

San Antonio Economic Indicators

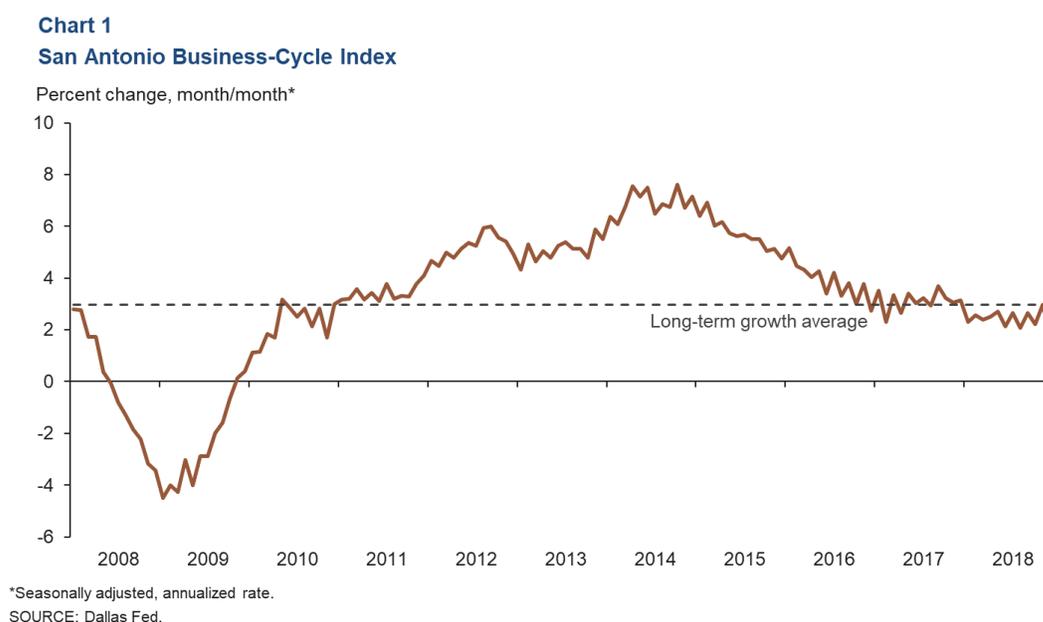
Federal Reserve
Bank of Dallas

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Growth in the San Antonio economy was soft in December. The San Antonio Business-Cycle Index decelerated, and the unemployment rate increased. While overall job growth was weak in the last quarter of 2018, the leisure and hospitality and mining industries performed well. In December, home prices fell slightly and, more recently, stock prices of San Antonio companies improved.

Business-Cycle Index

The San Antonio Business-Cycle Index decelerated to an annualized rate of 1.9 percent in December, about 1 percent below its long-term average of 3 percent (*Chart 1*). The unemployment rate increased but remained near historical lows. December job growth weakened.

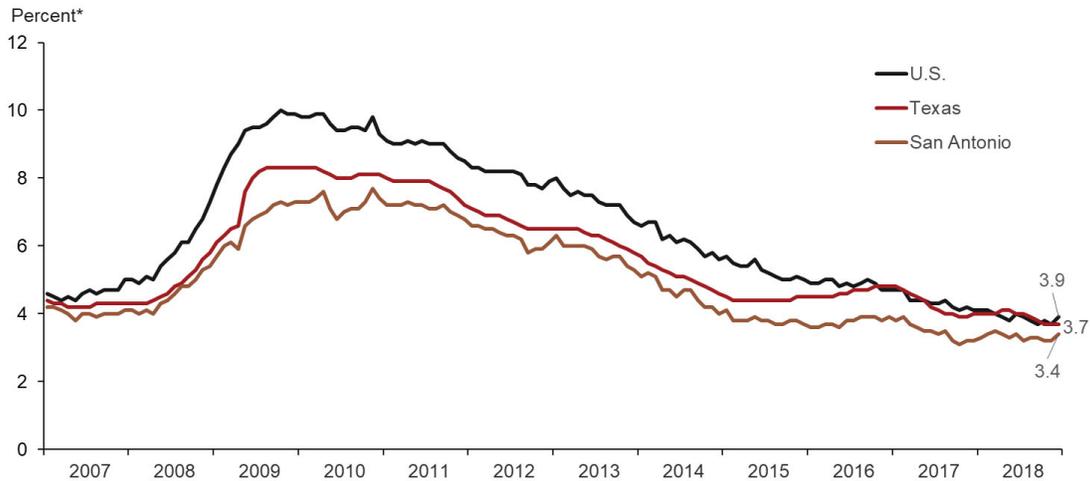


Labor Market

Unemployment Slightly Rises

The San Antonio unemployment rate ticked up to 3.4 percent in December but still came in below the state at 3.7 percent and nation at 3.9 percent (*Chart 2*). In 2018, San Antonio payrolls expanded at a sluggish 1 percent rate, whereas the state and nation added jobs at 2.4 percent and 1.8 percent rates, respectively.

Chart 2
Unemployment Rate

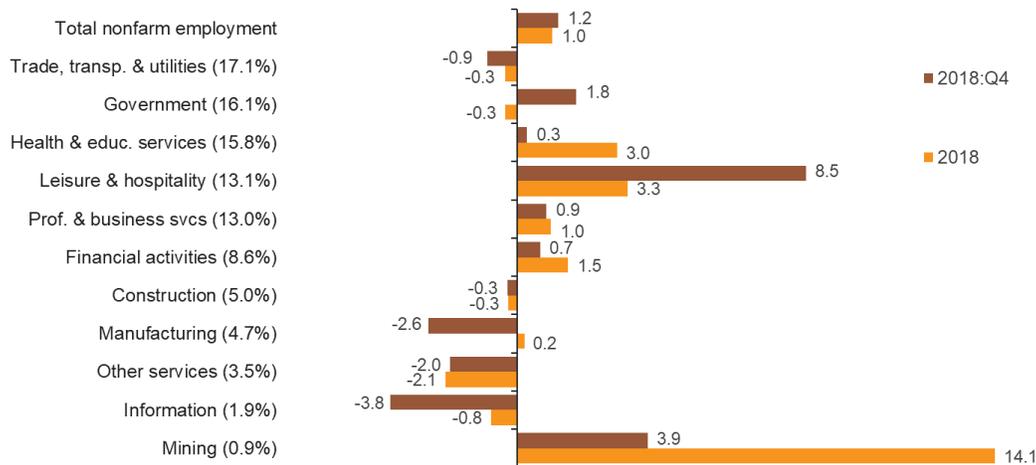


*Seasonally adjusted.
SOURCE: Bureau of Labor Statistics.

Job Growth Weak

San Antonio added to payrolls at an annualized rate of 1.2 percent during the fourth quarter of last year (*Chart 3*). The leisure and hospitality industry led growth, adding 2,800 net new jobs, and was followed by mining. The government sector moderately expanded after seeing slight declines earlier in the year. The information and manufacturing sectors shed jobs in the three months ending in December.

Chart 3
Employment Growth

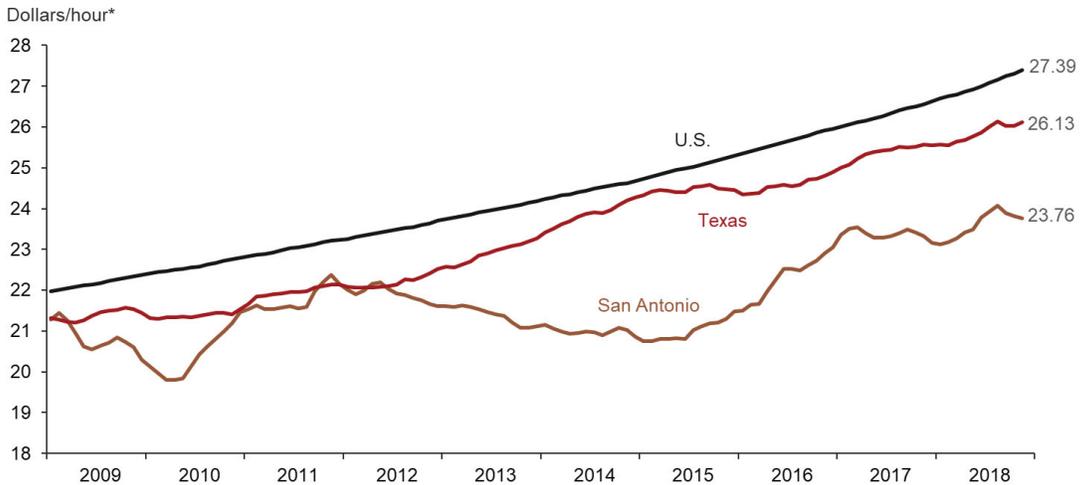


NOTES: Data show seasonally adjusted and annualized percentage employment growth by sector. Numbers in parentheses represent share of total employment and may not sum to 100 due to rounding.
SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; adjustments by the Dallas Fed.

Hourly Wages

The three-month average for private sector hourly wages in San Antonio dipped to \$23.76 in December (*Chart 4*). Year over year, hourly wages grew 3.1 percent, slightly slower than the Texas and U.S. rates of 3.5 percent and 3.2 percent, respectively.

Chart 4
Average Private Sector Hourly Wages

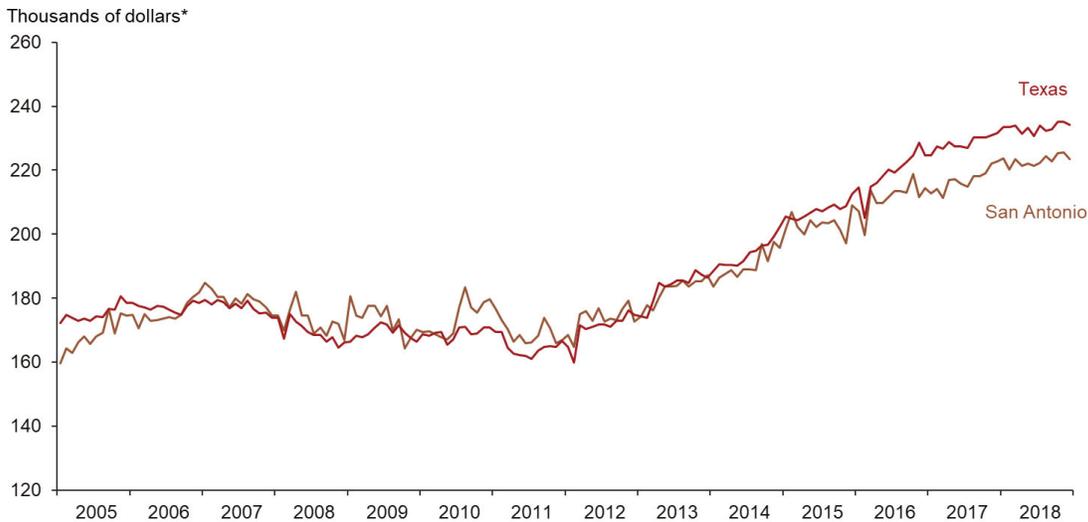


*Seasonally adjusted, three-month moving average.
SOURCES: Bureau of Labor Statistics; adjustments by the Dallas Fed.

Real Estate

The median real sales price for houses in San Antonio was \$223,373 in December 2018, down slightly from the month prior (*Chart 5*). The inflation-adjusted average sales price increased 1.6 percent in fourth quarter 2018 from fourth quarter 2017, while the Texas price rose 1.7 percent. Home inventories remained at 3.5 months of supply in December, well below the six months considered a balanced market.

Chart 5
Median Home Prices



*Real, seasonally adjusted.
SOURCE: Multiple Listing Service.

Stock Prices

Stock prices of companies with a notable presence in San Antonio surged 21 percent from Dec. 21, 2018, to Jan. 18, 2019, and lifted prices to levels seen before the stock market plunge in mid-November (*Chart 6*). A similar trend is seen in the S&P 500, which increased 10.5 percent. All sectors experienced gains. Manufacturing and finance-related firms saw healthy recoveries, while companies in communications and food-service industries saw mild improvement. Energy companies generally posted strong recoveries.

Chart 6 Stock Indexes

Index, Oct. 23, 2017 = 100



SOURCES: Bloomberg; Standard and Poor's.

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

About San Antonio Economic Indicators

Questions can be addressed to Judy Teng at judy.teng@dal.frb.org. *San Antonio Economic Indicators* is published every month on the Thursday after state and metro employment data are released.