

Houston Economic Outlook

Patrick Jankowski



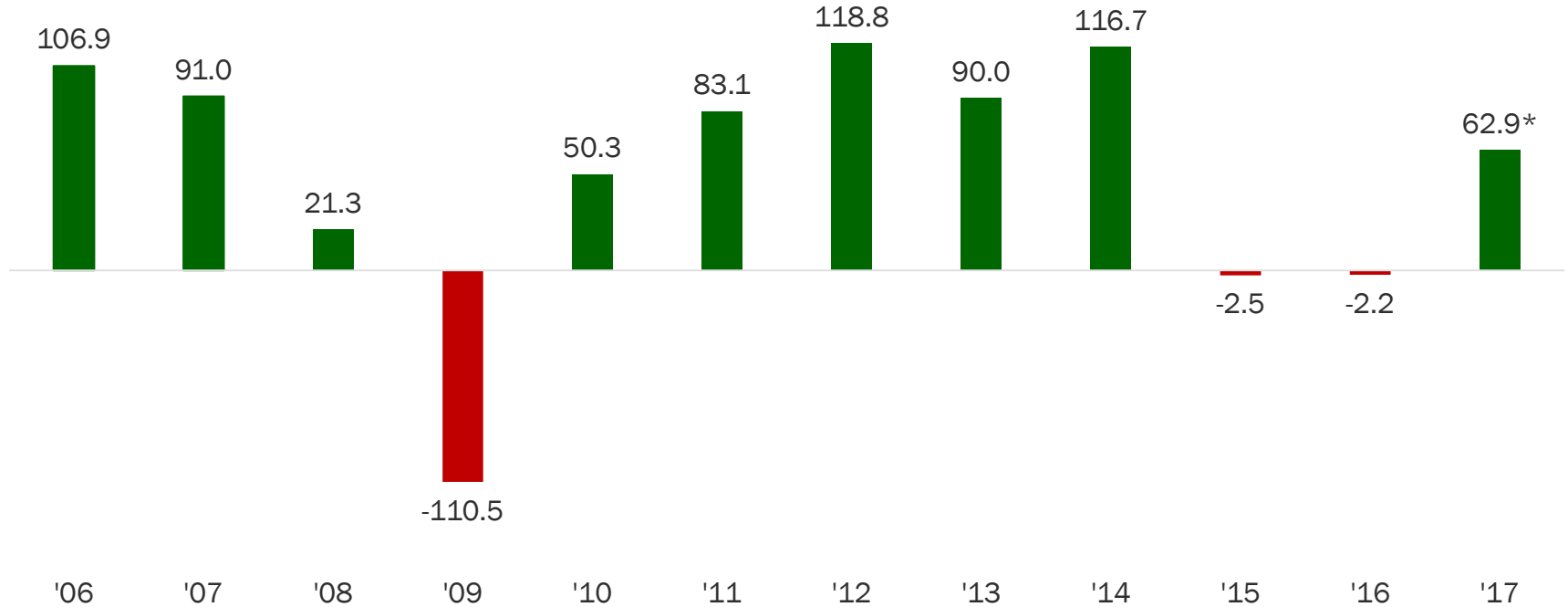
GREATER HOUSTON
PARTNERSHIP

Making Houston Greater.





Houston Job Growth, 000s

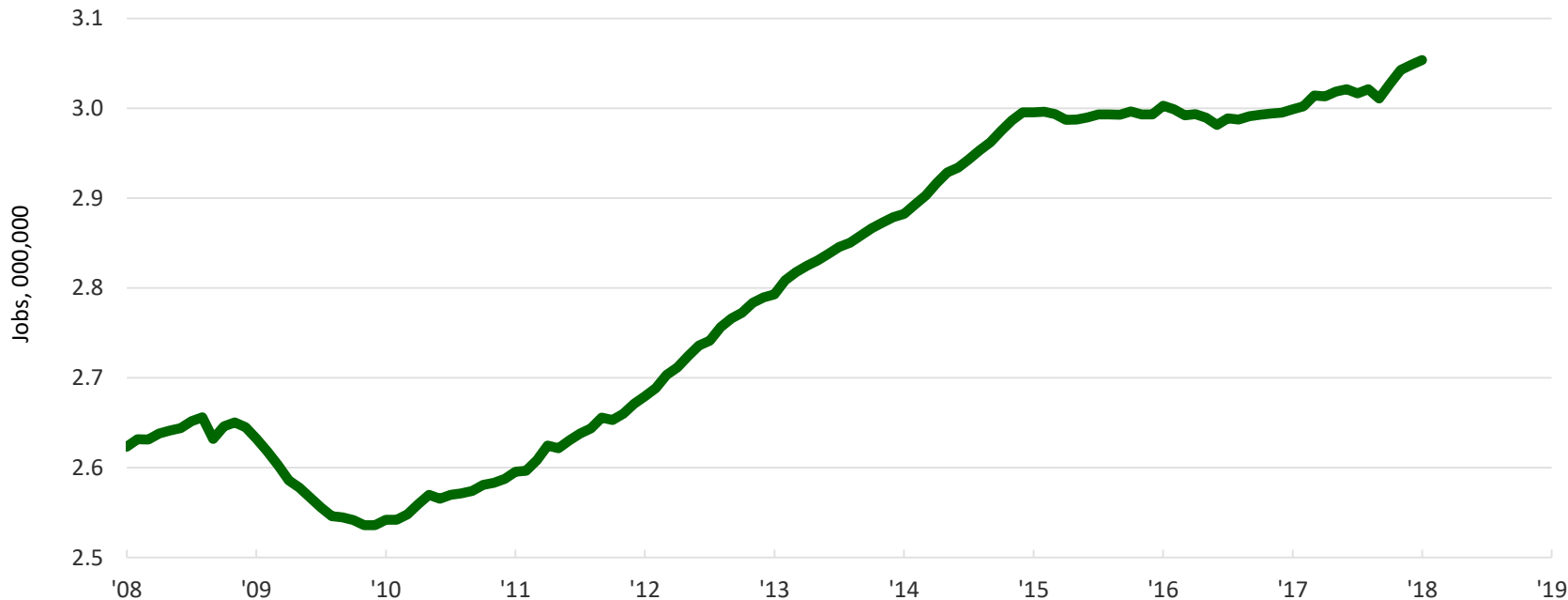


Source: Texas Workforce Commission

* 33,000 due to Harvey recovery efforts



Houston Employment



Source: Texas Workforce Commission & Greater Houston Partnership



Energy Losses

Sector	Jobs Lost Dec '14 – Dec '17	%
Exploration & Production	-18,700	-31.1%
Oil Field Services	-16,000	-33.8
Fabricated Metal Products	-18,000	-27.8
Oilfield Equip Mfg	-16,400	-36.7
Engineering	-9,000	-11.8
Total Losses	-78,100	

Source: Texas Workforce Commission



Top Non-Energy Gainers

Sector	Jobs Gained Dec '14 – Dec '17	%
Hotels, Restaurants, Bars	+27,600	10.7%
Health Care	+19,300	6.3
Retail Trade	+17,200	5.6
Public Education (ISDs)	+13,900	7.0
Financial Activities	+9,800	6.5
Total Gains	+87,800	

Source: Texas Workforce Commission



Average Annual Compensation

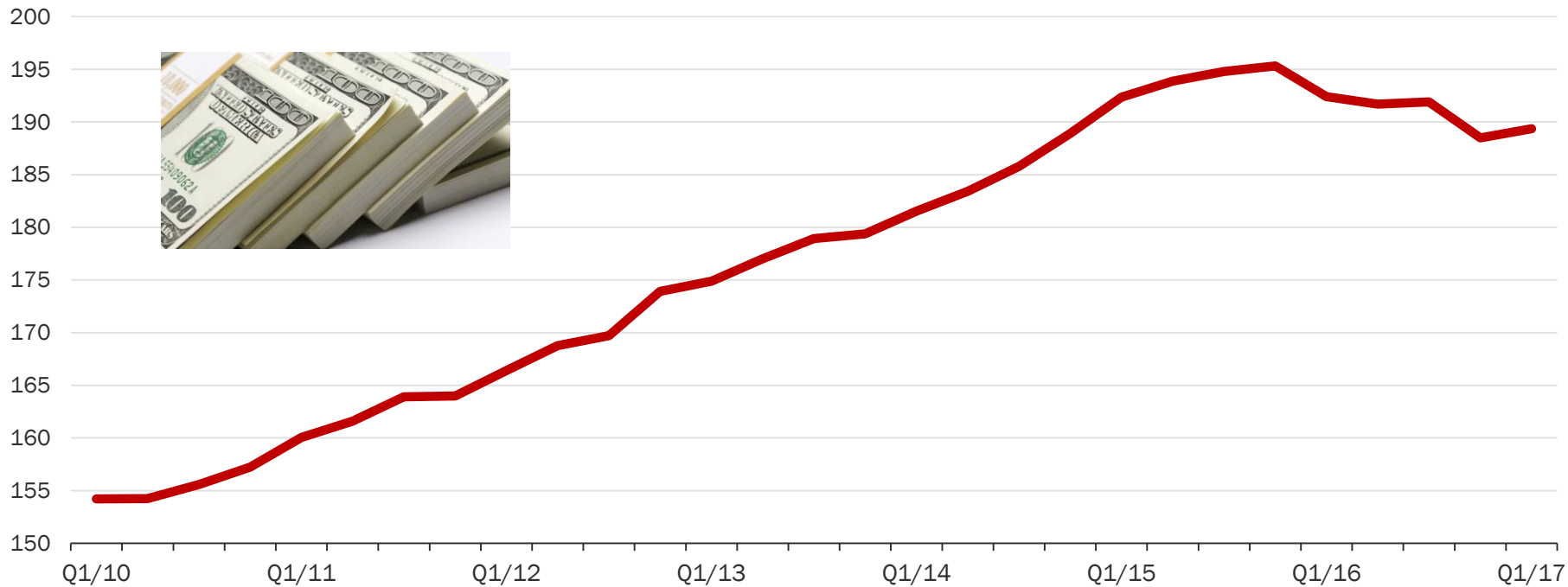
Job Gains	\$/Yr	Job Losses	\$/Yr
Hotels, Restaurants, Bars	19,900	Exploration & Production	185,400
Health Care	53,800	Oil Field Services	115,900
Retail Trade	31,500	Fab Metal Products	63,500
Public Education (ISDs)	45,500	Oilfield Equip Mfg	118,900
Financial Activities	90,300	Engineering	103,200

Source: Texas Workforce Commission



Local Income Trends

Real Wages, \$ Billions



Source: Federal Reserve Bank of Dallas



Components of Metro Houston Growth

	'15 – '16*	'16 – '17*
Natural Increase		
Births	102,152	102,941
Deaths	-40,536	-41,404
Total Natural	+61,616	+61,537

* From July 1 to July 1

** Does not sum due to rounding and other effects.

Source: U.S. Census Bureau



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In-Migration		
International	35,000	43,094
Domestic	28,090	-10,372
Total Migration	63,090	32,722

* From July 1 to July 1

** Does not sum due to rounding and other effects

Source: U.S. Census Bureau



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Total Increase**	125,005	94,417

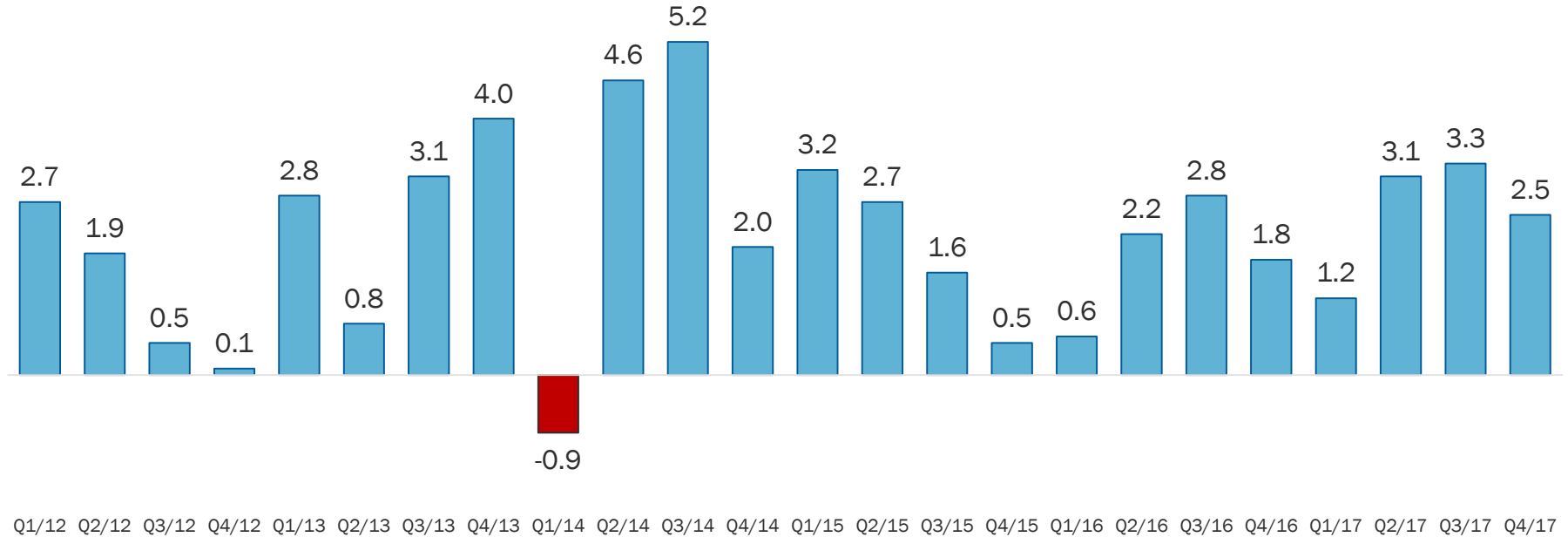
* From July 1 to July 1 each year

** Does not sum due to rounding and other effects

Source: U.S. Census Bureau



Seasonally Adjusted Annual Growth Rate - %



Source: U.S. Bureau of Economic Analysis

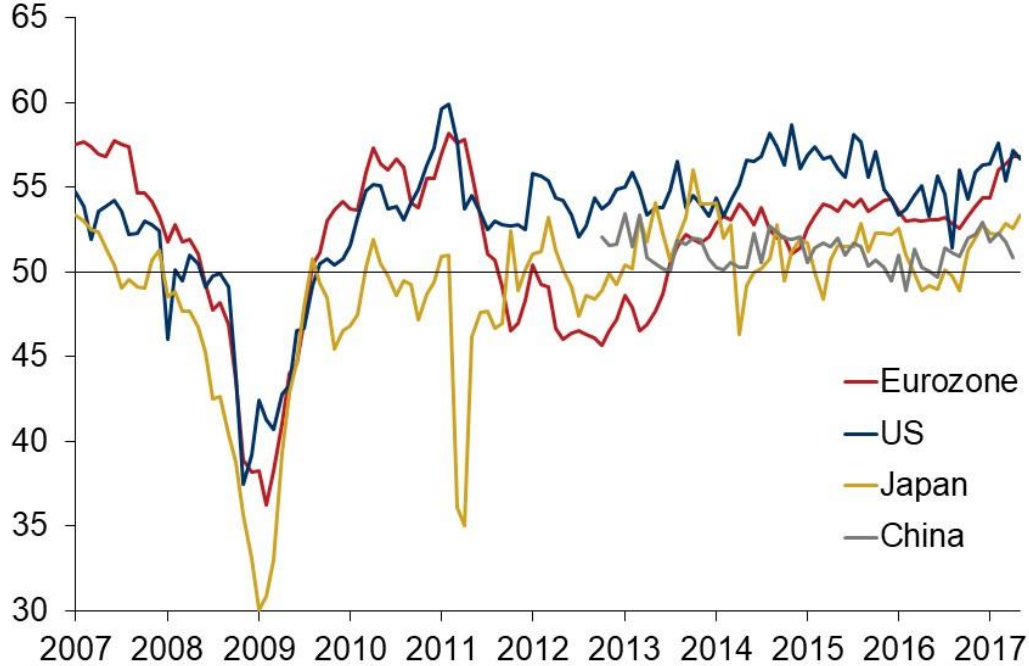


Whose Forecast	(% Change)
The Economist	2.3
National Association for Business Economics	2.4
International Monetary Fund	2.5
Wells Fargo Economics	2.6
Oxford Economics	2.7
The Conference Board	2.8



World: Composite PMIs

Index



Source : Oxford Economics/PMI



*World Economy Seen Picking
Up, Political Uncertainty a Risk*

The New York Times

**The
Economist**

The IMF nudges up its forecast
for global growth

Global Trade Flows Rise at Quickest Rate Since 2011
THE WALL STREET JOURNAL.



Lost Money



Earned a Profit





U.S. Economic Growth



Exports



Energy Outlook





Hurricane Harvey





- Homes
 - ▶ 162,000
- Apartments
 - ▶ 16,000
- Office Buildings
 - ▶ 70
- Vehicles
 - ▶ 300,000





- Homes
 - ▶ 7.0%
- Apartments
 - ▶ 2.4%
- Office Buildings
 - ▶ Less than 1.0% NRA
- Vehicles
 - ▶ 9.6%





Damage Estimates Revised

Hurricane Damages	Date	Losses - Billions
1st Estimate	Sep 5	\$107.0
2nd Revision	Sep 14	\$97.0
3rd Revision	Oct 2	\$87.0
4th Revision	Oct 27	\$73.5

Source: Moody's Analytics

Hurricane Ike



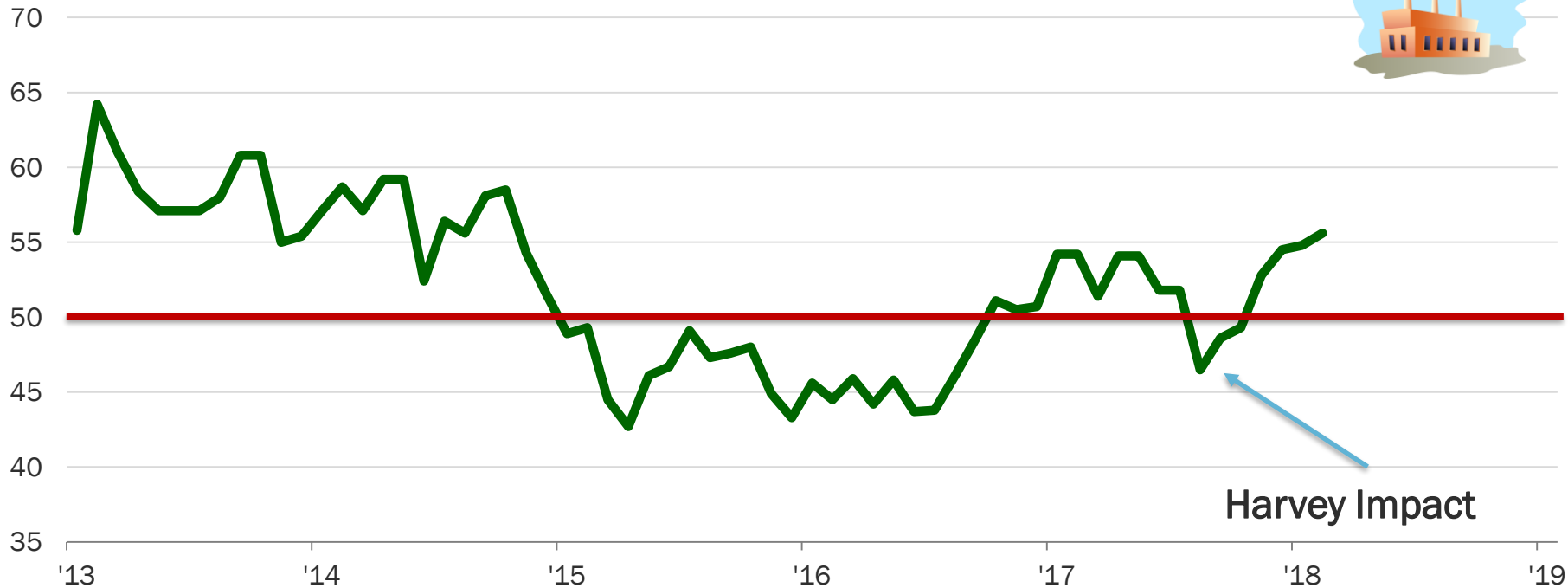
Hurricane Harvey





Purchasing Managers Index

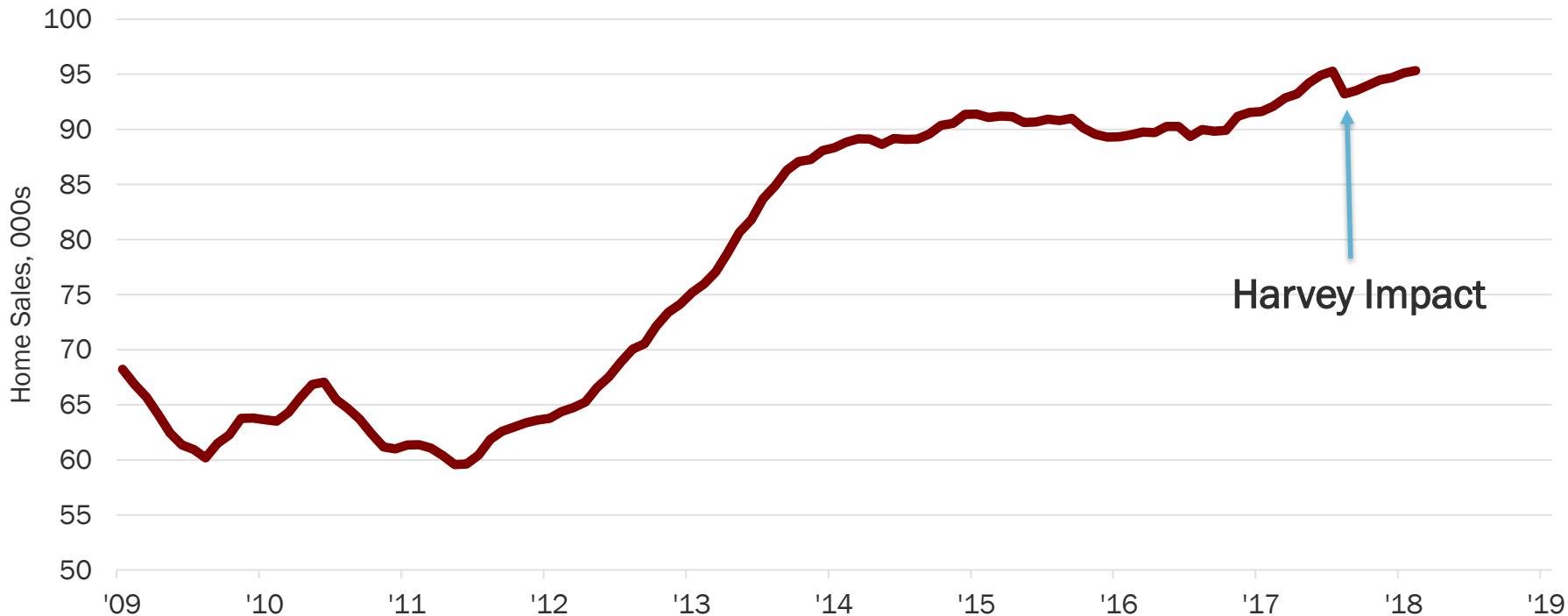
Above 50 = Expansion, Below 50 = Contraction



Source: Institute for Supply Management- Houston



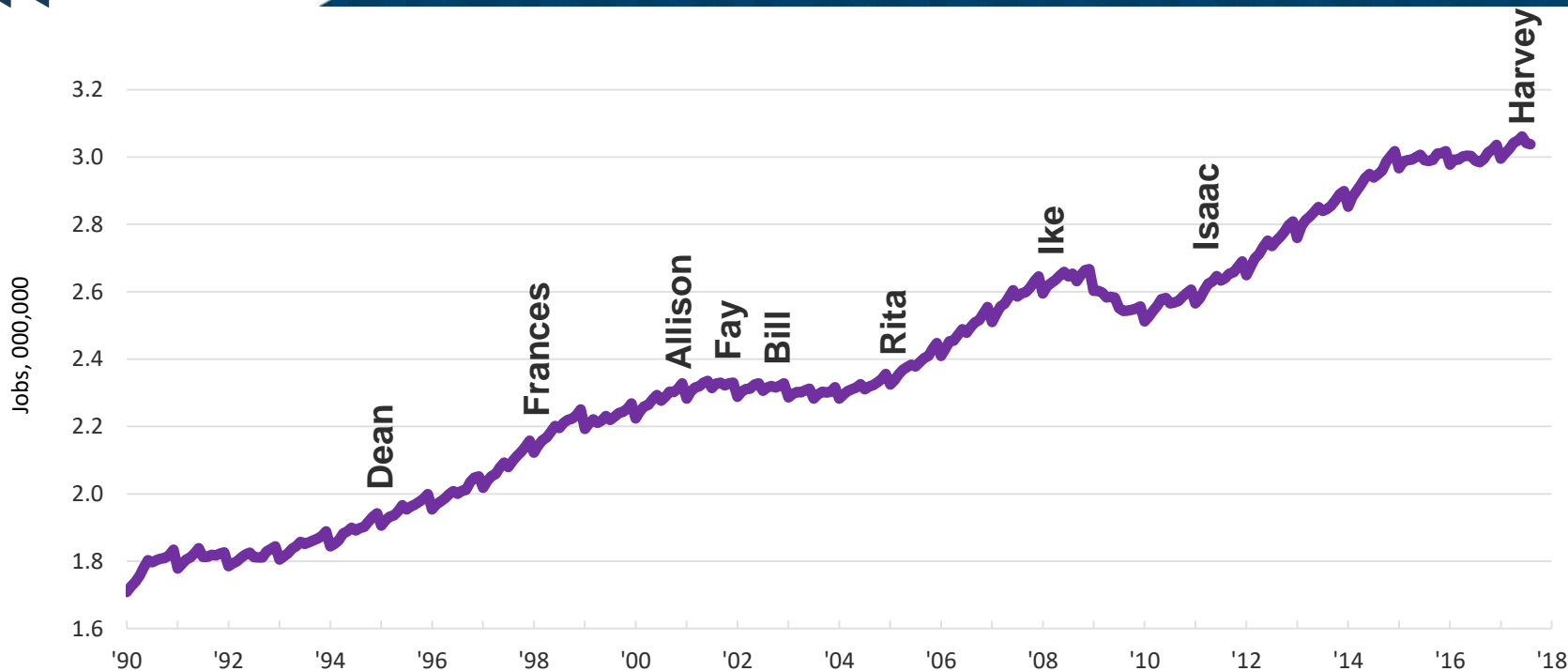
Houston Area Home Sales



Source: Houston Association of Realtors



Houston Employment vs. Tropical Storms



Source: Texas Workforce Commission & Greater Houston Partnership



Thank you

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