Overall economic activity continues to expand in El Paso, according to the Dallas Fed’s El Paso Business-Cycle index. In December, the index advanced at an annualized rate of 5.6 percent, above November’s gain of 5.1 percent.

El Paso’s nonfarm employment registered a 1.7 percent annualized increase in December. Over 2014, El Paso added approximately 4,400 jobs, compared with the 2,200 jobs created in 2013. Trade, transportation and utilities, which accounts for over 20 percent of the metro’s employment, added the most jobs last year—1,700 jobs.

The unemployment rate in El Paso dropped to 6.1 percent in December, lower than November’s 6.8 percent and the lowest it has been since mid-2008. Texas unemployment rate in December stood at 4.6 percent, while the U.S. rate was at 5.6 percent.

Midland–Odessa, Texas, continued to add jobs in December. Employment rose at an annualized rate of 2.8 percent, while the unemployment rate edged down to 2.4 percent.

Nonfarm employment in Las Cruces, N. M., fell at an annualized rate of 3.4 percent in December. The unemployment rate in December stood at 6.7 percent, down from 7.3 percent in November. The New Mexico unemployment rate was 6.1 percent in December.
Trade flows through the El Paso port of entry in November fell nearly 10 percent from October, as both exports and imports declined. Total trade (exports plus imports) was $62.9 billion annualized, compared with $67.7 billion in November 2013.

January homes sales in El Paso stood at an annual pace of 6,090, up from 5,717 a year earlier. Meanwhile, the median home price remained at $135,200, and inventory levels increased to 7.7 months from 7.6 months a year earlier.

In Midland–Odessa, December home sales stood at 222, showing no change from a year earlier. The median home price of $214,428 was above last December’s price of $203,252.
**Conditions in Chihuahua and Ciudad Juárez**

- U.S. industrial production edged up slightly in January, while the Institute for Supply Management manufacturing index and its associated new-orders index, a leading indicator of industrial activity, declined.

- However, maquiladoras south of the Rio Grande continue to add jobs, according to a Dallas Fed model based on the U.S. industrial production index and Chihuahua manufacturing employment. The model has been used to track maquiladora employment in the Chihuahua city of Juárez since Mexico changed its methodology in 2006. According to the model, December maquiladora employment rose over 7.2 percent from a year ago, while formal manufacturing employment in the Mexican state of Chihuahua also increased 7.2 percent over the same time period.

- U.S. auto and light truck production in January totaled 11.4 million units, while U.S. auto sales amounted to 16.6 million on an annual basis. Auto sales are near historic highs, which is good news for the local economy because roughly half of the maquiladoras across the Rio Grande are auto related.

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**U.S. Manufacturing and Ciudad Juárez Maquiladora Employment**

![Graph showing U.S. manufacturing and Ciudad Juárez maquiladora employment trends from 2000 to 2014.](image)

- **Juárez maquiladora employment**
- **Juárez maquiladora employment, Dallas Fed estimate**
- **U.S. industrial production index**

*Year-over-year change; seasonally adjusted.*

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

**SOURCES:** *El Paso Business-Cycle Index:* Federal Reserve Bank of Dallas; *labor market:* Dallas Fed and Bureau of Labor Statistics; *El Paso total trade:* Census Bureau, Foreign Trade Division; *home sales:* Texas A&M University Real Estate Center; *U.S. manufacturing and maquiladora employment:* Instituto Nacional de Estadística y Geografía, Federal Reserve Board and Dallas Fed, El Paso Branch.

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