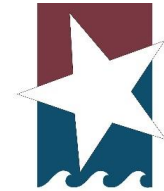


SOUTH TEXAS ECONOMIC
DEVELOPMENT CENTERCorpus Christi
REGIONAL ECONOMIC
DEVELOPMENT CORPORATION

SURVEY OF BUSINESS CONDITIONS

2016 Quarter 3

Released on 10/1/2016

SUMMARY

Business confidence is the bellwether of the future direction of an economy. According to the latest *Survey of Business Conditions* for Corpus Christi, the economic outlook remains positive for the rest of the year. Despite the continued slowdown in business activity, hiring and capital expenditures remained strong in recent months.

While the share of respondents experiencing worse or substantially worse business conditions in recent months increased from 20 percent to 34 percent, more than 40 percent of respondents expected an improvement. Hiring activity and investment in equipment during the third quarter were similar to the previous quarter, but expansion in office space slowed down remarkably.

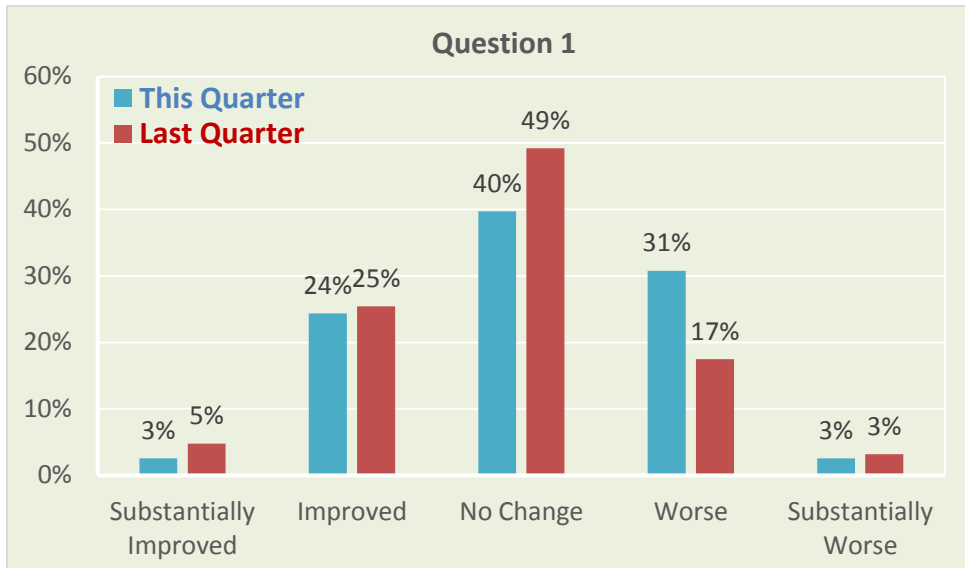
Weak sales and government regulations continued to be major business challenges, while financing options and borrowing costs were the least concerns. A number of correspondents also viewed currently low oil prices as the root cause of weak business conditions.

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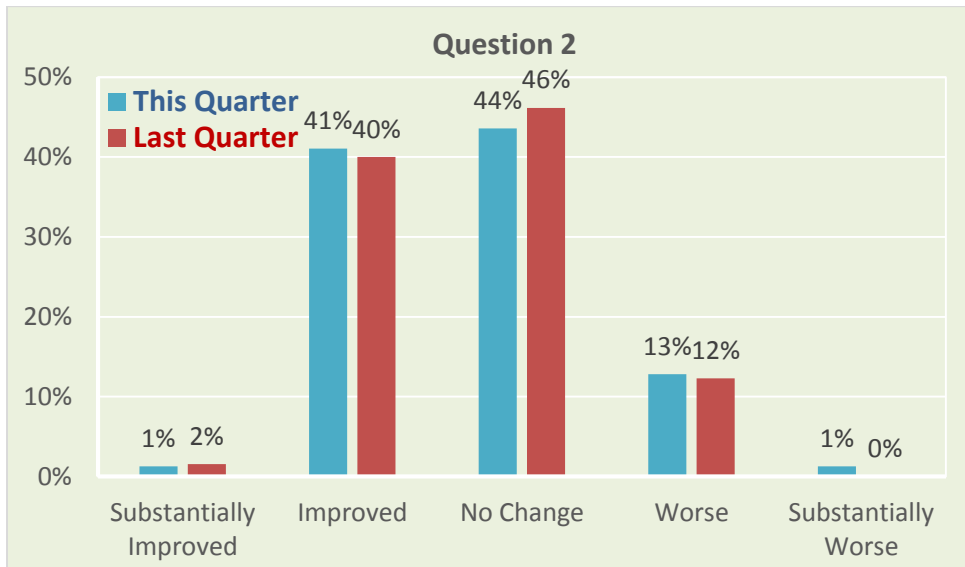
URL for the online survey: <http://tinyurl.com/stxoutlook>

Survey results are posted quarterly at SouthTexasEconomy.com. The last survey generated a total of 80 responses. For questions, please contact Jim Lee at jlee@tamucc.edu.

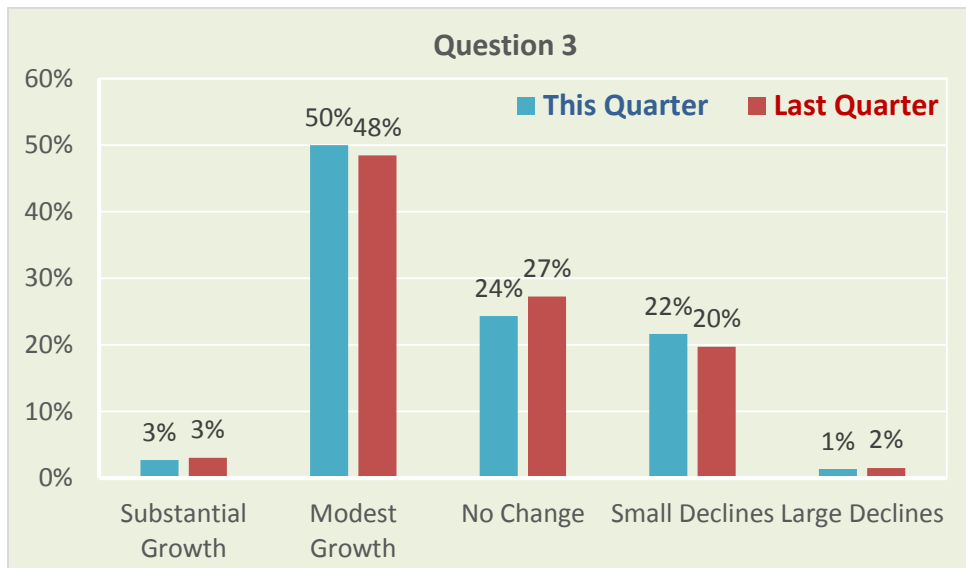
1. How have overall business conditions changed since the last time you responded to this survey (or the last 3 months)?



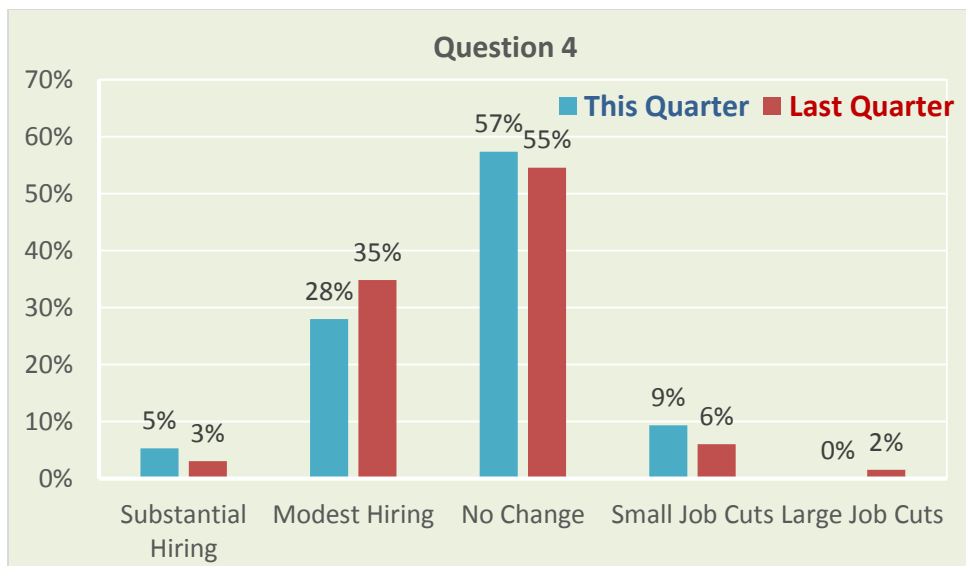
2. How do you expect overall business conditions to change over the next 6 months?



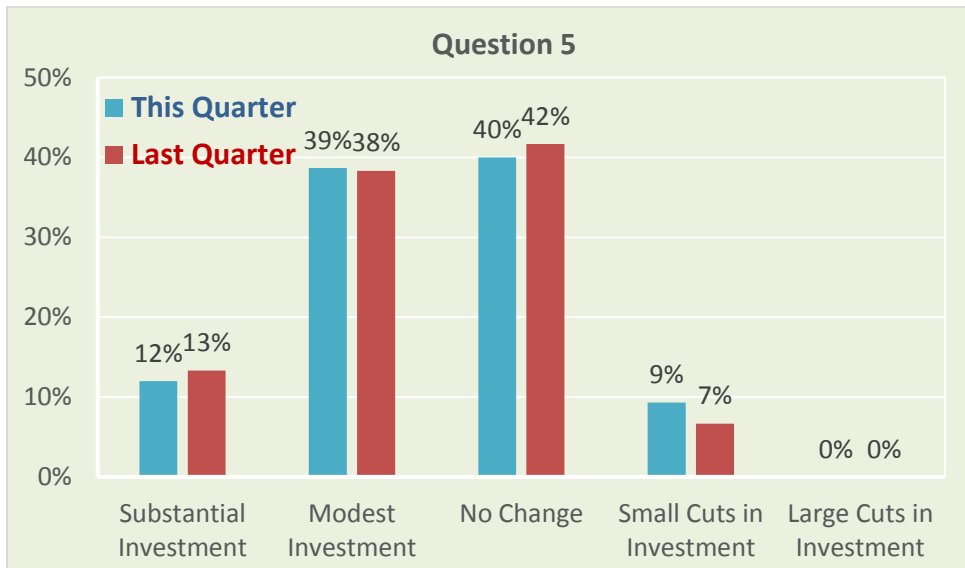
3. What changes in your company's sales or business activity do you expect over the next 6 months?



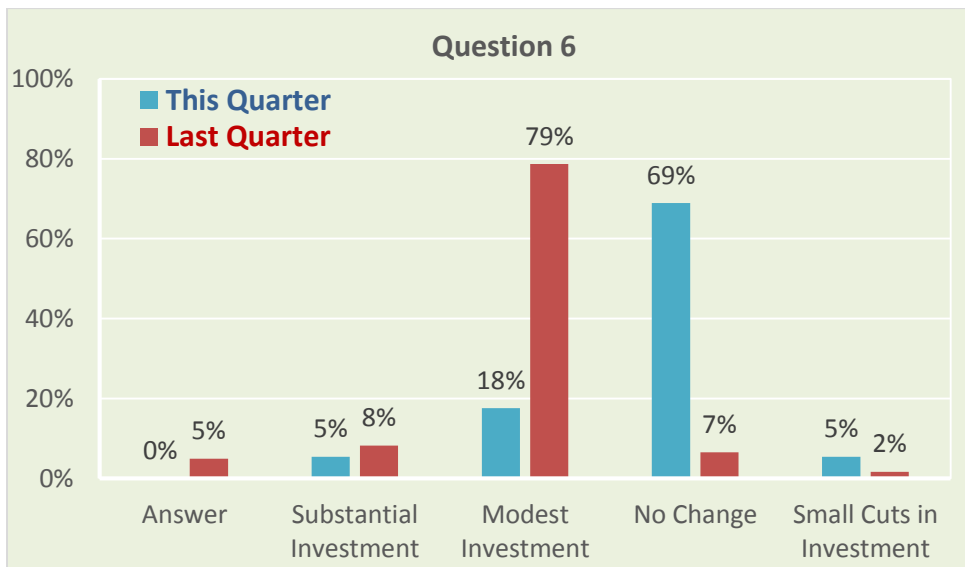
4. Is your company hiring?



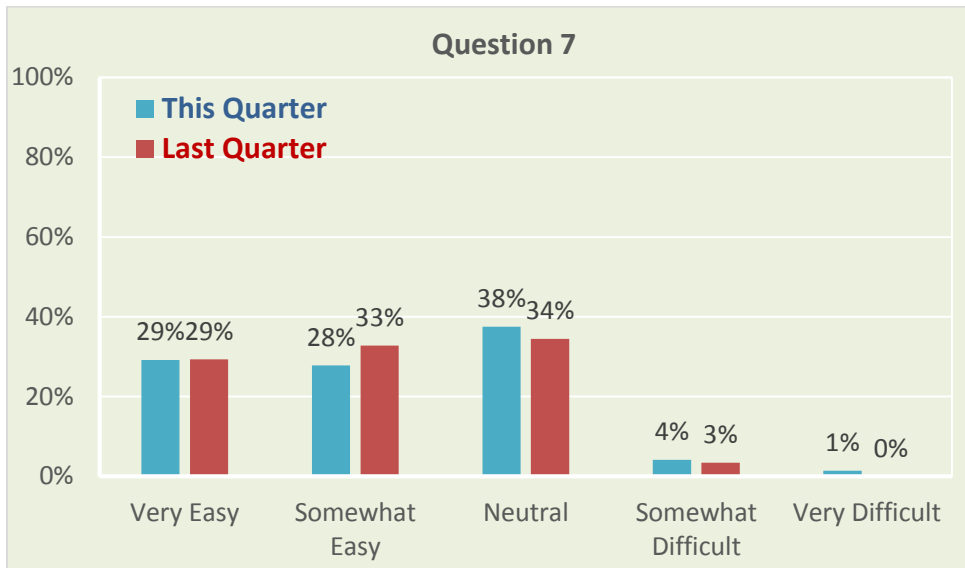
5. Is your company investing in new equipment or software?



6. Is your company investing in new office or other space?



7. How easy is it for your company to obtain financing on reasonable terms?



8. What is the most significant problem facing your company?

