

FEDERAL RESERVE BANK OF DALLAS • DECEMBER 6, 2016

Summary

The El Paso Business-Cycle Index experienced an uptick in October. Total nonfarm jobs in El Paso grew in October, and maquiladoras continue to post gains, although at a slower pace than last year. Housing in El Paso remains robust.

El Paso Business-Cycle Index

Index, January 2007 = 100*

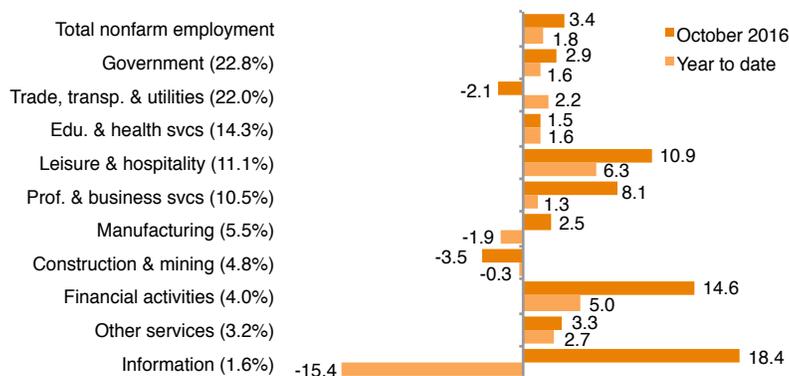


*Monthly, seasonally adjusted.

SOURCE: Dallas Fed.

► The El Paso Business-Cycle Index posted an annualized gain of 3.4 percent in October. A pickup in job growth has contributed to the rise in the index.

Employment Growth by Sector



NOTES: Data show seasonally adjusted and annualized percentage employment growth by industry supersector. Numbers in parentheses represent share of total employment and may not sum to 100 due to rounding.

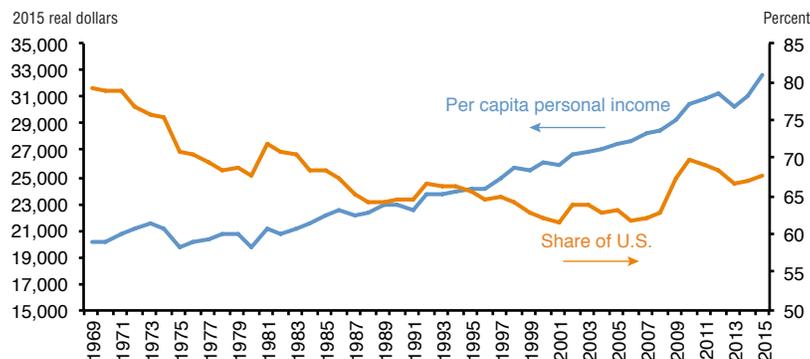
SOURCES: Bureau of Labor Statistics; adjustments by the Dallas Fed.

► El Paso total nonfarm jobs rose by 3.4 percent in October. Trade, transportation and utilities, and construction and mining posted declines. However, the declines were offset by gains in all other industries.

► Year to date, El Paso employment is up 1.8 percent, and nearly 4,500 jobs have been added. All of the job gains have been in the service-providing sector, with the trade, transportation and utilities, and leisure and hospitality sectors contributing the largest gains.

► The unemployment rate dipped to 5.7 percent in October. The El Paso reading was above both the U.S. rate of 4.9 percent and the Texas rate of 4.7 percent.

Personal Income



SOURCES: Bureau of Economic Analysis; adjustments by the Dallas Fed.

► Real per capita personal income in 2015 increased to \$32,598, up 4.9 percent from 2014. While the rise in income is good news for the region, El Paso's gap from the rest of the country is persistent. In 2015, El Paso's real per capita personal income rose to 67.8 percent of the U.S. average.

Existing-Home Sales



*Seasonally adjusted, six-month moving average.

SOURCES: Texas A&M University Real Estate Center; adjustments by the Dallas Fed.

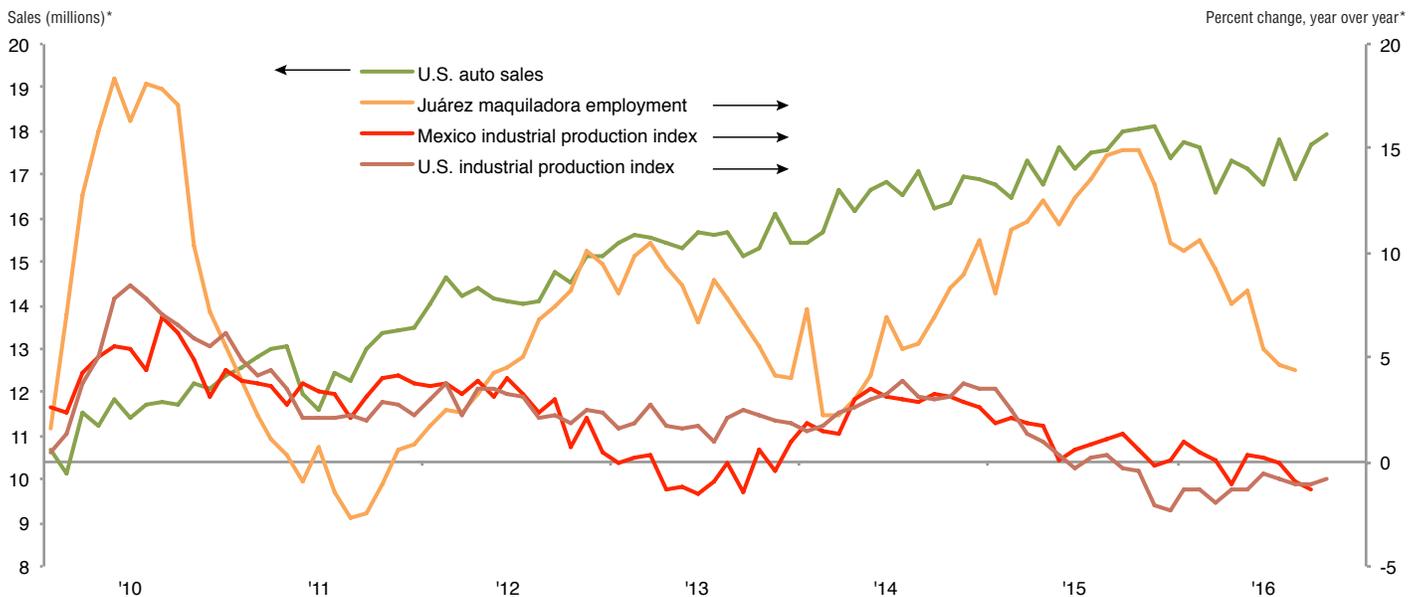
► El Paso home sales remain strong. In October, sales totaled an annualized 7,237, nearly reaching the prerecession peak. Amid strong demand, the median price is at \$146,112, up from \$145,169 in September, but still close to the range it has been in the last couple of years.

Juárez Maquiladora Activity

► U.S. industrial production contracted 0.85 percent year over year in October. Meanwhile, the Institute for Supply Management manufacturing index rose from 52.8 in September to 54.6 in October. Its associated new-orders index—a leading indicator of industrial activity—slowed to 57.7 in October from 60.0 in September.

► Despite the sluggish U.S. industrial sector, Mexico's maquiladoras continue to add jobs. According to Mexico's IMMEX series, Juárez manufacturing employment rose 4.4 percent year over year in August (latest data available).

► U.S. auto and light-truck production inched up to over 12.1 million units in October. Meanwhile, U.S. auto sales in October rose to 17.9 million units on an annual basis from 17.7 million in September. Auto sales are closely linked to the local economy because roughly half of maquiladoras in Juárez are auto related.



*Seasonally adjusted.

SOURCES: Instituto Nacional de Estadística y Geografía (National Institute of Statistics and Geography); Federal Reserve Board; Bureau of Economic Analysis; adjustments by the Dallas Fed.

NOTES: Data may not match previously published numbers due to revisions. The El Paso metropolitan statistical area includes El Paso and Hudspeth counties.

Questions regarding *El Paso Economic Indicators* can be addressed to Marycruz De León at marycruz.deleon@dal.frb.org.

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