

9-2018

Borderplex Business Barometer, Volume 2, Number 9

Thomas M. Fullerton Jr.

University of Texas at El Paso, tomf@utep.edu

Omar Solís

University of Texas at El Paso, osolis3@miners.utep.edu

Esmeralda P. Muñiz

University of Texas at El Paso, eporozcogutierrez@miners.utep.edu

Aaron Nazarian

University of Texas at El Paso, adnazarian@miners.utep.edu

Follow this and additional works at: https://digitalcommons.utep.edu/border_region



Part of the [Regional Economics Commons](#)

Recommended Citation

Fullerton, Thomas M. Jr.; Solís, Omar; Muñiz, Esmeralda P.; and Nazarian, Aaron, "Borderplex Business Barometer, Volume 2, Number 9" (2018). *Border Region Modeling Project*. 63.

https://digitalcommons.utep.edu/border_region/63

This Article is brought to you for free and open access by the Department of Economics and Finance at DigitalCommons@UTEP. It has been accepted for inclusion in Border Region Modeling Project by an authorized administrator of DigitalCommons@UTEP. For more information, please contact lweber@utep.edu.



BORDERPLEX BUSINESS BAROMETER

September 2018

Border Region Modeling Project

Thomas M. Fullerton, Jr.

Omar Solis

Esmeralda P. Muñiz

Aaron Nazarian

Department of Economics & Finance

College of Business Administration

University of Texas at El Paso

Mailing Address

Border Region Modeling Project - CBA 236

UTEP Department of Economics & Finance

500 West University Avenue

El Paso, TX 79968-0543

Physical Address

College of Business Administration, Room 325

University of Texas at El Paso

Email

tomf@utep.edu

eporozcogutierrez@miners.utep.edu

adnazarian@miners.utep.edu

Telephone

915-747-7747

915-747-7775

Fax

915-747-6282

Website

<http://academics.utep.edu/border>

Border Commerce & Economics

Borderplex Business Barometer, Volume 2, Number 9

Pretty Good Outcomes

The Federal Reserve Bank of Dallas Business Cycle Index for the El Paso metropolitan economy set another record in July. Private sector payrolls continue to expand in El Paso and the El Paso unemployment rate has declined on a year-over-year basis throughout 2018. While local income data are still not available, it is anticipated that wage and salary disbursements have strengthened this year, also.

Although the metropolitan economy seems to be firing on all cylinders, the El Paso Household Economic Stress Index remained above year-ago levels for a third consecutive month in July. Continued increases in interest rates are likely to cause further deterioration of this measure in coming months. In spite of that, household economic stress in El Paso remains well below the levels experienced between 2009 and 2015. Reflective of that, supplemental nutrition assistance program (SNAP or food stamp) enrollments remained below 175,000 for a sixth consecutive month again in August.

The median housing price for single-family units climbed above \$157,000 in July. That is 4.1 percent higher than it was twelve months earlier, as Sun City residential real estate continues to benefit from low unemployment and moderate mortgage rates. Symptomatically, the months of housing supply for El Paso declined to only 4.2 months in July. Although the single-family housing market has not experienced this degree of inventory tightness since 2006, pending sales declined again in August.

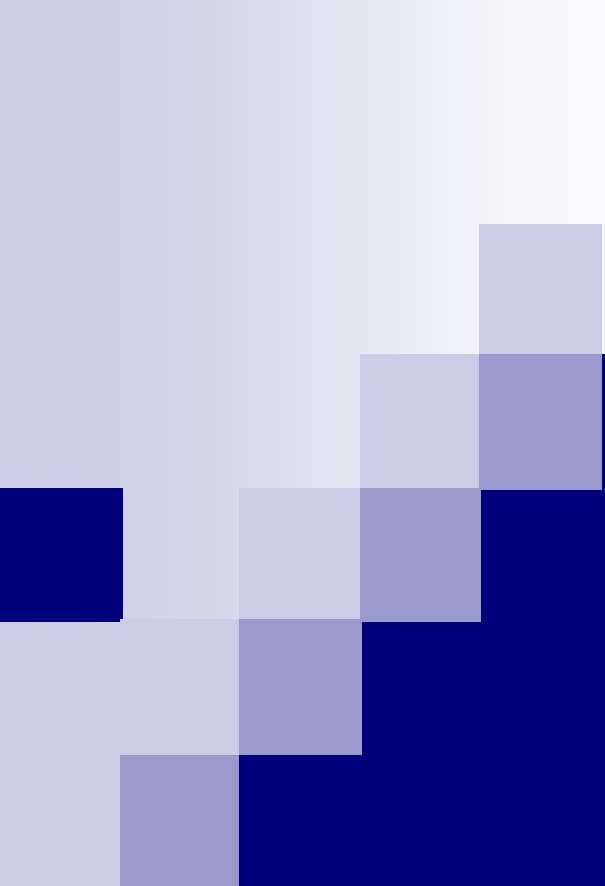
The average price for regular unleaded gasoline in El Paso held steady at \$2.69 per gallon in August. That is 50 cents per gallon above the year-ago, but 68 cents per gallon below the August 2014 average. Although gasoline and diesel prices often decline after Labor Day each year, continued strong demand may lead to more price stability than usual this year. Unexpected supply disruptions might lead to disproportionate price jumps if the last part of the hurricane season affects key refineries near coastal areas.

The Doña Ana County unemployment rate remained more than 100 basis points below year-ago levels for a fourth consecutive month in July. Preliminary Bureau of Labor Statistics data indicate that the Mesilla Valley civilian labor force continued to decline in July, but employment has increased on a year-to-year basis for every month in 2018. Area SNAP caseloads remained below the 28,000 mark for a sixteenth consecutive month in July.

The peso-per-dollar nominal exchange rate declined by more 120 centavos in July. The magnitude of the gap between the nominal exchange rate and the Borderplex

restaurant price ratio indicates that additional nominal appreciation of the peso is likely, especially if a trade accord is reached with the United States. Traffic volumes across the international bridges remained strong in July, as did trade flows.

Export manufacturing payrolls remained below year-ago levels in Ciudad Juarez in June, but northern region manufacturing orders increased on a year-over-year basis in both June and July. Construction activity in the State of Chihuahua also grew on a year-over-year basis in both May and June. State level retail activity performed similarly for a fourth consecutive month in June.

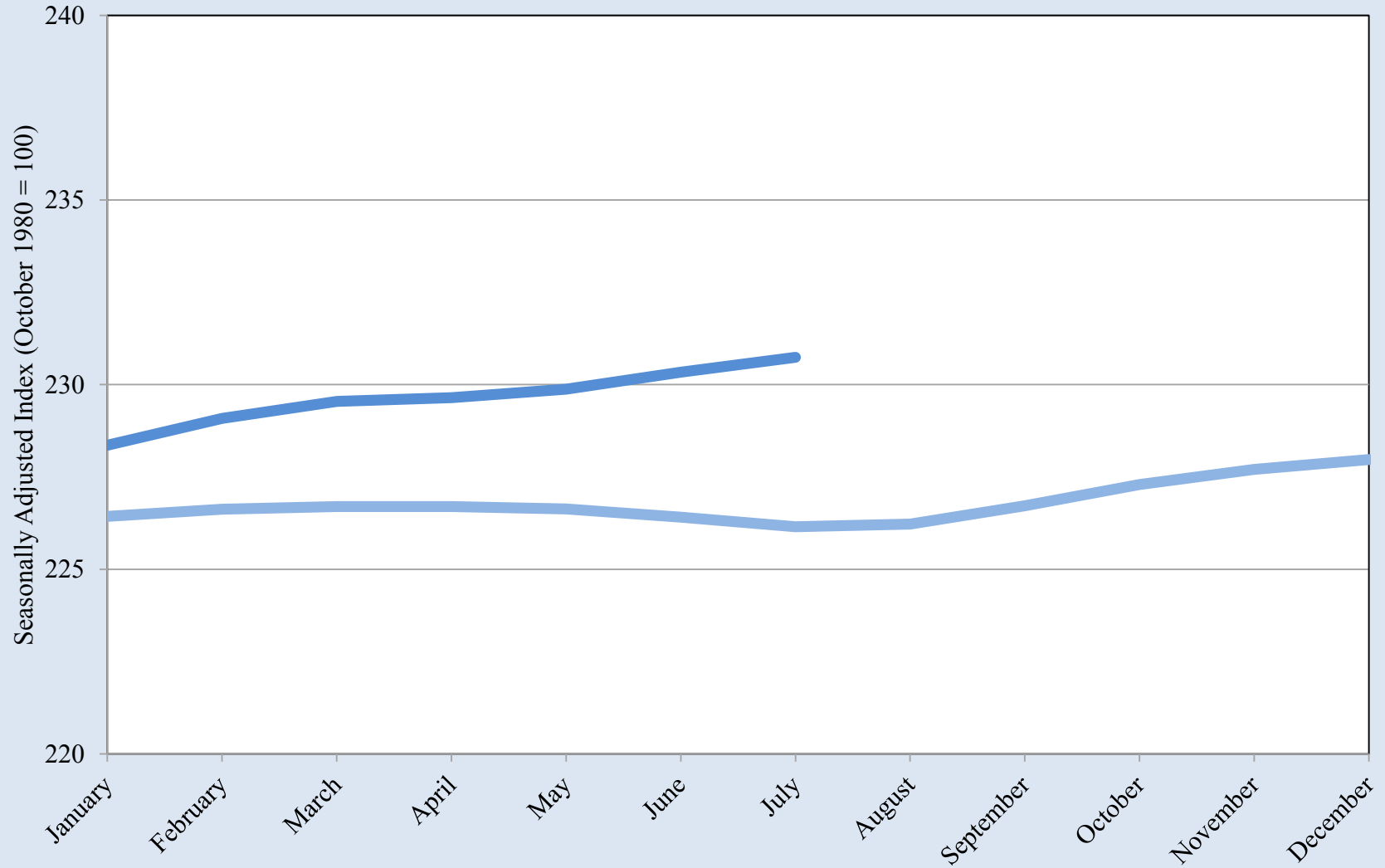


Borderplex Business Barometer

Border Region Modeling Project
Department of Economics & Finance
University of Texas at El Paso

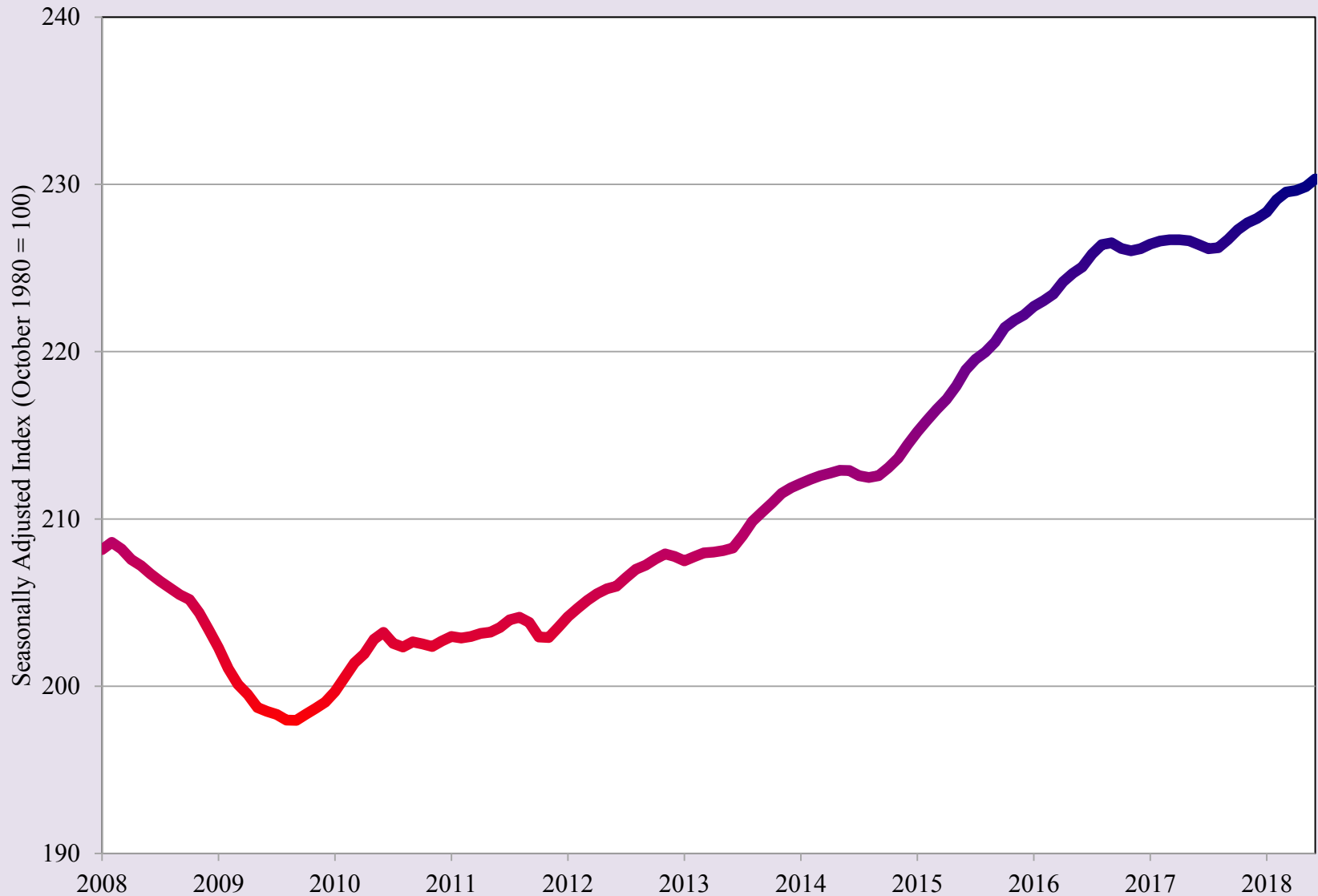
Metro Business-Cycle Index for El Paso

2017 2018



Source: Federal Reserve Bank of Dallas

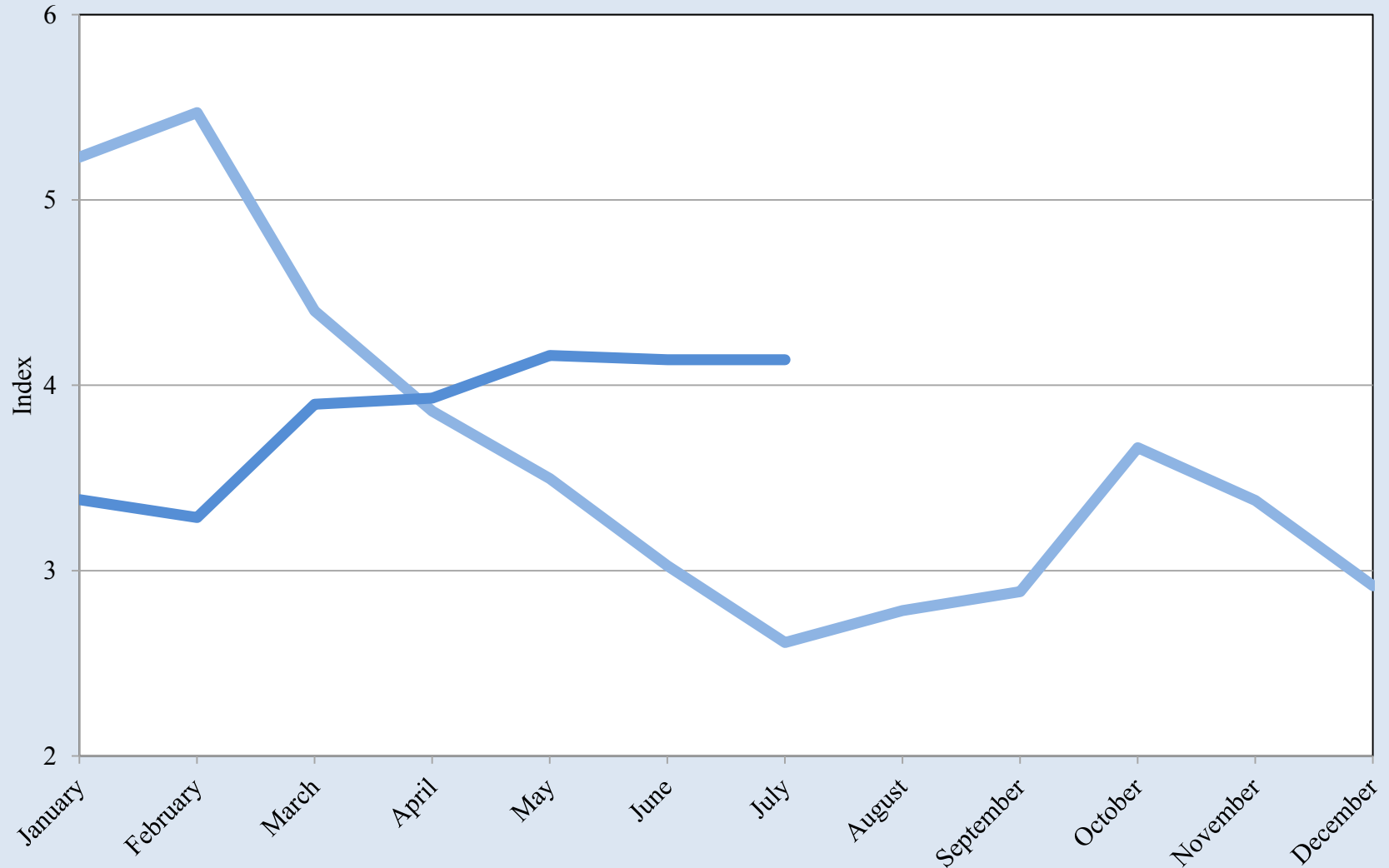
Metro Business-Cycle Index for El Paso



Source: Federal Reserve Bank of Dallas

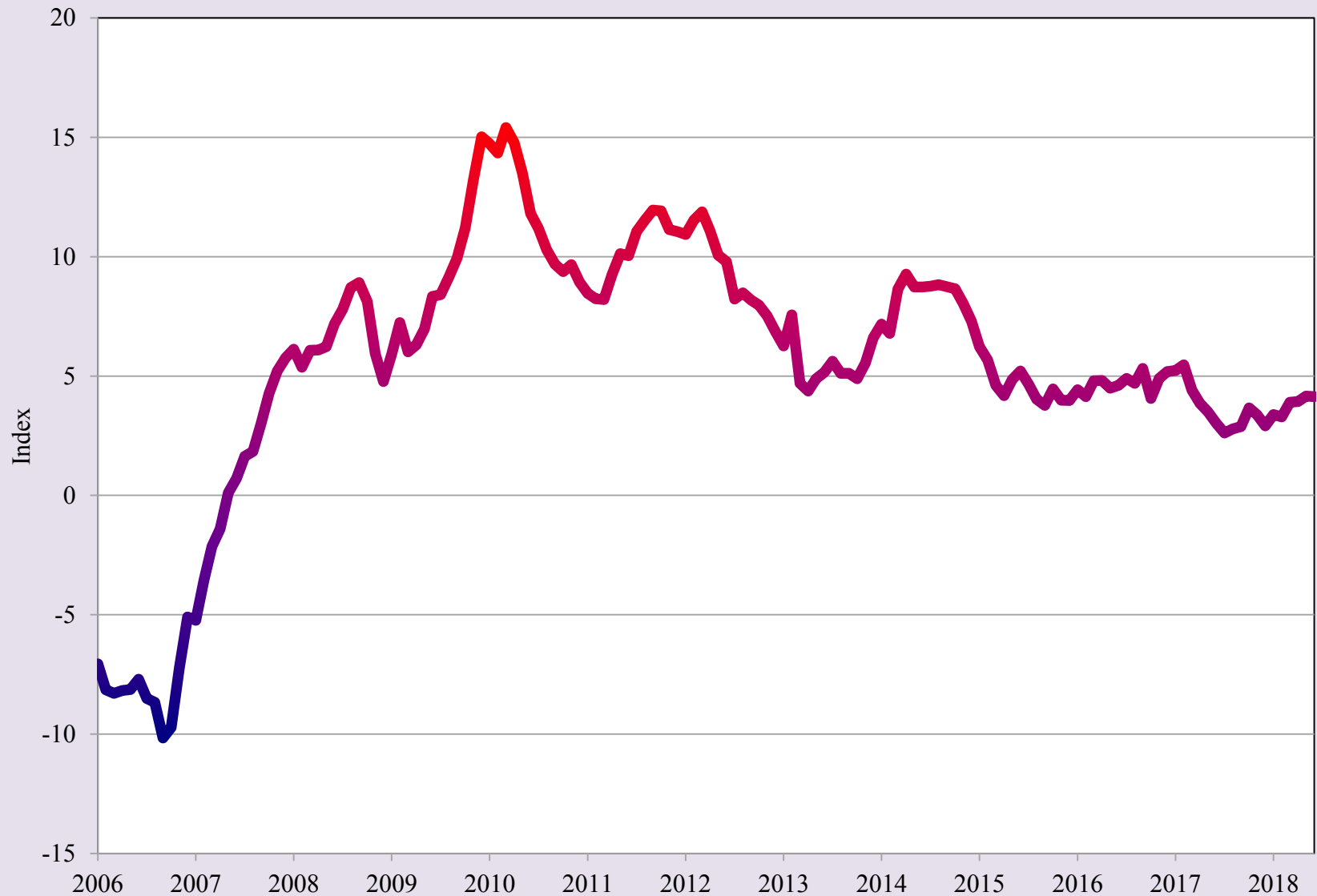
El Paso Household Economic Stress Index

— 2017 — 2018



Source: UTEP Border Region Modeling Project

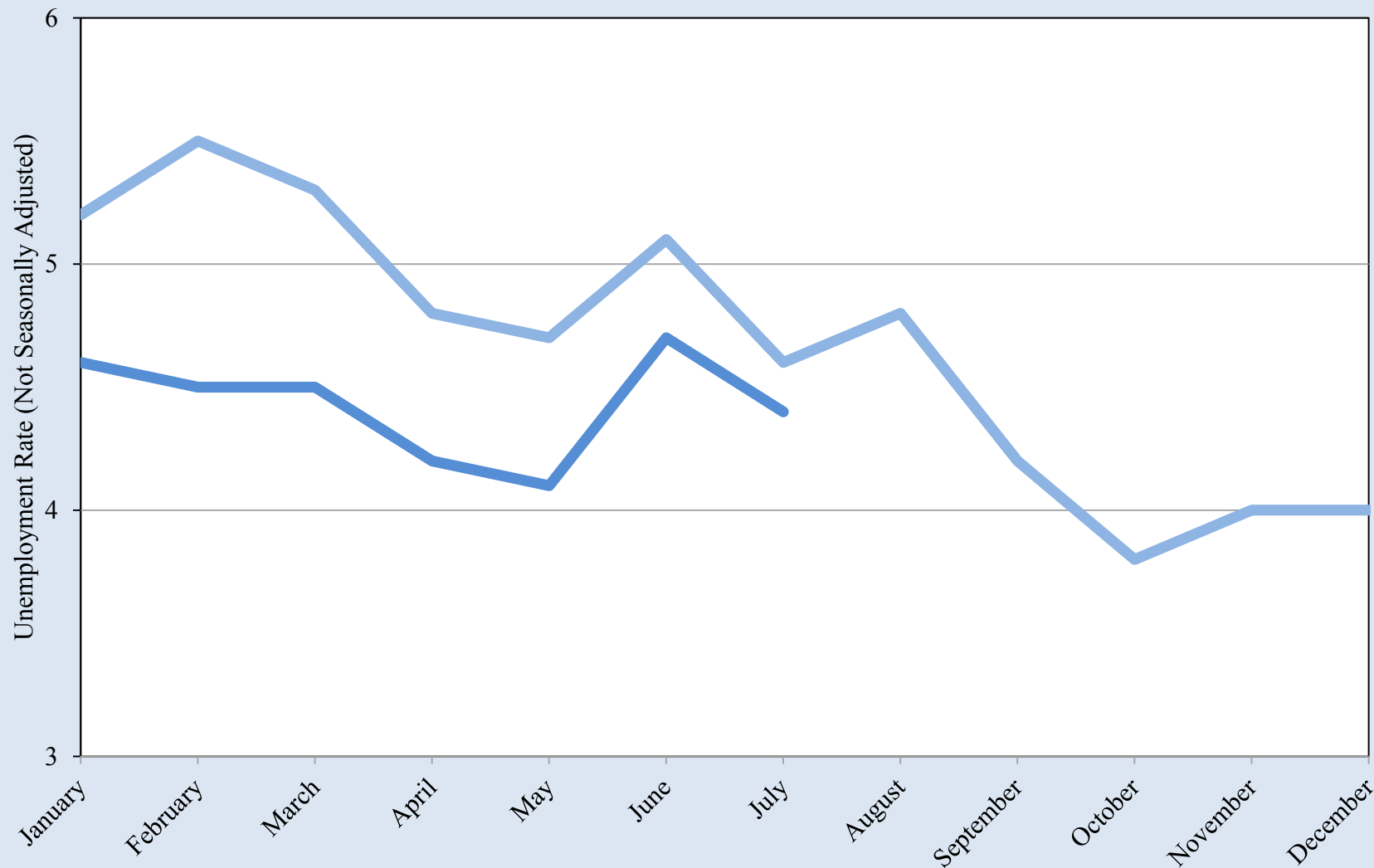
El Paso Household Economic Stress Index



Source: UTEP Border Region Modeling Project

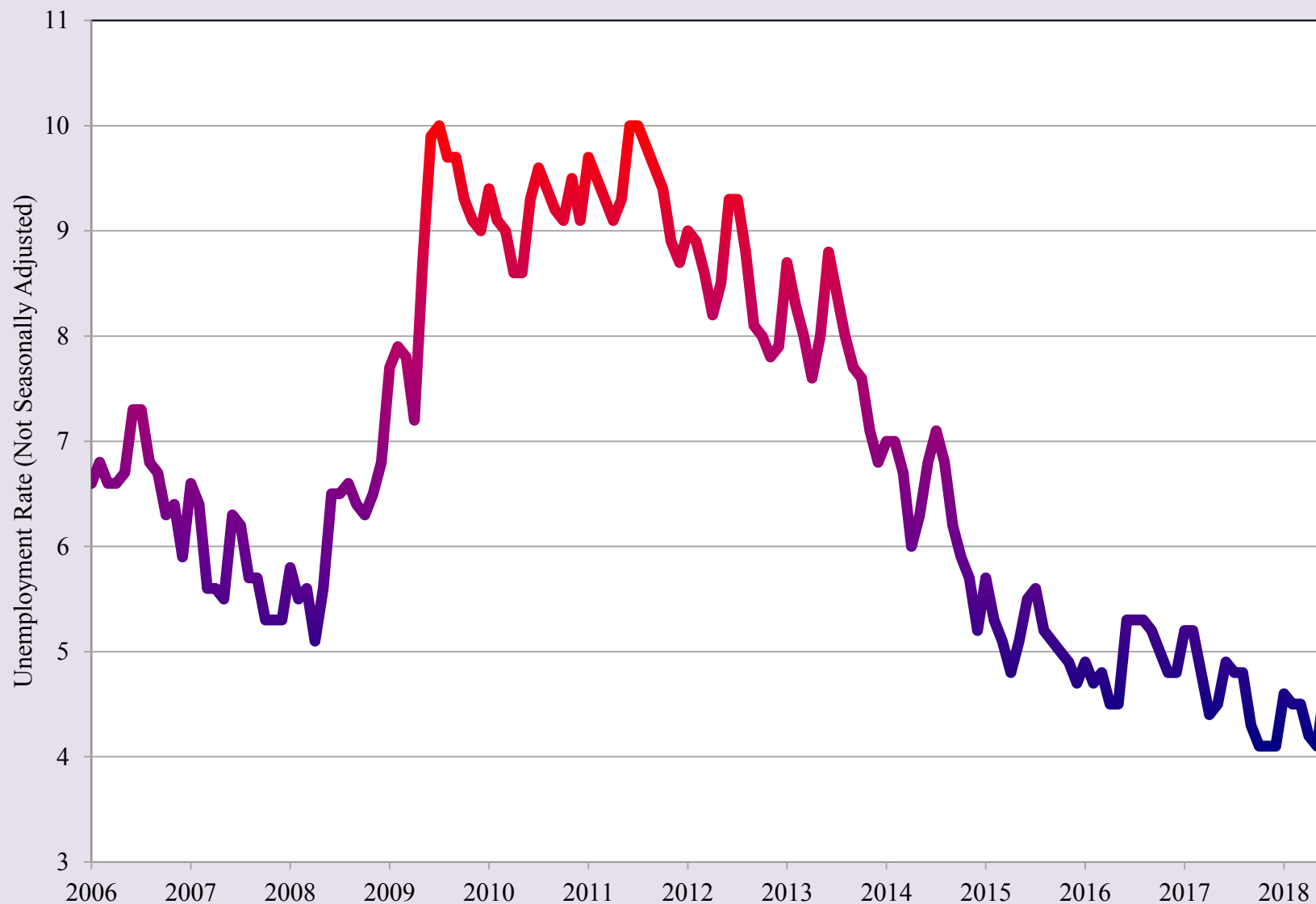
El Paso County Unemployment Rate

— 2017 — 2018



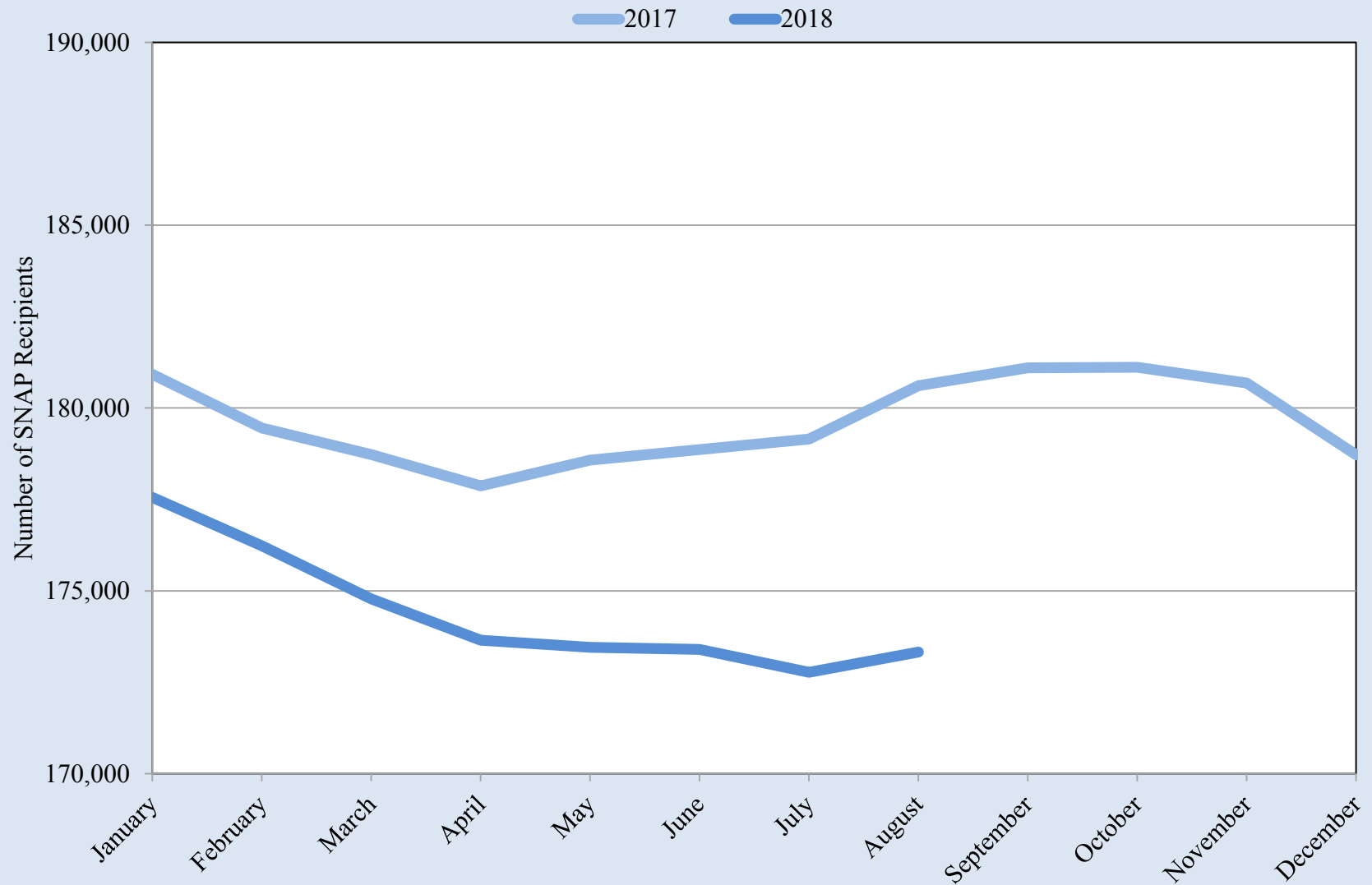
Source: Bureau of Labor Statistics

El Paso County Unemployment Rate



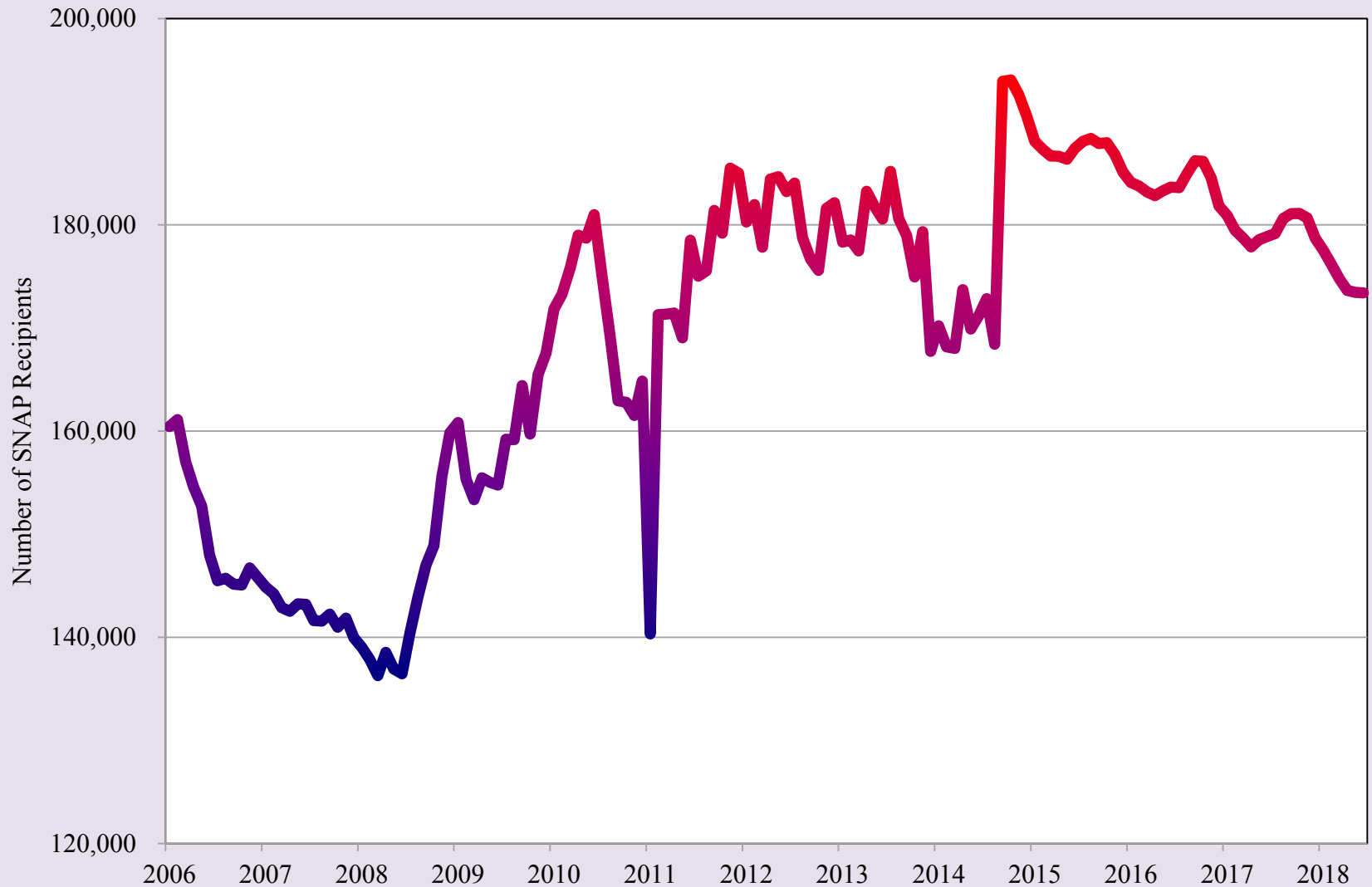
Source: Bureau of Labor Statistics

El Paso County SNAP (Food Stamp) Enrollment



Source: Texas Health and Human Services Commission

El Paso County SNAP (Food Stamp) Enrollment

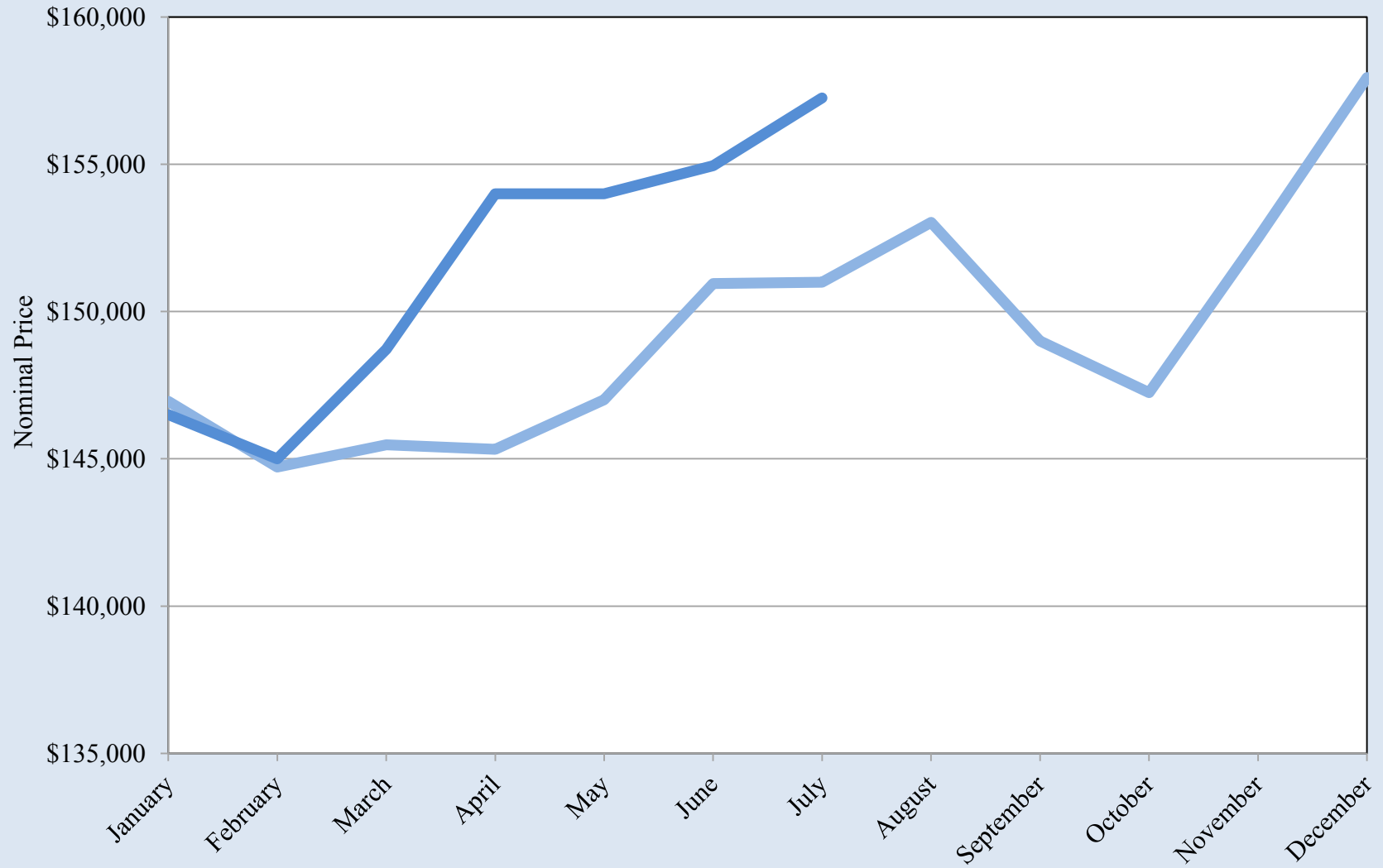


Starting in September, 2014, the number of SNAP recipients is recorded for the end of each month.

Source: Texas Health and Human Services Commission

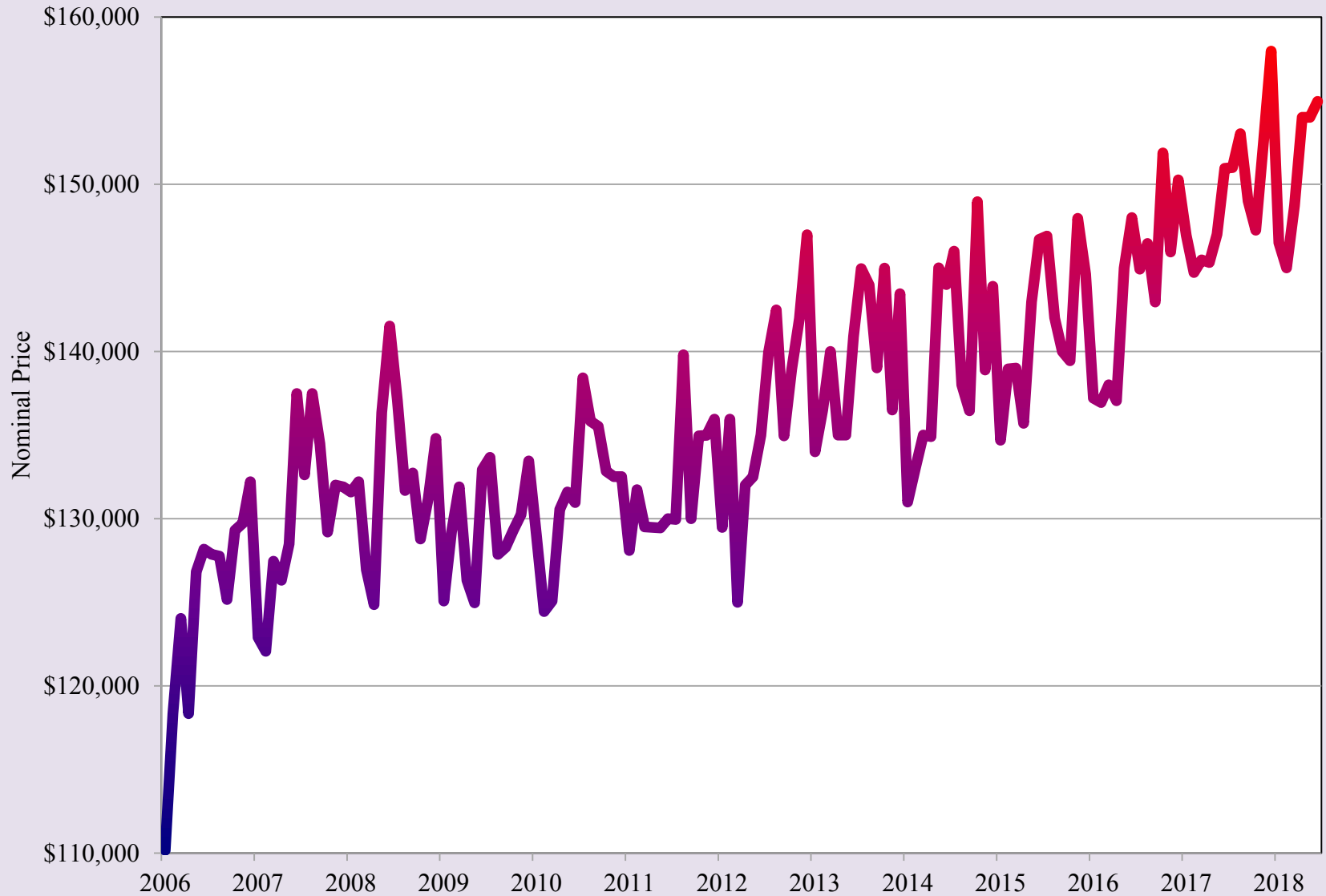
El Paso Median Housing Prices

— 2017 — 2018

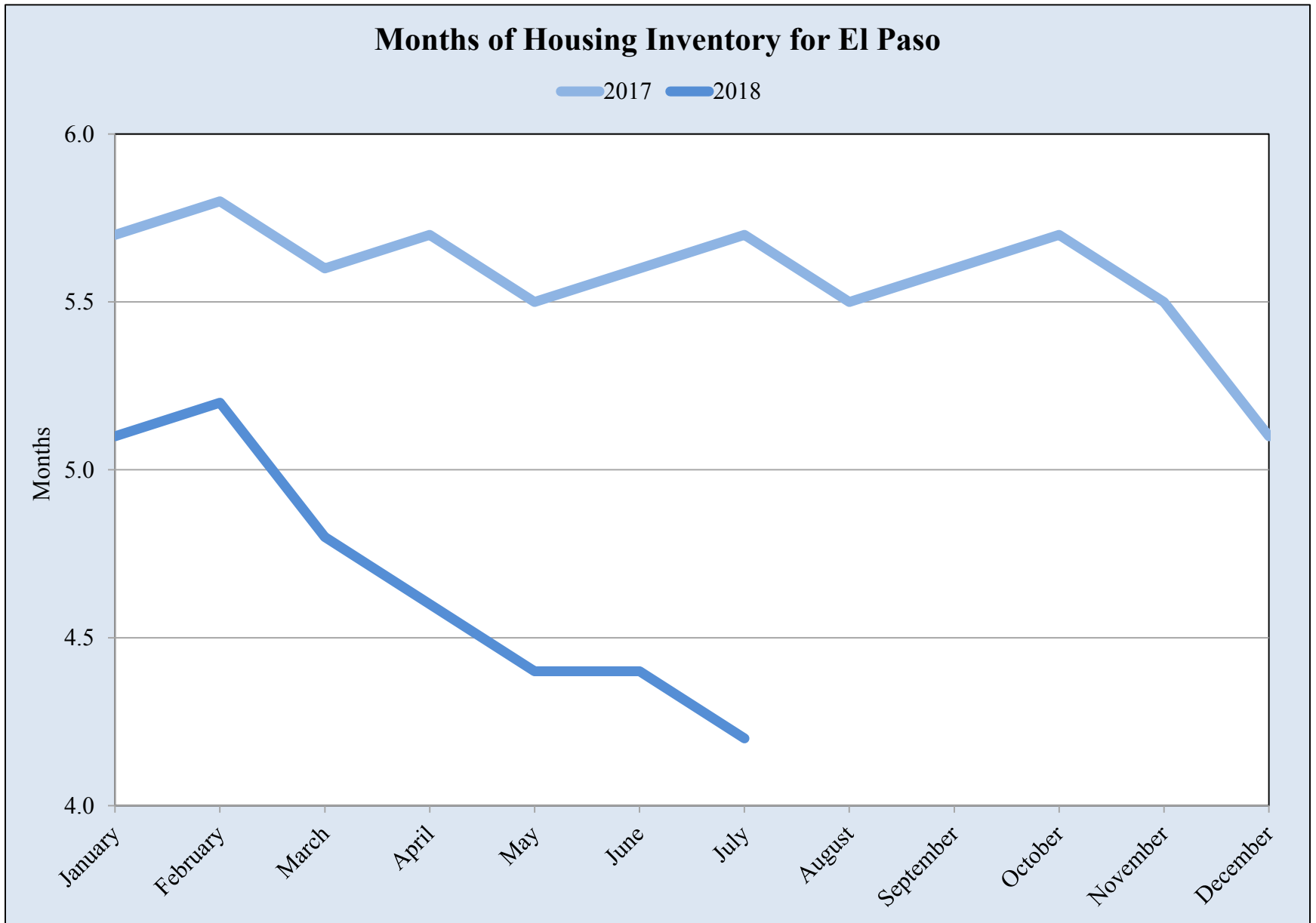


Source: Texas A&M Real Estate Center

El Paso Median Housing Prices

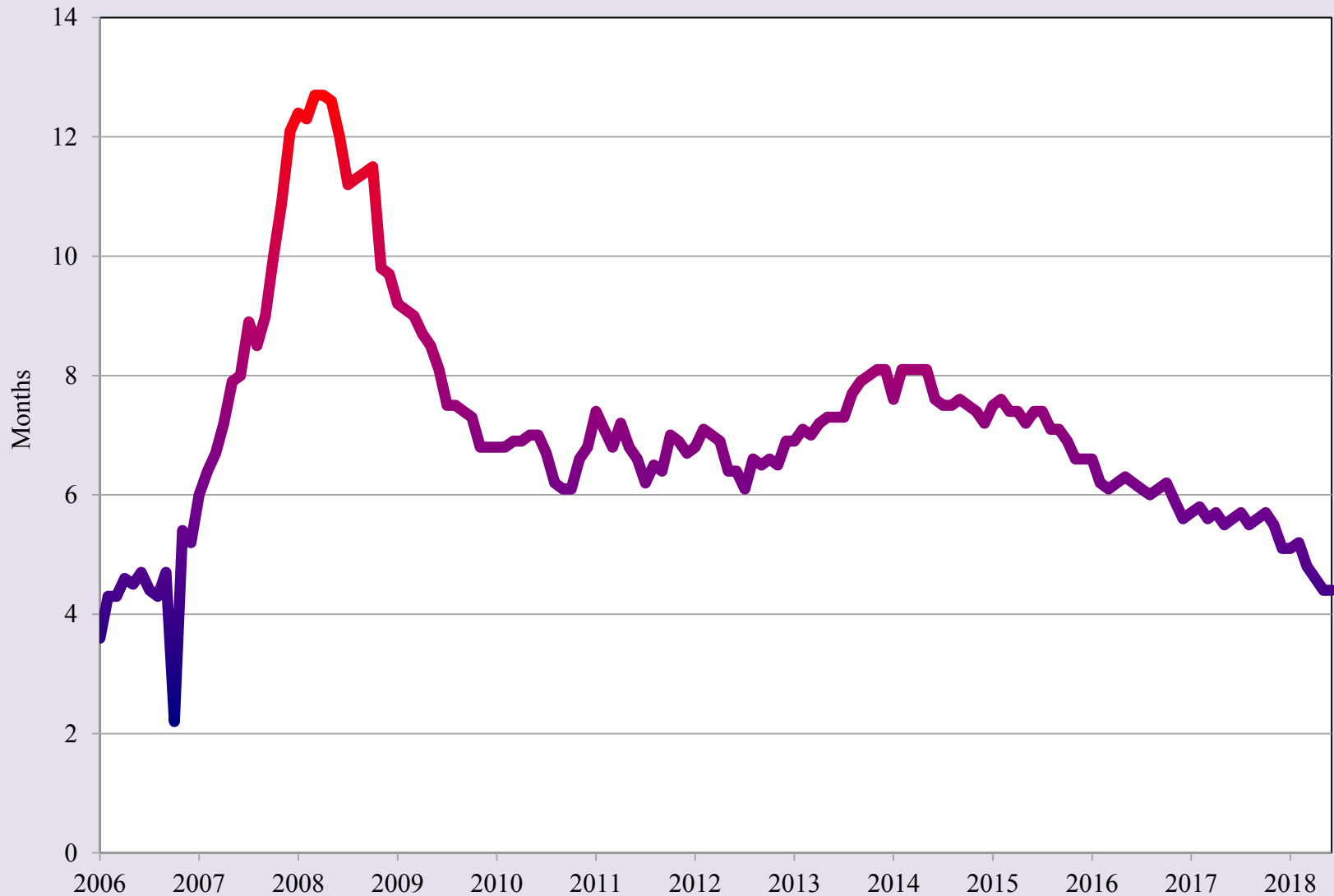


Source: Texas A&M Real Estate Center



Source: Texas A&M Real Estate Center

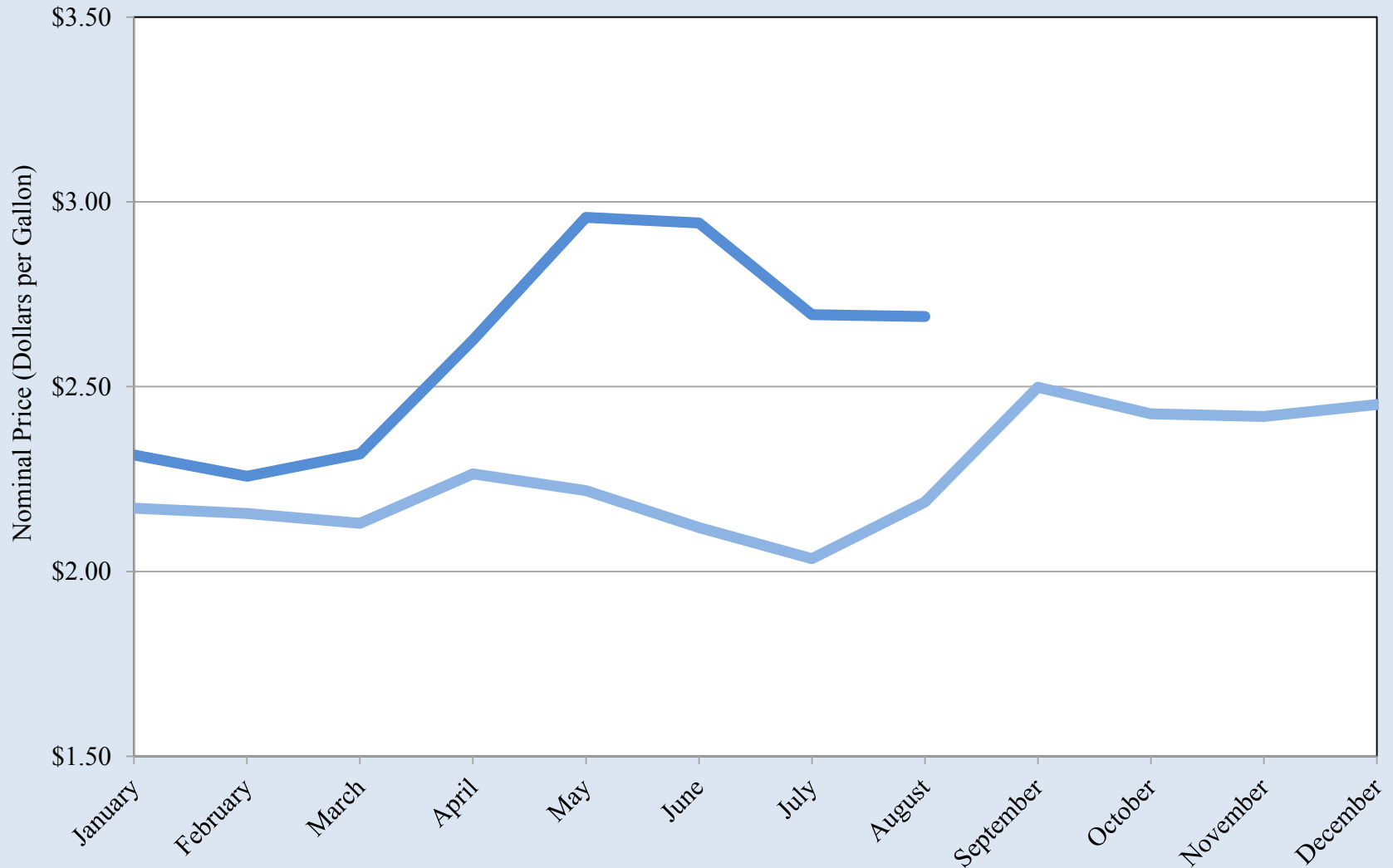
Months of Housing Inventory for El Paso



Source: Texas A&M Real Estate Center

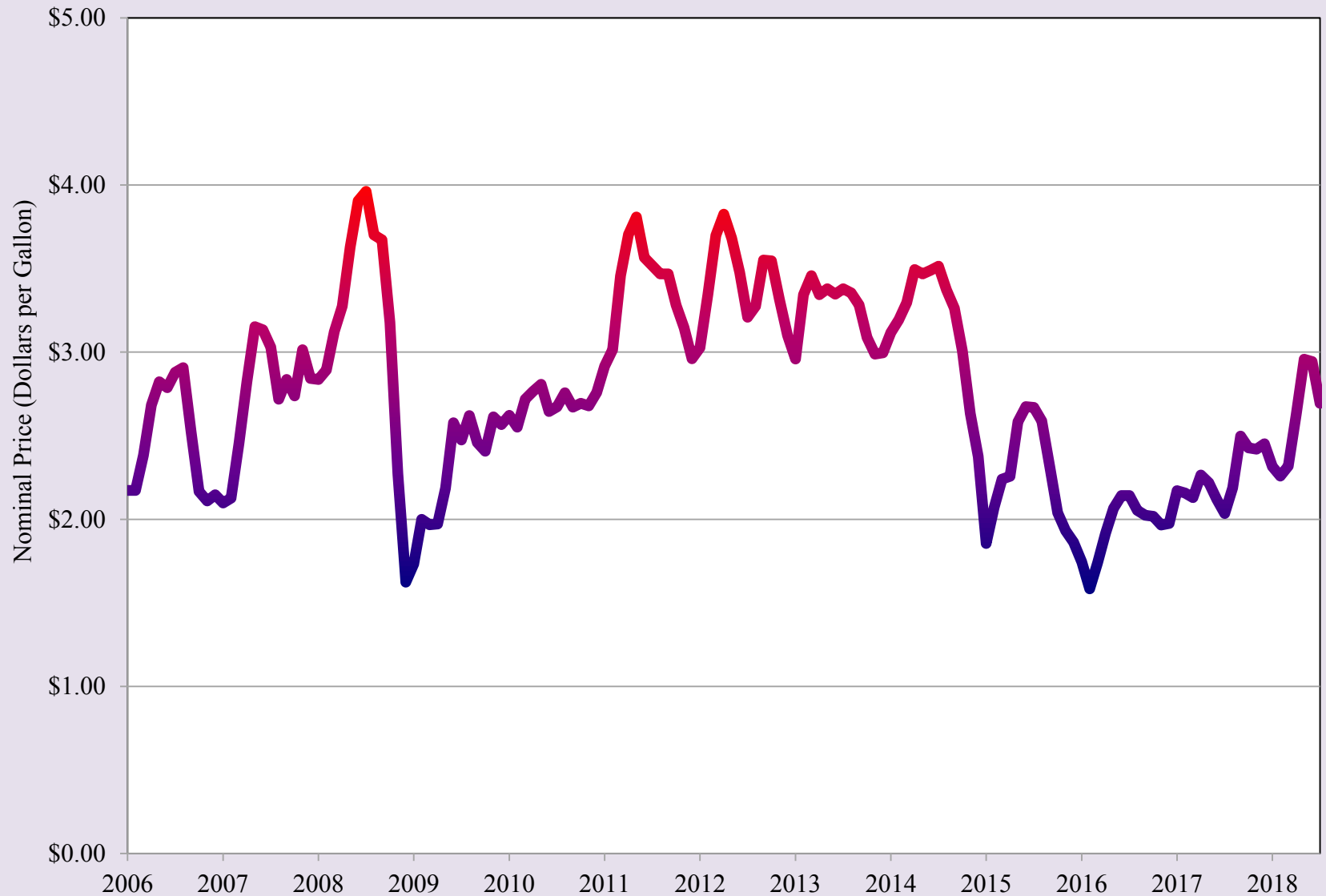
El Paso Gasoline Prices

2017 2018



Source: GasBuddy.com

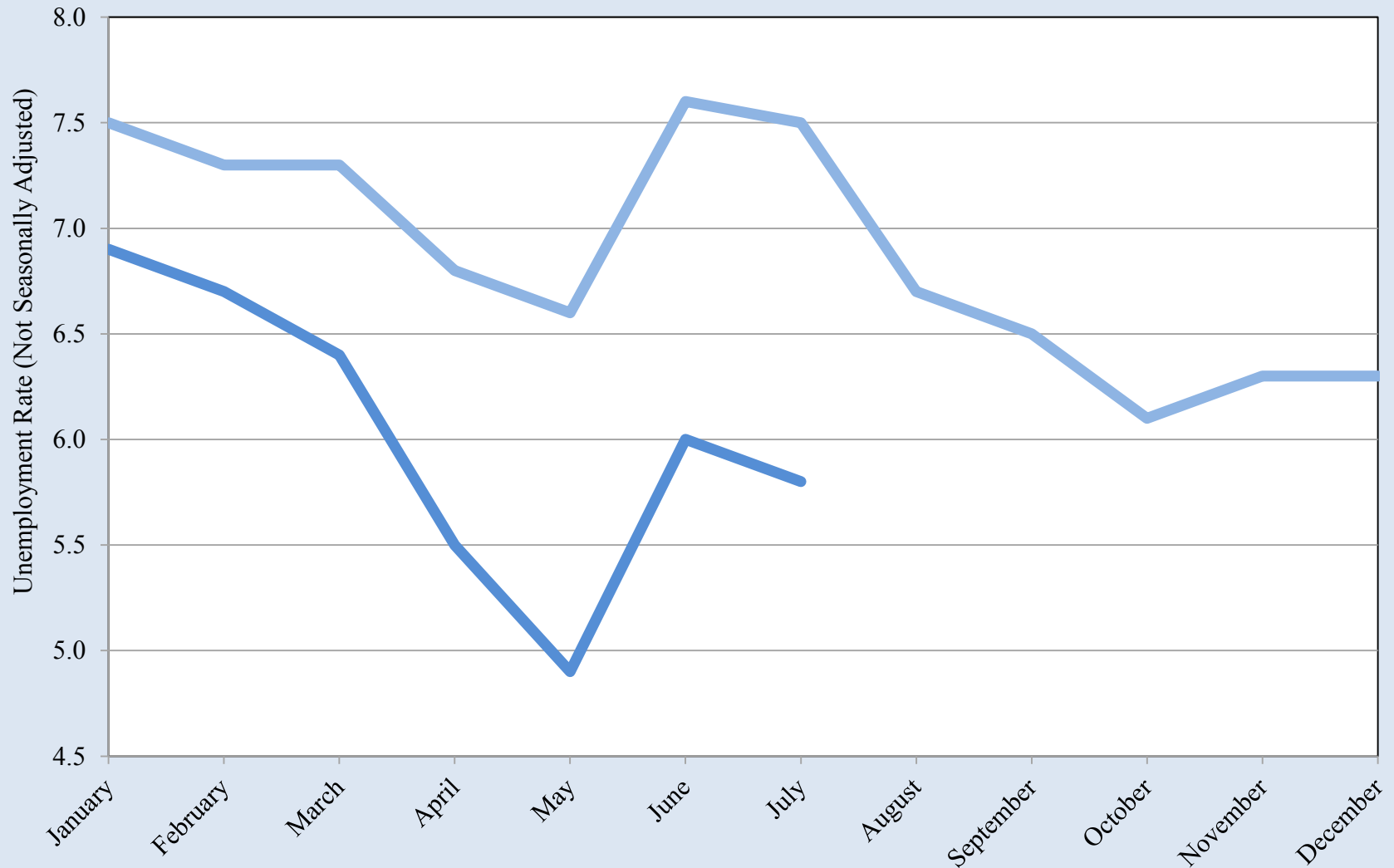
El Paso Gasoline Prices



Source: GasBuddy.com

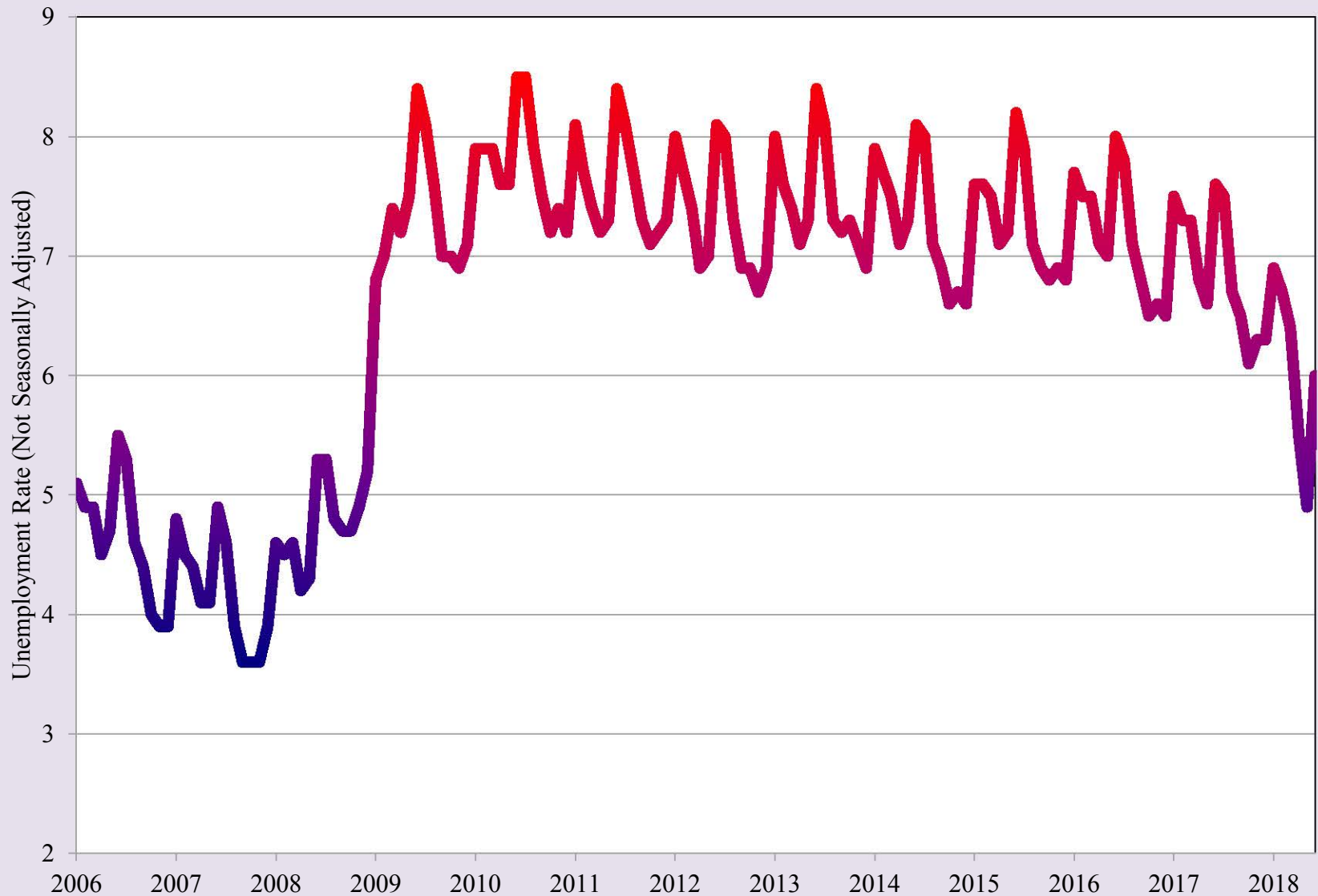
Doña Ana County Unemployment Rate

— 2017 — 2018



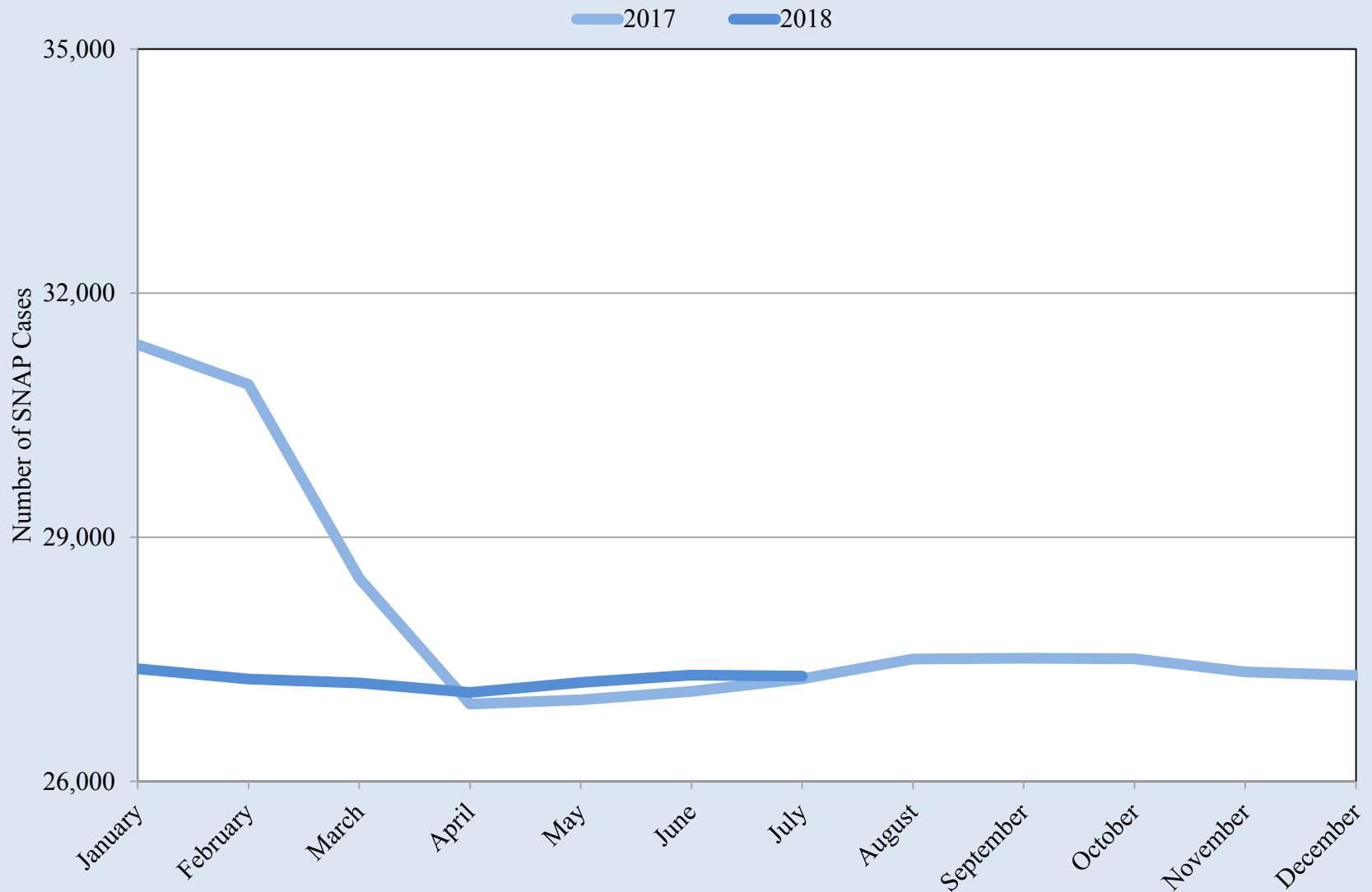
Source: Bureau of Labor Statistics

Doña Ana County Unemployment Rate



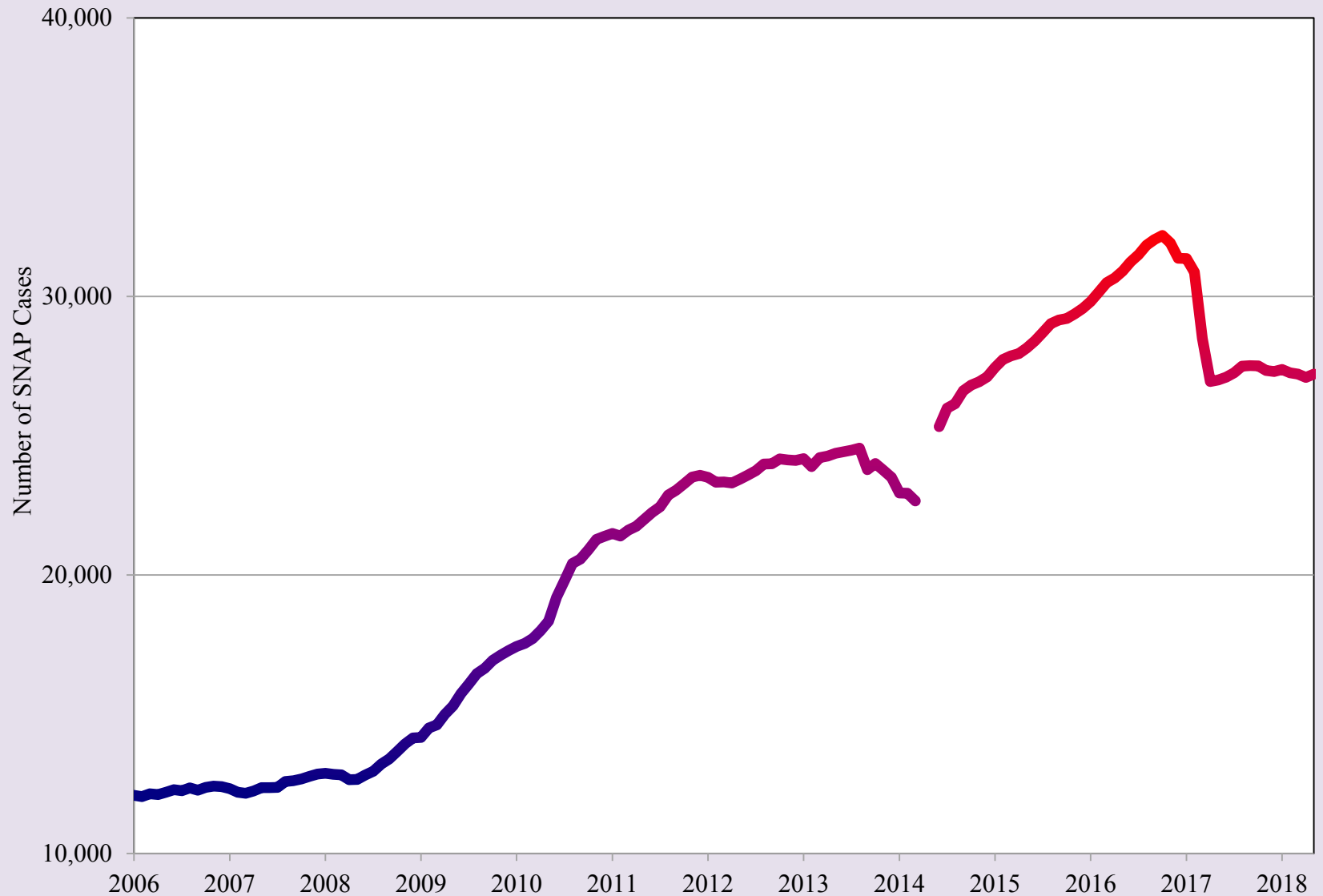
Source: Bureau of Labor Statistics

Las Cruces Area SNAP (Food Stamp) Cases



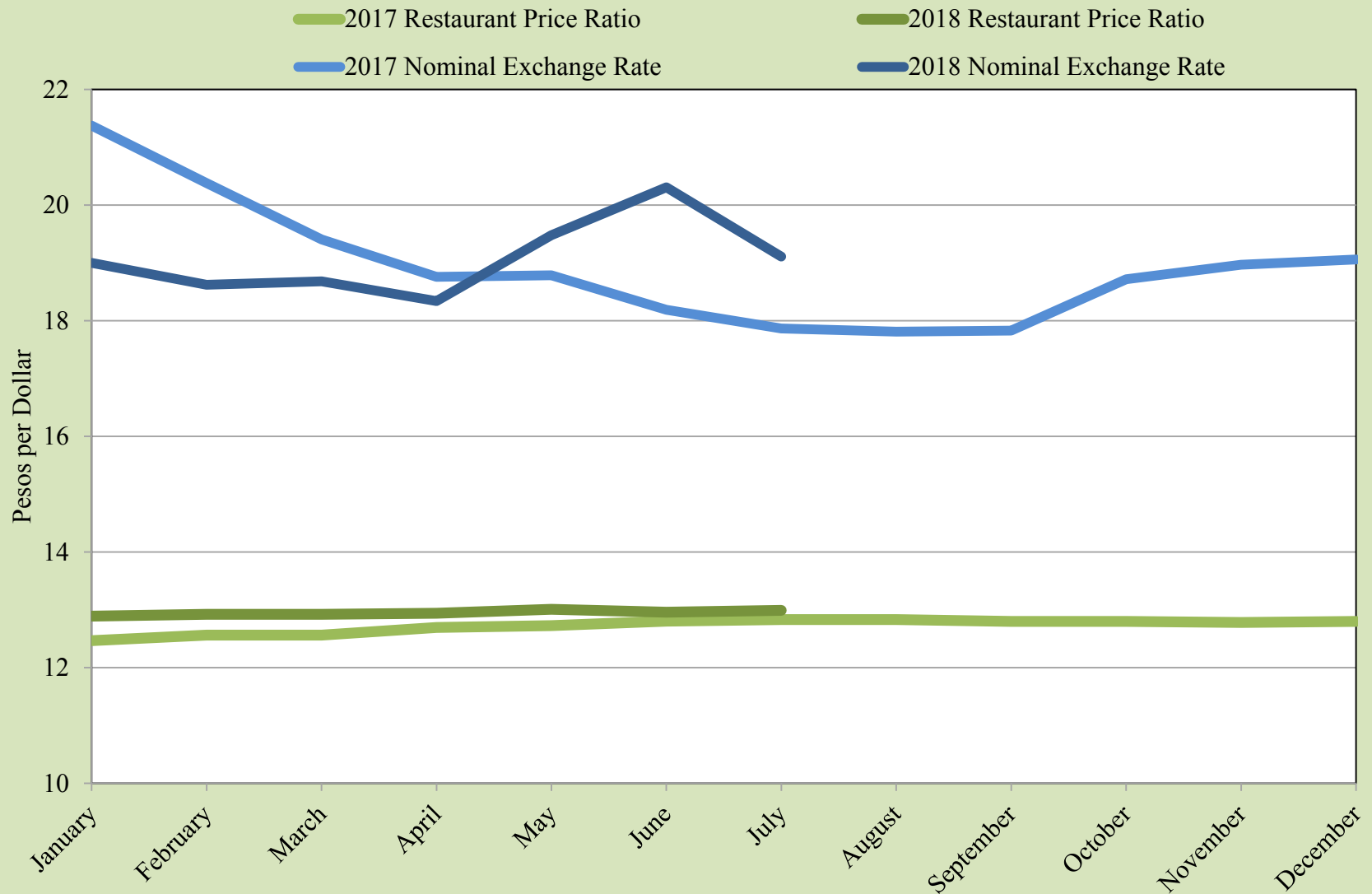
Source: New Mexico Human Services Department

Las Cruces Area SNAP (Food Stamp) Cases



Source: New Mexico Human Services Department

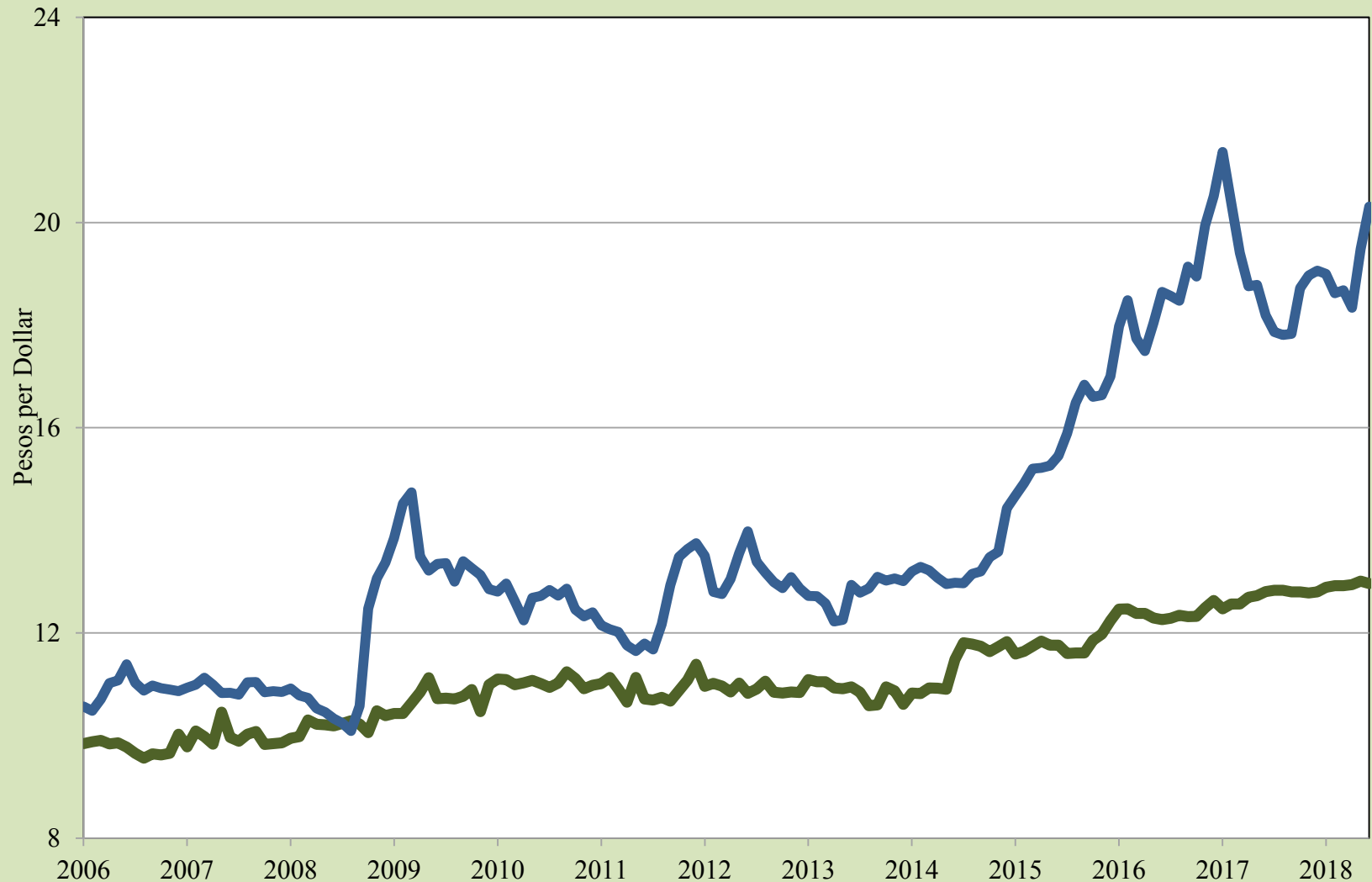
Restaurant Price Ratio and Exchange Rate



Source: UTEP Border Region Modeling Project and Banco de Mexico

Restaurant Price Ratio and Exchange Rate

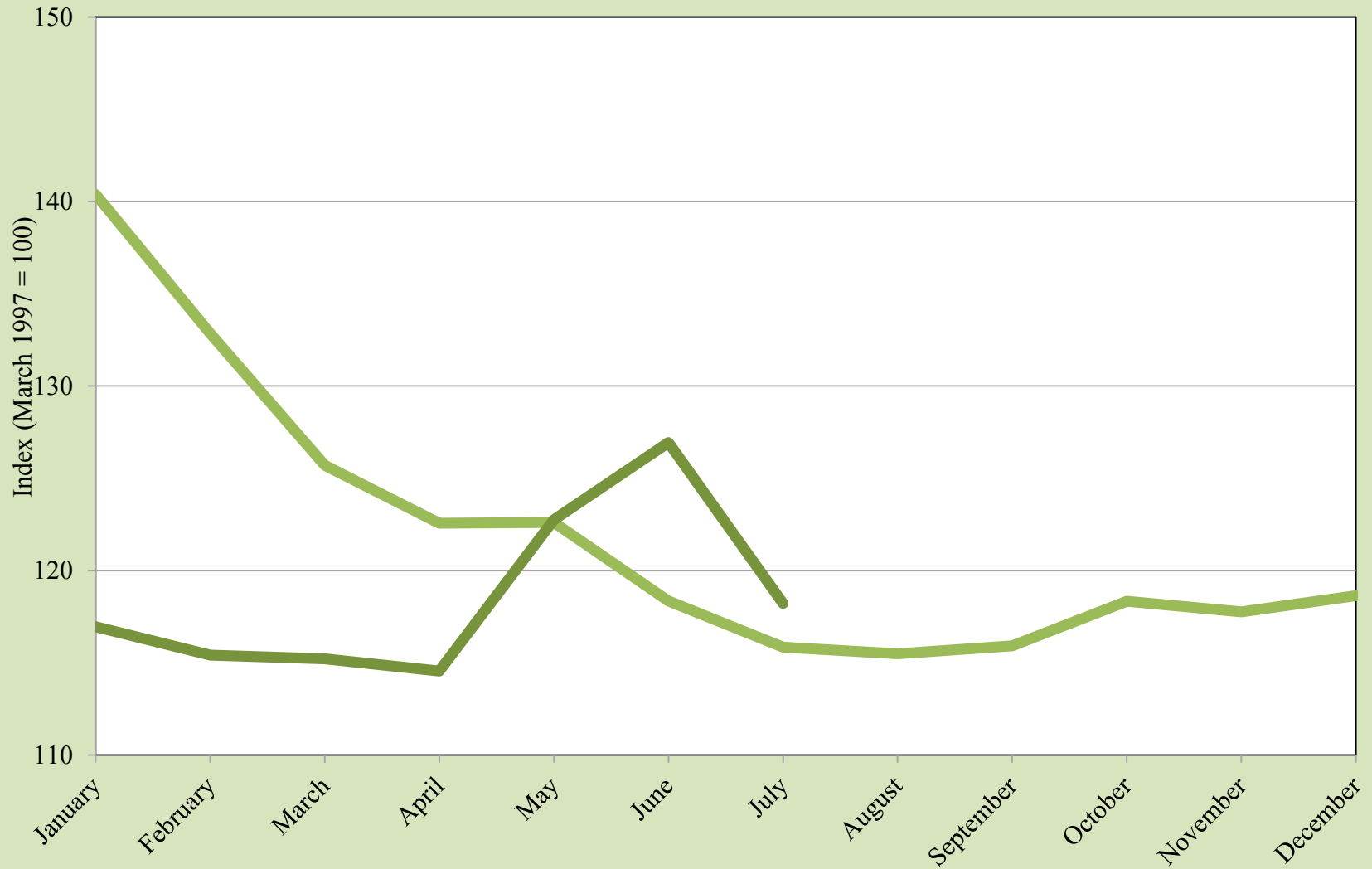
Price Ratio Exchange Rate



Source: UTEP Border Region Modeling Project and Banco de Mexico

Real Peso-per-Dollar Exchange Rate Index

— 2017 — 2018



Source: UTEP Border Region Modeling Project

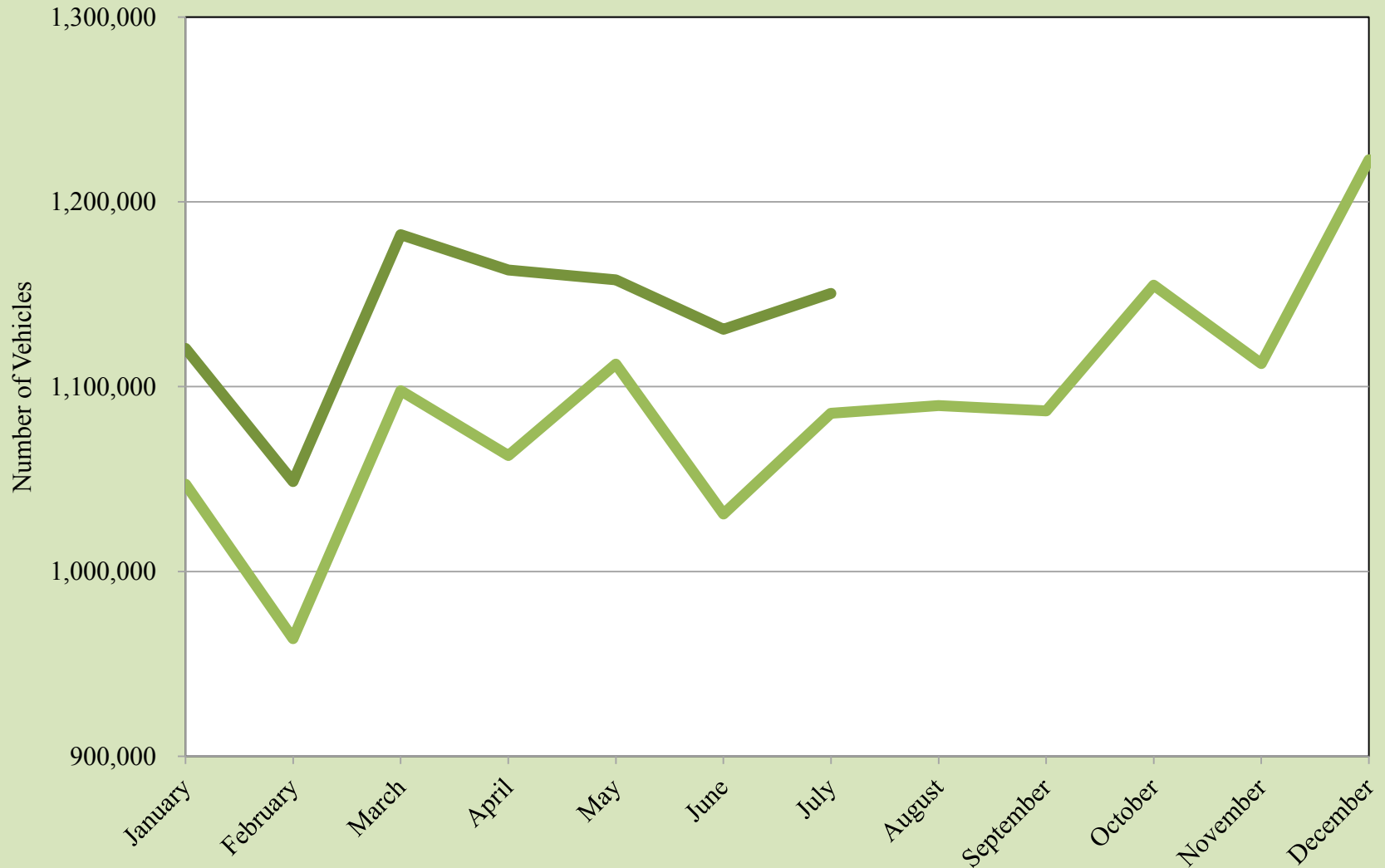
Real Peso-per-Dollar Exchange Rate Index



Source: UTEP Border Region Modeling Project

Personal Vehicle International Bridge Crossings to El Paso

2017 2018



Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection

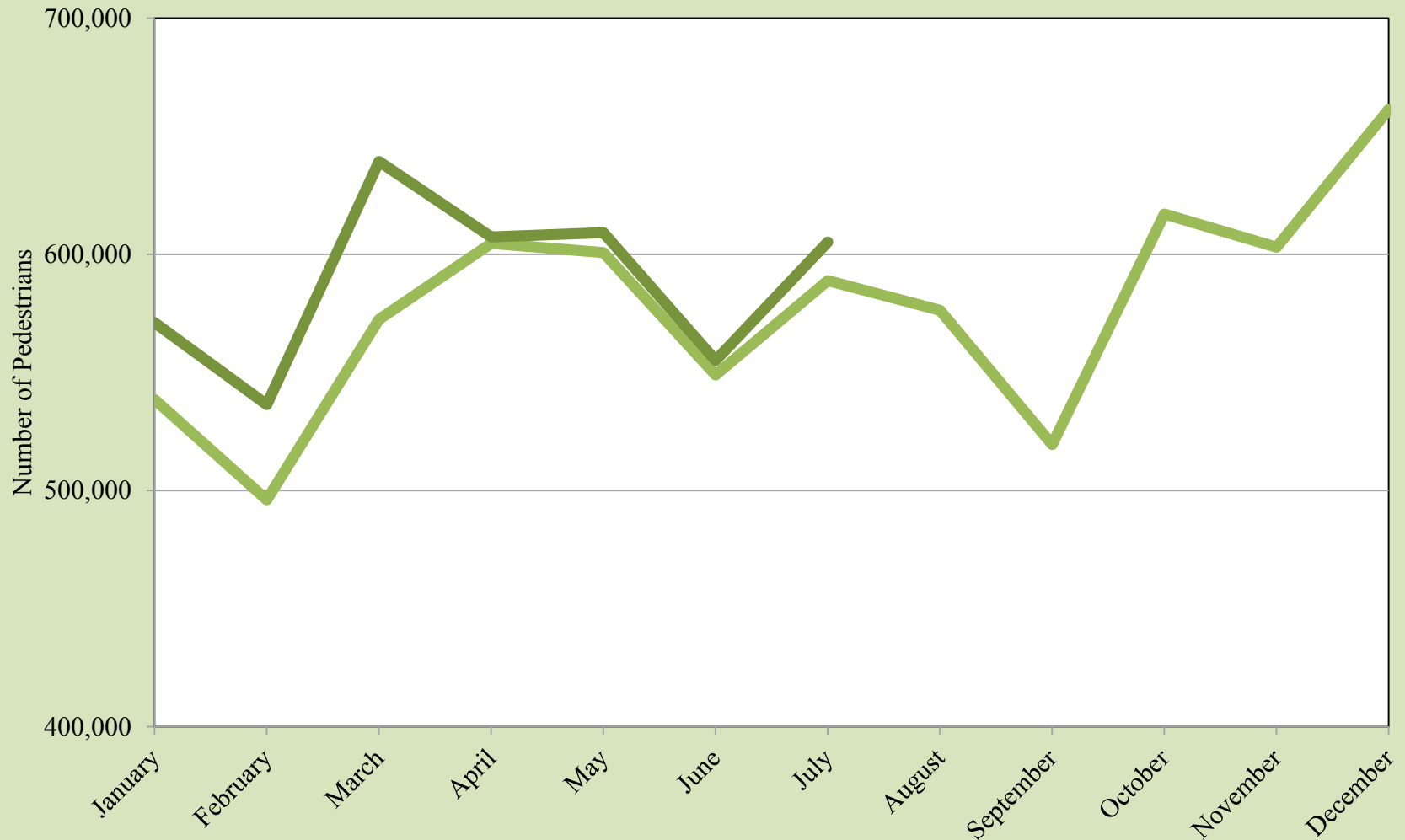
Personal Vehicle International Bridge Crossings to El Paso



Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection

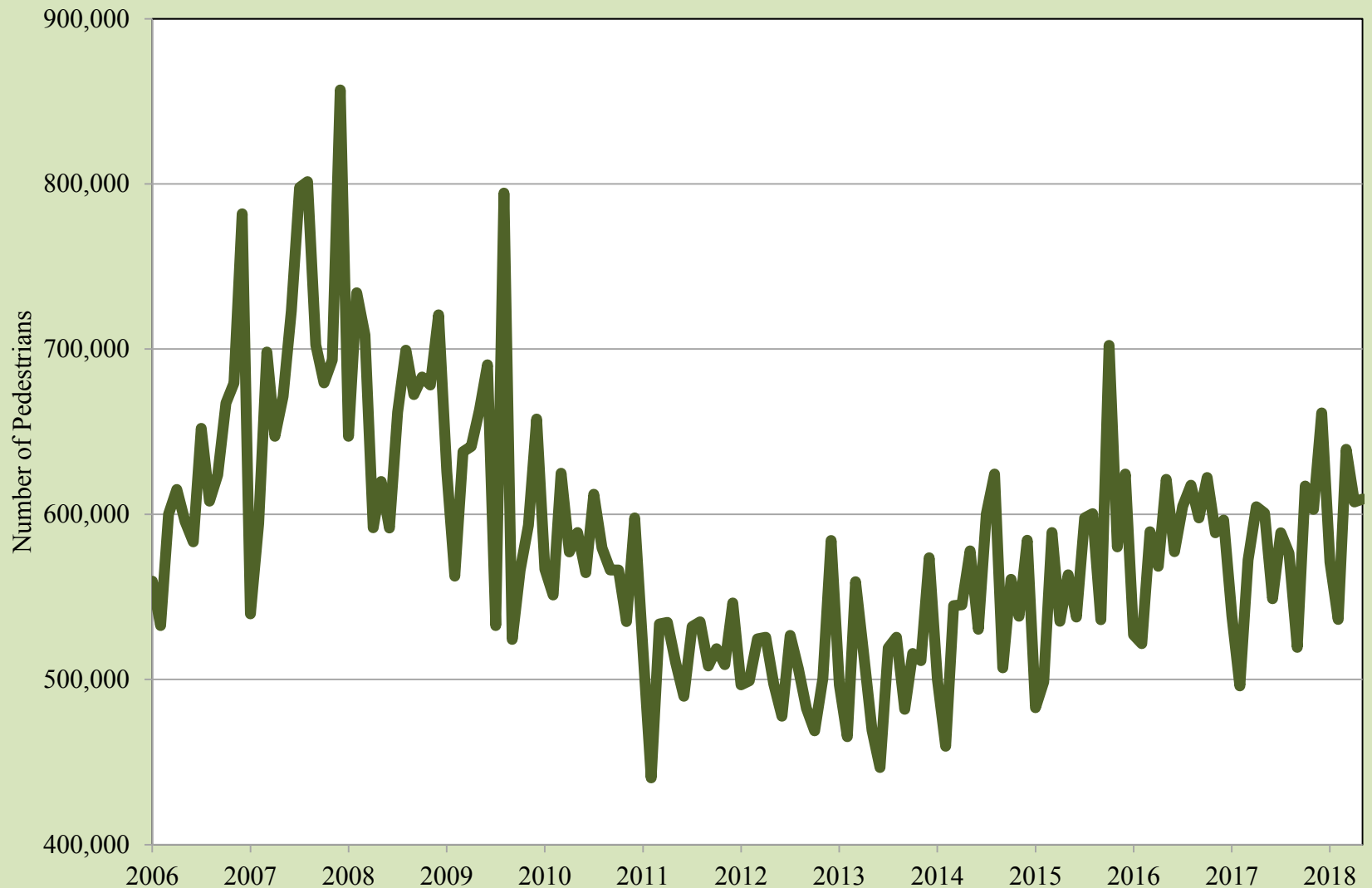
Pedestrian International Bridge Crossings to El Paso

2017 2018



Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection

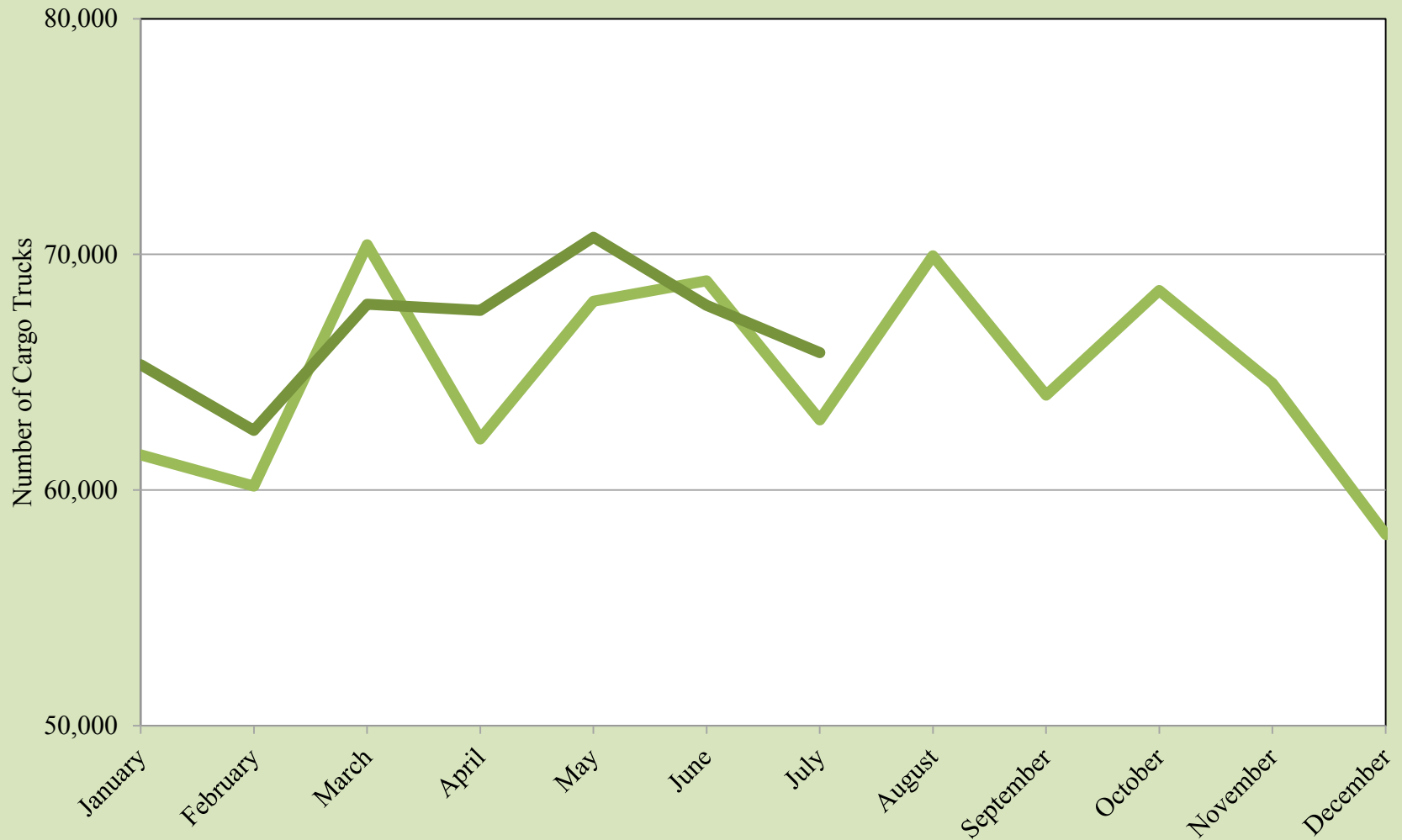
Pedestrian International Bridge Crossings to El Paso



Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection

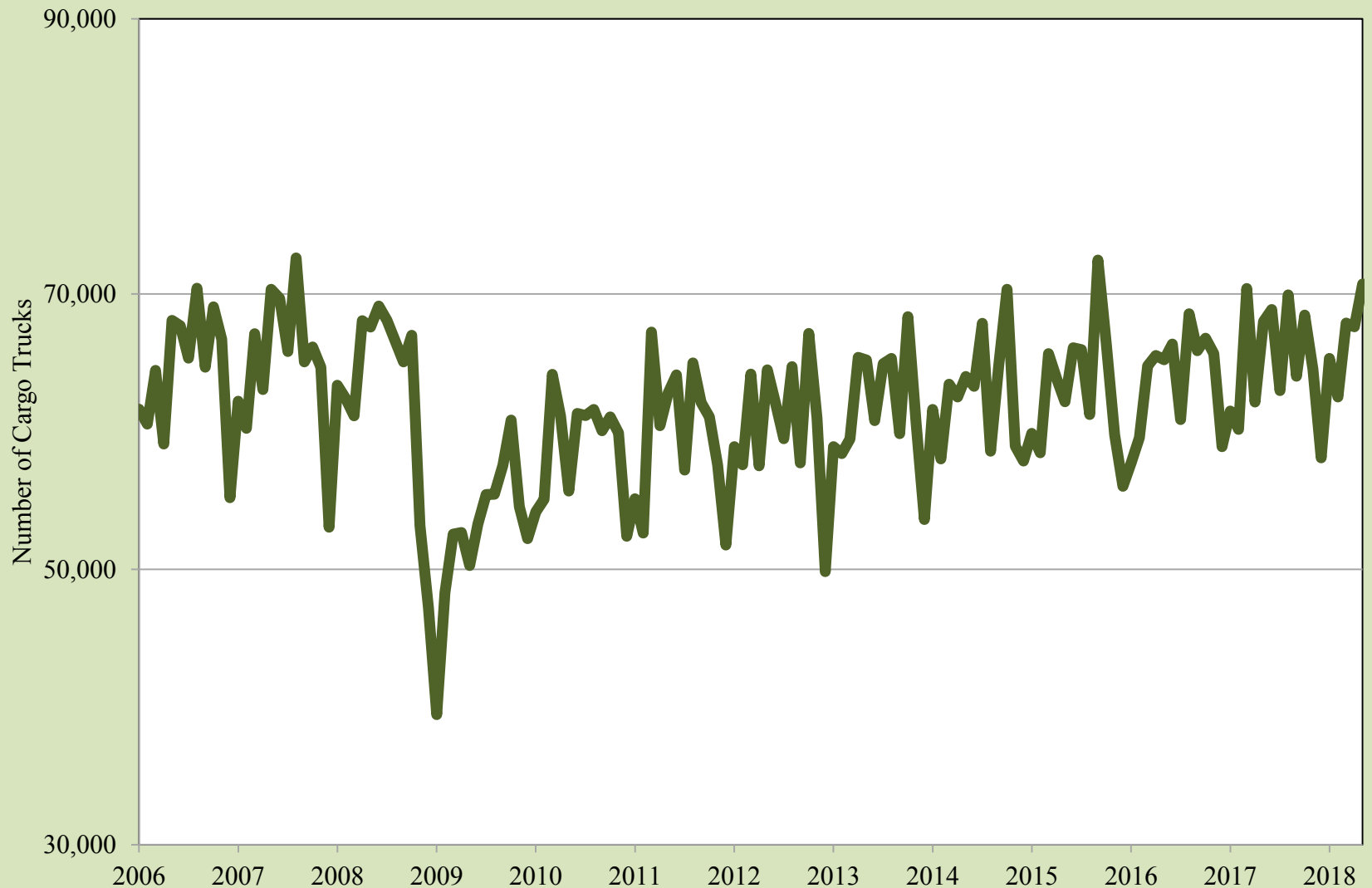
Cargo Truck International Bridge Crossings to El Paso

2017 2018



Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection

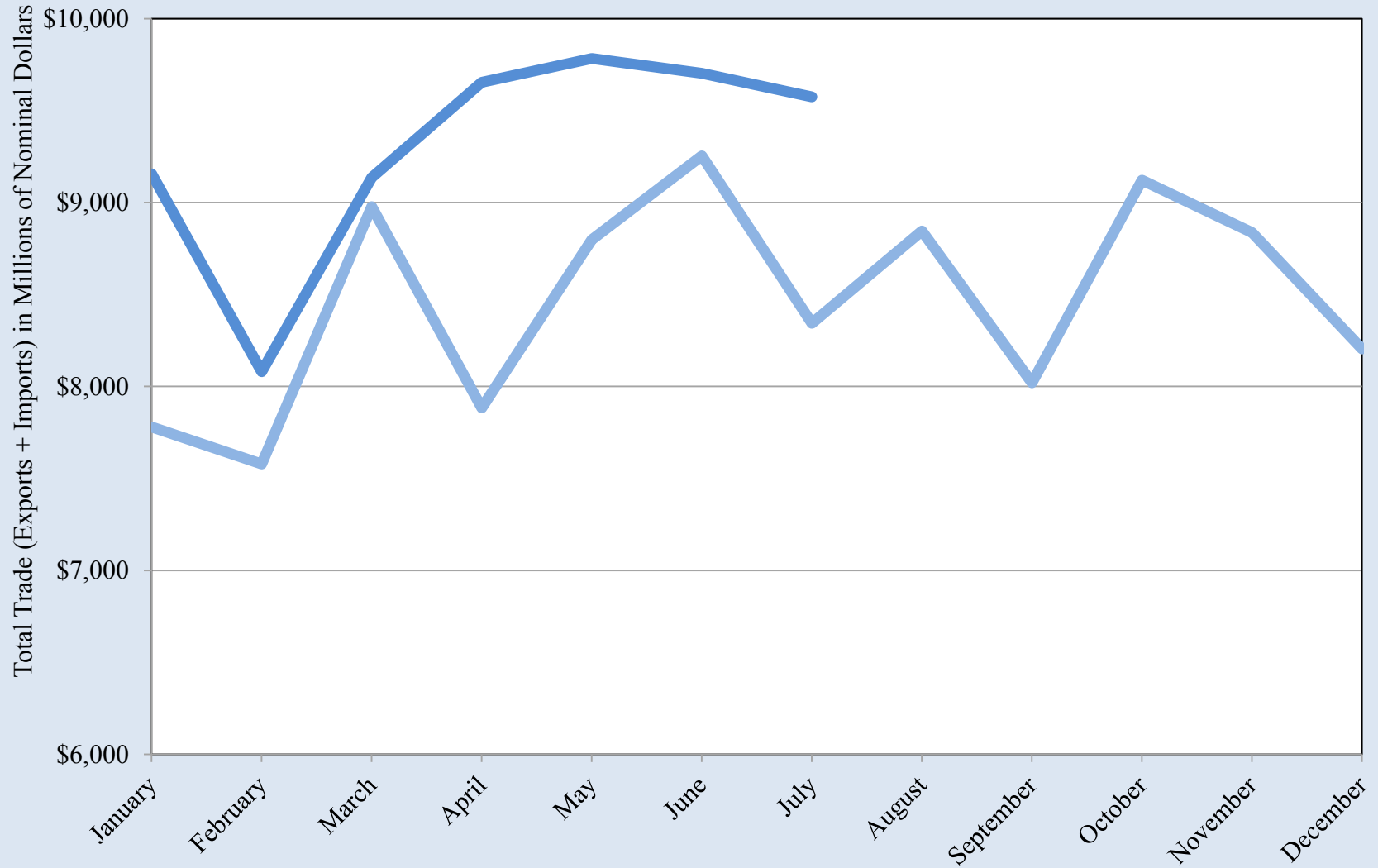
Cargo Truck International Bridge Crossings to El Paso



Source: Bureau of Transportation Statistics and U.S. Customs and Border Protection

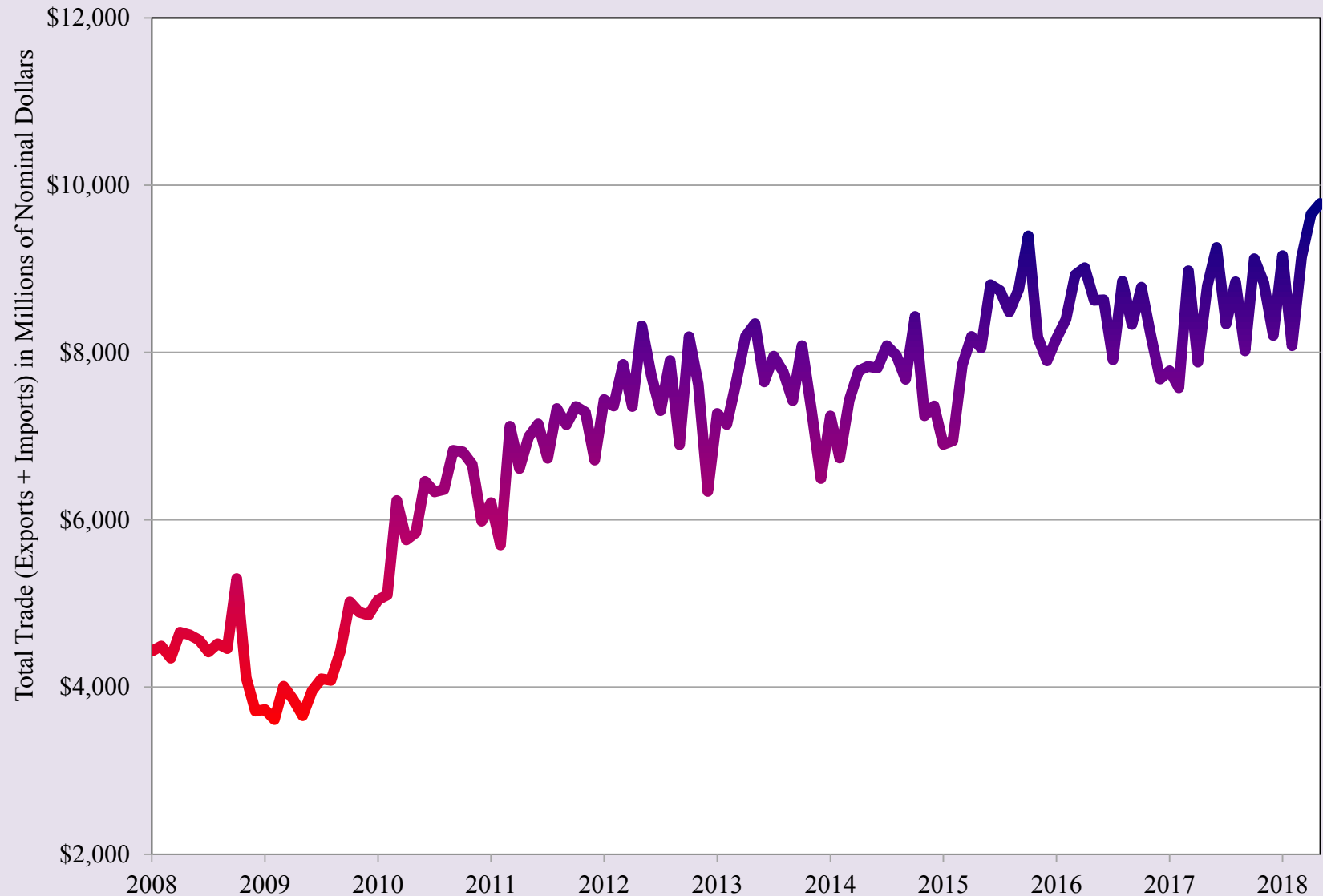
Total Trade through the El Paso Customs District

— 2017 — 2018



Source: U.S. International Trade Commission

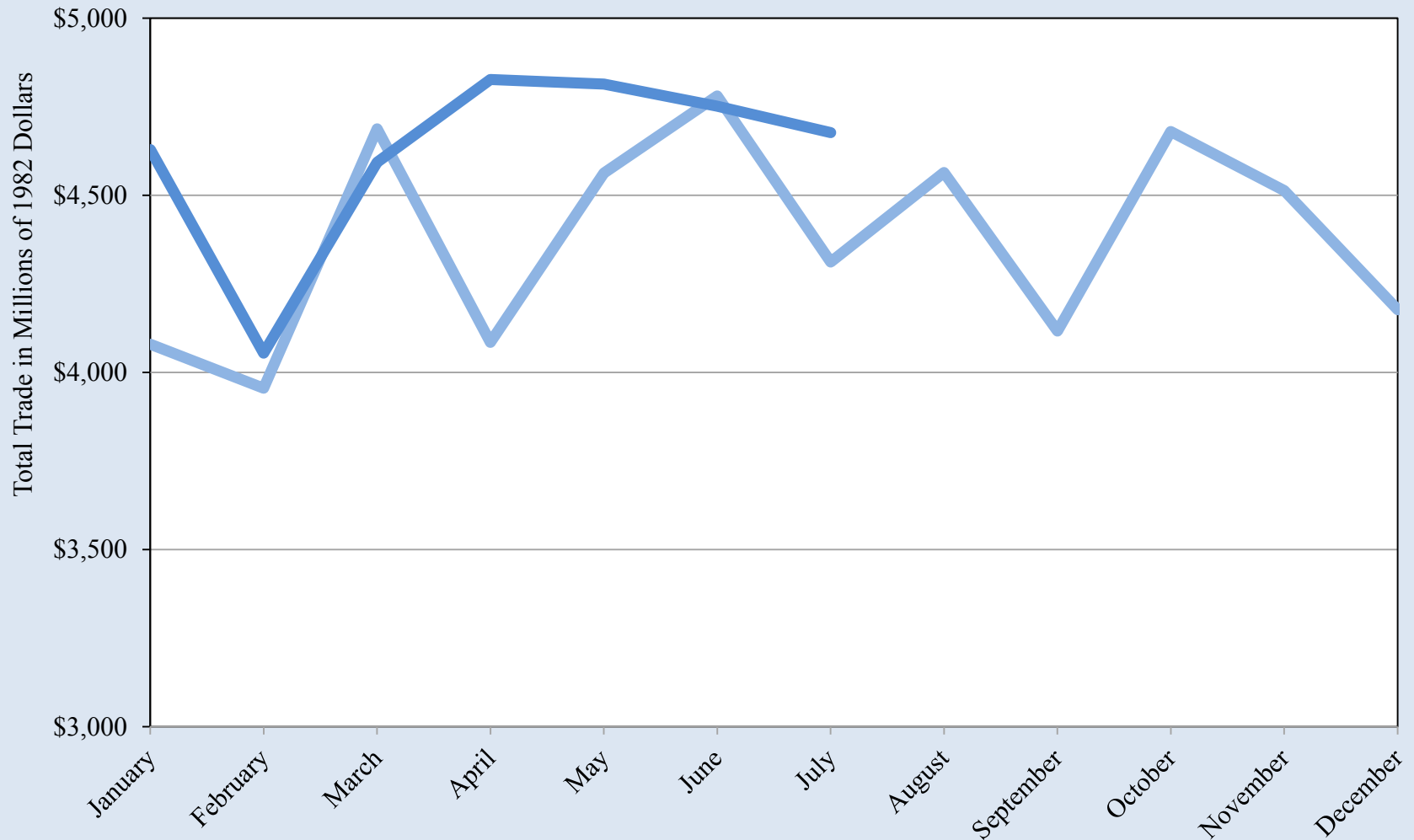
Total Trade through the El Paso Customs District



Source: U.S. International Trade Commission

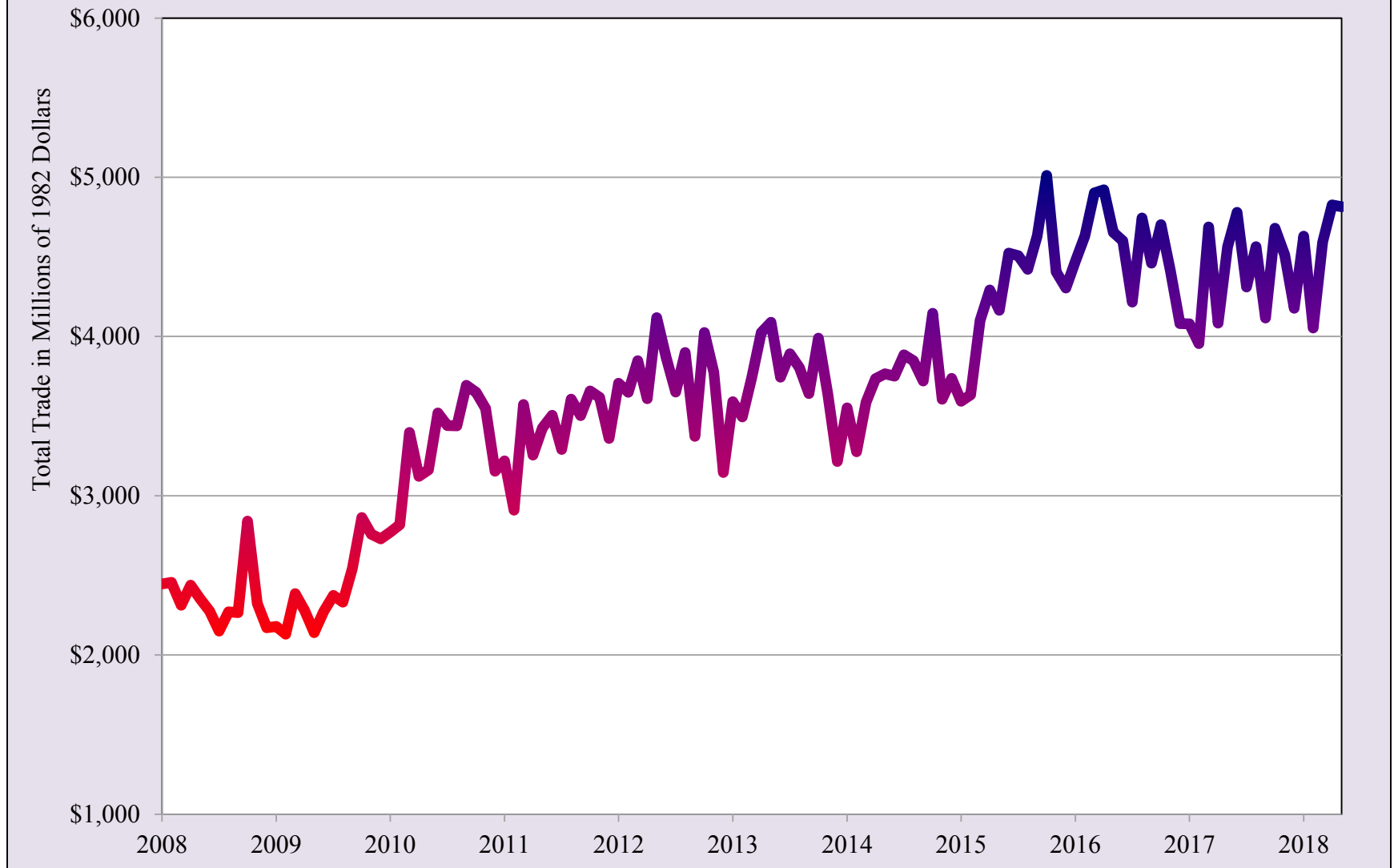
Real Total Trade through the El Paso Customs District

2017 2018



Source: U.S. International Trade Commission and Bureau of Labor Statistics

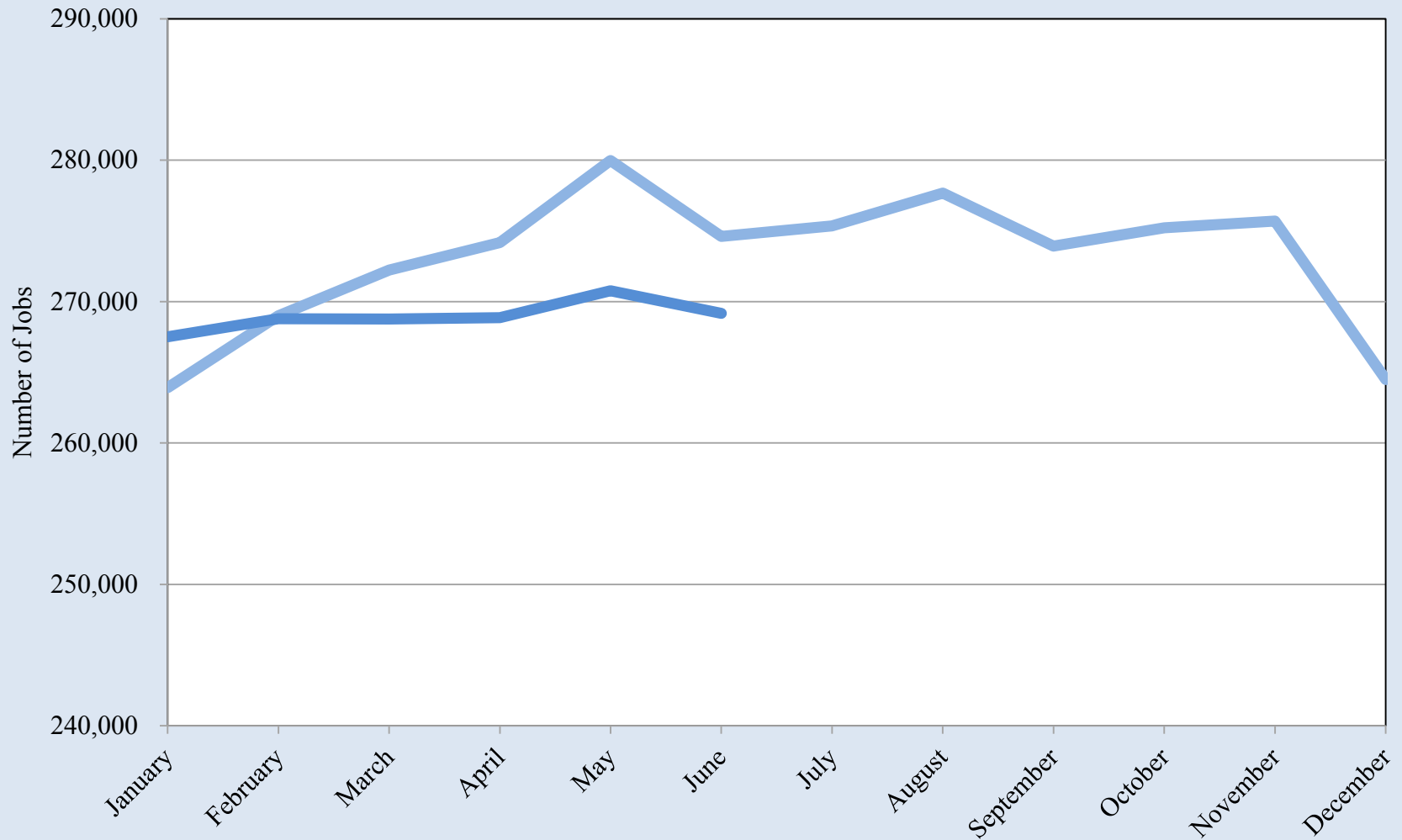
Real Total Trade through the El Paso Customs District



Source: U.S. International Trade Commission and Bureau of Labor Statistics

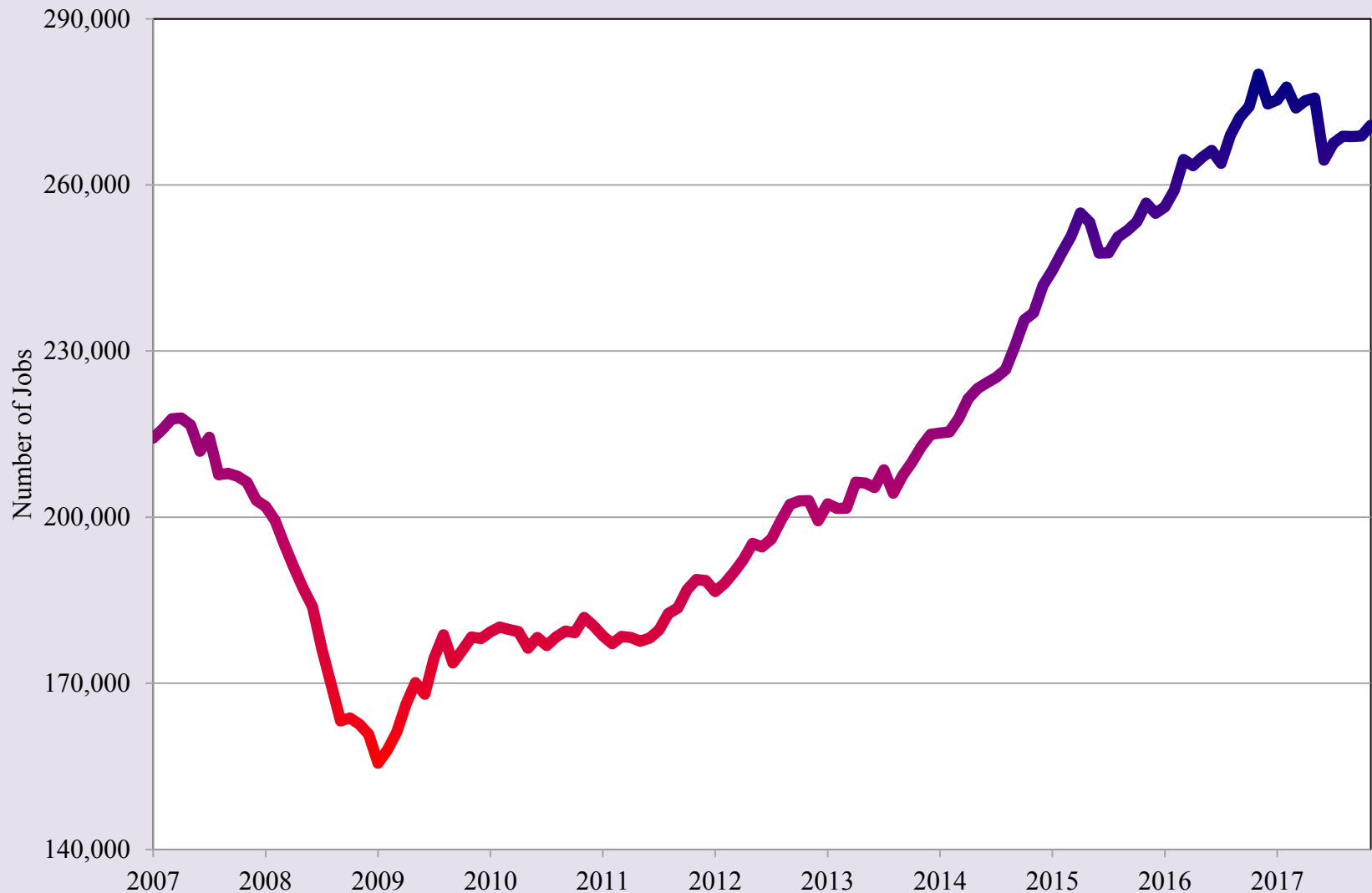
Export-Oriented Manufacturing Employment in Ciudad Juárez

2017 2018



Source: INEGI

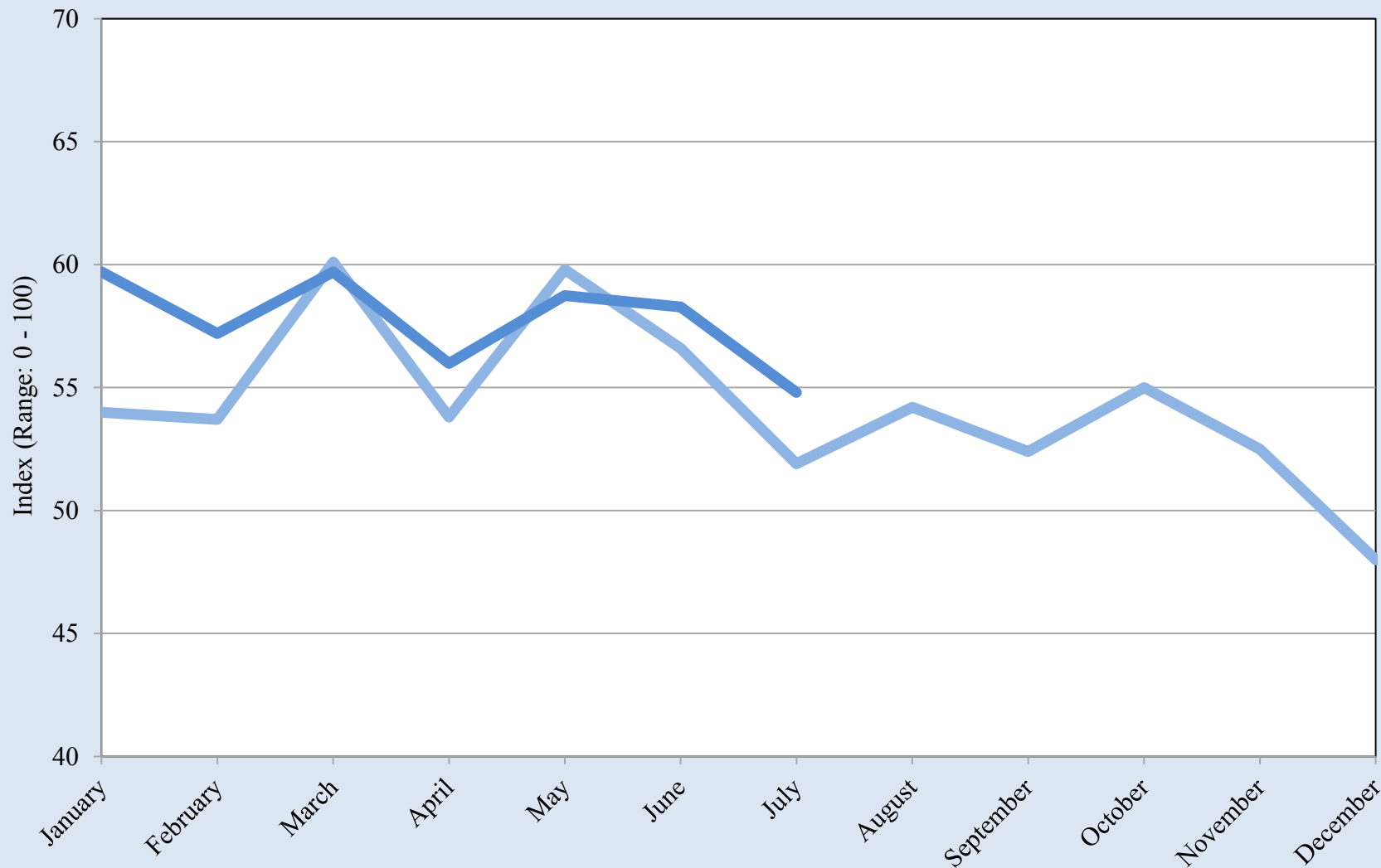
Export-Oriented Manufacturing Employment in Ciudad Juárez



Source: INEGI

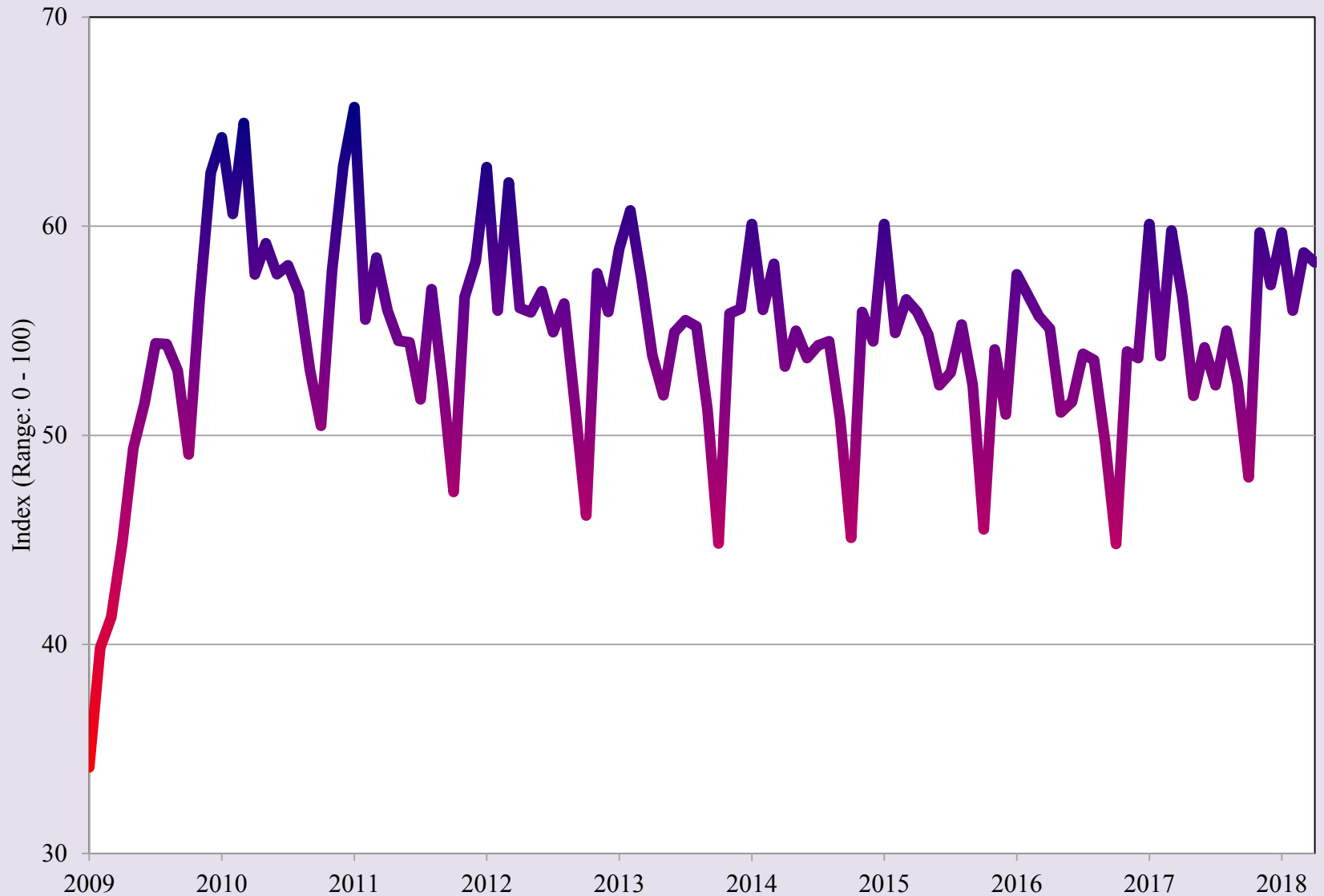
Northern Mexico Manufacturing Orders Index

— 2017 — 2018



Source: Banco de México

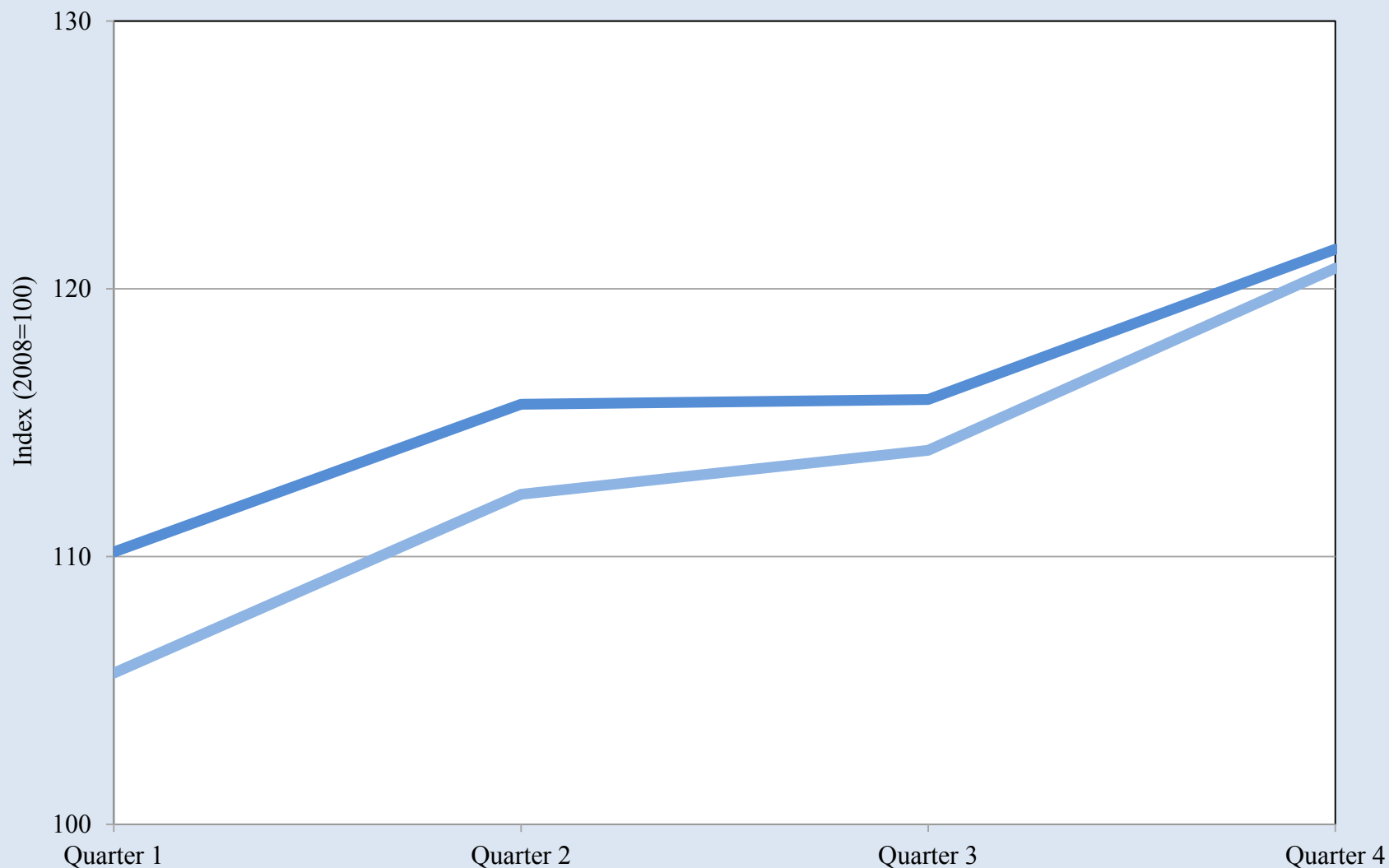
Northern Mexico Manufacturing Orders Index



Source: Banco de México

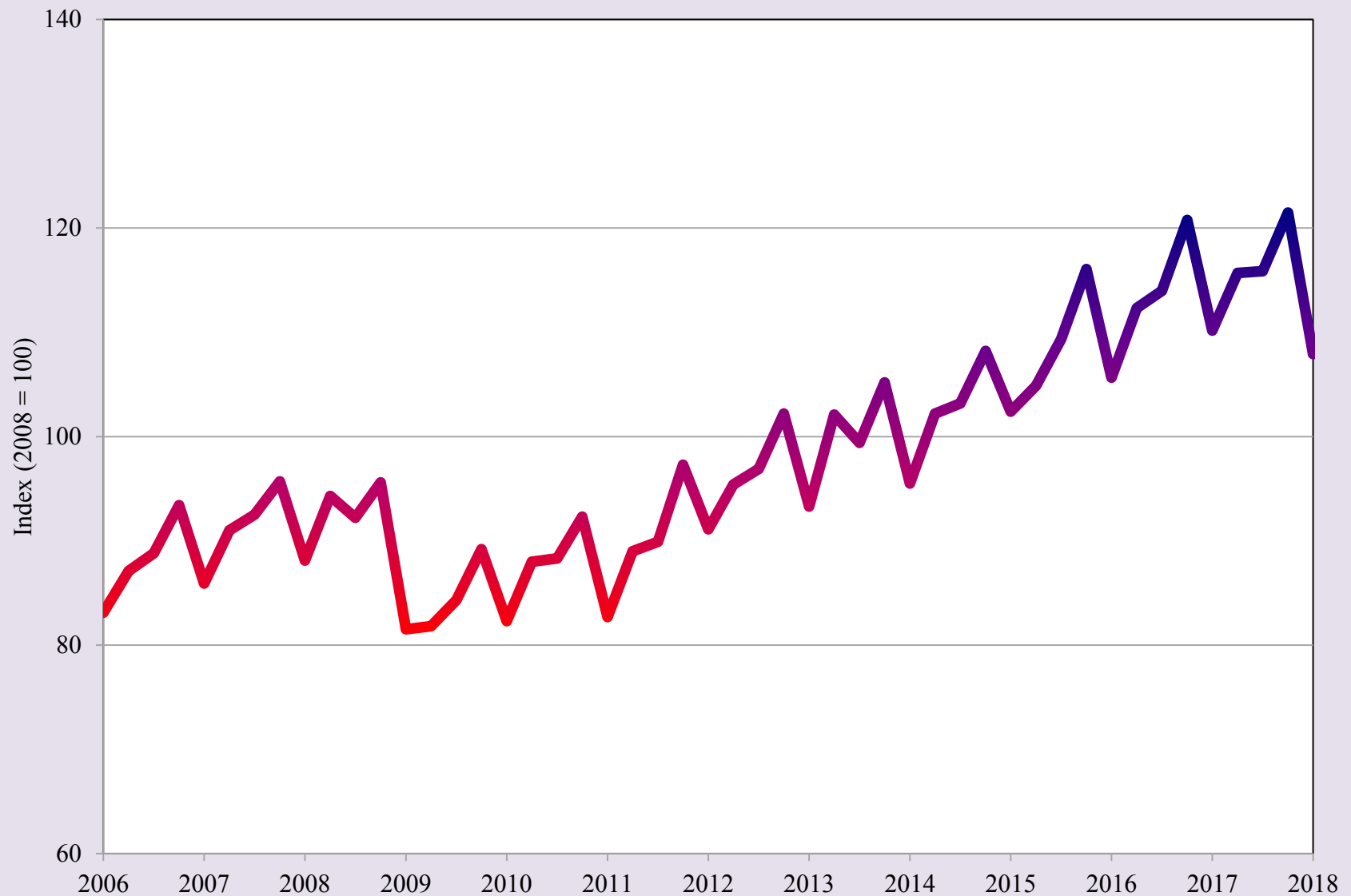
Quarterly Indicator of Economic Activity for the State of Chihuahua

— 2016 — 2017



Source: INEGI

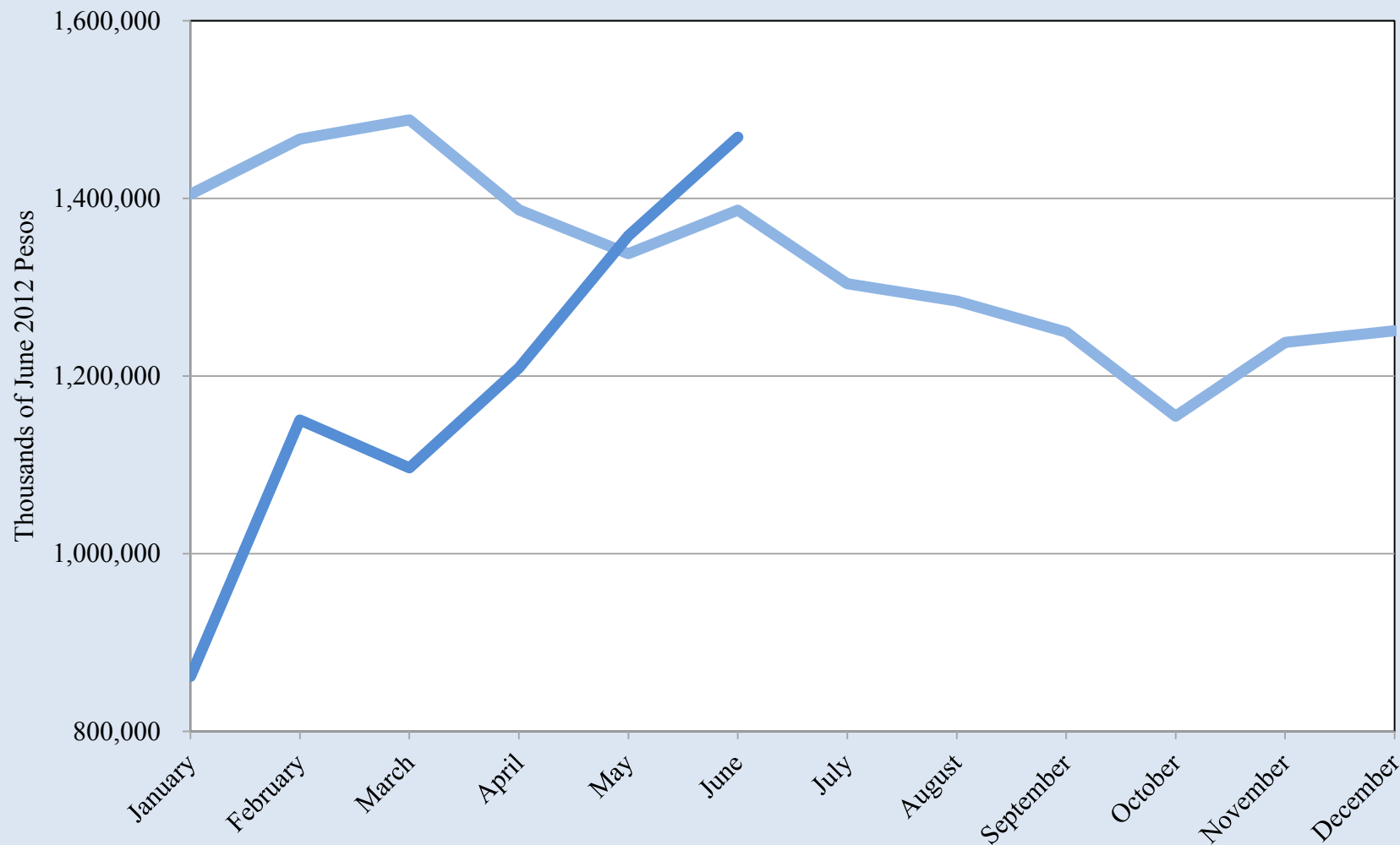
Quarterly Indicator of Economic Activity for the State of Chihuahua



Source: INEGI

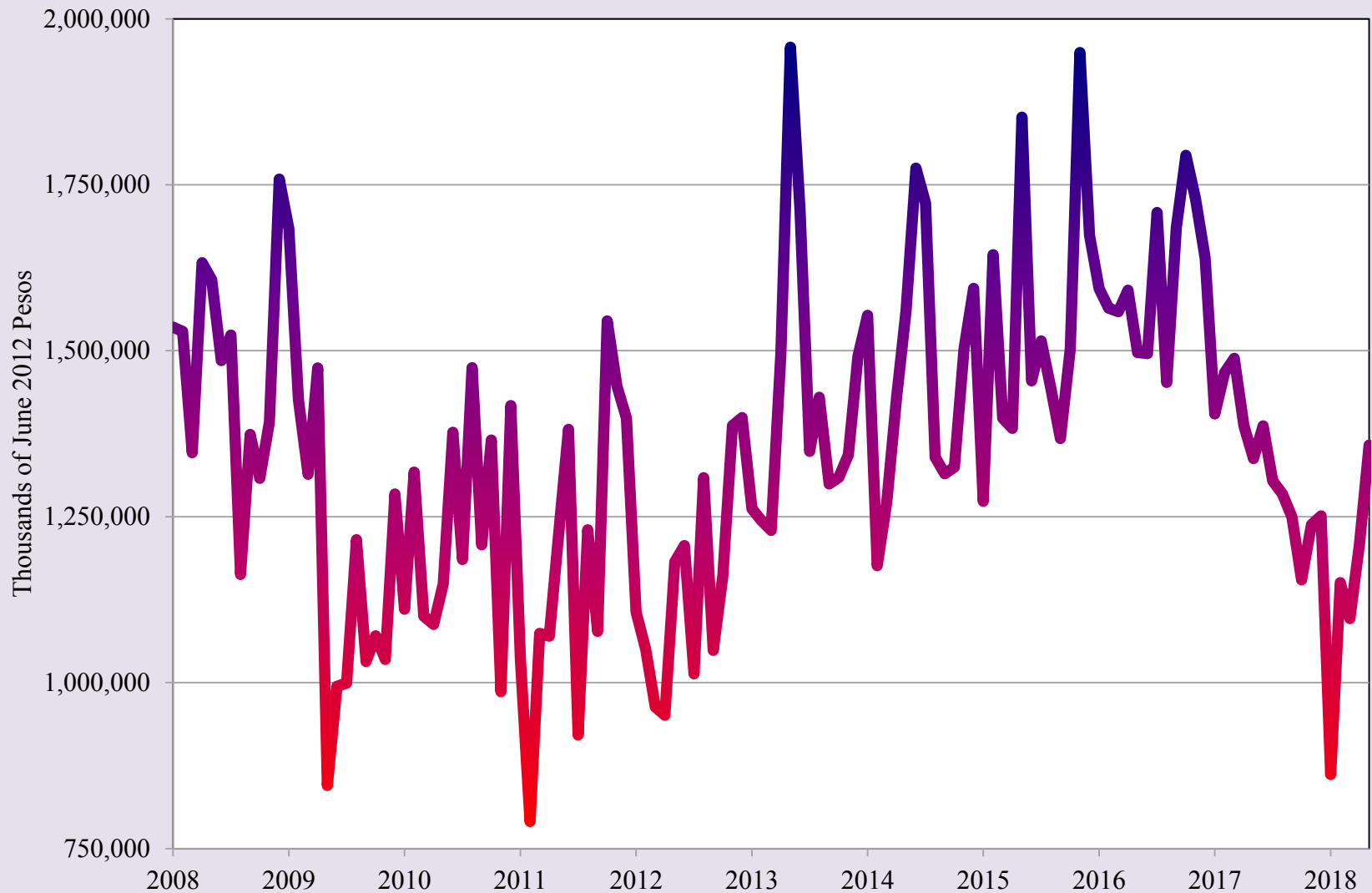
Total Value of Construction in the State of Chihuahua

— 2017 — 2018



Source: INEGI

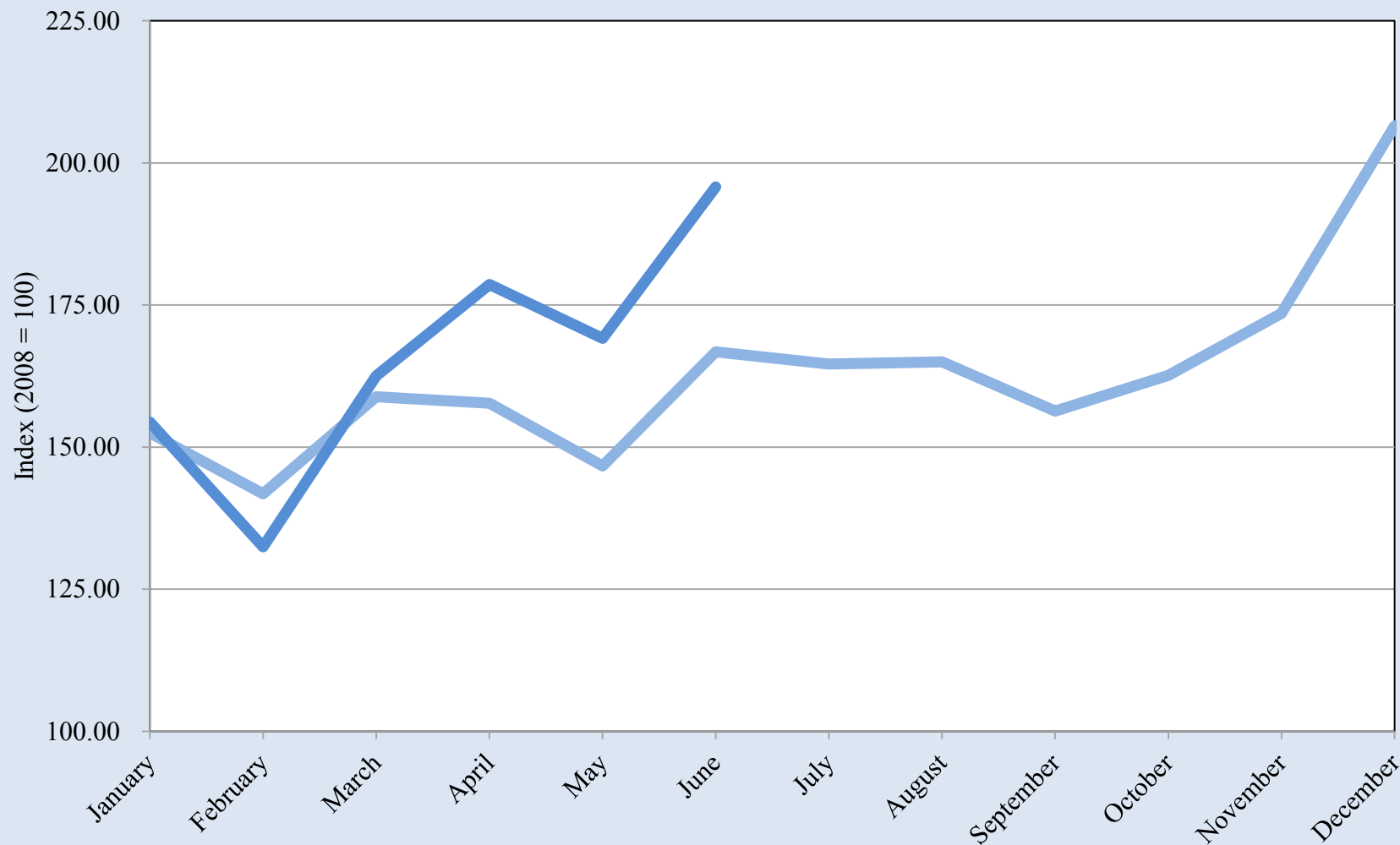
Total Value of Construction in the State of Chihuahua



Source: INEGI

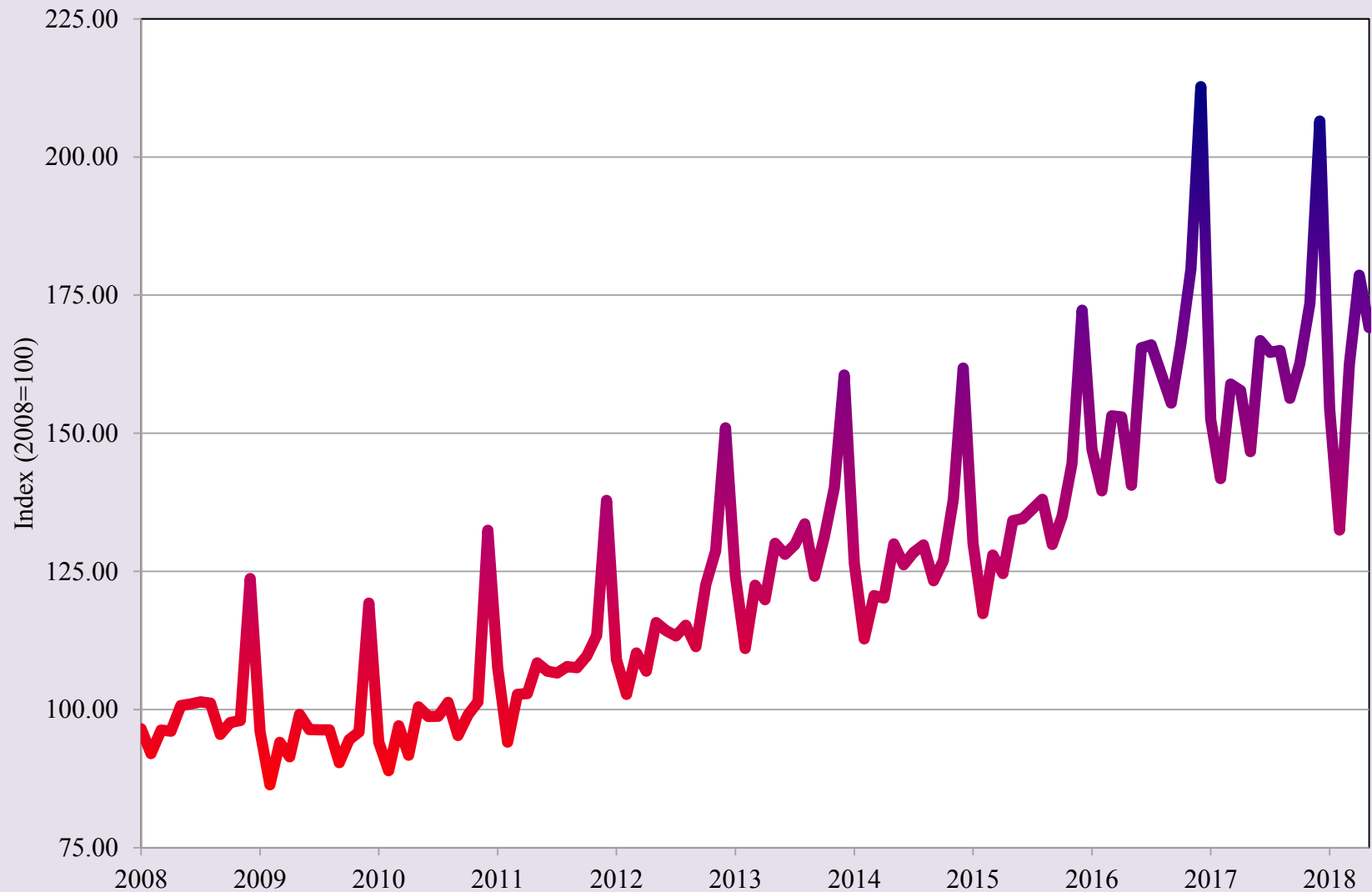
Real Retail Activity Index for the State of Chihuahua

— 2017 — 2018



Source: INEGI

Real Retail Activity Index for the State of Chihuahua



Source: INEGI



BORDERPLEX BUSINESS BAROMETER

University of Texas at El Paso

Diana Natalicio, President

Carol Parker, Provost

Roberto Osegueda, Vice President for Research

UTEP College of Business Administration

Stephen Crites, Interim Dean

Steve Johnson, Associate Dean

Erik Devos, Associate Dean

Tim Roth, Templeton Professor of Banking & Economics

UTEP Border Region Modeling Project Corporate and Institutional Sponsors:

El Paso Water

Hunt Communities

UTEP College of Business Administration

UTEP Department of Economics & Finance

UTEP Hunt Institute for Global Competitiveness

City of El Paso Office of Management & Budget

UTEP Center for the Study of Western Hemispheric Trade

Borderplex Business Barometer is a monthly publication of the Border Region Modeling Project (BRMP), a research unit within the Department of Economics & Finance at the College of Business Administration of The University of Texas at El Paso. BRMP information is available at: <http://academics.utep.edu/border>. For additional information, contact the Border Region Modeling Project - CBA 236, UTEP Department of Economics & Finance, 500 West University Avenue, El Paso, TX 79968-0543, USA, (915) 747-7775.