

San Antonio Economic Indicators

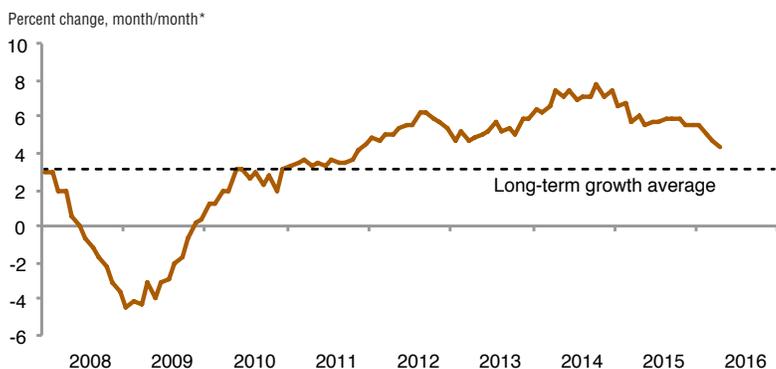
DALLAS FED

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Summary

The San Antonio economy held steady in April. The San Antonio Business-Cycle index decelerated, primarily due to job growth that was revised downward in March and remained weak in April. The local unemployment rate remained at a low level, suggesting ongoing labor market tightness.

San Antonio Business-Cycle Index



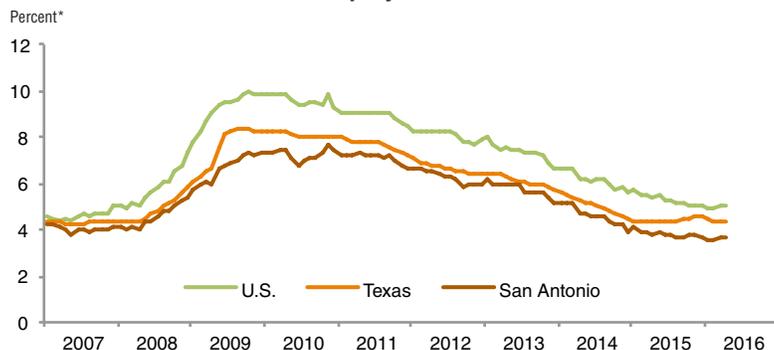
*Seasonally adjusted, annualized rate.

SOURCE: Dallas Fed.

► The San Antonio Business-Cycle Index decelerated to 4.4 percent annualized growth in April, its slowest since the end of 2011. Much of this slowdown stems from relatively weak annualized job gains over the past three months—just 0.7 percent. However, continued above-trend increases in the index suggest that the San Antonio economy remains in a healthy expansion.

Employment

Unemployment Rate

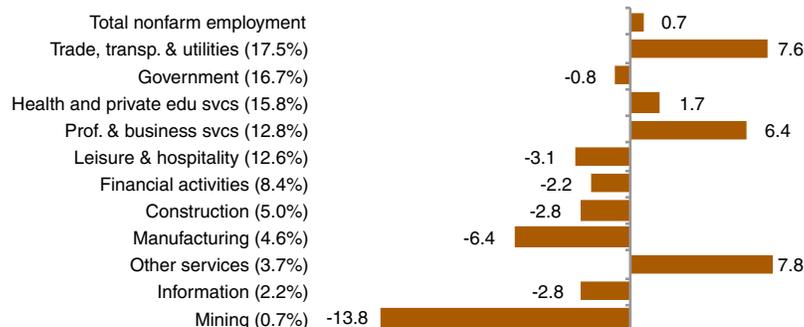


*Seasonally adjusted.

SOURCE: Bureau of Labor Statistics.

► The unemployment rate in San Antonio remained flat at 3.7 percent in April, close to its low of 3.5 percent two months earlier. This coincided with an increase in the state unemployment rate to 4.4 percent. The low level of joblessness and the ongoing demand for workers indicated by measures such as help-wanted advertising suggest that labor supply remains quite tight in San Antonio.

Employment Growth by Sector

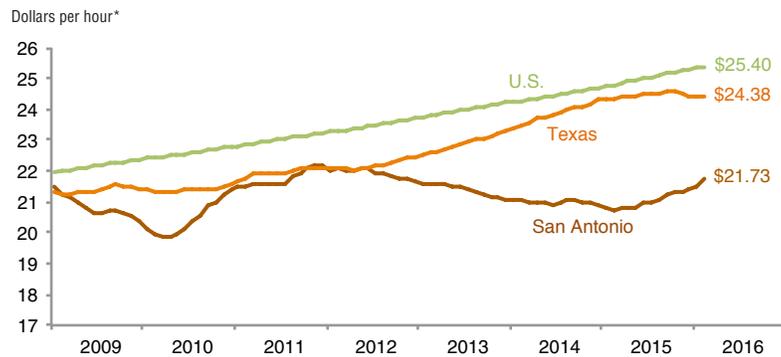


► Job growth in San Antonio decelerated sharply to a 0.7 percent annualized rate over the three months through April. Job gains were concentrated in four sectors, the largest of which was trade, transportation and utilities. This was the result of a sharp increase in retail hiring, as well as continued strength in wholesale trade employment. Growth in professional and business services was also up, as jobs in scientific and technical services rebounded from earlier weakness. Health services jobs also expanded mildly, led by an increase in hiring at physicians' offices and hospitals. Jobs in manufacturing declined sharply, falling to their lowest levels in two years. Leisure and hospitality declined, mainly from a dip in accommodation services hiring. Mining jobs continued to fall precipitously, while employment in the government, construction, financial activities and information sectors turned moderately negative.

NOTES: Data show seasonally adjusted and annualized percentage employment growth by industry supersector for February–April 2016. Numbers in parentheses represent share of total employment and may not sum to 100 due to rounding.

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

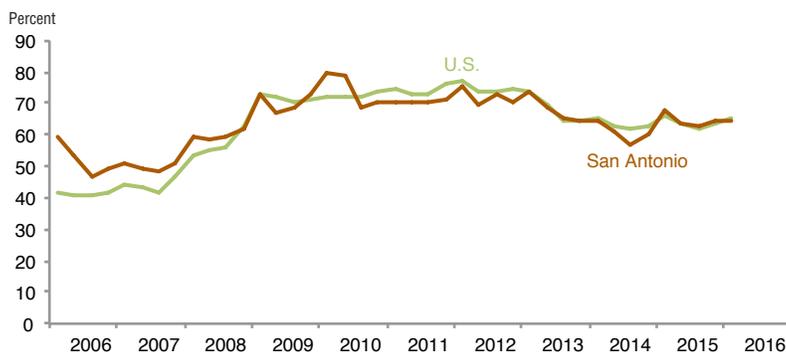
Average Private-Sector Hourly Wages



*Seasonally adjusted, five-month centered moving average.
 SOURCES: Bureau of Labor Statistics; adjustments by the Dallas Fed.

► San Antonio private-sector wages rose in April by 3.7 percent year over year. Wages in San Antonio are on average lower than those in the state and nation in part due to the higher proportion of lower-paying jobs in sectors such as leisure and hospitality. However, wages have picked up sharply since mid-2015 as sectors such as business services, which pay higher wages on average, have added jobs at a more rapid pace.

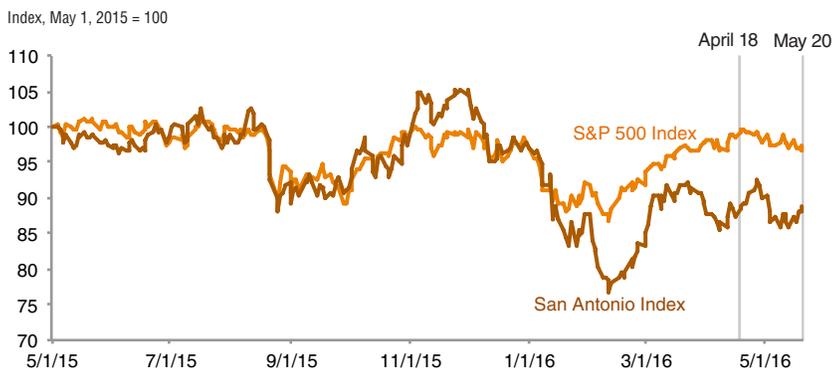
Home Affordability



SOURCE: National Association of Home Builders/Wells Fargo.

► Home affordability in San Antonio slipped slightly in the first quarter. The National Association of Home Builders/Wells Fargo Housing Opportunity Index, which measures affordability as the percentage of homes sold that the median-income family could afford, slipped slightly from 64.5 percent in fourth quarter 2015 to 64.1 percent, while increasing from 63.3 to 65 percent in the U.S. While the median home price in San Antonio, up 4.7 percent year over year in April, has continued to rise faster than its historical average of 2.1 percent, it remains one of the most affordable major metropolitan areas in Texas.

Stock Indexes



SOURCES: Bloomberg; Standard and Poor's.

► The San Antonio Stock Index rose slightly by 0.4 percent from April 18 to May 20, in contrast with the 2 percent decline in the S&P 500 over this time. Stock-price gains continued among energy firms over this period of relative oil price stability. Financial and retail firms picked up, while communications and media companies saw some decline. Changes in the monthly average of the San Antonio Stock Index have shown some positive relationship with local job growth over the past two years, and the ongoing slow but steady rise in the index suggests a possible pickup of job gains in May.

NOTE: Data may not match previously published numbers due to revisions.

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