

# San Antonio Economic Indicators

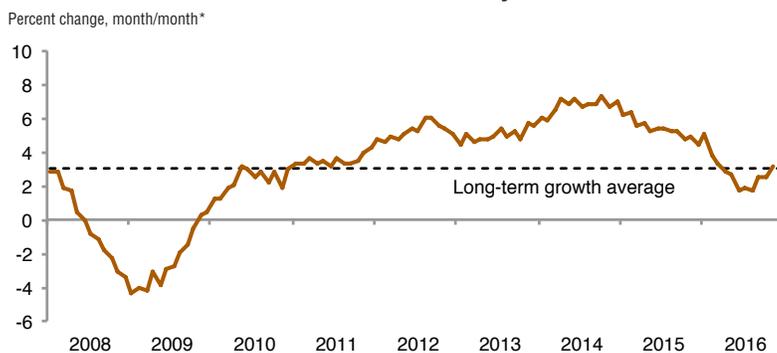
DALLAS **FED**

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**Summary** The San Antonio economy picked up in November. The San Antonio Business-Cycle index accelerated to slightly above its 15-year average as job growth quickened and the unemployment rate fell to a very low level. Year to date, jobs have risen an annualized 1.8 percent, second next to Dallas among the large Texas metros but down from 2.8 percent last year.

## Economic Indicators

### San Antonio Business-Cycle Index



\*Seasonally adjusted, annualized rate.

SOURCE: Dallas Fed.

### Business-Cycle Index Components

	San Antonio	Texas	U.S.
Annualized job growth (November)	2.6%	2.1%	1.3%
Unemployment rate (November)	3.5%	4.6%	4.6%
Year-over-year change in real retail sales (2016:Q2)*	-4.8%	-6.5%	1.6%
Year-over-year change in real wages paid (2016:Q2)*	4.0%	1.2%	3.2%

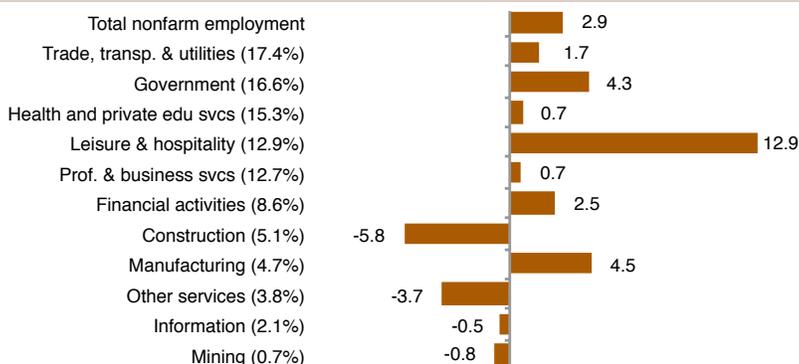
\*Most recent data available for San Antonio.

SOURCES: Bureau of Labor Statistics; Bureau of Economic Analysis; Texas Comptroller of Public Accounts; adjustments by the Dallas Fed.

► The San Antonio Business-Cycle Index rose at a 3.4 percent annualized rate in November, the first time since April that the index has surged above its 3 percent long-term average. Leading indicators such as help-wanted advertising by sector suggest moderate growth in service sectors and a modest recovery in the construction and manufacturing industries in the coming months.

► Broad economic indicators suggest that the San Antonio economy remains healthy. Job growth was faster in both the metro and the state than it was in the nation during November. Despite a sharp increase in the San Antonio labor force, the local unemployment rate declined to 3.5 percent in November from 3.7 percent in October. This is nearly a percentage point below both the state and U.S. jobless rates of 4.6 percent. Second-quarter retail sales data for San Antonio show a sharp decline, though a more muted one than the state experienced. Total wages paid rose 4 percent—more than for the state and U.S.—following a weak first quarter.

## Employment Growth

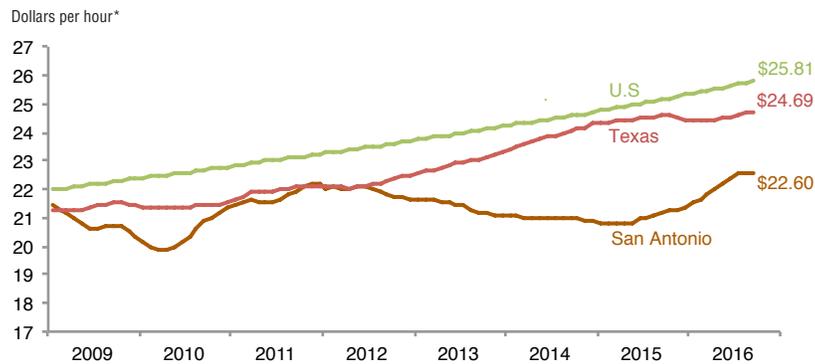


► Job growth in San Antonio increased at a 2.9 percent annualized rate over the three months through November. Aside from a notable decline in construction and “other services” employment, jobs have been generally steady or increasing for all major industries. Leisure and hospitality expanded sharply as hiring in food services picked up following a summer lull. Manufacturing jobs grew at a healthy pace as both durable and nondurable goods producers added workers. Local-government hiring was strong, driving growth in overall government employment. Service sectors such as business services, health care and trade grew more modestly but fared much better than earlier in the year.

NOTES: Data show seasonally adjusted and annualized percentage employment growth by industry supersector for September–November 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

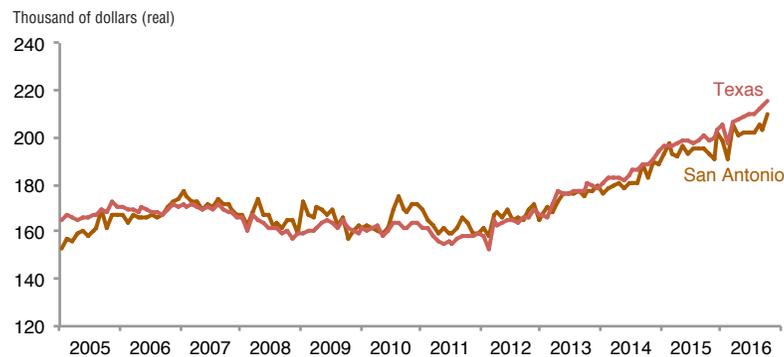


\*Centered five-month moving average, seasonally adjusted.

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

► Average hourly wages in San Antonio have flattened out in recent months. Wage growth was very strong through much of the year, rising at a 9.6 percent annualized pace in the first half, compared with 1.1 percent in Texas and 2.6 percent in the U.S. However, based on centered five-month moving average data, growth has more recently slowed to 4.1 percent in San Antonio while accelerating to 2.2 percent in Texas and 2.8 percent in the U.S. The recent hiring surge in hospitality—a low-wage sector on average—may be partly responsible for this reduced growth in overall average wages.

## Median Home Prices



SOURCES: Multiple Listing Service; seasonal and other adjustments by the Dallas Fed.

► The median home price in San Antonio spiked to a record high of \$209,556 in October, which is only slightly below Texas' \$215,723. Existing-home sales reached a new high, while inventories held near a record low at 3.6 months' supply. Permits for new single-family construction have been relatively flat, while permits for multi-family construction have begun to slow after growing rapidly earlier this year and last year.

## Stock Indexes



SOURCES: Bloomberg; Standard and Poor's.

► Stock prices of San Antonio-based companies raced ahead of the overall market, rising 7.5 percent from Nov. 21 to Dec. 16, compared with 2.7 percent for the S&P 500. Since reaching a low on Nov. 4, the San Antonio stock index has climbed 21.8 percent and has hit all-time highs. Increases in the recent period were generally broad based, with financial, food services, retail and energy-related firms driving index growth. Manufacturing and communications firms saw mixed results.

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

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