

San Antonio Economic Indicators

DALLAS FED

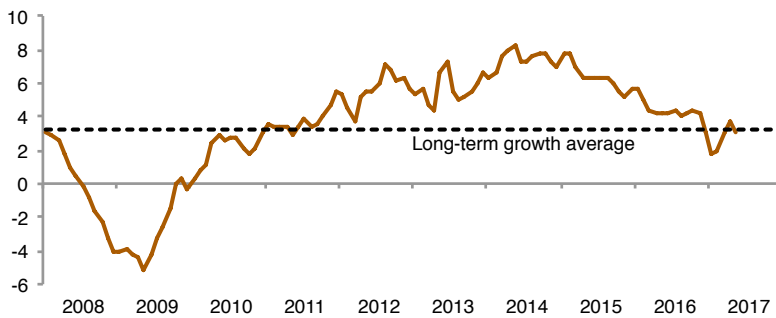
FEDERAL RESERVE BANK OF DALLAS • JUNE 22, 2017

Summary

The San Antonio economy grew moderately in May. Jobs increased at a subdued but positive pace, while the unemployment rate declined for a second month to its lowest point so far this year. Average hourly wages held steady, and leading indicators such as help-wanted advertising suggest robust growth in San Antonio in the second half of the year.

San Antonio Business-Cycle Index

Percent change, month/month*



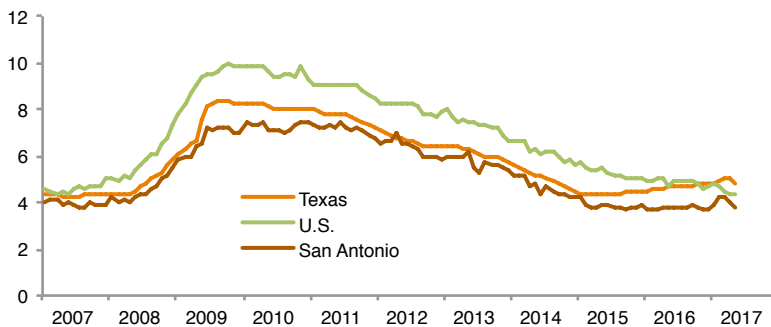
*Seasonally adjusted, annualized rate.
SOURCE: Dallas Fed.

► The San Antonio Business-Cycle Index expanded at a 3.1 percent annualized rate in May, down slightly from April. While job growth slowed, the continued decline in the unemployment rate kept overall expansion close to the long-term rate of 3.2 percent. Data on local retail sales through fourth quarter 2016 show some weakness, however, total wages paid remained steady.

Employment

Unemployment Rate

Percent*

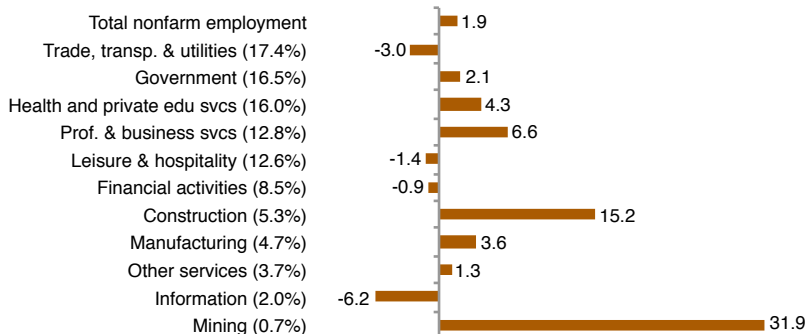


*Seasonally adjusted.
SOURCE: Bureau of Labor Statistics.

► The San Antonio unemployment rate fell for a second month to 3.8 percent in May, holding below the national rate of 4.3 percent and state rate of 4.8 percent. However, growth in the labor force has been somewhat sluggish so far this year at 1.0 percent, compared with 3.2 percent in 2016.

► San Antonio jobs increased at a moderate 1.9 percent annualized rate in the three months ending in May. Growth was positive across most sectors, although a significant slip in retail hiring has led to declines in the trade, transportation and utilities sector. The leisure and hospitality and financial services sectors have also been unusually weak in recent months, while information services, particularly telecommunications employment, continued its steady decline since the beginning of the year. Growth in mining surged, while strong hiring for specialty trade contractors such as roofers and electricians propelled construction employment. Manufacturing, professional services and health care also saw robust growth. Help-wanted advertising has slipped in recent months but remains at a high level compared with historical norms, suggesting continued strong labor demand going forward.

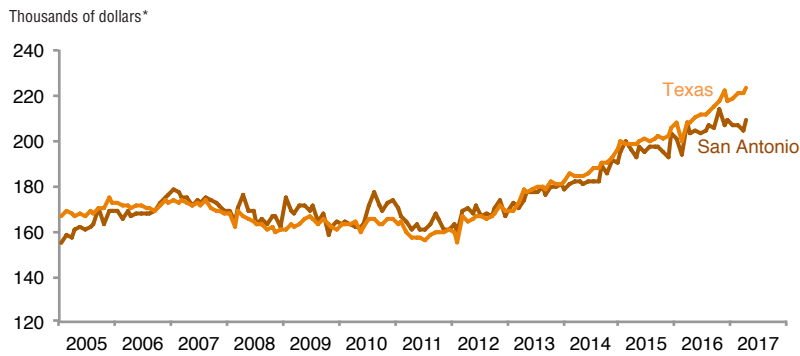
Employment Growth



NOTES: Data show seasonally adjusted and annualized percentage employment growth by industry supersector from March to May 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.

Median Home Prices

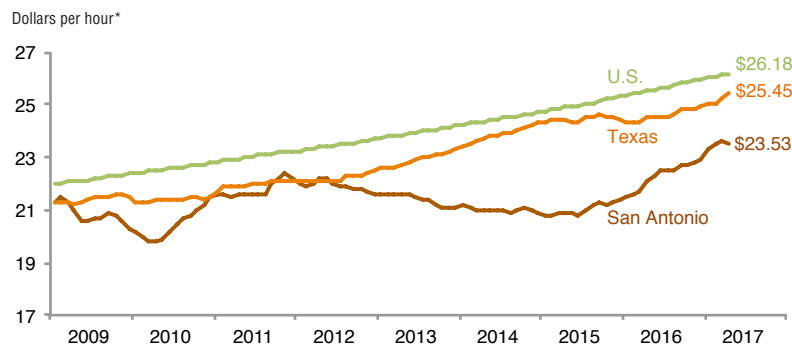


*Real, seasonally adjusted.

SOURCE: Multiple Listing Service.

► San Antonio home prices rebounded in April, with the median price rising to \$209,137. This represents a 3.1 percent year-over-year increase—below the state rate but more than a percentage point higher than the region’s long-term average growth in prices. Home sales remain near all-time highs and inventories near all-time lows, suggesting continued strong residential demand.

Average Private-Sector Hourly Wages

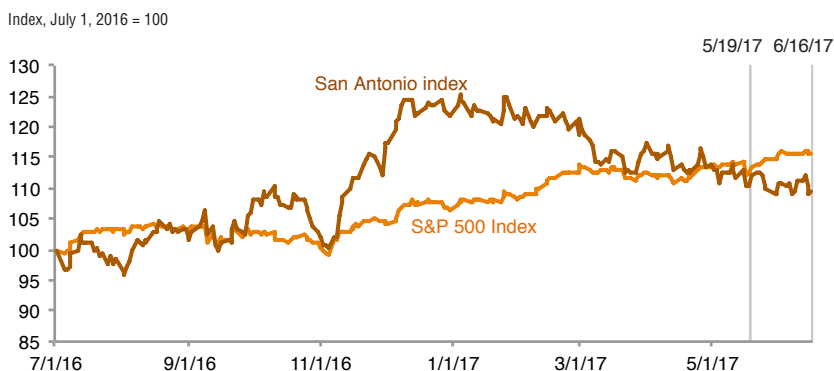


*Seasonally adjusted, three-month centered moving average.

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

► San Antonio average hourly wages in the private sector dipped slightly in May from a peak of \$23.60. This compares with the state average, which rose sharply because of the recovery in high-paying energy and manufacturing jobs. Both the region and the state remain below the national average; however, year-over-year wage growth in San Antonio remains well above Texas and the U.S. at 6.7 percent, and the local hourly wage has increased 13.5 percent from its recent low in mid-2015.

Stock Indexes



SOURCES: Bloomberg; Standard and Poor's.

► Stock prices of companies with a significant presence in San Antonio declined 2.3 percent from May 19 to June 16, contrasting with the 2.2 percent rise in the S&P 500 over the same time. Declines were focused in communications, food services and energy production firms, while energy refiners and financial institutions continued to see moderate gains. Manufacturing companies also saw continued mild increases over this time.

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

Questions regarding *San Antonio Economic Indicators* can be addressed to Christopher Slijk at christopher.slijk@dal.frb.org.

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