.4	1.0	0.4	1.1
State Government Educational Services	*51.0*	*50.8*	*50.9*	*0.2*	*0.1*	*0.4*	*0.2*
Local Government	266.6	274.9	265.7	-8.3	0.9	-3.0	0.3
Local Government Educational Services	*173.5*	*180.1*	*174.0*	*-6.6*	*-0.5*	*-3.7*	*-0.3*

SOURCE: Texas Workforce Commission