

*The Partnership sends updates for the most important economic indicators each month. If you would like to opt-in to receive these updates, please click [here](#).*

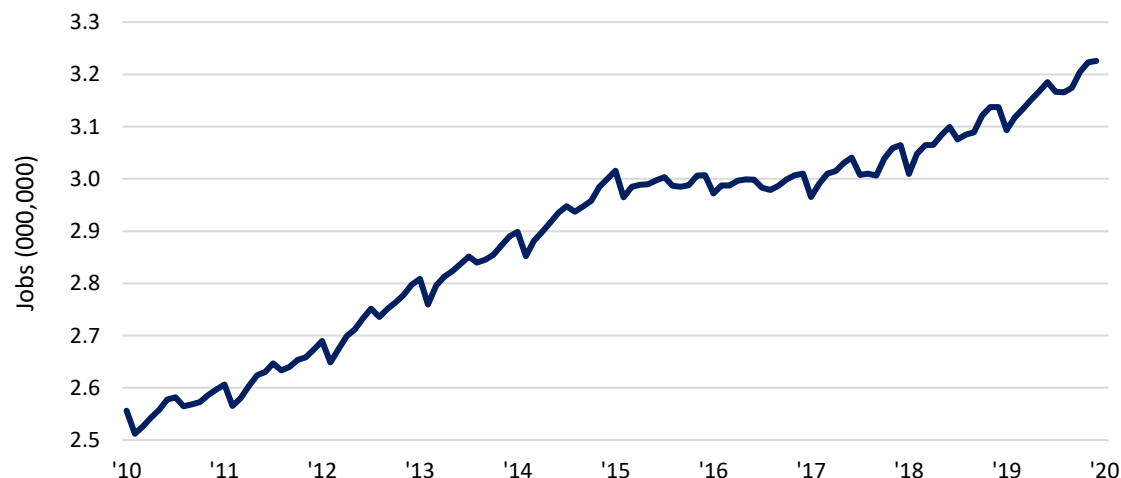
January 24, 2020

## JOB GROWTH

Metro Houston created 88,000 jobs, a 2.8 percent increase, in the 12 months ending December '19, according to data released today by the Texas Workforce Commission (TWC). The level of reported job growth is not supported by other economic indicators.

- The Houston Purchasing Managers Index (PMI), a short-term leading indicator for regional economic activity, registered 47.4 in December. Readings below 50 signal contraction in the economy.
- Metro Houston's construction starts totaled \$16.1 billion in the 12 months ending November '19, down 21.1 percent from \$20.4 billion for the comparable period in '18.
- Retail sales in the nine-county region totaled \$30.7 billion in Q2/19, the latest quarter for which data is available, up only 1.3 percent from \$30.3 billion in Q2/18.

### Metro Houston Nonfarm Employment\*



Source: Texas Workforce Commission

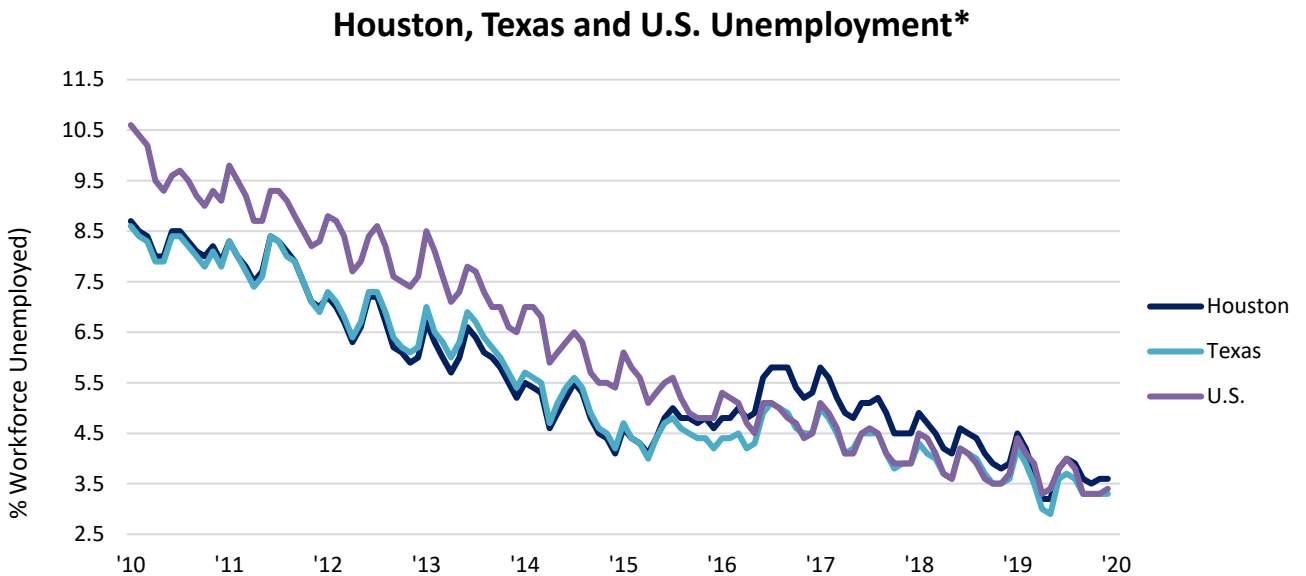
\* not seasonally adjusted

As noted on page 21 of [the Partnership's employment forecast](#), TWC often overestimates job growth. This time last year, TWC reported metro Houston added 108,300 jobs (Dec '17 – Dec '18), only to revise that to 73,300 jobs when it issued its benchmark revisions four months later.

Assuming TWC's current estimates are overstated by a comparable amount, the region has likely added 50,000 to 60,000 jobs in the 12 months ending December '19, with most of those gains occurring earlier in the year.

## UNEMPLOYMENT

Houston's unemployment rate was 3.6 percent in December, unchanged from 3.6 percent in November but down from 3.9 percent in December of last year. The Texas rate in November was 3.3 percent. The U.S. rate was 3.4 percent. The rates are not seasonally adjusted.



Source: Texas Workforce Commission

\* not seasonally adjusted

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