

Texas Economic Indicators

DALLAS FED

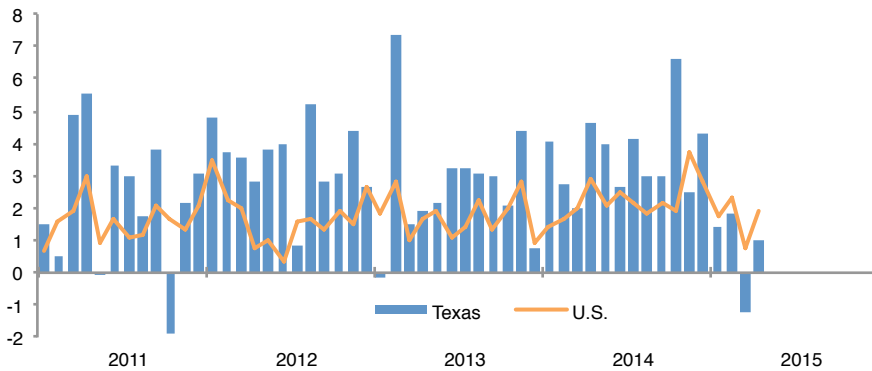
FEDERAL RESERVE BANK OF DALLAS • MAY 27, 2015

Summary

The Texas economy expanded at a modest pace in April. Employment growth was positive during the month, and unemployment held steady. Exports dipped during the first quarter. The Texas Leading Index ticked down in March for the seventh consecutive time.

Employment

Month/month percent change, annualized*

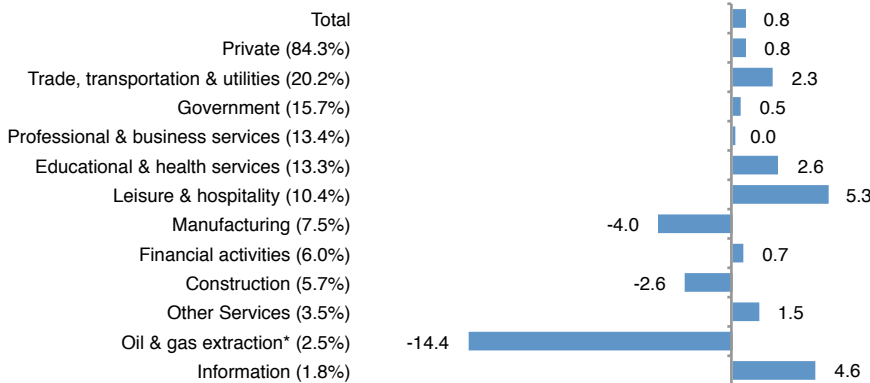


*Seasonal and other adjustments by the Federal Reserve Bank of Dallas.

► Texas employment edged up at a 1.0 percent annualized pace in April, slower than the nation's 1.9 percent increase. Texas gained 9,700 jobs in April after shedding 11,800 jobs in March. Current Texas employment stands at 11.78 million, according to the payroll survey (CES).

► The Texas unemployment rate held steady at 4.2 percent in April. The state's reading continues to be lower than the U.S. rate, which came in at 5.4 percent.

Employment Growth by Sector



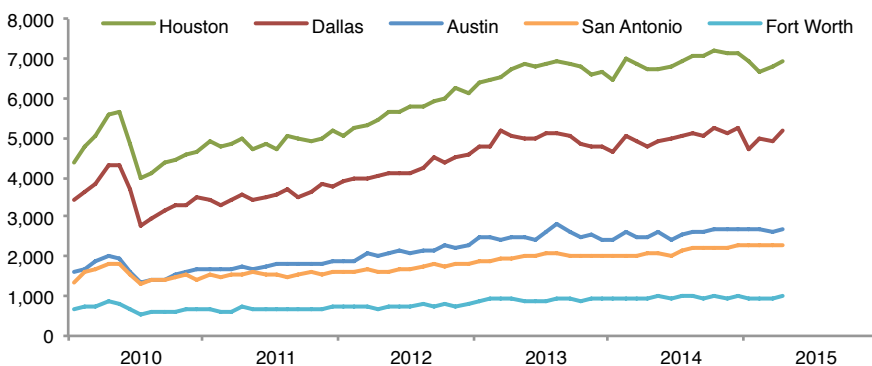
*Includes support activities for mining.

NOTES: Annualized percent change, December 2014–April 2015. Seasonal and other adjustments by the Federal Reserve Bank of Dallas. Numbers in parentheses represent share of total employment and may not sum to 100 due to rounding.

► Employment has grown at a 0.8 percent annualized rate year to date. The leisure and hospitality sector recorded the fastest pace of increase at 5.3 percent followed by information services at 4.6 percent. Employment in oil and gas extraction has posted the largest decline, followed by manufacturing and construction employment.

Existing-Home Sales

Number of existing-home sales*

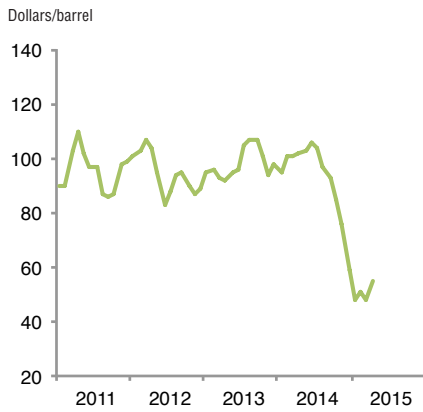


*Seasonally adjusted.

► Texas existing-home sales ticked up 1.3 percent in April and were up 5.4 percent year over year. Home inventories remained at 3.3 months of available supply in April for the third month in a row and were slightly below the year-ago level of 3.5 months.

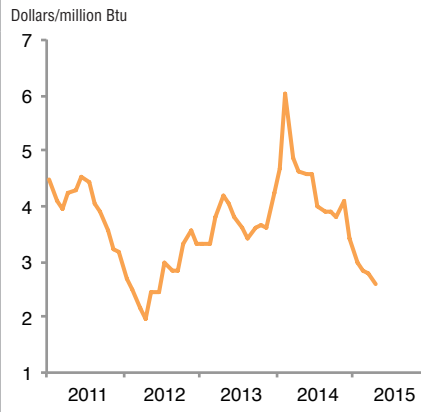
► Single-family housing permits rose 1.2 percent in March, following a 1.8 percent decline in February. Texas housing starts, which include single-family and multifamily starts, fell 7.6 percent in March, following a 4.0 percent rise in February.

Crude Oil Prices



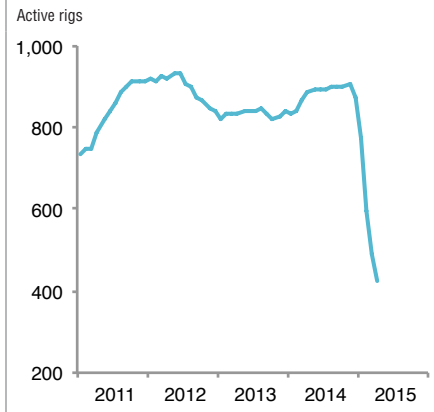
► West Texas Intermediate crude oil rose from \$47.82 per barrel in March to \$54.45 in April. The price was 46.7 percent lower year over year.

Natural Gas Prices



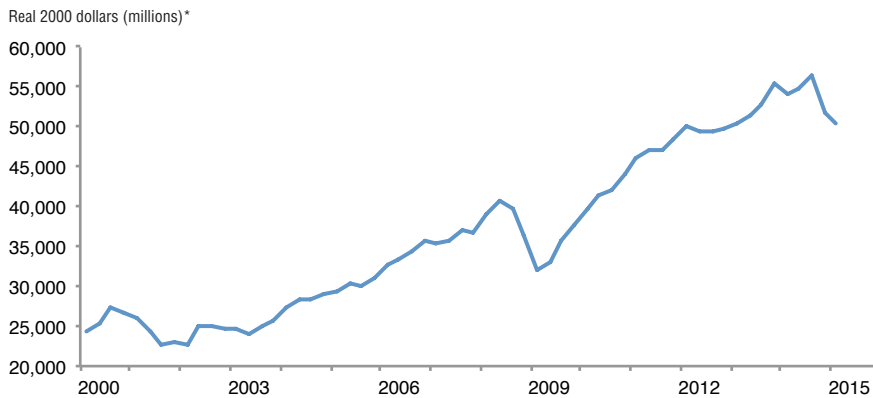
► Natural gas edged down to \$2.58 per million Btu in April, a 7.9 percent decline from the March level. The price was 44.3 percent lower than in April 2014.

Texas Rig Count



► The Texas rig count continued to decline, dropping from 492 in March to 422 in April, and was down 52.3 percent from last year's level.

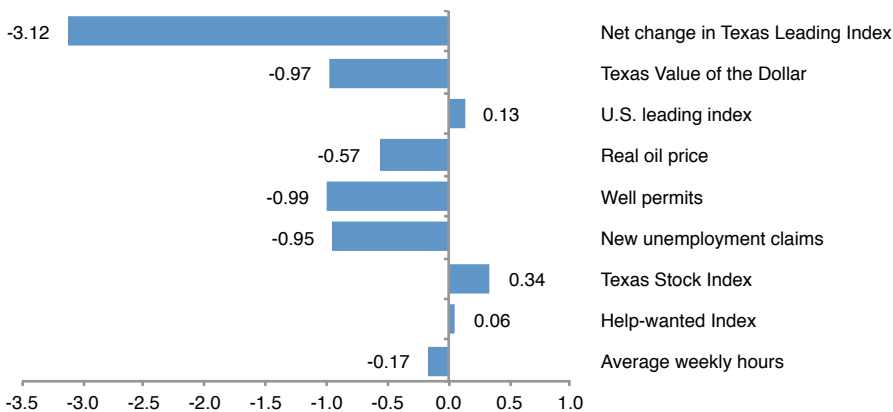
Exports



*Quarterly, seasonal and other adjustments by the Federal Reserve Bank of Dallas.

► Texas exports declined 2.8 percent in the first quarter following an 8.4 percent decrease in fourth quarter 2014. First-quarter exports were 7.2 percent lower than a year ago. Texas exports to China saw the largest increase, climbing 20.2 percent, whereas exports to Canada declined 14.9 percent. Exports to Mexico—Texas' largest trading partner—were relatively flat in the first quarter.

Texas Leading Index with Components



NOTE: Three-month percent change through March, seasonally adjusted.

► The Texas Leading Index, which uses key economic indicators to forecast employment growth, declined 3.12 percent from January to March as the majority of its components fell. The Texas value of the dollar and new unemployment claims continued to rise, negatively impacting the index. Energy-related components such as oil prices and well permits declined, while the Help-wanted Index and Texas Stock Index edged up during the period.

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

SOURCES: **Employment:** Bureau of Labor Statistics' Current Employment Statistics (CES) and Texas Workforce Commission; **housing:** Multiple Listing Service; Census Bureau and Bank of Tokyo-Mitsubishi UFJ; **energy:** *Wall Street Journal* and Baker Hughes; **exports:** Census Bureau and WISERTrade; **Texas Leading Index:** Dallas Fed.

Questions can be addressed to Emily Gutierrez at emily.gutierrez@dal.frb.org.