

San Antonio Economic Indicators

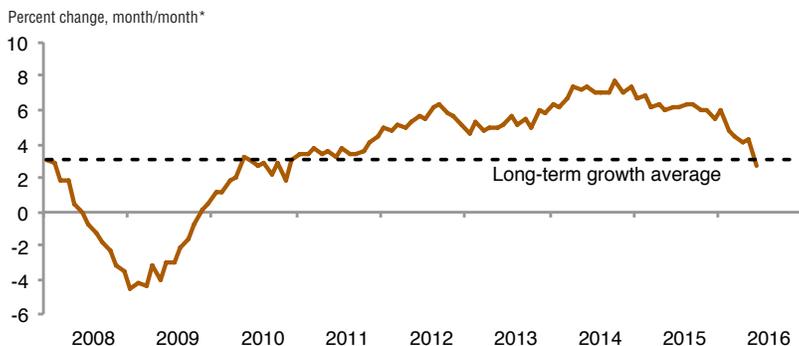
DALLAS FED

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Summary

San Antonio economic activity decelerated in June. The San Antonio Business-Cycle index slowed to just below its long-term average as June job and unemployment data came in unusually weak. Early benchmark revisions also revealed weaker job growth in the first quarter.

San Antonio Business-Cycle Index

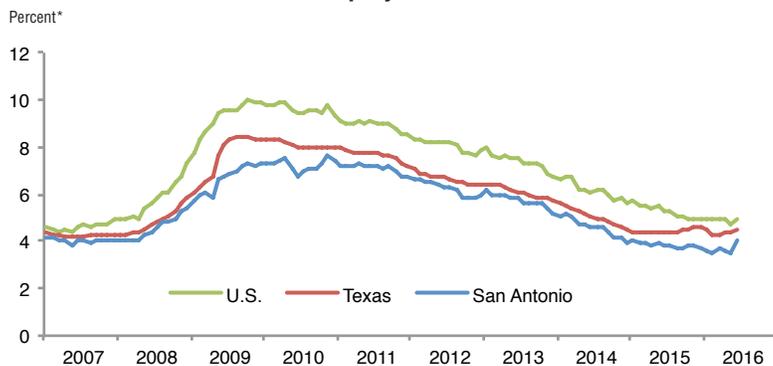


*Seasonally adjusted, annualized rate.
SOURCE: Dallas Fed.

► The San Antonio Business-Cycle Index slipped sharply in June to a 2.7 percent annualized rate, its slowest pace since 2010 and slightly below its long-term rate. This deceleration stems from a job loss of 1.9 percent and a spike in the unemployment rate in June. Forward-looking indicators such as help-wanted advertising suggest continued positive but weaker growth the rest of this year compared with 2015.

Employment

Unemployment Rate

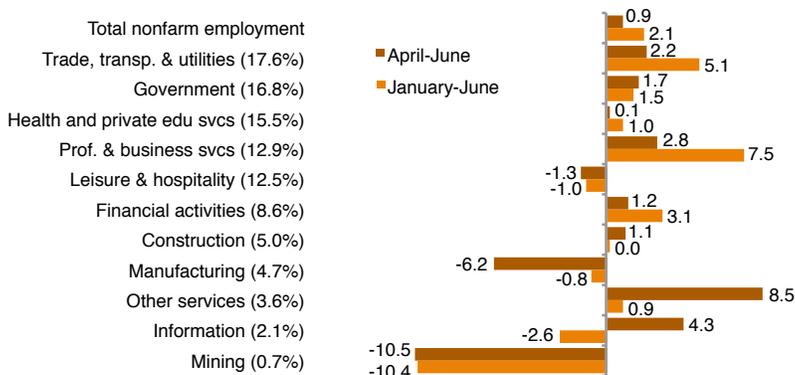


*Seasonally adjusted.
SOURCE: Bureau of Labor Statistics.

► The San Antonio unemployment rate shot up from 3.5 to 4 percent in June. This follows increases in the state rate to 4.5 percent and the U.S. rate to 4.9 percent. While some of the increase in the local rate is attributable to a weak month for jobs, growth in the labor force continued at a moderate 2.5 percent annualized pace in June. Since January, the labor force has expanded by 3.1 percent, its fastest pace since the end of 2013.

► Job growth in San Antonio slowed to a 0.9 percent annualized rate over the three months through June. Manufacturing and mining jobs continued to decline sharply, while leisure and hospitality hiring was slightly negative. Other services, which includes automotive repair, continued to expand strongly in the wake of hail storms and other adverse weather in April and May.

Employment Growth by Sector

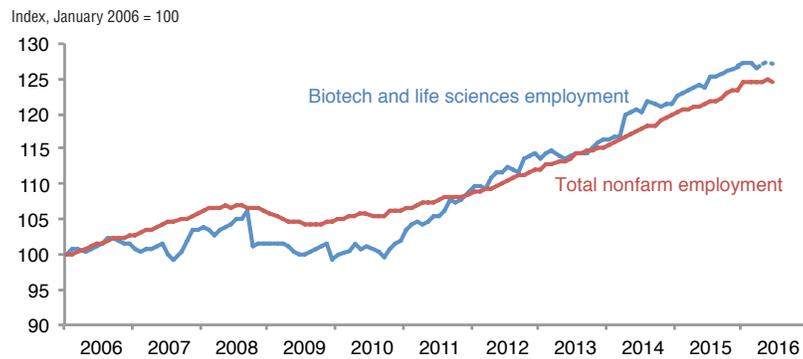


NOTES: Data show seasonally adjusted and annualized percentage employment growth by industry supersector. Numbers in parentheses represent share of total employment and may not sum to 100 due to rounding.

SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; adjustments by the Dallas Fed.

► The Dallas Fed's early benchmark revisions for first quarter 2016 suggest that year-to-date job growth is slightly stronger than previously estimated, with the upward shift due to a significant jump in January employment. Areas such as construction and retail trade were revised down. Professional and business services was much stronger than originally estimated, adding 4,600 jobs over the first six months of the year.

Biotechnology and Life Sciences Employment

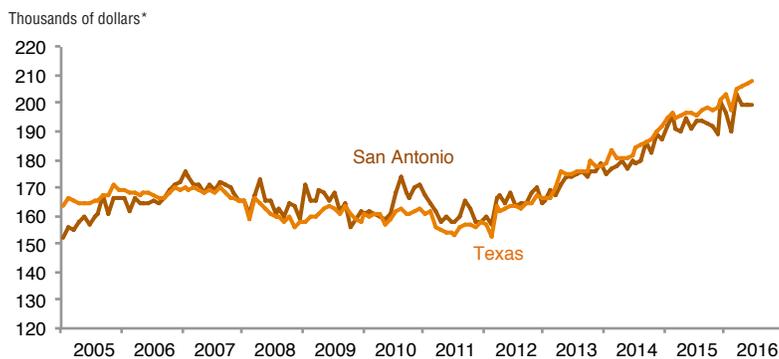


NOTE: Dashed line indicates estimate based on broader industry data.

SOURCES: Texas Workforce Commission; Bureau of Labor Statistics; adjustments by the Dallas Fed.

► Biotechnology and life sciences employment in San Antonio weakened after a strong 2015, falling an annualized 0.3 percent in the first quarter. That compares with total San Antonio job gains of 3.3 percent in the quarter. Subsectors such as diagnostic laboratories and technical consulting services continued to grow, while areas such as research and development were weak. Detailed industry data do not exist beyond the first quarter, but broader data suggest that biotech employment picked up moderately to 1.6 percent in the second quarter, above the 0.9 percent rate for total metro jobs.

Median Home Prices



*Seasonally adjusted, real.

SOURCE: Multiple Listing Service.

► The median home price in San Antonio stabilized at just below \$200,000 in the second quarter. Home prices have continued to rise, up 4.3 percent year over year in San Antonio and 5.6 percent in Texas in June. Home inventories in San Antonio shrank to 3.5 months' supply, and existing-home sales remain near all-time highs.

Stock Indexes



SOURCES: Bloomberg; Standard and Poor's.

► The San Antonio stock index dipped 0.4 percent from June 20 to July 22, while the S&P 500 picked up by 4.4 percent. Stock prices of refineries and other energy-related firms have slipped recently amid ongoing uncertainty in energy markets. Communications and finance firms have seen gains, while retailers' stock prices have been mixed.

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

Questions regarding *San Antonio Economic Indicators* can be addressed to Christopher Slijk at christopher.slijk@dal.frb.org.

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