

## Economic Activity

### El Paso Business-Cycle Index



► Overall economic activity continues to expand in El Paso, according to the Dallas Fed's El Paso Business-Cycle index. In October, the index advanced at an annualized rate of 6.6 percent, above September's gain of 5.5 percent.

## Labor Market

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

<i>El Paso</i>	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14
<b>Nonfarm employment</b>	1.2	9.9	-3.2	5.0	0.8	6.7
<b>Goods producing</b>	-3.9	8.3	-11.3	0.0	0.0	0.0
Construction, mining & natural res.	-8.7	19.9	-16.6	0.0	9.6	0.0
Manufacturing	0.0	-6.8	-6.8	0.0	-6.9	-6.9
<b>Services providing</b>	2.3	9.6	-1.8	5.6	1.4	7.1
Trade, transportation & utilities	-1.9	5.9	-1.9	-1.9	1.9	7.9
Information	0.0	0.0	0.0	0.0	0.0	22.8
Financial activities	0.0	0.0	0.0	10.6	0.0	10.5
Professional & business services	12.6	0.0	0.0	21.6	-14.5	12.5
Educational & health services	3.0	0.0	6.1	6.1	6.0	9.1
Leisure & hospitality	0.0	7.8	0.0	0.0	7.7	3.8
Other services	0.0	-12.3	14.0	0.0	13.9	29.1
Government	3.6	32.1	-9.9	10.9	0.0	1.7
<b>Unemployment rate</b>	7.3	7.1	7.3	7.5	7.1	6.9
<i>Midland-Odessa</i>						
<b>Nonfarm employment</b>	2.9	15.5	8.2	2.2	12.0	8.8
<b>Unemployment rate</b>	2.9	2.8	2.9	2.9	2.7	2.7
<i>Las Cruces</i>						
<b>Nonfarm employment</b>	-2.4	11.1	11.0	-11.6	-0.6	-2.8
<b>Unemployment rate</b>	7.3	7.2	7.1	7.1	7.1	n.a.

\*Seasonally adjusted.

► El Paso's nonfarm employment registered a 6.7 percent annualized increase in October as growth continued to be bolstered by the service-providing sector. El Paso has added over 6,000 jobs year to date.

► In October, the El Paso unemployment rate dropped to 6.9 percent, while the Texas unemployment rate stood at 5.1 percent and the U.S. rate at 5.8 percent.

► Midland-Odessa, Texas, continues to steadily add jobs. Employment rose at an annualized rate of 8.8 percent in October, and the unemployment rate edged down to 2.7 percent.

► Nonfarm employment in Las Cruces, N.M., fell at a 2.8 percent annualized rate. The unemployment rate for September stood at 7.1 percent, unchanged from August. The New Mexico unemployment rate was 6.5 percent in October.

## Trade Flows

### El Paso Total Trade

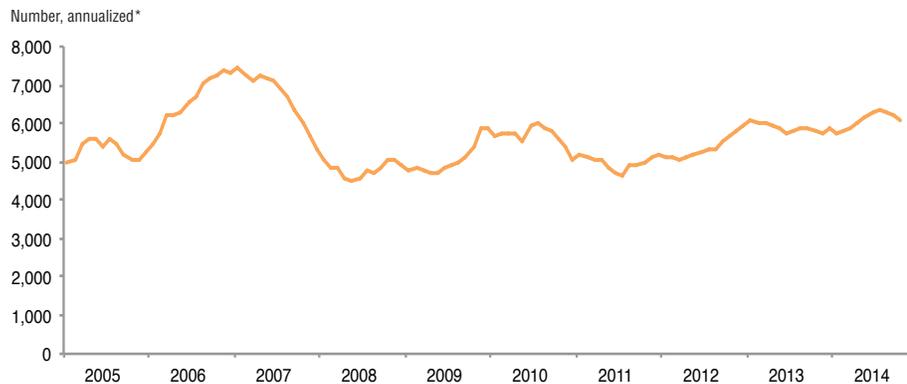


\*Seasonally adjusted, annualized.

► Trade flows through the El Paso port of entry in September rose 4 percent from August as both exports and imports increased. Total trade (exports plus imports) was \$70 billion annualized, compared with \$67.5 billion in September 2013.

## Housing Markets

### El Paso Home Sales



\*Seasonally adjusted; six-month moving average.

► October home sales in El Paso stood at an annualized 6,109. Home sales have been inching down since July, when they stood at an annualized 6,378. Meanwhile, the median home price increased to \$147,600, and inventory levels rose to 8.2 months from 7.9 months a year earlier (6 months' supply is considered optimal).

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

## Conditions in Chihuahua and Ciudad Juárez

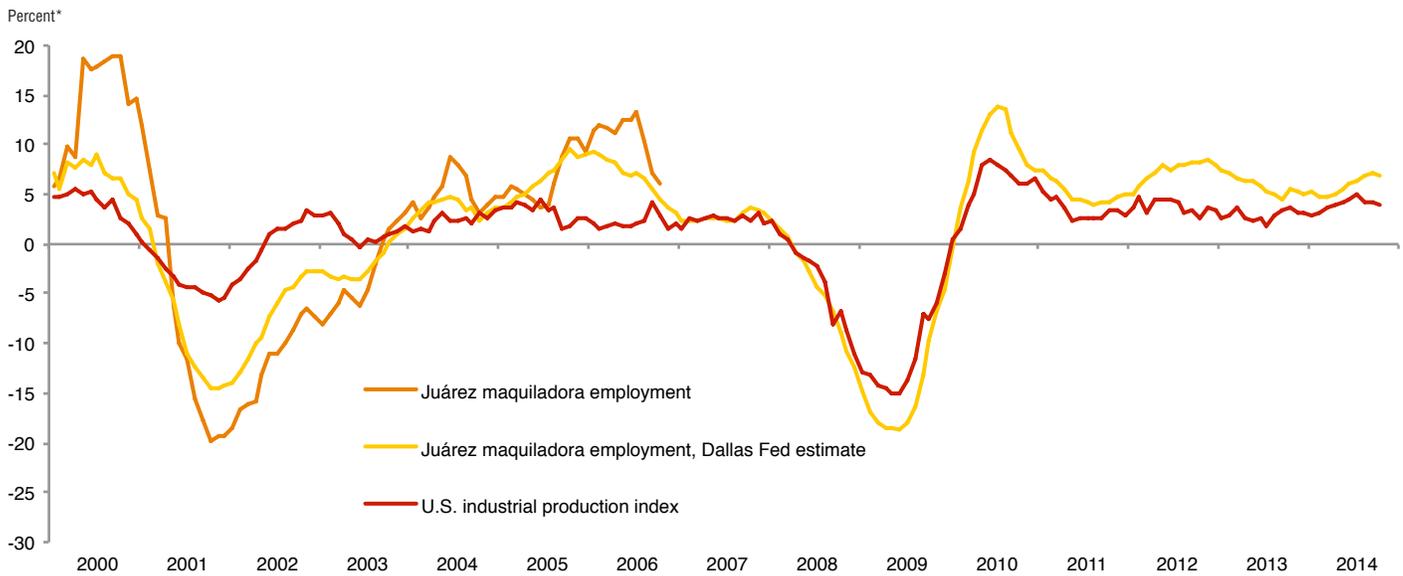
► U.S. industrial production edged down slightly in October, while the Institute for Supply Management manufacturing index and its associated new-orders index, a leading indicator of industrial activity, signaled expansion in the sector.

► 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 meth-

odology in 2006. According to the model, Juárez maquiladora employment is up over 6.9 percent from a year ago, while formal manufacturing employment in Chihuahua increased 7.5 percent over the same time period.

► U.S. auto and light truck production in October totaled 10.8 million units, while U.S. auto sales amounted to 16.5 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 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.

Questions regarding *El Paso Economic Indicators* can be addressed to Marycruz De León at [marycruz.deleon@dal.frb.org](mailto:marycruz.deleon@dal.frb.org).