THE ECONOMY AT A GLANCE
HOUSTON

GREATER HOUSTON PARTNERSHIP

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POPULATION GROWTH

The Houston metro area led the nation last year in population growth, with just under 127,000 new residents added in the 12-month period ending on July 1, 2025. That increase equates to a new resident added every 4.1 minutes or 347 new residents each day. Among the top 10 metros with the largest population gains, only Dallas came close, with roughly 124,000 new residents. No other metro added even half as many. The disparity highlights Texas' strong appeal to workers and families, supported by relatively strong job markets, lower costs of living, and the absence of a state income tax.

HOUSTON LEADS THE NATION IN POPULATION GROWTH

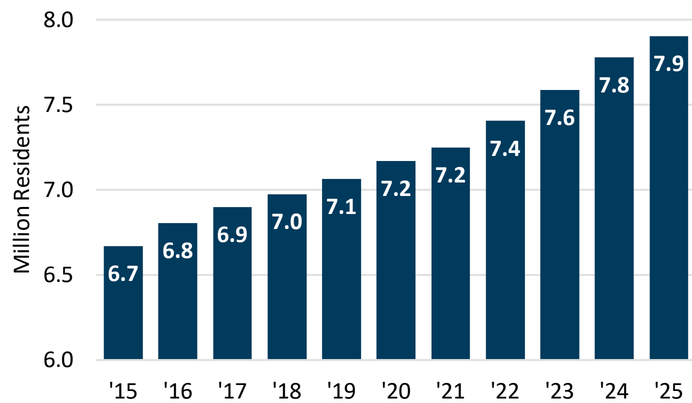
Residents Added, 20 Most Populous Metros

	Metro	Gain/Loss		Metro	Gain/Loss
1	**Houston**	**126,720**	11	Riverside	21,131
2	Dallas	123,557	12	Philadelphia	15,960
3	Atlanta	61,953	13	Detroit	13,868
4	Phoenix	59,065	14	Tampa	13,538
5	Washington	50,206	15	Boston	11,991
6	Seattle	43,068	16	Denver	10,945
7	Orlando	37,690	17	San Francisco	6,607
8	New York	32,361	18	San Diego	-5,294
9	Minneapolis	29,400	19	Miami	-8,909
10	Chicago	22,925	20	Los Angeles	-62,454

Note: Reflects 12-month change for year ending on July 1, 2025
Source: Partnership analysis of U.S. Census Bureau data

The region has grown from 6.7 million residents in '15 to 7.9 million residents in '25. That reflects a population gain of 1.2 million people in a 10-year span. The metro region now has a larger population than 37 U.S. states and the District of Columbia.

METRO HOUSTON ADDED 1.2 MILLION RESIDENTS OVER THE LAST DECADE



Note: Reflects population as of July 1 of the given year
Source: Partnership analysis of U.S. Census Bureau data

Houston not only added more residents than any other U.S. metro in absolute terms, but it also grew at a faster pace than any of its peers. Among the nation's 20 most populous metros, Houston's 1.6 percent growth rate was No. 1, topping other fast-growing Sun Belt hubs such as Dallas, Orlando, and Phoenix.

HOUSTON IS THE FASTEST GROWING MAJOR METRO

Population Growth Rates, 20 Most Populous Metros

	Metro	Growth %		Metro	Growth %
1	**Houston**	**1.6**	11	Denver	0.4
2	Dallas	1.5	12	Detroit	0.3
3	Orlando	1.3	13	Philadelphia	0.3
4	Phoenix	1.1	14	Chicago	0.2
5	Seattle	1.0	15	Boston	0.2
6	Atlanta	1.0	16	New York	0.2
7	Washington	0.8	17	San Francisco	0.1
8	Minneapolis	0.8	18	Miami	-0.1
9	Riverside	0.4	19	San Diego	-0.2
10	Tampa	0.4	20	Los Angeles	-0.5

Note: Reflects 12-month change for year ending on July 1, 2025
Source: Partnership analysis of U.S. Census Bureau data

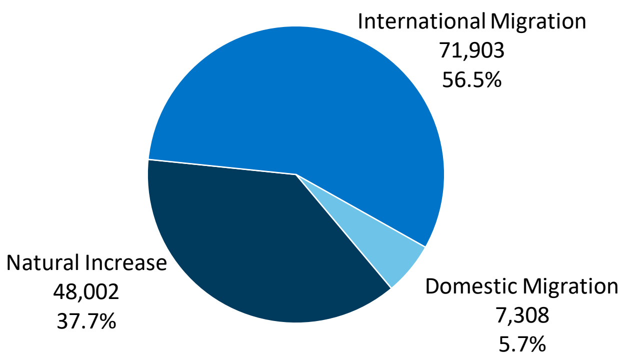
Houston also grew dramatically faster than the nation's larger, established metros, with a population growth rate roughly eight times higher than that of New York or Chicago, while Los Angeles saw its population decline amid a high rate of domestic outmigration.

Components of Population Growth

Houston's population gains come from two sources – migration (people who move in or out of the region) and natural change (the number of babies born minus the number of people who die). Migration can further be broken down into a domestic component (people who move here from elsewhere in the country) and an international component (people who move here from abroad). International migration represented the largest share of Houston's population growth in '25 at 56.5 percent of the total, followed by natural change at 37.7 percent then by domestic migration at 5.7 percent.

INTERNATIONAL MIGRATION ACCOUNTS FOR MOST OF HOUSTON'S GAINS

Population Gains by Source



Note: Reflects 12-month change for year ending on July 1, 2025
Source: Partnership calculations based on U.S. Census Bureau data

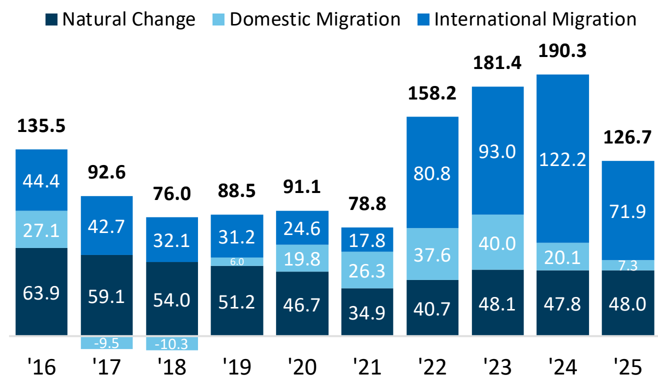
Population Growth Trends

Although Houston had the nation's largest population gain in '25, the metro added about one-third fewer residents than in the record-setting year of '24, as growth moderated from the rapid pace of the immediate post-pandemic years. Even so, Houston's growth remained robust by historical standards, with gains in '25 easily surpassing those from '17 to '21. That has not been the case in many other parts of the country, where population growth has slowed more sharply.

The recent moderation partly reflects a return to typical growth patterns after an unusually strong post-pandemic rebound, when accelerated job growth helped offset earlier weakness to attract an outsized number of new residents to the region. With Houston's job growth during that stretch running well above the national average, the region's many employment opportunities made it an especially attractive destination for workers from across the country and around the globe. But that exceptional pace was unlikely to persist indefinitely. By mid-'24, the national rate of job creation had returned to normal levels, and by '25 the labor market had settled into a slower, low-churn environment marked by more restrained hiring and few layoffs. Even so, Houston's underlying strengths have helped it continue to outpace the rest of the country in job opportunities and population growth, while positioning the region for rapid expansion when macroeconomic conditions improve.

DESPITE SLOWDOWN, METRO HOUSTON'S POPULATION GROWTH WAS ABOVE AVERAGE IN '25

Thousand Residents Added by Source



Note: Reflects 12-month change ending on July 1 of given year
Source: Partnership analysis of U.S. Bureau of Economic Analysis data

Compared with '24, natural population change was flat, while domestic and international migration moderated in line with the more modest pace of job growth. Domestic migration posted a sharper decline, falling 63.7 percent, though it remained well above levels seen during the previous labor market slowdown between '17 and '19 in the wake of the Fracking Bust. International migration declined by 41.1 percent but remained above pre-pandemic norms. Even so, the timing of the data may blur the effect of recent immigration enforcement policies because the '25 estimates cover the 12 months ending on July 1st. As a result, some of the apparent strength in '25 likely reflects inflows that occurred before recent immigration policies took effect.

Migration

More people are moving to Houston than to any other metro area in the country. Including both domestic and international migration, nearly 80,000 people chose to make Houston their home last year. Three other major Texas metros (Dallas, Austin, and San Antonio) also ranked in the top 10 nationwide. Together, these four Texas regions attracted more than 217,000 new residents, highlighting the strong pull of the Lone Star State.

MORE PEOPLE MOVE TO HOUSTON THAN ANY OTHER METRO

Overall Migration, 20 Most Populous Metros

	Metro	Gain/Loss		Metro	Gain/Loss
1	**Houston**	**79,211**	11	Philadelphia	8,380
2	Dallas	73,641	12	Riverside	4,829
3	Phoenix	45,546	13	Chicago	4,255
4	Atlanta	36,418	14	Boston	1,781
5	Orlando	29,000	15	Denver	-3,128
6	Seattle	28,931	16	San Francisco	-4,846
7	Washington	21,013	17	San Diego	-17,744
8	Minneapolis	17,050	18	Miami	-20,274
9	Tampa	16,874	19	New York	-41,206
10	Detroit	12,486	20	Los Angeles	-92,342

Note: Reflects 12-month change for year ending on July 1, 2025
Source: Partnership analysis of U.S. Census Bureau data

International migration provides the lion's share of new residents moving to Houston. This category includes U.S. ex-pat workers called home from overseas, foreign workers assigned to multinational companies here, military personnel redeployed stateside, international students enrolling at local universities, temporary workers on H1-B and H2-B visas, refugees placed in the region by relief agencies, and immigrants (documented and undocumented) who left their homelands for better lives in America.

Houston ranks third among major metros for residents added via international migration, behind New York and Miami. All the top 20 largest metros continued to see positive net gains during the 12 months covered by the data. But since that period spans two administrations, the effects of new immigration policies may not be fully visible until next year's data is released.

HOUSTON IS A LEADER IN INTERNATIONAL MIGRATION

International Migration, 20 Most Populous Metros

	Metro	Gain/Loss		Metro	Gain/Loss
1	New York	126,899	11	Orlando	30,785
2	Miami	93,450	12	San Francisco	24,846
3	**Houston**	**71,903**	13	Phoenix	23,290
4	Dallas	55,444	14	Tampa	18,413
5	Washington	44,804	15	Detroit	18,336
6	Los Angeles	38,486	16	Philadelphia	18,116
7	Chicago	37,963	17	Denver	11,480
8	Seattle	37,353	18	Minneapolis	9,360
9	Atlanta	33,399	19	San Diego	6,132
10	Boston	30,913	20	Riverside	2,032

Note: Reflects 12-month change for year ending on July 1, 2025
Source: Partnership analysis of U.S. Census Bureau data

Though inflows have slowed, Houston stands out as being one of only six major metros to add residents via domestic migration. The other 14 saw more people move out than move in from elsewhere in the U.S. Houston bucks that trend due in large part to its relatively low cost of living, quality of life, and labor market that continues to create jobs at a faster pace than the rest of the nation.

HOUSTON IS ONE OF FEW MAJOR METROS WITH POSITIVE DOMESTIC MIGRATION

Domestic Migration, 20 Most Populous Metros

	Metro	Gain/Loss		Metro	Gain/Loss
1	Phoenix	22,256	11	Philadelphia	-9,736
2	Dallas	18,197	12	Denver	-14,608
3	Minneapolis	7,690	13	Washington	-23,791
4	**Houston**	**7,308**	14	San Diego	-23,876
5	Atlanta	3,019	15	Boston	-29,132
6	Riverside	2,797	16	San Francisco	-29,692
7	Tampa	-1,539	17	Chicago	-33,708
8	Orlando	-1,785	18	Miami	-113,724
9	Detroit	-5,850	19	Los Angeles	-130,828
10	Seattle	-8,422	20	New York	-168,105

Note: Reflects 12-month change for year ending on July 1, 2025
Source: Partnership analysis of U.S. Census Bureau data

Natural Population Change

Metro Houston ranked third, behind New York and Dallas, in residents gained through natural population increase. Houston recorded approximately 97,000 births and 49,000 deaths in the 12 months ending July 1, 2025. That amounted to a modest increase in the number of births and deaths, with no significant change in either rate. Among major metros, only Tampa, with its large retiree population, posted a net negative natural population change.

HOUSTON IS STRONG IN NATURAL POPULATION CHANGE

Natural Population Change, 20 Most Populous Metros

	Metro	Gain/Loss		Metro	Gain/Loss
1	New York	73,550	11	Phoenix	13,169
2	Dallas	50,819	12	Miami	12,578
3	**Houston**	**48,002**	13	San Diego	12,462
4	Los Angeles	30,302	14	Minneapolis	12,228
5	Washington	29,077	15	San Francisco	11,342
6	Atlanta	25,469	16	Boston	10,103
7	Chicago	18,274	17	Orlando	8,871
8	Riverside	15,860	18	Philadelphia	7,314
9	Denver	14,001	19	Detroit	1,121
10	Seattle	13,748	20	Tampa	-2,906

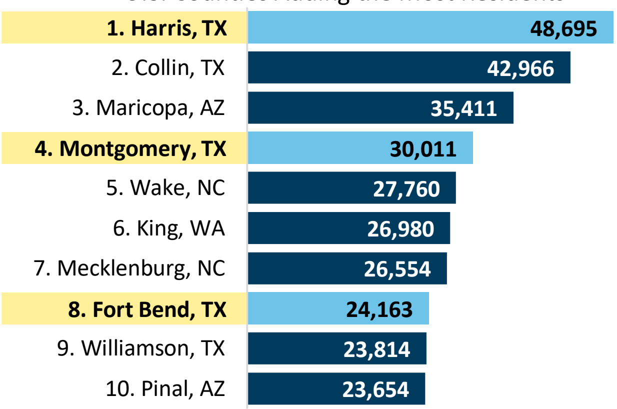
Note: Reflects 12-month change for year ending on July 1, 2025
Source: Partnership analysis of U.S. Census Bureau data

A Closer Look at Houston's Counties

For the fourth consecutive year, Harris led all other U.S. counties in population growth with just under 50,000 new residents added in '25. Just as notable, Montgomery and Fort Bend also landed in the national top 10, ranking fourth and eighth, respectively. Together, the three counties highlight the scale and breadth of Metro Houston's growth, with Harris anchoring the region and its suburban counties bolstering its expansion.

THREE OF THE NATION'S TOP TEN COUNTIES FOR POPULATION GROWTH ARE IN METRO HOUSTON

U.S. Counties Adding the Most Residents



Note: Reflects 12-month change for year ending on July 1, 2025
Source: Partnership analysis of U.S. Census Bureau data

Every county in the metro region added residents. Although Harris County added the most in absolute terms, it grew at a slower pace than all but one of its suburban counties (San Jacinto). This pattern is consistent with what demographers refer to as the "donut effect," in which suburban areas grow faster than their urban core. That is a common pattern in large metros, where central regions are often more built out, while suburban/exurban areas have more room for new development and can offer newer housing and amenities at lower costs.

METRO HOUSTON POPULATION GROWTH BY COUNTY

County	Population in '25	1-Year Growth	
		Residents	%
Harris	5,045,026	48,695	1.0
Fort Bend	975,191	24,163	2.5
Montgomery	781,194	30,011	4.0
Brazoria	419,080	7,664	1.9
Galveston	372,207	4,840	1.3
Liberty	121,364	5,073	4.4
Waller	69,858	3,761	5.7
Chambers	57,594	1,606	2.9
Austin	33,625	747	2.3
San Jacinto	29,488	160	0.5
TOTAL	**7,904,627**	**126,720**	**1.3**

Note: Reflects 12-month change for year ending on July 1, 2025
Source: Partnership analysis of U.S. Census Bureau data

The dynamic is not unique to Harris County – indeed, it is observed across the central counties of the nation's leading metros. What makes Harris County stand out is how quickly it is still growing relative to those peers. Its 1.0 percent growth rate was the second highest among major metro central counties, trailing only King County, Washington, where Seattle is located. Most comparable counties grew at less than half that rate, and several notable examples, including Dallas, Miami-Dade, and Los Angeles County, lost residents last year.

HARRIS IS ONE OF THE FASTEST GROWING CENTRAL COUNTIES IN A MAJOR METRO

Population Growth Rates, Major Metro Central Counties

	County	%		County	%
1	King, WA	1.2	11	Hillsborough, FL	0.2
2	**Harris, TX**	**1.0**	12	Cook, IL	0.1
3	Fulton, GA	0.8	13	Philadelphia, PA	0.1
4	Maricopa, AZ	0.8	14	New York, NY	0.0
5	San Francisco, CA	0.6	15	Dallas, TX	-0.1
6	Riverside, CA	0.6	16	Denver, CO	-0.1
7	Hennepin, MN	0.6	17	San Diego, CA	-0.2
8	Orange, FL	0.5	18	Suffolk, MA	-0.2
9	D.C.	0.3	19	Miami-Dade, FL	-0.4
10	Wayne, MI	0.2	20	Los Angeles, CA	-0.6

Note: Reflects 12-month change for year ending on July 1, 2025
Source: Partnership analysis of U.S. Census Bureau data

Across Metro Houston, growth is being driven by different forces in different parts of the region. Harris County continues to anchor that expansion, posting by far the strongest international migration and natural increase in the metro, even as suburban counties capture a sizable share of domestic movers. While this data shows Harris County shedding a significant number of residents to domestic migration, the results may be misleading. IRS data from '22-'24 show that 41.9 percent of tax filers leaving Harris County move elsewhere in the metro area.

COMPONENTS OF POPULATION GROWTH BY COUNTY

County	Natural Change	Domestic Migration	International Migration
Harris	34,861	-43,377	57,225
Fort Bend	4,940	10,406	8,883
Montgomery	4,084	22,690	3,486
Brazoria	1,803	4,849	1,028
Galveston	707	3,422	726
Liberty	743	4,243	156
Waller	504	2,997	303
Chambers	348	1,239	33
Austin	71	612	70
San Jacinto	-59	227	-7
TOTAL	48,002	7,308	71,903

Note: Reflects 12-month change for year ending on July 1, 2025
Source: Partnership analysis of U.S. Census Bureau data

EMPLOYMENT NUMBER REVISIONS

Metro Houston created 17,500 jobs in ’25, according to benchmark revisions released by the Texas Workforce Commission (TWC). That is stronger than the agency’s initial estimate of 14,800 jobs. The revised figures suggest Houston’s economy grew at a better pace last year than previously believed.

The revised estimates are the result of the annual benchmark revision process that TWC undertakes to improve the accuracy of its estimates. The monthly jobs reports that TWC releases throughout the year are based on a sample of local employers responding to the agency’s employment survey. Like all surveys, it is subject to sampling, non-response, and processing errors. Every spring, TWC revises its survey estimates by benchmarking them against the state’s comprehensive record of unemployment insurance filings. The result is a clearer and more reliable picture of job growth in Houston.

METRO HOUSTON – JOBS ADDED IN ’25

Sector	Revised Estimate	Initial Estimate	Difference
Construction	13,600	2,300	11,300
Admin Support	3,200	-7,300	10,500
Prof, Sci & Tech Services	-2,400	-9,100	6,700
Manufacturing	-100	-2,600	2,500
Arts & Recreation	1,300	500	800
Misc. Business	-1,400	-2,100	700
Information	-1,200	-1,400	200
Utilities	1,000	900	100
Hotels	-600	0	-600
Public Education	3,600	4,200	-600
Finance & Insurance	-1,900	-800	-1,100
Public Administration	100	1,300	-1,200
Wholesale	-600	800	-1,400
Real Estate & Rentals	200	1,800	-1,600
Health Care	7,900	10,100	-2,200
Private Education Services	500	2,800	-2,300
Other Services	-500	2,000	-2,500
Retail	-2,400	700	-3,100
Transport & Warehousing	700	3,900	-3,200
Restaurants & Bars	0	4,900	-4,900
Oil & Gas Extraction	-3,500	1,900	-5,400
TOTAL	**17,500**	**14,800**	**2,700**

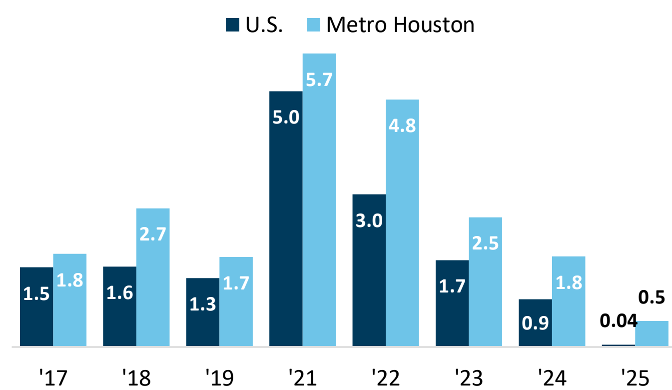
Note: Initial estimates are circa January ’26. Revised estimates incorporate ’25 benchmark revisions released in April ’26.
Source: Partnership analysis of Texas Workforce Commission data

Construction saw the largest upward revision, with job growth in ’25 revised from 2,300 to 13,600. That made it Houston’s top sector in terms of jobs added last year, outpacing health care, as hiring tied to infrastructure projects and specialty contractors came in much stronger than initially estimated. Administrative support also shifted sharply higher, moving from a reported loss of 7,300 jobs to a gain of 3,200. That reflected stronger-than-estimated growth in building services, including janitorial staff and maintenance workers, and smaller-than-estimated losses in employment services, such as temporary staffing and recruiting firms. Professional, scientific, and technical services was also revised meaningfully higher. Job losses narrowed from 9,100 to 2,400, suggesting the effects of last year’s pullback in external spending were less severe than first thought.

Thirteen of the 21 sectors tracked by the Greater Houston Partnership were revised downward, though most of those changes were modest. In nine sectors, the revisions were smaller than or equal to 2,500 jobs, but four sectors saw more meaningful adjustments. Oil and gas extraction shifted from a gain of 1,900 jobs to a loss of 3,500 as lower oil prices in ’25 reduced drilling and exploration activity. Restaurants and bars were revised from a gain of 4,900 jobs to flat employment, suggesting softer consumer spending and weaker hiring than initially reported. Transportation and warehousing was revised from a gain of 3,900 jobs to 700, as growth in warehousing came in below early estimates. Retail moved from a gain of 700 jobs to a loss of 2,400, reflecting a steeper-than-expected drop-off after the ’24 holiday shopping season and a smaller seasonal build in November ’25.

The benchmark revisions show Houston’s job growth rate in ’25 was 0.5 percent, up from the initial estimate of 0.4 percent. That still falls below the region’s long-term average of roughly 1.5 percent, reflecting a national macroeconomic environment that was marked by greater uncertainty and slower hiring. Even so, Houston outperformed the rest of the nation by a wider margin than first reported: Houston’s job growth rate was over ten times higher than the national rate of 0.04 percent.

ANNUAL JOB GROWTH RATES (%)



Note: Data for ’20 is omitted due to outlier pandemic job losses
Source: Partnership analysis of TWC and BLS data

SITE SELECTION PROJECT RANKINGS

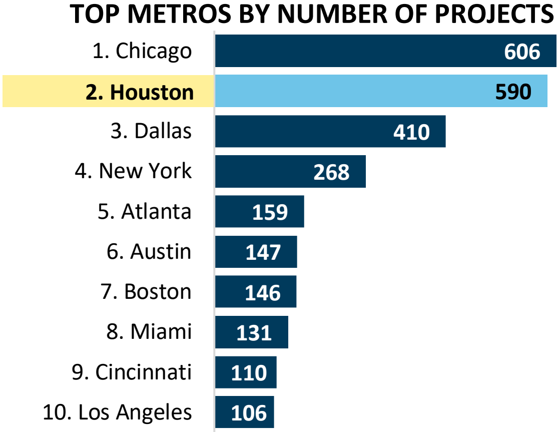
For the 14th consecutive year, Texas has been awarded the Governor's Cup by Site Selection magazine, which recognizes the state generating the highest annual volume of qualifying new and expanded corporate facility projects. In '25, Texas recorded more than 1,400 qualifying projects, surpassing every other state and reinforcing its position as the nation's leading destination for business investment and expansion.

Texas accounted for approximately 18 percent of all qualifying corporate facility projects nationwide, more than double the total of the second-ranked state. Governor Greg Abbott attributed the state's continued success to its business climate, infrastructure investment, and coordination with local and regional partners.

Houston Ranks Second Among Tier-1 Metros

Houston recorded 590 qualifying economic development projects in '25, securing the No. 2 ranking nationally among Tier-1 metro areas. The region surpassed Dallas and trailed only Chicago in total project volume. Investment activity was broadly distributed across the region's core industry sectors, including energy, advanced manufacturing, life sciences, logistics, and aerospace.

TOP METROS BY NUMBER OF PROJECTS



Note: Data reflects qualifying new and expanded corporate facility projects as defined by Site Selection methodology
Source: Conway Projects Database, Conway Data Inc. / Site Selection

Among the most significant projects announced during the period were Eli Lilly's $6.5 billion pharmaceutical manufacturing facility and a strategic partnership between Foxconn, Apple, and Nvidia to produce artificial intelligence servers in Houston. These announcements reflect continued investment in large-scale manufacturing and technology-oriented operations in the region.

Houston Ranks First on a Per-Capita Basis

While Houston ranked second in absolute project volume, the region led all Tier-1 metros on a per-capita basis with 74.6 projects per million residents. This distinction reflects Houston's competitive efficiency and the strength of its economic development ecosystem.

TOP METROS BY NUMBER OF PROJECTS PER CAPITA

	Metro	Projects	Population	Projects per Million Residents
1	**Houston**	**590**	**7,904,627**	**74.6**
2	Chicago	606	9,434,123	64.2
3	Austin	147	2,620,945	56.1
4	Dallas	410	8,477,157	48.4
5	Cincinnati	110	2,312,858	47.6
6	Louisville	60	1,402,509	42.8
7	Columbus	83	2,242,028	37.0
8	Indianapolis	78	2,205,695	35.4
9	Charlotte	101	2,938,830	34.4
10	Richmond	47	1,389,338	33.8

Note: Data reflect qualifying new and expanded corporate facility projects as defined by Site Selection's methodology. Per capita calculations are based on '25 metro-level population estimates and may differ from Site Selection's internal methodology.
Source: Partnership analysis of Site Selection & Census Bureau data

Houston's performance also reflects strong coordination among economic development organizations, workforce institutions, port authorities, and local governments. That alignment has helped the region compete effectively for major projects and respond quickly to corporate site selection opportunities.

Outlook

Houston's standing in the '25 Site Selection rankings reflects durable structural advantages: a pro-growth business environment, continued investment in infrastructure and logistics, and a workforce trajectory supported by positive net migration. As Texas maintains its position as the nation's leading destination for corporate investment, Houston has proven to be a critical driver of that performance - attracting capital across a broad range of industries and reinforcing the region's role as a national hub for economic activity.

SAVE THE DATE

On **Thursday, May 7**, the Greater Houston Partnership will host the **State of Houston's Global Economy** event. The program will deliver timely analysis of global business trends and their direct impact on our region, from foreign direct investment and trade flows to workforce, infrastructure, and geopolitical shifts influencing the year ahead. To register for the event, go to the corresponding events page on the Partnership's website.

Key Economic Indicators

Clicking on the hyperlinks below will provide additional details on that indicator.

Construction — New construction awards in Greater Houston continue to normalize in ’26 after two exceptionally strong years of activity, according to information from Dodge Data & Analytics. About $5.0 billion in contracts were awarded year-to-date through February ’26, down 38.0 percent from the $8.1 billion awarded during the same period in ’25. Even so, activity remains healthy and sustainable, tracking broadly in line with the market’s typical range from ’20 through ’23. The elevated volumes seen in ’24 and ’25 were supported in part by a heavy concentration of major infrastructure awards. That surge has moderated in ’26, with non-building contract values down by roughly two-thirds through February relative to the same period last year.

Home Sales — Brokers closed on 10,915 single-family homes year-to-date through February ’26, according to data from the Houston Association of Realtors (HAR). That represents a minor 1.6 percent dip from the same period in ’25, putting sales in line with the pace of the past three years and still well above pre-pandemic norms. Sales of all property types (including single-family, duplexes, condos, townhomes, and highrises) declined by 2.8 percent over the same period due to softer activity in multifamily properties.

Inflation — Inflation in the Houston region eased in February. Local consumer prices, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), rose 1.3 percent between February ’25 and February ’26, down from the 1.6 percent annual increase recorded in December. By comparison, the national inflation rate held steady at 2.4 percent, putting Houston 1.1 percentage points below the U.S. average. Still, inflation could heat up in March as the conflict with Iran and the closure of the Strait of Hormuz put upward pressure on oil and gasoline prices.

Purchasing Managers Index — Houston’s economic growth accelerated in February, according to the latest Houston Purchasing Managers Index (PMI) from the Institute for Supply Management–Houston. The headline PMI, which gauges overall economic activity based on a survey of supply chain executives, increased to 52.4 in February from 50.2 in January, extending the region’s expansion streak to 69 consecutive months. Manufacturing and non-manufacturing both showed signs of growth with respective PMIs of 51.6 and 52.6.

Unemployment — Unemployment rates in metro Houston, Texas, and the nation rose in January, according to data released by the Texas Workforce Commission. As is typical for the new year, these January figures were released with a significant lag, and February data will be published later in April. Houston’s rate increased from 4.3 percent to 4.9 percent over the month, while Texas rose from 3.9 percent to 4.5 percent, and the U.S. from 4.1 percent to 4.7 percent. The increase reflects a normal seasonal pattern rather than a clear sign of economic softening. Unemployment almost always rises at the start of the year as temporary holiday workers are let go and the fall school semester comes to an end.

Vehicle Sales — Houston-area dealers sold 385,835 new cars, trucks, and SUVs in the 12 months ending February ‘26, according to TexAuto Facts published by InfoNation Inc. Sales climbed 6.8 percent from the same period last year, driven by a 9.7 percent jump in trucks and SUVs that tempered the 4.3 percent decline in car sales, as consumer preferences continue to shift toward larger vehicles. The first two months of ‘26 started out the year almost on par with ’25. The 61,148 vehicles sold represent a slight 0.6 percent decrease from the 61,514 sold last year. Trucks and SUVs continued to dominate across the board, representing 81.9 percent of sales in the two-month period.

Colin Baker and Margaret Barrientos contributed to this issue of Houston: The Economy at a Glance.

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HOUSTON MSA NONFARM PAYROLL EMPLOYMENT

	January '26	December '25	January '25	Change From December '25	Change From January '25	% Change From December '25	% Change From January '25
Total Nonfarm Payroll Jobs	**3,461,900**	**3,502,900**	**3,437,600**	**-41,000**	**24,300**	**-1.2**	**0.7**
Total Private	2,999,300	3,030,000	2,973,500	-30,700	25,800	-1.0	0.9
Goods Producing	566,900	569,800	557,500	-2,900	9,400	-0.5	1.7
Service Providing	2,895,000	2,933,100	2,880,100	-38,100	14,900	-1.3	0.5
Private Service Providing	2,432,400	2,460,200	2,416,000	-27,800	16,400	-1.1	0.7
Mining & Logging	71,600	71,800	75,800	-200	-4,200	-0.3	-5.5
Oil & Gas Extraction	34,700	34,800	37,200	-100	-2,500	-0.3	-6.7
Support Activities for Mining	35,700	35,800	37,200	-100	-1,500	-0.3	-4.0
Construction	257,900	257,400	241,900	500	16,000	0.2	6.6
Manufacturing	237,400	240,600	239,800	-3,200	-2,400	-1.3	-1.0
Durable Goods Manufacturing	149,500	151,000	149,000	-1,500	500	-1.0	0.3
Nondurable Goods Manufacturing	87,900	89,600	90,800	-1,700	-2,900	-1.9	-3.2
Wholesale Trade	177,700	178,800	178,000	-1,100	-300	-0.6	-0.2
Retail Trade	318,200	330,500	320,800	-12,300	-2,600	-3.7	-0.8
Transportation, Warehousing & Utilities	205,300	207,000	200,500	-1,700	4,800	-0.8	2.4
Utilities	25,000	25,000	23,900	0	1,100	0.0	4.6
Air Transportation	21,600	21,500	21,400	100	200	0.5	0.9
Truck Transportation	30,800	30,900	30,200	-100	600	-0.3	2.0
Pipeline Transportation	15,800	15,700	14,800	100	1,000	0.6	6.8
Information	27,900	28,400	29,000	-500	-1,100	-1.8	-3.8
Telecommunications	10,100	10,200	10,300	-100	-200	-1.0	-1.9
Finance & Insurance	114,200	115,200	116,300	-1,000	-2,100	-0.9	-1.8
Real Estate & Rental & Leasing	62,800	64,100	62,700	-1,300	100	-2.0	0.2
Professional & Business Services	560,400	566,500	557,200	-6,100	3,200	-1.1	0.6
Professional, Scientific & Technical Services	281,000	281,800	282,200	-800	-1,200	-0.3	-0.4
Legal Services	34,400	34,700	33,600	-300	800	-0.9	2.4
Accounting, Tax Preparation & Bookkeeping	27,400	27,000	29,100	400	-1,700	1.5	-5.8
Architectural, Engineering & Related Services	78,400	78,800	77,100	-400	1,300	-0.5	1.7
Computer Systems Design & Related Services	41,400	41,600	43,200	-200	-1,800	-0.5	-4.2
Admin & Support, Waste Mgt & Remediation	236,600	241,800	230,700	-5,200	5,900	-2.2	2.6
Administrative & Support Services	222,500	227,700	217,400	-5,200	5,100	-2.3	2.3
Employment Services	78,100	83,900	77,700	-5,800	400	-6.9	0.5
Private Educational Services	72,600	73,700	72,300	-1,100	300	-1.5	0.4
Health Care & Social Assistance	399,700	399,600	391,300	100	8,400	0.0	2.1
Arts, Entertainment & Recreation	40,500	41,100	38,900	-600	1,600	-1.5	4.1
Accommodation & Food Services	322,900	324,800	318,800	-1,900	4,100	-0.6	1.3
Other Services	130,200	130,500	130,200	-300	0	-0.2	0.0
Government	462,600	472,900	464,100	-10,300	-1,500	-2.2	-0.3
Federal Government	35,200	36,100	37,700	-900	-2,500	-2.5	-6.6
State Government	103,400	103,400	100,600	0	2,800	0.0	2.8
State Government Educational Services	56,100	56,400	54,500	-300	1,600	-0.5	2.9
Local Government	324,000	333,400	325,800	-9,400	-1,800	-2.8	-0.6
Local Government Educational Services	221,300	230,000	222,400	-8,700	-1,100	-3.8	-0.5

Source: Texas Workforce Commission