



Federal Reserve
Bank of Dallas

Your Texas Economy

Current through: Friday June 20, 2025

Texas Economy



Texas produces 9.3 percent of U.S. GDP, second only to California



Texas has a large and diverse workforce made up of 15.8 million workers



Texas is younger and growing faster than the nation

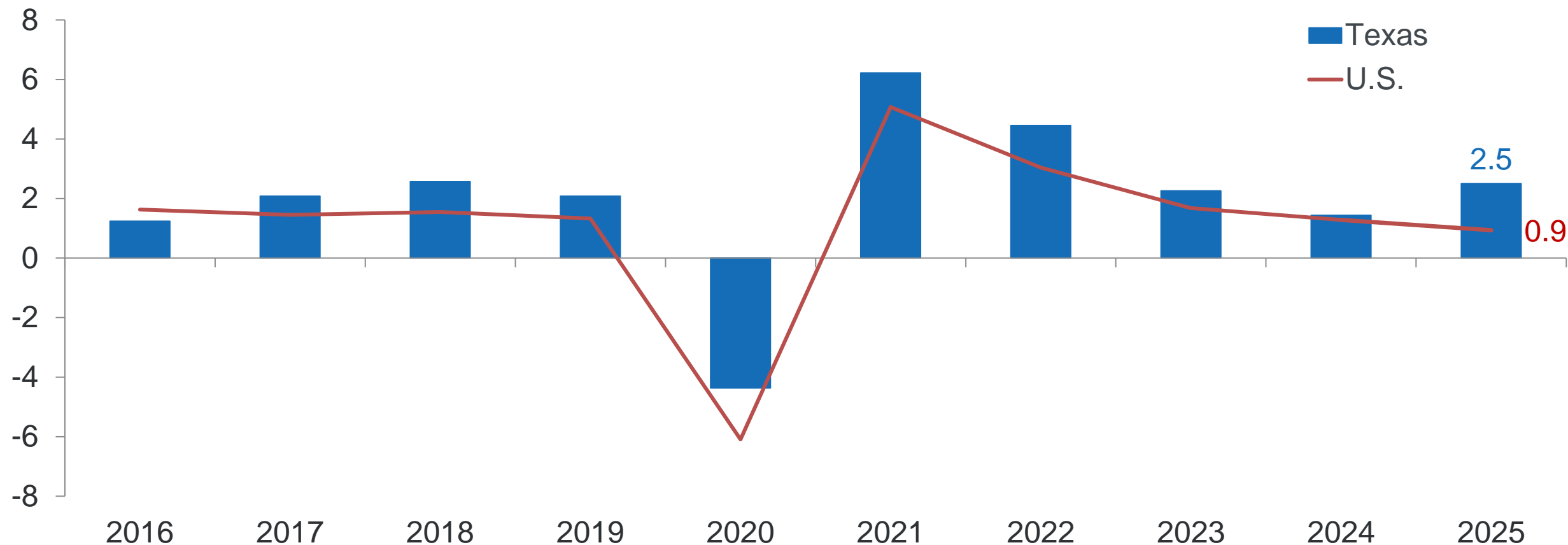


Overview of Texas Economy

- Texas employment rose 2.6 percent in May, while April growth was revised down to 4.0.
- U.S. job growth of 1.1 percent in May was slower than Texas.
- Texas' 2.5 percent job growth (2025) year to date outpaces the nation's 0.9 percent increase.
- May Texas Business Outlook Surveys (TBOS) show a mild contraction in service sector revenue and flat manufacturing output

Texas' 2025 job growth outpacing the nation

Job growth (percent)*



*Seasonally adjusted, annualized rate.

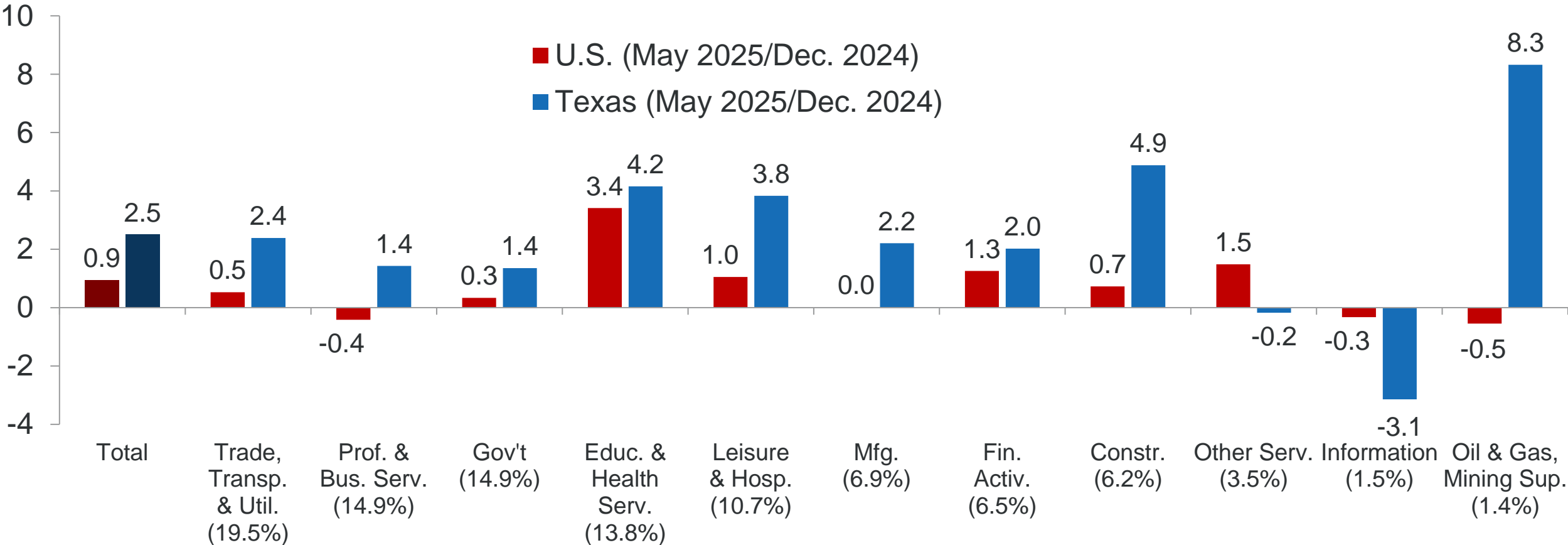
NOTE: Last data point is annualized job growth for May 2025/Dec. 2024

SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; seasonal and other adjustments by FRB Dallas.

DATA: <https://www.dallasfed.org/research/econdata/tae000000.aspx>

Strong YTD employment growth in energy, construction, and education and health services

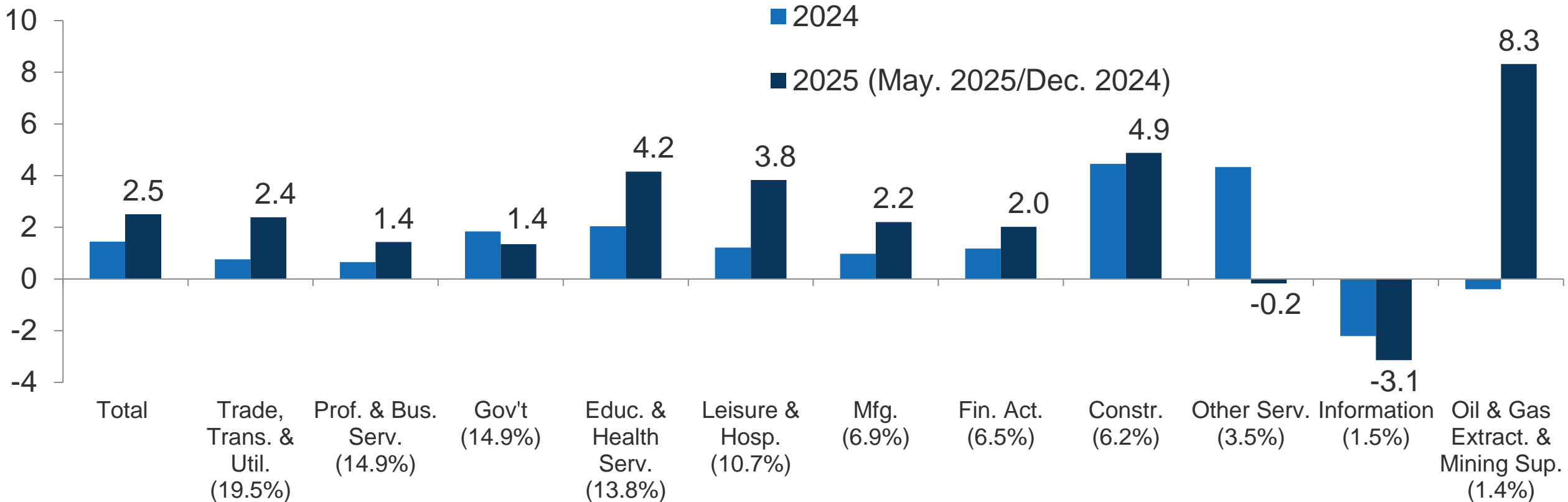
Job Growth (%)*



*Seasonally adjusted, annualized rate.
NOTE: Numbers in parenthesis indicate share of total state employment for most recent monthly data.
SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; seasonal and other adjustments by FRB Dallas.
DATA: <https://www.dallasfed.org/research/econdata/tx-emp-ind.aspx>

Texas job growth YTD outpacing 2024, fastest gains seen in oil & gas and construction

Job growth (percent), Dec./Dec.*



*Seasonally adjusted, annualized rate.

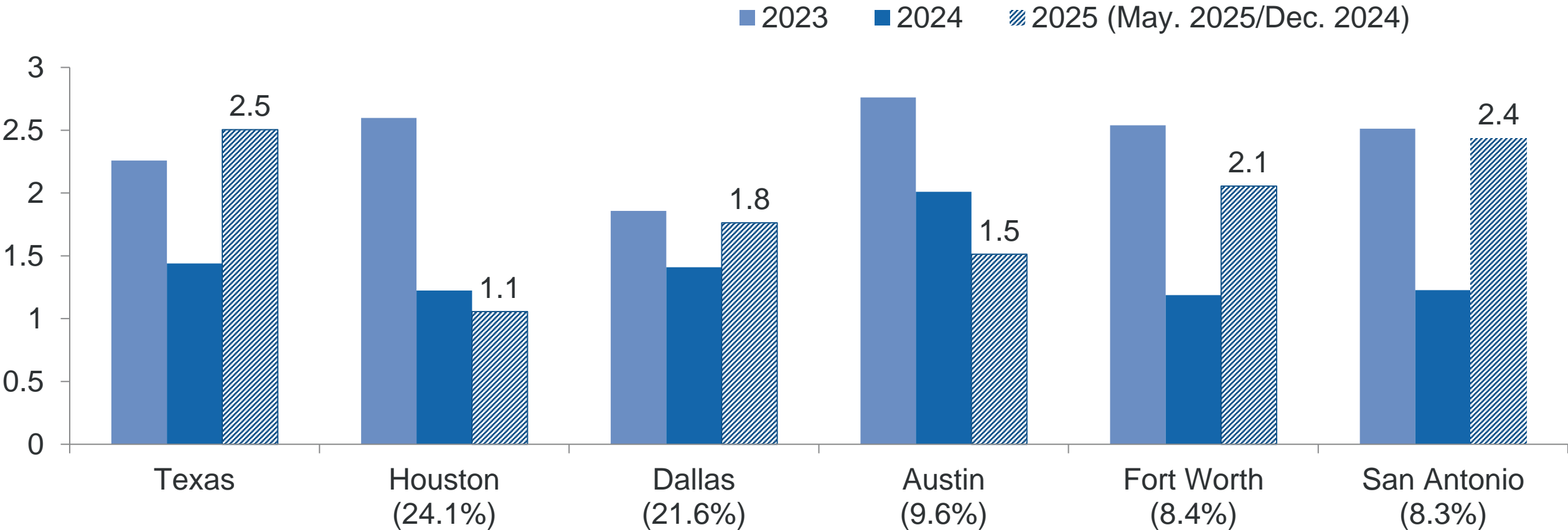
NOTE: Numbers in parenthesis indicate share of total state employment for most recent monthly data.

SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; seasonal and other adjustments by FRB Dallas.

DATA: <https://www.dallasfed.org/research/econdata/tx-emp-ind.aspx>

2025 YTD growth moderate in major metros

Job Growth (%), Dec./Dec.*



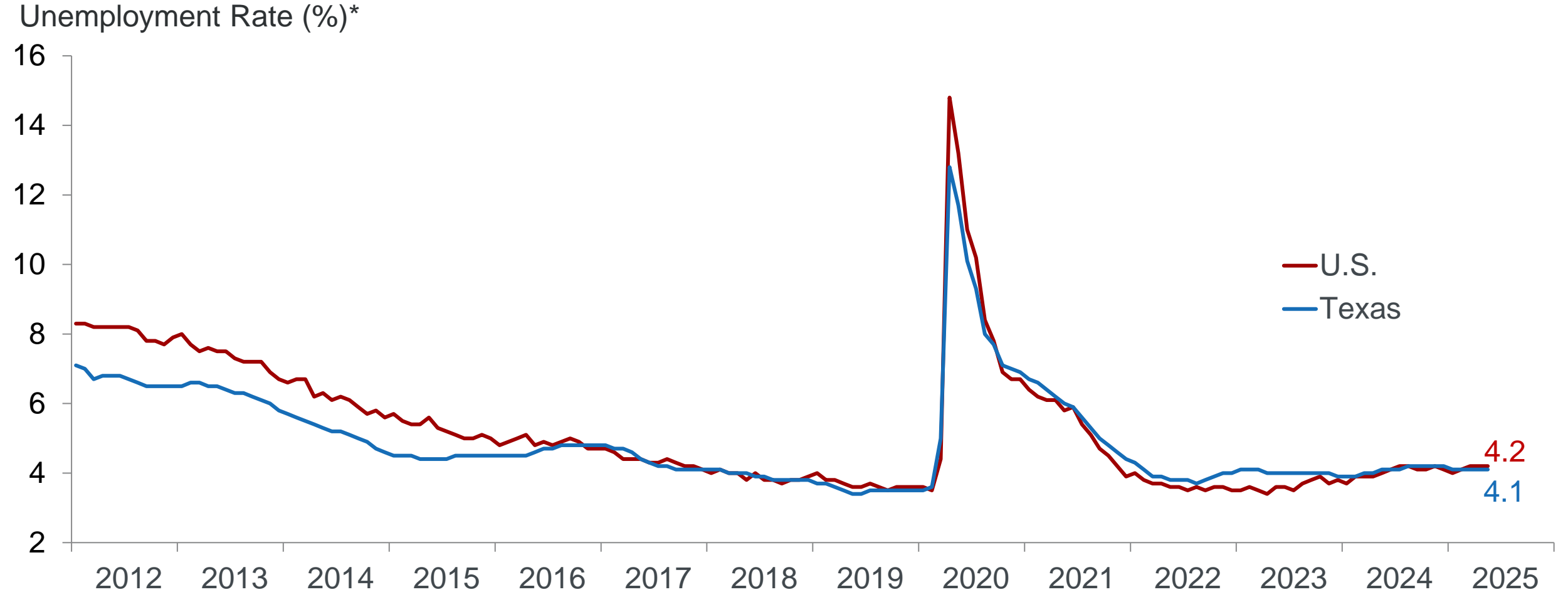
*Seasonally adjusted, annualized rate.

NOTE: Numbers in parenthesis indicate share of state employment for May 2025.

SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; seasonal and other adjustments by Federal Reserve Bank of Dallas.

DATA: [Texas Employment Data - Dallasfed.org](https://www.dallasfed.org/research/texas-employment-data)

Texas unemployment remains at 4.1 percent



*Seasonally adjusted.

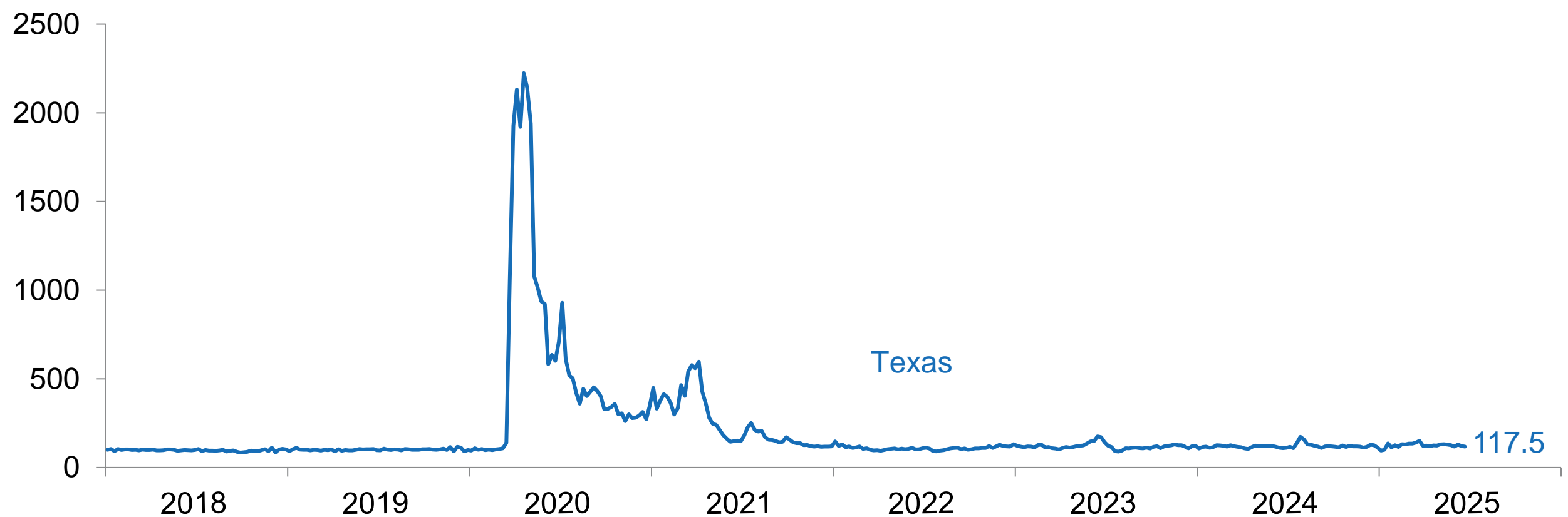
NOTE: Data are monthly through May 2025.

SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; Federal Reserve Bank of Dallas.

DATA: <https://www.dallasfed.org/research/econdata/tx-emp-ind.aspx>

Texas unemployment claims fall slightly in mid-June

Weekly claims, indexed Jan. 2018 = 100*



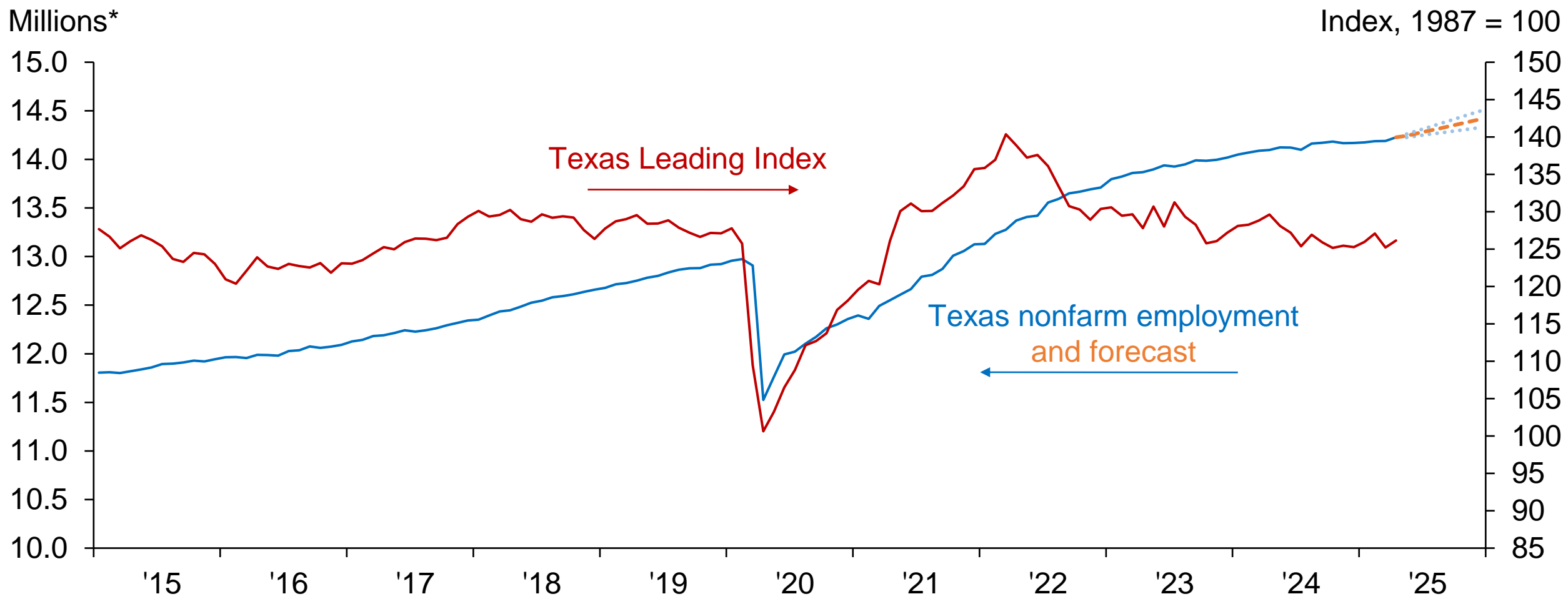
*Seasonally adjusted.

NOTE: Data through the week ending June 14, 2025.

SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; Federal Reserve Bank of Dallas.

DATA: <https://www.dallasfed.org/research/econdata/tx-emp-ind.aspx>

Texas employment forecast indicates 2.0% growth in 2025, in line with the 2% long-run trend



*Seasonally adjusted.

SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; Federal Reserve Bank of Dallas.

ENERGY

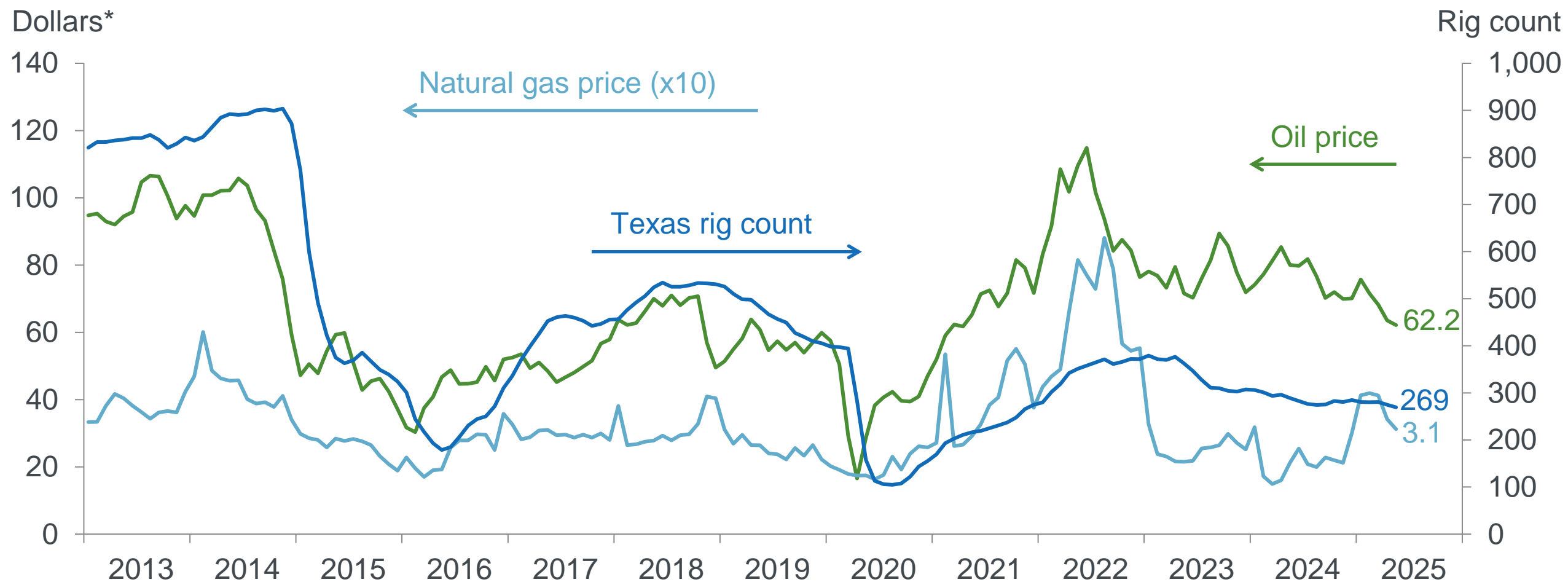
The background of the slide features a silhouette of an oil pumpjack against a sunset sky. The sky is a mix of orange, yellow, and blue, with some clouds visible. The pumpjack is a large, dark structure with a long arm and a bucket at the end, typical of oil extraction equipment.

Texas is #1 producer of oil and natural gas in nation

Approximately 30% of U.S. refinery capacity and 75% of U.S. petrochemical production is in Texas

Low energy prices hurt Texas economy on net

Oil and natural gas prices fall in May, rig count flat



*Latest labeled natural gas price is dollars per million Btu, while the series is dollars per million Btu multiplied by 10.

NOTES: Oil price is dollars per barrel. Data are through May 2025.

SOURCES: *Wall Street Journal*; Baker Hughes; U.S. Energy Information Administration.

MANUFACTURING

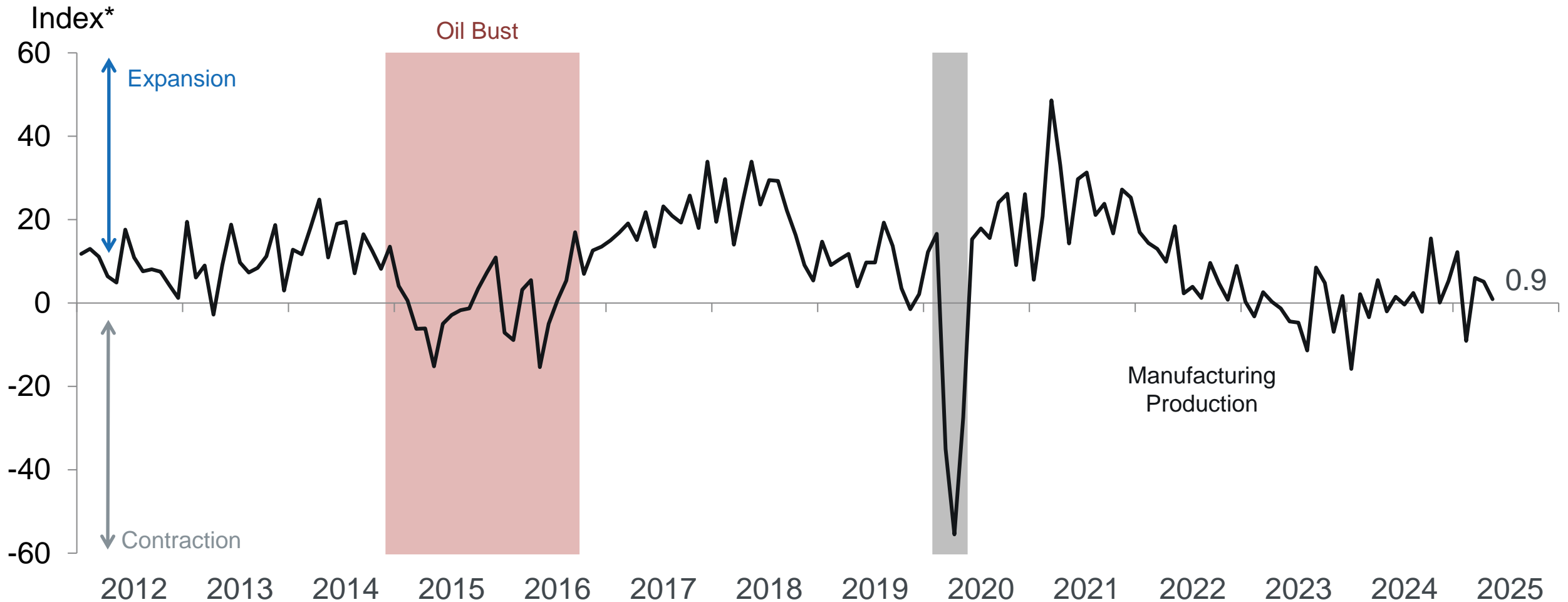


Texas produces 10% of U.S. manufactured goods

Manufacturing sector leading indicator of business cycle

Dallas Fed's Texas Manufacturing Outlook Survey offers early look at turning points and insight on trends

Texas manufacturing production flat in May



*Seasonally adjusted.

NOTE: Data through May 2025. Grey bar represents recession.

SOURCE: Federal Reserve Bank of Dallas Texas Manufacturing Outlook Survey (TMOS).

DATA: <https://www.dallasfed.org/research/surveys/tmos>

EXPORTS

A background image showing a white semi-truck on a road. The truck is positioned in the upper half of the frame, with its trailer extending towards the right. The road is paved and has white lane markings. The background is slightly blurred, showing some greenery and a clear sky.

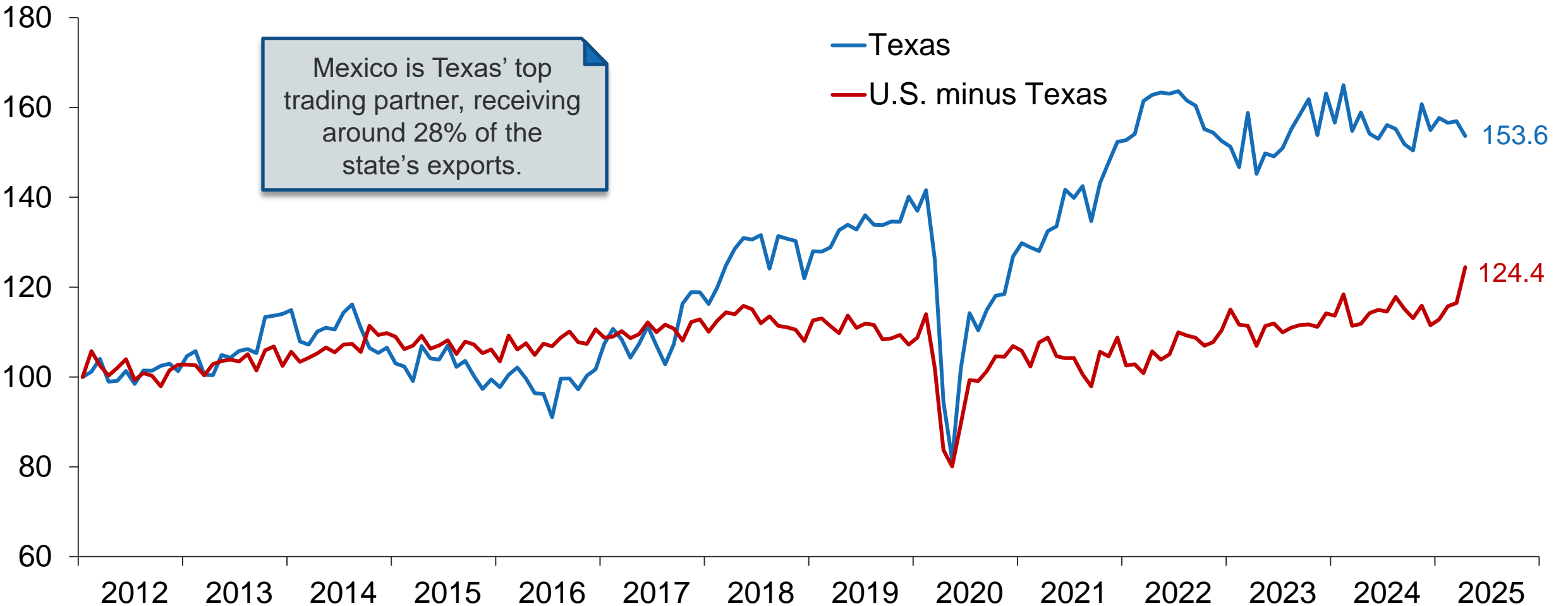
Texas is the top exporting state and accounts for 22% of U.S. exports

Gulf coast ports are major exporters of oil and gas, oil products and petrochemicals

Texas-Mexico border ports also process over half of state exports

Texas exports tick down in April

Index, Jan. 2012=100*



*Seasonally adjusted, real dollars.

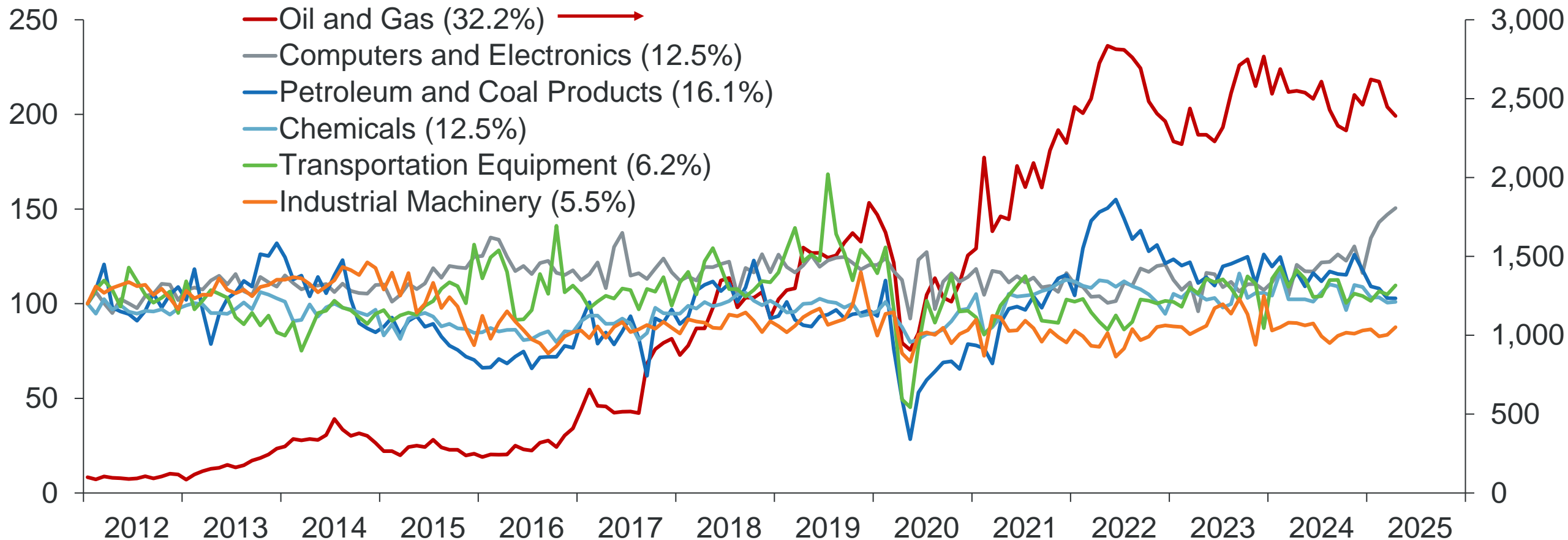
NOTES: Seasonally adjusted, real dollars. Data through April 2025.

SOURCES: U.S. Census Bureau; Bureau of Labor Statistics; seasonal and other adjustments by FRB Dallas.

Oil and gas exports decline while computer exports rise in April

Index, Jan. 2012 = 100*

Index, Jan. 2012 = 100*



*Seasonally adjusted, real dollars.

NOTES: Data through April 2025. Share of 2024 exports in parentheses.

SOURCES: U.S. Census Bureau; Bureau of Labor Statistics; seasonal and other adjustments by Federal Reserve Bank of Dallas.

SERVICES

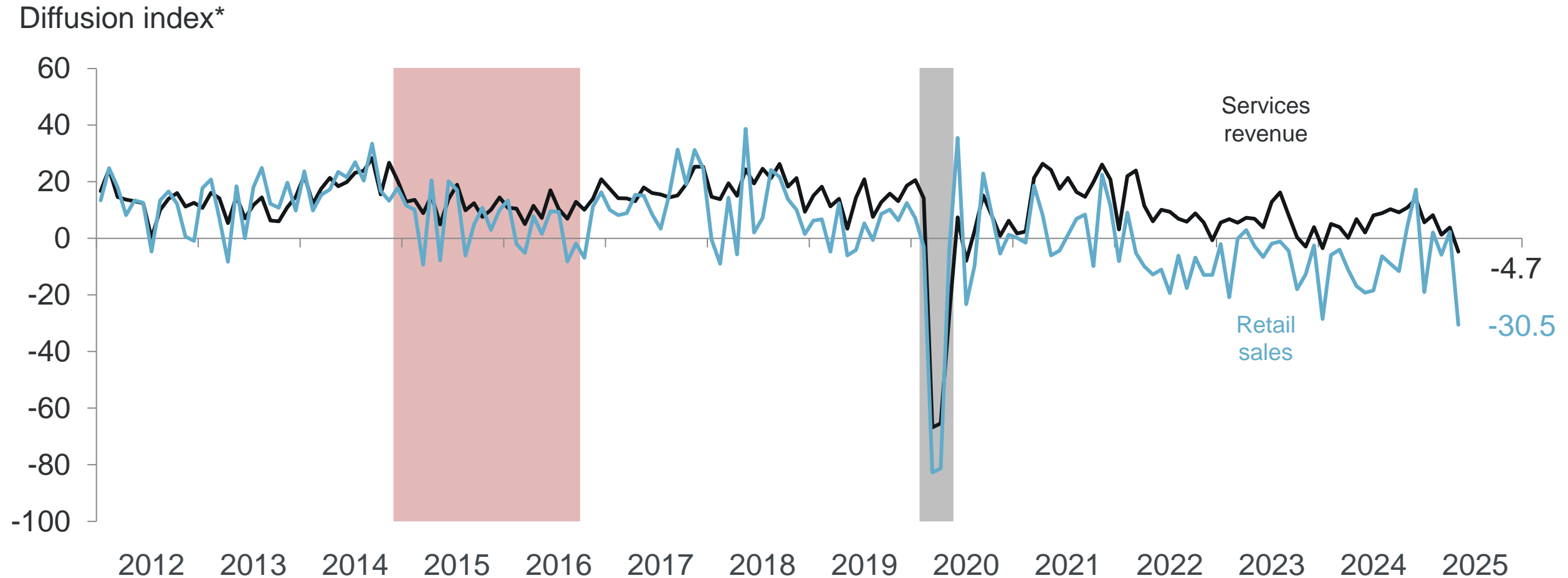
The background of the slide is a blurred photograph of a person's hands and arms working at a desk. A laptop keyboard is visible in the lower-left corner, and a white cup is on the desk. The person appears to be wearing a blue shirt. The overall tone is professional and business-oriented.

Service industry makes up the bulk of the Texas economy

Accounts for 73% of private-sector output in Texas

Dallas Fed's Texas Service Sector Outlook Survey provides timely insight into this key sector

TBOS: Service sector revenue and retail sales contract



*Seasonally adjusted.

NOTE: Data are monthly through May 2025.

SOURCES: Texas Service Sector Outlook Surveys; Texas Retail Outlook Surveys.

HOUSING

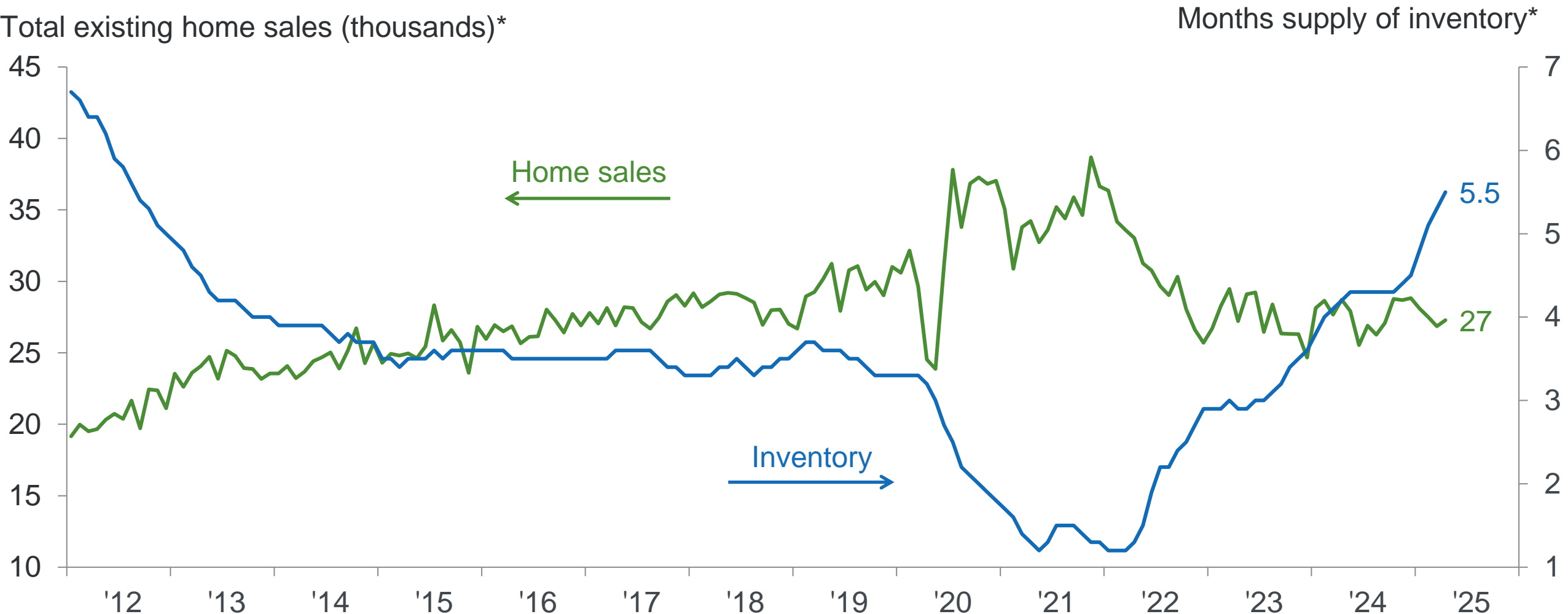
Recent housing market activity has been slow due to high mortgage rates and elevated prices

Net migration to Texas was 405 thousand people from 2023 to 2024*

Texas house prices flat to down and inventories rising

*From July 2023 to July 2024

Sales tick up but inventories rise



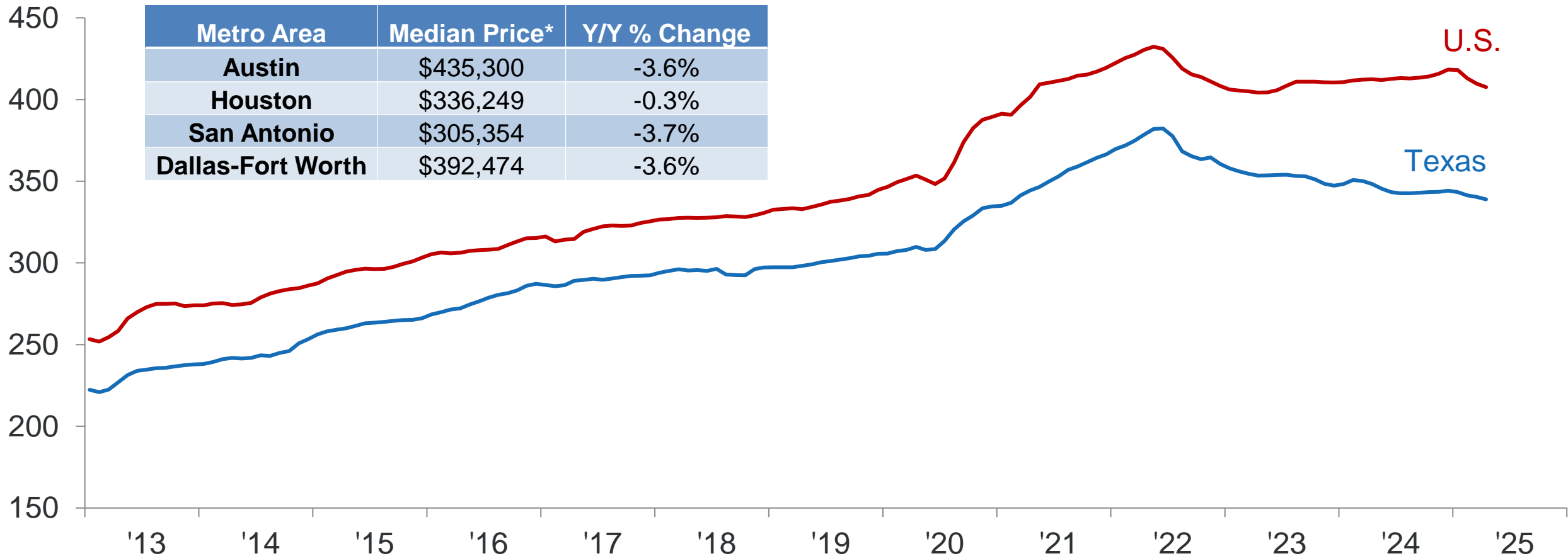
*Seasonally adjusted.

NOTE: Data are monthly through April 2025.

SOURCES: Multiple Listings Service; seasonal and other adjustments by FRB Dallas.

Median-home prices flat to down in April

Dollars (thousands)*



*Seasonally adjusted, three-month moving average, real dollars.
NOTE: Data are monthly through April 2025.
SOURCES: Multiple Listing Service; seasonal and other adjustments by Federal Reserve Bank of Dallas.

2025 Texas Economic Outlook

- Through May, Texas employment has risen 2.5 percent, outpacing 1.4 percent growth in 2024.
- The Dallas Fed's Texas employment forecast is 2.0 percent growth in 2025
- For more information, see the March Texas Employment Forecast at [Texas Employment Forecast - Dallasfed.org](#)



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www.dallasfed.org/research/texas