

# San Antonio Economic Indicators

DALLAS **FED**

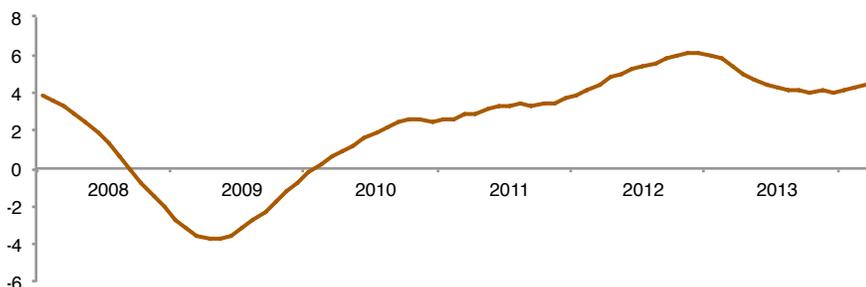
FEDERAL RESERVE BANK OF DALLAS • APRIL 2014

## Summary

After growing strongly at the beginning of the year, San Antonio economic indicators were mixed in March. While major job sectors such as education and health services saw continued growth, private sector employment fell at a 3.9 percent annualized rate. However, the unemployment rate declined 0.3 percentage points to 5.2 percent in March, below the 5.5 percent state average. Housing permits have continued to trend upward while inventories have fallen, pointing toward continued growth in home construction.

### San Antonio Business-Cycle Index

Percent change\*



\*Six-month, annualized rate.

► The San Antonio Business-Cycle Index rose to 4.4 percent from 4.2 percent in February on a six-month, annualized basis. Despite a loss of jobs in March, a drop in the local unemployment rate contributed to an overall increase in the index, which has accelerated steadily since the end of last year.

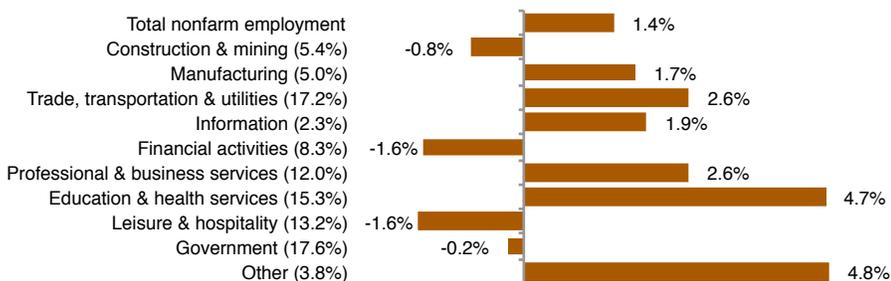
### Business-Cycle Index Components

	San Antonio	Texas	U.S.
Annualized job growth (March)	-2.8%	0.9%	1.7%
Unemployment rate (March)	5.2%	5.5%	6.7%
Year-over-year change in real retail sales (2013:Q3)	2.4%	1.0%	3.0%
Year-over-year change in real wages paid (2013:Q3)	2.0%	3.2%	2.2%

► While payroll employment declined in March, a rise in the more volatile household employment and a flattening in labor force growth resulted in a significant decline in the unemployment rate from 5.5 percent in February to 5.2 percent in March.

### Employment

#### Employment Growth (December 2013–March 2014)



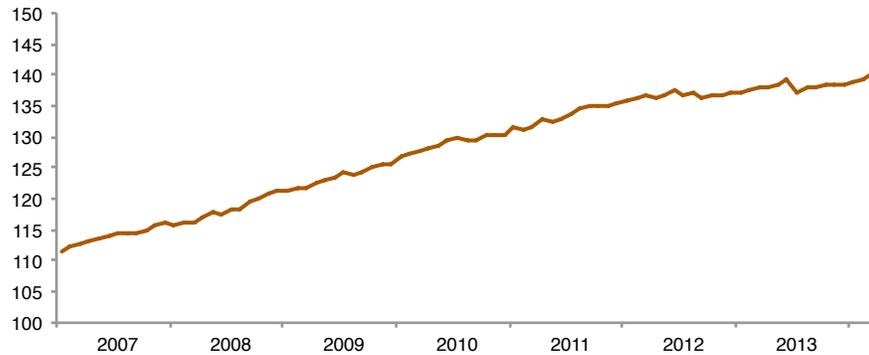
► Total nonfarm employment growth in the first quarter slowed to an annualized rate of 1.4 percent, below the 2.1 percent growth in the fourth quarter of last year. Education and health services led job growth, followed by professional and business services and trade, transportation and public utilities. After growing at a very strong 16.3 percent rate in the prior quarter, leisure and hospitality jobs contracted 1.6 percent, with accommodation and food services in particular falling sharply.

NOTES: Numbers in parentheses are shares of total employment. Job growth data are seasonally adjusted and annualized.

## Employment

### Education and Health Services

Thousands of jobs\*



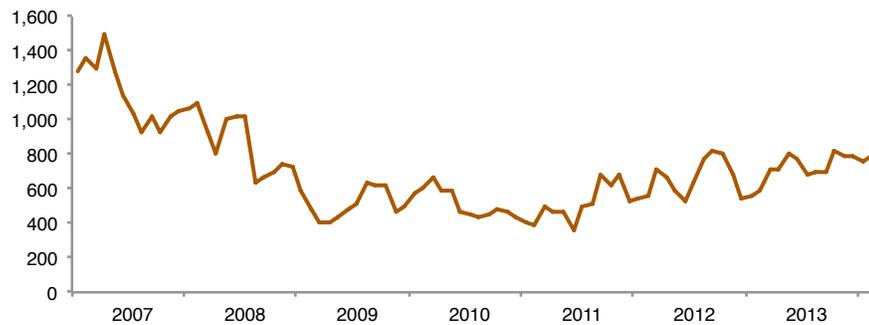
\*Seasonally adjusted.

► The education and health services sector in San Antonio accelerated in the first quarter. Unlike in most industries, jobs in education and health services have consistently grown over the past six years. Even in the midst of the recession from 2008 to 2009, job growth averaged an annualized 4.1 percent. The subsector health care and social assistance was particularly strong in March, growing at an annualized 12.6 percent and adding 1,200 jobs.

## Housing Markets

### Housing Permits

Permits\*



\*Three-month moving average.

► Housing permits have increased in recent months, with an average of 794 issued each month from December to February. Since August 2013, 63 percent of permits have been for single-family development, below the long-term ratio of 76 percent. While this reflects some of the recent shift statewide toward rental units, the continued increase overall in single-family permits, along with a fall to 4.3 months' supply in inventories and rising property values, indicates continued growth in single-family building activity.

## Stock Index

### San Antonio Stock Index

Index, December 1994 = 100



► The San Antonio Stock Index picked up 3.7 percent from March 31 to April 17, contrasting with the S&P 500, which fell 0.4 percent over the same period. Gains for firms in oil and gas, communications, and discretionary consumer goods pushed the index up despite some weakness in local financial firms. Since reaching the 2014 low on Feb. 5, the index has increased 15.7 percent.

#### SOURCES

San Antonio Business-Cycle Index: Bureau of Labor Statistics; Texas Workforce Commission; Federal Reserve Bank of Dallas.

Employment: Bureau of Labor Statistics; Federal Reserve Bank of Dallas.

Education and health services employment: Bureau of Labor Statistics; Federal Reserve Bank of Dallas.

Housing permits: Census Bureau.

San Antonio Stock Index: Bloomberg.

Questions regarding *San Antonio Economic Indicators* can be addressed to Christopher Slijk at [christopher.slijk@dal.frb.org](mailto:christopher.slijk@dal.frb.org).