

El Paso Economic Indicators

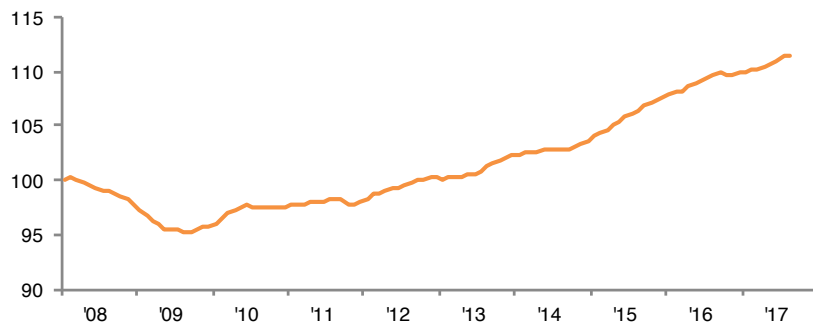
DALLAS FED

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Summary Economic activity in El Paso remains solid. Although El Paso posted monthly job losses in August, year-to-date gains are still robust. Maquiladora activity in Ciudad Juárez is healthy, and the El Paso housing market remains strong, with sales near all-time highs.

El Paso Business-Cycle Index

Index, January 2008 = 100*

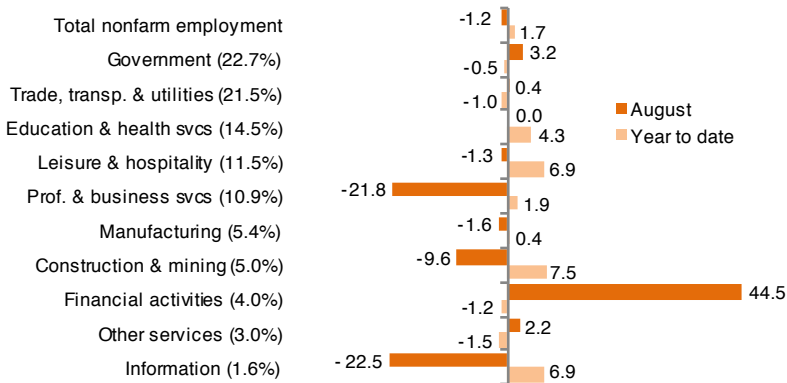


*Seasonally adjusted, monthly.

SOURCE: Dallas Fed.

► The El Paso Business-Cycle Index, which is based on employment, unemployment, retail sales and wages, posted annualized growth of 1.6 percent in August. Improvement in the business-cycle index can be attributed to continued gains in the labor market and particularly to low unemployment.

Employment Growth by Sector



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

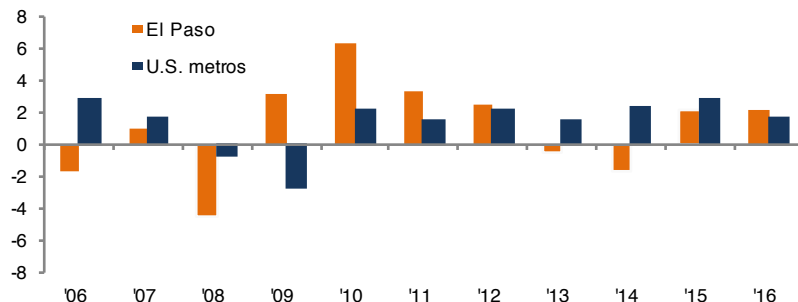
SOURCES: Bureau of Labor Statistics; adjustments by the Dallas Fed.

► El Paso posted an annualized job loss of 1.2 percent in August. However, year to date, the metro has added over 3,400 jobs and is growing at an annualized rate of 1.7 percent. The majority of the job gains this year have been driven by education and health services and leisure and hospitality. Together, the two sectors have added over 2,800 jobs.

► The unemployment rate remained at 4.0 percent in August, the lowest level for the metro since 1990. The rate is below that of Texas (4.2 percent) and the U.S. (4.4 percent).

Real GDP

Percent change

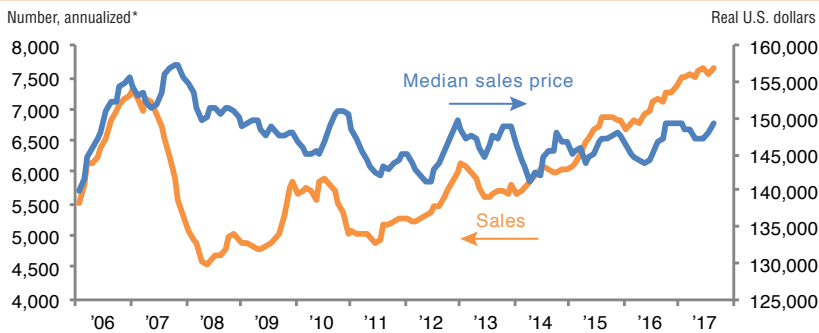


SOURCE: Bureau of Economic Analysis.

► El Paso real gross domestic product (GDP) rose to \$25.4 billion in 2016, a 2.2 percent increase from 2015, according to data recently released by the Bureau of Economic Analysis. El Paso's GDP traditionally has grown at a slower rate than GDP for all metropolitan areas in the U.S. However, in 2016, El Paso growth surpassed U.S. metro-area growth of 1.7 percent.

► El Paso per capita real GDP rose 1.7 percent, from \$29,672 in 2015 to \$30,143, in 2016. Per capita real GDP in all U.S. metros rose 0.8 percent in 2016 to \$53,645.

Existing-Home Sales



*Seasonally adjusted; six-month moving average.

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

► The El Paso housing market remains strong. Annualized home sales totaled over 7,600 in August, up 7.0 percent from a year ago. Sales have continued to increase and are near all-time highs. Meanwhile, median home prices have remained stable, up approximately 2.0 percent from a year ago.

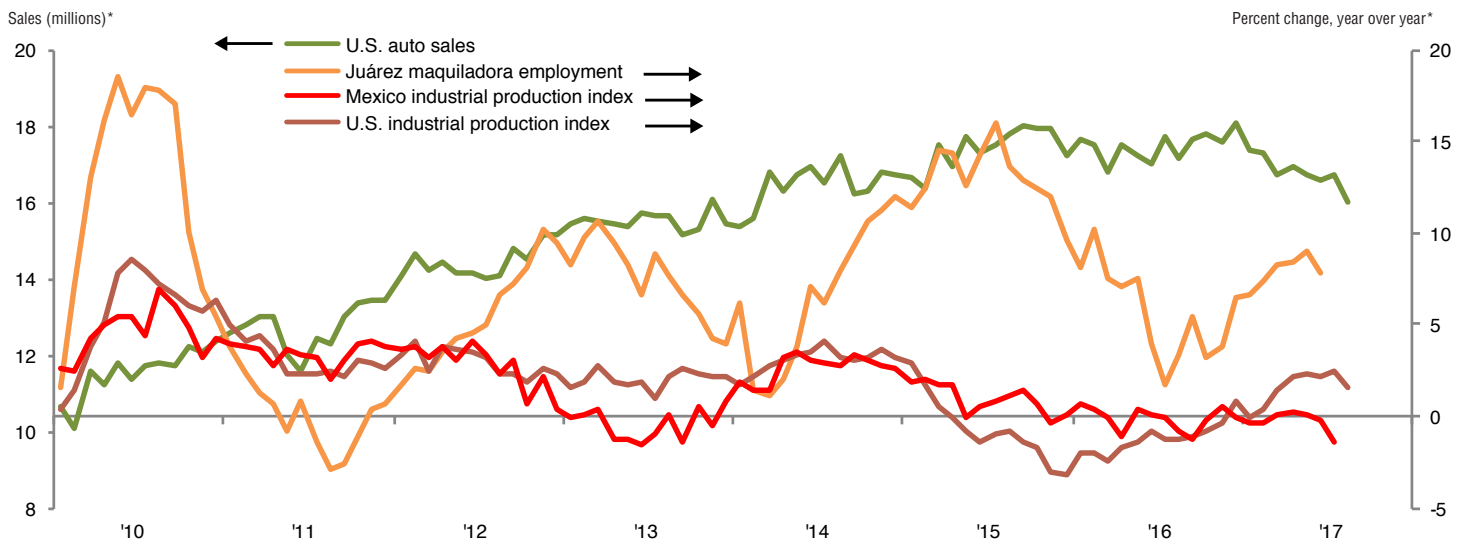
Juárez Maquiladora Activity

► U.S. industrial production rose 1.5 percent year over year in August, below July's gain of 2.4 percent. The Institute for Supply Management manufacturing index rose to 58.8 from 56.3 the previous month. The reading is still strong, and the new orders component, an indicator of future conditions, remained robust. The employment index also posted growth.

► As the U.S. industrial sector remains upbeat, Mexico's maquiladoras continue to add jobs. Juárez manufacturing employment totaled over 274,000 in June (the latest data available),

up 7.8 percent from a year ago, according to Mexico's IMMEX series.

► U.S. auto and light-truck production rose to 10.4 million units in August, while auto sales ticked down to 16.0 million. Auto sales have been weaker than they were in 2016. In August, they were 6.4 percent below year-ago levels. 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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