

# San Antonio Economic Indicators

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**Summary** Growth in the San Antonio economy picked up in March. Jobs increased at a moderate pace, and the unemployment rate declined after rising the first two months of the year. Wage growth continues to be strong and has outpaced the state average and growth in the other large Texas metros over the past year.

## Economic Indicators

### San Antonio Business-Cycle Index



\*Seasonally adjusted, annualized rate.  
SOURCE: Dallas Fed.

► The San Antonio Business-Cycle Index expanded at a 3.6 percent annualized rate in March, back above its long-term average after two months of modest growth. Strong job growth and a decline in the unemployment rate propelled expansion in the index this month. Softness in retail sales was a notable damper on the index last year.

► Economic indicators in San Antonio were strong in March. Job growth outpaced the state and national averages, while the area unemployment rate was a half-percentage point below the U.S. level and 1 percentage point below the state jobless rate. The most recent data available for retail sales show a modest increase year over year in third quarter 2016—below the national growth pace but better than the 2.9 percent decline for the state overall. Total wages paid rose precipitously in San Antonio, up 6.5 percent on growth in both total payroll jobs and average hourly wages.

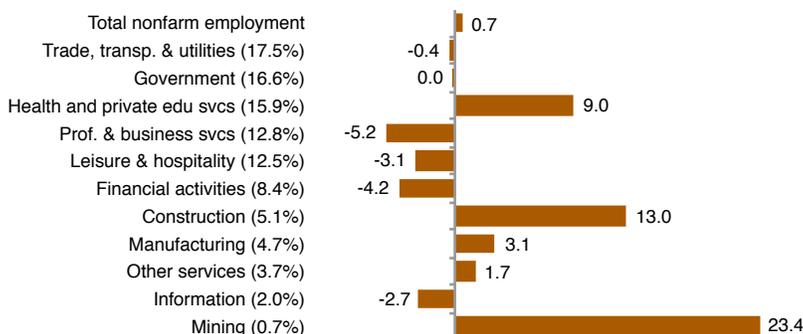
### Business-Cycle Index Components

	San Antonio (percent)	Texas (percent)	U.S. (percent)
Annualized job growth (March)	2.7	1.5	0.8
Unemployment rate (March)	4.0	5.0	4.5
Year-over-year change in real retail sales (2016:Q3)*	0.5	-2.9	1.5
Year-over-year change in real wages paid (2016:Q3)*	6.5	2.0	3.5

\*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.

## Employment Growth

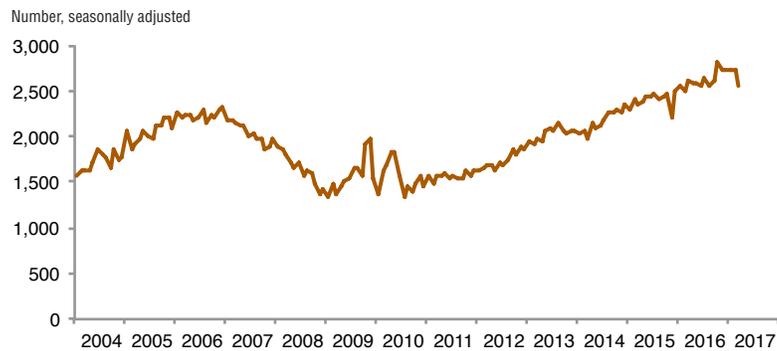


► Job growth in San Antonio increased at a modest 0.7 percent annualized rate in the first quarter. Growth was mixed across sectors. The goods-producing industries of construction, mining and manufacturing saw strong growth, but most service sectors declined. Professional and business services employment slipped on broad-based weakness in scientific and technical services as well as administrative services. Food service and finance jobs also fell. Conversely, health care services hiring was up sharply and in recent months has been growing at its fastest pace since the 1990s.

NOTES: Data show seasonally adjusted and annualized percentage employment growth by sector from January to March 2017. 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.

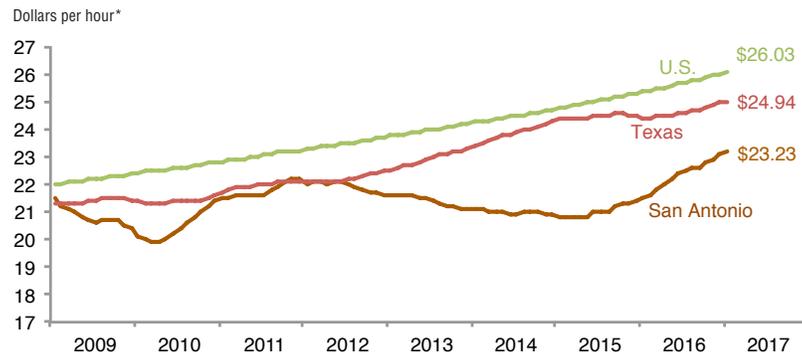
## Existing-Home Sales



SOURCE: Multiple Listing Service.

► March saw a slowing in existing-home sales, down nearly 10 percent from the all-time peak in October of last year. However, home prices remain near historic highs and home inventories are significantly below state levels at 3.1 months' supply, indicating a tight residential market. At the same time, new permits for single-family homes continue to trend upward, and construction employment growth and help-wanted advertising for construction workers remain high.

## Average Private Sector Wages

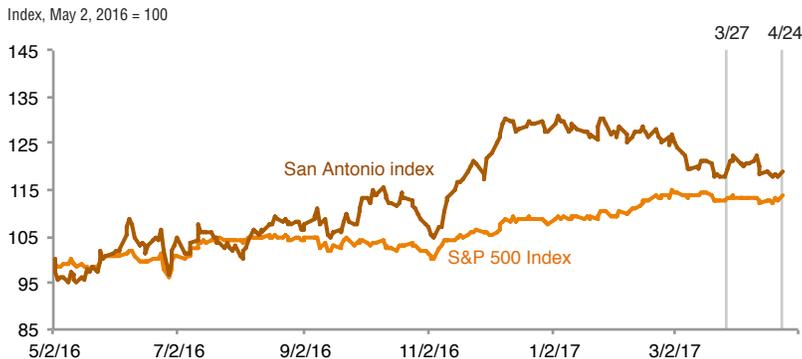


\*Seasonally adjusted, five-month centered moving average.

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

► Average hourly wages in the private sector have picked up strongly in San Antonio in recent months, continuing the upward trend seen since mid-2015. Year over year, growth in the five-month moving average of wages was 7.9 percent, compared with just 2.7 percent for the U.S. and 2.2 percent for Texas. Labor market tightness in general—and, more recently, expanding jobs in high-paying industries such as manufacturing, mining and construction—have likely moved the average wage up.

## Stock Indexes



SOURCES: Bloomberg; Standard and Poor's.

► Stock prices of San Antonio-based companies rose 1.2 percent from March 27 to April 24, close to the S&P 500's 1.4 percent increase over this time. Stock price appreciation was strong in manufacturing and finance firms. Companies tied to energy were mixed, with refiners' stocks flat and exploration and production firms mostly down. Most other service sector firms, particularly in food services and communications, saw modest declines.

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

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