

San Antonio Economic Indicators

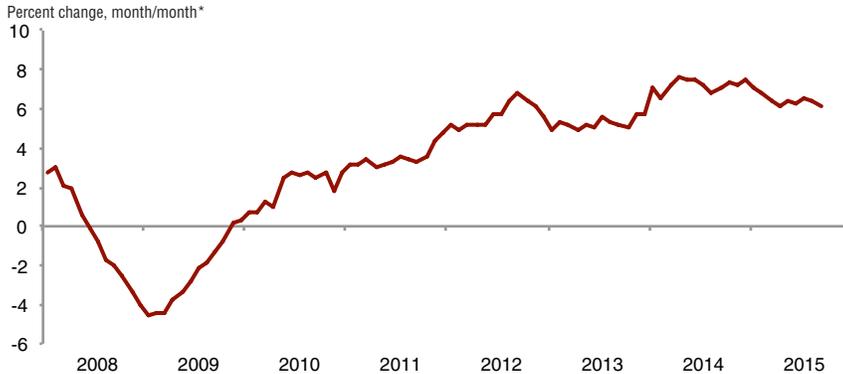
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Summary

Economic growth in San Antonio remained strong in September. Jobs grew at an annualized 5.3 percent pace, far faster than the state's 1.3 percent rate. The unemployment rate ticked up slightly, although it remains near a historical low. While the state continues to feel the effects of the strong dollar and weakness in energy markets, employment has climbed 3.0 percent this year in San Antonio, making it one of the fastest-growing metropolitan areas in the state.

San Antonio Business-Cycle Index

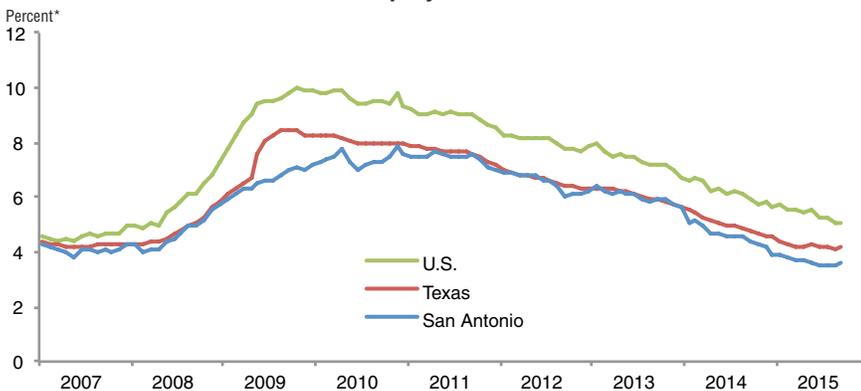


*Annualized rate, seasonally adjusted.

► Growth in the San Antonio Business-Cycle Index slowed from a 6.4 to 6.1 percent annualized rate in September. Although the unemployment rate rose, September job growth and economic activity such as a pickup in help-wanted advertising suggest continued growth in the metro economy.

Employment

Unemployment Rate

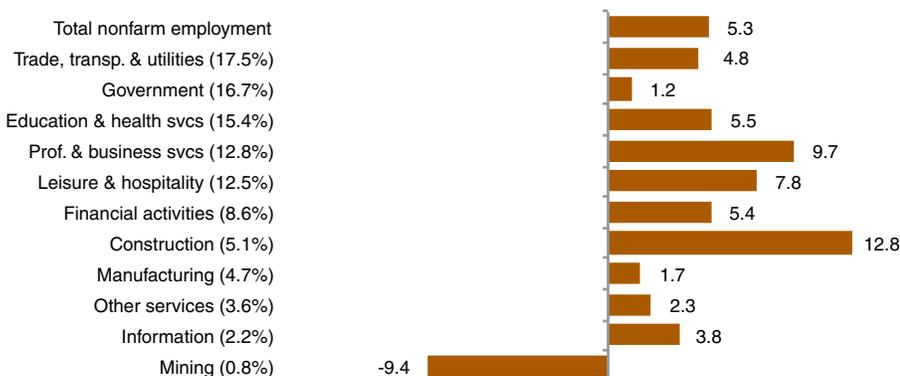


*Seasonally adjusted.

► The San Antonio unemployment rate rose 0.1 percentage points to 3.6 percent in September. This is still below the state rate of 4.2 percent and the national rate of 5.1. Based on San Antonio's average unemployment rate of 5.4 percent over the past 15 years, the current rate remains indicative of a tight labor market.

► Job growth was a vigorous 5.3 percent in the third quarter. Moreover, this growth was broad-based, with only mining shedding jobs. Construction employment accelerated, and professional and business services picked up, largely due to a surge in hiring for administrative services. Leisure and hospitality growth remained robust, and a significant increase in retail hiring gave trade, transportation and utilities its strongest quarter of growth since third quarter 2013. Government picked up following a 0.5 percent decline in the second quarter.

Employment Growth



NOTES: Data show seasonally adjusted and annualized percentage employment growth by industry supersector for July-September 2015. Numbers in parentheses represent share of total employment and may not sum to 100 due to rounding.

Home Inventories



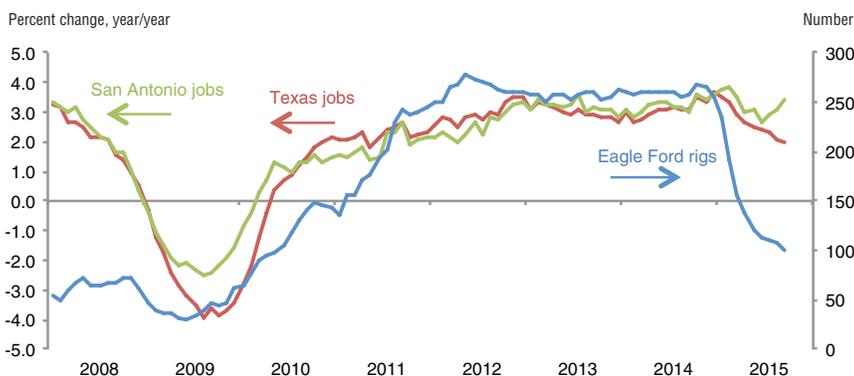
► Home inventories remained lean in August at 3.8 months. This measure is the number of months it would take to deplete inventories at the current sales rate; six is considered healthy. Tight inventories and increased construction activity in September indicate that the metro housing market should remain strong in the near future.

Stock Indexes



► The San Antonio Stock Index rose 5.6 percent from Sept. 21 to Oct. 16, slightly better than the 3.4 percent growth in the S&P 500 over this time. Energy-related firms posted stock price increases, with most refiners and even oil and gas drillers seeing some improvement. Performance was mixed among financial firms, while stocks of communications firms picked up sharply.

Job Growth and Eagle Ford Rig Count



► Following the collapse in crude oil prices from over \$100 in mid-2014 to under \$50 through most of 2015, the rig count in Texas' Eagle Ford Shale has declined consistently—from a high of 268 in October 2014 to 99 in September 2015. Despite San Antonio's close proximity to the Eagle Ford, the energy decline's impact on the local economy has been minimal. In fact, year-to-date job growth is only slightly slower than last year's rapid 3.6 percent rate and far above the state's current pace of growth.

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

SOURCES: **San Antonio Business-Cycle Index:** Bureau of Labor Statistics (BLS), Texas Workforce Commission (TWC) and Dallas Fed; **unemployment rate:** BLS and Dallas Fed; **employment:** BLS and Dallas Fed; **home inventories:** Multiple Listing Service; **stock price indexes:** Bloomberg and Standard and Poor's; **job growth and Eagle Ford rig count:** BLS and Baker Hughes.

Questions regarding *San Antonio Economic Indicators* can be addressed to Christopher Slijk at christopher.slijk@dal.frb.org.