

# San Antonio Economic Indicators

DALLAS **FED**

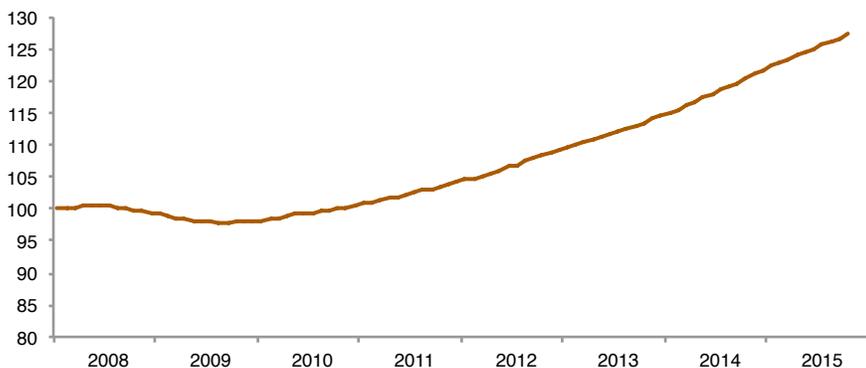
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## Summary

San Antonio economic growth accelerated in October. Employment grew at a sharp annualized pace of 6.8 percent—more than three times the state rate. The unemployment rate continued to pick up, although at a slower pace than the state rate. Despite continued turbulence in energy markets and moderation in state economic activity, San Antonio continues to grow rapidly and is likely to finish the year at a similar job growth rate as last year's 3.6 percent.

## San Antonio Business-Cycle Index

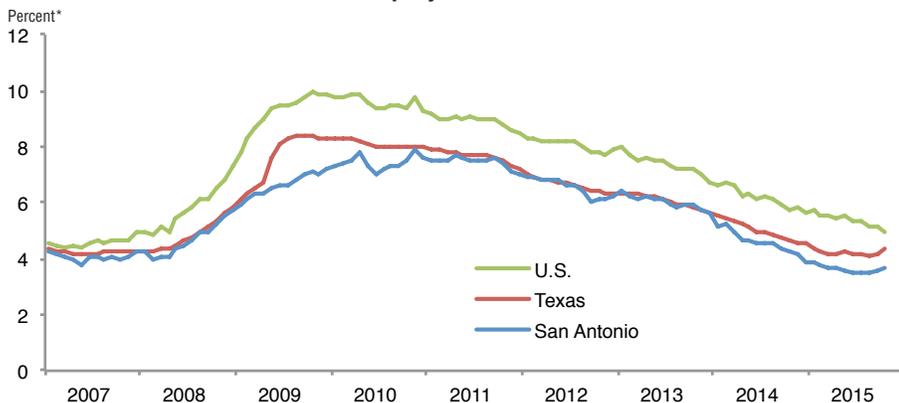
Index, January 2000 = 100



► The San Antonio Business-Cycle Index has continued to advance at a rapid rate in the past several months. Despite an uptick in the unemployment rate, the very strong job growth over the past four months has continued to propel strong gains in the index.

## Employment

### Unemployment Rate

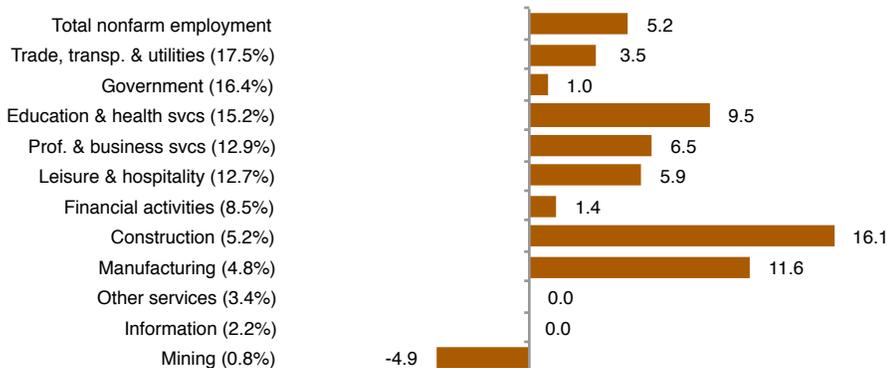


\*Seasonally adjusted.

► The San Antonio unemployment rate edged up in October to 3.7 percent—0.2 percentage points above a 15-year low. While the U.S. unemployment rate drifted down, reaching a postrecession low of 5 percent, the Texas rate increased to 4.4 percent. While labor markets remain tight overall in the metro area and state, weaknesses in energy and manufacturing may be starting to manifest themselves in a rising unemployment rate.

► San Antonio jobs expanded at a strong 5.2 percent annualized rate over the three months ending in October. Growth continued to be broad based with all large industries posting job gains. Construction climbed strongly after moderating during the summer and was at its fastest three-month rate since early 2005. Manufacturing also rebounded strongly from weakness in the first half of the year, with nondurable goods manufacturing in particular surging sharply by 15.5 percent. Health care, professional services, and leisure and hospitality all continued to grow at a strong pace as well. Government and financial activities sectors slowed after a slight rise last month, and both remain weak compared with last year.

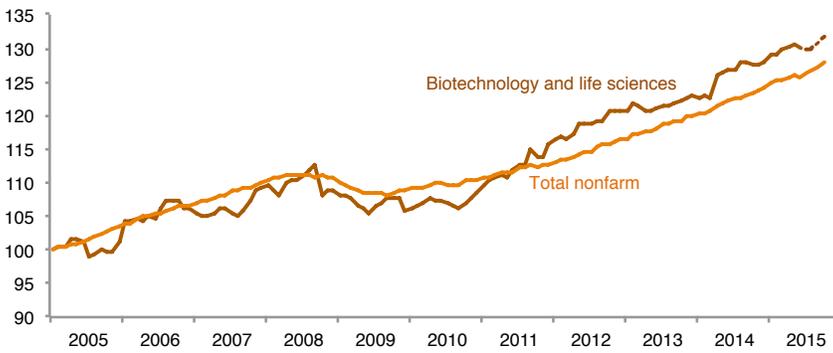
### Employment Growth by Sector



NOTES: Data show seasonally adjusted and annualized percentage employment growth by industry supersector for August-October 2015. Numbers in parentheses represent share of total employment and may not sum to 100 due to rounding.

## Biotechnology and Life Sciences Employment

Index, January 2005 = 100

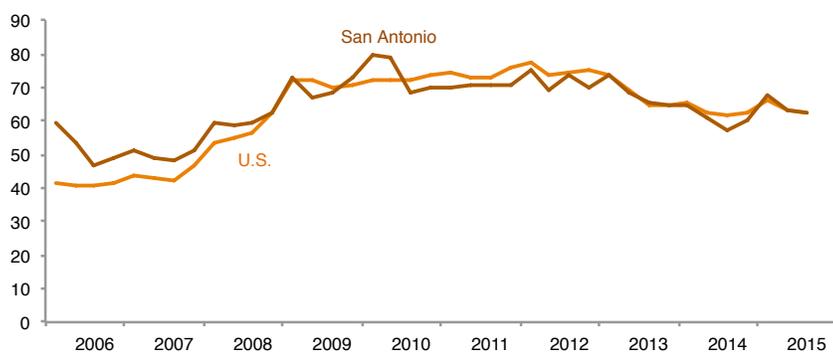


NOTES: Data are seasonally adjusted. Dashed lines represent estimates based on broader industry data.

► Employment in the biotechnology and life sciences in San Antonio, an emerging sector for growth in the regional economy, slowed notably in the second quarter to a 1 percent annualized rate after growing at 5.1 percent in the first quarter. However, this slightly edged out the 0.9 percent rate for total nonfarm job growth in the second quarter. Projections based on broader industry data suggest a strong rebound in growth to 3.9 percent over the four months ending in October.

## Housing Affordability

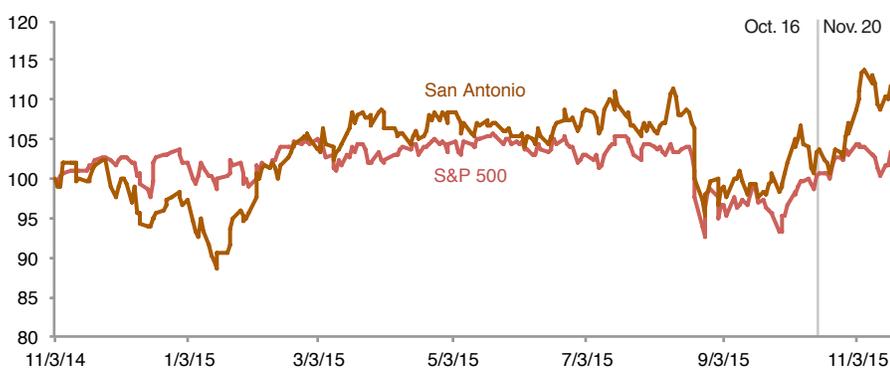
Percent



► Home affordability in San Antonio continued to decline in the third quarter, as the percentage of homes sold for which the median-income family could qualify dipped from 63.5 percent to 62.4 percent. Home prices continued to appreciate, though at a slower rate than the second quarter. October showed a renewed dip in home inventories to 3.8 months' supply and a surge in home sales to an all-time high. Despite this strong demand and tight supply, San Antonio stands out among the largest Texas metros in that home affordability remains slightly above the national average.

## Stock Indexes

Index, Nov. 3, 2014 = 100



► The San Antonio stock index continued to rise sharply, picking up by 8.4 percent from Oct. 16 to Nov. 20. This outpaced the comparatively modest 2.8 percent rise in the S&P 500 over this same time. Energy refiners have been a large driver of growth, while financial firms, restaurants and nonenergy-related machinery producers also saw stock price increases. Energy production companies continued to struggle, and communications firms were flat overall.

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

SOURCES: **San Antonio Business-Cycle Index:** Bureau of Labor Statistics (BLS), Texas Workforce Commission (TWC) and Dallas Fed; **employment:** BLS and adjustments by the Dallas Fed; **biotechnology and life sciences:** TWC, BLS and adjustments by the Dallas Fed; **housing affordability:** National Association of Home Builders/Wells Fargo; **stock price indexes:** Bloomberg and Standard and Poor's.

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