

Economic Activity

El Paso Business-Cycle Index

Index, January 2000 = 100



► Overall economic activity continues to expand in El Paso, according to the Dallas Fed's El Paso Business-Cycle Index. In September, the index advanced at an annualized rate of 4.7 percent, stronger than August's growth of 3.7 percent.

Labor Market

Employment Growth (Month-over-month annualized rates*)

<i>El Paso</i>	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14
Nonfarm employment	2.1	1.2	9.9	-3.2	5.0	2.1
Goods producing	0.0	-3.9	8.3	-11.3	0.0	-3.9
Construction, mining & natural res.	9.6	-8.7	19.9	-16.6	0.0	0.0
Manufacturing	0.0	0.0	-6.8	-6.8	0.0	-6.9
Services providing	1.9	2.3	9.6	-1.8	5.6	2.8
Trade, transportation & utilities	-7.4	-1.9	5.9	-1.9	-1.9	14.3
Information	23.2	0.0	0.0	0.0	0.0	0.0
Financial activities	0.0	0.0	0.0	0.0	10.6	0.0
Professional & business services	12.8	12.6	0.0	0.0	21.6	-17.8
Educational & health services	0.0	3.0	0.0	6.1	6.1	3.0
Leisure & hospitality	0.0	0.0	7.8	0.0	0.0	3.8
Other services	0.0	0.0	-12.3	14.0	0.0	13.9
Government	7.3	3.6	32.1	-9.9	10.9	-1.7
Unemployment rate	7.2	7.3	7.1	7.3	7.5	7.1
<i>Midland-Odessa</i>						
Nonfarm employment	7.6	2.9	15.5	8.2	2.2	12.0
Unemployment rate	2.8	2.9	2.8	2.9	2.9	2.8
<i>Las Cruces</i>						
Nonfarm employment	-2.7	-2.3	11.1	11.1	-11.1	-6.6
Unemployment rate	7.5	7.3	7.2	7.1	7.1	NA

*Seasonally adjusted.

► El Paso's nonfarm employment registered a 2.1 percent annualized increase in September as growth continues to be bolstered by the service-providing sector. El Paso has added over 5,000 jobs year to date.

► In September, the unemployment rate dropped to 7.1 percent in El Paso, while the Texas unemployment rate stood at 5.2 percent and the U.S. rate at 5.9 percent.

► Midland-Odessa, Texas, continues to steadily add jobs. Employment rose at an annualized rate of 12.0 percent in September, while the unemployment rate edged down to 2.8 percent.

► Nonfarm employment in Las Cruces, N.M., declined at a 6.6 percent annualized rate in September. The unemployment rate for August stood at 7.1 percent, while the New Mexico unemployment rate was 6.7 percent in August.

Trade Flows

El Paso Total Trade



*Seasonally adjusted, annualized.

► Trade flows through the El Paso port of entry in August fell 8.9 percent from July, as both exports and imports declined. Total trade (exports plus imports) in August was \$67.4 billion annualized, compared with \$69.4 billion in August 2013.

Regional Housing Markets

El Paso Home Sales



*Seasonally adjusted; six-month moving average.

► September homes sales in El Paso stood at an annual pace of 6,213, up from 5,883 a year earlier. Meanwhile, the median home price inched down to \$137,600, and inventory levels rose to 8.2 months from 7.9 months a year earlier.

► In Midland-Odessa, home sales were up nearly 10 percent from a year earlier, while the median home price of \$223,343 was nearly unchanged from last September.

Conditions in Chihuahua and Ciudad Juárez

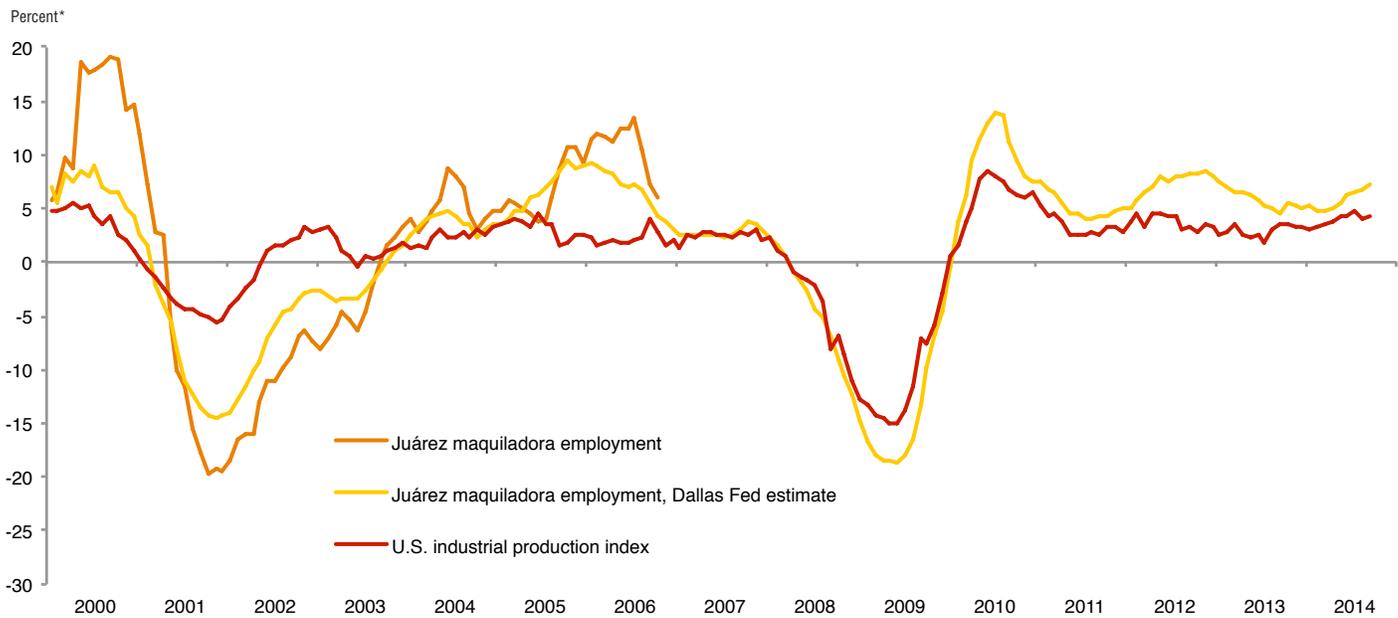
► U.S. industrial production rose in September, and the Institute for Supply Management manufacturing index and its associated new-orders index, a leading indicator of industrial activity, also signaled expansion in the sector.

► 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, maquiladora employment is up over 7.1 percent from a year ago, while formal

manufacturing employment in the Mexican state of Chihuahua increased 7.6 percent over the same time period.

► U.S. auto and light truck production in September totaled 11.3 million units, while U.S. auto sales amounted to 16.3 million on an annual basis. This is good news for the local economy because roughly half of the maquiladoras across the Rio Grande are auto related.

U.S. Manufacturing and Ciudad Juárez Maquiladora Employment



*Year-over-year change; seasonally adjusted.

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

SOURCES: **El Paso Business-Cycle Index:** Federal Reserve Bank of Dallas; **labor market:** Federal Reserve Bank of Dallas 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 Federal Reserve Bank of Dallas, El Paso Branch.

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