



▶ *Although Hurricane Harvey is likely to be among the most expensive natural disasters in U.S. history, we are highly optimistic that Houston and the surrounding area will successfully recover and return to the robust trend growth it experienced before the storm.*

In the aftermath of the devastation caused by Hurricane Harvey, our attention at the Federal Reserve Bank of Dallas has been focused on doing all we can to help those affected. Our thoughts and prayers are with all those impacted by the storm as well as all those confronting the difficult work of cleanup, recovery and rebuilding. We are extremely proud of our employees throughout the Eleventh District and particularly our Houston Branch staff who worked tirelessly to maintain essential services, ensure the health and safety of our Houston-area employees and work closely with first responders to serve members of the Greater Houston community.

Our team of economists has been closely tracking daily developments as well as assessing the potential economic cost and impact of the storm on the national and regional economies. Houston and the surrounding Gulf Coast area represents over one-third of the Texas economy and more than a quarter of its jobs; it is home to a very substantial refining and petrochemical industry, and approximately 8 percent of the nation's exports pass through its seaports from Beaumont to Houston to Brownsville.

Although Hurricane Harvey is likely to be among the most expensive natural disasters in U.S. history, we are highly optimistic that Houston and the surrounding area will successfully recover and return to the robust trend growth it experienced before the storm. Houston has consistently been among the fastest-growing metropolitan areas in the nation. Its strong economic foundation is built on a robust energy industry, both upstream and downstream, numerous leading corporations, as well as a world-class medical complex and outstanding universities. Houston is also home to a diverse and high-skilled workforce and superb business and community leadership.

In this difficult time, the Dallas Fed will continue working to provide insight and outreach through our economic analyses and publications. We remain active participants and leaders in the communities we serve. The spirit of the people across our region has historically been our greatest asset and will serve as a source of strength as we confront and successfully overcome the challenges that lie ahead.

A handwritten signature in black ink that reads "Robert S. Kaplan". The signature is written in a cursive, flowing style.

*Robert S. Kaplan
President and Chief Executive Officer
Federal Reserve Bank of Dallas*