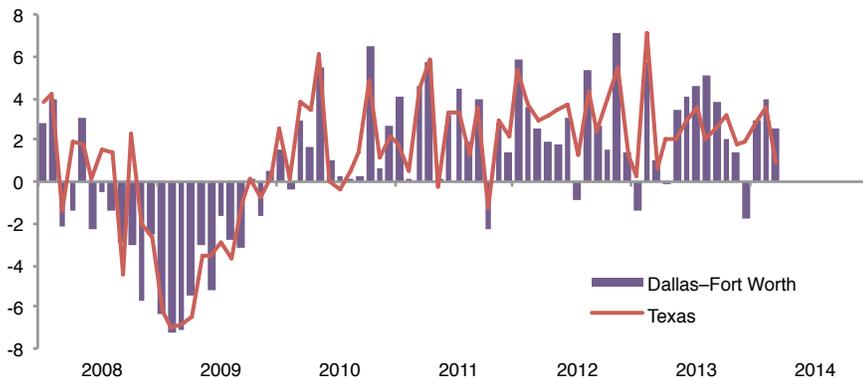


Summary The Dallas–Fort Worth economy continued to expand in March. DFW employment grew 2.6 percent, faster than Texas and the U.S., which grew 0.9 percent and 1.7 percent during the month. Unemployment rates in both Dallas and Fort Worth edged down in March. The residential housing market remained healthy, with home inventories still declining and robust construction activity. The Dallas Fed business-cycle indexes posted increases, suggesting continued expansion for the Dallas–Fort Worth metroplex.

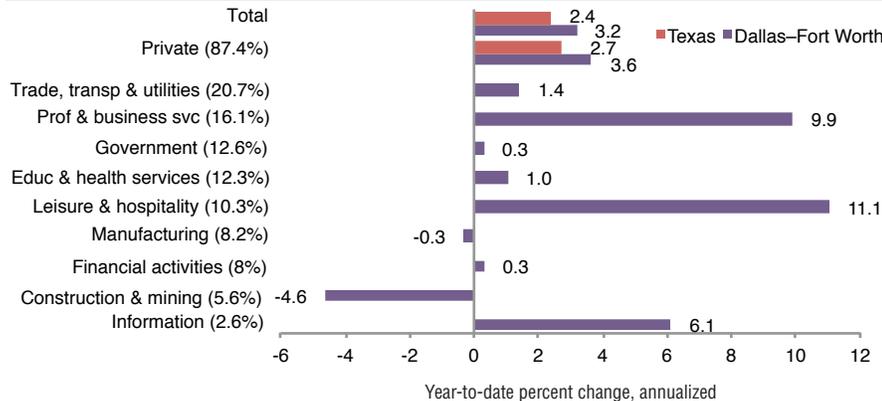
Employment

Month-over-month percent change, annualized



► Dallas–Fort Worth employment continued to increase in March but at a slower pace. Jobs grew at an annual rate of 2.6 percent in March, following more-robust growth of 4 percent in February. For the year, Dallas–Fort Worth has added 24,600 jobs—a 3.2 percent annualized pace.

Employment Growth by Sector

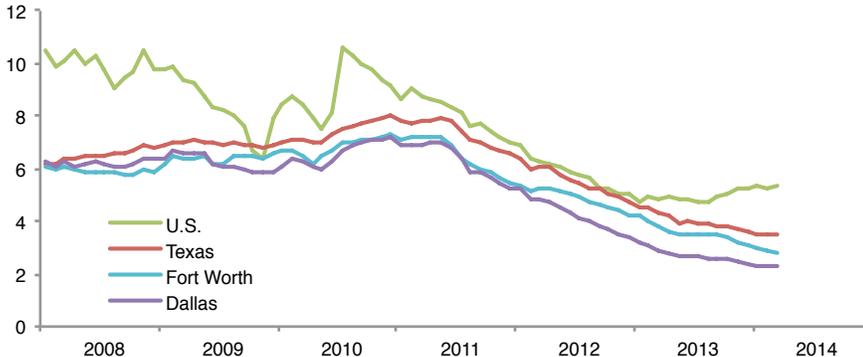


► Year to date, job creation was mixed across major sectors. Leisure and hospitality re-recorded the strongest growth through March, followed by the professional and business services sector and the information sector. Job gains in trade, transportation and utilities—the largest sector—were 2,300 through March. Employment levels in manufacturing remained relatively flat and the construction and mining sector lost 2,100 jobs year to date.

NOTE: Numbers in parentheses are shares of total Dallas–Fort Worth nonfarm employment.

Home Inventories

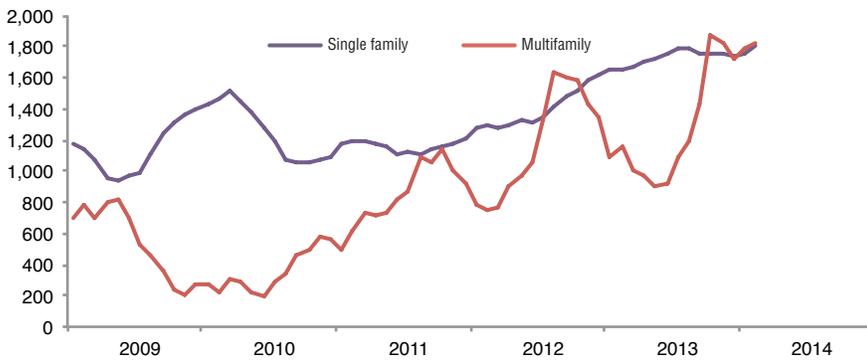
Months of supply, seasonally adjusted



► Home inventories remain tight. In March, home inventories were 2.3 months in Dallas, 2.8 months in Fort Worth and 3.5 months in Texas, according to the Multiple Listing Service. These figures are below the U.S. level of 5.4 months and well below the six-month threshold that usually signals a balanced housing market.

Residential Construction

Housing permits

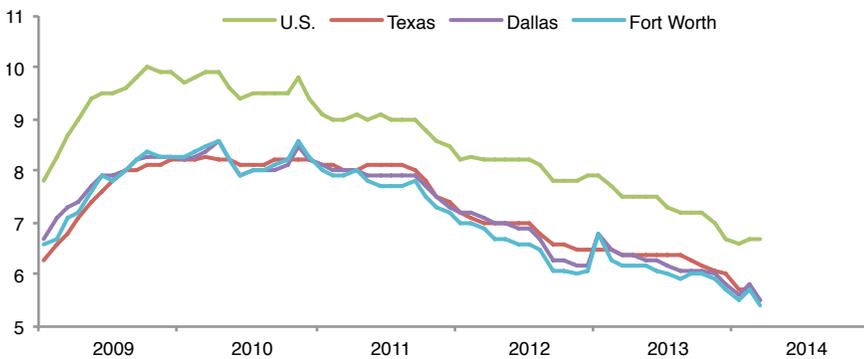


NOTE: Figures are five-month moving averages.

► Residential construction activity remains strong in the metroplex. In February, single-family and multifamily housing permits—a more forward-looking indicator of residential construction activity—were up sharply. DFW multifamily permits were up 86.4 percent in February 2014 compared with February 2013. Dallas Fed business contacts report that apartment demand remains strong thanks to healthy job and population growth. Single-family permits were up 17.7 percent in February from a year ago. With little inventory of new and existing homes, home construction is likely to continue to add to the economy’s strength this year.

Unemployment Rate

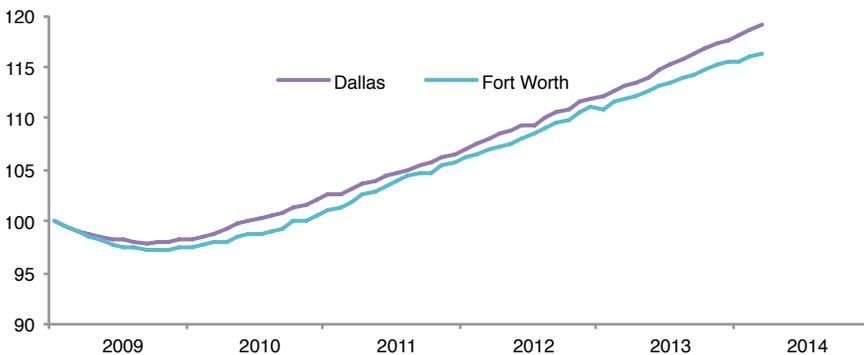
Percent, seasonally adjusted



► In March, the unemployment rate in both metros declined from its February level to 5.5 percent in Dallas and 5.4 percent in Fort Worth. The unemployment rate in Dallas matches the state average of 5.5 percent, while Fort Worth’s rate is slightly below. Both metros have rates lower than the 6.7 percent U.S. rate.

Business-Cycle Index

Index, January 2009 = 100



► Overall economic activity continues to expand in Dallas and Fort Worth, according to the Dallas Fed’s metro business-cycle indexes. Through March, the Dallas index rose an annualized 6 percent, and the Fort Worth index increased 2.7 percent. The Dallas economy continues to grow at a faster pace than the state’s year-to-date growth of 3.8 percent.

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

SOURCES: Employment: Bureau of Labor Statistics’ Current Employment Statistics; Texas Workforce Commission; seasonal and other adjustments by the Federal Reserve Bank of Dallas.

Housing: Multiple Listing Service; Census Bureau. All housing data are seasonally adjusted.

Unemployment: Census; seasonal adjustments by the Federal Reserve Bank of Dallas.

Business-cycle indexes: Federal Reserve Bank of Dallas. Data are seasonally adjusted.

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