The Texas economy continues to expand, with employment growing at a 3.4 percent annual rate in April. Texas existing-home sales and single-family construction permits increased in April, while housing starts declined. Texas exports ticked up slightly in the first quarter of 2013. Manufacturing activity increased sharply in May, according to the Texas Manufacturing Outlook Survey.

**Summary**

- Texas gained 31,300 jobs in April after losing 8,600 jobs in March. Current Texas employment stands at 11.12 million.
- The Texas unemployment rate held steady at 6.4 percent in April. The Texas rate remains lower than the U.S. rate, which was 7.5 percent in April.
- The house price index (purchase only) for Texas, published by the Federal Housing Finance Agency, rose 1.0 percent in the first quarter of 2013 and is up 6.2 percent from last year.
- Single-family housing construction permits increased 6.7 percent from March to April, marking a second consecutive month of increase. Texas housing starts plummeted 28.4 percent in April after two months of increases, while Texas existing home sales rose 2.2 percent.
- Home inventories held steady at 4.2 months of available supply, seasonally adjusted, in April, remaining below the six-month-supply marker signaling a tight market and rising prices.
- Quarterly Texas exports increased 0.4 percent in the first quarter of 2013. The first-quarter level of exports was 0.9 percent higher than a year earlier.
- Exports to Mexico, Texas’ largest trading partner, increased 2.6 percent, while exports to Asia fell 1.1 percent in the first quarter. Exports to China fell 18.2 percent after increasing 22.2 percent in the fourth quarter of 2012, and exports to the European Union fell 7.9 percent, marking a fifth consecutive quarter of decrease.
The West Texas Intermediate crude oil price rose 3.0 percent to $94.80 per barrel in May and was up 0.1 percent year over year.

Natural gas prices fell to $4.04 per million Btu in May, a 3.1 percent decrease from the April level. The price was 66.3 percent higher than in May 2012.

The Texas rig count increased to 838 in May and was down 10.1 percent year over year.

The Texas Leading Index, which uses key economic indicators to forecast future economic activity, rose 0.5 percent from January to March.

Texas factory activity increased sharply in May, according to the Texas Manufacturing Outlook Survey. The production index, a key measure of state manufacturing conditions, rose from –0.5 to 11.2, indicating a notable pickup in output.

The Dallas Fed conducts the monthly Texas Manufacturing Outlook Survey to obtain a timely assessment of the state’s factory activity.

NOTE: Data may not match previously published numbers due to data revisions.
Housing: Federal Housing Finance Agency; Multiple Listing Service; U.S. Census Bureau; Bank of Tokyo-Mitsubishi UFJ. All housing data are seasonally adjusted.
Exports: U.S. Census Bureau; World Institute for Strategic Economic Research; seasonal and other adjustments by Federal Reserve Bank of Dallas.
Texas Leading Index: Federal Reserve Bank of Dallas. Data are seasonally adjusted.
Texas Manufacturing Production Index: Federal Reserve Bank of Dallas. Data are seasonally adjusted.

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