

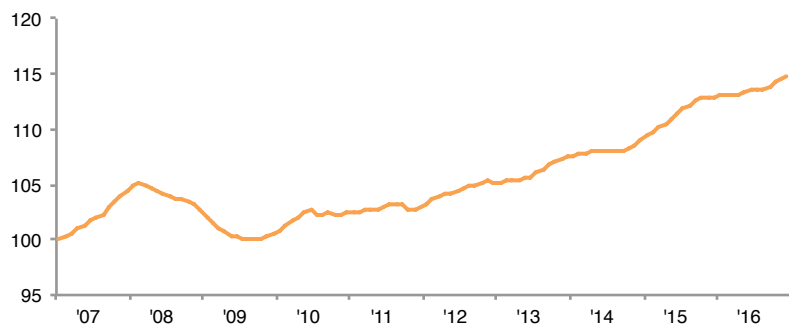
FEDERAL RESERVE BANK OF DALLAS • JANUARY 24, 2017

Summary

El Paso job growth exceeded that of Texas in 2016. Home sales surpassed prerecession levels, but home prices remain stable. Maquiladoras continue to add jobs, albeit at a slower pace. Trade inched up in November as both imports and exports increased.

El Paso Business-Cycle Index

Index, January 2007 = 100*

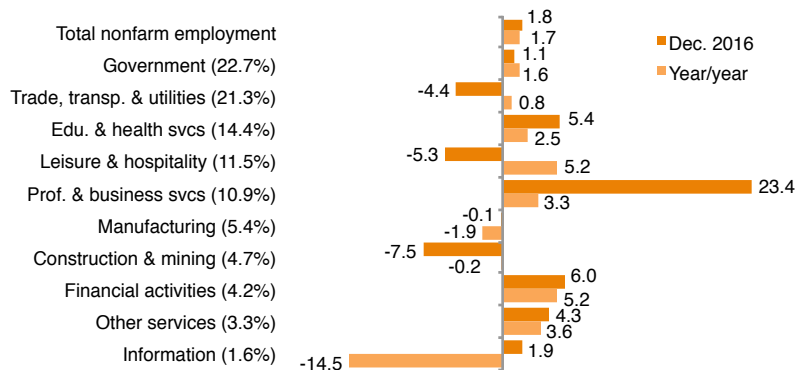


*Monthly, seasonally adjusted.

SOURCE: Dallas Fed.

► The El Paso Business-Cycle Index posted a gain of 1.5 percent in 2016. This increase is partially attributed to continued job creation in the metro area.

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.

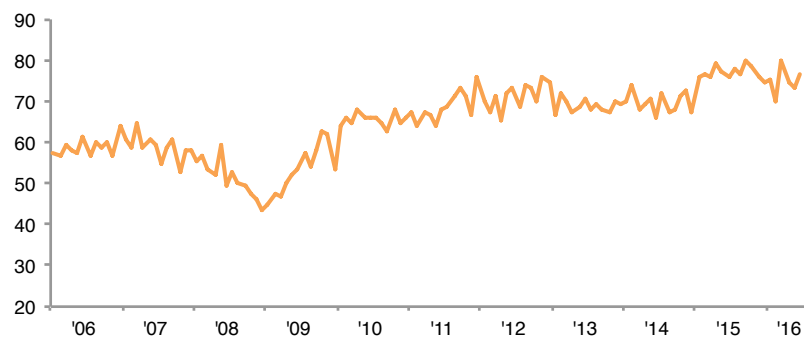
► El Paso total nonfarm jobs rose 1.7 percent in 2016, near its long-term growth of 1.5 percent. El Paso job gains outperformed those of Texas (1.6 percent) for the second consecutive year.

► In 2016, El Paso added over 5,000 jobs as strong growth in service-providing sectors offset losses in the goods-producing sector. Leisure and hospitality led growth, adding over 1,700 jobs. Government, trade, transportation and utilities, and education and health services sectors also posted gains, adding over 1,000 jobs each. Meanwhile, manufacturing fell by nearly 2.0 percent, while construction fell 0.2 percent.

► The unemployment rate grew to 5.6 percent in December. The El Paso reading was above both the U.S. rate of 4.7 percent and the Texas rate of 4.6 percent.

Total Trade

Real dollars*

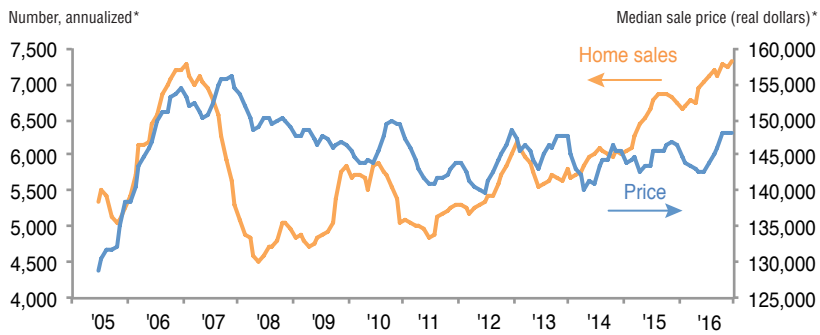


*Annualized, seasonally adjusted.

SOURCES: Census Bureau; adjustments by the Dallas Fed.

► In November, annualized total trade (exports plus imports) amounted to \$76.6 billion, up 1.1 percent from October and up 4.5 percent from a year earlier. However, the annual increase was due only to a 4.1 percent in imports, which offset the 3.1 percent decline in exports. Both imports and exports posted monthly gains.

Existing-Home Sales



*Seasonally adjusted, six-month moving average.

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

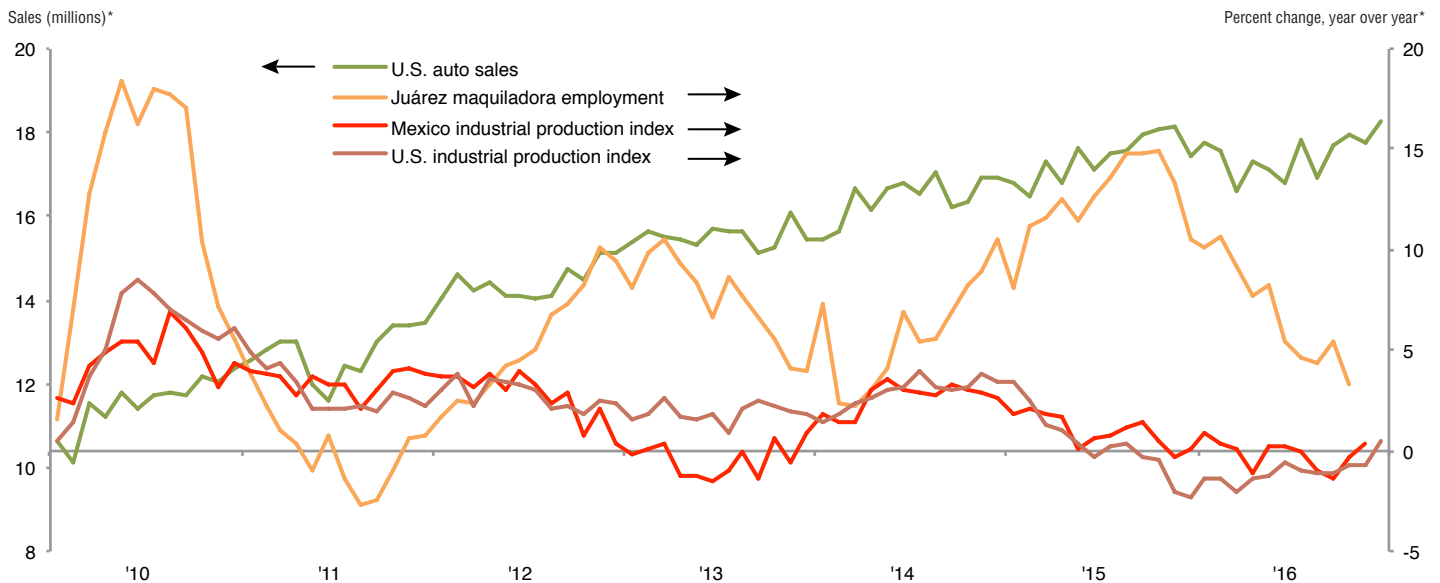
► The El Paso housing market remains strong. In December 2016, annualized sales totaled 7,311, up over 12 percent from a year earlier and also surpassing the prerecession peak. Despite strong sales, prices have remained stable. On a year-over-year basis, the median home price of \$148,131 is up 0.8 percent in El Paso, below the 6.8 percent increase in Texas.

Juárez Maquiladora Activity

► U.S. industrial production expanded 0.5 percent year over year in December. The Institute for Supply Management manufacturing index rose slightly to 54.7 in December from 53.2 in November. Its associated new-orders index—a leading indicator of industrial activity—also climbed, from 53.0 in November to 60.2 in December.

► Despite the sluggish U.S. industrial sector, Mexico's maquiladoras continue to add jobs. According to Mexico's IMMEX series, Juárez manufacturing employment totaled over 261,000 in October (latest data available), up 3.3 percent from a year ago.

► U.S. auto and light-truck production rose to 11.9 million units in December from 11.7 million in November. Meanwhile, U.S. auto sales in December remained strong, totaling 18.3 million units on an annual basis. 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.