

# San Antonio Economic Indicators

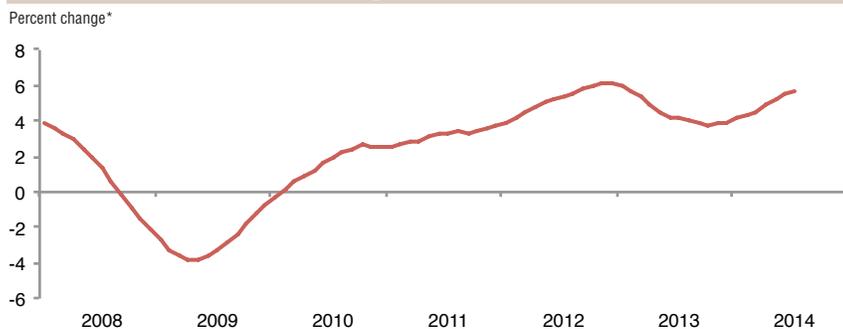
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## Summary

San Antonio continued to see signs of economic growth in July. Employment increased at an annual pace of 3 percent, although the unemployment rate ticked up slightly to 4.8 percent. Housing starts, construction employment and construction help-wanted advertising picked up strongly in June, pointing toward improving health in housing markets. The stock prices of San Antonio companies have also increased in recent weeks.

## San Antonio Business-Cycle Index



\*Six-month, annualized rate.

► The San Antonio Business-Cycle Index continued to rise as the six-month growth rate increased 0.1 percentage points to 5.6 percent. While growth in the index remains fast paced, July saw notable deceleration after eight months of steadily increasing gains. However, the previous peak of 6.2 percent growth indicates that there may be room for continued acceleration, depending on the strength of retail sales and wage data for early 2014.

## Business-Cycle Index Components

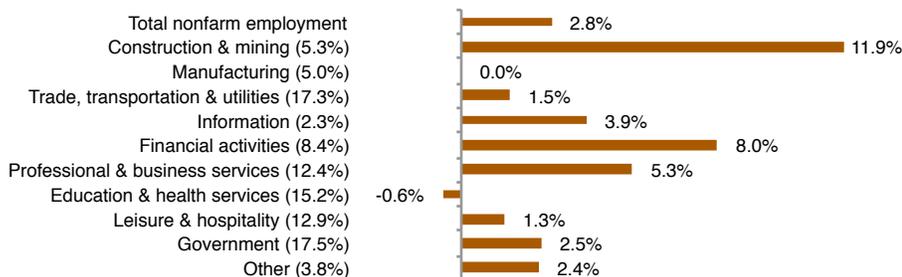
	San Antonio	Texas	U.S.
Annualized job growth (July)	3.0%	4.5%	1.8%
Unemployment rate (July)	4.8%	5.1%	6.2%
Year-over-year change in real retail sales (2013:Q4)*	-12.2%	0.9%	2.5%
Year-over-year change in real wages paid (2013:Q4)*	1.5%	0.6%	0.8%

\*Most recent data available.

► Economic conditions picked up in July for San Antonio and the state. San Antonio added 2,300 jobs to grow at a 3 percent rate, below Texas' very fast 4.5 percent rate and well above San Antonio's long-term average of 2 percent. While the private sector grew moderately after a mild contraction in June, government grew at a 6.1 percent pace, the fastest in over a year. At 4.8 percent, the unemployment rate is still near the rate prior to the recession and below that of the state and the nation.

## Employment

### Employment Growth (April–July)

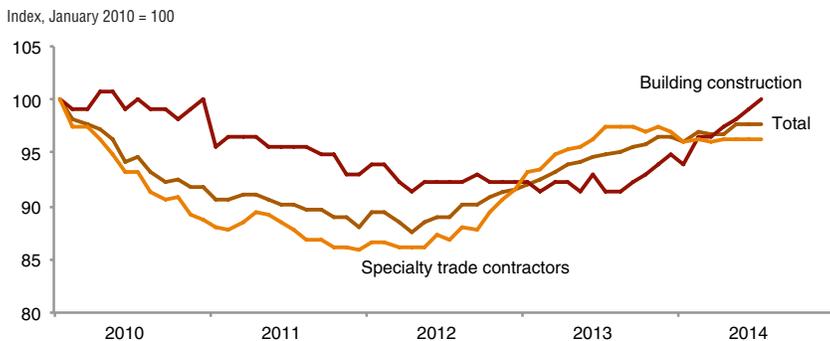


NOTES: Numbers in parentheses represent share of total employment and may not sum to 100 percent due to rounding. Job growth data are seasonally adjusted and annualized.

► Employment growth for the three months ending in July was an annualized 2.8 percent. Most industries continued to post large gains, although growth in areas such as professional and business services moderated somewhat. Construction and mining saw the most growth at nearly 12 percent, more than offsetting weakness in the first quarter. Financial activities continued to pick up, with insurance and credit intermediation the largest areas of growth the past three months. Government employment posted moderate growth, with federal government jobs increasing for the first time this year. However, education and health care employment continued to weaken, while manufacturing remained flat due to reductions in nondurable goods employment.

## Employment

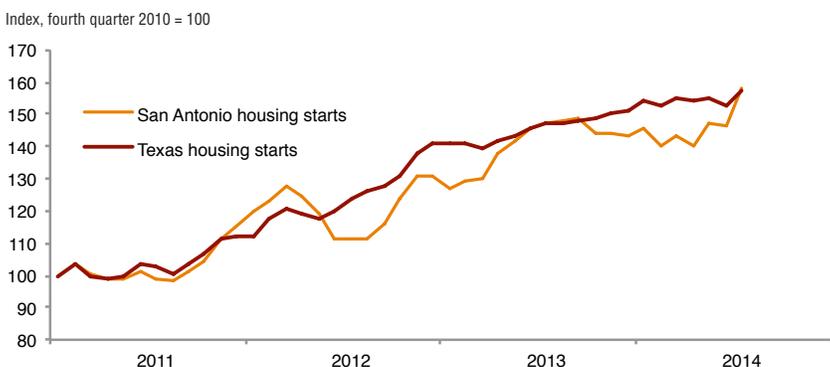
### Construction Employment



► Job growth in construction picked up in the second quarter, driven primarily by hiring in building construction. After reaching a trough in the beginning of 2012, industry employment has grown at an annual pace of nearly 5 percent. In 2013, specialty trade contractor jobs grew the fastest. Recent slowing in this sector has been offset somewhat by an increase in direct building construction jobs. Help-wanted advertising in construction increased for the third month in a row, which indicates continuing strength in the coming months.

## Housing Markets

### Housing Starts Index

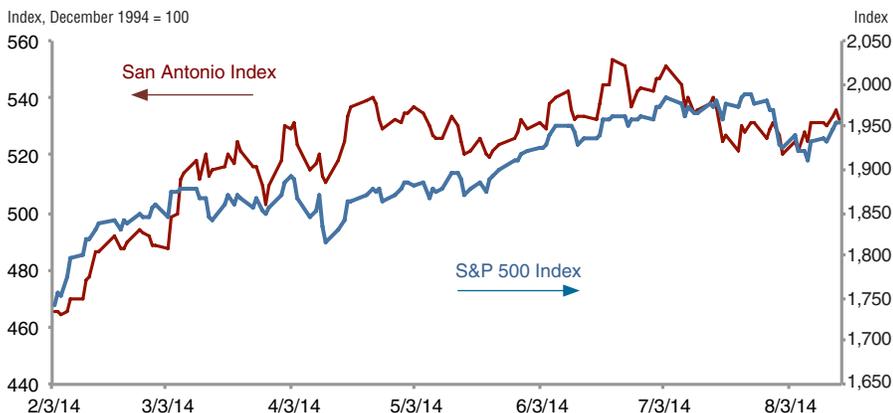


► After some weakness earlier in the year, housing starts in San Antonio picked up strongly in the second quarter and were up 11.2 percent year over year in June. Building permits softened for multifamily units while increasing for single family. Home inventories remained at 4.5 months' supply, above the state's 3.6 months but well below the typical 6 months' supply in a healthy real estate market. Median home prices were up 3.3 percent year over year in June, indicating an overall healthy housing market.

NOTES: Indexed on three-month moving average; data are seasonally adjusted.

## Stock Index

### Stock Price Indexes



► Growth in the San Antonio Stock Price Index increased 1.1 percent from July 18 to Aug. 15. Notably, this occurred while broader equity markets weakened and the S&P 500 fell 1.2 percent. Energy firms experienced some bounce-back after weakening sharply in the prior month, while financial companies saw moderate growth and communications firms saw a mild net decline.

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

SOURCES: **San Antonio Business-Cycle Index:** Bureau of Labor Statistics, Texas Workforce Commission and Federal Reserve Bank of Dallas; **employment:** Bureau of Labor Statistics and Federal Reserve Bank of Dallas; **construction employment:** Bureau of Labor Statistics; **housing starts index:** Federal Reserve Bank of St. Louis; **stock price indexes:** Bloomberg and Standard and Poor's.

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