COVID-19 in Metro Houston*

Infections

1,206,840

* March ’20 – January ’22
COVID-19 in Metro Houston*

Infections

1 in every 5.9 residents

* March '20 – January '22
COVID-19 Infections in Houston*

* March '20 – January '22
COVID-19 in Metro Houston*

Deaths

14,283

* March ’20 – January ’22
COVID-19 in Metro Houston*

Deaths

1 in every 499 residents

* March ’20 – January ’22
COVID-19 Deaths in Houston*

One death every hour and two minutes.

* March '20 – January '22
New Reported COVID Cases in the U.S.

As of January 17, 2022

7-Day Average
250,500

Source: The New York Times
New Reported COVID Cases in the U.S.
As of January 17, 2022

7-Day Average 250,500

7-Day Average 801,900

Source: The New York Times
Reported COVID Deaths in the U.S.

As of January 17, 2022

7-Day Average
3,310

7-Day Average
1,984

Source: The New York Times
“This variant is a cause for concern, not a cause for panic.”

President Joe Biden
November 29, 2021
Omicron less severe than Delta but still poses danger for unvaccinated: WHO
Share of people who received at least one dose of COVID-19 vaccine

Total number of people who received at least one vaccine dose, divided by the total population of the country.

United States

Source: Official data collated by Our World in Data
Each new variant has less of an impact on the economy.
Percent of Pre-COVID Restaurant Reservations

First Post-Holiday Surge: 69.0
Delta Surge: 75.0
Omicron Surge: 88.0
TSA Checkpoint Travelers, Jan 1–10 Each Year

Millions

- '20: 22.1
- '21: 9.4
- '22: 17.5
U.S. Box Office Gross, Last Week of December

- '18: $338.5 Millions
- '19: $343.4 Millions
- '20: $36.2 Millions
- '21: $292.4 Millions
Significant layoffs are unlikely.
Small Businesses With Positions They Can’t Fill

Source: National Federation of Independent Businesses December 2021 Member Survey
U.S. Job Openings

Source: U.S Bureau of Labor Statistics
The impact may be intense, but it should fade quickly.
Covid: Half of Europe to be infected with Omicron within weeks - WHO
BUSINESS

Omicron and the Week America Is Calling In Sick

An estimated five million Americans could be stuck at home because of Covid-19, leaving many businesses short-handed.

THE WALL STREET JOURNAL.
China Covid-19 Lockdowns Hit Factories, Ports in Latest Knock to Supply Chains
US COVID cases may soon drop dramatically as omicron wave approaches its peak

Experts are seeing hopeful signs in the Boston area’s COVID-19 wastewater data

Omicron may reach peak in Florida this week, according to experts

Omicron’s hospital crush expected to peak in Colorado next week

Health experts warn omicron surge may peak soon

Silicon Valley Tech Signals Omicron Surge Has Peaked
• Omicron less severe than Delta

Summary
Summary

• Omicron less severe than Delta

• Impact confined to Q1
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Summary

- Omicron less severe than Delta
- Impact confined to Q1
- Sickouts bigger concern than layoffs
- Economic activity revs up as wave passes
- No impact on full-year growth
- U.S. GDP expands ≈4.0 percent in ‘22
THE WALL STREET JOURNAL.

U.S. Inflation Hit 7% in December, Fastest Pace Since 1982
Inflation Surge Is on Many Executives’ List of 2022 Worries
Percent

Annual U.S. Inflation Rate

Source: U.S. Bureau of Labor Statistics
Percent Change in Consumer Prices Since Dec ’20

<table>
<thead>
<tr>
<th>Category</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meat, Poultry</td>
<td>12.5</td>
</tr>
<tr>
<td>New Vehicles</td>
<td>11.8</td>
</tr>
<tr>
<td>Household Energy</td>
<td>11.6</td>
</tr>
<tr>
<td>Furniture</td>
<td>7.4</td>
</tr>
<tr>
<td>Restaurants</td>
<td>6.0</td>
</tr>
<tr>
<td>Clothing</td>
<td>5.8</td>
</tr>
<tr>
<td>Shelter</td>
<td>4.1</td>
</tr>
<tr>
<td>Medical Care</td>
<td>2.5</td>
</tr>
</tbody>
</table>

Source: U.S. Bureau of Labor Statistics
Fed Chair Powell says rate hikes, tighter policy will be needed to control inflation
30-Year Fixed Rate Mortgage, Monthly Average

Historic

Projected
Houston’s Recovery
Jobs Lost, March – April ’20

361,400
Jobs Lost, Three Worst Metro Houston Recessions

- COVID Recession: 361,400
- 80s Oil Bust: 226,100
- Great Recession: 120,500

Source: Partnership calculations based on Texas Workforce Commission data
Jobs Lost, Three Worst Metro Houston Recessions

<table>
<thead>
<tr>
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<td>120,500</td>
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</table>

Source: Partnership calculations based on Texas Workforce Commission data
Jobs Added, Metro Houston/Galveston

Since May ‘20

+297,500

Though First 11 Months of ’21

+132,600
Jobs Recovered To Date: 297,500 (82.3%)

Jobs Left to Recoup: 63,900 (17.7%)
## Recovery Status By Sector

<table>
<thead>
<tr>
<th>Sector</th>
<th>Recovered (+100%)</th>
<th>Significant Progress (+60%)</th>
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Houston Construction Employment

Source: Texas Workforce Commission
Houston Energy Employment

Jobs (000s)

Source: Texas Workforce Commission
Houston Manufacturing Employment

Jobs (000s)

Source: Texas Workforce Commission
Houston Wholesale Employment

Source: Texas Workforce Commission
Jobs Progress To Date, November ’21

Still to Recover
63,900
17.7%

Recovered
361,400
100.0%

Recovered
297,500
82.3%

w/o Big 4

Recovered
361,400
100.0%
Construction Contract Awards, November YTD

$ Billions

- '18: $19.7
- '19: $27.8
- '20: $24.2
- '21: $27.3

Source: Dodge Data & Analytics
West Texas Intermediate, Spot Prices

$ Per Barrel

Source: U.S. Energy Information Administration

GREATER HOUSTON PARTNERSHIP
Source: Baker Hughes
Houston/Galveston Purchasing Managers Index

Source: Institute for Supply Management-Houston
Metro Houston Exports, Q3 YTD*

$ Billions

89.4
95.5
77.2
99.7

Source: U.S. Census Bureau

*Origin of Movement Series
Residential Real Estate
Metro Houston Annual Apartment Absorption

Source: Apartment Data Services
Metro Houston Average Apartment Rent

Source: Apartment Data Services
Houston Home Sales, 12-Month Total*

* Includes single-family homes, townhomes, duplexes, condos and residential lots.
Actual Listings, 12-Month Average*

* Includes single-family homes, townhomes, duplexes, condos and residential lots.
Single-Family Home
November Median Sales Price

- '17: $225,000
- '18: $235,000
- '19: $241,000
- '20: $270,000
- '21: $314,000

Source: Houston Association of Realtors
Driving Growth in 2022

✓ U.S. GDP up 3.5 percent or better
Driving Growth in 2022

- U.S. GDP up 3.5 percent or better
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✓ In-migration picks up
'22 GHP Forecast

75,500 jobs
Metro Houston Job Growth, December to December

Source: Texas Workforce Commission

* Oct YTD  ** '22 Forecast
2022 Employment Forecast

- Administrative Support: 9,600
- Prof, Scientific, Tech Services: 8,700
- Health Care, Social Assistance: 8,400
- Restaurants and Bars: 7,200
- Government: 7,100
- Transportation, Warehousing: 6,500
- Manufacturing: 5,000
- Energy: 4,500
- Wholesale Trade: 3,000
2022 Employment Forecast

- Construction: 3,000
- Other Services: 2,400
- Finance and Insurance: 2,100
- Educational Services: 2,000
- Retail Trade: 2,000
- Arts, Entertainment, Recreation: 1,600
- Hotels: 1,200
- Real Estate and Equipment Rentals: 1,000
- Information: 700
Metro Houston Nonfarm Payroll Employment

Source: Texas Workforce Commission (historical); Greater Houston Partnership (projected)
Thank You! 😊
Metro Houston Economic Outlook

Patrick Jankowski
SVP, Research
January 20, 2022