

San Antonio Economic Indicators

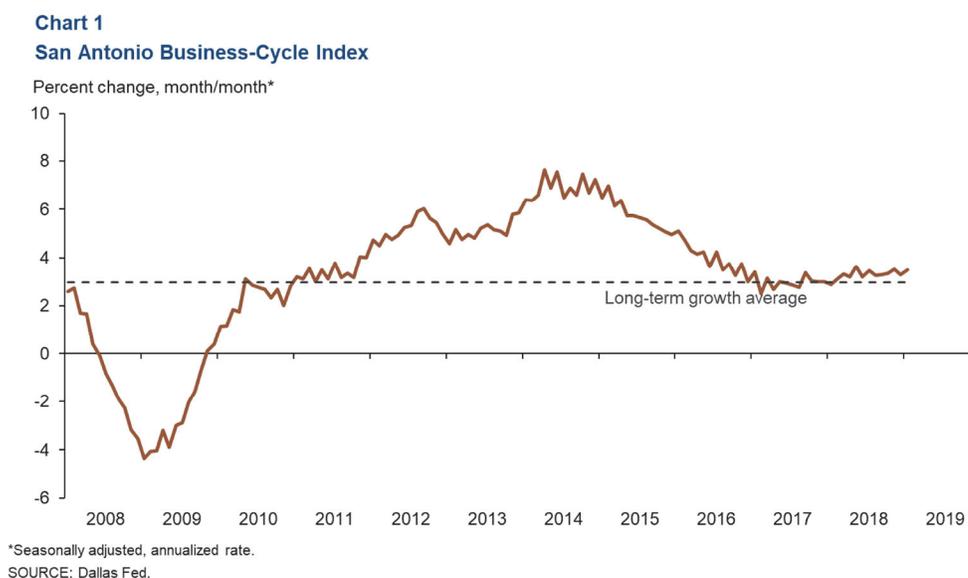
Federal Reserve
Bank of Dallas

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The San Antonio economy grew at a steady pace in January. Although the unemployment rate ticked up, the San Antonio Business-Cycle Index continued to expand at a rate slightly above trend. Jobs accelerated, with the leisure and hospitality and professional and business services sectors being particularly strong. Private sector wages increased slightly in January, and housing affordability declined in fourth quarter 2018.

Business-Cycle Index

The San Antonio Business-Cycle Index accelerated to an annualized rate of 3.5 percent in January—slightly above its long-term average of 3.0 percent (*Chart 1*). The unemployment rate increased but remained near historical lows. January job growth accelerated.

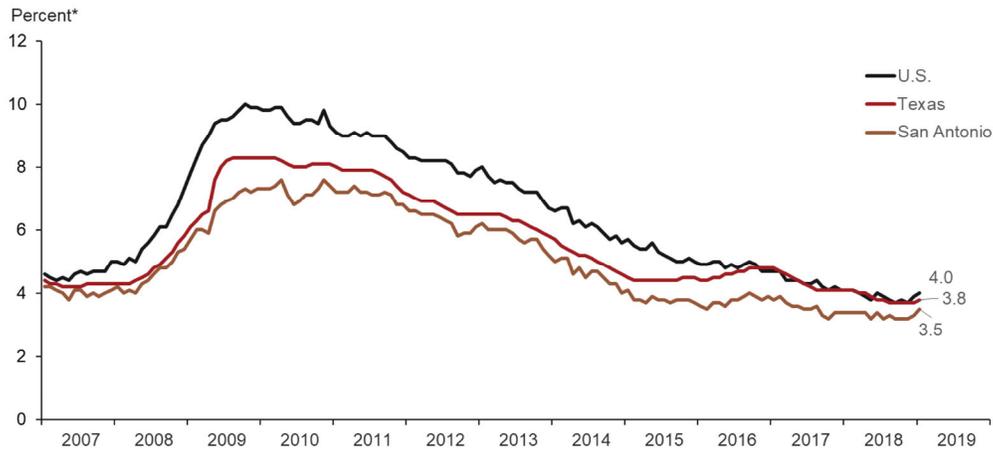


Labor Market

Unemployment Rises Slightly

The San Antonio unemployment rate ticked up to 3.5 percent in January but was still below the state's 3.8 percent and the U.S.' 4.0 percent rate (*Chart 2*). This increase is likely due to the recent partial government shutdown, as the San Antonio labor force grew an annualized 4.7 percent—more than double the postrecession (January 2010–December 2017) average of 2.0 percent.

Chart 2
Unemployment Rate

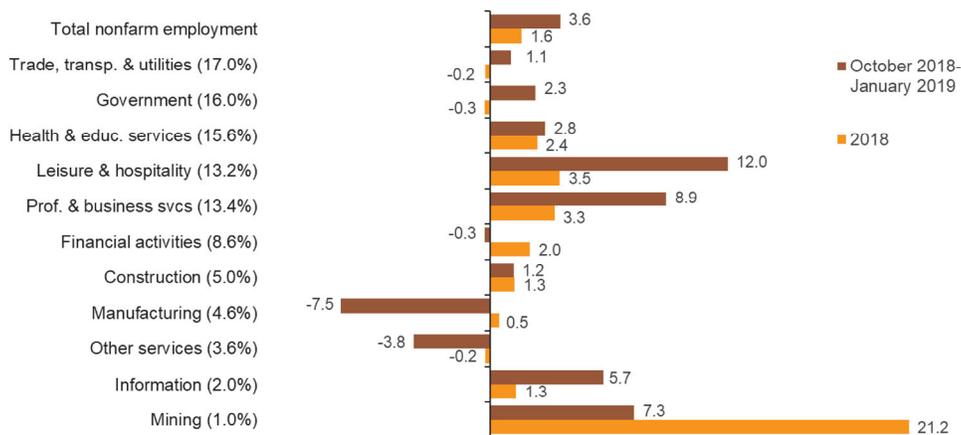


*Seasonally adjusted.
SOURCE: Bureau of Labor Statistics.

Job Growth Strengthens

San Antonio added to payrolls at an annualized rate of 3.6 percent during the three months ending in January (Chart 3). The leisure and hospitality industry led the growth by adding 3,950 net new jobs, followed by professional and business services. The mining, information and government sectors also experienced strong expansions in payrolls. Manufacturing saw a sharp 7.5 percent annualized decline and shed almost 1,000 jobs.

Chart 3
Employment Growth

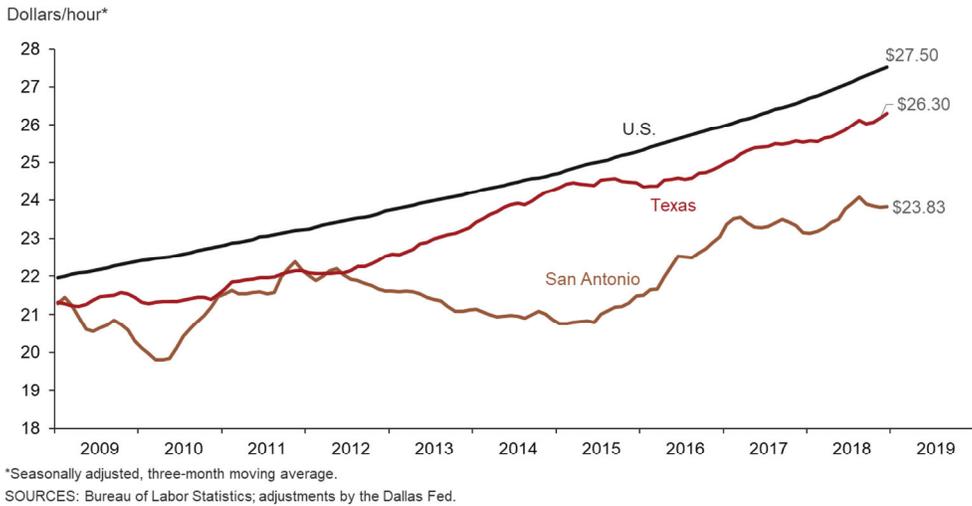


NOTES: Data show seasonally adjusted and annualized percentage employment growth by sector. Numbers in parentheses represent share of total employment and may not sum to 100 due to rounding.
SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; adjustments by the Dallas Fed.

Hourly Wages

The three-month average for private sector hourly wages in San Antonio rose slightly to \$23.83 in January (Chart 4). Year over year, hourly wages grew an annualized 2.9 percent—slightly higher than the state’s 2.8 percent but lower than the nation’s 3.1 percent increase.

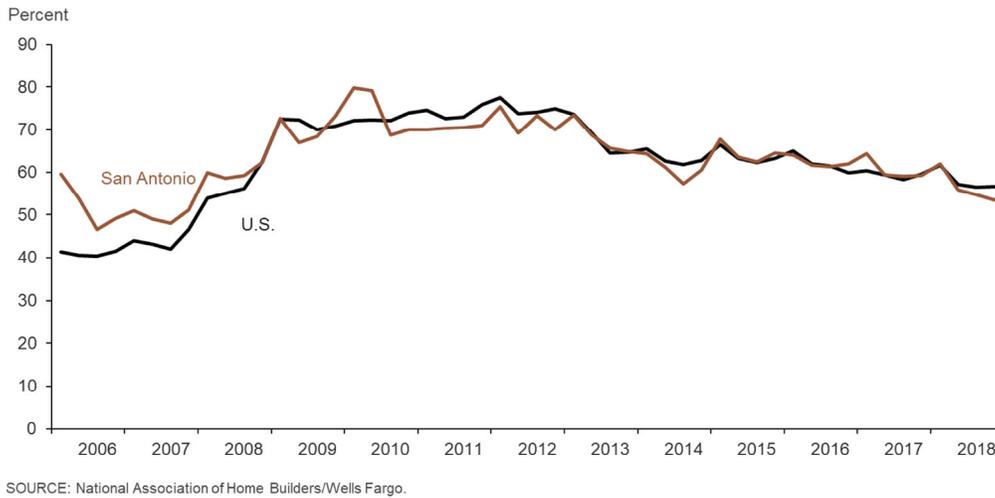
Chart 4
Average Private Sector Hourly Wages



Real Estate

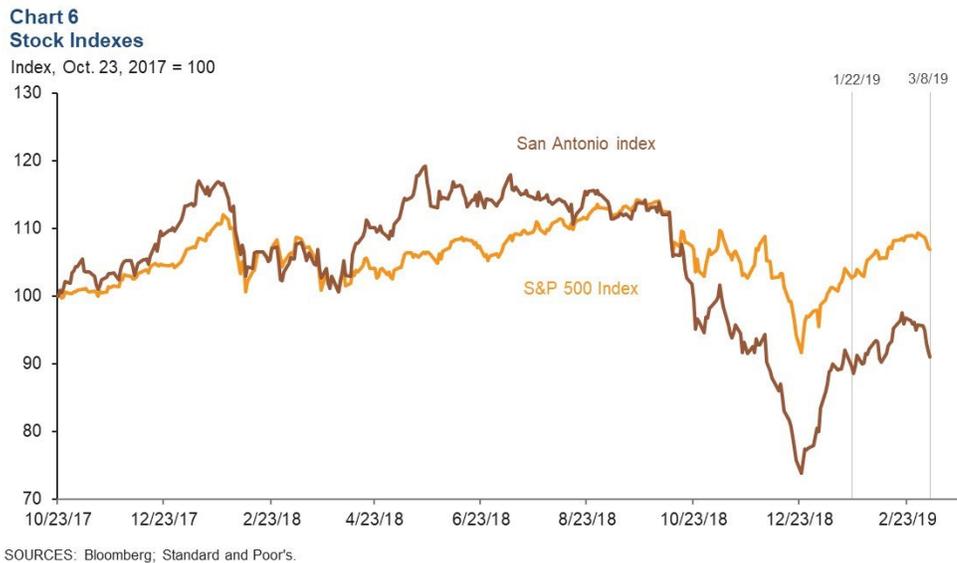
San Antonio housing affordability has declined, as the percentage of homes sold that the median-income household can afford decreased from 54.7 percent in the third quarter to 53.4 percent in fourth quarter 2018 (*Chart 5*). Home affordability improved slightly at the national level, where it increased from 56.4 percent to 56.6 percent. As of January, the real median home price in San Antonio was \$225,643, \$234,751 in Texas and \$264,580 in the U.S.

Chart 5
Home Affordability



Stock Prices

Stock prices of companies with a notable presence in San Antonio increased a slight 1.6 percent from Jan. 22, 2019, to March 8, 2019, while the S&P 500 grew 4.2 percent (*Chart 6*). Performance by sector varied. Manufacturing and finance-related firms saw healthy growth, while companies in energy refining (midstream) and exploration and production (upstream) sectors saw mild declines. Communication and food services industries posted mix performances.



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.