

# San Antonio Economic Indicators

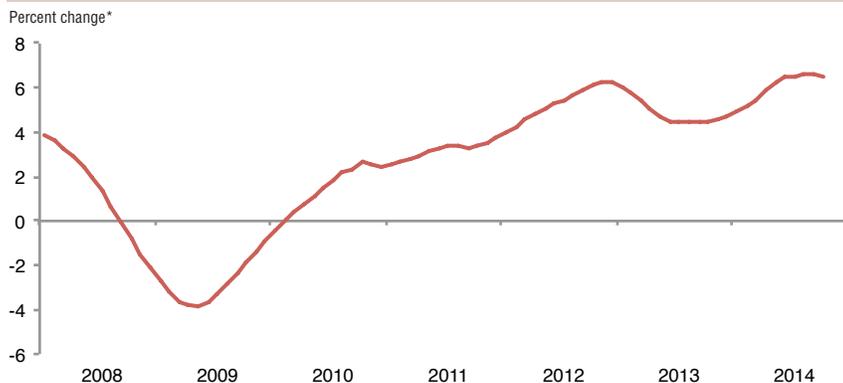
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## Summary

The San Antonio economy continued to grow robustly in October. Payroll employment expanded at a 4.4 percent annualized rate, while the unemployment rate fell to 4.6 percent. Housing indicators remained mixed as new housing starts fell but construction employment, help-wanted advertising and home sales rose in October. Growth in stock prices for San Antonio companies was broad-based, rebounding after weakness in early October.

### San Antonio Business-Cycle Index

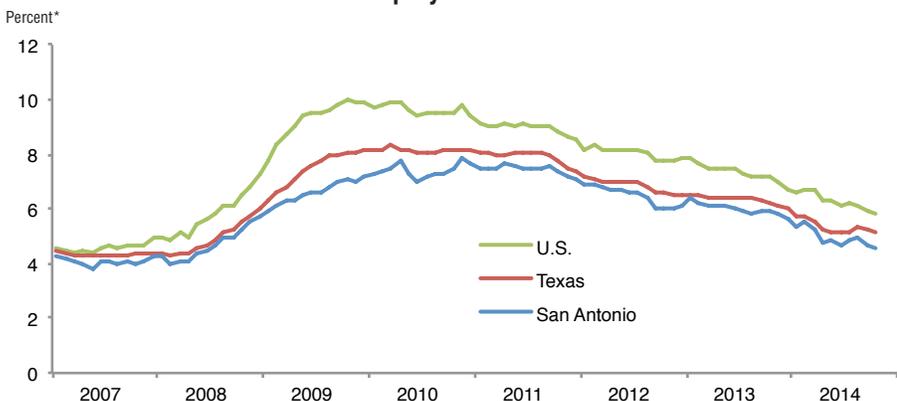


\*Six-month, annualized rate.

► The San Antonio Business-Cycle Index continued to grow at a fast pace, increasing an annualized 6.6 percent over the six months through October. So far this year, the index has grown at a 6.5 percent annualized rate, the fastest since 2005. Recent strength in job growth and a falling unemployment rate have propelled growth in the index.

### Employment

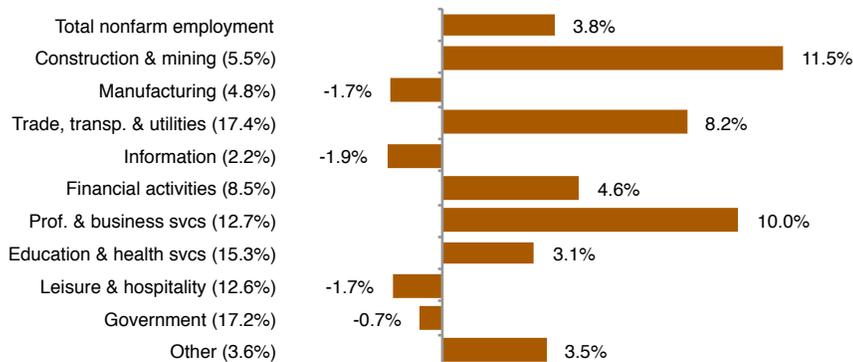
#### Unemployment Rate



\*Seasonally adjusted.

► Most measures of economic activity improved in October. The unemployment rate fell for a second consecutive month, from 4.7 to 4.6 percent, its lowest level since June 2008. Texas and the U.S. saw a similar 0.1 percentage point drop to 5.1 and 5.8 percent, respectively. October job growth was strong at 4.4 percent, slightly below the 4.7 percent for Texas but more than double the 1.9 percent for the U.S. In 2015, as both San Antonio and Texas approach prerecession levels of unemployment, it is likely that labor market tightness will moderate job growth.

#### Employment Growth (August–October)



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.

► Seasonally adjusted growth in total nonfarm employment in San Antonio surged to an annualized 3.8 percent over the three months ended in October. Job growth remained mixed across industries. Construction and mining continued to be the fastest-growing sector at 11.5 percent, with specialty trade contractor hiring increasing notably in the past three months. Professional and business services accelerated as hiring in staffing and employment services bounced back and grew 15.7 percent. Growth in trade, transportation and utilities also picked up to 8.2 percent, primarily from strong retail hiring. Other sectors such as finance and education and health services have continued to grow at a steady pace. Manufacturing and leisure and hospitality saw continued job losses but at a slower rate than in previous months. Government saw a mild contraction, although federal government picked up 1.2 percent.

## Employment

### Retail Trade Employment

Thousands of jobs\*



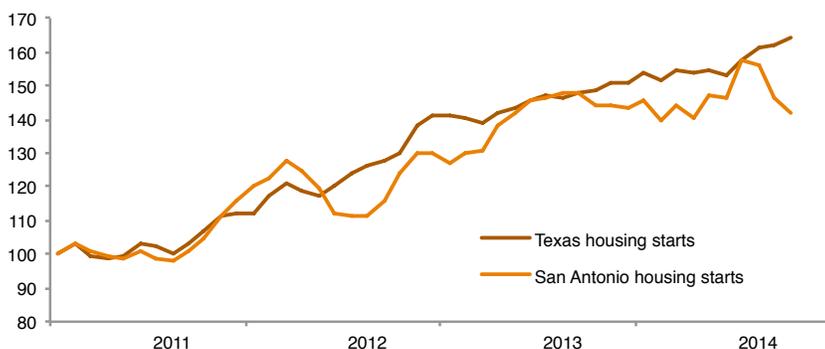
\*Seasonally adjusted.

► Retail trade employment has seen a sharp increase since August of this year, growing 10.7 percent and accounting for nearly a third of the 8,700 total jobs created over this time. While this sector typically grows 1.6 percent annually, the past two years have seen this rate nearly triple to 4.4 percent. This surge in retail employment, along with continued growth in retail sales, reflects general health in local consumer demand.

## Housing Markets

### Housing Starts Index

Index, fourth quarter 2010 = 100



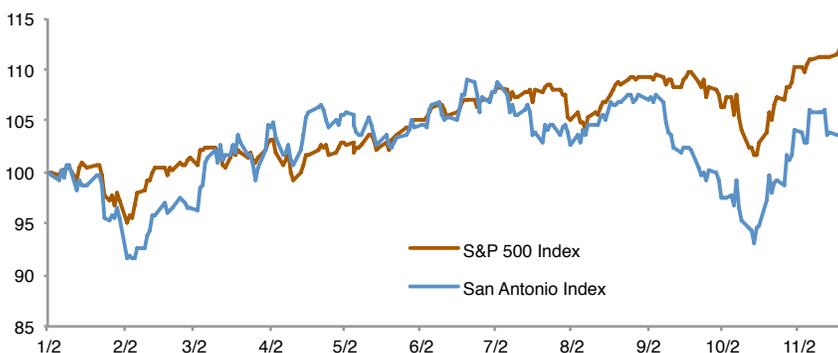
NOTES: Indexed on three-month moving average; data are seasonally adjusted.

► Housing starts in San Antonio continued to fall in September, 9.7 percent below the peak in June. This contrasts with housing starts in the state, which have increased 4.3 percent over this time. Nevertheless, construction employment, along with construction-related help-wanted advertising, expanded strongly in October. Home inventories also fell to an eight-year low of 4.3 months' supply, and existing-home sales have risen to their 2006 peak. These positive signs indicate that housing may see some strength moving into the new year.

## Stock Index

### Stock Price Indexes

Index, Jan. 2, 2014 = 100



► The San Antonio Stock Index has picked up in the past month, rising 8.7 percent from Oct. 20 to Nov. 21. This is in line with the S&P 500, which rose 8.4 percent. San Antonio energy company growth was mixed: Refining companies bounced back after losses in mid-September, while energy producers and equipment suppliers continued to show weakness. Companies in retail, finance and communications saw mild to moderate growth.

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

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

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